



# Third Quarter Financial Results for Fiscal Year 2011 (Apr - Dec, 2011)

**AIFUL CORPORATION**  
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## Summary of 3Q Financial Results: Consolidated / Non-Consolidated



(¥ million)	Consolidated			Non-Consolidated		
	10/12	11/12	YOY%	10/12	11/12	YOY%
<b>Operating revenue</b>	<b>116,440</b>	<b>86,823</b>	<b>-25.4%</b>	<b>67,674</b>	<b>55,009</b>	<b>-18.7%</b>
Interest income	84,589	58,829	-30.5%	58,346	44,210	-24.2%
<b>Operating expenses</b>	<b>104,489</b>	<b>71,027</b>	<b>-32.0%</b>	<b>49,977</b>	<b>45,963</b>	<b>-8.0%</b>
Financial expenses	9,098	7,491	-17.7%	6,304	5,829	-7.5%
Credit cost	29,875	22,790	-23.7%	20,708	17,540	-15.3%
Expenses for Interest repayments	16,294	-	-	-	-	-
Other operating expenses	49,220	40,745	-17.2%	22,964	22,593	-1.6%
<b>Operating income</b>	<b>11,951</b>	<b>15,796</b>	<b>32.2%</b>	<b>17,696</b>	<b>9,046</b>	<b>-48.9%</b>
<b>Ordinary income</b>	<b>10,651</b>	<b>15,258</b>	<b>43.3%</b>	<b>19,711</b>	<b>10,394</b>	<b>-47.3%</b>
Extraordinary income	1,944	5,165	165.6%	1,485	5,698	283.5%
Extraordinary losses	3,041	1,811	-40.5%	3,012	1,795	-40.4%
<b>Income before taxes</b>	<b>9,554</b>	<b>18,611</b>	<b>94.8%</b>	<b>18,184</b>	<b>14,296</b>	<b>-21.4%</b>
<b>Net income</b>	<b>9,689</b>	<b>16,925</b>	<b>74.7%</b>	<b>18,027</b>	<b>14,286</b>	<b>-20.8%</b>
<b>Total Receivable outstanding *</b>	<b>843,464</b>	<b>647,427</b>	<b>-23.2%</b>	<b>456,879</b>	<b>434,189</b>	<b>-5.0%</b>
Loans outstanding	652,475	481,471	-26.2%	414,585	368,882	-11.0%
Installment receivable	92,735	81,944	-11.6%	-	8,387	-
Credit guarantee and other	98,253	84,011	-14.5%	42,293	56,919	34.6%
<b>Customer accounts (thousands)</b>	<b>1,613</b>	<b>1,208</b>	<b>-25.1%</b>	<b>865</b>	<b>865</b>	<b>0.0%</b>

