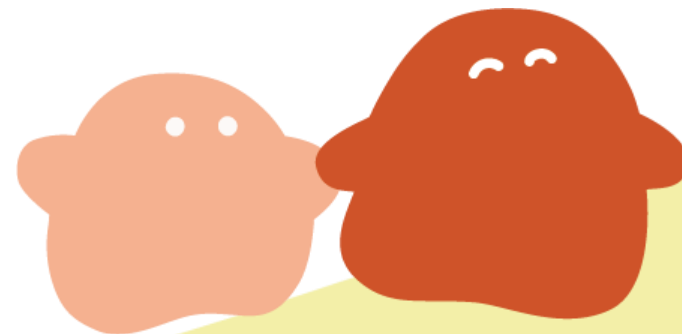
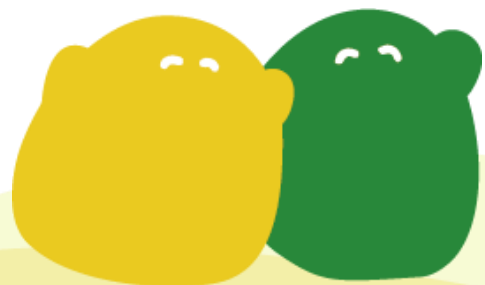




# Second Quarter of FY2025/3 Presentation Material





**① Top Message**

**03 - 08**

**② Consolidated Results Summary**

**09 - 15**

**③ AIFUL Results Summary**

**16 - 25**

**④ Group Companies Results Summary**

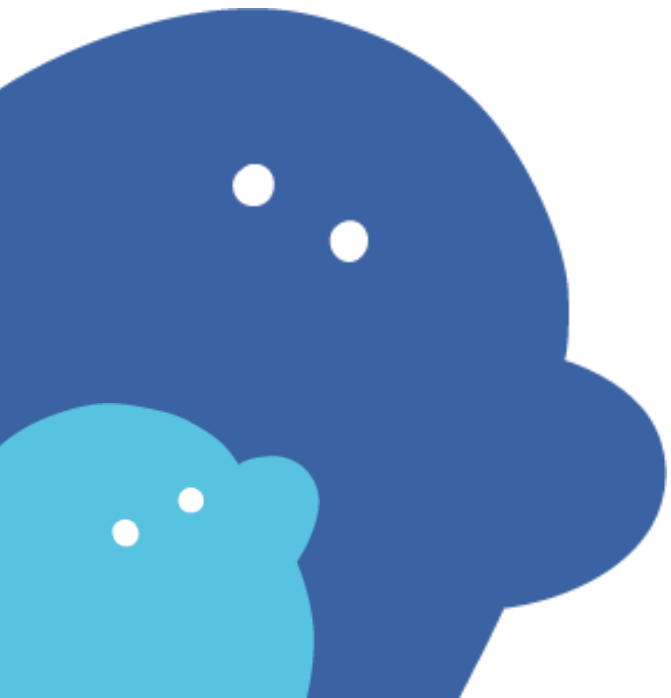
**26 - 34**

**⑤ Appendix**

**35 - 39**

Reference: Medium-term Management Plan  
<https://www.aiful.co.jp/group/ir/pdf/MPE2024.pdf>

# 1 Top Message



# Top Message FY2025/3 2Q



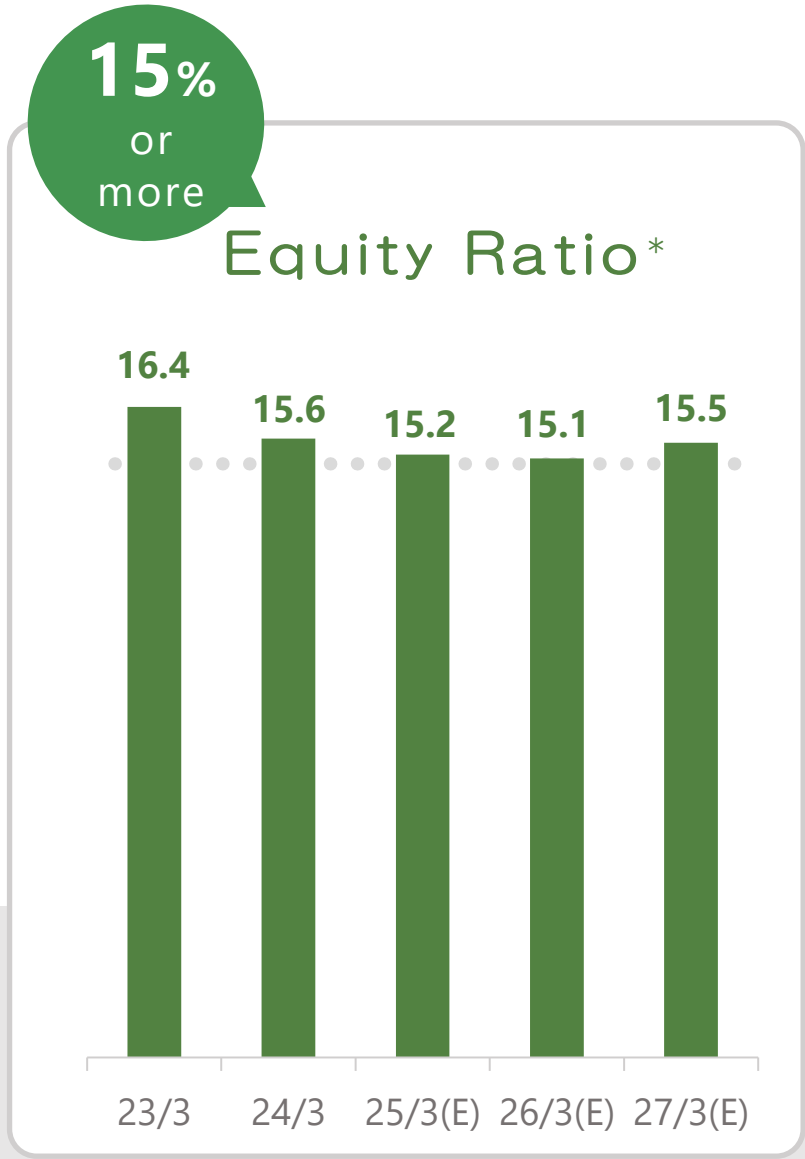
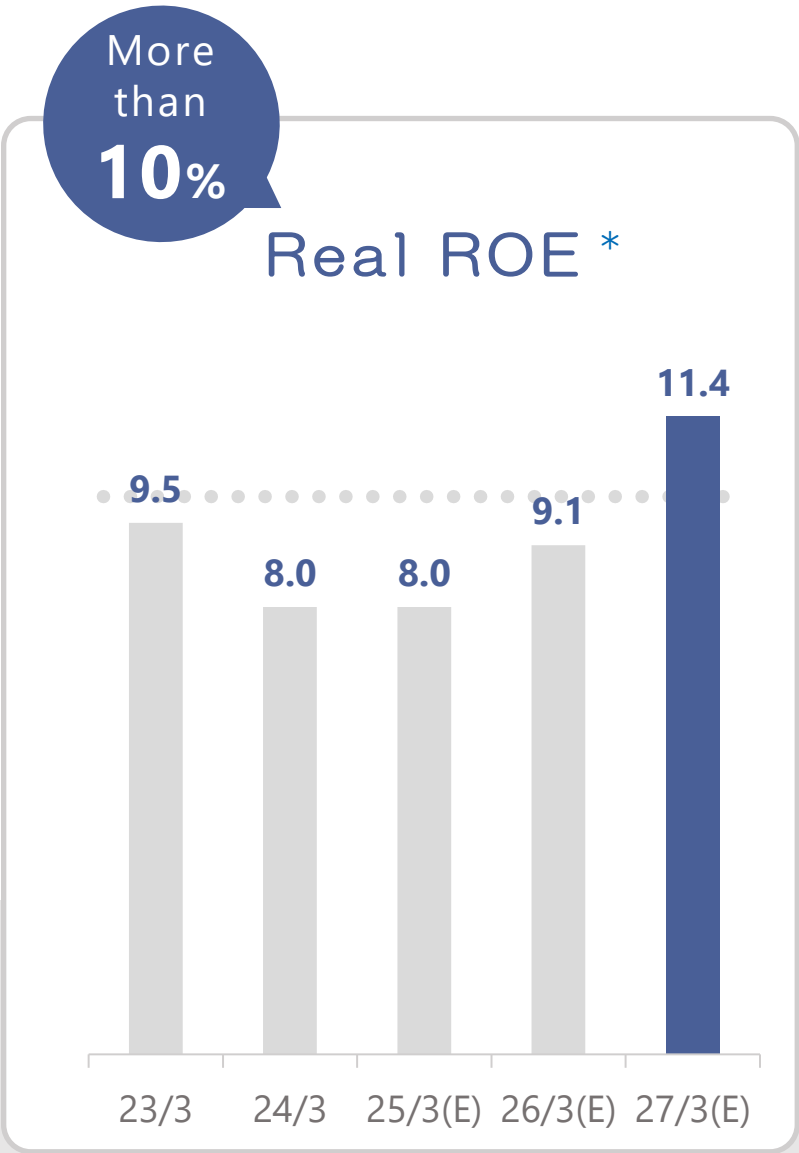
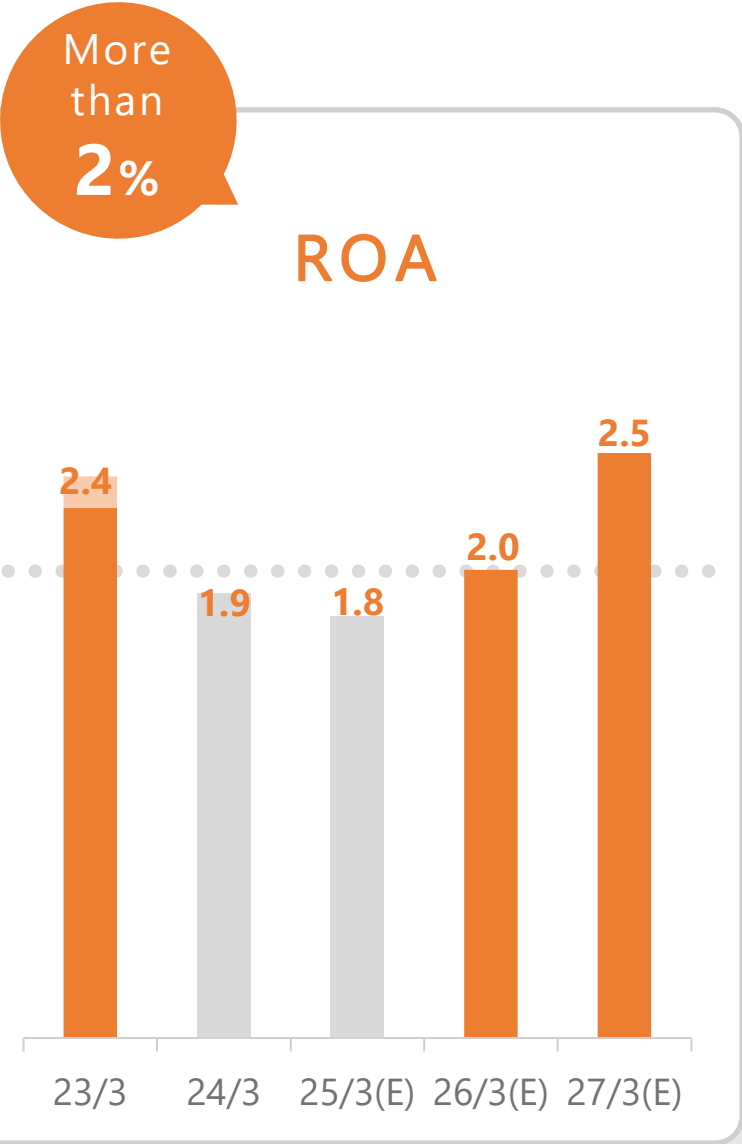
## Consolidated Financial Results

- Maintaining double-digit growth in both balances and top-line, resulting in increased revenue and profit
- Continuing to promote M&A to generate future profits

(¥ billion)	2Q 24/3 YTD	2Q 25/3 YTD	YOY%	25/3 (E)
Total receivable outstanding	1,093.4	1,253.8	14.7%	1,322.4
Total revenue	79.0	91.2	15.4%	188.5
Operating profit	6.5	9.0	37.0%	23.8
Ordinary profit	7.2	9.7	34.9%	24.0
Net profit attributable to owners of parent	6.6	7.1	8.8%	21.6
Adjusted operating profit*	14.0	16.7	19.5%	40.3

**Definition of Adjusted operating profit:** 1.Operating profit + 2. Profit adjustment (credit cost + provision for loss on interest repayment+ depreciation - write offs)  
+ 3.Profit generated from M&A (profit from each company, excluding Goodwill amortization)

