



(Translation)  
**Brief Statement of Financial Results at the First Quarter  
 for the Fiscal Year Ending March 31, 2008**

August 3, 2007

*Company Name:* TAKEFUJI CORPORATION (the "Company")  
*Stock Listings:* Tokyo Stock Exchange, First Section / London Stock Exchange  
*Code Number:* 8564  
*URL:* <http://www.takefuji.co.jp/>  
*Head Office:* 15-1 Nishi-Shinjuku 8-chome, Shinjuku-ku, Tokyo 163-8654, Japan  
*Representative Personnel:* Hikaru Kondo, President  
*Administrative Personnel to Contact:* Tsutomu Nakano, General Manager of Public Relation Department  
*Tel:* +81-3-3365-8030

Notes: Figures are rounded (as to "statistics per share" at three places of decimal)  
to the nearest appropriate unit.

**1. Consolidated Business Results at the First Quarter for the Fiscal Year Ending March 31, 2008  
 (From April 1, 2007 to June 30, 2007)**

**(1) Consolidated Operating Results**

Notes: The percentage figures for operating revenues, operating income, ordinary  
income and net income represent year-on-year changes.

	Operating Revenues		Operating Income		Ordinary Income	
	millions of yen	%	millions of yen	%	millions of yen	%
Three Months Period ended June 2007	73,894	(-14.2)	16,122	(149.4)	17,069	(179.9)
Three Months Period ended June 2006	86,124	(-2.6)	6,464	(-74.5)	6,098	(-77.0)
Fiscal Year ended March 2007	328,920	( - )	-165,030	( - )	-163,764	( - )

	Net Income		Net Income per Share	Net Income per Share-diluted
	millions of yen	%	yen	yen
Three Months Period ended June 2007	18,381	(404.0)	130.63	-
Three Months Period ended June 2006	3,647	( - )	25.92	25.20
Fiscal Year ended March 2007	-481,274	( - )	-3,420.42	-

**(2) Consolidated Financial Position**

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
Three Months Period ended June 2007	1,536,539	457,002	29.7	3,247.92
Three Months Period ended June 2006	1,758,641	956,161	54.4	6,795.45
Fiscal Year ended March 2007	1,583,172	457,714	28.9	3,252.98

**(3) Consolidated Cash Flows**

	Operating Cash Flows	Investing Cash Flows	Financing Cash Flows	Cash and Cash Equivalents as of the end of the three months period (fiscal year)
	millions of yen	millions of yen	millions of yen	millions of yen
Three Months Period ended June 2007	33,784	442	-47,243	83,913
Three Months Period ended June 2006	387	-210	-13,014	93,717
Fiscal Year ended March 2007	70,455	-1,248	-80,291	96,096

**2. Dividends**

Effect date	Dividends per share				
	End of first quarter	End of interim period	End of third quarter	End of fiscal year	full year
	yen	yen	yen	yen	yen
Fiscal Year ended March 2007	-	115.00	-	115.00	230.00
Fiscal Year ended March 2008	-	-	-	-	-
Fiscal Year ended March 2008 (Forecasts)	-	90.00	-	90.00	180.00

### 3. Forecasts of Consolidated Operating Results for the Fiscal Year ending March 2008 (From April 1, 2007 to March 31, 2008)

There is no change regarding the forecasts of Consolidated Operating Results for the Fiscal Year ending March 31, 2008 published on May 10, 2007, although we foresee some decrease of direct cash loans to customers over the year due to stricter credit screening policies designed to prevent multiple debt obligations for correspondence of the new "Moneylending Control Law".

### 4. Others

- (1) Changes of significant subsidiaries during fiscal year (Changes in Scope of Consolidation) : None
  - (2) Adoption of simple method in accounting during the three months period: None
  - (3) Accounting change during the three months period: Yes
- (Refer to "3. Others on Qualitative Information and Financial Statements" for detail page 4)

### Reference

#### Financial Results at the First Quarter for the Fiscal Year Ending March 31, 2008 (Non-Consolidated)

### 1. Non-Consolidated Business Results at the First Quarter for the Fiscal Year Ending March 31, 2008 (From April 1, 2007 to June 30, 2007)

#### (1) Non-Consolidated Operating Results

Note: The percentage figures for operating revenues, operating income, ordinary income and net income represent year-on-year changes.

	Operating Revenues		Operating Income		Ordinary Income	
	millions of yen	%	millions of yen	%	millions of yen	%
Three Months Period ended June 2007	73,644	(-14.3)	15,889	(152.1)	16,469	(168.8)
Three Months Period ended June 2006	85,919	(-2.0)	6,302	(-74.6)	6,127	(-76.3)
Fiscal Year ended March 2007	328,045	(-)	-165,839	(-)	-165,726	(-)

	Net Income		Net Income per Share	Net Income per Share-diluted
	millions of yen	%	yen	yen
Three Months Period ended June 2007	18,023	(383.5)	128.09	-
Three Months Period ended June 2006	3,728	(-)	26.49	25.76
Fiscal Year ended March 2007	-481,377	(-)	-3,421.15	-

#### (2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
Three Months Period ended June 2007	1,547,306	452,122	29.2	3,213.24
Three Months Period ended June 2006	1,768,463	952,037	53.8	6,766.14
Fiscal Year ended March 2007	1,594,014	453,227	28.4	3,221.09

### 2. Forecasts of Non-Consolidated Operating Results for the Fiscal Year ending March 2008 (From April 1, 2007 to March 31, 2008)

There is no change regarding the forecasts of Non-Consolidated Operating Results for the Fiscal Year ending March 31, 2008 published on May 10, 2007, although we foresee some decrease of direct cash loans to customers over the year due to stricter credit screening policies designed to prevent multiple debt obligations for correspondence of the new "Moneylending Control Law".

