



**NIS  
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NYSE**

# Presentation of 1Q FY2004

**NISSIN CO., LTD.  
8571**

The figures shown in this presentation are based on Japanese GAAP.

The term "FY 2004" refers to the Company's fiscal year ending March 31, 2005 and other fiscal years are referred to in a corresponding manner.

# FORWARD-LOOKING STATEMENTS

The forward-looking statements about our industry, our business, our plans and objectives, our financial condition and our results of operations are based on our current expectations, assumptions, estimates and projections about our business, our industry and capital markets. These forward-looking statements are subject to various risks and uncertainties. These statements discuss future expectations, identify strategies, discuss market trends, contain projections of results of operations or of financial condition, or state other forward-looking information.

Important risks and factors that could cause our actual results to differ materially from the forward-looking statements include, without limitation:

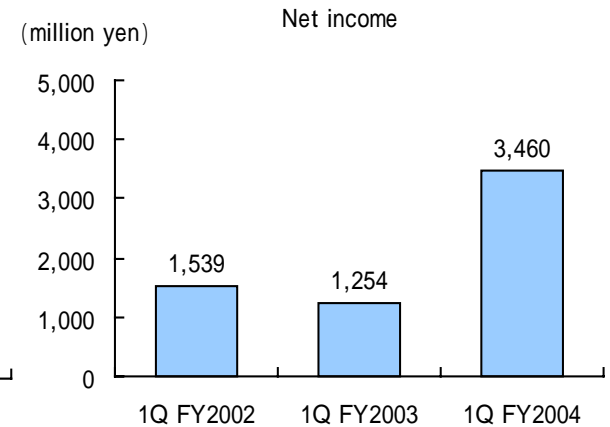
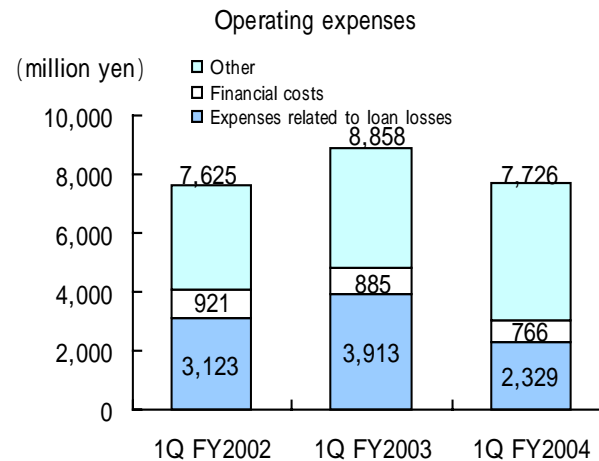
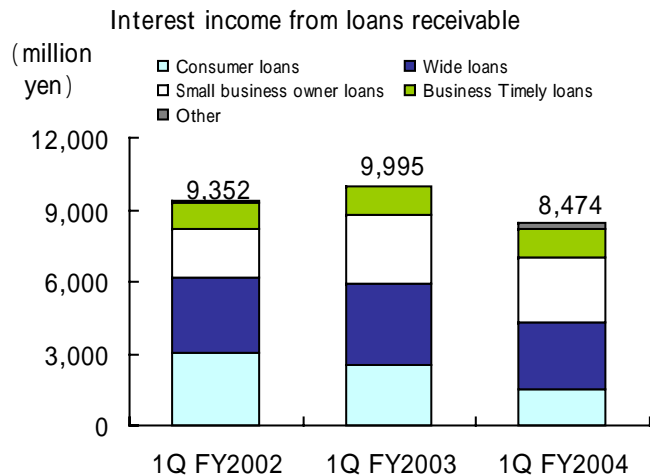
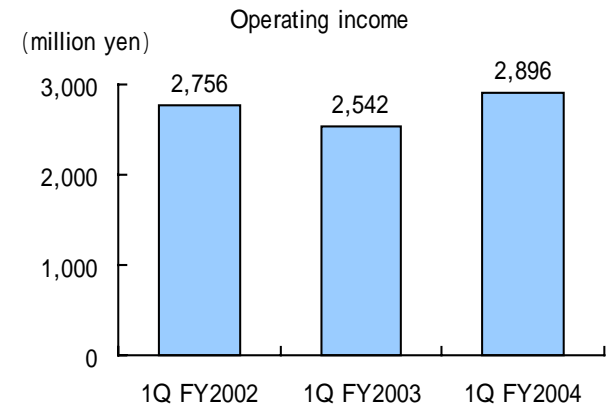
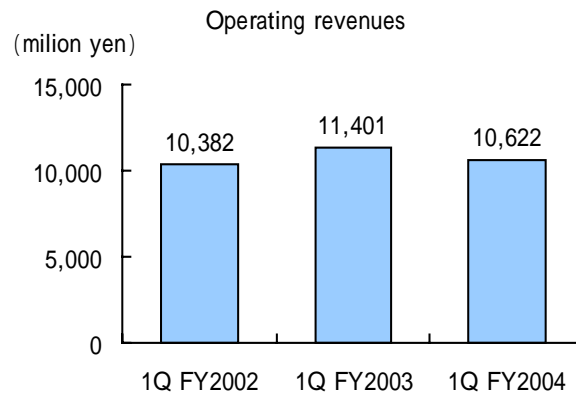
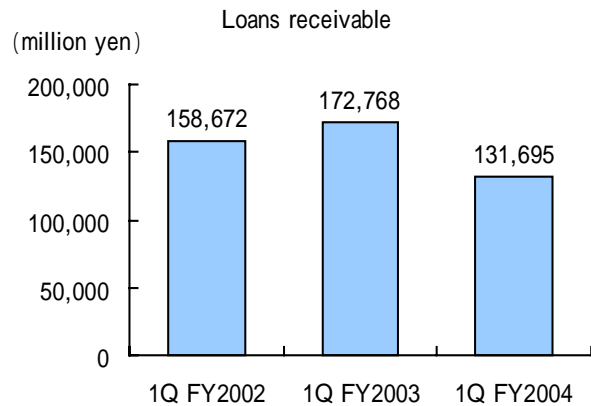
- . the effect of weak domestic economic conditions;
- . competition from large consumer finance companies and other financial institutions;
- . our exposure to negative publicity for the consumer or business finance industries generally or us specifically;
- . potential changes to legislation, including restrictions on interest rates, to regulations for the money lending business and to government policy, including Japan's monetary policy;
- . growing variety of legal means with which debtors can seek protection from creditors;
- . uncertain liquidity of Japan's capital markets and availability of funding from lenders on favorable terms;
- . reliability of information or technological systems and networks;
- . influence over important decision by our president and his family;
- . our ability to pursue and maintain profitable joint ventures and strategic alliances;
- . regulations and increasing competition in the loan servicing market which Nissin Servicer Co., Ltd operates.

Known and unknown risks, uncertainties and other factors could cause our actual operating results to differ materially from those contained in or suggested by any forward-looking statements. We cannot promise that our expectations, projections, anticipated results, estimates or other information expressed in or underlying these forward-looking statements will turn out to be correct, and our actual results could materially differ from and be worse than our expectations.

