

# Quarterly Securities Report

(The first quarter of the 46th fiscal year)

ACOM CO., LTD.

# Quarterly Securities Report

This document has been outputted and printed by adding a table of contents and page numbers to the data contained in the quarterly securities report which has been submitted through the usage of Electronic Disclosure for Investors' NETwork (EDINET) that is stipulated in Article 27-30-2 of the Financial Instruments and Exchange Act of Japan.

This document is a translation of the First Quarter Securities Report (original text: Japanese) submitted to the Prime Minister pursuant to Article 24-4-7 of the Financial Instruments and Exchange Act. It does not bear any responsibility pertaining to the aforementioned Financial Instruments and Exchange Act regarding the content of the English text. We recommend that the determination of the authenticity of the content be based on the Japanese text of the First Quarter Securities Report.

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[Submitted to]	Director, Kanto Local Finance Bureau
[Date of Submission]	August 12, 2022
[Quarterly Accounting Period]	First Quarter of the 46th Fiscal Year (from April 1, 2022 to June 30, 2022)
[Company Name]	ACOM Kabushiki-Kaisha
[Company Name in English]	ACOM CO., LTD. (the “Company”)
[Position and Name of Representative]	Masataka Kinoshita, President & CEO
[Location of Head Office]	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo
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[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

## Part I Information on the Company

### I. Overview of the Company

#### 1. Key Financial Data and Trends

(Millions of yen, unless otherwise stated)

Fiscal period	For the three months ended June 30, 2021	For the three months ended June 30, 2022	45th fiscal year
Period of account	From April 1, 2021 to June 30, 2021	From April 1, 2022 to June 30, 2022	From April 1, 2021 to March 31, 2022
Operating revenue	65,467	66,514	262,155
Ordinary profit	25,145	25,387	35,441
Profit attributable to owners of parent	19,921	16,594	55,678
Comprehensive income	24,302	26,312	59,673
Net assets	533,292	582,574	563,963
Total assets	1,211,850	1,273,470	1,263,296
Basic earnings per share (yen)	12.72	10.59	35.54
Diluted earnings per share (yen)	—	—	—
Shareholders' equity ratio (%)	41.52	43.04	42.10

(Notes) 1. Key financial data and trends of the Filing Company are not stated since the Filing Company has prepared its quarterly consolidated financial statements.

2. "Diluted earnings per share" is not shown since there was no dilutive security.

#### 2. Description of Business

During the three months ended June 30, 2022, there was no material change in the businesses conducted by the Company Group (the Company and its subsidiaries and affiliates).

In addition, there was no change in the status of the Company's major subsidiaries and affiliates.

## II. Business Overview

### 1. Risks Related to Business

There were no significant events or conditions which may cast significant doubt about the going-concern assumption, or other events having material impact on the Company's operations, during the three months ended June 30, 2022.

There were no significant changes to the "Risks Related to Business" described in the Securities Report for the prior fiscal year.

### 2. Analyses of Consolidated Business Results, Financial Position and Cash Flows by the Corporate Managers

#### (1) Analysis of business results

During the three months ended June 30, 2022, the Japanese economy remained under preventive measures against the spread of COVID-19 infection in order to sustain social and economic activities. Despite signs of recovery in consumer spending, the economic situation remained harsh owing to such factors as soaring energy prices. Overseas, while the situation varied from country to country, signs of economic recovery became apparent on the back of growth in consumer spending, as the COVID-19 infection began to gradually subside and countries began to once again accept tourists.

In the nonbank business sector, while the market is contracting as a result of the prolonged stagnation of consumer spending due to the impact of the COVID-19 infection, signs of recovery are currently becoming evident. Although requests for interest repayment are decreasing, future trends need to be closely monitored on an ongoing basis, as requests for interest repayment are susceptible to the impacts of changes in the external environment.

In such an environment, the Company Group has continued its operating activities while paying due attention to the safety of customers and employees, and provided flexible and courteous support for repayment, etc.

