

Earnings Release

**Six Months Ended September, 2009
(April, 2009-September, 2009)**

November 13, 2009



Cedyna Financial Corporation

Note about the description about the future:

The above projection, representing our best estimate based on information currently available to us, incorporates uncertain factors. Actual results may differ from the above projections depending on various conditions.

Results Overview

P/L (Consolidated)

Unit : billions of Yen

	FY 2009 1Q	FY 2009 2Q	FY 2009 1H			FY 2008 1H (reference)
				Increase/ Decrease	YOY%	
Transaction Volume	1,698.9	1,603.2	3,302.1	▲ 133.9	▲ 3.9%	3,436.0
Operating revenue	59.6	58.7	118.3	▲ 18.1	▲ 13.3%	136.4
Operating expenses	85.9	55.8	141.8	+7.3	+5.4%	134.5
Operating income / loss	▲ 26.3	2.9	▲ 23.5	▲ 25.4		1.9
Ordinary income / loss	▲ 25.7	3.4	▲ 22.3	▲ 24.1		1.9
Net income / loss	▲ 46.6	6.6	▲ 40.1	▲ 39.2		▲ 0.9

①

②

① + ②

※ The ref. figures for the previous FY 2008 1H are based on a simple addition of OMC, CF & QUOQ figures.

※ Previous term : OMC / For the 6 months ended Aug 31, 2008 CF•QUOQ / For the 6 months ended Sep 30, 2008

P/L (Consolidated)

Unit : billions of Yen

	FY 2009 1Q
Transaction Volume	1,698.9
Operating revenue	59.6
Operating expenses	85.9
SG&A Expenses	42.3
Provision for doubtful accounts	13.2
Provision for losses on interest refunds	25.3
Financial Expenses	5.1
Operating income / loss	▲ 26.3
Non-operating Income	0.8
Non-operating Expenses	0.2
Ordinary income / loss	▲ 25.7
Extraordinary income	7.1
Extraordinary losses	22.9
Loss before Income Taxes	▲ 41.5
Income Taxes, Current	0.2
Income Taxes, Deferred	5.0
Net income / loss	▲ 46.6

①

Transient Cost	Transient Cost							Excl. transient cost
	Provision for doubtful accounts	Provision for losses on interest refunds	Goodwill	Deferred Tax Assets	Merger Related	Human resource reform		
								1,698.9
								59.6
	26.4	25.3			1.2			59.5
	1.2				1.2			41.2
	25.3	25.3						13.2
								0.0
								5.1
	▲ 26.4	▲ 25.3			▲ 1.2			0.1
								0.8
								0.2
	▲ 26.4	▲ 25.3			▲ 1.2			0.8
	7.1		7.1					0.0
	22.8	9.9			0.8	12.1		0.1
	▲ 42.1	▲ 9.9	▲ 25.3	7.1	▲ 2.0	▲ 12.1		0.6
								0.2
	5.0				5.0			0.0
	▲ 47.1	▲ 9.9	▲ 25.3	7.1	▲ 5.0	▲ 2.0	▲ 12.1	0.5

②

※Goodwill:

Excl. Amount of depreciation
on a straight-line basis

※Merger related cost:

Excl. Ordinary cost

① - ②

Transaction Volume (Non-Consolidated)

Unit : billions of Yen

	FY 2008 1H (reference)	FY 2009 1H	Increase/ Decrease	YOY%
Credit Card Contracts	959.0	946.4	▲12.6	▲1.3%
Credit Card Contracts	829.9	859.3	+29.4	+3.5%
Credit Card Contracts (Guarantee Card)	129.1	87.1	▲42.0	▲32.5%
Cash Advances	265.7	246.2	▲19.5	▲7.3%
Cash Advances	258.6	239.9	▲18.8	▲7.3%
Cash Advances (Guarantee Card)	7.1	6.3	▲0.8	▲10.8%
Credit Sales	181.1	127.0	▲54.0	▲29.8%
Auto Loans	162.5	120.4	▲42.1	▲25.9%
Collection Agency	1,438.3	1,491.3	+53.0	+3.7%
Business Credit	126.8	121.2	▲5.7	▲4.5%
Other	297.0	258.9	▲38.1	▲12.8%
Total	3,430.4	3,311.4	▲119.0	▲3.5%

※Management accounts basis

※The ref. figures for the previous FY 2008 1H are based on a simple addition of OMC, CF & QUOQ figures

Operating receivable (Non-Consolidated)

Unit : billions of Yen

	As of Sept, 2008 (reference)	As of Sept, 2009	Change vs.	Change vs.	Change vs.	As of Mar, 2009 (reference)
			Sept, 2008 (amount)	Sept, 2008 (base:100%)	Mar, 2009 (amount)	
Credit Card Contracts	329.1	333.7	+4.5	+1.4%	▲4.5	332.1
Credit Card Contracts	299.8	312.0	+12.2	+4.1%	▲12.1	309.7
Credit Card Contracts (Guarantee Card)	29.4	21.7	▲7.6	▲26.0%	+7.4	22.4
Cash Advances	532.2	484.1	▲48.1	▲9.0%	+48.0	505.1
Cash Advances	515.9	469.3	▲46.7	▲9.0%	+46.6	489.7
Cash Advances (Guarantee Card)	16.3	14.8	▲1.4	▲8.9%	+1.4	15.4
Credit Sales	806.2	659.9	▲146.3	▲18.1%	+146.1	736.8
Auto Loans	678.4	617.6	▲60.9	▲9.0%	+60.8	649.2
Other	619.2	556.8	▲62.4	▲10.1%	+62.3	586.1
Total	2,965.2	2,652.1	▲313.1	▲10.6%	+313.0	2,809.3

※Management accounts basis

※The ref. figures for the previous As of Sept, 2008 & As of Mar, 2009 are based on a simple addition of OMC, CF & QUOQ figures

※Before securitization

Operating revenues (Non-Consolidated)

Unit : billions of Yen

	FY 2008 1H	FY 2009 1H	Increase/ Decrease	YOY%
Credit Card Contracts	23.0	23.9	+0.9	+3.9%
Credit Card Contracts	22.5	23.5	+1.1	+4.7%
Credit Card Contracts (Guarantee Card)	0.5	0.3	▲0.2	▲32.0%
Cash Advances	60.7	47.7	▲13.0	▲21.4%
Cash Advances	59.4	46.5	▲12.9	▲21.7%
Cash Advances (Guarantee Card)	1.4	1.2	▲0.1	▲9.0%
Credit Sales	19.0	14.7	▲4.3	▲22.7%
Auto Loans	7.2	6.6	▲0.6	▲8.7%
Collection Agency	5.6	5.6	+0.0	+0.2%
Business Credit	2.3	2.1	▲0.1	▲4.6%
Other	14.5	14.0	▲0.4	▲3.1%
Total	132.2	114.6	▲17.6	▲13.3%

※Management accounts basis

※The ref. figures for the previous FY 2008 1H are based on a simple addition of OMC, CF & QUOQ figures

※Before securitization

Operating Expenses (Consolidated)

Unit : billions of Yen

	FY 2008 1H	FY 2009 1H	Increase/ Decrease	YOY%
	(Refrence)			
SG&A Total	82.3	79.3	▲2.9	▲3.6%
Salaries and fringe benefits	24.4	22.3	▲2.1	▲8.4%
Other	57.9	57.0	▲0.9	▲1.5%
Provision for doubtful accounts	15.2	23.5	+8.2	+54.2%
Provision for losses on interest refunds	22.2	25.3	+3.1	+13.9%
Financial expenses	12.2	10.5	▲1.7	▲14.0%
Other	2.5	3.1	+0.6	+23.8%
Total	134.5	141.8	+7.3	+5.4%

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※ Previous term : OMC / For the 6 months ended Aug 31, 2008 CF•QUOQ / For the 6 months ended Sep 30, 2008

The financing relation (Consolidated)

■ Interest-bearing debt

Unit : billions of Yen

	As of Mar, 2009		As of Sept, 2009		Change vs. Mar, 2009 (amount)
	(reference)	% of Total		% of Total	
Long-term debt	808.9	69.7%	767.9	66.6%	▲41.0
Short-term borrowings	286.3	24.7%	316.0	27.4%	+29.7
CP	41.2	3.5%	68.4	5.9%	+27.2
Corporate bonds	24.6	2.1%	0.0	0.0%	▲24.6
Total	1,161.0	100.0%	1,152.3	100.0%	▲8.7

■ Main financial indicators (incl. Securitization)

	As of Mar, 2009 (reference)	As of Sept, 2009	Change vs. Mar, 2009
Direct financing ratio	22.8%	21.1%	▲1.7%
Fixed-interest debt ratio	67.2%	62.3%	▲4.9%
Long-term debt ratio	73.5%	69.4%	▲4.1%

※The ref. figures for the previous As of Mar, 2009 are based on a simple addition of OMC, CF & QUOQ figures

Operating Review

Cardholders

Unit : In Ten Thousand

	FY 2008 1H (reference)	FY 2009 1H	FY 2009 1H			FY 2008 (reference)
			Change vs. FY 2008 1H (amount)	Change vs. FY 2008 1H (base:100%)	Change vs. Mar, 2009 (amount)	
Applications	149	207	+58	+38.9%	-	357
Credit Card	140	201	+61	+43.4%	-	339
Loan Card	7	4	▲2	▲34.7%	-	12
Guarantee Card	3	2	▲0	▲12.5%	-	5
Issuance	125	182	+57	+46.0%	-	298
Credit Card	120	179	+59	+49.1%	-	289
Loan Card	3	1	▲1	▲47.3%	-	4
Guarantee Card	2	2	▲0	▲17.4%	-	4
Cardholders	2,300	2,461	+161	+7.0%	+80	2,382
Credit Card	1,930	2,107	+177	+9.2%	+87	2,020
Loan Card	88	85	▲3	▲3.0%	▲1	86
Guarantee Card	283	269	▲14	▲4.9%	▲6	275

※The ref. figures for the previous FY 2008 1H & FY 2008 are based on a simple addition of OMC, CF & QUOQ figures

■ Expanding customer base through development of new co-branded cards

ICHII Members Card



Applications handled from May 13, 2009



【ICHII Inc. Overview】

Business activities: Operation of supermarkets, pet stores, restaurants and other

No. of stores: 14 supermarkets, 4 pet stores and various others

Annual sales: ¥18.3billion (year to Feb 08)



DK CARD



Solicitation began Aug 1, 2009



【Daito Trust Construction Co., Ltd. Overview】

Business activities: Construction, brokerage activity and management services in rental housing

No. of managed properties: over 550,000 units



Hakata Daimaru Card



Applications handled from Oct 14, 2009



【The Hakata Daimaru Inc. Overview】

Business activities: Operation of department stores

No. of stores: 2
Annual sales: ¥72billion (Year to Feb 09)



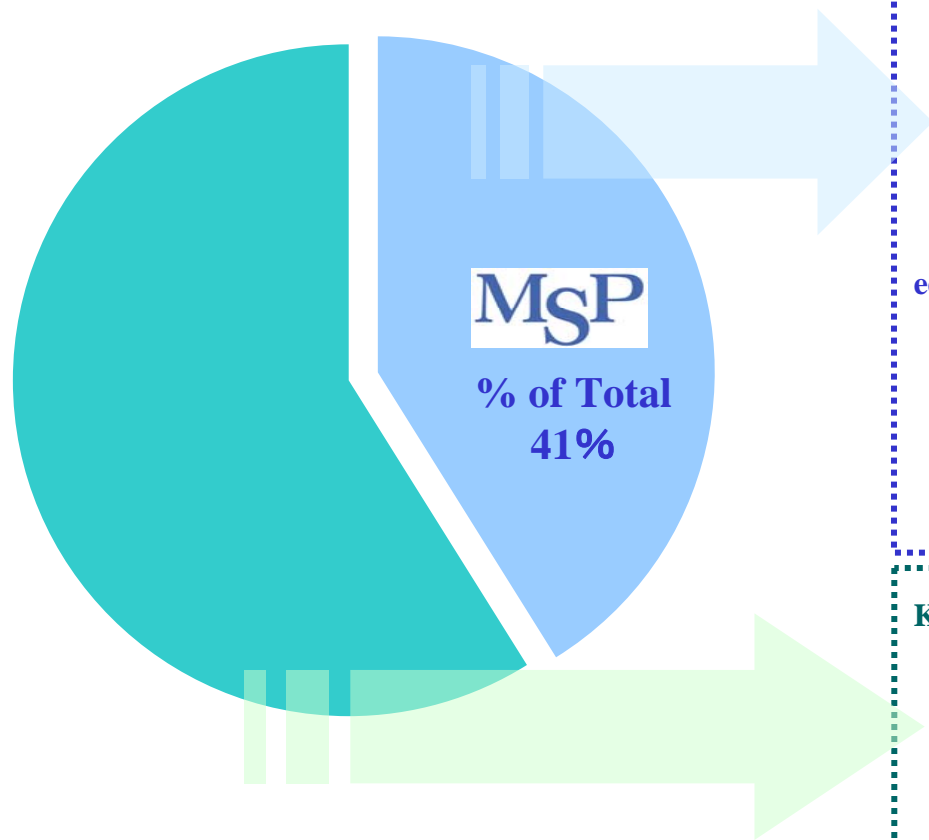
Fukuoka Tenjin Store



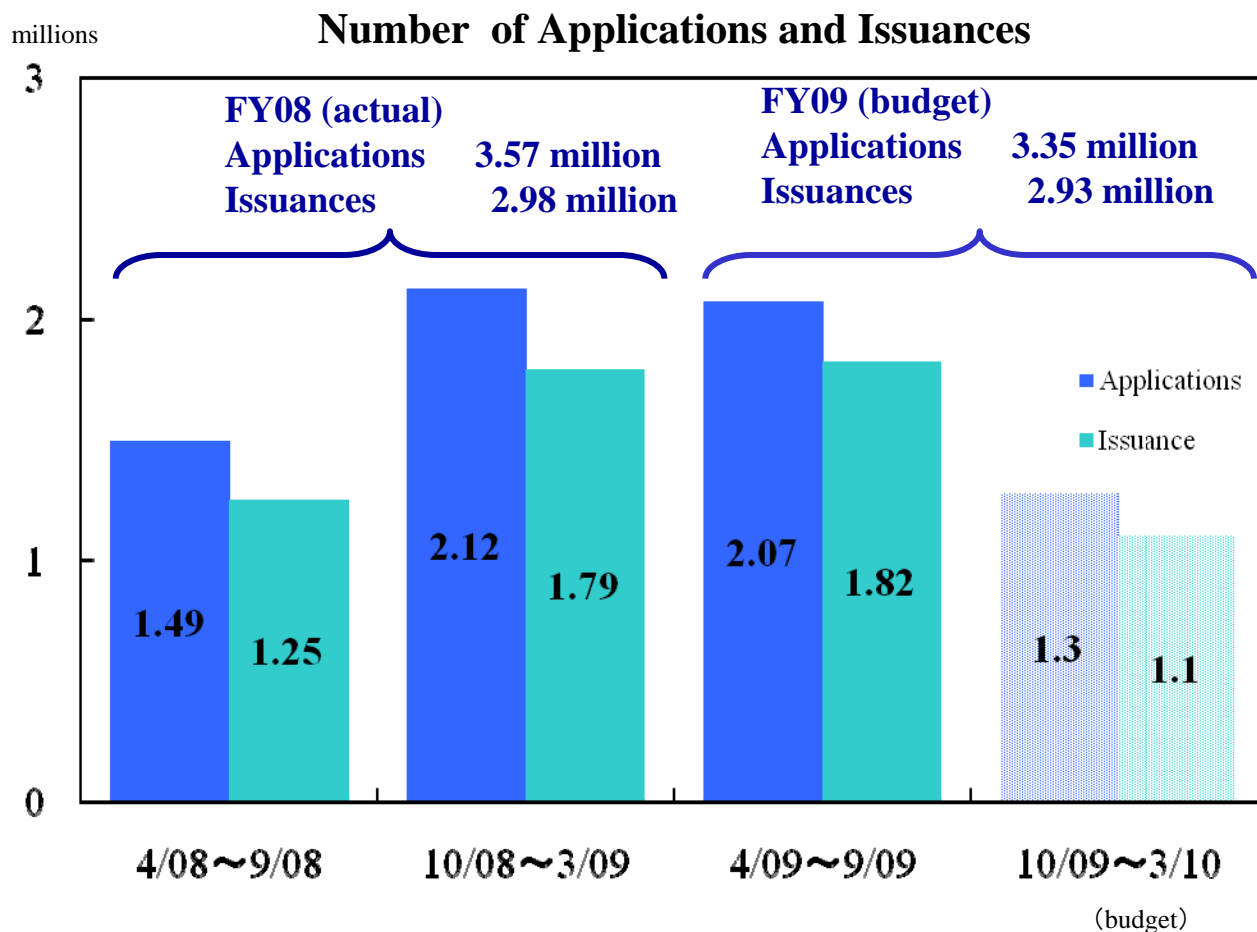
Nagasaki Store

■ Expanding new customers and their card use through focus on the MSP Model

Breakdown of Solicitation Numbers by Card Type



■ Accelerated annual solicitation plan and more solicitations achieved in 1H



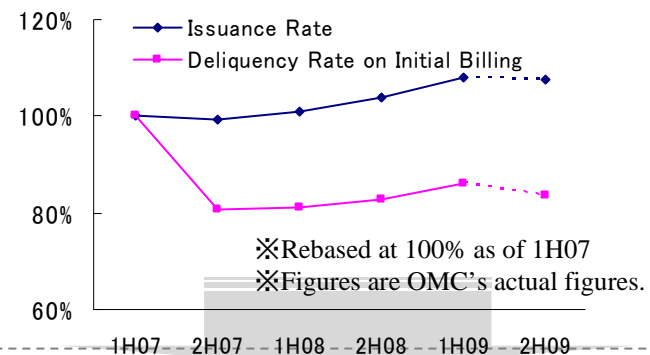
※The figures for April 08 to March 09 are calculated by a simple addition of OMC, CF and QUOQ figures.

