



AIFUL

First Quarter of FY2023/3
Presentation Material

August 2022

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01

Initiatives and Policies for IT Finance Group

Management Theme, Strategy

Aiming to be **IT Finance Group**

An organization that can reduce costs and increase profitability by producing apps and websites in-house instead of relying on outsourcing

An organization that can grow with its employees by focusing on human resource development with an emphasis on IT training

Essential skill for IT Finance Group



Design



Promoting Digitalization

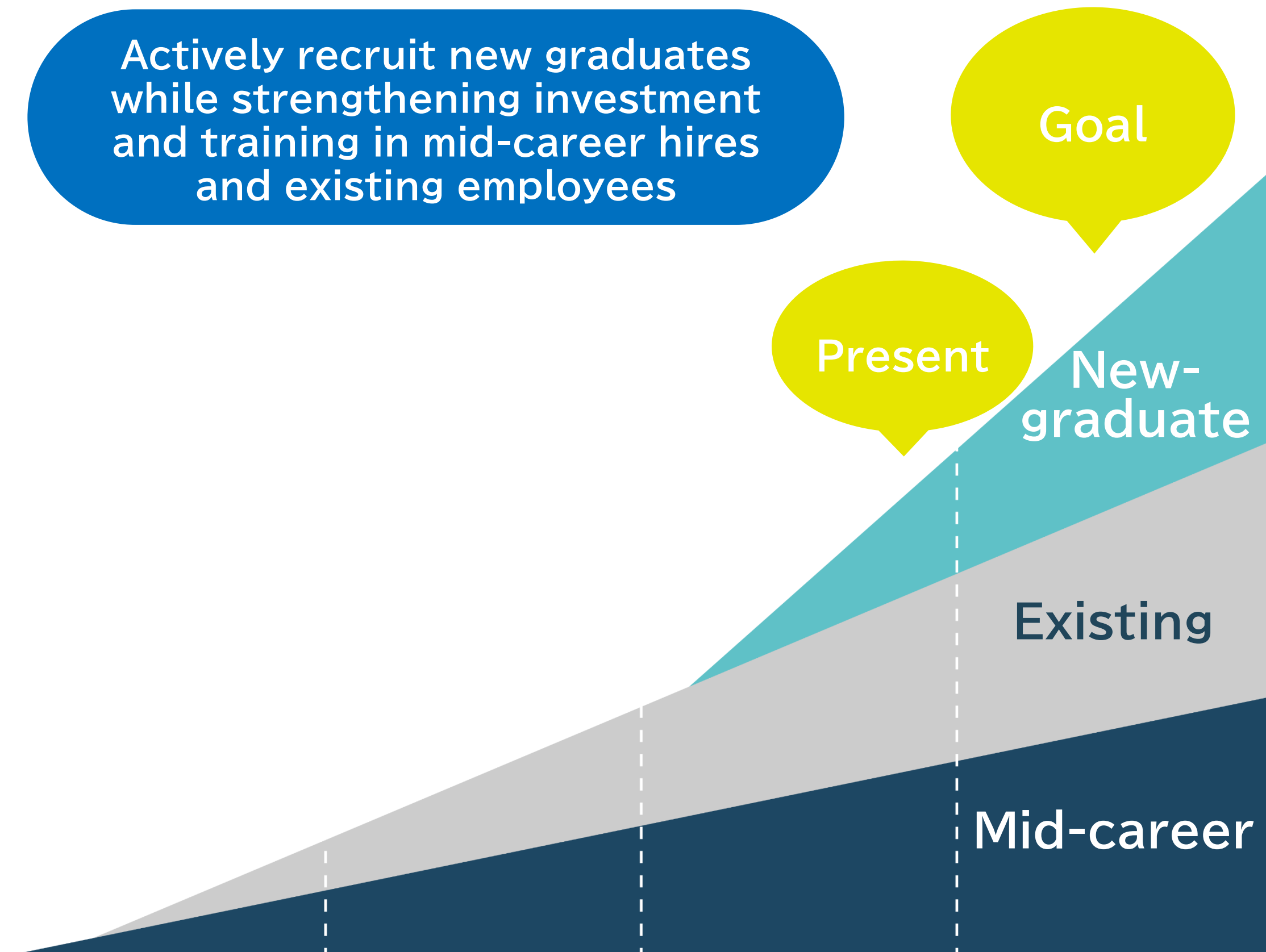


Data Analysis

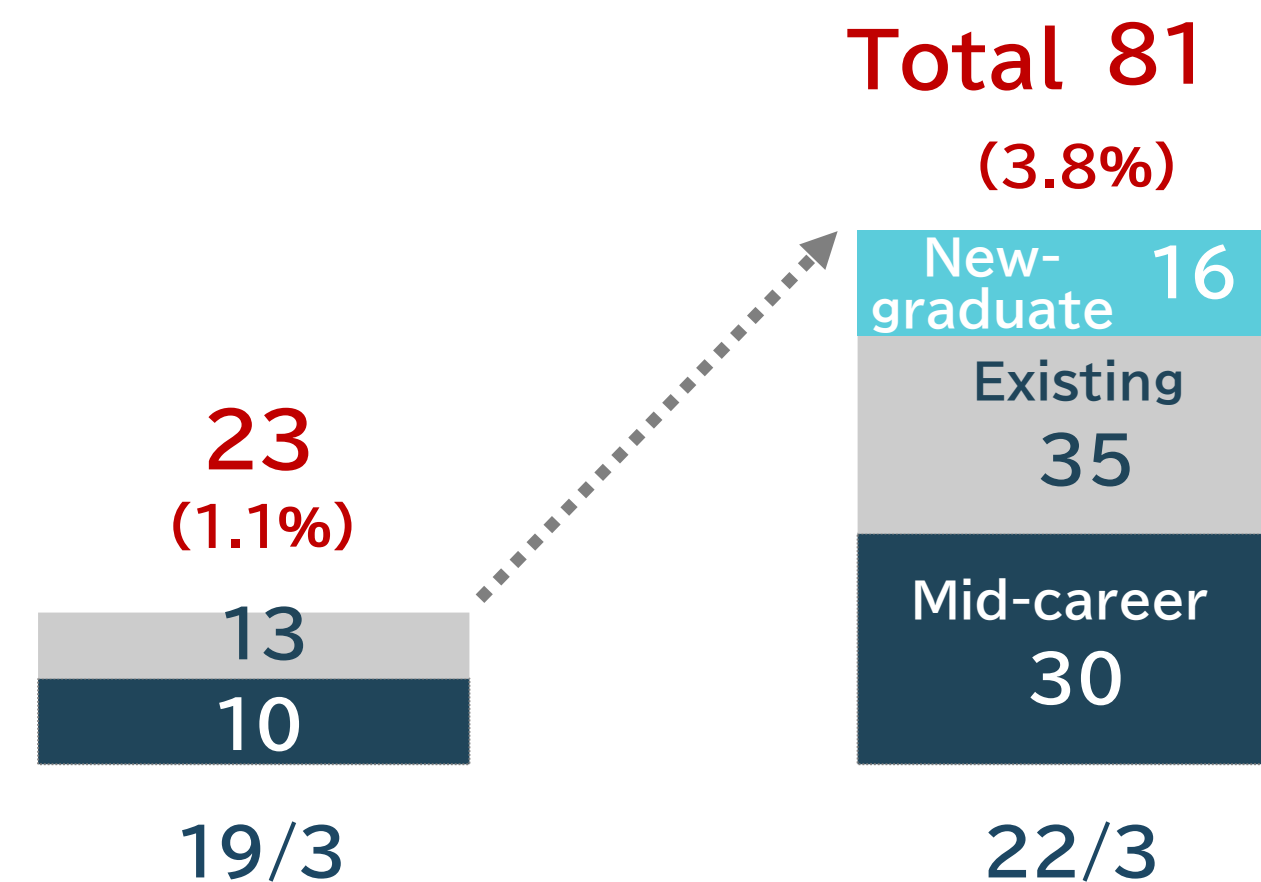
IT Personnel Strategy

Aiming to become an IT Finance Group

Actively recruit new graduates while strengthening investment and training in mid-career hires and existing employees



Aim to increase the number of employees with expertise in IT to around 25% of all employees



Goal

25%
of all
employees

Results of in-house production(AIFUL)

Number of modifications

April 2020 – March 2021	Total 20 times
April 2021 – March 2022	Total 49 times

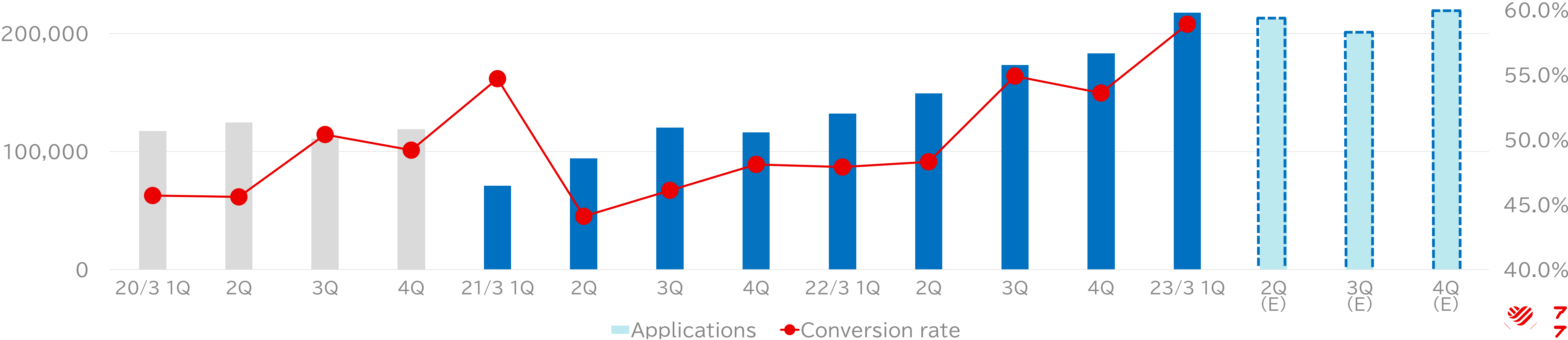
App Rating

	April 2020	March 2022
iOS	★★★☆☆ 2.7	★★★★★ 4.6
Android	★★★☆☆ 3.7	★★★★★ 4.5

Speedy and meticulous modification of the app

Improvement of the app's rating in App Store

Rising conversion rate due to improved application form and the number of new applications



Indicators of Reliability·Profitability·Growth Potential

		Indicator	23/3(E)	Ref: 23/3 1Q
Reliability	Shareholders' Equity Ratio	20%	16.3%	(16.7%)
Profitability	ROE	more than 10%	13.0%	(15.2%)
	ROA	more than 2%	2.4%	(2.9%)
Growth Potential	Operating Assets	Per annum	YOY	
		10% Growth	+9.7%	(910.0bn)

Topics in FY2022 1Q

AG Smile Leaseback Corporation started business



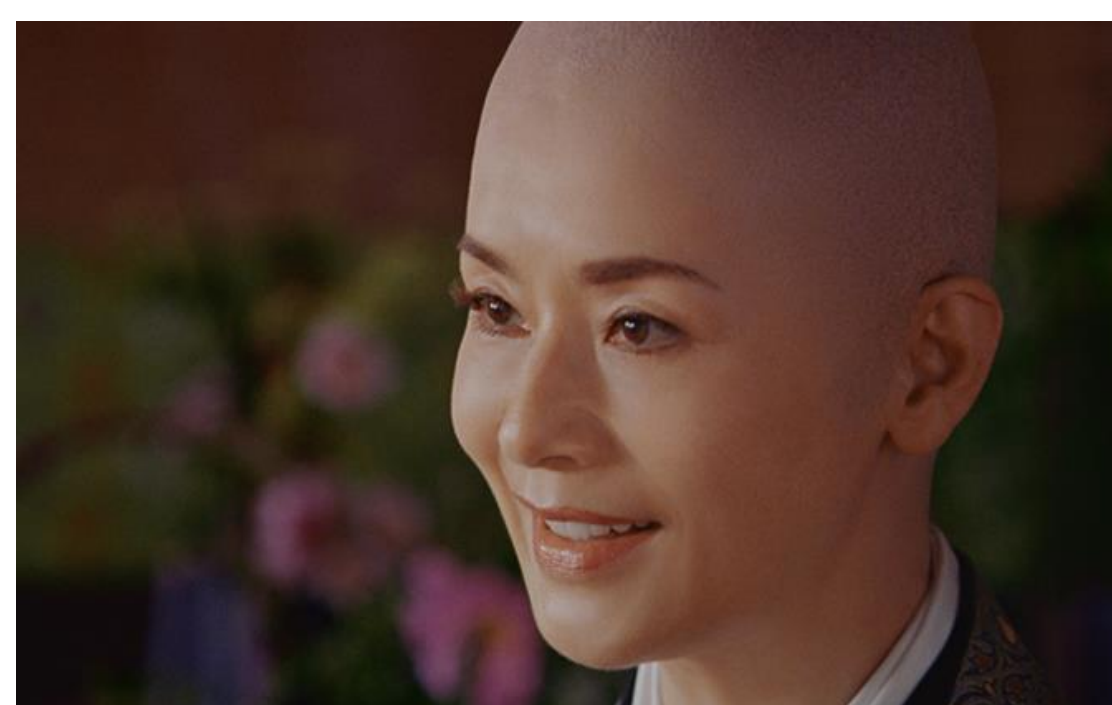
- Started business on April 1, 2022
- Engage in leaseback business by leveraging credit and real estate knowhow cultivated at AIFUL Group

2-Year Medium-Term Management Plan



- Formulated 2-year medium-term management plan ending in March 2024

No.1 in CM favorability ranking for two consecutive years



- Ranked No. 1 for two consecutive years in financial industry

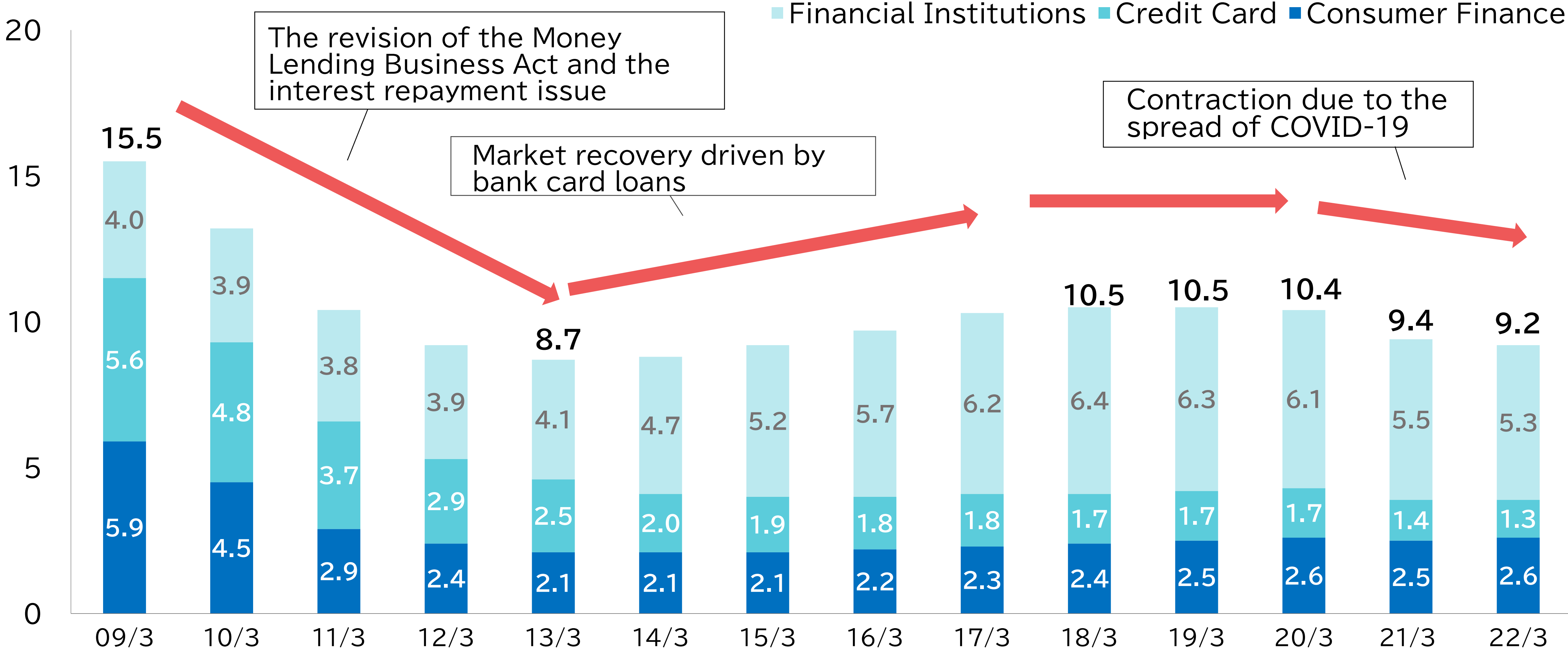
Introduction of Restricted Stock Compensation Plan



- Introduced this system to provide the directors with an incentive to continuously improve the corporate value of AIFUL and to promote further value sharing with shareholders.

