



Credit Saison Co., Ltd.

FY2021 Financial Results Briefing

May 13, 2022

Presentation

Moderator: Hello, everyone. Thank you for taking time out of your busy schedule today to participate in Credit Saison Co., Ltd.'s conference call for the financial results for FY2021. Katsumi Mizuno, Representative, Executive President and COO, and Shingo Baba, Managing Executive Officer CFO, are participating in today's conference call.

Managing Executive Officer Baba will report on the financial results for FY2021 and explain the financial and capital policies for about 10 minutes, and President Mizuno will explain the mid-term management plan for about 20 minutes, followed by a question-and-answer session. The entire briefing is scheduled to last for approximately one hour. The materials for the financial results briefing are available on the financial announcement section under IR Information on our website.

Let's begin. Managing Executive Officer Baba, please go ahead.

Financial Results Digest

- Although the COVID-19 pandemic had an impact, **real estate-related business grew significantly** in response to factors such as the contracture of the previous fiscal year. However, **provision for loss on interest repayment was increased by 13.6 billion yen in consideration for the future**, resulting in increase in revenue and business sales but decrease in final income.
- **In our payment business**, although **performance is recovering** following the impact of measures carried out for preventing the spread of the disease such as shortened business hours and requests to refrain from going out unless necessary, there are certain prospects for diversification such as **solid growth of our finance business and projected expanding income contributions of our global business as 2nd and 3rd pillars**.
- With the added allocation of provision for loss on interest repayments excluded, **actual business income is over 65 billion yen**. **Increased dividends** are planned in light of having achieved the **business income goal for the final year of the previous medium-term management plan, which was 60 billion yen**, and the prospect of **stepping up in this goal for the new medium-term management plan, which raises it to 70 billion yen**.

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Baba: I'm Baba. Thank you. I would like to report on the financial results for FY2021 followed by our forecast for FY2022 and explain our financial and capital policies.

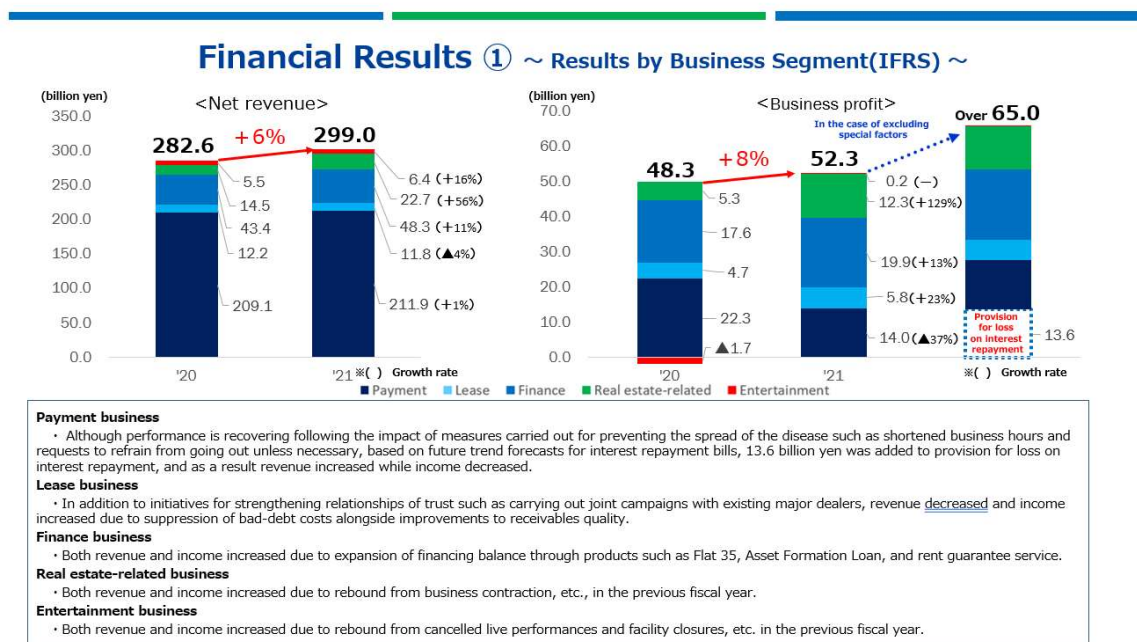
First, on page four, we have a digest of the financial results, which includes three major items.

Regarding the first point, the Company as a whole, and Japan as well, was affected by COVID-19 to a certain extent. However, on the other hand, we have made an additional provision of JPY13.6 billion for losses on interest repayments, in addition to the substantial growth in our real estate-related business. This resulted in an increase in revenue, an increase in business profit, and a decrease in final profit.

In the second point, I will comment on each of the business segments. First, regarding the payments business, while this one is still in the process of recovery from the impact of COVID-19, I think we are gradually seeing some positive signs. The finance business, the second pillar of our business segment, expanded steadily even under the influence of COVID-19. On the other hand, global business as the third pillar. As for this business,

we are now on track to diversify our business to a certain extent, with the prospect of increased profit contribution.

Thirdly, here, in the first part, it says that we have made provision for losses on interest repayment, but excluding this one-time factor, the actual business profit was over JPY65 billion, and the business profit of JPY60 billion, which was the target of the previous medium-term management plan, had been achieved. In addition to this, the business profit target of JPY70 billion in the new medium-term management plan, which will be discussed later by President Mizuno, is a further increase in the profit level. Based on these factors, we plan to increase the dividend. I will comment on this later on page 12.



Next, page five. This is an overview of each segment.

Looking at the overall results, net revenue increased by 6% to JPY299 billion and operating income increased by 8% to JPY52.3 billion. The dark blue area at the bottom of the business profit shows the payment business. In 2021, it is JPY14 billion, which is a 37% decrease from the previous year, but the interest repayment loss reserve of JPY13.6 billion, which I mentioned earlier, has been accumulated on a consolidated basis. If this portion were not included, the total amount of JPY14 billion plus JPY13.6 billion would be JPY27.6 billion, which is a substantial increase in profit in the payment business. Other business segments are also achieving business profit growth.

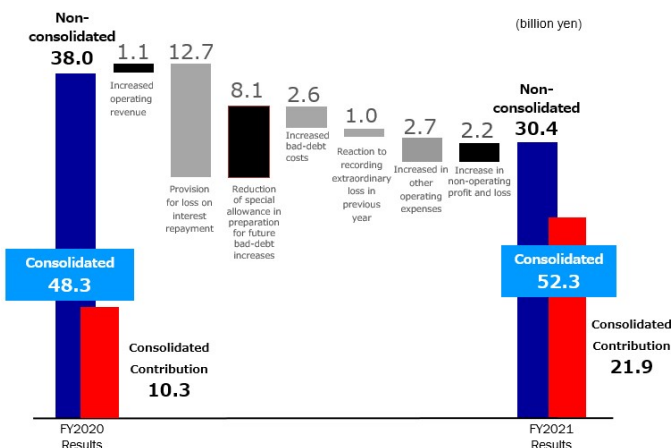
Financial Results ②

~ Main Increases/Decreases in Business Profit & Contribution by consolidated companies(IFRS) ~

※ () =Year-on-year difference

Non-Consolidated Ordinary income	Consolidated Business profit	Difference
¥30.4billion (▲¥7.60billion)	¥52.3billion (+¥3.98billion)	¥21.9billion (+¥11.58billion)

<MAIN INCREASES/DECREASES IN BUSINESS PROFIT>



<Contribution by consolidated companies(IFRS)>

Major consolidated subsidiaries	contribution to business profit
Atrium Group (real estate liquidation business, servicing business)	¥8.66billion (+¥7.00billion)
Saison Fundex Corporation (Loans, real estate, credit guarantees)	¥5.27billion (+¥0.77billion)
Saison Capital Pte. Ltd. (Financing of and investment in overseas startups)	¥1.93billion (+¥2.11billion)
Concerto CO.,LTD. (entertainment business, real estate rental business)	¥1.13billion (+¥0.40billion)
Major equity method affiliates	contribution to business profit
HD SAISON Finance Co., Ltd. (Finance business in Vietnam)	¥1.19billion (▲¥0.12billion)
Saison Information Systems Co., Ltd. (Information processing services)	¥1.13billion (▲¥0.20billion)
Seven CS Card Service CO., LTD. (credit card business)	¥0.93billion (+¥0.02billion)
Takashimaya Financial Partners Co., Ltd. (credit card business)	¥0.83billion (▲¥0.09billion)

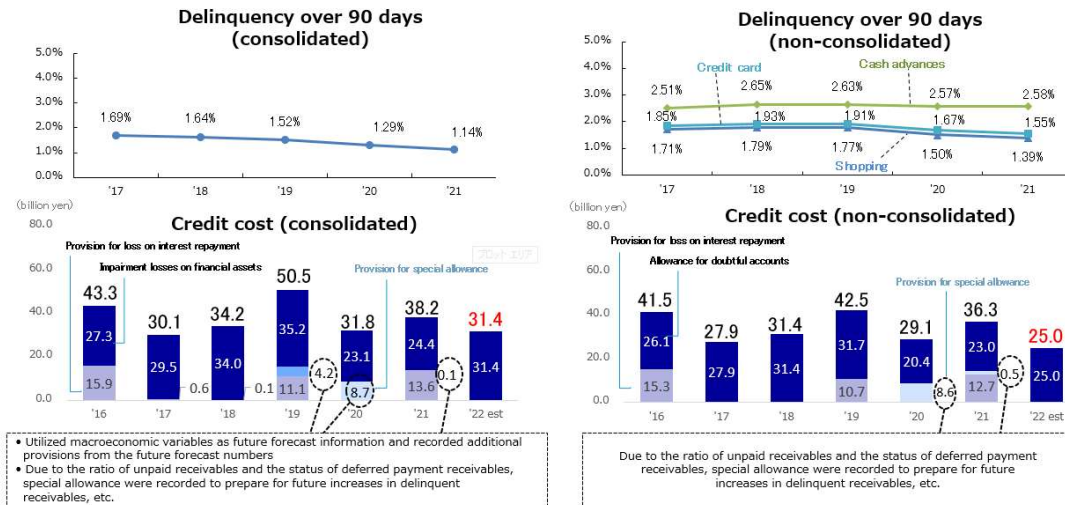
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On page six, here are the main changes in business profit and the contribution of consolidated companies, and in the table above, non-consolidated ordinary income of JPY30.4 billion is listed. The YoY difference was minus JPY7.6 billion, also due to overpayments.

