

Brief Statement of the Third Quarter Financial Results for the Fiscal Year Ending March 2025
[Japanese GAAP (Consolidated)]

January 31, 2025

Forward-looking Statement

The statements and figures contained in this Brief Statement of Financial Results for the fiscal year ending March 2025 (the "Brief Statement") with respect to ACOM Group's plans and strategies and other statements that are not historical facts are based on information available at the date of announcement of this Brief Statement. However, there are some potential risk factors in the Group's business management. Therefore, the actual results may differ from the forecast.

The trend of requests for interest repayment is also highly uncertain, due to its sensitivity to changes in external environmental changes. The Group may have to make additional provision for loss on interest repayment.

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

Name of the company:	ACOM CO., LTD. ("ACOM" or "the Company")
Stock market:	Tokyo Stock Exchange
Code Number:	8572
Location of the head office:	Tokyo
URL:	https://www.acom.co.jp/corp/english/ir/
Position of the representative:	President & Chief Executive Officer
Name:	Masataka Kinoshita
Position of the person in charge:	Chief PR & IR Officer
Name:	Masato Tanaka
Telephone Number:	(03) 6865-6474
Commencement date of dividend payment:	—
Quarterly material to supplement the financial results:	Applicable
Quarterly financial results conference:	Applicable (For domestic institutional investors and financial analysts)

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

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

1. Consolidated Business Results for the Third Quarter Accounting Period (from April 1, 2024, to December 31, 2024)

(1) Consolidated Business Results (Accumulated)

	Operating Revenue		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent (Third Quarter)	
	(Millions of yen)	yoy%	(Millions of yen)	yoy%	(Millions of yen)	yoy%	(Millions of yen)	yoy%
3Q for FY March 2025	236,825	8.1	74,679	11.7	74,965	11.9	46,915	12.5
3Q for FY March 2024	218,986	7.3	66,867	(5.3)	67,013	(5.3)	41,717	(5.9)

[Note] Comprehensive income

3Q for FY March 2025: 60,756 million yen [8.7%]

3Q for FY March 2024: 55,892 million yen [(7.6%)]

	Basic Earnings per Share (Third Quarter)	Diluted Earnings per Share (Third Quarter)
	(Yen)	(Yen)
3Q for FY March 2025	29.95	—
3Q for FY March 2024	26.63	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity
	(Millions of yen)	(Millions of yen)	%
3Q for FY March 2025	1,466,547	713,550	45.1
FY March 2024 (Annual)	1,417,403	674,175	44.3

<Reference> Shareholders' Equity:

3Q for FY March 2025: 661,857 million yen FY March 2024: 628,011 million yen

2. Dividend Status

	Dividend per Share (Yen)				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual
FY March 2024	—	6.00	—	6.00	12.00
FY March 2025	—	7.00	—	—	—
FY March 2025 (Forecast)	—	—	—	7.00	14.00

<Note> Amendment to dividend forecast: None

3. Forecasts for the Fiscal Year Ending March 2025 (from April 1, 2024, to March 31, 2025)

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

	Operating Revenue		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Basic Earnings per Share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Annual	313,500	6.4	87,100	0.9	87,500	0.9	55,600	4.7	35.49

<Note> Amendment to business results forecast: None

(Note)

(1) Significant Changes in the Scope of Consolidation in the Three Months ended 31, December 2024: None

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

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

A) Change in accounting policies due to revisions of accounting standards and other regulations: None

B) Changes in accounting policies other than A): None

C) Change in accounting estimates: None

D) Restatement: None

(4) Outstanding shares (common shares)

A) Number of shares outstanding (including treasury shares)

As of December 31, 2024	1,566,614,098 shares
As of March 31, 2024	1,566,614,098 shares

B) Number of treasury shares at the end of period

As of December 31, 2024	120 shares
As of March 31, 2024	120 shares

C) Number of average shares outstanding (accumulated quarterly consolidated period)

As of December 31, 2024	1,566,613,978 shares
As of December 31, 2025	1,566,614,048 shares

(Note) Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

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

(Notes to Forward-looking Statement)

The statements about the future performance of ACOM are based on management's assumptions and beliefs in light of the information currently available to it. These statements do not guarantee our future performance: actual results may differ from those in the forward-looking statements as a result of various factors. Please refer to "(3) Forecasts for the Consolidated Business Results" of "1. Overview of Business Results" on page 3 for conditions which are basis of forecasts and notes for using the forecast.