Unsecured Loan Market

(¥trillion)



*Source
 Consumer finance and Credit card companies :Statistic by the Japan Financial Services Association.
 Financial institutions :Statistic by The Bank of Japan. (Consumer loan outstanding at domestic banks and credit unions)

02 Financial Results Summary

Financial Highlights (Consolidated)

	23 / 3 1Q	YOY
Total operating assets	910.0bn	+9.7%
Loan business	594.2bn	+6.8%
Credit business	121.3bn	+13.0%
Credit guarantee business	177.6bn	+17.1%

Financial Highlights (Consolidated)

	23/3 1Q	YOY
Operating revenue	34.6 bn	+7.3%
Operating profit	6.6 bn	+15.8%
Ordinary profit	6.7 bn	+17.5%
ROA	2.9%	+0.2 pt

Financial Highlights (Unsecured loan/ Credit Guarantee)

	23/3 1Q	YOY	Progress
New accounts (Unsecured loan in AIFUL)	64,340_{num}	+32.5%	+26.8%
CPA cost per acquisition (Unsecured loan in AIFUL)	50,000_{yen}	+0.7%	
Balance of Credit Guarantee (consolidated)	177.6_{bn}	+17.1%	

Unsecured loan

- Strong growth in both the number of applications and new acquisitions due to effective web advertising
- CPA, which indicates cost per acquisition, was 50,000 yen, within the expected range
- Maintaining high conversion rate through speedy non-face-to-face screening and improved application forms

Credit Guarantee

- Providing products tailored to the needs of financial institutions
- Proactive approach to partners with our support structure
- An increase in the balance of loan on deeds such as loan consolidation by 14.3 billion yen YoY

Key Figures & Full-year Plan (Consolidated)

- Operating assets: up 9.7% YoY due to a growth in the balance of unsecured loan and credit guarantee business and a recovery in the credit card business, which are our core businesses.
- Credit guarantee business: 177.6 billion yen, up 17.1% YoY driven by loan on deeds such as loan consolidation (up 14.3 billion yen YoY).

(¥ million)	22/3 1Q	23/3 1Q	YOY	YOY%	23/3(E)	YOY	YOY%	
Total operating assets	829,837	910,052	80,214	9.7%	995,300	107,892	12.2%	
Loan business	556,637	594,238	37,600	6.8%	635,900	53,550	9.2%	
Unsecured	485,280	514,750	29,469	6.1%	548,300	43,044	8.5%	
Secured	17,520	19,030	1,510	8.6%	22,400	4,117	22.5%	
Small business	53,835	60,456	6,620	12.3%	65,200	6,389	10.9%	
Credit business	107,422	121,357	13,935	13.0%	143,300	26,519	22.7%	
Guarantee	152,917	178,487	25,570	16.7%	203,600	30,902	17.9%	
Credit guarantee	151,719	177,675	25,956	17.1%	203,000	31,202	18.2%	
Other	1,197	812	-385	-32.2%	600	-300	-33.4%	1Q Progress
Operating revenue	32,329	34,692	2,362	7.3%	142,600	10,502	8.0%	24.3%
Operating expenses	26,621	28,082	1,461	5.5%	118,800	-2,055	-1.7%	23.6%
Operating profit	5,708	6,609	900	15.8%	23,800	12,557	111.7%	27.8%
Ordinary profit	5,714	6,714	1,000	17.5%	24,000	11,734	95.7%	28.0%
Profit attributable to owners of parent	5,012	5,945	933	18.6%	21,300	8,965	72.7%	27.9%

Consolidated Results Outline

- Operating revenue: 34.6 billion yen, up 7.3% YoY, mainly due to an increase in revenue from interest on operating loans and credit guarantee.
- Operating profit: 6.6 billion yen, up 15.8% YoY, due to an increase in operating revenue more than offset by an increase in operating expenses.

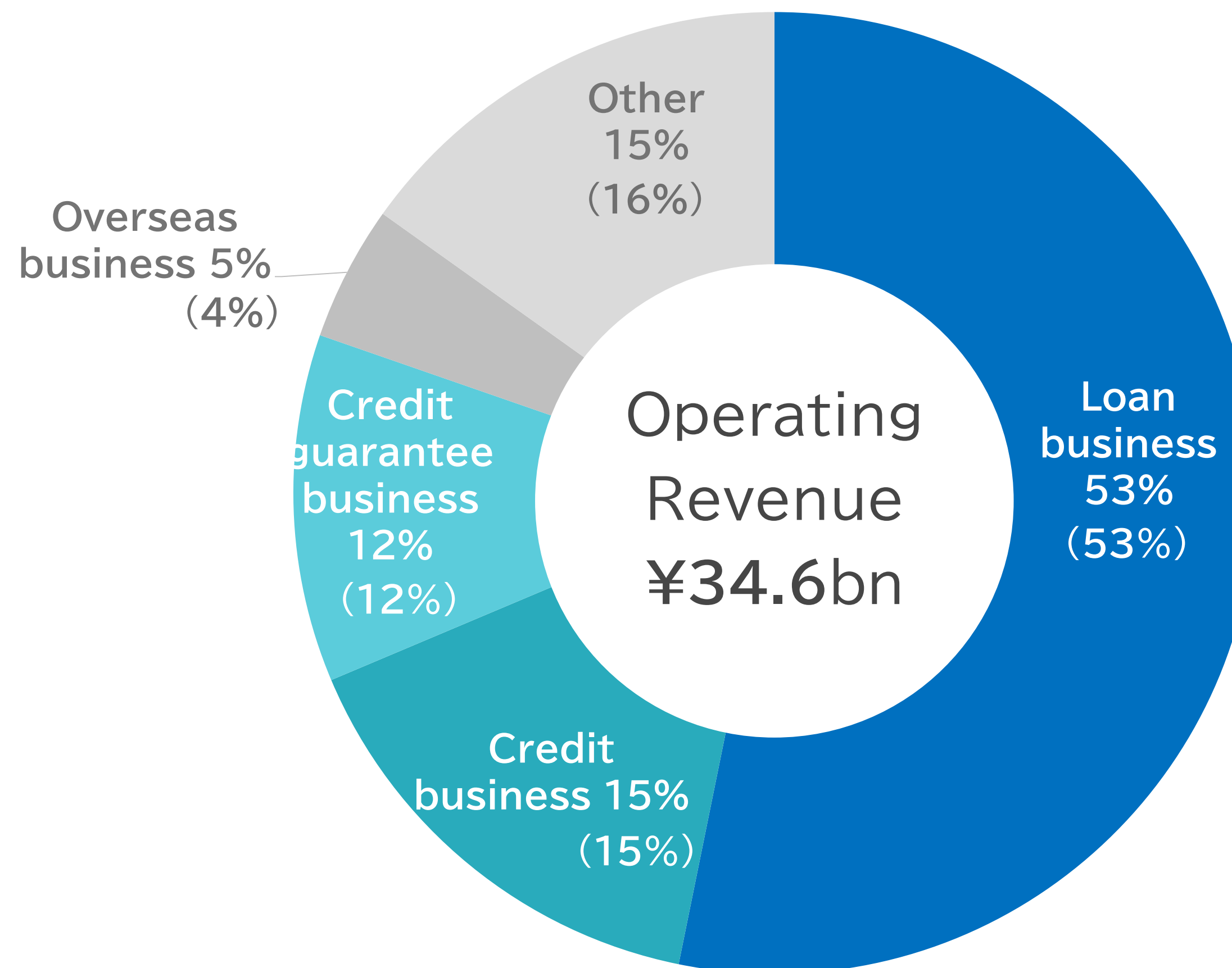
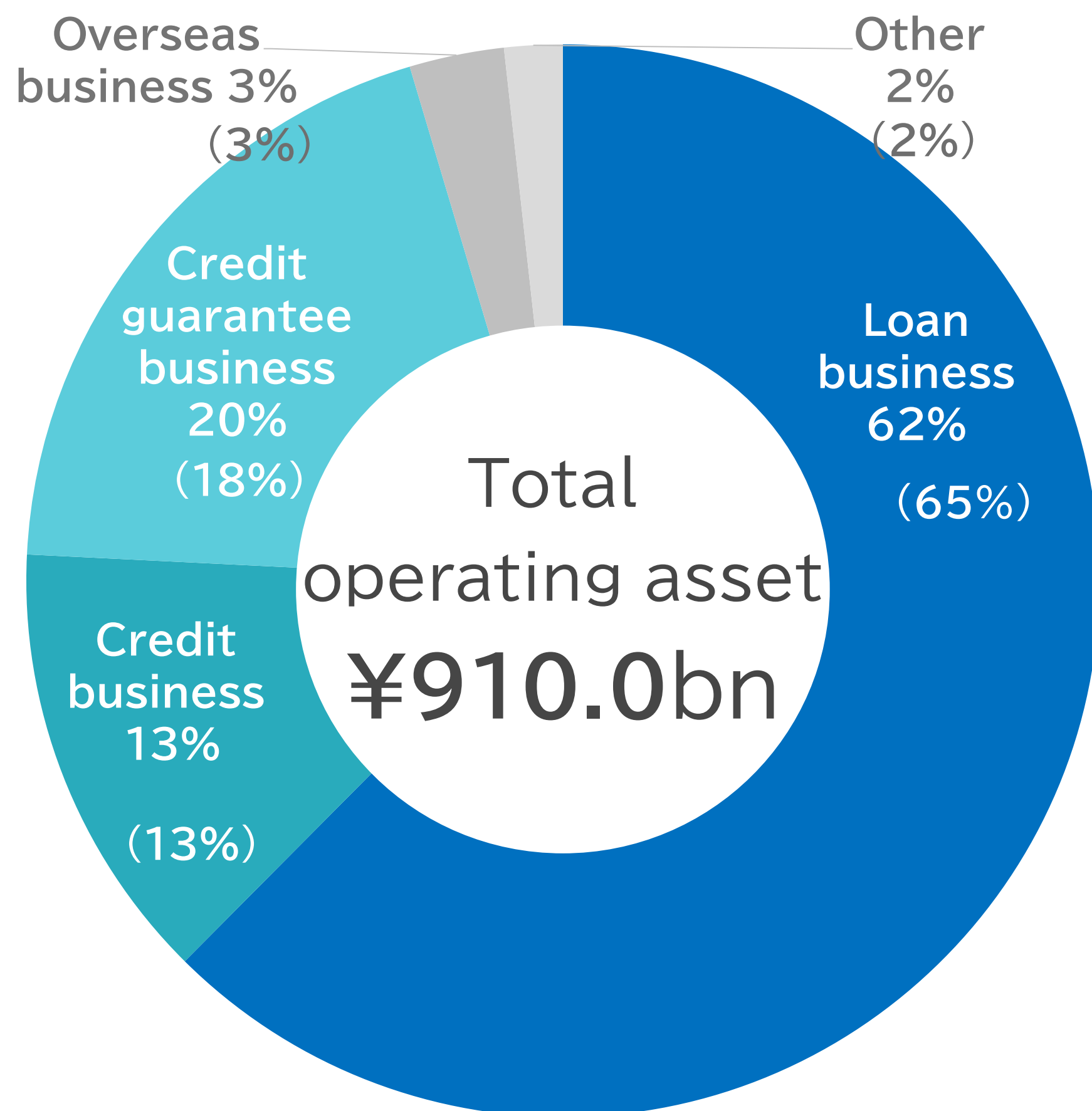
(¥ million)	22/3 1Q	23/3 1Q	YOY	YOY%	(¥ million)	22/3 1Q	23/3 1Q	YOY	YOY%
Operating revenue	32,329	34,692	2,362	7.3%	Operating profit	5,708	6,609	900	15.8%
Interest on operating loans	18,588	20,027	1,438	7.7%	Non-operating income	180	111	-68	-37.9%
Revenue from installment receivable	4,701	5,359	658	14.0%	Non-operating expenses	174	6	-168	-96.3%
Revenue from credit guarantee	3,865	4,052	186	4.8%	Ordinary profit	5,714	6,714	1,000	17.5%
Other operating revenue	5,173	5,252	79	1.5%	Extraordinary income	-	-	-	-
Operating expenses	26,621	28,082	1,461	5.5%	Extraordinary losses	-	-	-	-
Financial expenses	1,805	1,726	-78	-4.3%	Profit before income taxes	5,714	6,714	1,000	17.5%
Expenses for interest repayment	-	-	-	-	Income taxes-current	100	174	74	73.8%
Credit cost	8,747	8,218	- 529	-6.0%	Income taxes-deferred	535	446	-89	-16.6%
Advertising cost	3,292	4,557	1,265	38.4%	Profit attributable to non-controlling interest	65	148	82	124.9%
Personnel expenses	4,248	4,248	0	0.0%	Profit attributable to owners of parent	5,012	5,945	933	18.6%
Other operating expenses	8,527	9,331	803	9.4%					

Business Portfolio

【Approach to Business Portfolio】

Aiming to diversify its financial business by strengthening its guarantee and other fee businesses and credit businesses, with the purpose of securing stable earnings that are not dependent on the loan business.

- Total Operating Assets : Continued improvement in our business portfolio with credit guarantee business up 2pt YoY to 20% reflecting double-digit growth in the balance.
- Operating Revenue : as a result of 12% increase in revenue from the overseas business, the occupancy rate was up 1pt YoY to 5%.



* Figures in parentheses are ratios in the same period of the previous fiscal year

03 AIFUL Results Summary

Operating Results (AIFUL)

(¥ million)	22/3 1Q	23/3 1Q	YOY	YOY %
Total receivable outstanding	581,841	632,404	50,562	8.7%
Loans outstanding	442,105	469,156	27,050	6.1%
Unsecured	429,874	456,950	27,076	6.3%
Secured	4,401	3,252	-1,149	-26.1%
Small business	7,829	8,953	1,123	14.4%
Credit guarantee	131,044	153,136	22,091	16.9%
New accounts (num)	48,590	64,359	15,769	32.5%
Unsecured	48,562	64,340	15,778	32.5%
Customer accounts (thousands)	939	999	60	6.4%
Unsecured	927	988	60	6.5%
Average yield	14.5%	14.5%	-	-
Below 18% unsecured loan balance's occupancy rate	99.2%	99.4%	0.2pt	-
Bad debt	6,161	6,857	696	11.3%
Excluding write-off related to interest repayment	5,936	6,703	766	12.9%
Bad debt ratio to operating loans	1.1%	1.1%	-	-
Ratio excluding write-off related to interest repayment	1.0%	1.1%	0.1pt	-

Financial Results Outline (AIFUL)

