

Brief Statement of the First Quarter Financial Results for the Fiscal Year Ending March 2016
[Japanese GAAP (Consolidated)]

July 29, 2015

Forward-looking Statement

The statements and figures contained in this Brief Statement of the First Quarter Financial Results for the fiscal year ending March 2016 (the "Brief Statement") with respect to ACOM CO., LTD. ("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 beliefs in light of the information currently available to it and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various factors. Potential risks and uncertainties include, without limitation, general economic conditions in 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 Act, the level of interest rates paid on ACOM's debt, and legal limits on interest rates charged by ACOM.

Name of the company:	ACOM CO., LTD. ("ACOM" or "the Company")
Stock market:	First Section of Tokyo Stock Exchange
Code Number:	8572
Location of the head office:	Tokyo
URL:	http://www.acom.co.jp/corp/english/ir_index.html
Position of the representative:	Chairman, President & Chief Executive Officer
Name:	Shigeyoshi Kinoshita
Position of the person in charge:	Executive Officer, Chief General Manager of Treasury Department
Name:	Takashi Kiribuchi
Telephone Number:	(03) 5533-0861
Registration date of quarterly securities report:	August 14, 2015
Commencement date of dividend payment:	-
Quarterly material to supplement the financial results:	Applicable
Quarterly financial results conference:	Applicable (For domestic financial analysts and institutional investors)

Note: 1. All amounts under minimum units appearing in each of the tables have been disregarded throughout this brief statement and the annexed materials.

Note: 2. The figures in percentages show the year-on-year change from previous first quarter.

1. Consolidated Business Results for the First Quarter Accounting Period (from April 1, 2015, to June 30, 2015)

(1) Consolidated Business Results (Accumulated)

	Operating Revenue		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent (First Quarter)	
	(Millions of yen)	yoy%	(Millions of yen)	yoy%	(Millions of yen)	yoy%	(Millions of yen)	yoy%
1Q for FY March 2016	58,660	11.4	18,610	21.5	18,794	21.7	16,938	21.1
1Q for FY March 2015	52,653	7.0	15,315	(2.0)	15,442	(2.3)	13,991	(1.2)

[Note] Comprehensive income

1Q for FY March 2016: 17,446 million yen [17.5%]

1Q for FY March 2015: 14,853 million yen [(18.7%)]

	Basic Earnings per Share (First Quarter)	Diluted Earnings per Share (First Quarter)
	(Yen)	(Yen)
1Q for FY March 2016	10.81	—
1Q for FY March 2015	8.93	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity
	(Millions of yen)	(Millions of yen)	%
1Q for FY March 2016	1,181,527	345,358	27.9
FY March 2015 (Annual)	1,190,368	328,315	26.3

<Reference> Shareholders' Equity:

1Q for FY March 2016: 329,289 million yen

FY March 2015: 312,587 million yen

2. Dividend Status

	Dividend per Share (Yen)				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual
FY March 2015	—	0.00	—	0.00	0.00
FY March 2016	—				
FY March 2016 (Forecast)		0.00	—	—	—

<Note> Amendment to dividend forecast: None

Dividend for fourth quarter of FY March 2016 is undecided at this point.

3. Forecasts for the Fiscal Year Ending March 2016 (from April 1, 2015, to March 31, 2016)

(The figures in percentage show year-on-year change from the same prior periods.)

