

# NON-CONSOLIDATED FINANCIAL STATEMENTS

*The Fuji Bank, Limited*

## Balance Sheets

March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	1999	1998	1999
<b>ASSETS</b>			
Cash and Due from Banks .....	¥ 2,028,844	¥ 2,749,927	\$ 16,829,898
Call Loans and Bills Purchased .....	814,134	265,542	6,753,500
Commercial Paper and Other Debt Purchased .....	50,882	29,858	422,090
Trading Assets .....	1,507,525	2,273,891	12,505,396
Money Held in Trust .....	60,398	85,432	501,026
Securities .....	5,837,796	6,250,780	48,426,350
Loans and Bills Discounted .....	29,793,318	32,030,589	247,144,910
Foreign Exchange .....	421,850	549,415	3,499,383
Other Assets .....	1,391,143	2,263,624	11,539,971
Premises and Equipment .....	552,012	673,037	4,579,118
Deferred Tax Assets .....	732,556	—	6,076,789
Customers' Liabilities for Acceptances and Guarantees .....	3,193,984	3,915,992	26,495,104
<b>Total Assets</b> .....	<b>¥46,384,449</b>	<b>¥51,088,094</b>	<b>\$384,773,535</b>

The accompanying notes are an integral part of these statements.

March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	1999	1998	1999
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
Deposits .....	¥32,123,178	¥34,442,706	\$266,471,824
Call Money and Bills Sold .....	2,383,687	2,256,587	19,773,438
Commercial Paper .....	400,000	—	3,318,125
Trading Liabilities.....	932,049	1,458,546	7,731,644
Borrowed Money.....	1,955,418	3,339,624	16,220,807
Foreign Exchange.....	148,493	125,762	1,231,801
Bonds.....	300,000	100,000	2,488,594
Convertible Bonds.....	5,666	12,582	47,002
Other Liabilities.....	1,792,816	2,888,177	14,871,974
Reserve for Possible Loan Losses .....	455,519	857,491	3,778,674
Reserve for Retirement Allowances .....	45,866	48,241	380,478
*Other Reserves.....	231,435	175,065	1,919,834
Deferred Tax Liability for Land Revaluation .....	94,481	—	783,754
Acceptances and Guarantees .....	3,193,984	3,915,992	26,495,104
Land Revaluation Account .....	—	326,529	—
Total Liabilities.....	44,062,598	49,947,308	365,513,053
<b>Stockholders' Equity</b>			
Common Stock .....	559,216	424,087	4,638,876
Preferred Stock .....	478,616	105,000	3,970,274
Capital Surplus .....	928,196	419,954	7,699,684
Legal Reserve.....	96,397	89,216	799,644
Land Revaluation Account.....	131,767	—	1,093,051
Voluntary Reserve.....	40,900	589,900	339,278
Special Reserves .....	17	21	147
Unappropriated Retained Earnings (Deficit) .....	86,739	(487,393)	719,528
Total Stockholders' Equity.....	2,321,851	1,140,785	19,260,482
<b>Total Liabilities and Stockholders' Equity .....</b>	<b>¥46,384,449</b>	<b>¥51,088,094</b>	<b>\$384,773,535</b>

\* Includes "Reserve for Specific Borrowers under Support," the balance of which as of March 31, 1999 was ¥84,966 million.

**NON-CONSOLIDATED FINANCIAL STATEMENTS**
*The Fuji Bank, Limited*
**Statements of Income**

Years ended March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	1999	1998	1999
<b>INCOME</b>			
Interest Income:			
Interest on Loans and Discounts .....	¥ 877,477	¥1,011,179	\$ 7,278,950
Interest and Dividends on Securities .....	157,893	152,901	1,309,780
Other Interest Income .....	573,881	844,525	4,760,528
	<b>1,609,253</b>	<b>2,008,606</b>	<b>13,349,258</b>
Fees and Commissions .....	106,635	109,787	884,578
Trading Revenue .....	17,978	19,060	149,138
Other Operating Income .....	167,591	126,928	1,390,220
Other Income .....	170,444	340,906	1,413,890
Total Income .....	<b>2,071,902</b>	<b>2,605,290</b>	<b>17,187,084</b>
<b>EXPENSES</b>			
Interest Expenses:			
Interest on Deposits .....	403,139	688,618	3,344,172
Interest on Borrowings and Rediscounts .....	111,725	110,991	926,800
Other Interest Expenses .....	589,633	705,985	4,891,193
	<b>1,104,499</b>	<b>1,505,595</b>	<b>9,162,165</b>
Fees and Commissions .....	45,883	44,776	380,617
Trading Expenses .....	—	517	—
Other Operating Expenses .....	85,557	44,614	709,729
General and Administrative Expenses .....	367,664	385,780	3,049,894
Other Expenses .....	1,132,654	1,138,715	9,395,722
Total Expenses .....	<b>2,736,259</b>	<b>3,120,000</b>	<b>22,698,127</b>
Loss before Income Taxes .....	<b>(664,356)</b>	<b>(514,710)</b>	<b>(5,511,043)</b>
Income Taxes:			
Current .....	332	3,991	2,755
Deferred .....	(271,758)	—	(2,254,325)
<b>Net Income (Loss) .....</b>	<b>¥ (392,929)</b>	<b>¥ (518,701)</b>	<b>\$ (3,259,473)</b>

