

# Explanatory Material

Fiscal Year 2000  
ended on March 31, 2001

The Sumitomo Trust & Banking Co., Ltd.

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# Summary of Financial Results

(in millions of Yen)

(Non-consolidated)	FY2000	FY1999	Change	%Change
<b>Gross Profits</b>	238,589	221,059	17,530	7.9
<b>Domestic Business</b>	222,748	209,302	13,445	6.4
Net Trust Fees	95,807	96,228	-420	-0.4
Trust Accounts Net Credit Costs	31,502	54,754	-23,252	-42.5
Trust Fees from Loan Trust and Jointly-Operated Money Trusts*	75,665	100,754	-25,088	-24.9
Other Trust Fees	51,643	50,228	1,415	2.8
Net Interest Income	85,715	82,643	3,072	3.7
Net Fees & Commissions	24,498	27,239	-2,741	-10.1
Net Gains from Trading	4,850	5,491	-640	-11.7
Others (including Net Gain(Loss) from Bonds)	11,876	-2,299	14,176	616.6
<b>International Business</b>	15,841	11,757	4,084	34.7
Net Interest Income	-7,303	15,931	-23,235	-145.8
Net Fees & Commissions	-2,956	-1,324	-1,632	-123.3
Net Gains from Trading	2,310	-1,164	3,475	298.4
Others (including Net Gain(Loss) from Bonds)	23,791	-1,685	25,477	1,511.3
<b>General &amp; Administrative Expenses</b>	125,919	131,097	-5,177	-3.9
<b>Net Transfer to General Reserve</b>	21,113	-7,258	28,372	390.9
<b>Net Business Profit(Gyomu Jun-eki)</b>	91,556	97,221	-5,664	-5.8
<b>Net Business Profit before Trust Account Credit Costs</b>	123,059	151,975	-28,916	-19.0
<b>Adjusted Net Business Profit**</b>	144,172	144,717	-544	-0.4

\*Before credit costs

\*\* (Net Business Profit) + (Trust A/C Credit Cost) + (Net Transfer to General Reserve)

## Summary of Financial Results (continued)

(in millions of Yen)

<b>(Non-consolidated)</b>	<b>FY2000</b>	<b>FY1999</b>	<b>Change</b>	<b>%Change</b>
<b>Net Business Profit(Gyomu Jun-eki)</b>	91,556	97,221	-5,664	-5.8
<b>Adjusted Net Business Profit**</b>	144,172	144,717	-544	-0.4
<b>Net gain(loss) from Bonds</b>	29,827	-10,680	40,508	379.3
<b>Net Non-Recurring Profit(Loss)</b>	-18,643	-20,484	1,840	9.0
Net gain(loss) from Shares	43,642	75,188	-31,546	-42.0
Banking Account Net Credit Costs	94,198	102,588	-8,390	-8.2
<b>Net Operating Profit(Loss) (Keijo-Rieki)</b>	72,913	76,737	-3,823	-5.0
<b>Extraordinary Profit(loss)</b>	11,353	-8	11,361	134,630.3
<b>Net gain(loss) from disposal of fixed assets</b>	-2,162	-1,545	-617	-40.0
<b>Net Income before Income Tax</b>	84,266	76,728	7,538	9.8
<b>Income Tax</b>	106	55	50	90.9
<b>Deferred Income Tax</b>	41,517	43,657	-2,139	-4.9
<b>Net Income(Loss)</b>	42,642	33,015	9,627	29.2

\*\* (Net Business Profit) + (Trust A/C Credit Cost) + (Net Transfer to General Reserve)

<b>(Consolidated)</b>	<b>FY2000</b>	<b>FY1999</b>	<b>Change</b>	<b>%Change</b>
<b>Net Operating Profit(Loss) (Keijo-Rieki)</b>	78,277	80,245	-1,967	-2.5
Banking and Trust Business	77,350	77,743	-393	-0.5
Other Financial Services	2,097	2,913	-816	-28.0
Elimination	-1,169	-411	-757	-184.2
<b>Net Income(Loss)</b>	41,017	32,214	8,803	27.3

# Breakdown of Credit Costs

(in millions of Yen)

(Non-consolidated)	FY2000	FY1999	Change
<b>Credit Costs (A)</b>	125,700	157,342	-31,642
Banking Account	94,198	102,588	-8,390
Net Losses from Direct Write-offs *1	63,382	42,541	20,840
Net Transfer to Specific Loan Loss Reserves	30,138	39,816	-9,677
Losses on Sale of Loans to CCPC *2	942	1,429	-487
Losses on Sales of Loans in Bulk	116	1,473	-1,357
Transfer to Reserves for Financial Assistance to Specific Borrowers	-354	18,203	-18,558
Transfer to Reserves for Loans to Restructuring Countries	-1,440	-5,161	3,720
Other Credit Costs *3	1,413	4,285	-2,871
Trust Accounts	31,502	54,754	-23,252
Direct Write-offs	27,687	48,394	-20,707
Losses on Sales of Loans to CCPC	3,525	2,937	588
Losses on Sales of Loans in Bulk	289	3,422	-3,132
 Net Transfer to General Reserve (B)	 21,113	 -7,258	 28,372
 Gross Credit Costs (A + B)	 146,813	 150,084	 -3,270

\*1 (Direct Write-offs Amount) - (Utilized Reserved Amount)

\*2 The Cooperative Credit Purchasing Co., Ltd.

