



Financial Results Report for the First Half of FY 2001

The Daiwa Bank, Limited

November 26, 2001

This is an English translation of the Japanese original. Please be advised that although the English translation is prepared to mirror the Japanese original as accurately as possible, there may be some disparities due to such things as differences in nuance that are inherent to the different languages.

1. Financial Highlights for the First Half of Fiscal Year 2001 (from April 1, 2001 to September 30, 2001)

<Notes> (i) Yen amounts are rounded down to the nearest million yen.

(ii) Figures in parentheses represent negative figures.

(1) Consolidated Operating Results

	Operating Income	(Change from Previous Fiscal Year)	Ordinary Profits	(Change from Previous Fiscal Year)	Net (Interim) Income	(Change from Previous Fiscal Year)
	¥ million	%	¥ million	%	¥ million	%
First Half of FY 2001	252,857	(7.5)	(280,160)	-	(140,632)	-
First Half of FY 2000	273,242	(8.3)	18,652	(3.5)	1,449	(91.7)
FY 2000	531,840	(31.8)	(13,807)	-	(23,472)	-

	Primary Net (Interim) Income per Share	Fully Diluted Net (Interim) Income per Share
	¥	¥
First Half of FY 2001	(68.50)	-
First Half of FY 2000	(0.41)	-
FY 2000	(12.56)	-

(Notes) 1. Equity in Earnings from Investments in Affiliated Companies

(1H of FY 2001) ¥(1,455) million (1H of FY 2000) ¥(3,356) million (FY 2000) ¥(12,028) million

2. Average number of common shares [Consolidated]

(1H of FY 2001) 2,052,747,249 shares (1H of FY 2000) 2,048,512,841 shares

(FY 2001) 2,050,679,919 shares

3. Change in Accounting Policies : None

(2) Consolidated Financial Position

* Japanese Domestic Std

	Total Assets	Stockholders' Equity	Stockholders' Equity to Total Assets	Stockholders' Equity per Share	Capital Ratio(*)
	¥ million	¥ million	%	¥	%
First Half of FY 2001	14,959,037	629,966	4.2	102.78	9.96
First Half of FY 2000	15,102,419	845,365	5.6	207.73	11.84
FY 2000	15,522,161	813,305	5.2	192.10	11.33

(Note) Term-end number of common shares [Consolidated]

(1H of FY 2001) 2,052,747,941 shares

(1H of FY 2000) 2,052,597,587 shares

(FY 2000) 2,052,744,251 shares

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents (Term-end Balance)
	¥ million	¥ million	¥ million	¥ million
First Half of FY 2001	24,950	(1,987)	(556)	374,299
First Half of FY 2000	81,701	(225,904)	2,116	327,962
FY 2000	171,254	(276,551)	(13,656)	351,539

(4) Scope of Consolidation and Application of Equity Method

Consolidated Subsidiaries : 28

Non-Consolidated Subsidiaries Applied Equity Method : None

Affiliates Applied Equity Method : 6

(5) Change in the Scope of Consolidation

[Consolidation] Included : None

Excluded : 17 Companies

[Equity Method] Newly Applied : None

Excluded : 3 Companies

2. Earnings Projection for Fiscal Year 2001 (Consolidated : From April 1, 2001 to March 31, 2002)

	Operating Income	Ordinary Profits	Net Income
	¥ million	¥ million	¥ million
FY 2001 (Full Year)	490,000	(240,000)	(115,000)

Projected Net Income Per Share : ¥(58.26)

[Average Number of shares Issued]

First Half of FY 2001	:	Kind A Preferred Stock (No Nominal)	10,970,000 shares
		Kind B Preferred Stock (No Nominal)	680,000,000 shares
First Half of FY 2000	:	Kind A Preferred Stock (No Nominal)	12,060,683 shares
		Kind B Preferred Stock (No Nominal)	680,000,000 shares
FY 2000	:	Kind A Preferred Stock (No Nominal)	11,516,835 shares
		Kind B Preferred Stock (No Nominal)	680,000,000 shares

[Term-end Number of shares Issued]

First Half of FY 2001	:	Kind A Preferred Stock (No Nominal)	10,970,000 shares
		Kind B Preferred Stock (No Nominal)	680,000,000 shares
First Half of FY 2000	:	Kind A Preferred Stock (No Nominal)	10,970,000 shares
		Kind B Preferred Stock (No Nominal)	680,000,000 shares
FY 2000	:	Kind A Preferred Stock (No Nominal)	10,970,000 shares
		Kind B Preferred Stock (No Nominal)	680,000,000 shares

<Reference>

Indices appeared in "Financial Highlights for the First Half of FY 2001"

$$\text{Net Interim Income Per Share} = \frac{\text{Net Interim Income} - \text{Total Dividends Paid on Preferred Shares}}{\text{Average Number of Common Shares during the Period (*)}}$$

$$\text{Stockholders' Equity Per Share} = \frac{\text{Term-end Balance of Stockholders' Equity} - \text{Term-end Number of Preferred Shares Issued} \times \text{Issue Price}}{\text{Term-end Number of Common Shares Issued (*)}}$$

Index appeared in Earning Performance Projection for FY 2001

$$\text{Projected Net Income Per Share} = \frac{\text{Projected Net Income} - \text{Projected Total Dividends on Preferred Shares}}{\text{Term-end Number of Common Shares (*)}}$$

* excluding treasury stock of the Parent Company and Parent Company's shares owned by its subsidiaries.

Consolidated Balance Sheets

(Millions of Yen)

Balance Sheets	Sep 30, 2001 (A)	Sep 30, 2000 (B)	Differenece (A) - (B)	Mar 31, 2001 (C)	Differenece (A) - (C)
ASSETS					
Cash and Due from Banks	538,687	506,738	31,949	554,798	(16,111)
Call Loans and Bills Bought	167,212	210,727	(43,515)	310,696	(143,484)
Monetary Claims Bought	20	20	-	20	-
Trading Assets	118,591	161,885	(43,294)	140,065	(21,474)
Money Held in Trust	30,790	82,709	(51,919)	34,720	(3,930)
Securities	2,729,662	2,799,455	(69,793)	3,035,246	(305,584)
Loans and Bills Discounted	9,991,597	9,858,781	132,816	9,960,773	30,824
Foreign Exchanges	64,884	78,158	(13,274)	71,227	(6,343)
Other Assets	405,075	519,232	(114,157)	476,284	(71,209)
Premises and Equipment	206,875	393,207	(186,332)	379,879	(173,004)
Deferred Taxes	339,654	171,454	168,200	181,943	157,711
Customers' Liabilities for Acceptances and Guarantees	568,403	515,956	52,447	568,907	(504)
Reserve for Possible Loan Losses	(202,386)	(195,505)	(6,881)	(192,336)	(10,050)
Reserve for Possible Losses on Securities	(32)	(401)	369	(65)	33
Total Assets	14,959,037	15,102,419	(143,382)	15,522,161	(563,124)
LIABILITIES					
Deposits	9,716,537	11,012,171	(1,295,634)	9,455,121	261,416
Negotiable Certificates of Deposit	1,947,042	635,699	1,311,343	2,503,626	(556,584)
Call Money and Bills Sold	366,689	145,680	221,009	343,535	23,154
Payables under Repurchase Agreements	57,997	-	57,997	-	57,997
Trading Liabilities	37,648	35,864	1,784	32,163	5,485
Borrowed Money	364,355	408,422	(44,067)	408,041	(43,686)
Foreign Exchanges	8,554	11,201	(2,647)	8,788	(234)
Corporate Bonds	217,129	210,770	6,359	205,476	11,653
Due to Trust Account	423,085	662,798	(239,713)	452,941	(29,856)
Other Liabilities	561,743	511,333	50,410	666,166	(104,423)
Reserve for Bonus Payment	3,221	-	3,221	-	3,221
Reserve for Retirement Benefit	18,505	16,976	1,529	17,417	1,088
Reserve for Possible Losses on Loans Sold	16,314	35,317	(19,003)	23,149	(6,835)
Reserve for the Specific Borrowers under Support	-	30,434	(30,434)	-	-
Other Reserves	86	19	67	40	46
Consolidation-Adjusting Account	694	928	(234)	805	(111)
Acceptances and Guarantees	568,403	515,956	52,447	568,907	(504)
Total Liabilities	14,308,011	14,233,575	74,436	14,686,181	(378,170)
MINORITY INTERESTS					
Minority Interests in Consolidated Subsidiaries	21,058	23,479	(2,421)	22,674	(1,616)
STOCKHOLDERS' EQUITIES					
Capital	465,158	465,158	-	465,168	-
Capital Surplus	405,419	405,419	-	405,419	-
Deficit	194,565	21,369	173,196	51,668	142,897
Net Unrealized Gains(Losses) on Non-trading Securities Available for Sale, Net of Taxes	(35,333)	-	(35,333)	-	(35,333)
Foreign Currency Translation Adjustments	(10,693)	(3,781)	(6,912)	(5,532)	(5,161)
Sub Total	629,985	845,427	(215,442)	813,377	(183,392)
Treasury Stock	(0)	(2)	2	(1)	1
Parent's Stock Owned by Subsidiaries	(18)	(59)	41	(70)	52
Total Stockholders' Equity	629,966	845,365	(215,399)	813,305	(183,339)
Total Liabilities, Minority Interests and Stockholders' Equity	14,959,037	15,102,419	(143,382)	15,522,161	(563,124)

