

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS (March 31, 2001 / Unaudited)

May 25, 2001

The Asahi Bank, Ltd.

1-1-2 Otemachi, Chiyoda-ku, Tokyo, Japan

1. Financial Highlights (April 1, 2000 - March 31, 2001)

(1) Business Results (Amounts of less than one million yen have been rounded down)

	Ordinary Income	Change from previous fiscal year	Ordinary Net Income	Change from previous fiscal year	Net Income	Change from previous fiscal year
	million yen		million yen		million yen	
Mar. 31, 2001	943,716	-18.7%	-11,747	- %	-7,841	- %
Mar. 31, 2000	1,160,265	22.1%	94,051	- %	31,404	- %

	Net Income per share	Net Income per share (latent equity adjusted)	Ratio of net Income to stockholders' equity	Ratio of ordinary net Income to total assets	Ratio of ordinary net Income to ordinary income
	yen sen	yen sen			
Mar. 31, 2001	- 4 54	- -	-1.3%	-0.1%	-1.2%
Mar. 31, 2000	9 40	8 70	2.7%	0.3%	8.1%

Note: (1) Equity in net loss of affiliated companies : 429 million yen (Fiscal year ended March 31, 2001)

Equity in net loss of affiliated companies : 385 million yen (Fiscal year ended March 31, 2000)

(2) Average Number of ordinary shares issued (consolidated) : 2,821,403,728 shares (Fiscal year ended March 31, 2001)

Average Number of ordinary shares issued (consolidated) : 2,813,000,062 shares (Fiscal year ended March 31, 2000)

(3) Accounting policies were not changed

(2) Financial Position

	Total Assets	Stockholders' equity	Stockholders' equity ratio	Stockholders' equity per share	Capital ratio (BIS standard)
	million yen	million yen		yen sen	(preliminary)
Mar. 31, 2001	31,187,697	1,358,711	4.4%	337 95	11.14%
Mar. 31, 2000	28,788,131	1,388,104	4.8%	347 95	11.80%

Note : Number of ordinary shares issued (consolidated) : 2,825,108,134 shares (As of March 31, 2001)

Number of ordinary shares issued (consolidated) : 2,817,307,418 shares (As of March 31, 2000)

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and Cash Equivalents
	million yen	million yen	million yen	million yen
Mar. 31, 2001	81,831	-265,026	-107,871	421,280
Mar. 31, 2000	-113,012	268,920	-46,165	712,120

(4) Principles of Consolidation and the application of the equity method

Number of consolidated subsidiaries : 25

Number of nonconsolidated subsidiaries applying the equity method : -

Number of affiliated companies accounted for by the equity method : 2

(5) Change of Consolidation and the application of the equity method

Added number of consolidated subsidiaries : 2

Excluded number of consolidated subsidiaries: 4

Added number of affiliated companies accounted for by the equity method : -

Excluded number of affiliated companies accounted for by the equity method : 2

2. Forecast of Fiscal year's Performance (April 1, 2001 - March 31, 2002)

	Ordinary Income	Ordinary Net Income	Net Income
	million yen	million yen	million yen
Sep. 30, 2001	400,000	25,000	15,000
Mar. 31, 2002	800,000	60,000	36,000

(Reference): Forecast of Net Income per share for Fiscal Year (10.99 yen)

1. Situation of the Asahi Bank, Ltd. (the "Bank") group

(1) Operations of the Bank group

The company group provides financial services which include banking, trust banking, general leasing business and so on.

(2) business network

The Asahi Bank, Ltd. Domestic:

Main office, branches 317, subbranches 19, agencies 2

Principal consolidated subsidiaries (operations)

- Asahi Trust and Banking Co., Ltd. (trust banking business)
- Asahi Bank Investment Co., Ltd. (investment and financing for small and medium-sized businesses)
- Asahi Bank Retail Finance Co., Ltd. (financing business)
- Asahi Bank Finance Service Co., Ltd. (factoring business)
- Asahi Tokyo Investment Trust Management Co., Ltd. (sales of investment trust products business)
- Asahi Card Co., Ltd. (credit card administration business)
- Asahigin Guarantee Co., Ltd. (loan guarantee services business)
- Asahigin Systems Co., Ltd. (Information management, software development business)
- Kyodo Mortgage Acceptance Co., Ltd. (mortgage securities business)

Principal affiliated companies (operations)

- Asahigin Leasing Co., Ltd. (general leasing business)
- Showa Leasing Co., Ltd. (general leasing business)

Americas:

Branch 1

Principal consolidated subsidiaries (operations)

- Asahi Bank of California (banking business)
- Asahi Finance (Cayman) Ltd. (financing business)

Europe:

Branch 1

Asia/Oceania: Branches 6, subbranch 1

2. Management Policies

(1) Basic Management Policies

The environment for the operations of financial institutions is characterized by major and unprecedented change, including the rapid movement toward the use of IT and the entry of companies in other industries into the banking field. In addition, the introduction of mark-to-market accounting for securities, including those banks are holding for relationship purposes, the imposing of an upper limit on government guarantees for bank deposits beginning April 2002, and other developments are obliging financial institutions to substantially strengthen their financial and operating positions.

Amid this environment, the Asahi Bank, Limited, as the parent company at center of the Asahi Bank Group, is aiming to become a new type of financial institution specializing in retail banking, with the objective of winning the confidence and support of stockholders and investors, our customers, and the market.

(2) Medium- to Long-Term Management Strategy

To further strengthen the position of the parent company in its core business of retail banking, in September 2000, the Bank prepared a new medium- to long-term management vision entitled Retail Banking for the New Century. The objectives of this management vision are to have strengths unmatched by others in the many areas linked to retail banking and, at the same time, to achieve low-cost operations by pressing forward decisively with reforms in our operations and enhancements of the capabilities of our staff members. Along with these objectives, we are also pursuing greater speed in management through reforms in our management systems. Following the release of this vision, in view of the weakness in the stock market, the deterioration of corporate performance, and other changes in the operating environment, we began to make structural reforms intended to accelerate the implementation of the vision.

We are taking action in three specific areas. First, to clarify our management stance, we have reduced the number of members of the

Board of Directors 20% and made substantial reductions in directors' compensation.

Second, to sharpen the focus on our policy of specializing in retail banking, we have made further reductions in our equity holdings, undertaken a thorough review of our international banking operations, and reviewed our transactions with large corporate clients. In particular, regarding our overseas banking activities, we concluded an operating agreement with the Bank of Tokyo-Mitsubishi, Ltd., in May 2001 and, in view of this new working arrangement, adopted a policy of closing our overseas branches.

Third, to reform our cost structure, we are adopting measures to increase the efficiency of personnel, innovating new service delivery channels, and improving the efficiency of our associated companies. Through March 2006, we plan to reduce staff by 2,000, bringing total personnel down to 7,500.

To implement these structural reforms with a sense of speed, we established the Structural Reform Implementation Committee. All members of management and staff are concentrating their fullest efforts on achieving the objectives of the reforms.

(3) Measures to Upgrade the Management Supervisory Organization

As a further measure to enhance the management structure to promote greater specialization in retail banking based on close ties with the community and customers, the parent bank introduced an in-house company system in April 2001. Five such companies were created, along regional and functional lines, with the objective of developing our operations to take maximum advantage of our strengths in retail banking, by capitalizing on our strong regional franchise and focusing our management resources in the retail banking area. These are the Regional Operations Company, the Corporate Banking Company, the Individual Banking Company, the Business Development Company, and the Market and International Banking Company. As a result of the introduction of this in-house company system, authority and responsibility have been clarified, and the speed of decision making as well as the conduct of operations has been increased. This will allow us to pursue greater efficiency and professionalism in carrying out our operations.

Moreover, to create a highly transparent corporate governance structure, we established an Operations Audit Meeting with the aim of

clearly separating the conduct and monitoring of operations. In addition, we formed an Appointment and Compensation Committee to clarify the deliberation process for the selection and removal of directors and setting compensation. Through these activities, we intend to strengthen our corporate governance structure to emphasize and secure transparency in management and the soundness of operations. Looking forward, to improve the strategy formulation functions of the Board of Directors, we are moving forward with specific plans to create an Advisory Board, consisting of experienced people from academia, business management, and other areas.

(4) Issues to Be Addressed

With the parent company as the focus of its activities, the Asahi Bank Group must work to ensure its survival by taking appropriate measures to deal with changes in the environment surrounding the operations of financial institutions. In addition, the Bank has an important responsibility to society to implement its Management Reinvigoration Plan and reimburse the public funds it received.

Based on this awareness, we will pursue structural reforms to attain our objectives under our Retail Banking for the New Century management vision and aim to create new financial services without being bound by existing concepts.

3. Management Performance

(1) Review of the Fiscal Year

The Asahi Bank Group has its principal base of operations in the greater Tokyo metropolitan region, and, with the activities of the parent bank, which is specializing and expanding its presence in domestic retail banking as the focus of its operations, also offers trust business and other related financial services.

For the fiscal year ended March 31, 2001 (fiscal 2000), the Bank reported a decline of ¥216.5 billion in ordinary income, to ¥943.7

billion, owing mainly to a drop in gains from the sale of securities by the parent bank. Moreover, the Asahi Bank Group implemented aggressive measures to strengthen its financial position and, as a consequence, reported ordinary net loss of ¥11.7 billion.

The net operating profit (business profit) of the parent bank, which is the best indicator of performance in the Bank's core business, increased ¥11.3 billion, to ¥166.7 billion. Nevertheless, as a result of the decline in gains from the sale of securities, ordinary income of the parent bank dropped ¥211 billion from the previous fiscal year, to ¥872 billion. Moreover, with the final objective to fully dispose of nonperforming assets, the parent bank greatly expanded its write-offs and additions to reserves for possible loan losses. Simultaneously, the Bank also took steps to improve the transparency of its financial statements by introducing new accounting standards for financial products and employees' retirement benefits. As a consequence, the Bank reported a ordinary net loss of ¥13.1 billion and a net loss of ¥9.8 billion. Regrettably, the Bank has decided to forego paying a dividend on its common stock for the period under review.

The Bank's BIS capital adequacy ratio at fiscal year-end was 11.14% (preliminary figure). Analysis of cash flows shows that net cash generated by operating activities increased, but cash from investing and financing activities declined. As a consequence, cash and cash equivalents posted a decline of ¥290.8 billion from the previous fiscal year-end.

(2) Outlook for Fiscal 2001

Under its medium- to long-term management vision, Retail Banking for the New Century, the Asahi Bank Group as a whole is working to implement reforms to increase corporate value. On a consolidated basis, the Bank has set targets of ¥800 billion for ordinary income, ¥60 billion for ordinary net income, and ¥36 billion for net income. In addition, the parent bank alone is anticipating to report ¥700 billion in ordinary income, ¥60 billion in ordinary net income, and ¥36 billion in net income. The parent bank is forecasting cash dividends of ¥3.00 per share for fiscal 2001.

Consolidated Balance Sheet (Unaudited)

As of March 31, 2001

Millions of yen

	Millions of yen	
Assets		
Cash and due from banks	¥	1,578,655
Call loans and bills purchased		901,695
Commercial paper and other debt purchased		2,458
Trading assets		777,686
Money held in trust		60,050
Securities		4,234,414
Loans and bills discounted		20,616,328
Foreign exchanges		74,045
Other assets		621,894
Premises and equipment		484,778
Deferred tax assets		323,312
Consolidation differences		6,832
Customers' liabilities for acceptances and guarantees		1,977,877
Reserve for possible loan losses		-472,334
Total Assets	¥	31,187,697
Liabilities		
Deposits	¥	20,440,163
Negotiable certificates of deposit		2,964,795
Call money and bills sold		1,272,285
Commercial papers		420,000
Trading liabilities		211,496
Borrowed money		907,498
Foreign exchanges		8,739
Bonds issued		445,390
Other liabilities		1,028,505
Reserve for employee retirement benefit		22,887
Reserve for contingent liabilities related to loans sold		37,654
Other reserves		0
Deferred tax liabilities on land revaluation		83,167
Acceptances and guarantees		1,977,877
Total Liabilities	¥	29,820,461
Minority interest in consolidated subsidiaries	¥	8,524
Stockholders' Equity		
Common stock	¥	605,356
Capital surplus		509,486
Land revaluation difference		127,223
Retained earnings		117,360
Foreign currency translation adjustments, net of taxes		-697
Common stock in treasury		2
Common stock held by subsidiaries		16
Total Stockholders' Equity	¥	1,358,711
Total Liabilities, Minority interest in consolidated subsidiaries, and Stockholders' Equity	¥	31,187,697

Note:

1. Amounts of less than one million yen have been rounded down.
2. Balances incurred by transactions whose purpose is to earn a profit by taking advantage of short-term fluctuations in a market or discrepancies in different markets of interest rates, currency exchange rates, share prices or other indices (hereinafter referred to as "trading purpose") are included in "Trading assets" or "Trading liabilities" on the balance sheets as of the date on which the transactions have been contracted. "Trading assets" and "trading liabilities" are valued, in case of securities and commercial paper, etc., at the market value as of the date of the consolidated balance sheets and, in the case of derivatives, including swaps, futures and options, at the amount due if the transactions were to be settled based on the date of the consolidated balance sheets.
3. In the valuation of securities, bonds held to maturity are stated at amortized cost using the moving average cost method. Securities of nonconsolidated subsidiaries and affiliated companies not applying the equity method are stated at cost, as determined by the moving average method. Other securities are stated at cost, as determined by the moving average method or stated at amortized cost.
4. Securities that are held as trust assets in individually managed money trusts with the principal objective of securities portfolio management are stated at market value.
5. Derivative transactions (excluding "Transaction for Specific Trading Purposes") are stated at market value.
6. Depreciation of premises and equipment is calculated according to the straight-line method for buildings and the declining-balance method for equipment. The useful lives of main premises and equipment are as follows:
 - Buildings: 8 ~ 50 years
 - Equipment: 2 ~ 20 yearsConsolidated subsidiaries compute the depreciation of premises and equipment by applying principally the straight-line method over the estimated useful lives.
7. Software has been depreciated by the straight-line method based on the estimated useful lives (principally 5 years) decided by the Bank and the domestic consolidated subsidiaries.

