

«Straight translation»

Consolidated Financial Statements for the Fiscal Year Ended March 31, 2007

May 17, 2007

Stock exchange listings: Tokyo

Location of headquarters: Tokyo

Listed company name **Credit Saison Co., Ltd.**

Code number: 8253

(URL <http://www.saisoncard.co.jp>)

Representative: Hiroshi Rinno, President and CEO

Responsible person/Title: Teruyuki Maekawa / Vice President and CFO

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Scheduled date of the Ordinary General Meeting of the Shareholders: June 23, 2007

Scheduled date of payment of Year-End Dividends: June 26, 2007

Scheduled date for filing "YuHo" the report to Financial Services Agency: June 25, 2007

1. Consolidated Results for Fiscal 2006 (April 1, 2006 to March 31, 2007)

(1) Consolidated Operating Results (Note: All amounts are rounded down to the nearest million yen)
(% represents year-on-year change)

	Operating revenues (¥ million)	Year-on-year change [%]	Operating income (¥ million)	Year-on-year change [%]	Ordinary income (¥ million)	Year-on-year change [%]
Fiscal 2006	333,683	[21.5]	75,201	[8.1]	80,157	[12.7]
Fiscal 2005	274,666	[14.3]	69,575	[18.7]	71,149	[25.9]

	Net income (¥ million)	Year-on-year change [%]	Earnings per share (¥)	Earnings per share (diluted) (¥)	Return on equity [%]	Ordinary income/total assets [%]	Ordinary income/net sales [%]
Fiscal 2006	14,821	[(64.9)]	82.79	80.31	[4.0]	[3.7]	[22.5]
Fiscal 2005	42,219	[32.7]	237.29	220.65	[12.8]	[4.0]	[25.3]

Notes: Equity in earnings of affiliates: ¥ 1,775 million (Fiscal 2005: ¥ 1,671 million)

(2) Consolidated Financial Position

	Total assets (¥ million)	Shareholders' equity (¥ million)	Shareholders' equity /total assets [%]	Shareholders' equity per share (¥)
Fiscal 2006	2,299,607	399,828	16.2	2,077.69
Fiscal 2005	2,062,735	360,717	17.5	2,014.20

Notes: Net assets ¥373,159 million (Fiscal 2006 ¥ - million)

(3) Consolidated Cash Flows

	Cash flows from operating activities (¥ million)	Cash flows from investing activities (¥ million)	Cash flows from financing activities (¥ million)	Cash and cash equivalents at the end of period (¥ million)
Fiscal 2006	11,818	(84,557)	68,762	62,397
Fiscal 2005	(99,342)	(118,806)	229,875	66,314

2. Dividends

Effective date	Dividends per share(¥)			Total of dividends (full year) (¥ million)	Payout ratio (Consolidated) (%)	Ratio of dividend to net assets (Consolidated) (%)
	End of interim period	End of fiscal year	Full year			
Fiscal 2005	—	26.00	28.00	4,659	11.0	1.4
Fiscal 2006	—	28.00	28.00	5,034	33.8	1.4
Fiscal 2007 (Projected)	—	28.00	28.00		19.3	

3. Projected Results for Fiscal 2007 (April 1, 2007 to March 31, 2008)

	Operating revenues (¥million)	Year-on-year change [%]	Operating income (¥million)	Year-on-year change [%]	Ordinary income (¥million)	Year-on-year change [%]
Interim period	170,000	[2.6]	28,000	[(29.8)]	27,500	[(36.3)]
Fiscal 2007	340,000	[1.9]	56,400	[(25.0)]	56,000	[(30.1)]

	Net income (¥ million)	Year-on-year change [%]	Earnings per share (¥)
Interim period	11,600	[—]	64.59
Fiscal 2007	26,000	[75.4]	144.76

4. Others

- (1) Changes of significant subsidiaries during fiscal year (Changes in Scope of Consolidation): None
- (2) Accounting change for consolidated financial statements (Significant Accounting Policies for Consolidated Financial Statements)
 - a. Changes in accordance with revision of accounting standard : Yes
 - b. Other than a : None
- (3) Number of shares issued (common stock):
 - a. Number of shares issued at the end of fiscal year (including treasury stock):

Fiscal 2006	181,312,925 Shares
Fiscal 2005	180,716,625 Shares
 - b. Treasury stocks at the end of fiscal year

