
Earnings Release Presentation

The Third Quarter Financial Results for the Fiscal Year Ending March 2019



ACOM CO., LTD.

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

January 31, 2019



Financial Results Summary

(Millions of yen, %)

	Consolidated					Non-consolidated				
	2018/12		2019/3			2018/12		2019/3		
	Results	yoy	Forecast (*)	yoy	Progress	Results	yoy	Forecast (*)	yoy	Progress
Receivables Outstanding	2,314,890	3.0	2,355,600	3.0	-	1,926,656	1.9	1,969,400	3.0	-
Loan & Credit Card Business	874,598	3.6	886,700	3.6		874,598	3.6	886,700	3.6	
Guarantee Business	1,202,897	1.5	1,236,100	3.0		1,052,058	0.6	1,082,700	2.5	
Overseas Financial Business	227,594	9.7	222,600	0.7		-	-	-	-	
<P/L>										
Operating Revenue	206,933	5.6	269,900	2.4	76.7	152,720	4.6	200,300	2.6	76.2
Loan & Credit Card Business	108,982	3.7	142,800	2.1	76.3	108,982	3.7	142,800	2.1	76.3
Guarantee Business	51,602	7.3	67,800	4.0	76.1	43,670	6.9	57,400	3.6	76.1
Overseas Financial Business	42,024	11.1	53,700	3.5	78.3	-	-	-	-	-
Operating Expenses	133,318	-1.5	192,700	5.6	69.2	97,339	-2.0	142,100	6.4	68.5
Financial Expenses	8,627	-7.2	11,700	-6.1	73.7	4,353	-9.4	5,900	-8.4	73.8
Provision for Bad Debts	56,868	-2.1	81,900	5.6	69.4	43,035	-3.6	63,400	7.0	67.9
Provision for Loss on Interest Repayment	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	67,822	-0.1	99,100	7.2	68.4	49,950	0.3	72,800	7.3	68.6
Operating Profit	73,615	21.4	77,200	-4.6	95.4	55,380	18.5	58,200	-5.8	95.2
Ordinary Profit	74,020	20.8	77,700	-4.9	95.3	59,077	17.2	62,000	-5.3	95.3
Profit Before Income Taxes	71,128	16.2	77,600	-4.4	91.7	56,152	11.6	61,900	-4.7	90.7
Profit	61,392	8.5	67,300	-9.3	91.2	51,433	4.1	56,900	-9.9	90.4
Profit Attributable to Owners of Parent	57,826	7.0	63,600	-9.9	90.9	-	-	-	-	-

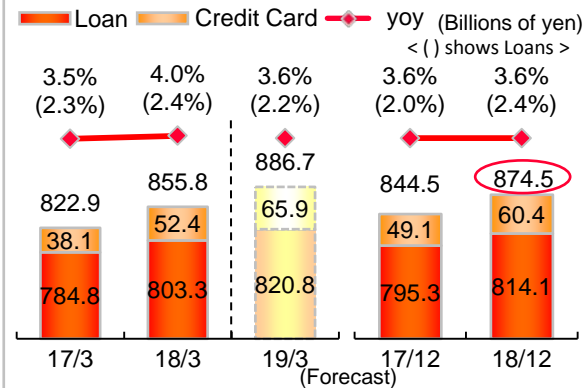
* No revisions have been made because risks associated with additional provision for loss on interest repayment are not completely eliminated.



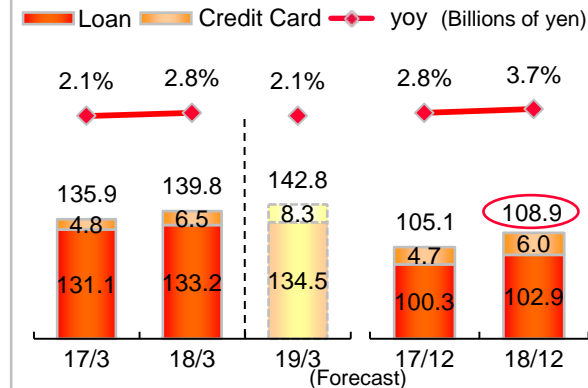
Loan and Credit Card Business (ACOM)

- **Receivables Outstanding** : Increased by 3.6% yoy (+2.2% ytd) to 874.5 billion yen.
- **Operating Revenue** : Increased by 3.7% yoy to 108.9 billion yen owing to increases in interest on operating loans and credit card revenue.
- **Operating Profit** : Increased by 7.8% yoy to 39.4 billion yen.

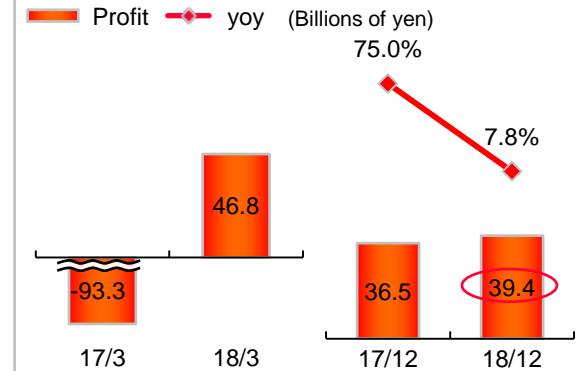
Receivables Outstanding



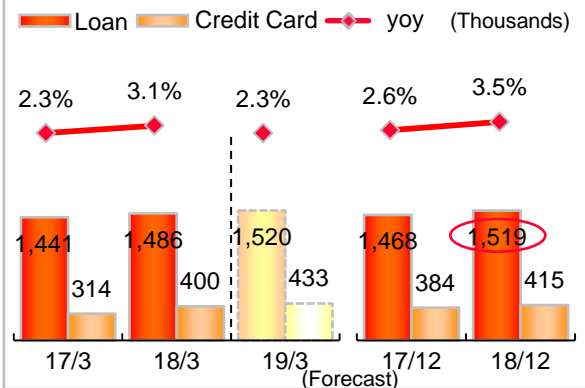
Operating Revenue



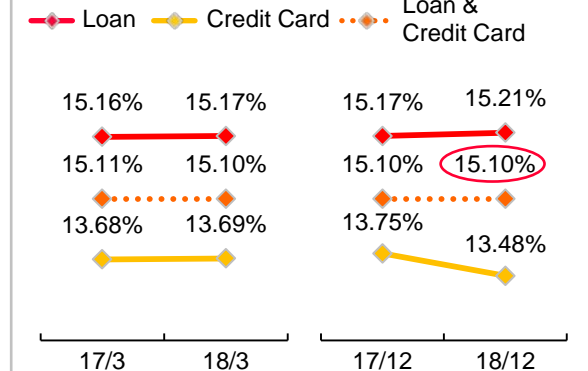
Operating Profit



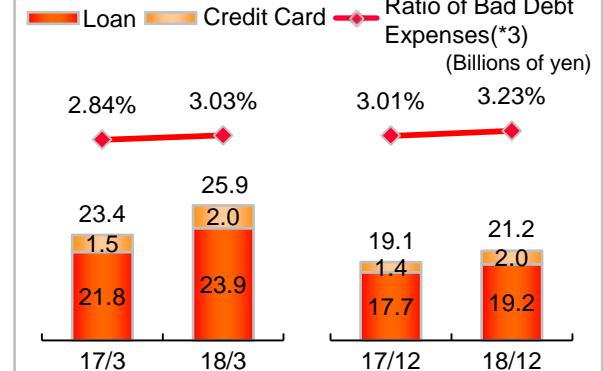
No. of Customer Accounts



Average Yield (*1)



Amount and Ratio of Bad Debt Expenses (*2)



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

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

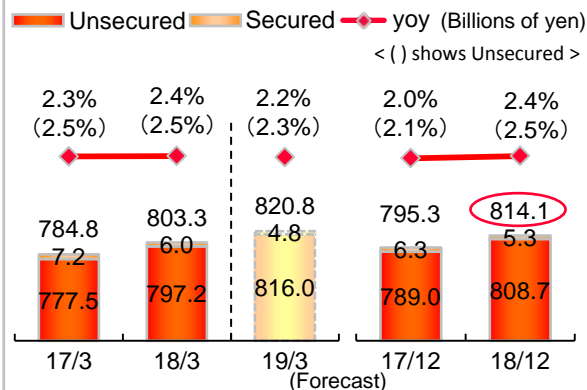
*3. The ratios of bad debt expenses for 17/12 and 18/12 are recalculated into annual basis.



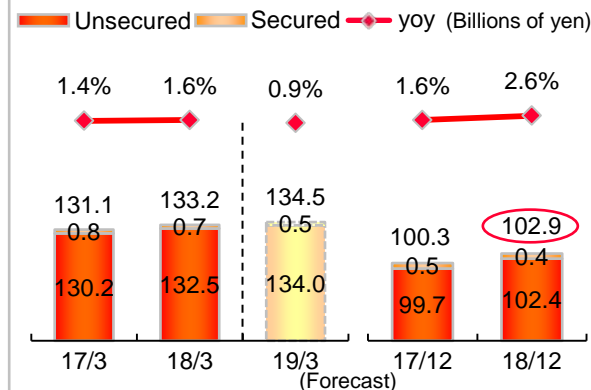
Loan Business (ACOM)

- **Receivables Outstanding** : Increased by 2.4% yoy (+1.3% ytd) to 814.1 billion yen.
- **Operating Revenue** : Increased by 2.6% yoy to 102.9 billion yen owing to scale expansion.
- **No. of New Customers** : Increased by 4.1% yoy to 188 thousands, making a smooth progress owing to the increase in the number of applications.