8. Foreign currency assets and liabilities are, for the most part, translated into yen at the exchange rates prevailing at the consolidated balance sheet date. Foreign currency assets and liabilities of consolidated subsidiaries and affiliates are respectively translated into yen at the exchange rates prevailing at the consolidated balance sheet date.

The consolidated subsidiaries and affiliates have applied the revised accounting for foreign currency transactions (“Accounting Standards for Foreign Currency Transactions” issued on October 22 1999 by Business Accounting Deliberation Council). However there was no effect.

Also the translation adjustment which had been included in “Assets” is included in “Stockholders’ Equity” based on the amendment of the Regulations Concerning Terminology, Forms and Preparation Method of Consolidated Financial Statement.

9. The Bank has made provisions for possible loan losses as follows.

For loans to insolvent customers who are undergoing bankruptcy or special liquidation (hereinafter, “borrowers under bankruptcy proceedings”) or who are in a similar financial condition while not yet in bankruptcy (hereinafter “borrowers substantially in bankruptcy”), the reserves for possible loan losses is provided at the full amount of the book value of such loans after deduction of the amount of direct write-offs (as defined below), and excluding the amounts deemed collectible from the disposal of collateral pledged and from guarantees that are deemed recoverable.

For the unsecured and unguaranteed portion of loans to customers not presently in the above circumstances, but in a high probability of becoming so, the reserve for loan losses is provided for estimated unrecoverable amounts determined after a valuation of collateral pledged, guarantees and the customer's overall financial condition.

For other loans, the reserve for possible loan losses is provided at the amount based on anticipated loss rates calculated by reasonable methods.

The reserve includes a special reserve for possible losses on overseas loans (includes reserve for possible overseas investment losses in Article 55-2 of Special Taxation Measures Law) likely to become uncollectible due to political and economic circumstances of relevant countries.

Regarding each loan, the Credit Review Office, which is controlled separately from operating divisions, reviews asset valuations of collectibility of each loan made by operating divisions based on the Bank's assets self-assessment standards. Provisions for possible loan losses are based on the results of these reviews.

For general loan, consolidated subsidiaries provide reserves for possible loan losses at amounts considered adequate to cover such losses principally based on their historical experience. For the particular loans doubted with collection of all amounts of principal and interest, they individually provide reserve for possible loan losses.

For the Bank and a part of consolidated subsidiaries’ loans to borrowers under bankruptcy proceedings and borrowers substantially in bankruptcy that are

secured by collateral and guarantees, the unrecoverable portion of such loans is determined by subtracting the estimated value of recoveries from the disposal of the collateral and the amounts deemed recoverable from guarantors. The unrecoverable amount is written off directly against the value of the loan (“direct write-off”). The amounts of such direct write-offs are 656,136 million yen.

10. To provide for employees’ retirement benefits, the Bank has reserves for severance payments and pension plans, based on their projected benefit obligation and plan assets at the consolidated balance sheet date.

The actuarial loss is to be amortized from the next consolidated fiscal year using the straight-line method for certain years (mainly 10 years) within the average remaining service years of employees.

With regard to the difference caused by this accounting change (131,712 million yen), the Bank accounted for as expenses amounted to 40,413 million yen due to establishment of pension benefits’ trust and is to proportionally amortize the rest of amounts and to charge to operations over a five-year period.

11. The reserve for contingent liabilities related to loans sold is set aside based on the estimated liabilities of further losses on the loans collateralized by real estate sold to the Cooperative Credit Purchasing Company, Limited.

This reserve is set aside by the Bank in accordance with Article 287-2 of the Commercial Code of Japan.

12. Noncancelable lease transactions of the Bank and its domestic consolidated subsidiaries are accounted for as operating leases regardless of whether such leases are classified as operating leases or finance leases except that lease agreements which stipulate the transfer of ownership of the leased property to the lessee are accounted for as finance leases.

13. The Bank uses the hedge-accounting technique of “macro-hedging,” which utilizes derivatives to comprehensively control the interest risk attendant with numerous financial assets and liabilities, such as loans and deposits. Macro-hedging is a risk-management tool hinging on the risk-adjustment approach established in “Temporary Treatment for Accounting and Auditing for Application of Accounting Standards for Financial Instruments in the Banking Industry” (the Japanese Institute of Certified Public Accountants’ Industry Audit Committee, Report No. 15). The Bank applies deferred hedging to account for unrealized gains or losses arising from derivatives mentioned above.

Also the Bank holds the risk amounts of derivatives, which form the risk-adjustment mechanism, within a range of permissible risk established in its risk-management policy, and evaluates the integrity of its hedging approach by verifying that the interest risk of the hedging target has been nullified.

The Bank applies deferred hedging, market value hedging and special treatment of interest rate swaps to certain assets and liabilities.

14. The Bank and its domestic consolidated subsidiaries account for consumption taxes and local consumption taxes principally using the tax-excluded method.

15. Other Reserves: The Reserve for financial futures transactions: 0 million yen

This reserve is set aside by the Bank in accordance with Article 82 of the Financial Futures Transactions Law.

16. Amount of accumulated depreciation of premises and equipment: 234,074 million yen

17. Amount of the reduction entry on acquisition cost of premises and equipment: 60,850 million yen

18. Some of computers are leased besides premises and equipment recorded on the balance sheets.

19. Loans to borrowers in legal bankruptcy amounted to 85,060 million yen, and past due loans amounted to 845,424 million yen.

Loans to borrowers in legal bankruptcy are those loans - among all loans for which payment of principal or interest has not been received for a substantial period and for which, for other reasons, there are no prospects for recovery or repayment of principal or interest, and, accordingly, no interest has been accrued (excluding loans written off and hereinafter referred to as nonaccrual loans) - for which the circumstances apply as stated in the Implementation Ordinances for the Corporation Tax Law (Government Ordinance No.97, 1965), items i through v in Article 96, Section 1, Part 3 or the circumstances stated in Part 4 of the same article.

Past due loans are those nonaccrual loans other than Loans to borrowers in legal bankruptcy and other than loans for which interest payments have been rescheduled with the objective of assisting these borrowers in management restructuring.

20. Loans past due 3 months or more amounted to 123,516 million yen.

Loans past due 3 months or more are loans in respect of which payment of principal or interest has been over due by 3 months or more from the contract payment date, except "loans to borrowers in legal bankruptcy" or "past due loans".

21. Restructured loans amounted to 346,575 million yen.

Restructured loans are those for which the Bank has provided terms and conditions - including reducing interest rates, rescheduling interest and principal

payments, or waiving of claims on the borrower - more favorable to the borrower than those in the original loan agreement, excluding "loans to borrowers in legal bankruptcy", "past due loans", and "loans past due 3 months or more".

22. Total amount of loans to borrowers in legal bankruptcy, past due loans, loans past due 3 months or more, and restructured loans were 1,400,576 million yen. The amounts in these notes from No. 19 to No. 22 are before deduction of reserve for possible loan losses.

23. Bills accepted by banks, commercial bills and bills of exchange with freight which were acquired as bills discounted amounted to 447,512 million yen.

24. Assets pledged as collateral were as follows:

- Securities 1,445,568 million yen
- Loans 39,160 million yen

Liabilities corresponding to assets which were pledged as collateral:

- Deposits 77,873 million yen
- Call money and Bills sold 38,600 million yen
- Borrowed money 14,875 million yen
- Other liabilities 473 million yen

Besides above, securities for exchange payment or securities for dealings in futures:

- Securities 280,118 million yen
- Loans 336,823 million yen

And premises and equipment include security deposits of 28,210 million yen, and other assets include deposit money for futures transactions of 348 million yen.

25. Unrealized gains or losses in respect of hedging are included in other assets as deferred hedge loss by net amount.

Prior to above offsetting, the gross deferred hedge losses and gains amounted to 136,909 million yen and 110,995 million yen, respectively.

26. The Municipal Ordinance concerning Special Treatment of Tax Base, etc., for Enterprise Tax on Banking Business, etc., in Osaka, a bylaw enacted June 9, 2000, as Osaka Municipal Ordinance No. 131, was officially announced on the same date. The effect of this measure is to change the effective statutory tax rate used by the Bank to calculate deferred tax assets and liabilities from 39.91 to 39.53. As a result of this change, the Bank's deferred tax assets dropped by 2,891

million yen, and its deferred income taxes grew by the same amount.

Also the Bank's deferred tax liabilities in respect with the revaluation dropped by 799 million yen, and Land Revaluation Difference grew by the same amount for the fiscal period.

27. The Bank had revalued land used for business purposes based on the Law Concerning Land Revaluation (Law 34, announced on March 31, 1998).

Deferred tax in the revaluation difference has been recorded in liabilities, and the rest has been recorded in stockholders' equity.

Revaluation date: March 31, 1998

Revaluation method as stated in Article 3-3 of the Land Revaluation Law:

The value of land is based on the official notice prices stated in the Law of the Public Notice of Land Price (assessed date, January 1, 1998), as stipulated in Article 2-1 of the Ordinance for the Land Revaluation Law (Government Ordinance No. 119, announced on March 31, 1998), after making reasonable adjustments such as for location and quality of sites.

The difference between the total market value of land used for business purpose revalued based on Article 10 of the Land Revaluation Law as of the date of the balance sheet and the total book value of the land after the revaluation: 78,697 million yen

28. Borrowed money included subordinated debt amounting to 583,000 million yen, which, by special covenants, are subordinated to other obligations in the order of their performance.

29. Bonds issued include subordinated bonds of 345,390 million yen.

30. Net assets per share: 337 yen 95sen

31. Issues pertaining to market value and unrealized gain (net) of investment securities are presented below. This data encompasses trading account securities, negotiable certificates of deposit and commercial paper under Trading Assets and negotiable certificates of deposit under Cash and Due from Banks, as well as commercial paper under Monetary receivables bought, in addition to "Securities". This grouping applies through Note 35.

Securities Held for Trading Purposes:

Balance-sheet amount 589,942 million yen

Unrealized gain (net) included in profits and losses 95 million yen

Marketable Bonds Held to Maturity:

(Millions of Yen)

	Balance-Sheet Amount	Market Value	Unrealized Gain(Net)	Unrealized Gain (Gross)	Unrealized Loss(Gross)
Government Bond	19	19	0	0	—
Other	99	100	0	0	0
Total	119	120	1	1	0

Other Securities with Market Value:

Other securities with market value are not stated at market value at the consolidated balance sheet date. Other investment securities carries on the balance sheet according to Ordinance No.10, 2000 of the Ministry of Finance, Supplementary Provision Clause 3 are as follows:

<input type="checkbox"/> Balance sheet amounts	3,845,617	million yen
<input type="checkbox"/> Market value	3,731,920	million yen
<input type="checkbox"/> Difference	-113,697	million yen
<input type="checkbox"/> Amount equivalent to unrealized gain (net)	-69,123	million yen
<input type="checkbox"/> Amount equivalent to deferred tax assets	44,868	million yen
<input type="checkbox"/> Amount equivalent to minority interests in consolidated subsidiaries	312	million yen
<input type="checkbox"/> The Bank's share of amount equivalent to unrealized gain (net) of other securities owned by affiliated companies applying the equity method	18	million yen

32. No held-to-maturity bonds were sold during the fiscal year.

33. Other investment securities sold during the fiscal year are presented below:

(Millions of Yen)		
Amount sold	Gain	Loss
6,848,634	219,846	5,481

34. Major components of other securities deemed non-marketable and their respective balance sheet amounts are as follows:

Other investment securities

Unlisted bonds	340,605 million yen
Unlisted securities (excluding over-the-counter securities)	49,082 million yen

35. Projected redemption amounts for other investment securities with maturities as well as bonds held to maturity are presented below according to the period of maturity.

