



咕咾肉



东坡肉



清蒸大闸蟹



清汤鱼唇



葱烧海参



干煸四季豆



家常豆腐



糖醋丸子



糖醋裡脊



油焖茭白



荷叶蒸嫩鸡



雪蒸黄鱼



回锅肉



猪肉烧卖



蛋花炒饭



青椒肉丝



韭菜春卷



素炒塌菜



乾烧明蝦



什锦锅粿



CREDIT SAISON



To Our Shareholders

Japan's credit industry has been at a radical turning point for several years, with the birth of mega-sized financial institution groups, continued reorganization, consolidation and restructuring promoted by the influx of foreign capital and increasing participation in the market from other business sectors. Each corporation's strategic response is crucial to its future growth and survival as the underlying trend in consumption has clearly shifted to anticipative corporations that can offer consumer-conscious, original products or services. The temporary slump following the terrorist attacks in September 2001 in the United States has exacerbated this trend.

Under such a business climate, Credit Saison ("the Company") took diverse measures during fiscal 2001 (52nd fiscal term), the year ended March 31, 2002, by carefully reviewing its existing service offerings from the viewpoint of customers. The Company's starting point was that of a "leading-edge service company based on the medium-term management plan."

Accordingly, the Company reorganized its card operating system by shifting to a more positive organizational system in which risks and profits are well balanced, so that our cardholders can use the cards with maximum comfort and security. Specific measures in this line included the reduction of card issuance time, flexible responses in terms of credit limits for use overseas and a significantly upgraded information system. The Company further expanded its alliance network during the year under review by newly concluding agreements with 14 business partners, including Sogo Inc., Toys "R" Us-Japan Ltd. and Marui Co., Ltd., and issuing several tie-up cards. The Company introduced new

services such as the SAISON Dream program, for which the card point accumulation period is now indefinite, and SAISON CARD MAKER, which is the world's first card-issuing machine that automatically issues four major international brand cards at the time of application. We believe these commitments to higher customer satisfaction and the pursuit of mutual interests with alliance partners comply with Credit Saison's basic management philosophy of pursuing continued growth in the 21st century and raising corporate value for shareholders.

We are proud that Credit Saison has achieved the reputation as Japan's No. 1 credit card company during the year in terms of several target indices that prove strong support both by card users and business partners. These indices include the annual issuance of 2.5 million cards to new cardholders, the active usage of 7.5 million cards annually and ordinary profit above ¥41.1 billion.

We continue to further develop our business with proactive strategies and growth potential, under the management policy of addressing our relationships with shareholders, cardholders, partners and employees. We look forward to the continued support and understanding of our shareholders and cardholders.



