

THE SAKURA BANK, LIMITED
SUMMARY OF CONSOLIDATED ACCOUNTS
FOR THE PERIOD FROM APRIL 1, 2000 TO SEPTEMBER 30, 2000

CORPORATE AND STOCK INFORMATION

HEAD OFFICE : Tokyo, Japan

ACCOUNTING PERIOD : Year Ending March 31

DATE OF APPROVAL BY THE BOARD OF DIRECTORS : NOVEMBER 21, 2000

1.PERFORMANCE (FOR THE PERIOD FROM APRIL 1, 2000 TO SEPTEMBER 30, 2000)

(1) PRINCIPAL INDICATORS

Millions of Yen	2000	Six Months Ended September 30		Years Ended March 31		
		Inc./.(Dec.)*	1999	Inc./.(Dec.)*	2,000	Inc./.(Dec.)*
Operating Income	881,178	(3.4%)	911,831	—	2,147,495	0.4%
Operating Profit	105,999	43.1%	74,075	—	136,497	—
Net Income	31,302	(23.3%)	40,803	—	62,581	—
Net Income Per Share (Yen)	6.26		8.63		12.58	
Net Income Per Share After Assuming Dilution (yen)	6.25		8.56		—	

* Change from the previous (interim) term

Notes: 1. Figures less than one million are rounded down.

2. Equity in earnings/losses of affiliated companies as of September 30, 2000 : JPY 7,443 million (earnings)
as of September 30, 1999 : JPY 347 million (earnings)
as of March 31, 2000 : JPY 1,487 million (losses)

3. Unrealized Gains on Derivative Financial Instruments as of September 30, 2000 : JPY 19,142 million

4. Accounting procedures are in accordance with generally accepted standards for preparation of financial accounts in Japan and explained in detail in notes to balance sheet and statement of income.

(2) FINANCIAL POSITION

Millions of Yen	2000	September 30	March 31
		1999	2,000
Total Assets	50,713,080	48,825,915	48,495,608
Stockholders' Equity	2,183,752	2,202,550	2,208,554
Equity Ratio	4.3%	4.5%	4.6%
Stockholders' Equity per Share (yen)	335.35	338.30	340.98
Capital Ratio (BIS Guidelines)	(preliminary) 12.30%	12.43%	12.53%

(3) CASH FLOWS STATEMENT

Millions of Yen	2000	September 30	March 31
		1999	2,000
Cash Flows from Operating Activities	111,788	444,452	888,743
Cash Flows from Investing Activities	(314,879)	(379,406)	(367,609)
Cash Flows from Financing Activities	(110,547)	31,217	(22,124)
Cash and Cash Equivalents at End of Year	1,094,455	1,003,997	1,408,146

(4) APPLICATION OF CONSOLIDATED AND EQUITY METHODS

- (a) Number of Consolidated Subsidiaries : 63
- (b) Number of Unconsolidated Subsidiaries Accounted for Equity Method : 23
- (c) Number of Affiliated Companies Accounted for Equity Method : 10

(5) CHANGES UNDER APPLICATION OF CONSOLIDATED AND EQUITY METHODS

- (a) Added number of Consolidated Subsidiaries : 13
- (b) Excluded number of Consolidated Subsidiaries : 1
- (c) Added number of Affiliated Companies Accounted for Equity Method : 2
- (d) Excluded number of Affiliated Companies Accounted for Equity Method : 1

2. PERFORMANCE PROJECTION FOR FY2000 (YEAR THROUGH MARCH 31, 2001)

Millions of Yen	
Operating Income	1,700,000
Operating Profit	225,000
Net Income	72,000

(reference) Forecast of net income per share is JPY 14.82.

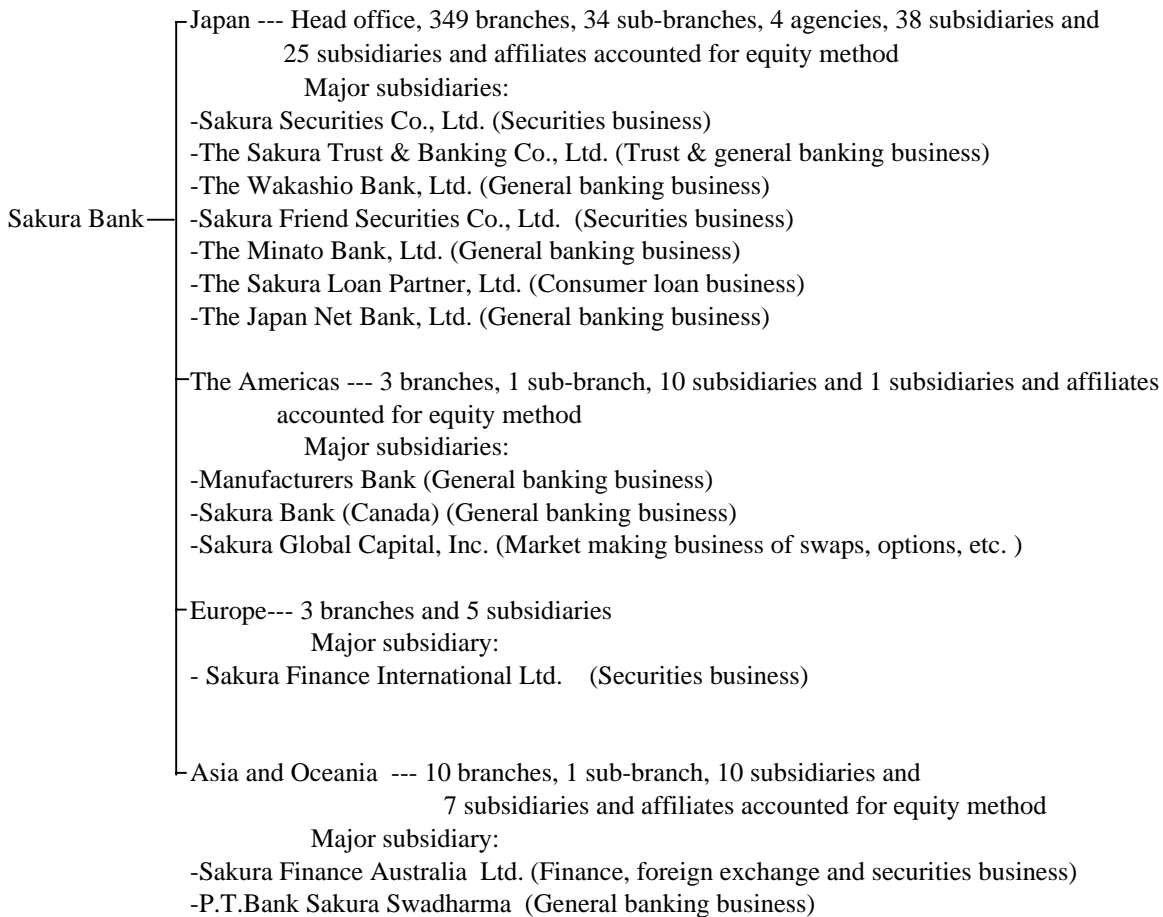
Notes: Forecasted net income per share is calculated without taking conversion of preference stocks to common stocks into consideration.

1. General Situation of Sakura Bank Group Companies

(1) Business Contents of Group Companies

They are composed of Sakura Bank, its consolidated 63 subsidiaries and 33 subsidiaries and affiliates accounted for equity method, which provide banking service and other financial services in the fields of securities business, trust business, leasing business, etc.

(2) Group Companies Chart by Region



2. Management Policy

(1) Basic Management Policy

Since its establishment, Sakura Bank has focused on:

- Providing the very best financial and information services as a comprehensive financial services institutions;
- Placing a high value on its role in the communities it serves and growing with its customers; and
- Being a people-oriented Bank where employees enjoy a high level of job satisfaction.

These three philosophies underscore an approach to management that places top priority on the interests of stakeholders and serves as the driving force behind Sakura Bank's efforts. To this end, we will continue to adhere to a stringent code of corporate ethics and ensure fair and transparent operations by observing compliance standards, enhancing customer satisfaction and expanding philanthropic activities.

(2) Dividend Policy

It is the Bank's policy with respect to its ordinary shares that, in light of public nature of the banking business, the Bank will make efforts to maintain an appropriate level of retained earnings in view of preserving a sound management basis, and will pay dividends at a steady level upon giving consideration to the long-term prospect for profits and the level of dividends in the past.

Dividends on the preference shares are non-cumulative, and it is the Bank's policy that, subject to the level of distributable profits and to prospects for profits, etc., the Bank will continue to pay preferred dividends recommended by the Board of Directors at the issuance of preference shares for each fiscal year from the time of issuance until the Mandatory Conversion takes place.

(3) Establishing a Responsible Management Structure

The Bank is improving its corporate governance measures to make decision making process more transparent, to render management more accountable and to place the institution on a sounder footing.

In June 1999, we introduced an executive officer system and cut the number of board members from 45 to 13 to streamline decision making. In June 2000, the oversight function to the Board of Directors was further strengthened by appointing two directors from outside the Bank.

According to the performance-based remuneration system introduced last year, executive pay and retirement bonuses are now linked to the Bank's results and fluctuate on an annual basis. Moreover, we have instituted a stock option system that only pays when the Bank's share price rises. These measures have created a stronger link among executive incentives, bank earnings and share value.

(4) Management Tasks

In the financial sector, further progress in the Japan's "Big Bang" reforms and information technology revolution has intensified global competition through the entry of companies from other sectors and geographical areas. It has also prompted a structural change such as large-scale mergers and strategic tie-ups across industry boundaries.