* Yen amounts are rounded down to the nearest million yen.

Consolidated Statements of Income

(Millions of Yen)

	First Half of FY 2001 〔 From Apr 1, 2001 〕 〔 To Sep 30, 2001 〕	First Half of FY 2000 〔 From Apr 1, 2000 〕 〔 To Sep 30, 2000 〕	Increase/ (Decrease)	FY 2000 〔 From Apr 1, 2000 〕 〔 To Mar 31, 2001 〕
Operating Income	252,857	273,242	(20,385)	531,840
Interest Income	117,201	128,127	(10,926)	254,242
(Interest on Loans and Discounts)	101,914	101,830	84	206,429
(Interest and Dividends on Securities)	10,778	18,310	(7,532)	31,950
(Interest on Call Loans and Bills Bought)	333	531	(198)	1,303
(Interest on Due from Banks)	1,654	3,445	(1,791)	7,359
(Other Interest Income)	2,522	4,009	(1,487)	7,199
Trust Fees	18,315	26,011	(7,696)	54,833
Fees and Commissions	49,195	36,305	12,890	71,804
Trading Revenue	5,206	2,702	2,504	2,795
Other Operating Income	30,252	30,545	(293)	80,391
Other Income	32,684	49,550	(16,866)	67,773
Operating Expenses	533,018	254,589	278,429	545,648
Interest Expenses	26,954	38,861	(11,907)	79,944
(Interest on Deposits)	14,106	21,351	(7,245)	46,917
(Interest on NCDs)	1,043	557	486	2,145
(Interest on Call Money and Bills Sold)	126	107	19	653
(Interest on Commercial Paper)	3	6	(3)	30
(Interest on Borrowed Money)	4,164	5,120	(956)	9,509
(Interest on Corporate Bonds)	3,073	3,041	32	7,453
(Other Interest Expenses)	4,436	8,676	(4,240)	13,234
Fees and Commissions	20,493	5,594	14,899	13,953
Trading Expenses	11	-	11	5
Other Operating Expenses	11,478	11,965	(487)	21,643
General and Administrative Expenses	114,511	115,247	(736)	227,918
Other Expenses	359,569	82,920	276,649	202,182
(Transfer to Reserve for Possible Loan Losses)	34,870	29,000	5,870	46,150
(Others)	324,699	53,919	270,780	156,031
Ordinary Profits/(Losses)	(280,160)	18,652	(298,812)	(13,807)
Extraordinary Profits	2,733	7,050	(4,317)	11,209
(Profit from Sales of Premises and Equipment)	309	4,288	(3,979)	5,084
(Profit from Recoveries of Written-off Claims)	2,424	2,762	(338)	6,120
(Other Extraordinary Profit)	-	-	-	4
Extraordinary Losses	754	731	23	4,338
(Loss from Sales of Premises and Equipment)	708	731	(23)	2,238
(Other Extraordinary Loss)	46	-	46	2,100
Income Before Income Taxes	(278,181)	24,972	(303,153)	(6,936)
Income Taxes - Current	911	1,226	(315)	5,438
Income Taxes - Deferred	(137,248)	20,395	(157,643)	9,864
Minority Interest in Net Loss of Consolidated Subsidiaries	(1,212)	1,900	(3,112)	1,232
Net (Interim) Income/(Loss)	(140,632)	1,449	(142,081)	(23,472)

<Note> Yen amounts are rounded down to the nearest million yen.

Consolidated Statements of Earned Surplus

(Millions of Yen)

Items	First Half of FY 2001	First Half of FY 2000	FY 2000
	(From Apr 1, 2001 to Sep 30, 2001)	(From Apr 1, 2000 to Sep 30, 2000)	(From Apr 1, 2000 to Mar 31, 2001)
Deficit at the Beginning of the Period	51,668	17,428	17,428
Decrease of Deficit during the Period	36	0	0
Decrease due to reduction in the number of consolidated subsidiaries	-	0	0
Decrease due to reduction in the number of Affiliates Applied Equity Method	36	-	-
Increase of Deficit during the Period	2,300	5,390	10,767
Dividends Paid	2,298	5,389	10,767
Bonus to directors and corporate auditors	2	0	0
Net (Interim) Income	(140,632)	1,449	(23,472)
Deficit at the End of the Period	194,565	21,369	51,668

<Note> Yen amounts are rounded down to the nearest million yen.

Consolidated Statements of Cash Flows

(Millions of Yen)

