

**COMPANY  
INFORMATION**

The Sumitomo Trust & Banking Co., Ltd.  
4-4, Marunouchi 1-chome, Chiyoda-ku, TOKYO 100-8233 JAPAN

Nov. 25, 2003

**Financial Results For First Half of Fiscal Year 2003**

The Sumitomo Trust and Banking Company, Limited ("the Bank" hereafter) announces its financial results for first half of fiscal 2003 ended September 30, 2003 and forecasts for full fiscal year 2003 ending March 31, 2004. The financial summary is stated as below.

**Financial Results for First Half of Fiscal Year 2003 <under Japanese GAAP>**

Half Years ended September 30	Millions of Yen			Millions of U.S. Dollars
	2003 (unaudited)	2002	% change	2003
<b>&lt;Consolidated&gt;</b>				
Operating Income	262,014	299,295	(12.5)	2,355.2
Net Operating Income	66,632	40,389	65.0	598.9
Net Income	40,961	5,216	685.2	368.2
Total Assets	15,081,048	17,475,927	(13.7)	135,560.0
Total Stockholders' Equity	719,692	691,303	4.1	6,469.1
Per Share	Yen		change	U.S. Dollars
Net Income	28.09	3.60	24.49	0.25
Stockholders' Equity	424.99	406.75	18.24	3.82
	%		change	
BIS Capital Adequacy Ratio	12.10 (preliminary)	11.56	0.54	
Cash Flows	Millions of Yen			Millions of U.S. Dollars
Cash Flows from Operating Activities	(338,731)	(147,836)		(3,044.8)
Cash Flows from Investing Activities	(46,288)	(195,539)		(416.1)
Cash Flows from Financing Activities	100,542	(29,706)		903.7
Cash and Cash Equivalents at End of Half Fiscal Year	197,221	288,498		1,772.8

Notes : 1. U.S. dollar amounts are converted, for convenience only, at 111.25 Yen per dollar ( Interbank rate in Tokyo at September 30, 2003 ).

2. Average number of shares during the fiscal (half ) year ended :

September 30, 2003: Common Stock 1,458,185,209 ; Preferred Stock 125,000,000

September 30, 2002: Common Stock 1,448,638,547 ; Preferred Stock 125,000,000

March 31, 2003 : Common Stock 1,451,293,525 ; Preferred Stock 125,000,000

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3. Number of issued shares as of :

September 30, 2003: Common Stock 1,458,145,287 ; Preferred Stock 125,000,000  
 September 30, 2002: Common Stock 1,453,729,132 ; Preferred Stock 125,000,000  
 March 31, 2003 : Common Stock 1,458,210,364 ; Preferred Stock 125,000,000

4. Consolidation and Application of the Equity Method

(1)Consolidated Companies	20	Companies
(newly consolidated)		- Company
(excluded)		- Company
(2)Companies Accounted for by the Equity Method	5	Companies
(newly accounted for by the equity method)		- Company
(excluded)		- Company

Half Years ended September 30	Millions of Yen			Millions of U.S. Dollars
	2003 (unaudited)	2002	% change	2003

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**<Non-consolidated>**

Operating Income	252,334	289,523	(12.8)	2,268.2
Net Operating Income	62,387	38,287	62.9	560.8
Net Income	40,389	20,160	100.3	363.0
Total Assets	15,160,576	17,592,295	(13.8)	136,274.8
Total Stockholders' Equity	729,117	701,046	4.0	6,553.9

Per Share	Yen		change	U.S. Dollars
Net Income	27.70	13.92	13.78	0.25
Dividends [ Common Stock ]	-	-	-	-
Dividends [ Preferred Stock ]	-	-	-	-
Stockholders' Equity	431.45	413.45	18.00	3.88
	%		change	

Equity to Total Assets Ratio	4.8	4.0	0.8
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**Income Forecasts for Fiscal Year 2003**

	<u>Millions of Yen</u> Full Fiscal Year
<b>&lt;Consolidated&gt;</b>	
Operating Income	<b>520,000</b>
Net Operating Income	<b>110,000</b>
Net Income	<b>65,000</b>

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	<u>Millions of Yen</u> Full Fiscal Year
<b>&lt;Non-consolidated&gt;</b>	
Operating Income	<b>500,000</b>
Net Operating Income	<b>100,000</b>
Net Income	<b>60,000</b>
	<u>Yen</u>
Cash Dividend per Share	
Common Stock	<b>4.00</b>
Preferred Stock	<b>6.08</b>

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All amounts of yen are presented on a rounding down basis.  
Attached are summarized translations of the brief financial statements (*Kessan Tanshin*) and explanatory material.

## Consolidated Balance Sheets

	Sep-03 (unaudited)	Sep-02	Change	(Millions of Yen) Mar-03
<b>Assets:</b>				
Cash and Due from Banks	425,844	732,082	(306,238)	673,327
Call Loans and Bills Bought	61,914	362,909	(300,994)	47,596
Commercial Paper and Other Debt Purchased	97,783	61,724	36,059	98,668
Trading Assets	246,328	517,808	(271,479)	679,926
Money Held in Trust	0	95,068	(95,068)	-
Investment Securities	3,746,289	5,184,029	(1,437,740)	3,458,250
Loans and Bills Discounted	8,992,977	8,983,751	9,225	9,143,155
Foreign Exchanges	9,596	12,314	(2,718)	13,534
Other Assets	963,464	1,006,328	(42,864)	1,089,701
Premises and Equipment	110,832	119,206	(8,374)	116,026
Deferred Tax Assets	212,063	225,292	(13,229)	279,420
Customers' Liabilities for Acceptances and Guarantees	327,807	340,552	(12,745)	319,217
Reserve for Possible Loan Losses	(113,853)	(165,141)	51,288	(139,060)
<b>Total Assets</b>	<b>15,081,048</b>	<b>17,475,927</b>	<b>(2,394,879)</b>	<b>15,779,764</b>
<b>Liabilities:</b>				
Deposits	8,587,543	8,458,587	128,956	8,698,805
Negotiable Certificates of Deposit	1,251,566	2,066,518	(814,952)	1,558,646
Call Money and Bills Sold	190,500	266,372	(75,872)	268,700
Payables under Repurchase Agreements	818,273	1,028,870	(210,597)	928,932
Collateral for Lending Securities	502,636	1,450,828	(948,192)	386,870
Trading Liabilities	46,729	309,316	(262,587)	330,403
Borrowed Money	151,329	74,369	76,959	141,657
Foreign Exchanges	12,862	9,486	3,375	9,718
Corporate Bonds	403,500	446,675	(43,175)	306,100
Convertible Bonds	75	2,400	(2,325)	75
Borrowed Money from Trust Accounts	1,358,198	1,522,463	(164,264)	1,477,346
Other Liabilities	610,191	706,468	(96,276)	624,572
Reserve for Employee Bonuses	3,654	3,660	(6)	3,975
Reserve for Employee Retirement Benefits	2,302	3,294	(992)	2,279
Deferred Tax Liabilities	190	60	129	178
Deferred Tax Liabilities on Revaluation Reserve for Land	2,956	3,684	(728)	3,702
Negative Goodwill	1,383	1,936	(553)	1,659
Acceptances and Guarantees	327,807	340,552	(12,745)	319,217
<b>Total Liabilities</b>	<b>14,271,700</b>	<b>16,695,548</b>	<b>(2,423,847)</b>	<b>15,062,840</b>
<b>Minority Interest</b>	<b>89,655</b>	<b>89,075</b>	<b>579</b>	<b>89,093</b>
<b>Stockholders' Equity:</b>				
Capital Stock	287,015	285,853	1,162	287,015
Capital Surplus	240,435	239,272	1,162	240,435
Retained Earnings	151,114	192,252	(41,138)	114,190
Revaluation Reserve for Land, Net of Tax	4,506	5,820	(1,314)	5,604
Net Unrealized Gains(Losses) on Available-for-Sale Securities, Net of Tax	44,782	(23,735)	68,518	(11,309)
Foreign Currency Translation Adjustments, Net of Tax	(3,768)	(3,875)	107	(3,741)
Treasury Stock	(4,393)	(4,284)	(108)	(4,363)
<b>Total Stockholders' Equity</b>	<b>719,692</b>	<b>691,303</b>	<b>28,388</b>	<b>627,830</b>
<b>Total Liabilities, Minority Interest and Stockholders' Equity</b>	<b>15,081,048</b>	<b>17,475,927</b>	<b>(2,394,879)</b>	<b>15,779,764</b>

