

Financial Results  
Fiscal Year 2000  
-Supplementary Information-

Sumitomo Mitsui Banking Corporation

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**I Financial Highlights for FY 2000 (Sumitomo Bank)**

## 1. Financial Result

&lt;Non-consolidated&gt;

(Millions of yen)

		FY2000	Change	FY1999
Gross banking profit	1	772,811	50,246	722,565
<Excluding gains/losses on bonds>	2	<771,961>	<45,446>	<726,515>
Gross domestic profit	3	582,955	17,782	565,173
<Excluding gains/losses on bonds>	4	<578,731>	<10,669>	<568,062>
Net interest income	5	519,145	3,874	515,271
Net fees and commissions	6	54,324	6,215	48,109
Net trading profit	7	5,806	1,632	4,174
Other operating income	8	3,679	6,060	(2,381)
<Gains and losses on bonds>	9	<4,224>	<7,113>	<(2,889)>
Gross international profit	10	189,856	32,465	157,391
<Excluding gains/losses on bonds>	11	<193,229>	<34,777>	<158,452>
Net interest income	12	122,893	33,464	89,429
Net fees and commissions	13	27,091	5,942	21,149
Net trading profit	14	68,802	39,694	29,108
Other operating income	15	(28,931)	(46,634)	17,703
<Gains and losses on bonds>	16	<(3,373)>	<(2,312)>	<(1,061)>
Expenses	17	(325,138)	4,647	(329,785)
Personnel expenses	18	(138,358)	3,601	(141,959)
Non-personnel expenses	19	(169,580)	598	(170,178)
Taxes	20	(17,199)	448	(17,647)
Bond issue costs	21		3,340	(3,340)
Banking profit (excluding transfer to general reserve for possible loan losses)	22	447,672	58,234	389,438
<Excluding gains/losses on bonds>	23	446,822	53,434	393,388
Transfer to general reserve for possible loan losses	24	132,621	171,481	(38,860)
Banking profit	25	580,293	229,715	350,578
<Gains/Losses on bonds>	26	849	4,799	(3,950)
Other operating profit (loss)	27	(411,872)	(237,771)	(174,101)
<Total credit cost>	28	<(558,005)>	<122,696>	<(680,701)>
Write-off of loans	29	(500,896)	(153,546)	(347,350)
Transfer to specific reserve	30	(146,703)	106,357	(253,060)
Transfer to reserve for losses on loans sold	31	(19,053)	(1,754)	(17,299)
Losses on loans sold to CCPC	32	(11,378)	(3,727)	(7,651)
Losses on sale of delinquent loans	33	(16,588)	3,020	(19,608)
Losses on financial support for associated companies	34	---	---	---
Transfer to loan loss reserve for specific overseas countries	35	3,993	866	3,127
<Transfer to general reserve for possible loan losses>	36	<132,621>	<171,481>	<(38,860)>
Gains/Losses on stocks	37	259,940	(226,747)	486,687
Gains on sale of stocks	38	335,534	(215,705)	551,239
Losses on sale of stocks	39	(37,817)	(2,667)	(35,150)
Losses on devaluation of stocks	40	(37,776)	(8,376)	(29,400)
Enterprise tax by Tokyo Metropolitan Government	41	(8,100)	(8,100)	---
Other	42	26,914	45,861	(18,947)
Operating profit	43	168,421	(8,056)	176,477
Extraordinary profit (loss)	44	(34,370)	(6,393)	(27,977)
Gains/Losses on disposition of premises and equipment	45	(14,478)	(7,541)	(6,937)
Gains on disposition of premises and equipment	46	958	(663)	1,621
Losses on disposition of premises and equipment	47	(15,436)	(6,878)	(8,558)
Amortization of net obligation under new accounting standard for employees' retirement benefits	48	(20,167)	(20,167)	---
Income before income taxes	49	134,051	(14,449)	148,500
Income taxes, current	50	(7,759)	(1,125)	(6,634)
Income taxes, deferred	51	(70,616)	22,431	(93,047)
Effect of introduction of enterprise taxes to banking industries by Tokyo Metropolitan Government	52	---	34,268	(34,268)
Effect of introduction of enterprise taxes to banking industries by Osaka Prefectural Government	53	(26,422)	(26,422)	---
Net income	54	55,675	6,857	48,818

## &lt;Consolidated&gt;

(Millions of yen)

		FY2000		FY1999
			Change	
Consolidated gross profit	1	951,563	25,874	925,689
Net interest income	2	653,547	(168)	653,715
Net fees and commissions	3	168,918	23,057	145,861
Net trading profit	4	82,229	35,322	46,907
Other operating income	5	46,867	(32,337)	79,204
General and administrative expenses	6	(450,268)	15,872	(466,140)
Total credit cost	7	(646,324)	87,144	(733,468)
Write-off of loans	8	(556,661)	(117,539)	(439,122)
Transfer to specific reserve	9	(174,847)	44,290	(219,137)
Transfer to general reserve for possible loan losses	10	138,726	167,926	(29,200)
Other	11	(53,540)	(7,532)	(46,008)
Gains and losses on stocks	12	394,985	(120,606)	515,591
Net income/loss from unconsolidated entities by the equity method	13	36,479	72,028	(35,549)
Other operating profit	14	24,307	(6,856)	31,163
Operating profit	15	310,741	73,456	237,285
Extraordinary profit (loss)	16	(37,273)	(16,491)	(20,782)
Income before income taxes	17	273,468	56,965	216,503
Income taxes, current	18	(57,439)	(6,645)	(50,794)
Income taxes, deferred	19	(128,327)	(31,940)	(96,387)
Minority interests in net income	20	(4,231)	3,213	(7,444)
Net Income	21	83,469	21,594	61,875

(Note) Consolidated gross profit = (Interest income - Interest expenses) + (Fees and commissions (income) - Fees and commissions (expenses))  
+ (Trading profits - Trading losses) + (Other income - Other losses)

## (Reference)

(Billions of yen)

Consolidated banking profit	22	468.9	0.9	468.0
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(Note) Consolidated banking profit = (Non-consolidated banking profit (excl. transfer to general reserve)) + (Subsidiaries' operating profit)  
+ (Affiliates' operating profit) \* (Ownership ratio) - (Internal transaction (dividends, etc.))

## (Number of subsidiaries and affiliates)

		Mar. 31, 2001		Mar. 31, 2000
			Change	
Consolidated subsidiaries	23	84	9	75
Affiliated companies accounted for by the equity method	24	29	(9)	38

## 2. Banking Profit per Employee / Overhead Ratio &lt;Non-consolidated&gt;

(Millions of yen, %)

	FY2000		FY1999
		Change	
(1)Banking profit (excluding transfer to general reserve for possible loan losses)	447,672	58,234	389,438
Per employee (thousands of yen)	35,180	6,543	28,637
(2)Banking profit	580,293	229,715	350,578
Per employee (thousands of yen)	45,602	19,823	25,779
(3)Banking profit (excluding transfer to general reserve for possible loan losses and gains/losses on bonds)	446,822	53,434	393,388
Per employee (thousands of yen)	35,113	6,186	28,927
Overhead ratio	42.1	(3.5)	45.6

(Note) 1. Employees include executive officers (who are not also board members) and overseas local staffs, and exclude employees temporarily transferred to other companies, temporary staff, and part-time staff. For per-employee calculation purpose, the average number of employees during the period is used.

2. Overhead ratio = (Expenses) / (Gross banking profit)

## 3. Interest Spread (Domestic) &lt;Non-consolidated&gt;

(%)

	FY2000		FY1999
		Change	
(1)Yield on interest earning assets (A)	1.63	(0.50)	2.13
<After adjustments of accounting standard changes*>	1.63	(0.14)	1.77
Interest earned on loans and bills discounted (C)	1.92	0.01	1.91
Interest earned on securities	0.93	(0.31)	1.24
(2)Total cost of funding (including expenses) (B)	1.07	(0.53)	1.60
Cost of interest bearing liabilities	0.31	(0.43)	0.74
<After adjustments of accounting standard changes*>	0.31	(0.03)	0.34
Interest paid on deposits, etc. (D)	0.20	0.01	0.19
Interest paid on other liabilities	0.44	(0.18)	0.62
Expense ratio	0.76	(0.10)	0.86
(3)Overall interest spread (A) - (B)	0.56	0.03	0.53
<After adjustments of accounting standard changes*>	0.56	(0.01)	0.57
Interest spread (C) - (D)	1.72	0.00	1.72

\* Recalculated the FY1999 figure according to newly introduced accounting standards for a variety of financial instruments, including derivatives and securities, effective April 1, 2000. With the new standards only net profit (loss) on interest rate swaps, etc. is recorded, while gross profit and expenses were separately recorded until FY1999.

## 4. Gains/Losses on Securities &lt;Non-consolidated&gt;

(Millions of yen)

	FY2000		FY1999
		Change	
Gains/(Losses) on bonds	849	4,799	(3,950)
Gains on sales	22,786	(14,516)	37,302
Losses on sales	(19,286)	11,251	(30,537)
Gains on redemption	---	(4,315)	4,315
Losses on redemption	(1,192)	13,791	(14,983)
Losses on devaluation	(1,457)	(1,411)	(46)
Gains/(Losses) on stocks	259,940	(226,747)	486,687
Gains on sales	335,534	(215,705)	551,239
Losses on sales	(37,817)	(2,667)	(35,150)
Losses on devaluation	(37,776)	(8,376)	(29,400)

## 5. Evaluation Gains/Losses on Securities

## (1) Evaluation method of securities

Trading purpose	Fair value method (net evaluation gains/losses recognized in income statement)
Held-to-maturity purpose	Amortized cost method
Other securities	Cost method or amortized cost method
Stocks of subsidiaries and affiliates	Cost method

## (Reference) Securities in money held in trust

Investment purpose	Fair value method (net evaluation gains/losses recognized in income statement)
Other money held in trust	Cost method or amortized cost method

## (2) Evaluation gains/losses

&lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001				Mar. 31, 2000		
	Evaluation gains/losses				Evaluation gains/losses		
	(a)	(a) - (b)	Gains	Losses	(b)	Gains	Losses
Held-to-maturity purpose	( 60)		1	( 61)			
Stocks of subsidiaries and affiliates	( 6,320)		486	( 6,807)			
Other securities	( 83,216)		244,627	( 327,844)			
Stocks	( 162,302)		154,749	( 317,051)			
Bonds	80,945		83,501	( 2,556)			
Others	( 1,859)		6,376	( 8,236)			
Total	( 89,598)	( 990,954)	245,115	( 334,713)	901,356	1,259,258	( 357,901)
Stocks	( 168,623)	(1,073,097)	155,236	( 323,859)	904,474	1,221,933	( 317,459)
Bonds	80,945	81,538	83,501	( 2,556)	( 593)	33,689	( 34,283)
Others	( 1,920)	604	6,378	( 8,298)	( 2,524)	3,634	( 6,159)

- (Note) 1. As for Mar. 31, 2001, evaluation gains/losses on negotiable certificates of deposits in Cash and due from banks, commercial paper in Debt purchased and beneficiary certificates in loan trusts are included, in addition to those on securities. Net evaluation gains/losses on negotiable certificates of deposits, commercial paper and beneficiary certificates in loan trusts are 124 million yen, with unrealized gains of 124 million yen.
2. Evaluation gains/losses of stocks (excluding stocks of subsidiaries and affiliates) as at March 31, 2001 are calculated with the average market price during the final month of the fiscal year. Rest of the securities are evaluated with the market price at the balance sheet date.
3. Evaluation gains/losses of "other securities", which would be directly charged to capital if we adopted fair value accounting, are -54,098 million yen (including evaluation gains/losses of the "other money held in trust").