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

ACOM plans to hold the third quarter financial results conference (web conferencing for domestic institutional investors and financial analysts) on January 31, 2025. The materials used at the conference will be available at ACOM's website promptly after disclosure of financial results.

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1. Overview of Business Results

(1) Overview of Business Results in the Period under Review

During the nine months ended December 31, 2024, the Japanese economy kept showing a gradual recovery partly due to various government policies as the employment and income environment continued to improve. However, there are some risks that could push down Japan's economic momentum, such as a downturn in overseas economies due to fluctuations in financial markets and economies in various countries. The impact of those factors on consumer spending and financial markets needs to be closely monitored.

Overseas, economies are returning to normal growth trajectories with the support of the ongoing monetary easing by building on the momentum of slowing inflation and improving income. In the Kingdom of Thailand, continue to grow gradually led by inbound demand, although the growth rate of consumer spending has sluggish compared to the same period last year. Steady economic growth is expected due to the decline in the unemployment rates as a result of an improved employment environment in the Republic of the Philippines, and due to a recovery of inbound demand and consumer spending in Malaysia.

The demand for funds keeps being in good conditions in the nonbank business sector in Japan, however, future trends need to be closely monitored as the sector is significantly impacted by consumer spending. Although requests for interest repayment are decreasing, future trends need to be closely monitored on an ongoing basis, as requests for interest repayment are susceptible to the impacts of changes in the external environment.

In such an environment, the Company Group continues to promote its operating activities in accordance with the vision and medium-term policy based on the current medium-term management plan, while flexibly responding to changes in the external environment.

Consolidated operating revenue for the nine months ended December 31, 2024, increased to 236,825 million yen (up 8.1% year-on-year) and was 75.5% of the full-year forecast. This is mainly attributable to: the increases in interest on operating loans and revenue from credit guarantee. Operating expenses also increased to 162,145 million yen (up 6.6% year-on-year) mainly due to an increase in provision for bad debts associated with the expansion of business scale. As a result, operating profit increased to 74,679 million yen (up 11.7% year-on-year) and was 85.7% of the full-year forecast. Ordinary profit also increased to 74,965 million yen (up 11.9% year-on-year) and was 85.7% of the full-year forecast. Profit attributable to owners of parent increased to 46,915 million yen (up 12.5% year-on-year) and was 84.4% of the full-year forecast.

(2) Overview of Financial Position in the Period under Review

Compared with the end of the prior fiscal year, total assets increased by 49,143 million yen and net assets increased by 39,374 million yen as of December 31, 2024. Details of changes in assets, liabilities and net assets are as follows:

(Assets)

Current assets increased by 67,610 million yen and non-current assets decreased by 18,466 million yen. Consequently, total assets increased by 49,143 million yen. The breakdown of major increases in current assets is as follows: accounts receivable - operating loans (up 53,662 million yen) and accounts receivable - installment (up 12,077 million yen). The factors increasing accounts receivable - operating loans include foreign exchange impacts. The increases in accounts receivable - operating loans and accounts receivable - installment led to an increase of 6,468 million yen in allowance for doubtful accounts. The breakdown of major decreases in non-current assets is as follows: deferred tax assets (down 19,587 million yen).

(Liabilities)

With regard to the liabilities account, changes in current and non-current liabilities were an increase of 12,564 million yen and a decrease of 2,795 million yen, respectively, resulting in an increase of 9,768 million yen in total liabilities. The breakdown of major changes in liabilities includes the outstanding balance of funds procured mainly in the form of loans and bonds payable (up 40,873 million yen) and provision for loss on interest repayment (down 16,841 million yen).

