

December 11, 2009

To Whom It May Concern

Notice of the Partial Transfer of Shares of a Subsidiary

NIS Group Co., Ltd. hereby announces that it has decided to transfer a part of its shares in Nissin Servicer Co. Ltd. to Credit Organization of Small and Medium-Sized Enterprises Co., Ltd.

1. Overview of the Transfer

- 1) Shares to be transferred: Nissin Servicer Co., Ltd.
(An affiliate accounted for under the equity method, listed on the Tokyo Stock Exchange Mothers Market, Code 8426)
- 2) Number of shares owned prior to transfer: 405,417 shares (23.67%)
- 3) Number of shares being transferred: 153,139 shares
- 4) Number of shares owned after transfer: 252,278 shares (14.73%)
- 5) Transfer price: 1,959 yen per share (closing price as of December 10, 2009)
- 6) Scheduled transfer date: December 29, 2009
- 7) Transferee: Credit Organization of Small and Medium-Sized Enterprises Co., Ltd.
(An affiliate accounted for under the equity method, listed on the JASDAQ Security Exchange, Code: 8489)

Note that subsequent to this transfer, although the Company's voting rights in Nissin Servicer Co., Ltd. will fall to 14.73%, Nissin Servicer Co., Ltd. will remain as an affiliate accounted for under the equity method of the Company, because Credit Organization of Small and Medium-Sized Enterprises Co., Ltd., the Transferee, is an affiliated accounted for under the equity method of the Company.

2. Outlook Going Forward

The Company will record special gains of approximately ¥200 million in the three months ending December 31, 2009 as a result of this transfer, but no adjustment will be made in the consolidated financial forecasts announced on November 11, 2009.

Special Note Regarding Forward-Looking Statements

These materials contain forward-looking statements about our industry, our business, our plans and objectives, our financial condition 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 condition, 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; the growing variety of legal means with which debtors can seek protection from creditors; changes to our portfolio of products and services and expansion into new business areas; the effect of fluctuations in the value of real estate held or securing loans; fluctuation in market environments regarding our investments; our ability to pursue and maintain profitable strategic alliances, joint ventures and strategic investments; any future inability to obtain funds from lenders or access the debt capital markets on favorable terms; an increase in prevailing market interest rates; failure to implement our business strategies; the failure of our risk management systems; our ability to adequately evaluate or control risks associated with loans or guarantees we make or related collateral; any disruption or other difficulties experienced by our information or technological systems and networks; misconduct by an employee or director and our exposure to negative publicity of the consumer or business finance industries; failure to maintain the confidentiality of personal information of our customers; and the influence of our vice-chairman and his family over important decisions.