

《Straight translation》

Brief Statement of First Quarter Financial Results for the Fiscal Year Ending March 2007 (Consolidated)

August 9, 2006

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: Harumi Okada /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 : None

Change in Scope of Consolidation and Equity method: None

2. Consolidated Business Results for the First Quarter Accounting Period (April 1, 2006 to June 30, 2006)

(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%
6/06 (1 st Quarter)	82,417	28.8	19,004	5.4	19,936	1.3	9,699	(18.0)
6/05 (1 st Quarter)	63,968	11.6	18,027	31.1	19,678	45.1	11,821	50.0
3/06 (Annual)	274,666		69,575		71,149		42,219	

	Earnings per share (yen)	Earnings per share (Diluted) (yen)
6/06 (1 st Quarter)	54.13	45.08
6/05 (1 st Quarter)	67.50	66.78
3/06 (Annual)	237.29	220.65

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)
6/06 (1 st Quarter)	2,087,070	389,884	17.7	2,064.39
6/05 (1 st Quarter)	1,613,355	309,779	19.2	1,767.23
3/06 (Annual)	2,062,735	360,717	17.5	2,014.20

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

Item	Term	First quarter 2005 (As of June 30, 2005)	First quarter 2006 (As of June 30, 2006)	Increase (Decrease)		Fiscal 2005 (As of March 31, 2006)
		Value	Value	Value	(%)	Value
(ASSETS)						
I. Current assets						
Cash and deposits		45,244	54,742	9,498	21.0	66,314
Installment accounts receivable		1,113,755	1,514,377	400,621	36.0	1,487,013
Other		121,192	178,252	57,060	47.1	174,295
Allowance for losses on receivables		(42,894)	(60,757)	(17,863)	41.6	(58,189)
Total Current assets		1,237,296	1,686,614	449,317	36.3	1,669,434
II. Fixed assets						
Property and equipment ,at cost:						
Equipment for lease		149,867	160,768	10,900	7.3	158,580
Other		38,934	40,887	1,953	5.0	41,359
Total Tangible Fixed assets		188,802	201,656	12,854	6.8	199,940
Intangible fixed assets:		22,355	32,262	9,906	44.3	29,453
Investments and other assets:						
Investment securities		102,055	110,041	7,985	7.8	103,004
Long-term loans		29,290	29,860	569	1.9	29,909
Other		38,133	33,985	(4,147)	(10.9)	38,720
Allowance for losses on receivables		(5,447)	(7,505)	(2,057)	37.8	(7,759)
Allowance for losses on investment		-	(381)	(381)	-	(381)
Total Investments and other assets		164,031	165,999	1,968	1.2	163,492
Total Fixed assets		375,189	399,919	24,729	6.6	392,886
III. Deferred assets						
Bond issue costs		343	536	193	56.1	414
Development costs		525	-	(525)	-	-
Total Deferred assets		868	536	(331)	(38.2)	414
Total assets		1,613,355	2,087,070	473,715	29.4	2,062,735

(Millions of yen)

Item	Term	First quarter 2005 (As of June 30, 2005)	First quarter 2006 (As of June 30, 2006)	Increase (Decrease)		Fiscal 2005 (As of March 31,2006)
		Value	Value	Value	(%)	Value
(LIABILITIES)						
I. Current liabilities						
Notes and Accounts payable		119,711	193,202	73,490	61.4	180,221
Short-term loans		387,554	435,252	47,697	12.3	470,857
Current portion of long-term loans		59,138	50,963	(8,175)	(13.8)	58,775
Current portion of bonds		32,080	39,835	7,755	24.2	15,925
Commercial paper		90,000	65,000	(25,000)	(27.8)	113,000
Current portion of payables under securitized lease receivables		6,000	11,800	5,800	96.7	12,000
Other		33,000	56,437	23,437	71.0	49,391
Total Current liabilities		727,485	852,490	125,005	17.2	900,169
II. Long-term liabilities						
Bonds		161,750	228,552	66,802	41.3	216,472
Long-term loans		345,069	523,589	178,520	51.7	475,349
Payables under securitized lease receivables		27,000	45,200	18,200	67.4	48,000
Accrued pension and severance costs		7,063	7,268	204	2.9	7,403
Allowance for permanent points		22,126	31,456	9,330	42.2	29,023
Consolidation adjustments		423	148	(275)	(65.1)	194
Other		8,451	8,480	28	0.3	8,933
Total Long-term liabilities		571,884	844,694	272,810	47.7	785,375
Total liabilities		1,299,369	1,697,185	397,816	30.6	1,685,545
(MINORITY INTERESTS IN CONSOLIDATEDSUBSIDIARIES)						
Minority interests in consolidated subsidiaries		4,206	-	-	-	16,471
(SHAREHOLDERS' EQUITY)						
I. Common stock		70,043	-	-	-	74,458
II. Additional paid in capital		73,687	-	-	-	78,176
III. Retained earnings		163,471	-	-	-	194,179
IV. Unrealized gains (losses) on other securities		6,284	-	-	-	18,057
V. Treasury stock, at cost		(3,708)	-	-	-	(4,155)
Total shareholders' equity		309,779	-	-	-	360,717
Total liabilities and shareholders' equity		1,613,355	-	-	-	2,062,735

