OMC Card, Inc.

CUSTOMER VALUE CHAIN

Annual Report 2004

For the year ended February 29, 2004

PROFILE

OMC Card, Inc. (OMC Card) is promoting the concept of a Customer Value Chain (CVC), the establishment of life-long relationships as our customers' "best partner." Value is offered in the form of everyday lifestyle-related products and services that help them lead fuller lives.

Our core business is credit cards. And our core competencies are database marketing and card processing. We are leveraging these inherent strengths to create new businesses, namely a card-based membership business and third-party card processing, as we seek to carve out a unique presence in the credit card industry in Japan.

CONTENTS

Disclaimer Regarding Forward-Looking Statements

THIS IS OMC CARD

15

minutes

15 minutes

That's all it takes at affiliated merchants to be issued with a credit card (temporary) from the moment an application is submitted. Importantly, we serve customers wanting a card as quickly as this without compromising our stringent credit screening standards.

300

trillion message combinations

300 trillion message combinations

Every month we send personalized account statements that include valuable information in the form of personal messages to cardholders. We compose these messages based on a cardholder's personal characteristics, card usage patterns and other parameters using our sophisticated data mining and other capabilities. "One-to-one" marketing is our goal. Up to 300 trillion combinations of these personal messages are possible with our technology.

87

companies

87 companies

Tapping know-how gained through a long-standing involvement in the card business and a cutting-edge system infrastructure, we launched a third-party card processing business in September 2001 through our Wing OMC Office. To date, 87 companies have entrusted processing functions to OMC Card.

∞

Boundless possibilities

Backed by advanced database marketing and risk management capabilities, OMC Card is pursuing boundless business opportunities.

CARD BUSINESS

THE INDUSTRY'S FASTEST ON-SITE CARD ISSUING SERVICE

OMC Card's concerted drive to respond to the needs of customers wishing to use a credit card (temporary) immediately has lowered the on-site issuing time to a mere 15 minutes. This system has many benefits. It is sparking expansion in our cardholder base. And it is broadening OMC Card's business fields. Consider this.

Electronic Toll Collection (ETC) cards are now issued through tie-ups with car parts shops, the Japan Highway Public Corporation in expressway service areas, and other affiliated merchants. What's more, together with supermarkets, shopping districts, D-I-Y centers and other retailers, co-brand cards are issued on-site with special features matched to their needs. Co-brand cards contribute to sales at affiliated merchants.

In short, our on-site card issuing system is a powerful tool for creating more value.

300

trillion message combinations

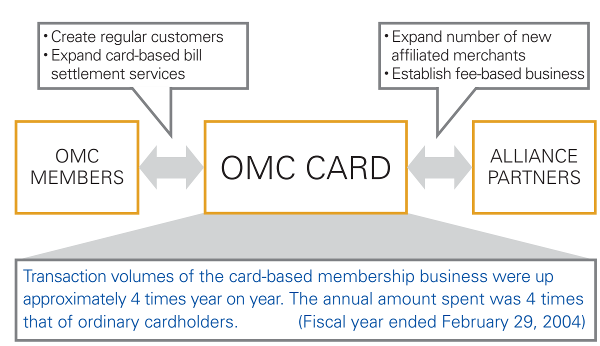
CARD-BASED MEMBERSHIP BUSINESS

OPTIMAL VALUE FOR EACH CARDHOLDER

OMC Card is unfolding a “card-based membership business” that provides products and information, what we like to call “value,” tailored to the lifestyle and life stage of each cardholder. The value we offer extends beyond our own products to the products and services we can offer through collaboration with companies in many different fields.

This business leverages our advanced data mining and other capabilities to tailor information to individual cardholders. Messages containing this information are included in the personalized account statements sent to cardholders each month. This is a powerful tool, allowing us to generate up to 300 trillion different personal message combinations. And it is our distinguished technology that underpins the development of “one-to-one” personalized database marketing, a theme with the utmost importance at OMC Card.

THE CARD-BASED MEMBERSHIP BUSINESS



87 companies

THIRD-PARTY CARD PROCESSING BUSINESS

BACKED BY SOPHISTICATED, MULTIDIMENSIONAL PROCESSING CAPABILITIES

There is a noticeable trend in the credit card industry for companies to outsource processing functions. OMC Card stands ready to help. Spotting the potential to utilize the know-how gained in our card business since our inception of third-party card processing, we have strengthened our advanced system infrastructure.

We offer a broad suite of processing services, including data cleaning, mailing services and call center functions. Launched through our Wing OMC Office in September 2001, this business has already provided processing services to a total of 87 companies. A recent highlight was the start in September 2003 of on-site card processing for IY CARD SERVICE Co., Ltd., the credit card arm of the Ito-Yokado (IY) Group.

ABOUT IY CARD SERVICE CO., LTD.

Number of annual on-site card issues processed	700,000
Number of on-site card issues processed per day (maximum)	8,000
Number of specialist operators	approx. 120

THE DRIVING FORCE FOR NEW VALUE

DATABASE MARKETING AND RISK MANAGEMENT CAPABILITIES

Quick to pinpoint the importance of database marketing, OMC Card has amassed a reservoir of know-how in this area. We now convert the raw data of some 7.3 million cardholders into high-value-added information for use in promotions, sales initiatives and other applications.

This proprietary database marketing capability has also proven beneficial in our core card business. It has been instrumental in raising customer satisfaction and underpins a card utilization rate that is the highest level in the credit card industry. Beyond that, it is a driving force of our card-based membership business.

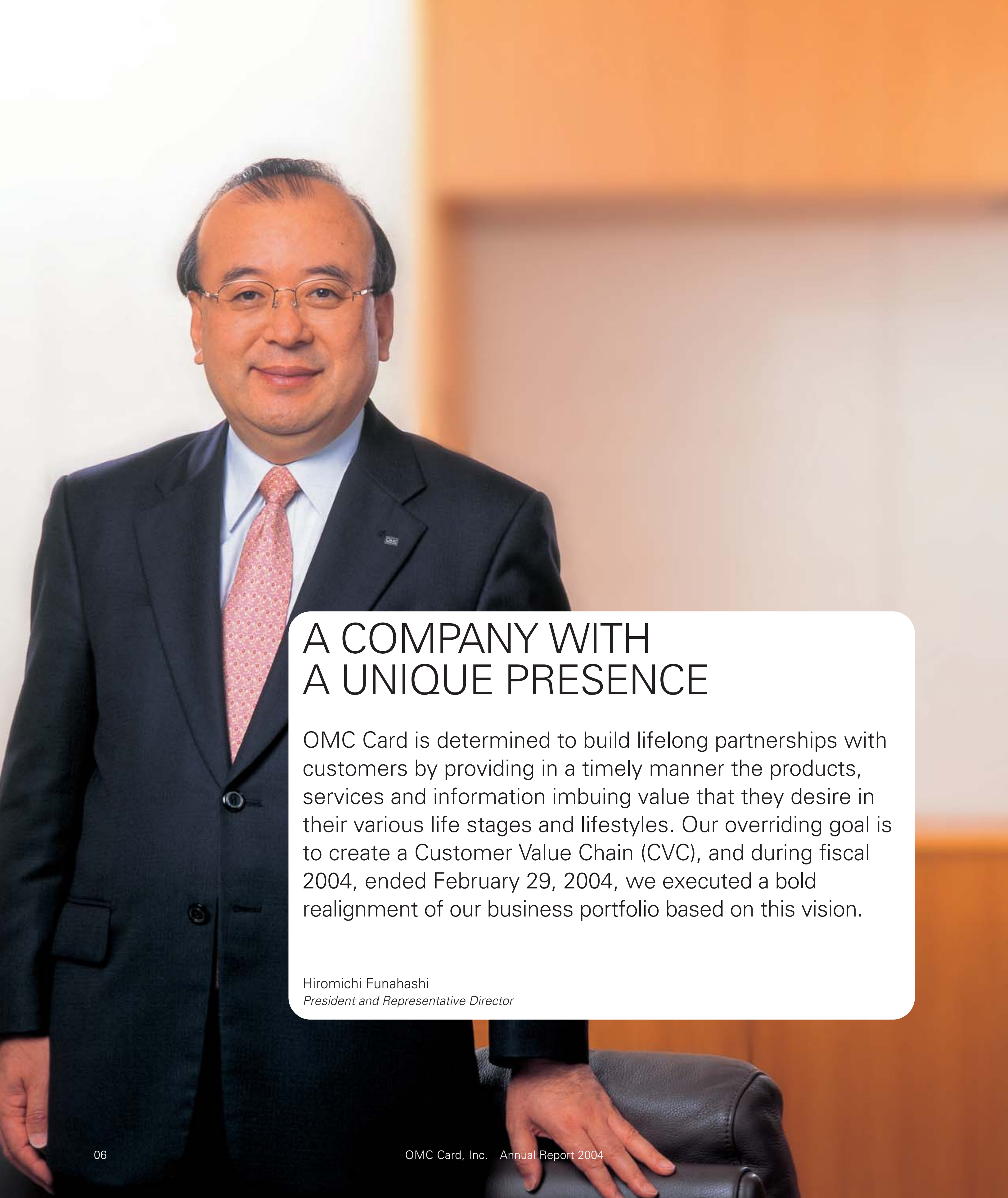
We will expand our business fields by tailoring our response to the personal requirements of cardholders utilizing this database marketing capability—and in the process enhance the value we offer.

We are ensuring that this business expansion is sound with a risk management system designed to minimize risk to optimize profits.

Our systems, from initial credit assessment to loan collection, are among the most sophisticated in our industry. The introduction of such advanced systems has upgraded and strengthened our risk management capabilities.

The benefits for OMC Card have been considerable. For instance, the approval rate upon initial credit assessment was raised by 1.5 points from the previous year. Our risk management system also enabled us to reduce by 40% losses resulting from counterfeiting and fraudulent use, another splendid result. These facts underscore the sophistication of our risk management capabilities and that we are not sacrificing standards in the quest of speed.

Our risk management capabilities have also anchored the active development of a recently launched on-site card issuing service with cash-advance features.



A COMPANY WITH A UNIQUE PRESENCE

OMC Card is determined to build lifelong partnerships with customers by providing in a timely manner the products, services and information imbuing value that they desire in their various life stages and lifestyles. Our overriding goal is to create a Customer Value Chain (CVC), and during fiscal 2004, ended February 29, 2004, we executed a bold realignment of our business portfolio based on this vision.

