

January 17, 2002

For Immediate Release

Lawson, Inc.
Credit Saison Co., Ltd.
Mitsubishi Corporation

Lawson Forms Credit Card Venture With Credit Saison and Mitsubishi Corporation

Lawson, Inc. ("Lawson"; Osaka Headquarters: Suita-shi, Osaka; President & CEO: Kenji Fujiwara), Credit Saison Co., Ltd. ("Credit Saison"; Tokyo Headquarters: Toshima-ku, Tokyo; President: Hiroshi Rinno) and Mitsubishi Corporation ("MC"; Tokyo Headquarters: Chiyoda-ku, Tokyo; President: Mikio Sasaki) have agreed to establish a joint venture company to provide credit card services for Lawson's customers. The new venture, to be named Lawson CS Card Co., Ltd., will be established in the near future with capital of ¥400 million, and will look to commence services around July 2002. Lawson will take a 50% equity stake in the new venture, while Credit Saison will hold 30%, and MC 20%.

The new venture will launch and issue a new Lawson-brand credit card through Lawson's nationwide convenience store chain, comprising 7,600 stores in all of Japan's 47 prefectures. Ultimately, Lawson seeks to increase the frequency of visits to stores and raise the profitability of its franchised stores by offering credit card services via Loppi multimedia terminals, which are already installed in stores nationwide, and through other forms of credit card infrastructure. With the view to securing a base of 2 million cardholders within three years, the new credit card will have no subscription or annual membership fees.

The new venture will offer services that imbue a high degree of entertainment value and convenience for cardholders. Lawson's nationwide store network, Loppi multimedia terminals and other forms of infrastructure will serve as gateways for these services.

In their respective industries, Lawson, Credit Saison and MC are well ahead of the pack in terms of accumulated expertise in the specific fields of travel and entertainment, as well as retail-based CRM and database marketing. For this reason, the three partners believe that the merging of their expertise in these areas will allow the new venture to offer an entirely new suite of attractive membership-based services that appeal especially to young customers.

Lawson already offers shopping credit services at all stores, and also provides agency services for certain credit companies whereby loan customers can repay their loans at any time via Loppi terminals. The credit card issued by the new venture will provide all of the above services and more. Customer services will be further enhanced by offering loyalty points for purchases at Lawson stores and other exclusive benefits.

Lawson is currently building a portfolio of financial services that offer a high degree of customer convenience, such as ATM-based financial services. Its network of stores open 24-hours of day in all prefectures in Japan provide an ideal platform for this initiative. As part of these efforts, Lawson intends to provide an unprecedented degree of convenience to its customers through the issuance of own-brand credit cards. At the same time, Lawson seeks to offer and enhance a diverse range of services for cardholders so as to distinguish itself from the competition, and attract a following of truly loyal customers. As the convenience store industry matures, Lawson will strengthen support for franchised stores by fostering a loyal customer base and offering services that satisfy the needs of each and every customer.

Credit Saison is the No.1 in the credit card industry in terms of profitability, boasting a membership of more than 12 million cardholders. The company is actively engaged in establishing a network of partnerships that reach beyond the conventional corporate group framework. At the same time, Credit Saison is developing attractive, distinctive value-added services, mainly in the fields of travel and entertainment. Credit Saison will help the new venture improve credit card services by offering expertise gained over many years of experience as a credit card business specializing in the retail industry. Furthermore, Credit Saison will provide additional benefits by taking on credit operations associated with this business, thereby realizing greater efficiencies in credit card processing.

Mitsubishi Corporation boasts a stalwart financial position, befitting its standing as the leading *sogo sosha* in Japan. MC has gained far-reaching expertise in finance through many years of experience. MC's New Business Initiative Group is currently looking to seize new opportunities in consumer businesses, as exemplified by its entry into the FSP (Frequent Shoppers Program) business targeting supermarkets. MC's investment in the new credit card venture represents another step in this direction. MC will play an invaluable role in managing the new venture, which will ally Lawson and Credit Saison—companies that originally emerged from two retailing groups, but have achieved rapid growth in their respective industries. The task will give full play to MC's expertise in project management. Additionally, MC will help raise the corporate value of Lawson by working to improve the operating results of the new venture on a number of fronts. Firstly, MC will provide the new venture with accumulated expertise in finance and marketing. Secondly, MC will form partnerships between its retail businesses under development and the new venture, so as to increase credit card membership.

■ Profile of the New Joint Venture

1. Name: Lawson CS Card Co., Ltd.
2. Date of Establishment: February 2002 (Tentative)
3. Capital: ¥400 million

4. Composition of Shareholders	Lawson, Inc.	50%
	Credit Saison Co., Ltd.	30%
	Mitsubishi Corporation	20%
5. President and CEO:	To be seconded from Lawson	

Profile of Parent Companies

Lawson, Inc.

Head Office: 9-1 Toyotsu-cho, Suita-shi, Osaka 564-0051
President and CEO: Kenji Fujiwara
Established: April 15, 1975
Capital: ¥58,506 million
Total net sales: ¥1,277.6 billion (Consolidated; Total store sales for the fiscal year ended February 2001)

Credit Saison Co., Ltd.

Head Office: 1-1 Higashi Ikebukuro 3-chome,
Toshima-ku, Tokyo
President: Hiroshi Rinno
Established: May 1, 1951
Capital: ¥61,303 million
Operating revenues: ¥188.0 billion (Consolidated; Fiscal year ended March 2001)

Mitsubishi Corporation

Head Office: 2-6-3 Marunouchi, Chiyoda-ku, Tokyo
President and
Representative Director: Mikio Sasaki
Established: April 1, 1950
Capital: ¥126,608 million
Operating transactions: ¥13,995.3 billion (Consolidated; U.S. GAAP; Fiscal year ended March 2001)

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