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Securities Code: 8253
May 29, 2020

To Our Shareholders with Voting Rights

Masahiro Yamashita
Representative, Executive President and COO
Credit Saison Co., Ltd.
1-1, Higashi-Ikebukuro 3-chome, Toshima-ku, Tokyo

NOTICE OF THE 70TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 70th Ordinary General Meeting of Shareholders of Credit Saison Co., Ltd. (the “Company”) to be held as stated below.

From the perspective of preventing the spread of infection of the novel coronavirus COVID-19, we request that you please refrain as much as possible from attending the meeting in person, and instead exercise your voting rights either in writing or via the Internet.

When exercising your voting rights either in writing or via the Internet, please consider the attached “REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS,” and exercise your voting rights by 6 p.m. on Wednesday, June 17, 2020 (JST).

1. Date and Time: Thursday, June 18, 2020 at 10 a.m. (JST)

2. Place: Providence Hall, 2nd Floor, Tokyo Prince Hotel
3-1, Shiba-Koen 3-chome, Minato-ku, Tokyo

3. Agenda of the Meeting:

Matters for reporting:

1. Business Report, Consolidated Financial Statements, and results of audits by Accounting Auditor and the Audit & Supervisory Board on the Consolidated Financial Statements for the 70th Fiscal Year (from April 1, 2019 to March 31, 2020)
2. Non-consolidated Financial Statements for the 70th Fiscal Year (from April 1, 2019 to March 31, 2020)

Matters for resolution:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Nine (9) Directors
- Proposal No. 3:** Determination of Remuneration for the Granting of Restricted Stock to Directors (excluding Outside Directors)

4. Matters Related to the Exercise of Voting Rights

- (1) If you exercise your voting rights both in writing and via the Internet, only the vote via the Internet will be counted as valid.
- (2) If you exercise your voting rights via the Internet multiple times, only the final vote will be counted as valid.
- (3) If you do not indicate “Approval,” “Disapproval” or “Abstention” for each of the proposals when exercising your voting rights in advance, you will be deemed to have approved the proposal.

- (4) If you wish to exercise your voting rights by proxy at the meeting, another one (1) shareholder of the Company with voting rights in the meeting can attend the meeting as a proxy upon the submission of a document certifying the right of proxy.

5. Other Matters Related to this Notice:

- (1) Among the documents to be provided in this Notice, the following documents are posted on the Company's website (<https://www.saisoncard.co.jp>) pursuant to applicable laws and regulations and Article 16 of the Articles of Incorporation of the Company. Accordingly, these Notes are not included in the attached document of the Notice.

- 1) Notes to Consolidated Financial Statements
- 2) Notes to Non-consolidated Financial Statements

The above documents are included in the Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited by Accounting Auditors and Audit & Supervisory Board Members in preparing the Reports of Audit.

- (2) In the event that an amendment is required on the Reference Documents for the General Meeting of Shareholders, Business Report, or Consolidated or Non-consolidated Financial Statements prior to the date of General Meeting of Shareholders, the Company will send the amendment to shareholders via postal mail or post it on the website (<https://www.saisoncard.co.jp>).

<Notification Concerning the Novel Coronavirus COVID-19>

All shareholders attending the General Meeting of Shareholders are asked to check the situation concerning the spread of the coronavirus and their individual physical condition at the date and time of the meeting convening, and to arrive at the venue wearing a mask and taking other measures to prevent the spread of infection. The directors and administration staff at the meeting venue will be wearing masks and taking other necessary steps (such as refusing entry to any shareholder who has a fever, cough or other symptoms of the virus) in order to prevent the spread of infection. We ask for your understanding on this matter.

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and References

Proposal No. 1: Appropriation of Surplus

In order to maximize the shareholder value through strengthening the business structure, the Company has decided to offer appropriate, stable and continuous distributions of dividends to the shareholders while maintaining certain amount of internal reserve.

Under this policy and in consideration of the trends in the results for the current fiscal year and future business environment, the Company proposes to distribute year-end dividends and to appropriate surplus as follows.

1. Matters relating to year-end dividends

(1) Type of dividend property

Cash

(2) Matters on the allotment of dividend property and the total amount thereof

The Company proposes to pay ¥45 of dividends per share of common stock of the Company to the shareholders.

Thus, the total of the dividends to be paid will be ¥7,033,943,070.