	Operating Revenue		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Basic Earnings per Share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
First Half (Accumulated)	113,200	6.1	27,900	(7.7)	28,200	(7.6)	25,200	(10.3)	16.09
Annual	230,000	4.9	57,600	309.3	57,800	291.9	51,000	296.5	32.55

<Note> Amendment to business results forecast: None

(Note)

(1) Change in Important Subsidiaries during the Three Months ended June 30, 2015 (Change in scope of consolidation): None

(2) Adoption of Accounting Methods Used Specifically for Quarterly Consolidated Financial Statements: None

(3) Changes in Accounting Policy, Accounting Estimates and Restatement

A) Change in accounting policy due to revision of accounting standards, etc.: None

B) Changes other than A): None

C) Change in accounting estimates: None

D) Restatement: None

(4) Outstanding shares (common shares)

A) Number of shares outstanding (including treasury stock)

First Quarter of FY March 2016:	1,596,282,800 shares	FY March 2015:	1,596,282,800 shares
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B) Number of treasury stock at the end of period

First Quarter of FY March 2016:	29,668,519 shares	FY March 2015:	29,668,519 shares
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C) Number of average shares outstanding (accumulated quarterly consolidated period)

First Quarter of FY March 2016:	1,566,614,281 shares	First Quarter of FY March 2015:	1,566,614,342 shares
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(Note) Information regarding the implementation of quarterly review procedures

Brief Statement of Quarterly financial results is not subject to quarterly review procedures. Therefore, at the time of disclosure of the financial results, the quarterly consolidated financial statement review procedures based on the Financial Instruments and Exchange Law, are in process.

(Note) Explanation regarding proper use of the business forecast and other notes

(Notes to Forward-looking Statement)

The statements about the future performance of ACOM are based on management's assumptions and beliefs in light of the information currently available to it. Actual results may differ from those in the forward-looking statements as a result of various factors. Please refer to "(3) Qualitative Information on the Forecasts for the Consolidated Business Results" of "1. Quarterly Qualitative Information on Business Results" on page 2 for conditions which are basis of forecasts and notes for using the forecast.

(Accessing financial results materials and archive of financial results conference)

ACOM plans to hold the first quarter financial results conference (conference call for domestic financial analysts and institutional investors) on July 29, 2015. The materials for the conference call will be available at ACOM's website after the financial results are disclosed.

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1. Quarterly Qualitative Information on Business Results

(1) Qualitative Information on Business Results

During the three months ended June 30, 2015, the Japanese economy showed signs of gradual improvement in the corporate earnings and employment environment and hints of recovery in consumer spending due to the effects from various economic policies by the government. However, the possibility of an economic downturn remained, including the unfavorable turns seen in the economies of emerging nations represented by China and concern over a downturn overseas arising from the Greece debt crisis and other factors.

In the consumer finance industry business conditions continued to be severe, including requests for interest repayment remaining at high level, although the recovery in the conditions of loans and new applications has begun to curb the shrinking trend of market.

In such an environment, under its management vision of “strive to become the leading company in personal loan market which provides prime satisfaction to utmost number of customers and win their trust in return,” the Company Group has positioned its loan business, guarantee business and overseas financial business as the three core business categories and strives to increase market shares in the consumer loan market.

Consolidated operating revenue for the three months ended June 30, 2015, increased to 58,660 million yen (up 11.4% year-on-year), due primarily to increases in interest on consumer loans and revenue from credit guarantee. Operating expenses increased to 40,049 million yen (up 7.3% year-on-year) due primarily to increases in provision of allowance for doubtful accounts and commission fee. As a result, operating income increased to 18,610 million yen (up 21.5% year-on-year), ordinary income increased to 18,794 million yen (up 21.7% year-on-year), and profit attributable to owners of parent increased to 16,938 million yen (up 21.1% year-on-year).

(2) Qualitative Information on Financial Position

Compared with the end of the prior fiscal year, total assets decreased by 8,841 million yen while net assets increased by 17,043 million yen as of June 30, 2015. Details of changes in assets, liabilities and net assets are as follows:

(Assets)

Current assets decreased by 7,489 million yen while noncurrent assets decreased by 1,352 million yen, and total assets decreased by 8,841 million. The breakdown of major increases and decreases in current assets is as follows: cash and deposits (down by 13,847 million yen), loans receivable of banking business (down by 2,576 million yen), accounts receivable-operating loans (up by 8,610 million yen), and accounts receivable-installment (up by 1,515 million yen). The breakdown of major decreases in noncurrent assets is as follows: software (down by 331 million yen), investment securities (down by 319 million yen), and goodwill (down by 246 million yen).

