



First Quarter Financial Results for Fiscal Year 2010 (April - June, 2009)

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

August 7, 2009

- 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.

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First Quarter Financial Results (1): Consolidated Summary




(¥ million)	08/6	09/6	YOY%	YOY%	10/3(E)	YOY%
Operating Revenue	85,035	64,467	-20,567	-24.2%	226,382	-27.5%
Interest Income	72,552	51,744	-20,807	-28.7%	178,939	-32.2%
Operating Expenses	71,712	60,786	-10,925	-15.2%	215,749	-29.2%
Financial Expenses	7,248	5,610	-1,637	-22.6%	22,526	-16.3%
Credit Cost	27,121	27,393	272	1.0%	82,586	-16.8%
Interest Repayment Cost	5,474	2,558	-2,916	-53.3%	7,598	-87.0%
Other Operating Expenses	30,757	24,603	-6,153	-20.0%	99,638	-14.4%
Operating Income	13,322	3,680	-9,642	-72.4%	10,633	42.9%
Ordinary Income	14,333	3,950	-10,383	-72.4%	10,677	24.0%
Extraordinary Income	-	1,803	1,803	-	8	-99.9%
Extraordinary Loss	326	398	71	22.0%	1,073	-85.3%
Income before Income Taxes	14,006	5,355	-8,651	-61.8%	9,612	24.6%
Net Income	18,282	4,940	-13,341	-73.0%	8,115	91.1%

Total Receivable Outstanding *	1,930,937	1,515,648	-415,289	-21.5%	1,264,260	-22.7%
Receivable Outstanding	1,599,173	1,217,079	-382,094	-23.9%	977,119	-26.8%
Installment Receivable	190,447	170,881	-19,566	-10.3%	160,927	-5.6%
Guarantee and Other	141,316	127,686	-13,630	-9.6%	126,214	-4.1%
Customer Accounts (thousands)	2,951	2,481	-470	-15.9%	-	-

* Managed Asset Basis

First Quarter Financial Results (2): Summary of AIFUL



 (¥ million)	08/6	09/6			10/3 (E)	YOY%
			YOY	YOY%		
Operating Revenue	48,226	36,398	-11,828	-24.5%	125,928	-28.9%
Interest Income	45,793	33,324	-12,469	-27.2%	114,431	-31.6%
Operating Expenses	38,996	35,500	-3,495	-9.0%	122,912	-31.7%
Financial Expenses	5,303	4,299	-1,004	-18.9%	17,150	-13.3%
Credit Cost	18,976	19,407	431	2.3%	57,049	-12.6%
Write-offs	33,535	27,156	-6,378	-19.0%	105,476	-10.8%
Interest Repayment Cost	-	-	-	-	-	-
Interest Repayment	13,951	16,956	3,005	21.5%	42,051	-23.6%
Other Operating Expenses	14,716	11,794	-2,922	-19.9%	48,714	-11.5%
Operating Income	9,230	897	-8,332	-90.3%	3,015	-
Ordinary Income	11,284	2,351	8,933	-79.2%	8,200	192.1%
Net Income	18,047	3,501	-14,546	-80.6%	8,033	-16.8%

Total Receivable Outstanding	1,072,864	824,723	-248,141	-23.1%	639,120	-29.1%
Loan Outstanding	1,012,173	767,894	-244,279	-24.1%	582,168	-30.9%
Unsecured Loan	785,666	585,494	-200,172	-25.5%	428,090	-33.9%
Customer Accounts (thousands)	1,533	1,274	-259	-16.9%	1,021	-24.4%
Unsecured Loan	1,453	1,208	-244	-16.9%	967	-24.5%
Average Yield	17.7%	16.6%	-1.1%	-	16.1%	-1.6%
Below 18% loan balance's occupancy rate	-	46.8%	-	-	-	-

Italic font: Increase or decrease



◆ Contract rate of Unsecured loans

	FY 2009				FY 2010	
	1Q(3M)	2Q(3M)	3Q(3M)	4Q(3M)	1Q(3M)	YOY%
New Applications	79,176	85,617	74,628	61,400	63,495	-19.8%
New Accounts	28,633	33,147	16,717	8,722	11,585	-59.5%
Contract Rate	36.2%	38.7%	22.4%	14.2%	18.2%	-17.9%

