

(Translation)
Brief Statement of Financial Results
for the Fiscal Year Ended March 31, 2009



May 14, 2009

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: **Akira Kiyokawa, President**

Administrative Personnel to Contact: **Kentaro Itai, General Manager of Public Relations Department**

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Scheduled date of the Ordinary General Meeting of the Shareholders: June 26, 2009

Scheduled date of payment of Year-End Dividends: June 29, 2009

Scheduled date for filing "YuHo" the report to Financial Services Agency: June 29, 2009

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

1. Consolidated Business Results for the Fiscal Year Ended March 31, 2009 (From April 1, 2008 to March 31, 2009)

(1) Consolidated Operating Results

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

| | Operating Revenues | | Operating Income | | Ordinary Income | | Net Income | |
|------------------------------|--------------------|---------|------------------|-----|-----------------|-----|-----------------|-----|
| | millions of yen | % | millions of yen | % | millions of yen | % | millions of yen | % |
| Fiscal Year Ended March 2009 | 186,349 | (-31.1) | -210,612 | (-) | -214,669 | (-) | -256,137 | (-) |
| Fiscal Year Ended March 2008 | 270,479 | (-17.8) | 44,781 | (-) | 42,285 | (-) | 14,105 | (-) |

| | Net Income per Share | Net Income per Share-Diluted | Return on Equity | Ratio of Ordinary Income to Total Assets | Ratio of Operating Income to Operating Revenues |
|------------------------------|----------------------|------------------------------|------------------|--|---|
| | yen | yen | % | % | % |
| Fiscal Year Ended March 2009 | -1,880.05 | - | -87.8 | -18.3 | -113.0 |
| Fiscal Year Ended March 2008 | 100.63 | - | 3.2 | 2.8 | 16.6 |

Note: Equity in net income or loss of the companies under equity method:
Fiscal Year ended March 2009 - millions of yen
Fiscal Year ended March 2008 - millions of yen

(2) Consolidated Financial Position

| | Total Assets | Net Assets | Shareholders' Equity Ratio | Net Assets per Share |
|------------------------------|-----------------|-----------------|----------------------------|----------------------|
| | millions of yen | millions of yen | % | yen |
| Fiscal Year Ended March 2009 | 958,464 | 149,648 | 15.6 | 1,108.12 |
| Fiscal Year Ended March 2008 | 1,392,899 | 433,776 | 31.1 | 3,151.03 |

Note: Shareholders' equity
Fiscal Year ended March 2009 149,507 millions of yen
Fiscal Year ended March 2008 433,735 millions of yen

(3) Consolidated Cash Flows

| | Operating Cash Flows | Investing Cash Flows | Financing Cash Flows | Cash and Cash Equivalents as of the end of the Fiscal Year |
|------------------------------|----------------------|----------------------|----------------------|--|
| | millions of yen | millions of yen | millions of yen | millions of yen |
| Fiscal Year Ended March 2009 | 150,020 | -2,110 | -203,193 | 97,862 |
| Fiscal Year Ended March 2008 | 187,601 | -255 | -127,397 | 153,471 |

2. Dividends

| Record Date | Dividends per Share | | | | | Total of Dividends (full year) | Payout Ratio | Ratio of Dividend to Net Assets |
|---|---------------------|----------------|---------------|----------------|-----------|--------------------------------|--------------|---------------------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Full Year | | | |
| | yen | yen | yen | yen | yen | millions of yen | % | % |
| Fiscal Year Ended March 2008 | - | 90.00 | - | 90.00 | 180.00 | 25,052 | 178.9 | 5.6 |
| Fiscal Year Ended March 2009 | - | 30.00 | - | 20.00 | 50.00 | 6,774 | - | 2.3 |
| Fiscal Year Ended March 2010(Forecasts) | - | 15.00 | - | 15.00 | 30.00 | | 31.1 | |

3. Forecasts of Consolidated Operating Results for the Fiscal Year Ending March 31, 2010 (From April 1, 2009 to March 31, 2010)

Note: The percentage figures show year-on-year changes.
The negative figures are losses.

| | Operating Revenues | | Operating Income | | Ordinary Income | | Net Income | | Net Income per Share |
|------------------|--------------------|---------|------------------|--------|-----------------|--------|-----------------|--------|----------------------|
| | millions of yen | % | millions of yen | % | millions of yen | % | millions of yen | % | yen |
| First Six Months | 63,500 | (-38.2) | 8,200 | (-7.6) | 8,500 | (33.5) | 8,200 | (64.6) | 60.78 |
| Full Year | 118,700 | (-36.3) | 13,300 | (-) | 13,700 | (-) | 13,000 | (-) | 96.35 |

4. Others

(1) Changes of significant subsidiaries during the fiscal year (Changes in Scope of Consolidation): None

(2) Accounting change for consolidated financial statements (Significant Accounting Policies for Consolidated Financial Statements)

a. Changes in accordance with revision of accounting standard: Yes

b. Other than a. : None

(Refer to the detail on page 29 of "Changes in Significant Accounting Policies for Consolidated Financial Statements".)

(3) Number of shares issued (common stock):

a. Number of shares issued at the end of fiscal year (including treasury stock):

Fiscal Year ended March 2009 144,295,200 Shares

Fiscal Year ended March 2008 147,295,200 Shares

b. Treasury stocks at the end of fiscal year:

Fiscal Year ended March 2009 9,375,385 Shares

Fiscal Year ended March 2008 9,646,607 Shares

(Refer to the detail on page 47 of "Footnotes to Statistics per Share".)

Reference

Financial Results for the Fiscal Year Ended March 31, 2009 (Non-Consolidated)

1. Non-Consolidated Business Results for the Fiscal Year Ended March 31, 2009 (From April 1, 2008 to March 31, 2009)**(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 | | Net Income | |
|------------------------------|--------------------|---------|------------------|-----|-----------------|-----|-----------------|-----|
| | millions of yen | % | millions of yen | % | millions of yen | % | millions of yen | % |
| Fiscal Year Ended March 2009 | 185,443 | (-31.2) | -211,611 | (-) | -215,740 | (-) | -256,933 | (-) |
| Fiscal Year Ended March 2008 | 269,452 | (-17.9) | 43,741 | (-) | 40,666 | (-) | 13,064 | (-) |

| | Net Income per Share | Net Income per Share-Diluted |
|------------------------------|----------------------|------------------------------|
| | yen | yen |
| Fiscal Year Ended March 2009 | -1,885.90 | - |
| Fiscal Year Ended March 2008 | 93.20 | - |

(2) Non-Consolidated Financial Position

| | Total Assets | Net Assets | Shareholders' Equity Ratio | Net Assets per Share |
|------------------------------|-----------------|-----------------|----------------------------|----------------------|
| | millions of yen | millions of yen | % | yen |
| Fiscal Year Ended March 2009 | 977,092 | 144,659 | 14.8 | 1,071.14 |
| Fiscal Year Ended March 2008 | 1,410,576 | 428,897 | 30.4 | 3,115.59 |

Note: Shareholders' equity

Fiscal Year ended March 2009 144,518 millions of yen

Fiscal Year ended March 2008 428,856 millions of yen

2. Non-Consolidated Forecast for the Fiscal Year Ending March 31, 2010 (From April 1, 2009 to March 31, 2010)

Note: The percentage figures show against corresponding previous period.

| | Operating Revenues | | Operating Income | | Ordinary Income | | Net Income | | Net Income per Share |
|------------------|--------------------|---------|------------------|--------|-----------------|--------|-----------------|--------|----------------------|
| | millions of yen | % | millions of yen | % | millions of yen | % | millions of yen | % | yen |
| First Six Months | 62,800 | (-38.6) | 7,800 | (-7.1) | 8,100 | (41.0) | 8,000 | (79.5) | 59.29 |
| Full Year | 117,900 | (-36.4) | 12,400 | (-) | 12,800 | (-) | 12,500 | (-) | 92.65 |

***Explanatory note and remarks regarding performance forecasts**

Forward-looking statements such as forecasts of operating results and others contained in this Brief Statement of Financial Results are based on beliefs in light of information currently available as of the date of this announcement and management's assumptions considered reasonable. Final business results may differ greatly from the forecasts above as a result of various factors and future events. Please refer to "(1) Analysis of business performance" of "1. Business Performance" on page 4 for the assumptions adopted and precaution for use of the forecasts.

1. Business Performance

(1) Analysis of business performance

1) Business performance of the current consolidated fiscal year

During the consolidated fiscal year under review, in Japan's economy, deterioration of corporate performance emerged due to adverse effects on real economy caused by financial instability originated from the U.S.A. and global recession, and Japan's economy is facing a serious phase of recession, such as falling stock price and consumer consumption downturn caused by deteriorated employment situation.

In the consumer finance industry, each company is under the pressure of earnings structure readjustment including promoting stricter lending criteria and efficient operation in anticipation of full enforcement of revised Money Lending Business Law. Furthermore, the industry is in a severe business environment, such as the number of refund claims of interest is staying at a high level and small and medium sized lenders continue withdrawing from the business.

In this environment, TAKEFUJI CORPORATION and its subsidiaries ("the Group") have been promoting strengthening and enhancing compliance system and internal control system as the most important management issue. In order to surely achieve Business Improvement Plan, submitted to the Kanto Regional Finance Bureau on June 16, 2008, based on the business improvement order imposed by the Kanto Regional Finance Bureau on May 16, 2008. We have been focusing on further strengthening compliance system and have been addressing improvement of compliance awareness of all the employees as we established TAKEFUJI CORPORATION Management Ethical Charter, our principle, held training with outside intellectuals and introduced e-learning system targeting test for managers of money lending operations, utilizing intra-net of the Company.

We also have been working to implement thorough "Customer First," our founding philosophy in order to provide secure and comforting services to customers. As a part of it, we launched "benecere," our new brand, in October 2008. We have been acquiring new customers with additional functions of service point and participation in donation to charity bodies, enhancing customer convenience and assets quality improvement by promoting switching existing customers' interest rate to 18% and below. In addition, newly established free call center allowed the Company to enhance operation efficiency until contract conclusion, as well as implementing closure and integration of 150 manned branch offices and 312 unmanned branch offices to restrain credit cost.

Furthermore, we developed Medium-Term Business Plan for three years starting at the beginning of Fiscal Year Ending March 31, 2010 in order to secure stable profit after the full enforcement of revised Money Lending Business Law. Prior to the plan, an increase of allowance for losses for refund of interest received from customers and early writing off of non-performing loans were conducted in advance in the current consolidated fiscal year.

As a result of the above initiatives, the balance of direct cash loan to customers at the end of the year was 861,517 million yen (down by 27.9% from the previous consolidated year-end) and the number of customer accounts stood at 1,481 thousand (down by 19.2%).

Herewith operating revenues on a consolidated basis for the year amounted to 186,349 million yen (decreased by 31.1% from the previous consolidated year), operating loss was 210,612 million yen due to a large increase of allowance for losses for refund of interest received from customers, ordinary loss was 214,669 million yen and net loss was 256,137 million yen with liquidation of deferred tax assets.

As of March 31, 2009, the Company operates a network of 210 manned branch offices (360 at the previous consolidated year-end), 840 unmanned offices (1,139 including automatic quick loan application machines at the previous consolidated year-end), one internet shop (1 previously), 1,161 owned ATMs (1,618 previously), and 53,743 inter-linked CDs and ATMs (52,320 previously).

2) Forecasts for operations in fiscal 2010

Although continuing severe business environment is expected, the Group continues to work on strengthening compliance system, as well as unifying the efforts of the whole company for measures of Medium-Term Business Plan, such as organization reform and response for refund claims in order to stably secure profit.

The forecasts for the consolidated fiscal year ending March 31, 2010 are as follows; Operating revenues are expected to be 118.7 billion yen (down by 36.3% from the previous year-end), Operating income is expected to be 13.3 billion yen, Ordinary income is expected to be 13.7 billion yen and Net income is expected to be 13 billion yen.

(2) Analysis of financial condition

Assets at the end of the current consolidated fiscal year was 958,464 million yen (down by 31.2% from the previous consolidated year-end) with total assets decreased by 434,435 million yen from the end of previous consolidated fiscal year, due to the decrease of direct cash loans to customers (333,812 million yen), decrease of short-term loans receivable (33,997 million yen), decrease of deferred income tax assets (25,364 million yen) etc.

Liabilities were 808,816 million yen (down by 15.7% from the previous consolidated year-end) decreased by 150,308 million yen from the end of the previous consolidated fiscal year, due to a decrease of long-term borrowings including early repayment of a part of long-term borrowings conducted at the same time as commitment facility cancellation (168,428 million yen) and a decrease of bonds (72,516 million yen) despite increasing factors such as issuance of convertible bond-type bonds with subscription rights to shares (70 billion yen) and increase of allowance for losses for refund of interest received from customers (17,101 million yen).

Net assets was 149,648 million yen (down by 65.5% from the previous consolidated year-end) decreased by 284,128 million yen from the end of the previous consolidated fiscal year due to 287,606 million yen decrease of retained earnings.

The situation of consolidated cash flows

Cash and cash equivalent at the end of the fiscal year under review on a consolidated basis (hereinafter called “the Funds”) was 97,862 million yen, down by 55,609 million yen compared to that of the end of the previous consolidated fiscal year.

The situation and sources of cash flows by each activity for the current consolidated fiscal year are as follows;

(Net cash provided by operating activities)

The Funds provided by operating activities were 150,020 million yen (187,601 million yen was provided in the previous consolidated fiscal year). The principal sources were as follows; 296,271 million yen of direct cash loans collected from customers based on our core business of consumer finance and 40,976 million yen of proceeds from a decrease of long-term deposit and major decreasing factor was 174,297 million yen of direct cash loans made to customers.

(Net cash provided by investing activities)

The Funds used in investing activities were 2,110 million yen (255 million yen was used in the previous consolidated fiscal year). The principal sources were as follows; 1,007 million yen of purchase of tangible fixed assets, 2,711 million yen of purchase of intangible fixed assets and 1,499 million yen of proceeds from sales of investment securities.

(Net cash provided by financing activities)

The Funds used in financing activities were 203,193 million yen (127,397 million yen was used in the previous consolidated fiscal year). The principal sources were as follows; 177,306 million yen of repayment of long-term borrowings, 82,400 million yen of redemption of bonds (of which 62,400 million yen was covered by long-term deposit), 16,461 million yen of dividends paid and 70,000 million yen of proceeds from issuance of bonds with subscription rights to shares.

(3) Basic policy of profit distribution and dividends of the current and next fiscal year

The Group considers profit return to shareholders as the most important issue of the management and its basic policy is to continuously conduct long-term and stable profit return and fulfill the expectation of shareholders.

Retained earnings will be utilized in various investments for enhancement of customer service and strengthening of compliance system, strategic investment for expansion of earnings base and acquisition of treasury stock, etc.

In accordance with the above policy, 2nd quarter dividends of 30 yen per share was paid and with 4th quarter dividends of 20 yen per share, full year dividends of 50 yen is planned for the current fiscal year ended March 31, 2009. In addition, 3,000 thousand shares (2.0% of shares issued before the cancellation) of treasury stock were cancelled in the current fiscal year and 2,729 thousand shares (1.9% of shares issued) were newly acquired with an objective of adopting flexible capital policies and return to shareholders.

For the next fiscal year ending March 31, 2010, 2nd quarter dividends of 15 yen, 4th quarter dividends of 15 yen and full year dividends of 30 yen are planned.

(4) Business Risk and Other Forms of Risk

This section concerns the major business risks that the Group confronts and that could potentially have a significant impact on results, the stock price and the financial position of the Group. It also includes other risks that are regarded as important to the investment decisions made by investors, for better information disclosure to investors. The Group is fully aware of these possible risks and will make its best possible efforts to hedge them or to respond to them if they transpire.

This section contains some future projections, which are based on forecasts as of the date this material was prepared.

1) Legal regulations

1. The Money Lending Business Law

To engage in its principal business, namely consumer finance, the Company is registered as a moneylender as provided by the Money Lending Business Law, regulation for loan business in Japan. Takefuji is required to comply with the regulations set out in that law encompassing all consumer finance business. These regulations include those covering the prohibition of excessive lending, the indication of loan terms, the advertising of loan terms, the prohibition of exaggerated advertisements, the issuance of document when concluding contracts, the delivery of receipts, the provision of account books, restrictions on designated notarial deeds, the regulation of loan collection, the return of loan contract, the display of signs, transfers of claims and others. In addition, the enforcement provisions of the Money Lending Business Law require Takefuji to conduct business mindful of the Comprehensive Supervisory Guidelines for Loan Providers and the JFSA Self-regulatory Basic Rules Regarding the Conduct of Money Lending Business Operations.

Deeming compliance to be its most important managerial challenge, we are working to build a highly effective compliance framework that will bolster its compliance by changing its organizational structure, offering education to employees, and creating a system with a self-correcting effect. However, in case that a part of Takefuji Group fails to comply with the Money Lending Business Law, it will not merely face administrative sanctions or penalties; its financial position and business results may be undermined by the infringement.

Following promulgation of the Amendment of the Money Lending Business Control and Regulation Law on December 20, 2006, the amendment is being enforced in four phases from the enforcement of Article 1 to the enforcement of Article 4. Article 1, which increases the penalty for unregistered operations (tightening of anti loan-shark measures), was enforced on January 20, 2007, one month after promulgation.

Next, Article 2, which was enforced on December 19, 2007, one year after promulgation, changed the name of the law from the Money Lending Business Control and Regulation Law to the Money Lending Business Law and the main points of the amendment are that it strengthens administrative measures including the establishment of business improvement orders, tightens regulation of solicitation, tightens regulation of collection activities, expands the scope of prohibited activities, provides for the establishment of the new Japan Financial Services Agency and the formulation of self-regulatory rules and makes it obligatory to agree to the browsing of accounts.

On “business improvement orders” the amendment states that in connection with the conduct of business by lenders, if considered necessary to protect the interest of borrowers, etc., the supervisory authorities may, to the extent necessary, order a change in business method or other measures necessary for improvement of business conduct, and there is the possibility that such business improvement orders will be issued with greater flexibility than the business suspension orders which have been available prior to the amendment. Furthermore, the new Japan Financial Services Association (JFSA) is a powerful self-regulatory body that has been granted the authority to investigate and supervise its members and considerable discretionary authority in order to increase the effectiveness of self-regulatory rules. The Company was imposed a “business improvement order” by the Kanto Regional Finance Bureau on the basis of Article 24, 6-3 of Money Lending Business Law (No. 32 Law of 1983) related to the provision of account books and the delivery of receipts on May 16, 2008.

Article 3 will be enforced within one and a half years of enforcement of the Money Lending Business Law and under the amendment measures such as the establishment of credit information agencies and the establishment of a new money lending business supervisor system will be implemented. Then, within two and a half years of the enforcement of the Money Lending Business Law, Article 4 will be enforced. The main points of this amendment are the lowering of the maximum legal lending rate under the Law Concerning the Regulation of Receiving of Capital Subscription, Deposits and Interest on Deposits

(“Capital Subscription Law”) and the introduction of aggregate debt control (explained later in 2. Risks associated with the regulation of loan interest rates and the aggregate debt control).

In the light of the amendments outlined above, Takefuji is currently conducting a review of its lending criteria, but there is a possibility that these amendments may seriously affect the number of new loan customer accounts and direct cash loans to customers.

As a result of the phased implementation of the Money Lending Business Law, the Company will be subject to greater business regulation than before and is currently taking action in areas such as its account books, work flow and information systems, but these amendments may affect the Company’s performance.

2. Risks associated with the regulation of loan interest rates and the aggregate debt control

The maximum cash loan interest rate under the Law Concerning the Regulation of Receiving of Capital Subscription, Deposits and Interest on Deposits (“Capital Subscription Law”) is set at 29.2%. Since February 1, 1996, Takefuji fixed its maximum loan interest rate at 27.375%. Although the Interest Rate Restriction Law stipulates that a contract on interest on a loan for consumption that exceeds 20% per annum when the principal is less than 100,000 yen, 18% per annum when the principal is 100,000 yen or more but less than 1,000,000 yen, and 15% per annum when the principal is 1,000,000 yen or more shall be invalid, the repayment of interest by a debtor that exceeds the interest stipulated in the Interest Rate Restriction Law is regarded as valid if the predetermined requirements provided in Article 43 of the Money Lending Business Control and Regulation Law are fulfilled.

However, the Bill for the Amendment of the Money Lending Business Control and Regulation Law passed the 165th extraordinary session of the Diet in 2006. When the Money Lending Business Law comes into full effect within two and a half years after this legislation is put into force, the maximum lending rate under the Capital Subscription Law will be lowered from the current 29.2% per annum to 20%. Also, moneylenders will no longer be allowed to enter into any contract on interest that exceeds those stipulated in the Interest Rate Restriction Law. Similarly the amendment on the aggregate debt control which is due to be adopted upon the full enforcement of the Money Lending Business Law, states that if the balance of lending exceeds one third of the borrower’s annual income, the borrower shall be considered to have exceeded his or her repayment ability and, as a general rule, the lender may not extend any further loans.

From a compliance perspective, Takefuji has lowered the maximum lending rate and adopted the aggregate debt control as outlined above ahead of schedule, in anticipation of the full enforcement of the Money Lending Business Law and this may have a serious impact on the Company’s performance.

