

May 30, 2007

**To Our Shareholders with Voting Rights**

Hiroshi Rinno  
President and Representative Director  
Credit Saison Co., Ltd.  
1-1, Higashi-Ikebukuro 3-chome, Toshima-ku,  
Tokyo

**NOTICE OF THE 57TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We hereby inform you of the 57th Ordinary General Meeting of Shareholders to be held on a Saturday for your convenience as stated below.

If you are unable to attend the meeting, you can exercise your voting rights by paper ballot or via the Internet. Please read the attached REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS, and either return the enclosed Voting Rights Exercise Form with your selections or vote via the Company's designated site by 6 p.m. of June 22 (Friday) 2007. (Tokyo time)

- 1. Date:** 10 a.m., Saturday, June 23, 2007
- 2. Place:** Providence Hall, 2nd Floor,  
Tokyo Prince Hotel  
Shiba-Koen 3-3-1, Minato-ku, Tokyo

**3. Objectives of the Meeting:**

**Reports:**

1. Business Report, Consolidated Financial Statements, and results of audits by Accounting Auditor and the Board of Statutory Auditors on the Consolidated Financial Statements for the 57th Fiscal term (from April 1, 2006 to March 31, 2007)
2. Non-consolidated Financial Statements for the 57th Fiscal Term (from April 1, 2006 to March 31, 2007)

**Agenda**

- Proposal No. 1:** Distribution of Surplus  
**Proposal No. 2:** Election of sixteen (16) Directors  
**Proposal No. 3:** Election of five (5) Statutory Auditors  
**Proposal No. 4:** Election of Accounting Auditor  
**Proposal No. 5:** Granting of retirement benefits to retiring Directors and retiring Statutory Auditors and terminal payment to Directors following the abolishment of retirement benefits scheme  
**Proposal No. 6:** Payment of bonuses to Directors and Statutory Auditors  
**Proposal No. 7:** Revision of amount of compensation payable to Directors and Statutory Auditors

**4. Reminders for Voting Rights Exercise:**

[Voting via Postal Mail]

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form and return the form by 6 p.m. of June 22 (Friday) 2007.

[Voting via the Internet]

Please follow the instructions of the documents for exercising voting rights on the Internet and enter your vote for each proposal by 6 p.m. of June 22 (Friday) 2007. (Tokyo time)

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Note 1: For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.

Note 2: In the event that a correction is needed on the REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS, Business Report, Non-consolidated and Consolidated Financial Statements prior to the date of General Meeting of Shareholders, the Company will mail the correction to shareholders or announce it on the website (<http://www.saisoncard.co.jp>).

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Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

### Proposals and References

#### Proposal No. 1: Distribution of Surplus

The Company proposes the distribution of surplus as follows:

##### 1. Matters relating to year-end dividends

The Company thinks that it is important to reinforce the business structure and continue business development in boosting the shareholder value of the Company. To this end, the Company is determined to accumulate internal reserve while offering appropriate, stable, and continuous distributions of dividends to shareholders.

Under the policy, the Company proposes ¥28 of year-end dividends per share, which is ¥2 greater than the year-end dividends for the preceding business year, as stated below.

##### (1) Type of dividend property

Cash

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

The Company proposes to pay 28 yen of dividends per share of common stock to shareholders. Thus, the total of the dividends to be paid will be ¥5,034,465,240.

##### (3) Effective date of distribution of surplus

June 23, 2007 (scheduled date of dividend payment commencement: June 26, 2007)

##### 2. Other matters related to the distribution of surplus

##### (1) Account item with increasing surplus and the amount

Voluntary reserve: 5,000,000,000 yen

##### (2) Account item with decreasing surplus and the amount

Revenue reserves forwarded: 5,000,000,000 yen

#### Proposal No. 2: Election of sixteen (16) Directors

Director Shinji Hojo, Hisayuki Kurata, and Akira Kuramitsu resigned as of February 28, 2007. In addition, the term of office of Director Hiroshi Rinno, Teruyuki Maekawa, Toshiharu Yamamoto, Hidetoshi Suzuki, Kazufusa Inada, Naoki Takahashi, Mitsusuke Yamamoto, Kenzo Tada, Takayoshi Yamaji, Kyusuke Togano, Chikako Yokoi, Hideo Suzuki, Hong Tae Kim, Atsushige Takahashi, Hiromichi Sato, and Yoshiro Yamamoto will expire on conclusion of the general meeting of shareholders. Accordingly, the Company proposes election of 16 Directors.

