



MUNINOVA

# Investors' Guide FY2026/3



①	<b>Muninova Group</b>	03 - 09
②	<b>Business Portfolio</b>	10 - 14
③	<b>Loan Business</b>	15 - 24
④	<b>Credit Guarantee Business</b>	25 - 29
⑤	<b>Credit • Payment Business</b>	30 - 34
⑥	<b>Other Business</b>	35 - 37
⑦	<b>Capital Strategy</b>	38 - 40
⑧	<b>Risks</b>	41 - 42
⑨	<b>Appendix</b>	43 - 49



**1 Muninova Group**

# 1 .Muninova Group

## Our Foundation

Established  
**1967**

Group  
companies  
**26**

**Independent**  
Financial Group

Listed on  
**Prime**  
**Market TSE**

Credit Rating  
**A-**

\*JCR

Number of  
employees  
**5,113**

Total Receivable  
Outstanding  
**¥1,539.5 billion**

Operating  
Revenue  
**¥214.6 billion**

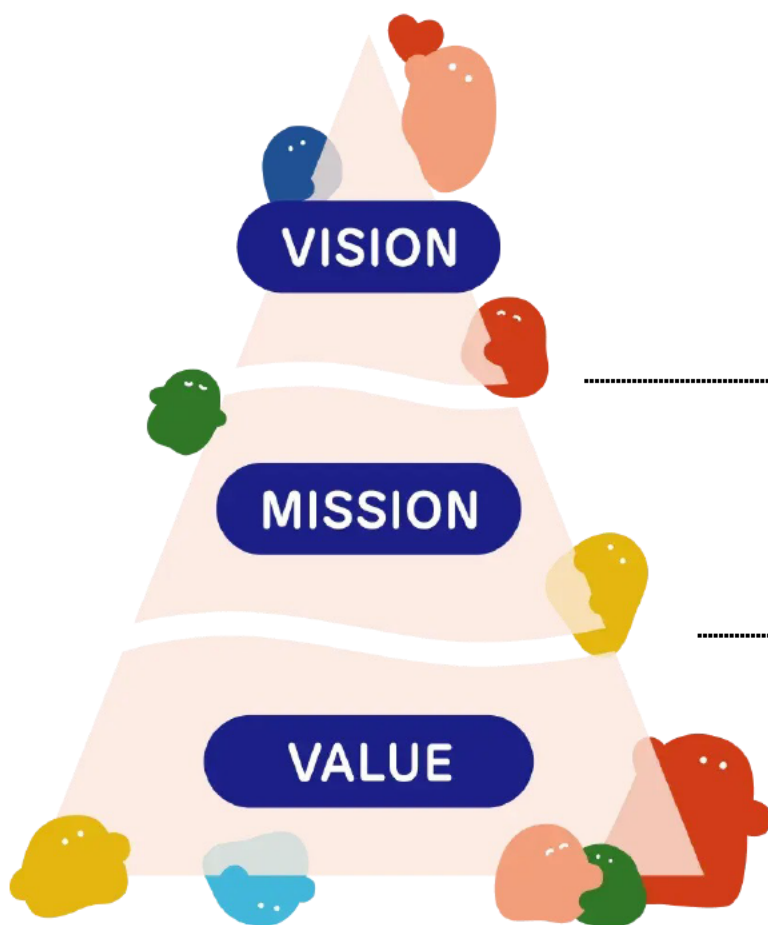
Ordinary profit  
**¥35.5 billion**

\*As of the end of March 2026

# 1 .Muninova Group

## Our Values

**Corporate Philosophy : Earn the trust of society through corporate activity based in integrity**



**For Colorful Life.** 

自分の色が輝く社会に

We aspire to eliminate the negative emotions that arise from comparing ourselves with others. Through our services, we aim to enrich the lives and emotions of as many people as possible, enabling each individual to shine naturally in their own way. Guided by our VISION, MISSION, and VALUE, we are committed to realizing "a society where each person can play an active role."

**Go beyond**

We go beyond customers' expectations.



**Step forward**

We work towards a better tomorrow.



**Be uniaque**

We respect each other's individuality.



The mission we strive to fulfill for our customers, for society, and for our employees.

**Be honest**

Sincerity

**Build relationship**

Trust

**Try harder**

Effort

**Be grateful**

Gratefulness

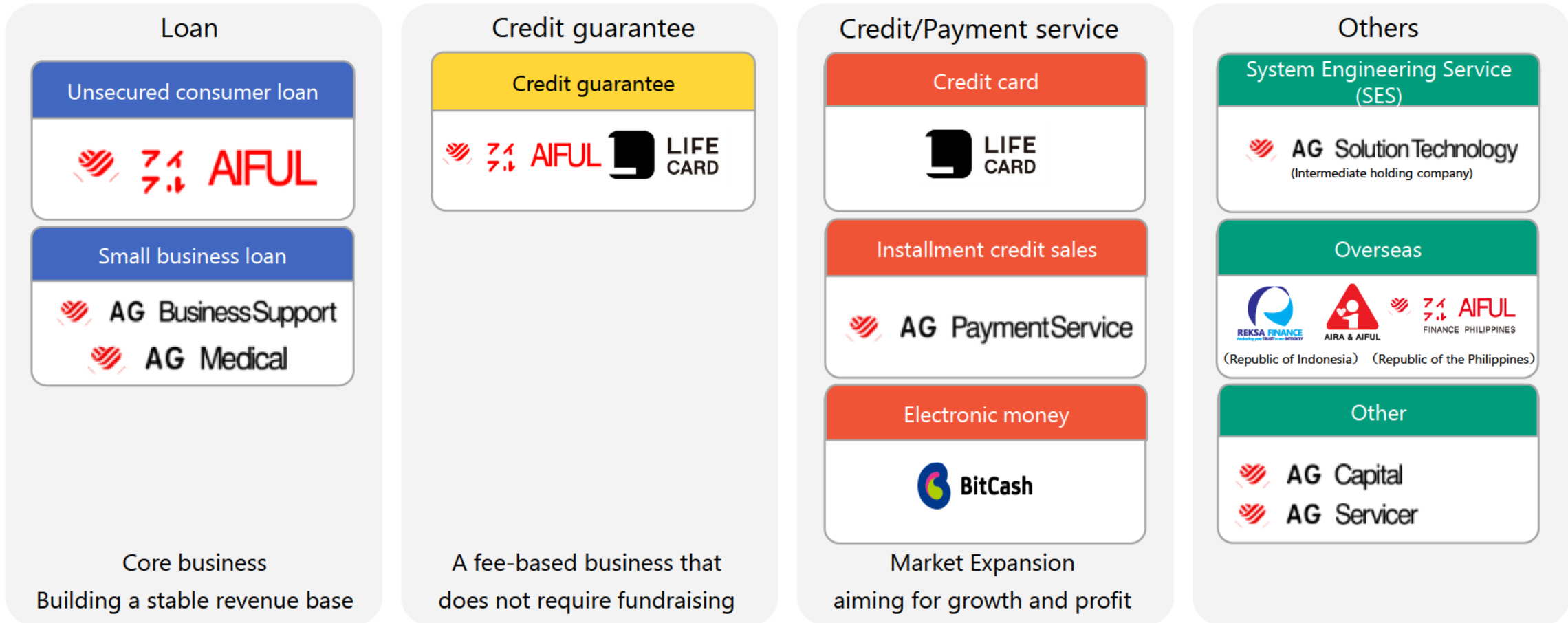
The values that shape our actions and guide how we fulfill our mission.

# 1 .Muninova Group

New businesses centered on loans drive growth.

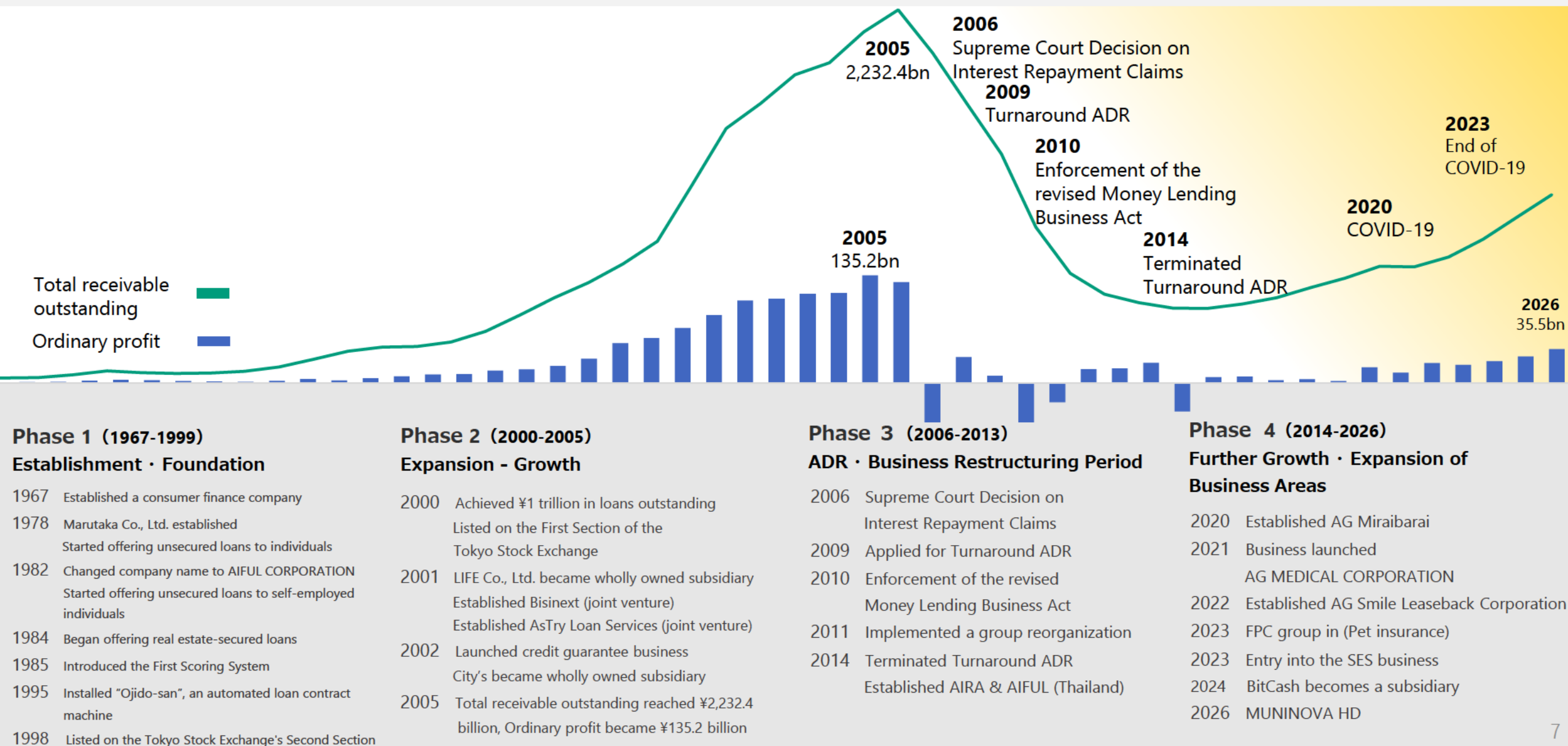
## Muninova Group (Group Governance • Capital Allocation)

Toward a Portfolio That Delivers Capital Efficiency and Sustainable Growth



# 1 .Muninova Group

The foundation we have built and the path to future growth



# 1. Muninova Group

## Our Groups Strengths

### Credit Assessment & Collections Know-how

Leveraging our decades of experience in debt collection, we promote risk control from both credit assessment and collection perspectives.

By accumulating collection data, we are improving credit assessment accuracy and enhancing profitability. Furthermore, by leveraging collection capabilities across the group, we also promote operational efficiency. We enhance competitiveness with our strength in collection areas that are difficult for competitors to enter..



### In-house Development & Enhancement of Efficiency

By proactively leveraging digital technologies, we have designed the loan application and borrowing process to be simple and easy to understand.

We eliminate the frustrations often associated with financial services — such as lengthy procedures and complicated processes — and provide customers with a highly convenient user experience.

Application completion rate increased to 57% (up approximately 10%)



### M&A Strategy

Beyond improving existing businesses, we challenge ourselves to develop new business areas and products.

Leveraging the flexible thinking and agility unique to an independent company, we pursue a growth strategy that responds quickly to environmental changes and customer needs.

TEMPLATE



BitCash

Smart Link

WebMoney

# 1 .Muninova Holdings

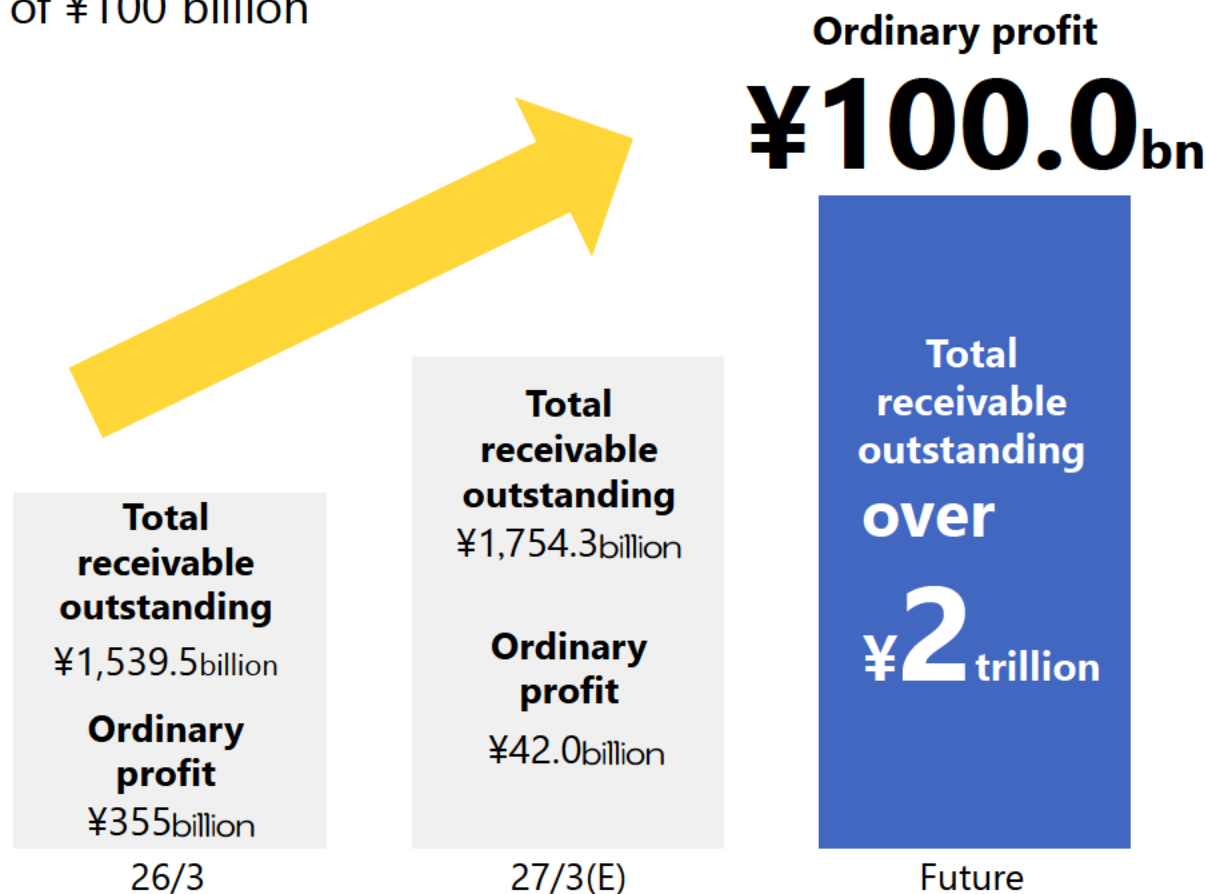
## Our Vision

### Aiming to Become a Company that Lasts 100 Years

A growth strategy leveraging digital technology × data analysis × design to achieve ordinary profit of ¥100 billion

#### Growth Strategies

- 1 Strengthening core business profitability
- 2 Diversifying revenue sources through growth investments
- 3 Maximizing cost efficiency through in-house development





