

(Translation, information purpose)

AIFUL CORPORATION

Consolidated Earnings Report

All financial information has been prepared in accordance with generally accepted accounting principles in Japan. Amounts shown in this accounting report and in the attached material have been rounded down (not rounded off to the nearest unit) to the nearest unit. This document is an English translation of the Japanese-language original.

Interim FY 2002
(Ended September 30)

- Note : Forward Looking Statements -

The figures contained in this EARNINGS REPORT with respect to AIFUL's plans and strategies and other statements that are not historical facts are forward-looking statements about the future performance of AIFUL which are based on management's assumptions and beliefs in light of the information currently available to it and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various factors. Potential risks and uncertainties include, without limitation, general economic conditions in AIFUL's market, changes in the size of the overall market for consumer loans, the rate of default by customers, the level of interest rates paid on AIFUL's debt, and legal limits on interest rates charged by AIFUL. This EARNINGS REPORT does not constitute any offer of any securities for sale.

AIFUL Corporation (8515)

November 6, 2001

Financial Statements (Consolidated)

For the interim period ended September 30, 2001

AIFUL Corporation (8515)

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 Listing exchanges: Tokyo, Osaka
 Date of Board of Directors' meeting: November 6, 2001
 Interim dividend: Yes

1. Consolidated Business Results for the Interim Period Ended September 30, 2001

Note: All figures in these financial statements are rounded down to the nearest unit.

(1) Operating Results

	Millions of Yen – Except Per Share Data					
	Interim Period Ended September 30				FY-ended March 31,	
	2001		2000		2001	
Operating Revenue	191,584	40.9%	135,976	-	280,656	-
Operating Income	56,709	6.9	53,049	-	104,333	-
Ordinary Income	50,788	(2.1)	51,854	-	103,533	-
Net Income	24,987	1.0	24,737	-	48,252	-
Net Income per Share (yen)	288.56 yen		292.28 yen		569.32 yen	
Diluted Net Income per Share (yen)	-		-		-	

Notes:

- Losses/gains on investments accounted for with the equity method:

Interim period ended September 30, 2001:	-
Interim period ended September 30, 2000:	-
Fiscal year ended March 31, 2001:	-
- Average number of shares issued and outstanding throughout the period:

Interim period ended September 30, 2001:	86,594,530 shares
Interim period ended September 30, 2000:	86,635,342 shares
Fiscal year ended March 31, 2001:	84,755,313 share
- Changes in accounting policies: Percentages shown for net sales, operating income, ordinary income and net income represent year-on-year change.

(3) Financial Position

	Millions of Yen – Except Per Share Data		
	Interim Period Ended September 30		FY-ended March 31,
	2001	2000	2001
Total Assets	2,010,566	1,314,785	1,865,537
Shareholders' Equity	415,571	284,988	306,549
Shareholders Equity Ratio (%)	20.7%	21.7%	16.4%
Shareholders' Equity per Share (yen)	4,450.53 yen	3,357.71 yen	3,611.74 yen

Notes:

- Number of shares issued and outstanding at end of period:

Interim period ended September 30, 2001:	93,375,920 shares
Interim period ended September 30, 2000:	84,875,844 shares
Fiscal year ended March 31, 2001:	84,875,955 shares

(3) Cash Flow Situation

	Millions of Yen		
	Interim Period Ended September 30		FY-ended March 31,
	2001	2000	2001
Cash Used in Operating Activities	(172,725)	(45,995)	(97,559)
Cash Used in Investing Activities	(9,365)	(23,131)	(69,477)
Cash Used in Financing Activities	153,788	77,619	238,072
End-of-Period Balance of Cash and Cash Equivalents	125,126	90,893	153,435

(4) Matters Pertaining to Scope of Consolidation and Equity Method Accounting

Number of consolidated subsidiaries:	5
Non-consolidated subsidiaries accounted for with the equity method:	0
Affiliated companies accounted for with the equity method:	0

(5) Matters Pertaining to Changes in Scope of Consolidation and Equity Method Accounting

Number of companies entering scope of consolidation:	0
Number of companies leaving scope of consolidation:	0
Number of companies entering scope of equity method accounting:	0
Number of companies leaving scope of equity method accounting:	0

2. Consolidated Forecast for Fiscal Year Ending March 31, 2002

	Millions of Yen
	FY-ended March 31, 2002
Operating Revenue	400,987
Ordinary Income	114,698
Net Income	56,597

Note: Net income per share for the fiscal year ending March 31, 2002 is expected to amount to 629.02 yen.

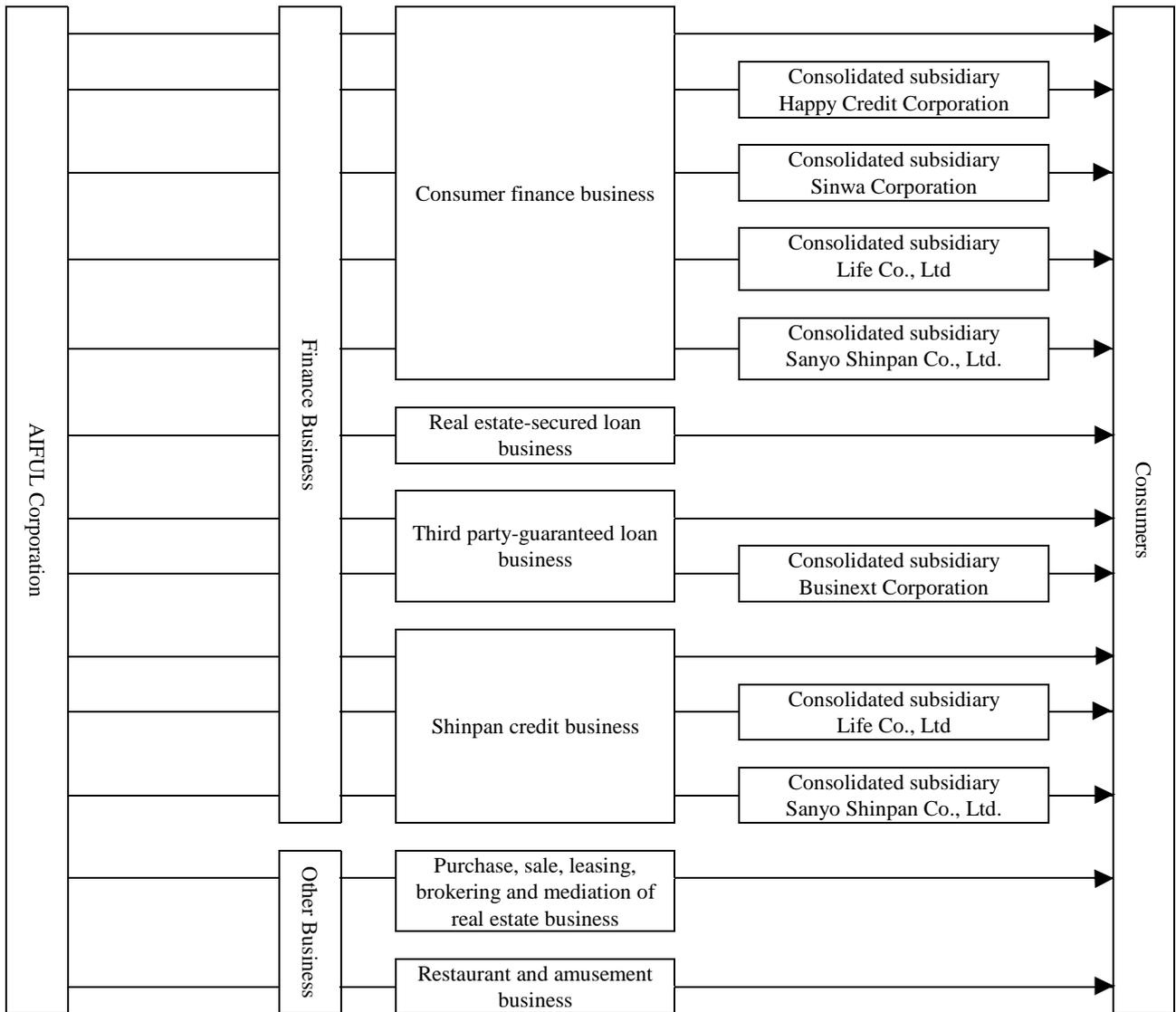
Supplementary Materials

1. State of the Group

The AIFUL Group is composed of AIFUL Corporation (hereafter referred to as AIFUL or the Company), five consolidated subsidiaries, five non-consolidated subsidiaries and two affiliated companies. The principal business of the Company is providing consumer finance services. The Company is also developing its secured loan business as well as conducting activities in businesses such as real estate-related financing.