Channel

- Concentrating management resources on higher usage channels based on MSP Model.

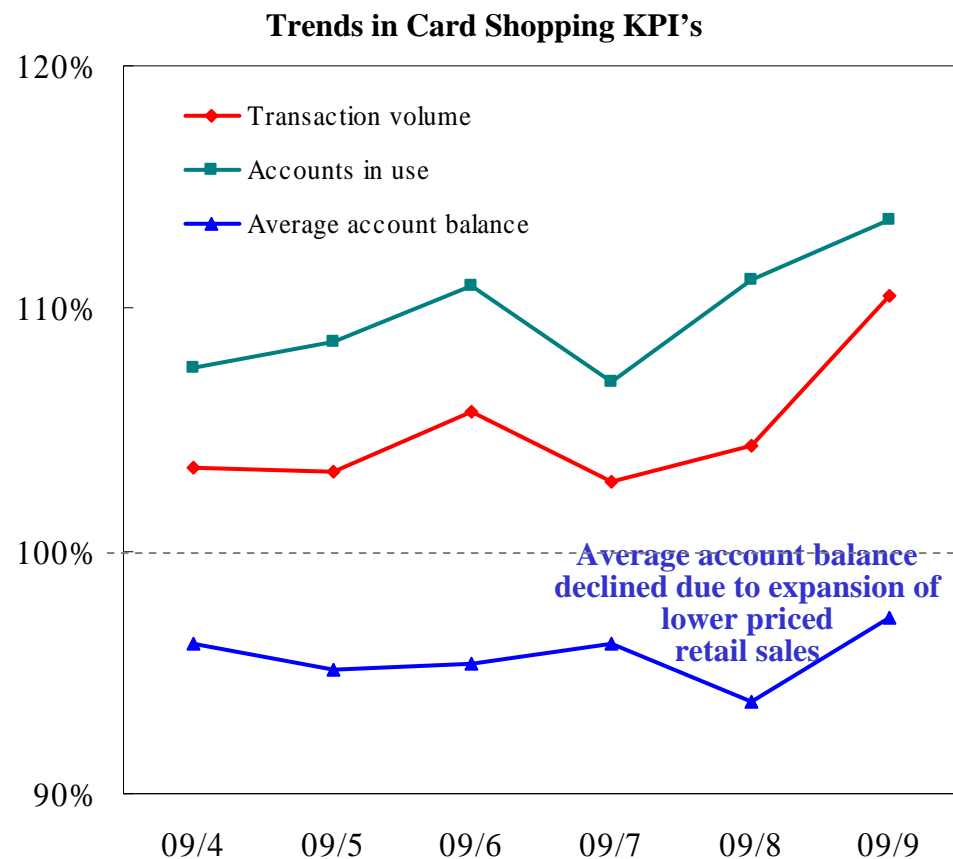
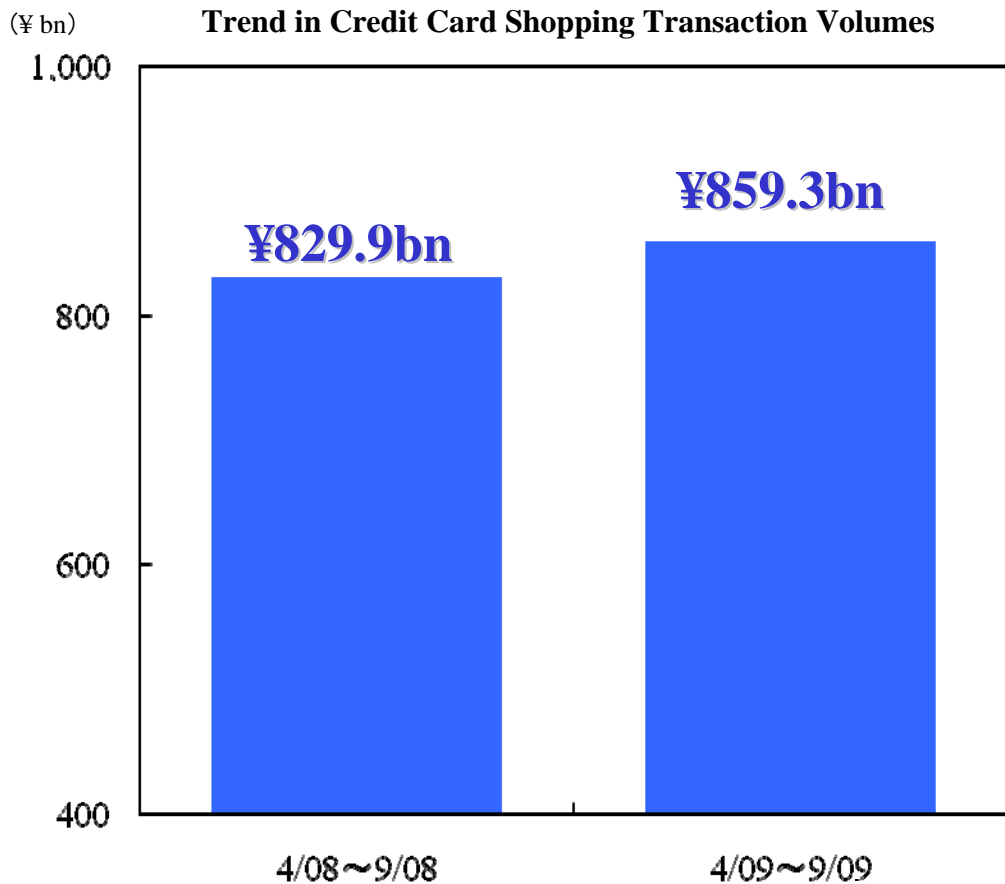
Credit assessment

- Raising level of transactions but controlling risk by setting appropriate credit in line with revised laws.
- Improving assessment accuracy through risk management specific to card type and solicitation channel.



Expanding higher-quality customer base

■ Credit card shopping transactions grew 4% yoy



※Reference figures based on management accounts

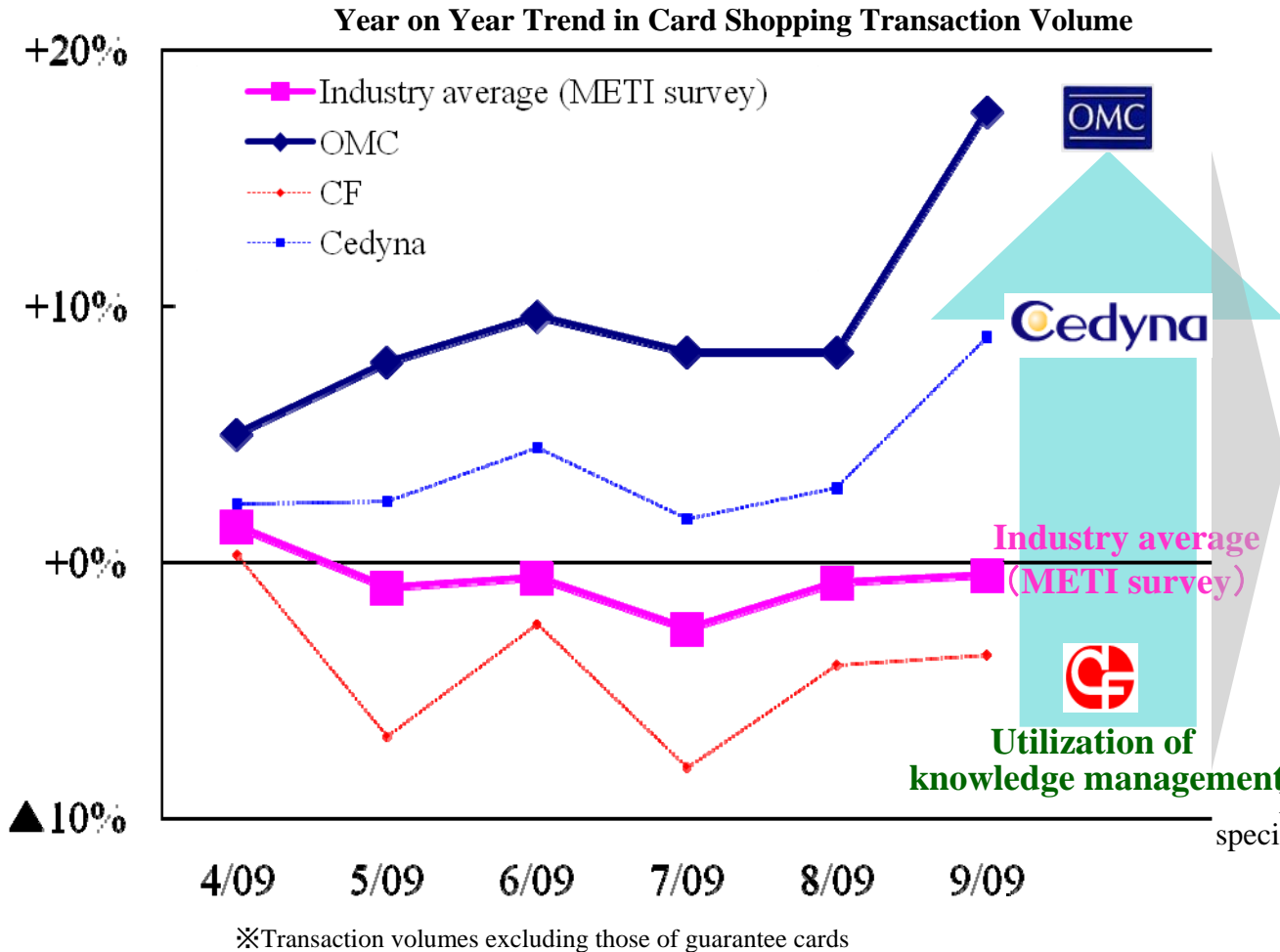
※Figures for Apr 08 to Sep 08 are calculated by a simple addition of OMC, CF and QUOQ figures

※Transaction volumes excluding those of guarantee cards

※Includes OMC and CF figures only

※Transaction volumes excluding those of guarantee cards

Expanding card shopping transactions through utilizing knowledge management



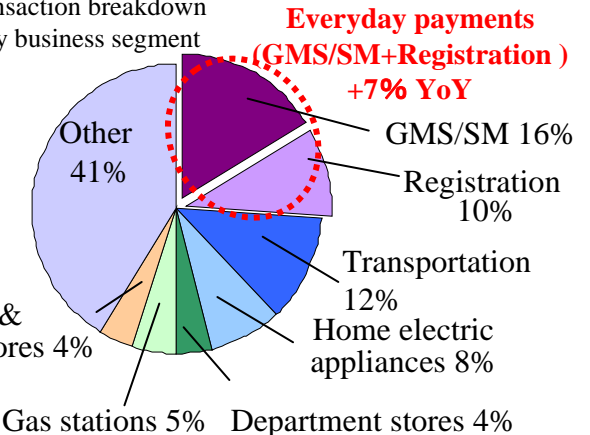
New cardmembers

- Acquiring higher-use cardmembers through the MSP Model.
- Raising credit assessment accuracy

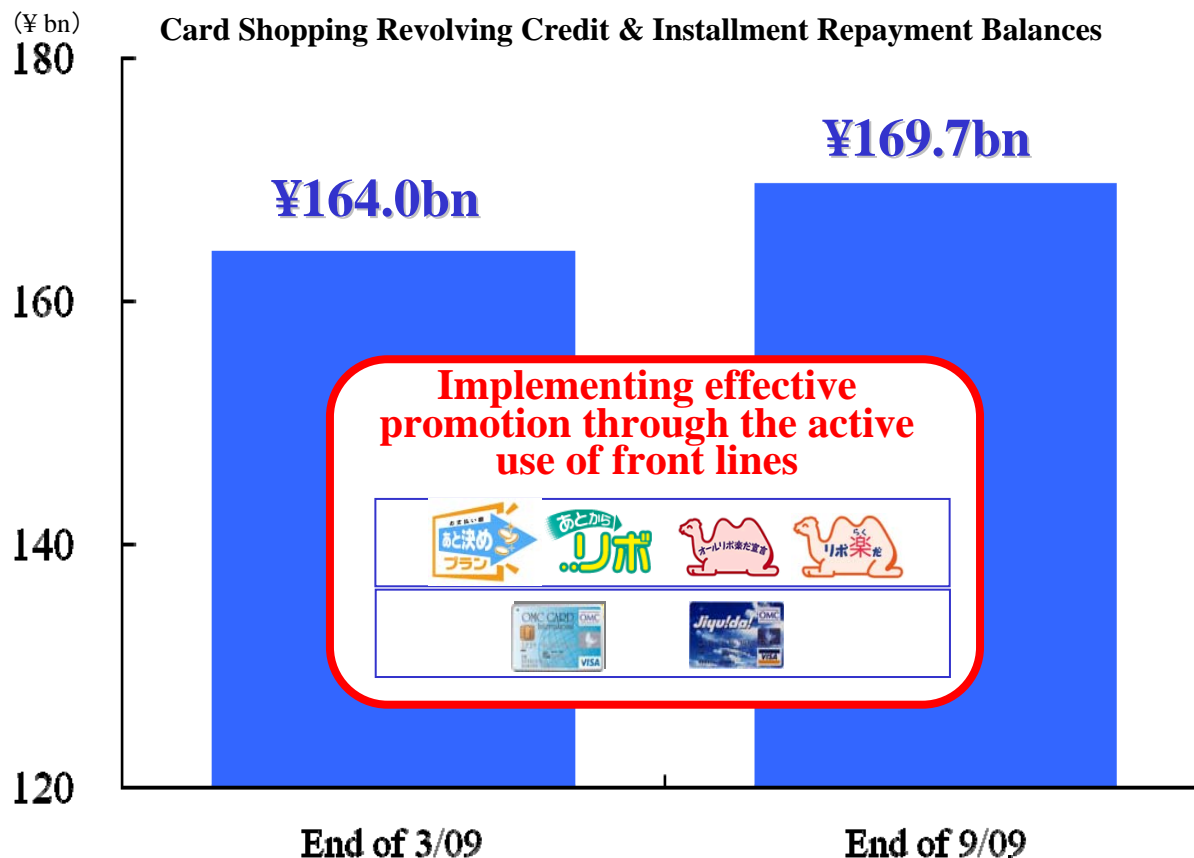
Existing cardmembers

- Increasing transactions by promoting card usage as main card
- Setting appropriate credit limits following the revised law
- Activating dormant cardmembers through database marketing (DBM)
- Strengthening card usage for everyday payments which is the growth area