3. Impact of the Financial Instruments and Exchange Law (the construction of an internal control, etc.)

The bill for the “Amendment of the Securities and Exchange Law” (the name of the Law was changed to the Financial Instruments and Exchange Law) became law on June 7, 2006 and published on June 14, 2006. This amended Law obliges listed companies to submit an Internal Control Report that evaluates the effectiveness of internal controls in each fiscal year to ensure the credibility of financial reporting, and this Report must receive an audit certificate from a certified public accountant or an audit corporation. This system will apply to the fiscal year that will begin on April 1, 2008. Takefuji Group will also be required to submit this Report from the fiscal year ended March 31, 2009.

Also, in the event that a qualified opinion, etc. is attached because of a defect, etc. in the internal control of Takefuji Group as a result of an audit of the internal control by a certified public accountant or an audit corporation, the results of the Group could be impacted by a decline in the evaluation or corporate image of the Company in the market, etc.

4. Impact of the Law Concerning the Protection of Personal Information

As the Law Concerning the Protection of Personal Information (“Personal Information Protection Law”) came into full effect on April 1, 2005, Takefuji has set out and now implements internal rules in accordance with the Personal Information Protection Law, the Guidelines for Personal Information Protection in the Financial Field, and the Practical Guidance on Safety Control Measures and Such like under the Guidelines for Personal Information Protection in the Financial Field. However, should any of such information be leaked, the Company would be obliged to notify the affected borrowers as well as the competent authorities and make a public announcement as prevention of secondary damage. This may result in a loss of public confidence, compensation payable to individuals, and penalties affecting business.

5. Impact of other business-related laws

For its card business, Takefuji is subject to the Specific Commercial Transactions Law and the Installment Sales Law and various regulations pursuant to the law, including the indication of terms of business, the issuance of document, the provision of account books, and the prevention of purchases exceeding the capacity for payment. Especially, in case that a customer has a plea against the dealer for specified products or specified rights related to plea against credit card issuers, with the plea, there is a possibility that the customer may stop paying to credit card issuer or may be exempt from paying. If many of such cases occur, it may affect the Group's results.

Other than the above, the business of Takefuji is subject to various laws, including the Civil Rehabilitation Law, the Bankruptcy Law, the Judicial Scrivener Law, laws related to special conciliation and amendments to any relevant law or the enforcement of a new law may affect earnings of the Group.

2) Risks associated with claims for refund of interest received from customers

Takefuji's loan interest rates in part exceed the upper limit for interest rates prescribed by Article 1, Paragraph 1 of the Interest Rate Restriction Law.

Although this excess portion was regarded as valid in the past if the application requirements provided in Article 43 of the Money Lending Business Control and Regulation Law were fulfilled, a defense in a case of a claim for refund of interest received from customers has become extremely difficult, since the Supreme Court handed down a decision that rules out the voluntary element, one of the application requirements, on January 13, 2006. The amount of refund of interest received from customers increased rapidly after the ruling.

In light of the above developments, the Company calculates the allowance for interest refund losses in accordance with the Industry Audit Committee Report No. 37, Auditing Treatment on Recording of Allowance for Losses from Claims for Interest Refunds by Consumer Finance Companies, etc. published by the Japanese Institute of Certified Public Accountants (JICPA) on October 13, 2006 and reviewed and readjusted the allowance in a conservative manner at the 3rd quarter, posting 186,320 million yen of provision for the three months of 3rd quarter alone and leaving 403,357 million yen of allowance balance at the year-end.

As for interest refund claims, the trend is staying at the same level. In case that credit crunch and deterioration of economy stemmed from the current financial crisis cause an increase of intervention cases including debt arrangement and a consequent increase of refund claims of interest, the business results of the Group may be largely affected.

Although the Supreme Court ruled that "unless there are exceptional conditions, negative prescription of rights of interest refund claims starts when the last transaction day ends" in January and March 2009, no impact on our business results is currently observed. However, depending on future trend of judicial rulings, it could cause an increase of interest refund claims and the Group's business results may be affected.

3) Fund procurement and interest rates of funds procured

1. Risk related to reduction of ratings

Takefuji has a Baa2 rating from Moody's and a BBB- rating from Standard & Poor's. A future downgrading of these ratings may have an impact on fund procurement.

2. Restrictive financial covenant on fund procurement

Some of the Company's funds procured by means of loans and corporate bond issues are subject to certain limits under the restrictive financial covenant. Failure to comply with this would result in the loss of the benefit of time and in a repayment of the whole amount in a lump-sum.

As for Euro-yen Senior Unsecured Bonds due 2034 of total issue amount of 120 billion yen (issue price of 42 billion yen) issued in March and May 2004 with a put option, which allows bond holders to claim early redemption in case that certain events occur, the Group cancelled a call option agreement of bonds, which it had entered into, bought back and cancelled the bonds at the end of March 2009, considering severe financial environment and in order to reduce future financial expenses.

3. Call related to funding

Euro-yen convertible bond-type bonds with subscription rights to shares due in 2018 (issue price of 70 billion yen) issued in June 2008 has a call feature, which provides the issuer rights to call the bonds from bond holders after a certain period of time passed.

4. Risk related to fluctuation of interest rates on fund procurement

Borrowing rates may vary because of the market environment and other factors and the rise in funding rate makes flexible funding difficult and may affect results. Moreover when interest rate of The Capital Subscription Law becomes 20% in accordance with enactment of revised Money Lending Business Law, it may affect results.

4) The problem of people with excessive debts

If there is an increase in incidences of personal bankruptcy, personal civil rehabilitation, special conciliation, debt arrangements by attorneys, uncollectible loans such as cases of petitions for refunds of improper profits, or loans overdue for long periods, and the cost of bad debts rises, Takefuji Group's business results may be impacted.

5) Transition of operating results

The Group has invested in “Yen Musubi” automatic contract machines and ATMs for efficient management and promoted enhancing non-face-to-face channels such as via Internet and free call center for customer convenience.

However, the global financial crisis originated from sub-prime mortgage issue in the U.S.A. now influences real economy and the environment surrounding the consumer is rapidly deteriorating, such as deterioration of employment situations and decrease of income. This deterioration in the environment surrounding consumers could possibly have a drastic influence to the Group's operation. Also, with expenses for losses for refund of interest received from customers and stricter standard of allowance for the expenses, business environment surrounding the Group is expected to enter a more severe phase.

Changes in the number of customers, cash loans to customers, credit expenses, expenses for losses for refund of interest received from customers and other items may have an impact on the group's operating results.

1. Risks associated with economic trends

Japan's economy in the current consolidated fiscal year has been continuously at a low level. Corporate earnings have worsened due to slow international and domestic demands and the severe environment surrounding consumers, including large scale bankruptcy of companies, deteriorated employment situations and decrease of income, is continuing.

2. Risk of growth in write-offs of bad debts

It has been believed that the number of personal bankruptcy influences the number of write-offs. According to a study by the Supreme Court, the number of personal bankruptcy peaked in 2003 at 242,000 and a downward trend has been observed every year, as the number was 211,000 in 2004, 184,000 in 2005, 166,000 in 2006, 148,000 in 2007 and 129,000 in 2008. However, because the reasons of this downward trend include an increase in claims for refund of interest paid with voluntary liquidation and in use of debt arrangements such as civil rehabilitation etc., and it is hard to assume that the trend will result in decrease of write-offs of bad debts.

Deterioration of corporate performance is significantly impacting household financial conditions. As a result, there is a possibility that the write-offs of bad debts may increase and impact the Group's business results.

3. Risk concerning market competition

Pursuant to the amended Money Lending Business Control and Regulation Law enacted in December 2006, the maximum lending rate under the Capital Subscription Law is set to be lowered within two and a half years after the legislation is enforced and the so-called aggregate debt control will be introduced. It is anticipated that this move will drive the industry from a conventional state of coexistence based on a differentiation of lending rate ranges for borrowers into a state of competition with bank-affiliated moneylenders, credit card operators, and credit sales companies within the same interest rate range, and that the race for customers will intensify. As a consequence, the results of Takefuji Group could be influenced by this competition, depending on the actions of its competitors, including not only those specialized in consumer finance business but also bank-affiliated moneylenders, credit card operators, and credit sales companies.

4. Risks associated with the concentration of businesses

Most of Takefuji Group's operating revenues come from the consumer finance business, and it accounts for approximately 97.5% of consolidated operating revenues. If operating revenues declines significantly in the future with a legislative amendment, change to accounting standards or other factors in the consumer finance industry, the results of the Takafuji Group may be affected.

6) Disruptions and malfunctions in information network systems, internet service and other technology-based systems

1. Fires and natural disasters

The Company has completed work on its computer system to enable all facilities to withstand a level 7 earthquake tremor. In the event of a natural disaster, the Company does not own a back-up center that could take over computer operations.

Consequently, even in the event of a major Tokai region earthquake (level 5 tremor in the Tokyo area), the Company believes there would be no major disruption to its computer system. However, the computer system may cease to operate if the computer center building sustains major damage in a fire. In this event, the Company would conduct operations in a different manner for approximately 2 to 3 months. This could have a substantial impact on the level of service.

2. Protection of customer data

The Company centralizes the administration of customer data in its main computer. Users are authorized to operate this only when and while necessary. This authorization requires prior application and approval and audit on access results, whether the operation was authorized or not, is conducted daily by another person.

In addition, input or output device for external storage device cannot be used from PCs etc. and audits are performed for devices brought in, added or recording to external storage device.

Moreover, all incoming and outgoing e-mail messages are inspected.

Consequently, the Company believes there is only a very small risk that customer information could be leaked to an external party. If such a leak did occur for whatever reason, there could be a significant impact on the Company's operating results because of the resulting loss in the public's trust in the Company.

3. Damage resulting from computer viruses

To limit and prevent damage from computer viruses, Takefuji Group installs and updates anti-virus software periodically as well as at other times as necessary. An external company conducts periodic tests to determine susceptibility to hackers and responses are made based on the results of these tests. However, anti-virus software is normally distributed only after a new strain of a virus has been detected, and hacker responses are made only after a problem has been discovered. Consequently, there is a possibility that the Company's operations could be damaged before the responses are made.

Even in this case, there is no danger of the core information system being infected. However, the possibility exists of a disruption in head office management operations due to infections that impact the PCs used for Internet-based operations and general administrative tasks.

4. Damage caused by forged cards, etc.

There are increasing cases of fraud in which data on credit and cash cards are obtained by skimming or other illegal methods of using forged cards.

The Company introduced credit cards embedded with integrated circuits when it launched its credit and business in October 2002. The Company also takes measures such as only partially displaying the credit card number on receipts. To combat phishing fraud, the Company adds electronic certificates to all e-mail that it sends. On March 15, 2005, the Company became the first consumer finance business operator to obtain the British standard BS7799-2:2002 certification on the international standard and the ISMS (Ver. 2.0) certification on Japan's domestic standard for information security management systems. The Company has shifted its system to the international standards ISO/IEC27001:2005, which was established in October 2005 and JIS Q 27001:2006 on April 5, 2006. Following certification, on February 28, 2008 the Company also passed the obligatory certificate renewal inspection, which takes place every three years.

Despite these efforts, there remains a risk of losses caused by unauthorized use in fraudulent transactions that bypasses the Company's credit control systems or that uses illicitly-gathered transaction information and PIN numbers.

7) Asset risk

1. Risks associated with exchange rate fluctuation

As of March 31, 2009, the domestic companies of the group held US\$142 million in deposits and property denominated in foreign currency. Because of the recent rise in the value of the yen, foreign exchange losses of 1,331 million yen were recorded. Given the fluctuations in foreign exchange rates, the group may record other significant foreign exchange gain or loss in the future.

2. Risks associated with venture capital investments

The Group has made venture capital investments both directly and indirectly. As of March 31, 2009, venture capital investment securities amounted to 2,063 million yen. Because of the nature of venture capital investments, significant returns can be expected if a portfolio company conducts an IPO. However, investments may become worthless if a portfolio company encounters serious difficulties.

8) Significant litigation

As of the end of March 2009, there were a total of 14 court cases in which the Company was the defendant. They include 2 cases in which former employees are claiming payment of outstanding salaries, etc. for service during their employment; 2 cases of damage for loss; 9 cases of collection litigation by local government, etc.; and 1 case of recovery claim event.

The Company will be consulting with its litigation attorneys to deal appropriately with these cases. However, it is possible that the Company may encounter similar cases in the future that could force the payment of substantial damages.

In addition, reports about these court cases in the mass media may create concerns among consumers, investors, financial institutions and other stakeholders that could make it more difficult for Takefuji Group to acquire new customers, sustain its stock price, procure funds and conduct other aspects of its operations.

2. Takefuji Group

The Takefuji Group consists of Takefuji Corporation and 8 subsidiaries, which are subject to consolidation as of March 31, 2009. Consumer Finance is the core business of the Group while subsidiaries undertake other miscellaneous business operations. The following description explains the positioning and role of each Group company.

Consumer finance:

Direct cash loan business:

Takefuji Corporation, one of the largest scale consumer finance companies in Japan in terms of both the number of accounts and the outstanding loan balance, has concentrated since its establishment on making popular, convenient and on-the-spot small-scale consumer loans that require borrowers to provide neither collateral nor guaranties and has developed a nation-wide branch network through local communities in order to meet various customer needs.

Credit card business:

The Company runs credit card business that is deeply rooted into regional communities by offering opportunities of credit card use as “Useful card for life” to such customers who had few chances to hold credit card and by advancing the development of franchise shops.

Other Businesses:

Golf course management:

Take One Co., Ltd. is engaged in management of golf courses and provides funds to Takefuji Corporation.

Real estate business:

As part of group strategy for efficient use of real estate in possession, Takefuji Corporation and TDS Co., Ltd. undertake real estate business such as development, administration and rental to tenants.

Venture capital business:

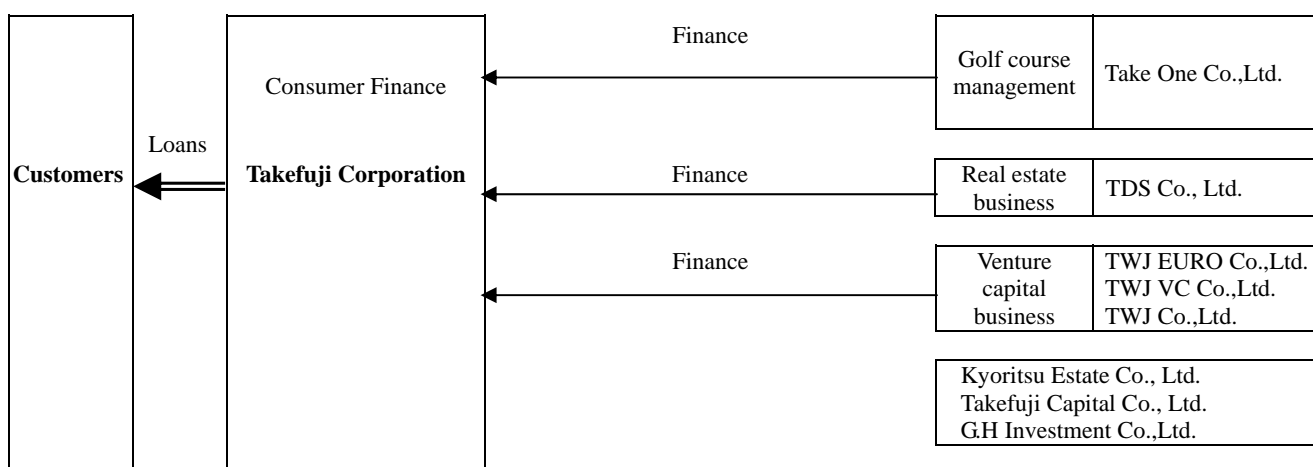
TWJ EURO Co., Ltd. and TWJ VC Co., Ltd. were established in the U.K. and the U.S., respectively, in order to mainly invest in venture businesses in Europe and in the U.S., respectively. TWJ Co., Ltd. was established as a venture capital subsidiary for investments in venture companies in Japan and abroad.

Others:

Kyoritsu Estate Co., Ltd., Takefuji Capital Co., Ltd., G.H Investment Co., Ltd.

In addition to the above, there is one related company that deals with managing and leasing of real estate (as of March 31 2009).

The Chart of Takefuji Group



3. Management Policy

(1) Fundamental corporate management policy

The Group has developed as a customer-friendly financial institution with close links to local communities that provides unsecured, unguaranteed small-lot loans based on its founding principles of “Customer First” and “Management Efficiency.” Recognizing that it is a social commitment of a consumer finance company to appropriately meet the needs of sound borrowers as much as possible, we accurately grasp the needs of our customers and work to provide a wide range of meticulous services. We will also make efforts in areas such as the promotion of business efficiency through the optimum distribution of business resources, the expansion of Corporate Social Responsibility (CSR) activities, and the bolstering of our corporate governance and compliance system to be worthy of the trust of our stakeholders and increase our corporate value.

(2) Target management indices

The Group considers the shareholders’ equity ratio to be an important business indicator for the establishment of a robust business foundation. To enhance management efficiency and shareholders’ value, we will also seek to maintain and improve other business indicators such as return on assets (ROA), return on equity (ROE) and net income per share.

(3) Medium-to-long term corporate management strategy

The consumer finance industry is expected to continue facing a severe business environment including aggregate debt control and lowering of cap interest rate, those which are to be introduced by full enforcement of the Money Lending Business Law, a consequent more intense competition among lenders of different sectors and interest refund claims, which are expected to gradually decrease but still oppressing the business results.

The Group formulated Medium-Term Business Plan (from fiscal year ending March 31, 2010 to fiscal year ending March 31, 2012) with an objective of responding to management challenges stemmed from above mentioned business environment, of securing profit and of stable distribution of profit.

The strategy and measures of Medium-Term Business Plan are as follows;

1) Promotion of assets quality improvement

While working to retain high quality customers and to acquire new customers by “benecere,” our new brand, we work to reduce past due loans by enhancing loan collection system and readjusting writing-off method.

2) Organization reform

The Group address on productivity improvement and further cost cut through concentration of marketing organization and appropriate personnel allocation, such as reducing manned branch offices to 100 by the Fiscal Year Ending March 31, 2012.

3) Prompt response to interest refund claims

The Group will reduce the total cost related to interest refund by shifting to a system that mostly settles cases before law suit.

In order to surely execute the above mentioned measures, as well as aiming to maintain and expand earnings, Personnel and Organization Reform Committee, Business Operation and Revenues Improvement Committee and New Business Promotion Committee were newly established under the immediate control of Executive Committee, which makes decisions on important business matter. The Group aims to surely achieve Medium-Term Business Plan by fully utilizing the Group’s human resource, unifying talents in a cross-sectional manner.

The Group will improve expertise and system, developed through experience and provide products and services for various needs in order to help customers achieve their goals and to assist their everyday life with our products and services based on Customer First policy. We will establish our ground as a “consumer finance company for customers” and will make efforts to improve medium to long-term corporate value through working to enhance counseling system that supports customers and to further strengthen compliance system, as well as constructing a new business model that contributes to society and economy.