Fiscal 2006	1,710,347 Shares
Fiscal 2005	1,732,643 Shares

Reference

Non-Consolidated Financial Statements for the Fiscal Year Ended March 31, 2007

1. Results for Fiscal 2006 (April 1, 2006 - March 31, 2007)

(1) Operating results

(Round lot: 100 shares)

	Operating revenues (¥ million)	Year-on-year change (%)	Operating income (¥ million)	Year-on-year change (%)	Ordinary income (¥ million)	Year-on-year change (%)
Fiscal 2006	270,275	[24.9]	51,442	[3.2]	56,632	[11.6]
Fiscal 2005	216,453	[13.8]	49,865	[6.9]	50,762	[8.0]

	Net income (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Earnings per share (diluted) (¥)
Fiscal 2006	10,221	[(62.3)]	57.03	56.71
Fiscal 2005	27,131	[5.2]	152.21	150.43

Notes: Volume of new contracts: ¥5,491,515million (Fiscal 2005 : ¥4,183,697 million)

(2) Financial Position

	Total assets (¥ million)	Shareholders' equity (¥ million)	Shareholders' equity/ Total assets (%)	Shareholders' equity per share (¥)
Fiscal 2006	1,962,996	349,754	17.8	1945.22
Fiscal 2005	1,761,666	341,423	19.4	1904.13

Notes: Net assets ¥349,754 million (Fiscal 2006 ¥ - million)

2. Projected Results for Fiscal 2007 (April 1, 2007 - March 31, 2008)

	Operating revenues (¥ million)	Year-on-year change (%)	Operating income (¥million)	Year-on-year change (%)	Ordinary income (¥ million)	Year-on-year change (%)
Interim period	136,000	[3.2]	16,900	[(35.4)]	18,400	[(37.4)]
Fiscal 2007	273,500	[1.2]	34,500	[(32.9)]	37,500	[(33.8)]

	Net income (¥ million)	Year-on-year change (%)	Net income per share (¥)
Interim period	10,000	[—]	55.62
Fiscal 2007	21,000	[105.4]	116.80

Notes: Volume of new contracts Interim period: ¥ 2,976,000 million (Fiscal 2007: ¥6,186,000 million)

* The above projected results are based on future prospects and the assumptions and forecasts on which plans are based. The actual results may differ from the above projected results depending on various factors in the future.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

Item	Term	Fiscal 2005 (As of Mar. 31, 2006)		Fiscal 2006 (As of Mar. 31, 2007)		Increase (Decrease)
		Value	%	Value	%	Value
(ASSETS)						
I. Current assets						
Cash and deposits		66,314		55,961		(10,352)
Notes and installment accounts receivable		1,487,013		1,672,904		185,890
Other trade receivables		459		532		72
Securities		—		1,499		1,499
Inventory		122,267		147,956		25,688
Deferred income taxes		10,618		19,471		8,852
Short-term loans		1,027		5,225		4,198
Prepaid expenses and other current assets		39,922		33,963		(5,959)
Allowance for losses on receivables		(58,189)		(65,206)		(7,017)
Total current assets		1,669,434	80.9	1,872,306	81.4	202,872
II. Fixed assets						
Property and equipment, at cost:						
Equipment for lease		158,580		163,107		4,526
Buildings		18,327		16,620		(1,706)
Land		8,250		11,531		3,281
Construction in progress		1,704		1,953		249
Other tangible fixed assets		13,078		12,738		(339)
Total property and equipment		199,940	9.7	205,952	9.0	6,011
Intangible assets:						
Leaseholds		971		970		(1)
Software		28,200		35,922		7,721
Other intangible fixed assets		280		4,155		3,875
Total intangible assets		29,453	1.5	41,049	1.8	11,595
Investments and other assets:						
Investment securities		103,004		106,274		3,269
Long-term loans		29,909		29,340		(569)
Lease deposits		8,760		8,431		(329)
Deferred income taxes		16,610		31,840		15,230
Other		13,349		9,655		(3,693)
Allowance for losses on receivables		(7,759)		(5,366)		2,392
Allowance for losses of investments		(381)		(381)		—
Total Investments and other assets		163,492	7.9	179,793	7.8	16,300
Total fixed assets		392,886	19.1	426,794	18.6	33,908
III. Deferred assets						
Bond issue costs		414		505		91
Total deferred assets		414	0.0	505	0.0	91
Total assets		2,062,735	100.0	2,299,607	100.0	236,872