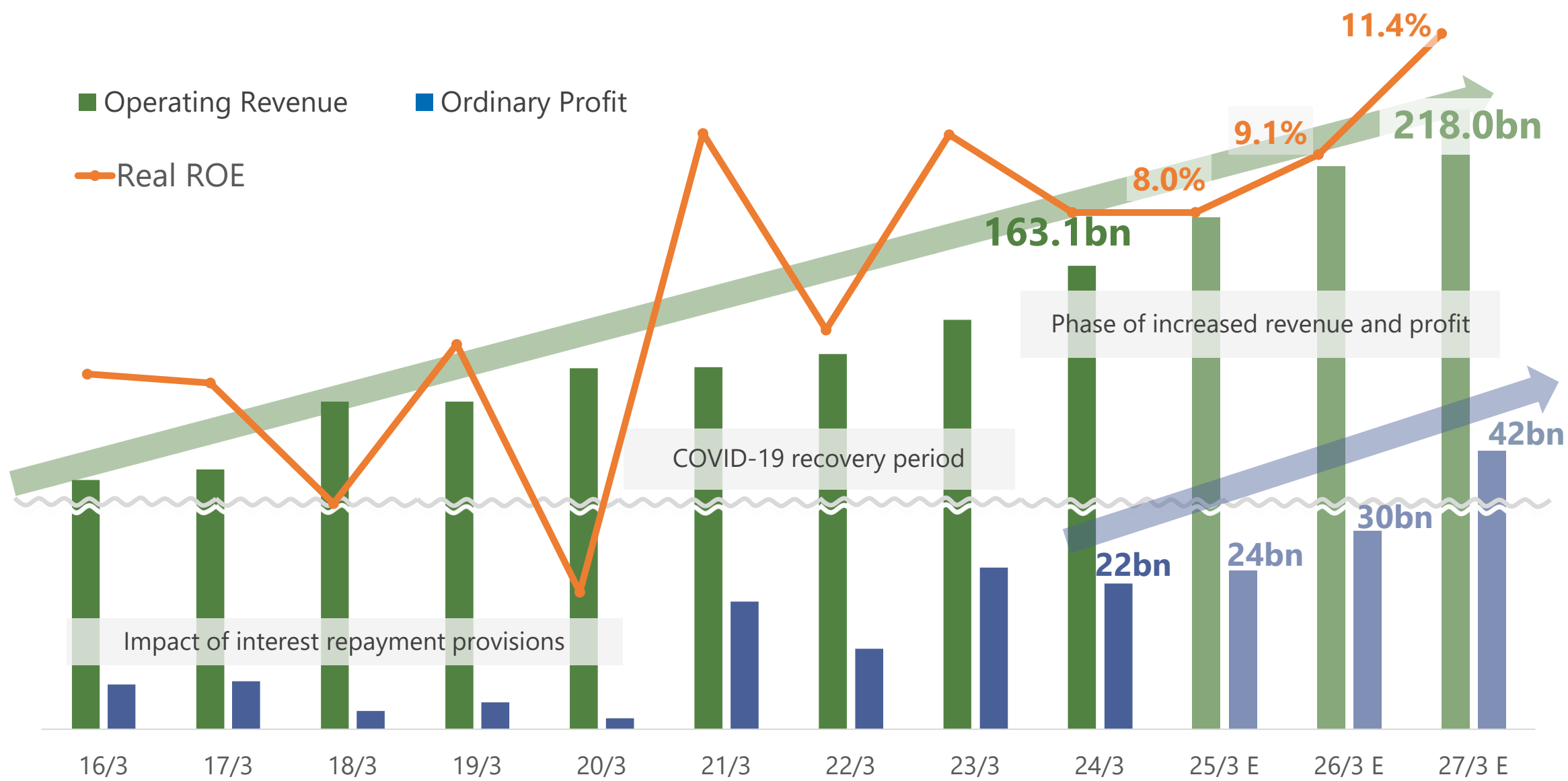
# Management Indices



\*Real ROE is calculated based on Profit attributable to owners of parent assuming an effective tax rate at 30%.

\*Excluding changes due to capital policy and investment on M&A

# [Consolidated] Phase of Increasing Revenue and Profit



# M&A Investment Yield

## M&A of 5 Companies



**BitCash**



**Liblock**



**Acquisition cost**

**¥14.6bn**

**Total EBITA\* 25/3(E)**

**¥1.55bn**

\*Goodwill not considered

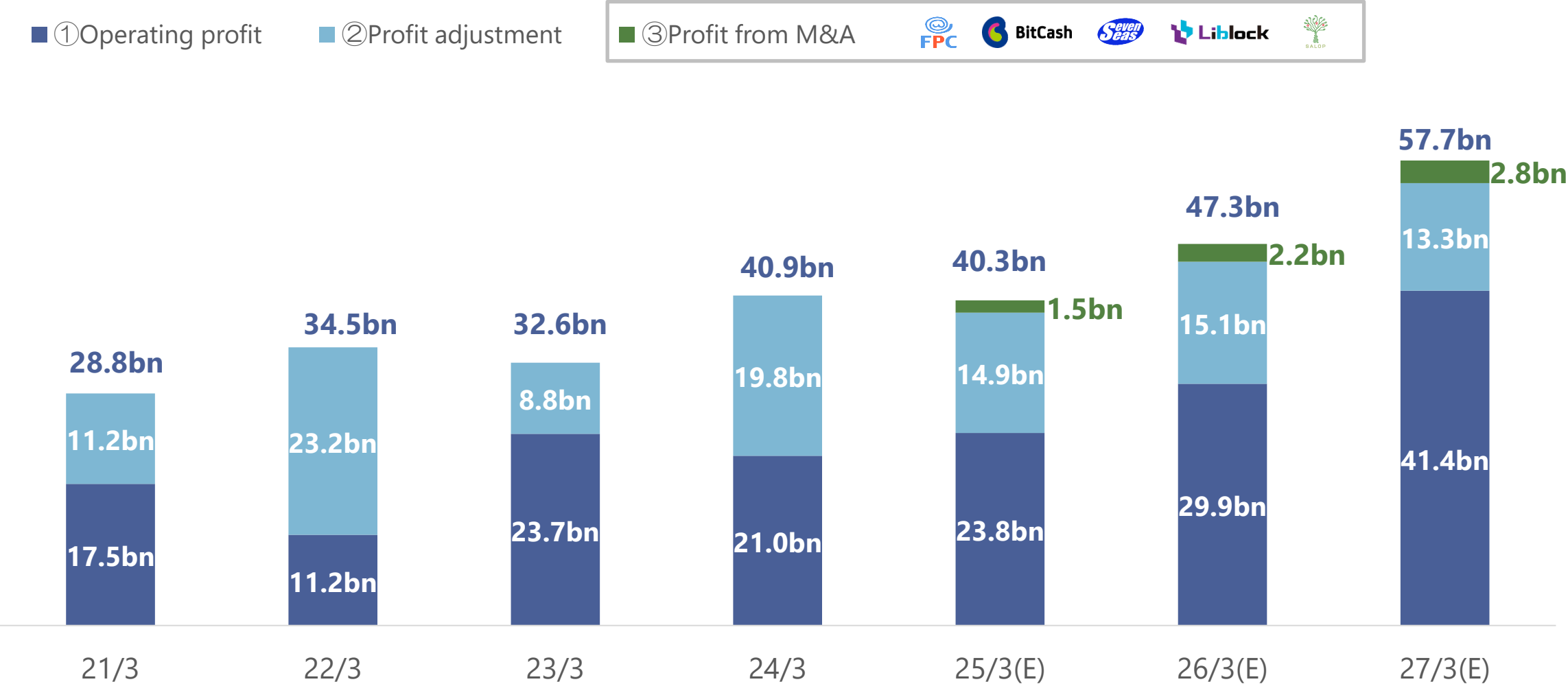
**Investment return**

**10.6%**

Reference: Medium-term management plan (April 2024 - March 2027) M&A investment amount up to 60.0 billion yen.

# Adjusted Operating Profit and Profit Generation through M&A

- Adjusted operating profit is defined to show the improvement in future profits from the business to date and from the execution of M&A on an actual basis, excluding the impact of accounting standards.



**Definition of Adjusted operating profit**  
**1. Operating profit + 2. Profit adjustment** (credit cost + provision for loss on interest repayment+ depreciation - write offs) + **3. Profit generated from M&A** (profit from each company, excluding Goodwill Amortization)







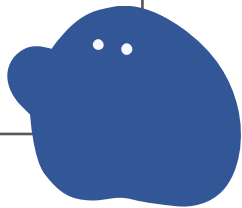
## ② Consolidated Results Summary

# Changes in Scope of Consolidation

- Two companies have been brought into the scope of consolidation as subsidiaries, and adjustments have been made to the current year's plan for operating revenue and expenses.



Company name	Business outline
	Small amount short-term insurance
	Issuance of prepaid electronic money/ Electronic payment service using electronic money



# [Consolidated] Operating Results and Full-year Guidance



(¥ million)	2Q 24/3	24/3	2Q 25/3	YOY%	25/3(E)	YOY%
Total receivable outstanding	1,093,442	1,178,983	1,253,821	14.7%	1,322,400	12.2%
Loan business	692,884	738,676	774,184	11.7%	816,000	10.5%
Credit business	154,779	173,790	188,025	21.5%	202,800	16.7%
Credit Guarantee Business	222,188	241,172	263,990	18.8%	271,900	12.7%

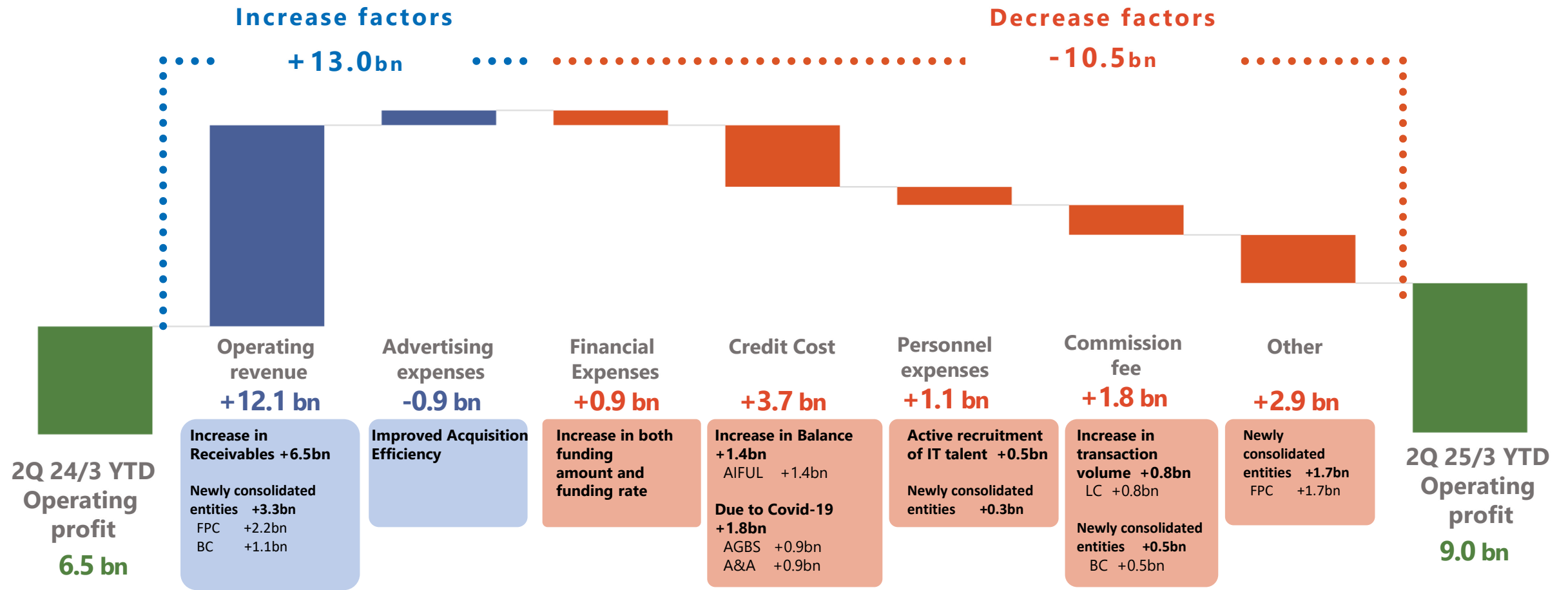
# [Consolidated] Financial Results Outline and Full-year Guidance