#### \* Explanatory note regarding performance forecasts

The forecasts or figures in forward-looking statements contained in this Brief Statement of Financial Results at First Quarter for the fiscal year ended March 31, 2008 with regard to the Company's plans and strategies are based on beliefs in light of information currently available and management's assumptions with involvement risks and uncertainties. Actual results may differ from those in the forward-looking statements as subject to various factors.

## **Qualitative Information and Financial Statements**

### **1. Qualitative information concerned consolidated operating results for the first quarter of the fiscal year ending March 31, 2008**

In the Japanese economy for the first quarter of the fiscal year ending March 31, 2008, private consumption has been firm due to the continuous rising in private earned income moderately. Under the circumstances that corporate earnings remains steady and high level, capital investment has continued to increase. Since the market demand at domestic and overseas continues to extend, over all production has been on an increasing trend.

Despite these positive factors, the weaker business environment and impact to shareholders' equity have become concerns in the consumer finance industry, given the sharp increase in claims for refunds of overpayments that followed the strict interpretation of the requirements for deemed payment provided in Article 43 of the Moneylending Control Law by the Supreme Court in January 2006 and the uncertainty when claims for interest refunds will peak. Along with the enactment of the amendment to the Moneylending Control Law, etc. in December 2006, a phased implementation has been adopted which over three years will (1) lower the maximum legal lending rate and (2) regulate the total lending amount. This has had a large impact on not only the consumer finance industry, but also on the consumer credit industry as a whole, including consumer credit and credit card companies, and they face a very tough business environment in which these companies are forced to seek fundamental business reform and restructuring the model, including a reduction in their workforce.

In this environment, the Takefuji Group has been committed to effective management based on the optimum allocation of management resources, including the elimination and consolidation of branch offices, as well as a reduction in credit costs through measures such as improving credit quality based on stricter credit screening policies designed to prevent multiple debt obligations and protect consumers, and on the continuation of close counseling that takes the standpoint of customers, and also has been improved consumer convenience by the diversification of our product line-up given launch of low rate products and etc. We have also been striving not only to strengthen and upgrade our compliance system across the Company by increasing the number of personal information protecting officers and providing training on laws and regulations. As a result of the above initiatives, operating revenues for current three-months period is 73,894 million yen and ordinary income is 17,069 million yen.

### **2. Qualitative information concerned consolidated financial position**

At the end of the first quarter, total assets decreased by 46,632 million yen (compared with the end of the previous consolidated fiscal year) to 1,536,539 million yen. This was mainly due to decrease of direct cash loans to customers (22,492 million yen) and increase of allowance for credit losses (13,627 million yen).

Total liabilities decreased by 45,920 million yen (compared with the end of the previous consolidated fiscal year) to 1,079,537 million yen. This was mainly due to the redemption (in-substance defeasance) of bonds (30,000 million yen) and decrease of long-term borrowings (13,213 million yen).

Total net assets decreased by 712 million yen (compared with the end of the previous consolidated fiscal year) to 457,002 million yen, and shareholders' equity ratio increased by 0.8 points (compared with the end of the previous consolidated fiscal year) to 29.7%.

#### **(Consolidated Cash Flows)**

Consolidated cash and cash equivalents (hereinafter called "the funds") at the end of the current three months period decreased by 12,183 million yen to 83,913 million yen compared with the end of the previous fiscal year.

The situation and sources of cash flows for the current three months period are as follows:

#### **(Cash flows from operating activities)**

The funds provided by operating activities were 33,784 million yen (387 million yen for the previous first quarter). The principal sources of these cash flows are as follows; Direct cash loans made to customers as the company's core business of 118,264 million yen (148,324 million yen), the payment of income taxes of 645 million yen (33,264 million yen), and direct cash loans collected from customers of 111,755 million yen (137,571 million yen) etc.

(Cash flows from investing activities)

The funds provided by investing activities were 442 million yen (-210 million yen). It mainly stemmed the proceeds from sales or redemption of investments in securities of 606 million yen (235 million yen), and payment for purchase of tangible and intangible assets of 436 million yen (465 million yen) etc.

(Cash flows from financing activities)

The funds used in financing activities were 47,243 million yen (13,014 million yen). This was mainly due to the proceeds from long-term and short-term borrowings totaling 22,000 million yen (41,900 million yen), redemption of 30,000 million yen of bonds (0 yen) and repayments of long-term borrowings of 23,062 million yen (38,733 million yen) etc.

### **3. Others**

(1) Changes of significant subsidiaries during fiscal year (Changes in Scope of Consolidation)

No entities are subject to the changes of significant subsidiaries.

(2) Adoption of simple method in accounting during the three months period

No entities are subject to the adoption of simple method in accounting.

(3) Accounting change during the three months period

Depreciation and amortization is accounted on revised Corporate Tax Law for the tangible fixed assets acquired on or after April 1, 2007, since the Corporate Tax Law has been revised from the fiscal year ended March 2008.

The impact on operating income, ordinary income and net income by this change is slight.