Italic font: Increase or decrease

◆ Composition of Unsecured loans Outstanding according to the number of other lending company usage*


	08/3	08/6	09/3	09/6	前年同期比
Average	2.25	2.19	2.04	2.00	-0.19
No loans from other companies	18.5%	18.8%	20.5%	21.2%	+2.4%
Usage of other companies: 1	19.5%	19.9%	21.3%	21.7%	+1.8%
Usage of other companies: 2	19.0%	19.6%	20.1%	20.0%	+0.4%
Usage of other companies: 3	17.9%	18.2%	18.4%	18.1%	-0.1%
Usage of other companies: 4 or more	25.2%	23.3%	19.7%	19.0%	-4.3%

◆ New applicants Ratio of Other lending company usage

	08/6 (3M)	09/6 (3M)	YOY
	1.44	0.87	-0.57
	30.0%	42.9%	+12.9%
	25.9%	34.8%	+8.9%
	21.4%	15.4%	-6.0%
	15.7%	5.4%	-10.3%
	7.0%	1.4%	-5.6%

*Branches-balance base
Italic font: Increase or decrease




 (¥ million)	08/6	09/6			10/3 (E)	YOY%
			YOY	YOY%		
Ordinary Revenue	26,875	21,630	-5,245	-19.5%	77,985	-22.3%
Installment Revenue	5,367	5,241	-125	-2.3%	20,850	-3.5%
Credit Card Revenue	4,173	4,625	452	10.8%	18,873	5.0%
Interest Income	18,417	12,872	-5,544	-30.1%	46,046	-31.4%
with Credit Card	10,721	7,907	-2,814	-26.2%	29,003	-27.3%
with Loan Card	7,649	4,928	-2,720	-35.6%	16,880	-37.7%
Guarantee	893	767	-126	-14.2%	3,107	-8.2%
Other	2,196	2,748	551	25.1%	7,982	-2.7%

Total Receivable Outstanding	642,782	541,370	-101,412	-15.8%	502,385	-12.0%
Installment Receivable	190,447	170,881	-19,565	-10.3%	160,927	-5.6%
Credit Card Shopping	134,913	142,593	7,679	5.7%	143,211	4.7%
Loans	371,711	299,631	-72,079	-19.4%	272,195	-16.9%
with Credit Card	219,570	184,856	-34,714	-15.8%	180,911	-10.4%
with Loan Card	150,423	113,344	-37,078	-24.6%	90,145	-27.4%
Guarantee and Other	80,624	70,857	-9,766	-12.1%	69,263	-2.2%
Number of New Issue (thousands)	369	371	2	0.6%	1,206	-234
Number of Card Holder (thousands)	14,945	15,375	430	2.9%	15,535	283

*Outstanding: Managed Assets Basis
 Italic font: increase or decrease


Summary of Credit Card Subsidiary - LIFE



 (¥ million)	08/6	09/6		10/3 (E)		
		YOY	YOY%	YOY	YOY%	
Operating Expenses	25,999	21,519	-4,479	-17.2%	76,068	-22.3%
Financial Expenses	2,297	1,881	-416	-18.1%	8,268	-9.0%
Credit Cost	7,507	5,618	-1,889	-25.2%	22,183	-31.2%
Interest Repayment Cost	3,396	2,974	-422	-12.4%	3,688	-52.5%
Other Operating Expenses	12,797	11,045	-1,752	-13.7%	41,929	-14.1%
Operating Income	875	110	-765	-87.4%	1,917	-21.7%
Ordinary Income	943	142	-801	-84.9%	2,000	-24.4%
Extraordinary Income	4	1,224	1,220	-	-	-
Extraordinary Expenses	30	45	15	51.5%	80	-93.8%
Net Income	431	931	500	116.0%	740	241.0%

Italic Font: increase or decrease



 (¥ million)	08/6	09/6		10/3 (E)		
		YOY	YOY%	YOY	YOY%	
Operating Revenue	2,749	2,379	-370	-13.5%	9,251	-12.1%
Operating Expenses	2,739	2,429	-321	-11.3%	8,805	-9.3%
Operating Income	10	-49	-59	-	446	-45.6%
Ordinary Income	10	-40	-50	-	446	-46.1%
Net Income	0	-60	-61	-	225	-46.4%