## Notes to Consolidated Balance Sheets at the end of first half of Fiscal year 2003

### 1. Trading Assets and Liabilities

Transactions for "Trading Purposes" (purposes for seeking to capture gains arising from short-term changes in interest rates, currency exchange rates or securities prices in markets and other market-related indices or from differences between markets) are included in Trading Assets and Trading Liabilities on a trade date basis.

Trading Account Securities and Monetary Claims are stated at market value of the balance sheets date and financial derivatives for trading purposes, such as swaps, futures or options, are valued on the assumption that they are settled at balance sheets date.

### 2. Investment Securities

Held-to-Maturity Debt Securities are valued on an amortized or accumulated cost basis using the moving average method. Investment in non-consolidated subsidiaries not accounted for by the equity method and investment in affiliates not accounted for by the equity method are stated at cost base using the moving average method.

Available-for-Sale Securities, for which market prices are available, are stated at fair value calculated by using the average market price during last one month of the interim period as for Japanese stocks, and by using the market prices at the end of the interim period as for bonds and others, while those for which fair value is not available are stated at cost or amortized or accumulated cost basis using the moving average method.

Unrealized gains and losses on available-for-sale securities (net of tax) are included in Stockholders' Equity.

### 3. Issuance Costs of Bonds and Discounts of Bonds

Issuance costs of bonds are charged to expenses when incurred. Discount of bonds are deferred and amortized using the straight-line method over the lives of the bonds.

### 4. Reserve for Possible Loan Losses

Reserve for possible loan losses of the Bank is provided as detailed below, pursuant to the internal rules for self-assessment of asset quality and internal rules for possible credit losses.

For claims to debtors who are legally bankrupt (due to bankruptcy, subject to the Japanese Civil Rehabilitation Law, suspension of transactions with banks by the rules of clearinghouses, etc.) or virtually bankrupt, the specific reserve is provided based on the amount of claims, after direct deduction described below, net of the amount expected to be collected through the disposal of collateral or execution of guarantees.

For claims to debtors who are likely to become bankrupt, the specific reserve is provided based on the amount considered to be necessary by on an overall solvency assessment, on net amounts expected to be collected through the disposal of collateral or execution of guarantees.

Among For claims to debtors with more than certain amount of the Bank's claim, who are likely to become bankrupt or to whom the Bank has Restructured Loans (see following note 9), which their future cash flows from capital collection and interest receipt could be reasonably estimated, a reserve is provided for the difference between the present value of expected future cash flows discounted at the contracted interest rate before relaxing to support and the present book value of the claims.

For claims that are classified to the categories other than above, general reserve is provided based on the historical loan loss ratio.

The reserve for loans to borrowers in specific foreign countries is provided based on expected losses due to the political and economic situation of those countries.

All claims are assessed by the responsible branches and credit supervision divisions based on the internal rules for self-assessment of asset quality. The Risk Management Department, which is independent from branches and credit supervision divisions, subsequently conducts their audits of their assessments, and the reserve is adjusted to reflect the audit results.

And for claims to debtors who are legally bankrupt or virtually bankrupt with collateral or guarantees, the expected uncollectible amount, net of amounts expected to be collected through the disposal of collateral or execution of guarantees, are deducted directly out of the original amount of claims. The deducted amount is 121,573 millions of yen.

For the consolidated subsidiaries, the reserve for possible loan losses is provided based on the historical loan-loss-ratio for ordinary claims, and based on the amount expected to be uncollectible for each specific claim respectively.

### 5. Reserve for Employee Retirement Benefits

Reserve for employee retirement benefits is provided based on the projected benefit obligation and the fair value of the plan assets at the balance sheets date.

Prior service cost is recognized in expenses using the straight-line method over the average of the estimated service lives (10 years). Actuarial gains and losses are recognized in expenses using the straight-line method over the average expected remaining service lives (10 years).

Unrecognized net transition obligation arising from the initial adoption of a new accounting standard,

amounting to 17,503 millions of yen, is amortized straight-line basis primarily over five years. For this interim period, one-tenth of such amount is stated as expense.

#### 6. Hedge Accounting

The Bank manages interest rate risk arising from various assets and liabilities, such as loans, bills discounted, deposits, etc., by using financial derivative transactions and applies deferred hedge accounting. For previous periods, the Bank adopted "Macro Hedge Accounting" as a whole hedge accounting method, in accordance with the temporary treatment regulated by "Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Auditing Committee Report No.24, hereafter "Report No. 24"). From this period, the Bank adopts the main rule of Report No. 24. As for cash-flow-hedge, the effectiveness of the hedge is assessed by confirming the correlation between the fluctuational factor of interest rate for hedged items and for hedge transactions. The main rule of Report No.24 requires that some transactions, which used to be applied "Macro Hedge Accounting", be discontinued the hedge accounting.

Deferred hedge income (losses) based on "Macro Hedge Accounting", which is included in "Other Assets" and "Other Liabilities" on the balance sheets, is amortized according to remaining period for each hedge transaction. Deferred hedge losses and income based on "Macro Hedge Accounting" are 281,514 millions of yen and 270,754 millions of yen respectively.

The Bank manages foreign exchange risk arising from various assets and liabilities denominated in foreign currencies by using financial derivative transactions and applies deferred hedge accounting. For previous periods, on currency swaps and foreign exchange swaps entered in for the purpose of funding foreign currencies, the Bank adopted the temporary treatment regulated by "Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Auditing Committee Report No. 25, hereafter "Report No. 25"). From this period, the Bank adopts the main rule of Report No. 25 and applies hedge accounting. The Bank specifies the currency swaps and foreign exchange swaps made to mitigate the foreign exchange risks arising from monetary claims and debts denominated in foreign currencies as hedge transactions. The effectiveness of the hedge is assessed by confirming that the position of those hedge transactions exceed the monetary claims and debts denominated foreign currency as hedged items.

The Bank also applies fair value hedge to mitigate foreign currency exchange rate exposure in available-for-sale securities denominated in foreign currencies (other than bonds) as "Portfolio Hedges" when the hedge foreign currency securities are specified in advance to the inception of the transactions and spot forward liabilities exist on a foreign currency basis that exceed acquisition costs of the foreign currency securities designated as hedged items.

The Bank applies Report No.24 and 25 to internal hedge transactions, such as interest rate swaps and currency swaps, etc., between consolidated companies or between Banking and Trading account. The Bank assesses the effectiveness of internal hedge transactions as strictly as that of external ones without arbitrary choices. Therefore, income and losses from these transactions are recognized or deferred without netting off.

As for specific assets and liabilities, the Bank also adopts the individual deferred hedge accounting or the accrual-basis calculation on interest rate swaps.

#### 7. Delinquent Loans

Loans in Bankruptcy Proceedings and Other Delinquent Loans are 11,840 millions of yen and 124,020 millions of yen respectively.

