

《Translation of excerpted sections》

Consolidated Financial Statements for the Fiscal Year Ended March 31, 2017

[JGAAP]



May 12, 2017
Stock exchange listing: Tokyo
(URL <http://www.saisoncard.co.jp>)

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

Code number: 8253

Representative: Hiroshi Rinno / President and CEO

Inquiries to: Mayumi Tamura / General Manager, Public Relations Office; Phone: (03) 3982-0700

Scheduled date of the Ordinary General Meeting of the Shareholders: June 20, 2017

Scheduled date to submit Securities Report: June 20, 2017

Scheduled date to commence dividend payments: June 21, 2017

Preparation of supplementary material on financial results: Yes

Holding of investor meeting: Yes (for institutional investors and analysts)

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

1. Consolidated Results for the Fiscal Year Ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(1) Consolidated Operating Results (% represents year-on-year change)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2016	278,944	3.3	31,213	(14.7)	53,065	21.1	42,253	61.5
FY2015	269,919	4.2	36,593	(8.9)	43,802	0.3	26,163	107.2

(Note) Comprehensive income: FY2016 33,606 million yen [32.3%]
FY2015 25,398 million yen [(14.7)%]

	Earnings per share	Earnings per share (diluted)	Return on equity	Ordinary profit/total assets	Operating profit/operating revenue
	(Yen)	(Yen)	(%)	(%)	(%)
FY2016	258.70	255.28	9.8	2.0	11.2
FY2015	147.37	—	6.1	1.8	13.6

(Reference) Equity in (earnings) losses of affiliates: FY2016 18,446 million yen FY2015 1,656 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
FY2016	2,720,051	446,882	16.4	2,724.88
FY2015	2,550,990	418,988	16.4	2,563.61

(Reference) Equity: FY2016 445,063 million yen FY2015 418,716 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
FY2016	(103,280)	(19,462)	121,208	63,215
FY2015	(102,444)	(23,898)	139,394	64,813

2. Dividends

	Annual dividends					Total of dividends (Full year)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Annual			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of yen)	(%)	(%)
FY2015	—	0.00	—	35.00	35.00	5,719	23.7	1.4
FY2016	—	0.00	—	35.00	35.00	5,719	13.5	1.4
FY2017 (Projected)	—	0.00	—	35.00	35.00		14.3	

3. Consolidated Earnings Forecasts for Fiscal 2017 (April 1, 2017 to March 31, 2018)

(% represents year-on-year change)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
First six months	143,000	4.2	24,000	(5.5)	32,500	4.8	29,000	2.7	177.55
FY2017	292,000	4.7	44,000	41.0	57,000	7.4	40,000	(5.3)	244.90

Notes

- (1) Changes in significant subsidiaries during fiscal year: None
(Changes in specified subsidiaries resulting in changes in the scope of consolidation)
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- Changes in accounting policies in accordance with revisions of accounting standards and other regulations: None
 - Changes in accounting policies other than a. above: None
 - Changes in accounting estimates: None
 - Restatement of prior period financial statements after error corrections: None
- (3) Number of shares issued (common shares):
- Number of share issued at the end of fiscal year (including treasury shares):

FY2016:	185,444,772 shares	FY2015:	185,444,772 shares
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 - Treasury shares at the end of fiscal year:

FY2016:	22,033,143 shares	FY2015:	22,114,295 shares
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 - Average number of shares during the term:

FY2016:	163,330,968 shares	FY2015:	177,530,531 shares
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Reference: Summary of Non-Consolidated Financial Statements

1. Results for Fiscal 2016 (April 1, 2016 to March 31, 2017)

(1) Operating Results (% represents year-on-year change)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2016	238,637	4.3	24,316	(17.8)	28,210	(13.5)	21,045	(17.7)
FY2015	228,713	4.3	29,599	(16.3)	32,614	(15.2)	25,570	126.0

(Reference) Volume of new contracts: FY2016 7,914,568 million yen
FY2015 7,458,944 million yen

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
FY2016	128.79	128.79
FY2015	143.97	—

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
FY2016	2,623,644	374,477	14.3	2,291.62
FY2015	2,468,797	359,428	14.5	2,199.56

