

# Top Message

## Summary of the last 10 years

In the last 10 years, the AIFUL Group has steered toward regrowth following the completion of the ADR process. Thanks to proactive investment in advertising, the Company's new accounts tripled from those in 2014, with significantly decreased interest repayment claims, which were the biggest management issue. The environment surrounding the Group has been improved drastically with higher credit ratings and expanding group companies.

In fiscal 2023, the Company maintained two-digit growth in the balance of operating receivables and top line through investment in advertising amid favorable market conditions, resulting in better mid-term profit levels.

## Medium-term Management Plan 2024

The AIFUL Group published the Medium-term Management Plan ending in fiscal 2026 in May 2024, which was formulated based on our performance and market conditions in fiscal 2023. It raises the Group's mid- and long-term vision including the growth scenario and capital policy, and the Company has started to take a path toward a new growth stage.



With the Medium-term Management Plan's theme "Try Harder - Toward a New Stage of Growth -," the Company will strive for higher profit levels through cost structure reform by reviewing human resource compositions and utilizing in-house engineers, as well as sustainable growth by investing into growth such as M&A.

## To our stakeholders

To realize the Group's long-term VISION "Transformation Towards an IT COMPANY- Aiming to Become a Company that Lasts 100 Years -," we will first make all-out efforts to achieve the Medium-term Management Plan, and improve corporate value.



September 2024  
Mitsuhide Fukuda  
President and CEO  
Representative Director

# Highlight



## Financial Highlight

Balance of operating receivables (billions of yen)

Fiscal 2022

Fiscal 2023

1,015.9 ▶ 1,178.9

Kept double-digit growth.

Operating revenue (billions of yen)

Fiscal 2022

Fiscal 2023

144.1 ▶ 163.1

Interest on operating loans95.4

Revenue from credit guarantee19.4

Revenue from installment sales26.2

Ordinary profit (billions of yen)

Fiscal 2022

Fiscal 2023

24.4 ▶ 22.0

Profit attributable to owners of parent (billions of yen)

Fiscal 2022

Fiscal 2023

22.3 ▶ 21.8

Financial indicators (%)

Fiscal 2022

Fiscal 2023

ROA

2.4

1.9

ROE

13.5

▶

11.7

Equity ratio

16.4

15.6

Credit Rating (JCR, R&I)

Fiscal 2022

Fiscal 2023

JCR

BBB+

▶

A-

R&I

BBB-

▶

BBB

## Non-Financial Highlight

<div>Ratio of employees who have taken paid holidays (%)</div> <div><div>Fiscal 2022</div><div>Fiscal 2023</div></div> <div>77.8 ▶ 74.3</div>	<div>Ratio of employees who have taken childcare leave (%)</div> <div><div>Fiscal 2022</div><div>Fiscal 2023</div></div> <div>68.7 ▶ 98.3</div>	<div>Ratio of male employees who have taken childcare leave (%)</div> <div><div>Fiscal 2022</div><div>Fiscal 2023</div></div> <div>63.6 ▶ 96.7</div>
<div>Ratio of full-time female employees (%)</div> <div><div>Fiscal 2022</div><div>Fiscal 2023</div></div> <div>27 ▶ 30</div>	<div>Ratio of females in recruiting full-time employees (%)</div> <div><div>Fiscal 2022</div><div>Fiscal 2023</div></div> <div>36 ▶ 43</div>	<div>Number of non-Japanese employees (including those recruited outside Japan) (persons)</div> <div><div>Fiscal 2022</div><div>Fiscal 2023</div></div> <div>928人 ▶ 993人</div>

# History of value creation



# Initiatives to Create Corporate Value

External environment

- Climate change
- Response to environmental burden
- Declining population and working population in Japan
- Wave of innovation of digital technologies
- Spread of cashless settlement methods
- Economic growth of ASEAN countries

