

(Translation)

EARNINGS RELEASE FOR THE SIX MONTHS ENDED AUGUST 31, 2008 (CONSOLIDATED)

October 9, 2008

This document (unaudited) is an English translation of the original Japanese Financial Statements made public on October 9, 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
Contact Person:	Hideyuki Ochiai, General Manager of Corporate Communication Dept. Tel: +81-3-5441-3450 E-mail: koho@pocketcard.co.jp
Date of Semi-annual Securities Report Filing:	November 17, 2008
Start Date of Interim Cash Dividend Payment:	November 11, 2008

(Translation)

1. CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE SIX MONTHS ENDED AUGUST 31, 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)	(%)
Six Months Ended August 31:						
2008	19,571	—	1,338	—	1,342	—
2007	—	—	—	—	—	—
(Reference) Year Ended February 29, 2008	40,188	—	3,161	—	3,168	—

	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:				
2008	1,058	—	17.89	—
2007	—	—	—	—
(Reference) Year Ended February 29, 2008	936	—	15.81	—

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

Six Months Ended August 31, 2008: nil

Six Months Ended August 31, 2007: nil

Year ended February 29, 2008: nil

Note: As consolidation procedures have been effective from the year ended February 29, 2008, the consolidated results of operation for the six months ended August 31, 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 August 31:				
2008	220,367	50,390	22.9	851.18
2007	—	—	—	—
(Reference) Year Ended February 29, 2008	222,230	49,555	22.3	837.07

(REFERENCE) Net Worth:

As of August 31, 2008: ¥50,390 million

As of August 31, 2007: nil

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

Note: As consolidation procedures have been effective from the year ended February 29, 2008, the consolidated financial positions as of the six months ended August 31, 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)
Six Months Ended August 31:				
2008	(6,191)	220	(4,658)	10,946
2007	(2,032)	(2,125)	1,025	12,142
(Reference) Year Ended February 29, 2008	(5,273)	(2,420)	14,009	21,575

Note: As consolidation procedures have been effective from the year ended February 29, 2008, the cash flows information for the six months ended August 31, 2007 have been prepared and stated by the non-consolidated financial figures.

2. DIVIDENDS

•Cash Dividends	Annual Dividends per Share (Yen)		
	Semi-annual	Year End	Total
For the year ended February 28, 2007 (actual)	8.50	4.25	12.75
For the year ended February 29, 2008 (actual)	4.25	—	
(forecast)	—	4.25	8.50

3. FORECAST OF 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)	(%)
Annual Basis	38,900	(3.2)	2,500	(20.9)	2,500	(21.1)	1,400	49.5

	Net Income per Share
	(Yen)
Annual Basis	23.65

4. OTHER INFORMATION

(1) CHANGES IN SCOPE OF CONSOLIDATION: None.

(2) CHANGES OF ACCOUNTING POLICIES:

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

(Translation)

(3) NUMBER OF COMMON STOCK ISSUED:

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

As of August 31, 2008: 60,270,444 shares

As of August 31, 2007: 60,270,444 shares

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

ii Total Number of Treasury Stock:

As of August 31, 2008: 1,069,574 shares

As of August 31, 2007: 1,069,101 shares

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

(REFERENCE)

NON-CONSOLIDATED FINANCIAL HIGHLIGHT FOR THE SIX MONTHS ENDED AUGUST 31, 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)	(%)
Six Months Ended August 31:						
2008	19,406	(4.2)	1,207	(52.7)	1,207	(52.6)
2007	20,253	5.5	2,555	(43.8)	2,550	(43.8)
(Reference) Year Ended February 29, 2008	40,040	—	3,039	—	3,042	—

	Net Income	Change from Prior Year	Net Income per Share
	(Millions of Yen)	(%)	(Yen)
Six Months Ended August 31:			
2008	980	(8.9)	16.56
2007	1,076	(60.2)	18.18
(Reference) Year Ended February 29, 2008	863	—	14.58

(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 August 31:				
2008	220,119	50,238	22.8	848.62
2007	209,900	49,964	23.8	843.98
(Reference) Year Ended February 29, 2008	222,060	49,482	22.3	835.84

(REFERENCE) Net Worth:

As of August 31, 2008: ¥50,238 million

As of August 31, 2007: ¥49,964 million

As of February 29, 2008: ¥49,482 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)	(%)
Annual Basis	38,500	(3.8)	2,200	(27.6)	2,200	(27.7)	1,300	50.6

