



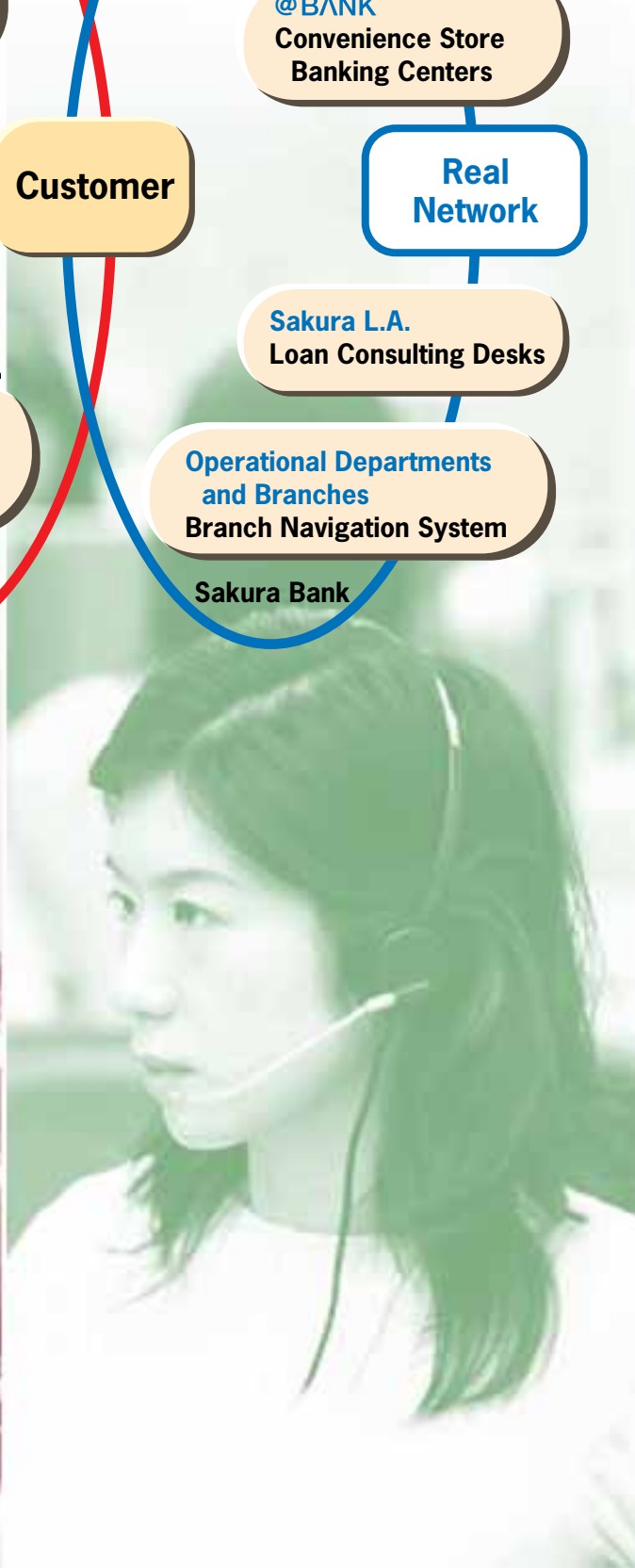
