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# Earnings Release Presentation

The First Quarter Financial Results for the Fiscal Year Ending March 2022

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**ACOM CO., LTD.**

**<https://www.acom.co.jp/corp/english/ir/>**

**July 29, 2021**



# Financial Results Summary

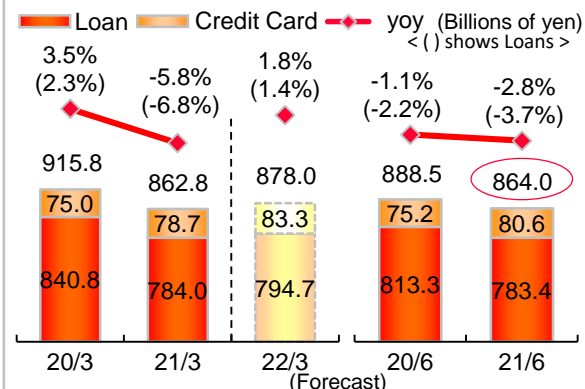
	A	B	C	D	E	F	G	H	I	J
	Consolidated					Non-consolidated				
(Millions of yen, %)	2021/6		2022/3			2021/6		2022/3		
<B/S>	Results	yoy (ytd)	Forecast	yoy	Progress	Results	yoy (ytd)	Forecast	yoy	Progress
1 Receivables Outstanding	2,237,251	-1.9 (0.1)	2,290,400	2.5		1,871,940	-2.9 (-0.2)	1,917,100	2.2	
2    Loan & Credit Card Business	864,062	-2.8 (0.1)	878,000	1.8		864,062	-2.8 (0.1)	878,000	1.8	
3    Guarantee Business	1,166,618	-2.6 (-0.3)	1,204,800	3.0		1,007,878	-3.0 (-0.4)	1,039,100	2.6	
4    Overseas Financial Business	198,596	6.8 (2.5)	200,100	3.3		-	-	-	-	
<P/L>										
5 Operating Revenue	65,467	-3.0	260,700	-2.1	25.1	48,352	-3.4	193,800	-2.1	24.9
6    Loan & Credit Card Business	35,735	-2.5	142,000	-1.7	25.2	35,735	-2.5	142,000	-1.7	25.2
7    Guarantee Business	15,241	-5.4	62,400	-2.9	24.4	12,600	-5.7	51,700	-3.3	24.4
8    Overseas Financial Business	12,952	-5.8	51,200	-1.8	25.3	-	-	-	-	-
9 Operating Expenses	40,411	-3.0	180,800	8.0	22.4	30,520	0.1	135,000	8.8	22.6
10    Financial Expenses	1,567	-1.4	5,000	-14.8	31.3	847	-16.2	3,400	-11.5	24.9
11    Provision for Bad Debts	16,216	-15.4	78,400	18.4	20.7	12,447	-8.0	57,000	22.7	21.8
12    Provision for Loss on Interest Repayment	-	-	-	-	-	-	-	-	-	-
13    Other Operating Expenses	22,628	8.1	97,400	2.1	23.2	17,226	8.0	74,600	1.2	23.1
14 Operating Profit	25,055	-2.9	79,900	-19.2	31.4	17,831	-8.8	58,800	-20.5	30.3
15 Ordinary Profit	25,145	-3.0	80,100	-19.9	31.4	22,319	-7.7	64,800	-20.3	34.4
16 Profit Before Income Taxes	25,112	-3.1	79,900	-19.5	31.4	22,286	-7.9	64,600	-19.8	34.5
17 Profit	21,213	-7.3	64,800	-22.5	32.7	20,243	-7.5	55,400	-21.9	36.5
18    Profit Attributable to Owners of Parent	19,921	-7.8	61,000	-22.7	32.7	-	-	-	-	-



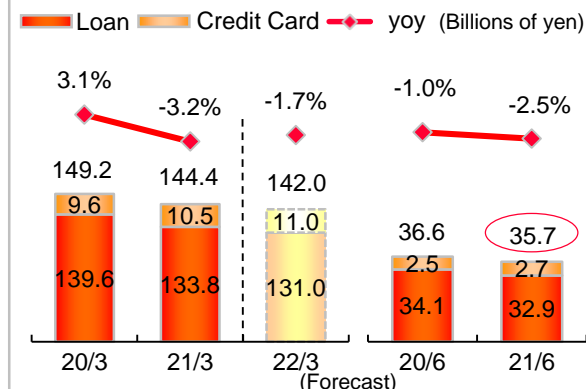
# Loan and Credit Card Business (ACOM)

- **Receivables Outstanding** : Decreased by 2.8% yoy (+0.1% ytd) to 864.0 billion yen due to decline in the demand for funds mainly associated with voluntary restrictions in customer activities outside the home.
- **Operating Revenue** : Decreased by 2.5% yoy to 35.7 billion yen due to decrease in interest on operating loans.
- **Operating Profit** : Decreased by 6.3% yoy to 13.6 billion yen due to increase in advertising expenses.

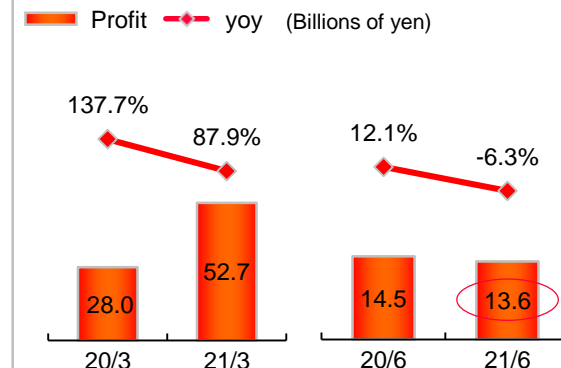
## Receivables Outstanding



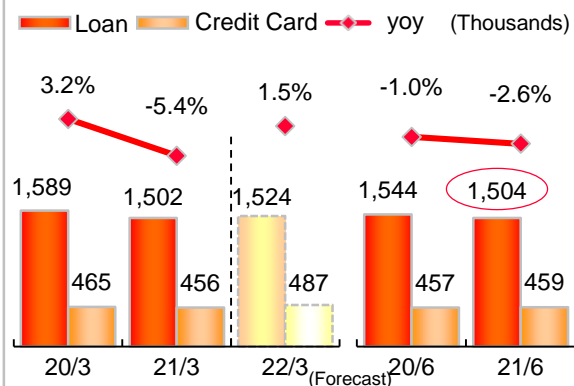
## Operating Revenue



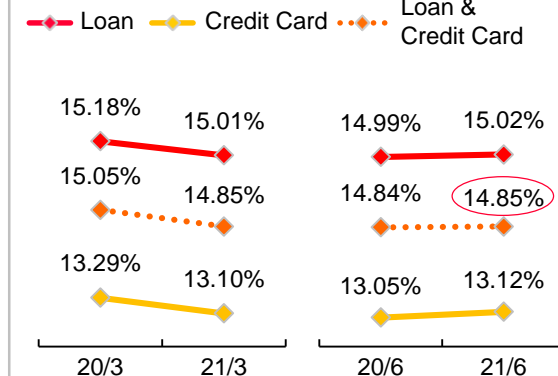
## Operating Profit



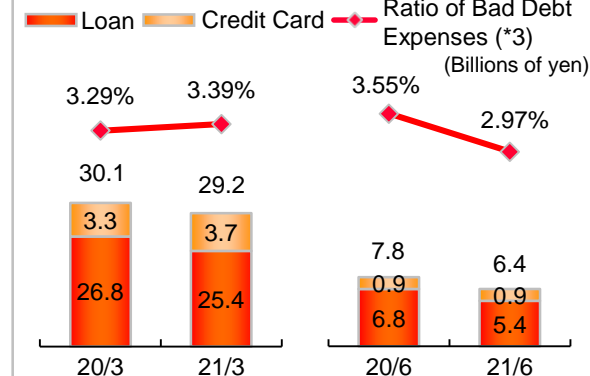
## No. of Customer Accounts



## Average Yield (\*1)



## Amount and Ratio of Bad Debt Expenses (\*2)



\*1. Average yield of credit card is calculated by receivables and fees of revolving.

\*2. Amount and ratio of bad debt expenses exclude waiver of repayments accompanying requests for interest repayment.

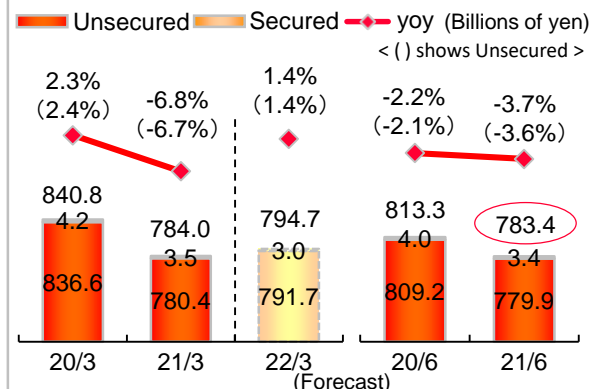
\*3. The ratios of bad debt expenses for 20/6 and 21/6 are recalculated into annual basis.



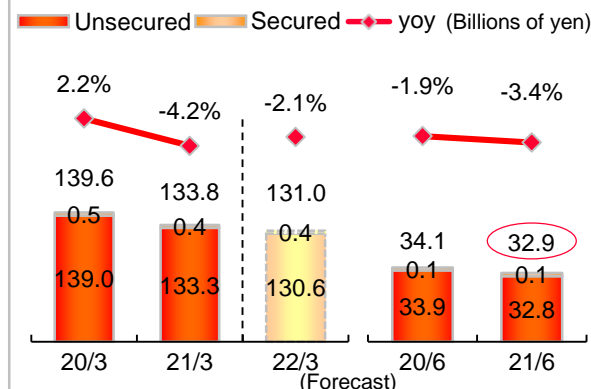
# Loan Business (ACOM)

- **Receivables Outstanding** : Decreased by 3.7% yoy (-0.1% ytd) to 783.4 billion yen.
- **Operating Revenue** : Decreased by 3.4% yoy to 32.9 billion yen.
- **No. of New Customers** : Increased by 59.7% yoy to 57 thousands.

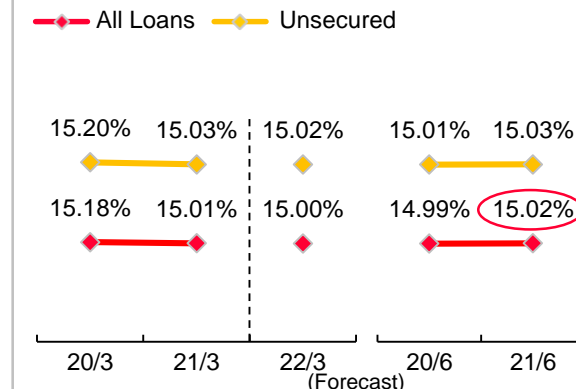
## Receivables Outstanding



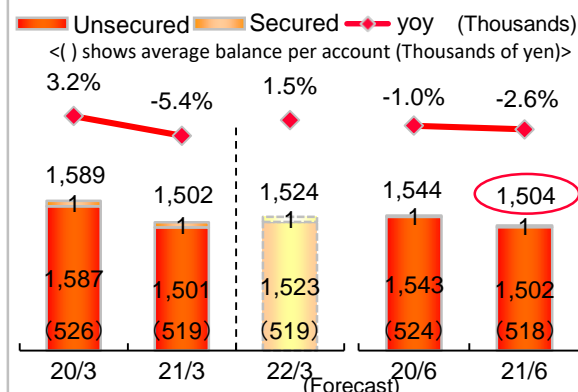
## Operating Revenue



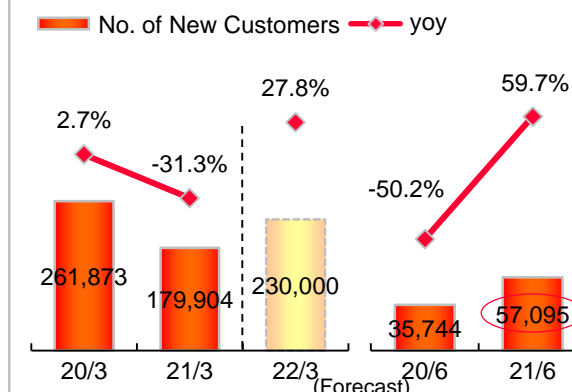
## Average Loan Yield



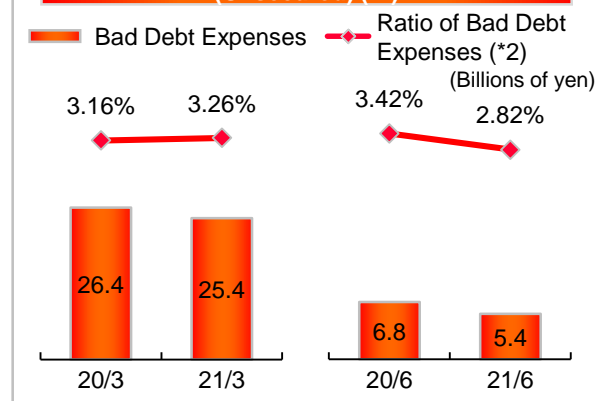
## No. of Customer Accounts



## No. of New Customers (Unsecured)



## Amount and Ratio of Bad Debt Expenses (Unsecured) (\*1)



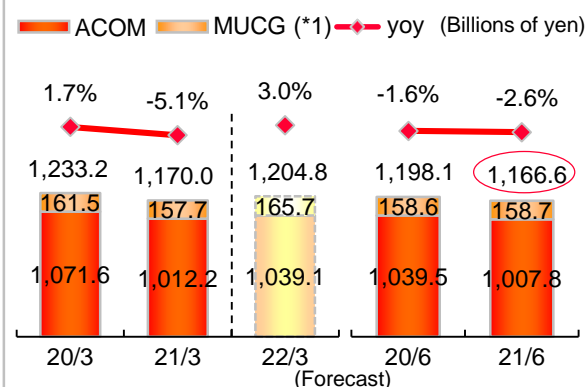
\*1. Amount and ratio of bad debt expenses exclude waiver of repayments accompanying interest repayment.