Transaction breakdown by business segment



Accumulating revolving credit & installment repayment balances through merger synergies



Card Shopping Revenue Breakdown

(Unit: ¥ bn)

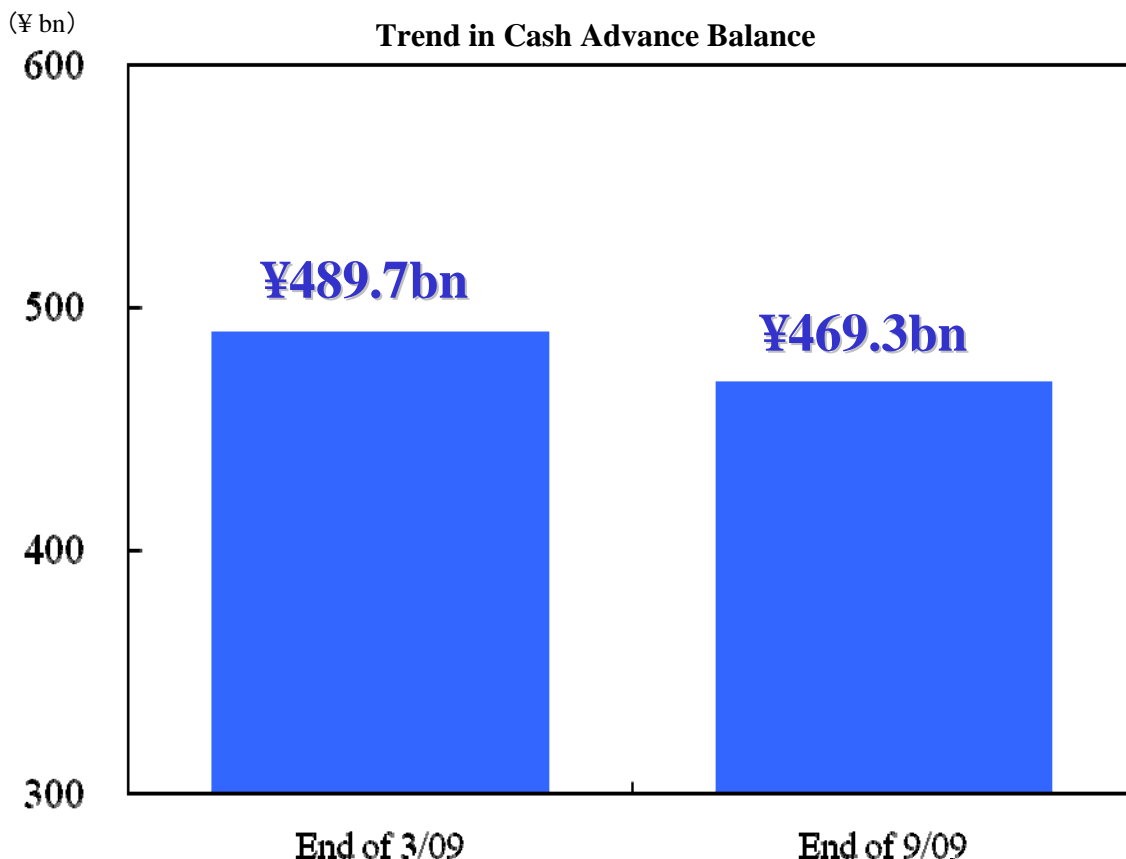
	Apr -Sept 08	Apr -Sept 09	Increase	
			in ¥ bn	in %
Fees from affiliated stores	13.4	13.7	+0.3	+2.4%
Fees from customers	9.1	9.8	+0.7	+8.1%
Total	22.5	23.5	+1.1	+4.7%

※Reference figures based on management accounts

※Figures as of Sep 2008 are calculated by a simple addition of OMC, CF and QUOQ figures

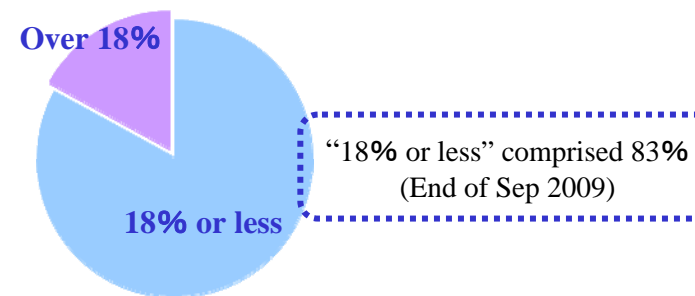
※Card shopping revolving credit and installment repayment balances excluding those of guarantee cards (including the effect of securitization)

■ Revenues hit by stricter credit control and reduced interest rates



※Reference figures based on management accounts
 ※Figures at the end of Sep 08 are calculated by a simple addition of OMC, CF and QUOQ figures
 ※Cash advance balances excluding those of guarantee cards (but including the effect of securitization)

Breakdown by Interest Rate Range



Factor Analysis for Revenue Decrease

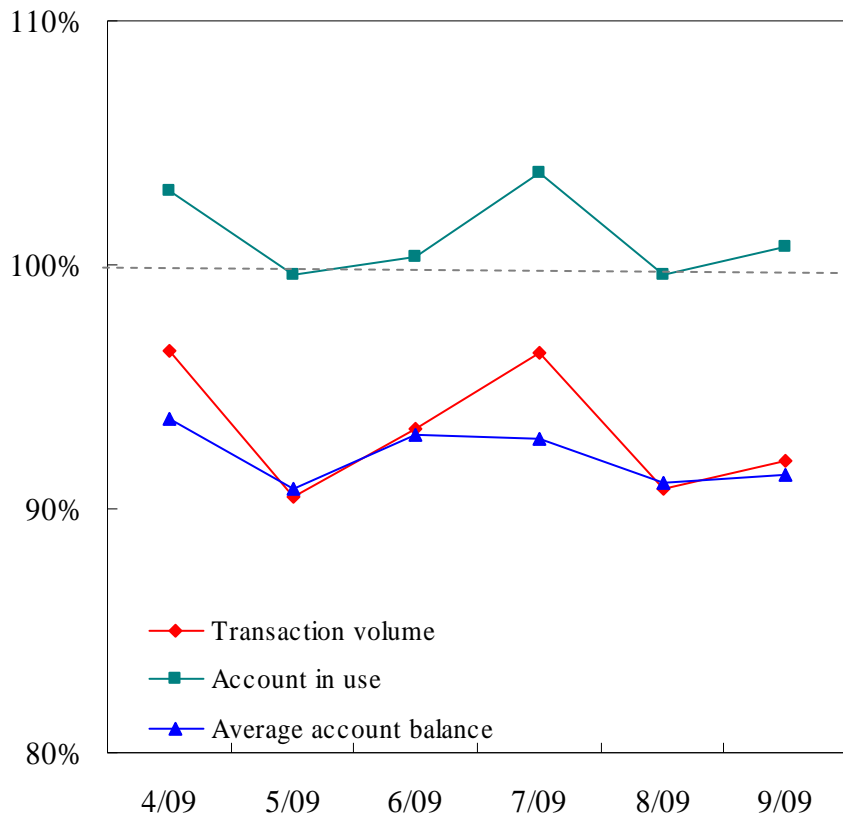
(Unit: ¥ bn)

	08/9	09/9	Change
Average balance	531.0	479.5	-51.5
Operating revenue	59.4	46.5	-12.9
Profit earning rate (annualized)	22.4%	19.4%	-2.5%

• Volume decrease ¥5.8bn
 • Rate decrease ¥7.1bn

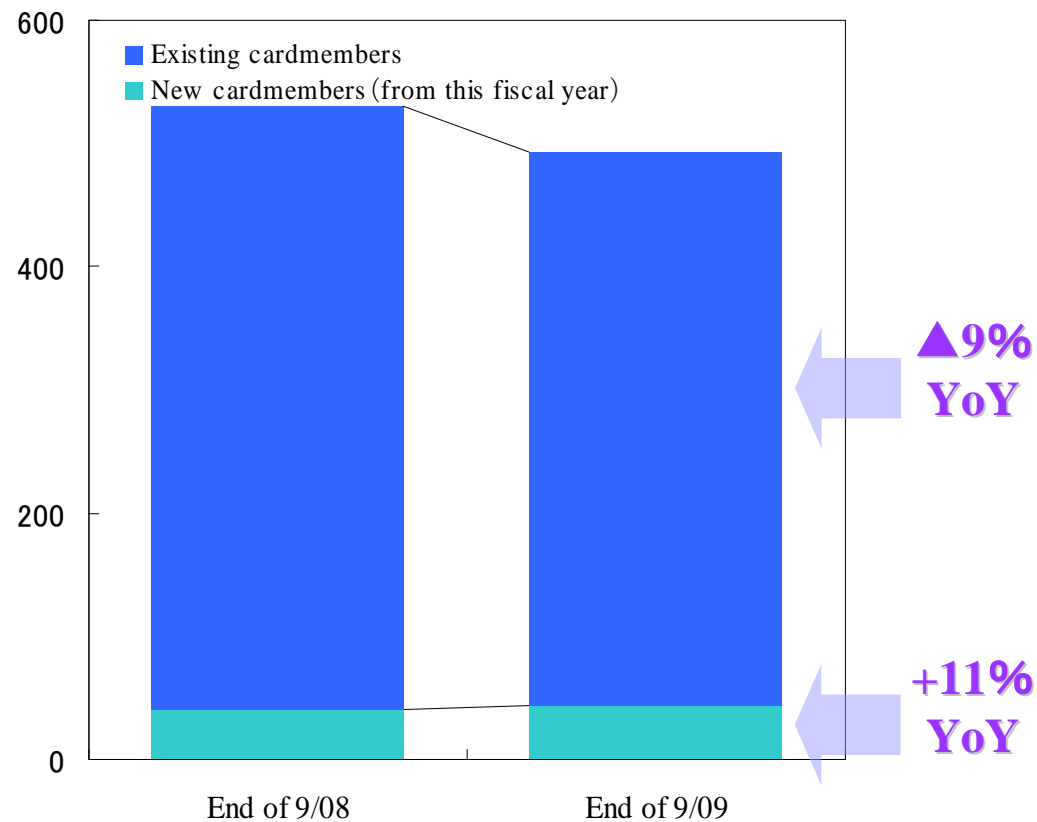
■ Accumulating receivables of sound quality by increasing accounts with balances

YoY Trends in KPIs for Cash Advances



※Includes OMC and CF figures only
 ※Transaction volumes excluding those of guarantee cards

(¥ bn) Cash Advance Balance by Membership Length

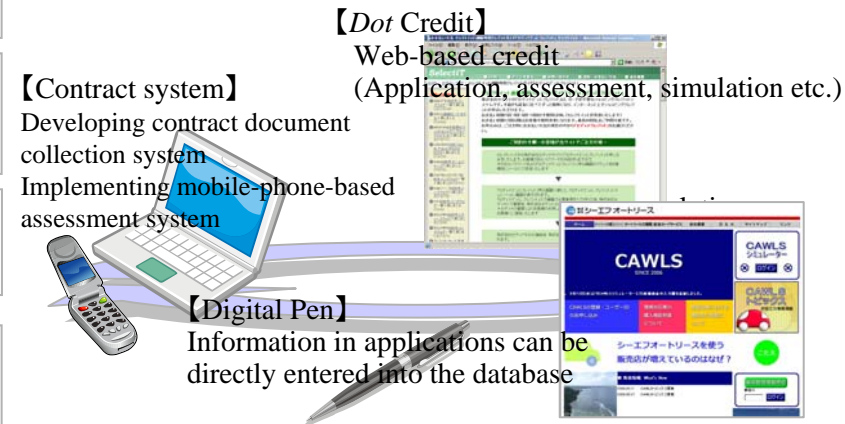


※Includes OMC and CF figures only
 ※Transaction volumes excluding those of guarantee cards (but including the effect of securitization)

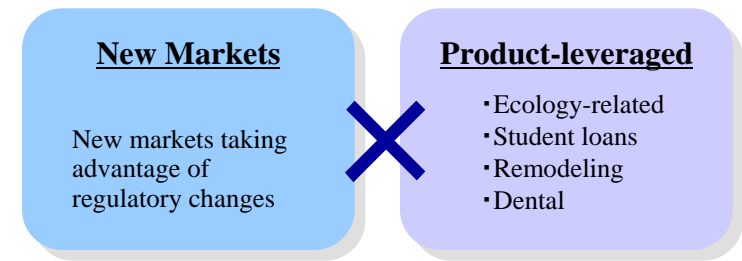
■ Promoting BPR at sales offices and strengthening sales strategy focusing on profitability



Measures implemented to raise operational efficiencies

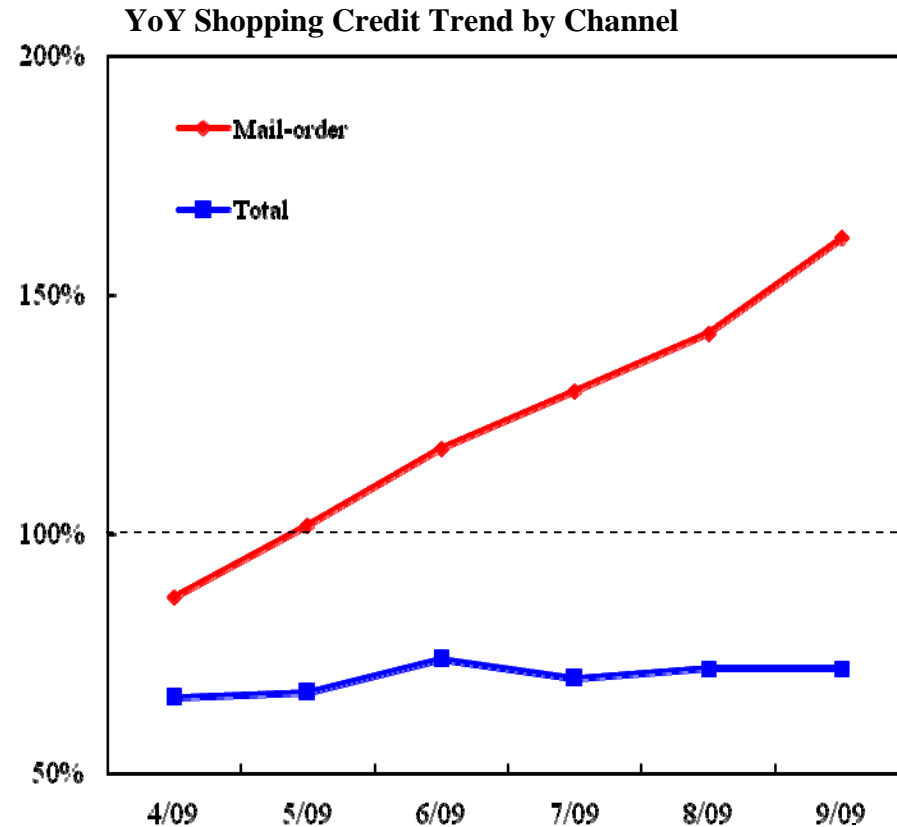
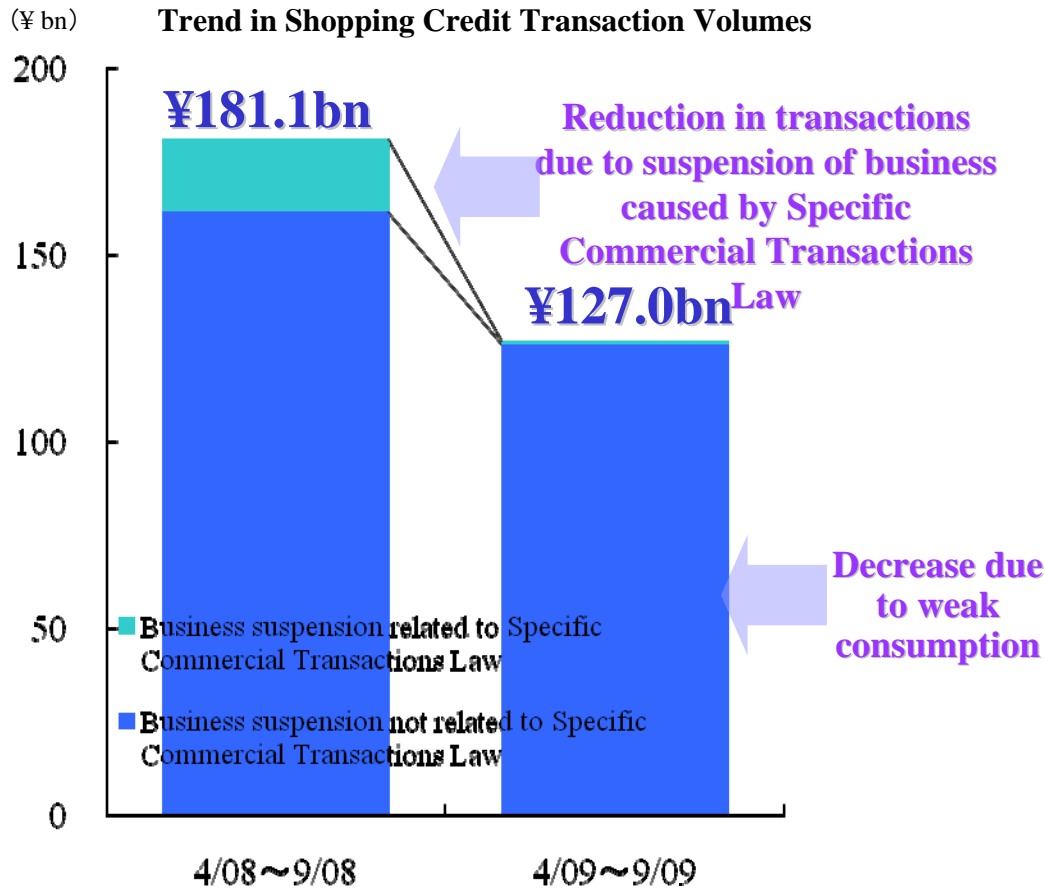