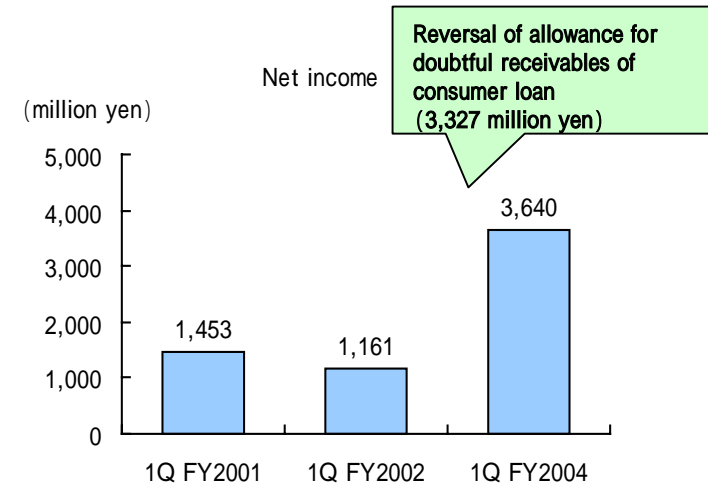
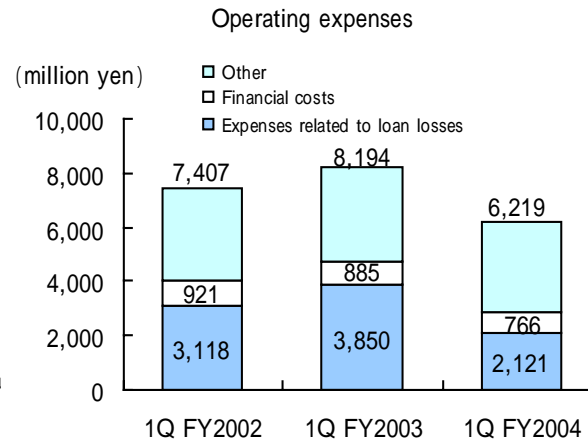
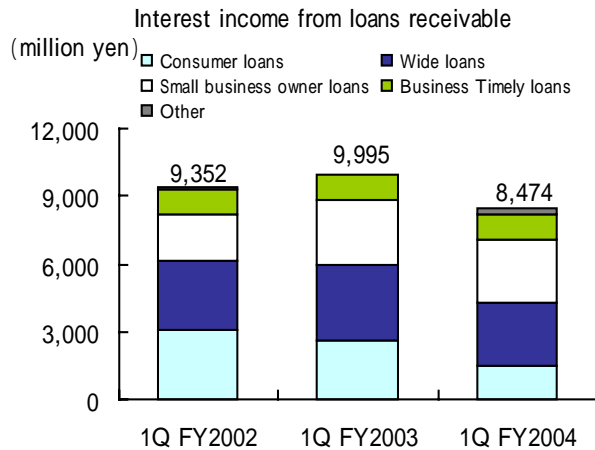
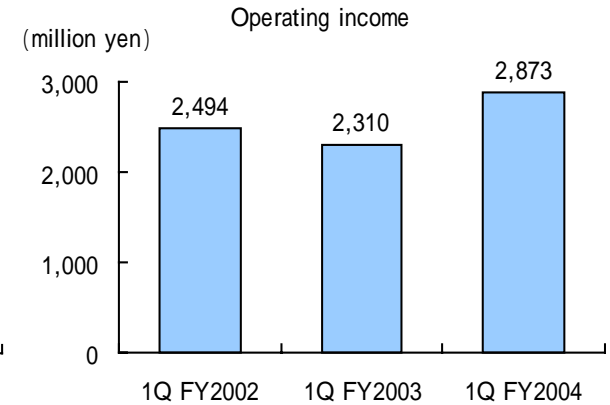
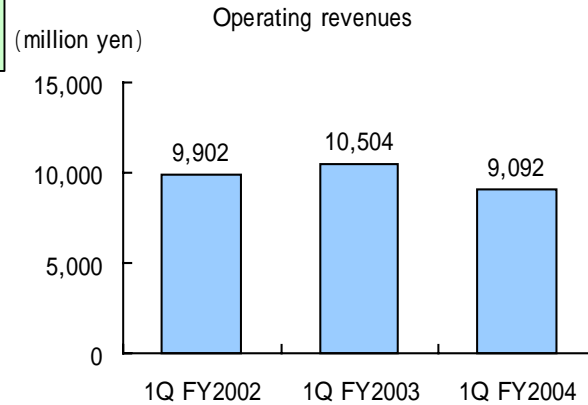
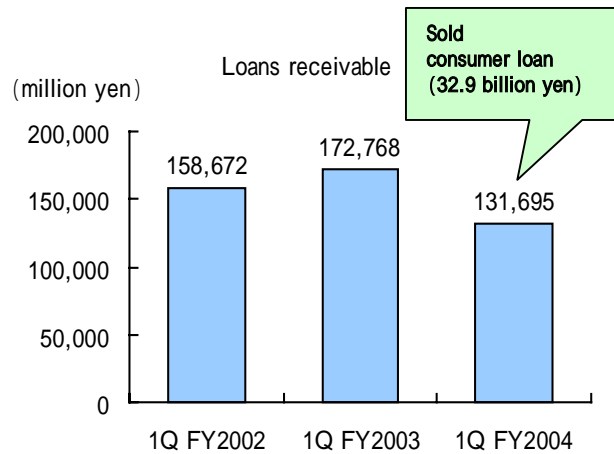
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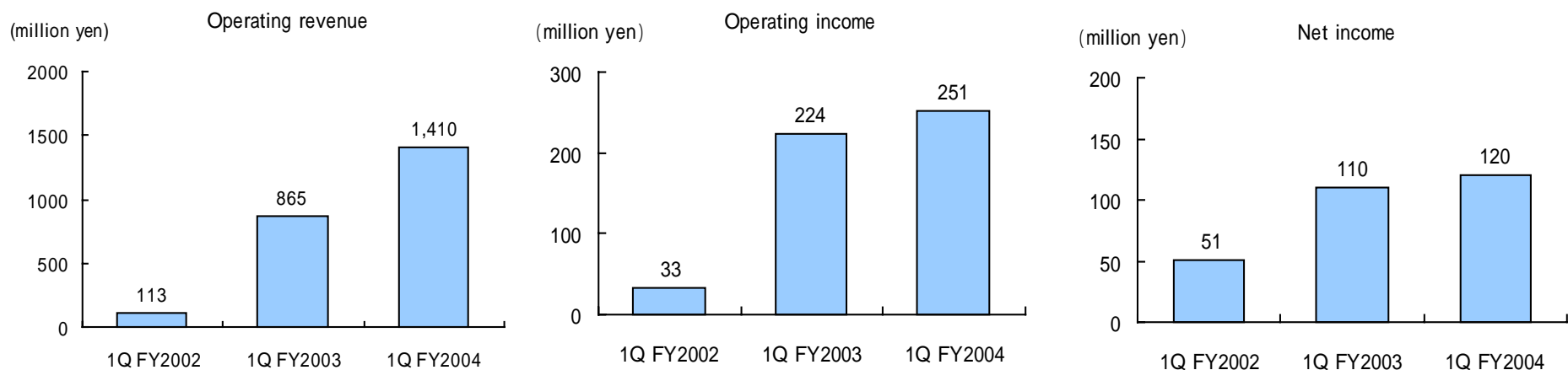
# Overview of the Results of Operations as of and for the Three Months Ended June 30, 2004 (Consolidated)



# Overview of the Results of Operations as of and for the Three Months Ended June 30, 2004 (Non-Consolidated)



# Overview of the 1Q FY 2004 Results of Nissin Servicer Co., Ltd.



## Overview of the results of Nissin Servicer Co., Ltd.

	1Q FY2003		1Q FY2004		
	amount	%	amount	%	YOY
Contract Amt. of purchased loans	680,871	-	847,512	-	24.5%
Collection on purchased loans	3,291	-	4,813	-	46.2%
Operating revenue	865	100.0%	1,410	100.0%	62.8%
Gross profit	394	45.6%	650	46.2%	64.8%
Operating income	224	25.9%	251	17.8%	12.2%
Ordinary income	198	22.9%	216	15.3%	8.9%
Net income	110	12.8%	120	8.5%	8.4%

(amount in millions of yen)

FY 2003	
amount	%
856,939	-
5,059	-
4,599	100.0%
2,097	45.6%
899	19.6%
750	16.3%
406	8.8%

## Overview of the 1Q FY 2004 Results of NIS Lease Co., Ltd.

- Providing venture leases, guarantees of accounts receivable and credit guarantee as its main services.
- Increasing sales staff to 51 people including temporarily transferred employees from Venture Link Co., Ltd.
- In July, started new "NIS Lease Card" service together with NISSIN, which gives pre-approved revolving credit lines up to 5 million yen in cashing and 5 million yen in lease.
- Enlarging the number of agents for NIS Lease Co., Ltd. up to 1000 within this fiscal year. (256 agents as of 1Q FY2004)

Overview of the results of NIS Lease Co., Ltd.

(amount in millions of yen)