\*2. The ratios of bad debt expenses for 20/6 and 21/6 are recalculated into annual basis.

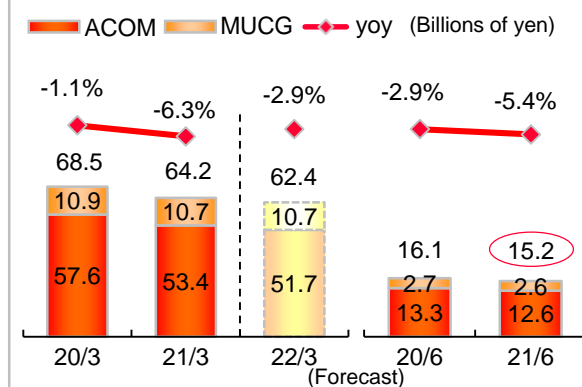
# Guarantee Business (ACOM and MU Credit Guarantee)

- **Guaranteed Receivables** : Decreased by 2.6% yoy (-0.3% ytd) to 1,166.6 billion yen due to decline in the demand for funds mainly associated with voluntary restrictions in customer activities outside the home.
- **Operating Revenue** : Decreased by 5.4% yoy to 15.2 billion yen due to decrease in guaranteed receivables.
- **Operating Profit** : Decreased by 13.8% yoy to 5.1 billion yen.

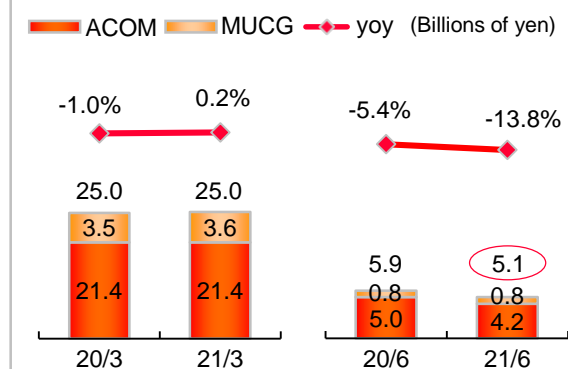
## Guaranteed Receivables



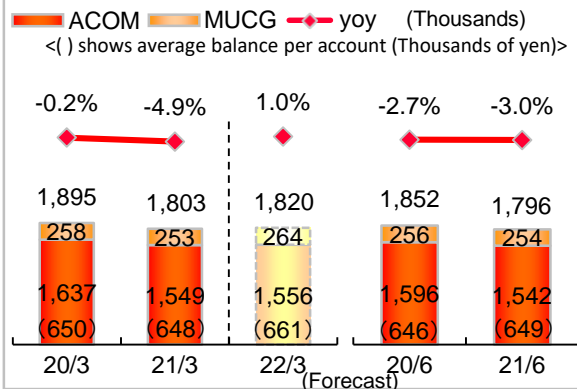
## Operating Revenue



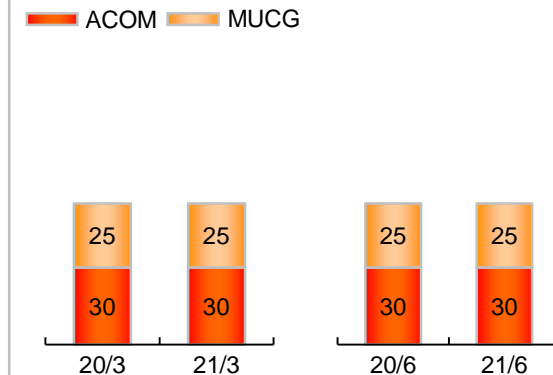
## Operating Profit



## No. of Customer Accounts

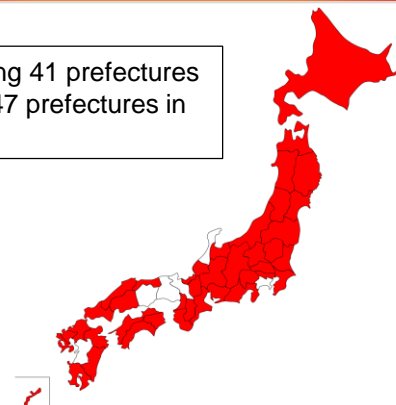


## No. of Alliance Partners (\*2)



## Prefectures with Alliance Partners

Covering 41 prefectures out of 47 prefectures in Japan



\*1. "MUCG" stands for MU Credit Guarantee Co., LTD.

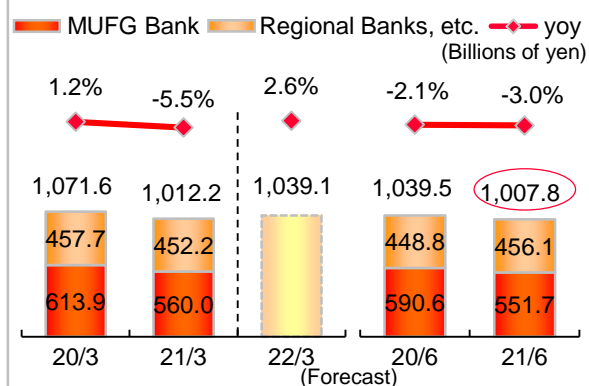
\*2. ACOM and MUCG share three alliance partners.



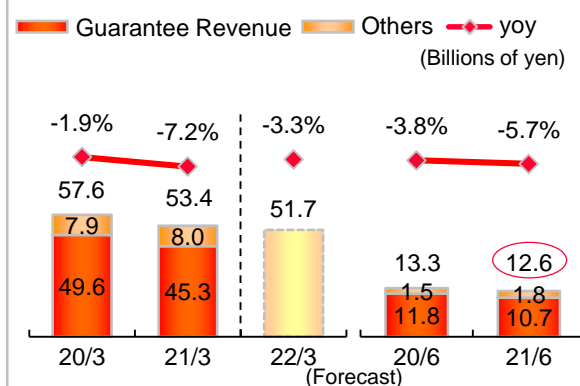
# Guarantee Business (ACOM)

- **Guaranteed Receivables** : Decreased by 3.0% yoy (-0.4% ytd) to 1,007.8 billion yen.
- **Operating Revenue** : Decreased by 5.7% yoy to 12.6 billion yen.
- **Operating Profit** : Decreased by 16.3% yoy to 4.2 billion yen.

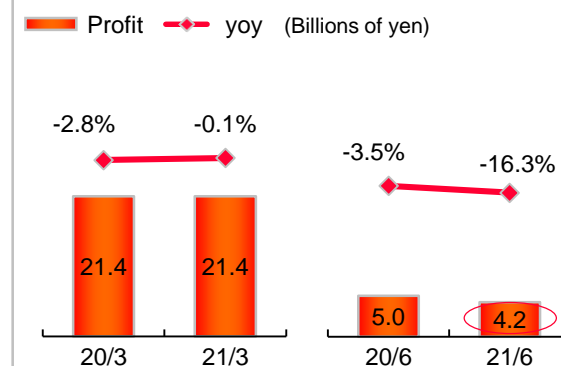
## Guaranteed Receivables



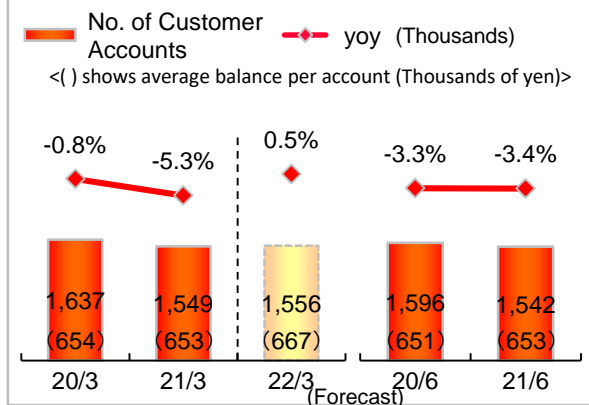
## Operating Revenue



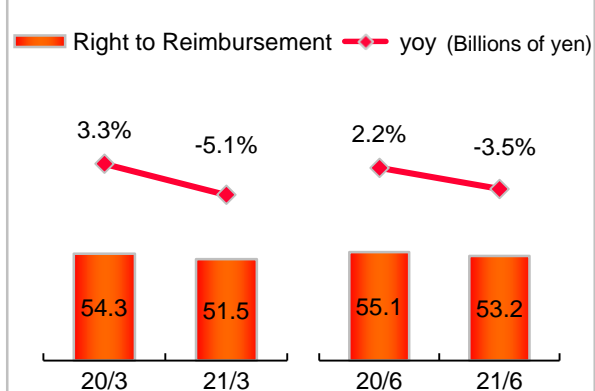
## Operating Profit



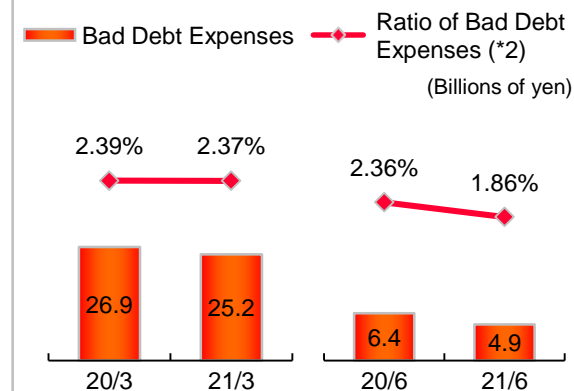
## No. of Customer Accounts



## Right to Reimbursement (\*1)



## Amount and Ratio of Bad Debt Expenses

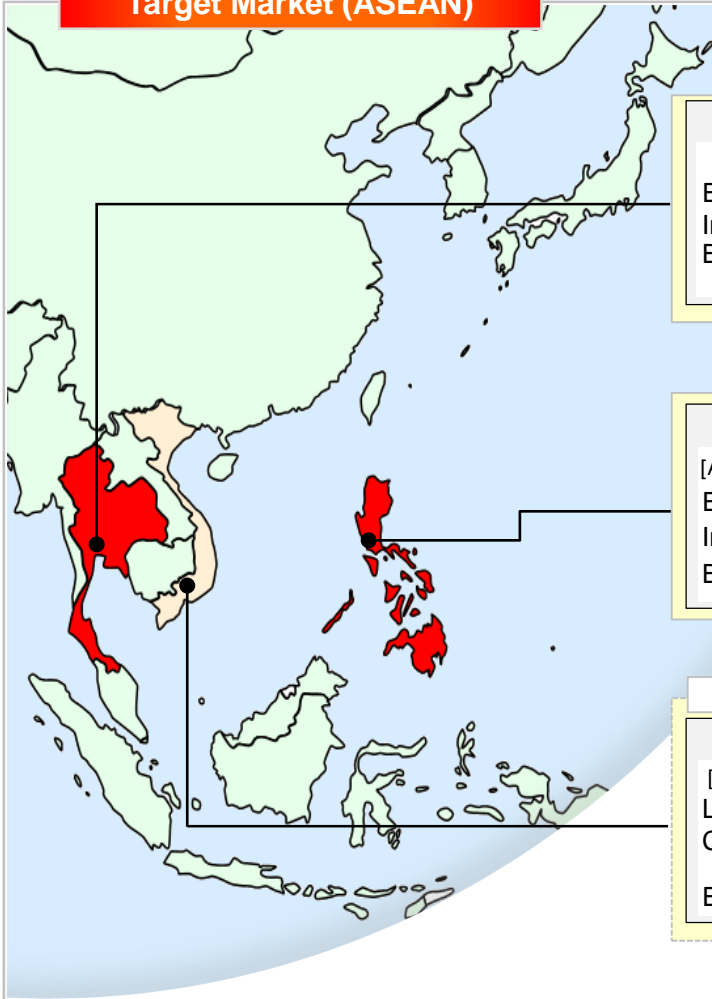


\*1 Right to reimbursement is loans in which guarantee obligations have been performed by ACOM, but not yet written-off.

