

《Straight translation》

Brief Statement of First Quarter Financial Results for the Fiscal Year Ending March 2006 (Consolidated)

August 5, 2005

Stock market: Tokyo stock exchange

Code number: 8253

Listed company name **Credit Saison Co., Ltd.**

(URL <http://www.saisoncard.co.jp>)

Representative: Hiroshi Rinno, President and CEO

Responsible person /Title: Shinji Hojo /Director in charge of Finance and Accounting

Inquiries to: Ayumi Sakamoto /General Manager, Public Relations Office Phone: (03) 3982-0700

1. Items Relating to the Preparation of Brief Statement of Quarter Financial Results

Simplified Accounting Policies : Adopted

Change in Accounting Policies : Adopted

Change in Scope of Consolidation and Equity method: None

2. Consolidated Business Results for the First Quarter Accounting Period (April 1, 2005 to June 30, 2005)

(1) Consolidated Operating Results

Note: All amounts are rounded down to the nearest million yen.

	Operating revenues		Operating income		Ordinary income		Net income(First Quarter)	
	(Millions of yen)	yoy%	(Millions of yen)	yoy%	(Millions of yen)	yoy%	(Millions of yen)	yoy%
6/05 (1 st Quarter)	63,968	11.6	18,027	31.1	19,678	45.1	11,821	50.0
6/04 (1 st Quarter)	57,338	6.3	13,750	19.2	13,562	18.4	7,883	41.4
3/05 (Annual)	240,385		58,590		56,514		31,818	

	Earnings per share (yen)	Earnings per share (Diluted) (yen)
6/05 (1 st Quarter)	67.50	66.78
6/04 (1 st Quarter)	46.40	45.37
3/05 (Annual)	185.00	180.21

Notes: Figures in the percent columns indicate percentage changes in operating revenues, operating income, ordinary income and net income for the quarter (current) compared with the same period of the previous year.

(2) Consolidated Financial Position

	Total Assets (Millions of yen)	Shareholders' Equity (Millions of yen)	Ratio of Shareholders' Equity (%)	Shareholders' Equity Per Share (yen)
6/05 (1 st Quarter)	1,613,355	309,779	19.2	1,767.23
6/04 (1 st Quarter)	1,353,284	263,597	19.5	1,551.60
3/05 (Annual)	1,512,949	301,309	19.9	1,721.35

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

Item	Term	First quarter 2004 (As of June 30, 2004)	First quarter 2005 (As of June 30, 2005)	Increase (Decrease)		Fiscal 2004 (As of March 31, 2005)
		Value	Value	Value	(%)	Value
(ASSETS)						
I. Current assets						
Cash and deposits		56,608	45,244	(11,364)	(20.1)	54,307
Installment accounts receivable		933,417	1,113,755	180,338	19.3	1,037,069
Other		78,483	121,192	42,708	54.4	104,633
Allowance for losses on receivables		(37,610)	(42,894)	(5,284)	14.1	(41,483)
Total Current assets		1,030,899	1,237,296	206,397	20.0	1,154,527
II. Fixed assets						
Property and equipment ,at cost:						
Equipment for lease		132,831	149,867	17,036	12.8	145,281
Other		37,277	38,934	1,657	4.4	40,455
Total Tangible Fixed assets		170,108	188,802	18,693	11.0	185,737
Intangible fixed assets:		11,275	22,355	11,080	98.3	19,950
Investments and other assets:						
Investment securities		72,493	102,055	29,562	40.8	98,612
Long-term loans		34,555	29,290	(5,264)	(15.2)	29,324
Other		36,989	38,133	1,143	3.1	29,204
Allowance for losses on receivables		(4,741)	(5,447)	(706)	14.9	(5,486)
Total Investments and other assets		139,296	164,031	24,735	17.8	151,655
Total Fixed assets		320,679	375,189	54,509	17.0	357,342
III. Deferred assets						
Bond issue costs		480	343	(136)	(28.4)	379
Development costs		1,225	525	(700)	(57.1)	700
Total Deferred assets		1,705	868	(836)	(49.1)	1,079
Total assets		1,353,284	1,613,355	260,070	19.2	1,512,949

(Millions of yen)

