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Securities Code: 8572
June 2, 2015

To Shareholders with Voting Rights

Shigeyoshi Kinoshita
Chairman & President
ACOM CO., LTD.
1-1, Marunouchi 2-chome,
Chiyoda-ku, Tokyo, Japan

CONVOCATION NOTICE FOR 38th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 38th Ordinary General Meeting of Shareholders of the Company. The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by using one of the following methods. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:00 p.m. on Tuesday, June 23, 2015.

Voting by mail

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form, and return the form to us by mail so that it will arrive by the deadline above.

Voting via the Internet

Please indicate your vote for or against each of the proposals via the Internet by the deadline above. If you exercise your voting rights both by mail and via the Internet, only your vote placed via the Internet will be valid.

1. **Date and Time:** Wednesday, June 24, 2015 at 10:00 a.m.
2. **Place:** MY PLAZA HALL, 4th floor, Meiji Yasuda Seimei Building (Marunouchi MY PLAZA), located at 1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan
3. **Agenda of the Meeting:**

Matters to be reported:

1. The Business Report, Consolidated Financial Statements, and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Company Auditors for the 38th fiscal year (from April 1, 2014 to March 31, 2015)
2. Non-consolidated Financial Statements for the 38th fiscal year (from April 1, 2014 to March 31, 2015)

Proposals to be resolved:

Proposal No. 1: Partial Amendments to the Articles of Incorporation
Proposal No. 2: Election of Eight Directors
Proposal No. 3: Election of Four Company Auditors

4. Matters regarding appendix of the Notice and Reference Documents for General Meeting of Shareholders:

(1) In accordance with relevant laws and regulations, and the provisions of Article 15 of the Articles of Incorporation of the Company, the Company has posted the following information on its website on the Internet, and so these notes have not been included in the attached "Business Report for the 38th Fiscal Year." Therefore, the attached "Business Report for the 38th Fiscal Year" is one of the documents audited by the Company Auditors and Accounting Auditor in preparing the Audit Report.
- Notes to the Consolidated Financial Statements
- Notes to the Non-consolidated Financial Statements

(2) If there is any amendment to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements, such amendment will be posted on the Company's website on the Internet.

The Company's website (http://www.acom.co.jp/corp/ir_index.html)*
*Please visit (http://www.acom.co.jp/corp/english/ir_index.html) for information in English.

- For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting. If you exercise your voting rights by proxy, you may only delegate your voting rights to a proxy who is a shareholder holding voting rights of the Company. In such cases, only one proxy is allowed.
- Reception will commence at 9:00 a.m. on the day of the meeting.
- We kindly ask you to bring this Notice, the Business Report, and other documents we mail you in advance, where possible. These documents will be available at the meeting venue, but in limited supply. Thank you for your understanding.

Reference Documents for General Meeting of Shareholders

Proposals and references

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendment
   (1) The Company proposes to make partial amendments to the Articles of Incorporation in order to correctly reflect businesses currently engaged by the Company and its subsidiaries.
   (2) The Company proposes to amend part of the provisions in Article 28, Paragraph 2 and Article 37, Paragraph 2 of the Articles of Incorporation of the Company, following a change in the scope of officers entitled to enter into limited liability agreement under the Act for Partial Revision of the Companies Act (Act No. 90 of 2014) effective May 1, 2015, with a view to enabling non-executive Directors and Company Auditors that are not Outside Company Auditors to fully perform their roles as expected. The amendment to Article 28, Paragraph 2 of the Articles of Incorporation has been approved by all Company Auditors.

2. Contents of amendment
   Proposed amendments are as follows.

(Underlined parts are subject to amendments.)

Existing Articles of Incorporation	Proposed Amendments
Article 2 (Purpose) The purpose of the Company shall be to engage in the following businesses: 1. (Omitted) 2. Installment sales finance; 3. - (Omitted) 9. 10. Research, study and consulting relating to life economy; 11. Planning, production and sale of printed matters and publications; 12. - (Omitted) 16.	Article 2 (Purpose) The purpose of the Company shall be to engage in the following businesses: 1. (Unchanged) 2. Intermediation of credit purchases; 3. - (Unchanged) 9. (Deleted) (Deleted) 10. - (Unchanged) 14.
Article 28 (Limitation of Liabilities of Directors) 1. The Company may, by a resolution of the Board of Directors, exempt Directors (including ex-Directors) failing to perform their duties from their liabilities for damage pursuant to Article 426, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations. 2. The Company may enter into an agreement with outside Directors, pursuant to Article 427, Paragraph 1 of the Companies Act, which limits the maximum amount of their liabilities for damage regarding failure to perform their duties; provided, however, that such limitation of liability under the relevant agreement shall be limited to the extent permitted by laws and regulations.	Article 28 (Limitation of Liabilities of Directors) (Unchanged) 2. The Company may enter into an agreement with Directors (excluding those with authority on business execution, etc.), pursuant to Article 427, Paragraph 1 of the Companies Act, which limits the maximum amount of their liabilities for damage regarding failure to perform their duties; provided, however, that such limitation of liability under the relevant agreement shall be limited to the extent permitted by laws and regulations.
Article 37 (Limitation of Liabilities of Company Auditors) 1. The Company may, by a resolution of the Board of Directors, exempt Company Auditors (including ex-Company Auditors) failing to perform their duties from their liabilities for damage pursuant to Article 426, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations. 2. The Company may enter into an agreement with outside Company Auditors, pursuant to Article 427, Paragraph 1 of the Companies Act, which limits the maximum amount of	Article 37 (Limitation of Liabilities of Company Auditors) (Unchanged) 2. The Company may enter into an agreement with Company Auditors, pursuant to Article 427, Paragraph 1 of the

Existing Articles of Incorporation	Proposed Amendments
their liabilities for damage regarding failure to perform their duties; provided, however, that such limitation of liability under the relevant agreement shall be limited to the extent permitted by laws and regulations.	Companies Act, which limits the maximum amount of their liabilities for damage regarding failure to perform their duties; provided, however, that such limitation of liability under the relevant agreement shall be limited to the extent permitted by laws and regulations.

Proposal No. 2: Election of Eight Directors

All seven Directors will complete their terms of office at the conclusion of this General Meeting of Shareholders. To further improve the management structure, the Company proposes that the number of Directors be increased by one and that eight Directors be elected.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions		Number of shares of Company held
1	Shigeyoshi Kinoshita (April 14, 1949)	April 1973	Joined Marubeni Corporation	32,397,260
		April 1978	Joined Japan Consumer Finance Co., Ltd.	
		February 1983	Director and Chief General Manager, General Affairs Dept. of the Company	
		May 1984	Director and Chief General Manager, Accounting Dept. of the Company	
		August 1986	Managing Director of the Company	
		June 1988	Managing Director and Head of Business Promotion Division of the Company	
		October 1991	Representative and Senior Managing Director of the Company	
		October 1992	Representative and Senior Managing Director and Head of the Loan Sales Division of the Company	
		October 1996	Representative Director and Deputy President of the Company	
		June 2000	Representative Director and President of the Company	
		June 2003	President and Chief Executive Officer of the Company (to present)	
		June 2010	Chairman, President and Chief Executive Officer of the Company (to present)	

No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of Company held
2	Toshiaki Kajiura (April 8, 1953)	April 1977 Joined The Mitsubishi Trust and Banking Corporation (MTB) February 1999 General Manager, Nagasaki Branch of MTB June 2001 General Manager, Business Integration Office of MTB November 2001 General Manager, Osaka Sales Division II of MTB March 2004 General Manager, Investment Planning Division of MTB June 2004 Executive Officer and General Manager, Investment Planning Division of MTB June 2004 Executive Officer and Assistant General Manager, Asset Management and Administration Planning Division of Mitsubishi Tokyo Financial Group, Inc. June 2005 Executive Officer and General Manager, Corporation Finance Division of MTB June 2005 Executive Officer and General Manager of Trust Business Planning Division, and Assistant General Manager, Corporate Business Planning Division of Mitsubishi Tokyo Financial Group, Inc. October 2005 Executive Officer and General Manager, Corporation Finance Division of Mitsubishi UFJ Trust and Banking Corporation (MUTB) October 2005 Executive Officer and General Manager, Trust Business Planning Division, Corporate Business Planning Division, and Corporate Business Division I of Mitsubishi UFJ Financial Group, Inc. April 2006 Executive Officer and General Manager, Corporate Business Promotion Division of MUTB June 2007 Managing Director of MUTB June 2009 Managing Executive Officer of MUTB June 2010 Senior Managing Executive Officer of MUTB June 2011 Deputy Chairman of the Company (to present) (Assignment) In charge of Compliance Dept. and Internal Audit Dept.	10,000

No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of Company held
3	Kazuo Fukumoto (February 27, 1958)	March 1980 Joined the Company April 2002 General Manager, Corporate Management Dept. of the Company June 2003 Chief General Manager, Corporate Management Dept. of the Company October 2005 Executive Officer and Chief General Manager, Corporate Management Dept. of the Company April 2007 Executive Officer and Chief General Manager, Corporate Planning Dept. of the Company June 2012 Executive Managing Officer and Head of Credit Business Promotion Division of the Company (to present) June 2013 Managing Director of the Company (to present) (Assignment) In charge of Business Promotion Dept., East Japan Business Promotion Dept., West Japan Business Promotion Dept. and Compliance for Credit Business Promotion Office	10,000
4	Mitsuhiro Umezu (May 18, 1957)	April 2005 Assistant Professor, Faculty of Business and Commerce, Keio University April 2007 Associate Professor, Faculty of Business and Commerce, Keio University (to present) June 2007 Outside Director of Nissay Dowa General Insurance Co., Ltd. (currently Aioi Nissay Dowa Insurance Co., Ltd.) April 2010 Outside Director of MS&AD Insurance Group Holdings, Inc. June 2010 Outside Director of SAN-AI OIL CO., LTD. (to present) June 2014 Outside Director of the Company (to present) (Significant concurrent position) Associate Professor, Faculty of Business and Commerce, Keio University Outside Director of SAN-AI OIL CO., LTD.	0
5	(Newly appointed) Masataka Kinoshita (September 19, 1977)	September 2005 Joined the Company October 2009 General Manager, Credit Supervision Division of the Company January 2010 General Manger, Corporate Planning Dept. of the Company April 2010 General Manager, Guarantee Business Dept. of the Company April 2012 General Manager, Business Promotion Dept. of the Company April 2013 Chief General Manager, Business Planning Dept. of the Company April 2014 Executive Officer and Chief General Manager, Business Planning Dept. of the Company June 2014 Executive Managing Officer, Deputy Head of Credit Business Promotion Division, and Chief General Manager, Business Planning Dept. of the Company April 2015 Executive Managing Officer and Deputy Head of Credit Business Promotion Division (to present) (Assignment) In charge of Business Planning Dept.	7,413,120

No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of Company held
6	(Newly appointed) Teruyuki Sagehashi (October 27, 1955)	December 1981 Joined the Company April 2002 General Manager, Corporate Management Dept. of the Company June 2003 Chief General Manager, Human Resources Dept. of the Company June 2004 General Manager, Internal Audit Dept. of the Company April 2005 General Manager, Internal Audit Dept. of the Company June 2005 Chief General Manager, Internal Audit Dept. of the Company October 2005 Chief General Manager, Operation Risk Management Dept. of the Company April 2007 Chief General Manager, Business Operations Planning Dept. of the Company April 2008 Executive Officer and Chief General Manager, Business Operations Planning Dept. of the Company April 2010 Executive Officer and Chief General Manager, System Development & Administration Dept. of the Company June 2012 Executive Managing Officer and Chief General Manager, System Development & Administration Dept. of the Company April 2014 Executive Managing Officer of the Company (to present) (Assignment) In charge of Human Resources Dept. and System Development & Administration Division	4,000
7	(Newly appointed) Takahiro Yanai (May 4, 1958)	April 1982 Joined The Mitsubishi Bank, Ltd. January 2005 General Manager, Customer Card & Credit Business Division of The Bank of Tokyo-Mitsubishi, Ltd. January 2005 General Manager, Strategical Comprehensive Card & Credit Card Division of Mitsubishi Tokyo Financial Group, Inc. October 2005 Deputy General Manager, Consumer Finance Planning Division of Mitsubishi UFJ Financial Group, Inc. (MUFG) January 2006 General Manager, Corporate Planning Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) January 2006 Deputy General Manager, Corporate Planning Division of MUFG April 2006 General Manager, Corporate Planning Division of BTMU and temporary transfer to Japanese Bankers Association April 2007 General Manager, Corporate Planning Division of BTMU April 2007 General Manager, Corporate Planning Division and Corporate Risk Management Division, and Deputy General Manager, Financial Planning Division of MUFG April 2008 Executive Officer & General Manager, Corporate Planning Division of BTMU April 2008 Executive Officer, General Manager, Corporate	0

No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of Company held
		Planning Division and Corporate Risk Management Division, and Deputy General Manager, Financial Planning Division of MUFG May 2009 Executive Officer & General Manager, Retail Banking Business Planning Division of BTMU May 2009 Executive Officer & General Manager, Retail Business Planning Division of MUFG May 2011 Executive Officer & General Manger, Corporate Planning Division of BTMU May 2011 Executive Officer & General Manger, Corporate Planning Division of MUFG May 2012 Managing Executive Officer of BTMU May 2012 Managing Executive Officer, Deputy Group Head, Integrated Trust Assets Business Group and Deputy Group Head, Integrated Corporate Banking Business Group of MUFG May 2013 Managing Executive Officer & General Manager, Corporate & Investment Banking Strategy Division of BTMU May 2013 Managing Executive Officer & General Manager, Deputy Group Head, Integrated Trust Assets Business Group and Deputy Group Head, Integrated Corporate Banking Business Group, Corporate & Investment Banking Planning Division of MUFG July 2013 Managing Executive Officer of BTMU July 2013 Managing Executive Officer, Deputy Group Head, Integrated Trust Assets Business Group and Deputy Group Head, Integrated Corporate Banking Business Group of MUFG May 2015 Managing Executive Officer, Chief Executive, Retail Banking Business Unit of BTMU (to present) May 2015 Managing Executive Officer, Group Head, Integrated Retail Banking Business Group of MUFG (to present) (Significant concurrent position) Managing Executive Officer of MUFG Managing Executive Officer of BTMU	

No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of Company held
8	(Newly appointed) Hitoshi Shimbo (July 10, 1952)	April 1983 Appointed Prosecutor, the Tokyo District Public Prosecutor's Office April 1990 Assistant Judge, Tokyo District Court April 1993 Prosecutor, the Tokyo District Public Prosecutor's Office June 1995 Registered as an attorney-at-law (Daini Tokyo Bar Association) (to present) June 1995 Joined Nozomi Sogo Attorneys at Law (to present) March 2009 Outside Company Auditor, EMCOM Holdings Co., Ltd. April 2009 Managing Director, Kanto Federation of Bar Associations April 2012 Vice President, Daini Tokyo Bar Association April 2012 Managing Director, Japan Federation of Bar Associations (Significant concurrent position) Nozomi Sogo Attorneys at Law	0

Notes: 1. No special interest exists between the Company and any of the above candidates for Directors.

