

## Consolidated Financial Statements for the Fiscal Year Ended March 31, 2008

May 16, 2008

Stock exchange listings: Tokyo  
(URL <http://www.saisoncard.co.jp>)

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

Code number: 8253

Representative: Hiroshi Rinno / President and CEO

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Scheduled date of the Ordinary General Meeting of the Shareholders: June 21, 2008

Scheduled date of payment of Year-End Dividends: June 24, 2008

Scheduled date for filing "YuHo" the report to Financial Services Agency: June 23, 2008

Note: All amounts are rounded down to the nearest million yen.

### 1. Consolidated Results for Fiscal 2008 (April 1, 2007 to March 31, 2008)

(1) Consolidated Operating Results (% represents year-on-year change)

	Operating revenues		Operating income		Ordinary income	
	(¥ million)	(yoy%)	(¥ million)	(yoy%)	(¥ million)	(yoy%)
Fiscal 2007	345,586	3.6	57,191	(23.9)	58,111	(27.5)
Fiscal 2006	333,683	21.5	75,201	8.1	80,157	12.7

	Net income		Earnings per share (¥)	Earnings per share (diluted) (¥)	Return on equity (%)	Ordinary income/total assets (%)	Ordinary income/net sales (%)
	(¥ million)	(yoy%)					
Fiscal 2007	26,755	80.5	148.78	148.41	7.0	2.4	16.5
Fiscal 2006	14,821	(64.9)	82.79	80.31	4.0	3.7	22.5

(For reference) Equity in earnings of affiliates : Fiscal 2007 ¥967 million Fiscal 2006 ¥1,775 million

(2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Equity ratio (%)	Net assets per share (¥)
	Fiscal 2007	2,450,637	418,661	15.8
Fiscal 2006	2,299,607	399,828	16.2	2,077.69

(For reference) Net assets : Fiscal 2007 ¥386,279 million Fiscal 2006 ¥373,159 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 2007	(24,097)	(94,374)	147,641
Fiscal 2006	11,990	(82,800)	66,834	62,397

### 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 2006	—	28.00	28.00	5,034	33.8	1.4
Fiscal 2007	—	28.00	28.00	5,043	18.8	1.3
Fiscal 2008 (Projected)	—	30.00	30.00		20.0	

### 3. Projected Results for Fiscal 2008 (April 1, 2008 to March 31, 2009)

(% represents year-on-year change)

	Operating revenues		Operating income		Ordinary income		Net income		Earnings per share (¥)
	(¥million)	(yoy%)	(¥million)	(yoy%)	(¥million)	(yoy%)	(¥million)	(yoy%)	
Interim period	172,500	(2.8)	24,000	(25.3)	23,000	(30.3)	9,000	(26.4)	50.02
Fiscal 2008	363,000	5.0	64,000	11.9	62,000	6.7	27,000	0.9	150.07

### 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. : Yes
- (3) Number of shares issued (common stock):
  - a. Number of shares issued at the end of fiscal year (including treasury stock):  
Fiscal 2007: 181,651,525 shares Fiscal 2006: 181,312,925 shares
  - b. Treasury stocks at the end of fiscal year  
Fiscal 2007: 1,739,124 shares Fiscal 2006: 1,710,347 shares

### Reference: Summary of Non-consolidated Financial Statements

#### 1. Results for the Fiscal 2007(April 1, 2007 to March 31, 2008)

##### (1) Operating results

(% represents year-on-year change)

	Operating revenues		Operating income		Ordinary income	
	(¥ million)	(yoy%)	(¥ million)	(yoy%)	(¥ million)	(yoy%)
Fiscal 2007	277,741	2.8	33,603	(34.7)	36,557	(35.4)
Fiscal 2006	270,275	24.9	51,442	3.2	56,632	11.6

	Net income		Earnings per share (¥)	Earnings per share (diluted) (¥)
	(¥ million)	(yoy%)		
Fiscal 2007	24,578	140.5	136.51	136.39
Fiscal 2006	10,221	(62.3)	57.03	56.71

(For reference) Volume of new contracts: Fiscal 2007 ¥ 6,358,572 million Fiscal 2006 ¥5,491,515 million

##### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets
	(¥ million)	(¥ million)	(%)	per share (¥)
Fiscal 2007	2,066,513	361,519	17.5	2,006.89
Fiscal 2006	1,962,996	349,754	17.8	1,945.22

