

## 6.Non-Consolidated Financial Statements

### (1) Non-Consolidated Balance Sheets

Term Item of accounts	Note	Previous Fiscal Year (as of March 31, 2006)		Current Fiscal Year (as of March 31, 2007)	
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)
<b>Assets:</b>					
I Current assets					
1. Cash in hand and at banks		54,972		57,219	
2. Direct cash loans to customers	*1,2,9	1,540,046		1,431,848	
3. Installment receivables		494		582	
4. Securities		5		-	
5. Inventories		371		277	
6. Prepaid expenses		900		866	
7. Accrued interest income on loans to customers		12,305		12,918	
8. Short-term loans receivable		40,000		27,986	
9. Accounts receivable-others		1,595		835	
10. Corporate taxes, inhabitants taxes and enterprise taxes refundable		-		11,622	
11. Deposits		19,615		22,350	
12. Deferred income tax assets		19,489		20,590	
13. Other current assets		441		223	
Less: Allowance for credit losses		-150,430		-151,262	
Total current assets		1,539,805	86.5	1,436,054	90.1
II Fixed assets					
1. Tangible fixed assets	*5				
(1) Buildings	*1	7,743		6,857	
(2) Structures	*1	1,258		1,036	
(3) Vehicles and delivery equipment		25		14	
(4) Equipment, furniture and fixtures		5,084		4,676	
(5) Land	*1	23,132		23,123	
Total tangible fixed assets		37,241	2.1	35,705	2.2

Term Item of accounts	Note	Previous Fiscal Year (as of March 31, 2006)		Current Fiscal Year (as of March 31, 2007)	
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)
2. Intangible fixed assets					
(1) Land leasehold rights		503		503	
(2) Software		4,214		3,539	
(3) Telephone rights		744		744	
(4) Other intangible fixed assets		306		249	
Total intangible fixed assets		5,767	0.3	5,035	0.3
3. Investments and other assets					
(1) Investments in securities		28,361		22,706	
(2) Investments in affiliates		38,433		38,233	
(3) Investments in partnerships		542		689	
(4) Long-term prepaid expenses		889		951	
(5) Investments in real estates		497		450	
(6) Leasehold deposits		6,421		6,153	
(7) Long-Term deposits		31,058		46,556	
(8) Deferred income tax assets		17,139		-	
(9) Other investments		1,419		1,482	
Total investments and other assets		124,760	7.0	117,221	7.4
Total fixed assets		167,769	9.4	157,960	9.9
III Deferred charges					
1. Discount on bonds		72,692		-	
Total deferred charges		72,692	4.1	-	-
Total assets		1,780,265	100.0	1,594,014	100.0

Term Item of accounts	Note	Previous Fiscal Year (as of March 31, 2006)		Current Fiscal Year (as of March 31, 2007)	
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)
<b>Liabilities:</b>					
I Current liabilities					
1. Short-term borrowings from affiliates		14,250		16,000	
2. Current portion of bonds		68,000		-	
3. Current portion of long-term borrowings	*1	113,986		110,569	
4. Accounts payable-others		5,443		11,226	
5. Accrued expenses		5,923		5,841	
6. Accrued income taxes		26,871		113	
7. Deposit received		311		353	
8. Unearned income		2,816		2,815	
9. Allowance for losses for refund of interest received from customers		22,500		-	
10. Allowance for bonuses		753		748	
11. Other current liabilities		114		108	
Total current liabilities		260,966	14.7	147,773	9.3
II Fixed liabilities					
1. Bonds		228,567		158,479	
2. Long-term borrowings	*1	305,304		328,791	
3. Long-term accounts payable-other		19		17	
4. Deferred income tax liabilities		-		4,777	
5. Allowance for losses for refund of interest received from customers		-		488,798	
6. Allowance for retirement benefits of employees		3,056		3,093	
7. Allowance for retirement benefits of directors and corporate auditors		104		117	
8. Long-term unearned income		11,184		8,413	
9. Other fixed liabilities		1,815		529	
Total fixed liabilities		550,049	30.9	993,015	62.3
Total liabilities		811,015	45.6	1,140,787	71.6

Term Item of accounts	Note	Previous Fiscal Year (as of March 31, 2006)		Current Fiscal Year (as of March 31, 2007)	
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)
<b>Shareholders' equity:</b>					
I Common stock	*7		30,478	1.7	-
II Capital surplus					
1. Additional paid-in capital		52,263		-	
Total capital surplus			52,263	2.9	-
III Retained earnings					
1. Legal reserve		7,619		-	
2. Voluntary reserve		874,961		-	
3. Unappropriated retained earnings		35,173		-	
Total retained earnings			917,753	51.6	-
IV Net unrealized gains on investments in securities			9,532	0.5	-
V Treasury stock	*8		-40,776	-2.3	-
Total shareholders' equity			969,250	54.4	-
Total liabilities and shareholders' equity			1,780,265	100.0	-

Term Item of accounts	Note	Previous Fiscal Year (as of March 31, 2006)		Current Fiscal Year (as of March 31, 2007)	
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)
<b>Net assets :</b>					
<b>I Shareholders' Equity</b>					
1 Common stock		-	-	30,478	1.9
2 Capital surplus					
(1) Additional paid-in capital		-		52,263	
Total capital surplus		-	-	52,263	3.3
3 Retained earnings					
(1) Legal reserve		-		7,619	
(2) Other retained earnings					
General reserve		-		875,961	
Retained earnings brought forward		-		-479,611	
Total retained earnings		-	-	403,969	25.3
4 Treasury stock		-	-	-40,776	-2.6
Total Shareholders' Equity		-	-	445,934	27.9
<b>II Valuation and foreign currency translation adjustment</b>					
1 Net unrealized gains on investments in securities		-	-	6,432	0.4
2 Deferred hedge gains or losses		-	-	861	0.1
Total Valuation and foreign currency translation adjustment		-	-	7,293	0.5
Total net assets		-	-	453,227	28.4
Total liabilities and net assets		-	-	1,594,014	100.0

**(2) Non-Consolidated Statements of Income**

Term  Item of accounts	Note	Previous Fiscal Year (from April 1, 2005 to March 31, 2006)		Current Fiscal Year (from April 1, 2006 to March 31, 2007)		
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)	
I Operating revenues						
1. Interest income on direct cash loans			341,463		318,491	
2. Commissions earned			66		87	
3. Other financial income						
(1) Interest on bank deposits		498		779		
(2) Interest on loans other than direct cash loans		5		44		
(3) Others		184	687	2,317	3,139	
4. Other operating income						
(1) Collection of credit losses previously written off		6,559		5,284		
(2) Real estate rent		849		877		
(3) Others		143	7,551	168	6,328	
Total operating revenues			349,766	100.0	328,045	100.0