\*3 Mainly losses from sales of bad loans

# Expenses and Per-head Business Profit

## General & Administrative Expenses

(in millions of Yen)

<b>(Non-consolidated)</b>	<b>FY2000</b>	<b>FY1999</b>	<b>Change</b>
<b>General &amp; Administrative Expenses</b>	125,919	131,097	-5,177
Personnel Expenses	52,457	57,911	-5,454
Other Expenses Other than Income Tax	68,240	67,535	704
Non-income Tax	5,222	5,649	-427

## Per-head Business Profit

(in millions of Yen)

<b>(Non-consolidated)</b>	<b>FY2000</b>	<b>FY1999</b>	<b>Change</b>
Net Business Profit	91,556	97,221	-5,664
Per-head Net Business Profit	17.6	17.4	0.2
Adjusted Net Business Profit	144,172	144,717	-544
Per-head Adjusted Net Business Profit	27.7	25.9	1.8

# Margins

## Gross Margins (Non-consolidated)

(%)

<b>Domestic Banking Account</b>	<b>FY2000</b>	<b>FY1999</b>	<b>Change</b>
Average Yield on Interest-earning Assets (a)	1.36	1.83	-0.47
Loans and Bills Discounted (A)	1.50	1.52	-0.02
Bonds	1.25	1.56	-0.31
Average Yield on Interest-bearing Liabilities (b)	0.64	1.14	-0.50
Deposits (B)	0.47	0.45	0.02
Gross Margin (a) - (b)	0.72	0.69	0.03
Loan-Deposit Margin (A) - (B)	1.03	1.07	-0.04

<b>Domestic Banking Account + Loan Trust + JOMT</b>	<b>FY2000</b>	<b>FY1999</b>	<b>Change</b>
Average Yield on Interest-earning Assets (a)	1.55	1.92	-0.37
Loans and Bills Discounted (A)	1.66	1.73	-0.07
Bonds	1.52	1.83	-0.31
Average Yield on Interest-bearing Liabilities (b)	0.45	0.85	-0.40
Deposits (B)	0.37	0.44	-0.07
Gross Margin (a) - (b)	1.10	1.07	0.03
Loan-Deposit Margin (A) - (B)	1.29	1.29	0.00

## Breakdown of Gain/Loss from Securities

(in millions of Yen)

<b>(Non-Consolidated)</b>	<b>FY2000</b>	<b>FY1999</b>	<b>Change</b>
Net gain(loss) from Bonds	29,827	-10,680	40,508
Gains on Sale of Bonds	86,086	100,208	-14,122
Gains on Redemption of Bonds	-	1,034	-1,034
Losses on Sale of Bonds	53,697	105,261	-51,564
Losses on Redemption of Bonds	-	6,646	-6,646
Losses on Devaluation of Bonds	2,561	16	2,545
Net gain(loss) from Shares	43,642	75,188	-31,546
Gains on Sale of Shares	84,977	234,502	-149,524
Losses on Sale of Shares	11,125	71,513	-60,388
Losses on Devaluation of Shares	30,209	87,799	-57,590



## Unrealized Gain/Loss of Investment Securities

(in millions of Yen)

Consolidated	Mar. 2001				Mar. 2000		
	Net	Changes	Unrealized Gains	Unrealized Losses	Net	Unrealized Gains	Unrealized Losses
Held-to-Maturity	278		495	217			
Other Securities (Amount equivalent to net unrealized gains on non-trading securities available for sale, net of taxes)	64,523 (38,542)		201,086	136,562			
<b>Total</b>	<b>64,802</b>	<b>-268,495</b>	<b>201,581</b>	<b>136,779</b>	<b>333,297</b>	<b>459,013</b>	<b>125,715</b>
Stocks	30,673	-289,192	146,594	115,921	319,866	436,175	116,309
Bonds	21,058	13,194	22,487	1,428	7,863	9,204	1,340
Others	13,069	7,502	32,499	19,430	5,567	13,632	8,065

(in millions of Yen)

Non-Consolidated	Mar. 2001				Mar. 2000		
	Net	Changes	Unrealized Gains	Unrealized Losses	Net	Unrealized Gains	Unrealized Losses
Held-to-Maturity	-		-	-			
Securities issued by Subsidiaries and Affiliates	-		-	-			
Other Securities (Amount equivalent to net unrealized gains on non-trading securities available for sale, net of taxes)	61,128 (37,373)		197,383	136,255			
<b>Total</b>	<b>61,128</b>	<b>-268,480</b>	<b>197,383</b>	<b>136,255</b>	<b>329,609</b>	<b>454,834</b>	<b>125,225</b>
Stocks	27,069	-288,996	142,910	115,841	316,065	432,307	116,241
Bonds	21,048	13,221	22,477	1,428	7,826	9,162	1,335
Others	13,010	7,293	31,995	18,985	5,716	13,364	7,648

(For reference)

Trust A/C

(in millions of Yen)

	Mar. 2001	Mar. 2000
Listed/Unlisted Securities Total	8,540	1,864

\*Evaluation Methods of Investment Securities  
(Investment Securities)

Type of Securities	Evaluation Method
Securities held for trading purposes	Mark-to-Market
Securities held to maturity	Amortized or Accumulated Cost
Securities Available for Sale	Cost or Amortized or Accumulated Cost
Securities issued by subsidiaries or affiliates	Cost
(Securities Held in Money Trust)	
Money Trust for trading purposes	Mark-to-Market