Loans Outstanding	82,369	71,4314	-10,938	-13.3%	69,719	-6.7%
Customer Accounts (thousands)	43	38	-4	-11.5%	36	-10.4%
Average Balance Per Account (¥ thousands)	1,909	1,871	-38	-2.0%	1,953	4.1%
New Accounts	797	464	-333	-41.8%	3,080	11.3%
Average interest Yield	14.5%	14.2%	-0.2%	-	14.1%	-0.2%

Italic Font: increase or decrease



◆ Profit and Loss of 1Q in FY 2010

(¥ million)	Consumer Finance Business			Credit card Business	Small Business Loan Business		Consolidated
	AIFUL	WIDE	TRYTO	LIFE *	Businext	City's	
Operating Revenue	36,398	1,071	840	21,351	2,379	1,321	64,467
Operating Expenses	35,500	634	362	21,241	2,429	703	60,786
Operating Income	897	436	478	110	-49	618	3,680
Ordinary Income	2,351	450	481	142	-40	627	3,950
Net Income	3,501	466	501	931	-60	646	4,940

◆ Financial Highlight Forecast in FY 2010

(¥ million)	AIFUL	WIDE	TRYTO	LIFE *	Businext	City's	Consolidated
Receivable Outstanding	639,120	11,008	8,953	502,385	69,719	30,275	1,264,260
YOY%	-29.1%	-49.1%	-46.0%	-12.0%	-6.7%	-34.8%	-22.7%
Operating Revenue	125,928	3,275	2,801	76,727	9,251	4,022	226,382
YOY%	-28.9%	-49.5%	-40.1%	-22.0%	-12.1%	-49.3%	-27.5%
Operating Income	3,015	1,524	1,080	1,917	446	406	10,633
YOY%	-	94.4%	31.8%	-21.7%	-45.6%	-24.5%	42.9%
Ordinary Income	8,200	1,524	1,081	2,000	446	412	10,677
YOY%	192.1%	86.5%	21.2%	-24.4%	-46.1%	-25.9%	24.0%
Net Income	8,033	1,518	1,027	740	225	406	8,115
YOY%	-16.8%	-5.5%	-37.4%	241.0%	-46.4%	-	91.1%