\*2 The ratios of bad debt expenses for 20/6 and 21/6 are recalculated into annual basis.

# Target Market in Overseas Financial Business

## Target Market (ASEAN)



### [Kingdom of Thailand]

[EASY BUY Public Company Limited]

Equity stake : 71.00%  
Incorporated : September 1996  
Business Outline : Unsecured Loan,  
Installment Loan

- Maximum interest rate was lowered from 28% to 25% from last August 1. Continue monitoring impact on earnings.
- In early April, restrictions on activities have been reinforced due to the increase in the number of people infected by COVID-19. Continue monitoring impact on earnings.

### [Republic of the Philippines]

[ACOM CONSUMER FINANCE CORPORATION]

Equity stake : 80.00%  
Incorporated : July 2017  
Business Outline : Unsecured Loan

- Commenced the business in July 2018.
- In late March, restrictions on activities have been reinforced due to the increase in the number of people infected by COVID-19. Continue monitoring impact on earnings.

### Applying for license

### [Socialist Republic of Vietnam]

[ACOM VIETNAM FINANCE COMPANY LIMITED]

Location : Ho Chi Minh  
Capital : 600.0 billion dong  
(About 2.9 billion yen)  
Equity stake : 100%

- Applied for license for company establishment in May 2014.
- Reapplied for the license in June 2016.
- Plans to commence business at the earliest date upon completion of screening procedures.

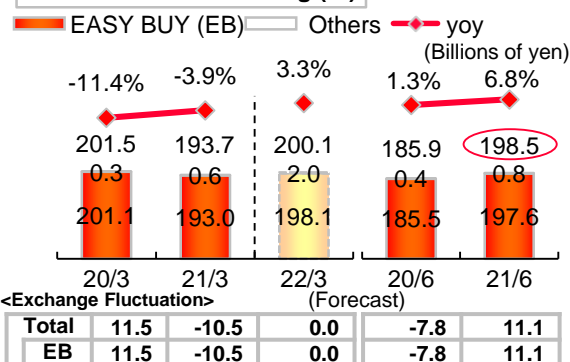


# Overseas Financial Business

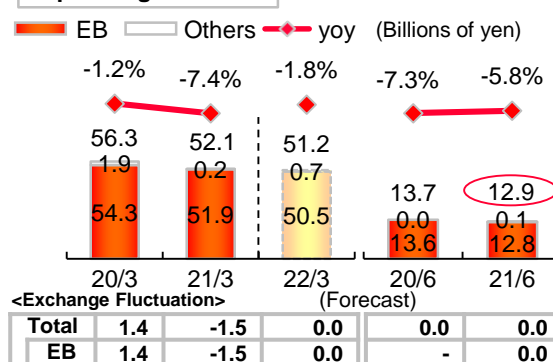
- **Receivables Outstanding (Consolidated)** : Increased by 6.8% yoy (+2.5% ytd) to 198.5 billion yen owing to exchange fluctuation).
- **Operating Revenue (Consolidated)** : Decreased by 5.8% yoy to 12.9 billion yen due to lowered maximum interest rate at EASY BUY.
- **Operating Profit (Consolidated)** : Increased by 16.3% yoy to 6.0 billion yen owing to decrease in provision for bad debts at EASY BUY.

## Overseas Financial Business (Yen Basis) (\*1)

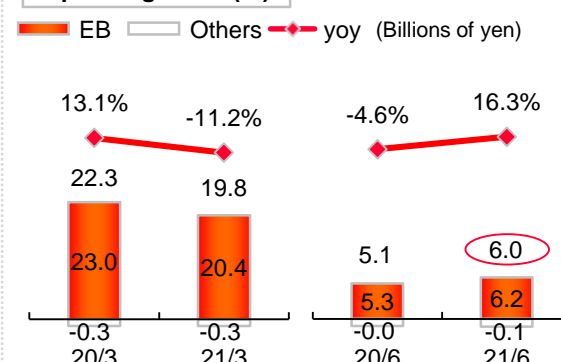
### Receivables Outstanding (\*2)



### Operating Revenue

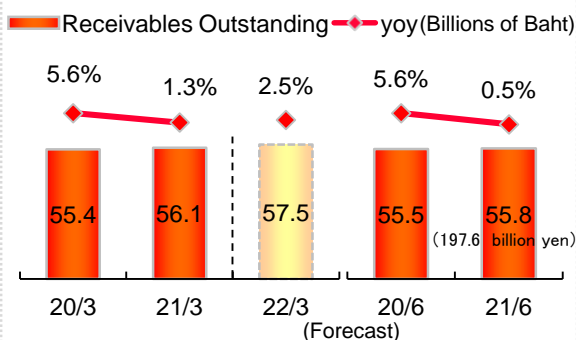


### Operating Profit (\*3)

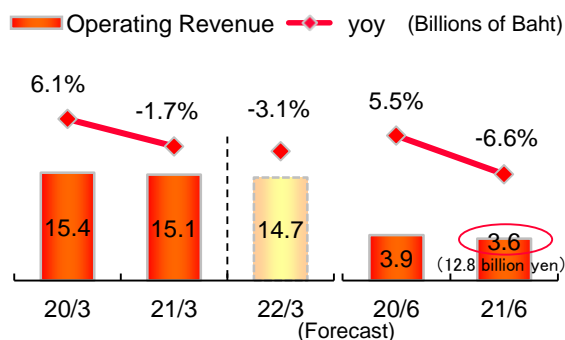


## EASY BUY (Local Currencies Basis)

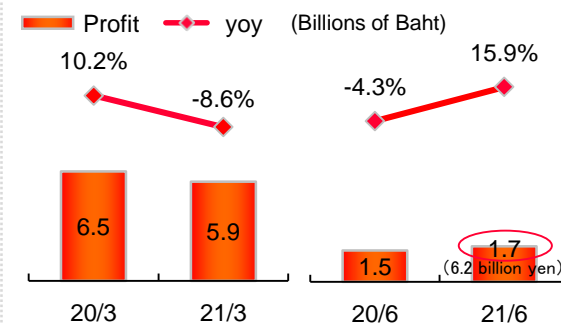
### Receivables Outstanding (\*2)



### Operating Revenue



### Operating Profit



\*1. Exchange rates : Baht B/S: ¥3.34 (20/6), ¥3.54 (21/6), Forecast ¥3.44 (22/3) P/L: ¥3.49 (20/6), ¥3.50 (21/6), Forecast ¥3.42 (22/3)

Exchange fluctuation as of current 1Q: Baht (B/S yoy +¥0.20 P/L yoy +¥0.01)

\*2. Receivables outstanding = "accounts receivable - operating loans" + "accounts receivable - installment"

\*3. Operating profit shows segment income.





# Trend of No. of Requests for Interest Repayment (ACOM)

- No. of requests : Decreased by 6.9% yoy to 5.4 thousands.
- Estimation : The number of requests for FY March 2022 is expected to decrease by 10% to 15% yoy.

## ● Monthly Number of Requests for Interest Repayment (\*1) (\*2)

(%)

	2017/3		2018/3		2019/3		2020/3		2021/3			2022/3		
	No. of Requests	yoy	No. of Requests	yoy	No. of Requests	yoy	No. of Requests	yoy	No. of Requests	yoy	Per business day	No. of Requests	yoy	Per business day
Total	60,700	-15.9	34,300	-43.5	27,100	-21.0	24,700	-8.9	22,100	-10.5	90	5,400	-6.9	88
Apr.	5,500	-15.4	3,600	-34.5	2,400	-33.3	2,200	-8.3	1,600	-27.3	76	1,800	12.5	85
May	5,600	1.8	3,400	-39.3	2,600	-23.5	2,100	-19.2	1,700	-19.0	94	1,600	-5.9	88
June	5,800	-9.4	3,400	-41.4	2,500	-26.5	2,300	-8.0	2,500	8.7	113	2,000	-20.0	90
July	4,900	-19.7	2,800	-42.9	2,400	-14.3	2,300	-4.2	2,100	-8.7	100			
Aug.	4,700	-11.3	2,500	-46.8	2,300	-8.0	1,900	-17.4	1,900	0.0	95			
Sept.	4,800	-27.3	2,800	-41.7	2,000	-28.6	2,000	0.0	1,800	-10.0	90			
Oct.	4,600	-31.3	2,700	-41.3	2,400	-11.1	2,200	-8.3	1,800	-18.2	81			
Nov.	4,900	-18.3	4,100	-16.3	2,200	-46.3	2,000	-9.1	1,700	-15.0	89			
Dec.	5,200	-10.3	2,300	-55.8	1,800	-21.7	1,900	5.6	1,700	-10.5	80			
Jan.	4,500	-4.3	2,000	-55.6	2,000	0.0	1,800	-10.0	1,400	-22.2	73			
Feb.	5,200	-16.1	2,200	-57.7	2,200	0.0	1,800	-18.2	1,800	0.0	100			
Mar.	5,000	-21.9	2,500	-50.0	2,300	-8.0	2,200	-4.3	2,100	-4.5	91			

\*1. No. of requests which interest repayment occurs as a result of ACOM's recalculation based on the interest ceiling as specified in Interest Rate Restriction Act from claims which lawyers or judicial scriveners accept debt consolidation.

\*2. Number of requests for interest repayment includes reaccepted requests.

# Trend of Loss on Interest Repayment (ACOM)

- **Provision drawdown** : ¥7.0 billion was drawn down from ¥56.7 billion of provision. (¥6.2 billion for interest repayment + ¥0.7 billion for voluntary waiver of repayment)
- **Ending balance** : 49.7billion yen remains as there was no addition made to provision for loss on interest repayment in 1Q. Covers up to FY March 2024.
- **Estimation** : Estimate amount of drawdown to decrease by 20% yoy in FY March 2022.

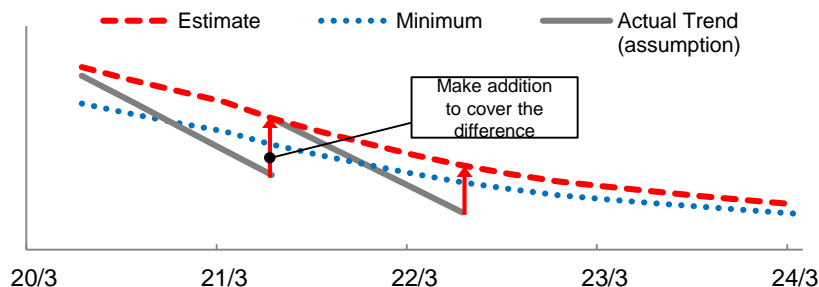
## ● Provision for Loss on Interest Repayment

(Millions of yen, %)

	2017/3	2018/3	2019/3	2020/3	2021/3					yoy	2022/3	
					1Q	2Q	3Q	4Q	Total		1Q	yoy
Provision Drawdown	68,828	60,831	41,248	34,400	6,854	7,385	8,447	8,170	30,858	-10.3	7,034	2.6
Interest Repayment	58,852	53,470	36,586	30,686	6,113	6,576	7,436	7,261	27,389	-10.7	6,257	2.3
Bad Debt Expenses (ACOM's voluntary waiver of repayments)	9,975	7,360	4,661	3,713	741	808	1,010	908	3,468	-6.6	777	4.9
Addition of Provision	143,728	-	39,479	19,700	-	-	-	-	-	-	-	-
Increase or Decrease in Provision	74,900	-60,831	-1,768	-14,700	-6,854	-7,385	-8,447	-8,170	-30,858	-	-7,034	-
Ending Balance of Provision	164,900	104,068	102,300	87,600	80,745	73,359	64,912	56,741	-35.2	-35.2	49,707	-38.4