# Unrealized Gain/Loss of Financial Derivatives

## Unrealized Gains/Losses of Financial Derivatives reflected upon the Statement of Income (Including derivatives on Trading A/C)

### Consolidated

(in millions of Yen)

	Mar. 2001
Interest Related Transactions	12,366
Interest Swaps	10,981
Stock Related Transactions	-65
Bond Related Transactions	49
Total	12,350

### Non-Consolidated

(in millions of Yen)

	Mar. 2001
Interest Related Transactions	13,166
Interest Swaps	11,530
Stock Related Transactions	-52
Bond Related Transactions	49
Total	13,162

### (For Reference)

## Unrealized Gains/Losses of Financial Derivatives subject to the hedge accounting rules

### Non-Consolidated

(in millions of Yen)

	Mar. 2001	Mar. 2000
Interest Related Transactions	-76,172	-74,030
Interest Swaps	-70,712	-84,125
Stock Related Transactions	-	1,139
Bond Related Transactions	-3,704	-3,117
Total	-79,876	-76,008

\*Note: Figures as of Mar. 2000 are calculated upon all the derivative transactions but those in Trading A/C, since the hedge accounting rules were not applied in FY 1999. Unrealized gains (losses) of interest rate swaps do not include accrued interests.

# BIS Capital Adequacy Ratio

(in millions of Yen)

<b>BIS Capital Adequacy Ratio(Consolidated)</b>	<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A)-(B)</b>	<b>Sep. 2000</b>
Capital Adequacy Ratio	11.41%	11.23%	0.18%	11.05%
Tier I Ratio	6.80%	6.62%	0.18%	6.73%
Total Capital	1,381,265	1,346,209	35,055	1,313,830
Tier I	823,639	794,253	29,386	800,101
Minority Interest in Consolidated Subsidiaries	91,076	89,776	1,299	90,135
Non-Cumulative Preferred Securities	83,000	83,000	-	83,000
Tier II	560,042	553,456	6,586	540,228
Upper Tier II	267,640	223,027	44,613	232,760
Revaluation of Land, after 55% Discount	17,409	19,232	-1,823	19,232
General Reserve	79,596	58,824	20,771	49,232
Subordinated Debts	170,635	144,970	25,665	164,295
Lower Tier II	292,401	330,429	-38,027	307,468
Termed Subordinated Debt, etc.	292,401	330,429	-38,027	307,468
Deduction	2,417	1,499	917	26,499
Risk Assets	12,098,244	11,982,247	115,997	11,884,052

Non-Consolidated BIS Capital Adequacy Ratio	11.69%
Tier I Ratio	6.94%

## Return on Equity

<b>(Non-Consolidated)</b>	<b>FY2000</b>	<b>FY1999</b>	<b>Change</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a)-(b)</b>
Dividend per Common Stock (yen)	7.00	7.00	-
Dividend per Preferred Stock (yen)	6.08	6.08	-
Net Income per Common Stock (yen)	28.97	22.45	6.52
Return(Net Business Profit before Trust Account credit costs) on Equity	19.0%	24.9%	-5.9%
Return(Adjusted Net Business Profit) on Equity	22.3%	23.7%	-1.4%
Return (Net Income) on Equity	6.5%	5.3%	1.2%
<b>Total Stockholders' Equity (ending balance, in millions of Yen)</b>	<b>760,892</b>	<b>724,749</b>	<b>36,143</b>

## Risk-Managed Loans

(in millions of Yen)

Banking Account Loans (Non-consolidated)	Mar. 2001		Mar. 2000		Change		Sep. 2000	
	Balance	% to Loan	Balance	% to Loan	Balance	% to Loan	Balance	% to Loan
Loans in Bankruptcy Proceedings	33,698	0.41%	44,594	0.57%	-10,895	-0.16%	51,856	0.64%
Other Delinquent Loans	399,471	4.82%	563,024	7.24%	-163,552	-2.42%	581,048	7.15%
Loans More than 3 months Past Due	3,380	0.04%	10,945	0.14%	-7,564	-0.10%	10,689	0.13%
Restructured Loans	29,407	0.35%	52,539	0.68%	-23,132	-0.33%	66,586	0.82%
Total Loans under Risk Management	465,958	5.62%	671,104	8.63%	-205,145	-3.01%	710,180	8.73%
Partial Direct Write-offs	394,541		360,772		33,769		355,738	
Total Loan Balance	8,292,615		7,777,439		515,175		8,130,839	

(in millions of Yen)

Trust Account Loans (Principal Guaranteed)	Mar. 2001		Mar. 2000		Change		Sep. 2000	
	Balance	% to Loan	Balance	% to Loan	Balance	% to Loan	Balance	% to Loan
Loans in Bankruptcy Proceedings	6,924	0.30%	7,405	0.26%	-481	0.04%	16,690	0.67%
Other Delinquent Loans	54,244	2.34%	67,132	2.32%	-12,888	0.02%	71,639	2.87%
Loans More than 3 months Past Due	1,328	0.06%	11,783	0.41%	-10,455	-0.35%	5,034	0.20%
Restructured Loans	1,265	0.05%	5,161	0.18%	-3,895	-0.13%	900	0.04%
Total Loans under Risk Management	63,762	2.75%	91,483	3.17%	-27,720	-0.42%	94,265	3.78%
Total Loan Balance	2,318,749		2,889,382		-570,632		2,491,933	

## Risk-Managed Loans (continued)

(in millions of Yen)