Sales area-focused



Consumer Credit Business ~Shopping credit business ①~

Exploring new growth areas to counter weak consumption and regulatory changes



※Reference figures based on management accounts

※Figures for Apr 08 to Sep 08 are calculated by a simple addition of OMC, CF and QUOQ figures

Our highly rated processing capabilities driving increased transactions in growth areas

Offering & building mass business processing systems for major mail-order companies

Sales to mail-order industry
FY08: ¥4.14 trillion (+6.7%yoy)

TV shopping



Dedicated credit center



Cedyne

Credit sales transaction expansion

Customer needs

- Ensuring a stable processing system
- Ensuring robust personal information protection
- Improving contract document collection



Our skills and capacities

- Boasting stable & highly accurate assessment know-how
- Building a speedy processing system
- Consistent processing & efficiency in assessment, contract delivery, collection & billing
- Utilizing Procent Inc.
- Establishing personal information protection system

Aiming to be allied with card schemes

Solar power generation

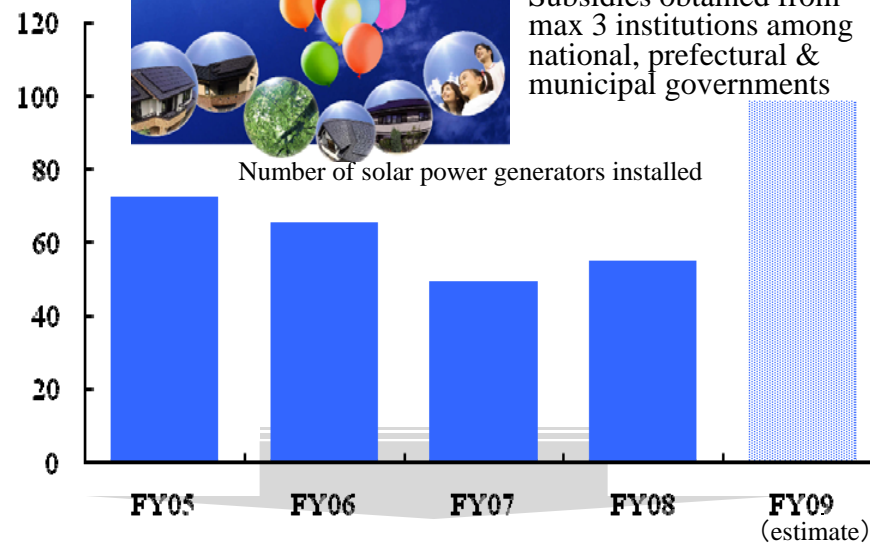
Excess Electricity Purchase System



Subsidy system

Subsidies obtained from max 3 institutions among national, prefectural & municipal governments

('000)



Number of solar power generators installed

Credit sales transactions likely to expand by proactive stance towards growing solar power generation

Revised regulations creating new opportunities and strengthening sales in new markets

The revisions to the Money-Lending Industry Law and Installment Sales Law

The regulations require the registration of financial institutions engaging in individual credit contracts made through a form of contract of cash loan for consumption. So-called “affiliated loans” offered by financial institutions are also regulated.

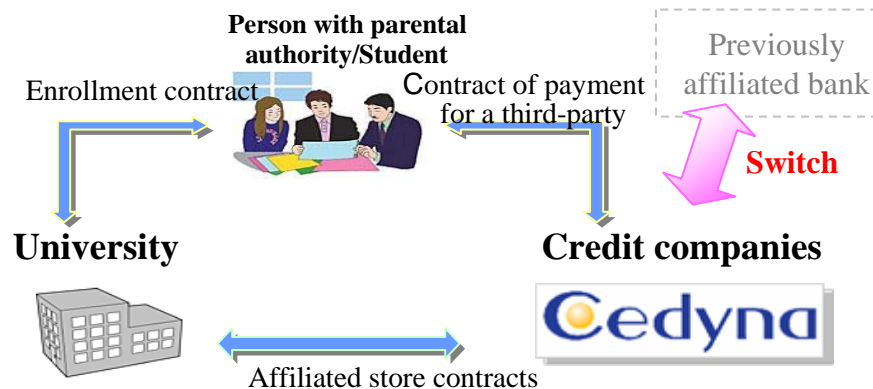
Regulations are enforced over money-lending activities, and are strengthened over money lenders.

Before the revisions, service providers were able to choose between registration and non-registration in markets which did not require registration

Potential for creating new markets

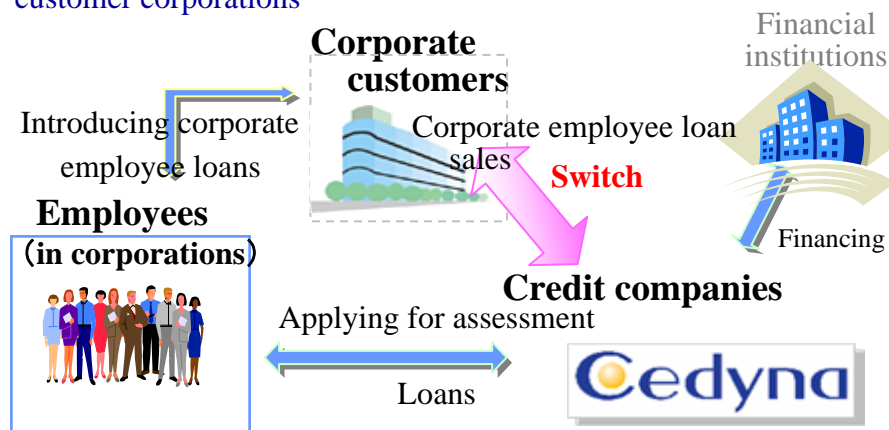
Student loan market

■ Persuading school corporations to implement tuition credits through the collaboration of sales offices and SMFG

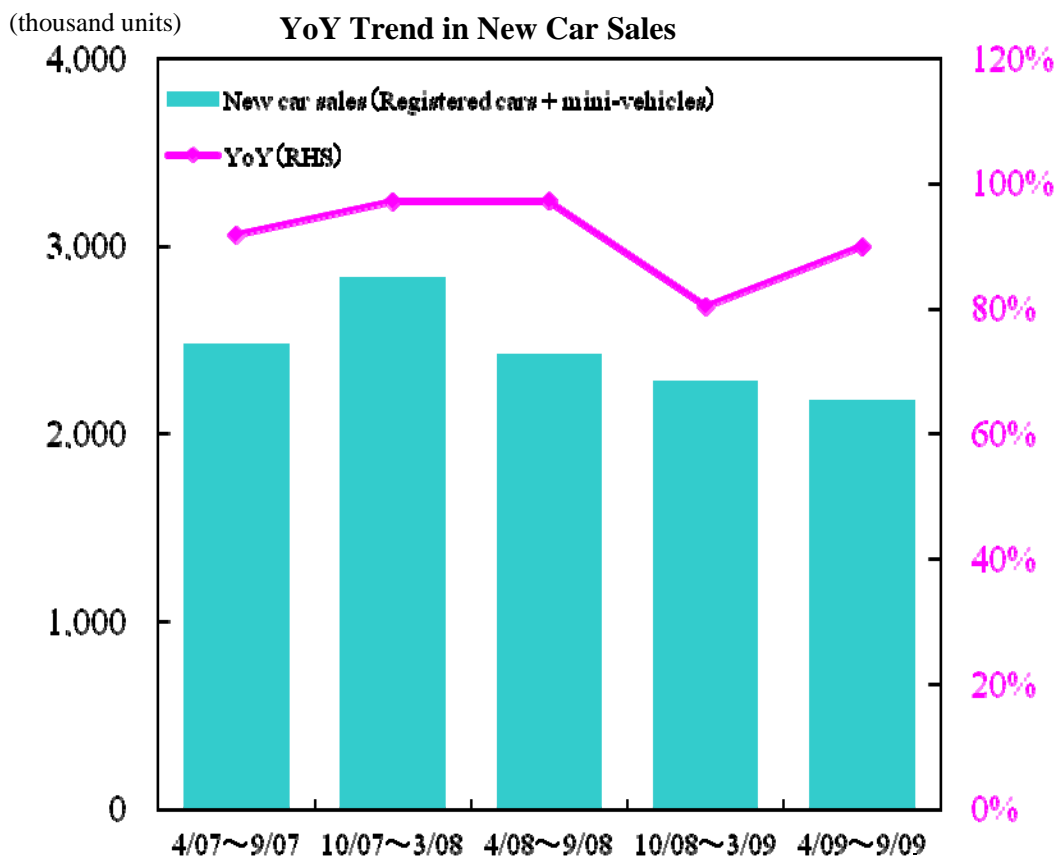


Corporate employee loan market

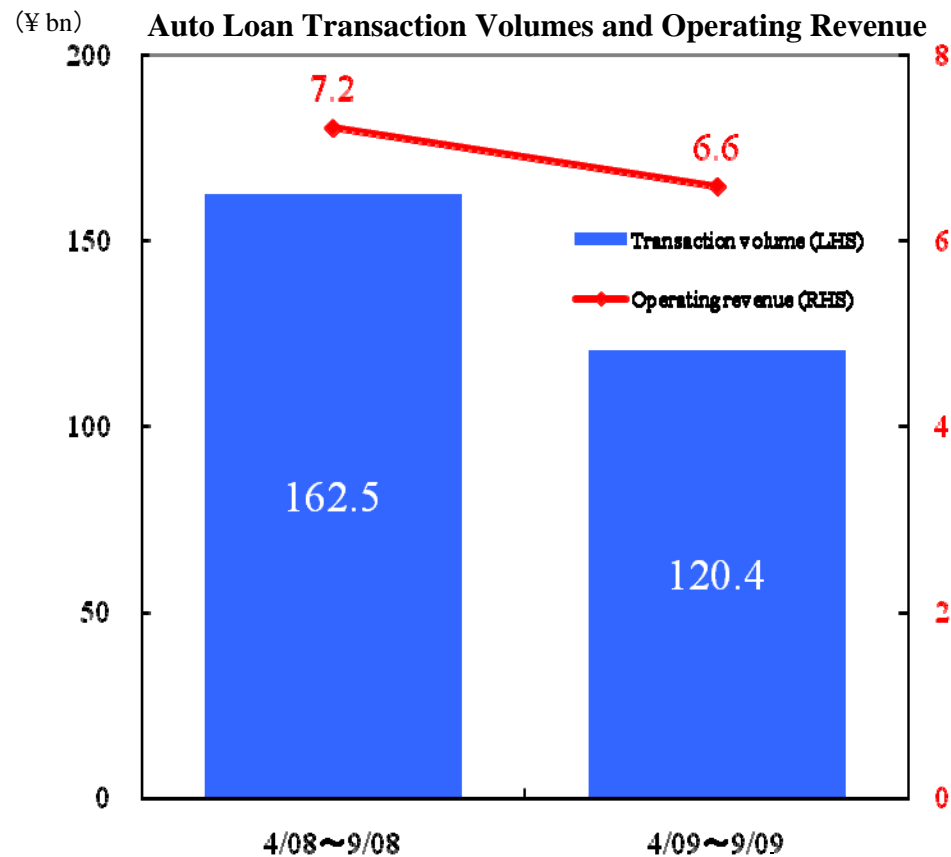
■ Introducing corporate employee loans to employees in our customer corporations



■ Auto loan transaction volumes have decreased due to depressed car sales



※Number of new car sales (registered vehicles + mini-vehicles)
Source: Japan Automobile Dealers Association



※Reference figures based on management accounts
 ※Figures for Apr to Sep 08 are calculated by a simple addition of OMC, CF and QUOQ figures
 ※Adjusted to include the effect of securitization

■ Enhancing profitability and building efficient sales system

Leveraging ties with priority partners with good potential

- ◆ By tying up with SBI AutoSupport Co., Ltd. and SBI Sumishin Net Bank, Ltd., Cedyne launched “SBI Auto Loans” in July 2009



- ◆ By strengthening ties with SMM Auto Finance, Inc. and SMFG group, Cedyne is expanding sales channels
- Utilization of domestic sales channels



Building highly efficient sales models

- ◆ Rationalizing business through IT usage
- Active use of Internet-based transactions

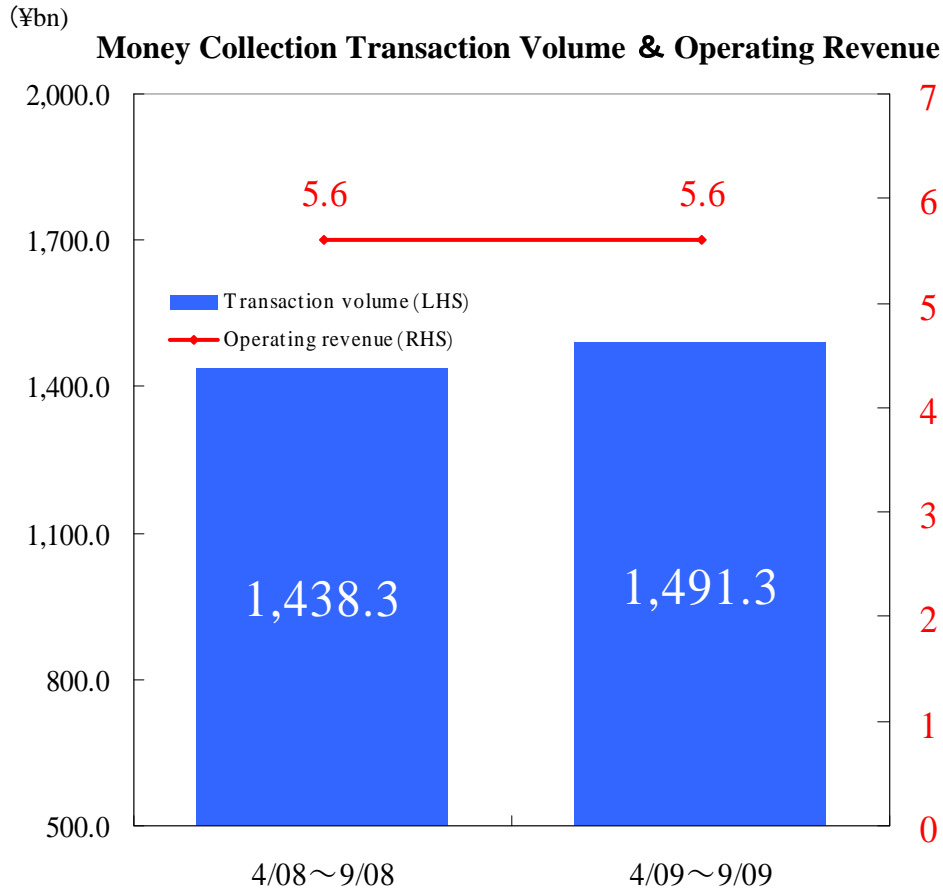
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Auto loans
Simulation systems