	Net Income per Share
	(Yen)
Annual Basis	21.96

※ The above forecasts of consolidated and non-consolidated operations for the year ending February 28, 2009 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.COMPARATIVE 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, 2008	February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)
I CURRENT ASSETS	212,335	214,099
Cash and cash equivalents	10,946	21,575
Installment shopping receivable	64,595	56,689
Cashing loans receivable	139,331	138,557
Deferred tax assets	4,901	4,608
Other	8,239	8,338
Allowance for possible credit losses	(15,680)	(15,670)
II FIXED ASSETS	8,032	8,131
Tangible fixed assets	307	354
Buildings and structures	145	165
Office equipment	161	189
Intangible fixed assets	4,836	5,060
Software	4,787	5,021
other	49	39
Investments and other	2,888	2,715
Investments in securities	404	379
Deferred tax assets	1,518	1,327
Other	985	1,027
Allowance for possible credit losses	(19)	(19)
TOTAL ASSETS	220,367	222,230

(Translation)

Item	August 31, 2008	February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)
I CURRENT LIABILITIES	82,967	88,844
Accounts payable trade	9,693	8,043
Short-term borrowings	8,200	13,350
Long-term debt due within one year	30,094	30,972
Commercial paper	29,000	25,000
Bonds due within one year	200	5,200
Accrued income taxes	1,316	2,166
Accrued bonus	146	146
Allowance for credit card point redemption	744	770
Allowance for possible guarantee losses	794	652
Other	2,778	2,544
II NON-CURRENT LIABILITIES	87,009	83,829
Bonds	31,200	31,300
Long-term debt	41,005	49,284
Long-term borrowing from securitization of installment receivables	11,000	—
Liabilities for employees' retirement benefits	229	227
Allowance for refundable excess interest	3,575	3,018
TOTAL LIABILITES	169,976	172,674
I OWNERS' EQUITY	50,362	49,554
Paid-in capital	11,268	11,268
Capital surplus	12,730	12,730
Earned surplus	27,662	26,855
Treasury stock	(1,299)	(1,299)
II VALUATION AND TRANSLATION ADJUSTMENT	28	0
Valuation difference on available-for-sale securities	28	0
TOTAL NET ASSETS	50,390	49,555
TOTAL LIABILITES AND NET ASSETS	220,367	222,230

(Translation)

2. COMPARATIVE CONSOLIDATED STATEMENTS OF INCOME

Item	Six Months Ended August 31, 2008	Year Ended February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)
I OPERATING REVENUES	19,571	40,188
II OPERATING EXPENSES	18,232	37,027
Selling, general and administrative expenses	16,262	33,987
Interest expense and other finance charges	1,970	3,039
Operating income	1,338	3,161
III NON-OPERATING INCOME	9	23
IV NON-OPERATING EXPENSES	5	17
Ordinary income	1,342	3,168
V EXTRAORDINARY GAINS	615	345
Gain on sales of investment	615	345
VI EXTRAORDINARY LOSSES	132	1,308
Loss on sales and disposal of property and equipment	23	681
Loss on devaluation of investments	3	576
Retroactive salaries	102	—
Other	4	50
INCOME BEFORE INCOME TAXES	1,825	2,205
INCOME TAXES (CURRENT)	1,269	3,933
INCOME TAXES (DEFERRED)	(502)	(2,664)
TOTAL INCOME TAXES	766	1,268
NET INCOME	1,058	936

(Translation)

3. COMPARATIVE CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

(Millions of Yen)

	Six Months Ended August 31, 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	26,855	(1,299)	49,554
Changes of items during the period					
Dividends from surplus			(251)		(251)
Net income			1,058		1,058
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 period		(0)	807	(0)	807
Balance at the end of the current period	11,268	12,730	27,662	(1,299)	50,362

(Continued)

(Translation)

(Millions of Yen)

	Six Months Ended August 31, 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	0	0	49,555
Changes of items during the period			
Dividends from surplus			(251)
Net income			1,058
Purchase of treasury stock			(0)
Reissuance of treasury stock			0
Net changes of items other than owners' equity	27	27	27
Total changes of items during the period	27	27	835
Balance at the end of the current period	28	28	50,390

(Translation)

