



October 15, 2020

To all whom it may concern

Company name: Credit Saison Co., Ltd.
Representative: Masahiro Yamashita, Executive President and COO
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Notification Regarding the Absorption-type Merger (Simple Merger/Short-form Merger) of a Wholly Owned Subsidiary (Indirectly Owned Subsidiary)

Credit Saison Co., Ltd. (hereinafter: “Credit Saison”) hereby announces that, at a meeting of the Board of Directors held on October 15, 2020, Credit Saison has approved a resolution to absorb a wholly owned subsidiary (indirectly owned subsidiary), ATR Rent Guarantee Service Co., Ltd., through an absorption-type merger (hereinafter: the “Merger”) with an effective date December 1, 2020. Some disclosure items and details have been omitted from this release, as the merger is a simple merger/short-form merger between Credit Saison and its wholly owned subsidiary (indirectly owned subsidiary).

The Merger will be effective only if the Merger is approved by the Board of Directors of ATR Rent Guarantee Service Co., Ltd. to be held on October 27, 2020.

1. Purpose of the Merger

ATR Rent Guarantee Service Co., Ltd. has operated the rent guarantee business which is associated with the real estate lease agreement as a wholly owned subsidiary of Atrium Co., Ltd., which is a wholly owned subsidiary of Credit Saison. However, Credit Saison has determined that the best way to expand the Group's sales and improve business efficiency is to merge ATR Rent Guarantee Service Co., Ltd. and conduct the rent guarantee business by one organization.

2. Outline of the Merger

(1) Schedule of the Merger

Date of a meeting of the Board of Directors of Credit Saison	October 15, 2020
Date of a meeting of the Board of Directors of ATR Rent Guarantee Service Co., Ltd.	October 27, 2020 (planned)
Signing date of the merger agreement	October 27, 2020 (planned)
Scheduled merger date (effective date)	December 1, 2020 (planned)

Note: The Merger will be conducted as a simple merger as prescribe under Paragraph 2 of Article 796 of the Companies Act as for Credit Saison and as a short-form merger as prescribe under Paragraph 1 of Article 784 of the Companies Act as for ATR Rent Guarantee Service Co., Ltd., which allows for the merger to be conducted without approval by resolutions at the general meetings of shareholders.

(2) Method of the Merger

The Merger will be conducted as an absorption-type merger in which Credit Saison will be the surviving company and ATR Rent Guarantee Service Co., Ltd. will be dissolved.

(3) Allocation upon the Merger

Credit Saison will evaluate shares in ATR Rent Guarantee Service Co., Ltd. based on its balance sheet as of November 30, 2020 and pay cash to Atrium Co., Ltd., which is the wholly-owning parent company of ATR Rent Guarantee Service Co., Ltd., in accordance with such evaluation.

(4) Treatment of share options and bonds with share options of the disappearing company

Not applicable.

3. Overview of parties of the Merger (as of March 31, 2020)

	Surviving company	Disappearing company
Company name	Credit Saison Co., Ltd.	ATR Rent Guarantee Service Co., Ltd.
Address	1-1 Higashi-Ikebukuro 3-chome, Toshima-ku, Tokyo	5-2 Uchisaiwai-cho 1chome, Chiyoda-ku, Tokyo
Representative	Masahiro Yamashita, Executive President and COO	Hiroshi Kaito, Representative Director and President President & CEO
Main business activities	Payment, lease, finance, real estate, etc.	Rent guarantee business
Capital	JPY 75.9 billion	JPY 10 million
Established	May 1, 1951	November 7, 2016
Number of shares issued and outstanding	185,444,772 shares	200 shares
Fiscal year	March 31	February 28
Major shareholder and shareholding ratio (As of February 29, 2020 as for the disappearing company)	The Master Trust Bank of Japan, Ltd. (Trust Account) (18.92%) Japan Trustee Services Bank, Ltd. (Trust Account) (9.01%) Daiwa Securities Group Inc. (5.15%) Japan Trustee Services Bank, Ltd. (Trust account 9) (4.71%) BNYMSANV AS AGENT/CLIENTS LUX UCITS NON TREATY 1 (3.25%) * The shareholding ratio is calculated after deducting treasury shares.	Atrium Co., Ltd. (wholly owned subsidiary of Credit Saison) 100%

Financial position and operating results for the most recent fiscal year

	Surviving company	Disappearing company
Company name	Credit Saison Co., Ltd.	ATR Rent Guarantee Service Co., Ltd.
Fiscal year	FY March 2020 (Consolidated)	FY February 2020 (Non-consolidated)
Total equity attributable to owners of parent (Net assets)	JPY 485,476 million	JPY 16 million
Total assets (Total assets)	JPY 3,357,229 million	JPY 145 million
Equity attributable to owners of parent per share (Net assets per share)	JPY 3,102.26	JPY 82,450
Revenues (Net sales)	JPY 311,410 million	JPY 48 million
(Operating income)	-	JPY 16 million
Operating profit (Ordinary profit)	JPY 36,184 million	JPY 16 million
Profit attributable to owners of the parent (Net income)	JPY 22,863 million	JPY 9 million
Basic earnings per share (earnings per share)	JPY 143.43	JPY 49,139

* As for accounting standards, the International Financial Reporting Standard has been adopted for consolidated financial statements, and the Japanese Standard has been adopted for non-consolidated financial statements. The non-consolidated financial statements are presented in parentheses.

4. Status after the Merger

The name, address, position and name of representative, business, capital, or fiscal year of Credit Saison will not change as a result of the Merger.

5. Future Outlook

The impact of the Merger on consolidated results of Credit Saison will be immaterial.