Business Classification		AIFUL and Subsidiaries	Business Descriptions
Finance Business	Consumer finance business	AIFUL	These companies provide small-unsecured loans for consumers.
		Happy Credit Corporation	
		Sinwa Corporation	
		Life Co., Ltd	
		Sanyo Shinpan Co., Ltd.	
Real estate-secured loan business	AIFUL	The Company provides real estate-secured loans.	
Third party-guaranteed loan business	AIFUL	The Company lends to small businesses.	
	Businext Corporation		
Shinpan credit business	AIFUL	The Company offers card shopping, per-item shopping, loans and guarantees for consumers.	
	Life Co., Ltd		
	Sanyo Shinpan Co., Ltd.		
Other	Purchase, sale, leasing, brokering and mediation of real estate business	AIFUL	The Company buys, sells, leases, brokers and mediates real estate. The business has not been performed since March 31, 2001.
		Restaurant and amusement business	AIFUL

The organizational chart for the Company's businesses is as follows.



2. Management Policies

(1) Basic Management Policies

AIFUL's primary mission is to earn the support of the general public. The Company's efforts to expand and diversify its activities are a reflection of its basic stance to respond to the needs of its entire customer base.

Central to these efforts is AIFUL's continuous drive to increase customer convenience by making its services available to anybody, anywhere, anytime. At the same time, AIFUL aims to become a comprehensive financial services group which delivers both stability and creativity to a wide range of customers.

(2) Basic Policies on Profit Distribution

AIFUL's basic profit distribution policy aims to provide shareholders with a continuous return on their investments, based on careful considerations of business results and economic and financial factors. It is on the basis of this policy that AIFUL intends to attain the medium and long-term profit growth necessary to boost dividend payouts and corporate value.

AIFUL utilizes its retained earnings as a strategic resource for new business growth through a variety of alternatives such as reinvesting funds in loans and financing mergers and acquisitions. Activities such as these will ensure that the Company lives up to its shareholders' expectations.

(3) Medium to Long-Range Business Strategies

The Japanese consumer finance industry is currently worth some 67 trillion yen. Retail finance accounts for 16.4 trillion yen of this total, with consumer loans (excluding collateral loans on bank deposits and postal savings) accounting for 35.1 trillion yen. Consumer finance companies are evidencing particularly rapid growth in this market, with the total share of these companies rising from 9.0% in 1991 to 22.4% (7.9 trillion yen) in 1999.

AIFUL has a proud history of growing at a speed that outstrips the industry average. At the same time however, on the basis of in-company medium and long-term estimates, AIFUL has also adjusted its management strategies in line with the expected slowdown of its key markets in the future. These strategies are intimately linked with AIFUL's vision of becoming a comprehensive retail finance company, targeting not just the 7.9 trillion yen consumer finance market outlined above, but the 29.6 trillion yen retail finance market (excluding financial institutions). In order to make this vision a reality, every company within the AIFUL Group is working to enhance brand identities, derive new synergies and push for the efficient cultivation of previously untapped areas of potential. New strategies with regards to product diversification and attracting new customers are due to play an important role in this respect. The former area has already the introduction of a range of new services to add to AIFUL's existing product lineup of unsecured loans, real estate-secured loans and business loans. Cash flow credits are among these new offerings. Nor will the future will see any let-up in AIFUL's efforts in this area, as the entire group continues to provide customers in this market with a larger range of high-quality services.

In terms of attracting new customers, AIFUL will form

alliances with companies outside the industry to expand on existing sales channels. Proactive M&A activities will combine with the establishment of new companies and greater use of the Internet to widen AIFUL's access to prospective customers. Customer convenience will provide another important focus to accompany these activities.

Life Co., Ltd., which was purchased and became a group member in March of this year, is an example of AIFUL's aggressive strategies in this area. The new company is due to play an extremely important role in the AIFUL Group henceforth. In fact, the acquisition of this company, which boasted 7.48 million credit card holders and 70,000 affiliated outlets when purchased, has greatly accelerated AIFUL's progress towards becoming a comprehensive finance company. The establishment of new companies is an area well represented by Businext Corporation, founded in conjunction with Sumitomo Trust and Banking Co., Ltd. Operational since April of this year, this small business loans company is another important stepping stone on AIFUL's route to achieving the vision outlined above.

(4) Policies Concerning Improvement of AIFUL's Management and Control Organization (Improving Corporate Governance)

Weekly board meetings provide a forum for in-depth discussion of day-to-day issues, management priorities and strategies, and business opportunities. AIFUL's basic governance policy is to reach prompt management decisions after careful verification of all facts.

Management activities are subject to a system of checking functions. AIFUL Corporation has worked to strengthen compliance systems through audits by the Company's auditing firm and its own internal auditors, an Audit Committee, and creation of an Inspection Department and a Legal Department. Moreover, the Company is pursuing rigid corporate governance through actions such as enhancing cooperation between AIFUL's auditors and those of subsidiaries and holding regularly scheduled management meetings of the entire AIFUL Group.

With regard to disclosure activities, AIFUL has established a Public Relations Department and an Investor Relations Section as specialist units to provide information to the media, shareholders and investors. In addition to news releases and detailed disclosure information in the form of data books, these groups also arrange briefings for journalists, investors and analysts and respond to media requests for information. AIFUL regards the disclosure of corporate information as an important obligation of a listed company.

(5) Challenges

AIFUL has a history of steady growth as a specialist in the consumer finance industry. As outlined above, however, the consumer finance industry is predicted to enter a period of slower growth than has been seen to date. Accordingly, a new struggle over market share is predicted to take place, a struggle over an area that refuses to conform neatly to existing business categorizations. AIFUL has taken the necessary steps to ensure that it comes out on top in this competition. The purchase of Life Co., Ltd. was one such step. The establishment of a business system becoming a comprehensive retail finance group offering a full range of products and sales channels was another. Further fleshing out this business

system is a priority for AIFUL. Guided by the group brand concepts of stability and creativity, the AIFUL Group will work to bring together the human, material, financial and information resources of each group member. The synergies so derived will be instrumental in providing a steady flow of profits in the future.

3. Results of Operations

(1) Overview of the Current Consolidated Interim Period

Current State of the Retail Finance Business

During the current consolidated interim period, the global economy continued to lose momentum, a change clearly visible in the slowing down of the U.S. economy. The Japanese economy suffered further deflation as consumer spending failed to improve, and an unemployment rate of 5.0%, the highest on record, added to the nation's problems. In spite of these general economic trends, however, the retail finance business saw a continued increase in the number of new unsecured loans taken out. The TV-centered proactive advertising campaigns carried out by major players in the industry since the previous fiscal year have been central to this favorable development.