Item	Term	Fiscal 2005 (As of Mar. 31, 2006)		Fiscal 2006 (As of Mar. 31, 2007)		Increase (Decrease)
		Value	%	Value	%	Value
(LIABILITIES)						
I. Current liabilities						
Notes and accounts payable		180,221		237,261		57,040
Short-term loans		470,857		381,708		(89,148)
Current portion of long-term loans		58,775		52,528		(6,246)
Current portion of bonds		15,925		42,445		26,520
Commercial paper		113,000		101,300		(11,700)
Current portion of payables under securitized lease receivables		12,000		12,116		116
Accrued taxes on income		7,097		36,360		29,263
Allowance for bonuses		2,256		2,159		(96)
Allowance for director's bonuses		—		160		160
Allowance for loss of business		352		—		(352)
Downsizing		2,305		11,246		8,941
Allowance for losses on interest repayment		4,244		5,126		881
Unearned income		33,135		41,709		8,573
Accrued expenses and other current liabilities						
Total current liabilities		900,169	43.6	924,122	40.2	23,952
II. Long-term liabilities						
Bonds		216,472		232,497		16,025
Long-term loans		475,349		619,827		144,478
Payables under securitized lease receivables		48,000		35,883		(12,116)
Accrued pension and severance costs		7,403		6,492		(910)
Retirement allowance for directors and statutory auditors		855		940		85
Allowance for losses on guarantees		1,741		2,543		802
Allowance for losses on warranty of defects		35		49		14
Allowance for permanent points		29,023		36,205		7,182
Allowance for losses on interest repayment		—		34,656		34,656
Consolidation adjustments		194		—		(194)
Negative goodwill		—		107		107
Other long-term liabilities		6,302		6,451		149
Total long-term liabilities		785,375	38.1	975,656	42.4	190,280
Total liabilities		1,685,545	81.7	1,899,778	82.6	214,232
(MINORITY INTERESTS)						
Minority interests		16,471	0.8	—	—	—
(SHAREHOLDERS' EQUITY)						
I. Common stock						
		74,458	3.6	—	—	—
II. Capital surplus						
		78,176	3.8	—	—	—
III. Retained earnings						
		194,179	9.4	—	—	—
IV. Unrealized gain (loss) on other securities						
		18,057	0.9	—	—	—
V. Treasury stock, at cost						
		(4,155)	(0.2)	—	—	—
Total shareholders' equity		360,717	17.5	—	—	—
Total liabilities and shareholders' equity		2,062,735	100.0	—	—	—

Item \ Term	Fiscal 2005 (As of Mar. 31, 2006)		Fiscal 2006 (As of Mar. 31, 2007)		Increase (Decrease)
	Value	%	Value	%	Value
(Net Asset)					
I .Shareholder's equity					
Common stock	—	—	75,230	3.3	—
Capital Surplus	—	—	80,876	3.5	—
Earned surplus	—	—	204,129	8.9	—
Treasury Stock	—	—	(6,047)	(0.3)	—
Total Shareholder's equity	—	—	354,189	15.4	—
II Valuation and translation adjustments					
Securities valuation adjustment	—	—	19,152	0.8	—
Deferred gains (losses) on hedges	—	—	(182)	(0.0)	—
Total valuation and translation adjustments	—	—	18,969	0.8	—
III.Minority Interests	—	—	25,669	1.2	—
Total net assets	—	—	399,828	17.4	—
Total liabilities and net assets	—	—	2,299,607	100.0	—

(2) Consolidated Statements of Income

(Millions of yen)

Item	Term	Fiscal 2005 (April 1, 2005 to March 31, 2006)		Fiscal 2006 (April 1, 2006 to March 31, 2007)		Year-on-year change
		Value	%	Value	%	%
I. Operating revenues						
Financing and administration fees			214,449		274,230	127.9
Income from entertainment						
Entertainment sales		143,547		126,070		
Cost of entertainment sales		125,663	17,884	109,196	16,874	94.4
Income from real estate						
Real estate sales		70,132		94,517		
Cost of real estate sales		51,771	18,361	74,647	19,869	108.2
Income from leases						
Leases sales		65,622		68,831		
Cost of leases sales		58,479	7,142	62,067	6,763	94.7
Income from other business						
Other sales		6,888		6,532		
Cost of other sales		2,050	4,837	342	6,190	128.0
Financial revenues			11,990		9,755	81.4
Total operating revenues			274,666	100.0	333,683	100.0
121.5						
II. Operating expenses						
Selling, general and administrative expenses			193,125	70.3	242,149	72.6
125.4						
Financial cost			11,965	4.4	16,332	4.9
136.5						
Total operating expenses			205,090	74.7	258,481	77.5
126.0						
Operating income			69,575	25.3	75,201	22.5
108.1						
III. Non-operating income			4,296	1.6	7,770	2.3
180.8						
IV. Non-operating expenses			2,722	1.0	2,814	0.8
103.4						
Ordinary income			71,149	25.9	80,157	24.0
112.7						