## Image of Addition of Provision

< Ending balance of provision >



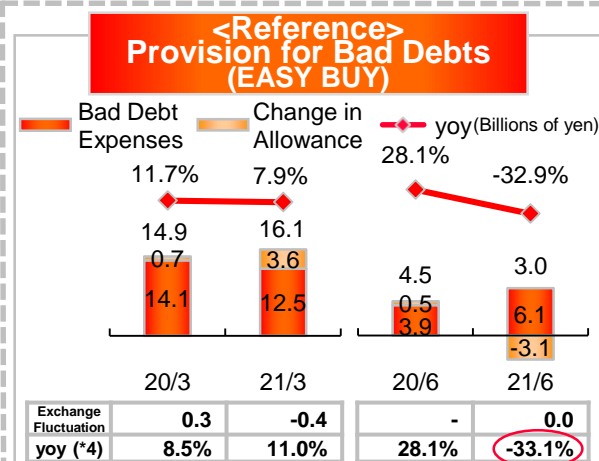
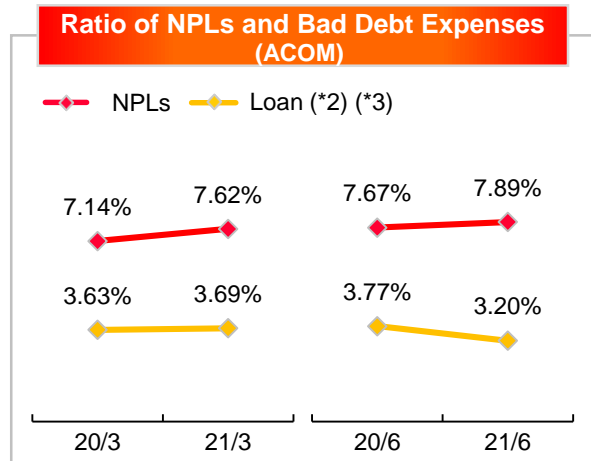
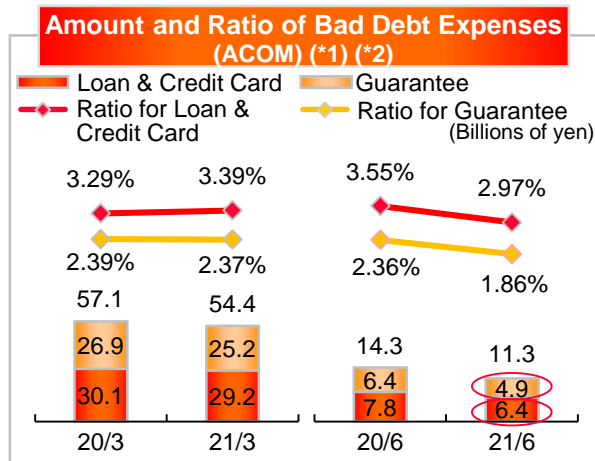
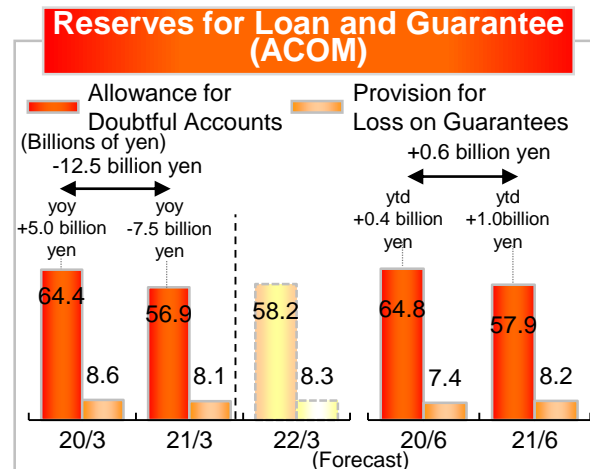
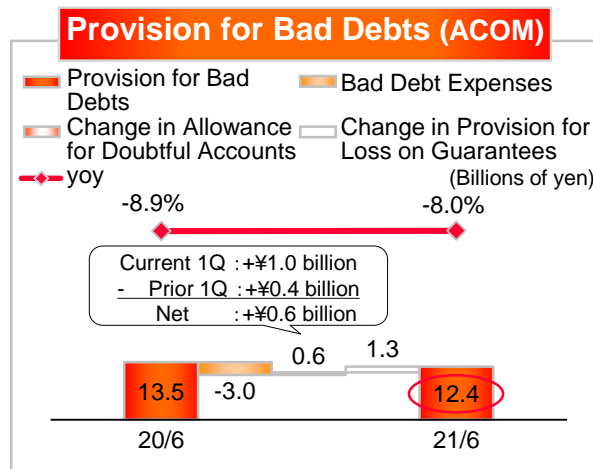
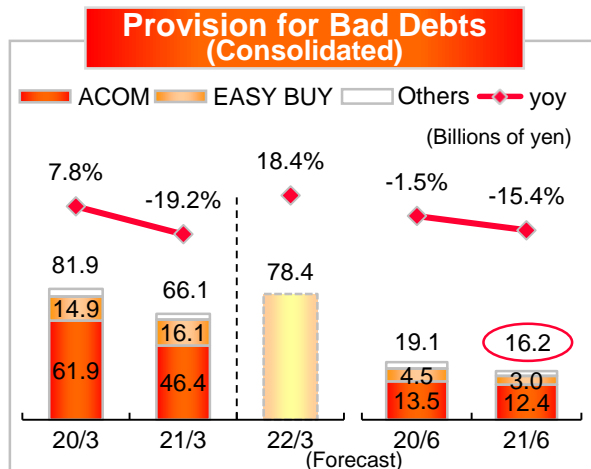
## Key Points for Provision

- ① When quarterly ending balance of provision falls below the minimum value of estimate, addition will be made to cover the difference between these.
- ② Reassess the necessity of changing estimation method for the provision;
  - when the quarterly ending balance of provision falls significantly below the minimum value of initial estimate.
  - at formulation of medium-term management plan every 3 years.



# Provision for Bad Debts

- **Provision for Bad Debts (Consolidated)**: Decreased by 15.4% yoy to 16.2 billion yen.
- **Bad debt expenses (ACOM)**: Decreased by 3.0 billion yen yoy to 11.3 billion yen.
- **Non-performing Loans (ACOM)**: Increased by 22 basis points to 7.89%.



\*1. Amount and ratio of bad debt expenses exclude waiver of repayments accompanying requests for interest repayment.

\*2. The ratios of bad debt expenses for 20/6 and 21/6 are recalculated into annual basis.

\*3. Ratio of bad debt expenses includes waiver of repayments accompanying requests for interest repayment.

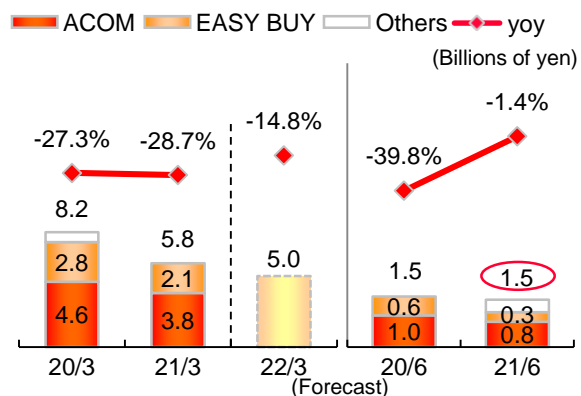
\*4. "yoy" shows local currencies basis.



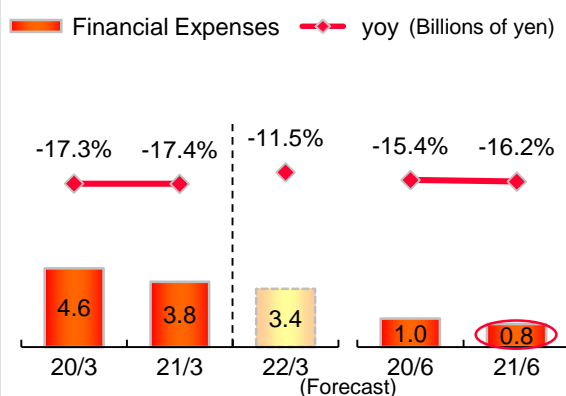
# Financial Expenses

- **Financial Expenses (Consolidated)** : Decreased by 1.4% yoy to 1.5 billion yen.
- **Borrowings (ACOM)** : Decreased by 65.2 billion yen yoy to 512.5 billion yen.
- **Average Interest Rate (ACOM)** : Decreased by 2 basis points to 0.65% owing to further replacements of borrowings in low interest rate environment.

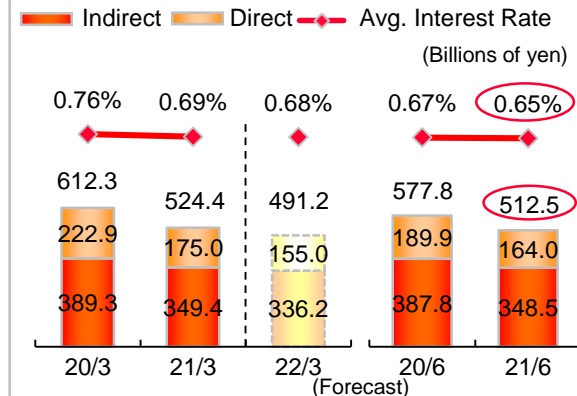
## Financial Expenses (Consolidated)



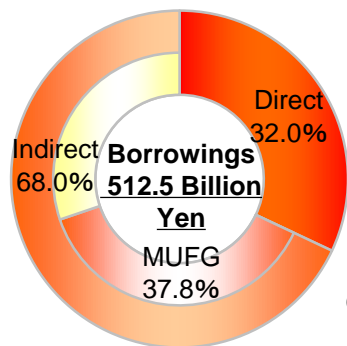
## Financial Expenses (ACOM)



## Borrowings (ACOM)



## Composition Ratios by Funding Sources (ACOM)

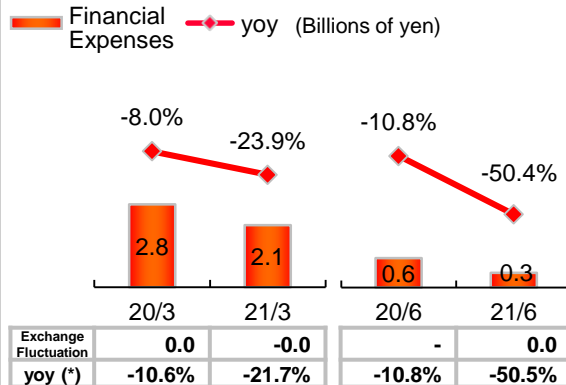


Ratio of Fixed Interest Rate 91.6%

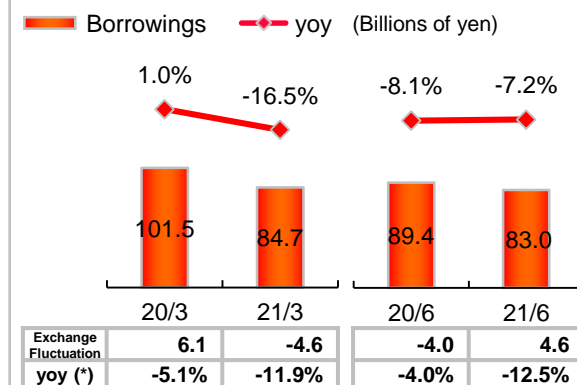
Ratio of Long-term 99.2%

Current portion of loans payable 111.4 billion yen

## Financial Expenses (EASY BUY)



## Borrowings (EASY BUY)



\* "yoy" shows local currencies basis.