The nominees for Directors are as follows:

	Name (date of birth)	Brief personal history, current positions and representative positions in other companies (The asterisk (*) refers to current position.)	Number of shares of the Company held
1	Hiroshi Rinno (August 5, 1942)	April 1965 Joined THE SEIBU DEPARTMENT STORE, LTD. March 1982 Joined Credit Saison Co., Ltd. General Manager, Credit Sales Promotion Division April 1983 Director April 1985 Managing Director June 1995 Senior Managing Director June 1999 Senior Managing Director and Representative Director June 2000 President * June 2003 Director, Resona Bank, Limited June 2003 Director, Resona Holdings, Inc.	62,045

	Name (date of birth)	Brief personal history, current positions and representative positions in other companies (The asterisk (*) refers to current position.)	Number of shares of the Company held
2	Teruyuki Maekawa (January 24, 1942)	<p>March 1964 Joined Credit Saison Co., Ltd.</p> <p>April 1991 General Manager, Sales No. 1 Division, and General Manager, Sales Promotion Division</p> <p>June 1991 Director</p> <p>April 1998 Managing Director</p> <p>February 2001 Senior Managing Director</p> <p>June 2002 Senior Managing Director and Representative Director</p> <p>April 2005 Executive Vice President and Representative Director*</p> <p>March 2007 General Manager, Management Division / PR Office / Audit Office*</p>	25,050
3	Toshiharu Yamamoto (September 11, 1944)	<p>April 1968 Joined THE SEIBU DEPARTMENT STORES, LTD.</p> <p>July 1989 Joined Credit Saison Co., Ltd. as General Manager, Sales Planning Division</p> <p>June 1994 Director</p> <p>February 2001 Managing Director</p> <p>March 2005 Credit Headquarters manager*</p> <p>April 2005 Senior Managing Director</p> <p>March 2007 Senior Managing Director and Representative Director*</p>	3,030
4	Hideki Miyauchi (November 20, 1943)	<p>March 1962 Joined Credit Saison Co., Ltd.</p> <p>August 1985 Lease Manager, Lease Insurance Division</p> <p>February 1989 Manager, Lease Operation Division</p> <p>April 1994 Manager, Personnel/General Affairs Division</p> <p>June 1997 Director</p> <p>February 2002 Managing Director</p> <p>October 2003 Joined IDEMITSU CREDIT CO., LTD. as Vice President and Representative Director</p> <p>March 2007 Joined Credit Saison Co., Ltd. as General Manager, Finance Division*</p>	19,300
5	Hidetoshi Suzuki (April 21, 1949)	<p>April 1973 Joined Credit Saison Co., Ltd.</p> <p>February 2001 General Manager, Strategy Headquarters, and in control of Sales Development Division and Corporate Planning Office</p> <p>June 2001 Director</p> <p>February 2004 Managing Director*</p> <p>March 2005 Strategy Headquarters</p> <p>March 2007 Card Headquarters Manager*</p>	4,800
6	Kazufusa Inada (February 13, 1946)	<p>March 1970 Joined Credit Saison Co., Ltd.</p> <p>February 2001 General Manager, Personnel Division</p> <p>June 2001 Director</p> <p>February 2004 Managing Director*</p> <p>March 2005 General Manager, Card Headquarters manager</p> <p>March 2007 General Manager, Control Division*</p>	8,100

	Name (date of birth)	Brief personal history, current positions and representative positions in other companies (The asterisk (*) refers to current position.)	Number of shares of the Company held
7	Naoki Takahashi (August 5, 1950)	<p>April 1974 Joined the Fuji Bank Co., Ltd. (currently Mizuho Financial group, Inc.)</p> <p>April 2003 Operating office, 2nd Business Department manager in Osaka, Mizuho Corporate Bank, Ltd.</p> <p>April 2004 Executive Director, Business executive officer in the bank</p> <p>April 2005 Joined Credit Saison Co., Ltd. Advisor</p> <p>June 2005 Managing Director*</p> <p>March 2007 General Manager, Strategy Headquarters*</p>	400
8	Mitsusuke Yamamoto (April 13, 1949)	<p>April 1972 Joined the Fuji Bank Co., Ltd. (currently Mizuho Financial Group, Inc.)</p> <p>June 2001 Operating office, branch office manager in the bank</p> <p>April 2004 Senior Managing Director of UC Card Co., Ltd.</p> <p>June 2005 Director, Credit Saison Co., Ltd.</p> <p>October 2005 President and Representative Director, UC Card Co., Ltd. (UC membership business company)</p> <p>January 2006 Managing Director, Credit Saison Co., Ltd.*</p> <p>March 2007 Deputy General Manager, Card Headquarters and Manager, UC Business Division.*</p>	300
9	Kenzo Tada (December 9, 1946)	<p>April 1971 Joined THE SEIBU DEPARTMENT STORES, LTD.</p> <p>February 1997 Store Manager, Kawasaki Seibu Store, THE SEIBU DEPARTMENT STORES, LTD</p> <p>September 2000 Joined Credit Saison Co., Ltd., as General Manager, Credit Sales Promotion Division</p> <p>February 2001 General Manager, Marketing Headquarters</p> <p>June 2001 Director*</p> <p>September 2003 East-Japan Business Division</p> <p>March 2007 General Manager, Alliance Business Division*</p>	20,000
10	Takayoshi Yamaji (September 30, 1953)	<p>April 1977 Joined Credit Saison Co., Ltd.</p> <p>February 2004 General Manager, West-Japan Business Division</p> <p>June 2004 Director*</p> <p>March 2007 Manager, Saison Business Division*</p>	5,800
11	Kyosuke Togano (November 2, 1961)	<p>April 1986 Joined Credit Saison Co., Ltd.</p> <p>March 2005 System Planning Division manager of the Company and Mizuho UC alliance promotion office manager</p> <p>April 2005 In control of System Promotion Department of the Company</p> <p>June 2005 Director*</p> <p>March 2007 General Manager, System Division*</p>	2,345