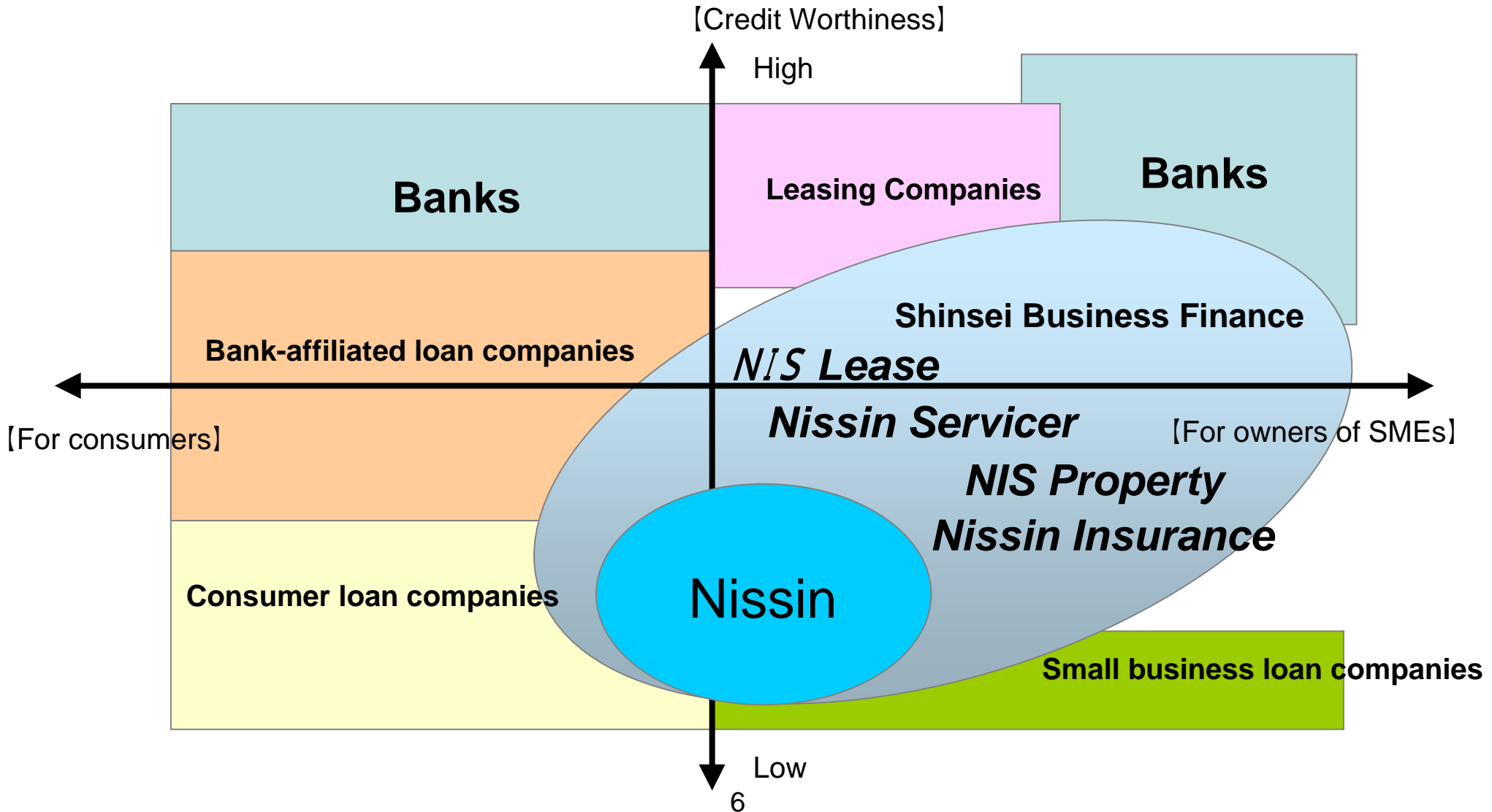
	1Q FY2004	FY2003
	amount	amount
Lease and Installment	1,558	380
A/R Guarantee	34	2
Operating revenue	120	101
Operating income	-215	-78
Ordinary income	-215	-78
Net income	-215	-78

\*Established in Nov. 2003 and commenced operation in Feb. 2004

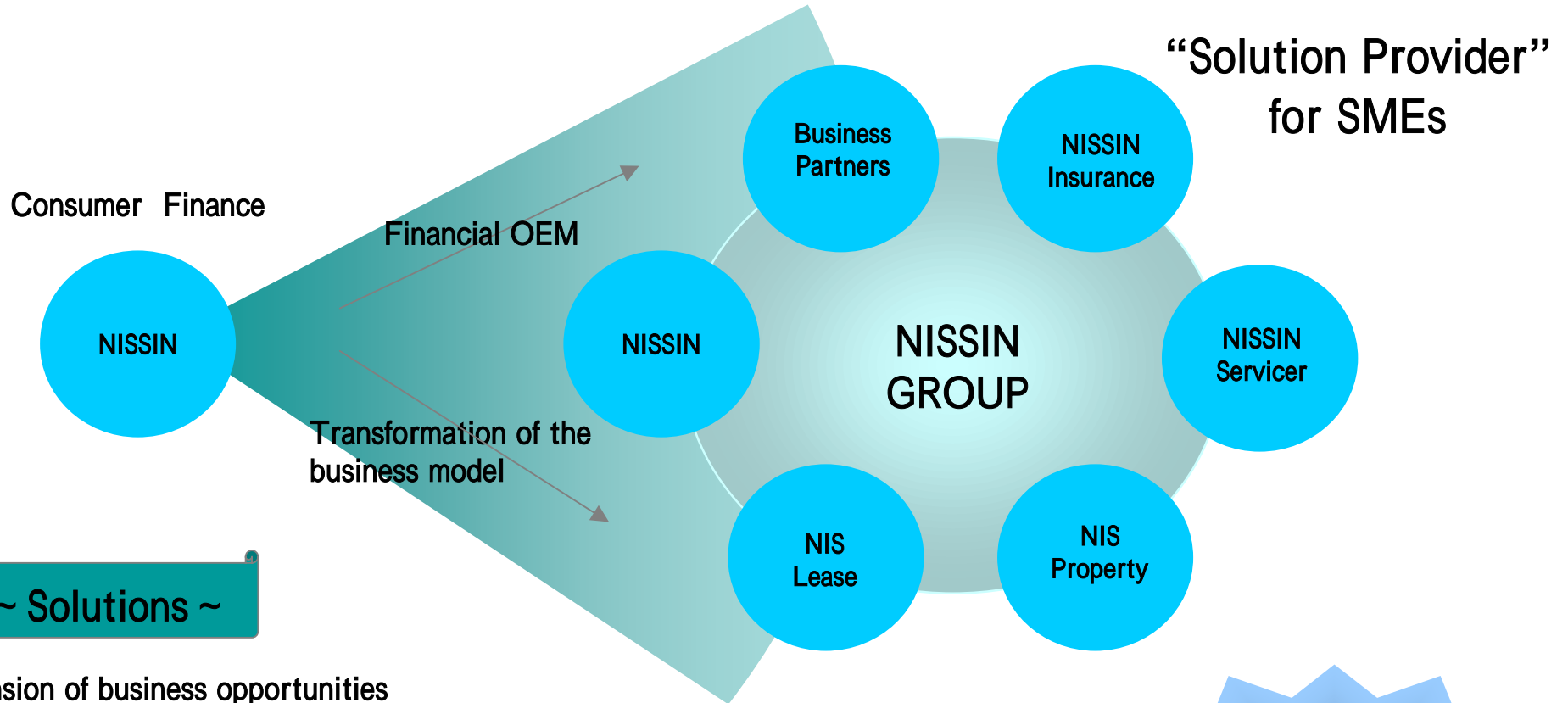
## Developments in FY2004

- June 2004 : Sold consumer loan assets to Orient Credit Co., Ltd. for ¥33 billion, focusing marketing on SMEs. Consolidated branches and offices.
- : Nissin Credit Guarantee Co., Ltd. changed its company name to NIS Property Co., Ltd.
- July 2004 : Established Central Office Sales Department.
- : Established NIS Trading Co., Ltd. to provide credit evaluation for export and import.
  - : Began marketing 「NIS Lease Card」.
  - : Made an additional capital contribution of ¥2 billion out of ¥10billion of the new shares issued by Venture Link Co., Ltd. in order to strengthen its alliance relationship for further business development.

# Target Markets for the Nissin Group

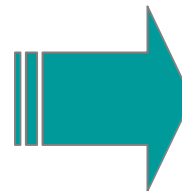


# A “Risk Taker” Company for SMEs



## ~ Solutions ~

- Expansion of business opportunities
- Guarantee of accounts receivable for growth in sales
- Finance services for improvement of cash flow
- Strengthening of the balance sheets
- Improvement of terms and conditions of transactions, etc.



Stimulation of  
economic activity

## Forecasts as of and for the Year Ending March 31, 2005

( amount in millions of yen )

	Forecasts for FY2004	Results for FY2003	YOY
<b>Consolidated</b>			
Operating revenues	40,719	45,693	-10.9%
Operating income	9,183	11,559	-20.5%
Ordinary income	8,891	11,112	-20.0%
Net income	6,839	6,186	10.6%
<b>Non-consolidated</b>			
Loans receivable	141,069	175,440	-19.6%
Operating revenues	32,416	40,795	-20.5%
Operating income	7,571	10,668	-29.0%
Ordinary income	7,570	10,596	-28.6%
Net income	6,160	5,483	12.3%

# Reference

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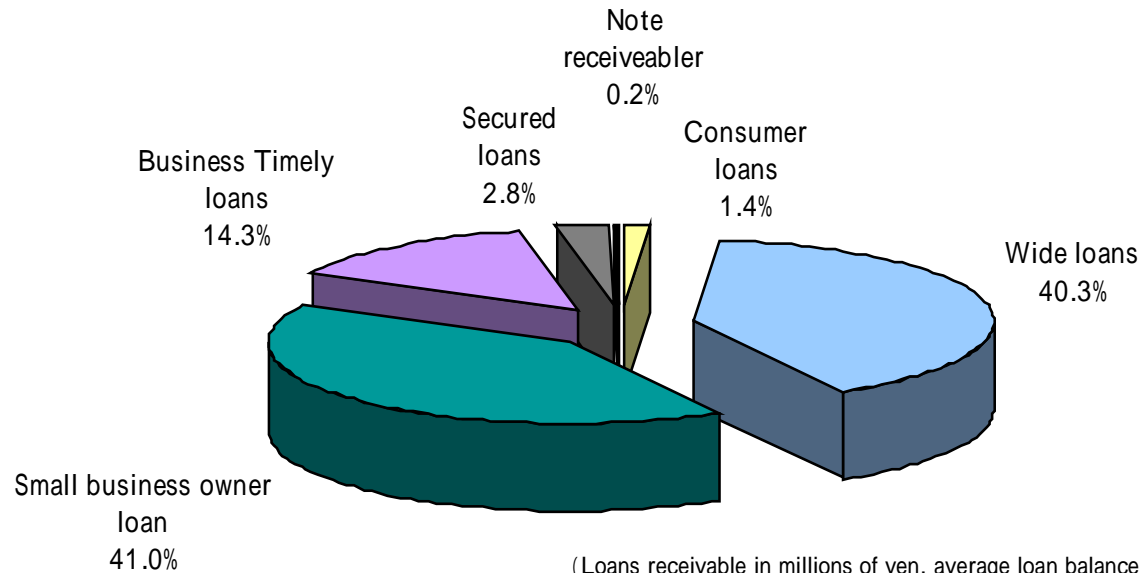