## 2 Business Portfolio

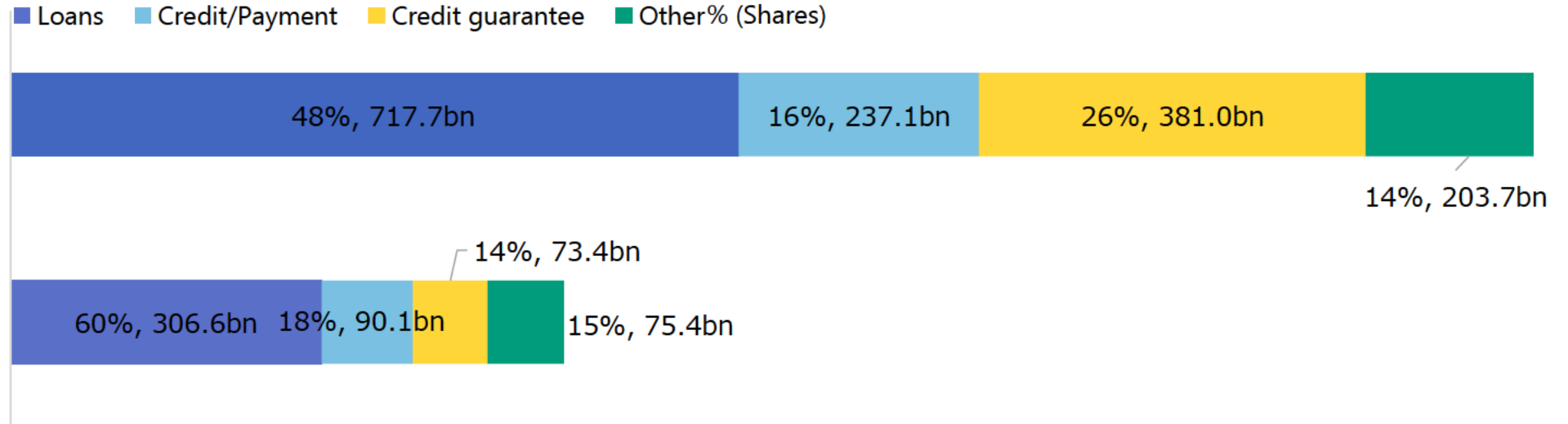
# 2. Business Portfolio

## Business Portfolio Supporting Growth

Advancing business diversification through years of accumulated expertise, with expanding operating assets

**FY2026/3**  
Consolidated total  
Receivables  
**¥1,539.5bn**

**FY2016/3**  
¥545.5bn



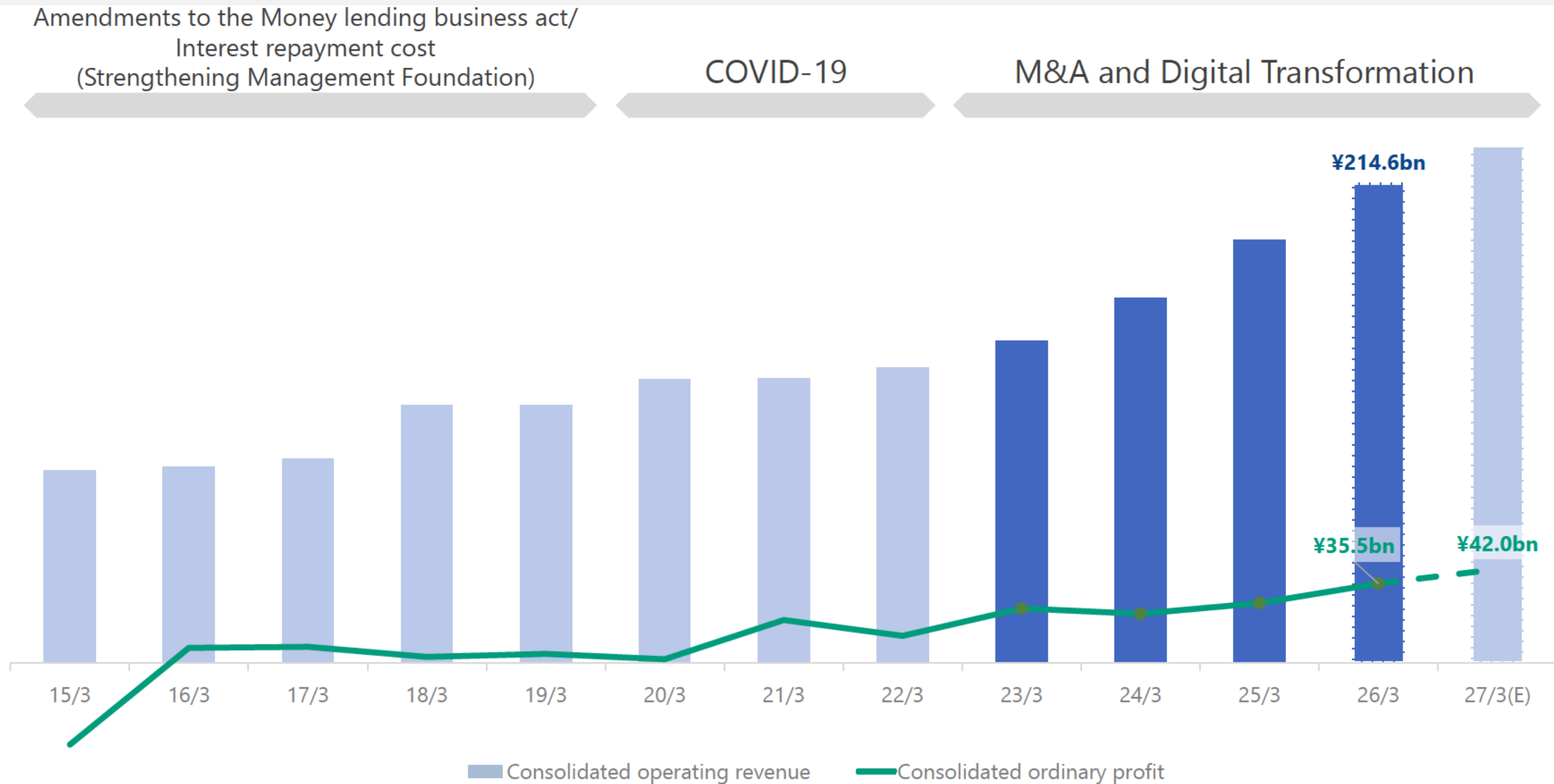
### Strengths / Features

- Business diversification for portfolio diversification
- Cost reduction through in-house development
- Promoting cross-selling through group collaboration

<b>Consumer Loan</b> 	<b>Credit Card</b> 	<b>Installment Receivables</b> 	<b>SES</b> 
<b>Small Business Loan</b>  	<b>Electronic Money</b> 	<b>Overseas</b> 	<b>Other</b>  

# 2. Business Portfolio

## Financial Performance



# 2. Business Portfolio

Allocating cash generated by core businesses to growth investments to the next stage of growth

- Strategically allocating stable cash flow generated by core businesses to investments in high-growth businesses and M&A
- Building a sustainable growth foundation by diversifying business portfolio
- Revenue expansion and ROE improvement driven by growth investments enhance corporate value, creating a virtuous cycle in which profits are reinvested into further growth.

A Cyclical model accelerating growth through investment and M&A, built on profitable businesses



# 2. Business Portfolio

## Key Financial Indicators



\*Profit before income tax × (1-30%) / Net assets

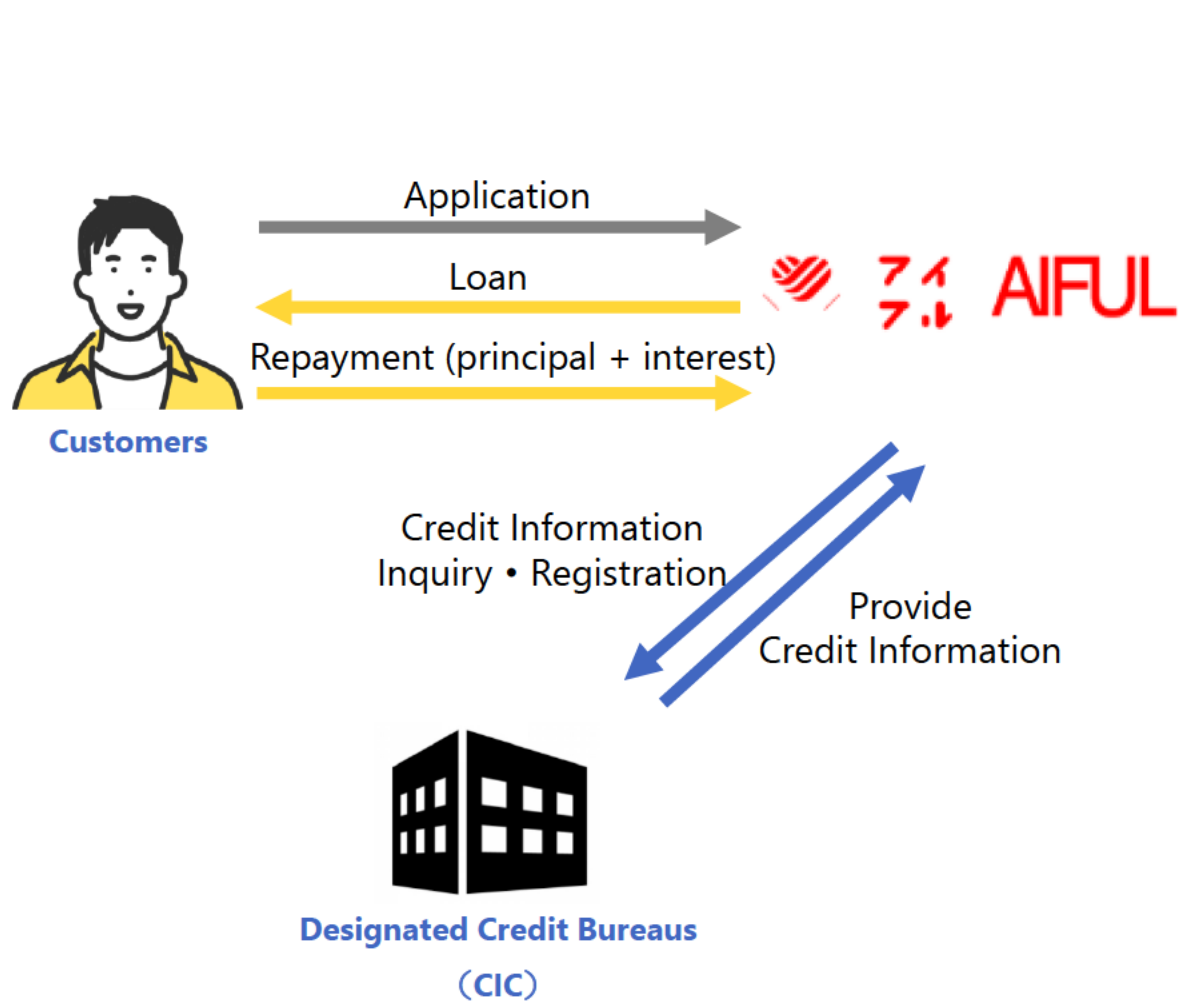


## ③ Strengths of Loan Business

- Credit screening and collection expertise cultivated over 50 years since our founding
- Agile development and operational framework enabled by in-house system development
- Expertise in business credit screening cultivated through financing for small businesses

# 3. Loan Business

## Unsecured Loan



### Outline

#### Features



- Over 98% of applications are through WEB
- Entire process from application to lending is completed online
- Fast lending (as quick as 14 minutes)

#### Challenges



- Further strengthening of top-of-mind awareness
- Rising market interest rates
- Market contraction due to population decline
- Changes in advertising efficiency due to competitive landscape

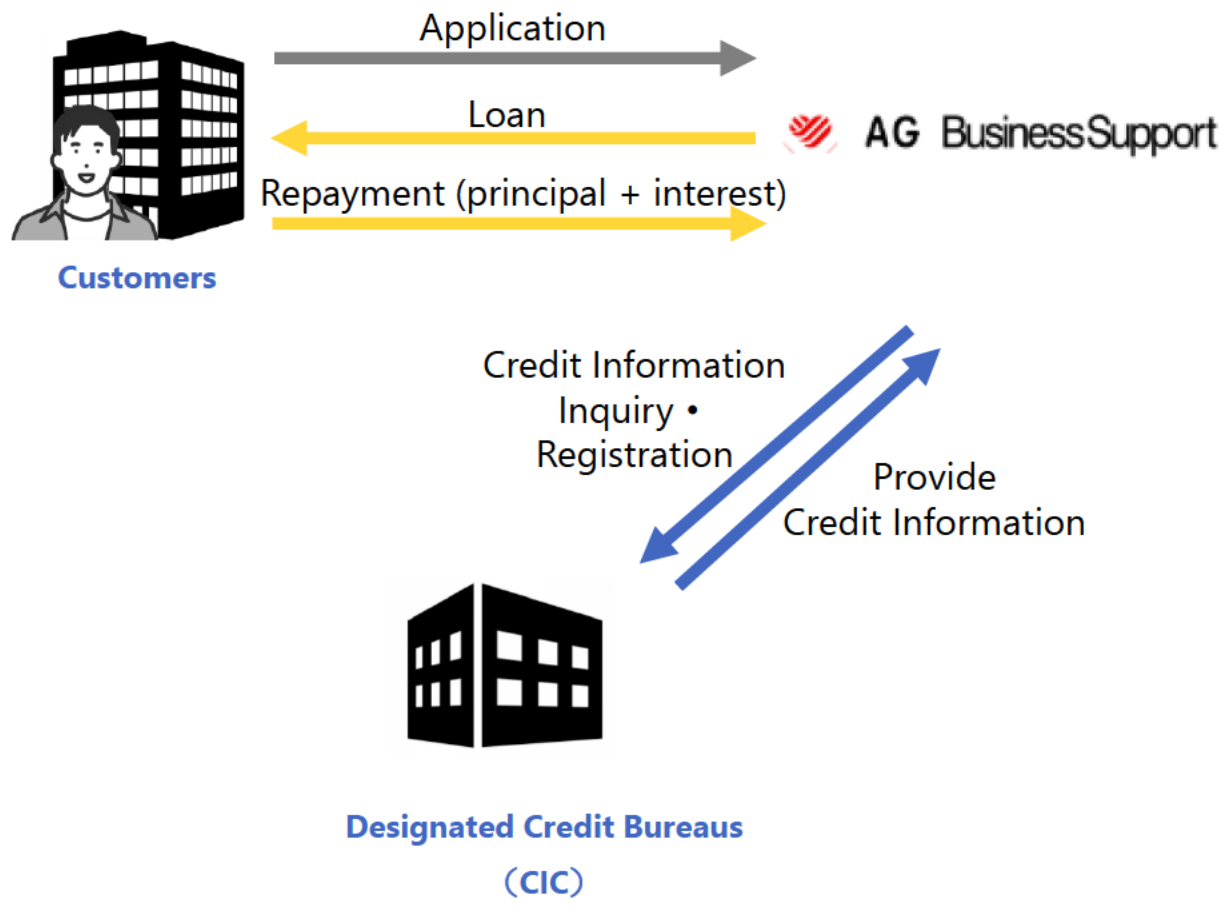
#### Vision



- Further enhancement of brand value
- Low-cost operations through digitalization and AI utilization
- Securing market share through sophisticated marketing strategies

# 3. Loan Business

## Small Business Loan



### Outline

#### Features



- Over 90% of applications are through WEB
- Entire process from application to lending is completed online
- Fast lending (shortest possible turnaround)

#### Challenges



- Weakening demand due to economic conditions and business cycle fluctuations
- Increase in corporate bankruptcies

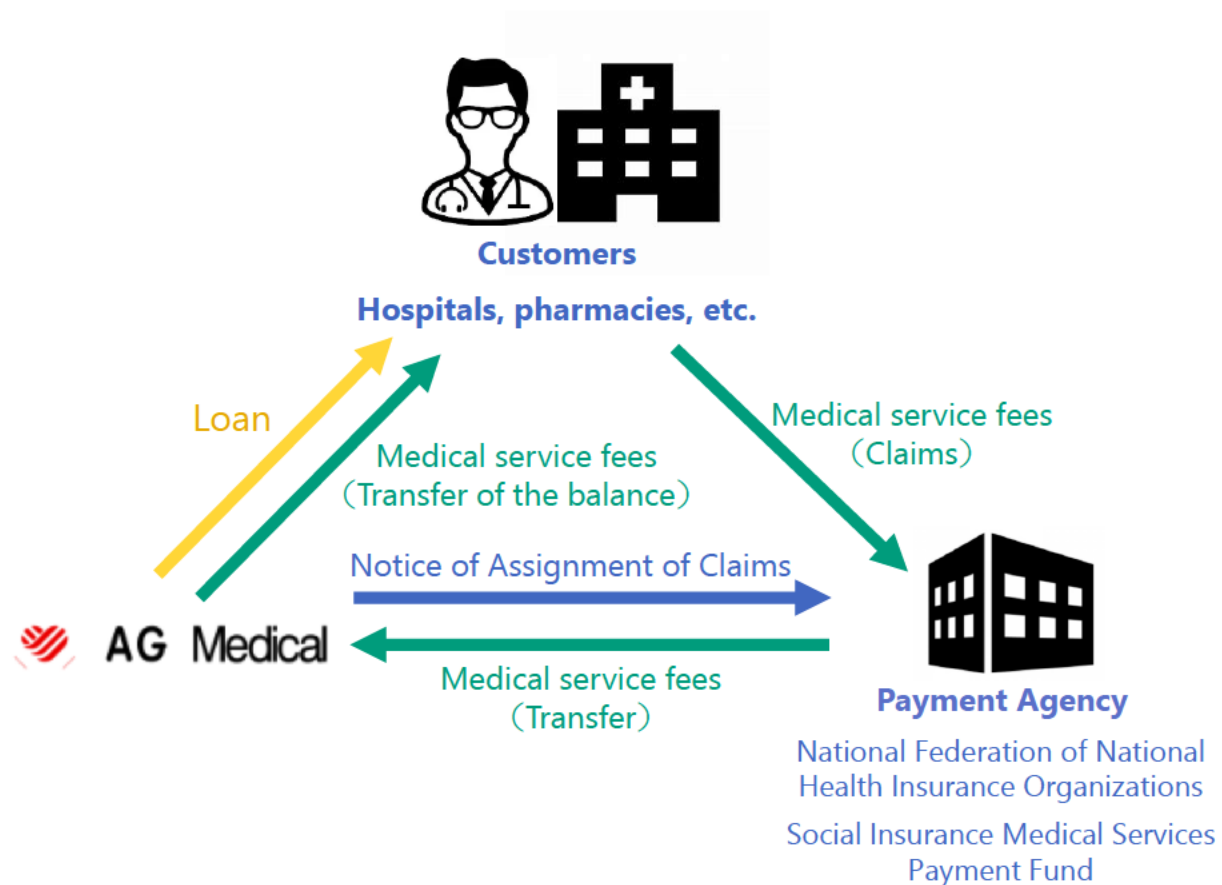
#### Vision



- Low-cost operations through digitalization and AI utilization
- Flexible credit assessment based on industry characteristics
- Collaboration with other products such as factoring (Optimizing responses to corporate financing needs)