	Name (date of birth)	Brief personal history, current positions and representative positions in other companies (The asterisk (*) refers to current position.)	Number of shares of the Company held
12	Chikako Yokoi (September 2, 1947)	October 1986 Joined Credit Saison Co., Ltd. March 2005 Manager, Promotion Center March 2006 Deputy Head of Credit Division* June 2006 Director*	3,300
13	Hideo Suzuki (September 3, 1956)	April 1980 Joined THE SEIBU DEPARTMENT STORES, LTD. May 1993 Joined Credit Saison Co., Ltd. March 1996 General Manager, Affinity Card Division June 2004 Director, Idemitsu Credit Co., Ltd. June 2005 Managing Director, Idemitsu Credit Co., Ltd. March 2006 Joined Credit Saison Co., Ltd. Head of Sales Division* June 2006 Director*	1,700
14	Hong Tae Kim (July 18, 1875)	April 2002 Joined Credit Saison Co., Ltd. as Manager, Business Strategy Division September 2003 Manager, Corporate Planning Department March 2005 Manager, Corporate Planning Department June 2006 Director* March 2007 General Manager, Retail Finance Division*	200
15	Hiroshi Yamamoto (June 4, 1955)	April 1978 Joined The Dai-Ichi Kangyo Bank, Ltd. (currently Mizuho Financial Group, Inc.) April 2002 Joined Mizuho Corporate Bank, Ltd. as Counselor, Business Promotion Dept. October 2002 Manager, 3rd Osaka Sales Department. April 2005 General Manager, 12th Sales Department. March 2006 Executive Officer and Manager, 12th Sales Department. April 2007 Joined Credit Saison Co., Ltd. as Vice General Manager, Finance Division*	None
16	Yoshiro Yamamoto (March 8, 1936)	April 1959 Joined the Fuji Bank Co., Ltd. (currently Mizuho Financial Group, Inc.) June 1987 Director, Head office deliberator of the bank June 1996 President of the Company September 2000 Chairman of board of Directors, Mizuho Holdings, Inc. July 2002 Incorporated foundation Syououkai director* June 2003 Director of Credit Saison Co., Ltd.*	1,900

Note 1: No conflict of interest exists between the Company and the above candidates for Director.

Note 2: Yoshiro Yamamoto is a candidate for Outside Director. He has worked as corporate manager in the financial industry for a long time and accumulated much experience and a broad range of views. He has already served as Outside Director for four years since June 2003. The Company proposes election of Yamamoto in anticipation of his timely and appropriate pieces of advice to the Company, as he offered in the past.

The Company has concluded a liability limitation agreement with Outside Director Yoshiro Yamamoto. When Yoshiro Yamamoto is elected to Director, the Company will continue to extend the liability limitation agreement with him.

**Proposal No. 3: Election of five (5) Statutory Auditors**

Statutory Auditor Isao Ohtsuka passed away on June 28, 2006. Statutory Auditor Seiji Sugiyama is to resign on June 22, 2007. In addition, the term of office of Statutory Auditor Toshio Sakai, Isamu Sato, and Atsushi Toki will expire on conclusion of the coming general meeting of shareholders. Accordingly, the Company proposes election of 5 Statutory Auditors. The Board of Statutory Auditors has previously given its approval. The nominees for Statutory Auditors are as follows:

	Name (date of birth)	Brief personal history, current positions and representative positions in other companies (The asterisk (*) refers to current position.)	Number of shares of the Company held
1	Hiromichi Sato (July 8, 1947)	<p>April 1971 Joined Nippon Kangyo Bank, Ltd. (currently Mizuho Financial Group, Inc.)</p> <p>June 1999 Director and General Manager, No.1 Sales Division</p> <p>June 2000 Joined Credit Saison Co., Ltd. Managing Director</p> <p>March 2005 In control of Lease Operation Division and Credit Guarantee Division</p> <p>March 2006 Vice General Manager, Finance Division</p> <p>March 2007 Director*</p>	14,800
2	Masaru Sakurai (March 17, 1945)	<p>April 1968 Joined the National Police Agency</p> <p>March 1991 Chief, Gunma Prefectural Police Headquarters</p> <p>August 1992 Manager, Personnel Section, National Police Agency</p> <p>October 1994 Chief, Public Security Department, Tokyo Metropolitan Police Department</p> <p>March 1998 Chief, Kinki Regional Police Bureau</p> <p>April 2004 Joined NEC Corporation as Executive Managing Officer</p> <p>April 2006 Advisor*</p>	None
3	Hiroshi Tomizawa (October 18, 1940)	<p>April 1963 Joined the Ministry of Finance</p> <p>June 1991 Deputy Commissioner, National Tax Administration Agency</p> <p>July 1992 Joined JAPAN TOBACCO, INC. as Advisor</p> <p>June 1996 Vice President and Representative Director</p> <p>June 1999 President and Representative Director, JT Soft Service Co., Ltd.</p> <p>August 2002 President and Representative Director, JT Finance Service Co., Ltd.</p> <p>April 2003 President, National Printing Bureau, an independent administrative institution</p>	None
4	Kotaro Matsumoto (March 1, 1939)	<p>April 1962 Joined THE SEIBU DEPARTMENT STORES, LTD.</p> <p>May 1982 Director</p> <p>May 1984 Statutory Auditor, PARCO Co., Ltd.</p> <p>May 1989 Managing Director</p> <p>July 1992 Senior Managing Director, THE SEIBU DEPARTMENT STORES, LTD</p> <p>May 1997 Senior Managing Director and Representative Director</p> <p>February 2001 Chairman and Representative Director</p> <p>May 2003 Statutory Auditor, Sogo Co., Ltd.</p>	None

