

# Quarterly Securities Report

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

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[Document Submitted]	Quarterly Securities Report (“Shihanki-Hokokusho”)
[Article of the Applicable Law Requiring Submission of This Document]	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act of Japan
[Submitted to]	Director, Kanto Local Finance Bureau
[Date of Submission]	August 13, 2021
[Quarterly Accounting Period]	First Quarter of the 45th Fiscal Year (from April 1, 2021, to June 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
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[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 three months ended June 30, 2020	For the three months ended June 30, 2021	44th fiscal year
Period of account	From April 1, 2020 to June 30, 2020	From April 1, 2021 to June 30, 2021	From April 1, 2020 to March 31, 2021
Operating revenue	67,474	65,467	266,316
Ordinary profit	25,926	25,145	100,014
Profit attributable to owners of parent	21,611	19,921	78,864
Comprehensive income	15,436	24,302	81,545
Net assets	453,283	533,292	515,128
Total assets	1,231,768	1,211,850	1,219,109
Basic earnings per share (yen)	13.80	12.72	50.34
Diluted earnings per share (yen)	—	—	—
Shareholders' equity ratio (%)	34.79	41.52	39.84

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

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

#### 2. Description of Business

During the three months ended June 30, 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 three months ended June 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 three months ended June 30, 2021, the Japanese economy remained under preventive measures against the spread of COVID-19 infection in order to sustain social and economic activities, and the situation remained uncertain with the ongoing possibility of a re-spread of the infection, with the redeclaration of a state of emergency and the implementation of priority measures to prevent the spread of COVID-19 infection in some regions. 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 outlook remained uncertain as the market is contracting as a result of the prolonged stagnation of consumer spending due to the impact of the spread of COVID-19 infection. Although requests for interest repayment have steadily decreased, future trends need to be closely monitored on an ongoing basis, as requests for interest repayment are susceptible to the impacts of changes in the external environment.

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

The Company Group 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. Even amid the spread of COVID-19 infection and other changes in the external environment, the Company Group will continue to promote its operating activities in accordance with its management vision and medium-term management policy.

Consolidated operating revenue for the three months ended June 30, 2021, decreased to 65,467 million yen (down 3.0% year-on-year). This is mainly 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, decreased to 40,411 million yen (down 3.0% year-on-year) mainly due to a decrease in provision of allowance for doubtful accounts. As a result, operating profit decreased to 25,055 million yen (down 2.9% year-on-year), ordinary profit decreased to 25,145 million yen (down 3.0% year-on-year), and profit attributable to owners of parent decreased to 19,921 million yen (down 7.8% year-on-year).

Business results for each segment are as follows:

#### 1) Loan and credit card business

In the domestic loan business, new lending to and additional borrowing by customers saw drastic 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 783,409 million yen as of June 30, 2021 (down 3.7% year-on-year, down by 0.1% 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 80,652 million yen (up 7.2% year-on-year, up 2.4% from the prior fiscal year-end).

As a result, the business segment's operating revenue was 35,735 million yen (down 2.5% year-on-year) for the three months ended June 30, 2021, mainly due to the decreases in interest on operating loans in accordance with a decrease in accounts receivable - operating loans. Operating profit was 13,651 million yen (down 6.3% year-on-year).

#### 2) Guarantee business

In the guarantee business, spread of COVID-19 infection caused adverse impacts as it did to the loan and

credit card business. The total balance of guaranteed receivables in the guarantee operation of the Company and MU Credit Guarantee Co., LTD. was 1,166,618 million yen as of June 30, 2021 (down 2.6% year-on-year, down 0.3% from the prior fiscal year-end).

