

(Translation)

EARNINGS RELEASE FOR THE YEAR ENDED FEBRUARY 29, 2008 (CONSOLIDATED)

April 10, 2008

This document (unaudited) is an English translation of the original Japanese Financial Statements made public on April 10, 2008.

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

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

Company Name:	POCKET CARD CO., LTD.
Code No.:	8519
Listed Exchange:	Tokyo Stock Exchange (First Section) Osaka Securities Exchange (First Section)
URL:	http://www.pocketcard.co.jp/ir/e/index.html
Location of the head office:	Tokyo
Representative Director:	Makoto Tsuzuki, President Hideyuki Ochiai, General Manager of Corporate Communication Dept.
Contact Person:	Tel: +81-3-5441-3450 E-mail: koho@pocketcard.co.jp
Date of Annual Dividend Payment:	From May 13, 2008
Date of General Shareholders Meeting:	May 29, 2008
Date of Annual Securities Report Filing:	May 30, 2008

(Translation)

1. CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED FEBRUARY 29, 2008

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) CONSOLIDATED 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)	(%)
Year Ended February 29, 2008	40,188	—	3,161	—	3,168	—
Year Ended February 28, 2007	—	—	—	—	—	—

	Net Income	Change from Prior Year	Net Income per Share	Diluted Net Income per Share	Return on Equity	Ratio of Ordinary Income to Total Assets	Ratio of Ordinary Income to Operating Revenues
	(Millions of Yen)	(%)	(Yen)	(Yen)	(%)	(%)	(%)
Year Ended February 29, 2008	936	—	15.81	—	1.9	1.5	7.9
Year Ended February 28, 2007	—	—	—	—	—	—	—

(REFERENCE) Equity in Earnings (Losses) of Associated Companies

Year ended February 29, 2008: nil

Year ended February 28, 2007: nil

Note: As consolidation procedures have been effective from the year ended February 29, 2008, the consolidated results of operation for the year ended February 28, 2007 have not been prepared. Accordingly, the ratio figures of changes from prior years have not been disclosed.

(2) CONSOLIDATED FINANCIAL POSITION

	Total Assets	Net Assets	Net Worth Ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
As of February 29, 2008	222,230	49,555	22.3	837.07
As of February 28, 2007	—	—	—	—

(REFERENCE) Net Worth:

As of February 29, 2008: ¥49,555 million

As of February 28, 2007: nil

Note: As consolidation procedures have been effective from the year ended February 29, 2008, the consolidated financial positions as of the year ended February 28, 2007 have not been prepared.

(Translation)

(3) CONSOLIDATED CASH FLOWS INFORMATION

	Operating Activities	Investing Activities	Financing Activities	Cash and Cash Equivalents at the End of Year
	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)
Year Ended February 29, 2008	(5,273)	(2,420)	14,009	21,575
Year Ended February 28, 2007	(22,137)	(2,190)	27,540	15,277

Note: As consolidation procedures have been effective from the year ended February 29, 2008, the cash flows information for the year ended February 28, 2007 have been prepared and stated by the non-consolidated financial figures.

2. DIVIDENDS

•Cash Dividends	Annual Dividends per Share (Yen)			Total Amount of Cash Dividends (Millions of Yen)	Dividend Payout Ratio (%)	Ratio of Dividend Net Assets Ratio (%)
	Semi-annual	Year End	Total			
For the year ended February 28, 2007 (actual)	8.50	8.50	17.00	1,006	81.0	2.0
For the year ended February 29, 2008 (actual)	8.50	4.25	12.75	754	80.6	1.5
For the year ended February 28, 2009 (forecast)	4.25	4.25	8.50	—	41.9	—

Note: As consolidation procedures have been effective from the year ended February 29, 2008, the above percentage on dividend payout ration ratio of dividend net assets ratio for the year ended February 28, 2007 have been prepared and stated by the non-consolidated financial figures.

3. FORECAST OF CONSOLIDATED OPERATIONS FOR THE YEAR ENDING FEBRUARY 28, 2009

	Operating Revenues	Change from Prior Year	Operating Income	Change from Prior Year	Ordinary Income	Change from Prior Year	Net Income	Change from Prior Year
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)
Semi-annual	19,600	—	1,100	—	1,100	—	500	—
Annual	38,900	(3.2)	2,500	(20.9)	2,500	(21.1)	1,200	28.2

	Net Income per Share
	(Yen)
Semi-annual	8.45
Annual	20.27

Note: As consolidation procedures have been effective from the year ended February 29, 2008, the ratio figures of changes from prior semi-annual period have not been disclosed.