#### 4. Consolidated Financial Statements (Summarized)

##### (1) First Quarter Consolidated Balance Sheets (Summarized)

Item of accounts	Previous First Quarter Period as of June 30, 2006		Current First Quarter Period as of June 30, 2007		Previous Fiscal Year as of Mar. 31, 2007	
	Amount (millions of yen)	Com- position Ratio(%)	Amount (millions of yen)	Com- position Ratio(%)	Amount (millions of yen)	Com- position Ratio(%)
<b>Assets:</b>						
I Current assets						
1. Cash in hand and at banks	78,717		65,913		68,110	
2. Direct cash loans to customers	1,528,282		1,409,357		1,431,848	
3. Installment receivables	536		598		582	
4. Securities	5		-		-	
5. Inventories	335		244		282	
6. Accrued interest income	12,536		12,625		12,918	
7. Short-term loans receivable	15,000		18,000		27,986	
8. Deferred tax assets	40,352		31,798		20,604	
9. Other current assets	21,460		30,352		35,966	
Less: Allowance for credit losses	-165,630		-164,889		-151,262	
Total current assets	1,531,593	87.1	1,403,999	91.4	1,447,034	91.4
II Fixed assets						
1. Tangible fixed assets						
(1) Buildings and structures	9,106		7,904		8,197	
(2) Land	35,093		35,084		35,084	
(3) Other tangible fixed assets	5,355	49,555	4,717	47,705	4,960	48,242
2. Intangible fixed assets		5,637		4,982		5,036
3. Investments and other assets						
(1) Investments in securities	27,918		25,351		26,577	
(2) Long-term deposits	42,830		46,556		46,556	
(3) Deferred income tax assets	20,761		-		-	
(4) Other investments	8,303	99,812	7,945	79,853	9,726	82,859
Total investments and other assets		155,004		132,541		136,137
III Deferred charges		72,045		-		-
Total assets		1,758,641		1,536,539		1,583,172
		100.0		100.0		100.0

Item of accounts	Previous First Quarter Period as of June 30, 2006		Current First Quarter Period as of June 30, 2007		Previous Fiscal Year as of Mar. 31, 2007	
	Amount (millions of yen)	Comp- osition Ratio(%)	Amount (millions of yen)	Comp- osition Ratio(%)	Amount (millions of yen)	Comp- osition Ratio(%)
<b>Liabilities:</b>						
I Current liabilities						
1. Short-term borrowings	17,500		10,000		-	
2. Current maturities of bonds	68,000		-		-	
3. Current portion of long-term borrowings	105,354		112,720		110,569	
4. Accrued income taxes	17,828		9,377		608	
5. Allowance for bonuses	194		219		749	
6. Allowance for bonuses of directors and corporate auditors	11		-		-	
7. Allowance for losses for refund of interest received from customers	30,900		-		-	
8. Other current liabilities	16,347		16,919		20,346	
Total current liabilities	256,134	14.5	149,235	9.7	132,272	8.4
II Fixed liabilities						
1. Bonds	228,567		129,126		158,479	
2. Long-term borrowings	299,603		315,579		328,791	
3. Deferred tax liabilities	172		2,938		4,937	
4. Allowance for losses for refund of interest received from customers	-		468,160		488,798	
5. Allowance for retirement benefits of employees	3,068		3,134		3,098	
6. Allowance for retirement benefits of directors and corporate auditors	95		109		117	
7. Other fixed liabilities	14,842		11,255		8,964	
Total fixed liabilities	546,346	31.1	930,302	60.6	993,185	62.7
Total liabilities	802,480	45.6	1,079,537	70.3	1,125,457	71.1

Item of accounts	Previous First Quarter Period as of June 30, 2006		Current First Quarter Period as of June 30, 2007		Previous Fiscal Year as of Mar. 31, 2007	
	Amount (millions of yen)	Com- position Ratio(%)	Amount (millions of yen)	Com- position Ratio(%)	Amount (millions of yen)	Com- position Ratio(%)
<b>Net assets :</b>						
I Shareholders' Equity						
1. Common stock	30,478	1.7	30,478	2.0	30,478	1.9
2. Capital surplus	52,263	3.0	52,263	3.4	52,263	3.3
3. Retained earnings	909,208	51.7	410,306	26.7	408,107	25.8
4. Treasury stock	-40,776	-2.3	-40,776	-2.7	-40,776	-2.6
Total Shareholders' Equity	951,174	54.1	452,271	29.4	450,071	28.4
II Valuation and foreign currency translation adjustment						
1. Net unrealized gains on investments in securities	7,219	0.4	6,372	0.4	6,657	0.4
2. Deferred hedge gains or losses	-2,307	-0.1	-1,778	-0.1	861	0.1
3. Foreign currency translation adjustment	75	0.0	137	0.0	125	0.0
Total Valuation and foreign currency translation adjustment	4,988	0.3	4,731	0.3	7,643	0.5
Total net assets	956,161	54.4	457,002	29.7	457,714	28.9
Total liabilities and net assets	1,758,641	100.0	1,536,539	100.0	1,583,172	100.0