<Aucnet >
Live Internet auctions for used cars and motorcycles

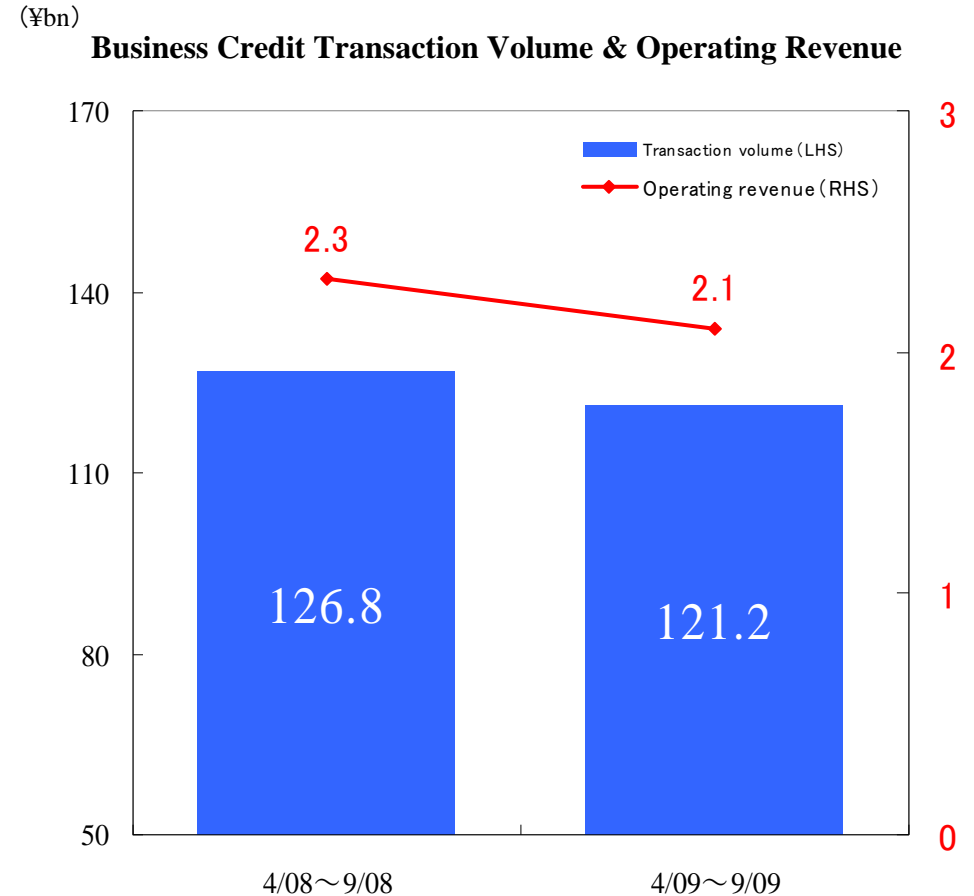


- ◆ Development of new products
- Developing the structure of loans and sales approaches through alliances with car information websites

■ Targeting growth through active use of sales base network



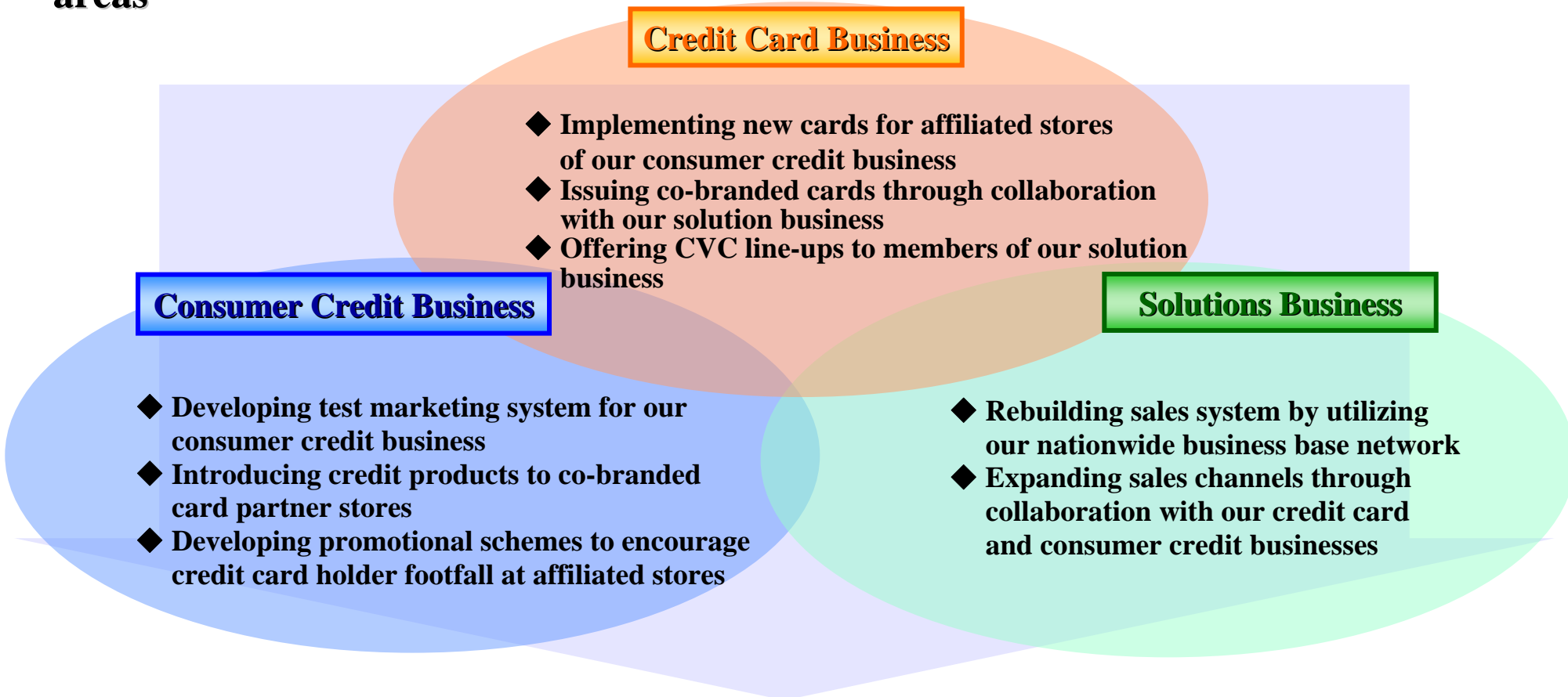
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Synergies Among Business Areas

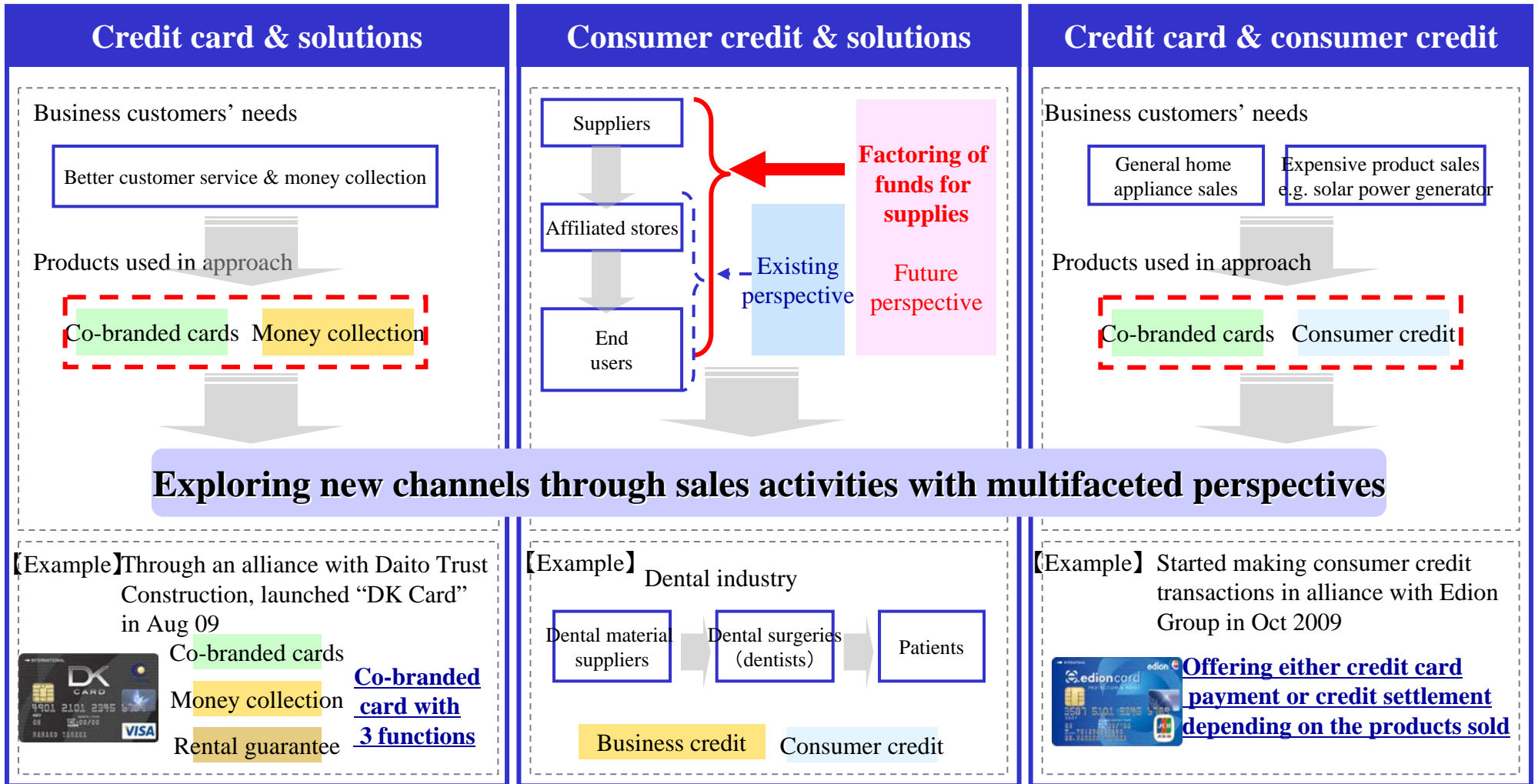
■ Enriching customers' lives and businesses through hybrid linkages among business areas



The birth of the country's top class consumer finance company in Japan

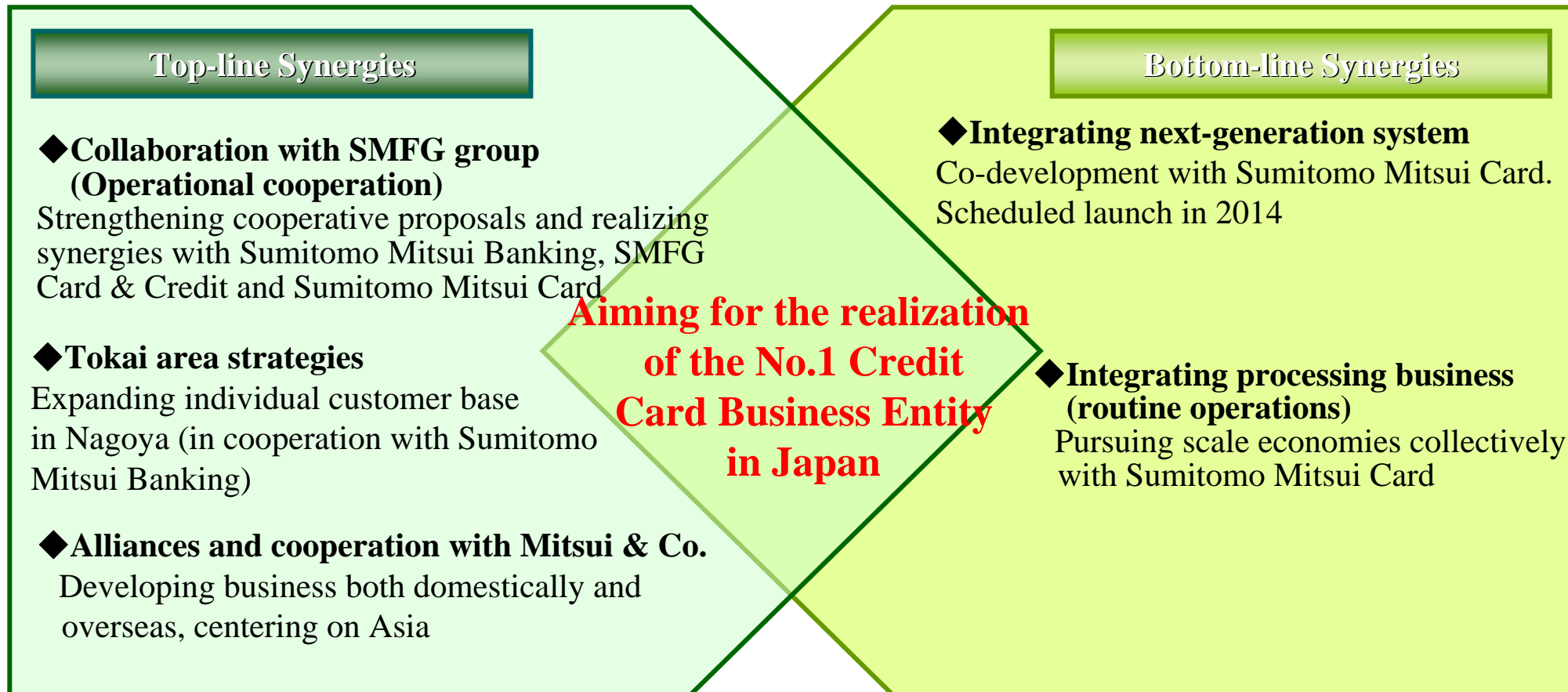
Synergies Among Business Areas

■ Examples of approaches realizing synergies



Realizing Synergies through Collaboration within the Group

- **Aiming to be the No. 1 Credit Card Business Entity in Japan by maximizing top-line synergies and pursuing scale economies**



■ Maximizing top-line synergies through various measures in collaboration with SMFG group

Cooperation with Sumitomo Mitsui Banking

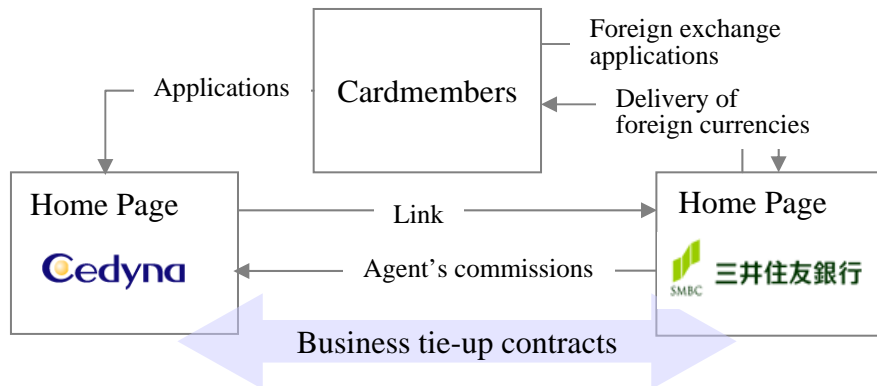
Sumitomo Mitsui Banking's customers introduced to Cedyne

Forging an alliance with a major auto company

Started offering Cedyne's corporate employee loans to employees of a major auto company

Cedyne's customers introduced to Sumitomo Mitsui Banking

Foreign currencies home delivery services



Cooperation with Sumitomo Mitsui Card

Sumitomo Mitsui Card's customers introduced to Cedyne

University Student Co-op Loans

Through a tie-up with the National Federation of University Co-operative Associations, launched "University Student Co-op Loans"



つなげる元気、ときめきキャンパス。
228 universities nationwide
1.5 million students and
teaching staff as Co-op members

Conducting joint campaigns with Sumitomo Mitsui Card

Summer home appliances festival campaigns

The advertisement promotes a 'Summer home appliances festival' (夏の家電祭り) in collaboration with SMBC. It features a 'Cedyne x 三井住友VISAカード' (Cedyne x SMBC Visa Card) and offers a '最大5,000円相当のポイント・ギフト券が5,000名様様に当たる' (Maximum 5,000 yen equivalent points/gift certificates for 5,000 people). The campaign period is from June 1st to June 31st, 2009. Two prize tiers are listed: 1st prize (5,000 points or 5,000 yen Visa gift certificate) and 2nd prize (500 points or 500 yen gift certificate).