&lt;Consolidated&gt;

(Millions of yen)

	Mar. 31, 2001				Mar. 31, 2000		
	Evaluation gains/losses				Evaluation gains/losses		
	(a)	(a) - (b)	Gains	Losses	(b)	Gains	Losses
Held-to-maturity purpose	( 82)		47	( 130)			
Other securities	51,738		387,707	( 335,969)			
Stocks	( 156,523)		166,678	( 323,201)			
Bonds	83,122		85,908	( 2,785)			
Others	125,139		135,120	( 9,981)			
Total	51,655	(1,127,798)	387,754	( 336,099)	1,179,453	1,553,742	( 374,289)
Stocks	( 156,523)	(1,071,260)	166,678	( 323,201)	914,737	1,242,256	( 327,519)
Bonds	83,122	83,924	85,908	( 2,785)	( 802)	34,217	( 35,020)
Others	125,055	( 140,462)	135,167	( 10,111)	265,517	277,268	( 11,750)

- (Note) 1. As for Mar. 31, 2001, evaluation gains/losses on negotiable certificates of deposits in Cash and due from banks, commercial paper in Commercial paper and other debt purchased, and beneficiary certificates in loan trusts are included, in addition to those on securities. Net evaluation gains/losses on negotiable certificates of deposits, commercial paper and beneficiary certificates in loan trusts are 129 million yen, with unrealized gains of 129 million yen.
2. Evaluation gains/losses of stocks as at March 31, 2001 are calculated with the average market price during the final month of the fiscal year. Rest of the securities are evaluated with the market price at the balance sheet date.
3. Evaluation gains/losses of "other securities", which would be directly charged to capital if we adopted fair value accounting, are 27,557 million yen (including evaluation gains/losses of the "other money held in trust").

## 6. Employee Retirement Benefit

## (1) Balance of the retirement benefit liability

<Non-consolidated>		(Millions of yen)
		Mar. 31, 2001
Balance of the retirement benefit liability	(A)	465,413
(Discount rate)		(3.5%)
Market value of pension assets	(B)	394,682
Reserve for employee retirement benefit	(C)	---
Prepaid pension cost	(D)	59,438
Unrecognized net obligation from change of accounting method	(E)	80,670
Unrecognized actuarial net gain or loss	(A-B-C+D-E)	49,500

(Reference) <Consolidated>		(Millions of yen)
		Mar. 31, 2001
Balance of the retirement benefit liability	(A)	495,409
Market value of pension assets	(B)	410,572
Reserve for employee retirement benefit	(C)	7,972
Prepaid pension cost	(D)	59,710
Unrecognized net obligation from change of accounting method	(E)	85,988
Unrecognized prior service cost (deductable from the obligation)	(F)	---
Unrecognized actuarial net gain or loss	(A-B-C+D-E-F)	50,585

## (2) Cost for employee retirement benefit

<Non-consolidated>		(Millions of yen)
		FY2000
Cost for employee retirement benefit		34,041
Service cost		11,840
Interest cost		15,688
Expected returns on pension assets		(15,032)
Amortization of net obligation from change of accounting method (amortized using the straight-line method over 5 years)		20,167
Other		1,376

(Reference) <Consolidated>		(Millions of yen)
		FY2000
Cost for employee retirement benefit		36,352

## 7. Capital Ratio (BIS Guidelines) &lt;Consolidated&gt;

(Billions of yen, %)

	Mar. 31, 2001	Change	Mar. 31, 2000
	[Preliminary]		
(1) Capital ratio	10.94	(0.66)	11.60
(2) Tier I	2,258.3	54.4	2,203.9
(3) Tier II	1,995.4	(149.0)	2,144.4
(a) 45% of unrealized gains on securities	---	---	---
(b) 45% of unrealized appreciation of land	122.2	(3.9)	126.1
(c) General reserve	232.7	(132.7)	365.4
(d) Subordinated debt	1,640.5	(12.4)	1,652.9
(4) Subtraction items	(103.6)	(103.6)	---
(5) Total capital (2)+(3)-(4)	4,150.0	(198.3)	4,348.3
(6) Risk-adjusted assets	37,925.2	448.5	37,476.7

## 8. ROE

&lt;Non-consolidated&gt;

(%)

	FY2000	Change	FY1999
ROE (numerator: Banking profit <sup>*1</sup> )	31.8	3.5	28.3
ROE (numerator: Banking profit)	41.2	15.8	25.4
ROE (numerator: Banking profit <sup>*2</sup> )	31.7	3.1	28.6
ROE (numerator: Net income)	3.7	0.4	3.3

(\*1) Excluding transfer to general reserve for possible loan losses

(\*2) Excluding transfer to general reserve for possible loan losses and gains/losses on bonds

&lt;Consolidated&gt;

(%)

	FY2000	Change	FY1999
ROE (numerator: Net income)	6.1	1.5	4.6

$$\text{ROE} = \frac{(\text{Net income (or Banking profit)} - \text{Dividends on preferred stocks})}{\{(\text{Stockholders' equity at the beginning of the term}) - (\text{Number of preferred stocks at the beginning of the term}) * (\text{Issue price}) + (\text{Stockholders' equity at the end of the term}) - (\text{Number of preferred stocks at the end of the term}) * (\text{Issue price})\} / 2} \times 100$$

	FY2000	Change	FY1999
Fully-diluted ROE (numerator: Net income) <sup>*3</sup>	4.3	1.0	3.3

(\*3) Fully-diluted basis, including convertible preferred stocks and mandatorily exchangeable subordinated notes in stockholders' equity in the denominator.

## 9. Classification under Self-Assessment, Disclosure of Problem Assets, and Reserve Policy

<As at Mar. 31, 2001>		(Billions of yen)					
Classification of Borrowers under Self-Assessment	Disclosure of Problem Assets Based on Financial Reconstruction Law	Classification under Self-Assessment				Reserve for Possible Loan Losses	Reserve Ratio (*3)
		Classification I	Classification II	Classification III	Classification IV		
Bankrupt Borrowers	Bankrupt and Quasi-Bankrupt Assets 199.0 (Change from Mar. 2000: +8.2)	Claims secured by collateral and guarantees 188.2	Fully reserved 10.8	Direct Write-offs (*1)	Specific Reserve 14.2 (*2)	100%	
Effectively Bankrupt Borrowers							
Potentially Bankrupt Borrowers	Doubtful Assets 1,263.5 (Change from Mar. 2000: -87.7)	Claims secured by collateral and guarantees 494.1	Necessary amount reserved 769.4		Specific Reserve 419.2 (*2)	54.5%	
Borrowers Requiring Caution	Substandard Assets 99.1 (Change from Mar. 2000: -275.9) (Claims to Substandard Borrowers)	Substandard Assets secured by collateral and guarantees 50.7			Specific Reserve 4.2 General Reserve for Substandard Assets 6.5	15.0% (*3')	
	Normal Assets 33,855.3	Claims to Borrowers Requiring Caution excluding Claims to Substandard Borrowers			General Reserve 225.0	Average 2.9%	
Normal Borrowers		Claims to Normal Borrowers				Average 0.3%	
Total		35,416.9			Loan Loss Reserve for Specific Overseas Countries 8.4		
A: Problem Assets Based on Financial Reconstruction Law		B: Claims secured by collateral and guarantees	(A - B)		C: Reserve for Problem Assets Based on Financial Reconstruction Law 444.1	Reserve Ratio (*4) C / (A - B) 53.6%	
1,561.6 (Change from Mar. 2000: -355.4)		733.0	828.6				

$$\text{Coverage Ratio} = (B+C)/A \quad 75.4\%$$

(\*1) Including direct reduction of 682.1 billion yen

(\*2) Includes reserves which do not fall under the "Financial Reconstruction Law" disclosure standards.

(Bankrupt/Effectively Bankrupt Borrowers: 3.4 billion yen, Potentially Bankrupt Borrowers: 6.0 billion yen)

(\*3) Reserve ratio to normal borrowers is the proportion of reserve to the total claims to normal customers. Reserve ratios to other borrowers are the proportion of reserve to the claims of each category excluding the portion secured by collateral and guarantees.

(\*3') The proportion of reserve to the unsecured claims to substandard borrowers (excluding the claims to borrowers with specific reserve).

(\*4) The proportion of reserve to the claims excluding the portion secured by collateral and guarantees.

## 10. Risk-Monitored Loans

&lt;Non-consolidated&gt;

(Millions of yen)

		Mar. 31, 2001	Change	Mar. 31, 2000
Risk-monitored loans	Bankrupt loans	60,840	(12,164)	73,004
	Non-Accrual loans	1,357,573	(78,497)	1,436,070
	Past due loans (3 months or more)	37,489	(2,813)	40,302
	Restructured loans	61,606	(273,100)	334,706
	Total	1,517,508	(366,575)	1,884,083

Amount of direct reduction                      662,453                      (43,359)                      705,812

Total loans (term-end balance)	31,172,382	(186,178)	31,358,560
(%)			

Ratio to total loans	Bankrupt loans	0.2	0.0	0.2
	Non-Accrual loans	4.4	(0.2)	4.6
	Past due loans (3 months or more)	0.1	0.0	0.1
	Restructured loans	0.2	(0.9)	1.1
	Total	4.9	(1.1)	6.0

&lt;Consolidated&gt;

(Millions of yen)

		Mar. 31, 2001	Change	Mar. 31, 2000
Risk-monitored loans	Bankrupt loans	75,729	(11,567)	87,296
	Non-Accrual loans	1,535,566	(126,367)	1,661,933
	Past due loans (3 months or more)	49,909	(29,299)	79,208
	Restructured loans	128,581	(246,299)	374,880
	Total	1,789,785	(413,533)	2,203,318

Amount of direct reduction                      852,058                      (78,992)                      931,050

Total loans (term-end balance)	32,630,388	(310,492)	32,940,880
(%)			

Ratio to total loans	Bankrupt loans	0.2	(0.1)	0.3
	Non-Accrual loans	4.7	(0.3)	5.0
	Past due loans (3 months or more)	0.2	0.0	0.2
	Restructured loans	0.4	(0.7)	1.1
	Total	5.5	(1.2)	6.7

## 11. Reserve for Possible Loan Losses

&lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Reserve for possible loan losses	671,042	(237,997)	909,039
General reserve	224,953	(132,621)	357,574
Specific reserve	437,731	(101,383)	539,114
Loan loss reserve for specific overseas countries	8,358	(3,993)	12,351
Amount of direct reduction	682,093	(48,947)	731,040
Reserve for possible losses on loans sold	70,809	(40,779)	111,588

&lt;Consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Reserve for possible loan losses	756,830	(193,669)	950,499
General reserve	232,707	(132,701)	365,408
Specific reserve	515,734	(56,953)	572,687
Loan loss reserve for specific overseas countries	8,387	(4,016)	12,403
Amount of direct reduction	887,791	(90,652)	978,443
Reserve for possible losses on loans sold	74,639	(41,601)	116,240

## 12. Reserve Ratio to Risk-Monitored Loans

&lt;Non-consolidated&gt;

(%)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Before direct reduction	62.1	(1.2)	63.3
After direct reduction	44.2	(4.0)	48.2

&lt;Consolidated&gt;

(%)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Before direct reduction	62.3	0.8	61.5
After direct reduction	42.3	(0.8)	43.1

(Note) Reserve ratio = (Reserves for possible loan losses) / (Risk-monitored loans)

## 13. Problem Assets Based on Financial Reconstruction Law

&lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Bankrupt and quasi-bankrupt assets	199,015	8,239	190,776
Doubtful assets	1,263,454	(87,731)	1,351,185
Substandard assets	99,095	(275,913)	375,008
Total (A)	1,561,564	(355,406)	1,916,970
Amount of direct reduction	682,093	(48,947)	731,040

(Note) In addition to loans, "Problem Assets Based on Financial Reconstruction Law" includes acceptances and guarantees, suspense payments, and other credit-type assets.