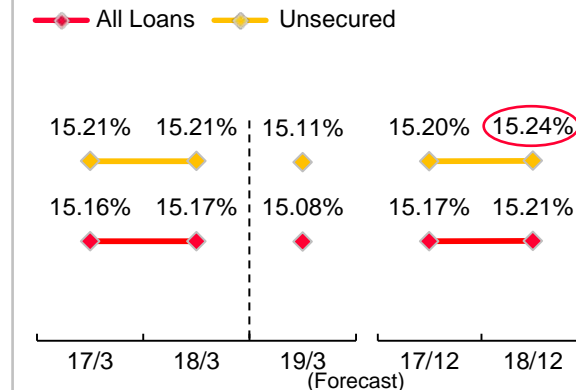
Receivables Outstanding



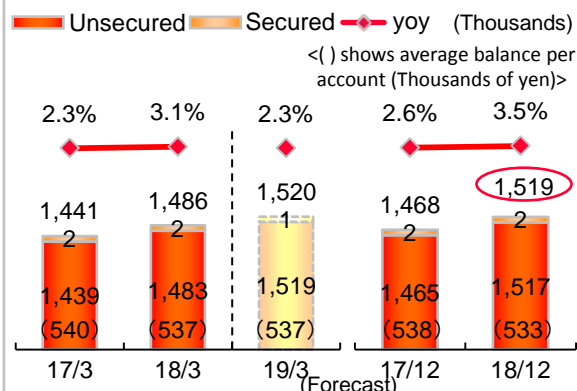
Operating Revenue



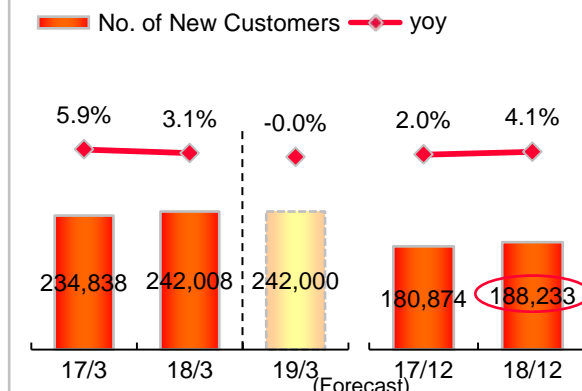
Average Loan Yield



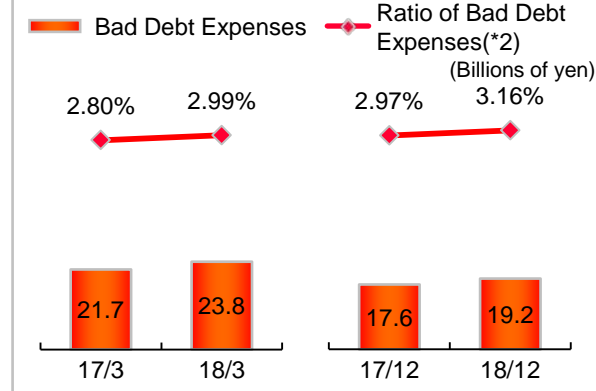
No. of Customer Accounts



No. of New Customers (Unsecured)



Amount and Ratio of Bad Debt Expenses (*1)



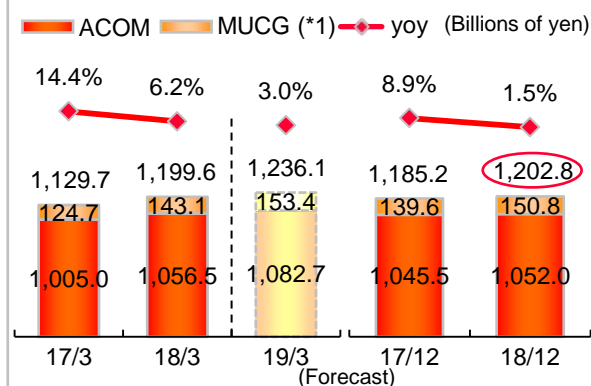
*1. Amount and ratio of bad debt expenses exclude waiver of repayments accompanying requests for interest repayment.

*2. The ratios of bad debt expenses for 17/12 and 18/12 are recalculated into annual basis.

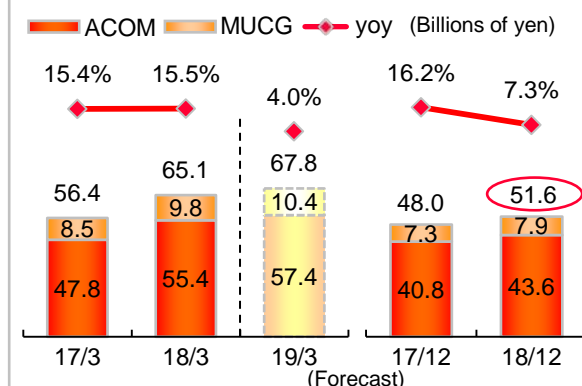
Guarantee Business (ACOM and MU Credit Guarantee)

- **Guaranteed Receivables** : Increased by 1.5% yoy (+0.3% ytd) to 1,202.8 billion yen.
- **Operating Revenue** : Increased by 7.3% yoy to 51.6 billion yen owing to revision of guarantee fee rates.
- **Operating Profit** : Increased by 49.5% yoy to 18.6 billion yen owing to decrease in provision for bad debts.

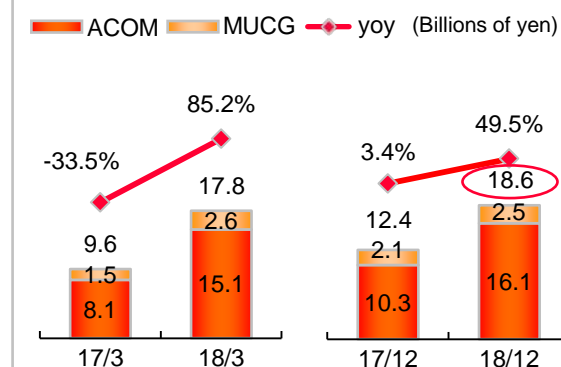
Guaranteed Receivables



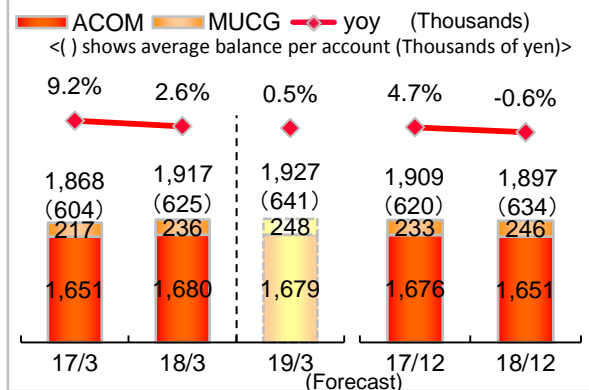
Operating Revenue



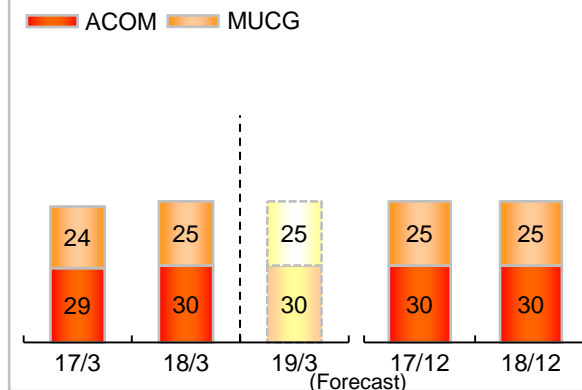
Operating Profit



No. of Customer Accounts



No. of Alliance Partners(*2)



Prefectures with Alliance Partners

Covering 41 prefectures out of 47 prefectures in Japan



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

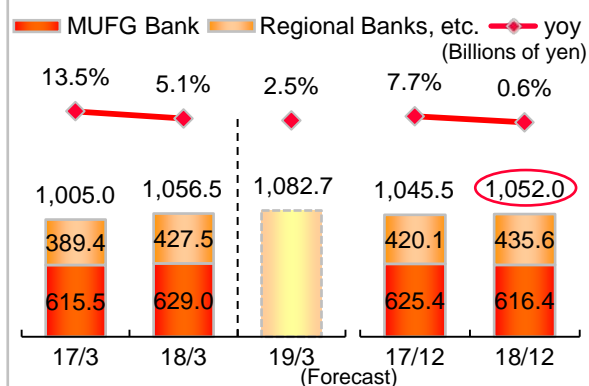
*2. ACOM and MUCG share three alliance partners.



