

## I. Report on the 39th Annual Shareholders' Meeting

The 39th Annual Shareholders' Meeting was held participated by 191 shareholders on Thursday, June 29, 2006 at 10 a.m. in the meeting room at Takefuji headquarters in Shinjuku and continued to 10:50 a.m. The management reported on the results of operations for the 39<sup>th</sup> fiscal year and all the proposition items were approved. We would like to express our sincere thanks to our shareholders for their valuable opinions and warm support.



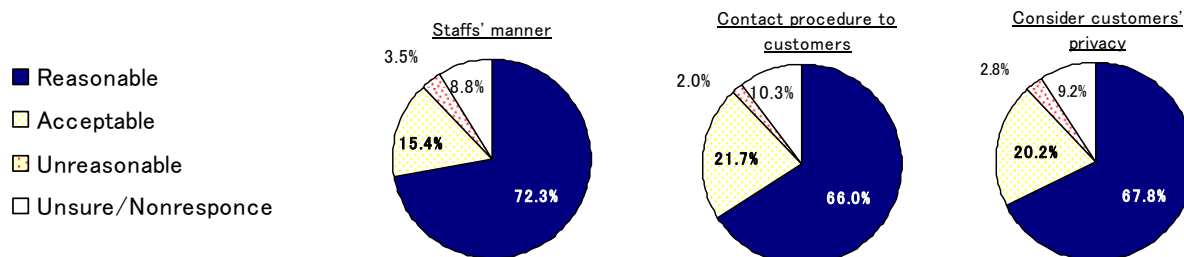
Takefuji will continue to **maximize shareholder value and to diversify the revenue sources** in the sector of retail financial business, harmonizing with our core business of unsecured loan, in order to meet the requirement of our stakeholders such as customers, shareholders, investors and business partners. Also Takefuji would like to show great appreciation for all who have full understanding and support the Company. With respect to appointments of directors, corporate auditors and executive officers, please refer to our **news release**.

## II. Results of the Customer Satisfaction Survey

Under its foundation philosophy of **“Customer First”** and **from the customers' standpoint, Takefuji has been striving to upgrade its service to customer and continuously considering how to improve its facilities to respond to customer's convenience**. During the period from Monday, May 15 to Friday, May 19, 2006, to enhance better services to customer and to analyze true customer's voice, the Company conducted **“Customer Satisfaction Survey”** with approximately 400 customers visiting Takefuji's branch offices in the areas around Tokyo. The survey revealed that the Company did not score as good as other competitors in terms of reception manners at the time of signing contracts, plainness of documents, amendment of terms and conditions and provision for sufficient information when the contract was made regrettably. However, **Takefuji ranked No.1** in the industry with regard to compliance in collection manner as well as in protecting customer's privacy. While diligently continuing to improve its services to customer, the Company will redeem our best in obtaining a top A-rating from the supervisory authorities in the forthcoming ABCD assessment for financial institutions with meticulous care. Specifically, we will introduce predictive control management system to enhance counseling services and prevent complaints from occurring.

We hereby extend our deepest gratitude to all survey respondents. Their comments will be treated strictly confidential and used as valuable data for product development and other purposes. In a bid to bolster customer satisfaction and to earn further trust in Company, Takefuji will **fulfill its corporate responsibility for fair disclosure** through its drastic **company-wide compliance educational sessions** and having its **internal inspection** repeatedly to **strengthen not only raising awareness of legal compliance but also the consciousness of abiding relevant laws and regulations**.

### <Evaluation on each operation with regard to collection>



### III. Monthly Business Results for June 2006

The following shows Takefuji's operating results for the month of June 2006. Please note that the figures below are based on the flash report as of June 30 at 18:00. As reported in previous Monthly IR Report, since Saturday, June 10, 2006, seven leading consumer finance companies including Takefuji have been demonstrating the educational type of "Stop Excessive Borrowing" TV commercial campaign designed to prevent excessive borrowings and to raise awareness of the risk of multiple debts and other issues. Takefuji has been enriching its counseling functions and making full effort to provide further efficient convenient service to customer by extending the business hours of Customer Counseling Office and by educating consumer service officers (customer counselors) responsible for marketing promotion and advisory work.