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Total coverage (B)	1,177,151	(25,877)	1,203,028
Reserve for possible loan losses* (C)	444,098	(151,267)	595,365
Reserve for supporting specific borrowers	---	---	---
Amount recoverable due to guarantees, collateral and others (D)	733,053	125,390	607,663

\* Sum of general reserve for substandard loans and specific reserve.

(% )

Coverage ratio (B) / (A)	75.4	12.6	62.8
--------------------------	------	------	------

Coverage ratio calculated with total reserve for possible loan losses included in the numerator

	89.9	10.8	79.1
--	------	------	------

(% )

Reserve ratio to uncovered assets (C) / (A) - (D)	53.6	8.1	45.5
--	------	-----	------

Coverage ratio calculated with total reserve for possible loan losses included in the numerator

	81.0	11.6	69.4
--	------	------	------

&lt;Consolidated&gt;

(Millions of yen)

	Mar. 31, 2001
Bankrupt and quasi-bankrupt assets	287,758
Doubtful assets	1,363,207
Substandard assets	183,953
Total	1,834,918

## (Reference) Progress in Decreasing Problem Assets

## 1. Progress in decreasing Problem Assets existed at the end of First Half of Fiscal 2000

(1) Problem Assets based on Financial Reconstruction Law (excluding substandard loans)

(Billions of yen)

	At end of First Half of Fiscal 2000	At end of Second Half of Fiscal 2000	Change
Bankrupt and Quasi-Bankrupt Assets	181.8	138.3	(43.5)
Doubtful Assets	1,838.7	805.7	(1,033.0)
Total	2,020.5	944.0	(1,076.5)

(A)

(B)

(2) Progress in decreasing Problem Assets

(Billions of yen)

	Second Half of Fiscal 2000
Disposition by Borrower's Liquidation	16.9
Re-constructive Disposition	322.3
Loan Sales to Secondary Market	101.7
Write-off	50.7
Others	584.9
Total	1,076.5 (B)

Note: "Others" includes collection of claims / improvement of financial status of borrowers.

## 2. Deterioration of Assets during Second Half of Fiscal 2000

(Billions of yen)

	Second Half of Fiscal 2000
Bankrupt and Quasi-Bankrupt Assets	60.7
Doubtful Assets	457.8
Total	518.5 (C)

Note: Assets newly categorized as Problem Assets based on Financial Reconstruction Law (excluding substandard loans ) during second half of fiscal 2000 .

(References) Problem Assets based on Financial Reconstruction Law (excluding substandard loans)

(Billions of yen)

	At end of Second Half of Fiscal 2000
Bankrupt and Quasi-Bankrupt Assets	199.0
Doubtful Assets	1,263.5
Total	1,462.5 (A) + (C)

## 14. Loan Portfolio, Classified by Industry

## (1) Loans and bills discounted, classified by industry &lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001	Change	
		Mar. 31, 2000	Mar. 31, 2000
Domestic offices (excluding offshore banking account)	27,533,299	(212,606)	27,745,905
Manufacturing	3,550,436	47,356	3,503,080
Agriculture, forestry, fisheries, and mining	58,906	(3,665)	62,571
Construction	1,536,723	(106,824)	1,643,547
Transportation, communications and other public enterprises	1,392,034	178,875	1,213,159
Wholesale and retail	3,511,471	(18,302)	3,529,773
Finance and insurance	2,316,069	(9,033)	2,325,102
Real estate	4,557,995	239,614	4,318,381
Services	4,103,634	(377,717)	4,481,351
Municipalities	81,823	(22,440)	104,263
Other	6,424,205	(140,469)	6,564,674
Overseas offices and offshore banking accounts	3,639,082	26,427	3,612,655
Public sector	203,275	43,916	159,359
Financial institutions	267,529	(21,551)	289,080
Commerce and industry	3,167,650	4,992	3,162,658
Other	627	(929)	1,556
Total	31,172,382	(186,178)	31,358,560

## Risk-monitored loans, classified by industry &lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001	Change	
		Mar. 31, 2000	Mar. 31, 2000
Domestic offices (excluding offshore banking account)	1,453,991	(347,206)	1,801,197
Manufacturing	78,934	20,670	58,264
Agriculture, forestry, fisheries, and mining	1,856	(41)	1,897
Construction	34,776	(230,279)	265,055
Transportation, communications and other public enterprises	27,125	13,659	13,466
Wholesale and retail	171,050	6,657	164,393
Finance and insurance	95,492	2,716	92,776
Real estate	481,385	(96,406)	577,791
Services	477,873	(116,942)	594,815
Municipalities	506	506	---
Other	84,994	52,253	32,741
Overseas offices and offshore banking accounts	63,517	(19,369)	82,886
Public sector	---	---	---
Financial institutions	4,282	1,643	2,639
Commerce and industry	59,235	(21,012)	80,247
Other	---	---	---
Total	1,517,508	(366,575)	1,884,083

## (2) Problem Assets Based on Financial Reconstruction Law, classified by industry &lt;Non-consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2001		Change	Mar. 31, 2000
		Reserve ratio		
Domestic offices (excluding offshore banking account)	1,483,671	53.7	(341,112)	1,824,783
Manufacturing	79,463	47.2	20,621	58,842
Agriculture, forestry, fisheries, and mining	1,859	61.9	(38)	1,897
Construction	34,840	58.5	(230,299)	265,139
Transportation, communications and other public enterprises	27,138	54.7	13,664	13,474
Wholesale and retail	178,342	50.8	10,740	167,602
Finance and insurance	104,960	87.1	3,197	101,763
Real estate	490,589	55.2	(88,162)	578,751
Services	478,152	46.9	(126,370)	604,522
Municipalities	506	15.4	506	---
Other	87,822	55.8	55,028	32,794
Overseas offices and offshore banking accounts	77,893	51.6	(14,294)	92,187
Public sector	---	---	---	---
Financial institutions	4,950	59.3	2,189	2,761
Commerce and industry	72,943	51.2	(16,483)	89,426
Other	---	---	---	---
Total	1,561,564	53.6	(355,406)	1,916,970

(\*1) In addition to loans, "Problem Assets Based on Financial Reconstruction Law" includes acceptances and guarantees, suspense payments, and other credit-type assets.

(\*2) Reserve Ratio = (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to collaterals and guarantees)  
Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

## (3) Consumer loans outstanding &lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Consumer loans	5,553,661	(155,158)	5,708,819
Housing loans	5,095,787	(120,970)	5,216,757
Other loans	457,874	(34,188)	492,062

## (4) Loans to small and medium-sized enterprises outstanding &lt;Non-consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Outstanding balance	19,666,975	(532,133)	20,199,108
Ratio to total loans	71.4	(1.4)	72.8

(Note) Outstanding balance does not include loans to overseas offices and offshore banking accounts.

## 15. Overseas Loans

## (1) Loans to specific overseas countries

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Loan balance	65,198	(174)	65,372
Number of countries	6	(4)	10

## (2) Loans classified by country

## (i) Loans to Asian countries

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Indonesia	70,107	(24,393)	94,500
(Risk-monitored loans)	10,999	(14,140)	25,139
Thailand	117,955	(21,727)	139,682
(Risk-monitored loans)	9,261	911	8,350
Korea	91,726	25,772	65,954
(Risk-monitored loans)	1,497	1,014	483
Hong Kong	264,146	(9,584)	273,730
(Risk-monitored loans)	10,086	(2,300)	12,386
China	76,637	(41,232)	117,869
(Risk-monitored loans)	6,084	(7,745)	13,829
Singapore	106,003	11,219	94,784
(Risk-monitored loans)	2,447	1,998	449
India	33,408	5,325	28,083
(Risk-monitored loans)	2,201	1,044	1,157
Malaysia	42,118	(7,442)	49,560
(Risk-monitored loans)	4,937	2,110	2,827
Pakistan	3,275	681	2,594
(Risk-monitored loans)	1,407	229	1,178
Other	43,143	11,081	32,062
(Risk-monitored loans)	594	(729)	1,323
Total	848,517	(50,301)	898,818
(Risk-monitored loans)	49,513	(17,609)	67,122

(Note) Classified by domicile of debtors (same for the following tables).

## (ii) Loans to Central and South American countries

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Chile	2,386	2,386	-
(Risk-monitored loans)	-	-	-
Columbia	12,527	12,527	-
(Risk-monitored loans)	-	-	-
Mexico	14,736	(4,882)	19,618
(Risk-monitored loans)	-	(1,321)	1,321
Argentina	1,100	1,100	-
(Risk-monitored loans)	-	-	-
Brazil	48,324	6,233	42,091
(Risk-monitored loans)	-	-	-
Venezuela	7,597	7,597	-
(Risk-monitored loans)	-	-	-
Panama	113,348	113,348	-
(Risk-monitored loans)	-	-	-
Other	719	(21,588)	22,307
(Risk-monitored loans)	-	(4)	4
Total	200,737	116,721	84,016
(Risk-monitored loans)	-	(1,326)	1,326

## (iii) Loans to Russia

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Russia	105	105	-
(Risk-monitored loans)	-	-	-

## (3) Problem Assets Based on Financial Reconstruction Law, classified by domicile &lt;Non-consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2001		Change	Mar. 31, 2000
		Reserve ratio		
Overseas and Japan offshore banking accounts	77,893	51.6	(14,294)	92,187
Asia	52,544	53.5	(19,411)	71,955
Indonesia	11,009	66.2	(14,743)	25,752
Hong Kong	12,132	65.5	(1,929)	14,061
India	2,374	64.4	2,374	---
China	6,260	54.4	(8,425)	14,685
Others	20,769	44.2	3,312	17,457
North America	23,918	48.0	7,616	16,302
Central and South America	---	---	(1,326)	1,326
Western Europe	---	---	(388)	388
Eastern Europe	1,431	34.1	(785)	2,216

(\*1) In addition to loans, "Problem Assets Based on Financial Reconstruction Law" includes acceptances and guarantees, suspense payments, and other credit-type assets.

(\*2) Reserve Ratio = (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to collaterals and guarantees)  
Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

(\*3) Classified by domicile of debtors.

