

Management Report FY2017

Launched from Japan,
The World's First Saison American Express® Card



2018. 5. 16

CREDITSAISON CO., LTD.



AGENDA

◆ FY2017 Highlights

I. FY2017 Financial Report

II. FY2018 Management Strategies

III. ESG-related

Higashi Ikebukuro 52

An entertainment group consists of female employees of Credit Saison (the “Company”) which the head office is located on the 52nd floor of the Sunshine 60 building in Higashi Ikebukuro, and its affiliated companies

1st Single CD **Watashi Saison (I’m Saison)**

2nd Single CD **Natsu Saison (Summer Saison)**

3rd Single CD **Aki Saison (Autumn Saison)**

4th Single CD **Yuki Saison (Snow Saison)**

This report contains forward-looking statements that reflect our plans and expectation. These forward-looking statements are not guarantees of future performance and known and unknown risks, uncertainties and other factors that may cause our actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements.





Highlights of 2017 Fiscal Year

FY 2014 and beyond

Efforts for Business Model Change

Neo Finance Company in Asia

FY 2016

FY 2017

FY 2018

FY 2025 - and next 10 years -

Working-Style Reform

Introduced a “new human resource policy” to transform ourselves to a growing company
Abolishment of employee classification and introduction of indefinite-term employment system for all employees

Brand Image Enhancement

Higashi Ikebukuro 52 was formed in order to further enhance the brand image of Saison by increasing brand affinity among customers especially the younger generation.

Creation of Growth Opportunity

Migration to the Associated Core System in Nov. 2017

Payment

Card Business



PKSHA

- Expansion of settlement platform and launch of “SAISON Origami Pay,” a settlement service using QR code on smartphones
- Implementation of the “AI automatic answering chat service”

Finance

Finance Business

- Entry into rent guarantee service business and introduction of “Rent Quick, SAISON’s rent guarantee service”



Daily life services idea

Free financial consulting

Solution

Solution Business



- Development of “Advanced pay SAISON,” an advanced salary payment service
(This service will allow corporate employees to withdraw their salary for the completed working days before payday)

Implementation
of the New
Business Model
for the 21st
Century

Internet

Content Business

- Strengthened the operation and planning of the owned web media that offer new values to customers
- Development of “SAISON DMP,” infrastructure for big data processing and full-scale operation of data business



Global

Asia Business



- Investment in HD BANK, in order to become the “No. 1 total retail finance company” in Vietnam
- Formed a capital and business alliance with Grab Inc., the largest ride-hailing company in the Southeast Asia, and established Grab Financial Services Asia Inc.

Investment

Asset Management Business

- Introduction of “Asset Management Account,” an asset management platform
- Introduction of a new point investment service featuring convenient functions including “Tsumitate (regular saving) function” for Eikyufumetsu points



1. Financial Results

(¥ Billion)		FY2016	YoY(%)	FY2017	YoY(%)
Consolidated	Operating Revenues	278.9	103.3	292.1	104.7
	Ordinary Income	53.0	121.1	56.7	106.9
	Quarter Net Income	42.2	161.5	38.3	90.7
	Earnings per Share (¥)	258.70	175.5	234.67	90.7

Non-consolidated	Operating Revenues	238.6	104.3	249.8	104.7
	Ordinary income	28.2	86.5	38.8	137.8
	Quarter Net Income	21.0	82.3	22.1	105.4

■ Top Line

- Credit Service Business and Finance Business drove the overall business performance.

■ Major Special Factors

- The Company recorded equity method investment profit of approx. 4.5 billion yen (6.5 billion yen decreased compared to the previous fiscal year), resulted from sales of investment securities by UC Card, an equity method affiliate.
- The Company recorded approx. 8.5 billion yen extraordinary profits resulted from gain on sales of investment securities owned by the Company.
- The company recorded approx. 12.9 billion yen extraordinary losses due to one-time expenses relating to the migration to the associated core system.

<In the Previous Fiscal Year>

- The received payment of settlement money for delay in system development was recorded as extraordinary profits of approx. 11.4 billion yen.

2. Results by Business Segment

(¥ Billion)	Operating revenues			Operating income		
	FY2016	FY2017	YoY(%)	FY2016	FY2017	YoY(%)
Credit Service	211.6	220.3	104.1	7.9	12.7	159.6
Lease	13.2	12.8	97.0	4.3	4.3	100.8
Finance	31.0	35.4	114.0	12.8	16.2	126.5
Real Estate- related	13.6	15.4	113.4	4.9	6.4	130.5
Entertainment	10.3	9.2	89.3	1.1	1.0	90.2
Total	280.0	293.3	104.8	31.2	40.7	130.6
Intersegment Transactions	△1.0	△1.2	-	0	0	-
Consolidated	278.9	292.1	104.7	31.2	40.7	130.6

■ Credit Service Business

- The operating revenues and the operating income increased due to the continued growth of shopping transaction volume and balance of revolving payment as a result of expansion in customer base and progression of a cashless society in personal and corporate sector, and also by the rebound of the additional transfer from the provision for loss on interest repayment during the previous fiscal year.

■ Finance Business

- The operating revenues and the operating income increased as a result of close partnership with other financial institutes on sales and management of the credit guarantee business, as well contributed by the strong revenue from "Flat 35" and "Asset Formation Loan", which met the needs of Company's business partners, and also by the rebound of write-down of investment securities during the previous fiscal year.

■ Real Estate Business

- Increase in sales due to the continuous growth of the non-investment purpose real estate demand under the strong market of real estate.

3. Contribution by Consolidated Companies

Ordinary income: Difference between consolidated and non-consolidated figures

Contribution to consolidated results

	Non-consolidated	Consolidated	Difference
Ordinary income	¥38.8 billion	¥56.7 billion	¥17.8 billion

Major consolidated subsidiaries	Contribution to ordinary income
Atrium Group (liquidation of real estate) (servicing business)	¥3.36 billion
Saison Fundex Group (loans) (real estate)	¥2.15 billion
Concerto Inc. (entertainment business) (real estate rental business)	¥2.54 billion
SAISON PERSONAL PLUS COMPANY LIMITED (temporary staff) (servicing business)	¥0.44 billion

Major equity method affiliates	Contribution to ordinary income
UC CARD Co., Ltd. (credit card business)	¥4.48 billion
Saison Information Systems Co., Ltd. (information processing)	¥2.08 billion
Idemitsu Credit Co., Ltd. (credit card business)	¥1.51 billion
Takashimaya Credit Co., Ltd. (credit card business)	¥0.94 billion

4. Main Indices (Non-Consolidated)

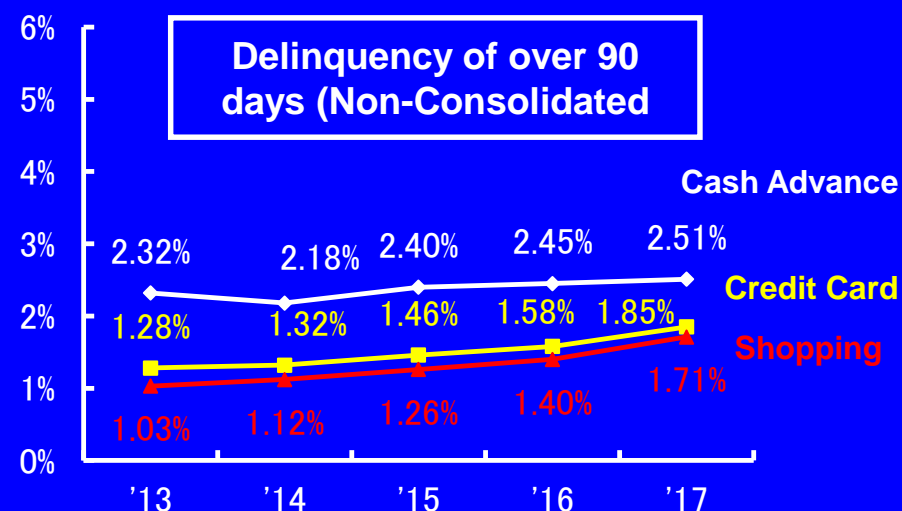
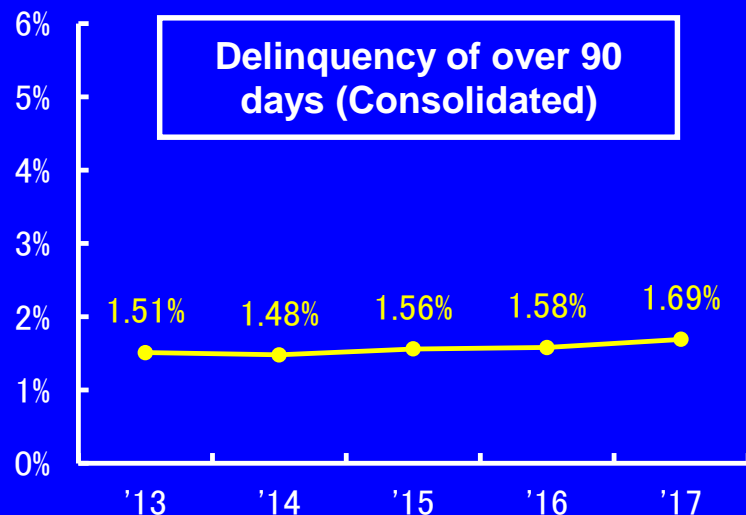
	FY2016		FY2017		FY2018(Target)	
		YoY(%)		YoY(%)		YoY(%)
New Card Issued (millions)	2.61	99.8	2.44	93.4	2.00	81.8
Total Cardholders (millions)	26.46 (+0.85)	103.3	26.95 (+0.48)	101.8	27.4 (+0.45)	101.7
Active Cardholders (millions)	14.8 (+0.01)	100.1	15.0 (+0.19)	101.3	16.0 (+1.02)	106.8
Transaction Volume (¥ billion)	4,730.4	104.5	4,931.1	104.2	5,235.5	106.2
Card Shopping	4,476.6	105.1	4,683.0	104.6	4,970.0	106.1
Cash Advances	253.8	94.8	248.1	97.8	265.5	107.0
Operating assets outstanding (¥ billion)	594.8	107.7	631.3	106.1	677.0	107.2
Card Shopping	380.8	112.4	414.2	108.8	445.0	107.4
Cash Advances	214.0	98.8	217.1	101.5	232.0	106.8

(Unit: million cards, million people, ¥ billion)

Figures in parentheses are changes from the previous year

5. Credit Risk / Credit Cost

Trends in Credit Risk



Credit Cost Results / Estimate

[Consolidated] (Unit: billion yen)

		FY2017	
			YoY difference
Credit Cost		30.1	△13.2
	General	29.5	+2.1
	Interest Repayment	0.6	△15.3

[Non-Consolidated] (Unit: billion yen)

		FY2017	
			YoY difference
Credit Cost		27.9	△13.5
	General	27.9	+1.8
	Interest Repayment	-	△15.3

- Despite the delinquency rate rose due to top-line growth contributed by the increase in balance of revolving payment and etc., the delinquency rate is maintained at a relatively low level as a result of the strengthened efforts towards early collection of initial credit obligations and reinforced counseling sessions.



