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## Business Report

CREDIT SAISON CO., LTD. Interim Business Report  
73rd Fiscal Year (April 1, 2022 – September 30, 2022)

Transforming ourselves into a comprehensive life services group

CREDIT  
SAISON

# Message

Dear Shareholders:

## We will realize our third foundation by "transforming ourselves into a comprehensive life services group".

December 2022

Representative, Executive President and COO

**Katsumi Mizuno**



I would like to express my appreciation for your continued support and patronage.

In our industry, the business environment is escaping a period of severe conditions due to the gradual easing of activity restrictions associated with the spread of COVID-19 infections, progress in cashless transactions, and solid growth in the real estate market.

In the 73rd fiscal year, We started a new medium-term management plan with a new medium-term management vision of transforming ourselves into a comprehensive life services group. As in last year, we continued to accelerate various initiatives to achieve our medium-term management

plan based on the three concepts of "Innovative," "Digital," and "Global."

In the first half of the fiscal year, we implemented aggressive management, including the release of new services and products in the Payment Segment, capital and business alliances aimed at the gradual expansion of the economic sphere, and the establishment of joint ventures to handle new businesses. We will continue to materialize a variety of initiatives aimed at enhancing new corporate value.

Lastly, I would like to ask for shareholders' continued support for Credit Saison.



## Global

### Strengthening of control functions and expansion of lending operations in Indonesia

In April 2022, we established Saison International Pte. Ltd. in Singapore as an international headquarters (international control function), and are working to strengthen control functions and build a foundation to accelerate the growth of our global business. In Indonesia, in addition to business development by PT. Saison Modern Finance, our existing base, we will expand our efforts in the BtoC area in the country by investing in and financing Julo Holdings Pte. Ltd., which provides digital credit cards to the underserved population who are unable to receive the sufficient benefit of financial services.



## Innovative

### Began offering housing loan guarantees for financial institutions

In April 2022, we began offering housing loan guarantee products for financial institutions. We are developing this business by taking advantage of our speedy screening responses cultivated through free loan guarantees, our housing/real estate-related knowledge from the Flat 35 Loans business, and our credit track record as a finance business company (R&I rating of A+), among other strengths. In addition, we will work with financial institutions to meet the diversifying and new needs of homebuyers by providing original group credit life insurance and accommodating various lifestyles.



## Digital

### Began offering "shiharai.com", a payment service that allows BtoB payments to be made by card.

In April 2022, we signed a business alliance agreement with UPSIDER Inc. to build a new BtoB payment service, and began jointly offering "shiharai.com", a payment service that accepts credit cards for all BtoB transactions. Payment can be extended until the credit card debit date, helping companies improve their cash flow. We will continue to jointly work to establish and entrench new services in the BtoB payment market and to further expand our financial business.



支払い.com

\*Shiharai means Payment.

## Transforming ourselves into a comprehensive life services group

— Realizing customer success through the fusion of real-world and digital services —  
Let us introduce topics for the April-June period of the 73rd fiscal year.

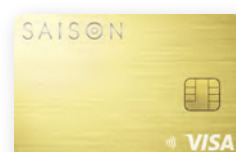
### Issuance of our first social bond

In June 2022, we issued its first social bond. We will appropriate the proceeds from the social bond to business funds for Kisetsu Saison Finance (India) Pvt. Ltd., which operates lending operations for underserved individuals and small and medium-sized enterprises mainly in India, and Saison Capital Pte. Ltd., which makes impact investments in Asia, in order to accelerate the expansion of both companies' businesses. Through these businesses, we will help address global social issues through initiatives supporting financial inclusion and the Sustainable Development Goals (SDGs) set by the United Nations.

\*Saison International Pte. Ltd. changed its trade name from Credit Saison Asia Pacific Pte. Ltd. in April 2022.

### Began accepting applications for SAISON GOLD Premium, a new gold card that makes everyday using fun.

In July 2022, we accepting applications for the SAISON GOLD Premium, a gold card with a new loyalty program. The card is equipped with a program in which your benefits increase with your using, which aims to create inspirational experiences and provide a comfortable cashless lifestyle more friendly to the daily lives of our customers. We aim to make it the main card of choice for our customers by offering premium benefits such as points redemption based on the annual amount of shopping spending and original preferential services.



### Collaboration with Nowcast Inc. on data utilization for the real estate industry

In August 2022, we began providing analytical services to support tenant selection for commercial facilities by collaborating with Nowcast Inc. in the use of data for the real estate industry. By analyzing the consumption behavior of visitors to commercial facilities based on credit card data and providing a ranking list of tenants that match their preferences, we are able to use the services for optimizing the tenant composition of commercial facilities and creating an attractive town. Going forward, we will work jointly to provide decision-making support and digital marketing proposals based on credit card data for companies in a variety of industries.



