

Quarterly Securities Report

(The second quarter of the 45th 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 Second 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 Second Quarter Securities Report.

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[Quarterly Accounting Period]	Second Quarter of the 45th Fiscal Year (from July 1, 2021, to September 30, 2021)
[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
[Phone No.]	03-5533-0811 (main)
[Contact for Communications]	Akifumi Kinoshita, Chief General Manager of Treasury Department
[Nearest Contact]	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo
[Phone No.]	03-5533-0811 (main)
[Contact for Communications]	Akifumi Kinoshita, Chief General Manager of Treasury Department
[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 six months ended September 30, 2020	For the six months ended September 30, 2021	44th fiscal year
Period of account	From April 1, 2020 to September 30, 2020	From April 1, 2021 to September 30, 2021	From April 1, 2020 to March 31, 2021
Operating revenue	134,945	131,423	266,316
Ordinary profit	55,410	48,868	100,014
Profit attributable to owners of parent	43,505	39,147	78,864
Comprehensive income	42,871	41,621	81,545
Net assets	480,717	550,610	515,128
Total assets	1,223,056	1,206,119	1,219,109
Basic earnings per share (yen)	27.77	24.99	50.34
Diluted earnings per share (yen)	—	—	—
Shareholders' equity ratio (%)	37.08	43.13	39.84
Net cash provided by (used in) operating activities	82,883	25,471	113,179
Net cash provided by (used in) investing activities	(2,179)	(966)	(4,566)
Net cash provided by (used in) financing activities	(81,552)	(35,583)	(108,786)
Cash and cash equivalents at end of period	81,574	71,162	82,233

Fiscal period	For the second quarter of the 44th fiscal year	For the second quarter of the 45th fiscal year
Period of account	From July 1, 2020 to September 30, 2020	From July 1, 2021 to September 30, 2021
Basic earnings per share (yen)	13.98	12.27

- (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 six months ended September 30, 2021, there was no material change in the businesses conducted by the Company Group (the Company and its subsidiaries and affiliates).

There was no change in the status of the Company's major subsidiaries and affiliates either.

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 six months ended September 30, 2021.

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 six months ended September 30, 2021, the Japanese economy still remained under preventive measures against the spread of COVID-19 infection in order to sustain social and economic activities. While various measures, including vaccine rollout, were taken, economic conditions became harsh with measures such as the redeclaration of a state of emergency and the implementation of priority measures in some regions to prevent the spread of COVID-19 infection. Meanwhile, overseas economy remained harshly restrained due in part to the impact of limitations in activities, though situations differ from country to country.

In the nonbank business sector, the market is contracting as a result of a rapid decrease in consumer spending due to the impact of the spread of COVID-19 infection, but a gradual upturn is expected in the future as consumer sentiment has begun to show signs of recovery, buoyed in part by the effects of the various economic policies. Although requests for interest repayment are trending downward, 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.

The Company Group upholds that it will "strive to become the leading company in personal loan market which provides prime satisfaction to the utmost number of customers and win their trust in return" as its management vision, and that "with expeditious reactions to environmental changes, ACOM will strive for sustainable growth and increasing corporate value, while creating services which exceed customers' expectations" as its medium-term management policy. The Company Group is promoting its operating activities in accordance with its management vision and medium-term management policy. In addition, even amid the spread of COVID-19 infection, 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.

Consolidated operating revenue for the six months ended September 30, 2021 decreased to 131,423 million yen (down 2.6% year-on-year). This is attributable to: the decreases in accounts receivable - operating loans and guaranteed receivables due to the spread of COVID-19 infection which led to decreases in interest on operating loans and revenue from credit guarantee. Operating expenses, on the other hand, increased to 83,052 million yen (up 3.2% year-on-year) mainly due to an increase in advertising expenses. The increase in advertising expenses was due to advertisements for gathering and acquiring new customers, which had been curtailed owing to the COVID-19 infection in the six months ended September 30, 2020, recovering to pre-pandemic levels. As a result, operating profit decreased to 48,370 million yen (down 11.2% year-on-year) and ordinary profit decreased to 48,868 million yen (down 11.8% year-on-year). Profit attributable to owners of parent decreased to 39,147 million yen (down 10.0% year-on-year).

Business results for each segment are as follows:

1) Loan and credit card business

In the domestic loan business, additional borrowing by customers saw a decrease following decline in the demand for funds associated with voluntary restrictions in economic activities amid the growing impact of COVID-19 infection. Accordingly, accounts receivable - operating loans amounted to 780,524 million yen as of September 30, 2021 (down 1.8% year-on-year, down 0.4% from the prior fiscal year-end). In the credit card business, on the other hand, transaction volume increased following the increase in needs for cashless transactions. Accordingly, accounts receivable - installment amounted to 82,644 million yen (up 9.2% year-on-year, up 4.9% from the prior fiscal year-end).

As a result, the business segment's operating revenue was 71,428 million yen (down 2.1% year-on-year) for the six months ended September 30, 2021, mainly due to the decreases in interest on operating loans in accordance with a decrease in accounts receivable - operating loans. Meanwhile, due to an increase in operating expenses caused mainly by increased advertising expenses for advertisements for gathering and

acquiring new customers recovering to pre-pandemic levels after having been curtailed owing to the COVID-19 pandemic in the previous fiscal year, operating profit was 25,134 million yen (down 14.9% year-on-year).

2) Guarantee business

In the guarantee business, spread of COVID-19 infection caused adverse impacts. The total balance of guaranteed receivables in the guarantee operation of the Company and MU Credit Guarantee Co., LTD. was 1,165,748 million yen as of September 30, 2021 (down 1.1% year-on-year, down 0.4% from the prior fiscal year-end).

As a result, the business segment's operating revenue was 31,137 million yen (down 4.9% year-on-year) for the six months ended September 30, 2021, primarily due to a decrease in revenue from credit guarantee attributable to a decrease in the balance of guaranteed receivables and a decline in guarantee commission rates. In addition, operating profit was 11,553 million yen (down 15.1% year-on-year), due to an increase in operating expenses mainly caused by an increase in bad debts expenses.

3) Overseas financial business

In the overseas financial business, the Company Group shortened the business hours of its operating outlets and took other measures in accordance with requests from local governments amid the growing global impact of COVID-19 infection.

As a result, the business segment's operating revenue amounted to 25,925 million yen (down 3.9% year-on-year) for the six months ended September 30, 2021, due primarily to a drop in interest on operating loans at EASY BUY Public Company Limited led mainly by lowered maximum interest rate in the Kingdom of Thailand. Operating profit, however, was 10,915 million yen (up 0.1% year-on-year), owing to a decrease in operating expenses mainly caused by a decrease in bad debts expenses.

4) Loan servicing business

In the loan servicing business, the Company Group has been making efforts to strengthen its business structure and increase profitability while paying due attention to the safety of customers and employees amid the growing impact of COVID-19 infection.

As a result, the business segment's operating revenue was 2,895 million yen (up 26.6% year-on-year) for the six months ended September 30, 2021, mainly owing to an increase in amount of proceeds from purchased receivables. In addition, operating profit was 1,042 million yen (up 996 million yen year-on-year), due to a decrease in operating expenses mainly caused by a decrease in bad debts expenses.

(2) Analysis of financial position

Compared with the end of the prior fiscal year, total assets decreased by 12,990 million yen, whereas net assets increased by 35,482 million yen as of September 30, 2021. Details of changes in assets, liabilities and net assets are as follows:

(Assets)

Current assets decreased by 10,199 million yen and non-current assets decreased by 2,791 million yen. Consequently, total assets decreased by 12,990 million yen. The breakdown of major changes in current assets is as follows: cash and deposits (down 12,161 million yen), accounts receivable - operating loans (down 3,516 million yen) and accounts receivable - installment (up 3,934 million yen). The breakdown of major decreases in non-current assets is as follows: deferred tax assets (down 2,384 million yen). The combined total of allowance for doubtful accounts recorded under current assets and non-current assets decreased by 758 million yen.

(Liabilities)

With regard to the liabilities account, changes in current and non-current liabilities were a decrease of 8,472 million yen and a decrease of 40,001 million yen, respectively, resulting in a decrease of 48,473 million yen in total liabilities. The breakdown of major decreases in liabilities includes: the outstanding balance of funds procured mainly in the form of loans and bonds payable (down 29,141 million yen) and provision for loss on interest repayment (down 15,177 million yen).

