

(Changes in the representation method)

From the first quarter of this fiscal year, the operating revenue items of “Financing and administration fees”, “Income from real estate”, “Income from leases”, “Income from other sales” were changed to the items of “Credit services businesses fees”, “Income from finance businesses”, “Income from businesses of real estate”, “Income from entertainment businesses”, “Income from other businesses” and “Financial revenues”. These changes are due to more proper representation of our business activities by reviewing categories of items in the financial statements in relation to our business reform based on the midterm management plan released this year.

(Reference)

1.Non-Consolidated Business Results for the First Quarter Accounting Period(April 1, 2007 to June. 30, 2007)

(1)Operating results

(% represents year-on year change)

	Operating revenues		Operating income		Ordinary income		Net income(First Quarter)	
	(millions of yen)	yoy%	(millions of yen)	yoy%	(millions of yen)	yoy%	(millions of yen)	yoy%
06/07 (1 st Quarter)	71,273	9.9	10,917	(3.9)	12,651	0.4	8,871	7.2
06/06 (1 st Quarter)	64,871	31.2	11,362	(10.4)	12,599	(6.8)	8,278	(0.1)
03/07 (Annual)	270,275		51,442		56,632		10,221	

	Earnings per share (yen)	Earnings per share (Diluted) (yen)
	06/07 (1 st Quarter)	49.32
06/06 (1 st Quarter)	46.14	45.76
03/07 (Annual)	57.03	56.71

(2) Non-Consolidated Financial Position

	Total assets (Millions of yen)	Net assets (Millions of yen)	Equity ratio (%)	Net assets Per share (yen)
06/07 (1 st Quarter)	2,076,622	354,432	17.1	1,968.44
06/06 (1 st Quarter)	1,792,219	349,656	19.5	1,947.05
03/07 (Annual)	1,962,996	349,754	17.8	1,945.22

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

Item	Term	First quarter 2006 (As of June 30, 2006)	First quarter 2007 (As of June 30, 2007)	Increase (Decrease)		Fiscal 2006 (As of March 31,2007)
		Value	Value	Value	(%)	Value
(ASSETS)						
I. Current assets						
Cash and deposits		54,742	60,560	5,818	10.6	55,961
Installment accounts receivable		1,514,377	1,789,842	275,465	18.2	1,672,904
Other		178,252	213,938	35,685	20.0	208,648
Allowance for losses on receivables		(60,757)	(70,456)	(9,698)	16.0	(65,206)
Total Current assets		1,686,614	1,993,885	307,271	18.2	1,872,306
II. Fixed assets						
Tangible fixed assets:						
Equipment for lease		160,768	165,323	4,554	2.8	163,107
Other		40,887	44,089	3,202	7.8	42,844
Total Tangible Fixed assets		201,656	209,413	7,756	3.8	205,952
Intangible fixed assets:		32,262	41,870	9,607	29.8	41,049
Investments and other assets:						
Investment securities		110,041	96,581	(13,459)	(12.2)	106,274
Long-term loans		29,860	29,312	(548)	(1.8)	29,340
Other		33,985	52,274	18,288	53.8	49,927
Allowance for losses on receivables		(7,505)	(5,292)	2,213	(29.5)	(5,366)
Allowance for losses on investment		(381)	(381)	—	—	(381)
Total Investments and other assets		165,999	172,494	6,494	3.9	179,793
Total Fixed assets		399,919	423,777	23,858	6.0	426,794
III. Deferred assets						
Bond issue costs		536	618	81	15.2	505
Total Deferred assets		536	618	81	15.2	505
Total assets		2,087,070	2,418,282	331,211	15.9	2,299,607

(Millions of yen)