Term Item of accounts	Note	Previous Fiscal Year (from April 1, 2005 to March 31, 2006)		Current Fiscal Year (from April 1, 2006 to March 31, 2007)		
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)	
II Operating expenses						
1. Financial expenses						
(1) Borrowing interest expenses		9,470		10,352		
(2) Bond interest expenses		10,252		9,902		
(3) Other financial expenses		1,145	20,867	1,397	21,651	
2. Other operating expenses						
(1) Advertising expenses		12,289		9,818		
(2) Provision of allowance for credit losses		121,934		113,642		
(3) Provision of allowance for losses for refund of interest received from customers		22,500		290,449		
(4) Losses for refund of interest received from customers		18,699		-		
(5) Wages and bonuses		16,750		15,794		
(6) Provision of allowance for bonuses		753		748		
(7) Provision of allowance for retirement benefits of employees		894		421		
(8) Provision of allowance for retirement benefits of directors and corporate auditors		30		29		
(9) Temporary employment cost		1,202		1,386		
(10) Welfare expenses		2,297		2,103		
(11) Rent		7,343		7,008		
(12) Depreciation and amortization		3,385		3,442		
(13) Handling charges		10,438		10,793		
(14) Communication expenses		5,422		4,808		
(15) Insurance premium		10,049		4,036		
(16) Others		8,097	242,082	7,758	472,233	
Total operating expenses			262,948		493,884	150.6
Operating income			86,817		-	-
Operating loss			-		165,839	-50.6

Term Item of accounts	Note	Previous Fiscal Year (from April 1, 2005 to March 31, 2006)		Current Fiscal Year (from April 1, 2006 to March 31, 2007)		
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)	Compo- sition Ratio (%)
III Non-operating income						
1. Dividends income received		427		181		
2. Insurance dividends received		129		-		
3. Profit on investments in partnerships		1,058		517		
4. Foreign exchange gain		1,189		75		
5. Other non-operating income		274	3,077	231	1,004	0.3
IV Non-operating expenses						
1. Loss on disposal or sales of fixed assets		76		32		
2. Option fees		47		841		
3. Other non-operating expenses		5	128	17	890	0.2
Ordinary income			89,766			25.7
Ordinary loss			-		165,726	-50.5
V Extraordinary income						
1. Gain on sales of investments in securities		28,264		-		
2. Gain on dividends income received by subsidiary's liquidation	*2	-		1,072		
3. Others	*3	-	28,264	40	1,112	0.3
VI Extraordinary losses						
1. Loss on devaluation of investments in securities		29		115		
2. Loss on devaluation of affiliates stock		34,335		-		
3. Loss on redemption of bonds		2,418		-		
4. Loss on impairment of fixed assets	*4,5	18,749		160		
5. Provision of allowance for losses for refund of interest received from customers		-		272,038		
6. Loss on integration or close of branches	*5	-		708		
7. Other non-operating expenses		327	55,857	4	273,025	83.2
Income before income taxes			62,173			17.8
Loss before income taxes			-		437,639	-133.4
Corporate taxes, inhabitants taxes and enterprise taxes		49,526		21,400		
Income taxes refunded		-10,043		-		
Deferred income tax expenses		-16,390	23,093	22,338	43,738	13.3
Net income			39,080			11.2
Net loss			-		481,377	-146.7
Retained earnings carried forward from the previous fiscal year			12,274		-	
Interim dividends			16,181		-	
Unappropriated retained earnings			35,173		-	

**(3) Proposal for Appropriation of Retained Earnings**

Term Item of accounts	Note	Previous Fiscal Year (June 29, 2006)*	
		Amount (millions of yen)	
I Unappropriated retained earnings at the end of the current fiscal year			35,173
II Appropriations			
1. Dividends		16,181	
2. Bonus to directors		45	
3. Voluntary reserve			
General reserve		1,000	17,226
III Retained earnings carried forward to the next fiscal year			17,947

Note: \*The date is general meeting approval day.

### (3) Non-Consolidated Statement of Changes in Net Assets

Current fiscal year (from April 1, 2006 to March 31, 2007)

(millions of yen)

	Shareholders' Equity						Valuation and foreign currency translation adjustment		
	Common stock	Capital surplus		Retained earnings		Treasury stock	Total shareholders' Equity	Net unrealized gains on Investments in securities	Deferred hedge gains or losses
		Additional paid-in capital	Legal reserve	Other retained earnings					
				General reserve	Retained earnings brought forward				
Balance as of March 31, 2006	30,478	52,263	7,619	874,961	35,173	-40,776	959,718	9,532	-
Changes of items during current fiscal year									
General reserve (Note)				1,000	-1,000				
Dividends (Note)					-16,181		-16,181		
Bonuses for directors (Note)					-45		-45		
Interim dividends					-16,181		-16,181		
Net Loss					-481,377		-481,377		
Acquisition of treasury stock						-0	-0		
Net changes of items other than shareholders' equity								-3,100	861
Total changes of items during current fiscal year				1,000	-514,784	-0	-513,784	-3,100	861
Balance as of March 31, 2007	30,478	52,263	7,619	875,961	-479,611	-40,776	445,934	6,432	861

Note: Items represent disposal of retained earnings at the General meeting in June 2006.

