



Financial Results for Fiscal 2008

AIFUL CORPORATION

<http://www.ir-aiful.com>

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E-Mail:ir@aiful.co.jp



- **Financial Results**
- **Business Environment**
- **Business Strategy**
- **Financial Results of LIFE**
- **Explanation of Figures**
- **★ Appendix**

— Forward Looking Statements —

The figures contained in this presentation with respect to the plans, strategies and other statements that are not historical facts of AIFUL and the AIFUL Group are forward-looking statements about the future performance of AIFUL and the AIFUL Group which are based on management's assumptions and beliefs in light of the information currently available to it and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various facts. Potential risks and uncertainties include, without limitation, general economic conditions in the market in which AIFUL and the AIFUL Group operate business, and changes in the size of the overall market for consumer loans, the rate of default by customers, and the level of interest rates charged by AIFUL and the AIFUL Group. This presentation does not constitute any offer of any securities for sale.

1. Financial Results





Consolidated Subsidiaries

- LIFE Co., Ltd.
- Businext Corporation
- City's Corporation
- AsTry Loan Services Corporation
- New Frontier Partners Co., Ltd.
- Marutoh K.K.
- City Green Corporation

** City Green Corporation is the holding company for City's Corporation and does not conduct business operations.*

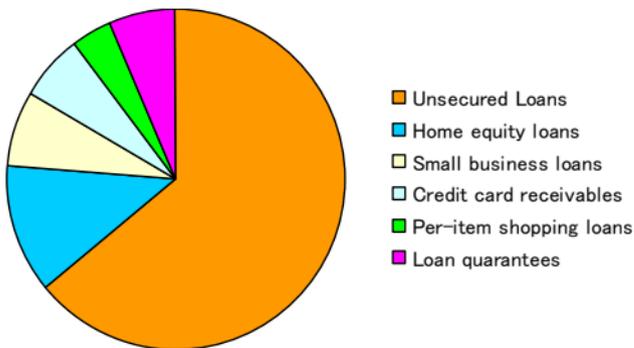
- TRYTO CORPORATION
- WIDE CORPORATION
- TCM Co., Ltd.
- Passkey Co., Ltd



Scheduled reorganization within Group.



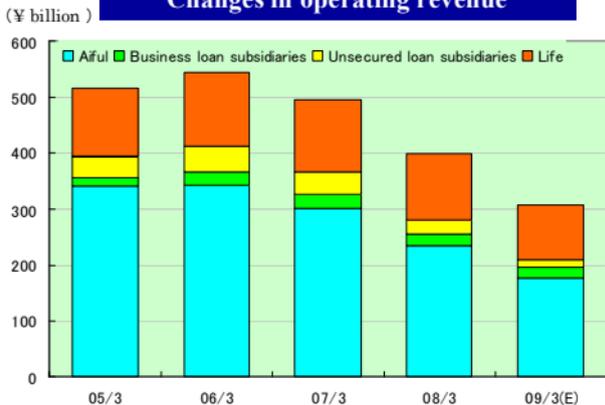
Portfolio of loans receivable (Mar-08)



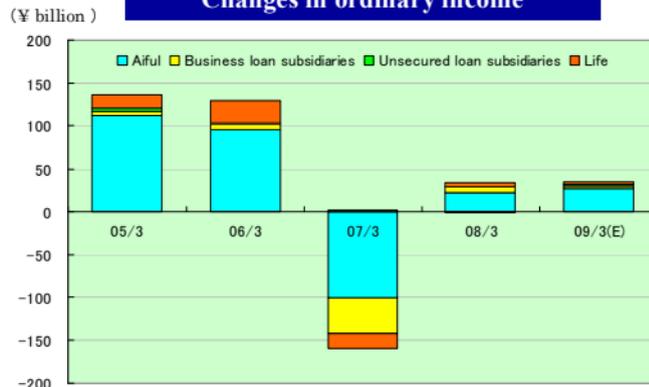
Comprehensive financial services strategy – Future AIFUL Group

M&A Strategy		Pure Investment	Strategic Investment		
		Sectors for Active Expansion			
Personal	Risk	Consumer Finance	Small Business Loans	Credit Sales & Credit Cards	Loan Guarantees
	Low	Banks			
	Middle				
Corporate	High	Banks			
	Low	Banks			
	Middle				
	High				

Changes in operating revenue



Changes in ordinary income





Credit Enhancement and Necessary Funds to Secure Renewed Growth

Future risk

Negative cycle

1. Downgrading of credit rating

2. Deterioration of fundraising environment

4. Downgrading of operating revenue

3. Fall in balance of operating loans and loss of new investment opportunities (M&A)

Breaking the negative cycle

Capital increase

Advantages of the new financing

- Capital increase: 120 billion yen (Acceptance of private placement by CEO and issuance of convertible bonds)

- Consolidated equity ratio improves from Dec. 2007: 13.4% → Mar. 2008: 19.1%

*If ¥70.0 billion in convertible bonds were all converted.

(1) Credit enhancement

Maintain and upgrade credit rating, strengthen financial base
→ Lowering of financial risk premium (lowering of shareholders' equity cost)

(2) Secure funds for next stage of growth

Business opportunities (M&A and others) from sub-prime loan problem. Increase flexibility in expanding new investment in business loan, credit card and guarantee business segments

(3) Strengthen business commitment of management team



Securities Design that Balances “Restrained Dilution” and “High Capital Value”

- The CBs do not fall under the definition of MSCB stipulated by the JSDA.
- Nomura International plc (NIP) buys up the full amount of CBs, which are then sold in full to Leap Ltd., the SPC. Leap issues AIFUL exchangeable bonds (EB) secured by the CBs, and Nomura Securities buys the full amount.

Securing growth funds
in renewed growth stage

Zero coupon
(reducing financing costs)

CB

Curbing dilution

High capital
value (mandatory
conversion to stock)

◆ Curbing dilution

- *AIFUL established a voluntary acquisition clause to spread out the timing of dilution by converting ¥70 billion in CBs to stock over a maximum of seven times between July 2008 and February 2010.
- *A long period has been set for calculating the acquisition price (30 consecutive business days).
- *The conversion value can be revised once after one year (designed so that it is not an MSCB)

◆ High capital value

- *In accordance with the mandatory acquisition clause, AIFUL will give AIFUL stock in return for the acquisition of all of the CBs that have not yet been converted by the mandatory acquisition date two years later.
- *The CBs have a special subordination contract that gives liabilities maximum subordination.
- *The CBs are designed so that, with the zero coupon, there are no events that will trigger deferment of interest payments.

Financial Results – Results Highlights (Consolidated base)



(¥ billion)	Mar-07	Mar-08	YOY%	Mar-09(E)	YOY%
Total outstanding *	2,369.5	1,999.4	-15.6%	1,784.4	-10.8%
-Loans *	1,985.2	1,665.6	-16.1%	1,441.5	-13.5%
Loans outstanding of AIFUL	1,298.6	1,058.8	-18.5%	902.5	-14.8%
•Shopping receivables of LIFE	229.7	190.4	-17.1%	190.4	0.0%
Number of loan accounts (Thousands)	3,547	3,067	-13.5%	—	—
Number of credit card holders (Thousands)	14,065	14,819	5.4%	15,294	3.2%
Number of new loan customers (Thousands)	242	137	-43.4%	138	0.6%
Operating revenue	499.0	405.7	-18.7%	312.0	-23.1%
Operating income	-163.8	31.7	—	32.8	3.7%
Ordinary income	-163.0	32.0	—	33.0	2.9%
Net income	-411.2	27.4	—	31.7	15.7%

* “Loan” related figures include loan provided to AIFUL, LIFE, and other subsidiaries. “Shopping Receivables” include credit card, installment finance provided by LIFE. Receivables outstanding includes off-balance-sheet receivables



<P/L> March-08

(¥ billion)	Aiful	Life *	Businext	City's	Wide	Tryto	Group
Business	Consumer Finance	Credit card	Small Business Loan	Small Business Loan	Consumer Finance	Consumer Finance	—
Operating revenue	233.0	120.6	11.3	9.7	14.0	9.4	405.7
Operating expenses	216.0	115.5	11.0	11.1	7.8	9.1	374.0
Operating income	16.9	5.1	0.2	-1.3	6.2	0.2	31.7
Ordinary income	22.1	5.1	0.2	-1.3	6.3	0.3	32.0
Net income	27.0	3.4	0.07	-1.6	6.2	0.4	27.4

* Managed Asset Basis

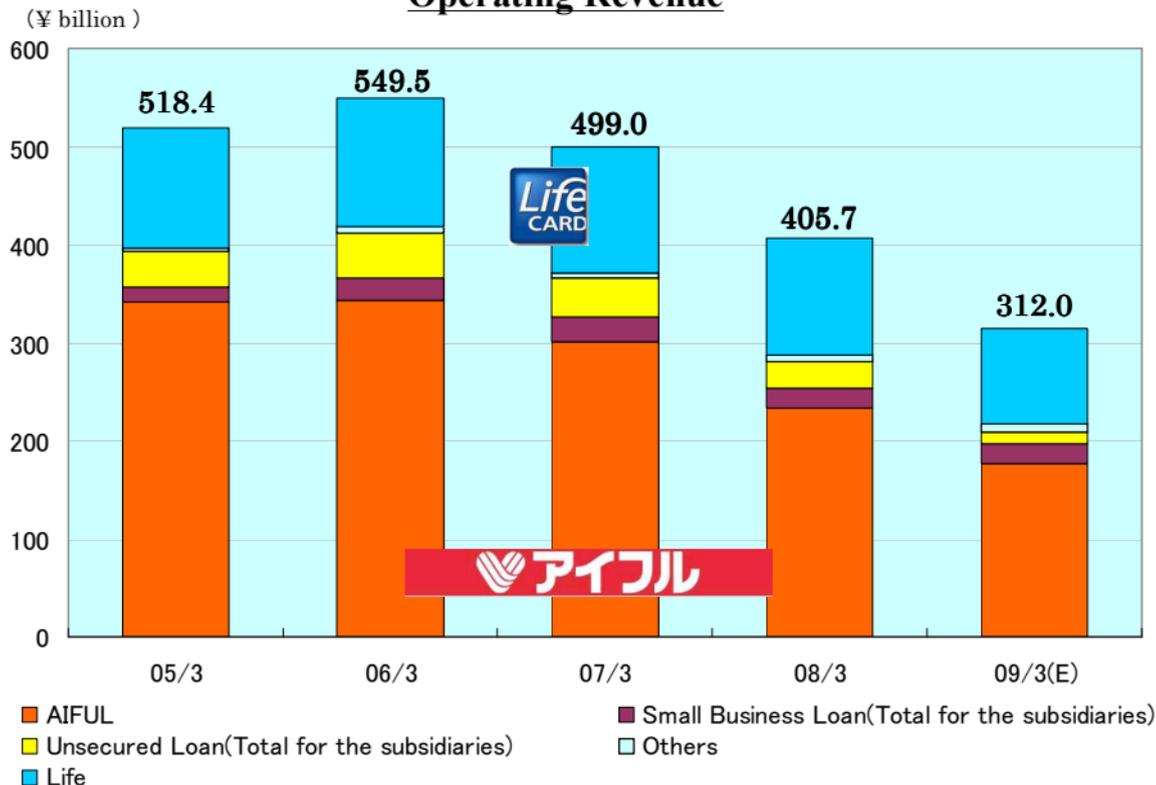
<B/S> March-08

(¥ billion)	Aiful	Life *	Businext	City's	Wide	Tryto	Group
Receivables outstanding	1,119.7	653.0	83.1	60.1	40.8	29.2	1,999.4
Asset	1,535.9	583.7	92.9	58.1	26.9	18.9	2,041.1
Liability	1,213.9	492.4	78.5	45.5	40.9	33.6	1,716.6
Shareholder's Equity	322.0	91.2	14.3	12.6	-14.0	-14.6	324.5

* Receivable outstanding includes off-balance-sheet receivables.