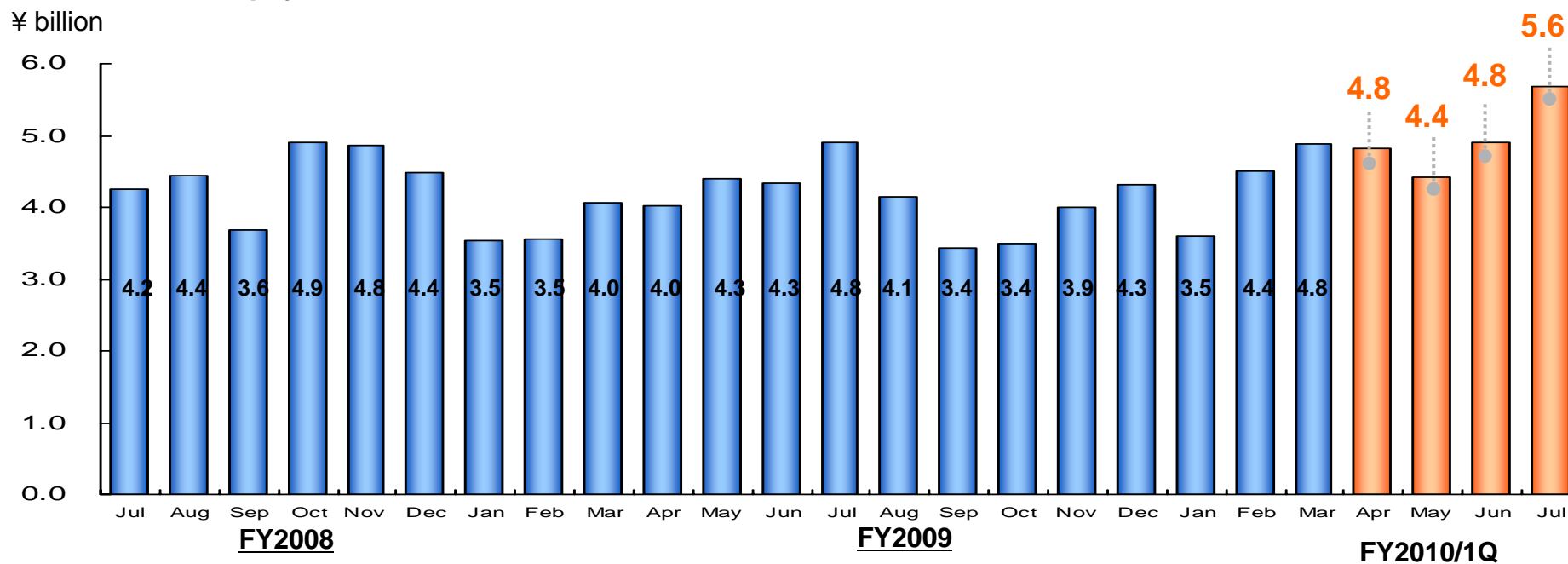
* Managed Asset Basis



◆ Return of overpayment and Waiver of principal

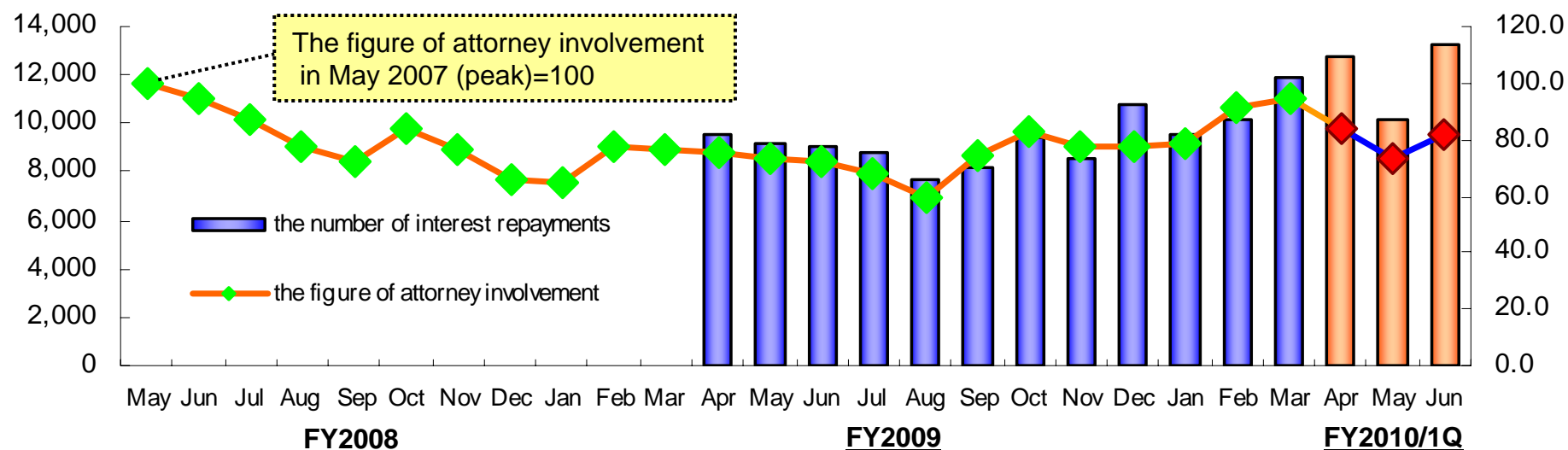
(¥ million)											
		09/3 (12M)	08/6 (3M)	08/9 (3M)	08/12 (3M)	09/3 (3M)	09/6 (3M)	YOY%	QOQ	10/3 (E)	YOY%
Consolidated	Interest Repayment	72,875	19,096	15,474	18,150	20,155	21,234	11.2%	5.4%	57,790	-20.7%
	Waiver of principal	68,665	16,385	17,483	16,378	18,419	16,375	-0.1%	-11.1%	67,637	-1.5%
Non-consolidated	Interest Repayment	55,025	13,951	11,069	13,993	16,012	16,956	21.5%	5.9%	42,051	-23.6%
	Waiver of principal	52,906	11,783	12,886	12,571	15,666	13,331	13.1%	-14.9%	54,715	3.4%

