

FY2024 1Q 決算概況資料

Summary of Financial Results

August 9, 2024

Credit Saison Co.,Ltd.

東証プライム市場上場 証券コード :8253

Tokyo Stock Exchange Prime Market, Securities Code: 8253

Financial Results Digest

- ✓ **Revenue increased** (consolidated net income of 100.0 billion yen; +116.5% YoY) **due to steady performance from our three growth** pillars (global business, payment business, and finance business)
- ✓ While there was **growth** in the **finance business** (expanded profit contribution from Saison Fundex, and expanded profits from collaboration with Suruga Bank) and the **global business** (business expansion of Credit Saison India), profits declined due to the **absence of gain on sales of real estate trust beneficiary rights** that were recorded in the **real estate related business** in the previous fiscal year (consolidated operating profit of 22.8 billion yen; +97.0% YoY)
- ✓ Excluding the gain on sales of real estate trust beneficiary rights that were recorded in the real estate related business in the previous fiscal year, **both sales and income increased** (Difference from the previous year +3.2 billion yen, +116.4% YoY)

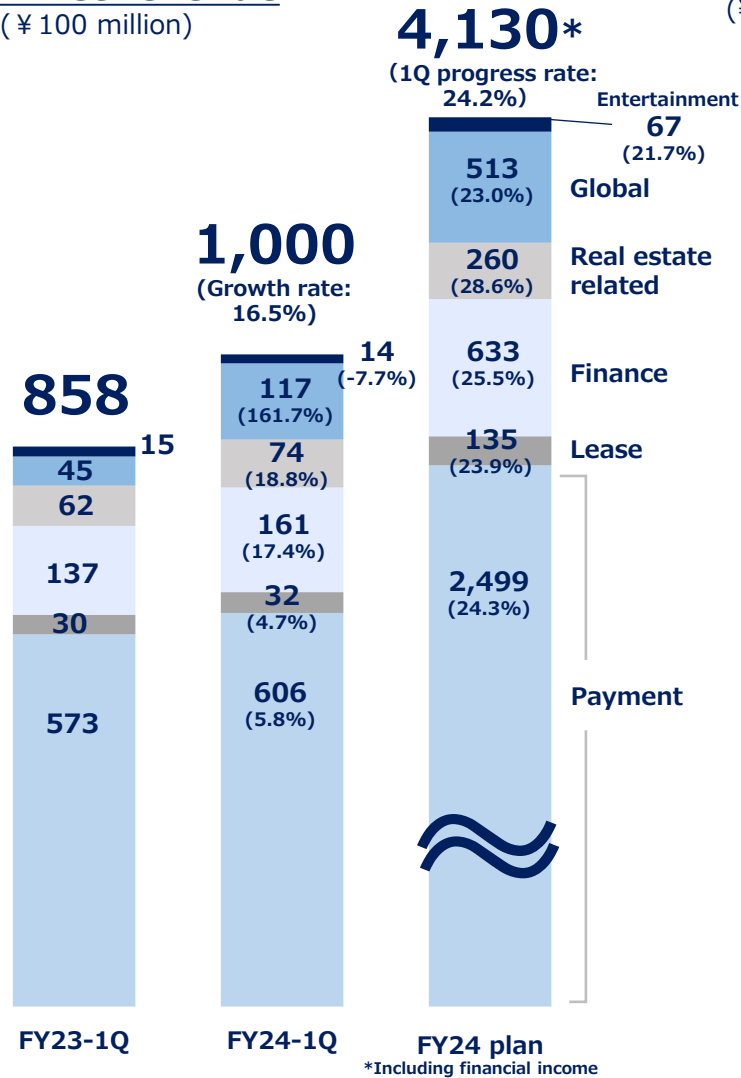
決算サマリー／Financial summary

(億円／¥100 Million)

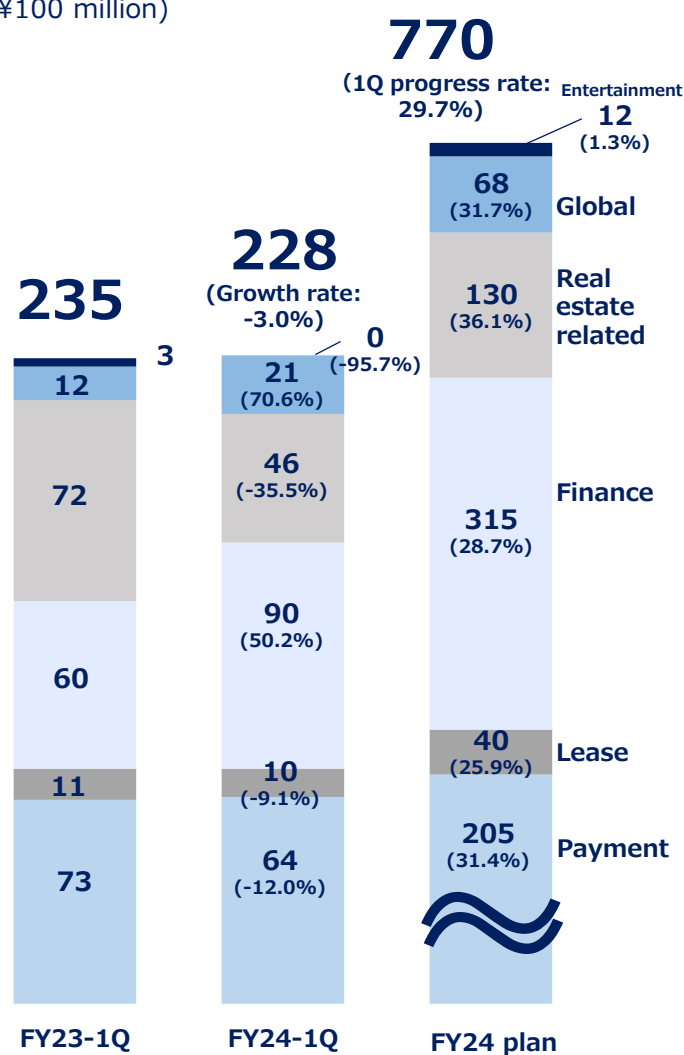
		FY23 1Q	FY24 1Q	前年比 YOY	FY24計画 plan	進捗率 Progress rate
連結 Consolidated	純収益 Net revenue	858	1,000	116.5%	4,130	24.2%
	事業利益 Business profit	235	228	97.0%	770	29.7%
	四半期利益 Profit attributable to owners of parent	169	165	97.9%	520	31.9%
単体 Non-consolidated	営業収益 Operating revenue	687	735	106.9%	3,030	24.3%
	営業利益 Operating profit	104	98	94.0%	425	23.1%
	経常利益 Ordinary profit	129	123	95.4%	480	25.8%
	四半期純利益 Profit	117	102	87.1%	340	30.0%

