

*(Transration)*

**Brief Statement of Financial Results for the Six Months  
Ended August 31,2006 (Non-Consolidated)**

October 11, 2006

Company Name:	POCKET CARD CO., LTD.
Code No.:	8519
Listed Exchange:	Tokyo Stock Exchange (First Section) Osaka Securities Exchange (First Section)
URL:	<a href="http://www.pocketcard.co.jp">http://www.pocketcard.co.jp</a>
Location of the head office:	Tokyo
Representative Director:	Makoto Tsuzuki, President
Contact Person:	Kazuhiko Ikeda, General Manager of Accounting Dept. Tel: +81-3-5441-1924
Date of Meeting of Board of Directors	October 11, 2006
Date of semi-annual Dividend Payment:	From November 10, 2006
Name of Parents Company:	SANYO SHINPAN FINANCE CO., LTD. (Code No.: 8573)
Percentage Owned by Parents Company:	47.0%

This document (unaudited) is an English translation of the original Japanese Financial Statements made public on October 11,2006.

In the event of any discrepancy between this translated document and the original Japanese document, the original document shall prevail.

Brief Statements of Financial Results for the Six Months include forward-looking statements about the future performance of POCKET CARD that are based on assumptions and beliefs in light of information currently available, and involve certain risk and uncertainties.

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## 1. Financial Highlight for the Six Months Ended August 31, 2006

Note: Figures in these statements, which have been prepared in accordance with accounting principles generally accepted in Japan, were rounded down to the nearest million yen.

### (1) Results of Operations

	Operating Revenues	Change from Prior Year	Operating Income	Change from Prior Year	Ordinary Income	Change from Prior Year
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)
Six Months Ended August 31:						
2006	19,197	8.6	4,545	(0.1)	4,540	(0.0)
2005	17,680	5.6	4,550	23.6	4,541	23.7
(Reference) Year Ended February 28, 2006	35,898	7.0	8,331	14.9	8,330	15.0

	Net Income	Change from Prior Year	Net Income per Share	Diluted Net Income per Share
	(Millions of Yen)	(%)	(Yen)	(Yen)
Six Months Ended August 31:				
2006	2,705	20.0	45.27	—
2005	2,254	36.5	74.82	—
(Reference) Year Ended February 28, 2006	4,481	21.5	148.74	—

Notes: 1 Equity in Earnings (Losses) of Associated Companies:

Six months ended August 31, 2006: nil

Six months ended August 31, 2005: nil

Year ended February 28, 2006: nil

2 Average Number of Common Shares Issued and Outstanding:

Six months ended August 31, 2006: 59,768,587 shares

Six months ended August 31, 2005: 30,130,842 shares

Year ended February 28, 2006: 30,130,631 shares

3 Accounting Changes: None.

4 The above percentages for operating revenues, operating income, ordinary income and net income represent ratio of change from those in prior year.

5 The Company executed a two-for-one stock split effective on March 1, 2006.

### (2) Financial Position

	Total Assets	Net Assets	Net Worth Ratio	Net Assets Per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
As of August 31:				
2006	193,257	51,463	26.6	869.29
2005	166,613	48,810	29.3	1,619.94
(Reference) As of February 28, 2006	177,246	50,536	28.5	1,677.27

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Note: 1 Total Number of Common Shares Issued and Outstanding:

Six months ended August 31, 2006: 59,202,061 shares

Six months ended August 31, 2005: 30,130,705 shares

Year ended February 28, 2006: 30,130,110 shares

2 Total Number of treasury stock Outstanding:

Six months ended August 31, 2006: 1,068,383 shares

Six months ended August 31, 2005: 4,517 shares

Year ended February 28, 2006: 5,112 shares

3 The Company executed a two-for-one stock split effective on March 1, 2006.

4 Owing to the first application of ASBJ Statement No.5 on August 31, 2006, the above figures on Net Assets and Net Assts per Share as of August 31, 2005 and February 28, 2006 represent the Shareholders' Equity and the Equity per Share based on the accompanying each period's non-consolidated financial statements, respectively. The Shareholders' Equity as of August 31, 2006, if calculated samely as the prior periods, should have amounted to 51,463 millions of yen.