Item	Term	First quarter 2004 (As of June 30, 2004)	First quarter 2005 (As of June 30, 2005)	Increase (Decrease)		Fiscal 2004 (As of March 31,2005)
		Value	Value	Value	(%)	Value
(LIABILITIES)						
I. Current liabilities						
Notes and Accounts payable		109,925	119,711	9,786	8.9	102,510
Short-term loans		360,050	387,554	27,504	7.6	389,525
Current portion of long-term loans		33,128	59,138	26,010	78.5	64,224
Current portion of bonds		21,270	32,080	10,810	50.8	32,080
Current portion of convertible bonds		6,784	-	(6,784)	-	-
Commercial paper		40,000	90,000	50,000	125.0	57,000
Current portion of payables under securitized lease receivables		1,712	6,000	4,287	250.3	3,000
Other		43,445	33,000	(10,445)	(24.0)	62,381
Total Current liabilities		616,315	727,485	111,169	18.0	710,722
II. Long-term liabilities						
Bonds		153,830	161,750	7,920	5.1	152,760
Long-term loans		270,038	345,069	75,031	27.8	298,337
Payables under securitized lease receivables		33,000	27,000	(6,000)	(18.2)	30,000
Accrued pension and severance costs		7,479	7,063	(415)	(5.6)	7,121
Allowance for permanent points		-	22,126	22,126	-	-
Consolidation adjustments		690	423	(267)	(38.6)	487
Other		7,879	8,451	571	7.3	8,286
Total Long-term liabilities		472,918	571,884	98,966	20.9	496,993
Total liabilities		1,089,234	1,299,369	210,135	19.3	1,207,715
(MINORITY INTERESTS IN CONSOLIDATEDSUBSIDIARIES)						
Minority interests in consolidated subsidiaries		453	4,206	3,752	827.9	3,924
(SHAREHOLDERS' EQUITY)						
I. Common stock		63,667	70,043	6,375	10.0	69,526
II. Additional paid in capital		67,133	73,687	6,554	9.8	73,148
III. Retained earnings		131,104	163,471	32,366	24.7	155,101
IV. Unrealized gains (losses) on other securities		5,647	6,284	637	11.3	7,263
V. Treasury stock, at cost		(3,956)	(3,708)	(247)	(6.3)	(3,729)
Total shareholders' equity		263,597	309,779	46,182	17.5	301,309
Total liabilities and shareholders' equity		1,353,284	1,613,355	260,070	19.2	1,512,949

(2) Consolidated Statements of Income

(Millions of yen)

Item	Term	First quarter 2004 (As of June 30, 2004)		First quarter 2005 (As of June 30, 2005)		Increase (Decrease)		Fiscal 2004 (As of March 31, 2005)	
		Value		Value		Value	%	Value	
I. Operating revenues									
Financing and administration fees			44,186		48,817	4,631	10.5		183,618
Income from entertainment								108,546	
Entertainment sales		24,831		34,899					
Cost of entertainment sales		20,892	3,938	30,575	4,323	385	9.8	91,556	16,989
Income from real estate								52,178	
Real estate sales		13,155		17,184					
Cost of real estate sales		10,315	2,839	12,514	4,670	1,830	64.5	39,547	12,631
Income from leases								57,535	
Leases sales		13,578		15,599					
Cost of leases sales		12,044	1,534	13,895	1,704	169	11.1	50,732	6,803
Income from other sales								13,432	
Other sales		2,600		2,496					
Cost of other sales		1,047	1,553	1,005	1,491	(62)	(4.0)	5,348	8,083
Financial revenues			3,285		2,960	(325)	(9.9)		12,258
Total operating revenues			57,338		63,968	6,629	11.6		240,385
II. Operating expenses									
Selling, general and administrative expenses			41,417		43,271	1,853	4.5		172,024
Financial cost			2,170		2,669	498	23.0		9,771
Total operating expenses			43,588		45,940	2,352	5.4		181,795
Operating income			13,750		18,027	4,276	31.1		58,590
III. Non-operating income			633		2,069	1,436	226.8		2,163
IV. Non-operating expenses			820		418	(402)	(49.0)		4,238
Ordinary income			13,562		19,678	6,115	45.1		56,514
V. Extraordinary gains			175		560	385	220.1		5,234
VI. Extraordinary losses			21		217	196	928.6		7,326
Income before income taxes and minority interests			13,716		20,021	6,304	46.0		54,421
Income taxes, current		2,163		4,812				23,238	
Income taxes, deferred		3,635	5,799	2,979	7,792	1,992	34.4	(1,413)	21,824
Minority interests			34		407	373	-		778
Net income			7,883		11,821	3,938	50.0		31,818

Brief Statement of First Quarter Financial Results for the Fiscal Year Ending March 2006 (Non-Consolidated)

