RESONA

Financial Results Report for the Fiscal Year Ended March 31, 2002 (Consolidated Statements)

May 24, 2002

The Asahi Bank, Ltd.

Summary of Consolidated Financial Results
(March 31, 2002/Unaudited)

May 24, 2002
Daiwa Bank Holdings, Inc. (The Asahi Bank, Ltd.)
1-1-2 Otemachi, Chiyoda-ku, Tokyo, Japan

1. Financial Highlights (April 1, 2001 - March 31, 2002)

(1) Consolidated Operating Results

	Ordinary income	Change from previous fiscal year	Ordinary net income	Change from previous fiscal year	Net income	Change from previous fiscal year
	Million yen	%	*Million yen*	%	*Million yen*	%
March 31, 2002	730,671	(22.6)	(714,780)	—	(592,243)	—
March 31, 2001	943,716	(18.7)	(11,747)	—	(7,841)	—

	Net income per share	Net income per share (potential equity adjusted)	Ratio of net income to shareholders' equity	Ratio of ordinary net income to total assets	Ratio of ordinary net income to ordinary income
	Yen	*Yen*	%	%	%
March 31, 2002	(209.32)	–	(91.0)	(2.5)	(97.8)
March 31, 2001	(4.54)	–	(1.3)	(0.1)	(1.2)

Note: (1) Equity in net loss of affiliated companies: 55 million yen (fiscal year ended March 31, 2002)
Equity in net loss of affiliated companies: 429 million yen (fiscal year ended March 31, 2001)
(2) Average number of ordinary shares issued (consolidated): 2,829,325,321 shares (fiscal year ended March 31, 2002)
Average number of ordinary shares issued (consolidated): 2,821,403,728 shares (fiscal year ended March 31, 2001)
(3) There were changes in accounting policies.
(4) Percentages in ordinary income, ordinary net income and net income show the changes from the prior year.

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share	Consolidated capital assets ratio (Japanese Standard)
	Million yen	*Million yen*	%	*Yen*	%
March 31, 2002	25,690,303	747,414	2.9	122.42	8.71
March 31, 2001	31,187,697	1,358,711	4.4	337.95	11.14

Note: (1) Number of ordinary shares issued (consolidated): 2,831,549,906 shares (as of March 31, 2002)
Number of ordinary shares issued (consolidated): 2,825,108,134 shares (as of March 31, 2001)
(2) Capital assets ratio at March 31, 2001 was based on a BIS standard.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
	Million yen	*Million yen*	*Million yen*	*Million yen*
March 31, 2002	653,216	558,246	(120,548)	1,512,214
March 31, 2001	81,831	(265,026)	(107,871)	421,280

(4) Principles of consolidation and application of equity method
Number of consolidated subsidiaries: 21
Number of nonconsolidated subsidiaries applying the equity method: None
Number of affiliated companies accounted for by the equity method: 1

(5) Change in consolidation and application of equity method
Number of consolidated subsidiaries added: 2
Number of consolidated subsidiaries excluded: 6
Number of affiliated companies accounted for by the equity method added: 1
Number of affiliated companies accounted for by the equity method excluded: 2

2. Forecast of Fiscal Year's Performance (April 1, 2002 - March 31, 2003)
For the consolidated operating result forecast, see flash report (consolidated) of Daiwa Bank Holdings, Inc.

(1) Average number of shares of preferred stock for the year

Year ended March 31, 2002	1st preferred stock	920,073 shares
	1st Class 2 preferred stock	240,000,000 shares
	2nd Class 2 preferred stock	80,000,000 shares
Year ended March 31, 2001	1st preferred stock	2,894,493 shares
	1st Class 2 preferred stock	240,000,000 shares
	2nd Class 2 preferred stock	80,000,000 shares

(2) Issued number of shares of preferred stock at year end

March 31, 2002	1st preferred stock	386,000 shares
	1st Class 2 preferred stock	240,000,000 shares
	2nd Class 2 preferred stock	80,000,000 shares
March 31, 2001	1st preferred stock (No par value)	1,976,000 shares
	1st Class 2 preferred stock (No par value)	240,000,000 shares
	2nd Class 2 preferred stock (No par value)	80,000,000 shares

(3) Formula for consolidated financial results for the year ended March 31, 2002

Net income per share

$$\frac{\text{Net income} - \text{Dividends on Preferred Stock}}{\text{Average number of shares of common stock during the year (consolidated)}}$$

Ratio of net income to shareholders' equity

$$\frac{\text{Net income} - \text{Dividends on Preferred Stock}}{\begin{array}{c}\{(\text{Beginning shareholders' equity} - \text{Preferred stock in issue at beginning} \\ \times \text{Amount per share}) + (\text{Ending shareholders' equity} - \\ \text{Issued Preferred Stock at ending} \times \text{Amount per share })\} \div 2\end{array}}$$

Shareholders' equity per share

$$\frac{\begin{array}{c}\text{Ending shareholders' equity} - \text{Issued number of shares of Preferred Stock} \\ \times \text{Amount per share}\end{array}}{\text{Issued number of shares of common stock at year end (consolidated)}}$$

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Consolidated Balance Sheet (Unaudited)

(Millions of yen)

	March 31,2002 (A)	March 31,2001 (B)	Difference (A) - (B)
Assets			
Cash and due from banks	¥ 1,664,444	¥ 1,578,655	¥ 85,788
Call loans and bills bought	91,000	901,695	(810,695)
Monetary claims bought	31	2,458	(2,426)
Trading assets	574,134	777,686	(203,552)
Money held in trust	40,050	60,050	(19,999)
Securities	3,319,160	4,234,414	(915,253)
Loans and bills discounted	17,240,281	20,616,328	(3,376,046)
Foreign exchange	114,500	74,045	40,455
Other assets	682,090	621,894	60,195
Premises and equipment	573,332	484,778	88,553
Deferred tax assets	462,139	323,312	138,827
Consolidation differences	5,124	6,832	(1,708)
Customers' liabilities for acceptances and guarantees	1,509,284	1,977,877	(468,593)
Reserve for possible loan losses	(585,272)	(472,334)	(112,937)
Total assets	¥25,690,303	31,187,697	(5,497,393)
Liabilities			
Deposits	¥18,905,798	20,440,163	(1,534,364)
Negotiable certificates of deposit	309,820	2,964,795	(2,654,975)
Call money and bills sold	1,765,718	1,272,285	493,433
Bills sold under repurchase agreement	276,983	–	276,983
Commercial paper	20,000	420,000	(400,000)
Trading liabilities	193,786	211,496	(17,710)
Borrowed money	645,566	907,498	(261,931)
Foreign exchange	3,360	8,739	(5,379)
Bonds	400,220	445,390	(45,170)
Other liabilities	736,561	1,028,505	(291,944)
Reserve for employees' bonuses	4,806	–	4,806
Reserve for employees' retirement benefits	6,196	22,887	(16,690)
Reserve for possible losses on loans sold	10,595	37,654	(27,059)
Other reserves	0	0	–
Deferred tax liabilities on land revaluation	74,221	83,167	(8,946)
Acceptances and guarantees	1,509,284	1,977,877	(468,593)
Total liabilities	24,862,920	29,820,461	(4,957,540)
Minority interests			
Minority interests in consolidated subsidiaries	79,968	8,524	71,444
Shareholders' equity			
Capital	605,356	605,356	–
Capital surplus	509,486	509,486	–
Land revaluation differences	113,301	127,223	(13,922)
Retained earnings (Deficit)	(461,548)	117,360	(578,908)
Valuation differences	(19,182)	–	(19,182)
Foreign currency translation adjustments, net of taxes	0	(697)	697
Subtotal	747,414	1,358,729	(611,315)
Treasury stock	–	(2)	2
Parent's stock owned by subsidiaries	–	(16)	16
Total shareholders' equity	747,414	1,358,711	(611,297)
Total liabilities, minority interests and shareholders' equity	¥25,690,303	¥31,187,697	¥ (5,497,393)