(3) Cash Flow Information

	Operating Activities	Investing Activities	Financing Activities	Cash and Cash Equivalents at the End of Period
	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)
Six Months Ended August 31:				
2006	(14,520)	(611)	15,791	12,724
2005	(14,613)	(500)	5,904	9,389
(Reference) Year Ended February 28, 2006	(20,588)	(1,360)	15,421	12,067

2. Forecast of Operations for the Year Ending February 28, 2007

	Operating Revenues	Ordinary Income	Net Income
	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)
Annual	39,000	8,600	5,000

Information: Expected net income per share for the year ending February 28, 2007—¥84.46

3. Dividends

•Cash Dividends	Annual Dividends per Share (Yen)		
	Semi-annual	Year End	Total
For the year ended February 28, 2006 (actual)	15.00	17.00	32.00
For the year ended February 28, 2007 (actual) (forecast)	8.50 —	— 8.50	— 17.00

Note: The Company executed a two-for-one stock split effective on March 1, 2006.

※ The above forecast of operations for the year ending February 28, 2007 and cash dividends for the year ended February 28, 2007 is based on assumptions and plans determined by management on the basis of data available at the present time. Furthermore, the above forecast is subject to a number of risks and uncertainties. Therefore, it is generally warned that the actual result should differ from those in the above forecast statements as a result of various facts.

(Translation)

## 1. Comparative Non-Consolidated Balance Sheets

Note: Figures in these statements, which have been prepared in accordance with accounting principles generally accepted in Japan, were rounded down to the nearest million yen.

Item	August 31, 2005	August 31, 2006	February 28, 2006
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>I Current assets</b>	159,323	185,056	169,519
Cash and cash equivalents	9,389	12,724	12,067
Installment shopping receivable	36,057	42,372	37,574
Cashing loans receivable	111,026	127,747	118,050
Inventories	155	236	168
Prepaid expenses	333	432	294
Deferred tax assets	1,017	1,324	1,352
Accounts receivables	3,212	3,571	3,090
Other	4,781	4,091	3,737
Allowance for possible credit losses	(6,650)	(7,445)	(6,815)
<b>II Fixed assets</b>	7,289	8,201	7,726
<b>Tangible fixed assets</b>	338	540	415
Buildings and structures	111	131	111
Office equipment	227	407	304
Constructions in progress	—	1	—
<b>Intangible fixed assets</b>	2,161	2,530	2,407
Software	1,468	1,440	1,382
Telephone rights	73	73	73
Software in progress	619	1,016	951
<b>Investments and other</b>	4,789	5,129	4,903
Investments in securities	1,969	1,971	1,987
Receivables under bankruptcy	3	3	3
Long-term prepaid expenses	235	350	291
Deferred tax assets	117	159	161
Rental deposits	2,460	2,591	2,410
Utility rights	19	19	19
Other	2	53	49
Allowance for possible credit losses	(19)	(19)	(19)
<b>Total assets</b>	166,613	193,257	177,246

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Item	August 31, 2005	August 31, 2006	February 28, 2006
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>I Current liabilities</b>	58,967	66,403	55,939
Accounts payable trade	12,378	7,934	9,685
Short-term borrowings	4,000	5,500	4,000
Long-term debt due within one year	33,016	32,507	31,071
Commercial paper	4,000	9,000	4,000
Bonds due within one year	520	5,560	520
Accounts payable others	2,034	1,797	2,120
Accrued expenses	441	574	511
Accrued income taxes	1,611	1,925	2,514
Accrued bonus	151	164	143
Allowance for credit card point redemption	492	413	701
Allowance for possible guarantee losses	258	368	358
Allowance for refundable excess interest	—	567	250
Other	86	92	62
<b>II Non-current liabilities</b>	58,835	75,390	70,771
Bonds	16,160	15,600	20,900
Long-term debt	42,417	59,553	49,633
Liabilities for employees' retirement benefits	232	236	237
<b>Total liabilities</b>	117,803	141,793	126,710
<b>I Common stock</b>	11,268	—	11,268
<b>II Capital surplus</b>	12,730	—	12,730
Additional paid-in capital	12,577	—	12,577
Other	152	—	152
<b>III Retained earnings</b>	24,917	—	26,693
Legal reserve	509	—	509
Reserve for special depreciation	148	—	148
General reserve	21,285	—	21,285
Unappropriated retained earnings	2,974	—	4,750
<b>IV Unrealized loss on available-for-sale securities</b>	(101)	—	(148)
<b>V Treasury stock</b>	(4)	—	(6)
<b>Total shareholders' equity</b>	48,810	—	50,536
<b>Total liabilities and shareholders' equity</b>	166,613	—	177,246