## 16. Information on Deposits and Loans

## (1) Deposits and loans outstanding &lt;Non-consolidated&gt;

(Millions of yen, %)

	FY2000		FY1999
		Change	
Deposits (term-end balance)	30,169,065	2,780,860	27,388,205
Deposits (average balance)	29,644,408	1,149,389	28,495,019
Domestic	21,768,745	(189,618)	21,958,363
Average yield	0.18	(0.02)	0.20
Loans (term-end balance)	31,172,382	(186,178)	31,358,560
Loans (average balance)	31,783,455	(1,201,577)	32,985,032
Domestic	27,384,887	(634,852)	28,019,739
Average yield	1.92	0.01	1.91

## (2) Deposits outstanding, classified by depositor &lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Domestic deposits (term-end balance)	22,990,091	192,724	22,797,367
Individual	13,512,710	387,757	13,124,953
Corporate	9,477,381	(195,033)	9,672,414

(Note) Calculation based on the numbers before elimination of temporary inter-office accounts.

Excludes offshore banking accounts.

## 17. Expenses &lt;Non-consolidated&gt;

(Millions of yen)

	FY2000			FY2000
		Change from FY1999	Change from The Plan	"The Plan"*
Expenses	325,138	(4,647)	(17,862)	343,000
Personnel	138,358	(3,601)	(9,742)	148,100
Non-personnel	169,580	(598)	(5,620)	175,200
Taxes	17,199	(448)	(2,501)	19,700

\*"The Plan for the Strengthening of the Financial Base of the Bank"

## (i) Personnel expenses

Number of employees:	Reduction of 868 employees since Mar. 31, 2000.
Employee salaries:	No increase in basic salary for 5 consecutive years from FY1996.
Employee bonuses:	Early retirement plan introduced from FY1999.

## (ii) Non-personnel expenses

Rationalization of domestic and overseas branch network, and centralization of back office transactions.  
Reduction of operating expenses (e.g. facility related expense, system maintenance fee) compensated for the increase in merger related costs (e.g. system integration cost).

## 18. Number of Directors and Employees &lt;Non-consolidated&gt;

	Mar. 31, 2001			Mar. 31, 2001
		Change from Mar. 31, 2000	Change from The Plan	"The Plan"
Directors and auditors	20	(3)	(18)	38
Employees	13,526	(868)	(74)	13,600

Number of directors and auditors are those of executives as defined in the Commercial Code of Japan.

Employees include clerical staffs and transferred staffs, and exclude executive officers, part-timers, temporary and overseas local staffs.

## 19. Number of Offices &lt;Non-consolidated&gt;

	Mar. 31, 2001			Mar. 31, 2001
		Change from Mar. 31, 2000	Change from The Plan	"The Plan"
Domestic branches <sup>*1</sup>	262	(15)	(8)	270
Overseas branches <sup>*2</sup>	17	(1)	2	15
Overseas subsidiaries <sup>*3</sup>	17	(5)	(4)	21

(\*1) Sub-branches, agencies, and branches specialized in receiving money transfers (8 branches) are excluded.

(\*2) Sub-branches and representative offices are excluded.

(\*3) Excluding affiliates, of which the Bank has less than 50% equity interest.

## (Reference) Other Financial Data &lt;Non-consolidated&gt;

## 1. Debt Forgiveness

(Billions of yen)

Number of companies forgiven the debt	7
Principal amount forgiven	( 347.1)
Major companies	Kumagai Gumi Sumigin Guarantee Royal Hotel

(Note) Debt forgiveness associated with legal settlement is not included.

## 2. Enterprise Taxes by Tokyo and Osaka Governments

(Billions of yen)

Enterprise tax by Tokyo Metropolitan Government in fiscal 2000	(8.1)
Expected enterprise tax by Osaka Prefectural Government in fiscal 2001	---

〔 Sakura and Sumitomo  
combined 〕

(16.8) billion yen

Approx. (8.0) billion yen

## 3. Sales of cross-shareholdings

(Billions of yen)

Result in fiscal 2000	Approx. (310.0)
-----------------------	-----------------

# I Financial Highlights for FY 2000 (Sakura Bank)

## 1. Financial Result

<Non-consolidated>

(Millions of yen)

		FY2000	Change	FY1999
Gross banking profit	1	730,392	18,477	711,915
<Excluding gains/losses on bonds>	2	<722,446>	<13,027>	<709,419>
Gross domestic profit	3	676,260	10,671	665,589
<Excluding gains/losses on bonds>	4	<672,115>	<7,204>	<664,911>
Net interest income	5	590,052	(22,029)	612,081
Net fees and commissions	6	58,671	6,671	52,000
Net trading profit	7	3,373	2,588	785
Other operating income	8	24,162	23,439	723
<Gains and losses on bonds>	9	<4,145>	<3,467>	<678>
Gross international profit	10	54,131	7,806	46,325
<Excluding gains/losses on bonds>	11	<50,331>	<5,824>	<44,507>
Net interest income	12	8,641	11,413	(2,772)
Net fees and commissions	13	10,606	2,492	8,114
Net trading profit	14	17,402	10,102	7,300
Other operating income	15	17,481	(16,202)	33,683
<Gains and losses on bonds>	16	<3,800>	<1,982>	<1,818>
Expenses	17	(374,990)	22,781	(397,771)
Personnel expenses	18	(155,646)	6,092	(161,738)
Non-personnel expenses	19	(201,009)	15,124	(216,133)
Taxes	20	(18,334)	1,565	(19,899)
Bond issue costs	21		684	(684)
Banking profit (excluding transfer to general reserve for possible loan losses)	22	355,401	41,942	313,459
<Excluding gains/losses on bonds>	23	347,455	36,492	310,963
Transfer to general reserve for possible loan losses	24	55,975	41,350	14,625
Banking profit	25	411,377	83,293	328,084
<Gains/Losses on bonds>	26	7,945	5,450	2,495
Other operating profit (loss)	27	(220,630)	(52,478)	(168,152)
<Total credit cost>	28	<(261,098)>	<188,806>	<(449,904)>
Write-off of loans	29	(240,536)	(110,048)	(130,488)
Transfer to specific reserve	30	(9,793)	184,922	(194,715)
Transfer to reserve for losses on loans sold	31	(33,864)	21,602	(55,466)
Losses on loans sold to CCPC	32	(20,367)	16,738	(37,105)
Losses on sale of delinquent loans	33	(8,520)	5,642	(14,162)
Losses on financial support for associated companies	34	---	35,216	(35,216)
Transfer to loan loss reserve for specific overseas countries	35	(3,991)	(6,617)	2,626
<Transfer to general reserve for possible loan losses>	36	<55,975>	<41,350>	<14,625>
Gains/Losses on stocks	37	51,481	(290,279)	341,760
Gains on sale of stocks	38	160,707	(245,601)	406,308
Losses on sale of stocks	39	(28,944)	984	(29,928)
Losses on devaluation of stocks	40	(80,281)	(45,662)	(34,619)
Enterprise tax by Tokyo Metropolitan Government	41	(8,733)	(8,733)	---
Other	42	53,695	99,078	(45,383)
Operating profit	43	190,746	30,814	159,932
Extraordinary profit (loss)	44	(51,686)	(45,824)	(5,862)
Gains/Losses on disposition of premises and equipment	45	(16,055)	(9,935)	(6,120)
Gains on disposition of premises and equipment	46	1,147	450	697
Losses on disposition of premises and equipment	47	(17,203)	(10,386)	(6,817)
Amortization of net obligation under new accounting standard for employees' retirement benefits	48	(36,361)	(36,361)	---
Income before income taxes	49	139,060	(15,009)	154,069
Income taxes, current	50	(1,767)	2,219	(3,986)
Income taxes, deferred	51	(55,131)	37,834	(92,965)
Effect of introduction of enterprise taxes to banking industries by Tokyo Metropolitan Government	52	---	35,791	(35,791)
Effect of introduction of enterprise taxes to banking industries by Osaka Prefectural Government	53	(5,616)	(5,616)	---
Net income	54	82,160	25,043	57,117

## &lt;Consolidated&gt;

(Millions of yen)

		FY2000		FY1999
			Change	
Consolidated gross profit	1	886,342	65,284	821,058
Net interest income	2	669,987	16,597	653,390
Net fees and commissions	3	147,397	27,598	119,799
Net trading profit	4	26,807	10,317	16,490
Other operating income	5	42,149	10,771	31,378
General and administrative expenses	6	(490,621)	(3,149)	(487,472)
Total credit cost	7	(346,585)	180,105	(526,690)
Write-off of loans	8	(257,762)	(111,388)	(146,374)
Transfer to specific reserve	9	(83,692)	154,709	(238,401)
Transfer to general reserve for possible loan losses	10	70,813	59,141	11,672
Other	11	(75,944)	77,643	(153,587)
Gains and losses on stocks	12	73,482	(269,460)	342,942
Net income/loss from unconsolidated entities by the equity method	13	7,883	9,370	(1,487)
Other operating profit	14	53,374	65,226	(11,852)
Operating profit	15	183,876	47,379	136,497
Extraordinary profit (loss)	16	(51,829)	(41,472)	(10,357)
Income before income taxes	17	132,046	5,907	126,139
Income taxes, current	18	(8,091)	(260)	(7,831)
Income taxes, deferred	19	(69,900)	4,347	(74,247)
Minority interests in net income	20	(5,115)	(23,636)	18,521
Net Income	21	48,939	(13,642)	62,581

(Note) Consolidated gross profit = (Interest income - Interest expenses) + (Fees and commissions (income) - Fees and commissions (expenses))  
+ (Trading profits - Trading losses) + (Other income - Other losses)

## (Reference)

(Billions of yen)

Consolidated banking profit	22	364.3	44.1	320.2
-----------------------------	----	-------	------	-------

(Note) Consolidated banking profit = (Non-consolidated banking profit (excl. transfer to general reserve)) + (Subsidiaries' operating profit)  
+ (Affiliates' operating profit) \* (Ownership ratio) - (Internal transaction (dividends, etc.))

## (Number of subsidiaries and affiliates)

		Mar. 31, 2001		Mar. 31, 2000
			Change	
Consolidated subsidiaries	23	65	14	51
Affiliated companies accounted for by the equity method	24	12	(20)	32

## 2. Banking Profit per Employee / Overhead Ratio &lt;Non-consolidated&gt;

(Millions of yen, %)

	FY2000		FY1999
		Change	
(1)Banking profit (excluding transfer to general reserve for possible loan losses)	355,401	41,942	313,459
Per employee (thousands of yen)	26,562	5,497	21,065
(2)Banking profit	411,377	83,293	328,084
Per employee (thousands of yen)	30,745	8,697	22,048
(3)Banking profit (excluding transfer to general reserve for possible loan losses and gains/losses on bonds)	347,455	36,492	310,963
Per employee (thousands of yen)	25,968	5,070	20,898
<b>Overhead ratio</b>	<b>51.3</b>	<b>(4.6)</b>	<b>55.9</b>

(Note) 1. Employees include executive officers (who are not also board members) and overseas local staffs, and exclude employees temporarily transferred to other companies, temporary staff, and part-time staff. For per-employee calculation purpose, the average number of employees during the period is used.  
2. Overhead ratio = (Expenses) / (Gross banking profit)

## 3. Interest Spread (Domestic) &lt;Non-consolidated&gt;

(%)

	FY2000		FY1999
		Change	
(1)Yield on interest earning assets (A)	1.92	(0.46)	2.38
<After adjustments of accounting standard changes*>	1.92	(0.07)	1.99
Interest earned on loans and bills discounted (C)	2.07	0.02	2.05
Interest earned on securities	1.27	0.06	1.21
(2)Total cost of funding (including expenses) (B)	1.19	(0.48)	1.67
Cost of interest bearing liabilities	0.23	(0.42)	0.65
<After adjustments of accounting standard changes*>	0.23	(0.01)	0.24
Interest paid on deposits, etc. (D)	0.17	0.00	0.17
Interest paid on other liabilities	0.69	(0.16)	0.85
Expense ratio	0.96	(0.06)	1.02
(3)Overall interest spread (A) - (B)	0.73	0.02	0.71
<After adjustments of accounting standard changes*>	0.73	0.00	0.73
Interest spread (C) - (D)	1.90	0.02	1.88

\* Recalculated the FY1999 figure according to newly introduced accounting standards for a variety of financial instruments, including derivatives and securities, effective April 1, 2000. With the new standards only net profit (loss) on interest rate swaps, etc. is recorded, while gross profit and expenses were separately recorded until FY1999.