	Name (date of birth)	Brief personal history, current positions and representative positions in other companies (The asterisk (*) refers to current position.)	Number of shares of the Company held
5	Atsushi Toki (May 19, 1955)	<p>April 1983 Registered as Lawyer (with The Dai-Ichi Tokyo Bar Association)*</p> <p>April 1989 Founded Okudaira-Toki Law Office (currently Meitetsu General Law Office)*</p> <p>August 1999 Secretary, Commercial Code Subcommittee, Legislative Council of the Ministry of Justice (currently Corporate Law Subcommittee)</p> <p>May 2003 Director, PARCO Co., Ltd.*</p> <p>June 2003 Statutory Auditor, Credit Saison Co., Ltd.*</p>	1,000

Note 1: No conflict of interest exists between the Company and the above candidates for Statutory Auditor.

Note 2: Masaru Sakurai is a candidate for Outside Statutory Auditor. The Company proposes election of Sakurai in anticipation of his objective and neutral audit of management affairs for legitimacy.

Note 3: Horoshi Tomizawa is a candidate for Outside Statutory Auditor. The Company proposes election of Tomizawa in anticipation of audit based on his rich experience as corporate manager and a broad range of views.

Note 4: Kotaro Matsumoto is a candidate for Outside Statutory Auditor. The Company proposes election of Matsumoto in anticipation of audit based on his rich experience as corporate manager and a broad range of views. In addition, until May 2003, Matsumoto assumed office as Chairman and Representative Director of THE SEIBU DEPARTMENT STORES, LTD., a business operator in specific relation with the Company (major trade partner).

Note 5: Atsushi Toki is a candidate for Outside Statutory Auditor. As lawyer specialized in the Corporate Law, he has already served as Statutory Auditor for four years since June 2003, during which he offered valuable pieces of advice to the Company. The Company proposes election of Toki in anticipation of continuous audit based on his rich experience and a broad range of views.

Note 6: The Company has concluded a liability limitation agreement with Outside Statutory Auditor Atsushi Toki. When Atsushi Toki is elected, the Company will extend the liability limitation agreement with him. In addition, when Masaru Sakurai, Horoshi Tomizawa, and Kotaro Matsumoto are elected to Statutory Auditor, the Company will conclude such a liability limitation agreement with them.



**Proposal No. 4: Election of Accounting Auditor**

The term of office of MISUZU Audit Corporation (formerly “ChuoAoyama Audit Corporation), the temporary Accounting Auditor for the Company, will expire on conclusion of the coming general meeting of shareholders. Accordingly, the Company proposes election of an Accounting Auditor at the general meeting of shareholders. The Board of Statutory Auditors has previously given its approval. The nominee for Accounting Auditor is as follows:

Name	Deloitte Touche Tohmatsu	
Principal Office	MS Shibaura Building Shibaura-Nishi 4-chome 13-23, Minato-ku, Tokyo, Japan	
History	May 1968	Tohmatsu Awoki & Co. founded
	May 1975	Joined the Touche Ross International (TRI)
	October 1986	Tohmatsu Awoki & Co. merged with Sanwa & Co. into Tohmatsu Aoki & Sanwa
	April 1988	Merged with Marunouchi & Co.
	October 1988	Merged with Nishikata Audit Corporation and Sapporo Dai-ichi Kaikei Audit Corporation
	February 1990	Merged with Mita Audit Corporation into Tohmatsu & Co., which then joined Deloitte & Touche Tohmatsu, an international audit organization, as a principal office.
	April 2001	Merged with SAN-AI Audit Corporation
	July 2002	Merged with Seiwa Audit Corporation
Remarks	Capital:	1,723 million yen
	Number of partners (CPA):	423
	Number of counselors:	22
	Number of employees (CPA):	1,338
	Number of assistant CPAs:	1,092
	Number of other specialty staff members:	990
	Number of clerical staff members:	347
	Total	4,212

(As of March 31, 2007)

**Proposal No. 5: Granting of retirement benefits to retiring Directors and retiring Statutory Auditors and terminal payment to Directors following the abolishment of retirement benefits scheme**

Director Terutaka Hasuda resigned on February 28, 2006. Director Shinji Hojo, Hisayuki Kurata, and Akira Kuramitsu resigned on February 28, 2007. And the term of office of Director Atsushige Takahashi, Hiromichi Sato, and Statutory Auditor Toshio Sakai will expire on conclusion of the coming general meeting of shareholders. In consideration of their service to Credit Saison, the Company proposes that retirement benefits be granted to the abovementioned Directors and the Statutory Auditor in amounts within a reasonable range based on the Company's internal regulations. It is also proposed that the decisions as to the specific amounts of money, timing and method of payment be respectively entrusted to the Board of Directors and the Board of Statutory Auditors.

