

《Translation of excerpted sections》

## Consolidated Financial Statements for the Fiscal Year Ended March 31, 2019

(IFRS)



May 15, 2019  
Stock exchange listing: Tokyo  
(URL <https://www.saisoncard.co.jp>)

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

Code number: 8253

Representative: Masahiro Yamashita / President and COO

Inquiries to: Hiroaki Tanaka / General Manager, Corporate Planning Dept.; Phone: (03) 3988(2110)

Scheduled date of the Ordinary General Meeting of the Shareholders: June 20, 2019

Scheduled date to submit Securities Report: June 20, 2019

Scheduled date to commence dividend payments: June 21, 2019

Preparation of supplementary material on financial results: Yes

Holding of investor meeting: Yes (for institutional investors and analysts)

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

### 1. Consolidated Results for the Fiscal Year Ended March 31, 2019 (April 1, 2018 to March 31, 2019)

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

	Net revenue		Business profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2018	304,855	4.0	52,233	(8.9)	45,763	(13.4)	29,340	(23.6)	30,517	(20.6)	19,127	(51.9)
FY2017	293,250	-	57,314	-	52,850	-	38,386	-	38,446	-	39,672	-

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent	Profit before tax/total assets	Business profit/net revenue
	(Yen)	(Yen)	(%)	(%)	(%)
FY2018	186.84	-	6.2	1.5	17.1
FY2017	235.39	-	8.2	1.9	19.5

(Reference) Share of profit (loss) of investments accounted for using equity method

FY2018 7,355 million yen FY2017 12,306 million yen

#### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)	(Yen)
FY2018	3,212,465	491,741	490,998	15.3	3,006.14
FY2017	2,946,978	490,849	488,883	16.6	2,993.18

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
FY2018	(192,438)	(40,313)	242,211	82,642
FY2017	(40,023)	(45,134)	92,945	73,179

## 2. Dividends

	Annual dividends					Total of dividends (Full year) (Millions of yen)	Payout ratio (Consolidated) (%)	Ratio of dividends to equity attributable to owners of parent (Consolidated) (%)
	End of first quarter (Yen)	End of second quarter (Yen)	End of third quarter (Yen)	End of fiscal year (Yen)	Annual (Yen)			
FY2017	—	0.00	—	35.00	35.00	5,719	14.9	1.2
FY2018	—	0.00	—	45.00	45.00	7,353	24.1	1.5
FY2019 (Projected)	—	0.00	—	45.00	45.00		25.3	

## 3. Consolidated Earnings Forecasts for Fiscal 2019 (April 1, 2019 to March 31, 2020)

(% represents year-on-year change)

	Net revenue		Business profit		Profit attributable to owners of parent		Basic earnings per share (Yen)
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	
First six months FY2019	157,500	—	21,000	—	14,000	—	85.71
	322,000	5.6	42,500	(18.6)	29,000	(5.0)	177.55

### Notes

- (1) Changes in significant subsidiaries during fiscal year: None  
(Changes in specified subsidiaries resulting in changes in the scope of consolidation)
- (2) Changes in accounting policies and changes in accounting estimates
- Changes in accounting policies required by IFRS: Yes
  - Changes in accounting policies other than a. above: None
  - Changes in accounting estimates: None
- (3) Number of shares issued (common shares):
- Number of share issued at the end of fiscal year (including treasury shares):  

FY2018: 185,444,772 shares	FY2017: 185,444,772 shares
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  - Treasury shares at the end of fiscal year:  

FY2018: 22,034,232 shares	FY2017: 22,033,901 shares
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  - Average number of shares during the term:  

FY2018: 163,332,266 shares	FY2017: 163,332,931 shares
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Reference: Summary of Non-Consolidated Financial Statements

### 1. Results for Fiscal 2018 (April 1, 2018 to March 31, 2019)

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

	Operating revenue		Operating profit		Ordinary profit		Profit	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2018	259,018	3.7	33,543	2.0	39,634	2.0	25,875	16.6
FY2017	249,865	4.7	32,900	35.3	38,871	37.8	22,190	5.4