## 4. Gains/Losses on Securities &lt;Non-consolidated&gt;

(Millions of yen)

	FY2000		FY1999
		Change	
Gains/(Losses) on bonds	7,945	5,450	2,495
Gains on sales	14,202	(7,716)	21,918
Losses on sales	(4,481)	11,811	(16,292)
Gains on redemption	54	(3,072)	3,126
Losses on redemption	(1,446)	4,630	(6,076)
Losses on devaluation	(384)	(204)	(180)
Gains/(Losses) on stocks	51,481	(290,279)	341,760
Gains on sales	160,707	(245,601)	406,308
Losses on sales	(28,944)	984	(29,928)
Losses on devaluation	(80,281)	(45,662)	(34,619)

## 5. Evaluation Gains/Losses on Securities

## (1) Evaluation method of securities

Trading purpose	Fair value method (net evaluation gains/losses recognized in income statement)
Held-to-maturity purpose	Amortized cost method
Other securities	Cost method or amortized cost method
Stocks of subsidiaries and affiliates	Cost method

## (Reference) Securities in money held in trust

Other money held in trust	Cost method or amortized cost method
---------------------------	--------------------------------------

## (2) Evaluation gains/losses

&lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001				Mar. 31, 2000		
	Evaluation gains/losses				Evaluation gains/losses		
	(a)	(a) - (b)	Gains	Losses	(b)	Gains	Losses
Held-to-maturity purpose	-	/	-	-	/	/	/
Stocks of subsidiaries and affiliates	4,219	/	5,763	( 1,544)	/	/	/
Other securities	( 346,628)	/	157,813	( 504,441)	/	/	/
Stocks	( 355,730)	/	130,269	( 486,000)	/	/	/
Bonds	21,416	/	24,020	( 2,603)	/	/	/
Others	( 12,314)	/	3,523	( 15,837)	/	/	/
Total	( 342,408)	(1,005,207)	163,577	( 505,985)	662,799	1,103,897	( 441,097)
Stocks	( 351,510)	(1,034,422)	136,033	( 487,544)	682,912	1,075,602	( 392,690)
Bonds	21,416	49,271	24,020	( 2,603)	( 27,855)	7,264	( 35,120)
Others	( 12,314)	( 20,056)	3,523	( 15,837)	7,742	21,029	( 13,287)

(Note) 1. Evaluation gains/losses of stocks (excluding stocks of subsidiaries and affiliates) as at March 31, 2001 are calculated with the average market price during the final month of the fiscal year. Rest of the securities are evaluated with the market price at the balance sheet date.  
2. Evaluation gains/losses of "other securities", which would be directly charged to capital if we adopted fair value accounting, are -210,464 million yen (including evaluation gains/losses of the "other money held in trust").

&lt;Consolidated&gt;

(Millions of yen)

	Mar. 31, 2001				Mar. 31, 2000		
	Evaluation gains/losses				Evaluation gains/losses		
	(a)	(a) - (b)	Gains	Losses	(b)	Gains	Losses
Held-to-maturity purpose	2	/	2	( 0)	/	/	/
Other securities	( 352,844)	/	170,544	( 523,388)	/	/	/
Stocks	( 361,202)	/	139,239	( 500,442)	/	/	/
Bonds	24,728	/	27,743	( 3,014)	/	/	/
Others	( 16,371)	/	3,560	( 19,931)	/	/	/
Total	( 352,842)	(1,007,605)	170,546	( 523,389)	654,763	1,109,456	( 454,692)
Stocks	( 361,202)	(1,041,703)	139,239	( 500,442)	680,501	1,083,336	( 402,835)
Bonds	24,731	51,425	27,746	( 3,015)	( 26,694)	8,821	( 35,516)
Others	( 16,371)	( 17,327)	3,560	( 19,931)	956	17,297	( 16,341)

(Note) 1. Evaluation gains/losses of stocks as at March 31, 2001 are calculated with the average market price during the final month of the fiscal year. Rest of the securities are evaluated with the market price at the balance sheet date.  
2. Evaluation gains/losses of "other securities", which would be directly charged to capital if we adopted fair value accounting, are -212,113 million yen (including evaluation gains/losses of the "other money held in trust").

## 6. Employee Retirement Benefit

## (1) Balance of the retirement benefit liability

<Non-consolidated>		(Millions of yen)
		Mar. 31, 2001
Balance of the retirement benefit liability	(A)	581,938
(Discount rate)		(3.5%)
Market value of pension assets	(B)	357,633
Reserve for employee retirement benefit	(C)	14,054
Prepaid pension cost	(D)	---
Unrecognized net obligation from change of accounting method	(E)	145,445
Unrecognized actuarial net gain or loss	(A-B-C+D-E)	64,804

(Reference) <Consolidated>		(Millions of yen)
		Mar. 31, 2001
Balance of the retirement benefit liability	(A)	645,033
Market value of pension assets	(B)	390,318
Reserve for employee retirement benefit	(C)	31,716
Prepaid pension cost	(D)	---
Unrecognized net obligation from change of accounting method	(E)	153,676
Unrecognized prior service cost (deductable from the obligation)	(F)	(1,664)
Unrecognized actuarial net gain or loss	(A-B-C+D-E-F)	70,985

## (2) Cost for employee retirement benefit

<Non-consolidated>		(Millions of yen)
		FY2000
Cost for employee retirement benefit		53,630
Service cost		14,425
Interest cost		19,813
Expected returns on pension assets		(19,722)
Amortization of net obligation from change of accounting method (amortized using the straight-line method over 5 years)		36,361
Other		2,752

(Reference) <Consolidated>		(Millions of yen)
		FY2000
Cost for employee retirement benefit		58,959

## 7. Capital Ratio (BIS Guidelines) &lt;Consolidated&gt;

(Billions of yen, %)

	Mar. 31, 2001		Mar. 31, 2000
	[Preliminary]	Change	
(1) Capital ratio	11.31	(1.22)	12.53
(2) Tier I	2,496.4	55.8	2,440.6
(3) Tier II	1,351.6	(309.7)	1,661.3
(a) 45% of unrealized gains on securities	---	---	---
(b) 45% of unrealized appreciation of land	46.7	(5.0)	51.7
(c) General reserve	163.1	(64.2)	227.3
(d) Subordinated debt	1,141.8	(240.5)	1,382.3
(4) Subtraction items	13.7	12.7	1.0
(5) Total capital (2)+(3)-(4)	3,834.3	(266.6)	4,100.9
(6) Risk-adjusted assets	33,891.4	1,169.8	32,721.6

## 8. ROE

&lt;Non-consolidated&gt;

(%)

	FY2000		FY1999
		Change	
ROE (numerator: Banking profit <sup>*1</sup> )	23.6	2.4	21.2
ROE (numerator: Banking profit)	27.4	5.1	22.3
ROE (numerator: Banking profit <sup>*2</sup> )	23.0	1.9	21.1
ROE (numerator: Net income)	4.9	1.7	3.2

(\*1) Excluding transfer to general reserve for possible loan losses

(\*2) Excluding transfer to general reserve for possible loan losses and gains/losses on bonds

&lt;Consolidated&gt;

(%)

	FY2000		FY1999
		Change	
ROE (numerator: Net income)	2.7	(1.0)	3.7

$$\text{ROE} = \frac{(\text{Net income (or Banking profit)} - \text{Dividends on preferred stocks})}{\frac{\{(\text{Stockholders' equity at the beginning of the term}) - (\text{Number of preferred stocks at the beginning of the term}) * (\text{Issue price}) + (\text{Stockholders' equity at the end of the term}) - (\text{Number of preferred stocks at the end of the term}) * (\text{Issue price})\}}{2}} \times 100$$

	FY2000		FY1999
		Change	
Fully-diluted ROE (numerator: Net income) <sup>*3</sup>	2.2	(0.7)	2.9

(\*3) Fully-diluted basis, including convertible preferred stocks and mandatorily exchangeable subordinated notes in stockholders' equity in the denominator.

## 9. Classification under Self-Assessment, Disclosure of Problem Assets, and Reserve Policy

<As at Mar. 31, 2001>		(Billions of yen)					
Classification of Borrowers under Self-Assessment	Disclosure of Problem Assets Based on Financial Reconstruction Law	Classification under Self-Assessment				Reserve for Possible Loan Losses	Reserve Ratio (*3)
		Classification I	Classification II	Classification III	Classification IV		
Bankrupt Borrowers	Bankrupt and Quasi-Bankrupt Assets	Claims secured by collateral and guarantees	Fully reserved	Direct Write-offs (*1)	Specific Reserve	23.6 (*2)	100%
Effectively Bankrupt Borrowers	390.9 (Change from Mar. 2000: -3.8)	368.9	22.0				
Potentially Bankrupt Borrowers	Doubtful Assets	Claims secured by collateral and guarantees	Necessary amount reserved		Specific Reserve	246.2 (*2)	71.3%
	679.7 (Change from Mar. 2000: -201.2)	334.3	345.4				
Borrowers Requiring Caution	Substandard Assets	Substandard Assets secured by collateral and guarantees			Specific Reserve 0.6 General Reserve for Substandard Assets	19.7	15.0% (*3)
	190.3 (Change from Mar. 2000: -257.7) (Claims to Substandard Borrowers)	73.8					
	Normal Assets	Claims to Borrowers Requiring Caution excluding Claims to Substandard Borrowers			General Reserve	142.8	Average 3.4%
	32,302.5						
Normal Borrowers		Claims to Normal Borrowers					Average 0.14%
Total		33,563.4				Loan Loss Reserve for Specific Overseas Countries 11.6	
A: Problem Assets Based on Financial Reconstruction Law		B: Claims secured by collateral and guarantees		(A - B)		C: Reserve for Problem Assets Based on Financial Reconstruction Law	Reserve Ratio (*4)
1,260.9 (Change from Mar. 2000: -462.7)		777.0		483.9			

$$\text{Coverage Ratio} = (B+C)/A \quad 84.6\%$$

(\*1) Including direct reduction of 885.2 billion yen

(\*2) Includes reserves which do not fall under the "Financial Reconstruction Law" disclosure standards.

(Bankrupt/Effectively Bankrupt Borrowers: 1.6 billion yen, Potentially Bankrupt Borrowers: 4.5 billion yen)

(\*3) Reserve ratio to normal borrowers is the proportion of reserve to the total claims to normal customers. Reserve ratios to other borrowers are the proportion of reserve to the claims of each category excluding the portion secured by collateral and guarantees.

(\*3') The proportion of reserve to the unsecured claims to substandard borrowers (excluding the claims to borrowers with specific reserve).

(\*4) The proportion of reserve to the claims excluding the portion secured by collateral and guarantees.

