

report of independent public accountants

TO THE BOARD OF DIRECTORS THE SUMITOMO BANK, LIMITED

We have audited the accompanying consolidated balance sheets of The Sumitomo Bank, Limited and subsidiaries as of March 31, 2000 and 1999, and the related consolidated statements of income, shareholders' equity, and cash flows for each of the three years in the period ended March 31, 2000, expressed in Japanese yen. Our audits were made in accordance with generally accepted auditing standards in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements referred to above present fairly the consolidated financial position of The Sumitomo Bank, Limited and subsidiaries as of March 31, 2000 and 1999, and the consolidated results of their operations and their cash flows for each of the three years in the period ended March 31, 2000 in conformity with accounting principles generally accepted in Japan applied on a consistent basis during the periods, except for the change made as of April 1, 1998, in the method of accounting for depreciation referred to in Note 2 (f), with which we concur.

Also, in our opinion, the U.S. dollar amounts in the accompanying consolidated financial statements have been translated from Japanese yen on the basis set forth in Note 1.

The Sakura Bank, Limited and The Sumitomo Bank, Limited have signed a contract of merger on May 22, 2000 and the terms of the merger were approved at the ordinary general meeting of shareholders and the general meetings of class shareholders held on June 29, 2000 and June 28, 2000, respectively, referred to in Note 29 (b).



*Tokyo, Japan
June 29, 2000*

Statement on Accounting Principles and Auditing Standards

This statement is to remind users that accounting principles and auditing standards and their application in practice may vary among nations and therefore could affect, possibly materially, the reported financial position and results of operations. The accompanying financial statements are prepared based on accounting principles generally accepted in Japan, and the auditing standards and their application in practice are those generally accepted in Japan. Accordingly, the accompanying consolidated financial statements and the auditors' report presented above are for users familiar with Japanese accounting principles, auditing standards and their application in practice.