As a result, the business segment's operating revenue was 15,241 million yen (down 5.4% year-on-year) for the three months ended June 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. Operating profit was 5,113 million yen (down 13.8% year-on-year)

### 3) Overseas financial business

In the overseas financial business, the Company Group temporarily closed 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 12,952 million yen (down 5.8% year-on-year) for the three months ended June 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, whereas operating profit was 6,010 million yen (up 16.3% year-on-year) owing to 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 1,515 million yen (up 60.5% year-on-year) for the three months ended June 30, 2021, mainly owing to an increase in amount of proceeds from purchased receivables. Operating profit was 655 million yen (operating loss of 109 million yen for the three months ended June 30, 2020).

## (2) Analysis of financial position

Compared with the end of the prior fiscal year, total assets decreased by 7,259 million yen, whereas net assets increased by 18,164 million yen as of June 30, 2021. Details of changes in assets, liabilities and net assets are as follows:

### (Assets)

Current assets decreased by 4,781 million yen and non-current assets decreased by 2,478 million yen. Consequently, total assets decreased by 7,259 million yen. The breakdown of major changes in current assets is as follows: cash and deposits (down 12,970 million yen), accounts receivable - operating loans (up 4,095 million yen) and accounts receivable - installment (up 2,012 million yen). The breakdown of major decreases in non-current assets is as follows: deferred tax assets (down 1,941 million yen). The combined total of allowance for doubtful accounts recorded under current assets and non-current assets decreased by 1,935 million yen.

### (Liabilities)

With regard to the liabilities account, changes in current and non-current liabilities were an increase of 8,782 million yen and a decrease of 34,206 million yen, respectively, resulting in a decrease of 25,424 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 13,842 million yen) and provision for loss on interest repayment (down 7,034 million yen).

### (Net assets)

In terms of net assets, shareholders' equity increased by 15,221 million yen mainly due to recording profit attributable to owners of parent under retained earnings, accumulated other comprehensive income increased by 2,204 million yen due in part to an increase in foreign currency translation adjustment, and non-controlling interests increased by 737 million yen. As a result, total net assets increased by 18,164 million yen, and the shareholders' equity ratio increased by 1.7 percentage points to 41.5%.

Capital surplus and retained earnings decreased due to the cancellation of treasury shares conducted during the three months ended June 30, 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) Business and financial issues to address

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

(4) Research and development activities

Not applicable

3. Material Business Agreements, etc.

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



### III. Information on the Filing Company

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

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

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

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

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

Class	As of the end of the current first quarter (June 30, 2021)	As of the submission date (August 13, 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 capital stock and other

(Millions of yen, unless otherwise stated)

Date	Changes in the total number of shares issued (Thousands of shares)	Balance of the total number of shares issued (Thousands of shares)	Changes in share capital	Balance of share capital	Changes in legal capital surplus	Balance of legal capital surplus
June 3, 2021 (Note)	(29,668)	1,566,614	—	63,832	—	72,322

(Note) Pursuant to the resolution at the Board of Directors meeting held on May 20, 2021, the Company cancelled its treasury shares on June 3, 2021, resulting in a decrease of 29,668,702 shares in the total number of shares issued.

(5) Major shareholders

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

(6) Status of voting rights

Details of registered shareholders as of June 30, 2021, have not yet been confirmed, and therefore we are unable to present the status of voting rights on that date. The information regarding voting rights presented below relates to the shareholders registered as of March 31, 2021.

1) Issued shares

As of March 31, 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 29,668,700	—	—
Shares with full voting rights (others)	Common stock 1,566,594,700	15,665,947	—
Shares less than one unit	Common stock 19,400	—	—
Total number of shares issued	1,596,282,800	—	—
Total voting rights held by all shareholders	—	15,665,947	—

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

2) Treasury shares, etc.