# 3. Loan Business

## Secured Loan (Medical loan secured by medical fee receivables)



### Outline

#### Features



- Over 90% of applications are through WEB
- Entire process from application to lending is completed online
- Fast lending (shortest possible turnaround)

#### Challenges



- Weakening demand due to economic conditions and business cycle fluctuations
- Increase in corporate bankruptcies

#### Vision



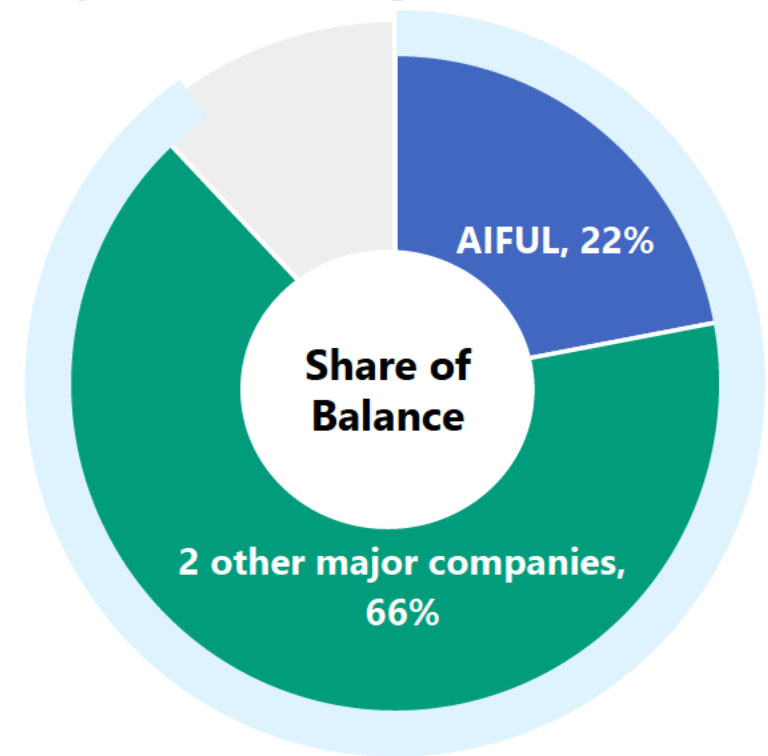
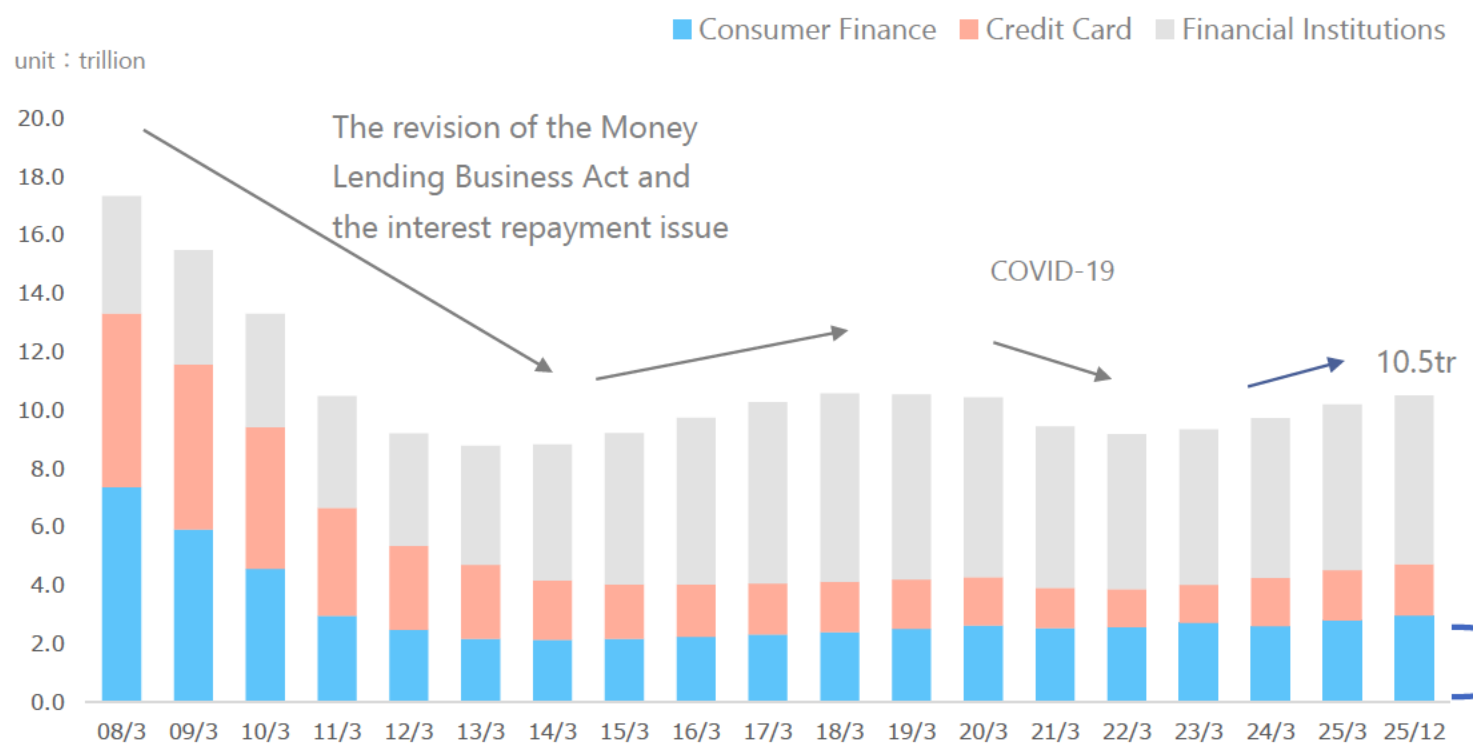
- Low-cost operations through digitalization and AI utilization
- Flexible credit assessment based on industry characteristics
- Collaboration with other products such as factoring (Optimizing responses to corporate financing needs)

# 3. Loan Business

## Unsecured Loan Market

- Japan's consumer credit market is currently on a recovery trend.
- The consumer finance market is in an oligopoly state dominated by three major companies, including us.

### ■ Consumer Credit Market 【Japan】

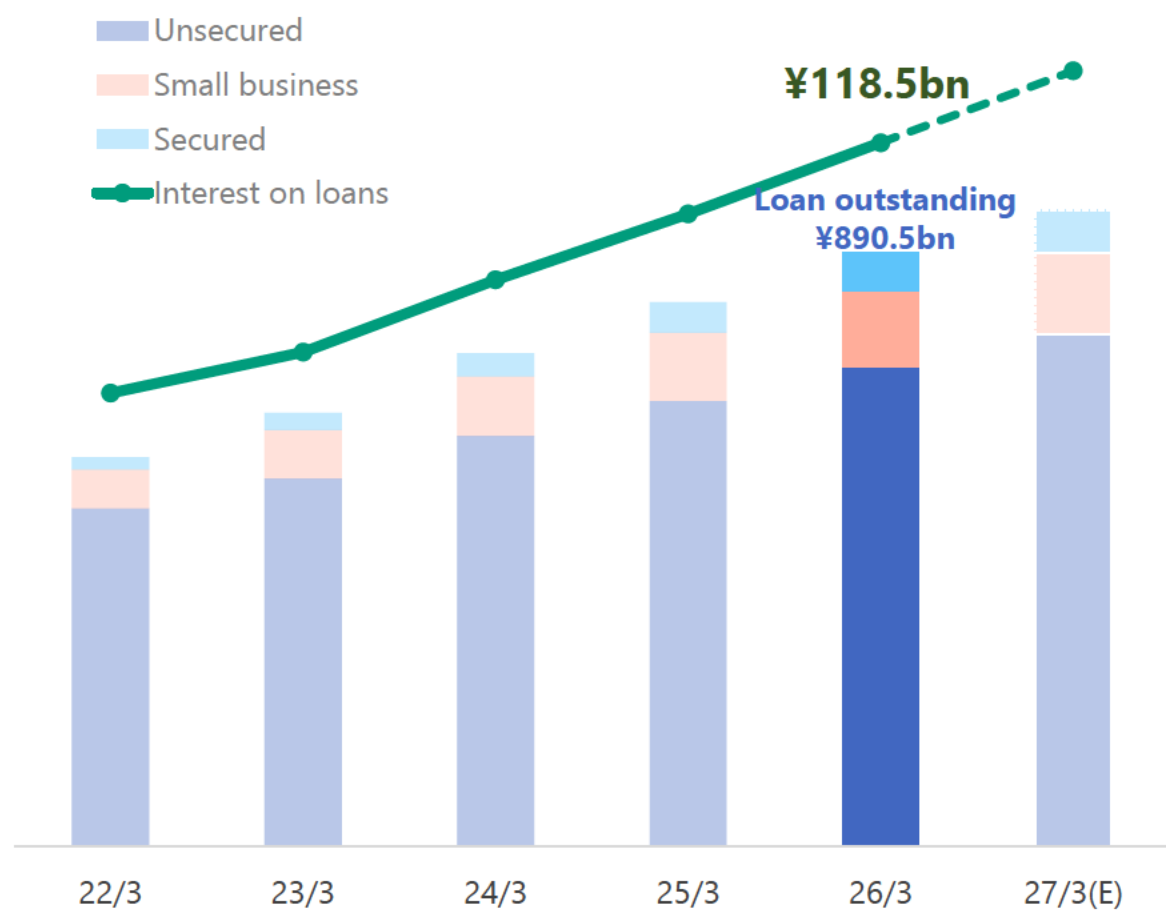


Market share of 3 major companies  
**88%**

# 3. Loan Business

## Performances ①

- The number of new contracts and the loan balance have increased steadily since the termination of ADR in 2014 (our initiatives for digitalization and in-house production have accelerated the growth).

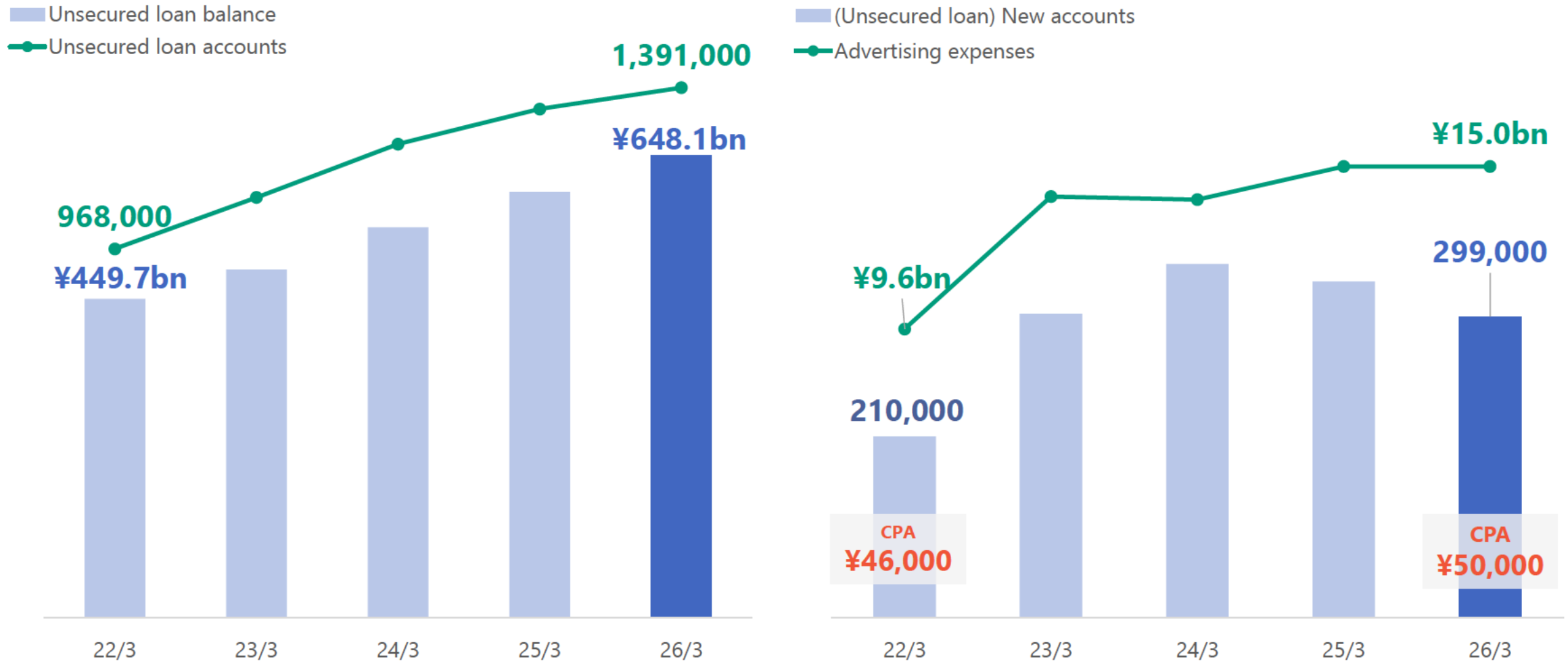


	26/3	YOY%
Interest on operating loans	118.5bn	11.2%
Loan outstanding	890.5bn	9.2%
Unsecured	717.7bn	7.7%
Small business	112.9bn	10.5%
Secured	58.9bn	28.7%

# 3. Loan Business

## Performances ② (AIFUL)

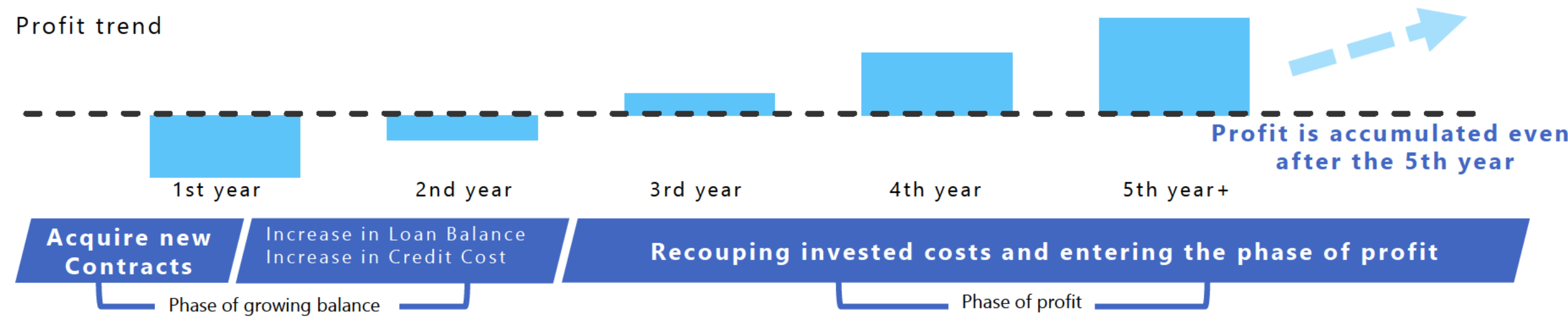
- Number of new account increased through efficient allocation of advertising and promotional expenses
- Growth in new account led to an increase in additional lending, resulting in a larger loan balance



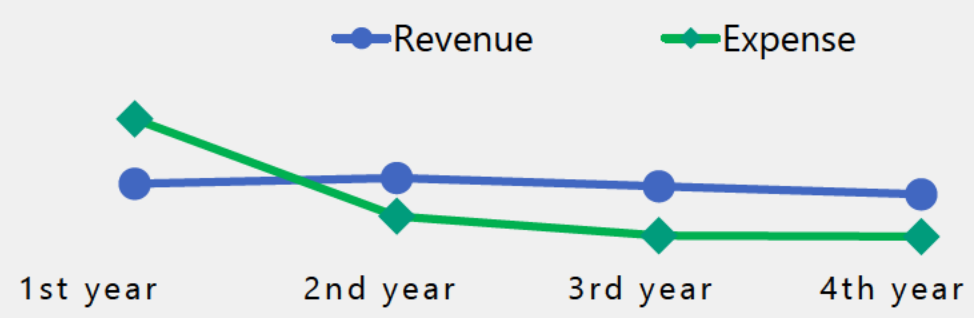
# 3. Loan Business

## Payback Period for Unsecured Loans

- In the unsecured loan business, expenses are upfront and profit is realized in the 3rd year after the new customer is acquired.



