

6. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

Item of accounts	Note	Previous Fiscal Year (as of March 31, 2007)		Current Fiscal Year (as of March 31, 2008)	
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)
Assets:					
I Current assets					
1. Cash in hand and at banks		57,219		51,354	
2. Direct cash loans to customers	*1,2,7	1,431,848		1,195,328	
3. Installment receivables		582		557	
4. Securities		-		13,000	
5. Inventories		277		247	
6. Prepaid expenses		866		1,032	
7. Accrued interest income on direct cash loans to customers		12,918		10,862	
8. Short-term loans receivable		27,986		83,989	
9. Accounts receivable-other		835		5,620	
10. Corporate taxes, inhabitants taxes and enterprise taxes refundable		11,622		-	
11. Deposits		22,350		15,029	
12. Deferred income tax assets		20,590		25,364	
13. Other current assets		223		213	
Less: Allowance for credit losses		-151,262		-143,998	
Total current assets		1,436,054	90.1	1,258,598	89.2
II Fixed assets					
1. Tangible fixed assets	*5				
(1) Buildings	*1	6,857		6,083	
(2) Structures	*1	1,036		848	
(3) Vehicles and delivery equipment		14		4	
(4) Equipment, furniture and fixtures		4,676		4,733	
(5) Land	*1	23,123		22,767	
Total tangible fixed assets		35,705	2.2	34,436	2.4

Item of accounts	Note	Previous Fiscal Year (as of March 31, 2007)		Current Fiscal Year (as of March 31, 2008)	
		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		3,539		4,083	
(3) Telephone rights		744		352	
(4) Other intangible fixed assets		249		291	
Total intangible fixed assets		5,035	0.3	5,229	0.4
3. Investments and other assets					
(1) Investments in securities		22,706		14,368	
(2) Investments in affiliates		38,233		38,233	
(3) Investments in partnerships		689		1	
(4) Long-term prepaid expenses		951		589	
(5) Investments in real estates		450		450	
(6) Leasehold deposits		6,153		4,714	
(7) Long-term deposits		46,556		46,556	
(8) Other investments and other assets		1,482		7,401	
Total investments and other assets		117,221	7.4	112,312	8.0
Total fixed assets		157,960	9.9	151,978	10.8
Total assets		1,594,014	100.0	1,410,576	100.0

Item of accounts	Note	Previous Fiscal Year (as of March 31, 2007)		Current Fiscal Year (as of March 31, 2008)	
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)
Liabilities:					
I Current liabilities					
1. Short-term borrowings from affiliates		16,000		22,884	
2. Current portion of long-term borrowings	*1	110,569		94,274	
3. Accounts payable-other		11,226		9,420	
4. Accrued expenses		5,841		5,909	
5. Accrued income taxes		113		97	
6. Deposit received		353		282	
7. Unearned income		2,815		2,825	
8. Allowance for bonuses		748		845	
9. Other current liabilities		108		111	
Total current liabilities		147,773	9.3	136,647	9.7
II Fixed liabilities					
1. Bonds		158,479		161,083	
2. Long-term borrowings	*1	328,791		284,007	
3. Long-term accounts payable-other		17		15	
4. Deferred income tax liabilities		4,777		4,131	
5. Allowance for losses for refund of interest received from customers		488,798		386,256	
6. Allowance for retirement benefits of employees		3,093		3,240	
7. Allowance for retirement benefits of directors and corporate auditors		117		134	
8. Long-term unearned income		8,413		5,641	
9. Other fixed liabilities		529		524	
Total fixed liabilities		993,015	62.3	845,032	59.9
Total liabilities		1,140,787	71.6	981,680	69.6

Item of accounts	Note	Previous Fiscal Year (as of March 31, 2007)		Current Fiscal Year (as of March 31, 2008)		
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)	
Net assets:						
I Shareholders' equity						
1. Common stock			30,478	1.9	30,478	2.2
2. Capital surplus						
(1) Additional paid-in capital		52,263			52,263	
Total capital surplus			52,263	3.3	52,263	3.7
3. Retained earnings						
(1) Legal reserve		7,619			7,619	
(2) Other retained earnings						
General reserve		875,961			365,961	
Retained earnings brought forward		-479,611			14,609	
Total retained earnings			403,969	25.3	388,188	27.5
4. Treasury stock			-40,776	-2.6	-48,248	-3.4
Total shareholders' equity			445,934	27.9	422,682	30.0
II Valuation and foreign currency translation adjustments						
1. Net unrealized gains on other investments in securities, net of taxes			6,432	0.4	1,791	0.1
2. Deferred hedge gains or losses			861	0.1	4,383	0.3
Total Valuation and foreign currency translation adjustments			7,293	0.5	6,174	0.4
III Share subscription rights			-	-	41	0.0
Total net assets			453,227	28.4	428,897	30.4
Total liabilities and net assets			1,594,014	100.0	1,410,576	100.0