4) Basic guidelines regarding relationships with related parties

Facilities owned by related parties are used as a part of training center. As for the said transaction, having considered demands and the trend of market price, all procedures and conditions same as other transactions are conducted and applied.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

| Item of accounts | Previous Consolidated Fiscal Year (as of March 31, 2008) | | Current Consolidated Fiscal Year (as of March 31, 2009) | |
|---|---|-----------------------------|--|-----------------------------|
| | | Amount (millions of yen) | | Amount (millions of yen) |
| Assets: | | | | |
| Current assets | | | | |
| Cash and deposits | | 56,482 | | 47,871 |
| Direct cash loans to customers | *1,2,7 | 1,195,328 | *1,2,7 | 861,517 |
| Installment receivables | | 557 | | 465 |
| Securities | | 13,000 | | - |
| Raw materials and supplies | | 252 | | 241 |
| Accrued interest income on direct cash loans to customers | | 10,862 | | 7,914 |
| Short-term loans receivable | | 83,989 | *4 | 49,992 |
| Deferred income tax assets | | 25,377 | | 13 |
| Other current assets | | 21,939 | | 15,523 |
| Allowance for credit losses | | -143,998 | | -96,994 |
| Total current assets | | 1,263,789 | | 886,541 |
| Fixed assets | | | | |
| Tangible fixed assets | | | | |
| Buildings and structures | | 7,225 | | 6,144 |
| Machinery and vehicles | | 57 | | 68 |
| Equipment, furniture and fixtures | | 4,782 | | 4,140 |
| Land | | 34,728 | | 34,649 |
| Golf course | | 195 | | 195 |
| Total tangible fixed assets | *6 | 46,986 | *6 | 45,195 |
| Intangible fixed assets | | 5,234 | | 5,174 |
| Investments and other assets | | | | |
| Investment securities | | 17,179 | | 10,981 |
| Long-term deposits | | 46,556 | | 5,580 |
| Other investments and other assets | | 13,155 | | 4,992 |
| Total investment and other assets | | 76,890 | | 21,554 |
| Total fixed assets | | 129,110 | | 71,923 |
| Total assets | | 1,392,899 | | 958,464 |

| Item of accounts | Previous Consolidated Fiscal Year (as of March 31, 2008) | | Current Consolidated Fiscal Year (as of March 31, 2009) | |
|---|---|-----------------------------|--|-----------------------------|
| | | Amount (millions of yen) | | Amount (millions of yen) |
| Liabilities: | | | | |
| Current liabilities | | | | |
| Current portion of long-term borrowings | *1 | 94,274 | *1 | 91,595 |
| Income taxes payable | | 335 | | 461 |
| Allowance for bonuses | | 847 | | 639 |
| Other current liabilities | | 18,548 | | 31,478 |
| Total current liabilities | | 114,003 | | 124,173 |
| Fixed liabilities | | | | |
| Bonds payable | | 161,083 | | 88,567 |
| Convertible bond-type bonds with subscription rights to shares | | - | | 70,000 |
| Long-term borrowings | *1 | 284,007 | *1 | 115,579 |
| Deferred income tax liabilities | | 4,211 | | 8 |
| Allowance for losses for refund of interest received from customers | | 386,256 | | 403,357 |
| Allowance for retirement benefits of employees | | 3,245 | | 3,610 |
| Allowance for retirement benefits of directors and corporate auditors | | 134 | | 147 |
| Other fixed liabilities | | 6,185 | | 3,374 |
| Total fixed liabilities | | 845,121 | | 684,642 |
| Total liabilities | | 959,124 | | 808,816 |

| Item of accounts | Previous Consolidated Fiscal Year (as of March 31, 2008) | | Current Consolidated Fiscal Year (as of March 31, 2009) | |
|--|---|-----------|--|---------|
| | Amount (millions of yen) | | Amount (millions of yen) | |
| Net assets: | | | | |
| Shareholders' equity | | | | |
| Capital stock | | 30,478 | | 30,478 |
| Capital surplus | | 52,263 | | 52,263 |
| Retained earnings | | 393,367 | | 105,761 |
| Treasury stock | | -48,248 | | -36,469 |
| Total shareholders' equity | | 427,861 | | 152,034 |
| Valuation and foreign currency translation adjustments | | | | |
| Valuation difference on available-for-sale securities | | 1,619 | | -1,943 |
| Deferred gains or losses on hedges | | 4,383 | | - |
| Foreign currency translation adjustments | | -128 | | -584 |
| Total valuation and foreign currency translation adjustments | | 5,875 | | -2,527 |
| Subscription rights to shares | | 41 | | 141 |
| Total net assets | | 433,776 | | 149,648 |
| Total liabilities and net assets | | 1,392,899 | | 958,464 |

(2) Consolidated Statements of Income

| Item of accounts | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) | |
|--|---|---------|--|----------|
| | Amount (millions of yen) | | Amount (millions of yen) | |
| Operating revenues | | | | |
| Interest income on direct cash loans | | 261,981 | | 178,337 |
| Credit card revenues | | 72 | | 69 |
| Other financial revenues | | 3,088 | | 2,611 |
| Other operating revenues | | 5,339 | | 5,331 |
| Total operating revenues | | 270,479 | | 186,349 |
| Operating expenses | | | | |
| Financial expenses | | | | |
| Borrowing interest expenses | | 10,279 | | 7,874 |
| Bond interest expenses | | 9,019 | | 10,188 |
| Other financial expenses | | 1,632 | | 987 |
| Total financial expenses | | 20,931 | | 19,049 |
| Other operating expenses | | | | |
| Advertising expenses | | 4,853 | | 4,250 |
| Bad debts expenses | | - | | 406 |
| Provisions for credit losses | | 90,984 | | 96,994 |
| Provisions for losses for refund of interest received from customers | | 57,854 | | 229,662 |
| Salaries and bonuses | | 14,995 | | 13,474 |
| Provisions for bonuses | | 847 | | 639 |
| Provisions for retirement benefits of employees | | 515 | | 755 |
| Provisions for retirement benefits of directors and corporate auditors | | 32 | | 44 |
| Temporary employment expenses | | 1,324 | | - |
| Rent | | 5,985 | | 5,133 |
| Depreciation and amortization | | 3,487 | | 3,207 |
| Handling charges | | 11,154 | | 11,941 |
| Other | | 12,737 | | 11,408 |
| Total other operating expenses | | 204,767 | | 377,911 |
| Total operating expenses | | 225,698 | | 396,961 |
| Operating income | | 44,781 | | -210,612 |

| Item of accounts | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) | |
|--|---|--------|--|----------|
| | Amount (millions of yen) | | Amount (millions of yen) | |
| Non-operating income | | | | |
| Dividends income | | 1,042 | | 698 |
| Profit on investments in partnerships | | 315 | | - |
| Interest on income taxes refunds | | 328 | | 174 |
| Other non-operating income | | 131 | | 115 |
| Total non-operating income | | 1,817 | | 987 |
| Non-operating expenses | | | | |
| Loss on disposal or sales of fixed assets | | 62 | | 182 |
| Foreign exchange losses | | 2,574 | | 1,331 |
| Bond issuance cost | | - | | 1,798 |
| Option fees | | 1,661 | | 1,709 |
| Other non-operating expenses | | 16 | | 24 |
| Total non-operating expenses | | 4,314 | | 5,043 |
| Ordinary income | | 42,285 | | -214,669 |
| Extraordinary income | | | | |
| Gain on sales of investment securities | | 377 | | 688 |
| Gain on sales of fixed assets | *2 | 8 | *2 | - |
| Other | | - | | 31 |
| Total extraordinary income | | 385 | | 718 |
| Extraordinary loss | | | | |
| Loss on devaluation of investment securities | | 385 | | 766 |
| Loss on sales of investment securities | | - | | 124 |
| Impairment loss | *3 | 873 | *3 | 386 |
| Loss on closing of branch offices | *3 | 1,168 | *3 | 1,896 |
| Loss on liquidation of in-substance defeasance transaction | *4 | 29,691 | *4 | - |
| Loss on commitment facility cancellation | | - | *5 | 2,165 |
| Loss on redemption of bonds | | - | | 10,475 |
| Other | | 11 | | 173 |
| Total extraordinary loss | | 32,128 | | 15,985 |
| Income before income taxes | | 10,542 | | -229,935 |
| Income taxes-current | | 1,093 | | 766 |
| Income taxes-deferred | | -4,657 | | 25,435 |
| Total income taxes | | -3,563 | | 26,201 |
| Net income | | 14,105 | | -256,137 |

(3) Consolidated Statement of Changes in Net Assets

| Item of accounts | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--------------------------------|---|--|
| | Amount (millions of yen) | Amount (millions of yen) |
| Shareholders' equity | | |
| Capital stock | | |
| Beginning Balance | 30,478 | 30,478 |
| Changes of items during | | |
| Total changes of items during | - | - |
| Ending Balance | 30,478 | 30,478 |
| Capital surplus | | |
| Beginning Balance | 52,263 | 52,263 |
| Changes of items during | | |
| Total changes of items during | - | - |
| Ending Balance | 52,263 | 52,263 |
| Retained earnings | | |
| Beginning Balance | 408,107 | 393,367 |
| Changes of items during | | |
| Dividends | -28,845 | -16,464 |
| Net income | 14,105 | -256,137 |
| Cancellation of treasury stock | - | -15,005 |
| Total changes of items during | -14,740 | -287,606 |
| Ending Balance | 393,367 | 105,761 |
| Treasury stock | | |
| Beginning Balance | -40,776 | -48,248 |
| Changes of items during | | |
| Acquisition of treasury stock | -7,471 | -3,225 |
| Cancellation of treasury stock | - | 15,005 |
| Total changes of items during | -7,471 | 11,779 |
| Ending Balance | -48,248 | -36,469 |
| Total shareholders' equity | | |
| Beginning Balance | 450,071 | 427,861 |
| Changes of items during | | |
| Dividends | -28,845 | -16,464 |
| Net income | 14,105 | -256,137 |
| Acquisition of treasury stock | -7,471 | -3,225 |
| Total changes of items during | -22,211 | -275,827 |
| Ending Balance | 427,861 | 152,034 |

| Item of accounts | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|---|--|
| | Amount (millions of yen) | Amount (millions of yen) |
| Valuation and foreign currency translation adjustments | | |
| Valuation difference on available-for-sale securities | | |
| Beginning Balance | 6,657 | 1,619 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | -5,038 | -3,562 |
| Total changes of items during | -5,038 | -3,562 |
| Ending Balance | 1,619 | -1,943 |
| Deferred gains or losses on hedges | | |
| Beginning Balance | 861 | 4,383 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | 3,522 | -4,383 |
| Total changes of items during | 3,522 | -4,383 |
| Ending Balance | 4,383 | - |
| Foreign currency translation adjustments | | |
| Beginning Balance | 125 | -128 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | -253 | -457 |
| Total changes of items during | -253 | -457 |
| Ending Balance | -128 | -584 |
| Total valuation and foreign currency translation adjustments | | |
| Beginning Balance | 7,643 | 5,875 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | -1,768 | -8,402 |
| Total changes of items during | -1,768 | -8,402 |
| Ending Balance | 5,875 | -2,527 |

| Item of accounts | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|---|--|
| | Amount (millions of yen) | Amount (millions of yen) |
| Subscription rights to shares | | |
| Beginning Balance | - | 41 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | 41 | 101 |
| Total changes of items during | 41 | 101 |
| Ending Balance | 41 | 141 |
| Total net assets | | |
| Beginning Balance | 457,714 | 433,776 |
| Changes of items during | | |
| Dividends | -28,845 | -16,464 |
| Net income | 14,105 | -256,137 |
| Acquisition of treasury stock | -7,471 | -3,225 |
| Net changes of items other than shareholders' equity | -1,728 | -8,301 |
| Total changes of items during | -23,939 | -284,128 |
| Ending Balance | 433,776 | 149,648 |

(4) Consolidated Statements of Cash Flows

| Item of accounts | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|---|--|
| | Amount (millions of yen) | Amount (millions of yen) |
| Net cash provided by operating activities | | |
| Income before income taxes | 10,542 | -229,935 |
| Depreciation and amortization | 3,487 | 3,207 |
| Impairment loss | 873 | 386 |
| Gain or loss on investments in partnerships | -121 | 218 |
| Increase or decrease in allowance for retirement benefits of employees | 146 | 366 |
| Increase or decrease in allowance for retirement benefits of directors and corporate auditors | 17 | 13 |
| Increase or decrease in allowance for credit losses | -7,264 | -47,004 |
| Increase or decrease in allowance for losses for refund of interest received from customers | -102,542 | 17,101 |
| Write-offs | 98,248 | 144,404 |
| Interest repaid (portion of principal impaired) | 61,242 | 67,531 |
| Interest and dividends income | -1,042 | -698 |
| Loss on closing of branch offices | 1,168 | 1,896 |
| Loss on disposal or sales of tangible fixed assets | 62 | 182 |
| Gain or loss on sales of short-term and long-term investment securities | -377 | -564 |
| Loss on devaluation of investment securities | 385 | 766 |
| Loss on liquidation of in-substance defeasance transaction | 29,691 | - |
| Increase or decrease in accrued interest income on direct cash loans to customers | 2,056 | 2,948 |
| Direct cash loans made to customers | -320,985 | -174,297 |
| Direct cash loans collected from customers | 398,141 | 296,271 |
| Loss on redemption of bonds | - | 10,475 |
| Increase or decrease of long-term deposit | - | 40,976 |
| Other | 6,807 | 11,493 |
| Subtotal | 180,536 | 145,735 |
| Interest and dividends income received | 1,042 | 698 |
| Income taxes paid | -5,524 | -666 |
| Income taxes refund | 11,546 | 4,253 |
| Net cash provided by operating activities | 187,601 | 150,020 |

| Item of accounts | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|---|--|
| | Amount (millions of yen) | Amount (millions of yen) |
| Net cash provided by investing activities | | |
| Purchase of tangible fixed assets | -1,336 | -1,007 |
| Purchase of intangible fixed assets | -2,328 | -2,711 |
| Purchase of investment securities | -8 | -575 |
| Proceeds from sales of investment securities | 1,906 | 1,499 |
| Proceeds from collection of investments in partnerships | 24 | - |
| Other | 1,487 | 684 |
| Net cash provided by investing activities | -255 | -2,110 |
| Net cash provided by financing activities | | |
| Proceeds from long-term borrowings | 43,500 | 6,200 |
| Repayments of long-term borrowings | -104,580 | -177,306 |
| Proceeds from issuance of bonds with subscription rights to shares | - | 70,000 |
| Repayments for redemption of bonds | -30,000 | -82,400 |
| New decrease (increase) in treasury stock | -7,471 | -3,225 |
| Cash dividends paid | -28,845 | -16,461 |
| Net cash provided by financing activities | -127,397 | -203,193 |
| Effect of exchange rate changes on cash and cash equivalents | -2,574 | -326 |
| Net increase or decrease in cash and cash equivalents | 57,375 | -55,609 |
| Cash and cash equivalents at the beginning of the fiscal year | 96,096 | 153,471 |
| Cash and cash equivalents at the end of the fiscal year | * 153,471 | * 97,862 |

(5) Notes on the Going-concern Assumption

None

Significant Accounting Policies for Consolidated Financial Statements

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) | | | | | | | | | | | | |
|--|--|-------------|--------------------|------------|-------------------------|-------------|---|---------------|-------------|--------------------|------------|-------------------------|-------------|
| <p>1. Scope of consolidation (1)As of March 31, 2008, the number of consolidated subsidiaries were 8 as listed below;</p> <p>Kyoritsu Estate Co., Ltd. TWJ VC Co., Ltd. Takefuji Capital Co., Ltd. Take One Co., Ltd. GH Investment Co., Ltd. TWJ Co., Ltd. TWJ EURO Co., Ltd. TDS Co., Ltd.</p> <p>The dissolution of TSR Co., Ltd. had been filed on December 14, 2007. Therefore, items of its financial statements were included in the consolidated financial statements until it was excluded from the scope of consolidation as of the filing date.</p> <p>(Additional Information) Outlines of the special purpose entities with disclosure requirements along with outlines of transactions with these special purpose entities are described in “Footnotes to the special purpose entities with disclosure requirements”.</p> <p>From the current fiscal year, the Company has adopted “Implementation Guidance on Disclosures about Certain Special Purpose Entities” (Accounting Standards Board of Japan Guidance No.15 March 29, 2007).</p> <p>2. Application of the equity method No entities are subject to the equity method of accounting.</p> <p>3. The fiscal year of consolidated subsidiaries The fiscal year-end date of each subsidiary listed hereunder is as follows;</p> <table data-bbox="279 1395 694 1478"><tr><td>TWJ Co., Ltd.</td><td>February 29</td></tr><tr><td>Take One Co., Ltd.</td><td>January 31</td></tr><tr><td>GH Investment Co., Ltd.</td><td>December 31</td></tr></table> <p>For these consolidated subsidiaries, their financial statements at the above-mentioned fiscal year-end date 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 sheets date.</p> | TWJ Co., Ltd. | February 29 | Take One Co., Ltd. | January 31 | GH Investment Co., Ltd. | December 31 | <p>1. Scope of consolidation (1)As of March 31, 2009, the number of consolidated subsidiaries were 8 as listed below;</p> <p>Kyoritsu Estate Co., Ltd. TWJ VC Co., Ltd. Takefuji Capital Co., Ltd. Take One Co., Ltd. GH Investment Co., Ltd. TWJ Co., Ltd. TWJ EURO Co., Ltd. TDS Co., Ltd.</p> <p>(2) Footnotes to the special purpose entities with disclosure requirements Outlines of the special purpose entities with disclosure requirements along with outlines of transactions with these special purpose entities are described in “Footnotes to the special purpose entities with disclosure requirements”.</p> <p>2. Application of the equity method The same as the previous fiscal year.</p> <p>3. The fiscal year of consolidated subsidiaries The fiscal year-end date of each subsidiary listed hereunder is as follows;</p> <table data-bbox="909 1395 1324 1478"><tr><td>TWJ Co., Ltd.</td><td>February 28</td></tr><tr><td>Take One Co., Ltd.</td><td>January 31</td></tr><tr><td>GH Investment Co., Ltd.</td><td>December 31</td></tr></table> <p>For these consolidated subsidiaries, their financial statements at the above-mentioned fiscal year-end date 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 sheets date.</p> | TWJ Co., Ltd. | February 28 | Take One Co., Ltd. | January 31 | GH Investment Co., Ltd. | December 31 |
| TWJ Co., Ltd. | February 29 | | | | | | | | | | | | |
| Take One Co., Ltd. | January 31 | | | | | | | | | | | | |
| GH Investment Co., Ltd. | December 31 | | | | | | | | | | | | |
| TWJ Co., Ltd. | February 28 | | | | | | | | | | | | |
| Take One Co., Ltd. | January 31 | | | | | | | | | | | | |
| GH Investment Co., Ltd. | December 31 | | | | | | | | | | | | |

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| <p>4. Significant accounting policies</p> <p>(1) Basis and method of valuation of significant assets</p> <p>A Securities</p> <p>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 the cost of securities sold is computed using the moving average method.</p> <p>Where there is no market value;</p> <p>Cost is determined by the moving average method.</p> <p>B Inventories</p> <p>Cost is based on the last invoice cost method.</p> <p>(2) Depreciation of the fixed assets</p> <p>A Tangible fixed assets</p> <p>Depreciation is mainly computed on the declining-balance method, 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 10 to 50 years for buildings and 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>4. Significant accounting policies</p> <p>(1) Basis and method of valuation of significant assets</p> <p>A Securities</p> <p>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>B Inventories</p> <p>Standard and method of inventories evaluation</p> <p>As for raw materials and supplies, last invoice cost method, which requires to write down book value when there is a downturn of profitability, is adopted.</p> <p>(Changes in accounting method)</p> <p>From the current consolidated fiscal year, the Accounting Standard for Measurement of Inventories (ASBJ Statement No.9 July 5, 2006) is adopted. There is no impact of the said change.</p> <p>(2) Depreciation of the fixed assets</p> <p>A Tangible fixed assets</p> <p>Depreciation is mainly computed on the declining-balance method, 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 10 to 50 years for buildings and structures and from 4 to 15 years for equipment, furniture and fixtures.</p> |

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| <p data-bbox="204 244 448 271">B Intangible fixed assets</p> <p data-bbox="204 288 762 398">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 data-bbox="193 418 475 445">(3) -</p> | <p data-bbox="833 244 1077 271">B Intangible fixed assets</p> <p data-bbox="833 288 1190 315">The same as the previous fiscal year.</p> <p data-bbox="821 418 1415 499">(3) Accounting for deferred assets All of bond issuance cost was posted as expenses at the time of payment.</p> |

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|---|
| <p>(4) Basis of calculating allowances</p> <p>A Allowance for credit losses 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 of write-offs. 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 risk ratings over a certain period.</p> <p>(Additional Information) 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. 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. 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”. 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> <p>B Allowance for losses for refund of interest received from customers 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>C Allowance for bonuses 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>D Allowance for retirement benefits of employees 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>E Allowance for retirement benefits of directors and corporate auditors 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>(4) Basis of calculating allowances</p> <p>A Allowance for credit losses 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 write-offs. 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 risk ratings over a certain period.</p> <p>B Allowance for losses for refund of interest received from customers The same as the previous fiscal year.</p> <p>C Allowance for bonuses The same as the previous fiscal year.</p> <p>D Allowance for retirement benefits of employees The same as the previous fiscal year.</p> <p>E Allowance for retirement benefits of directors and corporate auditors The same as the previous fiscal year.</p> |

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|--|
| <p>(5) Accounting for lease transactions</p> <p>Financial 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, 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 consolidated financial statements</p> <p>A Basis of recognition of interest income on direct cash loans</p> <p>Interest income on direct cash loans is recognized on an accrual basis. Accrued interest income is recognized at either the contracted rate applied to individual loan or the maximum rate permitted by the Interest Rate Restriction Law in Japan, whichever is lower.</p> <p>B Accounting treatment of consumption tax</p> <p>Transactions subject to consumption tax for the Company and its one domestic subsidiary are stated at the amount which includes the related consumption tax. Those for other four domestic subsidiaries are stated at the amount which is net of the related consumption tax.</p> <p>5. Revaluation of assets and liabilities of consolidated subsidiaries</p> <p>The market method is fully applied to revaluation of assets and liabilities of consolidated subsidiaries.</p> <p>6. Amortization of goodwill</p> <p>None</p> <p>7. Cash and cash equivalents as stated in consolidated statements of cash flows</p> <p>Cash and cash equivalents include cash in hand, bank deposits that can be withdrawn on demand and short-term investments with negligible risk of fluctuations in value and original maturity of three months or less.</p> | <p>(5) -</p> <p>(6) Accounting for hedging activities</p> <p>Interest-rate swap transaction and foreign currency swap transaction are concluded in order to hedge risks related to interest-rate fluctuations and foreign currency exchange fluctuations related to interest expenses for bonds and borrowings. Regarding interest-rate swap transaction, the exceptional accrual method is adopted because the transaction meets requirements of the said method provided by Japanese GAAP. Regarding foreign currency swap transaction, the specific allocation method is adopted because the transaction meets requirements of the said method provided by Japanese GAAP.</p> <p>As for evaluation method for effectiveness of hedging activities, evaluation is omitted since transactions meet requirements of the exception rule or the allocation rule for interest-rate swap.</p> <p>(7) Other significant accounting policies for the preparation of consolidated financial statements</p> <p>A Basis of recognition of interest income on direct cash loans</p> <p>The same as the previous fiscal year.</p> <p>B Accounting treatment of consumption tax</p> <p>The same as the previous fiscal year.</p> <p>5. Revaluation of assets and liabilities of consolidated subsidiaries</p> <p>The same as the previous fiscal year.</p> <p>6. Amortization of goodwill</p> <p>The same as the previous fiscal year.</p> <p>7. Cash and cash equivalents as stated in consolidated statements of cash flows</p> <p>The same as the previous fiscal year.</p> |