(¥ million)	2Q 24/3 YTD	24/3	2Q 25/3 YTD	YOY%	25/3 (E)
Operating revenue	<b>79,092</b>	<b>163,109</b>	<b>91,273</b>	<b>15.4%</b>	<b>188,500</b>
Interest on operating loans	46,013	95,400	<b>51,819</b>	<b>12.6%</b>	106,700
Revenue from installment receivable	12,769	26,290	<b>14,503</b>	<b>13.6%</b>	30,500
Revenue from credit guarantee	9,474	19,408	<b>10,420</b>	<b>10.0%</b>	21,000
Other operating revenue	10,834	22,010	<b>14,530</b>	<b>34.1%</b>	30,300
Operating expenses	<b>72,497</b>	<b>142,045</b>	<b>82,236</b>	<b>13.4%</b>	<b>164,600</b>
Financial expenses	3,502	7,246	<b>4,465</b>	<b>27.5%</b>	9,000
Credit cost	27,141	52,546	<b>30,936</b>	<b>14.0%</b>	56,000
Expenses for interest repayment	-	-	-	-	-
Advertising expenses	9,992	17,788	<b>9,039</b>	<b>-9.5%</b>	18,900
Personnel expenses	9,459	19,095	<b>10,589</b>	<b>11.9%</b>	21,600
Other operating expenses	22,402	45,368	<b>27,205</b>	<b>21.4%</b>	59,100
Operating profit	<b>6,594</b>	<b>21,064</b>	<b>9,036</b>	<b>37.0%</b>	<b>23,800</b>
Ordinary profit	<b>7,205</b>	<b>22,067</b>	<b>9,721</b>	<b>34.9%</b>	<b>24,000</b>
Extraordinary losses	-	653	<b>1,582*</b>	-	-
Profit attributable to owners of parent	<b>6,609</b>	<b>21,818</b>	<b>7,188</b>	<b>8.8%</b>	<b>21,600</b>

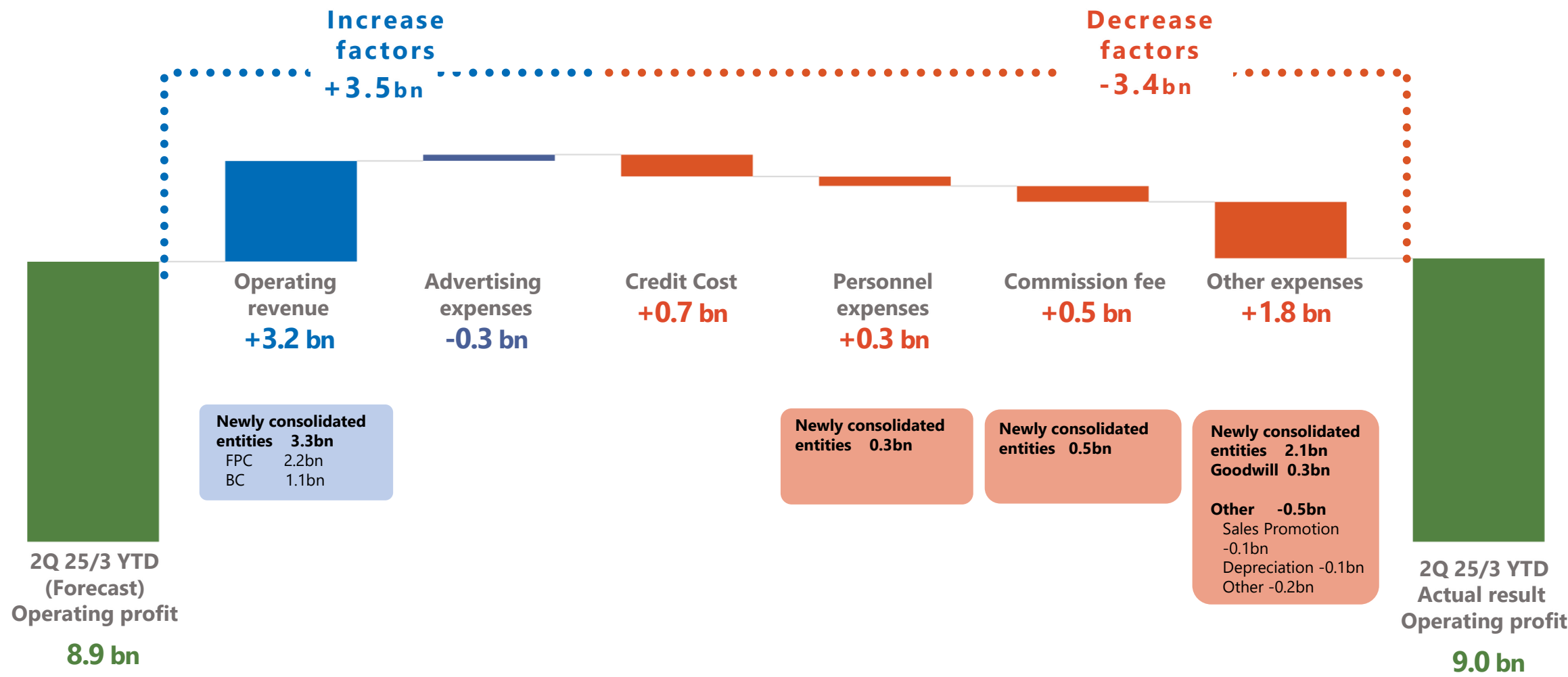
Following the decision on the development approach for the AIFUL's core system, a full impairment was recorded on the relevant expenses, resulting in a one-time extraordinary loss.

# [Consolidated] Operating Profit Variances (vs. FY2024/3 2Q)



\*FPC: FPC Co., Ltd., BC: BitCash Inc., AGBS: AG BUSINESS SUPPORT CORPORATION, A&A: AIRA & AIFUL Public Company Limited, LC: LIFECARD CO., LTD.

# [Consolidated] Operating Profit Variances (vs. FY2025/3 2Q Forecast)

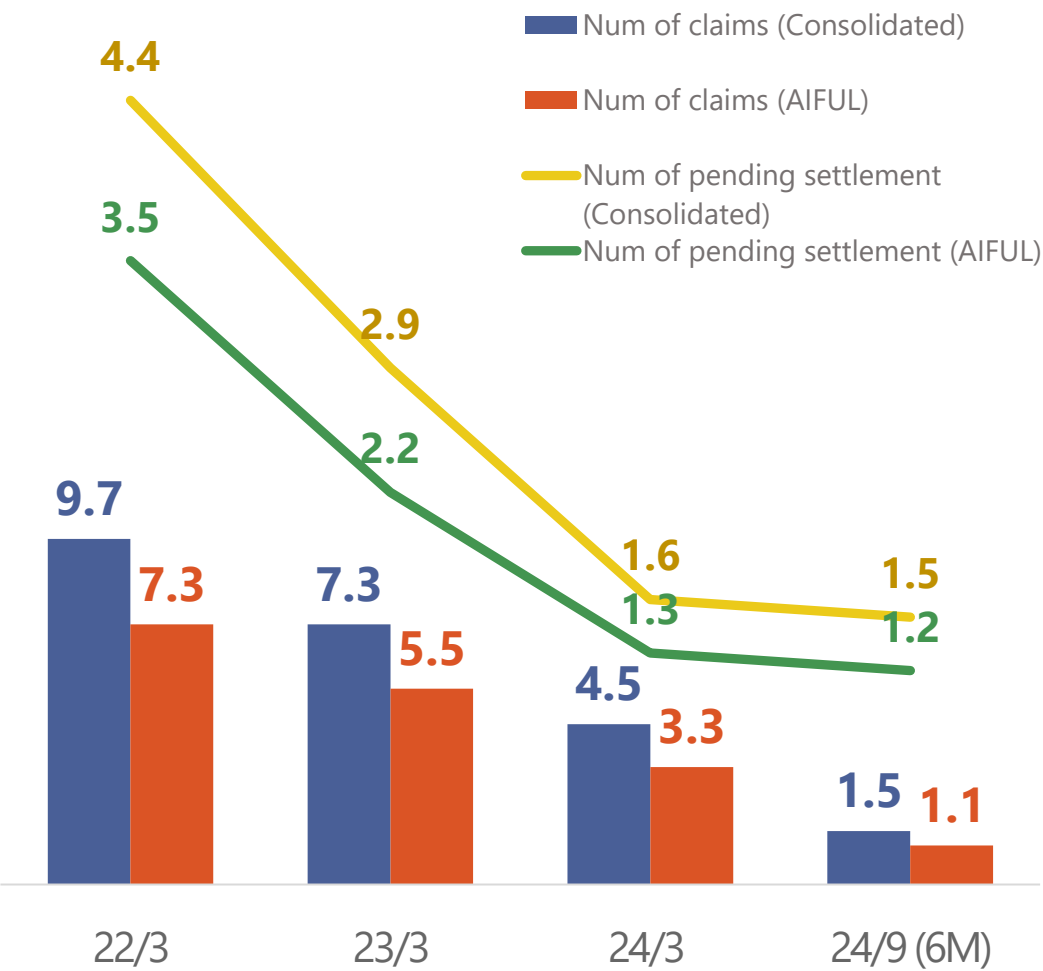


\*BC: BitCash Inc., FPC: FPC Co., Ltd.

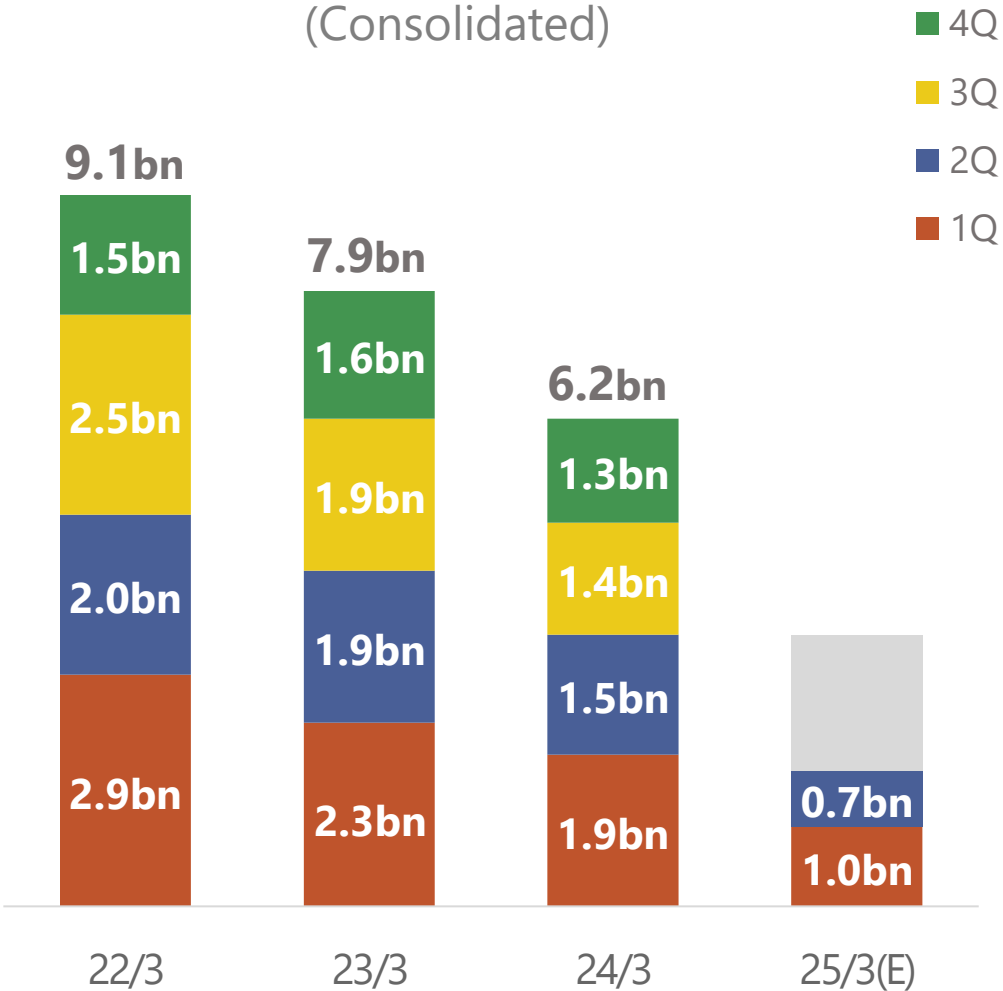
# Trend in Interest Repayment



Num of interest repayment claims (thousands)



Withdrawal amount (Consolidated)