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

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Consolidated Statement of Operations (Unaudited)

(Millions of yen)

	FY 2001 From April 1, 2001 To March 31, 2002	FY 2000 From April 1, 2000 To March 31, 2001	Difference
Ordinary income	¥ 730,671	¥ 943,716	¥ (213,044)
Interest income	490,305	556,792	(66,486)
(Interest on loans and discounts)	410,520	452,248	(41,727)
(Interest and dividends on securities)	46,220	53,544	(7,323)
(Interest on call loans and bills bought)	1,177	2,365	(1,188)
(Interest on bills purchased under resell agreement)	0	–	0
(Interest on due from banks)	19,549	38,477	(18,927)
(Other interest income)	12,838	10,156	2,681
Fees and commissions	87,651	87,465	186
Trading income	4,999	4,455	543
Other operating income	47,027	25,481	21,546
Other income	100,687	269,521	(168,834)
Ordinary expenses	1,445,451	955,463	489,988
Interest expenses	103,850	175,074	(71,224)
(Interest on deposits)	54,412	103,942	(49,530)
(Interest on NCD)	4,327	8,819	(4,492)
(Interest on call money and bills sold)	2,566	7,007	(4,441)
(Interest on bills sold under repurchase agreement)	92	–	92
(Interest on commercial paper)	220	842	(622)
(Interest on borrowed money)	14,767	17,131	(2,364)
(Interest on bonds)	8,512	9,058	(546)
(Other interest expenses)	18,952	28,271	(9,318)
Fees and commissions	21,182	20,166	1,015
Trading expenses	21	–	21
Other operating expenses	14,464	14,100	363
General and administrative expenses	273,139	275,080	(1,940)
Other expenses	1,032,792	471,041	561,751
(Provision for possible loan losses)	183,432	133,066	50,366
(Others)	849,360	337,974	511,385
Ordinary net loss	714,780	11,747	703,032
Extraordinary profits	1,867	427	1,439
(Profit from sales of premises and equipment)	723	99	624
(Profit from recoveries of written-off claims)	1,143	327	815
Extraordinary losses	23,208	7,908	15,300
(Loss from sales of premises and equipment)	23,208	7,908	15,300
Loss before income taxes	736,121	19,228	716,893
Income taxes – current	2,399	11,807	(9,408)
Income taxes – deferred	(147,372)	(22,945)	(124,427)
Minority interests in subsidiaries	1,094	(249)	1,344
Net loss	¥ 592,243	¥ 7,841	¥ 584,402

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

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Consolidated Statement of Retained-Earnings Deficit (Unaudited)

(Millions of yen)

	FY 2001 From April 1, 2001 To March 31, 2002	FY 2000 From April 1, 2000 To March 31, 2001	Difference
Retained-earnings at beginning of year	¥ 117,360	¥141,886	¥ (24,526)
Increase in retained earnings during year	15,810	5,192	10,618
Reversal of land revaluation difference	13,828	4,976	8,852
Reduction in the number of affiliates accounted for by the equity method	1,981	215	1,765
Decrease in retained-earnings during year	2,475	21,877	(19,401)
Dividends paid	2,475	21,877	(19,401)
Net loss	592,243	7,841	584,402
Retained-earnings (deficit) at end of year	¥(461,548)	¥117,360	¥ (578,908)

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

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Consolidated Statement of Cash Flows (Unaudited)

(Millions of yen)

	FY 2001 From April 1, 2001 To March 31, 2002	FY 2000 From April 1, 2000 To March 31, 2001	Difference
I Cash flows from operating activities:			
Loss before income taxes	¥ (736,121)	¥ (19,228)	¥(716,893)
Depreciation of premises and equipment	28,315	24,777	3,538
Amortization of consolidated differences	702	1,962	(1,260)
Equity in net loss of an affiliated company	55	429	(373)
Increase in reserve for possible loan losses	110,391	(11,155)	121,546
Increase in reserve for contingent liabilities related to loans sold	(27,059)	(26,418)	(640)
Increase in reserve for specific borrowers under support	-	(6,603)	6,603
Increase in reserve for employees' bonuses	4,668	-	4,668
Increase in reserve for retirement allowances	-	(27,224)	27,224
Increase in reserve for employees' retirement benefits	(16,953)	22,861	(39,815)
Interest income	(490,305)	(556,792)	66,486
Interest expenses	103,850	175,074	(71,224)
(Gains) losses on securities	314,097	(193,435)	507,532
(Gains) losses on money held in trust	(14)	(116)	102
(Gains) losses on exchange rate changes	(4,566)	(5,739)	1,173
(Gains) losses on disposal of premises and equipment	22,484	7,808	14,675
Net (increase) decrease in trading assets	208,552	(334,268)	542,820
Net increase (decrease) in trading liabilities	(17,732)	171,186	(188,918)
Net (increase) decrease in loans and bill discounted	3,372,817	217,904	3,154,912
Net increase (decrease) in deposits	(1,525,460)	518,758	(2,044,218)
Net increase (decrease) in negotiable certificates of deposit	(2,654,975)	988,703	(3,643,679)
Net increase (decrease) in borrowed money (excluding subordinated debt)	(236,099)	(19,017)	(217,082)
Net (increase) decrease in due from banks (excluding due from the Bank of Japan)	1,002,680	(682,465)	1,685,146
Net (increase) decrease in call loans and other	810,827	(750,162)	1,560,990
Net increase (decrease) in call money and other	493,433	(4,776)	498,209
Net increase (decrease) in commercial paper	(400,000)	300,000	(700,000)
Net increase (decrease) in collateral deposits on securities lent	(15,099)	(57,712)	42,613
Net (increase) decrease in foreign exchange assets	(40,455)	(8,904)	(31,551)
Net increase (decrease) in foreign exchange liabilities	(5,337)	3,964	(9,302)
Net increase (decrease) on issuance of and payments on bonds	(22,500)	100,000	(122,500)
Net increase (decrease) in due to trust account	18,719	(215,429)	234,149
Proceeds from interest-earning assets	531,662	563,721	(32,058)
Payments on interest-bearing liabilities	(140,981)	(172,266)	31,284
Others	(26,136)	94,406	(120,543)
Subotal	663,459	99,841	563,618
Income taxes	(10,243)	(18,010)	7,766
Net cash provided by operating activities	653,216	81,831	571,385
II Cash flows from investing activities:			
Increase in purchase of securities	¥(7,740,686)	¥(11,781,261)	¥4,040,574
Proceeds from sales of securities	5,234,855	6,843,367	(1,608,512)
Proceeds from maturities of securities	3,035,102	4,552,876	(1,517,773)
Increase in money held in trust	(32,700)	(504)	(32,195)
Proceeds from decrease of money held in trust	52,714	150,571	(97,856)
Purchases of premises and equipment	(20,095)	(38,301)	18,206
Proceeds from sales of premises and equipment	26,072	8,225	17,847
Purchases of securities of subsidiaries with the change in scope of consolidation	(0)	0	(0)
Proceeds from sales of investments securities in consolidated subsidiaries	2,983	-	2,983
Net cash provided by (used in)investing activities	558,246	(265,026)	823,273
III Cash flows from financing activities:			
Payment of subordinated debt	(165,000)	(59,000)	(106,000)
Issuance of subordinated bonds and convertible bonds	30,000	54,000	(24,000)
Redemption of subordinated bonds and convertible bonds	(53,600)	(81,000)	27,400
Issuance of preferred securities	70,600	-	70,600
Dividends paid	(2,506)	(21,861)	19,355
Payment of dividends to minority interests	(17)	(17)	-
Purchases of treasury stock	(53)	(119)	66
Proceeds from sales of treasury stock	29	126	(97)
Net cash used in financing activities	(120,548)	(107,871)	(12,676)
IV Effect of exchange rate changes on cash and cash equivalents	19	227	(208)
V Increase (decrease) in cash and cash equivalents	1,090,933	(290,840)	1,381,774
VI Cash and cash equivalents at beginning of year	421,280	712,120	(290,840)
VII Cash and cash equivalents at end of year	¥ 1,512,214	¥421,280	¥1,090,933