(Millions of Yen)	One Year or Less	One to Five Years	Five to 10 Years	More than 10 Years
Bonds	783,507	903,076	447,911	—
Government Bonds	699,953	517,540	281,381	—
Local Government Bonds	20,361	102,646	123,282	—
Corporate Bonds	63,193	282,889	43,248	—
Other	108,551	152,881	34,939	81
Total	892,059	1,055,957	482,851	81

36. The breakdown of money held in trust is as follows:

Money held in trust for investment purposes

Balance-sheet amount 60,050 million yen

There were no unrealized gains or losses included in earnings during the fiscal year.

There were no held-to-maturity money held in trust.

37. Loaned securities amounted to 15,023 million yen by loan agreements were included in government bonds in Securities account.

38. Commitment line agreements related to negative checking accounts and loans represent agreements to loan customers up to an amount at customers' request as long as no violation against the condition of the agreement exists.

The amount of unexercised loans related to such agreements amounted to 5,529,660 million yen. The amount of which the original agreement period was within a year or the Bank could cancel any time without any penalty was 5,424,498 million yen and included in above.

The amount of unexercised loans do not necessarily affect on the future cash flows of the Bank and consolidated subsidiaries because most of such agreements were terminated without being exercised. Most of these agreements had provisions which stipulate the Bank and consolidated subsidiaries may deny making loans or decrease the commitment line when there are certain changes in financial condition, security of loans and other reasons.

At the time of exercising loans to customers, the Bank is to request collateral of premises or securities if necessary. After exercising of loans, the Bank periodically checks the financial condition of customers based on its internal rule and performed certain actions for security of loans if necessary.

39. Retirement benefit obligations etc. at the end of the consolidated fiscal year were as follows.

Projected Benefit Obligations	-400,782	million yen
Plan Assets at Fair Value	274,994	million yen
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Unfunded Retirement Benefit Obligations	-121,781	million yen
Unrecognized Loss at Transition Obligations	73,038	million yen
Unrecognized Actuarial Differences	48,742	million yen
Unrecognized Prior Service Costs	-	million yen
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Net Amounts Reported in the Consolidated Balance Sheet	-4,006	million yen
Prepaid Pension Expense	18,880	million yen
Reserve for Employee Retirement Benefits	-22,887	million yen

In addition, the fair value of the Bank's plan assets related to a Multiple-Employer Plan in which plan assets corresponding to an employer's contribution can not be reasonably calculated, amounted to 2,251 million yen based on certain assumptions.

Consolidated Statement of Operations (Unaudited)
 Fiscal Year ended March 31, 2001

Millions of yen

Income		
Operating Income	¥	556,792
Interest on loans and discounts	(	452,248)
Interest and dividends on securities	(	53,544)
Fees and commissions		87,465
Trading income		4,455
Other operating income		25,481
Other income		269,521
Total Income (Ordinary Income)	¥	943,716
Expenses		
Operating expenses	¥	175,074
Interest on deposits	(	103,942)
Fees and commissions		20,166
Other operating expenses		14,100
General and administrative expenses		275,080
Other expenses		471,041
Total Expenses (Ordinary Expenses)	¥	955,463
Ordinary Net Loss	¥	11,747
Extraordinary profits		427
Extraordinary losses		7,908
Loss before Income Taxes		19,228
Income Taxes:		
Current		11,807
Deferred		-22,945
Minority interests in net Loss		249
Net Loss	¥	7,841

Note:

1. Amounts of less than one million yen have been rounded down.

2. Net interim income per share: 4 yen 53sen

3. Diluted net income per share was not disclosed due to net loss for the year ended.

4. Profits and losses from transactions of trading purposes are included in "Trading income" or "Trading expenses" in the consolidated statement of operations, as of the date when the transactions has been contracted.

"Trading income" and "trading expenses" include amounts of interest received or paid during plus the amount of difference between the profits or losses generated from valuation for securities, commercial papers, derivatives, etc. as at the end of the preceding period and those as at the year ended.

5. Other ordinary income includes:

- | | |
|--|---------------------|
| <input type="checkbox"/> Gains on sale of stocks and other securities | 202,186 million yen |
| <input type="checkbox"/> Gains on establishment of trust for employee retirement benefit | 21,216 million yen |

6. Other ordinary expenses include:

- | | |
|---|---------------------|
| <input type="checkbox"/> Write-off of claims | 115,921 million yen |
| <input type="checkbox"/> Losses on loan abandonment to assist borrowers | 50,800 million yen |
| <input type="checkbox"/> Provisions for reserve for contingent liabilities related to loans sold | 12,128 million yen |
| <input type="checkbox"/> Losses on sales of the loans collateralized by real estate sold to the Cooperative Credit Purchasing Company, Limited. | 11,538 million yen |
| <input type="checkbox"/> Losses on sale of stocks and other securities | 2,238 million yen |
| <input type="checkbox"/> Write-off of stocks and other securities | 10,498 million yen |
| <input type="checkbox"/> Temporary expenses for establishment of pension benefits' trust | 40,413 million yen |
| <input type="checkbox"/> Expenses for the difference caused by accounting change with application of new criteria for employee retirement benefit | 18,260 million yen |

7. The Bank adopted new accounting standards for retirement benefits (“the Opinion Concerning the Establishment of Accounting Standard for Retirement Benefits” issued on June 16 1998 by the Business Accounting Deliberation Council), effective with the interim period in review. As a result, ordinary net loss and loss before income taxes decreased by 22,115 million yen respectively, as compared with calculations made by previous methods.

Also the Bank and certain consolidated subsidiaries established the retirement benefit trust during the fiscal year. As the result, ordinary net loss and loss before income taxes increased by 19,197 million yen respectively.

The amount of the previous reserve for severance payments is included in that of new reserve for employee retirement benefit.

8. The Bank adopted new accounting standards related to financial products (“the Opinion Concerning the Establishment of Accounting Standard for Financial Instruments” issued on January 22 1999 by Business Accounting Deliberation Council), effective with the fiscal year and made changes to evaluation methods for investment securities and for derivatives and to hedge accounting. Consequently, ordinary net loss and loss before income taxes increased by 4,729 million yen respectively, as compared with calculations made by previous methods.

Income and expenses from derivative transactions to which hedge accounting were adopted were included in the same account of proceeding periods. Effective in the year ended March 31, 2001, the presentation of the amounts of income and expenses was changed from presenting them on a gross basis to on a netting basis in accordance with the new accounting standards related to financial products. There was no effect to ordinary net income and income before income taxes. However operating income and operating expenses were decreased by 39,762 million yen, respectively, as compared with those using the previous methods.

The presentation of income and expenses from derivative transactions to which hedge accounting were adopted in the banking industry was discussed with the Japanese Institute of Certified Public Accountants. As result of this discussion, presenting them on a netting basis was preferable to on a gross basis in the second half period . Therefore such income and expenses were shown by gross amounts in the first half period. If income and expenses from derivative transactions to which hedge accounting were adopted for the first half period were shown by netting amount, there was no effect to ordinary net income and income before income taxes for the first half period. Operating income and operating expenses would have decreased by 29,773 million yen on a netting basis.

9. Business taxes, other than business taxes for which the standard for assessment is profit-pegged, is recorded under “Other Ordinary Expenses.”

Business taxes assessed in Tokyo had been recorded under “Income Taxes”. But from the interim period in review, the Bank recorded “Other Ordinary Expenses” of 4,300 million yen, in line with the April 1, 2000, enactment of Tokyo Municipal Ordinance No. 145, 2000 (the Municipal Ordinance Concerning Special Treatment of Tax Base, etc., for Enterprise Tax on Banking Business, etc., in Tokyo Metropolis).

Consolidated Statement of Cash Flows (March 31, 2001 / Unaudited)

(Millions of yen)

	Interim 2000		Interim 2000
Cash flows from operating activities:		Cash flows from investing activities:	
Net income (loss) before income taxes	-19,228	Payments for purchase of securities	-11,781,261
Depreciation	24,777	Proceeds from sales of securities	6,843,367
Amortization of consolidation difference	1,962	Proceeds from maturities of securities	4,552,876
Equity in net (income) loss of affiliated company	429	Payments for increase of money held in trust	-504
Increase in reserve for possible loan losses	-11,155	Proceeds from decrease of money held in trust	150,571
Increase in reserve for contingent liabilities related to loans sold	-26,418	Payments for acquisition of premises and equipment	-38,301
Increase in reserve for supporting specific borrowers	-6,603	Proceeds from sales of premises and equipment	8,225
Increase in reserve for severance payments	-27,224	Payments for purchase of securities of subsidiaries, caused the change of scope of consolidation	0
Increase in reserve for employee retirement benefit	22,861	Net cash provided by (used in) investing activities	-265,026
Operating income	-556,792	Cash flows from financing activities:	
Operating expenses	175,074	Payment of subordinated debt	-59,000
(Gains) losses in investment securities	-193,435	Issue of subordinated bonds and convertible bonds	54,000
(Gains) losses from money held in trust	-116	Payment of subordinated bonds and convertible bonds	-81,000
(Gains) losses from exchange rate changes	-5,739	Dividends paid	-21,861
(Gains) losses from disposition of premises and equipment	7,808	Payment of dividends to minority interests	-17
Net (increase) decrease in trading assets	-334,268	Payments for purchase of common stocks in treasury	-119
Net increase (decrease) in trading liabilities	171,186	Proceeds from sales of common stocks in treasury	126
Net (increase) decrease in loans and bill discounted	217,904	Net cash provided by (used in) financing activities	-107,871
Net increase (decrease) in deposits	518,758	Effect of exchange rate changes on cash and cash equivalents	227
Net increase (decrease) in negotiable certificate of deposit	988,703	Net increase (decrease) in cash and cash equivalents	-290,840
Net increase (decrease) in borrowed money (except subordinated debt)	-19,017	Cash and cash equivalents at beginning of year	712,120
Net (increase) decrease in due from banks (excluding due from the Bank of Japan)	-682,465	Cash and cash equivalents at end of the Fiscal 2000	421,280
Net (increase) decrease in call loans and others	-750,162		
Net increase (decrease) in call money and others	-4,776		
Net increase (decrease) in commercial papers	300,000		
Net increase (decrease) in collateral deposit on securities lent	-57,712		
Net (increase) decrease in foreign exchanges (assets)	-8,904		
Net increase (decrease) in foreign exchanges (liabilities)	3,964		
Net increase (decrease) from issue and payment of bonds	100,000		
Net increase (decrease) in due to trust account	-215,429		
Proceeds from interest-earning assets	563,721		
Payments on interest-bearing liabilities	-172,266		
Others	94,406		
Total	99,841		
Income taxes	-18,010		
Net cash provided by (used in) operating activities	81,831		

Note:

1. Amounts of less than one million yen have been rounded down.

2. In the consolidated statement of cash flow, scope of capital is cash and due from the Bank of Japan in “cash and due from banks” in the consolidated balance sheets.

3. Cash and cash equivalents as of March 31, 2001 consisted of the following:

	<i>(Millions of yen)</i>
Cash and due from banks	1,578,655
Due from banks excluding due from The Bank of Japan	- 1,157,375
Cash and cash equivalents	421,280

4. Assets and liabilities of newly consolidated subsidiaries due to acquisition of stocks:

	<i>(Millions of yen)</i>
Loans	252,943
Borrowed money	- 162,057
Assets and liabilities (except Loans and Borrowed money)	- 91,124
Value of existing stockholdings by the equity method	- 333
Consolidation difference	571
Payment for acquisition of stocks of newly consolidated subsidiaries	0
Cash and cash equivalents of newly consolidated subsidiaries	0
Net payment for acquisition of stocks of newly consolidated subsidiaries	- 0

5. “Net increase (decrease) in borrowed money (except subordinated debt)” was included in “others” of cash flows from operating activities on the consolidated statement of cash flow in the fiscal year 1999. However, starting from this fiscal year 2000, this is showed separately.

“Net increase (decrease) in borrowed money (except subordinated debt)” in the fiscal year 1999 was 47,514 million yen.