**Significant Accounting Policies**

<p style="text-align: center;">Previous Fiscal Year (from April 1, 2005 to March 31, 2006)</p>	<p style="text-align: center;">Current Fiscal Year (from April 1, 2006 to March 31, 2007)</p>
<p><b>1 Basis and method of valuation of securities</b></p> <p>(1) Investments in subsidiaries and affiliates: Cost determined by the moving average method.</p> <p>(2) Other securities:</p> <p style="padding-left: 20px;">Where there is a market quotation; Market value as determined by the quoted price at the end of the fiscal year. The difference between the acquisition cost and the market value, netted of the related income taxes, is included directly in shareholders' equity, and cost of securities sold is computed using the moving average method.</p> <p style="padding-left: 20px;">Where there is no market quotation; Cost as determined by the moving average method.</p> <p><b>2 Basis and method of valuation of inventories</b></p> <p style="padding-left: 20px;">Cost based on the last purchase price method.</p> <p><b>3 Depreciation of the fixed assets</b></p> <p>(1) Tangible fixed assets</p> <p style="padding-left: 20px;">Depreciation is mainly computed on the declining-balance method, at rates based on the estimated useful lives of assets expect that the depreciation method for buildings (excluding auxiliary facilities attached to buildings), which were acquired on or after April 1, 1998, is the straight-line method. The range of useful lives is from 15 to 50 years for buildings, from 10 to 30 years for structures, and from 4 to 15 years for equipment, furniture and fixtures.</p> <p>(2) Intangible fixed assets</p> <p style="padding-left: 20px;">Software costs for internal use are amortized on the straight-line method over 5 years which is the estimated useful life. Other intangible fixed assets are amortized on the straight-line method.</p> <p><b>4 Accounting for deferred charges</b></p> <p style="padding-left: 20px;">Discount on bonds is amortized over the period until redemption.</p>	<p><b>1 Basis and method of valuation of securities</b></p> <p>(1) Investments in subsidiaries and affiliates: The same as the previous fiscal year.</p> <p>(2) Other securities:</p> <p style="padding-left: 20px;">Where there is a market quotation; Market value as determined by the quoted price at the end of the fiscal year. The difference between the acquisition cost and the market value, netted of the related income taxes, is included directly in net assets, and cost of securities sold is computed using the moving average method.</p> <p style="padding-left: 20px;">Where there is no market quotation; The same as the previous fiscal year.</p> <p><b>2 Basis and method of valuation of inventories</b></p> <p style="padding-left: 20px;">The same as the previous fiscal year.</p> <p><b>3 Depreciation of the fixed assets</b></p> <p>(1) Tangible fixed assets</p> <p style="padding-left: 20px;">The same as the previous fiscal year.</p> <p>(2) Intangible fixed assets</p> <p style="padding-left: 20px;">The same as the previous fiscal year.</p> <p><b>4</b> -</p>

<p style="text-align: center;">Previous Fiscal Year (from April 1, 2005 to March 31, 2006)</p>	<p style="text-align: center;">Current Fiscal Year (from April 1, 2006 to March 31, 2007)</p>
<p><b>5 Basis of calculating allowances</b></p> <p>(1) Allowance for credit losses</p> <p>In providing for possible credit losses on direct cash loans, the Company records an allowance for loans (including delinquent loans past due 30 days or less) based on an actual percentage based on all write-offs, including those arising from personal bankruptcy of customers. With respect to specific loans classified as doubtful such as delinquent loans past due for longer periods, the Company records an allowance for credit losses thereon at the estimated uncollectible amounts based on the write-offs of such loans with similar credit risks ratings over a certain period.</p>	<p><b>5 Basis of calculating allowances</b></p> <p>(1) Allowance for credit losses</p> <p>In providing for possible credit losses on direct cash loans, the Company records an allowance for loans (including delinquent loans past due 30 days or less) based on an actual percentage based on all write-offs, including those arising from personal bankruptcy of customers. With respect to specific loans classified as doubtful such as delinquent loans past due for longer periods, the Company records an allowance for credit losses thereon at the estimated uncollectible amounts based on the write-offs of such loans with similar credit risks ratings over a certain period.</p> <p>(Additional Information)</p> <p>From the current fiscal year, the Company records allowance for losses for refund of interest received from customers for expected portion of loss for refund of interest that should be deducted from direct cash loans to customers in accordance with “Application of auditing for provision of allowance for losses for re-claimed refund of interest in the accounting of consumer finance companies” of the industry audit practice committee report No.37 by the Japanese institute of certified public accountants. With this change, the portion of expected losses for refund of interest of 12,531 million yen that was included in allowance for credit losses at the beginning of the fiscal year is converted to allowance for losses for refund of interest received from customers.</p>

<p style="text-align: center;">Previous Fiscal Year (from April 1, 2005 to March 31, 2006)</p>	<p style="text-align: center;">Current Fiscal Year (from April 1, 2006 to March 31, 2007)</p>
<p>(2) Allowance for losses for refund of interest received from customers</p> <p>In providing for possible losses for refund of interest received from customers exceeding the upper limit of interest rate prescribed under the Interest Rate Restriction Law, the Company records an allowance for losses for refund of interest received from customers based on the anticipated losses for refund reclaim from customers at the end of the current fiscal year.</p> <p>(Additional Information) Allowance for losses for refund of interest received from customers was recorded from the current fiscal year due to the increased significance of those reclaimed losses on the financial statements, which were related to the interests received from customers exceeding the upper limit of interest rate prescribed under the Interest Rate Restriction Law, resulting from the supreme court decisions on January 13 and 19, 2006 about practical application of the voluntary repayments rules prescribed under Article 43 of the Moneylending Control Law. This resulted in an increase of other operating expenses by 22,500 million yen and in decreases of operating income, ordinary income and income before income taxes by the same amount, respectively.</p> <p>(3) Allowance for bonuses</p> <p>In providing for bonuses payable to employees, the Company records an allowance for current fiscal year portion thereof based on the expected payment of bonuses for employees.</p> <p>(4) Allowance for retirement benefits of employees</p> <p>The Company records an allowance for retirement benefits based on projected benefit obligations and pension fund assets as at the balance sheet date. Actuarial gain or loss is charged or credited to income in the fiscal year next to the year when that was incurred.</p> <p>(5) Allowance for directors' and corporate auditors' retirement benefits</p> <p>The Company records an allowance for directors' and corporate auditors' retirement benefits at the amount that would be payable if directors and corporate auditors retired at the end of the fiscal year in accordance with the Company's internal rules.</p>	<p>(2) Allowance for losses for refund of interest received from customers</p> <p>In providing for possible losses for refund of interest received from customers exceeding the upper limit of interest rate prescribed under the Interest Rate Restriction Law, the Company records an allowance for losses for refund of interest received from customers based on the anticipated losses for refund reclaim from customers at the end of the current fiscal year.</p> <p>(Additional Information) From the current fiscal year, the Company records allowance for losses for refund of interest received from customers in accordance with "Application of auditing for provision of allowance for losses for re-claimed refund of interest in the accounting of consumer finance companies" of the industry audit practice committee report No.37 by the Japanese institute of certified public accountants. With this change, the Company recorded 290,449 million yen and 272,038 million yen as provision of allowance for losses for refund of interest received from customers in the section of operating expenses and extraordinary losses respectively, which is the difference between 307,069 million yen that is calculated as the allowance for losses for refund of interest received from customers in accordance with the report above stated at the beginning of the fiscal year and 35,031 (including 12,531 million yen converted from allowance for credit losses at the beginning of the fiscal year) million yen that was calculated in accordance with the previous standard. As a result, provision of credit loss in operating expenses decreased 51,026 million yen, provision of allowance for losses for refund of interest received from customers increased 162,098 million yen, operating loss and ordinary loss increased by 111,072 million yen respectively and loss before income taxes increased 383,110 million yen compared with the previous period.</p> <p>(3) Allowance for bonuses</p> <p style="padding-left: 40px;">The same as the previous fiscal year.</p> <p>(4) Allowance for retirement benefits of employees</p> <p style="padding-left: 40px;">The same as the previous fiscal year.</p> <p>(5) Allowance for directors' and corporate auditors' retirement benefits</p> <p style="padding-left: 40px;">The same as the previous fiscal year.</p>