On April 18, 2007, the Company decided to abolish the retirement benefits scheme for Directors and Statutory Auditors on the conclusion of the coming general meeting of shareholders. Prior to the abolishment of the scheme, however, the Company proposes to grant retirement benefits for 13 Directors who will be re-elected when Proposal No. 2 is approved, namely Directors Hiroshi Rinno, Teruyuki Maekawa, Toshiharu Yamamoto, Hidetoshi Suzuki, Kazufusa Inada, Naoki Takahashi, Mitsusuke Yamamoto, Kenzo Tada, Takayoshi Yamaji, Kyosuke Togano, Chikako Yokoi, Hideo Suzuki, and Hong Tae Kim in amounts within a reasonable range based on the Company's internal regulations based on their service periods until the conclusion of the general meeting of shareholders. It is also proposed that the decisions as to the specific amounts of money, payment date upon or after the retirement of each Director, and method of payment be entrusted to the Board of Directors.

The brief histories of the resigned Directors and resigning Statutory Auditors are as follows:

Name	Brief personal history		
Terutaka Hasuda	June	1998	Director, Credit Saison Co., Ltd.
	February	2002	Managing Director
	April	2005	Senior Managing Director
Shinji Hojo	June	1998	Director, Credit Saison Co., Ltd.
	March	2006	Managing Director
Hisayuki Kurata	June	2004	Director, Credit Saison Co., Ltd.
Akira Kuramitsu	June	2004	Director, Credit Saison Co., Ltd.
Atsushige Takahashi	June	1994	Director, Credit Saison Co., Ltd.
	June	1995	Managing Director
	February	2002	Senior Managing Director
	April	2005	Representative Senior Managing Director
	March	2007	Director
Hiromichi Sato	June	2000	Managing Director, Credit Saison Co., Ltd.
	March	2007	Director
Toshio Sakai	June	1991	Director
	June	1993	Managing Director
	June	2000	Full-Time Statutory Auditor

The names and brief personal histories of the Directors subject to terminal payment of retirement allowances are as follows:

Name	Brief personal history		
Hiroshi Rinno	April	1983	Director, Credit Saison Co., Ltd.
	April	1985	Managing Director
	June	1995	Senior Managing Director
	June	1999	Representative Senior Managing Director
	June	2000	President and Representative Director (to present)
Teruyuki Maekawa	June	1991	Elected to Director, Credit Saison Co., Ltd.
	April	1998	Managing Director
	February	2001	Senior Managing Director
	June	2002	Representative Senior Managing Director
	April	2005	Vice President and Representative Director (to present)
Toshiharu Yamamoto	June	1994	Director, Credit Saison Co., Ltd.
	February	2001	Managing Director
	April	2005	Senior Managing Director
	March	2007	Representative Senior Managing Director (to present)
Hidetoshi Suzuki	June	2001	Director, Credit Saison co., Ltd.
	February	2004	Managing Director (to present)
Kazufusa Inada	June	2001	Director, Credit Saison Co., Ltd.
	February	2004	Managing Director (to present)
Naoki Takahashi	June	2005	Managing Director, Credit Saison Co., Ltd. (to present)
Mitsusuke Yamamoto	June	2005	Director, Credit Saison co., Ltd.
	January	2006	Managing Director (to present)
Kenzo Tada	June	2001	Director, Credit Saison co., Ltd. (to present)
Takayoshi Yamaji	June	2004	Director, Credit Saison Co., Ltd. (to present)
Kyosuke Togano	June	2005	Director, Credit Saison Co., Ltd. (to present)

Name	Brief personal history		
Chikako Yokoi	June	2006	Director (to present), Credit Saison Co., Ltd. (to present)
Hideo Suzuki	June	2006	Director, Credit Saison Co., Ltd. (to present)
Hong Tae Kim	June	2006	Director, Credit Saison Co., Ltd. (to present)

**Proposal No. 6: Payment of bonuses to Directors and Statutory Auditors**

Considering net income for the business year, past payments of bonus to Directors, and other given conditions, the Company proposes payment of a sum of 150,000,000 yen to 15 Directors and 3 Directors retired during the business year but not including the Outside Director as of the March 31, 2007 and payment of a sum of 8,000,000 yen to 2 full-time Statutory Auditors as of March 31, 2007 based on their service period. It is also proposed that the decisions as to the specific amounts of money, timing and method of payment to the abovementioned Directors and the Statutory Auditors be respectively entrusted to the Board of Directors and the Board of Statutory Auditors.

**Proposal No. 7: Revision of amount of compensation payable to Directors and Statutory Auditors**

The amount of compensation payable to a Director and a Statutory Auditor of the Company has been set respectively to a monthly amount up to 40,000,000 yen (not including the portion of salary paid to the Director as employee) and up to 6,000,000 yen at the 45th ordinary general meeting of shareholders held on June 29, 1995.