(3) Effective date of dividends from surplus

June 19, 2020

2. Matters relating to the appropriation of other retained earnings

(1) Retained earnings item to be increased and the amount of increase

General reserve	¥27,000,000,000
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(2) Retained earnings item to be decreased and the amount of decrease

Retained earnings brought forward	¥27,000,000,000
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Proposal No. 2: Election of Nine (9) Directors

The terms of office of all fifteen (15) Directors will expire at the conclusion of this meeting. Therefore, to enhance the efficiency of the management system in line with the introduction of the Executive Officer system, the number of Directors will be reduced by six (6), and the Company proposes the election of nine (9) Directors including three (3) Outside Directors (three (3) Independent Outside Directors).

The candidates for Director are as follows:

No.	Name	Title	Area of Responsibility	Candidate Attributes
1	Hiroshi Rinno	Representative, Chairman and CEO	Corporate strategy, global strategy, branding, affiliated companies affairs	Reelection
2	Masahiro Yamashita	Representative, Executive President and COO	Overall management execution, credit card joint ventures affairs Head of Public Relations Office, Payment Business Division, Sales Development Division	Reelection
3	Naoki Takahashi	Representative, Executive Vice President and CHO	Promotions of strategies, new businesses Head of Audit Office, General Affairs Dept., Strategic Human Resources Dept., IT Strategy Dept.	Reelection
4	Katsumi Mizuno	Managing Director, Managing Executive Officer	Head of Branding Strategy Dept., Processing Business Division, Global Business Division, In charge of Strategic Planning Dept.	Reelection
5	Tatsunari Okamoto	Managing Director, Managing Executive Officer	Head of Finance Division, General Manager, Finance Division, In charge of Leasing & Rental Business Dept.	Reelection
6	Yoshiaki Miura	Managing Director, Managing Executive Officer	General Manager, Payment Business Division, Sales Development Division, In charge of Solution Business Dept., Affinity Business Dept. No.1 & 2, Business Strategy Dept., Alliance Development Dept.	Reelection
7	Naoki Togashi	Director		Reelection Outside Independent
8	Nana Otsuki	Director		Reelection Outside Independent
9	Hitoshi Yokokura	Director		New candidate Outside Independent

Candidate for Director to be reelected (Reelection)

Candidate for Director to be newly elected (New candidate)

Candidate for Outside Director (Outside)

Independent officer as defined by the securities exchange, etc. (Independent)