(Net assets)

In terms of net assets, shareholders' equity increased by 34,448 million yen mainly due to recording

profit attributable to owners of parent under retained earnings, accumulated other comprehensive income increased by 26 million yen due in part to an increase in foreign currency translation adjustment, and non-controlling interests increased by 1,008 million yen. As a result, total net assets increased by 35,482 million yen, and the shareholders' equity ratio increased by 3.3 percentage points to 43.1%.

Capital surplus and retained earnings decreased due to the cancellation of treasury shares conducted as of June 3, 2021. Details are described in "3. Significant changes in shareholders' equity of (Notes to Shareholders' Equity) of [Notes] of 1. Quarterly Consolidated Financial Statements under IV. Financial Information."

(3) Status of cash flows

Cash and cash equivalents (hereinafter, "funds") as of September 30, 2021, decreased by 11,071 million yen during the six months ended September 30, 2021, from the end of the prior fiscal year to 71,162 million yen. The changes in the respective cash flows and the reasons thereof are as follows.

(Net cash provided by (used in) operating activities)

With respect to net cash provided by operating activities, funds saw an increase of 25,471 million yen (down 57,411 million yen year-on-year), mainly reflecting funds-increasing factors such as 48,704 million yen in profit before income taxes, a decrease of 15,177 million yen in provision for loss on interest repayment and a decrease of 3,573 million yen in accounts receivable - operating loans, as well as funds-decreasing factors such as an increase of 3,936 million yen in accounts receivable - installment.

(Net cash provided by (used in) investing activities)

With respect to net cash used in investing activities, funds saw a decrease of 966 million yen (up 1,212 million yen year-on-year), reflecting funds-decreasing factors such as the purchase of property, plant and equipment (1,092 million yen).

(Net cash provided by (used in) financing activities)

With respect to net cash used in financing activities, funds saw a decrease of 35,583 million yen (up 45,968 million yen year-on-year). This was due primarily to the fact that the total amount of proceeds from fund procurement mainly in the form of loans and bonds payable was 29,264 million yen less than the repayments of borrowings and payments at maturity of bonds, as well as cash dividends paid (4,699 million yen).

(4) Business and financial issues to address

The six months ended September 30, 2021, saw no significant change in business and financial issues to address, or presented new issue that the Company needed to address.

(5) Research and development activities

Not applicable

(6) Consolidated operating results

1) Operating revenue by business segment

Business segment			For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)		For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	
			Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Financial service businesses	Japan	Loan business	67,767	50.2	65,770	50.1
		Credit card business	5,183	3.8	5,657	4.3
		Guarantee business	32,737	24.3	31,137	23.7
		Loan servicing business	2,286	1.7	2,895	2.2
		Others	0	0.0	13	0.0
	Overseas	Loan business	26,924	20.0	25,909	19.7
		Installment loan business	46	0.0	38	0.0
Total			134,945	100.0	131,423	100.0

(Note) Category of business above applies the category of business stated in “Segments of an Enterprise and Related Information” in [Notes] under 1. Quarterly Consolidated Financial Statements of IV. Financial Information.

2) Transaction volume and outstanding receivables at the end of the period of the financial service business segments

(a) Transaction volume

Business segment		For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)		For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Japan	Loan business	138,030	63.4	166,072	64.6
	Credit card business	21,531	9.9	25,029	9.7
	Loan servicing business	539	0.2	667	0.2
Overseas	Loan business	57,472	26.4	64,976	25.3
	Installment loan business	286	0.1	479	0.2
Total		217,860	100.0	257,224	100.0

(Notes) 1. Category of business above applies the category of business stated in “Segments of an Enterprise and Related Information” in [Notes] under 1. Quarterly Consolidated Financial Statements of IV. Financial Information.

2. Details and transaction volume of the above financial service business segments are as follows:
- Loan business Provision of loans directly to customers. The scope of this segment’s transaction volume is the amount of loans to customers.
 - Credit card business Provision of general financial services through the use of credit cards, based on comprehensive credit administration. The scope of transaction volume is the total amount of credit extended for shopping through the use of credit cards.
 - Loan servicing business The amount of purchased receivables.
 - Installment loan business Provision of financial services without using credit cards. Each transaction of this service involves customer screening and review. The scope of transaction volume is the sum of credit amount and commission fees.

(b) Receivables outstanding

Business segment		Prior second quarter (As of September 30, 2020)		Current second quarter (As of September 30, 2021)		Prior fiscal year (As of March 31, 2021)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Japan	Loan business	794,671	74.3	780,549	73.3	784,078	73.6
	Credit card business	75,688	7.1	82,644	7.8	78,788	7.4
	Loan servicing business	8,458	0.8	7,850	0.7	8,477	0.8
Overseas	Loan business	189,882	17.8	193,085	18.1	193,074	18.1
	Installment loan business	588	0.0	714	0.1	635	0.1
Total		1,069,289	100.0	1,064,845	100.0	1,065,053	100.0

(Note) Category of business above applies the category of business stated in “Segments of an Enterprise and Related Information” in [Notes] under 1. Quarterly Consolidated Financial Statements of IV. Financial Information.

3) Number of outlets

Category	Prior second quarter (As of September 30, 2020)	Current second quarter (As of September 30, 2021)	Prior fiscal year (As of March 31, 2021)
Outlets	1,033	976	1,008

4) Number of customer accounts

Business segment		Prior second quarter (As of September 30, 2020)	Current second quarter (As of September 30, 2021)	Prior fiscal year (As of March 31, 2021)
Japan	Loan business	1,512,547	1,504,755	1,502,730
	Credit card business	454,636	464,175	456,382
	Loan servicing business	367,689	393,598	386,824
Overseas	Loan business	1,422,741	1,470,739	1,482,248
	Installment loan business	13,814	15,487	14,269

(Notes) 1. Category of business above applies the category of business stated in “Segments of an Enterprise and Related Information” in [Notes] under 1. Quarterly Consolidated Financial Statements of IV. Financial Information.

2. The number of customer accounts by business segment shown above is as follows:

Loan business	Number of accounts with outstanding accounts receivable - operating loans
Credit card business	Number of credit card “MasterCard®” holders
Loan servicing business	Number of accounts with outstanding purchased receivables
Installment loan business	Number of contracts with outstanding accounts receivable - installment

5) Breakdown of accounts receivable - operating loans

(a) By loan type

Loan type		Prior second quarter (As of September 30, 2020)					Current second quarter (As of September 30, 2021)					Prior fiscal year (As of March 31, 2021)				
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)
Consumer loans	Unsecured loans (excluding housing loans)	2,933,813	99.9	980,660	99.6	17.50	2,974,262	100.0	970,373	99.7	17.04	2,983,625	100.0	973,575	99.6	17.07
	Secured loans (excluding housing loans)	1,462	0.1	3,858	0.4	11.52	1,222	0.0	3,235	0.3	11.42	1,342	0.0	3,548	0.4	11.43
	Housing loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Subtotal	2,935,275	100.0	984,519	100.0	17.47	2,975,484	100.0	973,609	100.0	17.02	2,984,967	100.0	977,124	100.0	17.05
Commercial loans	Unsecured loans	3	0.0	3	0.0	15.00	2	0.0	2	0.0	15.00	2	0.0	2	0.0	15.00
	Secured loans	10	0.0	30	0.0	6.75	8	0.0	24	0.0	6.39	9	0.0	26	0.0	6.13
	Subtotal	13	0.0	34	0.0	7.60	10	0.0	26	0.0	7.12	11	0.0	28	0.0	6.84
Total		2,935,288	100.0	984,553	100.0	17.47	2,975,494	100.0	973,635	100.0	17.02	2,984,978	100.0	977,152	100.0	17.05

(b) By industry

Industry	Prior second quarter (As of September 30, 2020)				Current second quarter (As of September 30, 2021)				Prior fiscal year (As of March 31, 2021)			
	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Agriculture, forestry and fishery	—	—	—	—	—	—	—	—	—	—	—	—
Construction	3	0.0	7	0.0	2	0.0	5	0.0	2	0.0	5	0.0
Manufacturing	1	0.0	1	0.0	1	0.0	1	0.0	1	0.0	1	0.0
Electricity; gas; heat supply; water supply	—	—	—	—	—	—	—	—	—	—	—	—
Information and communications	—	—	—	—	—	—	—	—	—	—	—	—
Transport and postal services	1	0.0	4	0.0	1	0.0	3	0.0	1	0.0	3	0.0
Wholesale and retail	2	0.0	4	0.0	1	0.0	2	0.0	2	0.0	3	0.0
Finance and insurance	1	0.0	3	0.0	1	0.0	2	0.0	1	0.0	3	0.0
Real estate, and goods rental and leasing	—	—	—	—	—	—	—	—	—	—	—	—
Accommodation, and food and beverage services	—	—	—	—	—	—	—	—	—	—	—	—
Education and educational support	—	—	—	—	—	—	—	—	—	—	—	—
Healthcare and welfare	—	—	—	—	—	—	—	—	—	—	—	—
Multiple services	—	—	—	—	—	—	—	—	—	—	—	—
Other services (Does not fall under any other category)	5	0.0	13	0.0	4	0.0	10	0.0	4	0.0	11	0.0
Individuals	2,935,275	100.0	984,519	100.0	2,975,484	100.0	973,609	100.0	2,984,967	100.0	977,124	100.0
Specified nonprofit organization	—	—	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—	—	—
Total	2,935,288	100.0	984,553	100.0	2,975,494	100.0	973,635	100.0	2,984,978	100.0	977,152	100.0

(Note) Commercial loans to sole proprietors are included in corresponding categories other than “Individuals.”