2. Within the last five years, Mr. Toshiaki Kajiura was, for a period, Senior Managing Executive Officer of Mitsubishi UFJ Trust and Banking Corporation, which is a subsidiary of the Company's parent company.
3. Mr. Takahiro Yanai is Managing Executive Officer, Group Head, Integrated Retail Banking Business Group of Mitsubishi UFJ Financial Group, Inc., which is the Company's parent company, and Managing Executive Officer, Chief Executive, Retail Banking Business Unit of The Bank of Tokyo-Mitsubishi UFJ, Ltd., which is a subsidiary of the Company's parent company.
4. Mr. Mitsuhiro Umezu and Mr. Hitoshi Shimbo are candidates for Outside Directors.
5. Mr. Mitsuhiro Umezu has conducted studies in the fields of corporate ethics and applied ethics at university for many years. Therefore, the Company proposes his election as an Outside Director in the anticipation that his deep insights in corporate ethics and extensive experience as an outside director with other companies will benefit the Company's management. Although he does not have any experience in corporate management except as an outside director, it is judged that he will perform his duties as an Outside Director appropriately, for the reasons mentioned above.
   Since April 2007, he has also made proposals on compliance practice and strengthening its structure, etc. as an outside member of the Compliance Committee of the Company.
6. Mr. Mitsuhiro Umezu is an Outside Director of the Company at present, and will have served as an Outside Director for one year at the conclusion of this General Meeting of Shareholders.
7. Mr. Hitoshi Shimbo, as a legal professional, has thorough knowledge of corporate legal affairs as well as advanced expertise and a wealth of practical experience developed over many years. Therefore, the Company proposes his election as an Outside Director based on the judgment that he is qualified to engage in the further improvement of supervisory function within the Company. Although he has not been directly involved in corporate management, it is judged that he will perform his duties as an Outside Director appropriately, for the reasons mentioned above.
8. The Company has entered into a limited liability agreement with Mr. Mitsuhiro Umezu, which limits his liability for damages under Article 423, Paragraph 1 of the Companies Act, based on the provisions in Article 427, Paragraph 1 of the Act. The liability for damages under that agreement is limited to the minimum amount stipulated in the relevant laws and ordinances, and the agreement with Mr. Mitsuhiro Umezu is scheduled to be renewed upon his reappointment. Meanwhile, the Company is scheduled to enter into a similar limited liability agreement with Mr. Hitoshi Shimbo if he is elected. Furthermore, subject to the approval of Proposal No. 1 "Partial Amendments to the Articles of Incorporation," the Company is also scheduled to enter into a similar limited liability agreement with Mr. Takahiro Yanai if his election is approved under this proposal.

9. The Company has reported Mr. Mitsuhiro Umezu to the Tokyo Stock Exchange as an independent director subject to the rules thereof, and is scheduled to continue to designate him as an independent director upon his reappointment. The Company is also scheduled to report Mr. Hitoshi Shimbo to the Exchange as an independent director if he is elected, as he meets requirements for independent directors/auditors set forth in the rules of the Exchange.

Proposal No. 3: Election of Four Company Auditors

The terms of office of all four Company Auditors will expire at the conclusion of this General Meeting of Shareholders, and so the Company proposes that four Company Auditors be elected.

This proposal has been approved by the Board of Company Auditors.

The candidates for Company Auditors are as follows:

No.	Name (Date of birth)	Career summary, position, and significant concurrent positions	Number of shares of Company held
1	Shigeru Sato (January 17, 1952)	October 1975 Joined Maruito Co., Ltd. April 1999 General Manager, Treasury Dept. of the Company June 2000 Chief General Manager, Treasury Dept. of the Company June 2003 Executive Officer and Chief General Manager, Treasury Dept. of the Company June 2007 Executive Managing Officer of the Company June 2008 Managing Director of the Company June 2011 Company Auditor of the Company (to present)	0
2	Takashi Doi (August 28, 1955)	April 1987 Registered as an attorney-at-law (Daini Tokyo Bar Association) (to present) April 2003 Chief, Inspection Office of Daini Tokyo Bar Association April 2005 Director, Secretariat of Daini Tokyo Bar Association April 2010 Vice President, Daini Tokyo Bar Association April 2010 Managing Director, Japan Federation of Bar Associations April 2010 Manager, Kanto Office of Japan Bar Association June 2011 Outside Company Auditor of the Company (to present) June 2012 Outside Company Auditor of ARATA CORPORATION (to present) (Significant concurrent position) Outside Auditor of ARATA CORPORATION	0

No.	Name (Date of birth)	Career summary, position, and significant concurrent positions		Number of shares of Company held
3	(Newly appointed) Tatsuya Ito (February 10, 1958)	April 1981 October 1999 March 2001 March 2002 March 2003 March 2005 July 2006 April 2007 February 2008 October 2008 July 2010 July 2010 July 2012 March 2013 	Joined Japan Development Bank Section Chief, Commerce & Logistics Department of Development Bank of Japan Inc. Section Chief, Environment & Energy Department of Development Bank of Japan Inc. Deputy Manager, Environment & Energy Department of Development Bank of Japan Inc. Deputy Manager, Kansai Branch of Development Bank of Japan Inc. Deputy Manager, Environment & Energy Department of Development Bank of Japan Inc. Deputy Manager, Manufacturing & Technology Department of Development Bank of Japan Inc. Planning Counselor, Legal and Compliance Department of Development Bank of Japan Inc. Registered as an attorney-at-law (Dai-Ichi Tokyo Bar Association) (to present) Planning Counselor, Legal Affairs & Compliance Department of Development Bank of Japan Inc. Temporary transfer to Okuno & Partners Joined Okuno & Partners (to present) Planning Counselor, Legal Affairs & Compliance Department of Development Bank of Japan Inc. Councilor, Legal Affairs & Compliance Department of Development Bank of Japan Inc. (to present)	0
4	(Newly appointed) Osamu Takada (October 12, 1950)	April 1973 October 1998 April 2001 April 2003 April 2005 April 2006 April 2008 April 2011 May 2011 May 2014 April 2015	Joined Mitsubishi Corporation General Manager, Crude Oil Dept. of Mitsubishi Corporation General Manager, Utility Feedstock Unit of Mitsubishi Corporation General Manager, Malaysia Project Unit of Mitsubishi Corporation SVP, Group Head for Energy and General Manager of Los Angeles Branch of Mitsubishi International Corporation Senior Vice President (“*riji*”) of Mitsubishi Corporation and SVP, Group Head for Energy and General Manager of Los Angeles Branch of Mitsubishi International Corporation Senior Vice President (“*riji*”) and General Manager of Tohoku Branch of Mitsubishi Corporation Advisor of CHIYODA SEKIYU CORPORATION President and Chief Executive Officer of CHIYODA SEKIYU CORPORATION Advisor of CHIYODA SEKIYU CORPORATION Advisor of TOHOKU CHEMICAL CO., LTD. (to present)	0

Notes: 1. No special interest exists between the Company and any of the above candidates for Company Auditors.
2. Mr. Takashi Doi, Mr. Tatsuya Ito and Mr. Osamu Takada are candidates for Outside Company Auditors.
3. Mr. Takashi Doi has acquired expert knowledge and experience as a lawyer for many years. Therefore, the Company proposes his election as an Outside Company Auditor, a position to which

he could bring the aforementioned experience and knowledge to further enhance the auditing functions and corporate governance of the Company. Although he has not been directly involved in corporate management, it is judged that he will perform his duties as an Outside Company Auditor appropriately, for the reasons mentioned above.

Mr. Takashi Doi is an Outside Company Auditor at present, and will have served as an Outside Company Auditor for four years at the conclusion of this General Meeting of Shareholders.

4. Mr. Tatsuya Ito has gained abundant experience and knowledge through conducting mainly financial business practice and corporate legal affairs over many years within the financial industry in which the Company also belongs. He has also gained experience as a lawyer. Therefore, the Company proposes his election as an Outside Company Auditor, a position to which he could bring the aforementioned experience and knowledge to bear upon the auditing of the Company. Although he has not been directly involved in corporate management, it is judged that he will perform his duties as an Outside Company Auditor appropriately, for the reasons mentioned above.

   Mr. Tatsuya Ito is scheduled to retire on June 23, 2015, from Development Bank of Japan Inc. and Okuno and Partners, prior to this General Meeting of Shareholders.
5. Mr. Osamu Takada has abundant experience and knowledge gained during his time with Mitsubishi Corporation, as well as experience as management at CHIYODA SEKIYU CORPORATION. Therefore, the Company proposes his election as an Outside Company Auditor, with the judgment that he could supervise business management and give appropriate advice to the Company from an external point of view as an Outside Company Auditor.
6. The Company has entered into a limited liability agreement with Mr. Takashi Doi, which limits his liability for damages under Article 423, Paragraph 1 of the Companies Act, based on the provisions in Article 427, Paragraph 1 of the Act. The liability for damages under that agreement is limited to the minimum amount stipulated in the relevant laws and ordinances, and the agreement with Mr. Takashi Doi is scheduled to be renewed upon his reappointment. Meanwhile, the Company is scheduled to enter into similar limited liability agreements with Mr. Tatsuya Ito and Mr. Osamu Takada if their election is approved. Furthermore, subject to the approval of Proposal No. 1 “Partial Amendments to the Articles of Incorporation,” the Company is also scheduled to enter into a similar limited liability agreement with Mr. Shigeru Sato if his reappointment is approved under this proposal.
7. The Company has reported Mr. Takashi Doi to the Tokyo Stock Exchange as an independent auditor subject to the rules thereof, and is scheduled to continue to designate him as an independent auditor upon his reappointment. The Company is also scheduled to report Mr. Tatsuya Ito and Mr. Osamu Takada to the Exchange as independent auditors if their election is approved, as they meet requirements for independent directors/auditors set forth in the rules of the Exchange.

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(Appendix)

Business Report

(April 1, 2014 - March 31, 2015)

1. Overview of Consolidated Business Activities

(1) Developments and Results of Business Activities

During the fiscal year ended March 31, 2015, the Japanese economy showed signs of gradual improvement in the corporate earnings and employment environment and steady movement in consumer spending due to the effects from various economic policies by the government. However, the possibility of an economic downturn remained, including the change in the economies of emerging nations represented by China and concern over a downturn overseas arising from the Ukrainian situation.

In the consumer finance industry business conditions continued to be severe, including requests for interest repayment remaining at high level, although the recovery in the conditions of loans and new applications has begun to curb the shrinking trend of market.

In such an environment, under its management vision of “strive to become the leading company in personal loan market which provides prime satisfaction to utmost number of customers and win their trust in return,” the Company Group has positioned its loan business, guarantee business and overseas financial business as the three core business categories and strives to increase market shares in the consumer loan market.

In the fiscal year ended March 31, 2015, the second year of the medium-term management plan, the Group continued to focus its efforts on expanding business bases in the aforementioned three core businesses. Accounts receivable-operating loans as of the end of the fiscal year under review rose further than in the previous fiscal year in the loan business and the balance of guaranteed receivables continued to significantly increase for the second consecutive fiscal year in the guarantee business. Also, business operations expanded steadily in the overseas financial business.

Consolidated operating revenue for fiscal year ended March 31, 2015, amounted to 219,289 million yen (up 8.4% year-on-year) primarily due to increases in revenue from credit guarantee and interest on consumer loans. Operating expenses increased to 205,215 million yen (up 9.2% year-on-year) primarily due to increases in provision of allowance for doubtful accounts and provision for loss on interest repayment. Operating income decreased to 14,073 million yen (down 1.8% year-on-year), and ordinary income decreased to 14,747 million yen (down 5.3% year-on-year).

The Company posted income before income taxes and minority interests of 15,403 million yen (up 0.3% year-on-year), mainly due to increased gain on sales of noncurrent assets under extraordinary income. In addition, mainly due to a decrease of income taxes-deferred, the Company posted net income of 12,864 million yen (up 21.0% year-on-year).

Details of main financial service businesses by segment are as follows:

1) Loan business and credit card business

In the domestic loan and credit card business, we made efforts to improve product/service functions, gather and acquire new customers, promote sales of credit cards (AC MasterCard), and maintain the soundness of loan portfolio.

As for the improvement of product/service functions and gathering and acquiring of new customers, we installed automatic contract machines at 20 off-premise ATM corners of The Bank of Tokyo-Mitsubishi UFJ, Ltd. in July 2014 in order to further enhance convenience for customers. We also started the "30 Days Zero-Interest-Rate Services" for new customers in October 2014 and aired commercials to promote the service on TV and internet platforms. We continued airing commercials featuring the actress "Hiromi Nagasaku" and the sound logo from "Hajimete-no (First time at) ACOM," maintaining an advertising strategy that has achieved high likability and helped increase the number of new customers.

In March 2015, we began to diversify our contract methods over internet platforms and inaugurated a service to provide customers with various transaction documents from the ACOM homepage.

As for the promotion of credit cards, we have installed instant credit card issuers one after another at 344 outlets in major cities nationwide since October 2013. As a result, the total number of card members increased to 215,000 (up 25.6% from the end of the previous fiscal year) and the annual transaction volume increased to 17,877 million yen (up 53.4% year-on-year).

In addition to the above marketing activities, we have endeavored to maintain the soundness of loan portfolio and improve the customer-reception quality of our employees by reinforcing the development of human resources through training for credit control, and customer reception including the improvement of the accuracy of credit screenings. As a result, accounts receivable-operating loans at the end of the fiscal year under review increased to 747,139 million yen (up 2.9% year-on-year).

