

Credit Saison Co., Ltd. (8253) announces Financial Results for Fiscal 2009 (Ended March 31, 2010)

Consolidated operating revenues: ¥306,800 million (93.8% of previous year's figure)

Net income: ¥18,600 million

The consolidated financial results of Credit Saison Co., Ltd. for fiscal 2009 include operating income of ¥306,800 million (93.8% of the previous year's result), operating income of ¥36,100 million (104.7%) and ordinary income of ¥39,100 million (126.3%). Net income recovered from the previous year's loss of ¥55,500 million and reached a positive ¥18,600 million.

Segment Information

Credit Service

Operating revenues amounted to ¥245,100 million, or 96.2% of the previous year's result, while operating income reached ¥27,700 million (107.9%).

Evidence that business conditions continued to be difficult included a shrinking cash advance market, which contracted under the impact of slower consumer spending and the effects of the amended Money-Lending Business Control and Regulation Law. We responded with initiatives designed to strengthen our financial fundamentals by improving operating efficiency, minimizing credit risk and controlling costs.

With consumers in a frugal mood, shopping transaction volume was affected by reduced spending on big-ticket items. However, there was growth in some areas, including high-quality, low-priced goods, electrical appliances and Internet shopping. The regular payment segment, which includes payments for mobile phone charges, ETC (electric toll collection) and public utility charges, also continued to expand. The number of card transactions was 11% higher year on year, but average transaction value was close to the previous year's level with a marginal decline of 1.2%.

There was continued steady growth in the cardholder base, which is the foundation for our business activities. We attracted 3.05 million new cardholders, an increase of 70,000 of the previous year's figure, and the total number of cardholders rose by 720,000 year on year to 28.29 million. The number of active cardholders increased by 420,000 to 14.33 million.

Finance

Operating revenues reached ¥32,300 million, 69.3% of the previous year's figure, while operating income amounted to ¥8,100 million (76.9%).

We maintained solid earning trends in the credit guarantee business and the lease and rental business. In the credit guarantee business, we now have 33 allied financial institutions, while the number of partner companies increased by 25 over the previous year's total to 218. Operating revenues increased by 6.3% year on year to ¥10,000 million. The lease and rental business was affected by a decline in business sector capital investment, and business conditions remained challenging for the entire industry. Credit Saison worked to expand its business with existing customers and increase the number of partner merchants. These efforts were reflected in a turnover of ¥100,800 million, a year on year increase of 0.6%.

Real Estate Related

Operating revenues amounted to ¥15,000 million, or 81.0% of the previous year's result, while operating income reached ¥1,800 million, a dramatic rise at 298.0% of the previous year's figure.

We reduced our assets by selling real estate acquired for resale. The restructuring of Atrium Co., Ltd. proceeded according to schedule.

Entertainment

Operating revenues amounted to ¥14,600 million, equivalent to 94.3% of the previous year's figure. Operating income was ¥1,700 million (104.7%).

Tighter regulations on game machines continued to affect performance in this segment. We focused on the improvement of management efficiency, and on the development of healthy safe, healthy and enjoyable outlets capable of earning community support. We also worked to optimize the efficiency of business operations.

Our financial forecasts for fiscal 2010, ending March 31, 2011, take into account all factors that can be anticipated at present, including the effects of law changes. At the consolidated level, we are forecasting operating revenues of ¥288,000 million (93.9% of the fiscal 2009 level), ordinary income of ¥21,000 million (53.7%) and net income of ¥9,000 million (48.2%).

Our non-consolidated forecasts are operating revenues of ¥244,000 million (94.6% of the fiscal 2009 level), ordinary income of ¥18,000 million (53.3%) and net income of ¥6,500 million (40.3%). We expect to pay a dividend of ¥30 (100% of the fiscal 2009 level).

Non-Consolidated Financial Results

(1) New cardholders acquired	3.05 million (104.1% of previous year's result)
(2) New cards issued	2.59 million (102.9% of previous year's result)
(3) Total no. of cardholders	28.29 million (year-on-year increase of 720,000)
(4) Active cardholders	14.33 million (year-on-year increase of 420,000)
(5) Card shopping transactions	¥3,844,600 million (98.8% of previous year's result)
(6) Card shopping revolving credit balance	¥298,200 million (101.1% of previous year's result)
(7) Card cash advance balance	¥543,000 million (89.9% of previous year's result)
(8) Operating revenues	¥257,900 million (95.2% of previous year's result)
(9) Ordinary income	¥33,700 million (104.9% of previous year's result)
(10) Net income	¥16,100 million (up from the previous year's loss of ¥44,900 million)

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