Hiroshi Rinno,
President and CEO

June 2002

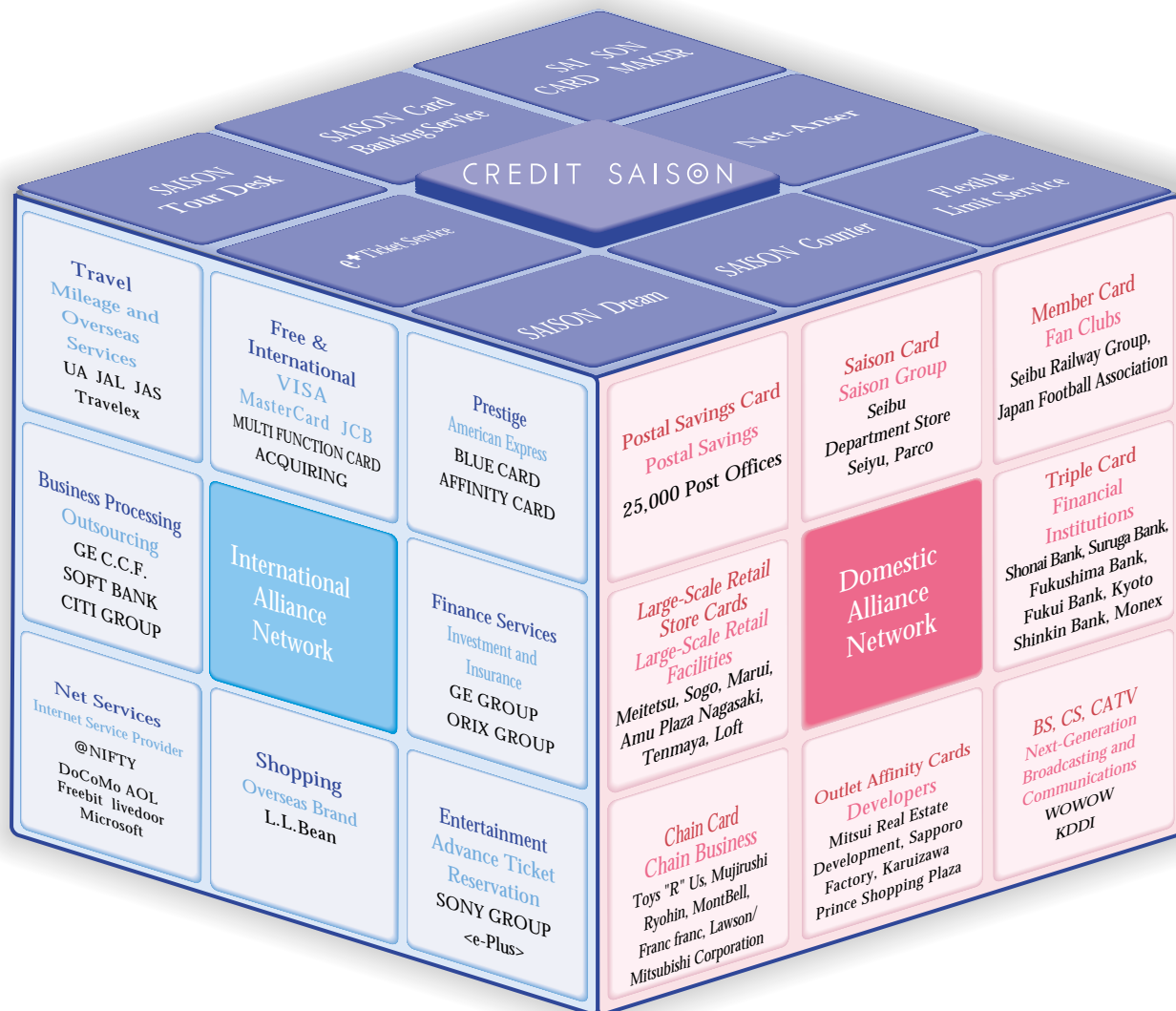
Hiroshi Rinno,
President and CEO

A handwritten signature in black ink, appearing to be "H. Rinno", written over a horizontal line.

Business Alliance Networks of Credit Saison

The alliance networks, which are expanding the Company's relationships with domestic and international companies, are a powerful tool in enhancing Saison Card's position in the market and are a strategic focus of our operations. The

Company endeavors to further increase its market share through the buildup of strategic alliance networks and the development and supply of appropriate products and services that best match customers' needs.



Strategic Alliance with Sogo, Inc., Marui Co., Ltd. and Toys "R" Us-Japan, Major Distribution Industry Participants!

In May 2001, we distributed the Saison Sogo Millennium Card. This alliance card has received enthusiastic customer support, recording 720,000 new cardholders as of the end of March 2002, which was considerably higher than anticipated.

We also issued tie-up cards with Marui Co., Ltd., and Toys "R" Us-Japan Ltd. during the year. Credit Saison will continue enhancing its strategic networks by taking advantage of its leading distribution card company, which has innovative know-how in the use of credit cards as a strong marketing tool and serves to revitalize large-scale commercial facilities.



Saison Sogo Millennium Card



Saison Red Card



Saison Toys "R" Us Card

Established a New Company with Lawson Inc. /Mitsubishi Corp.!

In February 2002, Credit Saison established Lawson CS Card, Inc., a credit card service company, in collaboration with Lawson, Inc., and Mitsubishi Corporation. This new company is preparing for its operational start-up in August 2002.

The three parties, which have accumulated the latest know-how in their respective business fields, allied with the aim of offering unprecedented and attractive cardholder services. The Company intends to promote the further development of the credit card processing business.



Comprehensive Collaboration with GE Edison Life Insurance Co.!

In February 2002, the Company formed a comprehensive alliance with GE Edison Life Insurance Co. for life insurance services. The merger of Saison Life Insurance Co., Ltd., with GE Edison Life Insurance Co., which is known for its healthy financial foundation, will guarantee higher security and reliability to policyholders of the former Saison Life Insurance. GE Edison Life Insurance Co. acquired all of Saison Life Insurance's shares outstanding. This consolidation will also supply Saison Card cardholders with advanced value-added life insurance and asset-formation products.

