

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Credit Saison Co., Ltd. and Consolidated Subsidiaries
As of March 31, 2019

	Note	Millions of yen			Thousands of U.S. dollars
		As of March 31, 2019	As of March 31, 2018	IFRS transition date (As of April 1, 2017)	As of March 31, 2019
Assets					
Cash and cash equivalents	8, 39	¥ 82,642	¥ 73,179	¥ 65,465	\$ 744,460
Trade and other receivables	9, 37, 38, 39	2,393,197	2,154,678	2,012,153	21,558,392
Inventories	10	151,385	137,486	133,180	1,363,710
Operational investment securities	11, 19, 39	39,973	35,957	32,878	360,087
Investment securities	12, 19, 39	91,553	100,179	85,787	824,734
Other financial assets	13, 37, 38, 39	11,916	11,947	9,646	107,344
Property, plant and equipment	14	29,341	30,221	30,798	264,317
Intangible assets	15	219,972	220,609	204,463	1,981,559
Investment property	17	56,683	49,970	42,768	510,613
Investments accounted for using equity method	18	92,752	88,518	81,936	835,536
Deferred tax assets	20	32,148	30,679	38,446	289,603
Other assets		10,897	13,549	8,277	98,167
Total assets		¥ 3,212,465	¥ 2,946,978	¥ 2,745,804	\$ 28,938,527
Liabilities and equity					
Liabilities					
Trade and other payables	21, 38, 39	¥ 314,729	¥ 299,714	¥ 241,308	\$ 2,835,145
Financial guarantee liabilities	39	8,305	7,396	6,465	74,820
Bonds and borrowings	22, 39	2,203,818	1,956,979	1,857,074	19,852,436
Other financial liabilities	23, 38, 39	28,441	20,599	15,171	256,205
Income taxes payable	20	3,120	5,044	9,544	28,107
Provision for point card certificates	24	104,963	101,319	94,033	945,527
Provision for loss on interest repayments	24	17,762	23,114	30,567	160,008
Other provisions	24	1,530	1,147	922	13,789
Deferred tax liabilities	20	1,025	1,013	814	9,233
Other liabilities	26	37,026	39,801	33,013	333,544
Total liabilities		2,720,724	2,456,129	2,288,917	24,508,820
Equity					
Share capital	27	75,929	75,929	75,929	683,986
Capital surplus	27	85,642	85,629	85,630	771,485
Retained earnings	27	360,303	344,291	311,539	3,245,681
Treasury shares	27	(52,881)	(52,880)	(52,879)	(476,363)
Other components of equity	27, 39	22,004	35,913	34,619	198,222
Total equity attributable to owners of parent		490,998	488,883	454,838	4,423,013
Non-controlling interests		743	1,965	2,047	6,693
Total equity		491,741	490,849	456,886	4,429,706
Total liabilities and equity		¥ 3,212,465	¥ 2,946,978	¥ 2,745,804	\$ 28,938,527

CONSOLIDATED STATEMENT OF INCOME

Credit Saison Co., Ltd. and Consolidated Subsidiaries
For the Year Ended March 31, 2019

	Note	Millions of yen		Thousands of U.S. dollars
		FY2018 (April 1, 2018 to March 31, 2019)	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Revenues				
Income from the credit service business	29, 39	¥ 226,250	¥ 221,049	\$ 2,038,111
Income from the lease business	29, 39	12,579	12,860	113,319
Income from the finance business	29, 39	39,231	35,536	353,406
Revenue from the real estate-related business	29, 39	42,098	37,388	379,231
Revenue from the entertainment business	29	50,827	51,272	457,862
Finance income	29, 32, 39	854	223	7,699
Total		371,842	358,331	3,349,629
Of interest income *		107,221	—	965,868
Cost of sales				
For the real estate-related business	30	24,921	23,095	224,494
For the entertainment business	30	42,066	41,984	378,939
Total		66,987	65,080	603,434
Net revenue		304,855	293,250	2,746,194
Selling, general and administrative expenses	31	220,974	214,026	1,990,585
Impairment losses on financial assets	39	34,088	29,456	307,075
Finance costs	32, 39	9,878	9,211	88,983
Share of profit of investments accounted for using equity method	18	7,355	12,306	66,259
Other income	33, 39	4,138	13,434	37,281
Other expenses	33, 39	5,643	13,446	50,841
Profit before tax		45,763	52,850	412,250
Income tax expense	20	16,423	14,463	147,941
Profit		29,340	38,386	264,308
Profit attributable to				
Owners of parent		30,517	38,446	274,906
Non-controlling interests		(1,176)	(59)	(10,597)
Profit		29,340	38,386	264,308
Earnings per share			Yen	U.S. dollars
Basic earnings per share	35	¥ 186.84	¥ 235.39	\$ 1.68
Diluted earnings per share	35	—	—	—

(*) Pursuant to IFRS 9, interest income is calculated using the effective interest method.

