

January 20, 2012

To whom it may concern

Notice Regarding Partial Repayment of Borrowings

NIS Group Co., Ltd. (the “Company”) hereby announces that the Company paid off its borrowing from Phlox Co., Ltd. (the “Borrowing”) today as described below.

1. Summary of the repayment

The Company had made payments on the Borrowing through disposition of collateral, etc. since it fell into default on the Borrowing as announced in “Notice Regarding Default on Loans” on October 3, 2011. This time, however, the Company decided to pay off the outstanding Borrowing of JPY 829 million.

2. Future projection

In addition to the above, the Company failed to make a part of payment on other debts from lenders including Resolution and Collection Corporation and fell into default. However, the Company is continuously negotiating with its lenders on terms and conditions of the contracts including a specific method of future repayment in order to reduce its liabilities.

Special Note Regarding Forward-Looking Statements

These materials contain forward-looking statements about our industry, our business, our plans and objectives, our financial position and our results of operations that are based on our current expectations, assumptions, estimates and projections. These forward-looking statements are subject to various risks and uncertainties. These statements discuss future expectations, identify strategies, discuss market trends, contain projections of results of operations or of financial position, or state other forward-looking information. Known and unknown risks, uncertainties and other factors could cause our actual results to differ materially from and be worse than those contained in or suggested by any forward-looking statement. We cannot promise that our expectations, projections, anticipated results, estimates or other information expressed in or underlying these forward-looking statements will turn out to be correct. Important risks and factors that could cause our actual results to differ materially from these forward-looking statements include without limitation the following: weak domestic economic conditions; misconduct by an employee or director, or negative publicity for our industry or the Group; regulations concerning the loan business; regulations concerning the overseas trading business; regulations concerning the investment banking; other related regulations; funding and market interest rates; claims for excess interest repayments; outsourcing of operations; investment banking businesses; condition and liquidity in stock markets; economic trends and liquidity in real estate markets; transfer of receivables; capital and business alliance; ability to continue to be listed on the Tokyo Stock Exchange; and transfer of the Group’s borrowings by its lender.