As stated above, the circumstances under which financial institutions do business are now very difficult. However, by strengthening our competitive edge and also aggressively coping with this change as the first-mover, we can regard this drastic change of circumstances as a great opportunity for further growth.

In order to survive this intensified competition and make great strides in the next century, we have further developed commercial bank business with a strong customer base as our competitive edge and striven to raise shareholder value by continuously pursuing effective business strategies with initiative and originality which generate competitiveness. We have made efforts towards improving profitability by further increasing housing loans and investment trust which are already at the highest level among city banks and also by further reducing various costs. At the same time, we have embodied innovations in an Internet specialized bank and a new consumer loan company.

We will start as Sumitomo Mitsui Banking Corporation on April 1, 2001, merging with The Sumitomo Bank, Ltd. As for this merger, we obtained shareholders' approval and our preparations for that are now in the final stage. We will do our best to earn a great trust to and a high valuation of the new bank from all stakeholders and also to raise new bank's shareholder value as well as our present shareholder one.

(5) Strategy of the new bank, "SMBC"

The basic principles of the new bank's management strategy consists of the following five points.

(a) Improving profitability in consumer banking

The new bank will improve profitability in consumer banking through refined customer segmentation, increased sales of profitable products and services via an extensive network, and enhanced operational efficiency.

(b) Achieving higher asset efficiency in corporate finance

The new bank will make effort to achieve higher asset efficiency by increasing fee income for quality financial solutions that meet the specific needs of clients and strengthening "market-driven financial intermediation" such as loan syndication, etc.

(c) Re-reinforcing international banking business

As for international banking business, management resources will be aggressively allocated based on selective regional focus and targeted strategies. In specific terms, the new bank will strengthen the business in Asia by leveraging both geographic advantage and the combined customer base with rationalized branch network of both banks.

(d) Strategic investment in IT

In order to heighten its competitiveness, the new bank will invest in strategic IT area aggressively. For examples, the new bank will further increase an investment in improvement of database marketing for customers.

(e) Displaying leadership in Internet-related financial business.

As a new financial services complex, the new bank will pursue alliances with various partners and strive to be the leader in Internet-related financial businesses.

(6) Target Figure

The Bank set the target of ROE (consolidated basis) up to over 10% by FY2004 after the merger.

3. Business Results

(1) Summary of Financial Results

(a) Summary of Consolidated Financial Results

In the half of FY 2000, ended September 30, 2000, on a consolidated basis, operating income fell JPY 30.6 billion to 881.1 billion and operating expenses fell JPY 62.5 billion to JPY 775.1 billion from the previous interim period. Accordingly, an operating profit rose JPY 31.9 billion to JPY 105.9 billion. Reflecting the net extraordinary profit, current and deferred income taxes (corporation, inhabitants and enterprise taxes), a net income fell JPY 9.5 billion to JPY 31.3 billion. Operating profit by geographic segment consists of JPY 99.1 billion of "Domestic", JPY 6.4 billion in "Americas", minus JPY 6.8 billion in "Europe" and JPY 7.4 billion in "Asia and Oceania".

(b) Summary of Financial Results of the Bank

In the half of FY 2000, ended September 30, 2000, operating income fell JPY 68.3 billion to JPY 748.6 billion from the previous interim period due primarily to a decrease of interest income, and operating expenses fell JPY 126.5 billion to JPY 632.9 billion period due primarily to a decrease of interest expenses. Accordingly, an operating profit rose JPY 58.1 billion to JPY 115.6 billion. Reflecting the net extraordinary profit, current and deferred income taxes (corporation, inhabitants and enterprise taxes), the Bank posted a net income of JPY 51.9 billion.

Net operating profit before general reserve for possible loan losses rose JPY 7.7 billion to JPY 166.8 billion from the previous interim period due primarily to an increase of gross operating profit, especially fees and commissions and other operating income as well as reducing expenses by restructuring.

Core net operating profit, which corresponds to net operating profit excluding gains / (losses) on bond rose to JPY 8.8 billion to JPY 168.2 billion from the previous interim period.

(c) Status of Cash Flows

Cash Flows from Operating Activities including interest income / (expense) and increase / (decrease) of Deposits and Loans were JPY 111.7 billion. Cash Flows from Investing Activities including purchase / sales of securities and premises and equipment were minus JPY 314.8 billion.

Cash Flows from Financing Activities including subordinated bonds were minus JPY 110.5 billion. As a result, cash and cash equivalents at the end of period was JPY 1,094.4 billion.

(2) Performance Projection for FY 2000

(a) Income Projection

In FY 2000, we will continue to work strengthen the income base by raising interest income in line with credit costs in domestic lending operations, expanding the portfolio of consumer loans and launching sales of investment trusts and other new products, while at the same time reducing costs by restructuring and will continue to keep the soundness of the assets by write-off and provision based on the self-assessment.

On a consolidated basis, projected operating income, operating profit and net income is JPY 1,700 billion, JPY 225 billion, and JPY 72 billion respectively.

Income of the bank is estimated to be JPY 1,450 billion of operating income, JPY 245 billion of operating profit and JPY 112 billion of net income.

(b) Disposition of Profit

For Bank's common stock, JPY 3.00 of distribution due to merger will be paid in place of year-end dividend. For Bank's series II preference stock, JPY 7.50 of distribution due to merger will be paid in place of year-end dividend. For Bank's series III (Type-2) preference stock, JPY 6.85 of distribution due to merger will be paid in place of year-end dividend.

4. Consolidated Financial Statements

Principles of Consolidation

(1) Consolidation Scope

(a) Consolidated Subsidiaries: 63

- Principal consolidated subsidiaries:

Manufactures Bank
Sakura Securities Co., Ltd.
Sakura Finance International Limited
Sakura Global Capital, Inc.

Newly consolidated companies:

The Minato Bank, Ltd. and 7 other (due to takeover)
The Japan Net Bank, Ltd., The Sakura Loan Partner, Ltd. and 2 other (due to establishment)
Sakura Friend Business Service Co., LTD. (due to merger of parent company)

Excluded company:

Sakura Financial Futures (Singapore) Pte Ltd. (due to liquidation)

(b) Unconsolidated Subsidiaries

- Principal unconsolidated subsidiary

Sakura Institute of Research Inc.

Since any of the respective total amounts of unconsolidated subsidiaries' assets, operating incomes, interim net incomes (equity incomes) and surpluses (equity surpluses) are not so significant that rational judgement for the group's financial situation or results is not disturbed, and those subsidiaries are excluded from the consolidation scope.

(2) Equity Method

(a) Unconsolidated Subsidiaries and Affiliates accounted for Equity Method: 33

-Principal subsidiary and affiliate

Sakura Investment Management Co., Ltd.

Newly accounted companies:

SMSB Co., Ltd. and Japan Pension Navigator Co., Ltd. (due to establishment)

Excluded company:

Far East Bank and Trust Company (due to fall of ownership ratio by merger)

(b) Unconsolidated Subsidiaries and Affiliates not accounted for Equity Method

- Principal subsidiary and associate

Sakura Information Systems (USA), Inc.

Since any of the respective total amounts of unconsolidated subsidiaries and affiliates' interim net incomes (equity incomes) and surpluses (equity surpluses) do not have a significant influence on the consolidated interim financial statements, those subsidiaries and affiliates are not accounted for equity method.

(3) Interim Period End of Consolidated Subsidiaries and Related Matters

(a) Interim Period End of Consolidated Subsidiaries

-April 30	1
-June 30	19
-July 31	4
-September 30	39

(b) For a consolidated subsidiary whose interim period ended on April 30, 2000, the financial statements based on its provisional settlement of accounts as of September 30, 2000 is consolidated. For other consolidated subsidiaries, financial statements as of their respective interim period ends are consolidated. Necessary adjustments have been made for significant transactions during the periods from their respective interim period ends to the date of the consolidated financial statements.

CONSOLIDATED INTERIM BALANCE SHEET

September 30, 2000	Millions of Yen
Assets	
Cash & Due from Banks	2,657,191
Call Loans and Bills Bought	99,753
Commercial Paper and Other Debt Purchased	64,300
Trading Assets	1,520,146
Money Held in Trust	50,002
Securities	7,581,110
Loans and Bills Discounted	33,330,305
Foreign Exchange	314,959
Other Assets	2,629,573
Premises and Equipment	879,669
Deferred Income Tax	589,254
Consolidation Difference	5,969
Customers' Liabilities for Acceptances and Guarantees	1,598,853
Reserve for Possible Loan Losses	(608,011)
Total Assets	50,713,080
 Liabilities, Minority Interest in Consolidated Subsidiaries, and Stockholders' Equity	
Liabilities	
Deposits	31,650,699
Negotiable Certificates of Deposits	4,208,649
Call Money and Bills Sold	3,287,952
Commercial Paper	77,096
Trading Liabilities	658,006
Borrowed Money	1,380,304
Foreign Exchange	34,805
Bonds	1,260,023
Convertible Bonds	95
Other Liabilities	3,804,063
Reserve for Retirement Benefit	61,964
Reserve for Possible Losses from Loans Sold to CCPC	72,781
Other Reserves Required by Special Law	645
Deferred Tax Liabilities	312
Deferred Tax Liabilities for Revaluation	43,703
Acceptances and Guarantees	1,598,853
Total Liabilities	48,139,958
Minority Interest in Consolidated Subsidiaries	389,368
Stockholders' Equity	
Capital Stock	1,042,706
Capital Surplus	899,521
Land Revaluation Excess	67,785
Foreign Currency Translation Adjustments	(31,329)
Earned Surplus	209,401
Total	2,188,084
Treasury Stock	13
Stock of Parent Company Owned	4,318
Total Stockholders' Equity	2,183,752
Total Liabilities, Minority Interest in Consolidated Subsidiaries and Stockholders' Equity	50,713,080

