

《Translation of excerpted sections》

Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2025



(IFRS)

August 9, 2024
Stock exchange listing: Tokyo
(URL <https://www.saisoncard.co.jp>)

Listed company name: Credit Saison Co., Ltd.

Code number: 8253

Representative: Katsumi Mizuno / Representative, Executive President and COO

Inquiries to: Naoki Misaka / Executive Officer, In charge of Corporate Planning Dept., General Manager, Corporate Planning Dept.; Phone: (03) 3988-2110

Scheduled date to commence dividend payments: –

Preparation of supplementary material on financial results: Yes

Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

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, 2025 (April 1, 2024 to June 30, 2024)

(1) Consolidated Operating Results (cumulative) (% 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)	(%)
1 st Quarter FY2024	100,076	16.5	22,871	(3.0)	23,577	(1.8)	16,816	(1.3)	16,595	(2.1)	23,378	2.8
1 st Quarter FY2023	85,879	10.4	23,572	7.7	24,009	8.4	17,042	11.9	16,950	11.7	22,737	23.6

	Basic earnings per share (Yen)	Diluted earnings per share (Yen)
1 st Quarter FY2024	102.15	102.04
1 st Quarter FY2023	108.43	108.39

(Note) Net revenue is an indicator calculated by deducting cost of sales from revenue. Business profit is a profit indicator defined by the Group to measure the performance of ordinary business operations.

(2) Consolidated Financial Position

	Total assets (Millions of yen)	Total equity (Millions of yen)	Equity attributable to owners of parent (Millions of yen)	Ratio of equity attributable to owners of parent to total assets (%)
1 st Quarter FY2024	4,425,839	717,901	704,577	15.9
FY2023	4,335,852	717,611	705,053	16.3

2. Dividends

	Annual dividends				
	End of first quarter (Yen)	End of second quarter (Yen)	End of third quarter (Yen)	End of fiscal year (Yen)	Annual (Yen)
FY2023	–	0.00	–	105.00	105.00
FY2024	–	–	–	–	–
FY2024 (Projected)	–	0.00	–	105.00	105.00

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

3. Consolidated Earnings Forecasts for Fiscal 2024 (April 1, 2024 to March 31, 2025)

(% 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)	(%)	
FY2024	413,000	14.2	77,000	7.0	52,000	(28.8)	324.88

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

Note that the Company engages in stock buybacks as provided for by the resolution passed at the Board of Directors meeting held on May 15, 2024. “Basic earnings per share” in the consolidated earnings forecasts takes into account the effect of the total number of its own shares bought back as of July 31, 2024.

Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

- a. Changes in accounting policies required by IFRS: None
- b. Changes in accounting policies other than a. above: None
- c. Changes in accounting estimates: None

(3) Number of shares issued (common shares):

- a. Number of share issued at the end of the period (including treasury shares):

1 st Quarter FY2024:	185,444,772 shares	FY2023:	185,444,772 shares
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- b. Treasury shares at the end of the period:

1 st Quarter FY2024:	24,143,729 shares	FY2023:	22,364,710 shares
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- c. Average number of shares during the period (cumulative):

1 st Quarter FY2024:	162,466,933 shares	1 st Quarter FY2023:	156,327,469 shares
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(Note) For shares of the Company held by affiliated companies accounted for using the equity method, the portion attributable to the Company is included in the number of treasury shares.

(Treasury shares at the end of the period: 1st Quarter FY2024 1,575,365 shares, FY2023 1,575,365 shares)

- Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

- Proper use of earnings forecasts, 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 financial results)

Supplementary material on financial results will be posted on the Company’s website immediately after the announcement of the financial results.

Condensed Quarterly Consolidated Financial Statements
(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Cash and cash equivalents	108,745	106,869
Trade and other receivables	3,344,573	3,421,003
Inventories	153,773	155,465
Operational investment securities	79,783	83,937
Investment securities	89,261	87,360
Other financial assets	47,503	49,547
Property, plant and equipment	30,296	30,924
Right-of-use assets	15,828	16,151
Intangible assets	138,569	136,181
Investment property	144,586	151,784
Investments accounted for using equity method	132,442	134,634
Deferred tax assets	34,337	33,456
Other assets	16,151	18,522
Total assets	4,335,852	4,425,839