(Reference) Equity: FY2016 374,477 million yen FY2015 359,428 million yen

2. Earnings Forecasts for Fiscal 2017 (April 1, 2017 to March 31, 2018)

(% represents year-on-year change)

	Operating revenue		Operating profit		Ordinary profit		Profit		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
First six months	123,100	5.0	20,700	(3.0)	23,000	(4.0)	21,500	2.3	131.57
FY2017	251,800	5.5	37,900	55.9	41,000	45.3	26,500	25.9	162.17

(Reference) Volume of new contracts: FY 2017 First six months 4,154,000 million yen
FY 2017 Full Year 8,575,000 million yen

- This Consolidated Financial Statements for the Fiscal Year Ended March 31, 2017 is exempt from the audit procedures.

- Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements, etc.)

The above consolidated and non-consolidated earnings forecasts include future prospects, assumptions on which plans will be based and forecasts from the date this document was released. The actual results may differ from the above earnings forecasts due to various factors.

(Means of obtaining supplementary material on financial results)

The Company provides English translations of supplementary materials on its businesses and performance and its financial statements (excerpted sections only) on its website.

Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Millions of yen)

	FY2015 (As of March 31, 2016)	FY2016 (As of March 31, 2017)
(ASSETS)		
Current assets		
Cash and deposits	64,869	63,266
Accounts receivable - installment	1,596,865	1,769,438
Lease investment assets	227,451	227,760
Other trade receivables	473	490
Operational investment securities	29,310	33,099
Real estate for sale	98,487	101,674
Purchased receivables	13,231	12,437
Other inventories	1,280	1,170
Deferred tax assets	15,725	18,408
Short-term loans receivable	9,457	3,997
Other	33,564	21,690
Allowance for doubtful accounts	(43,373)	(46,020)
Total current assets	2,047,342	2,207,412
Non-current assets		
Property, plant and equipment		
Buildings, net	20,829	24,673
Land	33,138	39,774
Leased assets, net	1,529	1,354
Construction in progress	1,333	1,094
Other, net	5,119	4,252
Total property, plant and equipment	61,950	71,150
Intangible assets		
Leasehold right	970	970
Software	5,902	5,745
Leased assets	535	309
Software in progress	168,051	193,309
Other	288	287
Total intangible assets	175,749	200,622
Investments and other assets		
Investment securities	163,065	168,339
Long-term loans receivable	11,240	11,258
Guarantee deposits	4,013	5,439
Liquidation business assets	53,104	32,456
Deferred tax assets	33,171	21,397
Other	3,728	3,468
Allowance for doubtful accounts	(3,280)	(2,977)
Total investments and other assets	265,043	239,382
Total non-current assets	502,742	511,154
Deferred assets		
Bond issuance cost	904	1,484
Total deferred assets	904	1,484
Total assets	2,550,990	2,720,051

(Millions of yen)

	FY2015 (As of March 31, 2016)	FY2016 (As of March 31, 2017)
(LIABILITIES)		
Current liabilities		
Notes and accounts payable - trade	239,719	238,190
Short-term loans payable	214,160	229,960
Current portion of long-term loans payable	121,760	69,885
Current portion of bonds	35,000	50,000
Commercial papers	236,000	358,000
Lease obligations	625	524
Income taxes payable	2,381	9,589
Provision for bonuses	2,206	2,315
Provision for directors' bonuses	124	157
Provision for loss on interest repayment	9,749	9,445
Allowance for losses on collecting gift tickets	151	144
Deferred installment income	8,241	9,028
Other	44,754	39,388
Total current liabilities	914,876	1,016,629
Non-current liabilities		
Bonds payable	245,000	255,000
Long-term loans payable	835,184	852,899
Long-term loans payable under credit fluidity	20,000	20,000
Lease obligations	1,336	1,209
Provision for directors' retirement benefits	112	133
Provision for loss on guarantees	5,014	6,418
Allowance for losses on warranty of defects	8	14
Provision for point card certificates	88,576	94,033
Provision for loss on interest repayment	15,372	21,148
Asset retirement obligations	440	445
Other	6,081	5,238
Total non-current liabilities	1,217,125	1,256,539
Total liabilities	2,132,001	2,273,168

(Millions of yen)

