Moving into the Forefront

Annual Report 2007
Year ended March 31, 2007

ACOM CO., LTD.

Corporate Philosophy

Based on our twin mottos of
“respecting other people” and “putting the customer first,”
we will continue to
pursue an innovative and creative style of
corporate management aimed at
helping our customers realize happier and
more fulfilling personal lives.

In 1936, ACOM was founded on the ideal of
“extending the feeling of confidence from people to people.”
Since then, we have always sought to develop our business
by establishing an unshakable mutual trust between us and our customers.

ACOM is an acronym created from
the following three words:

acom

Affection
We constantly attempt to have heart-warming relations with our customers that are based on their interests.

Confidence
We strive to establish an unshakable mutual trust between us and our customers.

Moderation
We are hard-working and humble as we carry out our business of helping our customers achieve satisfying lives.

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1. Forward-Looking Statements

The figures contained in this annual report with respect to ACOM's plans and strategies and other statements that are not historical facts are forward-looking statements about the future performance of ACOM which are based on management's assumptions and belief in light of the information currently available to it and involve risks and uncertainties and actual results may differ from those in the forward-looking statements as a results of various facts. Potential risks and uncertainties include, without limitation, general economic conditions in ACOM's market and changes in the size of the overall market for consumer loans, the rate of default by customers, the fluctuations in number of cases of claims from and the amount paid to customers who claim us to reimburse the portion of interest in excess of the interest ceiling as specified in the Interest Rate Restriction Law, the level of interest rates paid on the ACOM's debt and legal limits on interest rates charged by ACOM.

2. All amounts are truncated to the nearest expressed unit.

3. Percentage figures are a result of rounding.

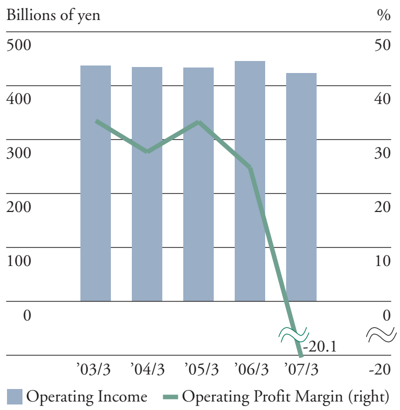
Financial Highlights

ACOM CO., LTD. and Subsidiaries

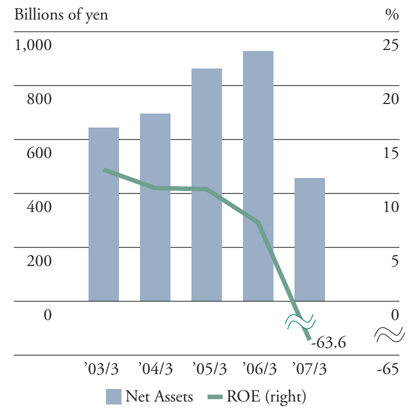
	Millions of yen				
	2003	2004	2005	2006	**2007**
Profit and Loss Related:					
Operating Income	437,572	434,968	433,965	445,431	**423,652**
Operating Expenses	290,877	314,577	289,604	335,039	**508,755**
Bad-debt-related Expenses *1	115,671	140,505	108,453	117,125	**137,595**
Interest-repayment-related Expenses *2	—	—	—	37,228	**200,147**
Other Operating Expenses	175,206	174,072	181,151	180,685	**171,013**
Operating Profit (Loss)	146,695	120,391	144,361	110,392	**(85,102)**
Net Income (Loss)	75,096	70,319	81,533	65,595	**(437,972)**
Cash Flow Related:					
Net Cash Provided by (Used in) Operating Activities	47,550	164,158	141,014	100,226	**99,944**
Net Cash Provided by (Used in) Investing Activities	(8,191)	(5,398)	(17,350)	(44,973)	**308**
Net Cash Provided by (Used in) Financing Activities	7,906	(166,105)	(136,508)	(104,389)	**(53,464)**
Free Cash Flow	39,359	158,760	123,664	55,253	**100,252**
Balance Sheet Related:					
Total Assets	2,183,414	2,075,389	2,077,334	2,106,681	**2,031,829**
Receivables Outstanding *3	1,940,055	1,851,454	1,856,962	1,834,628	**1,734,139**
Total Amount of Bad Debts	60,791	80,259	83,961	114,371	**149,453**
Allowance for Bad Debts	112,549	135,350	130,532	131,620	**128,798**
Net Assets*4	644,431	697,166	863,760	927,722	**457,165**
	Yen				
Per Share:					
Net Income, Basic	513.08	487.77	516.23	416.69	**(2,786.19)**
Net Assets*4	4,405.08	4,855.98	5,456.39	5,901.69	**2,863.16**
Cash Dividends	80	80	100	140	**100**
	%				
Financial Ratios:					
Profitability					
Operating Profit Margin	33.5	27.7	33.3	24.8	**(20.1)**
ROE *5	12.2	10.5	10.4	7.3	**(63.6)**
Efficiency					
Operating Efficiency *6	9.2	9.2	9.8	11.8	**20.8**
ROA1(Net Income to Total Assets) *5	3.5	3.3	3.9	3.1	**(21.2)**
ROA2(Net Income to Receivables Outstanding) *5	3.9	3.7	4.4	3.6	**(24.5)**
Stability					
Owner's Equity Ratio*7	29.5	33.6	41.6	44.0	**22.2**
Bad Debt Ratio (Gross Basis)[Non-consolidated] *8	3.7	4.9	5.1	6.9	**9.4**
Bad Debt Coverage Ratio[Non-consolidated] *9	178.0	162.2	150.7	112.0	**85.6**

Notes: 1. The amount of bad-debt-related expenses is the sum of bad debt write-offs, increase or decrease in allowance for bad debts, and increase or decrease in allowance for loss on debt guarantees.
2. Interest-repayment-related expenses represents the sum of interest repayments, ACOM's voluntary waiver of repayments accompanied with interest repayments, and increase or decrease in allowance for loss on interest repayments.
3. Receivables outstanding indicates the sum of receivables outstanding of the loan business, credit card business, and installment sales finance business.
4. From FY2006, total shareholders' equity is being shown as net assets.
5. ROE and ROA are calculated using the simple average of beginning and end of term balance sheet figures.
6. Operating efficiency = Operating expenses excluding bad-debt-related expenses / average of beginning and end of term receivables outstanding
7. Owner's Equity Ratio = Net assets less minority interests / total assets
8. Bad debt ratio (Gross basis) = Total amount of bad debts / loans receivable plus loans to borrowers in bankruptcy or under reorganization
9. Bad debt coverage ratio = Allowance for bad debts / total amount of bad debts

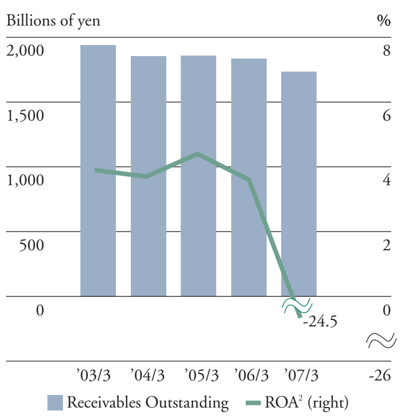
Operating Income and Operating Profit Margin



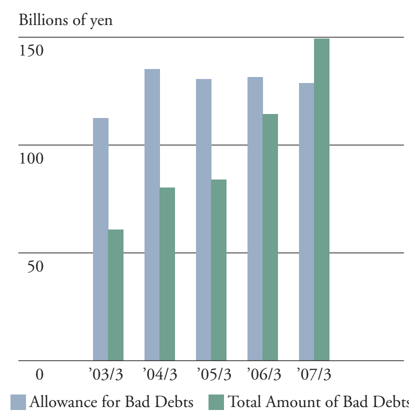
Net Assets and ROE



Receivables Outstanding and ROA²

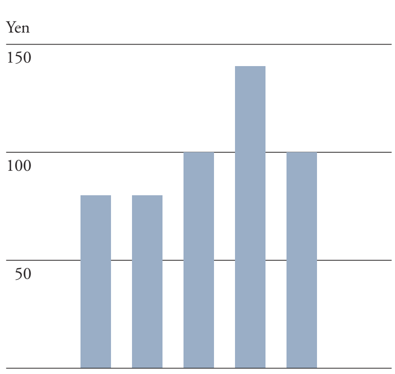


Allowance for Bad Debts and Total Amount of Bad Debts

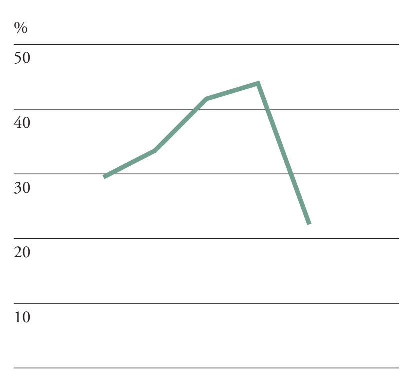


* From 2006, ACOM's voluntary waivers of repayments due to the claims for interest repayments have been provided for under the allowance for loss on interest repayments.

Cash Dividends per Share



Owner's Equity Ratio



Message from the Management

Shigeyoshi Kinoshita President & CEO

We will implement far-reaching reforms to our cost structure and embrace powerful business strategies while promoting greater compliance-oriented awareness across the ACOM Group. In these ways, we will quickly build a reputation as a company that offers relief, confidence, and low-price and implement various measures that contribute to the sound development of the consumer credit market.

Fiscal 2006 in Review

¥490 Billion Allowance for Loss on Interest Repayments

In fiscal 2006, ended March 31, 2007, the Japanese economy remained on a path of overall moderate recovery, as strong corporate earnings spurred continued increases in private sector capital spending while a recovery in employment conditions helped underpin personal consumption. However, the operating environment surrounding the ACOM Group became increasingly severe due to a number of factors. In addition to intensified competition, especially in the loan business, these included amendments to legislation, including a cap on interest rates, as well as press reports about the handling of group life insurance contracts for consumer credit. Such factors have caused the general image of the consumer finance industry to deteriorate. Meanwhile, claims for reimbursement of interest repayments have ballooned beyond our predictions.

Facing these challenges, the ACOM Group introduced various interest rate incentives, which led to lower yield from loan products. We also applied more stringent credit screening standards, causing a decline in the number of new loan customers. The consolidated operating income for the year amounted to ¥423.6 billion, down 4.9% from fiscal 2005. In addition, ACOM (the parent company) made a ¥490.0 billion allowance for loss on interest repayments and incurred substantial business restructuring expenses (additional retirement benefits for employees taking voluntary retirement and expenses associated with the reorganization of loan business outlets). As a result, the Group posted an operating loss of ¥85.1 billion and a net loss of ¥437.9 billion. These factors had a major negative impact on our capital base, causing the owner's equity ratio to decline from 44.0% to 22.2% – well below our target of a ratio in the mid 30's (%). In addition to dramatically changing business conditions, we were severely affected by special circumstances that required us to make provision for future claims for interest repayments. With respect to our major loss and the deterioration of capital, I sincerely apologize to all shareholders on behalf of management. Going forward, we will build a corporate group with a stronger social focus, especially with respect to customer protection. Through financial services that deliver relief, confidence, and low-price, we are committed to becoming a financial services group that works for the benefit of the entire consumer credit market.

Restructuring Group Operations

Following the enactment of the amended Regulations Governing Money Lending Business Law (RMBL) in December 2006, conditions surrounding the consumer credit market have changed dramatically, and we now face a situation in which we cannot easily overcome these challenges using our traditional earnings model. To prevail in this period of transition and emerge as a true winning force in the retail finance sector, we will seek to build a low-cost business model that can generate consolidated operating profit of around ¥50 billion per year, even if average yield on unsecured loans is set at between 16% and 17%. Since November 2006, we have been implementing a plan to save Groupwide costs by ¥40 billion or more compared with fiscal 2005.

ACOM (the parent company) has already completed a number of initiatives under this plan. While keeping a good balance between maintaining service levels and improving efficiency, we have reorganized our loan sales operations – including a shift from staffed to unstaffed outlets and closure of certain unstaffed outlets – and centralized our 4 contact centers and 12 service centers into two locations each, thus raising efficiency and enhancing productivity. We also arranged voluntary retirement for 709 staff and reduced the total number of employees to 2,956 at fiscal year-end. Personnel costs for fiscal 2007 onward are expected to thus be about ¥10.9 billion less than the fiscal 2005 level. Moreover, around 80% of new loan applications are made via unstaffed outlets, and practically all inquiries and advisory services are handled by our call centers. In the future, we believe we can prevent lowering service quality stemming from the decrease of the number of employees, through more efficient allocation of unstaffed outlets and functional upgrades to our automatic contract machines.

In addition to sales network reorganization and staff reductions, we integrated Group companies in order to enhance operational efficiency. On April 1, 2007, for example, we transferred the installment sales finance business of the parent company to JCK CREDIT CO., LTD., a wholly owned subsidiary. We then integrated the installment sales finance operating base and expertise of the ACOM Group into JCK CREDIT and changed its name to AFRESH CREDIT CO., LTD.. In another initiative, we merged three ACOM subsidiaries – JLA INCORPORATED, ACOM ESTATE CO., LTD., and ABS CO., LTD. – to form a new JLA INCORPORATED as a competitive, highly specialized player in the real estate development, construction, and management field.

As part of reforms to our cost structure currently under way, we are seeking to reduce advertising and promotional expenses, which were ¥16.0 billion in fiscal 2005, to below ¥9.0 billion. In fiscal 2007, we expect to cut such expenses by ¥6.2 billion compared with the fiscal 2005 level, by placing advertisements selectively according to changing business conditions and renewing our focus on cost-benefit performance. We also plan to lower expenses for computer operation and development, currently around ¥20.0 billion per year, by more than 30% by fiscal 2010. To this end, we are developing new systems to facilitate a switch to an open mainstay system in the future.

Please see p. 12 for a special feature on our cost reforms.

Reinforcing Compliance

For some time, the ACOM Group has promoted compliance-oriented awareness as a key priority. This means not only obeying laws and internal regulations but also observing strict business ethics, including respect for common decency and human rights. Recently, however, the consumer finance industry has been plagued by an increasingly negative image. To address this issue, we have promoted more open and transparent management and further strengthened our focus on legal and ethical compliance. Specifically, we reorganized the Business Ethics Committee into the Compliance Committee. In the interests of impartiality, more than half of the committee's members, including its chairman, are outside experts. To ensure its independence from the business execution departments, the committee is now appointed by the Board of Directors. In addition, we integrated the Legal Department and the Business Ethics Office to form the new Compliance Department, and we worked in other ways to build a rock-solid business foundation conducive to stable long-term growth, even under the restraints of the new Money Lending Business Law.

Promoting Our Asia Strategies

The Japanese consumer credit market is destined to contract in the future due to the declining overall population, reduction in the maximum interest rate, and the enactment of regulations limiting loan amounts to less than one-third of borrowers' annual incomes. For strong companies, new business opportunities may appear, but to achieve growth from a long-term perspective we will need to enter other promising new markets, notably overseas. The Group already has full-scale business operations overseas, including EASY BUY Public Company Limited, a consolidated subsidiary in Thailand. We also have set up representative offices in Beijing and Ho Chi Minh City. Through our alliance with the Bank of Tokyo-Mitsubishi UFJ, Ltd. (hereinafter BTMU), meanwhile, we are preparing to acquire shares in PT. BANK NUSANTARA PARAHYANGAN Tbk, a bank in Indonesia. In these ways, we are actively advancing our business overseas, centering on Asia.

Future Strategies and Fiscal 2007 Outlook

Provide New Financial Products under Interest Rate Restriction Law

In the lead-up to a revision to Interest Rate Restriction Law, scheduled for the end of 2009, we began providing in June 2007 new loan products with the maximum interest rate reduced from 27.375% to 18%. As we expedite the launch of new products that conform to the upcoming law, we will place top priority on implementing more rigorous credit screening procedures. In the short term, meanwhile, our traditional customer target market will shrink. Nevertheless, we decided that to increase ACOM's corporate value in the future, we need to take decisive action. This means building a reputation as a company that offers relief, confidence, and low-price in order to swiftly attract high-quality customers, while alleviating the risk of future claims for interest repayments. On a positive note, our restructuring plan will enable us to generate profits, even on unsecured consumer loans with average yield of between 16% and 17%. Because this plan is proceeding well, we will be able to launch new loan products to customers more quickly than originally envisaged. For customers with existing accounts, we will actively promote preferential interest rates. As we adopt new screening standards, however, we will decide whether or not to enter contracts for new loan products with such customers.

Please see p. 11 for a special feature on the background and details of the launch of these new loan products.

Additional Provisions Not Planned, Despite Rising Trend of Interest Repayments

In the first half of fiscal 2006, we made a one-time ¥357.5 billion provision for loss on interest repayments, covering estimated losses over a five-year period stemming from interest repayments and waivers of loan principal, following the announcement of guidelines by the Japanese Institute of Certified Public Accountants (JICPA). In the second half of the year, however, claims for interest repayments exceeded our expectations, and for this reason we made extra provisions. By fiscal year-end, the allowance for loss on interest repayments had reached ¥490.0 billion. In fiscal 2007, we expect that claims for interest repayments will continue rising. Nevertheless, we believe that such claims will begin declining in fiscal 2009 as we make progress in reorganizing our loan portfolio. Since the allowance we made covers a five-year period, moreover, we believe it will be sufficient to cover claims for the time being, and our business stability will thus be preserved.

Considering Entry into the Small Business Loan Market

The ACOM Group's most important challenge in the near term is to attract new customer segments by modifying the business model for its core unsecured loan business and fostering a reputation for providing relief, confidence, and low-price. At the same time, we recognize that future growth will crucially depend on our ability to diversify our income sources. Here, we will draw on Groupwide strengths to develop our diversified financial service capabilities, especially in the guarantee business, through an alliance with the Mitsubishi UFJ Financial Group, Inc. (hereinafter MUFG). In fiscal 2006, the pace of growth in the guarantee business declined as regional banks with which we have alliances restrained their advertising activities in light of negative circumstances surrounding the consumer finance industry. In fiscal 2007, however, we expect to provide guarantees for a new unsecured loan product to be launched by BTMU, and we look forward to forming relationships with new regional banks in this business. In addition, we are actively considering entry into the business of guarantees for small business loans provided by banks – a segment of the market that was liberalized in June 2007.

Return to Profitability Forecasted for Fiscal 2007

In fiscal 2007, we expect yields from unsecured loans to further decline, and we also predict that our total loan balance will decrease as we adopt more stringent screening criteria. Nevertheless, we believe that claims for interest repayments will be sufficiently covered by allowance already in place. For fiscal 2007, we forecast the consolidated operating income of ¥368.3 billion, down 13.1% on fiscal 2006, as well as operating profit of ¥49.4 billion and net income of ¥47.0 billion – marking a return to profitability.