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities and equity		
Liabilities		
Trade and other payables	322,746	304,531
Financial guarantee liabilities	8,484	8,244
Bonds and borrowings	3,048,797	3,163,248
Other financial liabilities	22,038	21,427
Income taxes payable	12,311	6,697
Provision for point card certificates	127,947	129,838
Provision for loss on interest repayment	15,230	14,248
Other provisions	1,409	1,445
Deferred tax liabilities	188	119
Other liabilities	59,086	58,137
Total liabilities	3,618,240	3,707,938
Equity		
Share capital	75,929	75,929
Capital surplus	93,178	93,366
Retained earnings	542,602	542,052
Treasury shares	(47,767)	(53,664)
Other components of equity	41,110	46,893
Total equity attributable to owners of parent	705,053	704,577
Non-controlling interests	12,558	13,323
Total equity	717,611	717,901
Total liabilities and equity	4,335,852	4,425,839

(2) Condensed Quarterly Consolidated Statements of Income

(Millions of yen)

	First quarter of FY2023 (April 1, 2023 to June 30, 2023)	First quarter of FY2024 (April 1, 2024 to June 30, 2024)
Revenue		
Income from the payment business	56,649	59,762
Income from the lease business	3,085	3,230
Income from the finance business	13,724	16,112
Revenue from the real estate-related business	12,974	16,153
Revenue from the global business	4,378	10,886
Revenue from the entertainment business	7,841	8,182
Finance income	334	1,267
Total	98,988	115,594
Cost of sales		
Cost of sales for the real estate-related business	6,842	8,791
Cost of sales for the entertainment business	6,266	6,727
Total	13,108	15,518
Net revenue	85,879	100,076
Selling, general and administrative expenses	56,995	62,013
Impairment losses on financial assets	8,230	12,230
Finance costs	5,069	7,830
Gain arising from the derecognition of financial assets measured at amortized cost	95	381
Share of profit of investments accounted for using equity method	1,563	2,584
Other income	6,948	2,753
Other expenses	182	145
Profit before tax	24,009	23,577
Income tax expense	6,966	6,761
Profit	17,042	16,816
Profit attributable to		
Owners of parent	16,950	16,595
Non-controlling interests	91	220
Profit	17,042	16,816
Earnings per share		
Basic earnings per share (Yen)	108.43	102.15
Diluted earnings per share (Yen)	108.39	102.04

Reconciliation from profit before tax to business profit

(Millions of yen)

	First quarter of FY2023 (April 1, 2023 to June 30, 2023)	First quarter of FY2024 (April 1, 2024 to June 30, 2024)
Profit before tax	24,009	23,577
Reconciliations (Other income)	(490)	(748)
Reconciliations (Other expenses)	141	102
Adjustments for the application of the effective interest method to financial assets	(87)	(59)
Subtotal	(436)	(705)
Business profit	23,572	22,871

(3) Condensed Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	First quarter of FY2023 (April 1, 2023 to June 30, 2023)	First quarter of FY2024 (April 1, 2024 to June 30, 2024)
Profit	17,042	16,816
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	2,269	(2,110)
Remeasurements of defined benefit plans	(21)	(5)
Share of other comprehensive income of investments accounted for using equity method	(42)	684
Items that may be reclassified to profit or loss		
Net change in fair value of debt instruments measured at fair value through other comprehensive income	0	(2)
Effective portion of cash flow hedges	(1,448)	3,263
Exchange differences on translation of foreign operations	3,961	4,612
Share of other comprehensive income of investments accounted for using equity method	976	119
Total other comprehensive income, net of tax	5,695	6,561
Comprehensive income	22,737	23,378

Comprehensive income attributable to		
Owners of parent	22,629	22,526
Non-controlling interests	107	852
Comprehensive income	22,737	23,378

(4) Condensed Quarterly Consolidated Statements of Changes in Equity
First quarter of FY2023 (April 1, 2023 to June 30, 2023)