**Statements of Appropriation of Retained Earnings (Deficit)**

Years ended March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	1999	1998	1999
Net Income (Loss) .....	¥(392,929)	¥(518,701)	\$ (3,259,473)
Unappropriated Retained Earnings (Deficit) at Beginning of Year .....	(487,393)	55,480	(4,043,081)
Transfer from Special Reserves .....	549,003	7	4,554,157
Prior Year's Adjustment for Deferred Taxes .....	460,798	—	3,822,464
Transfer from Reserve for Losses on Overseas Investments in Conjunction with Adopting Accounting for Deferred Taxes .....	12	—	106
Total .....	<b>129,491</b>	<b>(463,214)</b>	<b>1,074,173</b>
Appropriations:			
Legal Reserve .....	7,180	2,600	59,567
Voluntary Reserve .....	—	9,000	—
Special Reserves .....	12	1	107
Dividends .....	35,558	12,577	294,971
Total .....	<b>42,752</b>	<b>24,179</b>	<b>354,645</b>
Unappropriated Retained Earnings (Deficit) at End of Year .....	¥ 86,739	¥(487,393)	\$ 719,528

The accompanying notes are an integral part of these statements.

**NON-CONSOLIDATED FINANCIAL STATEMENTS**
*The Fuji Bank, Limited*
**Statements of Cash Flows**

Years ended March 31,	Millions of yen		Thousands of U.S. dollars (Note 1)
	1999	1998	1999
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest on Loans and Discounts Received .....	¥ 907,403	¥ 993,666	\$ 7,527,199
Interest and Dividends on Securities Received .....	159,359	155,559	1,321,937
Interest on Call Loans .....	7,645	16,419	63,424
Interest on Bills Purchased .....	996	180	8,266
Interest on Due from Banks .....	68,034	156,364	564,370
Interest on Interest Rate Swaps, etc. ....	957,939	597,961	7,946,407
Fees and Commissions Received.....	107,504	109,739	891,786
Other Operating Revenue.....	307	34,547	2,549
Total .....	2,209,191	2,064,438	18,325,938
Interest on Deposits Paid.....	447,707	692,706	3,713,870
Interest on Call Money Paid .....	30,772	28,119	255,264
Interest on Bills Sold Paid, etc. ....	79,754	77,249	661,590
Interest on Commercial Paper Paid .....	1,987	—	16,486
Interest on Bonds Paid .....	1,726	—	14,319
Interest on Convertible Bonds Paid.....	122	191	1,016
Interest on Interest Rate Swaps Paid .....	940,372	550,709	7,800,684
Fees and Commissions Paid.....	44,659	47,537	370,461
Other Operating Expenditures.....	31,533	13,547	261,578
General and Administrative Expenses Paid .....	332,063	343,381	2,754,569
Total .....	1,910,697	1,753,441	15,849,837
Net Decrease in Due from Banks (excluding Deposits with the Bank of Japan) .....	825,074	1,378,454	6,844,249
Net Decrease (Increase) in Call Loans .....	(94,191)	353,251	(781,347)
Net Decrease (Increase) in Bills Purchased .....	(454,400)	399,300	(3,769,390)
Net Decrease (Increase) in Commercial Paper and Other Debt Purchased.....	(21,024)	26,038	(174,402)
Net Decrease (Increase) in Trading Accounts.....	256,863	(732,334)	2,130,766
Net Proceeds from (Expenditures of ) National Government Bonds and Other Transactions.....	246,526	(160,096)	2,045,016
Net Decrease (Increase) in Loans and Bills Discounted .....	1,398,205	1,486,641	11,598,555
Net Decrease (Increase) in Foreign Exchange.....	123,345	(25,057)	1,023,188
Net Decrease in Domestic Exchange Settlement Debits .....	415	551	3,450
Net Decrease (Increase) in Other Assets .....	333,931	(503,938)	2,770,068
Total .....	2,614,747	2,222,811	21,690,153
Net Decrease in Deposits and Other .....	(2,319,528)	(3,836,435)	(19,241,215)
Net Increase (Decrease) in Call Money and Borrowed Money .....	263,138	(516,950)	2,182,812
Net Increase (Decrease) in Bills Sold .....	(1,520,244)	726,472	(12,610,902)
Net Increase in Commercial Paper.....	400,000	—	3,318,125
Net Increase in Foreign Exchange.....	22,730	29,347	188,557
Net Decrease in Domestic Exchange Settlement Credits .....	(323)	(593)	(2,681)
Net Increase (Decrease) in Other Liabilities.....	(706,992)	1,251,823	(5,864,726)
Total .....	(3,861,220)	(2,346,336)	(32,030,030)
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>(947,978)</b>	<b>187,471</b>	<b>(7,863,776)</b>
<b>CASH FLOWS FROM OTHER ACTIVITIES</b>			
Proceeds from Sales of Stocks and Other .....	440,717	1,302,161	3,655,889
Proceeds from Settlements of Money Held in Trust .....	206,439	239,591	1,712,483
Proceeds from Sales of Premises and Equipment.....	103,735	55,390	860,522
Other Proceeds .....	9,359	4,923	77,638
Total .....	760,252	1,602,066	6,306,532
Purchases of Stocks and Other .....	467,226	1,330,997	3,875,789
Investments on Money Held in Trust.....	181,438	209,136	1,505,089
Purchases of Premises and Equipment .....	36,518	48,607	302,933
Other Payments .....	194,214	477,370	1,611,067
Total .....	879,397	2,066,111	7,294,878
<b>Net Cash Used in Other Activities.....</b>	<b>(119,145)</b>	<b>(464,044)</b>	<b>(988,346)</b>
<b>DIVIDENDS, INCOME TAXES AND OTHER PAYMENTS</b>			
Dividends Paid.....	35,558	12,577	294,971
Income Taxes Paid.....	899	3,313	7,459
Total .....	36,457	15,891	302,430
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issuance of Preferred Stock and Capital Stock .....	1,016,988	—	8,436,240
Issuance of Bonds and Notes.....	200,000	100,000	1,659,062
Redemption of Convertible Bonds .....	(6,916)	—	(57,372)
<b>Net Decrease (Increase) in Cash and Cash Equivalents .....</b>	<b>106,491</b>	<b>(192,463)</b>	<b>883,378</b>
<b>Cash and Cash Equivalents at Beginning of Year .....</b>	<b>1,034,294</b>	<b>1,226,758</b>	<b>8,579,798</b>
<b>Cash and Cash Equivalents at End of Year .....</b>	<b>¥1,140,785</b>	<b>¥1,034,294</b>	<b>\$ 9,463,176</b>