The interim period under review also played host to entry to the shinpan and credit card industries on the part of other large consumer finance companies. Moving outside the existing framework in this industry, these companies joined forces with banks to establish new joint venture companies and conduct M&A activities related to the guarantee business. Some finance companies also commenced operations in the service industry, putting the final touches to a period in which existing business categories and divisions were radically redrawn. Of course, differences do exist between the business strategies of major players in the industries in question. However, it cannot be denied that the retail finance market has undergone major upheavals of late, rendering the previous distinctions between consumer finance companies, credit companies, credit card companies and banks inapplicable to the current environment.

Summary of Operations

1. AIFUL Corporation

In the current consolidated interim period, AIFUL's management policy placed emphasis on the opening of branches in choice locations and a 'scrap and build' approach to unprofitable branches. This was reflected in the establishment of 2 staffed and 70 automated branches. This brought the total network as of September 31, 2001, to 1,581 branches, including 541 staffed branches, 1,036 automated branches, and four branches specializing in secured loans. The AIFUL CD-ATM network was also greatly expanded through the formation of new alliances with 7 banks. This took the number of CD-ATM's available to AIFUL customers to 26,565.

On a similar note, October 2001 saw AIFUL customers gain access to the loan repayment functions offered by the Loppi multimedia terminals installed in Lawson convenience stores.

These network improvements were accompanied by a variety of marketing measures. AIFUL's strategy calls for the continued development of a diverse line-up of unsecured loans and other products to meet a broader range of customer needs. With regards to the increases in personal bankruptcy and unemployment rates, AIFUL is due to implement its new seventh scoring system in the coming fiscal year. A thorough investigation of the existing scoring system will play a preliminary role in the introduction of this new, more accurate credit investigation system.

The number of new customers taking out unsecured loans with AIFUL continued to increase steadily during the current consolidated interim period, thanks to the Company's TV advertising campaign. A total of 240,000 new loan accounts were opened, 11.1% more than in the same period of the previous year. Real estate-secured loans and business loans have been positioned as essential to maintaining high growth rates after the predicted period of slower growth in the secured loan market arrives. These areas are currently providing important focuses for AIFUL's business activities.

As a result, in the current consolidated interim period, AIFUL's total loans to customers rose 15.7% over the same period the previous year, to reach 1,245,308 million yen.

2. Life Co., Ltd.

AIFUL purchased Life Co., Ltd. at the end of March 2001. At this time, Life's installment receivables and credit guarantee receivables amounted to 606,313 million yen (including 266,275 million yen of off-balance sheet receivables due to the liquidization of certain other receivables). The breakdown of this total was as follows: credit cards 63,079 million yen; per-item credit 139,125 million yen; credit card cashing loans 196,559 million yen; credit guarantee receivables 184,378 million yen; others 23,170 million yen. The total number of Life cardholders at the same point in time was 7.48 million.

Since purchasing Life, AIFUL has concentrated on revising the company's profit base. Receivable portfolios have witnessed radical shifts in an attempt to replace the old, low-profitability structure of the company with an AIFUL-devised high-profitability alternative. In more specific terms, the new Life has withdrawn from business areas that failed to capture high profits in the past, to make way for a concentrated influx of management resources into areas promising better results in years to come. These highly profitable areas include credit card shopping, cashing loans and other consumer finance businesses.

The credit card business is currently host to a particularly concerted effort to appeal to an ever-wider spectrum of customers. Cards compatible with the ETC system (an automatic payment system facilitating the smooth traversal of Japan's motorway system), and cards emblazoned with images of popular rock groups are among the new initiatives in this area.

In the per-item credit business, Life is staging a withdrawal from the auto-loan business due to the low profitability it offers. Alternate routes to customers are being actively sought however, through such means as attracting new, large-scale affiliated companies and carving out as yet undeveloped niche markets. In Life's consumer finance business, branches, which have gone by the name of 'Demi Plaza' to date, will feature the new name 'Life Cashing Plaza.' Some 40 new branches have already been opened, bringing the total number of these branches to 84.

In the guarantees business, Life is bringing to an end its efforts to date in the market for guarantees for auto and housing-related loans. Initiatives currently being pursued include revisions of guarantee rates for bank loans, and the cultivation of a new stratum of collaborators in this important business area.

As a result of the foregoing, the total of Life's loans to customers and credit guarantee installment receivables at the end of the interim period under review came to 592,097 million yen (including 174,984 million yen of off-balance sheet receivables due to the liquidization of certain other receivables). The breakdown of this total was as follows: credit cards 65,409 million yen; per-item credit 132,895 million yen; credit card cashing loans 217,127 million yen; credit guarantee installment receivables 158,447 million yen; other businesses 18,218 million yen

Volume of business for the period was as follows: credit card business 110,829 million yen; per-item credit business 49,705 million yen; and loans outstanding under credit card cashing and Play Card businesses 111,429 million yen. The period witnessed the issuing of 720,000 new credit cards, which brought the total credit card customer base to 8.12 million.

3. Other Group Companies

Businext Corporation, which commenced operations in April 2001, had a total loan balance of 2,456 million yen at the end of the current consolidated interim period. Factors responsible for this low figure were the positioning of this period as a time to review the middle risk business loan market and stringent credit investigations reflecting the difficult economic climate prevailing at present.

Other group companies performed extremely well during the current consolidated interim period. Happy Credit Corporation and Sinwa Corporation benefited from the introduction of AIFUL's credit investigation expertise. Loans to customers rose to 29,596 million yen and 19,058 million yen respectively. Sanyo Shinpan Co., Ltd., which became a wholly owned AIFUL subsidiary in June of this year, saw loans to customers and installment receivables total 11,389 million yen, rose over the same period the previous year.

As a result of the foregoing, total loans to customers at AIFUL and its five consolidated subsidiaries came to 1,522,067 million at the end of the current consolidated accounting period, an increase of 36.5% over the same period the previous year. Installment receivables were 201,760 million yen, credit guarantee installment receivables were 159,308 million yen, and others was 18,195 million yen.

The above amounts are due to off-balance sheet receivables due to the liquidization of certain other receivables totaling 174,984 million yen (including 115,584 million yen in loans and of 59,399 million yen in installment receivables)

Brand Strategies

AIFUL has long been involved in a variety of activities in its role as corporate citizen. Examples include the joint hosting of marathons and participation in volunteer activities. Recently, the Company has been widening the reach of these activities in an attempt to boost awareness of the AIFUL brand. The Brand Project, based on a company-wide horizontally structured organization, has developed such ideas as an in-company investigation system geared towards creating a one-on-one consulting service. This will allow AIFUL to cater to customer needs more closely than ever before. Loan advisors working under this service will help young entrepreneurs bring their ideas to fruition through the 'AIFUL Dream Caravan' and spur on participation in volunteer activities with the 'Volunteer Heartful

Prize.' All these activities and more will tie into an ever-heightening awareness of the AIFUL brand.

Anti-Crime Measures

AIFUL has introduced a number of measures with respect to crime prevention. These include the preparation of crime-prevention manuals, crime-prevention training carried out in cooperation with local police forces, and the stationing of security guards at staffed branches. Such related measures as increasing the number of fire extinguishers at AIFUL business locations and introducing paint devices to aid in the identification of criminals will also be pursued. In addition, all AIFUL business locations are constantly monitored by a network of 16 emergency centers located around Japan specifically for this purpose. Should an emergency occur at any AIFUL location, emergency center staff will determine the status of the emergency through monitor displays and promptly take action in conjunction with the appropriate authorities. This long-distance surveillance system is a key factor in AIFUL's efforts to maintain the safety of its customers and staff.

Capital Procurement Issues

The capital procurement environment contains favor for AIFUL. The current consolidated interim period saw the Company continue to diversify its capital procurement methods through the issue of domestic bonds to the sum of 70,000 million yen. Diversification of this nature will continue to support AIFUL's efforts with regards to ensuring a low-cost, stable supply of capital.

