CONSOLIDATED FINANCIAL HIGHLIGHTS

The Asahi Bank, Ltd.
Six months ended September 30, 1999
Years ended March 31, 1999 and 1998

	Millions of yen			Millions of U.S. dollars (Note 1)
	March 31, 1998	March 31, 1999	September 30, 1999 (Note 2)	September 30, 1999 (Note 2)
For the term				
Total income	¥1,036,464	¥ 987,441	**¥419,120**	**$3,919**
Total expenses	1,215,414	1,365,741	**389,847**	**3,645**
Income (loss) before income taxes	(178,950)	(378,299)	**29,273**	**274**
Net income (loss)	(105,957)	(254,065)	**17,046**	**159**
At term-end				
Total assets	¥29,176,610	¥29,296,192	**¥28,904,053**	**$270,258**
Deposits	22,171,353	21,210,851	**21,760,969**	**203,469**
Loans and bills discounted	20,999,375	20,806,683	**20,578,420**	**192,412**
Total stockholders' equity	962,079	1,370,325	**1,381,962**	**12,922**
Per share data (in yen and U.S. dollars)				
Net income (loss)	¥(45.82)	¥(106.11)	**¥5.18**	**$0.05**
Cash dividends declared				
Common stock	6.00	6.00	**3.00**	**0.03**
Preferred stock				
The preferred stock No. 1	10.00	10.00	**5.00**	**0.05**
The Class B preferred stock No. 1	—	0.04	**7.19**	**0.07**
The Class B preferred stock No. 2	—	0.06	**9.25**	**0.09**
Stockholders' equity (book value)	371.08	341.02	**345.67**	**3.23**
Shares issued and outstanding (in thousands)	2,373,118	3,132,622	**3,139,696**	
BIS capital ratio (%)	9.38%	11.90%	**11.92%**	
Stock price (in yen and U.S. dollars)				
High	¥1,060	¥703	**¥789**	**$7.38**
Low	405	300	**500**	**4.68**

Notes: 1. U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥106.95=U.S.$1.00.
2. Figures for six months ended September 30, 1999 are unaudited.
3. Yen amounts are rounded down and U.S. dollar amounts are rounded off.

Our Mission:
Create Japan's First Multi-Regional Bank

In October 1999, the Asahi Bank, Ltd. announced the formation of a financial holding company with the Tokai Bank, Ltd. This measure builds on progress already achieved in the two banks' strategic alliance and demonstrates their intention to form Japan's first multi-regional bank.

Our vision is to create a multi-regional financial group with a dominant presence in the market for small and medium-sized companies and individuals. With the holding company as the core, we will invite a wide range of leading regional financial institutions and institutions from other sectors, unifying the presence of institutions from different regions and sectors.

First, we will discuss our reasons for establishing a multi-regional bank.

In recent years, Asahi Bank has reformed its operations by refocusing on its strengths in customer relations and experience gained through building close community ties. The success of these efforts is evident in our housing loan operations. We started by reengineering our business model and introduced a new customer-focused system for products, back-office processing, marketing channels and human resource management. These reforms supported substantial growth in housing loans and firmly established our competitive position in this area.

If we implement the same kind of new operational systems in other areas and expand reform measures throughout our operations, we believe we can secure a dominant market position, not only in housing loans but in the broader market for small and medium-sized companies and individuals.

Strengthening our management base and raising our ability to respond rapidly to changes in the operating environment requires substantial resources. In the process of reforming our operations, the limits of what we could accomplish as a single bank became clear. We decided the time was right for more dramatic action. This formed the basis for deciding to enter the alliance with Tokai Bank.

To compete effectively, both banks faced the necessity of rapidly expanding dominant market positions in their respective regions. Success depends on the depth of our ties to local communities and our share of regional markets, rather than simply on the size of our customer base. By uniting with other institutions that have strong regional bases, Asahi Bank and Tokai Bank intend to form a financial group with multiple franchises. Our aim is to build a strong management base spanning multiple regions, including the Tokyo, Chubu and Kansai areas by uniting the established franchises of sound financial institutions.

Our vision of a multi-regional base has two characteristics.

First, our choice of a holding company structure rather than a merger is highly significant. The holding company will focus on Group-wide management issues, while the bank subsidiaries continue distinctive operations built on a solid regional franchise and an in-depth understanding of local conditions.

By sharing infrastructure and raising the level of specialized expertise through strategic concentration, we will be able to optimize services and realize extremely cost-competitive operations. Further, the efficiency of combining the two banks' infrastructure will result in greater investment capabilities, which will in turn reinforce our customer base and produce functional synergies. And while each bank subsidiary stays in close touch with market needs and responds rapidly to a changing environment, the Group's position will be strengthened by achieving the benefits of greater diversification.

Second, membership in the Group is not limited, but open to a wide range of financial institutions that share our concepts, values and goals. In order to further increase market share, the Group will include partial alliances. Every effort will be made to encourage participation and create an attractive organization to leading regional financial institutions.

One of the keys to realizing such an organization that includes partial alliances lies in our "open platform." That is, we are creating an infrastructure that will ensure the highest level of competitiveness and cost efficiency, and can be used jointly by all participants. These efforts go beyond simply achieving greater efficiency by sharing infrastructure to encompass strategic objectives, including such business considerations of the basic design of products, services and offering lineups, as well as risk management. By opening the platform to financial institutions that are not under the umbrella of the holding company, we will form a more flexible and efficient financial group.

In short, out strategy is focused on meeting customer needs through the higher efficiency of a holding company structure and an expanded market presence of a dynamic financial group. As Japan's first multi-regional bank, we intend to maximize profitability and achieve return on equity (ROE) above 10%.

While aggressively pursuing our strategy for reform, we aim to create value and earn the trust of our shareholders.

Tatsuro Itoh
President

Steps Toward Creating a Multi-Regional Bank

Strategic Alliance Announced in September 1998

Tokai Bank, based in the Chubu area, and Asahi Bank, based in the Tokyo area, have formed a powerful partnership to achieve their common goal of providing the most convenient services for consumers and small and medium-sized corporations. The two banks also have kept the alliance open to other leading banks and financial institutions in other sectors. Future plans call for a broad alliance of financial institutions in different regions and businesses to form a new financial group centered on a multi-regional bank.

Establishment of Holding Company Announced in October 1999

During the approximately one year since the September 1998 announcement of the strategic alliance, the two banks formed project teams to coordinate business integration and took various measures to create more efficient operations and better services for customers. With the targets for this first stage nearly completed and the conditions in place to proceed to the next stage, we agreed to jointly establish a financial holding company to manage subsidiary companies and create Japan's first multi-regional bank.

Important steps for the rapid realization of this vision include the reform and expansion of our conference system to promote cooperation, centered on the establishment of the Multi-Regional Bank Promotion Conference and Multi-Regional Bank Promotion Committee. On the operational level, we established 19 subcommittees to pursue business alignment.

Overview and Functions of the Financial Holding Company

(1) Phase One

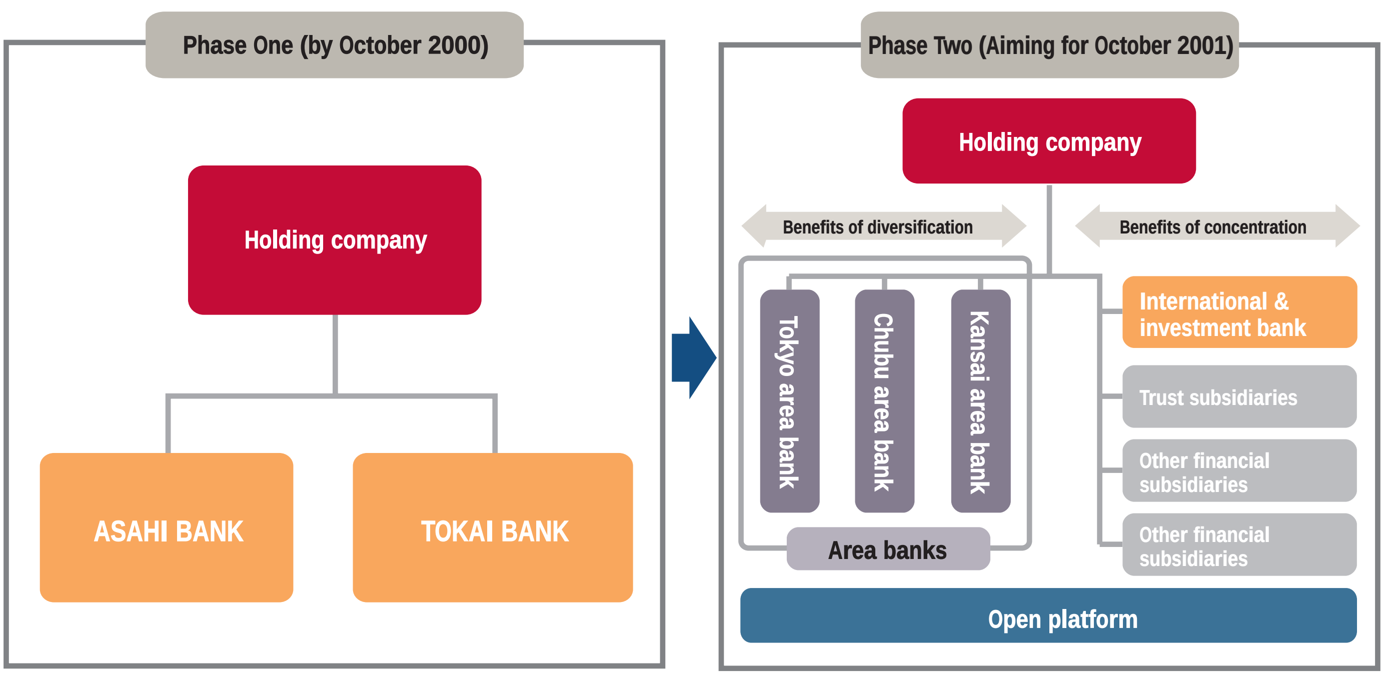
The two banks intend to establish the financial holding company by means of stock transfers or stock swaps by October 2000. Each bank will become a wholly owned subsidiary of the holding company, which is outlined as follows.

Company Name:	Tokai-Asahi Holding Co., Ltd. (tentative English name)
Head Office:	1-2, Otemachi 1-chome, Chiyoda-ku, Tokyo, Japan
Nagoya Regional Headquaters:	21-24, Nishiki 3-chome, Naka-ku, Nagoya, Japan
Chairman:	Tatsuro Itoh (currently President, Asahi Bank)
President:	Hideo Ogasawara (currently President, Tokai Bank)
Board of Directors:	Six full-time members
Allocation of Stock:	The basic intention of the two banks is an exchange ratio of one-to-one, in which each bank shall receive one share of the stock of the holding company in exchange for one share of its own stock. However, the final allocation of shares will be carried out according to a ratio based on an assessment made by independent third parties.

(2) Phase Two

Assuming that a legal system is in place for dividing up companies and a consolidated tax system is implemented, by October 2001 the wholly owned subsidiaries shall be reorganized into four companies from the perspective of regional and functional focus, namely, three regional bank subsidiaries based on the three major economic regions, and one product subsidiary.

Regional bank subsidiaries:	Tokyo area bank, Chubu area bank, and Kansai area bank
Product bank:	International and investment bank (All names are tentative)



The Benefits of Consolidation

The first step toward harmonizing the strategies of Asahi Bank and Tokai Bank is to accelerate the concentration of resources into the markets for small and medium-sized companies and individuals. The banks are substantially reducing their transactions with major corporations, overseas assets and equity investments. These moves coincided with a reallocation of capital and human resources into the core retail and small to medium-sized corporate sectors. The resulting improvements in asset efficiency and earnings power will result in an estimated annual cost savings of approximately ¥60 billion.

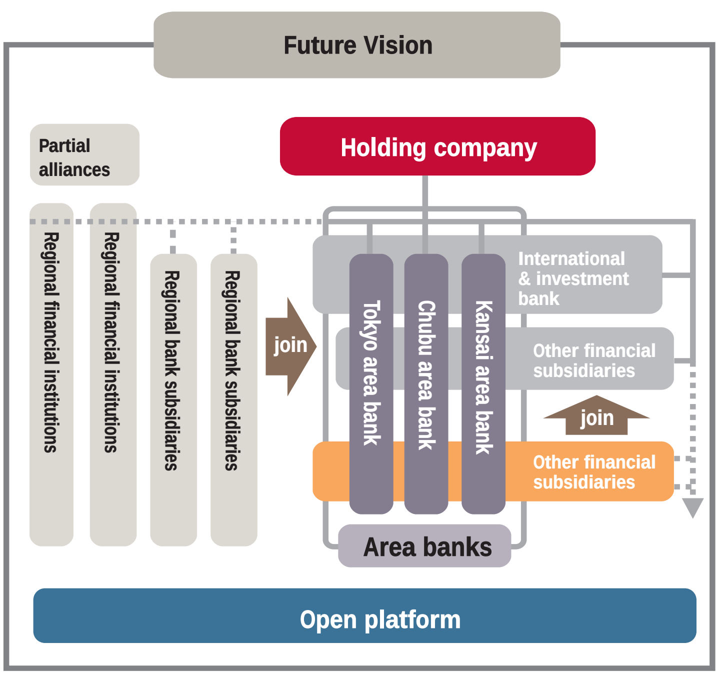
Cost Reduction Effect

In addition to annual savings of ¥23 billion from restructuring in accordance with our management plan, we are targeting cost reductions of ¥32 billion from the holding company structure for a total of ¥55 billion, broken down into the following areas:

- Workforce reduction of approximately 1,400 employees and estimated annual cost savings of ¥15 billion by integrating approximately 70 overlapping domestic branches
- Reduction of ¥10 billion in depreciation and operating costs annually related to IT systems
- Workforce reduction of 300 employees and annual cost savings of ¥3 billion by integrating 10 overlapping overseas branches
- Headquarters workforce reduction of 400 employees, or 10%, from the current level of 4,000 employees, and annual cost savings of approximately ¥4 billion by integrating the headquarters functions of the two banks

Revenue Enhancement

The banks expect to achieve significant Group synergies by combining Asahi Bank's expertise in retail banking centered on housing loans with the trading capabilities of Tokai Bank, including derivatives and credit securitization. To achieve further synergies, areas for combining and sharing capabilities include international banking, marketing technologies, and information on regional projects and financing.