Capital

Financial capital	Human capital	Manufacturing capital	Intellectual capital	Social capital
Balance of operating receivables: 1,178.9 billion yen (up 16% year-on-year)  Equity capital: 197.9 billion yen (up 12% year-on-year)	Employees (consolidated): 3,716  IT personnel: 247	Real: <ul style="list-style-type: none"><li>- Branches</li><li>- Unmanned stores</li><li>- Call center</li></ul> Web: <ul style="list-style-type: none"><li>- Apps</li><li>- Websites and application forms</li></ul>	<ul style="list-style-type: none"><li>- Ability to discern risks in the finance</li><li>- Promotion of digitalization and in-house production by adopting IT</li><li>- Ability of design and data analysis</li></ul>	<ul style="list-style-type: none"><li>- Wide-range customer bases for BtoC and BtoB businesses inside and outside Japan</li><li>- Business partners with a relationship of trust through business partnerships and collaboration</li><li>- Stakeholders in local communities through financial education and hackathons</li></ul>

Forte and features of AIFUL

Independence

Growth potential

Business diversification M&A

Adoption of IT and streamlining

Values we offer

Customers

We will provide customers in Japan and overseas with products and services that exceed their expectations.

Shareholders

We will achieve sustainable profit-growth, return profit to shareholders, and enhance corporate value.

Society

We will support SMEs and sole proprietors by offering financial services.

Employees

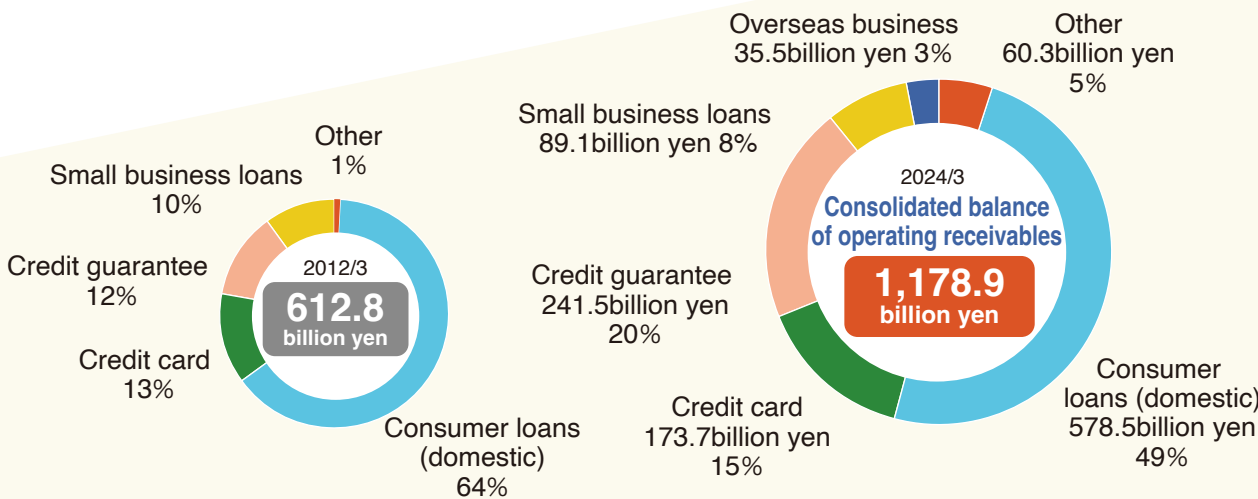
We will achieve a workplace in which employees can experience a purpose in life through their day-to-day work.

Our ideal society Earn the trust of society through corporate activity based in integrity