## Sustainability

We are pursuing initiatives for sustainable social development and problem solving that only Credit Saison can provide. In the first half of the 73rd fiscal year, we worked to solve environmental problems.

### Announcement of Support for the Task Force on Climate-related Financial Disclosures (TCFD)

In May 2022, we announced support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and joined the Japan TCFD Consortium by responding to climate change issues at the Sustainability Promotion Committee (established in August 2021), an advisory body in relation to sustainability activities. Moreover, in June 2022, based on the TCFD recommendations, we disclosed information on "governance," "strategy," "risk management," and "metrics and targets" regarding our actions to address climate change,



### Began issuing the SAISON CARD Digital for becoz

In June 2022, in partnership with DATAFLUCT Inc., we began issuing the SAISON CARD Digital for becoz, a credit card that can visualize CO2 emissions based on payment data. With individual environmental awareness steadily increasing, especially among young people, we propose a new criterion of environmental value for one's personal life, and support consumers who wish to lead a carbon-neutral lifestyle.



### Establishment of a new company, ReSAISON Co., Ltd., to realize a circular economy

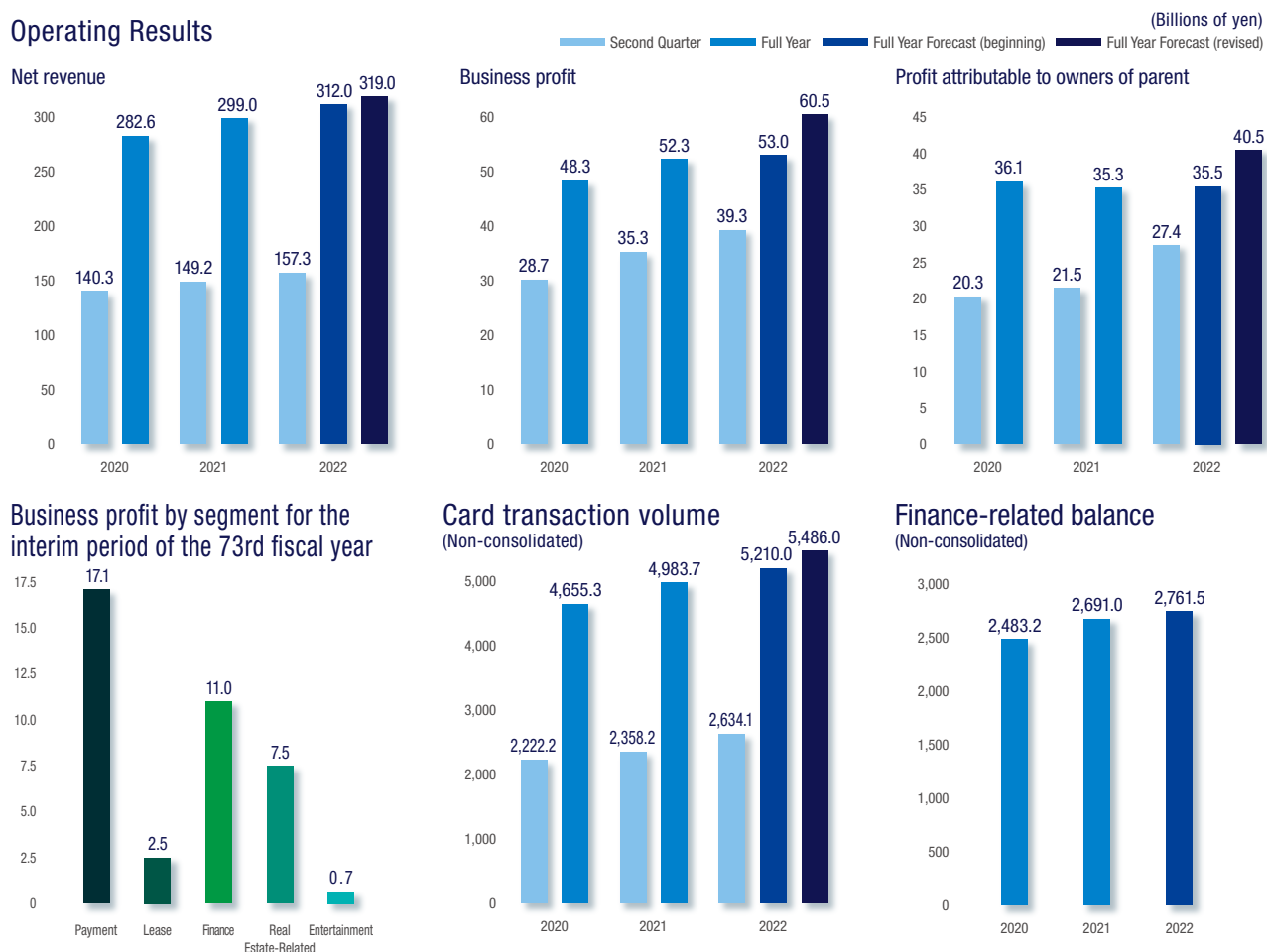
In August 2022, we established a joint venture, ReSAISON Co., Ltd., with Cyclers Co., Ltd. with the aim of realizing a recycling-oriented society through the establishment of a reuse scheme. By combining the comprehensive recycling function and other know-how that Cyclers has cultivated over many years to realize its vision of "pursuing a circular economy" with office automation and other assets owned by Credit Saison in its Payment Segment as well as the know-how, customer base, alliance networks, and settlement solutions that Credit Saison has cultivated through its Lease Segment, we will work to improve the waste recycling rate and create a new circular network and new value toward the realization of a recycling-oriented society.