In the domestic loan and credit card business, the business segment's operating revenue was 128,725 million yen (up 1.9% year-on-year) mainly due to increases in revenue from credit card business and interest on consumer loans in accordance with our business expansion. The business segment posted an operating loss of 8,364 million yen mainly due to increases in provision of allowance for doubtful accounts and provision for loss on interest repayment under operating expenses (compared with operating loss of 3,323 million yen for the prior fiscal year).

2) Guarantee business

In the guarantee business, the Company and MU Credit Guarantee Co., LTD. worked on the promotion of new guarantee tie-ups and measures to enhance partnerships with existing partners.

The Company newly started guarantee tie-ups with THE OITA BANK, LTD. and The Shikoku Bank, Ltd., increasing the combined number of business partners of the Company and MU Credit Guarantee Co., LTD. to 46 banks at the end of the fiscal year under review.

To enhance partnerships with existing partners, the Company strove to improve its system for receiving applications for guarantee screening and to reduce the screening times for the purpose of enhancing convenience for the customers who use financial institutions in alliance. As a support toward improved performance for financial institutions in alliance, the Company made proposals and offered assistance on products that will meet the needs of customers and on the promotion of business with existing customers.

As a result, the balance of guaranteed receivables at the end of the fiscal year under review has reached to 861,212 million yen (up 14.5% year-on-year). For the consolidated fiscal year under review, the business segment's operating revenue was 40,992 million yen (up 38.0% year-on-year) due to the inclusion of the full-year revenue of MU Credit Guarantee Co., LTD., which commenced its business operation in March 2014. The operating income was 11,125 million yen (up 46.3% year-on-year).

3) Overseas financial business

In the overseas financial business, business operations were proactively carried out in the pursuit of expanding the relevant businesses.

The loan business of EASY BUY Public Company Limited in the Kingdom of Thailand actively conducted marketing activities of the Umay^{+} brand with the aim of enhancing the brand image and gathering and acquiring new customers, in spite of the current political instabilities in that country. As a result, the number of new contracts and loans receivable of consumer loans have increased steadily, thereby building the top-brand position in Thailand.

The banking business of PT. Bank Nusantara Parahyangan Tbk. in the Republic of Indonesia worked to expand income with a view to strengthening its internal control structure in preparation for possible future uncertainty arising from presidential election.

In the Socialist Republic of Vietnam, where the Company has established a representative office, the Company applied for a license to operate as a finance company in May 2014. While waiting for the result of the screening, the Company has continued surveys on various local laws/regulations and risks, and market analysis for future business development. The Company also continues with necessary surveys in the People's Republic of China and other Asian countries to explore the feasibility of business development.

As a result, the business segment's operating revenue and operating income were 42,939 million yen (up 9.7% year-on-year) and 10,156 million yen (up 7.9% year-on-year), respectively.

4) Loan servicing business

In the loan servicing business, IR Loan Servicing, Inc. has endeavored to strengthen its business structure and increase profitability amid intensified competition in the purchased receivables market against the backdrop of a decreasing disposal of bad debts at financial institutions.

The business segment's operating revenue was 6,535 million yen (down 0.2% year-on-year) mainly due to a decrease in the amount of collection from purchased receivables compared to the prior fiscal year. On the other hand, the operating income was 746 million yen (up 18.9% year-on-year) primarily due to decreases in provision for bad debts under operating expenses.

(2) Transfer of Rights and Obligations of Other Companies by Absorption-type Merger (kyushu-gappei) or Absorption-type Demerger

IR Loan Servicing, Inc., the Company's subsidiary, conducted an absorption-type merger with the Company's subsidiary AFRESH CREDIT CO., LTD. on September 1, 2014.

(3) Capital Investment

During the fiscal year under review, there was no notable capital investment or disposal or sale of important equipment to report.

(4) Financing

1) The Company has issued the Domestic Unsecured Straight Bonds for part of repayment of long-term loans payable as follows:

June 2014	67th Straight Bond	10.0 billion yen
June 2014	68th Straight Bond	20.0 billion yen
September 2014	69th Straight Bond	20.0 billion yen

2) EASY BUY Public Company Limited, the Company's consolidated subsidiary, has issued bonds payable for purposes such as repayment of loans payable and redemption of bonds as follows:

September 2014	Total	30 million US dollars

(5) Issues to be Addressed

The medium-term management plan establishes an aggregate 1.6 trillion yen target comprised of loans receivable of consumer loans in the loans business and the balance of guaranteed receivables in the guarantee business as its goal for the fiscal year ending March 31, 2016. Furthermore, for the overseas financial business, the Company is engaging in research activities aimed at further expansion of its loan business in the Kingdom of Thailand and its banking business in the Republic of Indonesia, as well as realization of beginning business in new regions.

For the fiscal year ending March 31, 2016, the last year of the medium-term management plan, the Company will be addressing the following issues aimed at achieving the aforementioned target and objectives.

- Loan business and credit card business

In the loan business and credit card business, the Company, under its philosophy "putting the customer first," will continue to strive to improve its product and service functions and convenience while enhancing its promotion activities and improving credit screening accuracy as a means to gain more customers, grow the number of members, and maintain the soundness of its loan portfolio.

- Guarantee business

The Group will promote guarantee business with a firm grasp on current market that is expanding in personal card loans provided by financial institutions. In order to meet needs of each and every financial institution in alliance, increasing in complexity as market invigorates, the Group will make the best use of its expertise gained from loan business to enhance and improve service functions.

- Overseas financial business

For overseas financial business, with a focus on expanding our overseas finance business, the Company will continue to pursue research and analysis activities aimed at realization of beginning business in new regions, as well as work on expanding business at existing overseas subsidiaries and strengthen their internal control structures.

(6) Changes in Assets and Income of the Company

(Millions of yen, unless otherwise stated)

Item	35th fiscal year ended March 31, 2012	36th fiscal year ended March 31, 2013	37th fiscal year ended March 31, 2014	38th fiscal year ended March 31, 2015
Operating revenue	210,456	193,028	202,240	219,289
Ordinary income	32,219	21,835	15,567	14,747
Net income	21,464	20,839	10,632	12,864
Net income per share (yen)	137.01	13.30	6.79	8.21
Total assets	1,212,461	1,165,576	1,155,203	1,190,368
Net assets	264,915	286,710	306,726	328,315
Net assets per share (yen)	1,645.35	178.59	187.92	199.53
Loans receivable of consumer loans at fiscal year-end	867,491	800,393	828,622	877,427
Accounts receivable-installment at fiscal year-end	27,690	20,526	18,111	22,295
Capital adequacy ratio (%)	21.26	24.00	25.48	26.26

(Notes) 1. The Company conducted stock split on October 1, 2013, in which each share of common stock was split into 10 shares. Due to this split, net assets per share and net income per share are calculated based on the assumption that the split was executed at the beginning of the 36th fiscal year.

2. Net income per share is calculated based on the average number of shares issued during each fiscal year excluding treasury stock. Net assets per share are calculated based on the total number of shares issued as of the end of each fiscal year excluding treasury stock.

(7) Principal Parent Company and Subsidiaries

1) Relationship with the parent company

Company Name	Number of shares held (Thousand)	Parent company's percentage of voting rights held (%)	Remarks
Mitsubishi UFJ Financial Group, Inc.	629,699 (40,975)	40.19 (2.61)	Conclusion of business management agreement Conclusion of business and capital alliance agreement

(Note) The numbers in parentheses in the "Number of shares held" and "Parent company's percentage of voting rights held" represent the included number of shares indirectly held and the percentage of voting rights indirectly held, respectively.

2) Principal subsidiaries

Subsidiaries with capital exceeding 100 million yen are as follows:

Company name	Capital	The Company's percentage of voting rights holding (%)	Main business
IR Loan Servicing, Inc.	520 (Millions of yen)	100.00	Loan servicing business
MU Credit Guarantee Co., LTD.	300 (Millions of yen)	50.08	Credit guarantee business
EASY BUY Public Company Limited	3,900 (Millions of Thai baht)	71.00	Unsecured loan business and installment loan business (installment sales finance business)
PT. Bank Nusantara Parahyangan, Tbk.	338,416 (Millions of rupiah)	66.15	Banking business
ACOM (U.S.A.) INC.	34 (Millions of US dollar)	100.00	-

(Note) ACOM (U.S.A.) INC. is currently suspending its operation.

(8) Principal Businesses (as of March 31, 2015)

The principal businesses of the Group include loan business and credit card business, guarantee business, overseas financial business, and loan servicing business.

(9) Principal Offices (as of March 31, 2015)

1) Principal offices of the Company

Head office: 1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo

Business outlets

Loan business outlets	1,086
Staffed outlets	39
Unstaffed outlets	1,047
Automatic contract machine corners	1,086 locations (1,112)

(Note) The following are the numbers of automated teller machines:

ATMs	62,241
Proprietary	1,112
Tie-up	61,129

2) Principal offices of the subsidiaries

Name	Location	Name	Location
IR Loan Servicing, Inc.	Chiyoda-ku, Tokyo	PT. Bank Nusantara Parahyangan, Tbk.	Bandung, Republic of Indonesia
MU Credit Guarantee Co., LTD.	Shinjuku-ku, Tokyo	ACOM (U.S.A.) INC.	Delaware, the United States
EASY BUY Public Company Limited	Bangkok, Kingdom of Thailand		

(Note) IR Loan Servicing, Inc. conducted an absorption-type merger with the Company's subsidiary AFRESH CREDIT CO., LTD. on September 1, 2014.

(10) Employees (as of March 31, 2015)

1) Number of employees of the consolidated group

Category	Number of employees
Loan business and credit card business	1,315 (154)
Guarantee business	196 (9)
Overseas financial business	3,792 (276)
Loan servicing business	140 (11)
Company-wide (common)	377 (17)
Total	5,820 (467)

(Notes) 1. The number of employees represents the number of employees at work (excluding the number of employees transferred from the Group companies to non-Group companies and including the number of employees transferred to the Group companies from non-Group companies) and does not include the number of fixed-term employees.
2. The figures in parentheses in "Number of employees" are the annual average number of fixed-term employees. (If the number of temporary employees of fixed-term employees is counted as 1 person per 8 work hours a day, the annual average number of fixed-term employees will be 448.)
3. The number of employees in the "Company-wide (common)" is the number of employees belonging to the administration departments of the Head Office and thus do not fall into any business segment.

2) Employees of the Company

Category	Number of employees	Year-on-year increase (decrease)	Average age	Average length of service
Male	1,235	36	42 years and 5 months	18 years and 3 months
Female	616	67	34 years and 9 month	8 years and 7 months
Total	1,851	103	39 years and 11 month	15 years and 0 months

(Note) The number of employees represents the number of employees at work (excluding the number of employees transferred out of the Company and including the number of employees transferred in the Company), and does not include the number of fixed-term employees.

(11) Major Creditors (as of March 31, 2015)

The Company's major creditors and amounts borrowed are as follows.

Creditor	Amount borrowed (Millions of yen)
Mitsubishi UFJ Trust and Banking Corporation	150,058
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	52,218
Shinsei Bank, Limited	47,925
Aozora Bank, Ltd.	30,100
Meiji Yasuda Life Insurance Company	19,760
Shinkin Central Bank	19,760

(Note) The amount borrowed from The Bank of Tokyo-Mitsubishi UFJ, Ltd. includes borrowings by privately placed bonds.

2. Matters concerning Shares of the Company (as of March 31, 2015)

(1) Shares

Total number of shares authorized to be issued	Total number of shares issued	Number of shareholders
5,321,974,000	1,596,282,800	13,949

(2) Major Shareholders (Top 10)

Shareholder name	Number of shares held (Thousand)	Percentage of ownership (%)
Mitsubishi UFJ Financial Group, Inc.	588,723	37.57
Maruito Shokusan Co., Ltd.	273,467	17.45
Maruito Co., Ltd.	125,533	8.01
Foundation of Kinoshita Memorial Enterprise	92,192	5.88
Maruito Shoten Co., Ltd.	38,733	2.47
Kyosuke Kinoshita	32,598	2.08
Shigeyoshi Kinoshita	32,397	2.06
Mitsubishi UFJ Trust and Banking Corporation	31,572	2.01
NOBUKA Co., Ltd.	30,000	1.91
Japan Trustee Service Bank, Ltd. (Trust account 4)	26,612	1.69

(Notes) 1. For the number of shares held, the amount is rounded down to the nearest thousand.
2. The Company holds 29,668,519 shares of treasury stock but is excluded from the list of major shareholders above.
3. The percentage of ownership is calculated excluding treasury stock.

3. Matters concerning the Stock Acquisition Rights, etc.

(1) Stock acquisition rights held by the Directors and Company Auditors of the Company and issued in consideration of their execution of duties

Not applicable.

(2) Stock acquisition rights issued to employees, etc. in consideration of their execution of duties during this fiscal year

Not applicable.

