

《Straight translation》

Consolidated Financial Statements for the Fiscal Year Ended March 31, 2005

May 19, 2005

Stock exchange listings: Tokyo

Location of headquarters: Tokyo

Listed company name **Credit Saison Co., Ltd.**

Code number: 8253

(URL <http://www.saisoncard.co.jp>)

Representative: Hiroshi Rinno, President and CEO

Responsible person/Title: Shinnji Hojo/Director in charge of Finance and Accounting dept.

Inquiries to: Ayumi Sakamoto/General Manager, Public Relations Office Phone: (03) 3982-0700

Board of Directors meeting: May 19, 2005

Adoption of U.S. accounting standards: No

1. Consolidated Results for Fiscal 2004 (April 1, 2004 to March 31, 2005)

(1) Consolidated Operating Results Note: All amounts are rounded down to the nearest million yen.

	Operating revenues (¥ million)	Year-on-year change [%]	Operating income (¥ million)	Year-on-year change [%]	Ordinary income (¥ million)	Year-on-year change [%]
Fiscal 2004	240,385	[9.1]	58,590	[8.5]	56,514	[6.7]
Fiscal 2003	220,331	[3.8]	54,005	[3.0]	52,955	[3.8]

	Net income (¥ million)	Year-on-year change [%]	Earnings per share (¥)	Earnings per share (diluted) (¥)	Return on equity [%]	Ordinary income/total assets [%]	Ordinary income/net sales [%]
Fiscal 2004	31,818	41.9	185.00	180.21	[11.4]	[3.9]	[23.5]
Fiscal 2003	22,419	-	130.55	127.79	[9.1]	[4.0]	[24.0]

Notes:

- Equity in earnings of affiliates: ¥ (1,840) million (Fiscal 2003: ¥ (1,068) million)
- Average number of shares issued and outstanding (consolidated): 171,064,011 shares (Fiscal 2003: 170,414,937 shares)
- Changes in accounting methods: Adopted
- Year-on-year change for operating revenues, operating income, ordinary income and net income is based on the previous fiscal year.

(2) Consolidated Financial Position

	Total assets (¥ million)	Shareholders' equity (¥ million)	Shareholders' equity/total assets [%]	Shareholders' equity per share (¥)
Fiscal 2004	1,512,949	301,309	19.9	1,721.35
Fiscal 2003	1,352,709	258,253	19.1	1,519.13

Notes: 1. Total number of shares issued and outstanding at the end of period (consolidated): 174,943,518 shares
(Fiscal 2003: 169,888,117 shares)

(3) Consolidated Cash Flows

(Millions of Yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal 2004	(24,714)	(113,648)	119,260	54,307
Fiscal 2003	55,045	(68,703)	10,813	73,421

(4) Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries: 10 companies

Unconsolidated subsidiaries accounted for by the equity method: None

Affiliated companies accounted for by the equity method: 5 companies

(5) Changes in Scope of Consolidation and Application of Equity Method

Consolidated (New): None

(Eliminated): None

Equity method: (New): 2 companies

(Eliminated): None

2. Projected Results for Fiscal 2005 (April 1, 2005 to March 31, 2006)

(Millions of Yen)

	Operating revenues	Ordinary income	Net income
Interim period	124,000	28,100	16,000
Fiscal 2004	252,000	60,000	34,000

Reference: Estimated earnings per share (fiscal 2005): ¥194.35

*The above projected results are based on future prospects and the assumptions and forecasts on which plans are based. The actual results may differ from the above projected results depending on various factors in the future.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

