

AIFUL CORPORATION

Non-Consolidated Financial Summary

All financial information has been prepared in accordance with generally accepted accounting principles in Japan. Amounts shown in this accounting report and in the attached material have been rounded down to the nearest million yen. This document is an English translation of the Japanese-language original.

FY2003
(Ended March 31, 2003)

- Note : Forward Looking Statements -

The figures contained in this DATA BOOK with respect to AIFUL's plans and strategies and other statements that are not historical facts are forward-looking statements about the future Performance of AIFUL which are based on management's assumptions and belief in light of the information currently available to it and involve risks and uncertainties and actual results may differ from those in the forward-looking statements as a results of various facts. Potential risks and uncertainties include, without limitation, general economic conditions in AIFUL's market and changes in the size of the overall market for consumer loans, the rate of default by customers, the level of interest rates paid on the AIFUL's debt and legal limits on interest rates charged by AIFUL. This DATA BOOK does not constitute any offer of any securities for sale

AIFUL Corporation (8515)

May 8, 2003

Year-End Financial Statements (Non-Consolidated)

For the year ended March 31, 2003

AIFUL Corporation (8515)

Stock Code: 8515

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

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Date of the board of directors' meeting:

May 8, 2003

Date of the annual shareholders' meeting:

June 26, 2003

Commencement of the interim dividends payment:

Yes

The Company adopted the credit unit "Tangen" system:

Yes (One Tangen of stock at Aiful Corporation. is equivalent to 50 shares)

All data in millions of yen, rounded down, except dividends, per share amounts and percents.

1. Non-Consolidated Business Results for the Year Ended March 31, 2003

(April 1, 2002 – March 31, 2003)

(1) Non-Consolidated Operating Results (Note: Figures have been rounded down to the nearest unit.)

	In millions of yen – except per share data			
	Fiscal Year Ended March 31,			
	2003		2002	
Operating Revenue	324,671	5.7%	307,272	13.5%
Operating Income	106,944	(3.2)%	110,442	6.9%
Ordinary Income	107,100	(0.4)%	107,515	4.0%
Net Income	55,317	44.2%	38,349	(20.9)%
Net Income per Share (yen)	588.63 yen		426.54 yen	
Net Income to Shareholders' Equity Ratio	12.4%		10.6%	
Diluted Net Income per Share (yen)	-		-	
Ordinary Income to Shareholders' Equity Ratio	5.9%		6.5%	
Operating Revenue to Ordinary Income Ratio	33.0%		35.0%	

Notes: 1) Average number of shares during:

Fiscal year ended March 31, 2003: 93,810,102 shares

Fiscal year ended March 31, 2002: 89,908,062 shares

2) Changes in accounting policies: Yes

3) Percentage figures shown for operating revenue, operating income, ordinary income and net income show year-on-year change

(2) Dividend Information

	Dividends Distributed (in Yen)	
	Fiscal Year Ended	Fiscal Year Ended
	March 31, 2003	March 31, 2002
Annual Dividend per Share	60.00	50.00
Interim Dividend per Share	30.00	25.00
Year-End	30.00	25.00
Total Dividends (Million yen)	5,628	4,663
Dividend Payout Ratio (%)	10.2	12.2
Year-End Dividend per Share (%)	1.2	1.1

(3)Non-Consolidated Financial Position

	In millions of yen - rounded down, except where noted	
	Fiscal Year Ended March 31, 2003	Fiscal Year Ended March 31, 2002
Total Assets	1,906,211	1,740,868
Shareholders' Equity	470,834	420,493
Shareholders' Equity Ratio (%)	24.7%	24.2%
Shareholders' Equity per Share(Yen).....	4,983.00	4,513.89

Note1): Number of shares issued and outstanding:

Fiscal year ended March 31, 2003:	94,468,362 shares
Fiscal year ended March 31, 2002:	93,155,415 shares

2) :Total number of treasury stocks at the end of the fiscal period:

Fiscal year ended March 31, 2003:	221,638 shares
Fiscal year ended March 31, 2002:	220,585 shares

2. Fiscal Year 2004 Full Year Projections (April 1, 2003 – March 31, 2004) (In millions of yen, rounded down)

	In millions of yen – except per share data	
	Interim period ending September 30	Fiscal year ending March 31, 2004
Operating Revenue	170,406	344,849
Ordinary Income	49,535	108,000
Net Income	25,895	56,532
Annual Dividend per Share	-	60.00
Interim Dividend per Share	30.00	-
Year-End	-	30.00

Reference: Projected earnings per share for fiscal year 2004 (Fiscal year ending March 31, 2004):598.42 yen

“Caution Relating to Results Projections”

The above projections are based on the information available to management at the time they were made, and estimates involving uncertain factors thought likely to have an effect on future results. Actual results can differ materially from these projections for a variety of reasons.

1. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

In millions of yen -rounded down, except where noted

(Assets)	For the current fiscal year		For the previous fiscal year		Increase (Decrease)	
	〔 As of March 31, 2003 〕		〔 As of March 31, 2002 〕			
	Amount	%	Amount	%	Amount	%
Current Assets:						
Cash and cash equivalents	84,485		93,392		(8,906)	
Loans	1,413,340		1,313,690		99,649	
Marketable securities	10		-		10	
Property for sale	335		668		(332)	
Stored goods	-		11		(11)	
Prepaid expenses	3,608		3,495		113	
Deferred tax assets	12,437		7,589		4,847	
Accrued income	11,021		12,246		(1,224)	
Short-term loans	30,183		7,183		22,999	
Other.....	28,911		12,429		16,482	
Allowance for bad debts.....	(70,479)		(58,689)		(11,789)	
Total current assets.....	1,513,856	79.4	1,392,017	80.0	121,838	8.8
Fixed Assets:						
Tangible Fixed Assets:						
Buildings	25,685	1.4	23,306	1.3	2,378	10.2
Structures.....	8,341		9,393		(1,052)	
Machinery.....	2,312		2,721		(408)	
Vehicles	11		12		(1)	
Equipment and fixtures.....	-		0		(0)	
Rental assets	6,313		5,894		418	
Land.....	5,612		5,283		328	
Construction in process account	3,093		-		3,093	
Tangible fixed assets	391,820	20.6	348,059	20.0	43,760	12.6
Intangible Fixed Assets:						
Software	7,606		2,353		5,253	
Telephone rights	592		596		(4)	
Other.....	1		2		(0)	
Total intangible fixed assets	8,200	0.4	2,952	0.2	5,248	177.7
Investment and Other Fixed Assets:						
Investment in securities	7,538		6,539		999	
Stock in affiliated companies	114,264		105,724		8,540	
Investments in equity other than capital stock	2,346		3,054		(707)	
Claims in bankruptcy	16,905		14,267		2,638	
Long-term loans	16,720		8,640		8,080	
Long-term loans to shareholders and employees	32		31		1	
Long-term loans to affiliated companies	165,380		160,543		4,837	
Long-term prepaid expenses	3,519		1,565		1,953	
Deferred tax assets.....	5,166		4,347		818	
Lease deposits and guarantees	8,311		8,652		(340)	
Loss on deferred hedge	33,674		22,930		10,743	
Other.....	2,421		2,723		(302)	
Allowance for bad debts.....	(18,348)		(17,220)		(1,128)	
Total investment and other fixed assets	357,934	18.8	321,800	18.5	36,134	11.2
Total fixed assets:	391,820	20.6	348,059	20.0	43,760	12.6
Deferred Assets:						
Bond issuing expenses.....	535		790		(255)	
Total deferred assets	535	0.0	790	0.0	(255)	(32.3)
Total Assets:	1,906,211	100.0	1,740,868	100.0	165,343	9.5

Non-Consolidated Balance Sheet (cont.):