Hiromichi Funahashi
President and Representative Director

FINANCIAL HIGHLIGHTS

OMC Card, Inc. (formerly Daiei OMC, Inc.) and Consolidated Subsidiaries

Years Ended February 2004, 2003 and 2002

	Millions of Yen (Except per Share Amounts)			Thousands of U.S. Dollars (Except per Share Amounts)
	2004	2003	2002	2004
FOR THE YEAR				
Total operating revenues	¥126,936	¥121,800	¥117,132	$1,164,550
Operating income	17,723	19,963	23,777	162,596
Income before income taxes and minority interests in net loss of consolidated subsidiaries	13,851	3,762	6,208	127,073
Net income	6,107	1,593	3,634	56,028
AT YEAR-END				
Total assets	¥621,109	¥530,622	¥584,570	$5,698,248
Long-term debt	176,289	29,242	64,808	1,617,330
Total stockholders' equity	40,066	32,113	31,005	367,578
PER COMMON SHARE AMOUNTS				
Net income	¥ 28.91	¥ 7.54	¥ 17.20	$ 0.27

Notes: 1. All dollar figures herein refer to U.S. currency. Yen amounts have been translated, for convenience only, at the rate of ¥109=U.S.$1, the approximate rate of exchange as of February 29, 2004. Refer to Note 1 of the Notes to Consolidated Financial Statements.

2. The amount of net income per share is based on the weighted average number of shares of common stock outstanding during each year.

FISCAL 2004 IN REVIEW

In Japan's credit card industry, the bill settlement services market, whereby customers can pay regular utility, medical and other bills with their credit cards, harbors great potential for growth. On the other hand, competition is intensifying as new businesses enter the fray and industry reform transcends the bank and non-banking financial sectors.

Amid this shifting industry landscape—and guided by our vision of creating a CVC—we took various actions during fiscal 2004 to channel resources into our core card business by selling and realigning peripheral businesses. Actions included the February 2004 sale of Kurashino Design, Inc., our direct marketing business, to Edion Corporation, and we have announced plans to transfer in September 2004 our underperforming travel services operations to a joint venture with Nippon Travel Agency Co., Ltd. I would like to make clear that we are not just cutting these businesses loose. These moves are motivated by a desire to boost the quality of the services provided to members and increase their use by enabling each business to concentrate on what it does best. By implementing reforms that strengthen the CVC in this way, I believe that we can expect improved earnings and to expand business fields through new tie-ups.

In our card business during fiscal 2004, we worked on various fronts to deliver greater convenience to customers. One innovation is that we can now issue a temporary credit card within 15 minutes of receiving an application. OMC Card is the first company in the Japanese credit card industry with this capability, enable with the introduction of IBIS (Information-based Integrated Scoring System), an initial credit scoring system. IBIS improves the thoroughness and accuracy of credit scoring and significantly improves overall productivity. In another development, cardholders can now also receive cash advances using their temporary credit cards issued on-site. Moreover, we issued new co-brand cards that contribute to the sales of affiliated merchants, and issued cards such as "*Jiyu! da!*," which allows the user to set more flexible repayment conditions. As a result of these and other actions, we attracted 1.53 million card applications during fiscal 2004, a record for OMC Card, and the total number of OMC cardholders rose to 7.32 million at the end of February 2004.

Growth was also the theme in our fee-based businesses, card-based membership and third-party card processing. Transaction volumes steadily increased in each of these businesses.

These and other actions yielded an increase in consolidated operating revenues year on year to ¥126,936 million, a record for OMC Card. And while ordinary income declined to ¥18,004 million due to an increase in bad debt-related expenses, net income, at ¥6,107 million, was 283.4% up on the previous fiscal year.

However, we regrettably decided to postpone the resumption of dividends to build up internal reserves for establishing a stronger financial condition. While I am not entirely satisfied with our results in fiscal 2004, we have started to see the benefits of a series of structural reforms we implemented during the fiscal year. We are also making rapid progress in crafting a business framework that will help to propel the company's growth.

MORE THAN JUST AN ON-SITE CARD ISSUING SYSTEM—A COMPETITIVE EDGE

OMC Card continues to maintain a card utilization rate that is one of the highest in Japan's credit card industry for several reasons. We have emphasized communication with cardholders, enhanced services and provided more information. Yet, it is our unique business model with its on-site credit card issuing system that has counted most.

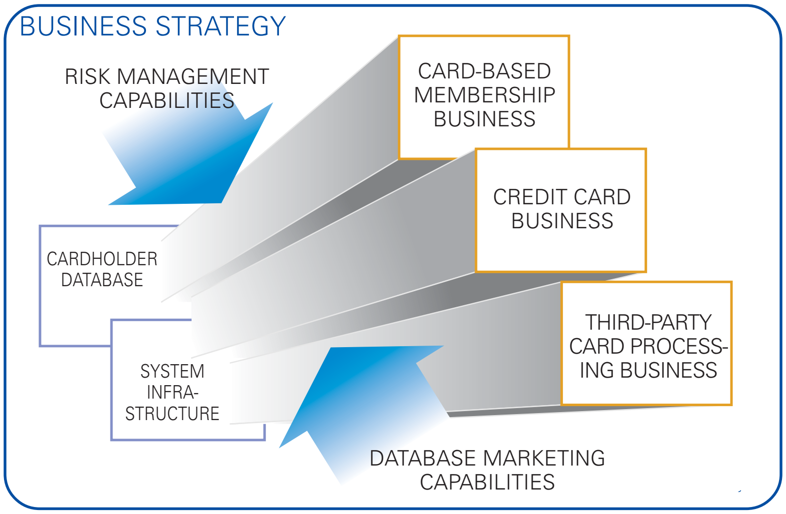
Thanks to the introduction in 2003 of IBIS, the culmination of 12 years of know-how in this field, we can now issue a temporary credit card in 15 minutes from the moment we receive an application; reducing the existing time by half.

On-site issuing in retailing complexes such as shopping malls illustrates the convenience we offer to customers who immediately want to use a credit card. We have also upgraded measures to promote the use of our cards such as by running campaigns with these affiliated merchants and adding special features to cards. These measures have driven a 12-point increase in the first-month utilization rate of cards issued on-site to 62%. This is an excellent result considering that the annual utilization rate of bank-affiliated credit cards is estimated in the 40% range.

IBIS has one more benefit for cardholders. It has allowed us to add a cash advance function, which cardholders can use as soon as they are issued one of these cards. Importantly, we can issue these temporary cards rapidly while endeavoring to stop fraudulent use. We are the only company in the industry that can issue cards

STRUCTURAL REFORM

FEB. 2004	Sold Kurashino Design, Inc. to Edion Corporation
APR. 2004	Separated driving school introduction business from OMC Card and established Car License OMC Co., Ltd.
SEPT. 2004	Transfer of travel services operations to a joint venture with Nippon Travel Agency Co., Ltd.



in large quantities with such a high level of credit screening accuracy. From a risk management perspective, we are striving to expand our business in a sound manner, achieving the dual goals of minimizing risk and increasing the outstanding balance of the operating loans. I am convinced that this will make a significant contribution to improving our profitability.

TWO DRIVING FORCES FOR GROWTH

One embodiment of our CVC is the progress we are making with the card-based membership business, whereby we deliver value, in the form of products and information, specifically tailored to the lifestyles and life stages of our members. A vital element of this business is our database marketing capabilities. We identified early on the importance of database marketing and have equipped ourselves with these capabilities.

We use them to create personal messages on account statements as a means of communicating with members. These personal messages have already led to the sale of five houses built on speculation without a pre-existing order. Naturally, the partner company concerned is surprised but delighted with this success. To sell homes in Japan, companies must usually conduct costly promotions involving the production of brochures, construction of show homes and other actions. Personalized messages, created using our database marketing and other capabilities and that targeted a customer segment with specific purchasing characteristics, proved an effective and low-cost sales approach.

This example is just one of many that have earned our database marketing capabilities high marks from companies in various fields, including housing retailers and automakers. This kind of success has helped us to form tie-ups with 61 companies, as of February 29, 2004.

We plan to continue broadly expanding our business fields by stepping up our response to the multiple personal requirements of members.

Card processing is another OMC Card forte. In the course of our long-standing involvement in the credit card business, we have built up a storehouse of sophisticated know-how, extending from initial credit assessment to collection management. At the same time, we have put in place a system infrastructure, and enhanced and strengthened risk management.

Since the establishment in September 2001 of the Wing OMC Office, which integrated our card processing capabilities, we have provided processing services to other companies on a contract basis. In particular, the superiority of our on-site card issuing system has attracted considerable interest from other credit card companies. In September 2003, we started on-site card processing for IY CARD SERVICE Co., Ltd., the credit card arm of the IY Group. I believe this is testimony to the reputation we have earned in the industry. Retailers and other companies outside of the credit card industry have also entrusted us with their processing. Since the Wing OMC Office opened, we have provided processing services for a total of 87 companies. This business continues to grow steadily.

STAFF TRAINING AND A COMPETITIVE BUSINESS FRAMEWORK

In recent years, we have carried out a sweeping review of our human resources system, organizational structure and business operations, targeting an optimal response to the tumultuous business environment and aiming to spur growth.

In March 2003, in order to motivate employees, we introduced a new performance-based salary system as part of an overhaul of our human resources system that will encourage staff to demonstrate their full abilities. This was accompanied by an appraisal system to fairly assess employees and a training system that allows employees to strengthen their skill set.

Regarding our organizational framework, in May last year we streamlined our back office functions and reinforced sales capabilities. Our thinking is that strong growth in the future hinges, above all, on the latter. For that reason, I became Head of the Business Promotion and Development Group. This new corporate structure has already proven successful.

By personally spearheading efforts, we made smooth progress during fiscal 2004 with the sale and realignment of peripheral businesses and our review of business processes companywide using business process engineering (BPR) techniques. The steady progress we are making with the business process review yielded a year-on-year reduction in operating expenses, excluding bad debt-related expenses, in the past fiscal year. We should see even greater benefits in the fiscal year ending February 28, 2005.

CARVING OUT A UNIQUE PRESENCE IN THE JAPANESE CREDIT CARD INDUSTRY

The Japanese credit card industry is entering a period of mega-competition. It is expected that many credit card companies will throw all their energies into raising their market share of settlement volume.

Our goal is to carve out a unique presence in the industry. We don't believe that capturing the highest share of transaction volume is the only way to reach this goal.

Why? Because it is highly unlikely that companies will be able to differentiate themselves through the provision of settlement functions alone. As settlement functions grow in scale and become more efficient, there is a high likelihood that they will become indistinguishable. Assuming this happens, companies will find it necessary to differentiate themselves in other ways to prevail against the competition.

I believe database marketing capabilities hold the key to sustainable competitive advantage because it raises value we provide for affiliated merchants and customers. The more accurately we can identify actual consumer needs through the analysis and study of various data, including individual cardholder preferences, patterns of use and characteristics, the more fees we can generate from users of our database marketing services. In line with this thinking, we plan to build a system in August 2004 for managing the progress and results of test marketing, thereby improving our analytical capabilities.