## (2) First Quarter Consolidated Statements of Income (Summarized)

Item of accounts	Previous Three Months Period from Apr. 1 to June 30, 2006			Current Three Months Period from Apr. 1 to June 30, 2007			Previous Fiscal Year from Apr. 1, 2006 to Mar. 31, 2007		
	Amount (millions of yen)		Com- position Ratio(%)	Amount (millions of yen)		Com- position Ratio(%)	Amount (millions of yen)		Com- position Ratio(%)
I Operating revenues									
1. Interest income on direct cash loans		83,381			71,717			318,491	
2. Commissions earned		20			21			86	
3. Other financial income		773			826			3,249	
4. Other operating income		1,950			1,330			7,095	
Total operating revenues		86,124	100.0		73,894	100.0		328,920	100.0
II Operating expenses									
1. Financial expenses									
(1) Borrowing interest expenses	2,214				2,622			9,997	
(2) Bond interest expenses	2,511				2,312			9,902	
(3) Other financial expenses	306	5,031			387	5,321		1,397	21,297
2. Other operating expenses									
(1) Advertising expenses	3,289				1,438			9,826	
(2) Provisions of allowance for credit losses	37,734				30,241			113,642	
(3) Provisions of allowance for losses for refund of interest received from customers	17,388				7,961			290,449	
(4) Wages and bonuses	4,107				3,815			15,885	
(5) Provisions of allowance for bonuses	193				218			749	
(6) Provisions of allowance for bonuses of directors and corporate auditors	11				-			-	
(7) Provisions of allowance for retirement benefits of employees	106				129			422	
(8) Provisions of allowance for retirement benefits of directors and corporate auditors	7				8			29	
(9) Temporary employment cost	320				334			1,386	
(10) Rent	1,769				1,618			6,996	
(11) Depreciation and amortization	836				777			3,457	
(12) Handling charges	2,546				2,606			10,830	
(13) Other	6,324	74,630			3,306	52,451		18,985	472,654
Total operating expenses		79,661	92.5		57,772	78.2		493,951	150.2
Operating income		6,464	7.5		16,122	21.8		-	-
Operating loss		-	-		-	-		165,030	-50.2

Item of accounts	Previous Three Months Period from Apr. 1 to June 30, 2006			Current Three Months Period from Apr. 1 to June 30, 2007			Previous Fiscal Year from Apr. 1, 2006 to Mar. 31, 2007		
	Amount (millions of yen)		Com- position Ratio(%)	Amount (millions of yen)		Com- position Ratio(%)	Amount (millions of yen)		Com- position Ratio(%)
III Non-operating income									
1. Dividends income received	144			335			1,204		
2. Gain on investments in partnerships	61			94			548		
3. Foreign exchange gains	-			835			158		
4. Other non-operating income	35	239	0.3	39	1,303	1.8	247	2,157	0.7
IV Non-operating expenses									
1. Loss on disposal or sales of fixed assets	5			6			32		
2. Option fees	131			350			841		
3. Foreign exchange losses	468			-			-		
4. Other non-operating expenses	1	606	0.7	1	357	0.5	17	890	0.3
Ordinary income		6,098	7.1		17,069	23.1		-	-
Ordinary loss		-	-		-	-		163,764	-49.8
V Extraordinary income									
1. Gain on sales of fixed assets	-	-	-	-	-	-	40	40	0.0
VI Extraordinary losses									
1. Loss on devaluation of investments in securities	63			111			140		
2. Loss on impairment of fixed assets	-			141			160		
3. Provisions of allowance for losses for refund of interest received from customers	-			-			272,038		
4. Loss on integration or close of branches	-			305			708		
5. Other	-	63	0.1	17	574	0.8	4	273,049	83.0
Income before income taxes		6,035	7.0		16,494	22.3		-	-
Loss before income taxes		-	-		-	-		436,773	-132.8
Corporate taxes, inhabitants taxes and enterprise taxes	23,651			9,287			22,163		
Deferred income tax expenses	-21,263	2,388	2.8	-11,174	-1,887	-2.6	22,338	44,501	13.5
Net income		3,647	4.2		18,381	24.9		-	-
Net Loss		-	-		-	-		481,274	-146.3

(3) First Quarter Consolidated Statement of Changes in Net Assets (Summarized)

Previous Three Months Period (from Apr. 1 to June 30, 2006)

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	Foreign currency translation adjustment
Balance as of March 31, 2006	30,478	52,263	921,787	-40,776	963,753	9,767	-	107
Changes of items during three months period								
Dividends (Note)			-16,181		-16,181			
Bonuses for directors and corporate auditors (Note)			-45		-45			
Net Income			3,647		3,647			
Acquisition of treasury stock				-0	-0			
Net changes of items other than shareholders' equity						-2,548	-2,307	-31
Total changes of items during three months period	-	-	-12,579	-0	-12,579	-2,548	-2,307	-31
Balance as of June 30, 2006	30,478	52,263	909,208	-40,776	951,174	7,219	-2,307	75

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

Current Three Months Period (from Apr. 1 to June 30, 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	Foreign currency translation adjustment
Balance as of March 31, 2007	30,478	52,263	408,107	-40,776	450,071	6,657	861	125
Changes of items during three months period								
Dividends (Note)			-16,181		-16,181			
Net Income			18,381		18,381			
Acquisition of treasury stock				-0	-0			
Net changes of items other than shareholders' equity						-285	-2,638	11
Total changes of items during three months period	-	-	2,199	-0	2,199	-285	-2,638	11
Balance as of June 30, 2007	30,478	52,263	410,306	-40,776	452,271	6,372	-1,778	137

Note: Items represent disposal of retained earnings at the General meeting in June 2007.