Term Item	Fiscal 2005 (April 1, 2005 to March 31, 2006)			Fiscal 2006 (April 1, 2006 to March 31, 2007)			Year-on-year change
	Value		%	Value		%	%
V. Extraordinary gains							
Gain on sale of fixed assets	23			—			
Gain on sale of investment securities	473			342			
Gain on sale of securities of affiliates	8,380			3,057			
Redemption profit of investment securities	—			276			
Reversal of provision of allowance for losses of business downsizing	—			395			
Reversal of provision of allowance for losses on receivables	—			1,103			
Net gain on changes in equity interest	6,395			707			
Gain on sale of investments	305			—			
Gain on transfer of business operations	69	15,646	5.7	—	5,882	1.8	37.6
VI. Extraordinary losses							
Loss from sale of fixed assets	961			243			
Impairment loss of property and equipment, other assets	79			2,369			
Loss on evaluation of investment securities	3,125			413			
Loss on evaluation of securities of affiliates	293			161			
Loss on evaluation of capital of affiliates	—			55			
Loss on sale of investment securities	387			31			
Loss on sale of securities of affiliates	—			3			
Provision of allowance for loss of business downsizing	476			—			
Provision for interest repayment losses	2,305			40,924			
Depreciation of lease assets	—			5,447			
Loss on change of shareholder's equity	—			2,719			
Business rights amortization	24,857			—			
Provision of allowance for loss on receivables	3,037			—			
Provision for allowance for losses on investments	381			—			
Others	96	36,001	13.1	58	52,429	15.7	145.6
Income (loss) before income taxes and minority interests		50,795	18.5		33,610	10.1	66.2
Income taxes, current	16,735			41,688			
Income taxes, deferred	(9,418)	6,956	2.5	(27,418)	14,270	4.3	205.1
Minority interests		1,619	0.6		4,518	1.4	279.1
Net income (loss)		42,219	15.4		14,821	4.4	35.1

(3) Consolidated Statements of Capital Surplus and Retained Earnings

(Millions of yen)

Item	Term	Fiscal 2005 (April 1, 2005 to March 31, 2006)	
		Value	
(Capital Surplus)			
I. Capital surplus at the beginning of period			73,148
II. Increase in capital surplus			
Gain on disposal of treasury stock		98	
Conversion of convertible bonds		—	
Excercise of stock option		4,929	5,028
III. Capital surplus at the end of period			78,176
(Retained Earnings)			
I. Retained earnings at the beginning of period			155,101
II. Increase in retained earnings			
Net Income		42,219	
Resulting from business combination of affiliated companies to the scope of application of consolidation		310	
Resulting from business combination of affiliated companies to the scope of application of equity method		220	42,751
III. Decrease in retained earnings			
Cash dividends		3,498	
Bonuses to directors and statutory auditors'		174	
Resulting from business combination of affiliated companies to the scope of application of equity method		—	3,672
IV. Unappropriated retained earnings at the end of period			194,179

(4) Summarized Consolidated Statement of Changes in Net Assets

Fiscal year ended March 31, 2007 (From April 1, 2006 to March 31, 2007)

(Millions of yen)

	Shareholders' equity				
	Common Stock	Capital surplus	Earned surplus	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006	74,458	78,176	194,179	(4,155)	342,659
Changes during the year					
New stock issued	772	771	—	—	1,544
Dividends from surplus(note)	—	—	(4,655)	—	(4,655)
Bonuses to directors(note)	—	—	(216)	—	(216)
Net income(loss)for the year	—	—	14,821	—	14,821
Acquisition of treasury stock	—	—	—	(19,245)	(19,245)
Disposal of treasury stock	—	1,928	—	17,353	19,281
Net changes in items other than shareholders' equity during the year	—	—	—	—	—
Total changes during the year	772	2,699	9,949	(1,892)	11,529
Balance as of March 31, 2007	75,230	80,876	204,129	(6,047)	354,189