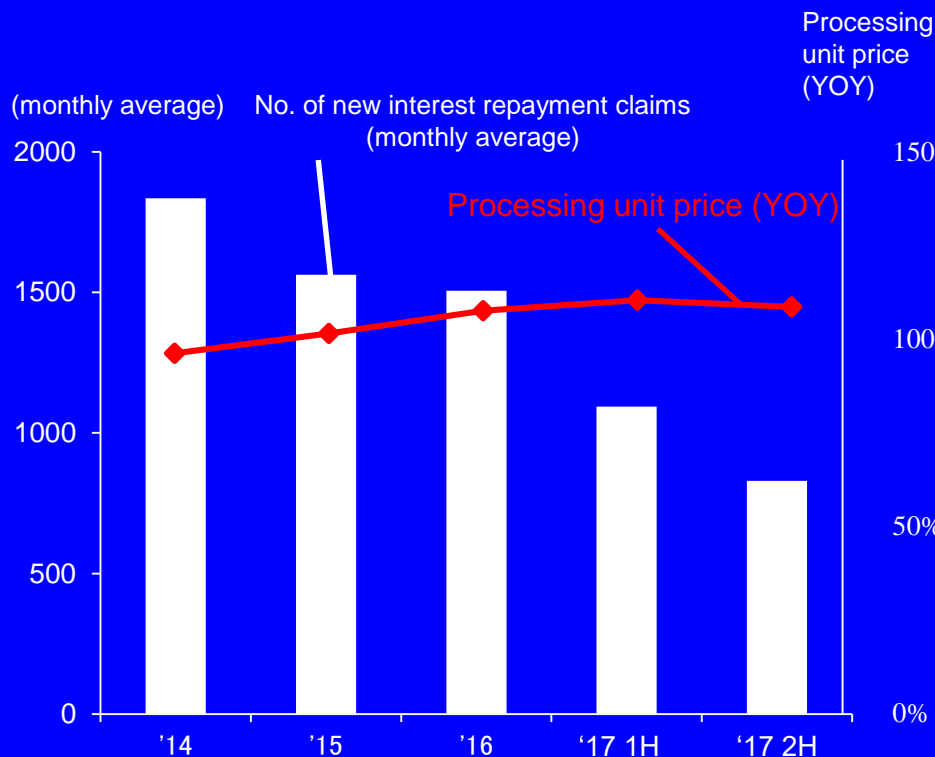
6. Interest Repayment Claims

No. of new interest repayment claims shows 30% decrease from the previous fiscal years

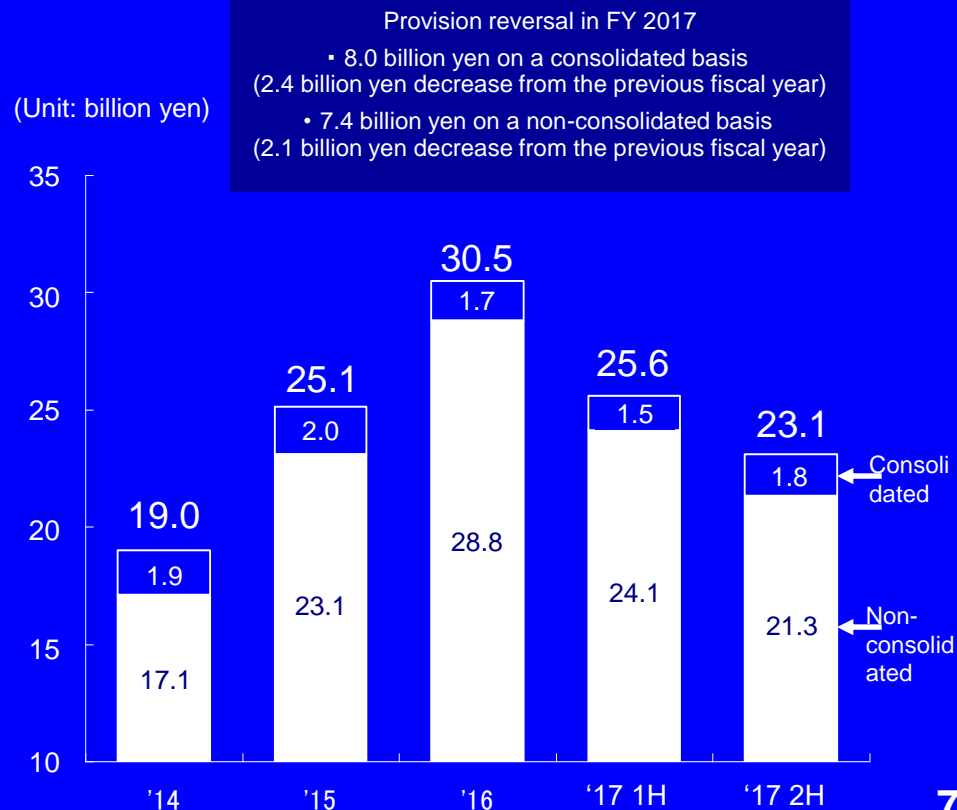
Current provision is at a sufficient level

No additional provision is planned for FY 2018
The future trend is yet to be monitored

■ Trend in new interest repayment claims (monthly average)



■ Trend of provision balance due to interest repayment losses



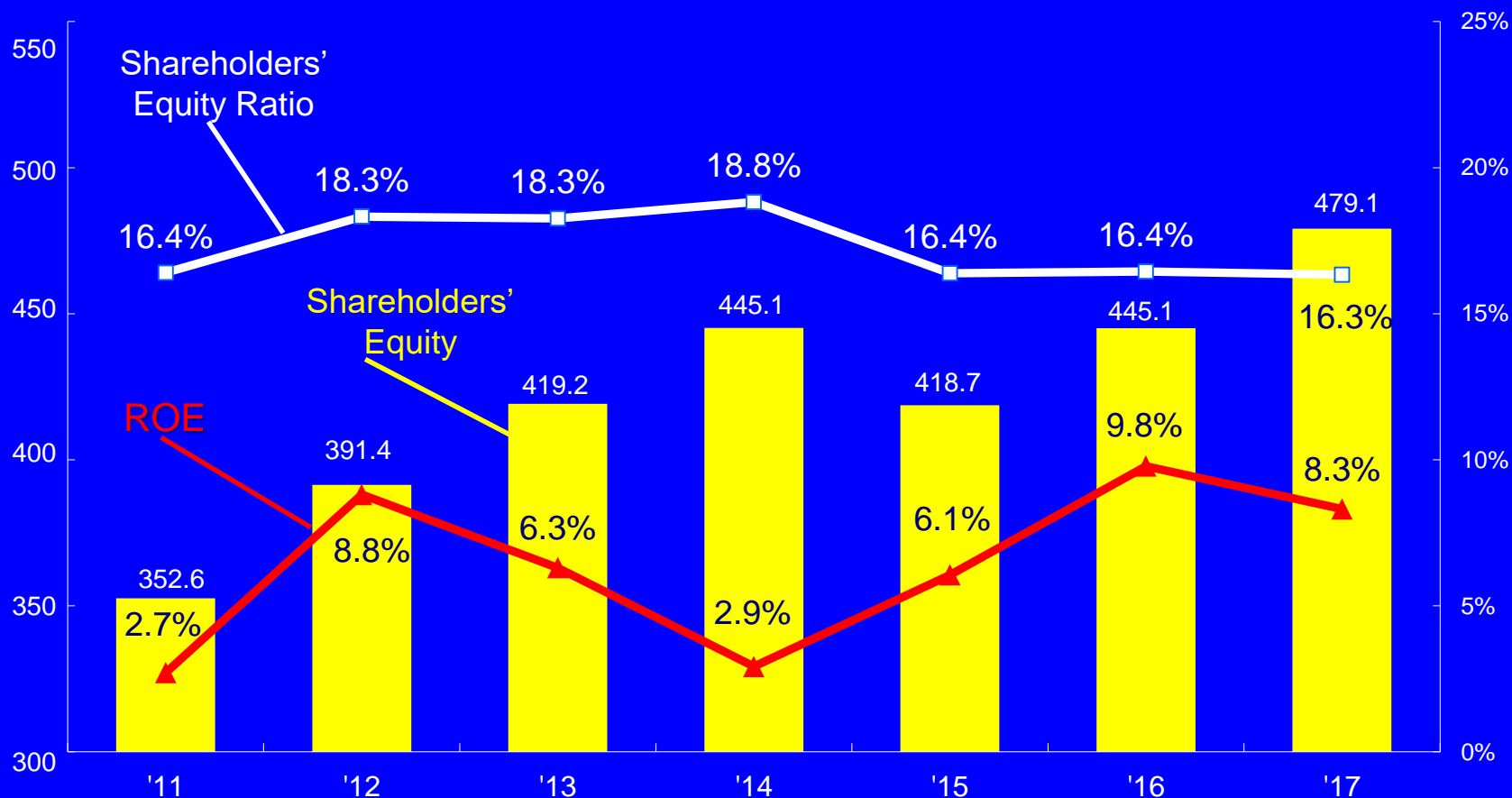


7. Changes in Management Indicators

The company is determined to attain sustainable growth through strategic investments in Japan and overseas countries, meanwhile, enhance asset efficiency through expansion of high asset efficiency business and reduction of inefficient assets.

