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Press Release

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**Additional information on financial summary**  
**for fiscal year ended March 31, 2004**

The Company announces additional information to “Consolidated financial summary” and “Non-consolidated financial summary” for fiscal year ended March 31, 2004 disclosed on April 27, 2004.

**[Consolidated financial summary for fiscal year ended March 31, 2004]**

(Transactions with related parties)

For Fiscal 2003 (from April 1, 2003 to March 31, 2004)

1. Parent company and major corporate shareholders

Not applicable.

2. Directors and major individual shareholders

Attribute	Name	Address	Amount of capital or investment	Nature of business or occupation	Ratio of ownership of voting powers	Nature of relationship		Nature of transaction	Transaction amounts (Millions of yen)	Account title	Ending balances (Millions of yen)
Director	Masahiro Yoshiike	-	-	Statutory auditor of the Company (President of the Taiyo Life Insurance Company)	N.A.	-	-	-Loans to Taiyo Life Insurance Company	-	-Long-term loans receivable	5,000
								-Receipt of interest income from the loans	177	-Interests receivable	54
								-Borrowings from Taiyo Life Insurance Company	12,000	-Short-term borrowings	2,000
								-Payment of interest expense from the borrowings	373	-Long-term borrowings	10,000
								-Sale of 5,000 shares of the Taiyo Credit Guarantee Co., Ltd at 15,549 yen/share	77	-Interests payable	67
										-	-

(Notes)

1. Transactions above are those that the auditor act as the Taiyo Life Insurance Company. Conditions on interest and others are ordinary.

2. Transaction amounts above are loans or borrowings executed during fiscal 2003. Amounts of repayment are not included in the transaction amounts.

3. Subsidiaries and other

Not applicable.

4. Sister companies

Not applicable.

(Deferred income tax assets/liabilities)

1. Details of deferred income tax assets and liabilities at March 31, 2004 are as follows:

Deferred income tax assets	Millions of yen
Net operating losses carry-forward	116,984
Valuation loss on investment securities	12,922
Expenses for real estate business reorganization	7,458
Employee retirement benefits	7,232
Employee compensation and bonuses	6,979
Provision for doubtful accounts	5,284
Other	26,002
Gross deferred income tax assets	182,864
Less: Valuation allowance	-108,584
Total deferred income tax assets	74,279
Deferred income tax liabilities	
Net unrealized gain on securities	20,013
Other	3,615
Total deferred income tax liabilities	23,628
Net deferred tax assets	50,650

2. A reconciliation of difference between the statutory income tax rate and the effective income tax rate reflected in the accompanying statements of operations for the year ended March 31, 2004 is as follows.

Statutory income tax rate	42.05%
(Reconciliation)	
Valuation allowance	-12.49%
Permanent difference (Non-deductible)	1.30%
Permanent difference (Non-taxable)	-0.91%
Lower tax rate applicable to income of foreign subsidiaries	-1.70%
Other	-1.21%
Effective income tax rate	27.05%

3. In line with the issuance of 'Ordinance Concerning Partial Amendment of the Tokyo Metropolitan Government' (Ordinance No. 125) on October 14, 2003, the Company and its domestic consolidated subsidiaries changed its effective income tax rate of 40.49% for Fiscal 2002 to 40.69% for Fiscal 2003. As a result, deferred income tax assets (net of deferred income tax liabilities) increased by 158 million yen and income taxes-deferred and net unrealized gain on securities, net of tax effect, decreased by 259 million yen and by 101 million yen, respectively.

(Securities)

# 1. Securities held for trading purpose

## Trading securities

(Millions of yen)

Type of securities	Fiscal 2003 Mar. 31, 2004		Fiscal 2002 Mar. 31, 2003	
	Assets	Liabilities	Assets	Liabilities
Equity securities	257,409	94,128	83,341	38,234
Bonds	3,119,109	2,350,637	3,646,399	958,099
Commercial paper and certificates of deposits	21,973	—	91,730	—
Beneficiary certificates	111,193	794	119,077	357
Other	20,231	—	12,345	—
Changes in the market values reflected in the income statements for the relevant fiscal year	3,525	9,469	-28,414	-1,447

# 2. Securities held for non-trading purpose

## (1) Held-to-maturity debt securities with market value

(Millions of yen)

Type of securities	Fiscal 2003 Mar. 31, 2004			Fiscal 2002 Mar. 31, 2003		
	Carrying Amount	Market value	Difference	Carrying Amount	Market value	Difference
Securities with market value greater than carrying amount	0	0	0	0	0	0
Government bonds, local government bonds, etc.	0	0	0	0	0	0
Corporate bonds	—	—	—	—	—	—
Other	—	—	—	—	—	—
Securities with market value not greater than carrying amount	—	—	—	—	—	—
Government bonds, local government bonds, etc.	—	—	—	—	—	—
Corporate Bonds	—	—	—	—	—	—
Other	—	—	—	—	—	—