<p style="text-align: center;">Previous Fiscal Year (from April 1, 2005 to March 31, 2006)</p>	<p style="text-align: center;">Current Fiscal Year (from April 1, 2006 to March 31, 2007)</p>
<p><b>6 Accounting for lease transactions</b></p> <p>Finance leases, other than those which are deemed to transfer the ownership of the leased assets to the lessees, are accounted for by the method similar to that applicable to operating leases.</p> <p><b>7 Accounting for hedging activities</b></p> <p>The Company uses financial derivative transactions to reduce its exposure to market risks from fluctuations in interest rates and foreign currency exchange rates related to borrowings, bonds and interest expenses. Interest swap transactions and bond option transaction were accounted for using the deferred hedge method prescribed under the Japanese GAAP. Currencies and interest swap transactions were accounted for using the special treatment of hedge accounting for interest swaps allowed under the Japanese GAAP.</p> <p>The Company evaluates the effectiveness of hedging activities by comparison between accumulated fluctuations in accumulated market quotations and accumulated cash flows of the hedged items and those of the related hedging activities and the resulting ratios in those fluctuations between the hedged items and the related hedging activities. Note that evaluation of the effectiveness about interest swaps accounted for using the special treatment of hedge accounting is omitted due to no requirements under the Japanese GAAP.</p> <p><b>8 Other significant accounting policies for the preparation of financial statements</b></p> <p>(1) -</p> <p>(2) Treatment of consumption tax; Transactions subject to consumption tax are stated at the amount which includes the related consumption tax.</p>	<p><b>6 Accounting for lease transactions</b></p> <p>The same as the previous fiscal year.</p> <p><b>7 Accounting for hedging activities</b></p> <p>The same as the previous fiscal year.</p> <p><b>8 Other significant accounting policies for the preparation of financial statements</b></p> <p>(1) A Basis of recognition of interest income on direct cash loans</p> <p>Interest income on direct cash loans is recognized on an accrual basis. Accrued interest income is recognized at either the contracted rate applied to individual loan or the maximum rate permitted by the Interest Rate Restriction Law in Japan, whichever is lower.</p> <p>(2) Treatment of consumption tax; The same as the previous fiscal year.</p>

**Changes in Significant Accounting Policies for Non-Consolidated Financial Statements**

<p style="text-align: center;">Previous Fiscal Year (from April 1, 2005 to March 31, 2006)</p>	<p style="text-align: center;">Current Fiscal Year (from April 1, 2006 to March 31, 2007)</p>
<p><b>(Accounting standard for impairment of fixed assets)</b></p> <p>From current fiscal year, the company has adopted the accounting standard for impairment of fixed assets (“Opinion on establishment of asset-impairment accounting standards”) (by Business Accounting Council on August 9, 2002) and “Implementation guidance for accounting standard for impairment of fixed assets” (Implementation guidance No.6 of corporate accounting standard on October 31, 2003).</p> <p>This adoption resulted in increase of operating revenues and ordinary income by 10 million yen and a decrease of income before income taxes by 18,739 million yen.</p> <p>Further, the Company recorded “Loss on devaluation of investments in subsidiaries and affiliates” resulting from recognition of impairment loss on the golf course by a consolidated subsidiary (Take One Country Club Ltd.). This resulted in a decrease of income before income taxes by 34,334 million yen.</p> <p>Accumulated loss on impairment of fixed assets is deducted directly from the book value of each asset in accordance with the revised disclosure rules of non-consolidated financial statements.</p> <p style="text-align: center;">-</p>	<p style="text-align: center;">-</p> <p><b>(Accounting standard for financial services)</b></p> <p>From current fiscal year, the company has adopted “Accounting standard for financial instruments” (Statement No.10 of Accounting standards board of Japan on August 11, 2006) and “Tentative solution on accounting for deferred assets” (PITF No.19 on August 11, 2006).</p> <p>As a result discount on bonds amounting to 70,088 million yen which were previously recorded as deferred charges is now recorded as deduction from bonds on the balance sheets.</p> <p><b>(Accounting standard for presentation of net assets in the balance sheet)</b></p> <p>From current fiscal year, the company has adopted “Accounting standard for presentation of net assets in the balance sheet” (Statement No.5 on December 9, 2005) and “Guidance on accounting standard for presentation of net assets in the balance sheet” (Guidance No.8 on December 9, 2005) of the accounting standards board of Japan.</p> <p>Shareholders’ equity under the previous presentation method amounted to 452,366 million yen.</p> <p>Net assets in the balance sheets for the current fiscal year have been presented in accordance with the revised disclosure rules of financial statements in accordance with the revision of disclosure rules of financial statements.</p>

**Reclassification**

<p style="text-align: center;">Previous Fiscal Year (from April 1, 2005 to March 31, 2006)</p>	<p style="text-align: center;">Current Fiscal Year (from April 1, 2006 to March 31, 2007)</p>
<p><b>(Balance Sheet)</b></p> <p style="text-align: center;">-</p> <p>Investments in partnerships, which had been included in "Other investments" in investment and other assets in previous fiscal year was shown separately from the current fiscal year since monetary significance of it is increased. Investment in partnerships in "Other investment" in investment and other assets was 0 million yen in previous fiscal year.</p> <p><b>(Statements of Income)</b></p> <p>Losses for refund of interest received from customers, which had been included in "others" in other operating expenses in the previous fiscal year, was shown separately as "Losses for refund of interest received from customers" from the current fiscal year as they have exceeded more than 5% of other operating expenses. Losses for refund of interest received from customers, which was included in "others" in other operating expenses in the previous fiscal year, amounted to 10,981 million yen.</p>	<p><b>(Balance Sheet)</b></p> <p>"Corporate taxes, inhabitants taxes and enterprise taxes refundable", which had been classified in "Accounts receivable-others" in current assets in the previous fiscal year, was recorded separately as "Corporate taxes, inhabitants taxes and enterprise taxes refundable" from current fiscal year due to the increased significance of impact on the financial statement. The amount of "Corporate taxes, inhabitants taxes and enterprise taxes refundable" in "Accounts receivable-others" in current assets recorded in the previous fiscal year was 936 million yen.</p> <p style="text-align: center;">-</p> <p><b>(Statements of Income)</b></p> <p style="text-align: center;">-</p>

