



November 4, 2004

# Interim Financial Statements (Non-Consolidated)

For the fiscal year ending March 31, 2005

## AIFUL Corporation

Stock Code: 8515  
(URL <http://www.aiful.co.jp>)  
Representative:  
Inquiries:

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Date of the Board of Directors' meeting to  
approve financial statements:

November 4, 2004

Interim dividends payment:

Yes

Commencement of the interim dividends payment:

December 10, 2004

The Company adopted the "Tangen" credit unit system:

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

## 1. Non-Consolidated Business Results for the Interim Period (April 1, 2004 – September 30, 2004)

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

(In millions of yen - except per share data)

	Operating Revenue		Operating Income		Ordinary Income	
Interim Period Ended September 30, 2004	169,969	1.9%	52,961	28.6%	54,686	28.3%
Interim Period Ended September 30, 2003	166,869	2.7%	41,190	(30.1)%	42,622	(27.1)%
Fiscal Year Ended March 31, 2004	334,977	3.2%	95,238	(10.9)%	98,932	(7.6)%

	Net Income		Net Income per Share (Yen)	Diluted Net Income per Share (Yen)
Interim Period Ended September 30, 2004	30,189	42.0%	319.46	319.40
Interim Period Ended September 30, 2003	21,262	(30.0)%	225.08	–
Fiscal Year Ended March 31, 2004	53,086	(4.0)%	560.82	–

Notes: 1. Average number of shares during:

Interim period ended September 30, 2004: 94,502,580 shares

Interim period ended September 30, 2003: 94,468,199 shares

Fiscal year ended March 31, 2004: 94,467,918 shares

2. Changes in accounting policies: No

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

### (2) Dividend Information

	Dividends per Share (in Yen)	
	Interim	Year-end
Interim Period Ended September 30, 2004	30.00	–
Interim Period Ended September 30, 2003	30.00	–
Fiscal Year Ended March 31, 2004	–	60.00

### (3) Non-Consolidated Financial Position

(In millions of yen – rounded down, except where noted)

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (Yen)
Interim Period Ended September 30, 2004	1,988,406	550,234	27.7	5,820.66
Interim Period Ended September 30, 2003	1,910,490	491,373	25.7	5,201.48
Fiscal Year Ended March 31, 2004	1,870,075	522,904	28.0	5,534.17

Notes: 1. Number of shares issued and outstanding:

Interim period ended September 30, 2004: 94,531,358 shares

Interim period ended September 30, 2003: 94,468,001 shares

Fiscal year ended March 31, 2004: 94,467,134 shares

2. Total number of treasury stocks at the end of:

Interim period ended September 30, 2004: 158,642 shares

Interim period ended September 30, 2003: 221,999 shares

Fiscal year ended March 31, 2004: 222,866 shares

## 2. Fiscal Year 2005 Full Year Forecast (April 1, 2004 - March 31, 2005)

(In millions of yen, rounded down)

	Operating Revenue	Ordinary Income	Net Income	Dividends per Share (in Yen)	
				Interim	Year-end
Fiscal Year Ending March 31, 2005	340,052	112,000	59,623	30.00	60.00

Reference:

Forecast for earnings per share for fiscal year 2005 (Fiscal year ending March 31, 2005): 630.72 yen

### Caution Relating to Results Forecasts

The above forecasts 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 forecasts for a variety of reasons.