No.	Name (Date of birth)	Career summary, title and area of responsibility in the Company and significant concurrent positions outside the Company (The asterisk (*) refers to current position.)	Number of shares of the Company owned
1	Hiroshi Rinno (August 5, 1942) Reelection	Apr. 1965 Joined THE SEIBU DEPARTMENT STORES, LTD. (currently Sogo & Seibu Co., Ltd.) Mar. 1982 Joined Credit Saison Co., Ltd., General Manager, Credit Sales Promotion Department Apr. 1983 Director Apr. 1985 Managing Director June 1995 Senior Managing Director June 1999 Senior Managing Director and Representative Director June 2000 President and CEO June 2003 Director, Resona Bank, Ltd. June 2003 Director, Resona Holdings, Inc. Mar. 2019 Representative, Chairman and CEO*	89,339
[Reason for selection as a candidate for Director]			
<p>He has accumulated extensive experience in and broad insight into the payment business, the Company's core business. In addition, he has been President and CEO since 2000 and has shown strong leadership under the corporate philosophy of a "leading-edge service company," contributing to the growth of the Company. He also has a track record of implementing a number of innovative products and services, leading strategic planning and branding. The Company believes that he is an appropriate person to enhance its corporate value sustainably, and has selected him on goingly as a candidate for Director.</p>			
2	Masahiro Yamashita (March 5, 1958) Reelection	Apr. 1981 Joined Credit Saison Co., Ltd. Oct. 2003 General Manager, Credit Card Department Mar. 2005 General Manager, Sales Administration & Marketing Department Apr. 2009 General Manager, Solution Department No. 3 June 2010 Director Mar. 2011 General Manager, Credit Card Division Mar. 2012 Managing Director Mar. 2016 Senior Managing Director Mar. 2019 President and COO Mar. 2020 Representative, Executive President and COO*	20,900
[Reason for selection as a candidate for Director]			
<p>He has served as the General Manager of the Sales Administration & Marketing Department and the Business Planning Department of the payment business, the Company's core business, possessing extensive experience in and broad insight into the business. In addition, he has a track record of completing the development and transfer project of the Associated Core System under his strong leadership in recent years, steering the establishment of the Company's business base. The Company believes that he is an appropriate person to enhance its corporate value sustainably, and has selected him on goingly as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, title and area of responsibility in the Company and significant concurrent positions outside the Company (The asterisk (*) refers to current position.)	Number of shares of the Company owned
3	Naoki Takahashi (August 5, 1950) Reelection	Apr. 1974 Joined The Fuji Bank, Limited (currently Mizuho Financial Group, Inc.) Apr. 2003 Executive Officer, General Manager, Osaka Corporate Banking Division No. 2 of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) Apr. 2004 Managing Executive Officer, Business Executive Officer Apr. 2005 Joined Credit Saison Co., Ltd. as Advisor June 2005 Managing Director Mar. 2007 General Manager, Business Strategy Division Mar. 2010 Senior Managing Director Mar. 2011 Senior Managing Director and Representative Director Mar. 2016 Executive Vice President and Representative Director Mar. 2020 Representative, Executive Vice President and CHO* <Significant concurrent positions outside the Company> Director of Brain Activation Research Institute, Inc.	27,600
[Reason for selection as a candidate for Director]			
He has been head of the Company's corporate departments and Digital Innovation Division, possessing broad insight into and extensive experience in the promotion of the strategies of the Group as a whole. In recent years, he has also contributed to the promotion of diversity and inclusion as the head of the Strategic Human Resources Dept. The Company believes that he is an appropriate person to enhance its corporate value sustainably, and has selected him ongoingly as a candidate for Director.			
4	Katsumi Mizuno (August 15, 1969) Reelection	Apr. 1992 Joined Credit Saison Co., Ltd. Mar. 2005 General Manager, Saison Card Department Sept. 2007 General Manager, UC Card Department Mar. 2010 General Manager, Solution Department No. 2 Oct. 2012 General Manager, Business Planning Department and General Manager, Product and Service Development Group June 2013 Director June 2013 General Manager, Overseas Division Mar. 2016 Managing Director Mar. 2019 General Manager, Payment Business Division Mar. 2020 Managing Director, Managing Executive Officer* <Significant concurrent positions outside the Company> Director of Kisetsu Saison Finance (India) Private Limited Director of Money Buffet Co., Ltd. Director of Fintertech Co., Ltd. Director of CASALAGO CO., LTD.	14,500
[Reason for selection as a candidate for Director]			
He has been involved in the sales planning of the payment business, the Company's core business, over many years, accumulating extensive experience in and broad insight into sales and marketing. He has a track record of leading the Company's global strategy in recent years, implementing its entry into sharply growing markets, and contributing to the dramatic growth of the Company's overseas business. The Company believes that he is an appropriate person to enhance its corporate value sustainably, and has selected him ongoingly as a candidate for Director.			

No.	Name (Date of birth)	Career summary, title and area of responsibility in the Company and significant concurrent positions outside the Company (The asterisk (*) refers to current position.)	Number of shares of the Company owned
5	Tatsunari Okamoto (April 26, 1967) Reelection	Apr. 1990 Joined Credit Saison Co., Ltd. Mar. 2005 General Manager, Affinity Card Division Mar. 2007 General Manager, Solution Promotion Department Mar. 2008 General Manager, Solution Department No. 1 June 2011 Director Mar. 2017 General Manager, Credit Division Mar. 2018 Managing Director Mar. 2018 General Manager, Credit Card Division Mar. 2019 General Manager, Finance Division* Mar. 2020 Managing Director, Managing Executive Officer* <Significant concurrent positions outside the Company> Director of Shizugin Saison Card Co., Ltd.	17,100
		[Reason for selection as a candidate for Director] He has been involved mainly in the business of the Company's affiliated cards with client companies, credit granting, credit management and other operations, accumulating extensive experience in and broad insight into the payment business. In recent years, he has also contributed to the promotion and development of the finance business, through his strong leadership as the head of the Finance Division. The Company believes that he is an appropriate person to enhance its corporate value sustainably, and has selected him ongoingly as a candidate for Director.	
6	Yoshiaki Miura (September 2, 1966) Reelection	Apr. 1990 Joined Credit Saison Co., Ltd. Oct. 2001 General Manager, Kanagawa Branch Oct. 2006 Executive Vice President and Representative Director, Shizugin Saison Card Co., Ltd. Mar. 2011 General Manager, Internet Strategic Planning Department Mar. 2013 General Manager, Internet Business Division and General Manager, Internet Strategic Planning Department Mar. 2015 General Manager, Internet Business Division and General Manager, Business Incubation Department Mar. 2016 General Manager, Internet Business Division June 2016 Director Mar. 2018 Managing Director Mar. 2018 General Manager, Sales Development Division* Oct. 2019 General Manager, Payment Business Division* Mar. 2020 Managing Director, Managing Executive Officer* <Significant concurrent positions outside the Company> President of Saison Ventures Co., Ltd. Director of Idemitsu Credit Co., Ltd.	7,300
		[Reason for selection as a candidate for Director] He has been involved mainly in launching the Company's joint card businesses and developing digital services, and he has extensive experience in and broad insight into the development of new businesses and the promotion of digital operations. In recent years, he has supervised and been in overall charge of nationwide branches and offices as the General Manager of the Payment Business Division and Sales Development Division. He also has a track record of strengthening the sales capabilities of the payment business. The Company believes that he is an appropriate person to enhance its corporate value sustainably, and has selected him ongoingly as a candidate for Director.	