## 10. Risk-Monitored Loans

&lt;Non-consolidated&gt;

(Millions of yen)

		Mar. 31, 2001	Change	Mar. 31, 2000
Risk-monitored loans	Bankrupt loans	174,814	18,185	156,629
	Non-Accrual loans	849,931	(217,784)	1,067,715
	Past due loans (3 months or more)	65,737	30,441	35,296
	Restructured loans	124,600	(288,135)	412,735
	Total	1,215,082	(457,293)	1,672,375

Amount of direct reduction                      877,927                      75,474                      802,453

Total loans (term-end balance)	30,575,498	(1,364,454)	31,939,952
(%)			

Ratio to total loans	Bankrupt loans	0.6	0.1	0.5
	Non-Accrual loans	2.8	(0.5)	3.3
	Past due loans (3 months or more)	0.2	0.1	0.1
	Restructured loans	0.4	(0.9)	1.3
	Total	4.0	(1.2)	5.2

&lt;Consolidated&gt;

(Millions of yen)

		Mar. 31, 2001	Change	Mar. 31, 2000
Risk-monitored loans	Bankrupt loans	197,398	21,085	176,313
	Non-Accrual loans	1,041,951	(232,656)	1,274,607
	Past due loans (3 months or more)	75,870	36,093	39,777
	Restructured loans	151,413	(19,328)	170,741
	Total	1,466,633	(194,807)	1,661,440

Amount of direct reduction                      1,084,504                      14,451                      1,070,053

Total loans (term-end balance)	32,906,703	573,492	32,333,211
(%)			

Ratio to total loans	Bankrupt loans	0.6	0.1	0.5
	Non-Accrual loans	3.2	(0.7)	3.9
	Past due loans (3 months or more)	0.2	0.1	0.1
	Restructured loans	0.5	0.0	0.5
	Total	4.5	(0.6)	5.1

## 11. Reserve for Possible Loan Losses

&lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Reserve for possible loan losses	424,799	(235,655)	660,454
General reserve	142,826	(55,976)	198,802
Specific reserve	270,342	(183,660)	454,002
Loan loss reserve for specific overseas countries	11,631	3,981	7,650
Amount of direct reduction	888,732	78,117	810,615
Reserve for possible losses on loans sold	67,163	(27,690)	94,853

&lt;Consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Reserve for possible loan losses	512,023	(170,165)	682,188
General reserve	163,151	(64,187)	227,338
Specific reserve	337,241	(109,222)	446,463
Loan loss reserve for specific overseas countries	11,631	3,245	8,386
Amount of direct reduction	1,121,687	(4,280)	1,125,967
Reserve for possible losses on loans sold	70,627	(25,365)	95,992

## 12. Reserve Ratio to Risk-Monitored Loans

&lt;Non-consolidated&gt;

(%)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Before direct reduction	62.8	3.4	59.4
After direct reduction	35.0	(4.5)	39.5

&lt;Consolidated&gt;

(%)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Before direct reduction	64.0	(2.2)	66.2
After direct reduction	34.9	(6.2)	41.1

(Note) Reserve ratio = (Reserves for possible loan losses) / (Risk-monitored loans)

## 13. Problem Assets Based on Financial Reconstruction Law

&lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Bankrupt and quasi-bankrupt assets	390,914	(3,786)	394,700
Doubtful assets	679,644	(201,185)	880,829
Substandard assets	190,337	(257,694)	448,031
Total (A)	1,260,895	(462,665)	1,723,560
Amount of direct reduction	885,259	77,407	807,852

(Note) In addition to loans, "Problem Assets Based on Financial Reconstruction Law" includes acceptances and guarantees, suspense payments, and other credit-type assets.

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Total coverage (B)	1,066,995	(226,876)	1,293,871
Reserve for possible loan losses* (C)	290,025	(172,006)	462,031
Reserve for supporting specific borrowers	---	---	---
Amount recoverable due to guarantees, collateral and others (D)	776,970	(54,870)	831,840

\* Sum of general reserve for substandard loans and specific reserve.

(%)

Coverage ratio (B) / (A)	84.6	9.5	75.1
--------------------------	------	-----	------

Coverage ratio calculated with total reserve for possible loan losses included in the numerator	95.3	8.7	86.6
---	------	-----	------

(%)

Reserve ratio to uncovered assets	59.9	8.1	51.8
(C) / (A) - (D)			

Coverage ratio calculated with total reserve for possible loan losses included in the numerator	87.8	13.7	74.1
---	------	------	------

&lt;Consolidated&gt;

(Millions of yen)

	Mar. 31, 2001
Bankrupt and quasi-bankrupt assets	489,581
Doubtful assets	803,208
Substandard assets	227,283
Total	1,520,073

## (Reference) Progress in Decreasing Problem Assets

## 1. Progress in decreasing Problem Assets existed at the end of First Half of Fiscal 2000

(1) Problem Assets based on Financial Reconstruction Law (excluding substandard loans)

(Billions of yen)

	At end of First Half of Fiscal 2000	At end of Second Half of Fiscal 2000	Change
Bankrupt and Quasi-Bankrupt Assets	439.9	334.4	(105.5)
Doubtful Assets	729.2	547.4	(181.8)
Total	1,169.1	881.8	(287.3)

(A)

(B)

(2) Progress in decreasing Problem Assets

(Billions of yen)

	Second Half of Fiscal 2000
Disposition by Borrower's Liquidation	47.4
Re-constructive Disposition	26.0
Loan Sales to Secondary Market	106.7
Write-off	(148.4)
Others	255.6
Total	287.3

(B)

Note: "Others" includes collection of claims / improvement of financial status of borrowers.

## 2. Deterioration of Assets during Second Half of Fiscal 2000

(Billions of yen)

	Second Half of Fiscal 2000
Bankrupt and Quasi-Bankrupt Assets	56.5
Doubtful Assets	132.3
Total	188.8

(C)

Note: Assets newly categorized as Problem Assets based on Financial Reconstruction Law (excluding substandard loans ) during second half of fiscal 2000 .

(References) Problem Assets based on Financial Reconstruction Law (excluding substandard loans)

(Billions of yen)

	At end of Second Half of Fiscal 2000
Bankrupt and Quasi-Bankrupt Assets	390.9
Doubtful Assets	679.7
Total	1,070.6

(A) + (C)

## 14. Loan Portfolio, Classified by Industry

## (1) Loans and bills discounted, classified by industry &lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Domestic offices (excluding offshore banking account)	28,017,904	(1,226,731)	29,244,635
Manufacturing	3,904,954	(10,393)	3,915,347
Agriculture, forestry, fisheries, and mining	129,915	(78,802)	208,717
Construction	1,392,438	(162,149)	1,554,587
Transportation, communications and other public enterprises	1,590,162	(44,888)	1,635,050
Wholesale and retail	4,119,667	(222,829)	4,342,496
Finance and insurance	2,534,110	233	2,533,877
Real estate	4,664,247	267,067	4,397,180
Services	2,616,772	(409,782)	3,026,554
Municipalities	222,320	(110,076)	332,396
Other	6,843,319	(455,112)	7,298,431
Overseas offices and offshore banking accounts	2,557,594	(137,723)	2,695,317
Public sector	60,746	12,252	48,494
Financial institutions	111,235	(33,154)	144,389
Commerce and industry	2,320,569	(111,865)	2,432,434
Other	65,042	(4,956)	69,998
Total	30,575,498	(1,364,454)	31,939,952

## Risk-monitored loans, classified by industry &lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Domestic offices (excluding offshore banking account)	1,178,212	(436,243)	1,614,455
Manufacturing	83,715	(1,544)	85,259
Agriculture, forestry, fisheries, and mining	5,401	(1,052)	6,453
Construction	64,256	(93,730)	157,986
Transportation, communications and other public enterprises	34,259	20,498	13,761
Wholesale and retail	233,712	(28,271)	261,983
Finance and insurance	7,460	(263,194)	270,654
Real estate	363,034	24,749	338,285
Services	297,620	(101,842)	399,462
Municipalities	---	---	---
Other	88,755	8,143	80,612
Overseas offices and offshore banking accounts	36,870	(21,050)	57,920
Public sector	1,066	(67)	1,133
Financial institutions	---	(6,622)	6,622
Commerce and industry	35,570	(14,100)	49,670
Other	234	(261)	495
Total	1,215,082	(457,293)	1,672,375

## (2) Problem Assets Based on Financial Reconstruction Law, classified by industry &lt;Non-consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2001		Change	Mar. 31, 2000
		Reserve ratio		
Domestic offices (excluding offshore banking account)	1,218,354	59.7	(441,273)	1,659,627
Manufacturing	84,933	61.2	(3,083)	88,016
Agriculture, forestry, fisheries, and mining	5,753	74.6	(2,875)	8,628
Construction	64,923	71.4	(94,421)	159,344
Transportation, communications and other public enterprises	38,173	57.2	24,350	13,823
Wholesale and retail	242,939	72.0	(28,450)	271,389
Finance and insurance	9,944	59.5	(265,039)	274,983
Real estate	366,243	64.1	23,327	342,916
Services	302,115	45.7	(99,806)	401,921
Municipalities	---	---	---	---
Other	103,331	100.0	4,724	98,607
Overseas offices and offshore banking accounts	42,541	63.2	(21,392)	63,933
Public sector	1,066	100.0	(67)	1,133
Financial institutions	8	100.0	(7,250)	7,258
Commerce and industry	41,233	62.0	(13,814)	55,047
Other	234	67.1	(261)	495
Total	1,260,895	59.9	(462,665)	1,723,560

(\*1) In addition to loans, "Problem Assets Based on Financial Reconstruction Law" includes acceptances and guarantees, suspense payments, and other credit-type assets.

(\*2) Reserve Ratio = (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to collaterals and guarantees)  
Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

## (3) Consumer loans outstanding &lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Consumer loans	7,931,099	(43,594)	7,974,693
Housing loans	6,695,462	82,695	6,612,767
Other loans	1,235,637	(126,289)	1,361,926

## (4) Loans to small and medium-sized enterprises outstanding &lt;Non-consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Outstanding balance	20,804,323	(455,709)	21,260,032
Ratio to total loans	74.3	1.6	72.7

(Note) Outstanding balance does not include loans to overseas offices and offshore banking accounts.

## 15. Overseas Loans

## (1) Loans to specific overseas countries

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Loan balance	127,713	5,389	122,324
Number of countries	6	(4)	10

## (2) Loans classified by country

## (i) Loans to Asian countries

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Indonesia	109,269	(9,119)	118,388
(Risk-monitored loans)	9,957	(8,579)	18,536
Thailand	116,702	(7,763)	124,465
(Risk-monitored loans)	5,174	126	5,048
Korea	37,038	(31,418)	68,456
(Risk-monitored loans)	200	200	-
Hong Kong	191,033	29,079	161,954
(Risk-monitored loans)	2,992	(6,400)	9,392
China	55,116	(805)	55,921
(Risk-monitored loans)	2,451	(2,561)	5,012
Singapore	113,781	47,900	65,881
(Risk-monitored loans)	256	27	229
India	27,896	2,111	25,785
(Risk-monitored loans)	1,420	(1,460)	2,880
Malaysia	32,833	5,765	27,068
(Risk-monitored loans)	5,795	3,624	2,171
Pakistan	1,610	(109)	1,719
(Risk-monitored loans)	629	91	538
Other	12,142	8,563	3,579
(Risk-monitored loans)	-	-	-
Total	697,425	44,205	653,220
(Risk-monitored loans)	28,874	(14,932)	43,806

(Note) Classified by domicile of debtors (same for the following tables).