(Supplementary Data)

## 1. Interim Non-Consolidated Financial Statements

### (1) Interim Non-Consolidated Balance Sheets

(In millions of yen – rounded down, except where noted)

Category (Assets)	Note No.	End of previous interim period (As of September 30, 2003)		End of current interim period (As of September 30, 2004)		Condensed balance sheets for previous fiscal year (As of March 31, 2004)			
		Amount	%	Amount	%	Amount	%		
I. Current assets									
1. Cash and cash equivalents		128,728		95,767		60,425			
2. Loans	*2,3, 5	1,435,770		1,459,310		1,451,638			
3. Marketable securities		2,009		–		–			
4. Property for sale	*2	213		174		181			
5. Deferred tax assets		15,763		10,051		13,629			
6. Short-term loans	*4	2,188		5,915		20,178			
7. Other	*2	34,017		32,825		36,339			
8. Allowance for bad debts		(82,748)		(81,750)		(81,693)			
Total current assets			1,535,942	80.4		1,522,294	76.6	1,500,700	80.3
II. Fixed assets									
1. Tangible fixed assets									
(1) Land		5,612		5,612		5,612			
(2) Other	*1	23,408		23,417		24,031			
Total tangible fixed assets		29,021		29,030		29,643			
2. Intangible fixed assets		9,972		11,646		10,860			
3. Investment and other fixed assets									
(1) Stock in affiliated companies		114,264		131,704		114,864			
(2) Bankruptcy claims	*5	20,260		26,877		22,925			
(3) Long-term loans to affiliated companies		167,488		237,853		157,086			
(4) Deferred tax assets		3,735		975		769			
(5) Loss on deferred hedge	*7	19,683		18,151		18,974			
(6) Other	*2	29,127		29,095		32,061			
(7) Allowance for bad debts		(19,600)		(19,674)		(18,264)			
Total investment and other fixed assets		334,959		424,983		328,417			
Total fixed assets			373,953	19.6		465,660	23.4	368,921	19.7
III. Deferred assets									
Bond issuing expenses		593		451		453			
Total deferred assets			593	0.0		451	0.0	453	0.0
Total assets			1,910,490	100.0		1,988,406	100.0	1,870,075	100.0

Category	Note No.	End of previous interim period (As of September 30, 2003)		End of current interim period (As of September 30, 2004)		Condensed balance sheets for previous fiscal year (As of March 31, 2004)	
		Amount	%	Amount	%	Amount	%
(Liabilities)							
I. Current liabilities							
1. Notes payable - trade		4,659		4,869		4,161	
2. Short-term debt	*2	19,806		12,000		8,500	
3. Current portion of bonds		85,000		124,000		90,000	
4. Current portion of long-term debt	*2	326,730		347,555		327,815	
5. Income taxes payable		24,359		20,800		24,660	
6. Reserve for accrued bonuses		2,540		2,327		2,397	
7. Other		13,440		11,640		11,270	
Total current liabilities		476,535	25.0	523,193	26.3	468,806	25.0
II. Long-term liabilities							
1. Bonds		395,000		321,000		355,000	
2. Long term debts	*2	524,983		575,054		502,413	
3. Allowance for retirement benefits for employees		1,440		214		806	
4. Allowance for retirement benefits for directors		1,179		1,170		1,220	
5. Interest swaps		19,861		17,509		18,832	
6. Other		115		29		91	
Total long-term liabilities		942,581	49.3	914,978	46.0	878,365	47.0
Total liabilities		1,419,117	74.3	1,438,172	72.3	1,347,171	72.0
(Shareholders' equity)							
I. Common stock		83,317	4.4	83,317	4.2	83,317	4.5
II. Additional paid-in capital							
1. Capital reserves		90,225		90,225		90,225	
2. Gain on price differences in disposal of treasury stock		-		21		-	
Total additional paid-in capital		90,225	4.7	90,246	4.6	90,225	4.8
III. Retained earnings							
1. Earned surplus reserves		1,566		1,566		1,566	
2. Voluntary reserves		292,322		336,822		292,322	
3. Unappropriated retained earnings for the period		24,184		35,923		53,174	
Total retained earnings		318,073	16.6	374,311	18.8	347,062	18.6
IV. Differences in evaluation of other marketable securities		1,812	0.1	3,828	0.2	4,361	0.2
V. Treasury stock		(2,054)	(0.1)	(1,468)	(0.1)	(2,062)	(0.1)
Total shareholders' equity		491,373	25.7	550,234	27.7	522,904	28.0
Total liabilities and shareholders' equity		1,910,490	100.0	1,988,406	100.0	1,870,075	100.0