(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. COMPARATIVE CONSOLIDATED STATEMENTS OF CASH FLOWS

Item	Six Months Ended August 31, 2008	Year Ended February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)
I Cash flows from operating activities		
Income before income taxes	1,825	2,205
Depreciation and amortization	734	1,319
Changes in allowance for possible credit losses	10	3,494
Changes in allowance for credit card point redemption	(26)	290
Changes in allowance for possible guarantee losses	142	190
Changes in allowance for refundable excess interest	557	1,327
Change in employees' retirement benefits	1	5
Loss on devaluation of investments	3	576
Gain on sales of investments	(615)	(345)
Loss on sales and disposition of property and equipment, net	14	674
Increase in installment shopping receivable	(7,906)	(10,618)
Increase in cashing receivable	(773)	(2,994)
Decrease in inventories	6	1
Decrease in advances paid	744	559
Increase in accounts payable trade	1,649	1,060
(Increase) decrease in securitization deposit	(7)	1,467
Other-net	(441)	(1,536)
Subtotal	(4,080)	(2,322)
Income taxes paid	(2,110)	(2,951)
Net cash used in operating activities	(6,191)	(5,273)

(Translation)

Item	Six Months Ended August 31, 2008	Year Ended February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)
II Cash flows from investing activities		
Purchases of tangible fixed assets	(15)	(80)
Purchases of intangible fixed assets	(443)	(2,731)
Proceeds from sales of investment in securities	634	367
Other-net	45	24
Net cash provided by (used in) investing activities	220	(2,420)
III Cash flows from financing activities		
Net (decrease) increase in short-term borrowings	(5,150)	5,850
Net increase in commercial paper	4,000	6,600
Proceeds from long-term debt	7,744	27,776
Repayment of long-term debt	(16,900)	(33,732)
Proceeds from issuance of bonds	—	13,922
Redemption of bonds	(5,100)	(5,400)
Proceeds from securitization of installment receivables	11,000	—
Cash dividends paid	(251)	(1,006)
Reissuance of treasury stock	0	0
Purchase of treasury stock	(0)	(0)
Net cash (used in) provided by financing activities	(4,658)	14,009
IV Foreign currency translation adjustments on cash and cash equivalents	(0)	(17)
V Net (decrease) increase in cash and cash equivalents	(10,628)	6,298
VI Cash and cash equivalents at beginning of year	21,575	15,277
VII Cash and cash equivalents at end of period	10,946	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	August 31, 2007	August 31, 2008	February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
I CURRENT ASSETS	201,193	212,007	213,849
Cash and cash equivalents	12,142	10,654	21,360
Installment shopping receivable	53,328	64,595	56,689
Cashing loans receivable	137,340	139,331	138,557
Inventories	197	245	252
Prepaid expenses	398	422	332
Deferred tax assets	3,858	4,895	4,603
Accounts receivables	4,435	4,546	4,267
Other	3,503	2,995	3,456
Allowance for possible credit losses	(14,011)	(15,680)	(15,670)
II FIXED ASSETS	8,706	8,112	8,211
Tangible fixed assets	382	307	354
Buildings and structures	170	145	165
Office equipment	212	161	189
Intangible fixed assets	5,108	4,836	5,060
Software	5,026	4,787	5,021
Telephone rights	73	39	39
Software in progress	7	10	—
Investments and other	3,215	2,968	2,795
Investments in securities	575	404	379
Investment in affiliated company	—	80	80
Receivables under bankruptcy	3	3	3
Long-term prepaid expenses	247	186	219
Deferred tax assets	1,404	1,518	1,327
Rental deposits	797	621	607
Utility rights	19	19	19
Other	188	154	177
Allowance for possible credit losses	(19)	(19)	(19)
TOTAL ASSETS	209,900	220,119	222,060

(Translation)