In millions of yen -rounded down, except where noted						
(Liabilities)	For the current fiscal year 〔 As of March 31, 2003 〕		For the previous fiscal year 〔 As of March 31, 2002 〕		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Current Liabilities:						
Notes payable - trade.....	4,286		3,572		713	
Accounts payable - trade.....	2		26		(24)	
Short-term loans debt.....	14,000		14,000		-	
Current portion of bonds.....	74,500		71,000		3,500	
Current portion of long-term debt.....	373,376		359,785		13,590	
Commercial paper.....	13,000		15,000		(2,000)	
Trade accounts payable.....	5,229		5,913		(684)	
Income taxes payable.....	37,127		15,911		21,215	
Accrued expenses payable.....	4,762		3,996		766	
Deposits.....	386		482		(96)	
Income in advance.....	3		4		(1)	
Accrued bonuses.....	2,266		2,452		(186)	
Other.....	314		224		90	
Total Current Liabilities.....	529,254	27.8	492,369	28.3	36,885	7.5
Long-term Liabilities:						
Bonds.....	377,500		351,500		26,000	
Long term debts.....	492,949		451,693		41,255	
Allowance for retirement benefits for employees.....	2,331		1,338		992	
Allowance for retirement benefits for directors.....	1,109		1,056		53	
Interest swaps.....	32,119		22,304		9,814	
Other.....	112		111		1	
Total Long-term Liabilities.....	906,122	47.5	828,005	47.5	78,117	9.4
Shareholders equity:						
Common stock.....	83,317	4.4	83,317	4.8		
Additional paid-in capital.....	90,225	4.7	89,830	5.2		
Retained earnings.....	299,743	15.7	248,085	14.2		
Surplus reserve.....	1,566		1,566	0.1		
Voluntary reserve.....	240,922		207,422			
Unappropriated retained earnings for the period.....	57,254		40,663			
Differences in evaluation of other marketable securities.....	(398)	(0.0)	(260)	(0.0)		
Treasury stock.....	(2,052)	(0.1)	(2,045)	(0.1)		
Total Shareholders' Equity.....	470,834	24.7	420,493	24.2		
Total Liabilities and Shareholders' Equity.....	1,906,211	100.0	1,740,868	100.0		

(2) Non-Consolidated Statement of Income

	In millions of yen -rounded down, except where noted					
	For the current fiscal year		For the previous fiscal year		Increase (decrease)	
	〔 Apr. 1, 2002to Mar. 31, 2003 〕		〔 Apr. 1, 2001to Mar. 31, 2002 〕			
Amount	%	Amount	%	Amount	%	
Operating Revenue	324,671	100.0	307,272	100.0	17,399	5.7
Interest on loans to customers	315,600	97.2	296,034	96.3	19,565	6.6
Financial revenue - other	280	0.1	230	0.1	50	21.7
Interest on bank deposit	10		30		(19)	
Interest on marketable securities	0		0		0	
Interest on loans	267		199		67	
Other	2		0		1	
Operating Revenue - other	8,791	2.7	11,007	3.6	(2,216)	(20.1)
Sales of property	306		2,823		(2,517)	
Revenue from service business	935		1,246		(311)	
Bad debts write-off recovery	3,896		3,779		117	
Other	3,652		3,157		494	
Operating Expenses	217,727	67.1	196,830	64.1	20,896	10.6
Financial expenses	35,178	10.8	33,377	10.9	1,801	5.4
Interest expense	22,705		21,124		1,581	
Interest on bond	9,985		9,704		281	
Other	2,487		2,549		(61)	
Cost of sales	562	0.2	3,025	1.0	(2,463)	(81.4)
Cost of sales of property	296		2,677		(2,381)	
Cost of sales of service business	266		348		(81)	
Operating Expenses - other	181,986	56.1	160,426	52.2	21,559	13.4
Advertising expenses	15,377		19,274		(3,896)	
Commissions	9,624		9,769		(145)	
Loan losses	15,892		6,611		9,281	
Transfers to allowance for bad debts	70,479		58,689		11,789	
Director's salaries and remuneration	425		415		9	
Salaries for employees	18,916		17,877		1,038	
Bonus for employees	2,125		2,333		(207)	
Transfers to accrued bonuses	2,266		2,452		(186)	
Transfers allowance to directors' retirement	74		111		(36)	
Welfare expenses	3,234		2,942		292	
Retirement benefits	2,213		368		1,844	
Rent fees	7,539		7,901		(361)	
Land rent	7,991		7,100		890	
Supplies	1,268		1,294		(26)	
Repairs	3,412		2,888		523	
Communication expenses	4,432		3,921		511	
Insurance premiums	3,673		3,431		242	
Depreciation expense	3,511		4,465		(953)	
Consumption tax	2,913		3,120		(206)	
Other	6,612		5,456		1,156	
Operating Income	106,944	32.9	110,442	35.9	(3,497)	(3.2)