(2) Non-Consolidated Statements of Income

Item of accounts	Note	Previous Fiscal Year (from April 1, 2006 to March 31, 2007)		Current Fiscal Year (from April 1, 2007 to March 31, 2008)		
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)	
I Operating revenues						
1. Interest income on direct cash loans			318,491		261,981	
2. Commissions earned			87		72	
3. Other financial income						
(1) Interest on bank deposits		779		825		
(2) Interest on loans other than direct cash loans		44		226		
(3) Other		2,317	3,139	1,880	2,930	
4. Other operating income						
(1) Collection from bad debts previously written-off		5,284		3,312		
(2) Real estate rent		877		968		
(3) Other		168	6,328	188	4,468	
Total operating revenues			328,045	100.0	269,452	100.0

Item of accounts	Note	Previous Fiscal Year (from April 1, 2006 to March 31, 2007)			Current Fiscal Year (from April 1, 2007 to March 31, 2008)		
		Amount (millions of yen)		Compo- sition Ratio (%)	Amount (millions of yen)		Compo- sition Ratio (%)
II Operating expenses							
1. Financial expenses							
(1) Borrowing interest expenses		10,352			10,732		
(2) Bond interest expenses		9,902			9,019		
(3) Other financial expenses		1,397	21,651		1,632	21,383	
2. Other operating expenses							
(1) Advertising expenses		9,818			4,843		
(2) Provisions for credit losses		113,642			90,984		
(3) Provisions for losses for refund of interest received from customers		290,449			57,854		
(4) Salaries and bonuses		15,794			14,884		
(5) Provisions for bonuses		748			845		
(6) Provisions for retirement benefits of employees		421			514		
(7) Provisions for retirement benefits of directors and corporate auditors		29			32		
(8) Temporary employment expenses		1,386			1,324		
(9) Welfare expenses		2,103			2,022		
(10) Rent		7,008			5,997		
(11) Depreciation and amortization		3,442			3,464		
(12) Handling charges		10,793			11,115		
(13) Communication expenses		4,808			3,898		
(14) Insurance premium		4,036			73		
(15) Other		7,758	472,233		6,479	204,328	
Total operating expenses			493,884	150.6		225,711	83.8
Operating income			-	-		43,741	16.2
Operating loss			165,839	-50.6		-	-

Item of accounts	Note	Previous Fiscal Year (from April 1, 2006 to March 31, 2007)			Current Fiscal Year (from April 1, 2007 to March 31, 2008)		
		Amount (millions of yen)		Compo- sition Ratio (%)	Amount (millions of yen)		Compo- sition Ratio (%)
III Non-operating income							
1. Dividends income received		181			204		
2. Profit on investments in partnerships		517			307		
3. Foreign exchange gains		75			-		
4. Interest on income taxes refunds		-			328		
5. Other non-operating income		231	1,004	0.3	130	969	0.4
IV Non-operating expenses							
1. Loss on disposal or sales of fixed assets		32			59		
2. Foreign exchange losses		-			2,307		
3. Option fees		841			1,661		
4. Other non-operating expenses		17	890	0.2	16	4,044	1.5
Ordinary income			-	-		40,666	15.1
Ordinary loss			165,726	-50.5		-	-
V Extraordinary income							
1. Gain on sales of investments in securities		-			377		
2. Gain on dividends income received by subsidiary's liquidation	*2	1,072			42		
3. Gain on sales of fixed assets	*3	40	1,112	0.3	8	427	0.1
VI Extraordinary losses							
1. Loss on devaluation of investments in securities		115			383		
2. Loss on impairment of fixed assets	*4	160			873		
3. Provisions for losses for refund of interest received from customers		272,038			-		
4. Loss on integration or closure of branch offices	*4	708			1,168		
5. Loss on liquidation of in-substance defeasance transaction	*5	-			29,691		
6. Other extraordinary losses		4	273,025	83.2	-	32,115	11.9
Income before income taxes			-	-		8,978	3.3
Loss before income taxes			437,639	-133.4		-	-
Corporate taxes, inhabitants taxes and enterprise taxes		21,400			571		
Deferred income tax expenses		22,338	43,738	13.3	-4,658	-4,086	-1.5
Net income			-	-		13,064	4.8
Net loss			481,377	-146.7		-	-

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

Previous Fiscal Year (from April 1, 2006 to March 31, 2007)

(millions of yen)

	Shareholders' equity							Valuation and foreign currency translation adjustments	
	Common stock	Capital surplus		Retained earnings		Treasury stock	Total shareholders' equity	Net unrealized gains / losses on other investments in securities, net of taxes	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 previous 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 previous 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 approval of proposed appropriation of the retained earnings at the Annual General Shareholders' Meeting in June 2006.

