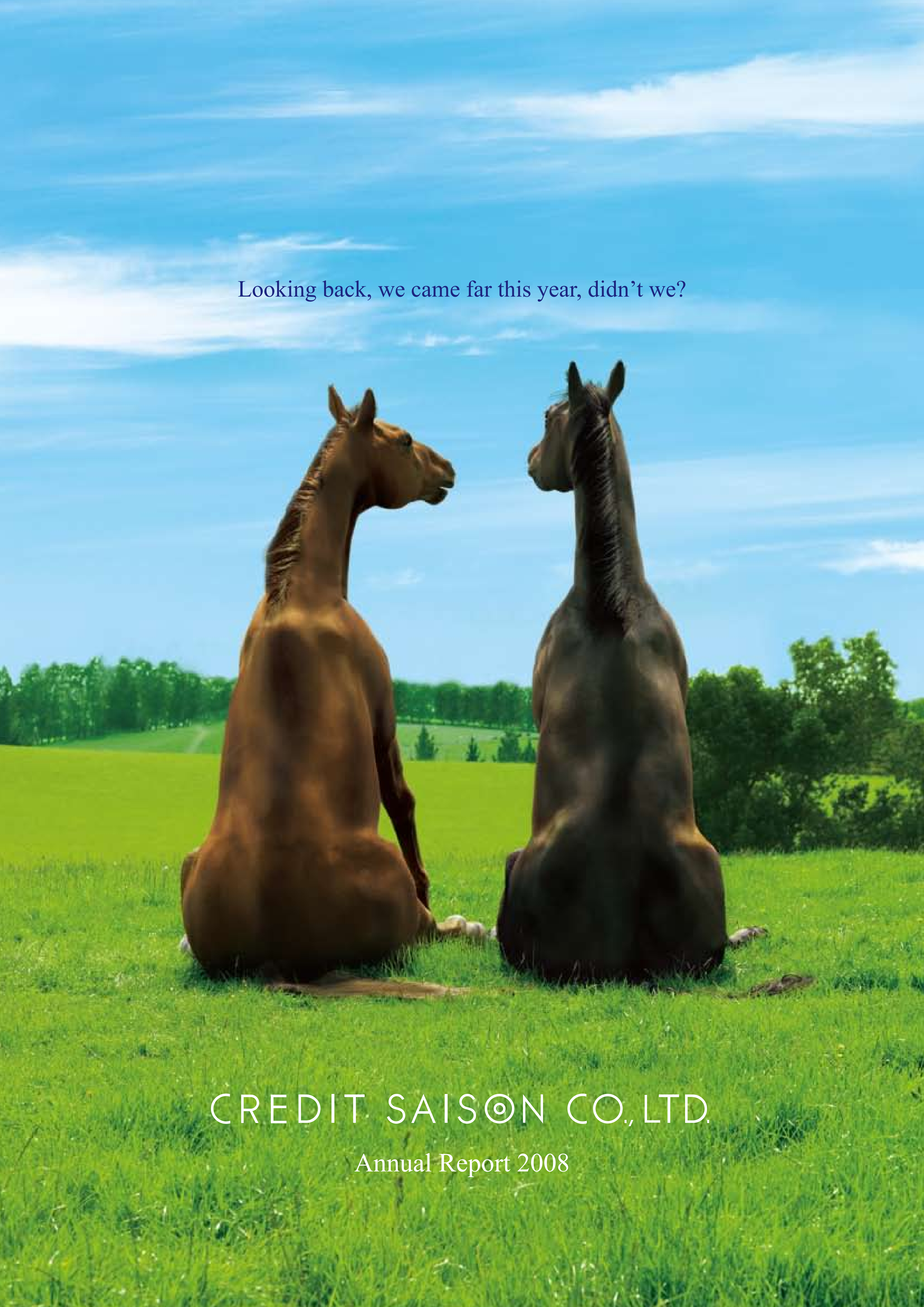
Looking back, we came far this year, didn’t we?



CREDIT SAISON CO., LTD.

Annual Report 2008


Yes,
and we are
going
further.

Business Portfolio

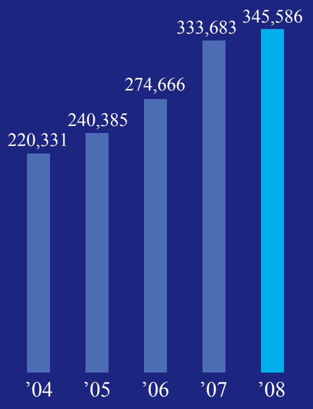
Credit Saison's core business is the credit card business, and our key assets are two powerful credit card brands, SAISON CARD and UC Card, and 26 million cardholders. We also engage in the finance business and other businesses, in which we leverage the expertise accumulated in the credit card business. Although the credit card business contributes about 80% of total revenues, the contribution from our other business areas is increasing year by year.

Financial Highlights

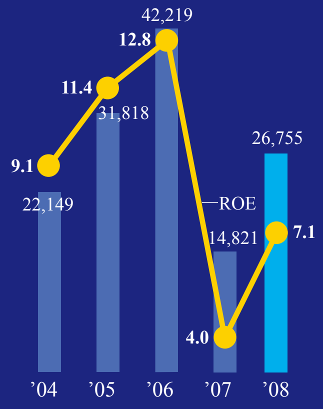
Consolidated:	2008	Millions of yen 2007	2006	% change 2008/2007	Thousands of U.S. dollars (Note 3) 2008
Operating revenues (Note 1)	345,586	333,683	274,666	3.6	3,448,971
Selling, general and administrative expenses	265,493	242,149	193,125	9.6	2,649,638
Financial cost	22,901	16,332	11,965	40.2	228,560
Operating income	57,191	75,201	69,575	(23.9)	570,773
Net income	26,755	14,821	42,219	80.5	267,025
Total equity (Note 2)	418,661	399,828	360,717	4.7	4,178,255
Total assets	2,450,637	2,299,607	2,062,735	6.6	24,457,458
Return on shareholders' equity (ROE) (%)	7.1	4.0	12.8		
Return on assets (ROA) (%)	1.1	0.7	2.4		
Shareholders' equity ratio (%)	15.8	16.2	17.5		
Per share data (in yen and U.S. dollars) (Note 2):					
Net income per share	148.78	82.79	237.29	79.7	1.485
Net assets per share	2,147.04	2,077.69	2,014.20	3.3	21.428
Credit card business data (Non-consolidated):					
Card transaction volume	4,595,168	4,305,459	3,146,729	6.7	45,859,960
Credit card-related shopping services	3,758,545	3,433,872	2,527,808	9.5	37,510,429
Cash advances	836,623	871,587	618,920	(4.0)	8,349,530
Total cardholders (millions)	26.01	2,491	2,279	4.4	
Active cardholders (millions)	13.22	1,249	1,168	5.9	
New cardholders (millions)	2.84	360	271	(19.7)	

Notes: 1. "Operating revenues" does not include consumption taxes, etc.
2. Treasury stock is deducted from capital. In addition, treasury stock is subtracted from the total number of shares outstanding in computing per share data.
3. Japanese yen amounts have been translated into U.S. dollars at the rate of ¥100.20= U.S.$1, the approximate exchange rate on March 31, 2008, for the convenience of the reader.

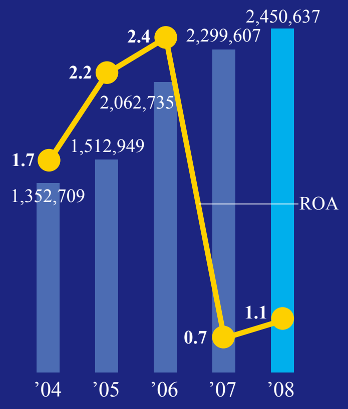
Operating Revenues
(Millions of yen)



Net Income and ROE
(Millions of yen / %)



Total Assets and ROA
(Millions of yen / %)



Forward-looking Statements

This annual report contains discussions including management plans, projections, strategies and estimates that are not historical facts. Projections of future performance are based on management extrapolations from current data, but actual future performance may differ materially from projections.

Aiming to become a non-bank financial institution with a powerful market presence

Credit Saison has established a unique position as a leading edge of the services industry by constantly creating new value through an innovative credit card business concept and products and services that reflect its unwavering attention to customer needs.

Amid continuing adverse business conditions, companies in the non-bank financial services industry face an extraordinarily unstable operating environment. Credit Saison, however, will stand strong in the face of this adversity. Always taking on fresh challenges, constantly innovating, and never being satisfied with the status quo, we will continue our quest to become the No. 1 financial services company with credit cards as its core business, and aim to become a non-bank financial institution with a powerful market presence.

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About the cover

Credit Saison considers credit cards to be a powerful brand communication tool and focuses effort on credit card image strategy. We aim to increase card brand value by establishing a unique and impactful corporate identity based on the concepts "Aspirations and dreams," "No. 1" and "Differentiation from competitors."

Our theme for fiscal 2008 is "Ties," and again, the motif is a racehorse. A racehorse bearing the hopes and dreams of people is a fitting symbol for our desire that our SAISON Permanent Points (Eikyufumetsu Points) service will provide hopes and dreams for our cardholders. The two horses symbolize the ties between SAISON and UC.

Sales network restructuring

As a measure to boost profitability in the credit card business, the Company has undertaken sales technique innovation that involves focusing new credit card solicitation on people from whom high usage can be expected. Under this initiative, we have consolidated sales outlets nationwide. In fiscal 2007, we closed 12 satellite offices and 29 Saison Counters across Japan to increase the sales network efficiency.

Issuance of new affinity cards

Shizugin Saison Card “All-S Card” (April)

“GE ETC Manager Card” (May)

Daiwa Saison Card “HeartOne Card” (May)

Yamakataya Group “Yamakataya Card” (July)

The LPGA of Japan Official Fan Club
“LPGA CLUB Card” (September)

“YM Saison Card” (October)

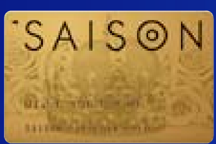
“Lala Garden Kasukabe Card Saison” (October)

“SAISON NEXT Card” (Successor to the “Postal Savings Card”) (October)

New “SAISON American Express Card” (WHITE & GOLD) (November)

“Tokyo Metro To Me CARD PASMO” (December)

“SAISON Card Loan Gold” (February)



Responding to the revision of the Money-Lending Business Control and Regulation Law

In response to the revision of the Money-Lending Business Control and Regulation Law, officially announced in December 2006, in June and July 2007 the Company reduced the SAISON and UC interest rates on cash advances to 18% or less for new borrowing and existing balances.

Expansion of the financing business

Mortgage Loans
Expansion of financing for projects developed through collaboration with Atrium

Credit guarantees
New collaboration with 32 business partners, including Akita Bank, Yamanashi Chuo Bank, and the Japan Agricultural Cooperative

Integration of Saison and UC CARD

Establishment of Qubitous, a joint credit business processing company (a wholly owned subsidiary of UC Card)

Qubitous made a subsidiary in April 2008 (51% equity ownership by Credit Saison, 49% by Mizuho Bank)

Integration of services

Integration of SAISON and UC Points, conversion of UC Points to SAISON Permanent Points

Commencement of Eikyu Fumetsu.com services for UC cardholders

Saison Asset Management—Saison Vanguard Global Balance Fund

Awarded the Award of Excellence in the financial services category of the 2007 Nikkei Superior Product and Service Awards

A Message from the President and CEO

Credit Saison is working to firmly ground its operations in three principles that are fundamental to business activities at the leading edge of the service industry—putting customers first, respecting the interests of business partners, and fostering a corporate culture of creative innovation.

By following these principles, we will outperform the competition, continue to take on fresh challenges to meet the expectations of customers, shareholders and business partners, and fulfill our social responsibilities.

Hiroshi Rinno, President and CEO

Changes in the operating environment in fiscal 2007

In fiscal 2007, business conditions in Japan followed a downward trend due to a number of factors. These include falling stock prices and foreign exchange market instability triggered by the U.S. subprime loan crisis, price rises caused by an upward trend in fuel and raw material prices, political gridlock in Japan and a slump in the real estate market.

Moreover, as for the business environment in which the Credit Saison Group operates, a range of tightened or revised regulatory controls cast a long shadow over the industry, necessitating a review of the basic business models of our non-bank financial services, such as the real estate and entertainment businesses. The revised regulations include the Money-Lending Business Control and Regulation Law, the Law on Sales of Financial Products, the Installment Sales Law, the Building Standards Law, the Entertainment Business Control Law and the Financial Instruments and Exchange Law.

With regard to non-consolidated business results, the mainstay credit services and financing businesses expanded steadily. The number of cardholders reached 26 million while the credit card shopping transaction volume rose to ¥3,750 billion. The balance of cash advances and card loans reached ¥590 billion.

However, there were also factors that exerted a significantly negative impact on business results. These include a decrease in annual revenues of about ¥24 billion, which resulted from our reduction of interest rates on cash advances to 18% or less for new borrowing and existing balances in June and July, prior to the full enforcement of the Money-Lending Business Control and Regulation Law, and an increase in credit costs caused by third-party intervention and repayment claims for overpaid interest.

As a result, consolidated operating revenues were ¥345.5 billion (an increase of 3.6% over the previous year), Operating Income was ¥57.1 billion (a decrease of 23.9%) and net income was ¥26.7 billion (an increase of 80.5%). Fiscal 2007 marked the end of a string of 24 consecutive years of revenue and profit increases.

Credit card business development in fiscal 2007 reflecting changes in the operating environment

In fiscal 2007, the Company set forth the vision of creating a non-bank financial institution with a powerful market presence, and launched a medium-term management plan with the objective of achieving consolidated ordinary income of ¥70.0 billion at the fiscal 2009 year-end. In light of the dramatic changes seen in the operating environment, this is by no means an easy target to achieve. We are thus implementing business structure innovation in which we are fully prepared to consider reforming even our past successes.

In the credit card business, to restructure the nationwide sales network—our greatest strength—and increase profitability from the credit card business, we stepped up card applicant solicitation utilizing the Web and implemented measures to increase the number of premium cards, starting with the new SAISON American Express cards.

We also actively pursued alliances with powerful major retailers nationwide and began issuing affinity cards with Yamakataya Co., Ltd. (Kagoshima), Sakurano Department Store Co., Ltd. (Sendai), and other partners. We also steadily expanded the contract credit card processing business, adding Takashimaya Credit Co., Ltd. to the client base.

>>> We will create a new business portfolio enabling us to flexibly respond to changes in the business environment.

Progress with strategic alliances and future business development

In 2002, we launched an initiative to establish and operate credit card-related joint ventures through strategic alliances. In fiscal 2007, Shizugin Saison Card Co., Ltd., a company established in a joint equity investment with Shizuoka Bank, Ltd., began issuing the ALL-S Card. In addition, Daiwa House Financial Co., Ltd., established in a joint equity investment with Daiwa House Industry, Co., Ltd., began issuing the Daiwa Saison Card.

We also established YM Saison Co., Ltd. in a joint equity investment with Yamaguchi Financial Group, Inc. (YMFG) and began issuing the YM Saison Card, an affinity card issued in partnership with YMFG and YM Saison. In September 2008, we merge LAWSON CS Card, Inc., established in 2002 in a joint equity investment with Lawson, Inc. and Mitsubishi Corporation, with the aim of increasing customers' utilization of shopping services under the operation of the Company's credit card business.

In coming years, we plan to continue our wide-ranging expansion of the credit card business by developing business models suited to changes in the business environment and local characteristics, and develop products and services that reflect customer needs.

Key strategies and business performance outlook for fiscal 2008

In fiscal 2008, the Company will seek to focus on factors that have had a major impact on our business, including the revised Money-Lending Business Control and Regulation Law, repayment of excessive interest charges and the slump in the real estate market.

We will return to the starting point of the core credit card business and seek profit expansion by means of client alliances centered on retailers. In addition, we aim to quickly step up operation of Qubitous Co., Ltd., a specialized processing company established last year to further improve the profitability of the credit card business.

Credit Saison has primarily focused on the credit card business since the 1980s. Now, however, the need for diversification into non-bank services is increasing, and in recent years we have also reinforced our financing businesses, particularly the credit guarantee business, loan business, and leasing and rental business. In fiscal 2008, our aim is to make total revenues from these three businesses account for about 13% of total non-consolidated revenues. Revenues from the loan guarantee business are growing particularly strongly at about 30% annually.

The forecast for consolidated business results for fiscal 2008 is operating revenues of ¥363.0 billion (an increase of 5.0% over the previous year), ordinary income of ¥62.0 billion (an increase of 6.7%), and net income of ¥27.0 billion (an increase of 0.9%)

Medium-term outlook for the credit card industry and Credit Saison's medium to long-term strategy

The credit card business

Although the sweeping realignment seen in the credit card industry has largely concluded with many major credit card companies being acquired by megabanks, small and medium-scale mergers and acquisitions may continue as many mid-sized credit card companies have yet to frame a response to tightened regulatory controls.

In the medium to long term, about two-thirds of the market is likely to be made up by the three megabank groups and credit card companies affiliated with manufacturers, railroad companies and telecommunication operators. Under such business circumstances, Credit Saison will actively pursue every potential business opportunity with the aim of securing a position as the No.1 credit card company.

Although we expect to see continued growth in the credit card business due to an ever-increasing number of items payable by credit cards (facilities and services), the rate of expansion is likely to slow due to market saturation in terms of the number of cards issued. Also, demographically, the number of people entering the adult population is falling due to the aging society. For these reasons, credit card companies are seeking business expansion overseas.

Credit Saison, too, is considering business expansion in the Asia region. We have established a local subsidiary in Shanghai, China and on a trial basis issued credit cards to Japanese nationals residing in China. We have also entered into an alliance with Shinhan Card Co., Ltd., the largest credit card company in South Korea, under which we have begun to reciprocally offer services to each other's cardholders.

The comprehensive non-bank financial services business

Furthermore, to secure balanced revenues from a number of businesses with different risk profiles, we will commence expansion of finance businesses in areas other than credit cards, including full-scale involvement in pure investment businesses. By creating a business portfolio unconstrained by the conventional boundaries of a specialized credit card company, we aim to become a comprehensive non-bank financial services company with a powerful market presence.

Shareholder returns

The Company's core policy is to grow while continually expanding its earnings potential through business diversification and structural reform. In particular, in the credit card market, where industry realignment is progressing following the revision of the Money-Lending Business Control and Regulation Law, we intend to achieve medium-term growth by investing in business infrastructure expansion. Our aim is to link this growth to continuous enhancement of shareholder value.

We have always based our dividend decisions on comprehensive analyses that take into account a range of factors, including industry trends and our business performance. This stance reflects our view that shareholder interests are best served by maintaining long-term stability, rather than by linking returns to short-term performance.

The non-bank sector is currently undergoing a restructuring process, and it is clear that the next two or three years will be a crucial period for business expansion. While we place a high priority on returns to shareholders, we are also determined to exploit every opportunity to the full. We therefore believe that it is important to retain income, both to allow flexible adaptation to changes in our business environment, and also to provide for future investment. We respectfully ask for your understanding with regard to this position.

August 2008
Hiroshi Rinno, President and CEO

Credit Card Business Strategy—
Implementing Critical Structural Reform

We are successfully implementing a range of key strategies for continued growth.

Market Strength

To cope with a business environment that has changed dramatically over the short time following the revision of the Money-Lending Business Control and Regulation Law, the Company aims to increase profits through more efficient credit card business expansion and greater efficiency in all related business areas.

Continued sales network restructuring

In fiscal 2008 and beyond, the Company will continue the sales network restructuring that begun in May 2007. We will continue with a scrap-and-build program for our 130 credit card service counters nationwide, conduct a review of operations with a strong focus on matching products with local characteristics and undertake to enhance cardholder services.

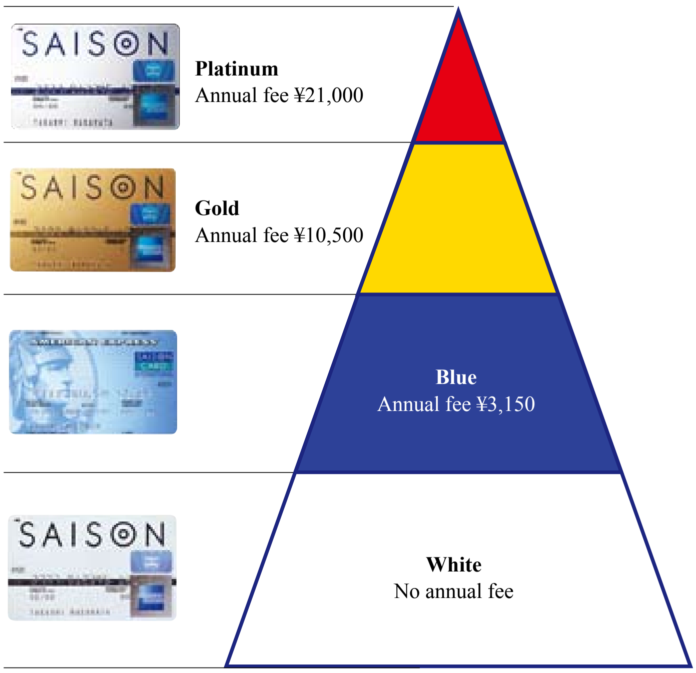
We have reorganized the nationwide satellite office network, reducing the number of offices from twelve to ten, and launched a special Web Branch with the aim of reinforcing sales activities by utilizing the Internet. Through the Web Branch, we aim to obtain 330,000 new members per year and develop a range of Internet-based member services. All cardholders who obtain cards online will become Net Members*1, and we expect our base of high-usage, high-value customers to expand.

Premium cards

The Company has positioned service enhancements and cardholder base expansion for premium cards, such as Platinum cards and Gold cards, as key strategies for increasing efficiency in the credit card business and attaining stable growth and profits.

As a key measure of that strategy, in October 2005 our range of SAISON American Express Cards was expanded with the SAISON Platinum American Express Card. The number of premium cards issued by Credit Saison reached 1.2 million as a result, and in October 2007 two new types of SAISON American Express Cards were introduced. This was the time for an American Express Card with no annual fee to be issued in Japan, and the number of cards issued exceeded 100,000 as of July 2008. This introduction has made it possible for a broad spectrum of customers to select the unique combination of services and prestige available from American Express.

New AMEX Affinity Cards



Effective utilization of Net Members

The number of Net Members among Credit Saison's 26 million existing cardholders has exceeded 2.7 million. By providing Net Members with a range of exclusive, convenient services, including online billing statements and an Internet newsletter, we are striving to increase card usage and enhance communication with cardholders while reducing communication costs. We will continue to promote the Net Member program with the aim of reaching 5 million Net Members by the end of fiscal 2008.

*1 Net Members are cardholders who use the Company's Internet-based comprehensive cardholder service programs (service names: Net Answer for Saison cards, @Unet for UC cards).

We are enhancing the quality, efficiency and scale of our credit card processing through a fruitful partnership.

New Value

After completing our merger with UC CARD’s credit card issuance business in January 2006, we have worked to consolidate duplicated organizations and integrate personnel, steadily progressing the integration of SAISON brand and UC brand credit card functions and services. In the area of services, we have focused especially on the integration of travel and ticket services. Since the second half of 2007, the SAISON Permanent Points service have been applied to the UC Points system (UC Eikyufumetsu Points), thereby advancing the integration of SAISON and UC services tremendously.

Establishment of joint processing company Qubitous Co., Ltd.

In addition to integrating the operations of the SAISON brand and UC brand, in October 2007 the Company established the joint processing company Qubitous Co., Ltd. and took over all processing operations of UC CARD Co., Ltd. With this move, we aim to achieve the improvement in operating profitability that is necessary to stay ahead in the credit card industry.