On April 18, 2007, the Company decided to abolish the retirement benefits scheme for Directors and Statutory Auditors on conclusion of the coming general meeting of shareholders, as part of revising the scheme of compensation payable to Directors and Statutory Auditors. In addition, the provisions of Article 361 Paragraph 1 and Article 387 Paragraph 1 of the Corporate Law stipulate that “compensation” for Directors and Statutory Auditors shall be paid as consideration for their service to the Company, and accordingly count their bonuses.

Considering the abovementioned circumstances, the abolishment of the retirement benefits scheme, and further reinforcement of the auditing system, the Company proposes revision of annual compensation, including payments of bonuses, payable to a Director and a Statutory Auditor to the limit of 750,000,000 yen for a Director (50,000,000 yen for an Outside Director) and to the limit of 150,000,000 yen for a Statutory Director.

It is also proposed that the decisions as to the specific amounts of compensation for Directors and Statutory Auditors be respectively entrusted to the Board of Directors and the Board of Statutory Auditors. In connection with this, compensation for a Director shall not count the portion of salary paid to the Director as employee as in the past.

At present, the number of Directors, including 1 Outside Director, counts 16, while the number of Statutory Auditors counts 4. When Proposal No. 2 and Proposal No. 3 are approved as proposed, the Company will have 16 Directors, including 1 Outside Director, and 5 Statutory Auditors.

**Consolidated Balance Sheet (As of March 31, 2007)**

(Millions of yen)

ASSETS		LIABILITIES	
Account item	Amount	Account item	Amount
<b>Current Assets</b>	<b>1,872,306</b>	<b>Current Liabilities</b>	<b>924,122</b>
Cash and deposits	55,961	Notes and accounts payable	237,261
Installment accounts receivable	1,672,904	Short-term loans	381,708
Other trade receivables	532	Current portion of long-term loans	52,528
Securities	1,499	Current portion of bonds	42,445
Inventory	147,956	Commercial paper	101,300
Deferred income taxes	19,471	Current portion of payables under securitized lease receivables	12,116
Short-term loans	5,225	Accrued taxes on income	36,360
Prepaid expense and other current assets	33,963	Allowance for bonuses	2,159
Allowance for losses on receivables	△65,206	Allowance for bonuses for directors and statutory auditors	160
<b>Fixed Assets</b>	<b>426,794</b>	Allowance for losses on interest repayment	11,246
<b>Property and Equipment, at Cost</b>	<b>205,952</b>	Unearned income	5,126
Equipment for lease	163,107	Accrued expenses and other current liabilities	41,709
Buildings	16,620	<b>Long-Term Liabilities</b>	<b>975,656</b>
Land	11,531	Bonds	232,497
Construction in progress	1,953	Long-term loans	619,827
Other tangible fixed assets	12,738	Payables under securitized lease receivables	35,883
<b>Intangible assets</b>	<b>41,049</b>	Accrued pension and severance costs	6,492
Leaseholds	970	Retirement allowance for directors and statutory auditors	940
Software	35,922	Allowance for losses on guarantees	2,543
Other intangible fixed assets	4,155	Allowance for losses on warranty of defects	49
<b>Investments and Other Assets</b>	<b>179,793</b>	Allowance for permanent points	36,205
Investment securities	106,274	Allowance for losses on interest repayment	34,656
Long-term loans	29,340	Negative goodwill	107
Lease deposits	8,431	Other Long-term liabilities	6,451
Deferred income taxes	31,840	<b>Total Liabilities</b>	<b>1,899,778</b>
Other long-term investments	9,655	NET ASSETS	
Allowance for losses on receivables	△5,366	<b>Shareholders' Equity</b>	<b>354,189</b>
Allowance for losses on investments	△381	Common stock	75,230
<b>Deferred Assets</b>	<b>505</b>	Capital surplus	80,876
Bond issue costs	505	Earned surplus	204,129
		Treasury stock, at cost	△6,047
		<b>Valuation and Translation Adjustments</b>	<b>18,969</b>
		Unrealized gains (losses) on other securities	19,152
		Deferred gains (losses) on hedges	△182
		<b>Minority Interests</b>	<b>26,669</b>
		<b>Total Liabilities</b>	<b>399,828</b>
<b>Total Assets</b>	<b>2,299,607</b>	<b>Total Liabilities and Net Assets</b>	<b>2,299,607</b>

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

**Consolidated Statement of Income** (from April 1, 2006 to March 31, 2007)

(Millions of yen)