The right-hand side shows the contribution of consolidated subsidiaries and equity-method affiliates, which was JPY21.9 billion, an increase of JPY11.58 billion over the previous year. The table below shows the contributions of consolidated companies. The main consolidated subsidiaries are listed at the top, Atrium Group, with an increase of JPY7 billion, Saison Fundex, with an increase of JPY770 million, and Saison Capital, with an increase of JPY2.11 billion.

Credit Risk

Delinquency over 90 days remained at a low level.
Allocation of additional provision for loss on interest repayment with the future in mind.
(Consolidated: ¥13.6 billion / non-consolidated: ¥12.7 billion)



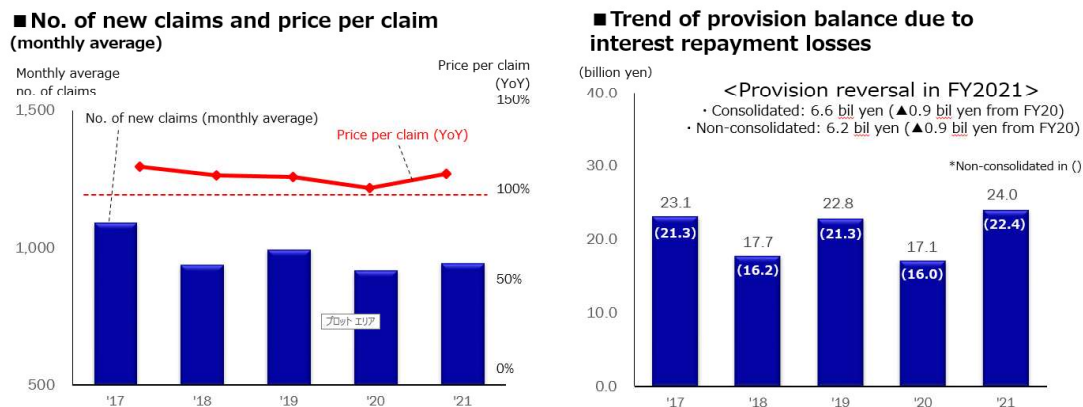
Next, page seven. As for the slide showing credit risk, the percentage of loans delinquent for 90 days or more continues to remain at a low level.

Interest Repayment Claims

The number of new overpayment items and the total amount exceeded levels in the previous year, diverging from the initial forecast.

Similar trends are now expected to continue for the foreseeable future.

Looking ahead to the future, provision for loss on interest repayment has been increased (consolidated: 13.6 billion yen, single year: 12.7 billion yen).



Please move on to page eight. This is the part of the request for interest repayment that I have been talking about from the beginning.

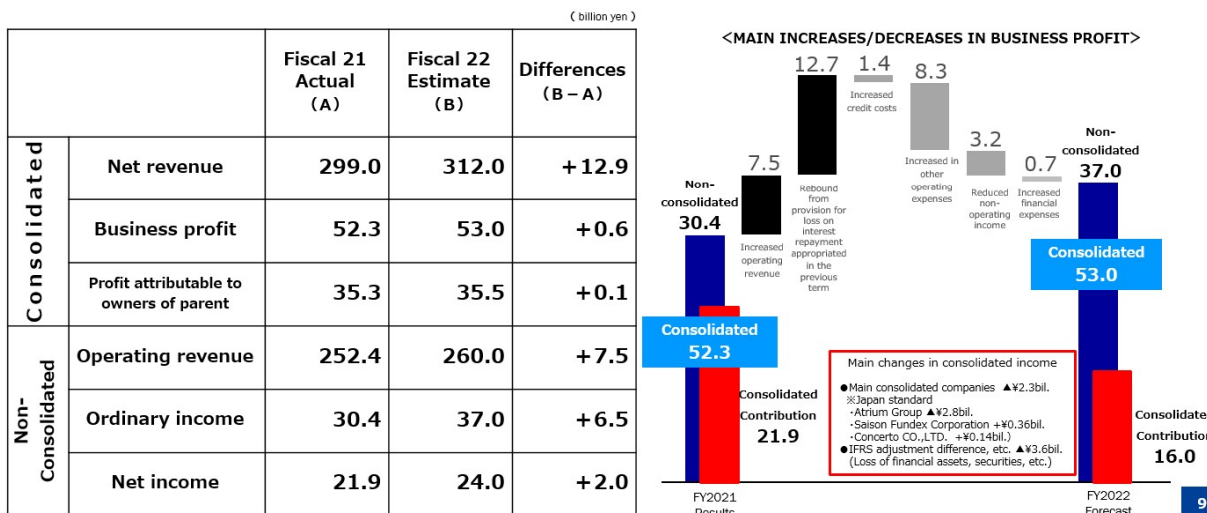
The number of new overpayments received, and the unit cost of processing remained above the previous year's level, so we have added a reserve for this item. Specific reserve figures are JPY13.6 billion on a consolidated basis and JPY12.7 billion on a non-consolidated basis.

As of the end of this fiscal year, the balance of the allowance for losses on interest repayments was JPY24 billion, and the amount of reversal in FY2021 was JPY6.6 billion on a consolidated basis, a difference of JPY900 million from the previous year. Even if this level of reserves were to continue, I think we would have enough reserves for a little less than four years.

I personally believe that this will be the last time we will see something like this significant provision.

Business Results Forecast for FY2022

Increased revenue and income expected for both consolidated and single-year figures.

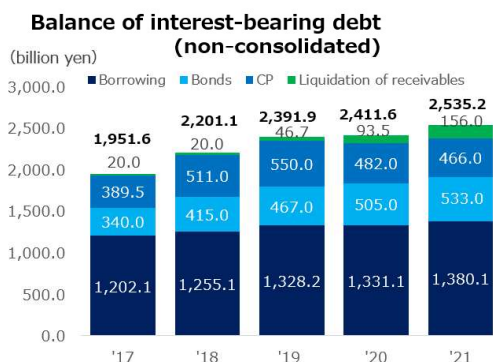


As for the forecast for FY2022 on page nine, both consolidated and non-consolidated sales and profits are expected to increase. You can interpret in that way.

Financial Policy (Structure of Interest-bearing Debt)

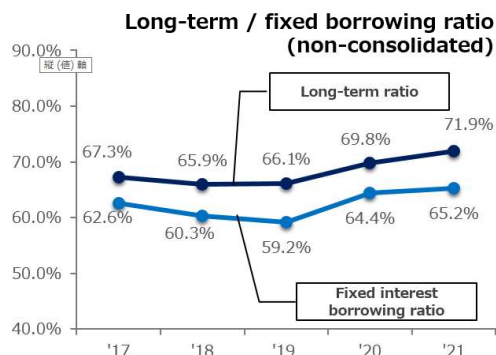
■ About a sound financial base

- Credit Rating ▶ R&I **A+**
- Issuance of **20** years bonds, first in card companies
June 2017 10billion yen, April 2018 15billion yen
April 2019 12billion yen, January 2021 8billion yen
October 2021 13billion yen



