

# FY2025 1Q 決算概況資料 Summary of Financial Results

August 14, 2025

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Tokyo Stock Exchange Prime Market, Securities Code: 8253

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## Credit Saison Co., Ltd.

Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2026  
August 14, 2025

[Speaker]

Masaki Negishi     Managing Executive Officer, CFO

# FY2025 1Q Financial Results Digest

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FY25 1Q Consolidated Results	Net revenue	108.9 billion yen	YoY108.9%	Progress rate 22.7%
	Business profit	22.9 billion yen	YoY100.3%	Progress rate 23.9%
	Profit attributable to owners of parent	16.0 billion yen	YoY97.0%	Progress rate 23.8%

- ✓ Sales and business profit increased year-on-year, but quarterly profit decreased due to recording impairment losses associated with the sale of a portion of Suruga Bank's shares
- ✓ There were differences in performance amongst segments due to a rebound from the previous fiscal year and special factors
- ✓ Earnings forecast remains unchanged  
Segment plans are currently being reviewed in light of the 1Q results (announcement planned with 1H results); we expect that there will be segment plan adjustments, but the consolidated business profit plan of 96.0 billion yen remains unchanged

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**Negishi:** My name is Negishi. I would like to present a summary of the Q1 financial results. Please see page two of the material.

Overall, net revenue was JPY108.9 billion, 108% YoY, business profit was JPY22.9 billion, 100% YoY, and profit attributable to owners of parent was JPY16 billion, 97% YoY.

Profit attributable to owners of parent also reflects a loss related to the sale of a portion of Suruga Bank shares.

The overall progress is still below 25% after three months, and some segments are strong while others were weak in Q1. However, we do not think that it is necessary to revise the plan at this time for the fiscal year as a whole toward the end of the fiscal year.

## セグメント別業績概況 <sup>\*1</sup> Overview of Business Results by Segment

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(億円/¥100 Million)

事業利益又は事業損失(△) Business Profit or loss	FY24-1Q	FY25-1Q	YOY	FY25計画 Plan	進捗率 Progress rate
ペイメント Payment	63	115	181.1%	260	44.4%
リース Lease	10	10	105.4%	40	27.3%
ファイナンス Finance	90	90	99.4%	362	25.0%
不動産関連 Real estate related	46	18	40.3%	175	10.8%
グローバル Global	21	△8	—	110	—
エンタテインメント Entertainment	0	7	—	13	54.5%
計 Total	233	234	100.2%	—	—
セグメント間取引 Intersegment transactions	△4	△4	—	—	—
連結 Consolidated	228	229	100.3%	960 <sup>*2</sup>	23.9%

(\*1) From FY25-1Q, due to organizational restructuring conducted in June 2025, the rent guarantee business previously included in the "Payment Business" has been changed to the "Finance Business." Additionally, with the segment change, the segment information for FY24-1Q is displayed according to the revised reporting segment classification. (\*2) Includes inter-segment transactions.

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Please see page three. Among the segments whose performance varied, I will now explain the main segments.

Payment totaled JPY11.5 billion, 181% YoY; finance was JPY9 billion, 99% YoY; Real estate-related was JPY1.8 billion, 40% YoY; and global was negative JPY800 million.

## Overview

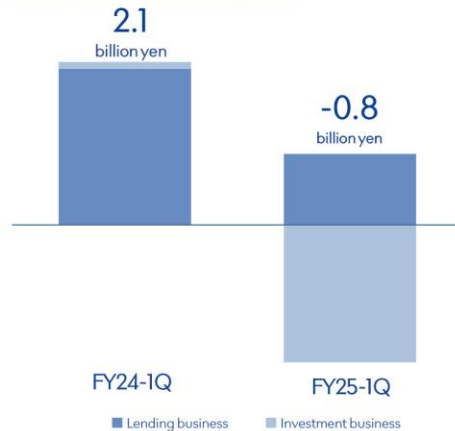
1Q : Below the plan

<Lending Business> Costs increased in the India business due to special factors, etc.. The businesses in Brazil and Vietnam are growing steadily

<Investment Business> A business loss was recorded due to the recognition of valuation losses on investments, etc.