Item	Term	Fiscal 2003 (As of March 31, 2004)		Fiscal 2004 (As of March 31, 2005)		Increase (Decrease)
		Value	%	Value	%	Value
(ASSETS)						
I. Current assets						
Cash and deposits		73,421		54,307		(19,113)
Notes and accounts receivable		921,697		1,037,069		115,372
Other trade receivables		564		1,046		481
Merchandise		37,765		54,175		16,410
Deferred income taxes		15,612		17,902		2,289
Short-term loans		10,518		15,125		4,606
Prepaid expenses and other current assets		15,307		16,383		1,075
Allowance for losses on receivables		(34,612)		(41,483)		(6,871)
Total current assets		1,040,274	76.9	1,154,527	76.3	114,252
II. Fixed assets						
Property and equipment, at cost:						
Equipment for lease		127,335		145,281		17,946
Buildings		15,570		19,069		3,499
Land		7,030		6,375		(654)
Construction in progress		2,902		1,304		(1,597)
Other tangible fixed assets		9,872		13,705		3,832
Total property and equipment		162,710	12.0	185,737	12.3	23,026
Intangible assets:						
Leaseholds		971		971		-
Software		9,435		18,696		9,260
Other intangible fixed assets		290		282		(8)
Total intangible assets		10,698	0.8	19,950	1.3	9,252
Investments and other assets:						
Investment securities		68,468		98,612		30,143
Long-term loans		36,987		29,324		(7,663)
Lease deposits		8,915		8,606		(309)
Deferred income taxes		7,807		5,223		(2,584)
Other		19,697		15,375		(4,321)
Allowance for losses on receivables		(4,634)		(5,486)		(851)
Total Investments and other assets		137,241	10.2	151,655	10.0	14,413
Total fixed assets		310,650	23.0	357,342	23.6	46,691
III. Deferred assets						
Bond issue costs		383		379		(4)
Development costs		1,400		700		(700)
Total deferred assets		1,783	0.1	1,079	0.1	(704)
Total assets		1,352,709	100.0	1,512,949	100.0	160,239

Item	Term	Fiscal 2003 (As of March 31, 2004)		Fiscal 2004 (As of March 31, 2005)		Increase (Decrease)
		Value	%	Value	%	Value
(LIABILITIES)						
I. Current liabilities						
Notes and accounts payable		94,228		102,510		8,282
Short-term loans		377,292		389,525		12,233
Current portion of long-term loans		22,273		64,224		41,951
Current portion of bonds		20,460		32,080		11,620
Current portion of convertible bonds		6,784		-		(6,784)
Commercial paper		71,000		57,000		(14,000)
Current portion of payables under securitized lease receivables		3,127		3,000		(127)
Accrued taxes on income		23,529		13,213		(10,316)
Allowance for bonuses		1,733		1,740		6
Unearned income		3,446		3,388		(57)
Accrued expenses and other current liabilities		33,535		44,039		10,503
Total current liabilities		657,410	48.6	710,722	47.0	53,311
II. Long-term liabilities						
Bonds		140,540		152,760		12,220
Long-term loans		247,086		298,337		51,251
Payables under securitized lease receivables		33,000		30,000		(3,000)
Accrued pension and severance costs		7,398		7,121		(277)
Retirement allowance for directors and statutory auditors		644		796		151
Allowance for losses on guarantees		934		1,253		319
Allowance for defective on guarantees		32		59		26
Consolidation adjustments		745		487		(257)
Other long-term liabilities		6,233		6,177		(55)
Total long-term liabilities		436,614	32.3	496,993	32.8	60,378
Total liabilities		1,094,025	80.9	1,207,715	79.8	113,689
(Minority interests)						
Minority interests		430	0.0	3,924	0.3	3,493
(Shareholders' equity)						
I. Common stock		63,667	4.7	69,526	4.6	5,858
II. Capital surplus		67,133	5.0	73,148	4.8	6,014
III. Retained earnings		126,719	9.4	155,101	10.2	28,381
IV. Unrealized gain (loss) on other securities		4,685	0.3	7,263	0.5	2,577
V. Treasury stock, at cost		(3,953)	(0.3)	(3,729)	(0.2)	223
Total shareholders' equity		258,253	19.1	301,309	19.9	43,056
Total liabilities and shareholders' equity		1,352,709	100.0	1,512,949	100.0	160,239