GlobePass



The advertisement for the 'Summer GlobePass Campaign' (夏のGlobePassキャンペーン) highlights the service's expansion. It states: 'アジアをメインに、さらに北アフリカ・南米・オーストラリア・ヨーロッパにまでサービスを拡大し、さらに北アフリカ・南米・オーストラリア・ヨーロッパにまでサービスを拡大し、さらに北アフリカ・南米・オーストラリア・ヨーロッパにまでサービスを拡大し...'. It also mentions 'アジアの主要な国や地域の免税店、ホテル、レストランなどで割引やプレゼントなどの優待サービスがGlobePassで、別途で優待が受けられるキャンペーンを実施中!' (Special service campaigns for duty-free shops, hotels, and restaurants in major Asian countries/regions, with additional benefits for GlobePass holders).

Financial institutions in 10 countries and regions of Asia in collaboration

■ Realizing bottom-line synergies by pursuing scale economies

		2009	...	2014	
Next Generation System	Mission-critical	Mission-critical system			
		Common basis for mission-critical system (Linking Hub)		Implementation (planned)	
	Peripheral	Authorization			
		Application assessment			
		Delinquency management		Sequential implementation starts in 2009 (planned)	
		Data warehouses			
		Web systems			
Call centers					
Processing business	<ul style="list-style-type: none"> ◆ Standardizing business routines and smoothing out differences ◆ Creating next-generation transaction system tailored to regulatory changes and the establishment of next-generation systems. 				

Realizing scale economies and operation at lower costs

■ Expanding business through alliance and cooperation with Mitsui & Co.

 三井物産株式会社

Overseas channels

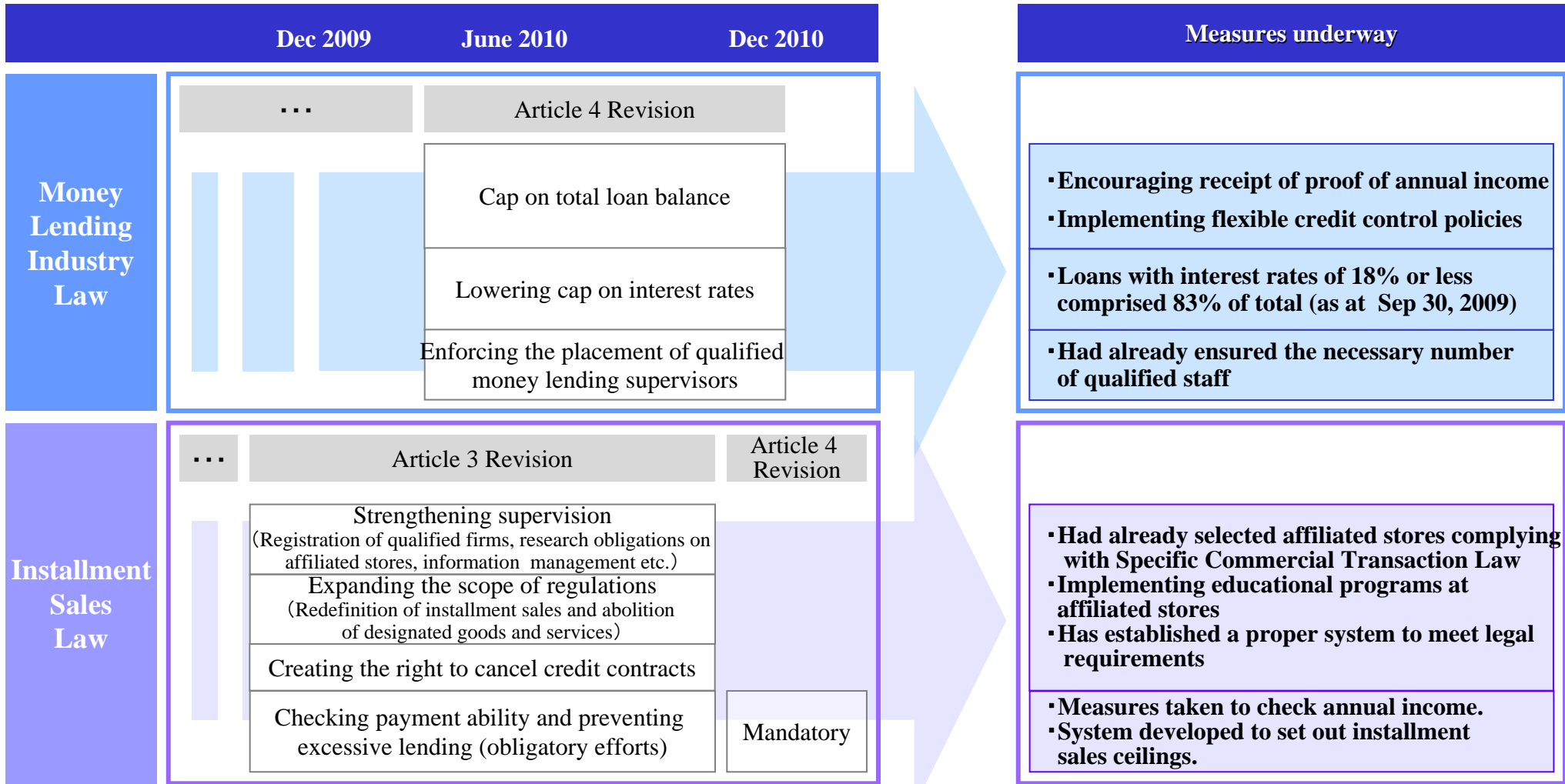
Expanding credit card business and shopping credit business overseas, focusing on Asia

Domestic channels

Developing new business which takes advantage of the customer base and know-how

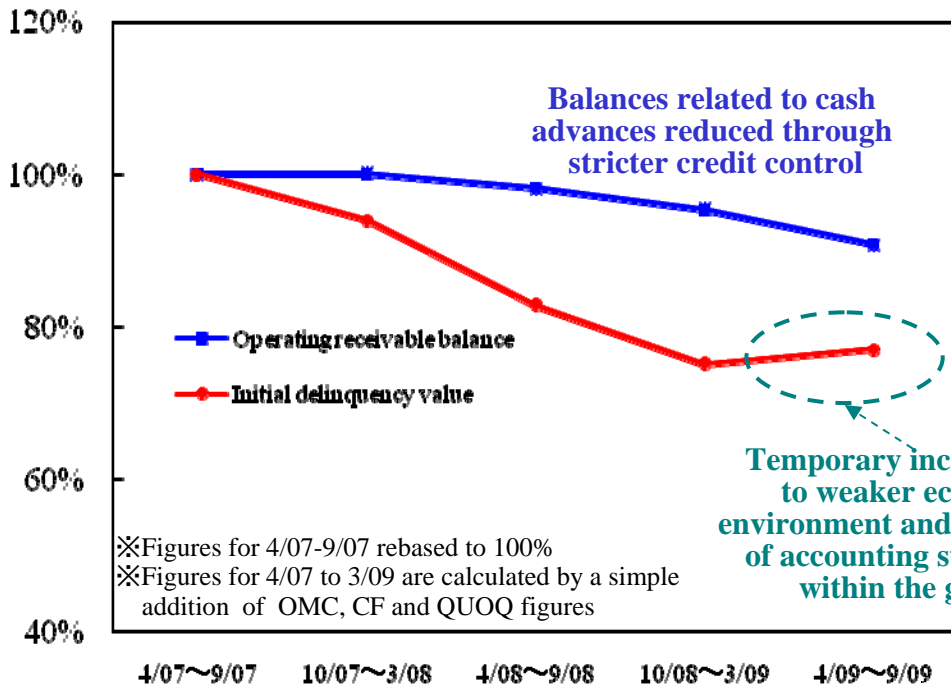
Measures in Response to Legal Changes

■ Robust responses to legal changes and reducing legal risk

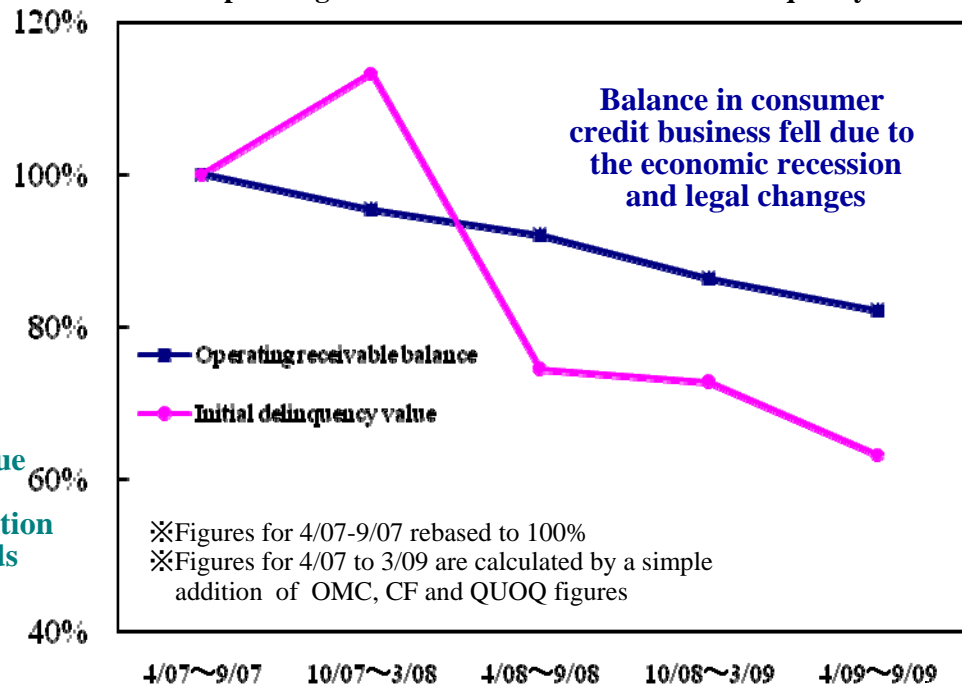


■ Improving quality of operating receivables through stricter credit control

Credit Card Operating Receivables Balance & Initial Delinquency Values

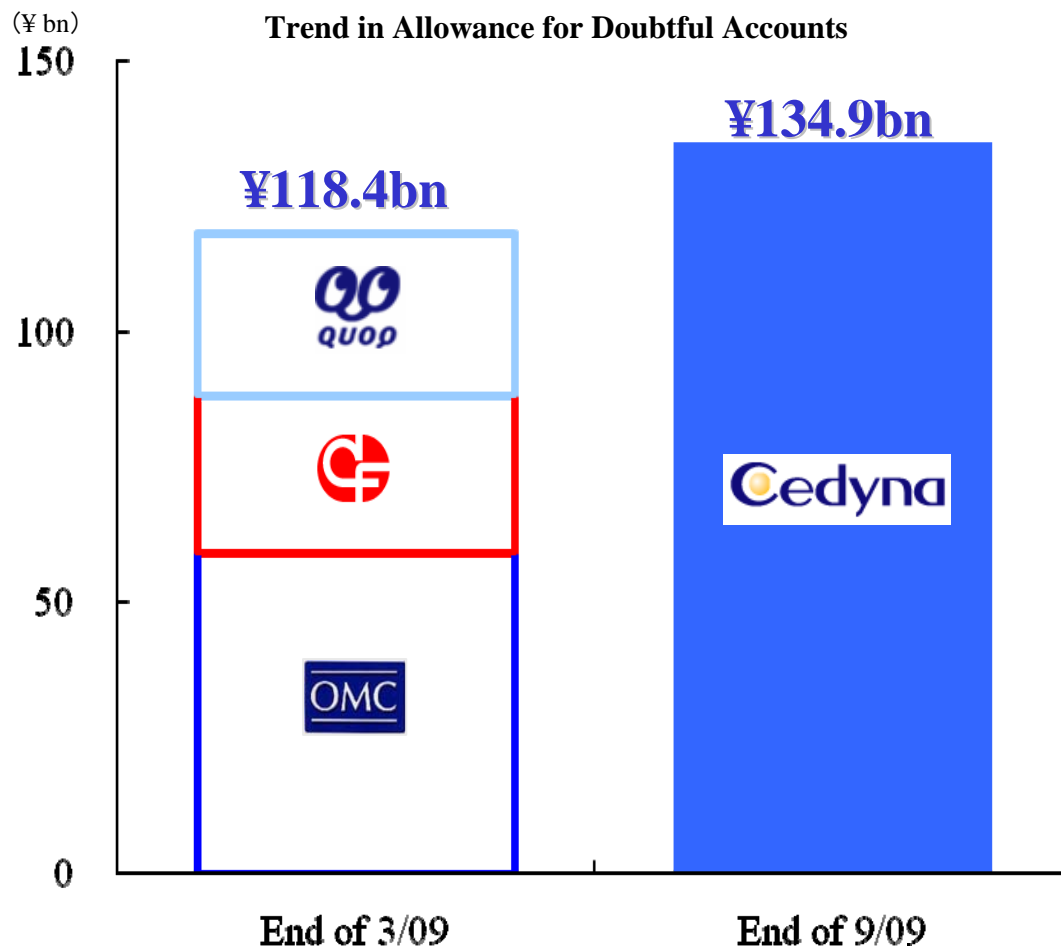


Consumer Credit Operating Receivables Balance & Initial Delinquency Values



Maintaining initial delinquency figures below decreasing operating receivables balances

■ Increased allowance for doubtful accounts following change in accounting standards adopted by the three merged companies



Doubtful Accounts Related Expenses

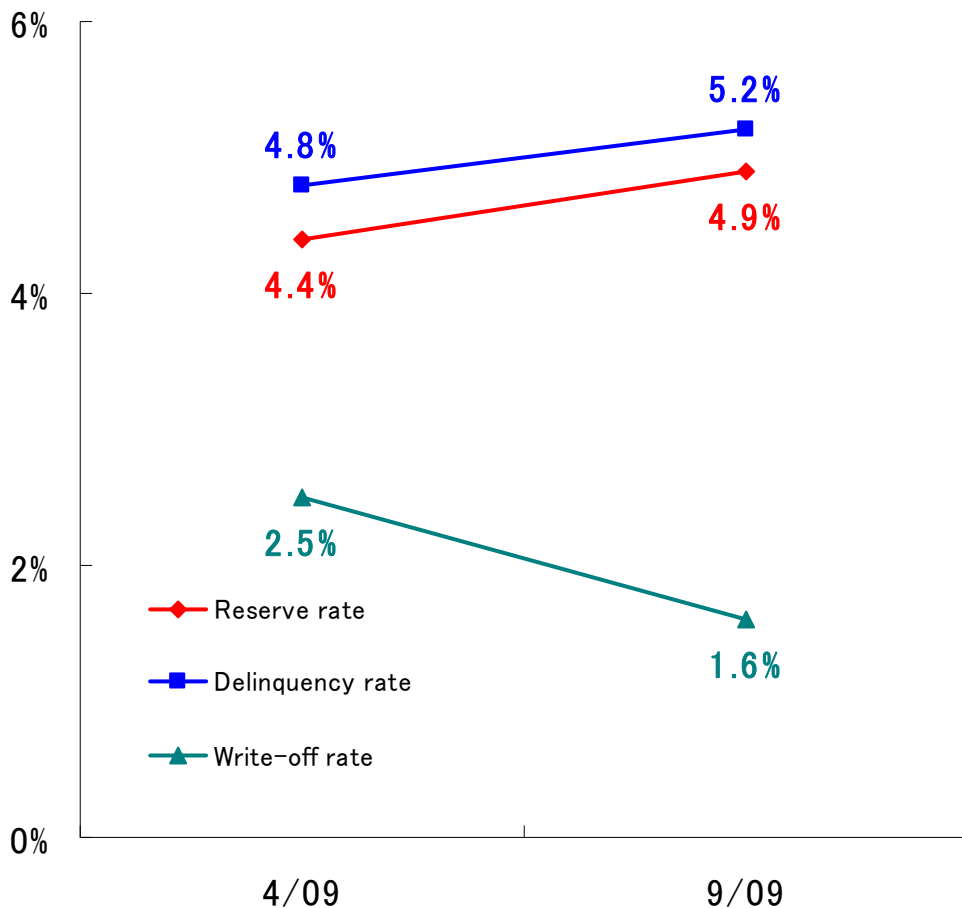
(Unit: ¥ bn)