	1H of FY 2001 (A) From Apr 1, 2001 to Sep 30, 2001	1H of FY 2000 (B) From Apr 1, 2000 to Sep 30, 2000	Comparison (A) - (B)	FY 2000 (C) From Apr 1, 2000 to Mar 31, 2001
Cash Flows from Operating Activities				
Income before Income Taxes	(278,181)	24,972	(303,153)	(6,936)
Depreciation of Premises and Equipment	15,593	16,762	(1,169)	33,166
Amortization of Consolidation Difference	(102)	(144)	42	(218)
Equity in Earnings from Investments in Affiliated Companies	1,455	3,356	(1,901)	12,028
Increase in Reserve for Possible Loan Losses	(12,998)	8,467	(21,465)	5,885
Increase in Reserve for Possible Losses on Securities	(33)	(681)	648	(1,035)
Increase in Reserve for Possible Losses on Loans Sold	(6,834)	(1,716)	(5,118)	(13,884)
Increase in Reserve for Specific Borrowers under Support	-	-	-	(30,434)
Increase in Reserve for Bonus Payment	3,225	/	3,225	/
Increase in Reserve for Retirement Allowances	/	(16,183)	16,183	(16,183)
Increase in Reserve for Retirement Benefit	1,164	16,976	(15,812)	17,470
Interest Income	(117,201)	(128,127)	10,926	(254,242)
Interest Expenses	26,954	38,861	(11,907)	79,944
Net (Gains)/Losses on Investment Securities	224,172	(28,742)	252,914	(31,386)
Net (Gains)/Losses on Money Held in Trust	692	263	429	3,788
Net Foreign Exchange (Gains)/Losses	(1,705)	20	(1,725)	2,871
Net (Gains)/Losses on Sales of Premises and Equipment	397	(3,677)	4,074	(2,758)
Net (Increase)/Decrease in Trading Account Assets	3,464	7,881	(4,417)	29,701
Net Increase/(Decrease) in Trading Account Liabilities	(23,322)	(38,788)	15,466	(75,601)
Net (Increase)/Decrease in Loans and Bills Discounted	154,656	(138,624)	293,280	(161,246)
Net Increase/(Decrease) in Deposits	254,076	1,020,940	(766,864)	(677,675)
Net Increase/(Decrease) in Negotiable Certificates of Deposit	(556,584)	(950,718)	394,134	917,208
Net Increase/(Decrease) in Borrowed Money (excluding subordinated borrowed money)	(19,620)	13,004	(32,624)	10,112
Net (Increase)/Decrease in Due from Banks (excluding those deposited at BOJ)	43,851	134,503	(90,652)	109,339
Net (Increase)/Decrease in Call Loans and Others	142,858	11,916	130,942	(88,105)
Net (Increase)/Decrease in Cash Collateral for Bonds Borrowed	5,989	131,635	(125,646)	130,979
Net Increase/(Decrease) in Call Money and Others	81,152	5,876	75,276	203,731
Net Increase/(Decrease) in Commercial Paper	-	(10,000)	10,000	(10,000)
Net Increase/(Decrease) in Cash Collateral for Bonds Lent	35,187	9,031	26,156	37,555
Net (Increase)/Decrease in Foreign Exchange Assets	6,215	14,279	(8,064)	21,178
Net Increase/(Decrease) in Foreign Exchange Liabilities	(232)	(3,942)	3,710	(6,355)
Net Increase/(Decrease) in Due to Trust Account	(29,855)	(113,679)	83,824	(323,537)
Interest Receipts	125,477	129,082	(3,605)	268,150
Interest Payments	(28,658)	(39,574)	10,916	(84,833)
Directors' Bonus	(5)	(3)	(2)	(3)
Others	(21,459)	(28,811)	7,352	77,632
Subtotal	29,787	84,416	(54,629)	176,311
Liquidated Damages Paid	(2,100)	-	(2,100)	-
Income Taxes Paid	(2,737)	(2,714)	(23)	(5,056)
Net Cash Provided by (Used in) Operating Activities	24,950	81,701	(56,751)	171,254
Cash Flows from Investing Activities				
Purchases of Securities	(1,438,758)	(918,200)	(520,558)	(2,530,892)
Proceeds from Sales of Securities	1,430,087	575,495	854,592	1,906,199
Proceeds from Maturity of Securities	14,504	32,396	(17,892)	72,316
Payments Associated with Increase in Money Held in Trust	(16,110)	(12,061)	(4,049)	(12,061)
Proceeds from Decrease in Money Held in Trust	19,323	120,264	(100,941)	188,574
Purchases of Premises and Equipment	(11,717)	(29,687)	17,970	(46,245)
Proceeds from Sales of Premises and Equipment	651	5,888	(5,237)	7,876
Proceeds from Sales of Equity Investments in a Subsidiary	31	-	31	350
Proceeds from Sales of Acquisition of Operations	-	-	-	137,328
Net Cash Provided by (Used in) Investing Activities	(1,987)	(225,904)	223,917	(276,551)
Cash Flows from Financing Activities				
Proceeds from Subordinated Borrowed Money	7,000	-	7,000	7,500
Repayment of Subordinated Borrowed Money	(18,000)	(5,500)	(12,500)	(5,500)
Proceeds from Issuance of Subordinated Bonds	18,200	23,000	(4,800)	23,000
Repayment of Subordinated Bonds	(5,200)	(9,997)	4,797	(27,895)
Proceeds from Issuance of Stocks	-	55	(55)	55
Dividends Paid	(2,298)	(5,389)	3,091	(10,767)
Dividends Paid to Minority Shareholders	(258)	(49)	(209)	(49)
Payments Related to Acquisition of Treasury Stocks	(9)	(23)	14	(39)
Proceeds from Sales of Treasury Stocks	10	22	(12)	39
Net Cash Provided by (Used in) Financing Activities	(556)	2,116	(2,672)	(13,656)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	353	73	280	517
Increase in Cash and Cash Equivalents	22,760	(142,012)	164,772	(118,436)
Cash and Cash Equivalents at the Beginning of the Year	351,539	469,975	(118,436)	469,975
Decrease in Cash and Cash Equivalents due to Exclusion from Consolidation	-	(0)	0	(0)
Cash and Cash Equivalents at the End of the Period	374,299	327,962	46,337	351,539

Principles of Consolidation

1. Scope of Consolidation

(1) Consolidated Subsidiaries :	28
Major Consolidated Subsidiaries :	Cosmo Securities, Ltd Daiwagin Card Co., Ltd Daiwa Guarantee Co., Ltd The Daiwa Factor and Leasing Co., Ltd Daiwa Bank (Capital Management) Plc. P.T. Bank Daiwa Perdanania

15 companies including Shin-ei Co., Ltd. and Alte Co., Ltd. were excluded from consolidation due to sales of shares, liquidation and mergers .

(2) Non-Consolidated Subsidiaries :	1	(Cosmo Securities (Europe) Ltd.)
(Non-Consolidated Subsidiaries Applied Equity Method : None)		

2. Application of Equity Method

(1) Affiliates Applied Equity Method :	6
Major Equity Method Affiliates :	The Kinki Osaka Bank, Limited The Nara Bank, Limited Japan Trustee Services Bank, Ltd.

(2) Subsidiaries and Affiliates not Applied Equity Cosumo Securities(Europe)Ltd.

3. Interim Fiscal Period-Ends of Consolidated Subsidiaries

(1) Interim fiscal period-ends of the consolidated subsidiaries are as follows:

End of January	1
End of June	6
End of September	21

The accounts of consolidated subsidiaries with interim fiscal period-ends in January are consolidated based on accounts adjusted to September 30, 2001. The accounts of all other subsidiaries are consolidated as at their respective interim fiscal period-ends.

(2) Appropriate adjustments were made for significant transactions during the period from the respective interim fiscal period-ends of the above subsidiaries to the date of the Parent's interim fiscal period-end.

