

February 9, 2024

Notice of Revisions to Financial Results Forecast

AIFUL CORPORATION (hereinafter, “the Company”) hereby announces revisions to its forecast for consolidated and non-consolidated financial results for the fiscal year ending March 31, 2024 announced on May 11, 2023 as detailed below.

1. Revisions to the Earnings Forecast for the fiscal year ending March 31, 2024

(April 1, 2023- March 31, 2024)

i. Consolidated

(Millions of yen)

| | Operating revenue | Operating profit | Ordinary profit | Profit attributable to owners of parent | Basic earnings per share (yen) |
|---|-------------------|------------------|-----------------|---|--------------------------------|
| Previous Forecast (A) | 161,200 | 25,200 | 25,500 | 22,600 | 46.72 |
| Revised Forecast (B) | 163,900 | 21,500 | 21,700 | 20,400 | 42.17 |
| Amount of change (B-A) | 2,700 | (3,700) | (3,800) | (2,200) | - |
| Percentage change (%) | 1.7 | (14.7) | (14.9) | (9.7) | - |
| Reference: Earnings for previous FY ended in March 31, 2023 | 144,152 | 23,724 | 24,428 | 22,343 | 46.19 |

ii. Non-Consolidated

(Millions of yen)

| | Operating revenue | Operating profit | Ordinary profit | Profit | Basic earnings per share (yen) |
|---|-------------------|------------------|-----------------|--------|--------------------------------|
| Previous Forecast (A) | 99,100 | 21,500 | 23,800 | 22,200 | 45.90 |
| Revised Forecast (B) | 101,500 | 21,200 | 23,400 | 21,500 | 44.44 |
| Amount of change (B-A) | 2,400 | (300) | (400) | (700) | - |
| Percentage change (%) | 2.4 | (1.4) | (1.7) | (3.2) | - |
| Reference: Earnings for previous FY ended in March 31, 2023 | 88,449 | 19,127 | 32,213 | 31,028 | 64.15 |

2. Reasons for the Revision

(Consolidated)

Operating revenue is expected to be 163.9 billion yen (up 2.7 billion yen from the previous forecast) due to an increase in interest on operating loans associating with operating loans expansion.

On the other hand, operating expenses are expected to be 142.4 billion yen (up 6.4 billion yen), mainly because of an increase in advertising expenses on the back of the strong performance on acquisition of new contracts in the loan business, as well as an increase in credit cost due to a recent increase in legal intervention claims and, deterioration in the circumstances of collection in the loan business for small- and medium-sized enterprises and the loan business in Thailand following the termination of the COVID-19 relief measures.

As a result, the Company expects to record operating profit of 21.5 billion yen (down 3.7 billion yen from the previous forecast), ordinary profit of 21.7 billion yen (down 3.8 billion yen), and profit attributable to owners of parent of 20.4 billion yen (down 2.2 billion yen).

(Non-Consolidated)

Operating revenue is expected to be 101.5 billion yen (up 2.4 billion yen from the previous forecast) due to an increase in interest on operating loans associating with operating loans expansion.

Operating expenses are expected to be 80.2 billion yen (up 2.6 billion yen), mainly because of an increase in advertising expenses on the back of the strong performance on acquisition of new contracts in the loan business, as well as an increase in credit cost due to a recent increase in legal intervention claims.

As a result, the Company expects to record operating profit of 21.2 billion yen (down 0.3 billion yen from the previous forecast), ordinary profit of 23.4 billion yen (down 0.4 billion yen), and profit of 21.5 billion yen (down 0.7 billion yen).

The earnings forecasts above are an outlook based on information available as of the date of announcement of this document, and final results may differ from the forecast values due to various factors such as the results of detailed examination in the future.