Management Targets

(Billions of yen, %)

	March 1999 (Actual)	March 2003 (Target)	Change
Net operating profit			
(excluding transfer to general reserves)	¥332.7	¥450.0	117.3
ROE (net operating profit)	11.2%	14.5%	3.3
ROA (net operating profit)	0.5%	0.8%	0.3
Expense ratio	59.6%	50.3%	(9.3)
BIS capital ratio	12.2%	11.8%	(0.4)
Ratio of loans to small/medium-sized			
companies and individuals	79.9%	86.0%	6.1

Basic Strategy of the Multi-Regional Bank

Domestic Marketing Strategy

The banks will concentrate resources into the small and medium corporate and retail markets, utilize comprehensive Group strengths and achieve a dominant market position in these segments. This will form the foundation for expansion into new business fields. Important services for small and medium-sized corporations will include consulting and advanced financial services that make full use of leading-edge financial technologies and specialized expertise.

In the retail market, the banks aim to provide financial services throughout a consumer's life cycle. The banks will promote database marketing and strengthen their response to asset management needs through foreign currency deposits, investment trusts and other products, while enhancing our private banking capabilities.

In business with major corporations, the banks intend to reduce low-margin transactions and promote overall asset efficiency.

Securities and Capital Markets

While reinforcing our support for corporate financing activities, including private bond placements and other bond issues and equity offerings, the banks will provide such financial techniques as asset securitization and derivatives to small and medium-sized corporations and consumers to realize a diverse array of financing and asset management options. Further, in investment trust and securities operations, the banks will use the Group's comprehensive capabilities and transaction base to maximize efforts in investment trust and securities businesses.

International Operations

While raising efficiency by integrating every overlapping overseas branch, the banks are reducing business with non-Japanese clients. With a focus on Japanese corporations, the banks will use their international presence to support the overseas business expansion of small and medium-sized corporate clients and enhance our ability to provide local financial support.

Back-Office and IT Systems

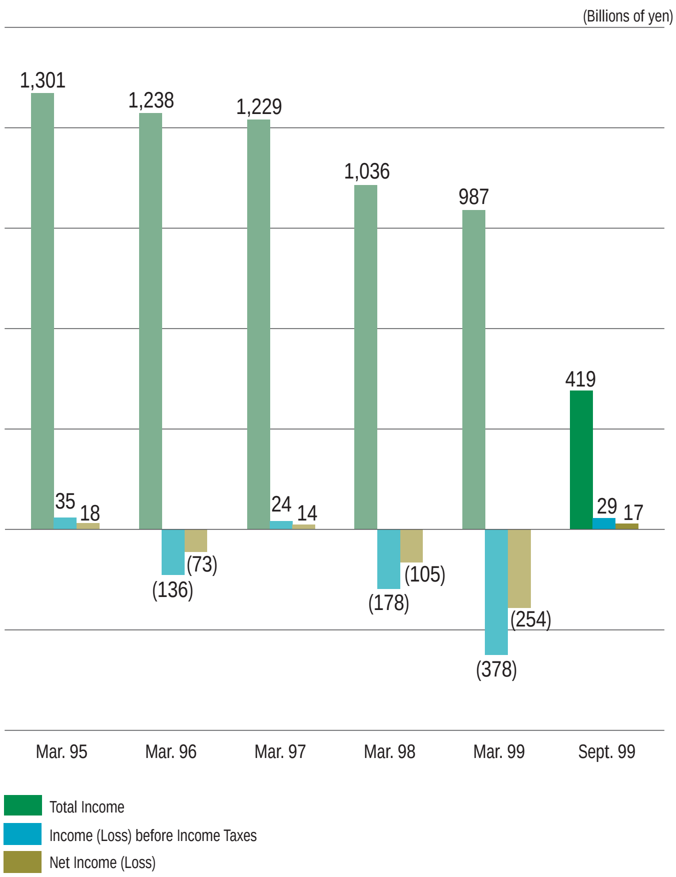
The two banks will completely integrate back-office operations and IT systems and achieve substantial cost savings through a shared infrastructure. At the same time, greater investment scale will be used to create new channels and to reinforce database marketing capabilities, contributing to improved customer service and more competitive financial products and services. Further, the development of our open platform, which will facilitate the participation of other financial institution, is a key element of our vision to create a multi-regional financial group.

For the interim period under review, Asahi Bank recorded consolidated total income of ¥419.1 billion, income before income taxes of ¥29.2 billion and net income of ¥17.0 billion. Banking, centered on the parent company, accounts for the largest portion of operations. Other activities include trust operations and finance-related businesses.

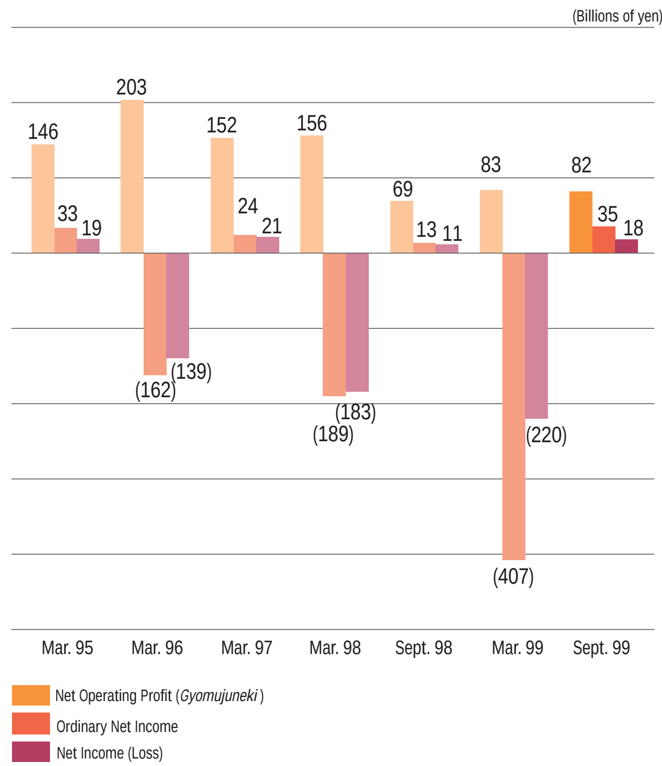
Total income on a nonconsolidated basis for the interim period fell ¥69.5 billion year-on-year to ¥393.5 billion, largely the result of a drop in revenue from funds under management reflecting lower interest rates. However, net operating profit, which reflects the performance of core business operations, rose ¥13.0 billion year-on-year to ¥82.2 billion. This increase was led by continued firm growth in housing loans, which are high-quality assets, as well as a surge in interest income from domestic operations as a result of an improved net interest margin amid lower market interest rates. Despite lower gains on securities, disposal of nonaccrual loans declined to approximately ¥60.0 billion, and ordinary net income grew ¥22.0 billion year-on-year to ¥35.7 billion. After gains and losses on disposition of real estate/premises and equipment, taxes and other adjustments, nonconsolidated net income for the interim period rose ¥6.5 billion to ¥18.3 billion.

The consolidated BIS capital ratio rose 0.02% to 11.92%.

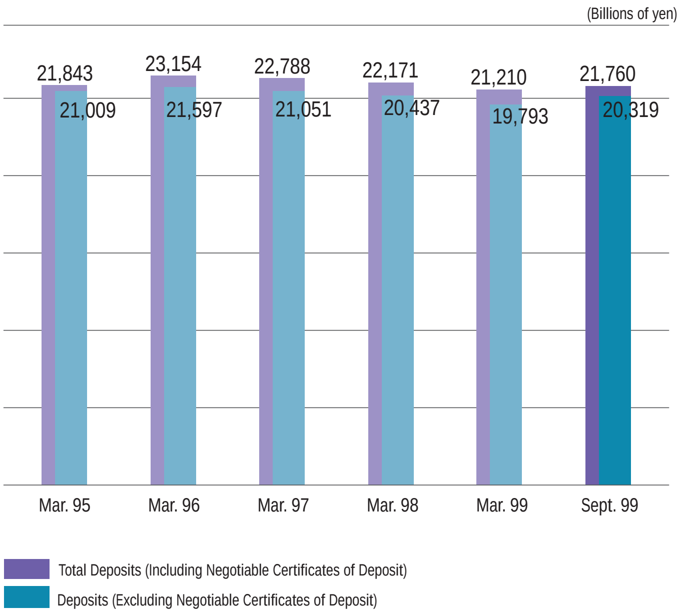
Key Financial Indicators (Consolidated)



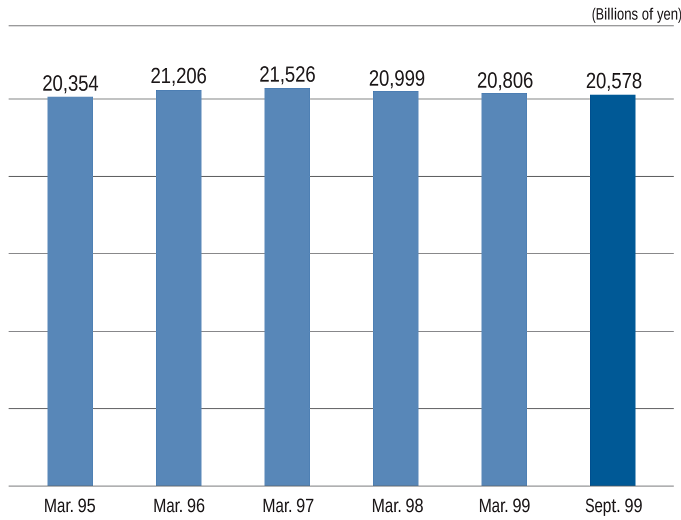
Key Financial Indicators (Nonconsolidated)



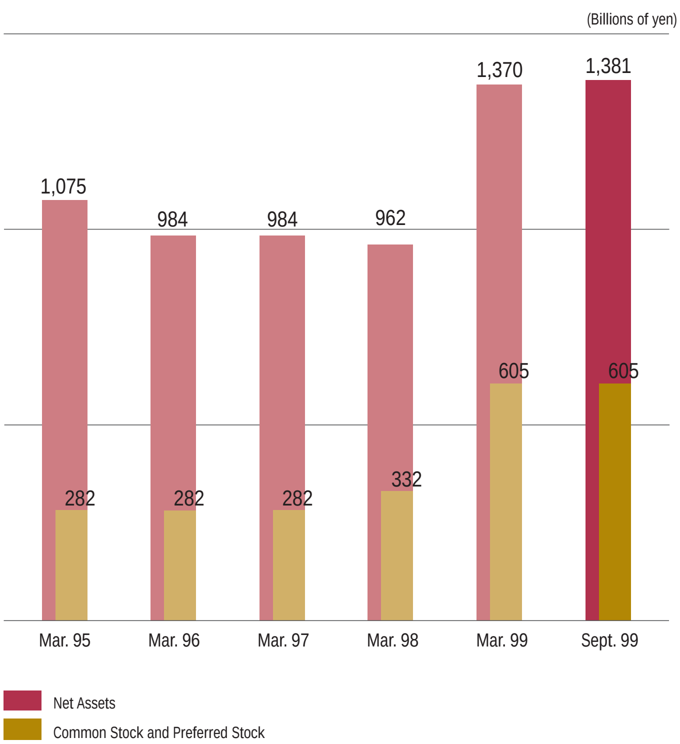
Total Deposits (Consolidated)



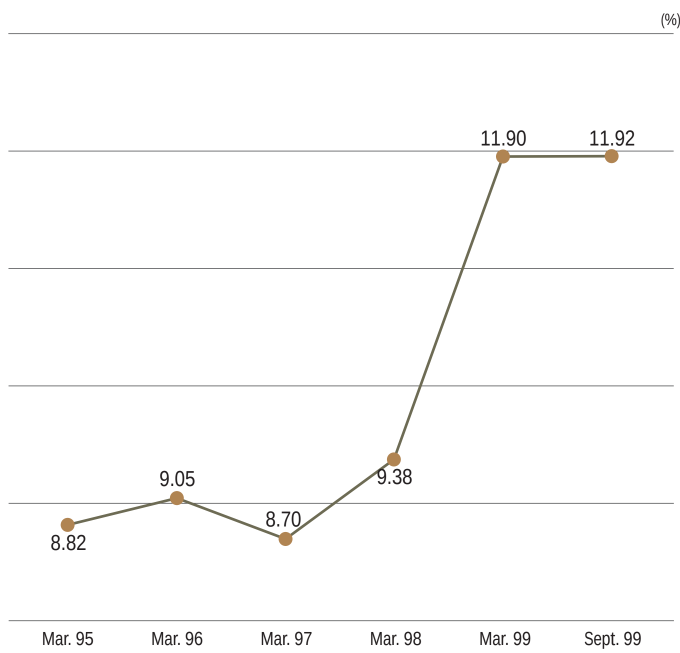
Loans and Bills Discounted (Consolidated)