(c) By collateral type

Collateral	Prior second quarter (As of September 30, 2020)		Current second quarter (As of September 30, 2021)		Prior fiscal year (As of March 31, 2021)	
	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Securities	—	—	—	—	—	—
[Stocks included in the above]	[—]	[—]	[—]	[—]	[—]	[—]
Credit	—	—	—	—	—	—
[Deposits included in the above]	[—]	[—]	[—]	[—]	[—]	[—]
Merchandise	—	—	—	—	—	—
Real estate	3,889	0.4	3,260	0.3	3,574	0.4
Foundations	—	—	—	—	—	—
Others	—	—	—	—	—	—
Subtotal	3,889	0.4	3,260	0.3	3,574	0.4
Guarantee	—	—	—	—	—	—
Unsecured	980,664	99.6	970,375	99.7	973,577	99.6
Total	984,553	100.0	973,635	100.0	977,152	100.0

(d) By loan term

Loan period		Prior second quarter (As of September 30, 2020)				Current second quarter (As of September 30, 2021)				Prior fiscal year (As of March 31, 2021)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Revolving	2,765,143	94.2	928,101	94.3	2,803,571	94.2	916,277	94.1	2,811,358	94.2	919,552	94.1
	Due within 1 year	12,789	0.4	389	0.0	2,232	0.1	128	0.0	5,879	0.2	248	0.0
	Due after 1 year through 5 years	100,982	3.4	27,365	2.8	122,768	4.1	35,682	3.7	115,944	3.9	32,312	3.3
	Due after 5 years through 10 years	43,196	1.5	16,563	1.7	36,424	1.3	11,895	1.2	40,039	1.3	14,215	1.5
	Due after 10 years through 15 years	11,636	0.4	8,199	0.8	9,197	0.3	6,347	0.7	10,336	0.4	7,203	0.7
	Due after 15 years through 20 years	62	0.0	39	0.0	62	0.0	38	0.0	62	0.0	40	0.0
	Due after 20 years through 25 years	4	0.0	3	0.0	6	0.0	4	0.0	5	0.0	3	0.0
	Due after 25 years	4	0.0	1	0.0	4	0.0	1	0.0	4	0.0	1	0.0
	Subtotal	2,933,816	99.9	980,664	99.6	2,974,264	100.0	970,375	99.7	2,983,627	100.0	973,577	99.6
	Secured loans	Revolving	1,125	0.1	2,842	0.3	937	0.0	2,369	0.3	1,028	0.0	2,589
Due within 1 year		2	0.0	6	0.0	3	0.0	11	0.0	7	0.0	18	0.0
Due after 1 year through 5 years		63	0.0	72	0.0	49	0.0	54	0.0	57	0.0	72	0.0
Due after 5 years through 10 years		153	0.0	314	0.0	133	0.0	308	0.0	139	0.0	294	0.0
Due after 10 years through 15 years		63	0.0	213	0.0	50	0.0	162	0.0	56	0.0	180	0.0
Due after 15 years through 20 years		9	0.0	52	0.0	7	0.0	28	0.0	7	0.0	45	0.0
Due after 20 years through 25 years		57	0.0	387	0.1	51	0.0	325	0.0	57	0.0	373	0.1
Due after 25 years		—	—	—	—	—	—	—	—	—	—	—	—
Subtotal		1,472	0.1	3,889	0.4	1,230	0.0	3,260	0.3	1,351	0.0	3,574	0.4
Revolving		2,766,268	94.3	930,944	94.6	2,804,508	94.3	918,646	94.3	2,812,386	94.2	922,142	94.4
Due within 1 year	12,791	0.4	396	0.0	2,235	0.1	139	0.0	5,886	0.2	266	0.0	
Due after 1 year through 5 years	101,045	3.4	27,438	2.8	122,817	4.1	35,736	3.7	116,001	3.9	32,384	3.3	
Due after 5 years through 10 years	43,349	1.5	16,877	1.7	36,557	1.2	12,204	1.3	40,178	1.3	14,509	1.5	
Due after 10 years through 15 years	11,699	0.4	8,412	0.9	9,247	0.3	6,510	0.7	10,392	0.4	7,383	0.8	
Due after 15 years through 20 years	71	0.0	92	0.0	69	0.0	67	0.0	69	0.0	86	0.0	
Due after 20 years through 25 years	61	0.0	390	0.0	57	0.0	329	0.0	62	0.0	376	0.0	
Due after 25 years	4	0.0	1	0.0	4	0.0	1	0.0	4	0.0	1	0.0	
Total	2,935,288	100.0	984,553	100.0	2,975,494	100.0	973,635	100.0	2,984,978	100.0	977,152	100.0	
Average term per contract	—				—				—				

(Note) “Average term per contract” is not calculated since revolving loan contracts are included in the table above.

6) Breakdown by funding sources

Funding sources, etc.	Prior second quarter (As of September 30, 2020)		Current second quarter (As of September 30, 2021)		Prior fiscal year (As of March 31, 2021)	
	Outstanding balance (Millions of yen)	Average interest rate (%)	Outstanding balance (Millions of yen)	Average interest rate (%)	Outstanding balance (Millions of yen)	Average interest rate (%)
Borrowings from financial institutions, etc.	408,259	0.72	380,139	0.62	394,840	0.67
Others	225,115	1.02	200,120	0.88	214,560	0.91
[Corporate bonds, CPs]	[225,115]	[1.02]	[200,120]	[0.88]	[214,560]	[0.91]
Total	633,374	0.83	580,259	0.71	609,400	0.75
Owners' equity	608,206	—	643,434	—	623,500	—
[Share capital]	[63,832]	[—]	[63,832]	[—]	[63,832]	[—]

(Note) “Owners’ equity” was calculated by deducting total liabilities, the amount of non-controlling interests in the “net assets” section, and the planned amount of dividend from total assets, and then adding the total amount of reserves (including reserves under special laws).

7) Operating results of the Filing Company

(a) The number of outlets and customer accounts by business segment

(i) The number of outlets and automated teller machines

Category	Prior second quarter (As of September 30, 2020)	Current second quarter (As of September 30, 2021)	Prior fiscal year (As of March 31, 2021)
Outlets	921	864	897
Staffed outlets	4	4	4
Unstaffed outlets	917	860	893
Automatic contract machines	921 locations [960]	864 locations [902]	897 locations [936]
ATMs	50,762	51,088	50,974
Proprietary	952	896	928
Tie-up	49,810	50,192	50,046
[Number of tie-up companies]	[16]	[16]	[16]

(Note) In addition to the above 864 loan business outlets, based on the Money Lending Business Act, we registered 4 automatic contract machines installed in staffed outlets (they stood at 4 as of September 30, 2020, and 4 as of March 31, 2021), 6 automated teller machines installed outside outlets (6 as of September 30, 2020, and 6 as of March 31, 2021) and 1 service center (1 as of September 30, 2020, and 1 as of March 31, 2021) for the various applications and registration acceptance via automatic contract machines and other means as outlets.