Banking and Trust Accounts (Non-consolidated)	Mar. 2001		Mar. 2000		Change		Sep. 2000	
	Balance	% to Loan	Balance	% to Loan	Balance	% to Loan	Balance	% to Loan
Loans in Bankruptcy Proceedings	40,623	0.38%	52,000	0.49%	-11,377	-0.11%	68,547	0.65%
Other Delinquent Loans	453,715	4.28%	630,157	5.91%	-176,441	-1.63%	652,687	6.14%
Loans More than 3 months Past Due	4,709	0.04%	22,729	0.21%	-18,019	-0.17%	15,723	0.15%
Restructured Loans	30,672	0.29%	57,700	0.54%	-27,027	-0.25%	67,487	0.64%
Total Loans under Risk Management	529,721	4.99%	762,587	7.15%	-232,866	-2.16%	804,446	7.57%
Total Loan Balance	10,611,364		10,666,821		-55,456		10,622,773	

(in millions of Yen)

Banking and Trust Accounts (Consolidated)	Mar. 2001		Mar. 2000		Change		Sep. 2000	
	Balance	% to Loan	Balance	% to Loan	Balance	% to Loan	Balance	% to Loan
Loans in Bankruptcy Proceedings	45,014	0.43%	64,646	0.61%	-19,632	-0.18%	68,588	0.65%
Other Delinquent Loans	388,618	3.70%	616,782	5.81%	-228,164	-2.11%	576,946	5.49%
Loans More than 3 months Past Due	4,753	0.05%	25,045	0.24%	-20,292	-0.19%	15,753	0.15%
Restructured Loans	30,672	0.29%	57,700	0.54%	-27,027	-0.25%	67,487	0.64%
Total Loans under Risk Management	469,058	4.46%	764,175	7.20%	-295,116	-2.74%	728,775	6.93%
Total Loan Balance	10,512,529		10,618,350		-105,821		10,512,059	

## Reserve for Possible Loan Losses

(in millions of Yen)

<b>Banking Account (Non-consolidated)</b>	<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A) - (B)</b>	<b>Sep. 2000</b>
Reserve for Possible Loan Losses	207,330	290,035	-82,705	274,010
General Reserve	76,175	55,061	21,113	46,369
Specific Reserve for Possible Loan Losses	128,271	231,188	-102,917	224,409
Reserve for Loans to Restructuring Countries	2,884	3,785	-900	3,232
Reserve for Financial Assistance to Specific Borrowers	-	18,203	-18,203	18,193
Reserve for Possible Loan Loss on Loans sold to CCPC	3,379	6,002	-2,623	4,701

(in millions of Yen)

<b>Banking Account (Consolidated)</b>	<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A) - (B)</b>	<b>Sep. 2000</b>
Reserve for Possible Loan Losses	188,057	345,639	-157,582	250,337
General Reserve	79,596	58,824	20,771	49,232
Specific Reserve for Possible Loan Losses	105,576	283,030	-177,453	197,873
Reserve for Loans to Restructuring Countries	2,884	3,785	-900	3,232
Reserve for Financial Assistance to Specific Borrowers	-	18,203	-18,203	18,193
Reserve for Possible Loan Loss on Loans sold to CCPC	3,379	6,002	-2,623	4,701

(in millions of Yen)

<b>Trust Accounts Reserve for Possible Impairment of Principal</b>	<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A)-(B)</b>	<b>Sep. 2000</b>
Loan Trust	23,977	31,063	-7,085	27,668
Jointly-Operated Money Trust	751	844	-93	780
Total	24,729	31,908	-7,179	28,448

## Reserve Ratio for Risk-Managed Loans

<b>(Non-consolidated)</b>		<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A) - (B)</b>	<b>Sep. 2000</b>
Before Partial Direct Write-offs	Banking A/C	69.9%	63.0%	6.9%	59.0%
	Banking & Trust A/C	67.7%	60.7%	7.0%	56.7%
After Partial Direct Write-offs	Banking A/C	44.4%	43.2%	1.2%	38.5%
	Banking & Trust A/C	43.8%	42.2%	1.6%	37.5%

<b>(Consolidated)</b>		<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A) - (B)</b>	<b>Sep. 2000</b>
Before Partial Direct Write-offs	Banking A/C	74.3%	68.3%	6.0%	62.9%
	Banking & Trust A/C	71.8%	65.6%	6.2%	60.2%
After Partial Direct Write-offs	Banking A/C	46.4%	51.3%	-4.9%	39.4%
	Banking & Trust A/C	45.3%	49.4%	-4.1%	38.2%

Note 1: For Banking account, reserves include General Reserve, Specific Reserve, and Reserve for Loans to Restructuring Countries.

Note 2: For the Banking and Trust accounts, reserves include Reserve for Possible Impairment of Principal in Loan Trust and JOMT as well as General Reserve and Specific Reserve.