Non-Consolidated Income Statement (cont.):

In millions of yen -rounded down, except where noted

	For the current fiscal year (Apr. 1, 2002 to Mar. 31, 2003)		For the previous fiscal year (Apr. 1, 2001 to Mar. 31, 2002)		Increase (decrease)	
	Amount	%	Amount	%	Amount	%
	Non-operating income	5,262	1.6	4,570	1.5	692
Interest on loans	4,364		3,651		712	
Cash dividends	76		29		46	
Dividend on insurance	215		530		(314)	
Investment in anonymous association	143		-		143	
Miscellaneous	462		357		104	
Non-operating expenses	5,106	1.6	7,496	2.4	(2,390)	(31.9)
Transfer allowance for bad debts.....	4,387		2,371		2,016	
Write-down of property for sale	36		47		(11)	
New share issuing expenses	-		4,234		(4,234)	
Amortization of bond issuing expenses	-		72		(72)	
Foreign currency exchange losses.....	99		-		99	
Investment in anonymous association	514		435		79	
Miscellaneous	68		334		(266)	
Ordinary income	107,100	32.9	107,515	35.0	(414)	(0.4)
Extraordinary income	250	0.1	367	0.1	(116)	(31.8)
Sale of fixed assets	0		72		(71)	
Sale of investment securities.....	211		84		126	
Allowance for bad debts from previous year	38		210		(171)	
Extraordinary losses	793	0.2	35,229	11.5	(34,435)	(97.7)
Loss on sale of fixed assets	2		31,257		(31,255)	
Loss on disposal of fixed assets	302		711		(408)	
Amount equivalent to previous year loss on valuation of real estate for sale	-		2,147		(2,147)	
Loss on cancellation of leases	-		30		(30)	
Loan losses	-		118		(118)	
Transfer allowance for bad debts.....	4		351		(346)	
Loss on valuation of investment securities	359		549		(189)	
Loss on sale of subsidiaries' stocks	-		41		(41)	
Loan on cancellation of real estate deposits.....	117		-		117	
Loss on valuation of golf club memberships	6		21		(14)	
Income before income taxes	106,558	32.8	72,653	23.6	33,904	46.7
Corporate tax, local and enterprise taxes	56,824	17.5	35,001	11.4	21,823	62.4
Adjustment on corporate tax, etc.	(5,584)	(1.7)	(696)	(0.2)	(4,888)	701.7
Net Income	55,317	17.0	38,349	12.4	16,968	44.2
Retained earnings brought forward	4,731		4,648		83	
Interim dividends	(2,794)		(2,334)		(460)	
Unappropriated retained earnings	57,254		40,663		16,591	

(3) Non-Consolidated Statement of Retained Earnings

	In millions of yen -rounded down, except where noted	
	For the current fiscal year Ended March 31, 2003 June 26, 2003*	For the previous fiscal year Ended March 31, 2002 June 26, 2002*
Present term unappropriated profit	57,254	40,663
Appropriation of profit.....	54,332	35,931
Earned surplus reserve	-	-
Distribution of profit	2,834	2,328
Bonuses for directors	98	103
(Bonuses for auditors).....	4	3
Other reserve	51,400	33,500
Deferred profits.....	2,922	4,731

Note: * The date with asterisks indicate Shareholders' meetings (scheduled).

2. Significant Accounting Policies Relating to the Financial Statements

Accounting principles used for standard accounting treatment

1. Appraisal standards and methods for principal assets
 - (1) Marketable securities Cost method, cost being determined by the moving average method
 - (2) Other marketable securities
Securities valued at market Market value method based on the market prices on the settlement date. All valuation differences are reflected directly in shareholders' equity, the sale price being computed using the moving average method.)
Securities not valued at market Cost method, cost being determined by the moving average method
2. Inventories
 - (1) Real estate for sale Lower-of-cost-or-market method, cost being determined by the specific cost method
Property currently being leased out is depreciated as a tangible fixed asset.
 - (2) Warehouse goods Latest purchase cost method
3. Depreciation methods for depreciable assets
 - (1) Tangible fixed assets: Decline balance depreciation method
Major useful lives are as follows:
Buildings and structures 7 - 50 years
Machinery and vehicles 2 - 15 years
Equipment and fittings 2 - 20 years
 - (2) Intangible fixed assets
Software Straight-line method based on the assumed useful life for internal use (5 years)
Other Straight-line method
 - (3) Long-term prepaid expenses Straight-line method
4. Deferred assets

Bond issuing expense Depreciated evenly over the period until maturity or over the longest period allowed by the Commercial Code (3 years), whichever is shorter.

