Chuo Mitsui Trust Group 2009

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Annual Report 2009

Chuo Mitsui Trust Group

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CONSOLIDATED FINANCIAL HIGHLIGHTS 2009

Years ended March 31, 2009 and 2008

	Billions of yen		Millions of U.S. dollars (Note)
	2009	2008	2009
For the year:			
Total income	**¥ 422.2**	¥ 468.5	**$ 4,299.6**
Interest income	**211.6**	207.0	**2,155.6**
Trust fees	**59.5**	68.6	**605.9**
Fees and commissions	**90.9**	123.8	**926.4**
Total expenses	**531.9**	332.7	**5,416.5**
Interest expenses	**96.8**	99.3	**986.2**
General and administrative expenses	**148.8**	139.1	**1,515.4**
Income before income taxes and minority interests	**109.6**	135.7	**1,116.8**
Net income	**92.0**	71.8	**937.2**
At year-end			
Total shareholders' equity	**¥ 688.4**	¥ 1,019.2	**$ 7010.7**
Total assets	**15,086.4**	14,472.8	**153,629.7**
Loans and bills discounted	**8,584.2**	7,852.0	**87,416.4**
Securities	**4,896.6**	4,647.9	**49,863.7**
Deposits	**9,446.4**	8,830.5	**96,176.4**
Trust assets*	**36,070.2**	48,171.7	**367,313.7**
Capital adequacy ratio**	**12.05%**	13.84%	
Reference (subsidiary banks)*			
Gross operating profit (before trust account write-offs)***	**¥ 228.7**	¥ 265.2	**$ 2,329.3**
Operating expenses	**115.9**	110.8	**1,180.2**
Pre-provision profit***	**112.8**	154.4	**1,149.0**
Credit costs	**21.2**	9.5	**216.6**

Note: U.S. dollar amounts stated in this annual report are translated solely for convenience at ¥98.2 to US$1, the rate prevailing on March 31, 2009.
* Figures are combined total of The Chuo Mitsui Trust and Banking Company, Limited, and Mitsui Asset Trust and Banking Company, Limited.
** Capital adequacy ratio is presented in accordance with the domestic standard set forth in the Banking Law of Japan.
*** These terms are defined on page 48 in the Financial Section.

A Word from the President

First, on behalf of senior management and employees throughout the Chuo Mitsui Trust Group, let me extend heartfelt thanks to you, our stakeholders, for your invaluable support of our efforts.

This disclosure document for fiscal 2008, the year ended March 31, 2009, describes the business results of the Chuo Mitsui Trust Group and offers a status report on each area of operations as well as perspectives on business direction and other matters of interest to the Group's future. We hope this report will help you to better understand the Group and its activities.

The key companies of the Group are its two trust banks—The Chuo Mitsui Trust and Banking Company, Limited ("Chuo Mitsui"), which concentrates on retail trust business, banking business, real estate business and stock transfer agency services, and Chuo Mitsui Asset Trust and Banking Company, Limited ("Chuo Mitsui Asset"), which has particular strengths in pension trusts and securities trust business—and its two asset management companies—Chuo Mitsui Asset Management Company, Limited ("Chuo Mitsui Asset Management"), which provides investment trust management services, and Chuo Mitsui Capital Company Limited ("Chuo Mitsui Capital"), which provides private equity fund management services.

In regard to our fiscal performance, we recorded certain events, such as losses caused by the devaluation of stockholdings and losses on the sale of Japanese stock –related investments paralleling efforts to reduce future financial uncertainty. Regrettably, these events led to a net loss for the Group in fiscal 2008.

Our operating environment presents many challenges, but we remain fully committed to meeting the expectations of clients, shareholders, investors and business partners. Your support of our efforts will be instrumental in this effort and, on behalf of everyone under the Group umbrella, I ask for your continued encouragement as we strive to overcome the stormy weather that characterizes today's business climate.