Item	Term	First quarter 2006 (As of June 30, 2006)	First quarter 2007 (As of June 30, 2007)	Increase (Decrease)		Fiscal 2006 (As of March 31,2007)
		Value	Value	Value	(%)	Value
(LIABILITIES)						
I. Current liabilities						
Notes and Accounts payable		193,202	251,942	58,740	30.4	237,261
Short-term loans		435,252	369,684	(65,568)	(15.1)	381,708
Current portion of long-term loans		50,963	60,786	9,823	19.3	52,528
Current portion of bonds		39,835	28,885	(10,950)	(27.5)	42,445
Commercial paper		65,000	215,000	150,000	230.8	101,300
Current portion of payables under securitized lease receivables		11,800	14,566	2,766	23.4	12,116
Allowance for losses on interest repayment		2,500	11,489	8,989	359.6	11,246
Other		53,937	58,397	4,460	8.3	85,515
Total Current liabilities		852,490	1,010,751	158,260	18.6	924,122
II. Long-term liabilities						
Bonds		228,552	252,467	23,915	10.5	232,497
Long-term loans		523,589	624,031	100,441	19.2	619,827
Payables under securitized lease receivables		45,200	30,633	(14,566)	(32.2)	35,883
Accrued pension and severance costs		7,268	6,226	(1,041)	(14.3)	6,492
Allowance for permanent points		31,456	38,598	7,142	22.7	36,205
Allowance for losses on interest repayment		—	35,566	35,566	—	34,656
Negative goodwill		148	544	396	267.8	107
Other		8,480	11,391	2,911	34.3	9,984
Total Long-term liabilities		844,694	999,459	154,764	18.3	975,656
Total liabilities		1,697,185	2,010,211	313,025	18.4	1,899,778
(NET ASSETS)						
I. Shareholders' Equity						
Common stock		74,928	75,598	669	0.9	75,230
Capital surplus		78,646	81,243	2,597	3.3	80,876
Retained earnings		199,007	209,866	10,858	5.5	204,129
Treasury stock		(4,188)	(6,048)	(1,859)	44.4	(6,047)
Total shareholders' equity		348,392	360,659	12,266	3.5	354,189
II. Valuation and translation adjustments						
Unrealized gains(losses) on other securities		21,583	18,808	(2,775)	(12.9)	19,152
Deferred gains(losses) on hedges		248	88	(160)	(64.5)	(182)
Total valuation and translation adjustments		21,832	18,896	(2,935)	(13.4)	18,969
III. Minority Interests						
Total net assets		389,884	408,071	18,186	4.7	399,828
Total liabilities and net assets		2,087,070	2,418,282	331,211	15.9	2,299,607

(2) Consolidated Statements of Income

(Millions of yen)

Item	Term	First quarter 2006 (As of June 30, 2006)		First quarter 2007 (As of June 30, 2007)		Increase (Decrease)		Fiscal 2006 (As of March 31, 2007)	
		Value		Value		Value	(%)	Value	
I. Operating revenues									
Financing and administration fees			65,009		—	(65,009)	—		274,230
Income from entertainment									
Entertainment sales		35,891		—				126,070	
Cost of entertainment sales		31,191	4,700	—	—	(4,700)	—	109,196	16,874
Income from real estate									
Real estate sales		37,745		—				94,517	
Cost of real estate sales		31,096	6,649	—	—	(6,649)	—	74,647	19,869
Income from leases									
Leases sales		17,116		—				68,831	
Cost of leases sales		15,330	1,786	—	—	(1,786)	—	62,067	6,763
Income from other sales									
Other sales		1,475		—				6,532	
Cost of other sales		85	1,389	—	—	(1,389)	—	342	6,190
Credit services businesses fees			—		63,643	63,643	—		—
Income from finance businesses									
Revenue from finance businesses		—		27,641				—	
Cost of finance businesses		—	—	16,481	11,160	11,160	—	—	—
Income from businesses of real estate									
Revenue from real estate businesses		—		44,467				—	
Cost of real estate businesses		—	—	32,935	11,531	11,531	—	—	—
Income from entertainment businesses									
Revenue from entertainment businesses		—		31,026				—	
Cost of entertainment businesses		—	—	27,159	3,867	3,867	—	—	—
Income from other businesses									
Revenue from other businesses		—		394				—	
Cost of other businesses		—	—	—	394	394	—	—	—
Financial revenues			2,883		1,945	(937)	(32.5)		9,755
Total operating revenues			82,417		92,541	10,124	12.3		333,683
II. Operating expenses									
Selling, general and administrative expenses			59,921		66,838	6,916	11.5		242,149
Financial cost			3,491		4,914	1,423	40.8		16,332
Total operating expenses			63,412		71,752	8,339	13.2		258,481
Operating income			19,004		20,789	1,784	9.4		75,201

