Yamanashi Chuo Bank

Annual Report 2001

The Yamanashi Chuo Bank, Ltd. and Consolidated Subsidiaries

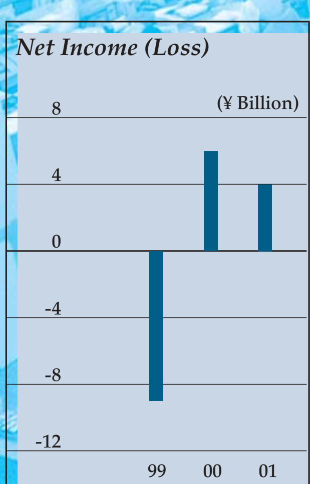
Financial Highlights

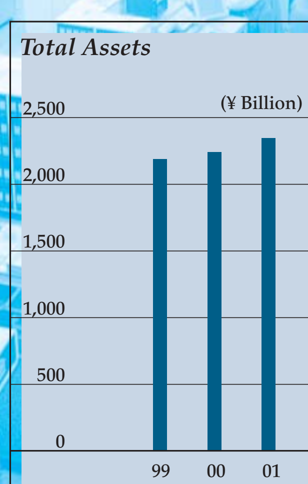
Years ended March 31, 2001 and 2000

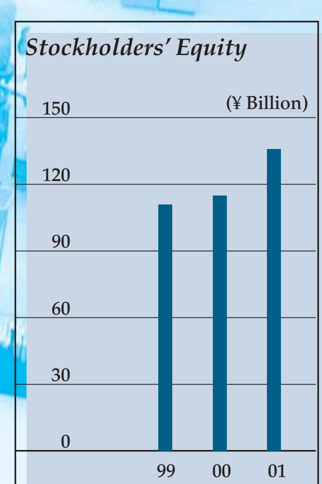
<Consolidated>	Millions of Yen 2001	Millions of Yen 2000	Thousands of U.S. Dollars 2001
For the year:			
Total income	¥ **60,756**	¥ 58,597	$ **490,365**
Total expenses	**53,182**	47,978	**429,239**
Income before income taxes and minority interests	**7,573**	10,618	**61,126**
Net income	**4,434**	6,161	**35,794**
Per share of common stock (in yen and dollars)**:**			
Net income	¥ **23.35**	¥ 32.14	$ **0.18**
Cash dividends applicable to the year	**5.00**	5.00	**0.04**
At year-end:			
Deposits	**¥2,143,185**	¥2,067,904	**$17,297,701**
Loans and bills discounted	**1,352,522**	1,300,462	**10,916,244**
Investment securities	**669,296**	544,687	**5,401,907**
Total assets	**2,350,632**	2,245,699	**18,972,011**
Stockholders' equity	**136,432**	115,585	**1,101,148**

<Non-Consolidated>	Millions of Yen 2001	Millions of Yen 2000	Thousands of U.S. Dollars 2001
For the year:			
Total income	¥ **55,408**	¥ 53,099	$ **447,201**
Total expenses	**47,992**	42,701	**387,348**
Income before income taxes	**7,415**	10,398	**59,853**
Net income	**4,444**	6,101	**35,872**
Per share of common stock (in yen and dollars)**:**			
Net income	¥ **23.40**	¥ 31.82	$ **0.18**
At year-end:			
Deposits	**¥2,148,726**	¥2,071,981	**$17,342,427**
Loans and bills discounted	**1,366,986**	1,313,025	**11,032,986**
Investment securities	**668,794**	544,206	**5,397,854**
Total assets	**2,350,681**	2,245,234	**18,972,409**
Stockholders' equity	**136,462**	115,605	**1,101,393**

Notes: 1. Yen figures are rounded down to the nearest million yen.
2. U.S. dollar figures have been converted from Japanese yen, solely for convenience, at the rate of ¥123.90=US$1, the rate prevailing on March 31, 2001.
3. Net income per share is calculated on the basis of the average number of shares of common stock outstanding each year.







Note: All graphs are on a consolidated basis.

Profile

Since its establishment in 1877, the Yamanashi Chuo Bank, Ltd. has developed along with the region and remained committed to its corporate philosophy of maintaining sound management and close ties with the local community, enhancing its position as the leading regional bank.

The Bank's principal business base consists of Yamanashi Prefecture and the western part of Tokyo. Considered a part of the metropolitan economic zone, Yamanashi accommodates a wide range of industries, from wine production, where it ranks number one in the nation, to cutting-edge electronics.

As of March 31, 2001, the Bank had 85 branches in Yamanashi Prefecture, including the Head Office, 13 branches in Tokyo, and a representative office in Hong Kong. In addition, the Bank makes effective use of such marketing channels as Internet banking and ATMs, and together with our 5 consolidated subsidiaries, we are working to provide prompt and appropriate responses to the increasingly diverse and sophisticated financial needs of customers in the region through business areas such as leasing, credit cards, guarantees, and investments.

As of March 31, 2001:

- The balance of deposits, including NCDs, stood at ¥2,143,185 million (US$17,297 million), and the balance of loans and bills discounted at ¥1,352,522 million (US$10,916 million) on a consolidated basis, both showing major increases over the previous term.
- Capital ratio (domestic standards) was 12.15% on a consolidated basis and 12.09% on a non-consolidated basis, placing the Bank in the top tier among Japan's regional banks, which had an average capital ratio of 9.49% on a non-consolidated basis.

Head Office

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Message from the Management

During the term under review, major changes were seen in Japan's financial sector, with the birth of "megabanks" brought about by industry reorganization, the entry into the market of companies from other industries, and the diversification of service channels through the increased use of information technology. All these factors have led to intense competition, and the Bank has made efforts to offer top-level financial services and implement strong management strategies so as to reinforce its position as the core financial institution in the community.

OPERATING ENVIRONMENT AND RESULTS

During the term ended March 31, 2001, Japan's economy was buoyed by favorable trends in the information technology industry and exhibited a gradual recovery until the beginning of autumn, when the nation's industries began to make adjustments to compensate for the slowdown of the U.S. and other overseas economies. It was obvious by the first quarter of 2001 that the economy had begun to stagnate. The pace of exports and capital investment slowed down during the latter half of the fiscal year, and consumer spending, housing investments, and public spending were generally sluggish throughout the year. Against the background of this weakening of the real economy, share prices declined substantially, and the yen's exchange rate fell toward the term-end.

Turning to the economy of Yamanashi Prefecture, the Bank's principal business base, local industries and non-manufacturing industries — including retailing and construction — remained sluggish throughout the period under review, and by the autumn of 2000, clouds began to appear over manufacturing industries in the IT sector which had maintained a favorable trend until that time. Moving into the first quarter of 2001, production cutbacks increased and a pessimistic outlook spread throughout the entire economy.

Amid this financial and economic environment, the Yamanashi Chuo Group worked hard to maintain the economic development of the area and the prosperity of its people by offering high-quality financial services and widening the scope of its operations to offer leasing and credit cards. As the final year of the 6th Long-Term Management Plan drew to a close, the Bank worked to streamline and improve the efficiency of its management and expand its business base.

The results for the fiscal year on a consolidated basis were as follows. First, deposits, consisting primarily of retail deposits, rose ¥75,281 million to ¥2,143,185 million (US$17,297 million) at term-end. Loans and bills discounted, despite sluggish demand for funds, rose ¥52,060 million over the previous year to ¥1,352,522 million (US$10,916 million) due to increases in retail loans and increased loans to small and medium-sized companies and public organizations. However, net income decreased ¥1,727 million to ¥4,434 million (US$35 million) due to the lump-sum amortization of the unfunded portion of the reserve for prior service obligations. Total income rose thanks to the efficient use of funds and increased revenue from fees and commissions. We made efforts to reduce expenses through management streamlining and improved efficiency.

PERFORMANCE AND FUTURE STRATEGIES

1. Improving the Soundness of the Asset Portfolio

During the term under review, provisions to reserves for possible loan losses were made based on strict asset self-assessment, but there was a decrease in specific provisions to reserves since the final disposal of bad debts had almost been completed in the previous term. In accordance with the standards stipulated in the Financial Reconstruction Law, the Bank had ¥102.3 billion (US$826 million) in bad debts on a

Nobukazu Yoshizawa, *Chairman* (left)
Kentaro Ono, *President* (right)

non-consolidated basis as of March 31, 2001, and the coverage for these loans, in the forms of reserves, collateral and guarantees, together with equity capital, amounted to a sufficient total of ¥235.7 billion (US$1,903 million).

2. Raising the Capital Ratio

As of March 31, 2001, the capital ratio was 12.09% on a non-consolidated basis and 12.15% on a consolidated basis, according to domestic standards, which apply since the Bank has no overseas branches. These figures are well above the 4% standard. If a bank's capital ratio falls under this standard, it is ordered to either improve or suspend its operations immediately. The Bank thus has one of the nation's top-level capital ratios among regional banks, ensuring adequate asset soundness.

3. Adopting New Accounting Standards

The Bank is working to improve the soundness of its financial position. We introduced fair value accounting of financial products in fiscal 2000, the term ended March 2001, to cope with changes in the accounting system, and set up a system that enables us to grasp and manage adequately and promptly the influence of market value fluctuations on financial statements. We also introduced new accounting standards for retirement benefits with the lump-sum amortization of the shortfall due to the change in accounting standards.

4. Risk Management

Risk management has always been a priority issue, and the Bank makes every effort to obtain an accurate understanding of risk, primarily through the Risk Management Committee, headed by the senior managing director. We clarified the responsibilities of each division and department, and are working to strengthen our comprehensive system of managing risk, including credit risk, market risk, liquidity risk, operational risk, and system risk.

5. Compliance

To provide a system for the prevention of rule infringements, the Compliance Committee, headed by the senior managing director, assigns staff to take charge of compliance issues in each of the Head Office divisions and branches. Staff have been familiarized with the Bank's "5 Principles of Compliance," which include establishing relationships of trust and the strict observance of laws and regulations, and a new Compliance Program is drawn up for each fiscal year. The main theme of this program in fiscal 2001, ending March 2002, is concerned with providing customers with easy-to-understand explanations of financial products.