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Item	August 31, 2005	August 31, 2006	February 28, 2006
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>I Owners' equity</b>	—	51,586	—
<b>Paid-in capital</b>	—	11,268	—
<b>Capital surplus</b>	—	12,730	—
Capital legal reserve		12,577	
Other		152	
<b>Earned surplus</b>	—	28,886	—
Earned legal reserve		509	
Reserve for special depreciation		98	
General reserve		24,285	
Unappropriated retained earnings		3,992	
<b>Treasury stock</b>	—	(1,298)	—
<b>II Valuation and translation adjustment</b>	—	(122)	—
Valuation difference on available-for-sale securities	—	(122)	—
<b>Total net assets</b>	—	51,463	—
<b>Total liabilities and net assets</b>	—	193,257	—

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2. Comparative Non-Consolidated Statements of Income

Item	Six Months Ended August 31, 2005	Six Months Ended August 31, 2006	Year Ended February 28, 2006
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>I Operating revenues</b>	17,680	19,197	35,898
<b>II Operating expenses</b>	13,130	14,652	27,567
Selling, general and administrative expenses	12,150	13,642	25,648
Interest expense and other finance charges	980	1,009	1,919
<b>Operating income</b>	4,550	4,545	8,331
<b>III Non-Operating income</b>	5	5	21
<b>IV Non-Operating expenses</b>	14	10	21
<b>Ordinary income</b>	4,541	4,540	8,330
<b>V Extraordinary gains</b>	109	160	295
<b>VI Extraordinary losses</b>	883	103	1,157
Income before income taxes	3,767	4,597	7,468
Income taxes (Current)	1,559	1,879	3,379
Income taxes (Deferred)	(46)	12	(392)
<b>Net income</b>	2,254	2,705	4,481
Unappropriated retained earnings brought forward	720	—	720
Semi-annual dividends paid	—	—	451
<b>Unappropriated retained earnings, end of period</b>	2,974	—	4,750

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3. Non-Consolidated Statement of Changes in Net Asset

(Millions of Yen)

	Six Months Ended August 31, 2006								
	Owners' equity								
	Paid-in capital	Capital surplus			Earned surplus				
		Optical legal reserve	Other	Total	Earned legal reserve	Other			Total
Reserve for special depreciation	General reserve					Unappropriated retained earnings			
<b>Balance at the end of previous period</b>	11,268	12,577	152	12,730	509	148	21,285	4,750	26,693
<b>Changes of items during the period</b>									
Dividends from surplus								(512)	(512)
Net income								2,705	2,705
Reserve for special depreciation						(49)		49	
Unappropriated retained earnings							3,000	(3,000)	
Purchase of treasury stock									
Reissuance of treasury stock			0	0					
Net changes of items other than owners' equity									
<b>Total changes of items during the period</b>			0	0		(49)	3,000	(757)	2,193
<b>Balance at the end of the current period</b>	11,268	12,577	152	12,730	509	98	24,285	2,193	28,886



(Transration)

(Millions of Yen)

	Six Months Ended August 31, 2006				
	Owners' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total owners' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
<b>Balance at the end of previous period</b>	(6)	50,685	(148)	(148)	50,536
<b>Changes of items during the period</b>					
Dividends from surplus		(512)			(512)
Net income		2,705			2,705
Reserve for special depreciation					
Unappropriated retained earnings					
Purchase of treasury stock	(1,292)	(1,292)			(1,292)
Reissuance of treasury stock	0	0			0
Net changes of items other than owners' equity			26	26	26
<b>Total changes of items during the period</b>	(1,292)	901	26	26	927
<b>Balance at the end of the current period</b>	(1,298)	51,586	(122)	(122)	51,463

(Transration)

