



December 24, 2009

AIFUL Corporation

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Adoption of Consensual Business Revitalization Plan

As announced in our “Summary of Proposed Business Revitalization Plan” press release dated September 24, 2009, Aiful Corporation (“**Aiful**”) and certain of our subsidiaries¹ (collectively with our other subsidiaries, the “**Aiful Group**”) have been seeking to revitalize our businesses utilizing consensual business revitalization alternative dispute resolution procedures prescribed in the Act on Special Measures for Industrial Revitalization (the “**Business Revitalization Procedures**”). We now have completed the Business Revitalization Procedures in consultation with certain of our creditors (the “**Participating Creditors**”) and with the assistance and guidance of experts from the Japanese Association of Turnaround Professionals.

At the 3rd meeting for Participating Creditors held today in connection with our Business Revitalization Procedures, each of our Participating Creditors consented to adoption of our proposed business revitalization plan (the “**Business Revitalization Plan**”), and Business Revitalization Procedures were completed.

1. Completion of Business Revitalization Procedures

As previously announced, due to its financial difficulties, the Aiful Group has been aiming to revitalize its businesses utilizing Business Revitalization Procedures in order to obtain financial support and cooperation from the Participating Creditors through modification to repayment schedules for loan obligations held by such creditors and implement significant structural reforms designed to:

- achieve various business revitalization objectives and
- develop an efficient organizational structure in anticipation of full implementation of the amended MoneyLending Business Act.

Using the Business Revitalization Procedures, we formulated our Business Revitalization Plan in consultation with the Participating Creditors, starting with the introduction and explanation of our proposed Business Revitalization Plan at the the 1st meeting for Participating Creditors held on October 8, 2009 and continuing with the assistance and guidance of turnaround professionals selected and confirmed at such meeting.

At the 2nd meeting of Participating Creditors held on November 24, 2009 (and at its adjourned meeting held on December 1, 2009), we further explained our proposed Business Revitalization Plan developed in light of comments made by certain Participating Creditors. We also requested financial assistance and cooperation from the Participating Creditors in the manner described in the plan.

At the 3rd meeting for Participating Creditors held today, each Participating Creditor consented

¹ LIFE Co., LTD. (“LIFE”), MARUTOH CO., LTD. (“MARUTOH”), and City’s Corporation (“City’s”).

to our Business Revitalization Plan, including the specific terms of financial assistance and cooperation contained in the plan. As such, our Business Revitalization Plan was formally adopted at the meeting and, as a result, our Business Revitalization Procedures are completed. The Aiful Group expects to receive financial assistance and cooperation from Participating Creditors in the manner described below.

2. *Agreed Financial Assistance and Cooperation by Participating Creditors*

(a) Description of the Relevant Credit Obligations (As of December 24, 2009)

- | | | |
|--------------------------------------------------------------------------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Participating Creditors | Total | 65 financial institutions |
| | Aiful | 49 financial institutions |
| | LIFE | 28 financial institutions |
| | MARUTOH | 1 financial institution |
| | City's | 1 financial institution |
| | | <i>(Note: Some of the financial institutions overlap)</i> |
| 2. Types of Credit | Aiful | Loans |
| | LIFE | Loans |
| | | <i>(Note: Aiful and Life do not have subordinated borrowings. None of the relevant credit obligations are subordinated to or have priority over any other relevant credit obligations or subordinated to other unsecured credit obligations. All relevant credit obligations are bilateral loans, and there is no syndicated loan.)</i> |
| | MARUTOH | Joint and several guaranteed credit |
| | City's | Joint and several guaranteed credit |
| 3. Loan and Guarantee Amounts -- Yen 279,100 million (on a consolidated basis) | | |

Aiful	Yen 195,200 million
LIFE	Yen 83,900 million

(Note: Amounts attributable to MARUTOH and City's are not separately listed as they are guaranteed credits included in the Aiful total)

(b) Rescheduling

With regard to the loan obligations included among the relevant credit obligations in the Business Revitalization Plan as described above, the maturity dates for the principal of such loan obligations have been deferred, and the repayment schedules have been changed with the consent of all Participating Creditors pursuant to the resolution at the 3rd meeting for Participating Creditors, the main content of which will be to maintain the balance until September 29, 2010 and make payments on September 30, 2010, June 10, 2011, June 10, 2012, June 10, 2013 and June 10, 2014 with Yen 10,000 million being the aggregate repayment amount for the payment on September 30, 2010 and Yen 16,500 million being the aggregate repayment amount on each of the other payment dates.

In addition, with regard to the debts remaining after the end of 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.