(For reference) Net assets : Fiscal 2007 ¥ 361,519 million Fiscal 2006 ¥ 349,754 million

#### 2. Projected Results for Fiscal 2008 (April 1, 2008- March 31, 2009)

(% represents year-on-year change)

	Operating revenues		Operating income		Ordinary income		Net income		Earnings per share (¥)
	(¥million)	(yoy%)	(¥million)	(yoy%)	(¥million)	(yoy%)	(¥ million)	(yoy%)	
Interim period	134,500	(4.5)	12,500	(32.6)	15,000	(27.6)	8,500	(33.4)	47.19
Fiscal 2008	278,000	0.1	35,500	5.6	38,000	3.9	22,000	(10.5)	122.13

(For reference) Volume of new contracts: Fiscal 2007 Interim Period ¥3,384,000 million  
Fiscal 2007 Full Year ¥6,983,000 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 2006 (As of Mar. 31, 2007)		Fiscal 2007 (As of Mar. 31, 2008)		Increase (Decrease)
		Value	%	Value	%	Value
<b>(ASSETS)</b>						
<b>I. Current assets</b>						
Cash and deposits		55,961		57,244		1,283
Installment accounts receivable		1,672,904		1,737,956		65,052
Other trade receivables		532		816		284
Securities		1,499		2,499		999
Inventories		147,956		198,028		50,071
Deferred income taxes		19,471		25,052		5,581
Short-term loans		5,225		34,401		29,175
Other		33,963		38,062		4,099
Allowance for losses on receivables		(65,206)		(75,300)		(10,093)
Total current assets		1,872,306	81.4	2,018,760	82.4	146,453
<b>II. Fixed assets</b>						
<b>Tangible fixed assets:</b>						
Equipment for lease		163,107		169,385		6,277
Buildings		16,620		17,822		1,201
Land		11,531		11,504		(27)
Construction in progress		1,953		1,605		(347)
Other		12,738		11,924		(814)
Total Tangible fixed assets		205,952	9.0	212,242	8.7	6,290
<b>Intangible fixed assets:</b>						
Leaseholds		970		970		—
Software		35,922		41,735		5,812
Other		4,155		5,119		964
Total intangible fixed assets		41,049	1.8	47,825	1.9	6,776
<b>Investments and other assets:</b>						
Investment securities		106,274		97,679		(8,594)
Long-term loans		29,340		28,513		(826)
Lease deposits		8,431		7,716		(714)
Deferred income taxes		31,840		44,657		12,816
Other		9,655		8,472		(1,183)
Allowance for losses on receivables		(5,366)		(15,598)		(10,231)
Allowance for losses on investment securities		(381)		(304)		77
Total Investments and other assets		179,793	7.8	171,136	7.0	(8,657)
Total fixed assets		426,794	18.6	431,204	17.6	4,409
<b>III. Deferred assets</b>						
Bond issue costs		505		672		167
Total deferred assets		505	0.0	672	0.0	167
<b>Total assets</b>		<b>2,299,607</b>	<b>100.0</b>	<b>2,450,637</b>	<b>100.0</b>	<b>151,030</b>

(Millions of yen)

Item	Term	Fiscal 2006 (As of Mar. 31, 2007)		Fiscal 2007 (As of Mar. 31, 2008)		Increase (Decrease)
		Value	%	Value	%	Value
<b>(LIABILITIES)</b>						
<b>I. Current liabilities</b>						
Notes and accounts payable		237,261		217,059		(20,201)
Short-term loans		381,708		406,901		25,192
Current portion of long-term loans		52,528		67,078		14,550
Current portion of bonds		42,445		16,825		(25,620)
Commercial paper		101,300		114,000		12,700
Current portion of payables under securitized lease receivables		12,116		14,272		2,156
Accrued taxes on income		36,360		15,018		(21,342)
Accrued employees' bonuses		2,159		2,082		(77)
Accrued directors' bonuses		160		98		(62)
Allowance for losses on interest repayments		11,246		11,630		383
Allowance for losses on business structure reforms		—		435		435
Allowance for losses on collecting gift tickets		—		141		141
Unearned income		5,126		5,703		577
Other		41,709		43,136		1,427
Total current liabilities		924,122	40.2	914,382	37.3	(9,739)
<b>II. Long-term liabilities</b>						
Bonds		232,497		283,977		51,480
Long-term loans		619,827		715,103		95,275
Payables under securitized lease receivables		35,883		20,698		(15,185)
Accrued pension and severance costs		6,492		5,326		(1,166)
Accrued retirement benefits to directors and statutory auditors		940		241		(698)
Allowance for losses on guarantees		2,543		3,608		1,065
Allowance for losses on warranty of defects		49		124		75
Allowance for point program		36,205		45,474		9,269
Allowance for losses on interest repayments		34,656		33,841		(815)
Negative goodwill		107		298		190
Other		6,451		8,900		2,448
Total long-term liabilities		975,656	42.4	1,117,593	45.6	141,937
<b>Total liabilities</b>		<b>1,899,778</b>	<b>82.6</b>	<b>2,031,976</b>	<b>82.9</b>	<b>132,197</b>