Introduced SAISON CARD MAKER Machines!

Saison Credit recently developed the world's first automatic card issuer, the "SAISON CARD MAKER." These machines are planned for placement in the storefronts of large-scale distribution company facilities such as Seibu and Sogo department stores. The machines will likely improve service quality and increase sales possibilities at the storefronts of these business partners. The Company will further proceed with building a speedy card issuing system.



Saison JAPAN Card Issued!

With the rising popularity of soccer throughout the country, Credit Saison concluded the Japan Football Team Supporting Company Agreement, and started accepting applications for the Saison JAPAN Card, an official credit card certified by the Japan Football Association, in March 2002. The agreement is intended to entice future cardholders among mainly young male soccer fans.



Saison JAPAN Card

SAISON Dream Program Started!



To meet the increasing requests from many card users, in March 2002 Credit Saison started a new card point program, "SAISON Dream," which allows customers to save points for an indefinite period and change the points for equivalent gifts at any time. We have lined up a wide variety of attractive gifts so that card users can enjoy both "the pleasure to add points" and "the pleasure to exchange points for gift items." We hope this original service addition will encourage our cardholders to use the Saison Card as a primary card for all their different activities.

Nonconsolidated Balance Sheet (As of March 31, 2002)

(Millions of yen)

ASSETS	
Account item	Amount
Current Assets	807,704
Cash and bank deposits	43,590
Accounts receivable—trade	420
Installment accounts receivable	756,397
Merchandise	1,958
Supplies	540
Prepaid expenses	1,431
Deferred tax assets	5,988
Short-term loans	9,998
Accounts receivable—other	9,339
Other	3,830
Allowance for doubtful accounts	(25,792)
Fixed Assets	247,131
Property and Equipment, at Cost	105,205
Equipment for lease	77,083
Buildings	15,225
Vehicles and transport equipment	0
Tools, furniture and fixture	6,380
Land	6,433
Construction in progress	81
Intangible Fixed Assets	6,802
Leasehold rights	971
Software	5,573
Other	257
Investments and Other Assets	135,123
Investment securities	74,103
Investments in subsidiaries	7,642
Other equity investments	790
Long-term loans	25,000
Long-term loans to subsidiaries	10,085
Long-term prepaid expenses	5,403
Guarantee money deposited	7,217
Deferred tax assets	4,365
Other	2,741
Allowance for doubtful accounts	(2,225)
Deferred Charges	3,004
Bond issue costs	204
Development expenses	2,800
Total Assets	1,057,840

LIABILITIES	
Account item	Amount
Current Liabilities	517,910
Notes payable—trade	1,197
Accounts payable—trade	115,791
Short-term loans	194,731
Current portion of long-term debt	35,171
Bonds due redeemable within one year	10,000
Convertible bonds due redeemable within one year	8,011
Commercial paper	115,000
Trade payables from assignment of obligations due redeemable within one year	11,850
Accounts payable—other	1,589
Income taxes payable	3,642
Accrued expenses	12,381
Accrued employees' bonuses	1,417
Deposits received	2,386
Unearned income	188
Deferred installment income	3,262
Other	569
Long-Term Liabilities	296,438
Bonds	130,000
Convertible bonds	7,445
Long-term debt	131,111
Trade payables from assignment of obligations	15,190
Accrued retirement allowances for employees	8,681
Accrued retirement allowances for directors and statutory auditors	436
Allowance for losses on guarantee	571
Guarantee money received	1,798
Other	1,204
Total Liabilities	814,349
SHAREHOLDERS' EQUITY	
Account item	Amount
Common Stock	61,302
Statutory Reserve	67,736
Additional paid-in capital	64,716
Legal reserve	3,020
Retained Earnings	113,692
Voluntary reserve	91,756
Reserve for advanced depreciation of fixed assets	301
General reserve	91,455
Unappropriated retained earnings at end of year [including net income]	21,935 [12,285]
Net Unrealized Gain on Available-for-Sale Securities	763
Unrealized gains on other securities	763
Treasury Stock	(3)
Total Shareholders' Equity	243,491
Total Liabilities and Shareholders' Equity	1,057,840

Note: The stated amounts below one million yen are discarded.