As of March 31, 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 (%)
(Treasury shares) ACOM CO., LTD.	1-1, Marunouchi 2-chome, Chiyoda- ku, Tokyo	29,668,700	—	29,668,700	1.85
Total	—	29,668,700	—	29,668,700	1.85

2. Directors and Audit & Supervisory Committee Members

There was no change in Directors and Audit & Supervisory Committee members for the three months ended June 30, 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 first quarter (from April 1, 2021, to June 30, 2021) and for the three months ended June 30, 2021 (from April 1, 2021, to June 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 first quarter (As of June 30, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	83,323	70,353
Accounts receivable - operating loans	*2 977,152	*2 981,248
Accounts receivable - installment	79,423	81,436
Purchased receivables	8,477	7,948
Raw materials and supplies	63	49
Other	82,334	83,061
Allowance for doubtful accounts	(77,428)	(75,531)
Total current assets	1,153,346	1,148,565
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,386	3,451
Equipment, net	7,640	7,495
Land	2,476	2,476
Other, net	496	423
Total property, plant and equipment	13,998	13,847
Intangible assets		
Goodwill	1,770	1,640
Software	4,984	5,041
Other	48	44
Total intangible assets	6,803	6,726
Investments and other assets		
Investment securities	1,207	1,215
Retirement benefit asset	5,618	5,484
Deferred tax assets	29,677	27,735
Guarantee deposits	4,990	4,864
Other	*2 4,367	*2 4,269
Allowance for doubtful accounts	(900)	(860)
Total investments and other assets	44,960	42,710
Total non-current assets	65,763	63,284
Total assets	1,219,109	1,211,850

(Millions of yen)

	Prior fiscal year (As of March 31, 2021)	Current first quarter (As of June 30, 2021)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	696	734
Short-term borrowings	15,992	19,694
Commercial papers	5,000	4,000
Current portion of long-term borrowings	69,416	65,940
Current portion of bonds payable	53,760	67,700
Income taxes payable	7,258	4,451
Provision for loss on guarantees	*1 8,876	*1 9,000
Asset retirement obligations	408	226
Deferred installment income	28	37
Other	13,833	12,268
Total current liabilities	175,271	184,053
Non-current liabilities		
Bonds payable	155,800	125,930
Long-term borrowings	309,431	312,293
Provision for loss on interest repayment	56,741	49,707
Retirement benefit liability	721	761
Asset retirement obligations	5,420	5,420
Other	596	391
Total non-current liabilities	528,710	494,503
Total liabilities	703,981	678,557
<b>Net assets</b>		
Shareholders' equity		
Share capital	63,832	63,832
Capital surplus	73,549	69,861
Retained earnings	362,991	362,106
Treasury shares	(19,794)	—
Total shareholders' equity	480,578	495,800
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	4,444	6,647
Remeasurements of defined benefit plans	661	663
Total accumulated other comprehensive income	5,105	7,310
Non-controlling interests	29,443	30,181
Total net assets	515,128	533,292
Total liabilities and net assets	1,219,109	1,211,850

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

(Millions of yen)

	For the three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
<b>Operating revenue</b>		
Interest on operating loans	43,819	41,006
Revenue from credit card business	2,444	2,605
Revenue from installment sales finance business	17	15
Revenue from credit guarantee	14,450	13,245
Proceeds from purchased receivables	784	1,105
Other financial revenue	*1 0	*1 24
Other operating revenue	5,957	7,463
<b>Total operating revenue</b>	<b>67,474</b>	<b>65,467</b>
<b>Operating expenses</b>		
Financial expenses	*2 1,590	*2 1,567
Cost of purchased receivables	282	472
Other operating expenses	39,805	38,371
<b>Total operating expenses</b>	<b>41,677</b>	<b>40,411</b>
<b>Operating profit</b>	<b>25,796</b>	<b>25,055</b>
<b>Non-operating income</b>		
Interest income	0	0
Dividend income	24	12
Share of profit of entities accounted for using equity method	17	8
Rental income from buildings	46	44
Other	59	27
<b>Total non-operating income</b>	<b>149</b>	<b>94</b>
<b>Non-operating expenses</b>		
Interest expenses	4	2
Other	14	2
<b>Total non-operating expenses</b>	<b>19</b>	<b>4</b>
<b>Ordinary profit</b>	<b>25,926</b>	<b>25,145</b>