Net Assets (Consolidated)



BIS Capital Ratio (Consolidated)



The Plan and Trends in Profitability (Consolidated)

(Billions of yen)

	Year ended March 31, 1998 (Actual)	Year ended March 31, 1999 (Actual)	Six months ended September 30, 1999 (Actual)	Year ending March 31, 2000 (Planned)
Scale (Outstanding balance)				
Total assets	¥29,176.6	¥29,296.1	**¥28,904.0**	¥28,571.1
Loans and bills discounted	20,999.3	20,806.6	**20,578.4**	20,840.9
Securities	3,838.4	3,914.0	**3,856.2**	3,886.9
Trading assets	153.6	283.0	**356.1**	356.2
Deferred tax assets	209.2	336.1	**339.9**	333.5
Total liabilities	28,214.5	27,915.9	**27,511.9**	27,176.8
Deposits and NCDs	22,171.3	21,210.8	**21,760.9**	21,623.2
Bonds	—	—	**—**	—
Trading liabilities	36.2	34.3	**30.3**	30.3
Deferred tax liabilities	—	94.6	**92.8**	92.8
Total stockholders' equity	962.0	1,370.3	**1,381.9**	1,384.1
Stockholders' equity	332.8	605.2	**605.2**	605.2
Capital surplus	236.9	509.4	**509.4**	509.4
Retained earnings	392.2	124.1	**138.3**	140.4
Profit				
Total income (Ordinary revenues)	¥1,023.1	¥ 950.4	**¥418.9**	¥850.0
Net interest income	736.1	655.7	**297.4**	585.7
Fees and commissions	59.8	75.2	**40.2**	79.6
Trading income	1.4	3.6	**1.1**	1.9
Other operating income	30.4	48.5	**15.1**	32.5
Other income	195.2	167.3	**64.9**	150.3
Total expenses (Ordinary expenses)	1,211.7	1,362.5	**385.8**	795.0
Interest expenses	382.2	296.0	**105.1**	204.7
Fees and commissions	22.0	18.9	**9.6**	21.5
Trading expenses	0.2	0.0	**(0.0)**	0.0
Other operating expenses	11.6	29.9	**17.6**	34.1
General and administrative expenses	275.0	281.7	**137.6**	282.7
Other expenses	520.5	735.8	**115.7**	251.6
Write-offs of claims	43.3	157.0	**28.5**	68.0
Provision to reserves for possible loan losses	291.2	225.4	**29.9**	30.5
Provision to general reserve for possible loan losses	(11.5)	73.9	**1.4**	0.0
Provision to specific reserve for losses from disposal of loans	305.2	147.2	**28.0**	30.0
Ordinary net income	(188.6)	(412.0)	**33.1**	55.0
Extraordinary gains	13.3	36.9	**0.1**	0.1
Extraordinary losses	3.6	3.2	**4.0**	4.0
Income before income taxes	(178.9)	(378.2)	**29.2**	51.1
Income taxes (Current)	4.1	3.5	**17.5**	20.0
Income taxes (Deferred)	77.1	124.7	**5.1**	(1.3)
Minority interests in net income	0.0	3.0	**0.1**	0.2
Net income (loss)	¥ (105.9)	¥ (254.0)	**¥ 17.0**	¥ 30.0

Trends in Net Income by Sector (Consolidated)

(Billions of yen)

	Year ended March 31, 1999(Actual)	Six months ended Septmber 30, 1999 (Actual)
Commercial banking division (Domestic)	137.0	**78.7**
Net operating profit of parent company	142.3	**79.3**
Net operating profit of subsidiaries	(5.3)	**(0.6)**
Commercial banking division (Overseas)	(3.5)	**(0.2)**
Net operating profit of parent company	(3.3)	**0.1**
Net operating profit of subsidiaries	(0.2)	**(0.3)**
Trading and securities markets division (including dealing offices)	4.9	**(1.1)**
Net operating profit of parent company	3.9	**0.5**
Net operating profit of subsidiaries	1.0	**(1.6)**
ALM department (Yen-denominated assets)	62.0	**23.0**
Net operating profit of parent company	62.0	**23.0**
Business administration division	(612.4)	**(67.3)**
Net operating profit of parent company	(47.8)	**(23.2)**
Provision to the reserve for possible loan losses	(73.2)	**2.5**
Write-offs of claims (including losses on sales of overseas private-sector loans)	(578.8)	**(60.7)**
Gains and losses on secutiry-related transactions	104.6	**27.5**
Other extraordinary expenses	(17.2)	**(13.4)**
Total (Net operating profit)	(412.0)	**33.1**

Note:
Euroyen impact loans are included in the accounts of domestic divisions. All items are net of expenses.

Trends in Loans and Bills Discounted (Nonconsolidated)

(Outstanding balance) (Billions of yen)

	September 30, 1998 (Actual)(A)	March 31, 1999 (Actual)(B)	September 30, 1999 (Actual)(C)	March 31, 2000 (Planned)(D)(*3)
Domestic loans and bills discounted				
Including impact loans	20,396.2	20,022.9	**19,932.5**	20,497.9
Excluding impact loans	18,180.9	18,234.2	**18,694.8**	18,423.7
Loans to small and medium-sized companies (*1)				
Including impact loans	7,850.5	7,536.7	**7,543.8**	7,719.9
Excluding impact loans	7,188.6	7,007.2	**7,186.8**	7,058.0
Loans guaranteed by the Credit Guarantee Association	1,115.9	1,490.6	**1,554.4**	1,384.3
Consumer loans	6,462.9	6,698.0	**6,849.6**	7,177.1
Housing loans	5,115.8	5,426.0	**5,630.3**	5,895.1
Other	6,082.8	5,788.2	**5,539.1**	5,600.9
Overseas loans (*2)	1,049.2	820.6	**666.5**	775.8
Total	21,445.4	20,843.5	**20,599.0**	21,273.7

Loans and bills discounted on actual basis (excluding the increase/decrease factors shown in the table below) (Billions of yen)

	September 30, 1998 (Actual)(A)+(E)	March 31, 1999 (Actual)(B)+(F)	September 30, 1999 (Actual)(C)+(F)+(G)	March 31, 2000 (Planned)(*3)
Domestic loans and bills discounted				
Including impact loans	20,502.7	20,902.0	**20,879.5**	21,253.7
Excluding impact loans	18,287.4	19,044.9	**19,558.2**	19,179.5
Loans to small and medium-sized companies (*1)				
Including impact loans	7,934.1	8,166.7	**8,296.2**	8,252.5
Excluding impact loans	7,272.2	7,600.5	**7,890.9**	7,590.6

Notes:
1. Small and medium-sized companies are defined as those with ¥100 million or less in paid-in capital or regular employees of 300 or fewer. However, the criteria for companies in the wholesaling industry are ¥30 million or 100 emloyees or fewer. For companies in retailing, restaurants and services, the criteria are ¥10 million or less and 50 employees or fewer.
2. Figures have been converted at the exchange rates prevailing at the end of the period.
3. From the "Managerial Reinvigoration Plan" approved in March 1999

Changes in Outstanding Accounts Related to the Disposal of Nonperforming Loans (Nonconsolidated)

(Billions of yen)

	First half of FY1998 (Actual)(E)		FY1998 (Actual)(F)		First half of FY1999 (Actual)(G)		FY1999 (Planned)(H)	
Write-offs claims	19.0	15.1	35.5	27.5	**10.8**	**9.6**	70.0	56.0
Sales of loans to the CCPC	0.0	0.0	0.0	0.0	**0.0**	**0.0**	0.0	0.0
Securitization of loans (*2)	(28.0)	0.0	(32.1)	0.0	**(73.9)**	**0.0**	0.0	0.0
Change in accounting criteria (*3)	0.0	0.0	354.8	267.1	**31.9**	**25.4**	0.0	0.0
Amount of sale of assets to banks and other party to the Agreement (*4)	0.0	0.0	0.0	0.0	**0.0**	**0.0**	0.0	0.0
Other amounts related to nonperforming loans	115.5	68.5	520.9	335.4	**99.1**	**87.4**	60.0	60.0
Total	106.5	83.6	879.1	630.0	**67.9**	**122.4**	130.0	116.0

Notes:
1. Columns on right denote loans to individuals and small and medium-sized corporations
2. Includes securitization of loans in addition to liquidation of regular loans
3. The portion excluded from assets due to indirect write-offs under revised accounting regulations.
4. Sale of loans to agreement banks as stipulated under Article 53 of the Law Concerning Emergency Measures for Reconstructing Financial Function

Risk-Managed Assets (Nonconsolidated)

(Millions of yen, %)

	March 31, 1999	Change	September 30, 1999
Loans to borrowers in legal bankruptcy	96,771	(13,971)	**82,799**
Past due loans	662,304	(136,589)	**525,714**
Loans past due three months or more	50,587	59,046	**109,634**
Restructured loans	110,432	(7,660)	**102,772**
Total (A)	920,096	(99,175)	**820,921**
Total loans and bills discounted (B)	20,843,509	(244,507)	**20,599,002**
Percentage of total (A)/(B)	4.41%	(0.43)	**3.98%**
Reserves (C)	413,195	(29,403)	**383,792**
Reserve coverage ratio (C)/(A)	44.9%	1.8	**46.7%**

Risk-Managed Assets (Consolidated)

(Millions of yen, %)

	March 31, 1999	Change	September 30, 1999
Loans to borrowers in legal bankruptcy	97,095	(14,236)	**82,858**
Past due loans	665,341	(137,207)	**528,133**
Loans past due three months or more	50,805	59,021	**109,826**
Restructured loans	111,490	(7,947)	**103,542**
Total (A)	924,731	(100,370)	**824,361**
Total loans and bills discounted (B)	20,806,683	(228,262)	**20,578,420**
Percentage of total (A)/(B)	4.44%	(0.44)	**4.00%**
Reserves (C)	428,030	(2,197)	**425,833**
Reserve coverage ratio (C)/(A)	46.3%	5.3	**51.6%**

The Criteria of the Financial Reconstruction Law (FRL) (Nonconsolidated)

(Millions of yen, %)

	March 31, 1999	Change	September 30, 1999	Coverage*
Unrecoverable or valueless	169,870	(18,698)	**151,171**	**100.0%**
Risk claims	553,353	(88,586)	**464,766**	**85.1%**
Special attention	206,739	5,667	**212,406**	**66.6%**
Total (A)	929,962	(101,618)	**828,344**	**83.1%**
Total loans under FRL (B)	22,398,951	(373,161)	**22,025,789**	
Percentage of total (A)/(B)	4.15%	(0.39)	**3.76%**	
Reserves (C)	413,195	(29,403)	**383,792**	
Reserve coverage ratio (%) (C)/(A)	44.4%	1.9	**46.3%**	

*Coverage=(Collateral+Guarantees+Reserves)/Claims

The Criteria of the Financial Reconstruction Law (FRL) (Consolidated, for reference only)

(Millions of yen, %)

	March 31, 1999	Change	September 30, 1999
Unrecoverable or valueless	173,434	(17,974)	**155,460**
Risk claims	593,844	(89,821)	**504,023**
Special attention	208,014	5,355	**213,369**
Total (A)	975,292	(102,439)	**872,853**
Total loans under FRL (B)	23,039,828	(792,720)	**22,247,108**
Percentage of total (A)/(B)	4.23%	(0.30)	**3.92%**
Reserves (C)	428,030	(2,197)	**425,833**
Reserve coverage ratio (%) (C)/(A)	43.9%	4.8	**48.7%**

The Asahi Bank regards the Year 2000 Problem as a management issue of the utmost importance, and we are promoting countermeasures throughout the whole of the Asahi Bank Group.

During the year-end/New Year period (a time at which particularly careful attention was required), we established a"'Year 2000 Problem Countermeasures Headquarters", as the base for our Year 2000 Problem strategies, and confirmed the operational capability of all systems, equipment and business machines throughout the entire Asahi Bank Group, including foreign offices. We were able to confirm that all of the Bank's systems in Japan and overseas are functional.

We will continue working to reduce the risks associated with the Year 2000 Problem with measures that include thorough preparation for any problems that could be associated with the date February 29, 2000.

1 Asahi Bank's policy for coping with the Year 2000 Problem

It is feared that if one financial institution fails to take appropriate measures with regard to the Year 2000 Problem, this may affect not only that one institution itself but could also lead to a chain of chaos affecting others as well. Asahi Bank realizes this full well. We are therefore regarding the Year 2000 Problem not simply as a problem of computer systems, but rather as a management issue of the utmost importance, and are promoting countermeasures and managing the state of progress throughout the whole of the Asahi Bank Group, including foreign offices and affiliated companies.

2. Our procedures for coping with the Year 2000 Problem

In order to plan countermeasures against the Year 2000 Problem that consider the whole of the Asahi Bank Group, the Bank's Deputy President has been put in charge and the various divisions in the Bank are working in coordination to promote countermeasures, with the 'Year 2000 Problem Countermeasures Committee' – in which the principal directors and departmental general managers participate – playing the central role, and checks are being carried out by the Inspection Department and Audit Office. The 'Year 2000 Problem Countermeasures Committee' meets at least once a month to report on the state of efforts with regard to this very important matter and to discuss countermeasures.

Moreover, progress made in coping with the Year 2000 Problem has been conveyed to the Executive Committee, and is being considered by top management of the Bank (including the Chairman and the President). Reports are also made to the Board of Directors when necessary.