In April 2008, the Company integrated its credit card operations and consolidated all credit card processing operations for the SAISON brand and UC brand in Qubitous. At the same time, the new company’s capital structure was changed to joint ownership by Credit Saison and Mizuho Bank, Ltd.

Currently, Qubitous performs contracted processing for about 70 companies, with a focus on SAISON cards and UC cards. The company’s goal is to become the No.1 comprehensive processing company in Japan in both quality and quantity, and handle wide-ranging settlement operations not limited to the credit card sector in the future.

Overview of Kansai Ubiquitous

(Operation to commence on October 1, 2008, further efficiency improvement through the consolidation of business bases)

In principle, the Company will integrate the SAISON and UC credit centers, which are currently dispersed in several locations, into two locations in Tokyo and Osaka, and thereby achieve concentration and greater efficiency in business processing. We will transfer a portion of inbound operations, all outbound operations, and a portion of card application entry operations from the Qubitous Information Center to the newly established Kansai Ubiquitous.

Location: 1-12-11 Minami-semba, Chuo-ku, Osaka
Floor space: 8,317.42 m^2 on nine above-ground floors
Start of operations: Grand opening on October 1, 2008
Floor configuration:

	Occupying company	Purpose of use	Number of seats
9th floor	Training rooms		
8th floor	Qubitous	Call Center	600
7th floor			
6th floor			
5th floor		Entry (registration), others	150
4th floor	Credit Saison	Kansai Branch	
3rd floor		Loan Center	
2nd floor	Cafeteria		
1st floor	Entrance		

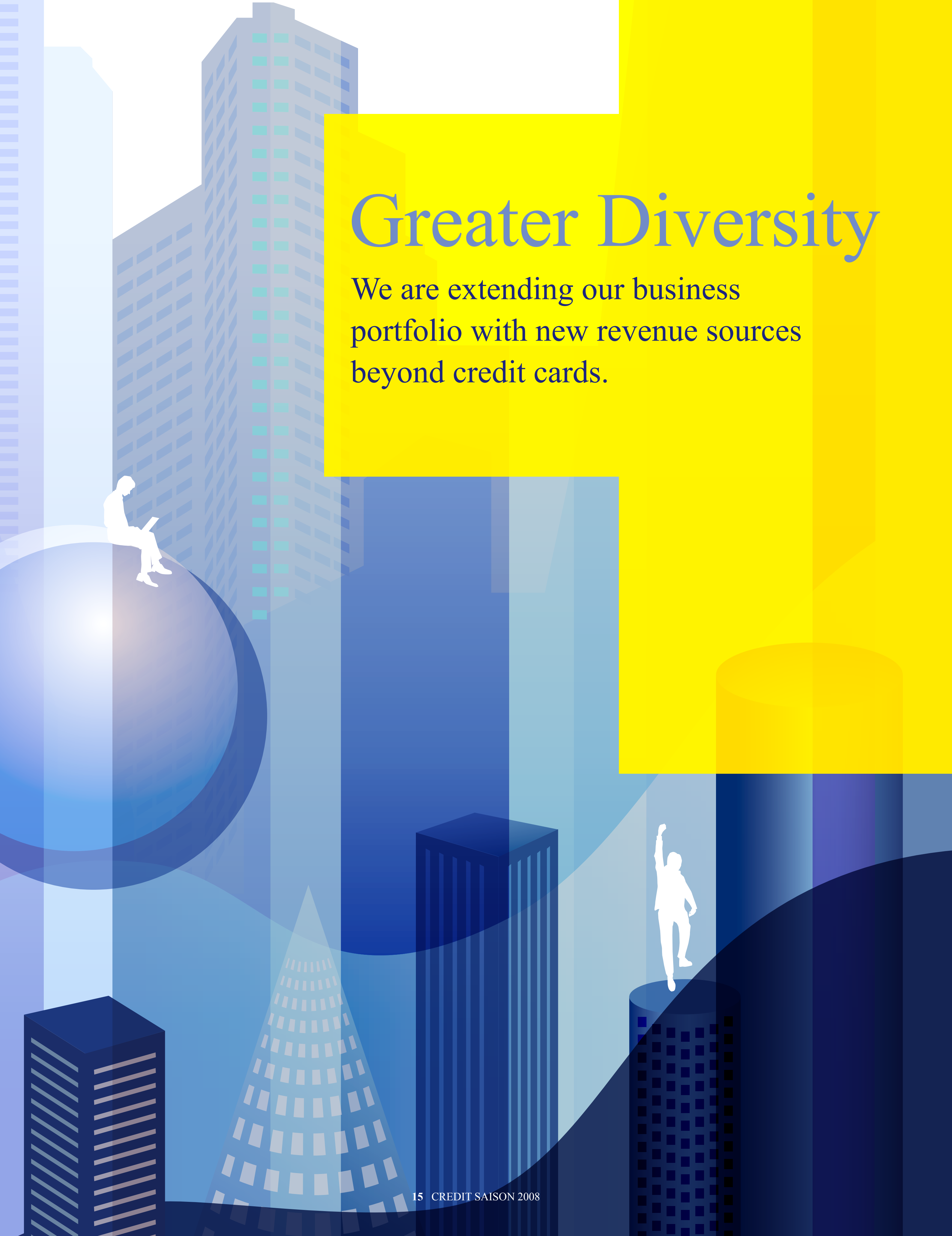
The joint information systems development concept

The final step of our merger with UC CARD is the complete integration of the credit business. To achieve this, it is necessary to integrate the backbone information systems of both brands. The Company has adopted a systems integration method involving the sharing of each business process. In 2006, we implemented FEP (sales management front-end processor) sharing for Orient Corporation and AEON Credit Service as well as for Credit Saison and UC CARD, and in March 2008 we implemented sharing of authorization processes, such as sales authorization. Going forward, we will implement sharing of other business processes while expanding cooperation with other companies in the industry.

Finance Business Diversification
and New Businesses

Greater Diversity

We are extending our business portfolio with new revenue sources beyond credit cards.



The Company has established a medium to long-term management objective of having the card shopping, retail finance and non-credit card businesses account for one-third of revenues each. The principal non-credit card businesses are the credit guarantee business, the loan business and the leasing and rental business, all of which are delivering favorable growth.

The credit guarantee, leasing and real estate mortgage loan businesses

In the credit guarantee business, in fiscal 2007 we successfully established alliances with new partners, including Akita Bank and Yamanashi Chuo Bank. The number of partner financial institutions reached 164, and the guarantee balance exceeded ¥150 billion. In coming years, we will actively promote sales expansion in the credit guarantee business, which is a financial business that is not subject to the Money-Lending Business Control and Regulation Law.

In the real estate mortgage loans business, we greatly increased the loan balance on the back of favorable business conditions in the real estate market during the first half of fiscal 2007. Following the stagnation of market conditions in the second half of fiscal 2007, the business developed solidly due to collaboration with affiliate Atrium Co., Ltd., which has a highly adaptable business model.

In the leasing business, we steadily expanded the value of lease contracts by specializing in small-ticket leases, and the balance of lease receivables exceeded ¥230 billion.

Furthermore, in June 2008 we commenced a rental business as a new business that is not subject to the impact of changes in lease accounting standards. Positioning home appliance rental in collaboration with Yamada Denki as the principal product, we plan to grow this business to the point where the lease contract value reaches ¥50 billion in five years. We will achieve this goal by harnessing the combined marketing power of Credit Saison's leasing business network and Yamada Denki's store network.

Eikyu Fumetsu.com

In 2006, we launched Eikyu Fumetsu.com, an online shopping mall for Net Members, as a new business to take advantage of our 26 million-strong cardholder base. Members who make card purchases on Eikyu Fumetsu.com can obtain from 2 to 19 times the ordinary number of Permanent Points, and the Company earns affiliate fees corresponding to the value of the transactions on the website. Currently, the online mall boasts 310 shops, a cumulative total of 300,000 users and a monthly transaction value exceeding ¥60 million. The business has grown to the point where the target annual transaction value, including that for optional services, is ¥1 billion.

In addition, to realize our vision of being a non-bank financial institution with a powerful market presence, we plan explore new potential businesses, such as pure investment businesses and the banking business.

We continue to add value for cardholders through an expanding range of benefits and services.

Customer Satisfaction

Providing wide-ranging services to cardholders

Credit Saison wishes that cardholders take advantage of credit cards not merely as tools for consumption by settling shopping charges and obtaining cash advances, but also as tools for enjoying affluent, fulfilling lives through card use for asset formation and the enrichment of hobbies and pastimes. Credit Saison Group companies provide a number of services to promote this aim. Through these businesses, we seek to offer services that help cardholders to realize their dreams and strengthen communication with our customers.

Saison Asset Management Co., Ltd.

Saison Asset Management Co., Ltd. was established as a wholly owned subsidiary of Credit Saison in 2006, and in March 2007 the company launched original investment trust funds. To meet the needs of customers seeking to steadily accumulate financial assets, we provide low-cost investment trust funds appropriate for long-term investment.

Distinctive features

- The direct sales method has been adopted to keep fees to a minimum.
- The company offers two fund products: the Saison Vanguard Global Balance Fund and the Saison Asset Formation Achiever Fund.
- The funds have won strong customer support. Results as of August 2008 are 30,000 accounts and total invested assets of ¥20 billion.

Note: The Saison Vanguard Global Balance Fund won the Award of Excellence in the financial services category of the 2007 Nikkei Inc. Nikkei Superior Product and Service Awards. The Company considers the award as an affirmation of the favorable evaluation of the fund by many investors.

THOROUGHBRED CLUB SAISON

Credit Saison has long considered how to enable young women to become Derby racehorse owners. In 2006, we established THOROUGHBRED CLUB SAISON and launched an investment scheme enabling SAISON CARD cardholders to jointly invest in racehorses. This system involves dividing racehorse ownerships purchased through THOROUGHBRED CLUB SAISON into from 200 to 400 lots, in which members are invited to invest anonymously. Members earn dividends in accordance with the number of lots they own in a winning horse. Investors can experience the pleasures of racehorse ownership, watch over the development of their horses and cheer them on as they gallop over the turf.

THOROUGHBRED CLUB SAISON currently has about 66 racehorses actively racing. The Company has entered into an alliance with Cosmo View Farm (Hokkaido), one of Japan's most prominent horse farms, to select and raise racehorses.

Overview of THOROUGHBRED CLUB SAISON

- Number of racehorses owned: 66 (43 with race experience)
- Racehorse selection and raising: Cosmo View Farm (Hokkaido)
- Principal active racehorses:

Dream Passport (5 years old): Placed second in the Japan Cup, Satsutsuki-sho, and Kikka-sho, and winner of the Kobe Shimbun-hai
Dream Signal (3 years old): Winner of the Shinzan Kinen, placed second in the Keio-hai, and placed fourth in the NHK Mile Cup

The Japan Branch of the Royal Horticultural Society (RHSJ)

The Japan Branch of the Royal Horticultural Society (RHSJ), which has Queen Elisabeth II as its patron, was established in 1987 for horticulture enthusiasts in Japan. Credit Saison President and CEO Hiroshi Rinno currently serves as RHSJ's Chairman of the Board.

The Company aims to communicate an image of style and sophistication by decorating its cardholder information materials, such as newsletters, with botanical art from the Royal Horticultural Society. Moreover, through the RHSJ, we provide cardholders with information on flower arrangement and horticulture, a pastime that is particularly popular among female cardholders. We also offer British horticultural goods, which are difficult to obtain in Japan, as items for cardholders who pay with SAISON Permanent Points.

Personal Fulfillment

We continue to build a flexible and comfortable working environment where employees can fully explore their capabilities.

The merit system and flexible human resource systems

In personnel development and promotion, the Company places the highest importance on individual merits (merit system), and has set up a human resources system that enables us to make full use of the ambitions and work enthusiasm of each individual, regardless of age, gender, education or career background.

- Extensive promotion of female managers (1 director, 11 general managers, 38 managers)
- Unique systems for empowering young employees to speak out (C-BOARD dialog with directors, Dream Plan)
- Recruiting system for hiring experienced people at all times; scouting system that uses employees as scouts; preferred assignment self-selection system
- Internal recruiting system for employees who desire to work in new posts, in new businesses or at affiliated companies (Open Challenge 2007 results: 25 employees)

Furthermore, we are enhancing family care systems and systems for working mothers to provide employees with a rich set of work style options. The number of employees who have elected to have their working hours shortened to engage in childcare or family care already exceeds 100. Also, because women are able to remain in employment longer under this system, it has contributed to the promotion of women to management positions.

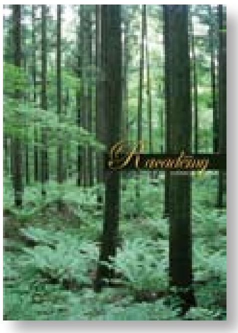
A shared platform for Credit Saison, UC CARD and Qubitous

While spinning off the card processing organizations of Credit Saison and UC CARD and consolidating them into Qubitous, we also developed a shared human resource system and personnel platform for the three companies, which is now being trialed. By implementing this system together with personnel relocation and education programs that eliminate barriers between the three companies, we seek to increase efficiency in skills development and promotion.

Development of innovative leaders

To foster the next generation of managers who will support the development of the Credit Saison Group in a rapidly changing business environment, we are creating opportunities for employees to gain business experience in different corporate cultures by dispatching them to partner companies and affiliates. Nearly all of the Company's current directors have experienced management at other companies.

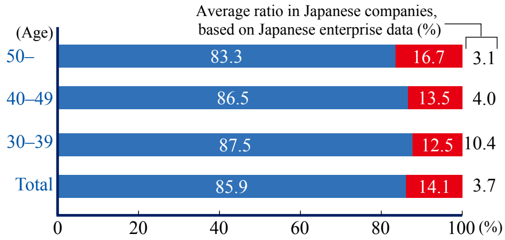
Every month, we also conduct a next-generation manager development program called R-academy, which has the President as instructor and provides a forum where general managers can study various management issues and develop a management mindset.



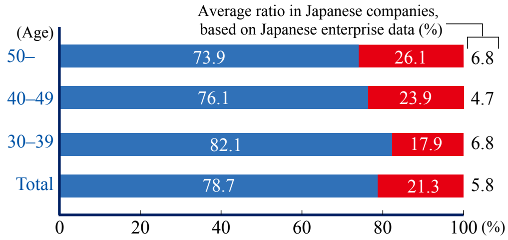
R-academy booklet

Management Track Profile at Credit Saison

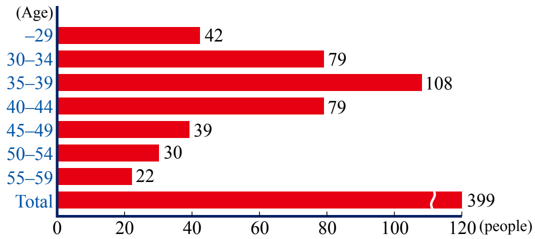
Male/Female Ratio at Department Manager Level



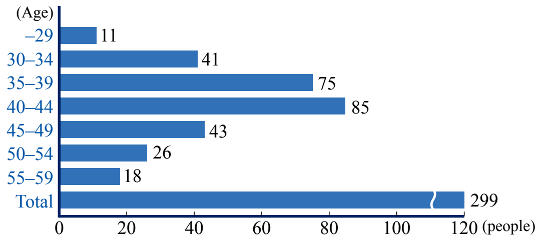
Male/Female Ratio at Section Manager Level



Age of Employees at Supervisor Level and Higher (Female)



Age of Employees at Supervisor Level and Higher (Male)



Major Group Companies (As of March 31, 2008)

Atrium Group

Atrium Co., Ltd.

Real estate liquidation, real estate loan guarantees and strategic investment:
Atrium produces value by regenerating real estate. As the core company in the Atrium Group, this company has regenerated over 13,000 properties in the 16 years since its establishment. Its extensive knowledge and expertise in the field of real estate regeneration and revitalization have become a driving force for growth. Because Atrium's activities encompass both finance and real estate, it has the capacity to create its own solutions for a wide range of real estate problems.

Dedicated to customer satisfaction, it is determined to build and maintain an excellent reputation based on consistent regulatory compliance and good corporate governance.

Atrium Servicing Co., Ltd.

Loan servicing: Atrium Servicing buys specified monetary claims and earns income by managing and recovering these claims as a special servicer. As one of the few approved servicers that are also licensed for the real estate business, the company has an important advantage in this area. It aims to maximize recoveries by acquiring collateral properties itself and improving their value. While remaining alert to market changes, Atrium Servicing aims to expand its business activities to include business regeneration as well as real estate regeneration.

AIC Co., Ltd.

Real estate liquidation: AIC buys and sells development real estate and business real estate for medium- to long-term ownership. It also provides due diligence services for the Atrium Group, including surveys, valuations and risk-return analyses, credit screening services, as well as asset management and property management services for rental real estate.

Other Group companies

JPN COLLECTION SERVICE Co., Ltd.

Loan servicing: JPN COLLECTION SERVICE specializes primarily in the management and collection of small unsecured loans. At its five call centers nationwide, the company achieves high efficiency and excellent collection performance through business operation supported by proprietary systems and high security. JPN COLLECTION SERVICE engages in other businesses including research and back-up services and continues to actively expand its business into areas including personnel dispatch to government administration offices.

Qubitous Co., Ltd.

Processing business: Qubitous provides processing services in the areas of credit card application screening, monitoring, call center operation, and other processing operations, with a focus on credit services. The company engages in contracted processing for more than 70 client companies, primarily for Saison brand and UC brand credit cards. The company will seek active expansion of its contracted processing business with the aim of being the No.1 comprehensive processing company in both quality and quantity by providing high-quality services and attaining cost leadership.

Saison Fundex Group

Saison Fundex Corporation

Personal loans and mortgages: Under SAISON's Loan Hyakusen brand, Saison Fundex offers card loan products, such as the Cash Reserve loan and VIP loans for prime borrowers, as well as the contract type loan products Lifestyle Support Loans and Real Estate Mortgage Loans. The company also provides project loans to companies that operate real estate businesses. In this business, it focuses on project content and meets wide-ranging funding requirements.

House Planning Co., Ltd.

Real estate development and construction: House Planning has built its business by making customer satisfaction its first priority. Its goal is to supply comfortable, reliable and safe residential properties, especially detached houses, on high-quality land.

The Concerto Group

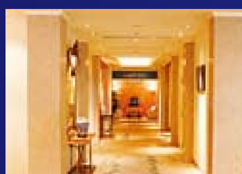
Concerto Co., Ltd. and A&A Co., Ltd.

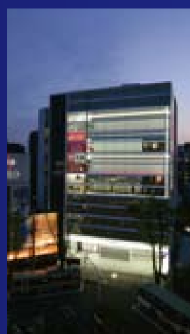
Concerto Co., Ltd. was launched on March 1, 2008 following the merger of Vivre Co., Ltd. and Uraku Aoyama Co., Ltd. Concerto operates three businesses, in which it works to create exciting spaces with the aim of delivering satisfaction to as many customers and business partners as possible.

Amusement services: In this business, Concerto and A&A Co., Ltd. operate 31 amusement facilities. Focusing on "comfortable amusement spaces" that satisfy customers, the two companies strive to offer customers comfortable, relaxing spaces and meticulous service, and to operate facilities that contribute to local communities.

Real estate rental: Last year, Concerto opened the Narimasu Prime and Katsutadai Prime properties, and now operates nine real estate rental projects. Based on a concept of attractive real estate utilization and development rooted in local communities, the company seeks to expand new project development as well as its leasing business.

Membership club management: Concerto operates uraku AOYAMA, a membership club that commands a view of the Meiji Jingu shrine and operates under the concept "the ultimate in hospitality." The complex, which includes a fitness gym, a hotel and a restaurant, provides an elegant, comfortable atmosphere imbued with high quality and hospitality.





Saison Information Systems Co., Ltd.

Systems construction and operation business: Saison Information Systems engages in systems construction and operation grounded in a wealth of business process expertise developed in fields such as finance and distribution. The company also actively engages in payroll outsourcing and communications middleware based on HULFT technology. It aims to be a company that enjoys the complete trust of customers by providing a one-stop service for everything from systems construction to outsourcing and package products.

Saison Automobile and Fire Insurance Co., Ltd.

Non-life insurance: This company provides non-life insurance services, especially for individuals. Under its alliance with Sompo Japan Insurance Inc., it is developing new business activities targeting cardholders and modifying its business structure to provide an increased emphasis on direct marketing.

Board of Directors and Auditors (As of July 21, 2008)

Hiroshi Rinno

President and CEO

Mr. Rinno assumed his current duties in 2000. Since becoming President he has accomplished major strategic alliances and mergers, including an operating alliance with the Mizuho Financial Group, the merger with UC CARD's credit card issuance business, and alliances with Takashimaya and regional banks. In this way, he has steadily brought innovation to the credit card industry by combining progressiveness, a scientific approach and strategic thinking.

Teruyuki Maekawa

Executive Vice President

Head of Business Management Dept., General Affaires Dept. and Public Relations Office.
Chairman, Saison Fundex Corporation

Mr. Maekawa assumed his current duties in 2005. He has been involved in numerous major strategic alliances in the credit card business while managing the Finance Division and implementing capital policies. He currently manages the General Affairs Department, Business Management Department and Public Relations Office, where he maintains sound business management in an adverse management environment.

Toshiharu Yamamoto

Senior Management Director

Head of Credit Division and Human Resource Dept./General Manager, Credit Division

Mr. Yamamoto assumed his current duties in 2007. In 2004, he assumed responsibility for credit center operations, a capacity in which he has worked to build the industry's foremost customer service centers and increase operating efficiency. He currently manages the Credit Card Division and Human Resources Department.

Hideki Miyauchi

Senior Management Director

Head of Finance Division

Hidetoshi Suzuki

Managing Director

Head of Credit Card Division/Saison Card Dept., Millennium Card Dept. UC Card Dept., LABI Card Dept. and Gold & AMEX Dept.

Kazuhusa Inada

Managing Director

Head of Corporate Planning Dept. and Treasury Dept.
President, Saison Race Horse Co.,Ltd.

Naoki Takahashi

Managing Director

Head of Internet Business Dept., Innovation Dept. and Strategic Investment Dept.

Mitsusuke Yamamoto

Managing Director

General Manager, Credit Card Division/ Takashimaya Card Dept. Solution Dept. No.1, Solution Dept. No.2, Mizuho-Alliance Development Dept. and Merhcant Business Dept.

Takayoshi Yamaji

Director

Sales Promoption Dept., Card Finance Dept. and Loan Center

Chikako Yokoi

Director

Customer Satisfaction Promotion Office and Compliance Dept.

Hideo Suzuki

Director

Hokkaido Branch, Tohoku Branch, North Kanto Branch, East Kanto Branch, Tokyo Branch, Kanagawa Branch, Tokai Branch, Kansai Branch, Chugoku Shikoku Branch, Kyushu Branch and Web Branch

Hong Tae Kim

Director

Head of Strategic Project Office and System Planning Dept, General Manager Strategic Project Office

Hiroshi Yamamoto

Director

General Manager, Finance Division and Business Planning Division

Haruhisa Kaneko

Director

Sales Planning & Marketing Dept. and Sales Administration & Marketing Dept./General Manager, Sales Planning & Marketing Dept.

Yoshiro Yamamoto

Director *(External)*

Kyosuke Togano

Director

President, Qubitous Co., Ltd.

Hiromichi Sato

Standing Statutory Auditor

Masaru Sakurai

Standing Auditor *(External)*

Hiroshi Tomizawa

Standing Auditor *(External)*

Kotaro Matsumoto

Standing Auditor *(External)*

Atsushi Toki

Auditor *(External)*

Corporate Governance

The Credit Saison Group is striving to enhance its business base and become Japan's No.1 non-bank financial company. We recognize that, along with the achievement of business objectives, the reinforcement of corporate governance is vital for obtaining the understanding and support of all our stakeholders—our customers, business partners, employees and society. To increase management transparency and strengthen management supervision functions, the Company is developing internal control systems and strengthening compliance.