(Millions of yen)

	First quarter 2006 (As of June 30, 2006)		First quarter 2007 (As of June 30, 2007)		Increase (Decrease)		Fiscal 2006 (As of March 31, 2007)	
	Value		Value		Value	(%)	Value	
III. Non-operating income		1,618		1,481	(136)	(8.4)		7,770
IV. Non-operating expenses		686		741	55	8.0		2,814
Ordinary income		19,936		21,529	1,592	8.0		80,157
V. Extraordinary gains		276		1,445	1,169	423.4		5,882
VI. Extraordinary losses		1,482		59	(1,422)	(96.0)		52,429
Income before income taxes and minority interests		18,730		22,914	4,184	22.3		33,610
Income taxes, current	10,818		14,378				41,688	
Income taxes, deferred	(3,237)	7,580	(5,177)	9,200	1,619	21.4	(27,418)	14,270
Minority interests		1,450		2,947	1,497	103.3		4,518
Net income		9,699		10,766	1,067	11.0		14,821

Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Millions of yen)

Term Item	First quarter 2006 (As of June 30, 2006)	First quarter 2007 (As of June 30, 2007)	Increase (Decrease)		Fiscal 2006 (As of March 31,2007)
	Value	Value	Value	(%)	Value
(ASSETS)					
I. Current assets					
Cash and deposits	37,676	44,870	7,193	19.1	41,185
Installment accounts receivable	1,384,936	1,640,210	255,273	18.4	1,527,793
Inventory	1,759	1,901	142	8.1	1,904
Other	46,452	46,332	(120)	(0.3)	47,398
Allowance for losses on receivables	(55,385)	(61,138)	(5,753)	10.4	(56,439)
Total Current assets	1,415,441	1,672,176	256,734	18.1	1,561,842
II. Fixed assets					
Tangible fixed assets					
Equipment for lease	160,829	165,367	4,538	2.8	163,149
Other	17,645	17,696	50	0.3	18,290
Total Tangible fixed assets	178,475	183,064	4,588	2.6	181,439
Intangible fixed assets:					
30,138	39,057	8,919	29.6	38,328	
Investments and other assets:					
Investment securities	123,253	118,828	(4,424)	(3.6)	119,557
Long-term loans	33,223	33,223	—	—	33,223
Other	17,430	35,984	18,554	106.4	34,436
Allowance for losses on receivables	(4,107)	(4,127)	(20)	0.5	(4,123)
Allowance for losses of investment	(2,054)	(2,054)	—	—	(2,054)
Total Investments and other assets	167,745	181,854	14,109	8.4	181,038
Total Fixed assets	376,359	403,976	27,617	7.3	400,806
III. Deferred assets					
Bond issue costs	418	469	50	12.1	347
Total Deferred assets	418	469	50	12.1	347
Total assets	1,792,219	2,076,622	284,402	15.9	1,962,996

(Millions of yen)