Capital Strategies and Shareholder Return

Priority on Restoring the Owner's Equity Ratio

By the end of fiscal 2006, Owner's Equity Ratio of ACOM had declined to 22.2% on a consolidated basis and 23.8% on non-consolidated basis, due to deterioration of income and provisions for loss on interest repayments. In fiscal 2007, we expect to restore the non-consolidated ratio to 28.7%. To stabilize operations and lay the groundwork for future growth, however, we must adopt capital strategies aimed at raising both the consolidated and non-consolidated owner's equity ratio to the mid 30's (%). This is our most urgent priority. Therefore, although we recognize that the substantial losses incurred in fiscal 2006 are a one-time phenomenon, we have decided to lower annual cash dividends to ¥100.00 per share, down ¥40.00. We have set a shareholder return policy that targets a ratio of profit distribution (total amount of dividends and share buybacks) to shareholders of 30% of net income or higher on a non-consolidated basis over the medium term while maintaining an appropriate owner's equity ratio.

In Conclusion

Creating a New Chapter in Our History

In light of upcoming legal amendments, not only consumer finance companies but also credit card companies and installment sales finance companies will be forced to undertake drastic reforms. Indeed, it will be a challenging time that will test the strength of all companies involved and ultimately determine their survival. In this context, the ACOM Group will swiftly implement its announced structural reforms. At the same time, we will serve as a "people's finance" provider with whom customers can closely identify as we build an image as a company that delivers relief, confidence, and low-price. In addition, we will modify our business model to facilitate stable profit growth even in an environment where the average yield on unsecured consumer loans is between 16% and 17%. Meanwhile, we will reinforce our guarantee business and other diversified financial services, tap new markets in Southeast Asia, and accelerate new business initiatives under our alliances with MUFG. If we can build a strong foundation capable of generating synergies across Group businesses in the retail finance market, we will be well positioned to consider further business and capital alliances, including M&A activities. Then we can return to a path of sustained growth.

By adopting the above strategic measures, we are confident that we can overcome this period of dramatic change, contribute to the sound development of the consumer credit market, and create a new chapter in our history. We look forward to your ongoing support as we embrace the challenges of the future.

Shigeyoshi Kinoshita

Shigeyoshi Kinoshita
President & Chief Executive Officer

Special Feature

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Changes in the Lending Industry

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Progress of Alliance with Mitsubishi UFJ Financial Group, Inc.

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Special Feature 1

Changes in the Lending Industry

Law for Revisions to Laws Regarding Regulation of the Lending Industry, published on December 20, 2006.

First Initiative
January 2007

- Raise penalties for unregistered operations

Second Initiative
Within one year of publication (principle enactment period)

- Law name change to Money-Lending Business Law
- Establishment of Moneylenders Associations approved by the government
- Strengthening of rules of conduct
- Establishment of system for orders for improvement of operations
- Digitalization of documents

Third Initiative
Within 18 months of principle enactment period

- Establishment of certification system for lending business managers
- Establishment of designated credit information service organization system

Fourth Initiative
Within 30 months of principle enactment period

- Reduction of maximum interest rate (ACMI)
- Restrictions on total loan amounts
- Obligation of analysis of borrower's repayment capacity
- Abolishment of Minashi repayment*
- Pre-transaction term sheets made compulsory

* Payments where interest rates above the maximum allowed under the IRRL are deemed legal if the borrower consents.

The Regulations Governing Money Lending Business Law (RMBL) was amended at the end of 2006, with the aim of addressing the problem of borrowers with multiple debts. The new legislation has tightened regulations governing the lending industry in two ways. First, the maximum interest rate chargeable under the Acceptance of Contributions, Money Deposits, and Interest Law (ACMI) will be reduced from the present rate of 29.2% to 20% by the end of 2009. Second, the legislation introduces restrictions on the total amount that each person can borrow. These tighter regulations promise to cause major structural changes in Japan's consumer finance industry in the years ahead.

Unifying Interest Rate Restrictions in Line with the Interest Rate Restriction Law and Lowering the Maximum Allowable Rate

On December 13, 2006, the Japanese Parliament passed a resolution to amend the Money-Lending Business law. The amendment is designed to eliminate the so-called "gray zone," which refers to the inconsistency between maximum rates under the Interest Rate Restriction Law (IRRL) – between 15 to 20% and the ACMI – 29.2%. By the end of 2009, the maximum rate will be unified at 20% under the IRRL. In addition to consumer finance, this change will have a massive impact on companies in the small business finance, credit card, and installment sales finance industries, as well as the people who use their services, numbering around 15 million (with a total loan balance of between ¥18 trillion and ¥20 trillion). By late 2009, when the moratorium period ends, lending companies will need to restructure their business models. Plainly speaking, they will be pressured to modify their cost structures to address significant declines in interest income. Also important will be reductions in bad-debt-related expenses, which constitute the major portion of operating expenses. An urgent task for lenders will be to redesign their business models to include adoption of more stringent lending criteria and reassessment of lending models.

In the short term, a credit constriction has prompted an acceleration of requests among borrowers to return the portion of interest exceeding the maximum interest rate under the IRRL. As we phase out lending at rates that fall under the gray zone, however, requests for interest repayment should decrease over the medium term.

Loan Balance to Shrink Due to Restrictions on Loan Amounts

Another important aspect of the aforementioned changes is the introduction of restrictions on total loan amounts. Specifically, lenders must participate in a credit information service organization designated by the Prime Minister. This will enable lenders, when considering to conclude contract to extend a loan, to gain an understanding of the prospective borrower's total existing debts. In principle, registered lenders are prohibited from providing loans in excess of one-third of a borrower's annual income. This restriction is designed to eliminate the problem of multiple-debt borrowers by prohibiting the extension of loans that exceed a borrower's repayment capacity. Accordingly, lenders will be forced to control extension of new loans, which will lead to a decline in outstanding loans in the market and lead to intensified competition to attract high-quality customers.

Moving into the Forefront

Rather than wait until the 2009 year-end expected legal deadline for reducing its maximum interest rates, in June 2007 ACOM launched new loan products with the maximum rates of 18%. In the process, we will focus on building a brand image as a company that provides relief, confidence, and low-price. At the same time, we will strive to attract high-quality customers.

Background of Expediting New Product Launch

There were five main reasons for unveiling the new 18% maximum rate loan products. First, our program to cut operating costs by ¥40 billion or more is proceeding well, and we can now envisage a framework capable of generating at least ¥50 billion in annual operating profit if the average yield on unsecured loans falls to the 16% range, as we plan for it to. Second, given expectations of intensified competition, we are striving to prevent loss of existing customers while addressing demand from a broader audience, including medium-risk borrowers, in order to swiftly attract high-quality customers. Third, by targeting an interest rate range below the maximum under the IRRL, we hope to lower the risk of future requests for interest repayments. Fourth, we are reducing the risk of loan default by adopting more stringent lending criteria and raising the quality of credit. Fifth, by swiftly establishing an image as a low-price "people's finance" lender, we hope to increase motivation among employees. Progress in these five areas, we believe, will directly benefit our efforts to raise corporate value for ACOM in the future.

Target Customers for New Products

The new products are aimed at new loan contracts. In principle, we will respond to applications from customers with existing loans via credit screens using new lending criteria, in order to decide whether or not such customers can switch to the new loans. As a key priority, we will closely analyze existing customer data to identify high-quality borrowers, whom we will actively encourage to shift to our new loan product.

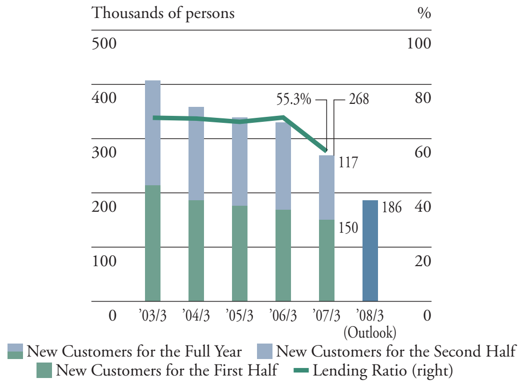
In addition to reorganizing our customer portfolio, by introducing the new products we aim to uncover a lower-risk customer segment and embrace a low-risk lending policy. In the process, we will better meet the expectations of customers and apply more incentive-based interest rates that are lower than those prescribed by law.

Short-Term Impact on ACOM

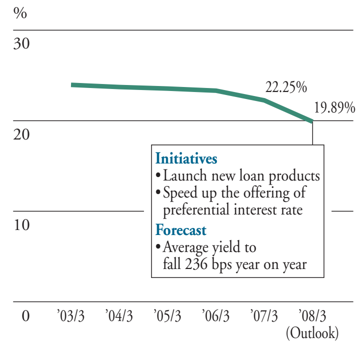
The interest rates on our current products range between 13.140% and 27.375%. In order to narrow the range to between 12% and 18% with our new products, we must apply more stringent lending criteria aimed at lowering the risk of default. To this end, over the short term the new lending ratio, which indicates the percentage of new applications that we ultimately approve, will fall.

Having introduced the new loan products, we expect the average yield on unsecured loans extended by the parent company to be 19.89% in the fiscal year ending March 2008 (down 236 basis points from the previous year). In the meantime, we will target business reforms aimed at gradually bringing down average yield to the 16% range by the year ending March 2010. Moreover, we plan for the new

New Customers and Lending Ratio in Unsecured Loans for Consumers (Non-consolidated)



Average Yield for the Period for Unsecured Loans for Consumers (Non-consolidated)



lending ratio for the parent company to fall to around 35% for the year ending March 2008, from 55.3% in the year under review. Accordingly, the number of new unsecured loan customers will fall to around 186 thousand down 82,710 year-on-year, and the balance of loans outstanding will decline 10.5%, to ¥1,294.5 billion. That is, in the short term, in addition to reducing interest rates, we will face very challenging business conditions as the adoption of more rigorous lending criteria will reduce the new contract ratio, which will lead to declines in customer numbers and outstanding loan balances. In prevailing amid these challenges, however, we will strive to attract high-quality customers and minimize the magnitude of the loan balance decline.

Cost Structure Reforms to Boost Operating Efficiency

To prepare for these challenges, the ACOM Group will implement extensive reforms covering all of its businesses and organizations. Key tasks include rebuilding our loan business model and restructuring Group businesses and functions. We are currently implementing a program aimed at reducing operating expenses (excluding financial expenses, bad-debt-related expenses, and interest-repayment-related expenses) by ¥40 billion compared with the year ended March 2006. Our most urgent priority is to transform the model for our core unsecured loan business into a low-cost model, by (1) converting outlets operated by the parent company into unstaffed ones and consolidating our call centers, and (2) reducing personnel, advertising and promotion, and expenses for computer operations and development. As this graph on the next page, we are making good progress in these areas.

(1)
Conversion to unstaffed outlets and consolidation of call centers (parent company)

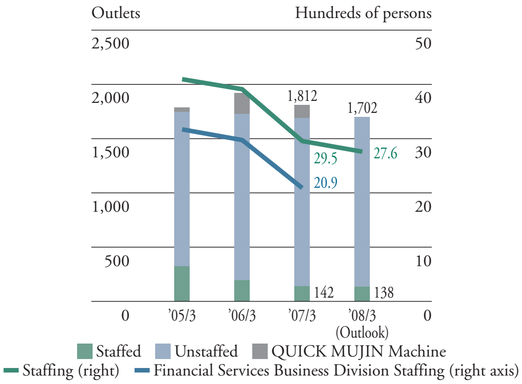
In our unsecured loan business, our program to reorganize our loan sales outlets, centering on converting staffed facilities to unstaffed ones, and consolidate our call centers was completed by March 2007 as planned. We now have 1,812 loan sales outlets, down 191 from March 2006, and two call centers, down from four.

(2)
Reduction of personnel, advertising and promotion, and expenses for computer operation and development

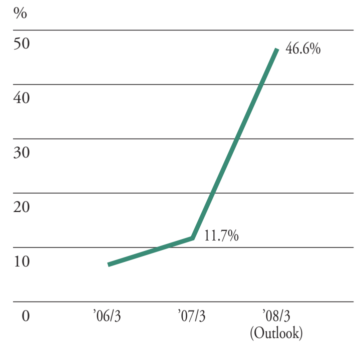
In line with the conversion to unstaffed outlets and rationalization of administrative departments, 709 employees accepted voluntary retirement, resulting in a ¥14.5 billion special retirement expense for the year under review, reported as an extraordinary loss. As a result, we have achieved our objective of reducing personnel costs by around ¥8.0 billion per year. With the addition of natural attrition, we forecast a ¥10.9 billion decline in such expenses for the year ending March 2008 compared to levels for fiscal 2005.

In the year under review, advertising and promotional expenses amounted to ¥16.0 billion. By reassessing our television advertising approach, however, we are seeking to reduce such expenses to below ¥9.0 billion annually. For the year ending March 2008, we forecast advertising and promotional expenses of ¥9.8 billion, down ¥6.2 billion compared to levels for fiscal 2005.

Loan Business Outlets and Staff Numbers



Loan Balance for Unsecured Loans in the 15%-18% Interest Rate Range



We also plan to lower expenses for computer operation and development by at least 30%. We will achieve this by introducing bank-related general ledger packaged software provided by an Indian company and rebuilding our mainstay computer systems by switching to an open system. The new system is under development and scheduled to be on stream in 2009. For the year ending March 2011, we expect to reduce annual computing expenses by around ¥6.0 billion.

Use Our Renowned Lending System to Identify High-Quality Customers

ACOM is already actively promoting incentive interest rates within limits set under the IRRL. The interest rate for customers making use of services similar in standard to our new loan product was 11.7% at fiscal year-end, based on the outstanding loan balance. However, the balance of loans yielding between 15% and 18% as a percentage of the total loan balance will swiftly jump to 46.6% during the year ending March 2008. This is not only due to the introduction of the new loan products but also to our strategy of identifying high-quality customers from our existing borrowers by enhancing the accuracy of our loan screening system. The Group's greatest strength is its advanced screening model, based on transaction data for more than 8.5 million customers it has served over many years. In the new interest rate environment, this system will play a crucial role in our efforts to increase the number of high-quality customers because it will enable us to identify those borrowers who, despite having generally weak customer attributes, would nevertheless represent a reliable customer segment. The ACOM Group is currently building an extremely high-precision loan screening model that is superior to those of its competitors, and this model has received the endorsement of the Mitsubishi UFJ Financial Group, Inc. (hereinafter MUFG). Going forward, we will effectively utilize our lending system to identify high-quality customers even in the most difficult business circumstances.

Segmentation from DC Cash One under Consideration

There have been concerns that the launch of the new loan product will lead to overlap of customer segments targeted by ACOM and subsidiary DC Cash One Ltd. (hereinafter DC Cash One). However, the customer appeal and sales processes of the two companies are quite different. ACOM is widely recognized as a consumer credit and people's finance company, while DC Cash One has the benefit of the powerful MUFG brand image. In the future, we will continue our policy of attracting customers under our two-brand strategy, centering on ACOM and DC Cash One. At the same time, we will give full consideration to the merits of separating the two brands. For example, we may introduce into DC Cash One's lineup new products with an even lower interest, to give customers a wider choice.

Special Feature 3

Progress of Alliance with Mitsubishi UFJ Financial Group, Inc.

Significance and Progress of Alliance with Mitsubishi UFJ Financial Group, Inc.

The ACOM Group anticipates that the domestic consumer finance market will become more appealing as business conditions change in line with people's diversifying lifestyles. With this in mind, in March 2004 we formed a strategic business and capital alliance with the Mitsubishi Tokyo Financial Group, Inc. (currently Mitsubishi UFJ Financial Group, Inc.), covering the retail finance category. The aim of the alliance has been to deploy the expertise and business foundations of both parties to maximum efficiency in order to reinforce and upgrade their respective competitive positions in the retail finance market and thus raise profitability. Another key objective was to foster the sound development of Japan's consumer finance market.

In the wake of major reorganization in the banking sector, conditions in the consumer finance market are changing dramatically. Accordingly, the strategic business aspect of the alliance has not progressed at the speed we initially envisaged. However, the direction of the alliance remains unchanged, and we have made steady progress as described below.

Structure and Progress of Alliance with Mitsubishi UFJ Financial Group, Inc.

1. Debt guarantees in the consumer finance business
   - In February 2006, DC Cash One launched guarantee services for the Super IC Card "Tokyo-Mitsubishi UFJ-VISA".
   - In August 2006, DC Cash One launched the IC credit card (issued by former UFJ branches).
   - We will launch guarantee services for a new dedicated unsecured loan product by The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) scheduled for launch in the year ending March 2008.

2. Debt guarantees related to settlements by small businesses
   - With the scheduled liberalization of the market for business loans offered by the credit guarantee arms of banking groups, we are examining various possibilities, including expansion of our credit guarantee services for corporations.

3. Alliances with affiliated financial institutions and corporations related to the guarantee and loan servicing businesses
   - In the year ended March 2006, we entered an alliance with three regional banks closely affiliated with BTMU, covering guarantees for personal loans.
   - In the same year, IR Loan Servicing, Inc. merged with DC Servicer company, Ltd.

4. Mutual access to networks and infrastructures
   - After the systems of the former The Bank of Tokyo-Mitsubishi, Ltd. and UFJ Bank Limited are fully integrated within BTMU, we will examine various future possibilities.

5. International advancement of consumer finance business, centering on Asia
   - At present, we are working together with BTMU with a view to take a joint equity stake in PT. BANK NUSANTARA PARAHYANGAN Tbk, of Indonesia.
   - We have opened two overseas representative offices (in Beijing and Ho Chi Minh City) with various assistance from MUFG.

Overview of Businesses

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Business Highlights

18
Operations by Business Segment

For more details of each segment, including customer attributes, please see the ACOM in Figures section on p. 33-58.

Business Highlights

Segment	Business Overview and Market Position

Loan Business

The loan business, centering on unsecured loans for consumers, is the ACOM Group's core business, accounting for 88.4% of consolidated operating income in the fiscal year ended March 31, 2007. ACOM has acquired advanced credit screening expertise based on data from more than 8.5 million customers it has served in the past. We are utilizing this expertise to provide services through various channels, including our automatic contract machines, the internet, and mobile phones.

Moving quickly to address new laws governing the maximum interest rate on loans, ACOM is working hard to meet the expectations of new customers and attract a segment of low-risk borrowers.

Meanwhile, two subsidiaries in this business continue to steadily expand their businesses: DC Cash One Ltd., which reported a double-digit rise in the balance of loans receivable amid difficult circumstances, and EASY BUY Public Company Limited (hereinafter EASY BUY), our subsidiary in Thailand.