4. Matters concerning Directors and Company Auditors of the Company

(1) Directors and Company Auditors (as of March 31, 2015)

Position	Name	Responsibility within the Company and significant concurrent positions
Chairman, President & CEO	Shigeyoshi Kinoshita	Chief Executive Officer
Deputy Chairman	Toshiaki Kajiura	In charge of Compliance Department and Internal Audit Department
Senior Managing Director	Kiyoshi Tachiki	Senior Executive Managing Officer (In charge of Corporate Planning Department, Finance Department, Treasury Department and General Affairs Department)
Senior Managing Director	Satoru Tomimatsu	Senior Executive Managing Officer Head of Credit Supervision Division (In charge of Credit Supervision Department I, Credit Supervision Department II and Compliance for Credit Supervision Office)
Managing Director	Kazuo Fukumoto	Executive Managing Officer Head of Credit Business Promotion Division (In charge of Business Promotion Department, East Japan Business Promotion Department, West Japan Business Promotion Department and Compliance for Credit Business Promotion Office)
Director	Tadachiyo Osada	Managing Officer of Mitsubishi UFJ Financial Group, Inc. Senior Managing Director (Representative Director) of The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Director	Mitsuhiro Umezu	Associate Professor, Faculty of Business and Commerce, Keio University Outside Director of SAN-AI OIL CO., LTD.
Full-time Company Auditor	Shigeru Sato	
Full-time Company Auditor	Shinichi Yasuda	Outside Director of Nippon Jogesuido Sekkei Co., Ltd.
Full-time Company Auditor	Eiji Oshima	
Company Auditor	Takashi Doi	Attorney at law Outside Auditor of ARATA CORPORATION

(Notes) 1. Director Mitsuhiro Umezu is an Outside Director.
2. Company Auditors Shinichi Yasuda, Eiji Oshima and Takashi Doi are Outside Company Auditors.
3. Company Auditor Shigeru Sato held the positions of Executive Officer and Chief General Manager of Treasury Dept. of the Company, possessing sufficient knowledge regarding finance and accounting.
4. Company Auditor Shinichi Yasuda has served within company finances at Meiji Yasuda Life Insurance Company for many years, possessing sufficient knowledge regarding finance and accounting.
5. Company Auditor Eiji Oshima assumed the current post of Full-time Company Auditor after having served as IR General Manager at Mitsubishi Corporation for many years, possessing sufficient knowledge regarding finance and accounting.
6. The Company designated Director Mitsuhiro Umezu and Company Auditors Eiji Oshima and Takashi Doi as independent directors/auditors as required by the rules of the Tokyo Stock Exchange, and reported it to the Exchange.
7. Nippon Jogesuido Sekkei Co., Ltd., listed in Responsibility within the Company and significant concurrent positions for Company Auditor Shinichi Yasuda, has changed its company name to NJS Co., Ltd. as of April 1, 2015.
8. Executive Officers who do not hold concurrent positions as Directors are as follows:

Position	Name	Responsibility within the Company and significant concurrent positions
Executive Managing Officer	Masataka Kinoshita	Deputy Head of Credit Business Promotion Division In charge of Business Planning Department Chief General Manager of Business Planning Department
Executive Managing Officer	Etsuro Tabuchi	In charge of Special Mission
Executive Managing Officer	Teruyuki Sagehashi	In charge of Human Resources Department and System Development & Administration Division
Executive Managing Officer	Michio Atsuda	In charge of Overseas Business Department and Guarantee Business Department Chief General Manager of Overseas Business Department
Executive Managing Officer	Nobuyoshi Matsutani	In charge of Business Process Management Department, Corporate Risk Management Department Vice in Charge of Compliance Department Chief General Manager of Business Process Management Department
Executive Officer	Yoshiharu Kita	Chief General Manager of Internal Audit Department
Executive Officer	Noriyoshi Watanabe	Chief General Manager of Corporate Planning Department
Executive Officer	Yoshinori Matsubara	Chief General Manager of System Development & Administration Division
Executive Officer	Satoru Miyakawa	Chief General Manager of General Affairs Department
Executive Officer	Tomomi Uchida	Chief General Manager of Business Promotion Department
Executive Officer	Makoto Kondo	Vice in Charge of Guarantee Business Department
Executive Officer	Yasuhiro Kamura	Chief General Manager of East Japan Business Promotion Department

9. Relocation of Executive Officers after the end of the fiscal year under review

Name	Prior post	New post	Date of relocation
Michihito Onodera	—	Executive Officer	April 1, 2015
Tomoo Shikanoya	—	Executive Officer	April 1, 2015
Masayuki Sone	—	Executive Officer	April 1, 2015
Takashi Kiribuchi	—	Executive Officer	April 1, 2015

(2) Directors Who Retired during the Fiscal Year under Review

Name	Date of retirement	Reason for retirement	Position, responsibility within the Company and significant concurrent positions at the time of retirement
Tatsuo Taki	June 24, 2014	Expiration of term	Managing Director Executive Managing Officer In charge of Business Process Management Department, Corporate Risk Management Department and Compliance Department

(3) Total Amount of Compensation to Directors and Company Auditors

Category	Number of recipients	Amount paid (Thousands of yen)
Directors	8	150,750
Company Auditors	4	58,980
Total	12	209,730

(Notes) 1. At the 29th Ordinary General Meeting of Shareholders held on June 22, 2006, it was resolved that compensation paid to Directors per year shall be no more than 420 million yen.
2. At the 26th Ordinary General Meeting of Shareholders held on June 27, 2003, it was resolved that compensation paid to Company Auditors per month shall be no more than 8 million yen.
3. The number of Directors at the end of the fiscal year under review was seven. The reason for the discrepancy between these numbers and the above compensation recipients is that the latter number includes one Director who retired due to the expiration of their terms of office at the close of the 37th Ordinary General Meeting of Shareholders held on June 24, 2014.
4. Total amount of compensation paid to Outside Directors and Outside Company Auditors was 45,360 thousand yen (four persons).

(4) Matters concerning Outside Directors and Outside Company Auditors

1) Significant concurrent positions in other companies and relationship between the Company and these companies.

- Director Mitsuhiro Umezu is an Outside Director of SAN-AI OIL CO., LTD. There are no special interests between the organization and the Company.
- Company Auditor Shinichi Yasuda is an Outside Director of Nippon Jogesuido Sekkei Co., Ltd. There are no special interests between the organization and the Company. Nippon Jogesuido Sekkei Co., Ltd. has changed its company name to NJS Co., Ltd. as of April 1, 2015.
- Company Auditor Takashi Doi is an Outside Auditor of ARATA CORPORATION. There are no special interests between the organization and the Company.

2) Major activities of Outside Company Auditors during the fiscal year under review

Name	Position	Major activities
Mitsuhiro Umezu	Outside Director	During the fiscal year under review, he attended all 13 Board of Directors meetings held after he took office as Director on June 24, 2014 (he was elected at the 37th Ordinary General Meeting of Shareholders) and made productive opinions and advice for the Company's management, drawing on his acquired diverse experience and knowledge, deep insights regarding corporate ethics, and abundant experience as an Outside Director of other companies.
Shinichi Yasuda	Outside Company Auditor	He attended all 18 Board of Directors meetings and all 15 Board of Company Auditors meetings held during the fiscal year under review and made proposals from neutral and objective standpoints, drawing on his acquired diverse experience and knowledge. In addition, he maintained active cooperation with accounting auditors and the internal audit department, etc.
Eiji Oshima	Outside Company Auditor	He attended all 18 Board of Directors meetings and all 15 Board of Company Auditors meetings held during the fiscal year under review and made proposals from neutral and objective standpoints, drawing on his acquired diverse experience and knowledge, together with global-based perspective and insight. In addition, he maintained active cooperation with accounting auditors and the internal audit department, etc.
Takashi Doi	Outside Company Auditor	He attended all 18 Board of Directors meetings and 14 out of 15 Board of Company Auditors meetings held during the fiscal year under review and made proposals from neutral and objective standpoints, primarily drawing on his diverse experience as a lawyer. In addition, he maintained active cooperation with accounting auditors and the internal audit department, etc.

3) Summary of limited liability agreement

Based on the provisions in Article 427, Paragraph 1 of the Companies Act, the Company has concluded a limited liability agreement under Article 423, Paragraph 1 of the Companies Act with each Outside Director and Outside Company Auditor. In addition, liability for damage under such agreement will be limited to the minimum amount stipulated in the law.

5. Accounting Auditor

(1) Name of the Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Amount of Compensation to Accounting Auditor for the Fiscal Year under Review

1) Compensation to the accounting auditor for the fiscal year under review	109,000 thousand yen
2) Total amount of monetary and other financial benefits payable to the accounting auditor by the Company and its consolidated subsidiaries	133,900 thousand yen

(Notes) 1. The audit agreement entered into by the Company and the accounting auditor does not clearly distinguish the amount of compensation for audits prescribed in the Companies Act and those prescribed in the Financial Instruments and Exchange Act, and practically it cannot be distinguished. Therefore, 1) above shows the total amount of such compensation.

2. Among the Company's principal subsidiaries, EASY BUY Public Company Limited and PT. Bank Nusantara Parahyangan, Tbk. have been subject to statutory audit by accounting auditors other than the Company's accounting auditor.

(3) Policy on Determination of Dismissal or Non-Reappointment of the Accounting Auditor

In cases that the Board of Company Auditors determines that dismissal or non-reappointment of the accounting auditor is appropriate mainly including the fact that the accounting auditor has difficulty in execution of duties, the Board of Company Auditors shall decide the contents of proposal for the General Meeting of Shareholders to dismiss or not to reappoint the accounting auditor.

In case the Board of Company Auditors determines that the accounting auditor falls under the provisions specified in each item, Paragraph 1, Article 340 of the Companies Act, the Board of Company Auditors shall dismiss the accounting auditor conditional upon its unanimous approval. In this instance, details of the dismissal including reasons for it shall be reported by the Company Auditor selected by the Board of Company Auditors at the General Meeting of Shareholders held immediately after the dismissal.

(Note) On the assumption that "Act for Partial Revision of the Companies Act" (Act No. 90 of 2014) becomes effective on May 1, 2015, the decision-making body for dismissal or non-reappointment of the accounting auditor has been changed from the Board of Directors to the Board of Company Auditors at the Board of Company Auditors meeting held on April 20, 2015. The policy above reflects the revision.

6. The Company's System and Policy

(1) Basic policy of establishment of the internal control system

1) System to ensure that execution of duties by the Directors and employees of the Company and its subsidiaries complies with laws, regulations and the Articles of Incorporation of the Company
   (a) The Company regards compliance as the highest priority in the corporate management, and establishes the ACOM Group Code of Ethics and Code of Conduct, while developing the rules for compliance and various internal rules and making employees fully aware of them.
   (b) The Company and its subsidiaries establish a committee on compliance, etc., officers responsible for compliance, and departments with across-the-board responsibilities for compliance.
   (c) The Company and its subsidiaries formulate compliance plans and manage its progress.
   (d) The Company and its subsidiaries establish contact points for reporting and inquiries concerning the act of violations or possible violations of compliance.
   (e) In accordance with the ACOM Group Code of Ethics and the Group's basic policy with respect to antisocial forces, the Company develops a system to prevent relations with antisocial forces and ensure appropriate business operations.
   (f) In accordance with the Group's basic policy for the internal control over financial reporting, the Company develops a system to ensure the accuracy and reliability of financial reporting. The Company also establishes a system to disclose financial information by setting up a Financial Information Disclosure Committee.
   (g) The Company establishes an internal audit department and ensures its independence and specialties. It also develops an internal audit system, in accordance with the rules on internal audit, to ensure the soundness and appropriateness of businesses. Additionally, the Company's internal audit department implements audits on its subsidiaries or supports their audits in order to contribute to development of the internal control system of its subsidiaries.

2) System concerning storage and management of information on the execution of duties by Directors of the Company
   (a) In accordance with the rules for confidential information management and related rules, the Company establishes procedures for managing documents related to the execution of duties by the Directors (including electromagnetic records), stores and manages such information in an appropriate manner, ensuring that such documents are available for inspection by directors when necessary.
   (b) In order to maintain the appropriateness of information storage and management, the Company appoints personnel responsible for information security management, determines the roles of respective organizations, officers and employees, and stores and manages information in a systematic manner. The Company regularly verifies the status of information storage and management.

3) Rules concerning loss risk management and other systems of the Company and its subsidiaries
   (a) The Company and its subsidiaries establish systems for proper and efficient risk management in accordance with the rules for risk management.
   (b) In order to manage risks in an integrated manner, the Company and its subsidiaries establish a committee on risk management, etc., officers responsible for risk management, and departments with across-the-board responsibilities for risk management.
   (c) The Company and its subsidiaries establish systems to minimize economic losses and loss of credibility and to continue or swiftly resume business operations in cases where risks that may have significant internal or external impacts arise.

4) System to ensure efficient execution of duties by the Directors of the Company and its subsidiaries
   (a) The Company formulates the Group's management policies and management plans and carries out business management based on appropriate methods.
   (b) The Company establishes the Executive Officer's meeting and various committees so as to conduct decision making concerning the execution of duties delegated from the Board of Directors and prior deliberations on matters to be discussed in the meetings of the Board of the Directors.
   (c) The Company and its subsidiaries, based on internal rules, etc., determine the division of duties by each organization and the criteria of decision making for each position so as to make decisions more quickly and execute duties more efficiently.

5) System to ensure the propriety of business carried out by the group consisting of the Company, parent company and subsidiaries
   (a) While maintaining independence as a publicly-traded company, the Company coordinates with the parent company in accordance with the rules for consultation and reporting with the parent company. The Company also establishes the Group's business management systems in accordance with the parent company's policy for its group management so as to contribute to the appropriate business operations of both of the groups.
   (b) The Company establishes departments for managing its subsidiaries, and manages subsidiaries in accordance with the rules for management of subsidiaries, etc. The Company's subsidiaries report important matters with business operations and management to the Company's Executive Officer's meeting.

6) System concerning employees to assist Company Auditors' duties
   (a) The Company will establish the Administration for Board of Company Auditors to assist in the Company Auditors' duties, and appoint assistants for Company Auditors.
   (b) The number of employees to assist Company Auditors and their requirements will be decided after discussion with the Board of Company Auditors.
   (c) Employees to assist Company Auditors will be exclusively in charge of work that assists Company Auditors, and will not be subject to instructions and orders from the Directors and other operational organizations.
   (d) Assignment, transfer, evaluation and disciplinary action of employees who assist Company Auditors will be decided after discussion with the Board of Company Auditors.

7) System for reporting to Company Auditors
   The Company will reports to Company Auditors the following matters concerning the Company and its subsidiaries. The person who reports to Company Auditors shall not be treated unfavorably due to the reporting.
   (i) Matters which may significantly damage the Company
   (ii) Any material violation of laws and regulations, etc.
   (iii) Implementation Status and results of internal audits
   (iv) Status of whistleblowing and details of the reporting
   (v) Other matters Company Auditors ask to be reported

8) Other systems to ensure that audits are effectively implemented by Company Auditors of the Company
   (a) Directors will ensure a system that allows Company Auditors to: attend the Board of Directors meetings, the Executive Officers' meetings, and other important meetings and committees; and have access to the important documents concerning the execution of duties, such as statutory documents.
   (b) Directors will have regular meetings with the Company Auditors to exchange opinions on issues with which the Company should deal, issues concerning the execution of duties, and primary issues on audits. They will also take actions regarding the matters that the Company Auditors deems necessary to be addressed.
   (c) Directors and employees will esteem the rules of the Board of Company Auditors and other rules, including audit policies, and cooperate with Company Auditors for inspection and consultation requests.
   (d) The internal audit department will establish a cooperation system for exchanging information with Company Auditors in order to contribute to ensuring the effectiveness of audits.
   (e) The Board of Company Auditors will prepare budgets for expenses necessary for the execution of their duties and present them to the Company. Expenses incurred over the budget, in an urgent or temporary manner, may be requested for reimbursement afterwards.