August 2009

Kazuo Tanabe
President, Chuo Mitsui Trust Holdings

An Interview with the President

—Business Direction and Results to Date

Chuo Mitsui Trust Group—pursuing recomposition of the revenue structure and striving for steady results. Kazuo Tanabe, President of Chuo Mitsui Trust Holdings ("CMHD"), provides an update on the Group's business direction and the results achieved to date.

Q1: What direction is Chuo Mitsui Trust Group taking in its business pursuits?

Basic Business Direction

Chuo Mitsui Trust Group's management philosophy spotlights three objectives:

- ◆ To utilize financial and trust banking functions to meet the needs of society and contribute to further development of the national economy
- ◆ To always be aware of the role a corporate citizen must play and fulfill inherent social responsibilities
- ◆ To enhance structures for risk management and compliance, namely adherence to prevailing laws and other socially mandated requirements, and ensure management soundness

Business Strategies

Guided by this management philosophy, the companies under the Group umbrella, especially the two trust banks—Chuo Mitsui and Chuo Mitsui Asset—and the two asset management companies—Chuo Mitsui Asset Management and Chuo Mitsui Capital—take a flexible approach to business development in their respective fields of expertise. They cooperate on several fronts and seek to capitalize on the synergies afforded by interrelationships within the Group. Meanwhile, CMHD, as the holding company, aims to maximize Group profits by ensuring an optimum allocation of management resources to each operating division.

Business strategies for the trust banks and asset management companies under the Chuo Mitsui Trust Group umbrella are presented below.

■ Chuo Mitsui

In the area of individual services, Chuo Mitsui offers one-stop access to a diverse range of products and services through carefully executed consultations tailored to clients' needs at different stages of life. Consultations cover a wide range of issues, including loans and asset administration, as well as matters related to inheritance and succession.

In corporate services, Chuo Mitsui emphasizes proposal-style activities that bring together knowledge and experience acquired over many years in the trust banking business. These activities effectively address the broad-based administrative and financial requirements of clients.

■ Chuo Mitsui Asset

Through pension trusts and securities trusts as well as investment management and consulting services, Chuo Mitsui Asset meets the high-level investment requirements of each client with suitable combinations from a wide assortment of fund management products, including investment in domestic and international stocks and bonds as well as alternative investments.

In addition, Chuo Mitsui Asset addresses demand for administration of different kinds of pension plans, such as defined contribution pensions and defined benefit corporate pensions, and responds to the varied needs of clients on all aspects of the retirement benefit scheme.

■ Chuo Mitsui Asset Management

Chuo Mitsui Asset Management maximizes asset investment know-how accumulated by the Group to provide sophisticated investment trust fund management services that meet the wide-ranging needs of clients, from individual investors to institutional investors.

■ Chuo Mitsui Capital

Chuo Mitsui Capital makes the most of sophisticated investment expertise in private equity investment and an extensive network to aggressively pursue investment activities over a wide investment area. The company also offers high-quality, diversified investment opportunities to investors through the formation of investment partnerships.

Future Tasks

The operating environment remains difficult, largely because the chaos that still reigns in worldwide financial and capital markets will take more time to settle and a quick grass-roots recovery is unlikely. Against this backdrop, the Chuo Mitsui Trust Group will draw on composite strengths to lay the groundwork for steady growth in profits and a great leap forward into the future.

First, we will continue to selectively reinforce our presence in the investment trust and real estate markets, where market expansion should be expected according to the sustained flow of funds from savings to investments over the medium to long term.

In lending operations, the Chuo Mitsui Trust Group has always prioritized housing loans and will continue to direct concerted efforts into this line of financing. We will also actively pursue opportunities for quality real estate asset finance and corporate loans.

To retain a position of excellence in these promising fields of endeavor amid heightened competition, we aim to carefully allocate personnel and expenses to activities that will deliver the best results possible while limiting overall operating expenses, we will also strive to ensure our top-tier status by realizing the objectives our business strategies were designed to achieve.

In regard to corporate social responsibility (CSR), we are keenly aware of our public mission as a financial group and will consistently promote CSR activities throughout the Group.