## **3 AIFUL Results Summary**



# [AIFUL] Operating Results and Full-year Guidance



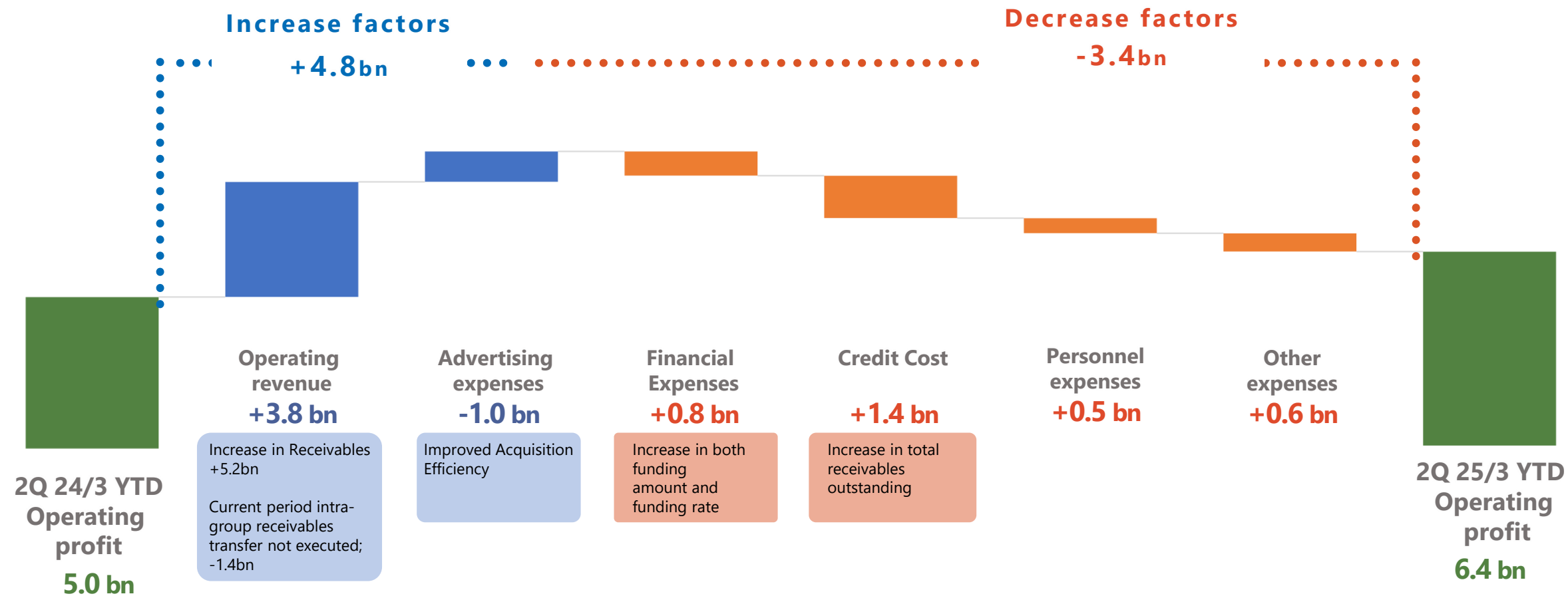
( ¥ million )	2Q 24/3	24/3	2Q 25/3	YOY%	25/3 (E)
Total receivable outstanding	740,160	790,608	837,861	13.2%	881,300
Loans outstanding	532,538	562,913	586,290	10.1%	619,500
Credit guarantee	194,531	213,020	235,704	21.2%	243,600
Loan volume	137,398	275,780	143,467	4.4%	-
New accounts	26,637	50,315	26,056	-2.2%	-
Existing accounts	110,760	225,465	117,410	6.0%	-
Bad debt	14,986	24,696	17,444	16.4%	28,800
Bad debt ratio to operating loans	2.0%	3.1%	2.1%	0.1pt	3.3%

# [AIFUL] Financial Results Outline and Full-year Guidance

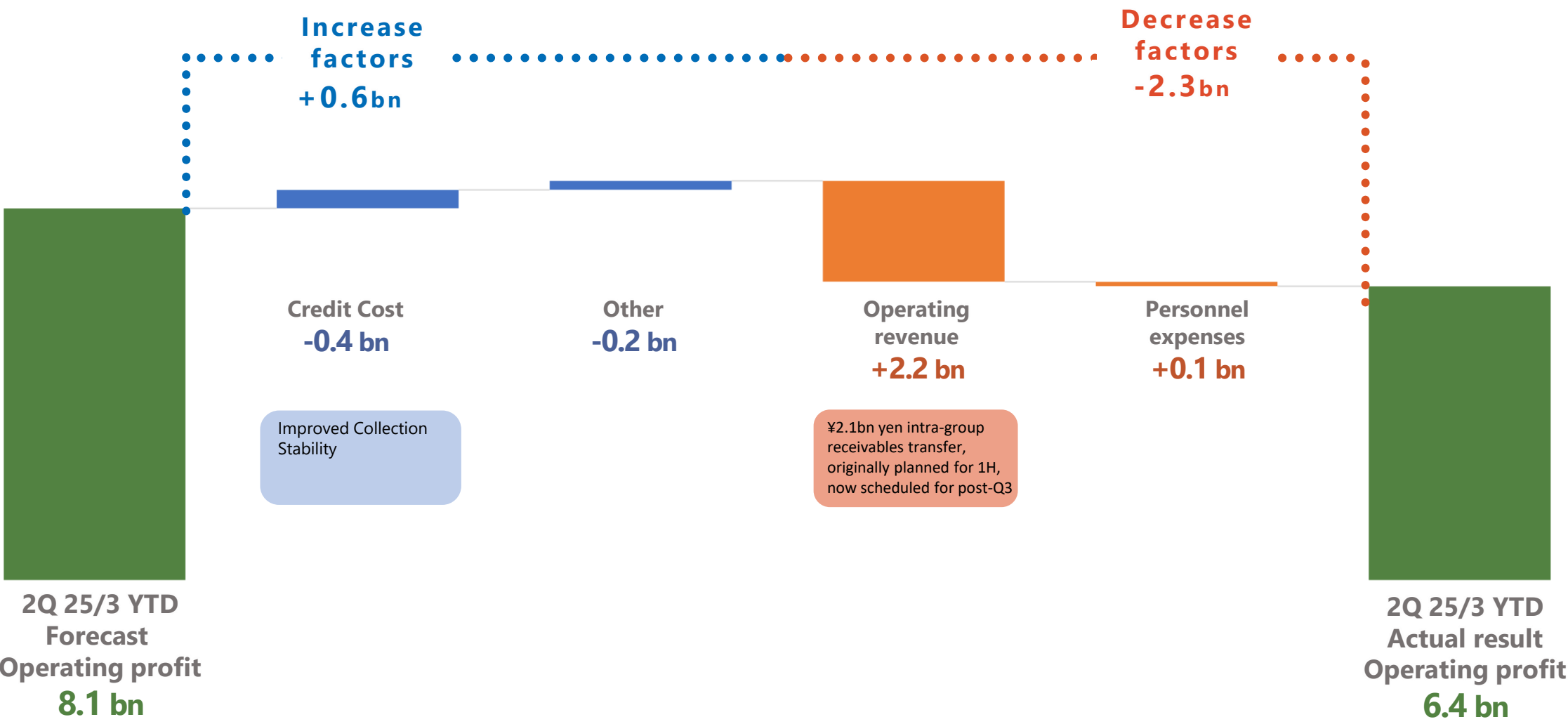


( ¥ million )	2Q 24/3 YTD	24/3	2Q 25/3 YTD	YOY%	25/3 (E)
<b>Operating revenue</b>	<b>49,503</b>	<b>103,867</b>	<b>53,350</b>	<b>7.8%</b>	<b>112,200</b>
Interest on operating loans	37,012	76,323	41,584	12.4%	85,000
Revenue from credit guarantee	6,939	14,397	7,863	13.3%	15,900
Other operating revenue	4,123	8,254	3,902	-5.4%	7,300
Gain on transfer o receivable	1,429	4,892	-	-	3,700
<b>Operating expenses</b>	<b>44,439</b>	<b>79,527</b>	<b>46,858</b>	<b>5.4%</b>	<b>91,800</b>
Financial expenses	2,563	5,306	3,415	33.3%	7,000
Provision of allowance for doubtful accounts	19,172	31,172	20,598	7.4%	37,300
Advertising expenses	8,336	13,937	7,324	-12.1%	14,900
Personnel expenses	5,341	10,690	5,879	10.1%	11,800
Other operating expenses	9,026	18,421	9,640	6.8%	20,800
<b>Operating profit</b>	<b>5,064</b>	<b>24,339</b>	<b>6,491</b>	<b>28.2%</b>	<b>20,300</b>
<b>Ordinary profit</b>	<b>6,421</b>	<b>27,147</b>	<b>8,505</b>	<b>32.5%</b>	<b>23,500</b>
<b>Profit</b>	<b>6,167</b>	<b>24,998</b>	<b>6,200</b>	<b>0.5%</b>	<b>22,300</b>

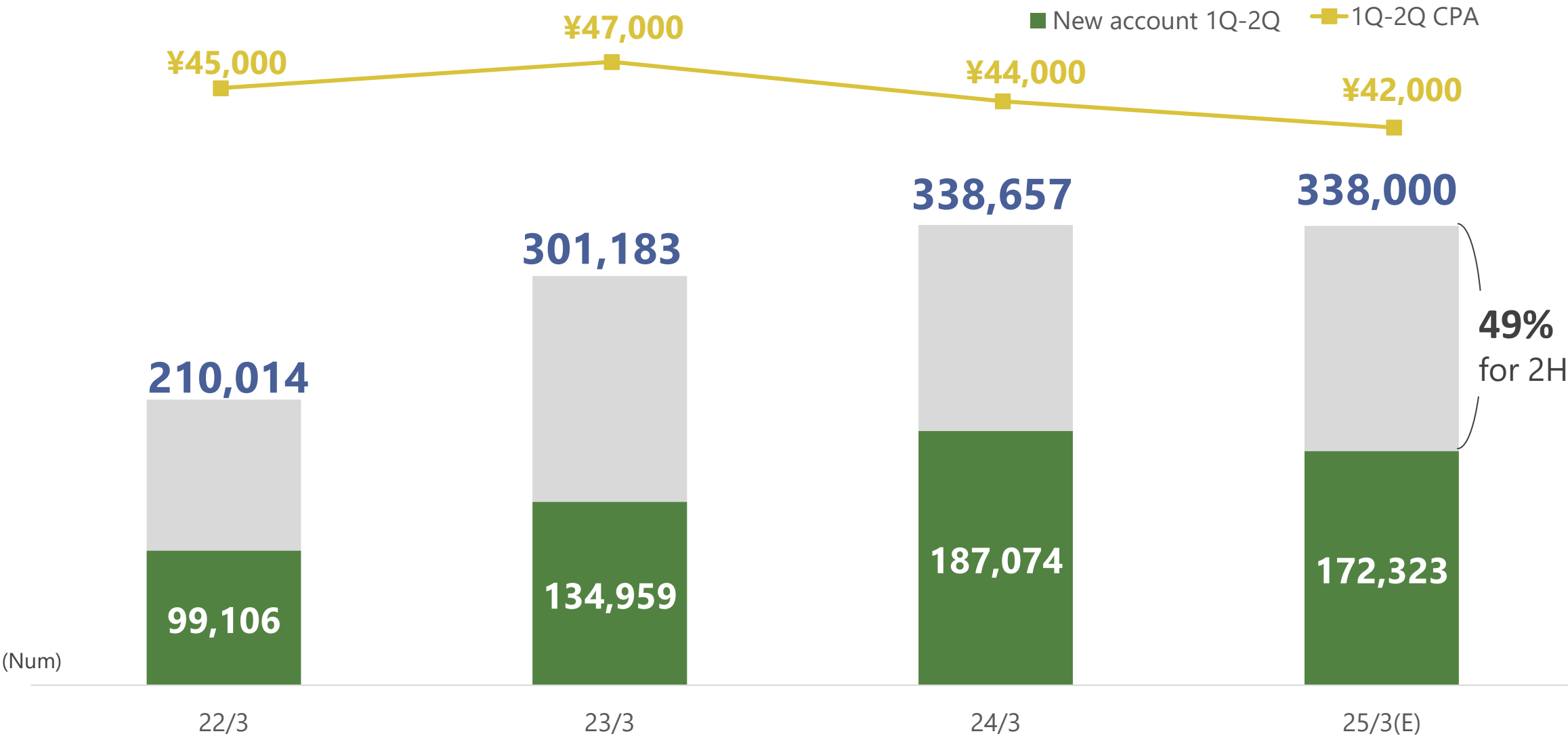
# [AIFUL] Operating Profit Variances (vs. FY2024/3 2Q)