According to the 2007 edition of Consumer Credit Statistics of Japan (published by the Japan Consumer Credit Industry Association), the domestic consumer loan market is currently approximately ¥10 trillion in terms of loans receivable outstanding. With a share of around 16%, ACOM is one of the leading players in this market.

Diversified Financial Services

Guarantee Business

ACOM provides guarantees on unsecured personal loans via alliances with financial institutions, centering on prominent regional banks. By combining the brand power and sales channels offered by banks with ACOM's credit screening and collection expertise related to unsecured consumer loans, from product planning to loan collection we are able to provide guarantee arrangements tailored to the needs of alliance partners. As of March 31, 2007, the ACOM Group had tie-ups with 14 banks. Its balance of guaranteed loans receivable has continued to increase, reaching ¥105.9 billion at fiscal year-end.

Credit Card Business

In 1998, ACOM acquired principal membership of MasterCard International and entered the credit card business in the following year with the issue of the ACOM MasterCard®.

In this business, we are promoting credit card issuance via immediate card-issuing machines linked to our network of MUJINKUN automatic contract machines. We are also focusing on credit card alliances with large-scale retail chains and other companies with strong customer-attraction power. Given the constraints of the Interest Rate Restriction Law, however, it has become difficult to generate ample profits from the issue of alliance cards. For this reason, we will place greater emphasis on promoting ACOM MasterCard® to our loan customers. As of March 31, 2007, there were 1,175 thousand holders of cards issued by the ACOM Group.

Installment Sales Finance Business

In this segment, ACOM specializes in installment sales finance services to facilitate the purchase of items through agreements we have with affiliated retailers. When a customer wishes to purchase a high-priced item, we pay the retailer in advance, and the customer reimburses us in subsequent installments.

According to Consumer Credit Statistics of Japan, the market for this service in Japan is estimated to be around ¥10 trillion, and the ACOM Group's share is just under 1%. In Asia, where there is significant growth potential, we are expanding our hire purchase (installment sales finance) business through EASY BUY, our subsidiary in Thailand.

On April 1, 2007, our domestic installment sales finance business was reorganized into a new company, AFRESH CREDIT CO., LTD., which combines the entire ACOM Group's business foundation and expertise related to installment sales finance. In this way, we are working to build a new base for our installment sales finance business.

Loan Servicing Business

ACOM entered the loan servicing business by taking an equity stake in IR Loan Servicing, Inc. In addition to the purchase of loans and debt collection services, IR Loan Servicing is developing a comprehensive loan servicing business, including loan-servicing-related clerical work outsourcing services, temporary staffing services, and corporate revitalization services. We are now cementing a presence as a mainstay player in the industry. According to the Ministry of Justice, the balance of receivables in this market at the end of December 2006 was ¥193 trillion.

Other Businesses

Rental Business

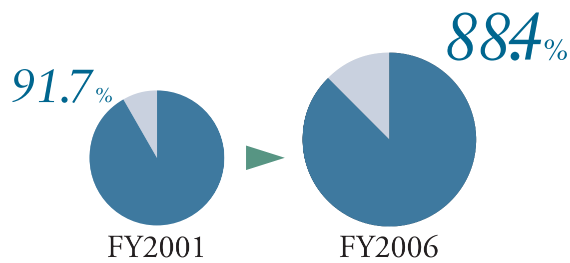
ACOM operates a business in the renting out of goods used in daily life and leisure equipment, and also provides support for event planning.

Other Businesses

Other activities of the ACOM Group include life and non-life insurance agency services and real-estate-related activities.

Major Group Companies	Composition of Operating Income (Five Year Period)

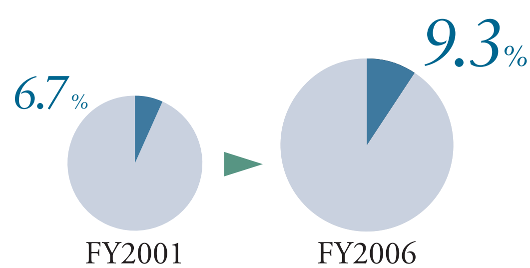
• ACOM CO., LTD.
• DC Cash One Ltd.
• EASY BUY Public Company Limited



• ACOM CO., LTD.
• DC Cash One Ltd.

• ACOM CO., LTD.

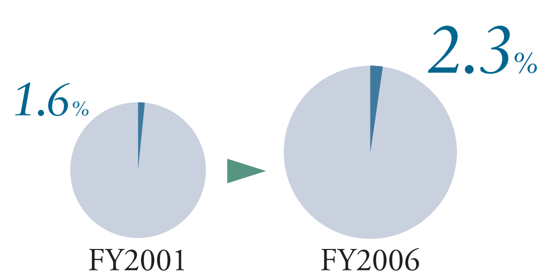
• ACOM CO., LTD.
• JCK CREDIT CO., LTD.
• EASY BUY Public Company Limited



• IR Loan Servicing, Inc.
• Yugensekinin-Chukanhojin Mirai Capital
• Power Investments LLC

• ACOM RENTAL CO., LTD.

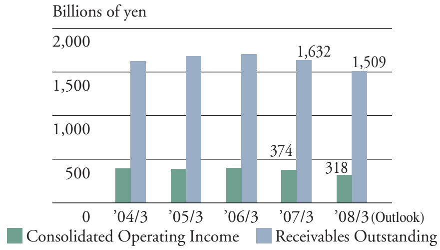
• RELATES CO., LTD.
• AC Ventures Co., Ltd.
• ACOM FUNDING CO., LTD.
• JLA INCORPORATED
• ACOM ESTATE CO., LTD.
• ABS CO., LTD.
• A B PARTNER CO., LTD.
• ACOM（U.S.A.）INC.



Operations by Business Segment

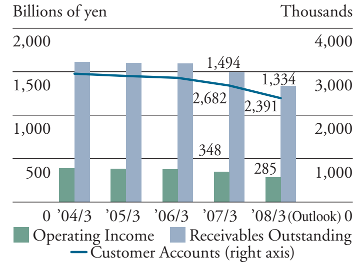
Loan Business (Consolidated)

Opetating Income and Receivables Outstanding



Loan Business (Non-Consolidated)

Operating Income, Receivables Outstanding and Customer Accounts



Loan Business

Segment Characteristics and Basic Strategies

In Japan, the Group provides loan services via a two brands strategy under ACOM and DC Cash One Ltd. (hereinafter DC Cash One). Overseas, EASY BUY Public Company Limited (hereinafter EASY BUY), our subsidiary in Thailand, holds a prominent position in that market. All three entities are working to expand their operations, centering on unsecured loans for consumers, with an emphasis on upgrading the quality of credit, reinforcing customer-drawing power, and enhancing efficiency through business reforms.

Fiscal 2006 Highlights

Upgrading the Quality of Credit

In fiscal 2006, ACOM further strengthened its loan management system, which represents one of its key strengths. We also stepped up follow-up and counseling functions for customers and strove to improve the quality of credit. To prepare for legislation that will lower the maximum interest rates on loans at the end of 2009, we have incrementally enforced more rigorous credit screening standards. As a result, lending ratio for unsecured loans extended by the parent company fell from 67.8% to 55.3%. Meanwhile, we actively reassessed the transactional and credit circumstances of our customers and adopted preferential interest rate. These steps will reduce the risk of default. As a result, the balance of loans extended to customers with preferential interest rate of between 15% and 18% rose to 11.7% of the total loan balance, from 6.8%.

Reinforcing Our Customer-Drawing Power

For the ACOM brand, we placed top priority on implementing more rigorous credit screening and applying interest incentives. For the DC Cash One brand, we stepped up sales initiatives in an effort to attract customer segments not addressed by the ACOM brand.

Enhancing Efficiency through Business Reforms

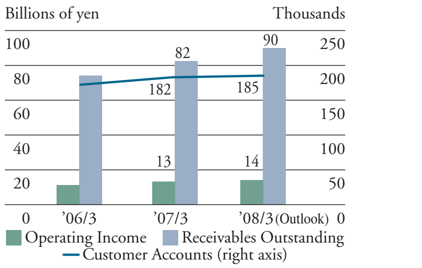
At present, around 80% of new loan contracts are concluded via our unstaffed outlets, while our call centers handle practically all inquiries and advisory services. Given these circumstances, and consistent with our Group operational reform program, in fiscal 2006 we expedited the conversion of loan sales offices into unstaffed outlets. At the same time, we raised operating efficiency by centralizing our four contact centers and 12 service centers into two locations each. We also arranged voluntary early retirement for 709 staff. In addition, we promoted more efficient advertising activities by placing advertisements selectively according to changing business conditions and renewing our focus on cost-benefit performance. See p. 12 for details on our operational reforms.

Tapping Overseas Markets

In fiscal 2006, ACOM opened representative offices in China and Vietnam, through which we began surveys and market research aimed at expanding our business presence in Asia. We also reached an agreement with the Bank of Tokyo-Mitsubishi UFJ, Ltd. (hereinafter BTMU) to take a joint equity stake in PT. BANK NUSANTARA PARAHYANGAN Tbk., a bank in Indonesia. We are now in the final stages of negotiations and aim to start business in the near future.

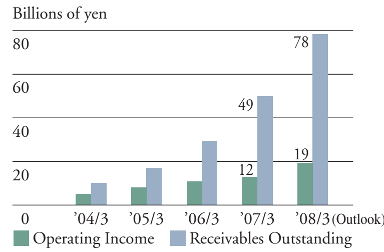
DC Cash One

Operating Income, Receivables Outstanding and Customer Accounts



EASY BUY

Operating Income, Receivables Outstanding



Fiscal 2006 Performance and Fiscal 2007 Outlook

During the year, the parent company faced an increase in bad debt stemming from claims for interest repayments and a year-on-year decline in the number of new customers. Accordingly, the consolidated balance of loans receivable at year-end slipped to ¥1,632.3 billion, down 4.2% from previous year, and interest income decreased 5.5%, to ¥374.5 billion.

By contrast, DC Cash One attracted a steady increase in new customers, boosting the number of loan customers by 6.2%, to 182 thousand at year-end. Accordingly, DC Cash One's loan operating income rose 16.4%, to ¥13.2 billion, and its balance of loans receivable climbed 11.5%, to ¥82.6 billion.

EASY BUY, our subsidiary in Thailand, faced a decline in profitability due to the introduction of restrictions in the maximum interest rates in July 2005, and thus posted a net loss of around ¥200 million (combined net loss from loan business and installment sales finance business).

In fiscal 2007, we will seek to swiftly attract high-quality customers for the core ACOM brand, including low-risk customers that we have not targeted in the past, and we will introduce new products with a maximum interest rate reduced to 18%. Due to these actions, we predict that the share of loans with yields between 15% and 18% in our total loan balance will jump sharply, from 11.7% in fiscal 2006 to 46.6%. At the same time, more rigorous credit screening will lead to a 10.5% decline in the balance of unsecured loans, to ¥1,294.5 billion. Moreover, we expect the average yield for unsecured loans extended by the parent company to fall 236 basis points, to 19.89%.

In fiscal 2007, DC Cash One will continue slowly but steadily expanding its loan balance. For the year, we forecast ¥7.3 billion growth in the balance of unsecured loans extended, to ¥90.0 billion.

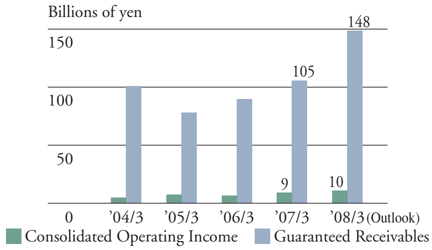
Meanwhile, the Thai economy is continuing to grow steadily at between 4% and 5% annually. In this context, EASY BUY expects to continue expanding its business, with a 50.2% jump in operating income, to ¥19.3 billion, and a 30.7% increase in the number of loan accounts, to 727 thousand, bringing its total loan balance to ¥78.4 billion, up 57.1% year-on-year.

On a consolidated basis, however, we forecast a 14.9% fall in operating income for the loan business, to ¥318.8 billion, due to the major impact of a decline in operating income by the parent company. With respect to the consolidated operating expenses for the segment, we predict a 12.5% rise in financial expenses, to ¥23.3 billion, and a 13.4% increase in bad-debt-related expenses, to ¥156.0 billion.

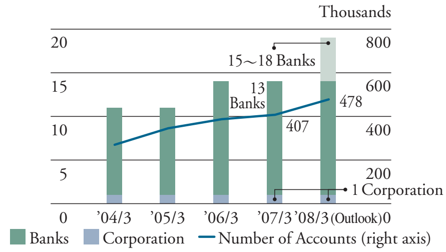
Future Trend in Claims for Interest Repayments

With respect to the unsecured loan business of the parent company, in the first half of fiscal 2006 we made a one-time ¥357.5 billion provision for loss on interest repayments, covering estimated losses over a five-year period stemming from repayments of interest and waiver of loan principal. We took this action following the announcement of guidelines by the Japanese Institute of Certified Public Accountants (JICPA). Thereafter, however, we revised our future projection in light of actual claims received, and by fiscal year-end we had increased the allowance for loss on interest repayments to ¥490.0 billion. It is extremely difficult to predict with confidence how claims for interest repayments will evolve in the future. Based on internal analysis from multiple perspectives, we feel that claims will continue rising in fiscal 2007. Nevertheless, we believe that such claims will begin declining in fiscal 2009 as we make progress in reorganizing our loan portfolio. Therefore, we believe that existing allowance will be sufficient to cover claims for the time being.

Guarantee Business (Consolidated)
Operating Income and Guaranteed Receivables



Number of Guarantee Business Partners and Accounts (Non-consolidated)



Guarantee Business

Segment Characteristics and Basic Strategies

ACOM provides guarantee services, mainly on unsecured loans to individuals. It is an area in which we can utilize our credit screening and management expertise related to unsecured consumer loans, accumulated over many years. Through alliances with BTMU and prominent regional banks, we will position this segment as a new growth area and driver of diversified financial services. Moreover, the guarantee business generates attractive income with low levels of risk concerning bad debt write-offs.

Fiscal 2006 Highlights

Strong Growth for DC Cash One

Combining the extensive customer bases of banks with ACOM's credit screening expertise, we are able to provide guarantee arrangements tailored to the needs of alliance partners. In fiscal 2006, we sought to expand the guarantee business of DC Cash One. During the year, we began providing guarantee services for the Super IC Card, "Tokyo-Mitsubishi UFJ-VISA," issued by BTMU. In August 2006, we added an IC credit card, issued by former UFJ branches, and in February 2007, we launched similar services for a card jointly issued by BTMU and East Japan Railway Company. Despite being a relatively newcomer to this business, having started in fiscal 2005, DC Cash One's balance of guaranteed receivables stood at ¥9.1 billion at the end of fiscal 2006, a 35.9-fold jump from previous year.

Reinforcing Our Alliance with RELATES CO., LTD.

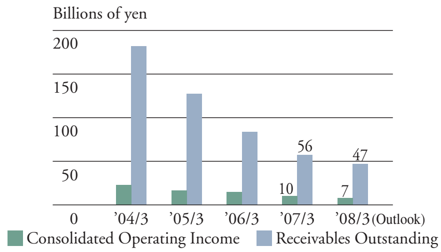
The guarantee businesses of ACOM and DC Cash One benefit from our alliance with RELATES CO., LTD. (hereinafter RELATES), a wholly owned subsidiary. RELATES specializes in providing call center services for regional banks and other guarantee business alliance partners, as well as temporary staffing and consulting services. In fiscal 2006, we reinforced our alliance with RELATES in order to deliver better services to our alliance partners.

Fiscal 2006 Performance and Fiscal 2007 Outlook

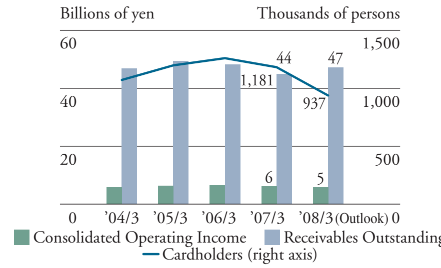
In fiscal 2006, we worked to expand our guarantee business by strengthening our alliance with RELATES, with top priority on reinforcing our business promotion system and realizing low-cost operations. Due to negative media coverage related to the consumer finance market, however, our regional bank alliance partners placed some restraints on their advertising activities. As a result, the year-end balance of guaranteed receivables rose only 17.9%, to ¥105.9 billion, representing a deceleration of the rapid growth experienced to date. Income from credit guarantees rose 15.9%, to ¥6.0 billion, and operating income in this segment (including commissions from guarantee services etc.) climbed 39.0%, to ¥9.2 billion. However, such increases were below our initial forecasts. The ratio of bad debt write-offs of the parent company in this segment rose 79 basis points, to 3.97%.

In fiscal 2007, we look forward to providing guarantee services for unsecured consumer loan products scheduled for launch by BTMU. We also expect to enter guarantee alliances with new regional banks. These actions should help us return to strong growth. For the year, we forecast a 16.8% increase in consolidated operating income from the guarantee business, to ¥10.8 billion, and a 40.2% jump in the balance of guaranteed receivables, to ¥148.6 billion. Within the latter figure, we project a 170.7% surge in the balance of guaranteed receivables of DC Cash One, to ¥24.7 billion. In addition, we are actively considering entry into the business of guarantees for small business loans provided by banks – a segment of the market that was liberalized in June 2007.

Installment Sales Finance Business (Consolidated)
Operating Income and Receivables Outstanding



Credit Card Business (Consolidated)
Operating Income, Receivables Outstanding and Customer Accounts



Installment Sales Finance and Credit Card Business

Installment Sales Finance

Segment Characteristics and Basic Strategies

ACOM is seeking to achieve medium to long-term income growth for its installment sales finance business by generating synergies with its credit card business in meeting the shopping needs of consumers. Our most urgent priority at present, however, is to upgrade the quality of credit by reassessing our existing affiliations with merchants.

Fiscal 2006 Performance and Fiscal 2007 Outlook

In fiscal 2006, we stepped up sales promotion activities for affiliated merchants and focused on cultivating new alliance partners. However, consolidated operating income in this segment declined 31.9%, to ¥10.1 billion, and the year-end balance of installment receivables fell 31.6%, to ¥56.9 billion. The ratio of bad debt write-offs by the parent company was down 56 basis points, to 3.97%.

In Japan, ACOM's installment sales finance business is built on a defensive strategy. Overseas, however, we have pursued an offensive strategy through EASY BUY in Thailand. However, the maximum interest rate that lenders can charge has been lowered, and in response, EASY BUY reduced its interest rate on installment sales finance arrangements. At the same time, we shifted our emphasis from expanding the balance of receivables to reassessing the quality of credit, in order to build a foundation for medium and long-term growth. Consequently, EASY BUY posted a 25.0% decline in operating income, to ¥5.07 billion, and a 24.2% decrease in the balance of installment receivables, to ¥15.3 billion.