New share issuing expense New share issuing expenses are accounted for as expenses at the time of expenditure.
5. Conversion methods for assets and liabilities in foreign currency: Credits and debts in foreign currency are converted into Japanese yen at the spot exchange rate on the settlement day, and differences in the conversion are treated as profits and losses.
6. Accounting standards for allowances and reserves
 - (1) Allowance for bad debts Provision for losses on bad debts is made up to the maximum allowable based on individual assessments and the actual percentage of bad loan write-offs, as prescribed in the Corporate Income Tax Law. If that amount is deemed to be insufficient, additional provision is made.
 - (2) Reserve for accrued bonuses Provision for accrued bonuses to employees is made by appropriating an amount based on the estimated total bonuses that will be paid during the fiscal year.
 - (3) Allowance for retirement benefits for employees In order to provide for retirement allowances the company accrues an amount equivalent to the amount that would be paid if the payment occurred at the end of the current consolidated accounting period, based on the projected amount of retirement allowance liabilities and pension assets at the end of the consolidated accounting fiscal year.
 - (4) Allowance for retirement benefits for directors The Company provides for retirement benefits for directors by determining the estimated amount that would be paid if all directors retired on the balance sheet date, based upon the pertinent rules of the Commercial Code.

7. Accounting methods for income and expenses Interest on loans to customers is recorded on an accrual basis. Accrued interest included in loans is recorded at the lower of the interest rates prescribed in the Interest Rate Control Law and the contract interest rate provided by the Company.
8. Accounting treatment for lease transactions
In finance lease transactions, other than those in which the title of the leased asset is deemed to be transferred to the lessee, finance leases are treated according to the method used for ordinary loan transactions, mutatis mutandis.
9. Hedge accounting methods
- (1) Hedge accounting methods The Company uses deferred hedge accounting. However, the Company uses special accounting rules for interest swaps where appropriate.
- (2) Hedging methods and hedged transactions
Hedging methods Interest caps and interest swaps
Hedged transactions Borrowing that will change the Company's cash flow depending upon changes in market interest rates (floating rate bank borrowing and corporate bonds).
- (3) Hedging policy The Company uses hedge transactions to keep the percentage of fixed interest rate capital below a specified percentage of total capital funds procured.
- (4) Evaluation of hedge effectiveness The Company determines the effectiveness of its hedging transactions based on a method of ratio analysis covering cumulative changes over the past ten-year period.
10. Other Significant Accounting Policies Relating to the Financial Statements
- (1) Accounting treatment of interest on debt Interest on debt used to provide consumer loans is accounted for as financial expenses and included in operating expenses. All other interest expenses are accounted for as interest payments in non-operating expenses.
- (2) Accounting Methods for leveraged leases The company signed a contract in December 1992 under which it participates in an anonymous association involved in the leasing of aircraft. The contract, which involved an investment of 100 million yen, is due to run for a total of 13 years. This amount is recorded in 'Other' under other investment assets on the balance sheets. AIFUL's portion of the losses incurred through this union have been deducted from the value of the investment as recorded on the financial statements, and losses above and beyond this total recorded in 'Other' under long-term liabilities to the sum of 85 million yen.
- (3) Accounting treatment of consumption taxes Consumption taxes are taken out of all Statement of Income items and Balance Sheet items. Consumption taxes for fixed assets that are not subject to the exclusion, however, are included in "Other" under Investment and Other Assets and are written off using the straight-line method over a five-year period.
- (Changes in Accounting Standards)
1. Accounting Standards for the elimination of Treasury Stock and Legal Reserve
The company adopted 'Accounting Standards Pertaining to the Elimination of Treasury Stock and Legal Reserve' (Corporate Accounting Standards, No. 1) during the current fiscal year. This change had no effect on income or losses for the period. The shareholders' equity section of the balance sheets for the current year has been formulated in line with the new changes.