For Colorful Life.  
自分の色が輝く社会に

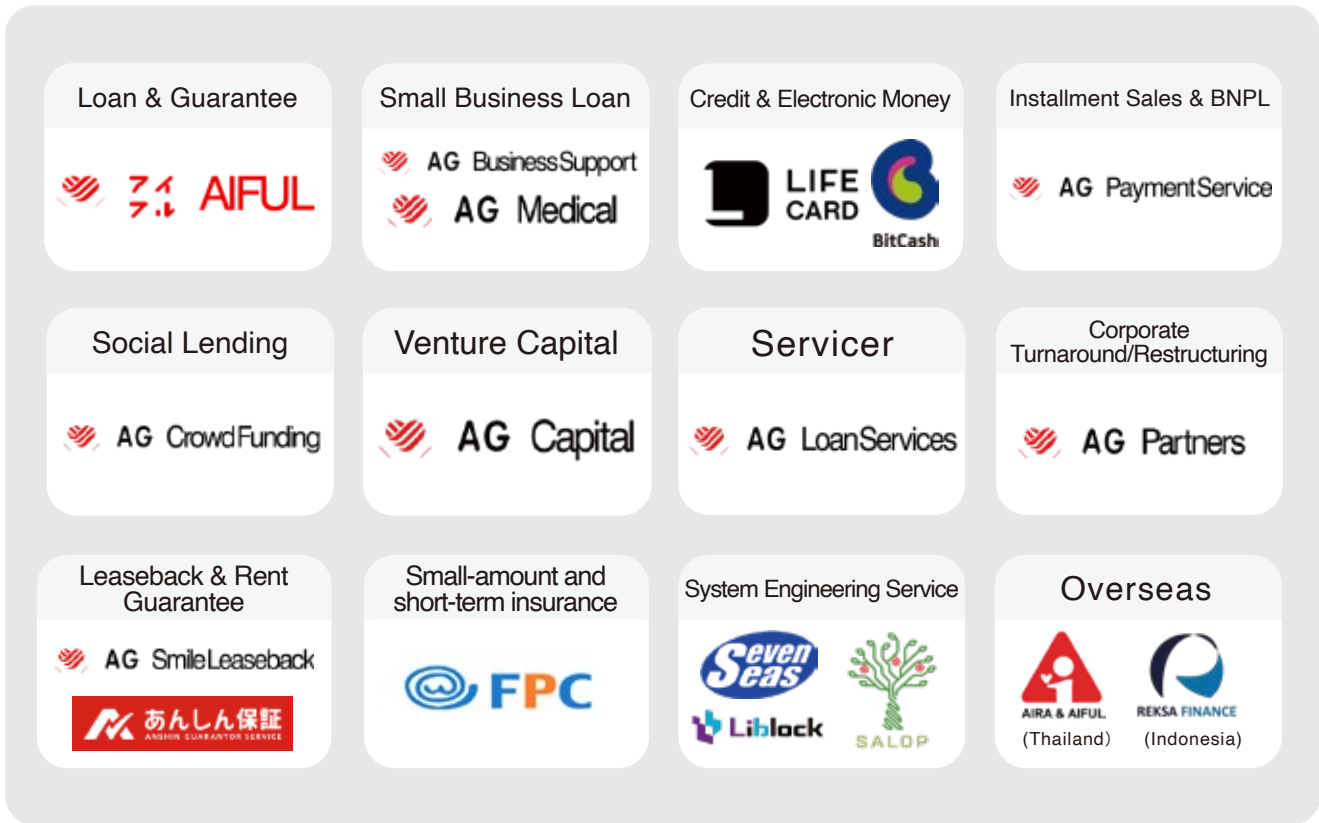
## Forte and Features of AIFUL

- Double-digit growth of the balance of operating receivables
- Diversification of our business portfolio with a wider variety of products and M&A
- Cost reduction through in-house production
- A wide array of products and sales organization of the AIFUL Group



Through business diversification, the ratio of the balance of operating receivables in the consumer loan business decreased to 49% in the past 12 years, and total balance of operating receivables reached 1,178.9 billion yen, or up 92%.

## AIFUL GROUP



# Our History

For  
Colorful  
Life.



1967

Yoshitaka Fukuda, current chairman, established a sole proprietorship as a consumer finance company (currently AIFUL CORPORATION).



1994

Opened current Contact Center.



2001

Established current AG BUSINESS SUPPORT Corporation (small business loan).

Converted current LIFECARD CO.,LTD. (credit card) into a 100% subsidiary.

Established current AG Loan Services Corporation (servicer).

2004

Converted current AG Capital (venture capital), into a 100% subsidiary.



2014

Commenced the business of current AG Payment Service (installment sales).

AIRA & AIFUL Public Company Limited (overseas business) was established in Thailand.

2023

Converted FPC Co., Ltd. (pet insurance), into a 100% subsidiary.

Converted Seven Seas Co., Ltd. and Liblock Inc. (SES), into 100% subsidiaries.



2020

Mitsuhide Fukuda, current president, was appointed as president.

Established current AG Medical Corporation (medical fee-type secured loans).



2024

Converted Salop Inc. (SES), into a 100% subsidiary.

Converted BitCash Inc. (prepaid electronic money), into a 100% subsidiary.

Published the Medium-term Management Plan 2024.