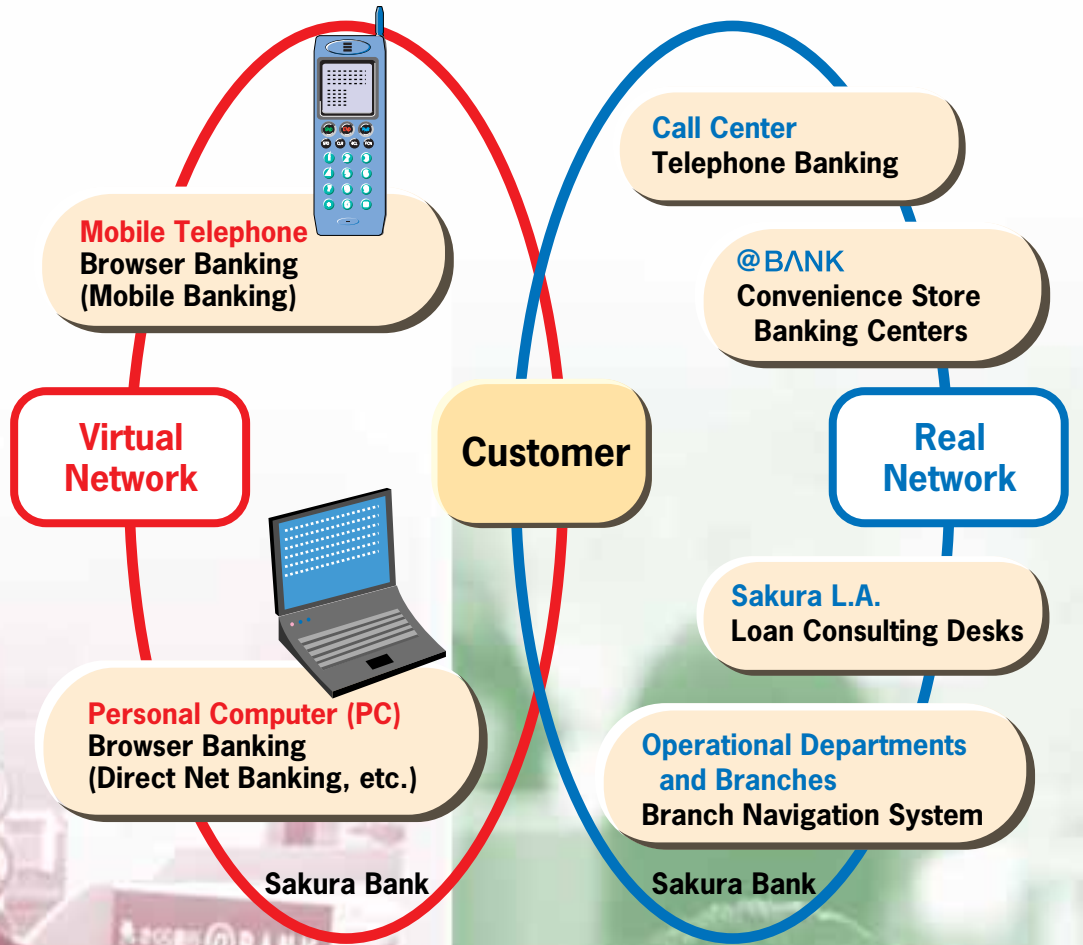
**SAKURA BANK**  
Annual Report 1999