(Reference) Volume of new contracts: FY2018 8,814,054 million yen  
FY2017 8,409,848 million yen

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
FY2018	158.35	—
FY2017	135.80	—

#### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
FY2018	3,107,284	407,533	13.1	2,493.92
FY2017	2,831,296	396,831	14.0	2,428.43

(Reference) Equity: FY2018 407,533 million yen FY2017 396,831 million yen

## 2. Earnings Forecasts for Fiscal 2019 (April 1, 2019 to March 31, 2020)

(% represents year-on-year change)

	Operating revenue		Operating profit		Ordinary profit		Profit		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
First six months	133,600	4.4	10,800	(27.6)	13,800	(24.2)	22,000	86.9	134.63
FY2019	274,200	5.9	24,400	(27.3)	30,000	(24.3)	33,000	27.5	201.95

(Reference) Volume of new contracts: FY 2019 First six months 4,558,000 million yen  
 FY 2019 Full Year 9,379,000 million yen

- This Consolidated Financial Statements for the Fiscal Year Ended March 31, 2019 are exempt from audit conducted by certified public accountants or an audit corporation.

- Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements, etc.)

The above consolidated and non-consolidated earnings forecasts include future prospects, assumptions on which plans will be based and forecasts from the date this document was released. The actual results may differ from the above earnings forecasts due to various factors.

(Means of obtaining supplementary material on financial results)

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

(Adoption of International Financial Reporting Standards (IFRS))

The Group adopted International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2019. Accordingly, financial results for fiscal year ended March 31, 2018, are presented based on IFRS. Please note that financial results in Summary of Non-Consolidated Financial Statements are presented under Japanese GAAP.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Millions of yen)

	IFRS transition date (As of April 1, 2017)	As of March 31, 2018	As of March 31, 2019
Assets			
Cash and cash equivalents	65,465	73,179	82,642
Trade and other receivables	2,012,153	2,154,678	2,393,197
Inventories	133,180	137,486	151,385
Operational investment securities	32,878	35,957	39,973
Investment securities	85,787	100,179	91,553
Other financial assets	9,646	11,947	11,916
Property, plant and equipment	30,798	30,221	29,341
Intangible assets	204,463	220,609	219,972
Investment property	42,768	49,970	56,683
Investments accounted for using equity method	81,936	88,518	92,752
Deferred tax assets	38,446	30,679	32,148
Other assets	8,277	13,549	10,897
Total assets	2,745,804	2,946,978	3,212,465

	IFRS transition date (As of April 1, 2017)	As of March 31, 2018	As of March 31, 2019
Liabilities and equity			
Liabilities			
Trade and other payables	241,308	299,714	314,729
Financial guarantee debt	6,465	7,396	8,305
Bonds and borrowings	1,857,074	1,956,979	2,203,818
Other financial liabilities	15,171	20,599	28,441
Income taxes payable	9,544	5,044	3,120
Provision for point card certificates	94,033	101,319	104,963
Provision for loss on interest repayment	30,567	23,114	17,762
Other reserves	922	1,147	1,530
Deferred tax liabilities	814	1,013	1,025
Other liabilities	33,013	39,801	37,026
Total liabilities	2,288,917	2,456,129	2,720,724
Equity			
Share capital	75,929	75,929	75,929
Capital surplus	85,630	85,629	85,642
Retained earnings	311,539	344,291	360,303
Treasury shares	(52,879)	(52,880)	(52,881)
Other components of equity	34,619	35,913	22,004
Total equity attributable to owners of parent	454,838	488,883	490,998
Non-controlling interests	2,047	1,965	743
Total equity	456,886	490,849	491,741
Total liabilities and equity	2,745,804	2,946,978	3,212,465

**(2) Consolidated Statements of Income**

(Millions of yen)