(2) Development of internal control system

With regard to the system stated in (1) above, the Company is making efforts to periodically evaluate the status of improvement of the internal control system, take remedial measures as necessary, review the policies to respond to changes in the business environment, etc. and improve the effectiveness of the internal control system.

(Note) On the assumption that "Act for Partial Revision of the Companies Act" (Act No. 90 of 2014) and "Act for Partial Revision of the Ordinance for Enforcement of the Companies Act, etc." (Ordinance of the Ministry of Justice No. 6 of 2015) become effective on May 1, 2015, the Board of Directors has resolved to partially revise the basic policy at the Board of Directors meeting held on March 19, 2015. The basic policy above reflects the amendments.
However, the basic policy of internal control system regarding presentation of the reasonableness on audit report is the basic policies before those revisions.

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Consolidated Financial Statements

(April 1, 2014 - March 31, 2015)

Consolidated Balance Sheet

(As of March 31, 2015)

(Millions of yen)

Description	Amount	Description	Amount
(Assets)		**(Liabilities)**	
Current assets	**1,131,909**	**Current liabilities**	**283,812**
Cash and deposits	119,835	Accounts payable-trade	331
Loans receivable of consumer loans	877,427	Short-term loans payable	32,850
Loans receivable of banking business	64,582	Current portion of long-term loans payable	113,340
Accounts receivable-installment	22,295	Current portion of bonds payable	35,422
Purchased receivables	8,473	Deposits of banking business	79,248
Short-term investment securities	8,000	Lease obligations	434
Trading account securities	1,804	Income taxes payable	2,218
Merchandise	325	Provision for loss on guarantees	7,013
Supplies	65	Asset retirement obligations	2
Deferred tax assets	25,189	Deferred installment income	86
Other	56,833	Other	12,863
Allowance for doubtful accounts	(52,923)	**Noncurrent liabilities**	**578,240**
		Bonds payable	167,890
Noncurrent assets	**58,459**	Long-term loans payable	297,349
Property, plant and equipment	24,215	Lease obligations	828
Buildings and structures	6,549	Deferred tax liabilities	4,288
Vehicles	5	Provision for directors' retirement benefits	28
Equipment	10,277	Provision for loss on interest repayment	102,600
Land	6,249	Net defined benefit liability	343
Lease assets	1,133	Asset retirement obligations	4,608
Intangible assets	14,568	Other	302
Software	7,081		
Goodwill	7,443	**Total liabilities**	**862,053**
Leasehold right	4		
Telephone subscription right	37	**(Net assets)**	
Other	2	**Shareholders' equity**	**307,136**
Investments and other assets	19,675	Capital stock	63,832
Investment securities	4,467	Capital surplus	73,671
Net defined benefit asset	6,474	Retained earnings	189,426
Deferred tax assets	57	Treasury stock	(19,794)
Guarantee deposits	5,772	**Accumulated other comprehensive income**	**5,450**
Other	3,559	Valuation difference on available-for-sale securities	8
Allowance for doubtful accounts	(656)	Foreign currency translation adjustments	3,546
		Remeasurements of defined benefit plans	1,896
		Minority interests	**15,727**
		Total net assets	**328,315**
Total assets	**1,190,368**	**Total liabilities and net assets**	**1,190,368**

Consolidated Statement of Income

(April 1, 2014 - March 31, 2015)

(Millions of yen)

Description	Amount	
Operating revenue		219,289
Interest on consumer loans	143,474	
Interest on loans of banking business	8,503	
Credit card revenue	2,637	
Per-item revenue	104	
Revenue from credit guarantee	36,260	
Collection from purchased receivable	5,315	
Other financial revenue	1,263	
Other operating revenue	21,731	
Operating expenses		205,215
Financial expenses	19,498	
Cost of purchased receivable	2,563	
Other operating expenses	183,153	
Operating income		**14,073**
Non-operating income		726
Interest income	216	
Dividend income	11	
Equity in earnings of affiliates	13	
House rent income	312	
Other	172	
Non-operating expenses		53
Interest expenses	22	
Loss on investments in partnership	17	
Loss on insurance cancellation	8	
Other	5	
Ordinary income		**14,747**
Extraordinary income		783
Gain on sales of noncurrent assets	716	
Gain on sales of investment securities	66	
Other	0	
Extraordinary loss		126
Loss on sales of noncurrent assets	11	
Loss on retirement of noncurrent assets	114	
Loss on valuation of investment securities	0	
Other	0	
Income before income taxes and minority interests		**15,403**
Income taxes-current	3,235	
Income taxes-deferred	(3,672)	(436)
Income before minority interests		15,840
Minority interests in income		2,975
Net income		**12,864**

Consolidated Statement of Changes in Net Assets

(April 1, 2014 - March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	63,832	76,010	173,398	(19,793)	293,447
Cumulative effects of changes in accounting policies		(2,339)	3,163		824
Balance at the beginning of current period reflecting changes in accounting policies	63,832	73,671	176,562	(19,793)	294,272
Changes of items during the period					
Net income			12,864		12,864
Purchase of treasury stock				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during the period	–	–	12,864	(0)	12,864
Balance at the end of current period	63,832	73,671	189,426	(19,794)	307,136

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	22	(756)	1,679	945	12,333	306,726
Cumulative effects of changes in accounting policies		(433)	(385)	(819)		5
Balance at the beginning of current period reflecting changes in accounting policies	22	(1,190)	1,293	126	12,333	306,732
Changes of items during the period						
Net income						12,864
Purchase of treasury stock						(0)
Net changes of items other than shareholders' equity	(14)	4,736	602	5,324	3,394	8,718
Total changes of items during the period	(14)	4,736	602	5,324	3,394	21,583
Balance at the end of current period	8	3,546	1,896	5,450	15,727	328,315

Notes to the Consolidated Financial Statements

(From April 1, 2014 to March 31, 2015)

1. Notes to Significant Matters Providing the Basis for the Preparation of Consolidated Financial Statements

(1) Matters concerning the scope of consolidation

Number of consolidated subsidiaries: 7

Names of principal consolidated subsidiaries are referred to in "(7) Principal Parent Company and Subsidiaries of 1. Overview of Consolidated Business Activities," therefore they are omitted here.

AFRESH CREDIT CO., LTD., which had been a consolidated subsidiary until the prior fiscal year, was excluded from the scope of consolidation, since it was absorbed on September 1, 2014, by IR Loan Servicing, Inc., which is a consolidated subsidiary of the Company.

(2) Matters concerning application of the equity method

Number of equity-method-affiliate: 1

Name of the equity-method-affiliate: MU Communications Co., Ltd.

(3) Matters concerning accounting standards

1) Evaluation standards and methods for significant assets

(a) Marketable securities

Trading securities	Market value method (the cost of securities sold is computed using the moving average method)
Held-to-maturity securities	Mainly amortization cost method (Interest method)
Other marketable securities	
Securities with market quotations	Stated at market value at the end of the fiscal year (Unrealized gains or losses are comprehensively reported as a component of net assets and the cost of securities sold is computed using the moving average method)
Securities without market quotations	Stated at cost by the moving-average method The investments in limited investment partnerships and other similar partnerships (those deemed as "securities" according to the Article 2, Paragraph 2 of the Financial Instruments and Exchange Act) are reported, using the equity method, based on the latest financial statements available as at the closing dates stipulated by the respective partnership contracts.

(b) Derivative transactions, etc.

Swap transactions	Market value method

(c) Inventories

Merchandise	Stated at cost, on an individual specified cost basis (balance sheet value is computed by the method of devaluing book price to reflect declines in profitability)
Supplies	Mainly at cost, based on the first-in first-out method

2) Depreciation and amortization methods for significant depreciable assets

(a) Property, plant and equipment (excluding lease assets)

The Company and its domestic consolidated subsidiaries

Declining balance method

Overseas consolidated subsidiaries

Straight-line method

(b) Intangible assets (excluding lease assets)

Software for internal use	Amortized by the straight-line method over their estimated useful lives (5 years) in the Company.
Other intangible assets	Straight-line method

(c) Lease assets

Lease assets concerning transfer ownership finance lease transactions

Depreciated by the same depreciation method applied to

	noncurrent assets owned by the Company
Lease assets concerning non-transfer ownership finance lease transactions	
	Depreciated by the straight-line method, defining the lease term of respective assets as their useful lives, with residual value equaling zero
(d) Long-term prepaid expenses	Depreciated by the equal installment method
(e) Deferred assets	
Bond issuance cost	These costs are fully charged to income when they are paid.

3) Accounting standards for the translation of foreign currency-denominated assets and liabilities into Japanese yen

Foreign currency-denominated monetary claims and obligations are translated into Japanese yen, using the spot exchange rates on the closing date of consolidated accounting and the resulting translation gains and losses are recognized as income and expenses.

Assets and liabilities and income and expenses of overseas subsidiaries are translated into Japanese yen at the spot exchange rates on the account closing date and average exchange rates, respectively. The resulting translation gains and losses are recorded as foreign currency translation adjustments and minority interests under the net assets section.

4) Accounting standards for significant allowances and provisions

Allowance for doubtful accounts	To provide for potential loss on consumer loans and other loans, the Company and its consolidated subsidiaries make an allowance for the expected amount of irrecoverable loans. Allowances for ordinary bad debts are computed, based on the historical rate of default. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis.
Provision for loss on guarantees	To provide for loss on guarantees, the Company makes an allowance for potential losses at the end of the fiscal year.
Provision for directors' retirement benefits	Certain domestic consolidated subsidiaries make provisions for a necessary amount of directors' retirement benefits at the end of each fiscal year, in accordance with the Company's internal rules.
Provision for loss on interest repayment	To prepare for potential loss on interest repayment in the future, the Company estimates and provides a reasonable amount of provision for loss on interest repayment, in consideration of the past actual results and the latest interest repayment situations.

5) Accounting standards for significant revenue and expenses

Interest on consumer loans	Interest is recorded on an accrual basis. Accrued interest on consumer loans is recorded, using the interest rate stipulated in the Interest Rate Restriction Act or the contracted interest rate of the Company, whichever the lower.
Credit card revenue	
Fees from customers	Recorded by the credit balance method
Fees from member stores	Recorded as fees at the time of transaction
Revenue from credit guarantee	Recorded by the credit balance method
(Note) Details of each recording method are as follows:	
Credit balance method	Fees to be recorded as an income is calculated pursuant to the prescribed rates applicable to the relevant credit balance.

6) Significant hedge accounting method

(a) Hedge accounting method

The Company adopts the deferred hedge accounting. However, exceptional accounting treatments are applied to certain interest-rate swaps which meet specific conditions and designation transactions are applied to those that conform to the requirements of designated currency swap transactions.

(b) Hedging instruments and hedging items

Interest rate-related items	
Hedging instruments	Interest-rate swap agreements
Hedging items	Loans payable with variable interest rates
Currency-related items	
Hedging instruments	Currency swap agreements
Hedging items	Foreign-currency-denominated loans payable and foreign-currency-denominated bonds payable

(c) Hedging policy

The Company and its subsidiaries enter into derivatives contracts to hedge against various risks. These contracts include the following: Interest-rate swaps to hedge against the risk of fluctuations in interest rates relating to loans payable with variable interest rates for the purpose of protecting cash flows. Currency swap contracts to hedge against the risk of fluctuations in exchange rates relating to loans payable and interest on loans relating to foreign-currency-denominated loans payable and foreign-currency-denominated bonds payable for the purpose of protecting cash flows.

(d) Method for evaluating hedging effectiveness

With regard to interest rate-related hedging, important requirements concerning hedging instruments and hedging items are closely matched with each other. Also, the Company can assume that fluctuations in interest rates and cash flows are fully offset by the fluctuations in hedging instruments on an ongoing basis since the implementation of hedging contracts. Therefore, the judgment of hedging effectiveness is omitted. On currency-related hedging, currency swap contracts are entered into on the same conditions as heading items, thus the Company can assume that fluctuations in exchange rates or cash flows are fully offset by the fluctuations of hedge instruments. Therefore, the judgment of hedging effectiveness is omitted.

7) Method and period for amortization of goodwill

Goodwill is amortized by the equal installments method over a period of 10 to 15 years. However, those with insignificant value are fully amortized in the fiscal year in which they were incurred.

8) Other significant matters for the preparation of consolidated financial statements

(a) Accounting method for retirement benefits

Net defined benefit liability is recorded at the amount obtained by subtracting pension assets from retirement benefit obligations based on their projected amounts at the end of the current fiscal year, in order to provide for employees' retirement benefits. If the projected amount of pension assets exceeds the projected amount of retirement benefit obligations, the excess amount is recorded as net defined benefit asset.

Past service costs are charged to expenses, using the straight-line method, over the determined years (5 years) that are not longer than average remaining service years of the employees at the time of occurrence.

Actuarial differences are amortized evenly using the straight-line method over the determined years (5 years) that are not longer than the average remaining service years of employees at the time of occurrence in each fiscal year, beginning from the fiscal year following the time of occurrence.

Actuarial differences and unrecognized past service costs are recorded as remeasurements of defined benefit plans in accumulated other comprehensive income under the net assets section, after adjustments for tax effect.

(b) Accounting method for consumption tax

Transactions subject to consumption tax are recorded at the amount exclusive of consumption tax. However, consumption tax and other taxes imposed on non tax-deductible assets are recorded as an expense for the fiscal year they were incurred.

2. Notes to changes in accounting policies

<Adoption of Accounting Standard for Retirement Benefits, etc.>

From the fiscal year under review, the Company has adopted "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, May 17, 2012, hereinafter referred to as the "Retirement Benefits Accounting Standard") and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015, hereinafter referred to as the "Retirement Benefits Guidance"), in respect of the provisions specified in the main clause of Paragraph 35 of the Retirement Benefits Accounting Standard and the main clause of Paragraph 67 of the Retirement Benefits Guidance, whereby the method of calculating retirement benefit obligations and service costs has been reviewed. Based on this review, the method of attributing expected retirement benefits to periods has been changed from straight-line basis to benefit formula basis, while the method of determining discount rates has been changed from the method based on the number of years approximate to the average remaining service period of employees to the method using a single weighted average discount rate reflecting the period up to the expected timing of retirement benefits payment, as well as the amount of retirement benefits payment for each such period.