The Company Group formulated a new medium-term management plan beginning in the fiscal year ending March 31, 2023. Based on this plan, the Company Group has articulated its commitment to each of its stakeholders in the "vision," and has set forth a medium-term policy to promote initiatives to realize this vision in the next three years. Even amid the spread of COVID-19 infection and other changes in the external environment, the Company Group will continue to promote its operating activities in accordance with its vision and medium-term policy.

Consolidated operating revenue for the three months ended June 30, 2022, increased to 66,514 million yen (up 1.6% year-on-year). This is mainly attributable to: the increases in revenue from credit card business and revenue from credit guarantee, in conjunction with the increases in accounts receivable – installment and the balance of guaranteed receivables. Operating expenses also increased to 41,120 million yen (up 1.8% year-on-year) mainly due to an increase in advertising expenses. As a result, operating profit increased to 25,394 million yen (up 1.4% year-on-year) and ordinary profit increased to 25,387 million yen (up 1.0% year-on-year), but profit attributable to owners of parent decreased to 16,594 million yen (down 16.7% year-on-year), mainly due to an increase in income taxes-deferred.

Business results for each segment are as follows:

#### 1) Loan and credit card business

In the domestic loans business, the number of new customers increased on the back of a nascent pick-up in personal consumption. Accordingly, accounts receivable - operating loans totaled 788,900 million yen as of June 30, 2022 (up 0.7% year-on-year, up 0.7% from the prior fiscal year-end). In the credit card business, accounts receivable - installment amounted to 91,087 million yen (up 12.9% year-on-year, up 3.6% from the prior fiscal year-end) on higher transaction volumes and other factors.

As a result, the segment's operating revenue stood at 36,035 million yen (up 0.8% year-on-year) for the three months ended June 30, 2022, mainly due to an increase in revenue from credit card business generated by higher accounts receivable - installment and other factors. Meanwhile, operating profit decreased to 12,095 million yen (down 11.4% year-on-year) after higher advertising expenses and provisioning for bad debts resulted in an increase in operating expenses.

#### 2) Guarantee business

The guarantee business also benefitted from the pick-up in personal consumption in the same way that the loan and credit card business did. The total balance of guaranteed receivables in the guarantee operation of the Company and MU Credit Guarantee Co., LTD. was 1,181,488 million yen as of June 30, 2022 (up

1.3% year-on-year, up 0.7% from the prior fiscal year-end).

As a result, the segment's operating revenue totaled 15,956 million yen (up 4.7% year-on-year) for the three months ended June 30, 2022, primarily due to an increase in revenue from credit guarantee attributable to an increase in the balance of guaranteed receivables. Operating profit totaled 6,548 million yen (up 28.1% year-on-year) following a decrease in operating expenses attributable to a decrease in provisioning for bad debts.

### 3) Overseas financial business

In the overseas financial business, accounts receivable - operating loans generated by EASY BUY Public Company Limited totaled 204,265 million yen (up 3.7% year-on-year, up 7.4% from the prior fiscal year-end) as of June 30, 2022 due the impact of the depreciation in the Japanese yen.

The segment's operating revenue amounted to 13,006 million yen (up 0.4% year-on-year) and operating profit totaled 6,288 million yen (up 4.6% year-on-year) for the three months ended June 30, 2022, primarily on the back of the depreciation in the yen.

### 4) Loan servicing business

In the loan servicing business, with the disposal of non-performing loans at financial institutions declining and competition intensifying in the purchased receivables market, the Company Group has been actively promoting sales to financial institutions, etc. and striving to strengthen its business structure and improve profitability.

As a result, the segment's operating revenue totaled 1,386 million yen (down 8.6% year-on-year) and operating profit was 428 million yen (down 34.6% year-on-year) for the three months ended June 30, 2022, mainly owing to a decrease in the proceeds from purchased receivables.