Current Fiscal Year (from April 1, 2007 to March 31, 2008)

(millions of yen)

	Shareholders' equity							Valuation and foreign currency translation adjustments		Share subscription rights
	Common stock	Capital surplus	Legal reserve	Retained earnings		Treasury stock	Total shareholders' equity	Net unrealized gains / losses on other investments in securities, net of taxes	Deferred hedge gains or losses	
		Additional paid-in capital		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 current fiscal year										
General reserve				-510,000	510,000		-			
Dividends					-16,181		-16,181			
Interim dividends					-12,664		-12,664			
Net income					13,064		13,064			
Acquisition of treasury stock						-7,471	-7,471			
Net changes of items other than shareholders' equity								-4,641	3,522	41
Total changes of items during current fiscal year	-	-	-	-510,000	494,220	-7,471	-23,252	-4,641	3,522	41
Balance as of March 31, 2008	30,478	52,263	7,619	365,961	14,609	-48,248	422,682	1,791	4,383	41

Significant Accounting Policies

Previous Fiscal Year (from April 1, 2006 to March 31, 2007)	Current Fiscal Year (from April 1, 2007 to March 31, 2008)
<p>1. Basis and method of valuation of securities</p> <p>(1) Investments in subsidiaries and affiliates:</p> <p>Cost determined by the moving average method.</p> <p>(2) Other securities:</p> <p>Where there is a market value;</p> <p>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, excluding the related income taxes, is included directly in net assets, and cost of securities sold is computed using the moving average method.</p> <p>Where there is no market value;</p> <p>Cost as determined by the moving average method.</p> <p>2. Basis and method of valuation of inventories</p> <p>Cost based on the last purchase price method.</p> <p>3. Depreciation of the fixed assets</p> <p>(1) Tangible fixed assets</p> <p>Depreciation is mainly computed on the declining-balance method certain, based on the estimated useful lives of assets except 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>Software costs for internal use are amortized on the straight-line method for 5 years, which is the estimated useful life. Other intangible fixed assets are amortized on the straight-line method.</p>	<p>1. Basis and method of valuation of securities</p> <p>(1) Investments in subsidiaries and affiliates:</p> <p>The same as the previous fiscal year.</p> <p>(2) Other securities:</p> <p>Where there is a market value;</p> <p>The same as the previous fiscal year.</p> <p>Where there is no market value;</p> <p>The same as the previous fiscal year.</p> <p>2. Basis and method of valuation of inventories</p> <p>The same as the previous fiscal year.</p> <p>3. Depreciation of the fixed assets</p> <p>(1) Tangible fixed assets</p> <p>Depreciation is mainly computed on the declining-balance method certain, based on the estimated useful lives of assets except 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>(Changes in accounting policy)</p> <p>In accordance with the revision of the corporate tax laws, the Company has changed from the current fiscal year the method of depreciation for fixed tangible assets acquired on or after April 1, 2007.</p> <p>As a result, operating income, ordinary income, income before income taxes and net income decreased by 62 million yen respectively.</p> <p>(Additional Information)</p> <p>In accordance with the revision of the corporate tax laws, the residual value (excluding the memorandum price) for properties acquired before March 31, 2007 is depreciated on the straight-line method for 5 years from the succeeding fiscal year after the book value of these properties reach the residual value of 5% calculated on the method before the revision of the tax laws, and is included in the depreciation costs.</p> <p>As a result, operating income, ordinary income, income before income taxes and net income decreased by 82 million yen respectively.</p> <p>(2) Intangible fixed assets</p> <p>The same as the previous fiscal year.</p>

<p style="text-align: center;">Previous Fiscal Year (from April 1, 2006 to March 31, 2007)</p>	<p style="text-align: center;">Current Fiscal Year (from April 1, 2007 to March 31, 2008)</p>
<p>4. Basis of calculating allowances</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 provisions 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.</p> <p>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>4. Basis of calculating allowances</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>In the previous fiscal year, allowance for credit losses was calculated based upon the total amount of direct cash loans including loans which were subject to “allowance for losses for refund of interest received from customers” and the latter portion deducted afterwards.</p> <p>As data were accumulated for losses incurred from the refunds of interest to the total write-offs, it became possible to identify these estimated losses separately from the others.</p> <p>Therefore, from the current fiscal year, allowance for credit losses is calculated excluding the amount of loans subject to “allowance for losses for refund of interest received from customers”.</p> <p>As a result, provisions for credit losses in operating expenses decreased by 13,273 million yen, operating income, ordinary income and income before income taxes increased by 13,273 million yen, and net income increased by 7,897 million yen respectively.</p>