Item	August 31, 2007	August 31, 2008	February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
I CURRENT LIABILITIES	75,045	82,870	88,748
Accounts payable trade	9,723	9,693	8,043
Short-term borrowings	7,500	8,200	13,350
Long-term debt due within one year	30,376	30,094	30,972
Commercial paper	16,000	29,000	25,000
Bonds due within one year	5,200	200	5,200
Accounts payable others	1,509	1,813	1,798
Accrued expenses	661	772	661
Accrued income taxes	2,641	1,259	2,108
Accrued bonus	154	144	146
Allowance for credit card point redemption	580	744	770
Allowance for possible guarantee losses	582	794	652
Other	115	154	46
II NON-CURRENT LIABILITIES	84,890	87,009	83,829
Bonds	26,400	31,200	31,300
Long-term debt	56,111	41,005	49,284
Long-term borrowing from securitization of installment receivables	—	11,000	—
Liabilities for employees' retirement benefits	224	229	227
Allowance for refundable excess interest	2,154	3,575	3,018
TOTAL LIABILITES	159,935	169,880	172,578
I OWNERS' EQUITY	50,198	50,210	49,481
Paid-in capital	11,268	11,268	11,268
Capital surplus	12,730	12,730	12,730
Capital legal reserve	12,577	12,577	12,577
Other	152	152	152
Earned surplus	27,498	27,511	26,782
Earned legal reserve	509	509	509
Reserve for special depreciation	49	—	49
General reserve	24,285	24,285	24,285
Unappropriated retained earnings	2,654	2,716	1,938
Treasury stock	(1,299)	(1,299)	(1,299)
II VALUATION AND TRANSLATION ADJUSTMENT	(233)	28	0
Valuation difference on available-for-sale securities	(233)	28	0
TOTAL NET ASSETS	49,964	50,238	49,482
TOTAL LIABILITES AND NET ASSETS	209,900	220,119	222,060

(Translation)

2. COMPARATIVE NON-CONSOLIDATED STATEMENTS OF INCOME

Item	Six Months Ended August 31, 2007	Six Months Ended August 31, 2008	Year Ended February 29, 2008
	Amount (Millions of Yen)	Amount (Millions of Yen)	Amount (Millions of Yen)
I OPERATING REVENUES	20,253	19,406	40,040
II OPERATING EXPENSES	17,698	18,199	37,000
Selling, general and administrative expenses	16,216	16,288	33,961
Interest expense and other finance charges	1,482	1,970	3,039
Operating income	2,555	1,207	3,039
III NON-OPERATING INCOME	6	5	20
IV NON-OPERATING EXPENSES	11	5	17
Ordinary income	2,550	1,207	3,042
V EXTRAORDINARY GAINS	—	615	345
VI EXTRAORDINARY LOSSES	695	132	1,308
INCOME BEFORE INCOME TAXES	1,855	1,690	2,079
INCOME TAXES (CURRENT)	2,609	1,212	3,875
INCOME TAXES (DEFERRED)	(1,829)	(502)	(2,658)
TOTAL INCOME TAXES	779	710	1,216
NET INCOME	1,076	980	863

(Translation)

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

(Millions of Yen)

	Six Months Ended August 31, 2007								
	Owners' equity								
	Paid-in capital	Capital surplus			Earned surplus				
		Capital legal reserve	Other	Total	Earned legal reserve	Other			Total
Reserve for special depreciation	General reserve					Unappropriated retained earnings			
Balance at the end of previous year	11,268	12,577	152	12,730	509	98	24,285	2,032	26,925
Changes of items during the period									
Dividends from surplus								(503)	(503)
Net income								1,076	1,076
Reversal of reserve for special depreciation						(49)		49	—
Provision for general reserve									
Purchase of treasury stock									
Net changes of items other than owners' equity									
Total changes of items during the period	—	—	—	—	—	(49)	—	622	572
Balance at the end of the current period	11,268	12,577	152	12,730	509	49	24,285	2,654	27,498

(Continued)

(Translation)

(Millions of Yen)

	Six Months Ended August 31, 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	(1,299)	49,625	(211)	(211)	49,414
Changes of items during the period					
Dividends from surplus		(503)			(503)
Net income		1,076			1,076
Reversal of reserve for special depreciation		—			—
Provision for general reserve					
Purchase of treasury stock	(0)	(0)			(0)
Net changes of items other than owners' equity			(22)	(22)	(22)
Total changes of items during the period	(0)	572	(22)	(22)	550
Balance at the end of the current period	(1,299)	50,198	(233)	(233)	49,964

(Translation)

(Millions of Yen)

	Six Months Ended August 31, 2008								
	Owners' equity								
	Paid-in capital	Capital surplus			Earned surplus				
		Capital legal reserve	Other	Total	Earned legal reserve	Other			Total
Reserve for special depreciation						General reserve	Unappropriated retained earnings		
Balance at the end of previous year	11,268	12,577	152	12,730	509	49	24,285	1,938	26,782
Changes of items during the period									
Dividends from surplus								(251)	(251)
Net income								980	980
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 period	—	—	(0)	(0)	—	(49)	—	778	728
Balance at the end of the current period	11,268	12,577	152	12,730	509	—	24,285	2,716	27,511