	Valuation and translation adjustments			Minority Interest	Total net assets
	Securities valuation adjustment	Deferred gains (losses) on hedges	Total valuation and translation adjustments		
Balance as of March 31, 2006	18,057	—	18,057	16,471	377,189
Changes during the year					
New stock issued	—	—	—	—	1,544
Dividends from surplus(note)	—	—	—	—	(4,655)
Bonuses to directors(note)	—	—	—	—	(216)
Net income(loss)for the year	—	—	—	—	14,821
Acquisition of treasury stock	—	—	—	—	(19,245)
Disposal of treasury stock	—	—	—	—	19,281
Net changes in items other than shareholders' equity during the year	1,094	(182)	912	10,197	11,109
Total changes during the year	1,094	(182)	912	10,197	22,639
Balance as of March 31, 2007	19,152	(182)	18,969	26,669	399,828

(5) Consolidated Statements of Cash Flows

(Millions of yen)

Item	Term	Fiscal 2005 (April 1, 2005 to March 31, 2006)	Fiscal 2006 (April 1, 2006 to March 31, 2007)
		Value	Value
I. Cash flows from operating activities			
Income (loss) before income taxes		50,795	36,610
Adjustments to reconcile income (loss) before income taxes to net cash provided by (used in) operating activities:			
Depreciation and amortization		50,809	64,902
Amortization of consolidation adjustments		(255)	—
Goodwill amortization		—	(69)
Amortization of deferred assets		1,192	297
Allowance for losses on accounts receivables		6,961	9,824
Accrued pension and severance costs		(172)	(910)
Allowance for permanent points		6,630	7,182
Allowance for losses on interest repayment		2,305	38,398
Allowance for other reserves		1,671	612
Interest and dividend income		(12,415)	(9,877)
Interest expenses		12,199	17,100
Equity in(earnings) losses of affiliated companies		(1,671)	(1,775)
Dividends from Investment business fund		—	(3,000)
Foreign exchange (gain) loss		151	(60)
Business rights amortization		24,857	—
Realized (gain) loss on sale of investment securities		(8,945)	(3,872)
Loss on evaluation of investment securities		3,419	575
Net gain on changes in equity interest		(6,395)	2,012
Impairment loss of property and equipment, other assets		79	2,369
Loss on disposal of property and equipment, other assets		18,970	14,420
(Increase) decrease in trade receivable		(187,686)	(272,686)
Proceeds from liquidation of trade receivable		—	90,000
(Increase) decrease in inventories		(35,915)	(25,657)
(Increase) decrease in other assets		(12,595)	(3,765)
Increase (decrease) in payables		7,249	57,047
Increase (decrease) in other liabilities		1,192	5,592
Directors' and statutory auditors' bonuses		(183)	(250)
Subtotal		(77,752)	20,019
Interest and dividends received		12,677	9,860
Interest paid		(11,683)	(15,967)
Refund of Income tax		—	11,026
Income taxes paid		(22,584)	(14,948)
Net cash provided by (used in) operating activities		(99,342)	11,990

Term	Fiscal 2005 (April 1, 2005 to March 31, 2006)	Fiscal 2006 (April 1, 2006 to March 31, 2007)
Item		
II. Cash flows from investing activities		
Payments for purchases of investment securities	(49,462)	(13,261)
Proceeds from sales of investment securities	22,019	24,461
Payments for purchases of fixed assets	(92,803)	(96,204)
Proceeds from sales of fixed assets	517	385
Payment for long-term loans	(2,490)	(4,190)
Proceeds from short-term and long-term loans	1,495	5,561
Income	2,398	—
(Increase) decrease in other assets	(481)	446
Net cash provided by (used in) investing activities	(118,806)	(82,800)
III. Cash flows from financing activities		
Increase (decrease) in short-term loans	(81,091)	(89,152)
Increase (decrease) in commercial paper	56,000	(11,700)
Proceeds from long-term debts	236,003	196,600
Repayments of long-term debts	(74,440)	(58,367)
Proceeds from issuance of bonds	79,523	58,611
Repayment of bonds	(32,492)	(16,455)
Proceeds from payables under securitized lease receivables	30,000	—
Repayment of payables under securitized lease receivables	(3,000)	(12,000)
Proceeds from payments from minority shareholders	12,811	2,579
Sales of treasury stock	307	19,189
Purchase of treasury stock	(19)	(19,198)
Proceeds from stock issuance	9,862	1,544
Cash dividends paid	(3,498)	(4,655)
Dividends paid to minorities	(88)	(161)
Net cash provided by (used in) financing activities	229,875	68,834
IV. Translation Gain on cash and cash equivalents	24	58
V. Increases (decrease) in cash and cash equivalents	11,750	(3,917)
VI. Cash and cash equivalents, at the beginning of year	54,307	66,314
VII. Increases in cash and cash equivalents due to additional consolidation	255	—
VIII. Cash and cash equivalents, at the end of year	66,314	62,397