On April 1, 2007, the installment sales finance business of the parent company was transferred to a subsidiary, resulting in the birth of AFRESH CREDIT CO., LTD. which combines the entire ACOM Group's business foundation and expertise related to installment sales finance. Going forward, however, we will screen potential affiliated merchants more meticulously and place top priority on reviewing contracts with high-risk merchants. We are also reassessing the quality of EASY BUY's credit portfolio. For fiscal 2007, therefore, we forecast a 24.8% fall in segment operating income, to ¥7.6 billion, and a 17.5% decline in the year-end balance of installment receivables, to ¥47.0 billion.

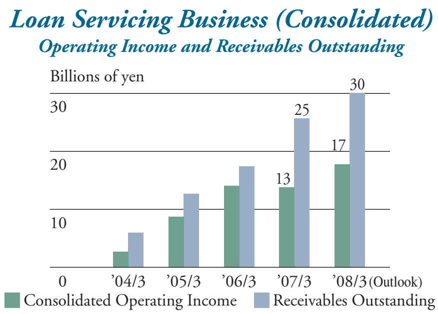
Credit Card Business

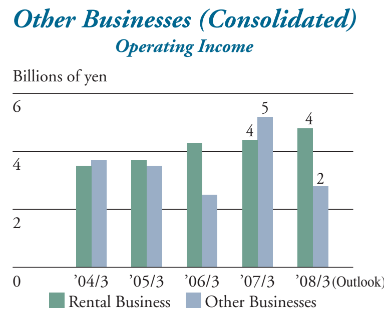
Segment Characteristics and Basic Strategies

In its credit card business, ACOM typically issues cards in two formats: ACOM MasterCard®, provided as a value-added service for loan customers, and cards issued in alliance with large-scale retail chains and other companies. In an effort to grow this business, we focused particular energy on expanding the number of alliance card partners, because it allowed us to cultivate a customer base that is different from our loan business. Decrease of maximum interest rate to that allowed under the Interest Rate Restriction Law, however, we have concluded that achieving profitability under this format will be very difficult. Accordingly, we will focus on ACOM MasterCard® in the future.

Fiscal 2006 Performance and Fiscal 2007 Outlook

In fiscal 2006, consolidated operating income from our credit card business declined 5.2% from the previous year, to ¥6.1 billion, and the year-end balance of credit card receivable fell 6.8%, to ¥44.8 billion. During the year, we continued our emphasis on upgrading the quality of credit. The ratio of bad debt write-offs for the ACOM MasterCard® grew 109 basis points, to 9.29%.





To date, ACOM has focused on issuing credit cards in alliance with companies that are prominent in their respective fields, with the aim of gaining access to a new customer base. Forming alliance card agreements entails considerable costs, however, including cash incentives for customers at the time of contract and sales promotion support for alliance partners. Given the constraints of the Interest Rate Restriction Law, moreover, it is extremely difficult to generate ample profits. For this reason, we will discontinue issuing alliance cards that incur considerable outlays. To minimize inconvenience for customers, we will encourage alliance cardholders to switch to ACOM MasterCard® when their existing cards expire.

To date, we have not sufficiently promoted ACOM MasterCard®, which we issue to loan customers. Going forward, however, we will target sales by encouraging consumers to use this card as a traditional credit card. Due to a decline in the number of loan customers of the parent company, however, we forecast a 7.0% decline in the consolidated operating income for this segment, to ¥5.7 billion, and a 5.3% increase in the balance of credit card receivables, to ¥47.2 billion.

Loan Servicing and Other Businesses

Segment Characteristics and Basic Strategies

ACOM entered the loan servicing business by taking an equity stake in IR Loan Servicing, Inc. (hereinafter IR Loan Servicing). In this segment, we are steadily expanding the scope of our business, centering on the purchase of loans and debt collection services, as well as clerical agency and temporary staffing services. We also have a 20% stake in RISA Partners, Inc. (hereinafter RISA Partners), which has a wealth of expertise in corporate loan management. By fusing the expertise of ACOM, IR Loan Servicing, and RISA Partners, we are building a comprehensive loan servicing business, covering loans to both individuals and companies.

Fiscal 2006 Performance and Fiscal 2007 Outlook

Competition has continued to intensify in the loan servicing segment. In addition, profitability has declined due to soaring costs of purchasing loans and longer periods necessary to collect collateralized loans as financial institutions enter the final stages of disposing of their non-performing loans. Facing these challenges, in fiscal 2006 we strove to expand our business by focusing on reinforcement of our sales and collection capabilities. However, total collection of purchased receivables remained mostly unchanged, at ¥13.3 billion, while segment operating income (including commissions on consigned purchases) slipped 2.1%, to ¥13.8 billion. In fiscal 2007, we will address the growing demand for purchase of small balance loans and strengthen our collection capabilities. For the year, we are targeting a 28.7% rise in operating income, to ¥17.8 billion, and a 16.7% increase in the balance of receivables outstanding, to ¥30.1 billion.

Other Businesses

In fiscal 2006, consolidated operating income from the rental business rose 4.0%, to ¥4.4 billion, and operating income from other businesses – mainly life and nonlife insurance agency services and real estate-related activities – rose 105.9%, to ¥5.2 billion. In fiscal 2007, we forecast a 6.9% increase in operating income from the rental business, to ¥4.8 billion, and a 46.8% drop in operating income from other businesses, to ¥2.8 billion.

ACOM's Management Structure

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Corporate Governance

Basic Stance

The ACOM Group, guided by its lifelong "circle of trust" spirit, maintains an ongoing corporate commitment to respecting others, placing the customer first, and creative and innovative management. Based on this commitment, we are seeking to deepen mutual trust between our stakeholders and ourselves and thus progress in partnership with society.

In order to meet the expectations of stakeholders and build stronger trust, we will strengthen corporate governance as a key management priority. To this end, we will take steps to enhance the soundness, transparency, and efficiency of our operations and achieve sustained increases in our corporate value.

We recognize that effective internal control systems are essential to creating an appropriate corporate governance framework. Based on this recognition, we are encouraging all members of our organization to join forces in building internal control systems and assuring their effectiveness, under the leadership of the President & CEO. At the same time, we are constantly evaluating, verifying, and improving the effectiveness of internal control mechanisms already in place.

We introduced a statutory auditor system in order to achieve the following objectives:

- Expedite decision-making and business execution by having a Board of Directors that centers on internal directors who are closely attuned to the Company's operations
- Strengthen the supervision function by successively appointing outside directors and outside statutory auditors to reinforce the independence of audits
- Clearly separate the supervision and business execution functions through the introduction of an executive officer system.

Current Status

(A) Overview of Management Entities

(a) Board of Directors

We have reduced the size of the Board of Directors in order to speed up decision-making and ensure effective mutual monitoring among directors. The Board now has 11 members (maximum of 12 permitted under the Articles of Incorporation), including one outside director. In addition to deciding important business management matters, such as management strategies and planning, the Board of Directors determines basic policies for building corporate governance and internal control systems. On the basis of these management plans and fundamental policies, the Board monitors the performances of the President & CEO and executive officers.

(b) Board of Statutory Auditors

The Board of Statutory Auditors consists of four statutory auditors, including three independent ones. It meets once a month, in principle, and more often as deemed necessary, to receive reports concerning important audit-related matters, hold discussions, and pass resolutions. To upgrade the statutory auditors' capabilities, we established the Statutory Auditor's Office and assigned two persons to provide related support.

(c) Executive Officers

In June 2003, ACOM introduced an executive officer system. The Board of Directors appoints executive officers, determines their function, lines of responsibility and authority, and delegates execution of operations to them. In these ways, decision-making and business execution are expedited, while supervision and execution functions are clearly separated. The Company has 16 executive officers, of whom eight serve concurrently as directors. Similarly, eight of the 11 members of the Board of Directors serve concurrently as executive officers.

(d) Executive Officers Meeting

The Executive Officers Meeting, which consists of executive officers who serve concurrently as directors, discusses and makes decisions on important matters related to the execution of business, in accordance with basic policies determined by the Board of Directors. It also deliberates in advance resolutions for proposal to the Board of Directors. The Executive Officers Meeting assembles three times a month, in principle, and more often as necessary.

(e) Affiliated Companies Coordination Board

The Affiliated Companies Coordination Board consists of executive officers who serve concurrently as directors along with representatives of ACOM Group companies. In addition to discussing important matters concerning the management of affiliated companies, the Board coordinates, communicates, and reports on important matters pertaining to the execution of their business. The Board meets once a month, in principle, and more often as necessary.

(f) Various Committees

1) Compliance Committee

The Compliance Committee, established by the Board of Directors, consists of three experts from outside the Company and two ACOM directors. It discusses and makes recommendations about the following compliance-related matters.

◦ Basic policies and compliance standards
◦ Important items related to establishment and operation of compliance systems

◦ Interim and annual plans for implementation
◦ Mechanisms to correct major violations, prevent their recurrence, and make improvements

The Compliance Committee meets once a month, in principle, and more often as necessary.

2) Director Evaluation Committee
Remuneration and bonuses for directors and executive officers who serve concurrently as directors are subject to evaluation by the Director Evaluation Committee, which consists of the Chairman, Deputy Chairman, President, and director in charge of human resources. The Board of Directors passes resolutions based on the results of such evaluations, as well as internal rules covering remuneration and bonuses for directors.

3) Risk Management Committee
The Risk Management Committee consists of executive officers who serve concurrently as directors. Based on authority bestowed upon it by the Executive Officers Meeting, the Committee establishes the Company's risk management approach, formulates basic risk management plans, and discusses and makes decisions on important items related to risk management, such as evaluations of important risks. As necessary, it participates in Executive Officers Meeting and Board of Directors meetings and makes reports. The Risk Management Committee meets once every three months, in principle, and more often as necessary.

(B)
Status of Internal Audits and Audits by Corporate Auditors

(a)
Internal Audits

With an auditing staff of 23 people, the Internal Audit Department verifies, evaluates, and recommends ways to address problems pertaining to compliance status (including observance of relevant laws), internal control initiatives, and other activities of the Company's business execution departments. In addition to ensuring conformity with various rules, the Department obtains an accurate understanding of the risks facing the Company. Based on this understanding, it conducts risk approach audits to evaluate the risk management stance of each relevant entity within the Company, and reports the results of such audits regularly to the Board of Directors and statutory auditors.

In addition, the Internal Audit Department conducts direct audits of affiliated companies in the ACOM Group and provides assistance to auditing staff of such affiliates, thus ensuring establishment of an effective Group auditing system.

(b)
Audits by Statutory Auditors

Based on the Company's auditing policies and auditing plans, statutory auditors attend meetings of the Board of Directors and other important meetings. Through examination of the Company's business and financial situation, statutory auditors audit the execution of business by directors and make appropriate and timely suggestions and recommendations to facilitate establishment of legal compliance and business ethics protocols. In addition, the statutory auditors work together with the independent accounting auditors and the Internal Audit Department to ensure an accurate grasp of operating status and evaluate the condition of internal control systems.

In addition, the statutory auditors form close relationships with statutory auditors of Group companies to facilitate the sharing of information and ensure appropriate operational behavior throughout the Group.

(C)
Status of Accounting Audits

(a)
Names of Certified Public Accountants (CPAs) who Audit the Company's Accounts, the Audit Corporation to which they Belong, and their Years of Continuous Audit Service to the Company

Designated employee, managing partner:
Nobutaka Motohashi, Ernst & Young ShinNihon
Designated employee, managing partner:
Shigeo Suzuki, Ernst & Young ShinNihon
Designated employee, managing partner:
Yasuo Matsuura, Ernst & Young ShinNihon

* Since all three auditors have served ACOM for less than seven years, their years of service have been omitted.
* The above audit corporation has voluntarily put mechanisms in place to prevent the managing partners from participating in the auditing of the Company's accounts for longer than a certain period of time.

(b)
Breakdown of Team Auditing the Company's Accounts

CPAs:	10 persons
Assistant CPAs:	11 persons
Other assistant staff:	7 persons

(D)
Compliance System

The Company has formulated compliance regulations and ACOM's Ethical Codes for Business, with the aim of clarifying behavioral principles and best practices when applying business ethics. At the same time, we established the Compliance Department and other compliance-related entities under the guidance of the Compliance Committee, and appointed Personnel with across-the-board responsibilities for compliance supervision, as well as Personnel with responsibilities for compliance promotion. In these ways, we take an organized, planned approach to compliance enforcement.

We also devised basic Groupwide policies for supervising affiliated companies and supported the construction of practical compliance systems, beginning with the formulation of compliance-related rules, at each affiliate. In these ways, directors and employees of all Group companies are united in promoting compliance-oriented practices.

In addition, ACOM has set up compliance consultation offices at locations inside and outside the company for people who have information or issues they wish to discuss, with the aim of prevention, early detection, and correction of misconduct. To ensure appropriate operation of the internal reporting system and protect the identity of informants, we have formulated internal reporting protection regulations.

(E)
Risk Management System

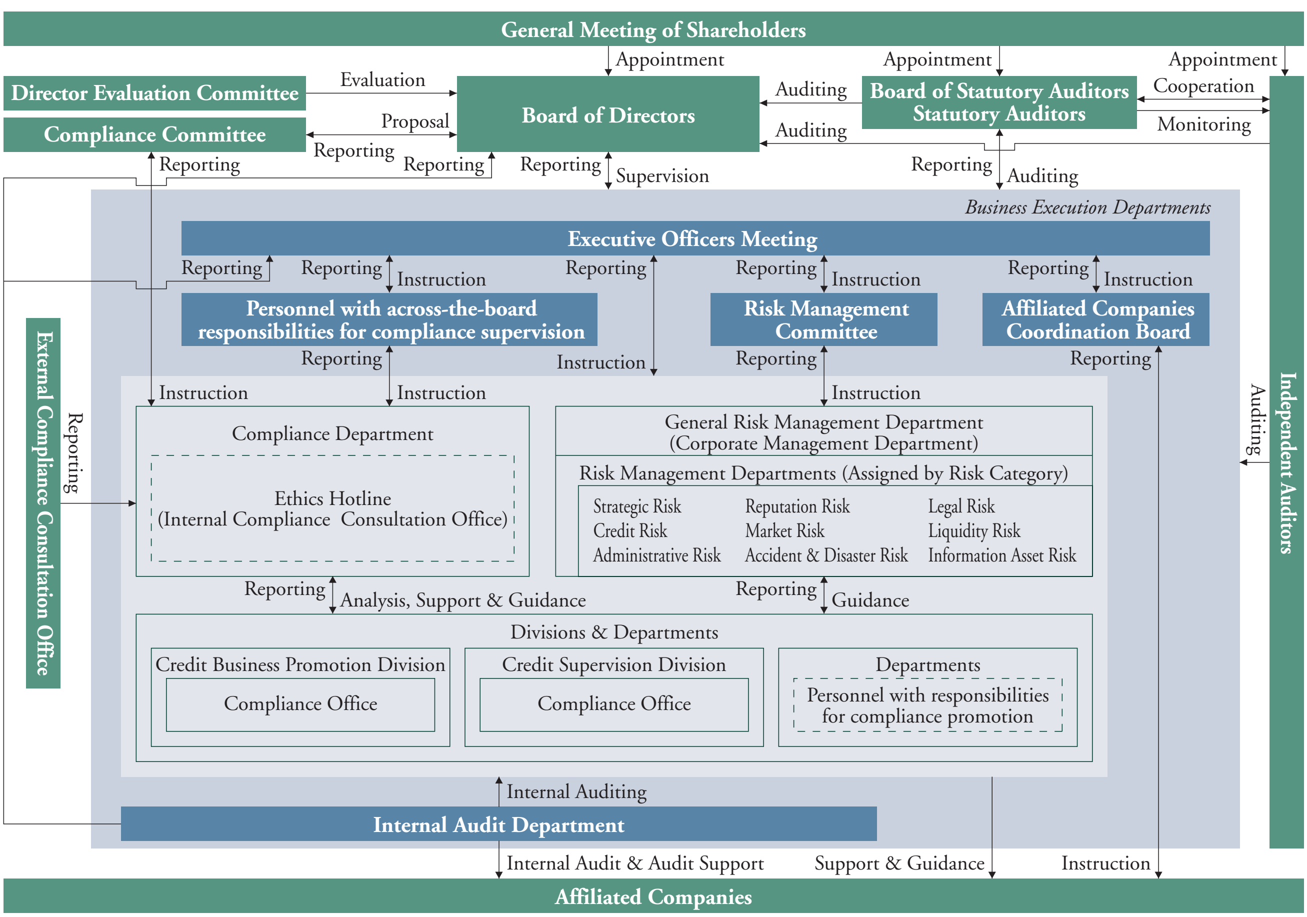
Business conditions surrounding the Company are constantly changing, and the associated risks to be addressed are becoming more complex and diverse. In this context, ACOM recognizes the importance of understanding risk and places high priority on reinforcing and upgrading its risk management – a crucial factor in maintaining the soundness of operations and assuring stable profitability and growth.

Fundamental items related to risk management are identified in ACOM's Risk Management Regulations, which were formulated under the direction of the Risk Management Committee. These regulations clarify risks that need to be addressed, the entities to be involved, and appropriate risk management methods. The Corporate Management Department, responsible for overall control of the Company's risk management, undertakes comprehensive and unified management of risks affecting execution of business, reflecting an ongoing effort to upgrade and reinforce the Company's overall risk management system.

We have also devised information security management rules to protect personal information and other informational assets held by the Company. Based on these rules, we implement various measures to address foreseen risks, including establishment of appropriate safety and control mechanisms. At the same time, we have established an information security committee and appointed information security management officers, determining the roles of each organization as well as those of directors and employees. ACOM is working systematically across the whole organization to ensure information security.

(F)
Corporate Governance and Internal Control System Structure

(As of June 27, 2007)



(G)
Internal Control Systems

ACOM has resolved to establish the following internal control systems.

(a)
System to Ensure that Business Execution by Directors and Employees Conforms to Laws and the Company's Articles of Incorporation

1) The Board of Directors has formulated compliance regulations and ACOM's Ethical Codes for Business, with the aim of clarifying behavioral principles and best practices for directors and employees when promoting compliance. Directors shall take the initiative for enforcing compliance and ensure that employees are kept fully informed.

   According to behavioral principles, directors and employees shall not only observe laws, the Articles of Incorporation, and internal rules but also respect common decency and human rights, and undertake their work while placing top priority on ethical behavior.

   The President & CEO shall declare his intention to lead by example in practicing business ethics with strong social and public welfare elements, and shall position compliance enforcement as a top management priority.

