AIFUL Corporation
Press Release

AIFUL Announces Revisions to Earnings and Dividend Forecasts

KYOTO, September 24, 2009 — At a meeting of its board of directors held on September 24, 2009, AIFUL Corporation ("AIFUL") made the revisions detailed below to the earnings and dividend forecasts for the year ending in March 2010 originally published when the company released its business results on May 12, 2009.

1. Revisions to Earnings Forecasts for the Year Ending March 2010

As in today's press releases entitled "Summary of Proposed Business Revitalization Plan" and "AIFUL Offers Voluntary Retirement to Employees," the AIFUL Group is pursuing consensual business revitalization based on the special certified alternative dispute resolution procedures prescribed in the Act on Special Measures for Industrial Revitalization ("Business Revitalization ADR Procedures"). This process is intended to establish a sound earnings structure and a radical improvement of financial position with the goal of revitalizing and strengthening the group's business in the future. While requesting financial support and cooperation from certain of its financial institution creditors, which will take the form of modification of repayment schedules, AIFUL will implement radical structural reforms to include the consolidation of group company head office functions and back office divisions as well as personnel reductions as the company moves forward with the reform of its organizational structures ahead of the full enforcement of the revised Money Lending Business Law.

As the company announced on August 24 this year, AIFUL has sold four consumer credit subsidiaries (Wide Corporation, TRYTO Corporation, TCM Co., Ltd., and Passkey Co., Ltd.,) along with the loans to those subsidiaries. In addition, under the proposed Business Revitalization Plan based on the Business Revitalization ADR Procedures, the company will implement such measures as a transfer to allowances related to interest repayments and the recording of an allowance for corporate structural reform related to organizational restructuring aimed at strengthening the earnings structure with the intention of revitalizing and strengthening business. Earnings forecasts for the year ending March 2010 have been revised as below.

Revised Consolidated Earnings Forecast for the First Half of the Fiscal Year Ending March 2010 (April 1, 2009 – September 30, 2009)

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share
Previous forecast (A)	122,272	6,037	6,026	4,921	20.66
Revised forecast (B)	122,000	(272,000)	(272,000)	(298,000)	(1,250.06)
Amount of change (B-A)	(272)	(278,037)	(278,026)	(302.921)	
Percentage change (%)	(0.2%)	—	—	—	
Reference: Earnings for first half of previous year (First half of fiscal year ended March 2009)	165,685	7,962	9,054	7,171	42.94

Revised Consolidated Earnings Forecast for the Fiscal Year Ending March 2010 (April 1, 2009 – March 31, 2010)

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share
Previous forecast (A)	226,382	10,633	10,677	8,115	34.07
Revised forecast (B)	217,000	(286,000)	(285,000)	(311,000)	(1,305.05)
Amount of change (B-A)	(9,382)	(296,633)	(295,677)	(319,115)	
Percentage change (%)	(4.1%)	—	—	—	
Reference: Earnings for previous fiscal year (Fiscal year ended March 2009)	312,241	7,441	8,608	4,247	24.77

Revised Non-consolidated Earnings Forecast for the First Half of the Fiscal Year Ending March 2010 (April 1, 2009 – September 30, 2009)

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share
Previous forecast (A)	68,657	1,614	4,151	4,445	18.66
Revised forecast (B)	69,000	(262,000)	(259,000)	(286,000)	(1,199.27)
Amount of change (B-A)	343	(263,614)	(263,151)	(290,445)	
Percentage change (%)	0.5%	—	—	—	
Reference: Earnings for first half of previous year (First half of fiscal year ended March 2009)	94,122	1,579	4,739	7,609	45.56

Revised Non-consolidated Earnings Forecast for the Fiscal Year Ending March 2010 (April 1, 2009 – March 31, 2010)

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share
Previous forecast (A)	125,928	3,015	8,200	8,033	33.72
Revised forecast (B)	123,000	(261,000)	(256,000)	(284,000)	(1,192.97)
Amount of change (B-A)	(2,928)	(264,015)	(264,200)	(292,033)	
Percentage change (%)	(2.3%)	—	—	—	
Reference: Earnings for previous fiscal year (Fiscal year ended March 2009)	177,216	(2,805)	2,807	9,657	56.31

2. Reasons for Revision of Earning Forecasts

(1) Reasons for Revision of Non-consolidated Earnings Forecasts
In view of the continuing high level of interest repayments and the current economic sentiment, AIFUL recorded 182.0 billion yen in allowance for losses on interest repayments and 84.0 billion yen in allowance for bad debts (including 48.0 billion yen as losses of principal related to interest repayments) during the second quarter. As a result, operating expenses are expected to rise approximately 266.0 billion yen compared to initial projections.