# Breakdown of Operating Revenues (Consolidated)

(amount in millions of yen)

Total Financing services			1Q FY2003		1Q FY2004		YOY(%)	
			amount	%	amount	%	amount	%
Total Financing services	Total loans receivable	Consumer loans	2,574	22.6%	1,523	14.3%	-1,051	-40.8%
		Wide loans	3,382	29.7%	2,787	26.2%	-594	-17.6%
		Small business owner loans	2,872	25.2%	2,714	25.6%	-157	-5.5%
		Business Timely loans	1,122	9.8%	1,196	11.3%	74	6.7%
		Secured loans	43	0.4%	223	2.1%	179	411.4%
		Notes receivable	0	0.0%	28	0.2%	28	-
		Total	9,995	87.7%	8,474	79.7%	-1,521	-15.2%
	Other financial income	0	0.0%	0	0.0%	0	83.9%	
	Other operating income	Origination fee	206	1.8%	258	2.4%	52	25.3%
		Recovery from loans charged off	227	2.0%	185	1.8%	-42	-18.6%
		Guarantee commission received	62	0.5%	152	1.4%	89	142.7%
		Sale from lease and others	-	-	113	1.1%	113	-
		Other	9	0.1%	20	0.2%	10	110.9%
	Total	506	4.4%	730	6.9%	223	44.1%	
	Total		10,502	92.1%	9,204	86.6%	-1,297	-12.4%
Servicer	Collection on purchased loans	865	7.6%	1,145	10.8%	279	32.3%	
	Other operating income	-	-	264	2.5%	264	-	
	Total	865	7.6%	1,410	13.3%	544	62.8%	
Other	Total operating revenues	32	0.3%	8	0.1%	-24	-75.3%	
Total		11,401	100.0%	10,622	100.0%	-778	-6.8%	

# Breakdown of Loans Receivable

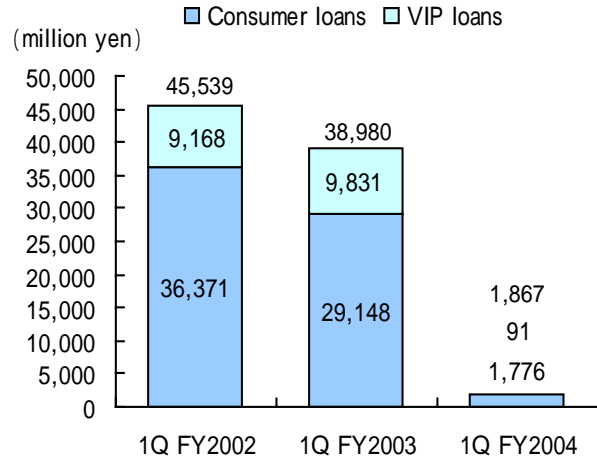


(Loans receivable in millions of yen, average loan balance per account in thousands of yen )

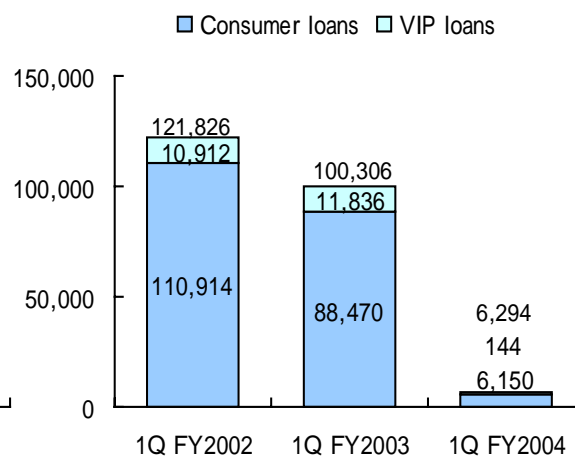
	1Q FY 2003			1Q FY 2004			YOY	
	Accounts	Loans receivable	Average loan balance per account	Accounts	Loans receivable	Average loan balance per account	Accounts	Loans receivable
Total consumer loans	100,306	38,980	389	6,294	1,867	297	-93.7%	-95.2%
(VIP loans)	(11,836)	(9,831)	(831)	(144)	(91)	(632)	-98.8%	-99.1%
Wide loans	35,814	61,870	1,728	33,085	53,070	1,604	-7.6%	-14.2%
Small business owner loans + Business Timely loans	37,998	70,516	1,856	40,115	72,775	1,814	5.6%	3.2%
(Small business owner loans)	(23,447)	(53,389)	(2,277)	(23,774)	(54,012)	(2,272)	1.4%	1.2%
(Business Timely loans)	(14,551)	(17,127)	(1,177)	(16,341)	(18,762)	(1,148)	12.3%	9.5%
Secured loans	276	1,390	5,039	281	3,760	13,382	1.8%	170.4%
Notes receivable	18	11	614	137	221	1,616	661.1%	1904.2%
	174,412	172,768	991	79,912	131,695	1,648	-54.2%	-23.8%

# Consumer Loans

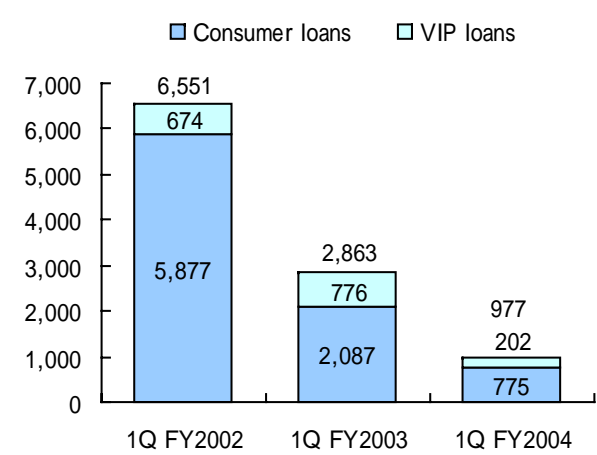
Loans receivable as of  
1Q FY 2002, 1Q FY 2003 and 1Q FY 2004



Number of accounts as of  
1Q FY 2002, 1Q FY 2003 and 1Q FY 2004



Number of newly contracted accounts for the  
1Q FY 2002, 1Q FY 2003 and 1Q FY 2004



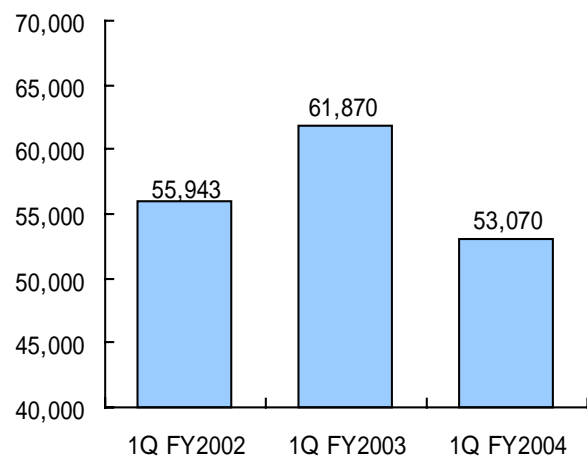
(Loans receivable in millions of yen)

	1Q FY 2002			1Q FY 2003			1Q FY 2004			YOY		
	Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts
Consumer loans	36,371	110,914	5,877	29,148	88,470	2,087	1,776	6,150	775	-93.9%	-93.1%	-62.9%
VIP loans	9,168	10,912	674	9,831	11,836	776	91	144	202	-99.1%	-98.8%	-74.0%
Total	45,539	121,826	6,551	38,980	100,306	2,863	1,867	6,294	977	-95.2%	-93.7%	-65.9%

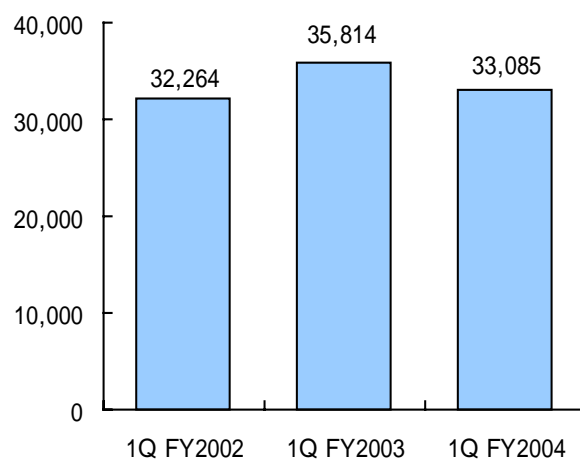
\* The figures for new accounts do not include the new accounts acquired from tie-up companies since July 2002.