(2) Consolidated Statements of Income

(Millions of yen)

Item	Term	Fiscal 2003 April 1, 2003 to March 31, 2004		Fiscal 2004 April 1, 2004 to March 31, 2005		Year-on-year change	
		Value	%	Value	%	%	
		I. Operating revenues					
Financing and administration fees		174,963		183,618		104.9	
Income from merchandise sales							
Merchandise sales		59,621					
Cost of merchandise sales		47,289	12,332				
Income from travel & entertainment							
Travel & entertainment sales		94,501					
Cost of travel & entertainment sales		78,314	16,187				
Income from entertainment							
Entertainment sales				108,546			
Cost of entertainment sales				91,556	16,989		
Income from real estate							
Real estate sales				52,178			
Cost of real estate sales				39,547	12,631		
Income from leases							
Leases sales		46,331		57,535			
Cost of leases sales		40,805	5,525	50,732	6,803	123.1	
Income from other business							
Other sales		8,378		13,432			
Cost of other sales		3,626	4,751	5,348	8,083	170.1	
Financial revenues			6,570		12,258	186.6	
Total operating revenues			220,331	100.0	240,385	100.0	109.1
II. Operating expenses							
Selling, general and administrative expenses			156,501	71.0	172,024	71.5	109.9
Financial cost			9,824	4.5	9,771	4.1	99.5
Total operating expenses			166,326	75.5	181,795	75.6	109.3
Operating income			54,005	24.5	58,590	24.4	108.5
III. Non-operating income			1,992	0.9	2,163	0.9	108.6
IV. Non-operating expenses			3,041	1.4	4,238	1.8	139.4
Ordinary income			52,955	24.0	56,514	23.5	106.7

V. Extraordinary gains							
Gain on sale of fixed assets				853			
Gain on sale of investment securities				946			
Net gain on changes in equity interest				2,371			
Gain on sale of investments				779			
Gain on changes in pension and severance cost plan				282	5,234	2.2	
VI. Extraordinary losses							
Loss from sale of fixed assets	1,630			646			
Loss on impairment of fixed assets	7,569			1,155			
Loss on evaluation of investment securities	999			4,782			
Loss on sale of investment securities	323			579			
Loss on membership rights				18			
Adjustment from changes in revenue recognition				143			
Other	1,924	12,446	5.6		7,326	3.1	58.9
Income (loss) before income taxes and minority interests		40,509	18.4		54,421	22.6	134.3
Income taxes, current	23,928			23,238			
Income taxes, deferred	(5,906)	18,022	8.2	(1,413)	21,824	9.1	121.1
Minority interests		67	0.0		778	0.3	
Net income (loss)		22,419	10.2		31,818	13.2	141.9

(3) Consolidated Statements of Retained Earnings

(Millions of yen)

Term Item	Fiscal 2003 April 1, 2003 to March 31, 2004		Fiscal 2004 April 1, 2004 to March 31, 2005	
	Value		Value	
(Capital Surplus)				
I. Capital surplus at the beginning of period		66,788		67,133
II. Increase in capital surplus				
Conversion of convertible bonds	330		5,854	
Gain on disposal of treasury stock	15	345	159	6,014
III. Capital surplus at the end of period		67,133		73,148
(Retained Earnings)				
I. Retained earnings at the beginning of period		107,686		126,719
II. Increase in retained earnings				
Net Income	22,419	22,419	31,818	31,818
III. Decrease in retained earnings				
Cash dividends	3,075		3,058	
Bonuses to directors and statutory auditors'	160		171	
Resulting from addition of subsidiaries to the scope of consolidation	151			
Resulting from addition of affiliated companies to the scope of application of equity method	-	3,387	207	3,436
IV. Unappropriated retained earnings at the end of period		126,719		155,101

(4) Consolidated Statements of Cash Flows

(Millions of yen)