# [AIFUL] Operating Profit Variances (vs. FY2025/3 2Q Guidance)



# [AIFUL] Unsecured Loan Business/ Correlation between new accounts and CPA

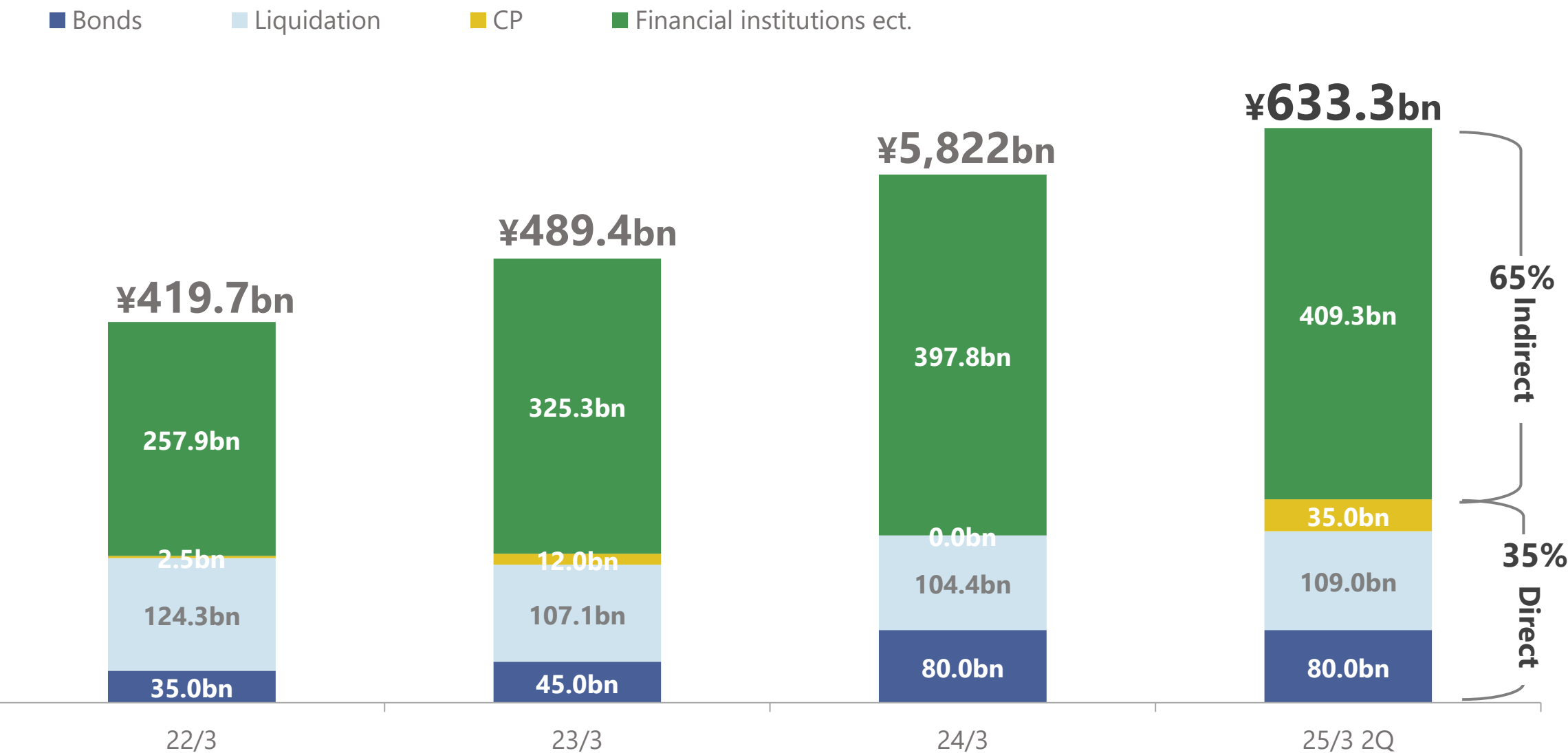


\*CPA is calculated on an accrual basis from the current FY.

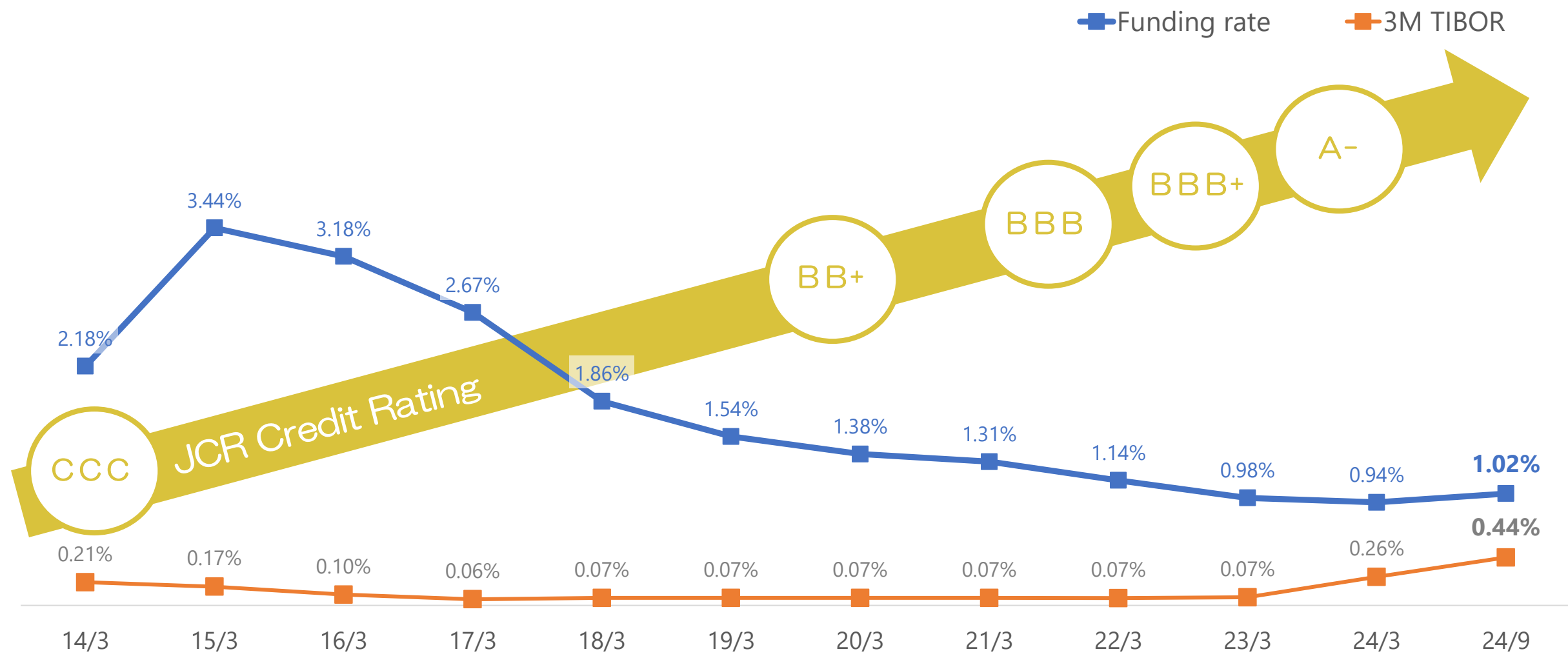
# [AIFUL] Credit Cost



# [AIFUL] Interest Bearing Liabilities



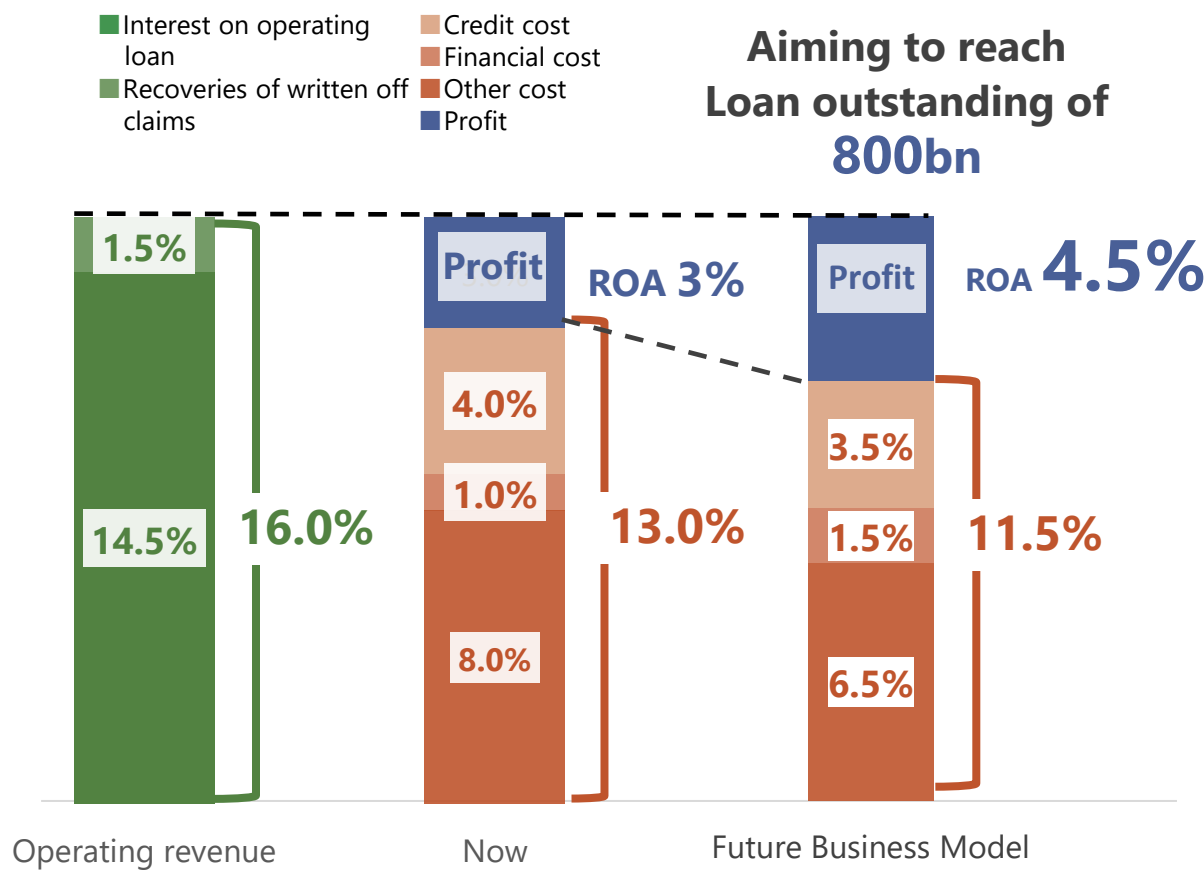
# [AIFUL] Funding Rate





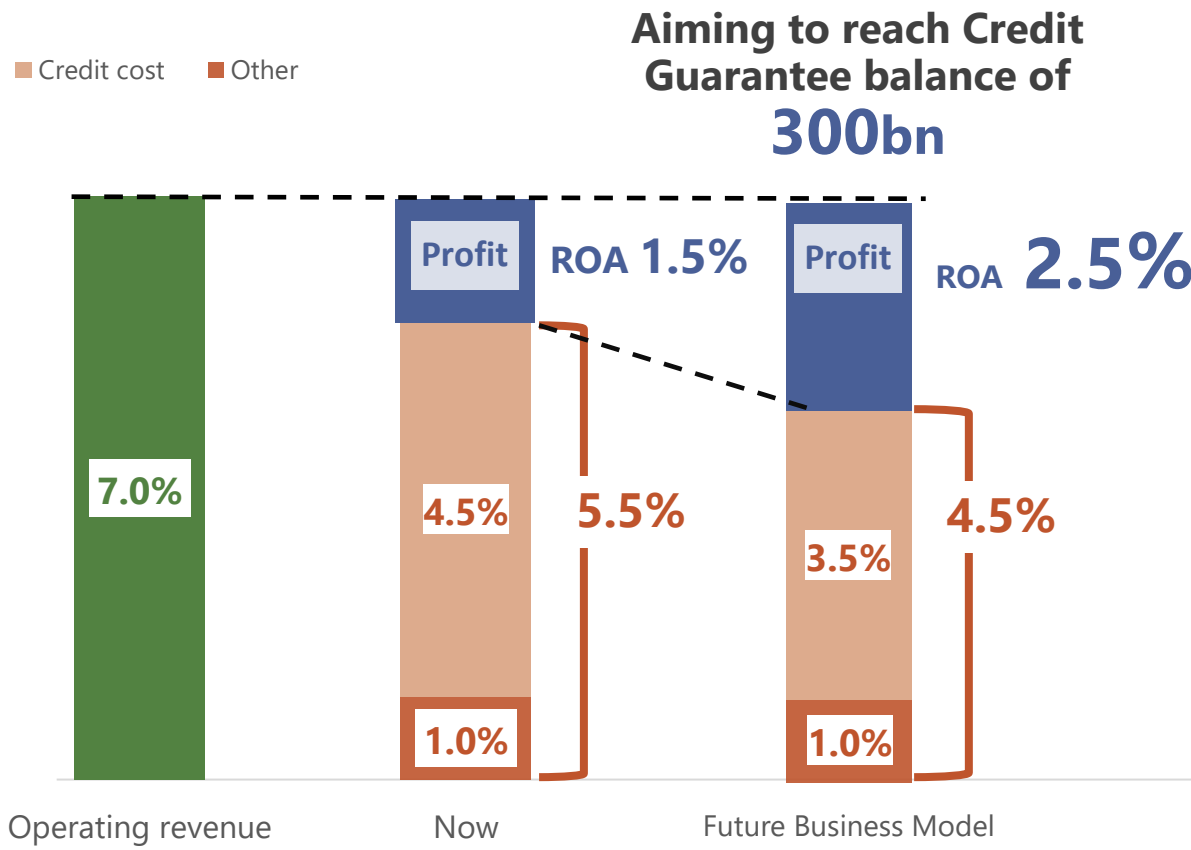
# Reference: Outlook for Loan and Credit Guarantee Businesses (AIFUL, LIFE CARD)

## ● Loan Business (Estimated ROA)



- Credit cost as a percentage of balance is expected to remain stable due to stable balances.
- Financial cost as a percentage of balance is expected to increase due to rising market interest rates.
- Other expenses as a percentage of balance is expected to decrease due to economies of scale.