Consolidated Balance Sheets (Main Items) (Unaudited)

Millions of yen

	As of Mar. 31, 2001 (A)	As of Mar. 31, 2000 (B)	A - B
Assets			
Cash and due from banks	¥ 1,578,655	¥ 1,187,769	¥ 390,886
Call loans and bills purchased	901,695	153,563	748,132
Commercial paper and other debt purchased	2,458	429	2,029
Trading assets	777,686	438,962	338,724
Money held in trust	60,050	210,000	-149,949
Securities	4,234,414	3,639,112	595,301
Loans and bills discounted	20,616,328	20,581,734	34,593
Foreign exchanges	74,045	65,141	8,904
Other assets	621,894	419,820	202,074
Premises and equipment	484,778	478,342	6,435
Deferred tax assets	323,312	303,657	19,655
Consolidation differences	6,832	8,192	-1,360
Customers' liabilities for acceptances and guarantees	1,977,877	1,760,192	217,685
Reserve for possible loan losses	-472,334	-458,786	-13,548
Total Assets	¥ 31,187,697	¥ 28,788,131	¥ 2,399,565
Liabilities			
Deposits	¥ 20,440,163	¥ 19,921,465	¥ 518,698
Negotiable certificates of deposit	2,964,795	1,976,091	988,703
Call money and bills sold	1,272,285	1,278,836	-6,551
Commercial papers	420,000	120,000	300,000
Trading liabilities	211,496	40,310	171,186
Borrowed money	907,498	823,458	84,039
Foreign exchanges	8,739	4,775	3,964
Bonds issued	445,390	370,615	74,775
Other liabilities	1,028,505	910,490	118,014
Reserve for severance payments	-	27,224	-27,224
Reserve for employee retirement benefit	22,887	-	22,887
Reserve for contingent liabilities related to loans sold	37,654	64,073	-26,418
Reserve for supporting specific borrowers	-	6,603	-6,603
Other reserves	0	0	-
Deferred tax liabilities on land revaluation	83,167	87,272	-4,104
Acceptances and guarantees	1,977,877	1,760,192	217,685
Total Liabilities	¥ 29,820,461	¥ 27,391,409	¥ 2,429,051
Minority interests in consolidated subsidiaries	¥ 8,524	¥ 8,617	¥ -92
Stockholders' Equity			
Common stock	¥ 605,356	¥ 605,356	¥ -
Capital surplus	509,486	509,486	-
Land revaluation difference	127,223	131,400	-4,176
Retained earnings	117,360	141,886	-24,526
Foreign currency translation adjustments, net of taxes	-697	-	-697
Common stock in treasury	2	9	-7
Common stock held by subsidiaries	16	16	-
Total Stockholders' Equity	¥ 1,358,711	¥ 1,388,104	¥ -29,393
Total Liabilities, Minority interests in consolidated subsidiaries, and Stockholders' Equity	¥ 31,187,697	¥ 28,788,131	¥ 2,399,565

Consolidated Statements of Operations (Main Items) (Unaudited)

Millions of yen

	Fiscal 2000 (A)		Fiscal 1999 (B)		A - B
Income					
Operating Income	¥	556,792	¥	589,148	¥ -32,356
Interest on loans and discounts	(	452,248)	(	458,688)	(-6,439)
Interest and dividends on securities	(	53,544)	(	56,136)	(-2,592)
Fees and commissions		87,465		86,453	1,011
Trading income		4,455		1,787	2,667
Other operating income		25,481		24,207	1,274
Other income		269,521		458,668	-189,147
Total Income (Ordinary Income)	¥	943,716	¥	1,160,265	¥ -216,549
Expenses					
Operating expenses	¥	175,074	¥	208,490	¥ -33,415
Interest on deposits	(	103,942)	(	74,000)	(29,942)
Fees and commissions		20,166		21,117	-950
Trading expenses		-		3	-3
Other operating expenses		14,100		23,857	-9,757
General and administrative expenses		275,080		275,437	-356
Other expenses		471,041		537,308	-66,267
Total Expenses (Ordinary Expenses)	¥	955,463	¥	1,066,214	¥ -110,751
Ordinary Net Income (loss)	¥	-11,747	¥	94,051	¥ -105,798
Extraordinary profits		427		489	-62
Extraordinary losses		7,908		16,011	-8,102
Income (loss) before Income Taxes		-19,228		78,529	-97,758
Income Taxes:					
Current		11,807		18,069	-6,262
Deferred		-22,945		29,462	-52,407
Minority interests in net loss		249		407	-157
Net Income (loss)	¥	-7,841	¥	31,404	¥ -39,245

Consolidated Statements of Retained Earnings (Unaudited)

Millions of yen

	Fiscal 2000 (A)	Fiscal 1999 (B)	A - B
Balance of retained earnings at the beginning of the fiscal year	¥ 141,886	¥ 124,183	¥ 17,702
Increase of retained earnings	5,192	4,329	862
Due to reversal of land revaluation difference	(4,976)	(4,329)	(646)
Due to decrease of the affiliates accounted for by the equity method	(215)	(-)	(215)
Decrease of retained earnings	21,877	18,031	3,845
Cash dividends	(21,877)	(17,996)	(3,881)
Due to change of the scope of consolidation	(-)	(35)	(-35)
Net income (loss)	-7,841	31,404	-39,245
Balance of retained earnings at the end of the fiscal year	¥ 117,360	¥ 141,886	¥ -24,526

Consolidated Statements of Cash Flows (Unaudited)

(Amounts of less than one million yen have been rounded down)

(Millions of yen)

	Fiscal 2000(A)	Fiscal 1999(B)	A - B
Cash flows from operating activities:			
Net income (loss) before income taxes	-19,228	78,529	-97,757
Depreciation	24,777	23,179	1,598
Amortization of consolidation difference	1,962	6,555	-4,592
Equity in net (income) loss of affiliated company	429	385	43
Increase in reserve for possible loan losses	-11,155	-18,201	7,046
Increase in reserve for contingent liabilities related to loans sold	-26,418	-13,706	-12,711
Increase in reserve for supporting specific borrowers	-6,603	6,603	-13,206
Increase in reserve for severance payments	-27,224	1,511	-28,736
Increase in reserve for employee retirement benefit	22,861	-	22,861
Operating income	-556,792	-589,148	32,356
Operating expenses	175,074	208,490	-33,415
(Gains) losses in investment securities	-193,435	-252,537	59,102
(Gains) losses from money held in trust	-116	-365	248
(Gains) losses from exchange rate changes	-5,739	12,961	-18,701
(Gains) losses from disposition of premises and equipment	7,808	-15,736	23,545
Net (increase) decrease in trading assets	-334,268	-155,873	-178,394
Net increase (decrease) in trading liabilities	171,186	5,977	165,209
Net (increase) decrease in loans and bill discounted	217,904	390,628	-172,723
Net increase (decrease) in deposits	518,758	127,558	391,199
Net increase (decrease) in negotiable certificate of deposit	988,703	559,147	429,556
Net increase (decrease) in borrowed money (except subordinated debt)	-19,017	-	-19,017
Net (increase) decrease in due from banks (excluding due from the Bank of Japan)	-682,465	-223,664	-458,801
Net (increase) decrease in call loans and others	-750,162	-47,606	-702,555
Net increase (decrease) in call money and others	-4,776	-1,074,258	1,069,482
Net increase (decrease) in commercial papers	300,000	50,000	250,000
Net increase (decrease) in collateral deposit on securities lent	-57,712	11,364	-69,076
Net (increase) decrease in foreign exchanges (assets)	-8,904	44,791	-53,695
Net increase (decrease) in foreign exchanges (liabilities)	3,964	-1,293	5,257
Net increase (decrease) from issue and payment of bonds	100,000	-	100,000
Net increase (decrease) in due to trust account	-215,429	133,977	-349,407
Proceeds from interest-earning assets	563,721	588,768	-25,047
Payments on interest-bearing liabilities	-172,266	-234,704	62,437
Others	94,406	267,072	-172,665
Total	99,841	-109,596	209,437
Income taxes	-18,010	-3,415	-14,594
Net cash provided by (used in) operating activities	81,831	-113,012	194,843

(Millions of yen)

	Fiscal 2000(A)	Fiscal 1999(B)	A - B
Cash flows from investing activities:			
Payments for purchase of securities	-11,781,261	-6,786,305	-4,994,956
Proceeds from sales of securities	6,843,367	6,591,092	252,275
Proceeds from maturities of securities	4,552,876	610,399	3,942,476
Payments for increase of money held in trust	-504	-190,000	189,495
Proceeds from decrease of money held in trust	150,571	63,316	87,254
Payments for acquisition of premises and equipment	-38,301	-24,965	-13,336
Proceeds from sales of premises and equipment	8,225	5,416	2,808
Payments for purchase of securities of subsidiaries, caused the change of scope of consolidation	0	-33	33
Net cash provided by (used in) investing activities	-265,026	268,920	-533,947
Cash flows from financing activities:			
Payment of subordinated debt	-59,000	-25,000	-34,000
Issue of subordinated bonds and convertible bonds	54,000	-	54,000
Payment of subordinated bonds and convertible bonds	-81,000	-2,988	-78,011
Dividends paid	-21,861	-17,996	-3,865
Payment of dividends to minority interests	-17	-180	163
Payments for purchase of common stocks in treasury	-119	-	-119
Proceeds from sales of common stocks in treasury	126	-	126
Net cash provided by (used in) financing activities	-107,871	-46,165	-61,706
Effect of exchange rate changes on cash and cash equivalents	227	-189	416
Net increase (decrease) in cash and cash equivalents	-290,840	109,553	-400,394
Cash and cash equivalents at beginning of year	712,120	602,563	109,557
Net increase in cash and cash equivalents with new consolidation	-	4	-4
Cash and cash equivalents at end of the fiscal years	421,280	712,120	-290,840

Principales of consolidation for consolidated financial statements (March 31, 2001)

1. Scope of consolidation

(1) Consolidated subsidiaries: 25

Principal consolidated subsidiaries are Asahi Trust and Banking Co., Ltd., Asahigin Guarantee Co., Ltd. and Asahi Card Co., Ltd.

Kyodo Mortgage Acceptance Co., Ltd., which was accounted for by the equity method in the previous fiscal year, has become consolidated subsidiary from this fiscal year by additional acquisition of stocks.

Asahi Servicer Co., Ltd. has become consolidated subsidiary by the establishment.

Asahi Finance (U.K.) Ltd., Asahi Bank (Schweiz) AG, Asahi Finance (Hong Kong) Ltd., and Asahi Financial Futures (Singapore) Pte. Ltd. were liquidated and excluded from consolidation from this fiscal year.

And Asahi Bank Factoring Co., Ltd. changed its name to Asahi Bank Retail Finance Co., Ltd. in this fiscal year.

(2) Nonconsolidated subsidiaries

Principal nonconsolidated subsidiary is Yamabun Securities Co., Ltd.

The total assets, ordinary income, net income (based on the owned interest), and retained earnings (based on the owned interest) of these nonconsolidated subsidiaries have no material effect on the Bank's consolidated financial statements. So these subsidiaries are excluded from consolidation.

2. Application of the equity method

(1) Affiliated companies accounted for by the equity method: 2

Principal affiliated company accounted for by the equity method is Showa Leasing Co., Ltd.

Kyodo Mortgage Acceptance Co., Ltd. is not accounted for by the equity method, because it has become consolidated subsidiary from this fiscal year.

As for Fuji Warehouse & Transportation Co., Ltd., the percentage of the right to vote of the Bank decreased to less than 20%. So the company is not accounted for by the equity method.

(2) Affiliated companies not accounted for by the equity method

Principal affiliated companies not accounted for by the equity method are Siam City-Showa Leasing Co., Ltd., and Asahigin Leasing (U.S.A.) Inc.

The net income (based on the owned interest), and retained earnings (based on the owned interest) of these nonconsolidated subsidiaries and affiliated companies not applying the equity method have no material effect on the Bank's consolidated financial statements. So these subsidiaries and companies are not accounted for by the equity method.

3. Fiscal balance sheet date of consolidated subsidiaries

(1) Fiscal balance sheet dates of consolidated subsidiaries are as follows:

December 31: 5 subsidiaries

March 31: 20 subsidiaries

(2) The subsidiaries mentioned above are consolidated based on their financial statements as of each balance sheet date. The accounts of these subsidiaries have been made appropriate adjustments for any material transactions during the period between December 31 and March 31.

4. Valuation of assets and liabilities of consolidated subsidiaries

Partial revaluation method is applied to value assets and liabilities of consolidated subsidiaries.

5. Amortization of consolidation difference

Consolidation differences are being amortized, in principle, in equal amounts over 5 years by straight-line method. Immaterial differences are immediately amortized in the year they occurred.

6. Retained earnings

Consolidated statements of retained earnings are made based on decision that has been made in the previous fiscal year.

Segment Information

1. Business Segment Information

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

2. Geographical Segment Information

Fiscal year ended March 31, 2000 (consolidated)

	Japan	Americas	Europe	Asia / Oceania	Combined total	Eliminations and intercompany	Consolidated total
I. Ordinary income							
(1) Customers	1,089,045	19,385	4,136	47,699	1,160,265	-	1,160,265
(2) Inter-segment	36,777	22,021	3,931	4,825	67,554	(67,554)	-
Total	1,125,822	41,406	8,067	52,524	1,227,820	(67,554)	1,160,265
Ordinary expenses	1,030,299	44,366	8,805	53,657	1,137,129	(70,914)	1,066,214
Ordinary net income (loss)	95,522	-2,960	-737	-1,133	90,691	3,359	94,051
II. Assets	26,946,182	694,619	545,815	1,371,235	29,557,853	(769,721)	28,788,131

(millions of yen)

Fiscal year ended March 31, 2001(consolidated)

	Japan	Americas	Europe	Asia / Oceania	Combined total	Eliminations and intercompany	Consolidated total
I. Ordinary income							
(1) Customers	858,442	38,502	7,846	38,925	943,716	-	943,716
(2) Inter-segment	19,798	13,760	2,872	5,989	42,420	(42,420)	-
Total	878,241	52,262	10,718	44,915	986,137	(42,420)	943,716
Ordinary expenses	898,017	50,522	11,067	35,990	995,598	(40,134)	955,463
Ordinary net income (loss)	-19,776	1,739	-349	8,925	-9,461	(2,285)	-11,747
II. Assets	29,851,163	937,119	536,714	1,123,629	32,448,627	(1,260,930)	31,187,697

(millions of yen)

Notes: 1. Branches of the Bank and consolidated subsidiaries are divided into four segments in consideration of geographic proximity, similarity of economic activity, and interrelation of business activity. The Bank shows ordinary income and ordinary net income in these four segments in stead of sales and operating income figures.