RECONCILIATION FROM PROFIT BEFORE TAX TO BUSINESS PROFIT

Credit Saison Co., Ltd. and Consolidated Subsidiaries
For the Year Ended March 31, 2019

	Millions of yen		Thousands of U.S. dollars
	FY2018 (April 1, 2018 to March 31, 2019)	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Profit before tax	¥ 45,763	¥ 52,850	\$ 412,250
Reconciliations (Other income)	—	(8,812)	—
Reconciliations (Other expenses)	5,517	13,277	49,705
Adjustments for the application of the effective interest method to financial assets	951	—	8,569
Subtotal	6,469	4,464	58,274
Business profit	52,233	57,314	470,525

For details on the reconciliation items, please refer to Note "7. Operating Segments."

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Credit Saison Co., Ltd. and Consolidated Subsidiaries
For the Year Ended March 31, 2019

FY2017 (April 1, 2017 to March 31, 2018)	Note	Millions of yen							
		Equity attributable to owners of parent					Total	Non-controlling interests	Total
		Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			
Balance as of April 1, 2017		¥ 75,929	¥ 85,630	¥ 311,539	¥ (52,879)	¥ 34,619	¥ 454,838	¥ 2,047	¥ 456,886
Profit				38,446			38,446	(59)	38,386
Other comprehensive income	34					1,351	1,351	(12)	1,339
Comprehensive income				38,446		1,351	39,798	(72)	39,726
Purchase of treasury shares	27				(1)		(1)		(1)
Disposal of treasury shares	27								
Dividends	28			(5,719)			(5,719)		(5,719)
Transfer from other components of equity to retained earnings	27			57		(57)			
Changes in ownership interest in subsidiaries			(0)	(32)			(32)	(10)	(43)
Total transactions with owners			(0)	(5,693)	(1)	(57)	(5,753)	(10)	(5,764)
Balance as of March 31, 2018		¥ 75,929	¥ 85,629	¥ 344,291	¥ (52,880)	¥ 35,913	¥ 488,883	¥ 1,965	¥ 490,849

FY2018 (April 1, 2018 to March 31, 2019)	Note	Millions of yen							
		Equity attributable to owners of parent					Total	Non-controlling interests	Total
		Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			
Balance as of April 1, 2018		¥ 75,929	¥ 85,629	¥ 344,291	¥ (52,880)	¥ 35,913	¥ 488,883	¥ 1,965	¥ 490,849
Cumulative effect of accounting change	5			(9,148)		(3,343)	(12,491)		(12,491)
Restated balance		75,929	85,629	335,143	(52,880)	32,569	476,391	1,965	478,357
Profit				30,517			30,517	(1,176)	29,340
Other comprehensive income	34					(10,203)	(10,203)	(10)	(10,213)
Comprehensive income				30,517		(10,203)	20,314	(1,186)	19,127
Purchase of treasury shares	27				(0)		(0)		(0)
Disposal of treasury shares	27		(0)		0		0		0
Dividends	28			(5,719)			(5,719)		(5,719)
Transfer from other components of equity to retained earnings	27			362		(362)			
Changes in ownership interest in subsidiaries			13				13	(36)	(23)
Total transactions with owners			12	(5,357)	(0)	(362)	(5,706)	(36)	(5,742)
Balance as of March 31, 2019		¥ 75,929	¥ 85,642	¥ 360,303	¥ (52,881)	¥ 22,004	¥ 490,998	¥ 743	¥ 491,741

	Note	Thousands of U.S. dollars							
		Equity attributable to owners of parent					Total	Non-controlling interests	Total
		Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			
Balance as of April 1, 2018		\$ 683,986	\$ 771,368	\$ 3,101,447	\$ (476,359)	\$ 323,514	\$ 4,403,957	\$ 17,706	\$ 4,421,664
Cumulative effect of accounting change	5			(82,412)		(30,117)	(112,529)		(112,529)
Restated balance		683,986	771,368	3,019,035	(476,359)	293,396	4,291,428	17,706	4,309,134
Profit				274,906			274,906	(10,597)	264,308
Other comprehensive income	34					(91,912)	(91,912)	(90)	(92,003)
Comprehensive income				274,906		(91,912)	182,993	(10,688)	172,305
Purchase of treasury shares	27				(5)		(5)		(5)
Disposal of treasury shares	27		(0)		1		0		0
Dividends	28			(51,521)			(51,521)		(51,521)
Transfer from other components of equity to retained earnings	27			3,261		(3,261)			
Changes in ownership interest in subsidiaries			117				117	(325)	(207)
Total transactions with owners			116	(48,259)	(4)	(3,261)	(51,408)	(325)	(51,733)
Balance as of March 31, 2019		\$ 683,986	\$ 771,485	\$ 3,245,681	\$ (476,363)	\$ 198,222	\$ 4,423,013	\$ 6,693	\$ 4,429,706