Notes to Consolidated Balance Sheets

1. Yen amounts are rounded down to the nearest million yen.
2. Transactions for trading purposes represent transactions seeking to capture gains arising from short-term changes or differences between markets, in interest rates, currency exchange rates, or market prices of securities and other market-related indices. These transactions are included in "Trading Assets" or "Trading Liabilities" in the Consolidated Balance Sheet on a trade date basis. Securities and monetary receivables, etc., are carried at market value prevailing on the Consolidated Balance Sheet Date, and financial derivatives such as swaps, futures and options are carried at the prices based on the assumption that these transactions were settled on the Consolidated Balance Sheet Date. Domestic securities business subsidiaries apply current value accounting method to trading securities, other trading-related assets and trading related financial derivatives transactions, and carry them on a trade date basis. Other consolidated subsidiaries primarily adopt the same valuation method as the Parent's for valuations of trading or similar transactions.
3. Valuations of non-trading securities are based on the following methods:
 - *Bonds being held to maturity are carried at moving-average amortized cost.
 - *Marketable securities available for sale are carried at their fair values, with unrealized gains and losses reported on a net-of-tax basis within changes in equity from non-owner sources, which is a component of stockholders' equity. (Cost of securities sold are determined on a moving average basis.)
 - *Non-marketable securities available for sale are carried at their moving-average costs or amortized costs.
4. Securities held in individually managed money trusts for asset management purpose are carried at their fair values.
5. Derivatives transactions excluding those in the trading account are carried at their fair values.
6. Depreciation of premises and equipment owned by the Parent is calculated based on the following methods.
 - *Buildings Computed by the straight-line method. (Useful lives are primarily 2 to 50 years.)
 - *Equipment Computed by the declining balance method. (Useful lives are primarily 2 to 20 years.)Consolidated subsidiaries primarily adopt the straight-line method for depreciation of premises and equipment, based on the estimated useful lives.
7. Depreciation of computer software for in-house use is computed using the straight-line method. (Useful lives of such software are primarily 5 years.)
8. Bond issuing cost is accounted as expenses when incurred.
Cost for issuance of new stocks by domestic subsidiaries are accounted as expenses when incurred.
9. Assets and liabilities of the Parent denominated in foreign currencies are principally translated into yen at the market exchange rates prevailing on the Consolidated Balance Sheet Date.
Foreign currency denominated assets and liabilities of the consolidated subsidiaries are translated into yen at the market exchange rates prevailing on their respective fiscal year-ends.
10. The reserve for possible loan losses of the Parent is provided as follows, based on the pre-determined rules for write-offs and provisioning.
The reserve for possible loan losses for legally/effectively bankrupt borrowers is provided based on the amount after deductions of the expected collectable amount through the disposal of collateral or through the execution of guarantees.
The reserve for possible loan losses for borrowers, who are not currently bankrupt but are likely to become bankrupt, is provided based on the amount considered necessary in accordance with the overall solvency assessment of the borrowers after deductions of the expected collectable amount through the disposal of collateral or through the execution of guarantees.
The reserve for possible loan losses on the loans to other than the above is provided based on the loan loss experiences, as calculated using the actual loan loss rates during a certain period in the past.
Also, a reserve for possible loan losses on the loans to restructuring countries is set aside with the estimated amount based on such factors as political and economic risks.
All loans are assessed by branches and business departments based on the internal rules of the self-assessment of assets. The Asset Auditing Department, independent of the branches and business departments, audits the results of the self-assessment, and the reserve is provided based on the results of the audit.
As for the loans to legally/substantially bankrupt borrowers extended by the Parent and some of its consolidated subsidiaries, the credit amounts not covered by collateral or guarantees (Category exposures) are regarded as irrecoverable and directly written-off from the original credit amounts. The amount of such write-off is ¥411,543 million.
11. Reserve for possible losses on securities is provided based on the rationally estimated amount of losses that might be incurred from securities.
12. To secure the payments of bonus to employees, the reserve for bonus payments is provided. Of the expected amount of bonus payments, the amount accrued during the accounting period is added to the reserve. The amount of bonus payable used to be included in "other liabilities" on the consolidated balance sheet. However, effective from the first half of fiscal 2001, these accrued bonus is shown independently as "reserve for bonus payments."
13. To secure the payments of retirement benefits to eligible employees, the reserve for retirement benefit is provided. This reserve is provided based on the present value of the projected benefit obligation and the estimated balance of pension assets at the end of each accounting period.
Unrecognized net actuarial gain or loss are amortized from the next fiscal year using the straight-line method over over 10 years, which is within the average remaining service period of active employees.

Unrecognized net obligation from initial application of the new accounting standard for employee retirement benefit of ¥84,790 million is amortized using the straight line method over the following periods. (For the first half of fiscal 2001, half of such annual amortization cost is charged to income.)

Daiwa Bank	10 years
Cosmo Securities	15 years
Other subsidiaries	1 to 10 years

14. The reserve for possible losses on loans sold is set aside based on the estimated amount of losses to be incurred from the decline of the real estate collateral value of loans sold to the Cooperative Credit Purchasing Co., Ltd.
15. Finance lease transactions of the Parent and its domestic consolidated subsidiaries, other than those for which the ownership of the leased equipment is recognized to be transferable to lessees, are accounted in conformity with general accounting procedures for rent transactions.
16. As for the accounting method for hedge transactions, the Parent applies the macro-hedge, which tries to control the interest rate risks in the aggregate arising from numerous assets and liabilities such as loans and deposits with the derivatives transactions.
17. Accounts of the Parent and its domestic consolidated subsidiaries are not inclusive of consumption tax.
18. Other reserves required by special laws are as follows:
 - * The reserve for contingent liabilities from the brokering of financial futures transactions is based on the Article 82 of the Financial Futures Transaction Law. (¥0 million)
 - * The reserve for contingent liabilities from the broking of securities transactions is based on the Article 51 of the Securities and Exchange Act and the Article 65-2-7 thereof. (¥86 million)
19. Accumulated depreciation of buildings and equipment: ¥188,038 million
20. The gains on disposals of buildings and equipment are deducted from the cost of buildings and equipment acquired in substitution. The cumulative amount of such advanced depreciation is ¥4,764 million.
21. Non-accrual loans to bankrupt borrowers: ¥80,663 million.
Non-accrual past due loans: ¥288,782 million.
Non-accrual loans to bankrupt borrowers refer to those loans in which the payment of principal or interest is well past due or there is no prospect of recovery of the principal or interest from the borrower or from a third party guaranteeing the loan.
Non-accrual past due loans are defined as those loans which are past due and not accruing interests, but are categorized neither as non-accrual loans to bankrupt borrowers nor as loans with altered lending conditions whose definition is given below.
22. Loans past due for more than three months: ¥16,568 million.
Loans past due for more than three months are defined as loans whose principal or interest payment is past due for more than three months, but are categorized neither as non-accrual loans to bankrupt borrowers, nor as non-accrual past due loans.
23. Loans with altered lending conditions: ¥452,199 million
Loans with altered lending conditions are defined as loans that the Bank has granted certain concessions by changing the original conditions to borrowers' advantage, with a view to supporting the financial restructuring and facilitating the collection of the Bank's credits to them. These loans are categorized neither as non-accrual loans to bankrupt borrowers, non-accrual past due loans, nor as loans past due for more than three months.
24. Amount of risk monitored loans (total of 21, 22 and 23 above) is ¥838,214 million.
Figures reported in the notes 21, 22, 23 and 24 are before netting-out of loan loss reserves.
25. The face value of the commercial bills discounted: ¥320,679 million.
26. Assets pledged as collateral and their relevant liabilities are as follows:
 - *Assets pledged as collateral
 - Trading assets (CPs) ¥47,649 million
 - Securities ¥960,859 million
 - Loans and bills discounted ¥388,870 million
 - Other assets ¥38,875 million
 - Relevant liabilities
 - Call money ¥297,700 million
 - Payable under repurchase agreements ¥57,997 million
 - Bills sold ¥48,932 million
 - Other Liabilities ¥244,102 million

Other than the above, securities, loans and bills discounted, and other assets which were worth of ¥658,116 million, ¥27,190 million, and 6,483 million, respectively, were pledged as collateral or as substitutes for cash deposits for exchange clearing transactions, derivatives transactions and others.
Premises and equipment stated include the guarantee deposit of ¥99,512 million. Other assets stated include the deposits for futures transactions in the amount of ¥430 million.
27. Deferred gross hedge gains and losses from hedging instruments were ¥32 million and ¥4,515 million, respectively. The net deferred hedge losses are reflected in other assets stated on the Consolidated Balance Sheet.
28. Borrowed money includes ¥244,500 million of subordinated borrowed money.
29. All bonds issued are subordinated bonds.
30. Stockholders' equity per share: ¥102.78

31. Market values of securities and other related information are provided as follows. Other than "securities" stated on the Consolidated Balance Sheet, trading securities, commercial papers included in "other trading assets" and negotiable certificates of deposits included in "cash and due from banks" are covered in the market value information provided below. (These securities are also covered in the notes 32, 33 and 34.)