2) In order to establish a proper compliance enforcement system, the Company shall establish a Compliance Committee and Compliance Department. Compliance Office shall also be placed in major business departments. In addition, the Company shall appoint Personnel with across-the-board responsibilities for compliance supervision, Personnel with responsibilities for compliance promotion, and compliance staff.
   - ◦ The Compliance Committee, consisting mainly of members from outside the Company, shall discuss and make recommendations pertaining to the following compliance-related items.
     - * Basic policies and compliance standards
     - * Important items related to system establishment and operation
     - * Interim and annual plans for enforcement
     - * Mechanisms to correct major violations, prevent their recurrence, and make improvements
   - ◦ Personnel with across-the-board responsibilities for compliance supervision shall oversee creation of systems for promoting Groupwide compliance enforcement, control measures, monitoring, and prevention of recurrence.
   - ◦ The Compliance Department shall propose and promote compliance-related measures throughout the Group while providing support and guidance to the Compliance Office, Personnel with responsibilities for compliance promotion, and compliance staff. It shall also conduct legal audits of various matters, such as items discussed at meetings of the Board of Directors and Executive Officers Meeting, to ensure consistency with laws and the Articles of Incorporation.
   - ◦ Compliance Office shall propose and promote compliance in their own jurisdiction, and provide support and guidance to Personnel with responsibilities for compliance promotion and compliance staff.
   - ◦ Personnel with responsibilities for compliance promotion shall propose and promote compliance in their own departments, and provide instructions and guidance to compliance staff.
   - ◦ Compliance staff shall promote compliance in their own departments by familiarizing people with compliance-related regulations and manuals, education and training, monitoring, and other activities.

3) Compliance consultation offices shall be set up at locations inside and outside the Company for people who have information or issues they wish to discuss, with the aim of prevention, early detection, and correction of misconduct. Efforts shall be made to ensure appropriate operation of the internal reporting system and protect the identity of informants, based on internal reporting protection regulations.

4) In addition to audits conducted by statutory auditors of business execution by directors, outside directors shall be successively appointed to strengthen mutual supervision and oversight functions, and thus ensure legal conformity.

   The Internal Audit Department shall audit the compliance status of business execution, based on auditing rules and plans. It shall report the results of such audits to the Board of Directors and statutory auditors and recommend improvements as necessary.

(b)
System for Storage and Management of Information Related to Business Execution By Directors

1) ACOM has established Board of Directors Regulations and other important conference regulations, as well as confidential information management regulations. These regulations specify various items covering storage of documents (including electromagnetically recorded ones) related to business execution by directors, including storage periods, storage locations, document managers, and document management procedures. The regulations are designed to ensure that information is stored and managed appropriately, and that directors and statutory auditors as necessary can access the information.

2) The Company shall adopt an organized and systematic approach to ensure that information is stored and managed appropriately. This includes assigning information security management officers and deciding the roles of relevant departments, staff and directors. In addition, relevant departments, staff and directors shall regularly monitor the status of information storage and management.

(c)
Rules Related to Crisis Management and Other Systems

1) In order to establish an appropriate, efficient operational risk management system, directors shall formulate operational risk management rules and clarify relevant laws, the Articles of Incorporation, and internal rules. Directors shall also make decisions and issue instructions about important items based on risk management discussions and reports made at Board of Directors meetings.

2) Based on operational risk management rules, the Company shall establish specific departments to manage each category of risk, such as legal risk, credit risk, market risk, liquidity risk, administrative risk, information asset risk, and risks of accidents and natural disasters. A cross-departmental risk management division shall also be established to manage and oversee risk, to ensure that companywide risks are managed comprehensively.

3) Each risk management department shall be responsible for setting up risk management systems for its specific risk category, including formulation of risk management rules, production of manuals, and establishment of risk management protocols. The cross-departmental risk management division shall undertake unified control of companywide risk-related information, submit regular reports to the Board of Directors, and propose various measures aimed at promoting companywide operational risk management.

4) The Internal Audit Department shall conduct audits to determine whether or not various departments and offices are performing appropriately and efficiently according to relevant laws, regulations, manuals, and internal notices. It shall also submit reports on the risk management status of each department and office to the Board of Directors on a regular basis or as necessary.

5) The Company faces various risks, such as large-scale natural disasters and breakdowns of mainstay computer systems, which could have a major impact on its internal and external operations. When such risks arise, the Company calls a meeting of its Emergency Response Committee to address the situation swiftly and appropriately and thus minimize losses and business suspension periods.

(d)
System to Ensure that Business Execution by Directors is Handled Efficiently

1) Based on ACOM's corporate philosophy, directors shall formulate medium-term business policies and plans, as well as annual business policies and plans, and ensure that such policies and plans are reflected in the operational plans of individual departments and offices. Directors shall regularly evaluate the progress of such plans and make decisions on reallocation of resources accordingly.

2) The Company introduced an executive officer system to clarify the function, responsibilities, and lines of authority of executive officers. By commissioning the President & CEO with a business execution role, the Company shall enhance the efficiency and speed of decision-making and business execution.

The Executive Officers Meeting, consisting of executive officers who serve concurrently as directors, shall make decisions related to business execution responsibility assigned by directors. It shall also deliberate in advance about resolutions for proposal to the Board of Directors, in order to ensure efficient and sufficient deliberations at Board of Directors Meetings.

3) For lines of business execution under executive officers, the Company shall determine functions for each organization and decision-making standards for each rank of employee. This is done in order to clarify responsibilities and lines of authority for each organization and rank level, and to ensure that decision-making is handled in a timely and appropriate manner according to the Company's consensus system, and business is executed according to decisions made.

(e)
System for Ensuring Appropriate Business Execution of the ACOM Group (parent company and its subsidiaries)

1) The Company shall set up a supervisory entity and formulate rules related to control of affiliated companies. Based on such rules, the Company shall provide operational management assistance and support for its affiliates while respecting their independence. In addition, the Company shall hold a Group Business Meeting to familiarize affiliates with Group management policies and other matters. Coordination meetings shall be held regularly between the Company and its affiliates, so that the Company can receive reports on important items related to the financial and operational status of affiliates. As necessary, proposals and reports shall be made to the Executive Officers Meeting, with the aim of promoting the sound business development of affiliates.

2) Through provision of human and technological support, the Company shall strengthen ties with its affiliates and provide guidance and support for their overall operations to raise the effectiveness of control activities. By examining the management and operational status of affiliates, and promoting information exchanges between statutory auditors of the parent company and those of affiliates, the Company shall work to ensure that affiliates are conducting their businesses appropriately.

3) The Compliance Department shall determine basic Groupwide policies with respect to compliance, and oversee activities at affiliates in this regard. The Department shall also assist in constructing compliance enforcement systems for affiliates, including for-

mulation of compliance-related rules and establishment of internal reporting systems. In these ways, all ACOM Group directors and employees shall stand united in promoting compliance.

4) The Internal Audit Department shall conduct direct audits of affiliates according to their scale and specific attributes, and help them conduct their own audits and evaluate the results of such audits. The Department shall also contribute to the establishment of internal control systems at affiliates and, in cooperation with the audit organizations of each affiliate, reinforce the Groupwide audit system.

(f)
Items Related to Employees Requested by Statutory Auditors to Assist in Conducting Audits, and Items Related to the Independence of such Employees from Directors

1) A Statutory Auditors Office shall be established and employees shall be appointed to assist in the auditing activities of statutory auditors.
2) The number and qualifications of assigned employees shall be decided in advance via discussions with statutory auditors.
3) Assigned employees shall assist the statutory auditors on a full-time basis, and shall not be subject to instructions or commands from directors and other executive entities.
4) Decisions related to assignment, transfer, evaluation, and disciplinary action of assigned employees shall be decided in advance via discussions with statutory auditors.

(g)
System for Reporting by Directors and Employees to Statutory Auditors, and Other Systems for Reporting to Statutory Auditors

1) Directors and divisional managers shall report to statutory auditors on the following matters, pursuant to laws and internal rules.
   - ◦ Status of business execution by directors
   - ◦ Status of financial and accounting matters
   - ◦ Status of internal audits and risk management
   - ◦ Incidents that could cause material damage to the Company (including its subsidiaries), major violations of laws or the Articles of Incorporation, and misconduct
   - ◦ Major incidents reported via the internal reporting system, and responses to such incidents
   - ◦ Status of construction of compliance systems
   - ◦ Status of construction of internal control systems

2) Statutory auditors shall be able to request reports as necessary from directors and employees about matters other than those described above.

(h)
Other Systems to Ensure Efficient Execution of Audits by Statutory Auditors

1) To ensure an accurate grasp of major decision-making processes and status of business execution, statutory auditors shall attend meetings of the Board of Directors, Executive Officers Meeting, and other important meetings and committee sessions, and shall have access to the following documents.
   - ◦ Legal documents
   - ◦ Approval documents
     (documents of approval by directors as circulated)
   - ◦ Important contracts and external documents
   - ◦ Minutes and reports of important meetings
   - ◦ Documents related to lawsuits and disputes
   - ◦ Documents related to accidents, misconduct, and complaints
   - ◦ Other important documents related to the execution of business

2) The President & CEO shall meet with the Board of Statutory Auditors on a regular basis to exchange views about issues the Company should address, the status of audits conducted by statutory auditors, and important audit-related matters. The President & CEO shall also accept requests deemed necessary by the Board of Statutory Auditors and take measures to address such requests.

3) Statutory auditors shall exchange information and cooperate with accounting auditors, the Internal Audit Department, and the statutory auditors of affiliates, to ensure the effectiveness of audits of the Company and its affiliates.

(H)
Relationships between the Company and Outside Directors and Statutory Auditors

(As of June 27, 2007)

Outside Director/Statutory Auditor	Relationship with Company
Katsunori Nagayasu (director)	Serves concurrently as Deputy President of Mitsubishi UFJ Financial Group, Inc. (MUFG), with which the Company has a capital/business alliance, and as a Deputy President of The Bank of Tokyo-Mitsubishi UFJ, Ltd., a subsidiary of MUFG. MUFG holds 15.20% (including an indirect holding of 2.01%) of the voting rights of the ACOM.
Satoshi Ito (statutory auditor)	Holds 100 shares of Company stock
Minoru Ikeda (statutory auditor)	No special interests
Norikatsu Takahashi (statutory auditor)	No special interests

Note: The Company has entered into agreements with the above outside directors and outside statutory auditors to limit liabilities as provided for in Article 423-1 of the Company Law.

(I)
Initiatives to Upgrade Corporate Governance

In the year under review, the Board of Directors met on 21 occasions, and the Executive Officers Meeting gathered on 35 occasions to discuss important management-related matters and make important business execution decisions. The Board of Statutory Auditors met on 14 occasions to make decisions on audit policies, audit plans, and other matters.

Major decisions on upgrading corporate governance were the following.

May 19, 2006:
Basic policies for constructing internal control systems were decided

September 14, 2006:
Rules concerning reporting to statutory auditors were decided

November 8, 2006:
The Business Ethics Committee (formerly under jurisdiction of the Executive Officers Meeting) was reorganized into the Compliance Committee (under jurisdiction of the Board of Directors), and the Compliance Department was established

March 16, 2007:
Basic policies on establishment of internal control systems were revised

Remuneration for Directors

Remuneration for directors and statutory auditors in the year under review was as follows:

	Number of persons	Remuneration
Directors	11	¥282 million
Statutory auditors	4	¥62 million
Total	15	¥345 million

Notes:
1. Per resolution of the 29th General Shareholders' Meeting held on June 22, 2006, the combined remuneration for directors is limited to ¥420 million per year.
2. Per resolution of the 26th General Shareholders' Meeting held on June 27, 2003, the combined remuneration for statutory auditors is limited to ¥8 million per month.
3. There are no directors serving concurrently as employees.
4. Within the above amounts, combined remuneration for the outside directors and outside statutory auditors (3 persons in total) was ¥27 million in the year under review.
5. Per resolution of the General Shareholders' Meeting held on June 29, 2006, the Company made the following retirement gratuity payment. Two retiring directors: Payment of ¥36 million

Compensation to Independent Auditors

(A)
Compensation to the Independent Auditor of the Company

Compensation for auditing services, per Article 2-1 of the Certified Public Accountant Law (Law No. 103 of 1948): ¥53,800 thousand

Compensation for other services, per Article 2-1 of the Certified Public Accountant Law: ¥8,946 thousand

Total: ¥62,746 thousand

(B)
Total Compensation to be Paid to Independent Auditors of the Company and Its Consolidated Subsidiaries: ¥80,746 Thousand

Notes:
1. Under the agreement between the Company and its independent auditor, there is no clear distinction between compensation for audits under the Company Law and audits under the Securities Exchange Law. For this reason, only the total compensation amount is listed above.
2. Among major subsidiaries, DC Cash One Ltd. and EASY BUY Public Company Limited use independent auditors different from that of the Company.

Purchase of Treasury Stock

Per Article 165-2 of the Company Law, the Company has included in its Articles of Incorporation a clause allowing purchase via market of its own shares, subject to resolution of the Board of Directors. Such inclusion was made to permit flexible share buybacks according to the Company's business and financial conditions and other circumstances.

Membership of the Board of Directors

As stipulated in the Articles of Incorporation, the Board of Directors consists of 12 members or less.

Resolution Requirement for Election of Directors

Voting on resolutions for election of directors shall take place under the presence of shareholders who represent one-third or more of total voting rights, and a majority of the votes of those shareholders shall be requisite for adoption of the resolution.

Special Resolutions at the General Meeting of Shareholders

For smooth operation of the General Meeting of Shareholders, in accordance with section 309 clause 2 of the Company Law, special resolutions at the Meeting shall be decided in the following manner. As stipulated in the Articles of Incorporation, resolutions are passed if at least two thirds of voting rights are cast in favor, if shareholders representing at least one third of eligible votes are present.

Social Contribution

Based on the basic principle of the "circle of trust" spirit on which it was founded, the ACOM Group's corporate philosophy emphasizes contribution to improved cultural lifestyles.

In line with this philosophy, ACOM aims to build good relations with society and be "the Company next door" and a "corporate citizen in harmony with society" through its wide range of social contribution activities, including social welfare and community initiatives.

ACOM's Social Contribution Activities

Culture, Arts, and Sports

(A)
Miru Concert Monogatari

Since 1994, we have hosted public performances of "Miru Concert Monogatari," an innovative artistic event that combines ancient Japanese silhouettes, live music, and storytelling. To maximize the enjoyment of all visitors throughout Japan, we have organized these concerts in each region, as barrier-free events (i.e. providing easy access to those with physical disabilities). We have held more than 100 of these concerts with the help of regional government agencies and local volunteers who serve alongside ACOM employees as operations staff. In fiscal 2006, we held twelve such concerts, bringing the cumulative total of audiences to 106,331 people.

Education for Enlightenment

(A)
Japan Consumer Finance Association

ACOM's founder, the late Masao Kinoshita, was one of the founding members of the Japan Consumer Finance Association (JCFA). Adhering to the principles of the Sound Development of Consumer Finance and Protecting and Providing Relief for Consumers, JCFA's activities include research, public relations, education for enlightenment and counseling services.

(B)
Consumer Finance Liaison Group

ACOM is an active member of the Consumer Finance Liaison Group. Established in 1997, the Group, which is made up of five leading consumer finance companies, engages in education, financial education support, and disclosure activities associated with consumer finance.

(C)
Voluntary Initiatives by Seven Leading Companies

Seven of Japan's leading consumer finance companies have joined forces with the aim of enhancing the soundness of the consumer finance market. ACOM and its fellow members believe that in order to prevent excessive debt, it is necessary to undertake initiatives that integrate prevention, counseling, and relief. Accordingly, our activities include support for sound household budgeting and the provision of information to ensure the safe use of consumer finance services.

Social Welfare

As part of its commitment to the circle of trust on which it was founded, ACOM provides support for volunteer activities by employees. The ACOM Bluebird Fund was set up in 1984 at the suggestion a single of employees. Contributions made by employees, including funds raised through the collection of used postage stamps, are donated to social welfare organizations.

Community Support

As a corporate citizen, ACOM believes in maintaining active and close ties with local communities. One such relationship is its special sponsorship of the Sapporo Festival Marathon.

Other Initiatives

The Kinoshita Memorial Foundation was established in 1975 out of the strong commitment to education of late Masao Kinoshita, ACOM's founder. The Foundation provides students with scholarships with the aim of fostering the next generation of leaders in Japan and the world.

Board of Directors

As of June 27, 2007

Directors

Chairman

Kyosuke Kinoshita

Deputy Chairman

Yuji Ohashi

President

Shigeyoshi Kinoshita

Senior Managing Director

Kazuhiro Shimada

Managing Director

Shigeru Akaki

Junya Fukuda

Osamu Moriya

Satoru Tomimatsu

Kiyoshi Tachiki

Shozo Tanaka

Director

Katsunori Nagayasu (Outside)

Statutory Auditors

Tatsuaki Murata

Satoshi Ito (Independent)

Minoru Ikeda (Independent)

Norikatsu Takahashi (Independent)

Executive Officers

President & Chief Executive Officer

Shigeyoshi Kinoshita

Senior Executive Managing Officer

Kazuhiro Shimada

Corporate Planning Department
Overseas Business Development Department
Credit Administration Department

Executive Managing Officer

Shigeru Akaki

Human Resources Department
General Affairs Department
Corporate Management Department

Junya Fukuda

System Development & Administration Department
Customer Relations Department

Osamu Moriya

Internal Audit Department
Compliance Department
Employment Counseling Office

Satoru Tomimatsu

Head of Credit Business Promotion Division
Advertising Department
Credit Business Branch Operations Department
ACM Operation Department
Call Center Department
Credit Counseling Department
Affinity Card Promotion Department
Credit Business Management Department
Compliance for Credit Business Promotion Office

Kiyoshi Tachiki

Credit Marketing Department
Business Process Planning Department
Guarantee Business Department

Shozo Tanaka

Head of Credit Supervision Division
Credit Supervision Department I
Credit Supervision Department II
Compliance for Credit Supervision Office

Shigeru Sato

Treasury Department
Public Relations Department

Executive Officer

Masahiko Shinshita

Tsukasa Ashizuka

Etsuro Tabuchi

Kazuo Fukumoto

Akihiko Hyodo

Tatsuo Taki

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Related Macroeconomic Data (Yearly)

	2001/3	2002/3	2003/3	2004/3
1. Employment-Related Statistics				
The Number of Unemployed People (Millions)	3.20	3.48	3.59	3.42
The Ratio of Unemployed People (%)	4.7	5.2	5.4	5.1
The Ratio of Job Offers to Job Seekers (Times)	0.62	0.56	0.55	0.69
The Total Cash Wage Amount (yoy %)	0.5	-2.1	-2.6	-0.9
Regular Employment Index (yoy %)	-0.3	-0.4	-0.7	-0.3
2. Consumption-Related Statistics				
Consumer Spending (yoy %)	-1.2	-3.4	-0.6	-0.2
Retail Sales (yoy %)	-0.8	-3.3	-3.2	-1.4
3. Financial-Related Statistics, etc.				
Ten-year Government Bond Yield (%)	1.270	1.400	0.700	1.435
Nikkei 225 (Yen)	15,616	11,468	9,611	9,939

Source: Nihon Keizai Shimbun, Inc.