(Net assets)

In terms of net assets, shareholders' equity increased by 26,549 million yen due to an increase in retained earnings. The breakdown of major changes in retained earnings includes an increase due to the recording of profit attributable to owners of parent (46,915 million yen) and a decrease due to the payment of dividends (20,365 million yen). Moreover, accumulated other comprehensive income increased by 7,295 million yen due in part to an increase in foreign currency translation adjustment, and non-controlling interests increased by 5,529 million yen. As a result, total net assets increased by 39,374 million yen, and the shareholders' equity ratio increased by 0.8 percentage points to 45.1%.

(3) Forecasts for the Consolidated Business Results

The Company expects consolidated business results as follows: 313.5 billion yen of operating revenue; 87.1 billion yen of operating profit; 87.5 billion yen of ordinary profit; and 55.6 billion yen of profit attributable to owners of parent.

Outlook above is forecast based on information available at the date of announcement of this brief statement. However, there are some potential risk factors in the Group's business management. Therefore, the actual results may differ significantly.

The trend of requests for interest repayment is also highly uncertain, due to its sensitivity to changes in external environmental changes. The Group may have to make additional provision for loss on interest repayment.

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

2. Interim Consolidated Financial Statements and Principal Notes

(1) Interim Consolidated Balance Sheet

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current interim period (As of December 31, 2024)
Assets		
Current assets		
Cash and deposits	73,486	78,053
Accounts receivable - operating loans	1,121,554	1,175,217
Accounts receivable - installment	123,058	135,136
Purchased receivables	8,212	8,939
Other	96,167	99,211
Allowance for doubtful accounts	(92,289)	(98,757)
Total current assets	1,330,190	1,397,800
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,878	2,636
Equipment, net	4,243	4,319
Other, net	1,263	1,032
Total property, plant and equipment	8,384	7,988
Intangible assets		
Goodwill	215	—
Software	8,755	10,457
Other	14	13
Total intangible assets	8,985	10,471
Investments and other assets		
Investment securities	1,414	1,493
Retirement benefit asset	10,322	10,826
Deferred tax assets	50,507	30,919
Guarantee deposits	4,309	4,016
Other	3,861	3,586
Allowance for doubtful accounts	(572)	(555)
Total investments and other assets	69,843	50,286
Total non-current assets	87,213	68,747
Total assets	1,417,403	1,466,547

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current interim period (As of December 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	769	1,011
Short-term borrowings	19,242	25,608
Commercial papers	29,989	52,956
Current portion of long-term borrowings	123,808	156,593
Current portion of bonds payable	60,650	25,292
Income taxes payable	13,160	1,775
Provision for loss on guarantees	11,973	12,009
Asset retirement obligations	579	50
Other	15,558	12,998
Total current liabilities	275,732	288,296
Non-current liabilities		
Bonds payable	104,086	154,888
Long-term borrowings	325,553	288,863
Provision for loss on interest repayment	30,346	13,505
Retirement benefit liability	983	1,134
Asset retirement obligations	5,061	5,027
Other	1,464	1,281
Total non-current liabilities	467,495	464,700
Total liabilities	743,228	752,997
Net assets		
Shareholders' equity		
Share capital	63,832	63,832
Capital surplus	69,861	69,861
Retained earnings	469,849	496,399
Treasury shares	(0)	(0)
Total shareholders' equity	603,543	630,092
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	21,153	28,977
Remeasurements of defined benefit plans	3,314	2,786
Total accumulated other comprehensive income	24,468	31,764
Non-controlling interests	46,164	51,693
Total net assets	674,175	713,550
Total liabilities and net assets	1,417,403	1,466,547

(2) Interim Consolidated Statement of Income and
Interim Consolidated Statement of Comprehensive Income
(Interim Consolidated Statement of Income)
Nine months ended December 31

(Millions of yen)