Corporate governance system

The Board of Directors consists of 16 directors, including one outside director. It decides important management matters and supervises the directors' performance. To ensure that business is conducted properly and soundly and to strengthen corporate governance, the Board has acted to develop effective internal control systems and establish and maintain a framework to ensure group-wide compliance with laws, regulations and the Articles of Incorporation.

To ensure that directors perform their duties appropriately, the Board operates in accordance with the Board of Directors Regulations. The directors perform their duties in accordance with the Corporate Law, and properly manage the divisions under their control in accordance with the Organizational and Segregation of Duties Regulations to ensure that their business activities are executed appropriately and efficiently.

The Company has introduced a statutory auditor system. The Board of Corporate Auditors consists of five statutory auditors, including four outside statutory auditors. The statutory auditors conduct rigorous audits by attending Board of Directors meetings and other important meetings, reading important resolution documents, and examining the conduct of business and the state of the Company's assets. The Board of Corporate Auditors also audits the effectiveness and functioning of internal control systems and strives to ensure the early detection of problems and improvement of accuracy. To assist the statutory auditors in their duties, the Company has established the Auditors' Secretariat, which consists of specialists in internal auditing.

The Company plans and implements compliance measures, and engages in risk management. To that end, the Company has established the Compliance Department as a dedicated department to ensure the observance of laws, regulations and corporate ethics, and the Compliance Committee and Risk Management Committee as dedicated organizations to ensure compliance and risk management.

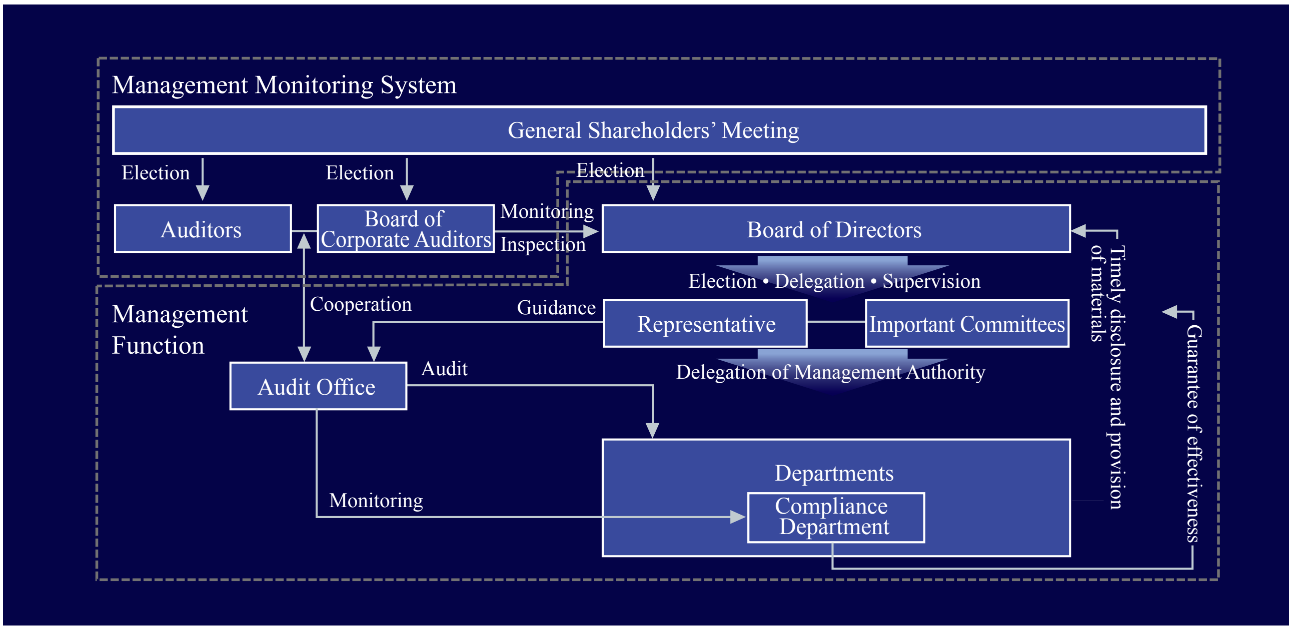
The Internal Audit Office audits compliance, risk management, internal control systems and corporate governance in the organizational operations and business activities of the entire Credit Saison Group, and makes evaluations and recommendations based on the results.

The Company will continue to work toward the optimal management structure, considering factors including global corporate governance trends and relevant statutes.

Remuneration for directors and statutory auditors

Under the new Corporate Law, the Company has revised its remuneration system for directors to clarify their responsibility for business execution and results and increase the independence of statutory auditors and outside directors. The Company has eliminated the previous retirement bonus system

Corporate Governance Structure



and unified compensation for the performance of duties, including directors' bonuses, and worked to increase awareness of the importance of business performance by promoting director ownership of Company shares.

Remuneration, etc., paid to directors and statutory auditors in fiscal 2007 is as follows:

Details of remuneration for directors
Total remuneration paid to directors in fiscal 2007: ¥499 million (including ¥12 million to an outside director)
Total annual remuneration paid to statutory auditors in fiscal 2007: ¥52 million (including ¥38 million to outside statutory auditors)

Remuneration for independent auditors
Remuneration based on duties performed pursuant to Article 2, Paragraph 1 of the Certified Public Accountants Law: ¥65 million
Other remuneration: ¥59 million

Overview of internal control systems

As per the Corporate Law, the Board of Directors has set basic policies for directors to build a system that ensures compliance with laws, regulations and the Articles of Incorporation and the adequacy and efficiency of its business. These policies are based on a fundamental Company philosophy: "Always realize profitable growth and maximize the satisfaction of customers and other stakeholders by pursuing innovative ideas and strategies."

To develop internal controls in accordance with the Financial Instruments and Exchange Law (the so-called "J-SOX Law"), the Company has formed an internal project and is proceeding with group-wide preparations for full-scale implementation in April 2008.

With these systems, the Company aims to link internal control to the fulfillment of corporate social responsibilities by enhancing business performance and maximizing shareholder benefit while building trust with stakeholders through appropriate and efficient business operations.

Rigorous implementation and enhancement of compliance

Based on this reinforcement of corporate governance and internal controls, the Compliance Committee and Compliance Division are taking the lead in ensuring compliance with laws and regulations, and fairness and morality in business activities. The Crisis Management Committee has a central role in developing a group-wide management structure for crisis management and ensuring a rapid response to crises.

Senior Managing Director Toshiharu Yamamoto chairs the Compliance Committee, which reports to the Board of Directors. To discuss compliance-related matters, the Committee convenes several times a year, and its secretariat meets more than 20 times a year.

Executive Vice President Teruyuki Maekawa chairs the Crisis Management Committee, which has developed a group-wide communication system and responds rapidly to crisis situations.

In fiscal 2006, to further enhance compliance, the Company reviewed its code of ethics and established standards of conduct and employee conduct guidelines. To ensure familiarity and observance within the Company rules, regulations and ethics, we have published these standards and guidelines in Our Compliance, a pamphlet distributed to regular and contract employees.

The Company is working to prevent misconduct and scandals by publicizing its compliance consultation desk. The consultation desk strives to create a user-friendly environment by maintaining systems inside and outside the Company for accepting inquiries, including dedicated adsdresses on the Company intranet and the Internet. When a report is received, the Compliance Division cooperates closely with an attorney to confirm the validity of the report and quickly resolve the matter, reports to the Board of Directors and Board of Corporate Auditors without delay, and then takes action to prevent reoccurrence.

In addition, the Compliance Division invites outside lecturers to conduct compliance training for executives, including directors and division managers. The Company appoints compliance officers and compliance coordinators in each division, and the divisions take the initiative in conducting compliance training in cooperation with the Compliance Division.

Since fiscal 2007, the Company has endeavored to increase compliance issue awareness by announcing that compliance officers and coordinators will also serve as J-SOX officers and coordinators.

Security and reliability of information systems

As the use of IT grows, maintaining the security and stability of information systems is becoming increasingly important to ensure that customers can rely on the Company's credit cards. Here, we have implemented countermeasures against system disruptions, which may be caused by a wide variety of factors, including natural disasters, accidents or computer viruses. Higher systems efficiency was achieved by centralizing clerical work. Credit Saison will continue efforts to keep its systems secure, reliable and efficient.

Risk management

To prevent and appropriately respond to risk, the Company has established risk management systems based on the Regulations Concerning Management of Risk of Loss and Crisis Management Regulations. The Company conducts periodic internal education and training for people working with risk management, and the Board of Directors periodically examines the regulations and issues revisions and improvements.

Proactive disclosure of information

The Company proactively discloses business information through results briefings, investment conferences, IR meetings and other events, and strives to ensure highly transparent management by posting financial result summaries, IR activities and other information on its website.

URL for corporate and IR information:
http://corporate.saisoncard.co.jp/co.nsf/top/top_en

Corporate Social Responsibility (CSR) of Credit Saison

We aim to fulfill our social responsibilities by providing returns to our shareholders through activities that satisfy customers, are based on mutual respect for our interests and the interests of our business partners, and instill shared ideals and goals in our employees. We will also build a reputation for reliability by adapting flexibly to a changing business environment, and by ensuring regulatory compliance in all business activities.

The Credit Saison approach to CSR

Our concept of CSR is not limited simply to regulatory compliance and the creation of profit. We believe that CSR also means responding to the needs of citizens, communities and society, and developing business methods and activities that meet and surpass these needs. This concept guides our CSR activities, which are based on three perspectives:

(1) Activities that are essential to our corporate survival and the interests of our customers, employees, shareholders and investors

Our corporate mission is to conduct our business activities in a sound, appropriate and timely manner. This requires continual effort to improve management transparency and strengthen the systems used to monitor the achievement of management targets.

(2) Activities that contribute to society and the fulfillment of our responsibilities through our core business activities in the areas of credit cards and lending

In addition to being convenient, credit cards drive economic activity as extremely effective tools for settlements. Our priority is to prevent excessive use leading to heavy indebtedness, while ensuring that credit cards help to enrich the lives of our customers and contribute to economic development. As a finance company, we are entrusted with personal credit information. We carefully manage this information in accordance with the Private Information Protection Law, and use it to prevent excessive indebtedness through the prudent provision of credit and appropriate monitoring after credit is provided.

■ Appropriate management of personal information

We manage personal information in accordance with laws, regulations and other requirements, including guidelines and industry rules. We have established internal corporate rules, and give our employees training in ethics. Our efforts to raise awareness of information management include the use of the "private information manager" qualification established by the Japan Consumer Credit Industry Association. This qualification is now basically compulsory for employees who handle personal information. Security measures have also been strengthened, with the use of leased lines, limited access authorization, encryption, and restricted access to data terminals. Since May 2006, Credit Saison has been authorized to use the Privacy Mark, a certification given to businesses with appropriate systems for handling personal information.

■ Preventing excessive indebtedness

We recognize the risks of credit, and strive to prevent excessive borrowing by monitoring borrowers' credit status after loans have been issued. Assistance for customers includes changes to contract terms and repayment amounts.

(3) Activities that contribute to society in ways that are unique to Credit Saison

Tens of thousands of people, including our employees and their families, depend on the Credit Saison Group. We recognize our responsibilities as an employer, and work constructively to resolve any employment issues. As a distribution sector credit card company, we aim to use our business activities to provide services and contribute to society.

■ Resolving employment issues

Credit Saison aims to provide amenable working environments for all employees, regardless of age or gender. We have made several workplace improvements in response to changes caused by Japan's falling birthrate and expanding aged population. These include systems to help female employees continue working after marriage and childbirth, and more flexibility for employees caring for older relatives. We also actively re-employ retirees.

■ Developing unique services

Credit Saison maintains two-way communication with customers through a nationwide network of 130 service counters. Customer communication is also an important characteristic of our credit card business. We are always ready to advise customers about their credit use, and offer unique services to meet their needs.

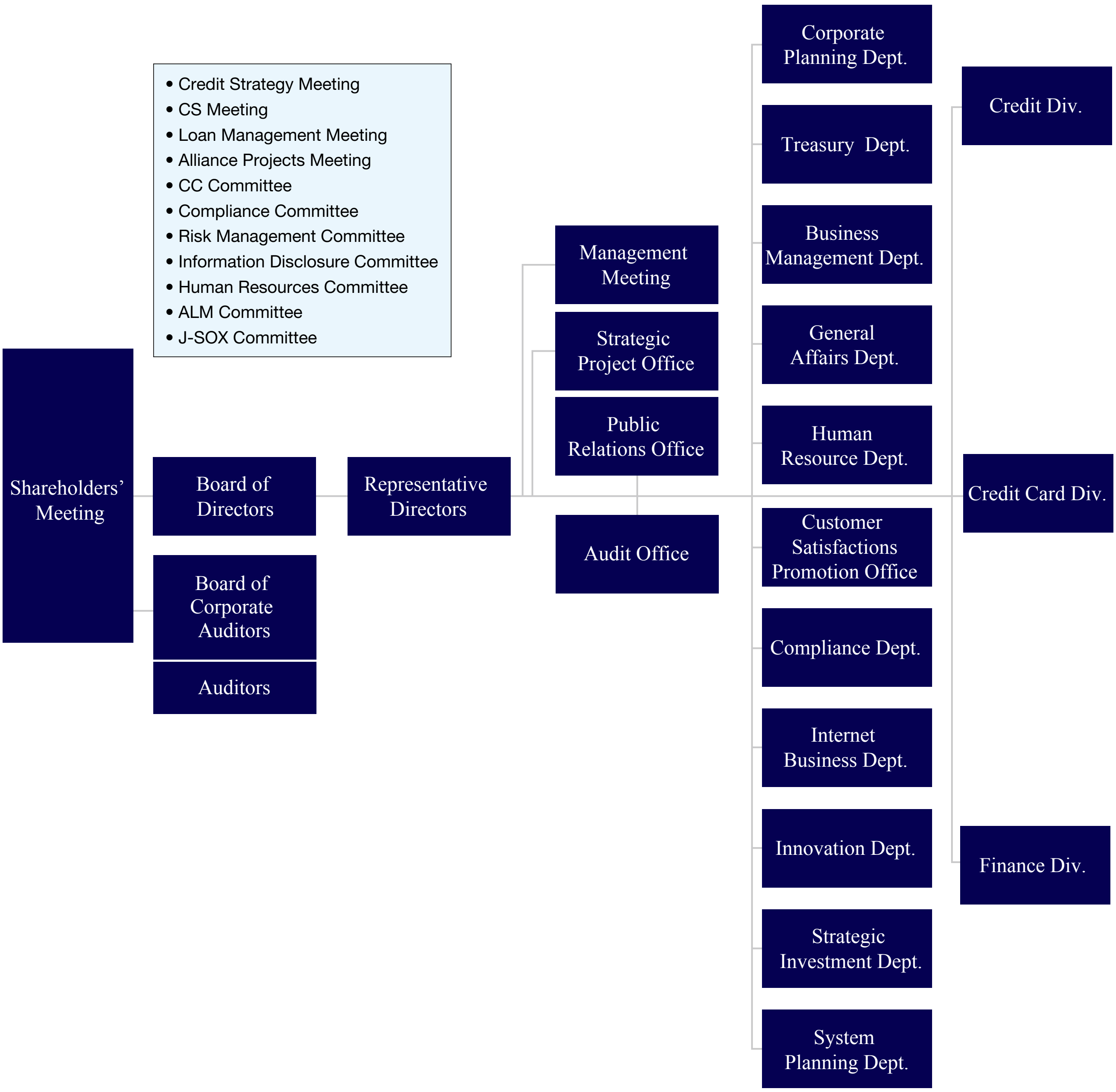
This commitment to service is not limited to individual customers. We also work with our many partner companies to advance our mutual interests through the issuance of affinity cards and corporate cards.

Environmental protection and social contribution

Our customers can participate in social contribution activities with their cards. For example, points earned through card use can be used to make donations to charities, including the World Heritage Programme and World Terakoya Movement of the National Federation of UNESCO Organizations in Japan, the environmental activities of the Forest Culture Association, and guide dog training by the Japan Guide Dog Association.

Our credit cards are made from recycled materials, and we use environment-friendly materials to produce printed materials for customers. We encourage our employees to participate in the government's COOL BIZ initiative, designed to reduce the need for air conditioning in offices by introducing special summer dress codes. Other initiatives include the reduction of paper use in our offices, and the sorting of office waste to facilitate recycling.

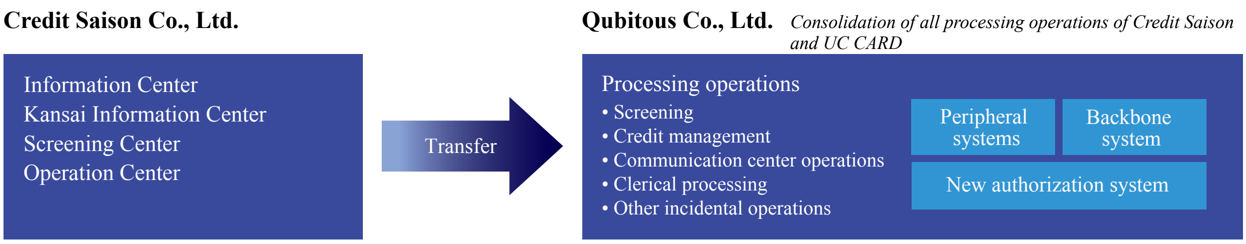
Organization (As of July 16, 2008)



Reorganization Following the Establishment of Qubitous Co., Ltd.

Credit Saison established Qubitous Co., Ltd. to provide comprehensive processing services that attain the highest level of quality and quantity in Japan. In April 2008, we concentrated all processing operations of Credit Saison and UC Card in the new company, implementing a reorganization that entailed the transfer of business functions from Credit Saison to Qubitous.

We transferred to Qubitous the Information Center and Kansai Information Center, which respond to inquiries from customers; the Screening Center, which handles credit card applicant screening and credit management operations; and the Operation Center, which handles registration and clerical processing. We also assigned most systems-related business processes to Qubitous.



Card Tie-Ups

Credit Saison has expanded its affinity card range across wide-ranging sectors. With a cardholder base of 26 million (34 million including cardholders of affiliates), it issues more than 200 affinity cards under the SAISON and UC brands.

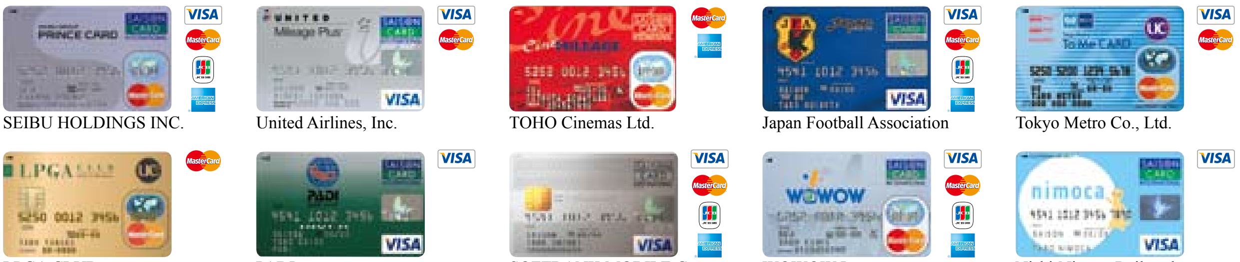
Standard

- SAISON CARD International
- Gold Card SAISON International
- SAISON CARD International American Express Card
- SAISON Gold American Express Card
- UC Card
- UC Card Gold
- SAISON American Express Card
- SAISON Platinum American Express Card

Shopping

- Sogo Co., Ltd.
- The Seibu Department Stores, Ltd.
- The Loft Co., Ltd.
- Ryohin Keikaku Co., Ltd.
- Parco Co., Ltd.
- Mitsui Fudosan Co., Ltd.
- Mitsui Fudosan Co., Ltd.
- YAMAKATAYA
- PRINTEMPS GINZA CO., LTD.
- SAKURANO DEPARTMENTS STORE CO., LTD.
- Takashimaya Company, Limited
- Takashimaya Company, Limited
- Yamada Financial Co., Ltd.
- LAWSON Inc.
- Daiwa House Financial Co., Ltd.

Travel & Entertainment

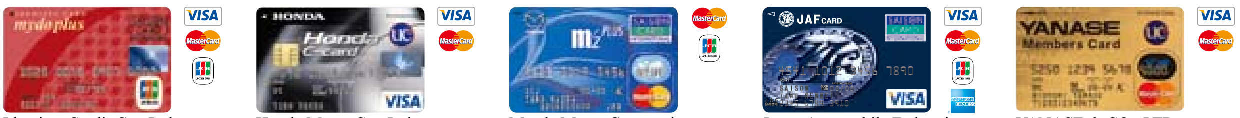


- SEIBU HOLDINGS INC.
- United Airlines, Inc.
- TOHO Cinemas Ltd.
- Japan Football Association
- Tokyo Metro Co., Ltd.
- LPGA CLUB
- PADI
- SOFTBANK MOBILE Corp.
- WOWOW Inc.
- Nishi-Nippon Railroad Co., Ltd.

Financial Institutions

- Mizuho Bank, Ltd.
- Resona Card Co., Ltd.
- Shizugin Saison Card Co., Ltd.
- Yamaguchi Financial Group, Inc.
- Monex, Inc.

Automotive



- Idemitsu Credit Co., Ltd.
- Honda Motor Co., Ltd.
- Mazda Motor Corporation
- Japan Automobile Federation
- YANASE & CO., LTD.