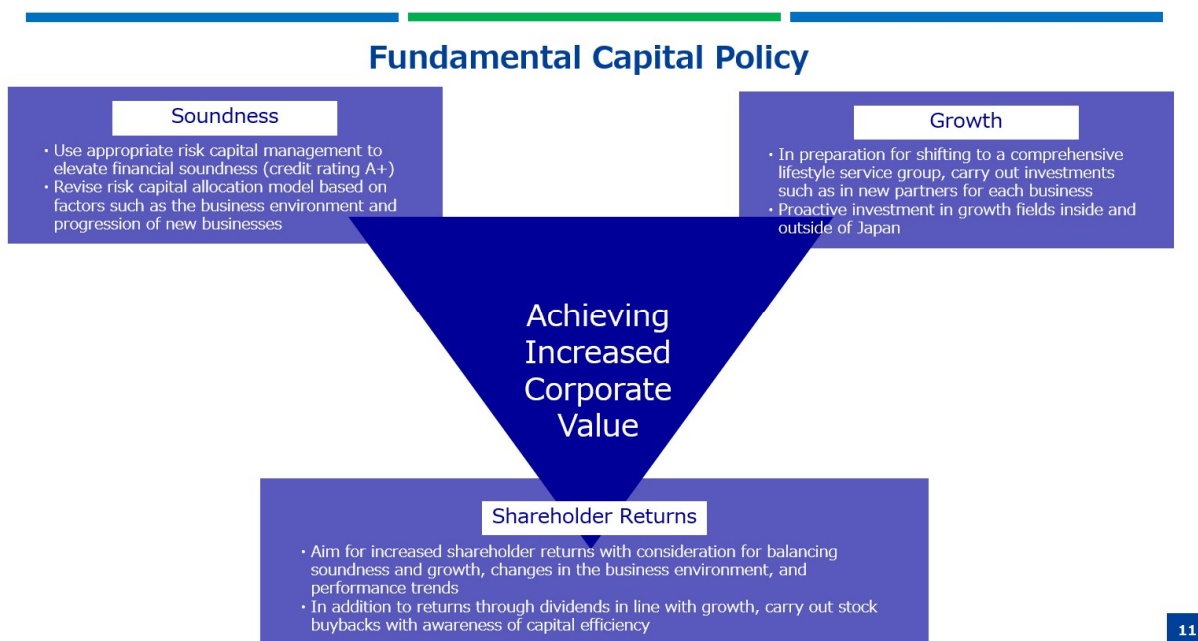
■ Regarding structure of interest-bearing debt

- Almost **70%** of the interest-bearing debt is composed of long-term funds
- Fixed interest rate procurement accounts for about **60%** of the total
- Committed credit line and etc. of **480 billion yen** is secured in terms of liquidity facility



On page 10, we have the financial policy.

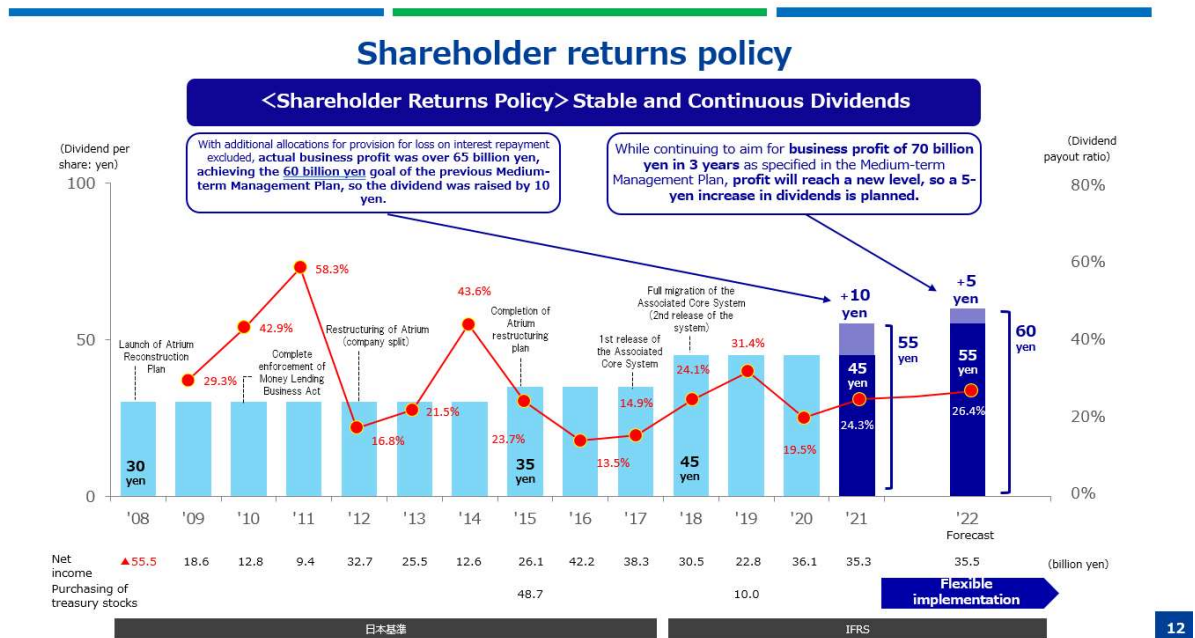
As we continue our efforts to build a sound financial base, the structure of interest-bearing debt on the right shows that long-term funds account for about 70% of our total debt, and fixed-rate debt accounts for about 60%, and we have a commitment line of JPY480 billion as a liquidity supplement. We are in a situation where interest rates are gradually rising at FRB, ECB, excluding Japan, and in emerging countries. We would like to further build a sound financial base.



Next, page 11. This is a new slide showing our basic capital policy. We will strive to achieve a balance of three items between soundness, growth, and shareholder returns in order to enhance our corporate value.

I would like to add a couple of points that have changed from our previous policy. First of all, we will continue to implement risk capital management for the soundness of our business, but we received many inquiries about the risk capital allocation model in the last IR meeting. We would like to make an appropriate review to respond to the current business environment and our ongoing efforts to expand into new businesses.

Next, with respect to shareholder returns, in addition to returning profits to shareholders through dividends in line with growth, we intend to flexibly implement share repurchases with an awareness of capital efficiency.



Regarding the shareholder return policy on page 12, we intend to continue to pay stable and continuous dividends as in the past.

On the other hand, as I mentioned at the outset, we would like to propose a JPY10 dividend increase at next month's annual shareholders' meeting. As I mentioned at the beginning of this presentation, there were areas where we could have achieved the JPY60 billion target of the previous medium-term management plan without transitory factors, so we would like to propose a JPY10 increase in the dividend to JPY55. In addition to this, as for the dividend forecast for next year, President Mizuno will explain the figures and other specifics of the new medium-term management plan later, but as we aim for the figure of JPY70 billion, we are considering a further increase in the level of profits to date, so we are considering a JPY5 dividend increase to JPY60. As a result, we plan to increase the dividend by JPY5 per share, to JPY60 per share.

That's all from me. Thank you very much.

Moderator: Thank you. Now, the medium-term management plan will be explained. President Mizuno, please begin.

Medium-term Management Vision

『Transforming into a Comprehensive Lifestyle Services Group』

~Achieving Customer Success through the Fusion of Real Life and Digital Technology~

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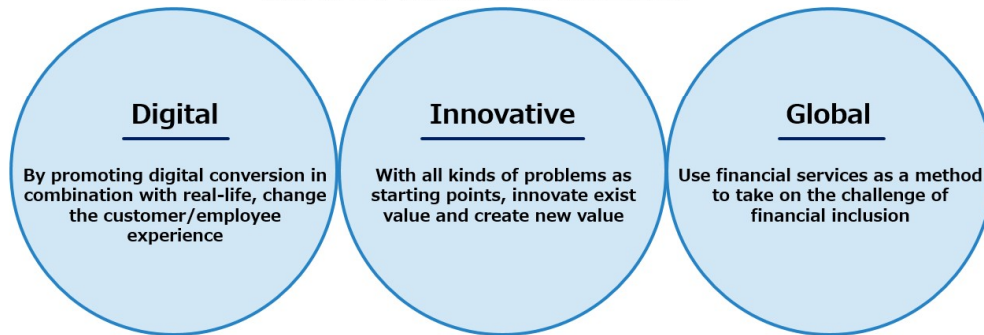
Mizuno: This is Mizuno. Thank you. In formulating our new medium-term management plan, we have also redefined our medium-term management vision. Our medium-term management vision is to transform into a comprehensive lifestyle service group.

This is a continuation of the philosophy of the former Saison Group and is based on the integrated lifestyle industry originally proposed by Seiji Tsutsumi, the founder of the Saison Group. The Saison Group, at that time, had the idea of pushing forward a distribution revolution by expanding its business in all areas related to daily life, while foreseeing new consumer needs and leading consumer activities and culture.

Naturally, Credit Saison, as part of the Saison Group's financial arm, has also democratized credit cards. Credit cards used to be a payment tool for publicly traded companies, but they have a history of attracting young people and women, customers who had not been included in the so-called credit creation process before. We have also been quick to introduce innovative measures such as instant credit, issuance and use of credit, and signatureless transactions. In our medium-term management vision, we have set out how we will compete in 2020 and beyond, and we have stated in our medium-term management vision that we will transform ourselves into a lifestyle service company that provides solutions to all kinds of problems, with financial services as our core.

Core Concepts

Continue with the three concepts up until now, accelerating their penetration and drive within each business.



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As I have mentioned in various places since last year, we would like to promote the three key concepts of digital, innovative, and global in order to achieve our mid-term management vision. I have been talking about this in various places since last fiscal year.

As for Digital, I will talk about the details later, but first of all, we have obtained DX human resources, and in the last fiscal year, DX has progressed much further than expected.

In the Innovative area, in addition to the revision and abolition of services, we have introduced Saison Card Digital, which was launched the year before last, as a core product that combines digital technology and innovation. We would like to further promote these products.

As for global, each country has its own COVID-19 situation, and there are different shades of gray, but as Baba mentioned earlier, the business base has become quite solid, and we are considering how to further drive it forward.

Growth Strategy Framework

- ① **Establishment of the “Saison Partner Economic Zone” and reinforcement of business coordination among the Group**
- ② **Revitalization of payment business**
- ③ **Promotion of healthy growth and expansion into new fields for finance business**
- ④ **Acceleration of global business expansion**

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The second is the growth strategy/strengthening of the management base.