Operating Revenue



Financial Results – PL (Consolidated base) Mar-09 (E)



(¥ billion)	Aiful	Life *	Businext	City's	Wide	Tryto	Group
Business	Consumer Finance	Credit card	Small Business Loan	Small Business Loan	Consumer Finance	Consumer Finance	—
Receivables Outstanding *	968.6	618.9	84.8	66.1	22.0	15.9	1,784.4
YOY%	-13.5%	-5.2%	1.9%	10.0%	-46.0%	-45.6%	-10.8%
Operating revenue	176.6	100.0	10.9	8.7	6.5	4.6	312.0
YOY%	-24.2%	-17.1%	-3.5%	-10.9%	-53.5%	-50.8%	-23.1%
Operating income	20.8	2.9	0.08	1.4	2.8	1.3	32.8
YOY%	23.2%	-41.6%	-69.8%	—	-55.4%	370.1%	3.7%
Ordinary income	26.0	3.0	0.08	1.4	2.8	1.3	33.0
YOY%	17.2%	-42.1%	-66.6%	—	-55.7%	333.4%	2.9%
Net income	30.9	1.4	0.02	1.4	2.8	1.2	31.7
YOY%	14.3%	-57.6%	-72.3%	—	-55.4%	183.5%	15.7%

* Managed Asset Basis



 アイフル (¥ billion)	Mar-07	Mar-08	YOY%	Mar-09 (E)	YOY%
Loans outstanding	1,298.6	1,058.8	-18.5%	902.5	-14.8%
Unsecured loan	995.0	817.8	-17.8%	708.5	-13.4%
Home equity loan	274.7	221.5	-19.4%	180.6	-18.5%
Small business loan	28.7	19.4	-32.2%	13.3	-31.6%
Number of accounts (Thousands)	1,894	1,593	-15.9%	1,416	-11.1%
Number of new loan customers (Thousands)	155	115	-25.7%	135	17.1%
Number of branches	1,805	1,010	-795	999	-11
Operating revenue	300.7	233.0	-22.5%	176.6	-24.2%
Operating income	-106.9	16.9	—	20.8	23.2%
Ordinary income	-101.2	22.1	—	26.0	17.2%
Net income	-359.3	27.0	—	30.9	14.3%
Cash dividends per share (¥)	60	40	-33.3%	40	0.0%



 (¥ billion)	Mar-07	Mar-08	YOY%	Mar-09 (E)	YOY%
Transaction volume	829.1	888.4	7.2%	1,009.9	13.7%
Credit card purchase	561.2	664.7	18.4%	789.9	18.8%
Receivable outstanding (Managed)	717.8	653.0	-9.0%	618.9	-5.2%
Credit card purchases	117.2	127.6	8.9%	150.8	18.1%
Installment finance	112.5	62.8	-44.2%	39.6	-36.9%
Credit card-cash advance	229.9	221.6	-3.6%	219.5	-1.0%
LIFE Cash Plaza	164.8	156.6	-5.0%	121.3	-22.6%
Guarantee	83.0	73.4	-11.5%	77.9	6.1%
Number of new issue (Thousands)	2,180	1,849	-15.2%	1,854	0.3%
Number of card holders (Thousands)	14,065	14,819	5.4%	15,294	3.2%
Operating revenue	127.4	118.8	-6.7%	98.0	-17.5%
Operating income	-19.0	5.1	—	2.9	-41.6%
Ordinary income	-18.9	5.1	—	3.0	-42.1%
Net income	-43.3	3.4	—	1.4	-57.6%

* Managed Asset Basis

Financial Results – Small Business Loan Subsidiaries “BUSINEXT” and “City’s”



Middle risk (¥ billion)		Mar-07	Mar-08	YOY%	Mar-09 (E)	YOY%
 <small>ビジネスネクスト</small> <small>株式会社ビジネスネクスト</small>	Loans outstanding	82.3	83.1	1.0%	84.8	1.9%
	Number of accounts (Thousands)	44	44	-1.3%	41	-5.5%
	Average interest rate (%)	14.9	14.6	-0.2	14.5	-0.1
	Operating revenue	11.1	11.3	1.7%	10.9	-3.5%
	Ordinary income	1.1	0.2	-76.5%	0.08	-66.6%
	Net income	0.6	0.07	-87.9%	0.02	-72.3%
	Small business loan guarantees 	20.7	21.3	3.2%	26.5	24.1%
High risk (¥ billion)		Mar-07	Mar-08	YOY%	Mar-09 (E)	YOY%
 <small>City's</small>	Loans outstanding	58.3	60.1	3.1%	66.1	10.0%
	Number of accounts (Thousands)	30	26	-11.6%	23	-10.0%
	Average interest rate (%)	23.7	17.2	-6.5	15.5	-1.7
	Operating revenue	13.5	9.7	-27.9%	8.7	-10.9%
	Ordinary income	-0.05	-1.3	—	1.4	—
	Net income	-3.3	-1.6	—	1.4	—
	Small business loan 	28.7	19.4	-32.2%	13.3	-31.6%



TRYTO (¥ billion)	Mar-07	Mar-08	YOY%	Mar-09 (E)	YOY%
Loans outstanding	54.9	29.2	-46.7%	15.9	-45.6%
Number of accounts (Thousands)	146	85	-41.7%	—	—
Operating revenue	15.0	9.4	-36.9%	4.6	-50.8%
Ordinary income	-15.5	0.3	—	1.3	333.4%
Net income	-24.4	0.4	—	1.2	183.5%

WIDE (¥ billion)	Mar-07	Mar-08	YOY%	Mar-09 (E)	YOY%
Loans outstanding	80.9	40.8	-49.5%	22.0	-46.0%
Number of accounts (Thousands)	190	112	-41.0%	—	—
Operating revenue	22.6	14.0	-37.8%	6.5	-53.5%
Ordinary income	-18.3	6.3	—	2.8	-55.7%
Net income	-35.0	6.2	—	2.8	-55.4%



(¥ billion)	Mar-07	Mar-08	Mar-09 (E)
Operating Revenue (Con) (A)	499.0	405.7	312.0
Operating Revenue (Non-Con) (B)	300.7	233.0	176.6
(A) – (B)	198.2	172.7	135.3
(A) / (B)	1.7	1.7	1.8
Ordinary Income (Con) (C)	-163.0	32.0	33.0
Ordinary Income (Non-Con) (D)	-101.2	22.1	26.0
(C) – (D)	-61.7	9.8	7.0
(C) / (D)	1.6	1.4	1.3
Net Income (Con) (E)	-411.2	27.4	31.7
Net Income (Non-Con) (F)	-359.3	27.0	30.9
(E) – (F)	-51.8	0.3	0.7
(E) / (F)	1.1	1.0	1.0