4. OTHER INFORMATION

(1) CHANGES IN SCOPE OF CONSOLIDATION: Yes

Increase in number of entities newly consolidated from prior year: One (Company Name: Pocket Direct Co., Ltd.)

(Translation)

(2) CHANGES OF ACCOUNTING POLICIES:

- i Changes with Reform of Accounting Standards: None.
- ii Changes with Other Than Those Above: None.

(3) NUMBER OF COMMON STOCK ISSUED:

- i Total Number of Shares Issued (Including Treasury Stock):

As of February 29, 2008: 60,270,444 shares

As of February 28, 2007: 60,270,444 shares

- ii Total Number of Treasury Stock:

As of February 29, 2008: 1,069,257 shares

As of February 28, 2007: 1,068,575 shares

(REFERENCE)

NON-CONSOLIDATED FINANCIAL HIGHLIGHT FOR THE YEAR ENDED FEBRUARY 29, 2008

(1) NON-CONSOLIDATED RESULTS OF OPERATIONS

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

	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)	(%)
Year Ended February 29, 2008	40,040	3.1	3,039	(52.4)	3,042	(52.3)
Year Ended February 28, 2007	38,929	8.2	6,383	(23.4)	6,377	(23.4)

	Net Income	Change from Prior Year	Net Income per Share	Diluted Net Income per Share
	(Millions of Yen)	(%)	(Yen)	(Yen)
Year Ended February 29, 2008	863	(30.8)	14.58	—
Year Ended February 28, 2007	1,248	(72.2)	20.98	—

(2) NON-CONSOLIDATED FINANCIAL POSITION

	Total Assets	Net Assets	Net Worth Ratio	Net Assets Per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
As of February 29, 2008	222,060	49,482	22.3	835.84
As of February 28, 2007	203,678	49,414	24.3	834.68

(REFERENCE) Net Worth:

As of February 29, 2008: ¥49,482 million

As of February 28, 2007: ¥49,414 million

(Translation)

(3) FORECAST OF NON-CONSOLIDATED OPERATIONS FOR THE YEAR ENDING FEBRUARY 28, 2009

Note: The following percentage for operating revenues, ordinary income, and net income represent ratio of change from those in prior year.

	Operating Revenues	Change from Prior Year	Operating Income	Change from Prior Year	Ordinary Income	Change from Prior Year	Net Income	Change from Prior Year
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)
Semi-annual	19,400	(4.2)	1,100	(57.0)	1,100	(56.9)	400	(62.8)
Annual	38,500	(3.8)	2,200	(27.6)	2,200	(27.7)	1,100	27.4

	Net Income per Share
	(Yen)
Semi-annual	6.76
Annual	18.58

※ The above forecasts of consolidated and non-consolidated operations for the year ending February 29, 2008 are based on assumptions and plans determined by management on the basis of data available at the present time. Furthermore, the above forecasts are 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. 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	February 29, 2008
	Amount (Millions of Yen)
I CURRENT ASSETS	214,099
Cash and cash equivalents	21,575
Installment shopping receivable	56,689
Cashing loans receivable	138,557
Deferred tax assets	4,608
Other	8,338
Allowance for possible credit losses	(15,670)
II FIXED ASSETS	8,131
Tangible fixed assets	354
Buildings and structures	291
Accumulated depreciation	(125)
Office equipment	626
Accumulated depreciation	(436)
Intangible fixed assets	189
Software	5,021
other	39
Investments and other	5,060
Investments in securities	2,715
Deferred tax assets	379
Other	1,327
Allowance for possible credit losses	1,027
Allowance for possible credit losses	(19)
TOTAL ASSETS	222,230

(Translation)

Item	February 29, 2008
	Amount (Millions of Yen)
I CURRENT LIABILITIES	88,844
Accounts payable trade	8,043
Short-term borrowings	13,350
Long-term debt due within one year	30,972
Commercial paper	25,000
Bonds due within one year	5,200
Accrued income taxes	2,166
Accrued bonus	146
Allowance for credit card point redemption	770
Allowance for possible guarantee losses	652
Other	2,544
II NON-CURRENT LIABILITIES	83,829
Bonds	31,300
Long-term debt	49,284
Liabilities for employees' retirement benefits	227
Allowance for refundable excess interest	3,018
TOTAL LIABILITES	172,674
I OWNERS' EQUITY	49,554
Paid-in capital	11,268
Capital surplus	12,730
Earned surplus	26,855
Treasury stock	(1,299)
II VALUATION AND TRANSLATION ADJUSTMENT	0
Valuation difference on available-for-sale securities	0
TOTAL NET ASSETS	49,555
TOTAL LIABILITES AND NET ASSETS	222,230