# Wide Loans

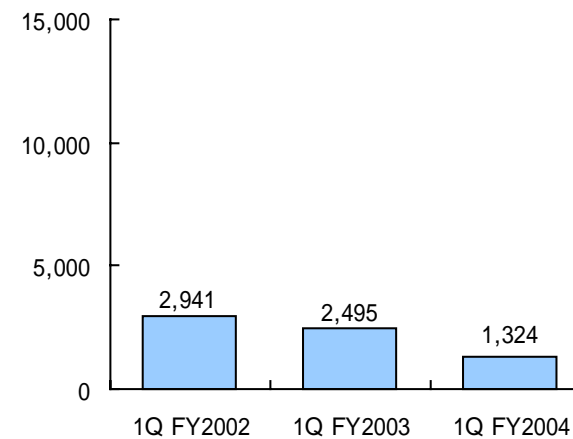
(million yen) Loans receivable as of fiscal year end



Number of accounts as of fiscal year end



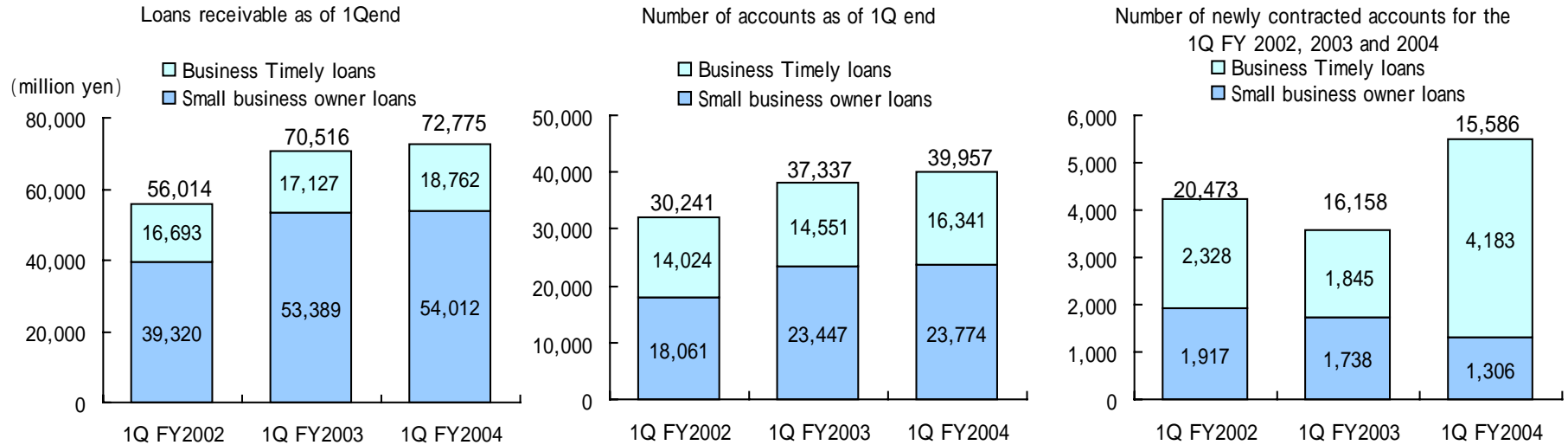
Number of newly contracted accounts for the 1Q FY 2002, 2003 and 2004



(Loans receivable in millions of yen)

1Q YF2002			1Q YF2003			1Q YF2004			YOY(%)		
Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts
55,943	32,264	2,941	61,870	35,814	2,495	53,070	33,085	1,924	-14.2%	-7.6%	-22.9%

# Small Business Owner Loans and Business Timely Loans



(Loans receivable in millions of yen)

	1Q FY2002			1Q FY2003			1Q FY 2004			YOY %		
	Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts	Loans receivable	Number of accounts	Number of new accounts
Small business owner loans	39,320	18,061	1,917	53,389	23,447	1,738	54,012	23,774	1,306	1.2%	1.4%	-24.9%
Business Timely loans	16,693	14,024	2,328	17,127	14,551	1,845	18,762	16,341	4,183	9.5%	12.3%	126.7%
Total	56,014	32,085	4,245	70,516	37,998	3,583	72,775	40,115	5,489	3.2%	5.6%	53.2%

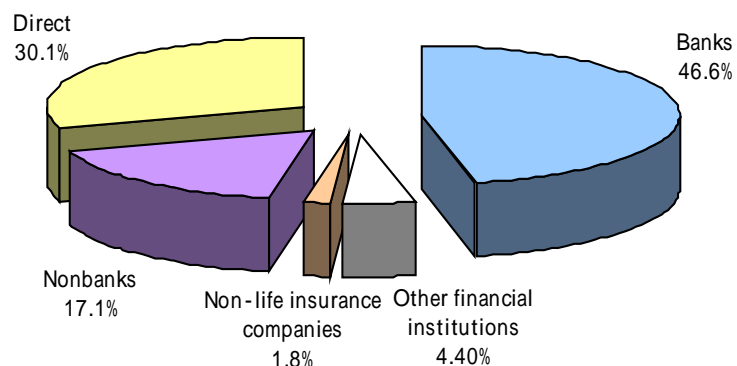
## Loans Charged off and Allowance for Loan Losses (Non-Consolidated)

( amount in millions of yen )

	1Q ended June 30, 2002	1Q ended June 30, 2003	YOY%	FY 2003
Loans charged off	3,216	2,226	-30.78%	11,759
Consumer loans	1,372	308	-77.54%	4,426
Wide loans	787	721	-8.42%	2,977
Small business owner loans+Business timely loans	1,023	1,193	16.59%	4,255
(Small business owner loans)	(571)	(640)	12.06%	2,468
(Business timely loans)	(451)	(552)	22.34%	1,787
Secured loans	33	3	-89.83%	100
Ratio of loans charged off	1.80%	1.61%	-0.18%	6.16%
Consumer loans	3.40%	14.16%	10.76%	11.06%
Wide loans	1.23%	1.30%	0.07%	4.93%
Small business owner loans+Business timely loans	1.40%	1.57%	0.16%	5.31%
(Small business owner loans)	(1.03%)	(1.13%)	0.09%	4.14%
(Business timely loans)	(2.57%)	(2.86%)	0.29%	8.74%
Secured loans	2.17%	0.09%	-2.08%	0.99%
Allowance for loan losses	12,444	9,717	-21.9%	13,453
Ratio of allowance for loan losses	7.08%	7.16%	0.08%	7.50%

\*The figures do not include the results of subsidiaries.

## Breakdown of Borrowings as of 1Q FY 2004 (Non-Consolidated)



	1Q FY 2003		1Q FY 2004		YOY		FY 2003	
	million yen	%	million yen	%	million yen	%	million yen	%
Indirect	100,443	68.8%	85,625	69.9%	-14,818	-14.8%	92,701	64.7%
Banks	66,177	45.3%	57,046	46.6%	-9,131	-13.8%	59,263	41.4%
Life insurance companies	168	0.1%	0	0.0%	-168	-100.0%	100	0.1%
Non-life insurance compaines	2,025	1.4%	2,162	1.8%	137	6.8%	2,407	1.7%
Other financial institutions	3,489	2.4%	5,435	4.4%	1,946	55.8%	5,508	3.8%
Nonbanks	28,584	19.6%	20,982	17.1%	-7,602	-26.6%	25,423	17.7%
Direct	45,572	31.2%	36,901	30.1%	-8,671	-19.0%	50,665	35.3%
SB	25,000	17.1%	16,000	13.0%	-9,000	-36.0%	26,000	18.2%
CB, WB	11,500	7.9%	10,000	8.2%	-1,500	-13.0%	11,500	8.0%
CP	2,800	1.9%	2,600	2.1%	-200	-7.1%	3,200	2.2%
ABCP, Other	6,272	4.3%	8,301	6.8%	2,029	32.4%	9,964	6.9%
Total	146,015	100.0%	122,527	100.0%	-23,488	-16.1%	143,367	100.0%
Average borrowing interest rate		2.3%		2.1%		-0.2%		2.20%
Average borrowing cost rate including derivatives		2.3%		2.2%		-0.1%		2.30%

\*The figures do not include the results of subsidiaries.