→ Increased revenue but decreased profit in the global segment

## Segment business profit



Lending business: 0.9 billion yen (YoY difference: -1.1 billion yen)

### < Contribution to business profit >



Investment Business: -1.8 billion yen (YoY difference: -1.9 billion yen)

A business loss was recorded due to the recognition of valuation losses on investments, etc.

I would like to explain our business performance by segment. Please see page five for global business segment.

Q1 was a negative JPY800 million, of which JPY900 million came from the lending business, with India recording a negative JPY420 million. On the other hand, Brazil and Vietnam are making steady progress, as the figures describe.

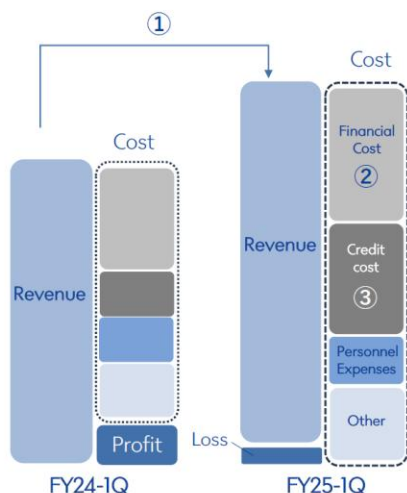
On the other hand, the investment business recorded a negative JPY1.8 billion result. This was due to a valuation loss on a portion of the investment in a fund for startups in Southeast Asia made about 10 years ago.

# Credit Saison India : FY25-1Q Status (Local Financial Information)

※Figures prepared in a simplified form based on Credit Saison India's disclosure materials. ※This is different from the consolidated financial statements.



- ✓ While revenue increased due to the growth in receivables among others, business loss was recorded due to increased financial costs and credit costs from special factors, etc.



① **Revenue** YoY difference: + Approx. 2.3 billion INR (+ Approx. 2.7 billion yen)  
Increased revenue due to the steady expansion of the receivables balance, etc.

② **Financial Cost** YoY difference: + Approx. 1.2 billion INR (+ Approx. 1.7 billion yen)  
Increase in financial costs due to the expansion of the receivables balance (as per the initial plan).

③ **Credit cost** YoY difference: + Approx. 1.7 billion INR (+ Approx. 2.7 billion yen)

(1) In accordance with the provisioning policy of the RBI (Reserve Bank of India), credit costs were recognized (approx. 0.6 billion yen). Additional credit costs are planned to be recognized until 2Q.  
\* Reversed in the consolidated financial statements.

(2) Increase in credit costs due to the impact of government guarantee systems, deterioration of asset quality before the transition of the credit model in the previous period, etc.  
(difference from initial plan: approx. 1.8 billion yen)

▶ The delinquency situation continues to improve after the transition of the credit model.

I will explain about India more in detail on page six.

The graph on the left is an image of the local PL, and as an overview, the progress in terms of revenue and financial costs was generally close to the plan. On the other hand, credit costs are showing a gap compared to the plan at the beginning of the period.

There are two points described. The first is that a cost of about JPY600 million was recognized in Q1 of the current fiscal year in accordance with the change in the provisioning policy of partnership lending of the RBI, which I mentioned in Q4 of the previous fiscal year, although it has no impact on the consolidated results.

The same amount is expected to be posted for Q2, and the shortfall in (1) will be satisfied at the end of Q2. In addition, since the reversal is made in the consolidated accounts in part (1), there is no impact on the consolidated accounts.

On the other hand, (2) is where there was a gap from the initial plan. There are two major components. One was the impact of the government guarantee program. There are four products in branch lending. One of these, loans to small businesses, is a high-risk layer, so we had been using a guarantee system, similar to the credit guarantee system in Japan. However, due to a change in the interpretation of the operation of the guarantee system by the government-affiliated agency that provides the system, we came to the conclusion that we could not obtain the expected guarantees. Thus, based on the assumption that we do not have this guarantee system, we set aside the reserve for the shortfall in Q1 this time.

Due to the impact of this guarantee program, we have suspended new loans for this loan product.