Loans in Bankruptcy Proceedings are non-accrual loans outstanding (not including direct write-off portion of loans) to borrowers who are legally bankrupt as defined in Article 96 1-3 or 4 of Enforcement Ordinance for the Corporation Tax Law.

Other Delinquent Loans are non-accrual loans other than 1) Loans in Bankruptcy Proceedings and 2) loans of which interest payments are rescheduled in order to assist the restructuring of borrowers.

#### 8. Loans More than Three Months Past Due

Loans More than Three Months Past Due are 10,917 millions of yen.

Loans More than Three Months Past Due are those loans for which principal or interest payments are more than three months past due from the date succeeding the due date and exclude loans classified as Delinquent Loans.

#### 9. Restructured Loans

Restructured Loans are 168,336 millions of yen.

Restructured Loans are those loans of which terms have been relaxed to support borrowers who are in financial difficulties and exclude Delinquent Loans and Loans More than Three Months Past Due.

#### 10. Other Assets

Other Assets on the balance sheets includes the amount of 6,316 million yen of provisional payment of the withholding tax. The Bank received reassessment notice from tax office claiming the Bank's responsibility for collecting withholding tax on some of its repurchase agreement transactions. However, the bank filed a petition with Tax Tribunal objecting to such tax imposition, and the claim is on the trial.

## Consolidated Statements of Operations

	(Millions of Yen)			
	Sep-03 (unaudited)	Sep-02	Change	Mar-03
<b>Operating Income:</b>				
Trust Fees	31,627	26,618	5,008	71,382
Interest Income:	107,363	142,798	(35,435)	270,666
Interest on Loans and Discounts	61,338	67,426	(6,087)	132,000
Interest and Dividends on Securities	42,904	66,187	(23,283)	122,966
Fees and Commissions	33,203	27,429	5,773	59,445
Trading Revenue	3,008	5,092	(2,083)	8,094
Other Operating Income	60,227	79,732	(19,505)	123,267
Other Income	26,584	17,623	8,960	29,832
<b>Total Operating Income</b>	<b>262,014</b>	<b>299,295</b>	<b>(37,281)</b>	<b>562,687</b>
<b>Operating Expenses:</b>				
Interest Expenses:	58,668	66,299	(7,631)	119,054
Interest on Deposits	16,129	22,446	(6,316)	41,306
Fees and Commissions	8,239	9,032	(793)	23,353
Trading Expenses	-	-	-	478
Other Operating Expenses	24,031	69,214	(45,183)	118,963
General and Administrative Expenses	66,545	68,094	(1,549)	135,147
Other Expenses	37,897	46,264	(8,367)	231,850
<b>Total Operating Expenses</b>	<b>195,381</b>	<b>258,906</b>	<b>(63,524)</b>	<b>628,847</b>
<b>Net Operating Income (Loss)</b>	<b>66,632</b>	<b>40,389</b>	<b>26,243</b>	<b>(66,159)</b>
Extraordinary Income	8,642	1,826	6,816	2,728
Extraordinary Expenses	3,004	31,353	(28,348)	63,061
<b>Income (Loss) before Income Taxes</b>	<b>72,270</b>	<b>10,862</b>	<b>61,407</b>	<b>(126,493)</b>
Provision for Income Taxes:				
Current	532	581	(48)	1,028
Deferred	28,932	3,759	25,173	(57,483)
Minority Interests in Net Income	1,843	1,305	538	2,927
<b>Net Income (Loss)</b>	<b>40,961</b>	<b>5,216</b>	<b>35,744</b>	<b>(72,967)</b>

## Notes to Consolidated Statements of Operations for first half of Fiscal year 2003

1. Trading profits and losses

Profits and losses on trading transactions are shown as Trading Revenue or Trading Expenses on a trade date basis.

2. Other Income

Other income includes 19,923 millions yen of gains on sale of shares and other securities.

3. Other Expenses

Other expenses includes 8,552 millions yen of claims write-offs of loans and 8,401 millions losses on sale of shares and other securities.

4. Extraordinary Income

Extraordinary income includes 5,285 millions yen of tax refund and additional tax refund according to reconciliation with Tokyo metropolitan government regarding external standards taxation on banks in Tokyo and 2,749 millions yen of transfer from reserve for possible loan losses.

5. Extraordinary Expenses

Extraordinary expenses include 1,829 millions yen of the amortizing cost of the net transition obligation, which arose from the initial adoption of a new accounting standard for employee retirement benefits (see note 5 for B/S).



## Consolidated Statements of Capital Surplus and Retained Earnings

(Millions of Yen)

	Sep-03 (unaudited)	Sep-02	Change	Mar-03
<b>(Capital Surplus)</b>				
Balance at Beginning of Fiscal Year	<b>240,435</b>	237,472	2,962	237,472
Increase	-	1,800	(1,800)	2,962
Balance at End of Interim Period (Fiscal Year)	<b>240,435</b>	239,272	1,162	240,435
<b>(Retained Earnings)</b>				
Balance at Beginning of Fiscal Year	<b>114,190</b>	195,034	(80,844)	195,034
Increase	<b>42,059</b>	5,216	36,842	116
Decrease	<b>5,135</b>	7,998	(2,863)	80,960
Balance at End of Interim Period (Fiscal Year)	<b>151,114</b>	192,252	(41,138)	114,190

## Consolidated Statements of Cash Flows

(Millions of Yen)

