



Third Quarter Financial Results for Fiscal Year 2010 (Apr - Dec, 2009)

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

- 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.

February 10, 2010
E-Mail: ir@aiful.co.jp

1. Financial Results Summary





Financial Highlights for Third Quarter

(millions of yen)	Consolidated			Non-Consolidated		
	08/12	09/12	YOY%	08/12	09/12	YOY%
Operating revenue	242,913	173,230	-28.7%	138,105	98,649	-28.6%
Operating expenses	233,327	428,784	83.8%	136,830	337,374	146.6%
Operating income	9,585	-255,554	-	1,275	-238,725	-
Ordinary income	10,888	-254,708	-	5,874	-235,026	-
Net income	9,222	-283,816	-	9,105	-264,687	-

Estimate for the Fiscal Year March 2010

(millions of yen)	Consolidated			Non-Consolidated		
	09/3	10/3(E)	YOY%	09/3	10/3(E)	YOY%
Operating revenue	312,241	216,531	-30.7%	177,216	122,680	-30.8%
Operating expenses	304,799	496,736	63.0%	180,022	378,249	110.1%
Operating income	7,441	-280,206	-	-2,805	-255,568	-
Ordinary income	8,608	-279,326	-	2,807	-250,970	-
Net income	4,247	-308,258	-	9,657	-282,759	-

Financial Results 2 - Summary (2)




(millions of yen)	08/12	09/12			10/3 (E)	YOY%
			YOY	YOY%		
Operating Revenue	242,913	173,230	-69,683	-28.7%	216,531	-30.7%
Interest Income	206,371	136,405	-69,966	-33.9%	169,569	-35.7%
Operating Expenses	233,327	428,784	195,457	83.8%	496,736	63.0%
Financial Expenses	20,827	14,777	-6,050	-29.0%	21,610	-19.7%
Credit Cost	73,510	145,732	72,222	98.2%	176,211	77.5%
Interest Repayment Cost	47,187	198,046	150,859	319.7%	203,057	248.2%
Other Operating Expenses	91,802	70,226	-21,576	-23.5%	95,858	-20.3%
Operating Income	9,585	-255,554	-265,139	-	-280,206	-
Ordinary Income	10,888	-254,708	-265,596	-	-279,326	-
Extraordinary Income	1,118	2,005	887	79.3%	1,991	-69.0%
Extraordinary Loss	2,515	24,850	22,335	887.9%	25,427	247.7%
Income before Income Taxes	9,491	-277,553	-287,044	-	-302,761	-
Net Income	9,222	-283,816	-293,038	-	-308,258	-
Receivable Outstanding (¥ billion)*	1,780	1,252	-527	-29.6%	1,125	-31.2%
Loan Outstanding	1,454	969	-485	-33.4%	867	-35.0%
Installment Receivable	188	164	-24	-12.9%	141	-17.2%
Guarantee and Other	136	119	-17	-12.8%	116	-11.6%
Customer Accounts (thousands)	2,748	2,087	-661	-24.1%	-	-

* Managed Asset Basis

Financial Results 3 - AIFUL (1)



 (millions of yen)	08/12	09/12			10/3 (E)	YOY%
			YOY	YOY%		
Operating Revenue	138,105	98,649	-39,456	-28.6%	122,680	-30.8%
Interest Income	130,891	89,727	-41,164	-31.4%	111,186	-33.6%
Operating Expenses	136,830	337,374	200,544	146.6%	378,249	110.1%
Financial Expenses	15,211	11,198	-4,013	-26.4%	16,821	-14.9%
Credit Cost	48,219	117,214	68,995	143.1%	141,437	116.6%
Write-offs	92,189	81,745	-10,444	-11.3%	109,525	-7.4%
Interest Repayment Cost	30,745	176,866	146,121	475.3%	176,866	343.5%
Interest Repayment	39,013	45,125	6,112	15.7%	72,030	30.9%
Other Operating Expenses	42,654	32,095	-10,559	-24.8%	43,124	-21.7%
Operating Income	1,275	-238,725	-240,000	-	-255,568	-
Ordinary Income	5,874	-235,026	-240,900	-	-250,970	-
Extraordinary income	2,811	681	-2,130	-75.8%	559	-94.4%
Extraordinary losses	1,179	26,967	25,788	-	28,977	-
Income before Income Taxes	7,506	-261,312	268,818	-	-279,388	-
Net income	9,105	-264,687	273,792	-	-282,759	-
Loans Outstanding (¥ billion)	917	624	-293	-31.9%	553	-34.3%
Unsecured Loan	712	469	-242	-34.1%	423	-34.7%
Customer Accounts (thousands)	1,424	1,125	-299	-21.0%	1,056	-21.8%
Average Yield	17.6%	16.2%	-1.4%	-	15.9%	-1.7%
Below 18% loan balance's occupancy ratio	44.6%	48.6%	4.0%	-		