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

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Policy of Preparation of Consolidated Financial Statements

(1) Scope of consolidation

① Consolidated subsidiaries: 21

Principal consolidated subsidiaries:

Asahi Trust and Banking Co., Ltd.
Asahigin Guarantee Co., Ltd.
Asahi Card Co., Ltd.

Asahi Preferred Securities (Cayman), Limited was established and, effective this period, has been initially included in consolidation. Asahigin Leasing Co., Ltd., which was formerly accounted for by the equity method, has been included in consolidation effective this period due to an additional investment by the Bank.

Asahi Bank of California was sold and Asahi Bank (Nederland) N.V. and Asahi Bank (Deutschland) GmbH were liquidated and excluded from consolidation effective this period. Asahi Bank Jimu Service Co., Ltd. was merged with the former Asahi Bank Business Service Co., Ltd., Asahi Bank Property Co., Ltd., and Asahi Bank Loan Business Co., Ltd. and its name was changed to Asahi Bank Business Service Co., Ltd.

② Nonconsolidated subsidiaries

The principal nonconsolidated subsidiary is Asahi S/C Ltda. The total assets, ordinary income, net income (based on the owned interest) and retained earnings (based on the owned interest) of this nonconsolidated subsidiary had no material effect on the Bank's consolidated financial statements and, thus, this subsidiary has been excluded from consolidation.

(2) Application of equity method of accounting

① Affiliated company accounted for by the equity method: 1

The Asahi Retail Securities Co., Ltd.

Yamabun Securities Co., Ltd., and The Chiyoda Securities Co., Ltd. merged to form The Asahi Retail Securities Co., Ltd., an affiliated company which has been accounted for by the equity method effective this period.

The equity method of accounting has not been applied to Asahigin Leasing Co., Ltd. as it is consolidated, nor to Showa Leasing Co., Ltd. as it has been sold.

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② The principal affiliated companies not accounted for by the equity method are Siam City-Showa Leasing Public Co., Ltd. .

The net income (based on the owned interest) and retained earnings (based on the owned interest) of these nonconsolidated subsidiaries and affiliated companies to which the equity method has not been applied had no material effect on the Bank's consolidated financial statements and, thus, these subsidiaries and affiliated companies have not been accounted for by the equity method.

(3) Balance sheet dates of consolidated subsidiaries

1) The balance sheet dates of the consolidated subsidiaries were as follows:

End of December	:	2 subsidiaries
End of March	:	19 subsidiaries

2) The subsidiaries mentioned above have been consolidated based on their financial statements as of each balance sheet dates. The accounts of these subsidiaries have been adjusted for any material transactions during the period from December 31 to March 31.

(4) Valuation of assets and liabilities of consolidated subsidiaries

Assets and liabilities of consolidated subsidiaries are valued by the full mark to market method. In the prior year, the Bank used to apply the partial mark to market method .As a result of the study of the uniform accounting policies at the management integrity with the Daiwa Bank group, the bank changed to the full mark to market method in the year ended March 31, 2002. This change had no effect.

(5) Consolidation difference is being amortized evenly over a period of five years.

(6) Appropriation of retained earnings

Consolidated statement of retained earnings reflects the appropriation of retained earnings approved by the shareholders' meeting held in the fiscal year.

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Notes to consolidated balance sheet:

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

2. Transactions whose purpose is to earn a profit by taking advantage of short-term fluctuations in the market or discrepancies between interest rates, currency exchange rates, share prices or other indices (hereinafter referred to as "transactions for trading purposes") on different markets are included in "Trading assets" or "Trading liabilities" in the consolidated balance sheets on a trade-date baisis. "Trading assets" and "Trading liabilities" in the case of securities and commercial paper, etc. are stated at market value as of the consolidated balance sheet date and, in the case of derivatives including swaps, futures and options, at the settlement amount assuming settlement on the consolidated balance sheet date.

3. Bonds held to maturity are stated at amortized cost by the moving average method. Investments in subsidiaries and affiliates are stated at cost determined by the moving average method. Other securities with market value are stated at their respective market value whereas the cost of sales of such securities is determined by the moving average method. Other securities without market value are stated at cost determined by the moving average method or at their respective amortized cost. Net unrealized gain/loss is included in a component of shareholders' equity.

4. Securities held as assets in individually managed money trusts whose principal objective is portfolio management are stated at market value.