The accompanying notes are an integral part of these statements.

**NON-CONSOLIDATED**

# NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

The Fuji Bank, Limited

NON-CONSOLIDATED

## 1. Basis of Presentation

The Fuji Bank, Limited ("the Bank") maintains its accounting records and prepares its financial statements in accordance with accounting principles and practices generally accepted in Japan, the Commercial Code of Japan, the Banking Law of Japan and the Rules for Bank Accounting issued by the Ministry of Finance and the accompanying non-consolidated financial statements have been prepared from the non-consolidated financial statements filed with the Minister of Finance as required by the Banking Law of Japan and the Securities and Exchange Law of Japan.

For the convenience of readers outside Japan, certain items presented in the original financial statements have been reclassified and rearranged.

In addition, certain previously reported amounts have been reclassified to conform with the current year's presentation.

As permitted by the Securities and Exchange Law of Japan, amounts less than one million yen have been omitted. As a result, the totals in yen shown in the accompanying non-consolidated financial statements for the years ended March 31, 1999 and 1998 do not necessarily agree with the sum of the individual amounts.

Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥120.55=U.S.\$1, the rate of exchange in effect on March 31, 1999, has been used in translation. The inclusion of such amounts is not intended to imply that Japanese yen have been or could be readily converted, realized or settled in U.S. dollars at that rate or any other rate.

## 2. Significant Accounting Policies of The Fuji Bank, Limited

### (a) Securities

Securities are stated at the moving average cost method.

Effective April 1, 1997, the Bank changed its method of valuation of listed securities and listed securities held in separately managed trusts, including in the securities account from the lower of cost or market to the moving average cost method. Japanese government bonds have been stated at the moving average cost method prior to this change. The effect of this change in accounting for securities resulted in a decrease of loss before income taxes of ¥433,195 million.

### (b) Reserve for Devaluation of Investment Securities

Effective April 1998, the Bank implemented a new reserve to cover any future potential losses on investments in subsidiaries and affiliated companies. Consideration is given to the financial situation of the relevant companies in determining the necessary amount to be accounted for under this reserve.

