

Statement of Income

The Shoko Chukin Bank
For the years ended March 31, 2003 and 2002

	Millions of yen		Millions of U.S. dollars
	2003	2002	2003
Operating Income	¥ 240,550	¥ 277,139	\$ 2,001
Interest Income	203,385	232,733	1,692
Interest on Loans	178,524	197,126	1,485
Interest and Dividends on Securities	21,849	31,607	181
Interest on Bills Purchased	2	11	0
Interest on Call Loans	73	114	0
Interest on Resale Agreements	14	17	0
Interest on Deposits	389	1,107	3
Interest on Interest Swap Transactions	2	47	0
Other Interest Income	2,528	2,701	21
Fees and Commissions	6,248	6,342	51
Domestic and Foreign Exchange Commissions	2,083	2,069	17
Other Fees and Commissions	4,165	4,272	34
Trading Revenue	756	411	6
Revenue from Trading Securities and Derivatives	8	5	0
Revenue from Trading-related Financial Derivatives Transactions	715	359	5
Other Trading Revenue	32	46	0
Other Operating Income	27,538	31,061	229
Revenue from Foreign Exchange Trading	643	711	5
Revenue from Sales of Government and Other Bonds	24,659	26,569	205
Revenue from Financial Derivatives Transactions	2,236	3,781	18
Other Income	2,620	6,590	21
Revenue from Sales of Stocks and Other Securities	13	407	0
Revenue from Monetary Trusts	76	466	0
Others	2,530	5,715	21
Operating Expenses	238,117	272,631	1,981
Interest Expense	62,992	93,909	524
Interest on Debentures	51,362	69,231	427
Amortization of Discounts on Issued Debentures	2,551	5,933	21
Interest on Deposits	3,140	7,384	26
Interest on Negotiable Certificates of Deposit	636	1,035	5
Interest on Borrowed Money	2,128	2,295	17
Interest on Bills Sold	1	36	0
Interest on Loan Transactions	5	—	0
Interest on Call Money	377	1,766	3
Interest on Resale Agreements	3	22	0
Interest on Interest Swap Transactions	2,086	3,944	17
Other Interest Expenses	699	2,259	5
Fees and Commissions	857	1,077	7
Domestic and Foreign Exchange Commissions	512	478	4
Other Fees and Commissions	345	599	2
Trading Expenses	6	9	0
Expenses on Securities and Derivatives related to Trading Transactions	6	9	0
Other Operating Expenses	820	1,621	6
Amortization of Debenture Issue Expenses	512	573	4
Losses on Sales of Government and Other Bonds	307	1,047	2
General and Administrative Expenses	80,340	81,003	668

	Millions of yen		Millions of U.S. dollars
	2003	2002	2003
Other Expenses	¥ 93,100	¥ 95,010	\$ 774
Provision for Possible Loan Losses	80,478	85,015	669
Write-off of Loans	3,263	1,847	27
Loss on Sales of Stocks and Other Securities	85	76	0
Write-off of Stocks	4,789	4,000	39
Others	4,483	4,069	37
Income before Income Taxes and Others	2,433	4,508	20
Other Gains	4,911	5,588	40
Gains on Disposal of Premises and Equipment	4,843	5,579	40
Collection of Written-off Claims	68	9	0
Transfer from Reserve for Securities Transaction Liabilities	0	—	0
Other Losses	288	1,164	2
Losses on Disposal of Premises and Equipment	288	1,164	2
Income before Income Taxes	7,056	8,932	58
Provision for Income Taxes	1,461	1,649	12
Adjustment for Income Taxes	1,482	1,336	12
Net Income	4,112	5,947	34
Earnings Carried Forward from the Beginning of the Year	2,043	—	16
Unappropriated Earnings at the End of the Year	6,155	5,947	51

Appropriation of Earned Surplus

The Shoko Chukin Bank
As of March 31, 2003 and 2002

	Millions of yen		Millions of U.S. dollars
	2003	2002	2003
Unappropriated Earnings at the End of the Year	¥ 6,155	¥ 5,947	\$ 51
Will be appropriated as follows:			
Appropriations	3,893	3,903	32
Earnings Reserve	500	600	4
Reserve for Particular Purposes	300	300	2
Dividends on Cooperative Subscription	3,093	3,003	25
Unappropriated Earnings to the Next Year	2,262	2,043	18

All US dollar figures are translated from Japanese yen amounts, for convenience only, at the rate of ¥120.20=US\$1, the prevailing rate of exchange as of March 31, 2003.