Item	Term	First quarter 2006 (As of June 30, 2006)	First quarter 2007 (As of June 30, 2007)	Increase (Decrease)		Fiscal 2006 (As of March 31,2007)
		Value	Value	Value	(%)	Value
(LIABILITIES)						
I. Current liabilities						
Notes and Accounts payable		192,284	250,688	58,403	30.4	235,741
Short-term loans		326,262	266,267	(59,995)	(18.4)	279,264
Current portion of long-term loans		33,303	41,100	7,797	23.4	40,200
Current portion of bonds		30,000	20,000	(10,000)	(33.3)	30,000
Commercial paper		65,000	207,000	142,000	218.5	97,000
Current portion payables under securitized lease receivables		11,800	14,566	2,766	23.4	12,116
Allowance for losses on interest repayment		2,247	10,382	8,135	362.1	10,161
Unearned income		4,405	5,203	798	18.1	5,126
Other		36,669	41,476	4,806	13.1	64,433
Total Current liabilities		701,972	856,685	154,712	22.0	774,043
II. Long-term liabilities						
Bonds		215,000	240,000	25,000	11.6	220,000
Long-term loans		439,470	512,370	72,900	16.6	505,670
Payables under securitized lease receivables		45,200	30,633	(14,566)	(32.2)	35,883
Accrued pension and severance costs		6,052	5,472	(579)	(9.6)	5,665
Allowance for permanent points		31,456	38,598	7,142	22.7	36,205
Allowance for losses on interest repayment		—	31,208	31,208	—	30,360
Other		3,411	7,221	3,809	111.7	5,412
Total Long-term liabilities		740,590	865,504	124,914	16.9	839,197
Total liabilities		1,442,563	1,722,189	279,626	19.4	1,613,241

(Millions of yen)

Item	Term	First quarter 2006 (As of June 30, 2006)	First quarter 2007 (As of June 30, 2007)	Increase (Decrease)		Fiscal 2006 (As of March 31,2007)
		Value	Value	Value	(%)	Value
(NET ASSETS)						
I. Shareholders' Equity						
Common stock		74,928	75,598	669	0.9	75,230
Capital surplus						
Capital reserves		78,332	79,002	669	0.9	78,635
Other capital surplus		0	1,896	1,895	—	1,896
Total capital surplus		78,332	80,898	2,565	3.3	80,531
Retained earnings						
Legal reserve		3,020	3,020	—	—	3,020
Other retained earnings		176,245	182,026	5,780	3.3	178,188
Other reserves		157,455	162,455	5,000	3.2	157,455
Deferred on retained earnings		18,790	19,571	780	4.2	20,733
Total Retained earnings		179,265	185,046	5,780	3.2	181,208
Treasury stock		(3,570)	(5,578)	(2,007)	56.2	(5,577)
Total shareholders' equity		328,955	335,963	7,008	2.1	331,393
II. Valuation and translation adjustments						
Unrealized gains on other securities		20,640	18,257	(2,382)	(11.5)	18,404
Deferred gains on hedges		60	211	150	250.2	(43)
Total valuation and translation adjustments		20,700	18,468	(2,231)	(10.8)	18,361
Total net assets		349,656	354,432	4,776	1.4	349,754
Total liabilities and net assets		1,792,219	2,076,622	284,402	15.9	1,962,996

(2) Non-Consolidated Statements of Income

(Millions of yen)

Item	Term	First quarter 2006 (As of June 30, 2006)		First quarter 2007 (As of June 30, 2007)		Increase (Decrease)		Fiscal 2006 (As of March 31, 2007)	
		Value		Value		Value	%	Value	
I. Operating revenues									
Credit cards			23,658	—	—	(23,658)	—		99,725
Shopping loans			164	—	—	(164)	—		609
Guarantees			1,184	—	—	(1,184)	—		5,372
Loans			30,997	—	—	(30,997)	—		129,572
Agency services			2,881	—	—	(2,881)	—		12,217
Income from leases									
Leases sales		17,146		—	—			68,886	
Cost of leases sales		15,336	1,810	—	—	(1,810)	—	62,091	6,795
Income from other sales									
Other sales		1,567		—	—			6,921	
Cost of other sales		85	1,482	—	—	(1,482)	—	342	6,579
Credit services business fees									
Credit cards		—		26,441	—			—	
Shopping loans		—		135	—			—	
Cash advances		—		28,245	—			—	
Agency services		—		3,577	—			—	
Others		—	—	1,259	59,659	59,659		—	—
Income from finance businesses									
Guarantees		—		1,666	—			—	
Loans		—		5,947	—			—	
Leases sales		—		18,163	—			—	
Cost of leases sales		—		16,487	—			—	
Income from leases		—	—	1,676	9,289	9,289	—	—	—
Income from businesses of real estate									
Revenue from real estate businesses		—		130	—			—	
Cost of real estate businesses		—	—	86	43	43	—	—	—
Income from other businesses									
Revenue form other businesses		—		394	—			—	
Cost of other businesses		—	—	—	394	394	—	—	—
Financial revenues			2,693		1,886	(806)	(29.9)		9,401
Total Operating revenues			64,871		71,273	6,402	9.9		270,275