Account item	Amount	
<b>Operating Revenues</b>		
Financing and administration fees		274,230
Income from entertainment		
Entertainment sales	126,070	
Cost of entertainment sales	109,196	16,874
Income from real estate		
Real estate sales	94,517	
Cost of real estate sales	74,647	19,869
Income from leases		
Leases sales	68,831	
Cost of leases sales	62,067	6,763
Income from other business		
Other sales	6,532	
Cost of other sales	342	6,190
Financial revenues		9,755
<b>Total</b>		<b>333,683</b>
<b>Operating Expenses</b>		
Selling, general and administrative expenses		242,149
Financial cost		16,332
<b>Total</b>		<b>258,481</b>
<b>Operating Income</b>		<b>75,201</b>
<b>Non-operating Income</b>		<b>7,770</b>
<b>Non-operating Expenses</b>		<b>2,814</b>
<b>Ordinary Income</b>		<b>80,157</b>
<b>Extraordinary Gains</b>		
Gain on sale of securities of affiliates	3,057	
Reversal of provision of allowance for losses on receivable	1,103	
Net gain on changes in equity interest	707	
Reversal of provision of allowance for losses of business downsizing	395	
Gain on sale of investment securities	342	
Redemption profit of investment securities	276	5,882
<b>Extraordinary Losses</b>		
Provision for interest repayment losses	40,924	
Depreciation of lease assets	5,447	
Loss on change of shareholders' equity	2,719	
Impairment loss of property and equipment, other assets	2,369	
Loss on evaluation of investment securities	413	
Loss from sale of fixed assets	243	
Loss on evaluation of securities of affiliates	161	
Loss on evaluation of capital of affiliates	55	
Loss on sale of investment securities	31	
Loss on sale of securities of affiliates	3	
Other	58	52,429
<b>Income before income taxes and minority interests</b>		<b>33,610</b>
Income taxes, current	41,688	
Income taxes, deferred	△27,418	14,270
<b>Minority interests</b>		<b>4,518</b>
<b>Net Income</b>		<b>14,821</b>

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

**Consolidated Statement of Changes in Net Assets** (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Earned surplus	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006	74,458	78,176	194,179	△4,155	342,659
Changes during the year					
New stock issued	772	771	—	—	1,544
Dividends from surplus	—	—	△4,655	—	△4,655
Bonuses to directors	—	—	△216	—	△216
Net income (loss) for the year	—	—	14,821	—	14,821
Acquisition of treasury stock	—	—	—	△19,245	△19,245
Disposal of treasury stock	—	1,928	—	17,353	19,281
Net change in items other than shareholders' equity during the year	—	—	—	—	—
Total changes during the year	772	2,699	9,949	△1,892	11,529
Balance as of March 31, 2007	75,230	80,876	204,129	△6,047	354,189

	Valuation and translation adjustments			Minority interests	Total net assets
	Unrealized gains (losses) on other securities	Deferred gains (losses) on hedges	Total valuation and translation adjustments		
Balance as of March 31, 2006	18,057	—	18,057	16,471	377,189
Changes during the year					
New stock issued	—	—	—	—	1,544
Dividends from surplus	—	—	—	—	△4,655
Bonuses to directors	—	—	—	—	△216
Net income (loss) for the year	—	—	—	—	14,821
Acquisition of treasury stock	—	—	—	—	△19,245
Disposal of treasury stock	—	—	—	—	19,281
Net change in items other than shareholders' equity during the year	1,094	△182	912	10,197	11,109
Total changes during the year	1,094	△182	912	10,197	22,639
Balance as of March 31, 2007	19,152	△182	18,969	26,669	399,828

**Non-Consolidated Balance Sheet (As of March 31, 2007)**

(Millions of yen)

ASSETS		LIABILITIES	
Account item	Amount	Account item	Amount
<b>Current Assets</b>	<b>1,561,842</b>	<b>Current Liabilities</b>	<b>774,043</b>
Cash and deposits	41,185	Notes payable	2,245
Installment accounts receivable	1,527,793	Accounts payable	233,495
Merchandise	657	Short-term loans	279,264
Supplies	1,246	Current portion of long-term loans	40,200
Prepaid expenses	872	Current portion of bonds	30,000
Deferred income taxes	13,269	Commercial paper	97,000
Short-term loans	5,000	Current portion of payables under securitized lease receivables	12,116
Other receivable	16,353	Other payable	5,461
Other current assets	11,902	Accrued expenses	19,920
Allowance for losses on receivables	△56,439	Accrued taxes on income	28,578
<b>Fixed Assets</b>	<b>400,806</b>	Withholdings	7,822
<b>Property and Equipment, at Cost</b>	<b>181,439</b>	Advance received	166
Equipment for leases	163,149	Allowance for bonuses	1,711
Buildings	6,186	Allowance for bonuses for directors and statutory auditors	160
Vehicles	0	Allowance for losses on interest repayment	10,161
Fixtures and equipment	7,942	Unearned income	5,126
Land	3,642	Other current liabilities	613
Construction in progress	518	<b>Long-Term Liabilities</b>	<b>839,197</b>
<b>Intangible Assets</b>	<b>38,328</b>	Bonds	220,000
Leaseholds	14	Long-term loans	505,670
Software	34,190	Payables under securitized lease receivables	35,883
Other intangible fixed assets	4,123	Accrued pension and severance costs	5,665
<b>Investments and Other Assets</b>	<b>181,038</b>	Retirement allowance for directors and statutory auditors	715
Investment securities	71,797	Allowance for losses on guarantees	2,537
Investment in affiliated companies	47,760	Allowance for permanent points	36,205
Investments in capital	51	Allowance for loss on interest repayments	30,360
Investments in capital of affiliates	0	Guaranty deposits	728
Long-term loans	28,223	Other long-term liabilities	1,431
Long-term loans to affiliated companies	5,000	<b>Total Liabilities</b>	<b>1,613,241</b>
Long-term prepaid expenses	3,600	<b>NET ASSETS</b>	
Lease deposits	2,878	<b>Shareholders' Equity</b>	<b>331,393</b>
Deferred income taxes	26,091	<b>Common Stock</b>	<b>75,230</b>
Other long-term investments	1,813	<b>Capital Surplus</b>	<b>80,531</b>
Allowance for losses on receivables	△4,123	Capital reserve	78,635
Allowance for losses on investment	△2,054	Other capital surplus	1,896
<b>Deferred Assets</b>	<b>347</b>	<b>Retained Earnings</b>	<b>181,208</b>
Bond issue costs	347	Legal reserve	3,020
		Other retained earnings	178,188
		General reserve	157,455
		Deferred on retained earnings	20,733
		<b>Treasury Stock, at cost</b>	<b>△5,577</b>
		<b>Valuation and translation adjustments</b>	<b>18,361</b>
		<b>Unrealized gains (losses) on other securities</b>	<b>18,404</b>
		<b>Deferred Gains or Losses on Hedges</b>	<b>△43</b>
<b>Total Assets</b>	<b>1,962,996</b>	<b>Total Net Assets</b>	<b>349,754</b>
		<b>Total Liabilities and Net Assets</b>	<b>1,962,996</b>

