

Provide Financial Services that Put Customers First

• Expanding into New Countries

ACOM (M), our consolidated subsidiary in Malaysia, began offering financing to individuals on September 1, 2023. With customers always at the starting point, ACOM is working to provide new forms of convenience and to be a global company that is used in markets in many more countries. Even in Malaysia, we believe we can contribute to the development of a sound consumer trust market. Malaysia has a high standard of

living throughout the country, and stable economic growth and a rising population are expected. Going forward, the market can be expected to have rampant demand for funds, and we are conducting business operations with the goal of single fiscal year profitability in around six years. We plan to translate expansion into Malaysia into further overseas development going forward.



• Reflection of Customer Feedback

ACOM rigorously puts the customer first, which is part of our corporate philosophy, and to meet customer needs we strive to provide high quality service. We receive requests, complaints and expressions of dissatisfaction at our call centers and elsewhere, the content of which is grasped and analyzed to improve service on a daily basis. Here is an example of how service was improved in the fiscal year ended March 2024 based on actual customer feedback.

Example

The unit when applying for a loan via bank transfer on the Internet or smart phone app was changed from 10,000 yen to 1,000 yen

When the cardless transaction function was added in October 2021, customers with cardless contracts increased and uses of transfer loans from the smartphone app came to increase. When applying for a transfer loan via the Internet or smartphone app, not being able to make loans in units of 1,000 yen was an issue, and we actually received feedback from customers saying that transfer loans were inconvenient to use because the money had to be received in units of 10,000 yen. Based on this feedback, an employee in the Credit Business Promotion Division made a proposal for improvement and since the fiscal year ended March 2024 it has been possible to receive loans in units of 1,000 yen.

• Implementing Financial Education

Since 2013, we have been providing financial education lectures primarily for college and high school students, with the goal of protecting consumers' interests and developing a sound consumer finance market. The lectures seek to promote awareness and caution by introducing, among other issues, actual cases of financial trouble involving card loans, which are becoming more and more familiar to young people due to factors such as the widespread use of cashless payment systems.

The methods of financial crime have become increasingly sophisticated and complex in recent years, causing a broad range of financial problems particularly among young people. Such cases include business startup, side job, and part-time employment scams as well as investment fraud.

Under these conditions, the Japan Financial Services Association and four financial service providers, including ACOM, established the Consortium for Enhancing Financial Literacy in June 2023. The consortium was established based on the belief that the entire industry

must implement a cohesive response to strategically and effectively promote consumer protection measures. The objective of this consortium is to contribute to consumer protection through the improvement of financial literacy and the prevention of harm from financial trouble. The consortium conducts activities such as holding financial education programs and disseminating information on actual cases of financial trouble.

As a company in the card loan business, we will work to further expand these pro bono activities in the hope that students, who will be the leaders of the next generation, will learn the importance of money before entering the workforce so as not to fall into financial trouble.



• Organizing the CS Award

We organize the CS Award once a year to further instill our founding spirit and corporate philosophy, and to foster a culture of practicing and improving customer service to gain the trust and satisfaction of our customers. The CS Award assesses and awards outstanding CS-related activities on a company-wide basis, sharing them widely throughout our organization.

CS Card Presentation	Presentations by employees selected as winners of the Award for Excellence and Superior Award in each of the CS Experience Cards*1 and Proposal Card on CS Improvements*2 categories
CS Response Presentation	Sharing of customer service logs where customer-facing department employees successfully practiced the principle of putting the customer first



*1 CS Experience Cards: A system for sharing customer satisfaction/praise/etc., through work and examples of CS experienced in non-work contexts

*2 Proposal Card on CS Improvements: A system facilitating proposals of various improvement measures based on customers' requests and dissatisfaction, as well as issues that arise through day-to-day business operations



Interview

Award for Excellence received at the CS Award 2023 (CS response presentation)

Nana Yamada Net Service Center, East Japan Business Promotion Department



Q What do you strive to do in operations at the Net Service Center?

At the Net Service Center, which I'm affiliated with, we handle screening response and contract procedures for new customers applying over the Internet.

In receiving a new application, I strive every day to be an easy person for the customer to talk with. Also, with digital technology advancing, sympathizing with what the customer is feeling and imagining what he or she is feeling is something that can be done only when a human being is responding; it can't be done by a machine. I strive to respond in a way that gives the customer peace of mind.