Notes:

- 1 Japanese yen accounts are presented in millions of yen and are rounded down to the nearest million yen.
- 2 Trading account positions relating to trades made for the purpose of seeking to capture gains arising from short-term changes in interest rates, currency exchange rates, or market prices of securities and other market related indices or from gaps among markets are included in trading assets and trading liabilities on a trade date basis.
Trading securities and monetary claims purchased for trading purposes are stated at market value and financial derivatives related to trading transactions are at the amounts that would be settled if they were terminated on the balance sheet date.
- 3 Held-to-maturity securities are carried at amortized cost determined by the moving average method. Other securities are carried at cost or amortized cost determined by the moving average method. Valuation of securities held in individually managed money trusts for asset management purposes are determined by the same method.
- 4 Derivative transactions other than those for trading purposes are accounted by the market value method.
- 5 Depreciation of premises and equipment of the Bank is computed as follows;
Buildings: Computed by the straight-line method at the rate prescribed by the Corporate Tax Law.
Equipment: Computed by the declining balance method at the rate prescribed by the Corporate Tax Law.
Others: Computed by the method prescribed by the Corporate Tax Law.
Depreciation of buildings (which were acquired on or before Mar. 31, 1998), building fixture and structures was computed by the declining balance method before this term. We reviewed the actual condition of buildings and related assets and observed that they had been consistently used for branch offices and other purposes over a long period of time. As a result, we found that the straight-line method, which calculates level depreciation charges over their useful lives, is more reasonable method to reflect profit & loss for each accounting term more properly. Accordingly, we have changed the depreciation method to the straight-line method from this interim term. As a result of this change, operating profit and income before income taxes for this interim term increased by JPY 860 million respectively from the corresponding amount which would have been recorded if the declining balance method was adopted.
Depreciation of premises and equipment of the subsidiaries is computed mainly by the straight line method based on estimated useful life.
- 6 Capitalized software for internal use is amortized by the straight-line method based on useful life estimated by the Bank and subsidiaries (mainly five years).
- 7 The Bank's Assets and liabilities denominated in foreign currencies are translated into yen at the exchange rates prevailing at the balance sheet date.
Those of the subsidiaries are translated at the exchange rates of the respective closing dates.
From this interim term, domestic subsidiaries adopt revised Standard for Foreign Currency Translations ("Opinion on Revising Accounting Standard for Foreign Currency Transactions and Financial Statements" published by the Business Accounting Deliberation Council). In spite of this adoption, operating profit and income before income taxes for this interim term do not change compared with those by the previous method.
According to the revision of regulations concerning financial statements, foreign currency translation adjustments is included in Stockholders' Equity and Minority Interest in Net Income of Consolidated Subsidiaries.
- 8 The reserve for possible loan losses of the Bank has been established based on the Bank's internal rules for establishing a reserve for possible loan losses using the following method.
Customers are initially classified into ten categories, in accordance with the Bank's own credit rating system. All claims that the Bank extended to its customers are classified into five categories for self-assessment purposes such as "normal," "needs attention," "in danger of bankruptcy," "effectively bankrupt" and "legal bankruptcy," as defined by the report of the JICPA.
For the "normal" and "needs attention" categories, the reserve for possible loan losses is calculated based on the specific actual past loss ratio for each group of claims in these categories.
For the "in danger of bankruptcy" category, the reserve for possible loan losses is calculated, considering the debtor's ability to pay, based on the claim amount after deducting the recoverable amount from disposition of collateral and enforcement of any guarantee.
For the "effectively bankrupt" and "legal bankruptcy" categories, the reserve for possible loan losses is determined at the amount of the book value, after below mentioned direct deduction, in excess of estimated recovery from collateral or guarantees.
For foreign claims, there is a reserve for loans to restructuring countries which has been established based on losses estimated by considering political and economic situations in those countries.
All claims are being assessed by the branches and credit supervision divisions based on the Bank's internal rules for the self-assessment of asset quality. The Asset Review and Inspection Division, which is independent from branches and credit supervision divisions, conducts audits of these assessments.
For collateral or guaranteed claims of "effectively bankrupt" and "legal bankruptcy," the amount exceeding the estimated value of collateral or guarantees is deducted, as deemed uncollectible, directly from those claims. The deducted amount is JPY 1,256,568 million.
The reserve for possible loan losses of the subsidiaries is ordinarily calculated based on the specific actual past loss ratio. But for the specific claims as those in danger of loan losses, the reserve is calculated based on the respective estimated recovery.
- 9 In accordance with new accounting standard, reserve for retirement benefits is provided for employees' retirements and the related provision is calculated at the amount to be accrued for this interim term based on the estimated liability for retirement benefits and pension plan assets at the end of this fiscal year.
The transition difference caused by the new accounting standard (JPY 193,797 million) is amortized over mainly five years and the half of the annual amortization is charged to expense for this interim term.
- 10 The "Reserve for Possible Losses from Loans Sold to the Cooperative Credit Purchasing Company ("CCPC")" represents the amount that the Bank recognized as necessary for possible losses arising from loans sold to the CCPC after considering the values of the real estate mortgaged for those loans and estimating the possibility of future losses on those loans.
The "Reserve for Possible Losses from Loans Sold to CCPC" is established in accordance with Article 287-2 of the Commercial Code.

- 11 Finance Leases, except for leases which transfer the ownership from the Bank and its domestic subsidiaries to the lessee, are treated as rental transactions.
- 12 In applying the hedge accounting, the Bank adopts "macro hedge" which is the method to manage aggregate interest rate risks arising from numerous financial assets and liabilities such as loans, deposits by using derivatives. The method is a type of the deferral hedge accounting method and based on risk management strategy called the risk-adjusted approach defined in "Tentative Accounting and Auditing Treatments in Applying Accounting Standard for Financial Instruments to the Banking Industry" published by JICPA. We evaluate effectiveness of hedges by examining whether risk exposures of derivatives, serving as the means to adjust risks, are within risk limits determined in the risk-management policy and also whether hedged interest rate risk exposure are reduced.
- For certain assets and liabilities, the regular deferral hedge accounting method or the exceptional hedge accounting method of interest rate swaps is applied.
- The subsidiaries adopt the regular deferral hedge accounting method or the exceptional hedge accounting method of interest rate swaps.
- 13 Consumption tax and local consumption tax of the Bank and its domestic subsidiaries are excluded from the amount of transactions subject to these taxes.
- 14 Other Reserve required by Special Law is as follows;
Reserve for Contingent Liabilities from Brokering of Futures Transactions: JPY 9 million
This reserve was established in accordance with Article 82 of the Financial Futures Transaction Law.
Reserve for Contingent Liabilities from Brokering of Securities Transactions: JPY 635 million
This reserve is the provision based on Article 51 of the Securities and Exchange Law.
- 15 Accumulated depreciation of the premises and equipment amounted to JPY 453,734 million.
- 16 Loans and Bills Discounted includes:
Loans to borrowers in bankruptcy: JPY 195,516 million
Past due loans: JPY 1,210,315 million
"Loans to borrowers in bankruptcy" is the same as the claims classified into "legal bankruptcy" under the self-assessment of asset quality guidelines and "Past due loans" is the same as the claims classified into "in danger of bankruptcy" and "effectively bankrupt" under the self-assessment guidelines. Interests receivable accrued from both categories are not recognized as an accrual for accounting purposes.
- 17 Past due loans (3 months or more) amounted to JPY 62,744 million.
"Past due loans (3 month or more)" consist of loans for which the principal and/or interest is three months or more past due but exclude "loans to borrowers in bankruptcy" and "past due loans."
- 18 Restructured loans amount to JPY 187,507 million.
"Restructured loans" are loans in respect of which the Bank is relaxing lending conditions such as the reduction of the original interest rate, forbearance of interests payments and principal repayments to support the borrowers' reorganization but exclude "loans to borrowers in bankruptcy", "Past due loans" and "Past due loans (3 months or more)."
- 19 The total of "Loans to borrowers in bankruptcy", "Past due loans", "Past due loans (3 months or more)" and "Restructured loans" included in item 16 to 19 amounted to JPY 1,656,084 million. The amount listed in item 16 to 19 represents the contractual principal amount before deduction of the reserve for possible loan losses.
- 20 Total face amounts of banker's acceptances, commercial bills and documentary bills of exchange purchased and included in Bills Discounted is JPY 865,323 million.
- 21 Assets pledged as collateral:
Securities: JPY 912,973 million
Loans and Bills discounted: JPY 1,373,409 million
Other Assets: JPY 59,503 million
Premises and Equipment: JPY 566 million
Debts collateralized:
Deposits: JPY 72,986 million
Call Money and Bills Sold : JPY 1,398,289 million
Borrowed Money: JPY 78,519 million
Other liabilities: JPY 162,454 million
- In addition, securities with a balance of JPY 871,105 million, loans and bills dicounted of JPY 15,577 million, Due from Banks of 543 million and other assets of JPY 173,652 million are pledged as collateral for exchange settlement and replacement of margin for future tradings, etc.
- The following amounts are included in particular accounts:
Security and key money in Premises and Equipment: JPY 84,682 million
Margin for future trading in Other Assets: JPY 13,091 million
Security for bond trading in Other Assets: JPY 432,067 million
- 22 Net of profit & loss or evaluation gain/loss related to hedging instruments is carried as deferred hedge losses in Other Assets. The gross deferred hedge losses and the gross deferred hedge profits are JPY 108,667 and JPY 77,269 million respectively.
- 23 Based on "The Ordinance Concerning Special Bases of Taxation of Enterprises Taxes for Banks in Osaka" (2000, Osaka Ordinance No. 131) issued on June 9, 2000, the normal statutory tax rate for the computation of deferred tax assets and liabilities decreased from 39.62% to 39.20%. This change decreased the amount of deferred tax assets by JPY 5,815 million and increased deferred income tax expense in this period by the same amount. The amount of deferred tax liabilities related to land revaluation decreased by JPY 326 million and increased Land Revaluation Excess by the same amount.