Social Contribution and Others

- World Wide Fund for Nature Japan
- Japan Leukaemia Research Fund
- TOKYO GAS Co., Ltd.
- Tokyo Gas Energy Co., Ltd.
- Waseda University

Financial Section

CONTENTS

SIX-YEAR SUMMARY OF SELECTED FINANCIAL DATA

As of and for the years ended March 31

	(Millions of yen)						Thousands of U.S. dollars (Note 2)
As of and for the years ended March 31	2008	2007	2006	2005	2004	2003	2008
CONSOLIDATED							
For the year:							
Operating revenues (Note 1)	345,587	¥ 333,683	¥ 274,666	¥ 240,385	¥ 220,332	¥ 212,242	$ 3,448,971
Selling, general and administrative expenses	265,494	242,149	193,126	172,024	156,502	147,018	2,649,638
Financial cost	22,902	16,333	11,965	9,771	9,825	12,810	228,560
Operating income	57,191	75,201	69,575	58,590	54,005	52,414	570,773
Net income (loss)	26,756	14,822	42,220	31,818	22,420	(6,027)	267,773
At year-end:							
Total net assets (Note 2)	¥ 418,661	¥ 399,828	¥ 377,127	¥ 301,310	¥ 258,253	¥ 236,028	$ 4,178,255
Total assets	2,450,637	2,299,607	2,062,612	1,512,949	1,352,710	1,280,823	24,457,458
Interest-bearing debt (Note 3)	1,854,057	1,608,307	1,480,380	1,146,928	1,011,563	965,082	18,503,563
Per share data (in yen and U.S. dollars):							
Net income (loss) per share	¥ 148.78	¥ 82.79	¥ 237.29	¥ 185.00	¥ 130.55	¥ (36.57)	$ 1,485
Net assets per share	2,147.04	2,077.69	2,013.85	1,721.35	1,519.13	1,380.26	21,428
Key financial ratios (%):							
Return on shareholders' equity (ROE)	7.1	4.0	12.8	11.4	9.1	—	
Return on assets (ROA)	1.1	0.7	2.4	2.2	1.7	—	
Shareholders' equity ratio	15.8	16.2	17.5	19.9	19.1	18.4	
NON-CONSOLIDATED							
For the year:							
Operating revenues (Note 1)	¥ 277,741	¥ 270,275	¥ 216,453	¥ 190,248	¥ 175,725	¥ 171,843	$ 2,771,866
Selling, general and administrative expenses	223,815	204,765	156,887	135,403	123,746	121,111	2,233,683
Financial cost	20,322	14,067	9,700	8,186	7,154	7,607	202,814
Operating income	33,603	51,442	49,886	46,659	44,824	43,124	335,359
Net income (loss)	24,579	10,221	27,131	25,798	24,396	(5,026)	245,299
At year-end:							
Total net assets (Note 2)	¥ 361,519	¥ 349,754	¥ 341,423	¥ 298,502	¥ 261,792	¥ 237,175	$ 3,607,974
Total assets	2,066,514	1,962,996	1,761,666	1,290,067	1,155,776	1,085,349	20,623,892
Interest-bearing debt (Note 3)	1,554,630	1,350,134	1,239,043	948,561	828,639	779,451	15,515,269
Per share data (in yen and U.S. dollars) (Note 2):							
Net income (loss) per share	¥ 136.51	¥ 57.03	¥ 152.21	¥ 149.78	¥ 142.00	¥ (30.34)	$ 1,362
Net assets per share	2,006.89	1,945.22	1,904.13	1,703.39	1,536.51	1,383.04	20,029
Dividends per share	28.00	28.00	26.00	20.00	18.00	18.00	0.279
Key financial ratios (%):							
Return on equity (ROE)	7.0	3.0	8.5	9.2	9.8	—	
Return on assets (ROA)	1.2	0.6	1.8	2.1	2.2	—	
Equity ratio	17.5	17.8	19.4	23.1	22.7	21.9	
TRANSACTION VOLUME: NON-CONSOLIDATED							
Credit-card-related shopping services	¥3,758,545	¥3,433,872	¥2,527,808	¥2,078,117	¥1,912,210	¥1,808,625	$37,510,429
Shopping loans	6,092	5,693	6,952	9,440	13,367	17,370	60,798
Guarantees	103,302	85,431	62,097	36,179	31,683	53,434	1,030,958
Cash advances and specialty loans	1,116,593	1,058,335	739,038	592,359	555,984	600,447	11,143,643
Agency services	1,269,578	809,992	747,998	576,270	328,119	398,725	12,670,439
Leases	88,273	87,488	90,011	82,999	73,665	71,960	880,968
Merchandise sales	—	—	—	—	2,763	9,445	—
Others	16,186	10,700	9,794	8,317	6,604	9,789	161,537
Total volume of new contracts	6,358,572	5,491,515	4,183,698	3,383,681	2,924,399	2,969,794	63,458,802

Notes: 1. Operating revenues do not include consumption taxes.
2. Effective from the year ended March 31, 2007, the Company adopted "Accounting Standard for Presentation of Net Assets in the Balance Sheet" (ASBJ Statement No. 5) and "Implementation Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet" (ASBJ Guidance No. 8). Under the previous accounting standard, total net assets were recorded as shareholders' equity. The figure for total net assets for the year ended March 31, 2006 has been calculated using the new accounting standards. Figures for prior years utilize the old standards.
3. Interest-bearing debt includes asset-backed securities.
4. Japanese yen amounts have been translated into U.S. dollars at the rate of ¥100.20= U.S.$1, the approximate exchange rate on March 31, 2008, for the convenience of the reader.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THE CREDIT SAISON GROUP

The Credit Saison Group is comprised of five business segments: Credit Services, Finance, Real Estate-related, Entertainment and Other. In fiscal 2007, we prepared a new medium-term management plan involving a revision of our business structure and a more accurate display of our business activities. Beginning in fiscal 2007, we amended the Credit Saison Group's business segmentation as per the above to reflect the new structure.

The Credit Services Business is the most important segment of the Credit Saison Group. This one segment provided approximately 70% of total operating revenues in fiscal 2007.

Operating revenues of the Group consist primarily of fees from affiliated stores generated by credit card and installment purchases, customer fees generated by revolving account payments, card cash advance transactions, specialty loans and other transactions.

Operating expenses consist primarily of advertising expenses, point redemption costs, costs of uncollectible receivables, personnel expenses, payment fees and financial costs. The cost of acquiring new customers to generate future revenue growth represents a significant percentage of advertising and personnel expenses.

CHANGES IN THE SCOPE OF CONSOLIDATION

In the fiscal year under review, the Credit Saison Group had eight consolidated subsidiaries. The Group had nine affiliated companies accounted for by the equity method, unchanged from the previous fiscal year.

With regard to consolidated subsidiaries, the importance of a silent partnership with AR Hotels Ginza Inc. as an operator grew from fiscal 2007, and the company was for this reason added as a consolidated subsidiary. During the fiscal year, however, the silent partnership contract came to an end, and the silent partnership was removed from the scope of the consolidation. Uraku Aoyama Co., Ltd., which was previously a consolidated subsidiary, was merged with another of our consolidated subsidiaries, Vivre Co., Ltd., and removed from the scope of the consolidation in fiscal 2007.

On March 1, 2008, Vivre Co., Ltd. changed its name to Concerto, Inc.

ANALYSIS OF INCOME STATEMENTS

The Japanese economy in fiscal 2007 continued on a moderate growth path thanks to an increase in capital investments and improvements in employment conditions along with solid corporate earnings. However, beginning in the summer, uncertainty grew stronger in the domestic economy, including in relation to personal consumption, due to a sharp rise in raw material prices caused by higher oil prices and fears of a slowdown in the U.S. economy triggered by the subprime loan crisis. In the non-banking sector, to which the Credit Saison Group belongs, the business environment continues to be challenging due to accelerating industry reorganization led by the mega-banks and the intensifying competition resulting from it, and due to the impact of an amendment to the Money-Lending Business Control and Regulation Law.

During the fiscal year under review, Credit Saison's operating revenues increased by 3.6% year on year to ¥345,587 million. Operating income decreased by 23.9% year on year to ¥57,191 million and net income increased 80.5% to ¥26,756 million.

Operating Revenues and Expenses, and Operating Income

In fiscal 2007, operating revenues increased by 3.6%, or ¥11,904 million, year on year to ¥345,587 million. The Credit Services Business, our main segment, posted operating revenues at about the same level as in the previous fiscal year, down just 0.4%, or ¥1,018 million, year on year to ¥254,715 million. Although card shopping revenues were driven up by expansion in the card shopping transaction volume, cash advance revenues declined due to our lowering of interest rates for cash advances for both new accounts and existing accounts' balances, in preparation for the enforcement of the amended Money-Lending Business Control and Regulation Law.

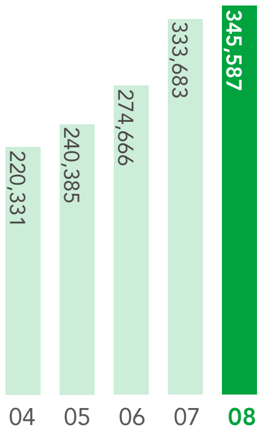
Meanwhile, the Finance Business recorded operating revenues of ¥44,370 million, 18.8% or ¥7,025 million higher year on year, due to strong growth in transactions in the real estate finance business and the credit guarantee business. Due to the performance of the Atrium Group, which achieved an increase in both revenues and profits in the real estate market, the Real Estate-related Business increased its revenues substantially to ¥37,957 million, 36.4% or ¥10,137 million higher than in the previous fiscal year.

Operating expenses amounted to ¥288,396 million, an increase of 11.6%, or ¥29,914 million, compared to the previous fiscal year. A major reason was the cost of uncollectible receivables, which increased by 23.0% year on year to ¥74,326 million. This was due to an increase in receivables intervened by third parties, including attorneys, and an increase in the provision for interest refund claims.

Regarding SG&A expenses excluding cost of uncollectible receivables, although advertising expenses declined, both the provision for the point program and the fees paid increased as the card transaction volume grew. These expensed mainly consisted of

Total Operating Revenues

(Millions of yen)



(Years ended March 31)

Breakdown of Selling, General and Administrative (SG&A) Expenses

(Millions of yen)

Years ended March 31,	2008	2007	% change
Cost of uncollectible receivables	**74,326**	60,417	23.0
Included in the above:			
Allowance for losses on accounts receivable	**56,015**	53,272	5.1
Losses on accounts receivable	**59**	536	(89.0)
Provision for losses on interest repayment	**14,650**	4,065	360.4
Allowance for losses on guarantees	**3,602**	2,543	41.6
SG&A expenses excluding cost of uncollectible receivables	**191,167**	181,731	5.2
Included in the above:			
Advertising expenses	**22,318**	25,375	(12.0)
Provision for point program	**14,731**	11,205	35.1
Personnel expenses	**40,559**	40,472	0.2
Fees paid	**52,791**	50,900	3.7
Total SG&A expenses	**265,494**	242,149	9.6

advertising expenses of ¥22,318 million, 12.0% or ¥3,075 million lower year on year, provision for the point program of ¥14,731 million, 31.5% or ¥3,525 million higher year on year, and fees paid of ¥52,791 million, 3.7% or ¥1,891 million higher year on year. Furthermore, financial costs amounted to ¥22,902 million, 40.2% higher than in the previous fiscal year, because of an increase in interest-bearing debt caused by growth in operating assets. This, in turn, resulted from greater a credit card and real estate mortgage loan transaction volume.

As a result, operating income for fiscal 2007 decreased by 23.9%, or ¥18,010 million, from the previous year to ¥57,191 million.

Non-operating Revenues and Expenses, and Net Income

Net non-operating losses decreased by ¥40,187 million from the previous fiscal year to a loss of only ¥144 million. This result was due to the large year-on-year increase in non-operating revenues to ¥5,568 million arising from our booking of ¥13,021 million as gains from investment securities redemptions of Visa Inc. shares held by Credit Saison and other factors. Also, the year-on-year improvement of non-operating losses by ¥34,619 million to ¥20,625 million was partly a result of the fact that the depreciation expenses for lease assets recorded in the previous fiscal year were not incurred this year.

As a result, net income before income taxes increased by 66.0% year on year to ¥55,787 million, and income taxes and other taxes amounted to ¥22,568 million, higher than in the previous fiscal year. Consequently, net income for fiscal 2007 increased by 80.5%, or ¥11,934 million, year on year to ¥26,756 million.

POLICY FOR RETURN TO SHAREHOLDERS

Dividend per Share

Based on the Company's dividend policy, Credit Saison allocated annual dividends of ¥28 per share in fiscal 2007, the same amount as in the previous fiscal year.

REVIEW OF OPERATIONS BY SEGMENT*

Credit Service Business

This segment consists of the credit card and servicer (loan collection agency) businesses. Segment operating revenues for fiscal 2007 decreased by 0.4% year on year to ¥254,715 million and segment operating income decreased 39.5% to ¥30,581 million.

(i) Credit Card Business

In the credit card business sector, the market scale has been continuously growing, as the use of credit cards for regular payments for mobile phone bills, public utility bills, etc., has increased. With the scope of credit card usage expanding to the ETC (electronic toll collecting) system and the medical field, the penetration of mobile credit has begun.

Meanwhile, it is expected that the business environment will continue to be challenging for all companies due to the impact of the amendment to the Money-Lending Business Control and Regulation Law. In this environment, Credit Saison has been focusing on restructuring its sales network to achieve greater efficiency while at the same time aggressively promoting strategic alliances with regional financial institutions and large retail companies throughout Japan with a view to further expanding its customer base.

The number of new cardholders for fiscal 2007 totaled 2.89 million, and the total number of cardholders as of March 31, 2008 reached 26.01 million, an increase of 4.4% year on year. In addition, the card shopping transaction volume amounted to ¥3,758.5 billion, an increase of 9.5% year on year, and the number of active cardholders was 13.22 million, an increase of 5.9% year on year. The balance of shopping-related revolving credit contracts amounted to ¥263.6 billion, an increase of 10.1% year on year. Furthermore, cash advances on cards totaled ¥670.3 billion, an increase of 1.4% year on year, of which ¥25.2 billion has been securitized by the Company, resulting in a balance of ¥645.0 billion.

Key Initiatives in the Credit Card Business during Fiscal 2007

Alliance Network Expansion and New Initiatives

● Growth in cardholders through promotions of strategic alliances

Credit Saison has expanded its network of SAISON Card alliances with retail companies to take full advantage of its corporate strengths.

Examples include the Northport Card Saison, a card for customers of Northport Mall, the largest commercial complex in Japan, opened in Kohoku New Town; the BIG HOP Card, a card for customers of the large-scale commercial complex BIG HOP Garden Mall Inzai, opened in Inzai City and managed by Mixing Co. Ltd.; the LaLa Garden Kasukabe Card Saison, a card for customers of the LaLa Garden Kasukabe commercial facility opened in Kasukabe City; the Latov Card Saison, a card for customers of the Latov commercial complex opened in Iwaki City; and the Yamakataya Card, a card for customers of Yamakataya Co. Ltd., which operates department stores primarily in southern Kyushu.

In addition, we have promoted strategic alliances to create locally based cards that are the most powerful in their area through relationships with regional financial institutions. For example, we have started offering the ALL-S Card through Shizugin Saison Card Co., Ltd., which we established in a joint equity investment with Shizuoka Bank, Ltd., and the YM Saison Card through marketing company YM Saison Co., Ltd., which we established in a joint equity investment with Yamaguchi Financial Group, Inc., the largest financial group in central Shikoku.

Operating Revenues and Operating Income by Segment

(Millions of yen)

	Operating Revenues			Operating Income (Loss)		
	2008	2007	% change	**2008**	2007	% change
Credit Services	**254,715**	255,734	(0.4)	**30,581**	50,558	(39.5)
Finance	**44,370**	37,344	18.8	**11,252**	11,970	(6.0)
Real Estate-related	**37,957**	27,820	36.4	**22,760**	15,388	47.9
Entertainment	**14,395**	16,920	(14.9)	**(3,010)**	2,045	—
Other	**1,995**	1,317	51.5	**1,327**	663	100.1
Total	**353,434**	339,137	4.2	**62,911**	80,625	(22.0)
Eliminations or corporate	**(7,847)**	(5,454)	—	**(5,720)**	(5,424)	—
Consolidated	**345,586**	333,683	3.6	**57,191**	75,201	(23.9)

Note: Operating revenues and operating income of each segment include intersegment operating revenues.

Furthermore, we have expanded our product lineup so that a broad range of customers can choose the card that is optimal for them. The new products include the SAISON NEXT Card, a successor product for the approximately 3.4 million holders of Saison Postal Savings Cards, and two new SAISON American Express Card types: the Gold Card and the "no annual fee" card, the first of its kind in Japan.

● Initiatives for exploring the small-sum payment and settlement market

In response to the rapid spread of mobile credit services, we have introduced credit cards equipped with QUICPayTM and NTT DoCoMo Inc.'s mobile phone credit card function iDTM. In this way, we are striving to realize services that will meet our customers' needs. In addition, we are actively exploring the small-sum payment and settlement market by utilizing E-Money. For example, we have started offering the PASMO auto-charge service on the Prince Card, the Tokyo Metro To Me CARD and other cards. We have also introduced the KIPS PiTaPa Card, a credit card compatible with Kintetsu Corporation's PiTaPa system, which is currently in operation at railway stations.

Strengthening Our Business Base

● Strengthening the organization

The Company's greatest strength is its nationwide sales network. Yet, to pursue further efficiency, we have promoted restructuring of this network. This restructuring includes the reorganization and consolidation of sales centers and service counters, and a revision of the locations of our cash dispensers. We are aiming to manage our counters effectively and appropriately by taking into account revenues and efficiency aspects throughout all processes, from the offering of a new card to the provision of various services.

In response to the spread of the Internet and improvement in Web usability in recent years, the Company has established a Web branch aimed at strengthening the acquisition of new cardholders by using a web site, and is actively strengthening its Web strategies to create fee revenues through the new net business centered on Eikyu Fumetsu.com.

Furthermore, in March 2008 we abolished the eight-year-old division system because it had largely achieved its objectives, which included promoting mutual understanding among divisions. We also took the opportunity provided by the establishment of Qubitous Co., Ltd. to promote the restructuring of related organizations with a view to establishing a position of cost leadership in card processing.

● Ensuring credit risk management

With regard to credit risk, while the number of voluntary bankruptcies has been stabilizing, interest refund claims and receivables intervened for by third parties, such as attorneys, have been at a high level. In this environment, Credit Saison is working to strengthen its systems for preventing loans from going bad. For example, we have put the Credit Management Center and the Loan Management Center in charge of operations to preserve loans not in arrears and have increased the number of staff in these divisions.

Going forward, the Company will focus on improving the quality of its receivables by strengthening its screening and monitoring processes, while also striving to provide the most appropriate credit line in accordance with the regulations of total volume, for example by obtaining proof of income when providing large loans, and continuing to ensure credit management that maintains a good balance between revenues and risks.

New Developments and Future Initiatives

● Launch of online shopping mall "Eikyu Fumetsu.com"

In fiscal 2007, total Net Members, including SAISON Card Internet members (Net Answer members) and UC Card Internet members (@UNet members), amounted to 2.5 million, a 41.5% year-on-year increase. As a new service utilizing Credit Saison's unique Eikyufumetsu Points, we are operating Eikyu Fumetsu.com, an online card shopping mall in which Net Answer members can save up Saison Eikyufumetsu Points. In October 2007, following the introduction of Eikyufumetsu Points for the UC Card, @UNet members also became able to use Eikyu Fumetsu.com. We are also strengthening our initiatives in new Internet-related business sectors. For example, we have begun to operate a version of Eikyu Fumetsu.com for mobile phones and also launched Eikyufumetsu Contents, which enables people to download digital content to their mobile phones. We intend to develop a fee business based on profits from commissions received from online shops as a major source of revenues.

● Introduction of SAISON Card Loan Gold

In February 2008, Credit Saison issued the SAISON Card Loan Gold, a card specialized for variable-rate, low-interest loans. This is the first time we have attempted to introduce a card of this type. Going forward, we will advance product development to meet the funding needs of a wide range of customer segments by issuing a series of affinity card loans in alliance with major corporations.

● Spin-off of processing operations

Credit Saison passed a resolution in its Board of Directors meeting of February 20, 2008 to spin off the credit card processing operations of Credit Saison to Qubitous Co., Ltd., effective from April 1, 2008. This decision was based on a business restructuring agreement concluded with Mizuho Bank, Ltd. and UC CARD CO., LTD.

(ii) Servicer (Loan Collection Agency) Business

In the servicer industry, new players are continuing to enter the market. Other types of industries, such as the telemarketing industry, are entering the field of market testing based on the Public Service Reform Law, so competition is intensifying.

In this environment, with its focus on the agency business for small amount unsecured loan receivables in addition to credit card companies and financial institutions, the Credit Saison Group has aggressively entered the market of government and municipal offices, which are required to achieve greater efficiency by outsourcing to the private sector. In addition, the Group has developed its business with a view to increasing the vitality of existing lenders, and we have been able to maintain strong sales. As a result, we successfully concluded contracts with 15 new customers, primarily government and municipal offices, which is a customer segment in which we are strategically enhancing our marketing.

Finally, by enhancing appropriate cost management and our comprehensive loan collection capacity, we were able to achieve an increase in the amount recovered and an improvement in our rate of return, and realize more productive management of operations.

Finance Business

This segment consists of the credit guarantee business, the loan businesses and the lease business. In fiscal 2007, transaction volumes in each business expanded strongly, with the result that segment operating revenues increased 18.8% year on year to ¥44,370 million. Meanwhile, due to an increase in the uncollectible receivables of the loan businesses and other factors, operating income decreased 6.0% year on year to ¥11,252 million.

(i) Credit Guarantee Business

Credit Saison focused on obtaining high-quality facilities by utilizing its close business relationships with affiliated financial institutions in both sales and management, particularly in the guarantee business for unsecured loans to individual customers. In fiscal 2007, we endeavored to expand our transaction volume by entering into a total of 32 new alliances, including an alliance with Akita Bank Co., Ltd. As a result, the guarantee balance increased 16.1% from the previous fiscal year to ¥157.3 billion.

(ii) Other Consumer Loans

Credit Saison provides a variety of unsecured consumer loans. These include Member's Loans for SAISON Card cardholders. The balance of other consumer loan receivables was ¥49.9 billion, a 25.6% year-on-year decrease.

(iii) Real Estate Finance Business

Credit Saison is engaged in the financing business collateralized by real estate properties, mainly providing business loans. In this business, the Company utilizes its capability for real estate evaluations, its know-how of real estate securitization, and the network it has been building over the years through its real estate securitization business. Although we made the screening of facilities stricter in response to changing market conditions, we were able to maintain the execution of loans at a healthy level. As a result, the balance of loans was ¥247.1 billion, a 14.2% year-on-year increase. Of this amount, ¥70.0 billion has been securitized by the Company, resulting in a balance of ¥178.7 billion.

(iv) Lease Business

Against a background of reduced corporate capital investment, in fiscal 2007 the lease contract volume for the industry overall fell 9.7% year on year (Source: Japan Leasing Association statistics). However, Credit Saison expanded its affiliated sales outlets and diversified its range of products and, as a result, the Company's lease transaction volume increased by 0.9% year on year to ¥88.2 billion.

Real Estate-related Business

This segment consists mainly of the real estate securitization business, servicer business, real estate fund business, real estate loan guarantee business and real estate leasing business.

In fiscal 2007, the Atrium Group developed its "value producing" business, which utilizes the Group's strength of being able to provide one-stop solutions for all of its customers' real estate needs. Thanks to the Atrium Group's strong earnings, segment operating revenues increased 36.4% year on year to ¥37,957 million and operating income increased 47.9% year on year to ¥22,760 million.

(i) Real Estate Securitization Business

This business involves acquiring used real estate that does not generate revenues for reasons such as building defects and complex rights relationships. Once a property is acquired, we organize rights relationships that fulfill compliance requirements, develop and renovate the property, improve its occupancy rates to increase its value by stabilizing cash flows, and sell it.

In fiscal 2007, we endeavored to expand purchasing information channels and utilize real estate M&A methods for smooth property acquisitions, and achieved sales according to plan. In the first half of the year, we made sales, primarily of real estate for large businesses, at higher than anticipated prices. In the second half of the year, there were growing fears of a loss of momentum in the industry overall due to the credit crunch caused by the subprime loan crisis.

(ii) Servicer Business

This business involves the purchase, management and collection of loans secured by real estate. Its notable characteristic is that it uses the Credit Saison Group's expertise to acquire its own collateral real estate through techniques such as placing the winning bid on an auction of the property, and then add value to the property and sell it.

As financial institutions make progress in writing off bad loans and competition in purchasing among servicer companies intensifies, the Company is placing particular emphasis on sales activities targeting regional financial institutions. We are also carrying out all-time-high loan purchases through secondary assignments from other servicers and initiatives for business revival facilities.

At the same time, regarding loan collection, the Company is aggressively acquiring collateral real estate of its own, and has promoted an increase in the value of acquired properties ahead of their planned sales.

(iii) Real Estate Fund Business

This business acquires rental real estate such as leased buildings and condominiums from the general distribution market, utilizes the expertise built up over time by the Credit Saison Group to increase the value of the real estate by improving the operating ratio of the property portfolio, and structures, sells and manages high-yield real estate investment funds. In the first half of the year, we received sales proceeds due to the closing of the Atrium Primary Fund, and steadily promoted increased value in the Atrium Value Balance Fund by improving the operating ratio of the property portfolio ahead of the closing of this fund in the next fiscal year. Moreover, we have aggressively developed real estate equity investments centered on large-scale projects of ¥10.0 billion through joint investments with customers of the real estate loan guarantee business.