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

**Non-Consolidated Statement of Income** (from April 1, 2006 to March 31, 2007)

(Millions of yen)

Account item	Amount	
<b>Operating Revenues</b>		
Credit cards		99,725
Shopping loans		609
Guarantees		5,372
Loans		129,572
Agency services		12,217
Income from lease		
Lease sales	68,886	
Cost of lease sales	62,091	6,795
Income other sales		
Other sales	6,921	
Cost of other sales	342	6,579
Financial revenues		9,401
<b>Total</b>		<b>270,275</b>
<b>Operating Expenses</b>		
Selling, general and administrative expenses		204,765
Financial cost		
Interest expense	13,242	
Other financial costs	825	14,067
<b>Total</b>		<b>218,833</b>
<b>Operating Income</b>		<b>51,442</b>
<b>Non-operating Income</b>		<b>5,514</b>
<b>Non-operating Expenses</b>		<b>323</b>
<b>Ordinary Income</b>		<b>56,632</b>
<b>Extraordinary Gains</b>		
Gain on sale of securities of affiliates	754	
Gain on sale of investment securities	342	
Gain from reversal of allowance for losses on receivable	310	
Gain on redemption of securities	276	1,683
<b>Extraordinary Losses</b>		
Provision for allowance for losses on interest repayments	35,676	
Depreciation of lease assets	5,447	
Loss on evaluation of investment securities	248	
Loss on evaluation of securities of affiliates	161	
Loss on disposal of fixed assets	114	
Loss on evaluation of stocks of affiliates	55	
Loss on sale of investment securities	31	41,737
<b>Net income (loss) before income taxes</b>		<b>16,578</b>
Income taxes, current	29,974	
Income taxes, deferred	△23,617	6,357
<b>Net Income (loss)</b>		<b>10,221</b>

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



**Non-Consolidated Statement of Changes in Net Assets (from April 1, 2006 to March 31, 2007)**

(Millions of yen)

	Shareholders' Equity									
	Common stock	Capital surplus			Legal reserve	Retained earnings			Treasury stock	Total shareholders' equity
		Capital reserve	Other capital surplus	Total capital surplus		Contingent reserve	Unappropriated earnings	Total retained earnings		
Balance as of March 31, 2006	74,458	77,863	0	77,863	3,020	135,455	37,322	175,797	△3,567	324,551
Changes during the year										
New stock issued	772	771	—	771	—	—	—	—	—	1,544
Dividends from surplus	—	—	—	—	—	—	△4,659	△4,659	—	△4,659
Bonus for directors and statutory auditors	—	—	—	—	—	—	△150	△150	—	△150
Contingent reserve	—	—	—	—	—	22,000	△22,000	—	—	—
Net income	—	—	—	—	—	—	10,221	10,221	—	10,221
Acquisition of treasury stock	—	—	—	—	—	—	—	—	△19,303	△19,303
Disposal of treasury stock	—	—	1,895	1,895	—	—	—	—	17,293	19,189
Net change in items other than shareholders' equity during the year	—	—	—	—	—	—	—	—	—	—
Total changes during the year	772	771	1,895	2,667	—	22,000	△16,588	5,411	△2,009	6,842
Balance as of March 31, 2007	75,230	78,635	1,896	80,531	3,020	157,455	20,733	181,208	△5,577	331,393

	Valuation and translation adjustments			Total net assets
	Unrealized gain on other securities	Deferred gains (losses) on hedges	Total valuation and translation adjustments	
Balance as of March 31, 2006	16,871	—	16,871	341,423
Changes during the year				
New stock issued	—	—	—	1,544
Dividends from surplus	—	—	—	△4,659
Bonus for directors and statutory auditors	—	—	—	△150
Contingent reserve	—	—	—	—
Net income	—	—	—	10,221
Acquisition of treasury stock	—	—	—	△19,303
Disposal of treasury stock	—	—	—	19,189
Net change in items other than shareholders' equity during the year	1,532	△43	1,489	1,489
Total changes during the year	1,532	△43	1,489	8,331
Balance as of March 31, 2007	18,404	△43	18,361	349,754