Notes

Notes to the Non-Consolidated Balance Sheets

	In millions of yen As of March 31, 2003	In millions of yen As of March 31, 2002
1. Total accumulated depreciation for tangible fixed assets:	16,675	15,068
2. Assets pledged as collateral and corresponding liabilities:		
(1) Assets pledged as collateral:		
	In millions of yen As of March 31, 2003	In millions of yen As of March 31, 2002
Loans	640,484	559,239
Real estate for sale	137	153
Investment securities	145	153
Total	640,767	559,546
(2) Corresponding liabilities:		
	In millions of yen As of March 31, 2003	In millions of yen As of March 31, 2002
Current portion of long-term debt	218,959	190,665
Long-term debt	297,483	277,100
Total	516,443	467,765
<p>Above amounts include items related to the liquidization of loans receivables, 203,482 million yen for outstanding loans receivables 27,321 million yen for the current portion of long-term debt, 96,547 million yen for the long-term debt.</p> <p>In addition to the above, the Company has contracted to offer loans as collateral in response to borrowers' requests to the sum of 2,000 million yen for short-term debt, 61,330 million yen for current portion of long-term debt and 81,470 million yen for long-term debt, 144,800 million yen in total. The Company has also offered 15,783 million yen for cash and cash equivalents as collateral for swap transactions. The Company has taken Marutoh K.K.'s tangible fixed assets as a pledge for thier borrowings.</p>		
3. Assets Pledged as Collateral and Corresponding Market Values		
Transferred accounts	8,001	-
Commercial paper	19,998	6,998
Trust received rights	2,000	-
Total	29,999	6,998
4. Number of shares	373,500,000	224,000,000
Number of issued shares	94,690,000	93,376,000
<p>However, in those cases in which stock has been eliminated in accordance with the contracts, stock issued by the company will be reduced by an equivalent number of shares.</p>		
5. Liabilities on guarantees		(In millions of yen)
(1) Balance of liabilities for affiliates' individual customers.	10,491	2,746
(2) Balance of liabilities for affiliates' business customers.	8,535	-
(3) Balance of liabilities for guarantees for debts of affiliates Marutoh Co., Ltd.	9,500	9,500

5. Bad Debts

The bad debts included in Loans and Claims in Bankruptcy are shown below:

	End of current fiscal year			End of previous fiscal year		
	Unsecured loans	Other loans	Total	Unsecured loans	Other loans	Total
Claims in bankruptcy	2,850	17,488	20,339	1,410	15,046	16,456
Loans in arrears	14,882	16,951	31,834	10,240	13,093	23,333
Loans in arrears longer than 3 months	8,031	3,186	11,217	6,561	2,369	8,931
Loans with adjusted terms	32,458	58	32,517	29,287	18	29,305
Total	58,223	37,684	95,908	47,499	30,527	78,027

Explanations each of the above items follow.

Claims in bankruptcy

“Claims in bankruptcy” refers to loans that are included in loans on which principal or interest payments have been continuously late for a considerable period of time for the reasons cited in Article 96 Paragraph 1 Number 3 Items B through E of the Corporate Income Tax Law Execution Ordinance (1965, Ordinance No. 97) or for the reasons set forth in Number 4 of the same paragraph. The Company sets aside a reserve for bad debts that is equivalent to the amount the Company believes it will be unable to recover based on an evaluation of each loan.

Loans in arrears

“Loans in arrears” refers to loans other than claims in bankruptcy for which unpaid interest is not accrued. This excludes loans, however, that are included in loans for which the Company has made arrangements convenient to the borrower for the purpose of reorganization or support of the borrower such as reduction or exemption of interest or extension of the repayment period, on which the Company is periodically receiving payments.

Loans in arrears longer than 3 months

“Loans in arrears longer than 3 months” refers to loans for which the principal or interest payment is three or months overdue from the day following the scheduled payment date and that are not regarded as claims in bankruptcy or loans in arrears.