Previous Fiscal Year (from April 1, 2006 to March 31, 2007)	Current Fiscal Year (from April 1, 2007 to March 31, 2008)
<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)</p> <p>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 provisions 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.</p> <p>With this change, the Company recorded 290,449 million yen and 272,038 million yen as provisions 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.</p> <p>As a result, provisions for credit loss in operating expenses decreased 51,026 million yen, provisions 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, loss before income taxes increased 383,110 million yen and net loss increased 390,817 million yen respectively compared with the previous accounting policies.</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 sheets 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 retirement benefits of directors and corporate auditors</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>(3) Allowance for bonuses</p> <p>The same as the previous fiscal year.</p> <p>(4) Allowance for retirement benefits of employees</p> <p>The same as the previous fiscal year.</p> <p>(5) Allowance for retirement benefits of directors and corporate auditors</p> <p>The same as the previous fiscal year.</p>

Previous Fiscal Year (from April 1, 2006 to March 31, 2007)	Current Fiscal Year (from April 1, 2007 to March 31, 2008)
<p>5. Accounting for lease transactions</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>6. Accounting for hedging activities</p> <p>The Company uses financial derivative transactions to reduce its exposure to market risks of 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>7. Other significant accounting policies for the preparation of financial statements</p> <p>(1) 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) Accounting treatment of consumption tax</p> <p>Transactions subject to consumption tax are stated at the amount which includes the related consumption tax.</p>	<p>5. Accounting for lease transactions</p> <p>The same as the previous fiscal year.</p> <p>6. Accounting for hedging activities</p> <p>The same as the previous fiscal year.</p> <p>7. Other significant accounting policies for the preparation of financial statements</p> <p>(1) Basis of recognition of interest income on direct cash loans</p> <p>The same as the previous fiscal year.</p> <p>(2) Accounting treatment of consumption tax</p> <p>The same as the previous fiscal year.</p>

Changes in Significant Accounting Policies for Non-Consolidated Financial Statements

Previous Fiscal Year (from April 1, 2006 to March 31, 2007)	Current Fiscal Year (from April 1, 2007 to March 31, 2008)
<p>(Accounting standard for financial services)</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). 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>(Accounting standard for presentation of net assets in the balance sheets)</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. Shareholders’ equity under the previous presentation method amounted to 452,366 million yen. 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

Previous Fiscal Year (from April 1, 2006 to March 31, 2007)	Current Fiscal Year (from April 1, 2007 to March 31, 2008)
<p>(Non-Consolidated Balance Sheets)</p> <p>“Corporate taxes, inhabitants taxes and enterprise taxes refundable”, which had been classified in “Accounts receivable-other” 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-other” in current assets recorded in the previous fiscal year was 936 million yen.</p> <p style="text-align: center;">-</p>	<p>(Non-Consolidated Balance Sheets)</p> <ol style="list-style-type: none"> 1. “Corporate taxes, inhabitants taxes and enterprise taxes refundable”, which had been recorded separately in the previous fiscal year, was classified in “Accounts receivable-other” in current assets from current fiscal year due to the decreased significance of impact on the financial statement. The amount of “Corporate taxes, inhabitants taxes and enterprise taxes refundable” recorded in the current fiscal year was 4,264 million yen. 2. “Certificate of deposit,” which had been classified in “Cash in hand and at banks” in the previous fiscal year , was recorded separately as “Securities,” in accordance with “Practical guidelines on accounting standards for financial instruments” of the accounting practice committee report No.14 by the Japanese institute of certified public accountants (revised on July 4, 2007). The amount of “Certificate of deposit” in the previous fiscal year was 10,000 million yen and the amount in the current fiscal year was 13,000 million yen. <p>(Non-Consolidated Statements of Income)</p> <p>Interest on income taxes refunds included in “Other non-operating income” in the previous fiscal year was disclosed separately from the current fiscal year because it exceeds more than 10% of the total non-operating income. Interest on income taxes refunds included in “Other non-operating income” in previous fiscal year was 83 million yen.</p>