In adopting the Retirement Benefits Accounting Standard etc., the amount of impact associated with the changes in the methods of calculating retirement benefit obligations and service costs has been added to, or deducted from, retained earnings at the beginning of the fiscal year under review, in accordance with the tentative treatment prescribed in Paragraph 37 of the Retirement Benefits Accounting Standard.

As a result, as of the beginning of the fiscal year under review, net defined benefit asset increased by 3,794 million yen and retained earnings increased by 2,827 million yen. The effect of this change on operating income, ordinary income, and income before income taxes and minority interests for the fiscal year under review is immaterial.

The effects on per share information are referred to in the relevant section.

<Adoption of Accounting Standard for Business Combinations, etc.>

As the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013, hereinafter referred to as the "Business Combinations Accounting Standard"), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013, hereinafter referred to as the "Consolidated Accounting Standard"), "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013, hereinafter referred to as the "Business Divestitures Accounting Standard") and other standards became applicable from the beginning of the fiscal years commencing on or after April 1, 2014, these accounting standards (excluding provisions specified in Paragraph 39 of the Consolidated Accounting Standard) have been applied from the fiscal year under review. As a result, the accounting method has been changed where the difference associated with the changes in equity in subsidiaries remaining under the control of the Company is recorded as capital surplus, and where acquisition-related costs are recorded as expenses for the fiscal year in which such costs are incurred. For business combinations implemented on or after the beginning of the fiscal year under review, the accounting method has been changed to reflect the adjustments to the allocated amount of acquisition costs under the finalization of provisional accounting treatment in the consolidated financial statements for the fiscal year containing the date of such business combinations.

In adopting the Business Combinations Accounting Standard, the cumulative effects of the retroactive adoption of the new accounting policies over all past periods at the beginning of the fiscal year under review was added to, or deducted from, capital surplus and retained earnings, in accordance with the tentative treatment as prescribed in Paragraph 58-2 (3) of the Business Combinations Accounting Standard, Paragraph 44-5 (3) of the Consolidated Accounting Standard and Paragraph 57-4 (3) of the Business Divestitures Accounting Standard.

As a result of this change, as of the beginning of the fiscal year under review, goodwill, capital surplus and foreign currency translation adjustments decreased by 2,436 million yen, 2,339 million yen and 433 million yen, respectively and retained earnings increased by 335 million yen. Additionally, operating income, ordinary income, and income before income taxes and minority interests for the fiscal year under review all increased by 242 million yen.

The effects on per share information are referred to in the relevant section.

3. Notes to changes in disclosure method

From the fiscal year under review, "Gain on investments in partnership" under non-operating income, which was listed separately in the prior fiscal year, is included in "Other," as its monetary value has become insignificant.

The amount of "Gain on investments in partnership" for the fiscal year under review was 8 million yen.

4. Supplemental information

<Adoption of consolidated taxation system>

The Company and some of its domestic consolidated subsidiaries have been approved by the Commissioner of Japan's National Tax Agency for the adoption of the consolidated taxation system from the fiscal year ending March 31, 2016. Therefore, from the end of the current fiscal year, accounting methods are based on the adoption of the consolidated tax system, in accordance with the "Practical Solution on Tentative Treatment of Tax Effect Accounting Under Consolidated Taxation System (Part 1)" (ASBJ Practical Issue Task Force (PITF) No. 5 of January 16, 2015) and the "Practical Solution on Tentative Treatment of Tax Effect Accounting Under Consolidated Taxation System (Part 2)" (ASBJ PITF No. 7 of January 16, 2015).

<Modifications to the amount of deferred tax assets and liabilities due to changes of corporate taxation rates>

Due to promulgation of "Act for Partial Revision of the Income Tax Act, etc." and the "Act on Partial Revision of the Local Tax Act, etc." on March 31, 2015, the effective statutory tax rate used in the calculation of deferred tax assets and liabilities for the fiscal year under review (limited to those that will be settled on or after April 1, 2015) has been revised from 35.64% of the prior fiscal year to 33.10% for items expected to be collected or paid in the period from April 1, 2015 to March 31, 2016, and to 32.34% for items expected to be collected or paid on or after April 1, 2016.

As a result, the amount of deferred tax assets (deducting the amount of deferred tax liabilities) decreased by 1,508 million yen and income taxes-deferred, valuation difference on available-for-sale securities and remeasurements of defined benefit plans for the fiscal year under review increased by 1,606 million yen, 0 million yen and 97 million yen, respectively.

5. Notes to Consolidated Balance Sheet

(1) Assets pledged as collateral and secured liabilities

Assets pledged as collateral	(Millions of yen)
Loans receivable of consumer loans	31,542
	[31,542]
Secured liabilities	
Current portion of long-term loans payable	5,036
	[5,036]
Long-term loans payable	-
	[-]

Figures in brackets "[ ]" represent amounts of receivable concerning liquidation of receivables. Loans receivable of consumer loans have been transferred by trust for the purpose of liquidation, whose right of ownership has been transferred to the trust bank (trustees), accordingly.

(2) Accumulated depreciation of property, plant and equipment 37,489 million yen

(3) Guaranteed liabilities

	(Millions of yen)
Outstanding guarantee obligation in the guarantee business	861,212
Outstanding guarantee obligation in the banking business	1,109
Provision for loss on guarantees	7,013
Net	855,308

(4) Cash and deposits include 5,523 million yen of reserve for deposit of a consolidated subsidiary pursuant to the regulations of Bank Indonesia.

6. Notes to Consolidated Statement of Changes in Net Assets

(1) Class and total number of shares issued as of the end of the current fiscal year

Common stock 1,596,282,800 shares

(2) Matters concerning dividends from surplus

1) Dividends paid

Not applicable.

2) Dividends whose record date falls in the current fiscal year, but whose effective date comes after March 31, 2015

Not applicable.

(3) Class and number of shares to be issued upon the exercise of the stock acquisition rights as of the end of the current fiscal year

Not applicable.

7. Notes to financial instruments

(1) Matters concerning the financial instruments

1) The Group's policy for financial instruments

The Group conducts financial service businesses. These include loan business, credit card business, installment sales finance business, guarantee business, loan servicing business and banking business. To finance the operation of these businesses, the Group raises funds through indirect financing, i.e. borrowings from financial institutions, as well as direct financing, such as issuing bonds, liquidation of receivables, etc., in light of the market situation and balance between variable interest rates and fixed interest rates. The Group conducts derivative transactions primarily for the purpose of hedging against the risk of fluctuations in interest rates and exchange rates associated with these financing operations, and does not have a policy to conduct speculative trading.

2) Details of financial instruments and associated risks

Major financial assets held by the Group are loans receivable of consumer loans, loans receivable of banking business and accounts receivable-installment; these assets are exposed to credit risk resulting from customers' default of payments. In addition, the Group holds shares, bonds, investments in partnership, etc. either on a held-to-maturity or portfolio investment basis, while some consolidated subsidiaries hold them for trading purposes. These assets are exposed to the risk of market value fluctuations and some are open to the risks of issuer's credit and interest rate fluctuations.

Financial liabilities including loans payable, bonds and liquid receivables are exposed to liquidity risk, giving some indication of the possibility that the Group may not be able to make payment at the due date as a result of a change in the Group's credit standings or the market environment. Likewise, liabilities with variable interest rates have a certain degree of interest-rate risk, but the Group mitigates this risk through interest rate swap transactions. On the other hand, foreign-currency-denominated liabilities are exposed to the risk of fluctuations in foreign currency exchange rates, which is averted with the help of currency swap agreements.

Derivative transactions include interest rate swap agreements for the purpose of hedging against the risk of fluctuations in interest rates associated with loans payable; and currency swap agreements that aim to hedge against the risk of fluctuations in exchange rates concerning foreign-currency-denominated loans payable and foreign-currency-denominated bonds payable. For details of hedging instruments, hedging items, hedging policy and the method for evaluating hedging effectiveness concerning hedge accounting, please refer to aforementioned "1. Notes to Significant Matters Providing the Basis for the Preparation of Consolidated Financial Statements, (3) Matters concerning accounting standards, 6) Significant hedge accounting method."

3) Risk management system for financial instruments

(a) Credit risk management

According to internal rules, the Company incorporates and operates a structure to cope with individual transaction-based credit administration, credit information management, a credit rating system, a self-assessment system, problem loans and to regularly monitor its credit portfolios. The credit management and credit business promotion divisions separately conduct individual transaction-based screening and credit management, designed to facilitate a mutual surveillance function. In addition, the Company holds a regular management meeting to report and discuss important matters on credit risk management and operations. Separately it has a system under which the internal audit department reviews the appropriateness of the Company's credit business operations, ensuring that the Company engages in a proper credit business. Consolidated subsidiaries also have similar management systems in place.

(b) Market risk management

The Company and some of its consolidated subsidiaries utilize interest rate swap agreements to mitigate the risk of fluctuations in interest payments on their financial liabilities such as loans payable. Also, they basically enter into currency swap agreements to hedge against the risk of fluctuations in exchange rate related to their foreign-currency-denominated liabilities.

With regard to marketable securities, such as shares and bonds, managements receive regular monitoring report regarding market trends, market values, issuers' financial standings, etc., in order to constantly review their asset holdings.

The Group conducts derivative transactions primarily with the aim of optimizing financing costs and adjustment of the fixed/variable interest rates proportion. It does not have a policy of conducting derivatives trading for speculative purposes. Further, execution and administration of derivatives transactions are conducted in accordance with the Company's internal rules that stipulate the trading authority, trading limits, etc., under the basic policy approved at meetings of management.

Consolidated subsidiaries also have similar market risk management systems in place.

In addition, all the loans receivable of consumer loans, which are the Group's principal financial assets, are fixed interest rates, and large part of loans payable and bonds, which are the Group's principal financial liabilities, are also fixed interest rates, therefore they have low sensitivity to fluctuations in interest rates. That is why the Group does not conduct a quantitative analysis on the market risk.

With regards to the items of which market values are determined using the market interest rate, if the interest rate as of March 31, 2015, had been 1 basis point (0.01%) lower, the market value of their net amount (asset side) - relevant financial assets after deduction of financial liabilities - would increase by 31 million yen on the condition that all risk variables other than interest rate are constant. To the contrary, if the interest rate had been higher by 1 basis point (0.01%), the net amount would decrease by 31 million yen.

(c) Management of liquidity risk associated with financing activities

The Company manages the liquidity risk by reviewing its financing plan on a timely basis according to past financing results, change in market conditions or interest rate situations, etc., based on the financing plan approved at meetings of management. Also for that purpose, it maintains a certain amount of liquidity at all times, secures commitment lines, seeking diversity and appropriate balance of financing methods in light of the market environment. Consolidated subsidiaries also have similar financing systems in place.

4) Supplementary explanations on market value of financial instruments

Market value of financial instruments are measured based on the quoted market price, if available, or reasonably assessed value if a quoted market price is not available. Market value of financial instruments which quoted market price is not available is calculated based on certain assumptions, and the value might differ if different assumptions are used. In addition, the contract amount of the derivative transactions described below in "(2) Matters concerning the market value of financial instruments" does not represent the market risk of the derivative transactions.

(2) Matters concerning the market value of financial instruments

The book value on the consolidated balance sheet and market value of financial instruments as of March 31, 2015, as well as the differences between these values are described below. Financial instruments whose market values appear to be extremely difficult to determine are not included in the table. (See (Note 2))

(Millions of yen)

	Book Value	Market Value	Difference
1) Cash and deposits	119,835	119,835	-
2) Loans receivable of consumer loans	877,427		
Allowance for doubtful accounts	(35,552)		
Provision for loss on interest repayment (Amount of voluntary waiver of repayments)	(15,800)		
	826,074	1,013,113	187,039
3) Loans receivable of banking business	64,582		
Allowance for doubtful accounts	(771)		
	63,811	71,937	8,126
4) Accounts receivable-installment	22,295		
Allowance for doubtful accounts	(1,868)		
Deferred installment income	(86)		
	20,339	26,560	6,221
5) Purchased receivables	8,473		
Allowance for doubtful accounts	(2,399)		
	6,074	6,074	-
6) Marketable securities, trading account securities and investment securities			
(a) Trading securities	1,804	1,804	-
(b) Held-to-maturity securities	3,123	3,162	39
(c) Other securities	8,058	8,058	-
Total assets	1,049,121	1,250,547	201,426
1) Short-term loans payable	32,850	32,850	-
2) Deposits of banking business	79,248	79,251	3
3) Current portion of bonds payable and bonds payable	203,313	205,216	1,902
4) Current portion of long-term loans payable and long-term loans payable	410,690	411,779	1,089
Total liabilities	726,102	729,097	2,995
Derivative transaction (*)			
(a) Transactions not subject to the application of hedge accounting	303	303	-
(b) Transactions subject to the application of hedge accounting	-	-	-
Total derivative transactions	303	303	-

(*) Receivables and payables incurred by derivative transactions are presented in net. Net payables are presented in brackets "[ ]."

Note 1: Matters concerning the calculation method for the market value of financial instruments, marketable securities and derivatives trading

Assets

1) Cash and deposits

Deposits without maturity are stated at their book values, as their market values approximate book values. Deposits with maturity are stated at their book values, as their remaining periods are short (within a year) and their market values approximate book values.

2) Loans receivable of consumer loans, 3) loans receivable of banking business and 4) accounts receivable-installment

The fiscal year-end outstanding balances are stated at their present values, which are calculated by discounting expected future cash flows of the potentially recoverable principal and interest by the current market interest rate. These exclude secured loans and accounts receivable-installment, which are stated at

adjusted book value; the expected amount of loan losses on these assets are calculated based on the expected recoverable amount of their collateral securities, hence their market values approximate their balance sheet values at the closing date, less the current expected amount of loan losses. Meanwhile, the assets related to the installment sales finance business at certain consolidated subsidiaries are stated at adjusted book value, as their average remaining periods are roughly one year and their market values approximate their balance sheet values net of an allowance for doubtful accounts.

5) Purchased receivables

These are stated at adjusted book value. The expected amount of loan losses on these assets are calculated based on either the present value of expected future cash flows or expected recoverable amount of their collateral securities or guarantees; hence their market values approximate their balance sheet values at the closing date, less the current expected amount of loan losses.