### (c) Deferred Tax Accounting

Effective April 1998, the Bank introduced accounting for deferring income taxes using the asset liability method. Under the asset liability method, deferred tax assets and liabilities are determined based on differences between financial reporting and basis of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The effect of this change resulted in an increase of assets of ¥732,556 million, a decrease of net loss of ¥271,758 million and an increase of unappropriated retained earnings (deficit) at end of fiscal year of ¥732,556 million. In addition, the effect of the adoption on unappropriated retained earnings (deficit) at April 1, 1998 was included in the Statements of Appropriation of Retained Earnings (Deficit) as prior year's adjustment for deferred taxes.

### (d) Land Revaluation

Pursuant to the Law Concerning Land Revaluation, land used for the Bank's business activities was revalued on March 31, 1998. The excess of the revalued carrying amount over the book value before

revaluation, which was included in liabilities at March 31, 1998, is included in shareholders' equity in the amount net of tax effect at March 31, 1999 due to the revision in the Law enacted on March 31, 1999. The corresponding income tax is included in liabilities at March 31, 1999 as deferred tax liability for land revaluation. This resulted in a decrease in total liabilities of ¥131,767 million and an increase in total shareholders' equity of ¥131,767 million.

### (e) Other Significant Accounting Policies

Refer to Notes to Consolidated Financial Statements.

## 3. Loans and Bills Discounted

Loans to borrowers under bankruptcy procedures and other nonaccrual loans totaled ¥159,589 million and ¥832,336 million respectively at March 31, 1999.

Effective the year ended March 31, 1999 a loan is placed on nonaccrual status when substantial doubt as to the collectibility of its principal or interest is judged to exist, if payment is past due for a certain period of time or for other reasons. Other nonaccrual loans include loans of ¥117,437 million and ¥205,066 million which would have been included in loans past due for 3 months or more and restructured loans, respectively, if the previous standards of the tax regulation were applied. They also include loans of ¥64,882 million which would have been treated as accruing loans if such standards were applied. Other nonaccrual loans are nonaccrual loans other than loans to borrowers under bankruptcy procedures and loans of which interest payments have been deferred in order to assist the restructuring of the borrowers.

Due to the charge-offs of loans deemed uncollectible as stated in Note 2. to the consolidated financial statements, "Summary of Significant Accounting Policies," loans to borrowers under bankruptcy procedures and other nonaccrual loans decreased by ¥447,178 million and ¥454,205 million, respectively, at March 31, 1999.

Loans past due for 3 months or more totaled ¥171,153 million at March 31, 1999. Loans past due for 3 months or more are those of which interest or principal payments are past due for 3 months or more but which are not included in loans to borrowers under bankruptcy procedures or other nonaccrual loans.

Restructured loans totaled ¥198,588 million at March 31, 1999. Restructured loans are those in which the Bank granted concessions, such as reduction of contractual interest rates or principal amounts and deferral of principal/interest payments, in order to assist the restructuring of the borrowers. Excluded from restructured loans are loans to borrowers under bankruptcy procedures, other nonaccrual loans and loans past due for 3 months or more.

Loans to borrowers under bankruptcy procedures, other nonaccrual loans, loans past due for 3 months or more and restructured loans amounted to ¥1,361,668 million in the aggregate at March 31, 1999.

## 4. Net Income (Loss) per Share

The information of net income (loss) per share of common stock is as follows:

	Yen	
Years ended March 31,	1999	1998
Net Income (Loss) .....	¥(130.53)	¥(179.19)

Net income (loss) per share of common stock is computed based on the average number of shares of common stock outstanding during the year, adjusted for the preferred stock dividend.



**Book Value and Market Value Information  
Market Prices of Marketable Securities**

Billions of yen

March 31,	1999				1998			
	Book value	Market value	Unrealized gain (loss) Net Loss portion		Book value	Market value	Unrealized gain (loss) Net Loss portion	
<b>Listed Securities</b>								
Trading Account Securities:								
Bonds .....	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
Investment Securities:								
Bonds .....	235.6	229.9	(5.7)	10.4	595.2	602.6	7.3	0.2
Stocks .....	3,016.9	3,141.4	124.4	222.4	3,270.6	3,021.8	(248.7)	434.1
Others .....	99.7	94.2	(5.5)	7.2	59.9	73.9	14.0	2.5
of which Foreign Affiliates .....	0.4	1.3	0.8	—	7.5	20.0	12.5	2.4
Total Investment Securities .....	3,352.3	3,465.5	113.2	240.1	3,925.8	3,698.4	(227.4)	436.8
Total .....	¥3,352.3	¥3,465.5	¥113.2	¥240.1	¥3,925.8	¥3,698.4	¥(227.4)	¥436.8

**Unlisted Securities**

(estimate)

(estimate)