Related Macroeconomic Data (Monthly)

	2005	2006				
	December	January	February	March	April	May
Unemployment Rate (%)	4.4	4.4	4.1	4.2	4.1	4.0
Personal Bankruptcy Applications	16,361	10,479	14,359	16,001	14,302	13,295

Source: Ministry of Public Management, Home Affairs, Posts and Telecommunications (Unemployment Rate)
Source: Supreme Court of Japan (Personal Bankruptcy Applications)

	2005/3	2006/3	2007/3
	3.08	2.74	2.56
	4.6	4.4	4.1
	0.86	0.98	1.06
	-0.3	0.7	0.1
	0.7	0.5	1.3
	-0.2	-1.4	-1.2
	-0.7	1.3	-0.1
	1.320	1.770	1.650
	11,321	17,059	17,287

								2007		
	June	July	August	September	October	November	December	January	February	March
	4.2	4.1	4.1	4.2	4.1	4.0	4.0	4.0	4.0	4.0
	15,087	13,494	13,600	13,486	14,041	13,053	14,720	9,381	12,432	13,728

Operating Income by Segment (Consolidated)

	Millions of yen					
	2003/3		2004/3		2005/3	
		yoy %		yoy %		yoy %
Operating Income	437,572	5.5	434,968	-0.6	433,965	-0.2
Loan Business	398,057	4.6	391,259	-1.7	387,348	-1.0
ACOM CO., LTD.	—	—	386,217	-2.4	379,248	-1.8
DC Cash One Ltd.	—	—	—	—	—	—
EASY BUY Public Company Limited	—	—	5,028	129.5	8,095	61.0
JCK CREDIT CO., LTD.	—	—	13	-65.8	4	-69.2
Credit Card Business	5,096	35.1	5,876	15.3	6,311	7.4
ACOM CO., LTD.	—	—	5,782	15.4	6,227	7.7
JCK CREDIT CO., LTD.	—	—	93	10.7	84	-9.7
Installment Sales Finance Business	25,725	9.0	22,738	-11.6	16,622	-26.9
ACOM CO., LTD.	—	—	14,002	-14.4	9,456	-32.5
EASY BUY Public Company Limited	—	—	1,975	18.5	2,827	43.1
JCK CREDIT CO., LTD.	—	—	6,761	-12.2	4,339	-35.8
Guarantee Business	1,866	483.8	5,037	169.8	7,627	51.4
ACOM CO., LTD.	—	—	5,037	169.8	7,627	51.4
DC Cash One Ltd.	—	—	—	—	—	—
Loan Servicing Business	925	383.9	2,786	201.2	8,762	214.5
Collection of Purchased Receivables	436	192.1	2,088	377.9	7,757	271.5
Rental Business	3,629	-5.8	3,527	-2.8	3,781	7.2
Others	2,271	-13.8	3,742	64.8	3,511	-6.2
Other Financial Businesses	—	—	—	—	42	—

Millions of yen									
2006/3		2007/3						2008/3(E)	
	yoy %	1st quarter	2nd quarter	3rd quarter	4th quarter full term	yoy %			yoy %
445,431	2.6	108,587	215,880	321,228	423,652	-4.9		368,300	-13.1
396,485	2.4	96,691	191,567	285,164	374,590	-5.5		318,800	-14.9
374,233	-1.3	91,121	180,043	266,948	348,519	-6.9		285,400	-18.1
11,354	—	3,155	6,449	9,858	13,220	16.4		14,100	6.7
10,895	34.6	2,413	5,074	8,356	12,850	17.9		19,300	50.2
0	-77.5	0	0	0	0	-76.8		—	—
6,462	2.4	1,571	3,125	4,669	6,128	-5.2		5,700	-7.0
6,389	2.6	1,552	3,088	4,613	6,054	-5.3		5,600	-7.5
72	-14.0	18	37	55	74	3.2		100	35.1
14,839	-10.7	2,789	5,185	7,564	10,106	-31.9		7,600	-24.8
5,802	-38.6	1,098	2,067	2,982	3,811	-34.3		—	—
6,762	139.2	1,309	2,413	3,595	5,072	-25.0		4,300	-15.2
2,275	-47.6	381	705	985	1,222	-46.3		3,300	170.0
6,651	-12.8	1,945	4,289	6,599	9,244	39.0		10,800	16.8
6,244	-18.1	1,569	3,457	5,102	7,071	13.2		7,500	6.1
406	—	375	832	1,496	2,172	434.7		3,300	51.9
14,117	61.1	3,820	7,226	10,882	13,827	-2.1		17,800	28.7
13,322	71.7	—	6,973	—	13,328	0.0		—	—
4,318	14.2	1,097	2,167	3,348	4,489	4.0		4,800	6.9
2,557	-27.2	671	2,318	3,000	5,265	105.9		2,800	-46.8
331	676.0	111	1,247	1,509	2,581	679.8		1,300	-49.6

Receivables Outstanding by Segment (Consolidated)

	Millions of yen					
	2003/3		2004/3		2005/3	
		yoy %		yoy %		yoy %
Receivables Outstanding	1,941,244	2.8	1,857,536	-4.3	1,869,685	0.7
Loan Business	1,660,256	2.6	1,623,154	-2.2	1,680,184	3.5
ACOM CO., LTD.	1,652,890	2.2	1,612,799	-2.4	1,601,773	-0.7
JCK CREDIT CO., LTD.	153	-53.1	66	-56.8	33	-49.8
EASY BUY Public Company Limited	7,212	382.3	10,289	42.7	17,163	66.8
DC Cash One Ltd.	—	—	—	—	59,246	—
Credit Card Business	41,850	30.4	46,731	11.7	49,399	5.7
ACOM MasterCard®	41,114	31.0	45,941	11.7	48,833	6.3
JCK CREDIT CO., LTD.	684	9.6	758	10.8	546	-27.9
Installment Sales Finance Business	237,948	0.2	181,567	-23.7	127,378	-29.8
ACOM CO., LTD.	153,203	-5.0	113,934	-25.6	70,014	-38.5
JCK CREDIT CO., LTD.	77,338	10.5	59,785	-22.7	33,607	-43.8
EASY BUY Public Company Limited	7,406	18.3	7,847	6.0	23,756	202.7
Loan Servicing Business	1,189	706.5	6,082	411.1	12,723	109.2
Guaranteed Receivables	57,926	—	100,971	74.3	78,015	-22.7
ACOM CO., LTD.	57,926	—	100,971	74.3	78,015	-22.7
DC Cash One Ltd.	—	—	—	—	—	—

Number of Customer Accounts by Segment (Consolidated)

	2003/3		2004/3		2005/3	
		yoy %		yoy %		yoy %
Loan Business *1	3,161,304	3.4	3,161,894	0.0	3,406,054	7.7
ACOM CO., LTD.	3,032,330	-0.1	2,954,073	-2.6	2,902,916	-1.7
JCK CREDIT CO., LTD.	1,122	-58.7	422	-62.4	167	-60.4
EASY BUY Public Company Limited	127,852	544.1	207,399	62.2	347,003	67.3
DC Cash One Ltd.	—	—	—	—	150,074	—
Credit Card Business *2	1,021,131	0.5	1,071,681	5.0	1,197,784	11.8
ACOM MasterCard®	1,014,845	1.1	1,064,492	4.9	1,191,975	12.0
JCK CREDIT CO., LTD.	6,004	21.2	6,982	16.3	5,609	-19.7
Installment Sales Finance Business *3	991,162	9.4	886,110	-10.6	958,768	8.2
ACOM CO., LTD.	479,182	-1.5	387,261	-19.2	284,782	-26.5
JCK CREDIT CO., LTD.	263,202	6.7	222,424	-15.5	148,059	-33.4
EASY BUY Public Company Limited	248,778	44.3	276,425	11.1	525,927	90.3
Loan Servicing Business *4	10,540	618.0	31,851	202.2	137,808	332.7

Notes: 1. Loan Business: Number of customer accounts with outstanding that includes non-interest bearing balance
2. Credit Card Business: Number of cardholders
3. Installment Sales Finance Business: Number of contracts with receivables outstanding
4. Loan Servicing Business: Number of accounts for purchased loans

Millions of yen								
2006/3		2007/3					2008/3(E)	
	yoy %	1st quarter	2nd quarter	3rd quarter	4th quarter full term	yoy %		yoy %
1,852,053	-0.9	1,840,451	1,827,358	1,788,421	1,759,927	-5.0	1,633,900	-7.2
1,703,172	1.4	1,701,404	1,692,422	1,660,206	1,632,310	-4.2	1,509,600	-7.5
1,596,276	-0.3	1,586,814	1,571,342	1,531,285	1,494,399	-6.4	1,334,800	-10.7
20	-38.7	19	18	—	—	—	—	—
29,564	72.3	33,715	36,846	42,588	49,918	68.8	78,400	57.1
74,142	25.1	77,253	80,064	81,536	82,698	11.5	90,000	8.8
48,120	-2.6	47,725	47,111	46,320	44,842	-6.8	47,200	5.3
47,537	-2.7	47,140	46,531	45,725	44,268	-6.9	46,600	5.3
568	4.1	575	574	587	566	-0.4	600	6.0
83,335	-34.6	75,878	66,926	61,879	56,986	-31.6	47,000	-17.5
45,769	-34.6	42,643	38,202	35,362	32,147	-29.8	—	—
17,335	-48.4	15,486	12,891	11,460	9,503	-45.2	34,300	260.9
20,229	-14.8	17,748	15,832	15,056	15,335	-24.2	12,700	-17.2
17,423	36.9	15,442	20,898	20,015	25,788	48.0	30,100	16.7
89,894	15.2	94,309	98,754	102,554	105,977	17.9	148,600	40.2
89,639	14.9	92,693	95,124	95,532	96,850	8.0	123,900	27.9
254	—	1,616	3,630	7,021	9,126	—	24,700	170.7

2006/3		2007/3					2008/3(E)	
	yoy %	1st quarter	2nd quarter	3rd quarter	4th quarter full term	yoy %		yoy %
3,450,636	1.3	3,456,665	3,464,188	3,478,323	3,435,586	-0.4	3,321,500	-3.3
2,859,176	-1.5	2,840,024	2,806,722	2,745,024	2,682,160	-6.2	2,391,800	-10.8
40	-76.0	31	24	—	—	—	—	—
410,142	18.2	430,208	466,293	538,580	556,344	35.6	727,000	30.7
172,183	14.7	176,248	179,646	181,664	182,878	6.2	185,200	1.3
1,259,509	5.2	1,282,575	1,291,331	1,259,418	1,181,806	-6.2	937,400	-20.7
1,253,603	5.2	1,276,566	1,285,319	1,253,339	1,175,910	-6.2	932,000	-20.7
5,709	1.8	5,812	5,815	5,885	5,701	-0.1	5,400	-5.3
671,742	-29.9	560,068	485,142	446,394	421,554	-37.2	371,500	-11.9
205,783	-27.7	190,907	173,292	159,768	147,433	-28.4	—	—
96,023	-35.1	85,925	76,141	67,073	57,840	-39.8	168,500	191.3
369,936	-29.7	283,236	235,709	219,553	216,281	-41.5	203,000	-6.1
200,662	45.6	214,200	217,410	222,635	226,271	12.8	—	—

Six-Year Financial Summary (Consolidated)

Years ended March 31

	Millions of yen
	2002
1. For the Year:	
Operating Income	414,918
Operating Expenses	243,669
Bad-debt-related Expenses *1	72,047
Interest-repayment-related Expenses *2	—
Operating Profit	171,248
Net Income	95,637
2. At Year-end:	
Total Assets	2,166,865
Receivables Outstanding *3	1,888,265
Total Amount of Bad Debts	44,516
Loans to Borrowers in Bankruptcy or Under Reorganization	7,204
Loans in Arrears	21,751
Loans Past Due for Three Months or More	519
Restructured Loans	15,041
Allowance for Bad Debts	81,064
Net Assets *4	582,737
Interest-bearing Debts	1,470,366
3. Per Shares:	Yen
Net Income, Basic	653.18
Net Assets *4	3,983.61
Cash Dividends	80.00
4. Key Financial Ratios:	%
Operating Profit Margin	41.3
ROE *5	17.6
ROA *5	4.7

Notes: 1. The amount of bad-debt-related expenses is the sum of bad debt write-offs, increase or decrease in allowance for bad debts, and increase or decrease in allowance for loss on debt guarantees.

2. The amount of interest-repayment-related expenses represents the sum of interest repayments, ACOM's voluntary waiver of repayments accompanied with interest repayments, and increase or decrease in allowance for loss on interest repayments.

3. Receivables outstanding indicates the total amount of Loan Business, Credit Card Business and Installment Sales Finance Business.

4. From FY2006, total shareholders' equity is being shown as net assets.

5. ROE and ROA are calculated using the simple average of beginning and end of term balance sheet figures.

Millions of yen				
2003	2004	2005	2006	2007
437,572	434,968	433,965	445,431	423,652
290,877	314,577	289,604	335,039	508,755
115,671	140,505	108,453	117,125	137,595
—	—	—	37,228	200,147
146,695	120,391	144,361	110,392	-85,102
75,096	70,319	81,533	65,595	-437,972
2,183,414	2,075,389	2,077,334	2,106,681	2,031,829
1,940,055	1,851,454	1,856,962	1,834,629	1,734,139
60,791	80,259	83,961	114,371	149,453
9,227	9,280	8,906	7,707	7,050
31,302	36,966	37,077	49,904	86,368
1,139	1,787	1,781	1,995	1,645
19,122	32,225	36,196	54,764	54,388
112,549	135,350	130,532	131,620	128,798
644,431	697,166	863,760	927,722	457,165
1,439,905	1,294,571	1,128,226	1,064,585	1,031,394
Yen				
513.08	487.77	516.23	416.69	-2,786.19
4,405.08	4,855.98	5,456.39	5,901.69	2,863.16
80.00	80.00	100.00	140.00	100.00
%				
33.5	27.7	33.3	24.8	-20.1
12.2	10.5	10.4	7.3	-63.6
3.5	3.3	3.9	3.1	-21.2

Seven-Year Financial Summary (Non-Consolidated)

Years ended March 31

	Millions of yen	
	2001	2002
1. For the Year:		
Operating Income	366,712	400,818
Operating Expenses	208,205	231,857
Bad-debt-related Expenses *1	51,654	69,997
Interest-repayment-related Expenses *2	—	—
Operating Profit	158,507	168,961
Net Income	80,757	94,777
2. At Year-end:		
Total Assets	1,876,210	2,095,251
Receivables Outstanding *3	1,666,149	1,809,564
Total Amount of Bad Debts	34,596	43,691
Loans to Borrowers in Bankruptcy or Under Reorganization	3,650	7,204
Loans in Arrears	16,866	20,972
Loans Past Due for Three Months or More	518	497
Restructured Loans	13,561	15,016
Allowance for Bad Debts	61,900	77,700
Net Assets *4	502,833	580,716
Interest-bearing Debts	1,283,167	1,417,966
3. Per Shares:	Yen	
Net Income, Basic	550.75	647.31
Net Assets *4	3,429.24	3,969.80
Cash Dividends	65.00	80.00
4. Key Financial Ratios:	%	
Operating Profit Margin	43.2	42.2
ROE *5	17.4	17.5
ROA *5	4.5	4.8
Ratio of Bad Debt Write-offs	2.9	3.2
Bad Debt Ratio (Gross basis) *6	2.3	2.7
Bad Debt Ratio (Net basis) *7	-1.8	-2.1

Notes: 1. The amount of bad-debt-related expenses is the sum of bad debt write-offs, increase or decrease in allowance for bad debts, and increase or decrease in allowance for loss on debt guarantees.
2. Interest-repayment-related expenses represents the sum of interest repayments, ACOM's voluntary waiver of repayments accompanied with interest repayments, and the increase or decrease in allowance for loss on interest repayments.
3. Receivables outstanding indicates the sum of receivables outstanding of the loan business, credit card business, and installment sales finance business.
4. From FY2006, total shareholders' equity is being shown as net assets.
5. ROE and ROA are calculated using the simple average of beginning and end of term balance sheet figures.
6. Bad debt ratio (Gross basis) = Total amount of bad debts / loans receivables plus loans to borrowers in bankruptcy or under reorganization.
7. Bad debt ratio (Net basis) = (Bad debts - allowance for bad debts) / loans receivables plus loans to borrowers in bankruptcy or under reorganization.