**(2) Interim Non-Consolidated Statement of Income**

(In millions of yen – rounded down, except where noted)

Category	Note No.	Previous interim period (Apr. 1 to Sep. 30, 2003)		Current interim period (Apr. 1 to Sep. 30, 2004)		Condensed statement of income for previous fiscal year (Apr. 1, 2003 to Mar. 31, 2004)	
		Amount	%	Amount	%	Amount	%
I. Operating revenue							
1. Interest on loans to customers		162,930	97.7	165,084	97.1	326,978	97.6
2. Financial revenue - other		41	0.0	57	0.0	58	0.0
3. Operating revenue - other							
(1) Sales of property		25		–		50	
(2) Other		3,871		4,826		7,889	
Other operating revenue		3,897	2.3	4,826	2.9	7,940	2.4
Total operating revenue		166,869	100.0	169,969	100.0	334,977	100.0
II. Operating expenses							
1. Financial expenses		17,055	10.2	16,299	9.6	33,485	10.0
2. Cost of sales							
(1) Cost of sales of property		36		–		137	
Total cost of sales		36	0.0	–		137	0.1
3. Operating expenses - other		108,585	65.1	100,708	59.2	206,117	61.5
Total operating expenses		125,678	75.3	117,007	68.8	239,739	71.6
Operating income		41,190	24.7	52,961	31.2	95,238	28.4
III. Non-operating income	*1	2,281	1.3	2,352	1.4	4,576	1.4
IV. Non-operating expenses	*2	849	0.5	627	0.4	882	0.3
Ordinary income		42,622	25.5	54,686	32.2	98,932	29.5
V. Extraordinary income		430	0.3	559	0.3	672	0.2
VI. Extraordinary losses		811	0.5	384	0.2	1,643	0.5
Net income before taxes for interim period		42,242	25.3	54,861	32.3	97,961	29.2
Corporate tax, local and enterprise taxes		24,373		20,937		44,918	
Adjustment on corporate tax, etc.		(3,393)	12.6	3,734	14.5	(43)	13.4
Net income for interim period		21,262	12.7	30,189	17.8	53,086	15.8
Retained earnings brought forward		2,922		5,733		2,922	
Loss on price differences in disposal of treasury stock		0		–		0	
Interim dividends		–		–		2,834	
Unappropriated retained earnings for the period		24,184		35,923		53,174	

## 2. Significant Accounting Policies Relating to the Interim Financial Statements

Item	Previous interim period (Apr. 1, 2003 to Sep. 30, 2003)	Current interim period (Apr. 1, 2004 to Sep. 30, 2004)	Previous fiscal year (Apr. 1, 2003 to Mar. 31, 2004)
1. Appraisal standards and methods for principal assets	<p>(1) Marketable securities Subsidiaries stock and stock in affiliated companies Cost method, cost being determined by the moving average method Other marketable securities - Securities valued at market: Market value method based on the market price on the settlement date of the interim period 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</p> <p>(2) Inventories Real estate for sale Lower-of-cost-or-market method, cost being determined by the specific cost method</p>	<p>(1) Marketable securities Subsidiaries stock and stock in affiliated companies As on left  Other marketable securities - Securities valued at market: As on left  - Securities not valued at market: As on left</p> <p>(2) Inventories As on left</p>	<p>(1) Marketable securities Subsidiaries stock and stock in affiliated companies As on left  Other marketable securities - Securities valued at market: Market value method based on the market prices on the settlement date of the interim period All valuation differences are reflected directly in shareholders' equity, the sale price being computed using the moving average method. - Securities not valued at market: As on left</p> <p>(2) Inventories As on left</p>
2. Depreciation methods for depreciable assets	<p>(1) Tangible fixed assets: Diminishing 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</p> <p>(2) Intangible fixed assets: Software: Straight-line method based on the assumed useful life for internal use (5 years) Other: Straight-line method</p>	<p>(1) Tangible fixed assets: Diminishing balance depreciation method Major useful lives are as follows: Buildings and structures 3-50 years Machinery and vehicles 13-15 years Equipment and fittings 3-20 years</p> <p>(2) Intangible fixed assets: As on left</p>	<p>(1) Tangible fixed assets: As on left</p> <p>(2) Intangible fixed assets: As on left</p>
3. Accounting standards for allowances and reserves	<p>(1) Allowance for bad debts Provision for losses on bad debts is made up to the necessary amount considering the actual percentage of bad loan write-offs for normal claims, and up to the amount forecast to be irrecoverable based on individual assessments of recoverability for doubtful claims.</p> <p>(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 interim period.</p>	<p>(1) Allowance for bad debts As on left</p> <p>(2) Reserve for accrued bonuses As on left</p>	<p>(1) Allowance for bad debts As on left</p> <p>(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.</p>