When I hear "Thank you" from a customer or otherwise receive words of gratitude and when the customer remembers my name, I feel like I really helped that customer and feel a real sense of satisfaction.

Q Tell us of a time when you really felt you were putting the customer first.

It was when we received an application from an elderly customer. Forms are now generally submitted through the Web or app, but there are many elderly customers for whom submission via the Internet is difficult. This particular customer tried numerous times to submit the application via the Internet, but it was just not possible. I had a day off the next day, but I was worried about this customer's state and I wanted to help, so I told an employee working the next day that there was a customer having trouble with the procedures and asked that the person be contacted to confirm the situation. The next day, the employee working that day contacted the person and solved the customer's problems so a contract could be concluded smoothly.

At a later date, I confirmed the conversion the customer had and the person told me how grateful they were for being contacted and that they were worried about not having anyone to consult with. I felt happy that as a team we were able to alleviate the customer's anxiety.

Loan and Credit Card Business



Overview

Our loan business comprises unsecured small loans to individuals based on credit. We have also had a solid foothold in the credit card sector, after being licensed to issue Mastercard® credit cards in July 1998.

In the Loan and Credit Card Business, we endeavor to incorporate the Five Ss into our operations: speedy, simple, secret, safe, and self-service.

As a leading company of the consumer finance industry, we endeavor not only to carry out our Five-S-based business model, but also to earn popular support through groundbreaking services and cement our position as the top brand in the non-bank sector.

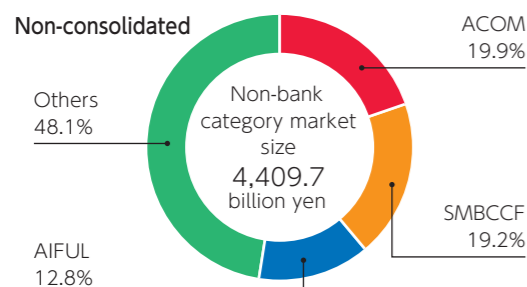
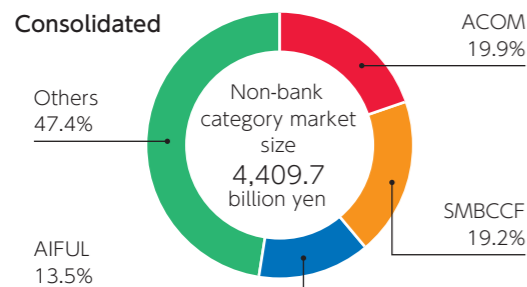
Market Environment and Outlook

At the end of March 2024, the size of the market for personal card loans in the non-bank industry was approximately 4 trillion yen, of which ACOM had around a 20% share

While declining birthrate and aging population trends continue and the workforce shrinks, competition in the personal card loan market is continually intensifying as new players from other business types enter the market.

At present, the normalization of socioeconomic activities and the recovery of personal consumption in leisure, travel, dining, etc., has led to expansion in market scale, which had previously been contracting. In addition, the non-bank industry has continued to grow as customer attitudes toward personal card loans have gradually changed with the shift in the contract channel to the Internet. Given the current robust demand for funds, we anticipate annual growth of around 3%-4%.

Market share (as of the end of March 2024)



* The market size of the non-bank category represents receivables outstanding (including loans by deed) based on statistics issued by the Japan Financial Services Association.

Strengths

The chief strength of the Loan and Credit Card Business is the wealth of data amassed through business with a cumulative total of more than 12 million customers. Machine learning enables us to analyze that data and develop the latest, most advanced screening insights and expertise. This is what makes our "instant screening" (a decision in as little as 20 minutes) possible, and with diverse channels for customers to sign up, such as automated application booths and, of course, the Internet, we are able to offer credit very swiftly.

What is more, our network of approximately 650 credit card issuing machines nationwide together with a virtual card function enables us to offer a degree of service that our competitors cannot, including same-day issue of credit cards in some cases.

