

**SUMMARY OF NONCONSOLIDATED INTERIM FINANCIAL RESULTS (September 30, 1999 / Unaudited)**

November 19, 1999  
The Asahi Bank, Ltd.  
1-1-2 Otemachi, Chiyoda-ku, Tokyo, Japan

1. Financial Highlights (Six months ended September 30, 1999)

Note: Amounts less than one million yen have been rounded down.

(1) Business Results

	Ordinary	Change from	Ordinary	Change from	Net	Change from	Net Income	Net Income per share		
	Income	previous interim	Net Income	previous interim	Income	previous interim	per share	(latent equity adjusted)		
	million yen		million yen		million yen		yen	sen	yen	sen
Sep.30, 1999	393,555	-14.8%	35,753	161.1%	18,314	55.1%	(Interim) 5	63	(Interim) 5	07
Sep.30, 1998	462,162	-22.0%	13,692	-13.5%	11,806	5.3%	(Interim) 4	97	(Interim) 4	68
Mar.31, 1999	898,885		-407,500		-220,014		(Fiscal) -91	91		-

Note: (1) Average Number of shares issued --- 2,809,405,610 shares (Six months ended September 30, 1999)  
Average Number of shares issued --- 2,323,118,334 shares (Six months ended September 30, 1998)  
Average Number of shares issued --- 2,397,008,840 shares (Fiscal year ended March 31, 1999)  
(2) Change of accounting policies --- None

(2) Dividends (Cash dividends per share)

	Sep. 30, 1999		Sep. 30, 1998		Mar. 31, 1999	
	(Interim)		(Interim)		(Fiscal)	
	yen	sen	yen	sen	yen	sen
Ordinary	3	00	3	50	6	00

(3) Financial Position

	Total Assets	Stockholders' equity	Stockholders' equity ratio	Stockholders' equity per share	Capital ratio (nonconsolidated)
	million yen	million yen		yen	sen
Sep.30, 1999	28,217,296	1,383,700	4.9%	346	29
Sep.30, 1998	29,416,125	759,504	2.6%	283	89
Mar.31, 1999	28,637,379	1,372,448	4.8%	341	77

Note: (1) Number of shares issued  
September 30, 1999 2,815,297,204 shares (ordinary)  
September 30, 1998 2,323,118,334 shares (ordinary)  
March 31, 1999 2,805,887,347 shares (ordinary)

2. Forecast of This Term's Performance (April 1, 1999 - March 31, 2000)

	Ordinary Income	Ordinary Net Income	Net Income	Annual Dividends per share			
				Year-end		on ordinary stock	
	million yen	million yen	million yen	yen	sen	yen	sen
Mar.31, 2000	800,000	55,000	30,000	3	00	6	00

Note: Forecast of Net Income per share ( 8 yen 89 sen )

Nonconsolidated Balance Sheets (Main Items) (Unaudited)

(Millions of yen)

	A Interim 1999	B Interim 1998	A-B	C Fiscal 1998 (Summary)	A-C
<b>Assets</b>					
Cash and due from banks	¥ 738,271	¥ 980,564	¥ -242,293	¥ 815,198	¥ -76,927
Call loans	165,662	124,153	41,509	104,750	60,912
Bills bought	-	50,000	-50,000	-	-
Trading assets	356,162	147,850	208,312	283,088	73,073
Money held in trust	83,000	219,614	-136,614	83,034	-34
Securities	3,846,870	3,923,591	-76,720	3,950,894	-104,023
Loans and bills discounted	20,599,002	21,445,434	-846,431	20,843,509	-244,506
Foreign exchange	70,051	145,845	-75,793	109,955	-39,903
Other assets	281,179	426,524	-145,345	271,721	9,457
Premises and equipment	463,174	508,191	-45,017	465,479	-2,305
Deferred tax assets	318,914	-	318,914	334,195	-15,281
Customers' liabilities for acceptances and guarantees	1,295,004	1,444,354	-149,349	1,375,550	-80,545
<b>Total Assets</b>	¥ 28,217,296	¥ 29,416,125	¥ -1,198,829	¥ 28,637,379	¥ -420,082
<b>Liabilities</b>					
Deposits	¥ 20,412,891	¥ 20,065,189	¥ 347,701	¥ 19,916,609	¥ 496,282
Negotiable certificates of deposit	1,441,157	1,109,816	331,341	1,419,344	21,813
Call money	1,301,034	2,854,108	-1,553,074	2,353,095	-1,052,061
Bills sold	-	40,000	-40,000	-	-
Commercial paper	240,000	60,000	180,000	70,000	170,000
Trading liabilities	30,349	41,472	-11,123	34,332	-3,983
Borrowed money	1,139,341	1,044,770	94,571	1,141,211	-1,870
Foreign exchange	5,235	5,705	-470	6,078	-843
Convertible bonds and notes	3,127	3,127	-	3,127	-
Other liabilities	372,760	1,023,606	-650,845	329,442	43,317
Reserve for possible loan losses	383,792	628,675	-244,882	413,195	-29,403
Reserve for severance payments	24,970	24,554	416	24,466	504
Reserve for contingent liabilities related to loans sold	73,565	47,851	25,714	77,780	-4,215
Reserve for supporting specific borrowers	13,271	-	13,271	-	13,271
Reserve for possible investment losses	4,232	-	4,232	6,040	-1,807
Other reserves	0	0	0	0	0
Deferred tax Liabilities	92,859	-	92,859	94,654	-1,795
Acceptances and guarantees	1,295,004	1,444,354	-149,349	1,375,550	-80,545
Land revaluation difference	-	263,388	-263,388	-	-
<b>Total Liabilities</b>	¥ 26,833,595	¥ 28,656,621	¥ -1,823,025	¥ 27,264,930	¥ -431,335
<b>Stockholders' Equity</b>					
Common stock	605,287	332,845	272,441	605,287	-
Legal reserves	578,419	302,881	275,537	576,999	1,420
Land revaluation difference	128,973	-	128,973	131,466	-2,493
Retained earnings	71,020	123,776	-52,756	58,694	12,325
Voluntary reserves	31,100	98,603	-67,503	98,600	-67,500
Unappropriated profit/ Undisposed loss	39,919	25,172	14,746	-39,905	79,825
Net Income/ Loss	( 18,314 )	( 11,806 )	( 6,508 )	( -220,014 )	( 238,329 )
<b>Total Stockholders' Equity</b>	¥ 1,383,700	¥ 759,504	¥ 624,195	¥ 1,372,448	¥ 11,252
<b>Total Liabilities and Stockholders' Equity</b>	¥ 28,217,296	¥ 29,416,125	¥ -1,198,829	¥ 28,637,379	¥ -420,082