(Translation)

2. CONSOLIDATED STATEMENTS OF INCOME

Item	Year Ended February 29, 2008
	Amount (Millions of Yen)
I OPERATING REVENUES	40,188
Financing fees on installment shopping	6,081
Interest income on installment loans	31,431
Financing fees on agency services	111
Other financing income	37
Other operating revenue	2,526
II OPERATING EXPENSES	37,027
Selling, general and administrative expenses	33,987
Advertising	807
Sales utilities	883
Commissions	4,113
Provision for credit card point redemption	770
Provision for possible credit losses	11,236
Provision for possible guarantee losses	652
Guarantee losses	138
Provision for refundable excess interest	2,556
Remuneration for directors and corporate auditors	114
Salaries and bonuses	3,339
Provision for bonuses	146
Retirement benefits	42
Welfare expense	378
Communication expenses	1,796
EDP out-sourcing fee	1,319
Leases expenses	440
Depreciation	1,319
Tax and public imposts	875
Other expenses	3,057
Interest expense and other finance charges	3,039
Interest expense	1,964
Other finance charges	1,075
Operating income	3,161

(Continued)

(Translation)

Item	Year Ended February 29, 2008
	Amount (Millions of Yen)
III NON-OPERATING INCOME	23
IV NON-OPERATING EXPENSES	17
Ordinary income	3,168
V EXTRAORDINARY GAINS	345
Gain on sales of investment	345
VI EXTRAORDINARY LOSSES	1,308
Loss on sales and disposal of property and equipment	681
Loss on devaluation of investments	576
Other	50
INCOME BEFORE INCOME TAXES	2,205
INCOME TAXES (CURRENT)	3,933
INCOME TAXES (DEFERRED)	(2,664)
TOTAL INCOME TAXES	1,268
NET INCOME	936

(Translation)

3. CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

(Millions of Yen)

	Year Ended February 29, 2008				
	Owners' equity				
	Paid-in capital	Capital surplus	Earned surplus	Treasury stock	Total owners' equity
Balance at the end of previous year	11,268	12,730	26,925	(1,299)	49,625
Changes of items during the year					
Dividends from surplus			(1,006)		(1,006)
Net income			936		936
Purchase of treasury stock				(0)	(0)
Reissuance of treasury stock		(0)		0	0
Net changes of items other than owners' equity					
Total changes of items during the year		(0)	(70)	(0)	(70)
Balance at the end of the year	11,268	12,730	26,855	(1,299)	49,554

(Continued)

(Translation)

(Millions of Yen)

	Year Ended February 29, 2008		
	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the end of previous year	(211)	(211)	49,414
Changes of items during the year			
Dividends from surplus			(1,006)
Net income			936
Purchase of treasury stock			(0)
Reissuance of treasury stock			0
Net changes of items other than owners' equity	211	211	211
Total changes of items during the year	211	211	141
Balance at the end of the year	0	0	49,555

(Translation)

4. CONSOLIDATED STATEMENTS OF CASH FLOWS

Item	Year Ended February 29, 2008
	Amount (Millions of Yen)
I Cash flows from operating activities	
Income before income taxes	2,205
Depreciation and amortization	1,319
Changes in allowance for possible credit losses	3,494
Changes in allowance for credit card point redemption	290
Changes in allowance for possible guarantee losses	190
Changes in allowance for refundable excess interest	1,327
Change in employees' retirement benefits	5
Loss on devaluation of investments	576
Gain on sales of investments	(345)
Loss on sales and disposition of property and equipment, net	674
Increase in installment shopping receivable	(10,618)
Increase in cashing receivable	(2,994)
Decrease in inventories	1
Decrease in advances paid	559
Increase in accounts payable trade	1,060
Maturities of securitized cashing loans receivables	1,467
Other-net	(1,536)
Subtotal	(2,322)
Income taxes paid	(2,951)
Net cash used in operating activities	(5,273)