2. The Americas comprises the United States; Europe includes the United Kingdom and certain other countries; and Asia / Oceania comprises Hong Kong, Australia, and certain other countries.

3. Change of accounting policies

• Fiscal year ended March 31, 2001

(1) Influence of application of new criteria for accounting for employee retirement benefit

The Bank adopted new accounting standards related to retirement benefits ("the Opinion Concerning the Establishment of Accounting Standard for Retirement Benefits" issued on June 16 1998 by the Business Accounting Deliberation Council), effective with the fiscal year ended March 31, 2001 in review.

As a result, in "Japan" ordinary expenses decreased 22,115 million yen and ordinary net loss decreased by the same amount.

And the Bank and some consolidated subsidiaries established pension benefits' trust in the fiscal 2001. Consequently, in "Japan" ordinary income increased by 21,216 million yen, ordinary expenses increased by 40,413 million yen, and ordinary net loss increased by 19,197 million yen.

(2) Influence of application of new criteria for accounting for financial instruments

The Bank adopted new accounting standards related to financial products ("the Opinion Concerning the Establishment of Accounting Standard for Financial Instruments" in January 22 1999 issued by Business Accounting Deliberation Council), effective with the fiscal 2001 in review and made changes to evaluation methods for investment securities and for derivatives and to hedge accounting. Consequently, as compared with calculations made by previous methods, in "Japan" ordinary income increased by 3,327 million yen, ordinary expenses increased by 8,647 million yen, and million yen, ordinary net losses increased by 5,320 million yen.

In "Americas" ordinary income increased by 359 million yen, ordinary expenses increased 189 million yen, and ordinary net loss decreased by 169 million yen.

In "Europe" ordinary income increased by 200 million yen, and ordinary net loss decreased by 200 million yen.

In "Asia/Oceanis" ordinary income increased by 221 million yen, ordinary expenses increased 1 million yen, and ordinary net loss decreased by 220 million yen.

• Fiscal year ended March 31, 2000

(1) Change of forms regulated by "Bank Law Enforcement Regulations"

Although "reserve for possible loan losses" had been recorded as liabilities until the fiscal year ended March 31,1999, the account is recorded in the assets of the balance sheets as a deduction item from the fiscal year ended March 31, 2000. Due to this change, in "Japan" assets decrease by 434,852 million yen, 2,830 million yen in "Americas", 88 million yen in "Europe", and 21,014 million yen in "Asia/Oceania" comparing with former description.

3. Overseas ordinary income

	Overseas ordinary income (A)	Consolidated ordinary income (B)	(A) / (B)
Fiscal year ended March 31, 2000	71,220	1,160,265	6.1%
Fiscal year ended March 31, 2001	85,274	943,716	9.0%

(millions of yen)

Notes: 1. The Bank reports "overseas ordinary income" to show overseas transactions in stead of overseas sales.

2. Ordinary income from international operations comprises transactions of parent companies that are customers of the Bank with their overseas offices, and ordinary income arising from transactions with consolidated overseas subsidiaries (excluding inter-company ordinary income generated among consolidated subsidiaries).

As the breakdown into countries or regions is the same as geographical segment information, it is therefore not presented here.

Securities, etc.

1. Securities

- including "securities " on consolidated balance sheet, securities, negotiable certificates of deposit, commercial paper in "trading assets", negotiable certificates of deposit in "cash and due from banks", and commercial paper in "commercial paper and other debt purchased".

(1) Securities Held for Trading Purposes (millions of yen)

	As of Mar. 31, 2001	
	Balance-sheet amount	Unrealized gain (net) included in profits and losses
Securities Held for Trading Purposes	589,942	95

(2) Marketable bonds held to maturity (millions of yen)

	As of Mar. 31, 2001				
	Balance Sheet Amount (consolidated) X	Market Value Y	Unrealized Gains/Losses		
			Y-X	Gains	Losses
Japanese government bonds	19	19	0	0	-
Others	99	100	0	0	0
Total	119	120	1	1	0

Note: Market values are based on the market prices on March 31, 2001.

(3) Investment securities in subsidiaries and affiliates with market value

None

(4) Other securities for which market values can be calculated

Other securities with market value are not stated at market value at the consolidated balance sheet date.

Other investment securities carries on the balance sheet according to Ordinance No.9, 2000 of the Ministry of Finance, Supplementary Provision Clause 3 are as follows:

(millions of yen)

	As of Mar. 31, 2001				
	Balance Sheet Amount (consolidated) X	Market Value Y	Unrealized Gains/Losses		
			Y-X	Gains	Losses
Stocks	1,759,897	1,643,319	-116,577	120,132	236,709
bonds	1,793,870	1,812,923	19,052	21,071	2,018
Japanese government bonds	1,498,856	1,508,003	9,147	10,440	1,292
municipal bonds	45,951	50,192	4,241	4,241	-
corporate bonds	249,062	254,727	5,664	6,390	725
Others	291,849	275,676	-16,172	1,970	18,142
Total	3,845,617	3,731,920	-113,697	143,174	256,871

Note: Market values of stocks are based on the average market prices of the last one month of the fiscal year ended March 31, 2001.
Market values of others are based on the market prices on March 31, 2001.

(5) Marketable bonds held to maturity which was sold in the fiscal year 2000

None

(6) Other securities which were sold in the fiscal year 2000

(millions of yen)

	Fiscal 2000		
	Sold	Gains	Losses
Other securities	6,848,634	219,846	5,481

(7) The major components of securities with which market value is not available and their respective balance sheet amounts
(millions of yen)

Other securities		As of Mar. 31, 2001
Unlisted internal bonds		340,605
Unlisted stocks (except over-the-counter securities)		49,082

(8) Securities of which purpose to hold were changed

None

(9) Projected redemption amounts for other securities with maturities and bonds held to maturity.
(millions of yen)

		As of Mar. 31, 2001			
		One Year or Less	One to Five Years	Five to 10 Years	More than 10 years
Bonds		783,507	903,076	447,911	-
	Government Bonds	699,953	517,540	281,381	-
	Local Government Bonds	20,361	102,646	123,282	-
	Corporate Bonds	63,193	282,889	43,248	-
Other		108,551	152,881	34,939	81
Total		892,059	1,055,957	482,851	81

2. Money held in trust

(1) Investment purpose money held in trust (millions of yen)

	As of Mar. 31, 2001	
	Balance-sheet amount	Unrealized gain (net) included in profits and losses
Investment purpose money held in trust	60,050	-

(2) Held-to-maturity money held in trust

None

(3) Other money held in trust (excluding investment purposes or held-to-maturity)

None

3. Net unrealized gains on securities available for sale, net of taxes

(millions of yen)

		As of Mar. 31, 2001
Difference (Market value - Balance sheet amount)		-113,697
	Other securities	-113,697
	Other money held in trust	-
Amount equivalent to deferred tax liabilities		44,868
Amount equivalent to unrealized gain (Net) of other securities (before adjustment of amount equivalent to interest)		-68,829
Amount equivalent to minority interest		312
Amount equivalent to parent company interest of amount equivalent to unrealized gain (Net) of other securities owned by the companies accounted for the equity method		18
Amount equivalent to unrealized gain (Net) of other securities		-69,123

Market values of securities etc. as of March 31, 2000 are as follows :

1. Market value of securities etc.

(millions of yen)

Listed Securities	Mar. 31, 2000				
	Book Value (consolidated) X	Market Value Y	Unrealized Gains / Losses Y-X	Unrealized Gains / Losses	
				Gains	Losses
Bonds	66,703	67,188	484	484	-
Stocks	2,002,648	2,515,354	512,706	572,281	59,574
Others	47,236	54,582	7,346	7,403	57
Total	2,116,588	2,637,125	520,536	580,169	59,632

Note: 1. Securities shown above are listed securities. Bonds include Japanese government, municipal and corporate bonds. Market values of listed securities are based on their closing prices on mainly the Tokyo Stock Exchange or derived from interest rates published on "Quotations for over-the-counter government and corporate bonds (base rates)" by the Japan Securities Dealers Association ("JSDA").

2. Unlisted securities for which market values can be calculated are shown in the table below.

(millions of yen)

Unlisted Securities	Mar. 31, 2000				
	Book Value (consolidated) X	Market Value equivalent Y	Unrealized Gains / Losses Y-X	Unrealized Gains / Losses	
				Gains	Losses
Bonds	828,658	838,571	9,912	11,694	1,781
Stocks	38,997	62,988	23,991	25,011	1,020
Others	8,601	8,671	69	276	206
Total	876,257	910,231	33,974	36,982	3,008

Calculation of estimated market values for unlisted securities: Those for over-the-counter securities are derived from trading prices released by the Japan Securities Dealers Association ("JSDA"), those for bonds publicly issued are derived from interest rates published on "Quotations for over-the-counter government and corporate bonds (base rates)" by JSDA, and those for securities held in securities investment trust are derived from the market prices announced by authorized fund management companies. Market values of U.S. securities traded over-the-counter are calculated based on transaction prices indicated on NASDAQ in the U.S.A. and others.

3. Book values of securities not included in the above disclosure are as follows :

(millions of yen)

Securities	BOOK VALUE
	Mar. 31, 2000
Bonds	471,518
Stocks	60,492
Others	114,255

4. The above schedules excludes trading securities and securities related to trading transactions, because these transactions are revalued at the market value prevailing at the (interim) consolidated balance sheet date. The gains (or losses) in consequence of the revaluation credited (or debited) to the (interim) consolidated statement of operations.

Money held in trust

(millions of yen)

Money held in trust	Mar. 31, 2000				
	Book Value (consolidated) X	Market Value Y	Unrealized Gains / Losses Y-X	Unrealized Gains / Losses	
				Gains	Losses
Money held in trust	210,000	210,000	-	-	-

Note: The market value is calculated appropriately by the trustee of the money held in trust as follows:

1. Listed securities - Their final closing prices for term-end, primarily on the Tokyo Stock Exchange, or interest rates published on "Quotation for over-the-counter government and corporate bonds (base rates)" by JSDA.
2. Over-the-counter securities - Trading price table published by the JSDA.

Derivatives

Interest Rate Related Transactions

(Millions of Yen)

		Mar. 31, 2001			
		Contract Value or Notional Principal Amount		Market value	Revaluation Gains/Losses
			Over 1 Year		
Listed	Futures	313,469	16,236	1,226	1,226
	Sold	97,331	7,593	-135	-135
	Bought	216,138	8,643	1,362	1,362
	Options	-	-	-	-
	Sold	-	-	-	-
	Bought	-	-	-	-
Unlisted	Forward Rate Agreements	17,710	17,710	-62	-62
	Sold	-	-	-	-
	Bought	17,710	17,710	-62	-62
	Swaps	3,768,421	2,271,266	940	940
	Receive-fix	1,951,715	1,101,445	39,754	39,754
	Pay-fix	1,795,706	1,149,820	-38,779	-38,779
	Basis	21,000	20,000	-35	-35
	Options	-	-	-	-
	Sold	-	-	-	-
	Bought	-	-	-	-
	Caps	164,285	158,585	350	730
	Sold	89,300	85,600	190	1,059
	Bought	74,985	72,985	159	-329
	Floors	100	100	3	3
	Sold	-	-	-	-
Bought	100	100	3	3	
Others	-	-	-	-	
Sold	-	-	-	-	
Bought	-	-	-	-	
	Total			2,457	2,837

- Note: 1. Above transactions are revaluated at the market rates prevailing at the consolidated balance sheet date.
The gain (or losses) in consequence of the revaluation credited (or debited) to the consolidated statements of operations.
And the above schedule excludes derivatives accounted for the hedge accounting.
2. The market value listed represents the closing prices on the Tokyo International Financial Futures Exchange and other exchanges at the end of March 31, 2001.
Over-the-counter transactions are calculated by net present value or value based on option pricing models.

Foreign Exchange Related Transactions

(Millions of Yen)

		Mar. 31, 2001			
		Contract Value or Notional Principal Amount	Over 1 Year	Market value	Revaluation Gains/Losses
Unlisted	Swaps	586,122	429,277	1,386	1,386
	Others	-	-	-	-

- Note: 1. Above transactions are revaluated at the market rates prevailing at the consolidated balance sheet date. The gain (or losses) in consequence of the revaluation credited (or debited) to the consolidated statements of operations. And the above schedule excludes derivatives accounted for the hedge accounting and transactions in below Note 3.
2. Market values are calculated based on the discounted present value.
3. Figures on currency-related transactions calculated by accrual basis based on "accounting for the asset denominated in foreign currency and currency option transactions by bank" (issued on April 10, 2000 by Japanese Institute of Certified Public Accountants). Contract Values or notional principal amounts and market values of derivatives mentioned above are as follows:

(Millions of Yen)

		Mar. 31, 2001		
		Contract Value or Notional Principal Amount	Market value	Unrealized Gains/Losses
	Swaps	81,453	166	166

Similarly, the above schedule excludes transactions related to currency, for example foreign exchange forward contracts and currency options, because these transactions are revaluated at the market rates prevailing at the consolidated balance sheet date. The gains (or losses) in consequence of the revaluation credited (or debited) to the consolidated statements of operations.