Fiscal 2001 is the first year of the Bank's 7th 3-year long-term plan, "New Challenges — START 21." With the aim of establishing a secure position as the region's key financial institution, the Bank has developed concrete strategies to achieve a public recognition that distinguishes it from other financial institutions (refer to pp. 4-5). We at Yamanashi Chuo Bank look forward to our stakeholders' continued understanding and support of our future management strategies.

N. Yoshizawa.

Nobukazu Yoshizawa
Chairman

K. Ono

Kentaro Ono
President

7th Long-Term Management Plan: New Challenges — START 21

Amid intense competition to survive, the Bank aims to establish high earning power and offer unrivaled, high-level financial services that incorporate customers' perspectives through implementing a marketing strategy that focuses on the Bank's strengths and distinguishes it from other financial institutions.

7th Long-Term Management Plan "New Challenges — START 21"

Customer Perspective

- Enhancing its regional presence to improve its position in the new financial environment
- Improving the Bank's ability to handle changes in the environment and customers' needs
- Expanding the business base to improve management soundness

START 21 Business Strategy

Business Model 1:
Strengthening Corporate Marketing Through Management Support for Local Companies

Business Model 2:
Strengthening Face-to-Face Retail Marketing Through Closer Relations with Local Residents

Business Model 3:
Providing the Region's Most Convenient and Easy-to-Use Services

Business Model 4:
Responding to Customers' Needs Through Cooperation with Tie-Up Companies

Business Model 5:
Developing Measures that Correspond to Individual Sector Characteristics

- Improving the Integrated Earnings and Risk Management System
- Promoting Streamlining and Improved Efficiency
- Strengthening Market Trading Capabilities
- Promoting Transactions with Local Governments in a Competitive Environment

What the Implementation of START 21 means

For Customers

- Region's No. 1 in Soundness
- Region's No. 1 in Dependability
- Region's No. 1 in Convenience

For Stockholders

- Enhancement of Corporate Value
- Continuation of Stable Dividends

For the Bank

- Continuous Expansion of Business
- Stable Increase in Earnings
- Maintenance of Management Soundness

Establishing a Firm Position as the Region's Core Financial Institution to Cope with Intensified Competition

PRIORITY POLICIES FOR THE CURRENT MANAGEMENT PLAN PERIOD

The Bank has 3 major issues that it must solve in order to achieve its aim of establishing a secure position as the region's key financial institution by the end of the current management plan, in March 2004: 1) enhancing its regional presence to improve its position in the new financial environment; 2) improving the Bank's ability to handle changes in the environment and customers' needs; and 3) expanding the business base to improve management soundness. More specifically, the Bank will encourage corporate transactions by increasing support for local companies, strengthening retail transactions through the integral promotion of investment trusts, pension plans, and insurance plans, in addition to traditional deposit and loan products. We will also put effort into developing measures that more closely match the characteristics of the region.

To promote the plan even more effectively in the future, the Bank must reform the structure of its Head Office and marketing promotion system, and streamline and increase its efficiency, focusing particularly on raising earning power. We also aim to improve our human resources development system, and enhance corporate value so as to become a financial institution that cannot be rivaled.

BUSINESS MODELS

1. Strengthening Corporate Marketing Through Management Support for Local Companies

Small and medium-sized companies must exercise strict management due to the prolonged economic slump. The Bank will bolster its support for the establishment of new enterprises, and for the growth and rehabilitation of existing businesses. To offer successful support, the Bank has made efforts to strengthen its ties with external organizations specializing in technological advice or management consultation. In addition, we have placed specialists on corporate growth and rehabilitation in the Head Office, where they provide direct customer management support in addition to training and guidance of branch staff.

2. Strengthening Face-to-Face Retail Marketing Through Closer Relations with Local Residents

One of our strengths, compared to the money center banks and Internet banks, is that we can offer more personal, face-to-face interaction with our customers, putting them more at ease. With this ability to offer more personalized advice and other services, we aim to build strong relationships of trust, and through a low-cost marketing system, we plan to increase the efficiency of our service offerings.

3. Providing the Region's Most Convenient and Easy-to-Use Services

The Bank offers a wide variety of methods for interfacing with customers. It operates effective channels such as ATMs and Internet banking sites, receives loan applications, and provides all kinds of information to meet the needs of customers. The Bank does its best to facilitate smooth operations, from marketing to promotion, so as to provide services that are convenient and easy to use.

4. Responding to Customers' Needs Through Cooperation with Tie-Up Companies

In order to respond accurately and promptly to customers' needs, the Bank appoints liaison staff to work with tie-up companies to expand the scope of its services. We have also established special loan offices where loan applications are accepted and processed promptly, and strengthened our Loan Center operations to improve the overall efficiency of operations.

TARGETS (for the term ending March 2004 – the last term of the 7th long-term management plan)

	March 2001	Targets for March 2004
Revised net business profit (Net business profit before general reserves for possible loan losses)	¥13.3 billion	¥16 billion
Tier 1 Capital ratio (Domestic standards)	11.47%	Over 11.00%
Ratio of net business profit to total assets	0.61%	Over 0.65%
Return on equity (based on average of daily figures)	3.73%	Over 7.00%
Ratio of expenses to gross business profit	66.76%	Below 63.00%

Notes: 1. Figures are on a non-consolidated basis.
2. Tier 1 Capital Ratio: The Bank has already achieved its Tier 1 capital ratio target, originally set for the term ending March 2004. The Bank intends to maximize profit through more efficient fund operations on the premise of securing a Tier 1 capital ratio of 11% at the minimum.

Operational Review

BANKING OPERATIONS

New Card Loan — "Waku Waku"

In October 2000, the Bank eased the application requirements for loans — mainly small-lot loans — and began to offer easier-to-acquire card loans to a broader range of customers. The three types of loans introduced have credit limits of ¥300 thousand, ¥500 thousand, and ¥1 million. If borrowers have taken out either of the first two types of loans and have been prompt in making repayments, their credit limits may be automatically increased to ¥700 thousand and their interest rates may be discounted up to 4% of the interest on their initial loan.

Expanded Over-the-Counter Sales of Insurance and Investment Trusts

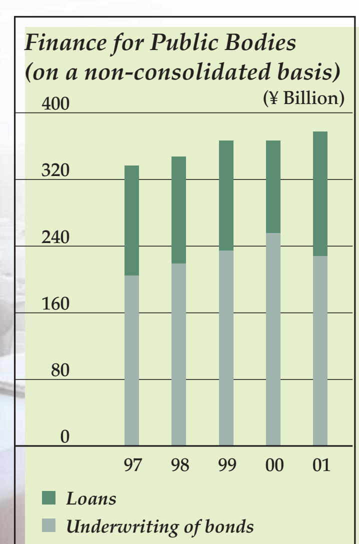
In April 2001, we began selling two additional types of insurance for customers holding mortgage loans with us. These were the Long-Term Fire Insurance, with better compensation and relatively inexpensive premiums, and Loan Repayment Insurance, which uses insurance money to repay loans when the borrower has not been able to make repayments for a long period due to illness or injury. In October and December 2000, four types of investment trusts were added to the existing seven sold over the counter, and in April 2001, we began offering a scheme, called the Yamanashi Chugin Investment Trust scheme, which provides customers with an easier way to participate in investment trusts by making monthly payments of as little as ¥10,000.

Asset Management Consultation and Advice

The Bank provides five types of Basic Asset Management Plans, called Yamanashi Chugin Money Plans, which offer customers different combinations of financial products (time deposits, Japanese government bonds, foreign currency deposits, investment trusts), conforming to customers' different degrees of allowable risk and investment objectives. The Bank also carries out varying asset management and taxation simulations via computer and can handle the most detailed customer inquiries.

Internet Loan Applications

In October 2000, the Bank began offering Initial Personal Loan Application submissions on its website, allowing customers to complete the initial stages of applying for a



loan over the Internet. Applications can be submitted 24 hours a day, and the customer need only visit the Bank once to complete the process. Applications for a variety of loans can be made in this manner.

New Lump-Sum Payment Factoring

In July 2000, the Bank began to handle lump-sum payments under a factoring contract, in which the Bank makes a lump-sum purchase of claims receivable from a company that is receiving payments from another company that is buying some product or service, and the Bank takes over the payment to the supplying company. This account settlement scheme is carried out by contract among the three entities. The paying company divests itself of any clerical expenses and stamp taxes that arose when the debt was incurred, and the supplying company not only avoids the risk of losing its trade notes receivable but also enjoys the advantage of a new method of procuring funds at a low rate.

Yamanashi Chugin Toku Toku Club

The Bank has upgraded its service where customers obtain certain privileges based on the number of points they received for the frequency and types of transactions they make. Until April 2001, customers could enjoy favorable interest rates on personal loans and free ATM services outside business hours. Nursing care consultation services were added in May 2001, and favorable traveler's check purchasing fees in June. Also beginning in June, "cash dividends received" was added to the category of transactions for which points are awarded.

OTHER OPERATIONS

Consolidated Subsidiaries

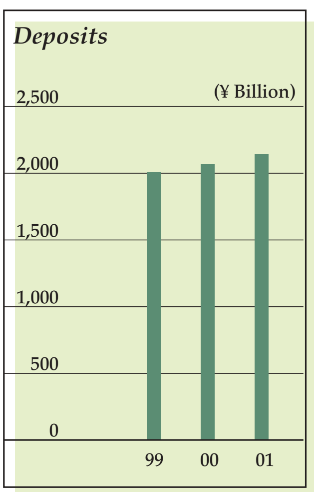
Yamanashi Chuo Guarantee Co., Ltd. has been successful with its sales of primarily mortgage loan-related guarantees. Although the total balance held in contracts by Yamanashi Chugin Lease Co., Ltd. slowed to a near standstill due to sluggish capital investment, its performance has remained firm thanks to the introduction of maintenance leases. The number of members holding DC cards with Yamanashi Chugin DC Card Co., Ltd. has exceeded 100,000. Yamanashi Chugin Business Service Co., Ltd., which handles a portion of the clerical operations for the Bank, has contributed to the efficiency of group operations, and Yamanashi Chugin Capital Co., Ltd., which is involved in making investments, has been actively engaged in supporting the establishment of local businesses and has achieved a steady increase in the balance of its investments.