**Footnotes to Non-Consolidated Balance Sheets**

Previous Fiscal Year (as of March 31, 2006)	Current Fiscal Year (as of March 31, 2007)																																												
<p>*1 The assets pledged as security and the corresponding secured liabilities are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Pledged assets</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td>  Direct cash loans</td> <td style="text-align: right;">299,312</td> </tr> <tr> <td>  Buildings</td> <td style="text-align: right;">3,496</td> </tr> <tr> <td>  Structures</td> <td style="text-align: right;">13</td> </tr> <tr> <td>  Land</td> <td style="text-align: right;">12,688</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">315,509</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td>Secured liabilities</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td>  Current portion of long-term borrowings</td> <td style="text-align: right;">39,134</td> </tr> <tr> <td>  Long term borrowings</td> <td style="text-align: right;">185,723</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">224,857</td> </tr> </table> <p>Amounts stated above include the portion which is related to the financing scheme by way of trusts of direct cash loans to customers (Direct cash loans to customers; 297,132 million yen, long-term borrowings (including current portion thereof); 217,957 million yen). In addition to the above, direct cash loans to customers of 12,320 million yen may be pledged as collateral for the long-term borrowings of 9,000 million yen, including the current portion thereof, upon requests from financial institutions under agreements</p> <p>*2 The total outstanding balance 1,540,046 million yen of direct cash loans to customer is only for unsecured loans to individuals.</p> <p>3 Commitment of Direct cash loans</p> <p>Regarding Direct cash loans, once a credit limit has been established for a customer, the customer may access his or her credit line on a revolving basis. The unused portion of each customer's credit line as of the end of fiscal year was 404,304 million yen which included 243,407 million yen of the unused portion of credit line for customers who did not have any loan balance. The credit line of a customer is either increased or decreased by the Company at its discretion based on the credit capacity of the customer. The Company believes that the total unused balance of each customer's credit line does not significantly affect the Company's cash flows in the future.</p>	Pledged assets	(millions of yen)	Direct cash loans	299,312	Buildings	3,496	Structures	13	Land	12,688	Total	315,509			Secured liabilities	(millions of yen)	Current portion of long-term borrowings	39,134	Long term borrowings	185,723	Total	224,857	<p>*1 The assets pledged as security and the corresponding secured liabilities are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Pledged assets</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td>  Direct cash loans</td> <td style="text-align: right;">453,172</td> </tr> <tr> <td>  Buildings</td> <td style="text-align: right;">3,267</td> </tr> <tr> <td>  Structures</td> <td style="text-align: right;">12</td> </tr> <tr> <td>  Land</td> <td style="text-align: right;">12,688</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">469,138</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td>Secured liabilities</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td>  Current portion of long-term borrowings</td> <td style="text-align: right;">55,402</td> </tr> <tr> <td>  Long-term borrowings</td> <td style="text-align: right;">231,529</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">286,931</td> </tr> </table> <p>Amounts stated above include the portion which is related to the financing scheme by way of trusts of direct cash loans to customers (Direct cash loans to customers; 453,172 million yen, long-term borrowings (including current portion thereof); 284,231 million yen). In addition to the above, direct cash loans to customers of 2,531 million yen may be pledged as collateral for the long-term borrowings of 2,300 million yen, including the current portion thereof, upon requests from financial institutions under agreements</p> <p>*2 The total outstanding balance 1,431,848 million yen of direct cash loans to customer is only for unsecured loans to individuals.</p> <p>3 Commitment of Direct cash loans</p> <p>Regarding Direct cash loans, once a credit limit has been established for a customer, the customer may access his or her credit line on a revolving basis. The unused portion of each customer's credit line as of the end of fiscal year was 411,392 million yen which included 241,388 million yen of the unused portion of credit line for customers who did not have any loan balance. The credit line of a customer is either increased or decreased by the Company at its discretion based on the credit capacity of the customer. The Company believes that the total unused balance of each customer's credit line does not significantly affect the Company's cash flows in the future.</p>	Pledged assets	(millions of yen)	Direct cash loans	453,172	Buildings	3,267	Structures	12	Land	12,688	Total	469,138			Secured liabilities	(millions of yen)	Current portion of long-term borrowings	55,402	Long-term borrowings	231,529	Total	286,931
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Previous Fiscal Year (as of March 31, 2006)	Current Fiscal Year (as of March 31, 2007)									
<p>4 Commitment of long-term borrowings</p> <p>The Company borrows long-term funds under committed lines of credit. The company has available committed lines of credit equal to 3,500 million yen , respectively. At the end of the current fiscal year, the Company's outstanding balances under the committed lines of credit was equivalent of \$1,814 million in total and remaining unused portion was yen equivalent of \$1,686 million, respectively.</p> <p>*5 The amount of 33,944 million yen of accumulated depreciation for tangible fixed assets was netted against acquisition cost.</p> <p>6 Contingent liabilities</p> <p>Contingent liabilities related to the contracts assuming the obligation of bonds</p> <p>The unsecured bond (second issuance) with term of 7 years 30,000 million yen</p> <p>The unsecured bond (fourth issuance) with term of 7 years 30,000 million yen</p> <p>*7 Common stock:</p> <table data-bbox="225 958 796 1025"> <tr> <td>Authorized; Common stocks</td> <td>430,000</td> <td>(thousand shares)</td> </tr> <tr> <td>Issued; Common stocks</td> <td>147,295</td> <td>(thousand shares)</td> </tr> </table> <p>*8 The number of the treasury stocks the Company holds:</p> <table data-bbox="339 1077 796 1102"> <tr> <td>Common stocks</td> <td>6,589,175</td> <td>(shares)</td> </tr> </table>	Authorized; Common stocks	430,000	(thousand shares)	Issued; Common stocks	147,295	(thousand shares)	Common stocks	6,589,175	(shares)	<p>4 Commitment of long-term borrowings</p> <p>The Company borrows long-term funds under committed lines of credit. The company has available committed lines of credit equal to 3,500 million yen , respectively. At the end of the current fiscal year, the Company's outstanding balances under the committed lines of credit was equivalent of \$2,414 million in total and remaining unused portion was yen equivalent of \$1,086 million, respectively.</p> <p>*5 The amount of 34,730 million yen of accumulated depreciation for tangible fixed assets was netted against acquisition cost.</p> <p>6 Contingent liabilities</p> <p>Contingent liabilities related to the contracts assuming the obligation of bonds</p> <p>The unsecured bond (fourth issuance) with term of 7 years 30,000 million yen</p> <p>*7 -</p> <p>*8 -</p>
Authorized; Common stocks	430,000	(thousand shares)								
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Previous Fiscal Year (as of March 31, 2006)	Current Fiscal Year (as of March 31, 2007)
<p><b>*9 Delinquent loans receivable</b></p> <p><b>Loans to bankrupt borrowers;</b> 1,115 million yen</p> <p>Loans to bankrupt borrowers are loans under declaration of bankruptcy, reconstruction and similar proceedings and in addition, whose interest is no longer accrued as income since the principal or interest on such loans is unlikely to be repaid in view of the considerable period of delinquencies of the principal and interest, or other circumstances.</p> <p><b>Delinquent loans;</b> 64,072 millions yen</p> <p>Delinquent loans are loans whose interest is no longer accrued as income since the principal or interest on such loan is unlikely to be repaid in view of the considerable period of delinquencies of the principal and interest, or other circumstances, and do not include loans to bankrupt borrowers.</p> <p><b>Delinquent loans past due three month or more;</b> 24,890 million yen</p> <p>Delinquent loans past due three months or more are loans which are delinquent for three months or more from the due date of interest or principal under the term of related loan agreements and do not include loans to bankrupt borrowers and delinquent loans.</p> <p><b>Restructured loans;</b> 105,153 million yen (98,819 million yen)</p> <p>Restructured loans are loans with concessionary interest rates, as well as loans with negotiated terms regarding the timing of interest and principal payment. Restructured loans do not include loans to bankrupt borrowers, delinquent loans and delinquent loans past due three months or more. The loans classified as restructured loans include loan receivables current or less than 31 days past due, the amount of which is indicated in the parenthesis as above.</p>	<p><b>*9 Delinquent loans receivable</b></p> <p><b>Loans to bankrupt borrowers;</b> 862 million yen</p> <p>Loans to bankrupt borrowers are loans under declaration of bankruptcy, reconstruction and similar proceedings and in addition, whose interest is no longer accrued as income since the principal or interest on such loans is unlikely to be repaid in view of the considerable period of delinquencies of the principal and interest, or other circumstances.</p> <p><b>Delinquent loans;</b> 79,846 millions yen</p> <p>Delinquent loans are loans whose interest is no longer accrued as income since the principal or interest on such loan is unlikely to be repaid in view of the considerable period of delinquencies of the principal and interest, or other circumstances, and do not include loans to bankrupt borrowers.</p> <p><b>Delinquent loans past due three month or more;</b> 35,120 million yen</p> <p>Delinquent loans past due three months or more are loans which are delinquent for three months or more from the due date of interest or principal under the term of related loan agreements and do not include loans to bankrupt borrowers and delinquent loans.</p> <p><b>Restructured loans;</b> 99,245 million yen (92,857 million yen)</p> <p>Restructured loans are loans with concessionary interest rates, as well as loans with negotiated terms regarding the timing of interest and principal payment. Restructured loans do not include loans to bankrupt borrowers, delinquent loans and delinquent loans past due three months or more. The loans classified as restructured loans include loan receivables current or less than 31 days past due, the amount of which is indicated in the parenthesis as above.</p>