As for the framework of the growth strategy, number one is to establish the Saison partner economic zone and strengthen business collaboration among the group companies. While each company is making various efforts to establish its own economic zone, we have many existing business partners. However, in addition to our existing business partners as a non-bank with a strong presence in the payment, finance, and real estate-related financial businesses, we would like to pursue synergies with other group companies. We would like to expand our share of corporate transactions with our 36 million customers through our group cooperation.

The second is the revitalization of the payments business. We would like to reengage in the revitalization of the payments business in a way that maximizes the use of the main card, the BtoB market, and the AMEX brand. In particular, we would like to introduce new products while aiming to maximize LTV for a single customer.

Third, healthy growth in the finance business. Although the market conditions may be very favorable now, we would like to invite the wealthy customers at our company, or the customers with high affinity such as attracting the wealthy customers among the business partners who are in the partner economic zone I mentioned earlier. We would like to take advantage of the affiliated network around real estate. In addition, we will continue to implement asset control measures while keeping an eye on market conditions.

The fourth is the global business. In terms of our global business, we have three major countries: India, Vietnam, and Indonesia, where we are engaged in the lending business, and in Vietnam, where we are also engaged in the credit card business. We would like to capture the fast-growing consumer spending in Asia. Furthermore, we are planning to establish an IHQ (International Headquarter) in Singapore this year, which will enable us to make decisions with a sense of speed.

In Singapore, we have also taken on the CVC and Impact businesses, and I believe that we have been able to expand our team at a fairly rapid pace in the COVID-19 crisis. With regard to investment targets, we would like to aim for worldwide expansion, regardless of whether it is in Asia or India. In particular, we are not alone

in our knowledge of new areas, such as Web 3.0, but we are seeing a variety of events taking place around the world. We would like to continue our activities to provide feedback to the Japanese business while utilizing the CVC function.

Approach Policy for Target Customer Demographics

Individuals

In addition to stable income in the medium-term, individuals should secure a long-term source of income and think of the important demographics in terms of how to leverage existing customers and brand power with awareness for future customer acquisition.

Target	Approach
Elderly segment	Senior-marketed services not limited to payments
Affluent segment	Provision of value multiplied by brand power
Female segment	Usage ranging from everyday life to active situations
Generation Z segment	Customer success experience targeting long-term LTV formation

SME[※] / Corporations

In comparison to individuals, there is much more room for cashless transaction growth in the BtoB market. In order to secure a share, utilize existing channels and AMEX products while continuing to create corporation-marketed solutions.

Target	Approach
SME	Raise awareness among SME by introducing cards with no annual fee. Devote resources to platinum cards as the core business card products.
Corporations	Expand sales and carry out new product development for non-card products.

※SME: Small and Medium Enterprise

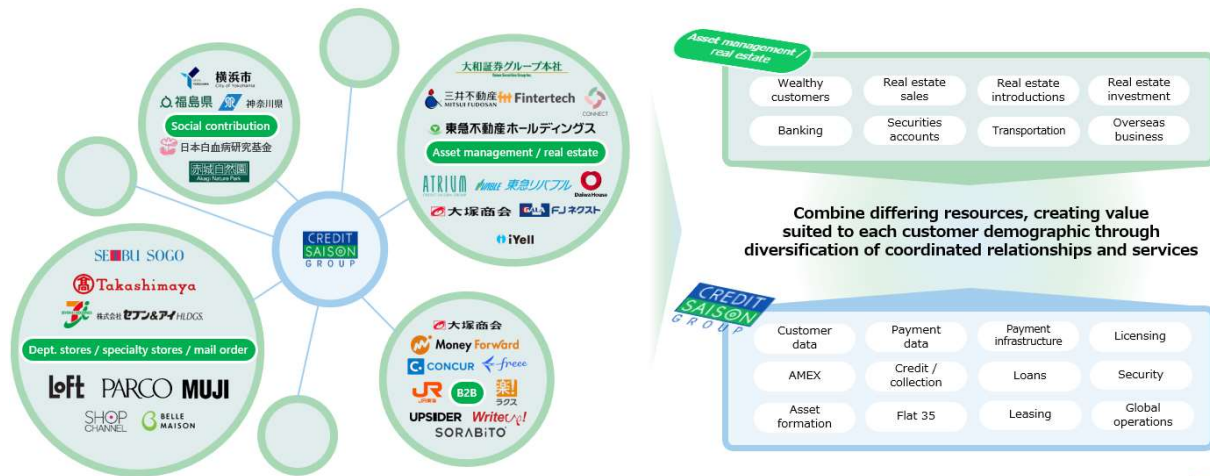
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The next page shows our domestic target groups, customer profiles, and approach policies.

First, for individuals, in addition to securing profit in the medium to long term, how do we secure long-term profit? In the credit card business, in particular, our products have been in use for nearly 50 years, according to statistics. We would like to develop our products with a focus on seniors, the wealthy, women, and Generation Z.

On the other hand, in the area of payments, regarding the SME/corporate sector, which is still in the blue ocean, cashless has been the focus of much attention in the newspapers in recent years, and we would like to take advantage of the AMEX brand in this area as well.

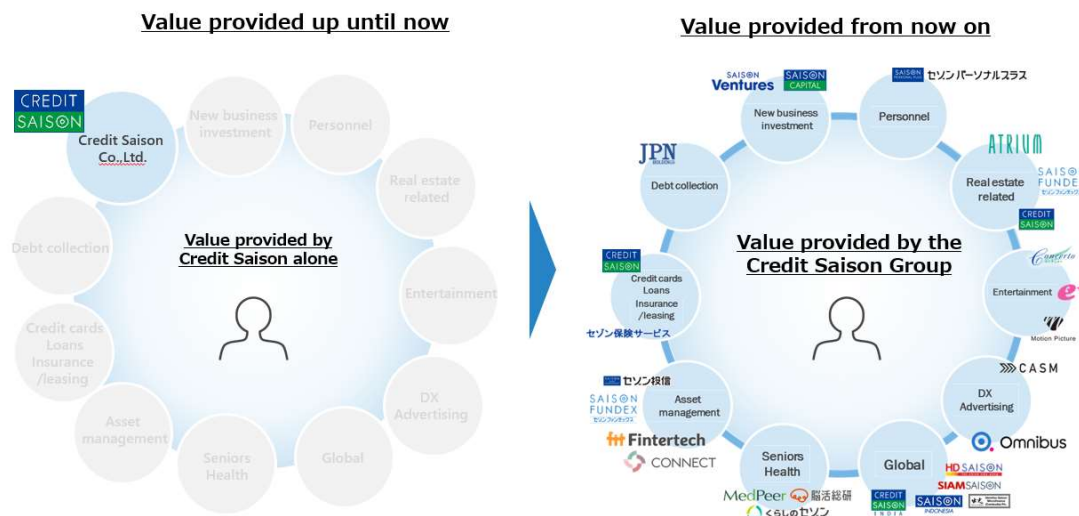
Growth Strategy① Establishment of the “Saison Partner Economic Zone” and reinforcement of business coordination among the Group



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The next page is about the establishment of the Saison partner economic zone, and we have about 36 million customers as customer assets. In order to make effective use of these customers, we would like to actively promote the utilization of these customers not only by ourselves, but also by each of the companies that we have partnered with. We intend to actively promote the provision of services to these customers, including the development of new products such as asset management and real estate, as well as payments.

Provision of Comprehensive Value Through Enhanced Business Coordination Within the Group















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As you will see on the next page, each group company has been managed in an independent manner until now.

Creating Value Through Synergy of Group Companies and Different Internal Businesses			
	Synergy of Group Companies	Synergy of Different Internal Businesses	
Combination			
Services Provided	<p>開始済</p> <p>Media that delivers information related to daily life for people in their 50s and older, with a focus on the categories of "money," "health," and "family."</p>	<p>開始済</p> <p>Proposing a richer lifestyle through card shopping and asset creation.</p>	<p>開始済</p> <p>By paying their monthly rent with a Saison Card, users can earn points that can be used for payments such as rent and security deposits with this service.</p>

Growth Strategy② Revitalization of payment business – AMEX Strategy

Creating a new model with “AMEX Strategy” that aims to establish the new image and products of cards with higher status called SAISON AMEX and “New GOLD Card Strategy” that promotes their usage as main cards at the core.

個人	SME	New GOLD Card Strategy
<p>PLATINUM AMEX</p>  <p>GOLD AMEX</p>  <p>ROSE GOLD AMEX</p>  <p>BLUE AMEX</p>  <p>PEARL AMEX</p> 	<p>BUSINESS Pro AMEX</p>  <p>PLATINUM BUSINESS AMEX</p>  <p>COBALT BUSINESS AMEX</p> 	<p>GOLD or above</p>  <p>New GOLD</p>  <p>GOLD AMEX</p> <p>Invitation</p>  <p>Partner</p>  <p>Proper / Concept</p>

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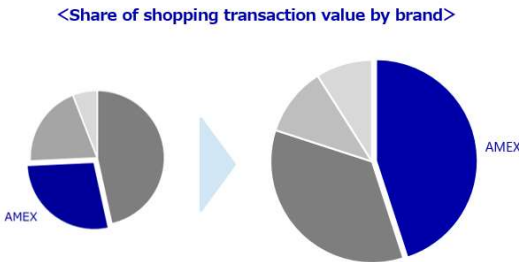
In particular, we would like to make effective use of AMEX as a brand. While aiming to establish the image of SAISON AMEX, a card of a higher rank, and its products, we would like to introduce additional gold cards to promote our main card.