On a different note, the current consolidated interim period saw AIFUL make concerted attempts to improve the shareholders' equity rate, which had dropped with the acquisition of Life Co., Ltd. As part of this drive, the Company issued 8.5 million new shares both domestically and overseas, a move that resulted in the procurement of approximately 87,000 million yen. We would like to express our heartfelt gratitude to our shareholders for the support they have shown us in this and other ways.

Not only have these recent events made significant contributions to AIFUL's financial base, they have also bolstered the Company's ability to conduct mergers, acquisitions and other business expansion activities. Furthermore, AIFUL management will ensure that recent influxes of capital tie into greater efficiency in investments.

Cash Flow Situation

Cash and cash equivalents at the end of the current consolidated interim period rose 34,233 million yen, totaled 125,126 million yen over the same period the previous year. Factors here were the increase in loan balances and capital procurement in the form of new stocks and bonds.

Cash flow used in operating activities came to 172,725 million yen (a decline of 126,730 million yen compared with the previous year), due to the increase in loans to customers. Cash flow used in investing activities rose 13,766 million yen, and totaled 9,365 million yen over the same period the previous year.

Cash brought in through capital procurement served to offset these outflows of cash, as the issuance of new stock and bonds

brought cash flow from financing activities up 76,169 million yen, to 153,788 million yen over the same period the previous year.

Summary of Operations

As a result of the foregoing, group operating revenue for the current consolidated interim period rose 40.9% over the previous year to 191,584 million yen. Ordinary income declined 2.1% to 50,788 million yen, and net income increased 1.0% to 24,987 million yen.

AIFUL-only figures were as follows: operating revenue for the current consolidated interim period rose 14.6% over the previous year to 151,230 million yen. Ordinary income declined 1.2% to 51,542 million yen, and net income increased 8.9% to 27,259 million yen.

(2) Outlook for the Current Consolidated Accounting Period (Ending March 31, 2002)

Based on the issues outlined above, projected results for the current consolidated accounting period are as follows: operating revenue will climb 42.9% to 400,987 million yen, ordinary income is set to rise 10.8% to 114,698 million yen, and net income is predicted to increase 17.3% to 56,597 million yen.

AIFUL-only projections are as follows: operating revenue will rise 13.8% to 308,082 million yen, ordinary income will climb 12.2% to 116,000 million yen, and net income will increase 25.8% to 61,052 million yen.

4. Consolidated Interim Financial Statements

(1) Consolidated Interim Balance Sheets

(Millions of Yen)

	End of Current Consolidated Interim Period		End of Previous Consolidated Interim Period		End of Previous Consolidated Accounting Period	
	(As of September 30, 2001)		(As of September 30, 2000)		(As of March 31, 2001)	
	Amount	%	Amount	%	Amount	%
Assets						
Current Assets:						
Cash and cash equivalents	133,431		92,075		155,491	
Loans	1,406,482		1,115,457		1,261,041	
Installment receivables	142,360		-		109,779	
Credit guarantee receivables	159,308		-		184,778	
Other operating receivables	18,195		-		-	
Inventories	1,164		2,191		3,035	
Deferred tax assets:	7,652		9,505		12,865	
Other	35,855		15,906		32,639	
Allowance for bad debts:	(83,472)		(41,686)		(82,561)	
Total current assets	1,817,978	90.4	1,193,449	90.8	1,677,069	89.9
Fixed Assets:						
Tangible fixed assets:						
Land	45,948		43,377		45,955	
Other	29,653		24,618		29,924	
Total tangible fixed assets	75,601	3.7	67,996	5.2	75,879	4.1
Intangible fixed assets:						
Consolidation adjustment account	34,971		4,130		36,834	
Other	8,793		3,570		8,001	
Total intangible fixed assets:	43,764	2.2	7,701	0.6	44,836	2.4
Other investment assets:						
Claims in bankruptcy	14,808		14,458		11,858	
Deferred tax assets:	11,547		1,110		9,119	
Other	62,126		49,155		61,295	
Allowance for bad debts	(16,487)		(19,828)		(15,833)	
Total other investment assets:	71,995	3.6	44,896	3.4	66,440	3.5
Deferred Assets:						
Bond issuing expenses	1,225	0.1	741	0.0	1,311	0.1
	1,225		741		1,311	
Total Fixed Assets	191,361	9.5	120,594	9.2	187,155	10.0
Total Assets	2,010,566	100.0	1,314,785	100.0	1,865,537	100.0

(Millions of Yen)

	End of Current Consolidated Interim Period (As of September 30, 2001)		End of Previous Consolidated Interim Period (As of September 30, 2000)		End of Previous Consolidated Accounting Period (As of March 31, 2001)	
	Amount	%	Amount	%	Amount	%
	Liabilities					
Current Liabilities:						
Trade notes and accounts payable	24,621		3,499		26,420	
Credit guarantees payable	159,308		-		184,778	
Short-term debt	26,354		19,849		32,323	
Current portion of bonds	40,000		36,000		36,000	
Current portion of long-term debt	357,499		279,773		315,200	
Commercial paper	15,000		15,000		15,000	
Income taxes payable	23,347		23,136		25,861	
Reserve for accrued bonuses:	4,105		2,400		3,738	
Gains on deferred installments	5,656		-		5,281	
Other	36,007		7,204		44,656	
Total current liabilities:	691,900	34.4	386,863	29.4	689,259	36.9
Long-Term Liabilities:						
Bonds	401,500		198,500		341,500	
Long-term debt	472,823		433,844		499,241	
Allowance for retirement benefits for employees	6,257		604		6,189	
Allowance for retirement benefits for directors	1,009		918		954	
Other	20,899		9,065		20,692	
Total long-term liabilities:	902,489	44.9	642,933	48.9	868,578	46.6
Total Liabilities	1,594,390	79.3	1,029,796	78.3	1,557,838	83.5
Minority Interests:						
Minority interests	604	0.0	-	-	1,149	0.1
Shareholders' Equity:						
Common stock	83,317	4.1	39,788	3.0	39,788	2.1
Additional paid-in capital	94,047	4.7	50,527	3.9	50,527	2.7
Consolidated retained earnings	238,332	11.9	194,160	14.8	215,978	11.6
Differences in evaluation of other marketable securities	(124)	(0.0)	513	0.0	255	0.0
Treasury stock	(0)	(0.0)	(1)	(0.0)	(0)	(0.0)
Total Shareholders' Equity	415,571	20.7	284,988	21.7	306,549	16.4
Total Liabilities, Minority Interests and Shareholders' Equity	2,010,566	100.0	1,314,785	100.0	1,865,537	100.0

(2) Consolidated Statements of Income

(Millions of Yen)

	Current Consolidated Interim Period From April 1, 2001 to September 30, 2001		Previous Consolidated Interim Period From April 1, 2000 to September 30, 2000		Previous Consolidated Accounting Period From April 1, 2000 to March 31, 2001	
	Amount	%	Amount	%	Amount	%
	Operating Revenue:					
Interest on loans to customers	172,906	90.3	131,790	96.9	272,236	97.0
Credit card revenue	3,146		-	-	-	-
Per-item credit revenue	4,005		-	-	-	-
Other financial revenue	302		149	0.1	341	0.1
Other operating revenue	11,223		4,036	3.0	8,078	2.9
Sales of property	2,509		-	-	40	-
Restaurant business sales	648		674	-	1,303	-
Other	8,065		3,362	-	6,735	-
Total operating revenue	191,584	100.0	135,976	100.0	280,656	100.0
Operating expenses						
Financial expenses	16,985	8.9	13,838	10.2	28,934	10.3
Interest expense	10,930		10,448		20,908	
Other	6,054		3,389		8,025	
Cost of sales	2,511	1.3	193	0.1	435	0.2
Cost of sales of property	2,330		-	-	56	-
Cost of restaurant business sales	180		193	-	378	-
Other	115,378	60.2	68,895	50.7	146,953	52.3
Advertising expenses	13,975			8,156	17,652	
Commissions	10,352			6,204	10,791	
Loan losses	-			441	3,837	
Transfers to allowance for bad debts	36,174			22,241	47,869	
Employee salaries and bonuses	14,630		8,803		17,631	
Transfers to accrued bonuses	4,080		2,400		2,333	
Retirement benefit expenses	674		-		1,992	
Transfers allowance to directors' retirement bonuses	55		34		70	
Rent Fees	11,056		7,839		15,655	
Depreciation expense	3,250		1,382		4,277	
Consolidation adjustment account write-off	1,863		218		435	
Other	19,264		11,173		24,406	
Total operating expenses	134,875	70.4	82,927	61.0	176,323	62.8
Total operating income	56,709	29.6	53,049	39.0	104,333	37.2

