

Press Release from The Long-Term Credit Bank of Japan, Limited

3/14/2000

Approval of subscription of preferred stock and Plan for Restoring Sound Management by The Financial Reconstruction Commission

March 14, 2000 -- The Long-Term Credit Bank of Japan, Limited ("LTCB") was notified today by the Financial Reconstruction Commission ("FRC") that the application of issuance of preferred stock and Plan for Restoring Sound Management (the "Revitalization Plan") were approved. LTCB filed them to FRC on March 3, 2000 pursuant to the "Law concerning Emergency Measures for Early Revitalization of Financial Function, ("Revitalization Law)". It is expected that the Resolution and Collection Corporation ("RCC") shall subscribe preferred stock of JPY240 billion issued by LTCB on March 31, 2000. (Attached 1: Summary of the Preferred Stock)

LTCB intend to secure confidence in domestic and overseas financial markets, improve our ability to procure funds and smoothen the loaning of funds and other extensions of credit by strengthening our financial base through the injection of public funds. Furthermore, a portion of the proceeds shall be appropriated for constructive and positive investment into strategic tie-ups, business restructuring and the accommodation of the financial big bang in order to strengthen profitability and the business base. In addition, capital shall be utilized to invest in infrastructure so that we can provide high quality financial services which correspond with customer needs.

Prior to execution of this publicly funded preferred stock capital injection, a portion of the capital deficiency should be replenished to rationalize the per share value of existing shares. For this purpose JPY221.4 billion capital reduction without compensation shall be undertaken by reducing the portion in excess of the par value of the common stock which were credited to capital, and by arbitrarily canceling 25,472,000 shares of 100 million existing preferred shares. This capital reduction shall fulfill all the requirements set forth in Item 3 of Article 9 of the Revitalization Law and is subject to the approval by the Financial Supervisory Agency and the completion of the payment for the entire amount of preferred stock.

Separately, on March 1, 2000, New LTCB Partners ("Partners") completed payment of JPY120 billion for common stock (300 million shares) newly issued by LTCB and allocated to Partners.

Summary of the Preferred Stock

Type of Stock: Type B preferred share without per value JPY600 Million Shares

Issue Price: JPY400 / Share

Amount Not Credited to Capital: JPY30 / Share

Total Amount of Issuance: JPY240 Billion (Credited to Capital: JPY222 Billion)

Issuance Method: Allocation to the Resolution and Collection Corporation

Payment Date: March 31, 2000

Dividend Calculation

Commencement Date: April 1, 2000

Preferred Dividend: JPY4.84 per share per annum (1.21%)

Preferred Interim Dividend: JPY2.42 per share per annum

Voting Rights and

Subscription Rights: None

Conversion Period: August 1, 2005 to July 31, 2007

Conversion Terms and Conditions: Initial conversion price shall be the market price as of August 1, 2005 and shall be adjusted to the market price as of August 1, 2006. Nevertheless, the maximum price shall be JPY400 and the minimal price shall be JPY300.

Mandatory Conversion Clause: Conversion at the market price on date August 1, 2007. Nevertheless, the maximum limit is four-thirds of common stocks per 1 share of preferred stock and the minimum limit is 1 common stock per 1 share of preferred stock.