For individuals, SMEs, and high-net-worth customers, we will focus on AMEX, plus the new GOLD strategy to increase LTV.

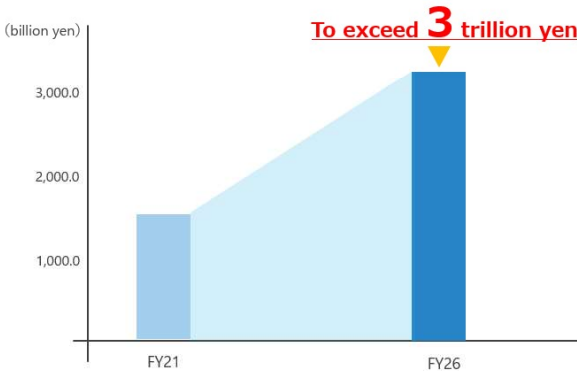
Promote AMEX strategy, aiming for total shopping transaction value of 3 trillion yen for Credit Saison's proprietary AMEX brand

Share of the Company's shopping transaction value by brand

AMEX brand became **NO.1** in monthly transaction volume
Promote penetration of "SAISON=AMEX"
as people's perception of the brand



Planned transaction volume for Credit Saison AMEX brand shopping



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As you can see on the next page, we have been affiliated with AMEX for about 25 years. In fact, since the beginning of this fiscal year, the AMEX brand has become the number one brand among other international brands in terms of our transaction volume. Since this is a monthly transaction, if we translate it into a yearly basis, AMEX will probably be the number one brand from this fiscal year. We are now striving to acquire new members and revitalize usage with the aim of exceeding JPY3 trillion in transaction volume by FY2026.

Growth Strategy② Revitalization of payment business – New GOLD Card Strategy

Future development that “New Royalty Service” was added to our strength, wide-ranging alliances



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The next page is the new GOLD card strategy. To date, one of our strengths has been our wide range of alliances that have taken a variety of clients, especially retail facilities. We would like to embody this higher-level concept in the form of a loyalty program in the form of a GOLD Card.

Promote cards to be used as a main card with the new royalty service “New GOLD Card”

The future of Credit Saison

Combining the special feeling of gold + benefits that make you want to use it day-to-day to create a product customers will choose for their main card.

SAISON GOLD Premium



First card in Japan to use
“METALSURFACE CARD™”
materials

Main benefits

- 1,000 yen movie tickets (tax included)
- Maximum 5% refunds on convenience store and café purchases
- Abundant travel support such as airport lounge services and travel accident insurance
- Point rates double when used for 500,000 yen or more in purchases per year

※Note: Services content is subject to change.

[Reference] Achievements of enrollment measures of GOLD AMEX card with annual fee discounts for good customers

Customer spending increase **+65%**
compared to standard membership



General Card

GOLD Card

Credit Saison up until now

Invitation = Making customers feel special

Approach wide-ranging customer demographics through various alliances

Concept Card



Proper Card



Partner Card



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We are planning to release the new GOLD Card this summer, with the concept of making it the main card of choice for customers with benefits that make them want to use it every day, and we would like to offer special benefits, including free of charge, to our best customers.

Growth Strategy② Revitalization of payment business

– Expansion of Business in the BtoB Field

Invest in the BtoB field with a focus on “non-card payment,” “SME channel strengthening,” and “enhancement of customer communication” themes, striving for expanded market share.

Product	Channel	Sales
<p>[Entry into the non-card payment field]</p>  <p>Business card and commercial product cross-sales</p>	<p>[Expansion of alliance businesses and strengthening of coordination]</p>  <p>Expansion of sales channels through alliance businesses</p>	<p>[Enhancement of customer communication]</p>  <ul style="list-style-type: none"> • Inside SalesTeams strengthening • CustomerSuccess strengthening • WEB, Marketing strengthening

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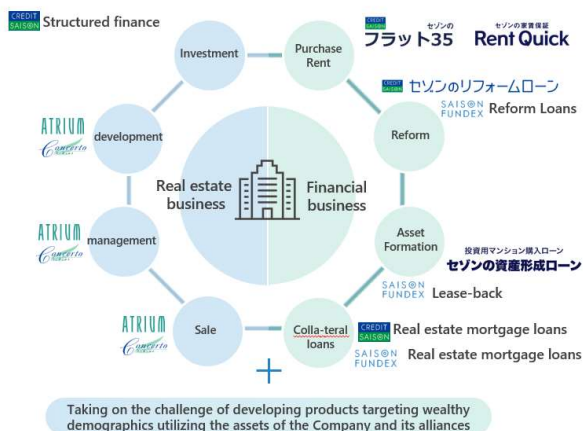
Please move on to the next page. This is about the business expansion in the BtoB area within the revitalization of the payment business.

In the previous fiscal year, we made major changes to our structure, including our nationwide sales force, from a traditional individual sales structure to a corporate sales structure. In order to capture the BtoB market, we have built up a system in the previous fiscal year that allows us to significantly increase our human resources, and we intend to further drive this effort forward.

As for products, as I mentioned earlier, we are focusing on AMEX, but there are many SaaS companies and Fintech companies that are entering the BtoB payment market. We would like to work with such companies to capture the BtoB payment market.

Growth Strategy③ Promotion of healthy growth and expansion into new fields for finance business

Using division of roles which leverages the strengths of Group companies with real estate related businesses, cover the market.Active promotion of a balance of “opportunity” and “risk” in real estate financing



5 Major Layers of Structural Reform

- 1 Improving investment efficiency:**
Taking on the challenge of selling asset formation loans bonds and launching business targeting wealthy demographics
- 2 Strengthening corporate sales ability:**
Sales promotion at over 300,000 lessees
- 3 Strengthening structured finance**
- 4 Promoting digital transformation:**
Reduced costs and improved productivity
- 5 Developing new products targeting wealthy demographics:**
Initiatives based around real estate investment

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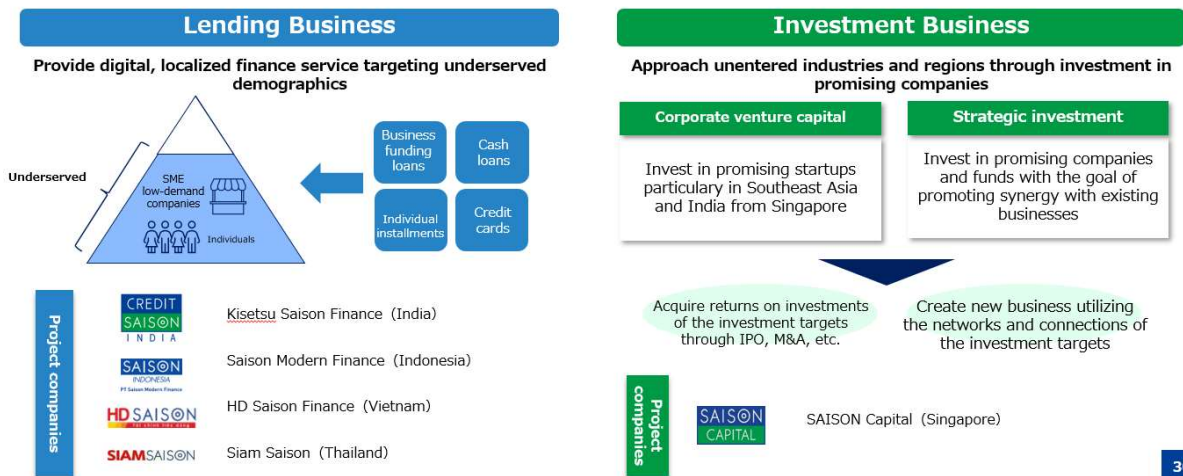
Please move on to the next page. This is about the healthy growth of the finance business. In particular, as I have already mentioned, market conditions are very favorable, but we will not rest on our laurels and will continue to work hard to improve asset efficiency.

In the area of asset control, we are currently planning the sale of asset-building loans and the development of new product channels and products for high-net-worth individuals. In addition, we would like to create a system that enables low-cost, diversified business development through structured finance and the promotion of DX.

However, we will continue to develop our business while paying sufficient attention to the risks involved, and we will further strengthen cooperation with our group companies, such as Atrium, Concerto, and Saison Fundex, in order to achieve sound growth in the finance business for the Group as a whole.

