

To whom it may concern

March 10, 2009

Contact Information:

NIS GROUP CO., LTD.

Mitsuhiro Maru

General Manager Strategic Planning Dept.

Tel: (TOKYO) +81-3-3348-2417

E-mail:Info-ir@nisgroup.co.jp

URL: <http://www.nisgroup.jp/english>

Notice Regarding Purchase of NIS Group Shares by Index Holdings

NIS GROUP CO., LTD. (the “Company”) hereby announces that after discussions with Index Holdings (Representative Director: Masami Ochiai, location: Setagaya-ku, Tokyo, JASDAQ No.: 4385, “Index Holdings”), it plans to enter into discussions with TPG regarding Index Holdings’ purchase of 19,500,000 common shares (7.93% of the total outstanding shares) of the 20,413,000 common shares of the Company (8.30% of the total outstanding shares) which TPG holds subsequent to the termination of the Company’s alliance with TPG announced on December 24, 2008. At this time the Company also announces that pursuant to a resolution passed by the Board of Directors at the meeting held today the Company will underwrite a portion of the shares to be issued by Index Holdings through a third party allotment. The details are as follows.

1. Purchase of the common shares of the Company by Index Holdings

As the Company announced on December 24, 2008, it terminated its strategic capital and business alliance with TPG in conjunction with the termination of various alliances with TPG, and expects shares which TPG continues to hold (“remaining shares”) subsequent to the termination of the alliance to be transferred to either a third party designee of the Company or the Company itself around the time of the ordinary general shareholders meeting scheduled for June 2009. The remaining shares which are held by three investment vehicles managed by TPG are 20,413,000 shares of common stock of the Company. The Company planned to look for a prospective stable shareholder which would retain the Company shares on a medium- to long-term basis. After discussions with Index Holdings, a company with which the Company share partnership relations, the Company anticipate that Index Holdings will purchase 19,500,000 shares of common stock at around the end of March this year. The Company plans to discuss with TPG details of the transfer to take place around the end of March.

It is expected that the payment TPG will receive from the above transfer of shares (expected to be approximately 450 million yen) will be paid to the Company as the balance of the settlement money for termination of the alliance between the Company and TPG (for details, please refer to the news release “Notice Regarding Recognition of Special Gain” dated December 24, 2008).

2. Underwriting of Third-party Allotment of New Shares by Index Holdings

The Company will underwrite the third-party allotment which Index Holdings plans to undertake on March 27, 2009 (total amount: 4,079,425,000 yen, new shares to be issued: 1,165,550) to the amount of 502,250,000 yen (share quota: 143,500). This will give the Company a 4.10% equity ownership in Index Holdings. The Company is in a cooperative relationship with Index Holdings with respect to that company’s business restructuring and the purpose of the Company’s investment in Index Holdings is to strengthen that relationship.

3. Outline of Index Holdings (as of August 31, 2008)

- (1) Company Name: Index Holdings Co., Ltd.
- (2) Representative: Masami Ochiai, Representative Director, Chairman and President
- (3) Location: 4-1-1 Taishido, Setagaya-ku, Tokyo
- (4) Establishment: September 1995
- (5) Business: As a pure holding company, inclusive of mobile and solution business services, entertainment business, etc.
- (6) Fiscal year end: August 31
- (7) Employees: 48 (Consolidated: 3,566)
- (8) Capital amount: 37,338 million yen
- (9) Major Shareholders: Masami Ochiai (14.98%), TAKARATOMY, Ltd. (6.66%), Mitsubishi Corporation (4.10%)
- (10) Results for most recent fiscal years (Consolidated)

| | FY2006 (million yen) | FY2007 (million yen) | FY2008 (million yen) |
|--------------------------|-------------------------|-------------------------|-------------------------|
| Operating Revenues | 111,685 | 129,820 | 123,535 |
| Ordinary Income (Losses) | 6,651 | 3,901 | (11,066) |
| Net Income (Losses) | 3,070 | (15,840) | (30,177) |
| Total Assets | 161,737 | 160,142 | 121,316 |
| Net Assets | 86,531 | 74,547 | 43,992 |

4 . Future Projections

The payment of the balance of the settlement to the Company by TPG as stated in 1 above will result in a special gain of approximately 450 million yen; however, the Company expects that the effect of this payment on the Company's consolidated performance for the current fiscal year will be minor.

Special Note Regarding Forward-Looking Statements

These materials contain forward-looking statements about our industry, business, plans and objectives, financial condition and 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; increasing competition in the loan servicing market; risks associated with doing business in China; 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.