

## Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2015

[JGAAP]



August 8, 2014  
Stock exchange listing: 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 to submit Quarterly Securities Report: August 14, 2014

Scheduled date to commence dividend payments: –

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results presentation meeting: None

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

### 1. Consolidated Results for the First Quarter of the Fiscal Year Ending March 31, 2015 (April 1, 2014 to June 30, 2014)

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

	Operating revenue		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
1 <sup>st</sup> Quarter FY2014	62,844	1.1	11,733	7.6	14,063	6.5	10,645	30.6
1 <sup>st</sup> Quarter FY2013	62,166	–	10,910	–	13,211	–	8,150	–

(Note) Comprehensive income: 1<sup>st</sup> Quarter FY2014 13,603 million yen [6.4%]  
1<sup>st</sup> Quarter FY2013 12,780 million yen [–%]

	Net income per share	Net income per share
	(Yen)	(diluted) (Yen)
1 <sup>st</sup> Quarter FY2014	57.97	58.49
1 <sup>st</sup> Quarter FY2013	44.38	44.15

(Note) Year-on-year changes for the 1<sup>st</sup> Quarter FY2013 are not presented due to the retrospective adjustment for the changes in accounting policies.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	(Millions of yen)	(Millions of yen)	(%)
1 <sup>st</sup> Quarter FY2014	2,276,005	430,869	18.8
FY2013	2,285,943	422,829	18.3

(Reference) Equity: 1<sup>st</sup> Quarter FY2014 427,568 million yen FY2013 419,281 million yen

### 2. Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
FY2013	–	0.00	–	30.00	30.00
FY2014	–				
FY2014 (Projected)		0.00	–	30.00	30.00

(Note) Revision of projected dividends most recently announced: None

### 3. Consolidated Earnings Forecasts for Fiscal 2014 (April 1, 2014 to March 31, 2015)

(% represents year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
First six months	124,000	0.0	18,000	(17.8)	21,000	(23.1)	13,500	(23.6)	73.52
FY2014	253,000	2.2	34,000	(6.4)	40,000	(10.0)	23,000	(10.0)	125.25

(Note) Revision of consolidated earnings forecasts most recently announced: None

#### Notes

- (1) Changes in significant subsidiaries during the first quarter: None  
(Changes in specified subsidiaries resulting in changes in the scope of consolidation)
- (2) Application of specific accounting for preparing consolidated quarterly financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
  - a. Changes in accounting policies in accordance with revisions of accounting standards and other regulations: Yes
  - b. Changes in accounting policies other than a. above: Yes
  - c. Changes in accounting estimates: None
  - d. Restatement of prior period financial statements after error corrections: None
- (4) Number of shares issued (common stock):
  - a. Number of shares issued at the end of the period (including treasury stock):
 

1 <sup>st</sup> Quarter FY2014: 185,444,772 shares	FY2013: 185,444,772 shares
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  - b. Number of treasury shares at the end of the period:
 

1 <sup>st</sup> Quarter FY2014: 1,814,567 shares	FY2013: 1,814,444 shares
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  - c. Average number of outstanding shares during the period (cumulative):
 

1 <sup>st</sup> Quarter FY2014: 180,630,259 shares	1 <sup>st</sup> Quarter FY2013: 183,631,756 shares
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#### - Indication regarding execution of quarterly review procedures

The quarterly review procedures pursuant to the Financial Instruments and Exchange Act do not apply to this quarterly financial results report. At the time of disclosure of this quarterly financial results report, the quarterly review procedures of quarterly financial statements pursuant to the Financial Instruments and Exchange Act are incomplete.

#### - Proper use of projected results, and other special matters

(Caution regarding forward-looking statements, etc.)

The forecasts indicated above are based on our future outlook as of the announcement date of these materials, assumptions that form the basis of plans, and predictions. Actual performance may differ from the projected results due to various factors.

(Means of obtaining supplementary material on quarterly financial results)

The Company provides English translations of supplementary materials on its businesses and performance and its quarterly financial statements (excerpted sections only) on its website.