5. Derivative transactions (excluding "transactions for trading purposes") are stated at market value.

6. Depreciation of premises and equipment is calculated by the straight-line method for buildings and by the declining-balance method for equipment. The useful lives adopted for major premises and equipment are as follows:

   - Buildings: 8 ~ 50 years
   - Equipment: 2 ~ 20 years

   Premises and equipment of the consolidated subsidiaries are depreciated by the straight-line method over their estimated useful lives.

7. Software used by the Bank and the consolidated subsidiaries has been depreciated by the straight-line method based on an estimated useful life (mainly 5 years) determined by the Bank and the consolidated subsidiaries.

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8. Foreign-currency-denominated assets and liabilities and overseas branch accounts of the Bank, with the exception of stock in subsidiaries and affiliates for which amounts are translated into yen equivalents at the exchange rates in effect at the acquisition dates, are translated into yen equivalents primarily at the exchange rates prevailing at the balance sheet date. In the prior year, the Bank adopted a "New Foreign Exchange Accounting Standard," pursuant to "Temporary Auditing Treatment for Continuous Application of the 'New Foreign Exchange Accounting Standard' in the Banking Industry" (the Japanese Institute of Certified Public Accountants, "JICPA," April 10, 2000). However, effective this year, the Bank has adopted a revised accounting standard for foreign currency transactions ("Opinion Report Concerning Amendment of Accounting Standards Applied for Foreign Currency Transactions," issued by the Business Accounting Deliberation Council, October 22, 1999), except for the accounting treatment stipulated in "Temporary Treatment of Accounting and Auditing Concerning Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee, Report No. 20). The impact of this change was immaterial.

   For funding-related swaps, the Bank reports the net yen equivalents of the notional principal amounts translated at the exchange rate prevailing at the balance sheet date in accordance with Report No. 20 of the JICPA Industry Audit Committee. The difference between the spot and the forward rates, which reflects the interest rate gap between the different currencies, is reported in the statement of operations on an accrual basis over the period from the spot settlement date to the forward settlement date.

   Funding-related swaps are foreign exchange swaps executed for the purpose of raising and investing funds in different currencies. The Bank records the notional principal amounts of the funds as spot exchange purchased or spot exchange sold, with the notional principal amounts plus the interest income or interest expense as of the maturity dates being recorded as forward foreign exchange purchased or forward foreign exchange sold.

   For cross currency swaps, which meet the criteria indicated in Report No. 20 of the JICPA Industry Audit Committee, the Bank reports the net yen equivalents, translated at the exchange rates prevailing at the balance sheet date, of the notional principal amounts, with the related interest income and interest expense being accrued and reported in the statement of operations. The cross currency swaps mentioned above are entered into by the Bank for the purpose of raising and investing funds in different currencies. The notional principal amounts paid or received at the valuation date correspond to the notional principal amounts to be received or paid at the maturity of the swap agreements, and the swap rates used for calculating the principal and interest amounts of the swaps are considered reasonable (including cross currency swaps whose principal amounts in one currency are updated at the reset dates to reflect the spot exchange rate as of the reset dates and, thus, the notional principal amounts at the spot exchange and the forward exchange rate are identical in each reset period).

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9. The Bank and major consolidated subsidiaries have made provisions for possible loan losses as follows:

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

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

   For other loans, the reserve for possible loan losses is provided at an amount based on the anticipated loss rates calculated by reasonable methods. The reserve includes a special reserve for possible losses on overseas loans (including the reserve for possible overseas investment losses as stipulated in Article 55-2 of the Special Taxation Measures Law) likely to become uncollectible due to political and economic circumstances in the relevant countries.

   Regarding each loan, the Credit Review Office, which is controlled separately from the operating divisions, reviews the operating divisions' asset valuation of each loan for collectibility based on the Bank's self-assessment standards. The provision for possible loan losses is based on the results of these reviews.

   Other consolidated subsidiaries provide the reserve for possible loan losses at an amount deemed necessary judging by the past write off experience ratios for general loans and individually determined uncollectible amounts for specific loans such as those to borrowers under bankruptcy proceedings.

   For the Banks' loans to borrowers under bankruptcy proceedings and borrowers substantially in bankruptcy that are secured by collateral and guarantees, the unrecoverable portion of such loans is determined by subtracting the estimated recoverable balance from the disposal of the collateral and the amounts deemed recoverable from the guarantors. The unrecoverable amount is written off directly against the value of the loan ("direct write-off"). Such direct write-offs amounted to ¥633,495 million for the year ended March 31, 2002.

10. The reserve for employees' bonuses is provided at the estimated amount of employees' bonus payments applicable to the year. An accrual for employees' bonuses was formerly included in other liabilities. Effective the year ended March 31, 2002, this has been presented as a reserve for employees' bonuses. This change decreased accrued expenses included in other liabilities by ¥4,806 million and increased the reserve for employees' bonuses by the same amount.

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11. To provide for employees' retirement benefits, the Bank has recorded a reserve for severance payments and pension plans, based on the projected benefit obligation and the plan assets at the balance sheet date. Past service liabilities are charged to operations as incurred. The actuarial gain/loss is amortized commencing the next fiscal year by the straight-line method over a certain period (mainly 10 years) within the average remaining years of service of the eligible employees.

    With regard to the difference arising from this accounting change (¥131,712 million), the Bank accounted for this as an expense of ¥40,413 million due to the establishment of the pension benefits' trust in the prior year. The Bank plans to amortize the rest of amounts proportionally and to charge this to operations over a five-year period.

12. The reserve for possible losses on loans sold is provided based on the estimated liability for further losses on loans collateralized by real estate sold to the Cooperative Credit Purchasing Company, Limited.

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

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

14. The Bank uses the technique of "macro-hedging," which utilizes derivatives to comprehensively control the attendant interest risk on its numerous financial assets and liabilities such as loans and deposits. Macro-hedging is a risk-management tool based on the risk-adjustment approach established in "Temporary Treatment for Accounting and Auditing for Application of Accounting Standards for Financial Instruments in the Banking Industry" (JICPA's Industry Audit Committee, Report No. 15). The Bank has adopted deferred hedging to account for unrealized gains and losses arising from the derivatives mentioned above.

    The Bank controls the risk on derivatives, which form a risk-adjustment mechanism within the range of permissible risk established in its risk-management policy, and periodically evaluates the effectiveness of its hedging approach by verifying that the interest risk on the underlying hedged item has been nullified. The Bank has adopted deferred hedging, market value hedging and special treatment of interest rate swaps for certain of its assets and liabilities.

    Certain consolidated subsidiaries have also adopted deferred hedging.

15. The Bank and its domestic consolidated subsidiaries account for consumption tax and local consumption tax by the tax-exclusion method.

16. Other reserves: Reserve for financial futures transactions ¥0 million

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

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17. Accumulated depreciation of premises and equipment: ¥458,587 million.

18. Advanced depreciation entry on acquisition costs of premises and equipment: ¥58,327 million.

19. In addition to the premises and equipment recorded in the consolidated balance sheets, certain computers are held under leases.

