

July 2, 1999

The Status Report
on
the Plan for the Strengthening of the Financial Conditions
of the Sumitomo Bank, Limited

(Tokyo) The Sumitomo Bank, Limited (the “Bank”) announced the submission by the Bank to the Financial Reconstruction Commission (“FRC”) of the Status Report on the Plan for the Strengthening of the Financial Conditions of the Bank (the “Report”), in accordance with Article 5 of the Law Concerning Emergency Measures for the Early Strengthening of the Functions of the Financial System (the “Law”).

The Report consists of the Bank’s earnings result for fiscal year 1998, ended March 31, 1999, and updates on the Plan for the Strengthening of the Financial Conditions of the Bank, which was submitted to FRC in March 1999, when the Bank submitted an application for 501 billion yen in public funds in accordance with Article 7 of the Law.

The key points of the Report are as follows:

1. Introduction of a market-oriented, new branch banking organization;
2. Commencement of the operations of joint ventures with Daiwa Securities Group; Daiwa SB Capital Markets in the wholesale securities and derivatives businesses, and Daiwa SB Investments in the asset management business;
3. Reinforcement of retail securities services by increasing shareholdings in Meiko National Securities Co., and by establishing DLJdirect SFG Securities Inc., a joint venture;
4. Status report on progress of mid-term restructuring plan;
5. Developments relating to the Bank’s subsidiaries and affiliates;
6. Lending policy for FY 1999;
7. Modification of Board of Directors structure and introduction of an Executive Officers system with the aim of enhancing corporate governance structure.