(Millions of Yen)

	Current Consolidated Interim Period From April 1, 2001 to September 30, 2001		Previous Consolidated Interim Period From April 1, 2000 to September 30, 2000		Previous Consolidated Accounting Period From April 1, 2000 to March 31, 2001	
	Amount	%	Amount	%	Amount	%
	Non-Operating Revenue:	428	0.2	336	0.2	1,061
Interest on loans	25		54		106	
Dividends received	29		73		90	
Insurance dividends received	144		79		474	
Other	229		129		390	
Non-operating expenses	6,349	3.3	1,530	1.1	1,862	0.7
Transfers to allowance for bad debts	1,332		1,163		1,064	
New stock issuing expenses	4,234		-		-	
Other	781		366		797	
Ordinary Income	50,788	26.5	51,854	38.1	103,533	36.9
Extraordinary income	619	0.3	114	0.1	77	0.0
Recovery of debts written off in previous year	230		114		76	
Other	388		-		1	
Extraordinary losses	551	0.3	4,485	3.3	11,036	3.9
Loss on sale of fixed assets	-		-		1,555	
Transfers to allowance for bad debts	47		2,868		998	
Loan losses	99		-		5,500	
Loss on valuation of investment securities	81		939		1,531	
Differences of change in retirement benefit accounting	512		-		1,024	
Other	322		164		426	
Extraordinary losses						
Income before income taxes	50,855	26.5	47,483	34.9	92,573	33.0
Corporate, local and enterprise taxes	23,353	12.2	23,244	17.1	46,204	16.5
Adjustment on corporate tax, etc.	(3,059)	(1.6)	497	0.4	1,832	0.7
Minority interests	545	0.3	-	-	50	0.0
Net income	24,987	13.0	24,737	18.2	48,252	17.2

(3) Consolidated Interim Statements of Retained Earnings

(Millions of Yen)

	Current Consolidated Interim Period		Previous Consolidated Interim Period		Previous Consolidated Accounting Period	
	From April 1, 2001 to September 30, 2001		From April 1, 2000 to September 30, 2000		From April 1, 2000 to March 31, 2001	
	Amount	Amount	Amount	Amount	Amount	Amount
Consolidated retained earnings at beginning of interim period	215,978	171,237	171,237			
Decrease in consolidated retained earnings						
Cash dividends	2,546		1,715		3,413	
Directors' and auditors' bonuses	87	2,633	99	1,814	99	3,512
Net income	24,987		24,737		48,252	
Consolidated retained earnings at end of interim period	238,332		194,160		215,978	

(4) Consolidated Interim Statements of Cash Flows

(Millions of Yen)

	Current Consolidated Interim Period From April 1, 2001 to September 30, 2001	Previous Consolidated Interim Period From April 1, 2000 to September 30, 2000	Previous Consolidated Accounting Period From April 1, 2000 to March 31, 2001
	Amount	Amount	Amount
Cash flow used in operating activities:	50,855		
Income before income taxes	3,264	47,483	92,573
Depreciation and amortization	1,863	2,057	4,281
Write-down of consolidation adjustment account		218	435
Loss on valuation of investment securities	81	939	1,531
Increase in allowance for bad debts	1,698	4,244	6,462
Increase in accrued bonuses	366	418	355
Increase in allowance for retirement benefits for employees	67	438	2,031
Increase (decrease) in allowance for retirement benefits for directors	54	3	38
Non-operating interest on loans and cash dividends	(187)	(127)	(196)
New shares issuing expense	4,234	-	-
Amortization of bond issuing expenses	477	234	938
Foreign exchange loss	67	-	-
Loss on sale of tangible fixed assets	-	-	1,554
Loss on disposal of tangible fixed assets	313	184	381
Loss on sale of investment securities	(54)	-	-
Bonuses paid to directors	(87)	(99)	(99)
Increase in loans to customers	(145,440)	(78,569)	(166,813)
Installment receivables	(55,718)	-	-
Other gain (loss) on trade receivables	4,941	-	-
Decrease in claims in bankruptcy	(2,949)	1,552	4,166
Increase in inventories	1,871	(33)	(296)
Decrease in prepaid expenses	820	404	433
Increase (decrease) in long-term prepaid expenses	(210)	300	(529)
Increase in other current assets	(4,159)	(1,491)	(3,537)
Increase in other current liabilities	(9,612)	1,448	4,701
Other	393	(45)	(162)
Sub-total	(147,046)	(20,435)	(51,748)
Non-operating interest on loans and cash dividends	187	128	196
Payments for corporate and other taxes	(25,866)	(25,687)	(46,008)
Cash flow used in operating activities	(172,725)	(45,995)	(97,559)

(Millions of Yen)

	Current Consolidated Interim Period From April 1, 2001 to September 30, 2001	Previous Consolidated Interim Period From April 1, 2000 to September 30, 2000	Previous Consolidated Accounting Period From April 1, 2000 to March 31, 2001
	Amount	Amount	Amount
Cash flow used in investing activities:			
Disbursements for investments in term deposits	(5,267)	(385)	(685)
Revenue from payments of term deposits	1,974	120	925
Decrease in beneficial interest in trusts	(0)	1,500	1,999
Disbursement for purchase of loans accompanying the transfer of business from acquired companies	-	(22,094)	(22,094)
Payments for acquisition of other assets by business transfer	-	(508)	(508)
Funds used for purchase of tangible fixed assets	(2,167)	(1,309)	(5,380)
Gain on sale of tangible fixed assets	19	-	240
Funds used for purchase of intangible fixed assets	(2,405)	(271)	(487)
Funds used for purchase of investment securities	(1,502)	(0)	(19)
Funds provided by sale of investment securities	155	3	10
Payments for acquisition of subsidiaries' stock in change of consolidation	-	-	(48,416)
Payments for acquisition of subsidiaries by exchange of stocks	-	(130)	(130)
Funds used for acquisition of paid-in capital	-	(0)	(250)
Funds provided by sale of paid-in capital	36	69	171
Funds used in collections of long-term loans receivables	(338)	-	-
Gain on collection of long-term loans receivable	60	-	5,494
Funds used for purchases of investments and other assets	(129)	(181)	(304)
Funds provided from sales of investments and other assets	392	222	531
Other	(191)	(165)	(574)
Cash flow used in investing activities	(9,365)	(23,131)	(69,477)
Cash flow from financing activities:			
Increase in short-term debt	90,686	50,049	97,422
Payments for repayment of short-term debt	(96,655)	(44,410)	(172,069)
Increase in long-term debt	258,794	166,931	405,417
Repayments of long-term debt	(242,912)	(157,781)	(296,755)
Gains from issuance of stock	82,813	-	-
Cash from bond issuance	69,608	64,545	236,270
Loss on redemption of bonds	(6,000)	-	(30,000)
Increase in treasury stock	(0)	(0)	0
Gain on payments from minor shareholders for establishment of subsidiaries/affiliated companies	-	-	1,200
Cash dividends paid	(2,546)	(1,716)	(3,413)
Cash flow from financing activities	153,788	77,619	238,072
Conversion difference related to cash and cash equivalents	(6)	-	-
Increase in cash and cash equivalents	(28,308)	8,492	71,035
Balance of cash and cash equivalents at beginning of period	153,435	81,019	81,019
Increase in cash and cash equivalents from new consolidations	-	1,380	1,380
Balance of cash and cash equivalents at the end of period	125,126	90,893	153,435