(iv) Real Estate Loan Guarantee Business

When individuals or corporations receive finance from financial institutions or finance companies with real estate as the collateral, this business evaluates and provides debt guarantees for the real estate in question and obtains guarantee commission proceeds from the financial institutions or finance companies concerned. In this business, Credit Saison has made the screening of facilities stricter and at the same time was able to maintain the execution of financial guarantees at a healthy level.

(v) Real Estate Leasing Business

This includes the tenant building business, which utilizes real estate properties owned by the Company, and the real estate sub-lease business, which operates and manages real estate properties rented collectively from real estate owners.

Entertainment Business

This segment consists of the amusement business and other operations. Credit Saison continued to create sound, safe, and comfortable facilities that have the support of their regional communities. However, due to stricter regulations on game machines, operating revenues decreased 14.9% from the previous year to ¥14,395 million, while there was an operating loss of ¥3,010 million.

Furthermore, in March 2008 Credit Saison implemented a management integration of two of its consolidated subsidiaries. Uraku Aoyama Co., Ltd., which runs a real estate leasing business and membership club business, was integrated into Vivre Co., Ltd. After the merger, Vivre Co., Ltd. changed its name to Concerto, Inc.

Through the management integration of these two companies, we are aiming to strengthen group management by consolidating the functions, human resources and expertise duplicated in the outlet development division of Vivre Co., Ltd. and the real estate development division of Uraku Aoyama Co., Ltd. for greater operational efficiency.

Others

This segment is comprised of the insurance agency business, information processing services, non-life insurance and others. Operating revenues increased by 51.5% year on year to ¥1,995 million, and operating income increased by 100.1% year on year to ¥1,327 million.

LIQUIDITY AND FINANCIAL POSITION

Fund Procurement and Liquidity Management

The Credit Saison Group emphasizes stability and low cost when procuring funds, and is actively working to diversify fund procurement methods. Key procurement methods include negotiated transactions with banks, farming and forestry-related financial institutions, life insurance companies and non-life insurance companies. In addition, the Group procures funds indirectly through syndicated loans and committed lines of credit, and can procure funds directly by issuing corporate bonds and commercial paper, and by securitizing receivables. Consolidated interest-bearing debt (including debt incurred procured through off-balance sheet securitizations in the amount of ¥215.2 billion) totaled ¥1,854.0 billion as of March 31, 2008. Of this total, loans accounted for 64.1%, bonds accounted for 16.2%, commercial paper accounted for 6.2% and securitized receivables accounted for 13.5%.

With regard to indirect fund procurement, in an effort to mitigate refinance risks and reduce costs, the Company is working to strengthen its alliances with existing lenders. We also aim to diversify sources of procurement and examine new counterparties, targeting financial institutions with which the Company can expect long-term stable transactions. In terms of direct fund procurement, in an effort to mitigate liquidity risk and reduce costs, the Company not only utilizes corporate bonds and commercial paper, but is also setting up new fund procurement schemes, including securitization of receivables, that will be unaffected by the creditworthiness of the Company.

To support smooth fund procurement from the capital market, Credit Saison has obtained credit ratings for the bonds it issues. The Company has been given an A+ rating for domestic unsecured corporate debentures, and an a-1 rating for domestic commercial paper by Rating and Investment Information, Inc. (R&I).

With regard to securing liquidity, of the total assets held by the Credit Saison Group, installment accounts receivable centered on the credit card business account for 70.9%. Their yearly average turnover is more than three times, helping the Company maintain a high level of liquidity.

Cash Flows

Net Cash Provided by Operating Activities

Net cash used in operating activities was ¥24,097 million (in the previous year proceeds amounted to ¥11,990 million). This is due to the following factors: net income before income taxes and minority interest was ¥55,786 million, and depreciation and amortization expenses, a non-cash item, were ¥68,016 million. Meanwhile, payments of income taxes and other taxes were ¥54,902 million, and business receivables increased by ¥253,378 million due to transaction volume expansion in credit cards and real estate mortgage loans.

Meanwhile, included in the balance of the business receivables at the end of fiscal 2007 were proceeds of ¥190.0 billion, received from securitizing card shopping lump-sum payments and receivables from real estate mortgage loans.

Net Cash Used in Investing Activities

Net cash used in investing activities was ¥94,374 million, an increase of 14.0% year on year. This is due mainly to the acquisition of tangible and intangible fixed assets, including lease assets, at a cost of ¥98,961 million.

Net Cash Provided by Financing Activities

Net cash provided by financing activities increased by 120.9% year on year to ¥147,641 million. A breakdown of this result shows income of ¥164.1 billion from long-term borrowings as part of a focus on medium- and long-term fund procurement and income of ¥68,564 million from the issuance of corporate bonds, as well as expenditures of ¥54,274 million on repayments for long-term borrowings and ¥43,140 million on redemptions of corporate bonds.

As a result, cash and cash equivalents at the end of fiscal 2007 increased by ¥28,916 million from the previous year to ¥93,645 million.

Assets, Liabilities and Shareholders' Equity

Total assets at the end of fiscal 2007 increased by 6.6%, or ¥151,030 million, year on year to ¥2,450,637 million.

Current assets increased by 7.8%, or ¥146,453 million, year on year to ¥2,018,760 million. The main contributing factors were an increase in installment accounts receivable, such as receivables from the Credit Services Business and from the Real Estate Finance Business of the Finance Business, and an increase in inventories, namely purchased loan receivables and real estate properties for sale. Of the balance at the end of the fiscal 2007, real estate mortgage loans in the amount of ¥70.0 billion were securitized to be accounted as off-balance sheet transactions.

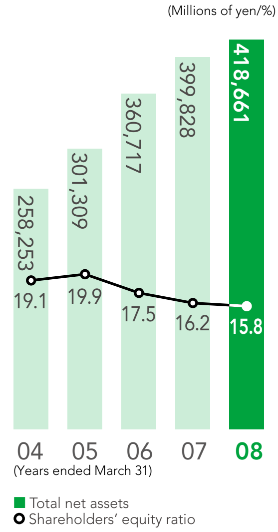
Fixed assets increased by 1.0%, or ¥4,409 million, compared to the end of the previous fiscal year to ¥431,204 million. A breakdown of this change shows that tangible fixed assets increased by ¥6,290 million year on year to ¥212,242 million, mainly due to a year-on-year increase in lease assets of ¥6,277 million, and that intangible fixed assets increased by ¥6,776 million year on year to ¥47,825 million, mainly due to a year-on-year increase in software of ¥5,812 million. On the other hand, investments and other assets amounted to ¥171,136 million, a year-on-year decrease of ¥8,657 million.

Total liabilities as of the end of the fiscal 2007 increased by 7.0%, or ¥132,197 million, year on year to ¥2,031,976 million. The main reason was an increase in interest-bearing debt resulting from the issuance of corporate bonds and borrowings from financial institutions. Current liabilities decreased by ¥9,739 million year on year to ¥914,382 million, while long-term liabilities increased by ¥141,937 million to ¥1,117,593 million.

As a result of the above, the balance of interest-bearing debts in fiscal 2007 amounted to ¥1,854.057 billion, an increase of 15.3%, or

Composition of Interest-Bearing Debt

Changes in Total Net Assets and Capital Adequacy Ratio



¥245,750 million, compared to the previous fiscal year. This includes securitized receivables in the amount of ¥215.2 billion accounted for as off-balance sheet transactions.

Total net assets increased by 4.7%, or ¥18,832 million, year on year to ¥418,661 million. Meanwhile, the Company's regulatory capital adequacy ratio was 15.8%, a year-on-year decline from 16.2%. ROE was 7.1%, an improvement of 3.1 percentage points over the previous fiscal year's 4.0%.

CREDIT RISKS

Of total receivables (i.e., the balance calculated by adding up the balance of installment accounts receivables, and the balance of contingent liabilities related to the credit and finance businesses, and the balance of lease receivables undue), receivables overdue by more than 90 days amounted to ¥80,305 million, an increase of 52.7% year on year. The balance of the allowance for uncollectible receivables (current assets) at the end of fiscal 2007 was ¥75,300 million, an increase of 15.5% year on year. Consequently, the ratio of the allowance to the receivables overdue for more than 90 days was 125.8%, decreased from 129.5% at the end of the previous fiscal year.

RISK INFORMATION

The following presents an overview of operating, accounting and other issues that exert or could exert a significant influence on investor decisions. Forward-looking statements are Credit Saison Group estimates as of March 31, 2007.

1. Operating Conditions

Results and financial position in the Credit Saison Group's primary Credit Service, Finance and Real Estate-related business are subject to the influence of domestic economic conditions. Factors contingent upon economic conditions, including worsening of the employment environment, disposable household income or consumer spending, affect or may affect transaction volume and repayment in Group businesses including credit cards, loans, credit guarantees, and real estate mortgage loans, and therefore have the potential to negatively impact Group operating revenues and cost of uncollectible receivables. Recently, an increasing number of individuals have assumed substantial loan and credit card obligations from multiple financial institutions. This problematic economic situation also has the potential to affect Group results. Small and medium-sized companies are the principal customer group of the Lease segment. Factors contingent upon economic conditions, including contraction in capital expenditures and deteriorating corporate performance, have the potential to negatively impact operating revenues, losses on receivables and other results as well as financial position.

2. Changes in Cost of Funds

Changes in financial conditions and reduction in the Credit Saison Group's credit rating may increase interest rates on funds the Group procures and have the potential to negatively impact operating revenues and other results as well as financial position. Changes in interest rates on loans and other instruments are impacted by a wide array of considerations. These include the maximum interest rates and fees as prescribed by the Law Concerning the Regulation of Receiving of Capital Subscription, Deposits and Interest on Deposits (the Capital Subscription Law) and other regulations, which may mandate that the Credit Saison Group operate below the maximum allowable limits; changes in the terms of customer contracts; and interest rates applicable to other companies in the consumer credit business. The Credit Saison Group may be unable to price its products and services to reflect higher interest rates on the capital it procures, which would have the potential to reduce the Group's interest margin.

3. Competitive Environment

Financial system has undergone substantial deregulation in recent years, which has resulted in energetic restructuring of the retail financial services industry in Japan. Large mergers in the credit card industry, the entry of competitors from other industries and other events have caused competition to intensify. In this changing market, the results

Comparison of Delinquent Receivables and the Allowance for Receivables (Millions of yen)

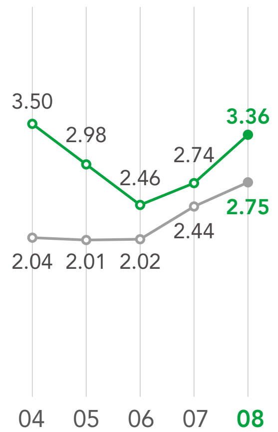
	2008	2007	% change
(1) Receivables	¥2,352,769	¥2,162,198	8.7
(2) Receivables overdue by more than 90 days	80,305	52,591	52.7
(3) Collateralized portion included in (2)	20,439	2,237	813.5
(4) Allowance for losses on receivables included in current assets	75,300	65,206	15.5
Receivables overdue by more than 90 days as a percentage of receivables [(2) ÷ (1)]	3.4%	2.4%	—
Ratio of allowance of losses on receivables to receivables overdue by more than 90 days [(4) ÷ ((2)–(3))]	125.8%	129.5%	—
(Reference) Receivables overdue by more than 90 days excluding collateralized portion as a percentage of receivables [((2)–(3)) ÷ (1)]	2.5%	2.3%	—

Changes in the Allowance for Uncollectible Receivables (Millions of yen)

	2008	2007	% change
Allowance for losses on receivables at the beginning of the year	¥70,573	¥65,948	7.0
Increase	69,870	55,013	27.0
Decrease (Reversal)	49,545	50,388	(1.7)
Allowance for losses on receivables at the end of the year	90,898	70,573	28.8
(Reference) Losses on receivables	59	536	(88.9)

Delinquency Ratio (Over 90 days) and Write-off Ratio (Non-consolidated basis)

(Billions of yen/%)



(Years ended March 31)

● Write-off ratio
● Delinquency ratio (more than 90 days)

and financial position of the Credit Saison Group may be negatively impacted by the occurrence of events such as reduced profitability due to a decrease in fee rates from member stores or changes in the terms of transactions with business partners.

4. Unfavorable Performance among Primary Alliance Partners

In the credit services business, the Credit Saison Group has agreements including affinity card issuance and member store contracts with numerous companies and organizations. Unfavorable performance among these alliance partners has the potential to negatively impact the Credit Saison Group's performance and financial position. For example, the Credit Saison Group acquires approximately 50 percent of new cardholders through the outlets of alliance partners in the retailing industry. Reduced ability to attract customers or lower sales among these companies has the potential to negatively impact the Credit Saison Group's operating revenues. In addition, the Credit Saison Group has capital relationships with a number of its alliance partners. Unfavorable performance among such alliance partners has the potential to incur impairment losses on investment securities in the Credit Saison Group's portfolio.

5. System Operation Problems

The Credit Saison Group relies heavily on computer systems and communication networks in numerous aspects of its main businesses, including the credit services business. A number of situations could compromise the Credit Saison Group's sales capabilities, damage its credibility and cause other problems that would have the potential to negatively impact the Credit Saison Group's performance and financial position. These situations include Group and counterparty system inoperability resulting from temporary system overload due to factors such as system errors or spikes in access caused by Group or counterparty hardware or software problems; breakdown in communication networks resulting from factors including natural disasters and accidents; and illegal or inappropriate system operation.

6. Leakage of Personal Information and Other Issues

The Credit Saison Group maintains a large volume of personal information concerning its cardholders and others, and implements appropriate controls throughout the Group. However, based on the Private Information Protection Law, incidents such as leakage or illegal use of this information are regulatory violations that could result in administrative guidance, orders or fines. This would damage the Credit Saison Group's credibility and cause other problems that would have the potential to negatively impact the Credit Saison Group's performance and financial position.

7. Regulatory Changes

The Credit Saison Group operates in accordance with current regulations and the risks that result from these regulations. The Group's businesses are subject to the Installment Sales Law, the Money-Lending Business Control and Regulation Law and other laws. Circumstances arising from amendments to or changes in the interpretation of these laws in the future would have the potential to negatively impact on the Credit Saison Group's operations, performance and financial position.

On December 13, 2006, the Law Partially Revising the Money-Lending Business Control and Regulation Law came into force and, as a result, over the approximately three years after the promulgation of the amended law, the regulations on excessive lending by money-lending businesses will be strengthened, the constructive repayment system will be abolished and the interest rate ceiling set in the Capital Subscription Law will be lowered. In anticipation of these revisions, we changed the actual annual percentage rate of the cash advance service offered with the credit card issued by the Company to 18.0% or lower, within the interest rate ceiling set by the Interest Rate Restriction Law. For the SAISON brand, the new percentage rate starts from the balance as of July 17, 2007. For the UC brand, the new rate starts from the amount handled on June 11, 2007.

Moreover, the portion of interest that is higher than the interest rate ceiling set by the Interest Rate Restriction Law can be deemed invalid and may be subject to claims for reimbursement. Credit Saison is booking an allowance for losses on interest repayments in preparation for future claims for reimbursements of this type, but future regulatory revisions or regulatory trends that unexpectedly expanded such reimbursement claims would have the potential to negatively impact on the Credit Saison Group's performance and financial position.

The type, content and degree of potential regulatory revisions are difficult to predict, and the Credit Saison Group has no control over their potential impact on its operations.

8. Impairment Loss of Property and Equipment and Evaluation Losses

A material decline in the fair value of the Credit Saison Group's land and buildings, or a projected decline in operating income in businesses employing such assets that is not deemed to be temporary, will incur impairment losses that have the potential to negatively impact the Credit Saison Group's results and financial position. Moreover, a material decline in the fair value of investment securities and investments and loans to affiliates, or unfavorable performance among investees, has the potential to incur evaluation losses.

9. Retirement Benefit Obligations

A decrease in the fair value of the assets in the pension plans of the Credit Saison Group and changes in the actuarial assumptions used to calculate retirement benefit obligations have the potential to negatively impact the Credit Saison Group's results and financial position.

OUTLOOK FOR THE FISCAL YEAR ENDING MARCH 2009

Having started with public utility bills, card payment is now spreading into the cash market at an accelerating pace, and the expansion of the scope of credit card usage is expected to continue. However, business conditions for the next fiscal year in the non-banking sector, in which Credit Saison is engaged, are likely to be challenging due to the influence of restructuring and the amended Money-Lending Business Control and Regulation Law, as well as the global credit crunch and recession fears in the domestic economy triggered by the U.S. subprime loan crisis.

In response, Credit Saison set forth its management vision–"Creation of a non-bank financial institution with a powerful market presence" and in fiscal 2007 launched a Medium-Term Management Plan targeting consolidated ordinary income of ¥70.0 billion in the fiscal year ending March 31, 2010.

We are striving to further strengthen the Group management and prioritize the reallocation of management resources, with the aim of building a new revenue base and secure balanced revenues from a number of businesses with different risk profiles, unconstrained by the framework of a specialized credit card companies.

We aim to establish ourselves as the No. 1 credit card group through a range of strategic moves, including the expansion of our real estate-related business, primarily in the financing business and in the group companies; development of the processing business through Qubitous Co., Ltd., which was established in fiscal 2007; and expansion of our share of the card shopping market to 30% and of the unsecured consumer loan market to 5%, based on the medium- to long-term target of the credit card business.

Based on the activities described above, the Company forecasts the following consolidated results for the period ending March 2009: operating revenues of ¥363.0 billion, operating income of ¥64.0 billion, ordinary income of ¥62.0 billion and net income of ¥27.0 billion.

CONSOLIDATED BALANCE SHEETS

Credit Saison Co., Ltd. and Consolidated Subsidiaries
As of March 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2008	2007	2008
ASSETS			
Current Assets:			
Cash and deposits	¥ 57,245	¥ 55,962	$ 571,307
Receivables:			
Installment accounts receivable (Note 4)	1,738,773	1,673,437	17,353,018
Short-term loans	34,401	5,225	343,324
Less: Allowance for losses on receivables	(75,301)	(65,207)	(751,502)
	1,697,873	1,613,455	16,944,840
Securities (Note 9)	2,500	1,500	24,945
Inventories (Note 5)	198,028	147,956	1,976,330
Deferred tax assets (Note 11)	25,052	19,471	250,022
Prepaid expenses and other current assets	38,062	33,963	379,862
Total current assets	2,018,760	1,872,307	20,147,306
Property and Equipment, at Cost:			
Equipment for lease (Note 8)	310,019	286,304	3,094,000
Buildings and improvements	35,114	33,471	350,433
Fixtures and equipment	30,216	28,147	301,560
Total	375,349	347,922	3,745,993
Less: Accumulated depreciation	(176,216)	(155,455)	(1,758,642)
Net property and equipment	199,133	192,467	1,987,351
Land	11,504	11,532	114,814
Construction in progress	1,605	1,953	16,021
Total property and equipment	212,242	205,952	2,118,186
Investments and Other Assets:			
Investment securities (Note 9)	58,448	77,863	583,319
Investments in unconsolidated subsidiaries and affiliated companies	39,231	28,411	391,525
Long-term loans	28,514	29,341	284,568
Intangible assets	47,826	41,049	477,303
Lease deposits	7,717	8,431	77,013
Deferred tax assets (Note 11)	44,657	31,841	445,679
Others	9,145	10,161	91,269
Less: Allowance for losses on receivables	(15,598)	(5,367)	(155,669)
Less: Allowance for losses on investments in unconsolidated subsidiaries and affiliated companies	(305)	(382)	(3,041)
Total investments and other assets	219,635	221,348	2,191,966
Total assets	¥ 2,450,637	¥ 2,299,607	$ 24,457,458

The accompanying notes are an integral part of these statements.

	Millions of yen 2008	Millions of yen 2007	Thousands of U.S. dollars (Note 2) 2008
LIABILITIES AND EQUITY			
Current Liabilities:			
Notes and accounts payable	¥ 217,060	¥ 237,262	$ 2,166,266
Short-term loans (Note 7)	406,901	381,708	4,060,890
Current portion of long-term debt (Note 7)	98,176	107,090	979,801
Commercial papers (Note 7)	114,000	101,300	1,137,725
Accrued income taxes	15,018	36,361	149,882
Unearned income	5,704	5,126	56,923
Accrued employees' bonuses	2,083	2,160	20,784
Accrued directors' bonuses	98	160	978
Allowance for losses on interest repayments	11,630	11,247	116,071
Allowance for losses on business structural reforms	435	—	4,342
Allowance for losses on collecting gift tickets	141	—	1,407
Accrued expenses and other current liabilities	43,137	41,709	430,507
Total current liabilities	914,383	924,123	9,125,576
Long-Term Liabilities:			
Long-term debt (Note 7)	1,019,780	888,209	10,177,442
Accrued pension and severance costs (Note 10)	5,326	6,493	53,158
Accrued retirement benefits to directors and corporate auditors	241	940	2,410
Allowance for losses on guarantees	3,608	2,543	36,008
Allowance for losses on warranty for defects	124	49	1,238
Allowance for losses on point program	45,474	36,205	453,832
Allowance for losses on interest repayments	33,841	34,657	337,735
Negative goodwill	298	108	2,976
Others	8,901	6,452	88,828
Total long-term liabilities	1,117,593	975,656	11,153,627
Commitments and Contingent Liabilities (Note 18)			
Equity (Note 19)			
Common stock	75,685	75,231	755,339
Capital surplus	81,331	80,876	811,682
Retained earnings	225,855	204,130	2,254,046
Net unrealized gain on available-for-sale securities	10,171	19,152	101,510
Deferred loss on derivatives under hedge accounting	(670)	(183)	(6,687)
Less: Treasury stock, at cost	(6,093)	(6,047)	(60,807)
Total	386,279	373,159	3,855,083
Minority Interests	32,382	26,669	323,172
Total equity	418,661	399,828	4,178,255
Total liabilities and equity	¥ 2,450,637	¥ 2,299,607	$ 24,457,458

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENTS OF INCOME

Credit Saison Co., Ltd. and Consolidated Subsidiaries
For the Years ended March 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2008	2007	2008
Operating Revenues: (Note 16)			
Income from the credit service business	¥ 247,279	¥ 245,504	$ 2,467,853
Income from the finance business	41,284	37,053	412,014
Income from the real estate related business	31,238	23,180	311,753
Income from the entertainment business	14,379	16,874	143,501
Income from the other business	1,995	1,317	19,914
Financial income	9,412	9,755	93,936
Total operating revenues	345,587	333,683	3,448,971
Operating Expenses:			
Selling, general and administrative expenses	265,494	242,149	2,649,638
Financial cost	22,902	16,333	228,560
Total operating expenses	288,396	258,482	2,878,198
Operating Income	57,191	75,201	570,773
Non-Operating Revenues:			
Gain on sales of investments in subsidiaries and affiliates	—	3,057	—
Gain on redemptions of investment securities (Note 12)	14,413	276	143,835
Gain on changes in equity interest	99	708	992
Equity in earnings of equity method-affiliated companies	967	1,775	9,653
Equity in earnings of limited liability partnerships and other similar partnerships	133	3,000	1,330
Gain on reversal of allowance for losses on receivables	106	1,104	1,059
Other	3,503	3,733	34,962
Total non-operating revenues	19,221	13,653	191,831
Non-Operating Expenses:			
Loss on evaluation of investment securities	622	631	6,207
Impairment loss of property and equipment, and other assets (Note 13)	515	2,369	5,135
Depreciation expenses of lease assets	—	5,447	—
Loss on business structural reforms (Note 14)	2,441	—	24,361
Provision for losses on receivables (Note 15)	11,264	—	112,416
Provision for losses on collecting gift tickets	111	—	1,112
Provision for losses on interest repayments	—	40,925	—
Loss on changes in equity interest	418	2,720	4,175
Other	5,254	3,152	52,445
Total non-operating expenses	20,625	55,244	205,851
Non-Operating Expenses, net	(1,404)	(41,591)	(14,020)
Income before Income Taxes and Minority Interests	55,787	33,610	556,753
Income Taxes (Note11):			
Current	33,848	41,688	337,806
Deferred	(11,280)	(27,418)	(112,579)
Income before Minority Interests	33,219	19,340	331,526
Minority interests in net income	6,463	4,518	64,501
Net Income	¥ 26,756	¥ 14,822	$ 267,025

	Yen		U.S. dollars (Note 2)
	2008	2007	2008
Per Share Data			
Equity	¥ 2,147.04	¥ 2,077.69	$ 21.428
Net income, basic	148.78	82.79	1.485
Net income, diluted	148.41	80.31	1.481
Cash dividends	¥ 28.00	¥ 28.00	$ 0.279

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Credit Saison Co., Ltd. and Consolidated Subsidiaries
For the Years ended March 31, 2008 and 2007

	Millions of yen							
	Issued number of shares of common stock (thousands)	Common stock	Capital surplus	Retained earnings	Net unrealized gain on available-for-sale securities	Deferred loss on derivatives under hedge accounting	Treasury stock	Minority interests
Balance at March 31, 2006	180,717	¥ 74,459	¥ 78,176	¥ 194,180	¥ 18,057	¥ (62)	¥ (4,155)	¥ 16,472
Net income for the year ended March 31, 2007				14,822				
Cash dividends				(4,656)				
Directors' and corporate auditors' bonuses				(216)				
Net increase in treasury stock							(1,892)	
Gain on sale of treasury stock			1,928					
Execution of stock options	596	772	772					
Net changes in fair value					1,095	(121)		10,197
Balance at March 31, 2007	181,313	¥ 75,231	¥ 80,876	¥ 204,130	¥ 19,152	¥ (183)	¥ (6,047)	¥ 26,669
Net income for the year ended March 31, 2008				**26,756**				
Cash dividends				**(5,031)**				
Net increase in treasury stock							**(4)**	
Gain on sale of treasury stock			**(0)**					
Execution of stock options	**339**	**454**	**455**					
Changes in equity interest							**(42)**	
Net changes in fair value					**(8,981)**	**(487)**		**5,713**
Balance at March 31, 2008	**181,652**	**¥ 75,685**	**¥ 81,331**	**¥ 225,855**	**¥ 10,171**	**¥ (670)**	**¥ (6,093)**	**¥ 32,382**

The accompanying notes are an integral part of these statements.