(Translation)

Item	Year Ended February 29, 2008
	Amount (Millions of Yen)
II Cash flows from investing activities	
Purchases of tangible fixed assets	(80)
Purchases of intangible fixed assets	(2,731)
Proceeds from sales of investment in securities	367
Other-net	24
Net cash used in investing activities	(2,420)
III Cash flows from financing activities	
Net increase in short-term borrowings	5,850
Net increase in commercial paper	6,600
Proceeds from long-term debt	27,776
Repayment of long-term debt	(33,732)
Proceeds from issuance of bonds	13,922
Redemption of bonds	(5,400)
Cash dividends paid	(1,006)
Reissuance of treasury stock	0
Purchase of treasury stock	(0)
Net cash provided by financing activities	14,009
IV Foreign currency translation adjustments on cash and cash equivalents	(17)
V Net increase in cash and cash equivalents	6,298
VI Cash and cash equivalents at beginning of year	15,277
VII Cash and cash equivalents at end of year	21,575

(Translation)

1. COMPARETIVE 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	February 28, 2007	February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)
I CURRENT ASSETS	194,237	213,849
Cash and cash equivalents	15,277	21,360
Installment shopping receivable	46,071	56,689
Cashing loans receivable	135,563	138,557
Inventories	253	252
Prepaid expenses	304	332
Deferred tax assets	2,215	4,603
Accounts receivables	3,688	4,267
Claim for indemnification on credit guarantees	—	2,312
Deposit	105	150
Advances paid	1,370	811
Other	1,563	182
Allowance for possible credit losses	(12,176)	(15,670)
II FIXED ASSETS	9,441	8,211
Tangible fixed assets	528	354
Buildings and structures	263	291
Accumulated depreciation	(102)	(125)
	160	165
Office equipment	794	626
Accumulated depreciation	(427)	(436)
	367	189
Intangible fixed assets	4,581	5,060
Software	4,461	5,021
Telephone rights	73	39
Software in progress	45	—
Investments and other	4,331	2,795
Investments in securities	620	379
Investment in affiliated company	—	80
Receivables under bankruptcy	3	3
Long-term prepaid expenses	280	219
Deferred tax assets	1,201	1,327
Rental deposits	2,076	607
Utility rights	19	19
Other	148	177
Allowance for possible credit losses	(18)	(19)
TOTAL ASSETS	203,678	222,060

(Translation)

Item	February 28, 2007	February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)
I CURRENT LIABILITIES	75,017	88,748
Accounts payable trade	6,983	8,043
Short-term borrowings	7,500	13,350
Long-term debt due within one year	31,378	30,972
Commercial paper	18,400	25,000
Bonds due within one year	5,400	5,200
Accounts payable others	2,363	1,798
Accrued expenses	603	661
Accrued income taxes	1,172	2,108
Accrued bonus	159	146
Allowance for credit card point redemption	480	770
Allowance for possible guarantee losses	462	652
Other	115	46
II NON-CURRENT LIABILITIES	79,246	83,829
Bonds	22,500	31,300
Long-term debt	54,834	49,284
Liabilities for employees' retirement benefits	221	227
Allowance for refundable excess interest	1,691	3,018
TOTAL LIABILITES	154,264	172,578
I OWNERS' EQUITY	49,625	49,481
Paid-in capital	11,268	11,268
Capital surplus	12,730	12,730
Capital legal reserve	12,577	12,577
Other	152	152
Earned surplus	26,925	26,782
Earned legal reserve	509	509
Reserve for special depreciation	98	49
General reserve	24,285	24,285
Unappropriated retained earnings	2,032	1,938
Treasury stock	(1,299)	(1,299)
II VALUATION AND TRANSLATION		
ADJUSTMENT	(211)	0
Valuation difference on available-for-sale securities	(211)	0
TOTAL NET ASSETS	49,414	49,482
TOTAL LIABILITES AND NET ASSETS	203,678	222,060

(Translation)