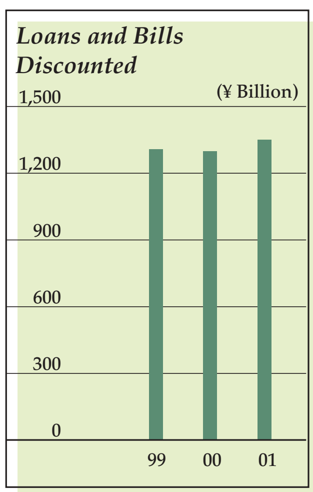
Financial Review *(on a consolidated basis)*

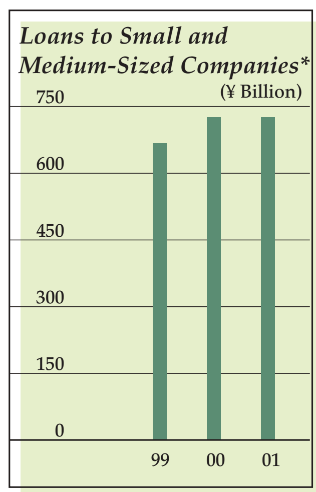
OPERATING ENVIRONMENT

During the term ended March 31, 2001, Japan's economy failed to achieve sustainable growth. Although a gradual economic recovery continued for the first part of the term, driven by the growth in information technology, the economy went into an adjustment phase at the beginning of autumn, with stagnation becoming obvious in the first quarter of 2001. In Yamanashi Prefecture, the Bank's principal operating base, the economy followed a similar trend, with signs of a setback emerging in the latter half of the term.

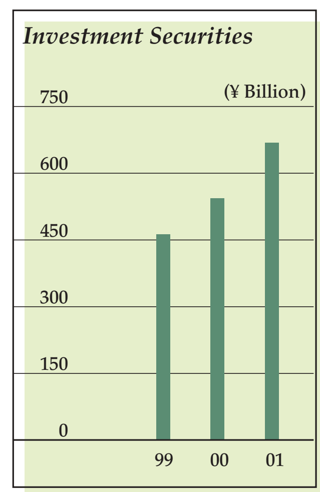
The business environment of the financial sector remained unpredictable, evidenced by continued low market interest rates; sluggish corporate demand for funds and increases in non-performing loans due to the worsening of the economy; the accommodation of changes in accounting standards; and the abolition of unlimited guarantees on bank deposits scheduled for next spring. These factors indicate increasingly harsh business prospects for regional banks.

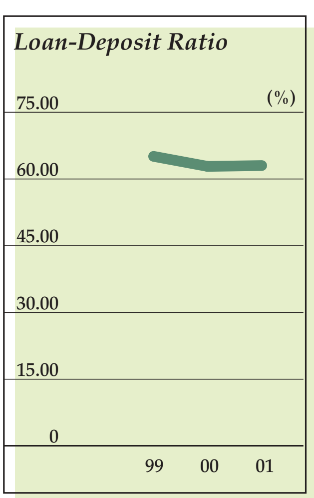


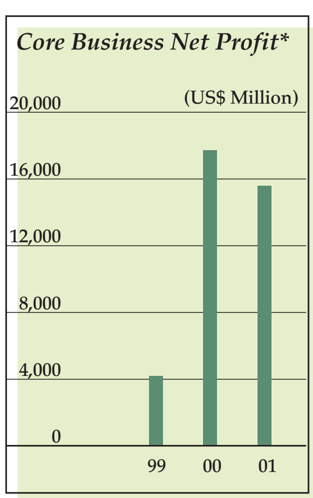




* On a non-consolidated basis







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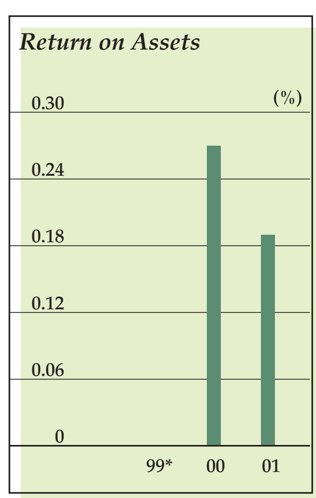
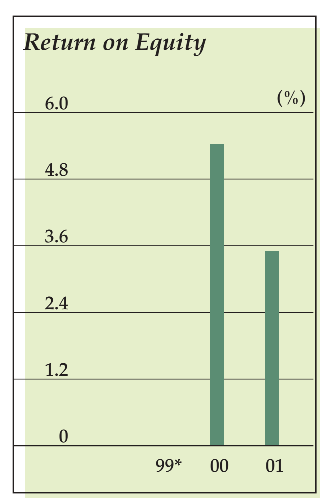


* The figure for ROA in 1999 is not available.



* The figure for ROE in 1999 is not available.

PRINCIPAL BUSINESS INDICATORS FOR THE TERM

Deposits

Amid low interest rates, the balance of deposits (including NCDs) increased ¥75,281 million to ¥2,143,185 million (US$17,297 million) at term-end, thanks mainly to strengthened marketing activities centered on our main business base. Deposits both from corporations and individuals increased as planned.

Loans and bills discounted

The term-end balance of loans and bills discounted increased ¥52,060 million over the previous term-end to ¥1,352,522 million (US$10,916 million). This was mainly attributable to our emphasis on loan transactions to second-tier and small and medium-sized companies, as well as local governments. Retail loans, especially mortgage loans, also contributed to the growth of the loan balance.

Securities

The balance of securities increased ¥124,609 million during the term to stand at ¥669,296 million (US$5,401 million) at term-end. During the term, the Bank closely monitored market trends to diversify fund operations, placing emphasis on efficient fund management utilizing national and local government bonds.

The Bank introduced fair value accounting for specific investment securities during the term, one year ahead of the mandatory adoption of fair value accounting for financial instruments, and posted an excess valuation in the amount of ¥29,824 million (US$240 million), leading to an increase in the balance of equity shares.

OUTLINE OF INCOME STATEMENT

Total income increased 3.7% over the previous term to ¥60,756 million (US$490 million) due to more efficient fund management and increases in fees and commissions. However, total expenses showed a steep 10.8% increase over the previous term to ¥53,182 million (US$429 million) despite our efforts to streamline management through various cost-cutting measures. This increase was due mainly to a lump-sum amortization of the unfunded portion of reserves for severance obligations. As a result, net income decreased 28.0% from the previous term to ¥4,434 million (US$35 million), and earnings per share declined ¥8.79 to ¥23.35 (US$0.18). Return on equity, however, came to 3.51%, among the highest of the regional banks nationwide.

SEGMENT INFORMATION

The Yamanashi Chuo Bank Group consists of the parent company (the Bank) and 5 consolidated subsidiaries, and with the banking business at its core, it also engages in leasing and other financial services.

Banking business

Operating income from the banking business (hereinafter, including internal transactions) decreased ¥1,582 million from the previous term to ¥51,700 million (US$417 million). Operating expenses (hereinafter, including internal transactions) also decreased ¥3,844 million to ¥39,079 million (US$315 million), due to a decline in specific provisions to reserves for possible loan losses and a substantial decrease in equity share write-offs. As a result, operating profit increased 21.8% to ¥12,620 million (US$101 million). Non-consolidated business profit decreased 11.9% from the previous term to ¥15,613 million (US$126 million), mainly due to a decline in interest income centered on securities and a decrease in reversals of general reserves for possible loan losses. However, the ratio of business profit to total assets on a non-consolidated basis came to 0.67%, one of the highest among regional banks nationwide.

Leasing and other financial services

Operating income from leasing came to ¥5,576 million (US$45 million) and operating expenses came to ¥5,529 million (US$44 million), resulting in a ¥46 million (US$0.3 million) operating profit, compared with a ¥3 million operating loss for the previous term. Operating income for other financial services came to ¥865 million (US$6 million), and operating expenses ¥791 million (US$6 million), resulting in a ¥73 million (US$0.5 million) operating profit.

CASH FLOWS

Cash and cash equivalents decreased ¥34,648 million during the term to stand at ¥31,450 million (US$253 million) at term-end.

Cash inflows from operating activities decreased ¥63,191 million during the term, resulting in ¥64,473 million (US$520 million) net cash provided by operating activities, mainly due to an increase in cash outflows in the amount of ¥66,804 million, centered on call loans.

Cash outflows from investing activities increased ¥9,060 million during the term, resulting in ¥98,239 million (US$792 million) net cash used in investing activities. This was the mixed result of a ¥159,852 million decrease in cash inflows from the redemption of investment securities on one hand, and a ¥107,772 million decrease in cash outflows from the acquisition of investment securities, as well as a ¥43,324 increase in cash inflows from the sale of securities, on the other hand.

Cash outflows from financing activities decreased ¥818 million, resulting in ¥949 million (US$7 million) net cash used in financing activities.

Consolidated Balance Sheets

March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2001	2000	**2001**
Assets:			
Cash and due from banks	**¥ 92,296**	¥ 208,045	**$ 744,930**
Call loans	**171,862**	105,029	**1,387,104**
Monetary claims bought	**20,333**	35,938	**164,115**
Trading securities (Notes 3 and 9)	**593**	223	**4,788**
Investment securities (Notes 4 and 9)	**669,296**	544,687	**5,401,907**
Loans and bills discounted (Notes 5, 6 and 7)	**1,352,522**	1,300,462	**10,916,244**
Foreign exchanges	**330**	392	**2,663**
Other assets	**19,657**	17,838	**158,652**
Premises and equipment (Note 8)	**28,823**	28,903	**232,637**
Deferred tax assets (Note 15)	**9,948**	21,667	**80,296**
Customers' liabilities for acceptances and guarantees (Note 10)	**27,510**	30,970	**222,041**
Reserve for possible loan losses	**(42,543)**	(48,460)	**(343,372)**
Total	**¥2,350,632**	¥2,245,699	**$18,972,011**
Liabilities:			
Deposits (Notes 9 and 11)	**¥2,143,185**	¥2,067,904	**$17,297,701**
Call money	**4,289**	4,657	**34,623**
Borrowed money (Note 9)	**1,404**	1,114	**11,336**
Foreign exchanges	**121**	137	**980**
Other liabilities	**26,733**	18,893	**215,770**
Liability for retirement benefits (Note 12)	**10,236**	5,988	**82,617**
Reserve for possible losses on collateralized real estate loans sold	**289**	93	**2,336**
Acceptances and guarantees (Note 10)	**27,510**	30,970	**222,041**
Total liabilities	**2,213,771**	2,129,759	**17,867,408**
Minority interests	**427**	354	**3,454**
Stockholders' equity:			
Common stock (Note 13)	**15,400**	15,400	**124,293**
Capital surplus	**8,287**	8,287	**66,887**
Retained earnings (Note 14)	**95,313**	91,899	**769,280**
Unrealized gain on available-for-sale securities (Note 4)	**17,431**		**140,688**
Total	**136,432**	115,586	**1,101,149**
Treasury stock—at cost	**0**	0	**0**
Total stockholders' equity	**136,432**	115,585	**1,101,148**
Total	**¥2,350,632**	¥2,245,699	**$18,972,011**

See notes to consolidated financial statements.