## ● Credit Guarantee Business (Estimated ROA)



- Credit cost as a percentage of credit guarantee balance is expected to remain stable due to stable balances.

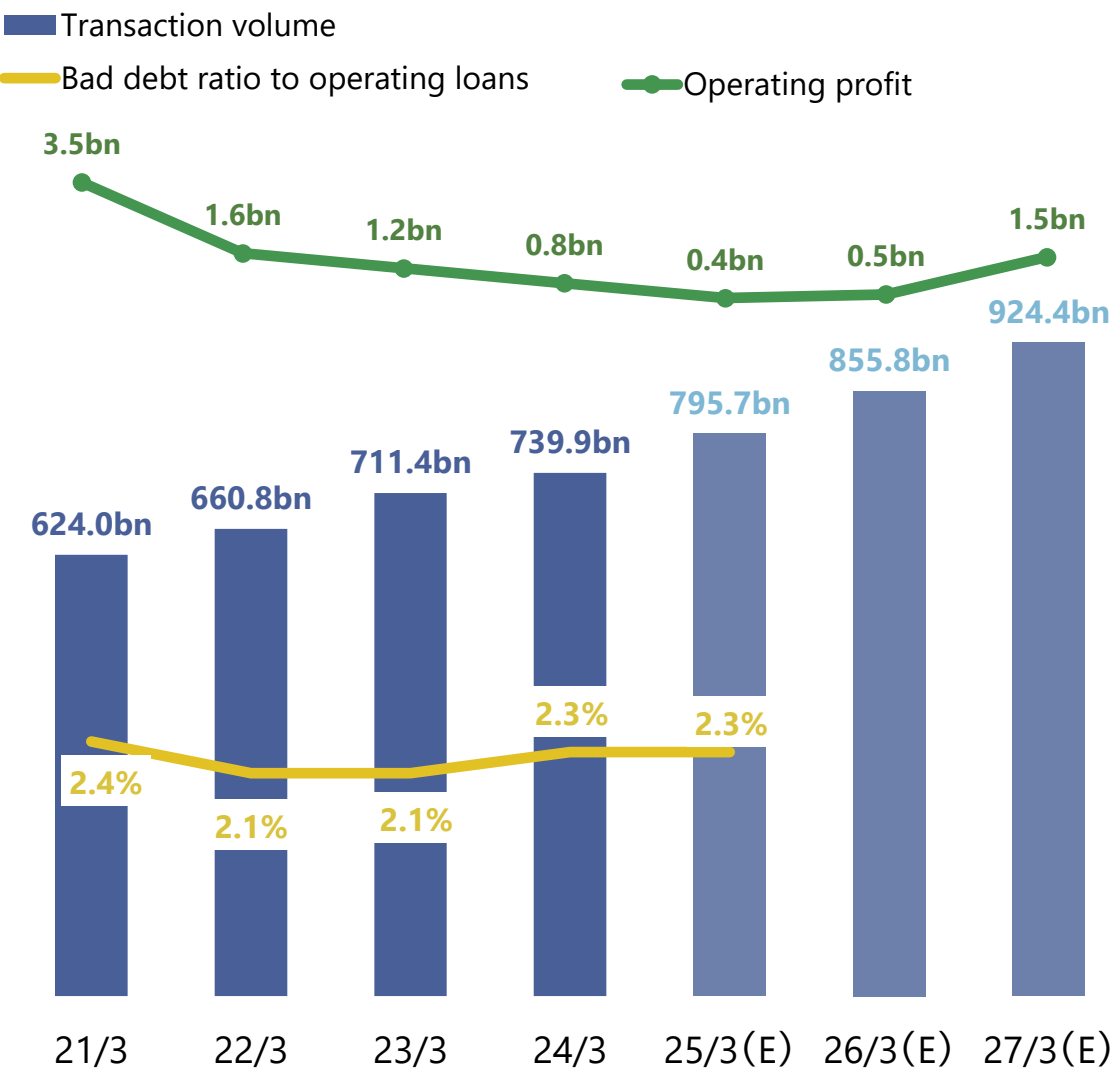


## 4 Group Companies Results Summary

# [LIFECARD] Operating Results (Credit card business)

● The number of new card issuances increased due to the launch of new partnership cards.

( ¥ million )	2Q 24/3 YTD	24/3	2Q 25/3 YTD	YOY %	25/3 (E)	YOY %
Number of new issue (thousand)	205	465	241	17.8%	503	8.3%
Usage rate	42.8%	42.3%	42.0%	-0.8Pt	43.5%	1.2pt
Operating revenue	18,703	37,714	19,032	1.8%	39,300	4.2%
Operating profit	580	861	400	-31.0%	400	-53.6%
Ordinary profit	626	947	439	-29.9%	400	-57.8%
Profit	417	363	665	59.3%	100	-72.5%



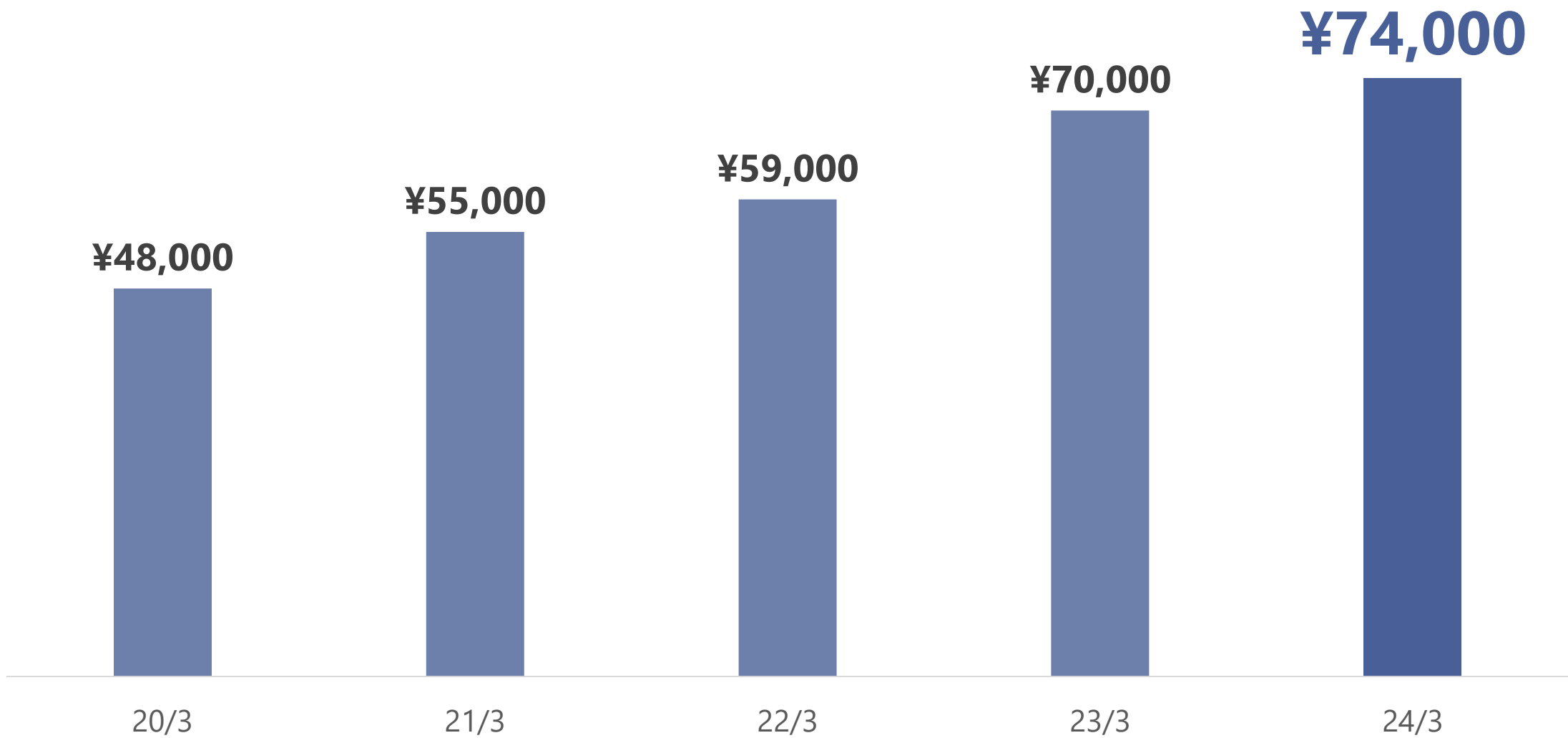
## [LIFECARD] Topics

- Released a partnership card with the martial arts organization "RIZIN"
- Launched collaboration with Amway Japan, introducing the "Club Amway Card"
- Debut of the official character, "Yell(Cheer)-kun"

<https://www.lifecard.co.jp/yell/>



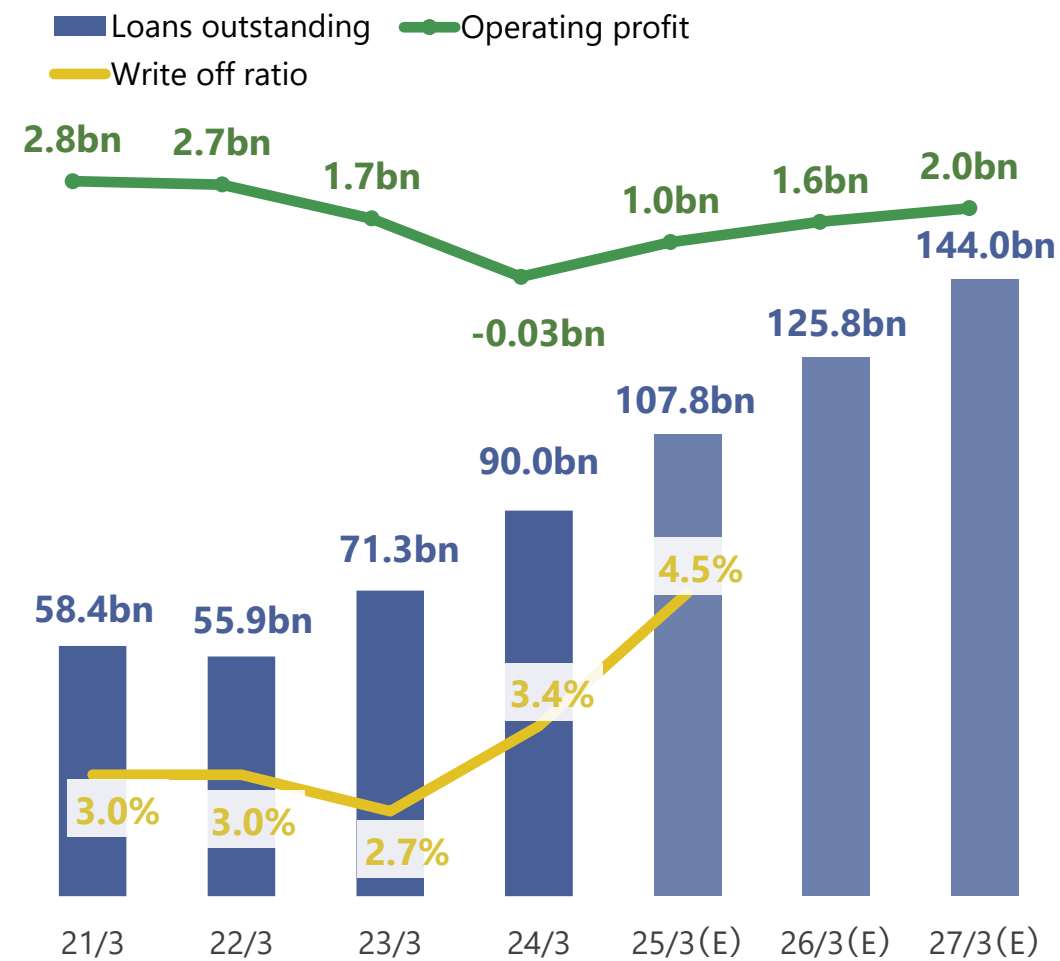
**[LIFECARD] Future LTV** (Active member basis)



# AG BUSINESS SUPPORT CORPORATION (Small Business Loan & Secured Loan)

● Revenue increased due to steady growth in new acquisitions and an expansion in the Loans outstanding.

