❶ BASIS OF PRESENTATION

The accompanying non-consolidated financial statements of The Dai-Ichi Kangyo Bank, Limited (the Bank) have been prepared in accordance with the Japanese Commercial Code and Banking Law and in conformity with generally accepted accounting principles in Japan* and, where applicable, with the Uniform Accounting Standards for Banks in Japan promulgated by the Japanese Bankers Association. In addition, the notes to the non-consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

In the preparation of these financial statements, certain items on the domestically issued financial statements have been reclassified and rearranged for the convenience of readers outside Japan.

Yen amounts are rounded down to the nearest million.

All U.S. dollar amounts included herein are presented solely for the convenience of readers and are nothing more than arithmetical computations. They are converted at the rate of ¥120.55 to US$1, the prevailing rate on the Tokyo foreign exchange market on March 31, 1999.

*Generally accepted accounting principles in Japan may differ in certain material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

❷ TRANSLATION OF FOREIGN CURRENCIES

The financial statements of the Bank are maintained in yen. Foreign currency assets and liabilities held domestically and the accounts of the Bank's overseas branches and agencies are translated into yen at the prevailing rates on the Tokyo foreign exchange market on the last business day of each fiscal year.

❸ SIGNIFICANT ACCOUNTING POLICIES OF THE DAI-ICHI KANGYO BANK, LIMITED

Refer to Notes to Consolidated Financial Statements.

❹ NET INCOME (LOSS) PER SHARE

Net loss per share for the year ended March 31, 1999, amounted to ¥120.78 (US$1.00) and is computed by subtracting the total amount of cash dividends paid on preferred shares from net loss and then dividing the remainder by the average number of common shares outstanding during the fiscal year.