Loans with adjusted terms

“Loans with adjusted terms” refers to loans for which the Company has made arrangements convenient to the borrower for the purpose of reorganization or support of the borrower such as reduction or exemption of interest or extension of the repayment period, on which the Company is periodically receiving payments and that are not regarded as claims in bankruptcy, loans in arrears or loans in arrears longer than 3 months.

Notes to the Non-Consolidated Income Statement

1. Gains on losses on investments in anonymous union investments all refer to product fund operating capital and dividend payments.

2. Breakdown of losses on disposal of tangible fixed assets is as follows.

	In millions of yen As of March 31, 2003	In millions of yen As of March 31, 2002
Buildings	-	3,178
Structures	-	6
Machinery	-	32
Equipment	0	4
Land	-	28,036
Other	1	-
Total	2	31,257

3. Write-off of fixed assets

	In millions of yen As of March 31, 2003	In millions of yen As of March 31, 2002
Buildings	181	347
Structures	50	84
Vehicles	-	-
Equipment	37	71
Other Investment	33	207
Total	302	711

Notes to Lease Transactions

1. Finance lease transactions except leases under which the title of the leased asset is deemed to be transferred to the lessee

(1) Acquisition cost, accumulated depreciation and period ending balance of lease assets

	(In millions of yen)					
	Current fiscal year			Previous fiscal year		
	Acquisition cost	Accumulated depreciation	Period ending balance	Acquisition cost	Accumulated depreciation	Period ending balance
Vehicles	259	191	68	261	154	106
Equipment and fittings	22,234	17,172	5,062	26,309	18,431	7,877
<u>Total</u>	<u>22,493</u>	<u>17,363</u>	<u>5,130</u>	<u>26,570</u>	<u>18,586</u>	<u>7,983</u>

(2) Outstanding balance of future lease payments at the end of the period: (In millions of yen)

Within one year	3,918	4,810
Over one year	3,631	5,792
<u>Total</u>	<u>7,549</u>	<u>10,602</u>

(3) Amount of lease fee payments, depreciation expense and interest expense: (In millions of yen)

Lease fee payments	5,318	5,738
Depreciation expenses	4,769	5,474
Interest expenses	231	339

(4) Accounting method for the amount equivalent to depreciation expenses

Calculated by assuming the lease term is the depreciable life and depreciating the remaining amount to zero using the sum-of-the-years-digits method.

(5) Accounting method for the amount equivalent to interest expenses

Interest expense for lease assets is calculated as the difference between the total lease payments and the acquisition price of the leased assets, with the amount allocated to each accounting period using the interest method.

Tax effect accounting:

1. Principal cause of deferred tax assets and deferred tax liabilities:

	(In millions of yen)	
	End of current fiscal year	End of previous fiscal year
(1)Deferred tax assets(Current):		
Excess amount transferred to allowance for bad debts accounts	6,633	4,896
Accrued income tax	2,095	888
Denied amount of bad debts depreciation	1,453	861
Unrecorded interest payments due	1,400	172
Excess amount transferred to accrued bonus	815	716
Other deferred tax assets	38	53
Total deferred tax assets	12,437	7,589
(2) Deferred liabilities (Fixed):		
Excess amount transferred to allowance for bad debts accounts	1,931	1,995
Excess amount of depreciation and amortization	1,108	816
Transfer allowance for retirement benefits	941	543
Transfer allowance for retirement benefit for directors' bonuses	448	443
Differences in evaluation of other marketable securities	269	188
Other deferred tax liabilities	467	361
Total deferred tax assets (Fixed)	5,166	4,347

2. Principal items which caused differences between statutory effective tax rate and income tax charge rate after adoption of tax effect accounting:

Statutory effective tariff (Adjusted)	41.9%	41.9%
Tax on reserves	5.8%	4.7%
Other	0.3%	0.6%
Charge rate of income tax after adoption of tax effect accounting	48.0%	47.2%

3. On March 31, 2003, 'Partial Revisions of Regional Tax Laws' was published, as a result of which, external standard tax systems will be incorporated into corporate taxes from the fiscal year commencing April 1, 2004. With this change, the company has revised deferred tax assets on the basis of legal effective tax rates themselves based upon post-revision tax rates with respect to temporary discrepancies to be eliminated from April 2004 onwards. In line with this revision, deferred tax assets fell 179 million yen, and total adjustment to corporate taxes dealt with as expenses during the current year came to 168 million yen.