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# Reference Information

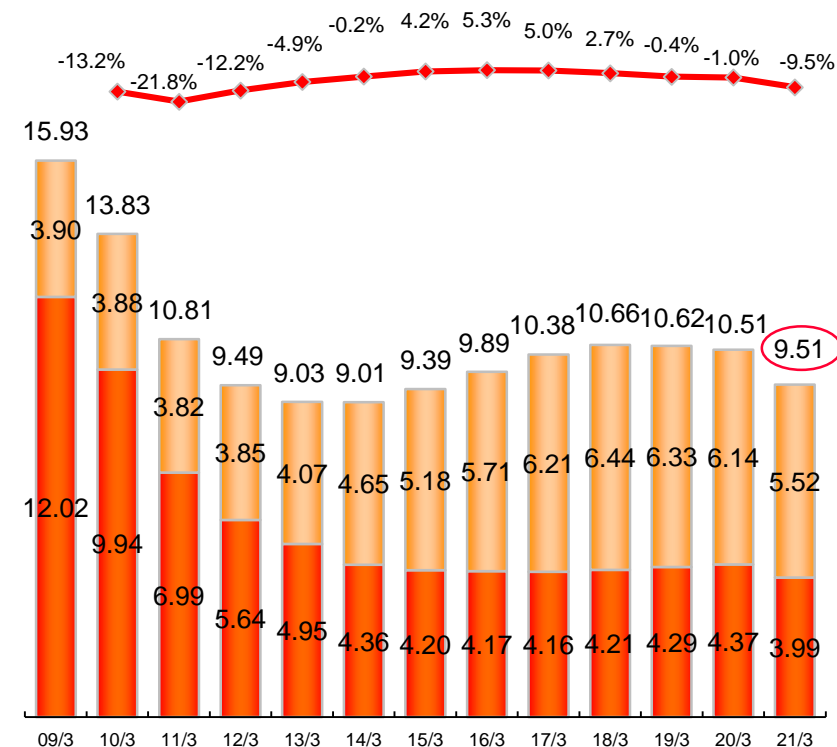
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# [Reference] Trend of Market Volume of Domestic Personal Card Loans

## Domestic Personal Card Loan Market

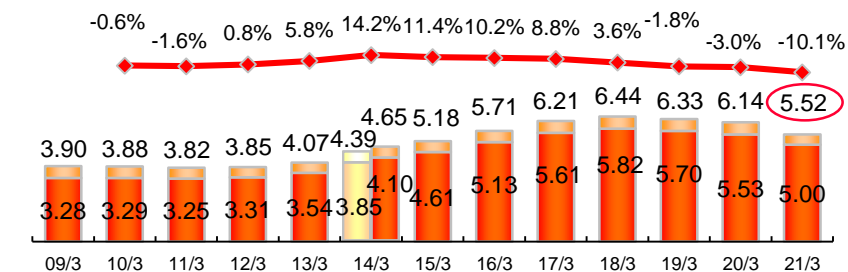
Nonbank Category Bank Category yoy (Trillions of yen)



ACOM's Share	10.3%	12.4%	13.5%	14.4%	15.6%	16.2%	16.7%	17.2%	17.4%	17.7%	18.2%	18.9%
Consolidated			16.4%	17.1%	17.7%	18.4%	18.8%	19.1%	19.7%	20.5%		

## Bank Category (\*1)

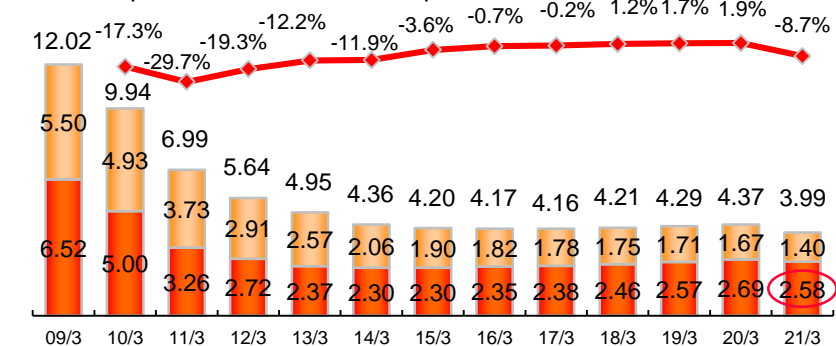
Domestic Banks Credit Unions yoy (Trillions of yen)



ACOM's Share	8.2%	11.6%	12.5%	14.4%	14.6%	15.0%	15.5%	16.2%	16.4%	16.7%	17.4%	18.3%
Consolidated			16.2%	16.6%	17.3%	18.2%	18.6%	19.1%	20.1%	21.2%		

## Nonbank Category (\*2)

Consumer Finance Companies Credit Card Companies, etc. yoy (Trillions of yen)



ACOM's Share	11.1%	12.9%	14.2%	14.5%	16.6%	17.8%	18.4%	18.8%	19.0%	19.1%	19.2%	19.6%
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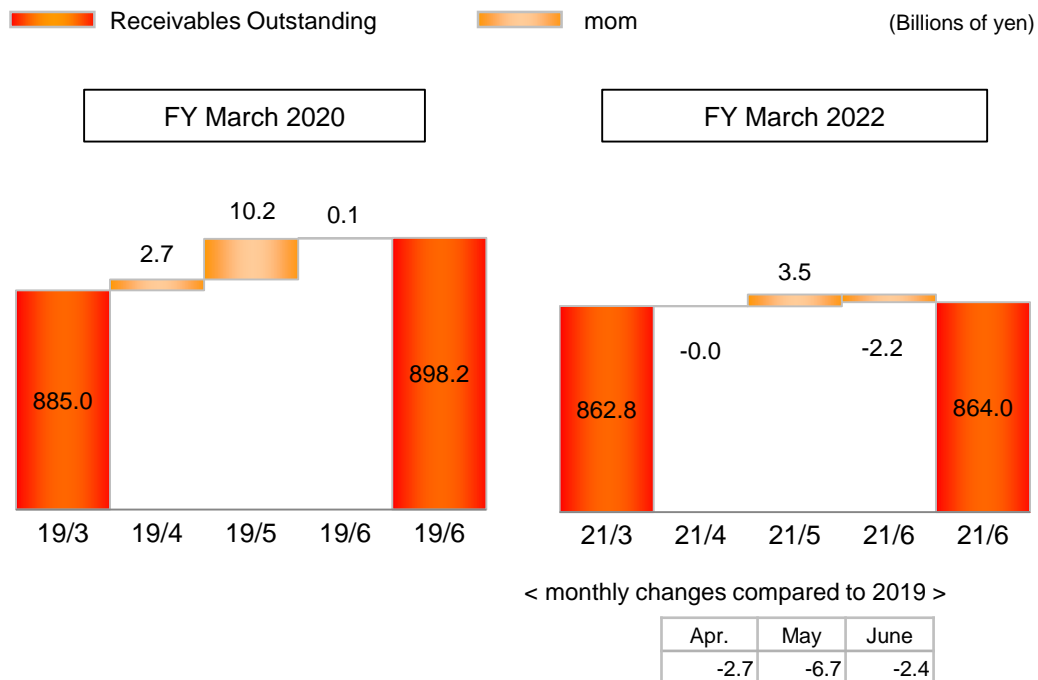
\*1. Bank category refers to the volume of personal card loans provided by domestic banks and credit unions in statistics by The Bank of Japan.  
(Correction on statistics by The Bank of Japan, announced on August 10, 2015, led to increase of 260 billion yen for receivables of bank category in FY March 2014.)

\*2. Nonbank category is receivables outstanding (include loan on deeds) in statistics by Japan Financial Services Association (JFSA). JFSA's figure for 2021/3 is preliminary.

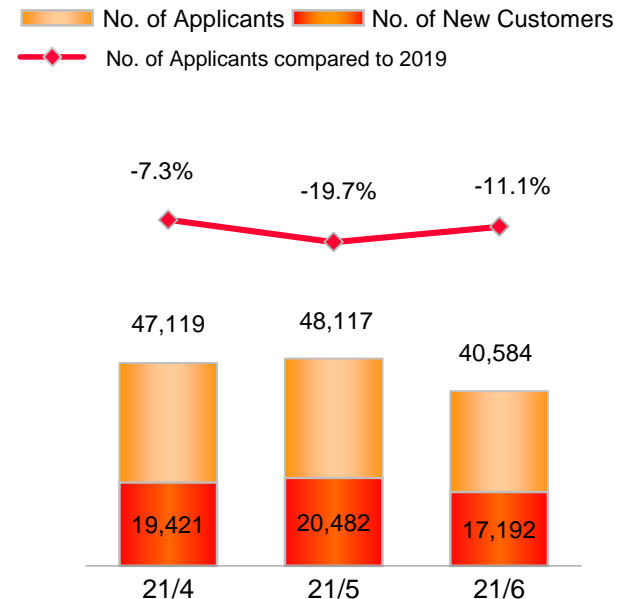


# 【Reference】Impact from COVID-19 ~FY March 2022~

## Loan and Credit Card Business: Receivables Outstanding



## Loan Business: No. of Applicants and New Customers



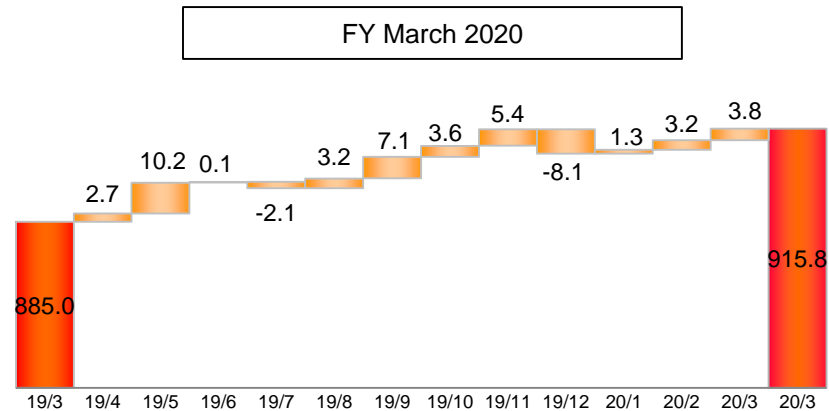
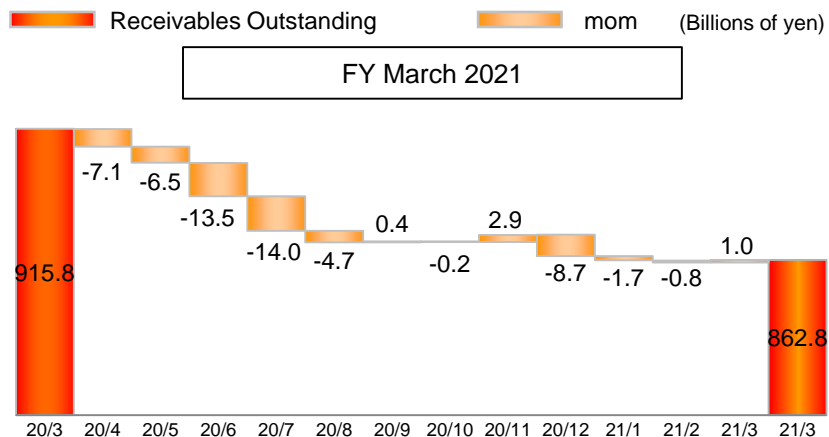
## Key Points for Loan and Credit Card Business

- Hit by spread of COVID-19 infection, new and additional borrowings dropped as demand for loans for such activities as leisure, travel and eating out decreased.
- As more people get vaccinated and a stay-home request and other restrictions are lifted, we expect demand for funds will come back and receivables in the loan and credit card business will gradually increase.
- We will continue flexible and courteous support for repayment.



