

CONSOLIDATED BALANCE SHEETS

THE KIYO BANK, LTD. AND ITS CONSOLIDATED SUBSIDIARIES As of March 31, 2004 and 2003

	Millions of yen (Note 1)		Thousands of U.S. dollars (Note 1)
	2004	2003	2004
Assets			
Cash and due from banks	¥ 41,731	¥ 66,164	\$ 394,847
Call loans and bills bought	9,179	22,027	86,850
Pledged money for securities lending transactions	88,253	135,818	835,023
Commercial paper and other debt purchased	913	1,761	8,642
Trading account securities (Note 3)	3,983	4,870	37,693
Securities (Notes 3 and 6)	728,059	624,012	6,888,633
Loans and bills discounted (Notes 4 and 17)	1,813,748	1,794,345	17,161,025
Foreign exchanges	1,504	1,866	14,234
Other assets	17,621	46,787	166,725
Premises and equipment (Note 5)	40,005	33,067	378,514
Deferred tax assets (Note 12)	35,781	43,369	338,548
Customers' liabilities for acceptances and guarantees	50,716	54,238	479,866
Reserve for possible loan losses	(26,201)	(26,328)	(247,907)
Total assets	<u>¥2,805,297</u>	<u>¥2,801,998</u>	<u>\$26,542,693</u>
Liabilities			
Deposits (Note 6)	¥2,610,981	¥2,624,129	\$24,704,147
Call money (Note 6)	3,970	12,136	37,571
Deposits received for securities lending transactions (Note 6) ...	11,207	—	106,044
Borrowed money (Note 8)	29,928	29,906	283,172
Foreign exchanges	84	49	796
Bonds (Note 9)	3,000	2,000	28,385
Other liabilities	12,429	11,581	117,601
Accrued employees' severance and retirement benefits (Note 13)	2,328	4,348	22,030
Reserve for residual losses on loans sold	—	4,957	—
Deferred tax liabilities (Note 12)	2	—	22
Acceptances and guarantees	50,716	54,238	479,866
Total liabilities	<u>2,724,649</u>	<u>2,743,348</u>	<u>25,779,634</u>
Minority interest	525	534	4,976
Shareholders' equity (Note 14):			
Preferred stock; Authorized 80,000 thousand shares and issued 49,165 thousand shares	17,207	17,207	162,814
Common stock; Authorized 820,000 thousand shares and issued 404,590 thousand shares	43,139	43,139	408,165
Capital surplus	2,509	9,297	23,744
Retained earnings (accumulated deficit)	10,473	(11,771)	99,097
Net unrealized holding gains on securities	6,853	313	64,848
Less: treasury stock, at cost	(61)	(70)	(585)
Total shareholders' equity	<u>80,121</u>	<u>58,115</u>	<u>758,083</u>
Total liabilities, minority interest and shareholders' equity	<u>¥2,805,297</u>	<u>¥2,801,998</u>	<u>\$26,542,693</u>

See accompanying notes.