Revenue and Expense trend after new customer acquisition



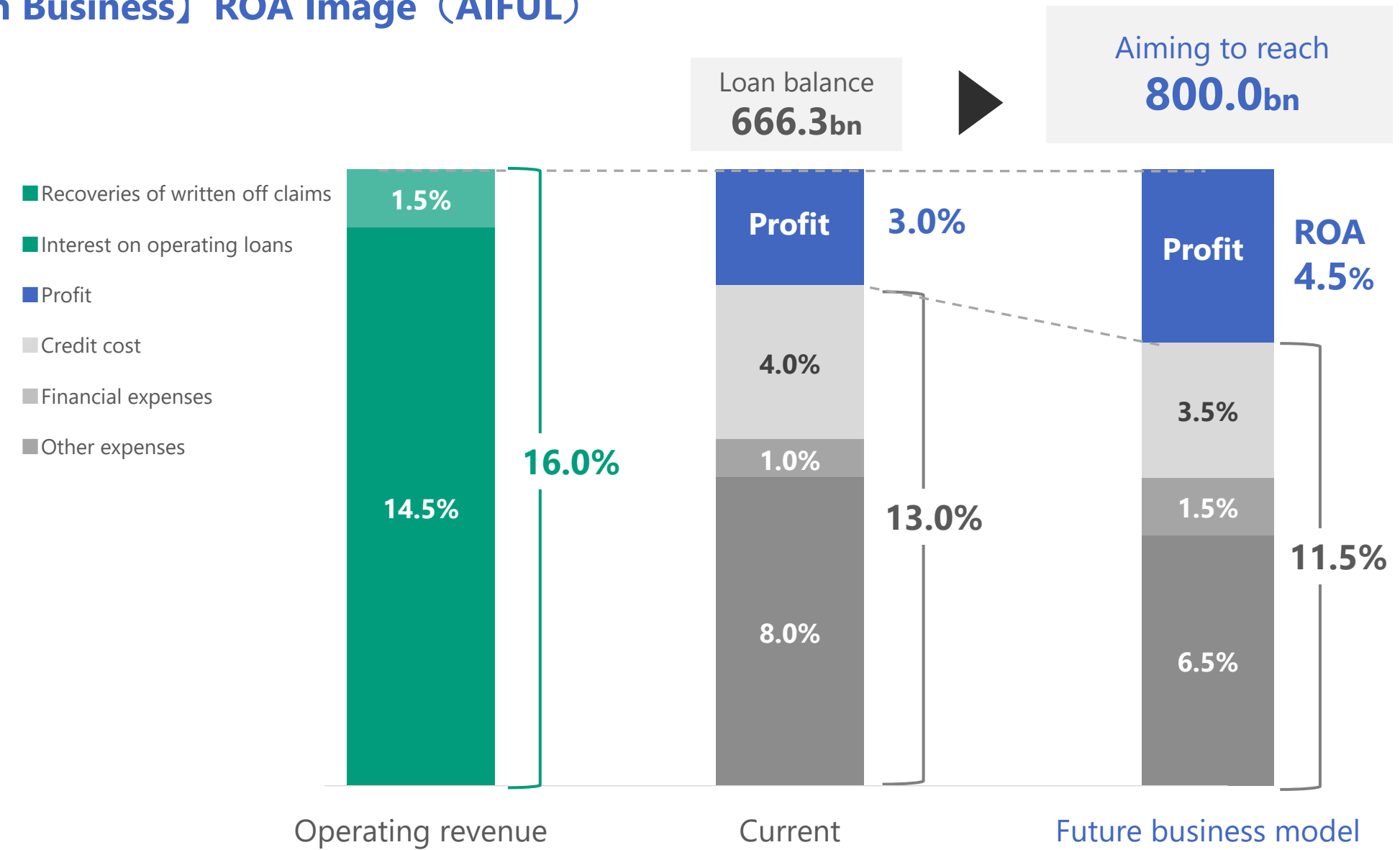
**[Revenue]**  
In conjunction with the increase (credit expansion) in the loan balance, revenue peaks in the 2nd year and then gradually declines from the 3rd year onward.

**[Expense]**  
Peaks in the 1st year and declines from the 2nd year onward (due to posting advertising expenses in the 1st year and declining credit cost after its peak in the 1st year).

# 3. Loan Business

## Growth Model for Improving Capital Efficiency

### 【Loan Business】 ROA Image (AIFUL)

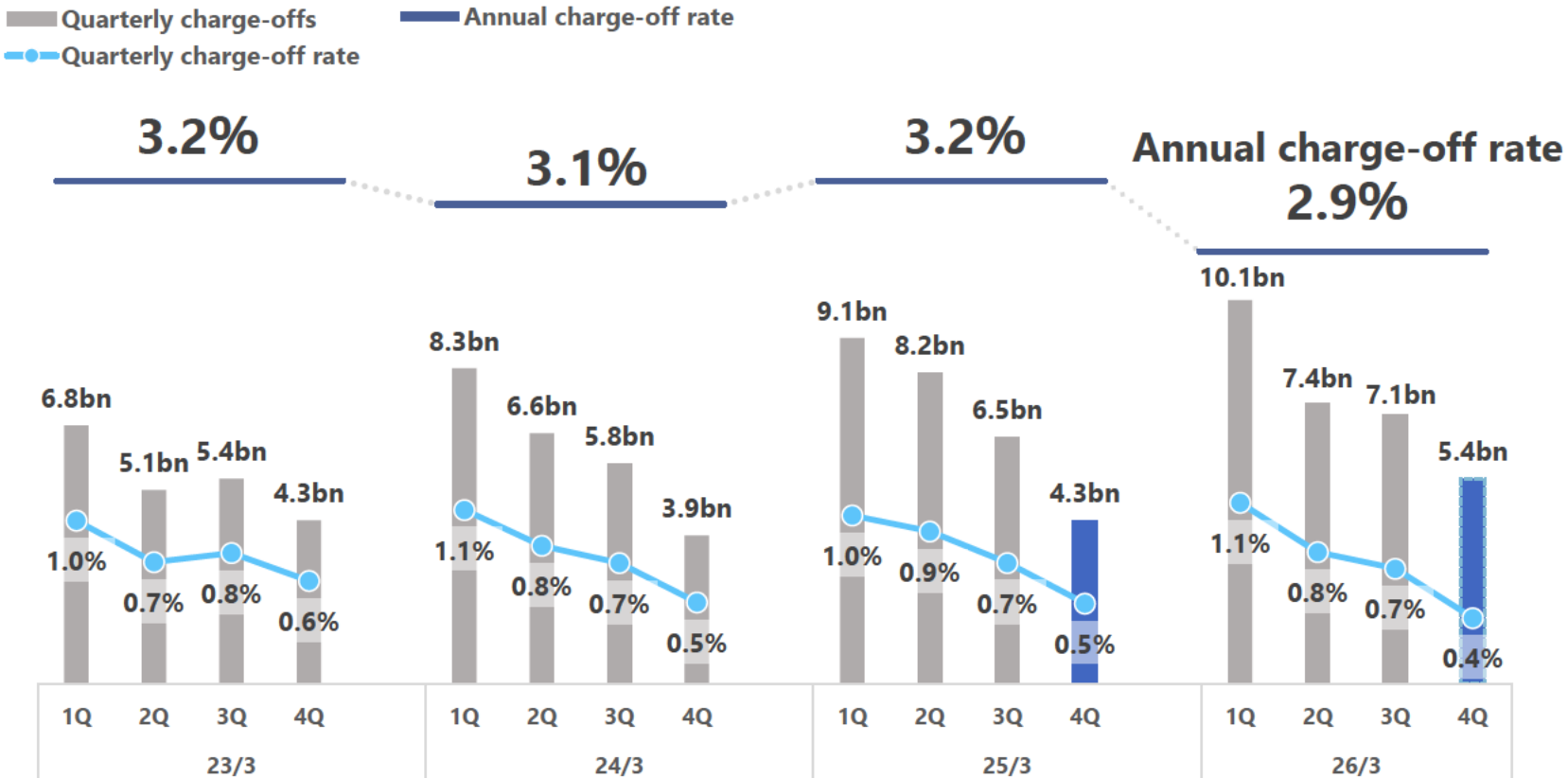


# 3. Loan Business

## 【FAQ】 Why Do Charge-Off Losses Decline Toward the Fiscal Year-End?

- As collections progress toward the fiscal year-end, quarterly charge-off losses appear to decline.

Charge-offs / Charge-offs rate



### Munivova GPT

**Q. Under what criteria are charge-off losses recognized?**

Charge-off losses are recognized when more than one year has passed since the final payment date without repayment.

**Q. Why do they decrease toward the fiscal year-end?**

As collections continue to progress toward the fiscal year-end, quarterly charge-off losses appear to decrease gradually.

\*Even for receivables that have already been recognized as charge-off losses, any subsequent recoveries during the fiscal year are deducted from the charge-off loss amount.

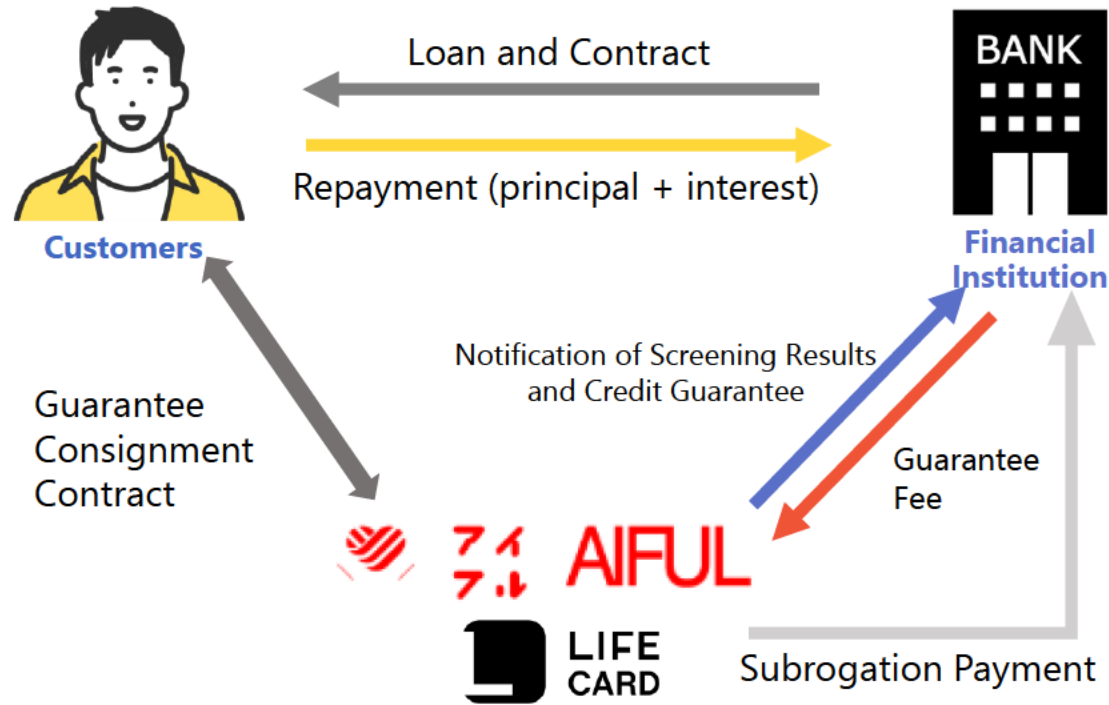


## 4 Strengths of Credit Guarantee Business

1. Partnership network with financial institutions including regional banks nationwide
2. Diverse range of guarantee products
3. Sales support system through staff secondment

# 4. Credit Guarantee Business

Fee-Based business expanding with Financial Institutions



## Outline

### Features



- Fee-based business leveraging credit assessment expertise
- No funding required (financial institutions provide funds)
- After subrogation payment, collection as own receivables

### Challenges



- Intensifying competition in bank loan guarantees (Installment sales, card companies, consumer finance)
- Customer acquisition and profitability vary significantly by guarantee product

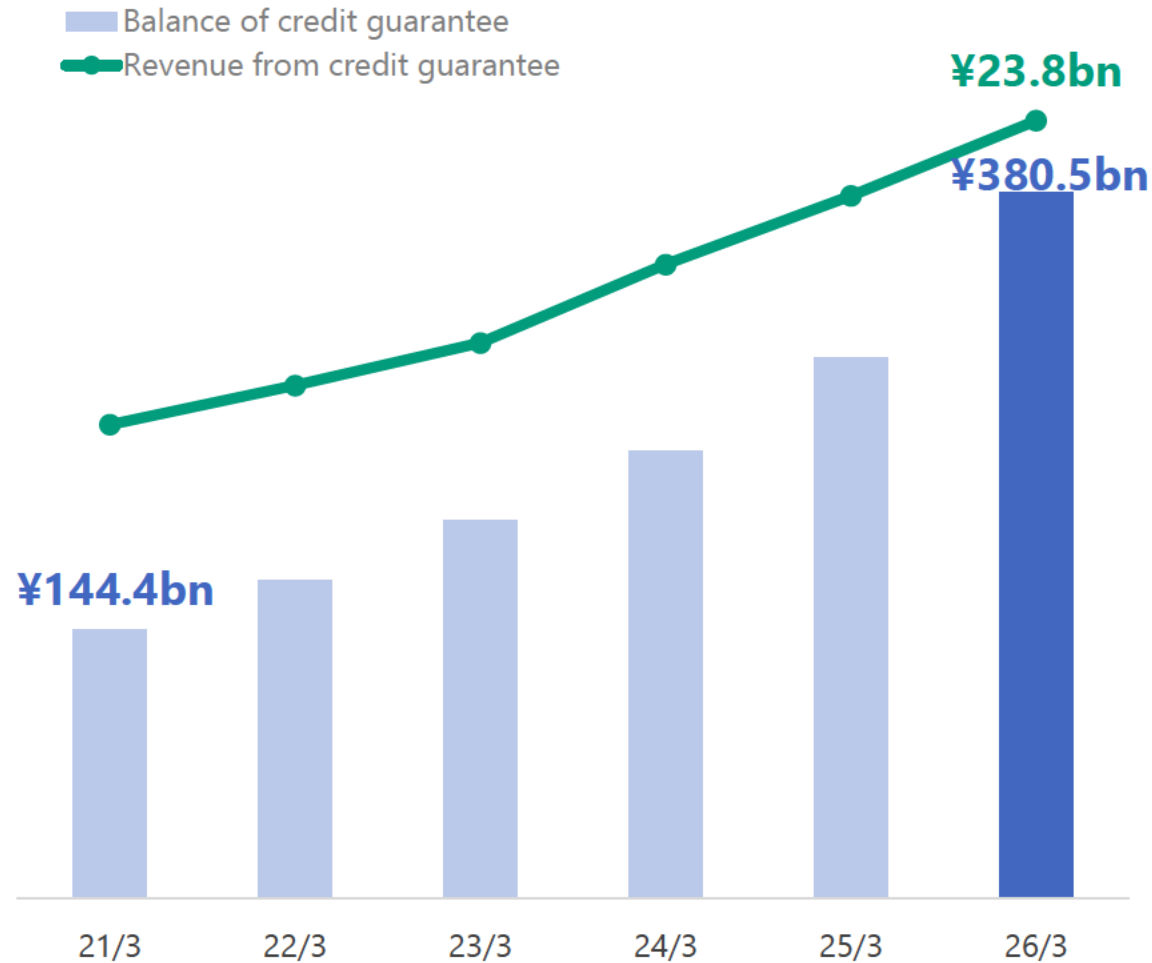
### Vision



- Handling major loans from mega banks, internet banks, and major first-tier regional banks
- Capturing new areas such as real estate-backed guarantees