(Millions of yen)

Item	Term	Fiscal 2006 (As of Mar. 31, 2007)		Fiscal 2007 (As of Mar. 31, 2008)		Increase (Decrease)
		Value	%	Value	%	Value
(Net Asset)						
<b>I. Shareholder's equity</b>						
Common stock		75,230	3.3	75,684	3.1	454
Additional paid-in capital		80,876	3.5	81,330	3.3	453
Retained earnings		204,129	8.9	225,855	9.2	21,725
Treasury stock, at cost		(6,047)	(0.3)	(6,092)	(0.2)	(45)
Total Shareholder's equity		354,189	15.4	376,778	15.4	22,588
<b>II. Accumulated gains(losses) from revaluation and translation adjustment</b>						
Unrealized gains(losses) on other securities		19,152	0.8	10,171	0.4	(8,980)
Unrealized gains(losses) on hedging derivatives		(182)	(0.0)	(670)	(0.0)	(487)
Total Accumulated gains (losses) from revaluation and translation adjustment		18,969	0.8	9,501	0.4	(9,468)
<b>III. Minority Interests</b>						
Total net assets		399,828	17.4	418,661	17.1	18,832
Total liabilities and net assets		2,299,607	100.0	2,450,637	100.0	151,030

## (2) Consolidated Statements of Income

(Millions of yen)

Item	Term	Fiscal 2006 (April 1, 2006 to March 31,2007)		Fiscal 2007 (April 1, 2007 to March 31,2008)		Year-on-year change
		Value		Value		%
			%		%	%
<b>I. Operating revenues</b>						
Financing and administration fees		274,230		—		—
Income from entertainment						
Entertainment sales		126,070		—		
Cost of entertainment sales		109,196	16,874	—	—	—
Income from real estate						
Real estate sales		94,517		—		
Cost of real estate sales		74,647	19,869	—	—	—
Income from leases						
Leases sales		68,831		—		
Cost of leases sales		62,067	6,763	—	—	—
Income from other business						
Other sales		6,532		—		
Cost of other sales		342	6,190	—	—	—
Credit services businesses fees		—			247,278	—
Income from finance businesses						
Revenue from finance businesses		—		109,593		
Cost of finance businesses		—	—	68,310	41,283	—
Income from real estate businesses						
Revenue from real estate businesses		—		112,224		
Cost of real estate businesses		—	—	80,986	31,237	—
Income from entertainment businesses						
Revenue from entertainment businesses		—		109,448		
Cost of entertainment businesses		—	—	95,069	14,378	—
Income from other businesses						
Revenue from other businesses		—		2,535		
Cost of other businesses		—	—	539	1,995	—
Financial revenues		9,755			9,412	96.5
Total operating revenues		333,683	100.0	345,586	100.0	103.6
<b>II. Operating expenses</b>						
Selling, general and administrative expenses		242,149	72.6	265,493	76.8	109.6
Financial cost		16,332	4.9	22,901	6.7	140.2
Total operating expenses		258,481	77.5	288,395	83.5	111.6
<b>Operating income</b>		75,201	22.5	57,191	16.5	76.1
<b>III. Non-operating income</b>		7,770	2.3	3,829	1.1	49.3
<b>IV. Non-operating expenses</b>		2,814	0.8	2,909	0.8	103.4
<b>Ordinary income</b>		80,157	24.0	58,111	16.8	72.5