# FINANCIAL DATA

For the interim period of the 73rd fiscal year, net revenue exceeded the initial forecast due to an increase in operating revenue resulting from strong shopping transaction volumes in the Payment Segment, as well as the balance of loan receivables exceeding the plan in overseas lending operations. In addition, business profit and profit attributable to owners of parent exceeded the initial forecasts, mainly due to

cost-cutting efforts with a greater focus on cost-effectiveness and a decrease in bad debt-related costs resulting from an improvement in the quality of receivables. The full-year forecasts for the 73rd fiscal year have been revised upward in light of recent business conditions and the impact of unrealized gains from the fair value of funds held by the Company.

## Operating Results



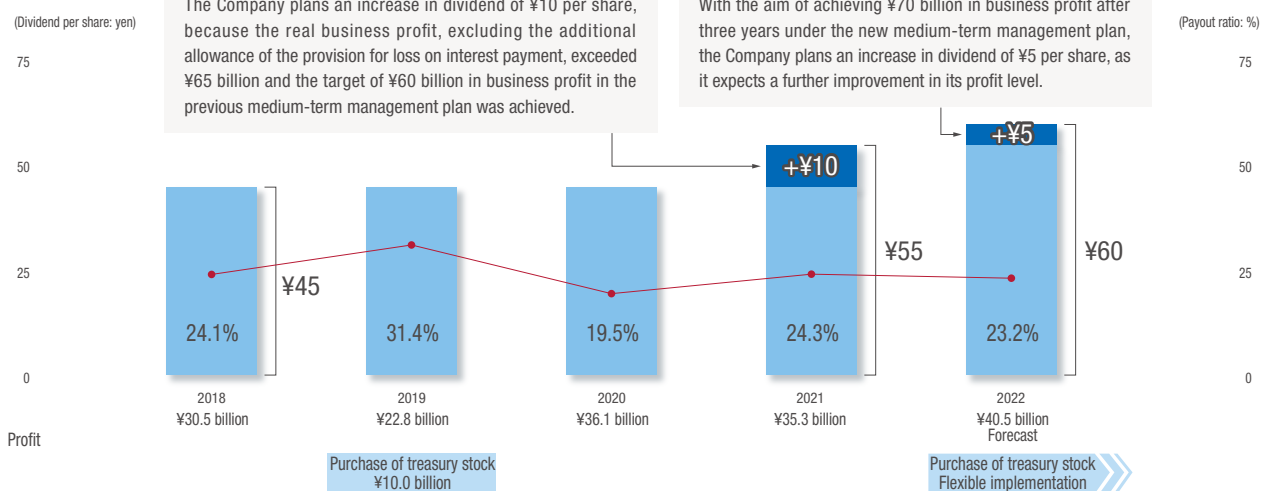
## Shareholder Returns

### <Policy> Stable and continuous dividend payments

The Company has never reduced dividends even at the time of facing management challenges such as the global financial crisis in 2008.

The Company plans an increase in dividend of ¥10 per share, because the real business profit, excluding the additional allowance of the provision for loss on interest payment, exceeded ¥65 billion and the target of ¥60 billion in business profit in the previous medium-term management plan was achieved.

With the aim of achieving ¥70 billion in business profit after three years under the new medium-term management plan, the Company plans an increase in dividend of ¥5 per share, as it expects a further improvement in its profit level.



At the meeting held on November 10, 2022, the Board of Directors formulated and passed the resolution on a policy to repurchase its shares as a shareholder return measure. Specific implementation of share repurchases will be separately resolved and disclosed by the Board of Directors of the Company.

# CORPORATE DATA

## Corporate Information (As of September 30, 2022)

Credit Saison Co., Ltd.