Overview of Business Results by Segment

Net revenue (¥ 100 million)



Business profit (¥100 million)



1Q Overview

Payment

Revenue increased due to the premium strategy and due to growth in revolving balance, but profits decreased due to rising bad debt costs and increased advertising and promotion costs for future profits

Lease

Revenue increased due to strengthened sales activities at existing primary dealers, but profits decreased due to rising bad debt costs

Finance

Revenue and profits increased due to the expansion of Group businesses with Saison Fundex and Suruga Bank

Real estate related

Revenue increased but profits decreased due to the absence of gain on sales of real estate trust beneficiary rights from Saison Realty

Global

Sales and income increased due to expansion of lending business centered on Credit Saison India

Entertainment

Revenue and profits decreased due to the impact of costs associated with opening new stores

Contribution by Consolidated Companies

■ Business profit Difference

(¥ 100 Million)

	Consolidated Business profit	Non-consolidated Ordinary Profit	Difference
FY24-1Q	228.7	123.6	105.0
(Year-on-year difference)	▲7.0	▲5.9	▲1.0

■ Contribution by Consolidated Companies

(¥ 100 Million)

		Contribution to business profit	Year-on-year difference	Business description
Major consolidated subsidiaries	Saison Realty Group	29.4	▲28.7	Comprehensive real estate business
	SAISON FUNDEX CORPORATION	29.2	+6.6	Real estate financing business, credit guarantee business, and personal loan business
	Kisetsu Saison Finance(India)Pvt. Ltd.	12.4	+8.4	Digital lending business in India
	SAISON COLLECTION SERVICE CO., LTD.	5.2	+1.7	Servicer (debt collection) business
Major equity method affiliates	Suruga Bank Ltd.	14.2	+14.2	Banking
	Seven CS Card Service CO.,LTD	2.9	+0.2	Credit card business
	Takashimaya Financial Partners Co.,Ltd	2.9	+0.2	Credit card business, insurance business, investment trust business, and trust business
	Saison Technology Co., Ltd. *	1.3	▲0.6	Information Processing services, Data Integration Software services

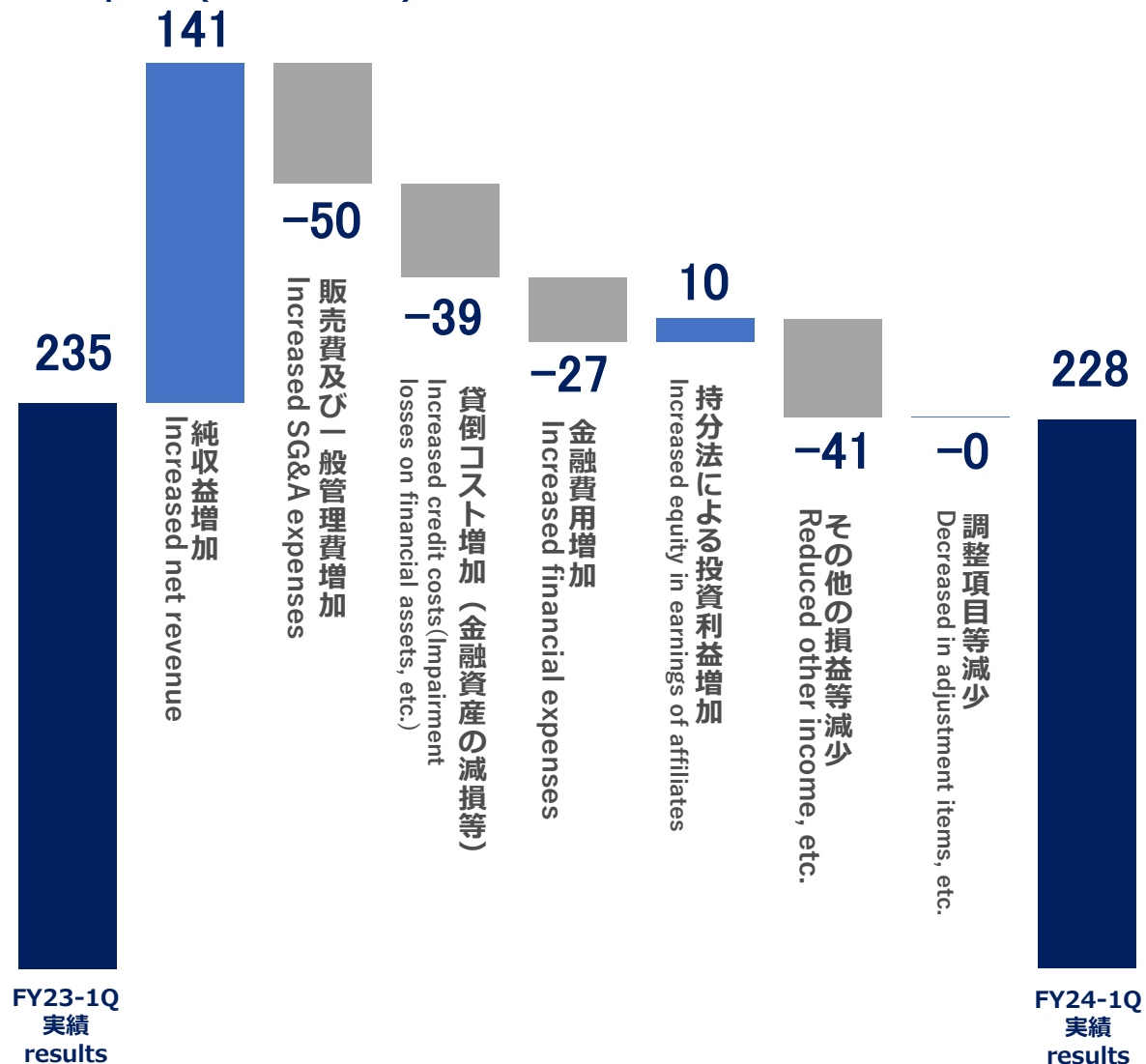
* Saison Information Systems Co., Ltd., change its trade name to Saison Technology Co., Ltd. on April 1, 2024.