	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Revenue		
Income from the credit service business	221,049	226,250
Income from the Lease business revenue	12,860	12,579
Income from the finance business	35,536	39,231
Revenue from the real estate related business	37,388	42,098
Revenue from the entertainment business	51,272	50,827
Finance income	223	854
Total	358,331	371,842
Of interest income	—	107,221
Cost of sales		
Cost of the real estate related business	23,095	24,921
Cost of the entertainment business	41,984	42,066
Total	65,080	66,987
Net revenue	293,250	304,855
Selling, general and administrative expenses	214,026	220,974
Impairment losses on financial assets	29,456	34,088
Finance costs	9,211	9,878
Share of profit of investments accounted for using equity method	12,306	7,355
Other income	13,434	4,138
Other expenses	13,446	5,643
Profit before tax	52,850	45,763
Income tax expense	14,463	16,423
Profit	38,386	29,340

(Millions of yen)

	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Profit attributable to		
Owners of parent	38,446	30,517
Non-controlling interests	(59)	(1,176)
Profit	38,386	29,340

Earnings per share		
Basic earnings per share	235.39	186.64
Diluted earnings per share	—	—

Reconciliation from profit before tax to business profit

(Millions of yen)

	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Profit before tax	52,850	45,763
Reconciliations (Other income)	(8,812)	—
Reconciliations (Other expenses)	13,277	5,517
The adjustment amount for financial assets by applying the effective interest rate method	—	951
Subtotal	4,464	6,469
Business profit	57,314	52,233

**(3) Consolidated Statements of Comprehensive Income**

(Millions of yen)

	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Profit	38,386	29,340
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	—	(8,963)
Share of other comprehensive income of investments accounted for using equity method	—	62
Items that may be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	5,686	—
Financial assets measured at fair value through other comprehensive income	—	(7)
Effective portion of cash flow hedges	191	(1,540)
Exchange differences on translation of foreign operations	(40)	(28)
Share of other comprehensive income of investments accounted for using equity method	(4,497)	265
Total other comprehensive income, net of tax	1,339	(10,213)
Comprehensive income	39,726	19,127

Comprehensive income attributable to		
Owners of parent	39,798	20,314
Non-controlling interests	(72)	(1,186)
Comprehensive income	39,726	19,127



**(4) Consolidated Statements of Changes in Equity**  
**FY2017 (April 1, 2017 to March 31, 2018)**

(Millions of yen)

	Equity attributable to owners of parent					Total	Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			
Balance as of April 1, 2017	75,929	85,630	311,539	(52,879)	34,619	454,838	2,047	456,886
Profit			38,446			38,446	(59)	38,386
Other comprehensive income					1,351	1,351	(12)	1,339
Comprehensive income	–	–	38,446	–	1,351	39,798	(72)	39,726
Purchase of treasury shares				(1)		(1)		(1)
Disposal of treasury shares						–		–
Dividends			(5,719)			(5,719)		(5,719)
Transfer from other components of equity to retained earnings			57		(57)	–		–
Changes in ownership interest in subsidiaries		(0)	(32)			(32)	(10)	(43)
Total transactions with owners	–	(0)	(5,693)	(1)	(57)	(5,753)	(10)	(5,764)
Balance as of March 1, 2018	75,929	85,629	344,291	(52,880)	35,913	488,883	1,965	490,849

**FY2018 (April 1, 2018 to March 31, 2019)**

(Millions of yen)

	Equity attributable to owners of parent					Total	Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			
Balance as of April 1, 2018	75,929	85,629	344,291	(52,880)	35,913	488,883	1,965	490,849
Cumulative effect of accounting change			(9,148)		(3,343)	(12,491)		(12,491)
Restated balance	75,929	85,629	335,143	(52,880)	32,569	476,391	1,965	478,357
Profit			30,517			30,517	(1,176)	29,340
Other comprehensive income					(10,203)	(10,203)	(10)	(10,213)
Comprehensive income	–	–	30,517	–	(10,203)	20,314	(1,186)	19,127
Purchase of treasury shares				(0)		(0)		(0)
Disposal of treasury shares		(0)		0		0		0
Dividends			(5,719)			(5,719)		(5,719)
Transfer from other components of equity to retained earnings			362		(362)	–		–
Changes in ownership interest in subsidiaries		13				13	(36)	(23)
Total transactions with owners		12	(5,357)	(0)	(362)	(5,706)	(36)	(5,742)
Balance as of March 1, 2019	75,929	85,642	360,303	(52,881)	22,004	490,998	743	491,741