Item	Previous interim period (Apr. 1, 2003 to Sep. 30, 2003)	Current interim period (Apr. 1, 2004 to Sep. 30, 2004)	Previous fiscal year (Apr. 1, 2003 to Mar. 31, 2004)
<p>4. Conversion standards for assets and liabilities in foreign currency</p> <p>5. Accounting treatment of lease transactions</p>	<p>(3) Allowance for retirement benefits for employees Provision for employees' retirement benefits occurring at the end of the current consolidated interim period is made on the basis of forecast retirement benefit obligations and pension assets at the end of the current fiscal year. Actuarial differences and past service obligations are generally written off as lump sum expenses in the fiscal year in which they arise. (Supplementary Information) With the enforcement of the Defined Benefit Corporate Pension Law, AIFUL obtained from the Minister of Health, Labour and Welfare an exemption from the obligation to make future payments with respect to the substitutional portion of employees' pension fund. The estimated amount returned (minimum liability) as of the end of the current interim period is 2,527 million yen. If AIFUL were to apply the interim measure set forth in the "Practice Guideline Concerning Retirement Benefit Accounting (Interim Report)" (Report of the Accounting Standards Committee of The Japanese Institute of Certified Public Accountants No. 13, Item 44-2), the amount to be recorded as a</p> <p>(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 last day of the current consolidated interim period, based upon the pertinent rules of the Commercial Code.</p>	<p>(3) Allowance for retirement benefits for employees Provision for employees' retirement benefits occurring at the end of the current consolidated interim period is made on the basis of forecast retirement benefit obligations and pension assets at the end of the current fiscal year. Actuarial differences and past service obligations are generally written off as lump sum expenses in the fiscal year in which they arise. (Supplementary Information) With the enforcement of the Defined Benefit Corporate Pension Law, AIFUL received authorization from the Minister of Health, Labour and Welfare on September 20, 2004 to return the past portion of the substitutional portion of the employees' pension fund. The estimated amount returned as of the end of the current consolidated interim period is 207 million yen (extraordinary gain).</p> <p>(4) Allowance for retirement benefits for directors As on left</p>	<p>(3) Allowance for retirement benefits for employees Provision for employees' retirement benefits is made on the basis of forecast retirement benefit obligations and pension assets at the end of the current consolidated fiscal year. Actuarial differences and past service obligations are written off in the fiscal year in which they accrue.  (Supplementary Information) With the enforcement of the Defined Benefit Corporate Pension Law, AIFUL obtained from the Minister of Health, Labour and Welfare an exemption from the obligation to make future payments with respect to the substitutional portion of employees' pension fund. The estimated amount returned (minimum liability) as of the end of the current consolidated fiscal year is 2,509 million yen. If AIFUL were to apply the interim measure set forth in the "Practice Guideline Concerning Retirement Benefit Accounting (Interim Report)" (Report of the Accounting Standards Committee of The Japanese Institute of Certified Public Accountants No. 13, Item 44-2), the amount to be recorded as a profit would be 263 million yen.</p> <p>(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.</p>
	<p>Foreign currency-denominated assets and liabilities are converted into yen using the spot exchange rate on the date of settlement for the interim period. Translation disparities are recorded as gains or losses.</p>	<p>—</p>	<p>—</p>
	<p>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, <i>mutatis mutandis</i>.</p>	<p>As on left</p>	<p>As on left</p>