◆ Interest Repayments on Non-Consolidated Basis (Cash out basis)





The figure of attorney involvement & interest repayments



Consolidated

(¥ million)	Interest repayment	Waiver of principal	Total
Allowance at the end of the previous fiscal year	124,164	88,490	212,654
Reversal (Interest repayment) ¹	21,234	-	21,234
Reversal (Waiver of principal) ²	1,604	14,770	16,375
Provisions	2,558	13	2,571
	10,670	-10,670	0
Allowance at end of the fiscal year ³	114,554	63,062	177,616
/(+) × 4)	1.3	1.1	1.2

Non-Consolidated

Interest repayment	Waiver of principal	Total
84,318	79,151	163,470
16,956	-	16,956
-	13,331	13,331
-	-	-
11,247	-11,247	0
78,609	54,571	133,181
1.2	1.0	1.1

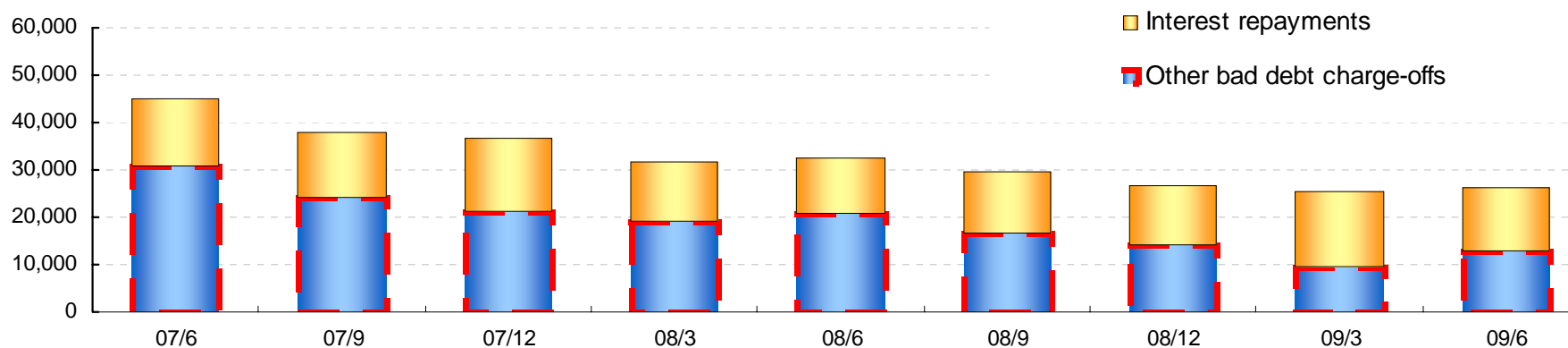


◆ Write-offs and Write-off Ratio (Non-Consolidated's)

(%; ¥ millions)	08/6 (3M)	09/3 (12M)	09/6 (3M)	YOY	10/3(E) (12M)	YOY
Write-off Ratio	3.40%	14.13%	3.79%	0.39%	18.59%	4.46%
Loans Outstanding	1,012,173	842,786	767,894	-24.1%	582,168	-30.9%
Total Write-offs *	34,375	119,068	29,127	-15.3%	108,206	-9.1%
Write-offs	32,519	114,252	26,221	-19.4%	102,509	-10.3%

* Total Write-offs = Write-offs + Non operating allowance for bad debt Italic font: increase or decrease