Growth Strategy④ Acceleration of global business expansion

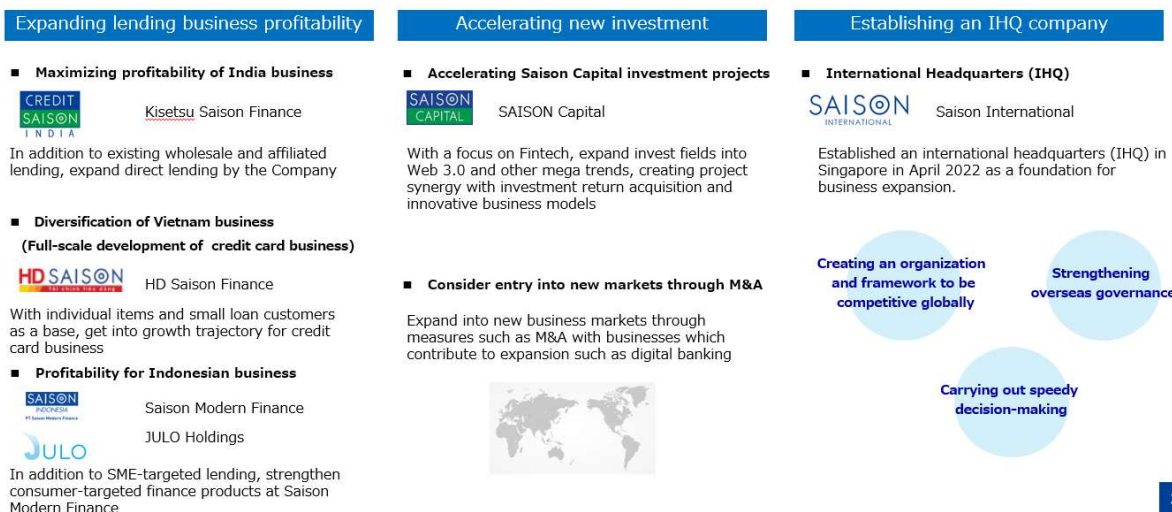
Aim to achieve financial inclusion through lending business targeting underserved demographics, with investment projects for promising startups all over the world as the core



Let's move onto the next page. In terms of accelerating the development of our global business, we are targeting two customer segments overseas, in addition to the domestic customer segment that I mentioned earlier. One is a lending business for the underserved, those customers who do not have bank accounts. The other is for SME. We would like to expand our lending business to those who are engaged in so-called mom-and-pop stores, which are more like micro-SMEs than Japanese SMEs.

On the other hand, as I mentioned earlier, we would also like to promote investment investments, which means aggressive investments in promising startups around the world. As for rapidly growing Fintech companies, as we recently announced in a press release, we would like to consider M&A of companies such as JULO in Indonesia, which is expected to grow significantly in the future.

In addition to promoting profitability through proactive investment in core business, Credit Saison established an international headquarters (IHQ) in Singapore as a foundation for supporting business expansion, creating an organization and framework for competitive global operations.



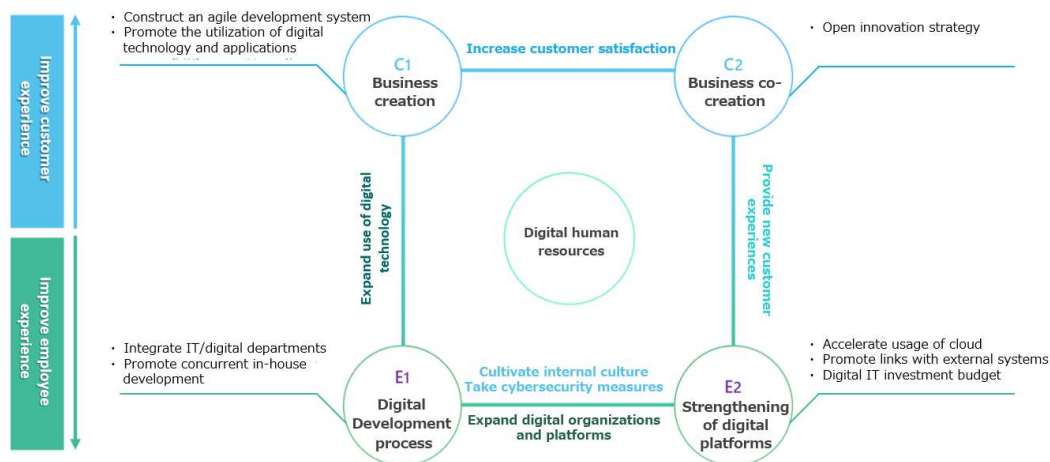
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If you go to the next page, you will see the expansion of earnings from the lending business and the acceleration of new investments and loans.

As I mentioned earlier, we would like to actively invest in the Web 3.0 area in our CVC business. In particular, we believe that new technologies such as DeFi and NFTs will probably grow more rapidly in Asia, North America, and Europe than in the Japanese market, partly due to regulatory requirements. We would like to develop these areas at a fast pace, while making good use of CVC in Singapore to gather information and determine the details of investments and loans.

Reinforcement of Business Foundation① Digital Strategy 「CSDX」

Digital Transformation (DX) to Improve CX (Customer Experience) and EX (Employee Experience)
Constructing a dynamic development framework through area division insourcing using bimodal strategy and increased numbers of employees with digital expertise



32

Let's move onto the next page. As for the digital strategy, as explained by Mr. Ono, our senior managing director, in September last year, we feel that the digital strategy is progressing much better than expected. In FY2021, in terms of human resources and business, especially in the areas of improving EX and creating an effortless environment for employees, I feel that in-house system development has become a part of our operations, or rather, we have become more grounded in the development of systems. In the new mid-term plan, in addition to securing human resources, we would like to accelerate the development of human resources within the Company.

On the other hand, we would like to develop a bimodal strategy, in which the system that handles safe and secure settlements will be developed under the same solid structure as before, with a fairly rigid development program, while on the other hand, we would like to strengthen both sides of the system, such as an agile development system aimed at improving CX. We believe that this part of the strategy will produce significant results in the next one or two years, so we consider this part of the strategy to be a major foundation supporting the mid-term plan.

Reinforcement of Business Foundation② Branding strategy

By raising customer recollection rates, promote mutual use of Group company services among customers



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Let's move on to the next page. This is a branding strategy.

At the beginning of this presentation, I mentioned that we are returning to the philosophy of the former Saison Group, and in terms of branding, we have been developing a strategy of alliances that remind people of Saison in a sub-brand way. However, we would like to place the Saison brand at the forefront of our branding once again. I would like to see the Saison branding in such a way that it will be noticed everywhere, not only by our company but also by the Group as a whole, in cooperation with each group company under the concept of Saison marketing.

Reinforcement of Business Foundation③

Strengthen Personnel capability to Support Business Growth

Implement personnel system revision and in-house recruitment measures such as professionalization of employees

Professionalization of employees

Promote mid-career hiring and re-skilling to achieve the desired personnel portfolio with strengths in “digital” (DX, web marketing, data science) and “corporate finance”



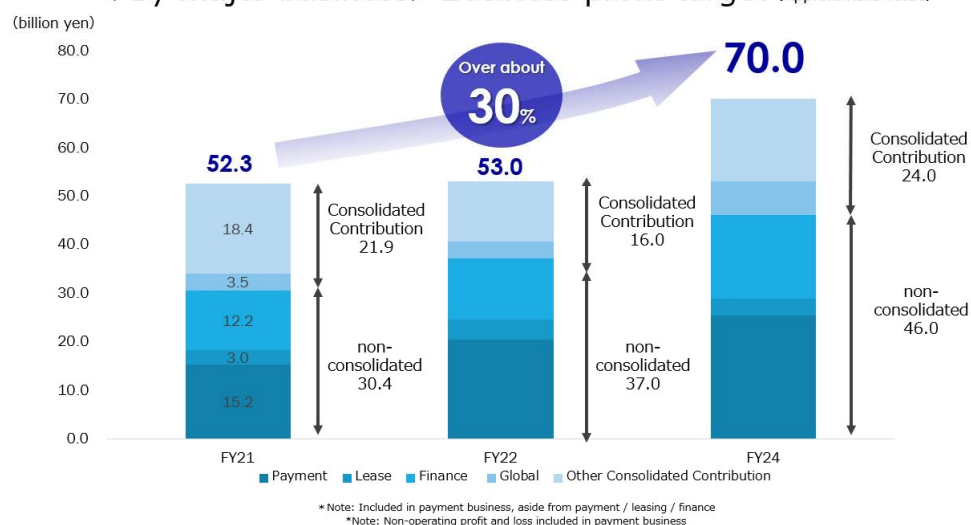
34

Let's move on to the next page. In order to strengthen our management foundation, we will continue to strengthen our human resources, especially our professional human resources. In this regard, we will implement personnel measures such as revision of the personnel system and internal recruitment, etc., but in practice, we will also seek outside personnel, such as data scientists, web marketing professionals, DX professionals, etc., in cooperation with each business unit. In addition to securing human resources, we would like to promote employee learning, including reskilling.

In particular, in promoting DX, we are currently promoting structural reforms in operations, and we would like to create professional human resources for operations in a way that other companies do not have. We believe that this will allow us to aim for something like a new processing contract.

Business profit target

< By major business > Business profit target (Approximate value)



36

These are our business strategies and growth strategies, and now we will move on to our numerical targets.

As Baba mentioned earlier, our business profit target for this fiscal year is JPY52.3 billion, and we are aiming for a business profit of JPY70 billion in FY2024.