Previous Fiscal Year (from Apr. 1, 2006 to Mar. 31, 2007)

	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	Foreign currency translation adjustment
Balance as of March 31, 2006	30,478	52,263	921,787	-40,776	963,753	9,767	-	107
Changes of items during current fiscal year								
Dividends (Note)			-16,181		-16,181			
Bonuses for directors and corporate auditors (Note)			-45		-45			
Interim dividends			-16,181		-16,181			
Net Loss			-481,274		-481,274			
Acquisition of treasury stock				-0	-0			
Net changes of items other than shareholders' equity						-3,110	861	18
Total changes of items during current fiscal year	-	-	-513,681	-0	-513,681	-3,110	861	18
Balance as of March 31, 2007	30,478	52,263	408,107	-40,776	450,071	6,657	861	125

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

(4) First Quarter Consolidated Statements of Cash Flows (Summarized)

	Previous Three Months Period from Apr. 1 to June 30, 2006	Current Three Months Period from Apr. 1 to June 30, 2007	Previous Fiscal Year from Apr. 1, 2006 to Mar. 31, 2007
Item of accounts	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)
I Cash flows from operating activities			
Income before income taxes	6,035	16,494	-
Loss before income taxes	-	-	-436,773
Depreciation and amortization	836	777	3,457
Loss on impairment of fixed assets	-	141	160
Gain or loss on investments in partnerships	-1	0	-226
Increase or decrease in allowance for retirement benefits of employees	8	36	38
Increase or decrease in allowance for retirement benefits of directors and corporate auditors	-9	-7	12
Increase or decrease in allowance for credit losses	15,200	13,627	832
Increase or decrease in allowance for losses for refund of interest received from customers	8,400	-20,638	466,298
Write-offs	22,534	16,614	100,279
Interest repaid (Portion of principal impaired)	-	12,402	44,669
Non-operating interest income and dividend income received	-144	-335	-1,204
Loss on integration or close of branches	-	305	708
Loss on disposal or sales of tangible fixed assets	5	8	35
Loss on devaluation of investments in securities	63	111	140
Increase or decrease in accrued interest income	-231	293	-613
Direct cash loans made to customers	-148,324	-118,264	-547,751
Direct cash loans collected from customers	137,571	111,755	511,083
Increase or decrease of long-term deposits	-11,772	-	-15,499
Other	2,666	775	-8,135
Sub total	32,836	34,094	117,510
Non-operating interest income and dividend income received	144	335	1,204
Income taxes paid	-33,264	-645	-49,163
Income taxes refunded	671	-	905
Net cash provided by operating activities	387	33,784	70,455

	Previous Three Months Period from Apr. 1 to June 30, 2006	Current Three Months Period from Apr. 1 to June 30, 2007	Previous Fiscal Year from Apr. 1, 2006 to Mar. 31, 2007
Item of accounts	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)
II Cash flows from investing activities			
Payments for purchase of tangible fixed assets	-211	-92	-1,090
Payments for purchase of intangible fixed assets	-254	-344	-911
Proceeds from sales or redemption of securities	-	-	4
Payments for acquisition of investments in securities	-	-	-315
Proceeds from sales or redemption of investments in securities	235	606	795
Payments for acquisition of investments in partnerships	-	-	-105
Proceeds from collection of investments in partnerships	19	10	34
Other	1	262	342
Net cash provided by investing activities	-210	442	-1,248
III Cash flows from financing activities			
Increase or decrease in short-term borrowings	17,500	10,000	-
Proceeds from long-term borrowings	24,400	12,000	131,500
Repayments of long-term borrowings	-38,733	-23,062	-111,429
Repayments for redemption of bonds	-	-30,000	-68,000
Acquisition or sales of treasury stock, net	-0	-0	-0
Cash dividends paid	-16,181	-16,181	-32,362
Net cash used in financing activities	-13,014	-47,243	-80,291
IV Effect of exchange rate changes on cash and cash equivalents	-468	834	157
V Net increase or decrease in cash and cash equivalents	-13,306	-12,183	-10,926
VI Cash and cash equivalents at the beginning of the three months period (fiscal year)	107,022	96,096	107,022
VII Cash and cash equivalents at the end of the three months period (fiscal year)	93,717	83,913	96,096