# List of Our Investment Securities

As of June 30, 2004

(Amount: Yen)

## Listed Companies

Description	Code	# of Shares	Price/Share	Beg. Book Value	6/30 Price	Carrying Value	Differential
BB Net Corp.	2318	4,725	40,259	190,227,273	465,000	2,197,125,000	2,006,897,727
For-side.com Co., Ltd.	2330	50,000	6,091	304,580,000	218,000	10,900,000,000	10,595,420,000
MOC Corp.	2363	800	330,000	132,000,000	774,000	619,200,000	487,200,000
Tenpos Busters Co., Ltd.	2751	496	136,742	67,824,245	291,000	144,336,000	76,511,755
Livedoor Co., Ltd.	4753	20,000	638	12,758,000	920	18,400,000	5,642,000
Cyber Communications Inc.	4788	250	205,065	51,266,250	248,000	62,000,000	10,733,750
Axell Corp.	6730	300	83,333	25,000,000	750,000	225,000,000	200,000,000
Gulliver International Co., Ltd.	7599	10,000	5,530	55,306,639	12,590	125,900,000	70,593,361
Fujitsu Business Systems Ltd.	8092	17,300	1,401	24,237,300	1,471	25,448,300	1,211,000
Shinsei Bank, Ltd.	8303	100,000	743	73,939,500	696	69,600,000	-4,339,500
Tokushima Bank, Ltd.	8561	122,971	592	72,895,869	736	90,506,656	17,610,787
Venture Link Co., Ltd.	9609	4,878,000	410	1,999,980,000	337	1,643,886,000	-356,094,000
Subtotal		5,204,842		3,010,015,076		16,121,401,956	13,111,386,880

## Unlisted Companies & Others

(Amount: Yen)

Description	Code	# of Shares	Price/Share	Beg. Book Value	Share Price	Carrying Value	Differential
Xinhua Netchina Ltd.(subsidiary of Xinhua Finance)		300	50,000	15,000,000	50,000	15,000,000	0
Xinhua Finance Ltd.		13,698,630	80	1,097,999,989	80	1,097,999,989	0
Tenpo Ryutsuu Net Corp. (formerly, Future Create.)		550	75,000	41,250,000	75,000	41,250,000	0
Others (34 companies)		152,109		407,455,492		407,455,492	0
Subtotal		13,851,589		1,561,705,481		1,561,705,481	0

Total		19,056,431		4,571,720,557		17,683,107,437	13,111,386,880
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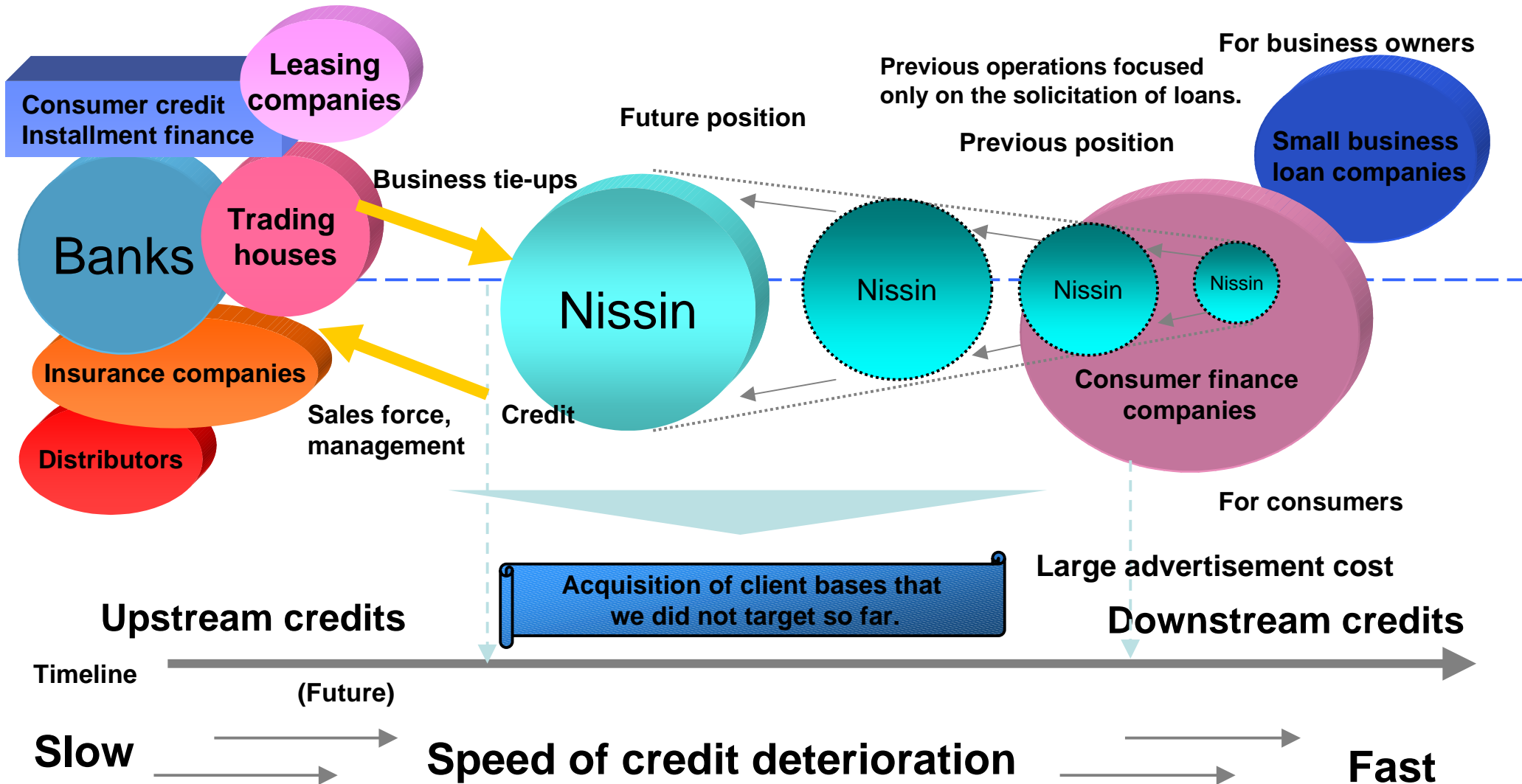
For Xinhua Finance, share price of US\$0.73 and beg. book value of US\$9,999,999.90 are converted into yen.

## Subsidiaries and Associates

(Amount: Yen)

Description	Code	# of Shares	Price/Share	Beg. Book Value	Share Price	Carrying Value	Differential
Nissin Servicer Co., Ltd.		20,000	25,000	500,000,000	25,000	500,000,000	0
NIS Lease Co., Ltd.		10,000	50,000	500,000,000	50,000	500,000,000	0
Nissin Credit Guarantee Co., Ltd.		2,200	50,000	110,000,000	50,000	110,000,000	0
Nissin Insurance Co., Ltd.		200	50,000	10,000,000	50,000	10,000,000	0
NIS Real Estate Co., Ltd.		570	50,000	28,500,000	50,000	28,500,000	0
Shinsei Business Finance Co.,Ltd.		500,000	500	250,000,000	500	250,000,000	0
Webcashing.com Co., Ltd.		2,280	141,667	323,000,000	141,667	323,000,000	0
Ascot Co., Ltd.		2,000	25,235	50,471,150	25,235	50,471,150	0
<b>Total</b>		<b>537,250</b>		<b>1,771,971,150</b>		<b>1,771,971,150</b>	<b>0</b>

