

## **AIFUL Offers Voluntary Retirement to Employees**

KYOTO — AIFUL Corporation and its group companies have announced that AIFUL's board of directors passed a resolution today to offer voluntary retirement to employees. Details are provided below.

### 1. Reasons for offering voluntary retirement to employees

The AIFUL Group is pursuing business reforms through a group-wide review of its cost structure in order to develop an organization capable of responding to changes in the business environment, including amendments to laws related to Japan's Moneylending Business Restriction Law, and providing safe, reliable products at a low price. As specific measures, the company is working to consolidate outlets, enhance the efficiency of contact centers, and streamline staffing departments. To optimize the allocation of business resources within the group, the company will make voluntary retirement available to about 400 employees throughout the group.

The company also plans to reduce its group-wide workforce of about 3,500 contract and temporary employees to about 2,600 employees by September 2007.

### 2. Voluntary retirement details

#### (1) Number of employees to be offered voluntary retirement

- 1) 100 employees in the consumer finance business (AIFUL, TRYTO, Wide, TCM, and Passkey)
- 2) 200 employees in the small business loan business (City's)
- 3) 100 employees in the shopping loan (*shinpan*) and credit card business (LIFE)  
(Number of regular employees as of December 31, 2006—consumer finance business: 4,176; small business loan business: 708; shopping loan and credit card business: 1,953)

#### (2) Eligible employees

- 1) Consumer finance business: Regular employees aged 40 years and older with three or more consecutive years of employment as of March 31, 2007
- 2) Small business loan business: Regular employees aged 35 and older as of March 31, 2007
- 3) Shopping loan and credit card business: Regular management-level employees aged 45 years and older with 15 or more consecutive years of employment as of March 31, 2007

#### (3) Voluntary retirement period

- 1) Consumer finance business: February 5, 2007 to February 16, 2007
- 2) Small business loan business: February 5, 2007 to February 16, 2007
- 3) Shopping loan and credit card business: March 5, 2007 to March 20, 2007

#### (4) Retirement date

- 1) Consumer finance business: March 31, 2007
- 2) Small business loan business: March 31, 2007
- 3) Shopping loan and credit card business: May 31, 2007

#### (5) Incentive: Payment of special retirement allowance

#### (6) Reemployment support: Provision of reemployment support through a specialized reemployment support company for those employees who desire support

### 3. Other

Regular employees at outlets affected by the planned consolidation can request reassignment to a managerial position or transfer to another location, but for employees who wish to retire as a result of being unable to transfer to another job or for other reasons, the company will provide an incentive in the form of payment of a special retirement allowance as well as provision of reemployment support.

### 4. Future outlook

The offering of voluntary retirement to 400 employees as planned, which, with outlet consolidation, could rise to a maximum of 600 retiring employees, could possibly result in a consolidated extraordinary loss of ¥5.3 billion due to the payment of one-time retirement allowances and other factors. The company will disclose the impact of this loss on earnings in fiscal 2007 when the information is available. Additionally, the company anticipates an annual reduction in personnel costs of ¥7.6 billion, including reductions from a decrease in the employment of temporary personnel, beginning in fiscal 2008.

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