Nonconsolidated Statements of Operations (Main Items) (Unaudited)

(Millions of yen)

	A Interim 1999	B Interim 1998	A-B	Fiscal 1998 (Summary)
<b>Income</b>				
Operating income	¥ 293,914	¥ 335,645	¥ -41,731	¥ 649,511
Interest on loans and discounts	( 226,868 )	( 257,892 )	( -31,023 )	( 503,920 )
Interest and dividends on securities	( 30,450 )	( 35,085 )	( -4,635 )	( 62,552 )
Fees and commissions	28,856	28,127	728	56,098
Trading income	1,130	385	744	1,763
Other operating income	16,468	21,535	-5,066	50,886
Other income	53,186	76,468	-23,281	140,625
<b>Total Income (Ordinary Revenue)</b>	¥ 393,555	¥ 462,162	¥ -68,606	¥ 898,885
<b>Expenses</b>				
Operating expenses	¥ 105,009	¥ 157,459	-52,449	¥ 295,124
Interest on deposits	( 38,016 )	( 85,384 )	( -47,368 )	( 149,581 )
Fees and commissions	13,263	11,612	1,650	25,053
Trading expense	-	16	-16	12
Other operating expenses	17,304	4,332	12,972	29,734
General and administrative expenses	131,437	133,559	-2,121	269,130
Other expenses	90,786	141,490	-50,703	687,330
<b>Total Expenses (Ordinary Expenses)</b>	¥ 357,802	¥ 448,469	¥ -90,667	¥ 1,306,385
<b>Ordinary Income/ Loss</b>	¥ 35,753	¥ 13,692	¥ 22,061	¥ -407,500
Extraordinary profits	39	1,021	-982	35,535
Extraordinary losses	3,583	1,445	2,138	3,020
Income/ Loss before Income Taxes	32,209	13,268	18,941	-374,986
Income Taxes (Current)	407	1,461	-1,054	2,427
Income Taxes (Deferred)	13,486	-	13,486	-157,399
Net Income/ Loss	¥ 18,314	¥ 11,806	¥ 6,508	¥ -220,014
Profit brought forward from previous fiscal year	19,111	13,366	5,745	13,366
Deferred income taxes in the past years	-	-	-	176,796
Reversal of voluntary reserve	-	-	-	3
Reversal of land revaluation difference	2,493	-	2,493	-
Interim cash dividends	-	-	-	8,380
Transfer to legal reserve	-	-	-	1,676
Undisposed loss at end of fiscal year	¥ 39,919	¥ 25,172	¥ 14,746	¥ -39,905

**Note:**

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

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

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

3. Securities are carried at cost, determined by the moving average method.

As regards securities that are held as trust assets, mainly for securities investment purposes, in individually managed money held in trusts, those listed on stock exchanges are carried at the lower of cost or market, cost being determined by the moving average method. Securities that do not fit this category are carried at cost, determined by the moving average method.

4. Premises and equipment are stated as follows:

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

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

Other : As provided by the Corporation Tax Law of Japan.

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

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 yen.

7. The Bank sets aside a reserve for severance payments based on 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 the 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 except that lease agreements which stipulate the transfer of ownership of the leased property to the lessee are 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 yen

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 yen. 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 yen

16. Amount of the reduction entry on acquisition cost of premises and equipment : 63,407 million yen

17. Loans to borrowers in legal bankruptcy amounted to 82,799 million yen, and past due loans (6 months or more) amounted to 525,714 million yen.

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

Past due loans (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 yen.

Loans past due 3 months or more are loans in respect of which payment of principal or interest has been over due by 3 months or more from the contract payment date, except "loans to borrowers in legal bankruptcy" or "past due loans (6 months or more)".

19. Restructured loans amounted to 102,772 million yen.

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

21. The Bank had revalued land used for business purposes based on the Land Revaluation Law (Law 34, Announced on March 31, 1998). Deferred tax in the revaluation difference has been recorded in liabilities, and the rest has been recorded in stockholders' equity.

Revaluation date : March 31, 1998

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

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

22. Borrowed money included subordinated debt amounting to 1,037,695 million yen, 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, as of the date when the transactions has been contracted.

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

24. Other ordinary expenses include :

Provisions for reserve for possible loan losses :	2,455 million yen
Write-off of claims :	27,697 million yen
Provisions for reserve for contingent liabilities related to loans sold :	10,610 million yen
Provisions for reserve for supporting specific borrowers :	13,271 million yen