* Trading securities	(Millions of yen)
Book Value	90,887
Revaluation gains charged to income	(29)

* Marketable bonds being held to maturity
(Millions of Yen)

	Book Value	Market Value	Unrealized Gain/(Loss)	Gain	Loss
National Gov. Bonds	53	54	0	0	-
Total	53	54	0	0	-

* Non-trading marketable securities available for sale
(Millions of Yen)

	Book Value	Market Value	Unrealized Gain/(Loss)	Gain	Loss
Stocks	997,894	931,001	(66,893)	34,534	101,427
Bonds	1,605,829	1,617,286	11,457	12,840	1,383
National G-Bonds	1,376,746	1,385,831	9,085	10,302	1,216
Local G-Bonds	39,592	40,399	806	825	19
Corporate Bonds	189,490	191,055	1,564	1,712	147
Others	30,080	31,930	1,850	2,361	510
Total	2,633,804	2,580,219	(53,585)	49,736	103,321

* Net unrealized gains/(losses) on non-trading marketable securities available for sale
¥(53,585) million

* Amount of deferred tax recognized
¥20,093 million

* Net unrealized gains/(losses) on non-trading marketable securities available for sale, net of taxes (after equity adjustments)
¥(35,333) million

32. Amount of non-trading securities available for sale sold during FY 2000 is as follows:

	(Millions of Yen)	
	Amount Sold	Profit on Sale
	1,424,040	11,728
		Loss on Sale
		5,812

33. Major items comprising non-marketable securities and their book values are as follows:

	(Millions of yen)
Bonds being held to maturity	Book Value
NCDs	4,210
Non-trading securities available for sale	
Unlisted stock	40,575
(excluding over-the-counter stock)	
Unlisted foreign stocks	2,220
Unlisted Industrial Bonds	51,383

34. Non-trading securities available for sale with maturity and bonds being held to maturity are as follows
(Breakdown by maturity)

	(Millions of yen)			
	Within 1 year	1 to 5 years	5 to 10 years	Over 10 years
Bond	376,922	944,730	337,150	9,946
National Gov. Bond	353,746	738,530	293,608	-
Local Gov. Bond	567	20,137	9,748	9,946
Corporate Bond	22,609	186,062	33,793	-
Others	5,823	5,925	7,777	1,720
Total	382,746	950,656	344,927	11,666

35. Breakdown of money held in trust is as follows:

	(Millions of yen)
Money held in trust for fund management purpose	
Book value	30,762
Revaluation gain/(loss) charged to income	(10)
Money held in trust other than above	
Non-marketable money trust worth of ¥27 million is carried at cost.	

36. Overdraft facilities and commitments to extend credits are binding agreements to lend to customers as long as there is no violation of any condition established in the contract.
Out of the total commitment amounts, ¥3,521,401 million remained undrawn. Of this undrawn portion, the amount of commitments expiring in one year or less and commitments revocable unconditionally at any time is ¥3,379,182 million. Since many of these commitments expire without being drawn upon, the total commitments amounts do not necessarily represent future cash requirements.
37. Principal of Jointly Operated Designated Money in Trust (JOMT) that the Parent guarantees the principal is ¥903,554 million.
38. In relation to the application of the accounting standard for financial instruments, non-trading securities available for sale are carried at their fair values, with net unrealized gains/(losses) on these securities being reported on a net-of-tax basis within changes in equity from non-owner sources. As a result, securities stated on the consolidated balance sheet decreased by ¥53,585 million and the amount of such net unrealized loss on a net-of-tax basis as of the end of the first half of fiscal 2001 was ¥35,333 million.

Notes to Consolidated Statements of Income

1. Yen amounts are rounded down to the nearest million yen.
2. Net interim loss per share: ¥68.50.
3. Fully diluted net interim income per share is not reported owing to the net interim loss posted for the period.
4. Profits and losses arising from trading transactions are reported in the Consolidated Statement of Income as "Trading Revenue" and "Trading Expenses," respectively, on the trade date basis.
Interests received and paid during the fiscal period, and the change in gains and losses from the revaluation of securities and monetary claims during the period are also recognized as trading revenue and trading expenses.
As to trading-related financial derivatives transactions, the change in revaluation gains and losses are reported as trading revenue and trading expenses, respectively, on the assumption that these transactions had been settled at the ends of the previous fiscal year and the current fiscal year.
5. "Other Expenses" includes losses related to write-offs of loans in the amount of ¥41,750 million and losses on devaluation of securities in the amount of ¥242,620 million.

Notes to Consolidated Statement of Cash Flows

1. Cash and cash equivalents in the Consolidated Statement of Cash Flows refer to cash on hand and Bank of Japan deposits, both of which are components of "Cash and Due from Banks" in the Consolidated Balance Sheet.
2. Relationships between Cash and Cash Equivalents stated in the Consolidated Statement of Cash Flows and items stated on the Consolidated Balance Sheet are as follows.

Cash and Due from Banks	¥	538,687 million
<u>Due from Banks other than those deposited at BOJ</u>	<u>¥</u>	<u>(164,387) million</u>
Cash and Cash Equivalents	¥	374,299 million

3. The Parent sold stocks of Shin-ei Co., Ltd. and Alte Co., Ltd. during the First Half of FH 2001. As a result , 14 companies including the above two companies were excluded from consolidation. Principal items comprising the assets and liabilities of those 14 companies were as follows.

[Assets]	¥	187,134 million
Premises and Equipment	¥	166,645 million
Loans	¥	4,482 million
[Liabilities]	¥	211,714 million
Borrowed Money	¥	203,460 million

Derivatives Transactions

(1) Interest Rate Related Transactions

(Millions of Yen)

		September 30, 2001		
		Contract Value	Market Value	Revaluation Gains/ (Losses)
Listed on Exchange	Interest Rate Futures	10,278	(1)	(1)
	Interest Rate Options	-	-	-
Traded over the Counter	Forward Rate Agreement	-	-	-
	Interest Rate Swaps	1,993,554	6,215	6,215
	Interest Rate Options	-	-	-
	Cap	469,381	(23)	705
	Floor	29,484	188	103
	Swaption	3,000	(0)	35
Total			6,379	7,058

(Note)

Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. Derivatives transactions to which the hedge accounting was applied are not covered in the above table.

(2) Currency Related Transactions

(Millions of Yen)

		September 30, 2001		
		Contract Value	Market Value	Revaluation Gains/ (Losses)
Traded over the Counter	Currency Swaps	292,632	(1,621)	(1,621)
	Forward Exchange	562	(4)	(4)
	Currency Options	-	-	-
	Others	-	-	-

(Notes)

- Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. Derivatives transactions shown in the following note 2 are not included in the above table. There were no transactions to which the hedge accounting was applied.
- Currency swaps transactions for which net receipts from or payments to counterparties are recognized as income or expenses for the period in accordance with the guideline prepared by the Japanese Institute of Certified Public Accountant are not covered in the above table. Currency swaps transactions whose net receipts or payments are reflected in the Consolidated Statement of Income are as follows:

(Millions of Yen)

	September 30, 2001		
	Contract Value	Market Value	Revaluation Gains/ (Losses)
Currency Swaps	25,416	210	210

Forward foreign exchange transactions, currency options transactions and other currency-related derivatives transactions, 1) which are revalued at each fiscal period-end with gains or losses from such revaluation being recorded in the Consolidated Statement of Income, 2) whose underlying foreign currency denominated monetary claims or liabilities are stated in the Consolidated Balance Sheet, and 3) whose underlying foreign currency denominated monetary claims or liabilities are canceled out in the consolidation process, are not reported in the above table.