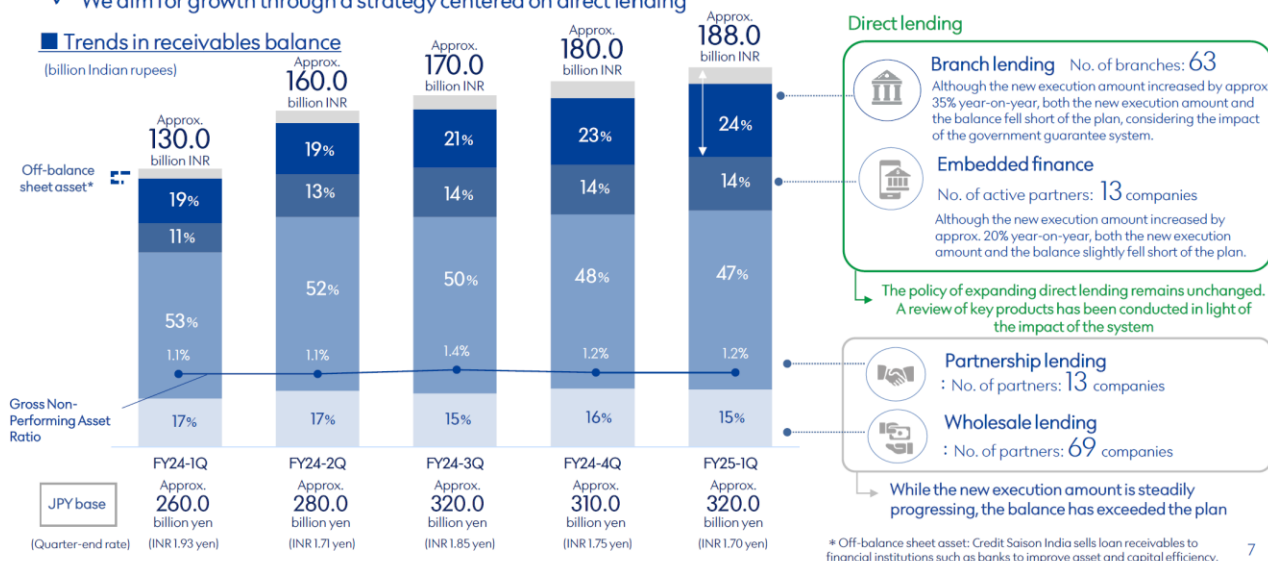
In addition to the impact of that guarantee program, there was also an increase in costs due to the deterioration of receivables prior to the transition to the credit model in the previous period. In addition to a higher-than-expected increase in a portion of provisions, we also made progress in write-offs of bad debts to some extent during Q1.

Due to these factors, bad debt costs changed by about JPY1.8 billion from the plan at the beginning of the fiscal year.

# Credit Saison India : Receivable Balance



- ✓ Although there are variations in strength depending on the product, the receivables balance is steadily expanding
- ✓ We aim for growth through a strategy centered on direct lending



Next, regarding the balance, the outstanding loans were INR188 billion at the end of June. This level is slightly below the plan.

In terms of products in breakdown, in the area of branch lending and embedded finance, we have increased the amount of new transactions by 35% to 20% over the previous year, but we have not yet reached our target balance of lending.

On the other hand, partnership lending and wholesale lending have generally progressed as planned.

The ratio of non-performing loans to total loans was 1.2%, remaining unchanged.

With regard to India, we are aware of the impact of the guarantee system, so we will proceed with our future plans with the understanding that they may be revised in the future, including the collection of necessary information and review of the outlook.