	FY2015 (As of March 31, 2016)	FY2016 (As of March 31, 2017)
(NET ASSETS)		
Shareholders' equity		
Capital stock	75,929	75,929
Capital surplus	85,634	85,634
Retained earnings	265,554	302,087
Treasury shares	(52,885)	(52,879)
Total shareholders' equity	374,232	410,773
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	46,301	35,315
Deferred gains or losses on hedges	(1,665)	(649)
Foreign currency translation adjustment	(152)	(374)
Total accumulated other comprehensive income	44,483	34,290
Subscription rights to shares	0	0
Non-controlling interests	272	1,818
Total net assets	418,988	446,882
Total liabilities and net assets	2,550,990	2,720,051

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)**

(Millions of yen)

	FY2015 (April 1, 2015 to March 31, 2016)	FY2016 (April 1, 2016 to March 31, 2017)
Operating revenue		
Income from the credit service business	202,952	210,336
Income from the lease business revenue	13,482	13,241
Income from the finance business	27,320	31,072
Income from the real estate related business		
Revenue from the real estate related business	44,142	37,487
Cost of the real estate related business	28,697	23,868
Income from the real estate related business	15,444	13,619
Income from the entertainment business		
Revenue from the entertainment business	57,533	58,686
Cost of the entertainment business	47,145	48,290
Income from the entertainment business	10,388	10,396
Financial revenue	331	279
Total operating revenue	269,919	278,944
Operating expenses		
Selling, general and administrative expenses	221,553	236,661
Financial expenses	11,772	11,069
Total operating expenses	233,325	247,730
Operating profit	36,593	31,213
Non-operating income	7,391	22,016
Non-operating expenses	182	164
Ordinary profit	43,802	53,065
Extraordinary income		
Gain on sales of non-current assets	1,057	–
Gain on sales of investment securities	113	1,905
Gain on sales of shares of subsidiaries and associates	184	–
Compensation income for expropriation	10	–
Settlement received	3,500	11,475
Other	1	39
Total extraordinary income	4,867	13,420

(Millions of yen)

	FY2015 (April 1, 2015 to March 31, 2016)	FY2016 (April 1, 2016 to March 31, 2017)
Extraordinary losses		
Loss on disposal of non-current assets	109	298
Impairment loss	25	159
Loss on valuation of investment securities	–	3,638
Loss on valuation of membership	22	1
Other	3	181
Total extraordinary losses	161	4,279
Profit before income taxes	48,508	62,207
Income taxes - current	1,997	9,370
Income taxes - deferred	20,001	9,034
Total income taxes	21,998	18,404
Profit	26,510	43,802
Profit attributable to non-controlling interests	347	1,549
Profit attributable to owners of parent	26,163	42,253

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	FY2015 (April 1, 2015 to March 31, 2016)	FY2016 (April 1, 2016 to March 31, 2017)
Profit	26,510	43,802
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,341)	(1,263)
Deferred gains or losses on hedges	(730)	1,015
Foreign currency translation adjustment	(40)	(9)
Share of other comprehensive income of entities accounted for using equity method	1,000	(9,938)
Total other comprehensive income	(1,111)	(10,195)
Comprehensive income	25,398	33,606
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	25,063	32,060
Comprehensive income attributable to non-controlling interests	334	1,546

(3) Consolidated Statements of Changes in Equity
FY2015 (April 1, 2015 to March 31, 2016)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	75,929	84,838	244,902	(6,125)	399,543
Changes of items during period					
Dividends of surplus			(5,511)		(5,511)
Profit attributable to owners of parent			26,163		26,163
Purchase of treasury shares				(47,834)	(47,834)
Disposal of treasury shares		(286)		1,074	787
Change in ownership interest of parent due to transactions with non-controlling interests		1,083			1,083
Net changes of items other than shareholders' equity					
Total changes of items during period	-	796	20,652	(46,760)	(25,311)
Balance at end of current period	75,929	85,634	265,554	(52,885)	374,232