20. Loans to borrowers in legal bankruptcy amounted to ¥73,510 million, and past due loans amounted to ¥968,191 million. Included in this amount is ¥7,802 million which was entrusted to the Resolution and Collection Corporation by The administration trust method.

    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 certain specific circumstances apply as stated in the Implementation Ordinances for the Corporation Tax Law (Government Ordinance No. 97, 1965), Items i through v in Article 96, Section 1, Part 3 or the circumstances stated in Part 4 of the same article.

    Past due loans are nonaccrual loans other than loans to borrowers in legal bankruptcy and loans whose interest payments have been rescheduled with the objective of assisting the restructuring of the borrowers.

21. Loans past due 3 months or more amounted to ¥97,250 million.

    Loans past due 3 months or more are loans on which the payment of principal or interest is overdue by 3 months or more from the contract payment date. This category excludes "loans to borrowers in legal bankruptcy" and "past due loans."

22. Restructured loans amounted to ¥481,192 million.

    Restructured loans are those on which the Bank has provided special terms and conditions - including reducing the interest rates, rescheduling the interest and principal payments, or waiving claims on the borrowers - all of which are more favorable to the borrowers than the corresponding terms in the original loan agreements. This category excludes "loans to borrowers in legal bankruptcy," "past due loans," and "loans past due 3 months or more."

23. Loans to borrowers in legal bankruptcy, past due loans, loans past due 3 months or more, and restructured loans amounted to ¥1,620,145 million in the aggregate.

    Included in this amount is ¥7,802 million which was entrusted to the Resolution and Collection Corporation by The administration trust method.

    The amounts presented in Notes 20 to 23 are stated before the deduction of the reserve for possible loan losses.

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24. Bills discounted, commercial bills, and bills of exchange with freight amounted to ¥268,245 million.

25. Assets pledged as collateral were as follows:

- Cash and due from banks ¥ 50,050 million
- Trading assets ¥ 276,951 million
- Securities ¥1,864,777 million
- Loans and bills discounted ¥ 595,563 million
- Other assets ¥ 18,928 million

Liabilities corresponding to the assets pledged as collateral:

- Deposits ¥ 81,201 million
- Call money and bills sold ¥1,573,818 million
- Bills sold under repurchase agreements ¥ 276,983 million
- Borrowed money ¥ 107,787 million
- Other liabilities ¥ 623 million

In addition to the above, the following were pledged as collateral for the settlement of foreign exchange or for dealings in futures:

- Securities ¥ 683,843 million
- Others ¥ 19,622 million

Cash and due from banks of ¥15,000 million has been additionally pledged as collateral for certain loans of unconsolidated subsidiaries and others.

Premises and equipment include deposit money of ¥25,074 million and other assets include deposits for futures of ¥336 million.

26. Unrealized gain or loss on hedging is included in other assets as deferred hedge loss at the net amount. Prior to this offsetting, gross deferred hedge losses and gross deferred hedge gains amounted to ¥104,971 million and ¥103,598 million, respectively.

27. The Bank revalued land used for business purposes based on the Law Concerning Land Revaluation (Law 34, announced on March 31, 1998). Deferred tax on the revaluation difference has been recorded in liabilities, and the remainder has been recorded in shareholders' equity.

Revaluation date: March 31, 1998

The revaluation method as stated in Article 3-3 of the Law Concerning Land Revaluation is as follows:

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

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The difference between the total market value of the land used for business purposes and revalued based on Article 10 of the Law Concerning Land Revaluation as of the consolidated balance sheet date and the total book value of the land after the revaluation: ¥80,051 million.

28. Borrowed money includes subordinated debt amounting to ¥418,000 million, which, by special covenants, are subordinated to other obligations in the order of their performance.

29. Bonds included subordinated bonds of ¥322,720 million.

30. Net assets per share: 122.42 yen.

31. Issues pertaining to the market value and the valuation differences on securities are presented below. This encompasses trading account securities, negotiable certificates of deposit under other trading assets, commercial paper under trading assets, and negotiable certificates of deposit under cash and due from banks, as well as commercial paper under monetary claims bought. This grouping applies through Note 35.

Securities held for trading purposes:

Consolidated balance sheet amount	¥377,801 million
Unrealized net gain included in the statement of operations	¥ 291 million

Bonds held to maturity with market value:

	Consolidated balance sheet amount	Market value	Difference	Gain	Loss
			(Millions of yen)		
National government	¥ 9	¥ 9	0	0	–
Others	31	31	0	0	–
Total	¥41	¥41	0	0	–

Other securities with market value:

	Acquisition costs	Consolidated balance sheet amount	Valuation differences	Gain	Loss
			(Millions of yen)		
Stocks	¥ 898,114	¥ 870,380	¥(27,733)	¥62,466	¥90,200
Bonds:	2,122,267	2,133,293	11,025	11,719	693
National government	1,908,621	1,915,138	6,517	6,560	42
Local government	78,705	81,549	2,843	2,843	–
Corporate	134,940	136,604	1,664	2,315	651
Others	97,312	96,884	(428)	653	1,082
Total	¥3,117,694	¥3,100,558	¥(17,136)	¥74,839	¥91,976

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The following have been included in valuation difference:

Valuation difference	¥(17,136)	million
Deferred tax liabilities	(1,333)	
Minority interests based on owned interest	(675)	
Parent company's portion of valuation differences of affiliates	(35)	
	¥(19,182)	million

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

33. Other securities sold during the year ended March 31, 2002 were as follows:

Amount sold	Gain	Loss
	(Millions of yen)	
¥5,218,510	¥56,541	¥209,393

34. The major components of other securities without market value and their respective consolidated balance sheet amounts are summarized as follows:

Other securities:

Unlisted domestic bonds	¥153,494 million
Unlisted stocks (excluding over-the-counter securities)	¥ 52,802 million

35. The projected redemption amounts for other securities with maturities and held to maturity are presented below by maturity date:

	One year or less	One to five years	Five to 10 years	More than 10 years
		(Millions of yen)		
Bonds	¥626,243	¥1,465,124	¥194,665	¥763
National government	564,331	1,223,748	127,069	–
Local government	11,793	32,902	39,962	–
Corporate	50,118	208,473	27,633	763
Others	41,137	14,326	9,594	–
Total	¥667,381	¥1,479,451	¥204,259	¥763

36. A breakdown of money held in trust and reflected in the balance sheet is as follows:

Money held in trust for investment purposes: ¥40,050 million.

No money held in trust and held to maturity or other money held in trust was recorded.

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37. Loaned securities totaling ¥120,848 million under loan agreements and loaned securities totaling ¥14,601 million under lease agreements have been included in the securities account.

Securities loaned to the Bank under loan agreements amounted to ¥108,017 million. All were collateralized and are disposable at the discretion of the Bank.