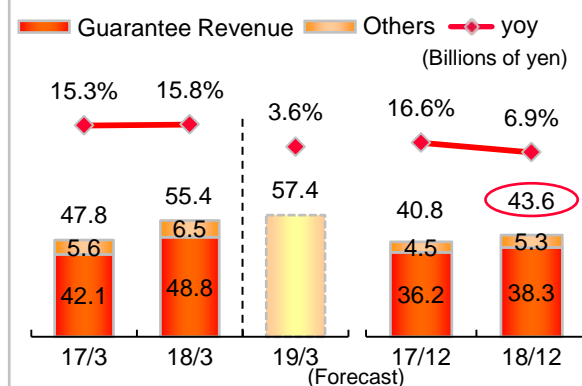
Guarantee Business (ACOM)

- **Guaranteed Receivables** : Increased by 0.6% yoy (-0.4% ytd) to 1,052.0 billion yen.
- **Operating Revenue** : Increased by 6.9% yoy to 43.6 billion yen.
- **Operating Profit** : Increased by 55.7% yoy to 16.1 billion yen.

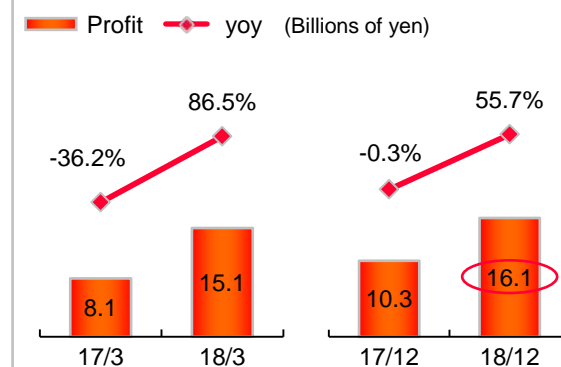
Guaranteed Receivables



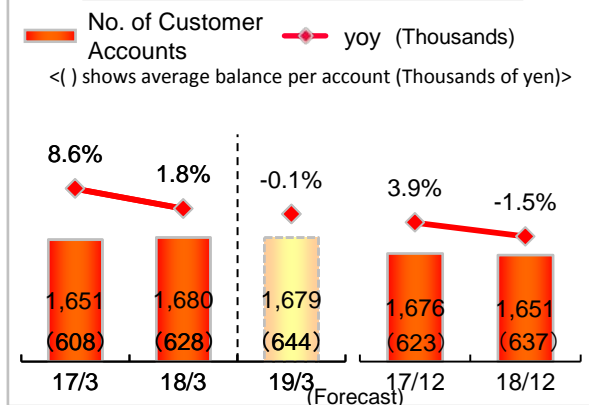
Operating Revenue



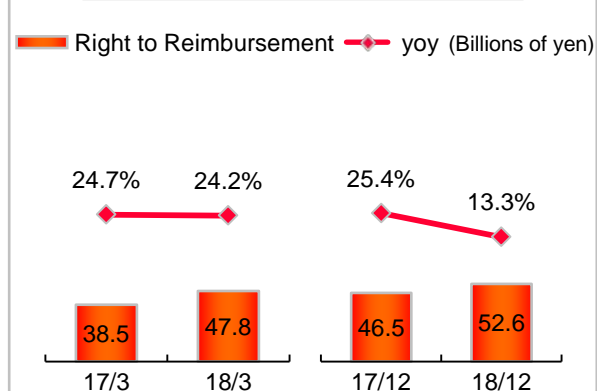
Operating Profit



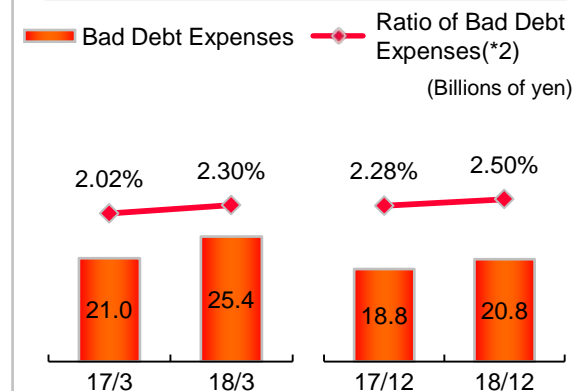
No. of Customer Accounts



Right to Reimbursement (*1)



Amount and Ratio of Bad Debt Expenses

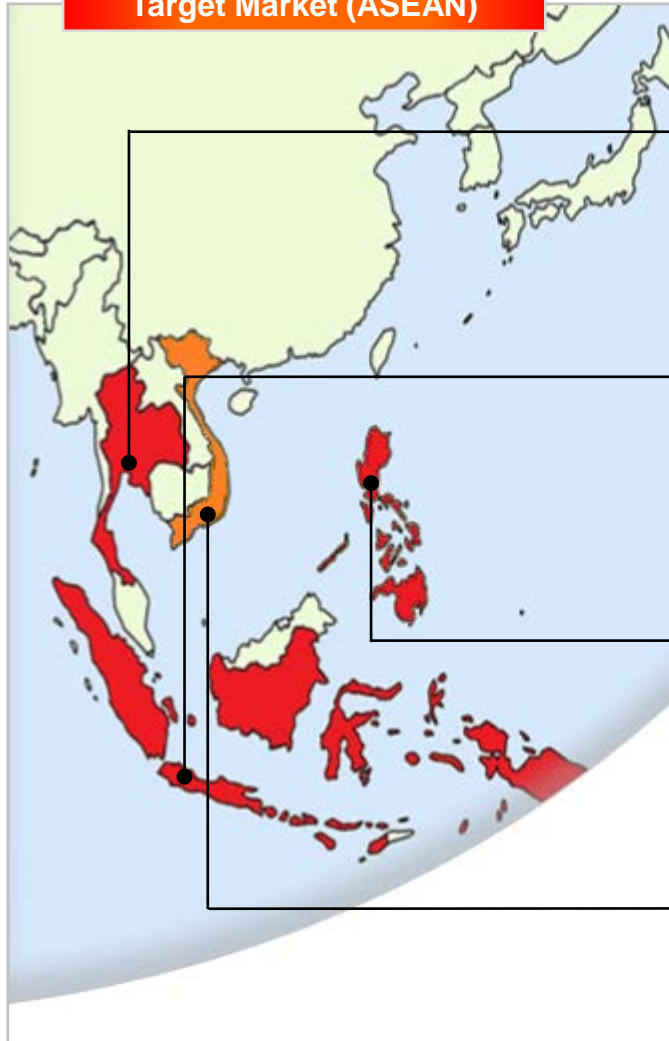


*1 Right to reimbursement is loans in which guarantee obligations have been performed by ACOM, but not yet written-off.

*2 The ratios of bad debt expenses for 17/12 and 18/12 are recalculated into annual basis.

Target Market in Overseas Financial Business

Target Market (ASEAN)



[Kingdom of Thailand]

[EASY BUY Public Company Limited]
Equity stake : 71.00%
Incorporated : September 1996
Business Outline : Unsecured Loan, Installment Loan

- Carried out business proactively while putting primary emphasis on improving soundness of loan portfolio.
- Revenue and profit both increased owing to scale expansion.

[Republic of Indonesia]

[PT. Bank Nusantara Parahyangan, Tbk.]
Equity stake : 67.59%
Incorporated : January 1972
(became subsidiary in 2007)
Business Outline : Banking

- Maintained and improved soundness of loan portfolio, combined with enhanced internal control structure.
- Merger is scheduled in May 2019 where PT Bank Danamon Indonesia will be the surviving company.

[Republic of the Philippines]

[ACOM CONSUMER FINANCE CORPORATION]
Equity stake : 80.00%
Incorporated : July 2017
Business Outline : Unsecured Loan

- Commenced the business at Metro Manila in July 2018.
- Opened the second and third outlet in November and December 2018, respectively.