No.	Name (Date of birth)	Career summary, title and area of responsibility in the Company and significant concurrent positions outside the Company (The asterisk (*) refers to current position.)	Number of shares of the Company owned
7	Naoki Togashi (October 24, 1960) Reelection Outside Independent	Apr. 1984 Joined The Bank of Japan Jan. 1999 President, Future Financial Strategy Corp. Apr. 2007 Trustee, Japan Association of Corporate Executives* June 2010 Japan Representative Partner, Oliver Wyman Group Mar. 2011 Director, Nikko Asset Management Co., Ltd. June 2014 Director, NAGAHORI CORPORATION* Apr. 2017 Representative Director, Japan Representative Partner, Oliver Wyman Group* June 2017 Outside Director, Credit Saison Co., Ltd.* <Significant concurrent positions outside the Company> Representative Director, Japan Representative Partner, Oliver Wyman Group Director, NAGAHORI CORPORATION Trustee, Japan Association of Corporate Executives	0
<p>[Reason for selection as a candidate for Outside Director] He has been involved in strategic consulting in a broad financial area in Japan and abroad as a management consultant. He has extensive experience in and broad insight into corporate management. The Company believes that he can provide useful advice and guidance on its management from his objective and neutral stance, and has selected him ongoingly as a candidate for Outside Director.</p> <p>[Matters concerning independence] Upon approval of the election of Naoki Togashi, the Company plans to register him as an independent director/auditor with the Tokyo Stock Exchange (TSE) as he satisfies the requirements for an independent director/auditor, as stipulated by the TSE. In the current fiscal year, the Company had no business relationship with Oliver Wyman Group, where he serves as Representative Director, Japan Representative and Partner. Furthermore, he is an outside director of NAGAHORI CORPORATION. He serves as Outside Director of the Company and the term of office will be three (3) years upon the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, title and area of responsibility in the Company and significant concurrent positions outside the Company (The asterisk (*) refers to current position.)	Number of shares of the Company owned
8	<p>Nana Otsuki (September 17, 1964)</p> <p>Reelection</p> <p>Outside</p> <p>Independent</p>	<p>Apr. 1988 Joined Mitsui Trust and Banking Company, Limited (currently Sumitomo Mitsui Trust Bank, Limited)</p> <p>Nov. 1993 Retired</p> <p>Jan. 2000 Head, Credit Rating Team for Financial Institutions in Japan and South Korea, Standard and Poor's Ratings Japan K.K. (currently S&P Global Ratings Japan Inc.)</p> <p>Dec. 2005 Managing Director, Research Division, UBS Securities Japan Co., Ltd.</p> <p>June 2011 Managing Director, Head, Finance and Domestic Demand-Related Sector, Research Division, Merrill Lynch Japan Securities Co., Ltd.</p> <p>Sept. 2015 Professor, Faculty of Economics, Nagoya University of Commerce and Business</p> <p>Jan. 2016 Executive Officer, Monex, Inc.*</p> <p>June 2017 Outside Director, Credit Saison Co., Ltd.*</p> <p>Apr. 2018 Professor, Nagoya University of Commerce and Business Graduate School*</p> <p>Apr. 2018 Visiting Professor, Faculty of International Politics and Economics, Nishogakusha University*</p> <p>June 2018 Audit & Supervisory Board Member, Tokio Marine Holdings, Inc.*</p> <p>Sept. 2019 Trustee, Nishogakusha University*</p> <p><Significant concurrent positions outside the Company> Executive Officer, Monex, Inc. Professor, Nagoya University of Commerce and Business Graduate School Visiting Professor, Trustee, Faculty of International Politics and Economics, Nishogakusha University Audit & Supervisory Board Member, Tokio Marine Holdings, Inc.</p>	0
<p>[Reason for selection as a candidate for Outside Director] She has served domestic and foreign financial institutions as analyst over many years. She has extensive experience in and broad insight into analysis of the domestic and overseas financial markets and others. The Company believes that she can provide useful advice and guidance on its management from her objective and neutral stance, and has selected her ongoingly as a candidate for Outside Director.</p> <p>[Matters concerning independence] Upon approval of the election of Nana Otsuki, the Company plans to register her as an independent director/auditor with the Tokyo Stock Exchange (TSE) as she satisfies the requirements for an independent director/auditor, as stipulated by the TSE. She serves as Executive Officer of Monex, Inc. The Company has business relationship with Monex, Inc. on the issuance business of affiliated cards. However, the annual transaction amount is less than 0.2% of the two parties' total consolidated business transactions. The Company has sold all of its equity in Monex-Saison-Vanguard Investment Partners, Inc. (currently Monex Asset Management, Inc.) to Monex Group, Inc., and does not hold any shares in that company as of March 31, 2020. She also serves as professor at Nagoya University of Commerce and Business Graduate School, and as visiting professor at the Faculty of International Politics and Economics and trustee at Nishogakusha University. The Company has no business relationship with the two universities, and her independence has been recognized. She serves as Outside Director of the Company and the term of office will be three (3) years upon the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, title and area of responsibility in the Company and significant concurrent positions outside the Company (The asterisk (*) refers to current position.)	Number of shares of the Company owned
9	Hitoshi Yokokura (May 30, 1969) New candidate Outside Independent	Apr. 1992 Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC) Mar. 1995 Registered as certified public accountant Jan. 2002 Established Yokokura CPA Office Dec. 2007 Admitted to Japanese Bar, Tokyo Bar Association Joined Bingham, Sakai Mimura Aizawa (currently Anderson Mori & Tomotsune) Apr. 2014 Partner, Waseda Legal Commons, LPC* July 2017 Auditor, Minori Audit Corporation* <Significant concurrent positions outside the Company> Attorney at law, Waseda Legal Commons, LPC (Partner) Auditor, Minori Audit Corporation	0
<p>[Reason for selection as a candidate for Outside Director] As a certified public accountant and an attorney, he has a high level of specialized knowledge and extensive experience in financial, accounting and legal affairs. Although he has not been directly involved in corporate management, the Company believes that he can provide useful advice and guidance on its management from his objective and neutral stance, and has selected him as a candidate for Outside Director.</p> <p>[Matters concerning independence] Upon approval of the election of Hitoshi Yokokura, the Company plans to register him as an independent director/auditor with the Tokyo Stock Exchange (TSE) as he satisfies the requirements for an independent director/auditor, as stipulated by the TSE. In the current fiscal year, the Company had no business relationship with Waseda Legal Commons, LPC, where he serves as Attorney at law (Partner).</p>			