連結・事業利益、単体・経常利益の主な増減

Main Increases/Decreases in business profit (consolidated), ordinary profit (non-consolidated)

■ 連結・事業利益

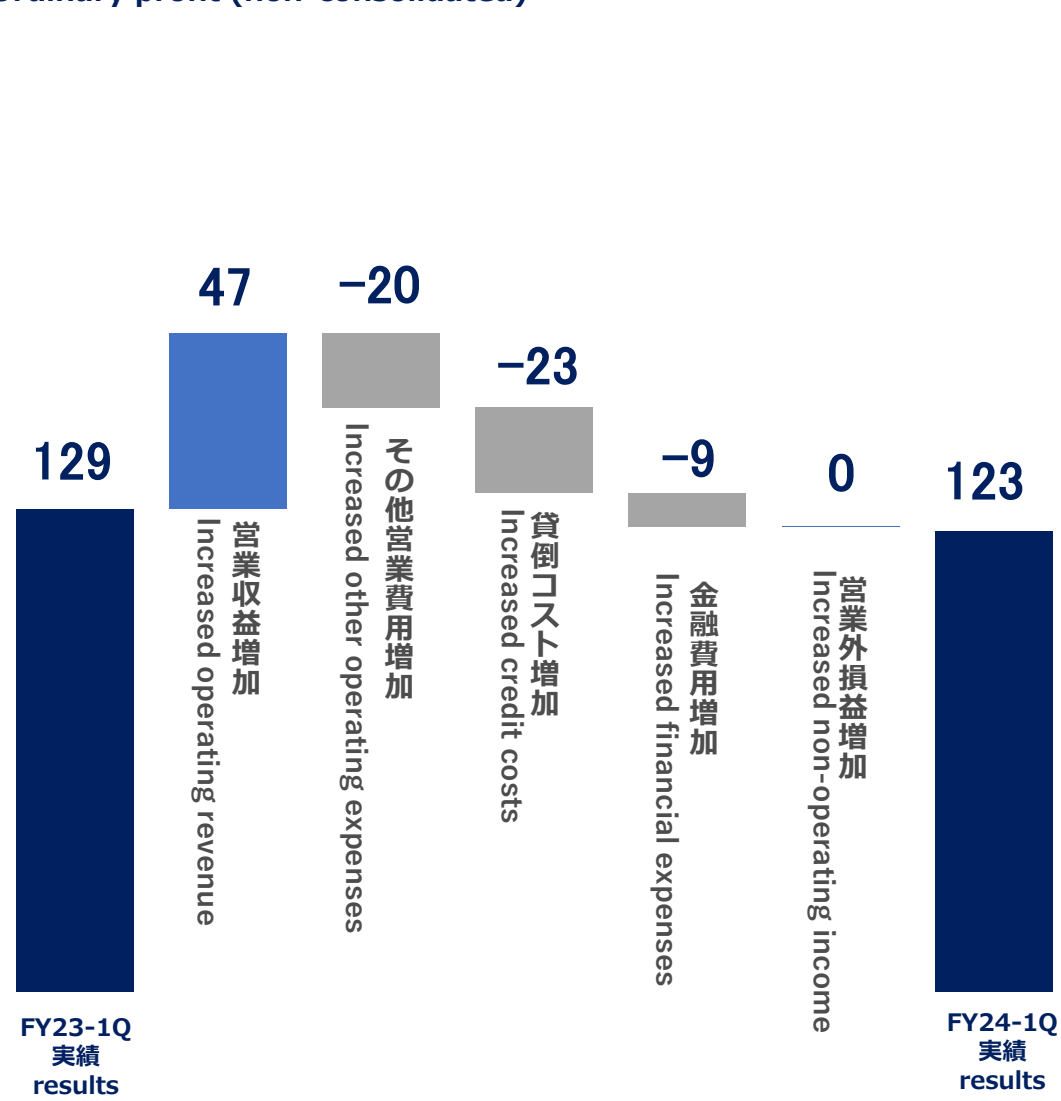
Business profit (consolidated)



■ 単体・経常利益

Ordinary profit (non-consolidated)

(億円 / ¥ 100 Million)