Moreover, AIFUL expects to record approximately 24.0 billion yen in extraordinary losses, which includes expenses related to structural business reform based on the press releases dated today entitled “Summary of Proposed Business Revitalization Plan” and “AIFUL Offers Voluntary Retirement to Employees” and losses on the transfer of loans to subsidiaries related to the sale of the four consumer finance subsidiaries (Wide Corporation, TRYTO Corporation, TCM Co., Ltd., and Passkey Co., Ltd.,) announced on August 24, in addition to losses on shares in the subsidiaries and an allowance for loans to the subsidiaries.

As a result, the company expects to record a first-half operating loss of 262.0 billion yen and an ordinary loss of 259.0 billion yen with a net loss of 286.0 billion yen. For the full year, the company expects to record an operating loss of 261.0 billion yen and an ordinary loss of 256.0 billion yen with a net loss of 284.0 billion yen.

(2) Reasons for Revision of Consolidated Earnings Forecasts
Operating revenue for the full year is expected to decline by approximately 9.3 billion yen compared to initial projections. This is mainly due to the fall in interest income as a result of stringent screening of borrowers and the sale of four consumer credit subsidiaries on September 30, 2009.

Moreover, as with the revisions to the non-consolidated earnings forecasts, operating expenses are expected to rise by approximately 278.0 billion yen compared to initial projections due to such factors as the 190.0 billion yen allowance for losses on interest repayments and 92.0 billion yen (includes 53.0 billion yen in principal losses related to interest repayments) allowance for bad debts on a consolidated basis. In addition, the AIUL Group expects to record about 22.0 billion yen in extraordinary losses, which includes losses on the transfer of loans to subsidiaries related to the sale of the four consumer finance subsidiaries as well as expenses related to structural business reforms.

As a result, the company expects to record a first-half operating loss of 272.0 billion yen and an ordinary loss of 272.0 billion with a net loss of 298.0 billion yen on a consolidated basis. For the full year, the company expects to record an operating loss of 286.0 billion yen and an ordinary loss of 285.0 billion yen with a net loss of 311.0 billion yen.

3. Revision to Dividend Forecast

(1) Revisions to Dividend Forecast Amounts for Fiscal Year Ending March 2010 (April 1, 2009 – March 31, 2010)

	Dividend per share		
Date of record	End of second quarter (interim)	End of fiscal year	Full year
Previous forecast (Announced May 12, 2009)	5.00	5.00	10.00
Revised forecast	0.00	0.00	0.00
Actual dividend for current period	0.00	—	—
Actual dividend for the previous fiscal year (Year ended March 2009)	10.00	5.00	15.00

(2) Reasons for Revision of Dividend Forecasts
As in today's press release entitled "Summary of Proposed Business Revitalization Plan," AIFUL has applied for Business Revitalization ADR procedures in order to establish a solid earnings structure and radically improve the company's financial structure, with the intention of revitalizing and strengthening the business in the future. Further, the Japanese Association of Turnaround Professionals (JATP) has officially accepted the application. Under the Business Revitalization ADR Procedures, AIFUL will meet with all of its partner financial institutions and will formulate a proposed Business Revitalization Plan. At the meetings with creditors, AIFUL will do its utmost to obtain the creditor financial institutions' agreement to the revitalization plan. AIFUL will regretfully suspended the payment of the interim and end of fiscal year dividends for the year ending March 2010. The company would like to request the understanding and assistance of all shareholders during this business revitalization of the AIFUL Group.

The above earnings forecasts are forward looking statements based on information available at the time they were determined and include a variety of indeterminate factors. Actual earnings may differ from the forecast values due to a variety of factors.

AIFUL Corporation

Headquarters:	381-1 Takasago-cho, Gojo-Agaru, Karasuma-Dori, Shimogyo-ku, Kyoto
President:	Yoshitaka Fukuda
Stock code:	8515
Exchanges:	TSE 1st Section; OSE 1st Section
Fiscal year:	Ending March 31
Inquiries:	Katsuyuki Komiya, General Manager, Public Relations Department
Telephone:	(03) 4503-6050 (Public Relations) (03) 4503-6100 (Investor Relations)