Significant Accounting Policies Relating to the Interim Financial Statements

1. Matters pertaining to consolidation
 - (1) No. of consolidated subsidiaries 5
Names of consolidated subsidiaries Happy Credit Corporation, Sinwa Corporation, Life Co., Ltd., Sanyo Shinpan Co., Ltd., Businext Corporation
 - (2) No. of non-consolidated subsidiaries 5
Names of non-consolidated subsidiaries MARUTOH Co., Ltd., 4 others
(Reasons the companies are excluded from consolidation)

The Company's five non-consolidated subsidiaries have not been included in the scope of consolidation. This is due to the fact that they are small in size and the total assets, operating income, net profit/loss and retained earnings represented in the Company's share of their equity has a small effect on the consolidated financial statements.
2. Matters concerning the application of equity method accounting
Non-consolidated subsidiaries (MARUTOH COMPANY LIMITED and four others) and affiliated companies (Sysnet Limited and one other) have not adopted the equity method. This is due to the fact that they are small in size, and the sums of AIFUL's share of their consolidated interim net profit or loss and retained earnings would have a negligible effect on the consolidated financial statements.
3. Matters pertaining to interim settlement dates of consolidated subsidiaries
The interim settlement dates of consolidated subsidiaries are the same as that of AIFUL.
4. Accounting principles used for standard accounting treatment
 - (1) Appraisal standards and methods for principal assets

Marketable securities	
Other marketable securities	
Securities valued at market	Market value method based on the market prices on the interim settlement date. All valuation differences are reflected directly in shareholders' equity, the sale price being computed using the moving average method.)
Securities not valued at market	Cost method, cost being determined by the moving average method
Derivatives:	Market value method
Inventories	
Real estate for sale	Lower-of-cost-or-market method, cost being determined by the specific cost method Property currently being leased out is depreciated as a tangible fixed asset.
Currently leased real estate	Lower-of-cost-or-market method, cost being determined by the cost method
Warehouse goods	Latest purchase cost method
 - (2) Depreciation methods for depreciable assets

Tangible fixed assets:	Decline balance depreciation method Major useful lives are as follows:
Buildings and structures	3 – 50 years 2 – 15 years
Machinery and vehicles	2 – 20 years
Equipment and fittings	
Intangible fixed assets	
Software	Straight-line method based on the assumed useful life for internal use (5 years)
Other	Straight-line method
Long-term prepaid expenses	Straight-line method
Deferred assets	
Bond issuing expenses	Depreciated evenly over the period until maturity or over the longest period allowed by the Commercial Code (3 years), whichever is shorter.
 - (3) Accounting standards for allowances and reserves

Allowance for bad debts	Provision for losses on bad debts is made up to the maximum allowable based on individual assessments and the actual percentage of bad loan write-offs, as prescribed in the Corporate Income Tax Law. If that amount is deemed to be insufficient, additional provision is made.
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- | | |
|---|---|
| Reserve for accrued bonuses | Provision for accrued bonuses to employees is made by appropriating an amount based on the estimated total bonuses that will be paid during the interim period. |
| Allowance for retirement benefits for employees | In order to provide for retirement allowances the company accrues an amount equivalent to the amount that would be paid if the payment occurred at the end of the current consolidated accounting period, based on the projected amount of retirement allowance liabilities and pension assets at the end of the consolidated accounting fiscal year. |
| Allowance for retirement benefits for directors | The Company provides for retirement benefits for directors by determining the estimated amount that would be paid if all directors retired on the balance sheet date, based upon the pertinent rules of the Commercial Code. |
- (4) Accounting treatment for lease transactions
In finance lease transactions, other than those in which the title of the leased asset is deemed to be transferred to the lessee, finance leases are treated according to the method used for ordinary loan transactions, mutatis mutandis.
- (5) Hedge accounting methods
Hedge accounting methods The Company uses deferred hedge accounting. However, the Company uses special accounting rules for interest swaps where appropriate.
- Hedging methods and hedged transactions
Hedging methods Interest caps and interest swaps
Hedged transactions Borrowing that will change the Company's cash flow depending upon changes in market interest rates (floating rate bank borrowing and corporate bonds).
- Hedging policy The Company uses hedge transactions to keep the percentage of fixed interest rate capital below a specified percentage of total capital funds procured.
- Evaluation of hedge effectiveness The Company determines the effectiveness of its hedging transactions based on a method of ratio analysis covering cumulative changes over the past ten-year period.
- (6) Other Significant Accounting Policies Relating to the Interim Financial Statements
- Interest on loans to customers Interest on loans to customers is recorded in accordance with accrual standards. Uncollected interest is recorded at the lower of the maximum legal interest rate and the pertinent Company interest rate.
- Accounting standards for credit revenue Commission charges from customers and franchised stores based upon add-on systems are treated as deferred credit profits in a lump sum at the time the credit contract is concluded, and transferred to revenues at the time the bill is made. However, customer commission charges based upon the reserve-on-balance or revolving styles are treated as revenues at the time the bill is made. The segment revenue distribution method, based on the add-on system, is the 7:8 method.
- Accounting treatment of interest on debt Interest on debt used to provide consumer loans is accounted for as financial expenses and included in operating expenses. All other interest expenses are accounted for as interest payments in non-operating expenses.
- Accounting treatment of consumption taxes Consumption taxes are taken out of all Statement of Income items and Balance Sheet items. Consumption taxes for fixed assets that are not subject to the exclusion, however, are included in "Other" under Investment and Other Assets and are written off using the straight-line method over a five-year period.
- (7) Conversion standards for assets and liabilities in foreign currency
Assets and liabilities in foreign currency are converted directly into yen using exchange rates valid on September 30, 2001. Conversion disparities are recorded as profits and losses.
5. Matters pertaining to the valuation of consolidated subsidiaries' assets and liabilities
Assets and liabilities of consolidated subsidiaries are all evaluated using the market value method.
6. Scope of cash included on Consolidated Interim Statement of Cash Flows
Cash and cash equivalents shown on the Consolidated Interim Statement of Cash Flows include cash on hand, demand deposits, and highly liquid short-term investments that mature within three months of the date of acquisition that can be easily converted into
7. Write-off of the consolidation adjustment account
The Company writes off the consolidation adjustment account using the straight-line method over a ten-year period. Items that do not have a significant effect on the consolidated financial statements, however, are written off completely in the year in which the adjustment is made.

Notes

Consolidated Interim Balance Sheets

1. Additional paid-in capital includes an increase of 8,651 million yen as a result of exchange stocks with Sinwa Corporation. This includes a difference of 4,217 million yen recorded as a result of the valuation of a newly consolidated subsidiary.

		(Millions of Yen)		
		End of current consolidated interim period	End of previous consolidated interim period	End of previous consolidated accounting period
2.	Accumulated depreciation on tangible fixed assets	33,432	18,897	32,156
3.	Assets pledged as collateral and corresponding liabilities:			
(1)	Assets pledged as collateral			
	Deposits	350	800	393
	Loans	520,753	382,200	541,725
	Installment receivables	18,118	-	-
	Tangible fixed assets (land)	8,204	10,783	8,204
	Tangible fixed assets (other)	2,241	3,209	2,301
	Other investment assets (other)	407	155	397
	<u>Total</u>	<u>550,076</u>	<u>397,147</u>	<u>553,022</u>
(2)	Related payables			
	Short-term debt	12,280	849	15,260
	Current portion of long-term debt	190,513	137,849	170,819
	Long-term debt	270,991	210,636	289,711
	Other	189	-	294
	<u>Total</u>	<u>473,974</u>	<u>349,335</u>	<u>476,085</u>

In addition to the above, the Company has contracted to offer loans as collateral in response to borrowers' requests to the sum of 2,000 million yen for short-term debt, 59,471 million yen for current portion of long-term debt and 85,305 million yen for long-term debt, for a total of 146,776 million. The Company has also offered 4,367 million yen for cash and cash equivalents as collateral for swap transactions.