Applying for license

[Socialist Republic of Vietnam]

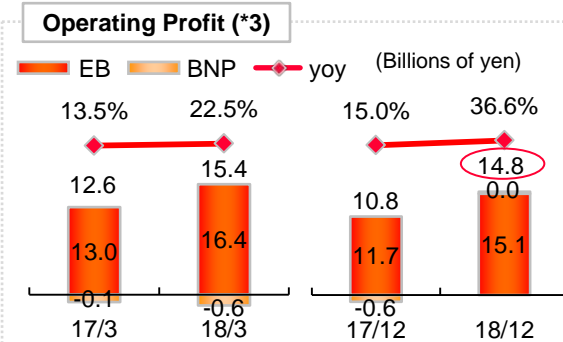
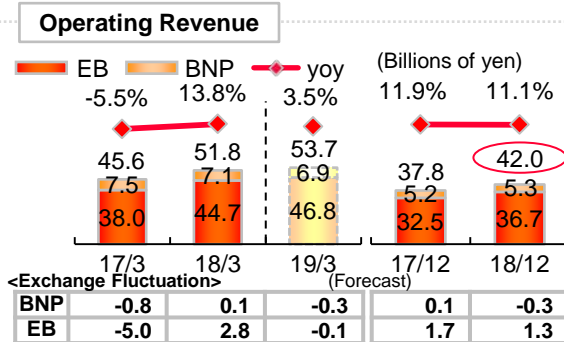
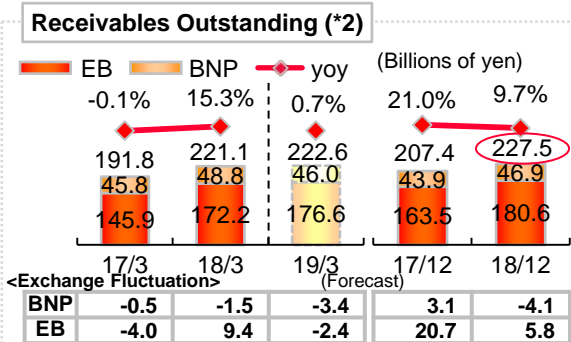
[ACOM VIETNAM FINANCE COMPANY LIMITED]
Location : Ho Chi Minh
Capital : 600.0 billion dong
(About 2.8 billion yen)
Equity stake : 100%

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

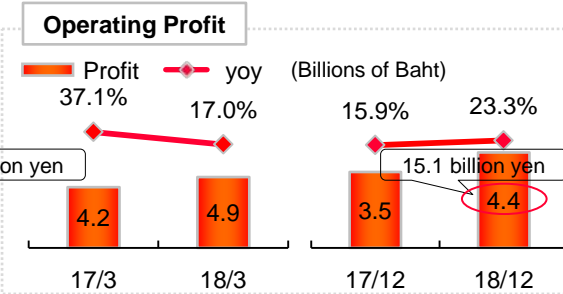
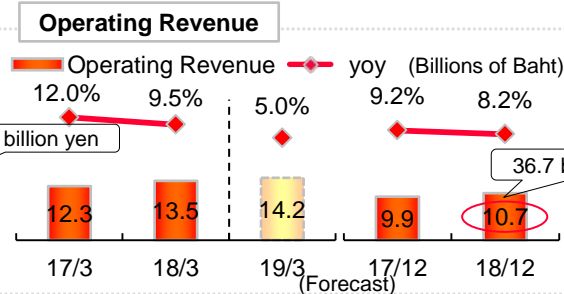
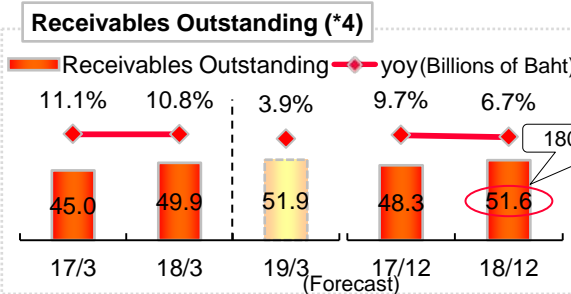


Overseas Financial Business (EASY BUY (EB) and Bank BNP (BNP))

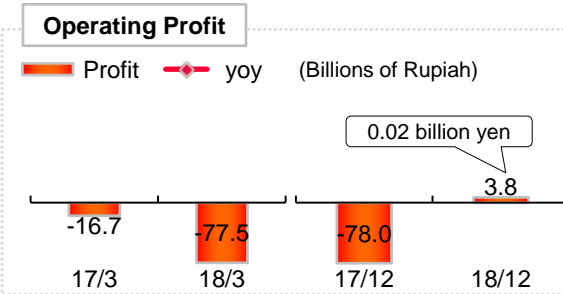
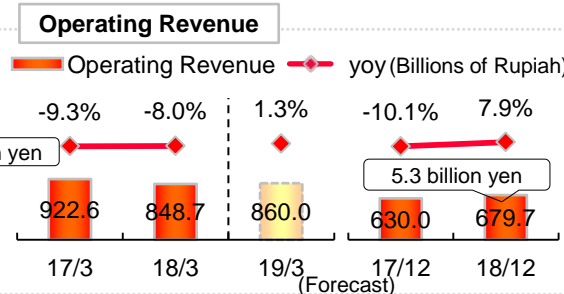
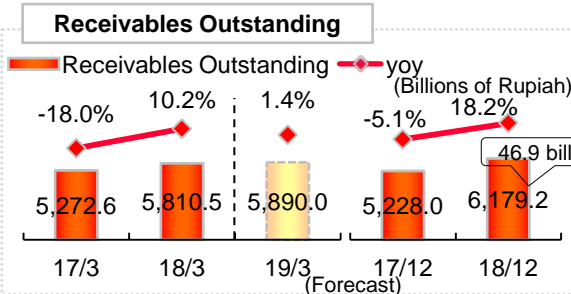
Overseas Financial Business (Yen Basis)(*1)



EASY BUY (Local Currencies Basis)



Bank BNP (Local Currencies Basis)



*1. Exchange rates : Baht B/S: ¥3.38 (17/9), ¥3.50 (18/9), forecast ¥3.40 (18/12) P/L: ¥3.27 (17/9), ¥3.41 (18/9), forecast ¥3.30 (18/12)
 (on local closing dates) Rupiah B/S: ¥0.0084 (17/9), ¥0.0076 (18/9), forecast ¥0.0078 (18/12) P/L: ¥0.0084 (17/9), ¥0.0078 (18/9), forecast ¥0.0080 (18/12)
 Exchange fluctuation as of current 3Q: Baht (B/S yoy +¥0.12, ytd +¥ 0.05 P/L yoy +¥0.14), Rupiah (B/S yoy -¥0.0008, ytd -¥0.0008 P/L yoy -¥0.0006)
 *2. Receivables outstanding = accounts receivable - operating loans - installment + loans receivables of banking business
 *3. Operating profit shows segment income. *4. Receivables outstanding = accounts receivable - operating loans + accounts receivable - installment



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

- No. of requests : Decreased by 25.4% yoy to 20.6 thousands which was in line with the initial forecast.
- Cause : Decline in advertisement activities by some of certain law offices.
- Estimation : The number of requests for FY March 2019 is expected to decrease by 20% to 25% yoy.

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

(%)

	2014/3		2015/3		2016/3		2017/3		2018/3			2019/3		
	No. of Requests	yoy	No. of Requests	yoy	No. of Requests	yoy	No. of Requests	yoy	No. of Requests	yoy	Per business day	No. of Requests	yoy	Per business day
Total	69,900	-4.9	79,600	13.9	72,200	-9.3	60,700	-15.9	34,300	-43.5	140	20,600	-25.4	110
Apr.	6,700	4.7	6,500	-3.0	6,500	0.0	5,500	-15.4	3,600	-34.5	180	2,400	-33.3	120
May	6,200	-11.4	6,200	0.0	5,500	-11.3	5,600	1.8	3,400	-39.3	170	2,600	-23.5	123
June	5,600	-15.2	6,600	17.9	6,400	-3.0	5,800	-9.4	3,400	-41.4	154	2,500	-26.5	119
July	6,100	-7.6	7,100	16.4	6,100	-14.1	4,900	-19.7	2,800	-42.9	140	2,400	-14.3	114
Aug.	4,600	-16.4	5,900	28.3	5,300	-10.2	4,700	-11.3	2,500	-46.8	113	2,300	-8.0	100
Sept.	5,900	1.7	7,800	32.2	6,600	-15.4	4,800	-27.3	2,800	-41.7	140	2,000	-28.6	111
Oct.	6,400	-3.0	7,500	17.2	6,700	-10.7	4,600	-31.3	2,700	-41.3	128	2,400	-11.1	109
Nov.	5,600	-5.1	6,000	7.1	6,000	0.0	4,900	-18.3	4,100	-16.3	205	2,200	-46.3	104
Dec.	5,500	10.0	6,300	14.5	5,800	-7.9	5,200	-10.3	2,300	-55.8	109	1,800	-21.7	94
Jan.	5,000	0.0	4,900	-2.0	4,700	-4.1	4,500	-4.3	2,000	-55.6	105			
Feb.	5,900	-6.3	6,900	16.9	6,200	-10.1	5,200	-16.1	2,200	-57.7	115			
Mar.	6,400	-5.9	7,900	23.4	6,400	-19.0	5,000	-21.9	2,500	-50.0	119			

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

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

Trend of Loss on Interest Repayment (ACOM)

- **Provision drawdown** : 31.3 billion yen was drawn down (27.7 billion yen for interest repayment and 3.5 billion yen for bad debt expenses).
- **Provision** : 72.7 billion yen remains as 31.3 billion yen was drawn down from 104.0 billion yen of provision.
- **Estimation** : Provision drawdown for FY March 2019 is expected to decrease by about 25% yoy.