March 31,	1999				1998			
Trading Account Securities:								
Bonds .....	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
Investment Securities:								
Bonds .....	970.1	973.1	2.9	5.2	822.8	832.8	10.0	0.4
Stocks .....	192.0	251.5	59.5	8.0	60.8	50.1	(10.6)	23.5
Others .....	185.1	182.6	(2.4)	3.3	117.7	116.4	(1.3)	2.0
Total Investment Securities .....	1,347.3	1,407.3	60.0	16.6	1,001.4	999.5	(1.9)	26.0
Total .....	¥1,347.3	¥1,407.3	¥ 60.0	¥ 16.6	¥1,001.4	¥ 999.5	¥ (1.9)	¥ 26.0

Notes: 1. Bonds include Japanese national government bonds, Japanese local government bonds and Japanese corporate bonds and financial debentures. The market prices of listed securities are primarily calculated using the closing prices on the Tokyo Stock Exchange.

2. The estimated market values of unlisted securities are determined as follows:

Securities traded over the counter: transaction prices announced by the Japan Securities Dealers Association.

Publicly placed bonds: prices calculated using indicated yield announced by the Japan Securities Dealers Association.

Securities of investment trust: market prices announced by authorized fund management companies.

3. The book values of securities not included in the two tables above are primarily as follows:

March 31,	Billions of yen	
	1999	1998
Trading Account Securities:		
Unlisted Bonds (redemption period less than one year) .....	¥ —	¥ —
Investment Securities:		
Unlisted Notes .....	395.0	506.2
Unlisted Bonds (redemption period less than one year) .....	14.3	13.5
Unlisted Foreign Bonds .....	37.3	152.8
Unlisted Foreign Stocks .....	474.5	415.8

# NON-CONSOLIDATED FINANCIAL STATEMENTS

The Fuji Bank, Limited

## Interest Rate Transactions

March 31,	Billions of yen									
	1999					1998				
	Contract value		Option premium*	Market value	Unrealized gain (loss)	Contract value		Option premium*	Market value	Unrealized gain (loss)
Total	Term over one year	Total				Term over one year				
<b>Listed</b>										
Interest Futures:										
Sell .....	¥ 364.1	¥ —	¥ ....	¥364.1	¥ (0.0)	¥ 181.9	¥ —	¥ ....	¥ 182.1	¥ (0.2)
Buy .....	149.4	—	....	149.6	0.2	115.7	—	....	115.8	0.0
Interest Rate Option:										
Sell Call .....	150.0	—	93	0.1	(0.0)	274.5	—	60	0.0	0.0
Put .....	—	—	—	—	—	221.7	—	48	0.0	(0.0)
Buy Call .....	—	—	—	—	—	39.6	—	10	0.0	(0.0)
Put .....	—	—	—	—	—	184.9	—	55	0.0	0.0
<b>Over the Counter</b>										
FRA:										
Sell .....	—	—	....	—	—	—	—	....	—	—
Buy .....	—	—	....	—	—	—	—	....	—	—
Interest Rate Swap:										
Receive Fixed Pay Floating .....	37,125.8	20,165.3	....	608.9	608.9	48,905.3	17,041.2	....	1,001.7	1,001.7
Receive Floating Pay Fixed .....	38,687.3	18,410.3	....	(666.7)	(666.7)	49,110.5	13,623.9	....	(1,048.0)	(1,048.0)
Receive Floating Pay Floating .....	91.2	72.2	....	(0.3)	(0.3)	182.1	93.8	....	0.1	0.1
Receive Fixed Pay Fixed .....	16.2	16.2	....	0.0	0.0	5.9	5.9	....	0.0	0.0
Interest Rate Option:										
Sell Call .....	20.0	—	—	(0.0)	(0.0)	—	—	—	—	—
Put .....	—	—	—	—	—	—	—	—	—	—
Buy Call .....	9.1	6.6	—	0.0	(0.0)	—	—	—	—	—
Put .....	8.5	6.0	—	0.0	(0.0)	—	—	—	—	—
Others:										
Sell .....	239.4	210.1	—	(0.7)	2.3	230.8	93.9	—	(0.5)	2.1
Buy .....	251.8	233.4	—	0.8	(2.1)	250.8	124.1	—	0.3	(2.3)
Total .....	....	....	....	....	¥(57.9)	....	....	....	....	¥ (46.6)

Notes: 1.\*In millions of yen. Option premiums are included in the Balance Sheets.

2. Calculation of market value.

The market values of listed transactions are calculated using the closing prices on the Tokyo Financial Futures Exchange, etc.

The market value of over the counter transactions are calculated using discounted cash flow method and option valuation model, etc.

3. Market value and evaluation profit and loss include transactions made for the purpose of hedging on-balance sheet transactions.