24 Under the Revaluation Act of Land Properties, effective on March 31, 1998, the Bank elected the one-time revaluation for its own-use land to current value based on real estate appraisal information as of March 31, 1998. The amount equivalent to the tax on the revaluation is provided as "Deferred Tax Liability for Revaluation", and the amount net of the tax effect is included in stockholders' equity as "Land Revaluation Excess".

The date of land revalued: March 31, 1998

The revaluation of land used for banking business was rationally made, reflecting appropriate adjustments for land shape, timing of the appraisal, etc., based on the appraisal reports for real estate issued by real estate appraisers under "the Cabinet Ordinance for Enactment of the Revaluation Act of Land Properties".

25 At the balance sheet date, the balance of subordinated debt included in Borrowed Money was JPY 668,536 million.

26 At the balance sheet date, the balance of the subordinated bonds was JPY 891,991 million.

27 Net asset per share is JPY 335.35.

28 Securities lent for consumption in the aggregate amount of JPY 266,021 million are included in "Securities", securities held in custody in "Other Assets", and "Trading Assets".

In prior terms, securities lent for use or consumption were included in securities lent in "Securities". As a result of adoption of the new accounting standard for financial instruments ("Opinion on Setting Accounting Standards for Financial Instruments" published by the Business Accounting Deliberation Council), these securities lent are classified based of types of securities and included in government bonds, municipal bonds or other categories in "Securities" in this term. At the balance sheet date, the amount of securities lent for use or consumption is JPY 12,715 million.

CONSOLIDATED INTERIM STATEMENT OF INCOME

Six Months Ended September 30, 2000

Millions of Yen

Operating Income		881,178
Interest Income	588,479	
Interest on Loans and Discounts	374,823	
Interest and Dividends on Securities	58,644	
Fees and Commissions	102,464	
Trading Revenue	13,036	
Other Operating Income	52,466	
Other Income	124,730	
Operating Expenses		775,178
Interest Expenses	279,092	
Interest on Deposits	100,521	
Fees and Commissions	29,425	
Other Operating Expenses	27,873	
General and Administrative Expenses	228,486	
Other Expenses	210,301	
Operating Profit		105,999
Extraordinary Profit		3,605
Extraordinary Loss		24,104
Interim Income before Income Taxes		85,500
Income Taxes		
Current	5,528	
Deferred	41,716	
Minority Interest in Net Loss of Consolidated Subsidiaries	6,953	
Interim Net Income		31,302

Notes:

- 1 Japanese yen accounts are presented in millions of yen and are rounded down to the nearest million yen.
- 2 Interim Net income per share is JPY 6.26.
- 3 Interim Net income per share after assuming dilution is JPY 6.25.
- 4 Trading revenue and trading expenses include interest received and paid, the amount of increases/decreases in evaluation gains/losses on the balance sheet date for securities and monetary claims, and amounts of increases/decreases of evaluation gains/losses incurred from the estimated settlement price assuming settlement in cash on the balance sheet date for derivatives, compared with that at the end of the previous term.
- 5 Other Income includes gain of JPY 73,244 million from equity related financial derivatives.
- 6 Other expenses include written-off claims, JPY 90,627 million, and proceeds to reserve for possible loan losses, JPY 40,971 million.
- 7 Extraordinary loss includes the Amortization of transition difference caused by a change in accounting principle, JPY 18,551 million, which resulted from adoption of the new accounting standard for retirement benefit.
- 8 From this interim term, we have adopted the new accounting for retirement benefit ("Opinions on Setting the Accounting Standard for Retirement Benefit" Business Accounting Council, June 16, 1998). As a result, operating profit has increased by JPY 4,881 million but interim income before income taxes has decreased by JPY 13,669 million, compared with those calculated by the previous method.
The amount of the previous reserve for retirement allowances is included in that of reserve for retirement benefit.
- 9 From this interim period, we have adopted the new accounting standard for financial instruments and therefore changed the methods of evaluating securities and derivatives, and also the method of hedge accounting and others. As a result, operating profit and interim income before income taxes have increased by JPY 3,093 million respectively, compared with those calculated by the previous method.
- 10 Other Expenses include enterprise taxes whose bases of taxation are not amounts of income. In this interim term, Other Expenses include Bank's enterprise taxes by the metropolitan government, JPY 4,314 million. Enterprise taxes by the metropolitan government were included in "Income Taxes" before "The Ordinance Concerning Special Bases of Taxation of Enterprise Taxes for Banks in Tokyo" (2000, Metropolitan Ordinance No. 145) was enforced on April 1, 2000.

CONSOLIDATED INTERIM STATEMENT OF EARNED SURPLUS

<u>Six Months Ended September 30, 2000</u>	<u>Millions of Yen</u>
Balance of Consolidated Earned Surplus at Beginning of the Interim Term	198,161
Additions	2,968
Transfer from Land Revaluation Excess	2,030
Increase of Earned Surplus Due to the Exclusion from the Equity Method Application	938
Deductions	23,030
Dividends Paid	17,852
Decrease of Earned Surplus Due to the Merger of Consolidated Subsidiaries, etc.	5,177
Interim Net Income	31,302
Balance of Consolidated Earned Surplus at End of the Interim Term	209,401

Note: Figures of less than one million yen are rounded down.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Millions of Yen	Six Months Ended September 30 2000
I. Cash Flows from Operating Activities	
Interim Income before Income Taxes	85,500
Depreciation	15,719
Net (Income) Loss from Unconsolidated Entities by Equity Method	(7,443)
Net Increase in Reserve for Possible Loan Losses	(124,238)
Net Increase in Reserve for Possible Losses from Loans Sold	(24,851)
Net Increase in Reserve for Retirement Allowances	(41,367)
Net Increase in Reserve for Retirement Benefit	56,319
Interest Income	(588,479)
Interest Expenses	279,092
Net (Gains) Losses on Sales, Redemption, and Devaluation of Securities	9,650
Net (Gains) Losses on Money Held in Trust	164
Net Exchange (Gains) Losses	(9,648)
Net (Gains) Losses on Dispositions of Premises and Equipment	2,498
Net Change in Trading Assets	(94,227)
Net Change in Trading Liabilities	294,181
Net Change in Account due for Trading	(265,226)
Net Change in Loans and Bills Discounted	710,521
Net Change in Deposits	(672,931)
Net Change in Negotiable Certificates of Deposits	690,740
Net Change in Borrowed Money (Except Subordinated Debt)	(136,240)
Net Change in Deposits with Banks (Except Demand Deposits with the Bank of Japar	(800,494)
Net Change in Call Loans and Other Debt Purchased	70,808
Net Change in Deposit for Security Borrowing Transactions	247,971
Net Change in Call Money and Bills Sold	708,130
Net Change in Commercial Paper	(388,593)
Net Change in Deposit for Security Lending Transactions	(325,514)
Net Change in Foreign Exchanges (Assets)	7,386
Net Change in Foreign Exchanges (Liabilities)	5,432
Net Change in Straight Bonds by Issuance / Redemption	192,363
Interest Receipts	544,252
Interest Payments	(286,787)
Others, Net	(38,118)
Subtotal	116,568
Income Taxes Paid	(4,780)
Net Cash from Operating Activities	111,788
II. Cash Flows from Investing Activities	
Purchase of Securities	(5,393,097)
Proceeds from Sales of Securities	2,989,169
Proceeds from Redemption of Securities	2,102,554
Proceeds from Sales of Money Held in Trust	22,339
Purchase of Premises and Equipment	(40,288)
Proceeds from Sales of Premises and Equipment	24,468
Purchase of Subsidiaries Stock	(20,024)
Net Cash from Investing Activities	(314,879)
III. Cash Flows from Financing Activities	
Proceeds from Borrowing of Subordinated Debt	44,363
Payment of Subordinated Debt	(136,500)
Proceeds from Issuance of Subordinated Bonds	149,200
Redemption of Subordinated Bonds and Convertible Bonds	(143,785)
Dividends Paid	(17,852)
Dividends Paid to the Minority Shareholders	(5,967)
Purchase of Treasury Stocks	(343)
Proceeds from Sales of Treasury Stocks	338
Net Cash from Financing Activities	(110,547)
IV. Effects of Exchange Rate Changes on Cash and Cash Equivalents	(142)
V. Net Increase in Cash and Cash Equivalents	(313,781)
VI. Cash and Cash Equivalents at Beginning of Period	1,408,146
VII. Net Increase in Cash and Cash Equivalents by New Consolidation	90
VIII. Cash and Cash Equivalents at End of Period	1,094,455

Notes:

- Figures of less than one million yen are rounded down.
- Cash and cash equivalents in the Consolidated Interim Statements of Cash Flows consist of cash and demand deposits with the Bank of Japan in "Cash and Due from Banks" in the Consolidated Balance Sheet.
- Relation between the balance of 'Cash and Cash Equivalents' at the term-end and the amount of a related account in the Consolidated Interim Balance Sheet

Cash and Due from Banks	2,657,191
Deposits with Banks (Except Demand Deposits with the Bank of Japan)	(1,562,736)
Cash and Cash Equivalents	1,094,455