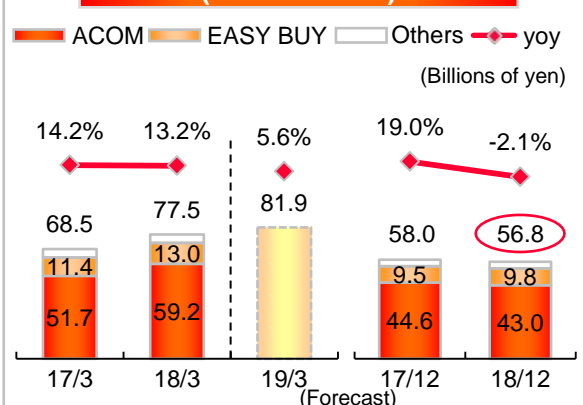
● Provision for Loss on Interest Repayment											(Millions of yen, %)							
	2018/3										2019/3							
	1Q	yoy	2Q	yoy	3Q	yoy	4Q	yoy	Total	yoy	1Q	yoy	2Q	yoy	3Q	yoy	Total	yoy
Provision Drawdown	16,391	-7.9	16,327	-6.5	14,420	-15.3	13,691	-17.3	60,831	-11.6	9,844	-39.9	11,030	-32.4	10,448	-27.5	31,324	-33.5
Interest Repayment	14,227	-6.5	14,238	-3.3	12,783	-12.7	12,220	-14.3	53,470	-9.1	8,738	-38.6	9,803	-31.1	9,198	-28.0	27,740	-32.7
<Reference> Cash-out basis	14,355	-10.4	13,944	-2.1	13,020	-11.9	11,693	-15.7	53,014	-10.0	9,808	-31.7	9,378	-32.7	9,778	-24.9	28,965	-29.9
Bad Debt Expenses (ACOM's voluntary waiver of repayments)	2,163	-16.2	2,088	-23.6	1,637	-30.8	1,471	-35.9	7,360	-26.2	1,105	-48.9	1,227	-41.2	1,250	-23.6	3,583	-39.2
Addition of Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase or Decrease in Provision	-16,391	-	-16,327	-	-14,420	-	-13,691	-	-60,831	-	-9,844	-	-11,030	-	-10,448	-	-31,324	-
Ending Balance of Provision	148,508	-	132,181	-	117,760	-	104,068				94,224	-	83,193	-	72,744			



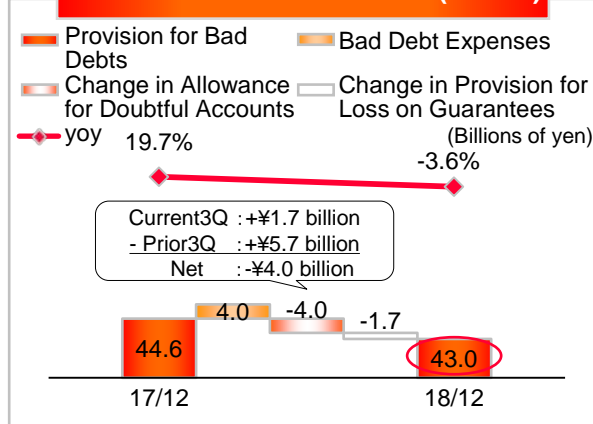
Provision for Bad Debts

- **Provision for Bad Debts (Consolidated)**: Decreased by 2.1% yoy to 56.8 billion yen primarily due to decrease in change in allowance for doubtful accounts.
- **Bad debt expenses (ACOM)**: Increased primarily due to scale expansions.
- **Non-performing Loans (ACOM)**: With regard to loan business, the ratio of NPLs remained stable at value of 7.17%.

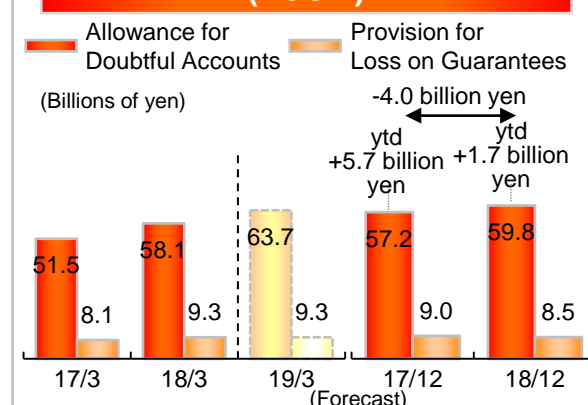
Provision for Bad Debts (Consolidated)



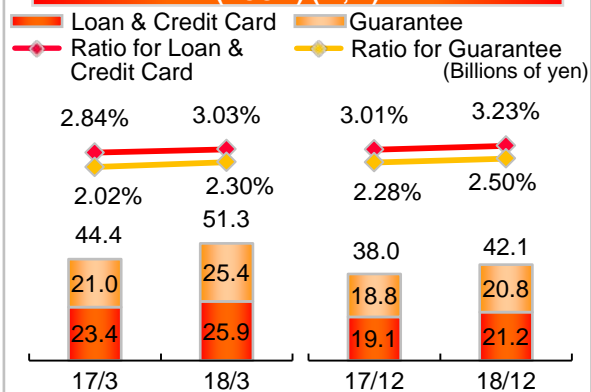
Provision for Bad Debts (ACOM)



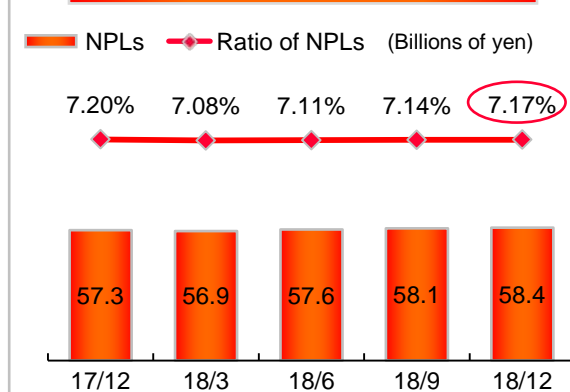
Reserves for Loan and Guarantee (ACOM)



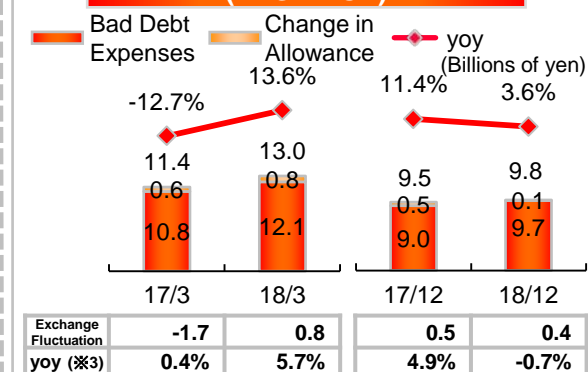
Amount and Ratio of Bad Debt Expenses (ACOM) (*1,*2)



NPLs (ACOM)



<Reference> Provision for Bad Debts (EASY BUY)



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

*2. The ratios of bad debt expenses for 17/12 and 18/12 are recalculated into annual basis.

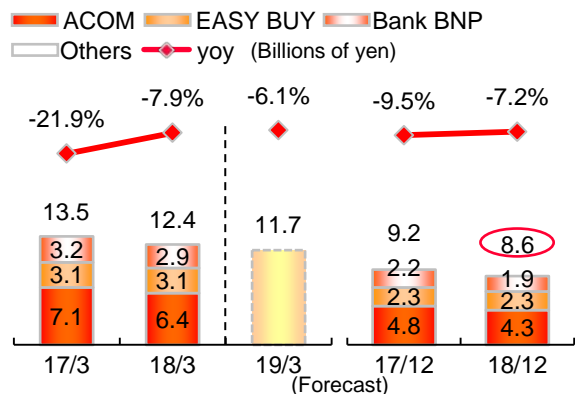
*3. "yoy" shows local currencies basis.



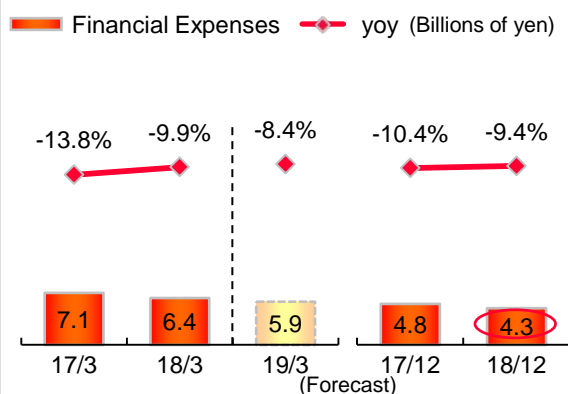
Financial Expenses

- **Financial Expenses (Consolidated)** : Decreased by 7.2% yoy to 8.6 billion yen owing to improvements in funding environment of ACOM.
- **Borrowings (ACOM)** : Increased by 12.1 billion yen yoy to 621.9 billion yen.
- **Average Interest Rate (ACOM)** : Decreased by 14 basis points to 0.92% owing to further replacements of borrowings and improving funding environment.