- Notes:
1. Other than those mentioned above, no special interests exist between the above candidates for Director and the Company.
 2. Naoki Togashi, Nana Otsuki, and Hitoshi Yokokura are candidates for Outside Director.
 3. The Company has concluded an agreement with Naoki Togashi and Nana Otsuki, limiting their liabilities for damages towards the Company to the extent specified by Article 423, Paragraph (1) of the Companies Act, pursuant to Article 427, Paragraph (1) of the Act. If the reelection of both Naoki Togashi and Nana Otsuki is approved, the Company intends to continue the same liability limitation agreement with them. In addition, if the election of Hitoshi Yokokura is approved, the Company intends to conclude the same liability limitation agreement with him.

Proposal No. 3: Determination of Remuneration for the Granting of Restricted Stock to Directors (excluding Outside Directors)

The amount of remuneration, etc. for Directors of the Company was approved to be up to ¥750 million per year (includes the amount for Outside Directors of up to ¥50 million per year) at the 57th Ordinary General Meeting of Shareholders held on June 23, 2007. (However, it excludes the amount of employee salary portion for Directors who concurrently serve as an employee.) The Company requests approval to newly offer remuneration, within the above-mentioned amount of remuneration, for the granting of restricted stock to the Company's Directors, in order to provide them with an incentive to sustainably increase the Company's corporate value and to further promote shared value between shareholders and Directors.

The total amount of monetary remuneration to be offered to the Company's Directors (excluding Outside Directors, hereinafter referred to as "Eligible Directors.") for the granting of restricted stock in accordance with this proposal shall be up to ¥150 million per year, an amount deemed reasonable in consideration of the aforementioned aims. The specific allocation to each Eligible Director shall be determined by the Board of Directors.

The current number of Directors is fifteen (15) (including three (3) Outside Directors). If Proposal No. 2 is approved and adopted in its original form, the number of Directors will become nine (9) (including three (3) Outside Directors).