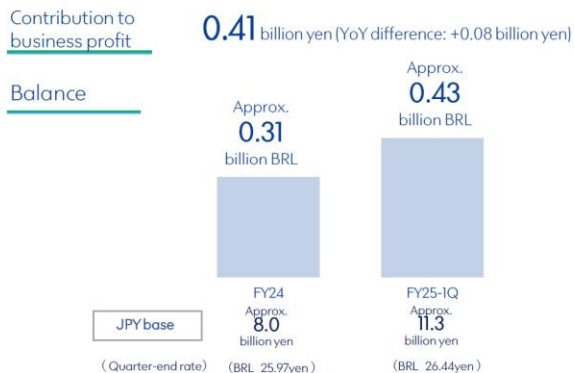


# Credit Saison Brazil / HD Saison Vietnam



## Credit Saison Brazil

- ✓ We are developing our BtoBtoC lending model through partnerships with local fintech companies
- ✓ While expanding the target areas and advancing risk diversification, we are steadily increasing the balance

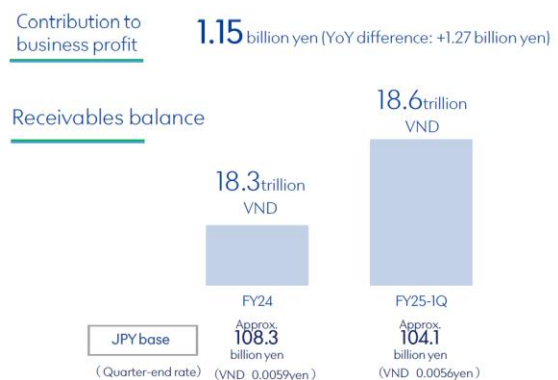


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## HD Saison Finance

- ✓ Retail finance business in Vietnam (motorcycles, home appliances, cash loans, etc.)
- ✓ With our expanding receivables balance and improving receivables quality, the business will maintain profitable and continue to deliver stable profit contributions



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Please see page eight. As for Brazil and Vietnam, the contribution profit is as shown in the table.

I would like to mention one thing. In Vietnam, about JPY250 million out of this JPY1.15 billion was reversed due to the improved quality of receivables at the time of consolidation, so I hope you can understand the actual level of profit from equity as JPY900 million.

Vietnam is in a situation of great business stability, and we would like to move forward with relatively high expectations for Q2 and beyond.



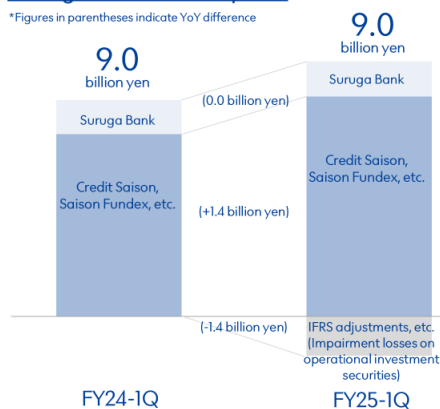
## Overview

1Q : According to the plan

While the businesses of Credit Saison and Saison Fundex saw increased profits, due to IFRS adjustments, etc. (Impairment losses on operational investment securities), there was an increase in revenue but a decrease in profit.

### ■ Segment business profit

\*Figures in parentheses indicate YoY difference



- ✓ For Credit Saison on a non-consolidated basis, both sales and profit increased due to balance growth in housing loan guarantees and the expansion of real estate-secured revenue resulting from the rise in applicable interest rates for variable interest rate products accompanying the increase in interest rates.
- ✓ For Saison Fundex, balances grew through expanding new business partners and strengthening relationships with existing customers, with higher applicable interest rates on real estate collateralized loans and project financing also contributing to a larger business profit contribution
- ✓ On the other hand, due to IFRS adjustments, etc. (Impairment losses on operational investment securities), the consolidated finance segment experienced an increase in revenue but a decrease in profit.

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Please see page nine. In the finance business, the profit was JPY9 billion in Q1, which was almost the same as the previous year, but both Credit Saison and Saison Fundex are steadily increasing the balance of guarantees while slightly increasing the number of clients.

In the real estate finance business, although performance is different in each product, the actual rate has been higher than the applicable rates we planned at the beginning of the period. Therefore, we can be hopeful in Q2 and beyond.

## Overview

1Q : Above the plan

Growth in shopping transaction volume and shopping revolving/installment balances due to promotions for our premium strategy.\*  
The revision of annual fees and charges, including the increase in revolving credit fees, associated with the product modifications that have been underway since the previous term, has also contributed to increased revenue and profit.