(ii) Number of customer accounts

Business segment	Prior second quarter (As of September 30, 2020)	Current second quarter (As of September 30, 2021)	Prior fiscal year (As of March 31, 2021)
Loan business	1,512,508	1,504,724	1,502,695
Credit card business	454,636	464,175	456,382

(Note) The number of customer accounts by business segment shown above is as follows:

Loan business	Number of accounts with outstanding accounts receivable - operating loans
Credit card business	Number of “MasterCard®” holders

(b) Operating revenue by business segment

Business segment	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)		For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)		For the prior fiscal year (From April 1, 2020 to March 31, 2021)	
	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Loan business	67,771	67.6	65,770	67.6	133,822	67.6
Unsecured loans	67,544	67.4	65,566	67.4	133,387	67.4
Consumer loans	67,544	67.4	65,566	67.4	133,387	67.4
Commercial loans	0	0.0	0	0.0	0	0.0
Secured loans	226	0.2	204	0.2	434	0.2
Credit card business	5,183	5.2	5,657	5.8	10,594	5.4
Guarantee business	27,279	27.2	25,860	26.6	53,478	27.0
Others	34	0.0	47	0.0	90	0.0
Total	100,268	100.0	97,336	100.0	197,986	100.0

(c) Transaction volume and outstanding receivables at the end of the period for the financial service business segments

(i) Transaction volume

Business segment		For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)		For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)		For the prior fiscal year (From April 1, 2020 to March 31, 2021)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Loan business	Unsecured loans	138,025	86.5	166,066	86.9	299,918	86.9
	Consumer loans	138,025	86.5	166,066	86.9	299,918	86.9
	Commercial loans	—	—	—	—	—	—
	Secured loans	5	0.0	5	0.0	12	0.0
	Subtotal	138,030	86.5	166,072	86.9	299,931	86.9
Credit card business		21,531	13.5	25,029	13.1	45,389	13.1
Total		159,562	100.0	191,101	100.0	345,320	100.0

(Note) Details and transaction volume of the above financial service business segments are as follows:

Loan business Provision of loans by the Filing Company directly to customers. The scope of this segment's transaction volume is the amount of loans to customers during the period.

Credit card business Provision of general financial services through the use of credit cards, based on comprehensive credit administration. The scope of transaction volume is the total amount of credit extended for shopping through the use of credit cards during the period.

(ii) Receivables outstanding

Business segment		Prior second quarter (As of September 30, 2020)		Current second quarter (As of September 30, 2021)		Prior fiscal year (As of March 31, 2021)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Loan business	Unsecured loans	790,754	90.9	777,263	90.0	780,476	90.5
	Consumer loans	790,750	90.9	777,261	90.0	780,474	90.5
	Commercial loans	3	0.0	2	0.0	2	0.0
	Secured loans	3,889	0.4	3,260	0.4	3,574	0.4
	Subtotal	794,644	91.3	780,524	90.4	784,051	90.9
Credit card business		75,688	8.7	82,644	9.6	78,788	9.1
Total		870,332	100.0	863,168	100.0	862,839	100.0

(d) Increase/decrease and outstanding balance of accounts receivable - operating loans

(Millions of yen)

Item	Prior second quarter (As of September 30, 2020)			Current second quarter (As of September 30, 2021)			Prior fiscal year (As of March 31, 2021)		
	Total amount	Unsecured loans	Secured loans	Total amount	Unsecured loans	Secured loans	Total amount	Unsecured loans	Secured loans
Beginning balance	840,847	836,608	4,239	784,051	780,476	3,574	840,847	836,608	4,239
Loans made during the period	138,030	138,025	5	166,072	166,066	5	299,931	299,918	12
Collection during the period	168,585	168,244	340	156,671	156,362	309	327,653	327,009	644
Transfer of claims on bankruptcy and reorganization, etc.	255	255	0	222	219	2	541	539	1
Write-off of bad debts during the period	15,392	15,378	14	12,704	12,696	7	28,531	28,501	29
Final balance	794,644	790,754	3,889	780,524	777,263	3,260	784,051	780,476	3,574
Average loans receivable	818,210	814,123	4,087	782,533	779,087	3,445	804,169	800,242	3,926

(e) Breakdown of accounts receivable - operating loans

(i) By loan type

Loan type		Prior second quarter (As of September 30, 2020)					Current second quarter (As of September 30, 2021)					Prior fiscal year (As of March 31, 2021)				
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)
Consumer loans	Unsecured loans (excluding housing loans)	1,511,033	99.9	790,750	99.5	15.47	1,503,492	99.9	777,261	99.6	15.37	1,501,342	99.9	780,474	99.5	15.42
	Secured loans (excluding housing loans)	1,462	0.1	3,858	0.5	11.52	1,222	0.1	3,235	0.4	11.42	1,342	0.1	3,548	0.5	11.43
	Housing loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Subtotal	1,512,495	100.0	794,609	100.0	15.45	1,504,714	100.0	780,497	100.0	15.36	1,502,684	100.0	784,022	100.0	15.40
Commercial loans	Unsecured loans	3	0.0	3	0.0	15.00	2	0.0	2	0.0	15.00	2	0.0	2	0.0	15.00
	Secured loans	10	0.0	30	0.0	6.75	8	0.0	24	0.0	6.39	9	0.0	26	0.0	6.13
	Subtotal	13	0.0	34	0.0	7.60	10	0.0	26	0.0	7.12	11	0.0	28	0.0	6.84
Total		1,512,508	100.0	794,644	100.0	15.45	1,504,724	100.0	780,524	100.0	15.36	1,502,695	100.0	784,051	100.0	15.40

(ii) By industry

Industry	Prior second quarter (As of September 30, 2020)				Current second quarter (As of September 30, 2021)				Prior fiscal year (As of March 31, 2021)			
	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Agriculture, forestry and fishery	—	—	—	—	—	—	—	—	—	—	—	—
Construction	3	0.0	7	0.0	2	0.0	5	0.0	2	0.0	5	0.0
Manufacturing	1	0.0	1	0.0	1	0.0	1	0.0	1	0.0	1	0.0
Electricity; gas; heat supply; water supply	—	—	—	—	—	—	—	—	—	—	—	—
Information and communications	—	—	—	—	—	—	—	—	—	—	—	—
Transport and postal services	1	0.0	4	0.0	1	0.0	3	0.0	1	0.0	3	0.0
Wholesale and retail	2	0.0	4	0.0	1	0.0	2	0.0	2	0.0	3	0.0
Finance and insurance	1	0.0	3	0.0	1	0.0	2	0.0	1	0.0	3	0.0
Real estate, and goods rental and leasing	—	—	—	—	—	—	—	—	—	—	—	—
Accommodation, and food and beverage services	—	—	—	—	—	—	—	—	—	—	—	—
Education and educational support	—	—	—	—	—	—	—	—	—	—	—	—
Healthcare and welfare	—	—	—	—	—	—	—	—	—	—	—	—
Multiple services	—	—	—	—	—	—	—	—	—	—	—	—
Other services (Does not fall under any other category)	5	0.0	13	0.0	4	0.0	10	0.0	4	0.0	11	0.0
Individuals	1,512,495	100.0	794,609	100.0	1,504,714	100.0	780,497	100.0	1,502,684	100.0	784,022	100.0
Specified nonprofit organization	—	—	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—	—	—
Total	1,512,508	100.0	794,644	100.0	1,504,724	100.0	780,524	100.0	1,502,695	100.0	784,051	100.0

(Note) Commercial loans to sole proprietors are included in corresponding categories other than “Individuals.”

(iii) Breakdown of unsecured consumer loans receivable by consumers' sex and age

Sex and age		Prior second quarter (As of September 30, 2020)				Current second quarter (As of September 30, 2021)				Prior fiscal year (As of March 31, 2021)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Male	18-19 years	—	—	—	—	—	—	—	—	—	—	—	
	20-29	302,904	20.1	122,549	15.5	304,091	20.3	121,430	15.6	304,532	20.3	122,155	
	30-39	261,335	17.3	153,396	19.4	258,878	17.2	150,730	19.4	258,256	17.2	150,971	
	40-49	234,685	15.5	167,106	21.1	224,243	14.9	157,965	20.3	228,056	15.2	161,500	
	50-59	179,737	11.9	137,070	17.4	180,380	12.0	136,478	17.6	179,251	11.9	136,282	
	60 years and older	116,703	7.7	60,857	7.7	115,909	7.7	60,958	7.8	116,057	7.7	60,900	
	Subtotal	1,095,364	72.5	640,980	81.1	1,083,501	72.1	627,563	80.7	1,086,152	72.3	631,810	
Female	18-19 years	—	—	—	—	—	—	—	—	—	—	—	
	20-29	113,182	7.5	34,642	4.4	119,142	7.9	35,876	4.6	115,794	7.7	35,160	
	30-39	85,047	5.6	31,082	3.9	85,827	5.7	31,063	4.0	84,390	5.6	30,663	
	40-49	92,890	6.2	36,461	4.6	89,118	5.9	34,673	4.5	90,409	6.0	35,250	
	50-59	75,494	5.0	31,130	3.9	76,680	5.1	31,427	4.1	75,447	5.1	31,037	
	60 years and older	49,056	3.2	16,452	2.1	49,224	3.3	16,657	2.1	49,150	3.3	16,552	
	Subtotal	415,669	27.5	149,770	18.9	419,991	27.9	149,698	19.3	415,190	27.7	148,664	
Total	1,511,033	100.0	790,750	100.0	1,503,492	100.0	777,261	100.0	1,501,342	100.0	780,474		