Per Share Information:			
Current Fiscal Year		Previous Fiscal Year	
Net assets per share	4,983.00 yen	Net assets per share	4,513.89 yen
Net income per share	588.63 yen	Net income per share	426.54 yen
<p>Diluted net income per share for the fiscal year under review has not been included here as there was no dilutory effect on income at the end of the period.</p> <ul style="list-style-type: none"> Net income per share as recorded in the Statements of Income: 55,317 million yen Net income relating to common stock used in the calculation of net income per share: 55,219 million yen Amount not returned to common stock shareholders: 98 million yen Breakdown by type of the average number of shares of common stock used in the calculation of net income per share and equivalent stock outstanding during the period <p>Common stock: 93,810,102 shares</p> <ul style="list-style-type: none"> Outline of stock not included in diluted net income per share due to lack of dilutory effect <p>Stock options relating to treasury stock acquisition methods: 209,000 shares</p>		<p>Diluted net income per share for the fiscal year under review has not been included here as there was no dilutory effect on income at the end of the period.</p>	

3. Business Results

(1) Operating Revenue

		(In millions of yen)			
		Current fiscal year		Previous fiscal year	
		From April 1, 2002 to March 31, 2003		From April 1, 2001 to March 31, 2002	
		Amount	%	Amount	%
Interest on loans to customers	Unsecured loans	263,262	81.1	249,088	81.1
	Secured loans	47,483	14.6	43,054	14.0
	Small business loans	4,854	1.5	3,891	1.2
	Sub-total	315,600	97.2	296,034	96.3
Other financial revenue	Interest on deposits	10	0.0	30	0.0
	Interest on marketable securities	0	0.0	0	0.0
	Interest on loans	267	0.1	199	0.1
	Other	2	0.0	0	0.0
	Sub-total	280	0.1	230	0.1
Other operating revenue	Sales of property	306	0.1	2,823	0.9
	Cost of sales of service business	935	0.3	1,246	0.4
	Bad debt write-off recovery	3,896	1.2	3,779	1.3
	Other	3,652	1.1	3,157	1.0
	Sub-total	8,791	2.7	11,007	3.6
Total		324,671	100.0	307,272	100.0

Note: "Other" included in "Other operating revenue" consists of clerical fees and property rents.

(2) Other Operating Indicators

	(In millions of yen • except per share data)	
	End of current fiscal year	End of previous fiscal year
	(As of March 31, 2003)	(As of March 31, 2002)
Total amount of loans outstanding	1,413,340	1,313,690
Unsecured loans	1,068,151	1,019,292
Secured loans	322,840	277,671
Small business loans	22,348	16,726
Number of customer accounts	2,248,539	2,244,283
Unsecured loans	2,180,114	2,155,235
Secured loans	87,029	75,057
Small business loans	17,396	13,991
Number of branches	1,580	1,603
Staffed branches	536	538
Unstaffed branches	1,040	1,050
Branches for secured loans	4	4
Restaurants	-	9
Karaoke parlors	-	2
Number of “Ojidosan” loan-contracting machines	1,573	1,585
Number of ATMs	42,738	28,170
Company-owned	1,676	1,688
Partner-owned	41,062	26,482
Number of employees	3,502	3,576
Bad debt write-off	74,721	51,726
Allowance for bad debts	88,827	75,909
Net income per share (yen)	588.63	426.54
Net assets per share (yen)	4,983.00	4513.89

Notes1. Total amount of loans outstanding and the number of customer accounts do not include loans and customer accounts related to claims in bankruptcy.

2. Furthermore, Bad debt write-off, which came to 2,498 million yen at the end of the current fiscal year and 1,422 million yen at the end of the previous fiscal year, has not been included.

Changes to the Board of Directors

(1) Retiring Directors

Name	Retirement Date	
Yoshinori Sogabe	March 31, 2003	

(2) Changes to the Directors' Positions

Name	New Position	Previous Position
Taichi Kawakita	Senior Representative Director	Head of Service Department Chief of Service Department
Hiroshi Abe	Director Head of Administration Head of President's Office	Director Head of Administration Head of President's Office Head of Business Development Department