**INFORMATION ON BUSINESS RESULT
COMPARATIVE CONSOLIDATED INTERIM BALANCE SHEETS**

(SELECTED DATA)	September 30		March 31		
Millions of Yen	2000	1999	Inc. / (Dec.)	2000	Inc. / (Dec.)
Assets					
Cash and Due from Banks	2,657,191	1,465,029	1,192,162	2,168,836	488,355
Call Loans and Bills Bought	99,753	51,025	48,728	182,712	(82,959)
Commercial Paper and Other Debt Purchased	64,300	18,868	45,432	42,256	22,044
Trading Assets	1,520,146	1,443,889	76,257	1,425,028	95,118
Money Held in Trust	50,002	107,843	(57,841)	72,581	(22,579)
Securities	7,581,110	6,612,666	968,444	6,928,746	652,364
Loans and Bills Discounted	33,330,305	32,592,302	738,003	32,333,211	997,094
Foreign Exchanges	314,959	292,519	22,440	316,395	(1,436)
Other Assets	2,629,573	3,123,043	(493,470)	2,747,979	(118,406)
Premises and Equipment	879,669	804,778	74,891	855,726	23,943
Deferred Income Tax	589,254	670,232	(80,978)	611,694	(22,440)
Consolidation Difference	5,969	-	5,969	-	5,969
Customers' Liabilities for Acceptance and Guarantees	1,598,853	1,643,713	(44,860)	1,492,628	106,225
Reserve for Possible Loan Losses	(608,011)	-	(608,011)	(682,188)	74,177
Total Assets	50,713,080	48,825,915	1,887,165	48,495,608	2,217,472
Liabilities, Minority Interest in Consolidated Subsidiaries and Stockholders' Equity					
Liabilities					
Deposits	31,650,699	31,993,259	(342,560)	30,225,982	1,424,717
Negotiable Certificates of Deposits	4,208,649	2,308,054	1,900,595	3,512,634	696,015
Call Money and Bills Sold	3,287,952	2,403,540	884,412	2,579,499	708,453
Commercial paper	77,096	69,000	8,096	467,268	(390,172)
Trading Liabilities	658,006	563,345	94,661	360,706	297,300
Borrowed Money	1,380,304	1,621,683	(241,379)	1,508,783	(128,479)
Foreign Exchanges	34,805	56,582	(21,777)	29,346	5,459
Bonds	1,260,023	844,654	415,369	1,053,354	206,669
Convertible Bonds	95	2,208	(2,113)	95	-
Other Liabilities	3,804,063	4,017,537	(213,474)	4,553,878	(749,815)
Reserve for Possible Loan Losses	-	593,486	(593,486)	-	-
Reserve for Retirement Allowances	-	39,602	(39,602)	41,366	(41,366)
Reserve for Retirement Benefit	61,964	-	61,964	-	61,964
Reserve for Possible Losses from Loans Sold to CCPC	72,781	109,096	(36,315)	95,992	(23,211)
Other Reserves Required by Special Law	645	12	633	513	132
Deferred Tax Liabilities	312	527	(215)	271	41
Deferred Income Tax Liabilities for Land Revaluation	43,703	48,869	(5,166)	45,494	(1,791)
Acceptance and Guarantees	1,598,853	1,643,713	(44,860)	1,492,628	106,225
Total Liabilities	48,139,958	46,315,174	1,824,784	45,967,816	2,172,142
Minority Interest in Consolidated Subsidiaries					
Capital Stock	1,042,706	1,042,706	-	1,042,706	-
Legal Reserve	899,521	899,521	-	899,521	-
Land Revaluation Excess	67,785	67,347	438	69,333	(1,548)
Foreign Currency Translation Adjustments	(31,329)	-	(31,329)	-	(31,329)
Earned Surplus	209,401	193,991	15,410	198,161	11,240
Total	2,188,084	2,203,567	(15,483)	2,209,721	(21,637)
Treasure Stock	13	15	(2)	10	3
Stock of Parent Company Owned	4,318	1,000	3,318	1,157	3,161
Total Stockholders' Equity	2,183,752	2,202,550	(18,798)	2,208,554	(24,802)
Total Liabilities, Minority Interest in Consolidated Subsidiaries and Stockholders' Equity	50,713,080	48,825,915	1,887,165	48,495,608	2,217,472

INFORMATION ON BUSINESS RESULT
COMPARATIVE CONSOLIDATED INTERIM STATEMENTS OF INCOME
(SELECTED DATA)

Millions of Yen	Six Months Ended September 30		Year Ended March 31	
	2000	1999	Inc. / (Dec.)	2000
Operating Income	881,178	911,831	(30,653)	2,147,495
Interest Income	588,479	730,672	(142,193)	1,398,941
Interest on Loans and Discounts	374,823	383,469	(8,646)	764,328
Interest and Dividends on Securities	58,644	61,013	(2,369)	117,759
Fees and Commissions	102,464	85,163	17,301	186,213
Trading Revenue	13,036	9,587	3,449	17,484
Other Operating Income	52,466	35,729	16,737	99,261
Other Income	124,730	50,678	74,052	445,593
Operating Expenses	775,178	837,756	(62,578)	2,010,998
Interest Expenses	279,092	402,380	(123,288)	745,550
Interest on Deposits	100,521	80,005	20,516	162,312
Fees and Commissions	29,425	25,676	3,749	66,414
Trading Expenses	-	983	(983)	994
Other Operating Expenses	27,873	13,867	14,006	67,883
General and Administrative Expenses	228,486	259,051	(30,565)	487,472
Other Expenses	210,301	135,795	74,506	642,682
Operating Profit	105,999	74,075	31,924	136,497
Extraordinary Profit	3,605	6,321	(2,716)	9,606
Extraordinary Loss	24,104	3,822	20,282	19,964
Income Before Income Taxes	85,500	76,574	8,926	126,139
Income Taxes				
Current	5,528	7,397	(1,869)	7,831
Deferred	41,716	18,615	23,101	74,247
Minority Interest in Net Loss of Consolidated Subsidiaries	6,953	9,758	(2,805)	(18,521)
Interim Net Income	31,302	40,803	(9,501)	62,581

INFORMATION ON BUSINESS RESULT
COMPARATIVE CONSOLIDATED INTERIM STATEMENTS OF EARNED SURPLUS

Millions of Yen	Six Months Ended September 30		Year Ended March 31	
	2000	1999	Inc. / (Dec.)	2000
Balance of Consolidated Earned Surplus at Beginning of the Interim Term	198,161	164,329	33,832	164,329
Additions	2,968	1,225	1,743	2,115
Transfer from Land Revaluation Excess	2,030	1,225	805	2,115
Increase of Earned Surplus Due to the Exclusion from the Equity Method Application	938	-	938	-
Deductions	23,030	12,366	10,664	30,864
Dividend Paid	17,852	12,366	5,486	30,182
Decrease of Earned Surplus Due to the Increase in the Number of Consolidated Subsidiaries	-	-	-	682
Decrease of Earned Surplus Due to the Merger of Consolidated Subsidiaries, etc.	5,177	-	5,177	-
Interim Net Income/(Loss)	31,302	40,803	(9,501)	62,581
Balance of Consolidated Earned Surplus at End of the Interim Term	209,401	193,991	15,410	198,161