(Millions of yen)

Item	Term	Fiscal 2006 (April 1, 2006 to March 31,2007)		Fiscal 2007 (April 1, 2007 to March 31,2008)		Year-on-year change	
		Value		Value		%	
			%		%	%	
<b>V. Extraordinary gains</b>							
Gain on sales of investment securities		342		500			
Gain on sales of investment in subsidiaries and affiliates		3,057		—			
Redemption profit of investment securities		276		14,412			
Gain on reversal of allowance for losses on business downsizing		395		—			
Gain on reversal allowance for losses on receivables		1,103		106			
Gain on changes in equity interest		707		99			
Other		—	5,882	273	15,391	4.4	261.6
<b>VI. Extraordinary losses</b>							
Loss from sales of fixed assets		243		562			
Impairment loss of property and equipment, and other assets		2,369		514			
Loss on evaluation of investment securities		413		144			
Loss on evaluation of investment in subsidiaries and affiliates		161		477			
Loss on evaluation of capital in subsidiaries and affiliates		55		—			
Loss on sales of investment securities		31		1,591			
Loss on sales of investment in subsidiaries and affiliates		3		—			
Loss on business structure reforms		—		2,440			
Provision for losses on receivables		—		11,264			
Provision for losses on collecting gift tickets		—		111			
Provision for losses on interest repayments		40,924		—			
Depreciation expenses of lease assets		5,447		—			
Loss on change in equity interest		2,719		418			
Other		58	52,429	191	17,716	5.1	33.8
<b>Income (loss) before income taxes</b>			33,610		55,786	16.1	166.0
Income taxes, current		41,688		33,848			
Income taxes, deferred		(27,418)	14,270	(11,280)	22,567	6.5	158.1
<b>Minority interests</b>			4,518		6,462	1.9	143.0
<b>Net income (loss)</b>			14,821		26,755	7.7	180.5

**(3) 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	Additional paid-in capital	Retained earnings	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 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

	Accumulated gains(losses) from revaluation and translation adjustments			Minority Interests	Total net assets
	Unrealized gains(losses) on other securities	Unrealized gains (losses) on hedging derivatives	Total accumulated gains(losses) from revaluation 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 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

(note) These are net profit distribution items at the June 2006 regular general shareholders' meeting.

**(3) Summarized Consolidated Statement of Changes in Net Assets**

Fiscal year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)

(Millions of yen)

	Shareholders' equity				
	Common Stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2007	75,230	80,876	204,129	(6,047)	354,189
Changes during the year					
New stock issued	454	454	—	—	908
Dividends from surplus	—	—	(5,030)	—	(5,030)
Net income for the year	—	—	26,755	—	26,755
Acquisition of treasury stock	—	—	—	(4)	(4)
Disposal of treasury stock	—	(0)	—	0	0
Change of equity interest	—	—	—	(41)	(41)
Net changes in items other than shareholders' equity during the year	—	—	—	—	—
Total changes during the year	454	453	21,725	(45)	22,588
Balance as of March 31, 2008	75,684	81,330	225,855	(6,092)	376,778

	Accumulated gains(losses) from revaluation and translation adjustments			Minority Interests	Total net assets
	Unrealized gains(losses) on other securities	Unrealized gains (losses) on hedging derivatives	Total valuation and translation adjustments		
Balance as of March 31, 2007	19,152	(182)	18,969	26,669	399,828
Changes during the year					
New stock issued	—	—	—	—	908
Dividends from surplus	—	—	—	—	(5,030)
Net income for the year	—	—	—	—	26,755
Acquisition of treasury stock	—	—	—	—	(4)
Disposal of treasury stock	—	—	—	—	0
Change of equity interest	—	—	—	—	(41)
Net changes in items other than shareholders' equity during the year	(8,980)	(487)	(9,468)	5,712	(3,755)
Total changes during the year	(8,980)	(487)	(9,468)	5,712	18,832
Balance as of March 31, 2008	10,171	(670)	9,501	32,381	418,661

