

August 7, 2009

Credit Saison Announces Financial Results for April–June, Fiscal 2009

Credit Saison Co., Ltd. (8253) recorded the following consolidated financial results for the first quarter (April–June) of fiscal 2009: operating revenue of ¥79.2 billion, down 8.9% year on year, ordinary income of ¥8.2 billion, down 50.7% year on year, and net income went into black of ¥5.0 billion, a year-on-year decline of 44.3%.

Looking at the individual business segments, in the main credit services business, operating revenue was ¥61.3 billion, down 1.6% year on year. The number of holders of our alliance cards with Yamada Denki and Mizuho Bank (Mizuho Mileage Club Cards) expanded greatly and the shopping-related revolving credit balance was ¥298.0 billion, up 10.9% year on year), a steady increase that contributed to revenues. However, the volume of card cash advance transactions was slightly lower due to the impact of the market contraction caused by the Money-Lending Business Control and Regulation Law.

In the finance business (income from the finance business: ¥8.4 billion, down 17.9% year on year) income from this business segment declined. Although the credit guarantee business and the leasing business performed strongly, the balance of the mortgage loans decreased.

The real estate-related businesses (income from the real estate-related businesses: ¥4.4 billion, down 43.4% year on year) produced results that were much lower than last year.

The entertainment business (income from the entertainment business: ¥3.8 billion, down 5.8% year on year) continued to improve the efficiency of its operations through measures including renovating or closing unprofitable stores. As a result, this business could make a stable revenue contribution even as the business environment became more severe.

We kept consolidated SG&A expenses down to ¥65.6 billion (up 0.5% year on year), about the same level as last year. Although the allowance for losses on receivables increased due to our handling of claims for interest repayments, which continue to be at a high level, we reduced costs including sales promotion expenses, personnel expenses and fees paid, etc.

For fiscal 2009, the Company's consolidated forecasts are operating revenue of ¥316.0 billion (down 3.4% year on year), ordinary income of ¥36.0 billion (up 16.3% year on year) and net income of ¥17.0 billion, unchanged from our May 15 forecasts.

Non-consolidated results

- (1) New cardholders acquired: 830,000 (up 15.3% year on year, progress rate of 24% of the target for the full fiscal year)
- (2) New cards issued: 690,000 (up 11.9% year on year, progress rate of 26% of the target for the full fiscal year)
- (3) Total no. of cardholders: 27,800,000 (net growth from the end of the previous term: 230,000)
- (4) Active cardholders: 14,050,000 (net growth from the end of the previous term: 140,000)
- (5) Active ratio: 50.6% (Up 0.2% year on year)
- (6) Volume of card shopping transactions: ¥937.7 billion (down 1.1% year on year)
- (7) Balance of shopping-related revolving credit: ¥298.0 billion (up 10.9% year on year)
- (8) Card cash advance balance: ¥583.7 billion (down 0.5% year on year)
- (9) Operating revenue: ¥66.4 billion (down 0.2% year on year)
- (10) Ordinary income: ¥8.0 billion (down 35.9% year on year)
- (11) Net income (April-June): ¥5.1 billion (down 45.3% year on year)

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