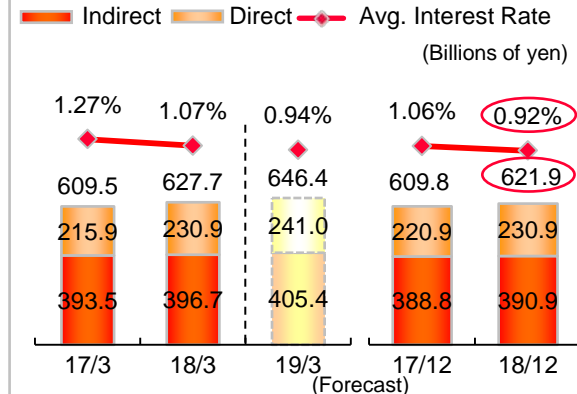
Financial Expenses (Consolidated)



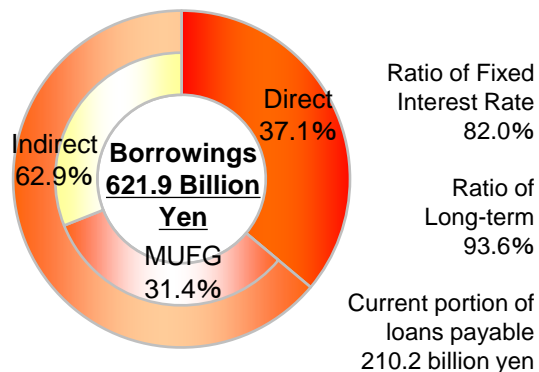
Financial Expenses (ACOM)



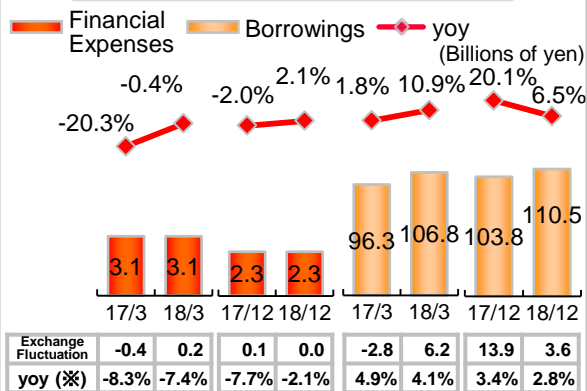
Borrowings (ACOM)



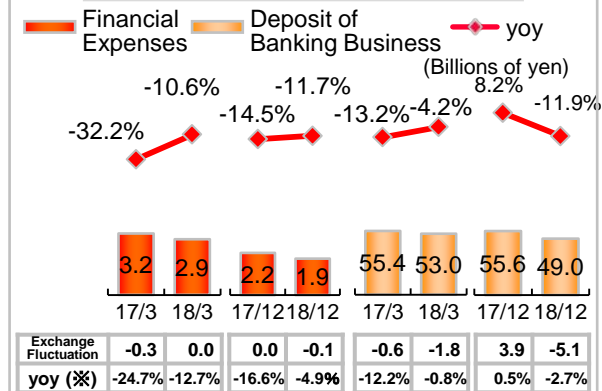
Composition Ratios by Funding Sources (ACOM)



<Reference> EASY BUY



<Reference> Bank BNP



* "yoy" shows local currencies basis.

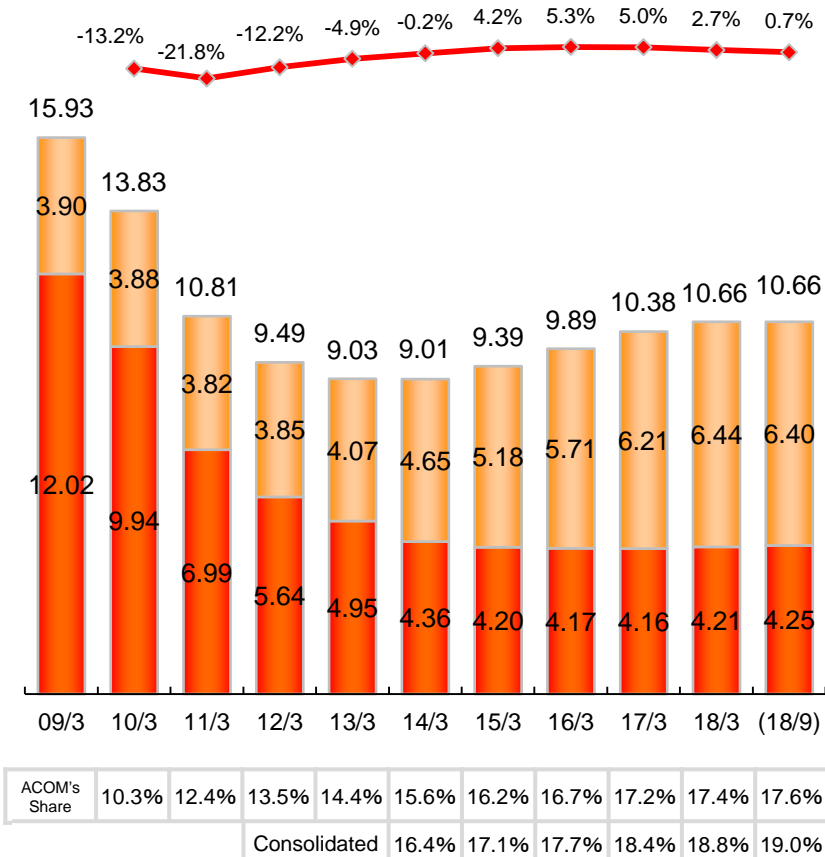
Reference Information



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

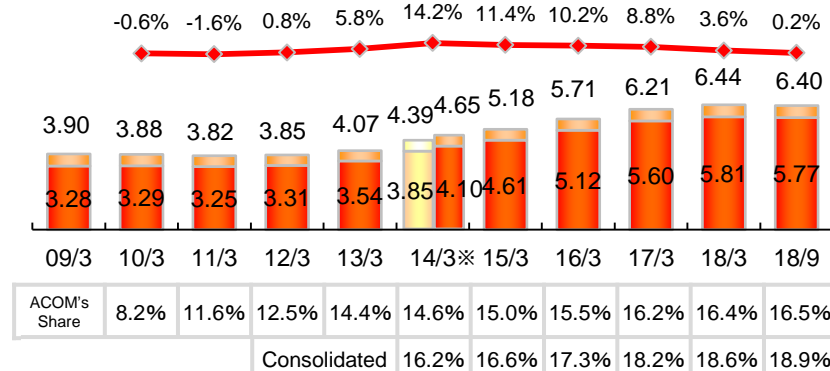
Domestic Personal Card Loan Market

Nonbank Category Bank Category yoy (Trillions of yen)



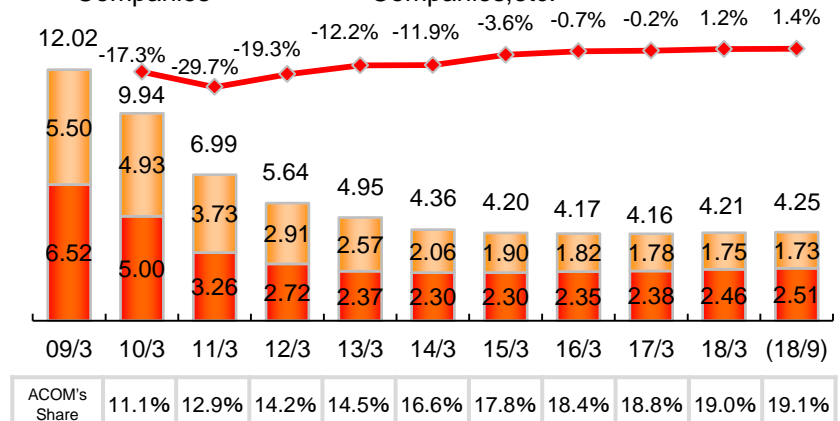
Bank Category(*1)

Domestic Banks Credit Unions yoy (Trillions of yen)



Nonbank Category(*2)

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



*1. Bank category refers to the volume of personal card loans provided by domestic banks and credit unions in statistics by The Bank of Japan.

(Correction on statistics by The Bank of Japan, announced on August 10, 2015, led to increase of 260 billion yen for receivables of bank category in FY March 2014.)

*2. Nonbank category is receivables outstanding (include loan on deeds) in statistics by Japan Financial Services Association (JFSA). JFSA's figure for 2018/9 is preliminary.