	Sep-03 (unaudited)	Sep-02	Change	Mar-03
<b>Cash Flows from Operating Activities :</b>				
Income (Loss) before Income Taxes and Minority Interest	72,270	10,862	61,407	(126,493)
Depreciation	2,860	3,323	(463)	6,785
Amortization of Negative Goodwill	(276)	(275)	(0)	(552)
Equity in Losses (Earnings) of Affiliates	1,053	258	795	(786)
Increase (Decrease) in Reserve for Possible Loan Losses	(25,206)	(56,420)	31,213	(82,501)
Increase (Decrease) in Reserve for Possible Losses on Loans Sold	-	(250)	250	(250)
Increase (Decrease) in Reserve for Employee Bonuses	(321)	(1,091)	770	(776)
Increase (Decrease) in Reserve for Employee Retirement Benefits	23	779	(756)	(235)
Interest Income	(107,363)	(142,798)	35,435	(270,666)
Interest Expenses	58,668	66,299	(7,631)	119,054
Losses (Gains) on Securities	(21,663)	(20,896)	(766)	81,319
Losses (Gains) on Money Held in Trust	(2)	588	(590)	1,402
Losses (Gains) on Foreign Exchange	65,385	93,519	(28,133)	51,557
Losses (Gains) on Sale of Premises and Equipment	1,170	491	678	1,712
Net Decrease (Increase) in Trading Assets	433,597	(1,980)	435,578	(164,099)
Net Increase (Decrease) in Trading Liabilities	(283,674)	106,271	(389,945)	127,358
Net Decrease (Increase) in Loans and Bills Discounted	150,332	(60,648)	210,980	(219,972)
Net Increase (Decrease) in Deposits	(111,261)	286,785	(398,046)	527,003
Net Increase (Decrease) in Negotiable Certificates of Deposit	(307,079)	464,266	(771,346)	(43,605)
Net Increase (Decrease) in Borrowed Money other than Subordinated Borrowings	(328)	(22,279)	21,951	(7,991)
Net Decrease (Increase) in Due from Banks other than from Bank of Japan	(37,020)	(272,906)	235,885	(20,923)
Net Decrease (Increase) in Call Loans and Others	(13,433)	(275,245)	261,812	3,122
Net Decrease (Increase) in Collateral for Borrowing Securities	-	1,004	(1,004)	1,004
Net Increase (Decrease) in Call Money and Others	(188,859)	(260,676)	71,817	(358,286)
Net Increase (Decrease) in Collateral for Lending Securities	115,765	574,070	(458,304)	(489,887)
Net Decrease (Increase) in Foreign Exchange Assets	3,921	(30,000)	33,922	(35,549)
Net Increase (Decrease) in Foreign Exchange Liabilities	3,143	4,676	(1,533)	4,908
Net Increase (Decrease) in Borrowed Money from Trust Account	(119,147)	(551,983)	432,836	(597,100)
Interest Income Received on Cash Basis	127,269	162,978	(35,709)	278,581
Interest Expenses Paid on Cash Basis	(65,594)	(72,874)	7,280	(121,339)
Other - Net	(92,440)	(152,946)	60,506	(62,958)
Sub-Total	(338,209)	(147,099)	(191,110)	(1,400,166)
Income Tax Paid	(521)	(736)	214	(1,171)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(338,731)</b>	<b>(147,836)</b>	<b>(190,895)</b>	<b>(1,401,338)</b>
<b>Cash Flows from Investing Activities :</b>				
Purchase of Securities	(3,422,963)	(6,232,412)	2,809,448	(8,816,946)
Proceeds from Sale of Securities	2,754,765	5,365,478	(2,610,712)	8,674,149
Proceeds from Redemption of Securities	620,642	709,236	(88,594)	1,428,656
Increase in Money Held in Trust	(0)	(36,000)	35,999	(36,000)
Decrease in Money Held in Trust	-	-	-	94,241
Purchases of Premises and Equipment	(1,320)	(2,626)	1,305	(5,593)
Proceeds from Sale of Premises and Equipment	2,587	782	1,804	2,096
Purchases of Stock of Consolidated Subsidiaries	-	-	-	(387)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(46,288)</b>	<b>(195,539)</b>	<b>149,251</b>	<b>1,340,216</b>
<b>Cash Flows from Financing Activities :</b>				
Proceeds from Subordinated Borrowings	10,000	25,500	(15,500)	78,500
Payments of Subordinated Borrowings	-	(60,000)	60,000	(60,000)
Proceeds from Subordinated Bonds and Convertible Bonds	97,009	21,348	75,660	21,348
Redemption of Subordinated Bonds and Convertible Bonds	-	(8,000)	8,000	(148,726)
Proceeds from Issuance of Stock to Minority Shareholders	-	800	(800)	800
Cash Dividends Paid	(5,131)	(7,982)	2,850	(7,983)
Cash Dividends Paid to Minority Shareholders	(1,305)	(1,324)	18	(2,645)
Purchases of Treasury Stock	(30)	(48)	17	(130)
Proceeds from Sale of Treasury Stock	1	-	1	-
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>100,542</b>	<b>(29,706)</b>	<b>130,248</b>	<b>(118,838)</b>
<b>Effect on Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>(27)</b>	<b>(2,934)</b>	<b>2,907</b>	<b>(2,828)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(284,504)</b>	<b>(376,016)</b>	<b>91,512</b>	<b>(182,788)</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>481,726</b>	<b>664,515</b>	<b>(182,788)</b>	<b>664,515</b>
<b>Cash and Cash Equivalents at End of (Half) Year</b>	<b>197,221</b>	<b>288,498</b>	<b>(91,276)</b>	<b>481,726</b>

**Notes to Consolidated Statements of Cash Flows for first half of Fiscal year 2003**

1. Definition of Cash and Cash Equivalents

For the purpose of reporting cash flows, Cash and Cash Equivalents is defined as Cash and Due from Bank of Japan ("BOJ") for the Bank and as Cash and Due from Banks for the consolidated subsidiaries.

2. Reconciliation of Cash and Cash Equivalents

	(Millions of Yen)
Cash and Due from Banks	425,844
Due from Banks (excluding due from BOJ) of the Bank	<u>(228,622)</u>
Cash and Cash Equivalents	<u><u>197,221</u></u>

## Segment Information by Location ( Consolidated )

Half Years ended September 30, 2003 (unaudited)	(Millions of Yen)						
	Japan	Americas	Europe	Asia/Oceania	Total	Elimination	Consolidated
<b>Total Operating Income</b>	220,292	21,673	16,397	8,826	267,189	(5,174)	262,014
(1) Unaffiliated Customers	219,651	18,111	15,637	8,613	262,014	-	262,014
(2) Intersegment	640	3,561	759	212	5,174	(5,174)	-
<b>Total Operating Expenses</b>	162,544	17,220	15,222	5,568	200,556	(5,174)	195,381
<b>Net Operating Income</b>	57,748	4,452	1,174	3,257	66,632	-	66,632

Half Years ended September 30, 2002	(Millions of Yen)						
	Japan	Americas	Europe	Asia/Oceania	Total	Elimination	Consolidated
<b>Total Operating Income</b>	237,199	33,555	28,266	7,803	306,824	(7,528)	299,295
(1) Unaffiliated Customers	235,424	29,497	27,056	7,317	299,295	-	299,295
(2) Intersegment	1,774	4,057	1,210	485	7,528	(7,528)	-
<b>Total Operating Expenses</b>	205,683	27,343	26,431	6,362	265,821	(6,915)	258,906
<b>Net Operating Income</b>	31,515	6,211	1,834	1,440	41,003	(613)	40,389

**Market Value Information for First Half of Fiscal 2003 ( Consolidated )****1. Securities**

The information includes a part of "Commercial Paper and Other Debt Purchased" treated as securities in "Accounting Standard for Financial Instruments."

**(a) Held-to-Maturity Debt Securities with Market Value**

<i>Millions of Yen</i>	<i>Book Value</i>	<i>Market Value</i>	<i>Net</i>	<i>September 30, 2003</i>	
				<i>Unrealized Gain(Loss)</i>	
				<i>Gain</i>	<i>Loss</i>
Japanese Government Bonds	-	-	-	-	-
Japanese Local Government Bonds	-	-	-	-	-
Japanese Short-Term Corporate Bonds	-	-	-	-	-
Japanese Corporate Bonds	-	-	-	-	-
Foreign Government Bonds and Others	15,784	16,380	595	612	17
<b>Total</b>	<b>15,784</b>	<b>16,380</b>	<b>595</b>	<b>612</b>	<b>17</b>

Market Value is based on the closing prices at the end of interim period.

**(b) Available-for-Sale Securities with Market Value**

<i>Millions of Yen</i>	<i>Cost</i>	<i>Book Value</i>	<i>Net</i>	<i>September 30, 2003</i>	
				<i>Unrealized Gain(Loss)</i>	
				<i>Gain</i>	<i>Loss</i>
Japanese Stocks	487,067	557,701	70,633	108,742	38,108
Japanese Bonds	1,203,934	1,190,992	(12,942)	4,877	17,819
Government Bonds	832,231	816,165	(16,065)	302	16,368
Local Government Bonds	37,358	37,412	53	658	605
Short-Term Corporate Bonds	-	-	-	-	-
Corporate Bonds	334,344	337,414	3,069	3,916	846
Foreign Securities and Others	1,803,951	1,820,429	16,478	31,441	14,963
<b>Total</b>	<b>3,494,953</b>	<b>3,569,123</b>	<b>74,169</b>	<b>145,062</b>	<b>70,892</b>

Values in the balance sheets reflect market value calculated by using the average market value during last one month of interim period as for Japanese stocks, and by using the market value at the end of interim period as for the securities other than Japanese stocks.

**(c) Investment Securities without Market Value**

The following table summarizes main items of book values of securities with no available fair values.

<i>Millions of Yen</i>	<i>September 30, 2003</i>
	<i>Book Value</i>
Available-for-Sale Securities	
Unlisted Foreign Securities	94,171
Unlisted Japanese Stocks (excluding stocks sold in public market)	63,432
Trust Certificates of Loan Trust	11,027

**2. Money Held in Trust****(a) Money Held in Trust being Held-to-Maturity**

There are no corresponding items.