	4/09 to 9/09
Doubtful accounts related expenses	23.5
Losses on doubtful accounts	17.0
Provision for doubtful accounts	6.4
Extraordinary loss (Provision for doubtful accounts)	9.9

Risk Management ~ Operating Receivables Balance by Classification ~

■ Reserve rate rose as a result of conservative measures

Trend in Risk Indicators (non-consolidated)



Operating Receivables Balance by Classification (non-consolidated)

【as at April 1, 2009】

(Unit: ¥ bn)

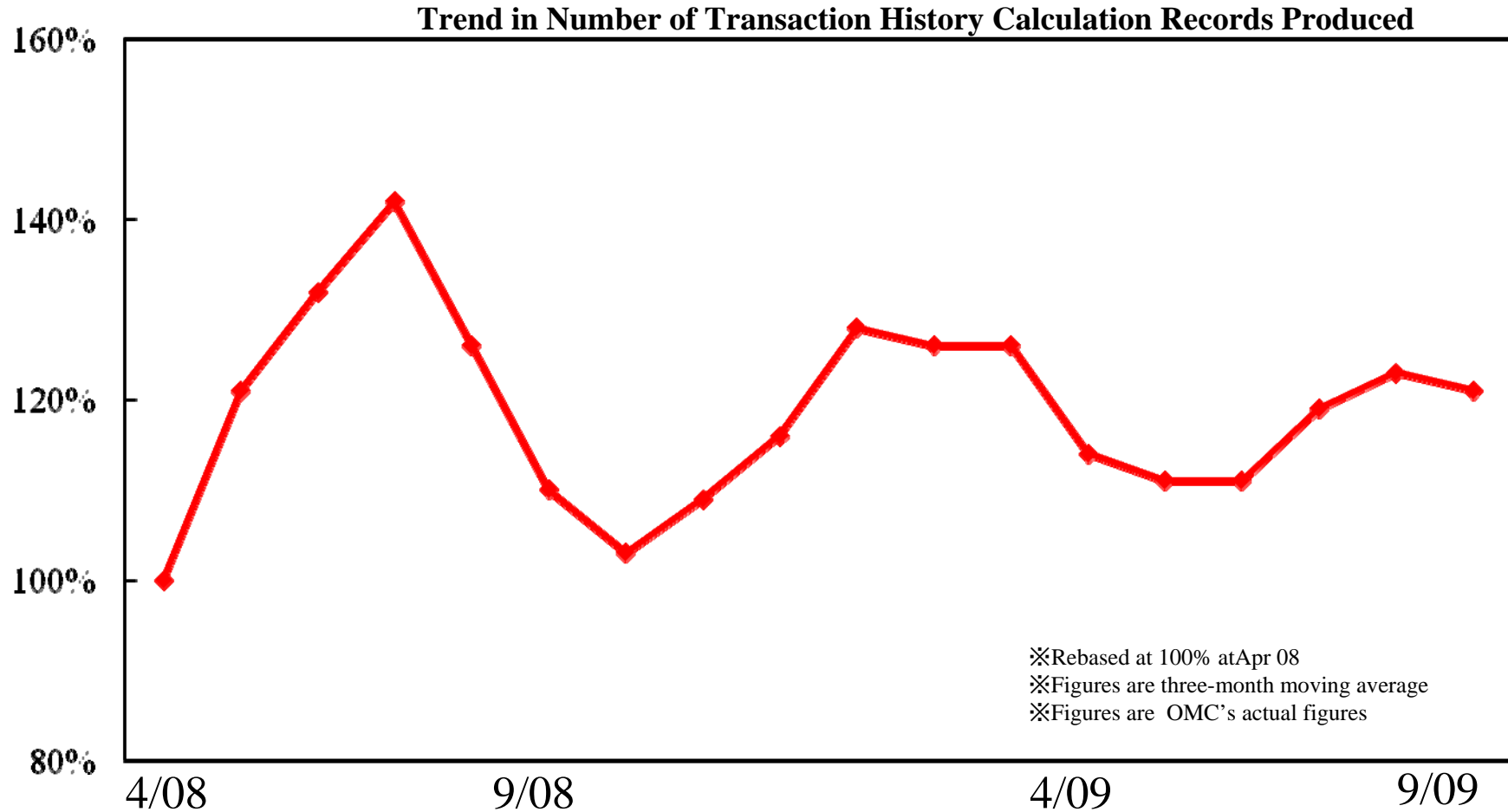
	Balance		Allowance for Doubtful Accounts			Write-off rate
		% of total		% of total	Reserve Ratio	
Normal receivables	2,725.8	95.2%	45.5	35.9%	1.7%	-
Delinquent receivables	136.0	4.8%	81.2	64.1%	59.7%	-
Total	2,861.8	100.0%	126.7	100.0%	4.4%	2.5%

【as at September 30, 2009】

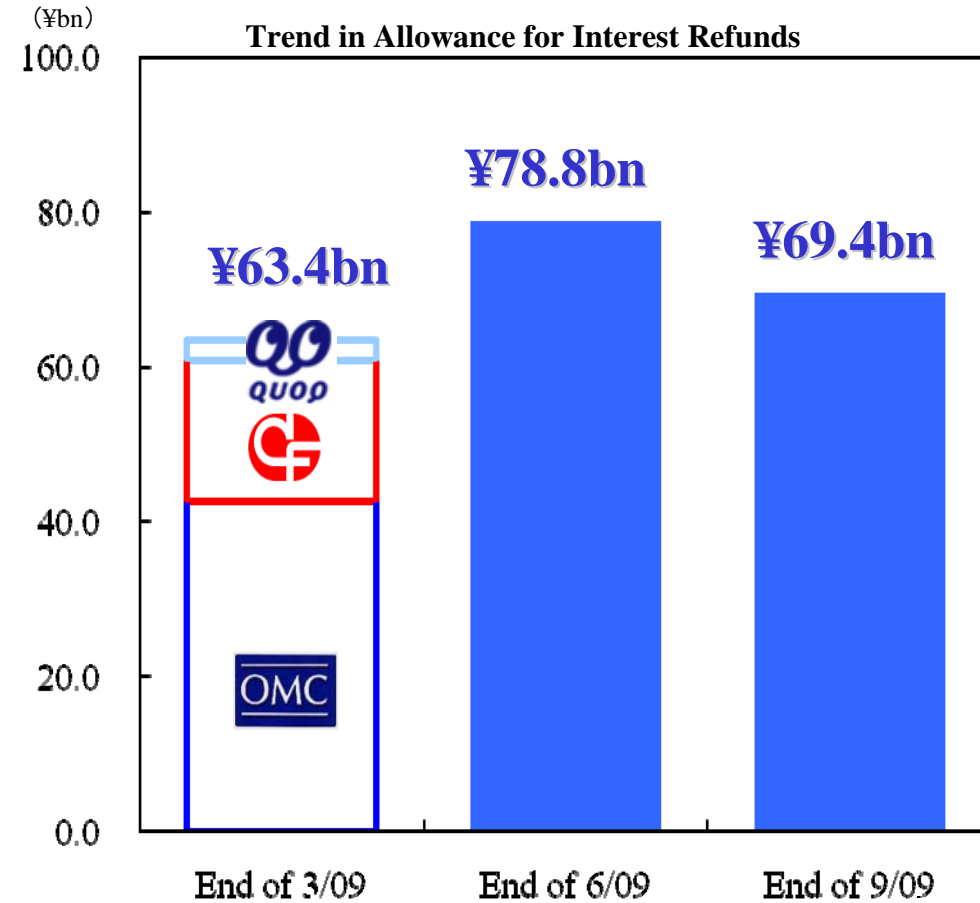
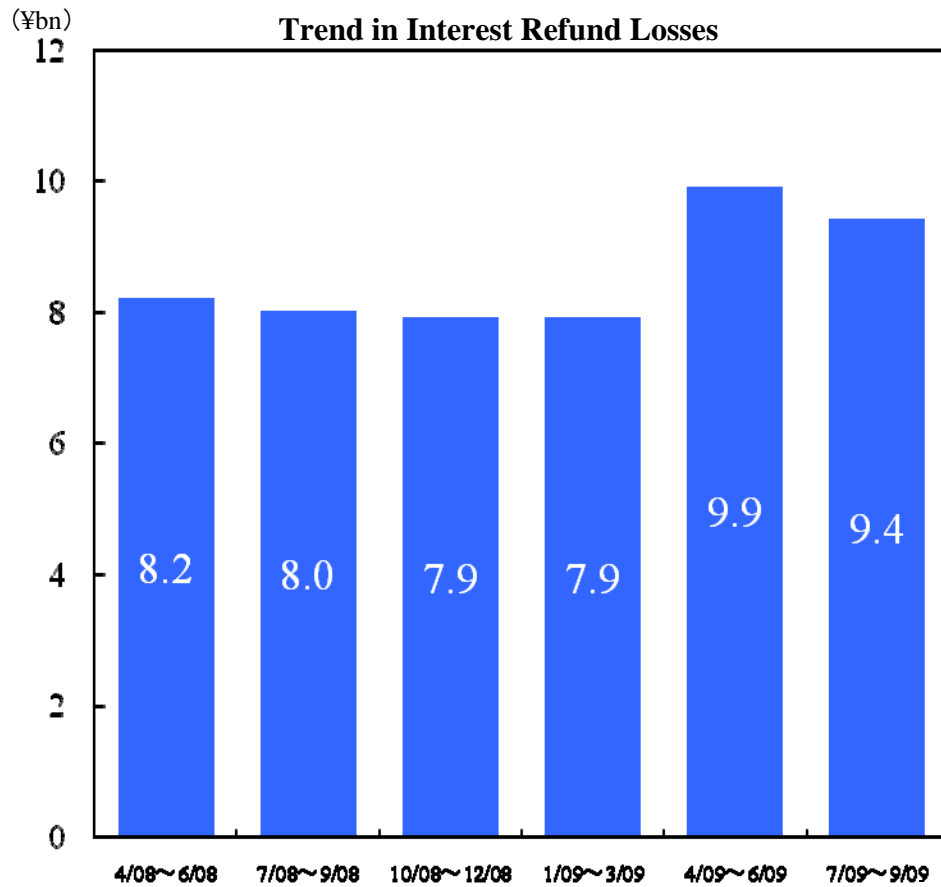
Normal receivables	2,578.0	94.8%	31.6	23.7%	1.2%	-
Delinquent receivables	141.9	5.2%	101.8	76.3%	71.7%	-
Total	2,719.9	100.0%	133.4	100.0%	4.9%	1.6%

- ※Including securitized receivables
- ※Delinquent loans have been delinquent for 3 months or more
- ※Write-off rate includes a portion of losses on interest refunds
- ※Write-off rate is annualized

■ Number of transaction history calculation records produced on receipt of customer claims has remained high



■ Allowances made to reflect current situation



※Figures for April 08 to March 09 are calculated by a simple addition of OMC, CF and QUOQ figures.

Full-year Earnings Outlook

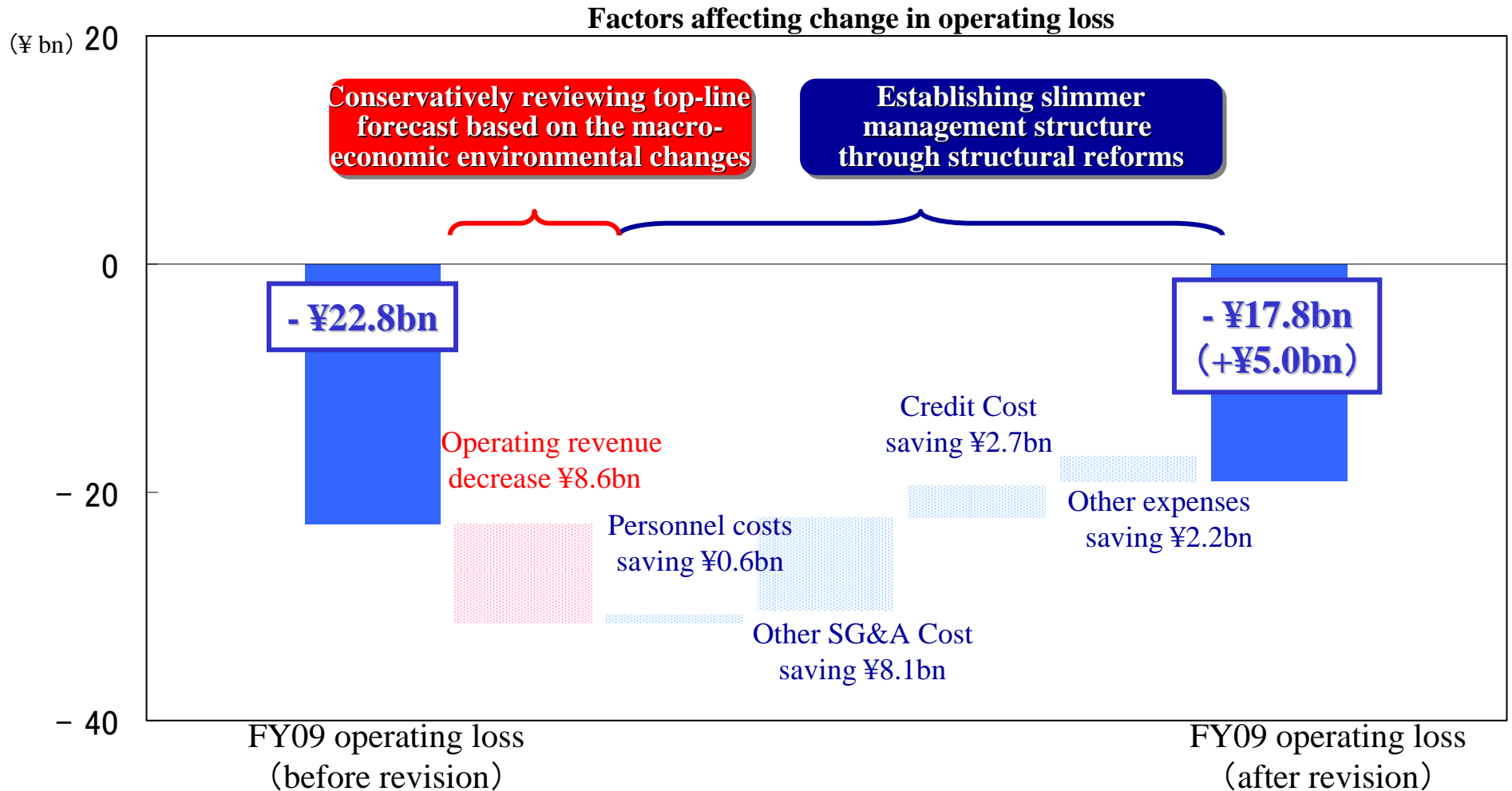
Full-year Earnings Outlook (Consolidated)

Unit : billions of Yen

	Previous Forecast	Revised Forecast	Increase/ Decrease	Change vs.	Change vs.
				FY 2008 (amount)	FY 2008 (base:100%)
Transaction Volume	6,555.7	6,524.3	▲31.4	▲127.6	▲1.9%
Operating revenue	240.6	232.0	▲8.6	▲29.9	▲11.4%
Operating expenses	263.4	249.8	▲13.6	▲12.5	▲4.8%
Operating income / loss	▲ 22.8	▲ 17.8	+5.0	▲17.4	—
Ordinary income / loss	▲ 22.5	▲ 16.6	+5.9	▲14.9	—
Net income / loss	▲ 40.7	▲ 34.7	+6.0	▲5.0	—