## (2) Analysis of financial position

Compared with the end of the prior fiscal year, total assets increased by 10,173 million yen and net assets increased by 18,611 million yen as of June 30, 2022. Details of changes in assets, liabilities and net assets are as follows:

### (Assets)

Current assets increased by 14,194 million yen and non-current assets decreased by 4,020 million yen. Consequently, total assets increased by 10,173 million yen. The breakdown of major changes in current assets is as follows: accounts receivable – operating loans (up 20,277 million yen), accounts receivable – installment (up 3,179 million yen) and cash and deposits (down 9,140 million yen). The breakdown of major decreases in non-current assets is as follows: deferred tax assets (down 3,935 million yen). The combined total of allowance for doubtful accounts recorded under current assets and non-current assets increased by 1,390 million yen.

### (Liabilities)

With regard to the liabilities account, changes in current and non-current liabilities were an increase of 15,764 million yen and a decrease of 24,201 million yen, respectively, resulting in a decrease of 8,437 million yen in total liabilities. The breakdown of major changes in liabilities includes income taxes payable (down 8,405 million yen), provision for loss on interest repayment (down 7,502 million yen) and the outstanding balance of funds procured mainly in the form of loans and bonds payable (up 8,242 million yen).

### (Net assets)

In terms of net assets, shareholders' equity increased by 10,328 million yen due to an increase in retained earnings, accumulated other comprehensive income increased by 5,873 million yen due in part to an increase in foreign currency translation adjustment, and non-controlling interests increased by 2,409 million yen. As a result, total net assets increased by 18,611 million yen, and the shareholders' equity ratio increased by 0.9 percentage points to 43.0%.

### (3) Business and financial issues to address

In the three months ended June 30, 2022, the Company saw no significant change in business and financial issues to address and no new issue presented itself that the Company needed to address.

### (4) Research and development activities

Not applicable

3. Material Business Agreements, etc.

During the current first quarter, no material business agreement, etc. was finalized or concluded.



### III. Information on the Filing Company

#### 1. Information on the Company's Shares

##### (1) Total number of shares, etc.

###### 1) Total number of shares

Class	Total number of shares authorized to be issued
Common stock	5,321,974,000
Total	5,321,974,000

###### 2) Total number of shares issued

Class	As of the end of the current first quarter (June 30, 2022)	As of the submission date (August 12, 2022)	Stock exchange on which the Company is listed	Description
Common stock	1,566,614,098	1,566,614,098	Standard Market of the Tokyo Stock Exchange	These are the Company's standard shares with no restricted rights. One unit of stock constitutes 100 common shares.
Total	1,566,614,098	1,566,614,098	—	—

##### (2) Status of the stock acquisition rights

###### 1) Details of stock option plans

Not applicable

###### 2) Other stock acquisition rights

Not applicable

##### (3) Status in the exercise of bonds with stock acquisition rights with exercise price amendment

Not applicable

##### (4) Changes in the total number of shares issued and the amount of share capital and other

(Millions of yen, unless otherwise stated)

Date	Changes in the total number of shares issued (Thousands of shares)	Balance of the total number of shares issued (Thousands of shares)	Changes in share capital	Balance of share capital	Changes in legal capital surplus	Balance of legal capital surplus
June 30, 2022	—	1,566,614	—	63,832	—	72,322

(5) Major shareholders

No entry is made, since the current quarter was the first quarter.

(6) Status of voting rights

Details of registered shareholders as of June 30, 2022 have not yet been confirmed, and therefore we are unable to present the status of voting rights on that date. The information regarding voting rights presented below relates to the shareholders registered as of March 31, 2022.

1) Issued shares

As of March 31, 2022

Classification	Number of shares (Shares)	Number of voting rights (Units)	Details
Shares without voting rights	—	—	—
Shares with limited voting rights (treasury shares, etc.)	—	—	—
Shares with limited voting rights (others)	—	—	—
Shares with full voting rights (treasury shares, etc.)	—	—	—
Shares with full voting rights (others)	Common stock 1,566,576,300	15,665,763	—
Shares less than one unit	Common stock 37,798	—	—
Total number of shares issued	1,566,614,098	—	—
Total voting rights held by all shareholders	—	15,665,763	—

- (Notes) 1. The number of shares of common stock in the “Shares with full voting rights (others)” box includes 3,000 shares (30 units of voting rights) held by Japan Securities Depository Center, Inc.
2. The number of shares of common stock in the “Shares less than one unit” box includes 50 treasury shares held by the Company.

