

A Message from the Management



Ryoichi Jinnai, Chairman (right) and Hiroki Jinnai, President

By further specializing in its core consumer loan business, Promise is developing a new financial services business by pursuing greater customer convenience and more financially sound products and services.

In December 1998, the Company unveiled its new long-term vision, Promise Vision, which defines our business direction as we head into the 21st century as well as reaffirming our desire to retain the trust of our customers and maintain growth.

Promise Vision is based on two fundamental concepts.

1. Since its founding, the Company has been successful by accurately grasping and responding to changes in the business environment and in customer demand. This characteristic will not—and cannot—change.
2. As professionals, we must address the major issue facing consumer loan specialists, the accumulation by individuals of excessive debt from multiple creditors.

We have announced that based on these two basic concepts, we will be taking several actions through our Promise Vision to convert the Company into the Personal Main Bank of its customers.

First, we believe that, in terms of our fundamental corporate identity, it is important for Promise to specialize in its core business of consumer loans. Rather than

diversify into a new business where our business know-how cannot be utilized, it is more to our advantage to specialize in the business we know the best, and concentrate our business resources in this area.

Next, we think it necessary to broaden our roots in the consumer loan business. We will achieve this by improving products and services in terms of the needs of our customers and the times. We will also offer greater customer convenience and product and service reliability. You could also say that instead of diversifying into new businesses, we are diversifying our consumer loan operations so that we can offer our customers new products and services that they can use in complete confidence, anytime, anywhere.

Finally, we have become convinced that becoming an entity for individuals similar to the main bank of corporations is the path we must follow. By progressing from specialization to broadening our roots in our business, we intend to change the relationship with our customers from that of lender and borrower to a provider of counseling and support services for individuals wanting to make the best use of their financial resources. Our ultimate goal is to transform ourselves into company that can maintain its business relationship with customers over the long term.

To assist us in becoming a Personal Main Bank, we have created two policies. Personal Promise represents our business policy toward customers and Partner Promise represents our action policy.

Personal Promise suggests the scope and direction our business is taking in becoming a consumer loan company that customers will treat us as their main bank. Partner Promise indicates that each and everyone of our employees should be a good partner of and advisor to our customers and work well together in partnership.

To achieve the above objectives, we will be pursuing three development themes: product reform to develop creative products, information reform to be able to provide customers with necessary information quickly, and transaction reform to conform to such new technologies as debit cards and electronic money.

As one component of our information reforms, we are introducing a Navigator System within the Company. The role of the Navigator System is to utilize information on customers' financial affairs, such as the timing and amounts of income and expenditures, to provide individual customers with the most appropriate loan and repayment schedules.





In January 1999, we introduced a new visual identity (VI) that was announced loudly and extensively throughout the Company and the media. The new VI symbolizes our drive to reform our products, information systems, and transaction methods to achieve the goals of Promise Vision.

To deal with the current upheaval in our business environment, the first thing we are doing is reinforcing our operating base and strengths in the consumer loan industry with the intent of becoming the Personal Main Bank of customers. In other words, we will do our utmost to get customers to consider us their main provider of consumer loans. Taking the spirit with which the Company was founded in 1962 based on the ideal of seeking to provide the best consumer financial services to another level, we will continue our persistent pursuit of this goal.

Fiscal 1999 Performance

Fiscal 1999, ended March 31, 1999 was another year of substantial growth for Promise. Net income advanced for the seventh consecutive year, reaching a new record high.

During the period under review, we implemented various measures to make our products and services more convenient and financially sound for our customers. In addition, we worked to improve our sales activities and operating efficiency.

Our strong performance in fiscal 1999 was assisted by growth in consumer loans outstanding and a continued low interest rate environment as well as by the benefits of steady efforts throughout the Company to reduce costs and improve productivity. Consequently, operating income advanced 8.2%, to ¥238.3 billion while net income climbed 3.9%, to ¥40.1 billion.

In the current fiscal year, we forecast that operating income will expand 8.9%, to ¥259.6 billion, and net income will jump 29.3%, to ¥51.9 billion.

August 1999

Ryoichi Jinnai, Chairman

Hiroki Jinnai, President