3. The current situation regarding coping with the Year 2000 Problem

a. Readiness status of systems

In January 1997, a project team was formed and investigations were started. Then in July of the same year, a framework for promoting Year 2000 Problem countermeasures throughout the Asahi Bank Group was created, and modification/checking work was started, with the work targeting not only hardware/software and system devices such as communications devices, but also other equipment that contains microchips, such as safes, elevators, air-conditioning systems and security systems. The checks have covered not only systems developed by the Bank but also systems supplied by external vendors. As a result of pushing ahead with the above measures, all of the planned system countermeasures for the whole of the Asahi Bank Group were completely in place by June, 1999.

We have performed additional testing and confirmation at the start of the new year, and we have ensured that all of the Bank's offices in Japan and overseas are functioning smoothly.

b. External linking test

We have also carried out external linking tests with the main account settlement systems both within Japan and abroads such as "the Zengin System" and "the BOJ-NET", and by June 1999 it was confirmed that there are no problems. We also took part in the Final Connection Verification Test on January 2, 2000, and it was also confirmed that there are no problems.

Moreover, with regard to tests for checking the connections used when trasfererring data between the Bank and customers, a framework that enables daily testing to be carried out has been established, and we have been promoting such testing by providing guidance through contacting customers, sending out mailings, etc.

We plan to continue developing an environment/framework that makes it possible to conduct such connection verification tests with our customers.

c. Implementation of systems

In order to reconfirm our system countermeasures, we are conducting a 'system freeze', whereby changes will generally not be made to our systems from October 1999 to January 2000.

4. Contingency plan

As mentioned above, although we are taking systematic measures to avoid the occurrence of troubles related to the Year 2000 Problem, for example by conducting internal tests and external linking tests, we cannot say that we have reduced the risk to zero. For example, there is a risk of influence from problems originating outside of the Asahi Bank Group, including general infrastracture failures affecting electricity supply, communications and transportation, and measures taken by our customers against the Year 2000 problem.

Being aware of this, we have prepared and completed a contingency plan so that we will be prepared even if the worst should occur. The contingency plan was approved by the Board of Directors in June, 1999. We are implementing each of the measures outlined in the contingency plan and monitoring its progress.

5. The disclosure of information

We will continue to disclose information on our handling of the Year 2000 Problem, utilizing a variety of media such as this Interim Financial Report and our website. We hope that you will make use of these resources.

Note:

1. Computer systems process years using only the last two digits. This means that there is no distinction between the years 1900 and 2000. When the year 2000 year is reached, computer systems may make calculation errors or even crash completely. This problem is referred to as the "Year 2000 Problem".

2. At the present time, we estimate that the total cost of measures related to the Year 2000 Problem for the Asahi Bank Group as a whole will be ¥7.2 billion. (This is the total of the cost of investment in hardware and software related to Year 2000 Problem countermeasures, the administration and maintenance costs up to the year 2000, and the development load for the Bank converted into monetary cost.)

   The above cost only covers items that can be clearly viewed as measures against the Year 2000 Problem. It does not include the cost of renewal/modification work for which the main purpose is updating superannuated equipment or adding additional functions (estimated cost will be about ¥2.2 billion). We have also taken measures to represent years using 4-digit numbers when we built the so-called '3rd online system', but again the cost involved is not included in the above.

We at Asahi Bank are doing our utmost to cope with the Year 2000 Problem. However, it should be clearly understood that this document is not intended and shall not be construed as a representation or warranty regarding, or to create any obligations with respect to the Year 2000 Problem of the Asahi Bank or any of its affiliates, or as a waiver of any rights of Asahi Bank.

CONSOLIDATED BALANCE SHEET (UNAUDITED)

The Asahi Bank, Ltd.
September 30, 1999

	Millions of yen 1999	Millions of U.S. dollars (Note 1) 1999
Assets		
Cash and due from banks (Note 9)	¥ 747,663	$ 6,991
Call loans	167,427	1,565
Trading assets	356,162	3,330
Money held in trust	83,000	776
Securities (Note 3)	3,856,212	36,056
Loans and bills discounted (Note 4)	20,578,420	192,412
Foreign exchanges	70,034	655
Other assets	408,057	3,816
Premises and equipment (Note 6)	478,271	4,472
Deferred tax assets	339,938	3,178
Customers' liabilities for acceptances and guarantees	1,818,864	17,007
Total Assets	¥28,904,053	$270,258
Liabilities		
Deposits	¥21,760,969	$203,469
Call money	1,301,034	12,165
Commercial paper	240,000	2,244
Trading liabilities	30,349	284
Borrowed money (Note 7)	794,101	7,425
Foreign exchanges	5,235	49
Subordinated bonds	370,695	3,466
Convertible bonds and notes	3,127	29
Other liabilities	555,153	5,190
Reserve for possible loan losses	425,833	3,982
Reserve for severance payments	26,854	251
Reserve for contingent liabilities related to loans sold	73,565	688
Reserve for supporting specific borrowers	13,271	124
Other reserves	0	0
Deferred tax liabilites on land revaluation (Note 5)	92,859	868
Acceptances and guarantees	1,818,864	17,007
Total Liabilities	¥27,511,914	$257,241
Minority interests in consolidated subsidiaries	10,176	95
Stockholders' Equity		
Common stock	400,888	3,748
Preferred stock	204,399	1,912
Capital surplus	509,416	4,763
Land revaluation difference (Note 5)	128,973	1,206
Retained earnings	138,311	1,293
Common stock in treasury	(10)	(0)
Parent company stock held by subsidiaries	(16)	(0)
Total Stockholders' Equity	1,381,962	$ 12,922
Total Liabilities, Minority Interests in Consolidated Subsidiaries, and Stockholders' Equity	¥28,904,053	$270,258

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

The Asahi Bank, Ltd.
Six months ended September 30, 1999

	Millions of yen 1999	Millions of U.S. dollars (Note 1) 1999
Income		
Interest on loans and discounts	¥229,701	$2,148
Interest and dividends on securities	30,882	289
Other interest income	36,907	345
Fees and commissions	40,278	377
Trading income	1,130	11
Other operating income	15,132	141
Other income (Note 8)	65,087	608
Total Income	419,120	$3,919
Expenses		
Interest on deposits	39,507	$ 369
Interest on borrowings and rediscounts	11,405	107
Other interest expenses	54,201	507
Fees and commissions	9,624	90
Other operating expenses	17,610	165
General and administrative expenses	137,681	1,287
Other expenses (Note 8)	119,817	1,120
Total Expenses	389,847	3,645
Income before income taxes	29,273	274
Income taxes :		
Current	17,547	164
Deferred	(5,180)	(48)
Minority interests in net income	(140)	(1)
Net income	¥ 17,046	$ 159

See notes to consolidated financial statements.

	Yen 1999	U.S. dollars 1999
Per share data		
Net income	¥ 5.18	$ 0.05
Cash dividends declared		
Common stock	3.00	0.03
Preferred stock		
The preferred stock No.1	5.00	0.05
The Class B preferred stock No.1	7.19	0.07
The Class B preferred stock No.2	9.25	0.09

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF RETAINED EARNINGS (UNAUDITED)

The Asahi Bank, Ltd.
Six months ended September 30, 1999

	Millions of yen 1999	Millions of U.S. dollars (Note 1) 1999
Balance of retained earnings at the beginning of the term	¥124,183	$1,161
Increase of retained earnings	4,144	39
Due to transfer from land revaluation difference	2,493	23
Due to changes in the consolidated subsidiaries	1,651	16
Decrease of retained earnings	(7,062)	(66)
Cash dividends	(7,062)	(66)
Net income	17,046	159
Balance of retained earnings at the end of the term	¥138,311	$1,293

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

The Asahi Bank, Ltd.
Six months ended September 30, 1999

	Millions of yen 1999	Millions of U.S. dollars (Note 1) 1999
Cash flows from operating activities:		
Net income before income taxes	¥ 29,273	$ 274
Depreciation	10,871	102
Amortization of consolidation difference	37	0
Increase in reserve for possible loan losses	(2,197)	(21)
Equity in net loss of affiliated company	146	1
Increase in reserve for contingent liabilities related to loans sold	(4,215)	(39)
Increase in reserve for supporting specific borrowers	13,271	124
Increase in reserve for severance payments	1,155	11
Operating income	(297,492)	(2,782)
Operating expenses	105,113	983
(Gains) losses in investment securities	(26,501)	(248)
(Gains) losses on money held in trust	250	2
(Gains) losses from exchange rate changes	10,407	97
(Gains) losses from disposition of premises and equipment	3,952	37
Net (increase) decrease in trading assets	(71,943)	(673)
Net increase (decrease) in trading liabilities	(3,983)	(37)
Net (increase) decrease in loans and bill discounted	227,807	2,130
Net increase (decrease) in deposits	550,118	5,144
Net (increase) decrease in call loans and others	(61,471)	(575)
Net increase (decrease) in call money and others	(882,061)	(8,247)
Net (increase) decrease in collateral deposit on securities lent	(24,974)	(234)
Net (increase) decrease in due from banks (excluding due from the Bank of Japan)	(25,232)	(236)
Net (increase) decrease in foreign exchanges (assets)	39,898	373
Net increase (decrease) in foreign exchanges (liabilities)	(833)	(8)
Proceeds from interest-earning assets	305,844	2,860
Payments on interest-bearing liabilities	(125,537)	(1,173)
Others	47,655	446
Total	(180,638)	(1,689)
Income taxes	(1,934)	(18)
Net cash provided by (used in) operating activities	(182,573)	(1,707)
Cash flows from investing activities:		
Payments for purchase of securities	(2,289,963)	(21,412)
Proceeds from sales of securities	2,202,063	20,590
Proceeds from maturities of securities	175,624	1,642
Proceeds from decrease in money held in trust	316	3
Proceeds from sales of premises and equipment	4,812	45
Payments for acquisition of premises and equipment	(13,550)	(127)
Net cash provided by (used in) investing activities	79,302	741
Cash flows from financing activities:		
Dividends paid	(7,062)	(66)
Payment of dividends to minority interests	(180)	(2)
Payments for purchase of common stock in treasury	(133)	(1)
Proceeds from sales of common stock in treasury	136	1
Net cash provided by (used in) financing activities	(7,240)	(68)
Effect of exchange rate changes on cash and cash equivalents	(143)	(1)
Net increase (decrease) in cash and cash equivalents	(110,654)	(1,035)
Cash and cash equivalents at beginning of year	602,563	5,634
Cash and cash equivalents at the end of the term (Note 9)	491,908	4,599

See notes to consolidated financial statements.

The Asahi Bank, Ltd.

Note 1

Basis for Presenting the Consolidated Financial Statements

The accompanying consolidated financial statements of the Asahi Bank, Ltd. (the "Bank") have been prepared in accordance with accounting principles and practices for banks generally accepted in Japan, which are different from the accounting and disclosure requirements of International Accounting Standards. In preparing them, certain reclassifications and rearrangements have been made to the consolidated financial statements published domestically in Japan. As Asahi Bank began issuing consolidated interim financial statements in the period ending September 30, 1999, only one period of interim results is available.

Amounts of less than one million yen have been rounded down, and as a result, totals in yen do not necessarily agree with the sum of the individual amounts.

U.S. dollar amounts are shown solely for the convenience of the reader and are translated at the rate of ¥106.95 to U.S.$1.00, the rate prevailing on September 30, 1999.

Note 2

Significant Accounting Policies

(a) Principles of consolidation

Consolidated subsidiaries

(1)Consolidated subsidiaries: 26

Principal consolidated subsidiaries are Asahi Trust and Banking Co., Ltd. and Asahigin Guarantee Co., Ltd. Although Asahi Securities Co., Ltd. was liquidated during the interim period, its results are fully reflected in the interim consolidated financial statements. Asahi Investment Management Co., Ltd. and Asahi Tokyo Investment Trust Management Co., Ltd. merged in April 1999.

(2)Nonconsolidated subsidiaries: 10

Principal nonconsolidated subsidiaries are Yamabun Securities Co., Ltd. and Saiei Real Estate Co., Ltd. The total assets, ordinary income, net income (based on owned interest) and retained earnings (based on owned interest) of these nonconsolidated subsidiaries have no material effect on the Bank's consolidated financial statements.

Companies accounted for by the equity method: Six

The equity method was not applied to any nonconsolidated subsidiary.

There were six affiliates accounted for by the equity method, principally Showa Leasing Co., Ltd. and Asahigin Leasing Co., Ltd. Principal nonconsolidated subsidiaries and affiliates not accounted for by the equity method are Yamabun Securities Co., Ltd., Saiei Real Estate Co., Ltd., Siam City-Showa Leasing Co., Ltd. and Asahigin Leasing (U.S.A.) Inc. The net income (based on owned interest) and retained earnings (based on owned interest) of nonconsolidated subsidiaries and affiliates not accounted for by the equity method have no material effect on the Bank's consolidated financial statements.

Interim term-ends of consolidated subsidiaries

Ten of the consolidated subsidiaries record the interim term-ends of June 30, and 16 of them record the interim term-end of September 30. Consolidation is based on the interim term-ends, and adjustments have been made for significant transactions that occurred between the interim term-ends of the consolidated subsidiaries and that of the Bank.

(b) Trading assets and trading liabilities

Balances incurred by transactions whose purpose is to earn a profit by taking advantage of short-term fluctuations in markets or discrepancies in different markets of interest rates, currency exchange rates, share prices or other indices (hereafter referred to as "trading purposes") are included in "Trading assets" or "Trading liabilities" on the consolidated balance sheets based on the date on which the transactions have been contracted.