**Consolidated Quarterly Financial Statements**  
**(1) Consolidated Quarterly Balance Sheets**

(Millions of yen)

	FY2013 (As of March 31, 2014)	First quarter of FY2014 (As of June 30, 2014)
<b>(ASSETS)</b>		
Current assets		
Cash and deposits	52,742	57,706
Accounts receivable - installment	1,396,495	1,368,305
Lease investment assets	225,333	226,271
Operational investment securities	18,979	18,624
Real estate for sale	83,212	85,236
Purchased receivables	9,818	11,103
Other inventories	1,403	1,407
Other	39,392	42,979
Allowance for doubtful accounts	(51,677)	(51,103)
Total current assets	1,775,699	1,760,529
Non-current assets		
Property, plant and equipment	62,833	61,882
Intangible assets	138,941	144,498
Investments and other assets		
Liquidation business assets	104,078	100,753
Other	214,494	217,865
Allowance for doubtful accounts	(10,704)	(10,195)
Total investments and other assets	307,868	308,422
Total non-current assets	509,643	514,803
Deferred assets	599	671
Total assets	2,285,943	2,276,005

(Millions of yen)

	FY2013 (As of March 31, 2014)	First quarter of FY2014 (As of June 30, 2014)
<b>(LIABILITIES)</b>		
Current liabilities		
Notes and accounts payable - trade	273,444	220,386
Short-term loans payable	199,160	200,160
Current portion of long-term loans payable	160,010	133,710
Current portion of bonds	60,225	80,225
Commercial papers	115,000	155,000
Current portion of long-term loans payable under credit fluidity	7,493	4,486
Lease obligations	1,270	1,212
Income taxes payable	11,756	7,774
Provision for bonuses	2,062	1,653
Provision for directors' bonuses	147	35
Provision for loss on interest repayment	10,436	9,260
Allowance for losses on collecting gift tickets	167	164
Deferred installment income	6,835	6,981
Other	37,217	42,131
Total current liabilities	885,228	863,182
Non-current liabilities		
Bonds payable	215,212	215,212
Long-term loans payable	660,164	664,599
Lease obligations	2,204	1,955
Provision for directors' retirement benefits	82	86
Provision for loss on guarantees	4,296	4,385
Allowance for losses on warranty of defects	18	7
Provision for point card certificates	77,390	78,560
Provision for loss on interest repayment	9,263	8,129
Asset retirement obligations	821	830
Other	8,430	8,187
Total non-current liabilities	977,885	981,953
Total liabilities	1,863,113	1,845,135

(Millions of yen)

	FY2013 (As of March 31, 2014)	First quarter of FY2014 (As of June 30, 2014)
(NET ASSETS)		
Shareholders' equity		
Capital stock	75,929	75,929
Capital surplus	84,838	84,838
Retained earnings	237,784	242,866
Treasury shares	(6,123)	(6,123)
Total shareholders' equity	392,428	397,510
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	28,054	31,250
Deferred gains or losses on hedges	(1,201)	(1,192)
Total accumulated other comprehensive income	26,852	30,058
Subscription rights to shares	0	0
Minority interests	3,548	3,300
Total net assets	422,829	430,869
Total liabilities and net assets	2,285,943	2,276,005

**(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income**  
**Consolidated Quarterly Statements of Income (Cumulative)**

(Millions of yen)