Above mentioned transactions related to currency are as follows:

(Millions of Yen)

		Mar. 31, 2001	
		Contract Value or Notional Principal Amount	
Listed	Futures		-
	Sold		-
	Bought		-
	Options		-
	Sold		-
	Bought		-
Unlisted	Forward		1,479,888
	Sold		851,167
	Bought		628,721
	Options		265,542
	Sold		131,571
	Bought		133,971
	Others		-
	Sold		-
	Bought		-

Equity Related Transactions

None

Bond Related Transactions

(Millions of Yen)

		Mar. 31, 2001			
		Contract Value or Notional Principal Amount	Over 1 year	Market value	Revaluation Gains/Losses
Listed	Futures	15,027	-	-13	-13
	Sold	1,390	-	0	0
	Bought	13,636	-	-14	-14
	Futures Options	-	-	-	-
	Sold	-	-	-	-
	Bought	-	-	-	-
Unlisted	Options (Over-the-counter)	-	-	-	-
	Sold	-	-	-	-
	Bought	-	-	-	-
	Others	-	-	-	-
	Sold	-	-	-	-
	Bought	-	-	-	-
	Total			-13	-13

Note: 1. Above transactions are revaluated at the market rates prevailing at the consolidated balance sheet date.
The gain (or losses) in consequence of the revaluation credited (or debited) to the consolidated statements of operations.
And the above schedule excludes derivatives accounted for the hedge accounting.
2. The market value listed represents the closing prices on the Tokyo Stock Exchange and other exchanges at the end of March 31, 2001.
Over-the-counter transactions are calculated by net present value or value based on option pricing models.

Commodity Related Transactions

None

Credit Derivative Transactions

None

Contract values or notional principal amount, market values and unrealized gains (losses) of derivatives as of March 31, 2000 are as follows :

(1) Interest rate related transactions

(Millions of Yen)

Interest rate related transactions				Mar. 31, 2000		
				Contract Value or Notional Principal Amount (option premium)		Market value	Unrealized Gains/Losses
Listed	Futures	Sold	Over 1 year			
						144,769	-	144,560	209
		Bought	64,622	-	64,502	-119
	Options	Sold	Call	-	-	-
			Put	(-)	-	-
		Bought	Call	-	-	-
			Put	(-)	-	-
Unlisted	Forward Rate Agreements	Sold	-	-	-	-
		Bought	-	-	-	-
	Swaps	Receive-fix	5,063,877	3,047,759	92,348	92,348
		Pay-fix	6,409,162	3,698,938	-111,617	-111,617
		Basis	965,788	735,788	-703	-703
		Rec. pay-fix	-	-	-	-
	Options	Sold	Call	-	-	-
			Put	(-)	-	-
		Bought	Call	-	-	-
			Put	(-)	-	-
	Caps	Sold		36,300	31,300	
				(88)		65	23
		Bought	428,000	353,000	1,395	-1,140
				(2,535)		
	Floors	Sold	-	-	-	-
		Bought	(-)	-	-	-
Others	Sold	530	-	13	-13	
	Bought	(-)	-	-	-	
Total						-21,014

Note: 1. The market value of listed transactions represents the closing prices on the Tokyo International Financial Futures Exchange and other exchanges at the end of March 31, 2000. Over-the-counter transactions are calculated by net present value or value based on option pricing models.

2. The above schedule excludes derivatives related to trading transactions, because those derivatives are revaluated at the market rates prevailing at the consolidated balance sheet date, and the gains (or losses) in consequence of the revaluation credited (or debited) to the consolidated statements of operations. Contract Values or notional principal amounts and market values of derivatives mentioned above are as follows:

(Millions of Yen)

			Mar. 31, 2000		
			Contract Value or Notional Principal amount (option premium)	Market value	
Listed	Futures	Sold	167,125	167,128	
		Bought	212,881	212,620	
	Options	Sold	Call	-	-
			Put	(-)	-
		Bought	Call	-	-
			Put	(-)	-
	Unlisted	Forward Rate Agreements	Sold	45,905	-17
			Bought	118,535	33
Swaps		Receive-fix	1,941,248	19,820	
		Pay-fix	2,083,426	-18,683	
		Basis	1,000	-2	
		Rec. pay-fix	-	-	
Options		Sold	Call	-	-
			Put	(-)	-
	Bought	Call	-	-	
		Put	(-)	-	
Caps	Sold		23,466		
		(233)		93	
	Bought	33,500		33	
Floors	Sold		-		
		(-)		-	
	Bought		-		
		(-)		-	
Others	Sold	-			
	Bought	(-)			

(2) Currency Swaps

(Millions of Yen)

Currency Swaps		Mar. 31, 2000			
		Contract value or notional principal amount		Market Value	Unrealized Gains/Losses
			Over 1 year		
Unlisted	Currency Swaps	360,780	39,807	-1,453	-1,453
	U.S. Dollar	315,660	28,810	-1,227	-1,227
	Hong Kong Dollar	13,633	8,180	-5	-5
	Swiss Franc	15,985	-	-205	-205
	Others	15,500	2,816	-13	-13

Note : 1. Market values are calculated based on the discounted present values.

2. The above schedule excludes derivatives related to trading transactions, because those derivatives are revaluated at the market rates prevailing at the consolidated balance sheet date. The gains (or losses) in consequence of the revaluation credited (or debited) to the consolidated statement of operations.

Contract Values or notional principal amounts and market values of derivatives mentioned above are as follows:

(Millions of yen)

Currency Swaps		Mar. 31, 2000	
		Contract value or notional principal amount	Market Value
Unlisted	Currency Swaps	59,429	61
	Swiss Franc	23,179	11
	U.S. Dollar	31,625	47
	Others	4,624	1

3. The above schedule excludes transactions related to currency, for example foreign exchange forward contracts and currency options, because these transactions are revaluated at the market rates prevailing at the consolidated balance sheet date.

The gains (or losses) in consequence of the revaluation credited (or debited) to the consolidated statements of operations.

Above mentioned transactions related to currency are as follows:

(Millions of Yen)

			Mar. 31, 2000		
			Contract value or notional principal amount	(option premium)	
Listed	Futures	Sold	-	-	
		Bought	-	-	
	Options	Sold	Call	-	(-)
			Put	-	(-)
		Bought	Call	-	(-)
			Put	-	(-)
Unlisted	Forward	Sold	722,599	-	
		Bought	730,093	-	
	Options	Sold	Call	15,108	(102)
			Put	12,040	(231)
		Bought	Call	16,273	(185)
			Put	11,523	(251)
	Others	Sold	-	-	
		Bought	-	-	

(3) Equity related transactions

None

(4) Bond related transactions

(Millions of Yen)

Bond contracts			Mar. 31, 2000					
			Contracted amount (option premium)	Over 1 year	Market value	Unrealized Gains/Losses		
Listed	Futures	Sold	80,036	-	80,215	-178		
		Bought	-	-	-	-		
	Options	Sold	Call	-	-	-	-	
			Put	(-)	-	-	-	
		Bought	Call	-	-	-	-	
			Put	(-)	-	-	-	
	Unlisted	Options	Sold	Call	20,016	-	-	-
				Put	(23)	-	4	19
Bought			Call	19,876	-	-	-	
			Put	(25)	-	-	25	
Others		Sold	Call	-	-	-	-	
			Put	(-)	-	-	-	
		Bought	Call	24,897	-	-	-	
			Put	(63)	-	26	-37	
Total			-	-	-	-170		

Note: 1. The market value listed represents the closing prices on the Tokyo Stock Exchange and other exchanges at the end of March 31, 2000.

Over-the-counter transactions are calculated by net present value or value based on option pricing models.

2. Gains / (losses) generated from valuation for derivatives in trading accounts are included in the (interim) consolidated statements of operations. The contract amounts and market values of derivatives in trading accounts are as follows:

(Millions of Yen)

Bond contracts			Mar. 31, 2000		
			Contracted amount (option premium)	Market value	
Listed	Futures	Sold	4,190	4,208	
		Bought	525	526	
	Options	Sold	Call	-	-
			Put	(-)	-
		Bought	Call	-	-
			Put	(-)	-
	Unlisted	Options	Sold	Call	-
				Put	(-)
Bought			Call	-	
			Put	(-)	
Others		Sold	Call	-	
			Put	(-)	
		Bought	Call	-	
			Put	(-)	

(5) Commodity related transactions

None

SUMMARY OF NONCONSOLIDATED FINANCIAL RESULTS (March 31, 2001 / Unaudited)

May 25, 2001
The Asahi Bank, Ltd.
1-1-2 Otemachi, Chiyoda-ku, Tokyo, Japan

1. Financial Highlights (April 1, 2000 - March 31, 2001)

(1) Business Results (Amounts of less than one million yen have been rounded down)

	Ordinary Income	Change from previous fiscal year	Ordinary Net Income	Change from previous fiscal year	Net Income	Change from previous fiscal year
	million yen		million yen		million yen	
Mar. 31, 2001	872,017	-19.5%	-13,112	— %	-9,841	— %
Mar. 31, 2000	1,083,038	20.5%	88,091	— %	31,558	— %

	Net Income per share	Net Income per share (latent equity adjusted)	Return on stockholders' equity	Ratio of ordinary Expense to Ordinary Revenue	Deposits
	yen sen	yen sen	%	%	million yen
Mar. 31, 2001	-5 25	—	-1.5	101.5	20,444,811
Mar. 31, 2000	9 45	8 74	2.7	91.9	20,146,263

Notes: (1) Average Number of ordinary shares issued --- 2,821,455,208 shares (Fiscal year ended March 31, 2001)
Average Number of ordinary shares issued --- 2,813,046,953 shares (Fiscal year ended March 31, 2000)
(2) Accounting policies were not changed.

(2) Dividends

	Dividends per share				Total Amount of Annual Dividends	Ratio of Dividends to Net Income	Ratio of Dividends to Stockholders' Equity
	Interim		Year-end				
	yen	sen	yen	sen	million yen	%	%
Mar. 31, 2001	3	00	3	00	13,415	—	0.9
Mar. 31, 2000	6	00	3	00	21,870	63.6	1.7

(3) Financial Position

	Total Assets	Stockholders' equity	Stockholders' equity ratio	Stockholders' equity per share	Capital Ratio (Nonconsolidated) (Preliminary)
	million yen	million yen		yen sen	
Mar. 31, 2001	30,264,719	1,359,494	4.5%	338 23	11.41%
Mar. 31, 2000	28,102,676	1,390,413	4.9%	348 76	11.97%

Note: Number of shares issued March 31, 2001 2,825,145,079 shares (Ordinary)
March 31, 2000 2,817,354,551 shares (Ordinary)

2. Forecast of Fiscal year's Performance (April 1, 2001 - March 31, 2002)

	Ordinary Income	Ordinary Net Income	Net Income	Annual Dividends per share			
				Interim		Year-end	
	million yen	million yen	million yen	yen	sen	yen	sen
Sep. 30, 2001	350,000	25,000	15,000	1	50	—	—
Mar. 31, 2002	700,000	60,000	36,000	—	—	1	50

Note: Forecast of Net Income per share for Fiscal Year (10.99 yen)

Nonconsolidated Balance Sheet (Unaudited)

As of March 31, 2001

Millions of yen

	Millions of yen	
Assets		
Cash and due from banks	¥	1,575,845
Call loans		97,800
Bills purchased		801,600
Trading assets		777,686
Money held in trust		60,000
Securities		4,216,032
Loans and bills discounted		20,327,355
Foreign exchanges		74,054
Other assets		481,051
Premises and equipment		451,803
Deferred tax assets		300,756
Customers' liabilities for acceptances and guarantees		1,517,303
Reserve for possible loan losses		-416,570
Total Assets	¥	30,264,719
Liabilities		
Deposits	¥	20,444,811
Negotiable certificates of deposit		2,981,795
Call money		1,233,685
Bills sold		38,600
Commercial paper		420,000
Trading liabilities		211,496
Borrowed money		1,027,207
Foreign exchanges		8,706
Bonds issued		100,000
Other liabilities		757,868
Reserve for employee retirement benefit		20,926
Reserve for contingent liabilities related to loans sold		37,654
Reserve for supporting specific borrowers		22,000
Other reserves		0
Deferred tax liabilities on land revaluation		83,167
Acceptances and guarantees		1,517,303
Total Liabilities	¥	28,905,224
Stockholders' Equity		
Common stock	¥	605,356
Legal reserves		585,053
Land revaluation difference		127,223
Retained earnings		41,860
Voluntary reserves		44,100
Undisposed loss		2,240
Net Loss		9,841
Total Stockholders' Equity	¥	1,359,494
Total Liabilities and Stockholders' Equity	¥	30,264,719

Note:

1. Amounts of less than one million yen have been rounded down.
2. Balances incurred by transactions whose purpose is to earn a profit by taking advantage of short-term fluctuations in a market or discrepancies in different markets of interest rates, currency exchange rates, share prices or other indices (hereinafter referred to as "trading purpose") are included in "Trading assets" or "Trading liabilities" on the balance sheets as of the date on which the transactions have been contracted.
"Trading assets" and "trading liabilities" are valued, in case of securities and commercial paper, etc., at the market value as of the date of the balance sheets and, in the case of derivatives, including swaps, futures and options, at the amount due if the transactions were to be settled based on the date of the balance sheets.
3. In the valuation of securities, bonds held to maturity are stated at amortized cost using the moving average cost method. Investments in subsidiaries and affiliates are stated at cost, as determined by the moving average method. Other securities are stated at cost, as determined by the moving average method or stated at amortized cost.
4. Securities that are held as trust assets in individually managed money trusts with the principal objective of securities portfolio management are stated at market value.
5. Derivative transactions (excluding "Transaction for Trading Purposes") are stated at market value.
6. Depreciation of premises and equipment is calculated according to the straight-line method for buildings and the declining-balance method for equipment.
The useful lives of main premises and equipment are as follows:
 - Buildings: 8 ~ 50 years
 - Equipment: 2 ~ 20 years
7. Software used by the Bank has been depreciated by the straight-line method based on the estimated useful lives (principally 5 years) decided by the Bank.
8. Issuing expenses of corporate bonds are charged to operations as incurred.