2 • Business Environment

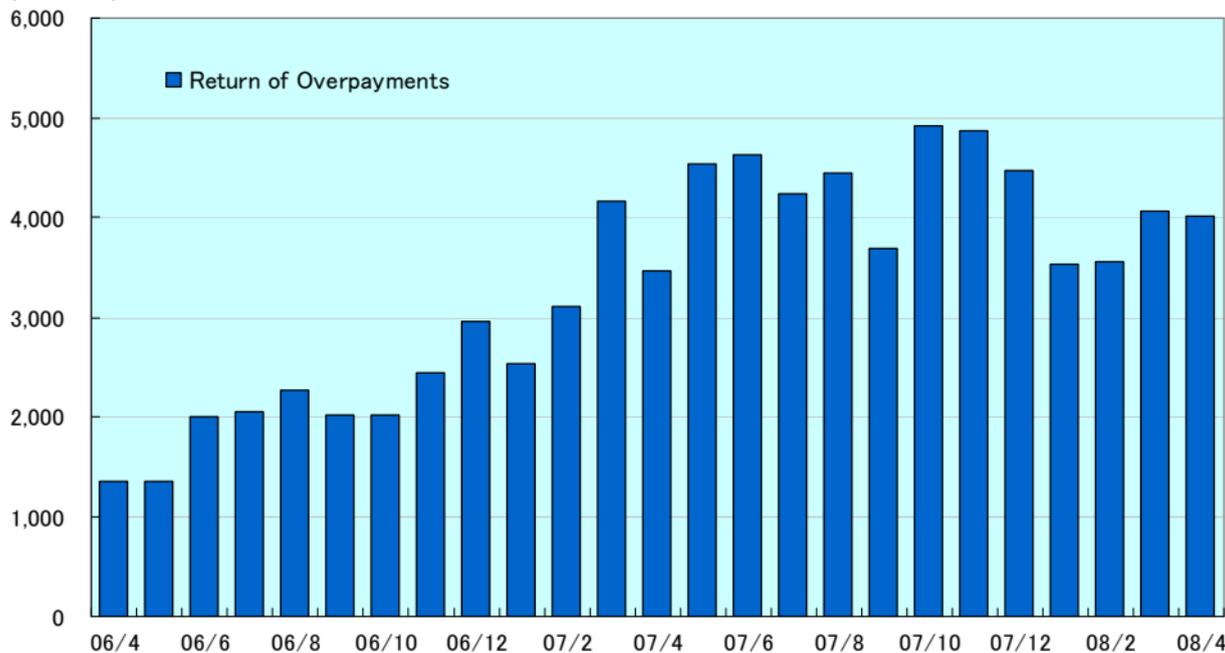




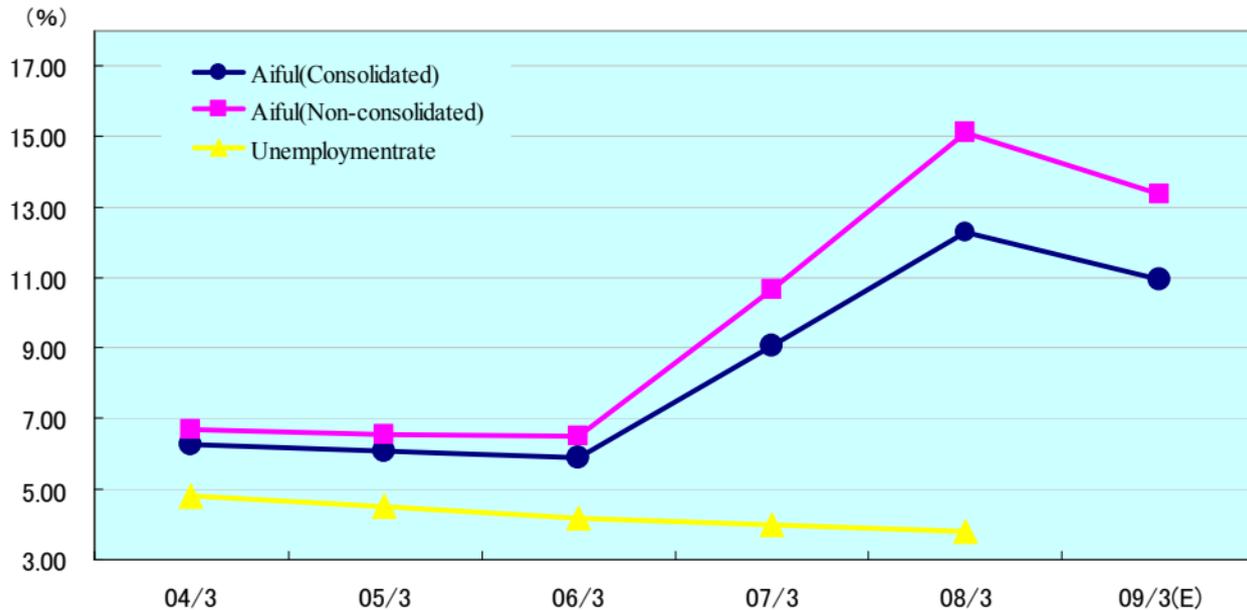
Return of Overpayments (Non-consolidated)

(¥ million)	07/04	07/05	07/06	07/07	07/08	07/09	07/10	07/11	07/12	08/01	08/02	08/03	08/04
Return of Overpayment	3,468	4,528	4,633	4,244	4,442	3,682	4,913	4,871	4,480	3,532	3,560	4,069	4,022
YOY (%)	157.3	232.9	131.1	106.5	95.7	82.4	144.7	100.0	51.4	39.6	15.9	-2.0	16.0

(¥ million)



Bad debt – Write-off Ratio “ Changes in Write-off Ratio ”

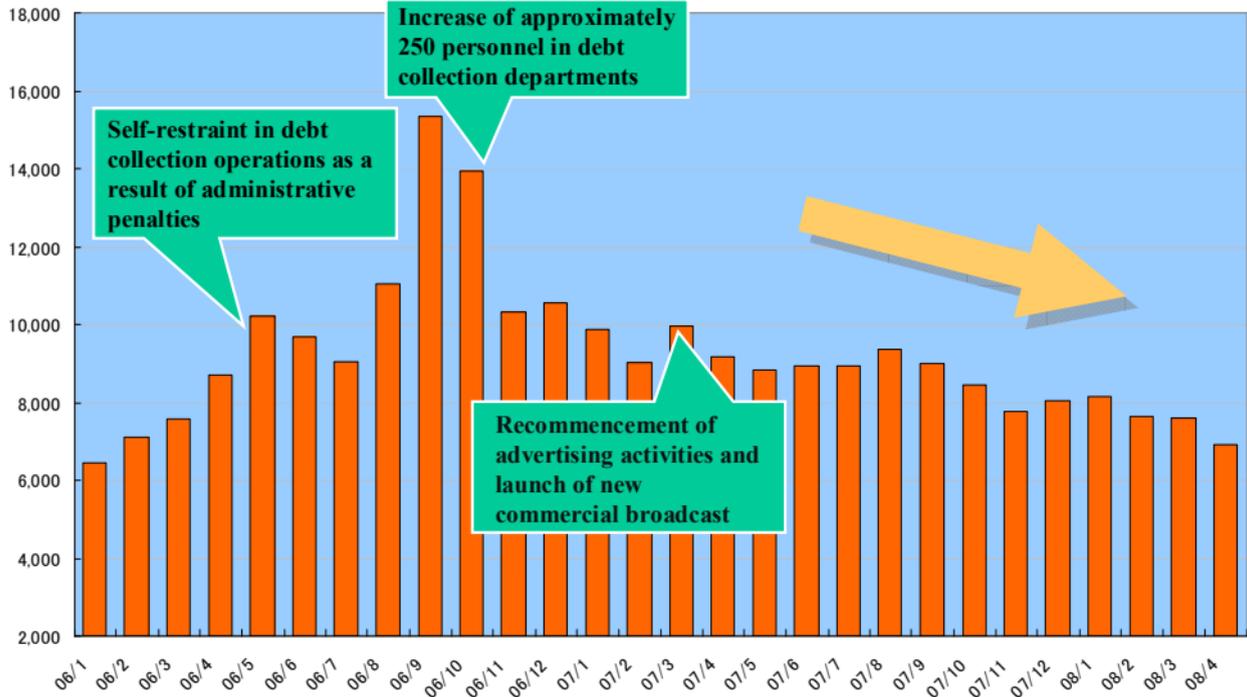


(%)	Mar-04	Mar-05	Mar-06	Mar-07	Mar-08	Mar-09(E)
Aiful (Consolidated)	6.26	6.09	5.89	9.05	12.26	10.93
Aiful (Non-consolidated)	6.71	6.54	6.50	10.67	15.13	13.36
Unemploymentrate	4.8	4.5	4.1	4.0	3.8	—

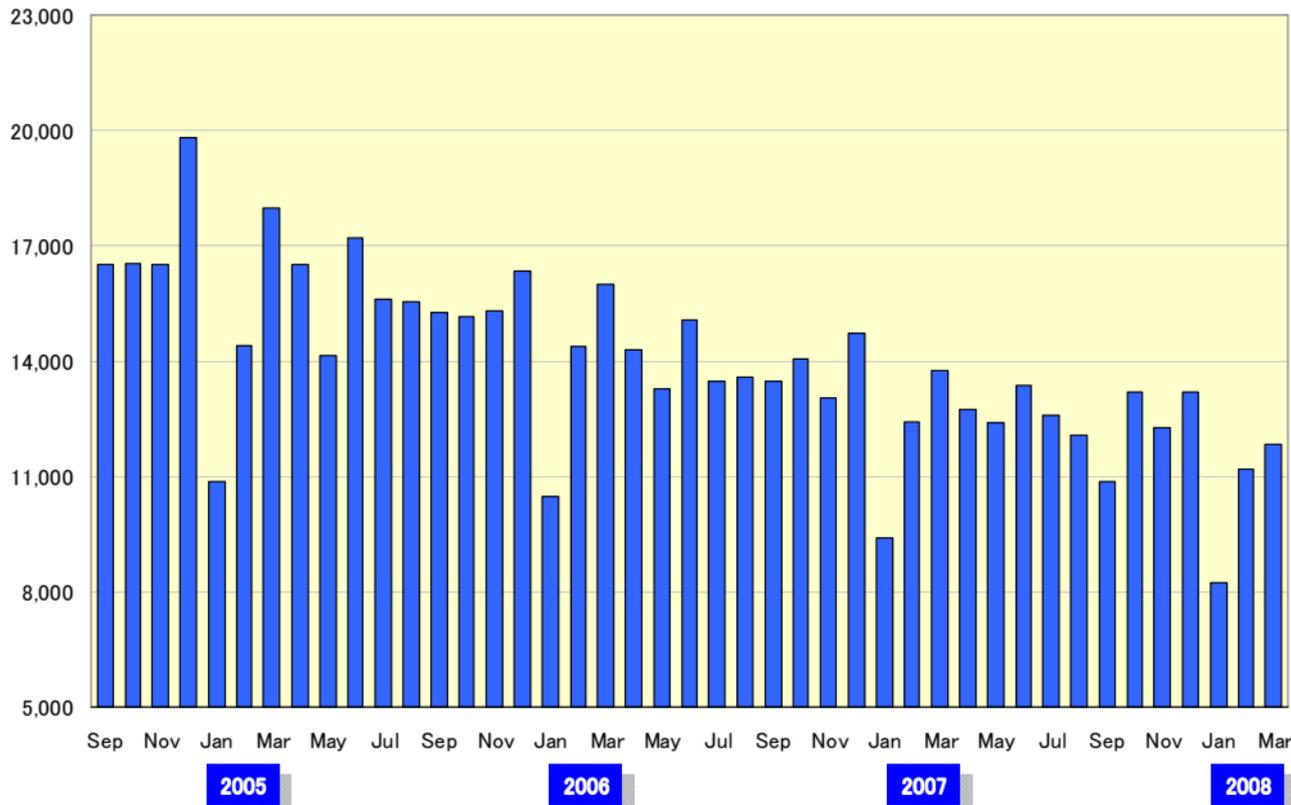


Transfers (amounts six months in arrears)

(¥ million)