# Our Strategy – “Financial OEM”

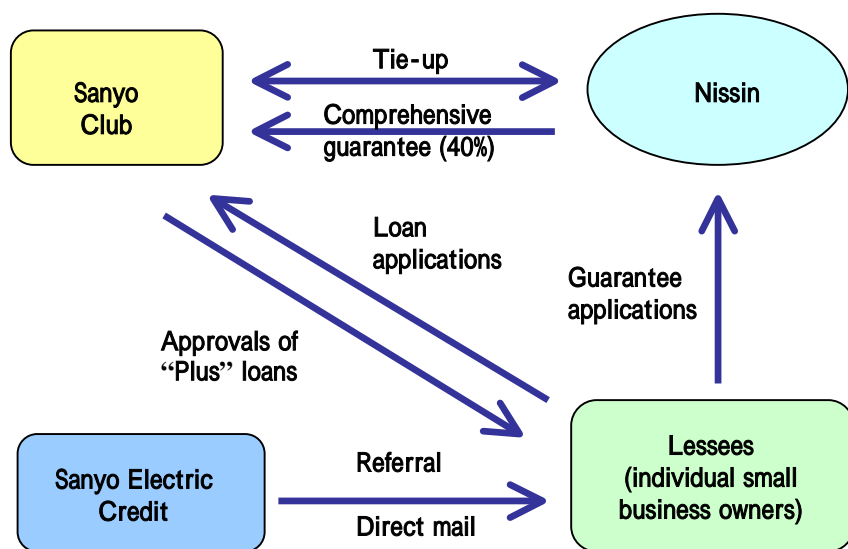


# List of Our Main Business Alliances

As of June 30, 2004

Business Partner	Target Customer	Loan provider/Products	Risk to Nissin	Return to Nissin	Remarks
Sanyo Electric Credit Co., Ltd. Sanyo Club Co., Ltd. (a 100% subsidiary of Sanyo Electric Credit Co., Ltd.)	Sanyo Electric Credit's existing lease customers (Mainly owners of SMEs)	Sanyo Club Co., Ltd. "Plus" loans 2 million yen or less Unsecured / Unguaranteed Interest rate: 15% ~ 18% / year	40% of the loans outstanding	40% of the annual interest income	13 salesmen are dispatched from Nissin Co., Ltd.
Shinsei Bank co., Ltd. Shinsei Business Finance Co., Ltd. (Shinsei Bank: 75% / Nissin: 25%)	owners of SMEs	Shinsei Business Finance Co., Ltd. "Shinsei Business Loan" 30 million yen or less Guaranteed by representative officer Interest rate: 8% ~ 15% / year	"Shinsei Business Loan": 10% of the loans outstanding	"Shinsei Business Loan": 10% of the annual interest income	Nissin's 30 branches operate as agencies for Shinsei Business Finance Co., Ltd. 12 salesmen are dispatched from Nissin Co., Ltd.
		"Shinsei 3S Loan" 10 million yen or less Guaranteed by two third parties Interest rate: 12% ~ 20% / year	"Shinsei 3S Loan" 100% of the loans outstanding	"Shinsei 3S Loan": determined by subtracting 4% from the annual interest rate	
Gulliver International Co., Ltd.	Members of the Gold Lounge (Mainly used-car dealerships)	Nissin Co.,Ltd. "NIS Asset Finance" loans 10 million yen or less Collateral: vehicles in stock Interest rate: 1.45% / month	100% of the loans outstanding	100% of the annual interest income	
usen Corp.	usen Corp.'s customers (Mainly owners of SMEs)	Nissin Co.,Ltd. "usen Business Timely loans" 2 million yen or less unsecured / Unguaranteed Interest rate: 27.01% / year "Small business owner loans" 5 million yen or less Unsecured/Guaranteed by third parties Interest rate: 24.09% / year	100% of the loans outstanding	100% of the annual interest income	26 salesmen are dispatched from Nissin Co., Ltd.

# Business tie-up with Sanyo Electric Credit Co., Ltd.



- Target established customers of Sanyo Electric Credit.
- Sanyo Electric Credit shares risk and return with Nissin in the proportion of 6 to 4.
- Staff dispatched from Nissin operates at Sanyo Club.
- Introduce Nissin’s products (Business Timely loans / Small business owner loans ) to rejected customers of “Plus” loans.

Outline of 『Plus』 loans	
Loan amount	2 million yen
Interest rate	15% ~ 18%
Security/Guarantor	Unsecured/Require Nissin’s guarantee
Proportion of guarantee	40%
Guarantee fee	40% of interest received

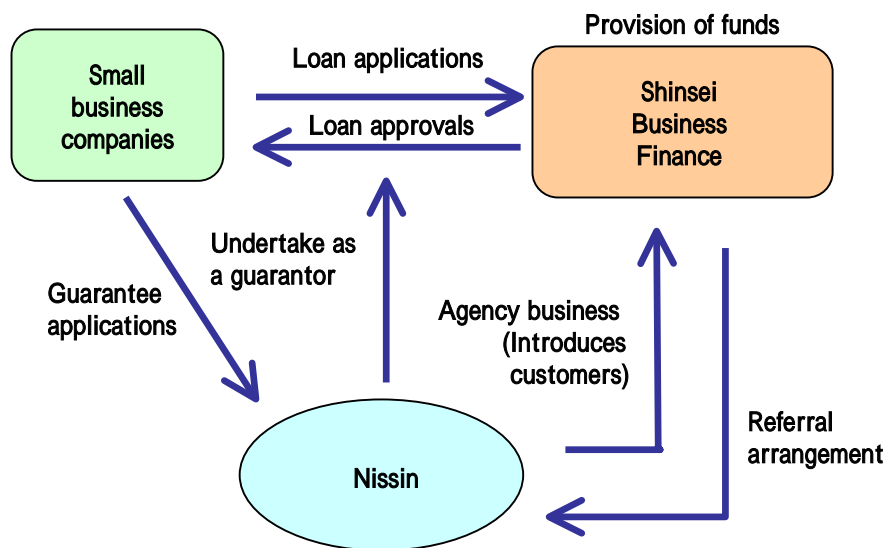
“Plus” loans provided by Sanyo Club (cumulative information as of 1Q FY2004)

Loans receivable	6,590 million yen
Portion guaranteed by Nissin	2,665 million yen

Loans referred from Sanyo Club to Nissin (cumulative information of 1Q FY2004)

Number of customers referred from Sanyo Club	288	
Number and amount of newly contracted accounts	77	145 million yen
Number and amount of active accounts & loans receivable	1,016	1,546 million yen

# Business tie-up with Shinsei Bank Co., Ltd.



Nissin's about 30 branches commenced services as agents for Shinsei Business Finance Co., Ltd.

- Market under the brand name of “Shinsei”
  - Acquiring better-quality customers
- Introduce Nissin's products to rejected customers of Shinsei Business Finance Co., Ltd.

	Shinsei Business Loan	Shinsei 3S Loan
Loan amount	30 million yen	10 million yen
Interest rate	8% ~ 15%	12% ~ 20%
Security/Guarantor	Unsecured / Guaranteed by representative	Unsecured / Guaranteed by third parties
Proportion of Guarantee	10%	100%
Guarantee fee	10% of interest received	8% ~ 16% (Contracted interest rate – 4%)

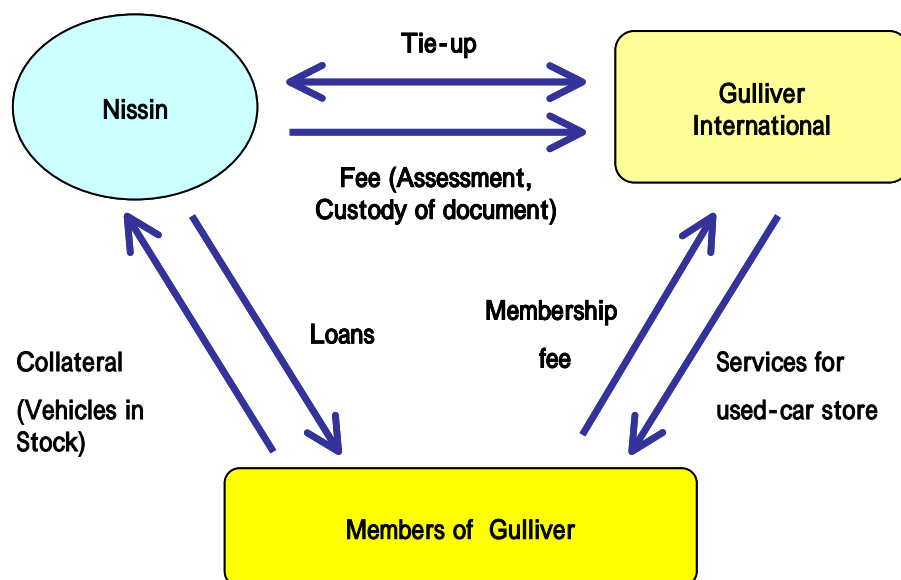
“Business Loan” and “3S Loan” provided by Shinsei Business Finance (cumulative information as of 1Q FY2004)

Loans receivable	8,063 million yen
Portion guaranteed by Nissin	1,792 million yen

Loans referred from Shinsei Business Finance (cumulative information as of 1Q 2004)

Number of customers referred from Shinsei Business Finance	245	
Number and amount of newly contracted accounts	78	385 million yen
Number and amount of active accounts & loans receivable	241	901 million yen

## Business tie-up with Gulliver International Co., Ltd.



- Only offered to members of Gulliver
- Expansion of a marketing channel for Nissin
- Improving services to members of Gulliver International
- Furthering business opportunities for members

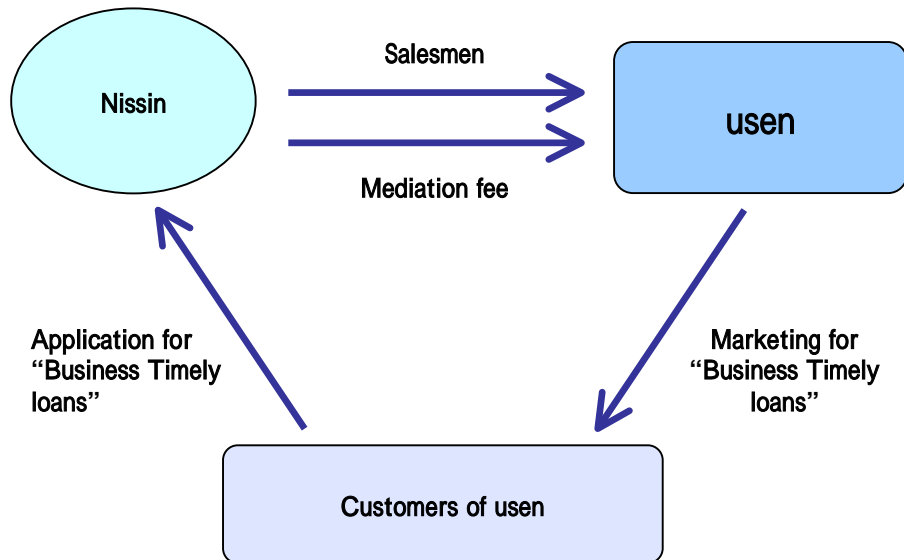
Outline of 『NIS Asset Finance』	
Loan amount	10 million yen
Interest rate	1.45%/month (17.4%/year)
Administration fee	1% (real int. 23.4%)
Collateral	Vehicles in Stock
Term	2 months

Results as of or for the 1Q FY 2004			
Number of applications	58		
Number of contracts	84	Number of accounts	27
Commitment line	555 million yen	Loans receivable	71 million yen

\* Commenced operation in Nov. 2003

\* Number of application for the 1Q ended FY2004

## Business tie-up with usen Corp.



- Target existing customers of usen Corp. (700,000 companies)
- Marketing by sales persons dispatched from Nissin
- Start-up of distributing “NIS Lease card” (up to 5million yen both in cashing and lease) from July.
- Front-line marketing network for usen Corp.

