

January 15, 2008

To all stakeholders

Company name: SFCG Co., Ltd.
Representative Officer: Kenshin Oshima
Chairman and CEO
(Security code: 8597, 1st section of Tokyo Stock Exchange)
Enquiry: Toshihiro Takeshita
Director and General Manager
Accounting Division
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**(Correction) Announcement of Partial Corrections to the Summary of Financial Results
for the Fiscal Year Ended July 2007**

SFCG Co., Ltd. has made the following corrections to its Summary of Financial Results (*kessan tanshin*) for the fiscal year that ended July 31, 2007 that was released on September 27, 2007. Revised corrections are underlined.

Yen in millions

Account/Fiscal year	Fiscal year ended July 2006 August 1, 2005 – July 31, 2006	Fiscal year ended July 2007 August 1, 2006 – July 31, 2007
	Amount	Amount
I. Cash flows from operating activities		
Income before income taxes and minority interests	22,517	14,482
Depreciation	950	1,043
Amortization of consolidation adjusting account	-58	—
Amortization of negative goodwill	—	-33
Increase/decrease in allowance for doubtful accounts	-7,198	-14,567
Increase in allowance for loss on return of excess interest payments	1,833	<u>3,199</u>
Decrease in accrued retirement benefits	-22	-13
Interest and dividend income	-111	-397
Gain on sale of investments in securities	-61	—
Gain on sale of investments in affiliates	-43	-4,118
Gain on sale of fixed assets	-163	-46
Loss on disposal of fixed assets	78	299
Loss on cancellation of contracts resulting from changes in asset securitization program	62	—
Gain on investments in anonymous association	-99	-134
Decrease in commercial notes bought	969	3,914
Increase in loans to customers	-73,948	-198,259
Increase in investments in securities - Operation	-2,079	-850
Increase in cash deposited relating to securitization of commercial notes bought	-15,984	70,506
Increase/decrease in inventories	-3,199	-5,215
Re-discounted notes bought	—	16,699
Others	-669	<u>7,956</u>
Subtotal	-77,229	-246,548
Interest and dividend income received	36	689
Interest paid	-371	-1,142
Income tax paid	-10,169	-18,521
Net cash provided by (used in) operating activities	-87,734	-265,522
II. Cash flows from investing activities		
Increase in time deposits	-706	-165
Decrease in time deposits	50	320
Payment for acquisition of property and equipment	-1,067	-553
Proceeds from sale of property and equipment	379	793
Payment for acquisition of intangible assets	-505	-577
Proceeds from sale of intangible assets	4	119
Payment for acquisition of investments in securities	-639	-53,778
Proceeds from sale of investments in securities	—	55,349
Payment for acquisition of investments in affiliates	-9,169	-28,149
Proceeds from sale of investments in affiliates	—	6,787
Payment for loans	—	-71,310
Proceeds from collection of loans	—	66,460
Payment for acquisition of investments in capital	-0	-39
Net decrease due to sale of shares of subsidiaries excluded from consolidation	-135	—

Others	-1,973	204
Net cash provided by (used in) investing activities	-13,763	-24,538
III. Cash flows from financing activities		
Proceeds from short-term borrowings	80,313	171,519
Repayment of short-term borrowings	-24,367	-108,774
Proceeds from issuance of commercial paper	17,000	44,900
Payment for redemption of commercial paper	-6,000	-38,500
Proceeds from long-term debt	84,466	255,767
Repayment of long-term debt	-31,355	-50,362
Payment for purchase of treasury stock	—	-0
Dividends paid	-2,254	-5,467
Dividends paid to minority shareholders	-122	-128
Net cash provided by (used in) financing activities	117,679	268,954
IV. Net increase/decrease in cash and cash equivalents	16,181	-21,106
V. Cash and cash equivalents at beginning of year	45,179	61,445
VI. Cash and cash equivalents at beginning of year of subsidiaries included in consolidation	84	11
VII. Cash and cash equivalents at end of year	61,445	40,350

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Increase/decrease in allowance for doubtful accounts	-7,198	-14,567
Increase in allowance for loss on return of excess interest payments	1,833	3,088
<u>Increase in allowance for returned goods</u>	<u>—</u>	<u>169</u>
<u>Increase in allowance for performance of lease guarantees</u>	<u>—</u>	<u>243</u>
Decrease in accrued retirement benefits	-22	-13
Interest and dividend income	-111	-397
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(Before)

Reclassifications

Fiscal year ended July 31, 2006 August 1, 2005 – July 31, 2006	Fiscal year ended July 31, 2007 August 1, 2006 – July 31, 2007
Effective from the current fiscal year, gain on investments in limited liability partnerships are presented as a line item, since the amount exceeded 1/10 of total Non-operating Revenue. The loss on investments in limited liability partnerships in the previous fiscal year was ¥5 million and was included in Other Losses under Non-operating Expenses.	<p>Consolidated statements of income Effective from the current fiscal year, “Amortization of Consolidation Adjusting Account” is reclassified and presented as “Amortization of Negative Goodwill.”</p> <p>Consolidated statements of cash flows Effective from the current fiscal year, “Amortization of Consolidation Adjusting Account” is reclassified and presented as “Amortization of Negative Goodwill.”</p>

(After)

Reclassifications

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Effective from the current fiscal year, gain/loss on investments in limited liability partnerships are presented as a line item, since the amount exceeded 1/10 of total Non-operating Revenue. The loss on investments in limited liability partnerships in the previous fiscal year was ¥5 million and was included in Other Losses under Non-operating Expenses.	<p>Consolidated statements of income Effective from the current fiscal year, “Amortization of Consolidation Adjusting Account” is reclassified and presented as “Amortization of Negative Goodwill.”</p> <p>Consolidated statements of cash flows Effective from the current fiscal year, “Amortization of Consolidation Adjusting Account” is reclassified and presented as “Amortization of Negative Goodwill.”</p> <p><u>Effective from the current fiscal year, “Allowance for Performance of Lease Guarantees,” included in “Others” in prior periods, is reclassified and presented as a line item.</u></p> <p><u>The above reclassification was made in order to enhance the clarity of disclosure, in view of the increased amount of “Allowance for Performance of Lease Guarantees” and its greater importance.</u></p>