## Significant Accounting Policies for Three Months Consolidated Financial Statements

Previous Three Months Period from Apr. 1 to June 30, 2006	Current Three Months Period from Apr. 1 to June 30, 2007	Previous Fiscal Year from Apr. 1, 2006 to Mar. 31, 2007
<p><b>1. Scope of consolidation</b> As of June 30, 2006, the number of consolidated subsidiaries were 9 as listed below;</p> <p>Kyoritsu Estate Co., Ltd. TWJ VC Co., Ltd. Takefuji Capital Co., Ltd. Take One Co., Ltd. TSR Co., Ltd. G.H Investment Co., Ltd. TWJ Co., Ltd. TWJ EURO Co., Ltd. TDS Co., Ltd.</p>	<p><b>1. Scope of consolidation</b> The same as the previous three months period.</p>	<p><b>1. Scope of consolidation</b> As of March 31, 2007, the number of consolidated subsidiaries were 9 as listed below;</p> <p>Kyoritsu Estate Co., Ltd. TWJ VC Co., Ltd. Takefuji Capital Co., Ltd. Take One Co., Ltd. TSR Co., Ltd. G.H Investment Co., Ltd. TWJ Co., Ltd. TWJ EURO Co., Ltd. TDS Co., Ltd.</p>
<p><b>2. Application of the equity method</b> No entities are subject to the equity method of accounting.</p>	<p><b>2. Application of the equity method</b> The same as the previous three months period.</p>	<p><b>2. Application of the equity method</b> No entities are subject to the equity method of accounting.</p>
<p><b>3. The first quarter - end of consolidated subsidiaries</b> The first quarter-end date of each subsidiary listed hereunder is as follows; TWJ Co., Ltd. : May 31 Take One Co., Ltd. : April 30 TSR Co., Ltd. : March 31 G.H Investment Co., Ltd. : March 31</p> <p>For these consolidated subsidiaries, their financial statements at the above-mentioned first quarter-end dates are used respectively in the preparation of consolidated financial statements of Takefuji Corporation. Adjustments are made in the consolidated accounts for any significant transactions that occur between these dates and the consolidated balance sheet date.</p>	<p><b>3. The first quarter - end of consolidated subsidiaries</b> The same as the previous three months period.</p>	<p><b>3. The fiscal year - end of consolidated subsidiaries</b> The fiscal year-end date of each subsidiary listed hereunder is as follows; TWJ Co., Ltd. : February 28 Take One Co., Ltd. : January 31 TSR Co., Ltd. : December 31 G.H Investment Co., Ltd. : December 31</p> <p>For these consolidated subsidiaries, their financial statements at the above-mentioned fiscal year-end dates are used respectively in the preparation of consolidated financial statements of Takefuji Corporation. Adjustments are made in the consolidated accounts for any significant transactions that occur between these dates and the consolidated balance sheet date.</p>

## 5. Actual Operating Results (Consolidated)

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

Sources of revenues		Previous Three Months Period from Apr. 1 to June 30, 2006		Current Three months Period from Apr. 1 to June 30, 2007		Previous Fiscal Year from Apr. 1, 2006 to Mar. 31, 2007	
		Amount (millions of yen)	Composition Ratio(%)	Amount (millions of yen)	Composition Ratio(%)	Amount (millions of yen)	Composition Ratio(%)
Interest income on direct cash loans	Unsecured loans	83,381	96.8	71,717	97.1	318,491	96.8
Commissions earned	Credit card	20	0.0	21	0.0	86	0.0
Other financial income	Interest on bank deposits	205	0.2	259	0.4	889	0.3
	Interest on loans other than direct cash loans	5	0.0	36	0.0	44	0.0
	Other	563	0.7	530	0.7	2,317	0.7
	Sub-total	773	0.9	826	1.1	3,249	1.0
Other operating income	Collection of credit losses previously written-off	1,524	1.8	868	1.2	5,284	1.6
	Real estate rent	218	0.3	225	0.3	877	0.3
	Other	208	0.2	237	0.3	935	0.3
	Sub-total	1,950	2.3	1,330	1.8	7,095	2.2
Total		86,124	100.0	73,894	100.0	328,920	100.0

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

2. "Other" in other operating income consist mainly of parking lots fees and golf course play fees.

## (2) Other Statistics

Subject	Previous Three Months Period as of June 30, 2006	Current Three Months Period as of June 30, 2007	Previous Fiscal Year as of Mar. 31, 2007
Direct cash loans outstanding (millions of yen)	1,528,282	1,409,357	1,431,848
Unsecured loans	1,528,282	1,409,357	1,431,848
Secured loans	-	-	-
Installment receivables outstanding (millions of yen)	536	598	582
Number of loan customer accounts	2,296,098	2,087,768	2,125,599
Unsecured loans	2,296,098	2,087,768	2,125,599
Secured loans	-	-	-
The number of credit card membership	263,338	291,505	284,825
Number of branches	1,896	1,656	1,729
Manned	523	400	471
Unmanned (included Quick loan application machine)	1,372	1,255	1,257
Internet Yen shop	1	1	1
Number of unmanned loan contract machines (included Quick loan application machine)	1,896	1,656	1,729
Number of cash dispensers and ATMs	45,685	48,721	48,072
Owned	2,023	1,780	1,856
Inter-linked	43,662	46,941	46,216
Number of employees	3,264	2,989	2,938
Write-offs (millions of yen)	22,534	16,614	100,279
Write-offs related to the refund of overpayment interest (millions of yen)	-	12,402	44,669
Allowance for credit losses (millions of yen)	165,630	164,889	151,262

Note: "Write-offs" at the previous three months period as of June 30, 2006 include "Write-offs related to the refund of overpayment interest" (6,788million yen).