	Thousands of U.S. dollars (Note2)							
	Issued number of shares of common stock (thousands)	Common stock	Capital surplus	Retained earnings	Net unrealized gain on available-for-sale securities	Deferred loss on derivatives under hedge accounting	Treasury stock	Minority interests
Balance at March 31, 2007	**181,313**	**$ 750,806**	**$ 807,152**	**$2,037,222**	**$191,138**	**$ (1,821)**	**$ (60,354)**	**$266,158**
Net income for the year ended March 31, 2007				**267,025**				
Cash dividends				**(50,201)**				
Net increase in treasury stock							**(40)**	
Gain on sale of treasury stock			**(1)**					
Execution of stock options	**339**	**4,533**	**4,531**					
Changes in equity interest							**(413)**	
Net changes in fair value					**(89,628)**	**(4,866)**		**57,014**
Balance at March 31, 2008	**181,652**	**$ 755,339**	**$ 811,682**	**$2,254,046**	**$101,510**	**$ (6,687)**	**$ (60,807)**	**$323,172**

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Credit Saison Co., Ltd. and Consolidated Subsidiaries
For the years ended March 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2008	2007	2008
Cash Flows from Operating Activities:			
Income before Income Taxes and Minority Interests	¥ 55,787	¥ 33,610	$ 556,753
Adjustments to reconcile income before income taxes to net cash provided by (used in) operating activities:			
Income taxes refunded	—	11,026	—
Income taxes paid	(54,902)	(12,870)	(547,928)
Depreciation and amortization	68,051	65,130	679,153
Increase (decrease) in allowance for losses on receivables	20,325	9,825	202,843
Increase (decrease) in accrued pension and severance costs	(1,166)	(911)	(11,640)
Increase (decrease) in allowance for losses on point program	9,269	7,182	92,505
Increase (decrease) in allowance for losses on interest repaymants	(432)	38,399	(4,312)
Increase (decrease) in allowance for other reserves	1,259	612	12,569
Interest and dividends income	(6,687)	(9,878)	(66,734)
Interest expenses	22,694	17,101	226,494
Equity in earning of equity method-affiliated companies	(967)	(1,775)	(9,653)
Equity in earning of limited liability partnerships and other similar partnerships	(133)	(3,000)	(1,330)
Foreign currency exchange (gain) loss	294	(61)	2,934
(Gain) loss on sales of investment securities	(13,490)	(3,873)	(134,635)
Loss on evaluation of investment securities	622	576	6,207
Net (gain) loss on changes in equity interest	319	2,012	3,183
Impairment loss of property and equipment, and other assets	1,296	2,369	12,936
Loss on disposal of property and equipment, and other assets	14,737	14,420	147,074
Changes in operating assets and liabilities:			
(Increase) decrease in trade receivables	(253,379)	(272,686)	(2,528,727)
Proceeds from liquidation of trade receivables	190,000	90,000	1,896,208
(Increase) decrease in inventories	(40,523)	(25,658)	(404,422)
(Increase) decrease in other assets	(5,018)	(5,844)	(50,085)
Interest and dividends received	7,160	9,861	71,462
Interest paid	(22,462)	(15,968)	(224,168)
Increase (decrease) in notes and accounts payable	(20,210)	57,048	(201,697)
Increase (decrease) in other liabilities	3,458	5,593	34,511
Directors' and corporate auditors' bonuses	—	(250)	—
Net Cash Provided by (Used in) Operating Activities	(24,098)	11,990	(240,499)
Cash Flows from Investing Activities:			
Payments for purchases of investment securities	(22,687)	(13,261)	(226,420)
Proceeds from sales or redemption of investment securities (Note 3(x))	26,723	24,462	266,698
Payments for purchases of property and equipment, and other assets	(98,961)	(96,204)	(987,637)
Proceeds from sales of property and equipment,and other assets	357	386	3,567
Payments for short-term and long-term loans	(200)	(4,190)	(1,996)
Proceeds from short-term and long-term loans	832	5,561	8,299
(Increase) decrease in other assets	(438)	446	(4,369)
Net Cash Used in Investing Activities	(94,374)	(82,800)	(941,858)
Cash Flows from Financing Activities:			
Increase (decrese) in short-term debts	17,668	(89,152)	176,328
Increase (decrese) in commercial paper	12,700	(11,700)	126,747
Proceeds from long-term debts	164,100	196,600	1,637,724
Repayments of long-term debts	(54,274)	(58,368)	(541,659)
Proceeds from issuance of bonds	68,564	58,611	684,274
Repayment of bonds	(43,140)	(16,455)	(430,539)
Repayment of payables under securitized lease receivables	(13,029)	(12,000)	(130,030)
Proceeds from issuance of new stock	908	1,544	9,064
Proceeds from minority shareholders	236	2,580	2,355
Proceeds from sales of treasury stock	0	19,189	6
Purchases of treasury stock	(5)	(19,198)	(48)
Cash dividends paid	(5,030)	(4,655)	(50,201)
Cash dividends paid to minorities	(1,057)	(161)	(10,553)
Net Cash Provided by Financing Activities	147,641	66,835	1,473,468
Translation Gain (loss) on Cash and Cash Equivalents	(253)	58	(2,528)
Increase (decrease) in Cash and Cash Equivalents	28,916	(3,917)	288,583
Cash and Cash Equivalents at the Beginning of Year	62,397	66,314	622,725
Increase in Cash and Cash Equivalents of Newly Consolidated Subsidiaries	1,496	—	14,933
Cash and Cash Equivalents Increased by Merger	836	—	8,340
Cash and Cash Equivalents at the End of Year (Note 3(w))	¥ 93,645	¥ 62,397	$ 934,581

The accompanying notes are an integral part of these statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Credit Saison Co., Ltd. and Consolidated Subsidiaries
For the Years ended March 31, 2008 and 2007

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared based on the accounts maintained by Credit Saison Co., Ltd. (the "Company") and its consolidated subsidiaries (together the "Companies") in accodance with the provision set forth in the Japanese Financial Instruments and Exchange Law (formely, the Japanese Securities and Exchange Law) and its related accounting regulations as well as the Financial Products Trading Law and in conformity with accounting principles generally accepted in Japan, which differ from Internatinal Financial Reporting Standards in certain respects as to application and disclosure requirements.

In preparing these consolidated finanial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2007 consolidated financial statements to conform to the classifications used in 2008.

2. U.S. DOLLAR AMOUNTS

Japanese yen amounts have been translated into U.S. dollars at the rate of ¥100.20=US$1, the approximate exchange rate on March 31, 2008, for the convenience of the reader. These translations should not be construed as representations that Japanese yen amounts actually represent, have been or could be converted into U.S. dollars at this or any other rate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation and accounting for investments in affiliated companies

As at March 31, 2008, the consolidated financial statements include the accounts of the Company and its eight (nine for 2007) material subsidiaries.
(New)
Silent partnership operated by AR Hotels Ginza Inc.
(The silent partnership operated by AR Hotels Ginza Inc. is included among our consolidated subsidiaries in the fiscal year ended March 31, 2008 due to an increase in materiality.)
(Exclusion)
Silent partnership operated by AR Hotels Ginza Inc.
(This exclusion is due to termination of the silent partnership contract in the fiscal year ended March 31, 2008.)
Uraku Aoyama Co., Ltd.
(This exclusion is due to a merger with Vivre Co., Ltd., the surviving entity. Vivre Co., Ltd. was renamed Concerto Co., Ltd as of March 1, 2008.)

All significant intercompany balances and transactions and unrealized profit among the Companies, if any, have been eliminated on consolidation. Unconsolidated subsidiaries would have no material effect on the consolidated financial statements of the Companies and have therefore been excluded from consolidation.

The investments in nine (nine for 2007) material affiliates are accounted for by the equity method.

Investments in unconsolidated subsidiaries and affiliates not accounted for by the equity method are stated at cost, due to their immaterial effects on the consolidated financial statements of the Companies.

The full portion of the assets and liabilities of the consolidated subsidiaries is marked to fair value as of the acquisition of control, and any differences between equity at fair value and the investment amounts are recognized as goodwill, which is amortized on a straight-line basis over an effective period extending to within 20 years. However, if the amount is not material, it is charged to income when it incurred.

(b) Inventories

Inventories are stated at cost determined principally by the specific identification method. Supplies are stated at cost determined principally by the latest purchase cost method.

(c) Financial instruments

The Companies adopted Japanese accounting standards for financial instruments.

i Derivatives

All derivatives are stated at fair value, with changes in fair value included in profit or loss for the period in which they arise, except for derivatives that are designated as "hedging instruments" (see iii. Hedge accounting).

ii Securities

Securities held by the Companies are classified into four categories:

Trading securities, which are held for the purpose of generating profits on short-term differences in prices, are stated at fair value, with changes in fair value included in profit or loss for the period in which they arise.

Held-to-maturity debt securities that the Companies intend to hold with ability to maturity are stated at cost after accounting for premiums or discounts on acquisition, which are amortized over the period to maturity.

Investments in equity securities issued by unconsolidated subsidiaries and affiliates are accounted for by the equity method. Exceptionally, investments in certain unconsolidated subsidiaries and affiliates are stated at cost.

Securities not included in the above categories are defined as "available-for-sale securities." Available-for-sale securities that have market prices are stated at fair value, and the cumulative change in fair value is not credited or charged to income, but net unrealized gains or losses on these securities are reported as a separate item in equity at a net-of-tax amount other than the amounts in which profit/loss of the embedded derivative products are included.

Available-for-sale securities that do not have market prices are stated at cost using the moving-average method. Equities of limited liability partnerships for investment business and of other similar partnerships (defined as "securities" by Article 2, Section 2 of the Financial Products Trading Law) are valued at the net equity equivalents based on the recently available financial statements of the partnership corresponding to the reporting dates of the financial statements defined by the partnership agreements.

In cases where the fair value of held-to-maturity debt securities, equity securities issued by unconsolidated subsidiaries and affiliates, or available-for-sale securities has declined significantly and such impairment of the value is not deemed temporary, those securities are written down to fair value, and the resulting loss is included in profit or loss for the period.
(Change of accounting policy 2008)
Beginning in the fiscal year ended March 31, 2008, the trust beneficiary interests conventionally included in "installment accounts receivable", which is qualitatively segregated such as senior or subordinated and had been held by a number of holders, are included in "Investment securities" as these have been categorized as securities following an announcement of "Practical Solution on Accounting for Trusts" (Implementation Guidance No. 23 issued by Accounting Standards Board of Japan) on August 2, 2007. This change has no impact on profits and losses.

Trust beneficiary interests included under "investment securities" amounted to ¥1,098 million (US$10,958 thousand) as of March 31, 2008, while the respective trust beneficiary interests included in "installment accounts receivable" at March 31, 2007 were ¥300 million (US$2,540 thousand).

iii Hedge accounting

Derivatives used as hedging instruments by the Companies are principally interest rate swaps. The related hedged items are bank loans and debt securities issued by the Companies.

The Companies use interest rate swaps to manage their exposure to fluctuations in interest rates. The Companies do not enter into derivatives for speculative purposes.

As per the accounting standard for derivative financial instruments, a) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the consolidated statements of income, and b) for derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions.

The interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differentials paid or received under the swap agreements are recognized and included in interest expense or income.

(d) Property and equipment

Depreciation of property and equipment is computed principally by the straight-line method over the estimated useful lives of the assets, except for equipment for lease, which is depreciated over the lease term. Additionally, estimated losses caused by disposal of lease assets due to cancellation, etc., of lease contracts are presented as depreciation and amortization.

(e) Leased properties

Finance leases are accounted for as operating leases, except where the lease is deemed to transfer ownership of leased property to the lessee.

(Additional Information 2007)

Estimated losses caused by disposal of lease assets due to cancellation, etc., of lease contract are presented as depreciation and amortization.

(f) Intangible assets

Depreciation of intangible assets is computed principally by the straight-line method over the estimated useful lives of the assets, except for equipment for lease, which is depreciated over the lease term, and for software, for which the estimated useful lives are five years and/or ten years.

(Additional Information 2007)

Estimated losses caused by disposal of lease assets due to cancellation, etc., of lease contract are presented as depreciation and amortization.

(g) Long-lived assets

The Companies review their long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

(h) Bond issue costs

Bond issue costs which were incurred prior to April 1, 2006 are amortized by the straight-line method over three years. Bond issue costs which were incurred on or after April 1, 2006 are amortized by the straight-line method over the bond term in accordance with "Tentative Solution on Accounting for Deferred Assets" (The Practical Issues Task Force No. 19 issued by Accounting Standards Board of Japan on August 11, 2006) and is effective for fiscal years ending on or after April 1, 2006.

(i) Allowance for losses on receivables

Receivables are classified into four risk categories: bankrupt, doubtful, substandard and normal.

The Companies individually provide a specific reserve for bankrupt and doubtful receivables based on the fair value of any underlying collateral.

The Companies provide collectively a general reserve for substandard and normal receivables, applying a ratio determined based on the Companies' loan loss experience.

(j) Accrued employees' bonuses

Accrued employees' bonuses are provided at the estimated amounts, which are to be paid for services rendered through the year.

(k) Accrued directors' bonuses

Accrued directors' bonuses is maintained at the amount accrued at the end of fiscal year, based on the estimated future payments and service period.

(l) Allowance for losses on business structural reforms

To prepare for losses potentially incurred through business structural reforms, the estimated amount of future losses was earmarked at the time when business structural reforms were decided upon.

(m) Allowance for losses on collecting gift tickets

Allowance for losses on collecting gift tickets etc, issued by the Company takes into account its registration of collected tickets in order to prepare for the possible future use of those tickets that had been recorded as revenue after the passage of the constant period.

(Additional information 2008)

In the past, uncollected gift tickets, etc. were recorded as non-operating revenue by reversing the same amount of liability. However, following an announcement of "Audit treatment for regulatory deposit, reserve or deposit and allowance for retirement benefit for officers" (Opinion No. 42 issued by the Japanese Institute of Certified Public Accountants ("JICPA") Audit and Assurance Practice Committee), in order to prepare for possible losses incurred through collection of such gift tickets, etc., for the year ended March 31, 2008, the Company changed its accounting method to enable provision of loss for the amount of vouchers expected to be used in future to be based on the amount of vouchers hitherto collected.

As a result, operating income and income before income taxes and minority interests decrease by ¥30 million (US$295 thousand) and ¥141 million (US$1,407 thousand), respectively.

(n) Allowance for losses on interest repayments

Allowance for losses on interest repayments is provided at the estimated amount based on payment experience, required to refund upon customers' legal claims.

(Additional Information 2007)

Following the statement from the Japanese Institute of Certified Public Accountants (JICPA) regarding "auditing of allowance for losses on interest repayments to consumer finance companies" (Report No. 37 dated October 13, 2006, issued by the Special Committee by Category of Business of JICPA which is effective from the year ended March 31, 2007, the Company has changed its method of estimating allowance for losses on interest repayments.

Because of this change, the Company recorded, as non-operating expenses, provision for losses on interest repayments of the ¥40,925 million (US$346,551 thousand) the difference between the allowance booked at the beginning of the year ended March 31, 2007 and the allowance of ¥7,505 million (US$63,550 thousand), including the allowance for losses on receivables of ¥5,200 million (US$44,031 thousand) transferred at the beginning of the year, estimated by the previous method.

As a result, compared with the amounts estimated under the previous method, operating income increased by ¥5,334 million (US$45,165 thousand) and income before income taxes and minority interests decreased by ¥35,591 million
(US$301,385 thousand).

(o) Allowance for losses on investments in unconsolidated subsidiaries and affiliated campanies

Allowance for losses on investments in unconsolidated subsidiaries and affiliated campanies is provided for based on their financial conditions.

(p) Accrued pension and severance costs

Accrued pension and severance costs are provided for employees' retirement benefits based on the projected benefit obligation and the fair value of pension plan assets at the end of the fiscal year.

Unfunded past service costs and actuarial differences of the plans are amortized over a period of nine to eleven years, within the average remaining services period at the time of occurrence. Amortization of unfunded past service costs and amortization of actuarial differences start from occurrence and from the following fiscal year, respectively.

(q) Accrued retirement benefits to directors and corporate auditors

Directors and corporate auditors customarily receive lump-sum payments upon termination of services, subject to shareholders' approval.

Some of consolidated subsidiaries accrued retirement benefits in an amount equal to the total benefits calculated based on the unfunded retirement plan for the directors and corporate auditors.

(Additional information 2008)

Previously, in order to prepare for future payments, the estimated allowance for retirement benefits for directors and corporate auditors was recorded at the fiscal year-end as per the Company's internal regulations. However, on April 18, 2007, the Board of Directors resolved to abolish the retirement benefit plan of the Company after the conclusion of the General Meeting of Shareholders on June 23, 2007.

Following this resolution, the Company decided to pay out the accumulated retirement allowances to the directors and corporate auditors for their respective service periods up until the ordinary General Meeting of Shareholders. Payment will be made when directors and corporate auditors resign from their post. Accrued retirement benefits to directors and corporate auditors of the Company have been reversed for the purpose of recording these under "Long—Term liabilities—Others" until the time when the respective resignations occur. The relevant unpaid amount included under "Long-term liabilities—Others" as at March 31, 2008 was ¥464 million (US$4,634 thousand).

(r) Allowance for losses on guarantees

An allowance for losses on guarantees is provided for potential losses arising from the Companies' guarantee obligations of customers' liabilities (personal loans to individuals from the banks with which the Companies have guarantee service arrangements).

The allowance is provided at an amount determined by the applying the ratio of the Companies' loss experience to the balance of guarantees outstanding at each year-end.

(s) Allowance for losses on warranty for defects

Allowance for losses on warranty for defects is provided for the potential repair costs on sold real estate due to the Companies' warranty for defects. The allowance is provided at the amount estimated based on the past experience of repair costs.

(t) Allowance for losses on point program

To stimulate card usage, the Company provides cardholders with credit card points, which can be exchanged for various commodities and services. Allowance for losses on point program is provided based on estimated usage of card points outstanding at year-end and exchange experience.

(u) Income taxes

Deferred income taxes are recorded to reflect the impact of temporary differences between assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes.

(v) Per share information

Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Diluted net income per share reflects the potential dilution that could occur if securities were exercised or converted into common stock. Diluted net income per share of common stock assumes full exercise of the Companies' stock options at the beginning of the year (or at the time of issuance) with an applicable adjustment for related interest expense, net of tax, and full exercise of outstanding warrants.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years including dividends to be paid after the end of the year.

(w) Supplementary cash flow information

Cash and cash equivalents in the consolidated statements of cash flows comprise cash in hand, demand deposits in banks and highly liquid, short-term investments with a low risk of fluctuation in value that are scheduled to mature within three months of acqusition.

The balances of cash and cash equivalents as of March 31, 2008 and 2007 are reconciled with the respective consolidated balance sheet items as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Consolidated balance sheet:			
Cash and deposits	¥ 57,245	¥ 55,962	$ 571,307
Securities	2,500	1,500	24,945
Short-term loans	33,981	5,000	339,133
Segregated trustee deposits	(81)	(65)	(804)
Cash and cash equivalents at end of year	¥ 93,645	¥ 62,397	$ 934,581

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Non-cash financing activities are as follows:			
Acquisiton of investment securities by stock for stock and contribution in kind	—	¥ 11,513	—

(x) Description of proceeds from sales or redemption of investment securities

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Proceeds from sales of investment securities	¥ 4,399	¥ 10,249	$ 43,905
Proceeds from redemption of investment securities	20,897	6,655	208,548
Proceeds from distribution of limited liability partnerships and other similar partnerships or return of capital	1,427	7,558	14,245
Total proceeds from sales or redemption of investment securities	¥ 26,723	¥ 24,462	$ 266,698

4. INSTALLMENT ACCOUNTS RECEIVABLE

As of March 31, 2008 and 2007, liquidated revolving receivables and single-payment card shopping receivables were as follows, and the following amounts of trust beneficiary rights and other receivables generated from liquidation or operational transactions were included in installment accounts receivable.

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Liquidating receivables:			
Revolving card shopping	¥ —	¥ 10,100	$ —
Single-payment card shopping ,etc	120,000	90,000	1,197,605
Revolving card cashing	25,302	28,750	252,513
Real estate mortgage loan	68,375	—	682,383
Trust beneficiary rights and other receivables include:			
Revolving card shopping	—	36,841	—
Single-payment card shopping ,etc	154,629	161,515	1,543,201
Revolving card cashing	17,785	14,730	177,493
Real estate mortgage loan	25,126	—	250,756
Acquisition from operational transaction	270	867	2,696

5. INVENTORIES

Inventories at March 31, 2008 and 2007 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Receivable by purchase	¥ 29,926	¥ 21,430	$ 298,664
Real estate for sale	164,016	123,667	1,636,890
Other	4,086	2,859	40,776
Total	¥ 198,028	¥ 147,956	$ 1,976,330

6. LOAN COMMITMENTS

The Companies provide cashing and card loan services that supplement their credit card operations.
The unexercised loans contingent with the loan commitments in these businesses were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Total loan limits	¥ 8,486,458	¥ 8,622,256	$ 84,695,190
Loan executions	670,926	652,817	6,695,868
	¥ 7,815,532	¥ 7,969,439	$ 77,999,322

Most of the contracts for the above loan commitments were for cashing services supplementary to credit card services furnished to the Company's cardholders, such that not all unexecuted loans will be exercised.