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

Item	Term	Fiscal 2006 (As of Mar. 31, 2007)	Fiscal 2007 (As of Mar. 31, 2008)
		Value	Value
I. Cash flows from operating activities			
Income (loss) before income taxes		33,610	55,786
Adjustments to reconcile income (loss) before income taxes to net cash provided by (used in) operating activities:			
Depreciation and amortization		64,902	68,016
Negative goodwill amortization		(69)	(233)
Amortization of deferred assets		297	268
Allowance for losses on receivable		9,824	20,324
Accrued pension and severance costs		(910)	(1,166)
Allowance for point program		7,182	9,269
Allowance for losses on interest repayments		38,398	(432)
Allowance for other reserves		612	1,259
Interest and dividends receivable		(9,877)	(6,686)
Interest expenses		17,100	22,694
Equity in(earnings) losses of equity method-affiliated		(1,775)	(967)
Equity in(earnings) of limited liability partnerships and other similar partnerships		(3,000)	(133)
Foreign currency exchange (gain) loss		(60)	293
Realized (gain) loss on sale of investment securities		(3,872)	(13,490)
Loss on evaluation of investment securities		575	621
Net (gain)loss on changes in equity interest		2,012	318
Impairment loss of property and equipment, and other assets		2,369	1,296
Loss on disposal of property and equipment, and other assets		14,420	14,736
Changes in operating assets and liabilities:			
(Increase) decrease in trade receivables		(272,686)	(253,378)
Proceeds from liquidation of trade receivables		90,000	190,000
(Increase) decrease in inventories		(25,657)	(40,523)
(Increase) decrease in other assets		(5,844)	(5,018)
Increase (decrease) in payables		57,047	(20,210)
Increase (decrease) in other liabilities		5,592	3,457
Directors and statutory auditors' bonuses		(250)	—
Subtotal		19,940	46,105
Interest and dividends received		9,860	7,160
Interest paid		(15,967)	(22,461)
Income taxes refunded		11,026	—
Income taxes paid		(12,869)	(54,902)
Net cash provided by (used in) operating activities		11,990	(24,097)

(Millions of yen)

Term	Fiscal 2006 (As of Mar. 31, 2007)	Fiscal 2007 (As of Mar. 31, 2008)
Item		
II. Cash flows from investing activities		
Payments for purchases of investment securities	(13,261)	(22,687)
Proceeds from sales or redemption of investment securities	24,461	26,723
Payments for purchases of property and equipment, and other assets	(96,204)	(98,961)
Proceeds from sales of property and equipment, and other assets	385	357
Payments for short-term and long-term loans	(4,190)	(200)
Proceeds from short-term and long-term loans	5,561	831
(Increase) decrease in other assets	446	(437)
Net cash provided by (used in) investing activities	(82,800)	(94,374)
III. Cash flows from financing activities		
Increase (decrease) in short-term loans	(89,152)	17,668
Increase (decrease) in commercial paper	(11,700)	12,700
Proceeds from long-term debts	196,600	164,100
Repayments of long-term debts	(58,367)	(54,274)
Proceeds from issuance of bonds	58,611	68,564
Repayment of bonds	(16,455)	(43,140)
Repayment of payables under securitized lease receivables	(12,000)	(13,029)
Proceeds from minority shareholders	2,579	236
Proceeds from sales of treasury stock	19,189	0
Purchase of treasury stock	(19,198)	(4)
Proceeds from issuance of new stock	1,544	908
Cash dividends paid	(4,655)	(5,030)
Cash dividends paid to minorities	(161)	(1,057)
Net cash provided by (used in) financing activities	66,834	147,641
IV. Translation gain(loss) on cash and cash equivalents	58	(253)
V. Increase (decrease) in cash and cash equivalents	(3,917)	28,916
VI. Cash and cash equivalents, at the beginning of year	66,314	62,397
VII. Increase in cash and cash equivalents resulting from addition of subsidiaries to the scope of consolidation	—	1,496
VIII. Increases in cash and cash equivalents due to merger	—	835
IX. Cash and cash equivalents, at the end of year	62,397	93,645

# Non-Consolidated Financial Statements

## (1) Non-Consolidated Balance Sheets

(Millions of yen)