[Reference] Summary of the 3Q Segment Income for the FY March 2019

● Operating Revenue and Segment Income

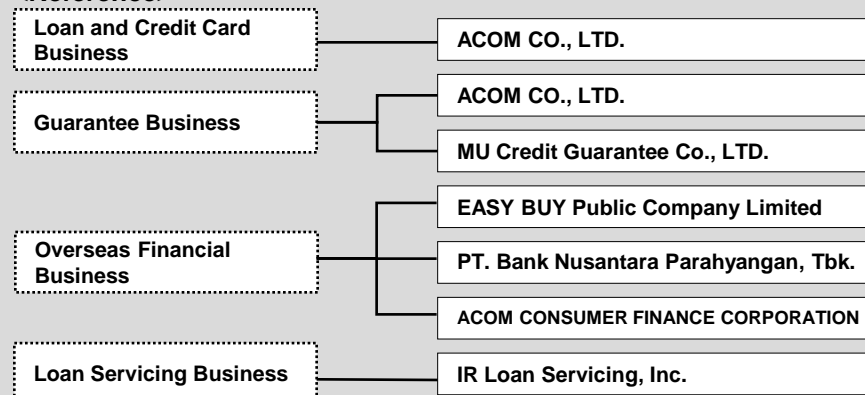
(Millions of yen, %)

	Loan and Credit Card Business		Guarantee Business		Overseas Financial Business		Loan Servicing Business		Subtotal		Others	Total
		yoy		yoy		yoy		yoy		yoy		
Operating Revenue	108,982	3.7	51,602	7.1	42,032	11.1	4,298	-12.4	206,916	5.5	67	206,984
Revenue from External Customers	108,982	3.7	51,602	7.3	42,024	11.1	4,298	-12.4	206,908	5.6	25	206,933
Revenue from Transactions with Other Operating Segments	-	-	-	-	7	12.3	-	-	7	-94.0	42	50
Operating Expenses	69,570	1.5	32,976	-7.7	27,185	0.8	3,882	-8.2	133,614	-1.4	-	133,614
Segment Income	39,412	7.8	18,625	49.5	14,847	36.6	416	-38.2	73,301	21.0	67	73,369

● Difference between Segment and Consolidated Operating Profit

Income	Amount	
		yoy
Segment Income	73,301	21.0
Income of "Others" Category	67	-0.2
Elimination of Intersegment Transactions	43	-
Adjustments due to Unification of Accounting Treatment between Parent Company and Subsidiary	202	115.9
Consolidated Operating Profit	73,615	21.4

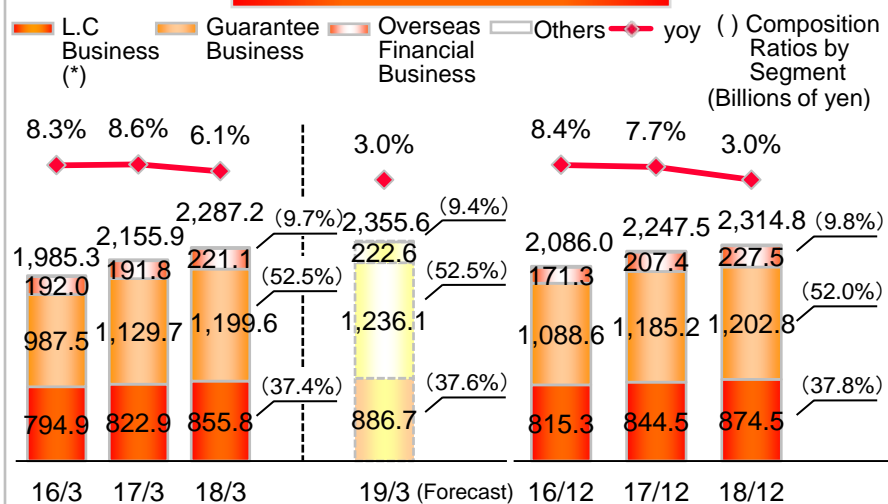
<Reference>



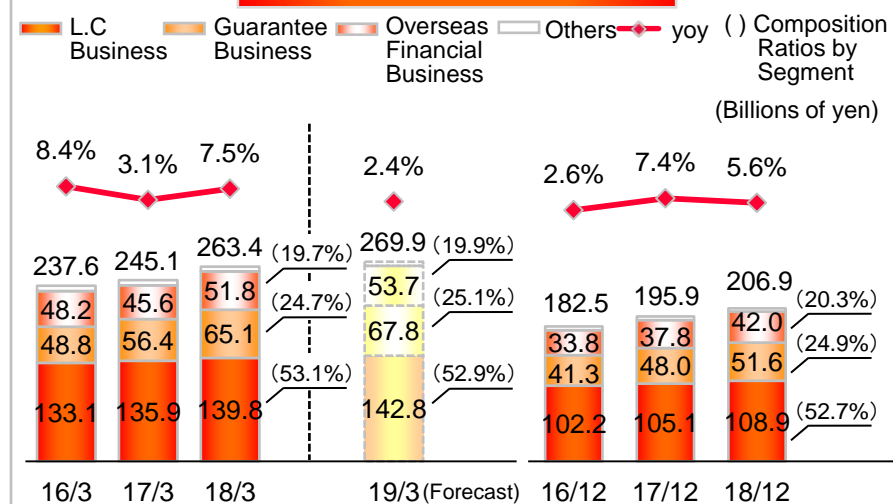


[Reference] Composition Ratios by Reported Segment

Receivables Outstanding



Operating Revenue

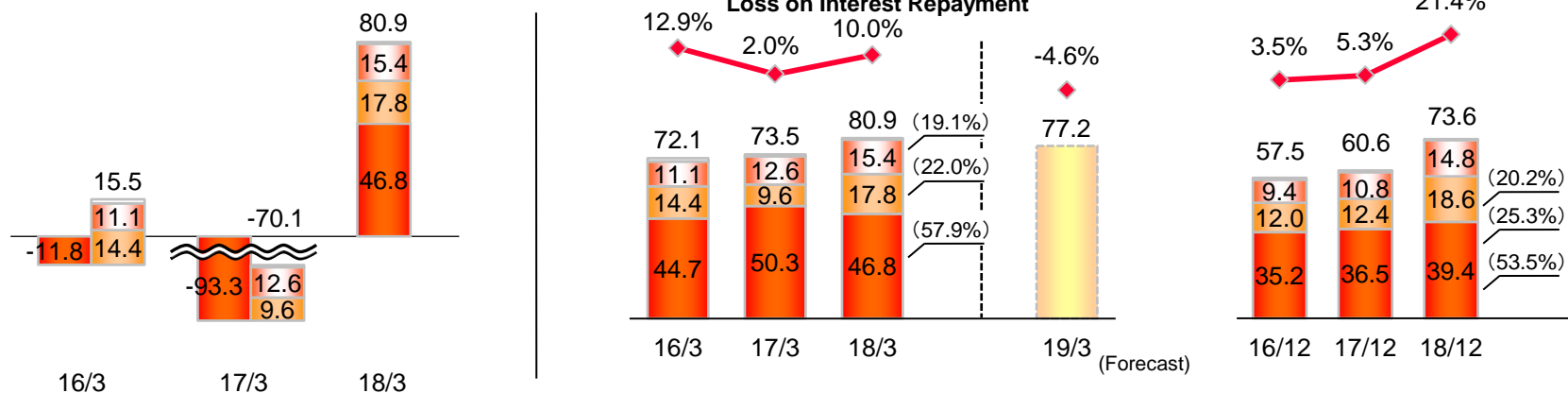


Operating Profit

Legend: L.C. Business (orange), Guarantee Business (light orange), Overseas Financial Business (light yellow), Others (white), yoy (red line with diamond), Composition Ratios by Segment (in parentheses)

(Billions of yen)

<Reference> Operating Profit excluding Provision for Loss on Interest Repayment



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



[Reference] Annual Forecast for the FY March 2019

(Millions of yen, %)

	Consolidated				Non-consolidated			
	2018/3		2019/3		2018/3		2019/3	
	Results	yoy	Forecasts	yoy	Results	yoy	Forecasts	yoy
Receivables Outstanding	2,287,206	6.1	2,355,600	3.0	1,912,343	4.6	1,969,400	3.0
Loan & Credit Card Business	855,811	4.0	886,700	3.6	855,811	4.0	886,700	3.6
Guarantee Business	1,199,644	6.2	1,236,100	3.0	1,056,532	5.1	1,082,700	2.5
Overseas Financial Business	221,107	15.3	222,600	0.7	-	-	-	-
<P/L>								
Operating Revenue	263,453	7.5	269,900	2.4	195,310	6.1	200,300	2.6
Loan & Credit Card Business	139,826	2.8	142,800	2.1	139,826	2.8	142,800	2.1
Guarantee Business	65,171	15.5	67,800	4.0	55,401	15.8	57,400	3.6
Overseas Financial Business	51,895	13.8	53,700	3.5	-	-	-	-
Operating Expenses	182,511	-42.1	192,700	5.6	133,542	-50.4	142,100	6.4
Financial Expenses	12,454	-7.9	11,700	-6.1	6,442	-9.9	5,900	-8.4
Provision for Bad Debts	77,570	13.2	81,900	5.6	59,253	14.4	63,400	7.0
Provision for Loss on Interest Repayment	-	-	-	-	-	-	-	-
Other Operating Expenses	92,486	3.3	99,100	7.2	67,846	1.7	72,800	7.3
Operating Profit	80,942	-	77,200	-4.6	61,767	-	58,200	-5.8
Ordinary Profit	81,694	-	77,700	-4.9	65,471	-	62,000	-5.3
Profit Before Income Taxes	81,168	-	77,600	-4.4	64,926	-	61,900	-4.7
Profit	74,233	-	67,300	-9.3	63,184	-	56,900	-9.9
Profit Attributable to Owners of Parent	70,572	-	63,600	-9.9	-	-	-	-



Basic Policy on Dividends and Dividend Status

Basic Policy on Profit Distribution

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

Status of the 2Q for the FY March 2019

- **Business Performance**
Revenue and profit as of September 30, 2018, made smooth progresses due to scale expansions in 3 core businesses.
- **Consolidated Shareholders' Equity**
The value computed using the sum of consolidated total assets and guaranteed receivables was 14.4%, below target 20%.
- **Business Environment**
Number of requests for interest repayment is declining. However, we will continue to closely monitor future trend.