Item	Previous interim period (Apr. 1, 2003 to Sep. 30, 2003)	Current interim period (Apr. 1, 2004 to Sep. 30, 2004)	Previous fiscal year (Apr. 1, 2003 to Mar. 31, 2004)
6. Hedge accounting methods	<p>(1) Hedge accounting methods The Company uses deferred hedge accounting. However, the Company uses special accounting rules for interest swaps that meet the requirements for special treatment as interest swaps and interest swaps</p> <p>(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).</p> <p>(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.</p> <p>(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 a ten-year period. However, evaluations of effectiveness are omitted for interest rate swaps conducted through exceptional disposal.</p>	<p>(1) Hedge accounting methods As on left</p> <p>(2) Hedging methods and hedged transactions As on left</p> <p>(3) Hedging policy As on left</p> <p>(4) Evaluation of hedge effectiveness As on left</p>	<p>(1) Hedge accounting methods As on left</p> <p>(2) Hedging methods and hedged transactions As on left</p> <p>(3) Hedging policy As on left</p> <p>(4) Evaluation of hedge effectiveness As on left</p>
7. Other Significant Accounting Policies Relating to the Interim Financial Statements	<p>(1) Accounting methods for income and expenses Interest on loans to customers is recorded in accordance with accrual standards. Uncollected interest is recorded at the lower of the maximum legal interest rate and the pertinent Company interest rate.</p> <p>(2) 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 expenses" in non-operating expenses.</p> <p>(3) Disposal method for deferred assets Bond issuing expenses Deferred assets are amortized uniformly within the shorter period of either the bonds' redemption period or the longest period (three years) mandated by the Commercial Code.</p>	<p>(1) Accounting methods for income and expenses As on left</p> <p>(2) Accounting treatment of interest on debt As on left</p> <p>(3) Disposal method for deferred assets Bond issuing expenses As on left</p>	<p>(1) Accounting methods for income and expenses As on left</p> <p>(2) Accounting treatment of interest on debt As on left</p> <p>(3) Disposal method for deferred assets Bond issuing expenses As on left</p>



Item	Previous interim period (Apr. 1, 2003 to Sep. 30, 2003)	Current interim period (Apr. 1, 2004 to Sep. 30, 2004)	Previous fiscal year (Apr. 1, 2003 to Mar. 31, 2004)
	(4) 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 fixed assets, and are written off using the straight-line method over a five-year period.	(4) Accounting treatment of consumption taxes As on left	(4) Accounting treatment of consumption taxes As on left