Medium-term Management Plan (FY2022 to FY2024)

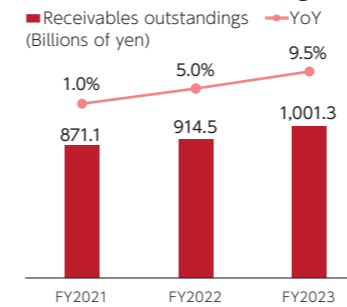
Targets

- Carry on accurately meeting customers' cashless needs, and using digital technologies to provide more convenient services

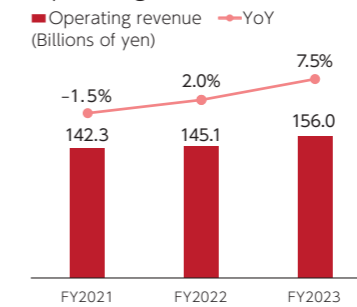
Key Themes for the Medium Term

- Enhancing brand strength by rebuilding perceptions
- Providing high-quality customer experience through optimization of human and digital resources
- Creating new business and services for next growth phase

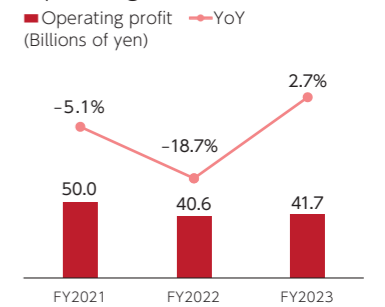
Receivables Outstanding



Operating Revenue



Operating Profit



* Data for the fiscal year ended March 2022 excludes interest repayment expenses

Initiatives in the Fiscal Year Ended March 2024

In the Loan and Credit Card Business, we worked to strengthen our efforts to attract new customers, improve product and service functions, and maintain a sound loan portfolio.

In regard to increasing the attraction of new customers, we stepped up the promotion of our "ACOM for the first time" message through initiatives such as our Samurai Big 3 series of commercials, and by implementing the Challenge what you want to start! Project. Furthermore, with regard to improving product and service functions, we took steps to improve customer convenience, including the release of a provisioning function that allows users to register ACOM-issued Mastercard® credit cards on Apple Pay® from ACOM's official app myac. Another such step was the simplification of new application forms.

In addition to these marketing activities, we have remained committed to sustaining a sound loan portfolio and improving customer service quality. Initiatives have included improvements in screening accuracy, as well as workforce development efforts such as credit control training and customer service quality training.

Achievements in the Fiscal Year Ended March 2024

In the fiscal year ended March 2024, receivables outstanding increased 9.5% to 1,001.3 billion yen due to the normalization of socioeconomic activities and a recovery in personal consumption such as leisure, travel, and dining, as well as active efforts to attract new customers and obtain income verification documents.

Operating revenue increased 7.5% YoY to 156.0 billion yen due to steady growth in receivables outstanding.

Operating profit increased 2.7% YoY to 41.7 billion yen, although operating expenses rose due to factors such as an increase in provision for bad debts accompanying business expansion and an increase in advertising expenses in connection with efforts to attract new customers.

Plan for the Fiscal Year Ending March 2025

Receivables outstanding are forecast to increase 7.1% YoY to 1,072.5 billion yen based on the assumption that active demand for funds will continue through the first quarter, and gradually return to pre-pandemic levels from the second quarter onward.

Operating revenue is forecast to increase 8.0% YoY to 168.5 billion yen, mainly due to business expansion.

Message from the Director



Yuji Kinoshita

Executive Managing Officer

The fiscal year ending March 2025 is the final fiscal year of the Medium-term Management Plan. We have been working toward the plan's targets of accurately meeting customers' cashless needs and using digital technologies to provide more convenient services. As the culmination of our efforts, we are determined to provide new conveniences to our customers.

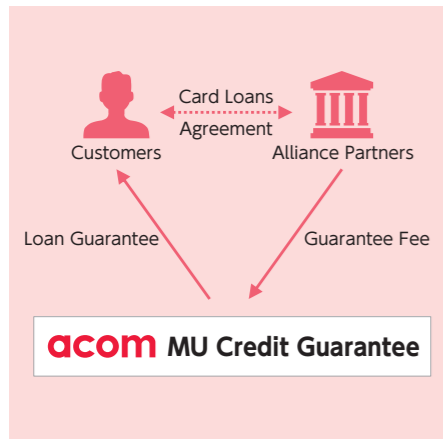
Because we closed all manned branches at the end of March 2023, we need to improve the convenience and self-operability of Internet services even more than before. To this end, we will seek to advance virtual card functions and smartphone payments, as well as upgrade the functionality of our website and smartphone app, while actively promoting systemization and robotic automation. Furthermore, we will use the resources freed up by digital technology to provide a high-quality

customer experience that can only be achieved with people. Through these efforts, we aim to deliver services on a par with those offered at manned branches by giving first priority to meeting a wide range of customer needs.