(Liabilities)

With regard to the liabilities account, changes in current, noncurrent, and total liabilities were decreases of 26,736 million yen, increases of 851 million yen, and decreases of 25,884 million yen, respectively. The breakdown of major decreases in liabilities include: provision for loss on interest repayment (down by 15,793 million yen), deposits of banking business (down by 6,237 million yen), and loans and bonds payable (down by 1,347 million yen).

(Net Assets)

In terms of net assets, shareholders' equity increased by 16,938 million yen, mainly due to an increase of retained earnings, accumulated other comprehensive income decreased by 237 million yen, and non-controlling interests increased by 341 million yen. As a result, total net assets increased by 17,043 million yen, and the shareholder's equity ratio increased by 1.6 percentage points to 27.9%.

(3) Qualitative Information on the Forecasts for the Consolidated Business Results

The Company expects operating revenue, ordinary income and profit attributable to owners of parent of 230.0 billion yen, 57.8 billion yen and 51.0 billion yen, respectively as it has announced on May 8, 2015.

Outlook above is forecast based on information available at the date of announcement of this brief statement. However, there are some potential risk factors in the Group's business management. The trend of requests for interest repayment in particular is highly uncertain, due to its sensitivity to changes in external environmental changes. The Group may have to make additional provision for loss on interest repayment.

Actual results may differ from forecast values due to various risk factors, not limited to those mentioned above.

2. Summary Information (notes)

(1) Change in Important Subsidiaries during the Three Months ended June 30, 2015

Not applicable

(2) Additional Information

<Changes in Presentation>

Effective from the three months ended June 30, 2015, the Company has adopted the "Revised Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013) in respect to provisions stated in Paragraph 39, etc., and changed the presentation of net income, etc. as well as the presentation of minority interests to non-controlling interests. To reflect these changes in presentation, the quarterly consolidated financial statements for the three months ended June 30, 2014 and consolidated financial statements for the fiscal year ended March 31, 2015 have been reclassified.

<Adoption of consolidated taxation system>

Effective from the three months ended June 30, 2015, the Company and one of its domestic consolidated subsidiaries have adopted the consolidated tax system.

3. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Prior fiscal year (As of March 31, 2015)	Current first quarter (As of June 30, 2015)
Assets		
Current assets		
Cash and deposits	119,835	105,988
Accounts receivable-operating loans	877,427	886,037
Loans receivable of banking business	64,582	62,005
Accounts receivable-installment	22,295	23,810
Purchased receivables	8,473	8,009
Short-term investment securities	8,000	8,156
Trading account securities	1,804	1,633
Merchandise and finished goods	325	-
Raw materials and supplies	65	71
Deferred tax assets	25,189	25,465
Other	56,833	56,936
Allowance for doubtful accounts	(52,923)	(53,695)
Total current assets	1,131,909	1,124,420
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	6,549	6,343
Equipment, net	10,277	10,256
Land	6,249	6,242
Other, net	1,138	1,069
Total property, plant and equipment	24,215	23,911
Intangible assets		
Goodwill	7,443	7,197
Software	7,081	6,749
Other	43	43
Total intangible assets	14,568	13,990
Investments and other assets		
Investment securities	4,467	4,147
Net defined benefit asset	6,474	6,341
Deferred tax assets	57	78
Guarantee deposits	5,772	5,770
Other	3,559	3,536
Allowance for doubtful accounts	(656)	(669)
Total investments and other assets	19,675	19,204
Total noncurrent assets	58,459	57,106
Total assets	1,190,368	1,181,527

(Millions of yen)