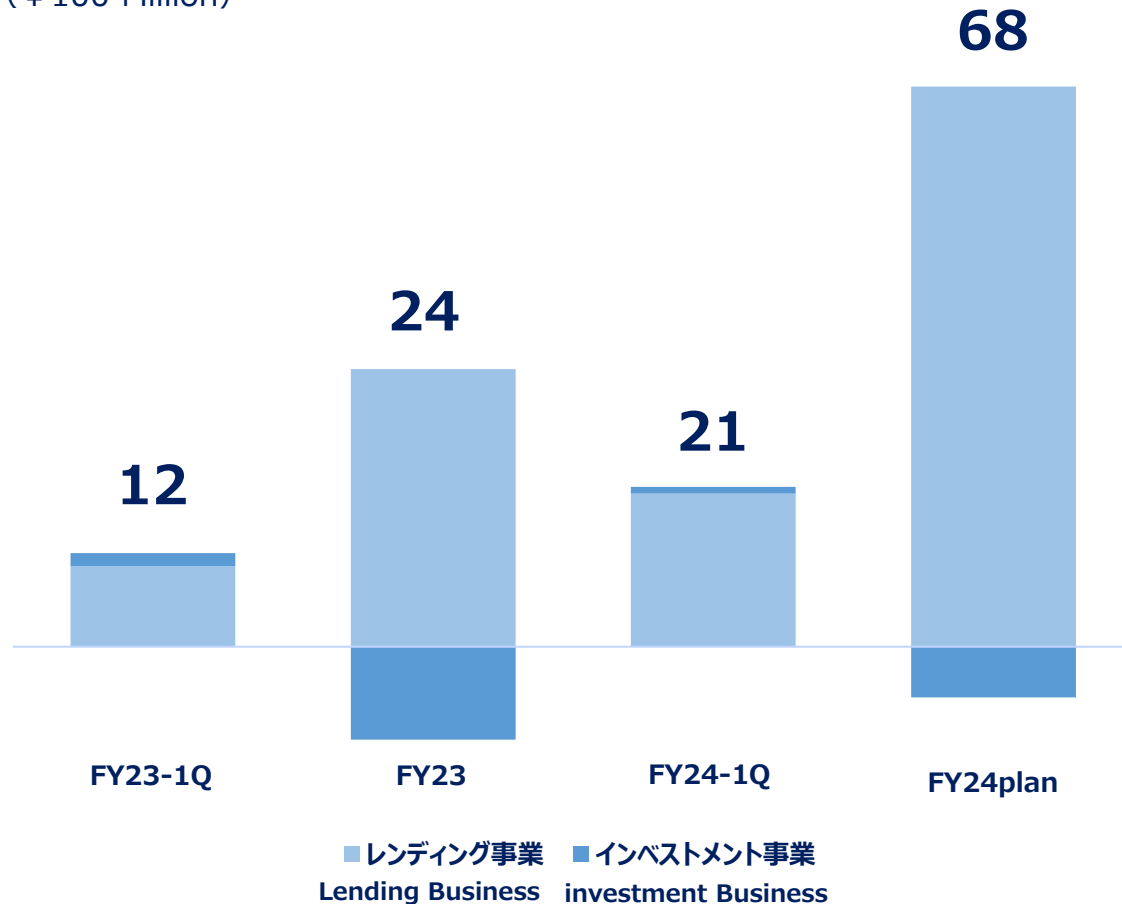


Key Indicators of Global Business

✓ Credit Saison India led overall global business profit of 2.1 billion yen in FY24-1Q

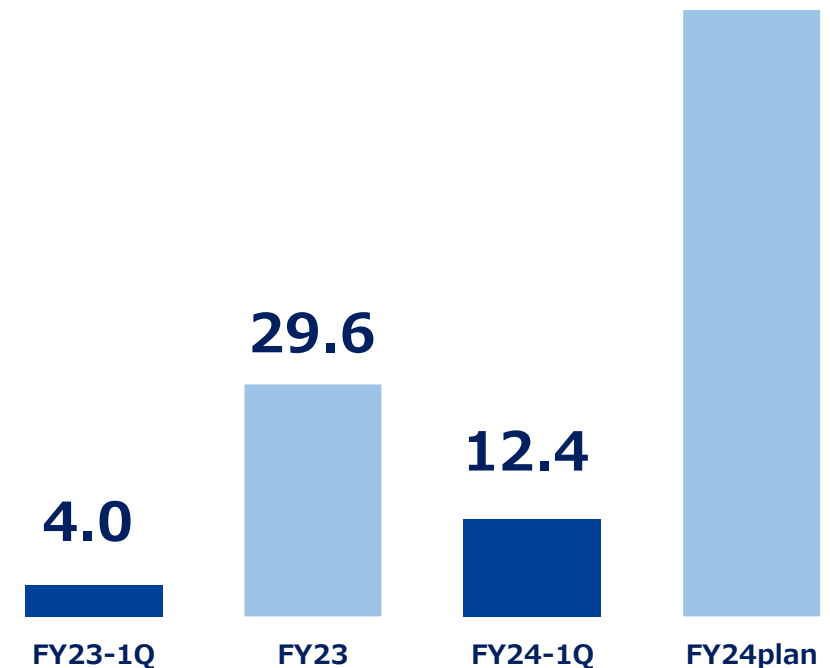
■ Segment Business Profit

(¥ 100 Million)



■ Credit Saison India's Consolidated Contribution Profit

(¥ 100 Million)

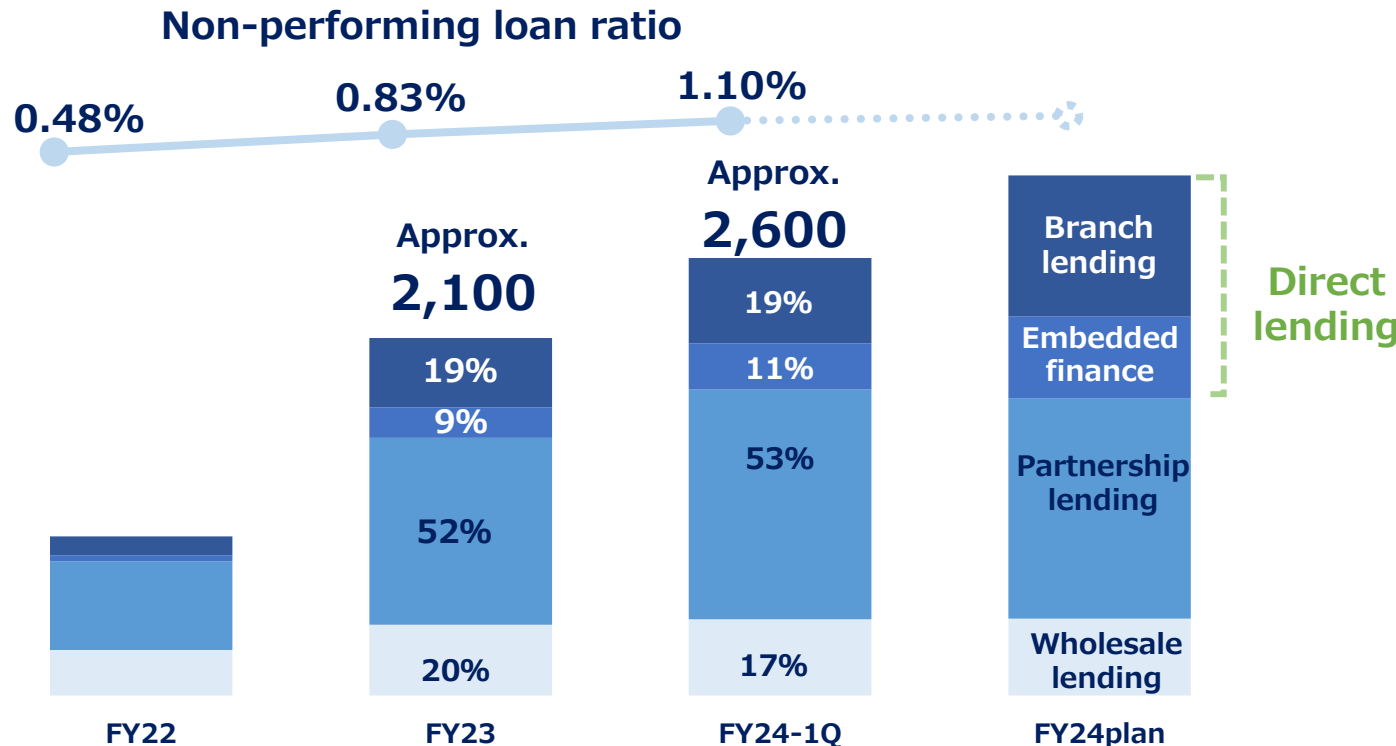


Credit Saison India Progress

- ✓ Steady growth in receivables balance, approx. 260 billion yen in FY24-1Q
- ✓ Continue to control risk while expanding profitable direct lending