4. Interest rate swap market value and evaluation profit and loss includes accrued interest of ¥61,070 million entered in the Statements of Income.

5. Details of interest rate swap notional amounts and average rates according to when due are as follows:

	Billions of yen							
	1999				1998			
	One year or loss	More than one year to three years	Over three years	Total	One year or loss	More than one year to three years	Over three years	Total
Receive Fixed Pay Floating:								
Notional Amount .....	¥16,960.5	¥15,537.8	¥4,627.4	¥37,125.8	¥31,864.0	¥14,675.9	¥2,365.3	¥48,905.3
Average Receive Rate .....	4.06%	3.56%	2.83%	3.72%	4.91%	4.39%	3.89%	4.73%
Average Pay Rate .....	3.18%	3.11%	2.21%	3.13%	4.29%	3.59%	1.82%	4.01%
Receive Floating Pay Fixed:								
Notional Amount .....	20,276.9	13,228.9	5,181.3	38,687.3	35,486.6	11,401.4	2,222.5	49,110.5
Average Receive Rate .....	3.11%	3.03%	1.73%	2.92%	4.17%	2.96%	2.44%	3.89%
Average Pay Rate .....	3.93%	3.55%	2.51%	3.57%	4.82%	4.31%	4.50%	4.72%
Receive Floating Pay Floating:								
Notional Amount .....	18.9	32.7	39.4	91.2	88.3	48.7	45.1	182.1
Average Receive Rate .....	4.68%	3.37%	4.87%	4.36%	5.62%	4.62%	8.74%	6.05%
Average Pay Rate .....	4.33%	3.17%	4.79%	4.24%	5.27%	4.03%	5.36%	4.95%
Receive Fixed Pay Fixed:								
Notional Amount .....	—	—	16.2	16.2	—	—	5.9	5.9
Average Receive Rate .....	—	—	1.19%	1.19%	—	—	1.34%	1.34%
Average Pay Rate .....	—	—	1.19%	1.19%	—	—	1.33%	1.33%

Notes: 6. Derivative transactions included in trading account transactions are valued at the market price and the evaluation profit or loss calculated is included in the Statements of Income. Therefore it is not included in the above table.

The contract value, etc. of derivative transactions in trading account is as follows:

March 31,	Billions of yen					
	1999			1998		
	Contract value	Option premium*	Market value	Contract value	Option premium*	Market value
<b>Listed</b>						
Interest Futures:						
Sell .....	¥ 2,302.2	¥ ....	¥2,307.2	¥ 2,283.8	¥ ....	¥2,285.2
Buy .....	2,475.7	....	2,482.7	2,165.4	....	2,167.4
Interest Rate Option:						
Sell Call.....	254.9	98	0.0	152.2	56	0.0
Put.....	136.9	27	0.0	268.9	92	0.0
Buy Call.....	74.0	73	0.0	244.5	72	0.0
Put.....	50.4	11	0.0	31.8	38	0.0
<b>Over the Counter</b>						
FRA:						
Sell .....	9.9	....	0.0	13.7	....	0.0
Buy .....	9.9	....	(0.0)	22.2	....	(0.0)
Interest Rate Swap:						
Receive Fixed Pay Floating .....	45,712.8	....	843.1	42,653.3	....	802.1
Receive Floating Pay Fixed .....	43,965.4	....	(780.6)	40,690.1	....	(746.4)
Receive Floating Pay Floating .....	837.2	....	(1.5)	480.0	....	(0.8)
Receive Fixed Pay Fixed .....	44.9	....	11.0	26.1	....	9.8
Interest Rate Option:						
Sell Call.....	427.5	4,974	(19.0)	524.9	5,568	(18.6)
Put.....	453.1	4,507	(2.0)	572.0	5,549	(2.5)
Buy Call.....	325.1	2,652	8.2	445.1	3,996	10.2
Put.....	385.5	3,099	2.7	467.0	4,231	2.8
Others:						
Sell .....	976.1	13,820	(4.4)	822.0	11,989	(4.0)
Buy .....	1,104.7	14,533	3.9	1,077.5	14,410	3.4
Total .....	....	....	....	....	....	....

Note: \* In millions of yen. Option premiums are the original premiums received/paid relating to the contract value, etc.