Item	Term	First quarter 2005 (As of June 30, 2005)	First quarter 2006 (As of June 30, 2006)	Increase (Decrease)		Fiscal 2005 (As of March 31,2006)
		Value	Value	Value	(%)	Value
(NET ASSETS)						
I. Shareholders' Equity						
Common stock		-	74,928	-	-	-
Additional paid in capital		-	78,646	-	-	-
Retained earnings		-	199,007	-	-	-
Treasury stock, at cost		-	(4,188)	-	-	-
Total shareholders' equity		-	348,392	-	-	-
II. Valuation and translation adjustments						
Unrealized gains (losses) on other securities		-	21,583	-	-	-
Deferred gains(losses) on hedges		-	248	-	-	-
Total valuation and translation adjustments		-	21,832	-	-	-
III. Minority interests			19,659			
Total net assets		-	389,884	-	-	-
Total liabilities and net assets		-	2,087,070	-	-	-

(2) Consolidated Statements of Income

(Millions of yen)

Term Item	First quarter 2005 (As of June 30, 2005)		First quarter 2006 (As of June 30, 2006)		Increase (Decrease)		Fiscal 2005 (As of March 31, 2006)	
	Value		Value		Value	%	Value	
I. Operating revenues								
Financing and administration fees		48,817		65,009	16,191	33.2		214,499
Income from entertainment								
Entertainment sales	34,899		35,891				143,547	
Cost of entertainment sales	30,575	4,323	31,191	4,700	376	8.7	125,663	17,884
Income from real estate								
Real estate sales	17,184		37,745				70,132	
Cost of real estate sales	12,514	4,670	31,096	6,649	1,978	42.4	51,771	18,361
Income from leases								
Leases sales	15,599		17,116				65,622	
Cost of leases sales	13,895	1,704	15,330	1,786	81	4.8	58,479	7,142
Income from other sales								
Other sales	2,496		1,475				6,888	
Cost of other sales	1,005	1,491	85	1,389	(101)	(6.8)	2,050	4,837
Financial revenues		2,960		2,883	(77)	(2.6)		11,990
Total operating revenues		63,968		82,417	18,449	28.8		274,666
II. Operating expenses								
Selling, general and administrative expenses		43,271		59,921	16,650	38.5		193,125
Financial cost		2,669		3,491	821	30.8		11,965
Total operating expenses		45,940		63,412	17,471	38.0		205,090
Operating income		18,027		19,004	977	5.4		69,575
III. Non-operating income		2,069		1,618	(451)	(21.8)		4,296
IV. Non-operating expenses		418		686	268	64.1		2,722
Ordinary income		19,678		19,936	257	1.3		71,149
V. Extraordinary gains		560		276	(284)	(50.8)		15,646
VI. Extraordinary losses		217		1,482	1,264	580.8		36,001
Income before income taxes and minority interests		20,021		18,730	(1,291)	(6.5)		50,795
Income taxes, current	4,812		10,818				16,375	
Income taxes, deferred	2,979	7,792	(3,237)	7,580	(211)	(2.7)	(9,418)	6,956
Minority interests		407		1,450	1,042	255.6		1,619
Net income		11,821		9,699	(2,122)	(18.0)		42,219

Brief Statement of First Quarter Financial Results for the Fiscal Year Ending March 2007 (Non-Consolidated)

August.9. 2006

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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: Harumi Okada/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 : None

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

(April 1, 2006 to June 30, 2006)