Moreover, since the fiscal year ended March 2024, we have been reviewing our marketing strategy utilizing outside expertise with the aim of attracting new customers and improving retention rates. In response to the market research findings, we have carried out extensive analyses and reviews of our strategies, which resulted in the formulation of a new branding strategy. We will simultaneously increase the support of first-time customers and the support of existing customers who use our services. In the process, we will realize a consistent brand across all of our user interfaces.

In addition to developing new frameworks that respond to customer needs, we will continue to establish an even stronger business model as a leading company. We will do so to fulfill customers' desires for "what they want" and "the services they would like to get" while providing them with peace of mind.

Guarantee Business



Overview

In this segment, we provide credit guarantees, underwriting customers' repayment of loans taken out with our alliance partners. In return, we receive fees based on the outstanding amounts. This is a cooperative business, in which we provide support tailored to each institution's requirements and work in tandem to achieve growth in loan products. ACOM Group's Guarantee Business is centered on ACOM and one of the Group's consolidated subsidiaries, MU Credit Guarantee.

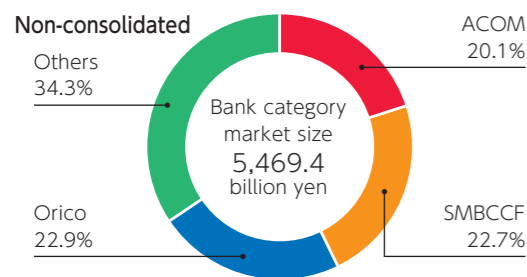
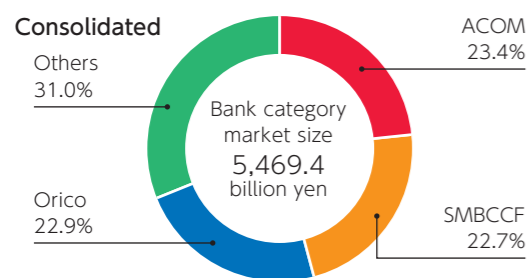
In May 2001, we initiated a credit guarantee partnership with a bank. Leveraging the wealth of expertise we had amassed through our loan business, we began providing credit guarantees for loans sold by the Hokkaido Bank. Since then, we have worked to broaden our network to include MUFG Bank, major regional banks and online banks. Local economies are beset by various issues, including a declining birthrate, aging population, and population outflow. By joining forces with each of our partners to grow their card loan products and meet the needs of customers in a wide range of regions, we are helping to stimulate local economies.

Market Environment and Outlook

The market size of the bank category at the end of March 2024 was approximately 5.4 trillion yen, of which ACOM Group's share exceeded 20%.

At present, the market size continues to expand due to the normalization of socioeconomic activities and increased demand for funds for leisure, travel, dining, and other purposes. Given the current robust demand for funds, we anticipate annual market growth of around 5%.

Market share (as of the end of March 2024)



* The market size of the bank category represents the personal card loan receivables of domestic banks and shinkin banks based on statistics issued by the Bank of Japan.

Strengths

Our basic strategy in this segment is to partner with one major regional bank in each of Japan's 47 prefectures. While this prevents cannibalization among regional financial institutions, it also enables us to maintain close partnerships with financial institutions. We offer detailed support that meets each financial institution's needs. These include market analysis insights, support for promotions, marketing ideas, and workflow optimization, thus helping to build a competitive advantage. With guaranteed receivables now exceeding 20 billion yen per bank, our guarantee business far out-scales those of rival guarantee companies.

In addition, we offer support by seconding expert employees from our loan business to offer technical guidance at partners' workplaces. To date, more than 200 ACOM employees have made a difference to our partners' loan product marketing efforts, where their telemarketing know-how and help with advertising have been highly rated.