Medium- and long-term target
ROE increase by 10% or more

(Unit: billion yen)



8. Return to Shareholders

Dividend policy: Maintaining stable payout

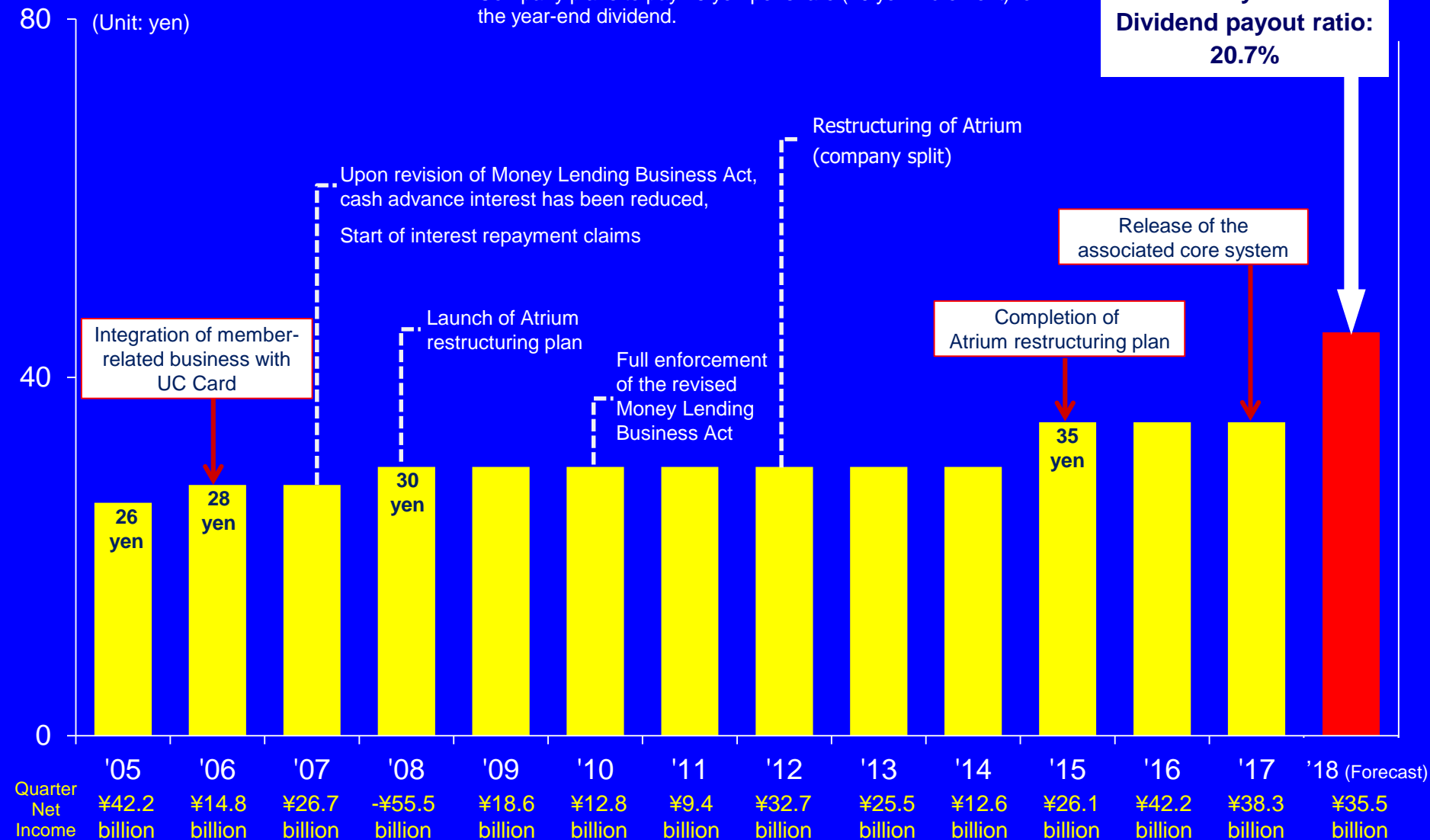
Change in dividend per share

- Despite facing management challenges, the Company has never cut its dividends.
- In 2018, upon migration to the associated core system and a downward trend in the number of repayment claims, the Company plans to pay 45 yen per share (10 yen increment) for the year-end dividend.

FY 2018 (Forecast)

Dividend per share:
45 yen

Dividend payout ratio:
20.7%



(Reference) Fund Structure Changes in Interest-bearing Debt (Non-Consolidated)

[Rating]

R&I A+

Long-term Ratio : 67%

Fixed Ratio : 63%

**Card company's first
super long-term bond
with a term of 20 years**

FY2017 bond issued

May: Issuance volume of 25 billion yen

* For individuals

Period: 5 years

Interest rate: 0.16%

Issuance volume of 10 billion yen

Period: 5 years

Interest rate: 0.16%

June: Issuance volume of 10 billion yen

Period: 20 years

Interest rate: 1.00%

July: Issuance volume of 10 billion yen

Period: 10 years

Interest rate: 0.38%

December: Issuance volume of 30 billion yen

Period: 3 years

Interest rate: 0.09%

FY2018 bond issued

April: Issuance volume of 20 billion yen

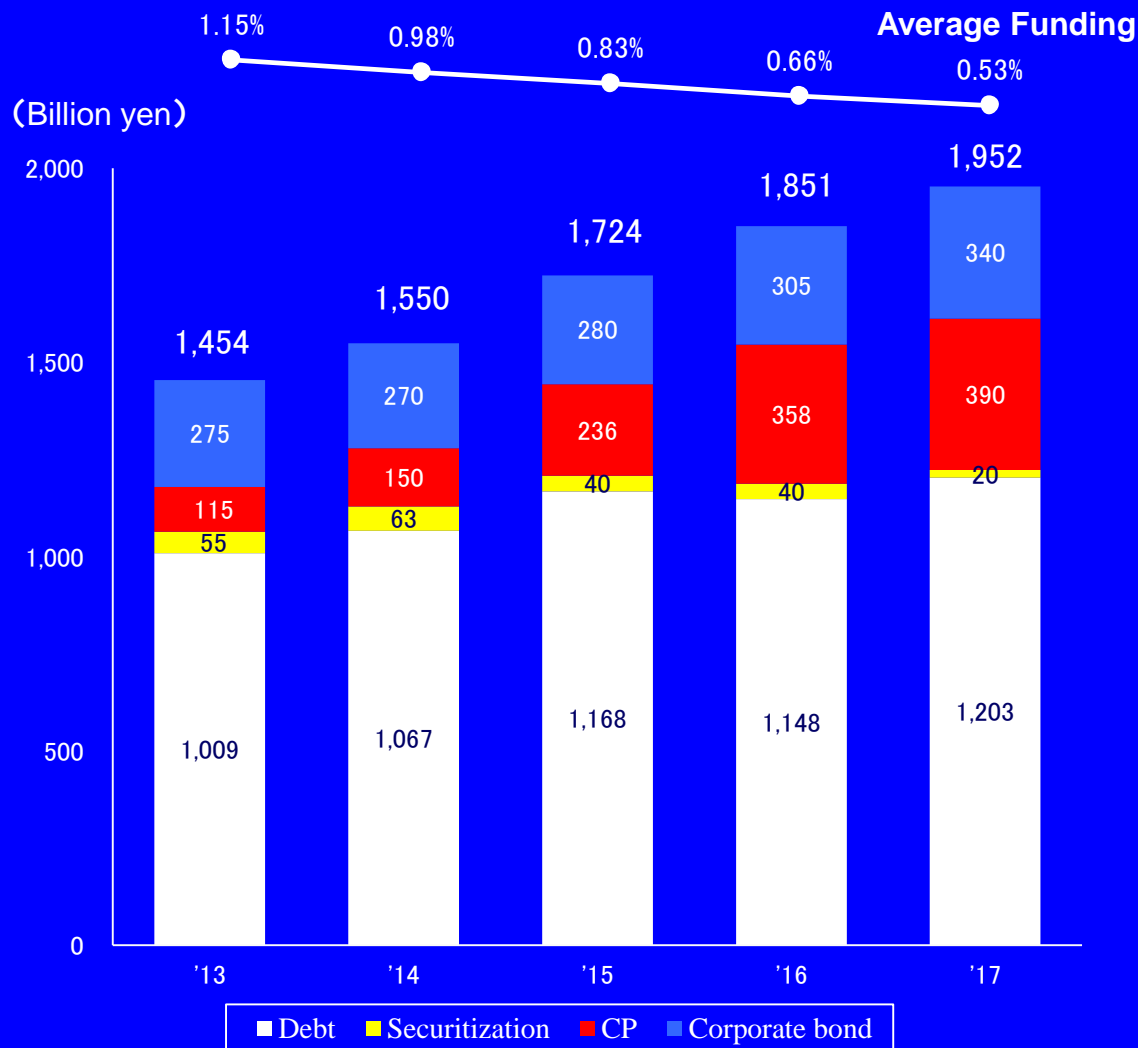
Period: 3 years

Interest rate: 0.06%

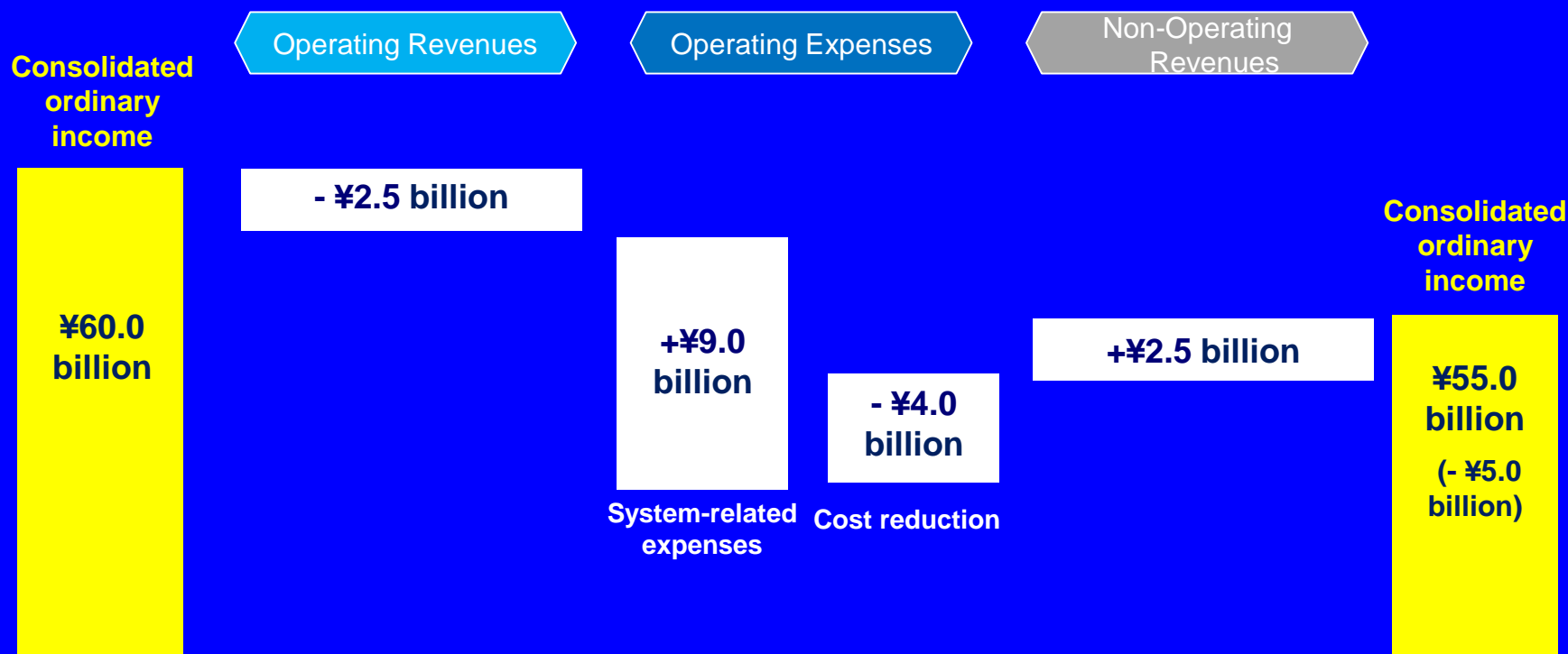
Issuance volume of 15 billion yen

Period: 20 years

Interest rate: 0.99%



Revision of Numerical Targets in Medium-Term Management Plan



Announcement of Medium-Term Management Plan (May 2016)

Unit: Billion yen, %

Revised Plan

FY 2018 (Target)	Consolidated		Non-consolidated	
		YoY (%)		YoY (%)
Operating Revenues	311.0	106.4	267.3	107.0
Ordinary Income	55.0	97.0	41.5	106.8
Quarter Net Income	35.5	92.6	26.0	117.2

[Operating Revenues]

- Increase in revenues from shopping revolving and finance business
- Projected revenue from the stabilized system operation is expected to be delayed

[Operating Expenses]

- Incurring of cost for stable operation of the system
- Cost reduction by introducing paperless policy and digitalized operations.

