

**Credit Saison (8253) Announces Financial Results for First Half of Fiscal 2013**

During the first half of fiscal 2013 (April 1 to September 30, 2013), the Company has actively promoted new businesses with a number of companies with high growth possibility possessing the know-how in each field, efficiently employing the foundations of retail finance business cultivated by the Company so far. In its Credit Service Business, the Company introduced prepaid card and smartphone settlement services, supporting the advancement of a cashless society. In the Lease and Finance Businesses, the Company advanced its comprehensive growth as a non-bank financial business by implementing structural reinforcement of the marketing activities to reach new clients. In its Overseas Business, the Company launched consulting operations in Vietnam and is advancing preparations for establishment of businesses in a number of countries to make a full-fledged entry into the retail-financing business in Southeast Asia. Consequently, operating revenue was ¥123.9 billion, up 1.2% year-on-year; operating income was ¥21.8 billion, down 2.4% year-on-year; ordinary income was ¥27.3 billion, down 2.2% year-on-year; and quarterly net income was 17.6 billion, down 0.2% year-on-year.

A summary of performance for each segment is as follows.

1. Sales Summary

(1) Credit Services Business

As the Company expanded its customer base to increase transaction volume, applications grew steadily, both through partner retailers and online. Card issuance grew 9.3% year-on-year to 1,770,000 new cards. In shopping, the Company energized transaction volume through revitalization campaigns in partnership with retailers and credit card companies in Shibuya, Shinjuku, Ikebukuro, Yokohama, and Sendai districts, and promoted use of the Company's credit cards in such small sum markets as convenience stores and family restaurants. These measures showed good results. Also, use of the Company's credit cards in the telecommunications sector expanded as planned. Moreover, during the six months under review the Company made favorable progress issuing 1,880,000 Cocokara Club cards, prepaid cards that can be used in shops affiliated with Visa both in and outside the country, and also, by introducing smartphone settlement service "Coiney", strove to increase the number of credit card member stores. Through these efforts the Company enhanced its position in the burgeoning cashless market. As a result, shopping transaction volume grew 6.7% year-on-year to ¥1.842.6 billion. Boosted by a rise in new customers, cash advance transaction volume improved 0.5% year-on-year to ¥130.5 billion, as the Company's recovery unfolded according to plan. However, overall operating revenue in the Credit Services Business was ¥93.8 billion, down 1.6% year-on-year, and operating income was ¥9.9 billion, down 21.3% year-on-year.

## (2) Lease Business

In leasing operations, the Company strove to increase the number of sales outlets affiliated with major manufacturers and promote the expansion of new merchandise, such as kitchen equipment and air conditioning devices. By launching a sales campaign centering on the leading sales outlets, which are already cooperating with the Company, and some other measures, the Company set the stage for stable growth going forward. As a result of these measures, transaction volume in this segment rose 5.9% year-on-year to ¥53.4 billion. In rental operations, the Company enjoyed growth in sales of LED lighting, serving the demand for energy-efficient solutions; this segment saw transaction volume soar 27.2% year-on-year to ¥3.9 billion. As a result, transaction volume for the entire Lease Business was ¥57.3 billion, up 7.1% year-on-year.

## (3) Finance Business

In the credit guarantee business, the Company newly entered into cooperation with 13 financial institutions resulting in the number of partners reaching the total of 360 companies. As a result of close cooperation in both sales and management with these partners with emphasis on free-loan guaranteed products, guaranteed balance increased 9.1% year-on-year to ¥215.2 billion. In Flat 35, a family of long-term, fixed, low-interest mortgage loans, the Company enjoyed steady growth for transactions in Flat 35 PLUS, a combined loan product for Flat 35 with 100% rollover. Transactions also grew consistently as a result of measures to expand market channels. New lending soared 47.3% year-on-year to ¥29.5 billion, while loan balance jumped 37.7% year-on-year to ¥177.9 billion. Asset Formation Loans, a form of loans for purchase of investment condominiums achieved new lending of ¥9.4 billion in the six months of operation with over 500 loans made. The Company also redoubled its efforts to assure prudent loan management. As a result, operating revenue for the entire Finance Business was 9 billion, up 6.7% year-on-year, and operating income was ¥4.5 billion, up 0.5% year-on-year.

## (4) Real Estate Related Business

Thanks to active sales efforts and a recovery in the real-estate market, Atrium Co., Ltd., a consolidated subsidiary, is advancing steadily and exceeding its planned targets.

## 2. Overview of Ordinary Income and Net Income

Prudent risk management aimed at expanding the portfolio of high-quality credit obligations has enabled the Company to reduce credit cost 26.6% year-on-year to ¥9 billion. At the same time, the Company has made a prior investment to build a solid foundation for future growth. These efforts produced a rise in sales expenses of 2.0% year-on-year to ¥102 billion. Ordinary income was ¥27.3 billion, down 2.2% year-on-year. As a result, quarterly net income was ¥17.6 billion, down 0.2% year-on-year.

(For your reference)

◆Non-consolidated Results for the first half of fiscal 2013

(1)New card application acquired	:	1,770,000	(Up 9.3%)
(2)New cards issued	:	1,280,000	(Up 5.0%)
(3)Total No. of card members	:	24,810,000	(Down 10,000)
(4)Active card members	:	13,960,000	(Up 340,000)
(5)Active ratio	:	56.3%	(Up 1.4%)
(6)Shopping transactions Volume	:	¥1,842.6 billion	(Up 6.7%)
(7)Shopping revolving credit balance	:	¥260.1 billion	(Down 0.5%)
(8)Card advance transaction volume	:	¥130.5 billion	(Up 0.5%)
(9) Card cash advance balance	:	¥224.1 billion	(Down 12.8%)
(10) Operating revenue	:	¥101.2 billion	(Down 0.6%)
(11)Ordinary income	:	¥20.2 billion	(Down 7.1%)
(12)Quarterly Net income	:	¥11.8 billion	(Down10.3%)