### Segment business profit



- ✓ Expansion of shopping transaction volume through the promotion of premium strategies, etc.
- ✓ Expansion of shopping revolving and installment revenues (an increase of approximately 4 billion yen year-over-year)
  - Impact of the expansion of revolving balances (approximately 1 billion yen) and the impact of the increase in revolving fee rates (approximately 2 billion yen)
  - The balance of the installment service 'Ato Kara Bunkatsu,' released in the previous period, is steadily expanding.
- ✓ Expansion of fee revenue due to the revision of annual fees and charges associated with product modifications underway since the previous period, resulting in an increase of approximately 1 billion yen year-over-year. \*Total of all measures ⇒ New measures are also being considered to improve profitability.
- ✓ Cost control through efficient business operations utilizing AI and digital transformation (DX), and progress in business structure reform.

\* Our premium strategy is a strategy aimed at expanding from mass-market general cards with no annual fee to gold cards or higher, as well as cards for sole proprietors and SMEs.

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Page 11, the payment business. Q1 was JPY11.5 billion, an increase of JPY5.1 billion from previous year, which is a very good start for the past three months.

It means that the premium strategy is working well. In the midst of these trends, in addition to the continued solid accumulation of shopping revolving and installment revenues, we have made significant progress since the previous fiscal year in revising rates and annual membership fees. We have also been reviewing fee settings and card privileges, and these have been reflected in our business performance without causing customer defections.

At the same time, we are systematizing and digitizing our operations, which is beginning to make our marketing more efficient. In addition, labor cost was constrained due to the shift to unmanned operation system. In the past three months, we have also been able to make progress in cost containment against our plan, and we are off to a very good start compared to the previous year.

## Other segments

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### Real estate related

1Q : Below the plan

Business profit of 1.8 billion yen (YoY difference: -2.7 billion yen)

- ✓ Leasebacks at Saison Fundex are expanding the balance.
- ✓ At Saison Realty, there was a decrease in revenue and profit due to the reactionary effect of the previous fiscal year's gain on the sale of restructured business assets (approximately -2 billion yen), as well as the postponement of projects initially scheduled for sale in Q1 to the second half of the fiscal year and beyond.

### Lease

1Q : According to the plan

Business profit of 1 billion yen (YoY difference: +0 billion yen)

Increased sales and profit as a result of rate revisions and higher transaction volume due to strengthened sales to existing primary dealers and new partners

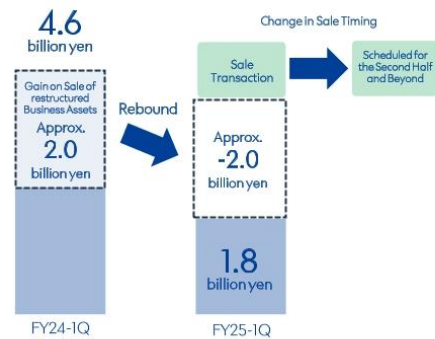
### Entertainment

1Q : Above the plan

Business profit of 0.7 billion yen (YoY difference: +0.6 billion yen)

- ✓ Increased sales and profit due to the absence of expenses related to new store openings in the previous fiscal year
- ✓ As part of our "review of low-growth and low-profit businesses" announced in FY24 Q3, a basic agreement was signed in July 2025 for Concerto to withdraw from its amusement business

### Real estate related: Segment Business Profit



Moving on, page 14 is the other segment.

Real estate-related. Although there is a slight deviation from the previous year and from the plan, the balance of Saison Fundex lease backs has been increasing very steadily.

On the other hand, Saison Realty has a slight difference from the previous year and from the plan. One of the main reasons for the difference from the previous year was the absence of a gain of about JPY2 billion from the sale of the liquidation business assets in the previous year. The other reason is that the timing of the contract for quite large sale of usual real estate for sales planned, apart from the sale of liquidation business asset, was shifted to H2 of the fiscal year, resulting in the discrepancy. Considering the annual planning outlook, it would be helpful if you could see this as progress that will enable us to firmly achieve our annual goals.