**(5) Consolidated Statements of Cash Flows**

(Millions of yen)

	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Cash flows from operating activities		
Profit before tax	52,850	45,763
Depreciation and amortization	13,528	23,660
Interest and dividend income	(1,611)	(2,150)
Interest expenses	8,160	9,245
Share of loss (profit) of investments accounted for using equity method	(12,306)	(7,355)
Loss (gain) on sales of investment securities	(8,536)	—
Loss (gain) on valuation of investment securities	102	1,054
System transfer cost	12,969	3,299
Decrease (increase) in trade and other receivables	(140,801)	(252,393)
Decrease (increase) in inventories	(4,305)	(13,898)
Decrease (increase) in investment securities for sale	(3,344)	(1,551)
Increase (decrease) in trade and other payables	55,813	18,248
Increase (decrease) in provision for point card certificates	7,286	3,643
Increase (decrease) in provision for loss on interest repayment	(7,453)	(5,352)
Increase (decrease) in financial guarantee liabilities	930	1,260
Other	6,303	(1,831)
Subtotal	(20,413)	(178,356)
Interest and dividends received	3,223	4,304
Interest paid	(9,137)	(9,325)
Income taxes refund	64	820
Income taxes paid	(13,759)	(9,882)
Net cash provided by (used in) operating activities	(40,023)	(192,438)

(Millions of yen)

	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Cash flows from investing activities		
Purchase of investment securities	(11,711)	(5,673)
Proceeds from sales or redemption of investment securities	14,712	1,458
Purchase of property, plant and equipment, and intangible assets	(37,578)	(27,339)
Proceeds from sale of property, plant and equipment, and intangible assets	20	33
Purchase of investment property	(7,531)	(8,028)
Payments for acquisition of subsidiaries	(951)	—
Payments for loans receivable	(1,503)	(664)
Collection of loans receivable	17	27
Other	(609)	(126)
Net cash provided by (used in) investing activities	(45,134)	(40,313)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	18,000	(8,000)
Net increase (decrease) in commercial papers	31,500	121,500
Payment for securitization	(20,000)	—
Proceeds from long-term borrowings	104,700	115,900
Repayments of long-term borrowings	(69,656)	(55,364)
Proceeds from issuance of bonds	84,694	94,547
Redemption of bonds	(50,000)	(20,026)
Repayments of lease obligations	(561)	(603)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(10)	(23)
Proceeds from sale of treasury shares	—	0
Payments for purchase of treasury shares	(1)	(0)
Dividends paid	(5,719)	(5,719)
Net cash provided by (used in) financing activities	92,945	242,211
Effect of exchange rate changes on cash and cash equivalents	(72)	3
Net increase (decrease) in cash and cash equivalents	7,714	9,462
Cash and cash equivalents at beginning of period	65,465	73,179
Cash and cash equivalents at end of period	73,179	82,642

(6) Segment information, etc.

(i) General information regarding reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available, and which are subject to regular review by the Board of Directors for the purpose of making decisions about the allocation of management resource and assessing the segments' performance.

The Company and its consolidated subsidiaries separately develop and conduct business activities that directly relate to their various customers, and that are mainly based on market and customer service offerings. In accordance with these considerations, the Group's reportable segments are classified by market and customer service offerings and comprise the "Credit Service", "Lease", "Finance", "Real Estate Related" and "Entertainment" business segments.

The Credit Service business segment mainly consists of the credit card business, which is the Group's major segment, and various peripheral businesses closely related to the credit card business.

The Lease business segment operates the Group's leasing business which is centered on the leasing of office equipment.

The Finance business segment consists of the credit guarantee business and the finance related business.

The Real Estate Related business segment comprises the real estate business and the real estate leasing business.

In the Entertainment business, the Group is developing an amusement business centered on the management of amusement centers/arcades.

The Group do not allocate assets and liabilities to operating segment information used by the Board of Directors.