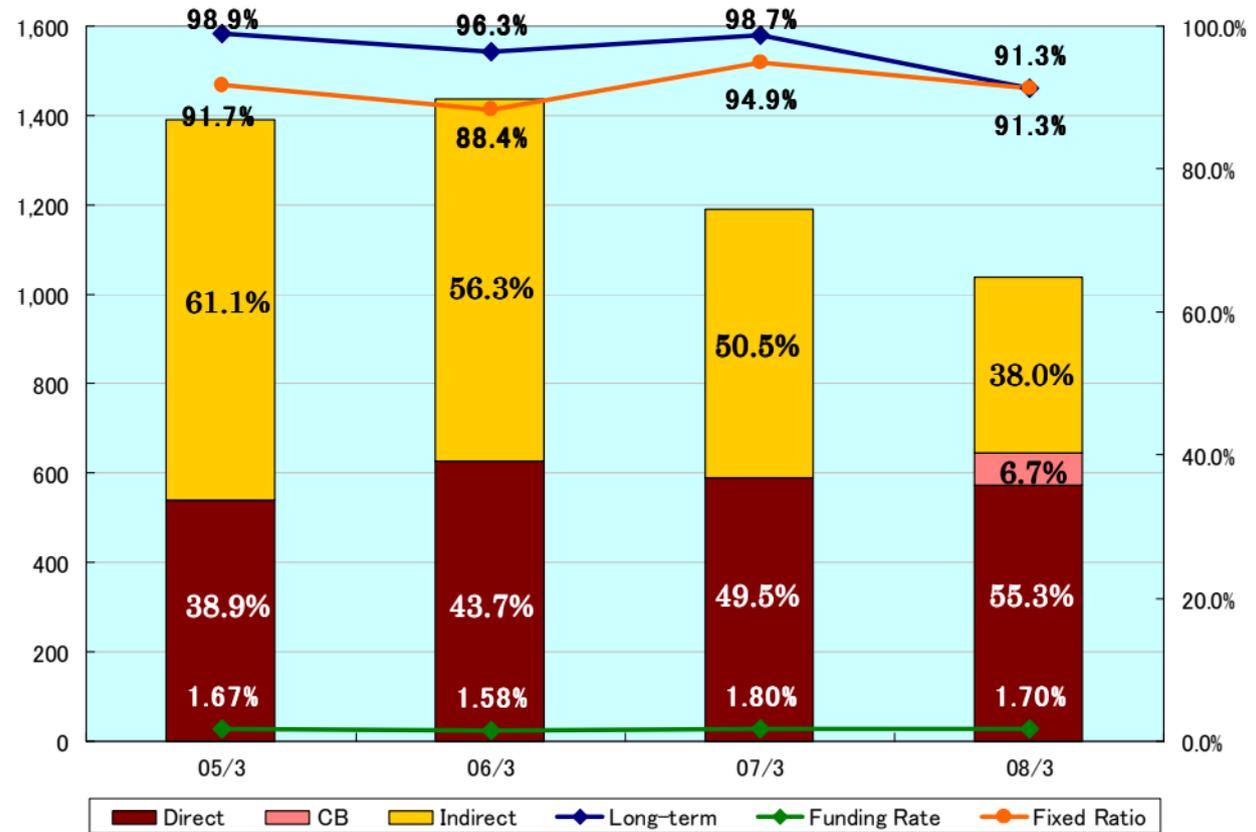
Bad Debts – Trend of Personal Bankruptcy (Japan Supreme Court) “YOY Decline for 53 Consecutive Months”



Funding – AIFUL (Non-consolidated Base)



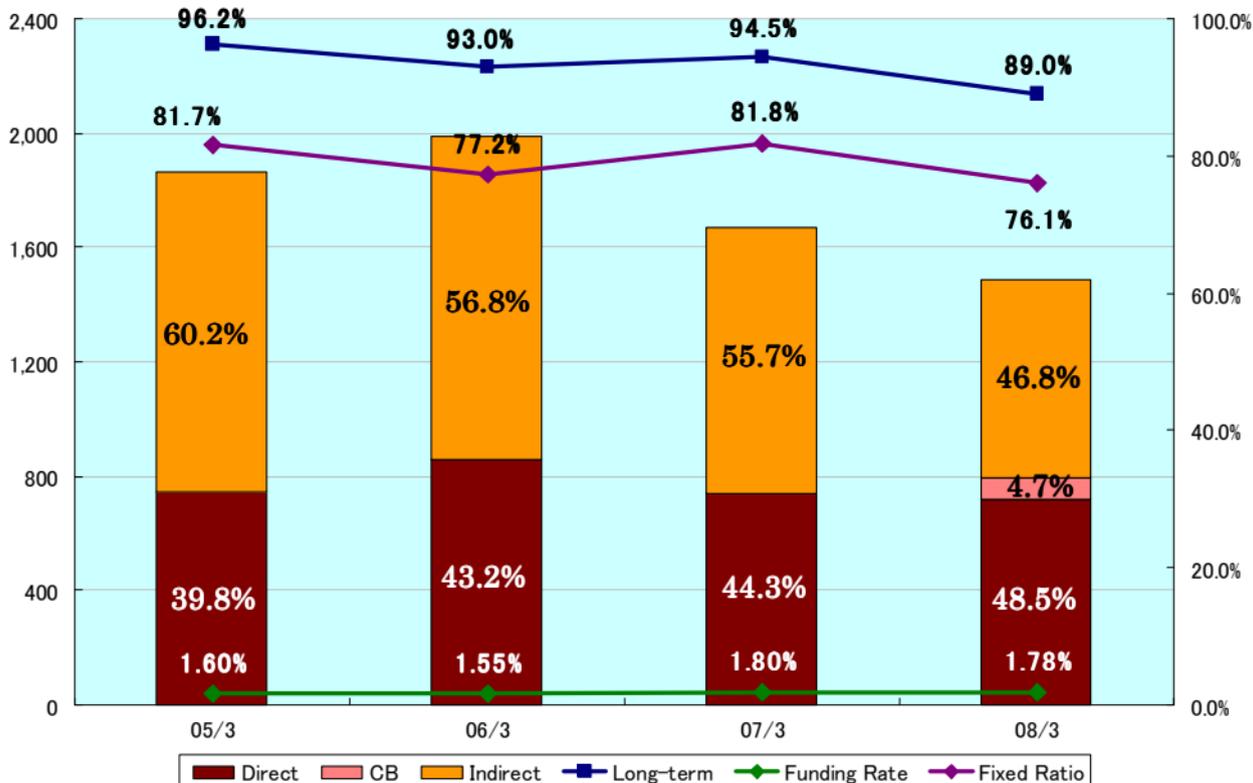
(¥ billion)



Funding – AIFUL Group (Consolidated Base)



(¥ billion)



3 • Business Strategy





1) Business model reform

Plan

- ① Integration of consumer finance subsidiaries.
- ② Drastic consolidation of the small business loan subsidiary, City's, operations.
- ③ Concentration of LIFE's credit card business in target commercial areas and reduction of number of offices.



Progress

- ① Objective of transfer of some loan receivables to Life.
- ② Staffed outlets : 63 (Dec. 2006) → 47 (Mar. 2008)
- ③ Staffed outlets : 168 (Dec. 2006) → 65 (Mar. 2008)
Unstaffed outlets : 101 (Dec. 2006) → 73 (Mar. 2008)

2) Cost structure reform

Plan

- ① Consolidation of outlets
— Group-wide reduction of outlets from 2,713 to 1,193
- ② Personnel Restructuring
- ③ System development and review of various expenses



Progress

- ① Group Loan Business Branches: **1,205** (Mar. 2008)
Staffed outlets : 687 (Dec. 2006) → 223 (Mar. 2008)
Unstaffed outlets : 1,942 (Dec. 2006) → 982 (Mar. 2008)
- ② Number of temporary employees (consolidated base): **7,646**
N. of Employees (regularly payroll):
6,702 (Dec. 2006) ⇒ 5,138 (Mar. 2008)
N. of Employees (temp.):
3,275 (Dec. 2006) ⇒ 2,508 (Mar. 2008)
- ③ Other operating expenses(exclude credit cost and return of overpayment cost)
 - year-on-year declined of 54.9 billion yen (consolidated base)
 - year-on-year declined of 29.9 billion yen (Non- consolidated)
 * Comparison with the March. 2007 period plan in the press release



• Operating Cost Reduction:
JPY 40 billion or greater
(Non-consolidated)

• Optimizing the Business
Resources of the Group

• Diversified and Efficient
Earnings Model



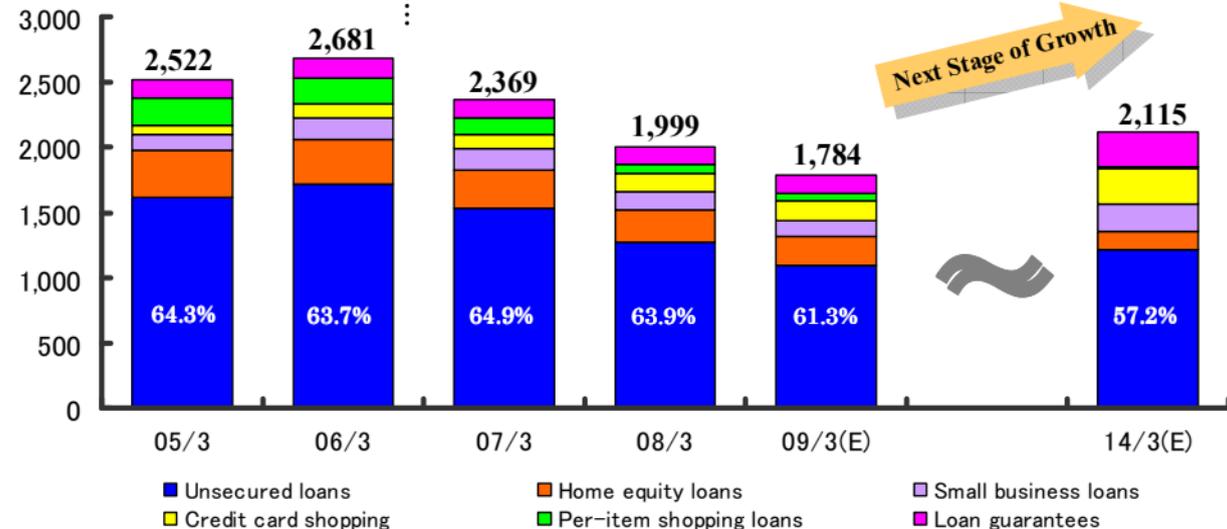
Maintain **1.5%**
or greater ROA



Total Receivables Outstanding

* Trends in balance vary depending on regulatory and competitive environment.