2) Treasury shares, etc.

As of March 31, 2022

Shareholder	Address of shareholder	Number of shares held under own name (Shares)	Number of shares held under the names of others (Shares)	Total (Shares)	Percentage of shares held to the total number of issued shares (%)
(Treasury shares) ACOM CO., LTD.	1-1, Marunouchi 2-chome, Chiyoda- ku, Tokyo	—	—	—	—
Total	—	—	—	—	—

2. Directors and Audit & Supervisory Committee Members

There was no change in Directors and Audit & Supervisory Committee members for the three months ended June 30, 2022 after the filing date of the securities report for the prior fiscal year.

#### IV. Financial Information

##### 1. Basis of preparation of the quarterly consolidated financial statements

The quarterly consolidated financial statements of the Company are prepared in accordance with the “Regulations Concerning the Terminology, Forms and Preparation of Quarterly Consolidated Financial Statements” (Cabinet Office Ordinance No. 64, 2007) and the “Ordinance on Reorganization of Accounting Methods for Special Finance Corporations, etc.” (Ordinance of General Administrative Agency of the Cabinet/the Finance Ministry No. 32 of 1999).

##### 2. Audit and review reports

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, the Company’s quarterly consolidated financial statements for the current first quarter (from April 1, 2022 to June 30, 2022) and for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022) were reviewed by Deloitte Touche Tohmatsu LLC.

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

(Millions of yen)

	Prior fiscal year (As of March 31, 2022)	Current first quarter (As of June 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	74,242	65,102
Accounts receivable - operating loans	*2 975,282	*2 995,559
Accounts receivable - installment	88,640	91,819
Purchased receivables	7,988	7,771
Other	*2 85,479	86,998
Allowance for doubtful accounts	(77,632)	(79,056)
<b>Total current assets</b>	<b>1,153,999</b>	<b>1,168,193</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,451	3,330
Equipment, net	7,589	7,642
Land	1,351	1,351
Other, net	198	123
<b>Total property, plant and equipment</b>	<b>12,590</b>	<b>12,448</b>
Intangible assets		
Goodwill	1,252	1,122
Software	5,856	6,274
Other	43	43
<b>Total intangible assets</b>	<b>7,152</b>	<b>7,440</b>
Investments and other assets		
Investment securities	1,238	1,245
Retirement benefit asset	5,986	5,846
Deferred tax assets	73,961	70,026
Guarantee deposits	5,133	5,106
Other	*2 3,970	*2 3,867
Allowance for doubtful accounts	(737)	(704)
<b>Total investments and other assets</b>	<b>89,553</b>	<b>85,387</b>
<b>Total non-current assets</b>	<b>109,296</b>	<b>105,276</b>
<b>Total assets</b>	<b>1,263,296</b>	<b>1,273,470</b>

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2022)	Current first quarter (As of June 30, 2022)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	797	854
Short-term borrowings	15,284	28,190
Commercial papers	24,999	39,999
Current portion of long-term borrowings	94,429	121,425
Current portion of bonds payable	58,720	28,680
Income taxes payable	13,648	5,242
Provision for loss on guarantees	*1 8,873	*1 8,400
Asset retirement obligations	611	593
Deferred installment income	25	25
Other	12,965	12,708
<b>Total current liabilities</b>	<b>230,355</b>	<b>246,119</b>
Non-current liabilities		
Bonds payable	119,010	120,760
Long-term borrowings	257,899	239,531
Provision for loss on interest repayment	86,200	78,697
Retirement benefit liability	784	862
Asset retirement obligations	4,779	4,665
Other	305	259
<b>Total non-current liabilities</b>	<b>468,978</b>	<b>444,776</b>
<b>Total liabilities</b>	<b>699,333</b>	<b>690,895</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	63,832	63,832
Capital surplus	69,861	69,861
Retained earnings	393,163	403,491
Treasury shares	(0)	(0)
<b>Total shareholders' equity</b>	<b>526,857</b>	<b>537,185</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	4,306	10,201
Remeasurements of defined benefit plans	716	695
<b>Total accumulated other comprehensive income</b>	<b>5,023</b>	<b>10,897</b>
<b>Non-controlling interests</b>	<b>32,082</b>	<b>34,491</b>
<b>Total net assets</b>	<b>563,963</b>	<b>582,574</b>
<b>Total liabilities and net assets</b>	<b>1,263,296</b>	<b>1,273,470</b>