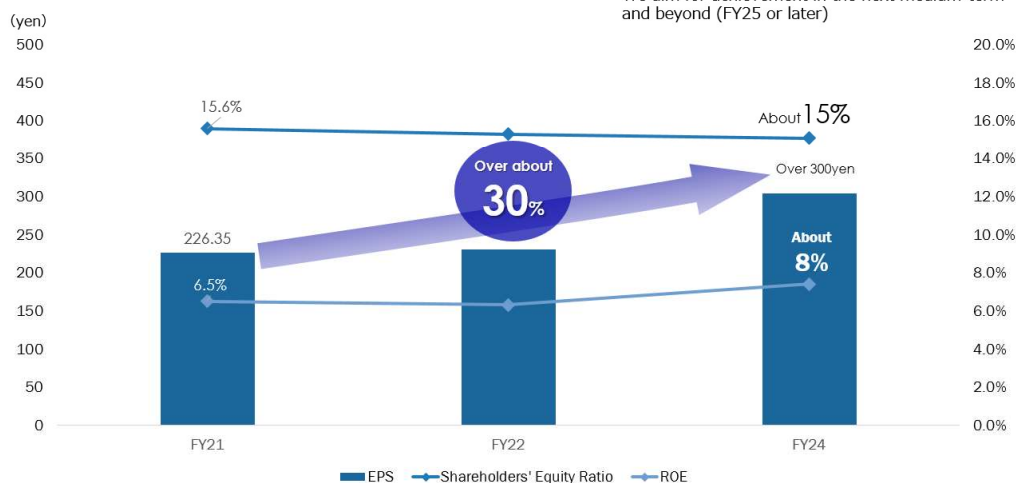
The current fiscal year is the first year of our JPY70 billion goal, so we will be investing costs in a very up-front manner. However, we believe that this is a necessary up-front investment in charting a growth trajectory, and we will be aggressive in making this investment, although we will have to control this aspect of the investment.

Main Indices of Management indicators

(Medium- to long-term management goals)

Shareholders' Equity Ratio : About 15% → Progression following indicators

ROE : Over 10% → The goal in this medium-term (up to FY24) is around 8%
 We aim for achievement in the next medium-term and beyond (FY25 or later)



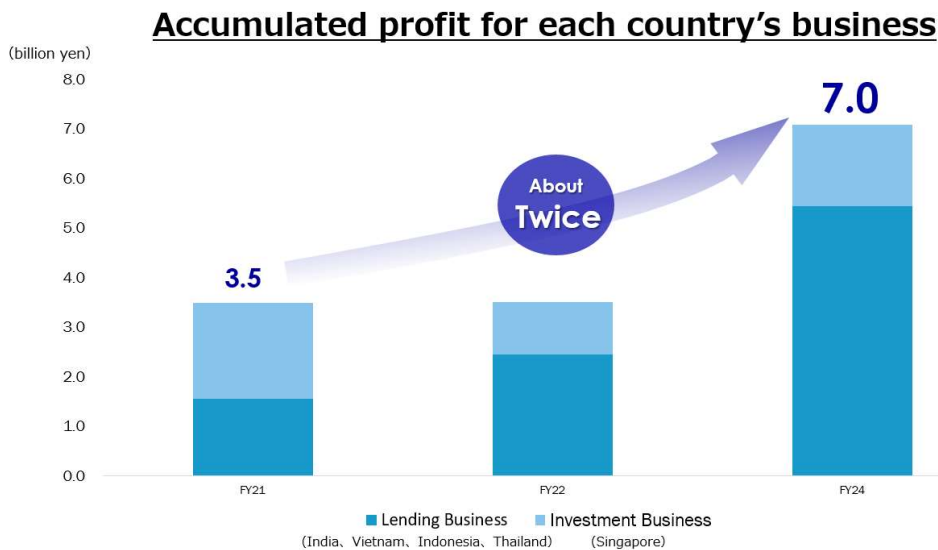
37

Let's move on to the next page. These are key management indicators.

As for the equity ratio, it is about 15%. This is progress as per [merkmal].

Our ROE target for the current medium term is around 8%, and we are aiming for more than 10% in the next mid-term plan and thereafter. Although we are making progress in this area, we will continue to manage our business with these management indicators in mind.

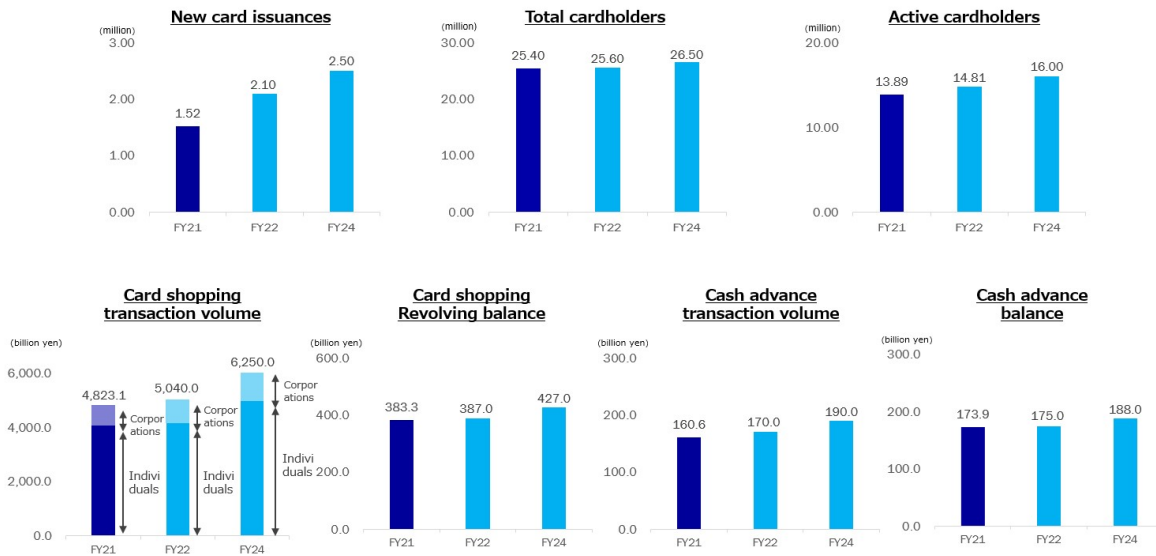
Global business Business profit target



38

Let's move on to the next page. In terms of our global business profit target, we are aiming to double our global business profit of approximately JPY3.5 billion in FY2021. We are aiming to double the size of the project to approximately JPY7 billion in FY2024.

Main Indices of Payment Business

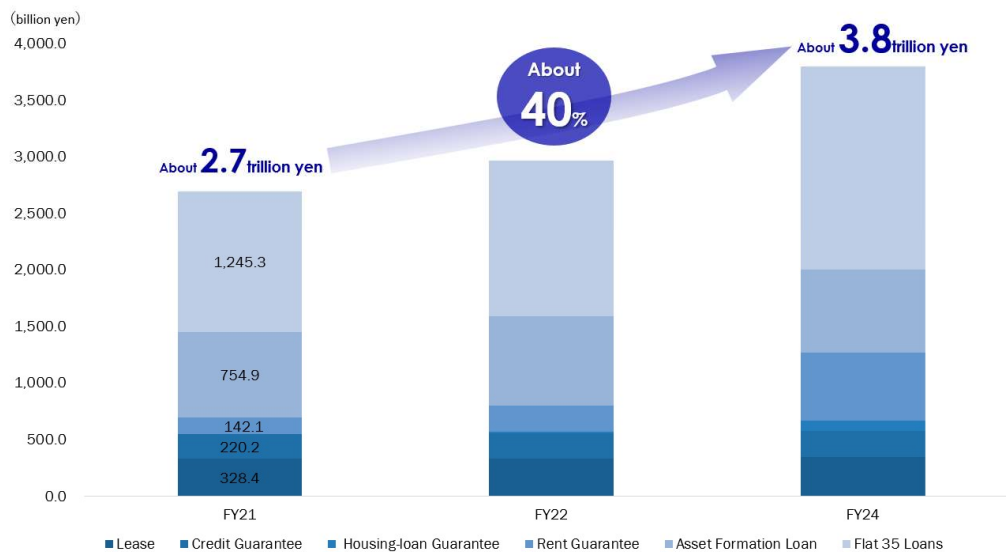


39

The next page shows key indicators for the payment business.

As you will read in the following pages, we are aiming to achieve a steady increase in all indicators, especially in new issues, shopping transaction volume, shopping revolving credit, and cash advances, in order to return to a growth trajectory. This will depend on the success or failure of the business development mentioned earlier, but we believe that these figures are achievable.

Lease / Finance Related business Product balance Target

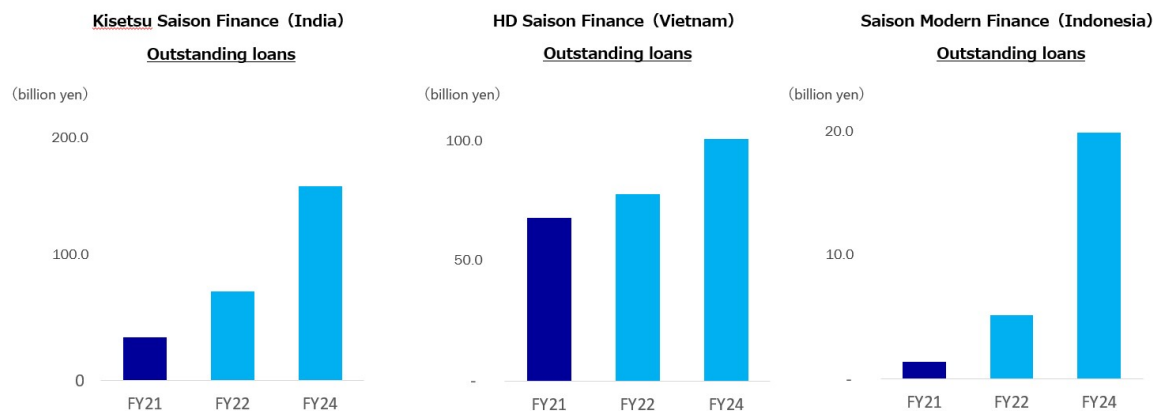


40

The next page, page 40, is the product balance target for lease/finance-related business.