	First quarter of FY2013 (April 1, 2013 to June 30, 2013)	First quarter of FY2014 (April 1, 2014 to June 30, 2014)
Operating revenue		
Income from the credit service business	46,382	47,207
Income from the Lease business revenue	3,471	3,506
Revenue from the finance business	4,621	5,160
Income from the real estate related business		
Revenue from the real estate related business	14,969	12,001
Cost of the real estate related business	10,802	7,950
Income from the real estate related business	4,166	4,051
Income from the entertainment business I		
Revenue from the entertainment business	19,144	16,299
Cost of the entertainment business	15,748	13,450
Income from the entertainment business	3,396	2,848
Financial revenue	128	70
Total operating revenue	62,166	62,844
Operating expenses		
Selling, general and administrative expenses		
Provision for point card certificates	3,109	2,852
Provision of allowance for doubtful accounts	3,622	3,313
Provision for loss on interest repayment	61	-
Provision for loss on guarantees	951	1,070
Commission fee	13,604	13,903
Other	26,581	26,729
Total selling, general and administrative expenses	47,930	47,869
Financial expenses	3,326	3,241
Total operating expenses	51,256	51,110
Operating income	10,910	11,733
Non-operating income		
Interest income	7	7
Dividend income	510	653
Share of profit of entities accounted for using equity method	1,307	1,347
Other	612	452
Total non-operating income	2,437	2,460
Non-operating expenses		
Interest expenses	9	4
Equity in loss of limited liability partnerships and other similar partnerships	8	30
Loss on liquidation of business	107	47
Loss on reduction of non-current assets	-	37
Other	10	11
Total non-operating expenses	136	130
Ordinary income	13,211	14,063

(Millions of yen)

	First quarter of FY2013 (April 1, 2013 to June 30, 2013)	First quarter of FY2014 (April 1, 2014 to June 30, 2014)
Extraordinary income		
Gain on sales of investment securities	-	224
Gain on sales of non-current assets	-	71
Compensation income for expropriation	-	754
Other	-	5
Total extraordinary income	-	1,056
Extraordinary losses		
Loss on disposal of non-current assets	7	0
Loss on valuation of investment securities	2	204
Impairment loss	19	0
Other	-	1
Total extraordinary losses	29	205
Income before income taxes and minority interests	13,182	14,914
Income taxes - current	7,666	7,246
Income taxes - deferred	(2,762)	(2,730)
Total income taxes	4,903	4,515
Income before minority interests	8,278	10,398
Minority interests in income (loss)	128	(247)
Net income	8,150	10,645

## Consolidated Quarterly Statements of Comprehensive Income (Cumulative)

(Millions of yen)

	First quarter of FY2013 (April 1, 2013 to June 30, 2013)	First quarter of FY2014 (April 1, 2014 to June 30, 2014)
Income before minority interests	8,278	10,398
Other comprehensive income		
Valuation difference on available-for-sale securities	3,082	3,481
Deferred gains or losses on hedges	700	9
Share of other comprehensive income of entities accounted for using equity method	718	(285)
Total other comprehensive income	4,501	3,205
Comprehensive income	12,780	13,603
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,651	13,851
Comprehensive income attributable to minority interests	128	(247)



## (3) Segment information, etc

## Segment information

For the first quarter ended June 30, 2013 (from April 1, 2013 to June 30, 2013)

Information regarding sales, income and other items by reportable segments

(Unit: Millions of yen)

	Reportable segments						Adjustments	Consolidated quarterly statements of income
	Credit service	Lease	Finance	Real estate related	Entertainment	Total		
Operating revenue								
External revenue	46,511	3,471	4,621	4,166	3,396	62,166	-	62,166
Inter-segment revenue and transfer	282	5	-	19	0	308	(308)	-
Total	46,793	3,477	4,621	4,185	3,396	62,474	(308)	62,166
Segment income	4,663	1,510	2,306	1,909	519	10,909	0	10,910

(Notes)1. Adjustments include inter-segment eliminations.

2. Segment income is adjusted to total operating income in the consolidated quarterly statements of income.

For the first quarter ended June 30, 2014 (from April 1, 2014 to June 30, 2014)

Information regarding sales, income and other items by reportable segments

(Unit: Millions of yen)

	Reportable segments						Adjustments	Consolidated quarterly statements of income
	Credit service	Lease	Finance	Real estate related	Entertainment	Total		
Operating revenue								
External revenue	47,278	3,506	5,160	4,051	2,848	62,844	-	62,844
Inter-segment revenue and transfer	243	7	-	5	0	258	(258)	-
Total	47,522	3,514	5,160	4,056	2,849	63,102	(258)	62,844
Segment income	4,841	1,767	2,855	1,885	382	11,733	0	11,733

(Notes)1. Adjustments include inter-segment eliminations.

2. Segment income is adjusted to total operating income in the consolidated quarterly statements of income.