The Yamanashi Chuo Bank, Ltd. and Subsidiaries

Consolidated Statements of Income

Years Ended March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2001	2000	**2001**
Income:			
Interest income:			
Interest on loans and discounts	**¥32,990**	¥31,269	**$266,267**
Interest and dividends on securities	**12,137**	15,556	**97,964**
Other interest income	**496**	504	**4,009**
Fees and commissions	**5,681**	5,574	**45,853**
Other operating income (Note 17)	**247**	304	**1,998**
Other income (Note 18)	**9,202**	5,387	**74,272**
Total income	**60,756**	58,597	**490,365**
Expenses:			
Interest expense:			
Interest on deposits	**3,826**	4,350	**30,881**
Interest on borrowings and rediscounts	**261**	275	**2,106**
Other interest expense	**3,651**	1,843	**29,468**
Fees and commissions	**1,310**	1,248	**10,576**
Other operating expenses (Note 19)	**103**	2,020	**832**
General and administrative expenses	**28,298**	28,653	**228,399**
Other expenses (Note 20)	**15,732**	9,587	**126,973**
Total expenses	**53,182**	47,978	**429,239**
Income before income taxes and minority interests	**7,573**	10,618	**61,126**
Income taxes:			
Current	**3,726**	3,013	**30,078**
Deferred	**(688)**	1,425	**(5,557)**
Total income taxes	**3,038**	4,438	**24,520**
Minority interests	**100**	19	**810**
Net income	**¥ 4,434**	¥ 6,161	**$ 35,794**
	Yen		U.S. Dollars (Note 1)
Net income per share	**¥23.35**	¥32.14	**$0.18**
Cash dividends per share	**5.00**	5.00	**0.04**

See notes to consolidated financial statements.

The Yamanashi Chuo Bank, Ltd. and Subsidiaries

Consolidated Statements of Stockholders' Equity

Years Ended March 31, 2001 and 2000

		Millions of Yen				Thousands of U.S. Dollars (Note 1)			
	Outstanding Number of Shares of Common Stock	Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain on Available-for-sale Securities	Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain on Available-for-sale Securities
Balance, April 1, 1999	191,915,000	¥15,400	¥8,287	¥87,503					
Cash dividends:									
Final for prior year, ¥2.50 per share				(479)					
Interim for current year, ¥2.50 per share				(479)					
Stock repurchased	(2,000,000)			(805)					
Net income				6,161					
Balance, March 31, 2000	189,915,000	15,400	8,287	91,899		$124,293	$66,887	$741,720	
Cash dividends (Note 16):									
Final for prior year, ¥2.50 ($0.02) per share				(474)				(3,832)	
Interim for current year, ¥2.50 ($0.02) per share				(474)				(3,831)	
Bonuses to directors and corporate auditors				(70)				(571)	
Net income				4,434				35,794	
Unrealized gain, net of applicable taxes					¥17,431				$140,688
Balance, March 31, 2001	**189,915,000**	**¥15,400**	**¥8,287**	**¥95,313**	**¥17,431**	**$124,293**	**$66,887**	**$769,280**	**$140,688**

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Years Ended March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2001	2000	**2001**
Operating activities:			
Income before income taxes and others	**¥ 7,573**	¥ 10,618	**$ 61,126**
Depreciation	**1,581**	1,766	**12,762**
Depreciation (lease assets)	**3,929**	3,736	**31,714**
Goodwill amortization	**26**	1	**214**
Increase in reserve for possible loan losses	**494**	91	**3,991**
Increase in reserve for possible losses on loans sold collateralized by real estate	**196**	25	**1,586**
Decrease in reserve for possible losses on investment securities		(14)	
Increase in liability for retirement benefits	**4,247**	103	**34,285**
Interest income recognized on statements of income	**(45,625)**	(47,330)	**(368,241)**
Interest expenses recognized on statements of income	**7,738**	6,469	**62,456**
Investment securities losses	**281**	5,594	**2,273**
Foreign exchange (gains) losses	**(670)**	1,484	**(5,414)**
Losses on sales of premises and equipment	**214**	230	**1,733**
Net (increase) decrease in loans	**(58,861)**	2,536	**(475,074)**
Net (decrease) increase in deposits	**(15,131)**	49,541	**(122,127)**
Net increase in negotiable certificates of deposit	**90,555**	9,190	**730,873**
Net increase (decrease) in borrowing money (excluding subordinated borrowings)	**290**	(1,943)	**2,343**
Net decrease in due from banks (excluding cash equivalents)	**81,100**	15,013	**654,567**
Net increase in call loans and others	**(66,832)**	(28)	**(539,409)**
Net decrease in call money and others	**(367)**	(1,391)	**(2,963)**
Net decrease (increase) in exchanges (asset)	**62**	(118)	**501**
Net (decrease) increase in exchanges (liabilities)	**(16)**	75	**(132)**
Interest income (cash basis)	**45,068**	47,886	**363,753**
Interest expenses (cash basis)	**(8,660)**	(7,613)	**(69,902)**
Other	**20,124**	36,921	**162,425**
Subtotal	**67,319**	132,844	**543,341**
Income tax paid	**(2,846)**	(5,180)	**(22,977)**
Net cash provided by operating activities	**¥ 64,473**	¥ 127,664	**$ 520,363**
Investing activities:			
Purchases of investment securities	**(218,513)**	(326,285)	**(1,763,630)**
Proceeds from sale of investment securities	**45,072**	1,748	**363,779**
Proceeds from maturities of investment securities	**76,916**	236,768	**620,796**
Increase in money held in trust		(870)	
Decrease in money held in trust		870	
Purchases of premises and equipment	**(1,823)**	(1,551)	**(14,720)**
Proceeds from sales of premises and equipment	**109**	140	**884**
Net cash used in investing activities	**(98,239)**	(89,179)	**(792,891)**
Financing activities:			
Dividends paid	**(949)**	(959)	**(7,663)**
Proceeds from issuance of common stock by a consolidated subsidiary	**0**	(2)	**(7)**
Sales of treasury stock	**0**		**5**
Cancellation of treasury stock		(805)	
Net cash used in financing activities	**(949)**	(1,767)	**(7,665)**
Effect of exchange rate changes on cash and cash equivalents	**67**	(36)	**547**
Net increase (decrease) in cash and cash equivalents	**(34,648)**	36,679	**(279,645)**
Cash and cash equivalents, Beginning of year	**66,098**	29,418	**533,481**
Cash and cash equivalents, end of year (Note 21)	**¥ 31,450**	¥ 66,098	**$ 253,835**

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Years ended March 31, 2001 and 2000

1. Basis of presenting the consolidated financial statements

The accompanying consolidated financial statements of The Yamanashi Chuo Bank, Ltd. (the "Bank") and subsidiaries have been prepared in accordance with the provisions set forth in the Japanese Securities and Exchange Law and related accounting regulations, and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Accounting Standards. The consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan.

All yen figures are rounded down to millions of yen. Accordingly, totals and subtotals may differ slightly with the sum of the individual account amounts.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Bank is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are given solely for the convenience of readers outside Japan and have been made at the rate of ¥123.90 to $1, the exchange rate prevailing on March 31, 2001. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. Summary of significant accounting policies

Consolidation — The consolidated financial statements include the accounts of the Bank and all majority-owned subsidiaries.

All significant intercompany balances and transactions have been eliminated in consolidation.

Cash and Cash Equivalents — For the purpose of reporting cash flows, cash and cash equivalents are defined as cash and demand deposits with The Bank of Japan.

Trading Account and Investment Securities — Prior to April 1, 2000, trading account and investment securities listed on stock exchange were stated at the lower of cost, determined by the moving-average method, or market.

Effective April 1, 2000, the Bank and subsidiaries adopted a new accounting standard for financial instruments, including trading and investment securities.

The standard requires all applicable securities to be classified and accounted for, depending on management's intent, as follows: (1) trading securities, which are held for the purpose of earning capital gains in near term, are reported at fair value, and the related unrealized gains and losses are included in the earnings, (2) held-to-maturity debt securities, which are expected to be held to maturity with the positive intent and ability to hold to maturity are reported at amortized cost, and (3) available-for-sale securities, which are not classified as either of the aforementioned securities, are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of stockholders' equity. Non-marketable available-for-sale securities are stated at cost determined by the moving-average method. The cost of securities sold is determined based on the moving-average method.

The effect of adoption of the new standard was to increase income before income taxes by ¥3,278 million ($26,463 thousand).

Premises and Equipment — Premises and equipment are stated at cost less accumulated depreciation. Deferred profit arising from the sale and replacement of real estate are deducted from the cost of the related assets acquired as permitted under the provisions of the Japanese tax regulations. Depreciation of premises and equipment is computed using the declining-balance method at rates based on the estimated useful lives of the assets while the straight-line method is applied to buildings acquired after April 1, 1998. The range of useful lives is from 3 to 50 years for buildings, from 2 to 20 years for equipment.

Foreign Currency Items — The Bank continued applying the "New Foreign Exchange Accounting Standards." Assets and liabilities denominated in foreign currencies except for the swap transactions described "Derivatives" are valued at the market rates prevailing at each balance sheet date.

Derivatives — Effective April 1, 2000, the Bank adopted a new accounting standard for derivative financial instruments.

In accordance with the above new accounting standard, the interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value but the differential paid or received under the swap agreements are recognized and included in interest expense or income. It is the same as the method applied in prior year as a conventional practice.