Trading assets and trading liabilities are valued, in the case of securities and commercial paper, etc., at the market value as of the date of the consolidated balance sheet, and in the case of derivatives, including swaps, futures and options, at the amount due if the transactions were to be settled as of the date of the consolidated balance sheet.

(c) Trading income and trading expenses

Profits and losses from transactions for trading purposes are included in "Trading income" and "Trading expenses" in the consolidated statement of income based on the date on which the transactions have been contracted. "Trading income" and "Trading expenses" include interest received or paid in the interim period and profits and losses incurred by the valuation of securities, commercial paper, derivatives, etc., which are included in "Trading assets" and "Trading liabilities" as explained in Note 2 (b).

(d) Securities

Securities are carried at cost, determined by the moving average method. For securities as trust assets, mainly for securities investment purposes, in individually managed money held in trusts, listed securities are carried at the lower of cost or market, cost being determined by the moving average method, according to the reversion method (reversion to original cost at the beginning of the next period). Securities that do not fall into the aforementioned categories are carried at cost, determined by the moving average method.

(e) Premises and equipment

Premises and equipment are stated at cost. Depreciation of them is computed by the following methods.

Buildings:	Mainly, straight-line method, based on rates in the Corporation Tax Law
Equipment:	Mainly, declining-balance method, based on rates in the Corporation Tax Law
Others:	Mainly, based on the method specified in the Corporation Tax Law

(f) Reserve for possible loan losses

The Bank and the trust and banking companies of domestic consolidated subsidiaries made provisions for possible loan losses as follows.

For loans to insolvent customers who are undergoing bankruptcy or other collection proceedings (hereafter, "borrowers under bankruptcy proceedings") or who are in a similar financial condition while not yet in bankruptcy (hereafter "borrowers substantially in bankruptcy"), the reserve for possible loan losses is provided in 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 amount deemed collectible from the disposal of collateral pledged and the amount of guarantees that is deemed recoverable.

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

For other loans, the reserve for possible loan losses is provided based on the actual rate of losses in the past.

The reserve includes a special reserve for possible losses on overseas loans likely to become uncollectable due to political and economic circumstances of relevant countries.

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

For 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 collateral and the amount deemed recoverable from guarantors. This unrecoverable amount is written off directly against the value of the loan ("direct write-off"). The amount of such direct write-offs for the six months ended September 30, 1999, was ¥410,343 million (U.S.$3,837 million).

Other consolidated subsidiaries provide the reserve for possible loan losses at the amounts considered adequate to cover such losses principally based on their own past experience.

(g) Reserve for severance payments and pension plans

The Bank and its domestic consolidated subsidiaries set aside a reserve for severance payments equivalent to the amount required to be paid if all employees voluntarily retired at the balance sheet date.

In addition, the Bank has adopted adjusted pension plans for a portion of its pension system and certain consolidated subsidiaries have also adopted pension systems.

(h) Reserve for contingent liabilities related to loans sold

The Bank sets aside the reserve for contingent liabilities related to loans sold based on estimated liabilities of future losses on the loans collateralized by real estate sold to the Cooperative Credit Purchasing Company, Limited.

(i) Reserve for supporting specific borrowers

The Bank sets aside a reserve based on the estimated amount to assist specified borrowers in management restructuring.

(j) Special legal reserves

The Bank sets aside legal reserves as follows:

Reserve for financial futures transactions: ¥0 million (U.S.$0 million)

To provide for losses that may be incurred in financial futures trading, the Bank sets aside a reserve computed according to the provisions of Article 82 of the Financial Futures Transactions Law and Article 29 of the Implementation Rules for this Law.

(k) Translation of foreign currencies

Foreign currency assets and liabilities held by the Bank are mainly translated into yen at the market rates prevailing at the balance sheet date. However, (1) those assets which represent investments in foreign corporations (excluding those for which the funds were raised in foreign currencies), (2) foreign currency convertible bonds, and (3) other assets and liabilities for which it is deemed inappropriate for banks to include among spot foreign currency assets and liabilities are treated as exceptions. Such foreign currency assets are carried at the original purchase prices. Such foreign currency liabilities are converted at the market rates prevailing when the liabilities were incurred. Accounts of overseas branches and an agency are translated into yen at the market rates prevailing at the balance sheet dates.

Foreign currency accounts held by consolidated subsidiaries are mainly translated into the currency of each subsidiary at the exchange rate prevailing at the respective balance sheet dates.

(l) Leases

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 or finance leases, with the exception of lease agreements that stipulate the transfer of ownership of the leased property to the lessee. The later category is accounted for as finance leases.

(m) Accounting for consumption taxes

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

(n) Income tax

The Bank and its subsidiaries are subject to corporation tax, inhabitants tax and enterprise tax, which are based on income. They provide for income taxes on the basis of current tax liabilities and reflect the tax effect of the temporary differences between the recognition of certain revenues or expenses for tax and financial purposes.

Note 3
Securities

As of September 30, 1999, securities include stock in nonconsolidated subsidiaries and affiliates of ¥3,791 million (U.S.$35 million), and capital supscriptions of ¥208 million (U.S.$2 million).

Note 4
Loans and Bills Discounted

As of September 30, 1999, loans include loans to borrowers in legal bankruptcy amounting to ¥82,858 million (U.S.$775 million) and past due loans (six months or more) amounting to ¥528,133 million (U.S.$4,938 million).

Loans to borrowers in legal bankruptcy are those 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 hereafter 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 iv in Article 96, Section 1, Part 3, or the circumstances stated in Part 4 of the same article.

Past due loans (six months or more) 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 (restructured loans).

Past due loans (three months or more) amounted to ¥109,826 million (U.S.$1,027 million). Such loans are defined as those for which principal or interest has been in arrears for three months or more from the contract payment date but which are not classified as loans to borrowers in legal bankruptcy or past due loans (six months or more).

Restructured loans amounted to ¥103,542 million (U.S.$968 million). Restructured loans are those for which the Bank has provided terms and conditions—including reducing interest rates, rescheduling interest and principal payments, or waiving claims on the borrower—more favorable to the borrower than those in the original loan agreement. Such loans exclude loans to borrowers in legal bankruptcy, past due loans (six months or more) and past due loans (three months or more).

Loans to borrowers in legal bankruptcy, past due loans (six months or more), past due loans (three months or more) and restructured loans amounted to ¥824,361 million (U.S.$7,708 million).

Note 5
Land Revaluation Difference

Based on the Law Concerning Land Revaluation (Law No. 34, promulgated on March 31, 1998), the Bank has revalued land under its ownership used for its own business purposes.

Revaluation date: March 31, 1998
Revaluation method as stated in Article 3, Section 3 of the Law Concerning Land Revaluation:
The value of land is based on the official notice prices calculated as directed by the public notification of the Commissioner of the National Tax Administration and as provided for in the Law Concerning Public Notification of Land Prices, as stipulated in Article 2, Section 1 of the Ordinance Implementing the Law Concerning Land Revaluation (Government Ordinance No. 119, promulgated March 31, 1998), after making reasonable adjustments, such as for location and quality of sites.

Note 6
Premises and Equipment

As of September 30, 1999, the accumulated depreciation of premises and equipment was ¥225,310 million (U.S.$2,107 million).

Note 7
Borrowed Money

As of September 30, 1999, borrowed money includes subordinated debt amounting to ¥667,000 million (U.S.$6,237 million), which is contractually less senior in standing than other liabilities.

Note 8
Other Income and Expenses

During the six months ended September 30, 1999, other income includes gains on sale of stocks and other securities of ¥52,031 million (U.S.$486 million).

Other expenses include the following:

	Millions of yen	Millions of U.S. dollars
Provision for reserve for possible loan losses	**¥29,976**	**$280**
Write-off of claims	**28,544**	**267**
Losses on devaluation of stocks and other securities	**14,765**	**138**
Provisions for reserve for supporting specific borrowers	**13,271**	**124**
Provision for the reserve for contingent liabilities related to loans sold	**10,610**	**99**
Losses on sale of stocks and other securities	**7,807**	**73**

Note 9
Cash and Cash Equivalents in Consolidated Statement of Cash Flows

Cash and cash equivalents in consolidated statement of cash flows comprised cash and due from the Bank of Japan.

As of September 30, 1999, the linkage between Cash and cash equivalents and Cash and due from banks in consolidated balance sheet is as follows:

	(Millions of yen)	(Millions of U.S. dollars)
Cash and due from banks	¥ 747,663	$ 6,991
Due from banks except for the Bank of Japan	(255,754)	(2,391)
Cash and cash equivalents	¥ 491,908	$ 4,599

Note 10
Leases

Finance leases, except for lease agreements that stipulate the transfer of ownership of the leased property to the lessee, are as follows:
Amounts corresponding to the term-end acquisition cost and accumulated depreciation of leased items:

	Millions of yen		Millions of U.S. dollars	
	Equipment	Total	Equipment	Total
Acquisition cost	**¥15,070**	**¥15,070**	**$141**	**$141**
Accumulated depreciation	**4,488**	**4,488**	**42**	**42**
Net book value	**¥10,582**	**¥10,582**	**$ 99**	**$ 99**

Lease commitments, exclusive of interest expense:

	Millions of yen	Millions of U.S. dollars
Due within one year	**¥ 2,984**	**$ 28**
Due after one year	**7,774**	**73**
Total	**¥10,758**	**$101**

Lease fees and the amounts corresponding to depreciation and interest expense:

	Millions of yen	Millions of U.S. dollars
Lease fees	**¥2,006**	**$19**
Depreciation expense	**1,852**	**17**
Interest expense	**127**	**1**

Computation of amounts corresponding to depreciation:
The duration of the lease term is taken as equivalent to the useful lives of the equipment, and the straight-line method is applied to fully depreciate the asset.

Computation of amounts corresponding to interest expense:
The difference between the total amount of lease payments and the purchase value of the asset is taken as the amount corresponding to interest expense and the interest method used to allocate this amount to the appropriate consolidated accounting periods.

Lease commitments, inclusive of interest expense under noncancelable operating leases, are as follows:

	Millions of yen	Millions of U.S. dollars
Due within one year	**¥ 723**	**$ 7**
Due after one year	**2,428**	**23**
Total	**¥3,151**	**$29**

Note 11
Market Value of Securities

Book value, market value or estimated market values and unrealized gains/(losses) of securities as at September 30, 1999 are shown below.

	Millions of yen				
	September 30,1999				
Listed securities	Book value (X)	Market value (Y)	Unrealized gains/(losses) (Y-X)	Gains	(Losses)
Bonds	**¥ 116,872**	**¥ 117,639**	**¥ 767**	**¥ 770**	**¥ (3)**
Stocks	**2,046,138**	**2,434,626**	**388,488**	**556,814**	**(168,326)**
Others	**54,801**	**63,867**	**9,066**	**9,156**	**(90)**
Total	**¥2,217,811**	**¥2,616,133**	**¥398,321**	**¥566,742**	**¥ (168,420)**

Notes:

1. Trading securities and 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. Stocks do not include treasury stocks. As of September 30, 1999, treasury stocks amounted to ¥26 million and unrealized gains of treasury stocks were ¥7 million.
3. Unlisted securities for which market values can be calculated are shown in the table below.

	Millions of yen				
	September 30,1999				
Unlisted securities	Book value (X)	Estimated market value (Y)	Unrealized gains/(losses) (Y-X)	Gains	(Losses)
Bonds	**¥1,081,056**	**¥1,100,115**	**¥19,059**	**¥19,310**	**¥ (251)**
Stocks	**35,111**	**65,473**	**30,361**	**34,053**	**(3,691)**
Others	**5,235**	**4,975**	**(259)**	**0**	**(260)**
Total	**¥1,121,403**	**¥1,170,565**	**¥49,161**	**¥53,364**	**¥(4,202)**

Calculation of estimated market values for unlisted securities:
Those for over-the-counter securities are derived from trading prices released by 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. Estimated market values of U.S. securities traded over-the-counter are calculated based on transaction prices indicated on NASDAQ in the U.S.A.

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

	Millions of yen
	September 30,1999
Securities	Book value
Bonds	**¥344,547**
Stocks	**62,469**
Others	**109,980**

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

Note 12
Market Value of Money Held in Trust

	Millions of yen				
	September 30,1999				
	Book value (X)	Market value (Y)	Unrealized gains/(losses) (Y-X)	Gains	(Losses)
Money held in trust	**¥83,000**	**¥83,000**	**—**	**—**	**—**

Notes:

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
2. Over-the-counter securities: Trading price table published by JSDA

Note 13
Derivative Financial Instruments

Contract values or notional principal amounts, market value or estimated market values and unrealized gains/(losses) of derivatives financial instruments as at September 30, 1999 are shown below.