(iv) By collateral type

Collateral accepted	Prior second quarter (As of September 30, 2020)		Current second quarter (As of September 30, 2021)		Prior fiscal year (As of March 31, 2021)	
	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Securities	—	—	—	—	—	—
[Stocks included in the above]	[—]	[—]	[—]	[—]	[—]	[—]
Credit	—	—	—	—	—	—
[Deposits included in the above]	[—]	[—]	[—]	[—]	[—]	[—]
Merchandise	—	—	—	—	—	—
Real estate	3,889	0.5	3,260	0.4	3,574	0.5
Foundations	—	—	—	—	—	—
Others	—	—	—	—	—	—
Subtotal	3,889	0.5	3,260	0.4	3,574	0.5
Guarantee	—	—	—	—	—	—
Unsecured	790,754	99.5	777,263	99.6	780,476	99.5
Total	794,644	100.0	780,524	100.0	784,051	100.0

(v) By loan amount

Loan amount		Prior second quarter (As of September 30, 2020)				Current second quarter (As of September 30, 2021)				Prior fiscal year (As of March 31, 2021)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Due within 100,000 yen	201,305	13.3	12,237	1.5	218,010	14.5	13,520	1.7	207,053	13.8	12,682	1.6
	Due over 100,000 yen through 300,000 yen	364,952	24.1	76,206	9.6	361,040	24.0	75,095	9.6	365,512	24.3	76,374	9.7
	Due over 300,000 yen through 500,000 yen	496,383	32.8	212,178	26.7	484,967	32.2	208,113	26.7	487,105	32.4	208,415	26.6
	Due over 500,000 yen	448,396	29.7	490,132	61.7	439,477	29.2	480,535	61.6	441,674	29.4	483,004	61.6
	Subtotal	1,511,036	99.9	790,754	99.5	1,503,494	99.9	777,263	99.6	1,501,344	99.9	780,476	99.5
Secured loans	Due within 1 million yen	396	0.0	198	0.0	334	0.0	166	0.0	359	0.0	176	0.0
	Due over 1 million yen through 5 million yen	903	0.1	2,360	0.3	751	0.1	1,977	0.3	830	0.1	2,155	0.3
	Due over 5 million yen through 10 million yen	147	0.0	972	0.1	123	0.0	810	0.1	137	0.0	900	0.1
	Due over 10 million yen through 50 million yen	26	0.0	358	0.1	22	0.0	305	0.0	25	0.0	342	0.1
	Due over 50 million yen through 100 million yen	—	—	—	—	—	—	—	—	—	—	—	—
	Due over 100 million yen	—	—	—	—	—	—	—	—	—	—	—	—
	Subtotal	1,472	0.1	3,889	0.5	1,230	0.1	3,260	0.4	1,351	0.1	3,574	0.5
Total		1,512,508	100.0	794,644	100.0	1,504,724	100.0	780,524	100.0	1,502,695	100.0	784,051	100.0
Average loans receivable per contract (Thousands of yen)		—	—	525	—	—	—	518	—	—	—	521	—
Unsecured loans		—	—	523	—	—	—	516	—	—	—	519	—
Secured loans		—	—	2,642	—	—	—	2,650	—	—	—	2,646	—

(vi) By loan term

Loan term		Prior second quarter (As of September 30, 2020)				Current second quarter (As of September 30, 2021)				Prior fiscal year (As of March 31, 2021)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Revolving	1,403,834	92.8	746,186	93.9	1,387,801	92.2	731,486	93.7	1,390,094	92.5	735,328	93.8
	Due within 1 year	959	0.1	111	0.0	837	0.1	93	0.0	873	0.0	112	0.0
	Due after 1 year through 5 years	51,351	3.4	19,656	2.5	69,169	4.6	27,402	3.5	59,939	4.0	23,577	3.0
	Due after 5 years through 10 years	43,186	2.8	16,556	2.1	36,418	2.4	11,889	1.5	40,031	2.7	14,208	1.8
	Due after 10 years through 15 years	11,636	0.8	8,199	1.0	9,197	0.6	6,347	0.8	10,336	0.7	7,203	0.9
	Due after 15 years through 20 years	62	0.0	39	0.0	62	0.0	38	0.0	62	0.0	40	0.0
	Due after 20 years through 25 years	4	0.0	3	0.0	6	0.0	4	0.0	5	0.0	3	0.0
	Due after 25 years	4	0.0	1	0.0	4	0.0	1	0.0	4	0.0	1	0.0
	Subtotal	1,511,036	99.9	790,754	99.5	1,503,494	99.9	777,263	99.6	1,501,344	99.9	780,476	99.5
	Secured loans	Revolving	1,125	0.1	2,842	0.4	937	0.1	2,369	0.3	1,028	0.1	2,589
Due within 1 year		2	0.0	6	0.0	3	0.0	11	0.0	7	0.0	18	0.0
Due after 1 year through 5 years		63	0.0	72	0.0	49	0.0	54	0.0	57	0.0	72	0.0
Due after 5 years through 10 years		153	0.0	314	0.0	133	0.0	308	0.0	139	0.0	294	0.1
Due after 10 years through 15 years		63	0.0	213	0.0	50	0.0	162	0.0	56	0.0	180	0.0
Due after 15 years through 20 years		9	0.0	52	0.0	7	0.0	28	0.0	7	0.0	45	0.0
Due after 20 years through 25 years		57	0.0	387	0.1	51	0.0	325	0.1	57	0.0	373	0.1
Due after 25 years		—	—	—	—	—	—	—	—	—	—	—	—
Subtotal		1,472	0.1	3,889	0.5	1,230	0.1	3,260	0.4	1,351	0.1	3,574	0.5
Revolving		1,404,959	92.9	749,029	94.3	1,388,738	92.3	733,855	94.0	1,391,122	92.6	737,918	94.1
Due within 1 year	961	0.0	118	0.0	840	0.1	104	0.0	880	0.0	131	0.0	
Due after 1 year through 5 years	51,414	3.4	19,728	2.5	69,218	4.6	27,457	3.5	59,996	4.0	23,650	3.0	
Due after 5 years through 10 years	43,339	2.9	16,870	2.1	36,551	2.4	12,197	1.6	40,170	2.7	14,502	1.9	
Due after 10 years through 15 years	11,699	0.8	8,412	1.1	9,247	0.6	6,510	0.8	10,392	0.7	7,383	0.9	
Due after 15 years through 20 years	71	0.0	92	0.0	69	0.0	67	0.0	69	0.0	86	0.0	
Due after 20 years through 25 years	61	0.0	390	0.0	57	0.0	329	0.1	62	0.0	376	0.1	
Due after 25 years	4	0.0	1	0.0	4	0.0	1	0.0	4	0.0	1	0.0	
Total	1,512,508	100.0	794,644	100.0	1,504,724	100.0	780,524	100.0	1,502,695	100.0	784,051	100.0	
Average term per contract	—				—				—				

(Note) “Average term per contract” is not calculated since revolving loan contracts are included in the table above.