Previous Fiscal Year (as of March 31, 2006)	Current Fiscal Year (as of March 31, 2007)
<p><b>10 Restriction on dividend</b></p> <p>(1) The net increase in Shareholders' equity resulting from the valuation of the assets by the market quotation is 9,532 million yen, which is stipulated by the Enforcement Regulation 124-3 of The Commercial Code.</p> <p>(2) Certain covenants were applied to 52,836 million yen of borrowings and 58,567 million yen of bonds. The company should repay or redeem the outstanding balance in a lump-sum by acceleration to creditors if the Company could not comply with such covenants. Those covenants with respect to restriction of dividend payment were as follows;</p> <p>A in case of the balance of consolidated shareholders' equity being less than 250,000 million yen;</p> <p>B in case of the ratio of consolidated shareholders' equity against consolidated total assets being less than 20%;</p> <p>C in case of the ratio of annual increase amount of contingent liabilities against net income deducting both dividends and bonus to directors being more than 75%; (The strictest conditions are listed.)</p> <p>In addition to the above, the holders of the Euroyen 120,000 million bonds due 2034 have the option to request the redemption of the bonds prior to the maturity date when certain conditions are met. "Certain conditions" related to restriction on dividend payment are as follows;</p> <p>A in case of the balance of net tangible assets being less than 350,000 million yen;</p> <p>B in case of the ratio of shareholders' equity based on net tangible assets being less than 25%;</p> <p>C in case of the ratio of annual increase amount of contingent liabilities against net income deducting both dividends and bonus to directors being more than 75%;</p> <p>Please note that net tangible assets are determined by shareholders' equity after deduction of intangible assets, including deferred charges and deferred income tax assets.</p>	<p><b>10 Restriction on dividend</b></p> <p>(1) -</p> <p>(2) Certain covenants were applied to 47,114 million yen of borrowings and 58,567 million yen of bonds. The company should repay or redeem the outstanding balance in a lump-sum by acceleration to creditors if the Company could not comply with such covenants. Those covenants with respect to restriction of dividend payment were as follows;</p> <p>A in case of the balance of consolidated shareholders' equity being less than 250,000 million yen;</p> <p>B in case of the ratio of consolidated shareholders' equity against consolidated total assets being less than 10%;</p> <p>C -</p> <p>In addition to the above, the holders of the Euroyen 49,912 million bonds due 2034 have the option to request the redemption of the bonds prior to the maturity date when certain conditions are met. "Certain conditions" related to restriction on dividend payment are as follows;</p> <p>A in case of the balance of net tangible assets being less than 350,000 million yen;</p> <p>B in case of the ratio of shareholders' equity based on net tangible assets being less than 25%;</p> <p>C -</p> <p>Please note that net tangible assets are determined by shareholders' equity after deduction of intangible assets, including deferred charges and deferred income tax assets.</p>