**(b) Money Held in Trust for Others**

<i>Millions of Yen</i>	<i>Cost</i>	<i>Book Value</i>	<i>Net</i>	<i>September 30, 2003</i>	
				<i>Unrealized Gain(Loss)</i>	
				<i>Gain</i>	<i>Loss</i>
Money Held in Trust for Others	0	0	-	-	-

**3. Net Unrealized Gains on Available-for-Sale Securities**

The schedule set forth below shows component items of Net Unrealized Gains on Available-for-Sale Securities, Net of Tax in the balance sheets.

<i>Millions of Yen</i>	<i>September 30, 2003</i>
Net Unrealized Gains	73,810
Available-for-Sale Securities	73,810
(+) Amount Equivalent to Deferred Tax Assets	(29,594)
<b>Total (before adjustment for Minority Interest)</b>	<b>44,215</b>
(-) Minority Interests	44
(+) Parent Company's portions in Available-for-Sale Securities owned by its affiliates	611
<b>Net Unrealized Gains on Available-for-Sale Securities, Net of Tax</b>	<b>44,782</b>

**Market Value Information for First Half of Fiscal 2002 ( Consolidated )****1. Securities**

The information includes a part of "Commercial Paper and Other Debt Purchased" treated as securities in "Accounting Standard for Financial Instruments."

**(a) Held-to-Maturity Debt Securities with Market Value**

<i>Millions of Yen</i>	<i>September 30, 2002</i>				
	<i>Book Value</i>	<i>Market Value</i>	<i>Net</i>	<i>Unrealized Gain(Loss)</i>	
				<i>Gain</i>	<i>Loss</i>
Japanese Government Bonds	-	-	-	-	-
Japanese Local Government Bonds	-	-	-	-	-
Japanese Corporate Bonds	-	-	-	-	-
Foreign Government Bonds and Others	23,691	24,485	794	861	67
<b>Total</b>	<b>23,691</b>	<b>24,485</b>	<b>794</b>	<b>861</b>	<b>67</b>

Market Value is based on the closing prices at the end of interim period.

**(b) Available-for-Sale Securities with Market Value**

<i>Millions of Yen</i>	<i>September 30, 2002</i>				
	<i>Cost</i>	<i>Book Value</i>	<i>Net</i>	<i>Unrealized Gain(Loss)</i>	
				<i>Gain</i>	<i>Loss</i>
Japanese Stocks	840,338	722,175	(118,162)	46,379	164,542
Japanese Bonds	1,064,772	1,072,800	8,028	8,707	679
Government Bonds	720,642	721,845	1,203	1,284	81
Local Government Bonds	76,460	79,367	2,907	2,908	1
Corporate Bonds	267,669	271,587	3,917	4,514	596
Foreign Securities and Others	3,162,764	3,233,984	71,219	85,158	13,938
<b>Total</b>	<b>5,067,875</b>	<b>5,028,959</b>	<b>(38,915)</b>	<b>140,245</b>	<b>179,160</b>

Values in the balance sheets reflect market value calculated by using the average market prices during last one month of interim period as for Japanese stocks, and by using the market value at the end of interim period as for the securities other than Japanese stocks.

**(c) Investment Securities without Market Value**

The following table summarizes main items of book values of securities with no available fair values.

<i>Millions of Yen</i>	<i>September 30, 2002</i>
	<i>Book Value</i>
Available-for-Sale Securities	
Unlisted Foreign Securities	64,497
Unlisted Japanese Stocks (excluding stocks sold in public market)	57,751
Trust Certificates of Loan Trust	24,844

**2. Net Unrealized Losses on Available-for-Sale Securities**

The schedule set forth below shows component items of Net Unrealized Losses on Available-for-Sale Securities, Net of Tax in the balance sheets.

<i>Millions of Yen</i>	<i>September 30, 2002</i>
Net Unrealized Losses	(39,132)
Available-for-Sale Securities	(39,132)
(+) Amount Equivalent to Deferred Tax Assets	15,151
<b>Total (before adjustment for Minority Interest)</b>	<b>(23,981)</b>
(-) Minority Interests	10
(+) Parent Company's portions in available-for-sale securities owned by its affiliates	255
<b>Net Unrealized Losses on Available-for-Sale Securities, Net of Tax</b>	<b>(23,735)</b>

## Market Value Information for Fiscal 2002 ( Consolidated )

## 1. Securities

The information includes a part of "Commercial Paper and Other Debt Purchased" treated as securities in "Accounting Standard for Financial Instruments."

## (a) Trading Securities

Millions of Yen	March 31, 2003	
	Book Value	Net Unrealized Gain (Loss) Reflected on the Statements of Operations
Trading Securities	345,866	173

## (b) Held-to-Maturity Debt Securities with Market Value

Millions of Yen	Book Value	Market Value	Net	March 31, 2003 Unrealized Gain(Loss)	
				Gain	Loss
Japanese Government Bonds	-	-	-	-	-
Japanese Local Government Bonds	-	-	-	-	-
Japanese Corporate Bonds	-	-	-	-	-
Foreign Government Bonds and Others	18,022	18,700	678	999	320
Total	18,022	18,700	678	999	320

Market Value is based on the closing prices at the end of the fiscal period.

## (c) Available-for-Sale Securities with Market Value

Millions of Yen	Cost	Book Value	Net	March 31, 2003 Unrealized Gain(Loss)	
				Gain	Loss
Japanese Stocks	588,781	525,156	(63,625)	35,432	99,057
Japanese Bonds	1,095,127	1,103,590	8,462	8,560	98
Government Bonds	771,895	773,056	1,161	1,220	59
Local Government Bonds	31,504	32,739	1,234	1,238	4
Corporate Bonds	291,727	297,793	6,066	6,101	34
Foreign Securities and Others	1,583,417	1,619,188	35,770	47,463	11,692
Total	3,267,326	3,247,934	(19,391)	91,456	110,848

Values in the balance sheets reflect market value calculated by using the average market value during last one month of the fiscal period as for Japanese stocks, and by using the market value at the end of the fiscal period as for the securities other than Japanese stocks.

## (d) Available-for-Sale Securities Sold during the Fiscal Year

Millions of Yen	March 31, 2003		
	Amount Sold	Gain	Loss
Available-for-Sale Securities	8,906,938	132,072	110,214

## (e) Investment Securities without Market Value

The following table summarizes main items of book values of securities with no available fair values.

Millions of Yen	March 31, 2003 Book Value
Available-for-Sale Securities	
Unlisted Foreign Securities	121,750
Unlisted Japanese Stocks (excluding stocks sold in public market)	55,710
Trust Certificates of Loan Trust	18,071



## (f) Change of Classification by Holding Purpose of Securities

There are no corresponding items.

## (g) Redemption Schedule of Bonds classified as Available-for-Sale Securities with maturity and Held-to-Maturity Debt Securities

Millions of Yen	March 31, 2003			
	Book Value			
	~ 1YR	1YR ~ 5YR	5YR ~ 10YR	10YR ~
Japanese Bonds	333,890	689,336	78,661	1,701
Government Bonds	305,395	467,661	-	-
Local Government Bonds	-	16,514	16,225	-
Corporate Bonds	28,495	205,161	62,436	1,701
Others	157,272	615,988	737,424	205,440
<b>Total</b>	<b>491,163</b>	<b>1,305,325</b>	<b>816,085</b>	<b>207,141</b>

## (h) Investments in Subsidiaries and Affiliates with Market Value (Non-consolidated)

There are no corresponding items.

## 2. Money Held in Trust

## (a) Money Held in Trust for Trading Purpose

There are no corresponding items.