Contract values of currency related derivatives transactions revalued at each fiscal period-end are as follows:

(Millions of Yen)

		September 30, 2001	
		Contract Value	
Traded over the Counter	Forward Foreign Exchange	771,019	
	Currency Options	1,240,632	
	Others	-	

(3) Stock Related Transactions

(Millions of Yen)

		September 30, 2001		
		Contract Value	Market Value	Revaluation Gains/ (Losses)
Listed on Exchange	Stock Index Futures	93	(3)	(3)
	Stock Index Options	-	-	-
Total			(3)	(3)

(Note)

Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. There were no derivatives transactions to which the hedge accounting was applied.

(4) Bond Related Transactions

(Millions of Yen)

		September 30, 2001		
		Contract Value	Market Value	Revaluation Gains/ (Losses)
Listed on Exchange	Bond Futures	8,528	19	19
	Bond Futures Option	-	-	-
Total			19	19

(Note)

Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. There were no derivatives transactions to which the hedge accounting was applied.

(5) Commodity Related Transactions

There were no transactions as of September 30, 2001.

(6) Credit Derivatives Transactions

There were no transactions as of September 30, 2001.

Statement of Trust Assets and Liabilities
(As of September 30, 2001)

(Millions of Yen)

Assets		Liabilities	
Loans and Bills Discounted	520,409	Money Trusts	8,124,551
Securities	1,286,642	Pension Trusts	6,373,084
Trust Beneficiary Certificate	22,533,872	Asset Formation Benefit Trusts	3,098
Securities Held in Custody Account	855	Securities Investment Trusts	9,447,287
Securities Lent	968	Pecuniary Trusts Other than Money Trusts	257,698
Monetary Claims	83,742	Securities Trusts	417,391
Premises and Equipment	208,278	Monetary Claims Trusts	28,415
Land Lease Rights	748	Real Estate Trusts	197,472
Other Claims	8,577	Land Leases Trusts	4,955
Due from Banking Account	423,085	Composite Trusts	214,651
Cash and Due from Banks	1,428		
Total Assets	25,068,608	Total Liabilities	25,068,608

<Note>

*1. Yen amounts are rounded down to the nearest million yen.

*2. The above figures are after deduction of the amount re-entrusted to other institutions for asset management purpose.

*3. Trust Beneficiary Certificate includes the amount re-entrusted to other institutions for asset administration purpose in the amount of ¥22,527,386 million.

*4. Co-Managed Trust Funds under Other Trust Bank's Administration : ¥8,027,397 million.

*5. Loans and Bills Discounted funded by JOMT account funds that the Bank guarantees the principal : ¥ 487,328 million.

Of this total, Loans to Bankrupt Borrowers	:	¥1,453 million [A]
Non-Accrual Past Due Loans	:	¥9,464 million [B]
Loans Past Due for Three Months or More	:	¥1,857 million [C]
Loans with Altered Lending Conditions	:	¥4,829 million [D]
Loans under Risk Monitoring (Total of above [A] to [D])	:	¥17,605 million

Jointly Operated Designated Money in Trusts (JOMT)
(As of September 30, 2001)

(Millions of Yen)

Assets		Liabilities	
Loans and Bills Discounted	487,328	Principal	903,554
Securities	169,045	Special Loan Loss Reserve	1,469
Others	249,193	Others	544
Total Assets	905,568	Total Liabilities	905,568

Comparison of Statements of Trust Assets and Liabilities

(Millions of Yen)

	1H of FY 2001 (Sep 30, 2001)	1H of FY 2000 (Sep 30, 2000)	Comparison (A) - (B)	End of FY 2000 (Mar 31, 2001)	Comparison (A) - (C)
(ASSETS)	(A)	(B)	(A) - (B)	(C)	(A) - (C)
Loans and Bills Discounted	520,409	665,528	(145,119)	560,196	(39,787)
Securities	1,286,642	12,646,787	(11,360,145)	1,305,361	(18,719)
Securities Held for Investment Trust	-	4,296,554	(4,296,554)	4,347,292	(4,347,292)
Foreign Investment Held for Investment Trust	-	343,758	(343,758)	461,562	(461,562)
Trust Beneficiary Certificate	22,533,872	13,563	22,520,309	12,777,902	9,755,970
Securities Held in Custody Accounts	855	274,500	(273,645)	1,262	(407)
Securities Lent	968	236,466	(235,498)	968	-
Monetary Claims	83,742	248,269	(164,527)	821,335	(737,593)
Premises and Equipment	208,278	221,840	(13,562)	201,139	7,139
Land Lease Rights	748	748	-	748	-
Other Claims	8,577	499,126	(490,549)	318,793	(310,216)
Bills Purchased	-	10,000	(10,000)	-	-
Call Loans	-	1,224,192	(1,224,192)	958,110	(958,110)
Due from Banking Account	423,085	662,798	(239,713)	452,941	(29,856)
Cash and Due from Banks	1,428	317,619	(316,191)	79,780	(78,352)
Total assets	25,068,608	21,661,754	3,406,854	22,287,395	2,781,213
Co-Managed Trust Funds under Other Trust Banks' Administration	8,027,397	9,836,800	(1,809,403)	8,894,498	(867,101)

	1H of FY 2001 (Sep 30, 2001)	1H of FY 2000 (Sep 30, 2000)	Comparison (A) - (B)	End of FY 2000 (Mar 31, 2001)	Comparison (A) - (C)
(LIABILITIES)	(A)	(B)	(A) - (B)	(C)	(A) - (C)
Money Trusts	8,124,551	7,734,379	390,172	7,897,183	227,368
Pension Trusts	6,373,084	6,218,665	154,419	6,359,275	13,809
Asset Formation Benefit Trusts	3,098	3,444	(346)	3,107	(9)
Securities Investment Trusts	9,447,287	6,491,633	2,955,654	6,876,379	2,570,908
Pecuniary Trusts Other than Money Trusts	257,698	401,725	(144,027)	295,857	(38,159)
Securities Trusts	417,391	390,797	26,594	399,983	17,408
Monetary Claims Trusts	28,415	55,848	(27,433)	49,327	(20,912)
Real Estates Trusts	197,472	193,005	4,467	189,373	8,099
Land Leases Trusts	4,955	5,003	(48)	4,929	26
Composite Trusts	214,651	167,250	47,401	211,979	2,672
Total Liabilities	25,068,608	21,661,754	3,406,854	22,287,395	2,781,213

<Note> Yen amounts are rounded down to the nearest million yen.

Segment Information

1. Segment Information by Type of Business

First Half of FY 2001 (for the period from April 1, 2001 to September 30, 2001)

(Millions of Yen)

	Banking and Trust Banking	Securities	Other Financial Services	Others	Total	Elimination & General Corporate Assets	Consolidated
I. Operating Income and Ordinary Profit							
Operating Income							
(1) Operating Income from Customers	215,098	9,026	27,583	1,148	252,857	-	252,857
(2) Inter-segment Operating Income	2,322	66	5,260	47	7,697	[7,697]	-
Total	217,421	9,092	32,844	1,195	260,554	[7,697]	252,857
Operating Expenses	546,816	10,236	37,186	4,148	598,387	[65,369]	533,018
Ordinary Profits/(Losses)	(329,395)	(1,143)	(4,342)	(2,952)	(337,833)	[(57,672)]	(280,160)

<Notes>

1. Yen amounts are rounded down to the nearest million yen.
2. Segmentation is based on each consolidated company's line of business. "Others" represents insurance agency business, real property leasing business and so forth.
3. Operating Income and Ordinary Profit are shown in lieu of Sales and Operating Profit which would be reported in cases of general companies.