**Currency Transactions**

March 31,	Billions of yen							
	1999				1998			
	Contract value		Market value	Unrealized gain (loss)	Contract value		Market value	Unrealized gain (loss)
Total	Term over one year	Total			Term over one year			
<b>Over the Counter</b>								
Currency Swap:								
US\$ .....	¥3,091.0	¥ 875.2	¥ 85.6	¥ 85.6	¥2,422.4	¥1,100.4	¥ 157.4	¥ 157.4
STG £ .....	219.5	60.8	8.2	8.2	222.8	1.9	(10.2)	(10.2)
€ .....	149.4	0.8	2.4	2.4	—	—	—	—
DM .....	10.4	10.4	1.4	1.4	177.9	11.2	4.7	4.7
A\$ .....	4.2	—	(0.0)	(0.0)	24.1	4.8	(0.4)	(0.4)
Others .....	226.4	98.2	(144.6)	(144.6)	528.2	111.1	(127.3)	(127.3)
Total.....	¥3,741.1	¥1,045.6	¥ (46.9)	¥ (46.9)	¥3,375.5	¥1,229.7	¥ 24.1	¥ 24.1

- Notes: 1. Market value and evaluation profit and loss include transactions made for the purpose of hedging on-balance sheet transactions.  
 2. Market value and the evaluation profit and loss includes accrued interest of ¥2,462 million entered in the Statements of Income.  
 3. Derivative transactions included in trading account are valued at the market price and the evaluation profit or loss calculated is included in the Statements of Income. Therefore it is not indicated in the above table.



The contract value, etc. of derivative transaction in trading account transactions is as follows:

March 31,	Billions of yen			
	1999		1998	
	Contract value	Market value	Contract value	Market value
<b>Over the Counter</b>				
Currency Swap:				
US\$ .....	¥2,938.7	¥(16.3)	¥3,338.8	¥(15.7)
€ .....	4.0	0.0	—	—
DM .....	65.8	(1.7)	56.9	(1.2)
AS .....	518.8	(14.8)	639.3	(16.4)
Other .....	124.3	(0.4)	159.2	(1.0)
Total .....	¥3,651.7	¥(33.2)	¥4,194.3	¥(34.5)

4. In a foreign exchange contract, currency options, etc. are revalued at the end of the fiscal year.

The profit or loss calculated is included in the Statements of Income.

5. The table below indicates the contract value of derivative transactions relating to currency transactions which are revalued.

March 31,	Billions of yen			
	1999		1998	
	Contract value	Option premium*	Contract value	Option premium*
<b>Listed</b>				
Currency Futures:				
Sell .....	¥ 0.7	¥ ....	¥ —	¥ ....
Buy .....	0.3	....	22.3	....
Currency Option:				
Sell Call .....	—	—	—	—
Put .....	—	—	—	—
Buy Call .....	—	—	—	—
Put .....	—	—	—	—
<b>Over the Counter</b>				
Foreign Exchange Contract:				
Sell .....	6,900.2	....	15,227.7	....
Buy .....	7,708.1	....	27,326.8	....
Currency Option:				
Sell Call .....	810.3	13,180	1,124.1	37,329
Put .....	675.7	13,069	1,342.0	13,809
Buy Call .....	798.9	13,406	1,059.4	35,686
Put .....	637.4	14,157	1,398.6	14,936
Others:				
Sell .....	—	....	—	....
Buy .....	—	....	—	....
Total .....	....	....	....	....

Note: \* In millions of yen. Option premiums are included in the Balance Sheets.

Securities Transactions

March 31,	Billions of yen									
	1999					1998				
	Contract value		Option premium*	Market value	Unrealized gain (loss)	Contract value		Option premium*	Market value	Unrealized gain (loss)
Total	Term over one year	Total				Term over one year				
<b>Listed</b>										
Bond Futures:										
Sell .....	¥42.2	—	¥....	¥43.1	¥(0.9)	¥—	—	¥....	¥—	¥—
Buy .....	50.1	—	....	50.9	0.8	—	—	....	—	—
Bond Futures Option:										
Sell Call.....	11.6	—	231	0.0	0.1	—	—	—	—	—
Put.....	0.7	—	2	0.0	0.0	—	—	—	—	—
Buy Call.....	11.6	—	79	0.0	(0.0)	1.5	—	8	0.0	(0.0)
Put.....	0.2	—	0	0.0	(0.0)	4.0	—	27	0.0	(0.0)
<b>Over the Counter</b>										
Securities-related Option:										
Sell Call.....	—	—	—	—	—	....	....	....	....	....
Put.....	—	—	—	—	—	....	....	....	....	....
Buy Call.....	—	—	—	—	—	....	....	....	....	....
Put.....	—	—	—	—	—	....	....	....	....	....
Securities-related Swap:										
Receive Stock Index, Pay Floating .....	—	—	....	—	—	....	....	....	....	....
Pay Stock Index, Receive Floating .....	—	—	....	—	—	....	....	....	....	....
Others:										
Sell .....	—	—	—	—	—	....	....	....	....	....
Buy .....	—	—	—	—	—	....	....	....	....	....
Total .....	....	....	....	....	¥ 0.0	....	....	....	....	¥(0.0)

Notes: 1. \* In millions of yen. Option premiums are included in the Balance Sheets.