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



◆ Contract rate of unsecured loans

	FY 2009				FY 2010			
	1Q(3M)	2Q(3M)	3Q(3M)	4Q(3M)	1Q(3M)	2Q(3M)	3Q(3M)	YOY%
New Applications	79,176	85,617	74,628	61,400	63,495	65,934	52,936	-29.1%
New Accounts	28,633	33,147	16,717	8,722	11,585	12,704	11,133	-33.4%
Contract Rate	36.2%	38.7%	22.4%	14.2%	18.2%	19.3%	21.0%	-1.4

Italic font: Increase or decrease

◆ Composition of unsecured loans outstanding according to the number of other lending company usage *

	08/3	08/12	09/3	09/12	YOY
Average	2.25	2.07	2.04	1.95	-0.3
No loans from other companies	18.5%	20.1%	20.5%	21.1%	+2.6
Usage of other companies: 1	19.5%	20.9%	21.3%	23.5%	+4
Usage of other companies: 2	19.0%	20.3%	20.1%	20.1%	+1.1
Usage of other companies: 3	17.9%	18.5%	18.4%	17.3%	-0.6
Usage of other companies: 4 or more	25.2%	20.3%	19.7%	18.0%	-7.2


◆ New applicants ratio of other lending company usage

	08/12 (3M)	09/3 (3M)	09/6 (3M)	09/9 (3M)	09/12 (3M)
	0.88	0.80	0.87	1.00	1.05
	42.8%	45.2%	42.9%	39.2%	37.5%
	32.6%	34.2%	34.8%	33.2%	33.2%
	18.7%	16.7%	15.4%	18.1%	18.9%
	5.3%	3.5%	5.4%	7.4%	8.0%
	0.6%	0.4%	1.4%	2.1%	2.4%

*Branches-balance base Italic font: Increase or decrease

Financial Results 5 - LIFE (1)




 (millions of yen)	08/12	09/12			10/3 (E)	YOY%
			YOY	YOY%		
Ordinary Revenue	77,470	57,930	-19,540	-25.2%	74,276	-26.0%
Installment Revenue	16,569	15,423	-1,146	-6.9%	20,865	-3.5%
Credit Card Shopping	13,484	14,013	529	3.9%	19,098	6.3%
Interest Income	52,236	33,191	-19,045	-36.5%	41,713	-37.9%
with Credit Card	30,918	20,128	-10,790	-34.9%	25,100	-37.1%
with Loan Card	21,190	12,960	-8,230	-38.8%	16,448	-39.3%
Guarantee & Others	8,663	9,314	651	7.5%	11,698	0.9%
Operating Expenses	74,852	71,522	-3,330	-4.4%	93,700	-4.3%
Financial Expenses	6,933	5,066	-1,867	-26.9%	7,106	-21.8%
Credit Cost	23,577	25,083	1,506	6.4%	29,648	-8.0%
Interest Repayment Cost	7,559	11,615	4,056	53.6%	16,136	107.7%
Other Operating Expenses	36,782	29,757	-7,025	-19.1%	40,810	-16.4%
Operating Income	2,617	-13,592	-16,209	-	-19,425	-
Ordinary Income	2,717	-13,121	-15,838	-	-19,302	-
Extraordinary Income	29	1,248	1,219	-	1,233	-
Extraordinary Expenses	1,191	3,351	2,160	181.3%	4,558	251.4%
Income before Income Taxes	1,556	-15,224	-16,780	-	-22,627	-
Net Income	931	-16,664	-17,595	-	-23,962	-

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


Financial Results 6 - LIFE (2)



 (millions of yen)	08/12	09/12			10/3 (E)	YOY%
			YOY	YOY%		
Total Receivable Outstanding	618,657	476,994	-141,663	-22.9%	420,751	-26.3%
Installation Receivable	188,844	164,550	-24,294	-12.9%	141,168	-17.2%
Credit Card Shopping	146,229	145,264	-965	-0.7%	126,425	-7.6%
Loans	353,355	245,605	-107,750	-30.5%	213,722	-34.7%
with Credit Card	215,170	150,105	-65,065	-30.23%	132,742	-34.3%
with Loan Card	136,649	94,179	-42,470	-31.1%	79,733	-35.7%
Guarantee and Other	76,457	66,837	-9,620	-12.6%	65,860	-9.3%
Number of New Issue (thousands)	15,139	14,690	-448	-3.0%	15,170	-0.5%
Proper Card	2,177	2,263	86	4.0%	2,319	3.6%
Affinity Card	12,962	12,427	-535	-4.1%	12,851	-1.2%
Number of Card Holder (thousands)	1,059	641	-418	-39.5%	869	-39.7%
Credit Card Purchase Results	721,545	669,201	-52,344	-7.3%	893,283	-7.3%
Shopping	574,244	614,163	39,919	7.0%	821,784	5.9%
Cashing	147,300	55,038	92,262	-62.6%	71,498	-62.0%
Member Merchant	106,174	106,977	803	0.8%	-	-