First Half of FY 2000 (for the period from April 1, 2000 to September 30, 2000)

(Millions of Yen)

	Banking and Trust Banking	Securities	Other Financial Services	Others	Total	Elimination & General Corporate Assets	Consolidated
I. Operating Income and Ordinary Profit							
Operating Income							
(1) Operating Income from Customers	228,537	12,852	24,355	7,497	273,242	-	273,242
(2) Inter-segment Operating Income	3,165	64	6,485	339	10,055	[10,055]	-
Total	231,702	12,916	30,841	7,837	283,297	[10,055]	273,242
Operating Expenses	213,542	10,553	44,843	8,961	277,900	[23,311]	254,589
Ordinary Profits/(Losses)	18,160	2,363	(14,001)	(1,124)	5,396	[(13,255)]	18,652
II. Assets, Depreciation and Capital Expenditure							
Assets	15,074,781	191,035	2,069,533	210,455	17,545,806	[2,443,386]	15,102,419
Depreciation	3,412	99	12,179	1,070	16,762	-	16,762
Capital Expenditure	2,983	1,282	15,800	11,426	31,492	-	31,492

<Notes>

1. Yen amounts are rounded down to the nearest million yen.
2. Segmentation is based on each consolidated company's line of business. "Others" represents insurance agency business, real property leasing business and so forth.
3. Operating Income and Ordinary Profit are shown in lieu of Sales and Operating Profit which would be reported in cases of general companies.
4. Capital Expenditure includes the investments related to system equipment.

FY 2000 (for the period from April 1, 2000 to March 31, 2001)

(Millions of Yen)

	Banking and Trust Banking	Securities	Other Financial Services	Others	Total	Elimination & General Corporate Assets	Consolidated
I. Operating Income and Ordinary Profit							
Operating Income							
(1) Operating Income from Customers	440,044	23,288	52,397	16,110	531,840	-	531,840
(2) Inter-segment Operating Income	7,075	129	13,512	405	21,122	[21,122]	-
Total	447,120	23,417	65,909	16,516	552,963	[21,122]	531,840
Operating Expenses	460,499	19,721	91,440	17,420	589,081	[43,433]	545,648
Ordinary Profits/(Losses)	(13,379)	3,696	(25,530)	(904)	(36,118)	[(22,310)]	(13,807)
II. Assets, Depreciation and Capital Expenditure							
Assets	15,511,119	167,745	2,050,215	190,330	17,919,410	[2,397,249]	15,522,161
Depreciation	6,809	199	24,009	2,147	33,166	-	33,166
Capital Expenditure	7,220	1,432	28,034	13,638	50,325	-	50,325

<Notes>

1. Yen amounts are rounded down to the nearest million yen.
2. Segmentation is based on each consolidated company's line of business. "Others" represents insurance agency business, real property leasing business and so forth.
3. Operating Income and Ordinary Profit are shown in places of Sales and Operating Profit which would be reported in cases of general companies
4. Capital Expenditure includes the investments related to system equipment.

2. Segment Information by Location

First Half of FY 2001 (for the period from April 1, 2001 to September 30, 2001)

Since the operating income and employed assets of "Japan" segment is more than 90 % of other segments combined, segment information by location for the first half of FY 2001 is not shown here.

For the same reason, segment information by location for the first half of FY 2000, and for FY 2000 is not reported here, either.

3. International Operating Income

First Half of FY 2001 (for the period from April 1, 2001 to September 30, 2001)

Since international operating income of the Bank is less than 10% of the total, international operating income for the first half of FY 2000 is not shown here.

For the same reason, international operating income for the first half of FY 2000 and for FY 2000 is not reported here, either.

<Reference to the Consolidated Financial Statements>

1. Securities

(Note)

* Other than "Securities" stated on the Consolidated Balance Sheet, Negotiable Certificate of Deposits (NCDs) included in "Cash and Due from Banks" are also covered in the following market value information. (Millions of Yen)

(1) Securities being Held to Maturity

	September 30, 2000					March 31, 2001				
	Book Value	Market Value	Net Unrealized Gains/(Losses)	Gain	Loss	Book Value	Market Value	Net Unrealized Gains/(Losses)	Gain	Loss
National Gov. Bonds	164	165	1	1	0	141	143	2	2	-
Others	2,085	2,079	(5)	0	5	-	-	-	-	-
Total	2,249	2,245	(4)	1	6	141	143	2	2	-

*Market values are primarily based on market prices at the interim fiscal period -end.

(2) Non-tradig Securities Available for Sale (Marketable Securities)

(Millions of Yen)

	September 30, 2000					March 31, 2001				
	Book Value	Market Value	Net Unrealized Gains/(Losses)	Gain	Loss	Book Value	Market Value	Net Unrealized Gains/(Losses)	Gain	Loss
Stocks	1,289,399	1,242,922	(46,477)	88,599	135,076	1,256,952	1,149,798	(116,153)	66,847	183,000
Bonds	1,343,237	1,334,371	(8,865)	3,248	12,113	1,633,133	1,648,240	15,107	16,089	982
National Gov. Bonds	1,125,490	1,117,667	(7,823)	750	8,573	1,418,031	1,428,316	10,285	11,157	872
Local Gov. Bonds	51,137	49,975	(1,161)	257	1,418	46,865	47,894	1,028	1,028	-
Corporate Bonds	166,609	166,728	119	2,240	2,121	168,235	172,029	3,793	3,903	109
Others	51,717	53,052	1,334	4,695	3,360	33,597	31,134	(2,462)	2,687	5,150
Total	2,684,354	2,630,346	(54,008)	96,543	150,551	2,932,682	2,829,174	(103,508)	85,624	189,132

*Market values are primarily based on market prices at the interim fiscal period -end.

(3) Non-tradig Securities Available for Sale (Non-Marketable Securities)

(Principal components)

(Millions of Yen)

	September 30, 2000	March 31, 2001
Unlisted Stocks (excluding Stocks Traded over the Counter)	48,428	41,631
Unlisted Foreign Stocks	859	800
Unlisted Industrial Bonds	1,509	1,469

(4) Stocks of Subsidiaries and Affiliates (Marketable Stocks)

[Non-Consolidated]

(Millions of Yen)

	September 30, 2000			March 31, 2001		
	Book Value	Market Value	Net Unrealized Gains/(Losses)	Book Value	Market Value	Net Unrealized Gains/(Losses)
Stocks of Subsidiaries	81,635	52,816	(28,819)	81,635	39,169	(42,465)
Stocks of Affiliates	47,790	51,252	3,462	47,790	42,824	(4,966)
Total	129,425	104,069	(25,356)	129,425	81,994	(47,431)

*Market values are primarily based on market prices at the interim fiscal period -end.

2. Money Held in Trust

Other than those reported above, there is Money Held in Trust for which it is not possible to estimate market value.

These are carried at cost, and the amount of such Money Held in Trust was as follows.

(September 30, 2001) ¥24 million (March 31, 2001) ¥28 million

3. Net Unrealized Gains/(Losses) on Non-Trading Securities Available for Sale, Net of Taxes

If the current value accounting had been applied to non-trading securities available for sale, net unrealized gains/(losses) after the adjustments of tax effects and others would have been as follows:

(Millions of Yen)

	September 30, 2000	March 31, 2001
Net Unrealized Gains/(Losses)	(54,008)	(103,508)
(+) Amount Equivalent to Deferred Tax Assets	20,008	39,088
Net Unrealized Gains/(Losses) on Non-Trading Securities Available for Sale, Net of Taxes (Before Equity Adjustment)	(34,000)	(64,420)
(-) Amount Equivalent to Minority Interest	594	(122)
(+) Equity in Net Unrealized Gains/(Losses) on Non-Trading Securities Available for Sale Held by Affiliates Applied Equity Method	(1,327)	234
Net Unrealized Gains/(Losses) on Non-Trading Securities Available for Sale	35,921	(64,063)

Derivatives Transactions

(1) Interest Rate Related Transactions

(Millions of Yen)

Market Segment	Type	September 30, 2000		
		Contract Value	Market Value	Revaluation Gains/ (Losses)
Listed on Exchange	Interest Rate Futures	20,103	7	7
	Interest Rate Options	-	-	-
Traded over the Counter	Forward Rate Agreement	-	-	-
	Interest Rate Swaps	2,258,764	2,647	2,647
	Interest Rate Options	-	-	-
	Cap	476,307	(100)	780
	Floor	3,757	101	4
	Swaption	3,000	(1)	49
Total			2,653	3,489

(Note)

Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. Derivatives transactions to which the hedge accounting was applied are not covered in the above table.