[Non-Operating Revenues]

- Increase in dividends from the invested companies and venture funds.

FY2018 Management Vision

Medium-Term Management Vision

Neo Finance Company in Asia

FY2016

FY2017

FY2018

To fully dedicate ourselves to fulfill customers' needs and convenience
To transform ourselves start from scratch despite all the prior success

CREDIT
SAISON

To become an organization where each individual and team contributes in wealth creation
To become an organization that strives towards big goals with great inspiration

I

Payment Card Business

Remodeling of
credit card business

Leading-Edge Service Company

- We will continue to respond to "changes in customers' values" and "disruption of existing business models" by technological innovation. -

Shift 1

Shift to domestic + Asian global company

II

Finance Finance Business

Growth strategies of
Finance Business

III

Solution Solution Business

Strengthening of corporate
business power and full-scale
expansion of B2B business

Shift 2

Genuine strengths +
Shift to digitalization of
services and jobs
related to customers

Plus(+) Shift

"Current Strengths" +
"New Strengths"

By having a strong "sense of crisis" and
"competitive spirit" towards competitors,
we will shift ourselves to an
"aggressive company" that actively
offer proposals to customers
and business partners.

Shift 3

Existing business +
Shift to
discontinuous
changes
of business models

IV

Internet Content Business

Creation of business
leveraging digital devices
and customer data

V

Global Asia Business

Strengthening of prior
investment in Asia Business
by utilizing elite workforces

Shift 4

Highly distinctive systems and
services +
Shift to strategic PR activities

Shift 5

"New human resource policy" +
Shift to growing sector of management
resources

VI

Investment Asset Management Business

Securing uniqueness and
competitive advantage in
assets management and
formation market

Collaboration with our affiliated companies, equity strategic alliance partners
and venture companies.

Innovation

Altruism

Happiness

Evolving into an era that demands “newness” and “differences”

Capital alliance with local Asian companies

- Launch of credit card business at Vietnam HD SAISON



- Digital lending with Grab Inc., the largest ride-hailing service provider



- Collaboration with leading IT venture company through investment funds

- Strategic PR through advertising, publicity and video content (SNS)



New human resource policy
Women's participation in society

- Promote card usage through utilization of big data



SAISON DMP



Omnibus

Combination of advertising and publicity

Creation of new business models such as FinTech

- Enhancement in cardless settlement function and strengthening alliance phone apps with business partners



- Expansion in assets management services and enhancement in added value of the point system

永久不滅ポイント
ポイント運用

- Increase in productivity through automation and digitalization of work style and job task

RPA/AI, telework and information system cloudization

- Sharing of in-company knowledge by using video learning and chat tools



Drastic change in “concept of management resources” and “work style”





Challenges for Top-Line Growth

Strategy for new alliances

To provide products and services that is contributable to our business partners, such as affinity credit card, prepaid card, mobile payment system and business processing



Mobile Payment Strategy

■ Apple Pay

- Promote user registration through Saison counters
- Promote usage at places other than convenience stores (e.g: restaurants)



■ Origami Pay

- Expand Origami merchant stores through branches across Japan
- Develop customer services and increase revenue of merchant fees



Cash Advance and Loan Business

Response to the revised Money Lending Business Act

Increase the usage of cash advance option and the cash advance limit

Introduce web system for users to increase the cash advance limit

Cash advance transaction has increased since the 4Q in FY 2017, to the level exceeding the figure in the previous fiscal (100.3% increase for the previous fiscal year)

Accelerate the rebound of balances of cash advance and loan



Remodeling of Credit Card Business

Payment
Card Business

Model change in customer acquiring, credit granting system and merchant acquiring

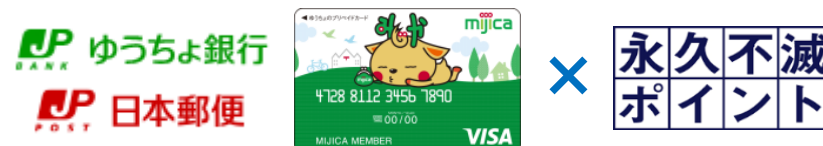
- Implementation of strategies to promote paperless and cardless transactions on websites and smartphones, reform of scoring system and new settlement service such as QR code payment.



Securing competitive advantage through combination of prepaid cards and the Eikyufumetsu point

- Implementation of multiple alliance strategies by combining prepaid cards, debit cards and the Eikyufumetsu point

Introduction of the Eikyufumetsu point system into “mijica”, a prepaid card issued by Japan Post Bank



Diversification of services provided at Saison counters

- Strive to provide multi-finance services such as insurance and housing loan besides credit card
- Enhance customers' recognition of the Saison counter as a base that provide various information including the Saison branding

4th Single



Automation and labor saving by utilization of AI and RPA

- Introduction of no-man operation and increase in efficiency in back-office operation by adopting IT tools such as data coordination
- Implementation of automatic answering chat service utilizing AI

PKSHΔ
TECHNOLOGY



DataSpider®



+ a b | e a u

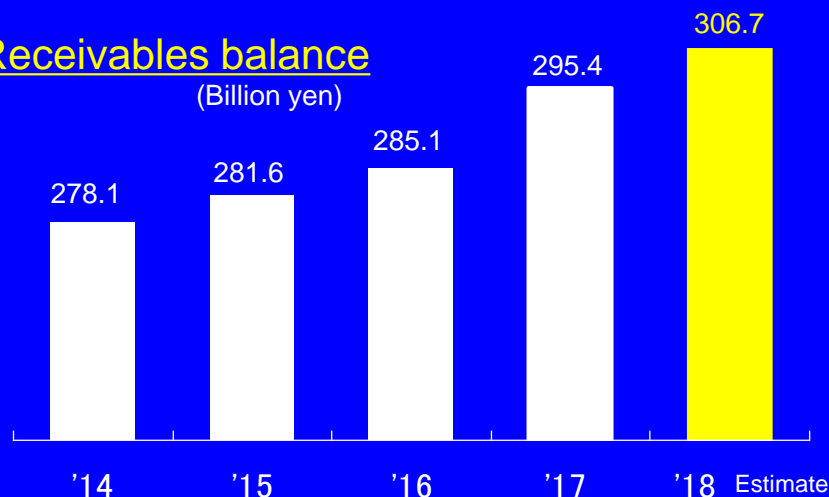


Lease & Rental

- ◆ Strengthen business approach towards main suppliers by utilizing the sales power of branches across Japan
- ◆ Promote the development of new market entry
- ◆ Enhance customer convenience through web scheme

Receivables balance

(Billion yen)



FY2018 Target

<u>Receivables balance</u>	306.7 billion yen (YoY comparison +4%)
<u>Operating revenue</u>	13.2 billion yen (YoY comparison +3%)

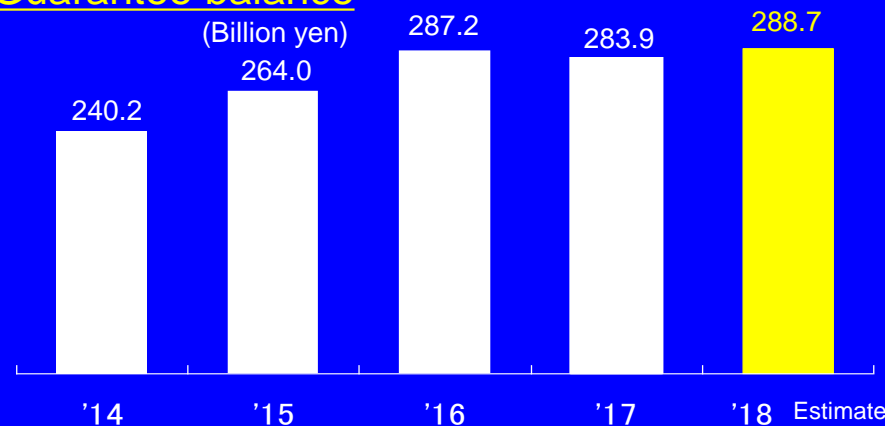
Credit Guarantee

- ◆ Reassure the advantage of our service which is available for business fund purpose
- ◆ Revitalize the relationship with existing business partners and strengthen the acquisition of new partners
- ◆ Continue to strengthen risk control according to market trend, and develop efficient operation system

* No. of business partners: 394 (Credit unions: 219, city and local banks: 73, and credit associations, agricultural cooperatives and others: 102)

Guarantee balance

(Billion yen)



FY2018 Target

<u>Guarantee balance</u>	288.7 billion yen (YoY comparison +1%)
<u>Operating revenue</u>	17.3 billion yen (YoY comparison +1%)



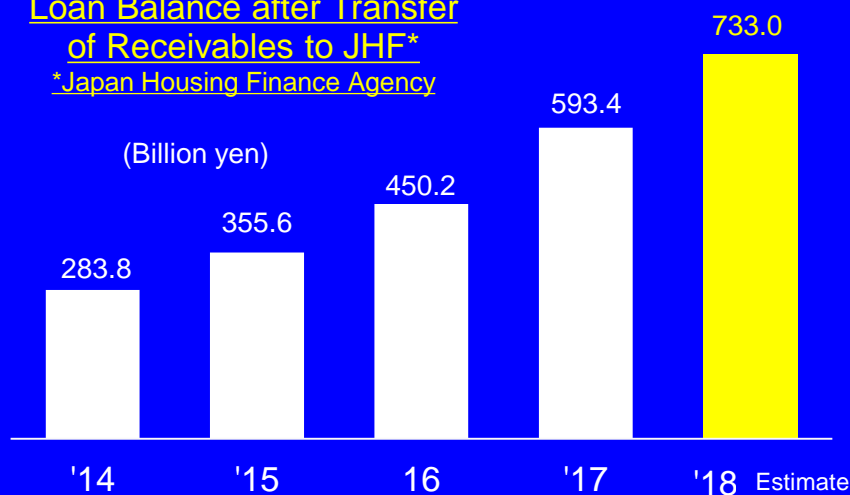
Growth Strategies in Finance Business (2)

