

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

Year ended March 31, 2003

(Millions of yen)

Capital surplus

Balance of capital surplus at beginning of year	1,684,373
Balance of capital reserve at beginning of year	1,326,758
Balance of other capital surplus at beginning of year	357,614
Increase of capital surplus	445,127
Stock issue due to capital increase	284,907
Increase due to stock exchange	160,220
Decrease of capital surplus	830,990
Decrease due to merger	826,653
Losses on disposition of treasury stock	4,336
Balance of capital surplus at end of year	<u>1,298,511</u>

Retained earnings

Retained earnings at beginning of year	117,743
Increase of retained earnings	731,649
Increase due to merger	658,440
Increase due to merger of a consolidated subsidiary	3
Increase due to decrease of consolidated subsidiaries	30,060
Increase due to increase of affiliates accounted for by the equity method	5,248
Increase due to decrease of affiliates accounted for by the equity method	20,771
Increase due to transfer of land revaluation excess	17,125
Decrease of retained earnings	590,702
Net loss	429,387
Dividends paid	161,312
Decrease due to decrease of consolidated subsidiaries	2
Balance of retained earnings at end of year	<u>258,690</u>

(Notes) 1. Amounts less than one million yen have been omitted.

2. From this fiscal year, capital surplus and retained earnings are separately reported pursuant to the amendment of Consolidated Financial Statements Regulation.