## Assets Classified under Financial Reconstruction Law (After Partial Direct Write-offs)

(in millions of Yen)

<b>Banking Account (Non-consolidated)</b>	<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A) - (B)</b>	<b>Sep. 2000</b>
Loans in Bankruptcy and Practical Bankruptcy	70,294	77,902	-7,607	87,342
Doubtful Loans	366,002	537,109	-171,107	551,141
Substandard Loans	32,788	63,485	-30,697	77,275
Total (A)	469,086	678,498	-209,412	715,760
Partial Direct Write-offs	394,541	360,772	33,769	355,738

(in millions of Yen)

<b>Trust Account Loans (Principal Guaranteed)</b>	<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A) - (B)</b>	<b>Sep. 2000</b>
Loans in Bankruptcy and Practical Bankruptcy	15,126	18,251	-3,124	24,754
Doubtful Loans	46,042	56,287	-10,245	63,575
Substandard Loans	2,593	16,944	-14,350	5,935
Total (A)	63,762	91,483	-27,720	94,265

(in millions of Yen)

<b>Banking and Trust Accounts (Non-consolidated)</b>	<b>Mar. 2001 (A)</b>	<b>Mar. 2000 (B)</b>	<b>Change (A) - (B)</b>	<b>Sep. 2000</b>
Loans in Bankruptcy and Practical Bankruptcy	85,421	96,153	-10,732	112,096
Doubtful Loans	412,045	593,397	-181,352	614,717
Substandard Loans	35,382	80,429	-45,047	83,210
Total (A)	532,848	769,981	-237,132	810,025
Partial Direct Write-offs	394,541	360,772	33,769	355,738

## Coverage for Assets Classified under Financial Reconstruction Law (After Partial Direct Write-offs)

(in millions of Yen)

<b>Banking Account (Non-consolidated)</b>	<b>Mar. 2001 (a)</b>	<b>Mar. 2000 (b)</b>	<b>Change (a) - (b)</b>	<b>Sep. 2000</b>
Total Coverage against Possible Loan Losses (B)	443,953	622,550	-178,596	655,863
Reserve for Possible Loan Losses (C) <i>see Note</i>	132,238	233,953	-101,715	227,841
Reserve for Financial Assistance to Specific Borrowers (D)	-	18,203	-18,203	18,193
Guarantee and Collateral Value (E)	311,714	370,392	-58,678	409,827

Note: Reserve for Possible Loan Losses against the assets classified under Financial Reconstruction Law includes Specific Reserve and General Reserve against Substandard Loans.

### Coverage Ratio (B) / (A)

Before Partial Direct Write-Offs	97.0%	94.6%	2.4%	94.4%
After Partial Direct Write-Offs	94.6%	91.7%	2.9%	91.6%

### Reserve Ratio against Uncovered Portion (C + D) / (A - E)

Before Partial Direct Write-Offs	95.4%	91.6%	3.8%	90.9%
After Partial Direct Write-Offs	84.0%	81.8%	2.2%	80.4%

## Coverage for Assets Classified under Financial Reconstruction Law (continued)

(in millions of Yen)

<b>Trust Account Loans (Principal Guaranteed)</b>	<b>Mar. 2001 (a)</b>	<b>Mar. 2000 (b)</b>	<b>Change (a) - (b)</b>	<b>Sep. 2000</b>
Total Coverage against Possible Loan Losses (B)	58,212	78,775	-20,563	82,070
Reserve for Possible Loan Losses (C) <i>see Note</i>	-	-	-	-
Reserve for Financial Assistance to Specific Borrowers (D)	-	-	-	-
Guarantee and Collateral Value (E)	58,212	78,775	-20,563	82,070

Note: Reserve for Possible Loan Losses against the assets classified under Financial Reconstruction Law includes Specific Reserve and General Reserve against Substandard Loans.

### Coverage Ratio (B) / (A)

Before Partial Direct Write-Offs	91.3%	86.1%	5.2%	87.0%
After Partial Direct Write-Offs	91.3%	86.1%	5.2%	87.0%

### Reserve Ratio against Uncovered Portion (C + D) / (A - E)

Before Partial Direct Write-Offs	-	-	-	-
After Partial Direct Write-Offs	-	-	-	-

## Coverage for Assets Classified under Financial Reconstruction Law (continued)

(in millions of Yen)

<b>Banking and Trust Accounts (Non-consolidated)</b>	<b>Mar. 2001 (a)</b>	<b>Mar. 2000 (b)</b>	<b>Change (a) - (b)</b>	<b>Sep. 2000</b>
Total Coverage against Possible Loan Losses (B)	502,165	701,326	-199,160	737,934
Reserve for Possible Loan Losses (C) <i>see Note</i>	132,238	233,953	-101,715	227,841
Reserve for Financial Assistance to Specific Borrowers (D)	-	18,203	-18,203	18,193
Guarantee and Collateral Value (E)	369,927	449,168	-79,241	491,898

Note: Reserve for Possible Loan Losses against the assets classified under Financial Reconstruction Law includes Specific Reserve and General Reserve against Substandard Loans.

### Coverage Ratio (B) / (A)

Before Partial Direct Write-Offs	96.6%	93.9%	2.7%	93.8%
After Partial Direct Write-Offs	94.2%	91.0%	3.2%	91.1%

### Reserve Ratio against Uncovered Portion (C + D) / (A - E)

Before Partial Direct Write-Offs	94.5%	89.9%	4.6%	89.3%
After Partial Direct Write-Offs	81.1%	78.6%	2.5%	77.3%

# Asset Classification under Financial Reconstruction Law

## Banking Account

(Non-consolidated)

(in billions of Yen)