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance as of April 1, 2023	75,929	83,560	481,163	(62,668)	20,317	598,301	1,739	600,041
Profit			16,950			16,950	91	17,042
Other comprehensive income					5,679	5,679	16	5,695
Comprehensive income	–	–	16,950	–	5,679	22,629	107	22,737
Purchase of treasury shares				(0)		(0)		(0)
Share-based payment transactions		74		(0)		74		74
Dividends			(10,948)			(10,948)	(93)	(11,041)
Transfer from other components of equity to retained earnings			(1,057)		1,057	–		–
Loss of control of subsidiaries						–	78	78
Changes in ownership interest in subsidiaries		(6)			(0)	(7)	96	89
Other		30				30		30
Total transactions with owners	–	99	(12,005)	(0)	1,056	(10,851)	82	(10,768)
Balance as of June 30, 2023	75,929	83,659	486,108	(62,669)	27,052	610,080	1,930	612,010

First quarter of FY2024 (April 1, 2024 to June 30, 2024)

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance as of April 1, 2024	75,929	93,178	542,602	(47,767)	41,110	705,053	12,558	717,611
Profit			16,595			16,595	220	16,816
Other comprehensive income					5,930	5,930	631	6,561
Comprehensive income	–	–	16,595	–	5,930	22,526	852	23,378
Purchase of treasury shares				(5,896)		(5,896)		(5,896)
Share-based payment transactions		248		(0)		247		247
Dividends			(17,288)			(17,288)	(103)	(17,392)
Transfer from other components of equity to retained earnings			143		(143)	–		–
Changes in ownership interest in subsidiaries		(99)			(3)	(103)	16	(86)
Other		39				39		39
Total transactions with owners	–	188	(17,145)	(5,897)	(147)	(23,002)	(86)	(23,089)
Balance as of June 30, 2024	75,929	93,366	542,052	(53,664)	46,893	704,577	13,323	717,901

(5) 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 "Payment," "Lease," "Finance," "Real Estate-Related," "Global" and "Entertainment" business segments.

The Payment 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.

The Global business segment operates the lending business and the investment business.

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

(ii) Information regarding profit or loss by reportable segments

For the first quarter ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(Millions of yen)

	Reportable segment							Adjustments (Note 2)	Consolidated
	Payment	Lease	Finance	Real estate- related	Global	Entertain- ment	Total		
Revenue									
Revenue from external customers	56,860	3,085	13,724	12,974	4,501	7,841	98,988	–	98,988
Intersegment revenue	477	0	–	85	–	0	563	(563)	–
Total	57,337	3,085	13,724	13,059	4,501	7,842	99,551	(563)	98,988
Net revenue	57,337	3,085	13,724	6,255	4,501	1,575	86,482	(602)	85,879
Segment profit (Business profit) (Note 1)	7,320	1,138	6,007	7,273	1,262	383	23,386	185	23,572
Reconciliations	–	–	–	–	–	–	–	–	436
Profit before tax	–	–	–	–	–	–	–	–	24,009

For the first quarter ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(Millions of yen)

	Reportable segment							Adjustments (Note 2)	Consolidated
	Payment	Lease	Finance	Real estate- related	Global	Entertain- ment	Total		
Revenue									
Revenue from external customers	60,134	3,230	16,112	16,152	11,782	8,182	115,594	–	115,594
Intersegment revenue	542	0	–	47	–	0	590	(590)	–
Total	60,676	3,230	16,112	16,200	11,782	8,182	116,185	(590)	115,594
Net revenue	60,676	3,230	16,112	7,433	11,782	1,455	100,690	(614)	100,076
Segment profit (Business profit) (Note 1)	6,443	1,034	9,026	4,690	2,153	16	23,364	(492)	22,871
Reconciliations	–	–	–	–	–	–	–	–	705
Profit before tax	–	–	–	–	–	–	–	–	23,577

(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.

Breakdown of reconciliations from segment profit (business profit) to profit before tax

(Millions of yen)

	First quarter of FY2023 (April 1, 2023 to June 30, 2023)	First quarter of FY2024 (April 1, 2024 to June 30, 2024)
Segment profit (Business profit)	23,572	22,871
Adjustments for the application of the effective interest method to financial assets	87	59
Reconciliations (Other income)	490	748
Gain on valuation of investment securities (stocks, etc.)	490	303
Gain on sale of fixed assets	–	444
Reconciliations (Other expenses)	(141)	(102)
Loss on sale of shares of subsidiaries and associates	(130)	–
Loss on sale of fixed assets	–	(90)
Other	(11)	(12)
Reconciliations - total	436	705
Profit before tax	24,009	23,577