Item	Term	Fiscal 2006 (As of Mar. 31, 2007)		Fiscal 2007 (As of Mar. 31, 2008)		Increase (Decrease)
		Value	%	Value	%	Value
(ASSETS)						
<b>I. Current assets</b>						
Cash and deposits		41,185		37,459		(3,725)
Installment accounts receivable		1,527,793		1,608,364		80,571
Merchandise		657		117		(539)
Supplies		1,246		1,134		(111)
Prepaid expenses		872		692		(180)
Deferred income taxes		13,269		17,304		4,035
Short-term loans		5,000		33,981		28,980
Other receivable		16,353		14,734		(1,619)
Other current assets		11,902		17,668		5,765
Allowance for losses on receivables		(56,439)		(64,382)		(7,943)
Total Current assets		1,561,842	79.6	1,667,074	80.7	105,232
<b>II. Fixed assets</b>						
<b>Property and equipment:</b>						
Equipment for lease		163,149		169,421		6,272
Buildings		6,186		5,061		(1,124)
Vehicles		0		1		0
Fixtures and equipment		7,942		7,593		(348)
Land		3,642		3,614		(27)
Construction in progress		518		220		(297)
Total Tangible fixed assets		181,439	9.2	185,914	9.0	4,474
<b>Intangible assets:</b>						
Leaseholds		14		14		—
Software		34,190		39,945		5,755
Other Intangible assets		4,123		5,081		958
Total Intangible assets		38,328	2.0	45,041	2.2	6,713
<b>Investments and other assets:</b>						
Investment securities		71,797		49,271		(22,525)
Investment in subsidiaries and affiliates		47,760		50,863		3,103
Investment in capital		51		40		(11)
Investment in capital in subsidiaries and affiliates		0		35		35
Long-term loans		28,223		28,223		—
Long-term loans to subsidiaries and affiliates		5,000		5,000		—
Long-term prepaid expenses		3,600		3,961		360
Lease deposits		2,878		3,134		255
Deferred income taxes		26,091		40,113		14,022
Other long-term investments		1,813		2,736		923
Allowance for losses on receivable		(4,123)		(15,411)		(11,287)
Allowance for losses on investment securities		(2,054)		—		2,054
Total investments and other assets		181,038	9.2	167,967	8.1	(13,070)
Total fixed assets		400,806	20.4	398,923	19.3	(1,882)
<b>III. Deferred assets</b>						
Bond issue costs		347		515		167
Total deferred assets		347	0.0	515	0.0	167
<b>Total assets</b>		<b>1,962,996</b>	<b>100.0</b>	<b>2,066,513</b>	<b>100.0</b>	<b>103,517</b>

(Millions of yen)

Term Item	Fiscal 2006 (As of Mar. 31, 2007)		Fiscal 2007 (As of Mar. 31, 2008)		Increase (Decrease)
	Value	%	Value	%	Value
(LIABILITIES)					
<b>I. Current liabilities</b>					
Notes payable	2,245		3,143		897
Accounts payable	233,495		212,288		(21,207)
Short-term loans	279,264		303,289		24,024
Current portion of long-term loans	40,200		32,100		(8,100)
Current portion of bonds	30,000		10,000		(20,000)
Commercial paper	97,000		95,000		(2,000)
Current portion of payables under securitized lease receivables	12,116		14,272		2,156
Other payable	5,461		3,668		(1,793)
Accrued expenses	19,920		17,703		(2,217)
Accrued taxes on income	28,578		8,540		(20,038)
Withholdings	7,822		11,395		3,573
Advance received	166		851		685
Accrued employees' bonuses	1,711		1,596		(114)
Accrued directors' bonuses	160		98		(62)
Allowance for losses on interest repayments	10,161		10,353		191
Allowance for losses on business structure reforms	—		435		435
Allowance for loss on collecting gift tickets	—		141		141
Unearned income	5,126		5,703		577
Other current liabilities	613		1,018		404
Total current liabilities	774,043	39.4	731,598	35.4	(42,445)
<b>II. Long-term liabilities</b>					
Bonds	220,000		270,000		50,000
Long-term loans	505,670		594,070		88,400
Payables under securitized lease receivables	35,883		20,698		(15,185)
Accrued pension and severance cost	5,665		4,863		(801)
Accrued retirement benefits to directors and statutory auditors	715		—		(715)
Allowance for losses on guarantees	2,537		3,595		1,058
Allowance for point program	36,205		45,474		9,269
Allowance for losses on interest repayments	30,360		29,478		(882)
Guaranty deposit	728		979		251
Negative goodwill	—		271		271
Other long-term liabilities	1,431		3,964		2,533
Total Long-term liabilities	839,197	42.8	973,395	47.1	134,197
<b>Total liabilities</b>	<b>1,613,241</b>	<b>82.2</b>	<b>1,704,993</b>	<b>82.5</b>	<b>91,752</b>