6) Marketable securities, trading account securities and investment securities

Shares are stated at the stock exchange quoted price, bonds are stated at either the stock exchange quoted price or the price presented by transacting financial institutions. Certain bonds are stated at book value using the amortized cost method, as they are redeemed in the short term and their market values approximate book values. Certificate of deposit is stated at book value, as they are short-term assets and their market values approximate book values.

Notes to securities according to holding purposes are as follows.

(a) Trading securities

Unrealized gain or loss reported as an income or loss for the current fiscal year 49 million yen

(b) Held-to-maturity securities

The book values on the consolidated balance sheet and market values of held-to-maturity securities by type, as well as differences between these values are as follows. No held-to-maturity securities were sold during the current fiscal year.

(Millions of yen)

Type	Book Value	Market Value	Difference
Market value greater than book value on the consolidated balance sheet			
(a) Government/municipal	2,514	2,558	43
(b) Corporate	-	-	-
(c) Other	-	-	-
Subtotal	2,514	2,558	43
Market value not greater than book value on the consolidated balance sheet			
(a) Government/municipal	608	604	(4)
(b) Corporate	-	-	-
(c) Other	-	-	-
Subtotal	608	604	(4)
Total	3,123	3,162	39

(c) Other securities

Sale value for other securities during the current fiscal year is 67 million yen; the total gain on sales is 66 million yen. The acquisition costs of other securities, their value on the consolidated balance sheet and differences by type are as follows.

(Millions of yen)

Type	Book Value	Acquisition cost	Difference
Acquisition cost not greater than book value on the consolidated balance sheet			
(a) Stocks	0	0	0
(b) Bonds			
Government/municipal	58	55	2
Corporate	-	-	-
Other	-	-	-
(c) Other	-	-	-
Subtotal	58	55	2
Acquisition cost greater than book value on the consolidated balance sheet			
(a) Stocks	-	-	-
(b) Bonds			
Government/municipal	-	-	-
Corporate	-	-	-
Other	-	-	-
(c) Other	-	-	-
Subtotal	-	-	-
Total	58	55	2

(Note) Certificate of deposit (8,000 million yen of book values on the consolidated balance sheet), whose book values are considered as market values, is not included in the table above.

(d) Impaired securities that were written down to their fair values

During the fiscal year under review, the Group reported a loss of 0 million yen arising from a write-down of impaired securities (unlisted shares).

Liabilities

1) Short-term loans payable

These liabilities are stated at book value as they are settled in the short-term and their market values approximate their book values.

2) Deposits of banking business

Deposits with maturity less than 1 year are stated at book value as they are settled in the short-term and their market values approximate their book values. Deposits with maturity exceeding 1 year are stated at the present value which is calculated by discounting a principal with interest income by the current market interest rate.

3) Current portion of bonds payable and bonds payable

Bonds with market value are stated at market price. Bonds without market value and privately offered bonds are stated at the present value which is calculated by discounting a principal with interest income by the discount rate (i.e. the current market interest rate in consideration of credit risk).

4) Current portion of long-term loans payable and long-term loans payable

Long-term loans payable are stated at the present value which is calculated by discounting a principal with interest income by the discount rate (i.e. the current market interest rate in consideration of credit risk).

Derivative transactions

1) Derivative transactions not subject to the application of hedge accounting

With regard to derivative transactions which are not subject to the application of hedge accounting, the contract amount or equivalent of the principal amount prescribed by the contract, market value, valuation gain (or loss) and the calculation method for the market value as of the closing date of consolidated accounting according to the type of hedging items are as follows.

(a) Currency related derivatives

The currency-related derivative transactions used by part of the consolidated subsidiaries are currency

swap agreements which fix the value of foreign-currency-denominated borrowings in local-currency. Because these borrowings include transactions between consolidated companies that are eliminated in consolidation, they are not treated as hedging transactions in the consolidated accounts.

(Millions of yen)

Category	Transaction type	Contract amount	Amount of more than 1 year-period contracts	Market value	Valuation gain (loss)
Transactions out of the market	Currency swap agreements	5,926	-	303	303

(Note) Calculation method for market value
Calculated based on the price presented by counterparty financial institutions

2) Derivative transactions subject to the application of hedge accounting

With regard to derivative transactions which are subject to the application of hedge accounting, the contract amount or equivalent of the principal amount prescribed by the contract as of the closing date of consolidated accounting according to hedge accounting methods are as follows.

(a) Interest-related derivatives

(Millions of yen)

Hedge accounting method	Transaction type	Major hedging items	Contract amount	Amount of more than 1 year-period contracts	Market value
Interest rate swap agreements subject to the application of exceptional accounting treatments	Interest rate swap agreements Fixed interest payments and floating interest receivables	Long-term loans payable	265,121	208,927	(Note)

(Note) Interest rate swap agreements subject to the application of exceptional treatments are recognized together with hedging items (i.e. long-term loans payable), therefore, their market values are included in the market value of the relevant long-term loans payable.

(b) Currency-related derivatives

(Millions of yen)

Hedge accounting method	Transaction type	Major hedging items	Contract amount	Amount of more than 1 year-period contracts	Market value
Exchange contracts subject to the application of designation transactions	Currency swap agreements	Long-term loans payable and bonds payable	18,018	16,545	(Note)

(Note) Currency swap agreements subject to the application of designation transactions are recognized together with hedging items (i.e. long-term loans payable and bonds payable), therefore, their market values are included in the market value of the relevant long-term loans payable, etc.

Note 2: Financial instruments whose market values appear to be extremely difficult to determine are as follows.

(Millions of yen)

Item	Book value
1) Unlisted shares (*1) (*2)	1,130
2) Investments in investment partnerships (*1) (*3)	155
Total	1,286

(*1) These shares are not included in "Asset 6) Marketable securities, trading account securities and investment securities" which contain information about the market value of financial instruments.

(*2) The market value of unlisted shares is not disclosed, as they are not quoted on a stock exchange and it appears to be extremely difficult to determine their market values.

(*3) The market value of investments in investment partnerships is not disclosed, as partnerships' assets comprise unlisted shares and other investment instruments whose market values appear to be extremely difficult to determine.

Note 3: The scheduled redemption amount of monetary claims and marketable securities with maturity

(Millions of yen)

	Up to 1 year	More than 1 year and up to 2 years	More than 2 years and up to 3 years	More than 3 years and up to 4 years	More than 4 years and up to 5 years	More than 5 years
Cash and deposits	119,835	-	-	-	-	-
Loans receivable of consumer loans (*1) (*2)	216,782	172,672	154,709	147,369	144,367	8,607
Loans receivable of banking business	35,486	3,267	4,431	5,093	6,084	10,217
Accounts receivable-installment (*1) (*2)	4,808	4,108	4,108	4,108	4,108	128
Marketable securities and Investment securities						
1) Held-to-maturity securities						
Government bond	-	601	286	-	339	1,895
2) Other marketable securities with maturities						
Government bond	-	-	-	58	-	-
Other	8,000	-	-	-	-	-
Total	384,913	180,650	163,536	156,630	154,899	20,849

(*1) Loans receivables of consumer loans and accounts receivable-installment do not include loans with potential defaults whose redemption schedule is unclear (amount: 25,170 million yen).

(*2) The amounts of loans receivable of consumer loans and accounts receivable-installment in the credit card business are the expected amounts assuming that average minimum payments are to be made on a fixed date in each month.

Note 4: Scheduled repayment amount of bonds payable, long-term loans payable, lease obligations and other interest-bearing liabilities after the consolidated closing date

(Millions of yen)

	Up to 1 year	More than 1 year and up to 2 years	More than 2 years and up to 3 years	More than 3 years and up to 4 years	More than 4 years and up to 5 years	More than 5 years
Short-term loans payable	32,850	-	-	-	-	-
Deposits of banking business	79,248	-	-	-	-	-
Current portion of bonds payable and bonds payable	35,422	18,350	25,000	25,000	31,540	68,000
Current portion of long-term loans payable and long-term loans payable	113,340	91,527	82,027	74,833	48,961	-
Lease obligations	434	342	245	181	58	-
Total	261,296	110,219	107,273	100,014	80,560	68,000

8. Notes to Per Share Information

(1) Net assets per share 199.53 yen

(2) Net income per share 8.21 yen

(Note 1) As stated in "2. Notes to changes in accounting policies," the Company has adopted Retirement Benefits Accounting Standard, etc., in accordance with the tentative treatment prescribed in Paragraph 37 of the Retirement Benefits Accounting Standard.
As a result, net assets per share for the fiscal year under review increased by 1.56 yen.

(Note 2) As stated in "2. Notes to changes in accounting policies," the Company has adopted the Business Combinations Accounting Standard, etc. in accordance with the tentative treatment prescribed in Paragraph 58-2 (3) of the Business Combinations Accounting Standard, Paragraph 44-5 (3) of the Consolidated Accounting Standard and Paragraph 57-4 (3) of the Business Divestitures Accounting Standard.
As a result, for the fiscal year under review, net assets per share decreased by 1.56 yen and net income per share increased by 0.15 yen.

9. Other

Figures less than one million yen are rounded down to the nearest one million yen.

Non-consolidated Financial Statements

(April 1, 2014 - March 31, 2015)

Non-consolidated Balance Sheet

(As of March 31, 2015)

(Millions of yen)

Description	Amount	Description	Amount
(Assets)		**(Liabilities)**	
Current assets	**905,010**	**Current liabilities**	**165,215**
Cash and deposits	103,255	Accounts payable-trade	312
Loans receivable of consumer loans	747,139	Short-term loans payable	15,000
Accounts receivable-installment	21,595	Current portion of long-term loans payable	107,653
Short-term investment securities	8,000	Current portion of bonds payable	25,000
Merchandise	325	Lease obligations	434
Supplies	34	Accounts payable-other	2,268
Prepaid expenses	652	Accrued expenses	7,357
Deferred tax assets	22,688	Income taxes payable	185
Accrued income	11,616	Deposits received	229
Short-term loans receivable from subsidiaries and affiliates	2,500	Provision for loss on guarantees	6,560
Right to reimbursement	24,327	Asset retirement obligations	0
Other	2,723	Other	213
Allowance for doubtful accounts	(39,850)	**Noncurrent liabilities**	**520,331**
Noncurrent assets	**70,788**	Bonds payable	146,000
Property, plant and equipment	22,357	Long-term loans payable	265,261
Buildings	4,749	Lease obligations	828
Structures	1,052	Deferred tax liabilities	1,144
Vehicles	0	Provision for loss on interest repayment	102,600
Equipment	9,297	Asset retirement obligations	4,336
Land	6,124	Other	160
Lease assets	1,133		
Intangible assets	12,415		
Software	4,928	**Total liabilities**	**685,546**
Goodwill	7,443		
Leasehold right	4	**(Net assets)**	
Telephone subscription right	37	**Shareholders' equity**	**290,244**
Other	1	Capital stock	63,832
Investments and other assets	36,016	Capital surplus	76,010
Investment securities	1,047	Legal capital surplus	72,322
Stocks of subsidiaries and affiliates	22,198	Other capital surplus	3,687
Long-term loans receivable from subsidiaries and affiliates	472	Retained earnings	170,194
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,018	Legal retained earnings	4,320
Long-term prepaid expenses	365	Other retained earnings	165,874
Guarantee deposits	5,379	General reserve	80,000
Prepaid pension cost	3,476	Retained earnings brought forward	85,874
Other	2,706	Treasury stock	(19,794)
Allowance for doubtful accounts	(650)	**Valuation and translation adjustments**	**8**
		Valuation difference on available-for-sale securities	8
		Total net assets	**290,252**
Total assets	**975,799**	**Total liabilities and net assets**	**975,799**

Non-consolidated Statement of Income

(April 1, 2014 - March 31, 2015)

(Millions of yen)

Description	Amount	
Operating revenue		163,644
Interest on consumer loans	113,608	
Credit card revenue	2,637	
Revenue from credit guarantee	30,191	
Other financial revenue	68	
Other operating revenue	17,138	
Operating expenses		162,512
Financial expenses	10,081	
Other operating expenses	152,431	
Operating income		**1,132**
Non-operating income		3,078
Interest income	117	
Interest on securities	0	
Dividend income	2,369	
Other	590	
Non-operating expenses		49
Interest expenses	22	
Loss on investments in partnership	17	
Loss on insurance cancellation	8	
Other	1	
Ordinary income		**4,161**
Extraordinary income		778
Gain on sales of noncurrent assets	711	
Gain on sales of investment securities	66	
Other	0	
Extraordinary loss		122
Loss on sales of noncurrent assets	11	
Loss on retirement of noncurrent assets	110	
Loss on valuation of investment securities	0	
Other	0	
Income before income taxes		**4,817**
Income taxes-current	131	
Income taxes-deferred	(4,630)	(4,499)
Net income		**9,316**

Non-consolidated Statement of Changes in Net Assets

(April 1, 2014 - March 31, 2015)

(Millions of yen)

	Shareholders' equity									
		Capital surplus			Retained earnings					
						Other retained earnings				
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	General reserve	Retained earnings brought forward	Total retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	63,832	72,322	3,687	76,010	4,320	80,000	73,780	158,101	(19,793)	278,150
Cumulative effects of changes in accounting policies							2,776	2,776		2,776
Balance at the beginning of current period reflecting changes in accounting policies	63,832	72,322	3,687	76,010	4,320	80,000	76,557	160,878	(19,793)	280,927
Changes of items during the period										
Net income							9,316	9,316		9,316
Purchase of treasury stock									(0)	(0)
Net changes of items other than shareholders' equity										
Total changes of items during the period	—	—	—	—	—	—	9,316	9,316	(0)	9,316
Balance at the end of current period	63,832	72,322	3,687	76,010	4,320	80,000	85,874	170,194	(19,794)	290,244

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	22	22	278,173
Cumulative effects of changes in accounting policies			2,776
Balance at the beginning of current period reflecting changes in accounting policies	22	22	280,949
Changes of items during the period			
Net income			9,316
Purchase of treasury stock			(0)
Net changes of items other than shareholders' equity	(14)	(14)	(14)
Total changes of items during the period	(14)	(14)	9,302
Balance at the end of current period	8	8	290,252

Notes to Non-consolidated Financial Statements

1. Notes to Matters concerning Significant Accounting Policies

(1) Evaluation standards and methods for assets

1) Evaluation standards and methods for marketable securities

Stocks of subsidiaries and affiliates	Stated at cost by the moving-average method
Other marketable securities	
Securities with market quotations	Stated at market value at the end of the fiscal year (Unrealized gains or losses are comprehensively reported as a component of net assets and the cost of securities sold is computed using the moving average method)
Securities without market quotations	Stated at cost by the moving-average method The investments in limited investment partnerships and other similar partnerships (those deemed as "securities" according to the Article 2, Paragraph 2 of the Financial Instruments and Exchange Act) are reported, using the equity method, based on the latest financial statements available as at the closing dates stipulated by the respective partnership contracts.