Meanwhile, we have put internal controls in place and have established a fundamental awareness about how indispensable enhanced risk management and compliance practices are to achieving sustainable development as a financial group trusted by society.

Economic and financial circumstances at home and abroad have changed considerably in the last while. To appropriately address the changes in the business environment, we strive to improve our sensitivity toward risks more than ever for the early detection and prevention of risks inherent in our business activities, and reinforce efforts to ensure compliance with the law among executives and employees.

Toward this end, we will fortify our internal auditing functions—a self-regulated process to ascertain the effectiveness and actual utility of internal structures—and reinforce our capacity to pinpoint trouble spots and correct them.

Q2: What kind of results have your management priorities achieved?

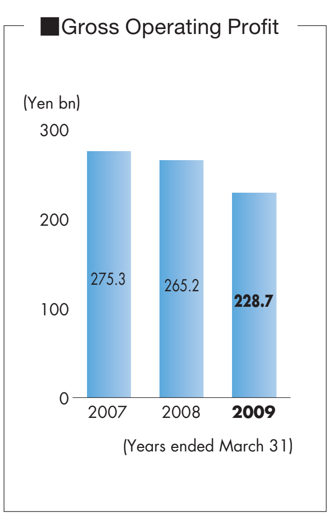
In fiscal 2008, the basic direction taken by the Chuo Mitsui Trust Group was to take on the challenge of achieving higher gross operating profit through a re-composition of the revenue structure with a renewed sense of purpose, and move steadily toward realization of this objective. Toward this end, we directed our attention to three particularly highly profitable business areas—investment trust and annuity insurance-related businesses, real estate business and individual loans.

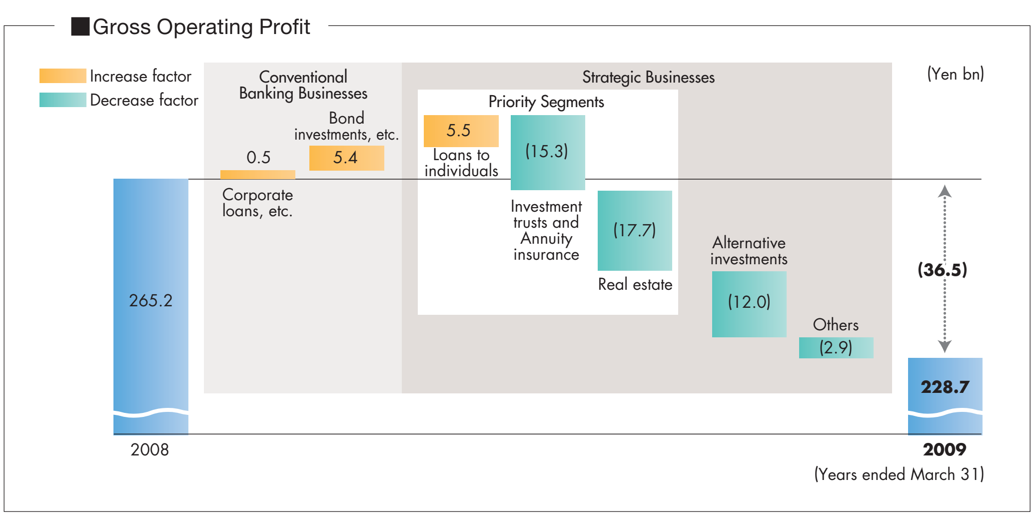
Unfortunately, the Group's operating environment was significantly altered by the deepening worldwide financial crisis and a dramatic decline in domestic business conditions. Consequently, gross operating profit decreased year-on-year.

Losses on the devaluation of stockholdings and losses on the sale of Japanese stock-related investments further eroded our position. Regrettably, the Group posted a net loss for fiscal 2008.

Gross Operating Profit

In the business spotlight, an improvement in interest income from individual loans was overshadowed by a decrease in fees on the investment trust and annuity insurance-related business and the real estate business, primarily due to sluggish market conditions. This situation was largely to blame for a ¥36.5 billion decrease in gross profit, to ¥228.7 billion.