(vii) By interest rate

Interest rate		Prior second quarter (As of September 30, 2020)				Current second quarter (As of September 30, 2021)				Prior fiscal year (As of March 31, 2021)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	10% p.a. or less	100,096	6.6	45,922	5.8	110,279	7.3	49,647	6.4	105,121	7.0	47,788	6.1
	Above 10.0% to 15.0% p.a.	349,353	23.1	374,350	47.1	347,522	23.1	369,182	47.3	346,542	23.1	369,879	47.2
	Above 15.0% to 18.0% p.a.	1,061,586	70.2	370,481	46.6	1,045,693	69.5	358,434	45.9	1,049,680	69.8	362,808	46.2
	Above 18.0% to 20.0% p.a.	—	—	—	—	—	—	—	—	—	—	—	—
	Above 20.0% p.a.	1	0.0	0	0.0	—	—	—	—	1	0.0	0	0.0
	Subtotal	1,511,036	99.9	790,754	99.5	1,503,494	99.9	777,263	99.6	1,501,344	99.9	780,476	99.5
Secured loans	10% p.a. or less	365	0.0	1,230	0.2	311	0.0	1,066	0.1	341	0.0	1,166	0.2
	Above 10.0% to 15.0% p.a.	1,107	0.1	2,659	0.3	919	0.1	2,194	0.3	1,010	0.1	2,408	0.3
	Above 15.0% to 18.0% p.a.	—	—	—	—	—	—	—	—	—	—	—	—
	Subtotal	1,472	0.1	3,889	0.5	1,230	0.1	3,260	0.4	1,351	0.1	3,574	0.5
Total		1,512,508	100.0	794,644	100.0	1,504,724	100.0	780,524	100.0	1,502,695	100.0	784,051	100.0

(f) Breakdown of funds

(i) Breakdown by funding sources

Funding sources, etc.	Prior second quarter (As of September 30, 2020)		Current second quarter (As of September 30, 2021)		Prior fiscal year (As of March 31, 2021)	
	Outstanding balance (Millions of yen)	Average interest rate (%)	Outstanding balance (Millions of yen)	Average interest rate (%)	Outstanding balance (Millions of yen)	Average interest rate (%)
Borrowings from financial institutions, etc.	366,566	0.52	333,000	0.48	349,437	0.49
Others	178,000	0.62	164,000	0.57	175,000	0.55
[Corporate bonds, CPs]	[178,000]	[0.62]	[164,000]	[0.57]	[175,000]	[0.55]
Total	544,566	0.55	497,000	0.51	524,437	0.51
Owners' equity	532,017	—	558,165	—	539,929	—
[Share capital]	[63,832]	[—]	[63,832]	[—]	[63,832]	[—]

(Note) "Owners' equity" was calculated by deducting total liabilities and the planned amount of dividend from total assets, and then adding the total amount of reserves (including reserves under special laws).

(ii) Breakdown by financial institution

(Millions of yen)

Financial institution	Prior second quarter (As of September 30, 2020)				Current second quarter (As of September 30, 2021)				Prior fiscal year (As of March 31, 2021)				
	Beginning balance	Amount procured	Amount repaid	Final balance	Beginning balance	Amount procured	Amount repaid	Final balance	Beginning balance	Amount procured	Amount repaid	Final balance	
Borrowings	City banks, etc.	304,197	13,300	33,738	283,759	276,363	10,000	18,096	268,267	304,197	24,300	52,134	276,363
	Regional banks	41,912	5,200	6,679	40,433	37,219	2,000	6,030	33,189	41,912	10,200	14,893	37,219
	Trust banks	500	—	—	500	500	—	—	500	500	—	—	500
	Foreign banks	2,350	—	100	2,250	2,000	—	—	2,000	2,350	—	350	2,000
	Life insurance companies	10,712	2,000	3,924	8,788	5,230	500	2,302	3,428	10,712	2,000	7,482	5,230
	Non-life insurance companies	3,500	500	1,250	2,750	2,500	—	500	2,000	3,500	500	1,500	2,500
	Business corporations (leasing and financing companies, etc.)	964	—	258	706	200	—	34	166	964	200	964	200
	Other financial institutions	25,210	3,500	1,330	27,380	25,425	—	1,975	23,450	25,210	3,500	3,285	25,425
Subtotal	389,345	24,500	47,279	366,566	349,437	12,500	28,937	333,000	389,345	40,700	80,608	349,437	
Commercial papers	29,998	12,001	42,000	—	5,000	4,000	5,000	4,000	29,998	17,001	42,000	5,000	
Corporate bonds (including current portion of bonds payable)	193,000	—	15,000	178,000	170,000	10,000	20,000	160,000	193,000	10,000	33,000	170,000	
Subtotal	222,998	12,001	57,000	178,000	175,000	14,000	25,000	164,000	222,998	27,001	75,000	175,000	
Total	612,343	36,501	104,279	544,566	524,437	26,500	53,937	497,000	612,343	67,701	155,608	524,437	

(Note) "City banks, etc." includes Shinsei Bank, Limited and Aozora Bank, Ltd.

3. Material Business Agreements, etc.

During the current second 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 second quarter (September 30, 2021)	As of the submission date (November 12, 2021)	Stock exchange on which the Company is listed	Description
Common stock	1,566,614,098	1,566,614,098	First Section 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)

Period	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
From July 1, 2021, to September 30, 2021	—	1,566,614	—	63,832	—	72,322

(5) Major shareholders

As of September 30, 2021

Name	Address	Number of shares held (Thousands of shares)	Percentage of shares held to the total number of issued shares (excluding shares of treasury shares) (%)
Mitsubishi UFJ Financial Group, Inc.	2-7-1 Marunouchi, Chiyoda-ku, Tokyo	588,723	37.57
Maruito Shokusan Co., Ltd.	1-2-3 Minato-machi, Naniwa-ku, Osaka City	273,467	17.45
Maruito Co., Ltd.	1-2-3 Minato-machi, Naniwa-ku, Osaka City	125,533	8.01
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	96,582	6.16
Foundation of Kinoshita Memorial Enterprise	6-2-14 Motomachi-dori, Chuo-ku, Kobe City	92,192	5.88
Maruito Shoten Co., Ltd.	1-2-3 Minato-machi, Naniwa-ku, Osaka City	38,733	2.47
Mitsubishi UFJ Trust and Banking Corporation (Standing proxy: The Master Trust Bank of Japan, Ltd.)	1-4-5, Marunouchi, Chiyoda-ku, Tokyo (2-11-3 Hamamatsu-cho, Minato-ku, Tokyo)	31,572	2.01
Custody Bank of Japan, Ltd. (Trust Account 4)	1-8-12 Harumi, Chuo-ku, Tokyo	27,444	1.75
Shigeyoshi Kinoshita	Minato-ku, Tokyo	26,507	1.69
Masataka Kinoshita	Minato-ku, Tokyo	12,203	0.77
Total	—	1,312,959	83.80

(Note) In "Number of shares held," figures less than one thousand are truncated.

(6) Status of voting rights

1) Issued shares

As of September 30, 2021

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.)	(Treasury shares) Common stock —	—	—
Shares with full voting rights (others)	Common stock 1,566,586,200	15,665,862	—
Shares less than one unit	Common stock 27,898	—	—
Total number of shares issued	1,566,614,098	—	—
Total voting rights held by all shareholders	—	15,665,862	—

(Note) 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) Treasury shares, etc.

As of September 30, 2021

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 (%)
—	—	—	—	—	—
Total	—	—	—	—	—

(Note) ACOM canceled treasury shares (29,668,702 shares) on June 3, 2021, based on the resolution at the Board of Directors Meeting held on May 20, 2021

2. Directors and Audit & Supervisory Committee Members

There was no change in Directors and Audit & Supervisory Committee members for the six months ended September 30, 2021, 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 second quarter (from July 1, 2021, to September 30, 2021) and for the six months ended September 30, 2021 (from April 1, 2021, to September 30, 2021) 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, 2021)	Current second quarter (As of September 30, 2021)
Assets		
Current assets		
Cash and deposits	83,323	71,162
Accounts receivable - operating loans	*2 977,152	*2 973,635
Accounts receivable - installment	79,423	83,358
Purchased receivables	8,477	7,850
Raw materials and supplies	63	53
Other	82,334	83,819
Allowance for doubtful accounts	(77,428)	(76,733)
Total current assets	1,153,346	1,143,147
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,386	3,723
Equipment, net	7,640	7,550
Land	2,476	2,476
Other, net	496	343
Total property, plant and equipment	13,998	14,094
Intangible assets		
Goodwill	1,770	1,511
Software	4,984	5,340
Other	48	44
Total intangible assets	6,803	6,895
Investments and other assets		
Investment securities	1,207	1,226
Retirement benefit asset	5,618	5,350
Deferred tax assets	29,677	27,292
Guarantee deposits	4,990	4,780
Other	*2 4,367	*2 4,168
Allowance for doubtful accounts	(900)	(836)
Total investments and other assets	44,960	41,981
Total non-current assets	65,763	62,971
Total assets	1,219,109	1,206,119

(Millions of yen)