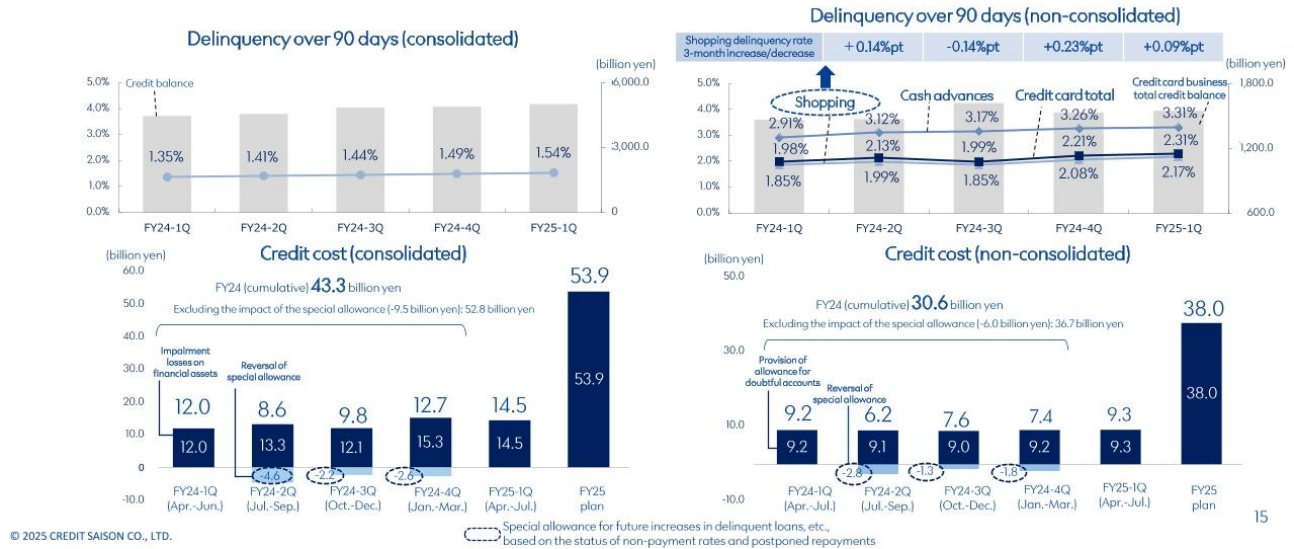
Lastly, in the entertainment segment, as we announced in July, we have passed a renewed resolution to withdraw from Concerto's amusement business (pachinko business). We are still discussing the details, and will announce the details at the appropriate time when they are finalized.

In the current fiscal year, we will continue to review low-growth and low-margin businesses, while striving to do what we can.

## Credit Risk

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- ✓ [Standalone] Shopping receivables 90+ days delinquency rate: From a rising trend of 0.1-0.25% in the previous quarter, the increase narrowed to less than 0.1% in the first quarter \*Delinquency rates typically decline in the third quarter due to seasonal balance growth
- ✓ [Consolidated] Credit costs: Remained almost flat at around 9.0 billion yen per quarter
- ✓ [Consolidated] Credit costs: Increased due to the expansion of receivables balance and special factors in the India business.