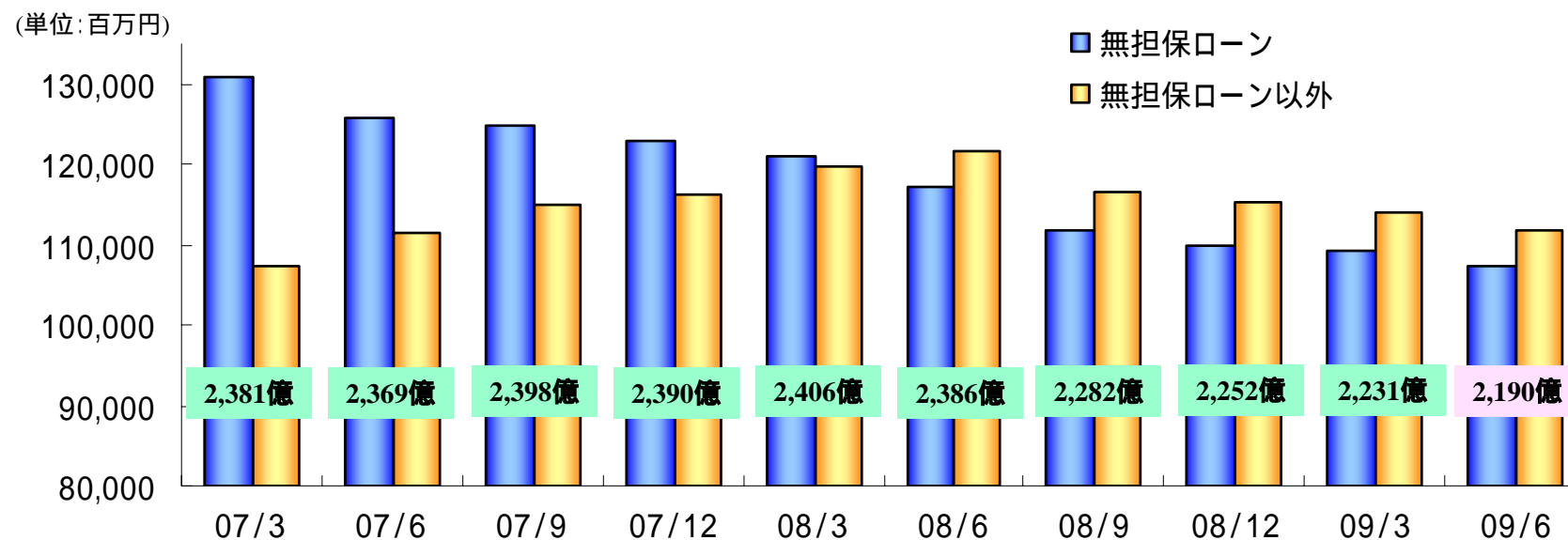
Trends of Interest repayments and other bad debt charge-offs (Quarter Basis)



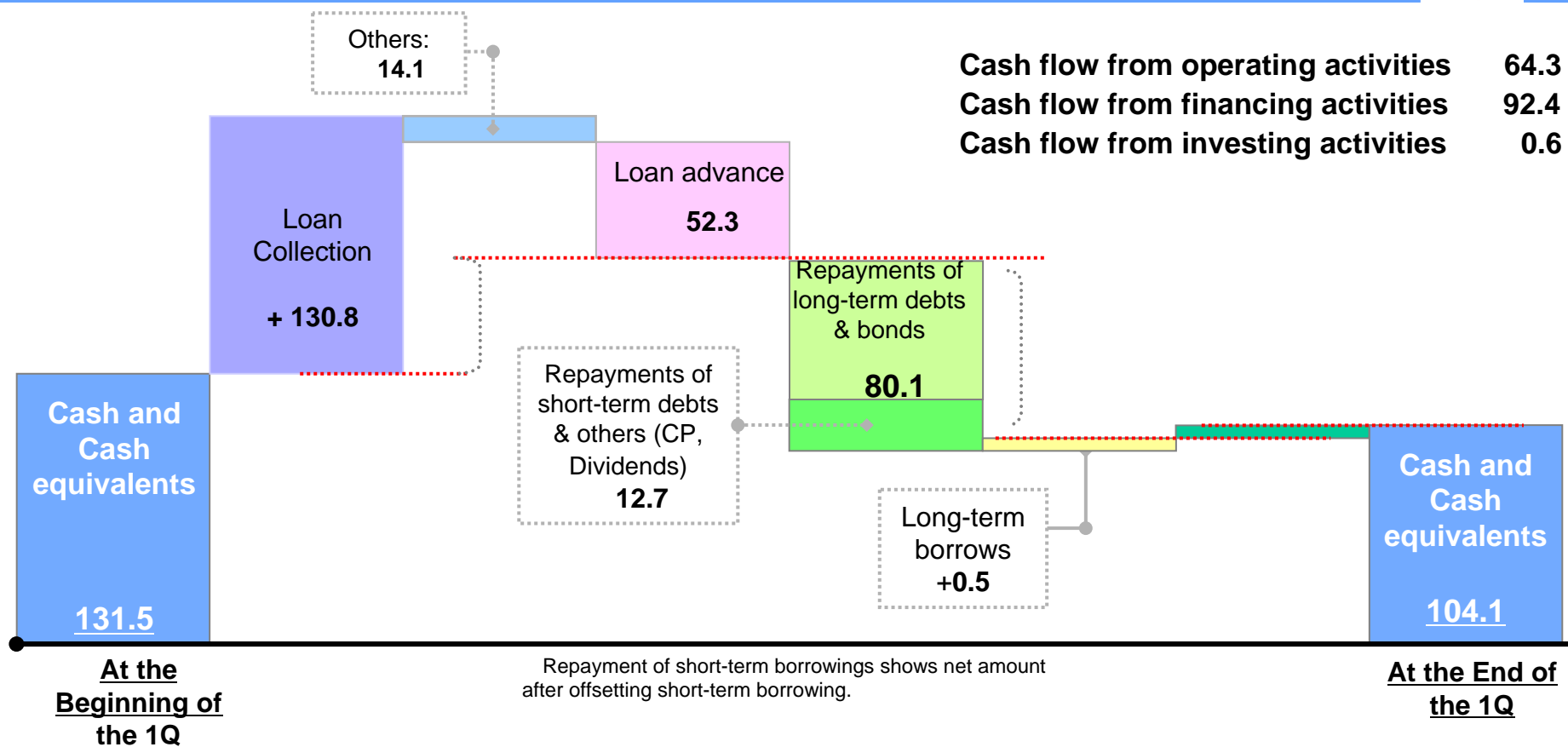
(¥ million)	08/6 (3M)	09/3 (12M)	09/6 (3M)	YOY%	10/3(E) (12M)	YOY%
Interest repayments	11,783	52,906	13,331	13.1%	54,715	3.4%
Other bad debt charge-offs	20,736	61,346	12,890	-37.8%	47,794	-22.1%
Total	32,519	114,252	26,221	-19.4%	102,509	-10.3%