	Prior fiscal year (As of March 31, 2021)	Current second quarter (As of September 30, 2021)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	696	802
Short-term borrowings	15,992	18,298
Commercial papers	5,000	4,000
Current portion of long-term borrowings	69,416	63,653
Current portion of bonds payable	53,760	53,760
Income taxes payable	7,258	4,974
Provision for loss on guarantees	*1 8,876	*1 8,842
Asset retirement obligations	408	12
Deferred installment income	28	28
Other	13,833	12,427
Total current liabilities	175,271	166,799
Non-current liabilities		
Bonds payable	155,800	142,360
Long-term borrowings	309,431	298,188
Provision for loss on interest repayment	56,741	41,563
Retirement benefit liability	721	758
Asset retirement obligations	5,420	5,494
Other	596	344
Total non-current liabilities	528,710	488,709
Total liabilities	703,981	655,508
Net assets		
Shareholders' equity		
Share capital	63,832	63,832
Capital surplus	73,549	69,861
Retained earnings	362,991	381,332
Treasury shares	(19,794)	-
Total shareholders' equity	480,578	515,026
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	4,444	4,462
Remeasurements of defined benefit plans	661	669
Total accumulated other comprehensive income	5,105	5,131
Non-controlling interests	29,443	30,452
Total net assets	515,128	550,610
Total liabilities and net assets	1,219,109	1,206,119

(2) Quarterly Consolidated Statement of Income and
Quarterly Consolidated Statement of Comprehensive Income
(Quarterly Consolidated Statement of Income)
Six months ended September 30

(Millions of yen)

	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Operating revenue		
Interest on operating loans	85,897	82,142
Revenue from credit card business	4,914	5,289
Revenue from installment sales finance business	31	33
Revenue from credit guarantee	28,536	26,518
Proceeds from purchased receivables	1,805	2,182
Other financial revenue	*1 1	*1 39
Other operating revenue	13,760	15,216
Total operating revenue	134,945	131,423
Operating expenses		
Financial expenses	*2 3,125	*2 2,888
Cost of purchased receivables	727	845
Other operating expenses	*3 76,593	*3 79,317
Total operating expenses	80,446	83,052
Operating profit	54,499	48,370
Non-operating income		
Interest income	1	0
Dividend income	25	13
Share of profit of entities accounted for using equity method	24	19
Rental income from buildings	92	88
Subsidy income	689	363
Other	89	24
Total non-operating income	923	510
Non-operating expenses		
Interest expenses	8	4
Foreign exchange losses	-	4
Other	3	3
Total non-operating expenses	12	13
Ordinary profit	55,410	48,868

(Millions of yen)

	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
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	0
Loss on retirement of non-current assets	41	80
Impairment loss	-	*4 81
Other	0	1
Total extraordinary losses	42	164
Profit before income taxes	55,368	48,704
Income taxes-current	7,098	4,710
Income taxes-deferred	2,115	2,394
Total income taxes	9,214	7,104
Profit	46,154	41,599
Profit attributable to non-controlling interests	2,648	2,451
Profit attributable to owners of parent	43,505	39,147

(Quarterly Consolidated Statement of Comprehensive Income)
Six months ended September 30

(Millions of yen)

	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Profit	46,154	41,599
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	0
Foreign currency translation adjustment	(3,673)	8
Remeasurements of defined benefit plans, net of tax	389	13
Total other comprehensive income	(3,283)	21
Comprehensive income	42,871	41,621
Comprehensive income attributable to:		
Owners of parent	41,281	39,173
Non-controlling interests	1,589	2,447

(3) Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Net cash provided by (used in) operating activities		
Profit before income taxes	55,368	48,704
Depreciation and amortization	1,545	1,559
Impairment loss	-	81
Amortization of goodwill	406	259
Increase (decrease) in allowance for doubtful accounts	(5,273)	(819)
Increase (decrease) in provision for loss on guarantees	(1,584)	(34)
Increase (decrease) in retirement benefit liability	51	57
Increase (decrease) in provision for directors' retirement benefits	(28)	-
Increase (decrease) in provision for loss on interest repayment	(14,240)	(15,177)
Interest and dividend income	(26)	(14)
Interest expenses	8	4
Amortization of bond issuance cost	6	66
Foreign exchange losses (gains)	34	(12)
Share of loss (profit) of entities accounted for using equity method	(24)	(19)
Loss (gain) on sales of property, plant and equipment	(0)	(0)
Loss on retirement of property, plant and equipment	41	80
Decrease (increase) in accounts receivable - operating loans	49,369	3,573
Decrease (increase) in accounts receivable - installment	(578)	(3,936)
Decrease (increase) in purchased receivables	730	626
Decrease (increase) in retirement benefit asset	845	264
Decrease (increase) in inventories	0	9
Decrease (increase) in other current assets	2,336	(1,516)
Increase (decrease) in notes and accounts payable - trade	(33)	105
Increase (decrease) in deferred installment income	(10)	(0)
Increase (decrease) in other current liabilities	(2,008)	(1,536)
Increase (decrease) by other operating activities	773	(89)
Subtotal	87,710	32,235
Interest and dividend income received	26	14
Interest expenses paid	(8)	(4)
Income taxes paid	(4,846)	(6,774)
Net cash provided by (used in) operating activities	82,883	25,471

(Millions of yen)

	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(736)	(1,092)
Proceeds from sales of property, plant and equipment	0	1
Purchase of intangible assets	(1,317)	(740)
Proceeds from sales of investment securities	-	2
Increase (decrease) by other investing activities	(125)	862
Net cash provided by (used in) investing activities	(2,179)	(966)
Net cash provided by (used in) financing activities		
Proceeds from short-term borrowings	85,598	101,884
Repayments of short-term borrowings	(94,250)	(99,565)
Proceeds from issuance of commercial papers	11,995	3,998
Redemption of commercial papers	(42,000)	(5,000)
Proceeds from issuance of bonds	5,138	16,934
Redemption of bonds	(22,338)	(30,500)
Proceeds from long-term borrowings	28,616	18,800
Repayments of long-term borrowings	(49,437)	(35,816)
Repayments of finance lease obligations	(224)	(181)
Purchase of treasury shares	(0)	-
Cash dividends paid	(3,132)	(4,699)
Cash dividends paid to non-controlling interests	(1,516)	(1,438)
Net cash provided by (used in) financing activities	(81,552)	(35,583)
Effect of exchange rate change on cash and cash equivalents	(122)	8
Net increase (decrease) in cash and cash equivalents	(971)	(11,071)
Cash and cash equivalents at beginning of period	82,545	82,233
Cash and cash equivalents at end of period	*1 81,574	*1 71,162

[Notes]

(Additional Information)

<Adoption of tax effect accounting relating to a transition from the consolidation taxation system to the group tax sharing system>

As for the transition to the group tax sharing system established in the “Act for Partial Amendment to the Income Tax Act, etc. (Act No. 8 of 2020)” as well as the items reviewed under the non-consolidated taxation system in conjunction with the transition to the group tax sharing system, the Company and its domestic consolidated subsidiaries have not applied the provision of Paragraph 44 of the “Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28; February 16, 2018),” in accordance with the treatment under Paragraph 3 of the “Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System (PITF No. 39; March 31, 2020).” The amounts of deferred tax assets and deferred tax liabilities are calculated based on the provisions of the Income Tax Act before the revision.

<Accounting estimates regarding the impact of COVID-19 infection>

There were no significant changes in the assumptions regarding the status of COVID-19 infection or its impact on economy described in (Additional Information) of “2. Allowance for doubtful accounts” and “3. Provision for loss on guarantees” under (Significant accounting estimates) in the Annual Securities Report for the prior fiscal year.

<Adoption of accounting standard for revenue recognition, etc.>

The “Accounting Standard for Revenue Recognition (ASBJ Statement No. 29; March 31, 2020),” etc. have been adopted from the beginning of the first quarter of the current fiscal year. In accordance with the transitional treatment stipulated in Paragraph 28-15 of the “Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No. 12; March 31, 2020),” information on the classification of revenues from contracts with customers for the six months ended September 30, 2020 is not presented.

<Adoption of accounting standard for fair value measurement, etc.>

The “Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30; July 4, 2019),” etc. have been adopted from the beginning of the first quarter of the current fiscal year. The adoption has no impact on the quarterly consolidated financial statements.