**INFORMATION ON BUSINESS RESULT
COMPARATIVE CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

Millions of Yen	Six Months Ended September 30		Year Ended March 31	
	2000	1999	Inc. / (Dec.)	2000
I. Cash Flows from Operating Activities				
Interim Income before Income Taxes	85,500	76,574	8,926	126,139
Depreciation	15,719	17,334	(1,615)	35,029
Amortization of Consolidation Difference	-	577	(577)	5,330
Net (Income) Loss from Unconsolidated Entities by Equity Method	(7,443)	(347)	(7,096)	1,487
Net Increase in Reserve for Possible Loan Losses	(124,238)	13,579	(137,817)	11,419
Net Increase in Reserve for Possible Losses from Loans Sold	(24,851)	(6,435)	(18,416)	(19,539)
Net Increase in Reserve for Retirement Allowances	(41,367)	(2,310)	(39,057)	(3,614)
Net Increase in Reserve for Retirement Benefit	56,319	-	56,319	-
Interest Income	(588,479)	(730,672)	142,193	(1,398,941)
Interest Expenses	279,092	402,380	(123,288)	745,550
Net (Gains) Losses on Sales, Redemption, and Devaluation of Securities	9,650	(3,259)	12,909	(346,591)
Net (Gains) Losses on Money Held in Trust	164	311	(147)	625
Net Exchange (Gains) Losses	(9,648)	58,604	(68,252)	145,561
Net (Gains) Losses on Dispositions of Premises and Equipment	2,498	(1,530)	4,028	12,209
Net Change in Trading Assets	(94,227)	(25,021)	(69,206)	(542)
Net Change in Trading Liabilities	294,181	201,308	92,873	(194)
Net Change in Account due for Trading	(265,226)	-	(265,226)	408,834
Net Change in Loans and Bills Discounted	710,521	180,238	530,283	503,351
Net Change in Deposits	(672,931)	966,502	(1,639,433)	(361,237)
Net Change in Negotiable Certificates of Deposits	690,740	-	690,740	777,079
Net Change in Borrowed Money (Except Subordinated Debt)	(136,240)	-	(136,240)	(214,107)
Net Change in Deposits with Banks (Except Demand Deposits with the Bank of Japan)	(800,494)	27,111	(827,605)	(247,833)
Net Change in Call Loans and Other Debt Purchased	70,808	661	70,147	(162,311)
Net Change in Deposit for Security Borrowing Transactions	247,971	(135,513)	383,484	(335,705)
Net Change in Call Money and Bills Sold	708,130	(455,870)	1,164,000	253,678
Net Change in Commercial Paper	(388,593)	-	(388,593)	(99,731)
Net Change in Deposit for Security Lending Transactions	(325,514)	(550,235)	224,721	(34,993)
Net Change in Foreign Exchanges (Assets)	7,386	16,849	(9,463)	(7,101)
Net Change in Foreign Exchanges (Liabilities)	5,432	34,229	(28,797)	6,994
Net Change in Straight Bonds by Issuance / Redemption	192,363	-	192,363	155,486
Interest Receipts	544,252	622,365	(78,113)	1,625,911
Interest Payments	(286,787)	(461,783)	174,996	(1,005,204)
Others, Net	(38,118)	209,221	(247,339)	325,421
Subtotal	116,568	454,869	(338,301)	902,462
Income Taxes Paid	(4,780)	(10,417)	5,637	(13,719)
Net Cash from Operating Activities	111,788	444,452	(332,664)	888,743
II. Cash Flows from Investing Activities				
Purchase of Securities	(5,393,097)	(2,044,075)	(3,349,022)	(7,671,286)
Proceeds from Sales of Securities	2,989,169	1,412,599	1,576,570	5,672,199
Proceeds from Redemption of Securities	2,102,554	188,220	1,914,334	1,535,603
Purchase of Money Held in Trust	-	(19,120)	19,120	(31,319)
Proceeds from Sales of Money Held in Trust	22,339	66,363	(44,024)	113,981
Purchase of Premises and Equipment	(40,288)	(8,261)	(32,027)	(54,707)
Proceeds from Sales of Premises and Equipment	24,468	24,867	(399)	67,918
Purchase of Subsidiaries Stock	(20,024)	-	(20,024)	-
Net Cash from Investing Activities	(314,879)	(379,406)	64,527	(367,609)
III. Cash Flows from Financing Activities				
Proceeds from Borrowing of Subordinated Debt	44,363	-	44,363	-
Payment of Subordinated Debt	(136,500)	-	(136,500)	(15,000)
Proceeds from Issuance of Subordinated Bonds	149,200	50,000	99,200	136,088
Redemption of Subordinated Bonds and Convertible Bonds	(143,785)	-	(143,785)	(103,257)
Dividends Paid	(17,852)	(12,366)	(5,486)	(30,182)
Dividends Paid to the Minority Shareholders	(5,967)	(6,415)	448	(9,767)
Purchase of Treasury Stocks	(343)	-	(343)	(25)
Proceeds from Sales of Treasury Stocks	338	-	338	18
Net Cash from Financing Activities	(110,547)	31,217	(141,764)	(22,124)
IV. Effects of Exchange Rate Changes on Cash and Cash Equivalents	(142)	2,236	(2,378)	3,614
V. Net Increase in Cash and Cash Equivalents	(313,781)	98,501	(412,282)	502,623
VI. Cash and Cash Equivalents at Beginning of Period	1,408,146	905,496	502,650	905,496
VII. Net Increase in Cash and Cash Equivalents by New Consolidation	90	-	90	83
VIII. Net Decrease in Cash and Cash Equivalents by Excluded Consolidation	-	-	-	(57)
IX. Cash and Cash Equivalents at End of Period	1,094,455	1,003,997	90,458	1,408,146

APPENDIX : SEGMENT INFORMATION

1. BUSINESS SEGMENT INFORMATION

Some of the consolidated subsidiaries are engaged in securities, trust, leasing and other businesses in addition to the commercial banking business. As those activities are not deemed material, business segment information has not been disclosed.

2. GEOGRAPHIC SEGMENT INFORMATION

Six Months Ended September 30, 2000							
Millions of Yen	Japan	Americas	Europe	Asia and Oceania	Subtotal	Inter-area Elimination	Consolidated Total
Operating Income							
Customers	738,501	66,303	21,812	54,560	881,178	—	881,178
Inter-segment	54,852	18,113	8,679	16,885	98,532	(98,532)	—
Total	793,354	84,417	30,492	71,446	979,710	(98,532)	881,178
Operating Expenses	694,175	77,957	37,322	63,993	873,449	(98,270)	775,178
Operating Profit	99,178	6,459	(6,830)	7,452	106,260	(261)	105,999

Six Months Ended September 30, 1999							
Millions of Yen	Japan	Americas	Europe	Asia and Oceania	Subtotal	Inter-area Elimination	Consolidated Total
Operating Income							
Customers	740,266	66,772	42,762	62,029	911,831	—	911,831
Inter-segment	101,418	45,663	11,784	5,812	164,678	(164,678)	—
Total	841,684	112,436	54,546	67,842	1,076,510	(164,678)	911,831
Operating Expenses	788,988	104,293	50,584	58,234	1,002,100	(164,344)	837,756
Operating Profit	52,696	8,143	3,961	9,607	74,409	(334)	74,075

Year Ended March 31, 2000							
Millions of Yen	Japan	Americas	Europe	Asia and Oceania	Subtotal	Inter-area Elimination	Consolidated Total
Operating Income							
Customers	1,808,407	129,272	90,029	119,786	2,147,495	—	2,147,495
Inter-segment	77,421	23,014	21,863	15,752	138,052	(138,052)	—
Total	1,885,829	152,286	111,893	135,539	2,285,548	(138,052)	2,147,495
Operating Expenses	1,772,018	143,625	109,852	122,775	2,148,272	(137,274)	2,010,998
Operating Profit	113,810	8,661	2,040	12,764	137,276	(778)	136,497

Notes: Operating income or expenses of the Bank's head office, branches and subsidiaries are classified as Domestic or Foreign, according to the geographic closeness, the similarities of the economic activities, and the relevancy of the business activities. Foreign operating income or expenses are then classified as those of "Americas," "Europe," and "Asia and Oceania." The above table shows the operating income and operating profit corresponding to the sales and operating income of non-financial companies.

3. FOREIGN OPERATING INCOME

Millions of Yen	September 30		March 31	
	2000	1999	2000	1999
Foreign Operating Income (A)	142,676	171,564	339,087	
Consolidated Operating Income (B)	881,178	911,831	2,147,495	
(A) / (B)	16.1%	18.8	15.7	

*Notes: 1. The above table shows the foreign operating income corresponding to the foreign sales of non-financial companies.
2. Foreign Operating income includes that related to transactions of the Bank's foreign branches and foreign subsidiaries (except for internal operating income between consolidated companies). Segment information by countries and regions has not been disclosed here as the counter parties of the transactions have not been separated by such manner.*

INFORMATION ON PRODUCTIONS, ACCEPTANCE OF ORDERS, AND SALES

There has been no transactions regarding the above.

APPENDIX

1. SECURITIES

Notes: 1. Not only "Securities" on the Consolidated Interim Balance Sheet but negotiable money deposited in "Cash & Due from Banks" and commercial paper in "Commercial Paper and Other Debt Purchased" are included.
2. "Stocks of subsidiaries and affiliates with market value", note for interim financial statements, is shown below.

(1) Other Securities with Market Value

For this interim period, Other Securities with Market Value have not been evaluated at market value.

Other Securities with Market value on the consolidated interim balance sheet, etc. are as follows;

Millions of Yen	September 30, 2000				
	Book Value	Market Value	Difference	Gain	Loss
Stocks	3,348,672	3,458,911	110,238	544,261	434,022
Bonds	2,753,583	2,725,119	(28,464)	7,620	36,085
Japanese Government Bond	2,368,398	2,338,362	(30,036)	3,911	33,947
Japanese Local Government Bond	21,467	21,149	(317)	163	480
Corporate Bond	363,718	365,608	1,889	3,546	1,656
Others	795,301	768,478	(26,822)	3,552	30,375
Total	6,897,558	6,952,510	54,951	555,434	500,483

Note: Market value for the Bank's stocks is based on the average market prices of September 2000, and for the others the market prices of September 30, 2000.

(2) Stocks of Subsidiaries and Affiliates with Market Value (non-consolidated)

Millions of Yen	September 30, 2000		
	Book Value	Market Value	Difference
Stocks of subsidiaries	59,057	64,749	5,691
Stocks of affiliates	-	-	-
Total	59,057	64,749	5,691

Note: Market value is based on the market prices of September 30, 2000.

2. MONEY HELD IN TRUST

For this interim term, Other Money Held in Trust with Market Value has not been evaluated at market value.

Other Money Held in Trust with Market Value on the consolidated interim balance sheet is as follows;

Millions of Yen	September 30, 2000				
	Book Value	Market Value	Difference	Gain	Loss
Other Money Held in Trust	50,002	50,663	661	840	179

Note: Market value is based on the market prices of September 30, 2000.

3. NET UNREALIZED FOR OTHER SECURITIES

Evaluating Other Securities and Other Money Held in Trust at market value for this interim period, Net Unrealized Gain is as follows;

Thousands of Yen	September 30, 2000
Difference	55,612
Other Securities	54,951
Other Money Held in Trust	661
Deferred Tax Liabilities	(21,800)
Net Unrealized Gain (before the interest adjustment)	33,812
Minority Interest in Consolidated Subsidiaries	(3,599)
The Bank's Interest in Net Unrealized Gain for Other Securities	
Owned by Equity Method Unconsolidated Subsidiaries and Affiliates	2,351
Net Unrealized Gain	39,763

MARKET VALUES OF SECURITIES (For Previous Terms)

Millions of Yen	September 30, 1999					March 31, 2000				
	Book Value	Market Value	Unrealized Gain (Loss)	Unrealized Gain	Unrealized Loss	Book Value	Market Value	Unrealized Gain (Loss)	Unrealized Gain	Unrealized Loss
Bonds	653,420	622,815	(30,604)	3,643	34,247	485,177	460,384	(24,793)	3,490	28,284
Stocks	3,068,291	3,366,603	298,312	592,005	293,693	3,361,262	3,977,851	616,588	1,011,530	394,941
Others	453,853	445,739	(8,114)	2,439	10,553	461,115	461,187	72	14,540	14,468
Total	4,175,565	4,435,158	259,593	598,087	338,494	4,307,555	4,899,422	591,866	1,029,561	437,694

Notes: 1. Figures in the above table are for marketable securities listed on Securities Exchanges.