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



 (millions of yen)	08/12	09/12	YOY%	10/3 (E)	YOY%
Operating Revenue	8,098	6,812	-15.9%	9,251	-12.1%
Operating Expenses	7,399	6,286	-15.1%	8,773	-9.6%
Operating Income	698	526	-24.6%	478	-41.7%
Ordinary Income	705	534	-24.2%	488	-41.1%
Net Income	323	-2,767	-	-2,322	-

Loans Outstanding	77,162	66,731	-13.5%	69,711	-6.7%
Customer Accounts (thousands)	41	36	-5	36	-10.3%
Average Balance Per Account (thousands of yen)	1,880	1,851	-29	1,951	4.0%
New Accounts (number)	2,283	1,936	-347	2,663	-3.8%
Average interest Yield	14.5%	14.2%	0.3%	14.4%	0.1%

Italic font: increase or decrease

2. Business Environment



Trends of Interest Repayments (1)

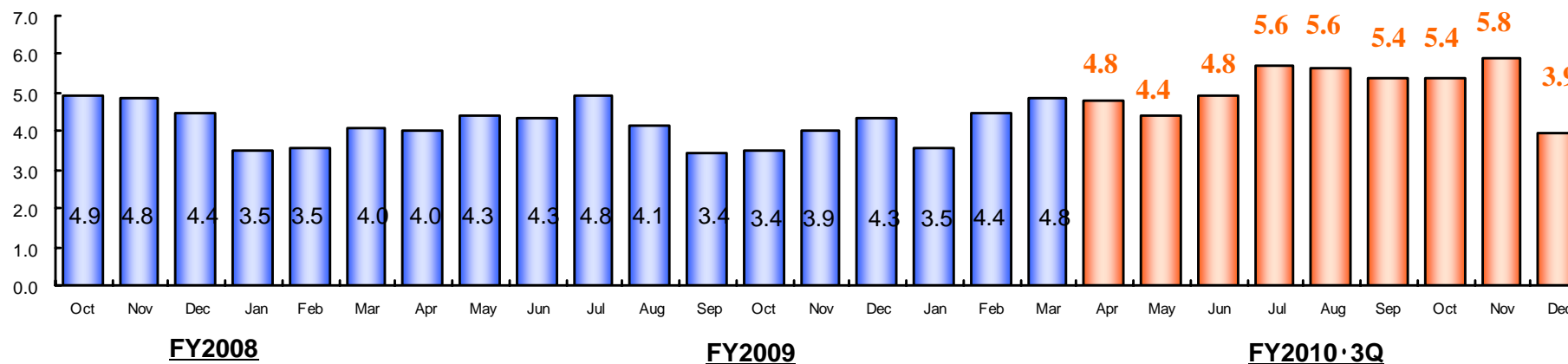


◆ Trends of Interest repayments

(millions of yen)		09/3 (12M)					09/12 (9M)				10/3 (12M)	
		1Q (3M)	2Q (3M)	3Q (3M)	4Q (3M)	1Q (3M)	2Q (3M)	3Q (3M)	(E)	YOY%		
Consolidated	Interest Repayment	72,875	19,096	15,474	18,150	20,155	55,734	21,234	17,607	16,893	86,880	19.2%
	Waiver of principal	68,665	16,385	17,483	16,378	18,419	50,916	16,375	18,378	16,163	64,159	-6.6%
Non-consolidated	Interest Repayment	55,025	13,951	11,069	13,993	16,012	45,125	16,956	13,347	14,822	72,030	30.9%
	Waiver of principal	52,906	11,783	12,886	12,571	15,666	42,232	13,331	14,695	14,206	52,864	-0.1%

