

**Consolidated Financial Statements  
for the First Quarter of the Fiscal Year Ending March 31, 2019**

**[JGAAP]**



August 9, 2018  
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

Inquiries to: Yuichi Kawahara / General Manager, Corporate Planning Dept.; Phone: (03) 3988-2110

Scheduled date to submit Quarterly Securities Report: August 14, 2018

Scheduled date to commence dividend payments: –

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results presentation meeting: No

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, 2019 (April 1, 2018 to June 30, 2018)**

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

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
1 <sup>st</sup> Quarter FY2018	74,805	3.8	11,386	(13.4)	14,890	(28.6)	11,201	(48.2)
1 <sup>st</sup> Quarter FY2017	72,091	6.7	13,150	5.3	20,859	35.8	21,644	93.1

(Note) Comprehensive income: 1<sup>st</sup> Quarter FY2018 12,438 million yen [(19.9)%]

1<sup>st</sup> Quarter FY2017 15,533 million yen [224.7%]

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
1 <sup>st</sup> Quarter FY2018	68.58	–
1 <sup>st</sup> Quarter FY2017	132.52	–

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio
	(Millions of yen)	(Millions of yen)	(%)
1 <sup>st</sup> Quarter FY2018	3,029,162	487,388	16.1
FY2017	2,940,022	480,669	16.3

(Reference) Equity: 1<sup>st</sup> Quarter FY2018 486,227 million yen FY2017 479,128 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)
FY2017	–	0.00	–	35.00	35.00
FY2018	–				
FY2018 (Projected)		0.00	–	45.00	45.00

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

### 3. Consolidated Earnings Forecasts for Fiscal 2018 (April 1, 2018 to March 31, 2019)

(% represents year-on-year change)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
First six months	152,000	4.5	18,500	(29.1)	25,000	(31.0)	17,000	(46.9)	104.08
FY2018	311,000	6.4	42,500	4.2	55,000	(3.0)	35,500	(7.4)	217.35

(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: None
  - b. Changes in accounting policies other than a. above: None
  - c. Changes in accounting estimates: None
  - d. Restatement of prior period financial statements after error corrections: None
- (4) Number of shares issued (common shares):
  - a. Number of shares issued at the end of the period (including treasury shares):

1 <sup>st</sup> Quarter FY2018:	185,444,772 shares	FY2017:	185,444,772 shares
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  - b. Number of treasury shares at the end of the period:

1 <sup>st</sup> Quarter FY2018:	22,112,415 shares	FY2017:	22,112,371 shares
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  - c. Average number of outstanding shares during the period (cumulative):

1 <sup>st</sup> Quarter FY2018:	163,332,371 shares	1 <sup>st</sup> Quarter FY2017:	163,333,132 shares
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- Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

- 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)

	FY2017 (As of March 31, 2018)	First quarter of FY2018 (As of June 30, 2018)
<b>(ASSETS)</b>		
Current assets		
Cash and deposits	74,612	90,749
Accounts receivable - installment	1,927,544	1,992,039
Purchased receivables	15,347	17,008
Lease investment assets	231,733	234,096
Operational investment securities	35,976	35,811
Real estate for sale	102,009	103,568
Other inventories	1,578	1,585
Other	34,073	36,314
Allowance for doubtful accounts	(50,570)	(51,553)
Total current assets	2,372,304	2,459,621
Non-current assets		
Property, plant and equipment	76,490	76,261
Intangible assets	210,605	211,565
Investments and other assets		
Liquidation business assets	32,108	31,787
Other	249,817	251,085
Allowance for doubtful accounts	(2,924)	(2,921)
Total investments and other assets	279,001	279,951
Total non-current assets	566,097	567,777
Deferred assets	1,620	1,763
Total assets	2,940,022	3,029,162
<b>(LIABILITIES)</b>		
Current liabilities		
Notes and accounts payable - trade	295,523	291,699
Short-term loans payable	247,960	244,960
Current portion of long-term loans payable	55,300	46,800
Current portion of bonds	20,000	20,000
Commercial papers	389,500	438,000
Lease obligations	466	473
Income taxes payable	5,173	1,357
Provision for bonuses	2,636	2,089
Provision for directors' bonuses	172	32
Provision for loss on interest repayment	9,229	7,637
Allowance for losses on collecting gift tickets	139	138
Deferred installment income	9,579	9,492
Other	50,185	53,890
Total current liabilities	1,085,865	1,116,571

(Millions of yen)