## (ii) Loans to Central and South American countries

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Chile	9,218	(155)	9,373
(Risk-monitored loans)	-	-	-
Columbia	7,595	(451)	8,046
(Risk-monitored loans)	929	929	-
Mexico	5,674	533	5,141
(Risk-monitored loans)	-	-	-
Argentina	12	(9)	21
(Risk-monitored loans)	-	-	-
Brazil	4,497	4,236	261
(Risk-monitored loans)	-	-	-
Venezuela	1,301	(47)	1,348
(Risk-monitored loans)	-	-	-
Panama	1,003	1,003	-
(Risk-monitored loans)	-	-	-
Total	29,302	5,111	24,191
(Risk-monitored loans)	929	929	-

## (iii) Loans to Russia

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Russia	148	42	106
(Risk-monitored loans)	-	(106)	106

## (3) Problem Assets Based on Financial Reconstruction Law, classified by domicile &lt;Non-consolidated&gt;

(Millions of yen, %)

	Mar. 31, 2001		Change	Mar. 31, 2000
		Reserve ratio		
Overseas and Japan offshore banking accounts	42,541	63.2	(21,392)	63,933
Asia	33,072	61.3	(16,731)	49,803
Indonesia	11,590	56.2	(9,290)	20,880
Hong Kong	2,996	72.1	(6,396)	9,392
India	3,423	70.2	(2,075)	5,498
China	2,749	66.9	(2,518)	5,267
Others	12,314	62.9	3,548	8,766
North America	5,002	96.9	(3,099)	8,101
Central and South America	929	70.1	929	---
Western Europe	2,222	55.9	(3,701)	5,923
Eastern Europe	1,316	70.1	1,210	106

(\*1) In addition to loans, "Problem Assets Based on Financial Reconstruction Law" includes acceptances and guarantees, suspense payments, and other credit-type assets.

(\*2) Reserve Ratio = (Reserve for possible loan losses) / (Assets excluding amounts recoverable due to collaterals and guarantees)  
Reserve for possible loan losses is sum of general reserve for substandard loans and specific reserve.

(\*3) Classified by domicile of debtors.

## 16. Information on Deposits and Loans

## (1) Deposits and loans outstanding &lt;Non-consolidated&gt;

(Millions of yen, %)

	FY2000		FY1999
		Change	
Deposits (term-end balance)	28,872,248	(931,473)	29,803,721
Deposits (average balance)	29,403,732	(1,645,708)	31,049,440
Domestic	25,326,957	(2,333,238)	27,660,195
Average yield	0.15	(0.02)	0.17
Loans (term-end balance)	30,575,498	(1,364,454)	31,939,952
Loans (average balance)	31,040,579	(1,257,584)	32,298,163
Domestic	27,921,156	(933,867)	28,855,023
Average yield	2.07	0.02	2.05

## (2) Deposits outstanding, classified by depositor &lt;Non-consolidated&gt;

(Millions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Domestic deposits (term-end balance)	25,793,111	(1,292,593)	27,085,704
Individual	14,796,723	(274,554)	15,071,277
Corporate	10,996,388	(1,018,039)	12,014,427

(Note) Calculation based on the numbers before elimination of temporary inter-office accounts.

Excludes offshore banking accounts.

## 17. Expenses &lt;Non-consolidated&gt;

(Millions of yen)

	FY2000			FY2000
		Change from FY1999	Change from The Plan	"The Plan"*
Expenses	374,990	(22,781)	(12,610)	387,600
Personnel	155,646	(6,092)	1,646	154,000
Non-personnel	201,009	(15,124)	(8,691)	209,700
Taxes	18,334	(1,565)	(5,566)	23,900

\*"The Plan for the Strengthening of the Financial Base of the Bank"

## (i) Personnel expenses

Number of employees:	Reduction of 1,298 employees since Mar. 31, 2000.
Employee salaries:	No increase in basic salary for 5 consecutive years from FY1996.
Employee bonuses:	Early retirement plan introduced from FY1995.

## (ii) Non-personnel expenses

Streamlining of the network accomplished with rationalization of domestic and overseas branches.
Basic expenses decreased through continuous trial to reduce procurement costs drastically.

## 18. Number of Directors and Employees &lt;Non-consolidated&gt;

	Mar. 31, 2001			Mar. 31, 2001
		Change from Mar. 31, 2000	Change from The Plan	"The Plan"
Directors and auditors	18	(1)	(3)	Approx. 21
Employees	13,632	(1,298)	(768)	14,400

Number of directors and auditors are those of executives as defined in the Commercial Code of Japan.

Employees include clerical staffs and transferred staffs, and exclude the member of the Board of Directors, part-timers, temporary and overseas local staffs.

## 19. Number of Offices &lt;Non-consolidated&gt;

	Mar. 31, 2001			Mar. 31, 2001
		Change from Mar. 31, 2000	Change from The Plan	"The Plan"
Domestic branches <sup>*1</sup>	316	(60)	(36)	352
Overseas branches <sup>*2</sup>	16	(2)	3	13
Overseas subsidiaries <sup>*3</sup>	17	(2)	(2)	19

(\*1) Sub-branches, agencies, and branches specialized in receiving money transfers are excluded.

(\*2) Sub-branches and representative offices are excluded.

(\*3) Excluding affiliates, of which the Bank has less than 50% equity interest.

## (Reference) Other Financial Data &lt;Non-consolidated&gt;

## 1. Debt Forgiveness

(Billions of yen)

Number of companies forgiven the debt	7
Principal amount forgiven	102.8
Major company	Mitsui Construction

(Note) Debt forgiveness associated with legal settlement is not included.

## 2. Enterprise Taxes by Tokyo and Osaka Governments

(Billions of yen)

Enterprise tax by Tokyo Metropolitan Government in fiscal 2000	(8.7)
Expected enterprise tax by Osaka Prefectural Government in fiscal 2001	---

〔Sakura and Sumitomo  
combined〕

(16.8) billion yen

Approx. (8.0) billion yen

## 3. Sales of cross-shareholdings

(Billions of yen)

During fiscal 2000	Approx. (90.0)
--------------------	----------------

**I Financial Highlights for FY 2000 (Sakura and Sumitomo Combined)**

## 1. Financial Result

&lt;Non-consolidated&gt;

(Billions of yen)

		FY2000	Change	FY1999
Gross banking profit	1	1,503.2	68.7	1,434.5
<Excluding gains/losses on bonds>	2	<1,494.4>	<58.5>	<1,435.9>
Gross domestic profit	3	1,259.2	28.4	1,230.8
<Excluding gains/losses on bonds>	4	<1,250.8>	<17.8>	<1,233.0>
Net interest income	5	1,109.2	(18.2)	1,127.4
Net fees and commissions	6	113.0	12.9	100.1
Net trading profit	7	9.2	4.2	5.0
Other operating income	8	27.8	29.5	(1.7)
<Gains and losses on bonds>	9	<8.4>	<10.6>	<(2.2)>
Gross international profit	10	244.0	40.3	203.7
<Excluding gains/losses on bonds>	11	<243.6>	<40.6>	<203.0>
Net interest income	12	131.5	44.9	86.7
Net fees and commissions	13	37.7	8.4	29.3
Net trading profit	14	86.2	49.8	36.4
Other operating income	15	(11.5)	(62.9)	51.4
<Gains and losses on bonds>	16	<0.4>	<(0.4)>	<0.8>
Expenses	17	(700.1)	27.5	(727.6)
Personnel expenses	18	(294.0)	9.7	(303.7)
Non-personnel expenses	19	(370.6)	15.7	(386.3)
Taxes	20	(35.5)	2.0	(37.5)
Bond issue costs	21		4.0	(4.0)
Banking profit (excluding transfer to general reserve for possible loan losses)	22	803.1	100.2	702.9
<Excluding gains/losses on bonds>	23	794.3	89.9	704.4
Transfer to general reserve for possible loan losses	24	188.6	212.8	(24.2)
Banking profit	25	991.7	313.0	678.7
<Gains/Losses on bonds>	26	8.8	10.3	(1.5)
Other operating profit (loss)	27	(632.5)	(290.2)	(342.3)
<Total credit cost>	28	<(819.1)>	<311.5>	<(1,130.6)>
Write-off of loans	29	(741.4)	(263.6)	(477.8)
Transfer to specific reserve	30	(156.5)	291.3	(447.8)
Transfer to reserve for losses on loans sold	31	(52.9)	19.9	(72.8)
Losses on loans sold to CCPC	32	(31.7)	13.1	(44.8)
Losses on sale of delinquent loans	33	(25.1)	8.7	(33.8)
Losses on financial support for associated companies	34	---	35.2	(35.2)
Transfer to loan loss reserve for specific overseas countries	35	0.0	(5.8)	5.8
<Transfer to general reserve for possible loan losses>	36	<188.6>	<212.8>	<(24.2)>
Gains/Losses on stocks	37	311.4	(517.0)	828.4
Gains on sale of stocks	38	496.2	(461.3)	957.5
Losses on sale of stocks	39	(66.8)	(1.7)	(65.1)
Losses on devaluation of stocks	40	(118.1)	(54.1)	(64.0)
Enterprise tax by Tokyo Metropolitan Government	41	(16.8)	(16.8)	---
Other	42	80.6	144.9	(64.3)
Operating profit	43	359.2	22.8	336.4
Extraordinary profit (loss)	44	(86.1)	(52.3)	(33.8)
Gains/Losses on disposition of premises and equipment	45	(30.5)	(17.4)	(13.1)
Gains on disposition of premises and equipment	46	2.1	(0.2)	2.3
Losses on disposition of premises and equipment	47	(32.6)	(17.2)	(15.4)
Amortization of net obligation under new accounting standard for employees' retirement benefits	48	(56.5)	(56.5)	---
Income before income taxes	49	273.1	(29.5)	302.6
Income taxes, current	50	(9.5)	1.1	(10.6)
Income taxes, deferred	51	(125.7)	60.3	(186.0)
Effect of introduction of enterprise taxes to banking industries by Tokyo Metropolitan Government	52	---	70.1	(70.1)
Effect of introduction of enterprise taxes to banking industries by Osaka Prefectural Government	53	(32.0)	(32.0)	---
Net income	54	137.8	31.9	105.9

## &lt;Consolidated&gt;

(Billions of yen)

		FY2000		FY1999
			Change	
Consolidated gross profit	1	1,837.9	91.2	1,746.7
Net interest income	2	1,323.5	16.4	1,307.1
Net fees and commissions	3	316.3	50.6	265.7
Net trading profit	4	109.0	45.6	63.4
Other operating income	5	89.0	(21.6)	110.6
General and administrative expenses	6	(940.9)	12.7	(953.6)
Total credit cost	7	(992.9)	267.3	(1,260.2)
Write-off of loans	8	(814.4)	(228.9)	(585.5)
Transfer to specific reserve	9	(258.5)	199.0	(457.5)
Transfer to general reserve for possible loan losses	10	209.5	227.0	(17.5)
Other	11	(129.5)	70.1	(199.6)
Gains and losses on stocks	12	468.5	(390.0)	858.5
Net income/loss from unconsolidated entities by the equity method	13	44.4	81.4	(37.0)
Other operating profit	14	77.7	58.4	19.3
Operating profit	15	494.6	120.8	373.8
Extraordinary profit (loss)	16	(89.1)	(58.0)	(31.1)
Income before income taxes	17	405.5	62.9	342.6
Income taxes, current	18	(65.5)	(6.9)	(58.6)
Income taxes, deferred	19	(198.2)	(27.6)	(170.6)
Minority interests in net income	20	(9.3)	(20.4)	11.1
Net Income	21	132.4	7.9	124.5

(Note) Consolidated gross profit = (Interest income - Interest expenses) + (Fees and commissions (income) - Fees and commissions (expenses))  
+ (Trading profits - Trading losses) + (Other income - Other losses)

## (Reference)

(Billions of yen)

Consolidated banking profit	22	833.2	45.0	788.2
-----------------------------	----	-------	------	-------

(Note) Consolidated banking profit = (Non-consolidated banking profit (excl. transfer to general reserve)) + (Subsidiaries' operating profit)  
+ (Affiliates' operating profit) \* (Ownership ratio) - (Internal transaction (dividends, etc.))