Changes in Significant Accounting Policies for Consolidated Financial Statements

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| - | <p>(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)</p> <p>“Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ Practical Issues Task Force No.18 May 17, 2006) is adopted from the current consolidated fiscal year and the adjustments necessary for consolidated financial results have been made. There is no impact of the said change.</p> |

Reclassification

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|--|
| <p>(Consolidated Balance Sheets)</p> <ol style="list-style-type: none"> “Corporate taxes, inhabitants taxes and enterprise taxes refundable”, which had been recorded separately in the previous fiscal year, was classified in “Other current assets” 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 4,265 million yen. “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>(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 consolidated 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> | <p style="text-align: center;">-</p> <p>(Consolidated Statements of Income)</p> <ol style="list-style-type: none"> Temporary employment expenses, which were separately posted until the previous consolidated fiscal year, are included in “other” of other operating expenses because they are no longer largely influential in the amount. Temporary employment expenses for the current consolidated fiscal year amounted 14 million yen. Profit on investments in partnerships, which was separately posted until the previous consolidated fiscal year, is included in “other non-operating income” because it is no longer largely influential in the amount. Profit on investments in partnerships of the current consolidated fiscal year amounted 5 million yen. |

Footnotes to Consolidated Balance Sheets

| Previous Consolidated Fiscal Year (as of March 31, 2008) | Current Consolidated Fiscal Year (as of March 31, 2009) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|-------------------|--------------------------------|---------|------|--|---------------------|-------------------|---|--------|----------------------|---------|-------|---------|---|----------------|-------------------|--------------------------------|---------|------|--|---------------------|-------------------|---|--------|----------------------|--------|-------|---------|
| <p>*1. The assets pledged as security and the corresponding secured liabilities are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Pledged assets</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td> Direct cash loans to customers</td> <td style="text-align: right;">549,834</td> </tr> <tr> <td> </td> <td></td> </tr> <tr> <td>Secured liabilities</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td> Current portion of long-term borrowings</td> <td style="text-align: right;">55,260</td> </tr> <tr> <td> Long-term borrowings</td> <td style="text-align: right;">174,873</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">230,133</td> </tr> </table> <p>Amounts stated above include the portion related to the financing scheme by way of trusts of direct cash loans to customers (Direct cash loans to customers, 549,834 million yen; long-term borrowings [including current portion thereof], 230,133 million yen).</p> <p>*2. The total outstanding balance, 1,195,328 million yen, of direct cash loans to customers only consists of unsecured loans to individuals.</p> <p>3. Regarding Direct cash loans to customers, once a credit limit has been established for a customer, the customer may access his or her credit line on a revolving basis. The unused portion of each customer's credit line as of the end of fiscal year was 382,069 million yen, which included 221,754 million yen of the unused portion of credit line for customers, who did not have any loan balance. The credit line of a customer is either increased or decreased by the Company at its discretion based on the credit capacity of the customer. The Company believes that the total unused balance of each customer's credit line does not significantly affect the Company's cash flows in the future.</p> <p>4. -</p> <p>5. The Company borrows long-term funds under commitment facilities. The Company has available commitment facilities equal to yen equivalent of US\$3,500 million. At the end of the current consolidated fiscal year, the Company's outstanding balance under the commitment facilities was yen equivalent of US\$1,974 million and remaining unused portion was yen equivalent of US\$1,526 million.</p> <p>*6. The amount of 35,265 million yen of accumulated depreciation for tangible fixed assets was offset.</p> | Pledged assets | (millions of yen) | Direct cash loans to customers | 549,834 | | | Secured liabilities | (millions of yen) | Current portion of long-term borrowings | 55,260 | Long-term borrowings | 174,873 | Total | 230,133 | <p>*1. The assets pledged as security and the corresponding secured liabilities are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Pledged assets</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td> Direct cash loans to customers</td> <td style="text-align: right;">302,003</td> </tr> <tr> <td> </td> <td></td> </tr> <tr> <td>Secured liabilities</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td> Current portion of long-term borrowings</td> <td style="text-align: right;">35,598</td> </tr> <tr> <td> Long-term borrowings</td> <td style="text-align: right;">73,665</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">109,263</td> </tr> </table> <p>Amounts stated above is the portion related to the financing scheme by way of trusts of direct cash loans to customers.</p> <p>*2. The total outstanding balance, 861,517 million yen, of direct cash loans to customers only consists of unsecured loans to individuals.</p> <p>3. Regarding Direct cash loans to customers, once a credit limit has been established for a customer, the customer may access his or her credit line on a revolving basis. The unused portion of each customer's credit line as of the end of fiscal year was 391,516 million yen, which included 204,127 million yen of the unused portion of credit line for customers, who did not have any loan balance. The credit line of a customer is either increased or decreased by the Company at its discretion based on the credit capacity of the customer. The Company believes that the total unused balance of each customer's credit line does not significantly affect the Company's cash flows in the future.</p> <p>*4. Short-term loans receivable are on repurchase agreement. Market value of financial assets (investment securities) received as securities related to these transactions was 49,992 million yen at the end of the current consolidated fiscal year.</p> <p>5. -</p> <p>*6. The amount of 28,837 million yen of accumulated depreciation for tangible fixed assets was offset.</p> | Pledged assets | (millions of yen) | Direct cash loans to customers | 302,003 | | | Secured liabilities | (millions of yen) | Current portion of long-term borrowings | 35,598 | Long-term borrowings | 73,665 | Total | 109,263 |
| Pledged assets | (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Direct cash loans to customers | 549,834 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Secured liabilities | (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Current portion of long-term borrowings | 55,260 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long-term borrowings | 174,873 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 230,133 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pledged assets | (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Direct cash loans to customers | 302,003 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Secured liabilities | (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Current portion of long-term borrowings | 35,598 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long-term borrowings | 73,665 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 109,263 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Previous Consolidated Fiscal Year (as of March 31, 2008) | Current Consolidated Fiscal Year (as of March 31, 2009) |
|--|---|
| <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 loans 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 months 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 receivable current or less than 31 days past due, the amount of which is indicated in the parenthesis as above.</p> <p>8. Certain covenants 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 to creditors if the Company could not comply with such covenants as mentioned below: (The strictest conditions are listed.)</p> <ul style="list-style-type: none"> (1) in case of the balance of consolidated shareholders' equity being less than 250,000 million yen; (2) in case of the ratio of consolidated shareholders' equity against consolidated total assets being less than 10%; (3) in case of the amount of income before income taxes and financial expenses against financial expenses being less than 100%; (4) in case of the total balance of direct cash loans to customers and cash and cash equivalents against the total assets being less than 40%; (5) in case of the ratio of credit losses write-offs being more than 20%; | <p>*7. Delinquent loans receivable</p> <p>Loans to bankrupt borrowers; 48 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; 63,763 million yen</p> <p>Delinquent loans are loans 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, and do not include loans to bankrupt borrowers.</p> <p>Delinquent loans past due three months or more; 28,408 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; 67,508 million yen (62,207 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 receivable current or less than 31 days past due, the amount of which is indicated in the parenthesis as above.</p> <p>8. Certain covenants Certain covenants were applied to 10,000 million yen of borrowings and 58,567 million yen of bonds. The Company should repay or redeem the outstanding balance in a lump-sum to creditors if the Company could not comply with such covenants as mentioned below: (The strictest conditions are listed.)</p> <ul style="list-style-type: none"> (1) in case of the balance of consolidated shareholders' equity being less than 100,000 million yen; (2) in case of the ratio of consolidated shareholders' equity against consolidated total assets being less than 10%; (3) - (4) - (5) - |

| Previous Consolidated Fiscal Year (as of March 31, 2008) | Current Consolidated Fiscal Year (as of March 31, 2009) |
|--|---|
| (6) in case of the total balance of real estate and investments in securities against the total assets being more than 40%; | (6) - |
| (7) in case of the balance of secured borrowings, excluding those secured by real estate, against total current assets being more than 80%; | (7) in case of the balance of secured borrowings, excluding those secured by real estate, against total current assets being more than 80%; |
| (8) in case of the total balance of borrowings, with the security of direct cash loans to customers, the security being in perfection of interests against third parties, exceeding the balance of shareholders' equity; | (8) - |

Footnotes to Consolidated Statements of Income

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| <p>1. Basis for classification of financial revenues and expenses on the consolidated statements of income</p> <p>(1) Financial revenues stated as operating revenues; Include all financial revenues 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 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>*3. Impairment loss and loss on closing of branch offices During the current consolidated fiscal year, loss on closing of branch offices of 1,168 million yen was recorded due to the cease of 69 manned branch offices. Impairment loss 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 impairment loss amounting 340 million yen.</p> <p>*4. 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> | <p>1. Basis for classification of financial revenues and expenses on the consolidated statements of income</p> <p>(1) Financial revenues 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. -</p> <p>*3. Impairment loss and loss on closing of branch offices Loss on closing of branch offices of 1,605 million yen, for realized closing expenses during the current consolidated fiscal year, and accrual closing expenses of 291 million yen for the next consolidated fiscal year were recorded due to the decision made for the cease of manned and unmanned branch offices and reorganization of regional branches etc. Impairment loss of 211 million yen for the telephone rights related to closing of branch offices and accrual expense of 72 million yen related to the closing for the next consolidated fiscal year were posted. In addition, due to 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 impairment loss amounting 102 million yen.</p> <p>*4. -</p> <p>*5. Loss on commitment facility cancellation This is a loss due to cancellation of a commitment facility by way of true sale and due to early repayment.</p> |

Footnotes to Consolidated Statement of Changes in Net Assets

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

1. Type and the total number of issued stocks and 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) |
|----------------------|---|---|---|--|
| Issued stocks | | | | |
| Common stocks | 147,295 | - | - | 147,295 |
| Total | 147,295 | - | - | 147,295 |
| Treasury stocks | | | | |
| 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 based on the resolution of the board of directors' meeting of 3,057 thousand shares and purchase of under unit stocks of 0 thousand shares.

2. Share subscription rights and treasury stocks

| Item | Details of subscription rights to shares | Type of shares for subscription rights to shares | The number of shares for subscription rights to shares (shares) | | | | Amount at the end of current fiscal year (millions of yen) |
|------------------------------|--|--|---|----------|----------|----------------|--|
| | | | March 31, 2007 | Increase | Decrease | March 31, 2008 | |
| The Company (Parent company) | Subscription rights to shares as stock options | — | — | — | — | — | 41 |
| Total | | — | — | — | — | — | 41 |

3. Items regarding dividends

(1) Dividends paid

| Resolution | Type of stocks | Total amount of dividends (millions of yen) | Dividends per share (yen) | Record date | Effective date |
|---|----------------|---|---------------------------|--------------------|------------------|
| The Annual General Shareholders' Meeting at June 28, 2007 | Common stocks | 16,181 | 115 | March 31, 2007 | June 29, 2007 |
| Board of Directors' Meeting at November 8, 2007 | Common stocks | 12,664 | 90 | September 30, 2007 | December 5, 2007 |

(2) Dividends after the end of current fiscal year of which record date belongs to current fiscal year

| Resolution | Type of stocks | Total amount of dividends (millions of yen) | Source of dividends | Dividends per share (yen) | Record date | Effective date |
|---|----------------|---|---------------------|---------------------------|----------------|----------------|
| The Annual General Shareholders' Meeting at June 27, 2008 | Common stocks | 12,388 | Retained earnings | 90 | March 31, 2008 | June 30, 2008 |

Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009)

1. Type and the total number of issued stocks and 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) |
|-----------------|---|---|---|--|
| Issued stocks | | | | |
| Common stocks | 147,295 | - | 3,000 | 144,295 |
| Total | 147,295 | - | 3,000 | 144,295 |
| Treasury stocks | | | | |
| Common stocks | 9,647 | 2,729 | 3,000 | 9,375 |
| Total | 9,647 | 2,729 | 3,000 | 9,375 |

Note: 1. The factors of the number increased by 2,729 thousand shares are acquisition of treasury stock based on the resolution of the board of directors' meeting of 2,729 thousand shares and purchase of under unit stocks of 0 thousand shares.

2. Decrease by 3,000 thousand shares of common stock of issued stocks and of treasury stocks is due to cancellation of treasury stocks based on the resolution of the board of directors' meeting.

2. Share subscription rights and treasury stocks

| Item | Details of subscription rights to shares | Type of shares for subscription rights to shares | The number of shares for subscription rights to shares (shares) | | | | Amount at the end of current fiscal year (millions of yen) |
|------------------------------|--|--|---|------------|----------|----------------|--|
| | | | March 31, 2008 | Increase | Decrease | March 31, 2009 | |
| The Company (Parent company) | Euro-yen convertible bond-type bonds with Subscription rights to shares due 2018 | Common stocks | — | 29,761,904 | — | 29,761,904 | — |
| The Company (Parent company) | Subscription rights to shares as stock options | — | — | — | — | — | 141 |
| Total | | — | — | — | — | — | 141 |

3. Items regarding dividends

(1) Dividends paid

| Resolution | Type of stocks | Total amount of dividends (millions of yen) | Dividends per share (yen) | Record date | Effective date |
|---|----------------|---|---------------------------|--------------------|------------------|
| The Annual General Shareholders' Meeting at June 27, 2008 | Common stocks | 12,388 | 90 | March 31, 2008 | June 30, 2008 |
| Board of Directors' Meeting at November 6, 2008 | Common stocks | 4,076 | 30 | September 30, 2008 | December 5, 2008 |

(2) Dividends after the end of current fiscal year of which record date belongs to current fiscal year

| Resolution | Type of stocks | Total amount of dividends (millions of yen) | Source of dividends | Dividends per share (yen) | Record date | Effective date |
|---|----------------|---|---------------------|---------------------------|----------------|----------------|
| The Annual General Shareholders' Meeting at June 26, 2009 | Common stocks | 2,698 | Retained earnings | 20 | March 31, 2009 | June 29, 2009 |

Footnotes to Consolidated Statements of Cash Flows

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| <p>*Relationship between cash and cash equivalents at the end of the consolidated fiscal year and consolidated balance sheets items as of March 31, 2008;</p> <p style="text-align: right;">(millions of yen)</p> <p>Cash and deposits 56,482</p> <p>Securities (Certificate of deposit) 13,000</p> <p>Short-term loans receivable</p> <p><u>(CD on repurchase agreement) 83,989</u></p> <p>Cash and cash equivalents 153,471</p> | <p>*Relationship between cash and cash equivalents at the end of the consolidated fiscal year and consolidated balance sheets items as of March 31, 2009;</p> <p style="text-align: right;">(millions of yen)</p> <p>Cash and deposits 47,871</p> <p>Short-term loans receivable</p> <p><u>(Repurchase agreement) 49,992</u></p> <p>Cash and cash equivalents 97,862</p> |

Segment Information

Segment by operation

Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) and Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009)

The Takefuji Corporation Group's principal business is providing consumer finance. As consumer finance business represents more than 90% of the Group's combined operating revenues, operating income and assets, the disclosure of industry segment information is excluded.

Segment by geographic areas

Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) and Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009)

As domestic operating revenues and assets represent more than 90% of the Group's combined operating revenues and assets, the disclosure of geographical segment information is excluded.

Overseas operating revenues

Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) and Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009)

As overseas operating revenues are less than 10% of consolidated operating revenues, the disclosure of overseas operation revenues is excluded.

Footnotes to Lease Transactions

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) | | | | | | | | | | | | | | | | | | |
|--|--|--|--|------------------------------|-------------------------|-----|-----|---|-------|-----|-----|---|---------------------|---|-------------------|---|-------|---|--|
| <p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.</p> <p>1. Equivalent of acquisition cost, accumulated depreciation and net book value of the leased assets at the end of the fiscal year</p> <p style="text-align: right;">(millions of yen)</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Equivalent of acquisition cost</th> <th style="text-align: center;">Equivalent of accumulated depreciation</th> <th style="text-align: center;">Equivalent of net book value</th> </tr> </thead> <tbody> <tr> <td>Equipment and furniture</td> <td style="text-align: center;">447</td> <td style="text-align: center;">443</td> <td style="text-align: center;">3</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">447</td> <td style="text-align: center;">443</td> <td style="text-align: center;">3</td> </tr> </tbody> </table> <p>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.</p> <p>2. Outstanding lease fee payable at the end of the fiscal year</p> <p style="text-align: right;">(millions of yen)</p> <table> <tbody> <tr> <td>Due within one year</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Due over one year</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: center; border-top: 1px solid black;">3</td> </tr> </tbody> </table> <p>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.</p> <p>3. Lease fee, a reversal of accumulated impairment loss on leased assets account, equivalent of depreciation and impairment loss</p> <p style="padding-left: 40px;">Lease fee and equivalent of depreciation:</p> <p style="text-align: right;">141million yen</p> <p>4. Method of calculation of equivalent of depreciation</p> <p>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.</p> <p>(Impairment loss)</p> <p>No impairment loss is recorded for leased assets.</p> | | Equivalent of acquisition cost | Equivalent of accumulated depreciation | Equivalent of net book value | Equipment and furniture | 447 | 443 | 3 | Total | 447 | 443 | 3 | Due within one year | 3 | Due over one year | - | Total | 3 | <p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.</p> <p style="text-align: center;">None</p> |
| | Equivalent of acquisition cost | Equivalent of accumulated depreciation | Equivalent of net book value | | | | | | | | | | | | | | | | |
| Equipment and furniture | 447 | 443 | 3 | | | | | | | | | | | | | | | | |
| Total | 447 | 443 | 3 | | | | | | | | | | | | | | | | |
| Due within one year | 3 | | | | | | | | | | | | | | | | | | |
| Due over one year | - | | | | | | | | | | | | | | | | | | |
| Total | 3 | | | | | | | | | | | | | | | | | | |

(Related Party Transactions)

Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008)
Directors and primary individual shareholders, etc.

| Attribution: Directors and their relatives | | | | | | | | | | |
|--|-------------------|---------------------------|--|------------------------------|--------------------|-----------------|-----------------------------|-------------------------------------|------------------------------------|---|
| Name | Address | Capital (millions of yen) | Business or post | Ratio of voting rights held | Relationship | | Transactions | Amount transacted (millions of yen) | Account | Outstanding balance at the end of the fiscal year (millions of yen) |
| | | | | | Directors involved | Business | | | | |
| Taketeru Takei | - | - | Representative director & senior managing director | Direct 5.0% Indirect 5.7% | - | - | Condolence money | 40 | - | - |
| Attribution: Companies of which directors and their relatives have the majority of the voting rights, including their subsidiaries | | | | | | | | | | |
| Name | Address | Capital (millions of yen) | Business or post | Ratio of voting rights held | Relationship | | Transactions | Amount transacted (millions of yen) | Account | Outstanding balance at the end of the fiscal year (millions of yen) |
| | | | | | Directors involved | Business | | | | |
| Marutake Sangyo Ltd. | Tokyo Suginami-ku | 6 | Real estate rent | Direct 5.4% Indirect 2.3% | - | - | Proceed of sale of land | 48 | - | - |
| | | | | | | | Gain on sale of land | 13 | - | - |
| Daio Co., Ltd. | Tokyo Suginami-ku | 10 | Real estate rent | Direct 5.6% Indirect 0.0% | Additional post 1 | Use of facility | Payment for use of facility | 53 | Prepaid expense Account payable | 4 1 |
| Safeman Ltd. | Tokyo Shinjuku-ku | 10 | Real estate rent | Direct 0.1% | - | Rent | Rent | 2 | Prepaid expense | 0 |
| | | | | | | Guarantee money | Guarantee money | - | Guarantee money deposited | 2 |
| Kyoei Co., Ltd. | Tokyo Suginami-ku | 10 | Real estate rent | Direct 0.0% | - | Rent | Rent | 2 | - | - |

Notes: 1. Consumption taxes are included in the transactions.

2. All conditions and methods of the transactions mentioned above are determined by the same way as general transactions in consideration of market supply and demand as well as the trend of market prices and others.

3. The rent agreement with Kyoei Co., Ltd. was ended due to the closure of branch office.

4. Taketeru Takei, a director of the Company, and his relatives have 100% of voting rights of Safeman Ltd. indirectly through Marutake Sangyo Ltd.

5. Taketeru Takei, a director of the Company, and his relatives have 100% of voting rights of Kyoei Co., Ltd. indirectly through Daio Co., Ltd. and Marutake Sangyo Ltd.

6. Taketeru Takei, a director of the Company, and his relatives have 100% of voting rights of Daio Co., Ltd. and Marutake Sangyo Ltd. directly or indirectly.

Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009)

(Additional Information)

From the current consolidated fiscal year, we adopted the Accounting Standard for Related Party Disclosures (ASBJ Statement No.11 October 17, 2006) and the Guidance on Accounting Standard for Related Party Disclosures (ASBJ Guidance No.13 October 17, 2006).

There is no change in the scope of disclosure due to this.