### 3. Notes

#### (1) Notes to the Non-Consolidated Balance Sheets for Interim Period

Previous interim period (As of September 30, 2003)	Current interim period (As of September 30, 2004)	Previous fiscal year (As of March 31, 2004)
*1. Accumulated depreciation of tangible fixed assets 17,612 million yen	*1. Accumulated depreciation of tangible fixed assets 20,494 million yen	*1. Accumulated depreciation of tangible fixed assets 19,265 million yen
*2. Assets pledged as collateral and corresponding liabilities as below: (1) Assets pledged as collateral (In millions of yen)	*2. Assets pledged as collateral and corresponding liabilities as below: (1) Assets pledged as collateral (In millions of yen)	*2. Assets pledged as collateral and corresponding liabilities as below: (1) Assets pledged as collateral (In millions of yen)
Loans 623,891	Loans 756,079	Loans 650,629
Real estate for sale 128	Real estate for sale 117	Real estate for sale 124
<u>Investment and other assets (other) 188</u>	<u>Total 756,197</u>	<u>Total 650,754</u>
Total 624,208		
(2) Corresponding liabilities (In millions of yen)	(2) Corresponding liabilities (In millions of yen)	(2) Corresponding liabilities (In millions of yen)
Short-term debt 7,806	Current portion of long-term debt 182,871	Current portion of long-term debt 173,618
Current portion of long-term debt 176,651	<u>Long-term debt 318,761</u>	<u>Long-term debt 306,023</u>
<u>Long-term debt 309,015</u>	Total 501,633	Total 479,641
Total 493,473		
Above amounts include items related to the securitization of loans receivables, 215,589 million yen for outstanding loans receivables, 30,882 million yen for the current portion of long-term debt, and 91,106 million yen for the long-term debt. The items below are not included in the above amounts.	Above amounts include items related to the securitization of loans receivables, 356,743 million yen for outstanding loans receivables, 34,403 million yen for the current portion of long-term debt, and 101,702 million yen for the long-term debt. The items below are not included in the above amounts.	Above amounts include items related to the securitization of loans receivables, 259,797 million yen for outstanding loans receivables, 31,278 million yen for the current portion of long-term debt, and 90,268 million yen for the long-term debt. The items below are not included in the above amounts.
<ul style="list-style-type: none"> <li>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, 62,999 million yen for the current portion of long-term debt, and 80,558 million yen in long-term debt, totaling 145,557 million yen.</li> <li>The Company has also offered 5,315 million yen in cash and cash equivalents as collateral for swap transactions.</li> <li>The Company has taken Marutoh K.K.'s tangible fixed assets as a pledge for their borrowings.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has contracted to offer loans as collateral in response to borrowers' requests to the sum of 63,650 million yen for the current portion of long-term debt, and 60,763 million yen in long-term debt, totaling 124,414 million yen.</li> <li>The Company has also offered 4,332 million yen in cash and cash equivalents as collateral for swap transactions.</li> <li>The Company has taken Marutoh K.K.'s tangible fixed assets as a pledge for their borrowings.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has contracted to offer loans as collateral in response to borrowers' requests to the sum of 65,438 million yen for the current portion of long-term debt and 69,702 million yen in long-term debt, totaling 135,141 million yen.</li> <li>The Company has also offered 6,153 million yen in cash and cash equivalents as collateral for swap transactions.</li> <li>The Company has taken Marutoh K.K.'s tangible fixed assets as a pledge for their borrowings.</li> </ul>

Previous interim period (As of September 30, 2003)	Current interim period (As of September 30, 2004)	Previous fiscal year (As of March 31, 2004)																																																																								
*3. Includes 1,074,563 million yen in personal unsecured loans	*3. Includes 1,085,579 million yen in personal unsecured loans.	*3. Includes 1,081,057 million yen in personal unsecured loans.																																																																								
*4. Assets pledged as collateral and corresponding market values (In millions of yen) Trust received rights 2,000	—	*4. Assets pledged as collateral and corresponding market values (In millions of yen) Trust received rights 10,000 Commercial paper 9,998 Total 19,998																																																																								
*5. The bad debts included in loans and bankruptcy claims are shown below: (In millions of yen)	*5. The bad debts included in loans and bankruptcy claims are shown below: (In millions of yen)	*5. The bad debts included in loans and bankruptcy claims are shown below: (In millions of yen)																																																																								
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## (2) Notes to the Non-Consolidated Interim Income Statement