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	46,518	(935)	-	45,583	0	1,955	447,082
Changes of items during period							
Dividends of surplus							(5,511)
Profit attributable to owners of parent							26,163
Purchase of treasury shares							(47,834)
Disposal of treasury shares							787
Change in ownership interest of parent due to transactions with non-controlling interests							1,083
Net changes of items other than shareholders' equity	(217)	(730)	(152)	(1,099)	-	(1,682)	(2,782)
Total changes of items during period	(217)	(730)	(152)	(1,099)	-	(1,682)	(28,094)
Balance at end of current period	46,301	(1,665)	(152)	44,483	0	272	418,988

FY2016 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	75,929	85,634	265,554	(52,885)	374,232
Changes of items during period					
Dividends of surplus			(5,719)		(5,719)
Profit attributable to owners of parent			42,253		42,253
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		8	8
Change in ownership interest of parent due to transactions with non-controlling interests					
Net changes of items other than shareholders' equity					
Total changes of items during period	-	0	36,533	6	36,540
Balance at end of current period	75,929	85,634	302,087	(52,879)	410,773

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	46,301	(1,665)	(152)	44,483	0	272	418,988
Changes of items during period							
Dividends of surplus							(5,719)
Profit attributable to owners of parent							42,253
Purchase of treasury shares							(1)
Disposal of treasury shares							8
Change in ownership interest of parent due to transactions with non-controlling interests							-
Net changes of items other than shareholders' equity	(10,986)	1,015	(222)	(10,192)	-	1,546	(8,646)
Total changes of items during period	(10,986)	1,015	(222)	(10,192)	-	1,546	27,894
Balance at end of current period	35,315	(649)	(374)	34,290	0	1,818	446,882

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2015 (April 1, 2015 to March 31, 2016)	FY2016 (April 1, 2016 to March 31, 2017)
Cash flows from operating activities		
Profit before income taxes	48,508	62,207
Depreciation	8,159	7,368
Amortization of deferred assets	208	246
Loss (gain) on liquidation business	(2,783)	(413)
Increase (decrease) in allowance for doubtful accounts	(1,625)	2,307
Increase (decrease) in provision for point card certificates	5,650	5,457
Increase (decrease) in provision for loss on interest repayment	6,116	5,472
Increase (decrease) in other provision	516	1,564
Interest and dividend income	(1,539)	(1,668)
Interest expenses	10,820	9,578
Share of (profit) loss of entities accounted for using equity method	(1,656)	(18,446)
Foreign exchange losses (gains)	72	(23)
(Gain) loss on sales or redemption of investment securities	(113)	(1,905)
Loss (gain) on sales of shares of subsidiaries and associates	(184)	–
Loss (gain) on valuation of investment securities	–	3,638
Impairment loss	25	159
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	(406)	767
Settlement received	(3,500)	(11,475)
Decrease (increase) in operating receivables	(143,972)	(172,227)
Decrease (increase) in lease investment assets	(1,426)	(308)
Decrease (increase) in investment securities for sale	(3,981)	(4,312)
Decrease (increase) in inventories	(6,883)	(2,283)
Decrease (increase) in other assets	5,249	3,499
Increase (decrease) in operating debt	4,562	(1,529)
Increase (decrease) in other liabilities	3,047	(1,860)
Other, net	167	329
Subtotal	(74,966)	(113,857)
Interest and dividend income received	1,945	2,778
Interest expenses paid	(11,264)	(9,997)
Settlement package received	3,500	11,475
Income taxes refund	–	9,883
Income taxes paid	(21,658)	(3,562)
Net cash provided by (used in) operating activities	(102,444)	(103,280)

(Millions of yen)