The Bank continued applying the "New Foreign Exchange Accounting Standards." In according to the above accounting standard, continuously, (1) foreign exchange forward contracts except fund-related swaps and currency-related swaps are measured at fair value, and gain or losses on derivative transactions are recognized in the income statement, (2) the interest income or expense related to fund-related swaps and currency-related swaps are accrued and realized or amortized over the life of the related swap transaction.

Reserve for Possible Loan Losses — Reserve for possible loan losses is stated in amounts considered to be appropriate based on management's judgment and assessment of future losses estimated through its self assessment of the quality of all loans.

The Bank has the credit rating system and the self assessment system. These systems are used to assess its asset quality based on past experience of credit losses, possible credit losses, analysis of customer's conditions, such as business conditions, character, quality and performance of the portfolio. The quality of all loans are assessed by branches which a subsequent internal audit by the Asset Review and Inspection division in accordance with the Bank's policy and rules for self assessment of asset quality. All loans are classified into one of the five categories for self assessment purposes such as "normal," "caution," "possible bankruptcy," "virtual bankruptcy" and "legal bankruptcy."

Reserve for possible loan losses is calculated based on the specific actual past loss ratio for "normal" and "caution" categories, and the fair value of the collateral for collateral-dependent loans and other factors of solvency including value of future cash flows for other self assessment categories.

The policy for reserve for possible loan losses of subsidiaries is similar to the Bank.

Retirement and Pension Plans — Employees whose service with the Bank and subsidiaries are terminated are, under most circumstances, entitled to retirement and pension benefits determined by reference to basic rates of pay at the time of termination, length of service and conditions under which the termination occurs. The Bank and subsidiaries have a contributory funded pension plan covering most of its employees.

Prior to April 1, 2000, the reserve provided for retirement allowances was based on the amount which would have been required if all employees had voluntarily retired at the end of the period concerned.

Effective April 1, 2000, the Bank and subsidiaries adopted a new accounting standard for the employees' retirement benefits and accounted for the liability for retirement benefits based on projected benefit obligations and plan assets at the balance sheet date. As a result of adopting this standard, income before income taxes decreased by ¥5,308 million ($42,847 thousand).

The full amount of the transitional obligation of ¥8,785 million ($70,904 thousand), determined as of the beginning of year, is charged to income and presented as other expenses in the statement of income.

In September 2000, the Bank and subsidiaries contributed certain available-for-sale securities with a fair value of ¥4,799 million ($38,739 thousand) to the employee retirement benefit trust for the Bank and subsidiaries' non-contributory pension plans, and recognized a non-cash gain of ¥3,731 million ($30,115 thousand).

Reserve for Possible Losses on Loans Sold Collateralized by Real Estate — The reserve for possible losses on loans collateralized by real estate sold to the Cooperative Credit Purchasing Company ("CCPC") is provided at an amount deemed necessary to cover possible losses which may incur at CCPC based on the estimated fair value of collateralized real estate. In accordance with the terms of the loan sales contracts, which loans are collateralized by real estate, the Bank is required to cover certain portions of losses incurred as defined in the contract, when CCPC disposes of real estate in satisfaction of debt.

Goodwill — Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary at the date of acquisition.

Leases — All leases are accounted for as operating leases. Under Japanese accounting standards for leases, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized, while other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the notes to the lessee's financial statements.

Income Taxes — Deferred income taxes are recorded to reflect the impact of temporary differences between assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes. These deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

Net Income per Share — Net income per share is calculated on the basis of the average number of shares of common stock outstanding each year.

3. Market value of trading securities

Trading securities at March 31, 2001 and 2000, consisted of national government bonds.

Market value and valuation differences of trading securities at March 31, 2001, are as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2001	2001
Amount in the balance sheet	¥593	$4,788
Valuation gain included in income before income taxes and other	2	20

4. Investment securities

Investment securities at March 31, 2001 and 2000, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	2001
Government bonds	¥225,761	¥140,724	$1,822,125
Municipal bonds	232,550	247,809	1,876,918
Corporate bonds	92,898	81,124	749,783
Stocks	59,939	49,938	483,772
Other securities	58,147	25,091	469,307
Total	¥669,296	¥544,687	$5,401,907

Difference between Amount in the Balance Sheet and Cost or Market Value — These differences of investment securities at March 31, 2001, are as follows. Securities below include commercial paper and beneficial interest in trust.

Marketable Held-to-maturity Debt Securities

	Millions of Yen				
	2001				
	Amount in the Balance Sheet	Market Value	Differences	Gain	Loss
Other securities	¥8,994	¥8,998	¥3	¥3	

	Thousands of U.S. Dollars				
	2001				
	Amount in the Balance Sheet	Market Value	Differences	Gain	Loss
Other securities	$72,592	$72,624	$32	$32	

Marketable Available-for-sale Securities

	Millions of Yen				
	2001				
	Cost	Amount in the Balance Sheet	Valuation Differences	Gain	Loss
Stocks	¥ 49,070	¥ 59,050	¥ 9,979	¥13,220	¥3,241
Bonds	529,487	549,628	20,141	20,173	31
Government bonds	220,005	225,761	5,756	5,757	1
Municipal bonds	220,604	232,550	11,945	11,973	27
Corporate bonds	88,877	91,317	2,439	2,442	3
Other	52,832	52,536	(296)	263	560
Total	¥631,390	¥661,215	¥29,824	¥33,657	¥3,833

	Thousands of U.S. Dollars				
	2001				
	Cost	Amount in the Balance Sheet	Valuation Differences	Gain	Loss
Stocks	$ 396,052	$ 476,594	$ 80,542	$106,704	$26,161
Bonds	4,273,505	4,436,068	162,562	162,818	256
Government bonds	1,775,666	1,822,125	46,458	46,466	8
Municipal bonds	1,780,506	1,876,918	96,412	96,635	222
Corporate bonds	717,333	737,024	19,691	19,716	24
Other	426,412	424,020	(2,391)	2,130	4,522
Total	$5,095,970	$5,336,684	$240,713	$271,653	$30,939

Available-for-sale Securities Sold — Available-for-sale securities sold in this fiscal year are as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2001	2001
Proceeds from sale	¥19,744	$159,360
Gross realized gain	4	36
Gross realized loss	103	833

Securities for Which Fair Value Is Not Readily Determinable — Principal items in securities for which fair value is not readily determinable at March 31, 2001, are as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2001	2001
Held-to-maturity debt securities:		
Non-listed municipal bonds	¥7,632	$61,598
Non-listed corporate bonds	1,308	10,559
Available-for-sale securities:		
Non-listed stocks	889	7,178
Non-listed corporate bonds	272	2,198

Redemption Schedule of Bonds Held — The redemption schedule of bonds classified as securities available for sale and being held to maturity at March 31, 2001, are as follows:

	Millions of Yen			
	2001			
	1 Year or Less	1 to 5 Years	5 to 10 Years	Over 10 Years
Bonds	**¥117,425**	**¥251,995**	**¥156,788**	**¥25,000**
Government bonds	**61,539**	**89,647**	**49,573**	**25,000**
Municipal bonds	**32,371**	**110,484**	**89,693**	
Corporate bonds	**23,513**	**51,863**	**17,520**	
Other	**20,543**	**7,229**	**343**	**1,153**
Total	**¥137,968**	**¥259,225**	**¥157,132**	**¥26,154**

	Thousands of U.S. Dollars			
	2001			
	1 Year or Less	1 to 5 Years	5 to 10 Years	Over 10 Years
Bonds	**$ 947,742**	**$2,033,860**	**$1,265,443**	**$201,779**
Government bonds	**496,689**	**723,543**	**400,112**	**201,779**
Municipal bonds	**261,272**	**891,725**	**723,920**	
Corporate bonds	**189,780**	**418,591**	**141,411**	
Other	**165,803**	**58,351**	**2,775**	**9,313**
Total	**$1,113,546**	**$2,092,212**	**$1,268,219**	**$211,093**

Details of Net Gain/Loss — The details of net unrealized gain/loss on available-for-sale securities at March 31, 2001, is as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2001	2001
Valuation difference (amount in the balance sheet — cost) — available-for-sale securities	**¥29,824**	**$240,713**
Deferred tax liability	**(12,407)**	**(100,138)**
Net unrealized gain/loss on valuation (before adjustment)	**17,417**	**140,574**
Minority interest	**14**	**113**
Net unrealized gain/loss on valuation	**¥17,431**	**$140,688**

Market Value at the End of Prior Year — The book value and aggregate market value of the investment securities as of March 31, 2000, are as follows:

	Millions of Yen		
	2000		
	Book Value	Market Value	Net Unrealized Gain
Listed securities:			
Corporate and government bonds	¥ 55,463	¥ 58,520	¥ 3,057
Stocks	48,057	67,499	19,441
Others	2,662	2,702	40
Total	¥106,183	¥128,723	¥22,539
Unlisted securities:			
Corporate and government bonds	¥136,922	¥138,511	¥1,588
Stocks	902	4,317	3,414
Others	1,000	1,000	0
Total	¥138,825	¥143,828	¥5,003

Estimated market values of unlisted securities are calculated based on the prices announced by the Japan Securities Dealers Association for the government bonds, prices calculated using the indicated yields for the company bonds and the prices announced by the authorized fund management companies for the investment trust securities.

The book value of securities for which market prices were not available as of March 31, 2000, were ¥299,678 million. Those amounts were excluded from the above table.

5. Loans and bills discounted

Loans and bills discounted at March 31, 2001 and 2000, included the following loans:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Loans to customers in bankruptcy	**¥ 7,619**	¥11,185	**$ 61,499**
Past due loans	**78,276**	24,382	**631,773**
Accruing loans contractually past due three months or more	**269**	1,098	**2,173**
Restructured loans	**16,758**	44,782	**135,257**
Total	**¥102,924**	¥81,450	**$830,704**

Loans to customers in bankruptcy represent nonaccrual loans to debtors who are legally bankrupt, which are defined in Article 96, Paragraph 1, Subparagraphs 3 and 4 of Enforcement Ordinance for the Corporation Tax Law, and past due loans are defined as nonaccrual loans except for loans to customer in bankruptcy and loans of which the interest payments are deferred in order to assist in the financial recovery of a debtor in financial difficulties.