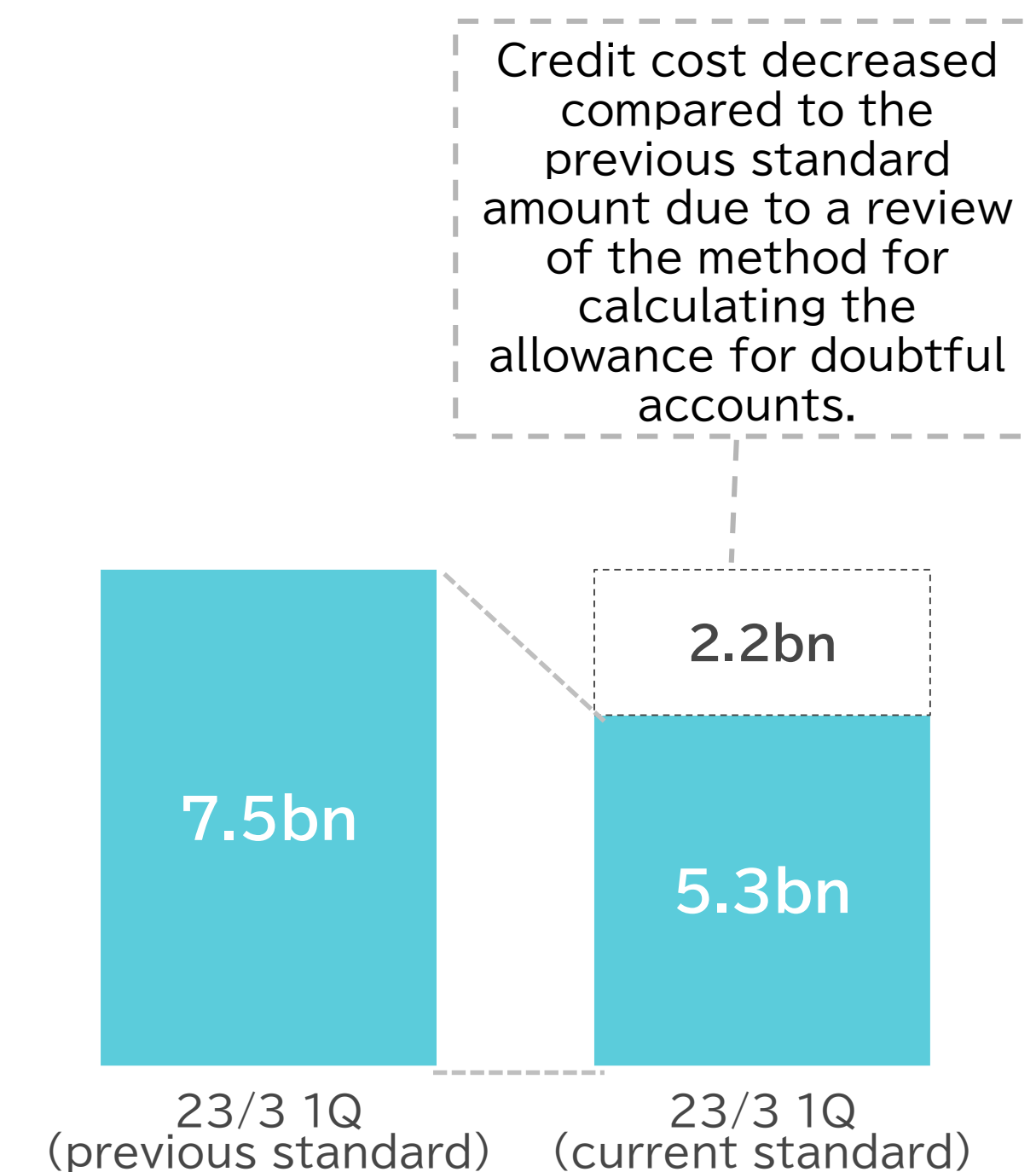
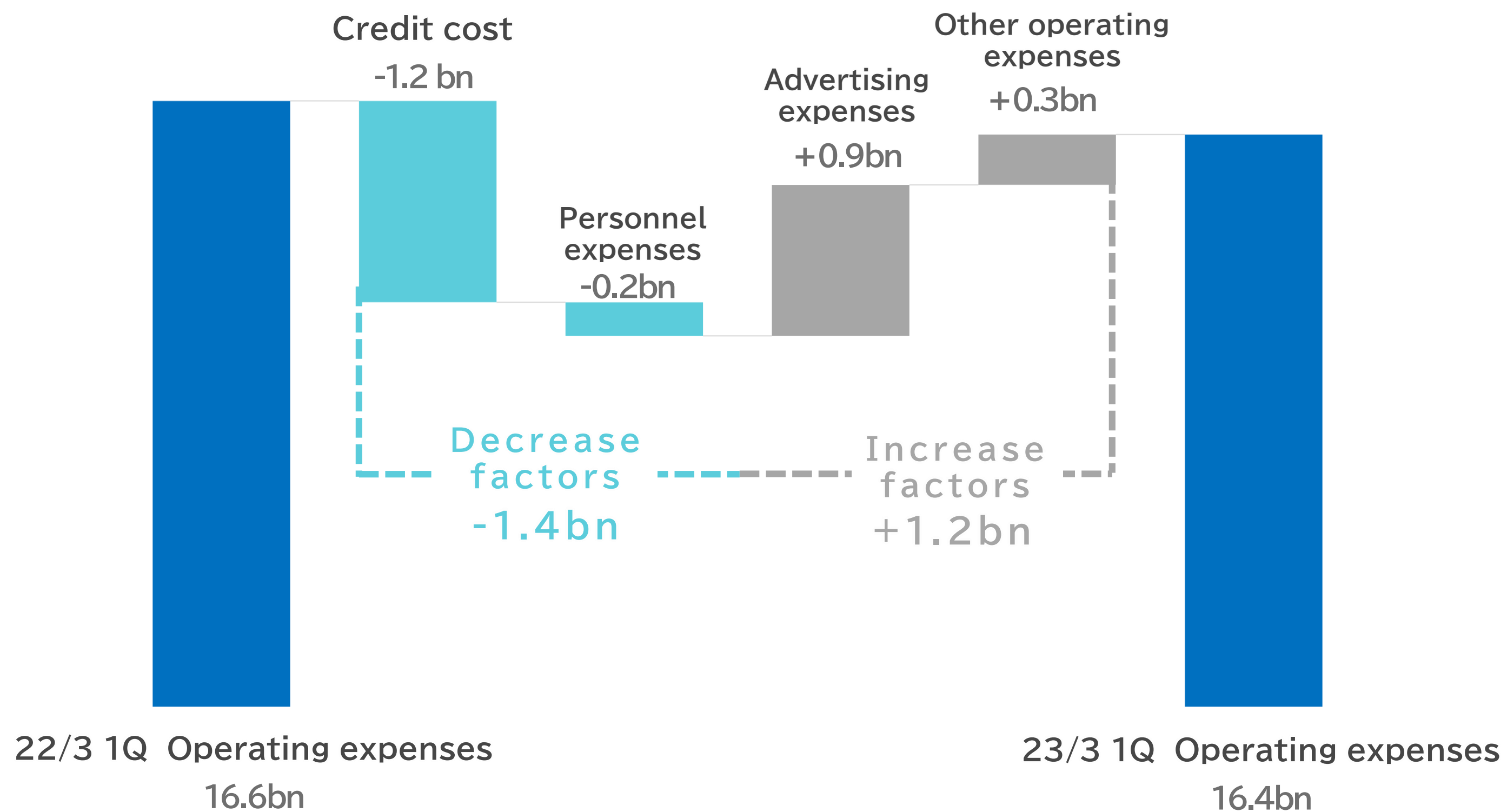
(¥ million)	22/3 1Q	23/3 1Q	YOY	YOY %
Operating revenue	20,320	21,505	1,184	5.8%
Interest on operating loans	15,404	16,412	1,008	6.5%
Revenue from credit guarantee	2,791	2,978	187	6.7%
Operating expenses	16,699	16,408	-290	-1.7%
Financial expenses	1,429	1,377	-51	-3.6%
Provision of allowance for doubtful accounts	6,648	5,359	-1,288	-19.4%
Expenses for Interest repayment	-	-	-	-
Advertising cost	2,314	3,288	973	42.1%
Advertising expenses	2,242	3,217	975	43.5%
Sales promotion expenses	71	70	-1	-1.8%
Personnel expenses	2,570	2,340	-230	-8.9%
Other operating expenses	3,736	4,042	305	8.2%
Operating profit	3,621	5,097	1,475	40.8%
Non-operating income	320	11,485	11,165	-
Non-operating expenses	10	4	-6	-62.4%
Ordinary profit	3,930	16,578	12,648	321.8%
Extraordinary income	-	-	-	-
Extraordinary losses	-	-	-	-
Profit	3,822	15,932	12,110	316.8%

Financial Results Outline / Breakdown of Operating Expenses (AIFUL)

- Operating expenses decreased by 0.2 billion yen YoY to 16.4 billion yen as a result of 1.4 billion yen decrease in credit cost etc., while advertising expenses etc., increased 1.2 billion yen due to investments in advertising for the purpose of expanding new accounts.
- Credit cost decreased by 2.2 billion yen to 5.3 billion yen compared to the amount in previous standard, due to a review of the method for calculating the allowance for doubtful accounts.

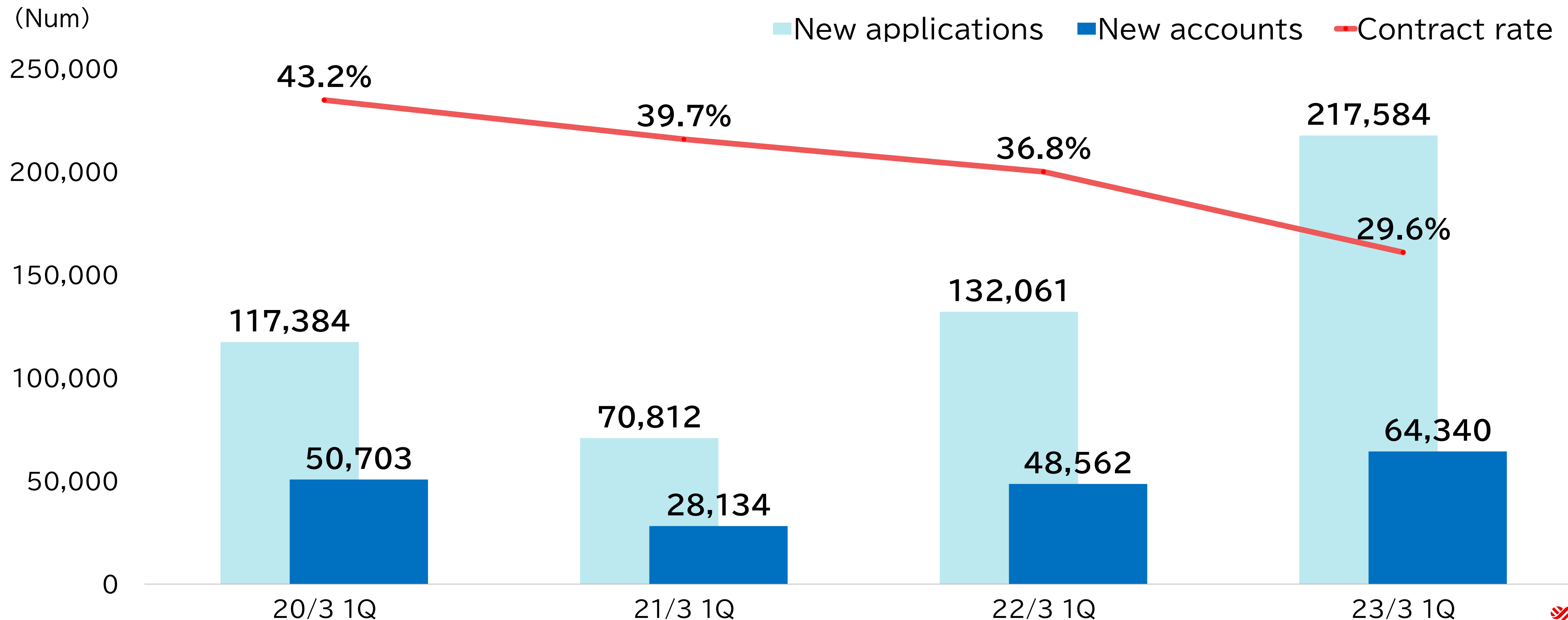
Increase/Decrease Factors in Operating expenses

Credit cost compared to previous standard



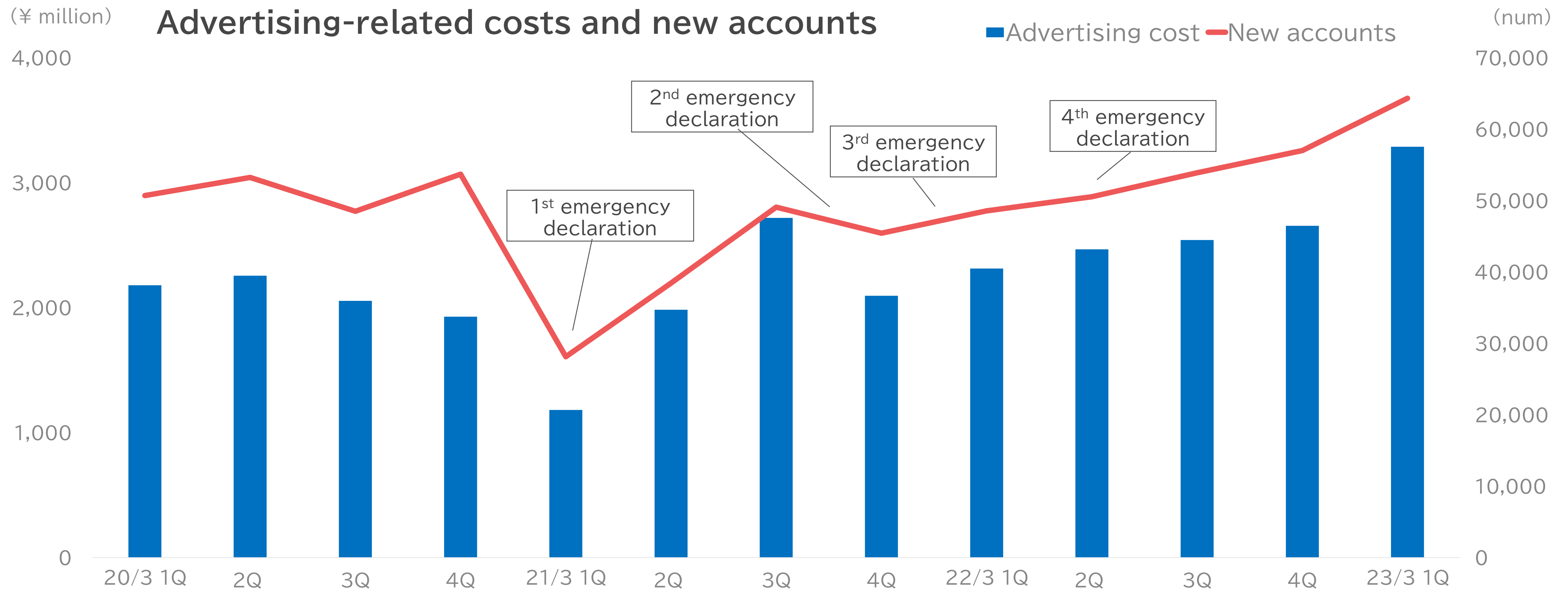
Loan Business/ New accounts (AIFUL)

- Demand for funds fell sharply in FY2020 due to the impact of COVID-19, but has been on a recovery trend since previous fiscal year.
- Implemented continuous enhancement of web advertising and UI/UX improvements to the application form.
- As a result, the number of new applications increased 64.8% YoY to 217,000, and the number of new accounts increased 32.5% YoY to 64,000.



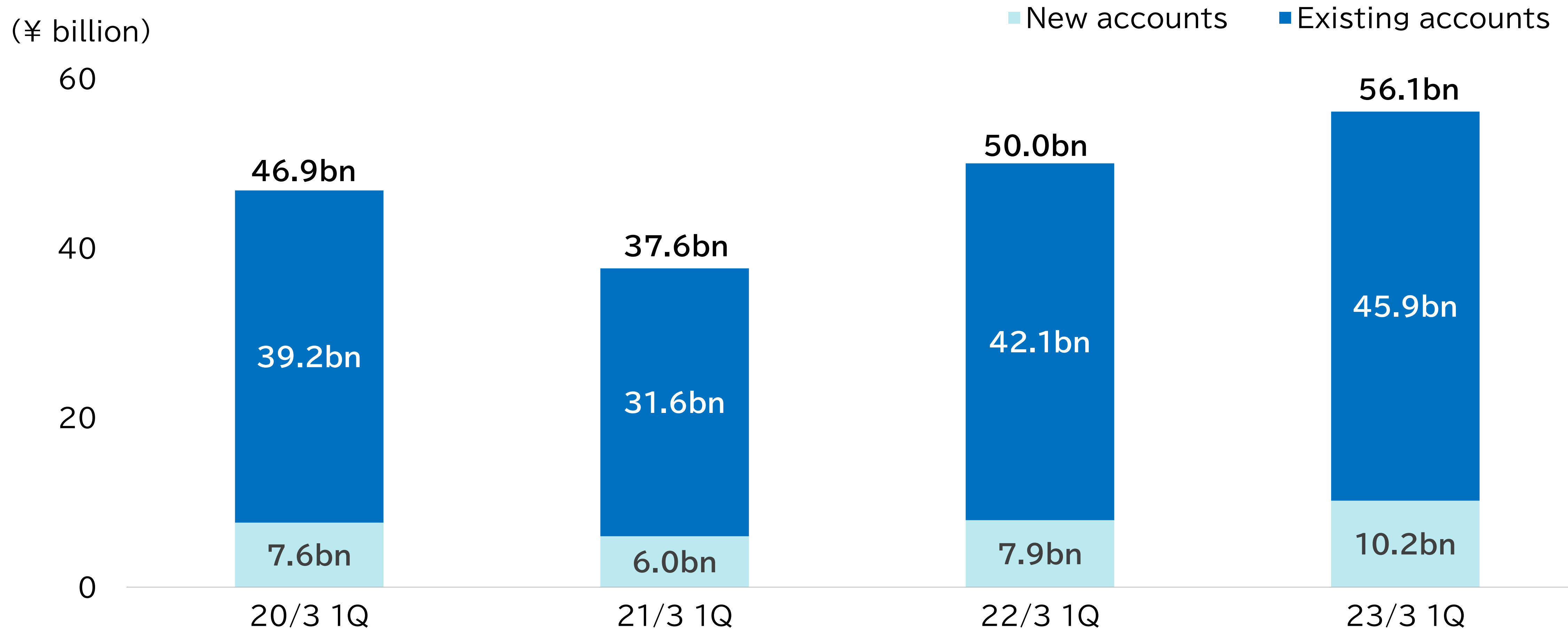
Loan Business/ Correlation between advertising costs and new accounts under the impact of COVID-19 (AIFUL)

- Spending on advertising and the number of new accounts are correlated.
- Spent appropriately on advertising in line with market conditions.
- New accounts exceeded the level before the pandemic due to aggressive cost investment from the 3Q FY2020 onward.