Flat 35

- ◆ Speed up the process from consultation to loan agreement through standardized management system
- ◆ Strengthen the relationship with existing agencies and provide full support to operation of new agencies
- ◆ Aggressively develop outbound sales towards customers in need for refinancing

Flat 35
Loan Balance after Transfer
of Receivables to JHF*

*Japan Housing Finance Agency



FY2018 Target

Loan balance

733.0 billion yen
(YoY comparison +25%)

Operating revenue

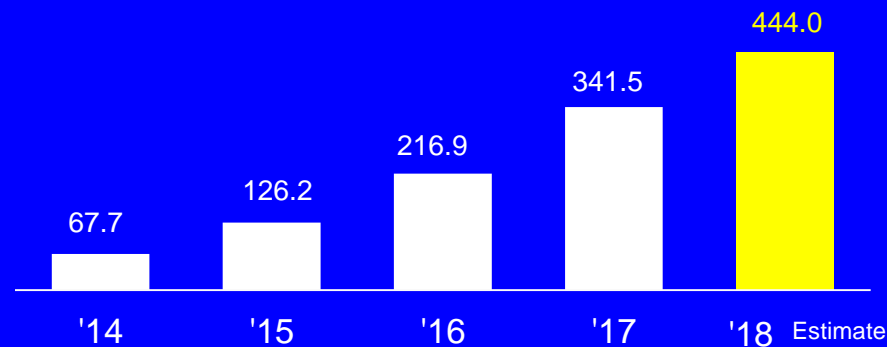
4.7 billion yen
(YoY comparison +21%)

Asset Formation Loan

- ◆ Increase competitiveness by customizing products that meet the market needs
- ◆ Speed up the process from registration, credit evaluation, proposal submission to loan agreement through standardized management system
- ◆ Strengthen the product promotion and supporting system through study sessions with alliance partners

Balance of asset formation loan

(Billion yen)



FY2018 Target

Loan balance

444.0 billion yen
(YoY comparison +34%)

Operating revenue

8.2 billion yen
(YoY comparison +38%)



Strengthening of Corporate Business Power and Full-scale Expansion of B2B Business

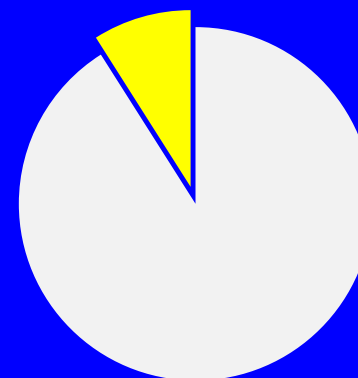
Solution
Solution Business

Promoting cashless settlement at the corporate level by proposing solutions best fit the needs of each client



Share of shopping transaction volume by using Saison corporate cards

Corporate card settlement: approx. **9%**
(approx. +**15%** YOY in transaction volume)



Examples of solution tools



Saison Platinum Business AMEX



Corporate card



Increase in efficiency in expenses reimbursement

sansan

Business card management system



MFクラウド 請求書

Bill management service



Money transfer service



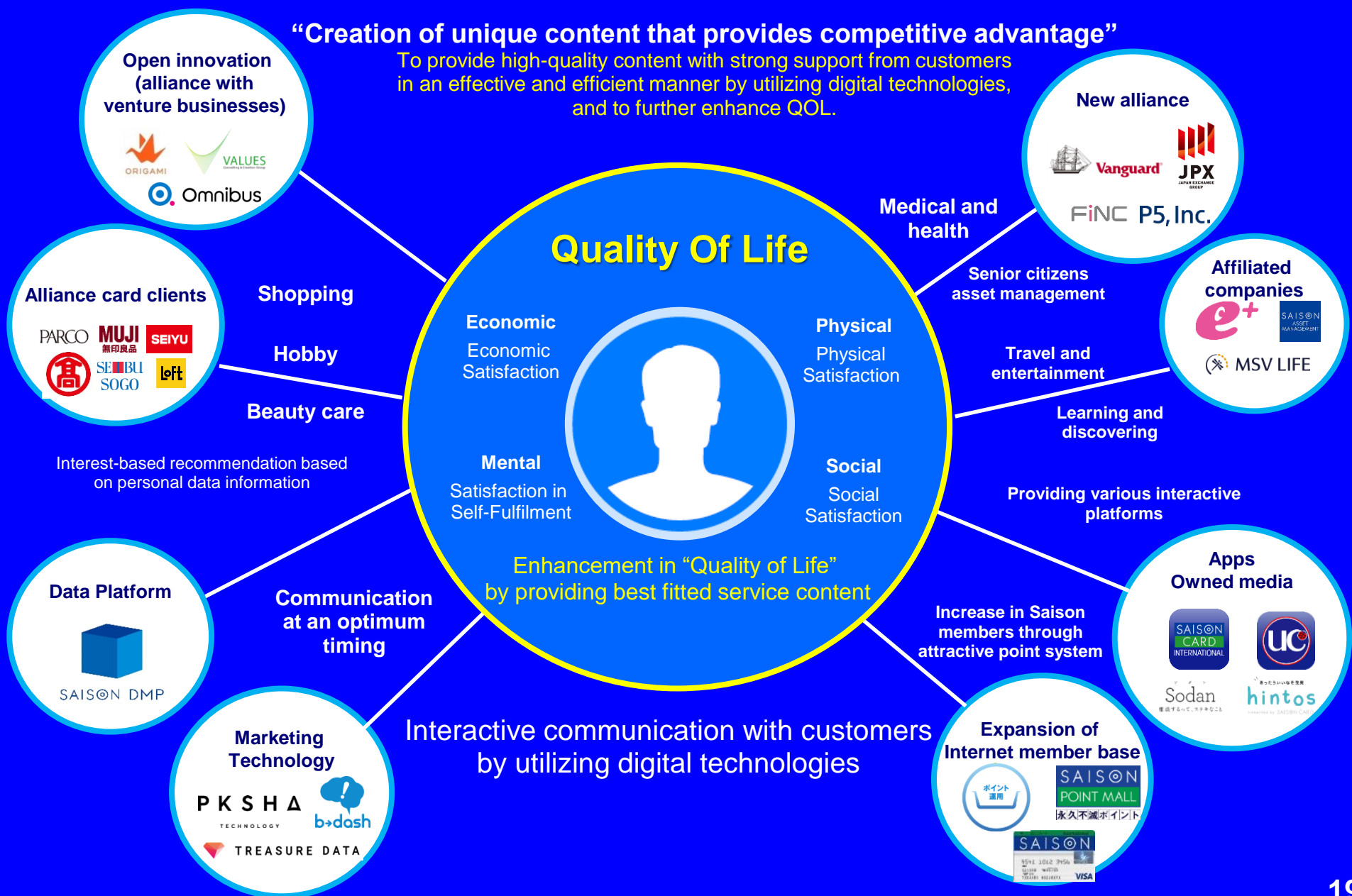
Advanced salary payment service
(The service will allow corporate employees to withdraw their salary for the completed working days before payday)

ビジネスファンディング

New method of funding by purchasing future credit card receivables

Creation of Business Leveraging Digital Devices and Customer Data (1)

Internet
Content Business



Creation of Business Leveraging Digital Devices and Customer Data (2)

Internet
Content Business

In order to speed up the process of realizing the ultimate objective of Eikyufumetsu points to serve as currency, we aimed to **enhance the convenience and versatility** of the point system, encouraging customers to accumulate more points, moreover, **develop an economic zone through enhancing the economic added-value of points.**

Building an ecosystem for Eikyufumetsu currency

Expand the usage area and enhancing the added-value of points

Expand interactive platforms with customers through enriching the point management system and alliance with external companies (in sales)



To increase point-related transaction volume by enhancing convenience of the system

- Building web portals to “use,” “accumulate” and “increase” of the points
- Transform into an online shopping site where users could purchase by using the points, thus further develop the exchange of points



Maximizing the value as a media advertising site by increasing the users of the Company's website

- Improvement of functionality and design of the point mall app
- Boost web traffic by developing attractive contents that develop visitors' interest in exchange and management of point.



Marketing through analysis and utilization of customer data

- Implementing the “personalize approach” based on **user analysis**, Saison DMP and web customer service tools
- **Promoting advertising campaign and increase number of visitors** by encouraging users who are interested in point exchange and point management to fully utilize the point mall





Strengthening of prior investment in Asia Business by utilizing elite workforces

Global
Asia Business

- Actualizing business in India, Myanmar, Thailand and Philippines
- Indirect investment and business alliance with Asia leading IT venture companies through investment fund.
- Developing resilient and altruistic business through innovative ideas by taking into account the situation in each country

Subsidiaries

Singapore



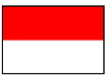
Credit Saison Asia Pacific (RHQ)