Previous Fiscal Year (as of March 31, 2007)	Current Fiscal Year (as of March 31, 2008)
<p>4. The Company borrows long-term funds under commitment facilities. The Company has available commitment facilities equal to yen equivalent of US\$3,500 million, respectively. At the end of the current fiscal year, the Company's outstanding balances under the commitment facilities was yen equivalent of US\$2,414 million in total and remaining unused portion was yen equivalent of US\$1,086 million, respectively.</p> <p>*5. The amount of 34,730 million yen of accumulated depreciation for tangible fixed assets was offset.</p> <p>6. 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. Delinquent loans receivable</p> <p>Loans to bankrupt borrowers; 862 million yen</p> <p>Loans to bankrupt borrowers are loans under declaration of bankruptcy, reconstruction and similar proceedings and in addition, whose interest no longer accrues 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>Delinquent loans; 79,846 million yen</p> <p>Delinquent loans are loans whose interest no longer accrues 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>Delinquent loans past due three month or more; 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>Restructured loans; 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 loans receivables current or less than 31 days past due, the amount of which is indicated in the parenthesis as above.</p>	<p>4. The Company borrows long-term funds under commitment facilities. The Company has available commitment facilities equal to yen equivalent of US\$ 3,500 million, respectively. At the end of the current fiscal year, the Company's outstanding balances under the commitment facilities was yen equivalent of US\$1,974 million in total and remaining unused portion was yen equivalent of US\$1,526 million, respectively.</p> <p>*5. The amount of 33,237 million yen of accumulated depreciation for tangible fixed assets was offset.</p> <p>6. -</p> <p>*7. Delinquent loans receivable</p> <p>Loans to bankrupt borrowers; 1,111 million yen</p> <p>Loans to bankrupt borrowers are loans under declaration of bankruptcy, reconstruction and similar proceedings and in addition, whose interest no longer accrues 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>Delinquent loans; 96,545 million yen</p> <p>Delinquent loans are loans whose interest no longer accrues 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>Delinquent loans past due three month or more; 38,787 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>Restructured loans; 101,437 million yen (94,807 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 loans 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, 2007)	Current Fiscal Year (as of March 31, 2008)
<p>8. Restriction on dividend</p> <p>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>(1) in case of the balance of consolidated shareholders' equity being less than 250,000 million yen;</p> <p>(2) in case of the ratio of consolidated shareholders' equity against consolidated total assets being less than 10%;</p> <p>In addition to the above, the holders of the Euro-yen 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>(1) in case of the balance of net tangible assets being less than 350,000 million yen;</p> <p>(2) in case of the ratio of shareholders' equity based on net tangible assets being less than 25%;</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>8. Restriction on dividend</p> <p>Certain covenants were applied to 45,210 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>(1) in case of the balance of consolidated shareholders' equity being less than 250,000 million yen;</p> <p>(2) in case of the ratio of consolidated shareholders' equity against consolidated total assets being less than 10%;</p> <p>In addition to the above, the holders of the Euro-yen 52,516 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>(1) in case of the balance of net tangible assets being less than 350,000 million yen;</p> <p>(2) in case of the ratio of shareholders' equity based on net tangible assets being less than 25%;</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, 2006 to March 31, 2007)	Current Fiscal Year (from April 1, 2007 to March 31, 2008)
<p>1. 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>*2. 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>*3. Gain on sales of fixed assets Gain on sales of fixed assets of welfare facilities that consists of 33 million yen from sales of land and 7 million yen from sales of buildings.</p> <p>*4. Loss on impairment of fixed assets and integration or closure of branch offices During the current fiscal year, loss on branch office closure of 708 million yen was recorded due to the cease of 111 unmanned branch offices and 92 manned branch offices. Additionally, loss on impairment of fixed assets for branch office closure in next fiscal year accrued for the amount of 113 million yen.</p>	<p>1. 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>*2. Gain on dividends income received by subsidiary's liquidation The amount represents final distribution from residual assets as a result of liquidation of a subsidiary, TSR Co., Ltd.</p> <p>*3. Gain on sales of fixed assets Gain on sales of fixed assets of welfare facilities that consists of 8 million yen from sales of land.</p> <p>*4. Loss on impairment of fixed assets and integration or closure of branch offices During the current fiscal year, loss on branch office closure of 1,168 million yen was recorded due to the cease of 69 manned branch offices. Loss on impairment of fixed assets was accrued for branch office closure for the amount of 141 million yen as well as the telephone rights for the amount of 392 million yen. In addition, due to the serious deterioration of profitability and the consecutive decline in land prices for a part of the assets for rent and etc., the carrying amount of those assets were written down to the value that is estimated to be recoverable, resulting in a loss on impairment of fixed assets amounting 340 million yen.</p> <p>*5. Loss on liquidation of in-substance defeasance transaction Loss was recognized due to the liquidation of in-substance defeasance transaction of unsecured domestic straight bonds, series No.8 for 20 years.</p>

Footnotes to Non-Consolidated Statement of Changes in Net Assets

Previous Fiscal Year (from April 1, 2006 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.

Current Fiscal Year (from April 1, 2007 to March 31, 2008)

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	3,057	-	9,647
total	6,589	3,057	-	9,647

Note: The factors of the number increased by 3,057 thousand shares are acquisition of treasury stock resolved by the board of directors by 3,057 thousand shares and purchase of under unit stocks by 0 thousand shares.