2) Evaluation standards and methods for derivatives

Swap transactions	Market value method

3) Evaluation standards and methods for inventories

Merchandise	Stated at cost, on an individual specified cost basis (balance sheet value is computed by the method of devaluing book price to reflect declines in profitability)
Supplies	Mainly at cost, based on the first-in first-out method

(2) Depreciation and amortization methods for noncurrent assets

Property, plant and equipment (excluding lease assets)	Declining balance method
Intangible assets (excluding lease assets)	
Software for internal use	Amortized by the straight-line method over their estimated useful lives (5 years) in the Company
Goodwill	Amortized by the equal installments method over a period of 10 to 15 years
Other intangible assets	Straight-line method
Lease assets	
Non-transfer ownership finance lease transactions	Depreciated by the straight-line method, defining the lease term of respective assets as their useful lives, with residual value equaling zero
Long-term prepaid expenses	Depreciated by the equal installment method

(3) Accounting method for deferred assets

Bond issuance cost	These costs are fully charged to income when they are paid.

(4) Accounting standards for allowances and provisions

Allowance for doubtful accounts	To provide for potential loss on consumer loans and other loans, the Company makes an allowance for the expected amount of irrecoverable loans. Allowances for ordinary bad debts are computed, based on the historical rate of default. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis.

Provision for loss on guarantees	To provide for loss on guarantees, the Company makes an allowance for potential losses at the end of the fiscal year.
Provision for retirement benefits	To provide for employees' retirement benefits, the amount obtained by subtracting pension assets from retirement benefit obligations is recorded, based on their projected amounts as of the end of this fiscal year. If the projected amount of pension assets exceeds the projected amount of retirement benefit obligations after addition or deduction of unrecognized past service liabilities and unrecognized actuarial differences, the excess amount is recorded as prepaid pension cost. Past service costs are charged to expenses, using the straight-line method, over the determined years (5 years) that are not longer than average remaining service years of the employees at the time of occurrence. Actuarial differences are amortized evenly using the straight-line method over the determined years (5 years) that are not longer than the average remaining service years of employees at the time of occurrence in each fiscal year, beginning from the fiscal year following the time of occurrence.
Provision for loss on interest repayment	To prepare for potential loss on interest repayment in the future, the Company estimates and provides a reasonable amount of provision for loss on interest repayment, in consideration of the past actual results and the latest interest repayment situations.

(5) Accounting standards for revenue and expenses

Interest on consumer loans	Interest is recorded on an accrual basis. Accrued interest on consumer loans is recorded, using the interest rate stipulated in the Interest Rate Restriction Act or the contracted interest rate of the Company, whichever the lower.
Credit card revenue	
Fees from customers	Recorded by the credit balance method
Fees from member stores	Recorded as fees at the time of transaction
Revenue from credit guarantee	Recorded by the credit balance method

(Note) Details of each recording method are as follows:

Credit balance method	Fees to be recorded as an income is calculated pursuant to the prescribed rates applicable to the relevant credit balance.

(6) Hedge accounting method

1) Hedge accounting method

The Company adopts the deferred hedge accounting. However, exceptional accounting treatments are applied to certain interest-rate swaps which meet specific conditions and designation transactions are applied to those that conform to the requirements of designated currency swap transactions.

2) Hedging instruments and hedging items

Interest rate-related items	
Hedging instruments	Interest-rate swap agreements
Hedging items	Loans payable with variable interest rates
Currency-related items	
Hedging instruments	Currency swap agreements
Hedging items	Foreign-currency-denominated loans payable

3) Hedging policy

The Company enters into derivatives contracts to hedge against various risks. These contracts include

the following: Interest-rate swaps to hedge against the risk of fluctuations in interest rates relating to loans payable with variable interest rates for the purpose of protecting cash flows. Currency swap contracts to hedge against the risk of fluctuations in exchange rates relating to loans payable and interest on loans relating to foreign-currency-denominated loans payable for the purpose of protecting cash flows.

4) Method for evaluating hedging effectiveness

With regard to interest rate-related hedging, important requirements concerning hedging instruments and hedging items are closely matched with each other. Also, the Company can assume that fluctuations in interest rates and cash flows are fully offset by the fluctuations in hedging instruments on an ongoing basis since the implementation of hedging contracts. Therefore, the judgment of hedging effectiveness is omitted. On currency-related hedging, currency swap contracts are entered into on the same conditions as heading items, thus the Company can assume that fluctuations in exchange rates or cash flows are fully offset by the fluctuations of hedge instruments. Therefore, the judgment of hedging effectiveness is omitted.

(7) Other significant matters providing the basis for the preparation of financial statements

Accounting method for consumption tax

Transactions subject to consumption tax are recorded at the amount exclusive of consumption tax. However, consumption tax and other taxes imposed on non tax-deductible assets are recorded as an expense for the fiscal year they were incurred.

2. Notes to Changes in Accounting Policies

<Adoption of Accounting Standard for Retirement Benefits, etc.>

From the fiscal year under review, the Company has adopted "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, May 17, 2012, hereinafter referred to as the "Retirement Benefits Accounting Standard") and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015, hereinafter referred to as the "Retirement Benefits Guidance"), whereby the method of calculating retirement benefit obligations and service costs has been reviewed. Based on this review, the method of attributing expected retirement benefits to periods has been changed from straight-line basis to benefit formula basis, while the method of determining discount rates has been changed from the method based on the number of years approximate to the average remaining service period of employees to the method using a single weighted average discount rate reflecting the period up to the expected timing of retirement benefits payment, as well as the amount of retirement benefits payment for each such period.

In adopting the Retirement Benefits Accounting Standard etc., the amount of impact associated with the changes in the methods of calculating retirement benefit obligations and service costs has been added to, or deducted from, retained earnings brought forward at the beginning of the fiscal year under review, in accordance with the tentative treatment prescribed in Paragraph 37 of the Retirement Benefits Accounting Standard.

As a result, as of the beginning of the fiscal year under review, prepaid pension cost increased by 2,690 million yen, retained earnings brought forward increased by 2,776 million yen and provision for retirement benefits decreased by 1,045 million yen. The effect of this change on operating income, ordinary income, and income before income taxes for the fiscal year under review is immaterial.

The effects on per share information are referred to in the relevant section.

3. Supplemental Information

<Adoption of consolidated taxation system>

The Company has been approved by the Commissioner of Japan's National Tax Agency for the adoption of the consolidated taxation system from the fiscal year ending March 31, 2016. Therefore, from the end of the current fiscal year, accounting methods are based on the adoption of the consolidated tax system, in accordance with the "Practical Solution on Tentative Treatment of Tax Effect Accounting Under Consolidated Taxation System (Part 1)" (ASBJ Practical Issue Task Force (PITF) No. 5 of January 16, 2015) and the "Practical Solution on Tentative Treatment of Tax Effect Accounting Under Consolidated Taxation System (Part 2)" (ASBJ PITF No. 7 of January 16, 2015).

4. Notes to Non-consolidated Balance Sheet

(1) Assets pledged as collateral and secured liabilities

Assets pledged as collateral	(Millions of yen)
Loans receivable of consumer loans	31,542
	[31,542]
Secured liabilities	
Current portion of long-term loans payable	5,036
	[5,036]
Long-term loans payable	-
	[-]

Figures in brackets "[ ]" represent amounts of receivable concerning liquidation of receivables. Loans receivable of consumer loans have been transferred by trust for the purpose of liquidation, whose right of ownership has been transferred to the trust bank (trustees), accordingly.

(2) Accumulated depreciation of property, plant and equipment 33,753 million yen

(3) Guaranteed liabilities	(Millions of yen)
Outstanding guarantee obligation for liabilities of subsidiaries and affiliates	38,572
Outstanding guarantee obligation in the guarantee business	776,544
Provision for loss on guarantees	6,560
Net	769,984

(4) Monetary claims and liabilities to subsidiaries and affiliates	(Millions of yen)
Short-term monetary claims	946
Long-term monetary claims	693
Short-term monetary liabilities	28

5. Notes to Non-consolidated Statement of Income

Transactions with subsidiaries and affiliates	(Millions of yen)
Operating transactions	
Operating expenses	517
Transactions other than operating transactions	2,576

6. Notes to Non-consolidated Statement of Changes in Net Assets

Class and number of shares of treasury stock as of March 31, 2015

Common stock 29,668,519 shares

7. Notes to tax effect accounting

(1) Breakdown of major factors that caused deferred tax assets and liabilities (Millions of yen)

Deferred tax assets	
Bad debts expenses	5,323
Allowance for doubtful accounts	969
Provision for loss on guarantees	2,171
Provision for loss on interest repayment	33,674
Accrued bonuses	443
Unrecognized accrued interest	435
Software	2,392
Asset retirement obligations	1,247
Deferred assets	306
Deferred consumption taxes	190
Loss on valuation of securities	252
Loss on valuation of stocks of subsidiaries and affiliates	1,093
Loss on valuation of merchandise	163
Impairment loss	226
Dividends on shares	2,140
Retained loss	160,870
Other	480
Deferred tax assets (subtotal)	212,382
Valuation allowance	(189,693)
Total deferred tax assets	22,688
Deferred tax liabilities	
Valuation difference on available-for-sale securities	5
Prepaid pension cost	1,124
Other	14
Total deferred tax liabilities	1,144
Net deferred tax assets	21,544

(2) Modifications to the amount of deferred tax assets and liabilities due to changes of corporate taxation rates

Due to promulgation of "Act for Partial Revision of the Income Tax Act, etc." and the "Act on Partial Revision of the Local Tax Act, etc." on March 31, 2015, the effective statutory tax rate used in the calculation of deferred tax assets and liabilities for the fiscal year under review (limited to those that will be settled on or after April 1, 2015) has been revised from 35.64% of the prior fiscal year to 33.10% for items expected to be collected or paid in the period from April 1, 2015 to March 31, 2016, and to 32.34% for items expected to be collected or paid on or after April 1, 2016.

As a result, the amount of deferred tax assets (deducting the amount of deferred tax liabilities) decreased by 1,621 million yen and income taxes-deferred and valuation difference on available-for-sale securities for the fiscal year under review increased by 1,621 million yen and 0 million yen, respectively.

8. Notes to Transactions between Related Parties

(1) Subsidiaries and affiliates, etc.

(Millions of yen)

Type	Name	Location	Paid-in Capital	Business outline	Ratio of voting rights holding (held)
Subsidiary	EASY BUY Public Company Limited	Bangkok, the Kingdom of Thailand	3,900 (Millions of Thai baht)	Unsecured loan business and installment loan business (installment sales finance business)	Direct 71.00%

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Subsidiary	EASY BUY Public Company Limited	Guarantee of liabilities	Loan guarantee fees received	104	Accrued income	7
			Outstanding guarantee obligation	38,572	-	-

(Note) Terms and conditions of transactions and their policies

The commission rate on the debt guarantee, associated with the borrowings of EASY BUY Public Company Limited from banks is determined on similar terms and conditions applied to general transactions, in consideration of the prevailing market rates.

(2) Companies etc. with the same parent company

(Millions of yen)

Type	Name	Location	Paid-in Capital	Business outline	Ratio of voting rights holding (held)
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Chiyoda-ku, Tokyo	324,279	Trust banking business	Direct (2.01 %)
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Chiyoda-ku, Tokyo	1,711,958	Banking business	-

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Borrowing	Borrowing of the capital	Borrowing 103,220 Repayment 103,220	Short-term loans payable	15,000
					Current portion of long-term loans payable	34,730
					Long-term loans payable	100,328
			Payment of interest	2,855	Accrued expenses	47
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Borrowing	Borrowing of the capital	Borrowing 34,600 Repayment 40,850	Long-term loans payable	42,218
			Payment of interest	750	Accrued expenses	-
		Guarantee of liabilities	Receiving of guarantee fees for unsecured loans provided by the Company	16,344	Accrued income	4,518
			Outstanding guarantee obligation	517,624	-	-

(Note) Terms and conditions of the transaction and its policies

1. Interest rates of the borrowing from Mitsubishi UFJ Trust and Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. are the money market rates.
2. Guarantee commission rates on the debt guarantees for consumer loan by The Bank of Tokyo-Mitsubishi UFJ, Ltd. is determined after negotiation by taking the market of guarantee commission into consideration. In the event that consumer loan debtors of The Bank of Tokyo-Mitsubishi UFJ, Ltd. are deemed to have difficulty in performing debt payments, in accordance with the agreement with the Bank of Tokyo-Mitsubishi UFJ, Ltd, the Company performs subrogation. Terms and conditions of this subrogation performance are determined through mutual consultation by both parties.

(3) Directors and major individual shareholders, etc.

(Millions of yen)

Type	Name	Location	Paid-in Capital	Business outline or Occupation	Ratio of voting rights holding (held)
Director and other close relative	Kyosuke Kinoshita	-	-	Chairman of The Institute for Research on Household Economics	-

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Director and other close relative	Kyosuke Kinoshita	-	Donation	50	-	-

(Notes) 1. Above transaction amounts do not include consumption tax, etc.
2. Terms and conditions of transactions and their policies
The Institute for Research on Household Economics conducts research on household economy. The Company determines the terms and conditions of transactions by comprehensively considering the Institute's business plans and business performance.

9. Notes to Per Share Information

(1) Net assets per share 185.27 yen
(2) Net income per share 5.95 yen
(Note) As stated in "2. Notes to Changes in Accounting Policies," the Company has adopted Retirement Benefits Accounting Standard, etc., in accordance with the tentative treatment prescribed in Paragraph 37 of the Retirement Benefits Accounting Standard.
As a result, net assets per share for the fiscal year under review increased by 1.77 yen.

10. Other

Figures less than one million yen are rounded down to the nearest one million yen.