(c) Granting of Security

In accordance with the Business Revitalization Plan, Aiful will enter into a collateral assignment

(*jouto tanpo*) of Aiful's loan receivable assets in favor of the Participating Creditors in order to obtain the Participating Creditors' consensus and understanding in light of different treatment between credit obligations in the Business Revitalization Plan and Aiful's bonds. The collateral assignment will be granted for the benefit of Participating Creditors only, and will be granted in addition to any existing security interests in favor of certain Participating Creditors granted prior to the commencement of the Business Revitalization Procedures.

(d) *Monitoring*

During the term of the Business Revitalization Plan, the implementation of the plan will be monitored through periodic creditor meetings consisting of all Participating Creditors and monitoring meetings consisting of certain Participating Creditors.

(e) *Other*

The Business Revitalization Plan does not include debt forgiveness or debt-for-equity swaps among the terms of financial assistance and cooperation.

3. *Basic Policy of the Business Restructuring*

A number of factors have led the Aiful Group to adopt and maintain a policy of reducing asset size and business scale to a level commensurate with the current availability of financing, including challenging financing conditions, the anticipated effects of full implementation of the amended Moneylending Business Act and a generally adverse operating environment for Japanese consumer finance businesses.

The Aiful Group expects to refocus management resources for consumer finance businesses operating under the "Aiful" brand and consumer credit businesses operating under the "LIFE" brand. In making these changes, we expect to enhance our consumer finance business by taking fuller advantage of the "Aiful" brand and enhance our consumer credit business through broader use of the "LIFE" brand.

The Aiful Group expects to adopt important business rationalization and cost-saving policies through consolidation of sales branches, contact centers and corporate staff divisions to achieve an overall cost structure better adapted to our core business segments and commensurate with our plan to reduce our asset size and business scale.

(a) *Consolidation of Network of Sales Branches*

The Aiful Group expects to consolidate its network of sales branches operated by various group companies in order to achieve a cost structure commensurate with the overall reduction in asset size and business scale.

Aiful is planning to scale back its 96 staffed branches and 819 unstaffed branches (as of September 30, 2009) to 28 staffed branches and 647 unstaffed branches (as of January 2010). LIFE will close all 11 of its LIFE branch offices and reduce its 15 LIFE Card branches to two, thereby reducing branch maintenance costs.

(b) *Consolidation of Contact Centers, Credit Management and Collection Divisions*

In order to streamline the Aiful Group's system of contact centers, the inbound functions currently assigned to both Aiful's West contact center (*Kusatsu-shi, Shiga*) and East contact center (*Tama-shi, Tokyo*) will be integrated into the West contact center from January 2010. The Aiful Group also plans a similar consolidation for LIFE's customer centers.

The Aiful Group also plans to reorganize and consolidate the functions and hubs of the various separate credit management and collection divisions functioning within group companies and located throughout the western and eastern regions.

(c) Consolidation of Head Office Operations and Back Office Divisions

The Aiful Group plans to consolidate head office operations and back office divisions (cutting back corporate staff divisions) within the separate group companies and in conjunction with consolidation of duplicate head office and back office functions among different group companies.

At this stage of our organizational reforms, we intend to close one head office, 11 departments and 86 divisions as of January 1, 2010, including the closure of the networks of sales branches mentioned above.

** Note: For further information please see our “AIFUL Announces Organizational Changes, Changes in Responsibilities of Executive Officers and Personnel Changes” press release dated December 21, 2009 (in Japanese).*

(d) Personnel Reductions

In accordance with our plans to reduce business scale and consolidate our organizations, the Aiful Group will implement significant personnel reductions and seek to meaningfully reduce its overall personnel costs.

Aiful and LIFE have offered voluntary retirement to a combined total of approximately 2,000 employees and to date have accepted retirement applications from 1,365 employees and 730 employees, respectively (2,095 employees in total).

Based on the foregoing and other related actions, Aiful Group expects to reduce its overall number of permanent employees from approximately 4,300 employees as of September 30, 2009 to approximately 2,200 employees, with a target reduction in the range of 13 billion yen in total Aiful Group personnel costs by the fiscal year ending March 31, 2011.

** Note: For further information please see our “AIFUL Announces Results of Voluntary Retirement Offer” press release dated today (in Japanese).*

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Aiful Group expects to do our utmost to measure up to the support and expectations of all interested parties, including Participating Creditors, shareholders, business partners and customers, by consistently implementing our adopted Business Revitalization Plan. We regret the considerable inconvenience and concern caused to interested parties and look forward to your continued understanding and cooperation as we engage in business revitalization of the Aiful Group.