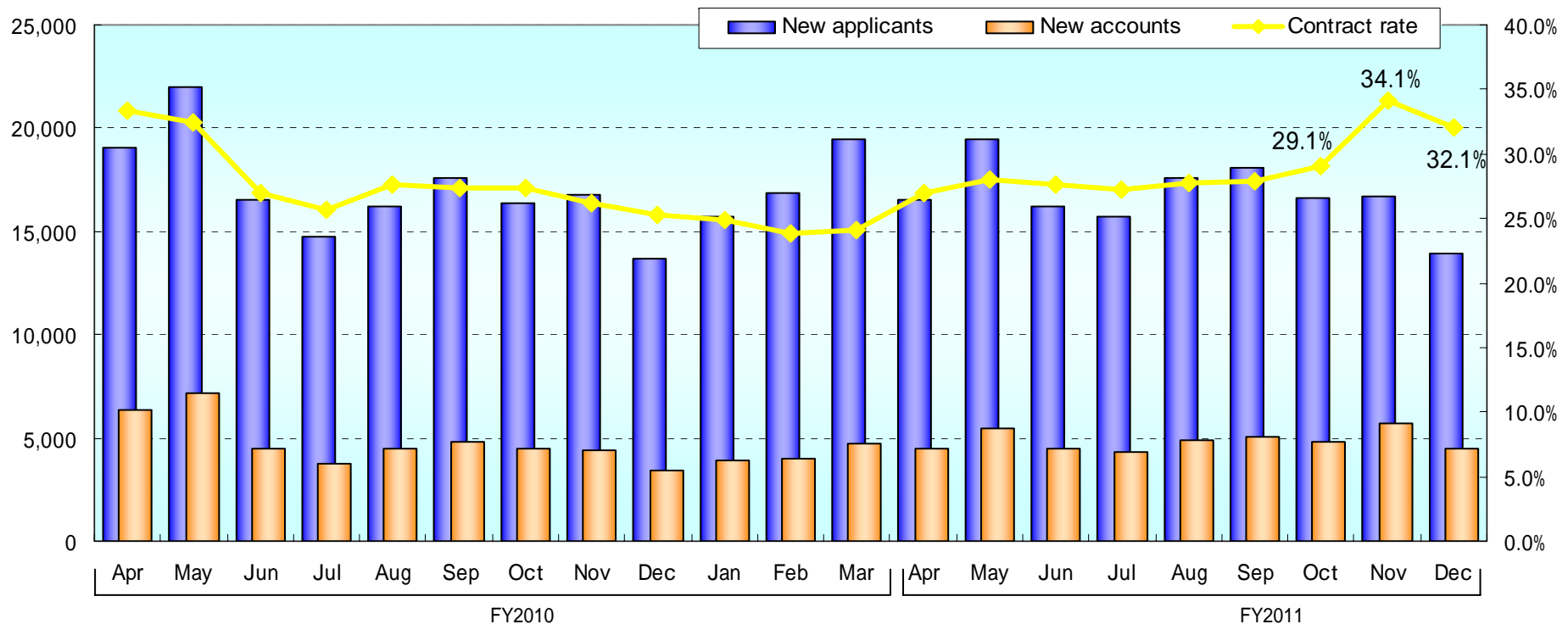
\* Managed Asset Basis



**Contract rate and Loan volume of Unsecured loans**

	FY2010				FY2011			YOY
	1Q (3M)	2Q (3M)	3Q(3M)	4Q(3M)	1Q (3M)	2Q (3M)	3Q(3M)	
New applications (num)	57,624	48,521	46,804	52,030	52,268	51,365	47,209	0.9%
New accounts (num)	17,951	13,076	12,319	12,640	14,399	14,203	14,992	21.7%
Contract rate	31.2%	26.9%	26.3%	24.3%	27.5%	27.7%	31.8%	+5.5%
Loan volume (¥ mil)	20,226	16,634	17,028	18,741	20,568	23,022	24,181	42.0%

**Trends of New applications, New accounts and Contract rate of Unsecured loan**





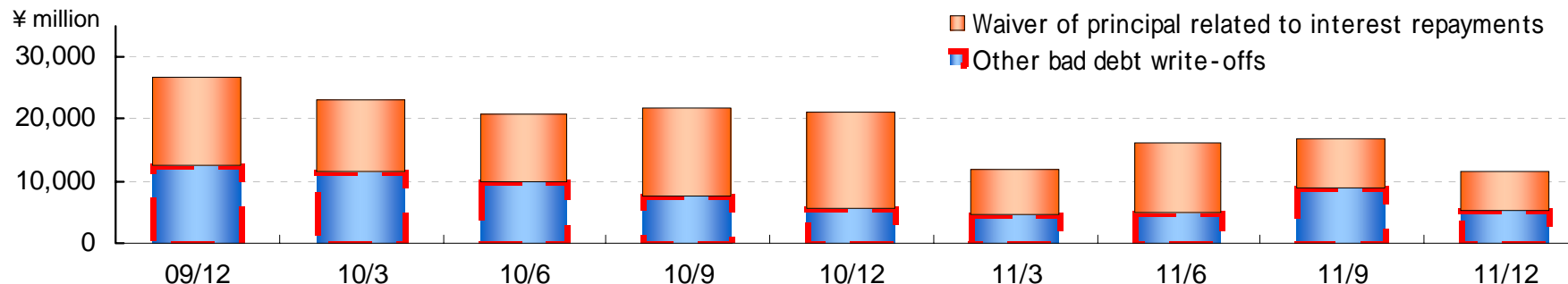
## ◆ Write-offs ratio and Write-offs

( %; ¥ million )	10/12 (9M)	11/12 (9M)	YOY
Consolidated	9.48%	8.75%	-0.73%
Non-consolidated	14.86%	11.89%	-2.97%
Total Write-offs	67,870	51,611	-24.0%
Write-offs	64,072	44,811	-30.1%
Loans outstanding	414,585	368,882	-11.0%