( ¥ million )	2Q 24/3 YTD	24/3	2Q 25/3 YTD	YOY %	25/3 (E)	YOY %
Loans outstanding	79,463	90,019	99,184	24.8%	107,800	19.8%
New accounts	4,666	10,010	5,266	12.9%	11,200	11.9%
N. of customer accounts (thousands)	31	34	37	15.9%	<u>40</u> ※1	<u>16.4</u> %※1
Operating revenue	4,727	10,310	6,247	32.2%	12,800	24.1%
Operating profit	385	-38	466	20.9%	1,000	-
Ordinary profit	375	-41	474	26.2%	1,000	-
Profit	150	-307	153	2.5%	400	-



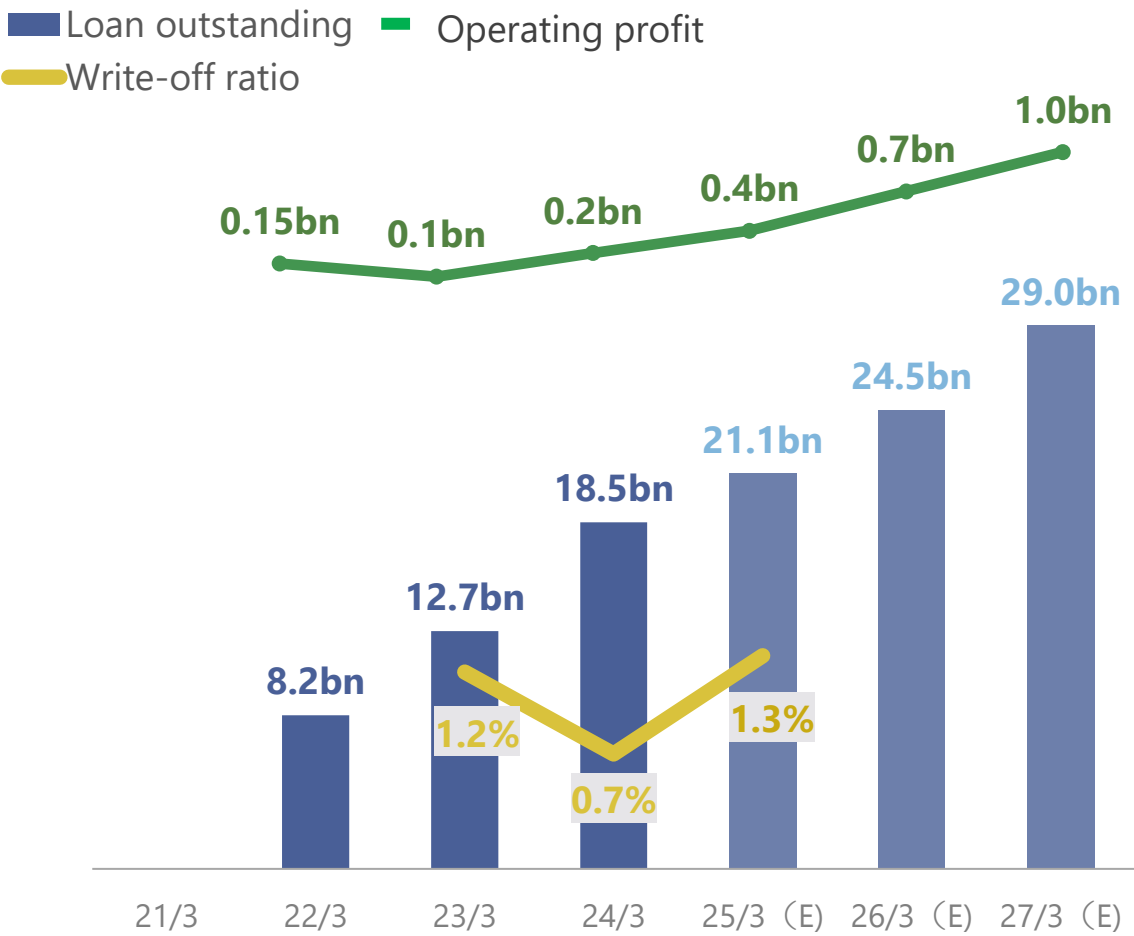
※1 Underlined figures have been corrected due to an error.  
\* In July 2021, AG MEDICAL CORPORATION took over the medical fee-secured loan business.

# AG MEDICAL CORPORATION (Small Business Loan: Medical loan)

- Although the loan outstanding steadily expanded, profits declined primarily due to an increase in credit cost.

**Loans secured by medical fees:** Loans secured by claims to National Health Insurance Federation (National Health Insurance) and Social Insurance Medical Fee Payment Fund (Shakaihoken) payment institutions for customers engaged in medical services.

( ¥ million )	2Q 24/3 YTD	24/3	2Q 25/3 YTD	YOY %	25/3 (E)	YOY %
Loan outstanding (Secured loan)	15,337	18,524	19,512	27.2%	21,100	13.9%
New account (num; Secured loan)	186	387	197	5.9%	390	0.7%
Num of account (num)	817	971	1,098	34.4%	1,100	13.3%
Operating revenue	616	1,358	859	39.5%	1,700	25.2%
Operating profit	187	235	160	-14.4%	400	69.5%
Ordinary profit	187	234	159	-14.7%	400	70.6%
Profit	127	150	101	-20.7%	300	99.0%



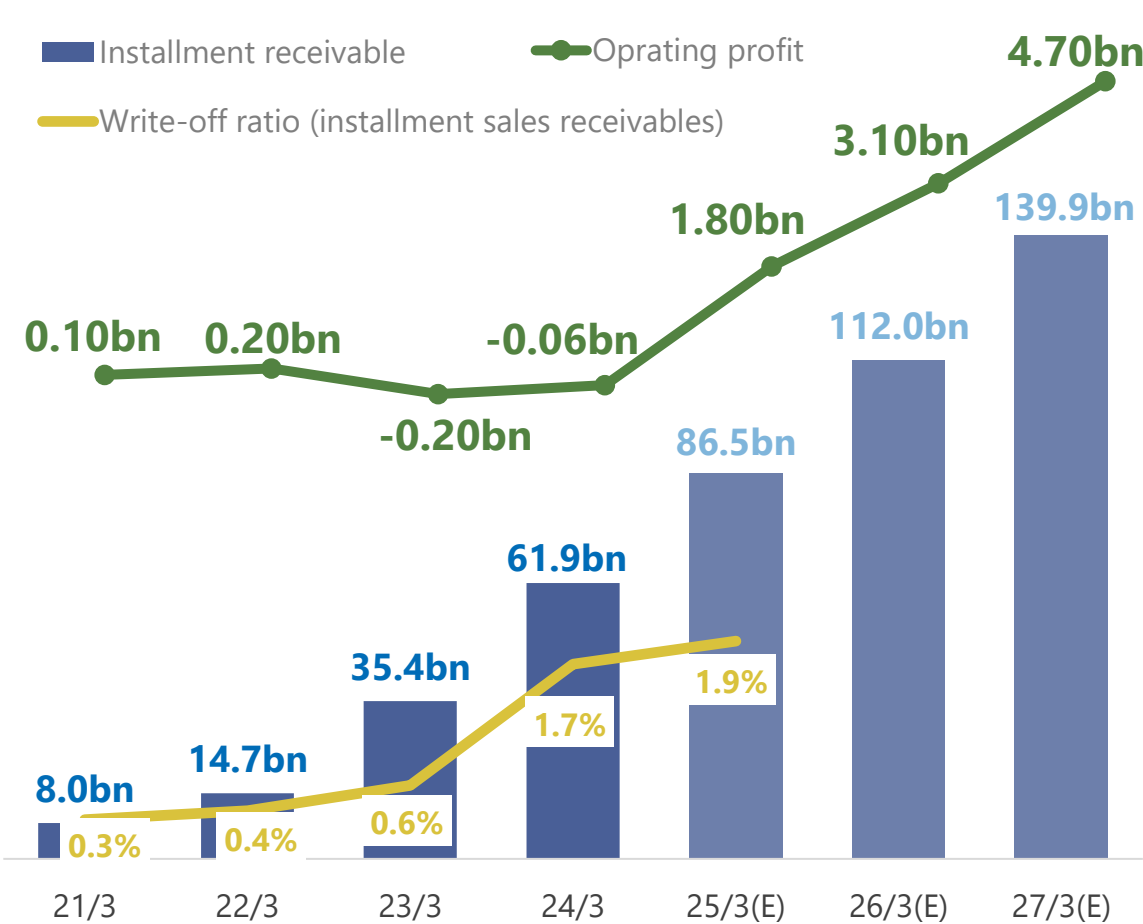
\*In July 2021, AG MEDICAL CORPORATION took over the medical fee-secured loan business of AG Business Support.

# AG Payment Service CO.,LTD (Installment receivables & BNPL)

- Both installment receivable and operating revenue achieved double-digit growth, leading to increased revenue and profit.

By expanding the merchant network through our sales organization, we aim to achieve a **30% share** of the installment market in the beauty and aesthetic medical fields by FY 2029/3.

( ¥ million )	2Q 24/3 YTD	24/3	2Q 25/3 YTD	YOY %	25/3 (E)	YOY %
Installment receivable	49,113	61,902	77,585	58.0%	86,500	39.7%
Transaction Volume (BNPL)	6,564	12,898	4,953	-24.5%	4,900	-62.0%
Operating revenue	2,374	5,435	3,659	54.1%	7,600	42.8%
Operating profit	266	-67	666	150.1%	1,800	-
Ordinary profit	267	-63	667	149.8%	1,800	-
Profit	427	-833	455	6.4%	1,200	-



AG GUARANTEE merged with AG MIRAIBARAI, a BNPL provider, as of January 2024, and changed its trade name to AG Payment Service.



# BitCash Inc. (Issuance of prepaid electronic money)

- Included in the scope of consolidation from the second quarter, with the consolidated period covering the three months from July to September 2024.

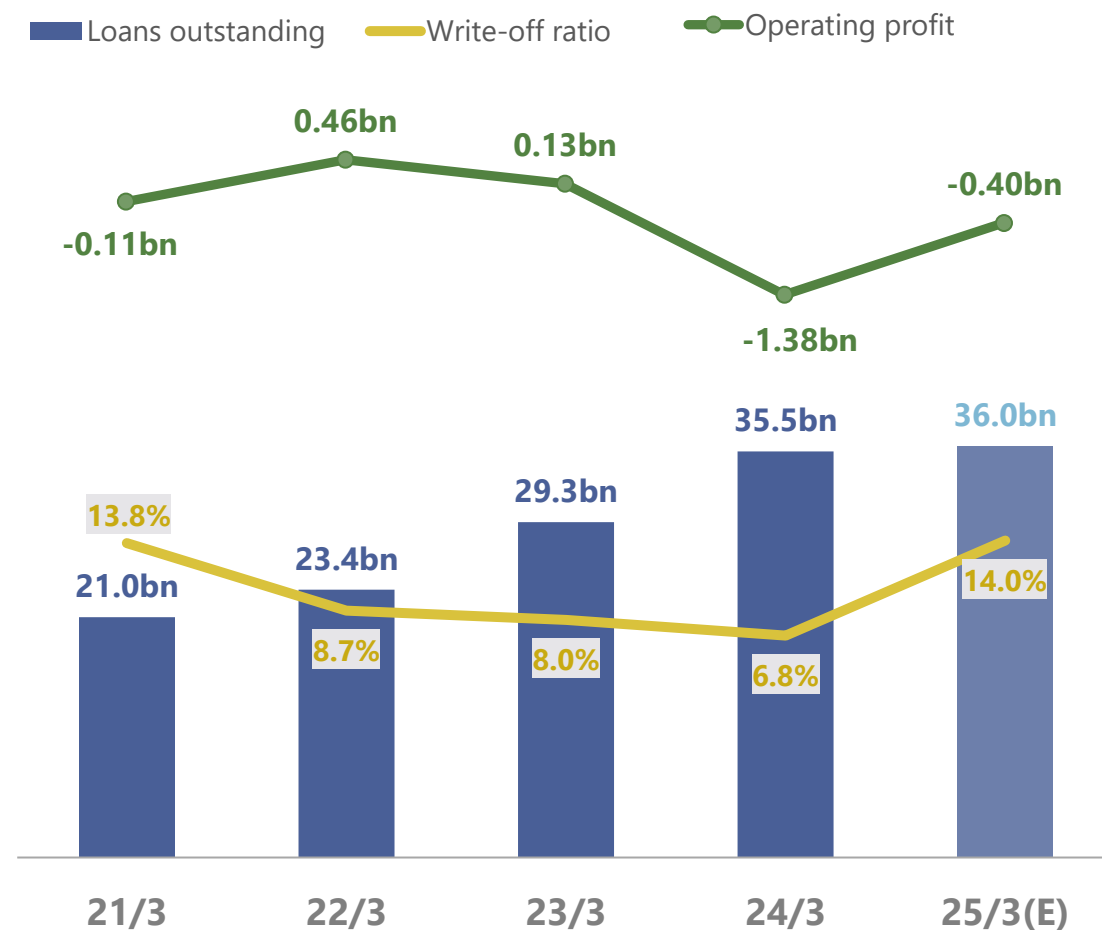
months from July to September 2024.