# 【Reference】Impact from COVID-19 ~FY March 2021①~

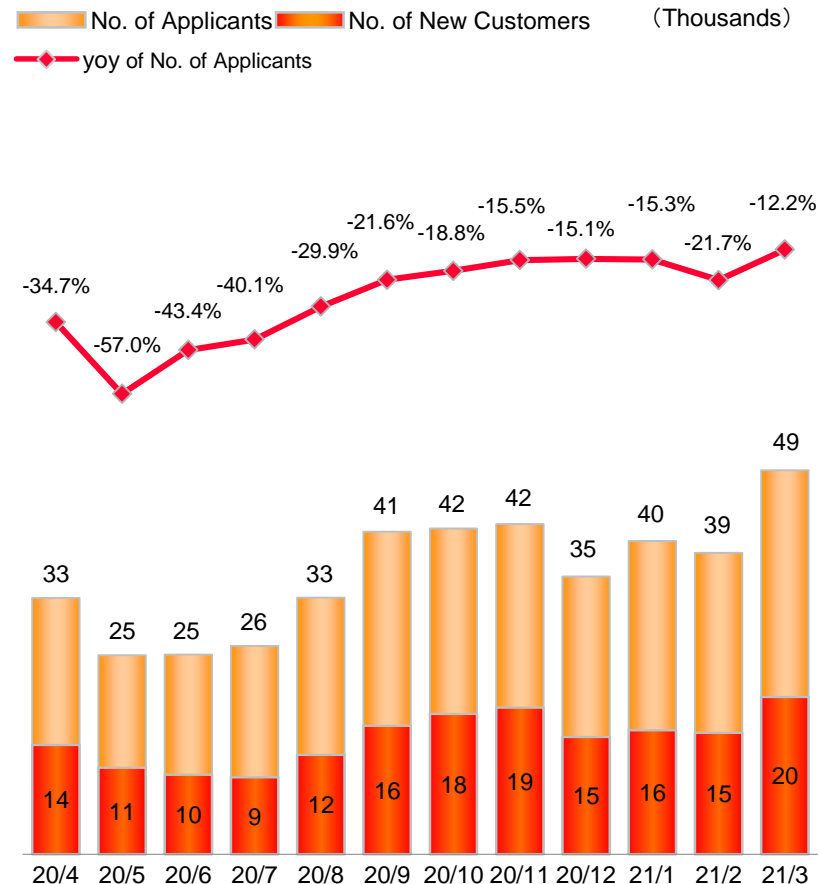
## Loan and Credit Card Business: Receivables Outstanding



< yoy of monthly changes >

Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
-9.9	-16.8	-13.7	-11.8	-7.9	-6.6	-3.9	-2.4	-0.5	-3.0	-4.0	-2.7

## Loan Business: No. of Applicants and New Customers

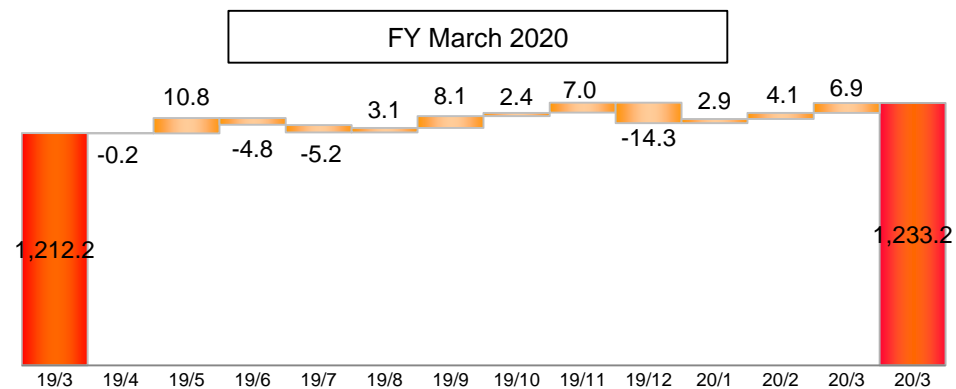
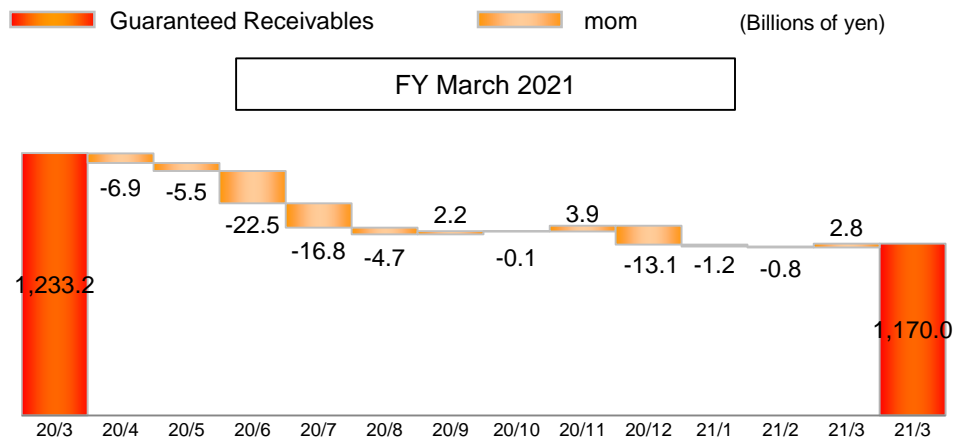






# 【Reference】 Impact from COVID-19 ~FY March 2021②~

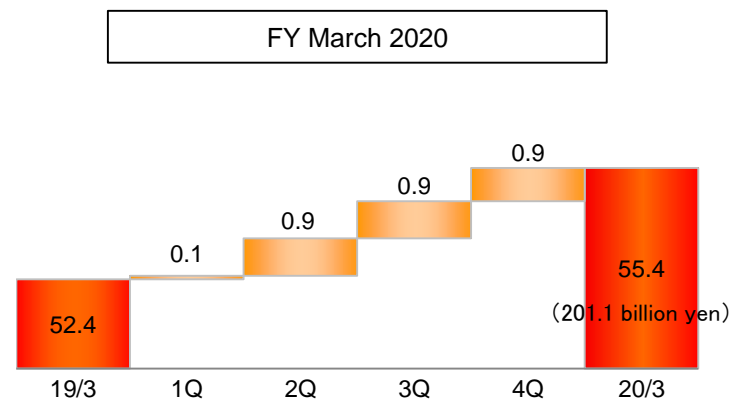
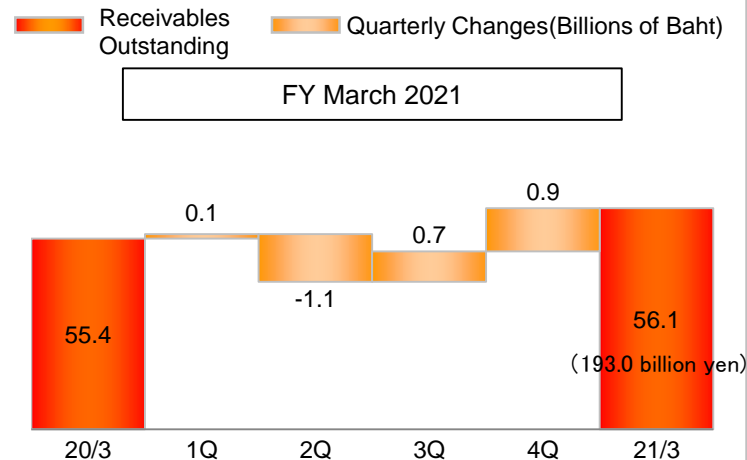
## Guarantee Business: Receivables Outstanding (ACOM and MU Credit Guarantee)



< yoy of monthly changes >

Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
-6.6	-16.4	-17.6	-11.6	-7.9	-5.9	-2.6	-3.1	1.2	-4.2	-4.9	-4.1

## Receivables Outstanding (EASY BUY) 【Local Currencies Basis】





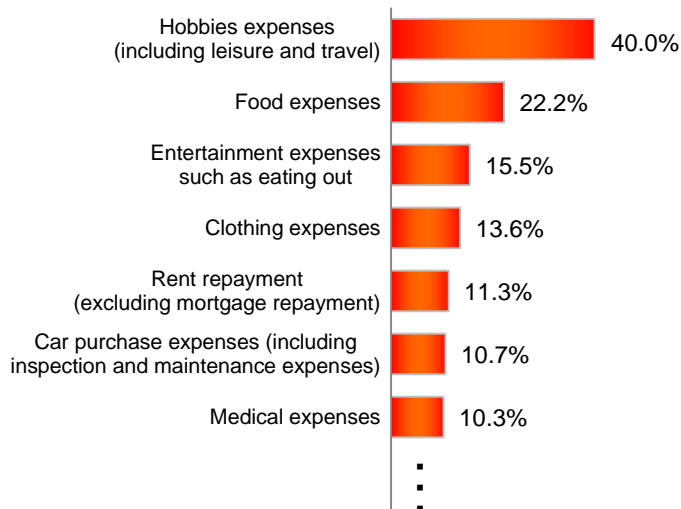
# 【Reference】Changes in Borrowing Behavior in COVID-19

## Impact on Money Lenders led by COVID-19

- Demand for funds such as “Hobbies expenses (including leisure and travel)” and “Entertainment expenses such as eating out” has declined due to voluntary restrictions in activities outside the home led by COVID-19.
- While almost half of answerers did not change their borrowing behavior, more than half changed the behavior, such as “restraint of additional borrowing” and “repayment of debt”, because their spending decreased due to self-restraint from going out.

## Purpose of the Loan (\*1)

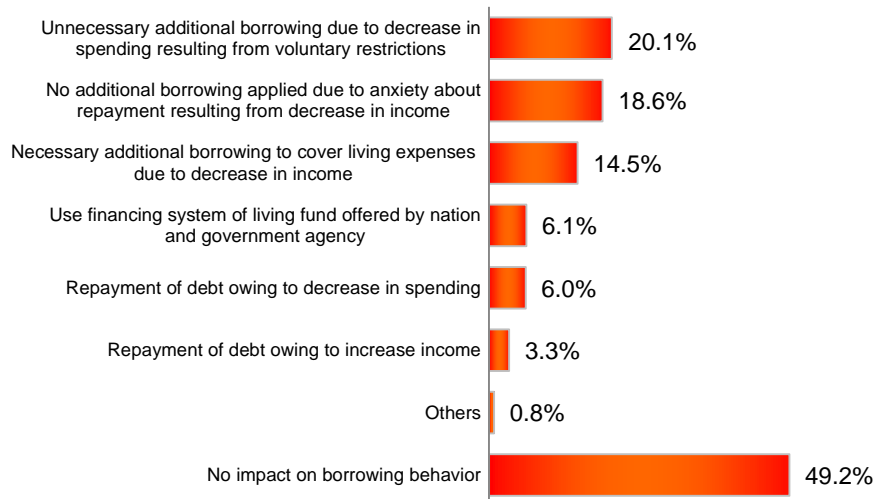
Survey target : Individuals with borrowing experiences (\*2)  
(Multiple answers / n=2,000)



\*Omitted for values below 10%

## Impact on Borrowing Behavior led by COVID-19 (\*1)

Survey target: Among individuals with borrowing experiences, those who answered that they had the impact at present (or may have in the future) on their social life due to COVID-19 (Multiple answers / n=1,554)



※1. Excerpted "survey results report on borrowing awareness and borrowing behavior of fund demanders" dated November 30, 2020 surveyed by Japan Financial Services Association (JFSA).

※2. Survey on the way of using money when applying for borrowing in last three years for individuals with borrowing experiences.

# [Reference] Priority Issues and SDGs Items

We have identified 6 social issues that we should prioritize in order to address the social issues identified in the (United Nations) SDGs and the Japanese government's SDGs Implementation Guiding Principles, etc., while taking into account the business environment and the importance of addressing social issues, and are working to resolve these issues.

## Consumer Awareness and Money Management Programs

- Financial Education at Universities
- Our Stance toward Financial Crime



SDGs  
Items



## Promoting Diversity

- Supporting Next-generation Education Programs
- Promoting Women's Participation
- Supporting Career Enhancement
- Providing Career Opportunities to Persons with Disabilities
- Continued Employment of Retirees
- Used Stamp Collection
- Supporting Persons with Disabilities through ACOM Miru Concert Monogatari

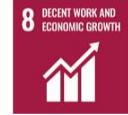
SDGs  
Items



## Promote Work-Style Reform

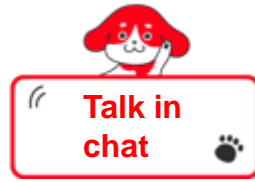
- Supporting a Balance Between Work, Child-rearing and Nursing
- Supporting Flexible Working Styles
- Promoting Annual Health Check-ups
- Caring for Mental Health
- Measures to Prevent Excessive Work

SDGs  
Items



## Promote Innovation

- Enhanced Online Services
- Improving Online Application Form



SDGs  
Items



## Regional Vitalization

- ACOM Miru Concert Monogatari
- ACOM Bluebird Fund
- Blood Donation Drive
- Strengthening Partnerships with Financial Institutions in Alliance



SDGs  
Items



## Promote Environment Conservation Activities

- Reducing Electricity Consumption of ATMs and Illumination Signboards
- Shifting to Paperless Operations
- Participating in Local Cleaning Projects