(1) Non-Consolidated Balance Sheets

(Millions of yen)

Term Item	Fiscal 2005 (As of March. 31, 2006)		Fiscal 2006 (As of March. 31, 2007)		Increase (Decrease)
	Value	%	Value	%	Value
(ASSETS)					
I. Current assets					
Cash and deposits	37,001		41,185		4,183
Installment accounts receivable	1,364,763		1,527,793		163,029
Merchandise	667		657		(9)
Supplies	1,012		1,246		234
Prepaid expenses	641		872		230
Deferred income taxes	6,657		13,269		6,612
Short-term installment loans	—		5,000		5,000
Other receivable	25,182		16,353		(8,829)
Other current assets	9,761		11,902		2,141
Allowance for losses on receivables	(53,246)		(56,439)		(3,193)
Total Current assets	1,392,442	79.0	1,561,842	79.6	169,400
II. Fixed assets					
Property and equipment, at cost:					
Equipment for lease	158,645		163,149		4,503
Buildings	6,152		6,186		33
Vehicles	0		0		0
Fixtures and equipment	7,276		7,942		665
Land	3,642		3,642		—
Construction in progress	1,466		518		(948)
Total Property and equipment	177,183	10.1	181,439	9.2	4,256
Intangible assets:					
Leaseholds	15		14		(1)
Software	27,124		34,190		7,065
Other intangible assets	248		4,123		3,874
Total Intangible assets	27,389	1.6	38,328	2.0	10,939
Investments and other assets:					
Investment in securities	76,271		71,797		(4,474)
Investment in affiliated companies	39,898		47,760		7,861
Investment in capital	51		51		—
Investment in capital of affiliates	55		0		(55)
Long-term loans	28,223		28,223		—
Long-term loans to affiliated companies	5,000		5,000		—
Long-term prepaid expenses	3,950		3,600		(350)
Lease deposits	2,874		2,878		4
Deferred income taxes	12,663		26,091		13,427
Other long-term investments	1,529		1,813		283
Allowance for losses on receivable	(4,112)		(4,123)		(11)
Allowance for losses of investment	(2,054)		(2,054)		—
Total investments and other assets	164,352	9.3	181,038	9.2	16,685
Total fixed assets	368,925	21.0	400,806	20.4	31,880
III. Deferred assets					
Bond issue costs	298		347		49
Total deferred assets	298	0.0	347	0.0	49
Total assets	1,761,666	100.0	1,962,996	100.0	201,330

Term Item	Fiscal 2005 (As of March. 31, 2006)		Fiscal 2006 (As of March. 31, 2007)		Increase (Decrease)
	Value	%	Value	%	Value
(LIABILITIES)					
I. Current liabilities					
Notes payable	1,937		2,245		308
Accounts payable	177,051		233,495		56,444
Short-term loans	353,769		279,264		(74,504)
Current portion of long-term loans	40,903		40,200		(703)
Current portion of bonds	10,000		30,000		20,000
Commercial paper	113,000		97,000		(16,000)
Current portion of payables under securitized lease receivables	12,000		12,116		116
Other payable	2,690		5,461		2,770
Accrued expenses	17,880		19,920		2,039
Accrued taxes on income	365		28,578		28,212
Withholdings	3,536		7,822		4,285
Advance received	181		166		(14)
Allowance for bonuses	1,783		1,711		(72)
Allowance for director's bonuses	—		160		160
Allowance for losses on interest repayments	2,090		10,161		8,071
Unearned income	4,244		5,126		881
Other current liabilities	911		613		(297)
Total current liabilities	742,345	42.1	774,043	39.4	31,697
II. Long-term liabilities					
Bonds	200,000		220,000		20,000
Long-term loans	391,370		505,670		114,300
Payables under securitized lease receivables	48,000		35,883		(12,116)
Accrued pension and severance cost	6,164		5,665		(499)
Retirement allowance for directors and statutory auditors	593		715		122
Allowance for losses on guarantees	1,741		2,537		796
Allowance for permanent points	29,023		36,205		7,182
Allowance for losses on interest repayments	—		30,360		30,360
Guaranty deposit	769		728		(41)
Other long-term liabilities	235		1,431		1,196
Total Long-term liabilities	677,896	38.5	839,197	42.8	161,300
Total liabilities	1,420,242	80.6	1,613,241	82.2	192,998