(a) Interest rate-related transactions

(Millions of yen)

September 30,1999				Contract value or notional principal amount [option premium]	Over 1 year	Market value	Unrealized gains/(losses)
Listed transactions	Futures		Sold	**¥ 343,378**	**¥ 9,995**	**¥ 344,070**	**¥ (692)**
			Bought	**89,201**	**7,499**	**89,303**	**102**
	Options	Sold	Call	**—** [—]	**—**	**—**	**—**
			Put	**—** [—]	**—**	**—**	**—**
		Bought	Call	**—** [—]	**—**	**—**	**—**
			Put	**24,812** [14]	**—**	**2**	**(11)**
Unlisted transactions	Forward rate agreements		Sold	**—**	**—**	**—**	**—**
			Bought	**—**	**—**	**—**	**—**
	Swaps		Receivable fixed rate/Payable floating rate	**5,346,391**	**2,882,392**	**109,212**	**109,212**
			Receivable floating rate/Payable fixed rate	**6,136,105**	**3,802,969**	**(149,785)**	**(149,785)**
			Receivable floating rate/Payable floating rate	**1,031,284**	**766,284**	**3,491**	**3,491**
			Receivable fixed rate/Payable fixed rate	**—**	**—**	**—**	**—**
	Options	Sold	Call	**—** [—]	**—**	**—**	**—**
			Put	**—** [—]	**—**	**—**	**—**
		Bought	Call	**—** [—]	**—**	**—**	**—**
			Put	**—** [—]	**—**	**—**	**—**
	Caps		Sold	**12,400** [42]	**5,300**	**4**	**37**
			Bought	**503,000** [3,252]	**397,000**	**2,153**	**(1,099)**
	Floors		Sold	**—** [—]	**—**	**—**	**—**
			Bought	**—** [—]	**—**	**—**	**—**
	Others		Sold	**215,534** [391]	**534**	**694**	**(303)**
			Bought	**70,000** [352]	**—**	**48**	**(303)**
	Total			**¥ /**	**¥ /**	**¥ /**	**¥(39,352)**

Notes:

1. The market value listed represents the closing prices on the Tokyo International Financial Futures Exchange and other exchanges at the end of September 30.
   Over-the-counter transactions are calculated by net present value or value based on option pricing models.
2. Gains (or losses) generated from valuation for derivatives in trading accounts are included in the consolidated statement of income. The contract values or national principal amounts and market values of derivatives in trading accounts are as follows:

(Millions of yen)

September 30,1999				Contract value or notional principal amount [option premium]	Market value
Listed transactions	Futures		Sold	**¥ 72,493**	**¥ 72,538**
			Bought	**251,473**	**251,481**
	Options	Sold	Call	**—** **[—]**	**—**
			Put	**—** **[—]**	**—**
		Bought	Call	**—** **[—]**	**—**
			Put	**—** **[—]**	**—**
Unlisted transactions	Forward rate agreements		Sold	**21,370**	**(6)**
			Bought	**36,864**	**27**
		Swaps	Receivable fixed rate/Payable floating rate	**1,621,776**	**25,909**
			Receivable floating rate/Payable fixed rate	**1,773,458**	**(25,427)**
			Receivable floating rate/Payable floating rate	**3,000**	**(5)**
			Receivable fixed rate/Payable fixed rate	**—**	**—**
	Options	Sold	Call	**—** **[—]**	**—**
			Put	**—** **[—]**	**—**
		Bought	Call	**—** **[—]**	**—**
			Put	**—** **[—]**	**—**
		Caps	Sold	**20,766** **[215]**	**107**
			Bought	**33,500** **[72]**	**61**
		Floors	Sold	**—** **[—]**	**—**
			Bought	**—** **[—]**	**—**
		Others	Sold	**—** **[—]**	**—**
			Bought	**—** **[—]**	**—**

(b) Currency-related transactions

(Millions of yen)

September 30,1999			Contract value or notional principal amount	Over 1 year	Market value	Unrealized gains/(losses)
Unlisted transactions	Currency swaps		**¥479,735**	**¥39,706**	**¥(1,158)**	**¥(1,158)**
		U.S. dollar	**413,845**	**29,006**	**(1,634)**	**(1,634)**
		Australian dollar	**27,708**	**—**	**305**	**305**
		Hong Kong dollar	**17,456**	**—**	**(39)**	**(39)**
		Swiss franc	**16,727**	**7,920**	**224**	**224**
		Others	**3,997**	**2,779**	**(13)**	**(13)**

Notes :

1. Market values are calculated based on the discounted present values.
2. Gains (or losses) generated from valuation for derivatives in trading accounts are included in the consolidated statement of income. The contract values or national principal amounts and market values of derivatives in trading accounts are as follows:

(Millions of yen)

September 30,1999			Contract value or notional principal amount	Market value
Unlisted transactions	Currency swaps		**¥34,211**	**¥27**
		Swiss franc	**24,290**	**13**
		U.S. dollar	**9,921**	**14**

3. The above schedule excludes transactions related to currency, for example foreign exchange for ward 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 income. Above-mentioned transactions related to currency are as follows:

(Millions of yen)

September 30,1999				Contract value or notional principal amount [option premium]
Listed transactions	Futures		Sold	¥ **—**
			Bought	**—**
	Options	Sold	Call	**—** **[—]**
			Put	**—** **[—]**
		Bought	Call	**—** **[—]**
			Put	**—** **[—]**
Unlisted transactions	Forward exchange contracts	Sold		**555,534**
		Bought		**597,673**
	Options	Sold	Call	**85,428** **[234]**
			Put	**51,418** **[1,436]**
		Bought	Call	**71,345** **[470]**
			Put	**67,434** **[1,756]**
	Others		Sold	**—**
			Bought	**—**

(c) Eguity-related transactions

There are no stock derivatives.

(d) Bond-related transactions

(Millions of yen)

September 30,1999				Contract value or notional principal amount [option premium]	Over 1 year	Market value	Unrealized gains/(losses)
Listed transactions	Futures		Sold	**¥109,324**	**¥ —**	**¥109,526**	**¥ (201)**
			Bought	—	—	—	—
	Options	Sold	Call	— [—]	—	—	—
			Put	— [—]	—	—	—
		Bought	Call	— [—]	—	—	—
			Put	— [—]	—	—	—
Unlisted transactions	Options	Sold	Call	— [—]	—	—	—
			Put	— [—]	—	—	—
		Bought	Call	— [—]	—	—	—
			Put	— [—]	—	—	—
	Others		Sold	—	—	—	—
			Bought	—	—	—	—
	Total			**¥ /**	**¥ /**	**¥ /**	**¥ (201)**

Notes:

1. The market value listed represents the closing prices on the Tokyo International Financial Futures Exchange and other exchanges at the end of September 30.
   Over-the-counter transactions are calculated by net present value or value based on option pricing models.
2. Gains (or losses) generated from valuation for derivatives in trading accounts are included in the consolidated statement of income. The contract values or national principal amounts and market values of derivatives in trading accounts are as follows:

(Millions of yen)

September 30,1999				Contract value or notional principal amounts [option premium]	Market value
Listed transactions	Futures		Sold	**¥916**	**¥923**
			Bought	—	—
	Options	Sold	Call	— [—]	—
			Put	— [—]	—
		Bought	Call	— [—]	—
			Put	— [—]	—
Unlisted transactions	Options	Sold	Call	— [—]	—
			Put	— [—]	—
		Bought	Call	— [—]	—
			Put	— [—]	—
	Others		Sold	—	—
			Bought	—	—

(e) Commodity-related transactions

There are no commodity derivatives.

Note 14
Segment Information

(a)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.

(b)Geographical Segment Information

Six months ended September 30, 1999

(Millions of yen)

	Japan	Americas	Europe	Asia and Oceania	Combined total	Eliminations and intercompany	Consolidated total
Ordinary income:							
Customers	**¥378,923**	**¥ 9,216**	**¥ 3,868**	**¥26,988**	**¥418,996**	**—**	**¥418,996**
Intersegment	**18,694**	**11,582**	**1,673**	**2,338**	**34,288**	**¥(34,288)**	**—**
Total	**397,617**	**20,798**	**5,542**	**29,326**	**453,285**	**(34,288)**	**418,996**
Ordinary expenses	**360,734**	**22,199**	**5,544**	**30,971**	**419,450**	**(33,646)**	**385,803**
Ordinary net income (loss)	**¥ 36,883**	**¥(1,401)**	**¥ (2)**	**¥(1,645)**	**¥ 33,834**	**¥ (641)**	**¥ 33,193**

Fiscal year ended March 31, 1999

(Millions of yen)

	Japan	Americas	Europe	Asia and Oceania	Combined total	Eliminations and intercompany	Consolidated total
Ordinary income:							
Customers	**¥ 822,436**	**¥ 31,360**	**¥ 14,863**	**¥ 81,827**	**¥ 950,487**	**—**	**¥ 950,487**
Intersegment	**42,819**	**11,040**	**694**	**789**	**55,343**	**(55,343)**	**—**
Total	**865,255**	**42,400**	**15,558**	**82,616**	**1,005,831**	**(55,343)**	**950,487**
Ordinary expenses	**1,275,010**	**41,157**	**16,777**	**84,893**	**1,417,839**	**(55,311)**	**1,362,528**
Ordinarynet income (loss)	**(409,755)**	**1,242**	**(1,218)**	**(2,277)**	**(412,008)**	**(32)**	**(412,040)**
Assets	**31,267,326**	**802,557**	**549,051**	**2,312,960**	**34,931,895**	**5,635,702**	**29,296,192**

Notes:

1 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, Germany, and certain other countries; and Asia and Oceania comprises Hong Kong, Australia, and certain other countries.

(c) Overseas ordinary income

(Millions of yen)

	Overseas ordinary income (A)	Consolidated ordinary income (B)	(A)/(B)
Six months ended September 30, 1999	**¥40,073**	**¥418,996**	**9.6%**

Notes:

1. Although the Bank had reported “ordinary income from international operations” instead of overseas sales, the Bank reports “overseas ordinary income” to show overseas transactions more definitely, starting from the first half of fiscal 1999.
2. Overseas ordinary income 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).
   It is not presented here because the Bank does not distinguish these huge transactions by customer.

Note 15
Subsequent Event

On November 19, 1999, the Board of Directors authorized payment of interim cash dividends to stockholders of record on September 30, 1999.

	Millions of yen 1999	Millions of U.S. dollars 1999
Cash dividends:		
Common stock (¥3.00 per share)	**¥8,445**	**$79**
Preferred stock		
The preferred stock No.1 (5.00 per shre)	**21**	**0**
The Class B preferred stock No. 1 (¥7.19 per share)	**1,725**	**16**
The Class B preferred stock No. 2 (¥9.25 per share)	**740**	**7**

NONCONSOLIDATED BALANCE SHEETS

The Asahi Bank, Ltd.
September 30, 1999 and 1998; March 31, 1999

	Millions of yen			Millions of U.S. dollars
	September 30, 1998*	March 31, 1999	September 30, 1999*	September 30, 1999*
Assets				
Cash and due from banks	¥ 980,564	¥ 815,198	**¥ 738,271**	**$ 6,903**
Call loans	124,153	104,750	**165,662**	**1,549**
Bills bought	50,000	—	**—**	**—**
Trading assets	147,850	283,088	**356,162**	**3,330**
Money held in trust	219,614	83,034	**83,000**	**776**
Securities	3,923,591	3,950,894	**3,846,870**	**35,969**
Loans and bills discounted	21,445,434	20,843,509	**20,599,002**	**192,604**
Foreign exchange	145,845	109,955	**70,051**	**655**
Other assets	426,524	271,721	**281,179**	**2,629**
Premises and equipment	508,191	465,479	**463,174**	**4,331**
Deferred tax assets	–	334,195	**318,914**	**2,982**
Customers' liabilities for acceptances and guarantees	1,444,354	1,375,550	**1,295,004**	**12,108**
Total Assets	¥29,416,125	¥28,637,379	**¥28,217,296**	**$263,836**
Liabilities				
Deposits	¥21,175,006	¥21,335,953	**¥21,854,049**	**$204,339**
Call money	2,854,108	2,353,095	**1,301,034**	**12,165**
Bills sold	40,000	—	**—**	**—**
Commercial paper	60,000	70,000	**240,000**	**2,244**
Trading liabilities	41,472	34,332	**30,349**	**284**
Borrowed money	1,044,770	1,141,211	**1,139,341**	**10,653**
Foreign exchanges	5,705	6,078	**5,235**	**49**
Convertible bonds and notes	3,127	3,127	**3,127**	**29**
Other liabilities	1,023,606	329,442	**372,760**	**3,486**
Reserve for possible loan losses	628,675	413,195	**383,792**	**3,589**
Reserve for severance payments	24,554	24,466	**24,970**	**233**
Reserve for contingent liabilities related to loans sold	47,851	77,780	**73,565**	**688**
Reserve for supporting specific borrowers	—	—	**13,271**	**124**
Reserve for possible investment losses	—	6,040	**4,232**	**40**
Other reserves	0	0	**0**	**0**
Deferred tax liabilities	—	94,654	**92,859**	**866**
Acceptances and guarantees	1,444,354	1,375,550	**1,295,004**	**12,108**
Land revaluation difference	263,388	—	**—**	**—**
Total Liabilities	28,656,621	27,264,930	**26,833,595**	**250,899**
Stockholders' Equity				
Common stock	282,845	398,552	**400,888**	**3,748**
Preferred stock	50,000	206,735	**204,399**	**1,912**
Legal reserves	302,881	576,999	**578,419**	**5,408**
Land revaluation difference	—	131,466	**128,973**	**1,206**
Retained earnings	123,776	58,694	**71,020**	**664**
Total Stockholders' Equity	759,504	1,372,448	**1,383,700**	**12,938**
Total Liabilities and Stockholders' Equity	¥29,4 16,125	¥28,637,379	**¥28,217,296**	**$263,836**

*Figures for September 30, 1999 and 1998 are unaudited.