Nonconsolidated Statement of Income

(From April 1, 2001, to March 31, 2002)

(Millions of yen)

Account item	Amount	
(Ordinary Profit and Loss Section)		
Ordinary profit and loss:		
Operating Revenue		
Comprehensive brokerage income	56,489	
Individual brokerage income	1,565	
Credit guarantee income	1,679	
Financing fees	77,994	
Operational agency income	6,375	
Leasing income		
Leasing sales	27,187	
Leasing cost of sales	23,680	3,507
Income from merchandise sales		
Merchandise sales	9,281	
Merchandise cost of sales	8,308	972
Other		
Other sales	7,212	
Other cost of sales	2,237	4,975
Financial income		644
Total	154,204	
Operating Expenses		
Selling, general and administrative expenses	105,554	
Financial cost, net		
Interest expense	6,975	
Other financial expenses	426	7,401
Total	112,956	
Operating Income	41,247	
Nonoperating profit or loss:		
Nonoperating Income	616	
Nonoperating Expenses	702	
Ordinary Profit	41,161	
(Special Profit and Loss Section)		
Special Gains		
Gain on sales of investment securities	27	
Gain on assignment of obligations	250	277
Special Losses		
Loss on disposition and sales of fixed assets	591	
Loss on write-down of investment securities	4,553	
Loss on sales of investment securities	220	
Loss on sales of investments in subsidiaries	1,596	
Loss on consolidation of subsidiaries	1,476	
Financial backup to Seiyo Development Co., Ltd.	11,700	
Other	38	20,177
Income before Income Taxes	21,261	
Current	10,361	
Deferred	(1,385)	8,976
Net Income	12,285	
Unappropriated retained earnings carried forward	9,650	
Unappropriated Retained Earnings at End of Year	21,935	

Note: The stated amounts below one million yen are discarded.

Appropriation of Retained Earnings and Notes

Proposed Appropriation of Retained Earnings for the 52nd Fiscal Term

(Yen)

Unappropriated retained earnings at end of year	21,935,863,405
To be appropriated as follows:	
Cash dividends (¥18 per share)	3,050,413,344
Directors' bonuses	130,000,000
[including bonuses to statutory auditors]	[15,000,000]
Voluntary reserve	8,000,000,000
General reserve	8,000,000,000
Retained earnings to be carried forward	10,755,450,061

Note: The dividends for 1,471 shares of treasury stock are excluded from the cash dividends designated above for the 52nd fiscal term.

Volume of New Contracts by Department

(Millions of yen)

Department	Fiscal 2000 (From April 1, 2000, to March 31, 2001)	Fiscal 2001 (From April 1, 2001, to March 31, 2002)	Year -on- year (%)
Comprehensive brokerage	1,420,243 (1,420,240)	1,629,199 (1,629,183)	114.7
Individual brokerage	20,771 (19,936)	19,267 (18,374)	92.8
Credit guarantee	14,646 (14,646)	56,316 (56,316)	384.5
Financing fees	500,645 (500,645)	555,131 (555,131)	110.9
Operational agency	401,084 (401,084)	400,025 (400,025)	99.7
Leasing	35,192	51,788	147.2
Merchandise sales	11,677 (11,677)	9,281 (9,281)	79.5
Other	8,914	9,426	105.8
Total	2,413,174	2,730,437	113.1

Notes:

- The stated amounts below one million yen are discarded.
- The figures in parentheses above indicate the volume of new contracts as principal.

Consolidated Balance Sheet (As of March 31, 2002)

(Millions of yen)

ASSETS	
Account item	Amount
Current Assets	955,995
Cash and bank deposits	58,102
Installment accounts receivable	854,928
Other operating receivables	1,785
Marketable securities	6
Merchandise	27,476
Deferred tax assets	7,455
Short-term loans	10,026
Other	24,520
Allowance for doubtful accounts	(28,307)
Fixed Assets	297,898
Property and Equipment, at Cost	119,071
Equipment for lease	76,086
Buildings	19,472
Land	10,389
Construction in progress	123
Other	12,999
Intangible Fixed Assets	7,207
Leasehold rights	1,243
Software	5,678
Other	285
Investments and Other Assets	171,619
Investment securities	116,523
Long-term loans	25,001
Guarantee money deposited	8,306
Deferred tax assets	7,760
Other	17,203
Allowance for doubtful accounts	(3,175)
Deferred Charges	3,004
Bond issue costs	204
Development expenses	2,800
Total Assets	1,256,898