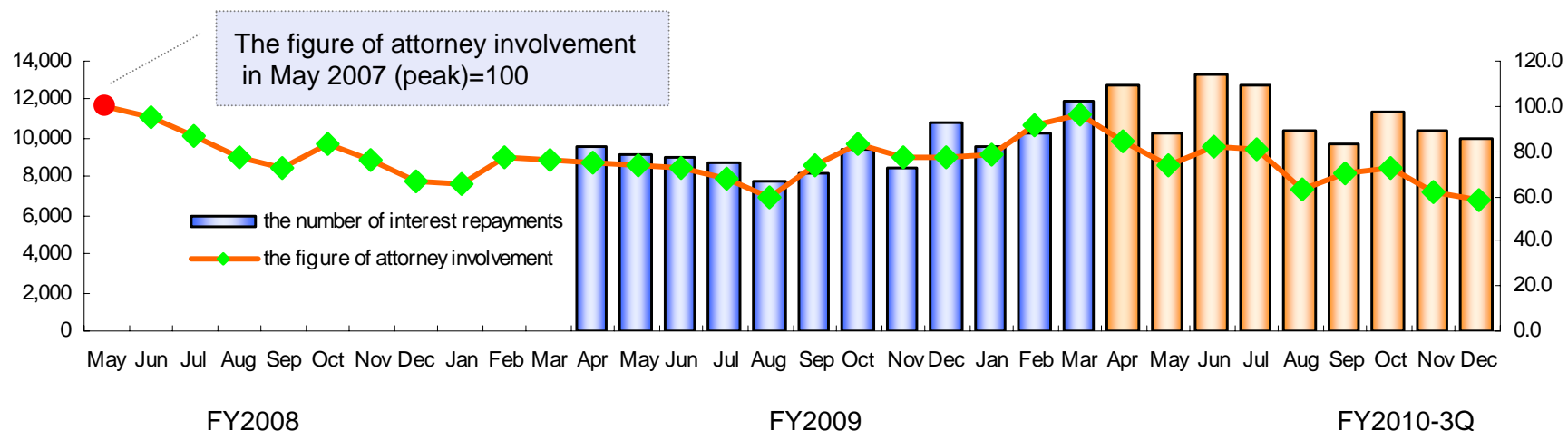
◆ Interest Repayments on Non-Consolidated Basis (Cash out basis)

Billion





The figure of attorney involvement & interest repayments



Consolidated

(millions of yen)	Allowance for Interest Repayment	Allowance for Waiver of principal	Total
Allowance (Beginning)	124,164	88,490	212,654
Reversal (Interest repayment)	55,734	-	55,743
Reversal (Credit losses)	5,292	45,624	50,916
Provision (Return)	198,046	50,490	248,536
Exclusion from consolidated	7,654	4,458	12,112
Allowance (At the end of 3Q)	253,529	88,898	342,427
Allowance (At the end of 4Q) (E)	225,154	80,579	305,733

Non-Consolidated

Allowance for Interest Repayment	Allowance for Waiver of principal	Total
84,318	79,151	163,470
45,125	-	45,125
-	42,232	42,232
176,866	48,699	225,565
-	-	-
216,059	85,618	301,678
189,155	74,987	264,142



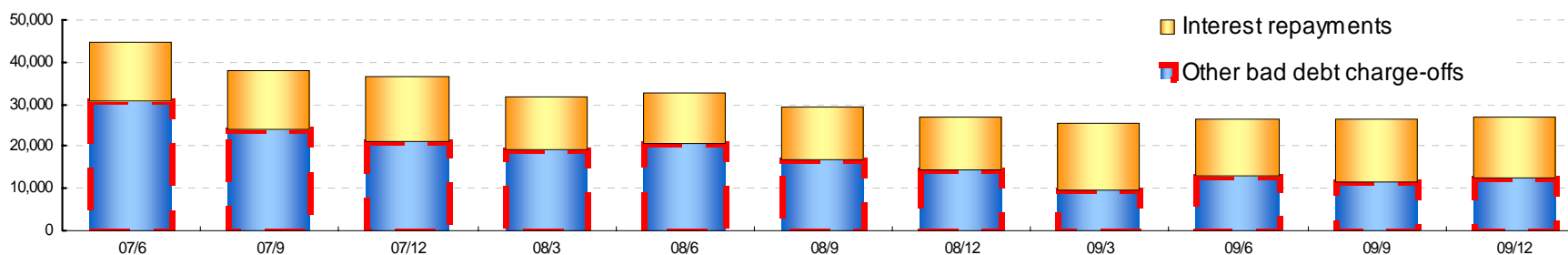
Write-offs and Write-off Ratio (Non-Consolidated)

(% · millions of yen)		08/12 (9M)	09/3 (12M)	09/12 (9M)	YOY%	10/3 (12M/E)	YOY%
Non-Consolidated		10.39%	14.13%	12.99%	2.6	22.08%	7.95
Non-Consolidated	Total Write-offs *1	95,274	119,068	81,091	-14.9%	122,206	2.6%
	Loans Outstanding	917,324	842,786	624,368	-31.9%	553,530	-34.3%

*1: Included Non-operating allowance for bad-debt = Loans with legal bankruptcy (home equity) + Loans with civil rehabilitation law.