(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%
6/06 (1 st Quarter)	64,871	31.2	11,362	(10.4)	12,599	(6.8)	8,278	(0.1)
6/05 (1 st Quarter)	49,450	7.5	12,679	18.2	13,511	20.9	8,282	23.9
3/06 (Annual)	216,453		49,865		50,762		27,131	

	Earnings per share (yen)	Earnings per share (Diluted) (yen)
6/06 (1 st Quarter)	46.14	45.76
6/05 (1 st Quarter)	47.23	46.73
3/06 (Annual)	152.21	150.43

Notes:

Volume of new contracts: ¥1,315,056 million (Fiscal 2005 First Quarter : ¥923,620million Fiscal 2006 ¥4,183,697 million) (Year-on-year change: 42.4%)

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)
6/06 (1 st Quarter)	1,792,219	349,656	19.5	1,947.05
6/05 (1 st Quarter)	1,387,314	303,620	21.9	1,729.92
3/06 (Annual)	1,761,666	341,423	19.4	1,904.13

Non-consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Millions of yen)

Item	Term	First quarter 2005 (As of June 30, 2005)	First quarter 2006 (As of June 30, 2006)	Increase (Decrease)		Fiscal 2005 (As of March 31,2006)
		Value	Value	Value	(%)	Value
(ASSETS)						
I. Current assets						
Cash and deposits		31,696	37,676	5,980	18.9	37,001
Installment accounts receivable		1,017,404	1,384,936	367,532	36.1	1,364,763
Inventory		1,571	1,759	188	12.0	1,679
Other		15,108	46,452	31,344	207.5	42,242
Allowance for losses on receivables		(37,996)	(55,385)	(17,389)	45.8	(53,246)
Total Current assets		1,027,785	1,415,441	387,656	37.7	1,392,442
II. Fixed assets						
Property and equipment, at cost:						
Equipment for lease		149,974	160,829	10,854	7.2	158,645
Other		17,442	17,645	203	1.2	18,537
Total Tangible fixed assets		167,416	178,475	11,058	6.6	177,183
Intangible fixed assets:		20,609	30,138	9,528	46.2	27,389
Investments and other assets:						
Investment securities		117,937	123,253	5,315	4.5	116,170
Long-term loans		35,465	33,223	(2,242)	(6.3)	33,223
Other		18,603	17,430	(1,172)	(6.3)	21,125
Allowance for losses on receivables		(1,276)	(4,107)	(2,830)	221.7	(4,112)
Allowance for losses on investment		-	(2,054)	(2,054)	-	(2,054)
Total Investments and other assets		170,729	167,745	(2,983)	(1.7)	164,352
Total Fixed assets		358,756	376,359	17,603	4.9	368,925
III. Deferred assets						
Bond issue costs		247	418	171	69.0	298
Development costs		525	-	(525)	-	-
Total Deferred assets		772	418	(353)	(45.8)	298
Total assets		1,387,314	1,792,219	404,905	29.2	1,761,666

(Millions of yen)

Item	Term	First quarter 2005	First quarter 2006	Increase (Decrease)		Fiscal 2005 (As of March 31,2006)
		(As of June 30, 2005)	(As of June 30, 2006)	Value	(%)	Value
(LIABILITIES)						
I. Current liabilities						
Notes and Accounts payable		118,070	192,284	74,213	62.9	178,988
Short-term loans		251,461	326,262	74,801	29.7	353,769
Current portion of long-term loans		50,271	33,303	(16,968)	(33.8)	40,903
Current portion of bonds		30,000	30,000	-	-	10,000
Commercial paper		90,000	65,000	(25,000)	(27.8)	113,000
Current portion payables under securitized lease receivables		6,000	11,800	5,800	96.7	12,000
Unearned income		3,355	4,405	1,050	31.3	4,244
Other		21,096	38,916	17,820	84.5	29,440
Total Current liabilities		570,254	701,972	131,718	23.1	742,345
II. Long-term liabilities						
Bonds		150,000	215,000	65,000	43.3	200,000
Long-term loans		306,073	439,470	133,397	43.6	391,370
Payables under securitized lease receivables		27,000	45,200	18,200	67.4	48,000
Accrued pension and severance costs		5,761	6,052	291	5.1	6,164
Allowance for permanent points		22,126	31,456	9,330	42.2	29,023
Other		2,478	3,411	932	37.6	3,339
Total Long-term liabilities		513,438	740,590	227,151	44.2	677,896
Total liabilities		1,083,693	1,442,563	358,869	33.1	1,420,242
(SHAREHOLDERS' EQUITY)						
I. Common stock						
		70,043	-	-	-	74,458
II. Additional paid-in capital						
Capital reserves		73,450	-	-	-	77,863
Other Additional paid-in capital		0	-	-	-	0
Total Additional paid-in capital		73,450	-	-	-	77,863
III. Retained earnings						
Legal reserve		3,020	-	-	-	3,020
Voluntary reserves		135,455	-	-	-	135,455
Unappropriate retained earnings at the end of period.		18,473	-	-	-	37,322
Total Retained earnings		156,948	-	-	-	175,797
IV. Unrealized gains(losses) on other securities						
		6,599	-	-	-	16,871
V. Treasury stock, at cost						
		(3,421)	-	-	-	(3,567)
Total shareholders' equity		303,620	-	-	-	341,423
Total liabilities and shareholders' equity		1,387,314	-	-	-	1,761,666