	For the nine months ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	For the nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Operating revenue		
Interest on operating loans	135,073	146,225
Revenue from credit card business	10,807	12,648
Revenue from installment sales finance business	50	48
Revenue from credit guarantee	45,558	49,464
Proceeds from purchased receivables	3,461	3,548
Other financial revenue	172	109
Other operating revenue	23,862	24,779
Total operating revenue	218,986	236,825
Operating expenses		
Financial expenses	3,482	4,250
Cost of purchased receivables	1,310	1,464
Other operating expenses	147,326	156,429
Total operating expenses	152,118	162,145
Operating profit	66,867	74,679
Non-operating income		
Interest income	0	0
Dividends income	29	5
Share of profit of entities accounted for using equity method	14	21
Rental income from buildings	141	175
Other	48	95
Total non-operating income	234	298
Non-operating expenses		
Interest expenses	0	5
Foreign exchange losses	73	—
Other	15	7
Total non-operating expenses	89	12
Ordinary profit	67,013	74,965

(Millions of yen)

	For the nine months ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	For the nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Extraordinary income		
Gain on sale of non-current assets	1	89
Gain on sale of investment securities	0	—
Total extraordinary income	1	89
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	193	215
Other	1	1
Total extraordinary losses	196	217
Profit before income taxes	66,818	74,837
Income taxes - current	12,171	4,402
Income taxes - deferred	9,161	20,134
Total income taxes	21,333	24,536
Profit	45,484	50,300
Profit attributable to non-controlling interests	3,767	3,385
Profit attributable to owners of parent	41,717	46,915

(Interim Consolidated Statement of Comprehensive Income)

Nine months ended December 31

(Millions of yen)

	For the nine months ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	For the nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Profit	45,484	50,300
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	0
Foreign currency translation adjustment	10,401	10,981
Remeasurements of defined benefit plans, net of tax	5	(525)
Total other comprehensive income	10,407	10,455
Comprehensive income	55,892	60,756
Comprehensive income attributable to		
Owners of parent	49,130	54,211
Non-controlling interests	6,762	6,544

(3) Notes to Interim Consolidated Financial Statements

(Notes to Segment Information, etc.)

(Segment information)

I. For the nine months ended December 31, 2023 (from April 1, 2023, to December 31, 2023)

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

(Millions of yen)

	Reported segments					Other (Note 1)	Total
	Loan and credit card business	Guarantee business	Overseas financial business	Loan servicing business	Subtotal		
Operating revenue							
Operating revenue from external customers	116,188	52,447	45,908	4,369	218,914	72	218,986
Revenues from financial instruments transactions	113,376	51,179	45,504	4,366	214,427	72	214,499
Fees and commissions (Note 2)	2,812	1,267	403	3	4,486	—	4,486
Revenues from transactions with other operating segments	7	—	(86)	—	(78)	53	(25)
Total	116,195	52,447	45,822	4,369	218,835	125	218,960
Segment profit	31,743	17,685	18,023	1,107	68,560	125	68,686

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

Profit	Amount (Millions of yen)
Total reported segments	68,560
Profit of “Others” category	125
Elimination of intersegment transactions	4
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	(1,823)
Operating profit in interim consolidated statement of income	66,867

II. For the nine months ended December 31, 2024 (from April 1, 2024, to December 31, 2024)

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

(Millions of yen)

	Reported segments					Other (Note 1)	Total
	Loan and credit card business	Guarantee business	Overseas financial business	Loan servicing business	Subtotal		
Operating revenue							
Operating revenue from external customers	126,801	56,436	48,689	4,854	236,782	43	236,825
Revenues from financial instruments transactions	123,846	55,072	48,369	4,851	232,140	43	232,183
Fees and commissions (Note 2)	2,955	1,363	320	2	4,641	—	4,641
Revenues from transactions with other operating segments	10	—	9	—	20	72	93
Total	126,812	56,436	48,699	4,854	236,802	115	236,918
Segment profit	40,644	18,095	14,663	1,097	74,501	115	74,617

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

Profit	Amount (Millions of yen)
Total reported segments	74,501
Profit of “Others” category	115
Elimination of intersegment transactions	(3)
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	66
Operating profit in interim consolidated statement of income	74,679

(Notes in Case of any Significant Changes in the Amount of Shareholders’ Equity)

Not applicable.