		(Millions of Yen)		
4.	Installment receivables			
	Card shopping	65,793	-	36,032
	Per item shopping	76,538	-	50,575
	Guarantees	-	-	23,137
	Other	28	-	33
	<u>Total</u>	<u>142,360</u>	<u>-</u>	<u>109,779</u>

Guaranteed receivables have been classified as other receivables from the present period.

		(Millions of Yen)										
	End of Current Consolidated Interim Period				End of Previous Consolidated Interim Period				End of Previous Consolidated Accounting Period			
	Balance at end of prior period	Gains during period	Amount enacted during period	Balance at end of period	Balance at end of prior period	Gains during period	Amount enacted during period	Balance at end of period	Balance at end of prior period	Gains during period	Amount enacted during period	Balance at end of period
Credit card shopping	163	4,690	4,243	610 (158)	-	-	-	(-)	-	-	-	163 (23)
Per item shopping	1,967	5,043	4,175	2,835 (747)	-	-	-	(-)	-	-	-	1,967 (148)
Guarantees	2,949	1,146	2,139	1,956 (0)	-	-	-	(-)	-	-	-	2,949 (0)
Loans	200	21,115	21,061	254 (-)	-	-	-	(-)	-	-	-	200 (-)
Total	5,281	31,995	31,620	5,656 (906)	-	-	-	(-)	-	-	-	5,281 (172)

Notes:

Figures in parentheses are commission charges from franchised stores on internal memorandums.

6. Liquidization of receivables

Loans and installment receivables include an off-balance amount for 174,984 million yen accompanied by the liquidation of the claim contents shown below: (Millions of yen)

	End of Current Consolidated Interim Period	End of Previous Consolidated Interim Period	End of Previous Consolidated Accounting Period
Loans	115,584	-	146,594
Installment receivables	59,399	-	119,681
Total	174,984	-	266,275

7. Bad Debts

The bad debts included in Loans and Claims in Bankruptcy are shown below: (Millions of yen)

	End of Current Consolidated Interim Period			End of Previous Consolidated Interim Period			End of Previous Consolidated Accounting Period		
	Unsecured loans	Other loans	Total	Unsecured loans	Other loans	Total	Unsecured loans	Other loans	Total
Claims in bankruptcy	397	15,217	15,615	-	15,045	15,045	-	13,071	13,071
Loans in arrears	15,893	13,613	20,506	10,495	8,738	19,233	13,411	12,232	25,644
Loans in arrears longer than 3 months	7,294	1,965	9,260	5,456	1,333	6,789	5,526	1,669	7,196
Loans with adjusted terms	34,896	46	34,942	22,452	32	22,485	33,941	61	34,002
Total	58,481	30,842	89,324	38,404	25,150	63,554	52,880	27,033	79,913

Explanations of each of the above items follow.

Claims in bankruptcy

“Claims in bankruptcy” refers to loans that are included in loans on which principal or interest payments have been continuously late for a considerable period of time for the reasons cited in Article 96 Paragraph 1 Number 3 Items B through E of the Corporate Income Tax Law Execution Ordinance (1965, Ordinance No. 97) or for the reasons set forth in Number 4 of the same paragraph. The Company sets aside a reserve for bad debts that is equivalent to the amount the Company believes it will be unable to recover based on an evaluation of each loan.

Loans in arrears

“Loans in arrears” refers to loans other than claims in bankruptcy for which unpaid interest is not accrued. This excludes loans, however, that are included in loans for which the Company has made arrangements convenient to the borrower for the purpose of reorganization or support of the borrower such as reduction or exemption of interest or extension of the repayment period, on which the Company is periodically receiving payments.

Loans in arrears longer than 3 months

“Loans in arrears longer than 3 months” refers to loans for which the principal or interest payment is three or months overdue from the day following the scheduled payment date and that are not regarded as claims in bankruptcy or loans in arrears.

Loans with adjusted terms

“Loans with adjusted terms” refers to loans for which the Company has made arrangements convenient to the borrower for the purpose of reorganization or support of the borrower such as reduction or exemption of interest or extension of the repayment period, on which the Company is periodically receiving payments and that are not regarded as claims in bankruptcy, loans in arrears or loans in arrears longer than 3 months.

Note to the Consolidated Interim Statement of Cash Flows

1. Relationship between the balance of cash and cash equivalents at the end of the period and the amounts recorded in the categories shown on the consolidated interim balance sheets:

	(Millions of yen)		
Cash and cash equivalents account	130,431	92,075	155,491
Term deposits with maturity greater than 3 months	(5,304)	(1,182)	(2,055)
Cash and cash equivalents	125,126	90,893	153,435

2. Details of the assets and liabilities of Life Co., Ltd. and Sanyo Shinpan Co., Ltd., Businext Corporation, which became consolidated subsidiaries through an exchange of capital:

	(Millions of yen)		
Current assets	-	-	394,559
Fixed assets	-	-	25,667
Consolidation adjustment account	-	-	32,921
Current liabilities	-	-	(341,913)
Long-term liabilities	-	-	(5,231)
Minority interests	-	-	(1,200)
Cash and cash equivalents	-	-	104,804
Stock purchase price	-	-	(56,387)
Difference: Expenditures accompanying purchase of stock in subsidiary	-	-	48,416

3. Details of the assets and liabilities of Sinwa Corporation, which became a consolidated subsidiary through an exchange of stock:

	(Millions of yen)		
Current assets	-	14,900	14,900
Fixed assets	-	1,509	1,509
Consolidation adjustment account	-	4,347	4,347
Current liabilities	-	(6,919)	(6,919)
Long-term liabilities	-	(5,056)	(5,056)
Price of acquisition of Sinwa Corporation	-	8,781	8,781
Price of new shares issued through the exchange of stock	-	(8,651)	(8,651)
Difference: Expenditures accompanying purchase of stock in Sinwa Corporation	-	130	130

4. Other non-cash transactions

In accordance with the regulations laid down in Article 358 of the Commercial Code, the Company issued 721,500 new shares through an exchange of stock in order to make Sinwa Co., Ltd. a wholly owned subsidiary. The following increases were recorded as a result.

	(Millions of yen)		
Increase in common stock due to the issue of new shares	-	36	36
Increase in legal reserves (paid-in capital) due to the issue of new shares	-	8,615	8,615
Total	-	8,651	8,651

Segment Information

- (1) Segment information by type of business

For the current Consolidated Interim Period (From April 1, 2001 to September 30, 2001) the Company has omitted segment information by type of business, as the consumer loan business accounts for more than 90% of total operating income in all of the Company's business segments.

- (2) Segment information by region

For the current Consolidated Interim Period (From April 1, 2001 to September 30, 2001) the Company did not report segment information by location, as the Company does not have any consolidated subsidiaries or important offices located in countries or regions outside of Japan.

- (3) Foreign sales

For the current Consolidated Interim Period (From April 1, 2001 to September 30, 2001) the Company did not have any foreign sales.