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

The amount of unexercised loans related to such agreements amounted to ¥5,914,352 million. Of the above, the amounts for which the original agreement period was within a year or which related to agreements which the Bank could cancel at any time without penalty totaled ¥5,859,935 million yen.

The unexercised loans do not necessarily affect the future cash flows of the Bank because most of these agreements have been terminated without being exercised. In addition, most agreements contain provisions which stipulate that the Bank may deny making loans or decrease the line of credit if there are changes in the financial condition or the security of the loans or for other reasons.

When extending loans to customers, the Bank requests collateral such as premises or securities if necessary. After entering into such loans, the Bank periodically checks the financial condition of the customers based on its internal rules and, if necessary, takes certain measures to ensure the security of the loans.

39. The retirement benefits liabilities at March 31, 2002 are as follows:

	(Millions of yen)
Retirement benefits liabilities	¥(423,150)
Pension assets at fair value	367,583
Unfunded retirement benefits liabilities	(55,566)
Unrecognized differences at the change of accounting standard	54,898
Unrecognized actuarial differences	105,409
Unrecognized past service liabilities	—
Net liabilities on the consolidated balance sheet	¥ 104,741
Prepaid pension expenses	110,937
Reserve for employees' retirement benefits	¥ (6,196)

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40. With the implementation of a revised accounting standard for financial instruments, the following accounting treatments were employed effective the year ended March 31, 2002:

    (1) Sales or purchases of bills under repurchase or resale agreements, formerly treated as sales or purchases, are recorded as sales of bills under repurchase agreements or purchases of bills under resale agreements.

    (2) Valuation differences, after the tax effect, from valuing other securities and other money in trust at market value are recorded as valuation differences.

41. The Tokyo tax base for enterprise tax was changed from income to gross operating profit with the implementation of "The Ordinance Concerning Special Treatment of Tax Base, etc. for Enterprise Tax on Banking Business in Tokyo," a bylaw enacted on April 1, 2000 as Tokyo Metropolitan Ordinance No. 145 (the "Ordinance"). On October 18, 2000, the Bank filed a lawsuit to confirm the invalidity of this Ordinance in the local Tokyo court. On March 26, 2002, the court rendered a judgement in favor of the Bank and ordered the Tokyo Metropolitan government to repay the erroneously paid amount of ¥4,113 million plus a penalty of ¥100 million. However, the Tokyo local government filed an appeal with the Tokyo High Court on March 29, 2002.

    The Bank believes that this ordinance is unlawful and is pursuing this with a lawsuit. Although the Bank has treated enterprise tax payable to the Tokyo municipal government in accordance with the terms of the Ordinance, the Bank has not accepted the Ordinance as lawful.

    Enterprise tax for the Tokyo municipal government of ¥4,300 million for the prior fiscal year and ¥4,500 million for the current fiscal year was recorded as other expenses, and ordinary losses were increased by this amount over the amount which would have been recorded if the tax base of the enterprise tax had been income. There was no effect on income taxes, inhabitants' taxes and enterprise tax either for the prior year or the current year. In addition, such enterprise tax is not subject to tax-effect accounting, and, accordingly, deferred tax assets decreased by ¥20,035 million from the former case in which the tax base was income. Deferred tax liabilities on revaluation decreased by ¥3,506 million and differences on revaluation increased by the same amount.

    The Osaka tax base for enterprise tax was also changed from income to gross operating profit with the implementation of the "Municipal Ordinance concerning Special Treatment of Tax Base, etc. for Enterprise Tax on Banking Business, etc., in Osaka," a bylaw enacted on June 9, 2000 as Osaka Municipal Ordinance No. 131 (the "Ordinance"). On April 4, 2002, the Bank filed a lawsuit against Osaka and the governor of Osaka to confirm the invalidity of this ordinance with the Osaka district court.

    The Bank believes that the ordinance is unlawful and is pursuing this in a lawsuit. Although the Bank has treated enterprise tax for Osaka in accordance with the Ordinance, the Bank has not accepted the Ordinance as lawful.

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The Bank recorded ¥900 million of Osaka enterprise tax as other expenses and ordinary loss increased by that amount. There was no effect on income taxes, inhabitants' taxes or enterprise taxes when compared to the former case in which the tax base was income. In addition, such enterprise tax is not subject to tax-effect accounting, and, accordingly, deferred tax assets decreased by ¥3,964 million from the former case in which the tax base was income. Deferred tax liabilities on revaluation decreased by ¥693 million and the difference on revaluation increased by the same amount.

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Notes to consolidated statement of operations:

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

2. Net loss per share 209.32 yen

3. Net income per share as adjusted for the potential issuance of new shares is not presented as a net loss was recorded for the current year.

4. Profit and loss on transactions for trading purposes are included in "Trading income" or "Trading expenses" in the statement of operations on a trade-date basis.

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

5. Other income includes:

   - Profit from sales of equity securities and other ¥32,163 million
   - Gains on establishment of trust for employees' retirement benefits ¥28,381 million

6. Other expenses include:

   - Write-offs of loans ¥246,665 million
   - Losses on forgiveness of loans to assist borrowers ¥ 65,000 million
   - Losses related to past due loans sold ¥ 43,585 million
   - Losses on sales of loans collateralized by real estate sold to the Cooperative Credit Purchasing Company, Ltd. ¥ 9,615 million
   - Losses on sales of equity securities and other ¥198,776 million
   - Write-offs of equity securities and other ¥151,504 million
   - Expenses arising from certain accounting changes and application of new criteria for employees' retirement benefits ¥ 18,259 million
   - Expenses for outplacement services ¥ 15,791 million

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Notes to consolidated statement of cash flows:

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

2. In the consolidated statement of cash flows, cash represents cash and due from the Bank of Japan reflected under “cash and due from banks” in the consolidated balance sheet.

3. Cash and cash equivalents as of March 31, 2002 consisted of the following:

	(Millions of yen)
Cash and due from banks	¥1,664,444
Due from banks excluding due from The Bank of Japan	(152,230)
Cash and cash equivalents	¥1,512,214

4. The breakdown of assets and liabilities of Asahigin Leasing Co., Ltd., a newly consolidated subsidiary due to the acquisition of the stock, at the inception of consolidation and related expenditures (net) were as follows :

	(Millions of yen)
Premises and equipment	¥ 136,299
Borrowed money	(139,168)
Other assets and liabilities	3,180
Existing stockholdings valued by the equity method	(325)
Consolidation difference	14
Acquisition cost of stocks of a newly consolidated subsidiary	0
Cash and cash equivalents of a newly consolidated subsidiary	0
Net payment for acquisition of a newly consolidated subsidiary	¥ 0

5. “Increase in reserve for employees’ bonuses” was included under “others” in cash flows from operating activities in the consolidated statement of cash flows for fiscal year 2000. However, effective this fiscal year 2001, this entry has been presented separately.