Footnotes to Lease Transactions

Previous Fiscal Year (from April 1, 2006 to March 31, 2007)				Current Fiscal Year (from April 1, 2007 to March 31, 2008)			
Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.				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)				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	1,140	996	144	Equipment and furniture	447	443	3
Total	1,140	996	144	Total	447	443	3
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.				Note: The same as the previous fiscal year.			
2. Outstanding lease fee payable at the end of the fiscal year (millions of yen)				2. Outstanding lease fee payable at the end of the fiscal year (millions of yen)			
	Due within one year		141		Due within one year		3
	Due over one year		3		Due over one year		-
	Total		144		Total		3
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.				Note: The same as the previous fiscal year.			
3. Lease fee, a reversal of accumulated impairment loss on leased assets account, equivalent of depreciation and impairment loss Lease fee and equivalent of depreciation: 386 million yen				3. Lease fee, a reversal of accumulated impairment loss on leased assets account, equivalent of depreciation and impairment loss Lease fee and equivalent of depreciation: 141 million 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.				4. Method of calculation of equivalent of depreciation The same as the previous fiscal year.			
(Impairment loss) No impairment loss is recorded for leased assets.				(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, 2007)	Current Fiscal Year (as of March 31, 2008)																																																																																																																																																		
<p>1. The tax effects of temporary differences which give rise to significant portions of the deferred income tax assets and liabilities are as follows:</p> <p style="text-align: right;">(millions of yen)</p> <table border="0"> <tr> <td colspan="2">Current deferred income tax assets;</td> </tr> <tr> <td>Direct cash loans to customers</td> <td style="text-align: right;">4,773</td> </tr> <tr> <td>Accrued interest income on direct cash loans to customers</td> <td style="text-align: right;">2,428</td> </tr> <tr> <td>Allowance for credit losses</td> <td style="text-align: right;">13,623</td> </tr> <tr> <td>Allowance for bonuses</td> <td style="text-align: right;">303</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">263</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">21,389</td> </tr> <tr> <td colspan="2">Current deferred income tax liabilities;</td> </tr> <tr> <td>Enterprise tax refundable</td> <td style="text-align: right;">-799</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Net deferred income tax assets</td> <td style="text-align: right;">20,590</td> </tr> <tr> <td colspan="2">Fixed deferred income tax assets;</td> </tr> <tr> <td>Tangible fixed assets</td> <td style="text-align: right;">7,576</td> </tr> <tr> <td>Investments in securities</td> <td style="text-align: right;">259</td> </tr> <tr> <td>Investments in affiliates</td> <td style="text-align: right;">14,323</td> </tr> <tr> <td>Allowance for losses for refund of interest received from customers</td> <td style="text-align: right;">197,963</td> </tr> <tr> <td>Allowance for retirement benefits of employees</td> <td style="text-align: right;">1,253</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">257</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Sub total</td> <td style="text-align: right;">221,632</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-221,444</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">187</td> </tr> <tr> <td colspan="2">Fixed deferred income tax liabilities;</td> </tr> <tr> <td>Net unrealized gains on other investments in securities, net of taxes</td> <td style="text-align: right;">-4,378</td> </tr> <tr> <td>Deferred hedge gains or losses</td> <td style="text-align: right;">-586</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">-4,964</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Net deferred income tax liabilities</td> <td style="text-align: right;">-4,777</td> </tr> </table> <p>2. A reconciliation between the statutory tax rate and the effective tax rate is as follow;</p> <p>Items have been omitted as they are not required for companies resulting in a loss before income taxes.</p>	Current deferred income tax assets;		Direct cash loans to customers	4,773	Accrued interest income on direct cash loans to customers	2,428	Allowance for credit losses	13,623	Allowance for bonuses	303	Other	263	<hr/>		Total	21,389	Current deferred income tax liabilities;		Enterprise tax refundable	-799	<hr/>		Net deferred income tax assets	20,590	Fixed deferred income tax assets;		Tangible fixed assets	7,576	Investments in securities	259	Investments in affiliates	14,323	Allowance for losses for refund of interest received from customers	197,963	Allowance for retirement benefits of employees	1,253	Other	257	<hr/>		Sub total	221,632	Valuation allowance	-221,444	<hr/>		Total	187	Fixed deferred income tax liabilities;		Net unrealized gains on other investments in securities, net of taxes	-4,378	Deferred hedge gains or losses	-586	<hr/>		Total	-4,964	<hr/>		Net deferred income tax liabilities	-4,777	<p>1. The tax effects of temporary differences which give rise to significant portions of the deferred income tax assets and liabilities are as follows:</p> <p style="text-align: right;">(millions of yen)</p> <table border="0"> <tr> <td colspan="2">Current deferred income tax assets;</td> </tr> <tr> <td>Direct cash loans to customers</td> <td style="text-align: right;">2,945</td> </tr> <tr> <td>Accrued interest income on direct cash loans to customers</td> <td style="text-align: right;">2,503</td> </tr> <tr> <td>Allowance for credit losses</td> <td style="text-align: right;">23,910</td> </tr> <tr> <td>Allowance for bonuses</td> <td style="text-align: right;">342</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">227</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Sub total</td> <td style="text-align: right;">29,928</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-4,257</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">25,671</td> </tr> <tr> <td colspan="2">Current deferred income tax liabilities;</td> </tr> <tr> <td>Enterprise tax refundable</td> <td style="text-align: right;">-307</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Net deferred income tax assets</td> <td style="text-align: right;">25,364</td> </tr> <tr> <td colspan="2">Fixed deferred income tax assets;</td> </tr> <tr> <td>Tangible fixed assets</td> <td style="text-align: right;">7,814</td> </tr> <tr> <td>Investments in securities</td> <td style="text-align: right;">235</td> </tr> <tr> <td>Investments in affiliates</td> <td style="text-align: