

April 30, 2004

AIFUL Concludes Sponsor Agreement with TCM Corporation

KYOTO — AIFUL Corporation has announced that it has formally concluded a sponsor agreement with the administrator of TCM Corporation, attorney Fujiaki Mimura. The details are outlined below. As its sponsor, AIFUL will extend the support TCM needs to reorganize during the bankruptcy proceedings it is currently undergoing.

(Note: AIFUL is referred to as the “sponsor” for its role in supporting TCM in its bankruptcy proceedings.)

Outline of Sponsor Agreement

1. Objective of Sponsor Agreement

The objective of the agreement is to reorganize TCM in accordance with the rehabilitation plan established in its bankruptcy proceedings and to enable the continued operation of its business.

2. Basic Policy for TCM’s Reorganization

After the decision to start bankruptcy proceedings has been made, the sponsor will reinforce TCM’s revenue structure to ensure TCM’s viability as a going concern. This will be done in cooperation with the legal administrator and other relevant parties and in accordance with the stipulations made at the discretion of TCM’s business administrator, who is dispatched by the sponsor. The sponsor will also provide TCM with additional capital and other necessary support in a rational manner for the purpose of maximizing profits for TCM and thus its creditors.

3. Support provided by sponsor

- (1) Provision of capital
- (2) Dispatch of business administrator and others
- (3) Cooperation in drafting and carrying out rehabilitation plan

AIFUL’s View as Sponsor

In its efforts to become a comprehensive retail financial services company, AIFUL’s business strategy has called for the expansion of its sales foundation through M&As. In becoming TCM’s sponsor and bringing the company into the AIFUL Group, AIFUL aims to further expand the profit foundation and sales foundation of the Group overall.

Schedule

Late October 2004: Rehabilitation plan submitted to court

Late December 2004: Relevant parties assemble to approve the rehabilitation plan

Early February 2005: Proceedings involved in business transfer are initiated, based on the rehabilitation plan, and bankruptcy proceedings are concluded (tentative)

AIFUL will do everything in its power to ensure the early rehabilitation of TCM. We ask for the continued understanding and support of all those involved.

Profile of TCM

(1) Name	TCM Corporation		
(2) Headquarters	1-17-10 Nakagosho, Nagano-shi, Nagano Prefecture		
(3) President	Hitoshi Tanaka		
(4) Establishment	July 1977		
(5) Capital	564,000,000 yen		
(6) Major shareholders	Name		Shareholdings
	Hitoshi Tanaka		1,070,400
	Noboru Tanaka		48,000
	Sayoko Tanaka		4,800
	Yukie Tanaka		4,800
(7) Business	Consumer finance		
(8) Office	26 branches (9 staffed branches, 17 unstaffed branches)		
(9) Number of employees	71 (47 men, 24 women)		
(10) Major lenders	Lender		Loan balance (1,000 yen)
	Aozora Bank		5,692,000
	Shinki		2,980,000
	TCM Funding Corporation		6,000,000
(11) Business results and financial status	Fiscal year ended June 2003		Fiscal year ended June 2002
	Loans outstanding	(Unit: million yen)	12,599
Ordinary income	(Unit: million yen)	166	53
Net income	(Unit: million yen)	78	19
Capital adequacy ratio	(Unit: %)	3.25	1.87

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: Kenichi Kayama, General Manager, Public Relations Department

Telephone: (03) 3274-3560 (Public Relations)

(03) 3274-4561 (Investor Relations)

Fax: (03) 3274-4581