(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, 2021 (From April 1, 2021 to June 30, 2021)	For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
<b>Operating revenue</b>		
Interest on operating loans	41,006	40,945
Revenue from credit card business	2,605	2,905
Revenue from installment sales finance business	15	16
Revenue from credit guarantee	13,245	13,837
Proceeds from purchased receivables	1,105	1,036
Other financial revenue	*1 24	*1 130
Other operating revenue	7,463	7,643
<b>Total operating revenue</b>	<b>65,467</b>	<b>66,514</b>
<b>Operating expenses</b>		
Financial expenses	*2 1,567	*2 1,025
Cost of purchased receivables	472	357
Other operating expenses	38,371	39,737
<b>Total operating expenses</b>	<b>40,411</b>	<b>41,120</b>
<b>Operating profit</b>	<b>25,055</b>	<b>25,394</b>
<b>Non-operating income</b>		
Interest income	0	0
Dividend income	12	25
Share of profit of entities accounted for using equity method	8	6
Rental income from buildings	44	45
Other	27	15
<b>Total non-operating income</b>	<b>94</b>	<b>92</b>
<b>Non-operating expenses</b>		
Interest expenses	2	0
Foreign exchange losses	—	93
Other	2	5
<b>Total non-operating expenses</b>	<b>4</b>	<b>99</b>
<b>Ordinary profit</b>	<b>25,145</b>	<b>25,387</b>

(Millions of yen)

	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sale of non-current assets	0	—
Loss on retirement of non-current assets	32	45
Other	0	0
Total extraordinary losses	33	46
Profit before income taxes	25,112	25,340
Income taxes-current	1,852	3,091
Income taxes-deferred	2,046	4,206
Total income taxes	3,898	7,297
Profit	21,213	18,042
Profit attributable to non-controlling interests	1,291	1,448
Profit attributable to owners of parent	19,921	16,594

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

(Millions of yen)

	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Profit	21,213	18,042
Other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	3,086	8,290
Remeasurements of defined benefit plans, net of tax	3	(20)
Total other comprehensive income	3,089	8,269
Comprehensive income	24,302	26,312
Comprehensive income attributable to:		
Owners of parent	22,126	22,468
Non-controlling interests	2,176	3,844



[Notes]

(Changes in the scope of consolidation or application of equity method)

GeNiE Inc., which is newly established company, is included in the scope of consolidation from the first quarter ended June 30, 2022.

(Additional Information)

<Application of the treatment of accounting and disclosure when applying the group tax sharing system >

The Company and its domestic consolidated subsidiaries transitioned from the consolidated taxation system to the group tax sharing system from the first quarter ended June 30, 2022. In line with that move, the Company will now adhere to the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (PITF No. 42; August 12, 2021),” which prescribes the accounting treatment and disclosure of income taxes, local income taxes, and tax effect accounting. Furthermore, based on Paragraph 32-1 of PITF No. 42, we assume that there will be no impact from the change in accounting policy that accompanies the application of PITF No. 42.