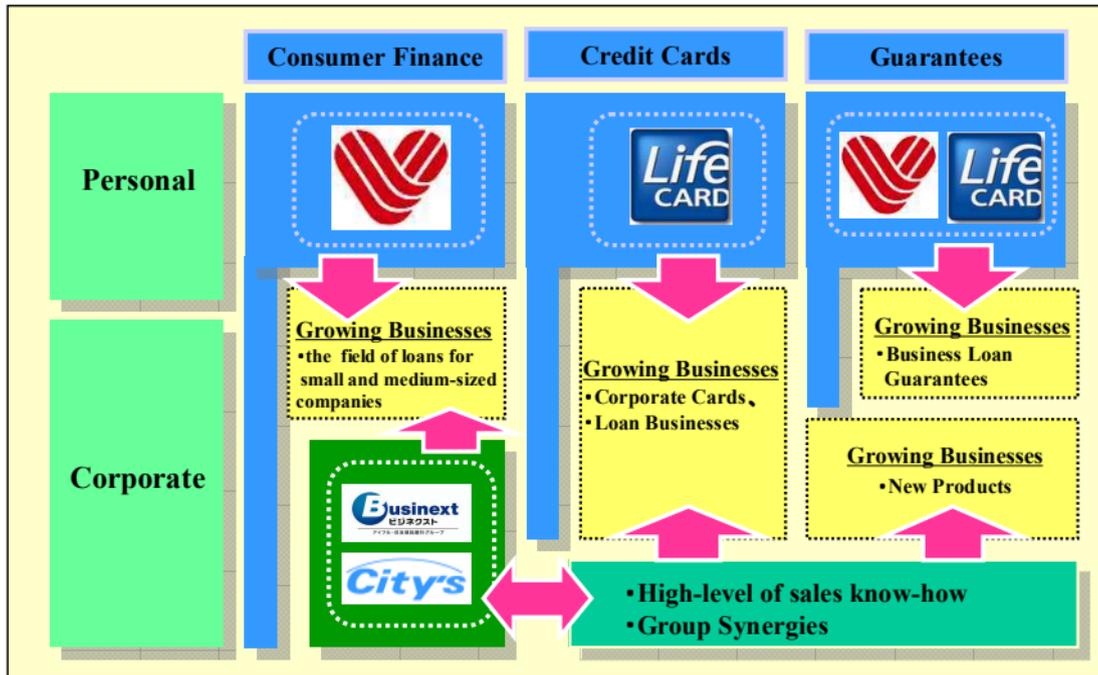
(¥ Billion)





Group's Business Strategy

- Consumer finance business: Seek greater efficiency while emphasizing “selection and concentration”.
- Expend the small business loan and credit card business and the guarantee business segment, which are growth areas. The future growth sector among these fields will be the corporate finance segment .



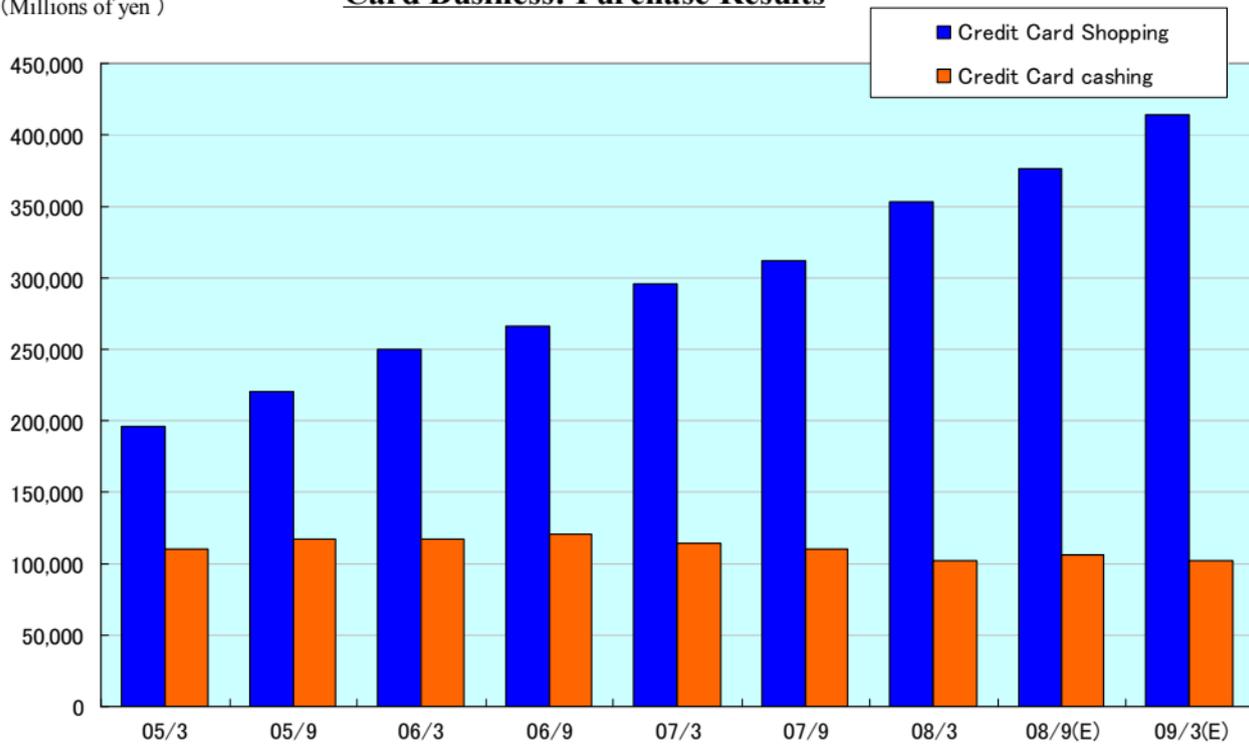
4 • Financial Results of LIFE



(Millions of yen)	Mar-06	Mar-07	Mar-08		Mar-09	
				YOY%	(E)	YOY%
Number of cardholders (Thousand)	13,096	14,065	14,819	5.4%	15,294	3.2%
Life proper card	1,820	1,961	2,071	5.6%	2,167	4.6%
Affinity cards	11,276	12,103	12,748	5.3%	13,126	3.0%
Number of new issue (Thousand)	2,310	2,180	1,849	-15.2%	1,854	0.3%
Life proper card	233	241	217	-10.0%	230	6.0%
Affinity cards	2,077	1,938	1,631	-15.8%	1,623	-0.5%
Credit card purchase results	706,274	796,600	877,126	10.1%	997,821	13.8%
Credit card shopping	470,896	561,299	664,791	18.4%	789,974	18.8%
Credit card cashing	235,378	235,301	212,335	-9.8%	207,846	-2.1%
Installment finance purchase results	107,974	32,528	11,341	-65.1%	12,140	7.0%
Member stores	98,383	101,575	104,884	3.3%	108,300	3.3%

Card Business: Purchase Results

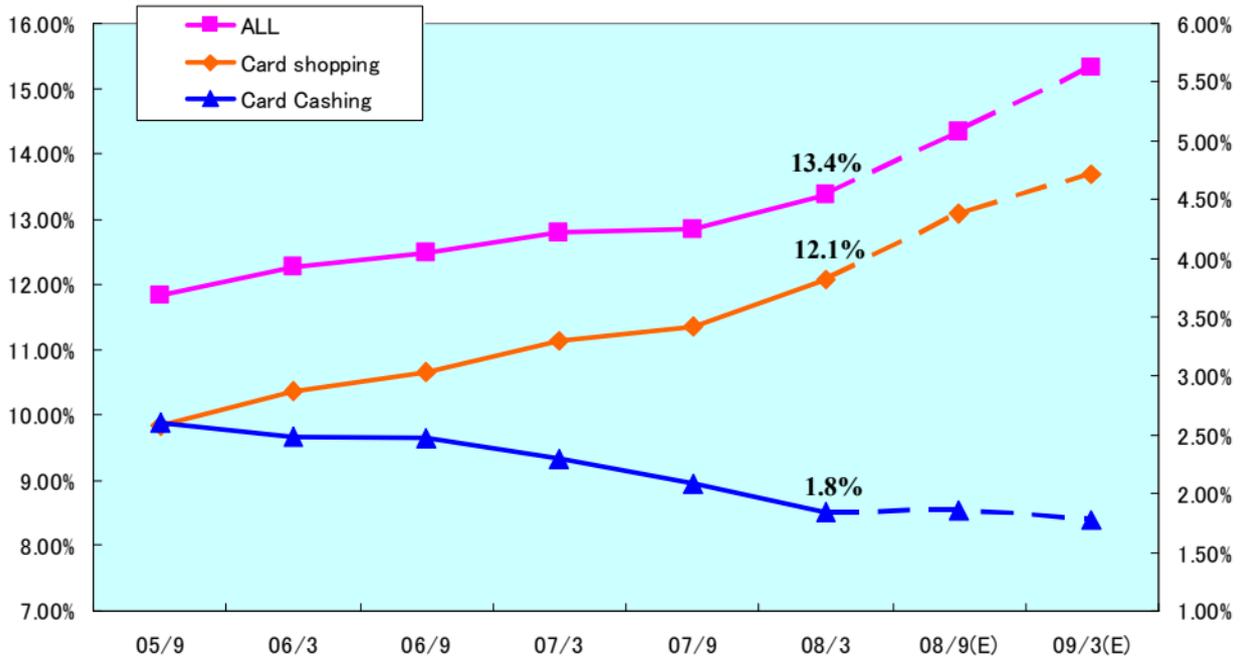
(Millions of yen)



Card Business: Monthly Activity Rate

(Shopping & All)

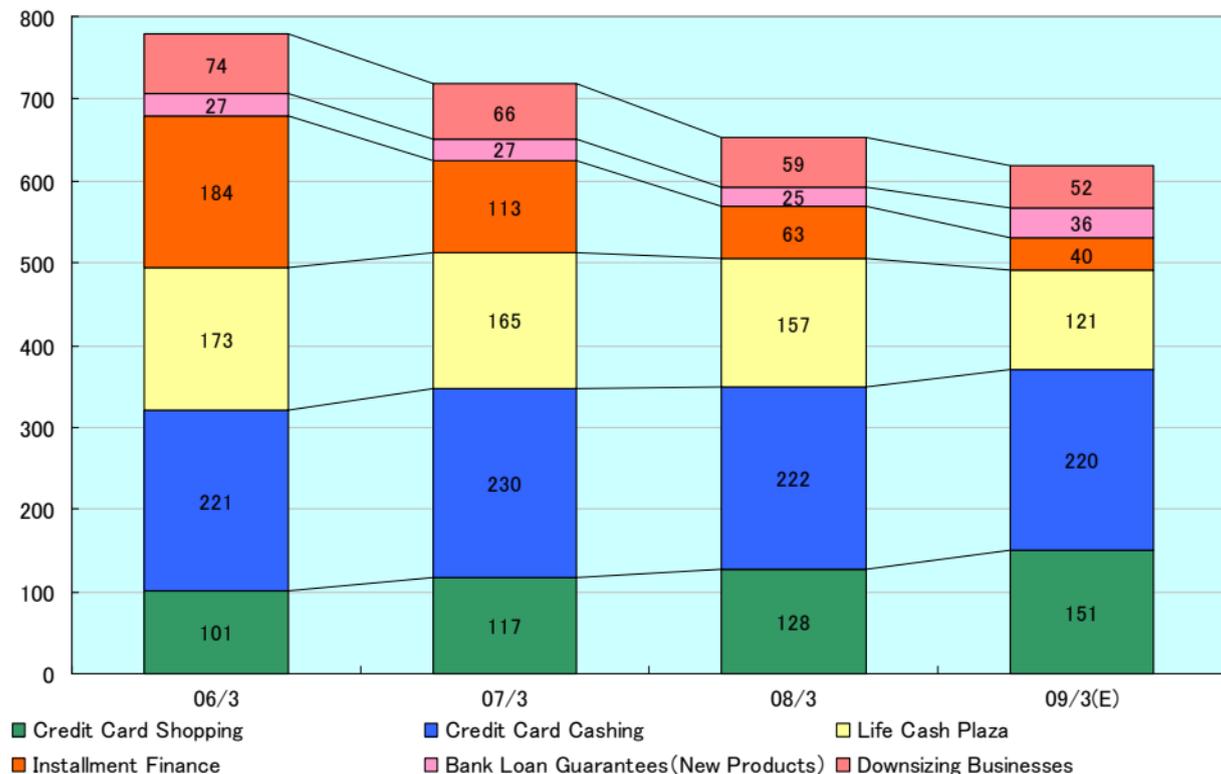
(Card cashing)