Loan Business/ Loan Volume (AIFUL)

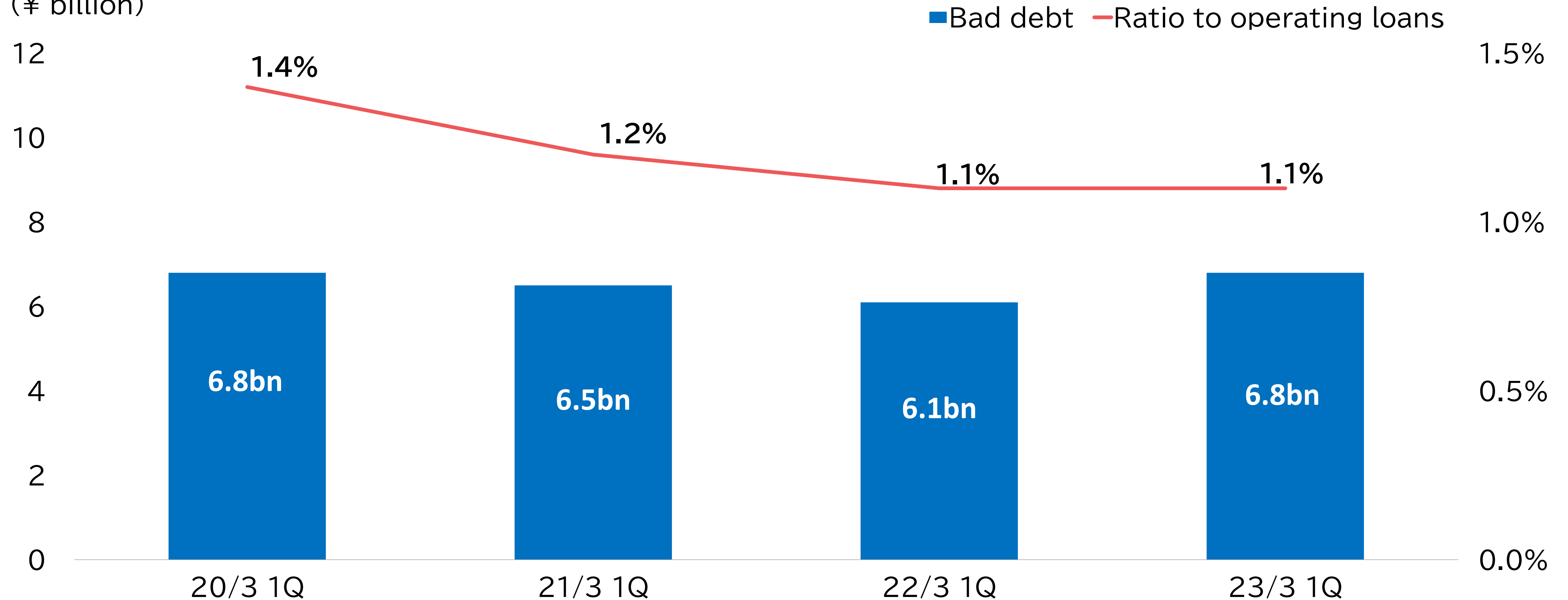
- New and existing loan volume has remained strong since the previous fiscal year.
- The loan volume of new accounts was 10.2 billion yen, up 28.2% year on year, and that of existing accounts was 45.9 billion yen, up 9.0% year on year.



Non-performing Loans/ Bad Debts (AIFUL)

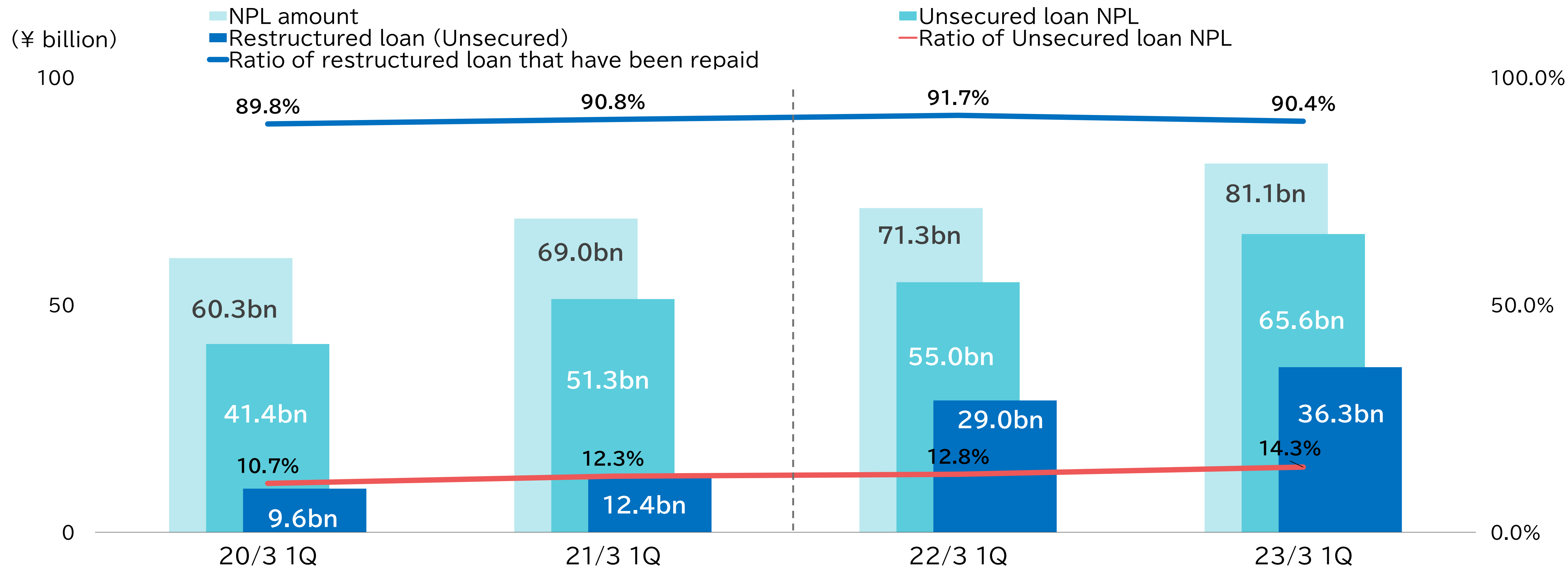
- Bad debts increased 11% YoY to 6.8 billion yen, while the ratio to operating loans remained low at 1.1%.
- The write-off related to interest repayment was 100 million yen, which remained at low level.

(¥ billion)



Non-performing Loans/ Unsecured Loan NPL (AIFUL)

- Unsecured loan NPL outstanding rose 19.3% year on year to 65.6 billion yen and the NPL ratio rose 1.5pt to 14.3%, mainly due to an increase in restructured loans (loans with eased lending conditions) that are expected to receive payments regularly.



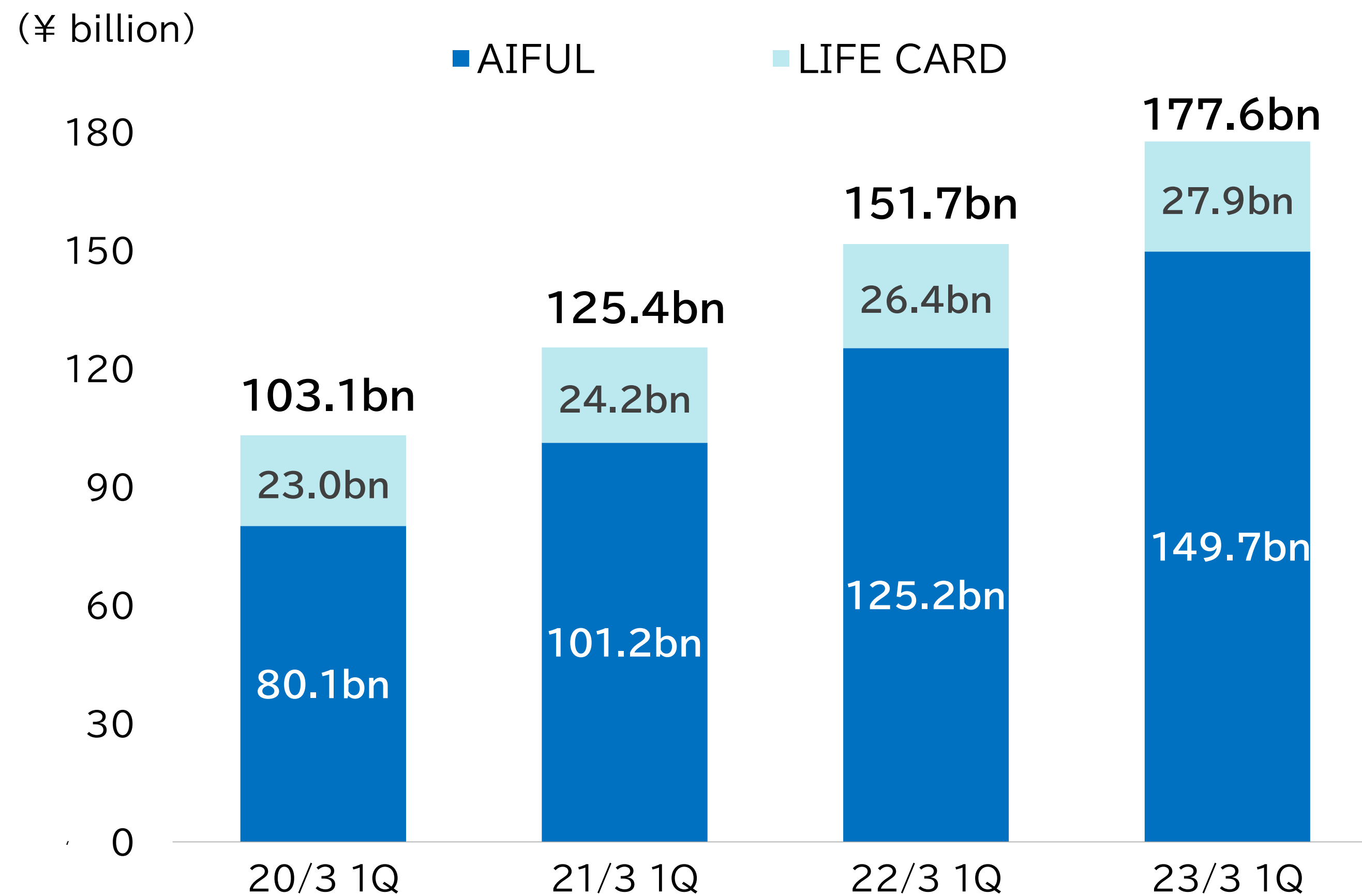
*1 From the fourth quarter of the FY2020, settlement receivables with regular deposits included in Non-accrual loans have been included in Restructured loans in a more realistic manner.

*2 As the "Notes on Non-Performing Loans" in the "Cabinet Office Order on Account Management of specified finance companies" was revised on March 31, the classification is presented based on the revision of the said Cabinet Office Order.

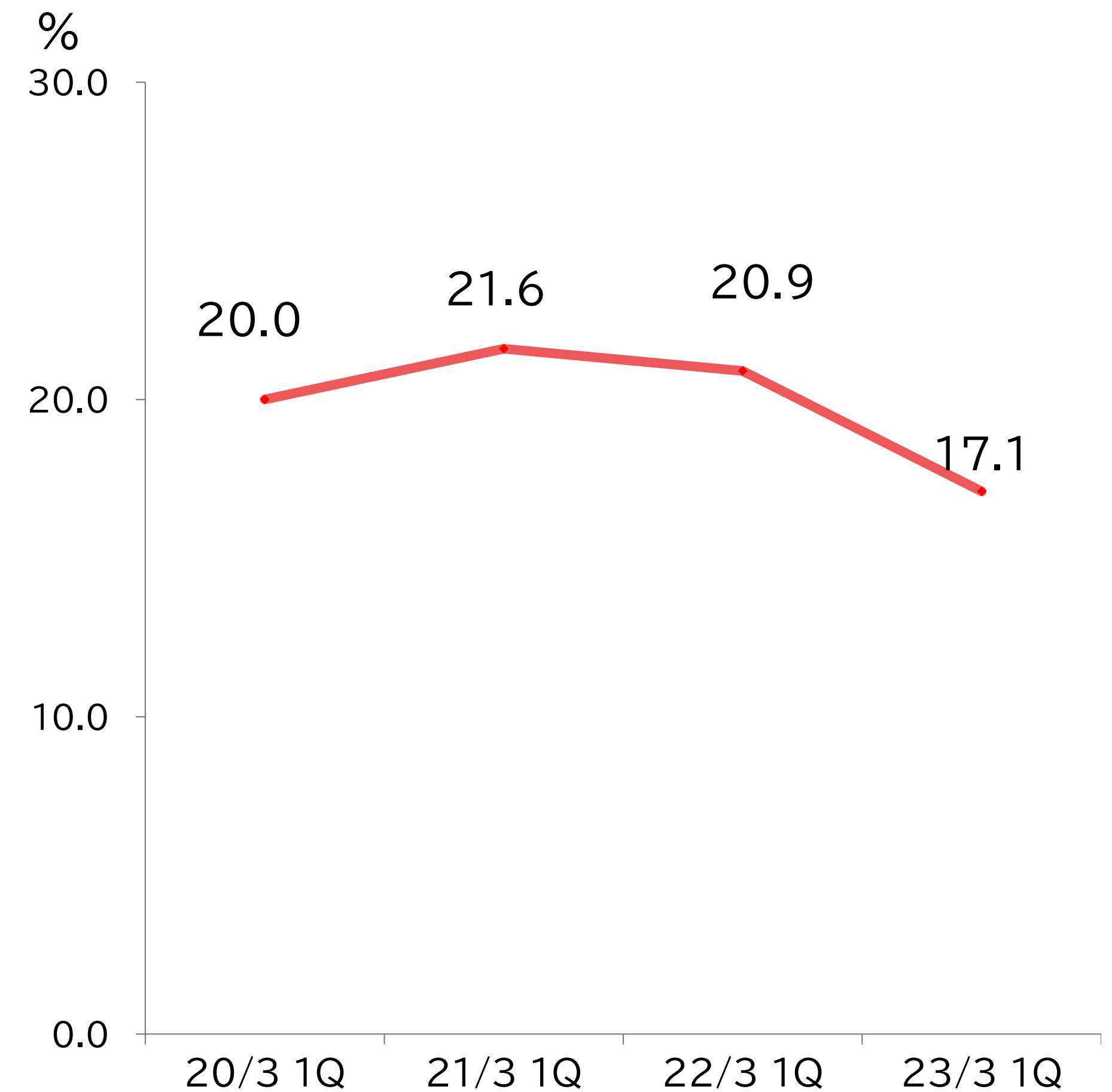
Credit Guarantee Business/ Guarantee for Individuals and Business Operator (AIFUL/LIFE CARD)

- AIFUL's credit guarantee balance was up 19.5% YoY to 149.7 billion yen and LIFE CARD's balance was up 5.6% YoY to 27.9 billion yen, reflecting our efforts to diversify products and strengthen relationships with partners.