(Millions of yen)

Term Item	First quarter 2006 (As of June 30, 2006)		First quarter 2007 (As of June 30, 2007)		Increase (Decrease)		Fiscal 2006 (As of March 31, 2007)	
	Value		Value		Value	%	Value	
II. Operating expenses								
Selling, general and administrative expenses		50,497		56,060	5,563	11.0		204,765
Financial cost		3,010		4,295	1,284	42.7		14,067
Total Operating expenses		53,508		60,355	6,847	12.8		218,833
Operating income		11,362		10,917	(444)	(3.9)		51,442
III. Non-operating income		1,284		1,837	553	43.1		5,514
IV. Non-operating expenses		47		104	56	118.1		323
Ordinary income		12,599		12,651	51	0.4		56,632
V. Extraordinary gains		276		1,445	1,169	423.4		1,683
VI. Extraordinary losses		15		2	(13)	(85.8)		41,737
Net income(loss) before income taxes		12,860		14,094	1,234	9.6		16,578
Income taxes, current	7,356		8,108				29,974	
Income taxes, deferred	(2,774)	4,582	(2,885)	5,222	640	14.0	(23,617)	6,357
Net income(loss)		8,278		8,871	593	7.2		10,221

Revenue items of "Cash advances" and "Loans" are revenue from loan transactions.

(Changes in the representation method)

From the first quarter of this fiscal year, the operating revenue items of "Credit cards", "Shopping loans", "Guarantees", "Loans", "Agency services", "Income from leases", "Income from other sales" and "Financial revenues" were changed to the items of "Credit services businesses fees", "Income from finance businesses", "Income from businesses of real estate", "Income from other businesses" and "Financial revenues". These changes are due to more proper representation of our business activities by reviewing categories of items in the financial statements in relation to our business reform based on the midterm management plan released this year.

(3) Volume transaction by business unit

(Millions of yen)

Item	Term	First quarter 2006 (As of June 30, 2006)		First quarter 2007 (As of June 30, 2007)		Increase (Decrease)		Fiscal 2006 (As of March 31, 2007)	
		Value	% of Total	Value	% of Total	Value	%	Value	% of Total
Credit services businesses									
Credit card		812,467 [812,395]		905,470 [905,230]		93,002 11.4		3,433,872 [3,433,007]	
Shopping loan		1,372 [1,296]		1,254 [1,162]		(118) (8.6)		5,693 [5,313]	
Cash advances		224,059		212,160		(11,898) (5.3)		871,587	
Agency services		195,348		281,708		86,360 44.2		809,992	
Credit services businesses total		1,233,248	93.8	1,400,593	92.3	167,344 13.6		5,121,146	93.3
Finance businesses									
Guarantees		19,542		24,546		5,003 25.6		85,431	
Loans		38,326		66,034		27,707 72.3		186,748	
Leases		21,348		22,305		956 4.5		87,488	
Finance businesses total		79,218	6.0	112,885	7.5	33,667 42.5		359,668	6.5
Businesses of real estate		129	0.0	130	0.0	0 0.8		520	0.0
Other businesses		2,460	0.2	3,258	0.2	797 32.4		10,180	0.2
Total		1,315,056	100.0	1,516,867	100.0	201,811 15.3		5,491,515	100.0

1. The amount in [] is the principal of the volume transaction.
2. From the first quarter of this fiscal year, the volume transaction items of "Credit cards", "Shopping loans", "Guarantees", "Loans", "Agency services", "Income from leases" and "Income from other sales" were changed to the items of "Credit services businesses", "Finance businesses", "Businesses of real estate" and "Other businesses". The number of volume transactions of previous first quarter and previous fiscal year shown above are based on the same method applied from this first quarter.
3. Volume transaction items of "Cash advances" and "Loans" are transaction volume of loan.