The above amounts include the commitments connected with the liquidated revolving receivables on card cashing.

7. SHORT-TERM LOANS AND LONG-TERM DEBT

Short-term loans are represented principally by 30 to 365 day notes to banks, with an average interest rate of 1.28% as of March 31, 2008.
Commercial paper is issued by the Companies, with an average interest rateof 0.87% as of March 31, 2008.
Long-term debt as of March 31, 2008 and 2007 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Average 1.55% unsecured loans from banks, insurance companies and other financial institutions, due in installments through 2017	¥ 782,182	¥ 672,356	$ 7,806,210
0.42% to 2.41% bonds, due in installments through 2017	300,803	274,943	3,002,021
Avereage 0.79% payables on under securitized lease receivables*	34,971	48,000	349,012
Subtotal	1,117,956	995,299	11,157,243
Less: Current portion	(98,176)	(107,090)	(979,801)
	¥ 1,019,780	¥ 888,209	$ 10,177,442

*Payables under securitized lease receivables result from liquidation.

The aggregate annual maturities of long-term debt subsequent to March 31, 2008 are as follows:

	Millions of yen	Thousands of U.S. dollars
Year endig March 31	2008	
2009	¥ 98,176	$ 979,801
2010	137,293	1,370,191
2011	111,692	1,114,686
2012	155,563	1,552,520
2013 and thereafter	615,233	6,140,045

As is customary in Japan, short-and long-term bank loans are made under general agreements that provide that additional security and guarantees for present and future indebtedness will be given upon request of the bank under certain circumstances, and that any collateral so furnished will be applicable to all indebtedness to the bank. To date, the Companies have not received any such requests from their banks.

8. LEASE TRANSACTIONS

(a) Finance lease (lessee)

Finance leases as of March 31, 2008 and 2007 and for the years then ended are summarized as follows:

i. Pro forma capitalization of leased items

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Building:			
Acquisition cost	¥ 497	¥ 1,217	$ 4,961
Accumulated depreciation	(287)	(697)	(2,863)
Net book value	210	520	2,098
Other(fixtures and equipment)			
Acquisition cost	2,004	3,068	20,001
Accumulated depreciation	(1,134)	(1,345)	(11,319)
Net book value	870	1,723	8,682
Total:			
Acquisition cost	2,501	4,285	24,962
Accumulated depreciation	(1,421)	(2,042)	(14,182)
Net book value	¥ 1,080	¥ 2,243	$ 10,780

ii. Minimum future lease payments

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Due within one year	¥ 477	¥ 780	$ 4,764
Due after one year	666	1,560	6,643
Total	¥ 1,143	¥ 2,340	$ 11,407

The impairment loss account for leased assets amounted to ¥11million (US$112 thousand) and ¥16million as of March 31, 2008 and 2007, respectively.

iii. Lease payments, depreciation equivalent and interest equivalent

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Lease payments	¥ 711	¥ 1,000	$ 7,098
Reversal of impairment loss acccount for leased assets	5	4	51
Depreciation equivalent	657	916	6,560
Interest equivalent	53	78	531
Impairment loss	—	10	—

Depreciation equivalent is computed by the straght-line method under the assumption that the lease term equals the useful life, and that there is no residual value.

Interest equivalent, which represents the aggregate lease payments less the acquisition cost equivalent, is allocated over the lease term based on the interest method.

(b) Equipment for lease (lessor)

Equipment for lease as of March 31, 2008 and 2007 and for the years then ended are summarized as follows:

i. Acquisition cost and accumulated depreciation

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Equipment and others:			
Acquisition cost	¥ 310,019	¥ 286,304	$ 3,094,000
Accumulated depreciation	(140,633)	(123,197)	(1,403,530)
Net book value	169,386	163,107	1,690,470
Software:			
Acquisition cost	30,388	23,401	303,272
Accumulated depreciation	(11,819)	(7,030)	(117,948)
Net book value	18,569	16,371	185,324
Total:			
Acquisition cost	340,407	309,705	3,397,272
Accumulated depreciation	(152,452)	(130,227)	(1,521,478)
Net book value	¥ 187,955	¥ 179,478	$ 1,875,794

ii. Minimum future lease revenue

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Due within one year	¥ 51,100	¥ 46,245	$ 509,977
Due after one year	152,967	147,698	1,526,619
Total	¥ 204,067	¥ 193,943	$ 2,036,596

The above amounts include lease receivables, which were sold under liquidation of lease receivables.

iii. Lease revenue, depreciation equivalent and interest equivalent

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Lease revenue	¥ 59,904	¥ 53,624	$ 597,840
Depreciation equivalent	54,227	53,269	541,188
Interest equivalent	10,777	10,203	$ 107,555

Interest equivalent, which is the aggregate lease revenues less acqusition cost, is allocated over the lease term based on the interest method.

The above amounts of depreciation include ¥5,447 (in 2007) million in additional depreciation expenses of leased assets recorded as non-operating expenses.

(c) Operating leases (lessee)

Minimum future lease payments as of March 31, 2008 and 2007 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Due within One Year	¥ 1,155	¥ 686	$ 11,526
Due after One Year	3,574	2,752	35,669
Total	¥ 4,729	¥ 3,438	$ 47,195

9. AVAILABLE-FOR-SALE SECURITIES

(1) As of March 31, 2008 and 2007 acquisition costs and amounts on the consolidated balance sheets of available-for-sale that have market value are summarized below:

	Millions of yen						Thousands of U.S. dollars		
	2008			2007			2008		
	Acquisition cost	Balance sheet amount	Difference	Acquisition cost	Balance sheet amount	Difference	Acquisition cost	Balance sheet amount	Difference
Balance sheet amount exceeding acquisition cost:									
Equity shares	¥ 22,035	¥ 39,761	¥ 17,725	¥ 21,337	¥ 54,896	¥ 33,559	$219,914	$396,816	$176,901
Bonds									
Government	1,500	1,500	0	1,500	1,500	0	14,966	14,967	1
Corporate	—	—	—	100	103	3	—	—	—
Other	604	636	33	209	218	9	6,025	6,350	325
Subtotal	24,139	41,897	17,758	23,146	56,717	33,571	240,905	418,133	177,227
Balance sheet amount not exceeding acquisition cost:									
Equity shares	1,560	1,138	(422)	5,158	3,920	(1,238)	15,568	11,356	(4,212)
Bonds									
Government	1,000	1,000	0	—	—	—	9,980	9,980	(0)
Corporate	200	174	(26)	200	194	(6)	1,996	1,737	(259)
Other	3,031	2,368	(663)	85	83	(2)	30,250	23,630	(6,619)
Subtotal	5,791	4,680	(1,111)	5,443	4,197	(1,246)	57,794	46,703	(11,090)
Total	¥ 29,930	¥ 46,577	¥ 16,647	¥ 28,589	¥ 60,914	¥ 32,325	$298,699	$464,836	$166,137

(2) Available-for-sale securities whose fair value is not readily determinable as of March 31, 2008 and 2007 were as follows:

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Available-for-sale:			
Equity securities	¥ 8,780	¥ 8,046	$ 87,626
Debt securities	—	5,164	—
Other	5,592	5,239	55,803
Total	¥14,372	¥18,449	$ 143,429

Proceeds from sales of available-for-sale securities for the years ended March 31, 2008 and 2007 were ¥4,353 million (US$43,439 thousand) and ¥5,348 million, respectively.

Gross realized gains and losses on these sales, computed on the moving-average cost basis, were ¥501 million (US$4,996 thousand) and ¥1,591 million (US$15,881 thousand), respectively for the year ended March 31, 2008 and ¥905 million and ¥379 million, respectively for the year ended March 31, 2007.

The carrying values of held-to-maturity debt securities and available-for-sale securities by contractual maturities for securities classified as available-for-sale securities at March 31, 2008 are as follows:

	Millions of yen	Thousands of U.S. dollars
	2008	
	Available-for-sale securities	
Due in one year or less	¥ 2,500	$ 24,945
Due in one to five years	—	—
Due in five to ten years	—	—
Due after ten years	174	1,739
Total	¥ 2,674	$ 26,684

10. RETIREMENT BENEFIT PLANS

The Company and some of its consolidated subsidiaries had defined benefit plans composed of a corporate pension plan and a lump-sum payment plan.

Effective October 1, 2004 Company and some of its consolidated subsidiaries changed the former defined benefit pension plans to cash balance plans. Moreover, as per the Defined Contribution Pension Plan Law, a certain portion of future benefits was shifted either to defined contribution plans or to prepaid retirement benefit payment plans at employee's option.

(a) Accrued pension and severance costs

Accrued pension and severance costs as of March 31, 2008 and 2007 are calculated below:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Projected benefit obligations	¥ (9,532)	¥ (10,600)	$ (95,132)
Plan assets	4,560	4,802	45,510
Funded status	(4,972)	(5,798)	(49,622)
Unrecognized actuarial differences	3,230	3,486	32,232
Unrecognized prior service costs	(3,584)	(4,181)	(35,768)
Accrued pension and severance costs	(5,326)	(6,493)	(53,158)

(b) Retirement benefit expenses

Retirement benefit expenses for the years ended March 31, 2008 and 2007 are stated below:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Service costs	¥ 496	¥ 491	$ 4,950
Interest costs	212	207	2,114
Expected return on plan assets	(192)	(153)	(1,917)
Actuarial differences recognized as expense	665	616	6,639
Prior service costs recognized as expenses	(596)	(596)	(5,957)
Other*	276	254	2,759
Retirement benefit expenses	¥ 861	¥ 819	$ 8,588

*Other represents payments to defined contribution pension fund, etc.

	2008	2007
Discount rate	2.0%	2.0%
Expected return on plan assets	4.0%	3.5%
Period of recognition of past service costs	9-11 years evenly	9-11 years evenly
Period of recognition of actuarial differences	9-11 years evenly	9-11 years evenly

11. DEFERRED TAX ASSETS AND LIABILITIES

(a) Effective tax rate

The effective income tax rate of the Companies differs from the statutory tax rate for the year ended March 31, 2007 for the following reasons:

	2007
Statutory tax rate	40.70%
Reconciliation:	
Expenses not deductible for tax purposes	0.76
Non-taxable dividend income	(0.16)
Inhabitants taxes per capita	0.56
Amortization of negative goodwill	(0.08)
Equity in net earnings (losses) of afiliated companies	(2.15)
Increase (decrease) of evaluation allowance	(3.28)
Net gains on changes in equity interest	2.44
Income tax credit	(0.15)
Income tax paid for the past fiscal year, etc.	2.60
Other	1.22
Effective tax rate	42.46%

*A difference of 5% or less between the effective income tax rate of the Companies and the statutory tax rate has been omitted for the 2008 column above.

(b) Deferred tax assets

Deferred tax assets as of March 31, 2008 and 2007 comprised the following:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Deferred tax assets:			
Inventories	¥ 3,217	¥ 2,660	$ 32,111
Amortization of goodwill	3,344	4,997	33,371
Accumulated Impairment losses of property and equipment, and other assets	3,034	3,033	30,280
Acccumulated depreciation expense of property and equipment, and other assets	2,877	2,377	28,716
Investment securities	2,178	4,946	21,733
Allowance for losses on receivables	18,072	8,093	180,366
Allowance for losses on interest repayments	18,506	18,683	184,699
Accrued expenses	246	358	2,452
Accrued enterprise taxes	1,243	2,640	12,405
Accrued pension and severance costs	2,166	2,643	21,612
Allowance for losses on point program	18,508	14,735	184,710
Other allowance	2,657	2,303	26,514
Long-term unearned revenue	732	-	7,301
Accumulated deficit carryforwards	180	414	1,800
Unrealized losses on available-for-sale securities	99	19	984
Unrealized losses on hedging derivatives	428	101	4,271
Other	3,180	3,556	31,737
Subtotal	80,667	71,558	805,062
Less evaluation allowance	(4,024)	(6,369)	(40,159)
Total deferred tax assets	76,643	65,189	764,903
Deferred tax liabilities:			
Capital gains deferred for tax purposes	(212)	(212)	(2,113)
Unrealized gains on available-for-sale securities	(6,691)	(13,663)	(66,779)
Unrealized gains on hedging derivatives	(20)	-	(203)
Other	(11)	(2)	(107)
Total defferd tax liabilities	(6,934)	(13,877)	(69,202)
Net deferred tax assets	¥ 69,709	¥ 51,312	$ 695,701

Net deferred tax assets are presented on the consolidated balance sheets as of March 31, 2008 and 2007 as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Current assets	¥ 25,052	¥ 19,471	$ 250,022
Investment and other assets	44,657	31,841	445,679

12. GAIN ON REDEMPTIONS OF INVESTMENT SECURITIES

Gain on redemptions of investment securities includes profit of ¥13,022 million (US$129,956 thousand) from redemption of a part of the Visa Inc. shares held by the Company. This redemption results from the listing of Visa Inc. stock on the New York Stock Exchange.

13. IMPAIRMENT LOSSES OF PROPERTY AND EQUIPMENT, AND OTHER ASSETS

For the year ended March 31, 2008, the Companies wrote down the book value of amusement facilities, operating facilities and real estate for lease from which operating income had deteriorated and was not expected to recover in the short term.

The Companies recorded impairment losses for the year on the following assets:

March 31,2008		
Asset	Description	Location
Certain amusement facilities	Buildings, Other (Fixtures, furniture,other), Lease deposits	Kanto region
Operating facilities	Buildings, Other (Fixtures, furniture,other)	Kanto
Real estate for lease	Buildings	Tohoku

For the year ended March 31, 2007, the Companies wrote down the book value of amusement facilities, operating facilities and official assets from which operating income had deteriorated and was not expected to recover in the short term.

The Companies also wrote down the book value of office assets according to a transferring plan of a subsidiary company.

The Companies recorded impairment losses for the year on the following assets.

March 31,2007		
Asset	Description	Location
Certain amusement facilities	Buildings, Other (Fixtures, furniture, other), Lease deposits	Kanto region
Operating facilities	Buildings, Other (Fixtures, furniture, other), Software	Tokyo
Official assets	Buildings, Land, Other (Fixtures, furniture, other)	Tokyo, Osaka

Accumulated impairment losses were subtracted directly from individual assets. Impaiment loss on property and equipment, and other assets recognized for the years ended March 31, 2008 and 2007 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	**2007**	**2008**
Property and equipment:			
Buildings and improvements	**¥ 346**	¥ 1,635	**$ 3,453**
Land	**—**	14	**—**
Other (Fixtures and equipment)	**164**	623	**1,637**
Investment and other assets:			
Intangibles assets	**—**	1	**—**
Lease deposits	**5**	86	**45**
Other	**—**	—	**—**
Current liabilities			
Other	**—**	10	**—**
Total	**¥ 515**	¥ 2,369	**$ 5,135**

Regarding certain amusement facilities, operating facilities and real estate for lease is measured as the net selling price, which is principally determined by real estate appraisers or other independent third parties.

Regarding certain amusement facilities, operating facilities and real estate for lease, the recoverable amount is measured at value in use, which is the present value of net cash flows discounted at 4.0 percent. (5.0 percent in 2007)

The assets of the Companies are grouped by the operation unit that is able to control income efficiently. However, real estate for lease and idle assets are grouped by the physical unit, and operating facilities and amusement facilities is grouped by site.

14. LOSS ON BUSINESS STRUCTURAL REFORMS

Loss on business structural reforms as of March 31, 2008 was recorded in connection with the Companies' decision to restructure the business base as follows:

	Millions of yen	Thousands of U.S. dollars
	2008	
Provision for losses on business structural reforms:	¥ 1,625	$ 16,216
Impairment losses:	781	7,800
Others:	35	345
Total	¥ 2,441	$ 24,361

(Impairment losses)

The Companies wrote down the book value of real estate for lease from the which operating income had deteriorated and was not expected to recover in the short term.

The Companies recorded impairment losses for the year on the following assets:

March 31, 2008

Asset	Description	Location
Real estate for lease	Buildings, Other (Fixtures and equipment, Long–term Tohoku prepaid expenses)	Tohoku

Accumulated impairment losses were subtracted directly from individual assets. Impaiment loss on property and equipment, and other assets recognized for the years ended March 31, 2008 are as follows:

	Millions of yen	Thousands of U.S. dollars
	2008	
Property and equipment:		
Buildings and improvement	¥ 746	$ 7,440
Others (fixtures and equipment)	0	0
Investments and other assets:		
Others (long-term prepaid expenses)	36	361
Total	¥ 782	$ 7,801

Regarding real estate for lease is measured at value in use, which is principally determined by real estate appraisers or other independent third parties.

Real estate for lease is the present value of net cash flows discounted at 4.0 percent.

The assets of the Companies are grouped by the operation unit that is able to control income efficiently. However, real estate for lease and idle assets are grouped by the physical unit.

15. PROVISION FOR LOSSES ON RECEIVABLES

With respect to a part of the long-term loans (performance-linked subordinated loans), the Companies have recorded a provision for losses on receivables that matches the projected uncollectible amount after revaluating the loans by taking into account changes in the environment surrounding the base for repayment.

16. OPERATING REVENUES

Operating revenues for the years ended March 31, 2008 and 2007 comprised the following revenues and expenses:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Income from the credit service business	¥ 247,279	¥ 245,504	$ 2,467,853
Finance business:			
Sales	109,594	99,121	1,093,750
Cost of sales	68,310	62,068	681,736
Income from finance business	41,284	37,053	412,014
Real estate related business:			
Sales	112,225	98,170	1,120,006
Cost of sales	80,987	74,990	808,253
Income from real estate related business	31,238	23,180	311,753
Entertainment business:			
Sales	109,449	126,070	1,092,300
Cost of sales	95,070	109,196	948,799
Income from entertainment business	14,379	16,874	143,501
Other business:			
Sales	2,535	1,317	25,302
Cost of sales	540	0	5,388
Income from other business	1,995	1,317	19,914
Financial income	9,412	9,755	93,936
Total operating revenues	¥ 345,587	¥ 333,683	$ 3,448,971

17. DERIVATIVES

Contractual values or notional principal amounts and unrealized profits (losses) on derivative transactions as of March 31, 2008 and 2007 are summarized below:

(a) Interest rate transactions

Millions of yen

	2008			2007		
	contractual value or notional principal amount		unrealized profit (loss)	contractual value or notional principal amount		unrealized profit (loss)
	Total	Over 1year		Total	Over 1year	
Over-the-counter interest rate swaps:						
Floating-rate receipt /fixed-rate payment	¥ 20,750	¥ 20,500	¥ (883)	¥ 12,471	¥ 250	¥ (125)
Total	¥ 20,750	¥ 20,500	¥ (883)	¥ 12,471	¥ 250	¥ (125)

Thousands of U.S. dollars

	2008		
	contractual value or notional principal amount		unrealized profit (loss)
	Total	Over 1year	
Over-the-counter interest rate swaps:			
Floating-rate receipt /fixed-rate payment	$ 207,086	$ 204,591	$ (8,809)
Total	$ 207,086	$ 204,591	$ (8,809)

Notes: 1. Fair value is calculated based on prices and other information presented by financial and other institutions with which the Companies have concluded derivatives agreements.
2. Hedged derivatives transactions are excluded.

(b) Other

Millions of yen

	2008			2007		
	contractual value or notional principal amount		unrealized profit (loss)	contractual value or notional principal amount		unrealized profit (loss)
	Total	Over 1year		Total	Over 1year	
Over-the-counter Credit derivatives:						
Selling of protection	¥ 3,000	¥ —	¥(356)	¥ —	¥ —	¥ —
Total	¥ 3,000	¥ —	¥(356)	¥ —	¥ —	¥ —

	Thousands of U.S. dollars		
	2008		
	contractual value or notional principal amount		unrealized profit (loss)
	Total	Over 1year	
Over-the-counter Credit derivatives:			
Selling of protection	$ 29,940	$ —	$ (3,555)
Total	$ 29,940	$ —	$ (3,555)

Notes: 1. Fair value is calculated based on prices and other information presented by financial and other institutions with which the Companies have concluded derivatives agreements.
2. Hedged derivatives transactions are excluded.

18. COMMITMENTS AND CONTINGENT LIABILITIES

As of March 31, 2008, the Companies were contingently liable as credit guarantors for customers borrowing from the alliance banks, Lawson CS Card Inc., and a subsidiary to a total of ¥169,262 million (US$1,689,238 thousand), ¥975 million (US$9,731 thousand) and 0 million (US$3 thousand), respectively.

19. EQUITY

(a) Equity

Since May 1, 2006, Japanese companies have been subject to the Corporate Law of Japan (the "Corporate Law"), which reformed and replaced the Commercial Code of Japan. The significant provisions in the Corporate Law that affect financial and accounting matters are summarized below:

(1) Dividends

Under the Corporate Law, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders meeting. For companies that meet certain criteria such as; (1) having the Board of Directors, (2) having independent auditors, (3) having the Board of Corporate Auditors, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. However, the Company cannot do so because it does not meet all the above criteria.

Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Corporate Law provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥ 3 million.

(2) Increases/decreases and transfer of common stock, reserve and surplus

The Corporate Law requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Corporate Law, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Corporate Law also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

(3) Treasury stock and treasury stock acquisition rights

The Corporate Law also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by specific formula. Under the Corporate Law, stock acquisition rights, which were previously presented as a liability, are now presented as a separate component of equity. The Corporate Law also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

(b) Common stock

The Company has 300,000,000 authorized shares of which 181,651,525 shares were issued as of March 31, 2008 and 181,312,925 shares as of March 31, 2007.

(1) Type and number of shares issued and treasury stock

(Thousands of shares)

	Issued shares (Common stock)	Treasury stock (Common stock)
Balance at March 31,2006	180,717	1,733
Number of shares increase	596 *1	4,690 *2
Number of shares decrease	—	4,712 *3
Balance at March 31,2007	181,313	1,710
Number of shares increase	339 *4	29 *5
Number of shares decrease	—	0 *6
Balance at March 31,2008	181,652	1,717

Notes: 1. Increase in number of issued shares.
Number of subscription rights issued:596 thousand shares
2. Increase in treasury stock
Acquisition by toSTNeT-2 ;4,684 thousand shares
Acquisition from consolidated subsidiaries;4 thousand shares
Acquisition of fractional shares;2 thousand shares
3. Detail of decrease
Sales from third-party allotment;4,684 thousand shares
Sales by consolidated subsidiaries and equity-method affiliates;28 thousand shares
Sales of fractional shares;Less than a thousand shares
4. Increase in number of issued shares
Number of subscription rights issued:339 thousand shares
5. Increase in treasury stock
Changes in equity interest to consolidated subsidiaries;27 thousand shares
Acquisition of fractional shares;2 thousand shares
6. Detail of decrease
Sales of fractional shares;Less than a thousand shares

(c) Stock option plans

(1) The Company has the following option plans for directors, corporate auditors, officers, employees and corporate counselors of the Companies as of March 31, 2008, which were approved by the General Shareholders' Meetings.

Date of approval	Number of subscription rights unexercised	Type and number of targeted shares	Subscription price	Effective period	Issue price	Per share addition to common stock
June 25, 2005	15,837	Common stock 1,583,700 shares	¥3,740 per share	June 30, 2007 to June 29, 2010	¥3,740	¥1,870
June 27, 2003	4,511	Common stock 451,100 shares	¥2,095 per share	June 30, 2005 to June 29, 2008	¥2,095	¥1,048
June 27, 2002	—	Common stock —	¥2,978 per share	June 30, 2004 to June 29, 2007	¥2,978	¥1,489

Notes: 1. Conditions of execution
In the event a granted person retires or resigns under the regulations, subscriptions right may be exercised within two years after that. In the event a granted person retires voluntary or dies, subscriptions right will be canceled.
2. Transfer of stock option
Transfer of stock option to the third person needs the approval of the Board of Directors' Meeting.