Classification	Balance		Coverage Ratio		Collateral/Reserve	Mar. 2001	Reserve Ratio	
	Mar. 2001	Mar. 2000	Mar. 2001	Mar. 2000			Mar. 2001	Mar. 2000
Bankrupt and Practically Bankrupt (A)	70.3	77.9	100%	100%	Specific Reserve	3.5	100%	100%
					Collateral/Guarantee	66.8		
Doubtful (B) (Kiken-Saiken)	366.0	537.1	95%	91%	Uncovered	15.7	88%	83%
					Specific Reserve	124.7		
Substandard (C) (Yo-Kanri-Saiken)	32.8	63.5	71%	82%	Collateral/Guarantee	225.6	29%	65%
					Uncovered	9.5		
					General Reserve	4.0		
					Reserve for Financial Assistance to Specific Borrowers	-		
Ordinary Assets (Seijo-Saiken)	8,360.4	7,601.4			Collateral/Guarantee	19.3		
					General Reserve	72.2		
					Reserve for Loans to Restructuring Countries	2.9		
Total of (A), (B) and (C)	469.1	678.5						
Total	8,829.5	8,279.9						

\*The figures are after adjusting for the direct write-offs for the IV category:

FY2000: 394.5billion yen, FY1999: 360.7billion yen

## Asset Classification under Financial Reconstruction Law (continued)

### Trust Account

(Non-consolidated)

(in billions of Yen)

Classification	Balance		Coverage Ratio		Collateral/Reserve		Reserve for Possible Impairment of Principal
	Mar. 2001	Mar. 2000	Mar. 2001	Mar. 2000			
Bankrupt and Practically Bankrupt (D)	15.1	18.3	100%	100%	Collateral/Guarantee	15.1	Loan Trust 24.0
Doubtful (Kiken-Saiken)(E)	46.0	56.3	90%	80%	Uncovered	4.3	
					Collateral/Guarantee	41.7	
Substandard (Yo-Kanri-Saiken) (F)	2.6	16.9	52%	90%	Uncovered	1.2	JOMT 0.8
					Collateral/Guarantee	1.4	
Ordinary Assets (Seijo-Saiken)	2,255.0	2,797.9	/				
Total of (D), (E) and (F)	63.8	91.5					
Total	2,318.7	2,889.4					

### Banking and Trust Accounts

(Non-consolidated)

Total of (A) to (F)	532.8	770.0
Total	11,148.3	11,169.3

# Loans by Industry

(Non-Consolidated, after Partial Direct Write-offs)

(in millions of Yen)

Domestic Branches (excl. Offshore)	Mar. 2001				Mar. 2000
	Banking A/C	Trust A/C	Banking + Trust A/C	Change	
Total	7,826,096	2,607,797	10,433,894	-56,657	10,490,551
Manufacturing	1,041,489	266,697	1,308,186	-113,859	1,422,045
Agriculture	692	-	692	-29	721
Forestry	921	-	921	49	872
Fishing	-	500	500	-13	513
Mining	5,927	670	6,597	-279	6,876
Construction	233,972	91,909	325,881	-54,818	380,699
Energy and Utilities	70,608	222,896	293,504	-53,524	347,028
Transportation and Communication	382,058	268,143	650,202	54,016	596,186
Wholesale, Retail, and Restaurant	752,342	172,096	924,438	-38,392	962,830
Finance and Insurance	1,941,284	543,506	2,484,789	17,166	2,467,623
Real Estate	1,116,049	419,819	1,535,869	-112,939	1,648,808
Services	1,242,505	244,298	1,486,803	-44,860	1,531,663
Local Government	2,134	46,435	48,569	-1,346	49,915
Individuals and Others	1,036,114	330,829	1,366,944	292,172	1,074,772

# Risk-Managed Loans by Industry

(Non-Consolidated, after Partial Direct Write-offs)

(in millions of Yen)

Domestic Branches (excl. Offshore)	Mar. 2001				Mar. 2000
	Banking A/C	Trust A/C	Banking + Trust A/C	Change	
Total	461,795	63,762	525,557	-228,311	753,868
Manufacturing	9,836	1,320	11,157	-5,646	16,803
Agriculture	-	-	-	-	-
Forestry	-	-	-	-	-
Fishing	-	-	-	-13	13
Mining	-	-	-	-	-
Construction	5,314	1,716	7,030	1,052	5,978
Energy and Utilities	1,395	4	1,399	1,388	11
Transportation and Communication	6,563	1,656	8,220	2,508	5,712
Wholesale, Retail, and Restaurant	12,543	6,285	18,829	-14,691	33,520
Finance and Insurance	97,665	312	97,977	-61,589	159,566
Real Estate	287,120	36,572	323,693	-53,756	377,449
Services	37,376	13,804	51,181	-93,236	144,417
Local Government	-	-	-	-	-
Individuals and Others	3,979	2,089	6,068	-4,327	10,395



# Assets Classified under Financial Reconstruction Law by Industry

(Non-Consolidated, after Partial Direct Write-offs)

(in millions of Yen)

Domestic Branches (excl. Offshore)	Mar. 2001				Mar. 2000
	Banking A/C	Trust A/C	Banking + Trust A/C	Change	
Total	464,922	63,762	528,685	-229,513	758,198
Manufacturing	9,836	1,320	11,157	-5,660	16,817
Agriculture	-	-	-	-	-
Forestry	-	-	-	-	-
Fishing	-	-	-	-13	13
Mining	-	-	-	-176	176
Construction	5,316	1,716	7,032	993	6,039
Energy and Utilities	1,395	4	1,399	1,388	11
Transportation and Communication	6,563	1,656	8,220	2,508	5,712
Wholesale, Retail, and Restaurant	12,585	6,285	18,871	-14,651	33,522
Finance and Insurance	97,679	312	97,991	-61,579	159,570
Real Estate	287,584	36,572	324,156	-53,429	377,585
Services	39,845	13,804	53,649	-94,704	148,353
Local Government	-	-	-	0	-
Individuals and Others	4,115	2,089	6,205	-4,191	10,396

