

May 15, 2009

Credit Saison (8253) Announces Financial Results for Fiscal 2008

Consolidated operating revenues of ¥327 billion (down 6% year on year),
net loss of ¥55.5 billion

—Business performance affected by trends in the real estate market and changes to the
Money Lending Business Law—

Credit Saison's consolidated business results for fiscal 2008 (the year ended March 31, 2009) include operating revenues of ¥327 billion (down 5.4% year on year), ordinary income of ¥30.9 billion (down 46.7% year on year), and a net loss of ¥55.5 billion, compared with net income of ¥26.7 billion in the previous year.

The ¥55.5 billion net loss resulted primarily from the situation of a subsidiary, Atrium Co., Ltd., which recorded business liquidation losses of ¥90.4 billion as a result of its partial withdrawal from the real estate business and the restructuring of its branch network. Atrium Co., Ltd. announced a restructuring plan on March 25, 2009.

Segment Information

In the main credit services business, operating revenues reached 100.0% of the previous year's result at ¥254.7 billion. There was a substantial increase in cardholder numbers for cards issued under tie-ups with the Mizuho Bank (MMC Card) and Yamada Denki (LABI Card). There was also healthy growth in the balance of shopping-related revolving credit. However, the reduction of the interest rate for cash advances caused a decline in revenues, and the balance of cash advances also stagnated. As a result, operating revenues remained at the previous year's level. Despite a higher provision for interest refund claims, which tended to increase, selling, general and administrative expenses were also close to the previous year's figure, thanks to determined efforts to reduce costs through business restructuring.

Operating revenues in the finance business amounted to ¥46.7 billion, up 5.3% year on year. Despite strong performance by the credit guarantee and leasing businesses, revenue growth was blunted by a downturn in real estate secured loans.

The real estate-related businesses were affected by a severe downturn in the liquidity of the real estate market, and the results were substantially lower year on year. Operating revenues amounted to ¥18.5 billion, down 51.1% compared with the previous year.

Operating revenues in the entertainment business reached ¥15.5 billion, up 7.9% year on year. Income growth was restored through efficiency measures, including the restructuring or closure of unprofitable outlets.

Consolidated performance forecasts for fiscal 2009 (the year ending March 31, 2010) include operating revenues of ¥316.0 billion (down 3.4% year on year) and ordinary income of ¥36.0 billion (up 16.3% year on year). Net income is expected to reach ¥17.0 billion.

Non-consolidated performance forecasts for fiscal 2009 (the year ending March 31, 2010) include operating revenues of ¥265.0 billion (down 2.2% year on year) and ordinary income of ¥33.0 billion (up 2.4% year on year). Net income is expected to reach ¥16.0 billion.

Dividend forecast is 30 yen pre share.

Non-consolidated Results

- 1) New cardholders acquired: 2,930,000 (down 14% year on year)
- 2) New cards issued: 2,520,000 (down 12% year on year)
- 3) Total no. of cardholders: 27,570,000 (net growth from the end of the previous term: 1,560,000)
- 4) Active cardholders: 13,910,000 (net growth from the end of the previous term: 690,000)
- 5) Volume of card shopping transactions: ¥3,891.0 billion (up 3.5% year on year)
- 6) Balance of shopping-related revolving credit: ¥294.8 billion (up 10.1% year on year)
- 7) Card cash advance balance: ¥593.9 billion (up 1.1% year on year) including securitized receivables
- 8) Operating revenues: ¥270.9 billion (down 2.5% year on year)
- 9) Ordinary income: ¥32.2 billion (down 11.9% year on year)
- 10) Net loss: ¥44.9 billion (¥24.5 billion in net income in previous year)

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