

AIFUL Corporation

FOR IMMEDIATE RELEASE

February 13, 2008

AIFUL CORPORATION ANNOUNCES NEW EQUITY ISSUE AND CONVERTIBLE BOND OFFERING

TOKYO, JAPAN (February 13, 2008) – AIFUL Corporation (the “Company”) announced today that it intends to raise ¥120 billion, before expenses, through a new equity issuance to Mr. Yoshitaka Fukuda, President, CEO and Representative Director of the Company, and to Yamakatsu Co., Ltd., a company wholly owned by the relatives of Mr. Yoshitaka Fukuda, and an offering of subordinated zero coupon convertible bonds (*tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) (the “Convertible Bonds”). Leap Ltd., a special purpose company located in the Cayman Islands, will purchase the Convertible Bonds and hold the Convertible Bonds as security in connection with the issuance of exchangeable bonds (the “Exchangeable Bonds”) to Nomura Securities Co., Ltd. The Convertible Bonds do not fall into the definition of a “moving strike convertible bond”, or MSCB, as defined by the rules of the Tokyo Stock Exchange, the Osaka Securities Exchange or the Japan Securities Dealers Association.

On February 13, 2008, the Company resolved to issue to Mr. Yoshitaka Fukuda 10,180,000 Shares at a purchase price of ¥1,966 per Share, and to Yamakatsu Co., Ltd. 15,260,000 Shares at a purchase price of ¥1,966 per Share, each such issuance expected to occur on February 28, 2008.

The Convertible Bonds will be unsecured obligations of the Company and will be convertible into common shares of the Company (“Shares”) at any time during the period from, and including, March 10, 2008 up to, and including, February 26, 2010. In addition, no later than February 27, 2010, the Convertible Bonds will be subject to mandatory acquisition by the Company in exchange for Shares. The initial conversion price for the Convertible Bonds is ¥1,966 per Share, subject to certain adjustments and resets. See the Appendix hereto for a description of the reset events.

The Company intends to use the net proceeds from the sale of the Shares and the Convertible Bonds for working capital.

The Company aims to strengthen its equity position and increase its future financial flexibility through the issuance of Shares to Mr. Fukuda and Yamakatsu Co., Ltd and the offering of the Convertible Bonds.

The Shares issued to Mr. Yoshitaka Fukuda and Yamakatsu Co., Ltd., the Convertible Bonds issued by the Company, the Exchangeable Bonds issued by Leap Ltd., and the Shares underlying the Convertible Bonds and the Exchangeable Bonds have not been and, at the time of the offering, will not be registered under the U.S. Securities Act of 1933, or any state securities laws, and may not be offered or sold in the United States absent registration under, or an applicable exemption from, the registration requirements of the U.S. Securities Act of 1933 and applicable state securities laws.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the Shares, the Convertible Bonds or the Exchangeable Bonds, nor shall there be any sale of such Shares, Convertible Bonds or Exchangeable Bonds in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

AIFUL Corporation

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Appendix

The price at which Shares shall be acquired upon exercise of the stock acquisition rights (the “Conversion Price”) will be subject to reset on one or more occasions in the circumstances summarized below (for information purposes only):

- (i) from and including the trading day immediately following February 27, 2009 (unless such trading day falls within one of the periods of calculation specified below, in which case reset shall be made as described below);
- (ii) following any date on which the Company exercises its right to acquire the Convertible Bonds through delivery of Shares;
- (iii) following the occurrence of any bankruptcy event, corporate reorganization or civil rehabilitation (or any equivalent proceeding outside of Japan) with respect of the Company; and
- (iv) following (x) any date on which the Company announces that it will not take any action or measure to prevent a delisting of its Shares (where an event has occurred pursuant to which the Shares may potentially be delisted), or (y) any date on which it is announced by listing authorities that the listing of the Shares will be reallocated to either (A) *kanripost* (or any equivalent designation thereto) as a result of the liquidity ratio (*ryustu kabushiki hiritsu*) of the Shares falling below the level specified for listing rules, or (B) *seiripost* (or any equivalent designation thereto).

The Conversion Price will be reset in the above circumstances to 90% of an average price for the Shares as determined over a specified period of trading days (subject to a floor and cap on the reset amount).