LIABILITIES	
Account item	Amount
Current Liabilities	691,060
Notes and accounts payable—trade	119,581
Short-term loans	350,348
Current portion of long-term debt	46,075
Bonds due redeemable within one year	10,000
Convertible bonds due redeemable within one year	8,011
Commercial paper	115,000
Trade payables from assignment of obligations due redeemable within one year	11,850
Income taxes payable	4,044
Accrued employees' bonuses	1,732
Deferred installment income	3,262
Other	21,155
Long-Term Liabilities	321,199
Bonds	130,000
Convertible bonds	7,445
Long-term debt	151,350
Trade payables from assignment of obligations	15,190
Accrued retirement allowances for employees and statutory auditors	579
Allowance for losses on guarantee	571
Consolidation adjustment account	612
Other	5,684
Total Liabilities	1,012,260
MINORITY INTERESTS	
Account item	Amount
Minority interests	2,044
SHAREHOLDERS' EQUITY	
Account item	Amount
Common Stock	61,302
Additional paid-in capital	64,716
Retained earnings	116,934
Unrealized gains on other securities	546
Treasury stock, at cost	(3)
Treasury stock held by subsidiaries, at cost	(902)
Total Shareholders' Equity	242,594
Total Liabilities, Minority Interests and Shareholders' Equity	1,256,898

Note: The stated amounts below one million yen are discarded.

Consolidated Statement of Income

(From April 1, 2001, to March 31, 2002)

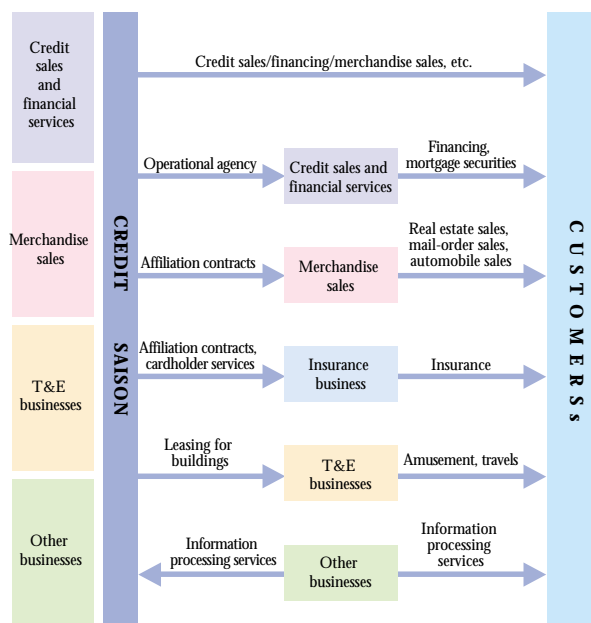
(Millions of yen)

Account item	Amount	
(Ordinary Profit and Loss Section)		
Ordinary profit and loss:		
Operating Revenue		
Credit sales income	151,752	
Income from merchandise sales		
Merchandise sales	65,509	
Merchandise cost of sales	50,954	14,555
Income from insurance business		
Revenue from the business	108,551	
Expenses from the business	87,952	20,598
Travel and entertainment (T&E) business		
T&E sales	78,790	
T&E cost of sales	63,471	15,319
Other business		
Other sales	31,973	
Other cost of sales	25,438	6,534
Financial income		6,077
Total	214,838	
Operating Expenses		
Selling, general and administrative expenses	141,794	
Financial cost, net	13,370	
Total	155,165	
Operating Income	59,672	
Nonoperating profit or loss:		
Nonoperating Income	1,210	
Nonoperating Expenses	1,184	
Ordinary Profit	59,698	
(Special Profit and Loss Section)		
Special Gains		
Gain on sales of investment securities	866	866
Special Losses		
Loss on disposition and sales of fixed assets	8,171	
Loss on write-down of investment securities	5,331	
Loss on sales of investment securities	1,451	
Loss on sales of obligations	1,457	
Financial backup to Seiyo Development Co., Ltd.	11,700	
Other	846	28,958
Income before Income Taxes	31,606	
Current	13,108	
Deferred	(822)	12,285
Minority Interests		1,095
Net Income	18,225	

Note: The stated amounts below one million yen are discarded.