# 4. Credit Guarantee Business

## Performances

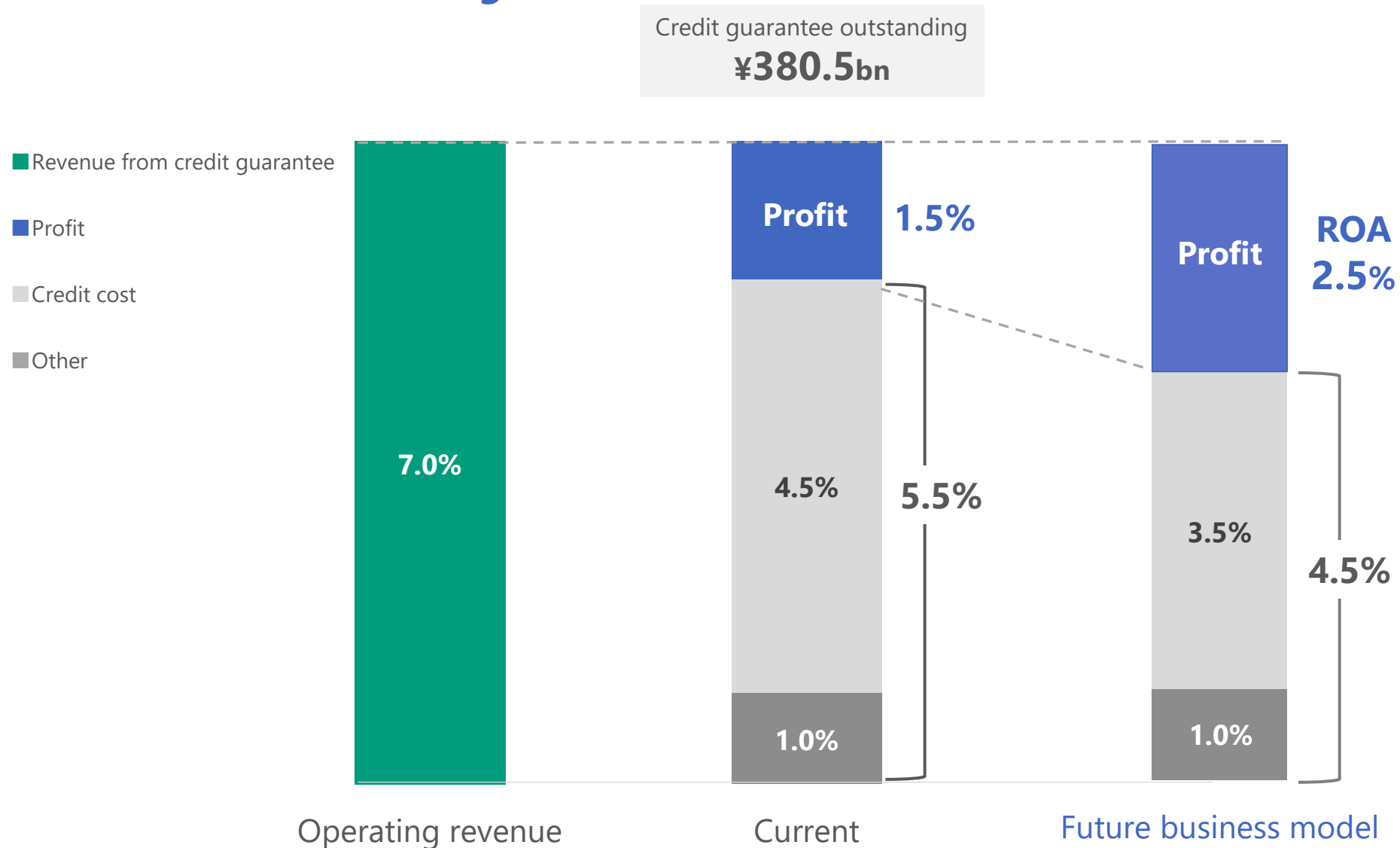


	26/3	YOY%
Revenue from credit guarantee	23.8bn	11.0%
Balance of credit guarantee	380.5bn	30.5%
Individual	215.2bn	7.2%
Small business	82.5bn	18.3%
Secured	80.3bn	294.5%
Other than Financial institutions	2.3bn	222.5%
Number of Partner Financial Institutions (AIFUL)	170	+6

# 4. Credit Guarantee Business

## Growth Model for Enhancing Capital Efficiency

### 【Credit Guarantee】 ROA Image



# 4. Credit Guarantee Business

## Credit guarantee business

### **Q1. What types of guarantee products are available?**

A1. We cover diverse financial institution loan products, from personal to business loans and real estate. Real estate guarantees are particularly growing due to low credit risk and stable revenue.

### **Q3. Market interest rate rise impact?**

A3. As a fee-based business, the impact is more from credit costs and delinquency rate rather than funding cost increases.

### **Q5. What differentiates you from competitors?**

A5. Our strength lies in our proprietary credit screening expertise, which enables us to maintain stable approval rates that are difficult for competitors to replicate.

### **Q2. What are the growth drivers?**

A2. Expansion of partner financial institutions and broader product deployment within existing partner networks.

### **Q4. How are you expanding your partnerships?**

A4. By leveraging our strengths in credit screening expertise and operational flexibility, we expand partnerships through proposals tailored to the specific needs of each financial institution.

### **Q6. Won't this overlap with AIFUL's customer base?**

A6. Both businesses broaden the group's overall customer base since segments, channels, and needs differ.



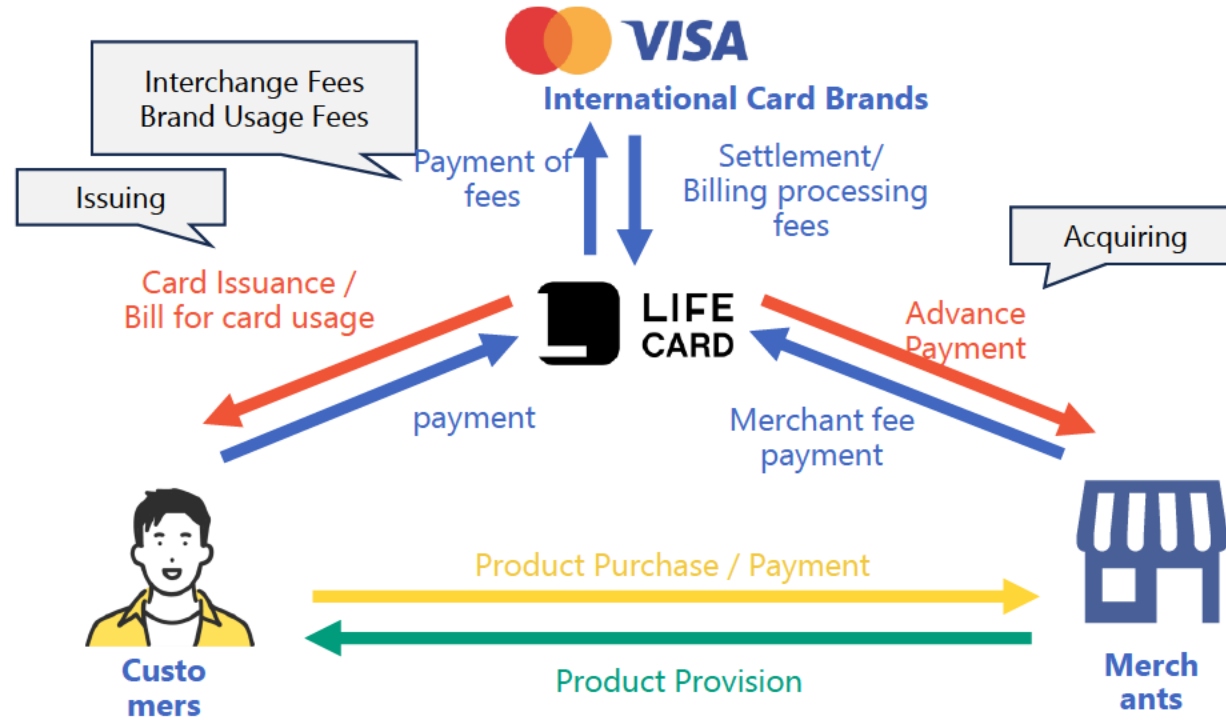
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## Strengths of Credit/Payment Business

- Merchant network and sales capabilities for merchant expansion
- Credit assessment and operational expertise in revolving and installment payments
- Payment infrastructure with strengths in online domain

# 5. Credit • Payment Business

【Credit Business】 An earnings portfolio expanding from everyday payments



### Outline

**Features**

- A card brand primarily targeting younger customers
- Independent business model not reliant on a specific economic ecosystem (including deposit-type cards)

**Challenges**

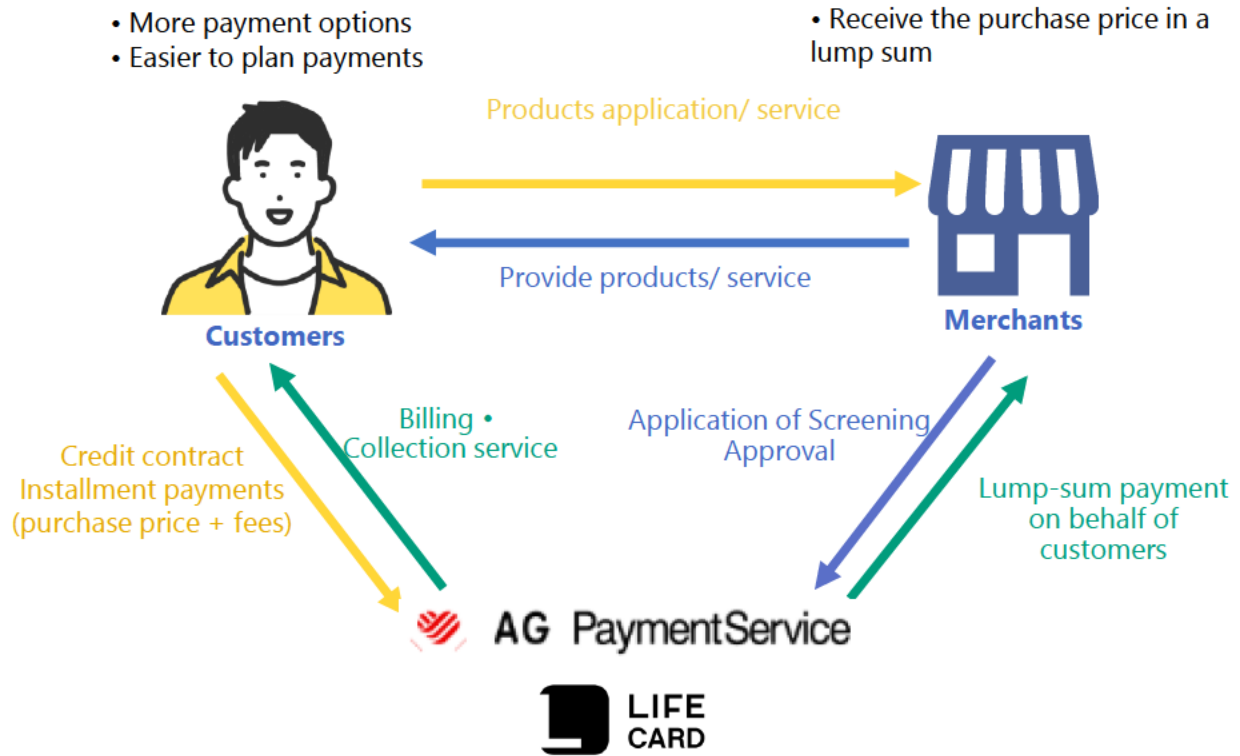
- Intensifying competitive environment (including diverse payment methods such as mobile payments)
- Enhancement of profitability through system infrastructure development and other initiatives

**Vision**

- Deepening engagement with loyal customers and promoting primary card usage
- Securing revenue sources through revolving payments, installment payments, cash advances, etc.
- Expansion of services including adjacent businesses such as BIN sponsorship and branded prepaid cards

# 5. Credit/Payment Business

【Payment Services】 Maximizing revenue by expanding merchants and the installment domain



- More payment options
- Easier to plan payments

- Receive the purchase price in a lump sum

## Outline

### Features



- Providing individual credit purchases mainly to the esthetics / beauty medical industries
- Supporting both one-off procedures and specified continuing services, with same-day installment use also available
- Expandability to provide credit cards to merchants and end users, etc.

### Challenges



- Building an industry portfolio of merchants
- Consumer sentiment in light of inflation, etc.

### Vision

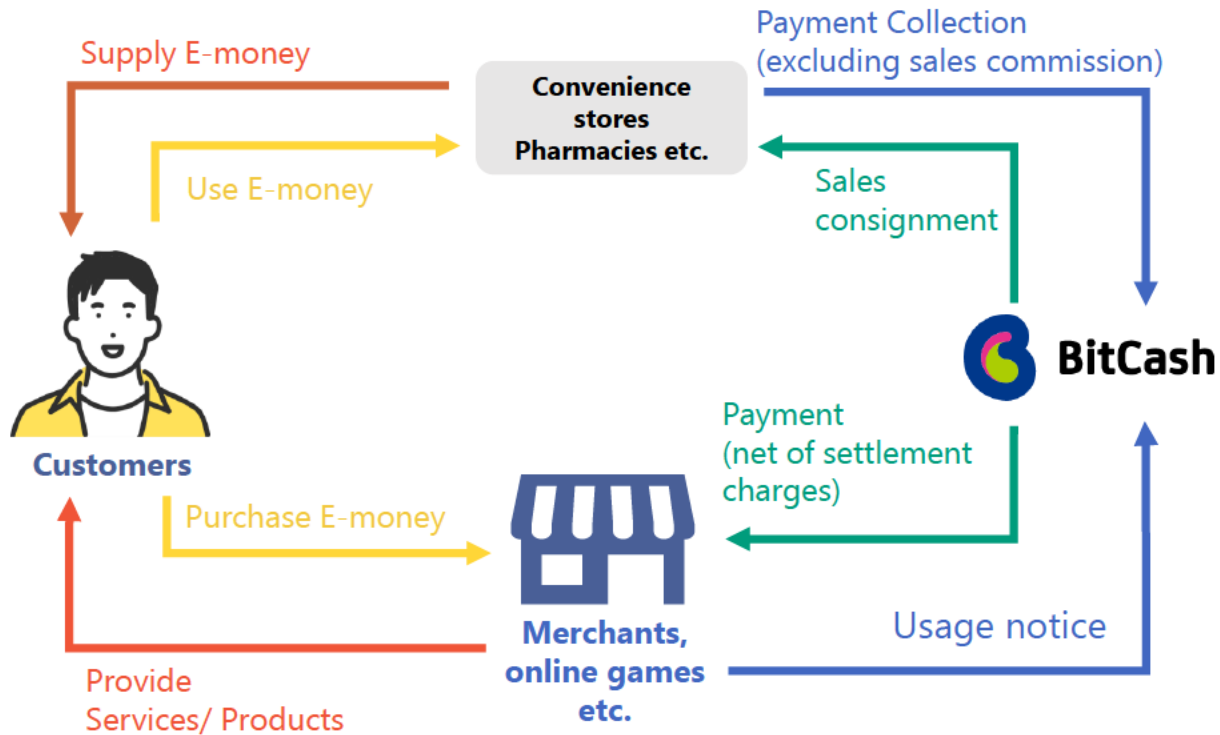


- Expansion beyond the esthetics / beauty medical industries and portfolio diversification
- Capturing the full range of payment occasions for merchants and end users

# 5. Credit • Payment Business

## Prepaid Business

In certain segments of the electronic money market, the BitCash and WebMoney brands form an oligopoly.