Eligible Directors shall, based on a resolution of the Company's Board of Directors, make an in-kind contribution of all the monetary remuneration receivables to be granted according to this proposal, and common stock of the Company shall either be issued or disposed of by the Company with the upper limit set at 250,000 shares per year. (However, the total number may be adjusted within a reasonable range in the case that a share split (including an allotment of the Company's common stock without contribution) or a share consolidation of the Company's common stock is conducted, or any other reason that requires an adjustment to the total number of common stock to be issued or disposed of by the Company as restricted stock, on or after the day on which this proposal is approved and adopted.) The amount to be paid per share shall be determined at the Board of Directors meetings based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately prior to the date on which resolution is made at Board of Directors meetings (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day), within a scope which would not be considered specially advantageous to the Eligible Directors receiving the allotment of the common stock. For the purpose of such issuance or disposal of common stock of the Company, a contract on the allotment of restricted stock (hereinafter referred to as "Allotment Contract") that includes the following provisions shall be concluded between the Company and Eligible Directors.

- (1) Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of (hereinafter referred to as "Transfer Restriction") the Company's common stock that is allotted according to the Allotment Contract (hereinafter referred to as "Allotted Shares") during the period from the day when the Eligible Directors are allotted the restricted stock up to the day when either their position as Director or any other position specified by the Board of Directors is forfeited (hereinafter referred to as "Transfer Restriction Period").
- (2) In the event that the Eligible Directors forfeit either of the positions of (1) above prior to the expiration of the period specified separately by the Company's Board of Directors (hereinafter referred to as "Period of Service"), excluding in the case of reasons acknowledged as justifiable by the Board of Directors, the Company shall acquire the Allotted Shares rightfully without contribution.
- (3) The Company shall lift the Transfer Restriction on all of the Allotted Shares at the expiration of Transfer Restriction Period, on the condition that the Eligible Directors have continuously served as Director and in any other position specified by the Company's Board of Directors during the Period of Service. However, in the event that the Eligible Directors forfeit either of the positions specified in (1) above prior to the expiration of the Period of Service, for the reasons stipulated in (2) above that are acknowledged as justifiable by the Company's Board of Directors, the number of Allotted Shares for which the Transfer

Restriction is to be lifted and the timing of lifting the Transfer Restriction shall be reasonably adjusted as necessary.

- (4) Pursuant to the stipulation in (3) above, at the time of expiration of the Transfer Restriction Period, the Company shall acquire the Allotted Shares for which the Transfer Restriction has not been lifted, rightfully without contribution.
- (5) Notwithstanding the stipulation in (1) above, in the case where an agreement of a merger with the Company as the disappearing company, share exchange agreement or share transfer plan through which the Company becomes a wholly-owned subsidiary, or a matter concerning other organizational restructuring, etc. is approved at the Company's General Meeting of Shareholders (or at the Company's Board of Directors meeting in the case where approval of the General Meeting of Shareholders is not required for the said organizational restructuring, etc.) during the Transfer Restriction Period, the Transfer Restriction shall be lifted by the resolution of the Company's Board of Directors prior to the effective date of the said organizational restructuring, etc., with regard to the number of the Allotted Shares reasonably set forth in light of the period from the start date of the Transfer Restriction Period to the approval date of the said organizational restructuring, etc.
- (6) In the case prescribed in (5) above, pursuant to the stipulation in (5) above, at the time immediately after the lifting of the Transfer Restriction, the Company shall acquire the Allotted Shares for which the Transfer Restriction has not been lifted, rightfully without contribution.
- (7) The contents of this Allotment Contract shall be the methods of notification and declaration of intent therein, the methods of its revision, and other matters thereof specified by the Company's Board of Directors.

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Statement of Financial Position
(As of March 31, 2020)

(Millions of yen)

Assets		Liabilities and Equity	
Account item	Amount	Account item	Amount
Assets		Liabilities	
Cash and cash equivalents	109,761	Trade and other payables	230,927
Trade and other receivables	2,565,409	Financial guarantee debt	10,206
Inventories	135,380	Bonds and borrowings	2,413,565
Operational investment securities	48,789	Other financial liabilities	26,619
Investment securities	60,724	Income taxes payable	9,364
Other financial assets	13,905	Provision for point card certificates	109,938
Property, plant and equipment	29,414	Provision for loss on interest repayment	22,897
Right-of-use assets	17,565	Other provisions	1,554
Intangible assets	181,058	Deferred tax liabilities	903
Investment property	61,508	Other liabilities	45,775
Investments accounted for using equity method	77,198	Total liabilities	2,871,753
Deferred tax assets	47,910	Equity	
Other assets	8,601	Equity attributable to owners of parent	484,670
		Share capital	75,929
		Capital surplus	85,279
		Retained earnings	384,182
		Treasury shares	(62,881)
		Other components of equity	2,161
		Non-controlling interests	805
		Total equity	485,476
Total assets	3,357,229	Total liabilities and equity	3,357,229

Note: Amounts of less than one million yen are omitted.