Unit of amount: millions of yen)	June 2005	March 2006	June 2006	Ratio/ No. of YoY change	Ratio/ No. of change from March 06
Direct cash loans outstanding	1,573,831	1,540,046	<b>1,528,282</b>	-2.9%	-0.8%
Installment (credit) A/Cs receivable	397	494	<b>536</b>	35.0%	8.5%
No. of loan customer A/Cs	2,420,345	2,322,917	<b>2,296,098</b>	-5.1%	-1.2%
No. of new loan customer A/Cs	23,576	21,894	<b>19,119</b>	-18.9%	—
No. of branch office	1,891	1,898	<b>1,896</b>	(+5)	(-2)
Manned	527	523	<b>523</b>	(-4)	(0)
Unmanned	1,363	1,374	<b>1,372</b>	(+9)	(-2)
Internet	1	1	<b>1</b>	(0)	(0)
No. of unmanned loan contract machines (Yen-musubi machines)	1,891	1,888	<b>1,886</b>	(-5)	(-2)

\* Takefuji carries out bad debt write-offs on a quarterly basis at the end of June, September, December and March.

### IV. Latest Social Contribution Activities

#### ① Cooperation for the Turning-Light-Off Campaign sponsored by Ministry of Environment

Takefuji Corporation participated the Black Illumination 2006 campaign on June 18, 2006. This campaign, organized by TEAM - 6% in Ministry of Environment for aiming to cease global warming and promoting energy conservation, has been in practice since 2003 focusing on the summer solstice day as a part of nationwide activity of Carbon-Dioxide Reducing / Turning-Light-Off Campaign. The team carried out Black illumination 2006 on the summer solstice day that project was to turn off advertising lighting boards and lights for architectures for two hours from 8:00pm to 10:00pm all over Japan. We also turned off our advertising lighting boards in Tokyo and Osaka.



#### ② Certificates of Gratitude from Guide Dog Associations



Takefuji Corporation has been making monetary donations to the guide dog cultivation project since 1984. In FY2006 ended on 31st March 2006, Takefuji donated to 9 Guide Dog Associations, including JGDA and Certificates of Gratitude were given to us from Hokkaido Guide Dogs for the Blind Association and Kyushu Guide Dog Association. According to JGDA, 952 dogs are currently working as a guide dog in Japan as of March 31, 2006, however the fact is about 7,800 visually disturbed people require the guide dogs, and trained dogs are still very much in short supply. With the hope of meeting as much demand for guide dogs as possible, we intend to carry on providing assistance positively in various styles, by joining street fund raising campaign, volunteering activities by our employees and so on.

## V. Appointment of a temporary independent auditor

Takefuji Corporation is pleased to announce an appointment of Zenichi Matsumoto, OPA, as a company's temporary independent auditor, in accordance with Paragraph 4 and 6, Article 346 of the Corporate Law and following approval at the Board of Corporate Auditors Meeting held on July 1, 2006. Please see [IR News](#) for details.

# BAMBOO NEWS



### Volleyball Class in Tokunoshima

On May 27 and 28, 2006, Takefuji Bamboo went out volleyball classes in Tokunoshima located in southern part of Japan, famous for its volleyball lovers. Many children, fans and office staffs have been waiting for the classes almost 4 years. The class was divided into two groups, junior (age 6-12) and senior (age 13-18) groups, and 6 staffs headed by team coach Mr. Anbo and 13 players from Bamboo coaching these classes. An inter-league game between Bamboo players and selected players was carried out that deepen the sportsmanship relations and spirits exchanged among the participants.



### Ms Yuki Ishikawa performed well in All Japan volleyball team

Ms Ishikawa joined Takefuji Bamboo this year and won Young eagle prize at the 55th Black Eagle All Japan Championship in May, was selected as a member player of All Japan team for Europe tour from May 8 to July 4, 2006. Although it was the first time for her to wear All Japan uniform, she appeared in the final qualifier game of Japan vs Poland match in Montreux Volley Masters, Switzerland. At the consolation final, she showed remarkable plays against Russia and Germany. We believe that young players like her will be the driving force that may bring first V-league victory to Takefuji Bamboo. We look forward to your warm support.