Previous interim period (Apr. 1, 2003 to Sep. 30, 2003)	Current interim period (Apr. 1, 2004 to Sep. 30, 2004)	Previous fiscal year (Apr. 1, 2003 to Mar. 31, 2004)												
<p>*1. Primary item for non-operating income Interest on loans 1,959 million yen</p> <p>*2. Primary item for non-operating expenses Loss on investment in anonymous association 708 million yen</p> <p>3. Depreciation expenses (In millions of yen)</p> <table> <tr> <td>Tangible fixed assets</td> <td>1,275</td> </tr> <tr> <td>Intangible fixed assets</td> <td>601</td> </tr> </table>	Tangible fixed assets	1,275	Intangible fixed assets	601	<p>*1. Primary item for non-operating income Interest on loans 1,830 million yen</p> <p>*2. Primary item for non-operating expenses Loss on investment in anonymous association 592 million yen</p> <p>3. Depreciation expenses (In millions of yen)</p> <table> <tr> <td>Tangible fixed assets</td> <td>1,777</td> </tr> <tr> <td>Intangible fixed assets</td> <td>1,483</td> </tr> </table>	Tangible fixed assets	1,777	Intangible fixed assets	1,483	<p>*1. Primary item for non-operating income Interest on loans 3,839 million yen</p> <p>*2. Primary item for non-operating expenses Loss on investment in anonymous association 747 million yen</p> <p>3. Depreciation expenses (In millions of yen)</p> <table> <tr> <td>Tangible fixed assets</td> <td>3,189</td> </tr> <tr> <td>Intangible fixed assets</td> <td>1,685</td> </tr> </table>	Tangible fixed assets	3,189	Intangible fixed assets	1,685
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### (3) Notes to Lease Transactions

Previous interim period (Apr. 1, 2003 to Sep. 30, 2003)	Current interim period (Apr. 1, 2004 to Sep. 30, 2004)	Previous fiscal year (Apr. 1, 2003 to Mar. 31, 2004)																																																
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<table border="1"> <tbody> <tr> <td>Within one year</td> <td>3,159</td> </tr> <tr> <td>Over one year</td> <td>2,166</td> </tr> <tr> <td>Total</td> <td>5,325</td> </tr> </tbody> </table>	Within one year	3,159	Over one year	2,166	Total	5,325	<table border="1"> <tbody> <tr> <td>Within one year</td> <td>1,754</td> </tr> <tr> <td>Over one year</td> <td>506</td> </tr> <tr> <td>Total</td> <td>2,260</td> </tr> </tbody> </table>	Within one year	1,754	Over one year	506	Total	2,260	<table border="1"> <tbody> <tr> <td>Within one year</td> <td>2,498</td> </tr> <tr> <td>Over one year</td> <td>1,101</td> </tr> <tr> <td>Total</td> <td>3,600</td> </tr> </tbody> </table>	Within one year	2,498	Over one year	1,101	Total	3,600																														
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<table border="1"> <tbody> <tr> <td>Lease fee payments</td> <td>2,216</td> </tr> <tr> <td>Depreciation expenses</td> <td>2,118</td> </tr> <tr> <td>Interest expenses</td> <td>63</td> </tr> </tbody> </table>	Lease fee payments	2,216	Depreciation expenses	2,118	Interest expenses	63	<table border="1"> <tbody> <tr> <td>Lease fee payments</td> <td>1,455</td> </tr> <tr> <td>Depreciation expenses</td> <td>1,391</td> </tr> <tr> <td>Interest expenses</td> <td>32</td> </tr> </tbody> </table>	Lease fee payments	1,455	Depreciation expenses	1,391	Interest expenses	32	<table border="1"> <tbody> <tr> <td>Lease fee payments</td> <td>3,986</td> </tr> <tr> <td>Depreciation expenses</td> <td>3,819</td> </tr> <tr> <td>Interest expenses</td> <td>103</td> </tr> </tbody> </table>	Lease fee payments	3,986	Depreciation expenses	3,819	Interest expenses	103																														
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(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. The method for calculating the amount equivalent to depreciation expenses was changed from the sum-of-the-years-digits method to the fixed amount method in the current interim non-consolidated period. As a result, the amount equivalent to cumulative depreciation expenses is 2,012 million yen less, and the amount equivalent to depreciation expenses is 319 million yen more.	(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.	(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. The method for calculating the amount equivalent to depreciation expenses was changed from the sum-of-the-years-digits method to the fixed amount method in the current consolidated fiscal year. As a result, the amount equivalent to cumulative depreciation expenses is 1,588 million yen less, and the amount equivalent to depreciation expenses is 757 million yen more.																																																

