

TOPICS

SBCM Reduces Stake in Goldman Sachs

In August 2000, U.S. subsidiary Sumitomo Bank Capital Markets, Inc. (SBCM), sold 12,621,804 shares in the Goldman Sachs Group, Inc. The net profit from this transaction was approximately \$600 million. The sale lowered SBCM's stake in Goldman Sachs to 16,243,610 shares, or about 3.6% of the firm's outstanding shares.

Japan Net Bank Launches Operations

In September 2000, Sumitomo Bank, Sakura Bank and six other companies jointly formed the Japan Net Bank, Limited, Japan's first Internet-specialized bank.. The six other companies are Fujitsu Ltd., Nippon Life Insurance Company, The Tokyo Electric Power Co., Inc., Mitsui & Co., Ltd., NTT DoCoMo, Inc., and Nippon Telegraph and Telephone East Corporation. Operations started in October 2000.

Japan Net Bank offers a variety of convenient services in addition to favorable interest rates and inexpensive fees.

Defined Contribution Pension Plan Joint Venture Launched

In September 2000, Sumitomo Bank, Sakura Bank and six other financial institutions joined hands to establish Japan Pension Navigator Co., Ltd. The new company was set up to administer defined contribution pension plans. Its top quality services draw on the extensive expertise of all owner firms. The six other institutions are Sumitomo Life Insurance Co., Mitsui Mutual Life Insurance Co., The Sumitomo Marine & Fire Insurance Co., Ltd., Mitsui Marine & Fire Insurance Co., Ltd., The Sumitomo Trust & Banking Co., Ltd., and The Chuo Mitsui Trust & Banking Co., Ltd.

Investor Relations Web Site Improved

In October 2000, Sumitomo Bank revamped the investor relations content on its Web site. The site now features operational developments and results for previous fiscal terms, as well as information on the upcoming merger with Sakura Bank. Visitors to the site can obtain video and audio explanations. There is also more information in English. The IR site serves everyone from Japanese individuals to foreign institutional investors.

Delistings from Overseas Exchanges

At respective board meetings in October 2000, Sumitomo Bank and Sakura Bank decided to delist themselves from several overseas stock exchanges upon their merger. Accordingly, Sumitomo Bank will delist itself from the Bourse de Paris. SMBC will be listed on the London Stock Exchange, where both banks are currently listed.

Sumitomo Credit Service and Sakura Card to Reorganize

In November 2000, The Sumitomo Credit Service Company, Limited, and Sakura Card Co., Ltd., reached an agreement on reorganization of their credit card businesses. Sumitomo Credit Service will change its name to Sumitomo Mitsui Card Company, Limited, in April 2001, and in July 2001 will consolidate with part of Sakura Card. The new entity will harness Sumitomo Credit Service's strong Sumitomo VISA Card brand in a drive to become No. 1 in customer satisfaction in the industry, as well as the leader in sales, earnings and number of members.

Daiwa Securities SB Capital Markets and Sakura Securities Agree to Merge

In November 2000, Daiwa Securities SB Capital Markets Co., Ltd., and Sakura Securities Co., Ltd., made a basic agreement to integrate as Daiwa Securities SMBC Co., Ltd. The new company will be the wholesale securities unit for Daiwa Securities and SMBC, expanding operations by employing the resources and customer relationships of its predecessors.

Merger Approved

In December 2000, Sumitomo Bank and Sakura Bank obtained official approval for their merger from the commissioner of the Financial Services Agency, based on Clause 1, Article 30 of the Banking Law.

Sumitomo Bank Wins Deal of the Year Award

In 2000, Sumitomo Bank began a public offering of subordinated notes in the domestic market on a continuous basis. In June and December 2000, ¥50 billion worth of notes were issued, for a total of ¥100 billion. The first Sumitomo Benchmark Subordinated Notes issued in June 2000 received the Nikkei Newsletter on Bonds & Money 2000 Deal of the Year award from the Nihon Keizai Shimbun, Inc., in January 2001.