Item	Term	Fiscal 2003	Fiscal 2004
		April 1, 2003 to March 31, 2004	April 1, 2004 to March 31, 2005
		Value	Value
I. Cash flows from operating activities			
Income (loss) before income taxes		40,509	54,421
Adjustments to reconcile income (loss) before income taxes to net cash provided by (used in) operating activities:			
Depreciation and amortization		36,680	42,439
Amortization of consolidation adjustments		(179)	(203)
Amortization of deferred assets		1,000	1,035
Increase in allowance for losses on accounts receivables		3,509	7,722
Increase in allowance for retirement benefits		929	(277)
Increase in other allowances		43	503
Interest and dividend income		(5,978)	(10,777)
Interest expenses		9,892	10,447
Equity in (earnings) losses of affiliates		1,068	1,840
Foreign exchange (gain) loss		(21)	(134)
Realized (gain) loss on sale of investment securities		91	(725)
Loss on evaluation of investment securities		999	4,782
Net gain on changes in equity interest			(2,371)
Loss on impairment of fixed assets		7,569	1,155
Loss on disposal of fixed asset		13,920	17,513
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable		(88,979)	(146,654)
Proceeds from liquidation of trade receivable		30,000	30,000
(Increase) decrease in inventories		(6,064)	(16,397)
(Increase) decrease in other assets		10,944	(762)
Increase (decrease) in payables		(2,305)	8,323
Increase (decrease) in other liabilities		6,738	7,414
Directors' and statutory auditors' bonuses		(163)	(173)
Subtotal		60,204	9,122
Interest and dividends received		5,961	10,544
Interest paid		(10,025)	(10,090)
Income taxes paid		(1,094)	(34,290)
Net cash provided by (used in) operating activities		55,045	(24,714)
II. Cash flows from investing activities			
Payments for purchases of investment securities		(7,965)	(29,503)
Proceeds from sales of investment securities		22,617	4,912
Payments for purchases of fixed assets		(74,046)	(91,698)
Proceeds from sales of fixed assets		1,937	1,467
Payment for long-term loans		(9,761)	(4,700)
Proceeds from collection of short-term and long-term loans		679	7,757
(Increase) decrease in other assets		(2,164)	(1,881)
Net cash provided by (used in) investing activities		(68,703)	(113,648)

Item	Term	Fiscal 2003 April 1, 2003 to March 31, 2004	Fiscal 2004 April 1, 2004 to March 31, 2005
		Value	Value
III. Cash flows from financing activities			
Increase (decrease) in short-term loans		30,763	12,401
Increase (decrease) in commercial paper		(73,000)	(14,000)
Proceeds from long-term debt		68,795	117,020
Repayments of long-term debt		(26,059)	(23,817)
Proceeds from issuance of bonds		64,723	43,968
Repayment of bonds		(40,200)	(20,462)
Proceeds from payables under securitized lease receivables		(8,217)	(3,127)
Repayment of payables under securitized lease receivables		62	5,002
Proceeds from payments from minority shareholders		110	427
Proceeds for sales of treasury stock		(3,088)	(22)
Payment for purchase treasury stock			4,931
Cash dividends paid		(3,075)	(3,058)
Dividends paid to minorities			(4)
Net cash provided by (used in) financing activities		10,813	119,260
IV. Translation Gain on cash and cash equivalents		(90)	(11)
V. Increases (decrease) in cash and cash equivalents		(2,933)	(19,113)
VI. Cash and cash equivalents, at the beginning of year		75,725	73,421
VII. Increases in cash and cash equivalents resulting from addition of subsidiaries to the scope of consolidation		630	
VIII.. Cash and cash equivalents, at the end of year		73,421	54,307

Non-Consolidated Financial Statements for the Fiscal Year Ended March 31, 2005

May 19, 2005

Listed company name Credit Saison Co., Ltd. Stock exchange listings: Tokyo
 Code number: 8253 Location of headquarters: Tokyo
 (URL <http://www.saisoncard.co.jp>)

Representative: Hiroshi Rinno, President and CEO

Responsible person/Title: Shinji Hojo/Director in charge of Finance and Accounting dept.