### Outline

#### Features



- Available without a credit card (advantages for use by non-cardholders and for privacy)
- Strong in game and community content

#### Challenges



- Market size
- Growth is limited. In particular, games are affected by content power to a certain extent.
- Competition with other payment methods

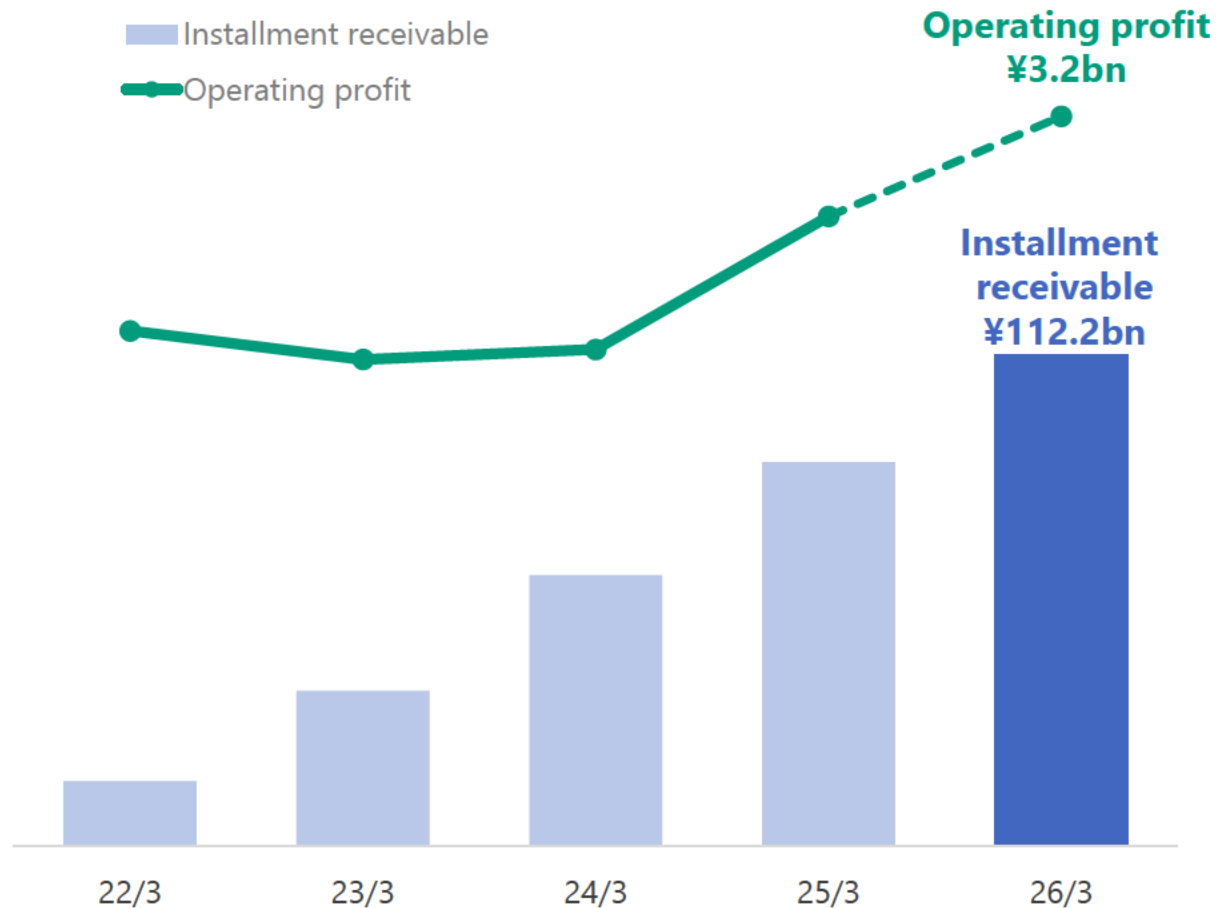
#### Vision



- Maximizing the merchant network and maximizing transaction volume
- Improving UI/UX for electronic money usage

# Credit • Payment

## Financial Performance Trends (Installment receivable)



	26/3	YoY
Installment receivable	112.2bn	28.0%
N. of affiliated merchants	3,116	-10.7%
Operating revenue	10.0bn	28.7%
Operating profit	3.2bn	75.6%
Ordinary profit	3.2bn	75.7%

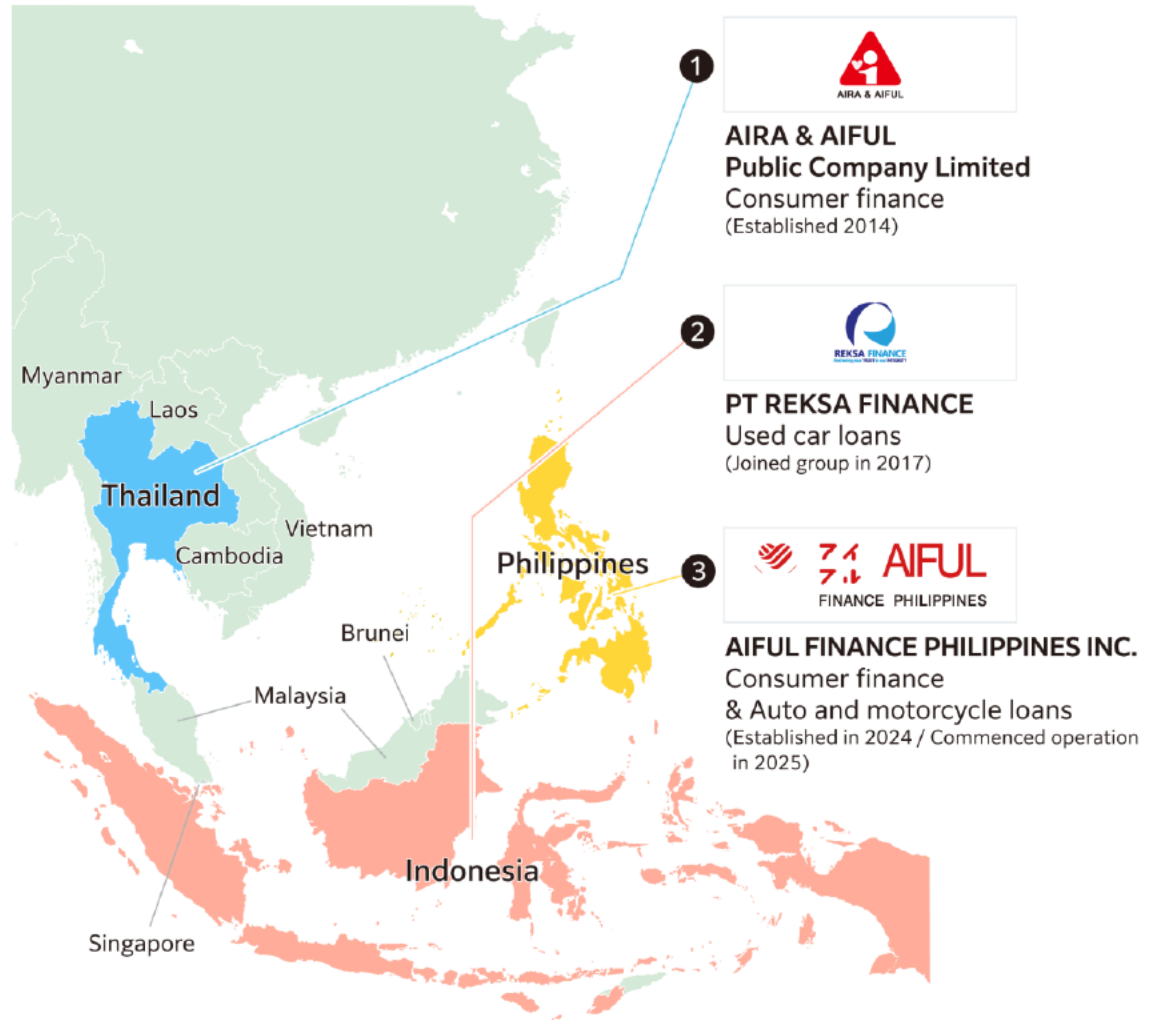


## 6 Strength of Other Business


- Flexibility to enter new fields
- Business expansion leveraging the Group's platform
- Creating a stable earnings base through diversification

# 6.Overseas


## 成長市場への挑戦




### Outline

**Features**  


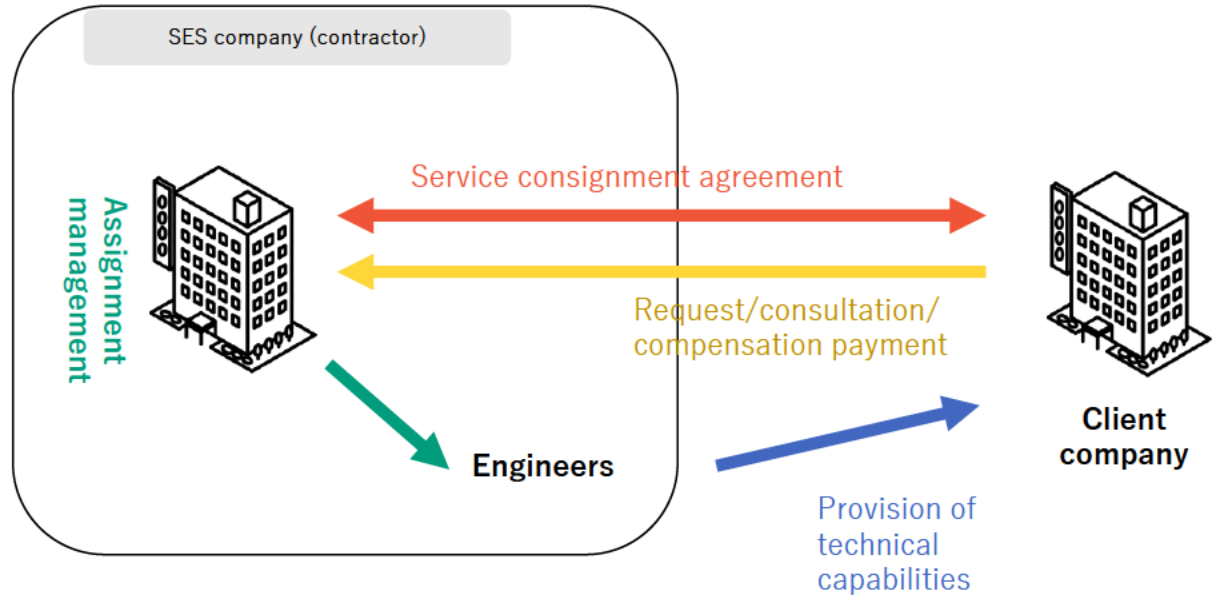
- Primarily focusing on ASEAN, where the average age is low and GDP is high
- Consumer loans, used-car auto loans for business owners, etc.

**Challenges**  


- Risks of political instability and economic fluctuations
- Risks related to various regulatory changes
- Development and updating of credit screening models

**Vision**  


- Scaling up to rank among the top market positions
- Establishing local funding schemes



### Outline

#### Features



- Engineering expertise across a wide range of industries, systems, and programming languages, including insurance systems, credit card systems, web applications, and mobile applications
- In-house development of Group systems

#### Challenges



- Retaining and recruiting skilled engineers
- Managing and optimizing engineer skill sets, including portfolio management for both internal Group projects and external clients
- Adapting to the rapid advancement of AI technologies

#### Vision



- Promote the Group's in-house development strategy and reduce IT-related costs
- Further enhance IT flexibility and accelerate AI adoption to drive sustainable growth



**7** **Capital Policy**

**8** **Risks**

**9** **Appendix**

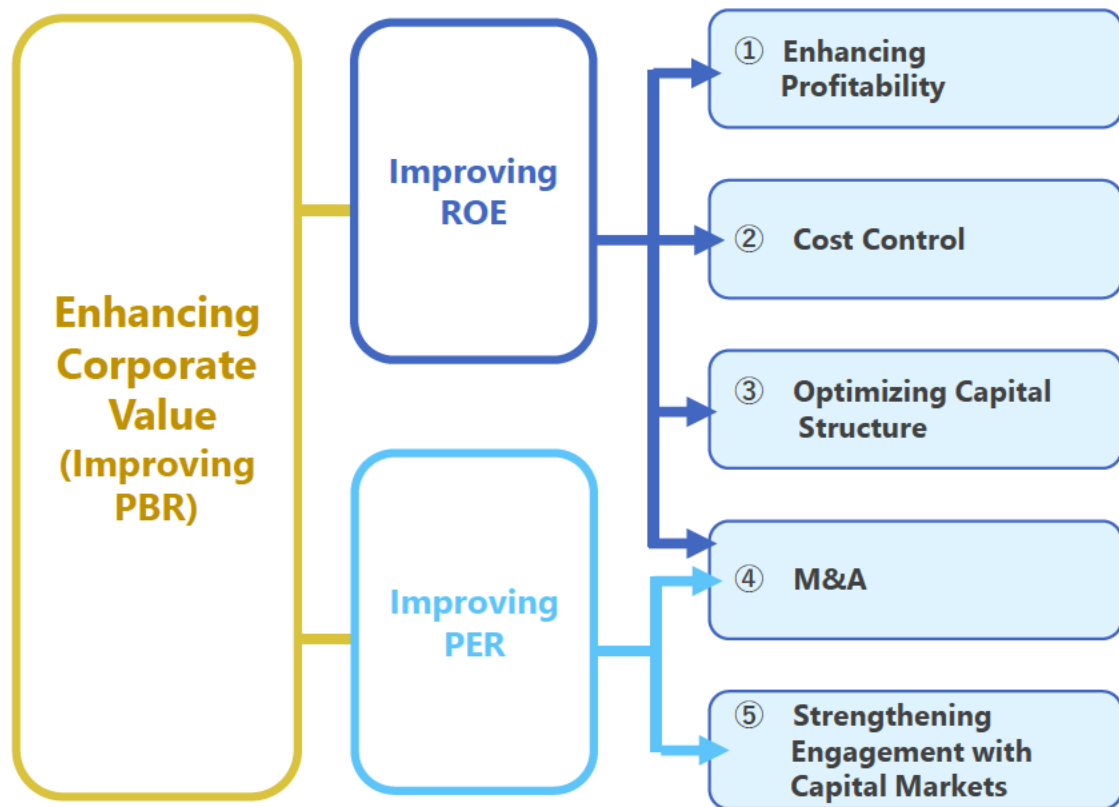


# Capital Strategy

## How to Enhance Capital Efficiency

### Initiatives to Enhance Corporate Value: Improving ROE

In our Medium-Term Management Plan 2024, we have identified improving ROE as one of our key commitments, and have designated "enhancing profitability," "cost control," "optimizing capital structure," and "growth investments" as the four drivers for improving ROE.



### Activities Results of the Fiscal Year Ended March 2026

- **Growth investments and balance expansion in the loan/guarantee businesses**
- **Expansion of fee-based businesses**

M&A of the "WebMoney" electronic money payment business, 2 SES companies

- **Reducing fixed costs (streamlining branch network and optimizing workforce structure)**
- **Reducing external IT outsourcing costs through in-house system development**

- **Maintaining an appropriate equity ratio**
- **Enhancing shareholder returns**

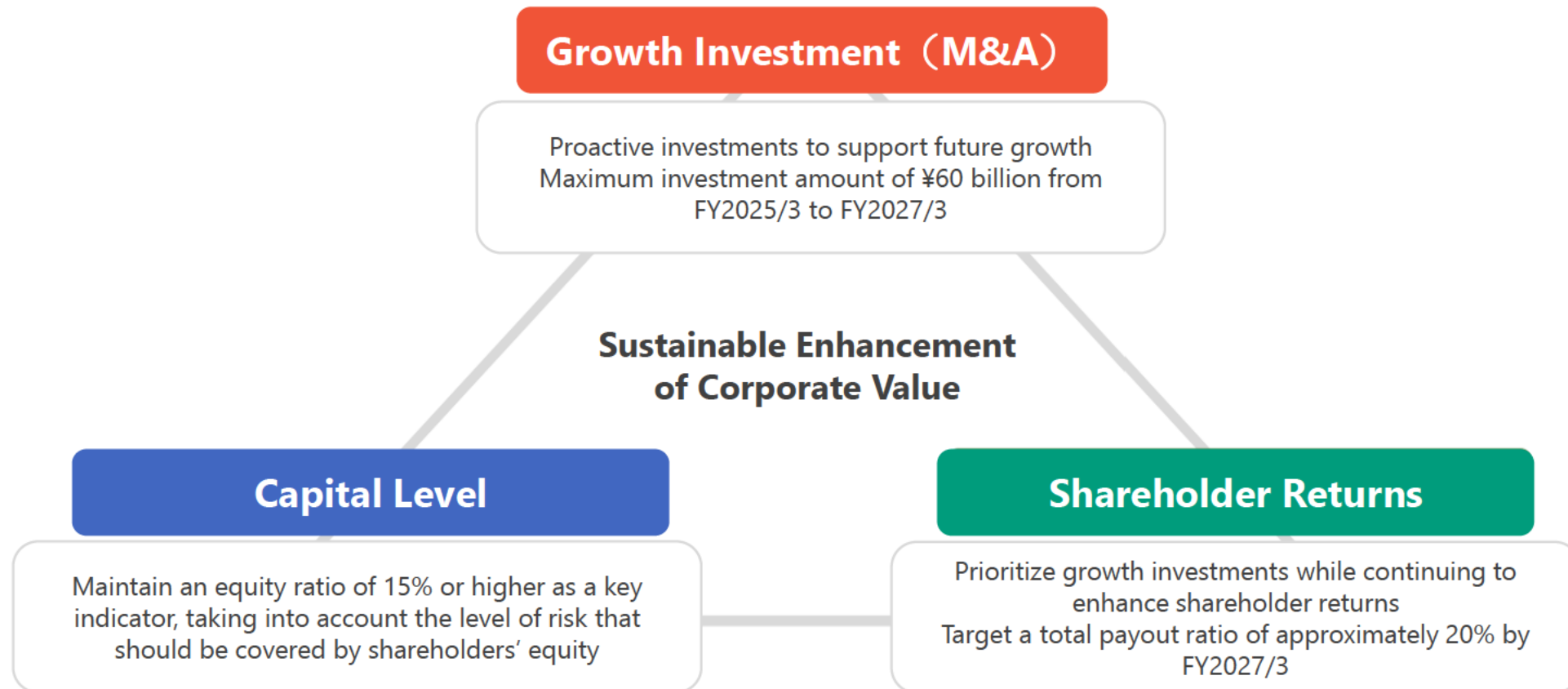
- **Creating new profit sources**
- **Transforming the business portfolio**

- **Proactive dialogue with shareholders and investors**
- **Enhancing IR activities** Engagement with domestic and international institutional investors, including interactions with the CEO and executive officers, expansion of disclosure materials

# Capital Policy

## Sustainable Improvement of Corporate Value

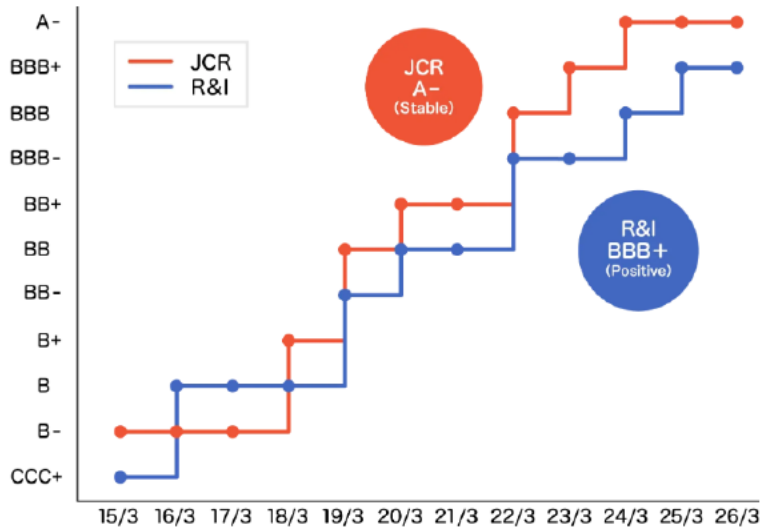
- As we move toward a new stage of growth, we will actively pursue forward-looking growth investments while maintaining an appropriate level of capital, and we will also enhance shareholder returns.