(Millions of yen)

Item	Term	Fiscal 2005 (As of March. 31, 2006)		Fiscal 2006 (As of March. 31, 2007)		Increase (Decrease)
		Value	%	Value	%	Value
(SHAREHOLDERS' EQUITY)						
I. Common stock		74,458	4.2	—	—	—
II. Capital surplus						
Additional paid-in capital		77,863		—		—
Other additional paid-in capital						
Net gain on disposal of treasury stock		0		—		—
Total capital surplus		77,863	4.4	—	—	—
III. Retained earnings						
Legal reserve		3,020		—		—
Voluntary reserves						
General reserves		135,455		—		—
Unappropriated retained earnings at the end of period		37,322		—		—
Total retained earnings		175,797	10.0	—	—	—
IV. Unrealized gain (loss) on investment securities		16,871	1.0	—	—	—
V. Treasury stock		(3,567)	(0.2)	—	—	—
Total shareholders' equity		341,423	19.4	—	—	—
Total liabilities and shareholders' equity		1,761,666	100.0	—	—	—
(NET ASSETS)						
I. Shareholders' Equity						
Common stock		—	—	75,230	3.9	—
Capital surplus						
Capital reserves		—		78,635		—
Other capital surplus		—		1,896		—
Total capital surplus		—		80,531	4.1	—
Retained earnings						
Legal reserve		—		3,020		—
Other retained earnings		—		178,188		—
Other reserves		—		157,455		—
Deferred on retained earnings		—		20,733		—
Total Retained earnings		—	—	181,208	9.2	—
Treasury stock, at cost		—	—	(5,577)	(0.3)	—
Total shareholders' equity		—	—	331,393	16.9	—
II. Valuation and translation adjustments						
Unrealized gains (losses) on other securities		—	—	18,404	0.9	—
Deferred gains on hedges		—	—	(43)	(0.0)	—
Total valuation and translation adjustments		—	—	18,361	0.9	—
Total net assets		—	—	349,754	17.8	—
Total liabilities and net assets		—	—	1,962,996	100.0	—

(2) Non-Consolidated Statements of Income

(Millions of yen)

Term Item	Fiscal 2005 (As of March. 31, 2006)		Fiscal 2006 (As of March. 31, 2007)		Year-on-year change		
	Value	%	Value	%	%		
I. Operating revenues							
Financing and administration fees							
Credit cards	74,202		99,725		134.4		
Shopping loans	748		609		81.5		
Guarantees	3,877		5,372		138.6		
Loans	104,099		129,572		124.5		
Agency services	10,368		12,217		117.8		
Income from leases							
Lease sales	65,691		68,886				
Cost of lease sales	58,507	7,183	62,091	6,795	94.6		
Income Other sales							
Other sales	4,907		6,921				
Cost of other sales	622	4,284	342	6,579	153.6		
Financial revenues		11,689		9,401	80.4		
Total operating revenues		216,453	100.0	270,275	100.0	124.9	
II. Operating expenses							
Selling, general and administrative expenses		156,887	72.5	204,765	75.8	130.5	
Financial cost							
Interest expense	8,917		13,242				
Amortization of bond issue cost	301		204				
Other expenses	481	9,700	4.5	620	14,067	5.2	145.0
Total operating expenses		166,587	77.0	218,833	81.0	131.4	
Operating income		49,865	23.0	51,442	19.0	103.2	
III. Non-operating income		1,620	0.8	5,514	2.1	340.2	
IV. Non-operating expenses		723	0.3	323	0.1	44.7	
Ordinary income		50,762	23.5	56,632	21.0	111.6	