**Footnotes to Non-Consolidated Statements of Income**

Previous Fiscal Year (from April 1, 2005 to March 31, 2006)	Current Fiscal Year (from April 1, 2006 to March 31, 2007)
<p><b>1.</b> Basis for classification of financial income and expenses on the statements of income</p> <p>(1) Financial income stated as operating revenues; Include all financial revenue excluding dividends and interest received from affiliated companies and excluding dividends and interest and so forth received on investments in securities.</p> <p>(2) Financial expenses stated as operating expenses; Include all financial expenses excluding interest payable and so forth which has no relationship with operating revenues.</p>	<p><b>1.</b> Basis for classification of financial income and expenses on the statements of income</p> <p>(1) Financial income stated as operating revenues; The same as the previous fiscal year.</p> <p>(2) Financial expenses stated as operating expenses; The same as the previous fiscal year.</p>
<p><b>*2.</b> -</p>	<p><b>*2.</b> Gain on dividends income received by subsidiary's liquidation The amount represents partial distribution from residual assets as a result of liquidation of a subsidiary TSR Co., Ltd.</p>
<p><b>*3.</b> -</p>	<p><b>*3.</b> Gain on sales of fixed assets Gain on sales of fixed assets consists of 33 million yen from sales of land and 7 million yen from sales of buildings.</p>

Previous Fiscal Year (from April 1, 2005 to March 31, 2006)	Current Fiscal Year (from April 1, 2006 to March 31, 2007)																																																	
<p><b>*4. Loss on impairment of fixed assets</b></p> <p>For purposes of recognition and measurement of an impairment loss, the assets used for business are grouped based on each business, and the assets for rent and those not in use are grouped based on each property.</p> <p>Due to the consecutive decline of land price and other factors for the assets not in use, and due to the serious deterioration of profitability and the consecutive decline of land price for a part of the assets for rent, the book values of those assets were written down to the value that is estimated to be collectible, resulting in recognition of loss on impairment of fixed assets amounting to 18,749 million yen as an extraordinary loss item.</p> <p>Impairment losses by account are as follows: (millions of yen)</p> <table border="1"> <tr><td>Buildings</td><td style="text-align: right;">257</td></tr> <tr><td>Structures</td><td style="text-align: right;">4</td></tr> <tr><td>Land</td><td style="text-align: right;">17,111</td></tr> <tr><td>Construction in progress</td><td style="text-align: right;">1,147</td></tr> <tr><td>Investment in lands</td><td style="text-align: right;">230</td></tr> </table> <p>Impairment losses by classification and location are as follows:</p> <p>Assets not in use (millions of yen)</p> <table border="1"> <thead> <tr><th>Classification</th><th>Location</th><th>Amount</th></tr> </thead> <tbody> <tr><td>Land</td><td>Karuzawa</td><td style="text-align: right;">243</td></tr> <tr><td>Investment in land</td><td>Aomori rokunohe</td><td style="text-align: right;">230</td></tr> <tr><td>Land and buildings</td><td>Amamiohshima and other six items</td><td style="text-align: right;">242</td></tr> <tr><td>Total</td><td></td><td style="text-align: right;">715</td></tr> </tbody> </table> <p>Assets for rent (millions of yen)</p> <table border="1"> <thead> <tr><th>Classification</th><th>Location</th><th>Amount</th></tr> </thead> <tbody> <tr><td>Land</td><td>Kobe sannomiya</td><td style="text-align: right;">7,002</td></tr> <tr><td>Land and Construction in progress</td><td>Koujimachi</td><td style="text-align: right;">4,244</td></tr> <tr><td>Land</td><td>Ikebukuro</td><td style="text-align: right;">2,659</td></tr> <tr><td>Land, buildings and structures</td><td>Komagome</td><td style="text-align: right;">1,936</td></tr> <tr><td>Land, buildings and structures</td><td>Chiba</td><td style="text-align: right;">1,331</td></tr> <tr><td>Land, buildings and structures</td><td>Kanda and other five items</td><td style="text-align: right;">861</td></tr> <tr><td>Total</td><td></td><td style="text-align: right;">18,034</td></tr> </tbody> </table> <p>The total impairment losses;        18,749 million yen</p> <p>Collectible amount is net market value for assets not in use and the higher of either net market value or value in use for assets for rent. Net market value is based on the appraisal value by real estate appraiser. Value in use is calculated by discounting future cash flow by 6.1%.</p>	Buildings	257	Structures	4	Land	17,111	Construction in progress	1,147	Investment in lands	230	Classification	Location	Amount	Land	Karuzawa	243	Investment in land	Aomori rokunohe	230	Land and buildings	Amamiohshima and other six items	242	Total		715	Classification	Location	Amount	Land	Kobe sannomiya	7,002	Land and Construction in progress	Koujimachi	4,244	Land	Ikebukuro	2,659	Land, buildings and structures	Komagome	1,936	Land, buildings and structures	Chiba	1,331	Land, buildings and structures	Kanda and other five items	861	Total		18,034	<p><b>*4. Loss on impairment of fixed assets</b></p> <p style="text-align: center;">-</p>
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<p><b>*5</b></p> <p style="text-align: center;">-</p>	<p><b>*5 loss on impairment of fixed assets and integration or close of branches</b></p> <p>During the current fiscal year, loss on branch closure of 708 million yen was recorded due to the cease of 111 unmanned branches and 92 manned branches. Additionally, loss on impairment of fixed assets for branch closure was accrued for the amount of 113 million yen.</p>																																																	

**Footnotes to Non-Consolidated Statement of Changes in Net Assets**

Current fiscal year (from April 1 to March 31, 2007)

**Type and the number of treasury stocks**

	The number at the end of previous fiscal year (thousand shares)	The number increased during current fiscal year (thousand shares)	The number decreased during current fiscal year (thousand shares)	The number at the end of current fiscal year (thousand shares)
Common stocks (Note)	6,589	0	-	6,589
total	6,589	0	-	6,589

Note: 0 thousand shares of increased common stocks represent purchase of under unit stocks.

**Footnotes to Lease Transactions**

Previous Fiscal Year (from April 1, 2005 to March 31, 2006)				Current Fiscal Year (from April 1, 2006 to March 31, 2007)			
Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.  1 Equivalent of acquisition cost, accumulated depreciation and net book value of the leased assets at the end of the fiscal year  (millions of yen)				Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.  1 Equivalent of acquisition cost, accumulated depreciation and net book value of the leased assets at the end of the fiscal year  (millions of yen)			
	Equivalent of acquisition cost	Equivalent of accumulated depreciation	Equivalent of net book value		Equivalent of acquisition cost	Equivalent of accumulated depreciation	Equivalent of net book value
Equipment and furniture	2,586	2,057	528	Equipment and furniture	1,140	996	144
Total	2,586	2,057	528	Total	1,140	996	144
Note: Equivalent of acquisition cost included the portion of interest thereon as the outstanding lease fee payable is insignificant compared to the balances of tangible fixed assets.  2 Outstanding lease fee payable at the end of the fiscal year  (millions of yen)				Note: The same as the previous fiscal year.  2 Outstanding lease fee payable at the end of the fiscal year  (millions of yen)			
	Due within one year		387		Due within one year		141
	Due over one year		141		Due over one year		3
	Total		528		Total		144
Note: As the outstanding lease fee payable at the end of the fiscal year is insignificant compared to the balances of tangible fixed assets at the end of the fiscal year, the outstanding lease fee payable included the portion of interest thereon.  3 Lease fee and equivalent of depreciation:  802million of yen				Note: The same as the previous fiscal year.  3 Lease fee and equivalent of depreciation:  386million of yen			
4 Method of calculation of equivalent of depreciation Calculated by using the straight-line method, assuming that the lease period is the useful life of the asset and a residual value is zero.  (Impairment loss) No impairment loss is recorded for leased assets.				4 Method of calculation of equivalent of depreciation The same as the previous fiscal year.  (Impairment loss) The same as the previous fiscal year.			