NONCONSOLIDATED STATEMENTS OF OPERATIONS

The Asahi Bank, Ltd.
Six months ended September 30, 1999 and 1998
Year ended March 31, 1999

			Millions of yen	Millions of U.S. dollars
	Six months ended September 30, 1998*	Year ended March 31, 1999	Six months ended September 30, 1999*	Six months ended September 30, 1999*
Income				
Interest on loans and discounts	¥257,892	¥ 505,516	**¥227,120**	**$2,124**
Interest and dividends on securities	35,085	62,552	**30,450**	**285**
Interest on bills bought	1	13	**20**	**0**
Other interest income	42,665	81,428	**36,323**	**340**
Fees and commissions	28,127	56,098	**28,856**	**270**
Trading income	385	1,763	**1,130**	**11**
Other operating income	21,535	50,886	**16,468**	**154**
Other income	77,490	176,160	**53,225**	**496**
Total Income	¥463,183	¥ 934,420	**¥393,595**	**$3,680**
Expenses				
Interest on deposits	92,557	161,877	**39,655**	**371**
Interest on borrowings and rediscounts	25,428	47,285	**16,355**	**153**
Other interest expenses	39,473	85,962	**48,998**	**458**
Fees and commissions	11,612	25,053	**13,263**	**124**
Trading expenses	16	12	**—**	**—**
Other operating expenses	4,332	29,734	**17,304**	**162**
General and administrative expenses	133,559	269,130	**131,437**	**1,229**
Other expenses	142,935	690,351	**94,370**	**882**
Total Expenses	¥449,915	¥1,309,406	**¥361,385**	**$3,379**
Income (loss) before income taxes	13,268	(374,986)	**32,209**	**301**
Income taxes:				
Current	1,461	2,427	**407**	**4**
Deferred	—	(157,399)	**13,486**	**126**
Net income (loss)	¥ 11,806	¥ (220,014)	**¥ 18,314**	**$ 171**
Profit brought forward from previous fiscal year	13,366	13,366	**19,111**	**179**
Deferred income taxes in the past years	—	176,796	**—**	**—**
Reversal of voluntary reserve	—	3	**—**	**—**
Reversal of land revaluation difference	—	—	**2,493**	**23**
Interim cash dividends	—	8,380	**—**	**—**
Transfer to legal reserve	—	1,676	**—**	**—**
Unappropriated profit (undisposed loss) at end of the term	¥ 25,172	¥ (39,905)	**¥ 39,919**	**$ 373**

*Figures for September 30, 1999 and 1998 are unaudited.

Notes(unaudited):

1. Amounts of less than ¥1 million have been rounded down, and as a result, totals in yen do not necessarily agree with the sum of the individual amounts.

U.S. dollar amounts are shown solely for the convenience of the reader and are translated at the rate of ¥106.95 to U.S. $1.00, the rate prevailing on September 30, 1999.

2. Balances incurred by transactions whose purpose is to earn a profit by taking advantage of short-term fluctuations in markets or discrepancies in different markets of interest rates, currency exchange rates, share prices or other indices (hereafter referred to as “trading purposes”) are included in "Trading assets" or “Trading liabilities” on the balance sheet based on the date on which the transactions have been contracted.

Trading assets and trading liabilities are valued, in the 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 as of the date of the balance sheets.

3. Securities held by the Bank are carried at cost, determined by the moving average method. For securities held by the Bank as trust assets, mainly for securities investment purposes, in individually managed money held in trusts, listed securities are carried at the lower of cost or market, cost being determined by the moving average method, according to the reversion method. Securities that do not fall into the aforementioned categories are carried at cost, determined by the moving average method.

4. Premises and equipment are stated as follows:

Buildings: Straight-line method, based on rates in the Corporation Tax Law of Japan.

Equipment: Declining-balance method, based on rates in the Corporation Tax Law of Japan.

Other: Based on the method specified in the Corporation Tax Law of Japan.

5. Foreign currency denominated assets and liabilities held by the Bank are mainly translated into yen at the market rates prevailing at the balance sheet dates.

6. The Bank made provisions for possible loan losses as follows, based on its criteria for writing-off and making provisions. For loans to insolvent customers who are undergoing bankruptcy or other collection proceedings or in a similar financial condition, the reserve for possible loan losses is provided in the full amount of such loans, excluding the portion that is estimated to be recoverable due to the disposal of collateral pledged or guarantees. 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 based on the actual rate of loan losses in the past. The reserve includes a special reserve for possible losses on overseas loans 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. In the first half of the fiscal year 1999, some secured loans have been written off to the amount which are appraised to be uncollectible. The loans which have been written off amounted to ¥410,343 million (U.S.$3,837 million).

7. The Bank sets aside a reserve for severance payments equivalent to the amount required to be paid if all employees voluntarily retired at the balance sheet date.

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

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

10. The reserve for possible investment losses is set aside based on the estimated losses of the investment, etc.

11. Noncancelable lease transactions are accounted for as operating leases regardless of whether such leases are classified as operating leases or finance leases, with the exception of lease agreements that stipulate the transfer of ownership of the leased property to the lessee. The later category is accounted for as finance leases.

12. Consumption tax and local consumption tax are accounted for by the tax-excluding method.

13. Other reserves:

The Reserve for financial futures transactions: ¥0 million (U.S.$0 million)

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

14. Securities include treasury stocks, which amounts to ¥10 million. The Bank holds no treasury stock according to Article 210-2(2) 3 of the Commercial Code of Japan.

15. Amount of accumulated depreciation of premises and equipment: ¥216,965 million (U.S.$2,029 million)

16. Amount of the reduction entry on acquisition cost of premises and equipment: ¥63,407 million (U.S.$593 million)

17. Loans to borrowers in legal bankruptcy amounted to ¥82,799 million (U.S.$774 million), and past due loans (6 months or more) amounted to ¥525,714 million (U.S.$4,916 million). 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 (6 months or more) 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.

18. Loans past due 3 months or more amounted to ¥109,634 million (U.S.$1,025 million). 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 (6 months or more).”

19.Restructured loans amounted to ¥102,772 million (U.S.$961 million). 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 (6 months or more)”, and “loans past due 3 months or more”.

20. Total amount of loans to borrowers in legal bankruptcy, past due loans (6 months or more), loans past due 3 months or more, and restructured loans were ¥820,921 million (U.S.$7,676 million).

21. Based on the Law Concerning Land Revaluation (Law No. 34, promulgated on March 31, 1998), the Bank has revalued land under its ownership used for business purposes. 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 Law Concerning Land Revaluation:

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 Implementing the Law Concerning Land Revaluation (promulgated on March 31,1998), after making reasonable adjustments such as for location and quality of sites.

22. Borrowed money includes subordinated debt amounting to ¥1,037,695 million (U.S.$9,703 million), which, by special covenants, are subordinated to other obligations in the order of their performance.

23. Profits and losses from transactions of trading purposes are included in “Trading income” or “Trading expenses” in the nonconsolidated statement of operations based on the date on which the transactions has been contracted. Trading income and trading expenses include interest received or paid in the interim period and profits and losses incurred by the valuation for securities, commercial papers, derivatives, etc. as at the end of the preceding period and those as at the end of this period.

24. Other expenses include:

Provisions for reserve for possible loan losses: ¥2,455 million (U.S.$23 million)

Write-off of claims: ¥27,697 million (U.S.$259 million)

Provisions for reserve for contingent liabilities related to loans sold: ¥10,610 million (U.S.$99 million)

Provisions for reserve for supporting specific borrowers: ¥13,271 million (U.S.$124 million)

The Asahi Bank, Ltd.
Six months ended September 30, 1999, 1998 and 1997
Year ended March 31, 1999

Key Financial Indicators

(Millions of yen, %)

	Sept. 97	Sept. 98	Sept. 99	Mar. 99
Total income	¥ 595,035	¥ 463,183	**¥ 393,594**	¥ 934,420
Net operating profit	72,438	69,118	**82,211**	83,883
Ordinary net income	15,829	13,692	**35,753**	(407,500)
Net income	11,217	11,806	**18,314**	(220,014)
Loans and bills discounted	21,745,619	21,445,434	**20,599,002**	20,843,509
Deposits	23,379,354	21,175,006	**21,854,049**	21,335,953
Securities	3,931,741	3,923,591	**3,846,870**	3,950,894
Common stock and preferred stock	332,845	332,845	**605,287**	605,287
Stockholders' equity	957,340	759,504	**1,383,700**	1,372,448
Total assets	30,411,032	29,416,125	**28,217,296**	28,637,379
Stockholders' equity per share (yen)	369.05	283.89	**346.29**	341.77
Cash dividends declared per share (yen)	Common stock 3.50	Common stock 3.50	Common stock **3.00**	Common stock 6.00
	The preferred stock No.1 5.00	The preferred stock No.1 5.00	The preferred stock No.1 **5.00**	The preferred stock No.1 10.00
	—	—	The Class B preferred stock No.1 **7.19**	TThe Class B preferred stock No.1 0.04
	—	—	The Class B preferred stock No.2 **9.25**	The Class B preferred stock No.2 0.06
Net profit (loss) per share (yen)	4.72	4.97	**5.63**	(91.91)
Dividend ratio (%)	74.13%	70.35%	**53.36%**	—
Number of employees (in-house)	13,179	13,196	**11,053**	12,594
BIS capital ratio (nonconsolidated) (%)	—	—	**12.05%**	12.01%

Income Analysis

(Millions of yen, %)

	Sept. 98	Sept. 99	Change	% change	Mar. 99
Net interest income	¥179,038	**¥189,111**	¥10,072	5.6%	¥ 355,684
Fees and commissions, net	16,514	**15,592**	(921)	(5.5)%	31,044
Trading income, net	369	**1,130**	760	205.9%	1,751
Other operating income, net	17,202	**(836)**	(18,039)	(104.8)%	21,152
Gross operating profit	213,125	**204,997**	(8,127)	(3.8)%	409,632
Expenses (excluding other gains or losses)	126,179	**125,286**	(892)	(0.7)%	252,539
Net operating profit (less provision for reserve for possible loan losses)	86,946	**79,711**	(7,235)	(8.3)%	157,093
Provision for (Reversal of) reserve for possible loan losses	17,827	**(2,500)**	(20,327)	(114.0)%	73,210
Net operating profit	69,118	**82,211**	13,092	18.9%	83,883
Other gains or losses	(55,426)	**(46,457)**	8,969	16.1%	(491,383)
Ordinary net income (losses)	13,692	**35,753**	22,061	161.1%	(407,500)
Extraordinary gains or losses	(423)	**(3,544)**	(3,120)	(735.9)%	32,514
Income, inhabitants, and enterprise taxes	1,461	**407**	(1,053)	(72.0)%	2,427
Income taxes deferred	—	**13,486**	13,486	—	(157,399)
Net income (loss)	¥ 11,806	**¥18,314**	¥ 6,508	55.1%	¥(220,014)

Nonconsolidated ordinary net income for the interim period ended September 30, 1999, rose ¥22.0 billion (US$206 million) to ¥35.7 billion (US$334 million), as a ¥88.5 billion (US$828 million) reduction in total expenses offset a ¥69.5 billion (US$651 million) decrease in total income. After adjustments for income taxes and losses on disposition of real estate/premises and equipment, net income totaled ¥18.3 billion (US$171 million), an increase of ¥6.5 billion (US$61 million) from the same period a year earlier.

Net Operating Profit

Gross operating profit on a nonconsolidated basis fell ¥8.1 billion (US$76 million), or 3.8%. Interest income in domestic banking operations recorded substantial improvements due to an increase in the loan deposit spread resulting from lower market interest rates. However, these improvements were offset by losses on bond-related transactions and lower interest income in international operations resulting from reductions in interest-bearing assets. Expenses decreased ¥892 million (US$8 million), or 0.7%, as Bank-wide streamlining efforts continued. In addition, following a substantial increase in reserves during the fiscal year ended March 31, 1999, as a precautionary measure against possible future losses, the provision for reserve for possible loan losses decreased ¥20.3 billion (US$190 million). As a result, net operating profit for the interim period ended September 30, 1999, increased ¥13.0 billion (US$122 million), or 18.9%, to ¥82.2 billion (US$769 million).

Gross Operating Profit

(Billions of yen, %)

	Domestic operations					International operations				
	Sept. 98	Sept. 99	change	%change	Mar. 99	Sept. 98	Sept. 99	change	%change	Mar. 99
Net interest income	¥167.9	**¥180.7**	12.7	7.5%	¥336.0	¥11.0	**¥8.3**	(2.6)	(24.0)%	¥19.6
Fees and commissions, net	15.1	**14.6**	(0.5)	(3.7)%	28.5	1.3	**0.9**	(0.3)	(26.5)%	2.4
Trading income(losses), net	0.3	**0.9**	0.5	149.0%	1.5	(0.0)	**0.1**	0.2	4,091.6%	0.2
Other operating income(losses), net	11.5	**(4.4)**	(15.9)	(138.2)%	10.1	5.6	**3.5**	(2.0)	(36.6)%	10.9
Gross operating profit	¥195.0	**¥191.8**	(3.2)	(1.6)%	¥376.3	¥18.0	**¥13.1**	(4.8)	(27.0)%	¥33.2

Net Interest Income

Net interest income in domestic banking operations on a nonconsolidated basis rose ¥12.7 billion (US$119 million), or 7.5%, to ¥180.7 billion (US$1,690 million). Although both funding and lending rates declined in line with falling market interest rates, the Bank recorded substantial increases in loans and bills discounted on the back of brisk activity in higher-margin housing loans. In addition, the Bank recorded increased deposits, a stable source of funding.

The interest margin continued to improve, with a 5 basis point improvement in the loan deposit spread and an 8 basis point improvement in the average interest spread. With an increase in high-quality assets and other factors, net interest income increased from the same period a year earlier. After adjusting for expenses, the net interest margin improved 11 basis points to 0.53%.