Incorporated: May 1, 1951

Paid-in Capital: ¥75,929 million

Number of 4,066

Employees: In addition, Average Number of Non-regular Employees and Temporary Employees: 1,692 (in 7.5 hours/day equivalent)

Head Office: 52F Sunshine 60 Bldg., 1-1, Higashi-Ikebukuro 3-chome, Toshima-ku, Tokyo 170-6073, Japan

Major Businesses: ①Payment Segment (credit card business, servicing (loan collection) business, etc.)  
②Lease Segment (lease business)  
③Finance Segment (credit guarantee business and finance-related business)  
④Real Estate-Related Segment (real estate business, real estate leasing business, servicing (loan collection) business, etc.)  
⑤Entertainment Segment (amusement business, etc.)

### Board of Directors and Audit & Supervisory Board Members

Representative, Chairman and CEO	Hiroshi Rinno
Representative, Executive President and COO	Katsumi Mizuno
Representative, Executive Vice President and CHO	Naoki Takahashi
Director, Senior Managing Executive Officer	Yoshiaki Miura
Director, Senior Managing Executive Officer and CTO, CIO	Kazutoshi Ono
Director, Senior Managing Executive Officer	Kosuke Mori
Director (Outside)	Naoki Togashi
Director (Outside)	Nana Otsuki
Director (Outside)	Hitoshi Yokokura
Standing Audit & Supervisory Board Member	Haruhisa Kaneko
Standing Audit & Supervisory Board Member (Outside)	Munehiro Harada
Standing Audit & Supervisory Board Member (Outside)	Hiroaki Igawa
Director (Outside)	Chie Kasahara

## Stock Information (As of September 30, 2022)

Authorized Shares: 300,000,000 shares

Outstanding Shares: 185,444,772

shares Number of Shareholders: 19,039

### Major Shareholders (Top 10)

Name	Equity Stake	
	Number of Shares(thousands)	Ownership Percentage(%)
The Master Trust Bank of Japan Ltd. (trust account)	37,555	24.01
Custody Bank of Japan, Ltd. (trust account)	18,071	11.55
Daiwa Securities Group Inc.	8,050	5.15
CITY INDEX ELEVENTH CO., Ltd.	7,543	4.82
HSBC BANK PLC A/C M AND G (ACS)	6,679	4.27
BNYMSANV AS AGENT/CLIENTS LUX UCITS NON TREATY 1	6,381	4.08
Mizuho Bank, Ltd.	3,000	1.92
STATE STREET BANK AND TRUST COMPANY 505103	2,514	1.61
JP MORGAN CHASE BANK 385781	2,069	1.32
Seven & i Holdings Co., Ltd.	2,050	1.31

\*1. 29,037,748 treasury shares held by Credit Saison are not included in the above list of major shareholders.

\*2. The ownership percentage is calculated based on the number of shares outstanding excluding treasury shares.

## Shareholders' Notes

Fiscal Year:	Period beginning on April 1 and ending on March 31 of the following year
Ordinary General Meeting of Shareholders:	Convened each year in June
Record Date:	
Transfer Agent and Administrator of Special Accounts:	Ordinary general meeting of shareholders and year-end dividend payments - March 31 Should any other record date be required, a public notice will be issued in advance.
Administrative Office of Transfer Agent:	Sumitomo Mitsui Trust Bank Limited, 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan
(Mailing Address)	Stock Transfer Agency Business Department, Sumitomo Mitsui Trust Bank Limited, 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan
(Telephone Inquiries)	0120-782-031 (9:00-17:00 excluding weekends and holidays)
(URL)	<a href="https://www.smtb.jp/personal/procedure/agency/">https://www.smtb.jp/personal/procedure/agency/</a>
Method of Public Notice:	Electronic notice (Credit Saison website) <a href="https://corporate.saisoncard.co.jp/">https://corporate.saisoncard.co.jp/</a>
Stock Listing:	Tokyo Stock Exchange
Securities Code:	8253

[Notice of Address Change, etc. and Inquiries Relating to Shares]

Shareholders who have an account with a securities company are asked to contact the relevant securities company regarding address change and other notices, as well as inquiries. Shareholders who do not have an account with a securities company are asked to call the number indicated above for telephone inquiries.

[Special Accounts]

For shareholders who were not using the "Hofuri" system (Japan Securities Depository Center, Inc.) prior to the introduction of the electronic share certificate system, an account (special account) has been opened at Sumitomo Mitsui Trust Bank Limited above as the transfer agent. Inquiries on special accounts should be directed to the transfer agent at the number indicated above for telephone inquiries.

[Additional Purchase and Buy-back Schemes for Shareholdings of Less Than One Unit]

Credit Saison has established a scheme to allow shareholders with holdings of less than one share unit (100 shares) to buy enough shares at the market price to make up a share unit (Additional Purchase Scheme) or to sell their shares of less than one share unit back to the Company (Buy-back Scheme). Shareholders with holdings of less than one share unit recorded in the special account who wish to inquire about the scheme should contact the transfer agent at the number indicated above, while shareholders who have deposited their shares with a securities company are asked to contact the relevant securities company.

Credit Saison Co., Ltd.