We are determined to raise customer satisfaction and expand our business by creating new products and information—value—that continuously caters to the ever-evolving needs of customers. If we are successful in doing this in each of our CVC businesses, I am confident that our goal will become a reality—that we will indeed establish a unique presence in our industry.

June 2004

H. Funahashi

Hiromichi Funahashi
President and Representative Director

CUSTOMER VALUE CHAIN

OMC Card offers services of affiliated companies that match the life-styles of cardholders in a timely manner from a database of 7.3 million members. Our aim is to create a Customer Value Chain (CVC), a life-long relationship supporting the lifestyles of cardholders. And we bring this value to cardholders using various approaches. Here's how.

FASHION AND BEAUTY

Cardholders receive discounts on a wide range of high-value-added products, from fashion jewelry and popular cosmetics to high-quality health foods. And only OMC members can purchase certain product ranges.

FASHION & BEAUTY

TRAVEL AND RESORT SERVICES

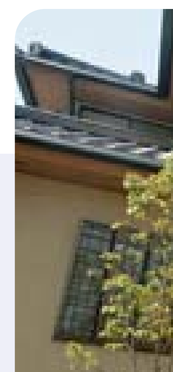
Members are offered overseas travel and hotel packages at reasonable prices. Holders of OMC cards with travel discount benefits can enjoy even larger discounts. And we are affiliated with members-only resorts.

TRAVEL & RESORT SERVICES

MOTORING LIFE

The OMC card is accepted for all manner of products and services that support motorists. These include introductions to driver training courses, auto loans, automobile safety inspection applications, used-cars, emergency roadside services, car maintenance and ETC cards.

MOTORING LIFE



FINANCIAL SERVICES (Finance and Insurance)

Through an expanded equity-based alliance with NIHON KYOEI SECURITIES Co., Ltd., card members are offered online share trading services. Insurance and loans for various purposes are just some of the diverse range of other financial services offered to card members and other customers to help them reach their financial goals throughout the different stages of their lives.

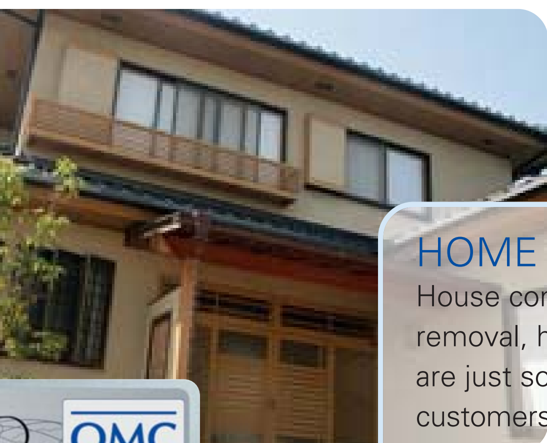
FINANCIAL SERVICES

LUE CHAIN

HEALTH-RELATED SERVICES

OMC Medical Call promotes the health of cardholders, allays concerns they may have about their health, and helps in other ways by providing free 24-hour counseling. This service has won the trust and support of members. Furthermore, through mail-order catalogues, cardholders can also shop for various health products and nursing care items.

HEALTH-RELATED SERVICES



HOME LIFE

House construction, home buying, refurbishment, removal, home security, and cleaning — these are just some of the housing-related services customers enjoy. And through tie-ups with house construction companies, we are helping our valued cardholders to create pleasant, convenient living spaces for themselves and their families.

HOME LIFE

BRINGING VALUE TO CARDHOLDERS

We bring the value of these high-value-added services to members in many ways. Personalized messages on account statements, billing inserts, a website and a catalogue are among the many approaches we use to keep cardholders appraised of the services that are available to them. All services offer OMC cardholder-only discounts, benefits in exchange for shopping points and card payment facilities.

CORPORATE SOCIAL RESPONSIBILITY

OMC Card's businesses are deeply entwined with society. It is with this recognition that OMC Card employees constantly think of ways that we can be of benefit to society as they perform their daily duties. Here are some of the ways we put this commitment into action.

OMC CARDS THAT DIRECTLY BENEFIT SOCIETY

For around 13 years, OMC Card has issued credit cards whereby customers with an interest in the environment and other social issues can help society just by using their card. Through these cards we actively donate money to groups involved in activities to protect and preserve the natural environment and in society in other ways.

Several new cards of this type were issued in the fiscal year ended February 29, 2004. One was the "*ATOM Card*," whereby we donate 0.3% of each card purchase to organizations that help children to fulfill their dreams. Another card, the "*SHIAWASENOWA Card*," provides contributions based on the same 0.3% formula to the Fukuoka Prefectural Welfare Promotion Foundation, a welfare organization. In other news, cumulative contributions from our "*Support Environmentally Friendly Activities Cards*" (formerly known as *OMC Ecology Cards*) topped ¥400 million as of February 29, 2004. Through the Defense of Green Earth Foundation, we donate 0.5% of each card purchase to environmental conservation or research organizations.

CONTRIBUTING TO THE RESPONSIBLE USE OF CREDIT CARDS IN SOCIETY

There is seemingly no end to personal bankruptcies and other stories of personal tragedy resulting from overuse of and incidents involving credit cards. As part of our activities to help create a society based on sound credit card use, OMC Card actively encourages employees to acquire knowledge and qualifications with respect to the protection and handling of cardholders' private data and knowledge about consumer credit and consumer protection. We also encourage employees to counsel customers and carry out other activities to raise their awareness of these issues.

The Japan Consumer Credit Industry Association offers a license for the administration of private data and a higher level qualification as a credit counselor. More than 90% of our employees have obtained the former. And employees who have obtained the more advanced credit counselor qualification are sent to speak at lectures and seminars nationwide held to foster responsible credit card use. Last year, we led the credit card industry in terms of the number of employees that passed the exacting credit counselor examination.

FIVE-YEAR SUMMARY

OMC Card, Inc. (formerly Daiei OMC, Inc.) and Consolidated Subsidiaries
Years Ended February 29, 2004, February 28, 2003, 2002 and 2001, and February 29, 2000

	Millions of Yen (Except per Share Amounts)					Thousands of U.S. Dollars (Except per Share Amounts)
	2004	2003	2002	2001	2000	2004
FOR THE YEAR:						
Total operating revenues	¥126,936	¥121,800	¥117,132	¥109,400	¥102,640	$1,164,550
Total operating expenses	109,213	101,837	93,355	86,986	81,717	1,001,954
Operating income	17,723	19,963	23,777	22,414	20,923	162,596
Income (loss) before income taxes and minority interests in net (loss) income of consolidated subsidiaries	13,851	3,762	6,208	21,564	(102,200)	127,073
Net income (loss)	6,107	1,593	3,634	12,324	(59,831)	56,028
AT YEAR-END:						
Installment sales	¥134,262	¥129,196	¥138,801	¥141,286	¥122,541	$1,231,761
Operating loans	269,152	202,503	199,401	232,478	206,374	2,469,284
Total assets	621,109	530,622	584,570	638,140	617,715	5,698,248
Long-term debt	176,289	29,242	64,808	58,706	27,544	1,617,330
Total stockholders' equity	40,066	32,113	31,005	27,374	14,816	367,578
PER COMMON SHARE AMOUNTS:						
Net income (loss)	¥ 28.91	¥ 7.54	¥ 17.20	¥ 58.32	¥ (283.15)	$ 0.27
Total stockholders' equity	189.67	152.02	146.74	129.55	70.12	1.74
Equity ratio (%)	6.5	6.1	5.3	4.3	2.4	6.5
Return on equity (%)	16.9	5.0	12.4	58.4	–	16.9
Return on assets (%)	1.1	0.3	0.6	2.0	–	1.1

Notes: 1. All dollar figures herein refer to U.S. currency. Yen amounts have been translated, for convenience only, at the rate of ¥109=U.S.$1, the approximate rate of exchange as of February 29, 2004. Refer to Note 1 of the Notes to Consolidated Financial Statements.
2. The amount of net income (loss) per share is based on the weighted average number of shares of common stock outstanding during each year.

OVERVIEW

REVENUES AND EARNINGS

In fiscal 2004, ended February 29, 2004, OMC Card used the core competencies from its mainstay credit card business — database marketing and card processing — to push ahead with the creation of two new business models: a card-based membership business and third-party card processing.

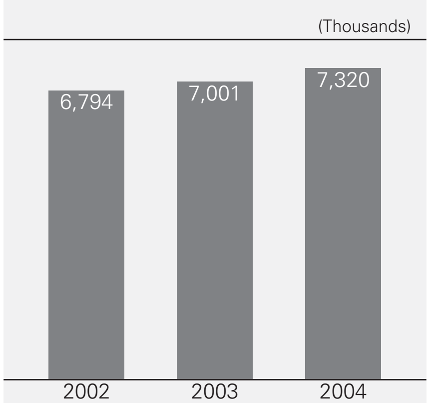
In the card business, we worked to expand our cardholder base in a variety of ways. These included tie-ups with large-scale retailing complexes and membership organizations for co-brand cards, and the issuance of new OMC credit cards that allow the user to set more flexible repayment conditions. Moreover, we strengthened our on-site card issuing system, one of OMC Card's defining strengths. In March 2003, we launched IBIS (Information-based Integrated Scoring System), an initial credit scoring system that significantly improves screening accuracy and productivity. With IBIS we can now issue a credit card (temporary) within 15 minutes of receiving an application, making OMC Card the first company in the Japanese credit card industry with this capability. Cardholders can now also receive cash advances using their cards as soon as they become members. To further enhance convenience, cardholders can now pay a wider range of living expenses such as electricity, gas and other utilities with their credit cards. And a new service we rolled out called "Pay-easy" deducts card repayments from an individual's Internet account. Other ways we broadened our service lineup included continuing our "OMC Card Reward Day" and launching various other campaigns.

In the card-based membership business, in collaboration with strategic partners, we offered products and services specifically tailored to the lifestyles and life stages of our members. In particular, we expanded our lineup of home life, motoring and other lifestyle-related merchandise and services and offered members a broader menu of fashion, beauty, shopping and gourmet products.

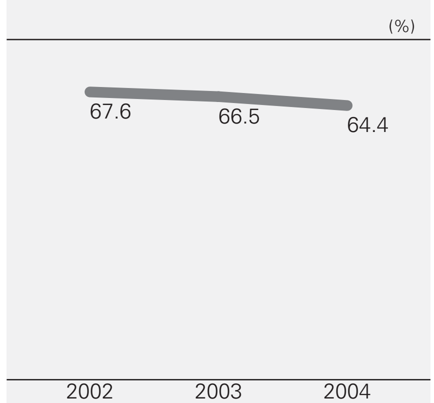
In third-party card processing, we made use of the superiority and independence of our card processing system to actively develop this business. A highlight was the start in September 2003 of a contract to handle on-site credit screening and credit card issuance for IY CARD SERVICE Co., Ltd., the credit card arm of the IY Group.

