

Statement of Income

The Shoko Chukin Bank

For the years ended March 31, 2004 and 2003

	Millions of yen		Millions of U.S. dollars
	2004	2003	2004
Operating Income	¥ 207,543	¥ 240,550	\$ 1,963
Interest Income	185,114	203,385	1,751
Interest on Loans	166,497	178,524	1,575
Interest and Dividends on Securities	15,870	21,849	150
Interest on Bills Purchased	0	2	0
Interest on Call Loans	51	73	0
Interest on Resale Agreements	11	14	0
Interest on Deposits	92	389	0
Interest on Interest Swap Transactions	—	2	—
Other Interest Income	2,591	2,528	24
Fees and Commissions	6,986	6,248	66
Domestic and Foreign Exchange Commissions	2,082	2,083	19
Other Fees and Commissions	4,903	4,165	46
Trading Revenue	1,475	756	13
Revenue from Trading Securities and Derivatives	—	8	—
Income on Other Trading Securities	24	—	0
Revenue from Trading-related Financial Derivatives Transactions	1,435	715	13
Other Trading Revenue	15	32	0
Other Operating Income	8,622	27,538	81
Revenue from Foreign Exchange Trading	801	643	7
Revenue from Sales of Government and Other Bonds	7,821	24,659	73
Revenue from Financial Derivatives Transactions	—	2,236	—
Other Income	5,343	2,620	50
Revenue from Sales of Stocks and Other Securities	3,228	13	30
Revenue from Monetary Trusts	—	76	—
Other	2,115	2,530	20
Operating Expenses	202,776	238,117	1,918
Interest Expense	40,921	62,992	387
Interest on Debentures	34,019	51,362	321
Amortization of Discounts on Issued Debentures	1,277	2,551	12
Interest on Deposits	2,157	3,140	20
Interest on Negotiable Certificates of Deposit	308	636	2
Interest on Borrowed Money	2,101	2,128	19
Interest on Bills Sold	—	1	—
Interest on Loan Transactions	—	5	—
Interest on Call Money	73	377	0
Interest on Resale Agreements	4	3	0
Interest on Interest Swap Transactions	863	2,086	8
Other Interest Expenses	113	699	1
Fees and Commissions	779	857	7
Domestic and Foreign Exchange Commissions	506	512	4
Other Fees and Commissions	272	345	2
Trading Expenses	5	6	0
Trading Securities Expenses	5	—	0
Expenses on Securities and Derivatives related to Trading Transactions	—	6	—
Other Operating Expenses	5,733	820	54
Amortization of Debenture Issue Expenses	170	512	1

The Shoko Chukin Bank
For the years ended March 31, 2004 and 2003

	Millions of yen		Millions of U.S. dollars
	2004	2003	2004
Losses on Sales of Government and Other Bonds	¥ 4,308	¥ 307	\$ 40
Financial Derivatives Expenses	1,254	—	11
General and Administrative Expenses	79,611	80,340	753
Other Expenses	75,725	93,100	716
Provision for Possible Loan Losses	62,347	80,478	589
Write-off of Loans	2,085	3,263	19
Loss on Sales of Stocks and Other Securities	220	85	2
Write-off of Stocks	43	4,789	0
Other	11,029	4,483	104
Income before Income Taxes and Others	4,766	2,433	45
Other Gains	2,939	4,911	27
Gains on Disposal of Premises and Equipment	523	4,843	4
Collection of Written-off Claims	75	68	0
Transfer from Reserve for Securities Transaction Liabilities	—	0	—
Other Gains	2,340	—	22
Other Losses	225	288	2
Losses on Disposal of Premises and Equipment	225	288	2
Income before Income Taxes	7,480	7,056	70
Provision for Income Taxes	2,467	1,461	23
Adjustment for Income Taxes	(3,681)	1,482	(34)
Net Income	8,693	4,112	82
Earnings Carried Forward from the Beginning of the Year	2,262	2,043	21
Unappropriated Earnings at the End of the Year	10,955	6,155	103

Appropriation of Earned Surplus

The Shoko Chukin Bank
As of March 31, 2004 and 2003

	Millions of yen		Millions of U.S. dollars
	2004	2003	2004
Unappropriated Earnings at the End of the Year	¥ 10,955	¥ 6,155	\$ 103
Will be appropriated as follows:			
Appropriations	7,583	3,893	71
Earnings Reserve	900	500	8
Reserve for Particular Purposes	3,500	300	33
Dividends on Cooperative Subscription	3,183	3,093	30
Unappropriated Earnings to the Next Year	3,372	2,262	31

All US dollar figures are translated from Japanese yen amounts, for convenience only, at the rate of ¥105.69=US\$1, the prevailing rate of exchange as of March 31, 2004.