The fair market value is calculated using the closing prices on the Tokyo Stock Exchange at the Balance Sheet Date or the prices calculated under the yield published on the Japan Securities Dealers Association's Indication Chart in most cases.

"Others" in securities are mainly foreign bonds.

2. Listed below are figures calculated to correspond to the fair market value of the Bank's marketable securities not listed on Exchanges, when it is possible to calculate such market value.

Millions of Yen	September 30, 1999					March 31, 2000				
	Book Value	Market Value	Unrealized Gain (Loss)	Unrealized Gain	Unrealized Loss	Book Value	Market Value	Unrealized Gain (Loss)	Unrealized Gain	Unrealized Loss
Bonds	1,401,571	1,412,667	11,095	16,341	5,245	1,571,230	1,569,330	(1,900)	5,331	7,231
Stocks	40,680	99,982	59,301	65,024	5,723	37,807	101,720	63,913	71,806	7,893
Others	102,937	102,394	(542)	2,090	2,633	100,291	101,176	884	2,756	1,872
Total	1,545,189	1,615,044	69,854	83,457	13,602	1,709,330	1,772,226	62,896	79,894	16,998

Values of non-listed securities are calculated using the Japan Securities Dealers Association's figures for securities traded over the counter, using the prices calculated under the yield published on the Japan Securities Dealers Association's Indication Chart for public bonds, and using standard prices for the beneficiary certificate of securities investment trusts.

"Others" in securities are mainly beneficiary certificates of securities investment trust.

3. Securities excluded from the above information on fair market values are as follows:

Millions of Yen	September 30, 1999	March 31, 2000
	Book Value	Book Value
Bonds	386,953	400,413
Stocks	118,851	116,750
Others	386,105	394,696

4. Figures on Trading Account Securities and Securities Related to Trading Transactions are omitted from the above tables because those securities are valued at market prices and evaluation gains/(losses) are stated in the statement of income.

MONEY HELD IN TRUST

Millions of Yen	September 30, 1999					March 31, 2000				
	Book Value	Market Value	Unrealized Gain (Loss)	Unrealized Gain	Unrealized Loss	Book Value	Market Value	Unrealized Gain (Loss)	Unrealized Gain	Unrealized Loss
Money Held in Trust	107,843	107,725	(118)	118	236	72,581	72,887	305	542	237

Notes: The market value represents the prices that the fiduciaries of money held in trust calculated in accordance with the following methods:

1. The fair market value is calculated using the closing prices on the Tokyo Stock Exchange at the Balance Sheet Date or the prices calculated under the yield published on the Japan Securities Dealers Association's Indication Chart in most cases.

2. Values of non-listed stocks are calculated using the Securities Industry Association's figures for securities traded over the counter.

INFORMATION ON CONTRACT VALUE OR NOTIONAL PRINCIPAL AMOUNT, MARKET VALUES, AND UNREALIZED GAIN / (LOSS) OF DERIVATIVE FINANCIAL INSTRUMENTS

(1) INTEREST RATE RELATED TRANSACTIONS

Millions of Yen

	September 30, 2000		
	Contract Values or Notional Principal Amounts	Market Values	Unrealized Gain/ (Loss)
Listed Transactions			
Futures Contracts	4,642,072	(3,139)	(3,139)
Options	4,775,529	(582)	(182)
Unlisted Transactions			
Interest dealing of advance payment	3,758,134	12	12
Swaps	81,955,545	17,298	17,298
Others	16,514,190	4,865	12,160
Total		18,453	26,148

Note: 1. We evaluate the above transactions at their market value and state their evaluated profits/losses in the interim consolidated statement of income. We exclude from the above table derivative transactions to which hedge accounting is applied.
2. "Other" consists of cap, floor and swaption transactions.

(2) CURRENCY AND FOREIGN EXCHANGE RELATED TRANSACTIONS

Millions of Yen

	September 30, 2000		
	Contract Values or Notional Principal Amounts	Market Values	Unrealized Gain/ (Loss)
Unlisted Transactions			
Currency Swaps	3,787,751	2,540	2,540
Total		2,540	2,540

Note: 1. We evaluate the above transactions at their market value and state their evaluated profits/losses in the interim consolidated statement of income. We exclude from the above table derivative transactions to which hedge accounting is applied as well as the transactions mentioned in note 2 below.
2. We exclude from the above table currency swaps to which reckoning of periodic profit-and-loss method is applied under the "Treatment for the Time Being in an Audit When the 'New Principle of Accounting for Foreign Exchange' is Continuously Applied in the Banking Business (Japanese Institute of Certified Public Accountants, April 10, 2000)." Contract amounts of currency swaps to which reckoning of periodic profit-and-loss method is applied, and others are as follows:

Millions of Yen

	September 30, 2000		
	Contract Values or Notional Principal Amounts	Market Values	Unrealized Gain/ (Loss)
Currency Swaps	2,643,652	(77,418)	(77,418)

Forward foreign exchange contracts, currency options, and other currency-related derivative financial instruments are not shown here because they were revalued at the consolidated balance sheet date and their gain / (loss) were included in the consolidated statements of Income, or because they are reflected on the consolidated balance sheets as foreign currency denominated monetary assets and liabilities, or because they were eliminated for the consolidation.

Contract values or notional principal amounts of currency and foreign exchange related derivative financial instruments revalued at the balance sheet date are as follows:

Millions of Yen

	September 30, 2000	
	Contract Values or Notional Principal Amounts	
Listed Transactions		
Currency Futures		365
Currency Options		950
Unlisted Transactions		
Forward Foreign Exchange Contracts		8,861,122
Currency Options		878,960

(3) EQUITY RELATED TRANSACTIONS

Millions of Yen

	September 30, 2000		
	Contract Values or Notional Principal Amounts	Market Values	Unrealized Gain/ (Loss)
Listed Transactions			
Stock Index Options	4,615	24	24
Unlisted Transactions			
Equity Related Swaps	878,003	(10,708)	(10,708)
Total		(10,683)	(10,683)

Note: We evaluate the above transactions at their market value and state their evaluated profits/losses in the interim consolidated statement of income. We exclude from the above table derivative transactions to which hedge accounting is applied.

(4) BOND RELATED TRANSACTIONS

Millions of Yen

	September 30, 2000		
	Contract Values or Notional Principal Amounts	Market Values	Unrealized Gain/ (Loss)
Listed Transactions			
Futures Contracts	319,516	1,036	1,036
Futures Options	67,261	87	97
Unlisted Transactions			
Options	240,470	17	3
Total		1,142	1,137

Note: We evaluate the above transactions at their market value and state their evaluated profits/losses in the interim consolidated statement of income. We exclude from the above table derivative transactions to which hedge accounting is applied.

**INFORMATION ON CONTRACT VALUE OR NOTIONAL PRINCIPAL AMOUNT, MARKET VALUES,
AND UNREALIZED GAIN/(LOSS) OF DERIVATIVE FINANCIAL INSTRUMENTS (For Previous Terms)**

(1) INTEREST RATE RELATED TRANSACTIONS

Millions of Yen

	September 30, 1999				March 31, 2000			
	Contract Values or Notional Principal		Market Values	Unrealized Gain/ (Loss)	Contract Values or Notional Principal		Market Values	Unrealized Gain/ (Loss)
	Amounts	Over 1 Year			Amounts	Over 1 Year		
Listed Transactions								
Futures Contracts								
Sell	14,237,053	1,387,857	14,221,221	15,832	9,784,429	670,310	9,765,752	18,677
Buy	9,252,235	53,475	9,236,408	(15,827)	5,657,962	249,452	5,651,207	(6,754)
Options								
Sell								
Call	21,550,208	-			13,776,338	-		
[Option Premiums]	(5,935)		2,073	3,861	(3,441)		556	2,884
Put	7,891,073	-			12,329,538	-		
[Option Premiums]	(2,085)		2,855	(770)	(2,609)		1,786	822
Buy								
Call	14,922,025	-			6,025,776	-		
[Option Premiums]	(1,423)		751	(671)	(1,059)		407	(652)
Put	5,958,131	-			5,323,445	-		
[Option Premiums]	(2,392)		2,517	125	(1,720)		1,581	(139)
Unlisted Transactions								
Forward Rate Agreement								
Sell	330,000	-	329,934	65	-	-	-	-
Buy	330,000	-	329,955	(44)	-	-	-	-
Swaps								
Receive Fixed Rate	40,998,134	16,743,501	861,846	861,846	34,478,328	15,236,759	573,908	573,908
Pay Floating Rate								
Receive Floating Rate	31,168,432	6,673,135	(542,898)	(542,898)	24,638,127	8,588,126	(267,975)	(267,975)
Pay Fixed Rate								
Receive Floating Rate	53,513	28,784	315	315	25,024	17,796	(135)	(135)
Pay Floating Rate, etc.								
Others								
Sell	1,247,374	1,234,168			609,287	599,271		
[Option Premiums]	(4,457)		3,550	907	(2,688)		1,148	1,539
Buy	171,788	158,896			123,982	113,966		
[Option Premiums]	(1,542)		1,175	(366)	(1,429)		827	(603)
Total				322,376				321,572

Notes: 1. Market value

The market value listed represents the closing prices on the Tokyo International Financial Futures Exchange and other exchanges at the balance sheet date.