## Reference

### 1. Non-Consolidated Financial Statements (Summarized)

#### (1) First Quarter Non-Consolidated Balance Sheets (Summarized)

Item of accounts	Previous First Quarter Period As of June 30, 2006		Current First Quarter Period as of June 30, 2007		Previous Fiscal Year as of Mar. 31, 2007	
	Amount (millions of yen)	Com- position Ratio (%)	Amount (millions of yen)	Com- position Ratio (%)	Amount (millions of yen)	Com- position Ratio (%)
<b>Assets:</b>						
I Current assets						
1. Cash in hand and at banks	66,725		54,372		57,219	
2. Direct cash loans to customers	1,528,282		1,409,357		1,431,848	
3. Installment receivables	536		598		582	
4. Inventories	330		239		277	
5. Short-term loans receivable	15,000		18,000		27,986	
6. Deferred tax assets	40,346		31,793		20,590	
7. Other current assets	33,608		42,918		48,813	
Less: Allowance for credit losses	-165,630		-164,889		-151,262	
Total current assets		1,519,198		1,392,388		1,436,054
						90.1
II Fixed assets						
1. Tangible fixed assets						
(1) Land	23,132		23,123		23,123	
(2) Other tangible fixed assets	13,874		12,025		12,582	
Total tangible fixed assets	37,006		35,148		35,705	
2. Intangible fixed assets	5,636		4,981		5,035	
3. Investments and other assets						
(1) Investments in subsidiaries and affiliates	38,433		38,233		38,233	
(2) Other investments	96,146		76,556		78,988	
Total investments and other assets	134,579		114,788		117,221	
Total fixed assets		177,221		154,918		157,960
						9.9
III Deferred charges						
1. Discount on bonds	72,045		-		-	
Total deferred charges		72,045		-		-
Total assets		1,768,463		1,547,306		1,594,014
						100.0

Item of accounts	Previous First Quarter Period as of June 30, 2006		Current First Quarter Period as of June 30, 2007		Previous Fiscal Year as of Mar. 31, 2007		
	Amount (millions of yen)	Com- position Ratio (%)	Amount (millions of yen)	Com- position Ratio (%)	Amount (millions of yen)	Com- position Ratio (%)	
<b>Liabilities:</b>							
I Current liabilities							
1. Short-term borrowings	31,750		26,000		16,000		
2. Current maturities of bonds	68,000		-		-		
3. Current portion of long-term borrowings	105,354		112,720		110,569		
4. Accrued income taxes	17,736		9,197		113		
5. Allowance for bonuses	193		217		748		
6. Allowance for bonuses of directors and corporate auditors	11		-		-		
7. Allowance for losses for refund of interest received from customers	30,900		-		-		
8. Other current liabilities	16,318		16,905		20,342		
Total current liabilities		270,262	15.3	165,039	10.7	147,773	9.3
II Fixed liabilities							
1. Bonds	228,567		129,126		158,479		
2. Long-term borrowings	299,603		315,579		328,791		
3. Deferred tax liabilities	-		2,792		4,777		
4. Allowance for losses for refund of interest received from customers	-		468,160		488,798		
5. Allowance for retirement benefits of employees	3,064		3,129		3,093		
6. Allowance for retirement benefits of directors and corporate auditors	95		109		117		
7. Other fixed liabilities	14,836		11,250		8,959		
Total fixed liabilities		546,164	30.9	930,146	60.1	993,015	62.3
Total liabilities		816,426	46.2	1,095,184	70.8	1,140,787	71.6

Item of accounts	Previous First Quarter Period as of June 30, 2006		Current First Quarter Period as of June 30, 2007		Previous Fiscal Year as of Mar. 31, 2007		
	Amount (millions of yen)	Com- position Ratio (%)	Amount (millions of yen)	Com- position Ratio (%)	Amount (millions of yen)	Com- position Ratio (%)	
<b>Net assets:</b>							
I Shareholders' Equity							
1. Common stock		30,478	1.7	30,478	2.0	30,478	1.9
2. Capital surplus							
(1) Additional paid-in capital	52,263			52,263		52,263	
Total capital surplus		52,263	2.9	52,263	3.4	52,263	3.3
3. Retained earnings							
(1) Legal reserve	7,619			7,619		7,619	
(2) Other retained earnings							
General reserve	875,961			365,961		875,961	
Retained earnings brought forward	21,675			32,231		-479,611	
Total retained earnings		905,255	51.2	405,811	26.2	403,969	25.3
4. Treasury stock		-40,776	-2.3	-40,776	-2.7	-40,776	-2.6
Total Shareholders' Equity		947,220	53.5	447,776	28.9	445,934	27.9
II Valuation and foreign currency translation adjustment							
1. Net unrealized gains on investments in securities		7,124	0.4	6,123	0.4	6,432	0.4
2. Deferred hedge gains or losses		-2,307	-0.1	-1,778	-0.1	861	0.1
Total Valuation and foreign currency translation adjustment		4,818	0.3	4,346	0.3	7,293	0.5
Total net assets		952,037	53.8	452,122	29.2	453,227	28.4
Total liabilities and net assets		1,768,463	100.0	1,547,306	100.0	1,594,014	100.0

(2) First Quarter Non-Consolidated Statements of Income (Summarized)