August.5. 2005

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Code number: 8253

Listed company name **Credit Saison Co., Ltd.**

Representative: Hiroshi Rinno, President and CEO

Responsible person /Title: Shinji Hojo /Director in charge of Finance and Accounting

Inquiries to: Ayumi Sakamoto/General Manager, Public Relations Office Phone: (03) 3982-0700

1. Items Relating to the Preparation of Brief Statement of Quarter Financial Results

Simplified Accounting Policies : Adopted

Change in Accounting Policies : Adopted

2. Non-Consolidated Business Results for the First Quarter Accounting Period

(April 1, 2005 to June 30, 2005)

(1) Non-Consolidated Operating Results

Note: All amounts are rounded down to the nearest million yen.

	Operating revenues		Operating income		Ordinary income		Net income(First Quarter)	
	(millions of yen)	yoy%	(millions of yen)	yoy%	(millions of yen)	yoy%	(millions of yen)	yoy%
6/05 (1 st Quarter)	49,450	7.5	12,679	18.2	13,511	20.9	8,282	23.9
6/04 (1 st Quarter)	46,015	5.6	10,731	6.3	11,173	7.5	6,683	12.1
3/05 (Annual)	190,248		46,659		46,985		25,798	

	Earnings per share (yen)	Earnings per share (Diluted) (yen)
6/05 (1 st Quarter)	47.23	46.73
6/04 (1 st Quarter)	39.24	38.37
3/05 (Annual)	149.78	145.92

Notes:

Volume of new contracts: ¥923,620 million (Fiscal 2004 First Quarter : ¥753,343million Fiscal 2005 ¥3,383,680 million) (Year-on-year change: 22.6%)

Figures in the percent columns indicate percentage changes in operating revenues, operating income, ordinary income and net income for the quarter (current) compared with the same period of the previous year.

(2) Non-Consolidated Financial Position

	Total Assets (Millions of yen)	Shareholders' Equity (Millions of yen)	Ratio of Shareholders' Equity (%)	Shareholders' Equity Per Share (yen)
6/05 (1 st Quarter)	1,387,314	303,620	21.9	1,729.92
6/04 (1 st Quarter)	1,174,087	266,220	22.7	1,563.28
3/05 (Annual)	1,290,066	298,502	23.1	1,703.39

Non-consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Millions of yen)

Item	Term	First quarter 2004 (As of June 30, 2004)	First quarter 2005 (As of June 30, 2005)	Increase (Decrease)		Fiscal 2004 (As of March 31,2005)
		Value	Value	Value	(%)	Value
(ASSETS)						
I. Current assets						
Cash and deposits		39,193	31,696	(7,496)	(19.1)	34,480
Installment accounts receivable		850,929	1,017,404	166,475	19.6	922,420
Inventory		1,877	1,571	(306)	(16.3)	1,544
Other		22,101	15,108	(6,992)	(31.6)	28,346
Allowance for losses on receivables		(34,087)	(37,996)	(3,909)	11.5	(36,696)
Total Current assets		880,014	1,027,785	147,770	16.8	950,095
II. Fixed assets						
Property and equipment, at cost:						
Equipment for lease		132,992	149,974	16,981	12.8	145,397
Other		13,606	17,442	3,835	28.2	18,635
Total Tangible fixed assets		146,599	167,416	20,816	14.2	164,033
Intangible fixed assets:		9,625	20,609	10,984	114.1	18,269
Investments and other assets:						
Investment securities		90,636	117,937	27,300	30.1	112,789
Long-term loans		35,617	35,465	(151)	(0.4)	35,527
Other		11,389	18,603	7,214	63.3	9,658
Allowance for losses on receivables		(1,275)	(1,276)	(1)	0.1	(1,270)
Total Investments and other assets		136,367	170,729	34,362	25.2	156,703
Total Fixed assets		292,592	358,756	66,163	22.6	339,007
III. Deferred assets						
Bond issue costs		254	247	(6)	(2.7)	263
Development costs		1,225	525	(700)	(57.1)	700
Total Deferred assets		1,479	772	(706)	(47.8)	963
Total assets		1,174,087	1,387,314	213,227	18.2	1,290,066

(Millions of yen)