(ii) Information regarding measurement basis

The accounting methods and policies for the reportable segments are identical to the treatment described in "3. Consolidated Financial Statements and Main Notes (6) Notes on Consolidated Financial Statements (Important Accounting Policies)" on page 16 of the attached document. The profit in the reportable segments is business profit. Intersegment internal income and transfer amounts are based on prevailing market prices.

## (iii) Information regarding profit or loss by reportable segments

For the fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(Unit: Millions of yen)

	Credit service	Lease	Finance	Real estate related	Entertainment	Total	Adjustments (Note 2)	Consolidated
Revenue	221,254	12,877	35,536	37,389	51,272	358,331	–	358,331
Net revenue	222,452	12,882	35,536	15,481	9,288	295,641	(2,391)	293,250
Segment profit (Business profit)	27,913	4,442	16,659	6,167	2,126	57,309	5	57,314
							(Reconciling items)	
							The adjustment amount for financial assets by applying the effective interest rate method	–
							Other reconciliations (Other income)	8,812
							Other reconciliations (Other expenses)	(13,277)
							Subtotal	(4,464)
							Profit before tax	52,850

For the fiscal year ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

(Unit: Millions of yen)

	Credit service	Lease	Finance	Real estate related	Entertainment	Total	Adjustments (Note 2)	Consolidated
Revenue	227,102	12,580	39,231	42,099	50,827	371,842	–	371,842
Net revenue	228,518	12,586	39,231	18,113	8,761	307,212	(2,357)	304,855
Segment profit (Business profit)	16,915	5,720	19,209	8,305	2,078	52,229	3	52,233
							(Reconciling items)	
							The adjustment amount for financial assets by applying the effective interest rate method	(951)
							Other reconciliations (Other income)	–
							Other reconciliations (Other expenses)	(5,517)
							Subtotal	(6,469)
							Profit before tax	45,763

- (Notes) 1. Business profit is a profit indicator calculated by subtracting the adjustment amount by the application of the effective interest rate method for financial assets and the non-recurring one-time profit and loss items from the profit before tax.
2. Adjustments include inter-segment eliminations.

(iv) Information related to products and services

This information is omitted because the classification of products and services is the same as the classification for those of reportable segments.

(v) Information related to geographical areas

Revenue by region is not presented because revenues from external customers in Japan account for the majority of revenues in the Consolidated Statement of Income.

In addition, the book value of non-current assets located in Japan accounts for the majority of non-current assets in the statement of Consolidated Financial Position, thus, the disclosure of non-current assets classified by region has been omitted.

(vi) Breakdown of Reconciliations

A breakdown of reconciliations is as follows:

	(Millions of yen)	
	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
The adjustment amount for financial assets by applying the effective interest rate method	—	(951)
Reconciliations (Other income)	8,812	—
Gain on sales of investment securities	8,536	—
Other	276	—
Reconciliations (Other expenses)	(13,277)	(5,517)
System transfer cost	(12,969)	(3,299)
Loss on valuation of investment securities (stocks, etc.)	(102)	(1,266)
Impairment losses related to associates and joint ventures accounted for using the equity method	—	(506)
Other	(205)	(445)
Total	(4,464)	(6,469)

## 4. Non-Consolidated Financial Statements

### (1) Non-Consolidated Balance Sheets

(Millions of yen)