	FY2015 (April 1, 2015 to March 31, 2016)	FY2016 (April 1, 2016 to March 31, 2017)
Cash flows from investing activities		
Purchase of investment securities	(7,889)	(3,760)
Proceeds from sales or redemption of investment securities	1,978	3,187
Proceeds from sales of shares of subsidiaries and associates	116	–
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	276	–
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	154	–
Proceeds from liquidation business	17,839	21,098
Purchase of property, plant and equipment and intangible assets	(37,639)	(43,862)
Proceeds from sales of property, plant and equipment and intangible assets	4,547	64
Payments of loans receivable	(2,758)	(37)
Collection of loans receivable	17	5,479
Other, net	(542)	(1,632)
Net cash provided by (used in) investing activities	(23,898)	(19,462)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(3,000)	15,800
Net increase (decrease) in commercial papers	86,000	122,000
Proceeds from long-term loans payable	245,520	88,800
Repayments of long-term loans payable	(143,960)	(122,960)
Proceeds from issuance of bonds	74,611	59,173
Redemption of bonds	(65,212)	(35,000)
Repayments of lease obligations	(909)	(884)
Proceeds from sales of treasury shares	0	0
Purchase of treasury shares	(47,834)	(1)
Purchase of treasury shares of subsidiaries	(7)	–
Cash dividends paid	(5,511)	(5,719)
Dividends paid to non-controlling interests	(300)	–
Net cash provided by (used in) financing activities	139,394	121,208
Effect of exchange rate change on cash and cash equivalents	(19)	(62)
Net increase (decrease) in cash and cash equivalents	13,032	(1,598)
Cash and cash equivalents at beginning of period	51,781	64,813
Cash and cash equivalents at end of period	64,813	63,215

Non-Consolidated Financial Statements
(1) Non-Consolidated Balance Sheets

(Millions of yen)

	FY2015 (As of March 31, 2016)	FY2016 (As of March 31, 2017)
(ASSETS)		
Current assets		
Cash and deposits	47,010	49,156
Accounts receivable - installment	1,526,902	1,697,415
Lease investment assets	227,503	227,821
Operational investment securities	29,310	31,411
Merchandise	113	113
Supplies	1,119	994
Prepaid expenses	1,299	1,054
Deferred tax assets	15,631	16,957
Short-term loans receivable from subsidiaries and associates	270,307	277,190
Accounts receivable - other	24,373	16,166
Other	5,341	2,811
Allowance for doubtful accounts	(38,592)	(41,475)
Total current assets	2,110,320	2,279,618
Non-current assets		
Property, plant and equipment		
Buildings, net	5,789	5,689
Vehicles, net	0	0
Equipment, net	1,592	1,325
Land	6,904	6,904
Leased assets, net	1,142	1,168
Construction in progress	239	295
Total property, plant and equipment	15,668	15,383
Intangible assets		
Leasehold right	14	14
Software	3,935	4,117
Leased assets	535	309
Software in progress	87,288	101,262
Other	253	253
Total intangible assets	92,026	105,956
Investments and other assets		
Investment securities	86,916	84,380
Shares of subsidiaries and associates	54,947	55,029
Investments in capital	0	0
Investments in capital of subsidiaries and associates	5,434	6,227
Long-term loans receivable	10,000	10,000
Long-term loans receivable from subsidiaries and associates	58,192	37,456
Long-term prepaid expenses	894	669
Guarantee deposits	1,456	2,927
Deferred tax assets	31,083	23,354
Other	1,049	1,167
Allowance for doubtful accounts	(98)	(9)
Total investments and other assets	249,876	221,202
Total non-current assets	357,571	342,541
Deferred assets		
Bond issuance cost	904	1,484
Total deferred assets	904	1,484
Total assets	2,468,797	2,623,644

(Millions of yen)

	FY2015 (As of March 31, 2016)	FY2016 (As of March 31, 2017)
(LIABILITIES)		
Current liabilities		
Notes payable - trade	1	0
Accounts payable - trade	239,431	237,930
Short-term loans payable	213,960	229,760
Current portion of long-term loans payable	119,800	68,700
Current portion of bonds	35,000	50,000
Commercial papers	236,000	358,000
Lease obligations	500	441
Accounts payable - other	4,290	3,517
Accrued expenses	18,092	15,180
Income taxes payable	754	7,188
Deposits received	6,818	6,947
Unearned revenue	308	198
Provision for bonuses	1,443	1,500
Provision for directors' bonuses	100	128
Provision for loss on interest repayment	8,969	8,826
Allowance for losses on collecting gift tickets	151	144
Deferred installment income	8,241	9,028
Other	3,799	3,661
Total current liabilities	897,662	1,001,154
Non-current liabilities		
Bonds payable	245,000	255,000
Long-term loans payable	834,399	849,499
Long-term loans payable under credit fluidity	20,000	20,000
Lease obligations	1,232	1,151
Provision for loss on guarantees	4,802	6,128
Provision for point card certificates	88,576	94,033
Provision for loss on interest repayment	14,173	19,996
Guarantee deposits received	688	726
Other	2,835	1,477
Total non-current liabilities	1,211,705	1,248,012
Total liabilities	2,109,368	2,249,166