		Millions of yen		
2003	2004	2005	2006	2007
419,258	411,799	402,734	396,637	370,769
276,677	295,918	262,500	290,512	459,762
112,108	135,474	102,462	108,183	129,056
—	—	—	37,227	200,147
142,581	115,880	140,234	106,124	-88,992
77,489	65,648	83,001	64,152	-439,463
2,110,009	2,019,648	1,951,625	1,961,462	1,861,285
1,847,259	1,772,706	1,720,641	1,689,598	1,570,823
60,491	79,754	81,210	109,573	141,307
9,227	9,280	8,377	7,000	6,120
31,128	36,632	35,310	46,709	80,976
1,036	1,638	1,345	1,110	499
19,099	32,204	36,177	54,752	53,711
107,700	129,400	122,400	122,700	121,000
645,386	694,082	862,301	923,408	443,797
1,384,848	1,260,090	1,028,722	945,208	888,587
		Yen		
529.45	455.36	525.53	407.52	-2,795.68
4,411.62	4,834.50	5,447.18	5,874.25	2,823.24
80.00	80.00	100.00	140.00	100.00
		%		
34.0	28.1	34.8	26.8	-24.0
12.6	9.8	10.7	7.2	-64.3
3.7	3.2	4.2	3.3	-23.0
4.6	6.4	6.1	6.0	8.4
3.7	4.9	5.1	6.9	9.4
-2.9	-3.1	-2.6	-0.8	1.4

Receivables Outstanding (Non-Consolidated)

	Millions of yen					
	2004/3		2005/3		2006/3	
		yoy %		yoy %		yoy %
Receivables Outstanding	1,772,706	-4.0	1,720,641	-2.9	1,689,598	-1.8
Loan Business	1,612,799	-2.4	1,601,773	-0.7	1,596,276	-0.3
Unsecured Loans	1,548,616	-2.2	1,545,493	-0.2	1,542,256	-0.2
Consumers	1,548,274	-2.1	1,545,295	-0.2	1,542,121	-0.2
Commercials	341	-45.4	197	-42.3	134	-31.5
Secured Loans	64,183	-8.5	56,280	-12.3	54,020	-4.0
Real Estate Card Loan	52,781	-7.2	47,135	-10.7	46,210	-2.0
Credit Card Business	45,973	11.7	48,853	6.3	47,551	-2.7
ACOM MasterCard®	45,941	11.7	48,833	6.3	47,537	-2.7
Installment Sales Finance Business	113,934	-25.6	70,014	-38.5	45,769	-34.6
Average Balance of Unsecured Loans for Consumers per Account (Thousands of yen)	527	0.6	535	1.5	542	1.3
<Reference>						
Guaranteed Receivable	100,971	74.3	137,261	35.9	163,782	19.3

Number of Customer Accounts (Non-Consolidated)

	2004/3		2005/3		2006/3	
		yoy %		yoy %		yoy %
Loan Business *1	2,954,073	-2.6	2,902,916	-1.7	2,859,176	-1.5
Unsecured Loans	2,940,345	-2.6	2,890,353	-1.7	2,846,796	-1.5
Consumers	2,939,945	-2.6	2,890,120	-1.7	2,846,643	-1.5
Commercials	400	-39.5	233	-41.8	153	-34.3
Secured Loans	13,728	-5.3	12,563	-8.5	12,380	-1.5
Credit Card Business *2	1,064,699	4.9	1,192,175	12.0	1,253,800	5.2
ACOM MasterCard®	1,064,492	4.9	1,191,975	12.0	1,253,603	5.2
Installment Sales Finance Business *3	387,261	-19.2	284,782	-26.5	205,783	-27.7

Notes: 1. Loan Business: Number of customer accounts with outstanding balance
2. Credit Card Business: Number of cardholders
3. Installment Sales Finance Business: Number of contracts with receivables outstanding

	Millions of yen									
	2007/3								2008/3(E)	
	1st quarter	yoy %	2nd quarter	yoy %	3rd quarter	yoy %	4th quarter full term	yoy %		yoy %
	1,676,607	-2.3	1,656,081	-3.3	1,612,379	-4.8	1,570,823	-7.0	1,381,400	-12.1
	1,586,814	-1.1	1,571,342	-2.2	1,531,285	-3.9	1,494,399	-6.4	1,334,800	-10.7
	1,533,505	-1.0	1,519,341	-2.1	1,481,086	-3.8	1,446,209	-6.2	1,294,500	-10.5
	1,533,378	-1.0	1,519,223	-2.1	1,480,983	-3.8	1,446,117	-6.2	1,294,500	-10.5
	126	-29.8	118	-29.2	103	-31.1	91	-32.3	0	—
	53,308	-3.2	52,000	-5.6	50,198	-7.6	48,190	-10.8	40,300	-16.4
	—	—	44,899	-3.5	—	—	41,877	-9.4	—	—
	47,149	-3.5	46,536	-4.2	45,732	-6.2	44,276	-6.9	46,600	5.3
	47,140	-3.4	46,531	-4.2	45,725	-6.2	44,268	-6.9	46,600	5.3
	42,643	-33.5	38,202	-32.7	35,362	-31.8	32,147	-29.8	—	—
	542	0.9	544	0.9	542	0.6	541	-0.2	543	0.4
	169,947	17.6	175,188	15.5	177,069	12.9	179,549	9.6	213,900	19.1

	2007/3								2008/3(E)	
	1st quarter	yoy %	2nd quarter	yoy %	3rd quarter	yoy %	4th quarter full term	yoy %		yoy %
	2,840,024	-1.9	2,806,722	-2.8	2,745,024	-4.4	2,682,160	-6.2	2,391,800	-10.8
	2,827,732	-1.9	2,794,625	-2.8	2,733,226	-4.4	2,670,707	-6.2	2,381,600	-10.8
	2,827,589	-1.9	2,794,493	-2.8	2,733,113	-4.4	2,670,606	-6.2	2,381,600	-10.8
	143	-30.6	132	-32.0	113	-31.1	101	-34.0	0	—
	12,292	-1.1	12,097	-3.1	11,798	-4.8	11,453	-7.5	10,200	-10.9
	1,276,763	6.1	1,285,516	5.3	1,253,533	1.5	1,176,105	-6.2	932,000	-20.8
	1,276,566	6.1	1,285,319	5.3	1,253,339	1.5	1,175,910	-6.2	932,000	-20.7
	190,907	-28.2	173,292	-29.1	159,768	-29.4	147,433	-28.4	—	—

Number of New Loan Customers (Non-Consolidated)

	2004/3		2005/3		2006/3	
		yoy %		yoy %		yoy %
Number of New Loan Customers	359,311	-12.0	340,033	-5.4	330,385	-2.8
Unsecured Loans	358,570	-11.8	339,567	-5.3	329,814	-2.9
Consumers	358,570	-11.8	339,567	-5.3	329,814	-2.9
Commercials	0	-100.0	0	—	0	—
Secured Loans	741	-49.0	466	-37.1	571	22.5

Number of Loan Business Outlets (Non-Consolidated)

	2004/3		2005/3		2006/3	
		yoy		yoy		yoy
Number of Loan Business Outlets	1,699	-17	1,785	86	2,003	218
Staffed	381	-87	324	-57	277	-47
Unstaffed	1,318	70	1,461	143	1,726	265
QUICK MUJIN Machine	—	—	38	38	194	156

MUJINKUN (Non-Consolidated)

	2004/3		2005/3		2006/3	
		yoy		yoy		yoy
Number of MUJINKUN Outlets	1,691	-14	1,782	91	2,007	225
Number of MUJINKUN Machine	1,692	-14	1,783	91	2,008	225
QUICK MUJIN Machine	—	—	38	38	201	163

Cash Dispensers and ATMs (Non-Consolidated)

	2004/3		2005/3		2006/3	
		yoy		yoy		yoy
Number of Cash Dispensers and ATMs	76,282	7,067	81,736	5,454	83,868	2,132
Proprietary	1,961	-65	1,891	-70	1,952	61
Open 365 Days/Year	1,957	-63	1,888	-69	1,951	63
Open 24 Hours/Day	1,705	-44	1,662	-43	1,727	65
Tie-up	74,321	7,132	79,845	5,524	81,916	2,071
Others *1	8,424	803	8,684	260	8,903	219

Note: 1. "Others" indicates receipt of payment by convenience stores under an agency agreement.

2007/3								2008/3(E)	
1st quarter	yoy %	2nd quarter	yoy %	3rd quarter	yoy %	4th quarter full term	yoy %		yoy %
81,144	-4.5	150,880	-10.7	210,588	-15.0	268,885	-18.6	186,000	-30.8
81,065	-4.4	150,740	-10.6	210,422	-14.9	268,710	-18.5	186,000	-30.8
81,065	-4.4	150,740	-10.6	210,422	-14.9	268,710	-18.5	186,000	-30.8
0	—	0	—	0	—	0	—	0	—
79	-37.8	140	-51.4	166	-61.6	175	-69.4	0	—

2007/3								2008/3(E)	
1st quarter	YTD	2nd quarter	YTD	3rd quarter	YTD	4th quarter full term	yoy		yoy
2,029	26	2,044	41	1,949	-54	1,812	-191	1,702	-110
271	-6	242	-35	182	-95	142	-135	138	-4
1,758	32	1,802	76	1,767	41	1,670	-56	1,564	-106
212	18	218	24	181	-13	119	-75	0	-119

2007/3								2008/3(E)	
1st quarter	YTD	2nd quarter	YTD	3rd quarter	YTD	4th quarter full term	yoy		yoy
2,036	29	2,051	44	1,957	-50	1,820	-187	1,701	-119
2,037	29	2,051	43	1,957	-51	1,820	-188	1,701	-119
221	20	227	26	190	-11	128	-73	0	-128

2007/3								2008/3(E)	
1st quarter	YTD	2nd quarter	YTD	3rd quarter	YTD	4th quarter full term	yoy		yoy
85,050	1,182	85,913	2,045	86,934	3,066	87,773	3,905	—	—
1,969	17	1,978	26	1,918	-34	1,841	-111	1,850	9
1,968	17	1,977	26	1,918	-33	1,841	-110	—	—
1,745	18	1,750	23	1,698	-29	1,632	-95	—	—
83,081	1,165	83,935	2,019	85,016	3,100	85,932	4,016	—	—
8,919	16	8,976	73	8,947	44	8,464	-439	—	—

Employees (Non-Consolidated)

	2004/3	yoy	2005/3	yoy	2006/3	yoy
Number of Employees	4,238	-167	4,096	-142	3,911	-185
Head Office	932	63	925	-7	937	12
Credit Supervision Related	345	43	336	-9	346	10
Financial Service Business Division	3,306	-230	3,171	-135	2,974	-197
Contact Center	943	-116	887	-56	964	77
Credit Card / Installment Business Dept.	346	118	317	-29	281	-36
Guarantee Business Dept.	—	—	48	48	59	11

Average Loan Yield (Non-Consolidated)

	%					
	2002/3	yoy p.p.	2003/3	yoy p.p.	2004/3	yoy p.p.
Average Yield *1	23.80	-0.28	23.47	-0.33	23.23	-0.24
Unsecured Loans	24.32	-0.43	23.96	-0.36	23.72	-0.24
Consumers	24.32	-0.44	23.96	-0.36	23.72	-0.24
Commercials	21.59	-1.29	20.04	-1.55	18.96	-1.08
Secured Loans	12.13	0.80	12.15	0.02	12.16	0.01

Note: 1. Average yield = Interest on loans receivable / term average of receivables outstanding at the beginning of the year

Unsecured Loans Receivable Outstanding for Consumers by Interest Rate (Non-Consolidated)

	Millions of yen					
	2004/3		2005/3		2006/3	
	Receivables Outstanding					
Effective Annual Interest Rate		C.R.(%)		C.R.(%)		C.R.(%)
Loans Receivable Outstanding	1,548,274	100.0	1,545,295	100.0	1,542,121	100.0
28.470% and Higher	39,701	2.5	31,483	2.1	25,418	1.6
27.375%	642,084	41.5	652,293	42.2	623,676	40.4
25.000% - 26.500%	338,972	21.9	343,838	22.3	338,043	21.9
20.000% - 24.820%	312,491	20.2	304,686	19.7	314,393	20.4
18.250% - 19.000%	87,939	5.7	79,546	5.1	73,732	4.8
15.000% - 18.000%	92,256	6.0	91,183	5.9	104,125	6.8
Less than 15.000%	34,827	2.2	42,263	2.7	62,731	4.1

	2007/3								2008/3(E)	
	1st quarter	YTD	2nd quarter	YTD	3rd quarter	YTD	4th quarter full term	yoy		yoy
	3,889	-22	3,767	-144	3,707	-204	2,956	-955	2,760	-196
	957	20	966	29	978	41	866	-71	—	—
	350	4	361	15	362	16	329	-17	—	—
	2,932	-42	2,801	-173	2,729	-245	2,090	-884	—	—
	933	-31	940	-24	1,020	56	765	-199	—	—
	270	-11	255	-26	248	-33	191	-90	—	—
	71	12	94	35	98	39	86	27	—	—

%							
2005/3		2006/3		2007/3		2008/3(E)	
	yoy p.p.		yoy p.p.		yoy p.p.		yoy p.p.
23.13	-0.10	22.94	-0.19	21.91	-1.03	19.61	-2.30
23.55	-0.17	23.32	-0.23	22.25	-1.07	19.89	-2.36
23.55	-0.17	23.32	-0.23	22.25	-1.07	19.89	-2.36
17.12	-1.84	16.63	-0.49	15.51	-1.12	15.28	-0.23
12.27	0.11	12.38	0.11	12.11	-0.27	11.14	-0.97

Millions of yen									
2007/3								2008/3(E)	
Receivables Outstanding									
1st quarter	C.R.(%)	2nd quarter	C.R.(%)	3rd quarter	C.R.(%)	4th quarter full term	C.R.(%)		C.R.(%)
1,533,378	100.0	1,519,223	100.0	1,480,983	100.0	1,446,117	100.0	1,294,500	100.0
24,089	1.6	22,993	1.5	21,673	1.5	20,506	1.4	4,300	0.3
607,556	39.6	589,938	38.8	563,535	38.1	537,612	37.2	291,800	22.5
323,048	21.0	309,397	20.4	299,407	20.2	289,512	20.0	128,600	9.9
303,535	19.8	304,813	20.1	285,110	19.2	278,943	19.3	139,400	10.8
71,659	4.7	70,566	4.6	85,401	5.8	83,666	5.8	57,800	4.5
136,364	8.9	151,271	10.0	157,653	10.6	169,235	11.7	602,500	46.6
67,125	4.4	70,241	4.6	68,200	4.6	66,641	4.6	70,100	5.4

Unsecured Loans Receivable Outstanding by Classified Receivable Outstanding (Non-Consolidated)

	Millions of yen					
	2004/3		2005/3		2006/3	
	Receivables Outstanding					
Classified Receivable Outstanding (Thousands of Yen)		C.R. (%)		C.R. (%)		C.R. (%)
≦100	20,278	1.3	19,936	1.3	20,000	1.3
100＜ ≦300	124,248	8.0	116,143	7.5	110,773	7.2
300＜ ≦500	599,785	38.7	599,363	38.8	591,294	38.4
500＜ ≦1,000	307,933	20.0	295,102	19.1	278,185	18.0
1,000＜	496,029	32.0	514,749	33.3	541,866	35.1
Total	1,548,274	100.0	1,545,295	100.0	1,542,121	100.0

Number of New Customers by Annual Income [Unsecured Loans] (Non-Consolidated)

	2003/3			2004/3		
	Number of Accounts		Initial Average Lending Amount	Number of Accounts		Initial Average Lending Amount
Annual Income (Millions of Yen)		C.R. (%)	Thousands of yen		C.R. (%)	Thousands of yen
≦2	96,455	23.7	136	86,242	24.1	123
2＜ ≦5	255,555	62.9	161	227,416	63.4	151
5＜ ≦7	36,465	8.9	204	30,252	8.4	193
7＜ ≦10	15,014	3.7	225	12,214	3.4	217
10＜	3,196	0.8	239	2,446	0.7	229
Total	406,685	100.0	162	358,570	100.0	151

Composition Ratio of Customer Accounts by Age [Unsecured Loans] (Non-Consolidated)

	%			
	2002/3		2003/3	
	Existing Accounts	Write-offs Account	Existing Accounts	Write-offs Account
Under 29	26.3	22.9	25.3	21.8
Age 30 - 39	28.1	27.3	28.7	28.0
Age 40 - 49	20.7	21.7	20.5	21.7
Age 50 - 59	17.7	19.6	17.9	19.7
Over 60	7.2	8.5	7.6	8.8
Total	100.0	100.0	100.0	100.0

Millions of yen									
2007/3								2008/3(E)	
Receivables Outstanding									
1st quarter	C.R. (%)	2nd quarter	C.R. (%)	3rd quarter	C.R. (%)	4th quarter full term	C.R. (%)		C.R. (%)
19,991	1.3	19,828	1.3	19,400	1.3	19,518	1.4	18,200	1.4
109,971	7.2	109,517	7.2	107,598	7.3	106,969	7.4	98,500	7.6
587,109	38.3	578,639	38.1	559,047	37.7	540,562	37.4	471,400	36.4
274,038	17.9	269,265	17.7	260,395	17.6	252,047	17.4	217,700	16.8
542,268	35.3	541,972	35.7	534,541	36.1	527,019	36.4	488,700	37.8
1,533,378	100.0	1,519,223	100.0	1,480,983	100.0	1,446,117	100.0	1,294,500	100.0

2005/3			2006/3			2007/3		
Number of Accounts	C.R. (%)	Initial Average Lending Amount Thousands of yen	Number of Accounts	C.R. (%)	Initial Average Lending Amount Thousands of yen	Number of Accounts	C.R. (%)	Initial Average Lending Amount Thousands of yen
83,370	24.5	134	82,914	25.1	139	67,354	25.1	135
214,180	63.1	158	207,675	63.0	158	168,883	62.9	158
28,065	8.3	199	26,279	8.0	192	21,327	7.9	192
11,712	3.4	230	10,746	3.2	220	9,199	3.4	221
2,240	0.7	247	2,200	0.7	243	1,947	0.7	244
339,567	100.0	158	329,814	100.0	159	268,710	100.0	158

%							
2004/3		2005/3		2006/3		2007/3	
Existing Accounts	Write-offs Account	Existing Accounts	Write-offs Account	Existing Accounts	Write-offs Account	Existing Accounts	Write-offs Account
24.2	21.6	23.1	21.6	22.1	22.5	20.5	23.2
29.3	28.5	29.5	28.7	29.3	28.1	29.2	27.5
20.5	21.5	20.7	21.3	20.9	21.6	21.3	20.9
18.0	19.3	18.3	19.0	18.9	18.7	19.3	19.7
8.0	9.1	8.4	9.4	8.8	9.1	9.7	8.7
100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Composition Ratio of Customer Accounts by Gender [Unsecured Loans] (Non-Consolidated)

	%			
	2002/3		2003/3	
	Existing Accounts	Write-offs Account	Existing Accounts	Write-offs Account
Male	73.3	70.0	73.3	69.2
Female	26.7	30.0	26.7	30.8

Bad Debt Write-offs (Non-Consolidated)

	Millions of yen					
	2004/3		2005/3		2006/3	
		yoy %		yoy %		yoy %
Bad Debt Write-offs	112,598	38.0	108,446	-3.7	107,239	-1.1
Loans Receivable	103,093	36.7	97,166	-5.7	95,826	-1.4
Unsecured Loans	100,781	34.3	96,415	-4.3	95,053	-1.4
Secured Loans	2,312	494.8	750	-67.5	772	2.9
ACOM MasterCard®	4,745	41.9	4,394	-7.4	3,905	-11.1
Installment Sales Finance	2,890	17.6	3,095	7.1	2,088	-32.5
Guarantee	1,860	506.1	3,785	103.5	5,409	42.9
Average Amount of Bad Debt Write-offs per Account for Unsecured Loans (Thousands of yen)	395	8.8	408	3.3	425	4.2
<Reference>						
Average Balance of Unsecured Loans for Consumers per Account (Thousands of yen)	527	0.6	535	1.5	542	1.3

Ratio of Bad Debt Write-offs (Non-Consolidated) *1, 2

	%					
	2004/3		2005/3		2006/3	
		yoy p.p.		yoy p.p.		yoy p.p.
Loans Receivable	6.38	(1.82)	6.05	(-0.33)	5.99	(-0.06)
Unsecured Loans	6.50	(1.76)	6.23	(-0.27)	6.15	(-0.08)
Secured Loans	3.55	(3.01)	1.31	(-2.24)	1.41	(0.10)
ACOM MasterCard®	10.32	(2.19)	8.98	(-1.34)	8.20	(-0.78)
Installment Sales Finance	2.54	(0.94)	4.39	(1.85)	4.53	(0.14)
<Reference>						
Guarantee	1.80	(1.28)	2.68	(0.88)	3.18	(0.50)

Notes: 1. Ratio of bad debt write-offs
Loan Business = Bad debt write-offs of loan business / (loans receivables plus loans to borrowers in bankruptcy or under reorganization)
ACOM MasterCard® = Bad debt write-offs of ACOM MasterCard® / card shopping receivables
Installment Sales Finance Business = Bad debt write-offs of installment sales finance / installment receivables
Guarantee = Bad debt write-offs of guarantee / (guaranteed receivables plus payments in subrogation)
2. Figures in brackets indicate year-on-year change in percentage points.