(Notes to Quarterly Consolidated Balance Sheet)

\*1. Contingent liabilities

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2022)	Current first quarter (As of June 30, 2022)
Outstanding guarantee obligation in the guarantee business	1,173,059	1,181,488
Provision for loss on guarantees	8,873	8,400
Net	1,164,186	1,173,087

\*2. Status of non-performing loans

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2022)	Current first quarter (As of June 30, 2022)
Bankrupt or De facto Bankrupt	487	460
Doubtful receivables	22,767	23,125
Receivables past due for three months or more	5,617	8,978
Restructured receivables	38,560	39,275
Performing loans (*)	918,902	935,189
Total	986,334	1,007,028

\* Accrued interest (prior fiscal year: 10,767 million yen, three months to June 30, 2022: 11,198 million yen) is included in Performing loans.

- (Notes)
1. Bankrupt or De facto Bankrupt are loans to borrowers who have fallen into bankruptcy due to being declared bankrupt, rehabilitation and reorganization, or other similar circumstances.
  2. Doubtful receivables are other than the above, where the borrower has not yet entered into bankruptcy, but the financial condition and business performance of the borrower have deteriorated and it is highly probable that the principal of the loan will not be collected and interest will not be received in accordance with the contract.
  3. Receivables past due for three months or more are loans other than the above that are overdue by 3 months or more.
  4. Restructured receivables are loans other than the above that are restructured by favorable terms for debtors, such as reduction or waiving of interest, in order to facilitate collection of an outstanding balance.
  5. Performing loans are classified as other than the above as there are no particular problems with the borrower's financial condition or business performance.

(Notes to Quarterly Consolidated Statement of Income)

\*1. Major items of other financial revenue

	(Millions of yen)	
	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Interest on deposits	1	0
Foreign exchange gains	0	99

\*2. Major items of financial expenses

	(Millions of yen)	
	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Interest expenses	621	541
Interest on bonds	471	355

3. Basis for classification of financial revenue and financial expenses on quarterly consolidated statement of income is as follows:

(1) Financial revenue stated as operating revenue

Includes all financial revenue earned by the Company and its consolidated subsidiaries which engaged in the financial service business, excluding dividends and interest on investment securities, etc.

(2) Financial expenses stated as operating expenses

Include all financial expenses spent by the Company and its consolidated subsidiaries which engaged in the financial service business, excluding interest expenses, etc. which have no relationship to operating revenue.

(Notes to Quarterly Consolidated Statement of Cash Flows)

Quarterly Consolidated Statement of Cash Flows has not been prepared for the three months ended June 30, 2022. The amounts of depreciation (including amortization of intangible assets except goodwill) and amortization of goodwill for the three months are as follows.

	(Millions of yen)	
	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Depreciation and amortization	774	862
Amortization of goodwill	129	129

(Notes to Shareholders' Equity)

For the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

1. Dividends paid

Resolution	Class of shares	Total amount (Millions of yen)	Dividend per share (yen)	Record date	Effective date	Sources of dividend
Ordinary General Meeting of Shareholders held on June 23, 2021	Common stock	4,699	3.00	March 31, 2021	June 24, 2021	Retained earnings

2. Dividends whose record date fell in the three months ended June 30, 2021, but whose effective date was after June 30, 2021

Not applicable

3. Significant changes in shareholders' equity

Pursuant to the resolution at the Board of Directors meeting held on May 20, 2021, the Company cancelled its treasury shares of 29,668,702 shares on June 3, 2021. As a result, capital surplus decreased by 3,687 million yen, retained earnings decreased by 16,106 million yen, and treasury shares decreased by 19,794 million yen during the three months ended June 30, 2021. Capital surplus amounted to 69,861 million yen and retained earnings amounted to 362,106 million yen as of June 30, 2021.