9. Foreign currency assets and liabilities are mainly translated into yen at the market rates prevailing at the balance sheet date.

10. The Bank has made provisions for possible loan losses as follows.

For loans to insolvent customers who are undergoing bankruptcy or special liquidation (hereinafter, "borrowers under bankruptcy proceedings") or who are in a similar financial condition while not yet in bankruptcy (hereinafter "borrowers substantially in bankruptcy"), the reserves for possible loan losses is provided at the full amount of the book value of such loans after deduction of the amount of direct write-offs (as defined below), and excluding the amounts deemed collectible from the disposal of collateral pledged and from guarantees that are deemed recoverable.

For the unsecured and unguaranteed portion of loans to customers not presently in the above circumstances, but in a high probability of becoming so, the reserve for loan losses is provided for estimated unrecoverable amounts determined after a valuation of collateral pledged, guarantees and the customer's overall financial condition.

For other loans, the reserve for possible loan losses is provided at the amount based on anticipated loss rates calculated by reasonable methods.

The reserve includes a special reserve for possible losses on overseas loans (includes reserve for possible overseas investment losses in Article 55-2 of Special Taxation Measures Law) likely to become uncollectible due to political and economic circumstances of relevant countries.

Regarding each loan, the Credit Review Office, which is controlled separately from operating divisions, reviews asset valuations of collectibility of each loan made by operating divisions based on the Bank's assets self-assessment standards. Provisions for possible loan losses are based on the results of these reviews.

For the Banks' loans to borrowers under bankruptcy proceedings and borrowers substantially in bankruptcy that are secured by collateral and guarantees, the unrecoverable portion of such loans is determined by subtracting the estimated value of recoveries from the disposal of the collateral and the amounts deemed recoverable from guarantors. The unrecoverable amount is written off directly against the value of the loan ("direct write-off"). The amounts of such direct write-offs are ¥521,395 million.

11. To provide for employees' retirement benefits, the Bank has reserves for severance payments and pension plans, based on their projected benefit obligation and plan assets at the balance sheet date.

The actuarial loss is to be amortized from the next consolidated fiscal year using the straight-line method for certain years (mainly 10 years) within the average remaining service years of employees.

With regard to the difference caused by this accounting change (131,588 million yen), the Bank accounted for as expenses amounted to 40,290 million yen due to establishment of pension benefits' trust and is to proportionally amortize the rest of amounts and to charge to operations over a five-year period. For the interim

period in review, the Bank recorded an expense equivalent to 6/12 of the annual amortization cost.

12. The reserve for contingent liabilities related to loans sold is set aside based on the estimated liabilities of further losses on the loans collateralized by real estate sold to the Cooperative Credit Purchasing Company, Limited.

This reserve is set aside by the Bank in accordance with Article 287-2 of the Commercial Code of Japan.

13. The reserve for supporting specific borrowers is set aside based on the estimated amount to assist specified borrowers in management restructuring.

This reserve is set aside by the Bank in accordance with Article 287-2 of the Commercial Code of Japan.

14. Noncancelable lease transactions are accounted for as operating leases regardless of whether such leases are classified as operating leases or finance leases except that lease agreements which stipulate the transfer of ownership of the leased property to the lessee are accounted for as finance leases.

15. The Bank uses the hedge-accounting technique of “macro-hedging,” which utilizes derivatives to comprehensively control the interest risk attendant with numerous financial assets and liabilities, such as loans and deposits. Macro-hedging is a risk-management tool hinging on the risk-adjustment approach established in “Temporary Treatment for Accounting and Auditing for Application of Accounting Standards for Financial Instruments in the Banking Industry” (the Japanese Institute of Certified Public Accountants’ Industry Audit Committee, Report No. 15). The Bank applies deferred hedging to account for unrealized gains or losses arising from derivatives mentioned above.

Also the Bank holds the risk amounts of derivatives, which form the risk-adjustment mechanism, within a range of permissible risk established in its risk-management policy, and evaluates the integrity of its hedging approach by verifying that the interest risk of the hedging target has been nullified.

The Bank applies deferred hedging, market value hedging and special treatment of interest rate swaps to certain assets and liabilities.

16. The Bank accounts for consumption taxes and local consumption taxes using the tax-excluded method.

17. Other Reserves: The Reserve for financial futures transactions

This reserve is set aside in accordance with Article 82 of the Financial Futures Transactions Law.

18. Securities include treasury stocks which amounts to 2 million yen. The Bank holds no treasury stock stipulated by Article 210-2(2)3 of the Commercial

Code of Japan.

19. Stock of the consolidated subsidiaries and investment in them: 14,920 million yen

20. Total amount of Loans from subsidiaries: 6,226 million yen

21. Total amount of liabilities to subsidiaries: 355,320 million yen

22. Amount of accumulated depreciation of premises and equipment: 224,849 million yen

23. Amount of the reduction entry on acquisition cost of premises and equipment: 60,850 million yen

24. Some of computers are leased besides premises and equipment recorded on the balance sheets.

25. Loans to borrowers in legal bankruptcy amounted to 76,163 million yen, and past due loans amounted to 744,566 million yen.

Loans to borrowers in legal bankruptcy are those loans - among all loans for which payment of principal or interest has not been received for a substantial period and for which, for other reasons, there are no prospects for recovery or repayment of principal or interest, and, accordingly, no interest has been accrued (excluding loans written off and hereinafter referred to as nonaccrual loans) - for which the circumstances apply as stated in the Implementation Ordinances for the Corporation Tax Law (Government Ordinance No.97, 1965), items i through v in Article 96, Section 1, Part 3 or the circumstances stated in Part 4 of the same article.

Past due loans are those nonaccrual loans other than Loans to borrowers in legal bankruptcy and other than loans for which interest payments have been rescheduled with the objective of assisting these borrowers in management restructuring.

26. Loans past due 3 months or more amounted to 100,784 million yen.

Loans past due 3 months or more are loans in respect of which payment of principal or interest has been over due by 3 months or more from the contract payment date, except "loans to borrowers in legal bankruptcy" or "past due loans".

27. Restructured loans amounted to 339,741 million yen.

Restructured loans are those for which the Bank has provided terms and conditions - including reducing interest rates, rescheduling interest and principal payments, or waiving of claims on the borrower - more favorable to the borrower than those in the original loan agreement, excluding "loans to borrowers in legal bankruptcy", "past due loans", and "loans past due 3 months or more".

28. Total amount of loans to borrowers in legal bankruptcy, past due loans, loans past due 3 months or more, and restructured loans were 1,261,256 million yen. The amounts in these notes from No. 25 to No. 28 are before deduction of reserve for possible loan losses.

29. Bills accepted by banks, commercial bills and bills of exchange with freight which were acquired as bills discounted amounted to 447,512 million yen.

30. Assets pledged as collateral were as follows:

- Securities 1,445,095 million yen
- Loans 22,752 million yen

Liabilities corresponding to assets which were pledged as collateral:

- Deposits 77,873 million yen
- Bills sold 38,600 million yen

Besides above, securities for exchange payment or securities for dealings in futures:

- Securities 280,103 million yen
- Loans 336,823 million yen

31. Unrealized gains or losses in respect of hedging are included in other assets as deferred hedge loss by net amount.

Prior to above offsetting, the gross deferred hedge losses and gains amount to 136,909 million yen and 110,995 million yen, respectively.

32. The Municipal Ordinance concerning Special Treatment of Tax Base, etc., for Enterprise Tax on Banking Business, etc., in Osaka, a bylaw enacted June 9, 2000, as Osaka Municipal Ordinance No. 131, was officially announced on the same date. The effect of this measure is to change the effective statutory tax rate used by the Bank to calculate deferred tax assets and liabilities from 39.91 to 39.53. As a result of this change, the Bank's deferred tax assets dropped by 2,891 million yen, and its deferred income taxes grew by the same amount.

Also the Bank's deferred tax liabilities in respect with the revaluation dropped by 799 million yen, and Land Revaluation Difference grew by the same amount .

33. The Bank had revalued land used for business purposes based on the Law Concerning Land Revaluation (Law 34, announced on March 31, 1998).

Deferred tax in the revaluation difference has been recorded in liabilities, and the rest has been recorded in stockholders' equity.

Revaluation date: March 31, 1998

Revaluation method as stated in Article 3-3 of the Land Revaluation Law:

The value of land is based on the official notice prices stated in the Law of the Public Notice of Land Price (assessed date, January 1, 1998), as stipulated in Article 2-1 of the Ordinance for the Law Concerning Land Revaluation (announced on March 31, 1998), after making reasonable adjustments such as for location and quality of sites.

The difference between the total market value of land used for business purpose revalued based on Article 10 of the Land Revaluation Law as of the date of the balance sheet and the total book value of the land after the revaluation: 78,697 million yen

34. Borrowed money included subordinated debt amounting to 928,390 million yen, which, by special covenants, are subordinated to other obligations in the order of their performance.

35. Net loss per share: 5 yen 24 sen

36. The net asset increased by 2,587 million yen due to revaluation using market value stipulated in the article 290-1-6 of the Commercial Code of Japan.

37. Issues pertaining to market value and unrealized gain (net) of investment securities are presented below. This data encompasses trading account securities, negotiable certificates of deposit under Other Trading Assets and commercial paper under Trading Assets and negotiable certificates of deposit under Cash and Due from Banks, as well as commercial paper under Monetary receivables bought, in addition to "Japanese government bonds", "local government bonds", "corporate bonds", "stocks", and "other securities". This grouping applies through Note 41.

Securities Held for Trading Purposes:

Balance-sheet amount	589,942 million yen
Unrealized gain (net) included in profits and losses	95 million yen

There is no Marketable Bonds Held to Maturity

There is no marketable equity interests in subsidiaries and affiliates.

Other Securities with Market Value:

Other securities with market value are not stated at market value at the balance sheet date. Other investment securities carries on the balance sheet according to Ordinance No.10, 2000 of the Ministry of Finance, Supplementary Provision Clause 3 are as follows:

Balance sheet amounts	4,233,877 million yen
Market value	4,117,190 million yen
Difference	-116,687 million yen
Amount equivalent to unrealized gain (net)	-70,560 million yen
Amount equivalent to deferred tax assets	46,126 million yen

38. No held-to-maturity bonds were sold during the fiscal year.

39. Other investment securities sold during the fiscal year are as follows:

(Millions of yen)		
Amount sold	Gain	Loss
6,840,393	215,118	5,430

40. Major components of other securities deemed non-marketable and their respective balance sheet amounts are as follows:

Securities of subsidiaries and affiliates	
Subsidiaries	18,417 million yen
Affiliates	934 million yen
Other investment securities	
Unlisted bonds	338,068 million yen
Unlisted securities(excluding over-the-counter securities)	38,836 million yen

41. Projected redemption amounts for other investment securities with maturities as well as bonds held to maturity are presented below according to the period of maturity.

	(Millions of Yen)			
	One Year or Less	One to Five Years	Five to 10 Years	More than 10 years
Bonds	783,127	901,259	439,035	
Government Bonds	699,943	517,516	281,381	
Local Government Bonds	20,361	102,646	115,428	
Corporate Bonds	62,822	281,096	42,225	
Other	107,913	151,408	33,834	
<u>Total</u>	<u>891,040</u>	<u>1,052,667</u>	<u>472,870</u>	

42. The breakdown of money held in trust is as follows:

Money held in trust for investment purposes

 Balance-sheet amount 60,000 million yen

 There were no unrealized gains or losses included in earnings during the fiscal year.

43. Loaned securities amounted to 15,023 million yen by loan agreements were included in government bonds in Securities account.

44. Commitment line agreements related to negative checking accounts and loans represent agreements to loan customers up to an amount at customers' request as long as no violation against the condition of the agreement exists.