Medium-term Management Plan (FY2022 to FY2024)

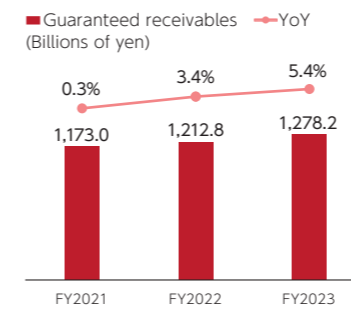
Targets

- Apply the accumulated expertise of ACOM Group, to become a guarantee company that helps to raise the enterprise value of its partner financial institutions

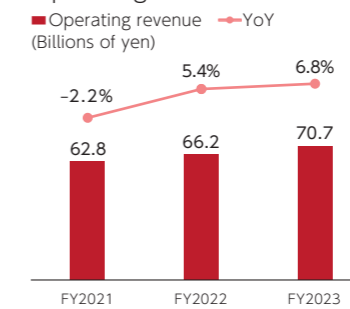
Key Themes for the Medium Term

- Expanding guarantee partnerships with financial institutions and establish guarantees partnerships with companies
- Further strengthening cooperation with existing guarantee partners

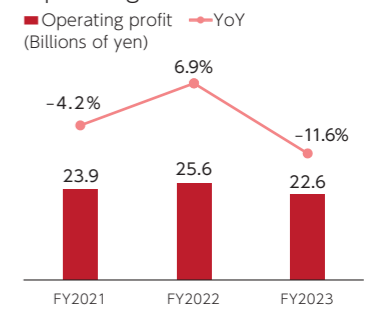
Guaranteed Receivables



Operating Revenue



Operating Profit



Initiatives in the Fiscal Year Ended March 2024

In the Guarantee Business, we have worked to build in-depth communication with our partners and continued to screen guarantees appropriately. In addition, we worked to help our partners better attract new customers by utilizing joint advertising, in which shared advertising materials are used by multiple partners, and to support various sales measures and business efficiency improvement through seconding employees to provide technical guidance.

Furthermore, following the guarantee partnership with LINE Credit Corporation in March 2023, we have continued to make efforts to develop new partners, including companies. In February 2024, our subsidiary MU Credit Guarantee started a guarantee partnership with Minna Bank, Ltd.

Achievements in the Fiscal Year Ended March 2024

In the fiscal year ended March 2024, guaranteed receivables in the Guarantee Business increased 5.4% YoY to 1,278.2 billion yen. This was a result of efforts to strengthen ties with existing partners and focus on supporting sales promotion measures of business partners, as well as a recovery in personal consumption such as for leisure, travel, and dining.

Operating revenue increased 6.8% YoY to 70.7 billion yen due to business expansion and higher guarantee fee rates resulting from periodic reviews.

Operating profit decreased 11.6% YoY to 22.6 billion yen, due to an increase in operating expenses caused by an increase in provision for bad debts accompanying business expansion.

Plan for the Fiscal Year Ending March 2025

Guaranteed receivables are forecasted to increase 7.2% YoY to 1,370.1 billion yen, based on the assumption of proactive sales activities by each of our partners and due to factors such as support for advertising, including joint advertising aimed at improving awareness of bank card loans.

Operating revenue is forecasted to increase 8.5% YoY to 76.8 billion yen due to an increase in guarantee fee rates resulting from periodic reviews, in addition to an increase in guaranteed receivables.

Message from the Director



Michihito Onodera

Senior Executive Managing Officer

Business conditions have been steadily recovering, albeit at a gradual pace, since the beginning of the fiscal year ending March 2025, in response to factors such as wage increases and the capture of

inbound tourism demand. As personal consumption continues to grow, the personal card loan market is currently expanding at an annual rate of 400.0 billion yen, reversing the contraction that had previously occurred due to the COVID-19 pandemic.

In the fiscal year ending March 2025, the final fiscal year of the Medium-term Management Plan, we will continue to address the plan's key themes. One of the key themes is to further strengthen cooperation with existing guarantee partners. For this theme, we will further strengthen support for various sales measures and business efficiency improvement through seconding employees to provide technical guidance. At the same time, we will generously provide our partners with ACOM Group's expertise, including improving the UI/UX of Web media, which account for most guarantee screenings,

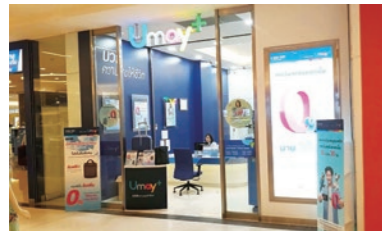
improving the contracting rate by introducing eKYC (electronic Know Your Customer, or electronic personal identity verification), and proposing effective advertising tools and content.

Another key theme of the plan is to establish guarantee partnerships with companies. In this area, we will accurately identify the recent trend of companies seeking to actively enter the financial market from different industries and business sectors, with the intention of strengthening and expanding the customer base of their group's business ecosystem. By watching this trend closely, we seek to pave the way for collaborations and partnerships.