## (Number of subsidiaries and affiliates)

		Mar. 31, 2001		Mar. 31, 2000
			Change	
Consolidated subsidiaries	23	149	23	126
Affiliated companies accounted for by the equity method	24	41	(29)	70

## 2. Banking Profit per Employee / Overhead Ratio &lt;Non-consolidated&gt;

(Billions of yen, %)

		FY2000	Change	FY1999
(1)Banking profit (excluding transfer to general reserve for possible loan losses)		803.1	100.2	702.9
	Per employee (millions of yen)	31	6	25
(2)Banking profit		991.7	313.0	678.7
	Per employee (millions of yen)	38	14	24
(3)Banking profit (excluding transfer to general reserve for possible loan losses and gains/losses on bonds)		794.3	89.9	704.4
	Per employee (millions of yen)	30	5	25
Overhead ratio		46.6	(4.1)	50.7

(Note) 1. Employees include executive officers (who are not also board members) and overseas local staffs, and exclude employees temporarily transferred to other companies, temporary staff, and part-time staff. For per-employee calculation purpose, the average number of employees during the period is used.

2. Overhead ratio = (Expenses) / (Gross banking profit)

## 3. Risk-Monitored Loans

## (1) Non-consolidated

(Billions of yen)

		Mar. 31, 2001	Change	Mar. 31, 2000
Risk-monitored loans	Bankrupt loans	235.7	6.1	229.6
	Non-Accrual loans	2,207.5	(296.3)	2,503.8
	Past due loans (3 months or more)	103.2	27.6	75.6
	Restructured loans	186.2	(561.2)	747.4
	Total	2,732.6	(823.9)	3,556.5
Amount of direct reduction		1,540.4	32.1	1,508.3
Total loans (term-end balance)		61,747.9	(1,550.6)	63,298.5
Ratio to total loans (%)		4.4	(1.2)	5.6

## (2) Consolidated

(Billions of yen)

		Mar. 31, 2001	Change	Mar. 31, 2000
Risk-monitored loans	Bankrupt loans	273.1	9.5	263.6
	Non-Accrual loans	2,577.5	(359.0)	2,936.5
	Past due loans (3 months or more)	125.8	6.8	119.0
	Restructured loans	280.0	(265.6)	545.6
	Total	3,256.4	(608.4)	3,864.8
Amount of direct reduction		1,936.6	(64.5)	2,001.1
Total loans (term-end balance)		65,537.1	263.0	65,274.1
Ratio to total loans (%)		5.0	(0.9)	5.9

## 4. Problem Assets Based on Financial Reconstruction Law

&lt;Non-consolidated&gt;

(Billions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Bankrupt and quasi-bankrupt assets	589.9	4.4	585.5
Doubtful assets	1,943.1	(288.9)	2,232.0
Substandard assets	289.4	(533.6)	823.0
Total (A)	2,822.5	(818.0)	3,640.5
Amount of direct reduction	1,567.4	28.5	1,538.9

(Note) In addition to loans, "Problem Assets Based on Financial Reconstruction Law" includes acceptances and guarantees, suspense payments, and other credit-type assets.

(Billions of yen)

	Mar. 31, 2001		Mar. 31, 2000
		Change	
Total coverage (B)	2,244.1	(252.8)	2,496.9
Reserve for possible loan losses* (C)	734.1	(323.3)	1,057.4
Reserve for supporting specific borrowers	---	---	---
Amount recoverable due to guarantees, collateral and others (D)	1,510.0	70.5	1,439.5

\* Sum of general reserve for substandard loans and specific reserve.

(% )

Coverage ratio (B) / (A)	79.5	10.9	68.6
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Coverage ratio calculated with total reserve for possible loan losses included in the numerator

	92.3	9.6	82.7
--	------	-----	------

(% )

Reserve ratio to uncovered assets (C) / (A) - (D)	55.9	7.9	48.0
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Coverage ratio calculated with total reserve for possible loan losses included in the numerator

	83.5	12.2	71.3
--	------	------	------

&lt;Consolidated&gt;

(Billions of yen)

	Mar. 31, 2001
Bankrupt and quasi-bankrupt assets	777.3
Doubtful assets	2,166.4
Substandard assets	411.2
Total	3,355.0

## (Reference) Progress in Decreasing Problem Assets

## 1. Progress in decreasing Problem Assets existed at the end of First Half of Fiscal 2000

(1) Problem Assets based on Financial Reconstruction Law (excluding substandard loans)

(Billions of yen)

	At end of First Half of Fiscal 2000	At end of Second Half of Fiscal 2000	Change
Bankrupt and Quasi-Bankrupt Assets	621.7	472.7	(149.0)
Doubtful Assets	2,567.9	1,353.1	(1,214.8)
Total	3,189.6	1,825.8	(1,363.8)

(A)

(B)

(2) Progress in decreasing Problem Assets

(Billions of yen)

	Second Half of Fiscal 2000
Disposition by Borrower's Liquidation	64.3
Re-constructive Disposition	348.3
Loan Sales to Secondary Market	208.4
Write-off	(97.7)
Others	840.5
Total	1,363.8 (B)

Note: "Others" includes collection of claims / improvement of financial status of borrowers.

## 2. Deterioration of Assets during Second Half of Fiscal 2000

(Billions of yen)

	Second Half of Fiscal 2000
Bankrupt and Quasi-Bankrupt Assets	117.2
Doubtful Assets	590.1
Total	707.3 (C)

Note: Assets newly categorized as Problem Assets based on Financial Reconstruction Law (excluding substandard loans ) during second half of fiscal 2000 .

(References) Problem Assets based on Financial Reconstruction Law (excluding substandard loans)

(Billions of yen)

	At end of Second Half of Fiscal 2000
Bankrupt and Quasi-Bankrupt Assets	589.9
Doubtful Assets	1,943.2
Total	2,533.1 (A) + (C)

## 5. Summary of Merger Succession

Prior to the succession of Sakura Bank's assets, liabilities and capital due to the merger this April, we have applied following accounting treatments in order to further strengthen the financial base of the new Bank. First, Sakura's "other securities" with unrealized losses, and land which was revaluated at the fair value as at March 1998, was transferred to the new Bank at the market value at the time of the merger. Second, Sakura's unrecognized net obligation on employee retirement plan, based on new accounting standard effective April 2000, was fully provisioned prior to the merger.

As a result of these accounting treatments, total of 427.0 billion yen was deducted from the stockholders' equity, after netting the increase in deferred tax assets.

The financial status of the new Bank as at the merger date is as follows.

### (1) Assets, liabilities and stockholders' equity succeeded by the merger <Non-consolidated>

(Billions of yen)

	Sakura Bank			Sumitomo Bank	After the merger
	Mar. 31, 2001	Change in book value by the accounting treatments	Succeeded book value	Mar. 31, 2001	Apr. 2001
Total assets	48,461.8	(216.8)	48,245.0	65,265.7	113,451.3
Securities	10,199.7	(456.3)	9,743.4	16,860.3	26,603.7
Premises and equipment	286.4	(29.2)	257.2	585.4	842.6
Deferred tax assets	524.1	268.7	792.8	550.5	1,343.3
Total liabilities	46,180.6	210.2	46,390.8	63,347.0	109,678.4
Reserve for employee retirement benefit	14.1	210.2	224.3	( 59.4)	164.9
Stockholders' equity	2,281.2	(427.0)	1,854.2	1,918.7	3,772.9
Capital stock	1,042.7	(518.8)	523.9	752.8	1,276.7
Capital surplus	899.5	91.8	991.3	643.1	1,634.4
Earned reserve	131.3	---	131.3	107.9	239.2
Land revaluation excess	42.7	---	42.7	166.9	209.6
Retained earnings	165.0	---	165.0	248.0	413.0

### (2) Unrealized gains/losses of the new Bank <Non-consolidated>

(Billions of yen)

	Sakura Bank, Mar. 31, 2001			Disposal of unrealized losses	Sumitomo Bank, Mar. 31, 2001			SMBC, Apr. 2001		
	Unrealized gains/losses	Gains	Losses		Unrealized gains/losses	Gains	Losses	Unrealized gains/losses	Gains	Losses
Held-to-maturity purpose	---	---	---		(0.1)	0.0	(0.1)	(0.1)	0.0	(0.1)
Stocks of subsidiaries and affiliates	4.2	5.7	(1.5)		(6.3)	0.5	(6.8)	(2.1)	6.2	(8.3)
Other securities	(251.7)	204.6	(456.3)	(456.3)	(4.2)	300.6	(304.8)	200.4	505.2	(304.8)
Stocks	(260.7)	177.1	(437.8)	(437.8)	(83.3)	210.7	(294.0)	93.8	387.8	(294.0)
Bonds	21.4	24.0	(2.6)	(2.6)	80.9	83.5	(2.6)	104.9	107.5	(2.6)
Others	(12.4)	3.5	(15.9)	(15.9)	(1.8)	6.4	(8.2)	1.7	9.9	(8.2)
Total	(247.5)	210.3	(457.8)	(456.3)	(10.6)	301.1	(311.7)	198.2	511.4	(313.2)
Money held in trust	0.5	0.5	(0.0)	(0.0)	(4.1)	0.3	(4.4)	(3.6)	0.8	(4.4)
Land	(29.2)			(29.2)	(71.4)			(71.4)		
Unrecognized net obligation on employee retirement benefit	(210.2)			(210.2)	(130.2)			(130.2)		
Net obligation from change of accounting standard	(145.4)			(145.4)	(80.7)			(80.7)		
Actuarial net gain or loss	(64.8)			(64.8)	(49.5)			(49.5)		

### (3) Consolidated capital ratio of the new Bank (BIS guidelines)

10.8%
-------

## 6. Projections for FY2001 Earnings

## 1. Profits/Losses

&lt;Non-consolidated&gt;

(Billions of yen)

	FY2001		FY2000
	Projections	Change	
Banking profit (excluding transfer to general reserve for possible loan losses)	710.0	(93.1)	803.1
Operating profit	295.0	(64.2)	359.2
Net income	150.0	12.2	137.8
Total credit cost	(400.0)	419.1	(819.1)

(Note) (Transfer to general reserve for possible loan losses) + (Credit cost included in other operating losses)

&lt;Consolidated&gt;

(Billions of yen)

	FY2001		FY2000
	Projections	Change	
Operating profit	410.0	(84.6)	494.6
Net income	180.0	47.6	132.4
Consolidated banking profit	790.0	(43.2)	833.2