(Millions of yen)

	FY2015 (As of March 31, 2016)	FY2016 (As of March 31, 2017)
(NET ASSETS)		
Shareholders' equity		
Capital stock	75,929	75,929
Capital surplus		
Legal capital surplus	82,497	82,497
Other capital surplus	1,602	1,602
Total capital surpluses	84,099	84,100
Retained earnings		
Legal retained earnings	3,020	3,020
Other retained earnings		
General reserve	181,455	200,455
Retained earnings brought forward	36,795	33,121
Total retained earnings	221,270	236,596
Treasury shares	(52,601)	(52,594)
Total shareholders' equity	328,698	344,031
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	32,395	31,095
Deferred gains or losses on hedges	(1,665)	(649)
Total valuation and translation adjustments	30,729	30,445
Total net assets	359,428	374,477
Total liabilities and net assets	2,468,797	2,623,644

(2) Non-Consolidated Statements of Income

(Millions of yen)

	FY2015 (April 1, 2015 to March 31, 2016)	FY2016 (April 1, 2016 to March 31, 2017)
Operating revenue		
Income from the credit service business		
Revenue from credit card business	116,836	124,655
Credit card cashing revenue	33,813	33,053
Loan certificates revenue	1,259	1,098
Business agency revenue	25,422	25,773
Income from the credit-related services	8,841	9,374
Income from the credit service business	186,172	193,955
Income from the lease business revenue	13,509	13,249
Income from the finance business		
Revenue from credit guarantee	15,154	16,528
Finance related revenue	8,077	10,063
Income from the finance business	23,232	26,592
Income from the real estate related business		
Revenue from the real estate related business	20	21
Cost of the real estate related business	1	1
Income from the real estate related business	18	19
Financial revenue	5,779	4,820
Total operating revenue	228,713	238,637
Operating expenses		
Selling, general and administrative expenses	186,492	203,038
Financial expenses		
Interest expenses	11,655	9,772
Other	965	1,509
Total financial expenses	12,620	11,282
Total operating expenses	199,113	214,320
Operating profit	29,599	24,316
Non-operating income	3,131	4,026
Non-operating expenses	117	132
Ordinary profit	32,614	28,210
Extraordinary income		
Gain on sales of investment securities	113	1,905
Gain on liquidation of subsidiaries and associates	9,291	–
Reversal of allowance for doubtful accounts	1,054	88
Settlement received	1,750	6,647
Other	0	–
Total extraordinary income	12,208	8,640

(Millions of yen)

	FY2015 (April 1, 2015 to March 31, 2016)	FY2016 (April 1, 2016 to March 31, 2017)
Extraordinary losses		
Loss on disposal of non-current assets	49	271
Loss on valuation of investment securities	–	3,115
Impairment loss	–	50
Other	23	148
Total extraordinary losses	72	3,585
Profit before income taxes	44,750	33,265
Income taxes - current	105	5,958
Income taxes - deferred	19,074	6,260
Total income taxes	19,179	12,219
Profit	25,570	21,045

(3) Non-Consolidated Statements of Changes in Equity
FY2015 (April 1, 2015 to March 31, 2016)

(Millions of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at beginning of current period	75,929	82,497	1,889	84,386	3,020	175,455	22,735	201,210	(5,840)	355,686
Changes of items during period										
Provision of general reserve						6,000	(6,000)	-		-
Dividends of surplus							(5,511)	(5,511)		(5,511)
Profit							25,570	25,570		25,570
Purchase of treasury shares									(47,834)	(47,834)
Disposal of treasury shares			(286)	(286)					1,074	787
Net changes of items other than shareholders' equity										
Total changes of items during period	-	-	(286)	(286)	-	6,000	14,059	20,059	(46,760)	(26,987)
Balance at end of current period	75,929	82,497	1,602	84,099	3,020	181,455	36,795	221,270	(52,601)	328,698