	Prior fiscal year (As of March 31, 2015)	Current first quarter (As of June 30, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	331	304
Short-term loans payable	32,850	5,304
Current portion of long-term loans payable	113,340	111,148
Current portion of bonds	35,422	47,200
Deposits of banking business	79,248	73,010
Income taxes payable	2,218	2,506
Provision for loss on guarantees	7,013	6,942
Asset retirement obligations	2	47
Deferred installment income	86	81
Other	13,298	10,531
Total current liabilities	283,812	257,076
Noncurrent liabilities		
Bonds payable	167,890	191,736
Long-term loans payable	297,349	290,117
Deferred tax liabilities	4,288	4,429
Provision for directors' retirement benefits	28	25
Provision for loss on interest repayment	102,600	86,806
Net defined benefit liability	343	337
Asset retirement obligations	4,608	4,571
Other	1,130	1,068
Total noncurrent liabilities	578,240	579,092
Total liabilities	862,053	836,168
Net assets		
Shareholders' equity		
Capital stock	63,832	63,832
Capital surplus	73,671	73,671
Retained earnings	189,426	206,365
Treasury stock	(19,794)	(19,794)
Total shareholders' equity	307,136	324,075
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8	8
Foreign currency translation adjustment	3,546	3,377
Remeasurements of defined benefit plans	1,896	1,828
Total accumulated other comprehensive income	5,450	5,213
Non-controlling interests	15,727	16,069
Total net assets	328,315	345,358
Total liabilities and net assets	1,190,368	1,181,527

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income
Quarterly Consolidated Statement of Income
Three months ended June 30

	(Millions of yen)	
	For the three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)	For the three months ended June 30, 2015 (From April 1, 2015 to June 30, 2015)
Operating revenue		
Interest on operating loans	35,070	37,477
Interest on loans of banking business	2,018	2,111
Credit card revenue	601	767
Per-item revenue	26	24
Revenue from credit guarantee	8,309	10,303
Collection from purchased receivable	1,268	1,227
Other financial revenue	290	322
Other operating revenue	5,069	6,425
Total operating revenue	52,653	58,660
Operating expenses		
Financial expenses	4,994	4,808
Cost of purchased receivable	482	520
Other operating expenses	31,861	34,720
Total operating expenses	37,338	40,049
Operating income	15,315	18,610
Non-operating income		
Interest income	30	71
Dividend income	10	9
Equity in earnings of affiliates	10	1
House rent income	79	76
Other	27	49
Total non-operating income	158	208
Non-operating expenses		
Interest expenses	5	5
Foreign exchange losses	22	13
Other	3	5
Total non-operating expenses	31	24
Ordinary income	15,442	18,794

	(Millions of yen)	
	For the three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)	For the three months ended June 30, 2015 (From April 1, 2015 to June 30, 2015)
Extraordinary income		
Gain on sales of noncurrent assets	0	0
Gain on sales of investment securities	8	-
Total extraordinary income	8	0
Extraordinary loss		
Loss on sales of noncurrent assets	0	0
Loss on retirement of noncurrent assets	12	2
Loss on valuation of investment securities	0	1
Other	0	-
Total extraordinary loss	13	4
Income before income taxes	15,437	18,790
Income taxes-current	778	1,116
Income taxes-deferred	(42)	(105)
Total income taxes	736	1,011
Profit	14,701	17,779
Profit attributable to non-controlling interests	709	840
Profit attributable to owners of parent	13,991	16,938

Quarterly Consolidated Statement of Comprehensive Income
Three months ended June 30

	(Millions of yen)	
	For the three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)	For the three months ended June 30, 2015 (From April 1, 2015 to June 30, 2015)
Profit	14,701	17,779
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	(0)
Foreign currency translation adjustment	253	(270)
Remeasurements of defined benefit plans, net of tax	(101)	(61)
Total other comprehensive income	152	(332)
Comprehensive income	14,853	17,446
Comprehensive income attributable to:		
Owners of parent	13,993	16,701
Non-controlling interests	860	744

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on Going-concern Assumption)

Not applicable

(Notes in Case of Any Significant Changes in the Amount of Shareholders' Equity)

Not applicable

4. [Reference] Quarterly Non-consolidated Financial Statements

Quarterly financial statements are prepared in accordance with the "Regulations of Quarterly Financial Statements on Terms, Forms and Preparation Method" (Cabinet Office Ordinance No. 63, 2007).