As from fiscal 2001, the Bank and subsidiaries have adopted a new policy relevant to the scope of the above categories with reference to the Financial Reconstruction Law. Therefore, whether loans are past due or not, all loans to customers classified into categories of "legal bankruptcy" are stated as loans to customers in bankruptcy, and all loans to customers classified into "possible bankruptcy" and "virtual bankruptcy" are stated as past due loans. The classifications of customers are based on the self assessment systems.

Therefore, the amount for past due loans now includes the following amounts: ¥1,327 million ($10,713 thousand) in accruing loans contractually past due three months or more, ¥28,567 million ($230,566 thousand) in restructured loans and ¥24,654 million ($198,986 thousand) in other loans that do not come under past due loans according to the prior method applied in 2000.

Accruing loans contractually past due three months or more are loans which the principal or interest is three months or more past due.

Restructured loans are loans which the Bank is relaxing lending conditions such as reduction of the original interest rate, deferral of interest payment, extension of maturity date, reduction of the amount of the debt or accrued interest.

Reserve for possible loan losses are not deducted from the loan amounts shown in the above table.

6. Bills purchased

The total of the face value of commercial bills purchased is ¥45,545 million ($367,597 thousand).

7. Loan commitments

Commitment line contracts on overdrafts and loans are agreements to lend to customers when they apply for borrowing, to the prescribed amount as long as there is no violation of any condition established in the contracts. The amount of unused commitments upon is ¥279,529 million ($2,256,085 thousand) including commitments of ¥277,029 million ($2,235,908 thousand) whose original contract terms are within one year or unconditionally cancelable at any time. Since many of these commitments are expected to expire without being drawn upon, the total amount of unused commitments does not necessarily represent actual future cash flow requirements. Many of these commitments have clauses that the Bank can reject the application from customers or reduce the contract amounts in case economic conditions are changed, the Bank needs to secure claims and others occur. In addition, the Bank requests the customers to pledge collateral such as premises and securities at conclusion of the contracts, and takes necessary measures such as grasping customers' financial positions, revising contracts when need arises and securing claims after conclusion of the contracts.

8. Premises and equipment

Accumulated depreciation at March 31, 2001 and 2000, amounted to ¥27,670 million ($223,332 thousand) and ¥27,044 million, respectively.

9. Assets pledged

Assets pledged as collateral at March 31, 2001 and 2000, are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Investment securities	**¥483**	¥3,085	**$3,905**

Liabilities related to the above pledged assets at March 31, 2001 and 2000, are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Deposits	**¥374**	¥20,884	**$3,024**
Borrowed money	**235**	160	**1,896**

In addition, trading and investment securities totaling ¥81,942 million ($661,362 thousand) and other assets (cash) totaling ¥49 million ($396 thousand) are pledged as collateral for settlement of exchange and derivative transactions or as margin on forward contracts at March 31, 2001.

10. Customers' liabilities for acceptances and guarantees

All contingent liabilities arising from acceptances and guarantees are reflected in "Acceptances and guarantees." As a contra account, "Customers' liabilities for acceptances and guarantees" are shown on the asset side representing the Bank's right of indemnity from the applicants.

11. Deposits

Deposits at March 31, 2001 and 2000, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Current deposits	**¥ 70,533**	¥ 51,077	**$ 569,278**
Ordinary deposits	**619,717**	546,313	**5,001,753**
Saving deposits	**35,840**	38,478	**289,272**
Deposits at notice	**20,614**	17,753	**166,378**
Time deposits	**1,218,606**	1,312,955	**9,835,401**
Certificates of deposit	**118,855**	28,300	**959,283**
Other	**59,017**	73,026	**476,333**
Total	**¥2,143,185**	¥2,067,904	**$17,297,701**

12. Employees' retirement benefits

Effective April 1, 2000, the Bank and subsidiaries adopted a new accounting standard for employees' retirement benefits.

The liability for employees' retirement benefits at March 31, 2001, consisted of the following:

	Millions of Yen	Thousands of U.S. Dollars
	2001	**2001**
Projected benefit obligation	**¥(28,847)**	**$(232,825)**
Fair value of plan assets	**16,083**	**129,813**
Unrecognized actuarial loss	**2,526**	**20,394**
Net liability	**¥(10,236)**	**$ (82,617)**

The components of net periodic retirement benefit costs for the year ended March 31, 2001, are as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2001	**2001**
Service cost	**¥ 1,076**	**$ 8,686**
Interest cost	**835**	**6,740**
Expected return on plan assets	**(391)**	**(3,163)**
Charge for transitional obligations for retirement benefits	**8,785**	**70,904**
Net periodic retirement benefit costs	**¥10,304**	**$83,168**

Assumptions used for the year ended March 31, 2001, are set forth as follows:

Discount rate	3.0%
Expected rate of return on plan assets	3.0%
Recognition period of actuarial gain/loss	10 years commencing from the next fiscal year
Amortization period of transitional obligation	The transitional obligation at the beginning of the year is charged to income of this fiscal year.

13. Common stock

Information with respect to common stock at March 31, 2001 and 2000, was as follows:

	2001	2000
Par value per share	**¥50**	¥50
Number of shares:		
Authorized	**398,000,000**	398,000,000
Outstanding	**189,915,000**	189,915,000

14. Retained earnings

The Banking Law of Japan requires that an amount equivalent to at least 20% of cash payments made as an appropriation of retained earnings must be appropriated as a legal reserve, until such reserve equals 100% of the Bank's stated capital. This reserve is not available for dividends, but may be used to reduce a deficit by resolution of the stockholders or may be capitalized by resolution of the Board of Directors. This reserve amount, which is included in retained earnings, totals ¥9,109 million ($73,522 thousand) and ¥8,710 million as of March 31, 2001 and 2000, respectively.

15. Income taxes

The Bank and subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rates of approximately 41.60% for the year ended March 31, 2001 and 2000. The tax effects of significant temporary differences and loss carryforwards which result in deferred tax assets at March 31, 2001 and 2000, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Deferred tax assets:			
Reserve for possible loan losses	**¥15,275**	¥17,163	**$123,291**
Reserve for retirement allowances	**5,507**	1,669	**44,451**
Unrealized losses on available-for-sale securities	**1,594**		**12,868**
Depreciation	**1,084**	1,194	**8,753**
Other	**2,058**	1,652	**16,610**
Valuation allowance	**(17)**	(12)	**(141)**
Total deferred tax assets	**25,502**	21,667	**205,834**
Deferred tax liabilities:			
Unrealized gains on available-for-sale securities	**14,001**		**113,007**
Other	**1,552**		**12,529**
Total deferred tax liabilities	**15,554**		**125,537**
Net of deferred tax assets	**¥ 9,948**	¥21,667	**$ 80,296**

16. Dividends

Year-end dividends are paid after approval at the general stockholders meeting held subsequent to the year end, while interim dividends may be paid after the end of the semiannual period, by resolution of the Board of Directors.

17. Other operating income

Other operating income for the years ended March 31, 2001 and 2000, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Gain on foreign exchange transitions	**¥210**	¥203	**$1,702**
Other	**36**	100	**295**
Total	**¥247**	¥304	**$1,998**

18. Other income

Other income for the years ended March 31, 2001 and 2000, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Gain on securities contributed to employees' retirement benefit trust	**¥3,731**		**$30,115**
Compensation for expropriation	**205**		**1,658**
Other	**5,265**	¥5,387	**42,497**
Total	**¥9,202**	¥5,387	**$74,272**

19. Other operating expenses

Other operating expenses for the years ended March 31, 2001 and 2000, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Loss on sales of bonds	**¥103**	¥ 116	**$832**
Loss on redemption of bonds		1,903	
Total	**¥103**	¥2,020	**$832**

20. Other expenses

Other expenses for the years ended March 31, 2001 and 2000, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Provision for reserve for possible loan losses	**¥ 494**	¥ 91	**$ 3,991**
Loss on devaluation of stocks and other securities	**213**	3,723	**1,721**
Loss on disposal of premises and equipment	**231**	153	**1,868**
Provision for reserve for possible losses on loans sold collateralized by real estate	**196**	25	**1,586**
Loss on sales of loans	**430**	399	**3,476**
Deferring the profit arising from the sale and replacement of real estate	**154**		**1,245**
Retirement benefit costs of securities contributed to employees' retirement benefit trusts	**4,799**		**38,739**
Transitional obligation for employees' retirement benefit	**3,985**		**32,164**
Other	**5,225**	5,194	**42,178**
Total	**¥15,732**	¥ 9,587	**$126,973**

21. Reconciliation to the cash and cash equivalents

The reconciliation of the cash and due from banks in the consolidated balance sheets to the cash and cash equivalents at March 31, 2001 and 2000, is as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Cash and due from banks	**¥ 92,296**	¥ 208,045	**$ 744,930**
Time deposits and negotiable certificates of deposit in other banks	**(60,846)**	(141,947)	**(491,094)**
Cash and cash equivalents	**¥ 31,450**	¥ 66,098	**$ 253,835**

22. Lease transactions

Lessor

The subsidiary leases certain equipment and other assets.

Total lease receipts under finance leases for the years ended March 31, 2001 and 2000, were ¥2,823 million ($22,791 thousand) and ¥3,866 million, respectively.

Pro forma information of leased property such as acquisition cost, accumulated depreciation, lease receivable under finance leases, depreciation expense, interest income of finance leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the years ended March 31, 2001 and 2000, were as follows:

For the Year Ended March 31, 2001

	Millions of yen		
	Equipment	Other	Total
Acquisition cost	**¥11,471**	**¥2,159**	**¥13,631**
Accumulated depreciation	**5,938**	**1,297**	**7,235**
Net leased property	**¥ 5,533**	**¥ 862**	**¥ 6,395**

	Thousands of U.S. Dollars		
	Equipment	Other	Total
Acquisition cost	**$92,589**	**$17,430**	**$110,020**
Accumulated depreciation	**47,930**	**10,470**	**58,400**
Net leased property	**$44,659**	**$ 6,960**	**$ 51,619**

Lease receivables under finance leases:

	Millions of Yen	Thousands of U.S. Dollars
Due within one year	**¥2,201**	**$17,771**
Due after one year	**4,514**	**36,433**
Total	**¥6,715**	**$54,204**

For the Year Ended March 31, 2000

	Millions of yen		
	Equipment	Other	Total
Acquisition cost	¥17,265	¥1,457	¥18,722
Accumulated depreciation	8,766	1,012	9,779
Net leased property	¥ 8,498	¥ 444	¥ 8,943

Lease receivables under finance leases:

	Millions of Yen
Due within one year	¥3,152
Due after one year	6,234
Total	¥9,386

The imputed interest income portion which is computed using the interest method is excluded from the above lease receivables under finance leases.