The market value of non-listed transactions is calculated by using mainly discounted present value or option pricing model.

2. Option premiums shown in this table are accounted for on the balance sheet.

3. "Others" consists of cap, floor, and swaption transactions.

4. Market value and unrealized gain/loss on interest swap transactions include accrued swap interest that was stated on the statement of operation.

at March 31, 2000: JPY 343,651 million

at September 30, 1999: JPY 364,502 million

5. Derivative financial products transactions that are included in trading account are not shown here because those transactions were valued at their fair market prices and evaluation gain/(loss) was included in the Statements of Income. Contract values or notional principal amounts included in trading account are as follows:

Millions of Yen

	September 30, 2000		March 31, 2000	
	Contract Values or Notional Principal Amounts	Market Values	Contract Values or Notional Principal Amounts	Market Values
Listed Transactions				
Futures Contracts				
Sell	1,932,678	1,932,298	422,513	422,244
Buy	2,426,264	2,425,248	585,857	583,533
Options				
Sell				
Call	1,386,266		1,891,590	
[Option Premiums]	(454)	224	(260)	23
Put	1,080,608		2,560,186	
[Option Premiums]	(440)	621	(446)	231
Buy				
Call	553,824		736,133	
[Option Premiums]	(241)	105	(173)	27
Put	907,624		1,332,250	
[Option Premiums]	(327)	394	(279)	126
Unlisted Transactions				
Forward Rate Agreement				
Sell	2,641,634	2,642,092	678,521	678,458
Buy	2,382,758	2,383,021	1,324,902	1,325,226
Swaps				
Receive Fixed Rate Pay Floating Rate	33,170,537	502,134	34,706,694	385,949
Receive Floating Rate Pay Fixed Rate	28,364,060	(570,741)	32,590,848	(506,149)
Receive Floating Rate Pay Floating Rate etc.	307,357	(12,672)	1,636,745	(13,467)
Others				
Sell	3,482,126		3,411,883	
[Option Premiums]	(13,072)	43,220	(9,329)	21,935
Buy	3,380,824		3,077,923	
[Option Premiums]	(6,937)	35,449	(4,886)	58,646

Note: Option premiums shown in this table are option fee.

(2) CURRENCY AND FOREIGN EXCHANGE RELATED TRANSACTIONS

Millions of Yen

	September 30, 1999				March 31, 2000			
	Contract Values or Notional Principal Amounts	Over 1 Year	Market Values	Unrealized Gain/ (Loss)	Contract Values or Notional Principal Amounts	Over 1 Year	Market Values	Unrealized Gain/ (Loss)
Unlisted Transactions								
Currency Swaps	3,522,963	1,484,115	(28,689)	(28,689)	2,779,199	1,179,058	(54,273)	(54,273)
US Dollar	2,628,988	1,130,554	7,532	7,532	1,866,061	935,342	(43,375)	(43,375)
Others	893,974	353,561	(36,222)	(36,222)	913,137	243,715	(10,897)	(10,897)

Notes: 1. Market Values

The market value is calculated by using discounted present value.

2. The market value or unrealized loss for currency swap includes accrued interest which has been accounted for in the statement of operations. at March 31, 2000: (6,647) million yen at September 30, 1999: (8,318) million yen

3. Derivative financial products transactions that are included in trading account are not shown here because those transactions were valued at their fair market prices and evaluation gain/(loss) was included in the Statements of Income.

Contract values included in trading account are as follows:

Millions of Yen

	September 30, 1999		March 31, 2000	
	Contract Values or Notional Principal Amounts	Market Values	Contract Values or Notional Principal Amounts	Market Values
Unlisted Transactions				
Currency Swaps	4,357,288	18,093	3,887,543	(5,539)
US Dollar	2,895,478	17,946	2,599,267	(15,018)
DM	576,137	3,616	554,556	(2,833)
Others	885,672	(3,469)	733,720	12,312

4. Forward Foreign Exchange Contracts, Currency Options and other currency related derivative financial instruments are not shown here because those were revalued at the balance sheet date and their profit/ (loss) were included in the Statements of Income.

Contract values or notional principal amounts of currency and foreign exchange related derivative financial instruments revalued at the balance sheet date are as follows:

Millions of Yen

	September 30, 1999		March 31, 2000	
	Contract Values or Notional Principal Amounts	Contract Values or Notional Principal Amounts	Contract Values or Notional Principal Amounts	Contract Values or Notional Principal Amounts
Listed Transactions				
Currency Futures				
Sell		298		356
Buy		21		20
Unlisted Transactions				
Forward Foreign Exchange Contracts				
Sell		1,787,294		2,185,551
Buy		2,691,495		3,697,674
Currency Options				
Sell				
Call		148,055		188,930
[Option Premiums]		(1,732)		(4,105)
Put		129,595		170,453
[Option Premiums]		(5,945)		(3,600)
Buy				
Call		134,817		156,601
[Option Premiums]		(1,290)		(2,368)
Put		130,951		178,950
[Option Premiums]		(4,083)		(4,473)

Note: Option premiums shown in this table are accounted for on the balance sheet.

(3)EQUITY RELATED TRANSACTIONS

Millions of Yen

	September 30, 1999				March 31, 2000			
	Contract Values or Notional Principal Amounts	Over 1 Year	Market Values	Unrealized Gain/ (Loss)	Contract Values or Notional Principal Amounts	Over 1 Year	Market Values	Unrealized Gain/ (Loss)
Unlisted Transactions								
Options								
Sell								
Call	-	-	-	-	198	-	-	-
[Option Premiums]	-	-	-	-	(1)	-	0	1
Put	-	-	-	-	-	-	-	-
[Option Premiums]	-	-	-	-	-	-	-	-
Buy								
Call	-	-	-	-	198	-	-	-
[Option Premiums]	-	-	-	-	(1)	-	0	(0)
Put	-	-	-	-	-	-	-	-
[Option Premiums]	-	-	-	-	-	-	-	-
Equity Related Swaps	695,208	695,208	25,636	25,636	897,438	-	(18,554)	(18,554)
Total				25,636				(18,554)

Notes:

1. Market values

The market value is calculated by using the pricing model, based on the closing prices on the Tokyo Stock Exchange.

2. Option premiums shown in this table are accounted for on the balance sheet.

3. Derivative financial instruments that are included in trading account are not shown here because those transactions were valued at their fair market prices and evaluation gain/(loss) was included in the Statements of Income.

Contract values included in trading account are as follows:

Millions of Yen

	September 30, 1999		March 31, 2000	
	Contract Values or Notional Principal Amounts	Market Values	Contract Values or Notional Principal Amounts	Market Values
Listed Transactions				
Stock Index Futures Contracts				
Sell	1,972	1,977	1,536	1,530
Buy	7,582	7,591	101	101
Stock Index Options				
Sell				
Call	23,783		11,740	
[Option Premiums]	(284)	302	(36)	37
Put	8,408		21,880	
[Option Premiums]	(95)	52	(26)	31
Buy				
Call	18,098		4,578	
[Option Premiums]	(269)	301	(53)	97
Put	6,854		1,902	
[Option Premiums]	(160)	121	(53)	30

Note: Option premiums shown in this table are option fee.

(4) BOND RELATED TRANSACTIONS

Millions of Yen

	September 30, 1999			March 31, 2000				
	Contract Values or Notional Principal Amounts	Over 1 Year	Market Values	Unrealized Gain/ (Loss)	Contract Values or Notional Principal Amounts	Over 1 Year	Market Values	Unrealized Gain/ (Loss)
Listed Transactions								
Futures Contracts								
Sell	148,403		148,390	12	74,904	-	76,182	(1,277)
Buy	9,429		9,447	17	-	-	-	-
Unlisted Transactions								
Options								
Sell								
Call	50,000							
[Option Premiums]	(409)		763	(354)	(-)			
Put	20,000							
[Option Premiums]	(63)		0	63	(-)			
Buy								
Call								
[Option Premiums]	(-)				(-)			
Put	50,000							
[Option Premiums]	(506)		72	(433)	(-)			
Total				(694)				(1,277)

Notes: 1. Market values

The market value of listed transactions is calculated by using the closing prices on the Tokyo Stock Exchange and other exchanges at the balance sheet date.

The market value of non-listed transactions is calculated by using mainly option pricing model.

2. Option premiums shown in this table are accounted for on the balance sheet.

3. Derivative financial instruments that are included in trading account are not shown here because those transactions were valued at their fair market prices and evaluation gain/(loss) was included in the Statements of Income.

Contract values included in trading account are as follows:

Millions of Yen

	September 30, 1999		March 31, 2000	
	Contract Values or Notional Principal Amounts	Market Values	Contract Values or Notional Principal Amounts	Market Values
Listed Transactions				
Futures Contracts				
Sell	49,426	49,485	28,726	28,818
Buy	95,748	96,066	35,094	35,147
Futures Options				
Sell				
Call	7,260		838	
[Option Premiums]	(71)	84	(5)	2
Put	10,000		8,580	
[Option Premiums]	(23)	28	(11)	7
Buy				
Call	18,300		4,477	
[Option Premiums]	(201)	181	(16)	11
Put	19,431		37,370	
[Option Premiums]	(119)	114	(90)	14
Unlisted Transactions				
Options				
Sell				
Call	266,333		-	
[Option Premiums]	(72)	58	(-)	-
Put	46,970		21,670	
[Option Premiums]	(1,841)	457	(251)	118
Buy				
Call	5,054		29,272	
[Option Premiums]	(1,740)	2,086	(167)	106
Put	188,473		7,837	
[Option Premiums]	(99)	1	(51)	14

Note: Option premiums shown in this table are option fee.