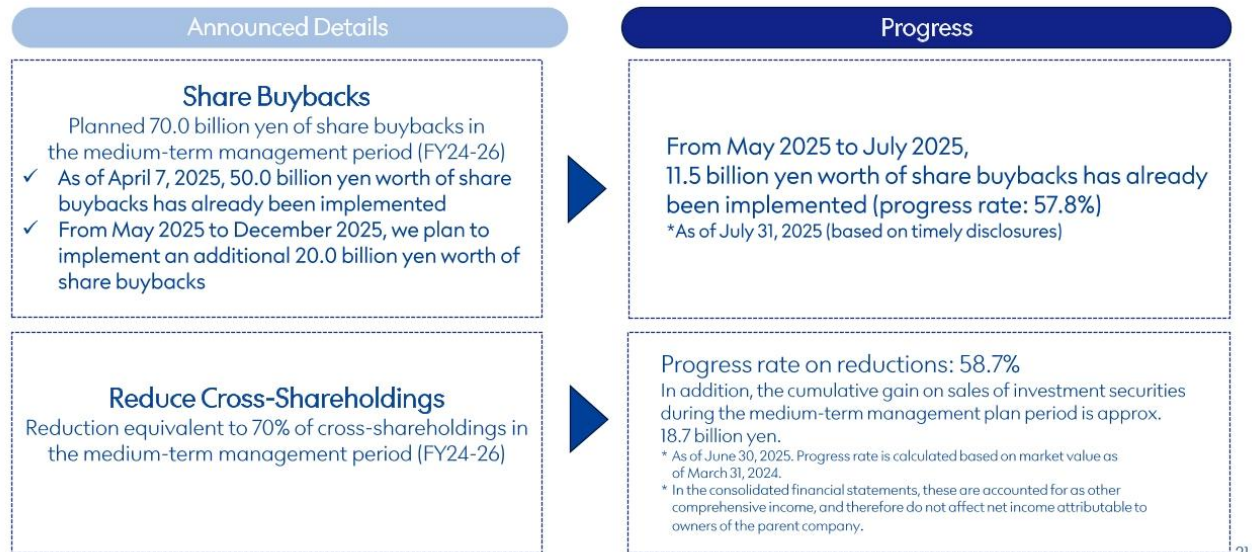


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Next, credit risk.

If you look at the stand-alone credit card 90+ day delinquency rate on the upper right-hand side, the level is high and unchanged. We had assumed that it would come down a little more clearly, but we believe that more time is needed.

In terms of costs, they have been about JPY9 billion in three months, and we expect costs to remain at this level for some time in the current fiscal year.



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Finally, please see page 21. As for the acquisition of treasury stock, as we have announced, we are currently in the process of acquiring up to JPY20 billion of shares by the end of the year, and as of the end of July, we are 57% of the way through the acquisition.

In addition, we have had conversations with our business partners regarding the reduction of cross-shareholdings, and based on these conversations, we believe that we will be able to achieve our reduction target by FY2026.

That's all for my explanation.

## Main Questions and Answers

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Q1.

Please tell us about the outlook for the Global Business going forward.

In the India business, even excluding the impact of the government guarantee system, it appears that credit costs have increased. Will this trend continue from 2Q onward? Also, regarding the valuation losses recorded in the Investment Business, were these due to investee-specific factors, or did they also include market fluctuation factors?

A1.

First, for credit costs in the India business, we expect them to decrease in the second half. Among the factors behind the increase, the impact of the government guarantee system is one-off. In addition, receivables in the three products of branch lending, embedded finance, and partnership lending have deteriorated somewhat versus the initial plan, and this trend may continue for the time being. Meanwhile, we proceeded with write-offs in 1Q, and we expect a similar level in 2Q, with a slight decline anticipated from 3Q onward.

Second, the valuation losses in the Investment Business were one-off and attributable to individual factors; we do not expect them to continue from 2Q onward.

Q2.

As you review the segment business profit plans, please tell us about the direction for each segment. Is it correct to understand that the Payment Business will be above plan and that the Global Business will be below plan? Also, is there a possibility that the full-year business profit plan of 96.0 billion yen will change?

A2.

For the full-year plan, rather than forcing a recovery in the Global Business, we intend to focus on growth in the domestic businesses and recover performance that way. The direction for each segment is as you understand it. Additionally, in the Finance segment, the applicable interest rates for variable interest rate products in the real estate finance business have been higher than initially planned, so we will examine this carefully, taking into account the impact of the next review of applicable interest rates.

Q3.

If you maintain the full-year consolidated business profit plan of 96.0 billion yen, what will offset negative factors such as valuation losses in the Global Business and Finance Business, as well as the withdrawal from the amusement business in the Entertainment segment?



**A3.**

Toward the first-half results, we plan to make a disclosure after thoroughly analyzing the upside and downside factors in each segment.

Overall, however, we expect the Payment and Finance businesses to outperform and recover the negatives in the Global Business. We will also closely examine the impact of the Concerto share transfer.