Overview of the Credit Saison Group

(As of March 31, 2002)

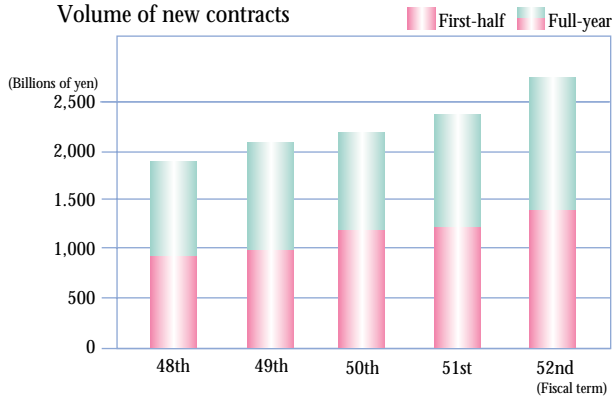


Company Name	Business
Saison Fundex Corporation	Loans and mortgage securities
Atrium Co., Ltd.	Real estate mobilization
Saison Direct Marketing Co., Ltd.	Mail-order sales
New Seibu Motor Sales Co., Ltd.	Automobile sales
House Planning Co., Ltd.	Real estate mobilization
Saison Automobile & Fire Insurance Co., Ltd.*	Non-life insurance
Vivre Co., Ltd.	Amusement industry
United Vacations Japan Inc.	Travel business
NOA Planning Co., Ltd.	Consultancy for amusement centerdevelopment
Saison Information Systems Co., Ltd.	Information processing services

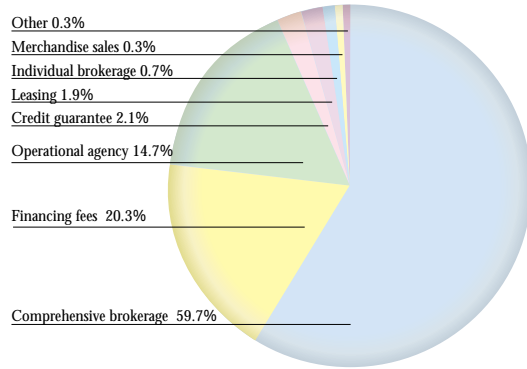
No mark = Consolidated subsidiary * Affiliate accounted for by the equity method

Results of Operations (Nonconsolidated)

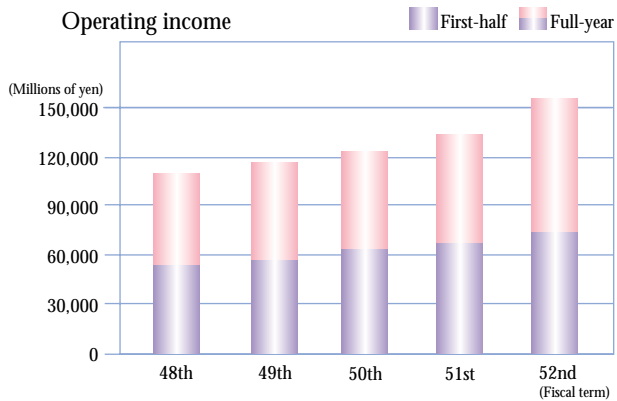
Volume of new contracts



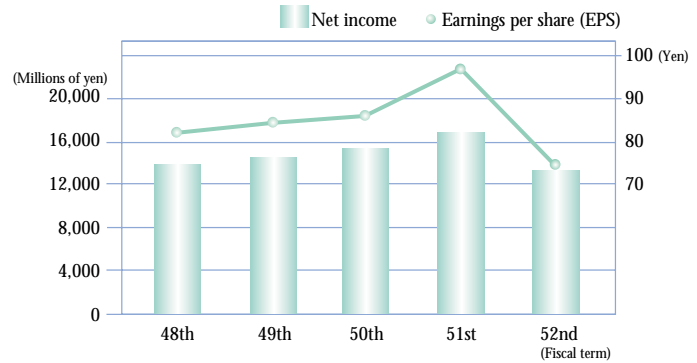
Departmental composition ratio on volume of new contracts



