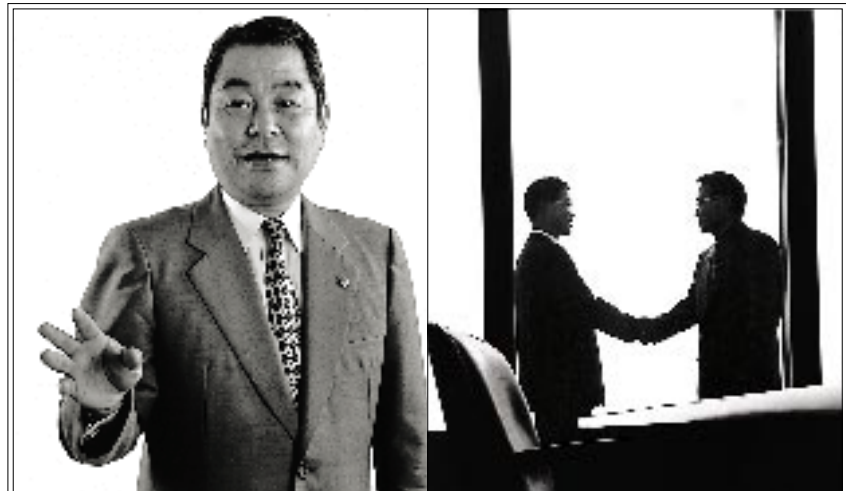


*“We seek to gain the top-class status in the wholesale market, responding to customer needs quickly.*

*We will build a “bank with high profitability” through innovation in our corporate culture toward the 21st century, respecting bold ideas and excellence in performance.”*

# Corporate Banking Company



*Masato Tsutsui  
President, CBC*

## Operating Strategy of the Corporate Banking Company

The Corporate Banking Company (CBC) is responsible for major corporate customers having close relationships with DKB. CBC also targets life insurance companies, regional banks and other financial institutions, government agencies, and certain other major customers. The majority of these

customers are served through the Corporate Banking Division of the Head Office and the Osaka Corporate Banking Division. CBC places strong emphasis on providing highly customer-oriented services that respond quickly and accurately to customer needs while seeking optimal opportunities for enhancing DKB’s income.

Along with deregulation and progress in technology, the trend toward diversity and

sophistication in the needs of CBC’s target customers has accelerated. At the same time, these customers have become increasingly selective, choosing the financial institutions that provide customized products and services that best meet their requirements. To ensure growth and development along with customers in the long term, CBC not only provides services that customers request but also seeks to identify latent needs

and develop high-value-added products that provide solutions to customer requirements quickly, accurately, and at an appropriate price.

CBC is seeking to become the financial partner of corporate customers and a top-class wholesale bank in Japan, through the following strategies:

- We are aiming to strengthen our organization to provide more sophisticated and professional financial services to our customers. In line with this, we are focusing on the development of financing methods best suited to customer needs, including capital market financing and asset securitization, as well as bank lending. In addition, we are working to strengthen risk management capabilities for effective and efficient product development and marketing.

- We are also responding to needs that have arisen along with various changes in accounting principles for the restructuring of customers' balance sheets. These changes include the introduction of consolidated accounting, the

shift from defined-benefit to defined-contribution pension systems, and the introduction of mark-to-market accounting practices. As customer needs in this area are strong, CBC is focusing on offering related services as it has a competitive advantage in this profitable area.

- We are taking fullest advantage of the wide range of services available from the International Banking Company and the Market & Trading Company as well as subsidiaries and affiliates in strategic financial service fields. Drawing on these services, CBC is developing superior, high-quality products and offering these together with high-value-added information to customers in a timely fashion.

- As a result of the approach under DKB's Customer Segment-Based Business Management System of assigning responsibility for the fully integrated development and marketing of services—from identifying and feeding back information on customer needs

to product development and sales—CBC is well positioned to adapt speedily to changes in the operating environment. In addition, because of the concentration of servicing capabilities for large corporations in a smaller number of offices and other related organizational changes, the advantages of the Customer Segment-Based Business Management System should be realized in a relatively short period of time.

- To respond to increasingly diversified and sophisticated customer needs as they change successively, staff members are aiming to enhance their capabilities.

### *First Corporate Plan—CBC's Business Plans*

- DATA (as of March 1999)

No. of Employees: 528

Loans Outstanding: ¥13,400 billion

- EARNINGS PROJECTION (management accounting basis)

	Fiscal 1998 Actual Results	Fiscal 1999 Projections	Fiscal 2000 Projections	Fiscal 2001 Projections	Change (98-01)
Gross Profit	<b>¥102.8</b>	¥124.0	¥140.1	¥143.5	40.7
Expense	<b>39.8</b>	37.2	36.0	35.0	(4.8)
Net Operating Profit	<b>63.0</b>	86.8	104.1	108.5	45.5
Ordinary Profit (Loss)*	<b>(331.7)</b>	36.0	71.6	81.6	413.3

\*Ordinary Profit (Loss) is Net Operating Profit less Credit Cost (Reserve for Possible Loan Losses and other credit-related losses).