

AIFUL Corporation

Press Release

April 19, 2013

AIFUL Announces Earnings Forecast

AIFUL Corporation hereby announces its full fiscal year earnings forecast for the fiscal year 2012, which it had left undetermined in “Consolidated Business Results for the Fiscal Year Ended in March 31, 2012” published on May 15, 2012. Details are as follows.

1. Consolidated Earnings Forecast for the Fiscal Year Ended March 31, 2013 (April 1, 2012- March 31, 2013)

	Operating Revenue (million yen)	Operating Income (million yen)	Ordinary Income (million yen)	Net Income (million yen)	Net Income Per Share (yen)
Previous Forecast (A) (announced on May 15, 2012)	-	-	-	-	-
Revised Forecast (B)	99,600	15,200	18,200	23,200	96.47
Amount of change (B-A)	-	-	-	-	-
Percentage Change (%)	-	-	-	-	-
Reference: Earnings for previous FY ended in March 31, 2012	114,002	16,497	16,831	17,391	72.49

2. Reason for Announcement and Qualitative Information Regarding Consolidated Earnings Forecast

AIFUL Corporation had left its earnings forecast for the fiscal year 2012 (April 1, 2012 – March 31, 2013) undetermined due to uncertain business environment given the unpredictable trend towards claims for interest repayment, also to restrictions on total lending limits under the Money Lending Business Act and reductions in maximum interest rates, which made it difficult to reasonably estimate earnings projections. Recognizing its ability to now reasonably estimate earnings projections, the Company announces its full year fiscal earnings forecast briefly as follows.

In its consolidated earnings forecast for the fiscal year 2012, the Company expects operating revenue to decrease to 99.6 billion yen, mainly reflecting a reduction in interest income associated with the decline in loans to customers.

On the operating expense front, provision for doubtful accounts are expected to decrease due to the improvement in quality of loan portfolio and so as general administrative expenses which includes personnel expense. On the other hand, the company has decided to post 17.2 billion yen provision for loss on interest repayments for the forth quarter, which has been the most important management issue, due to the continuing uncertainty such as slow down in the decrease of claims for interest repayments. As a result, operating income is expected to be 15.2 billion yen.

In addition, the Company expects 6 billion yen extraordinary income, including a gain on loan extinguishment corresponding to the Business Revitalization Plan, and net income is expected to amount to 23.2 billion yen.

The forecasts provided above are based on information that was available as of the date of this announcement. Actual earnings may differ from this forecast due to various factors.