## (b) Money Held in Trust being Held-to-Maturity and Others

There are no corresponding items.

## 3. Net Unrealized Losses on Available-for-Sale Securities

The schedule set forth below shows component items of Net Unrealized Losses on Available-for-Sale Securities, Net of Tax in the balance sheets.

Millions of Yen	March 31, 2003
Net Unrealized Losses	(19,637)
Available-for-Sale Securities	(19,637)
(+) Amount Equivalent to Deferred Tax Assets	8,072
<b>Total (before adjustment for Minority Interest)</b>	<b>(11,564)</b>
(-) Minority Interests	20
(+) Parent Company's portions in available-for-sale securities owned by its affiliates	275
<b>Net Unrealized Losses on Available-for-Sale Securities, Net of Tax</b>	<b>(11,309)</b>

## Financial Derivatives for First Half of Fiscal 2003 and 2002 ( Consolidated )

## (a) Interest Related Transactions

Millions of Yen	September 30, 2003			September 30, 2002		
	Contract Value	Market Value	Unrealized Gain (Loss)	Contract Value	Market Value	Unrealized Gain (Loss)
Listed						
Interest Futures						
Sold	30,411,280	(62,905)	(62,905)	4,817,998	(15,174)	(15,174)
Purchased	26,978,046	22,932	22,932	4,800,517	15,417	15,417
Interest Options						
Sold	2,711,795	(845)	(76)	1,068,807	(687)	(344)
Purchased	3,187,584	439	(679)	1,057,700	690	342
Over-the-Counter						
Forward Rate Agreements	-	-	-	-	-	-
Interest Rate Swaps						
Fix Rcv-Flt Pay	20,085,224	669,479	669,479	10,716,531	296,766	296,766
Flt Rcv-Fix Pay	19,136,881	(595,176)	(595,176)	10,162,090	(301,169)	(301,169)
Flt Rcv-Flt Pay	3,924,135	(514)	(514)	2,187,100	4,998	4,998
Interest Options						
Sold	524,289	(2,033)	(1,247)	506,866	(1,700)	1,566
Purchased	577,433	6,281	4,523	277,046	3,398	554
Other Interest Related	-	-	-	-	-	-
<b>Total</b>		<b>37,657</b>	<b>36,336</b>		<b>2,539</b>	<b>2,957</b>

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

## (b) Currency Related Transactions

Millions of Yen	September 30, 2003			September 30, 2002		
	Contract Value	Market Value	Unrealized Gain (Loss)	Contract Value	Market Value	Unrealized Gain (Loss)
Listed						
Currency Futures	-	-	-	-	-	-
Currency Options	-	-	-	-	-	-
Over-the-Counter						
Currency Swaps	50,383	2,852	2,852	48,021	3,117	3,117
Forward						
Sold	1,939,552	98,371	98,371	-	-	-
Purchased	2,243,158	(93,479)	(93,479)	-	-	-
Currency Options						
Sold	1,902	(3,033)	(1,426)	-	-	-
Purchased	1,928	3,240	1,582	-	-	-
Other Currency Related	-	-	-	-	-	-
<b>Total</b>		<b>7,951</b>	<b>7,900</b>		<b>3,117</b>	<b>3,117</b>

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments and such transactions accompanied by foreign currency monetary claims or obligations, which are either reflected on the balance sheets at end of interim period, or eliminated therefrom in the process of consolidation, are excluded from the schedule above.

Currency swaps subject to the accrual-basis Standard for Foreign Currency Accounting treatment in accordance with the temporary treatment regulated by "Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Auditing Committee Report No.25) at end of the previous interim period are as shown below.

September 30, 2002			
Millions of Yen	Contract Value	Market Value	Unrealized Gain (Loss)
Currency Swaps	569,907	(1,162)	(1,162)

Forward Exchange Contracts and Currency Options whose unrealized gains (losses) are reflected on the statements of operations after being evaluated on a Mark-to-Market basis at the fiscal year end for previous period are included in the schedule above. Currency swaps subject to hedge accounting treatments in accordance with "Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Auditing Committee Report No.25) are excluded from this category.

Contract Value of currency related derivative transactions subject to the Mark-to-Market evaluation at the end of previous interim period are as shown below.

September 30, 2002	
Millions of Yen	Contract Value
Listed	
Currency Futures	-
Currency Options	-
Over-the-Counter	
Forward	
Sold	2,331,072
Purchased	2,651,359
Currency Options	
Sold	110,680
Purchased	84,121
Other Currency Related	-

(c) Stock Related Transactions

Millions of Yen	September 30, 2003			September 30, 2002		
	Contract Value	Market Value	Unrealized Gain (Loss)	Contract Value	Market Value	Unrealized Gain (Loss)
Listed						
Stock Index Futures						
Sold	18,864	462	462	11,233	145	145
Purchased	415	(5)	(5)	1,674	(2)	(2)
Stock Index Options						
Sold	2,250	(11)	9	1,450	(16)	3
Purchased	6,497	24	(28)	-	-	-
Over-the-Counter						
Stock Options	-	-	-	-	-	-
Stock Index and Other Swaps	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total		468	437		125	146

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

## (d) Bond Related Transactions

Millions of Yen	September 30, 2003			September 30, 2002		
	Contract Value	Market Value	Unrealized Gain (Loss)	Contract Value	Market Value	Unrealized Gain (Loss)
Listed						
Bond Futures						
Sold	1,273,442	(27,511)	(27,511)	72,816	(941)	(941)
Purchased	1,287,697	21,741	21,741	81,840	1,196	1,196
Bond Future Options						
Sold	73,316	(579)	(100)	605	(2)	0
Purchased	258,607	1,429	451	603	1	(1)
Over-the-Counter						
Bond Options						
Sold	13,861	(102)	206	-	-	-
Purchased	13,861	569	239	-	-	-
Others	-	-	-	-	-	-
Total		(4,452)	(4,972)		253	253

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

## (e) Commodity Related Transactions

The Bank did not have any commodity related transactions as of September 30, 2003 and September 30, 2002.

## (f) Credit Derivative Transactions

Millions of Yen	September 30, 2003			September 30, 2002		
	Contract Value	Market Value	Unrealized Gain (Loss)	Contract Value	Market Value	Unrealized Gain (Loss)
Over-the-Counter						
Credit Derivative Transactions						
Sold	2,000	3	3	-	-	-
Purchased	3,000	(18)	(18)	62,500	32	(3)
Total		(14)	(14)		32	(3)

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

"Sold" indicates credit risks assumed, and "Purchased" indicates credit risks transferred.

## Financial Derivatives for Fiscal 2002 and 2001 ( Consolidated )

## (a) Interested Related Transactions

Millions of Yen	March 31, 2003				March 31, 2002			
	Contract Value	Over 1YR	Market Value	Unrealized Gain (Loss)	Contract Value	Over 1YR	Market Value	Unrealized Gain (Loss)
Listed								
Interest Futures								
Sold	4,121,446	156,962	(4,905)	(4,905)	4,809,187	381,051	(897)	(897)
Purchased	4,293,304	171,146	5,471	5,471	4,423,293	348,049	(536)	(536)
Interest Options								
Sold	963,808	-	(143)	7	951,023	-	(112)	121
Purchased	842,235	-	159	(7)	959,958	-	115	(133)
Over-the-Counter								
Forward Rate Agreements								
	-	-	-	-	-	-	-	-
Interest Rate Swaps								
Fix Rcv-Flt Pay	11,357,723	9,735,692	315,416	315,416	10,232,630	8,190,257	240,017	240,017
Flt Rcv-Fix Pay	10,834,784	9,348,652	(316,994)	(316,994)	9,686,264	7,829,844	(251,565)	(251,565)
Flt Rcv-Flt Pay	2,252,100	2,153,600	3,311	3,311	2,136,674	2,066,100	6,636	6,636
Interest Options								
Sold	524,120	351,810	(1,438)	1,766	486,026	416,071	(1,843)	1,522
Purchased	289,415	150,680	2,893	384	307,971	284,646	3,566	189
Other Interest Related								
	-	-	-	-	-	-	-	-
Total			3,770	4,451			(4,618)	(4,644)