At the same time, we strengthened credit risk management procedures using CROSS (Credit Receivables Optimum Support System), our new credit collection system. And with Falcon, a credit card fraud monitoring and detection system, HAWKS, a merchant monitoring system that implements real-time checking of credit card utilization at affiliated merchants, and other systems, we have an enhanced ability to combat credit card crimes.

Number of Cardholders

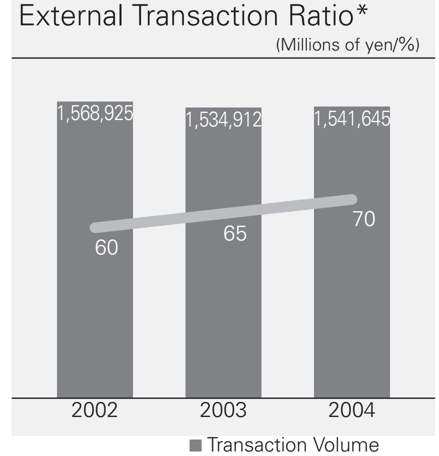


Card User Rate*



*Percentage of cardholders using their card at least once a year

Transaction Volume and External Transaction Ratio*



*Proportion of card shopping transactions other than at Daiei stores

As a result of the aforementioned and other efforts, we posted a 4.2% increase in total operating revenues to ¥126,936 million (U.S.$1,164,550 thousand).

Total operating expenses rose 7.2% to ¥109,213 million (U.S.$1,001,954 thousand) despite a decrease in advertising and promotion expenses. This reflected a ¥8,900 million (U.S.$81,651 thousand) increase in selling, general and administrative (SG&A) expenses due to a rise in bad debt-related expenses resulting from increasing personal bankruptcies and other factors. Partly offsetting this was a ¥1,524 million (U.S.$13,982 thousand) year-on-year decrease in financial expenses due to the expiry of a swap agreement and lower interest rates, the result of the effective use of commercial paper.

Operating income declined 11.2% to ¥17,723 million (U.S.$162,596 thousand). In other income (expenses), we booked ¥1,387 million (U.S.$12,725 thousand) in gain on sales of investments in a consolidated subsidiary, but this was outweighed by ¥3,098 million (U.S.$28,422 thousand) booked as a provision for operating receivables and ¥1,180 million (U.S.$10,826 thousand) for loss on devaluation of marketable and investment securities.

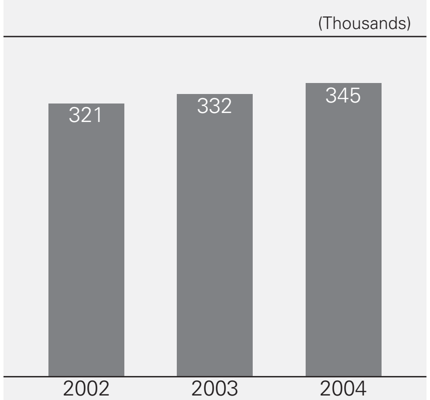
Net income increased 283.4% to ¥6,107 million (U.S.$56,028 thousand).

OPERATING RESULTS BY BUSINESS SEGMENT

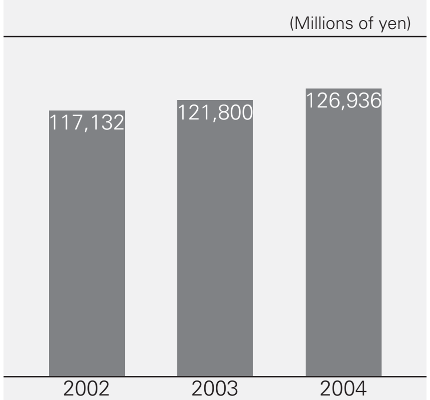
FINANCIAL SERVICES

During the fiscal year, we issued a number of new cards that help to contribute to social causes. One was the "*ATOM Card*," whereby we donate 0.3% of each card purchase to organizations that help children to fulfill their dreams. The card also commemorates the birthday of Osamu Tezuka's cartoon character "Astro Boy." Another card, the "*SHIAWASENOWA Card*," provides contributions based on the same 0.3% formula to volunteer welfare organizations through a tie-up with the Fukuoka Prefectural Welfare Promotion Foundation. In an industry first, we launched the on-site issuance of Electronic Toll Collection (ETC) cards, which are gaining popularity as automatic expressway toll payment systems expand. Also issued was *"Jiyu! da!,"* a new card allowing payments at any time as well as regular monthly installments, and a sister card, *"Jiyu! da! limited artists' edition"* featuring designs by well-known artists. We also worked actively to expand our cardholder base with co-branded and affinity cards. Examples were *"BLANCO Member's Card"* through a tie-up with a popular women's hair salon, *"Agro Garden Members Card"* in collaboration with HOME CENTER AGRO Co., Ltd, and *"Omotecho Card"*, in an alliance with the Omotecho shopping district, the largest in Okayama Prefecture. In conjunction with these steps, we also expanded the number of affiliated merchants where OMC cards are accepted, to around 345,000 by the end of February 2004.

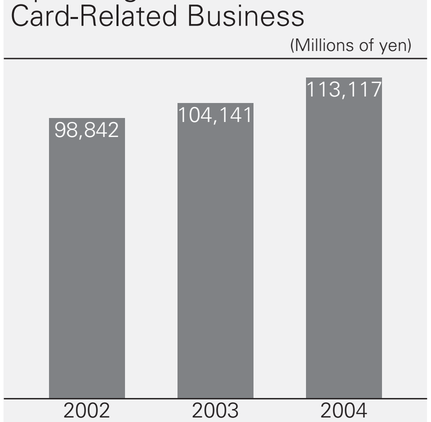
Number of Affiliated Merchants



Total Operating Revenues



Operating Revenues of Card-Related Business



In cash advance services, we worked to enhance cardholder convenience by expanding the number of locations where cardholders can make cash withdrawals. During the year under review, we increased the network to include the automated teller machines (ATMs) of five more regional banks. This means that our cards were accepted by roughly 118,000 cash dispensers (CDs) and ATMs as of February 29, 2004.

Total operating revenues in the financial services segment rose 6.0% to ¥118,178 million (U.S.$1,084,202 thousand).

OTHER BUSINESS

In the travel business, amid waning demand for overseas travel in the travel industry as a whole in the wake of the Iraq war, SARS and other factors, we concentrated on travel retailing in Japan. We actively promoted special package tours to Okinawa and other popular domestic destinations, as well as family-oriented members-only tours such as "OMC recommended vacations." Nevertheless, weak consumer spending caused travel business revenues to fall by 7.9% to ¥2,266 million (U.S.$20,789 thousand).

This and other factors resulted in a 14.7% decline in total operating revenues in the other business segment to ¥8,757 million (U.S.$80,339 thousand).

LIQUIDITY AND CAPITAL RESOURCES

FINANCIAL POSITION

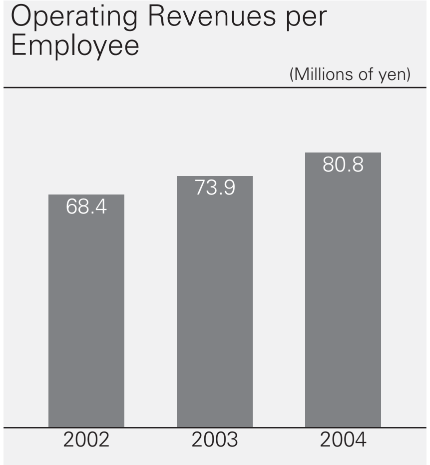
Total assets increased 17.1% to ¥621,109 million (U.S.$5,698,248 thousand) due to increases in cash and cash equivalents and operating receivables, although mortgage loans declined.

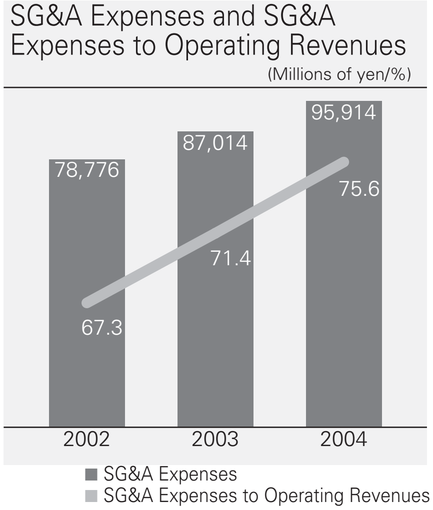
Total current liabilities declined 14.0% to ¥398,030 million (U.S.$3,651,652 thousand) from a year ago. Although there was an increase in deposits received from the securitization of claims, there was a decrease in mortgage-backed securities transferred, and short-term borrowings decreased due to refinancing from short-term to long-term debt. Total long-term liabilities increased 417.2% to ¥182,937 million (U.S.$1,678,321 thousand) due to an increase in long-term debt resulting from the aforementioned refinancing.

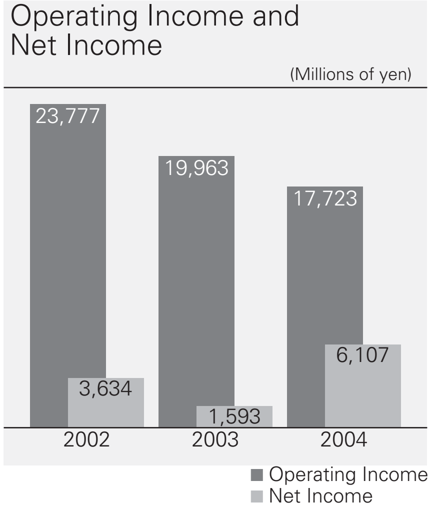
Total stockholders' equity at the end of the fiscal year stood at ¥40,066 million (U.S.$367,578 thousand), 24.8% higher year on year, due to a ¥1,847 million (U.S.$16,945 thousand) improvement in the unrealized gain (loss) on available-for-sale securities because of higher stock prices. This increase also reflected net income of ¥6,107 million (U.S.$56,028 thousand).

CASH FLOWS

Operating activities used net cash of ¥4,933 million (U.S.$45,257 thousand). The main sources of cash were income before income taxes and minority







interests of ¥13,851 million (U.S.$127,073 thousand) and an increase to ¥44,916 million (U.S.$412,073 thousand) in deposits received from the securitization of claims. The main use of cash was a ¥60,234 million (U.S.$552,606 thousand) increase in operating receivables such as cash advances.

Investing activities provided net cash of ¥1,118 million (U.S.$10,257 thousand). Purchases of property, equipment and software used cash of ¥5,384 million (U.S.$49,394 thousand), mainly for the development of software such as an initial credit scoring system. The main cash inflows were ¥4,099 million (U.S.$37,606 thousand) proceeds from the sales of investment securities and ¥1,257 million (U.S.$11,532 thousand) proceeds from the sales of investments in a consolidated subsidiary.