1. Related Party Transactions

Transactions between the Company and Related Party

Directors and primary individual shareholders etc. of the Company

| Attribution: Companies of which directors and their relatives have the majority of the voting rights, including their subsidiaries | | | | | | | | | |
|--|-------------------|---------------------------|------------------|------------------------------|-----------------------------------|---------------------------------|-------------------------------------|------------------------------------|---|
| Name | Address | Capital (millions of yen) | Business or post | Ratio of voting rights held | Relationship with related parties | Transactions | Amount transacted (millions of yen) | Account | Outstanding balance at the end of the fiscal year (millions of yen) |
| Daio Co., Ltd. | Tokyo Sugunami-ku | 10 | Real estate rent | Direct 5.7% Indirect 0.1% | Additional post 1 | Payment for use of facility etc | 53 | Prepaid expense Account payable | 4 1 |

Notes: 1. Consumption taxes are included in the transactions.

2. All conditions and methods of the transactions mentioned above are determined by the same way as general transactions in consideration of market supply and demand as well as the trend of market prices and others.

3. Taketeru Takei, a director of the Company, and his relatives have 100% of voting rights of Daio Co., Ltd. directly or indirectly.

2. Information of Parent Company and Significant Affiliate Companies

None

(Footnotes to the special purpose entities with disclosure requirements)

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

1. Outlines of the special purpose entities with disclosure requirements along with outlines of transactions with these special purpose entities

The Company is funding by utilizing trust beneficiary backed by the direct cash loans to customers originated by the company, aiming to secure access to stable funding. Regarding this securitized funding activity, the Company uses a special purpose entity in the form of a limited company. Firstly the Company transfers the preferred portion of the trust beneficiary to the special purpose entity and then receives the fund from the special purpose entity which raises their funds by the issuance of the corporate bond, backed by the said transferred preferred assets as proceeds of the sale of the assets.

The Company conducts the loan collection service and retains the subordinated portion of the trust beneficiary.

As a result of the funding, as of March 31, 2008, there are two special purpose entities with which the Company has transactions and the total assets and liabilities owned by these special purpose entities as of the most recent closing date is 246,686 million yen and 246,665 million yen, respectively. The Company retains no stocks with shareholder voting rights of the both special purpose entities nor dispatches directors or employees.

2. Amount of transaction with the special purpose entities in the current consolidated fiscal year

Outline of transaction with the special purpose entities have been omitted as the transfer of these assets to the special purpose entity is treated as financial transactions.

Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009)

1. Outlines of the special purpose entity with disclosure requirements along with outlines of transactions with this special purpose entity

The Company is funding by utilizing trust beneficiary backed by the direct cash loans to customers originated by the company, aiming to secure access to stable funding. Regarding this securitized funding activity, the Company uses a special purpose entity in the form of a limited company. Firstly the Company transfers the preferred portion of the trust beneficiary to the special purpose entity and then receives the fund from the special purpose entity which raises their funds by the issuance of the corporate bond, backed by the said transferred preferred assets as proceeds of the sale of the assets.

The Company conducts the loan collection service and retains the subordinated portion of the trust beneficiary.

As a result of the funding, as of March 31, 2009, there is a special purpose entity with which the Company has transactions and the total assets and liabilities owned by this special purpose entity as of the most recent closing date is 114,554 million yen and 114,544 million yen. The Company retains no stocks with shareholder voting rights of the special purpose entity nor dispatches directors or employees.

2. Amount of transaction with the special purpose entity in the current consolidated fiscal year

Outline of transaction with the special purpose entity has been omitted as the transfer of these assets to the special purpose entity is treated as financial transactions.

Footnotes to the Deferred Tax Accounting

| Previous Consolidated Fiscal Year (as of March 31, 2008) | Current Consolidated Fiscal Year (as of March 31, 2009) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|-------|---|-------|-----------------------------|--------|------------------------------|-----|-------|-----|--------------------|--------|---|--------|-------|--------|---------------------------|------|--------------------------------|--------|-----------------------|--------|-----------------------|-----|---|---------|--|-------|---------------------|--------|-------|-----|----------|---------|---------------------|----------|-------|----|---|--------|------------------------------------|--------|-------|--------|-------------------------------------|--------|--|--------------------------------|-------|---|-------|-----------------------------|--------|-----------------------|-----|-------|-----|----------|--------|---------------------|---------|-------|----|-----------------------|--------|-----------------------|-----|---|-----|---|---------|--|-------|---------------------|---------|-------|--------|----------|---------|---------------------|----------|-------|---|---|----|-------|----|-------------------------------------|----|
| <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> <p>Current deferred income tax assets;</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">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;">343</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">292</td> </tr> <tr> <td style="border-top: 1px solid black;">Subtotal</td> <td style="text-align: right; border-top: 1px solid black;">29,993</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-4,309</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">25,684</td> </tr> </table> <p>Current deferred income tax liabilities;</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Enterprise tax refundable</td> <td style="text-align: right;">-307</td> </tr> <tr> <td style="border-top: 1px solid black;">Net deferred income tax assets</td> <td style="text-align: right; border-top: 1px solid black;">25,377</td> </tr> </table> <p style="text-align: right;">(millions of yen)</p> <p>Fixed deferred income tax assets;</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Tangible fixed assets</td> <td style="text-align: right;">16,486</td> </tr> <tr> <td>Investment securities</td> <td style="text-align: right;">635</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;">1,314</td> </tr> <tr> <td>Accumulated deficit</td> <td style="text-align: right;">29,247</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">211</td> </tr> <tr> <td style="border-top: 1px solid black;">Subtotal</td> <td style="text-align: right; border-top: 1px solid black;">204,326</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-204,255</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">71</td> </tr> </table> <p>Fixed deferred income tax liabilities;</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Valuation difference on available-for-sale securities</td> <td style="text-align: right;">-1,299</td> </tr> <tr> <td>Deferred gains or losses on hedges</td> <td style="text-align: right;">-2,983</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">-4,282</td> </tr> <tr> <td style="border-top: 1px solid black;">Net deferred income tax liabilities</td> <td style="text-align: right; border-top: 1px solid black;">-4,211</td> </tr> </table> | 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 | 343 | Other | 292 | Subtotal | 29,993 | Valuation allowance | -4,309 | Total | 25,684 | Enterprise tax refundable | -307 | Net deferred income tax assets | 25,377 | Tangible fixed assets | 16,486 | Investment securities | 635 | Allowance for losses for refund of interest received from customers | 156,434 | Allowance for retirement benefits of employees | 1,314 | Accumulated deficit | 29,247 | Other | 211 | Subtotal | 204,326 | Valuation allowance | -204,255 | Total | 71 | Valuation difference on available-for-sale securities | -1,299 | Deferred gains or losses on hedges | -2,983 | Total | -4,282 | Net deferred income tax liabilities | -4,211 | <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> <p>Current deferred income tax assets;</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Direct cash loans to customers</td> <td style="text-align: right;">7,467</td> </tr> <tr> <td>Accrued interest income on direct cash loans to customers</td> <td style="text-align: right;">1,996</td> </tr> <tr> <td>Allowance for credit losses</td> <td style="text-align: right;">12,966</td> </tr> <tr> <td>Allowance for bonuses</td> <td style="text-align: right;">259</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">504</td> </tr> <tr> <td style="border-top: 1px solid black;">Subtotal</td> <td style="text-align: right; border-top: 1px solid black;">23,191</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-23,178</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">13</td> </tr> </table> <p style="text-align: right;">(millions of yen)</p> <p>Fixed deferred income tax assets;</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Tangible fixed assets</td> <td style="text-align: right;">16,591</td> </tr> <tr> <td>Investment securities</td> <td style="text-align: right;">632</td> </tr> <tr> <td>Valuation difference on available-for-sale securities</td> <td style="text-align: right;">793</td> </tr> <tr> <td>Allowance for losses for refund of interest received from customers</td> <td style="text-align: right;">163,360</td> </tr> <tr> <td>Allowance for retirement benefits of employees</td> <td style="text-align: right;">1,462</td> </tr> <tr> <td>Accumulated deficit</td> <td style="text-align: right;">109,897</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">12,579</td> </tr> <tr> <td style="border-top: 1px solid black;">Subtotal</td> <td style="text-align: right; border-top: 1px solid black;">305,313</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-305,313</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">-</td> </tr> </table> <p>Fixed deferred income tax liabilities;</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Valuation difference on available-for-sale securities</td> <td style="text-align: right;">-8</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">-8</td> </tr> <tr> <td style="border-top: 1px solid black;">Net deferred income tax liabilities</td> <td style="text-align: right; border-top: 1px solid black;">-8</td> </tr> </table> | Direct cash loans to customers | 7,467 | Accrued interest income on direct cash loans to customers | 1,996 | Allowance for credit losses | 12,966 | Allowance for bonuses | 259 | Other | 504 | Subtotal | 23,191 | Valuation allowance | -23,178 | Total | 13 | Tangible fixed assets | 16,591 | Investment securities | 632 | Valuation difference on available-for-sale securities | 793 | Allowance for losses for refund of interest received from customers | 163,360 | Allowance for retirement benefits of employees | 1,462 | Accumulated deficit | 109,897 | Other | 12,579 | Subtotal | 305,313 | Valuation allowance | -305,313 | Total | - | Valuation difference on available-for-sale securities | -8 | Total | -8 | Net deferred income tax liabilities | -8 |
| 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 | 343 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 292 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subtotal | 29,993 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -4,309 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 25,684 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Enterprise tax refundable | -307 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net deferred income tax assets | 25,377 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tangible fixed assets | 16,486 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment securities | 635 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for losses for refund of interest received from customers | 156,434 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for retirement benefits of employees | 1,314 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Accumulated deficit | 29,247 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 211 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subtotal | 204,326 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -204,255 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 71 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation difference on available-for-sale securities | -1,299 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Deferred gains or losses on hedges | -2,983 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | -4,282 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net deferred income tax liabilities | -4,211 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Direct cash loans to customers | 7,467 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Accrued interest income on direct cash loans to customers | 1,996 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for credit losses | 12,966 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for bonuses | 259 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 504 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subtotal | 23,191 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -23,178 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 13 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tangible fixed assets | 16,591 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment securities | 632 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation difference on available-for-sale securities | 793 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for losses for refund of interest received from customers | 163,360 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for retirement benefits of employees | 1,462 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Accumulated deficit | 109,897 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 12,579 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subtotal | 305,313 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -305,313 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation difference on available-for-sale securities | -8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | -8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net deferred income tax liabilities | -8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <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 style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">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;">-77.1</td> </tr> <tr> <td>Per capita inhabitants taxes</td> <td style="text-align: right;">1.9</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">0.9</td> </tr> <tr> <td style="border-top: 1px solid black;">Effective tax rate</td> <td style="text-align: right; border-top: 1px solid black;">-33.8</td> </tr> </table> | Statutory tax rate | 40.5 | (Reconciling items) | | Valuation allowance | -77.1 | Per capita inhabitants taxes | 1.9 | Other | 0.9 | Effective tax rate | -33.8 | <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> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Statutory tax rate | 40.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Reconciling items) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -77.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Per capita inhabitants taxes | 1.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 0.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Effective tax rate | -33.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Footnotes to Investment securities
1. Available-for-sale securities with market quotations

(millions of yen)

| | Securities | Previous Consolidated Fiscal Year (as of March 31, 2008) | | | Current Consolidated Fiscal Year (as of March 31, 2009) | | |
|--|------------------------------------|---|---|-------------------------|--|---|-------------------------|
| | | Acquisition Cost | Book value on consolidated balance sheets | Unrealized gain or loss | Acquisition cost | Book value on consolidated balance sheets | Unrealized gain or loss |
| Book value greater than acquisition cost | (1) Stocks | 6,315 | 10,209 | 3,893 | 787 | 1,024 | 236 |
| | (2) Bonds | | | | | | |
| | National or local government bonds | - | - | - | - | - | - |
| | Corporate bonds | - | - | - | - | - | - |
| | Other | - | - | - | - | - | - |
| | (3) Other | 25 | 46 | 21 | 25 | 27 | 2 |
| | Subtotal | 6,340 | 10,255 | 3,915 | 812 | 1,051 | 239 |
| Book value equal to or smaller than acquisition cost | (1) Stocks | 3,161 | 2,459 | -702 | 7,794 | 6,038 | -1,756 |
| | (2) Bonds | | | | | | |
| | National or local government bonds | - | - | - | - | - | - |
| | Corporate bonds | - | - | - | - | - | - |
| | Other | - | - | - | - | - | - |
| | (3) Other | - | - | - | - | - | - |
| | Subtotal | 3,161 | 2,459 | -702 | 7,794 | 6,038 | -1,756 |
| | Total | 9,501 | 12,714 | 3,213 | 8,606 | 7,089 | -1,517 |

2. Available-for-sale securities sold during previous and current consolidated fiscal year

(millions of yen)

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | | | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) | | |
|---|-------------------------|--------------------------|--|-------------------------|--------------------------|
| Proceeds | Realized gains on sales | Realized losses on sales | Proceeds | Realized gains on sales | Realized losses on sales |
| 1,906 | 377 | - | 1,499 | 688 | 124 |

3. Details of principal securities which are not stated at market quotations (millions of yen)

| Securities | Previous Consolidated Fiscal Year (as of March 31, 2008) | | | Current Consolidated Fiscal Year (as of March 31, 2009) | | |
|---|---|---|-------------------------|--|---|-------------------------|
| | Acquisition cost | Book value on consolidated balance sheets | Unrealized gain or loss | Acquisition cost | Book value on consolidated balance sheets | Unrealized gain or loss |
| Other securities | | | | | | |
| Unlisted stocks excluding those traded over-the-counter | 3,757 | 3,442 | -315 | 3,834 | 3,425 | -409 |
| Certificate of deposit | 13,000 | 13,000 | - | - | - | - |
| Other | 1,020 | 1,023 | 3 | 475 | 467 | -8 |

Notes: 1. Difference between acquisition cost and book value is unrealized gain or loss resulting from foreign currency translation on the securities denominated in foreign currencies at the end of the consolidated fiscal year.

2. "Other" of other securities are stocks held through investment partnerships.

4. Scheduled redemption amount of bonds with maturity among available-for-sale securities and securities held to maturity (millions of yen)

| Securities | Previous Consolidated Fiscal Year (as of March 31, 2008) | | | | Current Consolidated Fiscal Year (as of March 31, 2009) | | | |
|---|---|------------------------|--------------------------|---------------|--|------------------------|--------------------------|---------------|
| | Within 1 year | Over 1 year to 5 years | Over 5 years to 10 years | Over 10 years | Within 1 year | Over 1 year to 5 years | Over 5 years to 10 years | Over 10 years |
| 1. Bonds | | | | | | | | |
| (1) National or local government bonds etc. | - | - | - | - | - | - | - | - |
| (2) Corporate bonds | - | - | - | - | - | - | - | - |
| (3) Other | 13,000 | - | - | - | - | - | - | - |
| 2. Other | - | - | - | - | - | - | - | - |
| Total | 13,000 | - | - | - | - | - | - | - |

5. Short-term investment securities impaired

In the previous consolidated fiscal year, 385 million yen of impairment was posted regarding stocks with market quotations of available-for-sale securities.

Among the said stocks with market quotation, ones which were written down are as follows;

- those whose market quotation decreased by 50% or more of acquisition cost
- those whose market quotation decreased by 30% or more and less than 50% of acquisition cost excluding ones which are judged to be recoverable

In the current consolidated fiscal year, 763 million yen of impairment regarding stocks with market quotations of available-for-sale securities, 3 million yen of impairment regarding stocks without market quotations of available-for-sale securities were posted respectively.

Among the said stocks with market quotation, ones which were written down are as follows;

- those whose market quotation decreased by 50% or more of acquisition cost
- those whose market quotation decreased by 30% or more and less than 50% of acquisition cost excluding ones which are judged to be recoverable

Footnotes to Derivative Transactions

1. The conditions of Derivative Transactions

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|---|
| <p>1. Transactions The Company uses financial derivative transactions, which comprise interest swap transactions, currency and interest swap transactions and bond option transaction.</p> <p>2. Company's policy The Company uses financial derivative transactions in order to reduce its exposure to market risks from fluctuations in interest rate, foreign currency exchange rate and price and does not hold or issue financial derivative instruments for speculative purposes.</p> <p>3. Purposes The Company makes use of interest swap transactions, currency and interest swap transactions and bond option transactions to hedge its exposure of interest rate and foreign currency exchange rate fluctuations against floating-rate borrowings and bonds and borrowings denominated in foreign currencies for the purpose of stabilizing the Company's income.</p> <p>4. Risk of transactions The Company considers that there is no significant credit risk arising from default by counter-parties, as they are major financial institutions in the international financial market.</p> <p>5. Risk management Derivative transactions for fluctuations in interest rate of borrowings, exchange rate and price the Company enters into are approved by the board of directors and executed and controlled under administration of finance department of the Company. The conditions and results of such transactions are reported timely to the board of directors by the finance department.</p> | <p>1. Transactions The Company uses financial derivative transactions, which comprise interest swap transactions and currency swap transactions.</p> <p>2. Company's policy The Company uses financial derivative transactions in order to reduce its exposure to market risks from fluctuations in interest rate, foreign currency exchange rate and does not hold or issue financial derivative instruments for speculative purposes.</p> <p>3. Purposes The Company makes use of interest swap transactions and currency swap transactions to hedge its exposure of interest rate and foreign currency exchange rate fluctuations against bonds and borrowings for the purpose of stabilizing the Company's income.</p> <p>4. Risk of transactions The same as the previous year.</p> <p>5. Risk management Derivative transactions for fluctuations in interest rate and exchange rate of bonds and borrowings the Company enters into are approved by the board of directors and executed and controlled under administration of finance department of the Company. The conditions and results of transactions are reported timely to the board of directors by the finance department.</p> |

2. Fair Value of Financial Derivatives

Contract amount, quotation and gain or loss on evaluation

(1) Currency

Data for all derivative transactions related to foreign currency are not required to be disclosed as hedge accounting is applied.

(2) Interest

Data for all derivative transactions related to interests are not required to be disclosed as hedge accounting is applied.

(3) Bonds

(millions of yen)

| Classification | Type of transaction | Previous Consolidated Fiscal Year (as of March 31, 2008) | | | | Current Consolidated Fiscal Year (as of March 31, 2009) | | | |
|-------------------------------|----------------------|---|-------------------------------|--------------|-------------------------|--|-------------------------------|--------------|-------------------------|
| | | Contract amount | Contract amount over one year | Market value | Unrealized gain or loss | Contract amount | Contract amount over one year | Market value | Unrealized gain or loss |
| Transaction other than market | Bond option Buy Call | 120,000 (1,661) | 120,000 (1,661) | - | -1,661 | - (-) | - (-) | - | - |
| Sub-total | | 120,000 | 120,000 | - | -1,661 | - | - | - | - |

Note: Option fees are shown in the parenthesis below the contract amount.