Credit Guarantee Balance



Growth of balance (YoY)

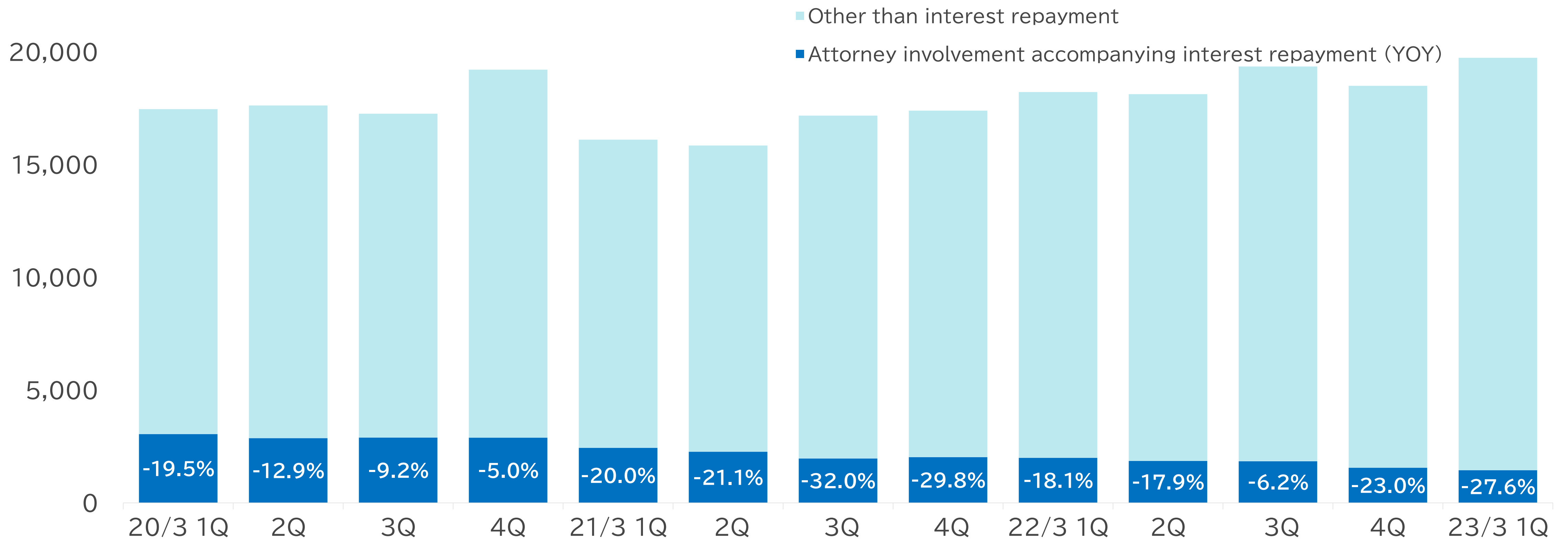


Interest Repayment/Attorney Involvement Claims (AIFUL)

- The number of cases of attorney involvement accompanying interest repayment fell 27.6% YoY.

Attorney involvement number

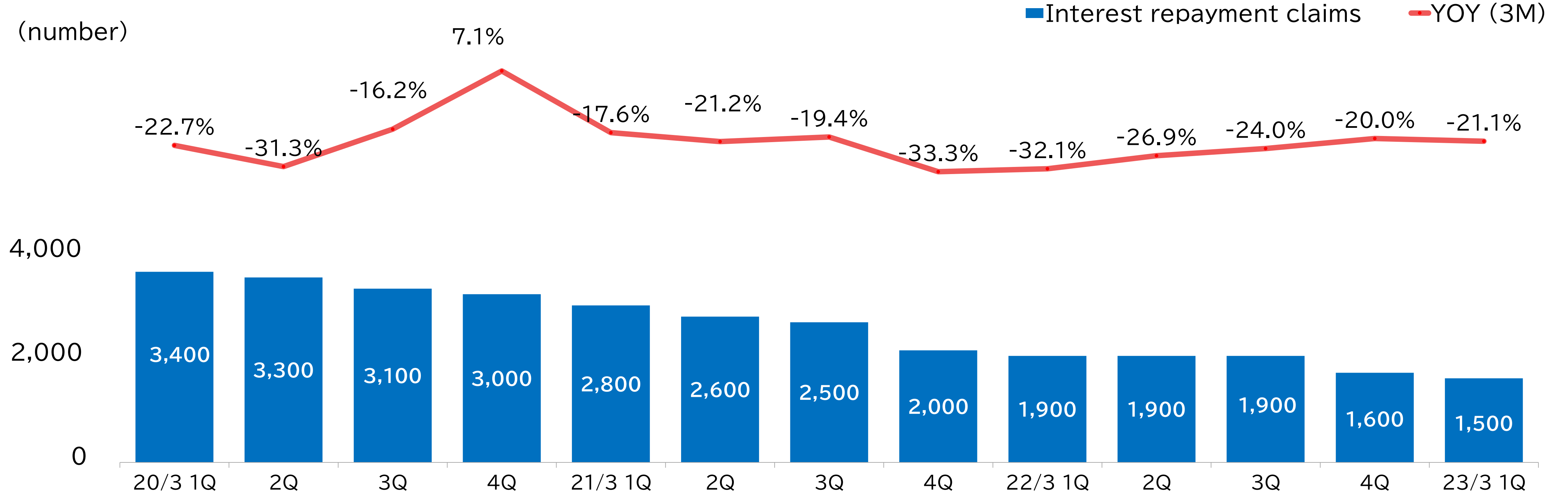
(number)



Interest Repayment/Number of Claims(AIFUL)

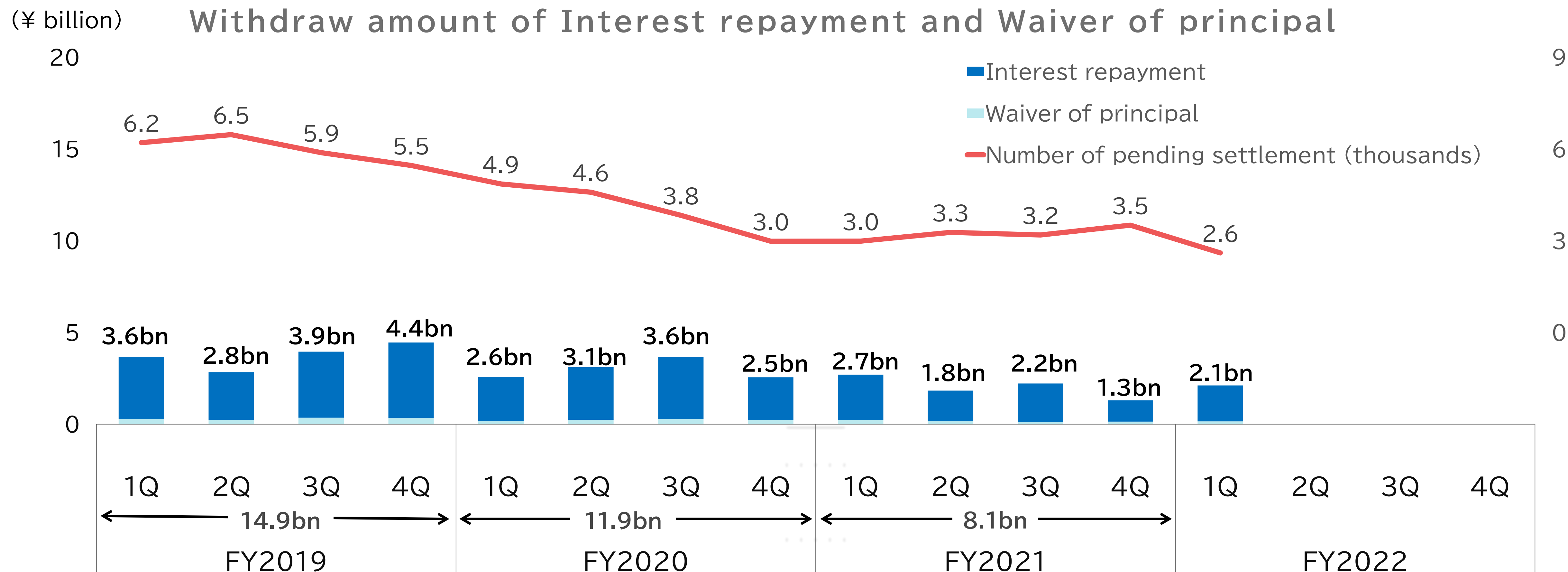
- The number of interest repayment claims (3-month total) stood at 1500, down 21.1% YoY.

Interest repayment claims



Interest Repayment/ Withdraw Amount(AIFUL)

- The withdraw amount of allowance for interest repayments during 1Q FY2022 decreased 22% YoY to 2.1 billion yen (of which 1.9 billion yen was applied to interest repayment and 0.1 billion yen to debt waiver).
- Thanks to aggressive reconciliation, the number of pending settlements has decreased, recognizing 2600 in 1Q FY2022.



Interest Repayment/Provision(AIFUL)

- At the end of the period, allowance was 21.6 billion yen after withdrawing 2.1 billion yen (of which 1.9 billion yen was applied to interest repayment and 0.1 billion yen to waiver of principal) from the 23.7 billion yen from the allowance at the beginning of the period.

Provision for loss on interest repayment(AIFUL)

(¥ million)	Interest repayment	Waiver of principal	Total
Allowance at the beginning of period	21,334	2,414	23,749
Withdraw (Interest repayment)	1,960	154	2,114
Provisions (reversal)	-	-	-
Allowance at the end of period	19,374	2,259	21,634

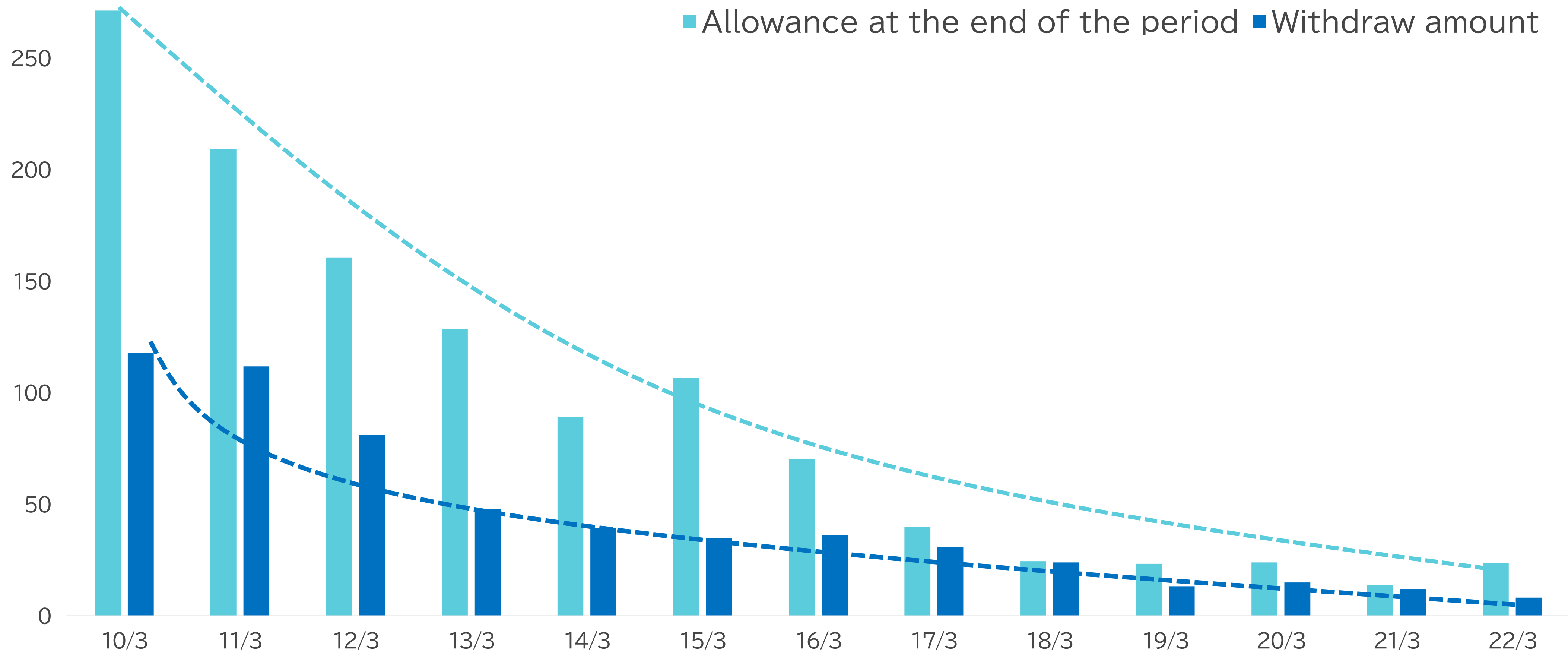
ref. Consolidated provision for loss on interest repayment

(¥ million)	Interest repayment	Waiver of principal	Total
Allowance at the beginning of period	24,594	2,898	27,492
Withdraw (Interest repayment)	2,187	197	2,384
Provisions (reversal)	-	-	-
Allowance at the end of period	22,406	2,701	25,108

Interest Repayment/Allowance at the end of the period (AIFUL)

- The allowance for interest repayment at the end of the period has decreased along with the shrunk in interest repayment claims.
- Made an additional provision of 18.0 billion yen (including 17.2 billion yen for interest repayment and 0.7 billion yen for waiver of principal) at the end of FY2021 to ensure reliability.

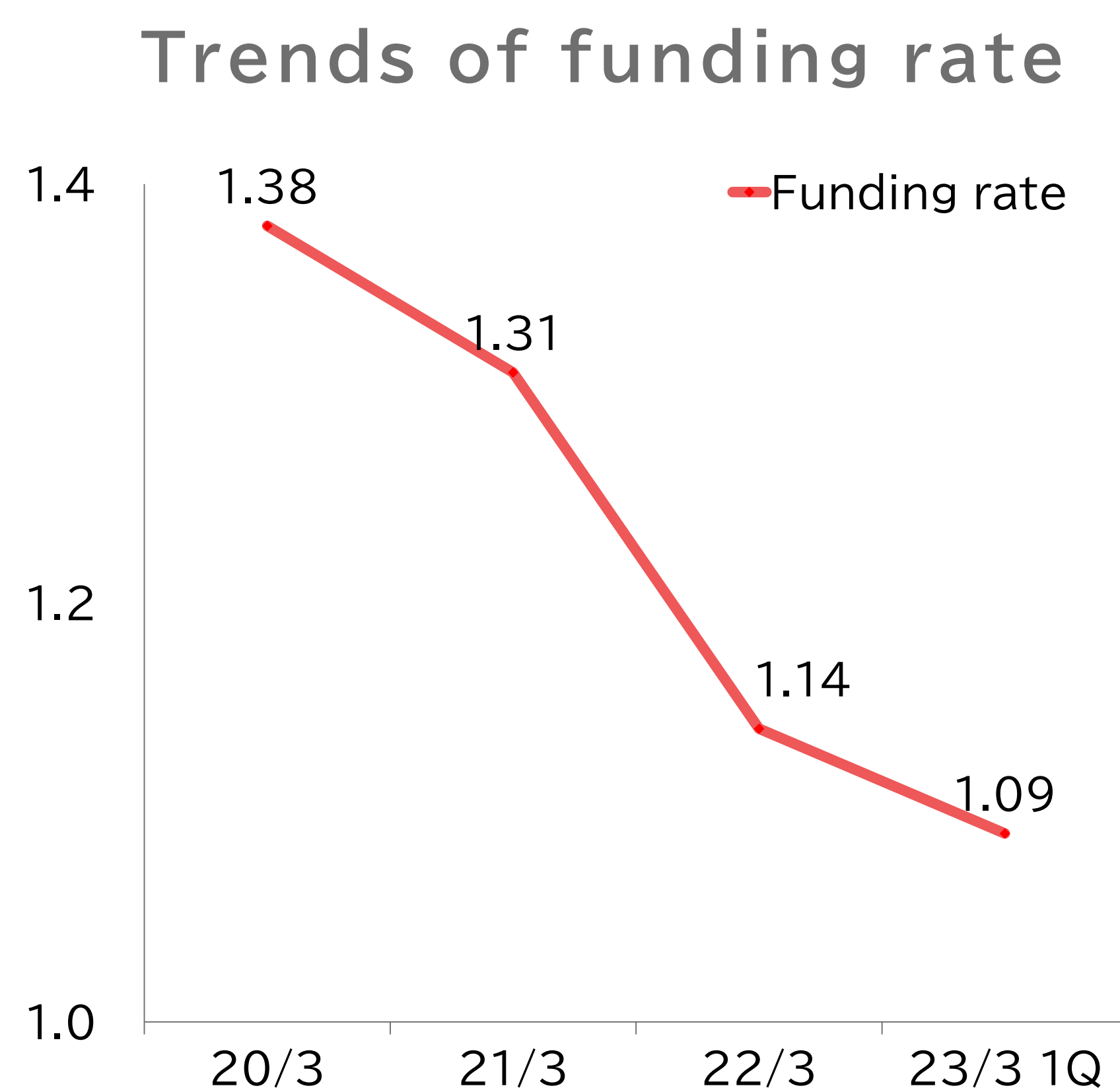
(¥ billion)



Funding (AIFUL)