Item of accounts	Previous Three Months Period from Apr. 1 to June 30, 2006		Current Three Months Period from Apr. 1 to June 30, 2007		Previous Fiscal Year from Apr. 1, 2006 to Mar. 31, 2007	
	Amount (millions of yen)	Com- position Ratio (%)	Amount (millions of yen)	Com- position Ratio (%)	Amount (millions of yen)	Com- position Ratio (%)
I Operating revenues						
1. Interest income on direct cash loans	83,381		71,717		318,491	
2. Commissions earned	21		21		87	
3. Other financial income	736		766		3,139	
4. Other operating income	1,781		1,139		6,328	
Total operating revenues	85,919	100.0	73,644	100.0	328,045	100.0
II Operating expenses						
1. Financial expenses	5,113		5,412		21,651	
2. Other operating expenses	74,505		52,342		472,233	
Total operating expenses	79,618	92.7	57,755	78.4	493,884	150.6
Operating income	6,302	7.3	15,889	21.6	-	-
Operating loss	-	-	-	-	165,839	-50.6
III Non-operating income	237	0.3	937	1.3	1,004	0.3
IV Non-operating expenses	412	0.5	357	0.5	890	0.2
Ordinary income	6,127	7.1	16,469	22.4	-	-
Ordinary loss	-	-	-	-	165,726	-50.5
V Extraordinary income	-	-	33	0.1	1,112	0.3
VI Extraordinary losses	63	0.1	557	0.8	273,025	83.2
Income before income taxes	6,064	7.0	15,945	21.7	-	-
Loss before income taxes	-	-	-	-	437,639	-133.4
Corporate taxes, inhabitants taxes and enterprise taxes	23,607		9,103		21,400	
Deferred income tax expenses	-21,271	2.7	-11,181	-2.8	22,338	13.3
Net income	3,728	4.3	18,023	24.5	-	-
Net loss	-	-	-	-	481,377	-146.7

(3) First Quarter Non-Consolidated Statement of Changes in Net Assets (Summarized)  
 Previous Three Months Period (from Apr. 1 to June 30, 2006)

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 three months period									
General reserve(Note)				1,000	-1,000		-		
Dividends (Note)					-16,181		-16,181		
Bonuses for directors and corporate auditors (Note)					-45		-45		
Net Income					3,728		3,728		
Acquisition of treasury stock						-0	-0		
Net changes of items other than shareholders' equity								-2,408	-2,307
Total changes of items during three months period	-	-	-	1,000	-13,498	-0	-12,498	-2,408	-2,307
Balance as of June 30, 2006	30,478	52,263	7,619	875,961	21,675	-40,776	947,220	7,124	-2,307

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

Current Three Months Period (from Apr. 1 to June 30, 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, 2007	30,478	52,263	7,619	875,961	-479,611	-40,776	445,934	6,432	861
Changes of items during three months period									
General reserve(Note)				-510,000	510,000		-		
Dividends (Note)					-16,181		-16,181		
Net Income					18,023		18,023		
Acquisition of treasury stock						-0	-0		
Net changes of items other than shareholders' equity								-309	-2,638
Total changes of items during three months period	-	-	-	-510,000	511,842	-0	1,842	-309	-2,638
Balance as of June 30, 2007	30,478	52,263	7,619	365,961	32,231	-40,776	447,776	6,123	-1,778

Note: Items represent disposal of retained earnings at the General meeting in June 2007.

Previous Fiscal Year (from Apr. 1, 2006 to Mar. 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 and corporate auditors (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.

## 2. Actual Operating Results (Non-Consolidated)

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

Source of revenues		Previous Three Months Period from Apr. 1 to June 30, 2006		Current Three Months Period from Apr. 1 to June 30, 2007		Previous Fiscal Year from Apr. 1, 2006 to Mar. 31, 2007	
		Amount (millions of yen)	Composition Ratio(%)	Amount (millions of yen)	Composition Ratio(%)	Amount (millions of yen)	Composition Ratio(%)
Interest income on direct cash loans	Unsecured loans	83,381	97.0	71,717	97.4	318,491	97.1
Commissions earned	Credit card	21	0.0	21	0.0	87	0.0
Other financial income	Interest on bank deposits	169	0.2	200	0.3	779	0.2
	Interest on loans other than direct cash loans	5	0.0	36	0.0	44	0.0
	Other	563	0.7	530	0.7	2,317	0.7
	Sub-total	736	0.9	766	1.0	3,139	0.9
Other operating income	Collection of credit losses previously written-off	1,524	1.8	868	1.2	5,284	1.6
	Real estate rent	218	0.3	225	0.3	877	0.3
	Other	40	0.0	46	0.1	168	0.1
	Sub-total	1,781	2.1	1,139	1.6	6,328	2.0
Total		85,919	100.0	73,644	100.0	328,045	100.0

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

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

## (2) Other Statistics

Subject	Previous Three Months Period as of June 30, 2006	Current Three Months Period as of June 30, 2007	Previous Fiscal Year as of Mar. 31, 2007
Direct cash loans outstanding (millions of yen)	1,528,282	1,409,357	1,431,848
Unsecured loans	1,528,282	1,409,357	1,431,848
Secured loans	-	-	-
Installment receivables outstanding (millions of yen)	536	598	582
Number of loan customer accounts	2,296,098	2,087,768	2,125,599
Unsecured loans	2,296,098	2,087,768	2,125,599
Secured loans	-	-	-
The number of credit card membership	263,338	291,505	284,825
Number of branches	1,896	1,656	1,729
Manned	523	400	471
Unmanned (included Quick loan application machine)	1,372	1,255	1,257
Internet Yen shop	1	1	1
Number of unmanned loan contract machines (included Quick loan application machine)	1,896	1,656	1,729
Number of cash dispensers and ATMs	45,685	48,721	48,072
Owned	2,023	1,780	1,856
Inter-linked	43,662	46,941	46,216
Number of employees	3,250	2,972	2,920
Write-offs (millions of yen)	22,534	16,614	100,279
Write-offs related to the refund of overpayment interest (millions of yen)	-	12,402	44,669
Allowance for credit losses (millions of yen)	165,630	164,889	151,262

Note: "Write-offs" at the previous three months period as of June 30, 2006 include "Write-offs related to the refund of overpayment interest" (6,788million yen).