						(reference) Consolidated
( ¥ million )	2Q 24/3 YTD	24/3	2Q 25/3 YTD	YOY%	25/3 (E)	24/9 (Jun-Sep: 3M)
Card Sales Amount	27,200	51,975	23,499	-13.6%	-	11,772
Transaction Amount	26,935	51,594	23,483	-12.8%	-	11,757
Operating revenue	2,781	5,005	2,217	-20.3%	4,700	1,104
Fee income	2,212	4,222	1,988	-10.1%	4,200	993
Breakage revenue	544	722	202	-62.7%	400	100
Operating profit	1,085	1,748	656	-39.5%	1,300	314
Ordinary profit	1,074	1,740	645	-40.0%	1,300	310
Profit	714	1,176	418	-41.4%	900	203

# AIRA & AIFUL Public Company Limited (Consumer finance business in Thailand)

- Due to an increase in credit cost from the impact of COVID-19 and the deterioration of the economic environment, profits have declined on a YoY basis.

( ¥ million )	2Q 24/3 YTD	24/3	2Q 25/3 YTD	YOY %	25/3 (E)	YOY %
Loans outstanding	33,346	35,547	<b>38,143</b>	<b>14.4%</b>	36,000	1.3%
New accounts	23,931	43,508	<b>20,516</b>	<b>-14.3%</b>	42,000	-3.5%
N. of customer accounts (thousands)	368	304	<b>303</b>	<b>-17.7%</b>	280	-8.0%
Operating revenue	3,965	8,269	<b>3,996</b>	<b>0.8%</b>	8,500	2.8%
Operating profit	125	-1,383	<b>-856</b>	-	-400	-
Ordinary profit	127	-1,368	<b>-854</b>	-	-400	-
Profit	71	-1,087	<b>-706</b>	-	-500	-

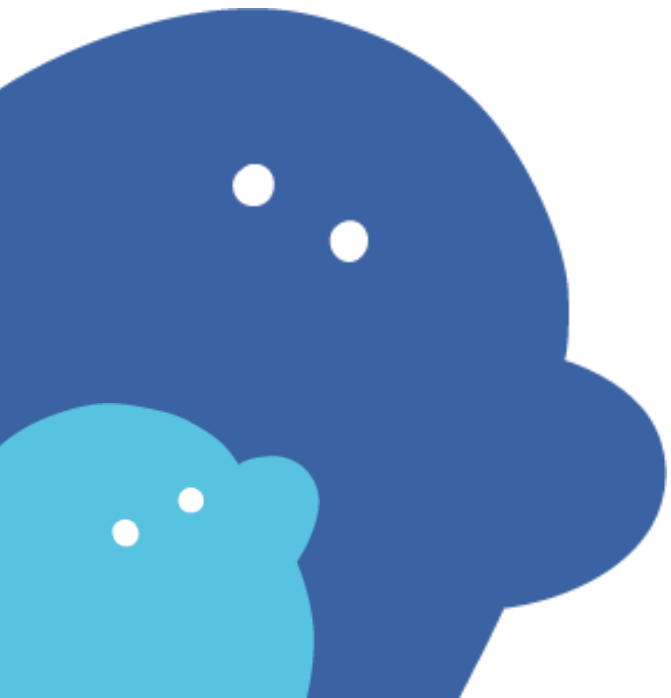


\*Fiscal period of A&A is from January 1 to December 31.

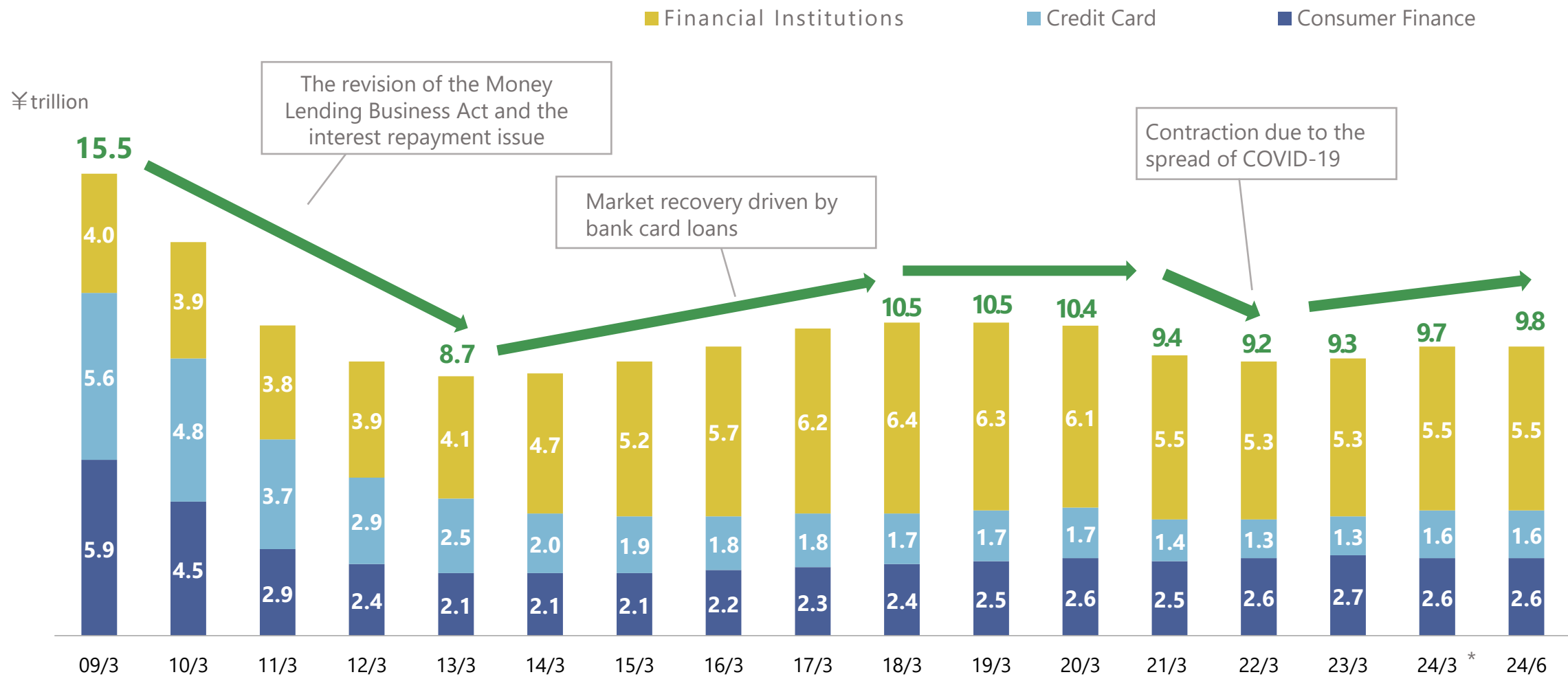
\*Exchange rate (Thai Baht): B/S: ¥4.07(23/9), ¥4.13(24/3), ¥4.36(24/9), ¥3.81(25/3E)

P/L: ¥3.91 (23/9), ¥4.04(24/3), ¥4.21(24/9), ¥4.13(25/3E)

## **5 Appendix**



# Unsecured Loan Market

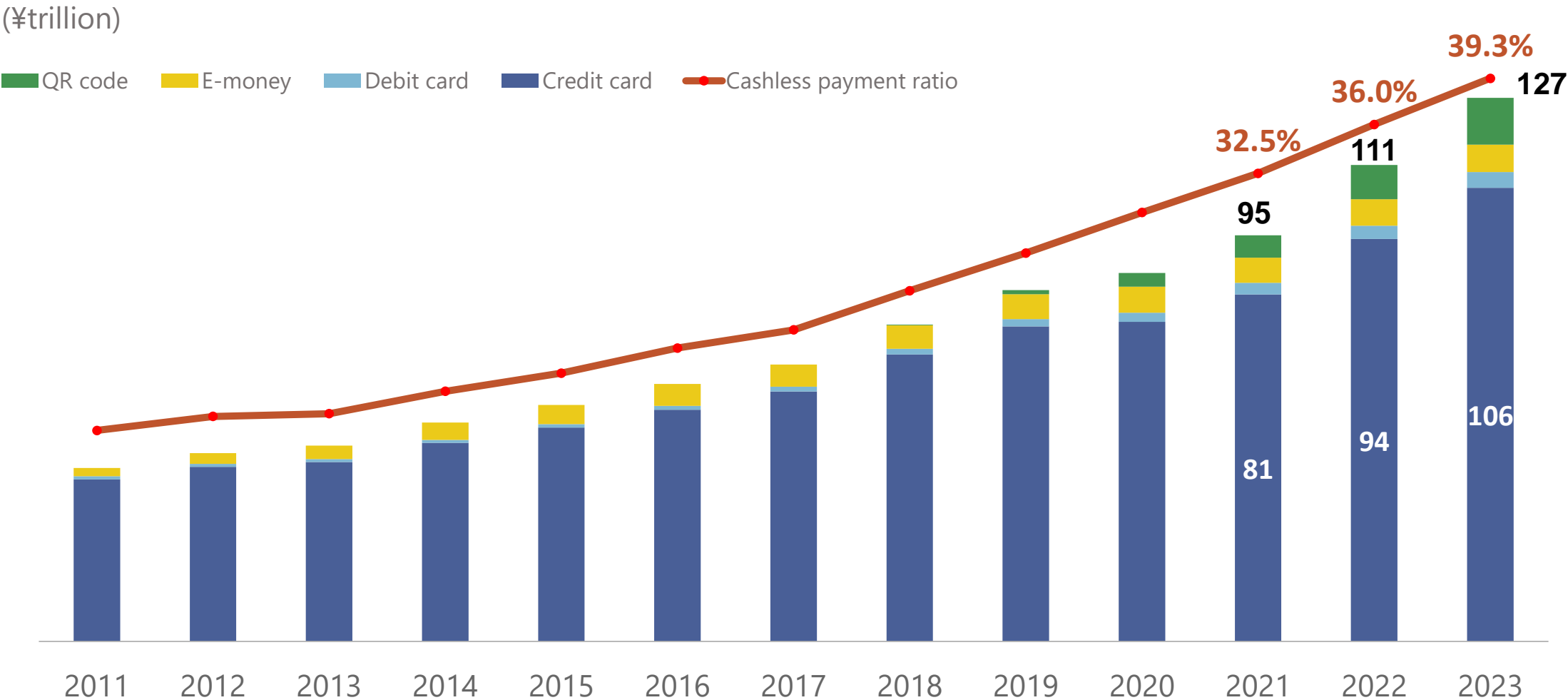


\* June 2023: Consumer finance company with balance of about 300 billion yen shifted to credit card.

\* Source  
Consumer finance and Credit card companies :Statistic by the Japan Financial Services Association.  
Financial institutions :Statistic by The Bank of Japan. (Consumer loan outstanding at domestic banks and credit unions)

# Cashless Payment Market

## Trends in cashless payment amount and ratio






















\*Source: Ministry of Economy, Trade and Industry

# AIFUL Group's Business

AIFUL Group aims to **Create businesses that meet all customer needs**



<div>Loan / Credit Guarantee</div> <div></div>	<div>Small Business Loan</div> <div> AG Medical  AG BusinessSupport</div>	<div>Credit / Electronic Payment</div> <div> LIFE CARD  BitCash</div>	<div>Individual Credit Purchase Intermediaries / BNPL</div> <div> AG PaymentService</div>
<div>Social Lending</div> <div> AG CrowdFunding</div>	<div>Venture Capital</div> <div> AG Capital</div>	<div>Debt Collection</div> <div> AG LoanServices</div>	<div>Restructuring</div> <div> AG Partners</div>
<div>Leaseback/Rent Guarantee</div> <div> AG SmileLeaseback </div>	<div>Small-amount, short-term insurance</div> <div></div>	<div>System Engineering Services</div> <div>  </div>	<div>Overseas</div> <div> AIRA &amp; AIFUL (Thailand)  REKSA FINANCE (Indonesia)  AIFUL FINANCE PHILIPPINES (Philippines)</div>

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