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Segment Information

1. Business Segment Information

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

2. Geographical Segment Information

FY 2001 (for the period from April 1, 2001 to March 31, 2002)

Overseas operations of the bank to the total ordinary income and total assets are immaterial, and, upon closings of overseas units of the Bank, geographical segment information is not disclosed effective the year ended March 31, 2001.

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

(Millions of yen)

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

<Notes>

1. Branches of the Bank and consolidated subsidiaries are divided into four segments in consideration of geographic proximity, similarity of economic activity, and interrelation of business activity. The Bank shows ordinary income and ordinary net income in these four segments instead of sales and operating income figures.
2. The Americas comprises the United States; Europe includes the United Kingdom and certain other countries; and Asia / Oceania comprises Hong Kong, Australia, and certain other countries.
3. Change of accounting policies
   (1) Influence of application of new criteria for accounting for employees' retirement benefits The Bank adopted new accounting standards related to retirement benefits ("the Opinion Concerning the Establishment of Accounting Standard for Retirement Benefits" issued on June 16, 1998 by the Business Accounting Deliberation Council), effective with the fiscal year ended March 31, 2001 in review. As a result, in "Japan" ordinary expenses decreased 22,115 million yen and ordinary net loss decreased by the same amount. And the Bank and some consolidated subsidiaries established pension benefits' trust in fiscal 2001. Consequently, in "Japan" ordinary income increased by 21,216 million yen ordinary expenses increased by 40,413 million yen, and ordinary net loss increased by 19,197 million yen.
   (2) Influence of application of new criteria for accounting for financial instruments. The Bank adopted new accounting standards related to financial products ("the Opinion Concerning the Establishment of Accounting Standard for Financial Instruments" on January 22, 1999 issued by Business Accounting Deliberation Council), effective with fiscal 2001 in review and made changes to evaluation methods for investment securities and for derivatives and to hedge accounting. Consequently, as compared with calculations made by previous methods, in "Japan" ordinary income increased by 3,327 million yen, ordinary expenses increased by 8,647 million yen, ordinary net losses increased by 5,320 million yen. In "Americas" ordinary income increased by 359 million yen, ordinary expenses increased by 189 million yen, and ordinary net loss decreased by 169 million yen. In "Europe" ordinary income increased by 200 million yen, and ordinary net loss decreased by 200 million yen. In "Asia/Oceanis" ordinary income increased by 221 million yen, ordinary expenses increased 1 million yen, and ordinary net loss decreased by 220 million yen.

3. Overseas ordinary income

FY 2001 (for the period from April 1, 2001 to March 31, 2002)

Overseas operations of the bank to the total ordinary income are immaterial, and, upon closings of overseas units of the Bank, Overseas ordinary income is not disclosed effective the year ended March 31, 2001.

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

(Millions of yen)

	Overseas ordinary income (A)	Consolidated ordinary income (B)	(A)/(B)
Fiscal year ended March 31, 2001	85,274	943,716	9.0%

<Notes>

1. The Bank reports “overseas ordinary income” to show overseas transactions instead of overseas sales.
2. Ordinary income from international operations comprises transactions of parent companies that are customers of the Bank with their overseas offices, and ordinary income arising from transactions with consolidated overseas subsidiaries (excluding inter-company ordinary income generated among consolidated subsidiaries). As the breakdown into countries or regions is the same as geographical segment information, it is therefore not presented here.

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Securities, etc.
(As of Mar. 31, 2001)

1. Securities

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

(1) Securities Held for Trading Purposes *(Millions of yen)*

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

(2) Marketable bonds held to maturity *(Millions of yen)*

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

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

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

None

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

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

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

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

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

Market values of others are based on the market prices on March 31, 2001.

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(5) Marketable bonds held to maturity which was sold in the fiscal year 2000
None

(6) Other securities which were sold in the fiscal year 2000 *(Millions of yen)*

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

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

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

(8) Securities of which purpose to hold were changed
None

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

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

2. Money held in trust
(1) Investment purpose money held in trust *(Millions of yen)*

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

(2) Held-to-maturity money held in trust
None

(3) Other money held in trust (excluding investment purposes or held-to-maturity)
None

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3. Net unrealized gains on securities available for sale, net of taxes *(Millions of yen)*

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

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Contract Value, Market Value and Unrealized Gain (Loss) on Derivatives

(As of Mar. 31, 2002)

(1) Interest Rate-Related Transactions

(Millions of yen)

Type of Transaction	At March 31, 2002			
	Contract value		Market value	Unrealized gain (loss)
	Total	Over one year		
Listed:				
Futures:				
Sold	¥ 569,470	¥ 5,362	¥ (1,783)	¥ (1,783)
Bought	344,638	–	1,628	1,628
Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Over-the-Counter:				
FRAs:				
Sold	–	–	–	–
Bought	–	–	–	–
Swaps:				
Receive Fixed/Pay Floating	1,361,282	857,113	25,040	25,040
Receive Floating/Pay Fixed	1,296,401	823,098	(23,733)	(23,733)
Receive Float/Pay Floating	85,000	85,000	(251)	(251)
Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Caps:				
Sold	136,935	123,651	155	1,185
Bought	121,425	105,925	129	(288)
Floors:				
Sold	–	–	–	–
Bought	100	100	12	3
Other:				
Sold	1,000	–	23	(4)
Bought	1,000	–	23	15
Total			¥ 886	¥ 1,811

Notes: 1. The above transactions are stated on a marked-to-market basis and unrealized gains/losses are charged to income in the consolidated statement of operations. Derivative transactions used for hedge accounting have been excluded from the above table.

2. The market value of listed contracts is based on the closing prices on the Tokyo International Financial Futures Exchange and other exchanges. The market value of over-the-counter contracts is based on the discounted value of their future cash flows or option pricing models.

(2) Currency-Related Transactions

(Millions of yen)

Type of Transaction	At March 31, 2002			
	Contract value		Market value	Unrealized gain (loss)
	Total	Over one year		
Over-the-Counter:				
Currency Swaps	¥609,528	¥543,505	¥1,594	¥1,594
Other	–	–	–	–

Notes: 1. The above transactions are stated on a marked-to-market basis and unrealized gains/losses are charged to income in the consolidated statement of operations. Derivative transactions used for hedge accounting and the transactions described in Note 3 have been excluded from the above table.

2. Market value is based on the discounted value of future cash flows.

3. Currency swap transactions which are accrued in accordance with "Tentative Auditing Treatment for the Continuing Adoption of 'New Foreign Exchange Accounting Standards' in the Banking Industry" issued by the JICPA on April 10, 2000 have been excluded from the above tables.

Currency swap transactions accounted for by the accrual method are as follows:

(Millions of yen)

Type of Transaction	At March 31, 2002		
	Contract value	Market value	Unrealized gain (loss)
Currency swaps	¥167,839	¥826	¥826

4. The following currency forward contracts, currency options and other transactions have been excluded from the above table:

* Transactions which are marked to market and on which unrealized gain or loss is charged to income in the consolidated statement of operations.
* Transactions involving financial assets and liabilities denominated in foreign currencies and recognized in the consolidated balance sheet.
* Transactions denominated in foreign currencies which have been eliminated in the consolidation process.