■ Credit Saison India Receivable balance

(¥ 100 Million)



Branch lending

Expansion of branch network and Growing receivable balance by utilizing sales agents

Number of branches: 45

※1 new branch opened

※As of June 30, 2024

Embedded finance

Expand customer base through alliances with non-financial businesses

Number of partners: 10

※1 new partner

※As of June 30, 2024

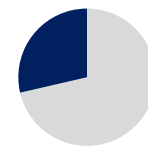
* Year-end rate INR 1.93 yen (+0.11 yen from the end of the previous period)

* Receivable balance including off-balance sheet receivables

Finance Business Credit Saison x Saison Fundex

✓ Steady growth in both guarantee and real estate finance business balances

FY21
Off-BS
Approx.
30%



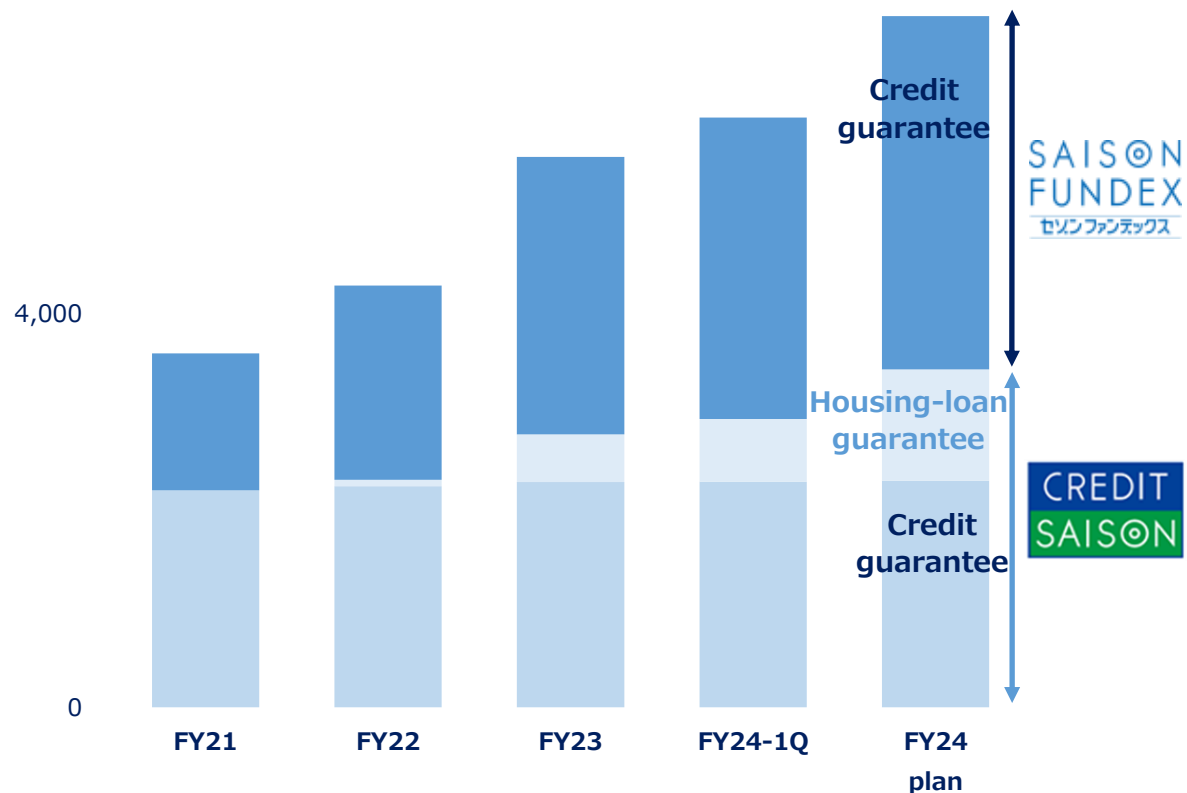
FY26plan
Off-BS
Approx.
45%



Guarantee business

Trends in guarantee balance

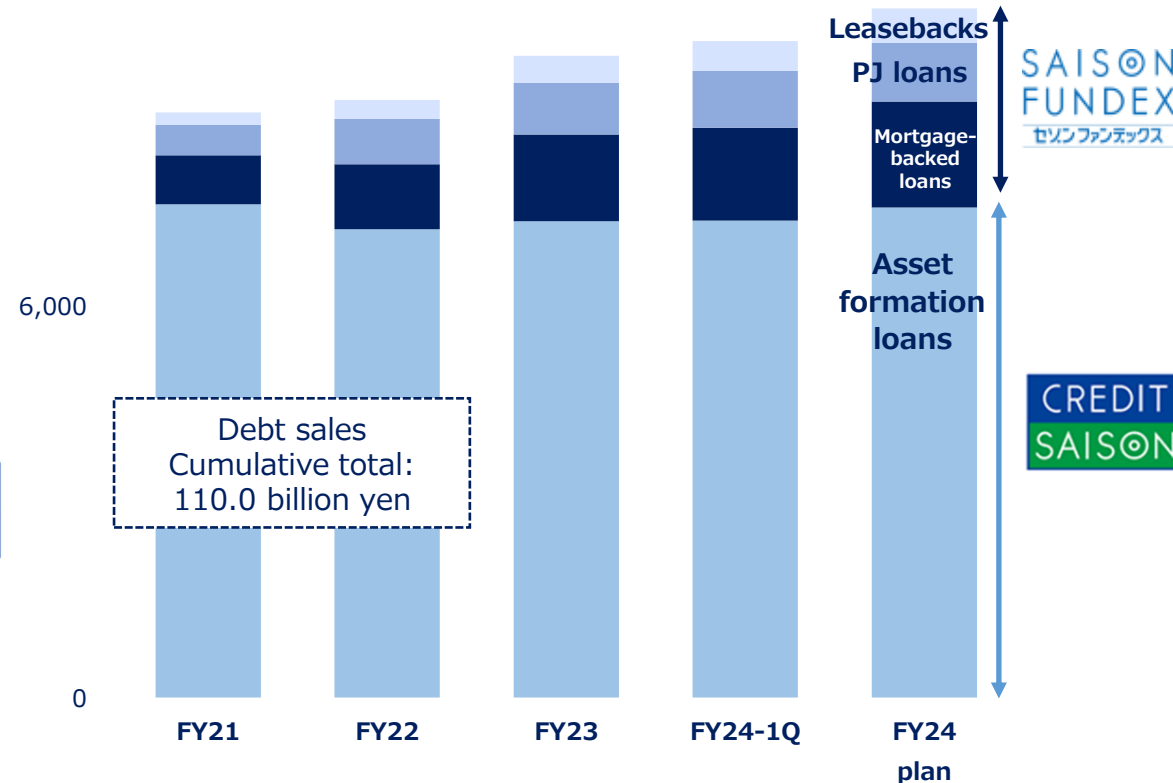
(¥ 100 Million)
8,000



Real estate finance business

Trends in receivables balance

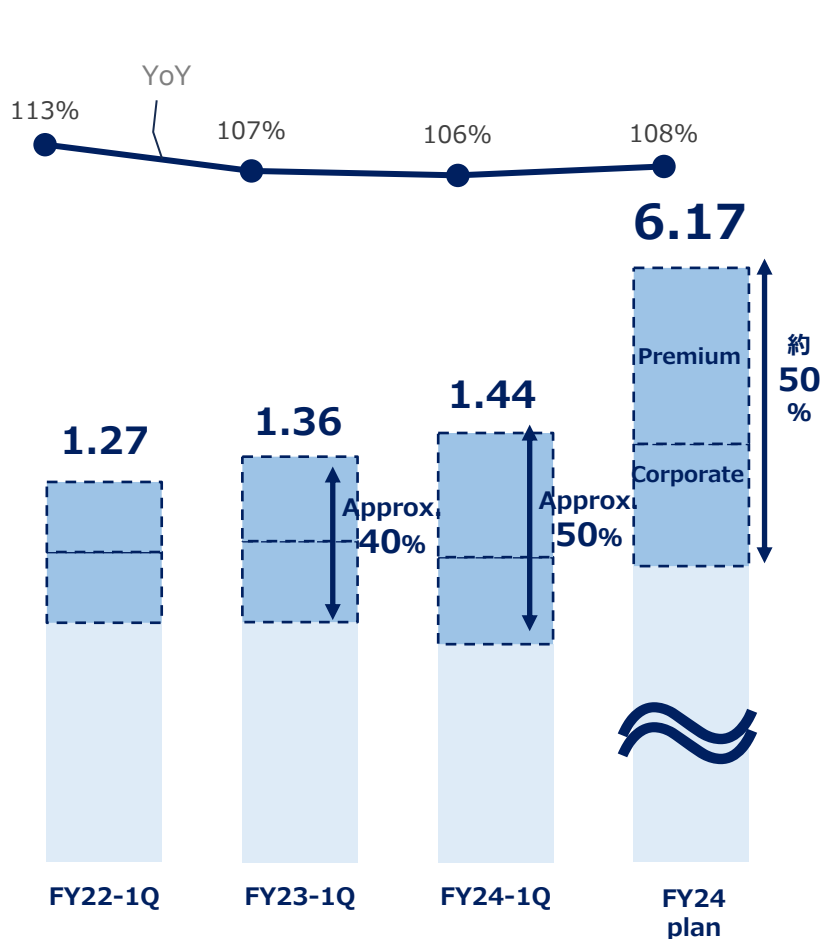
(¥ 100 Million)
12,000



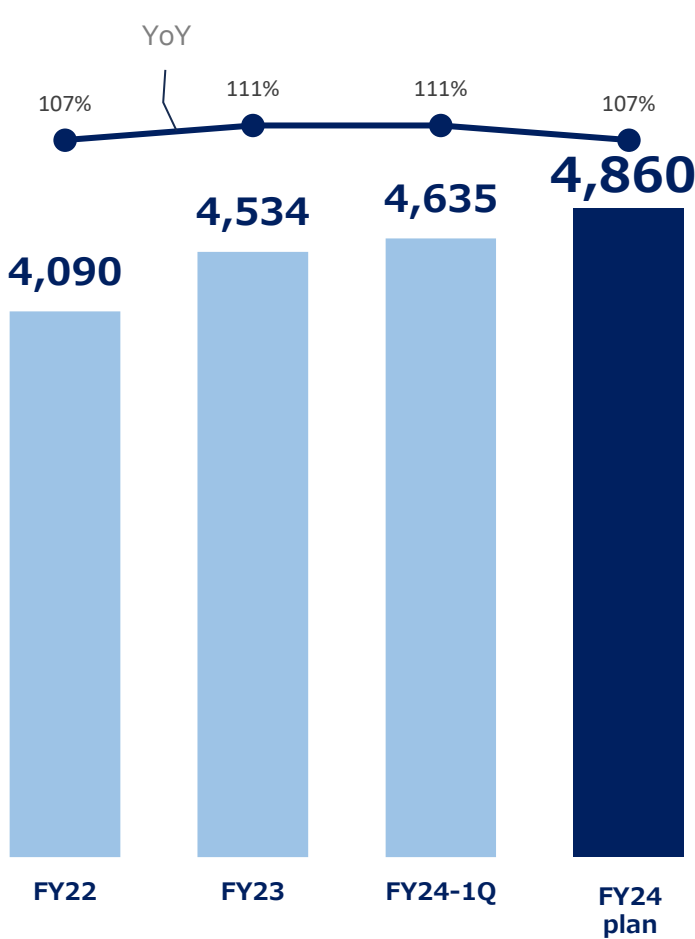
Key Indicators of Payment Business

- ✓ Growth in shopping transaction volume and revolving balance through premium strategy
- ✓ Cash advance balances grew due to expansion of revolving credit and business support loans