### Expansion of marketing network

Outline of 『usen Business Timely loan』	
Loan amount	2 million yen
Interest rate	27.01%
Secured/ Guarantee	Unsecured / No guarantor

Loans referred from USEN (cumulative information as of 1Q 2004)

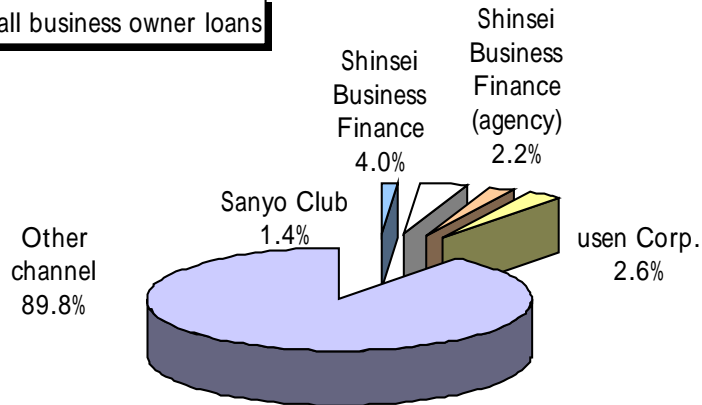
Number of customers referred from USEN	6,274	
Number and amount of newly contracted accounts	756	572 million yen
Number and amount of active accounts & loans receivable	1,482	1,425 million yen

\* Commenced operation on November 15, 2004

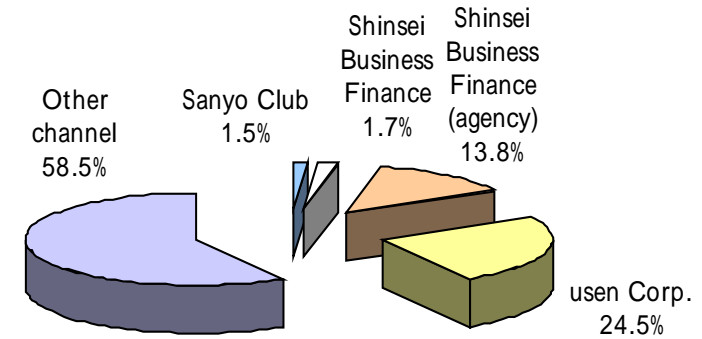
\* Total amount of loans receivable includes the amount acquired during the test period between Dec. 2002 to Feb. 2003.

# Newly Contracted Account by Channel

Small business owner loans



Business Timely loans



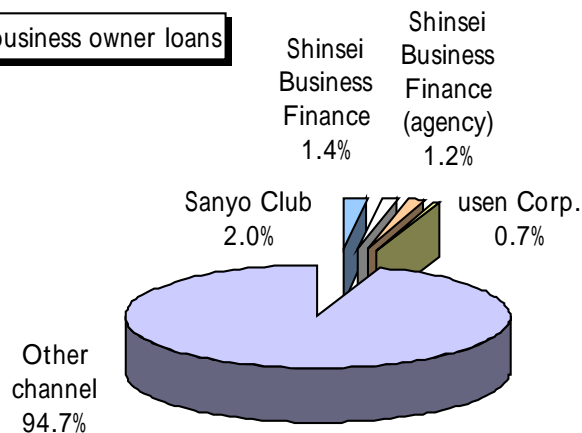
1Q FY2004 Newly contracted account by channel

(amount in thousands of yen)

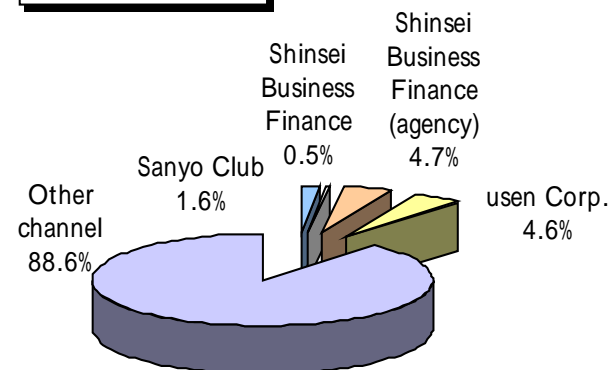
	Small business owner loans		Business Timely		Other		Total	
	amount	%	amount	%	amount	%	amount	%
Sanyo Club	121,900	1.4%	16,600	1.5%	7,000	0.1%	145,500	0.7%
Shinsei Business Finance	348,030	4.0%	19,700	1.7%	18,000	0.2%	385,730	2.0%
Shinsei Business Finance (agency)	186,500	2.2%	157,120	13.8%	11,250	0.1%	354,870	1.8%
usen Corp.	220,600	2.6%	278,880	24.5%	83,190	0.8%	572,670	3.0%
Other channels	7,766,600	89.8%	665,031	58.5%	9,754,131	98.8%	18,185,762	92.5%
<b>Total</b>	<b>8,643,630</b>	<b>100.0%</b>	<b>1,137,331</b>	<b>100.0%</b>	<b>9,873,571</b>	<b>100.0%</b>	<b>19,654,532</b>	<b>100.0%</b>

# Breakdown of Loans Outstanding by Channel

Small business owner loans



Business Timely loans



	Small business owner loans		Business Timely		Other		Total	
	amount	%	amount	%	amount	%	amount	%
Sanyo Club	1,147,047	2.0%	301,715	1.6%	98,005	0.2%	1,546,767	1.1%
Shinsei Business Finance	791,932	1.4%	91,115	0.5%	18,911	0.0%	901,958	0.7%
Shinsei Business Finance (agency)	662,596	1.2%	901,827	4.7%	73,464	0.1%	1,637,887	1.2%
usen Corp.	373,587	0.7%	875,757	4.6%	176,235	0.3%	1,425,579	1.0%
Other channels	53,631,057	94.7%	17,033,649	88.6%	60,887,806	99.4%	131,552,512	96.0%
<b>Total</b>	<b>56,606,219</b>	<b>100.0%</b>	<b>19,204,066</b>	<b>100.0%</b>	<b>61,254,418</b>	<b>100.0%</b>	<b>137,064,703</b>	<b>100.0%</b>

\*The figure for loans outstanding include bad loans and doubtful debts

## Delinquent Loans by Channel

### Small business owner loans

(amount in thousands of yen)

	Loans receivable as of 1Q FY2004		7 days or more overdue		44 days or more overdue		67 days or more overdue	
	loans receivable	%	loans receivable	%	loans receivable	%	loans receivable	%
Sanyo Club	1,147,047	2.5%	11,753	1.0%	11,753	1.0%	11,753	1.0%
Shinsei Business Finance	791,932	1.7%	14,558	1.8%	11,368	1.4%	9,638	1.2%
Shinsei Business Finance (agency)	662,596	1.4%	5,592	0.8%	4,289	0.6%	2,634	0.4%
usen Corp.	373,587	0.8%	0	0.0%	0	0.0%	0	0.0%
Other channels	42,974,369	93.5%	2,735,665	6.4%	2,023,941	4.7%	1,668,921	3.9%
Total	45,949,532	100.0%	2,767,569	6.0%	2,051,352	4.5%	1,692,947	3.7%

### Business Timely loans

(amount in thousands of yen)

	Loans receivable as of 1Q FY2004		7 days or more overdue		44 days or more overdue		67 days or more overdue	
	loans receivable	%	loans receivable	%	loans receivable	%	loans receivable	%
Sanyo Club	300,253	3.3%	13,337	4.4%	9,018	3.0%	4,372	1.5%
Shinsei Business Finance	91,115	1.0%	890	1.0%	890	1.0%	890	1.0%
Shinsei Business Finance (agency)	901,827	9.9%	24,611	2.7%	19,949	2.2%	13,263	1.5%
usen Corp.	875,757	9.6%	8,824	1.0%	8,824	1.0%	5,389	0.6%
Other channels	6,934,015	76.2%	263,093	3.8%	203,299	2.9%	137,871	2.0%
Total	9,102,969	100.0%	310,759	3.4%	241,983	2.7%	161,787	1.8%

\*The above data are with respect to loans contracted from April 2002 to June 2004

\*The figure for loans outstanding include bad loans and doubtful debts



NIS GROUP