Footnotes to Retirement Plan and Retirement Benefits

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|--------|-----------------------|-------|------------------------------------|-----|--|--------|---|---|--|-----|--|---|-------|-----------------------|--|------------------------------------|------------------------------|--|-------|-------|---|--|---|-------------------------------------|--------|-----------------|-------|-------|--|--|--------|---|---|-----------------------------------|-----|---|---|-------|--|--|--------|------------------------------|---|-------|--|---|--------|
| <p>1. Outline of retirement benefits plans Employees with more than two years of service for the Company are generally entitled to lump-sum retirement benefits determined by reference to their current rate of pay, length of service and conditions under which the termination occur. In order to provide for such retirement benefits to employees, the Company has a funded non-contributory pension plan which covers a portion of the retirement benefits payable to the retiring employees. The benefits which are not covered by the funded pension plan are paid by the Company, having recognized accrued costs for such a liability as an allowance for retirement benefits.</p> | <p>1. Outline of retirement benefits plans The same as the previous fiscal year.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>2. Retirement benefits liabilities as of March 31, 2008</p> <p style="text-align: right;">(millions of yen)</p> | <p>2. Retirement benefits liabilities as of March 31, 2009</p> <p style="text-align: right;">(millions of yen)</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">(1) Retirement benefits liabilities</td> <td style="text-align: right;">-5,507</td> </tr> <tr> <td>(2) Plan assets</td> <td style="text-align: right;">2,073</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>(3) Unfunded retirement benefits liabilities (1)+(2)</td> <td style="text-align: right;">-3,434</td> </tr> <tr> <td>(4) Transition obligations from change in accounting standard</td> <td style="text-align: right;">-</td> </tr> <tr> <td>(5) Unrecognized actuarial losses</td> <td style="text-align: right;">190</td> </tr> <tr> <td>(6) Unrecognized liability during past employment (decrease from liabilities)</td> <td style="text-align: right;">-</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>(7) Net retirement benefits liabilities on the consolidated balance sheets (3)+(4)+(5)+(6)</td> <td style="text-align: right;">-3,245</td> </tr> <tr> <td>(8) Prepaid pension expenses</td> <td style="text-align: right;">-</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>(9) Allowance for retirement benefits (7)+(8)</td> <td style="text-align: right;">-3,245</td> </tr> </table> | (1) Retirement benefits liabilities | -5,507 | (2) Plan assets | 2,073 | <hr/> | | (3) Unfunded retirement benefits liabilities (1)+(2) | -3,434 | (4) Transition obligations from change in accounting standard | - | (5) Unrecognized actuarial losses | 190 | (6) Unrecognized liability during past employment (decrease from liabilities) | - | <hr/> | | (7) Net retirement benefits liabilities on the consolidated balance sheets (3)+(4)+(5)+(6) | -3,245 | (8) Prepaid pension expenses | - | <hr/> | | (9) Allowance for retirement benefits (7)+(8) | -3,245 | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">(1) Retirement benefits liabilities</td> <td style="text-align: right;">-5,788</td> </tr> <tr> <td>(2) Plan assets</td> <td style="text-align: right;">1,969</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>(3) Unfunded retirement benefits liabilities (1)+(2)</td> <td style="text-align: right;">-3,818</td> </tr> <tr> <td>(4) Transition obligations from change in accounting standard</td> <td style="text-align: right;">-</td> </tr> <tr> <td>(5) Unrecognized actuarial losses</td> <td style="text-align: right;">208</td> </tr> <tr> <td>(6) Unrecognized liability during past employment (decrease from liabilities)</td> <td style="text-align: right;">-</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>(7) Net retirement benefits liabilities on the consolidated balance sheets (3)+(4)+(5)+(6)</td> <td style="text-align: right;">-3,610</td> </tr> <tr> <td>(8) Prepaid pension expenses</td> <td style="text-align: right;">-</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>(9) Allowance for retirement benefits (7)+(8)</td> <td style="text-align: right;">-3,610</td> </tr> </table> | (1) Retirement benefits liabilities | -5,788 | (2) Plan assets | 1,969 | <hr/> | | (3) Unfunded retirement benefits liabilities (1)+(2) | -3,818 | (4) Transition obligations from change in accounting standard | - | (5) Unrecognized actuarial losses | 208 | (6) Unrecognized liability during past employment (decrease from liabilities) | - | <hr/> | | (7) Net retirement benefits liabilities on the consolidated balance sheets (3)+(4)+(5)+(6) | -3,610 | (8) Prepaid pension expenses | - | <hr/> | | (9) Allowance for retirement benefits (7)+(8) | -3,610 |
| (1) Retirement benefits liabilities | -5,507 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (2) Plan assets | 2,073 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (3) Unfunded retirement benefits liabilities (1)+(2) | -3,434 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (4) Transition obligations from change in accounting standard | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (5) Unrecognized actuarial losses | 190 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (6) Unrecognized liability during past employment (decrease from liabilities) | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (7) Net retirement benefits liabilities on the consolidated balance sheets (3)+(4)+(5)+(6) | -3,245 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (8) Prepaid pension expenses | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (9) Allowance for retirement benefits (7)+(8) | -3,245 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (1) Retirement benefits liabilities | -5,788 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (2) Plan assets | 1,969 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (3) Unfunded retirement benefits liabilities (1)+(2) | -3,818 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (4) Transition obligations from change in accounting standard | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (5) Unrecognized actuarial losses | 208 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (6) Unrecognized liability during past employment (decrease from liabilities) | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (7) Net retirement benefits liabilities on the consolidated balance sheets (3)+(4)+(5)+(6) | -3,610 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (8) Prepaid pension expenses | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (9) Allowance for retirement benefits (7)+(8) | -3,610 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>3. Retirement benefits expenses from April 1, 2007 to March 31, 2008</p> <p style="text-align: right;">(millions of yen)</p> | <p>3. Retirement benefits expenses from April 1, 2008 to March 31, 2009</p> <p style="text-align: right;">(millions of yen)</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">(1) Retirement benefits payable during the employment</td> <td style="text-align: right;">496</td> </tr> <tr> <td>(2) Interest Expenses</td> <td style="text-align: right;">78</td> </tr> <tr> <td>(3) Expected return on plan assets</td> <td style="text-align: right;">-49</td> </tr> <tr> <td>(4) Net amortization of actuarial gains (losses)</td> <td style="text-align: right;">-10</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>(5) Retirement benefits expenses (1)+(2)+(3)+(4)</td> <td style="text-align: right;">515</td> </tr> </table> | (1) Retirement benefits payable during the employment | 496 | (2) Interest Expenses | 78 | (3) Expected return on plan assets | -49 | (4) Net amortization of actuarial gains (losses) | -10 | <hr/> | | (5) Retirement benefits expenses (1)+(2)+(3)+(4) | 515 | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">(1) Retirement benefits payable during the employment</td> <td style="text-align: right;">510</td> </tr> <tr> <td>(2) Interest Expenses</td> <td style="text-align: right;">83</td> </tr> <tr> <td>(3) Expected return on plan assets</td> <td style="text-align: right;">-28</td> </tr> <tr> <td>(4) Net amortization of actuarial gains (losses)</td> <td style="text-align: right;">190</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>(5) Retirement benefits expenses (1)+(2)+(3)+(4)</td> <td style="text-align: right;">755</td> </tr> </table> | (1) Retirement benefits payable during the employment | 510 | (2) Interest Expenses | 83 | (3) Expected return on plan assets | -28 | (4) Net amortization of actuarial gains (losses) | 190 | <hr/> | | (5) Retirement benefits expenses (1)+(2)+(3)+(4) | 755 | | | | | | | | | | | | | | | | | | | | | | | | |
| (1) Retirement benefits payable during the employment | 496 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (2) Interest Expenses | 78 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (3) Expected return on plan assets | -49 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (4) Net amortization of actuarial gains (losses) | -10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (5) Retirement benefits expenses (1)+(2)+(3)+(4) | 515 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (1) Retirement benefits payable during the employment | 510 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (2) Interest Expenses | 83 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (3) Expected return on plan assets | -28 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (4) Net amortization of actuarial gains (losses) | 190 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <hr/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (5) Retirement benefits expenses (1)+(2)+(3)+(4) | 755 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>4. Assumptions used in calculation of retirement benefits liabilities</p> | <p>4. Assumptions used in calculation of retirement benefits liabilities</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>(1) Attribution method of projected retirement benefits liabilities; The straight-line method</p> | <p>(1) Attribution method of projected retirement benefits liabilities; The straight-line method</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>(2) Discount rate; 1.50%</p> | <p>(2) Discount rate; 1.50%</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>(3) Expected rate of return on plan assets; 2.30%</p> | <p>(3) Expected rate of return on plan assets; 1.35%</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>(4) Years of amortizing actuarial gains or losses; Expensed fully in the immediate succeeding year.</p> | <p>(4) Years of amortizing actuarial gains or losses; Expensed fully in the immediate succeeding year.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Footnotes to Stock Options

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

1. Amount and account of stock options expensed in the current fiscal year

Other of other operating expenses 41 million yen

2. Summary and changes of stock options

(1) Outline of stock options

| | Stock options granted in fiscal year ended March 31, 2008 |
|---|---|
| Title and number of grantees | Employees of the Company 2,507 |
| Type and number of stock options (Note) | Common stocks 536,750 shares |
| Grant date | November 29, 2007 |
| Conditions for vesting | Grantees are required to remain directors, corporate auditors or employees of the Company, or in other similar positions until stock options are exercised. |
| Requisite service period | No requisite service periods have been specified. |
| Exercise period | From November 9, 2009 to November 8, 2011 |

Note: The number of stock options is presented as the number equivalent to common stocks.

(2) Stock options granted and changes

The details of stock options existed in the fiscal year ended March 31, 2008 are given below. The number of stock options is presented as the number equivalent to common stocks.

A Number of stock options

| | Stock options granted in fiscal year ended March 31, 2008 |
|--------------------------|---|
| Before vested (Shares) | |
| Previous fiscal year end | - |
| Granted | 536,750 |
| Forfeited | 15,650 |
| Vested | - |
| Outstanding | 521,100 |
| After vested (Shares) | |
| Previous fiscal year end | - |
| Vested | - |
| Exercised | - |
| Forfeited | - |
| Exercisable | - |

B Price information

| | Stock options granted in fiscal year ended March 31, 2008 |
|---|---|
| Exercise price (yen) | 2,825 |
| Average exercise price (yen) | - |
| Fair assessed value at the grant date (yen) | 517 |

3. Valuation technique used for Method of estimating the fair assessed value of the stock options
 Stock options granted in the fiscal year under review were valued using the following valuation technique.

(1) Valuation technique: Black-Scholes option-pricing model

(2) Principle parameters used in the option-pricing model were as follows

| | | Stock options granted in fiscal year ended March 31, 2008 |
|--|----------|---|
| Share price volatility | (Note:1) | 39.42% |
| Estimated remaining period until maturity (Note:2) | | 3 years |
| Expected dividends | (Note:3) | 180 yen per share |
| Risk-free interest rate | (Note:4) | 0.84% |

Notes: 1. The expected volatility was calculated based on the actual stock prices during three years from December 2004 to November 2007.

2. The average expected life could not be estimated rationally because of insufficient data. As a result, it was estimated assuming that the options would be exercised at the mid point of the exercise period.

3. Expected dividends were given based on the expected dividends for the fiscal year ended March 2008.

4. The risk-free interest rate used is the rate of Japanese government bond yield corresponding to the average expected life.

4. Method of estimating the number of stock options vested

A method that reflects the average employee turnover rate over the past three years has been adopted to rationally estimate the number of stock options that will be forfeited in the future.

Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009)

1. Amount and account of stock options expensed in the current fiscal year

Other of other operating expenses 101 million yen

2. Summary and changes of stock options

(1) Outline of stock options

| | Stock options granted in fiscal year ended March 31, 2008 | Stock options granted in fiscal year ended March 31, 2009 |
|---|---|--|
| Title and number of grantees | Employees of the Company 2,507 | Directors of the Company 12 |
| Type and number of stock options (Note) | Common stocks 536,750 shares | Common stocks 27,400 shares |
| Grant date | November 29, 2007 | August 12, 2008 |
| Conditions for vesting | Grantees are required to remain directors, corporate auditors or employees of the Company, or in other similar positions until stock options are exercised. | Grantees are required to remain directors of the Company, or in other similar positions until stock options are exercised. |
| Requisite service period | No requisite service periods have been specified. | No requisite service periods have been specified. |
| Exercise period | From November 9, 2009 to November 8, 2011 | From August 13, 2010 to August 12, 2012 |

Note: The number of stock options is presented as the number equivalent to common stocks.

(2) Stock options granted and changes

The details of stock options existed in the fiscal year ended March 31, 2009 are given below. The number of stock options is presented as the number equivalent to common stocks.

A Number of stock options

| | Stock options granted in fiscal year ended March 31, 2008 | Stock options granted in fiscal year ended March 31, 2009 |
|--------------------------|--|--|
| Before vested (Shares) | | |
| Previous fiscal year end | 521,100 | - |
| Granted | - | 27,400 |
| Forfeited | 50,800 | 2,500 |
| Vested | - | - |
| Outstanding | 470,300 | 24,900 |
| After vested (Shares) | | |
| Previous fiscal year end | - | - |
| Vested | - | - |
| Exercised | - | - |
| Forfeited | - | - |
| Exercisable | - | - |

B Price information

| | Stock options granted in fiscal year ended March 31, 2008 | Stock options granted in fiscal year ended March 31, 2009 |
|--|--|--|
| Exercise price (yen) | 2,825 | 1,507 |
| Average exercise Price(yen) | - | - |
| Fair assessed value at the grant date (yen) | 517 | 339 |

3. Valuation technique used for Method of estimating the fair assessed value of the stock options

Valuation technique used for Method of estimating the fair assessed value of the stock options is as follows.

(1) Valuation technique: Black-Scholes option-pricing model

(2) Principle parameters used in the option-pricing model were as follows

| | Stock options granted in fiscal year ended March 31, 2008 | Stock options granted in fiscal year ended March 31, 2009 |
|---|--|--|
| Share price volatility (Note:1) | 39.42% | 41.67% |
| Estimated remaining period until maturity (Note:2) | 3 years | 3 years |
| Expected dividends (Note:3) | 180 yen per share | 60 yen per share |
| Risk-free interest rate (Note:4) | 0.84% | 0.84% |

Notes: 1. The expected volatility was calculated based on the actual stock prices for three years from December 2004 to November 2007 for stock option in 2007, from September 2005 to August 2008 for stock option in 2008.

2. The average expected life could not be estimated rationally because of insufficient data. As a result, it was estimated assuming that the options would be exercised at the mid point of the exercise period.

3. As for stock option in 2007, the figure is based on dividends forecast for the fiscal year ended March 31, 2008. As for stock option in 2008, the figure is based on dividends forecast for the fiscal year ended March 31, 2009.

4. The risk-free interest rate used is the rate of Japanese government bond yield corresponding to the average expected life.

4. Method of estimating the number of stock options vested

A method that reflects the average employee turnover rate over the past three years has been adopted to rationally estimate the number of stock options that will be forfeited in the future.

Footnotes to Statistics per Share

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| Net assets per share; 3,151.03 yen | Net assets per share; 1,108.12yen |
| Net income per share; 100.63 yen | Net loss per share; 1,880.05yen |
| Net income per share-diluted is not presented since there are no potential dilutive stocks. | Net income per share-diluted is not presented since net loss is recorded and there are no potential dilutive stocks. |

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

(millions of yen)

| | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|--|--|
| Net income or net loss per share | | |
| Net income for the fiscal year | 14,105 | -256,137 |
| Net income not available to common shareholders | - | - |
| Net income for common stock | 14,105 | -256,137 |
| Average number of shares outstanding during the current fiscal year (thousand shares) | 140,172 | 136,239 |
| Outline of potential stocks, which are not dilutive and therefore were excluded from the calculation of net income per share-diluted | Subscription rights to shares as stock options resolved by the board of directors meeting held on November 8, 2007 521,100 shares | Subscription rights to shares as stock options resolved by the board of directors meeting held on November 8, 2007 470,300 shares JPY 70 billion Euro-yen convertible bond-type bonds with subscription rights to shares due 2018 Share subscription rights as stock options based on the resolution of the board of directors' meeting held on July 18, 2008. 24,900 shares |

Subsequent Events

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| <p>(Issuance of Euro-yen convertible bond-type bonds with subscription rights to shares due 2018)</p> <p>The Company issued Euro-yen Convertible Bonds with certain acquisition stipulation (cash settlement stipulation) and with stock acquisition rights incorporated in the bonds with certain conversion restrictions stipulation on June 19, 2008 by third-party allotment, based on the resolution of the board of directors' meeting on May 23, 2008.</p> <ol style="list-style-type: none"> 1. Type of bonds: Euro-yen Convertible Bonds due 2018 with stock acquisition rights embedded in the bonds 2. Number of bonds: 1,400 (denomination of ¥50 million (\$500 thousand) each) 3. Issue price: 100% of the principal amount of the bonds 4. Total issue price: ¥70 billion (\$700 million) 5. Issue date: June 19, 2008 6. Coupon: 1.5 per cent per annum 7. Redemption method: redeem at 100% of denomination 8. Due date: June 19, 2018 9. Details of stock acquisition rights <ol style="list-style-type: none"> (1) Conversion price: ¥2,352 (US\$23.52) per share (2) Exercise period: From July 3, 2008 to June 5, 2018 (3) Cash settlement stipulation: The rights for the Company to acquire all the remaining convertible bonds in exchange for assets distribution (if the conversion price is below the bonds' denomination, cash equivalent to bonds' denomination; if the conversion price is above the denomination price, cash equivalent to bonds' denomination and shares equivalent to conversion marginal gain) after a certain period of prior notice at the Company's discretion, after 7 years, utilizing the acquisition stipulation provided by the new Companies Act. (4) Conversion restriction stipulation: Stipulation that does not allow investors to exercise stock acquisition rights unless the stock price becomes a certain level above the conversion price. As for these convertible bonds, in the first 9 years, stock acquisition rights can be exercised if the stock price becomes above 120% of the conversion price for 20 or more trading days during the last 30 days of the previous quarter; in the 10th year, stock acquisition rights can be exercised if the stock price becomes above 120% for one or more trading days. 10. Details of pledge: No pledge or guarantee is provided 11. Use of fund: General operating fund and repayment of existing interest-bearing debt | - |

| Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|--|
| <p>(Cancellation of treasury stock) The Company cancelled treasury stock in accordance with the Companies Act, Article 178, as resolved at the board of directors' meeting held on June 27, 2008. The details are as follows:</p> <p>(1) Reason: Enhancement of shareholders' value through decreasing the number of shares issued (2) Method of cancellation: Decreasing the retained earnings (3) Stock type: Common stock (4) Number of stocks cancelled: 3,000,000 shares (5) Total amount of stocks cancelled: ¥15,005 million (\$150,050 thousand) (6) Number of issued shares outstanding after cancellation: 144,295,200 shares (7) Cancellation date: June 30, 2008</p> <p>(Acquisition of treasury stock) The Company resolved acquisitions of treasury stock at the board of directors' meeting held on June 27, 2008, under the provision of Article 156 of the Companies Act, which should be read in accordance with the provision of Article 165, paragraph 3.</p> <p>(1) Reason: To allow the Company to adopt flexible capital policies in accordance with changes in the business environment (2) Method of acquisition: Purchases in market (3) Number of stocks to be acquired (maximum): 3,000,000 shares (4) Total acquisition cost (maximum): ¥7,000 million (\$70,000 thousand) (5) Acquisition period: From July 1, 2008 to December 29, 2008</p> | <p style="text-align: center;">-</p> <p style="text-align: center;">-</p> |

5. Actual Operating Results

(1) Break-down of Operating Revenues

| Source of revenues | | Previous Consolidated Fiscal Year (from April 1, 2007 to March 31, 2008) | | Current Consolidated Fiscal Year (from April 1, 2008 to March 31, 2009) | | Change | |
|--------------------------------------|--|---|--------------------------|--|--------------------------|-----------------------------|---------------------|
| | | Amount (millions of yen) | Composition Ratio (%) | Amount (millions of yen) | Composition Ratio (%) | Amount (millions of yen) | Change Ratio (%) |
| Interest income on direct cash loans | Unsecured loans | 261,981 | 96.9 | 178,337 | 95.7 | -83,643 | -31.9 |
| Credit card revenues | Credit card | 72 | 0.0 | 69 | 0.0 | -3 | -3.8 |
| Other financial revenues | Interest on bank deposits | 983 | 0.3 | 461 | 0.2 | -522 | -53.1 |
| | Interest on loans other than direct cash loans | 226 | 0.1 | 329 | 0.2 | 103 | 45.7 |
| | Other (Note 1) | 1,880 | 0.7 | 1,822 | 1.0 | -58 | -3.1 |
| | Subtotal | 3,088 | 1.1 | 2,611 | 1.4 | -477 | -15.4 |
| Other operating revenues | Collection from bad debts previously written-off | 3,312 | 1.2 | 3,235 | 1.8 | -78 | -2.3 |
| | Real estate rent | 968 | 0.4 | 993 | 0.5 | 24 | 2.5 |
| | Other (Note 2) | 1,058 | 0.4 | 1,104 | 0.6 | 46 | 4.3 |
| | Subtotal | 5,339 | 2.0 | 5,331 | 2.9 | -7 | -0.1 |
| Total | | 270,479 | 100.0 | 186,349 | 100.0 | -84,130 | -31.1 |

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

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

(2) Other Highlights Data

| Items | Previous Consolidated Fiscal Year (as of March 31, 2008) | Current Consolidated Fiscal Year (as of March 31, 2009) | Change | |
|---|--|---|----------|---------------------|
| | | | Change | Change Ratio (%) |
| Direct cash loans to customers (millions of yen) | 1,195,328 | 861,517 | -333,812 | -27.9 |
| Unsecured loans | 1,195,328 | 861,517 | -333,812 | -27.9 |
| Secured loans | - | - | - | - |
| Installment receivables (millions of yen) | 557 | 465 | -92 | -16.5 |
| Number of loan customer accounts | 1,833,316 | 1,480,683 | -352,633 | -19.2 |
| Unsecured loans | 1,833,316 | 1,480,683 | -352,633 | -19.2 |
| Secured loans | - | - | - | - |
| Number of credit card membership | 294,860 | 275,684 | -19,176 | -6.5 |
| Number of branch offices | 1,500 | 1,051 | -449 | -29.9 |
| Manned | 360 | 210 | -150 | -41.7 |
| Unmanned (included Quick loan application machine) | 1,139 | 840 | -299 | -26.3 |
| Internet Yen shop | 1 | 1 | - | - |
| Number of unmanned loan contract machines (included Quick loan application machine) | 1,500 | 1,051 | -449 | -29.9 |
| Number of cash dispensers and ATMs | 53,938 | 54,904 | 966 | 1.8 |
| Owned | 1,618 | 1,161 | -457 | -28.2 |
| Inter-linked | 52,320 | 53,743 | 1,423 | 2.7 |
| Number of employees | 2,643 | 2,434 | -209 | -7.9 |
| Write-offs (millions of yen) | 98,248 | 144,404 | 46,155 | 47.0 |
| Interest repaid (portion of principal impaired) (millions of yen) | 61,242 | 67,531 | 6,289 | 10.3 |
| Allowance for credit losses (millions of yen) | 143,998 | 96,994 | -47,004 | -32.6 |

6. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

| Item of accounts | Previous Fiscal Year (as of March 31, 2008) | | Current Fiscal Year (as of March 31, 2009) | |
|---|--|-----------------------------|---|-----------------------------|
| | | Amount (millions of yen) | | Amount (millions of yen) |
| Assets: | | | | |
| Current assets | | | | |
| Cash and deposits | | 51,354 | | 42,935 |
| Direct cash loans to customers | *1,2,7 | 1,195,328 | *1,2,7 | 861,517 |
| Installment receivables | | 557 | | 465 |
| Securities | | 13,000 | | - |
| Raw materials and supplies | | 247 | | 235 |
| Prepaid expenses | | 1,032 | | 765 |
| Accrued interest income on direct cash loans to customers | | 10,862 | | 7,914 |
| Short-term loans receivable | | 83,989 | *4 | 49,992 |
| Accounts receivable-other | | 5,620 | | 1,455 |
| Deposits | | 15,029 | | 13,150 |
| Deferred income tax assets | | 25,364 | | - |
| Other current assets | | 213 | | 119 |
| Allowance for credit losses | | -143,998 | | -96,994 |
| Total current assets | | 1,258,598 | | 881,552 |
| Fixed assets | | | | |
| Tangible fixed assets | | | | |
| Buildings | | 6,083 | | 5,310 |
| Structures | | 848 | | 553 |
| Vehicles and delivery equipment | | 4 | | 10 |
| Equipment, furniture and fixtures | | 4,733 | | 4,094 |
| Land | | 22,767 | | 22,688 |
| Total tangible fixed assets | *6 | 34,436 | *6 | 32,655 |

| Item of accounts | Previous Fiscal Year (as of March 31, 2008) | | Current Fiscal Year (as of March 31, 2009) | |
|------------------------------------|--|-----------|---|---------|
| | Amount (millions of yen) | | Amount (millions of yen) | |
| Intangible fixed assets | | | | |
| Land leasehold rights | | 503 | | 485 |
| Software | | 4,083 | | 3,906 |
| Telephone rights | | 352 | | 141 |
| Other intangible fixed assets | | 291 | | 639 |
| Total intangible fixed assets | | 5,229 | | 5,171 |
| Investments and other assets | | | | |
| Investment securities | | 14,368 | | 8,909 |
| Investments in affiliates | | 38,233 | | 38,233 |
| Investments in partnerships | | 1 | | 1 |
| Long-term prepaid expenses | | 589 | | 319 |
| Investment real estates | | 450 | | 446 |
| Leasehold deposits | | 4,714 | | 4,121 |
| Long-term deposits | | 46,556 | | 5,580 |
| Other investments and other assets | | 7,401 | | 107 |
| Total investments and other assets | | 112,312 | | 57,714 |
| Total fixed assets | | 151,978 | | 95,540 |
| Total assets | | 1,410,576 | | 977,092 |

| Item of accounts | Previous Fiscal Year (as of March 31, 2008) | | Current Fiscal Year (as of March 31, 2009) | |
|---|--|-----------------------------|---|-----------------------------|
| | | Amount (millions of yen) | | Amount (millions of yen) |
| Liabilities: | | | | |
| Current liabilities | | | | |
| Short-term borrowings from affiliates | | 22,884 | | 23,884 |
| Current portion of long-term borrowings | *1 | 94,274 | *1 | 91,595 |
| Accounts payable-other | | 9,420 | | 23,067 |
| Accrued expenses | | 5,909 | | 5,183 |
| Income taxes payable | | 97 | | 204 |
| Deposit received | | 282 | | 308 |
| Unearned income | | 2,825 | | 2,824 |
| Allowance for bonuses | | 845 | | 638 |
| Other current liabilities | | 111 | | 103 |
| Total current liabilities | | 136,647 | | 147,806 |
| Fixed liabilities | | | | |
| Bonds payable | | 161,083 | | 88,567 |
| Convertible bond-type bonds with subscription rights to shares | | - | | 70,000 |
| Long-term borrowings | *1 | 284,007 | *1 | 115,579 |
| Long-term accounts payable-other | | 15 | | 14 |
| Deferred income tax liabilities | | 4,131 | | - |
| Allowance for losses for refund of interest received from customers | | 386,256 | | 403,357 |
| Allowance for retirement benefits of employees | | 3,240 | | 3,605 |
| Allowance for retirement benefits of directors and corporate auditors | | 134 | | 147 |
| Long-term unearned income | | 5,641 | | 2,878 |
| Other fixed liabilities | | 524 | | 479 |
| Total fixed liabilities | | 845,032 | | 684,626 |
| Total liabilities | | 981,680 | | 832,432 |

| Item of accounts | Previous Fiscal Year (as of March 31, 2008) | | Current Fiscal Year (as of March 31, 2009) | |
|--|--|-----------|---|----------|
| | Amount (millions of yen) | | Amount (millions of yen) | |
| Net assets: | | | | |
| Shareholders' equity | | | | |
| Capital stock | | 30,478 | | 30,478 |
| Capital surplus | | | | |
| Additional paid-in capital | | 52,263 | | 52,263 |
| Total capital surplus | | 52,263 | | 52,263 |
| Retained earnings | | | | |
| Legal reserve | | 7,619 | | 7,619 |
| Other retained earnings | | | | |
| General reserve | | 365,961 | | 365,961 |
| Retained earnings brought forward | | 14,609 | | -273,793 |
| Total retained earnings | | 388,188 | | 99,787 |
| Treasury stock | | -48,248 | | -36,469 |
| Total shareholders' equity | | 422,682 | | 146,059 |
| Valuation and foreign currency translation adjustments | | | | |
| Valuation difference on available-for-sale securities | | 1,791 | | -1,541 |
| Deferred gains or losses on hedges | | 4,383 | | - |
| Total valuation and foreign currency translation adjustments | | 6,174 | | -1,541 |
| Subscription rights to shares | | 41 | | 141 |
| Total net assets | | 428,897 | | 144,659 |
| Total liabilities and net assets | | 1,410,576 | | 977,092 |

(2) Non-Consolidated Statements of Income

| Item of accounts | Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | | Current Fiscal Year (from April 1, 2008 to March 31, 2009) | |
|--|--|---------|---|---------|
| | Amount (millions of yen) | | Amount (millions of yen) | |
| Operating revenues | | | | |
| Interest income on direct cash loans | | 261,981 | | 178,337 |
| Credit card revenues | | 72 | | 69 |
| Other financial revenues | | | | |
| Interest on bank deposits | | 825 | | 427 |
| Interest on loans other than direct cash loans | | 226 | | 329 |
| Other | | 1,880 | | 1,822 |
| Total other financial revenues | | 2,930 | | 2,578 |
| Other operating revenues | | | | |
| Collection from bad debts previously written-off | | 3,312 | | 3,235 |
| Real estate rent | | 968 | | 993 |
| Other | | 188 | | 232 |
| Total other operating revenues | | 4,468 | | 4,459 |
| Total operating revenues | | 269,452 | | 185,443 |

| Item of accounts | Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | | Current Fiscal Year (from April 1, 2008 to March 31, 2009) | |
|--|--|---------|---|----------|
| | Amount (millions of yen) | | Amount (millions of yen) | |
| Operating expenses | | | | |
| Financial expenses | | | | |
| Borrowing interest expenses | | 10,732 | | 8,417 |
| Bond interest expenses | | 9,019 | | 10,188 |
| Other financial expenses | | 1,632 | | 987 |
| Total financial expenses | | 21,383 | | 19,593 |
| Other operating expenses | | | | |
| Advertising expenses | | 4,843 | | 4,237 |
| Bad debts expenses | | - | | 406 |
| Provisions for credit losses | | 90,984 | | 96,994 |
| Provisions for losses for refund of interest received from customers | | 57,854 | | 229,662 |
| Salaries and bonuses | | 14,884 | | 13,363 |
| Provisions for bonuses | | 845 | | 638 |
| Provisions for retirement benefits of employees | | 514 | | 754 |
| Provisions for retirement benefits of directors and corporate auditors | | 32 | | 44 |
| Temporary employment expenses | | 1,324 | | - |
| Welfare expenses | | 2,022 | | 1,858 |
| Rent | | 5,997 | | 5,144 |
| Depreciation and amortization | | 3,464 | | 3,176 |
| Handling charges | | 11,115 | | 11,904 |
| Communication expenses | | 3,898 | | 3,267 |
| Insurance premium | | 73 | | - |
| Other | | 6,479 | | 6,016 |
| Total other operating expenses | | 204,328 | | 377,461 |
| Total operating expenses | | 225,711 | | 397,054 |
| Operating income | | 43,741 | | -211,611 |

| Item of accounts | Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | | Current Fiscal Year (from April 1, 2008 to March 31, 2009) | |
|--|--|--------|---|----------|
| | Amount (millions of yen) | | Amount (millions of yen) | |
| Non-operating income | | | | |
| Dividends income | | 204 | | 447 |
| Profit on investments in partnerships | | 307 | | 115 |
| Interest on income taxes refunds | | 328 | | 174 |
| Other non-operating income | | 130 | | 109 |
| Total non-operating income | | 969 | | 845 |
| Non-operating expenses | | | | |
| Loss on disposal or sales of fixed assets | | 59 | | 182 |
| Foreign exchange losses | | 2,307 | | 1,262 |
| Bond issuance cost | | - | | 1,798 |
| Option fees | | 1,661 | | 1,709 |
| Other non-operating expenses | | 16 | | 24 |
| Total non-operating expenses | | 4,044 | | 4,974 |
| Ordinary income | | 40,666 | | -215,740 |
| Extraordinary income | | | | |
| Gain on sales of investment securities | | 377 | | 495 |
| Gain on dividends income through subsidiary liquidation | *2 | 42 | *2 | - |
| Gain on sales of fixed assets | *3 | 8 | *3 | - |
| Other | | - | | 31 |
| Total extraordinary income | | 427 | | 526 |
| Extraordinary loss | | | | |
| Loss on devaluation of investment securities | | 383 | | 716 |
| Loss on sales of investment securities | | - | | 124 |
| Impairment loss | *4 | 873 | *4 | 386 |
| Loss on closing of branch offices | *4 | 1,168 | *4 | 1,896 |
| Loss on liquidation of in-substance defeasance transaction | *5 | 29,691 | *5 | - |
| Loss on commitment facility cancellation | | - | *6 | 2,165 |
| Loss on redemption of bonds | | - | | 10,475 |
| Other | | - | | 173 |
| Total extraordinary loss | | 32,115 | | 15,935 |
| Income before income taxes | | 8,978 | | -231,149 |
| Income taxes-current | | 571 | | 348 |
| Income taxes-deferred | | -4,658 | | 25,435 |
| Total income tax | | -4,086 | | 25,784 |
| Net income | | 13,064 | | -256,933 |

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

| Item of accounts | Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|-------------------------------|--|---|
| | Amount (millions of yen) | Amount (millions of yen) |
| Shareholders' equity | | |
| Capital stock | | |
| Beginning Balance | 30,478 | 30,478 |
| Changes of items during | | |
| Total changes of items during | - | - |
| Ending Balance | 30,478 | 30,478 |
| Capital surplus | | |
| Additional paid-in capital | | |
| Beginning Balance | 52,263 | 52,263 |
| Changes of items during | | |
| Total changes of items during | - | - |
| Ending Balance | 52,263 | 52,263 |
| Total capital surplus | | |
| Beginning Balance | 52,263 | 52,263 |
| Changes of items during | | |
| Total changes of items during | - | - |
| Ending Balance | 52,263 | 52,263 |
| Retained earnings | | |
| Legal reserve | | |
| Beginning Balance | 7,619 | 7,619 |
| Changes of items during | | |
| Total changes of items during | - | - |
| Ending Balance | 7,619 | 7,619 |
| Other retained earnings | | |
| General reserve | | |
| Beginning Balance | 875,961 | 365,961 |
| Changes of items during | | |
| General reserve | -510,000 | - |
| Total changes of items during | -510,000 | - |
| Ending Balance | 365,961 | 365,961 |

| Item of accounts | Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|-----------------------------------|--|---|
| | Amount (millions of yen) | Amount (millions of yen) |
| Retained earnings brought forward | | |
| Beginning Balance | -479,611 | 14,609 |
| Changes of items during | | |
| General reserve | 510,000 | - |
| Dividends | -28,845 | -16,464 |
| Net income | 13,064 | -256,933 |
| Cancellation of treasury stock | - | -15,005 |
| Total changes of items during | 494,220 | -288,402 |
| Ending Balance | 14,609 | -273,793 |
| Total retained earnings | | |
| Beginning Balance | 403,969 | 388,188 |
| Changes of items during | | |
| Dividends | -28,845 | -16,464 |
| Net income | 13,064 | -256,933 |
| Cancellation of treasury stock | - | -15,005 |
| Total changes of items during | -15,780 | -288,402 |
| Ending Balance | 388,188 | 99,787 |

| Item of accounts | Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|--|---|
| | Amount (millions of yen) | Amount (millions of yen) |
| Treasury stock | | |
| Beginning Balance | -40,776 | -48,248 |
| Changes of items during | | |
| Acquisition of treasury stock | -7,471 | -3,225 |
| Cancellation of treasury stock | - | 15,005 |
| Total changes of items during | -7,471 | 11,779 |
| Ending Balance | -48,248 | -36,469 |
| Total shareholders' equity | | |
| Beginning Balance | 445,934 | 422,682 |
| Changes of items during | | |
| Dividends | -28,845 | -16,464 |
| Net income | 13,064 | -256,933 |
| Acquisition of treasury stock | -7,471 | -3,225 |
| Total changes of items during | -23,252 | -276,623 |
| Ending Balance | 422,682 | 146,059 |
| Valuation and foreign currency translation adjustments | | |
| Valuation difference on available-for-sale securities | | |
| Beginning Balance | 6,432 | 1,791 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | -4,641 | -3,332 |
| Total changes of items during | -4,641 | -3,332 |
| Ending Balance | 1,791 | -1,541 |
| Deferred gains or losses on hedges | | |
| Beginning Balance | 861 | 4,383 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | 3,522 | -4,383 |
| Total changes of items during | 3,522 | -4,383 |
| Ending Balance | 4,383 | - |

| Item of accounts | Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|---|
| | Amount (millions of yen) | Amount (millions of yen) |
| Total valuation and foreign currency translation adjustments | | |
| Beginning Balance | 7,293 | 6,174 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | -1,119 | -7,715 |
| Total changes of items during | -1,119 | -7,715 |
| Ending Balance | 6,174 | -1,541 |
| Subscription rights to shares | | |
| Beginning Balance | - | 41 |
| Changes of items during | | |
| Net changes of items other than shareholders' equity | 41 | 101 |
| Total changes of items during | 41 | 101 |
| Ending Balance | 41 | 141 |
| Total net assets | | |
| Beginning Balance | 453,227 | 428,897 |
| Changes of items during | | |
| Dividends | -28,845 | -16,464 |
| Net income | 13,064 | -256,933 |
| Acquisition of treasury stock | -7,471 | -3,225 |
| Net changes of items other than shareholders' equity | -1,078 | -7,615 |
| Total changes of items during | -24,330 | -284,237 |
| Ending Balance | 428,897 | 144,659 |

(4) Notes on the Going-concern Assumption

None

Significant Accounting Policies

| Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|--|
| <p>1. Basis and method of valuation of securities</p> <p>(1) Investments in subsidiaries and affiliates: Cost is determined by the moving average method.</p> <p>(2) Other securities: Where there is a market value; 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; Cost is determined by the moving average method.</p> <p>2. Basis and method of valuation of inventories Cost is based on the last invoice cost method.</p> | <p>1. Basis and method of valuation of securities</p> <p>(1) Investments in subsidiaries and affiliates: The same as the previous fiscal year.</p> <p>(2) Other securities: Where there is a market value; The same as the previous fiscal year.</p> <p>Where there is no market value; The same as the previous fiscal year.</p> <p>2. Basis and method of valuation of inventories Standard and method of inventories evaluation As for raw materials and supplies, last invoice cost method, which requires to write down book value when there is a downturn of profitability, is adopted. (Changes in accounting method) From the current fiscal year, the Accounting Standard for Measurement of Inventories (ASBJ Statement No.9 July 5, 2006) is adopted. There is no impact of the said change.</p> |

| Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| <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) 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. As a result, operating income, ordinary income, income before income taxes and net income decreased by 62 million yen respectively.</p> <p>(Additional Information) 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. 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>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>4. -</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>The same as the previous fiscal year.</p> <p>4. Accounting for deferred assets</p> <p>All of bond issuance cost was posted as expenses at the time of payment.</p> |

| <p style="text-align: center;">Previous Fiscal Year (from April 1, 2007 to March 31, 2008)</p> | <p style="text-align: center;">Current Fiscal Year (from April 1, 2008 to March 31, 2009)</p> |
|---|---|
| <p>5. 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 of write-offs. 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> <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>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. 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 of write-offs. 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>(2) Allowance for losses for refund of interest received from customers</p> <p>The same as the previous 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> |

| Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|---|
| <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>6. 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>7. 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>8. 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) Allowance for retirement benefits of directors and corporate auditors</p> <p>The same as the previous fiscal year.</p> <p>6. -</p> <p>7. Accounting for hedging activities</p> <p>Interest-rate swap transaction and foreign currency swap transaction are concluded in order to hedge risks related to interest-rate fluctuations and foreign currency exchange fluctuations related to interest expenses for bonds and borrowings. Regarding interest-rate swap transaction, the exceptional accrual method is adopted because the transaction meets requirements of the said method provided by Japanese GAAP. Regarding foreign currency swap transaction, the specific allocation method is adopted because the transaction meets requirements of the said method provided by Japanese GAAP. As for evaluation method for effectiveness of hedging activities, evaluation is omitted since transactions meet requirements of the exception rule or the allocation rule for interest-rate swap.</p> <p>8. 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> |

Reclassification

| Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| <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> | <p style="text-align: center;">-</p> <p>(Non-Consolidated Statements of Income)</p> <ol style="list-style-type: none"> 1. Temporary employment expenses, which were separately posted until the previous fiscal year, are included in "other" of other operating expenses because they are no longer largely influential in the amount. Temporary employment expenses for the current fiscal year amounted 14 million yen. 2. Insurance premium, which were separately posted until the previous fiscal year, are included in "other" of other operating expenses because they are no longer largely influential in the amount. Insurance premium for the current fiscal year amounted 63 million yen. |

Footnotes to Non-Consolidated Balance Sheets

| Previous Fiscal Year (as of March 31, 2008) | Current Fiscal Year (as of March 31, 2009) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|-------------------|--------------------------------|---------|--|--|---------------------|-------------------|---|--------|----------------------|---------|-------|---------|--|----------------|-------------------|--------------------------------|---------|--|--|---------------------|-------------------|---|--------|----------------------|--------|-------|---------|
| <p>*1. The assets pledged as security and the corresponding secured liabilities are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Pledged assets</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td> Direct cash loans to customers</td> <td style="text-align: right;">549,834</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td>Secured liabilities</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td> Current portion of long-term borrowings</td> <td style="text-align: right;">55,260</td> </tr> <tr> <td> Long-term borrowings</td> <td style="text-align: right;">174,873</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">230,133</td> </tr> </table> <p>Amounts stated above include the portion related to the financing scheme by way of trusts of direct cash loans to customers (Direct cash loans to customers, 549,834 million yen; long-term borrowings [including current portion thereof], 230,133 million yen).</p> <p>*2. The total outstanding balance, 1,195,328 million yen, of direct cash loans to customers only consists of unsecured loans to individuals.</p> <p>3. Regarding direct cash loans to customers, once a credit limit has been established for a customer, the customer may access his or her credit line on a revolving basis. The unused portion of each customer's credit line as of the end of fiscal year was 382,069 million yen, which included 221,754 million yen of the unused portion of credit line for customers, who did not have any loan balance. The credit line of a customer is either increased or decreased by the Company at its discretion based on the credit capacity of the customer. The Company believes that the total unused balance of each customer's credit line does not significantly affect the Company's cash flows in the future.</p> <p>4. -</p> <p>5. 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>*6. The amount of 33,237 million yen of accumulated depreciation for tangible fixed assets was offset.</p> | Pledged assets | (millions of yen) | Direct cash loans to customers | 549,834 | | | Secured liabilities | (millions of yen) | Current portion of long-term borrowings | 55,260 | Long-term borrowings | 174,873 | Total | 230,133 | <p>*1. The assets pledged as security and the corresponding secured liabilities are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Pledged assets</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td> Direct cash loans to customers</td> <td style="text-align: right;">302,003</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td>Secured liabilities</td> <td style="text-align: right;">(millions of yen)</td> </tr> <tr> <td> Current portion of long-term borrowings</td> <td style="text-align: right;">35,598</td> </tr> <tr> <td> Long-term borrowings</td> <td style="text-align: right;">73,665</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">109,263</td> </tr> </table> <p>Amounts stated above is the portion related to the financing scheme by way of trusts of direct cash loans to customers.</p> <p>*2. The total outstanding balance, 861,517 million yen, of direct cash loans to customers only consists of unsecured loans to individuals.</p> <p>3. Regarding direct cash loans to customers, once a credit limit has been established for a customer, the customer may access his or her credit line on a revolving basis. The unused portion of each customer's credit line as of the end of fiscal year was 391,516 million yen, which included 204,127 million yen of the unused portion of credit line for customers, who did not have any loan balance. The credit line of a customer is either increased or decreased by the Company at its discretion based on the credit capacity of the customer. The Company believes that the total unused balance of each customer's credit line does not significantly affect the Company's cash flows in the future.</p> <p>*4. Short-term loans receivable are on repurchase agreement. Market value of financial assets (investment securities) received as securities related to these transactions was 49,992 million yen at the end of the current fiscal year.</p> <p>5. -</p> <p>*6. The amount of 26,786 million yen of accumulated depreciation for tangible fixed assets was offset.</p> | Pledged assets | (millions of yen) | Direct cash loans to customers | 302,003 | | | Secured liabilities | (millions of yen) | Current portion of long-term borrowings | 35,598 | Long-term borrowings | 73,665 | Total | 109,263 |
| Pledged assets | (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Direct cash loans to customers | 549,834 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Secured liabilities | (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Current portion of long-term borrowings | 55,260 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long-term borrowings | 174,873 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 230,133 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pledged assets | (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Direct cash loans to customers | 302,003 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Secured liabilities | (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Current portion of long-term borrowings | 35,598 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long-term borrowings | 73,665 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 109,263 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Previous Fiscal Year (as of March 31, 2008) | Current Fiscal Year (as of March 31, 2009) |
|---|---|
| <p>*7. Delinquent loans receivable</p> <p>Loans to bankrupt borrowers; 1,111 million yen 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 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 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) 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 receivable current or less than 31 days past due, the amount of which is indicated in the parenthesis as above.</p> <p>8. Restriction on dividend 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 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>*7. Delinquent loans receivable</p> <p>Loans to bankrupt borrowers; 48 million yen 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; 63,763 million yen 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; 28,408 million yen 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; 67,508 million yen (62,207 million yen) 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 receivable current or less than 31 days past due, the amount of which is indicated in the parenthesis as above.</p> <p>8. Restriction on dividend Certain covenants were applied to 10,000 million yen of borrowings and 58,567 million yen of bonds. The Company should repay or redeem the outstanding balance in a lump-sum 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 100,000 million yen;</p> <p>(2) in case of the ratio of consolidated shareholders' equity against consolidated total assets being less than 10%;</p> |

| Previous Fiscal Year (as of March 31, 2008) | Current Fiscal Year (as of March 31, 2009) |
|--|--|
| <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%; 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, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|---|
| <p>1. Basis for classification of financial revenues and expenses on the statements of income</p> <p>(1) Financial revenues 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 investment 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 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. Impairment loss and loss on closing of branch offices During the current fiscal year, loss on closing of branch offices of 1,168 million yen was recorded due to the cease of 69 manned branch offices. Impairment loss 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 impairment loss 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> <p style="text-align: center;">-</p> | <p>1. Basis for classification of financial revenues and expenses on the statements of income</p> <p>(1) Financial revenues 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. -</p> <p>*3. -</p> <p>*4. Impairment loss and loss on closing of branch offices Loss on closing of branch offices of 1,605 million yen, for realized closing expenses during the current fiscal year, and accrual closing expenses of 291 million yen for the next fiscal year were recorded due to the decision made for the cease of manned and unmanned branch offices and reorganization of regional branches etc. Impairment loss of 211 million yen for the telephone rights related to closing of branch offices and accrual expense of 72 million yen related to the closing for the next fiscal year were posted. In addition, due to 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 impairment loss amounting 102 million yen.</p> <p>*5. -</p> <p>*6. Loss on commitment facility cancellation This is a loss due to cancellation of a commitment facility by way of true sale and due to early repayment.</p> |

Footnotes to Non-Consolidated Statement of Changes in Net Assets

Previous 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 based on the resolution of the board of directors' meeting of 3,057 thousand shares and purchase of under unit stocks of 0 thousand shares.