Financing activities provided net cash of ¥42,455 million (U.S.$389,495 thousand), mainly from an increase in long-term debt and an increase in the issue of commercial paper.

As a result of the above factors, cash and cash equivalents at the end of the year amounted to ¥107,465 million (U.S.$985,917 thousand), up ¥38,628 million (U.S.$354,385 thousand) from the previous fiscal year.

FINANCIAL POLICIES

OMC Card prioritizes strengthening finances as a central management concern. We are therefore committed to reinforcing our financial base, enhancing our credit rating and optimizing corporate value.

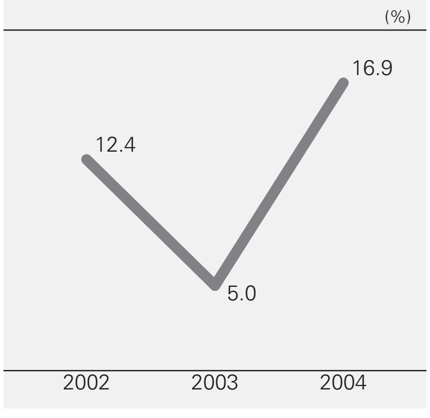
In fiscal 2004, to avoid the risk of interest rate increases accompanying the expiry of an approximate ¥200.0 billion interest-rate swap, we refinanced ¥128.0 billion in short-term borrowings as long-term debt and securitized claims, thereby stabilizing funding.

We also issued commercial paper as needed to deal with demand for short-term operating funds. Consequently, commercial paper issues amounted to ¥426.2 billion in fiscal 2004 and the year-end outstanding balance was ¥36.4 billion. Additionally, as part of efforts to diversify fund procurement methods, we securitized short-term funds backed by monthly repayments of credit card accounts receivable and secured a ¥50.0 billion line of credit, as we took advantage of new means to procure funds.

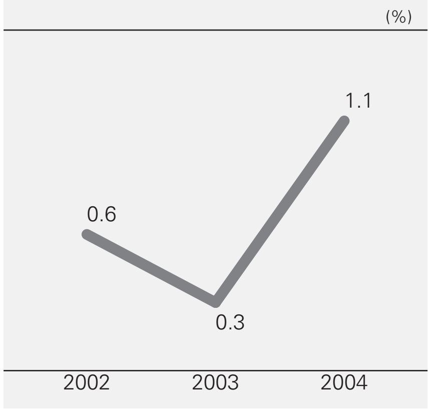
As a result, the direct funding ratio was 26%, unchanged from the previous fiscal year; the long-term financing ratio was 50%, up 13.2 points from a year ago; and the fixed-interest financing ratio decreased 21 points to 41%.

In line with our efforts to achieve balanced financing, we will continue to procure funds, primarily from financial institutions, while at the same time ensuring funding stability by continuing to diversify financing sources. Moreover, we will strive to improve the company's stockholders' equity ratio and ROA performance through the securitization of claims to increase operational efficiency and reduce assets.

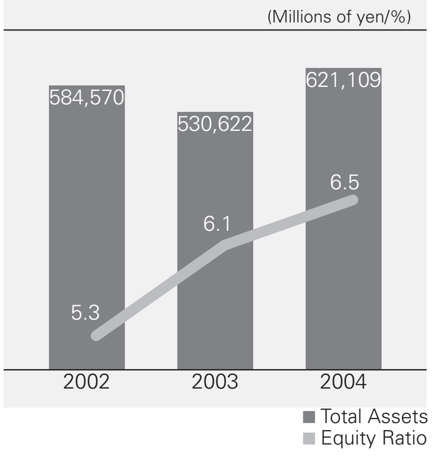
Return on Equity (ROE)



Return on Assets (ROA)



Total Assets and Equity Ratio



CONSOLIDATED BALANCE SHEETS

OMC Card, Inc. and Consolidated Subsidiaries
February 29, 2004 and February 28, 2003

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
ASSETS	2004	2003	2004
CURRENT ASSETS:			
Cash and cash equivalents	¥107,465	¥ 68,837	$ 985,917
Marketable securities (Notes 3 and 9)	1,189	770	10,908
Operating receivables:			
Notes and accounts	199	275	1,826
Installment sales (Notes 4 and 6)	134,262	129,196	1,231,761
Operating loans (Notes 4 and 6)	269,152	202,503	2,469,284
Mortgage loans (Note 5)		11,468	
Inventories	2,175	2,214	19,954
Deferred tax assets (Note 11)	19,615	15,112	179,954
Prepaid expenses and other current assets (Note 9)	44,428	37,021	407,598
Allowance for doubtful accounts	(22,755)	(13,559)	(208,761)
Total current assets	555,730	453,837	5,098,441
PROPERTY AND EQUIPMENT:			
Buildings and structures	4,469	4,885	41,000
Equipment	522	507	4,789
Land	8,250	9,030	75,688
Total	13,241	14,422	121,477
Accumulated depreciation	(3,057)	(3,072)	(28,046)
Net property and equipment	10,184	11,350	93,431
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 3 and 9)	6,124	4,917	56,183
Long-term operating loans receivable, less allowance for doubtful accounts of ¥1,994 million ($18,294 thousand) in 2004 and ¥2,850 million in 2003	2,308	2,150	21,174
Software	8,747	6,547	80,248
Guarantee money deposited	14,013	13,730	128,560
Deferred tax assets (Note 11)	17,870	31,157	163,945
Other	6,133	6,934	56,266
Total investments and other assets	55,195	65,435	506,376
TOTAL	¥621,109	¥530,622	$5,698,248

See notes to consolidated financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2004	2003	2004
CURRENT LIABILITIES:			
Short-term borrowings (Note 6)	¥246,376	¥326,466	$2,260,330
Current portion of long-term debt (Note 6)	37,079	59,320	340,174
Notes and accounts payable (Note 9)	30,859	27,054	283,110
Deposits received	68,564	23,648	629,028
Accrued expenses	6,615	6,740	60,688
Income taxes payable	165	166	1,514
Mortgage-backed securities transferred (Note 5)		8,821	
Deferred revenue (Note 4)	1,358	1,024	12,459
Other current liabilities	7,014	9,799	64,349
Total current liabilities	398,030	463,038	3,651,652
LONG-TERM LIABILITIES:			
Long-term debt (Note 6)	176,289	29,242	1,617,330
Liability for retirement benefits (Note 7)	4,838	4,283	44,385
Other long-term liabilities	1,810	1,846	16,606
Total long-term liabilities	182,937	35,371	1,678,321
MINORITY INTERESTS	76	100	697
CONTINGENT LIABILITIES (Note 13)			
STOCKHOLDERS' EQUITY (Note 8):			
Common stock — authorized, 670,000,000 shares; issued, 211,317,082 shares in 2004 and 211,307,082 shares in 2003	42,809	42,807	392,743
Capital surplus	2		18
Accumulated deficit	(4,099)	(10,206)	(37,605)
Unrealized gain (loss) on available-for-sale securities	1,382	(465)	12,679
Total	40,094	32,136	367,835
Treasury stock — at cost, 81,449 shares in 2004 and 68,565 shares in 2003	(28)	(23)	(257)
Total stockholders' equity	40,066	32,113	367,578
TOTAL	¥621,109	¥530,622	$5,698,248

CONSOLIDATED STATEMENTS OF INCOME

OMC Card, Inc. and Consolidated Subsidiaries
Years Ended February 29, 2004 and February 28, 2003

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2004	2003	2004
OPERATING REVENUES (Note 4):			
Fees from customers and affiliated stores	¥ 24,070	¥ 23,899	$ 220,826
Personal loan revenues	82,309	75,823	755,128
Profit from merchandise sales	3,305	4,639	30,321
Travel business revenues	2,266	2,461	20,789
Other revenues (Note 10)	14,986	14,978	137,486
Total operating revenues	126,936	121,800	1,164,550
OPERATING EXPENSES:			
Selling, general and administrative expenses	95,914	87,014	879,945
Financial expenses (Note 10)	13,299	14,823	122,009
Total operating expenses	109,213	101,837	1,001,954
OPERATING INCOME	17,723	19,963	162,596
OTHER INCOME (EXPENSES):			
Gain on sales of investment securities — net (Note 9)	13	2,654	119
Gain on sales of investments in a consolidated subsidiary	1,387		12,725
Loss on devaluation of marketable and investment securities	(1,180)	(2,809)	(10,826)
Provision for operating receivables	(3,098)	(197)	(28,422)
Write-off of operating receivables		(13,444)	
Charge for transitional obligations for retirement benefits (Note 2.h)	(900)	(1,926)	(8,257)
Gain on exemption from future pension obligation of the governmental program (Note 7)	472		4,330
Other — net	(566)	(479)	(5,192)
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS IN NET LOSS OF CONSOLIDATED SUBSIDIARIES	13,851	3,762	127,073
INCOME TAXES (Note 11):			
Current	249	184	2,284
Deferred	7,519	2,066	68,982
Total income taxes	7,768	2,250	71,266
MINORITY INTERESTS IN NET LOSS OF CONSOLIDATED SUBSIDIARIES	24	81	221
NET INCOME	¥ 6,107	¥ 1,593	$ 56,028

	Yen		U.S. Dollars
	2004	2003	2004
PER SHARE OF COMMON STOCK (Note 2.n)	¥28.91	¥7.54	$0.27

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

OMC Card, Inc. and Consolidated Subsidiaries
Years Ended February 29, 2004 and February 28, 2003

	Thousands	Millions of Yen				
	Outstanding Number of Shares of Common Stock	Common Stock	Capital Surplus	Accumulated Deficit	Unrealized Gain (Loss) on Available-for-sale Securities	Treasury Stock
BALANCE, MARCH 1, 2002	211,300	¥42,807		¥(11,799)		¥ (3)
Net income				1,593		
Effect of application of new accounting standards for marketable and investment securities					¥ (465)	
Purchase of treasury stock	(61)					(20)
BALANCE, FEBRUARY 28, 2003	211,239	42,807		(10,206)	(465)	(23)
Net income				6,107		
Exercise of stock option	10	2	¥2			
Purchase of treasury stock	(13)					(5)
Net increase in unrealized gain on available-for-sale securities					1,847	
BALANCE, FEBRUARY 29, 2004	211,236	¥42,809	¥2	¥ (4,099)	¥1,382	¥(28)

	Thousands of U.S. Dollars (Note 1)				
	Common Stock	Capital Surplus	Accumulated Deficit	Unrealized Gain (Loss) on Available-for-sale Securities	Treasury Stock
BALANCE, FEBRUARY 28, 2003	$392,725		$(93,633)	$ (4,266)	$(211)
Net income			56,028		
Exercise of stock option	18	$18			
Purchase of treasury stock					(46)
Net increase in unrealized gain on available-for-sale securities				16,945	
BALANCE, FEBRUARY 29, 2004	$392,743	$18	$(37,605)	$12,679	$(257)