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Item	Term	First quarter 2005 (As of June 30, 2005)	First quarter 2006 (As of June 30, 2006)	Increase (Decrease)		Fiscal 2005 (As of March 31,2006)
		Value	Value	Value	(%)	Value
(NET ASSETS)						
I. Shareholders' Equity						
Common stock		-	74,928	-	-	-
Additional paid-in capital						
Capital reserves		-	78,332	-	-	-
Other Additional paid-in capital		-	0	-	-	-
Total Additional paid-in capital		-	78,332	-	-	-
Retained earnings						
Legal reserve		-	3,020	-	-	-
Other retained earnings		-	176,245	-	-	-
Other reserves		-	157,455	-	-	-
Deferred on retained earnings		-	18,790	-	-	-
Total Retained earnings		-	179,265	-	-	-
Treasury stock, at cost		-	(3,570)	-	-	-
Total shareholders' equity		-	328,955	-	-	-
II. Valuation and translation adjustments						
Unrealized gains(losses) on other securities		-	20,640	-	-	-
Deferred gains(losses) on hedges		-	60	-	-	-
Total valuation and translation adjustments		-	20,700	-	-	-
Total net assets		-	349,656	-	-	-
Total liabilities and net assets		-	1,792,219	-	-	-

(2) Non-Consolidated Statements of Income

(Millions of yen)

Term Item	First quarter 2005 (As of June 30, 2005)		First quarter 2006 (As of June 30, 2006)		Increase (Decrease)		Fiscal 2005 (As of March 31, 2006)	
	Value		Value		Value	%	Value	
I. Operating revenues								
Financing and administration fees								
Credit cards		16,442		23,658	7,216	43.9		74,202
Shopping loans		197		164	(33)	(17.0)		748
Guarantees		875		1,184	308	35.3		3,877
Loans		24,001		30,997	6,995	29.1		104,099
Agency services		2,519		2,881	361	14.3		10,368
Income from leases								
Leases sales	15,613		17,146				65,691	
Cost of leases sales	13,907	1,706	15,336	1,810	103	6.1	58,507	7,183
Income from other sales								
Other sales	982		1,567				4,907	
Cost of other sales	142	840	85	1,482	642	76.5	622	4,284
Financial revenues		2,867		2,693	(173)	(6.1)		11,689
Total Operating revenues		49,450		64,871	15,420	31.2		216,453
II. Operating expenses								
Selling, general and administrative expenses		34,548		50,497	15,949	46.2		156,887
Financial cost		2,223		3,010	787	35.4		9,700
Total Operating expenses		36,771		53,508	16,736	45.5		166,587
Operating income		12,679		11,362	(1,316)	(10.4)		49,865
III. Non-operating income		856		1,284	428	50.0		1,620
IV. Non-operating expenses		23		47	24	103.4		723
Ordinary income		13,511		12,599	(912)	(6.8)		50,762
V. Extraordinary gains		179		276	96	53.7		12,722
VI. Extraordinary losses		9		15	5	56.8		36,207
Income before income taxes		13,681		12,860	(821)	(6.0)		27,277
Income taxes, current	3,154		7,356				7,968	
Income taxes, deferred	2,245	5,399	(2,774)	4,582	(817)	(15.1)	(7,822)	146
Net income		8,282		8,278	(4)	(0.1)		27,131
Retained earnings carried forward from preceding year		10,190		10,512	321	3.2		10,190
Unappropriated retained earnings at the end of the year		18,473		18,790	316	1.7		37,322