(Millions of yen)

	For the three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	For the three months ended June 30, 2021 (From April 1, 2021 to June 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
Loss on retirement of non-current assets	7	32
Other	—	0
Total extraordinary losses	7	33
Profit before income taxes	25,918	25,112
Income taxes-current	3,256	1,852
Income taxes-deferred	(228)	2,046
Total income taxes	3,027	3,898
Profit	22,890	21,213
Profit attributable to non-controlling interests	1,279	1,291
Profit attributable to owners of parent	21,611	19,921

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

(Millions of yen)

	For the three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Profit	22,890	21,213
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	0
Foreign currency translation adjustment	(7,656)	3,086
Remeasurements of defined benefit plans, net of tax	202	3
Total other comprehensive income	(7,454)	3,089
Comprehensive income	15,436	24,302
Comprehensive income attributable to:		
Owners of parent	16,372	22,126
Non-controlling interests	(936)	2,176



[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.

(Notes to Quarterly Consolidated Balance Sheet)

\*1. Contingent liabilities

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2021)	Current first quarter (As of June 30, 2021)
Outstanding guarantee obligation in the guarantee business	1,170,094	1,166,618
Provision for loss on guarantees	8,876	9,000
Net	1,161,217	1,157,618

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

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2021)	Current first quarter (As of June 30, 2021)
Loans to bankrupt parties	552	524
Loans in arrears	22,498	23,201
Loans overdue by three months or more	7,564	6,116
Restructured loans	34,892	35,654
Total	65,508	65,498

- (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 three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Interest on deposits	0	1

\*2. Major items of financial expenses

	(Millions of yen)	
	For the three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Interest expenses	777	621
Interest on bonds	620	471
Amortization of bond issuance cost	6	—

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

(1) Financial revenue stated as operating revenue

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

(2) Financial expenses stated as operating expenses

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

(Notes to Quarterly Consolidated Statement of Cash Flows)

Quarterly Consolidated Statement of Cash Flows has not been prepared for the three months ended June 30, 2021. The amounts of depreciation (including amortization of intangible assets except goodwill) and amortization of goodwill for the three months are as follows.

	(Millions of yen)	
	For the three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Depreciation and amortization	785	774
Amortization of goodwill	203	129

(Notes to Shareholders' Equity)

For the three months ended June 30, 2020 (from April 1, 2020, to June 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 three months ended June 30, 2020, but whose effective date was after June 30, 2020

Not applicable

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

1. Dividends paid

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

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

Not applicable

3. Significant changes in shareholders' equity

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

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

I. For the three months ended June 30, 2020 (from April 1, 2020, to June 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	36,669	16,112	13,748	944	67,474	0	67,474
Revenues from transactions with other operating segments	—	—	—	—	—	17	17
Total	36,669	16,112	13,748	944	67,474	17	67,491
Segment profit (loss)	14,567	5,935	5,166	(109)	25,559	17	25,576

(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	25,559
Profit of “Others” category	17
Elimination of intersegment transactions	3
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	216
Operating profit in quarterly consolidated statement of income	25,796

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

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

(Millions of yen)

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

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

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

2. Information about assets by reported segments

Not applicable

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

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

(Revenue Recognition)

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

(Per Share Information)

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

(Millions of yen, unless otherwise stated)

Item	For the three months ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	For the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Basic earnings per share	13.80 yen	12.72 yen
(Basis for calculation)		
Profit attributable to owners of parent	21,611	19,921
Profit not attributable to common shareholders	—	—
Profit attributable to owners of parent in relation to common stock	21,611	19,921
Weighted average number of common stock during the quarter	1,566,614,160 shares	1,566,614,098 shares

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

2. Others  
Not applicable



Part II Information on Guarantors for the Filing Company

Not applicable