By steadily identifying these initiatives and trends in business conditions as well as the recovery in demand for funds, we will work not only to achieve the Medium-term Management Plan's target for guaranteed receivables by the end of March 2025, but also to continuously contribute to increasing the corporate value of our alliance partners as their optimal business partner, as we continue to offer services that exceed their expectations.

We will continue to provide ACOM Group's expertise to our alliance partners and deliver services that exceed their expectations, with the goal of obtaining the No.1 market share on a non-consolidated basis and evolving into an overwhelmingly strong ACOM.

Overseas Financial Business



Overview

We established loan businesses in Thailand, the Philippines, and Malaysia with a view to capitalizing on the strong growth of the retail finance sector in the ASEAN region markets. Though ASEAN is experiencing rapid economic development, the region faces challenges; for instance, many in the region do not have bank accounts or credit cards and lack access to financial services. By providing services to a wide range of customers and meeting their needs, the Group has contributed to the development of the ASEAN economy. Businesses in this area have since grown to account for around 20% of ACOM Group's operating revenues.

In Thailand, we operate EASY BUY, a loan provider. Here, we leverage the experience and expertise of our Japanese businesses to offer unsecured personal loans under the Umay+ brand, and financing for installment sales under the EASY BUY brand. EASY BUY's high-quality services, underpinned by its customer-first philosophy, has earned the Company a solid base of customer support.

In the Philippines, which is experiencing rapid economic growth, we established ACOM CONSUMER FINANCE CORPORATION in July 2017 and began operations a year later.

Furthermore, in Malaysia, we established ACOM (M) SDN. BHD. in July 2021 and began operations in September 2023.

Market Environment and Outlook

The Thai personal loan market was worth around 500 billion baht (approximately 2.0 trillion yen) as of the end of December 2023, of which, the non-bank sector market was worth around 300 billion baht (approximately 1.3 trillion yen). With a share in excess of 20% of the non-bank market, EASY BUY has established itself as the top brand in that sector.

In the fiscal year ending March 2025, real GDP growth is expected to increase. Therefore, we expect the non-bank market to continue showing positive growth.

The size of the unsecured personal loan market in the Philippines is approximately 450 billion pesos (approximately 1,100 billion yen). The range of banks handling unsecured loans for middle-income borrowers is limited, and there are only a few non-bank companies, so this market offers the prospect of future growth.

Strengths

Our strengths are our experience and expertise, not only in the Japanese loan business, but also our more than two decades in the Thai personal loan industry, which has enabled us to win the top share of the local non-bank market.

That bedrock of hard-won expertise underpins our entry into new countries, and allows us to establish a solid operational base relatively smoothly.

Medium-term Management Plan (FY2022 to FY2024)

Target

- Establish new revenue base toward adding 300 million people to the target market population

Key Themes for the Medium Term

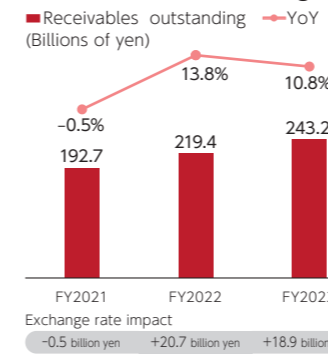
- Expanding into new countries
- Building our business base in countries where we already have a presence

Thailand
EASY BUY Public Company Limited
 Investment ratio: 71.0%
 Established: Sept. 1996
 Business lines: Unsecured loan business, Installment loan business

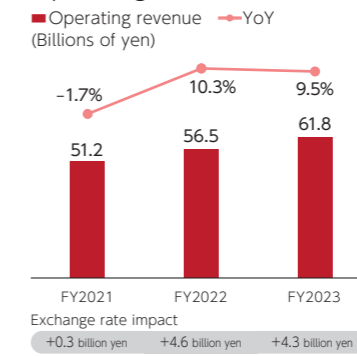
The Philippines
ACOM CONSUMER FINANCE CORPORATION
 Investment ratio: 80.0%
 Established: July 2017
 Business lines: Unsecured loan business

Malaysia
ACOM (M) SDN. BHD.
 Investment ratio: 100.0%
 Established: July 2021
 Business lines: Unsecured loan business

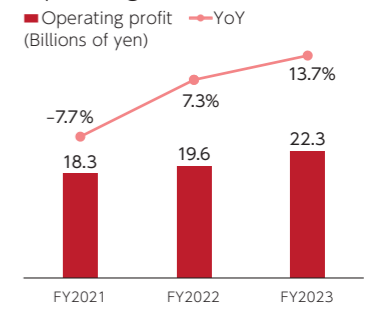
Receivables Outstanding



Operating Revenue



Operating Profit



Initiatives in the Fiscal Year Ended March 2024

Business activities in this area have been carried out both to expand the scale of relevant businesses and ensure appropriate credit in the Overseas Financial Business.