	%							
	2004/3		2005/3		2006/3		2007/3	
	Existing Accounts	Write-offs Account	Existing Accounts	Write-offs Account	Existing Accounts	Write-offs Account	Existing Accounts	Write-offs Account
	73.4	69.0	73.5	69.5	73.3	69.8	73.2	70.1
	26.6	31.0	26.5	30.5	26.7	30.2	26.8	29.9

	Millions of yen									
	2007/3								2008/3(E)	
	1st quarter	yoy %	2nd quarter	yoy %	3rd quarter	yoy %	4th quarter full term	yoy %		yoy %
	28,775	12.8	58,892	13.6	96,573	20.8	138,977	29.6	163,000	17.3
	25,649	13.0	52,784	14.2	87,152	22.0	126,038	31.5	150,100	19.1
	25,510	12.9	52,462	14.3	86,757	22.4	125,515	32.0	149,500	19.1
	139	22.9	321	2.9	394	-28.8	523	-32.2	600	14.7
	967	-3.5	1,879	-4.2	2,962	1.0	4,123	5.6	4,200	1.9
	358	-39.8	701	-38.8	947	-43.7	1,277	-38.9	—	—
	1,768	47.8	3,496	39.4	5,480	39.2	7,495	38.6	8,700	16.1
	—	—	427	0.7	—	—	438	3.1	—	—
	542	0.9	544	0.9	542	0.6	541	-0.2	543	0.4

	%									
	2007/3								2008/3(E)	
	1st quarter	yoy p.p.	2nd quarter	yoy p.p.	3rd quarter	yoy p.p.	4th quarter full term	yoy p.p.		yoy p.p.
	1.61	(0.20)	3.35	(0.48)	5.68	(1.21)	8.42	(2.43)	11.22	(2.80)
	1.66	(0.20)	3.45	(0.50)	5.85	(1.25)	8.67	(2.52)	11.52	(2.85)
	0.26	(0.06)	0.61	(0.05)	0.78	(-0.23)	1.07	(-0.34)	1.39	(0.32)
	2.05	(0.00)	4.03	(0.00)	6.46	(0.45)	9.29	(1.09)	9.03	(-0.26)
	0.83	(-0.09)	1.82	(-0.18)	2.66	(-0.56)	3.97	(-0.56)	—	—
	1.00	(0.20)	1.91	(0.31)	2.95	(0.53)	3.97	(0.79)	3.85	(-0.12)

Bad Debts (Non-Consolidated)

	Millions of yen					
	2003/3		2004/3		2005/3	
		%		%		%
Total Amount of Bad Debts	60,491	3.65	79,754	4.93	81,210	5.06
Loans to Borrowers in Bankruptcy or Under Reorganization	9,227	0.56	9,280	0.57	8,377	0.52
Applications for Bankruptcy are Proceeded	3,540	0.21	2,951	0.18	2,026	0.13
Applications for the Civil Rehabilitation are Proceeded	2,853	0.17	3,633	0.22	3,176	0.20
Applications for the Civil Rehabilitation are Determined	815	0.05	1,775	0.11	2,328	0.15
Loans in Arrears *1	31,128	1.88	36,632	2.27	35,310	2.20
Loans Past Due for Three Months or More	1,036	0.06	1,638	0.10	1,345	0.08
Restructured Loans	19,099	1.15	32,204	1.99	36,177	2.25

Note: 1. In line with the inclusion of allowance for loss on interest repayments, the amount of loans to borrowers seeking legal counsel that have not been resolved yet is counted in the amount of loans in arrears as loans exclusive of accrued interest from the fiscal year ended March 31, 2006.

Loans in Arrears for Less Than 3 Months [excluding balance held by headquarters' collection department] (Non-Consolidated)

	Millions of yen					
	2003/3		2004/3		2005/3	
		%		%		%
11 days ≦ ＜ 3 months	18,971	1.15	19,475	1.21	17,239	1.07
31 days ≦ ＜ 3 months	9,761	0.59	11,076	0.69	9,902	0.62
11 days ≦ ＜ 31 days	9,210	0.56	8,399	0.52	7,337	0.46

Allowance for Bad Debts (Non-Consolidated)

	Millions of yen					
	2003/3		2004/3		2005/3	
		yoy %		yoy %		yoy %
Allowance for Bad Debts	107,700	38.6	129,400	20.1	122,400	-5.4
Allowance for Bad Debts calculated by former method	—	—	—	—	—	—
Ratio of Allowance for Bad Debts (%) *1	5.91	—	7.37	—	7.15	—
General Allowance for Bad Debts	67,127	—	82,898	23.5	76,870	-7.3
Unsecured Consumer Loans	59,980	—	74,888	24.9	69,348	-7.4
Specific Allowance for Bad Debts	40,184	—	44,929	11.8	43,657	-2.8
Increase or Decrease in Allowance for Bad Debts	30,000	89.9	21,700	-27.7	-7,000	-132.3
Allowance for Loss on Debt Guarantees	474	—	1,865	293.5	2,880	54.4
Increase or Decrease in Allowance	461	—	1,391	201.7	1,015	-27.0

Notes: 1. (Allowance for bad debts calculated by former method): it is calculated based on the method used before the change of expression of Allowance for loss on interest repayments from interim accounting period as of September 2006.

2. $\text{Ratio of allowance for bad debts (\%)} = \dfrac{\text{Allowance for bad debts}}{\text{Loans receivable outstanding at the fiscal year-end plus installment receivables (excluding deferred income on installment sales finance)}} \times 100$

Allowance for Loss on Interest Repayments (Non-Consolidated)

	Millions of yen					
	2003/3		2004/3		2005/3	
		yoy %		yoy %		yoy %
Allowance for Loss on Interest Repayments	—	—	—	—	—	—
Increase or Decrease in Allowance for Loss on Interest Repayments	—	—	—	—	—	—

Millions of yen									
2006/3		2007/3							
	%	1st quarter	%	2nd quarter	%	3rd quarter	%	4th quarter full term	%
109,573	6.85	119,160	7.50	131,458	8.35	136,772	8.92	141,307	9.44
7,000	0.44	6,912	0.43	6,584	0.42	6,383	0.42	6,120	0.41
1,307	0.08	1,427	0.09	1,279	0.08	1,152	0.08	1,026	0.07
2,716	0.17	2,608	0.16	2,530	0.16	2,539	0.17	2,430	0.16
2,358	0.15	2,309	0.15	2,280	0.14	2,178	0.14	2,108	0.14
46,709	2.92	53,450	3.36	65,306	4.15	73,996	4.82	80,976	5.41
1,110	0.07	997	0.06	567	0.04	615	0.04	499	0.03
54,752	3.42	57,800	3.64	59,000	3.75	55,777	3.64	53,711	3.59

Millions of yen									
2006/3		2007/3							
	%	1st quarter	%	2nd quarter	%	3rd quarter	%	4th quarter full term	%
12,968	0.81	19,475	1.23	20,742	1.32	16,179	1.05	17,223	1.15
7,289	0.46	9,686	0.61	8,334	0.53	7,846	0.51	6,586	0.44
5,679	0.36	9,788	0.62	12,408	0.79	8,333	0.54	10,637	0.71

Millions of yen											
2006/3		2007/3								2008/3(E)	
	yoy %	1st quarter	yoy %	2nd quarter	yoy %	3rd quarter	yoy %	4th quarter full term	yoy %		yoy %
122,700	0.2	131,800	13.1	98,406	-15.9	112,400	-5.2	121,000	-1.4	156,500	29.3
—	—	—	—	144,500	—	160,577	—	177,600	—	208,400	—
7.26	—	7.88	—	5.96	—	6.99	—	7.72	—	11.33	—
66,810	-13.1	69,417	-4.2	46,178	-35.1	50,182	-34.9	54,257	-18.8	—	—
61,187	-11.8	63,541	-2.6	40,578	-37.0	44,875	-36.3	48,963	-20.0	—	—
54,276	24.3	60,874	43.7	50,713	14.9	60,631	52.3	65,145	20.0	—	—
300	104.3	9,100	254.2	-24,293	—	-10,300	—	-1,700	-666.7	35,500	—
3,330	15.6	3,680	24.3	3,810	27.4	3,770	20.1	3,670	10.2	4,370	19.1
450	-55.7	350	337.5	480	—	440	69.2	340	-24.4	700	—

Millions of yen											
2006/3		2007/3								2008/3(E)	
	yoy %	1st quarter	yoy %	2nd quarter	yoy %	3rd quarter	yoy %	4th quarter full term	yoy %		yoy %
23,700	—	25,000	—	357,500	—	335,391	—	490,000	—	352,433	—
23,700	—	1,300	—	333,800	—	311,691	—	466,300	—	-137,567	—

Funds Procurement (Non-Consolidated)

	Millions of yen					
	2002/3		2003/3		2004/3	
		C.R.(%)		C.R.(%)		C.R.(%)
Borrowings	1,417,966	100.0	1,384,848	100.0	1,260,090	100.0
Indirect	1,035,186	73.0	1,053,068	76.0	951,210	75.5
City Banks	37,017	2.6	35,065	2.5	35,386	2.8
Regional Banks	56,634	4.0	58,300	4.2	51,147	4.1
Former Long-term Credit Banks	85,608	6.0	93,880	6.8	76,968	6.1
Trust Banks	433,001	30.5	409,257	29.6	403,081	32.0
Foreign Banks	46,000	3.3	63,000	4.5	37,500	3.0
Life Insurance Companies	268,215	18.9	263,779	19.0	245,773	19.5
Non-Life Insurance Companies	51,434	3.6	50,043	3.6	44,723	3.5
Others	57,277	4.1	79,744	5.8	56,632	4.5
Direct	382,780	27.0	331,780	24.0	308,880	24.5
Straight Bonds	295,000	20.8	295,000	21.3	285,000	22.6
Convertible Bonds	50,000	3.5	—	0.0	—	—
Commercial Paper	10,000	0.7	10,000	0.7	—	—
Securitization of Installment Sales Finance Receivable	3,900	0.3	2,900	0.2	—	—
Others	23,880	1.7	23,880	1.7	23,880	1.9
Short-term	13,562	1.0	16,400	1.2	11,500	0.9
Long-term	1,404,403	99.0	1,368,448	98.8	1,248,590	99.1
Fixed	1,154,619	81.4	1,171,837	84.6	1,093,395	86.8
Interest Rate Swaps (Notional)	96,648	6.8	142,310	10.3	188,321	14.9
Interest Cap (Notional)	117,000	8.3	117,000	8.4	82,000	6.5
Average Interest Rate on Funds Procured During the Year (%)	2.13	—	2.10	—	1.96	—
Average Nominal Interest Rate on Funds Procured During the Year *1	1.88	—	1.85	—	1.67	—
Floating Interest Rate	1.77	—	1.89	—	1.55	—
Fixed Interest Rate	2.21	—	2.14	—	2.04	—
Short-term	1.07	—	0.56	—	0.64	—
Long-term	2.19	—	2.11	—	1.96	—
Direct	1.88	—	1.86	—	1.82	—
Indirect	2.21	—	2.18	—	2.00	—
<Reference>						
Term Average of Long-term Prime Rate	1.80	—	1.79	—	1.58	—

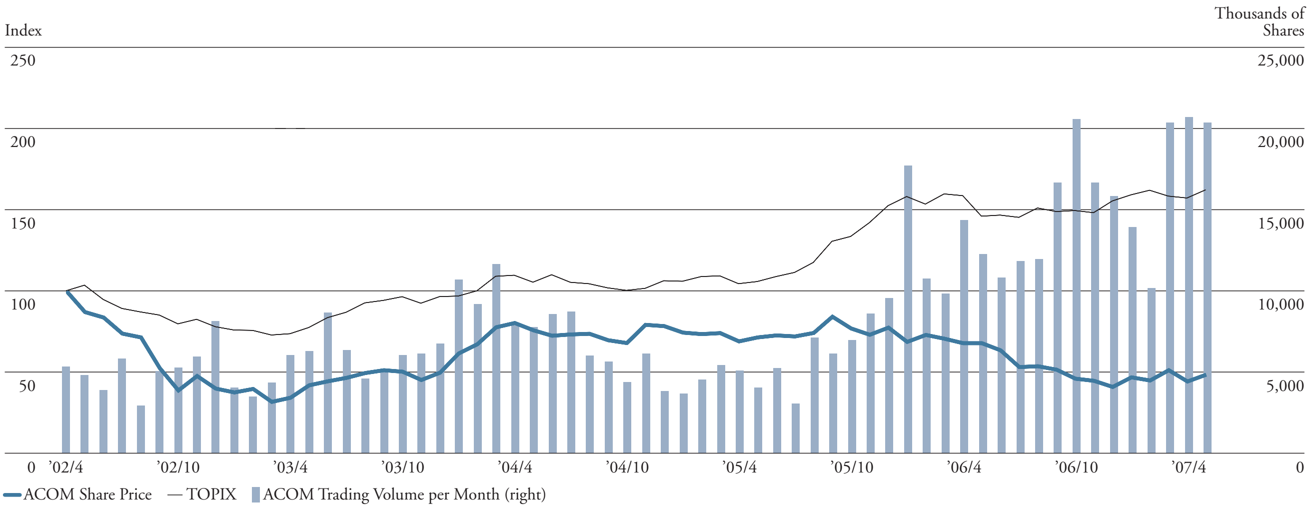
Note: 1. Financial expenses pertaining to derivatives have been excluded from the calculation of average nominal interest rate on funds procured during the year.

Millions of yen									
2005/3		2006/3		2007/3			2008/3(E)		
	C.R.(%)		C.R.(%)		yoy %	C.R.(%)		yoy %	C.R.(%)
1,028,722	100.0	945,208	100.0	888,587	-6.0	100.0	787,200	-11.4	100.0
719,842	70.0	614,288	65.0	580,627	-5.5	65.3	507,200	-12.6	64.4
21,430	2.1	24,487	2.6	21,306	-13.0	2.4	—	—	—
32,791	3.2	19,330	2.0	18,433	-4.6	2.1	—	—	—
53,979	5.2	41,049	4.3	46,871	14.2	5.3	—	—	—
337,951	32.9	290,093	30.7	269,340	-7.2	30.3	—	—	—
6,500	0.6	6,500	0.7	7,500	15.4	0.8	—	—	—
189,090	18.4	152,749	16.2	112,581	-26.3	12.7	—	—	—
29,439	2.9	21,659	2.3	16,530	-23.7	1.8	—	—	—
48,662	4.7	58,421	6.2	88,066	50.7	9.9	—	—	—
308,880	30.0	330,920	35.0	307,960	-6.9	34.7	280,000	-9.1	35.6
265,000	25.8	265,000	28.0	260,000	-1.9	29.3	—	—	—
—	—	—	—	—	—	—	—	—	—
20,000	1.9	50,000	5.3	40,000	-20.0	4.5	—	—	—
—	—	—	—	—	—	—	—	—	—
23,880	2.3	15,920	1.7	7,960	-50.0	0.9	—	—	—
22,500	2.2	51,000	5.4	60,000	17.6	6.8	10,000	-83.3	1.3
1,006,222	97.8	894,208	94.6	828,587	-7.3	93.2	777,200	-6.2	98.7
900,468	87.5	805,086	85.2	762,560	-5.3	85.8	736,700	-3.4	93.6
161,712	15.7	207,053	21.9	236,505	14.2	26.6	—	—	—
82,000	8.0	7,000	0.7	—	—	—	—	—	—
1.92	—	1.84	—	1.86	—	—	2.19	—	—
1.61	—	1.47	—	1.53	—	—	1.79	—	—
1.66	—	1.33	—	1.81	—	—	2.16	—	—
1.96	—	1.69	—	1.87	—	—	2.19	—	—
0.80	—	0.19	—	0.46	—	—	1.19	—	—
1.92	—	1.90	—	1.95	—	—	2.21	—	—
1.80	—	1.64	—	1.53	—	—	1.71	—	—
1.97	—	1.94	—	2.04	—	—	2.44	—	—
1.69	—	1.76	—	2.39	—	—	—	—	—

Investor Information

As of March 31, 2007

Stock Index and Trading Volume

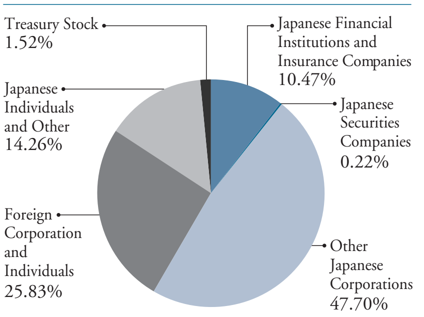


Principal Shareholders

Name	Number of shares held	% of ownership of voting right
Maruito Shokusan Co., Ltd.	27,346,755	17.40
Mitsubishi UFJ Financial Group, Inc.	20,732,340	13.19
Hero & Co.*	19,715,286	12.54
Maruito Co., Ltd.	12,553,343	7.99
Kinoshita Memorial Foundation	9,219,232	5.86
Mellon Bank Treaty Clients Omnibus	4,879,934	3.10
Maruito Shoten Co., Ltd.	3,873,320	2.46
Japan Trustee Services Bank, Ltd. (Trust Accounts)	3,459,650	2.20
Kyosuke Kinoshita	3,240,321	2.06
Katsuhiro Kinoshita	3,230,368	2.06

*Hero & Co. is a nominee of The Bank of New York, which is a depositary and transfer agent for American Depositary Receipts (ADR).

Breakdown of Shareholders



ADR (American Depositary Receipts) Information

Type: Sponsored Level-1 Program

ADR Ratio: 4ADRs : 1 Ordinary Share

Symbol: ACMUY

CUSIP: 004845202

Market: The U.S. Market for OTC (Over-the-Counter)

Depositary Bank: **The Bank of New York**
101 Barclay Street, 22W, NEW YORK,
NY 10286, U.S.A.
TEL: 1-212-815-2042
Toll-free number from the United States:
888-269-2377 (888-BNY-ADRS)
URL: http://www.adrbny.com

Other Data

Transfer Agent:
Mitsubishi UFJ Trust and Banking Corporation

Stock Listing:
First Section of Tokyo Stock Exchange

General Shareholders' Meeting:
June 27, 2007

Number of Stock Issued:
159,628,280

Number of Shareholders:
12,786