## (2) Other securities with market value

(Millions of yen)

Type of securities	Fiscal 2003 Mar. 31, 2004			Fiscal 2002 Mar. 31, 2003		
	Cost	Carrying Amount	Difference	Cost	Carrying Amount	Difference
Securities with carrying amount greater than cost	58,468	107,079	48,610	38,758	50,853	12,094
Equity securities	55,647	103,715	48,067	34,218	45,758	11,539
Bonds	119	121	1	19	19	0
Government bonds, local government bonds, etc.	19	19	0	19	19	0
Corporate bonds	—	—	—	—	—	—
Other	100	101	1	—	—	—
Other	2,701	3,242	541	4,520	5,074	553
Securities with carrying amount not greater than cost	28,794	27,374	-1,419	113,508	105,291	-8,216
Equity securities	6,234	5,528	-705	35,088	29,742	-5,346
Bonds	18,434	18,179	-255	74,257	72,725	-1,532
Government bonds, local government bonds, etc.	—	—	—	—	—	—
Corporate bonds	—	—	—	55,872	55,089	-783
Other	18,434	18,179	-255	18,384	17,635	-748
Other	4,125	3,666	-459	4,162	2,824	-1,337

(Note) The difference between market value and the carrying amount is recognized as loss in the period of the decline. (19,021 million yen for Fiscal 2002 and 784 million yen for Fiscal 2003)

If the market value of securities decline significantly (by more than 50% of its cost), the loss is recognized for the difference between its market value and the carrying amount. If the market value of securities decline by between 30% to 50% of its cost, the possibility of recovery of market value is tested based on factors including the movements of share prices for the past 2 years and financial conditions of the issuer, and the loss is recognized in case it is deemed that the possibility of recovery of market value is remote.

## (3) Other securities sold during Fiscal 2002 and Fiscal 2003

(Millions of yen)

Category	Fiscal 2003 Apr. 1, 2003-Mar. 31, 2004	Fiscal 2002 Apr. 1, 2002-Mar. 31, 2003
Sales amount	107,124	119,246
Total gain on sale	13,067	12,740
Total loss on sale	2,216	8,297

## (4) Securities that do not have market value and their carrying amount

(Millions of yen)

Type of securities	Fiscal 2003 Mar. 31, 2004	Fiscal 2002 Mar. 31, 2003
	Carrying Amount	Carrying Amount
Held-to-maturity debt securities	1,678	3,739
Government bonds, local government bonds, etc.	1,678	3,739
Corporate bonds	—	—
Other	—	—
Other securities	110,767	108,167
Equity securities	56,983	63,614
Bonds	11,343	9,451
Other	42,439	35,100

## (5) Maturity profile of other securities with maturities and held-to-maturity debt securities

(Millions of yen)

Type of securities	Fiscal 2003 Mar. 31, 2004				Fiscal 2002 Mar. 31, 2003			
	Less than 1 year	1 to 5 years	5 to 10 years	Greater than 10 years	Less than 1 year	1 to 5 years	5 to 10 years	Greater than 10 years
Bonds								
Government bonds, local government bonds, etc.	1,698	—	9,769	—	3,739	20	1,963	3,759
Corporate bonds	327	477	—	769	2,034	1,011	55,089	682
Other	—	10,298	7,981	—	—	10,068	7,567	—
Other	18,343	540	—	0	18,043	293	353	—
Total	20,369	11,317	17,751	769	23,817	11,393	64,973	4,441

**[Non-consolidated financial summary for fiscal year ended March 31, 2004]**

(Deferred income tax assets/liabilities)

1. Details of deferred income tax assets and liabilities at March 31, 2004 are as follows:

Deferred income tax assets	Millions of yen
Write-down of investment in subsidiaries	58,090
Expenses for real estate business reorganization	48,023
Provision for doubtful accounts	25,399
Net operating losses carry-forward	14,212
Other	11,833
Gross deferred income tax assets	157,559
Less: Valuation allowance	-140,407
Total deferred income tax assets	17,152
Deferred income tax liabilities	
Net unrealized gain on securities	17,301
Total deferred income tax liabilities	17,301
Net deferred tax liabilities	148

2. A reconciliation of difference between the statutory income tax rate and the effective income tax rate reflected in the accompanying statements of operations for the year ended March 31, 2004 is not presented, since the net loss is reported in the income statements.

3. In line with the issuance of 'Ordinance Concerning Partial amendment of the Tokyo Metropolitan Government' (Ordinance No. 125) on October 14, 2003, the Company changed its effective income tax rate of 40.49% for Fiscal 2002 to 40.69% for Fiscal 2003. As a result, deferred income tax liabilities increased by 85 million yen and net unrealized gain on securities, net of tax effect, decreased by 85 million yen.