China



**Saison Business Consulting
(Shanghai)**

Indonesia



PT SAISON MODERN Finance



PT Saison Modern Finance

Affiliated companies

Vietnam



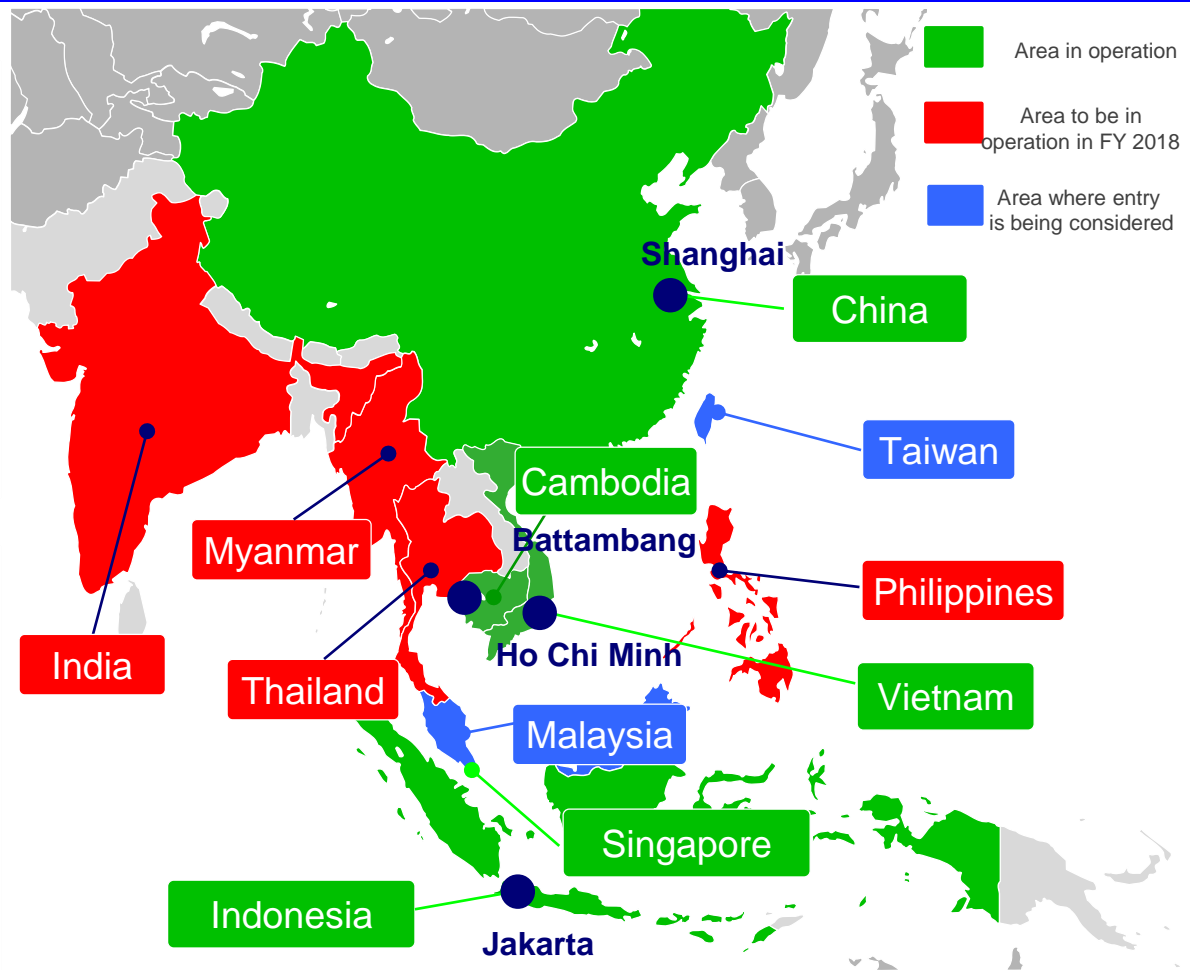
HD SAISON Finance Company



Cambodia



Idemitsu SaisonMicrofinance



Partnered up with Vietnam HD Bank on inclusive business, started the business as “HD SAISON Finance Company” since May 2015, developing its business primarily on motorcycle loans, home appliances loans and personal loans.

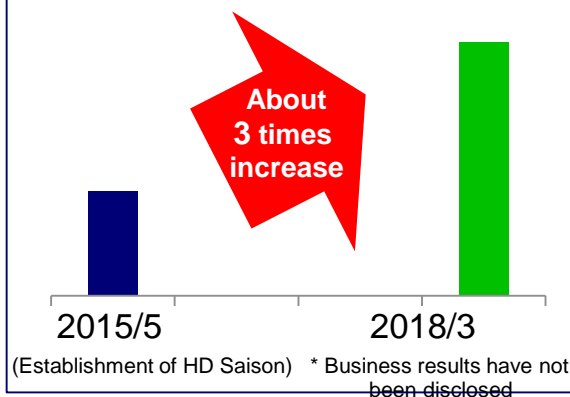


HD SAISON
Finance

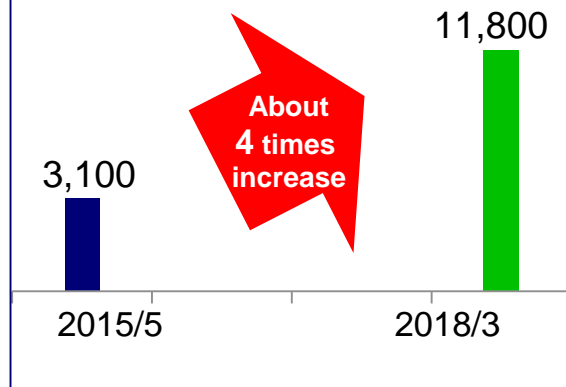
- Started investment in May 2015
(Credit Saison's stake: 49%)
- Stable growth in business operation and scale up since investment by the Company
- The Company invested in HD BANK in order to expand its Vietnam business including launching of credit card business



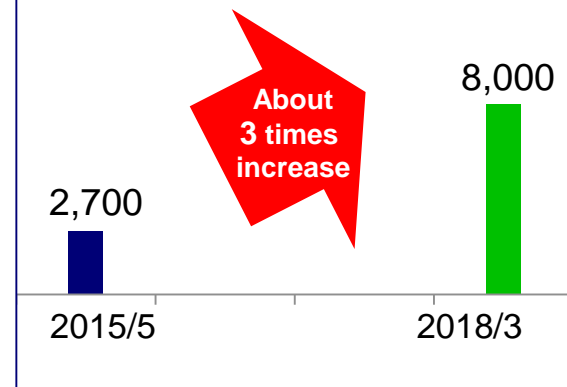
Receivables balance



No. of bases



No. of employees





Grab Holdings Inc.

- Established in 2012, a on-demand ride-hailing and mobile payment services platform provider
- Has its business operating in 8 Southeast Asia countries (Singapore, Malaysia, Indonesia, Vietnam, the Philippines, Thai, Myanmar and Cambodia)

<Joint effort to operate business across Southeast Asia through establishment of the joint venture >



- Big data and sales channel
- Network across Southeast Asia

Acquisition of stock



Credit Saison Co., Ltd.

- Know-how on retail finance business accumulated in Japan
- Provided funding to accelerate joint business

Invested in

Grab Financial Services Asia Inc.

- Provides loans to Grab-registered drivers and general users
- Gives credit through cooperation with GrabPay app and establishing of credit scoring system
- Promotes cashless society through generalize cardless payment

Invested in

Operation across Southeast Asian countries



Hailing by taxis and motorcycles



"GrabPay," mobile payment service



Securing Uniqueness and Competitive Advantage in Assets Management and Formation Market

Investment
Asset Management
Business

Assisting each customer's assets management



セゾン投信



Supporting customers' asset management with professional **long-term asset management and development funds**

Balance of managed assets

208.5 billion yen



マネックス・セゾン・バンガード
投資顧問株式会社

Providing **wrap account management service** by utilizing IT technologies and world-class financial knowledge

Balance of managed assets

34.4 billion yen

Experience investment by using **Eikyufumetsu Points** accumulated as the first step for assets formation

Launched in December 2016



No. of users

130 thousand

Amount of managed assets

860 million yen

Established **"Asset Management Account"**, an asset management platform

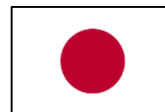
Introduced **"Tsumitate (regular saving) function"** and new courses

Service enhancement in March 2018



U.S. Stock (VOO) Course

Simulates the stock market index of 500 major stocks (large-cap stocks) listed in the U.S. market



Japanese Stock (TOPIX) Course

Simulates the Tokyo Stock Price Index



Views on ESG for Sustainable Growth

Based on our management philosophy “Leading-Edge Service Company”, we are determined to contribute in social development and problem solving in a manner where only Credit Saison could make it, through our daily business operation, in order to create a convenient and abundant sustainable society.

E

Environmental Preservation Activities

- Operation of Akagi Nature Park
- Environmental volunteer activity
- Promotion of paperless operations in the offices of both Saison and our customers

Providing information on nature abundance places

Creation of cashless society

- Promote new generation settlement system through credit card, prepaid card and QR code.
- Create investment education and investment opportunities through the point management service and Credit Saison Asset Management.
- Contribute to economic growth and improve living standards of the people through the financial services provided in Southeast Asia developing countries.
- Provide education programs for our future generation
- Assist and support the growth of local communities through the contribution from Eikyufumetsu point exchange and credit card settlement.
- Support Japan national soccer team and performance by Mr. José Carreras.

S

Contribution to Society

Support for sports / cultural activities

Introduction of innovative financial services and financial education

Diversity & Inclusion

G

Corporate Governance

- Appointment of more than one female officers
- Mutual performance assessment among officers
- Enhancement in information through renewal of Company's IR website
- Improvement activity through effectiveness assessment of the Director Board

Contribution to local communities

Advertising & Publicity – Efforts in enhancing brand image

Development of a new strategic PR system “Advertising X PR activities X Empathetic Contents”



- Operated since 2010
- Area: Approx. 120 ha (approx. 360,000 tsubo)



- World Cup Russia in June 2018
- Supported Japan National Soccer Teams as a supporting company since 2001

Employment of all workers as permanent employees / women's participation in society

Promotion of “same wage for same work”
Promotion of telework

Empathetic /
experience content

Sharing and expansion

CREDIT
SAISON
Building an own
corporate brand of
Credit Saison

Enhancement in awareness of
the corporate brand



Higashi Ikebukuro 52





Diversity & Inclusion

Diversity Declaration by Credit Saison

Towards an organization where everyone could shine their true selves, show mutual respect and work together

Reformation and promotion of
“Dynamic and Active Project” for all
members in the Company

To cultivate the culture to embrace diversity and to promote flexible work style

Saison Style (Our Principle)

Keep trying

Question the common knowledge

Do your best

Improve yourself

Enhance teamwork

System to promote diversity and inclusion

Create a culture to embrace the diversity in gender, age, nationality, value and others

Bottom-up method of
reform proposal and execution
“Saison Work Life Design Team”

Operation of web media to plan on new work style and lifestyle

ONE human resource policy for ALL employees

Indefinite-term employment

Paid leave taken by hour

Bonus and defined contribution
pension plan

Telework and
flextime system

Same wage for the same
work

Implementation of the system
allowing employees work in a more
flexible manner

2 years
in a row



Selected as a “Healthy and Productive Corporate 2017 (White500),” a joint initiative by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange

MSCI



2017 Constituent
MSCI日本株
女性活躍指数 (WIN)

Saison share was included in MSCI Japan Empowering Women Index that is managed by MSCI, USA and was selected by GPIF for its ESG investment

- <Others>
- Participated in “Toshima IkuBoss declaration program” organized by Toshima-ku, Tokyo
 - Agreed to the “Kanagawa Declaration for Support for Women’s Participation in Society” proposed by Kanagawa Prefecture
 - Selected as the “Company promoting Women’s participation in society” by Nagoya City

■ (Reference) Environment (Activities for environmental preservation)

We contribute to environmental preservation by various activities including operation of the Akagi Nature Park and use of environment-friendly materials.