Inquiries to: Ayumi Sakamoto, General Manager, Public Relations Office Phone: (03) 3982-0700

Board of Directors meeting: May 19, 2005

Interim dividend system: Adopted

General Meeting of Shareholders: June 25, 2005

Round-lot system: Adopted

(Round lot: 100 shares)

1. Results for Fiscal 2004 (April 1, 2004 - March 31, 2005)

(1) Operating results

	Operating revenues (¥ million)	Year-on-year change (%)	Operating income (¥ million)	Year-on-year change (%)	Ordinary income (¥ million)	Year-on-year change (%)
Fiscal 2004	190,248	[8.3]	46,659	[4.1]	46,985	[4.3]
Fiscal 2003	175,725	[2.3]	44,824	[3.9]	45,051	[1.8]

	Net income (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Earnings per share (diluted) (¥)	Return on equity (%)	Ordinary income/total assets (%)	Ordinary income/net revenues (%)
Fiscal 2004	25,798	[5.7]	149.78	145.92	[9.2]	[3.8]	[24.7]
Fiscal 2003	24,396	-	142.00	138.99	[9.8]	[4.0]	[25.6]

Notes:

1. Average number of shares issued outstanding during the term: 171,376,525 shares (Fiscal 2004:170,887,646 shares)
2. Volume of new contracts: ¥3,383,680 million (Fiscal 2004: ¥2,924,399 million) (Year-on-year change: [15.7]%)
3. Changes in accounting methods: None
4. Year-on-year changes for operating revenues, operating income, ordinary income and net income are based on the previous fiscal year.

(2) Dividends

	Annual dividends per share (¥)			Annual total dividends (¥ million)	Payout ratio (%)	Dividend rate for shareholders' equity (%)
	Interim	Year-end				
Fiscal 2004	20.00	00.00	20.00	3,503	13.6	1.2
Fiscal 2003	18.00	00.00	18.00	3,065	12.7	1.2

(3) Financial Position

	Total assets (¥ million)	Shareholders' equity (¥ million)	Shareholders' equity/ Total assets (%)	Shareholders' equity per share (¥)
Fiscal 2004	1,290,066	298,502	23.1	1,703.39
Fiscal 2003	1,155,776	261,792	22.7	1,536.51

Notes: 1. Total number of shares outstanding: As of March 31, 2005: 175,164,359 shares As of March 31, 2004: 170,297,168 shares

2. Total number of treasury stock: As of March 31, 2005: 1,454,466 shares As of March 31, 2004: 1,428,241 shares

2. Projected Results for Fiscal 2005 (April 1, 2005 - March 31, 2006)

	Operating revenues (¥ million)	Ordinary income (¥ million)	Net income (¥ million)	Annual dividends per share (¥)		
				Interim	Year-end	
Interim period	100,000	23,000	13,700	00.00		
Fiscal 2005	203,000	50,000	30,000		22.00	22.00

Notes: Volume of new contracts Interim period: ¥ 1,790,000 million Fiscal 2005: ¥ 3,705,000 million
 (Reference) Estimated earnings per share (fiscal 2005): ¥171.27

* The above projected results are based on future prospects and the assumptions and forecasts on which plans are based. The actual results may differ from the above projected results depending on various factors in the future.

Non-Consolidated Balance Sheets

(Millions of yen)