(1) [Reference] Quarterly Non-consolidated Balance Sheet

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2015)	Current first quarter (As of June 30, 2015)
Assets		
Current assets		
Cash and deposits	103,255	93,927
Accounts receivable-operating loans	747,139	753,573
Accounts receivable-installment	21,595	23,126
Short-term investment securities	8,000	8,000
Merchandise and finished goods	325	-
Raw materials and supplies	34	41
Deferred tax assets	22,688	22,808
Right to reimbursement	24,327	25,890
Other	17,492	16,414
Allowance for doubtful accounts	(39,850)	(40,340)
Total current assets	905,010	903,442
Noncurrent assets		
Property, plant and equipment	22,357	22,142
Intangible assets	12,415	11,948
Investments and other assets		
Prepaid pension cost	3,476	3,464
Other	33,189	32,974
Allowance for doubtful accounts	(650)	(660)
Total investments and other assets	36,016	35,778
Total noncurrent assets	70,788	69,869
Total assets	975,799	973,311
Liabilities		
Current liabilities		
Accounts payable-trade	312	288
Short-term loans payable	15,000	-
Current portion of long-term loans payable	107,653	103,348
Current portion of bonds	25,000	25,000
Income taxes payable	185	408
Provision for loss on guarantees	6,560	6,490
Asset retirement obligations	0	37
Other	10,503	8,038
Total current liabilities	165,215	143,612
Noncurrent liabilities		
Bonds payable	146,000	171,000
Long-term loans payable	265,261	259,573
Deferred tax liabilities	1,144	1,140
Provision for loss on interest repayment	102,600	86,806
Asset retirement obligations	4,336	4,303
Other	989	916
Total noncurrent liabilities	520,331	523,740
Total liabilities	685,546	667,352
Net assets		
Shareholders' equity		
Capital stock	63,832	63,832
Capital surplus	76,010	76,010
Retained earnings	170,194	185,901
Treasury stock	(19,794)	(19,794)
Total shareholders' equity	290,244	305,950
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	8	8
Total valuation and translation adjustments	8	8
Total net assets	290,252	305,958
Total liabilities and net assets	975,799	973,311

(2) [Reference] Quarterly Non-consolidated Statement of Income
Three months ended June 30

(Millions of yen)

	For the three months ended June 30, 2014 (From April 1, 2014 to June 30, 2014)	For the three months ended June 30, 2015 (From April 1, 2015 to June 30, 2015)
Operating revenue		
Interest on operating loans	28,219	28,741
Credit card revenue	601	767
Revenue from credit guarantee	6,855	8,639
Other financial revenue	8	10
Other operating revenue	3,919	5,108
Total operating revenue	39,604	43,268
Operating expenses		
Financial expenses	2,732	2,255
Other operating expenses	24,932	26,123
Total operating expenses	27,665	28,378
Operating income	11,939	14,889
Non-operating income		
Interest income	34	23
Dividend income	821	981
Other	132	123
Total non-operating income	988	1,128
Non-operating expenses		
Interest expenses	5	5
Foreign exchange losses	18	20
Other	0	0
Total non-operating expenses	24	26
Ordinary income	12,903	15,991
Extraordinary income		
Gain on sales of investment securities	8	-
Total extraordinary income	8	-
Extraordinary loss		
Loss on retirement of noncurrent assets	12	2
Loss on valuation of investment securities	0	1
Other	0	-
Total extraordinary loss	13	3
Income before income taxes	12,898	15,987
Income taxes-current	91	404
Income taxes-deferred	(430)	(124)
Total income taxes	(339)	280
Profit	13,238	15,706