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

OMC Card, Inc. and Consolidated Subsidiaries
Years Ended February 29, 2004 and February 28, 2003

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2004	2003	2004
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 13,851	¥ 3,762	$ 127,073
Adjustments for:			
Income taxes — paid	(250)	(128)	(2,294)
Depreciation and amortization	3,138	2,581	28,789
Provision for doubtful accounts	9,100	4,718	83,486
Gain on sales of investment securities — net	(13)	(2,654)	(119)
Loss on devaluation of marketable and investment securities	1,180	2,809	10,826
Gain on sales of investments in a consolidated subsidiary	(1,387)		(12,725)
Changes in assets and liabilities:			
(Increase) decrease in receivables	(60,234)	25,310	(552,606)
(Increase) decrease in inventories	(42)	1,144	(385)
(Increase) decrease in other assets	(13,673)	329	(125,440)
(Increase) decrease in guarantee money deposited	(283)	509	(2,596)
Increase (decrease) in notes and accounts payable	4,240	(3,523)	38,899
Increase in deposits received	44,916	1,355	412,073
Decrease in mortgage-backed securities transferred	(8,821)	(10,034)	(80,927)
Increase in other liabilities	1,733	188	15,899
Other — net	1,612	1,523	14,790
Total adjustments	(18,784)	24,127	(172,330)
Net cash (used in) provided by operating activities	(4,933)	27,889	(45,257)
INVESTING ACTIVITIES:			
Proceeds from sales of property and equipment	852	963	7,817
Purchases of property, equipment and software	(5,384)	(2,695)	(49,394)
Proceeds from sales of investment securities	4,099	56	37,606
Proceeds from sales of investments in a consolidated subsidiary	1,257		11,532
Purchases of investment securities		(205)	
Other — net	294	(67)	2,696
Net cash provided by (used in) investing activities	1,118	(1,948)	10,257
FINANCING ACTIVITIES:			
Decrease in short-term borrowings — net	(80,089)	(24,303)	(734,761)
Proceeds from long-term debt	217,417	26,953	1,994,651
Repayments of long-term debt	(92,610)	(39,434)	(849,633)
Other — net	(2,263)	(2,230)	(20,762)
Net cash provided by (used in) financing activities	42,455	(39,014)	389,495
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	(12)	(6)	(110)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	38,628	(13,079)	354,385
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	68,837	81,916	631,532
CASH AND CASH EQUIVALENTS, END OF YEAR	¥107,465	¥ 68,837	$ 985,917
ADDITIONAL INFORMATION:			
Decrease in assets and liabilities due to sales of investments in a consolidated subsidiary:			
Assets (primarily receivables)	¥ 829		$ 7,606
Liabilities (primarily trade payables)	(638)		(5,854)
Gain on sales of investments	1,387		12,725
Proceeds from sales of investments	1,578		14,477
Cash and cash equivalents held by a consolidated subsidiary	(321)		(2,945)
Proceeds from sales of investments in a consolidated subsidiary — net	¥ 1,257		$ 11,532

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

OMC Card, Inc. and Consolidated Subsidiaries
Years Ended February 29, 2004 and February 28, 2003

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Securities and Exchange Law and its related accounting regulations, and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards. The consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2003 financial statements to conform to the classifications used in 2004.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which OMC Card, Inc. (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥109 to $1, the approximate rate of exchange as of February 29, 2004. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Consolidation

The consolidated financial statements as of February 29, 2004 include the accounts of the Company and its 13 significant (14 in 2003) subsidiaries (together, the "Companies").

Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Company has the ability to exercise significant influence are accounted for by the equity method.

Investment in an associated company is accounted for by the equity method. Investment in an unconsolidated subsidiary is stated at cost. If the equity method of accounting had been applied to the investment in this company, the effect on the accompanying consolidated financial statements would not be material.

The cost in excess of net assets of subsidiaries and associated companies at the time of acquisition which cannot be specifically assigned to individual assets is amortized on the straight-line basis over 5 years with the exception of minor amounts which are charged to income in the period of acquisition.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Companies are also eliminated.

b. Cash Equivalents

Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents include time deposits, all of which mature or become due within three months of the date of acquisition.

c. Inventories

Merchandise inventories are primarily stated at cost determined by the first-in, first-out method. Real estate held for sale is stated at cost on the specific identification basis.

For other than temporary declines in fair value, real estate held for sale are reduced to net realizable value by a charge to income.

d. Allowance for Doubtful Accounts

The allowance for doubtful accounts is stated in amounts considered to be appropriate based on the Companies' past credit loss experience and an evaluation of potential losses in the receivables outstanding.

e. Marketable and Investment Securities

Marketable and investment securities are classified as available-for-sale securities and are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of stockholders' equity.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average method.

For other than temporary declines in fair value, investment securities are reduced to net realizable value by a charge to income.

f. Property and Equipment

Property and equipment are stated at cost. Depreciation is computed by the declining-balance method while the straight-line method is applied to buildings (excluding facilities incidental to buildings). The range of useful lives is from 3 to 50 years for buildings and structures and from 3 to 15 years for equipment.

g. Software

Software is amortized by the straight-line method over 5 years.

h. Employees' Retirement Benefits

The Company and certain consolidated subsidiaries have a contributory trust pension plan and non-contributory trust pension plans covering substantially all of their employees.

Effective March 1, 2001, the Companies adopted a new accounting standard for employees' retirement benefits and accounted for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date.

The transitional obligation determined as of March 1, 2001, is being amortized over 5 years and is presented as other expense in the consolidated statements of income.

i. Leases

All leases are accounted for as operating leases. Under Japanese accounting standards for leases, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized, while other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the notes to the lessee's consolidated financial statements.

j. Recognition of Operating Revenues

The operations of the Companies are mainly comprised of the following areas, and the recognition of operating revenues differs for each business. See Note 4 for amounts of transactions and realized operating revenues by each business.

(1) Credit Card Contracts and Personal Credit Contracts for Shopping

Installment sales receivable is recorded when the Company purchases these receivables from the affiliated stores, and fees for collection and administrative services to be received from the affiliated stores are recognized at the same time.

The Company also receives fees from customers under credit card contracts, and such fees are recorded when the Company bills customers the amount of fees charged at the contract rate on the outstanding balances of the credit cards, and fees from customers for personal credit contracts for shopping are recognized as profit on the installment basis computed using the sum-of-the-digits method.

(2) Loan Contracts

Operating loans receivable from cardholders are recorded when they receive cash from the Companies. Monthly billings to borrowers include principal and interest, the total of which generally remains constant for the contract period. The interest is recognized as revenue monthly on a declining-balance basis.

Personal loans and other operating loans receivable are recorded when loan contracts become effective. The interest on personal loans is recognized as revenue according to the installment plan computed using the sum-of-the-digits method. The interest on certain other contracts is recognized as revenue according to the declining-balance basis.

(3) Merchandise Sales and Income from the Travel Business

Revenues from sales of merchandise inventories such as furniture, household items, etc. and from the travel business are recorded when they are sold to consumers by means of direct marketing by the Companies and by the travel business which is operated by the Company.

k. Income Taxes

The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

l. Appropriations of Retained Earnings

Appropriations of retained earnings at each year end are reflected in the financial statements for the following year upon stockholders' approval.

m. Derivative Financial Instruments

The Companies enter into interest rate swap agreements as a means of managing its interest rate exposures on short-term borrowings and long-term debt.

It is the Companies' policy not to hold or issue derivatives for speculative or trading purposes.

Derivative financial instruments are classified and accounted for as follows: (a) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the income statement and (b) for derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions.

Interest rate swaps are utilized to hedge interest rate exposures of long-term debt. These swaps which qualify for hedge accounting are measured at market value at the balance sheet date and the unrealized gains or losses are deferred until maturity as other liabilities or assets.

However, interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value but rather, the differential paid or received under the swap agreements is recognized and included in interest expense or income.

n. Per Share Information

Effective March 1, 2003, the Company adopted a new accounting standard for earnings per share of common stock issued by the Accounting Standards Board of Japan. Under the new standard, basic net income per share is computed by dividing net income available to common stockholders, which is more precisely computed than under previous practices, by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Basic net income per share for the years ended February 29, 2004 and February 28, 2003, is computed in accordance with the new standard.

The weighted-average number of common shares used in the computation was 211,232,231 shares and 211,274,903 shares at February 29, 2004 and February 28, 2003, respectively.

Diluted net income per share is not disclosed because the average fair value of the Company's common stock was less than the exercise price for outstanding stock options, and would thus be antidilutive.

No cash dividends applicable to the years ended February 29, 2004 and February 28, 2003, were declared.

3. MARKETABLE AND INVESTMENT SECURITIES

Marketable and investment securities as of February 29, 2004 and February 28, 2003, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Current — Marketable equity securities	¥1,189	¥ 770	$10,908
Non-current:			
Marketable equity securities	¥4,651	¥2,298	$42,670
Non-marketable equity securities	1,473	2,619	13,513
Total	¥6,124	¥4,917	$56,183

The carrying amounts and aggregate fair values of marketable and investment securities as of February 29, 2004 and February 28, 2003, were as follows:

	Millions of Yen			
February 29, 2004	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as available-for-sale — Equity securities	¥ 3,587	¥ 2,342	¥ 89	¥ 5,840
February 28, 2003				
Securities classified as available-for-sale — Equity securities	3,913	41	886	3,068

	Thousands of U.S. Dollars			
February 29, 2004	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as available-for-sale — Equity securities	$32,908	$21,486	$816	$53,578

Available-for-sale securities whose fair value is not readily determinable as of February 29, 2004 and February 28, 2003, were as follows:

	Carrying Amount		
	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Available-for-sale — Equity securities	¥1,473	¥2,619	$13,513

Proceeds from sales of available-for-sale securities for the years ended February 29, 2004 and February 28, 2003, were ¥341 million ($3,128 thousand) and ¥4,222 million, respectively. Gross realized gains and losses on these sales, computed on the moving average cost basis, were ¥37 million ($339 thousand) and ¥24 million ($220 thousand), respectively, for the year ended February 29, 2004 and ¥2,685 million and ¥31 million, respectively, for the year ended February 28, 2003.