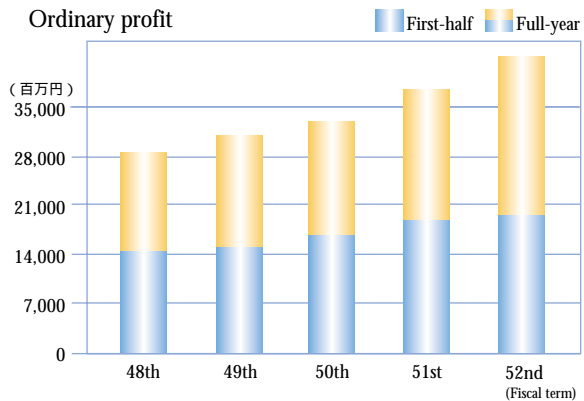
Operating income



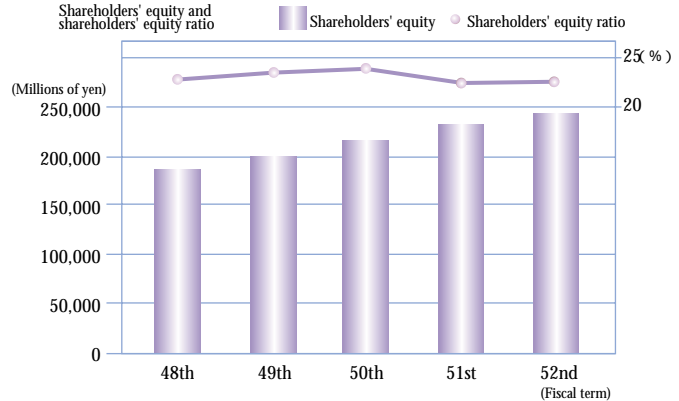
Net income and earnings per share



Ordinary profit



Shareholders' equity and shareholders' equity ratio



Corporate Data (As of March 31, 2002)

- Trade Name: Kabushiki-Kaisha Credit Saison
- English Name: Credit Saison Co., Ltd.
- Established: September 12, 1946
- Incorporated: May 1, 1951
- Paid-in Capital: ¥61,302,880,400
- Number of : 1,671
Employees
- Business Purpose:
 - 1 Brokerage for installment purchases (credit sales using credit cards, etc.), financing, leasing, credit guarantee and insurance services
 - 2 General consultancy for moneymaking and investments
 - 3 Leasing and sales of real estate
 - 4 Sales with cash and credit cards for apparels, houseware, sundries, foodstuffs and other goods.
- Head Office:

Sunshine 60 Bldg. 52nd Floor,
1-1, Higashi-Ikebukuro 3-chome, Toshima-ku, Tokyo
170-6073, Japan
TEL: (03)3988-2111 (switchboard)
Web site: www.saisoncard.co.jp
- Board of Directors and Statutory Auditors

Chairman	Osamu Yanase
President and CEO	Hiroshi Rinno
Deputy President	Shiro Yanagihara
Senior Managing Director	Teruyuki Maekawa
Senior Managing Director	Atsushige Takahashi
Managing Director	Toshiharu Yamamoto
Managing Director	Hiromichi Sato
Managing Director	Terutaka Hasuda
Managing Director	Hideki Miyauchi
Executive Advisor and Director	Kazuo Toriumi
Director	Shigeru Yamada
Director	Shinji Hojo
Director	Kazufusa Inada
Director	Toshiyasu Suganuma
Director	Hidetoshi Suzuki
Director	Kenzo Tada
Director	Mitsuo Yokoyama
Standing Statutory Auditor	Shigeru Suzuki
Standing Statutory Auditor	Akira Uno
Standing Statutory Auditor	Toshio Sakai
Statutory Auditor	Seikou Yoshimi

● Shareholder Information

- | | |
|---|---|
| 1 Closing of Accounts: | March 31 |
| 2 Ordinary General Meeting of Shareholders: | June |
| 3 Record Date: | March 31 for an ordinary general meeting and cash dividends |
| 4 Transfer Agent: | Stock Transfer Agency Department
The Sumitomo Trust & Banking Co., Ltd.
5-33, Kitahama 4-chome, Chuo-ku, Osaka |
| Transfer Agent Branch: | Stock Transfer Agency Department
The Sumitomo Trust & Banking Co., Ltd
4-4, Manunouchi 1-chome, Chiyoda-ku, Tokyo |
| Mailing Address and Telephone Contact: | Stock Transfer Agency Department
The Sumitomo Trust & Banking Co., Ltd.
1-10, Nikko-cho, Fuchu, Tokyo 183-8701
(Request for an Address Change Form, etc.):
☎ 0120-175-417
(Other referrals):
☎ 0120-176-417 |
| Web site: | www.sumitomotrust.co.jp/STA/retail/service/daiko/index.htm |
| Agencies: | The Sumitomo Trust & Banking Co., Ltd., Head office and all branches nationwide. |
| 5 Media for Public Notice: | Nihon Keizai Shimbun (newspaper) issued in |