For the three months ended June 30, 2022 (from April 1, 2022, to June 30, 2022)

1. Dividends paid

Resolution	Class of shares	Total amount (Millions of yen)	Dividend per share (yen)	Record date	Effective date	Sources of dividend
Ordinary General Meeting of Shareholders held on June 24, 2022	Common stock	6,266	4.00	March 31, 2022	June 27, 2022	Retained earnings

2. Dividends whose record date fell in the three months ended June 30, 2022, but whose effective date is after June 30, 2022

Not applicable

3. Significant changes in shareholders' equity

Not applicable

(Segments of an Enterprise and Related Information)  
 [Segment information]

I. For the three months ended June 30, 2021 (from April 1, 2021, to June 30, 2021)

1. Operating revenue and profit or loss by reported segments, and disaggregation of revenue

(Millions of yen)

	Reported segments					Others (Note1)	Total
	Loan and credit card business	Guarantee business	Overseas financial business	Loan servicing business	Subtotal		
Operating revenue							
Operating revenue from external customers	35,735	15,241	12,974	1,515	65,467	0	65,467
Revenues from financial instruments transactions	34,923	14,954	12,854	1,514	64,246	0	64,247
Fees and commission (Note2)	811	287	120	1	1,220	—	1,220
Revenues from transactions with other operating segments	—	—	(22)	—	(22)	16	(5)
Total	35,735	15,241	12,952	1,515	65,444	17	65,461
Segment profit	13,651	5,113	6,010	655	25,430	17	25,447

(Note1) The “Others” category represents operating revenue and profit which are not included in the reported segments.

(Note2) The "fees and commissions" is revenue from contracts with customers that are subject to the Accounting Standard for Revenue Recognition (ASBJ statement No. 29).

2. Information about assets by reported segments

Not applicable

3. Reconciliation between the total segment profit or loss and operating profit in quarterly consolidated statement of income

Profit	Amount (Millions of yen)
Total reported segments	25,430
Profit of “Others” category	17
Elimination of intersegment transactions	1
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	(393)
Operating profit in quarterly consolidated statement of income	25,055

II. For the three months ended June 30, 2022 (from April 1, 2022, to June 30, 2022)

1. Operating revenue and profit or loss by reported segments, and disaggregation of revenue

(Millions of yen)

	Reported segments					Others (Note1)	Total
	Loan and credit card business	Guarantee business	Overseas financial business	Loan servicing business	Subtotal		
Operating revenue							
Operating revenue from external customers	36,035	15,956	13,036	1,386	66,414	99	66,514
Revenues from financial instruments transactions	35,185	15,687	12,911	1,383	65,168	99	65,268
Fees and commission (Note2)	849	268	125	2	1,246	—	1,246
Revenues from transactions with other operating segments	—	—	(30)	—	(30)	15	(14)
Total	36,035	15,956	13,006	1,386	66,384	115	66,499
Segment profit	12,095	6,548	6,288	428	25,360	115	25,476

(Note1) The “Others” category represents operating revenue and profit which are not included in the reported segments.

(Note2) The "fees and commissions" is revenue from contracts with customers that are subject to the Accounting Standard for Revenue Recognition (ASBJ statement No. 29).

2. Information about assets by reported segments

Not applicable

3. Reconciliation between the total segment profit or loss and operating profit in quarterly consolidated statement of income

Profit	Amount (Millions of yen)
Total reported segments	25,360
Profit of “Others” category	115
Elimination of intersegment transactions	1
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	(83)
Operating profit in quarterly consolidated statement of income	25,394

(Revenue Recognition)

Information on the classification of revenues from contracts with customers is described in [Notes] (Segments of an Enterprise and Related Information).

(Per Share Information)

The amount and basis for calculation of basic earnings per share are as follows:

(Millions of yen, unless otherwise stated)

Item	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)	For the three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)
Basic earnings per share	12.72 yen	10.59 yen
(Basis for calculation)		
Profit attributable to owners of parent	19,921	16,594
Profit not attributable to common shareholders	—	—
Profit attributable to owners of parent in relation to common stock	19,921	16,594
Weighted average number of common stock during the quarter	1,566,614,098 shares	1,566,614,048 shares

(Note) “Diluted earnings per share” is not stated because there is no dilutive security.

2. Others  
Not applicable



Part II Information on Guarantors for the Filing Company

Not applicable