	FY2017 (As of March 31, 2018)	First quarter of FY2018 (As of June 30, 2018)
Non-current liabilities		
Bonds payable	320,000	365,000
Long-term loans payable	902,299	909,199
Long-term loans payable under credit fluidity	20,000	20,000
Lease obligations	1,318	1,270
Provision for directors' retirement benefits	128	128
Provision for loss on guarantees	7,359	7,264
Allowance for losses on warranty of defects	19	14
Provision for point card certificates	101,319	101,534
Provision for loss on interest repayment	13,918	14,277
Asset retirement obligations	467	468
Other	6,655	6,045
Total non-current liabilities	<u>1,373,486</u>	<u>1,425,202</u>
Total liabilities	<u>2,459,352</u>	<u>2,541,773</u>
(NET ASSETS)		
Shareholders' equity		
Capital stock	75,929	75,929
Capital surplus	85,634	85,634
Retained earnings	334,698	340,180
Treasury shares	(52,880)	(52,880)
Total shareholders' equity	<u>443,381</u>	<u>448,864</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	36,806	38,780
Deferred gains or losses on hedges	(458)	(413)
Foreign currency translation adjustment	(601)	(1,003)
Total accumulated other comprehensive income	<u>35,746</u>	<u>37,363</u>
Share acquisition rights	0	0
Non-controlling interests	1,540	1,161
Total net assets	<u>480,669</u>	<u>487,388</u>
Total liabilities and net assets	<u>2,940,022</u>	<u>3,029,162</u>

**(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 FY2017 (April 1, 2017 to June 30, 2017)	First quarter of FY2018 (April 1, 2018 to June 30, 2018)
Operating revenue		
Income from the credit service business	53,623	55,258
Income from the Lease business revenue	3,252	3,204
Revenue from the finance business	8,211	9,668
Income from the real estate related business		
Revenue from the real estate related business	12,716	9,494
Cost of the real estate related business	8,140	5,151
Income from the real estate related business	4,575	4,343
Income from the entertainment business		
Revenue from the entertainment business	13,346	12,796
Cost of the entertainment business	10,963	10,535
Income from the entertainment business	2,382	2,261
Financial revenue	45	69
Total operating revenue	72,091	74,805
Operating expenses		
Selling, general and administrative expenses		
Provision for point card certificates	3,493	2,584
Provision of allowance for doubtful accounts	6,034	5,592
Provision for loss on guarantees	1,750	1,951
Commission fee	16,354	19,026
Other	28,929	31,905
Total selling, general and administrative expenses	56,563	61,059
Financial expenses	2,377	2,359
Total operating expenses	58,940	63,419
Operating profit	13,150	11,386
Non-operating income		
Interest income	6	6
Dividend income	895	874
Share of profit of entities accounted for using equity method	6,263	2,091
Gain on liquidation business	-	98
Other	665	444
Total non-operating income	7,831	3,516
Non-operating expenses		
Interest expenses	5	5
Equity in loss of limited liability partnerships and other similar partnerships	70	3
Loss on liquidation business	39	-
Other	5	2
Total non-operating expenses	122	12
Ordinary profit	20,859	14,890

(Millions of yen)

	First quarter of FY2017 (April 1, 2017 to June 30, 2017)	First quarter of FY2018 (April 1, 2018 to June 30, 2018)
Extraordinary income		
Gain on sales of investment securities	8,481	–
Other	293	–
Total extraordinary income	8,775	–
Extraordinary losses		
Loss on disposal of non-current assets	0	–
Other	1	–
Total extraordinary losses	2	–
Profit before income taxes	29,632	14,890
Income taxes - current	3,483	963
Income taxes - deferred	4,800	3,095
Total income taxes	8,283	4,059
Profit	21,348	10,831
Loss attributable to non-controlling interests	(295)	(370)
Profit attributable to owners of parent	21,644	11,201

## Consolidated Quarterly Statements of Comprehensive Income (Cumulative)

(Millions of yen)

	First quarter of FY2017 (April 1, 2017 to June 30, 2017)	First quarter of FY2018 (April 1, 2018 to June 30, 2018)
Profit	21,348	10,831
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,380)	1,977
Deferred gains or losses on hedges	31	45
Foreign currency translation adjustment	(31)	(30)
Share of other comprehensive income of entities accounted for using equity method	(4,435)	(384)
Total other comprehensive income	(5,815)	1,607
Comprehensive income	15,533	12,438
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,838	12,818
Comprehensive income attributable to non-controlling interests	(304)	(379)

### (3) Segment information, etc.

#### Segment information

For the first quarter ended June 30, 2017 (from April 1, 2017 to June 30, 2017)

Information regarding revenue, profit and other items by reportable segments

(Millions of yen)

	Reportable segments						Adjustments	Consolidated quarterly statements of income
	Credit service	Lease	Finance	Real estate related	Entertainment	Total		
Operating revenue								
External revenue	53,666	3,254	8,211	4,575	2,382	72,091	–	72,091
Inter-segment revenue and transfer	271	4	–	5	–	281	(281)	–
Total	53,938	3,259	8,211	4,581	2,382	72,373	(281)	72,091
Segment profit	5,364	1,146	3,980	2,324	334	13,150	0	13,150

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

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

For the first quarter ended June 30, 2018 (from April 1, 2018 to June 30, 2018)

Information regarding revenue, profit and other items by reportable segments

(Millions of yen)

	Reportable segments						Adjustments	Consolidated quarterly statements of income
	Credit service	Lease	Finance	Real estate related	Entertainment	Total		
Operating revenue								
External revenue	55,325	3,207	9,668	4,343	2,261	74,805	–	74,805
Inter-segment revenue and transfer	330	0	–	4	–	336	(336)	–
Total	55,656	3,207	9,668	4,347	2,261	75,141	(336)	74,805
Segment profit	2,437	1,930	4,578	2,072	366	11,386	0	11,386

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

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