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

**(b) Currency Related Transactions**

<i>Millions of Yen</i>	<b>March 31, 2003</b>				<b>March 31, 2002</b>			
	<i>Contract Value</i>	<i>Over 1YR</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>	<i>Contract Value</i>	<i>Over 1YR</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>
<b>Over-the-Counter</b>								
Currency Swaps	46,655	44,058	3,276	3,276	52,182	48,862	3,612	3,612
Forward	-	-	-	-	-	-	-	-
Currency Options	-	-	-	-	-	-	-	-
Other Currency Related	-	-	-	-	-	-	-	-

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

Note)

For previous period, in accordance with "Temporary Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Auditing Committee Report No.20), for this period, in accordance with the temporary treatment regulated by "Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Auditing Committee Report No.25), currency swaps subject to the accrual-basis Standard for Foreign Currency Accounting treatment are excluded from this category. Currency swaps subject to accrual-basis calculation are as shown below.

<i>Millions of Yen</i>	<b>March 31, 2003</b>			<b>March 31, 2002</b>		
	<i>Contract Value</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>	<i>Contract Value</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>
Currency Swaps	589,146	(875)	(875)	538,119	(1,195)	(1,195)

Forward Exchange Contracts and Currency Options whose unrealized gains (losses) are reflected on the statements of operations after being evaluated on a Mark-to-Market basis at the fiscal year end, and such transactions accompanied by foreign currency monetary claims or obligations, which are either reflected on the balance sheets at the fiscal year end, or eliminated therefrom in the process of consolidation, are excluded from this category.

Contract Value of currency related derivative transactions subject to the Mark-to-Market evaluation is as shown below.

<i>Millions of Yen</i>	<b>March 31, 2003</b>		<b>March 31, 2002</b>	
	<i>Contract Value</i>		<i>Contract Value</i>	
<b>Listed</b>				
Currency Futures	-	-	-	-
Currency Options	-	-	-	-
<b>Over-the-Counter</b>				
Forward				
Sold		2,527,166		3,455,681
Purchased		2,477,226		3,423,121
Currency Options				
Sold		3,766		151,605
Purchased		3,575		98,078
Other Currency Related		-		-

**(c) Stock Related Transactions**

<i>Millions of Yen</i>	<b>March 31, 2003</b>				<b>March 31, 2002</b>			
	<i>Contract Value</i>	<i>Over 1YR</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>	<i>Contract Value</i>	<i>Over 1YR</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>
<b>Listed</b>								
Stock Index Futures								
Sold	8,713	-	(8)	(8)	31,080	-	-	-
Purchased	649	-	(18)	(18)	-	-	-	-
Stock Index Options								
Sold	5,180	-	(84)	63	2,450	-	(21)	19
Purchased	-	-	-	-	-	-	-	-
<b>Over-the-Counter</b>								
Stock Options	-	-	-	-	-	-	-	-
Stock Index and Other Swaps	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
<b>Total</b>			<b>(111)</b>	<b>36</b>			<b>(21)</b>	<b>19</b>

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

**(d) Bond Related Transactions**

<i>Millions of Yen</i>	<b>March 31, 2003</b>				<b>March 31, 2002</b>			
	<i>Contract Value</i>	<i>Over 1YR</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>	<i>Contract Value</i>	<i>Over 1YR</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>
<b>Listed</b>								
Bond Futures								
Sold	278,195	-	(988)	(988)	199,253	-	(47)	(47)
Purchased	257,253	-	702	702	184,182	-	(270)	(270)
Bond Future Options								
Sold	360	-	(0)	1	-	-	-	-
Purchased	480	-	2	(0)	-	-	-	-
<b>Over-the-Counter</b>								
Bond Options	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
<b>Total</b>			<b>(285)</b>	<b>(285)</b>			<b>(317)</b>	<b>(317)</b>

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

**(e) Commodity Related Transactions**

The Bank did not have any commodity related transactions as of March 31, 2003 and March 31, 2002.

**(f) Credit Derivative Transactions**

<i>Millions of Yen</i>	<b>March 31, 2003</b>				<b>March 31, 2002</b>			
	<i>Contract Value</i>	<i>Over 1YR</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>	<i>Contract Value</i>	<i>Over 1YR</i>	<i>Market Value</i>	<i>Unrealized Gain (Loss)</i>
<b>Over-the-Counter</b>								
Credit Derivative Transactions								
Sold	-	-	-	-	-	-	-	-
Purchased	229,852	1,000	137	(179)	-	-	-	-
<b>Total</b>			<b>137</b>	<b>(179)</b>			<b>-</b>	<b>-</b>

Transactions listed above are evaluated on a Mark-to-Market basis and calculated net unrealized gains (losses) are reflected on the statements of operations.

Derivative transactions subject to hedge accounting treatments are excluded from the schedule above.

"Sold" indicates credit risks assumed, and "Purchased" indicates credit risks transferred.

## Non-Consolidated Balance Sheets

(Millions of Yen)

	Sep-03 (unaudited)	Sep-02	Change	Mar-03
<b>Assets:</b>				
Cash and Due from Banks	422,372	727,329	(304,956)	670,518
Call Loans	30,000	136,009	(106,009)	30,000
Bills Bought	-	200,000	(200,000)	-
Commercial Paper and Other Debt Purchased	93,583	61,424	32,159	95,869
Trading Assets	247,008	517,808	(270,799)	679,926
Money Held in Trust	0	95,068	(95,068)	-
Investment Securities	3,744,658	5,192,052	(1,447,393)	3,468,066
Loans and Bills Discounted	9,018,876	9,005,920	12,956	9,168,024
Foreign Exchanges	9,596	12,314	(2,718)	13,534
Other Assets	948,014	995,717	(47,702)	1,075,893
Premises and Equipment	99,773	107,714	(7,940)	105,000
Deferred Tax Assets	200,786	212,313	(11,526)	266,881
Customers' Liabilities for Acceptances and Guarantees	457,877	490,643	(32,765)	432,641
Reserve for Possible Loan Losses	(111,281)	(161,438)	50,156	(136,094)
Reserve for Losses on Investment Securities	(690)	(581)	(109)	(719)
<b>Total Assets</b>	<b>15,160,576</b>	<b>17,592,295</b>	<b>(2,431,719)</b>	<b>15,869,541</b>
<b>Liabilities:</b>				
Deposits	8,555,154	8,434,581	120,572	8,689,399
Negotiable Certificates of Deposit	1,251,706	2,073,568	(821,862)	1,558,646
Call Money	103,400	110,972	(7,572)	60,000
Payables under Repurchase Agreements	818,273	1,028,870	(210,597)	928,932
Collateral for Lending Securities	502,636	1,450,828	(948,192)	386,870
Bills Sold	87,100	155,400	(68,300)	208,700
Trading Liabilities	47,408	309,316	(261,908)	330,403
Borrowed Money	444,377	397,572	46,805	424,279
Foreign Exchanges	13,041	17,477	(4,436)	45,333
Corporate Bonds	192,700	206,600	(13,900)	106,600
Convertible Bonds	75	2,400	(2,325)	75
Borrowed Money from Trust Accounts	1,358,198	1,522,463	(164,264)	1,477,346
Other Liabilities	594,888	683,944	(89,056)	576,154
Reserve for Employee Bonuses	2,940	2,966	(25)	3,141
Reserve for Employee Retirement Benefits	226	1,458	(1,231)	315
Deferred Tax Liabilities on Revaluation Reserve for Land	1,453	2,183	(730)	2,199
Acceptances and Guarantees	457,877	490,643	(32,765)	432,641
<b>Total Liabilities</b>	<b>14,431,459</b>	<b>16,891,249</b>	<b>(2,459,790)</b>	<b>15,231,038</b>
<b>Stockholders' Equity:</b>				
Capital Stock	287,015	285,853	1,162	287,015
Capital Surplus	240,435	239,272	1,162	240,435
Additional Paid-in Capital	240,435	239,272	1,162	240,435
Retained Earnings	160,323	200,575	(40,252)	123,970
Legal Retained Earnings	45,603	44,503	1,100	44,503
Voluntary Reserves	68,872	129,873	(61,000)	129,873
Unappropriated Profit (Undisposed Loss) at End of the Period	45,846	26,198	19,648	(50,406)
Net Income(Loss)	40,389	20,160	20,228	(56,565)
Revaluation Reserve for Land, Net of Tax	2,138	3,450	(1,312)	3,236
Net Unrealized Gains(Losses) on Available-for-Sale Securities, Net of Tax	43,598	(23,820)	67,418	(11,790)
Treasury Stock	(4,393)	(4,284)	(108)	(4,363)
<b>Total Stockholders' Equity</b>	<b>729,117</b>	<b>701,046</b>	<b>28,070</b>	<b>638,503</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>15,160,576</b>	<b>17,592,295</b>	<b>(2,431,719)</b>	<b>15,869,541</b>