(Continued)

(Translation)

(Millions of Yen)

	Six Months Ended August 31, 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)	49,481	0	0	49,482
Changes of items during the period					
Dividends from surplus		(251)			(251)
Net income		980			980
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		—	27	27	27
Total changes of items during the period	(0)	728	27	27	756
Balance at the end of the current period	(1,299)	50,210	28	28	50,238

(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
					Reserve for special depreciation	General reserve	Unappropriated retained earnings		
Balance at the end of previous year	11,268	12,577	152	12,730	509	98	24,285	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	49	24,285	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	Six Months Ended August 31, 2007
	Amount (Millions of Yen)
I Cash flows from operating activities	
Income before income taxes	1,855
Depreciation and amortization	597
Changes in allowance for possible credit losses	1,835
Change in employees' retirement benefits	2
Changes in allowance for credit card point redemption	100
Changes in allowance for possible guarantee losses	120
Changes in allowance for refundable excess interest	463
Loss on sales and disposition of property and equipment, net	669
Loss on disposition of inventories	4
Increase in installment shopping receivable	(7,257)
Increase in cashing receivable	(1,776)
Decrease in inventories	44
Decrease in advances paid	135
Increase in accounts payable trade	2,740
Decrease in securitization deposit	1,273
Other-net	(1,677)
Subtotal	(870)
Income taxes paid	(1,161)
Net cash used in operating activities	(2,032)

(Translation)

Item	Six Months Ended August 31, 2007
	Amount (Millions of Yen)
II Cash flows from investing activities	
Purchases of tangible fixed assets	(33)
Purchases of intangible fixed assets	(2,086)
Other-net	(5)
Net cash used in investing activities	(2,125)
III Cash flows from financing activities	
Net decrease in commercial paper	(2,400)
Proceeds from long-term debt	17,835
Repayment of long-term debt	(17,559)
Proceeds from issuance of bonds	8,953
Redemption of bonds	(5,300)
Cash dividends paid	(503)
Purchase of treasury stock	(0)
Net cash provided by financing activities	1,025
IV Foreign currency translation adjustments on cash and cash equivalents	(2)
V Net decrease in cash and cash equivalents	(3,134)
VI Cash and cash equivalents at beginning of year	15,277
VII Cash and cash equivalents at end of period	12,142

(Translation)

5. BUSINESS RESULTS

Item	Six months Ended August 31, 2007	Six months Ended August 31, 2008	Year Ended February 29, 2008
Volume of New Contracts (millions of yen)	180,403	183,720	365,582
Shopping	116,450	129,446	241,154
Cashing	56,970	48,299	111,175
Agency services	5,268	4,607	10,105
Others	1,713	1,366	3,147
Operating Revenue (millions of yen)	20,253	19,571	40,188
Shopping	2,855	3,584	6,081
Cashing	16,086	14,175	31,431
Arrangement	584	1,209	1,352
Agency services	59	49	111
Others	667	551	1,211
Outstanding Balance (millions of yen)	192,919	203,927	196,147
Shopping (A)	53,328	64,595	56,689
Cashing (B)	139,254	138,888	139,140
Agency services	336	442	317
Credit Expenses (millions of yen) (C)	5,014	4,869	10,267
Ratio of Credit Expenses to Outstanding Balance of Finance Receivables (%) (C / (A + B))	5.21	4.79	5.24
Number of Card Holders (thousands of holders)	4,096	4,024	4,064
Number of CDs (number of machines)	142,581	145,779	143,875
Own CDs	81	74	82
Partnerships	142,500	145,705	143,793

Notes: 1 The figure for “outstanding balance” includes the off-balance sheet pools of cashing loans receivable in securitization (nil as of August 31, 2008, ¥2,250 million as of August 31, 2007 and ¥900 million as of February 29, 2008, respectively).

2 As consolidation procedures have been effective from the year ended February 29, 2008, the business results for the six months ended August 31, 2007 have been prepared and stated by the non-consolidated financial figures.

3 The ratio of credit expenses to Financing Receivables represents the modulated rate for one-year basis.