## Balance of Loans and Deposits

(in millions of Yen)

(Non-consolidated)		Mar. 2001 FY2000	Mar.2000 FY1999	Change	Sep. 2000 (FHY2000)
Deposits	Ending Balance	7,702,197	6,444,211	1,257,986	7,416,234
	Average Balance	7,309,058	6,062,329	1,246,728	6,954,867
Loans	Ending Balance	8,292,615	7,777,439	515,175	8,130,839
	Average Balance	7,844,999	7,196,980	648,019	7,521,539

## Loans to Major Consolidated Subsidiaries

(in millions of Yen)

(Non-consolidated)		Mar. 2001	Mar.2000	Change	Sep. 2000
	Sumishin Leasing Co., Ltd.	126,302	139,351	-13,048	130,053
	Sumishin Card Co., Ltd.	3,442	3,442	-	3,442
	International General Finance Co., Ltd.	75,229	89,594	-14,364	83,919

## Loans Sold to Cooperative Credit Purchase Co.

(in millions of Yen)

(Non-Consolidated)		Mar. 2001	Mar. 2000	Change	Sep. 2000
	Current Balance of Loans to CCPC	5,947	11,494	-5,546	9,548
	Reserve for Possible Loan Losses	3,379	6,002	-2,623	4,701
	Reserve Ratio	56.8%	52.2%	4.6%	49.2%

## Overseas Loan Exposures by Borrowers' Location

(in millions of Yen)

(Non-consolidated)	Mar. 2001			Mar. 2000	Change
	Balance	Japanese Affiliates	Non-Japanese	Balance	
Asia	106,501	56,898	49,602	126,240	-19,738
(Risk Managed Assets)	(2,717)	(1,345)	(1,372)	(6,671)	(-3,953)
Hong Kong	14,009	12,302	1,706	25,203	-11,193
Indonesia	25,972	9,551	16,420	25,421	550
Singapore	24,365	19,252	5,112	21,666	2,698
China	17,208	10,523	6,685	19,894	-2,686
Thailand	7,006	4,986	2,020	12,882	-5,875
Latin America *	4,686	-	4,686	6,200	-1,514
(Risk-Managed Assets)	(-)	(-)	(-)	(-)	(-)
Russia	-	-	-	-	-
(Risk-Managed Assets)	(-)	(-)	(-)	(-)	(-)

\* Argentine, Brazil, Chile, Colombia, and Mexico

## Reserve for Loans to Restructuring Countries

(in millions of Yen)

(Non-consolidated)	Mar. 2001	Mar. 2000	Change	Sep. 2000
Amount of Claims	14,422	15,056	-634	16,161
Number of Countries	2	2	-	3

## Progress of Revitalization Plan

### Non-consolidated

(in millions of Yen)

General and Administrative Expenses	FY2000	FY1999	Change	Projection* FY2000
General and Administrative Expenses	125,919	131,097	-5,177	136,000
Personnel Expenses	52,457	57,911	-5,454	53,000
Other Expenses	68,240	67,535	704	75,000
Non-income taxes	5,222	5,649	-427	8,000

\* Projections disclosed in the Revitalization Plan submitted to Financial Reconstruction Committee

Number of Directors and Employees	Mar. 2001	Mar. 2000	Change	Projection* Mar. 2001
Number of Directors and Auditors	18	16	2	18
Auditors	5	5	-	approx. 5
Number of Employees *	5,202	5,568	-366	5,400

\* Includes clerical, and staff dispatched from other companies. Do not include, part-timers.

Number of Branches and Subsidiaries	Mar. 2001	Mar. 2000	Change	Projection* Mar. 2001
Number of Domestic Branches *1	54	54	-	54
Number of Overseas Branches *2	4	5	-1	3
(reference) Number of Overseas subsidiary *3	4	5	-1	3

\*1 Excludes Representative Offices. \*2 Excludes Representative Offices \*3 Excludes Special Purpose Companies.

# Employee Retirement Benefits

## (1) Retirement Benefit Obligation

(in millions of Yen)	Mar. 2001
Pension Benefit Obligation	-160,380
Plan Assets	150,423
Projected Benefit Obligation in Excess of Plan Assets	-9,957
Unrecognized Net Plan Assets	-903
Unrecognized Net Obligation at Initial Adoption	13,964
Unrecognized Net Actuarial Loss	23,374
Amount Recognized in the Balance Sheet	26,478
Advanced Benefit Paid	28,154
Reserve for Employee Retirement Benefits	-1,675

## (2) Retirement Benefit Cost

(in millions of Yen)	FY2000
Service Costs	5,142
Interest Expenses	5,276
Expected Return on Plan Assets	-6,404
Expenses at Initial Adoption	3,538
Others (additional benefit at retirement etc.)	2,455
<b>Retirement Benefit Costs</b>	<b>10,009</b>

## (3) Standards for Calculating Employee Retirement Benefits

(in millions of Yen)	FY2000
(A) Discount Rate	3.5%
(B) Expected Yield on Plan Assets	5.5%
(C) Standard Applied to Allocate Obligation	Fixed Amount Method
(D) Period to Amortize Unrecognized Net Actuarial Loss	10 years
(E) Period to Amortize Unrecognized Net Obligation at Initial Adoption	mainly 5 years

# Forecast for the Fiscal Year 2001

Based on Management Analysis

(in billions of Yen)