right;">14,323</td> </tr> <tr> <td>Allowance for losses for refund of interest received from customers</td> <td style="text-align: right;">156,434</td> </tr> <tr> <td>Allowance for retirement benefits of employees</td> <td style="text-align: right;">1,312</td> </tr> <tr> <td>Accumulated deficit</td> <td style="text-align: right;">28,919</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">211</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Sub total</td> <td style="text-align: right;">209,248</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-209,176</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">71</td> </tr> <tr> <td colspan="2">Fixed deferred income tax liabilities;</td> </tr> <tr> <td>Net unrealized gains on other investments in securities, net of taxes</td> <td style="text-align: right;">-1,219</td> </tr> <tr> <td>Deferred hedge gains or losses</td> <td style="text-align: right;">-2,983</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">-4,202</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Net deferred income tax liabilities</td> <td style="text-align: right;">-4,131</td> </tr> </table> <p>2. A reconciliation between the statutory tax rate and the effective tax rate is as follow;</p> <p style="text-align: right;">(%)</p> <table border="0"> <tr> <td>Statutory tax rate</td> <td style="text-align: right;">40.5</td> </tr> <tr> <td>(Reconciling items)</td> <td></td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-89.2</td> </tr> <tr> <td>Per capita inhabitants taxes</td> <td style="text-align: right;">2.2</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">1.0</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>Effective tax rate</td> <td style="text-align: right;">-45.5</td> </tr> </table>	Current deferred income tax assets;		Direct cash loans to customers	2,945	Accrued interest income on direct cash loans to customers	2,503	Allowance for credit losses	23,910	Allowance for bonuses	342	Other	227	<hr/>		Sub total	29,928	Valuation allowance	-4,257	<hr/>		Total	25,671	Current deferred income tax liabilities;		Enterprise tax refundable	-307	<hr/>		Net deferred income tax assets	25,364	Fixed deferred income tax assets;		Tangible fixed assets	7,814	Investments in securities	235	Investments in affiliates	14,323	Allowance for losses for refund of interest received from customers	156,434	Allowance for retirement benefits of employees	1,312	Accumulated deficit	28,919	Other	211	<hr/>		Sub total	209,248	Valuation allowance	-209,176	<hr/>		Total	71	Fixed deferred income tax liabilities;		Net unrealized gains on other investments in securities, net of taxes	-1,219	Deferred hedge gains or losses	-2,983	<hr/>		Total	-4,202	<hr/>		Net deferred income tax liabilities	-4,131	Statutory tax rate	40.5	(Reconciling items)		Valuation allowance	-89.2	Per capita inhabitants taxes	2.2	Other	1.0	<hr/>		Effective tax rate	-45.5
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Investments in securities	235																																																																																																																																																		
Investments in affiliates	14,323																																																																																																																																																		
Allowance for losses for refund of interest received from customers	156,434																																																																																																																																																		
Allowance for retirement benefits of employees	1,312																																																																																																																																																		
Accumulated deficit	28,919																																																																																																																																																		
Other	211																																																																																																																																																		
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Sub total	209,248																																																																																																																																																		
Valuation allowance	-209,176																																																																																																																																																		
<hr/>																																																																																																																																																			
Total	71																																																																																																																																																		
Fixed deferred income tax liabilities;																																																																																																																																																			
Net unrealized gains on other investments in securities, net of taxes	-1,219																																																																																																																																																		
Deferred hedge gains or losses	-2,983																																																																																																																																																		
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Total	-4,202																																																																																																																																																		
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Net deferred income tax liabilities	-4,131																																																																																																																																																		
Statutory tax rate	40.5																																																																																																																																																		
(Reconciling items)																																																																																																																																																			
Valuation allowance	-89.2																																																																																																																																																		
Per capita inhabitants taxes	2.2																																																																																																																																																		
Other	1.0																																																																																																																																																		
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Effective tax rate	-45.5																																																																																																																																																		