## 【Financial Expenses】 Cost Structure Reforms Supporting Profit Growth

### Reducing Financial Expenses

Although borrowing costs are trending upward due to policy rate hikes, we are working to contain financial expenses and reduce costs by leveraging improved borrowing terms resulting from credit rating upgrades and through efficient financial management.



### Cost Reduction

Receivables have increased driven by steady acquisition of new customers. Meanwhile, we are promoting cost reductions through initiatives such as closing unmanned stores, improving the productivity of center operations, promoting AI/DX, and in-house production.

	Reduction Plan	Progress	27/3 Forecast
	5.0bn	3.2bn	6.3bn
(1) Productivity improvement at center operations handling overall operations	Center operating costs 1.0bn	○ 0.8bn	1.0bn
(2) Centralization of debt collection (Consolidation of group collection divisions)	Center operating costs 0.5bn	× 0.1bn	0.5bn
(3) In-house engineering cost savings	Outsourcing costs 1.5bn	○ 0.9bn	1.5bn
(4) Closure of 150+ unmanned branches	Branch-related costs 2.0bn	◎ 1.4bn	3.3bn

◎ Ahead of Plan  
○ On Track  
× Behind Plan

### Muninova GPT

#### Q. Why does a credit rating upgrade lead to lower borrowing costs?

This is because a credit rating upgrade **enhances a company's creditworthiness, resulting in more favorable borrowing terms** from financial institutions and investors. This has already **led to lower borrowing costs and reduced financial expenses**.

#### Q. Isn't there a risk that closing unstaffed stores will lead to decline in new customers?

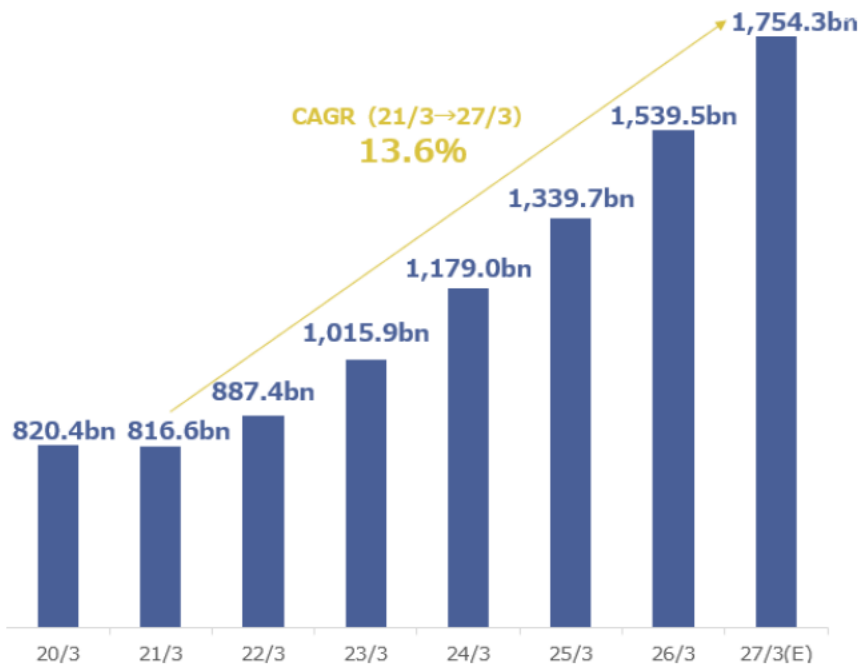
Thanks to increased brand awareness driven by advertising and promotional efforts, **the number of new customers has remained steady**. Currently, **over 95% of applications are received online**, and we believe **the impact of closing unstaffed stores will be limited**.

## 【Credit cost】 Achieving Both Growth and Stability at the Same Time

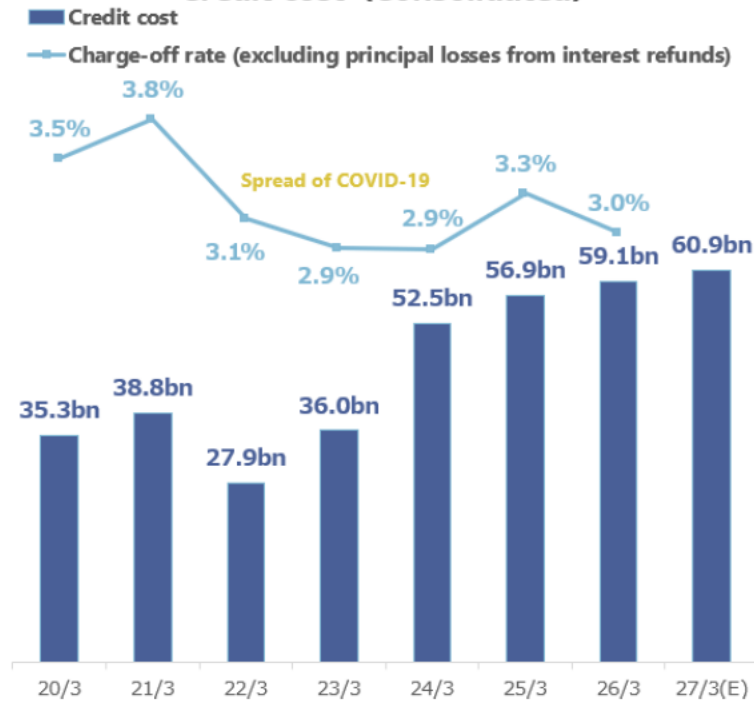
While the balance of total receivable outstanding has been steadily increasing year by year, credit cost have been kept under control.

This is the result of the credit screening and collection know-how cultivated for many years, as well as the strengthening of our management systems.

Total receivable outstanding (Consolidated)



Credit cost (Consolidated)



### Muninova GPT

**Q. Is there a risk of increasing credit cost due to a deterioration in the macroeconomic environment?**

We strive to manage risk by tightening credit standards, strengthening monitoring, and **enhancing and managing collection systems.**

**Q. What is the strategy of controlling credit cost over the medium to long term?**

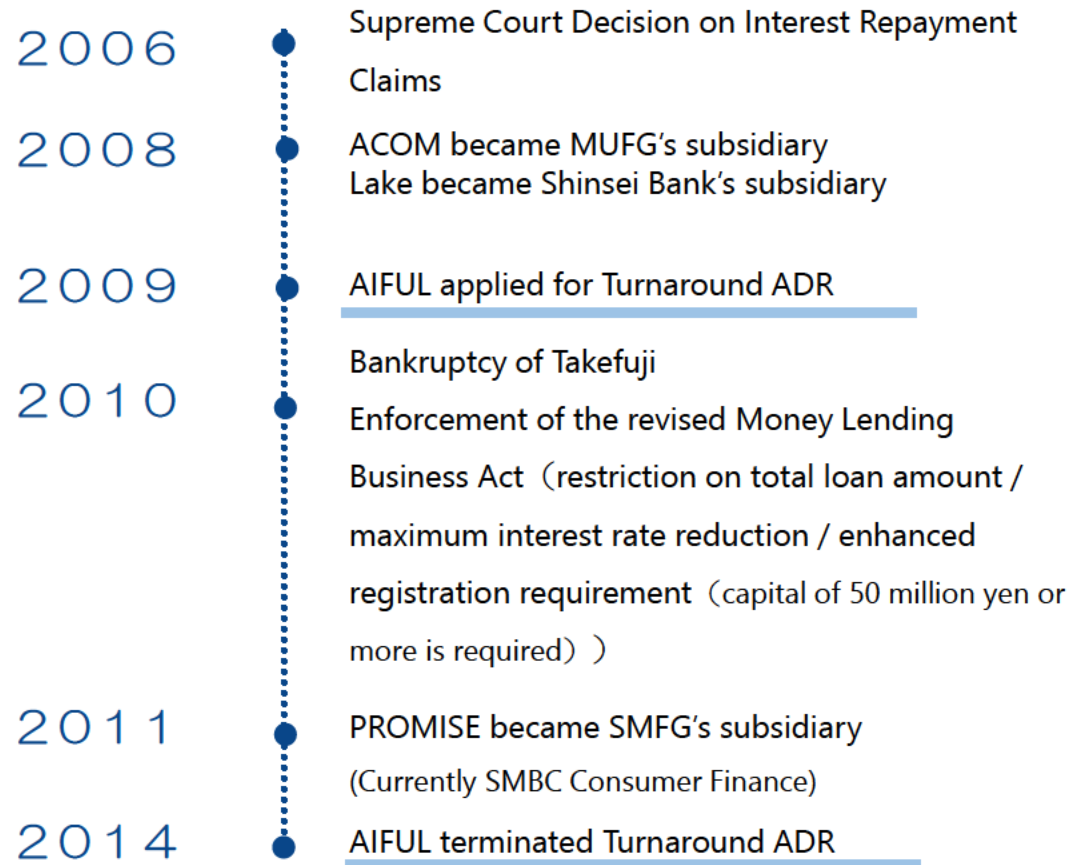
We are promoting structural cost control through the following three measures:

- Reducing the default rate by **refining our credit system**
- Limiting write-offs by **improving collection efficiency**
- Expanding businesses **with no credit risk**