Italic Font : increase or decrease

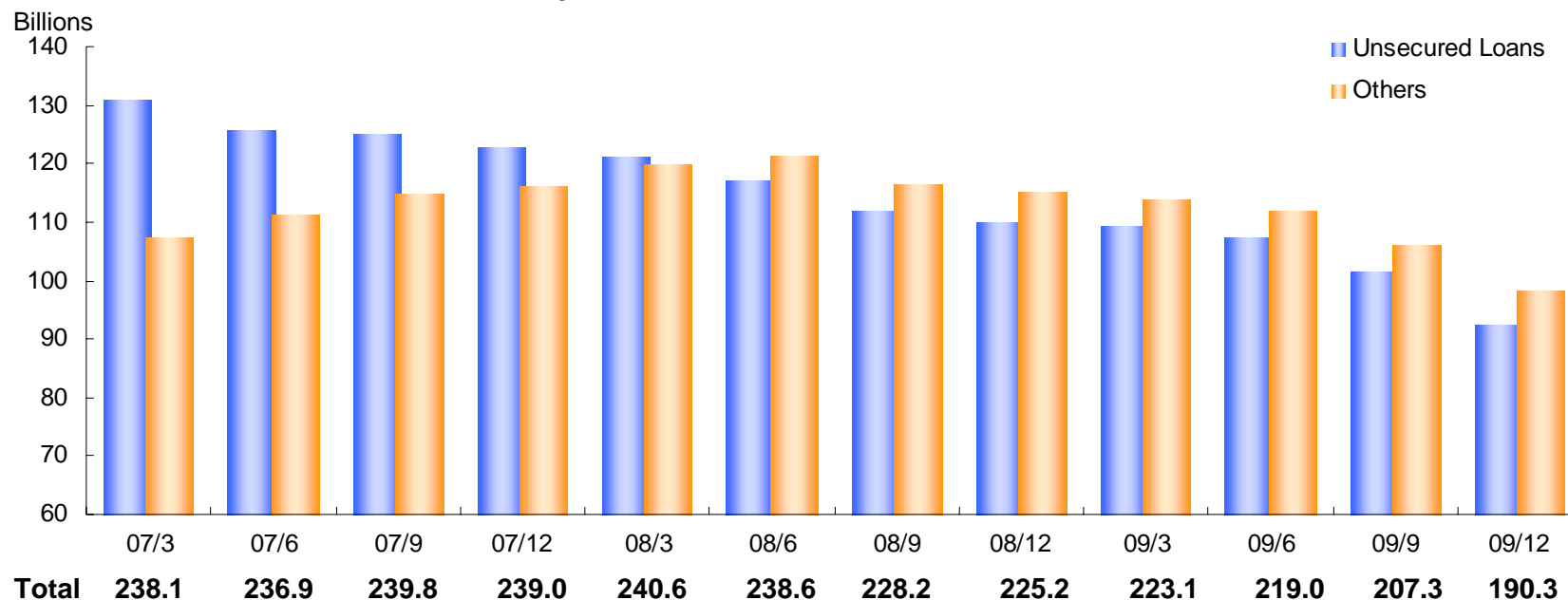
Trends of Interest repayments and other bad debt charge-offs (Quarter Basis)



(millions of yen)	08/12(9M)	09/3(12M)	09/12(9M)	YOY%	10/3(E)	YOY%
Loans abandoned because of interest refund claims	37,240	52,906	42,232	13.4%	52,864	-0.1%
Other bad debt charge-offs	51,588	61,346	36,921	-28.4%	53,546	-12.7%
Total	88,828	114,252	79,153	-10.9%	106,410	-6.9%