(Millions of yen)	Mar-06	Mar-07	Mar-08		Mar-09	
				YOY%	(E)	YOY%
Total receivables outstanding	779,560	717,884	653,045	-9.0%	618,992	-5.2%
Growing business	348,703	374,121	374,118	-0.0%	406,190	8.6%
Credit card shopping	101,134	117,222	127,677	8.9%	150,816	18.1%
Credit card cashing	220,803	229,984	221,691	-3.6%	219,529	-1.0%
Loan guarantees (High Yield Product)	26,765	26,914	24,749	-8.0%	35,845	44.8%
Holding business	357,140	277,392	219,505	-20.9%	160,972	-26.7%
Life cash plaza	173,257	164,880	156,697	-5.0%	121,337	-22.6%
Installment Finance	183,883	112,512	62,807	-44.2%	39,635	-36.9%
Downsizing business	73,716	66,370	59,420	-10.5%	51,829	-12.8%
Loan Guarantees (Low Yield Product)	64,684	56,099	48,737	-13.1%	42,131	-13.6%
Others	9,031	10,271	10,683	4.0%	9,697	-9.2%
Growing business	45%	52%	57%	5.2	66%	8.3
Holding business	46%	39%	34%	-5.0	26%	-7.6
Downsizing business	9%	9%	9%	-0.1	8%	-0.7

Life: Changes In Business Portfolio

(Billions of yen)

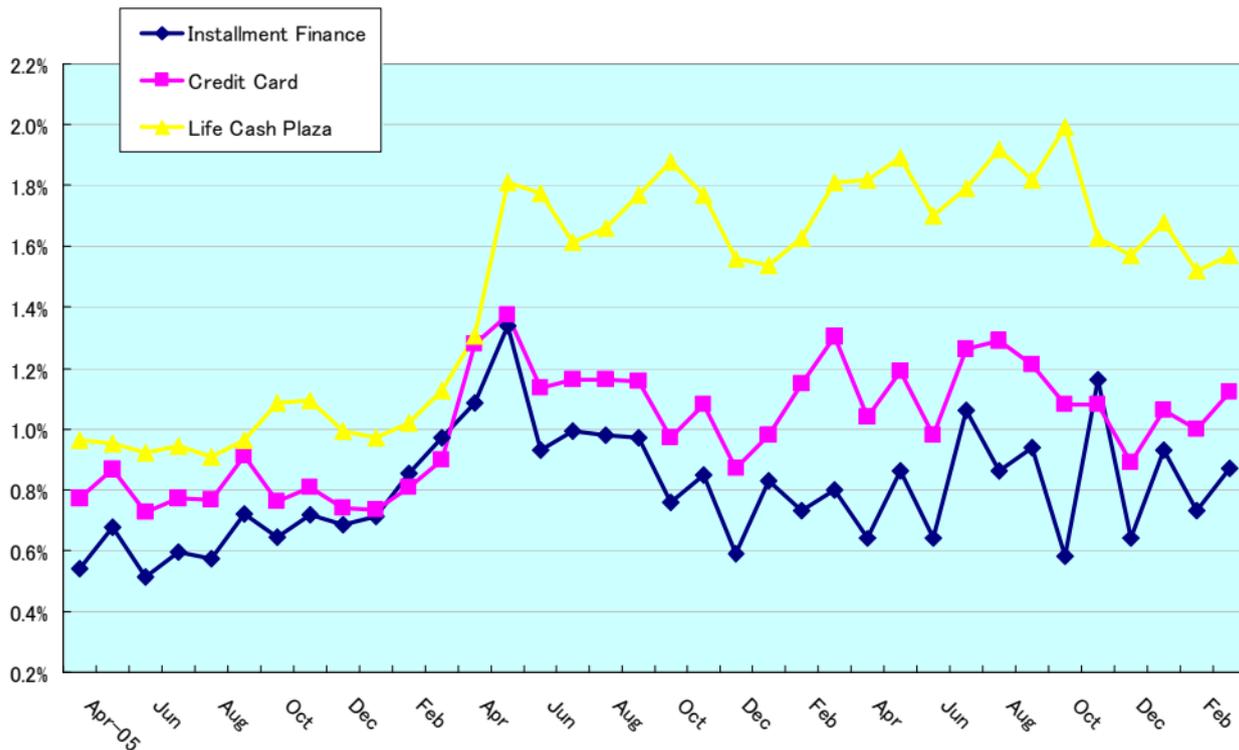


(Millions of yen)	Mar-06	Mar-07	Mar-08		Mar-09	
				YOY%	(E)	YOY%
Operating revenue	133,936	129,479	120,667	-6.8%	100,091	-17.1%
Credit card shopping	11,533	13,316	15,547	16.8%	18,109	16.5%
Installment finance	17,933	13,289	6,962	-47.6%	3,852	-44.7%
Credit card cashing	50,508	51,615	51,191	-0.8%	36,758	-28.2%
Life Cash Plaza	40,753	39,606	35,077	-11.4%	27,400	-21.9%
Loan guarantees	4,241	4,134	3,809	-7.9%	3,754	-1.4%
Bad debt recovery	3,531	1,664	1,267	-23.9%	1,800	42.1%
Other	5,432	5,851	6,811	16.4%	8,417	23.6%
Operating expenses	109,041	148,559	115,561	-22.2%	97,107	-16.0%
Financial expenses	8,621	9,201	9,108	-1.0%	10,554	15.9%
Credit costs	39,070	68,944	44,512	-35.4%	31,986	-28.1%
Return of overpayment cost	1,645	11,435	8,125	-28.9%	1,023	-87.4%
Advertising expenses	6,478	5,587	1,703	-69.5%	1,373	-19.4%
Salaries	16,495	16,427	14,322	-12.8%	13,578	-5.2%
Other	36,729	36,963	37,788	2.2%	38,591	2.1%
Operating income	24,895	-19,079	5,106	—	2,984	-41.6%
Ordinary income	25,032	-18,957	5,183	—	3,000	-42.1%
Net income	14,028	-43,313	3,427	—	1,453	-57.6%

(Millions of yen)	Mar-06	Mar-07	Mar-08		Mar-09	
				YOY%	(E)	YOY%
Bad debt charge-offs	37,266	44,498	48,275	8.5%	44,385	-8.1%
Main businesses	34,060	41,803	47,219	13.0%	43,322	-8.3%
Other	3,202	2,695	1,055	-60.9%	1,063	0.8%
Home loans	675	478	229	-52.1%	233	1.7%
Loss from fraudulent use of credit card	368	257	289	12.5%	280	-3.1%
Loss from member stores	2,148	1,949	529	-72.9%	539	1.9%
Other	11	10	7	-30.0%	10	42.9%
Ratio of bad debt charge-offs	4.78%	6.20%	7.39%	1.19	7.17%	-0.22
Ratio of allowance for bad debts	5.15%	7.12%	7.26%	0.14	6.59%	-0.68

* Main Businesses: Credit card Shopping, Installment Finance, Loan guarantees and Life Cash Plaza (Unsecured Consumer Loans).

Default (1M+Arrearage) Ratio by Business Line



5• Explanation of Figures



Breakdown of Consolidated Operating Revenue



Items (¥ Billions)	Mar-08	YOY	Reasons for Increase / Decrease
Operating Revenue	405.7	-93.2	Tightening of credit results in receivables outstanding and marketing of low-interest products.
Interest Income	356.4	-92.2	
•AIFUL	224.7	-67.9	Unsecured: ¥190.2 billion (down ¥53.3 billion), secured: ¥29.8 billion (down ¥11.6 billion), small business loans: ¥4.6 billion (down ¥2.9 billion)
•LIFE	85.3	-4.8	Credit card cash advances: ¥ 50.4 billion (down ¥0.6 billion), Cash Plaza: ¥ 34.7billion (down ¥4.2 billion)
•BUSINEXT	11.2	0.1	Reflecting business confidence at small and medium-sized businesses, the balance of receivables is held to growth of 1%.
•City's	9.5	-3.9	Decline due to marketing of low-interest products.
•WIDE	13.8	-8.6	Reduction due to tightened credit. Reorganization of the AIFUL Group under study.
•TRYTO	9.2	-5.5	
•Other	2.4	-1.5	
Credit Card Purchases	14.9	2.1	LIFE Card shopping transactions up 18%
Installment Finance	6.9	-6.0	Updated transaction policies at member stores subject to the Specified Commercial Transactions Law
Loan Guarantees	8.5	-0.6	AIFUL: ¥ 4.7 billion (down ¥0.3 billion), LIFE: ¥3.8 billion (down ¥0.3 billion)
Other Operating Revenue	18.3	3.1	
Bad Debt Recovery	4.3	0.3	AIFUL: ¥2.5 billion (up ¥0.7 billion), LIFE ¥1.2 billion (down ¥0.3 billion)
Revenue from Debt Collection	6.6	2.9	Due to increase in claims purchased at AsTry Loan Services