The amount of unexercised loans related to such agreements amounted to 5,324,904 million yen. The amount of which the original agreement period was within a year or the Bank could cancel any time without any penalty was 5,219,783 million yen and included in above.

The amount of unexercised loans do not necessarily affect on the future cash flows of the Bank and consolidated subsidiaries because most of such agreements were terminated without being exercised. Most of these agreements had provisions which stipulate the Bank and consolidated subsidiaries may deny making

loans or decrease the commitment line when there are certain changes in financial condition, security of loans and other reasons.

At the time of exercising loans to customers, the Bank is to request collateral of premises or securities if necessary. After exercising of loans, the Bank periodically checks the financial condition of customers based on its internal rule and performed certain actions for security of loans if necessary.

45. The amounts of reserve for employees' retirement benefits, prepaid pension expense and plan assets of benefit plan trust which was offset with employees' retirement benefits excluding unrecognized actuarial differences at the end of fiscal year were as follows:

	Lump-sum Retirement and Severance Pay	The Contributory Plan	(Millions of Yen) Total
Reserve for employees' retirement benefits (Before excluding Plan Assets of Benefit Plan Trust)	-61,860		-61,860
Plan Assets of Benefit Plan Trust (Excluding Unrecognized Actuarial Differences)	40,933		40,933
Reserve for employees' retirement benefits (Excluding Plan Assets of Benefit Plan Trust)	-20,926		-20,926
Prepaid pension expense		18,880	18,880

Nonconsolidated Statement of Operations (Unaudited)
Fiscal Year ended March 31, 2001

Millions of yen

Income		
Operating Income	¥	547,461
Interest on loans and discounts	(	444,186)
Interest and dividends on securities	(	53,033)
Fees and commissions		64,121
Trading income		4,455
Other operating income		26,223
Other income		229,754
Total Income (Ordinary Income)	¥	872,017
Expenses		
Operating expenses	¥	173,789
Interest on deposits	(	103,651)
Fees and commissions		30,553
Other operating expenses		14,021
General and administrative expenses		259,251
Other expenses		407,513
Total Expenses (Ordinary Expenses)	¥	885,129
Ordinary Net Loss	¥	13,112
Extraordinary profits		296
Extraordinary loss		7,620
Loss before Income Taxes		20,436
Income Taxes:		
Current		10,368
Deferred		-20,964
Net Loss	¥	9,841
Profit brought forward from previous fiscal year		15,752
Reversal of land revaluation difference		4,976
Interim dividends		10,940
Transfer to legal reserve		2,188
Undisposed loss at the end of fiscal year	¥	2,240

Note:

1. Amounts of less than one million yen have been rounded down.

2. Total revenue from transactions with subsidiaries: 863 million yen

Total expense by transactions with subsidiaries: 31,230 million yen

3. Profits and losses from transactions of trading purposes are included in "Trading income" or "Trading expenses" in the statement of operations, as of the date when the transactions has been contracted.

Trading income and trading expenses include amounts of interest received or paid during the period plus the amount of difference between the profits or losses generated from valuation for securities, commercial papers, derivatives, etc. as at the end of the preceding period and those as at the end of this period.

4. Other ordinary income includes:

<input type="checkbox"/> Gains on establishment of trust for employee retirement benefit	21,117 million yen
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5. Other ordinary expenses include:

<input type="checkbox"/> Losses on loan abandonment to assist borrowers	28,800 million yen
<input type="checkbox"/> Provision for supporting specific borrowers	22,000 million yen
<input type="checkbox"/> Provisions for reserve for contingent liabilities related to loans sold	12,128 million yen
<input type="checkbox"/> Losses on sales of the loans collateralized by real estate sold to the Cooperative Credit Purchasing Company, Limited.	11,538 million yen
<input type="checkbox"/> Temporary expenses for establishment of pension benefits' trust	40,290 million yen
<input type="checkbox"/> Expenses for the difference caused by accounting change with application of new criteria for employee retirement benefit	18,259 million yen

6. The Bank adopted new accounting standards related to retirement benefits (“the Opinion Concerning the Establishment of Accounting Standard for Retirement Benefits” issued on June 16 1998 by the Business Accounting Deliberation Council), effective with the interim period in review. As a result, ordinary net loss and loss before income taxes decreased by 21,908 million yen respectively, as compared with calculations made by previous methods.

Also the Bank established the retirement benefit trust in this fiscal year. As the result, ordinary net loss and loss before income taxes increased by 19,173 million yen, respectively.

The amount of the previous reserve for severance payments is included in that of new reserve for employee retirement benefit.

7. The Bank adopted new accounting standards related to financial products (“the Opinion Concerning the Establishment of Accounting Standard for Financial Instruments” in January 22 1999 issued by Business Accounting Deliberation Council), effective with the interim period in review and made changes to evaluation methods for investment securities and for derivatives and to hedge accounting. Consequently, ordinary net loss and loss before income taxes increased by 4,342 million yen, respectively, as compared with calculations made by previous methods.

Income and expenses from derivative transactions to which hedge accounting were adopted were included in the same account of proceeding periods. Effective in the year ended March 31, 2001, the presentation of the amounts of income and expenses was changed from presenting them on a gross basis to on a netting basis in accordance with the new accounting standards related to financial products. There was no effect to ordinary net income and income before income taxes. However Interest Income and Expense on Interest Swap, Other Interest Income and Expense, Gain and Loss on sale of Bonds decreased by 37,175 million yen, 470 million yen and 2,117 million yen, respectively as compared to the previous method. Therefore, operating income and operating expenses decreased by 39,762 million yen.

The presentation of income and expenses from derivative transactions to which hedge accounting were adopted in the banking industry was discussed with the Japanese Institute of Certified Public Accountants. As result of this discussion, presenting them on a gross basis was preferable to on a netting basis in the second half period. Therefore such income and expenses were shown by gross amounts in the first half period. If income and expenses from derivative transactions to which were adopted hedge accounting for the first half period were shown by netting amount, there was no effect to ordinary net income and income before income taxes for the first half period. Operating income and operating expenses would have decreased by 29,773 million yen on a netting basis.

8. Business taxes, other than business taxes for which the standard for assessment is profit-pegged, is recorded under “Other Ordinary Expenses.”

Business taxes assessed in Tokyo had been recorded under “Income Taxes”. But from this fiscal year, the Bank recorded “Other Ordinary Expenses” of 4,300 million yen, in line with the April 1, 2000, enactment of Tokyo Municipal Ordinance No. 145 (the Municipal Ordinance Concerning Special Treatment of Tax Base, etc., for Enterprise Tax on Banking Business, etc., in Tokyo Metropolis).

Proposal for Appropriation of Unappropriated Profit

Fiscal Year ended March 31, 2001

	Millions of yen	
Undisposed Loss as of March 31, 2001	¥	2,240
Reversal of Voluntary reserves		19,000
Reversal of General reserves	(	19,000)
Total	¥	16,759
Appropriations:	¥	2,975
Transfer to Legal reserve		500
Cash dividends for Preference Shares #1 (¥ 5 per preference share)		9
Cash dividends for Class B Preference Shares #1 (¥ 7.19 per preference share)		1,725
Cash dividends for Class B Preference Shares #2 (¥ 9.25 per preference share)		740
Voluntary reserves		0
Special reserve for possible losses on overseas loans	(	0)
Profit Carried Forward	¥	13,783

Nonconsolidated Balance Sheets (Main Items) (Unaudited)

	Millions of yen		
	A Fiscal 2000	B Fiscal 1999	A-B
Assets			
Cash and due from banks	¥ 1,575,845	¥ 1,181,358	¥ 394,486
Call loans	97,800	151,515	-53,714
Bills purchased	801,600	-	801,600
Commercial paper and other debt purchased	-	401	-401
Trading assets	777,686	438,962	338,724
Money held in trust	60,000	210,000	-150,000
Securities	4,216,032	3,619,912	596,119
Loans and bills discounted	20,327,355	20,547,425	-220,070
Foreign exchange	74,054	65,147	8,906
Other assets	481,051	280,913	200,137
Premises and equipment	451,803	460,659	-8,856
Deferred tax assets	300,756	283,097	17,658
Customers' liabilities for acceptances and guarantees	1,517,303	1,262,061	255,241
Reserve for possible loan losses	-416,570	-398,780	-17,790
Total Assets	¥ 30,264,719	¥ 28,102,676	¥ 2,162,042
Liabilities			
Deposits	¥ 20,444,811	¥ 20,146,263	¥ 298,548
Negotiable certificates of deposit	2,981,795	1,987,091	994,703
Call money	1,233,685	1,263,836	-30,151
Bills sold	38,600	15,000	23,600
Commercial paper	420,000	120,000	300,000
Trading liabilities	211,496	40,310	171,186
Borrowed money	1,027,207	1,110,898	-83,691
Foreign exchange	8,706	4,764	3,941
Bonds issued	100,000	-	100,000
Other liabilities	757,868	578,839	179,029
Reserve for severance payments	-	25,246	-25,246
Reserve for employee retirement benefit	20,926	-	20,926
Reserve for contingent liabilities related to loans sold	37,654	64,073	-26,418
Reserve for supporting specific borrowers	22,000	6,603	15,396
Other reserves	0	0	-
Deferred tax Liabilities on land revaluation	83,167	87,272	-4,104
Acceptances and guarantees	1,517,303	1,262,061	255,241
Total Liabilities	¥ 28,905,224	¥ 26,712,262	¥ 2,192,961
Stockholders' Equity			
Common stock	605,356	605,356	-
Legal reserves	585,053	580,675	4,378
Land revaluation difference	127,223	131,400	-4,176
Retained earnings	41,860	72,980	-31,120
Voluntary reserves	44,100	31,100	13,000
Unappropriated profit (loss)	-2,240	41,879	-44,120
Net income (loss)	-9,841	31,558	-41,400
Total Stockholders' Equity	¥ 1,359,494	¥ 1,390,413	¥ -30,919
Total Liabilities and Stockholders' Equity	¥ 30,264,719	¥ 28,102,676	¥ 2,162,042

Nonconsolidated Statements of Operations (Main Items) (Unaudited)

	Millions of yen		
	A Fiscal 2000	B Fiscal 1999	A-B
Income			
Operating income	¥ 547,461	¥ 579,541	¥ -32,080
Interest on loans and discounts	(444,186)	(451,058)	(-6,871)
Interest and dividends on securities	(53,033)	(55,318)	(-2,284)
Fees and commissions	64,121	58,778	5,343
Trading income	4,455	1,787	2,667
Other operating income	26,223	26,351	-128
Other income	229,754	416,579	-186,824
Total Income (Ordinary Income)	¥ 872,017	¥ 1,083,038	¥ -211,021
Expenses			
Operating expenses	¥ 173,789	¥ 207,687	-33,897
Interest on deposits	(103,651)	(73,990)	(29,661)
Fees and commissions	30,553	28,187	2,365
Trading expense	-	3	-3
Other operating expenses	14,021	23,583	-9,561
General and administrative expenses	259,251	263,511	-4,259
Other expenses	407,513	471,974	-64,461
Total Expenses (Ordinary Expenses)	¥ 885,129	¥ 994,947	¥ -109,818
Ordinary Net Income	¥ -13,112	¥ 88,091	¥ -101,203
Extraordinary profits	296	285	10
Extraordinary losses	7,620	6,661	958
Income (loss) before Income Taxes	-20,436	81,715	-102,151
Income Taxes :			
Current	10,368	2,175	8,192
Deferred	-20,964	47,980	-68,944
Net Income (loss)	¥ -9,841	¥ 31,558	¥ -41,400
Profit brought forward from previous fiscal year	15,752	19,111	-3,358
Reversal of land revaluation difference	4,976	4,329	646
Interim dividends	10,940	10,933	6
Transfer to legal reserve	2,188	2,186	1
Unappropriated profit(loss) at the end of fiscal year	¥ -2,240	¥ 41,879	¥ -44,120

Proposal for Appropriation of Unappropriated Profit

Fiscal Year ended March 31, 2000 and 1999

Millions of yen

	Fiscal 2000(A)	Fiscal 1999(B)	A - B
Unappropriated Profit (Undisposed Loss) at End of Fiscal Year	¥ -2,240	¥ 41,879	¥ -44,120
Reversal of Voluntary reserves	¥ 19,000	¥ -	¥ 19,000
Reversal of General reserve	(19,000)	(-)	(19,000)
Total	¥ 16,759	¥ 41,879	¥(-25,120)
Appropriations:	¥ 2,975	¥ 26,127	¥ -23,151
Transfer to Legal reserve	500	2,190	-1,690
Cash dividends for Preference Shares #1	9	19	-9
Cash dividends for Class B Preference Shares #1	1,725	1,725	-
Cash dividends for Class B Preference Shares #2	740	740	-
Cash dividends for ordinary shares	-	8,452	-8,452
Voluntary reserves	0	13,000	-13,000
Special reserve for possible losses on overseas loans	(0)	(0)	(- 0)
General reserve	(-)	(13,000)	(-13,000)
Profit Carried Forward	¥ 13,783	¥ 15,752	¥ -1,968