

June 17, 2022

**Notice Regarding Formulation of the AIFUL Group's  
2-Year Medium-Term Management Plan**

AIFUL Corporation (President and CEO: Mitsuhide Fukuda; hereinafter, “the Company”) hereby announces that it has formulated 2-year medium-term management plan until fiscal year ending March 2024, as follows.

1. Management Indicators to Target

The AIFUL Group's mission is to contribute to the economy and society by supporting our customers' sound consumption and business activities based on our management philosophy of "Earn the trust of society through corporate activity based in integrity," and the Company aim to “grow as an IT financial group by reforming organization and systems in response to changes in the business environment and utilizing digital technologies.

With the aim of enhancing corporate value, the AIFUL Group sets Return on assets (ROA) and Return on equity (ROE) as key indicators from the perspectives of profitability and efficiency, while improving the equity ratio, as an indicator of reliability.

Indicators of Reliability, Profitability, and Growth

Reliability	Shareholders' Equity Ratio	20%
Profitability	ROE	more than 10%
	ROA	more than 2%
Growth Potential	Operating Assets	10% growth per annum

2. Management Theme and Priority Measures

The Company has set "Go (new) Standard -Deepening Customer Orientation-" as management theme in the 2-year medium-term management plan. In order to realize this management theme, the Company will focus on "diversification of business portfolio" through business diversification and strengthening overseas businesses, etc., and "utilization of digital technologies," such as IT technology analysis and in-house production of systems.

Management Theme	Go (new) Standard ~Deepening Customer Orientation~
Priority Measures	Priority Measures and Guidelines for the Next 10 Years -Building a Foundation for the IT Finance Group.
	(1) Design & Create
	(2) Data Driven
	(3) Digital Innovation

## Management Theme

# Go (new) Standard.

~ Deepening Customer Orientation ~

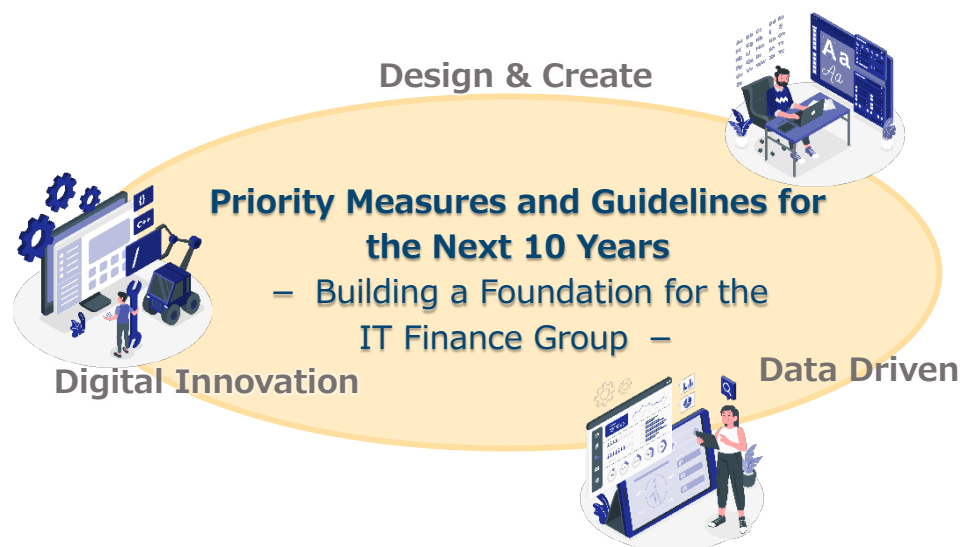


The Company believes that in the next two years, rather than making major changes to the company, it is necessary to "return to standard (normal)" based on a customer-centric approach to what it has not been able to do so far, and to the systems and structures that it has not been able to implement.

The current management theme [Go(new) Standard] is meaning to "return to normal." The "Go (new) Standard" means that "normal" is a new standard for the Company. AIFUL Group's management theme is to promote customer-centricity to survive in the digital business era and to regain the social standard.

## Priority Measures

In pursuing its business strategy under the theme of "Go(new) Standard -Deepening Customer Orientation-" the Company has defined the following 3 priority measures in this 2-year medium-term management plan.



### (1) Design & Create

- Expansion of services from the customer's perspective and utilization of the AIFUL brand
- Aggressive M&A and business portfolio diversification
- Improving Employee Engagement through Review of the Personnel System and Reform of Employee Awareness

### (2) Data Driven

- Maximize creditworthiness by improving data analysis capabilities and pursue high LTV customers
- Promote profit structure reforms by maximizing revenues and minimizing expenses

### (3) Digital Innovation

- Improve productivity by improving IT literacy and promoting digitization of operations
- Maximize advertising efficiency by utilizing digital technology

### 3. Consolidated Business Performance Target

#### Consolidated Total Receivables (Including off-balance)

(¥ billion)	22/3	23/3 (E)	24/3 (E)
Total receivable outstanding	887	995	1,120
Loans outstanding	582	635	697
Installment receivables	116	143	163
Guarantee	172	203	244