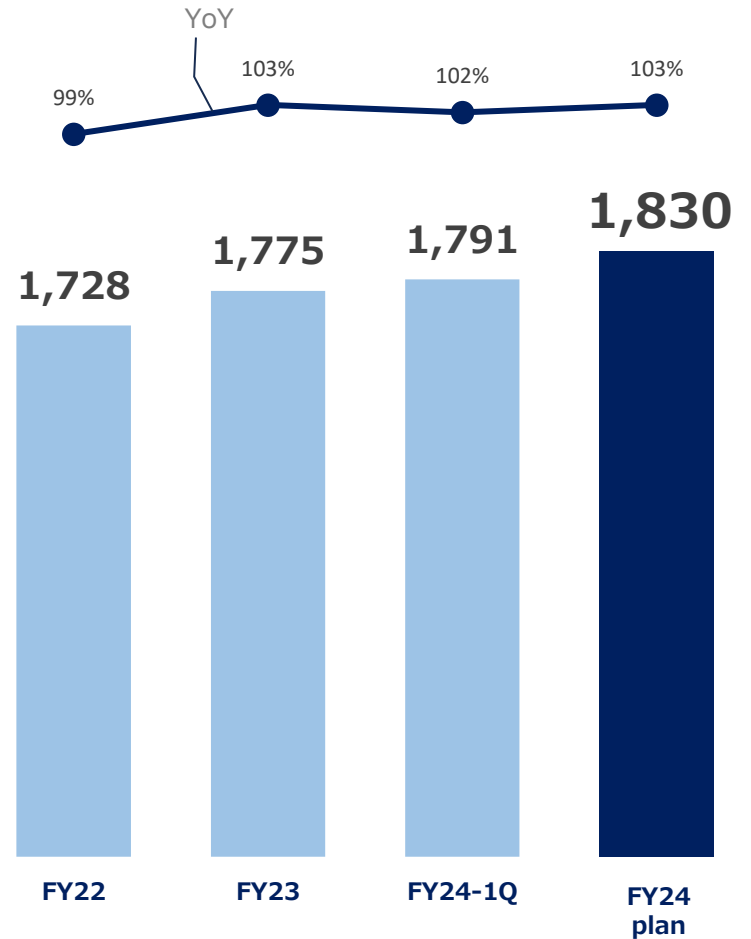
■ Card shopping transaction volume
(¥ trillion)



■ Card shopping revolving balance
(¥ 100 Million)



■ Cash advance balance
(¥ 100 Million)



Initiatives to Improve Profitability (Progress)

What is announced
in the new May 2024
mid-term plan

Raise revolving balance fee rates
to improve profitability

Raise annual membership fees and expand paid options
while constantly improving added value to meet needs

Current situation

Increases are being implemented first
for premium card types*¹ with some preferential rates →
Impact of customer defections is **within the expected range**

Began announcing
increases in card service fees*²
and annual membership fees*³
for some eligible cards

Future outlook

Gradually expand target cards
Plan to begin notifying target members around summer, and applying the new fee rates around winter

Card service fee deductions will begin on August 4, 2025

*1 Applicable cards: Saison Gold American Express® Card (preferential annual membership fee type), Saison Rose Gold American Express® Card

*2 Fee will be incurred if an applicable card : Saison Card International, Saison NEXT Card (excluding AMEX brand cards), and Saison Gold American Express® Card (formerly Walmart Card Saison) is not used for one year

*3 Applicable cards: Saison Platinum Business American Express® Card, MileagePlus Saison Card, etc.

Capital Policy (Progress)

What is announced
in the new May 2024
mid-term plan

Implement share buybacks

During the New Medium-Term Management Plan Plans to acquire up to ¥70.0 billion during the new mid-term management plan(50 billion yen of which will be acquired in FY24)



Reduce cross-shareholdings

During the new mid-term plan period Reduction of 70% equivalent



Current situation

Cumulative buyback amounts:

- (1) Total number of shares acquired: 3,140,900 shares (progress rate: 12.6%)
- (2) Total share acquisition cost: 10,541,872,146 yen (progress rate: 21.1%)

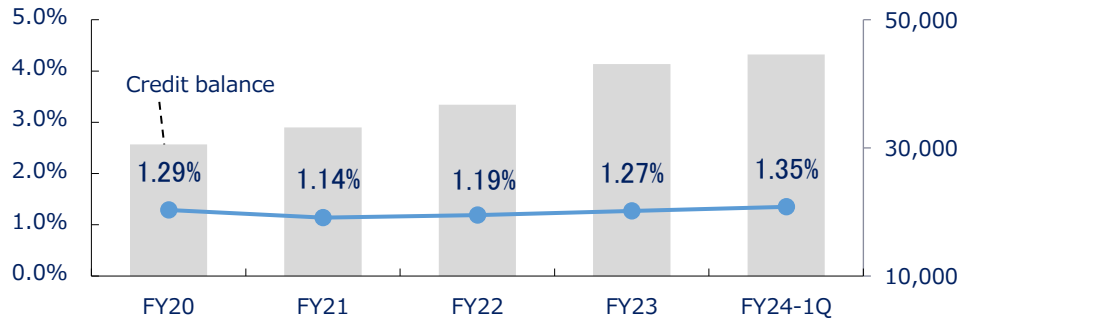
*As of the end of July

Nothing that can be announced at this time, but we are in discussions with the other parties regarding sales

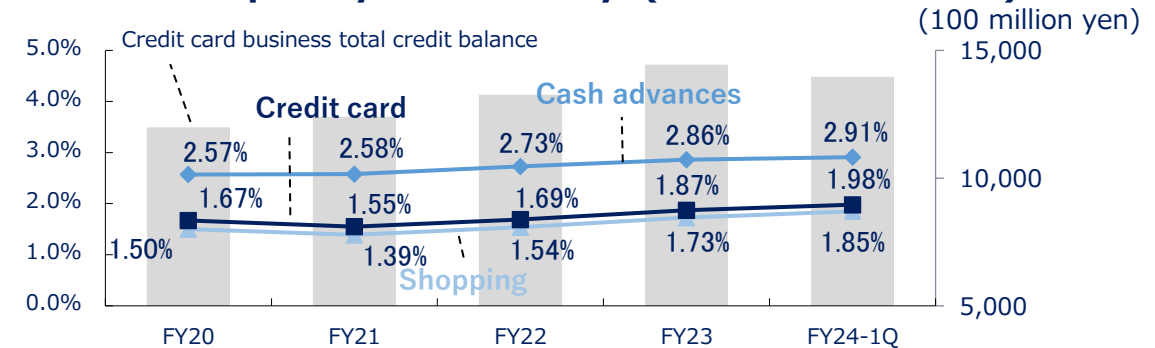
Credit Risk

- ✓ Delinquency rate is on the rise as the balance of receivables expands; watch for future trends