CONSOLIDATED STATEMENT OF CASH FLOWS

Credit Saison Co., Ltd. and Consolidated Subsidiaries
For the Year Ended March 31, 2019

	Note	Millions of yen		Thousands of U.S. dollars
		FY2018 (April 1, 2018 to March 31, 2019)	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Cash flows from operating activities				
Profit before tax		¥ 45,763	¥ 52,850	\$ 412,250
Depreciation and amortization		23,660	13,528	213,136
Interest and dividend income		(2,150)	(1,611)	(19,368)
Interest expenses		9,245	8,160	83,286
Share of loss (profit) of investments accounted for using equity method		(7,355)	(12,306)	(66,259)
Loss (gain) on sales of investment securities		—	(8,536)	—
Loss (gain) on valuation of investment securities		1,054	102	9,502
System transfer cost		3,299	12,969	29,721
Decrease (increase) in trade and other receivables		(252,393)	(140,801)	(2,273,606)
Decrease (increase) in inventories		(13,898)	(4,305)	(125,202)
Decrease (increase) in operational investment securities for sale		(1,551)	(3,344)	(13,979)
Increase (decrease) in trade and other payables		18,248	55,813	164,387
Increase (decrease) in provision for point card certificates		3,643	7,286	32,821
Increase (decrease) in provision for loss on interest repayments		(5,352)	(7,453)	(48,211)
Increase (decrease) in financial guarantee liabilities		1,260	930	11,354
Other		(1,831)	6,303	(16,500)
Subtotal		(178,356)	(20,413)	(1,606,667)
Interest and dividends received		4,304	3,223	38,777
Interest paid		(9,325)	(9,137)	(84,006)
Income taxes refund		820	64	7,395
Income taxes paid		(9,882)	(13,759)	(89,024)
Net cash used in operating activities		(192,438)	(40,023)	(1,733,525)
Cash flows from investing activities				
Purchase of investment securities		¥ (5,673)	¥ (11,711)	\$ (51,110)
Proceeds from sales or redemption of investment securities		1,458	14,712	13,139
Purchase of property, plant and equipment, and intangible assets		(27,339)	(37,578)	(246,278)
Proceeds from sale of property, plant and equipment, and intangible assets		33	20	299
Purchase of investment property		(8,028)	(7,531)	(72,325)
Payments for acquisition of subsidiaries		—	(951)	—
Payments for loans receivable		(664)	(1,503)	(5,989)
Collection of loans receivable		27	17	251
Other		(126)	(609)	(1,138)
Net cash used in investing activities		(40,313)	(45,134)	(363,152)
Cash flows from financing activities				
Net increase (decrease) in short-term borrowings	36	¥ (8,000)	¥ 18,000	\$ (72,065)
Net increase (decrease) in commercial papers	36	121,500	31,500	1,094,495
Repayment of securitized borrowings	36	—	(20,000)	—
Proceeds from long-term borrowings	36	115,900	104,700	1,044,050
Repayments of long-term borrowings	36	(55,364)	(69,656)	(498,730)
Proceeds from issuance of bonds	36	94,547	84,694	851,706
Redemption of bonds	36	(20,026)	(50,000)	(180,398)
Repayments of lease obligations	36	(603)	(561)	(5,437)
Payments for acquisition of interests in subsidiaries from non-controlling interests		(23)	(10)	(207)
Proceeds from sale of treasury shares		0	—	0
Payments for purchase of treasury shares		(0)	(1)	(5)
Dividends paid		(5,719)	(5,719)	(51,521)
Net cash provided by financing activities		242,211	92,945	2,181,887
Effect of exchange rate changes on cash and cash equivalents		3	(72)	34
Net increase in cash and cash equivalents		9,462	7,714	85,244
Cash and cash equivalents at beginning of period	8	73,179	65,465	659,215
Cash and cash equivalents at end of period	8	¥ 82,642	¥ 73,179	\$ 744,460