(Millions of yen)

Item	Term	Fiscal 2006 (As of Mar. 31, 2007)		Fiscal 2007 (As of Mar. 31, 2008)		Increase (Decrease)
		Value	%	Value	%	Value
<b>( NET ASSETS )</b>						
<b>I. Shareholders' Equity</b>						
Common stock		75,230	3.9	75,684	3.7	454
Additional paid-in capital						
Capital reserves		78,635		79,089		454
Other		1,896		1,896		(0)
Total additional paid-in capital		80,531	4.1	80,985	3.9	453
Retained earnings						
Legal reserve		3,020		3,020		—
Other retained earnings		178,188		197,733		19,544
Other reserves		157,455		162,455		5,000
Deferred on retained earnings		20,733		35,278		14,544
Total Retained earnings		181,208	9.2	200,753	9.7	19,544
Treasury stock, at cost		(5,577)	(0.3)	(5,581)	(0.3)	(4)
Total shareholders' equity		331,393	16.9	351,841	17.0	20,448
<b>II. Accumulated gains(losses) from revaluation and translation adjustment</b>						
Unrealized gains(losses) on other securities		18,404	0.9	10,059	0.5	(8,344)
Unrealized gains(losses) on hedging derivatives		(43)	(0.0)	(381)	0.0	(338)
Total Accumulated gains(losses) from revaluation and translation adjustment		18,361	0.9	9,678	0.5	(8,683)
Total net assets		349,754	17.8	361,519	17.5	11,765
Total liabilities and net assets		1,962,996	100.0	2,066,513	100.0	103,517

**(2) Non-Consolidated Statements of Income**

(Millions of yen)

Term Item	Fiscal 2006 (As of Mar. 31, 2007)		Fiscal 2007 (As of Mar. 31, 2008)		Year-on-year change
	Value	%	Value	%	%
<b>I. Operating revenues</b>					
Financing and administration fees					
Credit cards	99,725		—		
Shopping loans	609		—		
Guarantees	5,372		—		
Loans	129,572		—		
Agency services	12,217		—		
Income from leases					
Lease sales	68,886		—		
Cost of lease sales	62,091	6,795	—	—	
Income Other sales					
Other sales	6,921		—		
Cost of other sales	342	6,579	—	—	
Credit services businesses fees					
Credit cards	—		110,047		
Shopping loans	—		612		
Card cashing	—		99,241		
Agency services	—		15,921		
Other revenues	—	—	6,137	231,960	—
Income from finance businesses					
Guarantees	—		7,386		
Specialty loans	—		20,018		
Lease sales	—		75,297		
Cost of lease sales	—		68,331		
Income from leases	—	—	6,965	34,370	—
Income from real estate businesses					
Revenue from real estate businesses	—		522		
Cost of real estate businesses	—	—	518	3	—
Income from other businesses					
Revenue from other businesses	—		2,535		
Cost of other businesses	—	—	539	1,995	—
Financial revenues		9,401		9,411	100.1
<b>Total operating revenues</b>		<b>270,275</b>		<b>277,741</b>	<b>102.8</b>
		100.0		100.0	

(Millions of yen)