(Notes to Quarterly Consolidated Balance Sheet)

*1. Contingent liabilities

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2021)	Current second quarter (As of September 30, 2021)
Outstanding guarantee obligation in the guarantee business	1,170,094	1,165,748
Provision for loss on guarantees	8,876	8,842
Net	1,161,217	1,156,905

*2. Status of non-performing loans in accounts receivable - operating loans

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2021)	Current second quarter (As of September 30, 2021)
Loans to bankrupt parties	552	537
Loans in arrears	22,498	23,349
Loans overdue by three months or more	7,564	5,639
Restructured loans	34,892	36,565
Total	65,508	66,091

- (Notes)
1. Loans to bankrupt parties refer to loans to bankrupt parties, parties in rehabilitation and reorganization, and others which are loans where interest is not accrued.
 2. Loans in arrears refer to other loans where interest is not accrued, excluding loans on which interest payment is deferred for the purpose of reconstructing or assisting debtors.
 3. Loans overdue by three months or more refer to loans other than the above that are overdue by three months or more.
 4. Restructured loans refer to 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.

(Notes to Quarterly Consolidated Statement of Income)

*1. Major items of other financial revenue

	(Millions of yen)	
	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Interest on deposits	0	2
Interest on securities	0	0

*2. Major items of financial expenses

	(Millions of yen)	
	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Interest expenses	1,488	1,262
Interest on bonds	1,185	916
Amortization of bond issuance cost	6	66

*3. Major expense items of other operating expenses

	(Millions of yen)	
	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Advertising expenses	4,541	7,540
Provision of allowance for doubtful accounts	29,339	28,730
Provision for loss on guarantees	3,416	5,175
Employees' salaries and bonuses	9,932	10,208
Retirement benefit expenses	1,082	489
Rent expenses	2,991	2,988
Depreciation and amortization	1,545	1,559
Commission fee	11,828	10,863
Amortization of goodwill	406	259

*4. The following losses on impairment of non-current assets are recorded.

For the six months ended September 30, 2020 (from April 1, 2020, to September 30, 2020)

Not applicable

For the six months ended September 30, 2021 (from April 1, 2021, to September 30, 2021)

(1) Assets recognized as having suffered impairment

Location	Usage	Type
Chuo-ku, Tokyo	Idle asset	Software

(2) Method of grouping assets

The smallest units the Group has adopted for the grouping of assets are as below:

(a) For the domestic loan and credit card business and guarantee business: each business

(b) For other financial businesses: each company

(c) For the overseas financial business: each company

For leasehold estate, property to be sold, and idle assets, the smallest units are the individual assets themselves.

Our headquarters and welfare/leisure facilities for our employees are treated as common assets because they do not generate their own cash flows.

(3) Process through which impairment loss was recognized

As more than one year has passed since the system development was suspended and the time for redevelopment has not been determined, it was designated as an idle asset. As the Company judged that the value was significantly impaired, the amount of reduction was recognized as an impairment loss.

(4) Amount of impairment loss

	(Millions of yen)
Software	81

(5) Calculation method of recoverable amount

The recoverable amount of the idle asset is measured by the net selling price and the value in use. As both are zero, it is evaluated by the memorandum value.

5. 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)

*1 Relationship between the quarter-end balance of cash and cash equivalents and the amount of quarterly consolidated balance sheet items

	(Millions of yen)	
	For the six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Cash and deposits	81,574	71,162
Cash and cash equivalents	81,574	71,162

(Notes to Shareholders' Equity)

For the six months ended September 30, 2020 (from April 1, 2020, to September 30, 2020)

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, 2020	Common stock	3,133	2.00	March 31, 2020	June 24, 2020	Retained earnings

2. Dividends whose record date fell in the six months ended September 30, 2020, but whose effective date was after September 30, 2020

Resolution	Class of shares	Total amount (Millions of yen)	Dividend per share (yen)	Record date	Effective date	Sources of dividend
Board of Directors Meeting held on November 5, 2020	Common stock	4,699	3.00	September 30, 2020	December 7, 2020	Retained earnings

For the six months ended September 30, 2021 (from April 1, 2021, to September 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 six months ended September 30, 2021, but whose effective date is after September 30, 2021

Resolution	Class of shares	Total amount (Millions of yen)	Dividend per share (yen)	Record date	Effective date	Sources of dividend
Board of Directors Meeting held on November 9, 2021	Common stock	4,699	3.00	September 30, 2021	December 6, 2021	Retained earnings

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 six months ended September 30, 2021. Capital surplus amounted to 69,891 million yen and retained earnings amounted to 381,332 million yen as of September 30, 2021.

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

I. For the six months ended September 30, 2020 (from April 1, 2020, to September 30, 2020)

1. Operating revenue and profit or loss by reported segments

(Millions of yen)

	Reported segments					Others (Note)	Total
	Loan and credit card business	Guarantee business	Overseas financial business	Loan servicing business	Subtotal		
Operating revenue							
Operating revenue from external customers	72,950	32,737	26,971	2,286	134,945	0	134,945
Revenues from transactions with other operating segments	3	—	—	—	3	34	37
Total	72,954	32,737	26,971	2,286	134,949	34	134,983
Segment profit	29,552	13,600	10,900	45	54,098	34	54,133

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

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	54,098
Profit of “Others” category	34
Elimination of intersegment transactions	2
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	363
Operating profit in quarterly consolidated statement of income	54,499

4. Information about impairment loss on non-current assets or goodwill, etc. of each reported segment

Not applicable

II. For the six months ended September 30, 2021 (from April 1, 2021, to September 30, 2021)

1. Operating revenue and profit or loss by reported segments

(Millions of yen)

	Reported segments					Others (Note 1)	Total
	Loan and credit card business	Guarantee business	Overseas financial business	Loan servicing business	Subtotal		
Operating revenue							
Operating revenue from external customers	71,428	31,137	25,948	2,895	131,410	13	131,423
Revenues from financial instruments transactions	69,821	29,883	25,706	2,891	128,302	13	128,315
Fees and commissions (Note 2)	1,607	1,253	242	3	3,107	—	3,107
Revenues from transactions with other operating segments	—	—	(23)	—	(23)	33	10
Total	71,428	31,137	25,925	2,895	131,386	47	131,433
Segment profit	25,134	11,553	10,915	1,042	48,645	47	48,692

(Note 1) The “Others” category represents operating revenue and profit which are not included in the reported segments.

(Note 2) 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	48,645
Profit of “Others” category	47
Elimination of intersegment transactions	2
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	(324)
Operating profit in quarterly consolidated statement of income	48,370

4. Information about impairment loss on non-current assets or goodwill, etc. of each reported segment
(Significant impairment loss on non-current assets)

The Company recognized an impairment loss on an idle asset that is not allocated to any reported segments.
The amount of such impairment loss was 81 million yen for the six months ended September 30, 2021.

(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 six months ended September 30, 2020 (From April 1, 2020 to September 30, 2020)	For the six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)
Basic earnings per share	27.77 yen	24.99 yen
(Basis for calculation)		
Profit attributable to owners of parent	43,505	39,147
Profit not attributable to common shareholders	—	—
Profit attributable to owners of parent in relation to common stock	43,505	39,147
Weighted average number of common stock during the quarter	1,566,614,131 shares	1,566,614,098 shares

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

(Significant Subsequent Event)

The Company established ACOM (M) SDN. BHD., a wholly-owned subsidiary of the Company, in Malaysia on July 23, 2021, and resolved at the Executive Officers' Meeting held on October 27, 2021, to increase the capital of this company.

In the six months ended September 30, 2021, this company's total assets, operating revenue, profit or loss, retained earnings, etc. all did not have a significant impact on the quarterly consolidated financial statements of the Company. This company is therefore not included in the scope of consolidation.

1. Purpose of the capital increase

In light of the possibility of business development in Malaysia, the increased capital will be used for the minimum capital required for business license application.

2. Overview of the subsidiary

(1) Name	ACOM (M) SDN. BHD.
(2) Description of the business	Providing money lending services and other related business
(3) Amount of capital increased	RM1,999,999 (Capital after the increase: RM2,000,000)
(4) Investment ratio after the capital increase	100% by the Company
(5) Date of capital increase	November 2021

2. Others

The Board of Directors Meeting, held on November 9, 2021, made resolutions on interim dividend as follows:

- 1) Total amount of interim dividend: 4,699 million yen
- 2) Interim dividend per share: 3.00 yen
- 3) Effective date for demanding payment and commencement date of payment: December 6, 2021

(Note) Dividend will be paid to the final registered shareholders as of September 30, 2021.

Part II Information on Guarantors for the Filing Company

Not applicable