2. Calculation of market value.

The market values of listed securities are calculated using the closing prices on the Tokyo Stock Exchange, etc.

3. There are no trading account transactions for equity securities.

**Bond-Related Transactions**

March 31,	Billions of yen									
	1999					1998				
	Contract value		Option premium*	Market value	Unrealized gain (loss)	Contract value		Option premium*	Market value	Unrealized gain (loss)
Total	Term over one year	Total				Term over one year				
<b>Listed</b>										
Bond Futures:										
Sell .....	¥269.8	—	¥ ....	¥272.4	¥(2.5)	¥117.6	—	¥....	¥118.4	¥(0.7)
Buy .....	13.2	—	....	13.2	0.0	—	—	....	—	—
Bond Futures Option:										
Sell Call .....	—	—	—	—	—	—	—	—	—	—
Put .....	—	—	—	—	—	4.2	—	2	0.0	0.0
Buy Call .....	—	—	—	—	—	—	—	—	—	—
Put .....	—	—	—	—	—	3.6	—	3	0.0	0.0
<b>Over the Counter</b>										
Bond-related Option:										
Sell Call .....	—	—	—	—	—	116.6	—	370	0.4	(0.0)
Put .....	—	—	—	—	—	—	—	—	—	—
Buy Call .....	3.0	—	15	—	(0.0)	3.9	—	8	—	(0.0)
Put .....	—	—	—	—	—	—	—	—	—	—
Others:										
Sell .....	—	—	....	—	—	—	—	....	—	—
Buy .....	—	—	....	—	—	—	—	....	—	—
Total .....	....	....	....	....	¥(2.5)	....	....	....	....	¥(0.8)

Notes: 1. \* In millions of yen. Option premiums are included in the Balance Sheets.

2. Derivative transactions included in trading account are valued at the market price and the evaluation profit or loss calculated is included in the Statements of Income. Therefore it is not indicated in the following table. The contract value, etc. of derivative transaction in trading account is as follows:

March 31,	Billions of yen					
	1999			1998		
	Contract value	Option premium*	Market value	Contract value	Option premium*	Market value
<b>Listed</b>						
Bond Futures:						
Sell .....	¥14.0	¥....	¥14.0	¥21.3	¥....	¥21.3
Buy .....	56.1	....	56.9	9.7	....	9.7
Bond Futures Option:						
Sell Call .....	—	—	—	—	—	—
Put .....	12.0	26	0.0	—	—	—
Buy Call .....	—	—	—	—	—	—
Put .....	7.1	42	0.0	—	—	—
<b>Over the Counter</b>						
Bond Related Swap:						
Sell Call .....	—	—	—	—	—	—
Put .....	—	—	—	—	—	—
Buy Call .....	—	—	—	—	—	—
Put .....	—	—	—	—	—	—
Others:						
Sell .....	—	—	—	—	—	—
Buy .....	—	—	—	—	—	—
Total .....	....	....	....	....	....	....

Note: \* In millions of yen. Option premiums are the original premiums received/paid relating to the contract value, etc.

**Report of Independent Certified Public  
Accountants on the Non-Consolidated Financial Statements**

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The Board of Directors  
The Fuji Bank, Limited

We have examined the non-consolidated balance sheets of The Fuji Bank, Limited as of March 31, 1999 and 1998, and the related non-consolidated statements of income, appropriation of retained earnings (deficit) and cash flows for the years then ended, all expressed in Japanese yen. Our examinations were made in accordance with auditing standards, procedures and practices generally accepted and applied in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above, expressed in Japanese yen, present fairly the non-consolidated financial position of The Fuji Bank, Limited at March 31, 1999 and 1998, and the non-consolidated results of its operations and its cash flows for the years then ended in conformity with accounting principles and practices generally accepted in Japan applied on a consistent basis.

The U.S. dollar amounts in the accompanying non-consolidated financial statements with respect to the year ended March 31, 1999 are presented solely for convenience. Our examination also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the non-consolidated financial statements.

Tokyo, Japan  
June 29, 1999

*Showa Ota & Co.*  
Showa Ota & Co.

***Statement on Accounting Principles and Auditing Standards***

This statement is to remind users that accounting principles and practices as well as auditing standards, procedures and practices may vary from country to country and could thus affect, possibly materially, the reported financial position and results of operations. The accompanying financial statements are prepared based on accounting principles and practices generally accepted in Japan, and the auditing standards, procedures and practices are those generally accepted and applied in Japan. Accordingly, the accompanying financial statements and auditors' report presented above are for users familiar with Japanese accounting principles and auditing standards.

NON-CONSOLIDATED