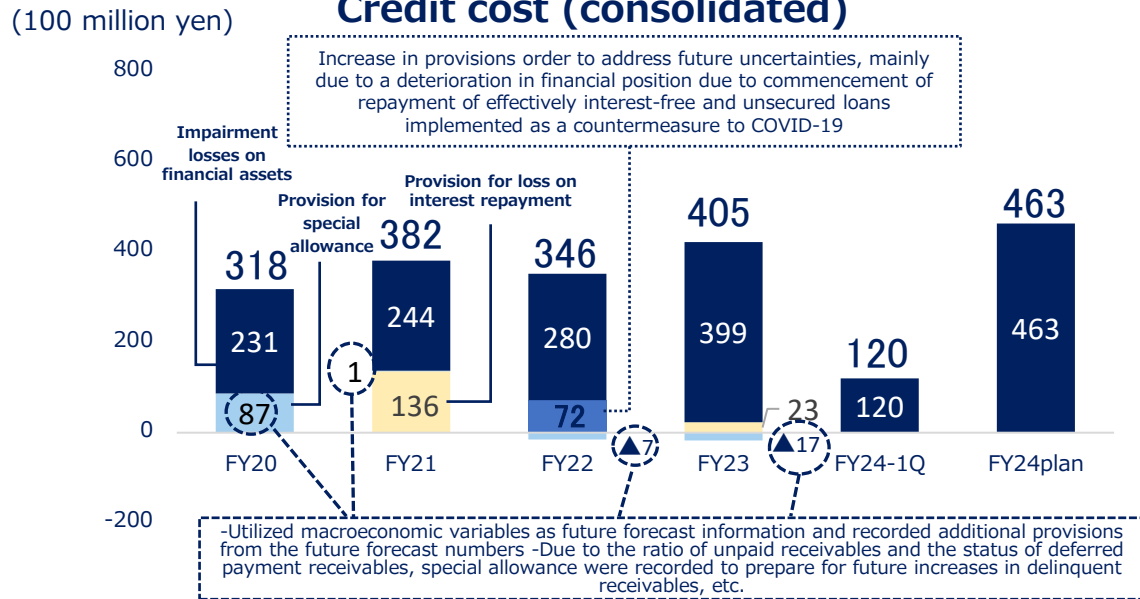
Delinquency over 90 days(consolidated) (100 million yen)



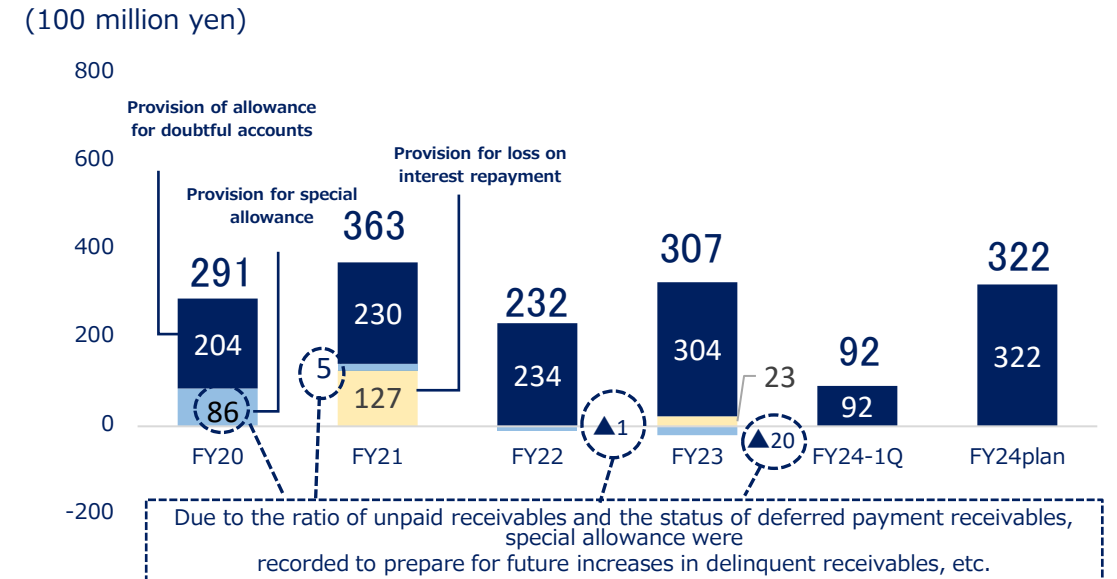
Delinquency over 90 days(non-consolidated) (100 million yen)



Credit cost (consolidated)



Credit cost (non-consolidated)



ESG/External Evaluations (an example)

2024 CONSTITUENT MSCI日本株
ESGセレクト・リーダーズ指数

ESG index adopted by the GPIF consisting of Japanese companies that excel in ESG responses in each sector.

First selection in 2024

2024 CONSTITUENT MSCI日本株
女性活躍指数 (WIN)

ESG index used by GPIF the selects companies that excel in terms of gender diversity

Certified for 7 consecutive years



FTSE Blossom Japan Sector Relative Index

2 years Consecutive Selection

ESG index adopted by the GPIF consisting of Japanese companies that excel in ESG responses in each sector.



Received a B rating in the 2023 CDP Climate Change Questionnaire

B rating for 2 consecutive years



Greenhouse Gas Emissions Reduction Targets Certified by 2024*.

First acquisition



DX銘柄2024 Digital Transformation

Selection system for companies that demonstrate excellent digital utilization performance

2 years Consecutive Selection

*Greenhouse gas emission reduction targets <Fiscal 2030> Scope 1, 2: 42% reduction from fiscal 2020 levels / Scope 3: 25% reduction from fiscal 2020 levels

Investor Relations Information

URL: <https://corporate.saisoncard.co.jp/en/ir/>

Sustainability Information

URL: <https://corporate.saisoncard.co.jp/en/sustainability/>

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