\* Write-offs ratio for total receivable outstanding

## Trends of Interest repayment and other bad debt write-offs (Quarterly Basis)

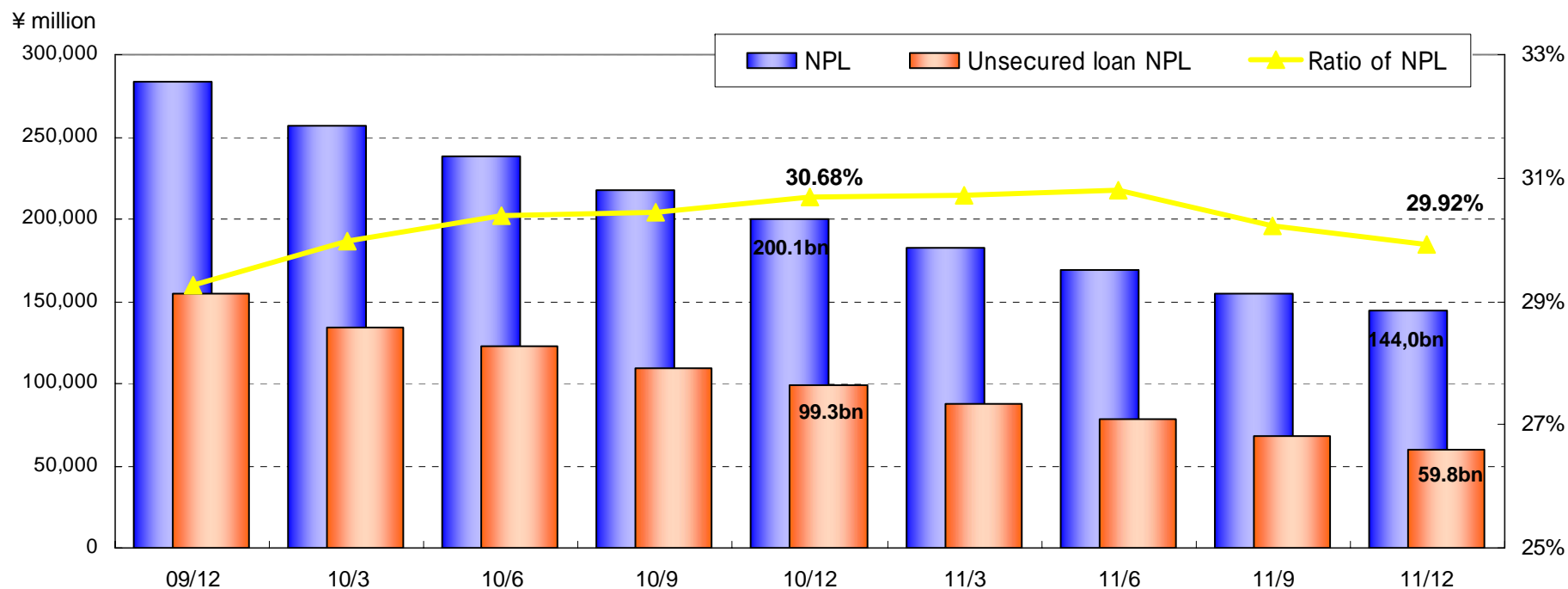
### Non-Consolidated



( ¥ million )	10/12 (9M)	11/12 (9M)	YOY
Waiver of principal related to Interest repayment	41,103	25,718	-37.4%
Other bad debt write-offs	22,969	19,092	-16.9%
Total	64,072	44,811	-30.1%