## Non-Consolidated Statements of Operations and Retained Earnings

(Millions of Yen)

	Sep-03 (unaudited)	Sep-02	Change	Mar-03
<b>Operating Income:</b>				
Trust Fees	31,627	26,618	5,008	71,382
Interest Income:	106,582	141,965	(35,383)	273,533
Interest on Loans and Discounts	61,381	67,019	(5,638)	131,639
Interest and Dividends on Securities	42,460	65,976	(23,515)	126,856
Fees and Commissions	25,827	20,776	5,050	45,748
Trading Revenue	3,008	5,092	(2,083)	8,094
Other Operating Income	60,359	79,783	(19,423)	123,259
Other Income	24,929	15,286	9,642	24,746
<b>Total Operating Income</b>	<b>252,334</b>	<b>289,523</b>	<b>(37,189)</b>	<b>546,764</b>
<b>Operating Expenses:</b>				
Interest Expenses:	59,384	67,232	(7,848)	120,718
Interest on Deposits	15,796	22,243	(6,447)	40,721
Fees and Commissions	13,319	9,550	3,769	27,309
Trading Expenses	-	-	-	478
Other Operating Expenses	24,026	68,849	(44,822)	118,901
General and Administrative Expenses	56,887	60,536	(3,648)	119,010
Other Expenses	36,329	45,067	(8,738)	228,736
<b>Total Operating Expenses</b>	<b>189,947</b>	<b>251,236</b>	<b>(61,288)</b>	<b>615,155</b>
<b>Net Operating Income (Loss)</b>	<b>62,387</b>	<b>38,287</b>	<b>24,099</b>	<b>(68,390)</b>
Extraordinary Income	8,728	26,643	(17,914)	26,614
Extraordinary Expenses	2,973	31,314	(28,340)	62,990
<b>Income (Loss) before Income Taxes</b>	<b>68,142</b>	<b>33,616</b>	<b>34,526</b>	<b>(104,766)</b>
Provision for Income Taxes:				
Current	44	51	(7)	103
Deferred	27,708	13,403	14,305	(48,305)
<b>Net Income (Loss)</b>	<b>40,389</b>	<b>20,160</b>	<b>20,228</b>	<b>(56,565)</b>
Retained Earnings Brought Forward from Previous Year	4,359	6,042	(1,683)	6,042
Transfer from Revaluation Reserve for Land, Net of Tax	1,098	(5)	1,103	116
Deferential Loss on Disposal of Treasury Stock	0	-	0	-
<b>Unappropriated Profit (Undisposed Loss) at End of (Half) Year</b>	<b>45,846</b>	<b>26,198</b>	<b>19,648</b>	<b>(50,406)</b>

## Statements of Trust Account

(Millions of Yen)

	Sep-03 (unaudited)	Sep-02	Change	Mar-03
<b>Assets:</b>				
Loans and Bills Discounted	1,499,722	1,874,215	(374,493)	1,761,904
Investment Securities	5,363,196	3,878,888	1,484,308	4,476,065
Money Held in Trust	37,971,904	39,733,028	(1,761,124)	39,465,647
Securities Held in Custody Accounts	880	1,843	(962)	1,188
Securities Lent	-	4,800	(4,800)	-
Money Claims	3,162,319	2,706,162	456,157	3,223,012
Premises and Equipment	2,047,854	1,759,439	288,414	1,968,312
Other Claims	66,426	108,428	(42,002)	72,290
Loans to Banking Account	1,358,198	1,522,463	(164,264)	1,477,346
Cash and Due from Banks	161,058	156,806	4,252	170,363
<b>Total Assets</b>	<b>51,631,561</b>	<b>51,746,076</b>	<b>(114,514)</b>	<b>52,616,131</b>
<b>Liabilities:</b>				
Money Trusts	18,943,918	18,762,344	181,573	20,108,266
Pension Trusts	5,187,752	5,586,923	(399,170)	5,477,868
Property Formation Benefit Trusts	11,137	11,684	(547)	11,515
Loan Trusts	1,617,789	2,348,740	(730,951)	1,963,838
Securities Investment Trusts	6,784,070	7,505,967	(721,896)	6,804,661
Money Entrusted, other than Money Trusts	3,231,977	2,996,449	235,527	3,215,853
Securities Trusts	9,107,795	8,757,819	349,975	8,430,286
Money Claim Trusts	2,836,827	2,324,121	512,705	2,868,189
Equipment Trusts	4,590	6,487	(1,897)	5,925
Land and Fixtures Trusts	186,987	196,263	(9,275)	190,265
Other Trusts	3,718,716	3,249,274	469,441	3,539,459
<b>Total Liabilities</b>	<b>51,631,561</b>	<b>51,746,076</b>	<b>(114,514)</b>	<b>52,616,131</b>

**Major Account Balances**  
(sum of Banking account and Trust account)

(Millions of Yen)

	Sep-03 (unaudited)	Sep-02	Change	Mar-03
<b>Total Employable Funds</b>	<b>35,567,458</b>	37,217,843	(1,650,385)	37,809,535
Deposits	<b>8,555,154</b>	8,434,581	120,572	8,689,399
Negotiable Certificates of Deposit	<b>1,251,706</b>	2,073,568	(821,862)	1,558,646
Money Trusts	<b>18,943,918</b>	18,762,344	181,573	20,108,266
Pension Trusts	<b>5,187,752</b>	5,586,923	(399,170)	5,477,868
Property Formation Benefit Trusts	<b>11,137</b>	11,684	(547)	11,515
Loan Trusts	<b>1,617,789</b>	2,348,740	(730,951)	1,963,838
<b>Loans and Bills Discounted</b>	<b>10,518,598</b>	10,880,136	(361,537)	10,929,929
Banking Account	<b>9,018,876</b>	9,005,920	12,956	9,168,024
Trust Account	<b>1,499,722</b>	1,874,215	(374,493)	1,761,904
<b>Investment Securities</b>	<b>9,107,855</b>	9,070,940	36,915	7,944,132
Banking Account	<b>3,744,658</b>	5,192,052	(1,447,393)	3,468,066
Trust Account	<b>5,363,196</b>	3,878,888	1,484,308	4,476,065