	FY2017 (As of March 31, 2018)	FY2018 (As of March 31, 2019)
Assets		
Current assets		
Cash and deposits	53,802	60,052
Accounts receivable – installment	1,851,106	2,087,817
Lease investment assets	231,774	241,129
Operational investment securities	34,761	35,140
Merchandise	113	113
Supplies	1,436	2,551
Prepaid expenses	4,628	4,067
Short-term loans receivable from subsidiaries and associates	236,786	272,855
Accounts receivable – other	19,817	17,917
Other	3,155	5,031
Allowance for doubtful accounts	(44,495)	(47,660)
Total current assets	2,392,887	2,679,016
Non-current assets		
Property, plant and equipment		
Buildings, net	5,573	5,312
Vehicles, net	0	0
Equipment, net	1,720	1,293
Land	6,904	6,904
Leased assets, net	1,261	1,336
Construction in progress	47	16
Total property, plant and equipment	15,506	14,862
Intangible assets		
Leasehold right	14	14
Software	143,179	143,239
Leased assets	254	174
Software in progress	4,630	958
Other	253	252
Total intangible assets	148,331	144,639
Investments and other assets		
Investment securities	98,708	88,223
Shares of subsidiaries and associates	55,881	56,991
Investments in capital	0	159
Investments in capital of subsidiaries and associates	6,357	7,080
Long-term loans receivable	10,089	10,079
Long-term loans receivable from subsidiaries and associates	32,108	34,270
Long-term prepaid expenses	28,245	29,590
Guarantee deposits	2,854	2,772
Deferred tax assets	32,764	31,214
Other	5,951	6,614
Allowance for doubtful accounts	(9)	(9)
Total investments and other assets	272,950	266,984
Total non-current assets	436,789	426,487
Deferred assets		
Bond issuance cost	1,620	1,780
Total deferred assets	1,620	1,780
Total assets	2,831,296	3,107,284

(Millions of yen)

	FY2017 (As of March 31, 2018)	FY2018 (As of March 31, 2019)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable – trade	0	0
Accounts payable – trade	295,057	315,926
Short-term loans payable	247,960	239,960
Current portion of long-term loans payable	54,900	91,279
Current portion of bonds	20,000	30,000
Commercial papers	389,500	511,000
Lease obligations	445	487
Accounts payable – other	4,931	4,054
Accrued expenses	17,886	17,517
Income taxes payable	3,887	1,480
Deposits received	10,811	10,488
Unearned revenue	402	406
Provision for bonuses	1,687	1,717
Provision for bonuses for directors (and other officers)	149	113
Provision for loss on interest repayment	8,558	5,362
Allowance for losses on collecting gift tickets	139	135
Deferred installment income	9,579	9,339
Other	3,334	3,813
<b>Total current liabilities</b>	<b>1,069,232</b>	<b>1,243,082</b>
<b>Non-current liabilities</b>		
Bonds payable	320,000	385,000
Long-term loans payable	899,299	923,920
Long-term loans payable under credit fluidity	20,000	20,000
Lease obligations	1,236	1,192
Provision for loss on guarantees	7,000	7,917
Provision for point card certificates	101,319	104,963
Provision for loss on interest repayment	12,795	10,889
Guarantee deposits received	1,152	1,023
Other	2,429	1,763
<b>Total non-current liabilities</b>	<b>1,365,233</b>	<b>1,456,668</b>
<b>Total liabilities</b>	<b>2,434,465</b>	<b>2,699,750</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	75,929	75,929
Capital surplus		
Legal capital surplus	82,497	82,497
Other capital surplus	1,602	1,602
<b>Total capital surpluses</b>	<b>84,100</b>	<b>84,100</b>
<b>Retained earnings</b>		
Legal retained earnings	3,020	3,020
Other retained earnings		
General reserve	215,455	232,455
Retained earnings brought forward	34,592	37,749
<b>Total retained earnings</b>	<b>253,067</b>	<b>273,224</b>
Treasury shares	(52,595)	(52,596)
<b>Total shareholders' equity</b>	<b>360,501</b>	<b>380,657</b>
Valuation and translation adjustments		



	FY2017 (As of March 31, 2018)	FY2018 (As of March 31, 2019)
Valuation difference on available-for-sale securities	36,788	27,294
Deferred gains or losses on hedges	(458)	(418)
Total valuation and translation adjustments	36,329	26,875
Total net assets	396,831	407,533
Total liabilities and net assets	2,831,296	3,107,284

## (2) Non-Consolidated Statements of Income

(Millions of yen)