Term Item	Fiscal 2006 (As of Mar. 31, 2007)		Fiscal 2007 (As of Mar. 31, 2008)		Year-on-year change
	Value	%	Value	%	%
<b>II. Operating expenses</b>					
Selling, general and administrative expenses	204,765	75.8	223,815	80.6	109.3
Financial cost					
Interest expense	13,242		17,803		
Amortization of bonds issue cost	204		183		
Other expenses	620	5.2	2,335	7.3	144.5
Total operating expenses	218,833	81.0	244,137	87.9	111.6
<b>Operating income</b>	51,442	19.0	33,603	12.1	65.3
<b>III. Non-operating income</b>	5,514	2.1	3,137	1.1	56.9
<b>IV. Non-operating expenses</b>	323	0.1	183	0.0	56.6
Ordinary income	56,632	21.0	36,557	13.2	64.6
<b>V. Extraordinary gains</b>					
Gain on sales of investment securities	342		476		
Gain on sales of investment in subsidiaries and affiliates	754		—		
Redemption profit of investment securities	276		14,412		
Gain on reversal allowance for losses on receivables	310		—		
Other	—	0.6	26	5.4	886.0
<b>VI. Extraordinary losses</b>					
Loss on disposal of fixed assets	114		144		
Loss on sales of fixed assets	—		22		
Loss on evaluation of investment securities	248		37		
Loss on evaluation of investment in subsidiaries and affiliates	161		641		
Loss on evaluation of capital in subsidiaries and affiliates	55		—		
Loss on sales of investment securities	31		1,589		
Loss on business structure reforms	—		2,440		
Provision for losses on receivables	—		11,264		
Provision for losses on collecting gift tickets	—		111		
Provision for losses on interest repayments	35,676		—		
Depreciation expenses of leased assets	5,447		—		
Others	—	15.5	85	5.9	39.1
<b>Net income (loss) before income taxes</b>	16,578	6.1	35,135	12.7	211.9
Income taxes, current	29,974		21,809		
Income taxes, deferred	(23,617)	2.3	(11,252)	3.9	166.1
<b>Net income (loss)</b>	10,221	3.8	24,578	8.8	240.5

**(3) 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	Additional paid-in capital			Retained earnings				Treasury stock	Total shareholders' equity
		Capital reserve	Other	Total additional paid-in capital	Legal reserve	Other retained earnings		Total retained earnings		
						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 (note)	—	—	—	—	—	22,000	(22,000)	—	—	—
Dividends from surplus (note)	—	—	—	—	—	—	(4,659)	(4,659)	—	(4,659)
Bonuses to directors (note)	—	—	—	—	—	—	(150)	(150)	—	(150)
Net income 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

	Accumulated gains(losses) from revaluation and translation adjustments			Total net assets
	Unrealized gain on other securities	Unrealized gains (losses) on hedging derivatives	Total accumulated gains(losses) from revaluation 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 (note)	—	—	—	—
Dividends from surplus (note)	—	—	—	(4,659)
Bonuses to directors (note)	—	—	—	(150)
Net income 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

(note) These are net profit distribution items at the June 2006 regular general shareholders' meeting.

### **(3) Summarized Non-consolidated Statement of Changes in Net Assets**

**Fiscal year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)**

(Millions of yen)

	Shareholders' equity									
	Common Stock	Additional paid-in capital			Legal reserve	Other retained earnings		Total retained earnings	Treasury stock	Total shareholders' equity
		Capital reserve	Other	Total additional paid-in capital		Other retained earnings				
						Contingent reserve	Unappropriated earnings			
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
Changes during the year										
New stock issued	454	454	—	454	—	—	—	—	—	908
Contingent reserve	—	—	—	—	—	5,000	(5,000)	—	—	—
Dividends from surplus	—	—	—	—	—	—	(5,034)	(5,034)	—	(5,034)
Net income for the year	—	—	—	—	—	—	24,578	24,578	—	24,578
Acquisition of treasury stock	—	—	—	—	—	—	—	—	(4)	(4)
Disposal of treasury stock	—	—	(0)	(0)	—	—	—	—	0	0
Net changes in items other than shareholders' equity during the year	—	—	—	—	—	—	—	—	—	—
Total changes during the year	454	454	(0)	453	—	5,000	14,544	19,544	(4)	20,448
Balance as of March 31, 2008	75,684	79,089	1,896	80,985	3,020	162,455	35,278	200,753	(5,581)	351,841

	Accumulated gains(losses) from revaluation and translation adjustments			Total net assets
	Unrealized gain on other securities	Unrealized gains (losses) on hedging derivatives	Total accumulated gains(losses) from revaluation and translation adjustments	
Balance as of March 31, 2007	18,404	(43)	18,361	349,754
Changes during the year				
New stock issued	—	—	—	908
Contingent reserve	—	—	—	—
Dividends from surplus	—	—	—	(5,034)
Net income for the year	—	—	—	24,578
Acquisition of treasury stock	—	—	—	(4)
Disposal of treasury stock	—	—	—	0
Net changes in items other than shareholders' equity during the year	(8,344)	(338)	(8,683)	(8,683)
Total changes during the year	(8,344)	(338)	(8,683)	11,765
Balance as of March 31, 2008	10,059	(381)	9,678	361,519