Breakdown of Consolidated Operating Expenses / Income

Items (Billions of yen)	Mar-08	YOY	YOY%	Reasons for Increase / Decrease
Operating Expenses	374.0	-288.7	-43.6%	
Financial Expenses	33.2	-3.3	-9.1%	Reduction in borrowings due to decline in balance of operating loans
Cost of Claims Purchasing	5.0	2.3	89.8%	Tied to AsTry Loan Services collections of claims purchased
Credit Costs	155.8	-184.5	-54.2%	AIFUL: down ¥115 billion, LIFE: down ¥17.8 billion, TRYTO: down ¥19.4 billion, WIDE: down 28.6 billion
Return of overpayment expenses	49.8	-63.2	-55.9%	AIFUL: down ¥50.1 billion, LIFE: down ¥9.9 billion, Return of overpayment AIFUL: ¥50.4 billion, Consolidated: ¥66.2 billion
Advertising Expenses	7.4	-7.6	-50.7%	Decrease due a reduction in advertisement publication at AIFUL: down ¥1.5 billion, LIFE: down ¥-3.6 billion, WIDE down ¥0.9 billion, TRYTO: down ¥0.5 billion
Personnel Expenses	44.4	-12.1	-21.5%	Accompanying cost structure reforms
Amortization of Goodwill and Consolidation Differences	0.8	-0.8	-50.7%	LIFE: ¥0.8 billion, City's: ¥0.2 billion, NFP: down ¥0.2billion
Other	77.0	-19.4	-20.1%	Chiefly reductions in various costs accompanying progress of cost structure reforms
Communications	22.9	-2.6	-10.5%	AIFUL: down ¥2.5 billion Reduction in partner ATM service fee and store security
Rental Expenses/ Land Rent	11.8	-7.5	-38.9%	AIFUL: down ¥4.1 billion, LIFE: down ¥1.6 billion, WIDE: down ¥1 billion, TRYTO: down ¥0.3 billion, Reduction in rents fees due to outlet closures accompanying cost structure reforms.
Supplies, Repair and Maintenance	7.6	-1.3	-14.8%	AIFUL: down ¥1.1 billion Reduction due to outlet closures
Insurance Premium	0.3	-2.7	-88.0%	Decline due to abolition of group credit life insurance
Communications	8.0	-0.2	-2.5%	
Depreciation	11.0	-1.9	-15.2%	AIFUL: down ¥2.0 billion Reduction due to outlet closures
Operating Income	31.7	195.5	—	



Breakdown of Consolidated Operating Expenses / Income

Items (Billions of yen)	Mar-08	YOY	YOY%	Reasons for Increase / Decrease
Ordinary Income	32.0	195.1	—	
Extraordinary Income	0.9	-2.7	-74.4%	Gain on sale of fixed assets associated with the sale of nonperforming assets.
Extraordinary Losses	2.1	-210.7	-99.0%	Loss on disposal of fixed assets in the fiscal year ended March 31, 2008. In the fiscal year ended March 31, 2007, reserves for interest repayments and waived claims associated with interest repayments posted in previous years, and expenses associated with reorganization of the AIFUL Group and the progress on its cost restructure reforms.
Pre-tax Net Income	30.8	403.1	—	
Corporate Income Tax, Inhabitant Tax, Enterprise Tax	6.5	-9.2	-58.7%	
Adjustment for Corporate Income Tax, etc.	-3.2	-27.9	—	
Effective tax rate	0.1	1.7	—	
Net Income	27.4	438.6	—	For the reasons outlined above

Breakdown of Consolidated Operating Revenue (Mar-09(E))



Items (¥ Billions)	Mar-09	YOY	YOY%	Reasons for Increase / Decrease
Operating Revenue	312.0	-93.7	-23.1%	Tightening of credit results in receivables outstanding and marketing of low-interest products.
Interest Income	261.1	-95.2	-26.7%	
•AIFUL	167.4	-57.2	-25.5%	Unsecured: ¥143.6 billion (down ¥46.5 billion), secured: ¥20.9 billion (down ¥8.8 billion), small business loans: ¥2.8 billion (down ¥1.7 billion)
•LIFE	62.8	-22.5	-26.4%	Credit card cash advances: ¥ 35.7 billion (down ¥14.6 billion), Cash Plaza: ¥26.8 billion (down ¥7.8 billion)
•BUSINEXT	10.8	-0.4	-3.8%	Prudent measures responding to the lack of business confidence among small and medium-sized businesses.
•City's	7.9	-1.5	-16.6%	Decline due to marketing of low-interest products.
•WIDE	6.3	-7.5	-54.3%	Reduction due to tightened credit Reorganization of the AIFUL Group under study.
•TRYTO	4.4	-4.8	-51.8%	
•Other	1.2	-1.2	-49.8%	
Credit Card Purchases	17.6	2.7	18.1%	LIFE Card shopping transactions up 18.8%
Installment Finance	3.7	-3.1	-45.9%	Updated transaction policies at member stores subject to the Specified Commercial Transactions Law
Loan Guarantees	8.5	0.0	0.5%	AIFUL: ¥4.8 billion (up ¥0.1 billion), LIFE: ¥3.7 billion (down ¥0.05 billion)
Other Operating Revenue	19.7	1.3	7.3%	
Bad Debt Recovery	5.7	1.3	30.9%	AIFUL: ¥3.4 billion (up ¥0.8 billion), LIFE: ¥1.8 billion (up ¥0.5 billion)
Revenue from Debt Collection	6.6	0.0	0.0%	Due to increase in claims purchased at AsTry Loan Services



Breakdown of Consolidated Operating Expenses / Income (Mar-09(E))

Items (Billions of yen)	Mar-09	YOY	YOY%	Reasons for Increase / Decrease
Operating Expenses	279.1	-94.9	-25.4%	
Financial Expenses	31.5	-1.7	-5.3%	Decline due to fall in borrowings accompanying falling balance of operating loans, despite anticipated rising interest rates
Cost of Claims Purchasing	4.8	-0.2	-4.9%	Tied to AsTry Loan Services collections of claims purchased
Credit Costs	109.8	-46.0	-29.5%	AIFUL's share of the decline: ¥33.8 billion Due to decline in write-offs of bad debt
Return of overpayment expenses	0.4	-49.3	-99.1%	Declining because they are allocated from reserves as they emerge, interest repayments at AIFUL are ¥38.7 billion, and on a consolidated basis total ¥51 billion.
Advertising Expenses	8.0	0.6	8.6%	AIFUL: ¥1.5 billion It depends on advertisement reinforcement
Personnel Expenses	43.5	-0.8	-2.0%	
Amortization of Goodwill and Consolidation Differences	0.8	0.0	0.0%	LIFE: ¥0.8 billion, City's ¥0.2 billion, NFP down ¥0.2 billion
Other	79.4	2.3	3.1%	Temporary increase in costs due to parallel operation of existing and new systems.
Operating Income	32.8	1.1	3.7%	
Ordinary Income	33.0	0.9	2.9%	
Extraordinary Income	0.0	-0.9	-99.3%	
Extraordinary Losses	0.8	-1.2	-59.0%	
Pre-tax Net Income	32.1	1.2	4.0%	
Corporate Income Tax, Inhabitant Tax, Enterprise Tax	0.6	-5.8	-90.4%	
Adjustment for Corporate Income Tax, etc.	-0.3	2.9	—	
Effective tax rate	0.0	-0.1	-54.5%	
Net Income	31.7	4.2	15.7%	

★ Appendix



Appendix – Net Margin (Non-consolidated)



(%)	Mar-05	Mar-06	Mar-07	Mar-08	Mar-09 (E)
Average Yield (Loan Business)	22.3	21.8	20.3	18.5	16.5
Average Yield (other)	0.8	0.8	0.6	0.8	0.9
Average Yield (total)	23.1	22.7	20.9	19.2	17.4
Funding cost	2.2	2.0	2.0	2.0	2.2
Credit cost (Including Provision)	6.5	6.7	14.8	8.3	6.6
Bad Debt Write offs	6.1	6.0	9.1	12.5	11.1
Return of overpayment Cost (Including Provision)	0.2	1.1	5.2	2.2	0.0
Other SG&A cost (C)	6.7	6.7	5.7	4.9	6.1
Salary (A)	2.0	1.9	1.9	1.9	2.2
Advertising (B)	1.0	1.1	0.4	0.3	0.5
Other (C)-((A)+(B))	3.7	3.8	3.4	2.7	3.4
Net margin / Balance (Ordinary Income Basis)	7.5	6.1	-6.9	1.8	2.5

* Loan Business Average Yield = (Interest Income + Loan Guarantee Fee) / Average Receivable Outstanding × 100%

Appendix – Net Margin (Consolidated)



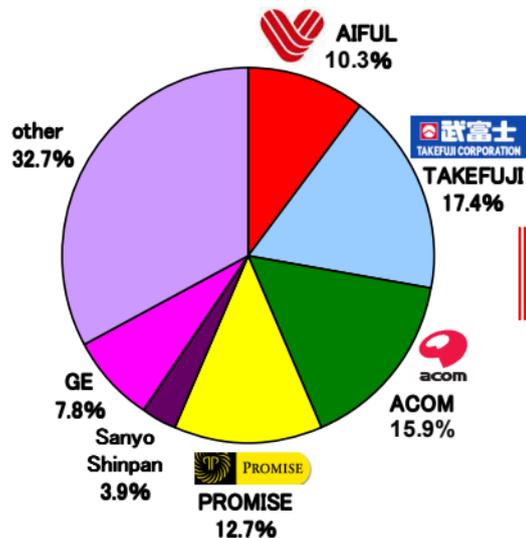
(%)	Mar-05	Mar-06	Mar-07	Mar-08	Mar-09 (E)
Average Yield (Loan Business)	20.4	20.4	19.2	17.8	15.5
Average Yield (other)	0.8	0.9	0.7	0.9	1.1
Average Yield (total)	21.3	21.3	19.9	18.7	16.6
Funding cost	1.7	1.5	1.5	1.6	1.8
Credit cost (Including Provision)	6.3	6.4	13.5	7.1	5.8
Bad Debt Write offs	5.9	5.8	8.2	10.4	9.9
Return of overpayment Cost (Including Provision)	0.2	0.8	4.5	2.3	0.0
Other SG&A cost (C)	7.5	7.7	6.9	6.2	7.3
Salary (A)	2.2	2.2	2.2	2.0	2.3
Advertising (B)	1.0	1.1	0.6	0.3	0.4
Other (C)-((A)+(B))	4.3	4.4	4.0	3.8	4.5
Net margin / Balance (Ordinary Income Basis)	5.5	4.9	-6.5	1.5	1.7

* Loan Business Average Yield = (Interest Income + Loan Guarantee Fee) / Average Receivable Outstanding × 100%