Footnotes to Statistics per Share

Previous Fiscal Year (from April 1, 2006 to March 31, 2007)		Current Fiscal Year (from April 1, 2007 to March 31, 2008)	
Net assets per share;	3,221.09 yen	Net assets per share;	3,115.59 yen
Net loss per share;	3,421.15 yen	Net income per share;	93.20 yen
Net income per share-diluted is not presented since net loss is recorded and there are no potential stocks.		Net income per share-diluted is not presented since there are no potential dilutive stocks.	

Note: Basis for calculating net income or net loss per share as follows;

(millions of yen)

	Previous Fiscal Year (from April 1, 2006 to March 31, 2007)	Current Fiscal Year (from April 1, 2007 to March 31, 2008)
Net income or net loss per share		
Net income for the fiscal year	-	13,064
Net loss for the fiscal year	481,377	-
Net income not available to common shareholders	-	-
(Bonuses to directors and corporate auditors included above)	(-)	(-)
Net income for common stock	-	13,064
Net loss for common stock	481,377	-
Average number of shares outstanding during the current fiscal year (thousand shares)	140,706	140,172
Outline of potential stocks, which are not dilutive and therefore were excluded from the calculation of net income per share-diluted	-	Share subscription rights as stock options resolved by the board of directors meeting held on November 8, 2007 521,100 shares

Subsequent Events

None

7. Actual Operating Results

(1) Break-down of Operating Revenues

Source of revenues		Previous Fiscal Year (from April 1, 2006 to March 31, 2007)		Current Fiscal Year (from April 1, 2007 to March 31, 2008)		Change	
		Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Compo- sition Ratio (%)	Amount (millions of yen)	Change Ratio (%)
Interest income on direct cash loans	Unsecured loans	318,491	97.1	261,981	97.2	-56,510	-17.7
Commissions earned	Credit card	87	0.0	72	0.0	-15	-16.9
Other financial income	Interest on bank deposits	779	0.2	825	0.3	46	6.0
	Interest on loans other than direct cash loans	44	0.0	226	0.1	182	418.4
	Other (Note 1)	2,317	0.7	1,880	0.7	-437	-18.9
	Sub-total	3,139	0.9	2,930	1.1	-209	-6.6
Other operating income	Collection from bad debts previously written-off	5,284	1.6	3,312	1.2	-1,972	-37.3
	Real estate rent	877	0.3	968	0.4	91	10.4
	Other (Note 2)	168	0.1	188	0.1	21	12.3
	Sub-total	6,328	2.0	4,468	1.7	-1,860	-29.4
Total		328,045	100.0	269,452	100.0	-58,593	-17.9

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

2. "Other" in other operating income mainly consist of fee earned.

(2) Other Highlights Data

Items	Previous Fiscal Year (as of March 31, 2007)	Current Fiscal Year (as of March 31, 2008)	Change	Change Ratio
				(%)
Direct cash loans to customers (millions of yen)	1,431,848	1,195,328	-236,520	-16.5
Unsecured loans	1,431,848	1,195,328	-236,520	-16.5
Secured loans	-	-	-	-
Installment receivables (millions of yen)	582	557	-26	-4.4
Number of loan customer accounts	2,125,599	1,833,316	-292,283	-13.8
Unsecured loans	2,125,599	1,833,316	-292,283	-13.8
Secured loans	-	-	-	-
Number of credit card membership	284,825	294,860	10,035	3.5
Number of branch offices	1,729	1,500	-229	-13.2
Manned	471	360	-111	-23.6
Unmanned (included Quick loan application machine)	1,257	1,139	-118	-9.4
Internet Yen shop	1	1	-	-
Number of unmanned loan contract machines (included Quick loan application machine)	1,729	1,500	-229	-13.2
Number of cash dispensers and ATMs	48,072	53,938	5,866	12.2
Owned	1,856	1,618	-238	-12.8
Inter-linked	46,216	52,320	6,104	13.2
Number of employees	2,920	2,625	-295	-10.1
Write-offs (millions of yen)	100,279	98,248	-2,030	-2.0
Interest repaid (portion of principal impaired) (millions of yen)	44,669	61,242	16,573	37.1
Allowance for credit losses (millions of yen)	151,262	143,998	-7,264	-4.8