## ◆ Trends of NPL defined by FSA

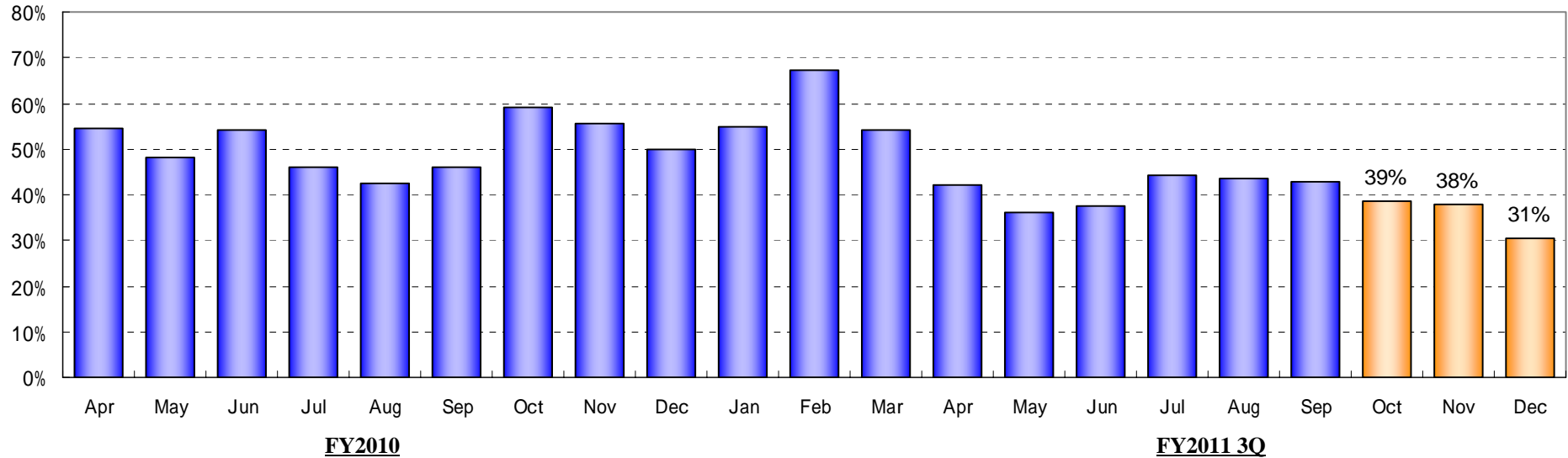


( ¥ million )	Unsecured loans			Others		
	10/12	11/12	YOY%	10/12	11/12	YOY%
Loans in legal bankruptcy	1,104	555	-49.7%	41,218	39,852	-3.3%
Non-accrual loans	53,124	29,394	-44.7%	51,045	37,545	-26.4%
Loans past due for 3 months or more	6,534	3,413	-47.8%	2,683	2,322	-13.4%
Restructured loans	38,566	26,470	-31.4%	5,884	4,486	-23.8%
<b>Total</b>	<b>99,329</b>	<b>59,835</b>	<b>-39.8%</b>	<b>100,831</b>	<b>84,207</b>	<b>-16.5%</b>

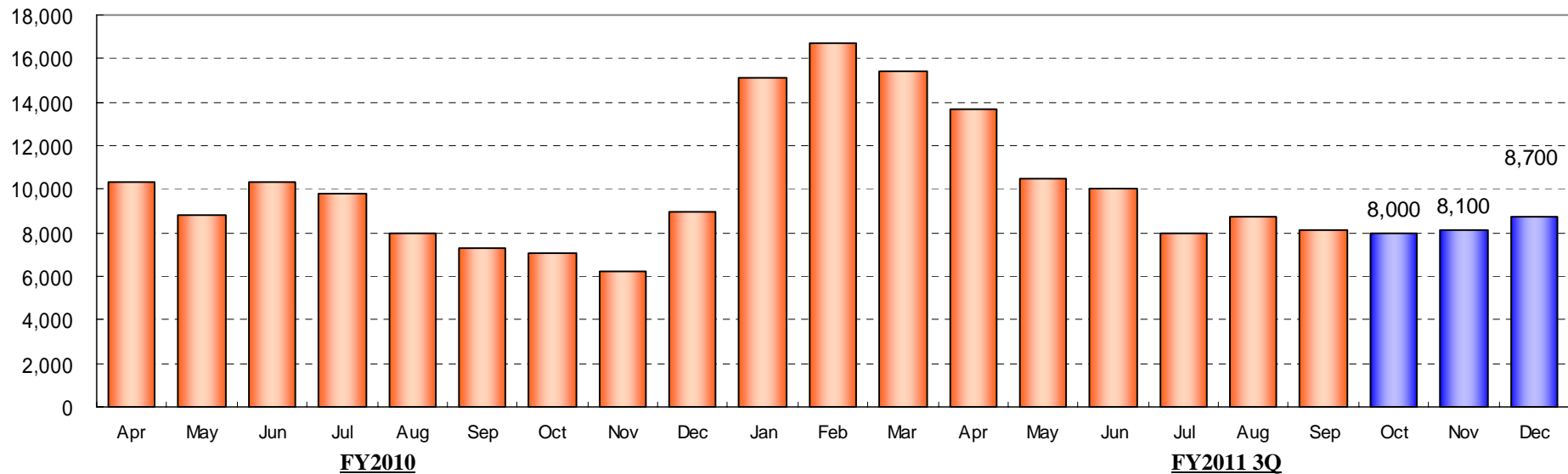


## 【Monthly Figure of Attorney Involvement】 \* May 2007(peak) =100

\* Former LIFE and City's are included from July 2011 due to group reorganization.



## 【 Monthly Interest Repayment Claims 】





## Allowance for losses on Interest repayment:

### 1. Consolidated

( ¥ million )	Interest repayment	Waiver of principal	Total
Allowance at the beginning of FY2011	178,769	77,012	255,782
Reversal (Interest repayment)	47,470	-	47,470
Reversal (Waiver of principal)	2,339	25,902	28,241
Provisions	-	-	-
Increase (decrease) due to merger	-9,679	9,679	-
Allowance at the end of FY2011/ 3Q	119,280	60,789	180,069

### 2. Non-Consolidated

Interest repayment	Waiver of principal	Total
133,951	75,227	209,178
42,777	-	42,777
-	25,718	25,718
-	-	-
21,015	11,280	32,296
112,189	60,789	172,978

\*Due to group reorganization on July 1, 2011, allowances related to interest repayment of former LIFE and City's were transferred to AIFUL.  
Also, part of allowance for loss on interest repayment of former LIFE is transferred to allowance related to waiver of principal (allowance for doubtful accounts).

## ◆ Monthly Interest Repayment (Cash out basis) : Non-consolidated

\* Former LIFE and City's are included from July 2011 due to group reorganization.