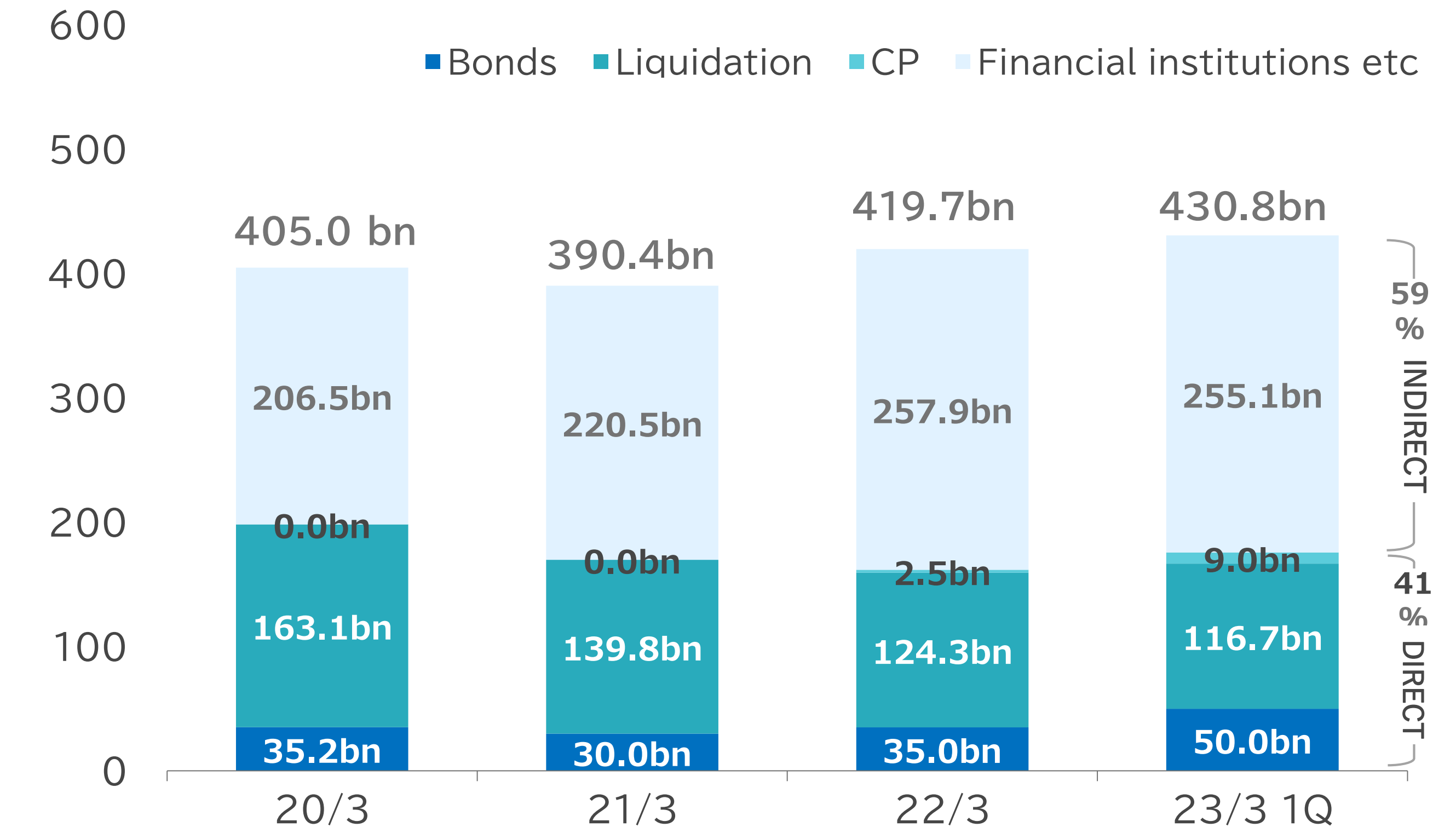
- Funding rates: both direct and indirect are trending downward in tandem with an improvement of performance and upgraded credit ratings.
- Funding amount: up 2.6% YoY to 430.8 billion yen due to the operating asset growth.

Trends of funding rate



(¥ billion)

Interest-bearing liabilities



04 LIFECARD Results Summary

LIFE CARD/ Strategy

LIFE CARD's financial inclusion efforts to offer "Be Unique" products to more customers, and to increase LTV and profitability through long-term use of the card

Student Card



Increase LTV by reaching out to young people at an early stage

Low limit



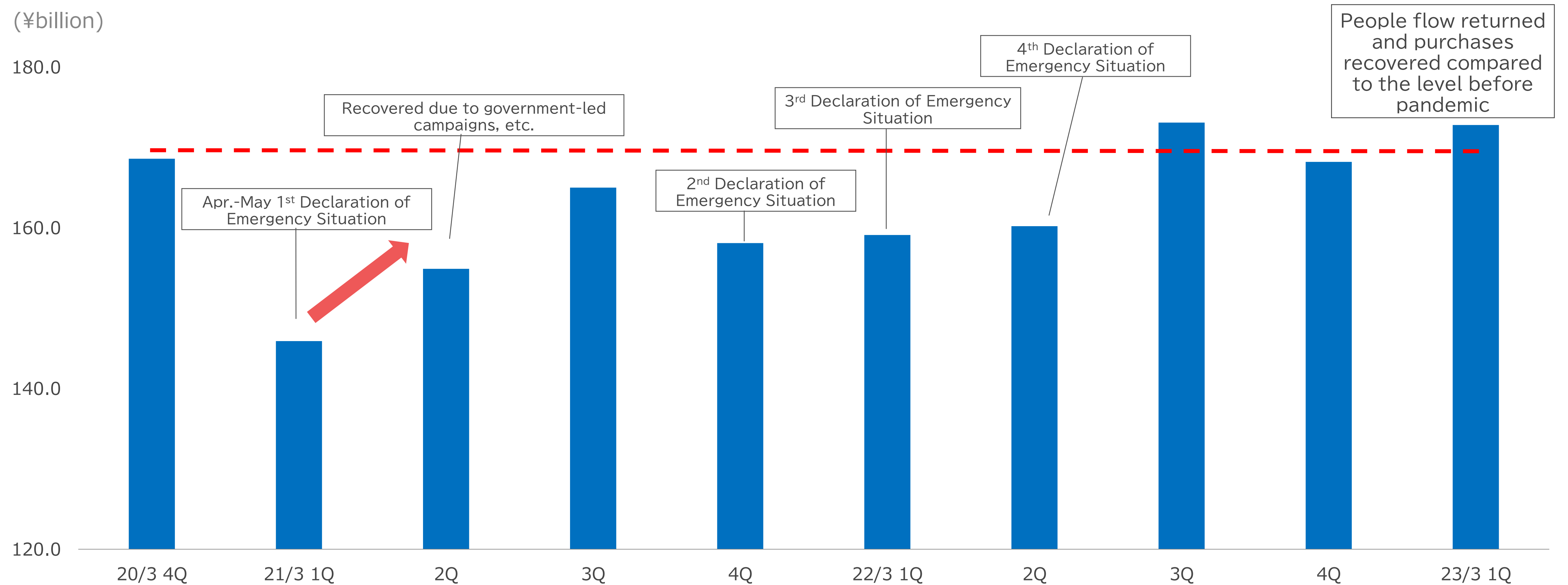
Offering low limit credit card to attract more customer

Financial Results Outline (LIFE CARD)

(¥ million)	22/3 1Q	23/3 1Q	YOY	YOY %
Operating revenue	7,884	8,741	857	10.9%
Revenue from installment receivable	3,957	4,896	938	23.7%
Interest on operating loans	1,043	974	-69	-6.6%
Revenue from credit guarantee	424	452	27	6.6%
Other	2,458	2,418	-40	-1.6%
Operating expenses	6,823	8,236	1,412	20.7%
Financial expenses	251	217	-34	-13.6%
Provision of allowance for doubtful accounts	775	1,058	282	36.4%
Bad debt ratio to operating loans	0.59%	0.57%	-	-0.02pt
Provision for loss on interest repayment	-	-	-	-
Advertising expenses	201	327	126	62.6%
Sales promotion expenses	623	770	147	23.7%
Personnel expenses	1,157	1,250	92	8.0%
Other operating expenses	3,813	4,612	798	20.9%
Operating profit	1,061	505	-555	-52.4%
Ordinary profit	1,120	533	-587	-52.4%
Profit	657	599	-57	-8.7%

Quarterly Trend of Shopping Transaction Volume (LIFE CARD)

- Shopping transaction volume remained strong as new lifestyles centered on the online became widespread and economic activity recovered.

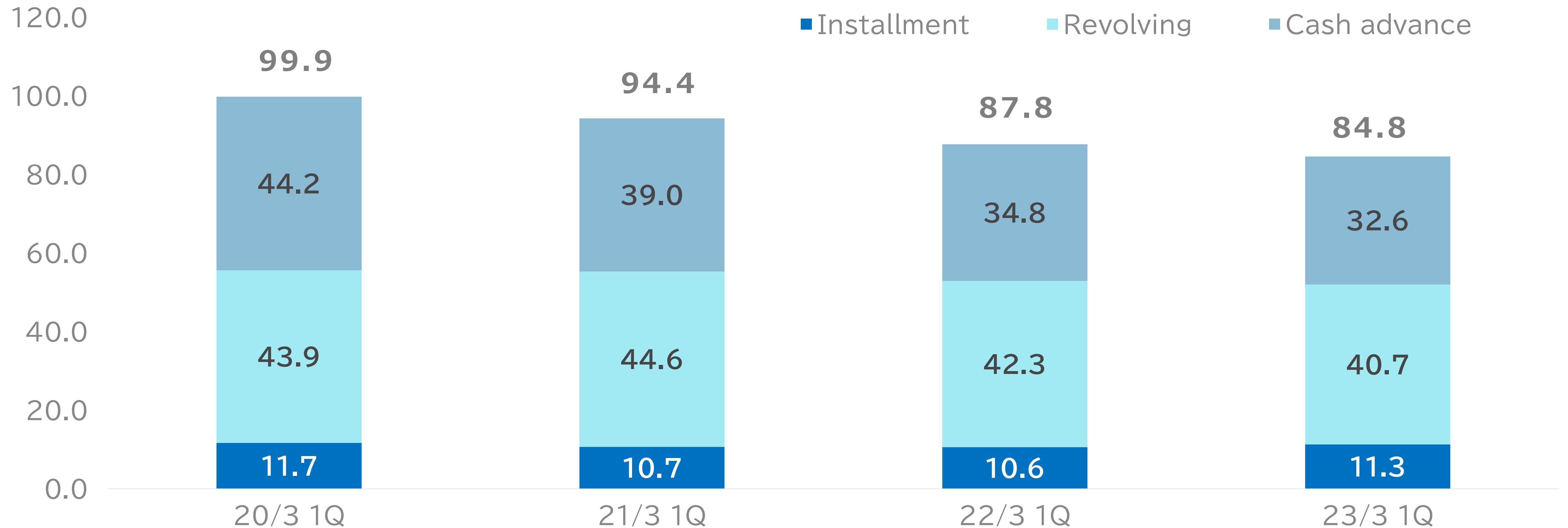


【Receivable】 Installment・Revolving・Cash advance (LIFE CARD)

- The receivable of cash advance was 32.6 billion yen, down 6.3% YoY.
- The receivable of installment and revolving slightly decreased. Implemented measures to improve convenience, such as apps renewal and expansion of payment programs variety, to increase the balance.

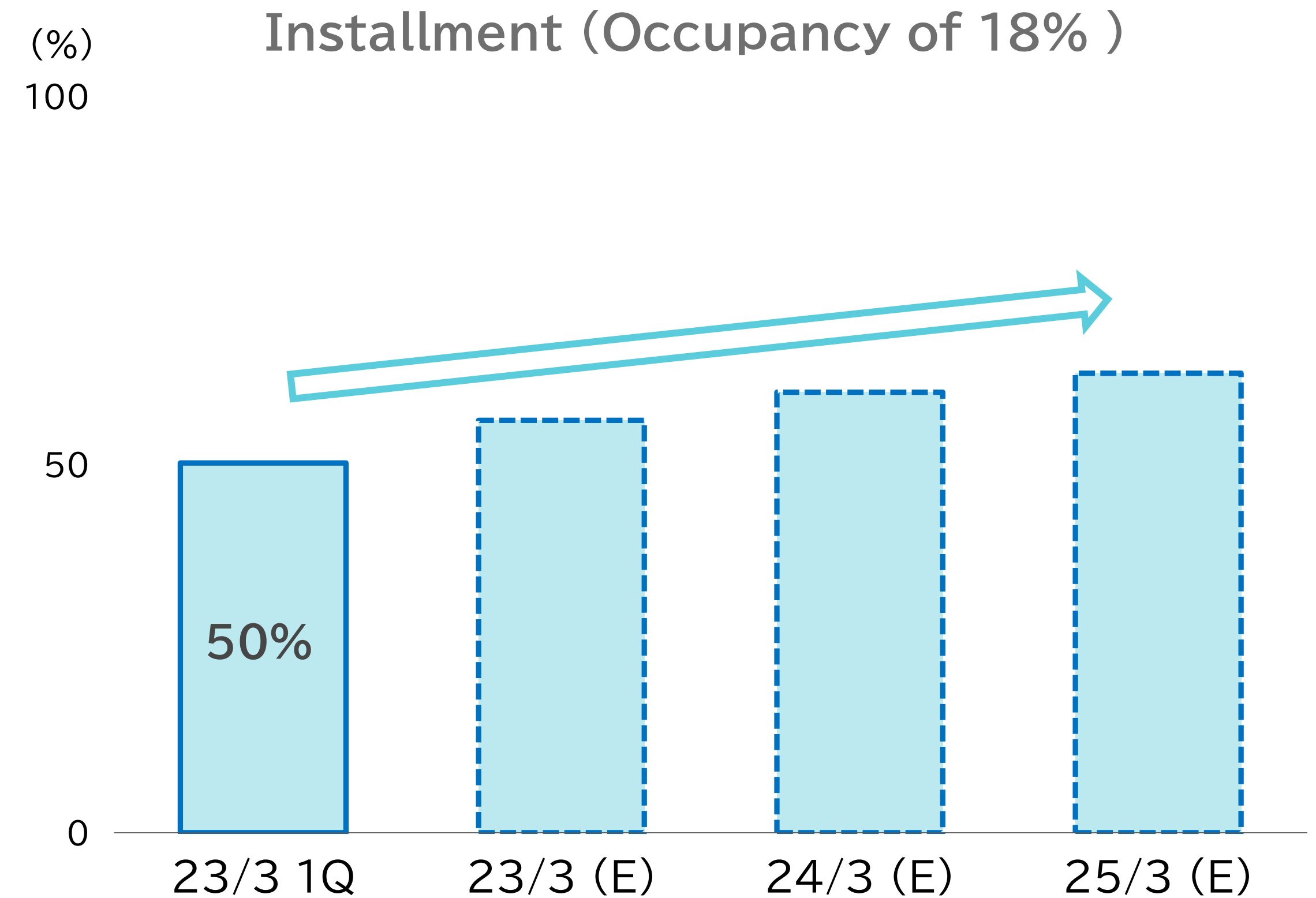
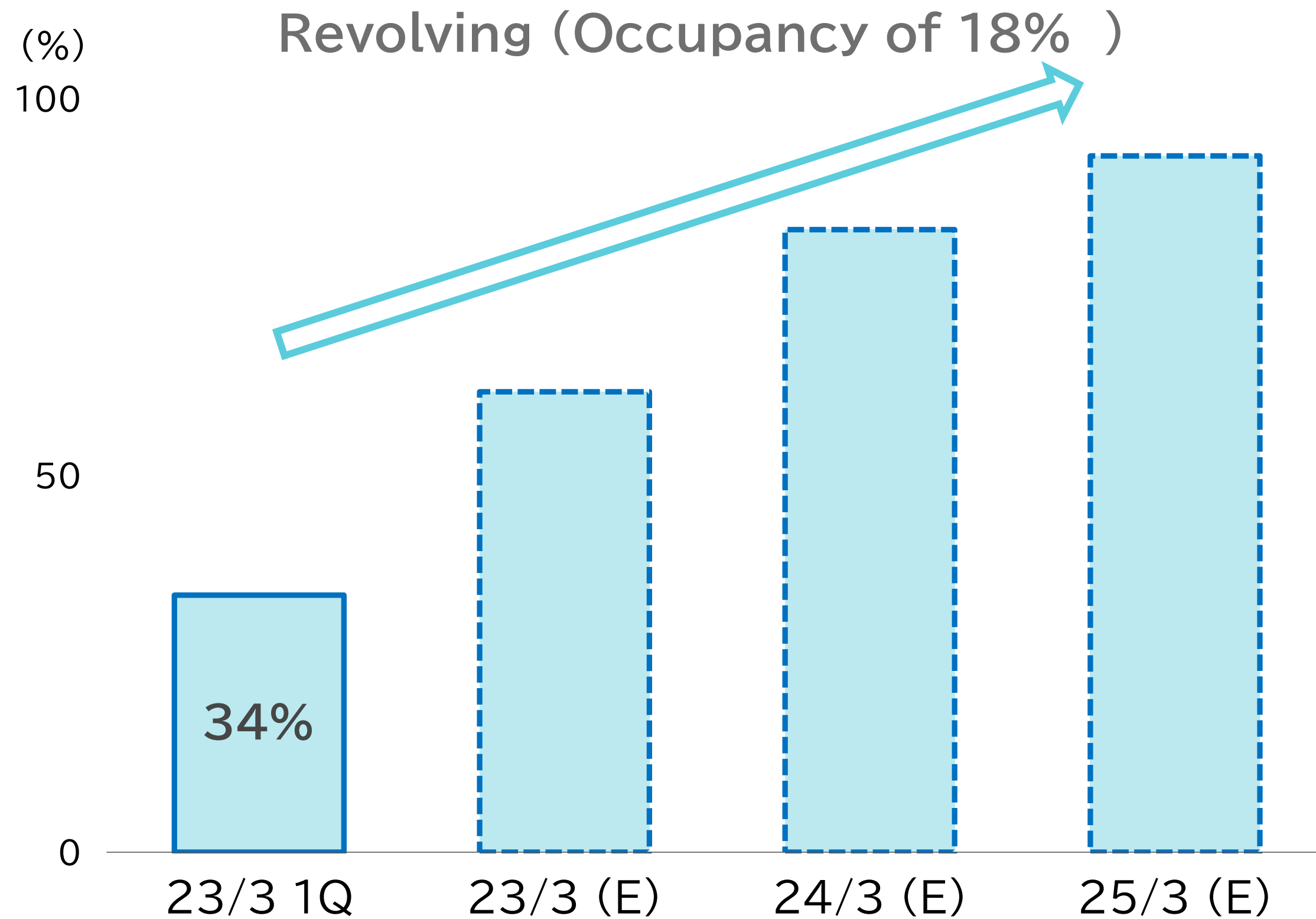
(¥billion)