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Currency-related derivatives which were marked to market were as follows:

(Millions of yen)

Type of Transaction	At March 31, 2002 Contract value
Listed:	
Futures:	
Sold	¥ –
Bought	–
Options:	
Sold	–
Bought	–
Over-the-Counter:	
Forward contracts:	
Sold	182,901
Bought	151,664
Options:	
Sold	27,873
Bought	33,232
Other:	
Sold	–
Bought	–

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(3) Stock-Related Transactions

(Millions of yen)

Type of Transaction	At March 31, 2002			
	Contract value		Market value	Unrealized gain (loss)
	Total	Over one year		
Listed:				
Index Futures:				
Sold	–	–	–	–
Bought	–	–	–	–
Index Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Over-the-Counter:				
Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Index Swaps:				
Receive stock index change rate/pay short-term floating rate	–	–	–	–
Receive short-term floating rate/pay stock index change rate	–	–	–	–
Others:				
Sold	–	–	–	–
Bought	–	–	–	–
Total			–	–

Notes: 1. The above transactions are stated on a marked-to-market basis and unrealized gains/losses are charged to income in the consolidated statement of operations. Derivative transactions used for hedge accounting have been excluded from the above table.

2. The market value of listed contracts is based on the closing prices on the Tokyo Stock Exchange and other exchanges. The market value of over-the-counter contracts is based on the discounted value of their future cash flows or option pricing models.

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(4) Bond-Related Transactions

(Millions of yen)

Type of Transaction	At March 31, 2002			
	Contract value		Market value	Unrealized gain (loss)
	Total	Over one year		
Listed:				
Futures:				
Sold	¥961	–	¥(4)	¥(4)
Bought	–	–	–	–
Futures Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Over-the-Counter:				
Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Others:				
Sold	–	–	–	–
Bought	–	–	–	–
Total			¥(4)	¥(4)

Notes: 1. The above transactions are stated on a marked-to-market basis and unrealized gains/losses are charged to income in the consolidated statement of operations. Derivative transactions used for hedge accounting have been excluded from the above table.

2. The market value of listed contracts is based on the closing prices on the Tokyo Stock Exchange and other exchanges. The market value of over-the-counter contracts is based on the option pricing models and others.

(5) Commodity-Related Transactions

None

(6) Credit Derivative Transactions

None

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(As of Mar. 31, 2001)

(1) Interest Rate-Related Transactions

(Millions of yen)

Type of Transaction	At March 31, 2001			
	Contract value		Market value	Unrealized gain (loss)
	Total	Over one year		
Listed:				
Futures:				
Sold	¥ 97,331	¥ 7,593	¥ (135)	¥ (135)
Bought	216,138	8,643	1,362	1,362
Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Over-the-Counter:				
FRAs:				
Sold	–	–	–	–
Bought	17,710	17,710	(62)	(62)
Swaps:				
Receive Fixed/Pay Floating	1,951,715	1,101,445	39,754	39,754
Receive Floating/Pay Fixed	1,795,706	1,149,820	(38,779)	(38,779)
Receive Float/Pay Floating	21,000	20,000	(35)	(35)
Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Caps:				
Sold	89,300	85,600	190	1,059
Bought	74,985	72,985	159	(329)
Floors:				
Sold	–	–	–	–
Bought	100	100	3	3
Other:				
Sold	–	–	–	–
Bought	–	–	–	–
Total			¥ 2,457	¥ 2,837

Notes: 1. The above transactions are stated on a marked-to-market basis and unrealized gains/losses are charged to income in the consolidated statement of operations. Derivative transactions used for hedge accounting have been excluded from the above table.

2. The market value of listed contracts is based on the closing prices on the Tokyo International Financial Futures Exchange and other exchanges. The market value of over-the-counter contracts is based on the discounted value of their future cash flows or option pricing models.

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(2) Currency-Related Transactions

(Millions of yen)

Type of Transaction	At March 31, 2001			
	Contract value		Market value	Unrealized gain (loss)
	Total	Over one year		
Over-the-Counter:				
Currency Swaps	¥586,122	¥429,277	¥1,386	¥1,386
Other	–	–	–	–

Notes: 1. The above transactions are stated on a marked-to-market basis and unrealized gains/losses are charged to income in the consolidated statement of operations. Derivative transactions used for hedge accounting and the transactions described in Note 3 have been excluded from the above table.

2. Market value is based on the discounted value of future cash flows.

3. Currency swap transactions which are accrued in accordance with "Tentative Auditing Treatment for the Continuing Adoption of 'New Foreign Exchange Accounting Standards' in the Banking Industry" issued by the JICPA on April 10, 2000 have been excluded from the above tables.

Currency swap transactions accounted for by the accrual method are as follows:

(Millions of yen)

Type of Transaction	At March 31, 2001		
	Contract value	Market value	Unrealized gain (loss)
Currency swaps	¥81,453	¥166	¥166

4. The following currency forward contracts, currency options and other transactions have been excluded from the above table:

* Transactions which are marked to market and on which unrealized gain or loss is charged to income in the consolidated statement of operations.
* Transactions involving financial assets and liabilities denominated in foreign currencies and recognized in the consolidated balance sheet.
* Transactions denominated in foreign currencies which have been eliminated in the consolidation process.

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Currency-related derivatives which were marked to market were as follows:

(Millions of yen)

Type of Transaction	At March 31, 2001 Contract value
Listed:	
Futures:	
Sold	¥ —
Bought	–
Options:	
Sold	–
Bought	–
Over-the-Counter:	
Forward contracts:	
Sold	851,167
Bought	628,721
Options:	
Sold	131,571
Bought	133,971
Other:	
Sold	–
Bought	–

(3) Stock-Related Transactions

None

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(4) Bond-Related Transactions

(Millions of yen)

Type of Transaction	At March 31, 2001			
	Contract value		Market value	Unrealized gain (loss)
	Total	Over one year		
Listed:				
Futures:				
Sold	¥1,390	–	¥0	¥0
Bought	13,636	–	(14)	(14)
Futures Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Over-the-Counter:				
Options:				
Sold	–	–	–	–
Bought	–	–	–	–
Others:				
Sold	–	–	–	–
Bought	–	–	–	–
Total			¥(13)	¥(13)

Notes: 1. The above transactions are stated on a marked-to-market basis and unrealized gains/losses are charged to income in the consolidated statement of operations. Derivative transactions used for hedge accounting have been excluded from the above table.

2. The market value of listed contracts is based on the closing prices on the Tokyo Stock Exchange and other exchanges. The market value of over-the-counter contracts is based on the option pricing models and others.

(5) Commodity-Related Transactions

None

(6) Credit Derivative Transactions

None

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