Consolidated Statement of Profit or Loss

(From April 1, 2019 to March 31, 2020)

(Millions of yen)

Account item	Amount	
Revenue		
Income from the payment business	230,160	
Income from the lease business	12,266	
Income from the finance business	43,112	
Revenue from the real estate-related business	62,307	
Revenue from the entertainment business	48,493	
Finance income	771	
Total		397,112
[Of interest income]		(112,167)
Cost of sales		
Cost of the real estate related business	46,030	
Cost of the entertainment business	39,671	
Total		85,702
Net revenue		311,410
Selling, general and administrative expenses		236,910
Impairment losses on financial assets		39,376
Finance costs		10,471
Share of profit of investments accounted for using equity method		6,442
Other income		5,585
Other expenses		9,220
Profit before tax		27,458
Income tax expense		4,813
Profit		22,645

Note: "Income from the credit service business" is presented as "Income from the payment business" from the fiscal year under review due to segment name changes.

Profit attributable to

Owners of parent	22,863
Non-controlling interests	(218)
Profit	22,645

Reconciliation from profit before tax to business profit

Profit before tax	27,458
Reconciliations (Other income)	(917)
Reconciliations (Other expenses)	8,979
Adjustments for the application of the effective interest method to financial assets	663
Subtotal	8,725
Business profit	36,184

Note: Amounts of less than one million yen are omitted.

Consolidated Statement of Changes in Equity
(From April 1, 2019 to March 31, 2020)

(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 at April 1, 2019	75,929	85,642	360,303	(52,881)	22,004	490,998	743	491,741
Profit			22,863			22,863	(218)	22,645
Other comprehensive income					(11,474)	(11,474)	(13)	(11,487)
Comprehensive income	-	-	22,863	-	(11,474)	11,389	(231)	11,157
Purchase of treasury shares				(10,000)	(0)	(10,000)		(10,000)
Disposal of treasury shares		(0)		0		0		0
Dividends			(7,353)			(7,353)		(7,353)
Transfer from other components of equity to retained earnings			8,369		(8,369)	-		-
Changes in ownership interest in subsidiaries		(363)				(363)	294	(68)
Total transactions with owners	-	(363)	1,015	(10,000)	(8,369)	(17,717)	294	(17,422)
Balance at March 31, 2020	75,929	85,279	384,182	(62,881)	2,161	484,670	805	485,476

Note: Amounts of less than one million yen are omitted.

Non-consolidated Balance Sheet
(As of March 31, 2020)

(Millions of yen)

Assets		Liabilities and Equity	
Account item	Amount	Account item	Amount
Current assets	2,807,614	Current liabilities	1,303,514
Cash and deposits	74,974	Notes payable – trade	0
Accounts receivable – installment	2,197,156	Accounts payable – trade	229,187
Lease investment assets	257,713	Short-term borrowings	256,504
Operational investment securities	43,709	Current portion of long-term borrowings	124,400
Merchandise	113	Current portion of bonds payable	75,000
Supplies	1,581	Commercial papers	550,000
Prepaid expenses	4,837	Current portion of long-term loans payable under credit fluidity	5,059
Short-term loans receivable	544	Lease obligations	536
Short-term loans receivable from subsidiaries and associates	244,208	Accounts payable – other	4,178
Accounts receivable – other	26,338	Accrued expenses	20,620
Other	4,212	Income taxes payable	6,835
Allowance for doubtful accounts	(47,776)	Deposits received	8,249
Non-current assets	401,477	Unearned revenue	692
Property, plant and equipment	15,045	Provision for bonuses	1,657
Buildings, net	5,449	Provision for bonuses for directors (and other officers)	119
Vehicles, net	0	Provision for loss on interest repayment	6,372
Equipment, net	1,438	Allowance for losses on collecting gift tickets	132
Land	6,904	Deferred installment income	9,049
Leased assets, net	1,234	Other	4,915
Construction in progress	18	Non-current liabilities	1,502,601
Intangible assets	137,589	Bonds payable	392,000
Leasehold right	14	Long-term borrowings	947,299
Software	135,947	Long-term loans payable under credit fluidity	26,674
Leased assets	98	Lease obligations	927
Software in progress	1,277	Provision for loss on guarantees	7,869
Other	252	Provision for point card certificates	109,938
Investments and other assets	248,843	Provision for loss on interest repayment	15,003
Investment securities	56,379	Guarantee deposits received	1,199
Shares of subsidiaries and associates	64,531	Other	1,689
Bonds of subsidiaries and associates	400	Total liabilities	2,806,115
Investments in capital	0	Net assets	
Investments in capital of subsidiaries and associates	8,480	Shareholders' equity	396,694
Long-term loans receivable	10,079	Share capital	75,929
Long-term loans receivable from subsidiaries and associates	29,979	Capital surplus	84,100
Long-term prepaid expenses	34,318	Legal capital surplus	82,497
Guarantee deposits	2,765	Other capital surplus	1,602
Deferred tax assets	36,417	Retained earnings	299,262
Other	5,901	Legal retained earnings	3,020
Allowance for doubtful accounts	(409)	Other retained earnings	296,242
Deferred assets	1,833	General reserve	247,455
Bond issuance cost	1,833	Retained earnings brought forward	48,787
Total assets	3,210,925	Treasury shares	(62,596)
		Valuation and translation adjustments	8,115
		Valuation difference on available-for-sale securities	8,346
		Deferred gains or losses on hedges	(231)
		Total net assets	404,809
		Total liabilities and net assets	3,210,925