	FY2017 (April 1, 2017 to March 31, 2018)	FY2018 (April 1, 2018 to March 31, 2019)
Operating revenue		
Income from the credit service business		
Revenue from credit card business	131,828	135,751
Credit card cashing revenue	32,822	32,538
Loan certificates Revenue	896	680
Business agency revenue	27,229	28,439
Income from the Credit-related services	9,206	9,802
Income from the credit service business	201,984	207,213
Income from the Lease business revenue	12,863	12,721
Income from the finance business		
Revenue from credit guarantee	17,101	16,970
Finance related Revenue	13,183	17,651
Income from the finance business	30,285	34,621
Income from the real estate related business		
Revenue from the real estate related business	23	22
Cost of the real estate related business	1	1
Income from the real estate related business	21	20
Financial revenue	4,710	4,440
Total operating revenue	249,865	259,018
Operating expenses		
Selling, general and administrative expenses	207,093	215,726
Financial expenses		
Interest expenses	8,795	8,896
Other	1,076	851
Total financial expenses	9,872	9,748
Total operating expenses	216,965	225,474
Operating profit	32,900	33,543
Non-operating income	6,090	6,334
Non-operating expenses	119	243
Ordinary profit	38,871	39,634
Extraordinary income		
Gain on sales of investment securities	8,515	464
Other	275	—
Total extraordinary income	8,790	464
Extraordinary losses		
Loss on disposal of non-current assets	124	19
Loss on valuation of investment securities	102	11
Loss on valuation of investments in capital	—	945
Loss on valuation of shares of subsidiaries and associates	424	561
System transfer cost	12,969	1,976
Total extraordinary losses	13,621	3,514
Profit before income taxes	34,040	36,585
Income taxes – current	6,896	4,719
Income taxes – deferred	4,953	5,989
Total income taxes	11,850	10,709
Profit	22,190	25,875

**(3) Non-Consolidated Statements of Changes in Equity  
FY2017 (April 1, 2017 to March 31, 2018)**

(Millions of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at beginning of current period	75,929	82,497	1,602	84,100	3,020	200,455	33,121	236,596	(52,594)	344,031
Changes of items during period										
Provision of general reserve						15,000	(15,000)	–		–
Dividends of surplus							(5,719)	(5,719)		(5,719)
Profit							22,190	22,190		22,190
Purchase of treasury shares									(1)	(1)
Disposal of treasury shares										
Net changes of items other than shareholders' equity										
Total changes of items during period	–	–	–	–	–	15,000	1,471	16,471	(1)	16,469
Balance at end of current period	75,929	82,497	1,602	84,100	3,020	215,455	34,592	253,067	(52,595)	360,501

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	31,095	(649)	30,445	374,477
Changes of items during period				
Provision of general reserve				–
Dividends of surplus				(5,719)
Profit				22,190
Purchase of treasury shares				(1)
Disposal of treasury shares				
Net changes of items other than shareholders' equity	5,692	191	5,884	5,884
Total changes of items during period	5,692	191	5,884	22,353
Balance at end of current period	36,788	(458)	36,329	396,831

**FY2018 (April 1, 2018 to March 31, 2019)**

(Millions of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surpluses	Other capital surpluses	Total capital surpluses	Legal retained earnings	Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at beginning of current period	75,929	82,497	1,602	84,100	3,020	215,455	34,592	253,067	(52,595)	360,501
Changes of items during period										
Provision of general reserve						17,000	(17,000)	–		–
Dividends of surplus							(5,719)	(5,719)		(5,719)
Profit							25,875	25,875		25,875
Purchase of treasury shares									(0)	(0)
Disposal of treasury shares			(0)	(0)					0	0
Net changes of items other than shareholders' equity										
Total changes of items during period	–	–	(0)	(0)	–	17,000	3,156	20,156	(0)	20,156
Balance at end of current period	75,929	82,497	1,602	84,100	3,020	232,455	37,749	273,224	(52,596)	380,657

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	36,788	(458)	36,329	396,831
Changes of items during period				
Provision of general reserve				–
Dividends of surplus				(5,719)
Profit				25,875
Purchase of treasury shares				(0)
Disposal of treasury shares				0
Net changes of items other than shareholders' equity	(9,493)	39	(9,453)	(9,453)
Total changes of items during period	(9,493)	39	(9,453)	10,702
Balance at end of current period	27,294	(418)	26,875	407,533