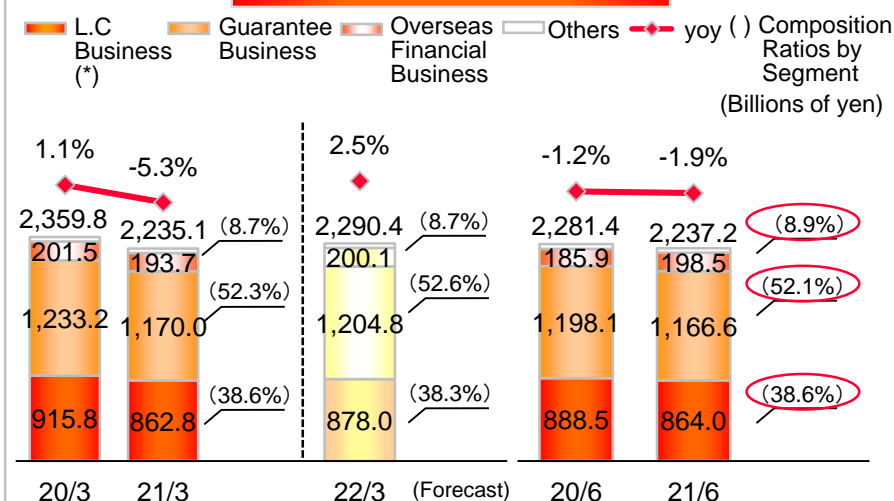
SDGs  
Items



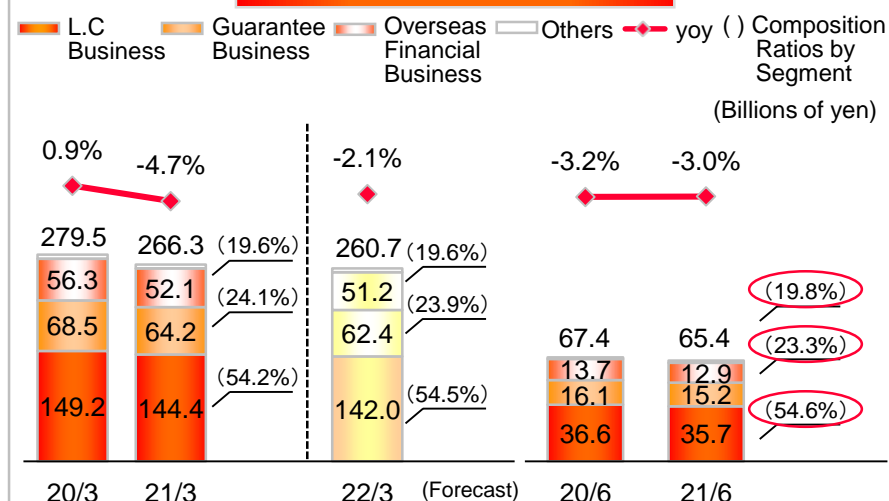


# [Reference] Composition Ratios by Reported Segment

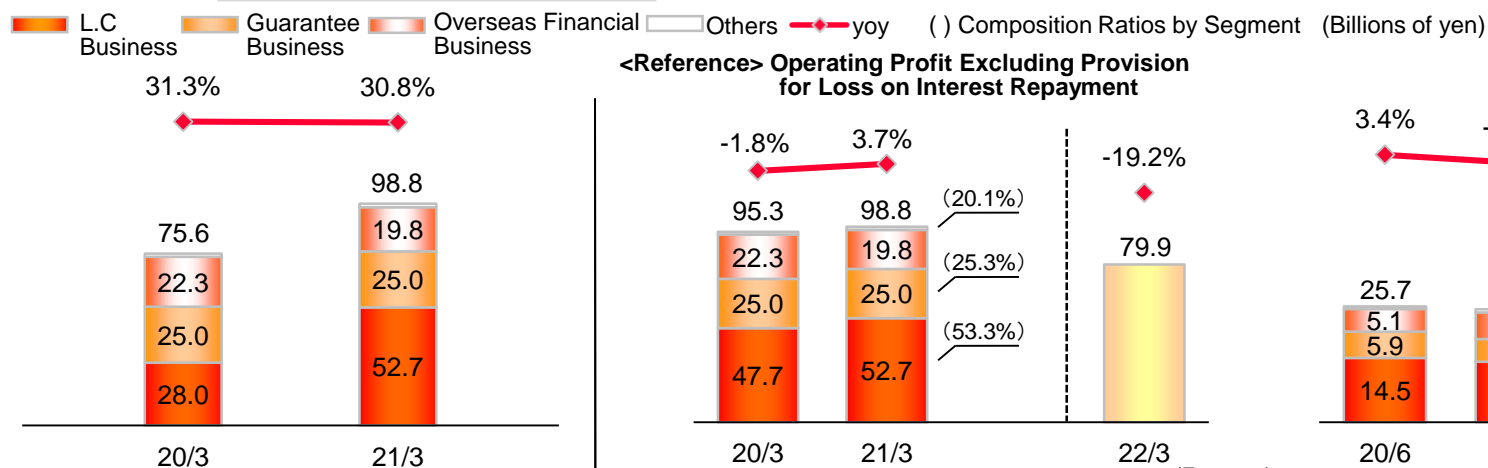
## Receivables Outstanding



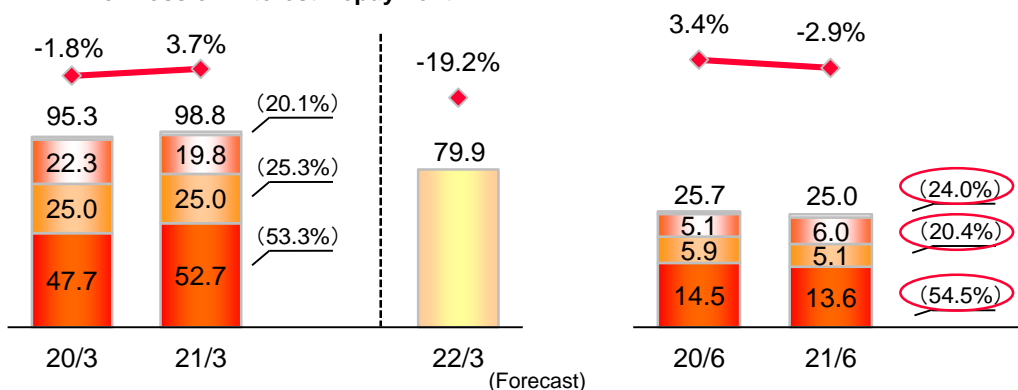
## Operating Revenue



## Operating Profit



## <Reference> Operating Profit Excluding Provision for Loss on Interest Repayment



\* "L.C Business" stands for loan and credit card business.



# [Reference] Annual Forecast for the FY March 2022

	A	B	C	D	E	F	G	H
	Consolidated				Non-consolidated			
(Millions of yen, %)	2021/3		2022/3		2021/3		2022/3	
<B/S>	Results	yoy	Forecast	yoy	Results	yoy	Forecast	yoy
1 Receivables Outstanding	2,235,147	-5.3	2,290,400	2.5	1,875,137	-5.7	1,917,100	2.2
2    Loan & Credit Card Business	862,839	-5.8	878,000	1.8	862,839	-5.8	878,000	1.8
3    Guarantee Business	1,170,094	-5.1	1,204,800	3.0	1,012,297	-5.5	1,039,100	2.6
4    Overseas Financial Business	193,709	-3.9	200,100	3.3	-	-	-	-
<P/L>								
5 Operating Revenue	266,316	-4.7	260,700	-2.1	197,986	-4.3	193,800	-2.1
6    Loan & Credit Card Business	144,417	-3.2	142,000	-1.7	144,417	-3.2	142,000	-1.7
7    Guarantee Business	64,245	-6.3	62,400	-2.9	53,478	-7.2	51,700	-3.3
8    Overseas Financial Business	52,136	-7.4	51,200	-1.8	-	-	-	-
9 Operating Expenses	167,419	-17.9	180,800	8.0	124,047	-21.3	135,000	8.8
10    Financial Expenses	5,870	-28.7	5,000	-14.8	3,841	-17.4	3,400	-11.5
11    Provision for Bad Debts	66,198	-19.2	78,400	18.4	46,472	-25.0	57,000	22.7
12    Provision for Loss on Interest Repayment	-	-	-	-	-	-	-	-
13    Other Operating Expenses	95,350	1.4	97,400	2.1	73,733	3.3	74,600	1.2
14 Operating Profit	98,896	30.8	79,900	-19.2	73,938	50.1	58,800	-20.5
15 Ordinary Profit	100,014	33.2	80,100	-19.9	81,254	44.2	64,800	-20.3
16 Profit Before Income Taxes	99,297	24.1	79,900	-19.5	80,542	25.6	64,600	-19.8
17 Profit	83,643	30.7	64,800	-22.5	70,915	32.1	55,400	-21.9
18 Profit Attributable to Owners of Parent	78,864	32.3	61,000	-22.7	-	-	-	-



## [Reference] Dividend Status for the FY March 2021

### Basic Policy on Dividend Payment

- Aim for enhanced return to shareholders through stable and continuous profit distribution, taking the business environment surrounding the company, shareholders' equity and our own business performance into consideration.

	FY March 2021 (Results)	FY March 2022 (Forecast)
Business Scale and Performance	Operating revenue decreased mainly due to decrease in receivable outstanding led by spread of COVID-19. Operating profit increased owing to decrease in provision for bad debts and no addition to provision for loss on interest repayment.	We expect receivables outstanding to shift back to gradual increasing trend. However, we expect decrease in operating revenue and operating profit due to increase in provision for bad debts.
Shareholders' Equity	We resulted in 20.3% of shareholders' equity ratio, computed using the sum of consolidated total assets and guaranteed receivables, owing to decreases in receivables outstanding and guaranteed receivables.	We will result in over 20% of shareholders' equity ratio, computed using the sum of consolidated total assets and guaranteed receivables, while receivables outstanding increases.
Business Environment	The amount of drawdown decreased as initially expected. However, we will need to keep monitoring the trend.	The outlook has been more uncertain due to spread of COVID-19.

### Dividend Payments and Forecast

- We will pay 6 yen in FY March 2021. We expect to pay 6 yen in FY March 2022.

		FY March 2020 (Results)		FY March 2021 (Results)		FY March 2022 (Forecast)	
		Interim	Year-end	Interim	Year-end	Interim	Year-end
Dividend per Share		¥2	¥2	¥3	¥3	¥3	¥3
		¥4 total		¥6 total		¥6 total	
<Reference>							
Shareholders' Equity Ratio (*)	Consolidated	16.2%	16.5%	18.9%	20.3%	—	—
	ACOM	16.5%	16.6%	19.2%	20.7%	—	22.8%

\* These values are computed using the sum of total assets and guaranteed receivables.



# [Reference] Medium-term Management Policy and Key Themes

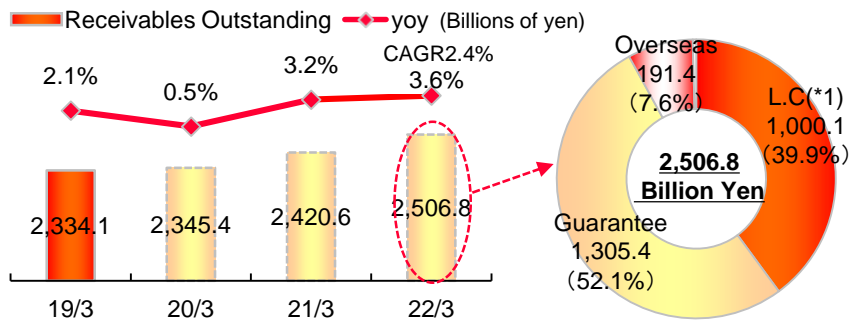
Foundation Spirit	Circle of Trust	
Origins of Company Name	<u>A</u> ffection <u>C</u> onfidence <u>M</u> oderation	
Corporate Philosophy	ACOM, based on the spirit of human dignity and in putting customers first, is contributing to the realization of an enjoyable and affluent personal life, and to improving lifestyle, through creative and innovative management.	
Management Vision	Be the “leading company” which provides prime satisfactions to utmost number of customers and win their trust in return	
Key Business Domains	Domestic	Loan & credit card business and guarantee business
	Overseas	Loan business in ASEAN
Medium-term Management Policy	With expeditious reactions to environmental changes, ACOM will strive for sustainable growth and increasing corporate value, while creating services which exceed customers' expectations.	
Medium-term Key Themes		Business Strategy
① Foster compliance culture ② Establish human resources basis through recruitment, education and retention ③ Enhance customer acquisition through sophistication of screening and promotion ④ Provide supreme customer experience by enhancing customer-reception quality and promoting digitalization ⑤ Continuous scale expansion in loan and credit card business ⑥ Further enhancing alliances in guarantee business ⑦ Expanding basis of overseas financial business ⑧ Achieve optimum credit preservation ⑨ Establish IT structure capable of responding to environmental changes ⑩ Establish organization with high quality and productivity through operational reforms	Loan and credit card business	➤ Provide product/services accommodating to changes in customer needs ➤ Credit and promotion strategies for stable customer acquisition
	Guarantee business	➤ Enhance alliances with existing partners ➤ Enhance profitability ➤ Increase new guarantee alliance partners
	Overseas financial business	➤ Research activities in ASEAN and surrounding region ➤ Enhance management structure of existing subsidiaries
	Functional Strategy	
	Digital / IT	➤ “Lending and payment” services in cashless environment ➤ Creating supreme customer experience via hyper-instant screening ➤ Promote renovation of core system
		➤ Maintenance of operational reform promoting structure ➤ Company-wide implementation of RPA
	Operational reforms	