Net Interest Income (Domestic Operations)

(Billions of yen, %)

	Average Balance		Profit or losses		Returns	
	Sept. 98	Sept. 99	Sept. 98	Sept. 99	Sept. 98	Sept. 99
Interest-bearing assets	¥22,487.9	**¥23,032.7**	¥244.9	**¥236.5**	¥2.17%	**2.04%**
Loans and bills discounted	17,871.9	**18,302.2**	205.0	**199.0**	2.28%	**2.16%**
Securities	3,592.7	**3,863.7**	31.6	**28.8**	1.75%	**1.48%**
Transfer to international operations	797.8	**512.0**	2.3	**0.7**	0.57%	**0.29%**
Interest-bearing liabilities	21,825.5	**22,495.0**	76.9	**55.8**	0.70%	**0.49%**
Deposits	17,235.6	**18,491.9**	34.5	**22.0**	0.40%	**0.23%**
Negotiable certificates of deposit (NCDs)	1,647.9	**1,830.3**	5.5	**1.0**	0.67%	**0.11%**
External debts	2,827.9	**1,998.6**	16.9	**10.7**	1.19%	**1.06%**
Net interest income			167.9	**180.7**		
Loan deposit spread					1.88%	**1.93%**
Average interest spread					1.46%	**1.55%**
Net interest margin					0.42%	**0.53%**

Note: External debts = call money + bills rediscounted + other borrowed money
Loan deposit spread = average interest rate of loans and bills discounted - average interest rate of deposits and NCDs
Average interest spread = average interest rate on invested funds - average interest rate on procured funds
Net interest margin = average interest spread - expense ratio

Interest Rates (Domestic Operations)

(%)

	Sept. 97	Sept. 98	Sept. 99	Mar. 99
Average interest rate of loans and bills discounted	2.38%	2.28%	**2.17%**	2.25%
Average interest rate of deposits	0.49%	0.40%	**0.23%**	0.38%
Loan deposit spread	1.89%	1.88%	**1.93%**	1.87%
Average interest rate on invested funds	2.26%	2.17%	**2.04%**	2.11%
Average interest rate on procured funds	0.78%	0.70%	**0.49%**	0.66%
Average interest spread	1.47%	1.46%	**1.55%**	1.45%
Overall net interest margin	0.35%	0.42%	**0.53%**	0.41%

Net interest income in international operations declined ¥2.6 billion (US$24 million), or 24%, to ¥8.3 billion (US$78 million). The main factor in this decrease was a substantial decline in interest-bearing assets and liabilities in line with reductions in overseas transactions amid efforts to boost asset efficiency through portfolio restructuring. Net interest margin (international operations) decreased 3 basis points.

Net Interest Income (International Operations)

(Billions of yen, %)

	Average balance		Profit or losses		Returns	
	Sept. 98	Sept. 99	Sept. 98	Sept. 99	Sept. 98	Sept. 99
Interest-bearing assets	¥4,414.9	**¥2,854.0**	¥93.0	**¥58.0**	4.20%	**4.05%**
Loans and bills discounted	3,376.7	**2,332.7**	52.8	**27.7**	3.12%	**2.37%**
Securities	198.1	**150.5**	3.4	**1.5**	3.44%	**2.11%**
Due from banks	671.3	**266.4**	15.2	**5.0**	4.53%	**3.79%**
Interest-bearing liabilities	¥4,419.1	**¥2,901.2**	¥81.9	**¥49.6**	3.69%	**3.41%**
Deposits	3,102.4	**1,976.2**	50.8	**15.9**	3.26%	**1.61%**
Negotiable certificates of deposit	49.6	**21.3**	1.6	**0.5**	6.54%	**5.59%**
External debts	465.0	**387.2**	8.4	**5.5**	3.63%	**2.86%**
Transfer from domestic operations	797.8	**512.0**	2.3	**0.7**	0.57%	**0.29%**
Net interest income			¥11.0	**¥8.3**		
Average interest spread					0.50%	**0.64%**
Net interest margin					0.00%	**(0.03)%**

Note: External debts = call money + bills rediscounted + other borrowed money

Fees and Commissions

Fees and Commissions

(Billions of yen)

	Domestic operations			International operations		
	Sept. 98	Sept. 99	Mar. 99	Sept. 98	Sept. 99	Mar. 99
Remittance and transfers	¥ 9.3	**¥ 9.2**	¥18.7	¥1.0	**¥0.9**	¥2.0
Other fees and commissions	5.8	**5.3**	9.8	0.2	**(0.0)**	0.4
Fees and commissions, net	¥15.1	**¥14.6**	¥28.5	¥1.3	**¥0.9**	¥2.4

Fees and commissions, net declined ¥0.9 billion (US$8 million), or 5.5%, to ¥15.5 billion (US$146 million). The main factors in this decline were a ¥0.5 billion (US$5 million) decrease in fees and commissions in domestic operations, reflecting an increase in loan-related remittances and transfers, and a ¥0.3 billion (US$3 million) drop in fees and commissions in international operations.

Trading Income and Trading Expenses

Trading Income and Trading Expenses

(Billions of yen)

	Domestic operations			International operations		
	Sept. 98	Sept. 99	Mar. 99	Sept. 98	Sept. 99	Mar. 99
Gains (losses) on trading securities	¥0.1	**¥0.3**	¥0.1	¥(0.0)	**¥0.0**	¥(0.0)
Gains (losses) on derivatives	(0.0)	**0.2**	0.1	0.0	**0.1**	0.2
Other trading income (losses)	0.2	**0.3**	1.2	—	**(0.0)**	—
Trading income (expenses), net	¥0.3	**¥0.9**	¥1.5	¥(0.0)	**¥0.1**	¥0.2

Other Operating Income and Expenses

Other Operating Income and Expenses

(Billions of yen)

	Domestic operations			International operations		
	Sept. 98	Sept. 99	Mar. 99	Sept. 98	Sept. 99	Mar. 99
Gains (losses) on bond-related transactions	¥11.5	**¥(4.4)**	¥10.2	¥1.7	**¥1.3**	¥ 2.9
Gains on foreign exchange transactions	—	**—**	—	3.8	**2.1**	8.0
Other operating income, net	¥11.5	**¥(4.4)**	¥10.1	¥5.6	**¥3.5**	¥10.9

Bond-related transactions

(Billions of yen)

	Sept. 98	Sept. 99	Mar. 99
Gains (losses) on Japanese government bond transactions	¥13.3	**¥ (3.0)**	¥13.1
Gains (losses) on sales of Japanese government bonds	11.3	**(3.7)**	9.7
Gains on redemption of Japanese government bonds	2.1	**0.6**	3.7
Gains on devaluation of Japanese government bonds	0.2	**—**	0.2
Returns on bonds	2.84%	**2.10%**	2.66%
Unrealized gains on bonds	¥75.8	**¥19.3**	¥27.3

Expenses

(Billions of yen, %)

	Sept. 98	Sept. 99	Change	% change	Mar. 99
Personnel expenses	¥ 57.2	**¥ 54.9**	¥(2.2)	(4.0)%	¥112.7
Nonpersonnel expenses	61.2	**62.7**	1.4	2.4%	124.3
Depreciation and amortization	9.2	**10.5**	1.2	13.1%	19.1
Rent and lease expenses	11.9	**12.3**	0.3	3.3%	24.0
Deposit insurance fees	6.8	**6.9**	0.1	2.6%	13.6
Other	33.2	**32.9**	(0.3)	(0.9)%	67.4
Taxes	7.6	**7.5**	(0.0)	(1.0)%	15.4
Expenses	¥126.1	**¥125.2**	¥(0.8)	(0.7)%	¥252.5
Expenses/gross operating profit	59.2%	**61.1%**	1.9%		61.6%

Despite aggressive information technology (IT) investment, the Bank reduced expenses ¥0.8 billion (US$8 million), chiefly due to efforts to streamline management through staff downsizing and other policies. Personnel expenses experienced a substantial decline of ¥2.2 billion (US$21 million) owing to reductions in staff and revisions to the employee benefit system. An increase in depreciation expenses following stronger IT investment offset broad-based cost cutting in such areas as entertainment, travel and benefit costs. As a result, non-personnel expenses increased ¥1.4 billion (US$13 million). Tax expenses fell approximately ¥0.1 billion (US$1 million) due to such factors as the abolition of the bourse tax.

Other Gains or Losses

(Billions of yen, %)

	Sept. 98	Sept. 99	Change	% change	Mar. 99
Gains on sales of securities	¥ 74.1	**¥ 51.4**	¥(22.7)	(30.6)%	¥ 134.5
Losses on sales of securities	6.1	**7.8**	1.6	26.7%	18.0
Losses on devaluation of securities	24.9	**16.0**	(8.9)	(35.7)%	11.8
Gains or losses on secutrities	43.0	**27.5**	(15.4)	(35.9)%	104.5
Disposal of nonaccrual loans	91.3	**60.7**	(30.5)	(33.4)%	578.8
Other	(7.1)	**(13.3)**	(6.1)	(85.5)%	(17.1)
Other gains or losses	¥(55.4)	**¥(46.4)**	¥ 8.9	16.1%	¥(491.3)

Other gains or losses increased ¥8.9 billion (US$83 million) to ¥46.4 billion (US$434 million). Gains or losses on securities declined ¥15.4 billion (US$144 million) to ¥27.5 billion (US$257 million), reflecting a ¥22.7 billion (US$212 million) decrease in gains on sales of securities, which offset an ¥8.9 billion (US$83 million) decline in losses on devaluation of securities. The decrease in gains on sales of securities (net) reflected losses on the sale of securities as the Bank streamlined its equity holdings in preparation for the introduction of market value accounting. The book value of equity securities decreased ¥130.0 billion (US$1,216 million) compared with March 31, 1999. Of this total, the book value of equity securities sold in the interim period ended September 30, 1999, totaled ¥119.3 billion (US$1,115 million).

Disposal of nonaccrual loans decreased ¥30.5 billion (US$285 million) to ¥60.7 billion (US$568 million) following aggressive moves by the Bank to improve asset quality in the fiscal year ended March 31, 1999. In addition, after a substantial increase in reserves during the fiscal year ended March 31, 1999, as a precautionary measure against possible future losses, the provision for reserve for possible loan losses decreased ¥20.3 billion (US$190 million). Including the provision for reserve for possible loan losses, disposal of nonaccrual loans fell ¥50.9 billion (US$476 million).

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President: Tatsuro Itoh

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Network
Domestic offices: 953
- Branches 331
- Subbranches 33
- Agencies 2
- Off-premises ATMs 587

Overseas offices: 31
- Branches 11
- Agency 1
- Marketing office 1
- Representative offices 9
- Subsidiaries, affiliates and associated companies 9

Paid-in Capital
¥605,287 million

Number of Stockholders
55,942

Common Stock
Authorized: 6,000,000 thousand shares
Issued: 2,815,297 thousand shares

Preferred Stock
The preferred stock No.1
- Authorized: 54,399 thousand shares
- Issued: 4,399 thousand shares

The Class B preferred stock
- Authorized: 600,000 thousand shares
- Issued: 240,000 thousand shares of Class B preferred stock No.1
  80,000 thousand shares of Class B preferred stock No.2

The Class C preferred stock
- Authorized: 100,000 thousand shares
- Issued: 0 shares

Quarterly Stock Price Range on the Tokyo Stock Exchange
(Yen)

	Fiscal 1998	Fiscal 1999	
	4th	1st	2nd
High	¥703	¥684	¥789
Low	403	500	521

Stock Exchange Listings
Tokyo, Osaka, London, Swiss

Transfer Agent and Registrar
Japan Securities Agents, Ltd.
2-4, Nihombashi, Kayabacho 1-chome,
Chuo-ku, Tokyo 103-0025, Japan

Independent Accountants
Showa Ota & Co.
Asahi & Co.

Number of Employees
12,642 (registered basis)
11,053 (in-house)

Major Stockholders

Common stock	Number of shares (Thousands)	Percentage of stocks outstanding
The Dai-ichi Mutual Life Insurance Company	115,783	4.11
The Chiyoda Mutual Life Insurance Company	85,991	3.05
The Yasuda Mutual Life Insurance Conpany	79,039	2.80
Asahi Mutual Life Insurance Company	59,489	2.11
Nippon Life Insurance Company	50,605	1.79
Sanyo Electric Co., Ltd.	43,569	1.54
The Sumitomo Trust & Banking Co., Ltd. (Trust Account)	39,891	1.41
The Chase Manhattan Bank, N.A. London (Agent: The Fuji Bank, Limited)	39,329	1.39
Matsushita Electric Industrial Co., Ltd.	38,545	1.36
The Tokai Bank, Ltd.	35,293	1.25
The Daihyaku Mutual Life Insurance Company	33,773	1.19
State Street Bank and Trust Company (Agent: The Fuji Bank, Limited)	29,893	1.06
The Nippon Fire & Marine Insurance Co., Ltd.	27,437	0.97
Dai-Tokyo Fire & Marine Insurance Co., Ltd.	26,836	0.95
The Nichido Fire & Marine Insurance Co., Ltd.	25,800	0.91
Kajima Corporation	25,247	0.89
The Nisshin Fire & Marine Insurance Co., Ltd.	24,273	0.86
Eisai Co., Ltd.	24,230	0.86
The Mitsubishi Trust and Banking Company, Limited (Trust Account)	22,290	0.79
The Toyo Trust and Banking Company, Limited (Trust Account A)	20,545	0.72
Total	847,866	30.11