**Footnotes to Marketable Securities:** There were no investments in subsidiaries and affiliates with market value in the previous fiscal year and the current fiscal year.

### Footnotes to the Deferred Tax Accounting

Previous Fiscal Year (as of March 31, 2006)	Current Fiscal Year (as of March 31, 2007)																																																																																																				
<p>1 The tax effects of temporary differences which give rise to significant portions of the deferred tax assets and liabilities are as follows:</p> <p style="text-align: right;">(millions of yen)</p> <table> <tr> <td colspan="2">Current deferred tax assets;</td> </tr> <tr> <td>Direct cash loans to customers</td> <td style="text-align: right;">6,386</td> </tr> <tr> <td>Accrued interest income on direct cash loans to customers</td> <td style="text-align: right;">3,789</td> </tr> <tr> <td>Allowance for credit losses</td> <td style="text-align: right;">5,774</td> </tr> <tr> <td>Allowance for losses for refund of interest received from customers</td> <td style="text-align: right;">864</td> </tr> <tr> <td>Accrued enterprise tax</td> <td style="text-align: right;">2,142</td> </tr> <tr> <td>Allowance for bonuses</td> <td style="text-align: right;">305</td> </tr> <tr> <td>Others</td> <td style="text-align: right;">230</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: 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**Footnotes to Statistics per Share**

Previous Fiscal Year (from April 1, 2005 to March 31, 2006)	Current Fiscal Year (from April 1, 2006 to March 31, 2007)
Net assets per share; 6,888.16 yen	Net assets per share; 3,221.09 yen
Net income per share; 277.42 yen	Net loss per share; 3421.15 yen
Net income per share –diluted; 269.78 yen	Net income per share after dilution has been omitted as the company resulted in a net loss.

Note: Basis for calculating net income and net loss per share, net income per share -diluted is as follows;

(millions of yen)

	Previous Fiscal Year (from April 1, 2005 to March 31, 2006)	Current Fiscal Year (from April 1, 2006 to March 31, 2007)
Net income and net loss per share		
Net income for the fiscal year	39,080	-
Net loss for the fiscal year	-	481,377
Net income not available to common shareholders	45	-
(Bonuses to directors and corporate auditors included in above)	(45)	(-)
Net income for common stock	39,035	-
Net loss for common stock	-	481,377
Average number of shares outstanding during the current fiscal year (thousand shares)	140,706	140,706
Net income per share -diluted		
Net income effect of dilutive securities	-	-
Incremental shares of common stocks from dilutive securities (thousand shares)	3,989	-
(Incremental shares from assumed conversions of convertible bonds included in above)	(3,989)	(-)

**Subsequent Events**

None

## 7. Actual Operating Results

### (1) Break-down of Operating Revenues

Term		Previous Fiscal Year (from April 1, 2005 to March 31, 2006)		Current Fiscal Year (from April 1, 2006 to March 31, 2007)		Change	
		Amount (millions of yen)	Composition Ratio (%)	Amount (millions of yen)	Composition Ratio (%)	Amount (millions of yen)	Change Ratio (%)
Interest on direct cash loans	Unsecured loans	341,463	97.6	318,491	97.1	-22,972	-6.7
Commissions earned	Credit card	66	0.0	87	0.0	22	32.9
Other financial income	Interest on bank deposits	498	0.1	779	0.2	281	56.5
	Interest on loans other than direct cash loans	5	0.0	44	0.0	38	713.0
	Others	184	0.1	2,317	0.7	2,133	1,162.3
	Sub-total	687	0.2	3,139	0.9	2,452	357.2
Other operating income	Collection of credit losses previously written-off	6,559	1.9	5,284	1.6	-1,275	-19.4
	Real estate rent	849	0.3	877	0.3	28	3.2
	Others	143	0.0	168	0.1	25	17.2
	Sub-total	7,551	2.2	6,328	2.0	-1,222	-16.2
Total		349,766	100.0	328,045	100.0	-21,721	-6.2

Note: 1. "Others" in other financial income consist mainly of interest received from interest swap transaction.

2. "Others" in other operating income consist mainly of commissions received.

**(2) Other Statistics**

Subject	Term	Previous Fiscal Year (As of March 31, 2006)	Current Fiscal Year (As of March 31, 2007)	Change	Change Ratio
					(%)
Direct cash loans outstanding (millions of yen)		1,540,046	1,431,848	-108,198	-7.0
Unsecured loans		1,540,046	1,431,848	-108,198	-7.0
Secured loans		-	-	-	-
Installment receivables outstanding (millions of yen)		494	582	88	17.8
Number of loan customer account		2,322,917	2,125,599	-197,318	-8.5
Unsecured loans		2,322,917	2,125,599	-197,318	-8.5
Secured loans		-	-	-	-
The number of credit card membership		254,665	284,825	30,160	11.8
Number of branches		1,898	1,729	-169	-8.9
Manned		523	471	-52	-9.9
Unmanned (included Quick loan application machine)		1,374	1,257	-117	-8.5
Internet Yen shop		1	1	-	-
Number of unmanned loan contract machines (included Quick loan application machine)		1,898	1,729	-169	-8.9
Number of cash dispensers and ATMs		45,450	48,072	2,622	5.8
Owned		2,025	1,856	-169	-8.3
Inter-linked		43,425	46,216	2,791	6.4
Number of employees		3,171	2,920	-251	-7.9
Write-offs (millions of yen)		108,504	100,279	-8,225	-7.6
Write-offs related to the refund of overpayment interest (millions of yen)		-	44,669	-	-
Allowance for credit losses (millions of yen)		150,430	151,262	832	0.6