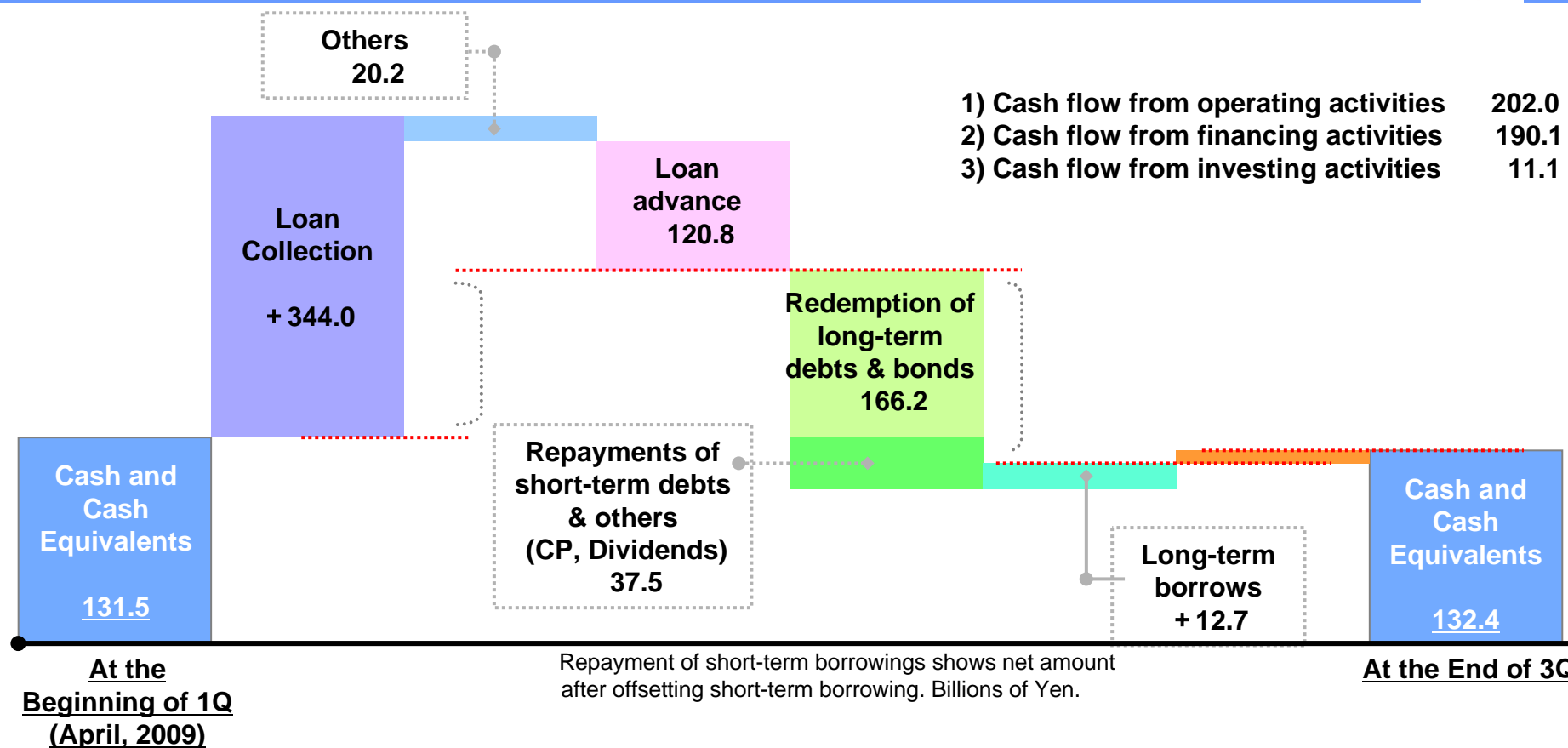


◆ Trends of NPL defined by FSA



(millions of yen)	Unsecured loans			Others		
	08/12	09/12	YOY	08/12	09/12	YOY
Claims in Bankruptcy	2,350	1,785	-565	36,343	34,476	-1,867
Loans in arrears	66,370	58,507	-7,863	75,578	60,739	-14,839
Loans in arrears longer than 3 months	9,189	7,920	-1,269	1,944	1,756	-188
Loans with adjusted terms	32,044	23,985	-8,059	1,471	1,149	-322
Total	109,955	92,198	-17,757	115,338	98,122	-17,216

Cash Flows and Funding (First Three Quarters)



◆ Debts and Equity Ratio

billions of yen	09/3	09/12	YOY
Total debts (Consolidated)	917	728	-188
Equity Ratio (Consolidated)	23.6%	8.1%	-15.5
Total Debts (Non-Consolidated)	687	542	-144
Equity Ratio (Non-Consolidated)	31.9%	13.8%	-18.1

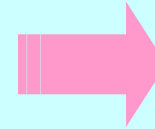
3. Adoption of Consensual Business Revitalization Plan





1. Background of the **ADR** application and purpose

- (1) A huge expense as the result of continuing increase in Interest Refund Claims
- (2) Administrative sanction from the Japanese Financial Service Agency in April, 2006
- (3) Insufficiency of global financial marketing



Weakening
funding capability

“Despite this, the influence of the new legislation remained a serious concern”

Application
of ADR

1. Ensure a continued provision of services to AIFUL's customer
 2. Drastic improvement in Financial base
 3. Early achievement of Business Restructuring
- “We elected ADR to minimize negative impact on our all stakeholders such as customer, creditors and shareholders.”