EASY BUY has established a top brand position in Thailand by aggressively developing the Umay+ brand with the goal of improving its brand image and expanding new customer attraction. In addition, EASY BUY worked to strengthen its service capabilities. These efforts included the release of the e-wallet payment service DREAM wallet, along with the issuance of virtual cards and use of mobile apps.

ACF has been working on improving the quality of receivables, through efforts such as promoting the acquisition of prime customers.

In Malaysia, ACOM (M) began operations in September 2023 and launched an online contract service that is available entirely online in March 2024. Furthermore, ACOM is also studying other Asian countries to explore the feasibility of business development there.

Achievements in the Fiscal Year Ended March 2024

Receivables outstanding in the Overseas Financial Business increased 10.8% YoY to 243.2 billion yen, reflecting EASY BUY's business expansion, as well as the exchange rate impact from the weaker yen. On a local currency basis, EASY BUY's receivables outstanding increased 2.2% YoY to 58.1 billion baht while ACF's receivables outstanding decreased 13.5% YoY to 1.2 billion pesos.

Operating revenue increased 9.5% YoY to 61.8 billion yen, due to business expansion and the exchange rate impact from the weaker yen. Operating profit increased 13.7% YoY to 22.3 billion yen, as an increase in revenue from business expansion and the exchange rate impact covered an increase in costs.

Plan for the Fiscal Year Ending March 2025

For EASY BUY, receivables outstanding are forecasted to increase 1.0% YoY to 58.7 billion baht, mainly due to an increase in the share of receivables affected by new lending regulations that entered force in September 2017. For ACF, receivables outstanding are forecasted to increase 8.7% YoY to 1.3 billion pesos, as the company plans to establish a regional business hub that will serve as a new sales base and promote sales activities more closely tied to the region, while working to optimize credit.

Operating revenue is projected to increase 0.3% YoY to 62.1 billion yen, due to the anticipated increases in the receivables outstanding of EASY BUY and ACF.

Message from the Director



Masaru Kuroda
 Executive Managing Officer

There are two key points in our plan for the Overseas Financial Business in the fiscal year ending 2025. The first is to aim for stable growth and to achieve profitability at an early stage at overseas subsidiaries including our subsidiary in Malaysia, which we have

newly entered. The second is to decide on the new country we will enter after Malaysia.

The first point is focused on our overseas subsidiaries. In Thailand, where EASY BUY conducts business, receivables past due have been increasing nationwide following the lifting of regulatory easing implemented during the COVID-19 pandemic. In this business environment, EASY BUY has been able to curtail the increase in receivables past due. We will work to establish a system to consistently maintain and enhance the quality of receivables, in order to avoid an additional increase in receivables past due in the future. Regarding ACF in the Philippines, in the fiscal year ended March 2024, we implemented stricter credit and increased our collection staff for the purpose of improving the receivables portfolio. In the fiscal year ending March 2025, we will strive to improve profitability by establishing a

regional business hub that will serve as a base for external sales activities in order to increase the efficiency of customer attraction, screening and collection operations. Finally, let me say a few words about ACOM (M) in Malaysia, where we began operations in the fiscal year ended March 2024. Following approval by the local authorities, we began an online contract service that is available entirely online in March 2024. We will establish a framework that will enable us to provide courteous and considerate services earlier than local banks and competitors in the same industry. This will be achieved by creating an efficient sales structure that manages online contracts from a single location.

The second point is to decide on the new country we will enter. We will continue to explore new countries to enter in Asia, with a focus on the ASEAN region. In order to address customer needs, which are evolving on a daily basis, and changes in service formats that can be provided, we will not confine ourselves to the approach of entering a country from scratch by setting up a company. We will flexibly explore our options, which include various methods of entering new countries.

The fiscal year ending March 2025 is the final fiscal year of the Medium-term Management Plan. This is also the fiscal year in which we will formulate the next Medium-term Management Plan. For this reason, we will do our utmost to make decisions that lead to the future development of the Overseas Financial Business.