The balance at the end of FY2021 is JPY2.7 trillion, and we are aiming for a balance of approximately JPY3.8 trillion, based on a growth rate of 40%.

Main Indices of Global business



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Next, let us look at the key indicators of our global business.

The projects being undertaken in each country differ slightly, so there are some shades of gray, but for India, the outstanding loan balance was about JPY30 billion in FY2021, and we are aiming for a five-fold growth by FY2024.

As for HD SAISON in Vietnam, we are planning to steadily increase the balance of loans outstanding to JPY100 billion in FY2024.

With regard to Indonesia, as mentioned earlier with regard to JULO, we are currently changing the overall business structure, and we are aiming for a balance of JPY20 billion by FY2024.



Basic approach to Sustainability

Based on our “leading-edge service company” management philosophy, we contribute through the everyday operation of our businesses to resolving problems and move society forward in ways only Credit Saison can by leveraging our unique knowhow, management resources, and the experiences of each of our employees. We will create a sustainable society that is even more convenient and prosperous than today’s.



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The next item is sustainability-related information.

Our basic approach to sustainability is based on our management philosophy of being a service-oriented company. Our basic philosophy is to create a more prosperous and sustainable society by contributing to social development and problem solving through our daily operations and business.



Report on the activities of the Sustainability Promotion Committee

Structure of Sustainability Promotion Committee



- Strengthened global warming countermeasure initiatives such as endorsement of TCFD recommendations
- Information disclosure handling in accordance with TCFD recommendations

- Promoting diversity, equity, and inclusion to achieve “a company that provides comfortable and worthwhile work” in which all employees can utilize their abilities to maximum potential

<First Endorsement of the “EARTH HOUR 2022” Environmental Enlightenment Event Hosted by WWF>

- Participated in “60 traveling pandas” (event awareness activity)
Regular release of information on the official social media accounts (period: approximately 1 month)
- In addition to environmental conservation initiatives carried out up until now such as operating Akagi Nature Park and making donations with WWF cards, Credit Saison aims to build awareness of global environmental problems among diverse stakeholders through participation in social educational activities



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If you go to the next page, you will see that we established the sustainability promotion committee in September of last year, and I am the head of this committee.

In the past year, we have been working with WWF and its affiliated cards, as well as with the committee as a whole, on initiatives for decarbonization and various surveys to gain support for the TCFD for six months. We had been working on such things since before the sustainability committee was formed.

environment

Compliance with “TCFD Recommended Information Disclosure Items”

Issued a statement of endorsement for the “Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations”
Joined the “TCFD Consortium,” an organization made up of domestic companies endorsing the recommendations

TCFD

TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES



TCFD
Consortium

Information disclosure based on the TCFD recommendations

Governance

Strategy

Risk Management

Metrics & Targets

Proper handling of climate change, contributing to the achievement of a sustainable society

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As you can see on the next page, we have announced our endorsement of the TCFD in a press release issued yesterday. Naturally, we would like to proceed with the disclosure of information on governance, strategy, risk management, indicators, and targets, as described here, on a schedule that will allow us to disclose such information as needed when we reach a certain level of disclosure.

environment

What can a credit card company do for the Earth?

Utilizing a mechanism for visualization of CO2 emissions volume from card payment data, Credit Saison supports customers in achieving a carbon neutral lifestyle

Doconomy

Åland Index



becoz wallet

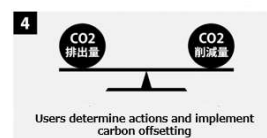
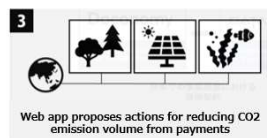
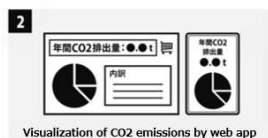
Scheduled to start service in June 2022



SAISON CARD Digital for becoz

Scheduled to start issuing in June 2022.

<Customer Experience Diagram>



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Let's move on to the next page.

When I think about what we can do as a credit card company, it is still not only the Company, but as I mentioned earlier, we now have 37 million customers. This concept of getting our customers to agree with us has led us to this partnership with Doconomy and DATAFLUCT. By collaborating with these companies, we will be able to make better use of credit card data and work together with cardholders to realize initiatives to reduce CO2 emissions. We would like to realize the CO2 reduction efforts in cooperation with our cardholders by making good use of credit card data.

We are in the process of preparing for the issuance of the affiliated card next month.

environment

Environmental Conservation and Social Initiatives Through the Operation of Akagi Nature Park

With the theme of "coexistence of humanity and nature" and the concept of providing lush natural scenery to pass on to future children, Credit Saison has been operating Akagi Nature Park in Gunma Prefecture since 2010. Park entry is free of charge for card holders.



SAISON Akagi Nature Park

A one-of-a-kind forest unique Japan, a country with four beautiful seasons.



■ Environmental conservation initiatives
"Rather than cultivating flowers, we adjust the environment to assist vegetation in growing naturally."
Through this policy, Credit Saison renovated a mixed forest of pine and cedar trees into a forest where abundant varieties of trees and flowers grow. This restored forest now provides lush scenery in each of Japan's four seasons, and its management aims to maintain and continue the ecosystem.

■ Local area invigoration initiatives
As part of the staff training program, Credit Saison launched sales of items created by students at the Gunma Prefectural Shibukawa Special Needs School in 2021.
The Company focused on deepening relationship with the local municipalities, such as the city of Shibukawa, with which the Company executed a collaboration agreement, covering a wide range of fields such as education, welfare, and tourism. Also, the Company implemented activities for learning about the environment and experiencing the lush nature of the area such as forest insect observation and tree planting.

■ Health promotion initiatives
Credit Saison prepared health promotion programs such as forest therapy tours with doctors and forest retreats, leveraging the merits of outdoor facilities and effects of forest therapy, in response to the attention given to immunity recently.

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Next is Akagi Nature Park in Gunma, which is now in its 11th year. Although this project was initially positioned as a CSR project, we have been involved in the environmental aspect of the project for 11 years with the philosophy of passing on the richness of nature to the children of the future. These efforts include environmental conservation, community revitalization, and health promotion programs. I think you can get an idea of our activities here if you take a look at something like the integrated report.

society

Diversity, Equity, and Inclusion

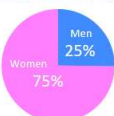
■ New personnel system revisions

Since 1980s, Credit Saison has promoted the proactive hiring, enabled female employees to work in a diverse range of positions and posts, and set various systems in place for helping employees to continue working and avoid giving up their careers in the course of their lives. In addition, we are carrying out further revisions of the personnel system, aiming to make the workplace comfortable and rewarding for all employees.

Currently (from September, 2017)

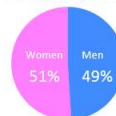
Full-time employees			
Indefinite-term employment	Monthly salary	Bonus	Defined-contribution pension plan
<ul style="list-style-type: none"> Abolished employee classifications and moved all employees to indefinite-term contracts Realized equal pay for equal work based on role Bonuses provided to all employees twice a year Unified all programs, including defined-contribution pension plans and welfare benefit programs 			

<Ratio of Women employees>



Women 75%
Men 25%

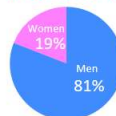
<Women manager ratio>



Women 51%
Men 49%

Total of General directors, managers and section managers

<Ratio of Women officer>




Women 19%
Men 81%

Total of directors, executive officers and audit and supervisory director ※2021 results

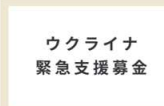
■ Education for the Next-Generation and Financial Education [Business trip class ~SAISON TEACHER~]

Hold financial education for children to become independent consumers




<Achievements>
180 events / 8,273 students have attended
Actual results for December 2019 - March 2022

■ Various fundraising activities through Eikyufumetsu Points and card payments




ウクライナ
緊急支援募金

Ukraine emergency assistance fund



Donating to the
Fukushima Prefecture
Animal Welfare Center

■ Supporting company of Japan's National Soccer Teams



System re-modification (from September, 2022)

objective

Partial revision of the personnel system with the goal of achieving a company (Credit Saison) where each individual employee can utilize their uniqueness and strengths, enabling diverse personnel to thrive, and anyone can take on new challenges without fearing failure (in effect from September 2022).

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This is my last section. This is the diversity, equity & inclusion section.

From the very beginning, since the 1980s, we have been actively promoting and hiring women. The ratio of women is 75%, so we are a company centered on women, so in addition to this, in the part of ensuring diversity, I talked about something like digital human resources and things like global expansion. We would like to promote innovative activities while maintaining diversity by mixing people from outside the Company into the overall organization, or by mixing human resources who are active in the global arena with those in Japan.

The personnel system that supports this part of the plan is scheduled to be revised this fall. We would like to actively encourage this style.

That is all for the explanation from me.

Moderator: Thank you.

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