4. (Summary) Non-Consolidated Statements of Cash Flows

Item	Six Months Ended August 31, 2005	Six Months Ended August 31, 2006	Year Ended February 28, 2006
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>I Cash flows from operating activities</b>			
Income before income taxes	3,767	4,597	7,468
Depreciation and amortization	352	347	728
Impairment loss on fixed assets	780	—	780
Provision for possible credit losses	304	629	469
Change in employees' retirement benefits	(14)	(1)	(35)
Provision for credit card point redemption	2	(288)	211
Provision for possible guarantee losses	58	10	181
Provision for refundable excess interest	—	317	250
Gain on sales of investments	—	(159)	(84)
Gain (loss) on sales and disposition of property and equipment	(20)	62	195
Loss on disposition of other assets	13	19	55
Increase in installment shopping receivable	(3,504)	(4,798)	(5,021)
Increase in cashing receivable	(14,776)	(9,696)	(21,800)
Increase in inventories	50	(89)	(17)
Decrease in accounts receivable	(162)	32	1,039
Increase in accounts payable trade	288	(1,751)	(2,404)
Maturities of securitized cashing loans receivables	(222)	(162)	(179)
Other-net	(965)	1,171	(990)
Subtotal	(14,048)	(12,102)	(19,154)
Income taxes paid	(565)	(2,418)	(1,434)
<b>Net cash used in operating activities</b>	<b>(14,613)</b>	<b>(14,520)</b>	<b>(20,588)</b>
<b>II Cash flows from investing activities</b>			
Purchases of tangible fixed assets	(70)	(293)	(166)
Sales of tangible fixed assets	296	—	296
Purchases of intangible fixed assets	(785)	(421)	(1,342)
Proceeds from sale of investment in securities	—	219	—
Other-net	59	(115)	(147)
<b>Net cash used in investing activities</b>	<b>(500)</b>	<b>(611)</b>	<b>(1,360)</b>

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Item	Six Months Ended August 31, 2005	Six Months Ended August 31, 2006	Year Ended February 28, 2006
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
<b>III Cash flows from financing activities</b>			
Net decrease in short-term borrowings	(700)	1,500	(700)
Net increase in commercial paper	4,000	(5,000)	4,000
Proceeds from long-term debt	20,268	28,764	43,280
Repayment of long-term debt	(17,573)	(17,408)	(35,314)
Proceeds from issuance of bonds	5,947	—	10,907
Redemption of bonds	(5,660)	(260)	(5,920)
Cash dividends paid	(376)	(512)	(828)
Reissuance of treasury stock	0	0	0
Purchase of treasury stock	(0)	(1,292)	(3)
<b>Net cash provided by financing activities</b>	<b>5,904</b>	<b>15,791</b>	<b>15,421</b>
<b>IV Foreign currency translation adjustments on cash and cash equivalents</b>	<b>3</b>	<b>(1)</b>	<b>(1)</b>
<b>V Net decrease in cash and cash equivalents</b>	<b>(9,205)</b>	<b>657</b>	<b>(6,528)</b>
<b>VI Cash and cash equivalents at beginning of year</b>	<b>18,595</b>	<b>12,067</b>	<b>18,595</b>
<b>VII Cash and cash equivalents at end of period</b>	<b>9,389</b>	<b>12,724</b>	<b>12,067</b>

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## 5. Business Results

Item	Six Months Ended August 31, 2005	Six Months Ended August 31, 2006	Year Ended February 28, 2006
<b>Volume of New Contracts (millions of yen)</b>	161,068	177,082	323,857
Shopping	82,503	99,901	172,451
Cashing	63,258	66,650	122,966
Agency services	12,886	8,457	23,947
Others	2,420	2,073	4,492
<b>Operating Revenue (millions of yen)</b>	17,680	19,197	35,898
Shopping	1,913	2,296	3,994
Cashing	14,547	15,664	29,489
Agency services	147	95	273
Others	1,072	1,139	2,140
<b>Outstanding Balance (millions of yen)</b>	166,546	178,452	168,798
Shopping (A)	36,057	42,372	37,574
Cashing (B)	129,612	135,626	130,573
Agency services	876	453	650
<b>Credit Expenses (millions of yen) (C)</b>	3,321	3,874	6,665
<b>Ratio of Credit Expenses to Outstanding Balance of Finance Receivables (%) (C / (A + B))</b>	4.01	4.35	3.96
<b>Number of Card Holders (thousands of holders)</b>	3,850	4,008	3,947
<b>Number of CDs (number of machines)</b>	127,472	137,300	130,514
Own CDs	119	83	117
Partnerships	127,353	137,217	130,397

Notes: 1 The figure for “outstanding balance” includes the off-balance sheet pools of cashing loans receivable in securitization (8,332 million yen as of August 31, 2006, 19,462 million yen as of August 31, 2005, and 13,172 million yen as of February 28, 2006, respectively).

2 The ratio of credit expenses to finance receivables represents the modulated rate for one-year basis.