

Capital Account Details

STRUCTURE OF CAPITAL SUBSCRIPTION (¥ million, %)

	(as of March 31, 2004)	(as of March 31, 2003)
Government Subscription	405,367 (78.8)	405,367 (79.3)
Cooperatives' Subscription	108,897 (21.2)	105,897 (20.7)
Total	514,265	511,265

Notes: The figures in parentheses represent percentages of the total.

STRUCTURE OF CAPITAL SUBSCRIPTION BY COOPERATIVES (¥ thousand)

	(as of March 31, 2004)	(as of March 31, 2003)
	Number of Cooperatives/Capital Subscription Amounts	
Small and Medium Enterprise Cooperatives	24,129 103,078,445	24,247 100,270,124
Common Facility Cooperatives and Federations	23,218 96,520,502	23,395 94,040,323
Small Common Facility Cooperatives	2 100	2 100
Mutual Fire Relief Cooperatives and Federations	45 991,820	45 920,850
Credit Cooperatives and Federations	158 5,258,943	165 5,006,313
Business Cooperatives	706 307,080	640 302,538
Joint Business Cooperatives	738 1,238,514	757 1,206,716
Commercial and Industrial Cooperatives and Federations	1,038 3,054,792	1,028 2,941,945
Shopping District Promotion Cooperatives and Federations	1,055 232,904	1,028 228,664
Environmental Sanitation Trade Associations and Federations	336 608,777	335 581,227
Liquor Business Cooperatives and Federations	210 138,650	212 132,566
Domestic Maritime Transport Associations and Federations	50 535,295	49 526,135
Export Associations and Import Associations	5 10,500	5 10,500
Urban Redevelopment Associations	2 20	2 20
Total	27,563 108,897,900	27,663 105,897,900

Notes: The upper figure in each row represents the number of cooperatives and the lower figure represents the amount of capital subscription.

Cooperatives' Subscription to the Bank:

1. In order that the Bank may provide services to a wider base of customers, the number of units of contribution owned by an affiliated cooperative shall not exceed one percent of the total units of contribution to the Bank, under Article 7, Clause 3 of the Shoko Chukin Bank Law.
2. The Bank's management decision-making body is the Assembly of Representatives, and every representative has one vote regardless of the number of units of capital subscription that are held (Article 72 of the Articles of Incorporation).

DIVIDENDS (yen, %)

	(Fiscal 2003)	(Fiscal 2002)
Dividend per Unit Cooperatives' Subscription	3.00	3.00
Dividend Payout Ratio	36.62	75.23

Notes: The amount of a unit of subscription to the Bank is 100 yen.

Dividend Payments by the Bank:

1. The dividend per subscription was ¥3, continuing the same as in fiscal 2002.
2. In order to solidify the Bank's operational base and fulfill financial services for the member SMEs, the Bank is exempt from paying dividends on the government's paid-up subscription until the dividend paid to public subscribers exceeds 6% under Article 49 of the Shoko Chukin Bank Law.
3. In addition, the Bank shall not pay a dividend of more than 6% until its legal reserve amounts to one quarter of the capital under Article 3, Clause 2 of the Regulation Enforcing the Shoko Chukin Bank Law.

CAPITAL RATIO (¥100 million, %)

		(as of March 31, 2004)	(as of March 31, 2003)
Core Capital (Tier 1 Capital)	Capital Funds	6,323	6,268
	Total (A)	6,323	6,268
Supplementary Capital (Tier 2 Capital)	45% of Marketable Securities' Balance Sheet Value Minus Book Value	—	40
	Reserve for Possible Loan Losses (Excluding Special Reserve for Possible Loan Losses and Reserve for Possible Loan Losses on Special Foreign Loans)	681	616
	Subordinated Borrowings	70	174
	Total	751	830
	Amount Counted as Capital (B)	751	830
Deductions	Mutual Shareholding or Other Financing Intentionally Arranged among Financial Institutions (C)	—	—
Total Capital	(A) + (B) - (C) (D)	7,074	7,099
Risk-Weighted Assets	Assets Stated on the Balance Sheet	90,768	94,351
	Off-Balance Sheet Items	1,107	893
	Total (E)	91,875	95,244
Capital Ratio = (D)/(E) x 100		7.70	7.45

Notes: This is calculated in accordance with the formula stipulated in notices from the Ministry of Finance and the Ministry of Economy, Trade & Industry.

Total Capital:

Core Capital increased by a total of ¥5.5 billion. Contributing factors included additional capital of ¥3.0 billion from cooperatives, and increased income for the period.

The Bank's Capital Ratio:

1. The Bank is endeavoring to raise its capital ratio according to Article 30-3 of the Shoko Chukin Bank Law and notice of the Ministry of Finance and the Ministry of Economy, Trade and Industry. (The Bank's capital ratio is computed according to the formula stipulated in said notice.)
2. The Bank receives special treatment in terms of the application of BIS international capital adequacy guidelines for financial institutions because of its special status as a government-affiliated financial institution.
3. The Bank is exempt from the Prompt Corrective Action as a government-affiliated financial institution.
4. The Bank is exempt from reevaluating land under the Land Properties Revaluation Act and land is valued at the original purchase price. Supplementary Capital in the above calculation of the Bank's Capital Ratio does not include gains on land revaluation.