4. INSTALLMENT SALES RECEIVABLE, OPERATING LOANS RECEIVABLE AND DEFERRED REVENUE

Installment sales receivable, operating loans receivable and deferred revenue as of February 29, 2004 and February 28, 2003, consisted of the following:

	Millions of Yen				Thousands of U.S. Dollars	
	2004		2003		2004	
	Receivable	Deferred Revenue	Receivable	Deferred Revenue	Receivable	Deferred Revenue
Installment sales receivable:						
Credit card contracts	¥125,800	¥ 392	¥119,937	¥ 253	$1,154,128	$ 3,596
Personal credit contracts	8,462	610	9,259	631	77,633	5,597
	¥134,262		¥129,196		$1,231,761	
Operating loans receivable	¥269,152	356	¥202,503	140	$2,469,284	3,266
		¥1,358		¥1,024		$ 12,459

The securitized installment sales receivable and operating loans receivable, which were not recognized as of February 29, 2004 and February 28, 2003, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Installment sales receivable	¥13,289	¥ 15,666	$121,917
Operating loans receivable	68,924	93,564	632,331
Total	¥82,213	¥109,230	$754,248

Amounts of transaction volume and realized operating revenue by type of contract for the years ended February 29, 2004 and February 28, 2003, consisted of the following:

	Millions of Yen				Thousands of U.S. Dollars	
	2004		2003		2004	
	Transaction Volume	Operating Revenue	Transaction Volume	Operating Revenue	Transaction Volume	Operating Revenue
Credit card contracts	¥ 830,851	¥ 23,291	¥ 813,583	¥ 23,064	$ 7,622,486	$ 213,679
Personal credit contracts	7,138	779	7,608	835	65,486	7,147
Loan contracts	497,641	82,309	500,359	75,823	4,565,514	755,128
Merchandise sales	7,655	3,305	13,646	4,639	70,229	30,321
Travel business	25,970	2,266	28,063	2,461	238,257	20,789
Other	172,390	14,834	171,653	14,796	1,581,560	136,092
	¥1,541,645	126,784	¥1,534,912	121,618	$14,143,532	1,163,156
Financial transactions		152		182		1,394
Total operating revenues		¥126,936		¥121,800		$1,164,550

5. MORTGAGE LOANS RECEIVABLE AND MORTGAGE-BACKED SECURITIES TRANSFERRED

a. Mortgage Loans Receivable

A certain consolidated subsidiary had provided financing to borrowers on condition of mortgaging with the special agreement that mortgage-backed securities are issuable. The Companies then register the mortgage-backed securities with the registry office.

b. Mortgage-backed Securities Transferred

Mortgage-backed securities transferred are securities that have been subdivided and sold to customers under repurchase agreements, usually within one year. A certain consolidated subsidiary had earned the difference between interest financing and interest on subdivided securities transferred net of applicable costs.

6. SHORT-TERM BORROWINGS AND LONG-TERM DEBT

Short-term borrowings as of February 29, 2004 and February 28, 2003, consisted of notes to banks, bank overdrafts, loans from financing institutions and commercial paper. The weighted-average interest rates applicable to short-term borrowings were 1.9% and 1.8% as of February 29, 2004 and February 28, 2003, respectively.

Long-term debt as of February 29, 2004 and February 28, 2003, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Loans from banks and other financial institutions, due serially to 2007 with weighted-average interest rates of 2.8% in 2004 and 2.5% in 2003	¥213,368	¥88,562	$1,957,504
Less current portion	(37,079)	(59,320)	(340,174)
Long-term debt, less current portion	¥176,289	¥29,242	$1,617,330

Annual maturities of long-term debt outstanding as of February 29, 2004, were as follows:

Year Ending February 28	Millions of Yen	Thousands of U.S. Dollars
2005	¥ 37,079	$ 340,174
2006	15,887	145,752
2007	160,402	1,471,578
Total	¥213,368	$1,957,504

The carrying amounts of assets pledged as collateral for short-term borrowings of ¥146,430 million ($1,343,394 thousand) and long-term debt of ¥157,465 million ($1,444,633 thousand) as of February 29, 2004, were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Installment sales receivable	¥ 51	$ 468
Operating loans receivable	36,702	336,715
Total	¥36,753	$337,183

As is customary in Japan, substantially all of the Companies' bank borrowings are subject to general agreements with each bank which provide, among other things, that the relevant bank may, when the bank deems it necessary, request security for the loans. Also, these agreements allow the banks, if necessary, to treat any security furnished to the bank, as well as cash deposited with it, as security which may be used to offset present and future indebtedness.

7. EMPLOYEES' RETIREMENT BENEFITS

The Company and certain consolidated subsidiaries have two types of funded pension plans for employees: non-contributory and contributory funded defined benefit pension plans.

The contributory funded defined benefit pension plan, established under the Japanese Welfare Pension Insurance Law, covers a substitutional portion of the governmental pension program managed by the parent company, The Daiei, Inc. (the "Parent") on behalf of the government and a corporate portion established at the discretion of the Parent. In accordance with the Defined Benefit Pension Plan Law enacted in April 2002, the Parent applied for an exemption from obligation to pay benefits for future employee services related to the substitutional portion which would result in the transfer of the pension obligations and related assets to the government upon approval. The Parent obtained approval for exemption from the future obligation by the Ministry of Health, Labour and Welfare on June 20, 2003 and the Companies recognized a gain on exemption from the future pension obligation of the governmental program in the amount of ¥472 million ($4,330 thousand) for the year ended February 29, 2004. The substitutional portion of the plan assets which will be transferred to the government in the subsequent year is measured to be approximately ¥5,272 million ($48,367 thousand) as of February 29, 2004.

The liability (asset) for employees' retirement benefits as of February 29, 2004 and February 28, 2003, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Projected benefit obligation	¥11,833	¥18,082	$108,560
Fair value of plan assets	(3,903)	(7,988)	(35,807)
Unrecognized prior service cost	99	362	908
Unrecognized actuarial gain	(1,696)	(2,102)	(15,560)
Unrecognized transitional obligation	(1,495)	(4,071)	(13,716)
Net liability	¥ 4,838	¥ 4,283	$ 44,385

The components of net periodic benefit costs for the years ended February 29, 2004 and February 28, 2003 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Service cost	¥ 739	¥ 958	$ 6,780
Interest cost	349	486	3,202
Expected return on plan assets	(171)	(274)	(1,569)
Amortization of prior service cost	(20)	(69)	(183)
Recognized actuarial loss	122	193	1,119
Amortization of transitional obligation	900	1,926	8,257
Net periodic benefit costs	1,919	3,220	17,606
Gain on exemption from future pension obligation	(472)		(4,330)
Total	¥1,447	¥3,220	$13,276

Assumptions used for the years ended February 29, 2004 and February 28, 2003, are set forth as follows:

	2004	2003
Discount rate	2.0%–2.2%	3.0%
Expected rate of return on plan assets	2.0%–6.5%	2.5%–3.7%
Amortization period of prior service cost	10 years	10 years
Recognition period of actuarial gain/loss	10 years	10 years
Amortization period of transitional obligation	5 years	5 years

8. STOCKHOLDERS' EQUITY

Japanese companies are subject to the Japanese Commercial Code (the "Code") to which various amendments have become effective since October 1, 2001.

The Code was revised whereby common stock par value was eliminated resulting in all shares being recorded with no par value and at least 50% of the issue price of new shares is required to be recorded as common stock and the remaining net proceeds as additional paid-in capital, which is included in capital surplus. The Code permits Japanese companies, upon approval of the Board of Directors, to issue shares to existing stockholders without consideration as a stock split. Such issuance of shares generally does not give rise to changes within the stockholders' accounts.

The revised Code also provides that an amount at least equal to 10% of the aggregate amount of cash dividends and certain other appropriations of retained earnings associated with cash outlays applicable to each period shall be appropriated as a legal reserve (a component of retained earnings) until such reserve and additional paid-in capital equals 25% of common stock. The amount of total additional paid-in capital and legal reserve that exceeds 25% of the common stock may be available for dividends by resolution of the stockholders. In addition, the Code permits the transfer of a portion of additional paid-in capital and legal reserve to the common stock by resolution of the Board of Directors.

The revised Code eliminated restrictions on the repurchase and use of treasury stock allowing Japanese companies to repurchase treasury stock by a resolution of the stockholders at the general stockholders meeting and dispose of such treasury stock by resolution of the Board of Directors. The repurchased amount of treasury stock cannot exceed the amount available for future dividend plus amount of common stock, additional paid-in capital or legal reserve to be reduced in the case where such reduction was resolved at the general stockholders meeting.

The amount of retained earnings available for dividends under the Code was ¥2,179 million ($19,991 thousand) as of February 29, 2004, based on the amount recorded in the Company's general books of account. In addition to the provision that requires an appropriation for a legal reserve in connection with the cash payment, the Code imposes certain limitations on the amount of retained earnings available for dividends.

Dividends are approved by the stockholders at a meeting held subsequent to the fiscal year to which the dividends are applicable. Semiannual interim dividends may also be paid upon resolution of the Board of Directors, subject to certain limitations imposed by the Code.

At the general stockholders meeting held on May 25, 2000, the Company's stockholders approved the following stock option plan for the Company's directors and key employees. The plan provides for granting options to directors and key employees to purchase up to 1,930,000 shares of the Company's common stock in the period from May 26, 2002 to May 25, 2005. The options were granted at an exercise price of ¥404 ($3.71). As of February 29, 2004, the options of 1,690,000 shares were not exercised.

At the general stockholders meeting held on May 24, 2001, the Company's stockholders approved the following stock option plan for the Company's directors and key employees. The plan provides for granting options to directors and key employees to purchase up to 215,000 shares of the Company's common stock in the period from May 25, 2003 to May 25, 2005. The options were granted at an exercise price of ¥609 ($5.59).

At the general stockholders meeting held on May 23, 2002, the Company's stockholders approved the following stock option plan for the Company's key employees. The plan provides for granting options to key employees to purchase up to 575,000 shares of the Company's common stock in the period from May 24, 2004 to May 25, 2005. The options were granted at an exercise price of ¥542 ($4.97). As of February 29, 2004, the options of 555,000 shares were not exercised.

9. RELATED PARTY TRANSACTIONS

Transactions with an unconsolidated subsidiary and the Parent for the years ended February 29, 2004 and February 28, 2003, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Transaction volume by credit card and personal credit contracts	¥271,923	¥268,796	$2,494,706
Gain on sales of investment securities		2,685	

The balances due to or from such related parties as of February 29, 2004 and February 28, 2003, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Other receivables (included in other current assets)		¥4,080	
Investment in the Parent (included in marketable securities)	¥1,189	770	$10,908
Investments in an unconsolidated subsidiary (included in investment securities)	15	15	138
Notes and accounts payable	972	1,863	8,917

10. FINANCIAL TRANSACTIONS AND EXPENSES

Financial transactions included in other revenues and expenses for the years ended February 29, 2004 and February 28, 2003, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Financial transactions:			
Interest income	¥ 80	¥ 140	$ 734
Dividend income	72	42	660
Total	¥ 152	¥ 182	$ 1,394
Financial expenses:			
Interest expense	¥10,862	¥13,309	$ 99,651
Other	2,437	1,514	22,358
Total	¥13,299	¥14,823	$122,009

11. INCOME TAXES

The Companies are subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 41.8% for the years ended February 29, 2004 and February 28, 2003.