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	33,719	(935)	32,783	388,470
Changes of items during period				
Provision of general reserve				-
Dividends of surplus				(5,511)
Profit				25,570
Purchase of treasury shares				(47,834)
Disposal of treasury shares				787
Net changes of items other than shareholders' equity	(1,323)	(730)	(2,054)	(2,054)
Total changes of items during period	(1,323)	(730)	(2,054)	(29,041)
Balance at end of current period	32,395	(1,665)	30,729	359,428

FY2016 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at beginning of current period	75,929	82,497	1,602	84,099	3,020	181,455	36,795	221,270	(52,601)	328,698
Changes of items during period										
Provision of general reserve						19,000	(19,000)			
Dividends of surplus							(5,719)	(5,719)	-	(5,719)
Profit							21,045	21,045	-	21,045
Purchase of treasury shares									(1)	(1)
Disposal of treasury shares			0	0					8	8
Net changes of items other than shareholders' equity										
Total changes of items during period	-	-	0	0	-	19,000	(3,673)	15,326	6	15,333
Balance at end of current period	75,929	82,497	1,602	84,100	3,020	200,455	33,121	236,596	(52,594)	344,031

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	32,395	(1,665)	30,729	359,428
Changes of items during period				
Provision of general reserve				-
Dividends of surplus				(5,719)
Profit				21,045
Purchase of treasury shares				(1)
Disposal of treasury shares				8
Net changes of items other than shareholders' equity	(1,300)	1,015	(284)	(284)
Total changes of items during period	(1,300)	1,015	(284)	15,049
Balance at end of current period	31,095	(649)	30,445	374,477

(5) Segment information, etc.

Segment information

For the fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

Information regarding sales, profit/loss, assets, liabilities and other items by reportable segments

(Unit: Millions of yen)

	Reportable segments						Adjustments	Consolidated statements of income
	Credit service	Lease	Finance	Real estate related	Entertainment	Total		
Operating revenue								
External revenue	203,247	13,514	27,320	15,448	10,388	269,919	–	269,919
Inter-segment revenue and transfer	1,020	27	–	20	0	1,070	(1,070)	–
Total	204,268	13,542	27,320	15,469	10,388	270,989	(1,070)	269,919
Segment profit	8,268	5,109	15,802	6,427	981	36,590	3	36,593
Segment assets	1,751,701	286,402	271,049	222,122	19,872	2,551,147	(157)	2,550,990
Others								
Depreciation	4,681	77	293	854	2,255	8,162	(3)	8,159
Financial expenses	7,078	2,055	1,451	1,187	–	11,772	–	11,772
Allowance for doubtful accounts	29,867	2,717	5,169	76	–	37,831	0	37,831
Investment in subsidiaries and associates	67,016	–	–	–	4,092	71,109	–	71,109
Increase on property, plant and equipment and intangible assets	30,199	45	105	7,464	3,422	41,238	–	41,238

(Notes)1. Adjustments include inter-segment eliminations.

2. Segment profit is adjusted to total operating profit in the consolidated statements of income.

For the fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

Information regarding sales, profit/loss, assets, liabilities and other items by reportable segments

(Unit: Millions of yen)

	Reportable segments						Adjustments	Consolidated statements of income
	Credit service	Lease	Finance	Real estate related	Entertainment	Total		
Operating revenue								
External revenue	210,596	13,254	31,074	13,623	10,396	278,944	–	278,944
Inter-segment revenue and transfer	1,037	24	–	24	–	1,086	(1,086)	–
Total	211,633	13,278	31,074	13,648	10,396	280,030	(1,086)	278,944
Segment profit	7,971	4,313	12,817	4,904	1,199	31,208	5	31,213
Segment assets	1,808,494	291,264	387,868	214,079	18,481	2,720,188	(137)	2,720,051
Others								
Depreciation	3,820	196	119	916	2,319	7,372	(3)	7,368
Financial expenses	6,543	1,754	1,793	978	–	11,069	–	11,069
Allowance for doubtful accounts	32,123	3,274	7,916	31	–	43,346	0	43,346
Investment in subsidiaries and associates	74,318	–	–	–	4,831	79,150	–	79,150
Increase on property, plant and equipment and intangible assets	27,969	710	208	11,488	2,283	42,659	–	42,659

(Notes)1. Adjustments include inter-segment eliminations.

2. Segment profit is adjusted to total operating profit in the consolidated statements of income.