#### Consolidated Key Profit Figures (On-balance)

(¥ billion)	22/3	23/3 (E)	24/3 (E)
Operating revenue	132	142	157
Interest on operating loans	76	82	91
<u>Revenue from the credit card business</u>	<u>18</u>	19	21
Revenue from credit guarantee	15	16	18
Operating profit	11	23	28
Ordinary profit	12	24	28
ROA (%)	1.4	2.4	2.4
ROE (%)	8.2	13.0	12.4

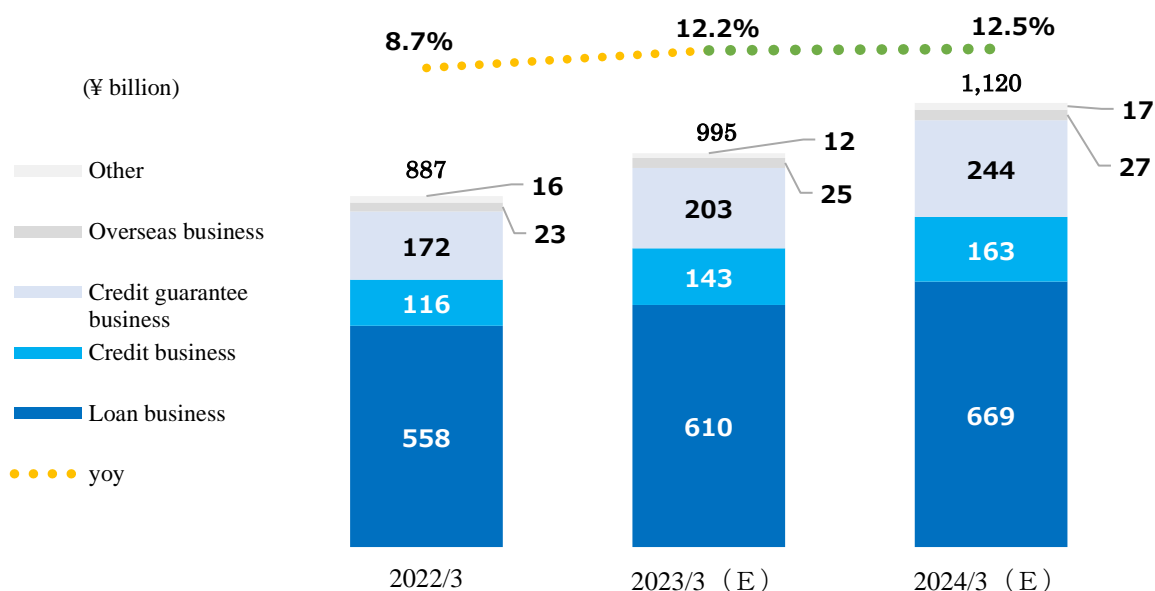
\*The corrections are underlined.

#### 4. Business Portfolio

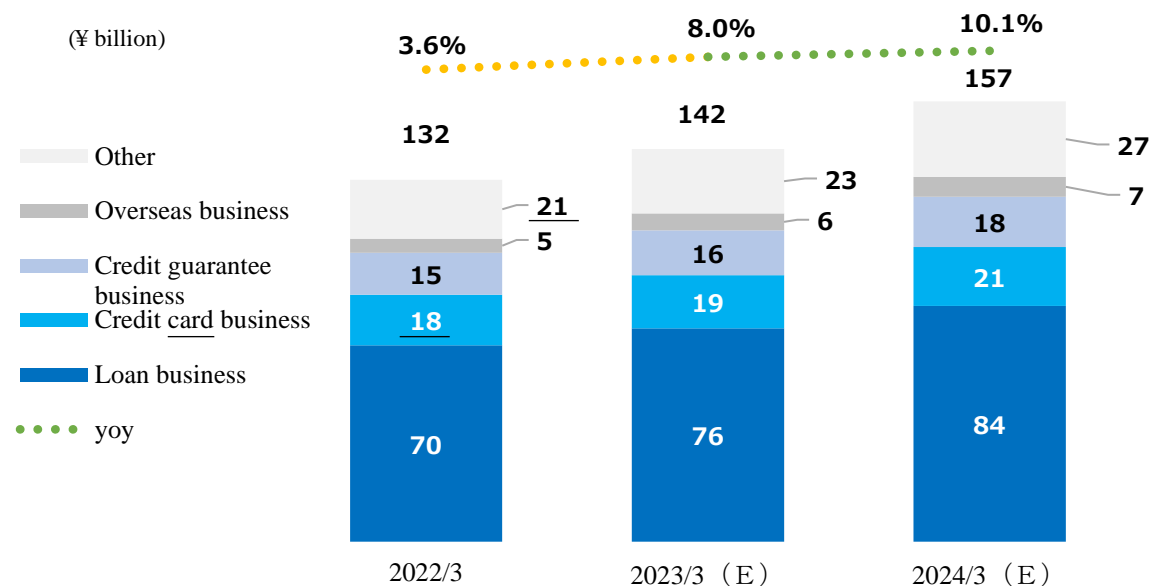
##### Approach to Business Portfolio

As a goal to secure stable earnings independent of the loan business, the Company aims to diversify its financial business by strengthening its fee business such as guarantee business and credit business.

##### Total Receivable Outstanding



##### Operating Revenue



\*The corrections are underlined.