

2. Nonconsolidated Statements of Income

Year ended March 31,	(Millions of yen)					
	2007			2006		
			%			%
Operating income						
Dividends on investments in subsidiaries and affiliates	366,680			46,432		
Fees and commissions received from subsidiaries	9,798			9,038		
Interest income on loans to subsidiaries and affiliates	<u>—</u>	376,479	100.0	<u>11</u>	55,482	100.0
Operating expenses						
General and administrative expenses	<u>3,641</u>	<u>3,641</u>	1.0	<u>3,196</u>	<u>3,196</u>	5.8
Operating profit		<u>372,838</u>	99.0		<u>52,285</u>	94.2
Non-operating income						
Interest income on deposits	213			71		
Fees and commissions income	20			27		
Other non-operating income	<u>0</u>	234	0.1	<u>39</u>	138	0.3
Non-operating expenses						
Interest on borrowings	4,311			1,490		
Amortization of organization costs	301			301		
Stock issuance costs	—			739		
Fees and commissions expenses	3,978			1,519		
Other non-operating expenses	<u>3</u>	<u>8,594</u>	2.3	<u>108</u>	<u>4,159</u>	7.5
Ordinary profit		<u>364,477</u>	96.8		<u>48,264</u>	87.0
Extraordinary gains						
Gains on sale of a subsidiary's shares	<u>—</u>	<u>—</u>	—	<u>27,579</u>	<u>27,579</u>	49.7
Income before income taxes		<u>364,477</u>	96.8		<u>75,844</u>	136.7
Income taxes, current	2,918			3		
deferred	<u>(1,975)</u>	<u>942</u>	0.2	<u>2,431</u>	<u>2,435</u>	4.4
Net income		<u>363,535</u>	96.6		<u>73,408</u>	132.3
Unappropriated retained earnings carried forward		<u>—</u>			<u>309,717</u>	
Unappropriated retained earnings at end of year		<u>—</u>			<u>383,126</u>	