2. COMPARATIVE NON-CONSOLIDATED STATEMENTS OF INCOME

Item	Year Ended February 28, 2007	Year Ended February 28, 2007
	Amount (Millions of Yen)	Amount (Millions of Yen)
I OPERATING REVENUES	38,829	40,040
Financing fees on installment shopping	4,824	6,081
Interest income on installment loans	31,575	31,431
Financing fees on agency services	166	111
Other financing income	17	37
Other operating revenue	2,246	2,377
II OPERATING EXPENSES	32,446	37,000
Selling, general and administrative expenses	30,209	33,961
Advertising	778	797
Sales Utilities	720	883
Commissions	3,874	4,113
Provision for credit card point redemption	480	770
Provision for possible credit losses	9,293	11,236
Provision for possible guarantee losses	462	652
Guarantee losses	35	138
Provision for refundable excess interest	994	2,556
Remuneration for directors and corporate auditors	110	114
Salaries and bonuses	3,304	3,328
Provision for bonuses	159	146
Retirement benefits	39	42
Welfare expense	380	377
Commutation expenses	98	—
Water, lighting and heating expenses	123	—
Communication expenses	1,597	1,795
EDP out-sourcing fee	2,140	1,318
Leases expenses	418	438
Depreciation	803	1,319
Tax and public imposts	838	875
Other expenses	3,558	3,056
Interest expense and other finance charges	2,236	3,039
Interest expense	1,720	1,964
Other finance charges	516	1,075
Operating income	6,383	3,039

(Continued)

(Translation)

Item	Year Ended February 28, 2007	Year Ended February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)
III NON-OPERATING INCOME	16	20
IV NON-OPERATING EXPENSES	22	17
Ordinary income	6,377	3,042
V EXTRAORDINARY GAINS	210	345
Gain on sales of investment	209	345
Other	0	—
VI EXTRAORDINARY LOSSES	4,371	1,308
Loss on sales and disposal of property and equipment	131	681
Loss on devaluation of investments	701	576
Loss on devaluation of other assets	2	6
Loss on disposition of other assets	40	7
Loss on supplemental adjustments for refundable excess interest	3,492	—
Impairment loss on telephone rights	—	34
Other	2	1
INCOME BEFORE INCOME TAXES	2,216	2,079
INCOME TAXES (CURRENT)	2,829	3,875
INCOME TAXES (DEFERRED)	(1,860)	(2,658)
TOTAL INCOME TAXES	968	1,216
NET INCOME	1,248	863

(Translation)

3. COMPARATIVE NON-CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

(Millions of Yen)

	Year Ended February 28, 2007								
	Owners' equity								
	Paid-in capital	Capital surplus			Earned surplus				
		Capital legal reserve	Other	Total	Earned legal reserve	Other			Total
General reserve	Reserve for special depreciation					Unappropriated retained earnings			
Balance at the end of previous year	11,268	12,577	152	12,730	509	21,285	148	4,750	26,693
Changes of items during the year									
Dividends from surplus								(1,015)	(1,015)
Net income								1,248	1,248
Reversal of reserve for special depreciation							(49)	49	
Provision for general reserve						3,000		(3,000)	
Purchase of treasury stock									
Reissuance of treasury stock			(0)	(0)					
Net changes of items other than owners' equity									
Total changes of items during the year			(0)	(0)		3,000	(49)	(2,717)	232
Balance at the end of the year	11,268	12,577	152	12,730	509	24,285	98	2,032	26,925

(Continued)

(Translation)

(Millions of Yen)

	Year Ended February 28, 2007				
	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	
Balance at the end of previous year	(6)	50,685	(148)	(148)	50,536
Changes of items during the year					
Dividends from surplus		(1,015)			(1,015)
Net income		1,248			1,248
Reversal of reserve for special depreciation					
Provision for general reserve					
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			(62)	(62)	(62)
Total changes of items during the year	(1,292)	(1,059)	(62)	(62)	(1,122)
Balance at the end of the year	(1,299)	49,625	(211)	(211)	49,414

(Translation)

(Millions of Yen)

	Year Ended February 29, 2008								
	Owners' equity								
	Paid-in capital	Capital surplus			Earned surplus				
		Capital legal reserve	Other	Total	Earned legal reserve	Other			Total
					General reserve	Reserve for special depreciation	Unappropriated retained earnings		
Balance at the end of previous year	11,268	12,577	152	12,730	509	24,285	98	2,032	26,925
Changes of items during the year									
Dividends from surplus								(1,006)	(1,006)
Net income								863	863
Reversal of reserve for special depreciation							(49)	49	
Purchase of treasury stock									
Reissuance of treasury stock			(0)	(0)					
Net changes of items other than owners' equity									
Total changes of items during the year			(0)	(0)			(49)	(93)	(143)
Balance at the end of the year	11,268	12,577	152	12,730	509	24,285	49	1,938	26,782