(2) Stock options for certain subsidiaries

Date of approval	Number of subscription rights unexercised	Type and number of targeted shares	Subscription price	Effective period	Issue price
September 13, 2004	948	Common stock 94,800 shares	¥259 per share	September 14, 2006 to September 13, 2009	¥259
December 16, 2003	150	Common stock 15,000 shares	¥162 per share	December 17, 2005 to December 16, 2008	¥162

(d) Dividend

(1) Dividend payment

Resolution	Type of share	Total amount (¥ million)	Thousands of U.S.dollars	Dividend per share (¥)	U.S.dollars	Record date	Effective date
General Meeting of Shareholders on June 23, 2007	Common stock	5,031	50,201	28.00	0.279	March 31, 2007	June 23, 2007

(2) For dividend payments with an effective date in the year ended March 31,2009,the record date occurred in the year ended March 31,2008

Resolution	Type of share	Source of payment	Total amount (¥ million)	Thousands of U.S.dollars	Dividend per share (¥)	U.S.dollars	Record date	Effective date
General Meeting of Shareholders on June 21, 2008	Common stock	Retained earnings	5,040	50,295	28.00	0.279	March 31, 2008	June 24, 2008

20. SEGMENT INFORMATION

(a) Business segments

Segment information by business segment for the year ended March 31, 2008 and 2007 are as follows:

Year ended March 31, 2008	Millions of yen								
	Operating revenues			Operating expenses	Operating income	Assets	Depreciation	Loss on impairment	Capital expenditures
	outside customers	inter segment	total						
Credit service	¥ 254,110	¥ 605	¥ 254,715	¥ 224,134	¥ 30,581	¥ 1,467,334	¥ 8,643	¥ —	¥ 11,905
Finance	43,865	505	44,370	33,118	11,252	546,981	54,653	—	75,012
Real estate related	31,238	6,720	37,958	15,197	22,761	278,161	468	800	1,160
Entertainment	14,379	17	14,396	17,406	(3,010)	25,833	4,011	496	8,517
Other	1,995	—	1,995	668	1,327	507	2	—	13
Total	345,587	7,847	353,434	290,523	62,911	2,318,816	67,777	1,296	96,607
Eliminations or corporate	—	(7,847)	(7,847)	(2,127)	(5,720)	131,821	240	—	919
Consolidated	¥ 345,587	¥ —	¥ 345,587	¥ 288,396	¥ 57,191	¥ 2,450,637	¥ 68,017	¥ 1,296	¥ 97,526

Year ended March 31, 2008	Thousands of U.S. dollars								
	Operating revenues			Operating expenses	Operating income	Assets	Depreciation	Loss on impairment	Capital expenditures
	outside customers	inter segment	total						
Credit service	$ 2,536,032	$ 6,040	$ 2,542,072	$ 2,236,865	$ 305,207	$ 14,644,047	$ 86,259	$ —	$ 118,807
Finance	437,771	5,045	442,816	330,515	112,301	5,458,893	545,441	—	748,626
Real estate related	311,753	67,063	378,816	151,665	227,151	2,776,063	4,670	7,981	11,577
Entertainment	143,501	171	143,672	173,715	(30,043)	257,813	40,029	4,955	84,997
Other	19,914	—	19,914	6,668	13,246	5,060	21	—	132
Total	3,448,971	78,319	3,527,290	2,899,428	627,862	23,141,876	676,420	12,936	964,139
Eliminations or corporate	—	(78,319)	(78,319)	(21,230)	(57,089)	1,315,582	2,389	—	9,175
Consolidated	$ 3,448,971	$ —	$ 3,448,971	$ 2,878,198	$ 570,773	$ 24,457,458	$ 678,809	$ 12,936	$ 973,314

Year ended March 31, 2007	Millions of yen								
	Operating revenues			Operating expenses	Operating income	Assets	Depreciation	Loss on impairment	Capital expenditures
	outside customers	inter segment	total						
Credit service	¥ 255,259	¥ 475	¥ 255,734	¥ 205,176	¥ 50,558	¥ 1,389,870	¥ 7,763	¥ —	¥ 13,353
Finance	37,053	292	37,345	25,375	11,970	537,010	53,609	—	75,784
Real estate related	23,180	4,641	27,821	12,433	15,388	192,912	409	92	5,433
Entertainment	16,874	46	16,920	14,874	2,046	27,358	2,978	2,277	4,593
Other	1,317	—	1,317	654	663	1,357	20	—	12
Total	333,683	5,454	339,137	258,512	80,625	2,148,507	64,779	2,369	99,175
Eliminations or corporate	—	(5,454)	(5,454)	(30)	(5,424)	151,100	123	—	877
Consolidated	¥ 333,683	¥ —	¥ 333,683	¥ 258,482	¥ 75,201	¥ 2,299,607	¥64,902	¥ 2,369	¥ 100,052

Notes 1. Business segments are defined in consideration of the operations of the Companies.

2. Change of business segments

Effective from the year ended March 31, 2008 the Companies changed the former segmentation to the following items in order to make the information more useful:

(a) Credit service:creditcard and collection of receivables

(b) Finance:guarantees,loans and epuipment leasing

(c) Real estate related: Real estate related: liquidation of real estate, servicing business, real estate funds, real estate loan guarantees

(d) Entertainment :Amusement

(e) Other:Insurance agency business

3. Reason for change of segmentation

After reviewing the business structure of the Credit Saison Group in light of dramatic changes in the credit card industry, including amendments to the Money-Lending Business Law, etc, the Company has in fiscal 2007 changed its segmentation in line with its newly established mid-term business plan. This plan places higher priority on the expansion of the new Finance Business, which focuses on loan and leasing businesses, while centering on the credit card business in the Credit Service Business.

4.Significant components of 'Eliminations or corporate 'are as follows:

	Millions of yen		Thousands of U.S.dollars
	2008	2007	2008
Non-allocable operating expenses	¥ 5,466	¥ 5,153	$ 54,549
Corporate assets	189,584	166,968	1,892,057

Non-allocable operating expenses include administrative expenses incurred by the management control department of the Company.

Corporate assets include surplus funds , long-term investments (investment securities) and assets used by the management control department of the Company.

(b) Geographic information

The Company is not required to prepare information for geographic segment since no consolidated subsidiaries or branches are located outside Japan.

(c) Overseas sales

The Company is not required to prepare information for oversea sales since the aggregated amounts of overseas sales of the Companies are not material (less than 10% of consolidated sales)

21. RELATED PARTY TRANSACTIONS

Transactions and balances of the Company with its affiliated company, UC Card Co., Ltd. for the years ended March 31 2008 and 2007 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	**2007**	**2008**
Transactions:			
Volume of new contracts	**¥ 1,215,558**	¥ 1,156,953	**$ 12,131,325**
Balances:			
Accounts payable	**75,932**	71,408	**757,806**
Prepaid expenses and other assets (other receivable)	**6,933**	6,523	**69,193**

22. SUBSEQUENT EVENTS

1. At the Board of Directors meeting held on February 20, 2008, it was resolved that the Company would spin off its credit card processing operations and transfer these to Qubitous Co., Ltd. in accordance with the strategic business alliance agreement reached by Mizuho Bank, Ltd., UC Card Co., Ltd. and the Company on May 17, 2007. The agreement was executed on April 1, 2008 through an absorption-type split (hereinafter "Split").

   The resolution was subsequently carried out successfully. Going forward, at the Board of Directors meeting held on March 26, 2008, it was resolved that the Company would acquire 51.0% of the outstanding shares of Qubitous Co., Ltd upon completion of the operational transfer related to the Split, with the aim of making Qubitous Co., Ltd. a subsidiary of the Company. This has also been successfully carried out.

(1) Name and business outline of the acquired company, rationale behind share acquisition, date of combination, legal form of combination, percentage of voting rights acquired

(a) Name and business outline of the acquired company

Qubitous Co., Ltd., an outsourcing company providing credit card processing services

(b) Rationale behind share acquisition

Effective April 1, 2008, the credit card processing operations of the Company were spun off and successfully transferred to Qubitous Co., Ltd. in accordance with the strategic business alliance agreement reached on May 17, 2007 by Mizuho Bank, Ltd., UC Card Co., Ltd. and the Company.

The Company acquired 51.0% of the outstanding shares in Qubitous Co., Ltd. after completing the operational transfer following the spin-off. In the future, Qubitous Co., Ltd. will develop business in the credit card processing field as a subsidiary of the Company, while aiming to become a "comprehensive processing service company" capable of undertaking a broad range of settlement services without limiting itself to the credit card area.

(c) Date of combination: April 1, 2008

(d) Legal form of combination: Share acquisition

(e) Percentage of voting rights acquired: 51%

(2) Acquisition price of the acquired company and price breakdown:

Acquisition price: ¥255 million (US$2,545 thousand) (510 common stock of Qubitous Co., Ltd.)

(3) Breakdown of assets and liabilities succeeded on the date of combination

	Millions of yen	Thousands of U.S. dollars
	2008	
Current assets	¥ 10,361	$ 103,406
Property, equipment and other	15,799	157,671
Total assets:	26,160	261,077
Current liabilities	25,009	249,593
Long-term liabilities	647	6,461
Total liabilities:	25,656	256,054

2. At the Board of Directors meeting held on April 23, 2008, it was resolved that the company would acquire the shares of LAWSON CS Card, Inc. so as to make it a subsidiary of the Company. The resolution was subsequently carried out successfully.

(1) Purpose of share acquistion

LAWSON CS Card, Inc. was established jointly with Lawson, Inc. and Mitsubishi Corporation in February, 2002. The company primarily operates the "Lawson Pass" business, which offers a card with a credit function to customers of Lawson, Inc.

The above mentioned acquisition of shares of LAWSON CS Card, Inc. is intended to realign the Company's alliance with Lawson, Inc. In the new formation, Lawson, Inc will focus on the CRM business, while the Company will focus on promoting credit card services toward customers of Lawson, Inc.

(2) Summary of share acquisition

(a) Schedule of share acquisition

Date of Board of Directors resolution:	April 23, 2008
Date of acquisition:	April 30, 2008

(b) Summary of the target subsidiary (LAWSON CS CARD, Inc.) as of February 29, 2008

Business name:	LAWSON CS Card, Inc.
Representative:	Jun Asagi, President
Address:	1-11-2 Osaki, Shinagawa-ku, Tokyo
Date of establishment:	February 8, 2002
Business outline:	Credit card business
Account end:	End of February
Number of employees:	25
Capital amount:	¥4,200 million (US$41,916 thousand)
Number of shares issued:	160,000 shares

(3) Number of shares acquired, price of acquisition, current shareholdings

Number of shares acquired:	112,000 shares
Acquisition price:	¥669 million (US$6,677 thousand)
Number of shares held after acquisition:	160,000 shares (100%)

Misuzu Audit Corporation

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Report of Independent Auditors

To the Board of Directors and Shareholders of
CREDIT SAISON Co., LTD.

We have audited the accompanying consolidated balance sheets of CREDIT SAISON Co., LTD. and its subsidiaries as of March 31, 2007 and 2006, and the related consolidated statements of income, changes in net assets, and cash flows for the three years in the period ended March 31 2007, all expressed in Japanese Yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of CREDIT SAISON Co., LTD. and its subsidiaries as of March 31, 2007 and 2006, and the consolidated results of their operations and their cash flows for the three years then ended in conformity with accounting principles generally accepted in Japan.

As described in Note 3, effective for the year ended March 31, 2006, CREDIT SAISON Co., LTD. changed their accounting policy for Allowance for losses on point program.

As described in Note 18, at the May 17, 2007 meeting of the Board of Directors, CREDIT SAISON Co., LTD. reached an agreement in principle with Mizuho Bank, Ltd. and UC CARD CO., LTD. The aim of this agreement, which is in line with a basic agreement reached on January 30, 2006, is to integrate and realign credit card operations. In this agreement, CREDIT SAISON Co., LTD. scheduled a spin-off of the processing work of its credit card business.

The amounts expressed in U.S. dollars, which are provided solely for the convenience of the reader, have been translated on the basis set forth in Note 2 to the accompanying consolidated financial statements.

Misuzu Audit Corporation

Misuzu Audit Corporation

Tokyo, Japan
June 23, 2007

"This is a copy of an audit report on the consolidated financial statements of Credit Saison Co.,Ltd. and its subsidiaries for the year ended March 31, 2007 issued by Misuzu Audit Corporation dated June 23, 2007. Misuzu Audit Corporation has ceased operations and has not reissued the audit report."

Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Credit Saison Co., Ltd.:

We have audited the accompanying consolidated balance sheet of Credit Saison Co., Ltd. and consolidated subsidiaries as of March 31, 2008, and the related consolidated statements of income, changes in equity, and cash flows for the year then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The consolidated financial statements of Credit Saison Co., Ltd. and consolidated subsidiaries for the year ended March 31, 2007 were audited by other auditors who have ceased operations. Those auditors expressed an unqualified opinion on those financial statements in their report dated June 23, 2007, and included an explanatory paragraph concerning an agreement reached subsequent to year end between the Company and Mizuho Bank, Ltd. and UC CARD CO., LTD., the aim of which was to integrate and realign credit card operations and spin off the processing work of the credit card business.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Credit Saison Co., Ltd. and consolidated subsidiaries as of March 31, 2008, and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

As discussed in Note 20 to the consolidated financial statements, the Company changed its segmentation.

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 2. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 21, 2008

Member of
Deloitte Touche Tohmatsu

Corporate Information (As of March 31, 2008)

CREDIT SAISON CO., LTD.

Head Office: 52F Sunshine 60 Bldg., 1-1,
Higashi-Ikebukuro 3-chome,
Toshima-ku, Tokyo 170-6073, Japan
Telephone: 81-3-3988-2111
www.saisoncard.co.jp

Incorporated: May 1, 1951

Paid-in Capital: ¥75,684 million

Number of Employees: Consolidated: 4,061
Non-consolidated: 2,334
(as of June 30, 2008)

Closing of Accounts: March 31

Stock Listing: Tokyo Stock Exchange, First Section

Ticker No.: 8253

Independent Auditor: Deloitte Touche Tohmatsu

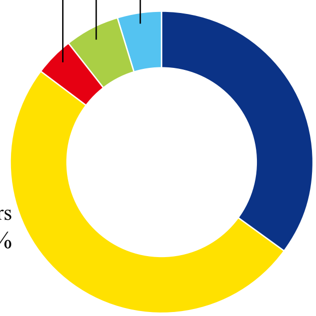
Transfer Agent: The Sumitomo Trust & Banking Co., Ltd.
Stock Transfer Agency Department
1-4-4, Marunouchi, Chiyoda-ku, Tokyo

Common Stock Authorized: 300,000 thousand shares

Common Stock Outstanding: 181,651 thousand shares

Number of Shareholders: 9,565

Composition of Shareholders:



Major Shareholders:

Name	Number of shares (Thousands)	Percentage of ownership (%)
Mizuho Bank, Ltd.	12,593	6.93
The Master Trust Bank of Japan, Ltd. (Trust Account)	11,183	6.16
State Street Bank and Trust Company	10,245	5.64
Japan Trustee Services Bank, Ltd. (Trust Account)	9,697	5.34
Mellon Bank N.A. as agent for its client Mellon Omnibus US Pension	8,490	4.67
Mizuho Corporate Bank, Ltd.	4,675	2.57
Deutsche Securities Inc.	4,328	2.38
The Seibu Department Stores, Ltd.	4,100	2.26
JPMorgan Chase Oppenheimer Funds JASDEQ Account	3,589	2.12
BNP PARIBAS Securities (Japan) Limited	3,477	1.91

Note: During the Company's fiscal year, the following companies filed a "Notification of Change" regarding the status of their major shareholdings, stating that they held shares as below as of March 31, 2008 (the required notification date). We were not able to confirm the number of shares that these companies actually held in their own names as of the close of the term; therefore, they are not included in the above list of major shareholders.

Name	Number of shares (Thousands)	Percentage of ownership (%)
Mizuho Bank, Ltd.* and 4 other companies*	21,231	11.69
Artisan Partners L.P.	16,243	8.94
Nomura Asset Management Co., Ltd.* and 3 other companies	10,020	5.52
The Capital Guardian Trust Company, Inc.* and 3 other companies	9,478	5.22
Mackenzie Cundill Investment Research, Ltd. *	9,437	5.20

Note: Asterisks (*) in the "Name" column of the above chart denote the name of the entity filing notification in the case of joint shareholdings. In this fiscal year, as required by law, on the due date June 27, 2007, Credit Saison submitted a large shareholders report (change report) about Artisan Partners L.P. becoming a major shareholder. On the due date November 28, 2007, Credit Saison submitted a new change report regarding the removal of Artisan Partners from its list of major shareholders.

Corporate History

1951 May The Company is established as a retailer specializing in installment sales.

1968 Jun. The Company is listed on the First Section of the Tokyo Stock Exchange.

1976 Mar. The Seibu Department Stores, Ltd. and the Company establishes a shareholding relationship and develops a consumer credit system for the Saison Group.

1980 Aug. The Company's name is changed from Midoriya Department Stores to Seibu Credit Co., Ltd.

1982 Aug. Credit Saison begins to build a nationwide network of Saison Counters to process Seibu Card issues, and to install automated cash dispensers.

1983 Mar. The name Seibu Card is changed to SAISON CARD.

1988 Jul. Credit Saison reaches agreements with VISA and MasterCard and issues SAISON Visa Card and SAISON MasterCard.

1989 Oct. The Company's name is changed to Credit Saison Co., Ltd.

1991 Jan. The affinity card business is started.

1991 Total transaction volume surpasses ¥1 trillion.

1992 Apr. Credit Saison begins to issue Saison Postal Savings Cards, the first cards in Japan to support signatureless transactions (in Seiyu food outlets).

1992 Total number of cardholders surpasses 10 million.

1995 Jun. SAISON JCB CARD is issued in cooperation with JCB Co., Ltd.

1997 Oct. SAISON American Express Card is issued through an affiliation with AMERICAN EXPRESS.

1999 Mar. Starts the SAISON Postal Savings Global Service, with a card offering credit, debit and cashing functions in Japan and overseas.

Sep. Issues combined credit/cash cards with regional banks.

1999 Total transaction volume surpasses ¥2 trillion.

2000 Aug. Net Answer, a web site for cardholders, is started.

2001 Mar. Nominated for inclusion in the Nikkei Stock Average (Nikkei 225).

Apr. Exchanges shares of Saison Securities Co., Ltd. for shares of Monex, Inc. (currently Monex Beans Holdings, Inc.).

Nov. A supporting company contract for the Japan national soccer team is concluded.

2002 Feb. Transfers shares of Saison Life Insurance Co., Ltd. to GE Edison Life Insurance Co., Ltd. (currently AIG Edison Life Insurance Company).

New membership point service SAISON Dream is started (currently Eikyufumetsu Points, or SAISON Permanent Points in English).

Jun. Stock options are granted to all employees for the first time in the Company's history.

2003 Jan. Begins using SAISON CARD EXPRESS for speedy online card issuance.

Mar. A special benefit plan for shareholders is introduced.

Aug. An agreement is reached on a comprehensive alliance with the card division of Idemitsu Kosan Co., Ltd. (Idemitsu Card mydoplus is issued in April 2004.)

Sep. Super Value Plus, an insurance product exclusively for cardholders, is issued through a business alliance between Credit Saison, Saison Automobile and Fire Insurance Co., Ltd. and Sompo Japan Insurance Inc.

2004 Feb. A decision is taken to form a strategic equity and business tie-up with Resona Holdings, Inc. (Resona Card+S (Resona Card SAISON) is issued in October 2004.)

Apr. A basic agreement is reached with Takashimaya Company, Limited on a strategic alliance in the credit card business. (TAKASHIMAYA SAISON Card is issued in September 2004.)

Aug. A basic agreement on forming a strategic alliance in the credit card business is concluded with the Mizuho Financial Group, Inc., Mizuho Bank, Ltd. and UC CARD Co., Ltd.

Sep. A real estate mortgage loan business is launched.

Oct. An alliance is formed with Tokyo Gas Co., Ltd. enabling card payment of city gas bills.

'51 '55 '60 '65 '70 '75 '80 '85 '90 '95 '00 '01 '02 '03 '04

2005 Apr. The new credit center Ubiquitous starts operation.

Mizuho Mileage Club Card SAISON is issued.

Oct. Chojo-SAISON Credit Card for Japanese expatriates in Shanghai is issued.

SAISON Platinum American Express Card is issued.

Dec. Credit Saison acquires an additional 12.4% of the shares of Resona Card Co., Ltd., making this company an equity-method affiliate.

2006 Jan. Credit Saison merges with UC CARD Co., Ltd. (card issuance business).

Mar. A new loan product, SAISON Loan Card, is issued.

May Agrees to issue SEIBU PRINCE Card from autumn 2006.

Jun. A comprehensive alliance is formed with Yamada Denki Co., Ltd. in the credit card business.

Jul. Agrees to form a business alliance with The Shizuoka Bank, Ltd. (Shizugin Saison Card Co., Ltd. is established in October 2006 and the ALL-S Card is issued in July 2007.)

Oct. The Eikyu Fumetsu.com online shopping mall is opened.

JPN COLLECTION SERVICE Co., Ltd. is listed on the Hercules Section of the Osaka Stock Exchange.

Nov. A shareholder agreement is signed with Daiwa House Industry Co., Ltd. and a joint venture is established. (Heart One Card is issued in May 2007.)

Dec. Atrium Co., Ltd. is listed on the First Section of the Tokyo Stock Exchange.

2006 Total transaction volume surpasses ¥5 trillion (non-consolidated)

2007 Mar. Saison Asset Management Co., Ltd. launches its own investment trusts. (Saison Vanguard Global Balance Fund service awards in January 2008.)

An agreement is reached on a comprehensive alliance with the Yamaguchi Financial Group. (YM SAISON Card is issued in October 2007.)

May. Restructed sales network; closed 12 satellite offices and 29 Saison Counters.

Jun./Jul. The maximum interest rate for cash advances is reduced to 18%.

Aug. Credit Saison begins to accept applications for the Yamakataya Card, issued in partnership with YAMAKATAYA Group.

Sep. Tie-up with the Ladies Professional Golfers Association of Japan (LPGA).

Issuance of the Official Fan Club LPGA CLUB Card.

Oct. Establishment of Qubitous Co., Ltd., the industry's first comprehensive processing service specialist.

Integration of SAISON and UC point services (application of SAISON Permanent Points to the UC Card point system).

Issuance of the SAISON NEXT Card, successor to the Postal Savings Card.

Nov. Issuance of the SAISON American Express Gold Card and the first American Express cards with no annual fee to be issued in Japan; both cards issued in alliance with American Express.

2008 Feb. Start of a credit card payment service for National Pension Plan premiums.

Issuance of SAISON Card Loan Gold variable-rate, low-interest loans linked to the short-term prime rate.

Mar. Redemption of VISA shares attendant on the listing of VISA Inc. on the New York Stock Exchange.

Start of operation of the AURORA three-company (Credit Saison, Qubitous, Orico) joint authorization system.

Apr. Spin-off of the credit card processing business (in a corporate separation) to Qubitous Co., Ltd.

Acquisition of 51% of Qubitous Co., Ltd.; the company becomes a subsidiary of Credit Saison.

Agreement to form a business alliance with Shinhan Card Co., Ltd. (South Korea).

Jun. Launch of the rental business (commencement of home appliance rental in an alliance with Yamada Denki Co., Ltd.).

Sep. Absorption by merger of LAWSON CS Card, Inc.

Oct. Launch of the new credit operation center "Kansai Ubiquitous."

'05 '06 '07 '08

CREDIT SAISON CO., LTD.

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