(Notes on Going-concern Assumption)

Not applicable.

(Notes to Statement of Cash Flows)

Interim Consolidated Statement of Cash Flows has not been prepared for the nine months ended December 31, 2024. The amounts of depreciation (including amortization of intangible assets except goodwill) and amortization of goodwill for the nine months are as follows.

(Millions of yen)

	For the nine months ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	For the nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Depreciation	2,513	2,840
Amortization of goodwill	388	215

3. [Reference] Quarterly Non-consolidated Financial Statements

Quarterly financial statements are prepared in accordance with the "Regulations of Quarterly Financial Statements on Terms, Forms and Preparation Method".

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

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2024)	Current third quarter (As of December 31, 2024)
Assets		
Current assets		
Cash and deposits	64,292	70,919
Accounts receivable - operating loans	879,021	918,036
Accounts receivable - installment	122,303	134,452
Right to reimbursement	58,359	59,639
Other	22,229	25,508
Allowance for doubtful accounts	(67,740)	(71,860)
Total current assets	1,078,467	1,136,697
Non-current assets		
Property, plant and equipment	7,644	7,317
Intangible assets	7,958	9,259
Investments and other assets		
Shares of subsidiaries and associates	21,452	21,452
Deferred tax assets	56,034	36,893
Prepaid pension costs	5,416	6,637
Other	8,406	7,906
Allowance for doubtful accounts	(560)	(540)
Total investments and other assets	90,749	72,349
Total non-current assets	106,352	88,927
Total assets	1,184,819	1,225,624
Liabilities		
Current liabilities		
Accounts payable-trade	750	1,005
Short-term borrowings	-	5,000
Commercial papers	29,989	52,956
Current portion of long-term borrowings	112,285	146,935
Current portion of bonds payable	40,000	20,000
Income taxes payable	9,659	243
Provision for loss on guarantees	10,870	10,900
Asset retirement obligations	579	50
Other	12,706	10,576
Total current liabilities	216,840	247,669
Non-current liabilities		
Bonds payable	95,000	140,000
Long-term borrowings	311,139	271,245
Provision for loss on interest repayment	30,346	13,505
Asset retirement obligations	4,781	4,769
Other	1,236	1,009
Total non-current liabilities	442,504	430,530
Total liabilities	659,345	678,199
Net assets		
Shareholders' equity		
Share capital	63,832	63,832
Capital surplus	72,322	72,322
Retained earnings	389,319	411,269
Treasury shares	(0)	(0)
Total shareholders' equity	525,474	547,424
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	0	0
Total valuation and translation adjustments	0	0
Total net assets	525,474	547,424
Total liabilities and net assets	1,184,819	1,225,624

(2) [Reference] Quarterly Non-consolidated Statement of Income
 Nine months ended December 31

(Millions of yen)

	For the nine months ended December 31, 2023 (From April 1, 2023 to December 31, 2023)	For the nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)
Operating revenue		
Interest on operating loans	93,775	102,147
Credit card revenue	10,807	12,648
Revenue from credit guarantee	37,411	40,578
Other financial revenue	72	43
Other operating revenue	18,051	18,469
Total operating revenue	160,118	173,887
Operating expenses		
Financial expenses	2,206	2,814
Other operating expenses	111,299	114,515
Total operating expenses	113,505	117,330
Operating profit	46,612	56,557
Non-operating income		
Interest income	0	2
Dividend income	5,860	4,135
Other	192	264
Total non-operating income	6,053	4,403
Non-operating expenses		
Interest expenses	0	4
Foreign exchange losses	80	—
Other	10	7
Total non-operating expenses	91	12
Ordinary profit	52,574	60,948
Extraordinary income		
Gain on sale of non-current assets	—	86
Gain on sale of investment securities	0	—
Total extraordinary income	0	86
Extraordinary losses		
Loss on sale of non-current assets	—	0
Loss on retirement of non-current assets	152	208
Other	1	1
Total extraordinary losses	154	210
Profit before income taxes	52,420	60,824
Total income taxes	14,980	18,508
Profit	37,439	42,315