Item	Term	Fiscal 2003 (As of March 31, 2004)		Fiscal 2004 (As of March 31, 2005)		Increase (Decrease)
		Value	%	Value	%	Value
(ASSETS)						
I. Current assets						
Cash and deposits		43,928		34,480		(9,447)
Installment accounts receivable		838,629		922,420		83,790
Merchandise		1,414		935		(478)
Supplies		521		608		87
Prepaid expenses		566		464		(102)
Deferred income taxes		13,647		14,876		1,229
Other receivable		5,837		11,033		5,196
Other current assets		1,735		1,972		237
Allowance for losses on receivables		(31,241)		(36,696)		(5,455)
Total Current assets		875,038	75.7	950,095	73.6	75,056
II. Fixed assets						
Property and equipment , at cost:						
Equipment for lease		127,552		145,397		17,845
Buildings		2,165		6,234		4,068
Vehicles		0		0		
Fixtures and equipment		3,649		7,458		3,809
Land		3,654		3,654		
Construction in progress		2,494		1,287		(1,207)
Total Property and equipment		139,516	12.1	164,033	12.7	24,516
Intangible assets:						
Leaseholds		15		15		
Software		8,785		18,004		9,218
Other intangible fixed assets		251		250		(1)
Total Intangible assets		9,052	0.8	18,269	1.4	9,217
Investments and other assets:						
Investment securities		51,066		59,709		8,642
Investment in subsidiaries and affiliates		34,963		53,079		18,116
Investment in capital		559		51		(507)
Long-term loans		28,252		28,252		
Long-term loans to subsidiaries and affiliates		7,395		7,275		(120)
Long-term prepaid expenses		3,852		3,352		(500)
Lease deposits		3,210		3,085		(124)
Deferred income taxes		1,336		1,557		221
Other long-term investments		1,086		1,611		524
Allowance for losses on receivable		(1,182)		(1,270)		(87)
Total investments and other assets		130,538	11.3	156,703	12.2	26,165
Total fixed assets		279,107	24.2	339,007	26.3	59,899
III. Deferred assets						
Bond issue costs		229		263		34
Development costs		1,400		700		(700)
Total deferred assets		1,629	0.1	963	0.1	(665)
Total assets		1,155,776	100.0	1,290,066	100.0	134,290

Item	Term	Fiscal 2003 (As of March 31,2004)		Fiscal 2004 (As of March 31,2005)		Increase (Decrease)
		Value	%	Value	%	Value
		(LIABILITIES)				
I. Current liabilities						
Notes payable		1,320		1,538		218
Accounts payable		91,220		99,007		7,787
Short-term loans		246,348		244,766		(1,582)
Current portion of long-term loans		13,455		55,221		41,766
Current portion of bonds		20,000		30,000		10,000
Current portion of convertible bonds		6,784				(6,784)
Commercial paper		71,000		57,000		(14,000)
Current portion of payables under securitized lease receivables		3,127		3,000		(127)
Other Payable		1,442		4,249		2,806
Accrued expenses		23,533		31,563		8,029
Accrued taxes on income		22,192		10,202		(11,900)
Withholdings		2,092		2,676		584
Advance received		84		65		(19)
Allowance for bonuses		1,340		1,333		(7)
Unearned income		3,446		3,388		(57)
Other current liabilities		642		718		75
Total current liabilities		508,030	43.9	544,730	42.2	36,700
II. Long-term liabilities						
Bonds		130,000		140,000		10,000
Long-term loans		214,924		268,573		53,649
Payables under securitized lease receivables		33,000		30,000		(3,000)
Accrued pension and severance costs		6,030		5,804		(226)
Retirement allowance for directors and statutory auditors		439		539		99
Allowance for losses on guarantees		934		1,253		319
Lease deposits received		527		521		(5)
Other long-term liabilities		96		142		45
Total Long-term liabilities		385,952	33.4	446,833	34.7	60,880
Total liabilities		893,983	77.3	991,564	76.9	97,581
(SHAREHOLDERS' EQUITY)						
I. Common stock						
		63,667	5.5	69,526	5.4	5,858
II. Capital surplus						
Additional paid-in capital		67,078		72,933		5,854
Other capital surplus						
Net gain on disposal of treasury stock				0		0
Total capital surplus		67,078	5.8	72,933	5.6	5,854
III. Retained earnings						
Legal reserve		3,020		3,020		
Voluntary reserves						
Reserve for reduction of fixed asset value	301					
General reserve	99,455	99,756		114,455	114,455	14,698
Unappropriated retained earnings at end of period		26,920		34,824		7,903
Total retained earnings		129,696	11.3	152,299	11.8	22,602
IV. Unrealized gain (loss) on investment securities		4,679	0.4	7,162	0.6	2,483
V. Treasury common stock						
		(3,329)	(0.3)	(3,419)	(0.3)	(89)
Total shareholders' equity		261,792	22.7	298,502	23.1	36,709
Total liabilities and shareholders' equity		1,155,776	100.0	1,290,066	100.0	134,290