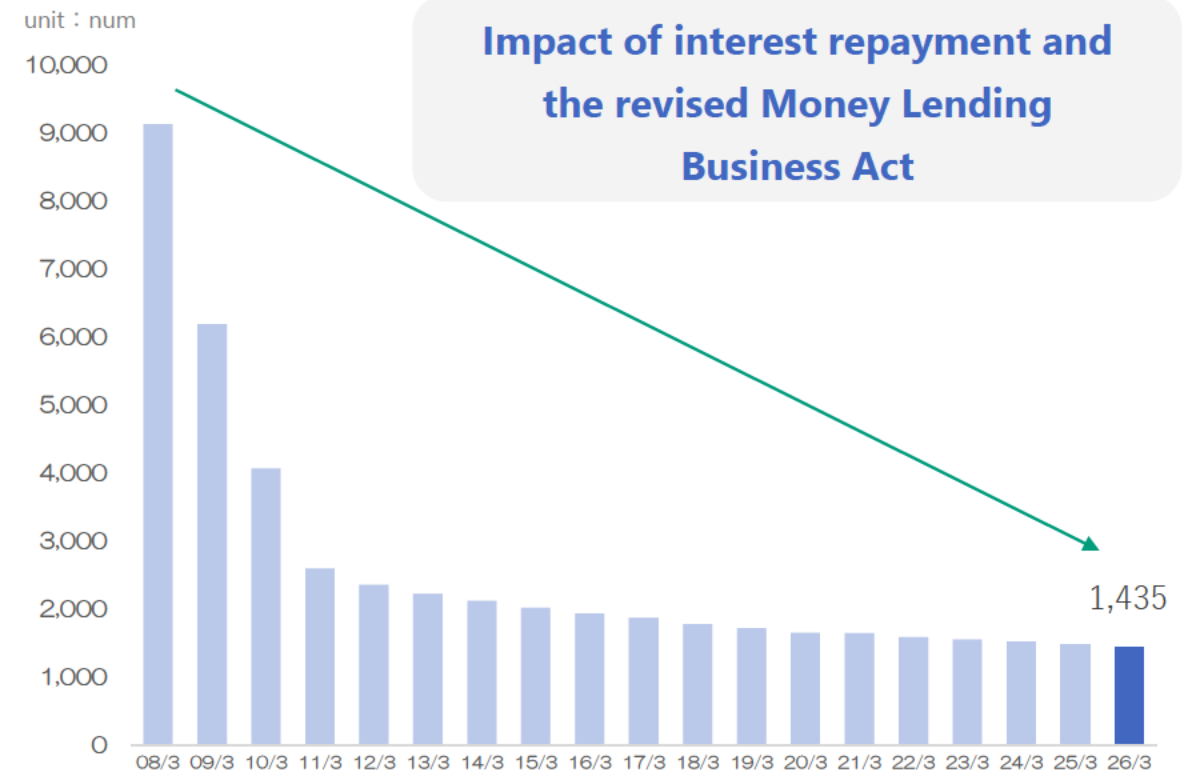
# 9. Appendix

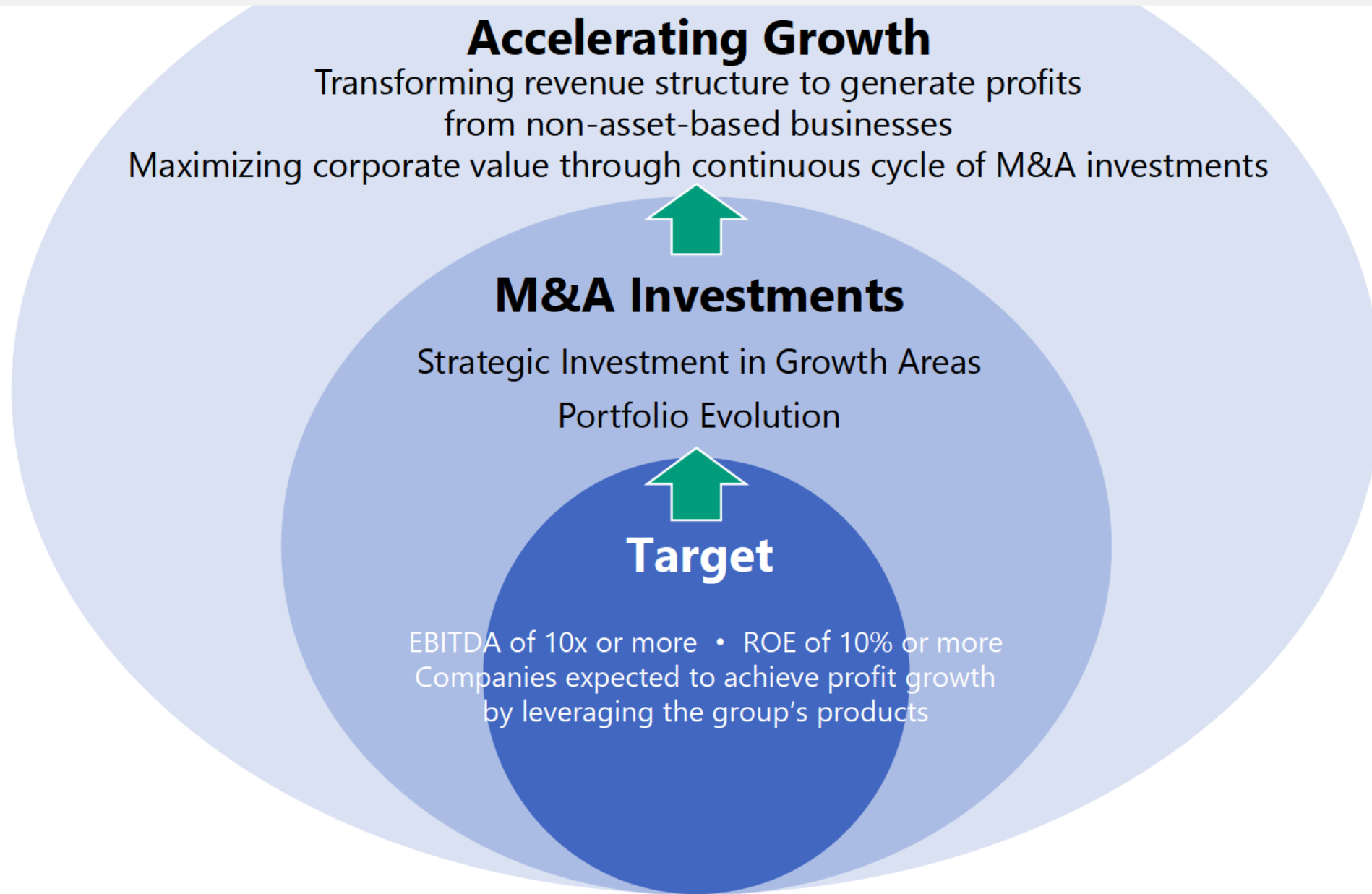
## Changes in the Industry Environment

### History 【Japan's Consumer Finance】



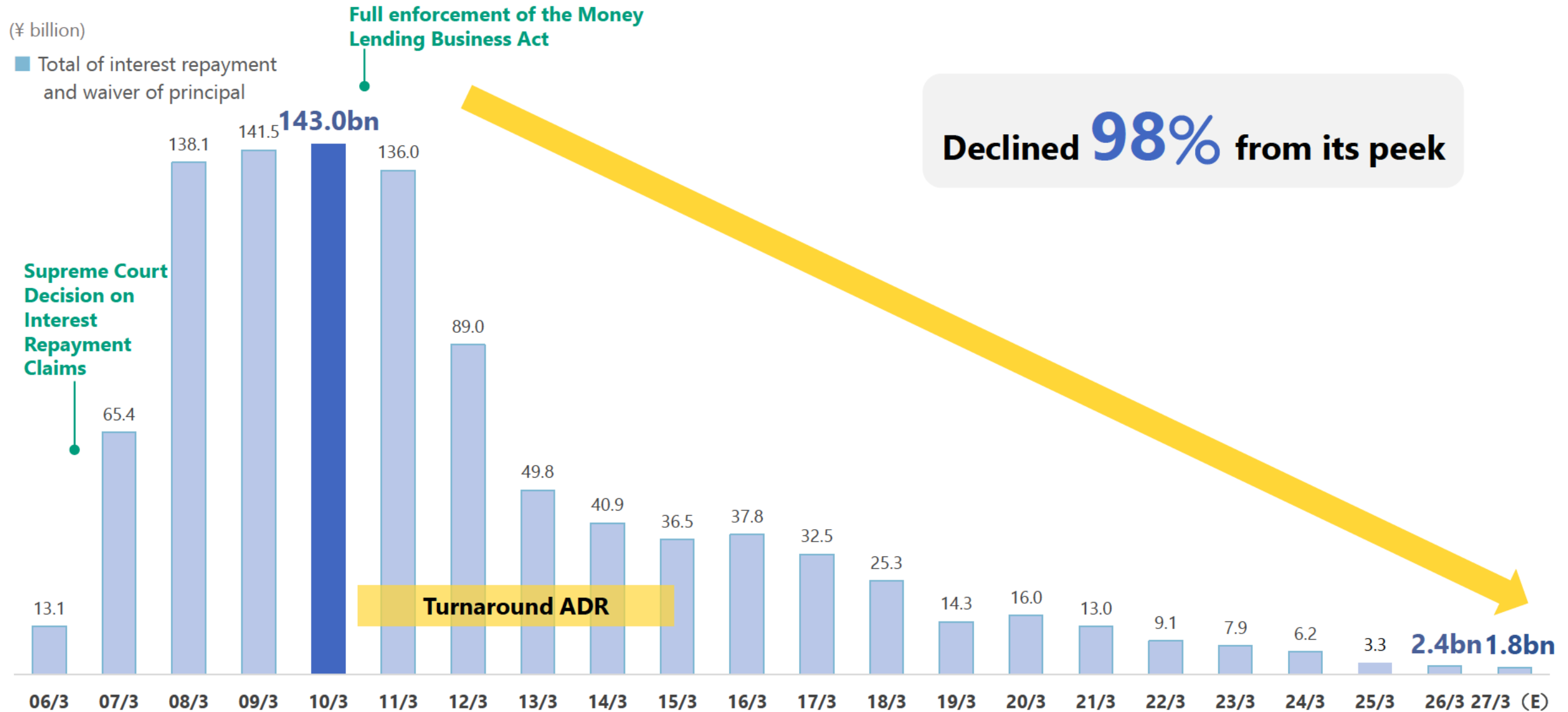
### Number of Registered Money Lenders 【Japan】





# 9. Appendix

## Resolution of the Overpayment Issue

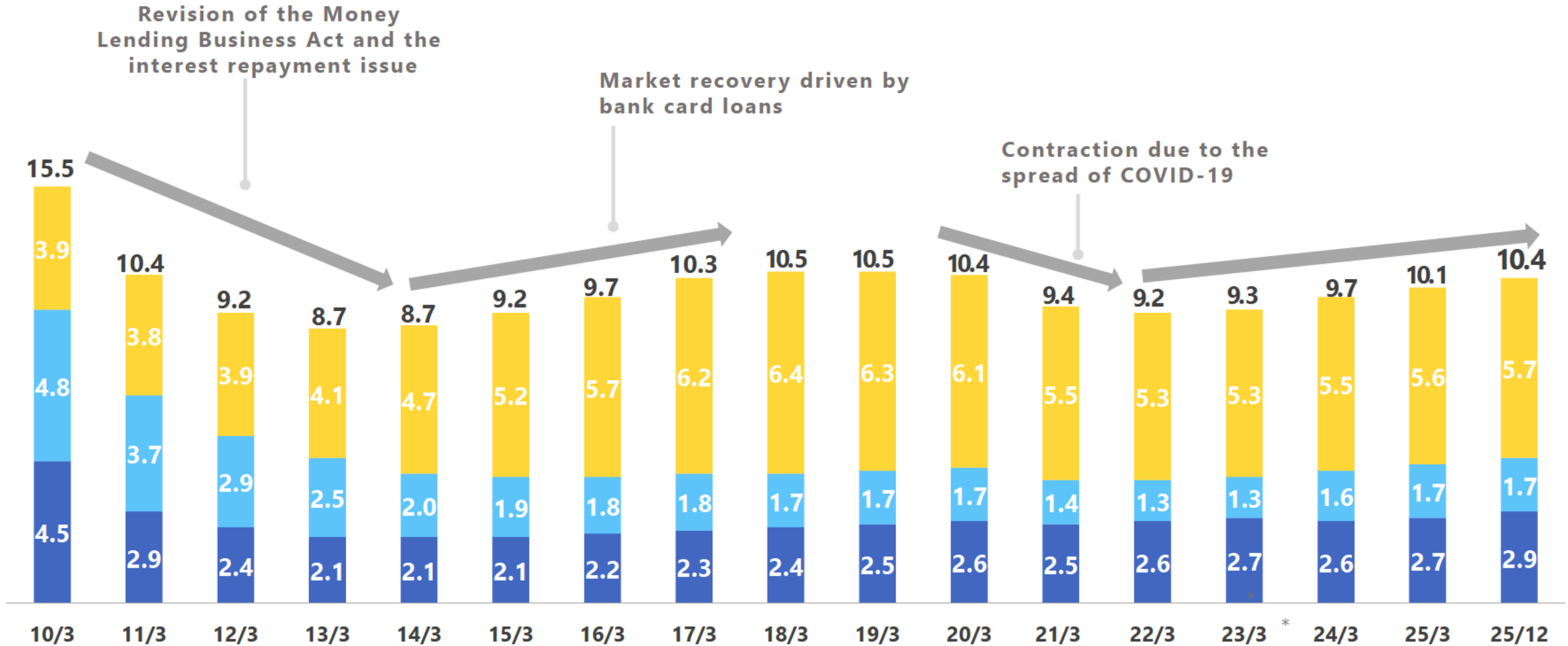


# 9. Appendix

## Unsecured Loan Market

Financial Institutions Credit Card Consumer Finance

(¥ trillion)



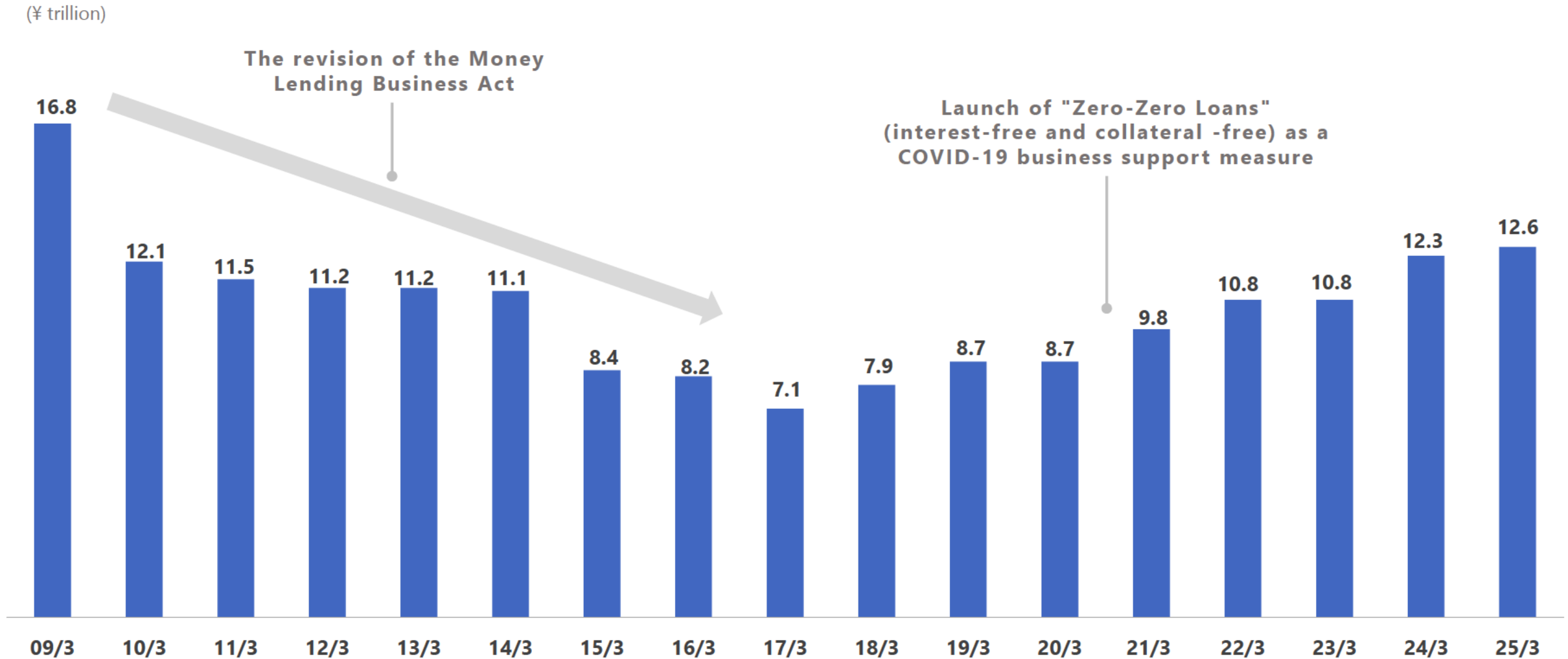
\*July 2023 : Consumer finance company with balance of about 300 billion yen shifted to credit card.

\*Source Consumer finance and Credit card companies: Statistic by the Japan Financial Services Association.

Financial institutions: Statistic by The Bank of Japan. (Consumer loan outstanding at domestic banks and credit unions)

# 9. Appendix

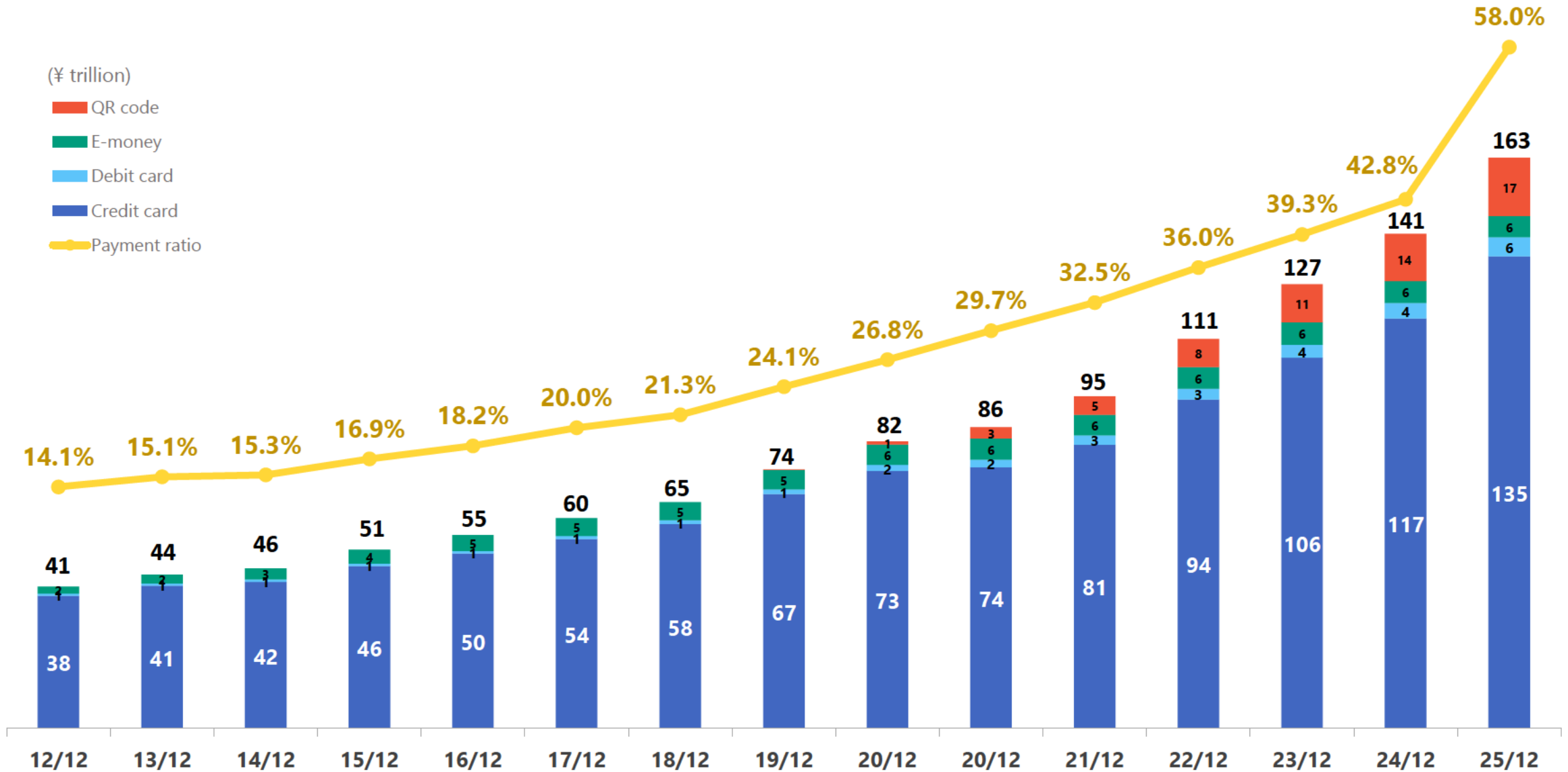
## Business Loan Market



Source: Financial Services Agency

# 9. Appendix

## Cashless Payment Market



\* Source: Ministry of Economy, Trade and Industry

# 9. Appendix

## External evaluations

### ● Analyst Coverage

Firm	Analyst Name
SBI SECURITIES Co.,Ltd.	Wataru Otsuka
JPMorgan Securities Japan Co., Ltd	Koki Sato
Daiwa Securities Co. Ltd.	Kohei Sakamoto
Nomura Securities Co., Ltd.	Futoshi Sasaki
Mizuho Securities Co., Ltd.	Naruhiko Sakamaki

### ● Stock Information

Total number of shares authorized	1,136,280,000
Total number of shares issued	484,620,134
Number of shareholders	20,397

### ● Credit Rating

Rating Agencies	Rating
R&I	BBB+
JCR	A-

(As of April 1, 2026)