Current Fiscal Year (from April 1, 2008 to March 31, 2009)

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) | 9,647 | 2,729 | 3,000 | 9,375 |
| Total | 9,647 | 2,729 | 3,000 | 9,375 |

Note: 1. The factors of the number increased by 2,729 thousand shares are acquisition of treasury stock based on the resolution of the board of directors' meeting of 2,729 thousand shares and purchase of under unit stocks of 0 thousand shares.

2. Decrease by 3,000 thousand shares of common stock of issued stocks and of treasury stocks is due to cancellation of treasury stocks based on the resolution of the board of directors' meeting.

Footnotes to Lease Transactions

| Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) | | | | | | | | | | | | | | | | | | |
|--|---|--|--|------------------------------|-------------------------|-----|-----|---|-------|-----|-----|---|---------------------|---|-------------------|---|-------|---|--|
| <p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.</p> <p>1. Equivalent of acquisition cost, accumulated depreciation and net book value of the leased assets at the end of the fiscal year</p> <p style="text-align: right;">(millions of yen)</p> <table border="1"> <thead> <tr> <th></th> <th>Equivalent of acquisition cost</th> <th>Equivalent of accumulated depreciation</th> <th>Equivalent of net book value</th> </tr> </thead> <tbody> <tr> <td>Equipment and furniture</td> <td style="text-align: center;">447</td> <td style="text-align: center;">443</td> <td style="text-align: center;">3</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">447</td> <td style="text-align: center;">443</td> <td style="text-align: center;">3</td> </tr> </tbody> </table> <p>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.</p> <p>2. Outstanding lease fee payable at the end of the fiscal year</p> <p style="text-align: right;">(millions of yen)</p> <table style="width: 100%;"> <tbody> <tr> <td style="width: 80%;">Due within one year</td> <td style="text-align: right;">3</td> </tr> <tr> <td>Due over one year</td> <td style="text-align: right;">-</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">3</td> </tr> </tbody> </table> <p>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.</p> <p>3. Lease fee, a reversal of accumulated impairment loss on leased assets account, equivalent of depreciation and impairment loss</p> <p style="padding-left: 20px;">Lease fee and equivalent of depreciation:</p> <p style="text-align: right;">141 million yen</p> <p>4. Method of calculation of equivalent of depreciation</p> <p>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.</p> <p>(Impairment loss)</p> <p>No impairment loss is recorded for leased assets.</p> | | Equivalent of acquisition cost | Equivalent of accumulated depreciation | Equivalent of net book value | Equipment and furniture | 447 | 443 | 3 | Total | 447 | 443 | 3 | Due within one year | 3 | Due over one year | - | Total | 3 | <p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.</p> <p style="text-align: center;">None</p> |
| | Equivalent of acquisition cost | Equivalent of accumulated depreciation | Equivalent of net book value | | | | | | | | | | | | | | | | |
| Equipment and furniture | 447 | 443 | 3 | | | | | | | | | | | | | | | | |
| Total | 447 | 443 | 3 | | | | | | | | | | | | | | | | |
| Due within one year | 3 | | | | | | | | | | | | | | | | | | |
| Due over one year | - | | | | | | | | | | | | | | | | | | |
| Total | 3 | | | | | | | | | | | | | | | | | | |

Footnotes to Marketable Securities

There were no investment 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, 2008) | Current Fiscal Year (as of March 31, 2009) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|------|--------------------------------|-------|---|-------|------------------------------|--------|-----------------------|-----|--------------------|-------|---|--------|---------------------|--------|-------|--------|--|--|---------------------------|------|--------------------------------|--------|-------------------|--|-----------------------------------|--|-----------------------|-------|-----------------------|-----|---------------------------|--------|---|---------|--|-------|---------------------|--------|-------|-----|----------|---------|---------------------|----------|-------|----|--|--|---|--------|------------------------------------|--------|-------|--------|-------------------------------------|--------|--|-------------------------------------|--|--------------------------------|-------|---|-------|-----------------------------|--------|-----------------------|-----|-------|-----|----------|--------|---------------------|---------|-------|---|-------------------|--|-----------------------------------|--|-----------------------|-------|-----------------------|-----|---|-----|---------------------------|--------|---|---------|--|-------|---------------------|---------|-------|--------|----------|---------|---------------------|----------|-------|---|
| <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 style="border-top: 1px solid black;">Subtotal</td> <td style="text-align: right; border-top: 1px solid black;">29,928</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-4,257</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">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 style="border-top: 1px solid black;">Net deferred income tax assets</td> <td style="text-align: right; border-top: 1px solid black;">25,364</td> </tr> <tr> <td colspan="2" style="text-align: right;">(millions of yen)</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>Investment 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 style="border-top: 1px solid black;">Subtotal</td> <td style="text-align: right; border-top: 1px solid black;">209,248</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-209,176</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">71</td> </tr> <tr> <td colspan="2">Fixed deferred income tax liabilities;</td> </tr> <tr> <td>Valuation difference on available-for-sale securities</td> <td style="text-align: right;">-1,219</td> </tr> <tr> <td>Deferred gains or losses on hedges</td> <td style="text-align: right;">-2,983</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">-4,202</td> </tr> <tr> <td style="border-top: 1px solid black;">Net deferred income tax liabilities</td> <td style="text-align: right; border-top: 1px solid black;">-4,131</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 | Subtotal | 29,928 | Valuation allowance | -4,257 | Total | 25,671 | Current deferred income tax liabilities; | | Enterprise tax refundable | -307 | Net deferred income tax assets | 25,364 | (millions of yen) | | Fixed deferred income tax assets; | | Tangible fixed assets | 7,814 | Investment 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 | Subtotal | 209,248 | Valuation allowance | -209,176 | Total | 71 | Fixed deferred income tax liabilities; | | Valuation difference on available-for-sale securities | -1,219 | Deferred gains or losses on hedges | -2,983 | Total | -4,202 | Net deferred income tax liabilities | -4,131 | <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;">7,467</td> </tr> <tr> <td>Accrued interest income on direct cash loans to customers</td> <td style="text-align: right;">1,996</td> </tr> <tr> <td>Allowance for credit losses</td> <td style="text-align: right;">12,966</td> </tr> <tr> <td>Allowance for bonuses</td> <td style="text-align: right;">258</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">424</td> </tr> <tr> <td style="border-top: 1px solid black;">Subtotal</td> <td style="text-align: right; border-top: 1px solid black;">23,110</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-23,110</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">-</td> </tr> <tr> <td colspan="2" style="text-align: right;">(millions of yen)</td> </tr> <tr> <td colspan="2">Fixed deferred income tax assets;</td> </tr> <tr> <td>Tangible fixed assets</td> <td style="text-align: right;">7,992</td> </tr> <tr> <td>Investment securities</td> <td style="text-align: right;">235</td> </tr> <tr> <td>Valuation difference on available-for-sale securities</td> <td style="text-align: right;">624</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;">163,360</td> </tr> <tr> <td>Allowance for retirement benefits of employees</td> <td style="text-align: right;">1,460</td> </tr> <tr> <td>Accumulated deficit</td> <td style="text-align: right;">109,589</td> </tr> <tr> <td>Other</td> <td style="text-align: right;">12,579</td> </tr> <tr> <td style="border-top: 1px solid black;">Subtotal</td> <td style="text-align: right; border-top: 1px solid black;">310,162</td> </tr> <tr> <td>Valuation allowance</td> <td style="text-align: right;">-310,162</td> </tr> <tr> <td style="border-top: 1px solid black;">Total</td> <td style="text-align: right; border-top: 1px solid black;">-</td> </tr> </table> | Current deferred income tax assets; | | Direct cash loans to customers | 7,467 | Accrued interest income on direct cash loans to customers | 1,996 | Allowance for credit losses | 12,966 | Allowance for bonuses | 258 | Other | 424 | Subtotal | 23,110 | Valuation allowance | -23,110 | Total | - | (millions of yen) | | Fixed deferred income tax assets; | | Tangible fixed assets | 7,992 | Investment securities | 235 | Valuation difference on available-for-sale securities | 624 | Investments in affiliates | 14,323 | Allowance for losses for refund of interest received from customers | 163,360 | Allowance for retirement benefits of employees | 1,460 | Accumulated deficit | 109,589 | Other | 12,579 | Subtotal | 310,162 | Valuation allowance | -310,162 | Total | - |
| 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 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subtotal | 29,928 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -4,257 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 25,671 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Current deferred income tax liabilities; | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Enterprise tax refundable | -307 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net deferred income tax assets | 25,364 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fixed deferred income tax assets; | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tangible fixed assets | 7,814 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment 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 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subtotal | 209,248 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -209,176 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 71 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fixed deferred income tax liabilities; | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation difference on available-for-sale securities | -1,219 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Deferred gains or losses on hedges | -2,983 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | -4,202 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net deferred income tax liabilities | -4,131 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Current deferred income tax assets; | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Direct cash loans to customers | 7,467 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Accrued interest income on direct cash loans to customers | 1,996 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for credit losses | 12,966 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for bonuses | 258 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 424 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subtotal | 23,110 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -23,110 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (millions of yen) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fixed deferred income tax assets; | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tangible fixed assets | 7,992 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment securities | 235 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation difference on available-for-sale securities | 624 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investments in affiliates | 14,323 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for losses for refund of interest received from customers | 163,360 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allowance for retirement benefits of employees | 1,460 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Accumulated deficit | 109,589 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 12,579 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Subtotal | 310,162 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -310,162 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <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 colspan="2">(Reconciling items)</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 style="border-top: 1px solid black;">Effective tax rate</td> <td style="text-align: right; border-top: 1px solid black;">-45.5</td> </tr> </table> | Statutory tax rate | 40.5 | (Reconciling items) | | Valuation allowance | -89.2 | Per capita inhabitants taxes | 2.2 | Other | 1.0 | Effective tax rate | -45.5 | <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> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Statutory tax rate | 40.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Reconciling items) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation allowance | -89.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Per capita inhabitants taxes | 2.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | 1.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Effective tax rate | -45.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Footnotes to Statistics per Share

| Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|--|
| Net assets per share; 3,115.59 yen | Net assets per share; 1,071.14 yen |
| Net income per share; 93.20 yen | Net loss per share; 1,885.90 yen |
| Net income per share-diluted is not presented since there are no potential dilutive stocks. | Net income per share-diluted is not presented since net loss is recorded and 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, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|--|--|
| Net income or net loss per share | | |
| Net income for the fiscal year | 13,064 | -256,933 |
| Net income not available to common shareholders | - | - |
| Net income for common stock | 13,064 | -256,933 |
| Average number of shares outstanding during the current fiscal year (thousand shares) | 140,172 | 136,239 |
| Outline of potential stocks, which are not dilutive and therefore were excluded from the calculation of net income per share-diluted | Subscription rights to shares as stock options resolved by the board of directors meeting held on November 8, 2007 521,100 shares | Subscription rights to shares as stock options resolved by the board of directors meeting held on November 8, 2007 470,300 shares JPY 70 billion Euro-yen convertible bond-type bonds with subscription rights to shares due 2018 Share subscription rights as stock options based on the resolution of the board of directors' meeting held on July 18, 2008. 24,900 shares |

Subsequent Events

| Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|---|---|
| <p>(Issuance of Euro-yen convertible bond-type bonds with subscription rights to shares due 2018)</p> <p>The Company issued Euro-yen Convertible Bonds with certain acquisition stipulation (cash settlement stipulation) and with stock acquisition rights incorporated in the bonds with certain conversion restrictions stipulation on June 19, 2008 by third-party allotment, based on the resolution of the board of directors' meeting on May 23, 2008.</p> <ol style="list-style-type: none"> 1. Type of bonds: Euro-yen Convertible Bonds due 2018 with stock acquisition rights embedded in the bonds 2. Number of bonds: 1,400 (denomination of ¥50 million (\$500 thousand) each) 3. Issue price: 100% of the principal amount of the bonds 4. Total issue price: ¥70 billion (\$700 million) 5. Issue date: June 19, 2008 6. Coupon: 1.5 per cent per annum 7. Redemption method: redeem at 100% of denomination 8. Due date: June 19, 2018 9. Details of stock acquisition rights <ol style="list-style-type: none"> (1) Conversion price: ¥2,352 (US\$23.52) per share (2) Exercise period: From July 3, 2008 to June 5, 2018 (3) Cash settlement stipulation: The rights for the Company to acquire all the remaining convertible bonds in exchange for assets distribution (if the conversion price is below the bonds' denomination, cash equivalent to bonds' denomination; if the conversion price is above the denomination price, cash equivalent to bonds' denomination and shares equivalent to conversion marginal gain) after a certain period of prior notice at the Company's discretion, after 7 years, utilizing the acquisition stipulation provided by the new Companies Act. (4) Conversion restriction stipulation: Stipulation that does not allow investors to exercise stock acquisition rights unless the stock price becomes a certain level above the conversion price. As for these convertible bonds, in the first 9 years, stock acquisition rights can be exercised if the stock price becomes above 120% of the conversion price for 20 or more trading days during the last 30 days of the previous quarter; in the 10th year, stock acquisition rights can be exercised if the stock price becomes above 120% for one or more trading days. 10. Details of pledge: No pledge or guarantee is provided 11. Use of fund: General operating fund and repayment of existing interest-bearing debt | - |

| Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | Current Fiscal Year (from April 1, 2008 to March 31, 2009) |
|--|---|
| <p>(Cancellation of treasury stock) The Company cancelled treasury stock in accordance with the Companies Act, Article 178, as resolved at the board of directors' meeting held on June 27, 2008. The details are as follows:</p> <p>(1) Reason: Enhancement of shareholders' value through decreasing the number of shares issued (2) Method of cancellation: Decreasing the retained earnings (3) Stock type: Common stock (4) Number of stocks cancelled: 3,000,000 shares (5) Total amount of stocks cancelled: ¥15,005 million (\$150,050 thousand) (6) Number of issued shares outstanding after cancellation: 144,295,200 shares (7) Cancellation date: June 30, 2008</p> <p>(Acquisition of treasury stock) The Company resolved acquisitions of treasury stock at the board of directors' meeting held on June 27, 2008, under the provision of Article 156 of the Companies Act, which should be read in accordance with the provision of Article 165, paragraph 3.</p> <p>(1) Reason: To allow the Company to adopt flexible capital policies in accordance with changes in the business environment (2) Method of acquisition: Purchases in market (3) Number of stocks to be acquired (maximum): 3,000,000 shares (4) Total acquisition cost (maximum): ¥7,000 million (\$70,000 thousand) (5) Acquisition period: From July 1, 2008 to December 29, 2008</p> | <p>-</p> <p>-</p> |

7. Other

Change of directors on board, corporate auditors and executive officers

Change of directors on board, corporate auditors and executive officers will be announced when determined.

8. Actual Operating Results (Non-Consolidated)

(1) Break-down of Operating Revenues

| Source of revenues | | Previous Fiscal Year (from April 1, 2007 to March 31, 2008) | | Current Fiscal Year (from April 1, 2008 to March 31, 2009) | | Change | |
|--|--|--|--------------------------|---|--------------------------|-----------------------------|---------------------|
| | | Amount (millions of yen) | Composition Ratio (%) | Amount (millions of yen) | Composition Ratio (%) | Amount (millions of yen) | Change Ratio (%) |
| Interest income on direct cash loans | Unsecured loans | 261,981 | 97.2 | 178,337 | 96.2 | -83,643 | -31.9 |
| Credit card revenues | Credit card | 72 | 0.0 | 69 | 0.0 | -3 | -4.6 |
| Other financial revenues | Interest on bank deposits | 825 | 0.3 | 427 | 0.2 | -398 | -48.2 |
| | Interest on loans other than direct cash loans | 226 | 0.1 | 329 | 0.2 | 103 | 45.7 |
| | Other (Note 1) | 1,880 | 0.7 | 1,822 | 1.0 | -58 | -3.1 |
| | Subtotal | 2,930 | 1.1 | 2,578 | 1.4 | -353 | -12.0 |
| Other operating revenues | Collection from bad debts previously written-off | 3,312 | 1.2 | 3,235 | 1.8 | -78 | -2.3 |
| | Real estate rent | 968 | 0.4 | 993 | 0.5 | 24 | 2.5 |
| | Other (Note 2) | 188 | 0.1 | 232 | 0.1 | 44 | 23.3 |
| | Subtotal | 4,468 | 1.7 | 4,459 | 2.4 | -9 | -0.2 |
| Total | | 269,452 | 100.0 | 185,443 | 100.0 | -84,009 | -31.2 |

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

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

(2) Other Highlights Data

| Items | Previous Fiscal Year (as of March 31, 2008) | Current Fiscal Year (as of March 31, 2009) | Change | Change Ratio |
|---|--|---|----------|--------------|
| | | | | (%) |
| Direct cash loans to customers (millions of yen) | 1,195,328 | 861,517 | -333,812 | -27.9 |
| Unsecured loans | 1,195,328 | 861,517 | -333,812 | -27.9 |
| Secured loans | - | - | - | - |
| Installment receivables (millions of yen) | 557 | 465 | -92 | -16.5 |
| Number of loan customer accounts | 1,833,316 | 1,480,683 | -352,633 | -19.2 |
| Unsecured loans | 1,833,316 | 1,480,683 | -352,633 | -19.2 |
| Secured loans | - | - | - | - |
| Number of credit card membership | 294,860 | 275,684 | -19,176 | -6.5 |
| Number of branch offices | 1,500 | 1,051 | -449 | -29.9 |
| Manned | 360 | 210 | -150 | -41.7 |
| Unmanned (included Quick loan application machine) | 1,139 | 840 | -299 | -26.3 |
| Internet Yen shop | 1 | 1 | - | - |
| Number of unmanned loan contract machines (included Quick loan application machine) | 1,500 | 1,051 | -449 | -29.9 |
| Number of cash dispensers and ATMs | 53,938 | 54,904 | 966 | 1.8 |
| Owned | 1,618 | 1,161 | -457 | -28.2 |
| Inter-linked | 52,320 | 53,743 | 1,423 | 2.7 |
| Number of employees | 2,625 | 2,415 | -210 | -8.0 |
| Write-offs (millions of yen) | 98,248 | 144,404 | 46,155 | 47.0 |
| Interest repaid (portion of principal impaired) (millions of yen) | 61,242 | 67,531 | 6,289 | 10.3 |
| Allowance for credit losses (millions of yen) | 143,998 | 96,994 | -47,004 | -32.6 |