単体不良債権(4分類)の推移



単位:百万円	無担保ローン				無担保ローン以外			
	08/6	09/6	増減額	増減率	08/6	09/6	増減額	増減率
破綻先	2,730	1,918	-812	-29.7%	42,050	36,350	-5,699	-13.5%
延滞債権	66,933	63,365	-3,568	-5.3%	75,440	71,319	-4,120	-5.5%
3ヶ月以上延滞債権	11,641	13,611	1,969	16.9%	2,391	2,901	510	21.3%
貸出条件緩和債権	35,802	28,291	-7,511	-30.0%	1,632	1,305	-326	-20.0%
不良債権合計額	117,108	107,186	-9,921	-8.5%	121,514	111,877	-9,636	-7.9%



◆ Debts and Equity Ratio

(¥ 100millions)	09/3	09/6	YOY
Total debts (Consolidated)	9,177	8,265	-912
Equity Ratio (% , Consolidated)	23.6%	25.5%	+1.9%
Total Debts (Non-Consolidated)	6,870	6,281	-589
Equity Ratio (% , Non-Consolidated)	31.9%	33.9%	+2.0%

Debts within 1 year (Consolidated)

(¥ 100millions)	09/6
Total debts within 1 year	4,152
Short-term borrowings	1,006
Current portion of bonds	1,080
Current portion of Long-term debts	2,066



Current business environment

Economic circumstances

- ◆ Insufficiency of global financial functions
- ◆ Rise in number of corporate bankruptcies, and emerging trend of economic deterioration



Industry circumstances

- ◆ Enforcement of Money Lending Business Law, lower interest rate ceiling, and introduction of restrictions on total lending volume
- ◆ Demands for interest repayments continue to rise

AIFUL's Strategy = Consolidate Defense

◆ Reduction in expenses due to promotion of cost structure reforms

- Reorganization of business center
- Reductions in advertising expenses and other operating expenses

◆ Accumulation of top class receivables by continuing to tighten up on credit

- Response to deterioration of macro-economic environment
- Early response to enforcement of Article 4 of the Money Lending Business Control Law

◆ Implementation of Group restructuring based on "concentration and selection"

- Contraction of duplicated Group businesses
- Withdrawal from second rate businesses based on market share and cost efficiency

Maintain
1.5% or greater ROA