(Non-Consolidate)	Result	Forecast		Change (B) - (A)
	FY2000(A)	FY2001 (B)	First Half FY2001	
<b>Adjusted Net Business Profits</b>	144.1	140.0	65.0	-4.1
<b>Net Business Profits (<i>Gyomu Jun-eki</i>)</b>	91.5	115.0	55.0	23.5
<b>Gross Credit Costs</b>	146.8	80.0	40.0	-66.8
Banking Account Net Credit Costs	115.3	55.0	30.0	-60.3
Trust Accounts Net Credit Costs	31.5	25.0	10.0	-6.5
Other Non-Recurring Items	75.5	-7.0	-2.0	-82.5
<b>Net Operating Income (<i>Keijo-Rieki</i>)</b>	72.9	53.0	23.0	-19.9
<b>Net Income</b>	42.6	30.0	13.0	-12.6
<b>Dividend per Common Stock [yen]</b>	7.00	7.00	3.50	-
<b>Dividend per Preferred Stock [yen]</b>	6.08	6.08	3.04	-

## (Consolidated)

<b>Net Operating Income (<i>Keijo-Rieki</i>)</b>	78.2	58.0	25.0	-20.2
<b>Net Income</b>	41.0	28.0	12.0	-13.0

# Reference

## (1) Net Business Profit

(in billions of Yen)	Before Net Transfer to	After Net Transfer to	Net Business Profit before Trust A/C Credit Cost	
	General Reserve	General Reserve	Before Net Transfer to General Reserve	After Net Transfer to General Reserve
Mar. 2000	89.9	97.2	144.7	151.9
Mar. 2001	112.6	91.5	144.1	123.0

## (2) Classified Assets under Self-Assessment and Financial Reconstruction Law (Banking and Trust Account)

(in billions of Yen)	Self-Assessment			Financial Reconstruction Law	
	(A) Loans to debtors legally/virtually bankrupt	(B) Loans to debtors likely to be bankrupt	(A) + (B)	(C) Substandard Loans	(A) + (B) + (C)
Mar. 2000	96.2	593.4	689.6	80.4	770.0
Mar. 2001	85.4	412.0	497.5	35.4	532.8

### (3) Final Disposal of Non Performing Loans

#### (A) Review of Final Disposal of Non-Performing Loans during 2nd Half of FY2000

(in billions of Yen)	2nd Half of FY2000
( Method of disposal )	Amount
Borrower's Liquidation	12.2
Reconstruction	53.8
Loan Sale	47.9
Direct Write-off	8.8
Others *	143.9
<b>Total</b>	<b>266.6</b>

\* Others - Collection of claims, improvement of debtors' financial conditions

#### (B) Loans in Bankruptcy/Practical Bankruptcy and Doubtful Loans

(in billions of Yen)	Sep. 2000			Included during 2nd HFY2000	Mar. 2001 Outstanding
	Outstanding	Mar. 2001	Change		
Loans in Bankruptcy/Practical Bankruptcy	112.1	82.7	-29.4	2.7	85.4
Doubtful Loans	614.7	377.5	-237.2	34.5	412.0
<b>Total</b>	<b>726.8</b>	<b>460.2</b>	<b>-266.6</b>	<b>37.2</b>	<b>497.5</b>

#### (C) Debt Forgiveness

(Amount: in billions of Yen)

FY2000			FY1999	
Amount	Number of debtors	Debtor Names	Amount	Number of debtors
34.8	4	*As listed below	36.2	3

\*Debtor Names: Kumagai-gumi, Royal Hotel, Daisue Construction, Urban Life

#### (D) Bulks Sales

(in billions of Yen)	FY2000		FY1999
	Amount	Change	
Loans Sold in Bulk	101.1	47.0	54.0



#### (4) Loans to Small to Mid-Sized Corporations

(%; in billions of Yen)	Mar. 2001 (A)		Sep. 2000 (B)	Mar. 2000 (C)
	(A) - (B)	(A) - (C)		
Percentage to Total Loan Balance	44.9	4.3	3.4	40.6
Loan Balance to Small to Mid-Sized Corporations	4,687.5	448.2	328.3	4,239.2

#### (5) Loan Balance, Non-Performing Loan Amount to Retail, Construction, and Real Estate Corporations

\*Risk-Managed Loans Basis

(in billions of Yen)		Loan Balance	Number of Loans More than 3 months Past Due	Number of Restructured Loans	Number of Other Delinquent Loans	Number of Loans in Bankruptcy Proceedings
Whole Sale and Retail	Mar. 2000	962.8	5	2	301	25
	Mar. 2001	924.4	3	-	105	76
Construction	Mar. 2000	380.6	-	-	35	24
	Mar. 2001	325.8	-	-	61	8
Real Estate	Mar. 2000	1,648.8	22	408	3,316	26
	Mar. 2001	1,535.8	14	232	2,874	115

#### (6) Dissolution of Cross Share Holdings

Amount Sold during FY 2000	FY2001 Plan
approx. 140 billion yen	approx. 200 billion yen

#### (7) Effects of Enterprise Tax on Banking Industries

(in billions of Yen)

Tokyo	
Tax Amount Imposed during FY2000	2.2
Expected Tax Amount Imposed during and after FY2001	approx. 2.5
Osaka	
Expected effects upon net income due to decrease in statutory effective tax rate applied to tax-effective accounting	6.3
Expected Tax Amount Imposed during and after FY2001	approx. 1.5