Item	Term	First quarter 2004	First quarter 2005	Increase (Decrease)		Fiscal 2004 (As of March 31,2005)
		(As of June 30, 2004)	(As of June 30, 2005)	Value	(%)	Value
(LIABILITIES)						
I. Current liabilities						
Notes and Accounts payable		108,515	118,070	9,555	8.8	100,545
Short-term loans		249,100	251,461	2,361	0.9	244,766
Current portion of long-term loans		25,655	50,271	24,616	96.0	55,221
Current portion of bonds		20,000	30,000	10,000	50.0	30,000
Current portion of convertible bonds		6,784	-	(6,784)	-	-
Commercial paper		40,000	90,000	50,000	125.0	57,000
Current portion payables under securitized lease receivables		1,712	6,000	4,287	250.3	3,000
Unearned income		3,409	3,355	(54)	(1.6)	3,388
Other		33,436	21,096	(12,340)	(36.9)	50,809
Total Current liabilities		488,613	570,254	81,640	16.7	544,730
II. Long-term liabilities						
Bonds		140,000	150,000	10,000	7.1	140,000
Long-term loans		237,974	306,073	68,099	28.6	268,573
Payables under securitized lease receivables		33,000	27,000	(6,000)	(18.2)	30,000
Accrued pension and severance costs		6,094	5,761	(333)	(5.5)	5,804
Allowance for permanent points		-	22,126	22,126	-	-
Other		2,184	2,478	294	13.5	2,456
Total Long-term liabilities		419,252	513,438	94,186	22.5	446,833
Total liabilities		907,866	1,083,693	175,826	19.4	991,564
(SHAREHOLDERS' EQUITY)						
I. Common stock						
		63,667	70,043	6,375	10.0	69,526
II. Additional paid-in capital						
Capital reserves		67,078	73,450	6,371	9.5	72,933
Other Additional paid-in capital		-	0	0	-	0
Total Additional paid-in capital		67,078	73,450	6,372	9.5	72,933
III. Retained earnings						
Legal reserve		3,020	3,020	-	-	3,020
Voluntary reserves		114,455	135,455	21,000	18.3	114,455
Unappropriate retained earnings at the end of period.		15,708	18,473	2,764	17.6	34,824
Total Retained earnings		133,183	156,948	23,764	17.8	152,299
IV. Unrealized gains(losses) on other securities						
		5,622	6,599	977	17.4	7,162
V. Treasury stock, at cost						
		(3,332)	(3,421)	(89)	2.7	(3,419)
Total shareholders' equity		266,220	303,620	37,400	14.0	298,502
Total liabilities and shareholders' equity		1,174,087	1,387,314	213,227	18.2	1,290,066

(2) Non-Consolidated Statements of Income

(Millions of yen)

Item	First quarter 2004 (As of June 30, 2004)		First quarter 2005 (As of June 30, 2005)		Increase (Decrease)		Fiscal 2004 (As of March 31, 2005)	
	Value		Value		Value	%	Value	
I. Operating revenues								
Financing and administration fees								
Credit cards		14,961		16,442	1,481	9.9		62,616
Shopping loans		264		197	(66)	(25.2)		997
Guarantees		803		875	71	8.9		3,203
Loans		22,052		24,001	1,949	8.8		89,722
Agency services		2,406		2,519	113	4.7		10,326
Income from leases								
Leases sales	13,680		15,613				57,750	
Cost of leases sales	12,134	1,546	13,907	1,706	159	10.3	50,897	6,853
Income from other sales								
Other sales	965		982				5,421	
Cost of other sales	165	800	142	840	40	5.0	931	4,490
Financial revenues		3,181		2,867	(313)	(9.9)		12,037
Total Operating revenues		46,015		49,450	3,435	7.5		190,248
II. Operating expenses								
Selling, general and administrative expenses		33,492		34,548	1,056	3.2		135,402
Financial cost		1,792		2,223	430	24.0		8,186
Total Operating expenses		35,284		36,771	1,487	4.2		143,589
Operating income		10,731		12,679	1,947	18.2		46,659
III. Non-operating income		482		856	373	77.5		1,079
IV. Non-operating expenses		40		23	(17)	(42.0)		753
Ordinary income		11,173		13,511	2,338	20.9		46,985
V. Extraordinary gains		-		179	179	-		770
VI. Extraordinary losses		-		9	9	-		5,575
Income before income taxes		11,173		13,681	2,508	22.5		42,180
Income taxes, current	1,567		3,154				19,537	
Income taxes, deferred	2,923	4,490	2,245	5,399	909	20.2	(3,155)	16,382
Net income		6,683		8,282	1,599	23.9		25,798
Retained earnings carried forward from preceding year		9,025		10,190	1,164	12.9		9,025
Unappropriated retained earnings at the end of the year		15,708		18,473	2,764	17.6		34,824