(2) Currency Related Transactions

(Millions of Yen)

Market Segment	Type	September 30, 2000		
		Contract Value	Market Value	Revaluation Gains/ (Losses)
Traded over the Counter	Currency Swaps	139,951	(147)	(147)
	Forward Exchange	54	0	0
	Currency Options	-	-	-
	Others	-	-	-

(Notes)

- Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. Derivatives transactions shown in the following note 2 are not included in the above table. There were no transactions to which the hedge accounting was applied.
- Currency swaps transactions for which net receipts from or payments to counterparties are recognized as income or expenses for the period in accordance with the guideline prepared by the Japanese Institute of Certified Public Accountant are not covered in the above table. Currency swaps transactions whose net receipts or payments are reflected in the Consolidated Statement of Income are as follows:

(Millions of Yen)

Type	September 30, 2000		
	Contract Value	Market Value	Revaluation Gains/ (Losses)
Currency Swaps	89,807	(86)	(86)

Forward foreign exchange transactions, currency options transactions and other currency-related derivatives transactions, 1) which are revalued at each fiscal period-end with gains or losses from such revaluation being recorded in the Consolidated Statement of Income, 2) whose underlying foreign currency denominated monetary claims or liabilities are stated in the Consolidated Balance Sheet, and 3) whose underlying foreign currency denominated monetary claims or liabilities are canceled out in the consolidation process, are not reported in the above table.

Contract values of currency related derivatives transactions revalued at each fiscal period-end are as follows:

(Millions of Yen)

Market Segment	Type	September 30, 2000	
		Contract Value	
Traded over the Counter	Forward Foreign Exchange	1,148,541	
	Currency Options	641,295	
	Others	-	

(3) Stock Related Transactions

(Millions of Yen)

Market Segment	Type	September 30, 2000		
		Contract Value	Market Value	Revaluation Gains/ (Losses)
Listed on Exchange	Stock Index Futures	241	4	4
	Stock Index Options	555	8	(0)
Total			13	4

(Note)

Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. There were no derivatives transactions to which the hedge accounting was applied.

(4) Bond Related Transactions

(Millions of Yen)

Market Segment	Type	September 30, 2000		
		Contract Value	Market Value	Revaluation Gains/ (Losses)
Listed on Exchange	Bond Futures	20,812	(41)	(41)
	Bond Futures Option	-	-	-
Total			(41)	(41)

(Note)

Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. There were no derivatives transactions to which the hedge accounting was applied.

(5) Commodity Related Transactions

There were no transactions as of September 30, 2000.

(6) Credit Derivatives Transactions

There were no transactions as of September 30, 2000.

Market Prices of Derivatives Transactions

(1) Interest Rate Related Transactions

(Millions of Yen)

Market Segment	Type		March 31, 2001			
			Contract Value	Over a year	Market Value	Valuation Gain/(Loss)
Listed on Exchange	Interest Rate Futures	Sell	3,113	-	(22)	(22)
		Buy	19,814	1,636	22	22
	Interest Rate Options	Sell	-	-	-	-
		Buy	-	-	-	-
Traded Over the Counter	Foward Rate Agreement	Sell	-	-	-	-
		Buy	-	-	-	-
	Interest Rate Swaps	Receive the Fix /Pay the Float	1,010,060	650,744	27,742	27,742
		Receive the Float /Pay the Fix	1,143,527	639,058	(23,164)	(23,164)
		Receive the Float /Pay the Float	146,029	119,888	384	384
	Interest Rate Options	Sell	-	-	-	-
		Buy	-	-	-	-
	Cap	Sell	249,674	188,528	393	4,770
		Buy	186,133	133,188	379	(3,783)
	Floor	Sell	10,000	10,000	466	(339)
		Buy	14,372	14,372	616	403
	Swaption	Sell	3,000	-	2	32
		Buy	-	-	-	-
	Total					5,096

*1. Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. Derivatives transactions to which the hedge accounting was applied are not covered in the above table.

*2. Estimation of market value : The market values of transactions listed on Exchange are determined by using the closing prices on the Tokyo Financial Futures Exchange and others. For transactions traded over the counter, market values are calculated based on such methods as discounted present value or option pricing models.

(2) Currency Related Transactions

(Millions of Yen)

Market Segment	Type	March 31, 2001			
		Contract Value	Over a year	Market Value	Revaluation Gains/(Losses)
Traded over the Counter	Currency Swaps	197,949	166,356	(2,289)	(2,289)

(Notes)

- Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. Derivatives transactions shown in the following note 3 are not included in the above table.
There were no transactions to which the hedge accounting was applied.
- Estimation of market value :For transactions traded over the counter, market values are calculated based on discounted present value.
- Currency swaps transactions for which net receipts from or payments to counterparties are recognized as income or expenses for the period in accordance with the guideline prepared by the Japanese Institute of Certified Public Accountant are not covered in the above table. Currency swaps transactions whose net receipts or payments are reflected in the Consolidated Statement of Income are as follows:

(Millions of Yen)

March 31, 2001			
Type	Contract Value	Market Value	Revaluation Gains/(Losses)
Currency Swaps	42,200	(1,609)	(1,609)

*Forward foreign exchange transactions, currency options transactions and other currency-related derivatives transactions, 1) which are revalued at each fiscal period-end with gains or losses from such revaluation being recorded in the Consolidated Statement of Income, 2) whose underlying foreign currency denominated monetary claims or liabilities are stated in the Consolidated Balance Sheet, and 3) whose underlying foreign currency denominated monetary claims or liabilities are canceled out in the consolidation process, are not reported in the above table.

Contract values of currency related derivatives transactions revalued at each fiscal period-end are as follows:

(Millions of Yen)

Market Segment	Type	March 31, 2001	
		Contract Value	
Traded over the Counter	Forward Foreign Exchange	Sell	296,461
		Buy	286,970
	Currency Options	Sell	580,972
		Buy	621,723

*There were no transactions listed on exchange.

(3) Stock Related Transactions

(Millions of Yen)

Market Segment	Type	March 31, 2001			
		Contract Value	Over a year	Market Value	Revaluation Gains/(Losses)
Listed on Exchange	Stock Index Futures	Sell	126	-	(3)
		Buy	-	-	-
	Total			(3)	(3)

(Note)

- There were no transactions traded over the counter.
- Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. There were no derivatives transactions to which the hedge accounting was applied.
- Estimation of market value : The market values of transactions listed on Exchange are determined by using the closing prices on the Tokyo Financial Futures Exchange and others.

(4) Stock Related Transactions

(Millions of Yen)

Market Segment	Type		March 31, 2001			
			Contract Value	Over a year	Market Value	Revaluation Gains/(Losses)
Listed on Exchange	Bond Future	Sell	8,486	-	6	6
		Buy	1,392	-	(2)	(2)
	Total				4	4

(Note)

1. There were no transactions traded over the counter.
2. Derivatives transactions shown above are revalued at their market prices, and the gains and losses from such revaluation are reflected in the Consolidated Statement of Income. There were no derivatives transactions to which the hedge accounting was applied.
3. Estimation of market value : The market values of transactions listed on Exchange are determined by using the closing prices on the Tokyo Financial Futures Exchange and others.

(5) Commodity Related Transactions

There were no transactions as of March 31, 2001.

(6) Credit Derivatives Transactions

There were no transactions as of March 31, 2001.