(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.	(5) Accounting method for the amount equivalent to interest expenses As on left	(5) Accounting method for the amount equivalent to interest expenses As on left
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#### (4) Marketable securities

Subsidiaries' shares and the shares of affiliated companies at the end of the previous interim period or at the end of the current interim period do not have a market price.

### 4. Results of Operations

#### (1) Operating Revenue

(In millions of yen)

Item		Previous interim period (Apr. 1, 2003 to Sep. 30, 2003)		Current interim period (Apr. 1, 2004 to Sep. 30, 2004)		Previous fiscal year (Apr. 1, 2003 to Mar. 31, 2004)	
		Amount	%	Amount	%	Amount	%
Interest on loans to customers	Unsecured loans	133,025	79.8	133,668	78.7	265,959	79.4
	Secured loans	26,916	16.1	27,740	16.3	54,663	16.3
	Small business loans	2,988	1.8	3,676	2.1	6,355	1.9
	Sub-total	162,930	97.7	165,084	97.1	326,978	97.6
Other financial revenue	Interest on deposits	4	0.0	0	0.0	6	0.0
	Interest on marketable securities	0	0.0	0	0.0	1	0.0
	Interest on loans	34	0.0	56	0.0	47	0.0
	Other	1	0.0	0	0.0	3	0.0
	Sub-total	41	0.0	57	0.0	58	0.0
Other operating revenue	Sales of property	25	0.0	–	–	50	0.0
	Bad debt recovery write-off	1,979	1.2	2,084	1.3	3,738	1.1
	Other	1,892	1.1	2,741	1.6	4,150	1.3
	Sub-total	3,897	2.3	4,826	2.9	7,940	2.4
Total		166,869	100.0	169,969	100.0	334,977	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)

Item		Period	Previous interim period (As of September 30, 2003)	Current interim period (As of September 30, 2003)	Previous fiscal year (As of March 31, 2004)
Loans outstanding	Unsecured loans		1,074,563	1,085,579	1,081,057
	Secured loans		335,742	343,560	342,637
	Small business loans		25,464	30,170	27,943
	Sub-total		1,435,770	1,459,310	1,451,638
Number of customer accounts	Unsecured loans		2,159,208	2,113,687	2,131,054
	Secured loans		91,013	96,083	93,935
	Small business loans		19,377	23,031	21,190
	Sub-total		2,269,598	2,232,801	2,246,179
Number of branches	Staffed branches		544	549	544
	Unstaffed branches		1,025	1,010	1,018
	Branches for secured loans		4	–	1
	Sub-total		1,573	1,559	1,563
Number of “Ojidosan” loan-contracting machines			1,565	1,554	1,557
Number of ATMs	Company-owned		1,669	1,757	1,661
	Partner-owned		56,537	62,494	58,056
	Sub-total		58,206	64,251	59,717
Number of employees			3,674	3,331	3,397
Bad debt write-off			44,612	45,051	91,549
Allowance for bad debts			102,348	101,425	99,958
Net income per share (yen)			225.08	319.46	560.82
Net assets per share (yen)			5,201.48	5,820.66	5,534.17

Notes 1. Total amount of loans outstanding and the number of customer accounts do not include loans and customer accounts related to bankruptcy claims.

2. Furthermore, bad debt write-off, which came to 3,352 million yen at the end of the current interim period, 2,078 million yen at the end of the previous interim period, and 2,781 million yen at the end of the previous fiscal year, has not been included.

## 5. Changes to the Board of Directors

None