2. Summary of ADR procedure

September,24 2009	<ul style="list-style-type: none">➤ Application of ADR procedure
1st meeting for the relevant creditor October,8	<ul style="list-style-type: none">➤ Election of dispute resolution providers➤ Explanation of the proposed business revitalization plan➤ Request for financial support➤ Schedule explanation
2nd meeting for relevant creditors November,24	<ul style="list-style-type: none">➤ Explanation of Revised business revitalization plan➤ Discussion of the Business revitalization plan
Continuation of the 2nd meeting December,1	<ul style="list-style-type: none">➤ Explanation of Revised business revitalization plan➤ Statement of survey report from the dispute resolution providers
3rd meeting for relevant creditor December,24	<ul style="list-style-type: none">➤ Resolution of the Proposed business revitalization plan including financial support <p>Adoption of Consensual Business Revitalization Plan</p>



1. Description of the relevant credit obligations

1. Participating creditors

“Financial institutions which hold a Loan and Joint and several guaranteed credit to AIFUL, Life, Maruto and City’s. (Bonds are excluded from ADR procedure)

2. Number of participating Creditors, Loan and guarantee amount etc.,

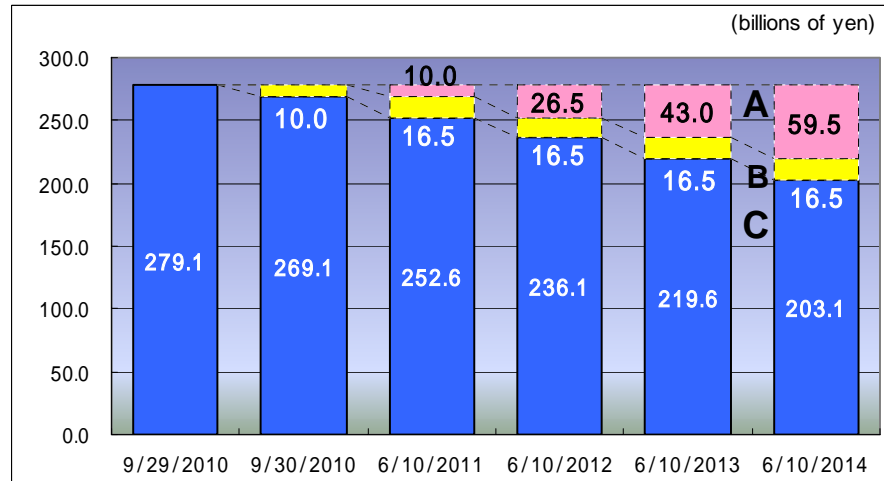
Borrower	Number of Creditors	Amount (billions)	Note
AIFUL	49	195.2	Loans
LIFE	28	83.9	Loans
MARUTO	1	-	Joint and several guaranteed credit
City's	1	-	Joint and several guaranteed credit
Sum	65	279.1	-

- Total number of creditor is 65 due to overlap in some of creditors.
- Real estate business company Maruto is a 100% subsidiary of AIFUL.
- Small business loan company City’s is a 100% subsidiary of AIFUL.



2. Payment method

1. Reschedule of relevant credit obligationsprincipal of the obligations

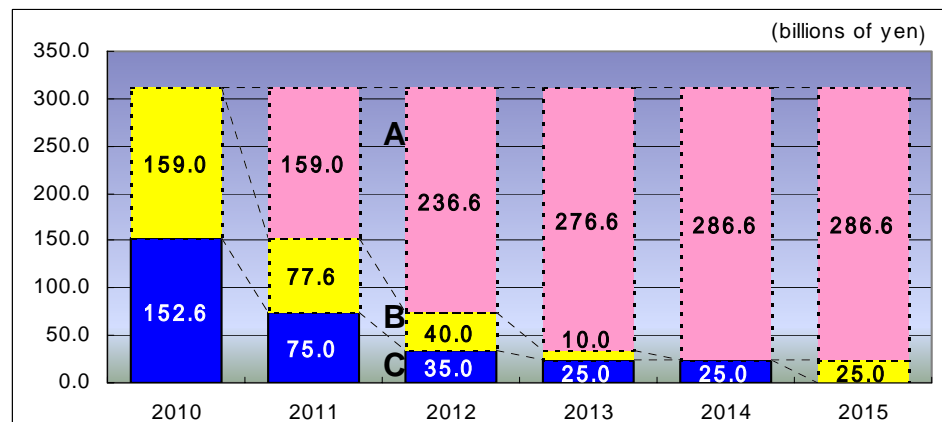


76.0 billion yen
A Debts paid
B Current portion of debts
C debts outstanding

Ordinary payment schedule
 · September 30,2010 : ¥10.0billion
 · June 10,2011 : ¥16.5billion
 · June 10,2012 : ¥16.5billion
 · June 10, 2013 : ¥16.5billion
 · June 10, 2014 : ¥16.5billion
 Amount : ¥76.0billion

- Besides rescheduled payment amount, capital gains from guaranteed assets such as real estates and securities are planned to be added in repayment amount.
- About the remaining amount after the Business Revitalization Plan, we plan to receive refinancing by no later than July 10,2014 or to make a proposal to the Participating creditors regarding the payment method in the period after July 10,2014 and to reach an agreement thereon.