**The Sakura Bank, Limited, is one of Japan's premier financial institutions, with more than 15 million individual customer accounts. This large customer base attests to the high level of customer confidence we enjoy, as well as to the vast range of customer needs we will be expected to meet to thrive in the 21st century. It also represents a significant competitive edge—one which we will continue to maximize to reinforce profitability and ensure our reputation as the most convenient choice for all of their banking needs.**

**We are also working toward our vision of a completely networked society in the 21st century. To this end, we are developing unique, next-generation service channels that match customer needs with bank services. In the past, our job began when a customer visited his or her branch; in the near future, however, service will be measured by our ability to respond promptly whenever we are needed and wherever the customer is. Our strategies thus focus on reorganizing our manned branch network and expanding virtual network services. We are confident these efforts will enable us to respond to customer needs with a wider range of choices and increased convenience, thereby ensuring a high level of customer satisfaction.**



# Multi-Channels at Sakura Bank





# The Sakura Bank, Limited

## Head Office:

3-1, Kudan Minami 1-chome,  
Chiyoda-ku, Tokyo 100-8611, Japan  
Tel: +81 3 3230-3111  
Telex: J22378 MITKBK

## Hibiya Headquarters:

1-2, Yurakucho 1-chome,  
Chiyoda-ku, Tokyo 100-0006, Japan  
Tel: +81 3 3501-1111  
Telex: J22378 MITKBK

## Kansai Headquarters:

56, Naniwa-machi, Chuo-ku, Kobe 650-8660, Japan  
Tel: +81 78 331-8101  
Telex: J78823 MITKBK

## Network:

Total Domestic Offices:	455
Branches	404
Sub-branches	44
Agencies	7
Total Overseas Offices:	78
Branches	18
Sub-branches	2
Representative Offices	9
Subsidiaries	22
Subsidiaries' Branches	14
Affiliates and Associates	13

(As of June 30, 1999)

## Number of Employees:

	16,330
Male	11,639
Female	4,691

(As of March 31, 1999)



For further information, please contact:  
Investor Relations Department  
Planning Division  
Tel: +81 3 3230-3111

## Contents

Financial Highlights	3	Investment Banking Division Company	31
A Vision for the 21st Century	4	Principal Domestic Subsidiaries	34
Acceptance of Public Funds and the "Plan toward Soundness of Management"	7	Restructuring Efforts	35
Implementation of the "Plan toward Soundness of Management" and Achieving New Growth— Explanation of Our Main Operating Strategies	10	Executive and Personnel Management System Reforms	36
Information Technology Strategies	18	Environmental Management	36
Middle Market and Consumer Banking Group	24	Risk Management	37
Corporate Banking Group	27	Compliance	41
International Banking Group	29	Measures for Dealing with the Year 2000 Issue	42
		Financial Section	43
		Corporate Data	109

This annual report was printed on recycled and nonwood paper.

# Financial Highlights

The Sakura Bank, Limited and Subsidiaries

Years Ended March 31	Millions of Yen				
	1999	1998	1997	1996	1995
<b>For the Year</b>					
Total Income	¥ 2,213,222	¥ 2,921,528	¥ 2,561,157	¥ 2,516,597	¥ 2,592,411
Interest on Loans and Discounts	909,981	1,034,903	1,030,497	1,207,366	1,371,519
Total Expenses	2,919,480	3,021,878	2,510,976	2,839,066	2,527,983
Interest on Deposits	352,968	546,239	547,564	685,397	883,000
Income (Loss) before Income Taxes	(706,257)	(100,349)	50,180	(322,469)	64,428
Net Income (Loss)	(479,266)	(88,301)	17,746	(181,769)	22,417
<b>At Year-End</b>					
Total Assets	¥49,015,005	¥53,160,330	¥54,719,655	¥52,931,522	¥52,154,628
Loans and Bills Discounted	32,962,873	35,982,912	37,807,236	37,108,718	35,981,445
Trading Account Securities	—	—	569,176	382,069	257,846
Trading Assets	1,448,784	1,806,929	—	—	—
Securities	6,264,893	6,446,756	7,137,463	6,860,986	6,981,429
Total Liabilities	46,536,936	51,433,592	52,872,194	51,220,518	50,328,161
Deposits	33,368,615	36,894,352	38,687,303	38,857,276	37,299,590
Call Money	2,327,705	3,174,502	5,925,255	4,950,470	5,620,676
Trading Liabilities	381,077	531,811	—	—	—
Borrowed Money	1,677,674	2,386,679	2,685,007	2,602,513	2,722,086
Acceptances and Guarantees	1,970,640	1,976,602	2,275,211	2,124,342	2,165,125
Minority Interests in					
Consolidated Subsidiaries	303,581	—	—	—	—
Total Stockholders' Equity	2,174,486	1,726,737	1,847,460	1,711,003	1,826,466
Capital Stock	1,042,706	599,445	599,445	524,445	474,409
<b>Per Share (in Yen)</b>					
Net Income (Loss)	¥ (124.72)	¥ (25.51)	¥ 4.38	¥ (54.15)	¥ 6.08
Stockholders' Equity	331.28	446.47	467.28	471.23	520.72