We also make efforts for environmental reservation in our daily works represented by introduction of paperless operations.

■ Operation of Akagi Nature Park



Spring



Summer



Fall



Winter

No. of visitors in FY 2017:
more than 70,000

Total no. of visitors since open in 2010:
approx. 360,000

■ Environmental Volunteer Activity



Clean Day in Makuhari Shintoshin



Beach Green Activity in Enoshima

■ Promotion of Paperless Operations

- Promotion of paperless operations by digitalizing utilization bills and membership application on the website



≡ (Reference) Social (Contribution to society)

By upholding the belief that “as an important entity in the society, a company does not only follow the rules or contributing profit, but also respond to the current and potential needs of the people, community and society through developing business with better approach and idea”, various social activities are being conducted.

■ “Construction of social infrastructure” and “development of local communities” through creating a cashless society

<Japan>

Development of platform for new generation such as credit card, prepaid card and QR code settlement system



<Overseas>

Contribute to local economy, particularly in ASEAN, by providing financial infrastructure through joint venture and alliances with local companies

Cambodia



Provides financial services such as **business fund**, **loan**, **installment credit** in the agricultural sector

Idemitsu Credit Co., Ltd.*

* A company that the Company owns 50% share of

■ Finance education and career education



A Saison employee was giving lecture to Vietnam students

■ Donation through point exchange



First visit to the Company (Family day)

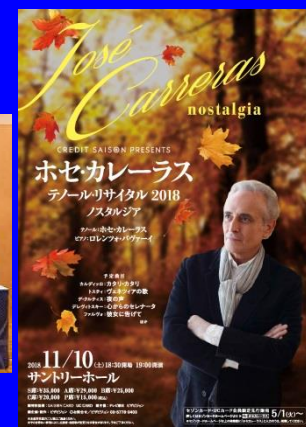


Donation to Kanagawa Prefectural Animal Protection Center Construction Foundation

■ Support for sports and cultural activities



As a supporting company for Japan national soccer teams



Supporting music activities by José Carreras, one of the Three Tenors famed across the world



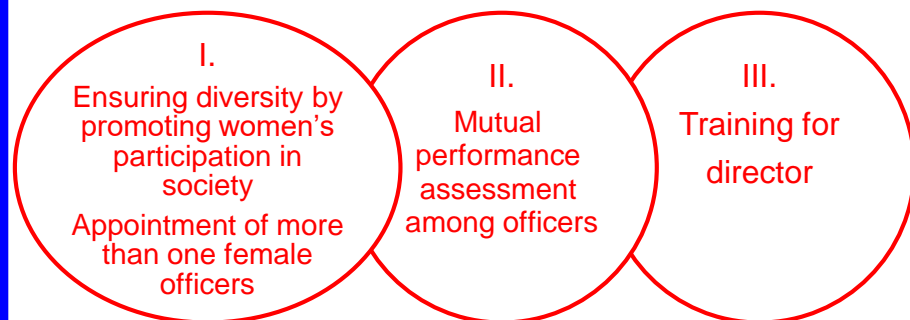
(Reference) Governance (Activities for governance enhancement)

Recognizing it is vital to secure transparency in management and to enhance management supervisory capability in realizing management targets, we carry out various activities for enhancement of corporate governance.

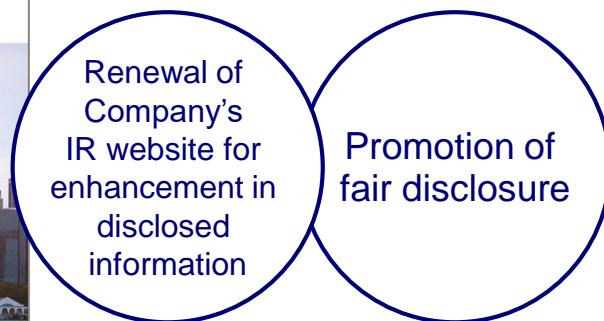
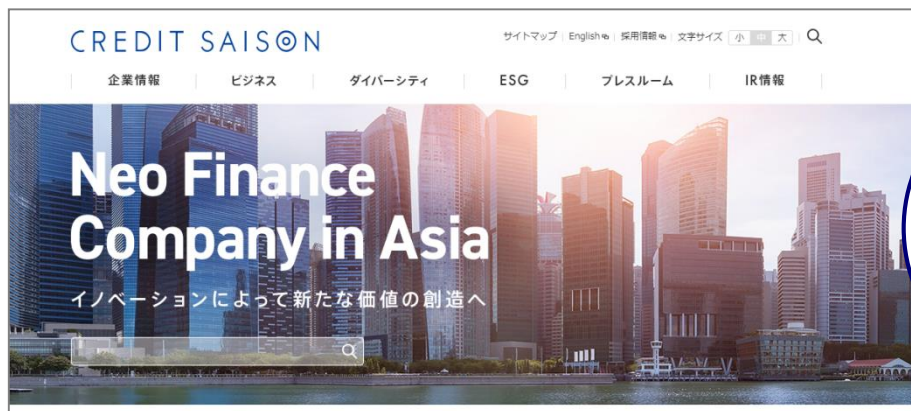
Enhancement of effectiveness of board meeting and strengthening of supervisory functions



Conducive environment for risk-taking in an innovative and appropriate manner



Interaction with shareholders and appropriate information disclosure

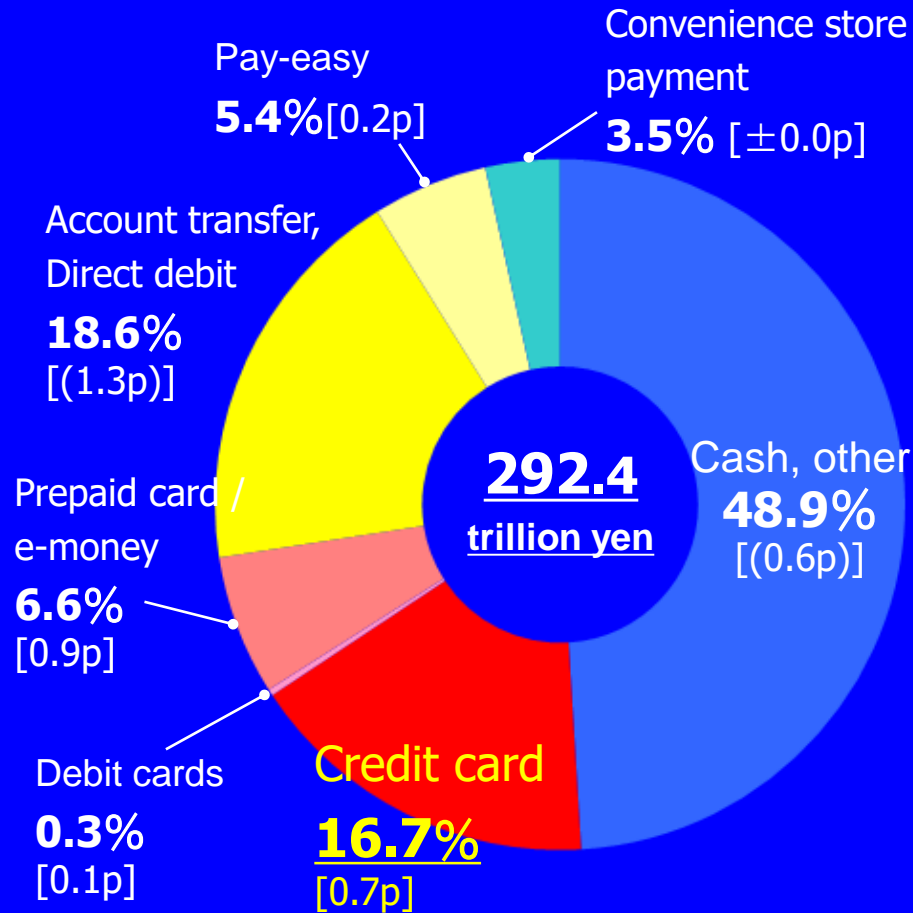




Comparison of Share for Payment Methods in Consumer Spending in Japan and the U.S.

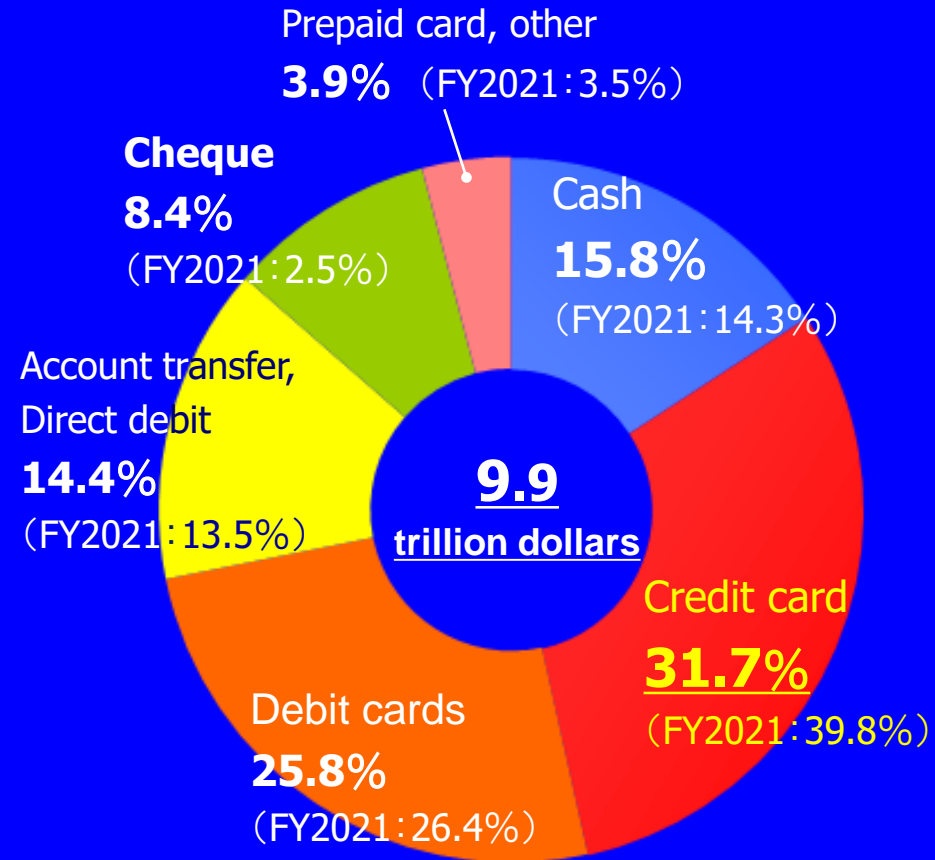
Japan (FY2016)