(2) Non-Consolidated Statements of Income

(Millions of yen)

Item	Term	Fiscal 2003 (April 1, 2003 to March 31, 2004)		Fiscal 2004 (April 1, 2004 to March 31, 2005)		Year-on-year change
		Value	%	Value	%	
I. Operating revenues						
Financing and administration fees						
Credit cards		59,324		62,616		105.5
Shopping loans		1,275		997		78.2
Guarantees		3,229		3,203		99.2
Loans		90,892		89,722		98.7
Agency services		6,531		10,326		158.1
Income from leases						
Lease sales		46,771		57,750		
Cost of lease sales		41,162	5,609	50,897	6,853	122.2
Income from merchandise sales						
Merchandise sales		2,763				
Cost of merchandise sold		2,359	403			
Income Other sales						
Other sales		3,392		5,421		
Cost of other sales		255	3,136	931	4,490	143.1
Financial revenues			5,321		12,037	226.2
Total operating revenues			175,725	100.0	190,248	108.3
II. Operating expenses						
Selling, general and administrative expenses			123,746	70.4	135,402	109.4
Financial cost						
Interest expense		6,612		7,531		
Amortization of bond issue cost		189		189		
Other expenses		351	7,154	466	8,186	114.4
Total operating expenses			130,900	74.5	143,589	109.7
Operating income			44,824	25.5	46,659	104.1
III. Non-operating income			975	0.5	1,079	110.6
IV. Non-operating expenses			748	0.4	753	100.6
Ordinary income			45,051	25.6	46,985	104.3

Item	Term	Fiscal 2003 (April 1, 2003 to March 31, 2004)		Fiscal 2004 (April 1, 2004 to March 31, 2005)		Year-on-year change
		Value	%	Value	%	
V. Extraordinary gains						
Gain on sales of investment securities		-		552		
Gain on changes in pension and severance cost plan		-	-	217	770	0.4
VI. Extraordinary losses						
Loss on disposal of fixed assets		212		574		
Loss on sales of fixed assets		0		10		
Loss on impairment of fixed assets		664				
Loss on evaluation of investment securities		292		4,761		
Loss on evaluation of investments in subsidiaries and affiliates		1,062		69		
Other		470	2,702	159	5,575	2.9
Net income (loss) before income taxes			42,349		42,180	22.2
Income taxes, current		22,322		19,537		
Income taxes, deferred		(4,368)	17,953	(3,155)	16,382	8.6
Net income (loss)			24,396		25,798	13.6
Loss on treasury common stock			0			
Retained earnings carried forward from preceding year			2,524		9,025	
Unappropriated retained earnings at the end of the year			26,920		34,824	

Non-Consolidated Statements of Proposed Appropriation of Retained Earnings

(Millions of yen)

Item	Term	Fiscal 2003 (April 1, 2003 to March 31, 2004)		Fiscal 2004 (April 1, 2004 to March 31, 2005)	
. Unappropriated retained earnings at the end of the year			26,920		34,824
.Changes of voluntary reserves					
Change of voluntary reserves from fixed assets of condensed reserve		301	301		
Total			27,221		34,824
. appropriation					
Cash dividends		3,065		3,503	
Bonuses to directors		130		130	
[Bonuses to statutory auditors included in above]		(15)		(15)	
Voluntary reserves					
General reserve		15,000	18,195	21,000	24,633
.Retained Earnings carried forward			9,025		10,190