Receivables(operating assets)



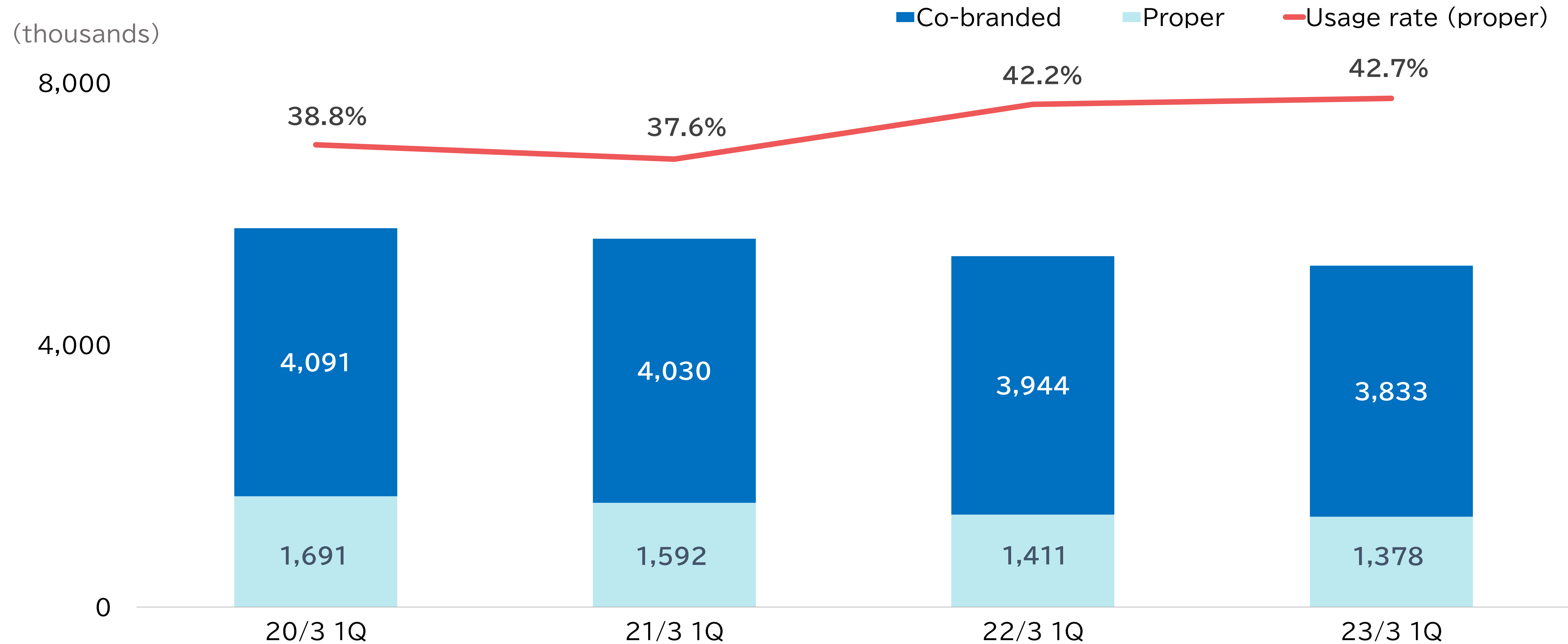
Yield Trends of Revolving and Installment (LIFE CARD)

- Revolving and installment fees for shopping have been revised to an effective annual rate of 18.0% since February 2022 (raised gradually for usage after February 1, 2022).
- The effective annual rate at 18.0% currently occupies 34% for revolving loans and 50% for installment loans, and is expected to increase gradually.



Number of Active Cardholders & Usage Rate (LIFE CARD)

- The usage rate of proper credit cards increased to 42.7% due to promotion of member acquisition methods emphasizing usage frequency and renewal of the website and smartphone apps.



Number of Active Gold Card Holders (LIFE CARD)

- Active number of Gold Card holders with an annual membership fee of 11,000 yen increased significantly, backed by aggressive promotions.
- Contributing to revenue with a high usage rate of 81.6%.

What is Gold Card?

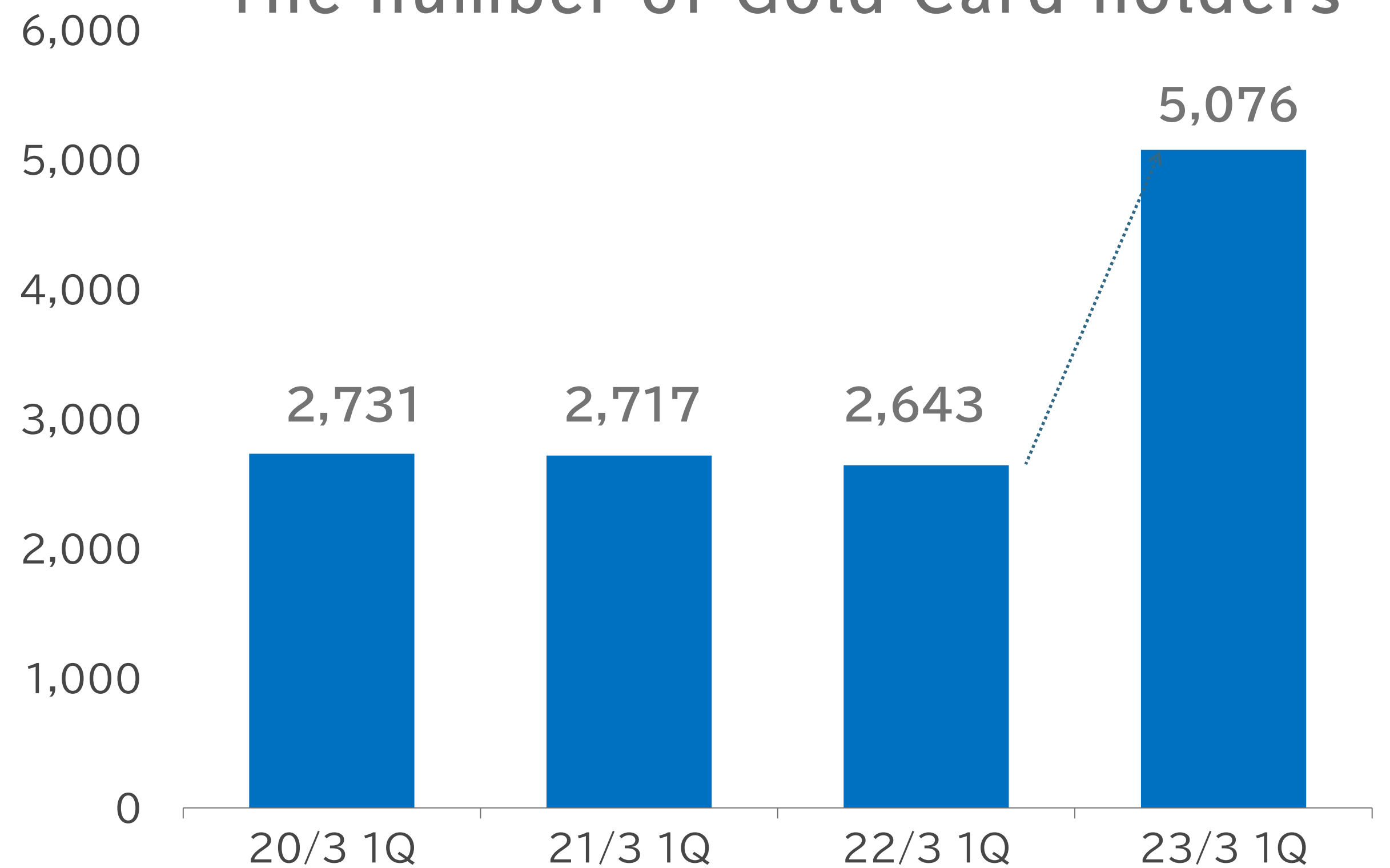


Usage rate
(22/6)
81.6%

- ✓ GOLD members-only services available
- ✓ Overseas travel insurance, domestic travel insurance, and Shopping guard insurance, etc. are automatically included
- ✓ Highest level of point service

(num)

The number of Gold Card holders

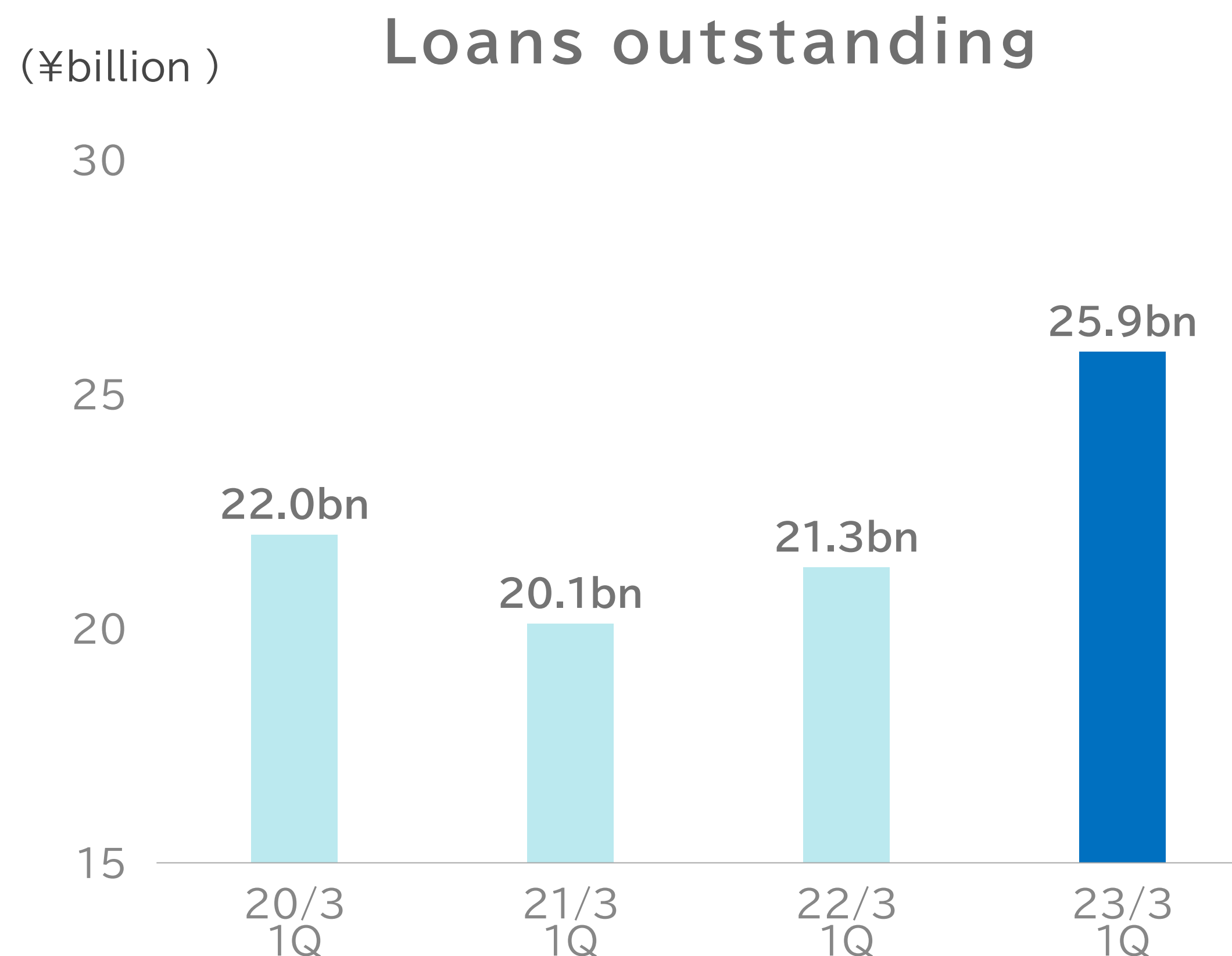


05 Group Companies Results Summary

Overseas Business/AIRA&AIFUL (Thailand)

- Macro environment in Thailand: domestic demand and strong exports helped real GDP growth turn positive at 2.2%(Jan-Mar 2022) from -2.6% in the same period last year. <data from National Economic and Social Development Council>
- Loans outstanding increased 21.8% YoY to 25.9 billion yen on the back of strong new applications. As a result, ordinary profit in the first quarter (Jan-Mar) was 260 million yen

(¥ million)	22/3 1Q	23/3 1Q	YOY%
Loans outstanding	21,316	25,954	21.8%
N. of customer accounts (thousand)	325	333	2.3%
Bad Debt Write-off Ratio	3.8%	2.5%	-
Operating revenue	1,405	1,574	12.0%
Operating profit (loss)	126	266	111.0%
Ordinary profit (loss)	126	263	107.9%
Profit (loss)	126	288	127.6%



*Fiscal period of A&A is from January 1, to December 31.

*Exchange rate (Thai Baht): B/S: ¥3.54(22/3 1Q), ¥3.68(23/3 1Q)

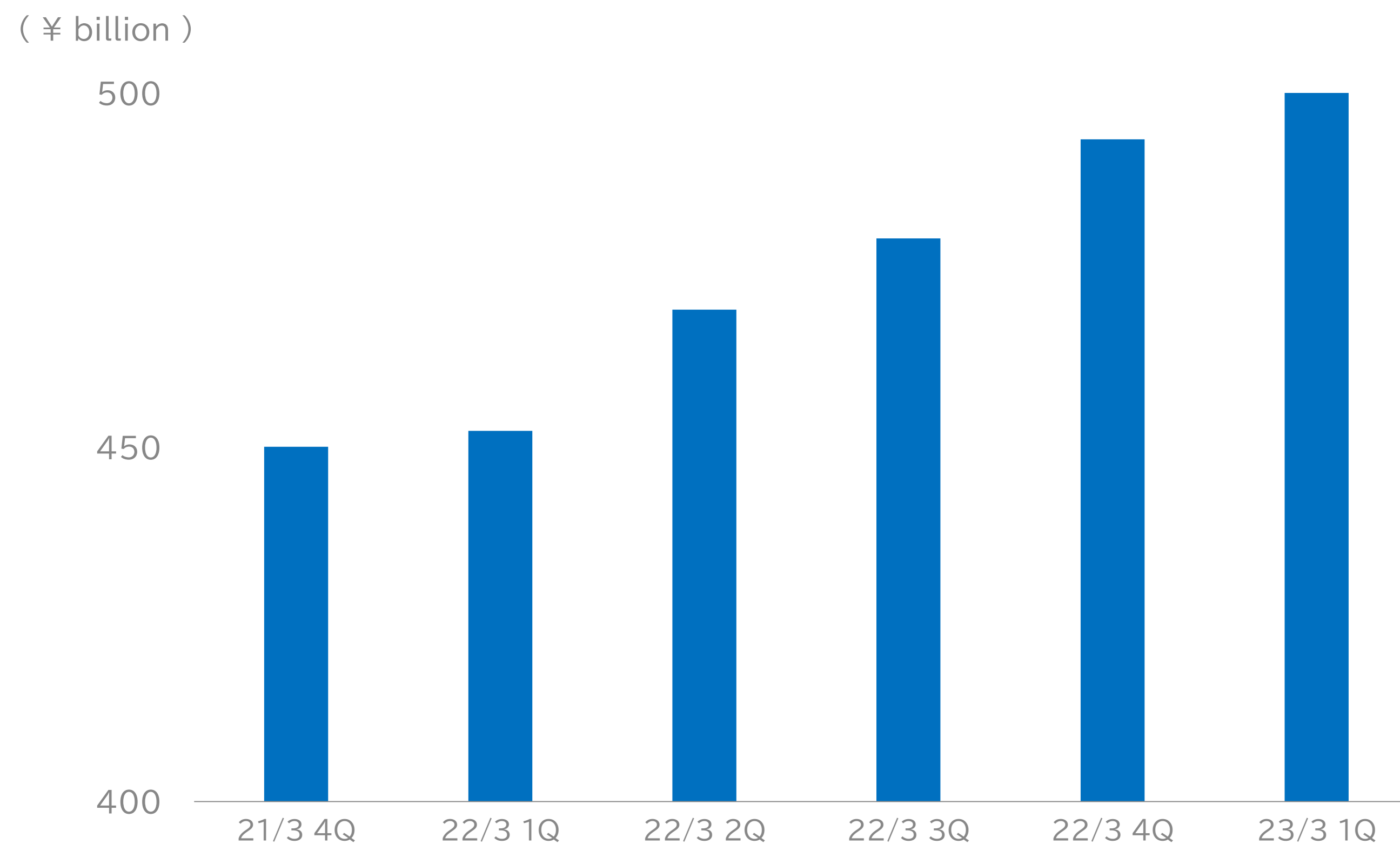
P/L: ¥3.50(22/3 1Q), ¥3.52(23/3 1Q)

AIFUL BUSINESS FINANCE CORPORATION

- Business loan balance increased 12.0% YoY on the back of effective advertising.
- Operating profit declined 29.2% YoY, mainly due to an increase in credit cost and advertising expenses.