※【YoY】



U.S.A. (FY2016 → FY2021 forecast)

※【 Share forecast of FY2020 】

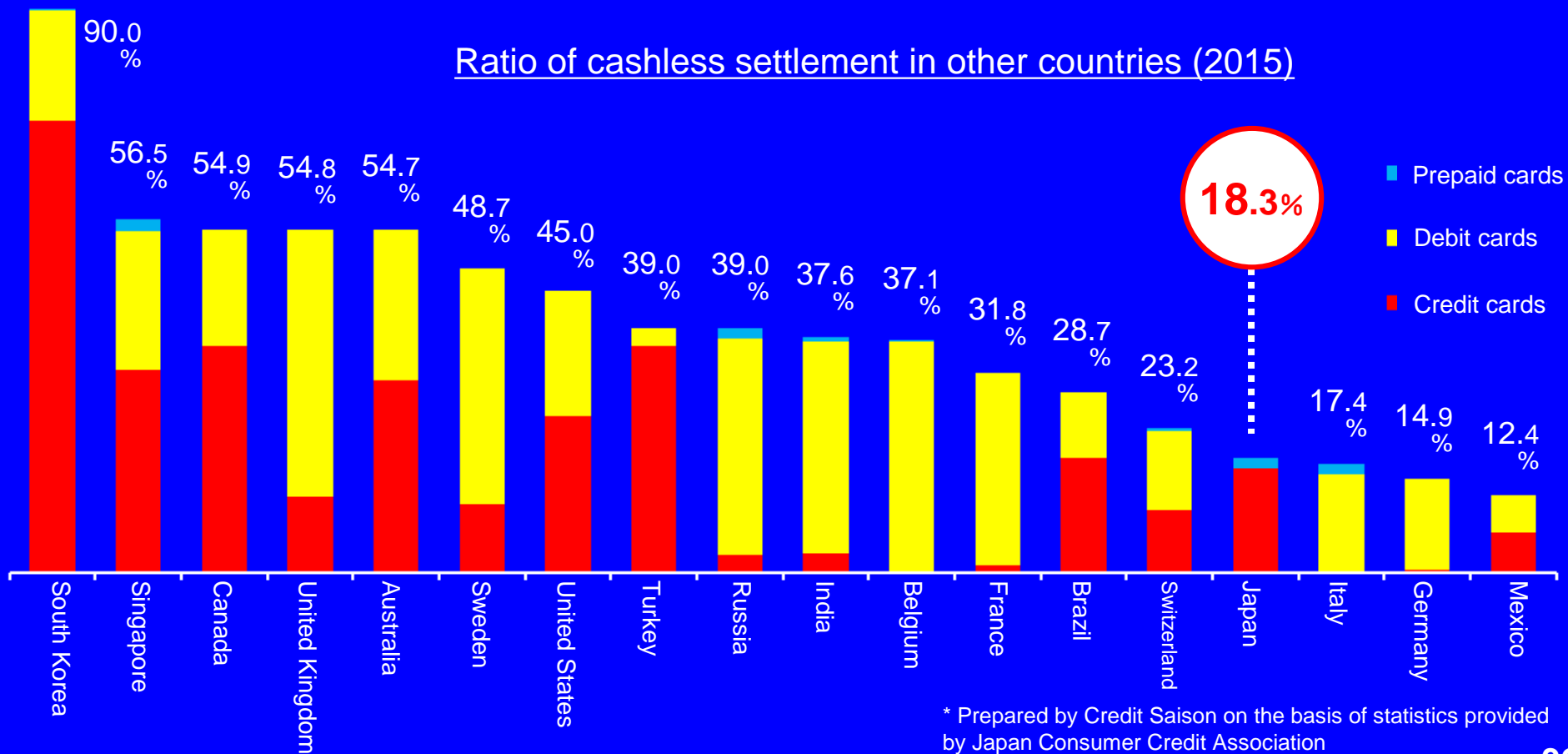


* Japan: Calculated by our company based on sources such as the Ministry of Economy, Trade and Industry, New Payment Report, Mitsubishi UFJ Research and Consulting, and official documents from various companies.

* U.S.A: Calculated by our company based on the "2015 Results and 2020 Forecast" listed in the NILSON REPORT.

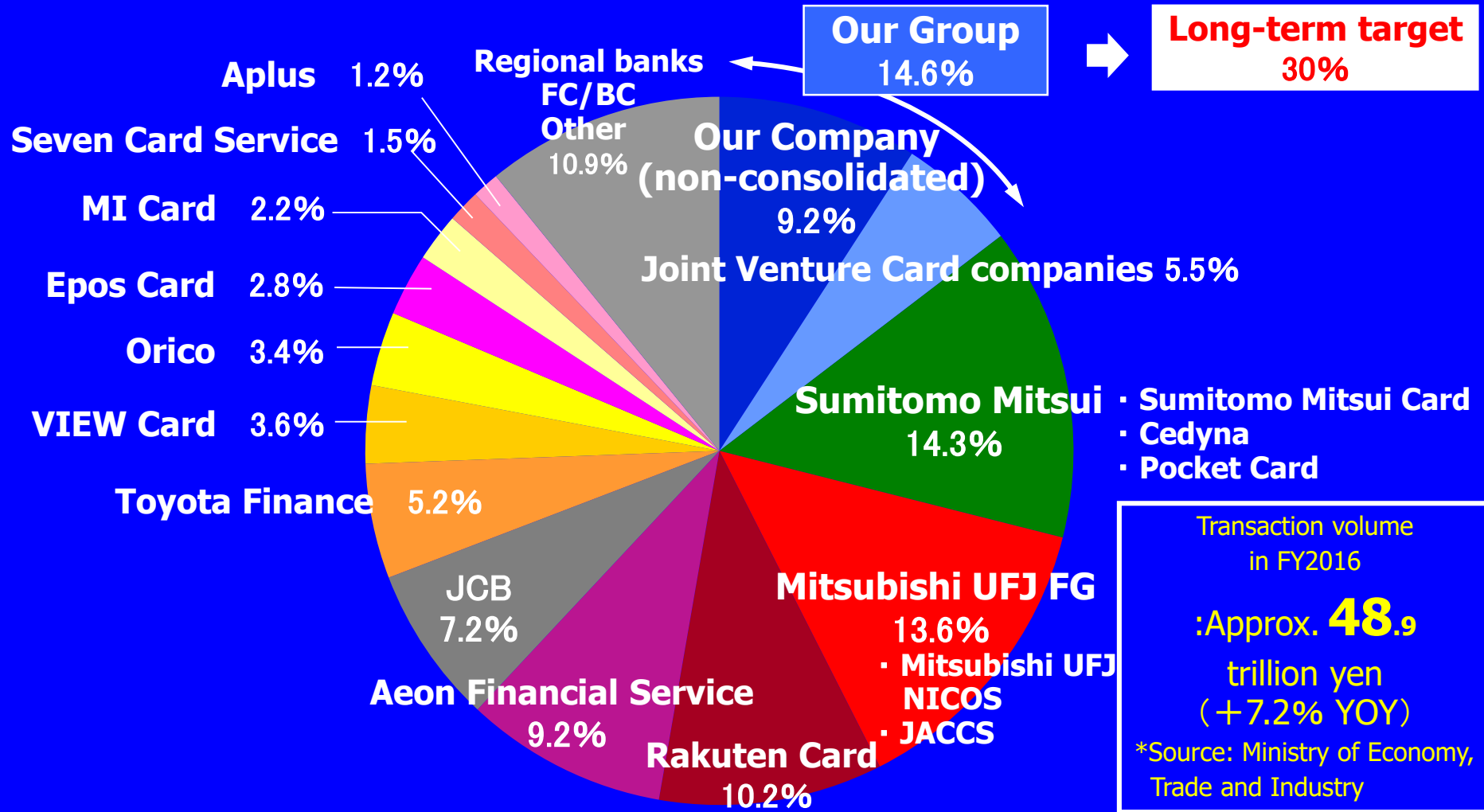
(Reference) Japan, the “less-developed country in cashless settlement”

- The Japanese government aimed to achieve 40% of cashless settlement in 2025, which is 2 years earlier than the original plan, in order to cut down the costs related to distribution and management of cash for ATM machines and etc., which is believed to reach 8 trillion yen per year.
- Case study of other countries' efforts in encouraging cashless settlement such as the tax incentive in Korea serves as good reference, however, cash settlement is deeply rooted in Japan, where it has a wide ATM network and low damages caused by fake notes and robberies.



(Reference) Domestic Market Share (Shopping Transaction Volume)

■ Card shopping transaction volume (issuer base) 【2016 fiscal year】



※Calculated by the Company by using own method based on each company's official report.

※Data used is basically on non-consolidated basis (excluding overseas card members), both FC and BC of all brand companies (approx.. 107) are categorized as "Regional banks FC/BC".

※Investment companies of the Company: Idemitsu Credit, Seven CS Card, Takashimaya Credit, Resona Card, Shizuoka Bank Saison Card, Daiwa House Group



[Recommended Product] Saison American Express® Card



PLATINUM

Annual membership fee
<excluding tax>:

20,000 yen

Eikyufumetsu point (1,000 yen = 1 point / indefinite period): **X 2 for overseas use / X 1.5 for domestic use**

Concierge service: 24hours / 365days

Priority pass: No registration fee (annual membership fee: US\$399)

Free baggage delivery service: available for both ways

Premium golf service: annual membership fee: 10,000 yen

Complimentary: premium hotel privilege / Entrée / American Express® Connect

Online protection: compensation for damages /
overseas travel accident insurance: **up to 100 million yen**



GOLD

Annual membership fee
<excluding tax>:

10,000 yen

Eikyufumetsu point (1,000 yen = 1 point / indefinite period): **X 2 for overseas use / X 1.5 for domestic use**

Priority path: registration required (membership fee is charged separately)

Free baggage delivery service: available only for return trip

Complimentary: American Express® Connect

Online protection: compensation for damages /
overseas travel accident insurance: **up to 50 million yen**



BLUE

Annual membership fee
<excluding tax>:

3,000 yen

Eikyufumetsu point (1,000 yen = 1 point / indefinite period): **X 2 for overseas use**

Free baggage delivery service: available only for return trip

Complimentary: American Express® Connect

Online protection: compensation for damages /
overseas travel accident insurance: **up to 30 million yen**



PEARL

Annual membership fee
<excluding tax>:

1,000 yen

* Free for the first year. Second year onwards, free membership is applicable with terms and conditions.

Annual membership fees: Free annual membership with at least once usage of card

Eikyufumetsu point (1,000 yen = 1 point / indefinite period): **X 2 for overseas use**

Complimentary: American Express® Connect

Online protection: compensation for damages