Dividend Payments and Forecast

- Resumed dividend payment for the first time in 8 fiscal years in FY 2018/3. We expect to pay 2 yen in FY 2019/3.

	2017/3		2018/3		2019/3	
Dividend per Share	Interim	Year-end	Interim	Year-end	Interim	Year-end
	-	-	-	¥1	¥1	¥1 (forecast)
Annual Dividend per Share	-		¥1		¥2 (forecast)	

<Reference>

Shareholders' Equity Ratio (*)	Consolidated	15.9%	10.6%	11.8%	13.0%	14.4%	-
	ACOM	17.2%	10.9%	12.3%	13.5%	15.0%	15.6%(forecast)

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



[Reference] Mid-term Management Plan (2017/3 - 2019/3)

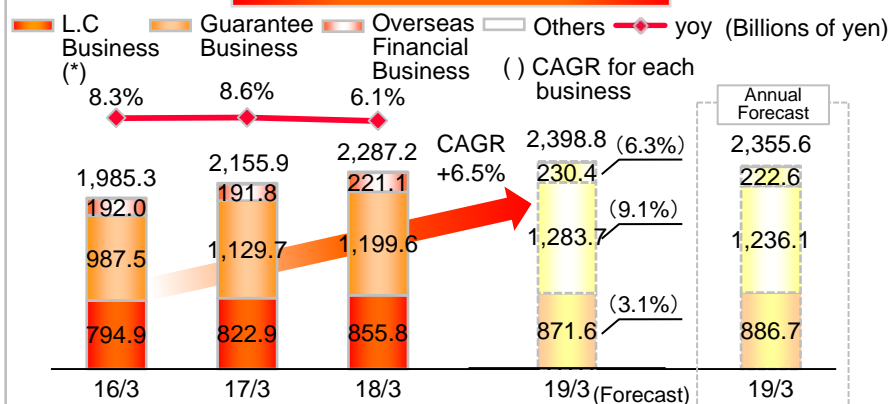
Foundation Spirit	Circle of Trust	
Origins of Company Name	<u>A</u> ffection <u>C</u> onfidence <u>M</u> oderation	
Corporate Philosophy	ACOM, based on the spirit of human dignity and in putting customers first, is contributing to the realization of an enjoyable and affluent personal life, and to improving lifestyle, through creative and innovative management.	
Management Vision	Be the “leading company” which provides prime satisfactions to utmost number of customers and win their trust in return	
Key Business Domains	Domestic	Loan and credit card business, and guarantee business
	Overseas	Loan business in ASEAN
Mid-term Management Policy	With expeditious reactions to environmental changes, ACOM will establish a solid management base which can support continuous growth, while creating services which exceed customers' expectations.	

<Measures to be taken by 3 core businesses>

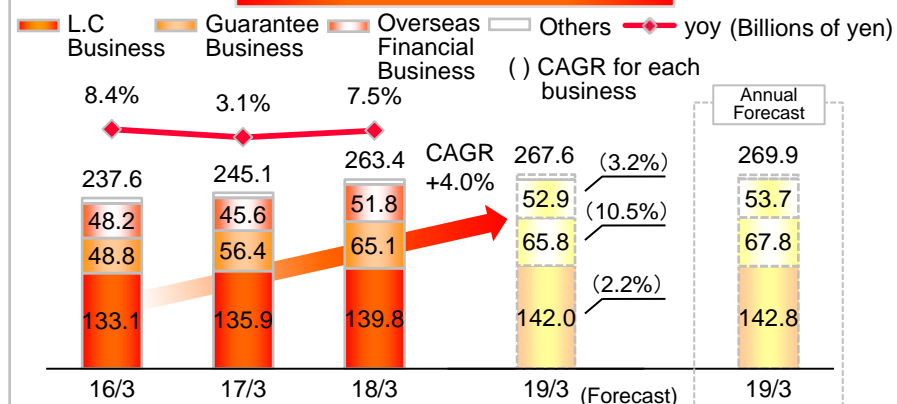
Priority Subjects in Target Period		Key Measures to be Taken
① Advance compliance-oriented corporate culture ② Establish and enhance human resources basis ③ Increase new customer acquisition via enhanced marketing ④ Continuous increases in both loans receivable and number of customer accounts while maintaining a sound portfolio ⑤ Enhance and establish competitive advantages in guarantee business ⑥ Establish basis as one of core businesses in overseas financial business segment ⑦ Enhance groupwide collection basis ⑧ Achieve cost optimization ⑨ Accommodate to developing ICT and improve system infrastructure	Loan and credit card business	➤ Prompt accommodation to ever-changing internet environment ➤ Enhance screening and promotion for customer acquisition ➤ Enhance revenue via credit card issuances ➤ Review utilization and role of channel network ➤ Expand business scale by increasing the rate of existing customers using our services repetitively
	Guarantee business	➤ Expand business scale by utilizing knowhow from loan business ➤ Optimize guarantee screening procedures and efficient management of reception centers ➤ Acquire new alliance partners in prefectures without existing alliance partner ➤ Enhance both marketability and profitability
	Overseas financial business	➤ EASY BUY <ul style="list-style-type: none"> ● Further enhance competitive strength of Umay+ brand ● Maintain and improve soundness of portfolio (loan portfolio and scoring model) ● Construct next-generation IT system ➤ Bank BNP <ul style="list-style-type: none"> ● Expand scale of unsecured consumer loan business ● Maintain and improve soundness of loan portfolio, combined with enhanced internal control structure ➤ Advance into new regions and establish a revenue basis

[Reference] Quantitative Targets for the Mid-term Management Plan (2017/3 - 2019/3)

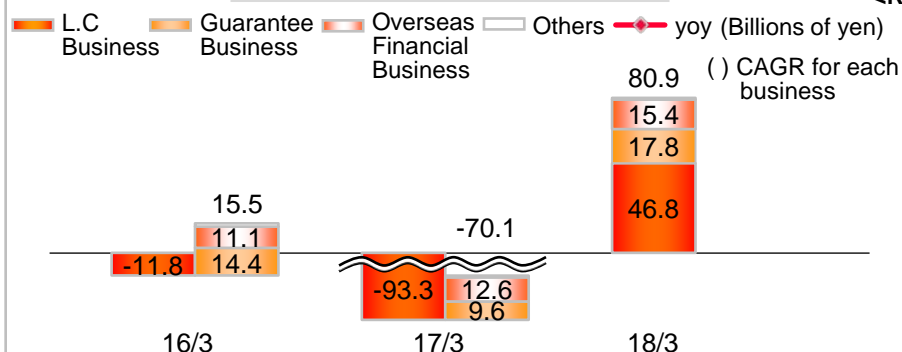
Loans Receivable



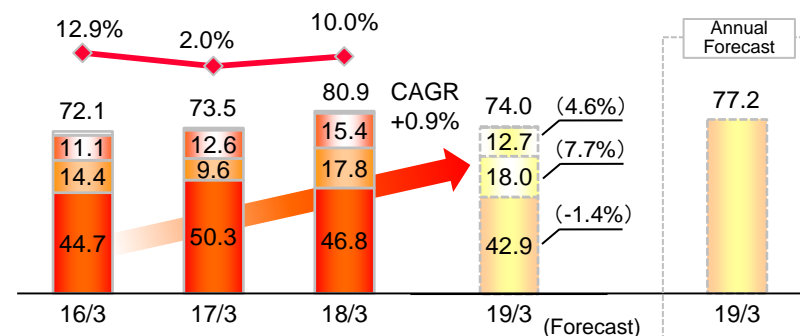
Operating Revenue



Operating Profit



<Reference> Operating Profit excluding Provision for Loss on Interest Repayment



<Target Management Indices [Fiscal Year Ending March 2019]>

We aim to achieve consolidated ROE no less than 12%, and shareholders' equity ratio of 20%, computed using the sum of consolidated total assets and guaranteed receivables.

<Capital Policy and Dividend Payout Ratio under the Mid-term Management Plan>

- Place the Maximum Priority to Enhancing Management Stability through Enhanced Internal Reserves: we will closely monitor both the "consolidated shareholders' equity ratio" and "shareholders' equity ratio computed using the sum of consolidated total assets and guaranteed receivables."
- We will review the target value of shareholders' equity ratio, determine and announce proactive strategic investments and dividend payout ratio as soon as we can conclude that we are "free of uncertainty of requests for interest repayment in the future," in addition to "indisputable continuous and stable growths in three core businesses."

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

[Preconditions] (1) Exchange rate at overseas financial business : Baht B/S ¥3.19, P/L ¥3.20 (2017/3 - 2019/3) Rupiah B/S ¥0.0085, P/L ¥0.0088 (2017/3 - 2019/3)

(2) Operation in Vietnam is not included in consolidated business results as it is still unclear when we are able to commence operation there.



Reference:
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Disclaimer

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

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

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