On March 31, 2003, a tax reform law concerning enterprise tax was enacted in Japan which changed the normal effective statutory tax rate from 41.8% to 40.5%, effective for years beginning on or after March 1, 2005. The deferred tax assets and liabilities which will realize on or after March 1, 2005 are measured at the effective tax rate of 40.5% as of February 29, 2004. The effect of this change was to decrease deferred tax assets by ¥728 million ($6,679 thousand), increase income taxes — deferred by ¥758 million ($6,954 thousand), and increase unrealized gain on available-for-sale securities by ¥30 million ($275 thousand) in the consolidated financial statements for the year ended February 29, 2004.

The tax effects of significant temporary differences and tax loss carryforwards which resulted in deferred tax assets and liabilities at February 29, 2004 and February 28, 2003, are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Deferred tax assets:			
Tax loss carryforwards	¥25,710	¥36,549	$235,872
Excess of tax allowance for provision of doubtful accounts	4,618	1,859	42,367
Write-off of operating receivables	3,240	1,982	29,725
Valuation loss on investment securities	2,647	2,274	24,284
Other	4,466	4,956	40,972
Less valuation allowance	(2,283)	(1,351)	(20,945)
Total	38,398	46,269	352,275
Deferred tax liabilities:			
Unrealized gain on available-for-sale securities	(913)		(8,376)
Other	(2)	(3)	(18)
Net deferred tax assets	¥37,483	¥46,266	$343,881

A reconciliation between the normal effective statutory tax rates and the actual effective tax rates reflected in the accompanying consolidated statements of income for the years ended February 29, 2004 and February 28, 2003 is as follows:

	2004	2003
Normal effective statutory tax rate	41.8%	41.8%
Change in valuation allowance	8.1	16.4
Effect of tax rate reduction	5.3	
Other — net	0.9	1.6
Actual effective tax rate	56.1%	59.8%

As of February 29, 2004, the Company has net operating loss carryforwards of approximately ¥53,600 million ($491,743 thousand) which are available to be offset against taxable income in future years. These tax loss carryforwards, if not utilized, will expire as follows:

Year Ending February 28	Millions of Yen	Thousands of U.S. Dollars
2005	¥24,400	$223,853
2006	29,200	267,890
Total	¥53,600	$491,743

The Company has recognized deferred tax assets of ¥22,013 million ($201,954 thousand) on the above tax loss carryforwards as management of the Company believes that these tax loss carryforwards will be effectively utilized in accordance with achievement of the Company's business plan.

12. LEASES

The Companies lease certain computer equipment, office space (including subleased properties) and other assets.

Total rental expenses were ¥6,165 million ($56,560 thousand) and ¥6,227 million for the years ended February 29, 2004 and February 28, 2003, respectively. Such rental expenses included total lease payments of ¥1,158 million ($10,624 thousand) and ¥1,088 million for the years ended February 29, 2004 and February 28, 2003, in connection with finance leases as described in Note 2.i, respectively.

Pro forma information of leased property such as acquisition cost, accumulated depreciation, obligation under finance leases, depreciation expense, interest expense of financial leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the years ended February 29, 2004 and February 28, 2003, was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Acquisition cost — equipment	¥5,908	¥5,644	$54,202
Accumulated depreciation	3,367	2,999	30,890
Net leased property	¥2,541	¥2,645	$23,312

Obligations under finance leases:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Due within one year	¥ 929	¥ 947	$ 8,523
Due after one year	1,699	1,780	15,587
Total	¥2,628	¥2,727	$24,110

The imputed interest expense portion which is computed using the interest method is excluded from the above obligations under finance leases. Depreciation expense and interest expense, which are not reflected in the accompanying consolidated statements of income, computed by the straight-line method and the interest method were ¥1,051 million ($9,642 thousand) and ¥112 million ($1,028 thousand) for the year ended February 29, 2004 and ¥987 million and ¥108 million for the year ended February 28, 2003, respectively.

13. CONTINGENT LIABILITIES

As of February 29, 2004, the Companies were contingently liable as a guarantor for borrowings of customers in an amount of ¥1,446 million ($13,266 thousand).

14. DERIVATIVES

The Companies enter into interest rate swap agreements as a means of managing its interest rate exposures on short-term borrowings and long-term debt.

It is the Companies' policy not to hold or issue derivatives for speculative or trading purposes.

Derivatives are subject to market risk and credit risk. Market risk is the exposure created by potential fluctuations in market conditions, including interest rates. Credit risk is the possibility that a loss may result from a counterparty's failure to perform according to the terms and conditions of the contract.

Because the counterparties to those derivatives are limited to major international financial institutions, the Companies do not anticipate any losses arising from credit risk.

Derivative transactions entered into by the Companies have been made in accordance with internal policies which regulate the authorization and credit limit amount.

The Companies had the following derivatives contracts outstanding as of February 28, 2003:

	Millions of Yen		
	2003		
	Contract or Notional Amount	Fair Value	Unrealized Loss
Interest rate swap — Pay — fix/receive — float	¥32,000	¥(339)	¥(61)

Market value information for the year ended February 29, 2004, is not disclosed because all of the derivatives qualified for hedge accounting and met specific matching criteria.

15. SEGMENT INFORMATION

Information about operations in different industry segments, foreign operations and operating revenues from foreign customers of the Companies for the years ended February 29, 2004 and February 28, 2003, was as follows:

(1) Operations in Different Industries

Operations in financial services for the year ended February 29, 2004, were more than 90% of consolidated operating revenues, operating income and assets, and accordingly, segment information in different industries is not disclosed for fiscal 2004.

	Millions of Yen			
Year Ended February 28, 2003	Financial Services	Other Business	General Corporate / Eliminations	Consolidated
a. Operating Revenues and Operating Income				
Operating revenues for customers	¥111,531	¥10,269		¥121,800
Intersegment operating revenues	314	216	¥ (530)	
Total operating revenues	111,845	10,485	(530)	121,800
Operating expenses	85,791	11,550	4,496	101,837
Operating income (losses)	¥ 26,054	¥ (1,065)	¥(5,026)	¥ 19,963
b. Assets, Depreciation and Capital Expenditures				
Assets	¥508,070	¥22,636	¥ (84)	¥530,622
Depreciation	1,888	421	284	2,593
Capital expenditures	2,397	142	156	2,695

(2) Foreign Operations

There are no consolidated overseas subsidiaries.

(3) Operating Revenues from Foreign Customers

Operating revenues from foreign customers are less than 10% of consolidated operating revenues.

INDEPENDENT AUDITORS' REPORT

Deloitte.

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Minato-ku, Tokyo 108-8530
Japan

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Fax: +81(3)3457 1694
www.deloitte.com/jp

To the Board of Directors and Stockholders of
OMC Card, Inc.:

We have audited the accompanying consolidated balance sheets of OMC Card, Inc. and consolidated subsidiaries as of February 29, 2004 and February 28, 2003, and the related consolidated statements of income, stockholders' equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards, procedures and practices generally accepted and applied in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of OMC Card, Inc. and consolidated subsidiaries as of February 29, 2004 and February 28, 2003, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles and practices generally accepted in Japan.

As discussed in Note 11 to the consolidated financial statements, the Company has recognized deferred tax assets of ¥22,013 million ($201,954 thousand) on the Company's tax loss carryforwards as management of the Company believes that these tax loss carryforwards will be effectively utilized in accordance with achievement of the Company's business plan.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

May 27, 2004

BOARD OF DIRECTORS AND CORPORATE AUDITORS

(As of May 27, 2004)

Chairman and Director
Hiroshige Sasaki

President and
Representative Director
Hiromichi Funahashi

Senior Managing Directors
Yuji Yamasaki
Yoshiaki Hayashida

Managing Directors
Toshiharu Nariai
Noriyoshi Wada
Shigeji Yagi
Shinji Ebata

Directors
Hiroyuki Namiki
Masakazu Yamashita
Junichi Naitoh
Shinshi Yamamoto
Hiroyuki Fukumoto

Full-Time Corporate Auditors
Akira Nakao
Syunji Matsuno

Corporate Auditors
Hiroshi Takeuchi
Yutaka Hori
Masahiko Toyama

CORPORATE DATA

(As of February 29, 2004)

Registered Office
2-1, Ginza 6-chome, Chuo-ku,
Tokyo 104-0061, Japan

Main Office
21-1, Nishi-Gotanda 7-chome,
Shinagawa-ku, Tokyo 141-8511,
Japan
Telephone: 81-3-3495-9639
Facsimile: 81-3-3495-8595

Date of Establishment
September 1950

Number of Employees
1,571

Main Consolidated Subsidiaries

MCS Servicer Co., Ltd.
Servicer

ALPHA OMC Co., Ltd.
Credit sales financing

OMC Solution Co., Ltd.
Credit sales financing

MARUKO DENKILAND CO., LTD.
Real estate management

ACCESS GENERAL Co., Ltd.
Credit sales financing

APEX MORTGAGE Co., Ltd.
Credit sales financing

PLUSONE EQUITY Co., Ltd.
Credit sales financing

RFC, Inc.
Special transactions (with payments in advance) financing

KYOEIKIKAKU, Inc.
Real estate management

RICCAR Telephone Service, Inc.
Real estate management

RICCAR Sales, Inc.
Call sales

BLOCKLINE, Inc.
Data processing service

ANNEX CAPITAL Co., Ltd
Credit sales financing

Company Accounted for by the
Equity Method

NIHON KYOEI SECURITIES Co., Ltd.
Securities

INVESTOR INFORMATION

(As of February 29, 2004)

Paid-in Capital
¥42,808,930,026

Common Stock
Authorized: 670,000,000 shares
Issued: 211,317,082 shares
Number of Stockholders: 5,007

Stock Exchange Listing
Tokyo Stock Exchange

Ordinary General Meeting of Stockholders
The Ordinary General Meeting of
Stockholders is held in May in Tokyo.

Independent Auditors
Tohmatsu & Co.
(A member firm of Deloitte Touche Tohmatsu International)

Transfer Agent
The Sumitomo Trust & Banking Co., Ltd.
5-33, Kitahama 4-chome, Chuo-ku, Osaka 541-0041, Japan

Common Stock Price
(Tokyo Stock Exchange)

	2004		2003		2002	
	High	Low	High	Low	High	Low
1st quarter	308	223	560	316	600	286
2nd quarter	420	297	565	390	689	544
3rd quarter	423	334	421	200	575	314
4th quarter	525	385	311	249	433	214

For further information, please contact: OMC Card, Inc.
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Telephone: 81-3-3495-9639
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Web site: http://www.omc-card.co.jp/ (Japanese)
http://www.omc-card.co.jp/eng (English)

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