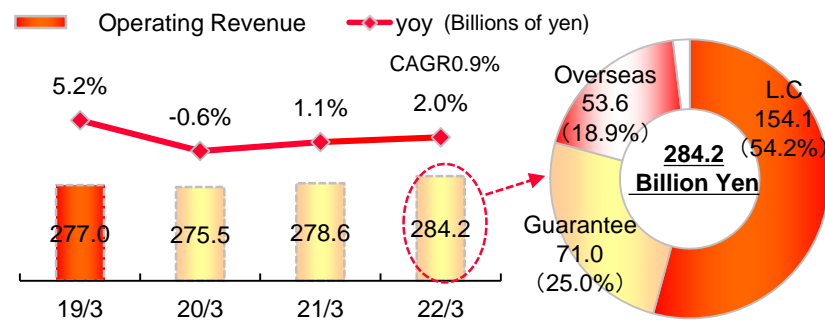
# [Reference] Medium-term Management Plan (2020/3-2022/3) Business Scale and Performance

- Strive for receivables of ¥2.5 trillion through digital investments to 3 core businesses and consecutive growth in both revenue and profit
  - FY 2020/3: Receivables would remain almost flat due to Bank BNP impact. Revenue would decrease due to Bank BNP and decline in guarantee fee rate
  - FY 2021/3: Business scale would grow smoothly while revenue and profit would increase owing to scale expansion
  - FY 2022/3: Business scale would continue smooth expansion while growth rate of revenue would rise from further business expansion

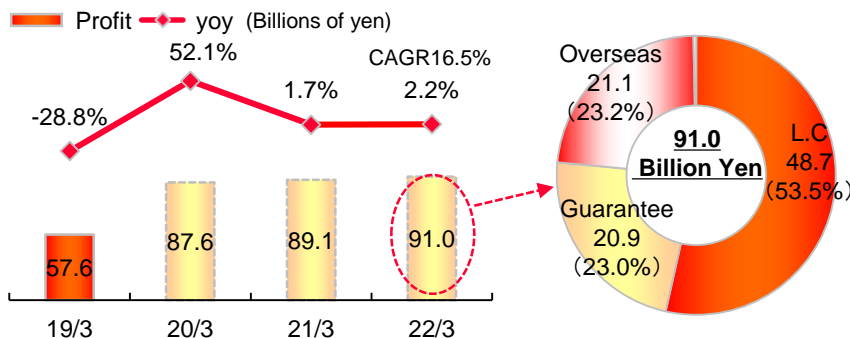
## Receivables Outstanding



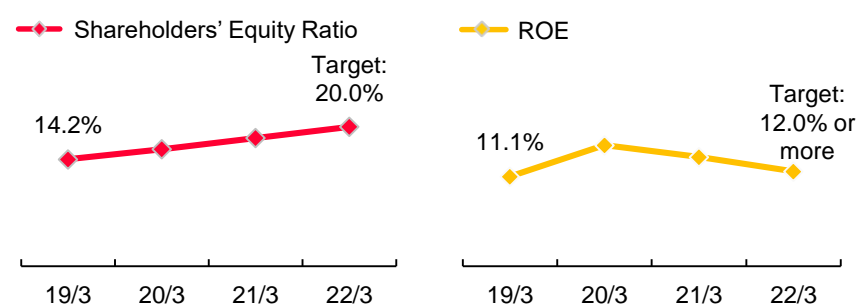
## Operating Revenue



## Operating Profit



## Shareholders' Equity Ratio (\*2)・ROE



\*1 "L.C" stands for loan and credit card business.

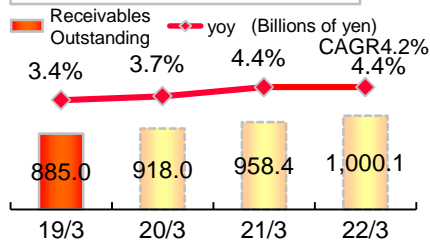
\*2 These values are computed using the sum of total assets and guaranteed receivables.



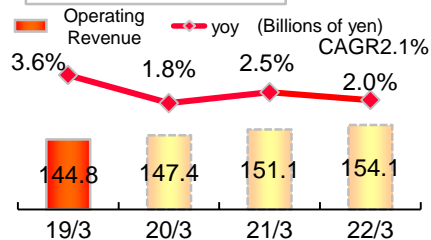
# [Reference] Medium-term Management Plan (2020/3-2022/3) Business Scale and Performance by Business Segment

## Loan and Credit Card Business

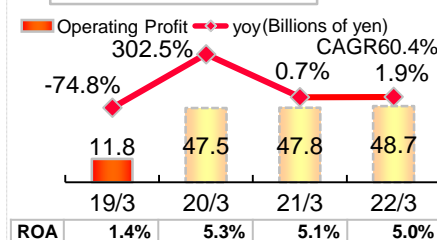
### Receivables Outstanding



### Operating Revenue



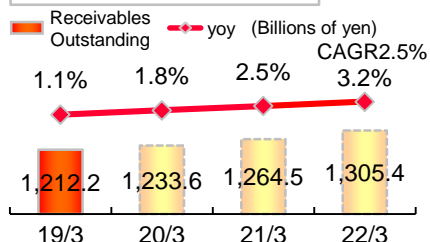
### Operating Profit



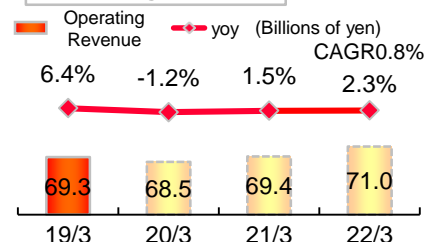
- Aim for receivables to exceed ¥1 trillion
- Targets: ¥154.1 billion of revenue and ¥48.7 billion of profit

## Guarantee Business

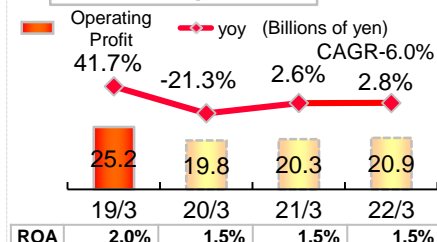
### Guaranteed Receivables



### Operating Revenue



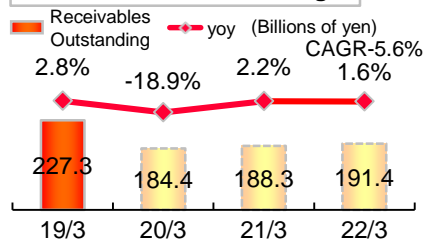
### Operating Profit



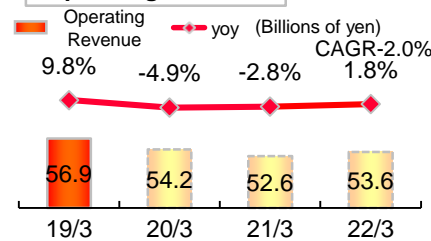
- Aim for receivables of ¥1.3 trillion.
- Targets: ¥71.0 billion of revenue and ¥20.9 billion of profit
- Revenue for FY 2020/3 would decrease due to decline in guarantee fee rate

## Overseas Financial Business (\*)

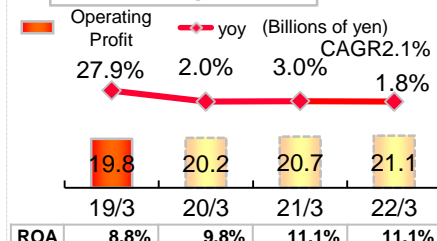
### Receivables Outstanding



### Operating Revenue



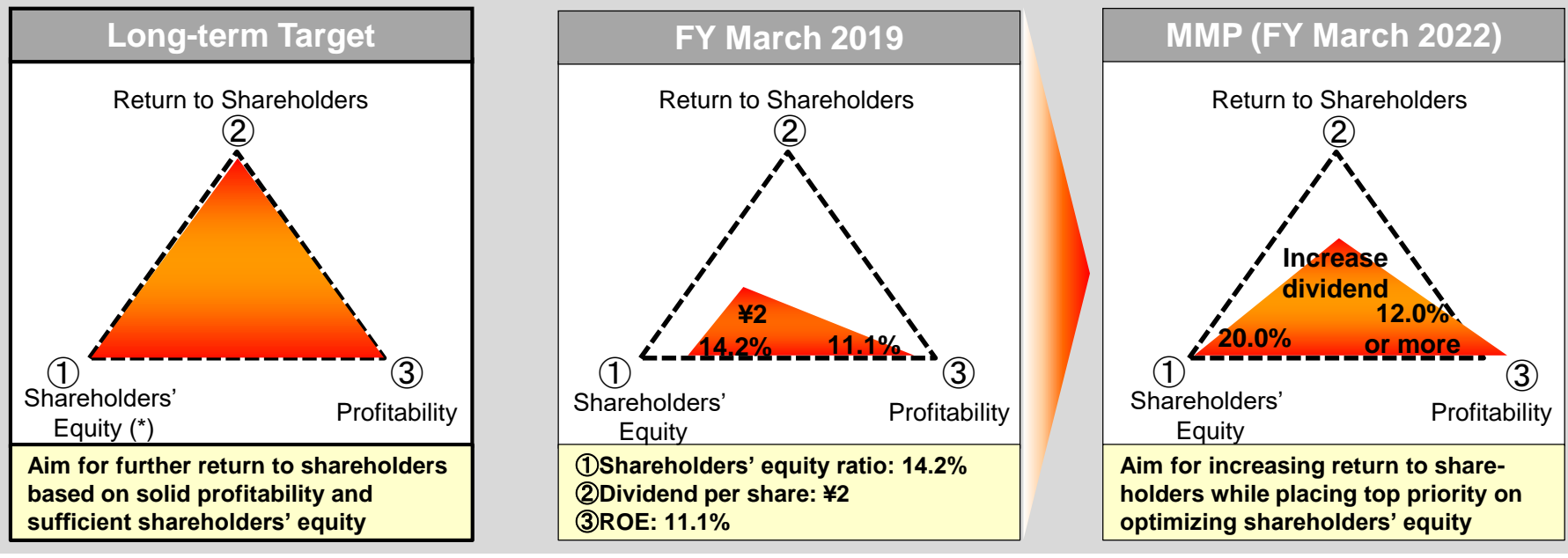
### Operating Profit



- Aim for receivables of ¥191.4 billion.
- Targets: ¥53.6 billion of revenue and ¥21.1 billion of profit
- Bank BNP exclusion would cause receivables and revenue to decrease in FY 2020/3

\* Bank BNP was excluded from the scope of consolidation in April 2019. With regard to estimates for 2020/3, Bank BNP's receivables is excluded, but its 4 months performance is included in P/L.

## Basic Capital Policy



## Basic Policy on Dividend Payment

- Aim for enhanced return to shareholders through stable and continuous profit distribution, taking the business environment surrounding the company, shareholders' equity and our own business performance into consideration.

	FY March 2019 (Results)			FY March 2020 (Results)		FY March 2021 (Results)		FY March 2022 (Forecast)	
	Interim	Year-end		Interim	Year-end	Interim	Year-end	Interim	Year-end
Dividend per Share	¥1	¥1		¥2	¥2	¥3	¥3	¥3	¥3
	¥2 total			¥4 total		¥6 total		¥6 total	

\* These values are computed using the sum of total assets and guaranteed receivables.



Reference:  
Public & Investor Relations Office

Tel: +81-3-5533-0861  
E-mail: [ir@acom.co.jp](mailto:ir@acom.co.jp)

## **Disclaimer**

The figures contained in this presentation material with respect to ACOM's plans and strategies and other statements that are not historical facts are forward-looking statements about the future performance of ACOM which are based on management's assumptions and belief in light of the information currently available to it and involve risks and uncertainties.

Therefore, actual results may differ from those in the forward-looking statements due to various factors.

Potential risks and uncertainties include, but not limited to, general economic conditions in ACOM's market and changes in the size of the overall market for consumer loans, the rate of default by customers, the fluctuations in number of cases of claims from and the amount paid to customers who claim us to reimburse the portion of interest in excess of the interest ceiling as specified in the Interest-Rate Restriction Law, the level of interest rates paid on the ACOM's debt and legal limits on interest rates charged by ACOM.