March 1998

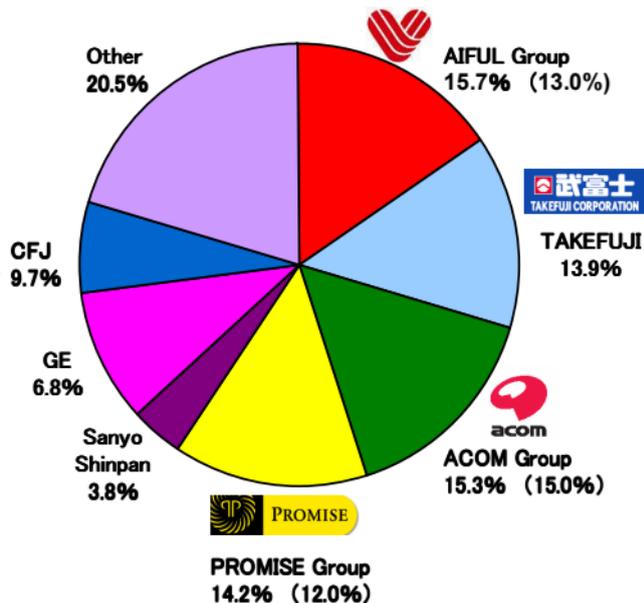
¥6.9 trillion



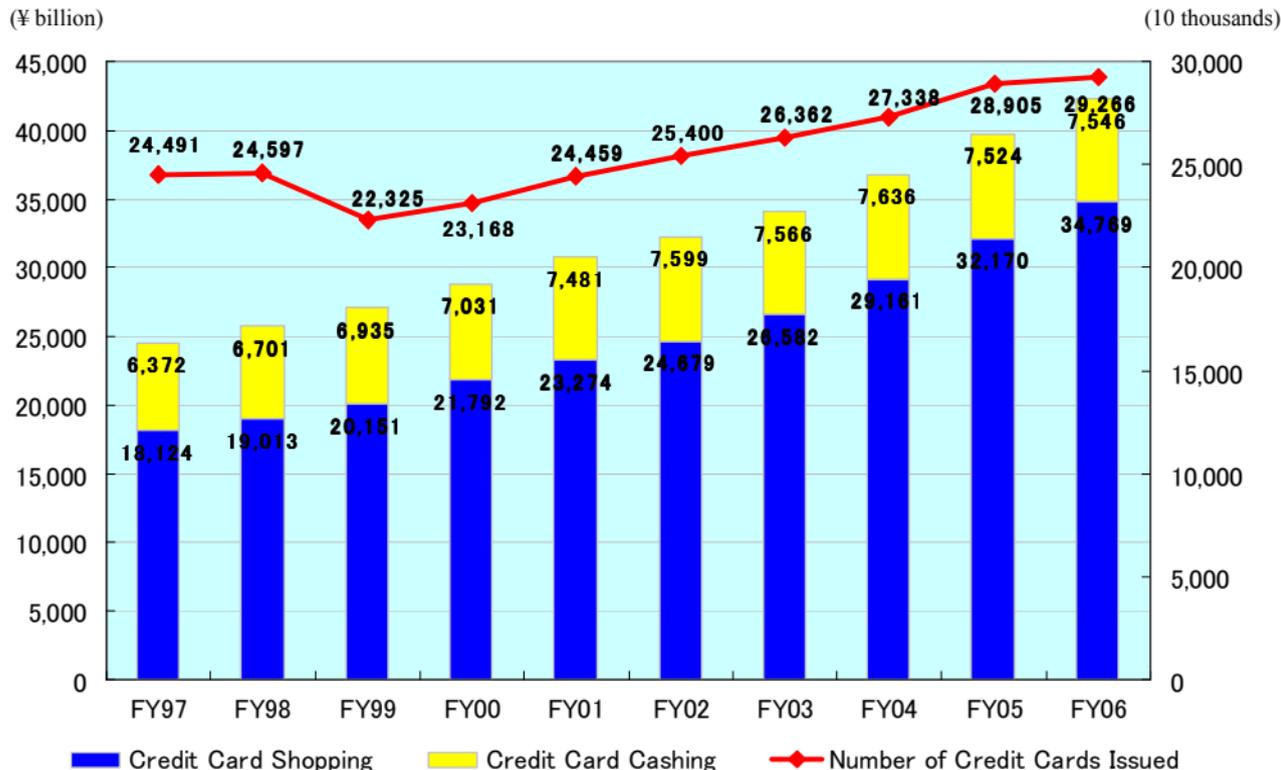
* (Non-Consolidated)

March 2007

¥10.3 trillion



Number of Credit cards issued & Amount of credit provided (Annual)





Customer Accounts:

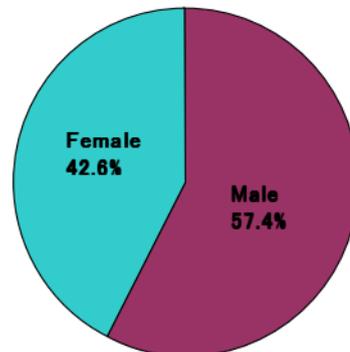
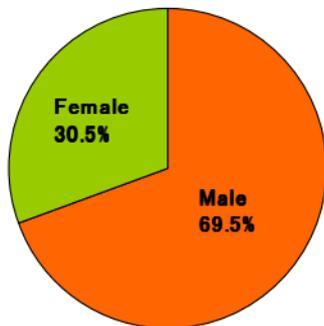
1,593 (Thousand, Mar-08)



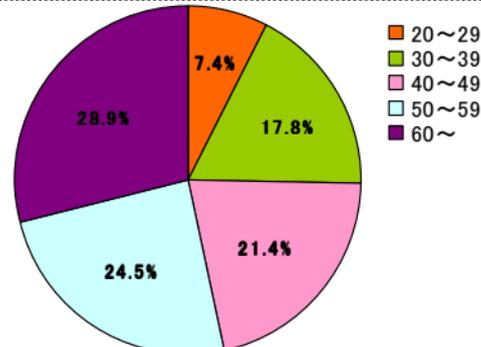
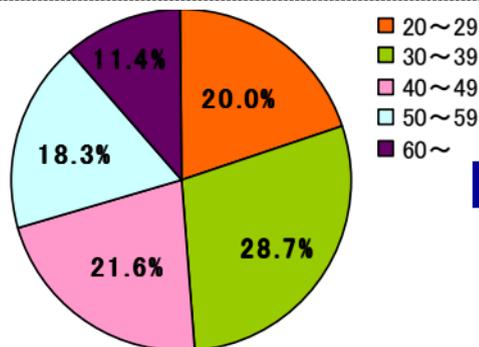
Valid card members:

14,819 (Thousand, Mar-08)

SEX

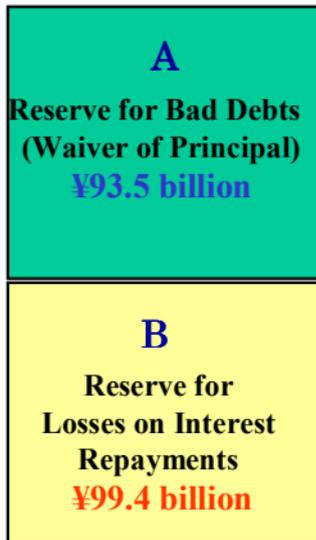


AGE



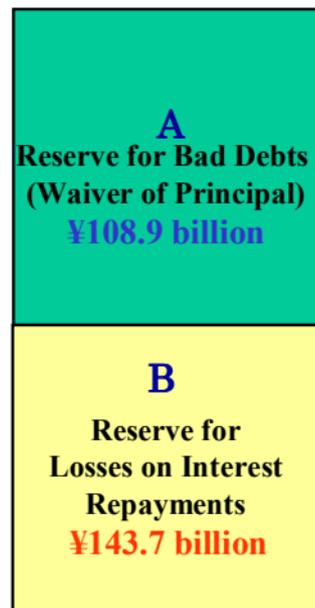


A+B : ¥192.9 ¥billion



AIFUL (Non-consolidated)

A+B : ¥252.7 ¥billion



AIFUL Group



Interest Repayment Related Reserves (End)

¥245.9 billion

¥192.9 billion

¥113.2 billion



Sep. 2007

Mar. 2008

Mar. 2009

Background to Revision of Computation of Interest Repayment Related Reserves in the Interim Financial Statements for Year Ending March 2008

(1) Interest repayments level since May 2007

The Company has used an approximate compensation rate of 2.6 times in its compensation calculations under the exceptional method up to now. As a result of levelling off of interest repayments, the compensation rate could be 1 time, so the exceptional method no longer matches reality.

(2) Interest on new loans a maximum 18% since August 2007

The number of accounts with excess interest exceeding the Interest Restriction Law is to decline in the future.

(3) Mediation by attorneys and judicial scriveners on declining trend with peak in May 2007

Comparison with May 2007: Oct. 2007: -17%, Nov. 2007: -23%, Dec. 2007: -34%, Jan. 2008: -35%, Feb. 2008: -23%, Mar. 2008: -24%

Future interest repayments could decline.



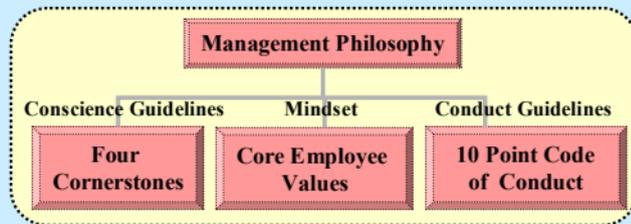
As a result of the foregoing, AIFUL has changed the computation of interest repayment related reserves from the exceptional method to the basic method. In other words, the Company has recorded as interest repayment related reserves the total amount likely to arise in the future.



• New Corporate Philosophy

Earn the support of the public with sincerity and hard work.

• AIFUL's new corporate philosophy is comprised of four components: 1) the Management Philosophy, which is at the pinnacle and supported by the others; 2) the Four Cornerstones, which serve as guidelines for conscience; 3) 10 Point Code of Conduct, which are guidelines for conduct; 4) the Core Employee Values, which are concrete points that make up the appropriate employee mindset.



• Project to Restore Public Trust

STEP 1 Investigation into root causes of legal infringements.

STEP 2 Unification of company-wide awareness on fundamental issues



Formulation and implementation of radical reform plan

STEP 3 Pillars of reform: rebuilding of management philosophy, culture reform, "organizational" rebirth, "human" rebirth, honest disclosure)

Main Actions:

- 1) Review of in-house regulations and establishment of systems;
- 2) Thorough employee guidance and training and introduction of relevant certification system;
- 3) Strengthening of in-house monitoring structure and review of inspection cycles and areas;
- 4) Revision of personnel evaluation system.



• Establishment of additional Risk Management Committee as a body directly under the Board of Directors