2. Redemption schedule of Bond... .. as scheduled at the beginning



311.6billion yen
A Redeemed bonds
B Current portion of bonds
C Bonds outstanding

Annual redemption amount
 · 2010 : 159.0 billion yen
 · 2011 : 77.6 billion yen
 · 2012 : 40.0 billion yen
 · 2013 : 10.0 billion yen
 · 2014 : 0 billion yen
 · 2015 : 25.0 billion yen



1. Basic Policy

1. Reduce asset size to a level commensurate with the current availability of financing
2. Reduce costs in accordance with decrease in business scale and earnings

1. Sales of 4 consumer finance subsidiary (September 30, 2009)

2. Consolidation of Network of Sales branches

- AIFUL: 99 staffed branches (as of March, 2009) scaled back to 28 as of December, 2009
854 unstaffed branches (as of March, 2009) scaled back to 636 as of December, 2009
- Life: 11 branch offices as of March, 2009 were closed by December, 2009
15 Life card branches as of march, 2009 were reduced to 2 branches

as of December, 2009

3. Personnel reduction by offering voluntary retirement

AIFUL: 2,506 employees (as of March, 2009) Accepted retirement applicant: 1,365 employees

Life : 1,457 employees (as of March, 2009) Accepted retirement applicant 730 employees

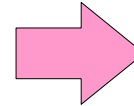
3. Group restructuring such as withdrawal from unprofitable business

(Refocus the management resources for consumer finance businesses operating under the “AIFUL” brand and consumer credit businesses operating under “Life” brand.)



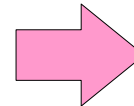
1. Policy of Consumer finance business (AIFUL)

- Development of new scoring model in response of Restriction on total lending
- Development of new product



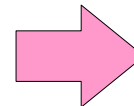
Increase in low risk and trusted customer

- To base least number of staffed branches and collection divisions in necessary area
- Low cost performance through unstaffed branches



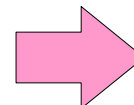
Strengthen our competitiveness

- Decrease in staffed branches from 100 to 30 (executed)
- Decrease in unstaffed branches from 900 to 650 (executed)
- Personnel reduction by offering voluntary retirement (executed)



Efficient management due to cost reduction

- Operation of a least required Staffed branches
- Increase in number of staff for negotiation settlement of interest refund claim

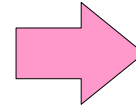


Strengthen the correspondence of interest repayment and debt collection



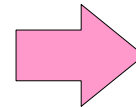
2. Policy of Consumer credit business (Life)

- Alliance cancellation of expected insufficient affinity card
- Conversion of Quality customer into affinity card



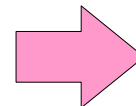
Improvement in earnings

- Offer a services mainly point earning system
- Promotion to increase the usage amount of the card



Increase in portfolio of quality customer

- Closure of all 11 Life branch offices (executed)
- Closure of 13 Life card branches (executed)
- Personnel reduction through offering voluntary retirement (executed)



Efficient management due to cost reduction



Expected Consolidated Balance sheet and Profit and loss statement

			10/3 (E)	(billions of yen)	15/3 (E)
c o n s o l i d a t e d	B/S	Total assets	1,078		490
		Loan Outstanding	772		260
		Liabilities	991		370
		Current liabilities	353		140
		Long-term liabilities	638		230
		Total net assets	86		120
	P/L ()	Operating Revenue	207		70
		Interest on loans to customers	159		40
		Operating Expense	487		60
		Ordinary Income	-280		10

Results are at the point of Business Restructuring plan was made.

Businext is excluded from the Business Restructuring plan because of it is not included in ADR procedure.

- Due to the greatly reduce in assets, total assets is expected to be 500 billion yen by FY ending 2015, more than half of at the moment.
- Ensure a stronger base for earning performance, adapted to the changes in the operating environment, by building up superior receivables
- During the planned period, stable ordinary income is expected due to the decrease in operating expenses even though operating revenue is decreasing cause of the total lending restriction.