Depreciation expense and interest income for the year ended March 31, 2001, was ¥2,442 million ($19,715 thousand) and ¥378 million ($3,056 thousand), respectively, and for the year ended March 31, 2000, was ¥3,341 million and ¥522 million, respectively.

23. Derivatives

Nature of Derivatives — The Bank uses derivative financial instruments including interest rate swaps, foreign exchange forward contracts, interest rate futures, bond futures and options.

The Bank's Policy for Using Derivatives — The Bank uses derivatives carefully to respond to its client's diverse needs and to hedge against market risk such as interest rate and foreign exchange.

Purpose for Derivatives — The Bank enters into derivatives principally to hedge against market risk. The Bank also uses certain derivative financial instruments as a part of their trading activities within the position limit rules.

Risk Associated with Derivatives — The major risks associated with derivative financial instruments are credit risk and market risk. Credit risk is the possible loss that may result from a counterparty's failure to perform according to the terms and conditions of the contract. To reduce credit risk, the Bank restricts the counterparties through internal regulation. Market risk is the possible loss that may result from market fluctuations such as interest rates and foreign exchange. The Bank does not anticipate significant losses because the main purpose of the Bank's derivative transactions is to hedge market fluctuations.

The amount of exposure related to credit risk on interest rate swaps as of March 31, 2000, was ¥2 million ($21 thousand). The amount of exposure related to credit risk on foreign exchange forward contracts as of March 31, 2001, was ¥904 million ($7,298 thousand). (Figures as of March 31, 2001, are computed using the current exposure method.)

Risk Control System for Derivatives — The Bank manages derivatives strictly in accordance with internal risk management regulations, including position limits and loss-cut rules, so as not to have a significant impact on the Bank's operational results.

The contract or notional amounts and fair value of derivatives as of March 31, 2001, consisted of the following:

Fund related swaps which are accrued and realized or amortized over the life of the related swap transaction

	Millions of Yen		
	2001		
	Contract or Notional Amount	Fair Value	Unrealized Gain (Loss)
Fund related swaps	**¥80,686**	**¥(4,377)**	**¥(4,377)**

	Thousands of U.S. Dollars		
	2001		
	Contract or Notional Amount	Fair Value	Unrealized Gain (Loss)
Fund related swaps	**$651,223**	**$(35,332)**	**$(35,332)**

Foreign exchange forward contracts which are measured at fair value

	Millions of Yen	Thousands of U.S. Dollars
	2001	**2001**
Forward contracts:		
Selling	**¥518**	**$4,188**
Buying	**467**	**3,772**

The Bank had the following derivatives contracts outstanding as of March 31, 2000:

	Millions of Yen	
	Contract or Notional Amount	Fair Value
Unlisted:		
Interest rate swaps (fixed rate payment, floating rate receipt)	¥ 940	¥ (58)
Currency swaps — U.S. dollars	44,502	44,741

Derivative contracts which were reflected on the consolidated statements of income at March 31, 2000, are as follows:

	Millions of Yen
	Contract or Notional Amount
Unlisted — Foreign exchange forward contracts:	
Selling	¥4,767
Buying	4,837

The contract or notional amounts of derivatives which are shown in the above table do not present the Bank's exposure to credit or market risk.

24. Subsequent event

The payment of year-end dividends of ¥2.5 ($0.02) per share on a total of ¥474 million ($3,832 thousand) and bonuses to directors and corporate auditors on a total of ¥63 million ($513 thousand) were approved at the general stockholders meeting held on June 28, 2001.

25. Segment information

(1) Business Segment Information

The Bank and subsidiaries are engaged in the commercial banking, leasing and other business.

Information about business segments of the Bank and subsidiaries for the year ended March 31, 2001, is as follows:

	Millions of Yen					
	2001					
	Banking	Leasing	Other	Total	Eliminations/ Corporate	Consolidated
a. Operating income and operating profit (loss):						
Operating income	**¥ 51,700**	**¥ 5,576**	**¥ 865**	**¥ 58,141**	**¥ (1,324)**	**¥ 56,816**
(1) Operating income from customers	**51,374**	**4,792**	**649**	**56,816**		**56,816**
(2) Internal operating income among segment	**325**	**783**	**215**	**1,324**	**(1,324)**	
Operating expenses	**39,079**	**5,529**	**791**	**45,400**	**(1,389)**	**44,011**
Operating profit	**12,620**	**46**	**73**	**12,740**	**64**	**12,804**
b. Assets, depreciation and capital expenditures:						
Assets	**2,351,192**	**16,112**	**2,318**	**2,369,623**	**(18,991)**	**2,350,632**
Depreciation	**1,567**	**3,941**	**0**	**5,510**		**5,510**
Capital expenditures	**1,998**	**5,418**	**0**	**7,418**		**7,418**

	Thousands of U.S. Dollars					
	2001					
	Banking	Leasing	Other	Total	Eliminations/ Corporate	Consolidated
a. Operating income and operating profit (loss):						
Operating income	**$ 417,273**	**$ 45,006**	**$ 6,982**	**$ 469,263**	**$ (10,693)**	**$ 458,569**
(1) Operating income from customers	**414,644**	**38,680**	**5,244**	**458,569**		**458,569**
(2) Internal operating income among segment	**2,629**	**6,326**	**1,738**	**10,693**	**(10,693)**	
Operating expenses	**315,413**	**44,629**	**6,388**	**366,431**	**(11,210)**	**355,220**
Operating profit	**101,860**	**377**	**594**	**102,832**	**516**	**103,348**
b. Assets, depreciation and capital expenditures:						
Assets	**18,976,533**	**130,045**	**18,710**	**19,125,289**	**(153,277)**	**18,972,011**
Depreciation	**12,655**	**31,814**	**7**	**44,477**		**44,477**
Capital expenditures	**16,133**	**43,731**	**5**	**59,871**		**59,871**

Effective April 1, 2000, the Bank and subsidiaries adopted a new accounting standard for the employees' retirement benefits and accounted for the liability for retirement benefits based on projected benefit obligations and plan assets at the balance sheet date. As a result, operating profit of the banking business decreased by ¥254 million ($2,057 thousand).

Effective April 1, 2000, the Bank and subsidiaries adopted a new accounting standard for financial instruments. As a result, operating profit of the banking business increased by ¥3,274 million ($26,430 thousand), operating profit of the leasing business increased by ¥3 million ($32 thousand) and operating profit of the other business increased by ¥0 million ($2 thousand).

Information about business segments of the Bank and subsidiaries for the year ended March 31, 2000, is as follows:

	Millions of yen					
	2000					
	Banking	Leasing	Other	Total	Eliminations/ Corporate	Consolidated
a. Operating income and operating profit (loss):						
Operating income	¥ 53,282	¥ 5,459	¥ 831	¥ 59,574	¥ (979)	¥ 58,595
(1) Operating income from customers	52,960	5,022	612	58,595		58,595
(2) Internal operating income among segment	322	437	219	979	(979)	
Operating expenses	42,923	5,463	741	49,127	(1,379)	47,748
Operating profit (loss)	10,359	(3)	90	10,445	399	10,846
b. Assets, depreciation and capital expenditures:						
Assets	2,245,746	13,942	2,096	2,261,785	(16,085)	2,245,699
Depreciation	1,751	3,750	1	5,502		5,502
Capital expenditures	2,770	3,716	0	6,487		6,487

(2) Geographic Segment Information

As the Bank has neither branch offices nor subsidiaries in foreign countries, geographic segment information has not been provided.

(3) Operating Income from International Operations

As the operating income from international operations is not significant compared to the consolidated operating income, information about the operating income from international operations has been omitted.

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Deloitte Touche Tohmatsu

Independent Auditors' Report

To the Board of Directors and Stockholders of
The Yamanashi Chuo Bank, Ltd.:

We have examined the consolidated balance sheets of The Yamanashi Chuo Bank, Ltd. and subsidiaries as of March 31, 2001 and 2000, and the related consolidated statements of income, stockholders' equity, 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 consolidated financial statements referred to above present fairly the financial position of The Yamanashi Chuo Bank, Ltd. and subsidiaries as of March 31, 2001 and 2000, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles and practices generally accepted in Japan applied on a consistent basis.

As discussed in Note 2, effective April 1, 2000, the consolidated financial statements have been prepared in accordance with new accounting standards for employees' retirement benefits and financial instruments.

Our examinations also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 28, 2001

Non-Consolidated Balance Sheets

March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Assets:			
Cash and due from banks	**¥ 92,275**	¥208,021	**$ 744,754**
Call loans	**171,862**	105,029	**1,387,104**
Monetary claims bought	**18,865**	34,628	**152,261**
Trading securities	**593**	223	**4,788**
Investment securities	**668,794**	544,206	**5,397,854**
Loans and bills discounted	**1,366,986**	1,313,025	**11,032,986**
Foreign exchanges	**330**	392	**2,663**
Other assets	**6,334**	5,696	**51,129**
Premises and equipment	**28,744**	28,816	**231,997**
Deferred tax assets	**9,131**	20,902	**73,701**
Customers' liabilities for acceptances and guarantees	**27,510**	30,970	**222,041**
Reserve for possible loan losses	**(40,747)**	(46,678)	**(328,875)**
Total	**¥2,350,681**	¥2,245,234	**$18,972,409**

	Millions of Yen		Thousands of U.S. Dollars
Liabilities:			
Deposits	**¥2,148,726**	¥2,071,981	**$17,342,427**
Call money	**4,289**	4,657	**34,623**
Foreign exchanges	**121**	137	**980**
Other liabilities	**23,043**	15,800	**185,987**
Reserve for retirement allowances	**10,236**	5,988	**82,617**
Reserve for possible losses on collateralized real estate loans sold	**289**	93	**2,336**
Acceptances and guarantees	**27,510**	30,970	**222,041**
Total liabilities	**2,214,218**	2,129,628	**17,871,015**
Stockholders' equity:			
Common stock	**15,400**	15,400	**124,293**
Capital surplus	**8,287**	8,287	**66,887**
Legal reserve	**9,105**	8,710	**73,488**
Retained earnings	**86,237**	83,207	**696,022**
Unrealized gain on available-for-sale securities	**17,432**		**140,701**
Total stockholders' equity	**136,462**	115,605	**1,101,393**
Total	**¥2,350,681**	¥2,245,234	**$18,972,409**

Notes: 1. Yen figures are rounded down to the nearest million yen.
2. U.S. dollar figures have been converted from Japanese yen, solely for convenience, at the rate of ¥123.90=US$1, the rate prevailing on March 31, 2001.