Note: Amounts of less than one million yen are omitted.

Non-consolidated Statement of Income
(From April 1, 2019 to March 31, 2020)

(Millions of yen)

Account item	Amount	
Operating revenue		
Income from the payment business		
Revenue from credit card business	140,136	
Credit card cash advances revenue	32,376	
Loan certificates revenue	588	
Business agency revenue	31,260	
Income from the payment-related services	10,111	214,473
Income from the lease business		12,264
Income from the finance business		
Revenue from credit guarantee	16,628	
Finance related revenue	20,046	36,674
Income from the real estate related business		
Revenue from the real estate-related business	23	
Cost of the real estate related business	1	21
Financial revenue		4,586
Total operating revenue		268,020
Operating expenses		
Selling, general and administrative expenses		235,794
Finance costs		
Interest expenses	9,199	
Other	1,335	10,535
Total operating expenses		246,330
Operating profit		21,690
Non-operating income		6,979
Non-operating expenses		320
Ordinary profit		28,348
Extraordinary income		
Gain on sale of investments in subsidiaries and associates	18,834	
Gain on sales of investment securities	13,083	31,918
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	7,655	
Loss on valuation of investment securities	2,713	
Loss on sale of investments in subsidiaries and associates	387	
Loss on disposal of fixed assets	245	
Loss on valuation of investments in capital	159	
Loss on sales of investment securities	28	
Other	3	11,192
Profit before income taxes		49,074
Income taxes – current	12,692	
Income taxes – deferred	2,990	15,683
Profit		33,391

Notes:

1. “Income from the credit service business” is presented as “Income from the payment business,” and “Income from the credit-related services” is presented as “Income from the payment-related services” from the fiscal year under review due to segment name changes.
2. Amounts of less than one million yen are omitted.

Non-consolidated Statement of Changes in Equity
(From April 1, 2019 to March 31, 2020)

(Millions of yen)

	Shareholders' equity									
	Share capital	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	232,455	37,749	273,224	(52,596)	380,657
Changes during period										
Provision of general reserve						15,000	(15,000)	–		–
Dividends of surplus							(7,353)	(7,353)		(7,353)
Profit							33,391	33,391		33,391
Purchase of treasury shares									(10,000)	(10,000)
Disposal of treasury shares			(0)	(0)					0	0
Net changes in items other than shareholders' equity										–
Total changes of items during period	–	–	(0)	(0)	–	15,000	11,037	26,037	(10,000)	16,037
Balance at end of current period	75,929	82,497	1,602	84,100	3,020	247,455	48,787	299,262	(62,596)	396,694

	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	27,294	(418)	26,875	407,533
Changes during period				
Provision of general reserve				–
Dividends of surplus				(7,353)
Profit				33,391
Purchase of treasury shares				(10,000)
Disposal of treasury shares				0
Net changes in items other than shareholders' equity	(18,948)	187	(18,760)	(18,760)
Total changes during period	(18,948)	187	(18,760)	(2,723)
Balance at end of current period	8,346	(231)	8,115	404,809

Note: Amounts of less than one million yen are omitted.