Term Item	Fiscal 2005 (As of March. 31, 2006)		Fiscal 2006 (As of March. 31, 2007)		Year-on-year change	
	Value	%	Value	%	%	
V. Extraordinary gains						
Gain on sale of fixed assets	17		—			
Gain on sale of investment securities	406		342			
Gain on sale of securities of affiliates	12,298		754			
Gain on redemption of securities	—		276			
Gain from reversal of allowance for losses of receivables	—	12,722	310	1,683	0.6	13.2
VI. Extraordinary losses						
Loss on disposal of fixed assets	212		114			
Loss on evaluation of investment securities	3,125		248			
Loss on evaluation of securities of affiliates	293		161			
Loss on evaluation of capital of affiliates	—		55			
Loss on sales of investment securities	24		31			
Losses on support of business downsizing of subsidiaries	1,100		—			
Provision for allowance for losses on interest repayments	2,090		35,676			
Depreciation of leased assets	—		5,447			
Amortization of goodwill	24,269		—			
Provision for allowance for losses of receivable	3,037		—			
Provision for allowance for losses of investments	2,054	36,207	—	41,737	15.5	115.3
Net income (loss) before income taxes		27,277		16,578	6.1	60.8
Income taxes, current	7,968		29,974			
Income taxes, deferred	(7,822)	146	(23,617)	6,357	2.3	—
Net income (loss)		27,131		10,221	3.8	37.7
Retained earnings carried forward from preceding year		10,190		—		—
Unappropriated retained earnings at the end of the year		37,322		—		—

(3) Non-Consolidated Statements of Proposed Appropriation of Retained Earnings

(Millions of yen)

Item \ Term	Fiscal 2005 (April 1, 2005 to March 31, 2006)	
I. Unappropriated retained earnings at the end of the year		37,322
II appropriation		
Cash dividends	4,659	
Bonuses to directors	150	
[Bonuses to statutory auditors included in above]	(16)	
Voluntary reserves		
General reserve	22,000	26,809
III. Retained Earnings carried forward		10,512

(4) Summarized Non-consolidated Statement of Changes in Net Assets

Fiscal year ended March 31, 2007 (From April 1, 2006 to March 31, 2007)

(Millions of yen)

	Shareholders' equity									
	Common Stock	Capital surplus			Legal reserve	Retained earnings		Total retained earnings	Treasury stock	Total shareholders' equity
		Capital reserve	Other capital reserve	Total capital surplus		Contingent reserve	Unappropriated earnings			
Balance as of March 31,2006	74,458	77,863	0	77,863	3,020	135,455	37,322	175,797	(3,567)	324,551
Changes during the year										
New stock issued	772	771	—	771	—	—	—	—	—	1,544
Contingent reserve	—	—	—	—	—	22,000	(22,000)	—	—	—
Dividends from surplus(note)	—	—	—	—	—	—	(4,659)	(4,659)	—	(4,659)
Bonuses to directors(note)	—	—	—	—	—	—	(150)	(150)	—	(150)
Net income(loss)for the year	—	—	—	—	—	—	10,221	10,221	—	10,221
Acquisition of treasury stock	—	—	—	—	—	—	—	—	(19,303)	(19,303)
Disposal of treasury stock	—	—	1,895	1,895	—	—	—	—	17,293	19,189
Net changes in items other than shareholders' equity during the year	—	—	—	—	—	—	—	—	—	—
Total changes during the year	772	771	1,895	2,667	—	22,000	(16,588)	5,411	(2,009)	6,842
Balance as of March 31, 2007	75,230	78,635	1,896	80,531	3,020	157,455	20,733	181,208	(5,577)	331,393

	Valuation and translation adjustments			Total net assets
	Unrealized gain on other securities	Deferred gains (losses) on hedges	Total valuation and translation adjustments	
Balance as of March 31,2006	16,871	—	16,871	341,423
Changes during the year				
New stock issued	—	—	—	1,544
Contingent reserve	—	—	—	—
Dividends from surplus(note)	—	—	—	(4,659)
Bonuses to directors(note)	—	—	—	(150)
Net income(loss)for the year	—	—	—	10,221
Acquisition of treasury stock	—	—	—	(19,303)
Disposal of treasury stock	—	—	—	19,189
Net changes in items other than shareholders' equity during the year	1,532	(43)	1,489	1,489
Total changes during the year	1,532	(43)	1,489	8,331
Balance as of March 31,2007	18,404	(43)	18,361	349,754