**Q4.**

**With respect to interest rate assumptions, I believe you had factored in a rate hike in July, however, because no hike occurred, to what extent do you expect upside here?**

**A4.**

Our plan assumed that the short-term policy rate base in Japan would be 0.75% in July 2025 and 1.0% in January 2026. As financial costs have come in below plan, this will have a positive impact on the profit plan.

We will refrain from disclosing the specific impact amount.

**Q5.**

**Please tell us about credit costs in the India business.**

**Regarding the deterioration in receivables prior to the transition to the new credit model, was this due to macro factors or to the model itself, and in what way has it differed from your initial view?**

**A5.**

We basically view it as macro factors. In the first half of the previous year (FY2024), there was a deterioration in receivables risk attributable to the credit model. However, after tuning the model, for new loans from the second half of last year onward collection rates have remained extremely high, and we believe that the model is working.

The customers we lend to are mainly in the segment of whether or not they can transact with banks; while not exactly microfinance, a certain portion is lending to low-income groups, and credit costs in this area have increased beyond expectations. We believe this level may continue for the time being, but we will pursue collections as much as possible.

**Q6.**

**Regarding the impact of India's government guarantee system, has the system as a whole deteriorated, and are other non-bank operators also affected?**



**A6.**

This is not limited to us; it concerns the system as a whole, so all non-bank operators that used this guarantee system are being affected.

As to why the interpretation of the system changed, our analysis is that non-bank operators had been extending loans to small businesses premised on this guarantee system and, with macroeconomic factors raising risk, the number of applications for guarantee claims increased, which likely led to the change in interpretation.

That being said, on the non-bank side, and recognizing that retracting everything would be difficult, operators are coordinating with one another and have requested mitigation measures, such as applying the new interpretation only to new loans going forward. However, at present we are proceeding with accounting on the premise that guarantees will no longer be available.

**Q7.**

**Were the impairment losses on operational investment securities in the Finance Business incorporated into the plan? Also, what factors led to the recognition of these impairment losses?**

**A7.**

They arose from certain real estate-related funds that posted impairment losses, totaling several hundred million yen across several items. They were not included in the plan.

**Q8.**

**Regarding the loss associated with the partial sale of Suruga Bank shares, I assume you are referring to the tax burden portion. Please tell us the scale of the loss and whether it was included in the plan.**

**A8.**

It was included in the plan, and the scale is several hundred million yen.

**Q9.**

**Please explain the factors behind the Payment Business outperforming in 1Q.**

**Also, based on the 1Q results, how are you currently viewing next fiscal year's (FY2026) profit target?**

**A9.**

First, in the Payment Business, both stronger-than-planned revenue and cost containment contributed. On revenue, one factor was our steady build-up of balances. On costs, making the business leaner progressed faster than expected, thereby enabling greater cost discipline and more efficient operations.

Second, with respect to next fiscal year (FY2026), at this time we are not in a position to change the target of consolidated business profit of over 100.0 billion yen. We will first carefully reassess this fiscal year's outlook before considering further.

Q10.

On page 13, among the various initiatives to improve profitability in the Payment Business, are there any that are not included in the plan?

A10.

All of those listed in the presentation materials are incorporated into the plan. There are, however, a few initiatives scheduled for this fiscal year that we are currently discussing.

Q11.

I believe India's write-off rate is currently at a higher-than-normal level. Do you expect this level to continue?

A11.

At present, the write-off rate is indeed at a high level, and for some products we are writing off receivables in fewer days than initially set. Broadly speaking, we expect write-offs in 2Q to be at a similar level, with some decline from 3Q onward.

Q12.

Regarding India's credit costs: Even considering that the credit costs booked under RBI (Reserve Bank of India) provisioning policy are reversed in the consolidated accounts, it still appears that credit costs are high. Isn't it the case that you are also provisioning for partnership lending beyond the first-loss cap of 5%?

Also, do you expect credit costs to remain at this level going forward?

A12.

Booking of credit costs under RBI provisioning policy will be completed in 2Q. That being said, there are partners whose first-loss portions have exceeded the 5% cap, and in those cases we are provisioning beyond the 5%. We expect to continue such provisioning for some time, assuming this situation persists.