(¥ million)	22/3 1Q	23/3 1Q	YOY
Loans outstanding	58,351	57,709	-1.1%
Secured loans	13,117	7,043	-46.3%
Business loans	45,234	50,666	12.0%
Customer accounts (thousands)	25	26	5.5%
Bad Debt Write- off Ratio	1.2%	1.4%	0.2%
Operating revenue	1,637	1,727	5.5%
Operating profit	453	321	-29.2%
Ordinary profit	456	323	-29.1%
Profit	275	196	-28.7%

Trends in Business Loans Outstanding



*In July 2021, AG MEDICAL CORPORATION took over the medical fee-secured loan business.

Other Group Companies Topics

AG Medical

AG MEDICAL CORPORATION

Operating Profit ¥60M

Ordinary Profit ¥60M

Profit ¥40M

Loans outstanding 8.7bn

**35.6% increase since
business launch**

AG Guarantee

AIFUL GUARANTEE CO., LTD.

Operating Profit ¥130M

Ordinary Profit ¥130M

Profit ¥80M

**Installment Receivable
18.6bn (YoY +97.3%)**

**Number of affiliate stores
2,741 (YoY +31.5%)**

AG Miraibarai

AG MIRAIBARAI Co., Ltd.

Operating Profit ¥-210M

Ordinary Profit ¥-210M

Profit ¥-200M

**Shopping Purchases
4.7bn
(YoY+113.0%)**

**Number of affiliate
stores 454,000
(YOY +28.0%)**

06 Appendix

Operating Revenue and Expenses (Consolidated)

(¥ million)	22/3 1Q	23/3 1Q	YOY	YOY %
Operating revenue	32,329	34,692	2,362	7.3%
Interest on operating loans	18,588	20,027	1,438	7.7%
Revenue from installment receivable	4,701	5,359	658	14.0%
Revenue from credit guarantee	3,865	4,052	186	4.8%
Collection from purchased receivable	228	253	25	11.0%
Recoveries of written off claims	1,934	1,890	-44	-2.3%
Other revenue	3,011	3,109	97	3.3%
Operating expenses	26,621	28,082	1,461	5.5%
Financial expenses	1,805	1,726	-78	-4.3%
Provision of allowance for doubtful accounts	8,747	8,218	-529	-6.0%
Expenses for interest repayment	-	-	-	-
Advertising cost	3,292	4,557	1,265	38.4%
Advertising expenses	2,541	3,693	1,152	45.3%
Sales promotion expenses	750	863	112	15.0%
Personnel expenses	4,248	4,248	0	0.0%

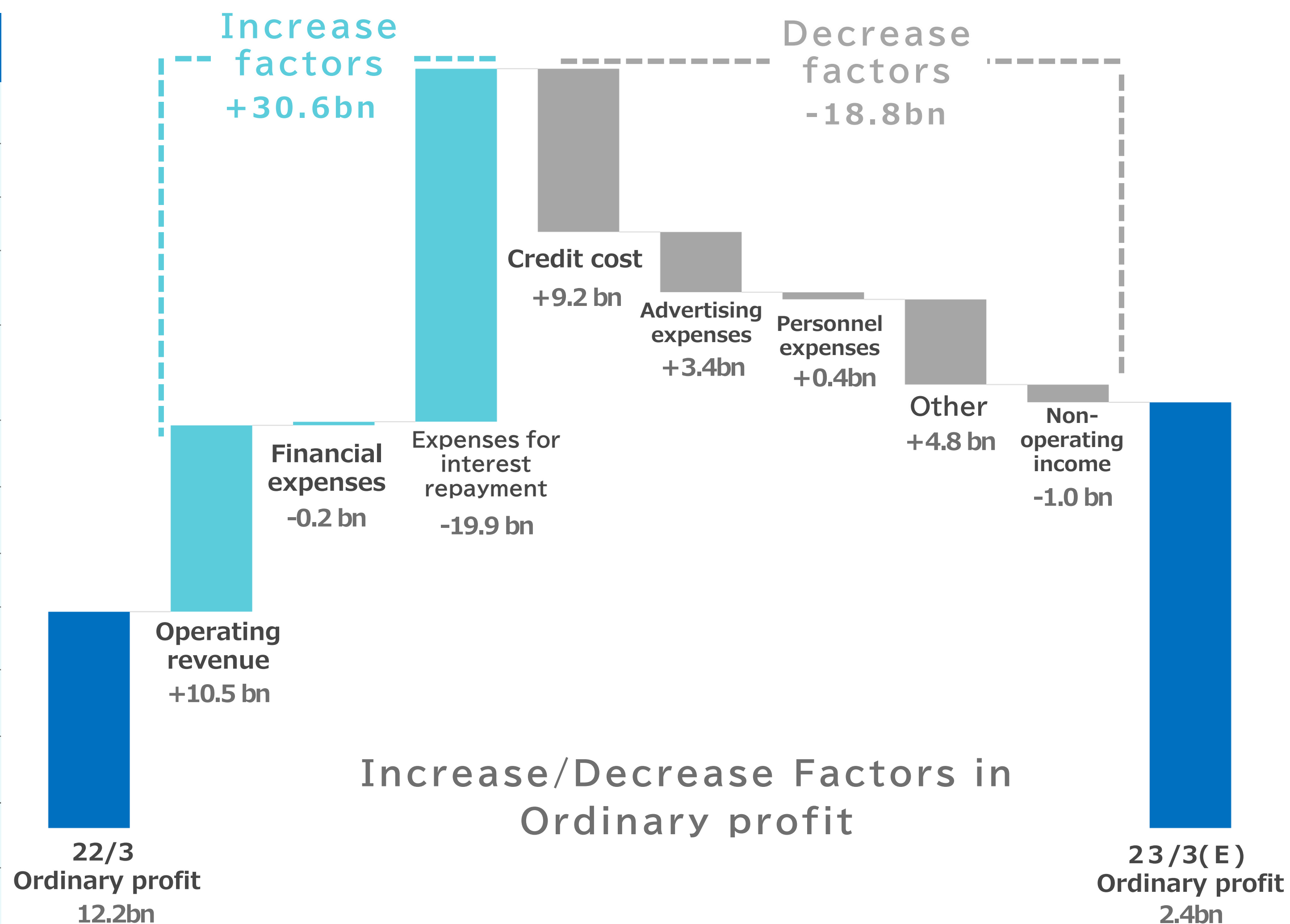
Operating Expenses and Profits (Consolidated)

(¥ million)	22/3 1Q	23/3 1Q	YOY	YOY %
Other	8,527	9,331	803	9.4%
Commission	3,796	4,287	491	13.0%
Communications	760	772	11	1.5%
Consumption taxes	1,255	1,359	104	8.3%
Depreciation expenses	798	859	61	7.7%
Supplies, repair and maintenance	645	712	66	10.3%
Rents	448	439	-9	-2.0%
Rent expenses	93	101	7	8.1%
Operating profit	5,708	6,609	900	15.8%
Non-operating income	180	111	-68	-37.9%
Non-operating expenses	174	6	-168	-96.3%
Ordinary profit	5,714	6,714	1,000	17.5%
Extraordinary profit	-	-	-	-
Extraordinary losses	-	-	-	-
Profit before income taxes	5,714	6,714	1,000	17.5%
Profit(loss) attributable to non controlling interest	65	148	82	124.9%
Profit attributable to owners of parent	5,012	5,945	933	18.6%

Earnings Forecast Outline

22/3 Results and 23/3 Earnings forecast outline

(¥ million)	22/3	23/3(E)	YoY	YoY%
Operating revenue	132,097	142,600	10,502	8.0%
Operating expenses	120,855	118,800	-2,055	-1.7%
Financial expenses	7,041	6,800	-241	-3.4%
Expenses for interest repayment	19,929	-	-19,929	-100.0%
Provision of allowance for doubtful accounts	27,918	37,200	9,281	33.2%
Advertising expenses	11,321	14,800	3,479	30.7%
Personnel expenses	16,704	17,200	495	3.0%
Other	37,939	42,800	4,860	12.8%
Operating profit	11,242	23,800	12,557	111.7%
Non-operating income	1,110	100	-1,010	-91.0%
Non-operating expenses	35	-	-35	-100.0%
Ordinary profit	12,265	24,000	11,734	95.7%
Profit attributable to owners of parent	12,334	21,300	8,965	72.7%



Basic Sustainability Policy

-Corporate
Philosophy-
Earn the trust of
society through
corporate activity
based in integrity

×

-VISION-
For Colorful Life.
For realizing a society in
which your traits will
shine

AIFUL Group aims to strike a balance between
“Sustainable society” and “Growth” so that all
kinds of people can be themselves.

Initiatives for Sustainability



Lecture for Financial Education



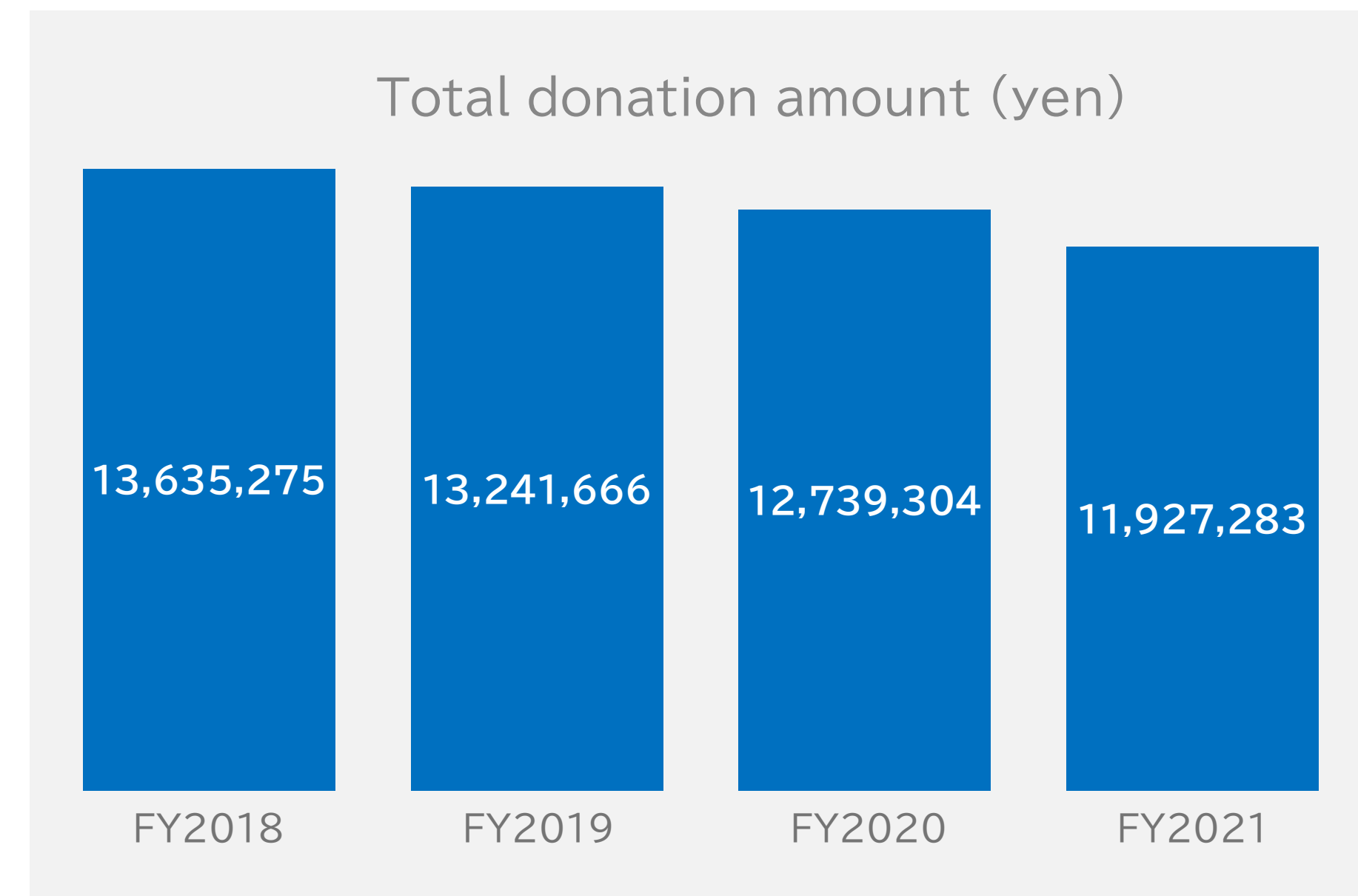
- Lectured at Nihon University (college of commerce) as Japan Financial Services Association's on-site lecture*.

* Japan Financial Services Association's on-site lecture

A system in which lecturers are dispatched in response to requests from educational sites and administrative institutions at high schools, universities, vocational schools, etc. as part of the activities by Japan Financial Services Association for the purpose of protecting the interests of financial demands and the sound development of money lenders



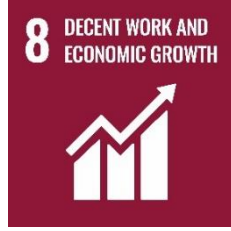




Social Contribution through Credit Cards
















- LIFECARD issues social contribution credit cards and donates a portion of the proceeds to partner organizations and NPOs.

Major Efforts

Theme	Challenges	Major Efforts	Relevant SDGs
Environment	Realization of a carbon-free society	<ul style="list-style-type: none"> • Management of energy consumption • "Cool Biz" and "Warm Biz" Activities • Endorsement of "COOL CHOICE" • Efforts to improve operational efficiency • Reducing the number of multifunction devices 	
	Promoting Resource Recycling	<ul style="list-style-type: none"> • Waste separation and recycling • "Green Fund-raising" activities • Purchase of Green products and Eco Mark products • Introduction of paperless, online statements 	
Social	Creating Products that Meet Society's Expectations	<ul style="list-style-type: none"> • Product development to meet customers' diverse needs • Service quality improvement by collecting customer feedback • AIFUL-CSIRT(a team for cyber-attacks) 	
	Workplace and Work Environment	<ul style="list-style-type: none"> • Human Resources Outline • Harassment hotline • Satisfaction survey • Health and stress checkups 	<ul style="list-style-type: none"> • Human resource development system • Flextime system • Introduction of Telework • Hold emergency drills 
	Promoting Diversity	<ul style="list-style-type: none"> • Platinum Kurumin certification • Expand hiring female • Promotion of female employees 	<ul style="list-style-type: none"> • Retiree re-employment system • Employ persons with disabilities 
	Social Contribution and Coexisting with the Local Community	<ul style="list-style-type: none"> • Blood donation activities • Hold life-saving seminars • Donations • Support measures against Covid-19 	<ul style="list-style-type: none"> • Point donation system • Social Contribution through credit cards • Sponsorship of Hackathon 

AIFUL Group's Business

Renewal of AIFUL Group's visual identity (VI) on July 7, 2022

Loan / Credit Guarantee 	Small Business Loan  	Credit / Credit Guarantee <i>Life CARD</i> 	BNPL 
Social Lending 	Venture Capital 	Debt Collection 	Restructuring 
Leaseback 	Warehousing 	Rent Guarantee 	Overseas  

We aim to create businesses that meet all customer needs through business diversification

– Disclaimer –

• The figures contained in this presentation material with respect to AIFUL and AIFUL Group's plans and strategies and other statements that are not historical facts are forward-looking statements about the future performance of AIFUL and AIFUL Group which are based on management's assumptions and belief in light of the information currently available to it and involve risks and uncertainties. Therefore, actual results may differ from those in the forward-looking statements due to various factors.

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