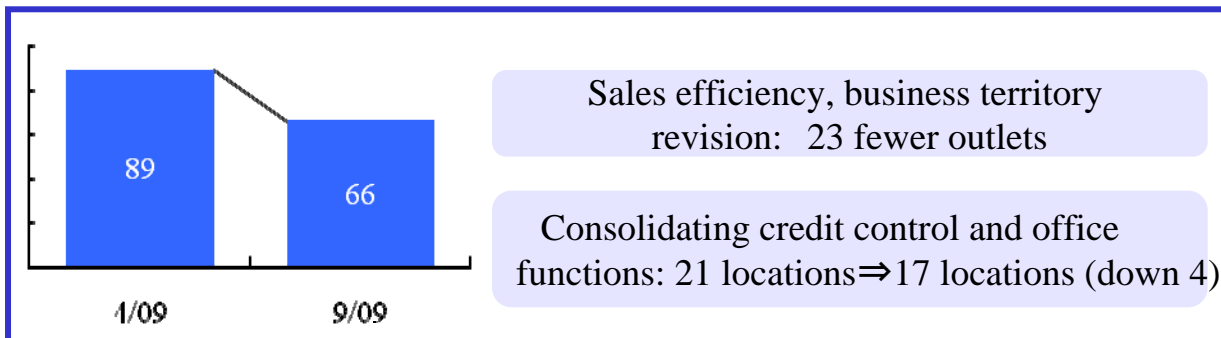
Factor Analysis for Operating Loss Change (Consolidated)

■ Operating loss forecast improved by ¥5bn with revision of FY2009 full year forecast



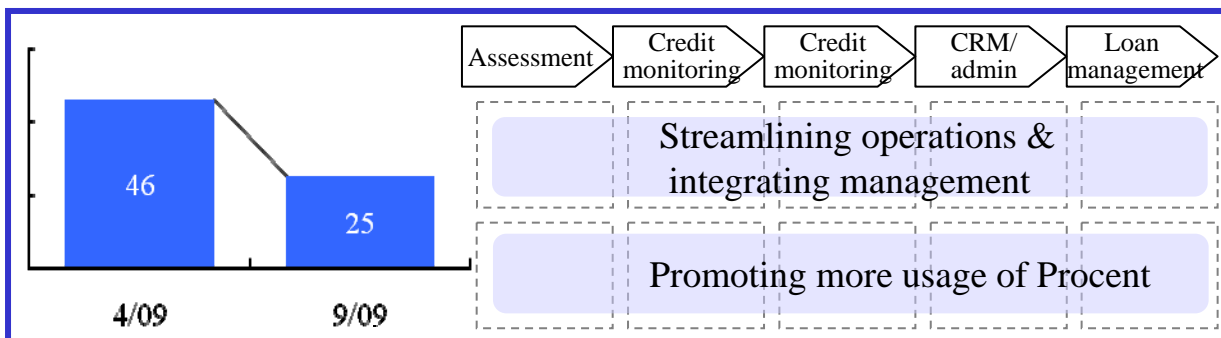
■ Improving productivity through organizational changes

Sales department



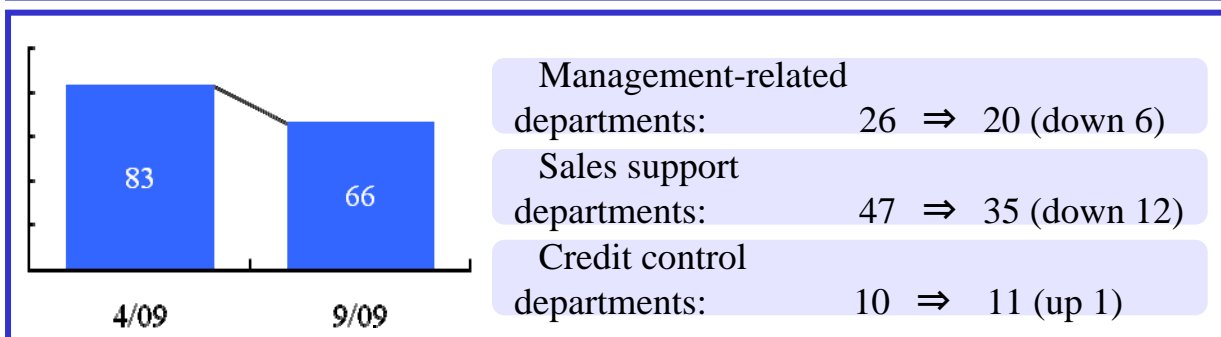
- ◆ Repositioning sales offices based on area strategies
- ◆ Making consulting sales by the fusion of credit card & consumer credit businesses
- ◆ Establishing credit controls through the adoption of one company's system over the others'

Center-related department (In-house centers)



- ◆ Lowering operating costs through the integration of business flows
- ◆ Reducing facility costs through consolidating overlapping bases
- ◆ Raising business efficiencies through promoting more frequent use of Procent

Management & back-office-related department

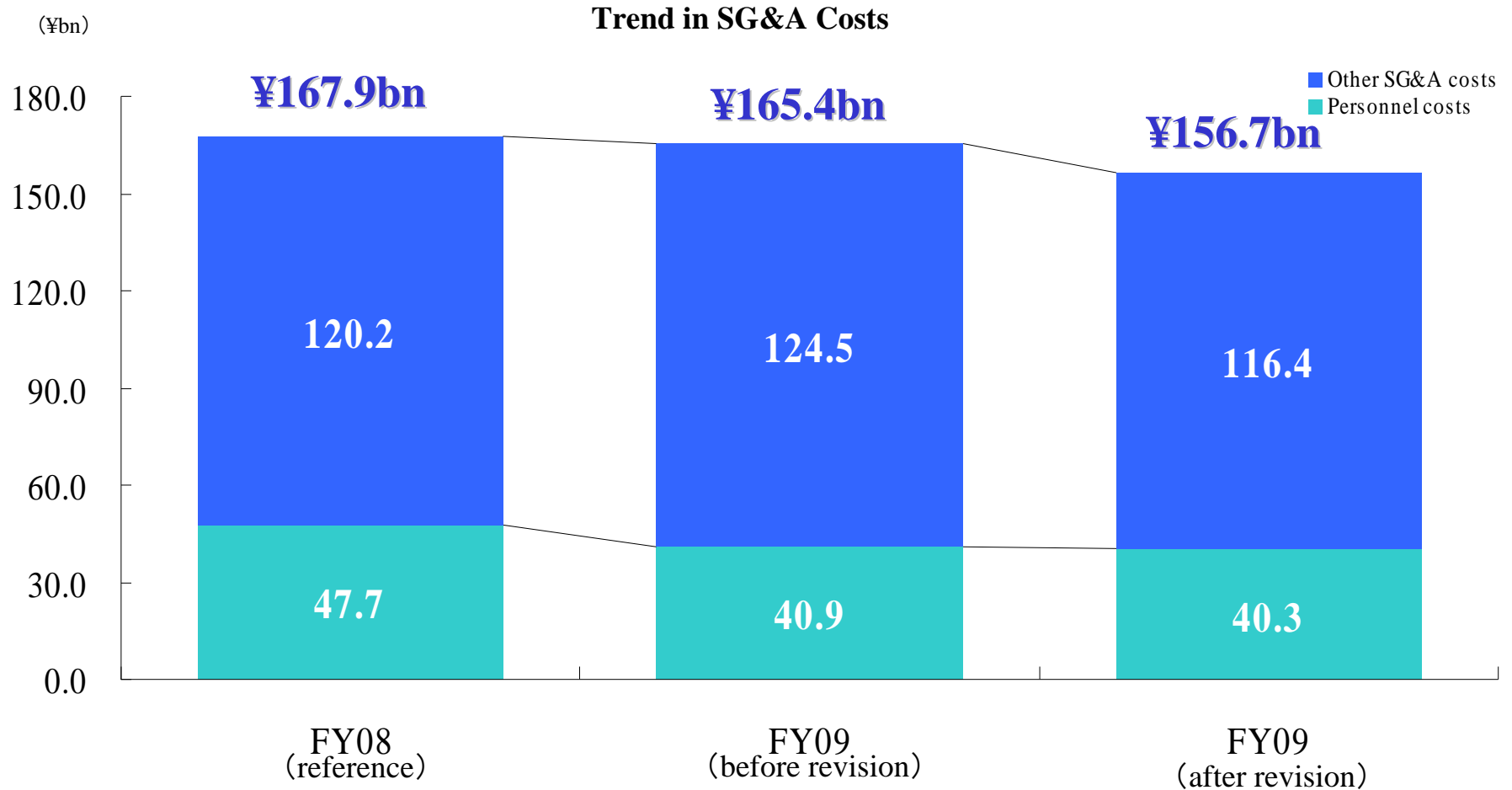


- ◆ Raising time and personnel efficiency by reorganizing labor structure
- ◆ Slimming the management and back-office related departments by 30%

Realizing savings worth ¥14.5bn in FY2009 via structural reforms

			FY09 Impact	Annualized Impact	
Organizational & human resource reform		Costs	<ul style="list-style-type: none"> Implementing voluntary retirement scheme (827 employees) Raising time and personnel efficiency by optimizing staff allocations 	Δ¥4.0bn	Δ¥ 7.0bn
Business reforms	Credit Card	Earnings	<ul style="list-style-type: none"> Reviewing business terms Activating existing cardholders 	Δ¥7.1bn	Δ¥ 12.6bn
		Costs	<ul style="list-style-type: none"> Shifting focus to more efficient solicitation channels Integrating documentation, card issuance and invoice issuance processes Unifying products and services 		
		Earnings	<ul style="list-style-type: none"> Reviewing business transaction terms Strengthening the screening of affiliated stores in consumer credit and auto loans businesses. 		
	Consumer Credit	Costs	<ul style="list-style-type: none"> Consolidating sales bases Isolating and consolidating back-office processes while also increasing outsourced processes Encouraging the usage of general applications in place of affiliated store specific applications. 	Δ¥2.5bn	Δ¥ 5.4bn
		Earnings	<ul style="list-style-type: none"> Reviewing business transaction terms Shifting emphasis towards highly profitable products 		
	Solutions	Costs	<ul style="list-style-type: none"> Eliminating unprofitable products Increasing in-house products which had been outsourced Isolating and consolidating back-office processes while also increasing outsourced works 	Δ¥ 0.5bn	Δ¥ 0.8bn
		Earnings	<ul style="list-style-type: none"> Reviewing business transaction terms Shifting emphasis towards highly profitable products 		
	Other	Costs	<ul style="list-style-type: none"> Pursuing operational efficiencies 	Δ¥ 0.4bn	Δ¥ 0.7bn
				<ul style="list-style-type: none"> Implementing effective measures Reviewing brand strategies Consolidating facilities through organizational change and BPR (Business Process Re-engineering) Reducing running costs of systems Reviewing investment plans 	

Realizing more cuts in SG&A costs through robust practices in structural reforms



※ The ref. figures for FY08 are calculated by a simple addition of OMC, CF & QUOQ figures.

※ OMC's actual FY08 figures are adjusted to reflect 12 months (13 months figure ÷ 13 × 12).

Consolidated Statements of Income

Unit : billions of Yen

	FY 2008 (reference)	FY 2009 1H			FY 2009 2H	FY 2009		
			FY 2009 1Q	FY 2009 2Q			Increase/ Decrease	YOY%
Transaction Volume	6,651.9	3,302.1	1,698.9	1,603.2	3,222.2	6,524.3	▲ 127.6	▲ 1.9%
Operating revenue	261.9	118.3	59.6	58.7	113.7	232.0	▲ 29.9	▲ 11.4%
Operating expenses	262.3	141.8	85.9	55.8	108.1	249.8	▲ 12.5	▲ 4.8%
Operating income / loss	▲ 0.4	▲ 23.5	▲ 26.3	2.9	5.7	▲ 17.8	▲ 17.4	—
Ordinary income / loss	▲ 1.7	▲ 22.3	▲ 25.7	3.4	5.7	▲ 16.6	▲ 14.9	—
Net income / loss	▲ 29.7	▲ 40.1	▲ 46.6	6.6	5.3	▲ 34.7	▲ 5.0	—

※The ref. figures for the previous FY 2008 are based on a simple addition of OMC, CF & QUOQ figures.

※The FY2008 OMC figures are adjusted to reflect 12 months (13 months figure ÷ 13 × 12).

Projected Transaction Volume (Non-consolidated)

Unit : billions of Yen

	FY 2008 (reference)	FY 2009	Increase/ Decrease	YOY%
Credit Card Contracts	1,909.3	1,891.7	▲17.6	▲0.9%
Credit Card Contracts	1,681.8	1,740.7	+58.9	+3.5%
Credit Card Contracts (Guarantee Card)	227.5	151.0	▲76.5	▲33.6%
Cash Advances	527.0	482.4	▲44.6	▲8.5%
Cash Advances	513.4	470.1	▲43.2	▲8.4%
Cash Advances (Guarantee Card)	13.7	12.3	▲1.4	▲10.3%
Credit Sales	336.2	277.5	▲58.6	▲17.4%
Auto Loans	301.5	240.1	▲61.4	▲20.4%
Collection Agency	2,736.3	2,833.2	+96.9	+3.5%
Business Credit	257.5	248.8	▲8.7	▲3.4%
Other	589.2	524.6	▲64.6	▲11.0%
Total	6,657.0	6,498.3	▲158.7	▲2.4%

※Management accounts basis

※The ref. figures for the previous FY 2008 are based on a simple addition of OMC, CF & QUOQ figures

Projected Operating Revenues (Non-consolidated)

Unit : billions of Yen

	FY 2008 (reference)	FY 2009	Increase/ Decrease	YOY%
Credit Card Contracts	46.5	48.1	+1.7	+3.6%
Credit Card Contracts	45.6	47.5	+1.9	+4.2%
Credit Card Contracts (Guarantee Card)	0.9	0.6	▲0.3	▲30.5%
Cash Advances	113.8	89.7	▲24.1	▲21.2%
Cash Advances	111.2	87.4	▲23.8	▲21.4%
Cash Advances (Guarantee Card)	2.6	2.3	▲0.3	▲11.8%
Credit Sales	35.9	30.0	▲6.0	▲16.6%
Auto Loans	14.1	13.0	▲1.1	▲8.0%
Collection Agency	10.7	11.2	+0.5	+4.2%
Business Credit	4.7	4.3	▲0.4	▲8.3%
Other	29.0	28.8	▲0.2	▲0.7%
Total	254.7	225.1	▲29.6	▲11.6%

※Management accounts basis

※The ref. figures for the previous FY 2008 are based on a simple addition of OMC, CF & QUOQ figures

※Before securitization

Projected Cardholders

Unit : In Ten Thousand

	FY 2008	FY 2009		
	(reference)		Increase/ Decrease	YOY%
Applications	357	335	▲22	▲6.2%
Credit Card	339	319	▲20	▲5.9%
Loan Card	12	10	▲2	▲16.6%
Guarantee Card	5	5	▲0	▲2.1%
Issuance	298	293	▲5	▲1.7%
Credit Card	289	286	▲4	▲1.3%
Loan Card	4	3	▲1	▲24.4%
Guarantee Card	4	4	▲0	▲1.5%
Cardholders	2,382	2,461	+79	+3.3%
Credit Card	2,020	2,113	+93	+4.6%
Loan Card	86	85	▲2	▲1.8%
Guarantee Card	275	263	▲12	▲4.4%

※The ref. figures for the previous FY 2008 are based on a simple addition of OMC, CF & QUOQ figures

Aiming for Steady Profit Growth as a Company

Establishing new business models

- **Nationwide sales network** Management resources
- **Customer base with strong potential**
 - Card holders about 24 million
 - Credit contracts about 20 million
 - Money collection accounts about 14 million

Strategies

- **MSP Model**
 - Powerful solicitation
 - Strong database marketing and promotion
- **Focus on CS**
 - Good customer care and CS management to meet customer needs and enhance customer convenience
- **Collaborations within the group**



Tools

- **Strengthening consulting functions in marketing activities**
 - Developing a system of test marketing for consumer credit
- **Strengthening product assortment and promoting a set marketing approach**
 - Offering combined financial products to meet customer needs

Shifting further towards highly efficient business structure

Structural reforms

- **Business structure reforms**
 - Credit card, consumer credit and solutions
- **Reforms in systems and operations**
 - Strategies for facilities
 - System integration
 - Reviewing & consolidating business flows and overlapping functions
- **Human resource reforms**
 - Reviewing labor structure
 - Optimizing staff allocations
- **Cost structure reforms**
 - Consolidating overlapping functions and services
 - Promoting cross-organizational BPR
- **Management structure reforms**