Non-Consolidated Statements of Income

Years Ended March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Income:			
Interest income:			
Interest on loans and discounts	**¥33,111**	¥31,381	**$267,245**
Interest and dividends on securities	**12,126**	15,548	**97,872**
Other interest income	**496**	504	**4,009**
Fees and commissions	**4,997**	4,955	**40,333**
Other operating income	**247**	304	**1,998**
Other income	**4,428**	406	**35,742**
Total income	**55,408**	53,099	**447,201**
Expenses:			
Interest expense:			
Interest on deposits	**3,828**	4,352	**30,902**
Interest on borrowings and rediscounts	**261**	275	**2,106**
Other interest expense	**3,646**	1,838	**29,430**
Fees and commissions	**1,555**	1,496	**12,555**
Other operating expenses	**103**	2,020	**832**
General and administrative expenses	**28,192**	28,264	**227,543**
Other expenses	**10,404**	4,453	**83,977**
Total expenses	**47,992**	42,701	**387,348**
Income before income taxes	**7,415**	10,398	**59,853**
Income taxes:			
Current	**3,617**	2,906	**29,200**
Deferred	**(646)**	1,390	**(5,220)**
Total income taxes	**2,971**	4,297	**23,980**
Net income	**¥ 4,444**	¥ 6,101	**$ 35,872**
	Yen		U.S. Dollars
Net income per share	**¥23.40**	¥31.82	**$0.18**

The Yamanashi Chuo Bank, Ltd.

Non-Consolidated Statements of Retained Earnings

Years Ended March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Balance, beginning of year	**¥83,207**	¥79,267	**$671,572**
Appropriations:			
Transfer to legal reserve	**394**	395	**3,187**
Dividends paid (¥5.00 — $0.04 per share)	**949**	959	**7,663**
Bonuses to directors and corporate auditors	**70**		**571**
Stock repurchased		805	
Total appropriations	**1,415**	2,161	**11,423**
Net income	**4,444**	6,101	**35,872**
Balance, end of year	**¥86,237**	¥83,207	**$696,022**

Notes: 1. Yen figures are rounded down to the nearest million yen.
2. U.S. dollar figures have been converted from Japanese yen, solely for convenience, at the rate of ¥123.90=US$1, the rate prevailing on March 31, 2001.
3. Net income per share is calculated on the basis of the average number of shares of common stock outstanding each year.

Corporate Data

Common Stock: ¥15,400 million

Stockholders

(as of March 31, 2001)

	Shares (1 unit: 1,000 shares)						
	Financial institutions	Securities companies	Other corporations	Foreigners (Individuals)	Individuals and others	Total	Odd lots
Number of stockholders	97	27	394	36 (0)	8,244	8,798	
Number of shares held (units)	85,814	2,203	38,950	2,558 (0)	57,698	187,223	2,692,000 shares
Percentage of all shares (%)	45.83	1.18	20.80	1.37 (0)	30.82	100.00	

Notes: 1. 315 shares of treasury stock are contained in "Odd lots."
2. The columns "Other corporations" and "Odd lots" contain 14 units and 629 shares respectively, held under the name of Japan Securities Depository Center.

Major Stockholders

(as of March 31, 2001)

Name	Number of shares held (thousand)	Percentage of all shares issued
The Bank of Tokyo-Mitsubishi, Ltd.	9,495	4.99
Meiji Life Insurance Company	6,047	3.18
The Yamanashi Chuo Bank, Ltd. Employees' Stockholdings	5,770	3.03
The Tokio Marine & Fire Insurance Company, Limited	4,600	2.42
The Sakura Bank, Limited	4,331	2.28
The Industrial Bank of Japan, Limited	3,959	2.08
The Yasuda Fire & Marine Insurance Company, Limited	3,756	1.97
Teikyo University	3,617	1.90
The Fuji Bank, Ltd.	3,512	1.84
Japan Trustee Services Bank, Ltd. (Trust account)	3,045	1.60
Total	48,136	25.34

Note: Of the shares held by trust & banking companies, the number of shares relating to their trust operations is as follows:
Japan Trustee Services Bank, Ltd. (Trust account) 3,045 thousand shares

Subsidiaries

(as of March 31, 2001)

	Capital (Millions of yen)	Yamanashi Chuo Bank's share (%)	Lines of business
Yamanashi Chuo Guarantee Co., Ltd.	20	5	Loan guarantees, credit investigation
Yamanashi Chugin Lease Co., Ltd.	20	5	Leasing
Yamanashi Chugin DC Card Co., Ltd.	20	5	Credit cards
Yamanashi Chugin Business Service Co., Ltd.	10	100	Banking-related clerical services
Yamanashi Chugin Capital Co., Ltd.	100	5	Investment in venture businesses

Board of Directors and Corporate Auditors (as of July 1, 2001)

Chairman

Nobukazu Yoshizawa

President

Kentaro Ono

Senior Managing Director

Kazuo Hosoda

Managing Directors

Motohiro Ishikawa

Yasuhiko Ashizawa

Takahiro Fujimaki

Masahiko Mukouyama

Directors

Akio Hosoda

Masahiko Furuya

Toshihisa Ashizawa

Masahiro Shibamura

Yasuhiko Imamura

Takatoshi Kikushima

Koji Dobashi

Toshio Ishikawa

Standing Corporate Auditors

Tadaaki Haibara

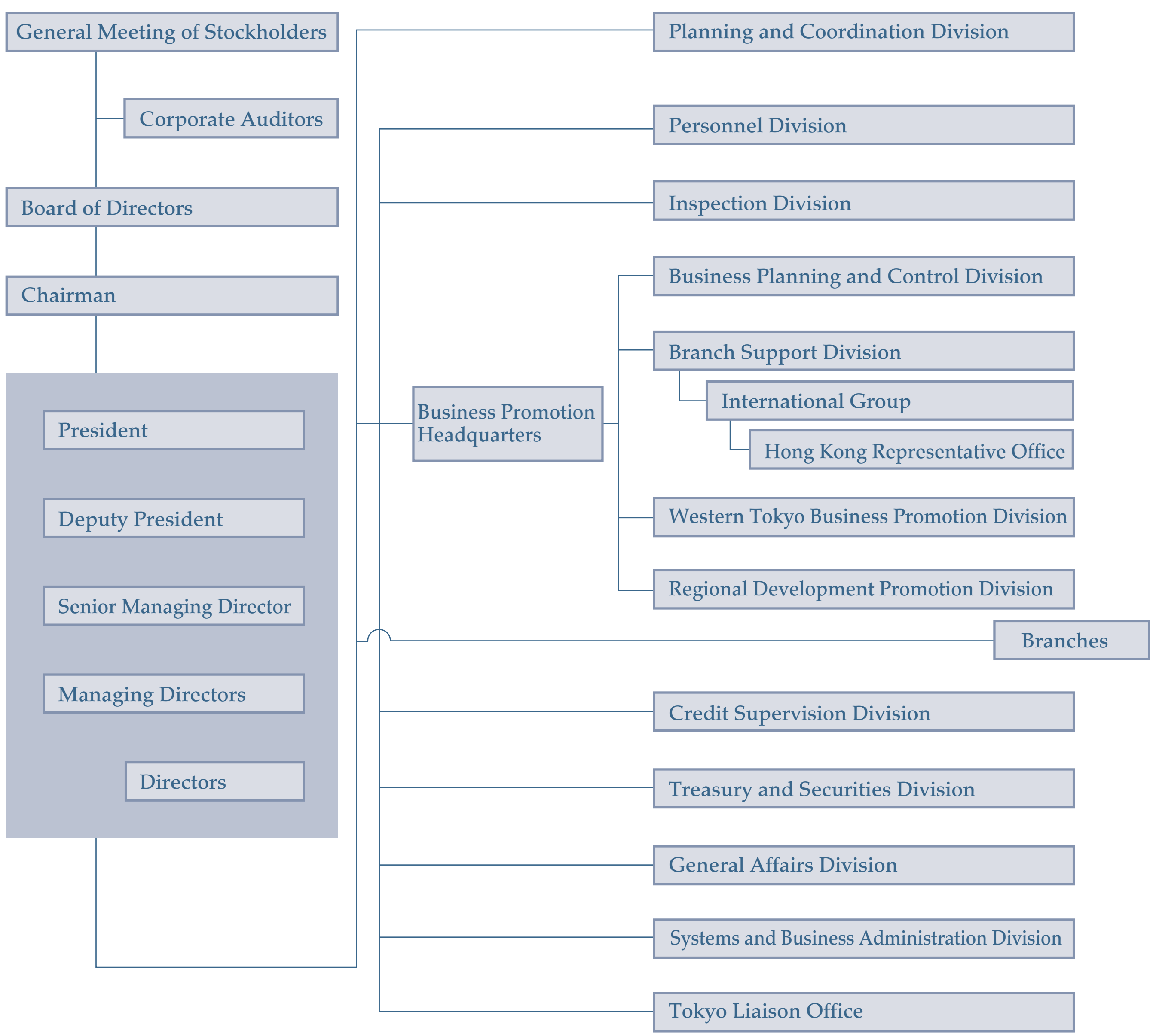
Takehiko Sano

Corporate Auditors

Takashige Takusagawa

Tomomitsu Takeda

Organization (as of July 1, 2001)



Service Network

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INTERNATIONAL GROUP, BRANCH SUPPORT DIVISION

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Phone: 03-3342-2231

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Higashi Branch
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