(Continued)

(Translation)

(Millions of Yen)

	Year Ended February 29, 2008				
	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	
Balance at the end of previous year	(1,299)	49,625	(211)	(211)	49,414
Changes of items during the year					
Dividends from surplus		(1,006)			(1,006)
Net income		863			863
Reversal of reserve for special depreciation					
Purchase of treasury stock	(0)	(0)			(0)
Reissuance of treasury stock	0	0			0
Net changes of items other than owners' equity			211	211	211
Total changes of items during the year	(0)	(143)	211	211	68
Balance at the end of the year	(1,299)	49,481	0	0	49,482

(Translation)

4. NON-CONSOLIDATED STATEMENTS OF CASH FLOWS

Item	Year Ended February 28, 2007
	Amount (Millions of Yen)
I Cash flows from operating activities	
Income before income taxes	2,216
Depreciation and amortization	803
Changes in allowance for possible credit losses	5,360
Changes in allowance for credit card point redemption	(221)
Changes in allowance for possible guarantee losses	104
Changes in allowance for refundable excess interest	1,441
Change in employees' retirement benefits	(16)
Loss on devaluation of investments	701
Gain on sales of investments	(209)
Loss on sales and disposition of property and equipment, net	95
Loss on devaluation of inventories	2
Loss on disposition of inventories	40
Increase in installment shopping receivable	(8,496)
Increase in cashing receivable	(17,512)
Decrease in receivables under bankruptcy	0
Increase in inventories	(128)
Decrease in advances paid	1,590
Decrease in accounts payable trade	(2,702)
Maturities of securitized cashing loans receivables	359
Other-net	(1,406)
Subtotal	(17,977)
Income taxes paid	(4,160)
Net cash used in operating activities	(22,137)

(Translation)

Item	Year Ended February 28, 2007
	Amount (Millions of Yen)
II Cash flows from investing activities	
Purchases of tangible fixed assets	(400)
Purchases of intangible fixed assets	(2,397)
Proceeds from sale of investment in securities	769
Other-net	(162)
Net cash used in investing activities	(2,190)
III Cash flows from financing activities	
Net increase in short-term borrowings	3,500
Net increase in commercial paper	14,400
Proceeds from long-term debt	39,670
Repayment of long-term debt	(34,163)
Proceeds from issuance of bonds	6,960
Redemption of bonds	(520)
Cash dividends paid	(1,015)
Reissuance of treasury stock	0
Purchase of treasury stock	(1,292)
Net cash provided by financing activities	27,540
IV Foreign currency translation adjustments on cash and cash equivalents	(2)
V Net increase in cash and cash equivalents	3,209
VI Cash and cash equivalents at beginning of year	12,067
VII Cash and cash equivalents at end of year	15,277

(Translation)

5. BUSINESS RESULTS

Item	Year Ended February 28, 2007	Year Ended February 29, 2008	Increase (Decrease)
Volume of New Contracts (millions of yen)	363,454	365,582	2,127
Shopping	211,859	241,154	29,295
Cashing	133,016	111,175	(21,841)
Agency services	14,604	10,105	(4,499)
Others	3,974	3,147	(826)
Operating Revenue (millions of yen)	38,829	40,188	1,359
Shopping	4,824	6,081	1,257
Cashing	31,575	31,431	(144)
Agency services	166	111	(54)
Others	2,263	2,564	300
Outstanding Balance (millions of yen)	186,202	196,147	9,944
Shopping (A)	46,071	56,689	10,618
Cashing (B)	139,790	139,140	(649)
Agency services	340	317	(23)
Credit Expenses (millions of yen) (C)	9,293	10,267	973
Ratio of Credit Expenses to Outstanding Balance of Finance Receivables (%) (C / (A + B))	5.00	5.24	0.24
Number of Card Holders (thousands of holders)	4,025	4,064	39
Number of CDs (number of machines)	140,724	143,875	3,151
Own CDs	82	82	—
Partnerships	140,642	143,793	3,151

Notes: 1 The figure for “outstanding balance” includes the off-balance sheet pools of cashing loans receivable in securitization (¥900 million as of February 29, 2008 and ¥4,567 million as of February 28, 2007, respectively).

2 As consolidation procedures have been effective from the year ended February 29, 2008, the business results for the year ended February 28, 2007 have been prepared and stated by the non-consolidated financial figures.