Lease transactions

1. Finance lease transactions except leases under which the title of the leased asset is deemed to be transferred to the lessee

(1) Acquisition cost, accumulated depreciation and period ending balance of lease assets

	(Millions of Yen)								
	Current Consolidated Interim Period			Previous Consolidated Interim Period			Previous Consolidated Accounting Period		
	Acquisition cost	Accumulated depreciation	Period ending balance	Acquisition cost	Accumulated depreciation	Period ending balance	Acquisition cost	Accumulated depreciation	Period ending balance
Equipment attached to buildings	20	3	17	-	-	-	7	0	7
Vehicles	260	123	137	154	75	79	489	276	212
Equipment and fittings	28,206	18,967	9,239	25,186	17,386	7,800	29,715	21,204	8,511
Total	28,487	19,094	9,393	25,341	17,461	7,879	30,212	21,480	8,731

(2) Outstanding balance of future lease payments at the end of the period:

	(Millions of yen)			
Within one year		5,513	5,058	5,251
Over one year		7,297	6,030	6,505
Total		12,810	11,089	11,756

(3) Amount of lease fee payments, depreciation expense and interest expense:

	(Millions of yen)			
Lease fee payments		3,313	3,223	6,322
Depreciation expenses		3,025	2,854	5,532
Interest expenses		221	220	414

(4) Accounting method for the amount equivalent to depreciation expenses

Calculated by assuming the lease term is the depreciable life and depreciating the remaining amount to zero using the sum-of-the-years-digits method.

(5) Accounting method for the amount equivalent to interest expenses

Interest expense for lease assets is calculated as the difference between the total lease payments and the acquisition price of the leased assets, with the amount allocated to each accounting period using the interest method.

2. Operating lease transactions

(1) Leases in progress:

	(Millions of yen)			
Within one year		12	-	51
Over one year		9	-	93
Total		21	-	144

Marketable Securities:

1. Marketable Securities Valued at Market

(Millions of Yen)

Other marketable securities	Current Consolidated Interim Period (As of September 30, 2001)			Previous Consolidated Interim Period (As of September 30, 2000)			Previous Consolidated Accounting Period (As of March 31, 2001)		
	Acquisition value	Amount recorded on consolidated interim balance sheets		Acquisition value	Amount recorded on consolidated interim balance sheets		Acquisition value	Amount recorded on consolidated balance sheets	
		Difference			Difference			Difference	
Stock	5,661	5,162	(498)	3,999	4,883	883	5,772	6,011	239
Bonds									
National and local bonds	269	270	1	-	-	-	269	270	1
Bonds	10	10	0	10	10	0	10	10	0
Total	5,941	5,443	(497)	4,009	4,893	883	6,052	6,292	239

2. Major Marketable Securities Not Valued at Market

(Millions of Yen)

Details	Current Consolidated Interim Period (As of September 30, 2001)		Previous Consolidated Interim Period (As of September 30, 2000)		Previous Consolidated Accounting Period (As of March 31, 2001)	
	Amount recorded on consolidated interim balance sheets		Amount recorded on consolidated interim balance sheets		Amount stated on consolidated balance sheets	
Stock not publicly traded (excluding OTC stock)		3,861		1,227		2,349
National bonds not publicly traded		-		-		-
Total		3,861		1,227		2,349

Derivative Transactions

Matters pertaining to transaction market values

Contract amounts, market values and gains/losses on evaluations of derivative transactions

(Millions of Yen)

	Type	End of Current Consolidated Interim Period (As of September 30, 2001)				End of Previous Consolidated Interim Period (As of September 30, 2000)				End of Previous Consolidated Accounting Period (As of March 31, 2001)			
		Contract value		Market value	Evaluation gain/loss	Contract value		Market value	Evaluation gain/loss	Contract value		Market value	Evaluation gain/loss
		Over one year				Over one year				Over one year			
Non-market transactions	Purchase of interest caps Long	1,500	1,000	0	(1)	-	-	-	-	1,500	1,000	1	(24)
	Total	1,500	1,000	0	(1)	-	-	-	-	1,500	1,000	1	(24)

Note 1: Market value calculations

Market value calculations are based upon the values indicated by the relevant financial institutions.

- Interest rate cap transactions to which hedge accounting is applied are not stated.
- The Company has paid premiums for interest cap transactions. Figures in parentheses are those recorded on the current consolidated interim balance sheets
- Assumed principals in interest cap transactions are not actually received, but serve as a basis for calculations. Accordingly, they do not act as indicators for market and credit risks of the Company.

Results of Operations**(1) Operating Revenue**

(Millions of Yen)

		Current Consolidated Interim Period From April 1,2001 to September 30,2001		Previous Consolidated Interim Period From April 1,2000 to September 30,2000		Previous Consolidated Accounting Period From April 1,2000 to March 31,2001	
		Amount	%	Amount	%	Amount	%
Interest on loans to customers	Unsecured loans	150,706	78.7	113,927	83.8	234,374	83.5
	Secured loans	20,271	10.6	16,444	12.1	34,974	12.5
	Small business loans	1,928	1.0	1,418	1.0	2,888	1.0
	Sub-total	172,906	90.3	131,790	96.9	272,236	97.0
Credit card revenue		3,146	1.6				
Per-item credit revenue		4,005	2.1				
Other financial revenue	Interest on deposits	46	0.0	25	0.0	99	0.0
	Interest on marketable securities	0	0.0	0	0.0	0	0.0
	Interest on loans	101	0.1	122	0.1	240	0.1
	Other	152	0.1	1	0.0	1	0.0
	Sub-total	302	0.2	149	0.1	341	0.1
Other operating revenue	Sales of property	2,509	1.3	-	-	40	0.0
	Cost of sales of restaurant business	648	0.3	674	0.5	1,303	0.5
	Bad debt write-off recovery	2,733	1.4	1,764	1.3	3,509	1.3
	Other	5,331	2.8	1,597	1.2	3,225	1.1
	Sub-total	11,223	5.8	4,036	3.0	8,078	2.9
Total		191,584	100.0	135,976	100.0	280,656	100.0

Note: "Other" included in "Other operating revenue" consists of guarantee revenues from guarantee contracts and card membership fees.

(2) Other Operating Indicators

(Millions of Yen)

	End of Current Consolidated Interim Period (As of September 30, 2001)	End of Previous Consolidated Interim Period (As of September 30, 2000)	End of Previous Consolidated Accounting Period (As of March 31, 2001)
Total amount of loans outstanding	1,522,067	1,115,457	1,407,636
Unsecured loans	1,250,074	901,685	1,167,837
Secured loans	254,654	203,290	227,600
Small business loans	17,338	10,481	12,198
Number of customer accounts	3,222,108	2,169,715	3,043,022
Unsecured loans	3,139,083	2,105,287	2,971,826
Secured loans	68,411	55,922	61,025
Small business loans	14,614	8,506	10,171
Number of branches	1,859	1,531	1,771
Staffed branches	721	581	687
Unstaffed branches	1,122	933	1,067
Branches for secured loans	4	4	4
Restaurants	9	10	10
Karaoke parlors	3	3	3
Number of "Ojidosan" loan-contracting machines	1,744	1,500	1,636
Number of ATMs	86,081	19,179	79,043
Company-owned	2,066	1,656	1,995
Partner-owned	84,015	17,523	77,048
Number of employees	5,955	3,714	5,750
Bad debt write-off	35,264	19,172	41,982
Allowance for bad debts	99,959	61,515	98,395
Net income per share (yen)	288.56	292.28	569.32
Net assets per share (yen)	4,450.53	3,357.71	3,611.74

Notes: Total amount of loans outstanding and the number of customer accounts do not include loans and customer accounts related to claims in bankruptcy. Furthermore, off-balance sheet operating loans (to the sum of 115,584 million yen for the current consolidated interim period and 146,594 million yen for the previous consolidated accounting period) have been included as a result of liquidation of claims.

Bad debt write-off does not include claims in bankruptcy, which came to 360 million yen in the current consolidated interim period, 3,184 million in the previous consolidated interim period, and 5,347 million in the previous consolidated accounting period.

Life Co., Ltd. and Sanyo Shinpan Co., Ltd. have been included in the scope of consolidation since the current consolidated interim period.