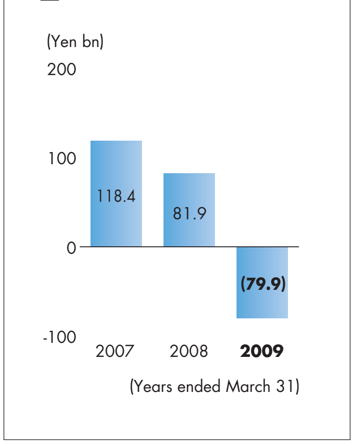


Net Income

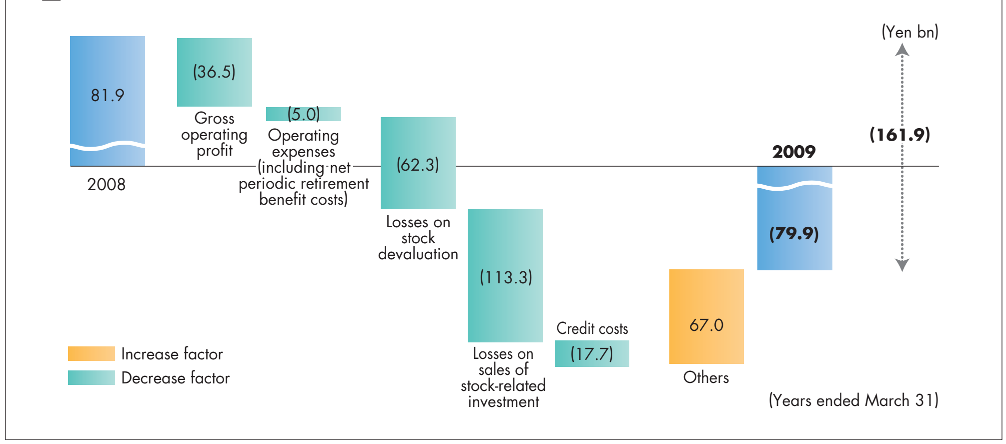
The Group posted a net loss of ¥79.9 billion, a ¥161.9 billion decrease from the net income position of a year earlier. The primary factors leading to this result are presented below.

- Decrease (¥36.5 billion) in gross operating profit, mainly because of market turmoil.
- Increase (¥62.3 billion) in devaluation of stockholdings, due to stock market decline.
- Booking of losses (¥113.3 billion) on sale of Japanese stock-related investment in order to reduce future financial uncertainty caused by stock market fluctuation as well as to decrease risk weighted-assets on a regulatory capital adequacy ratio basis.

■Net Income



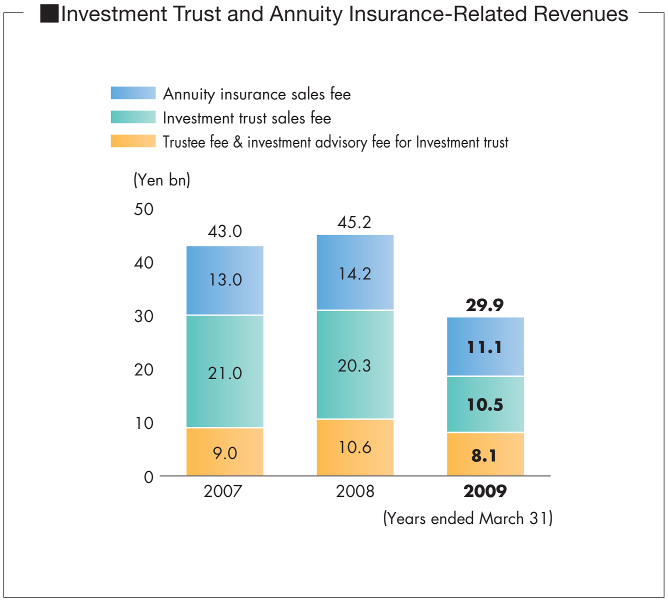
■Net Income



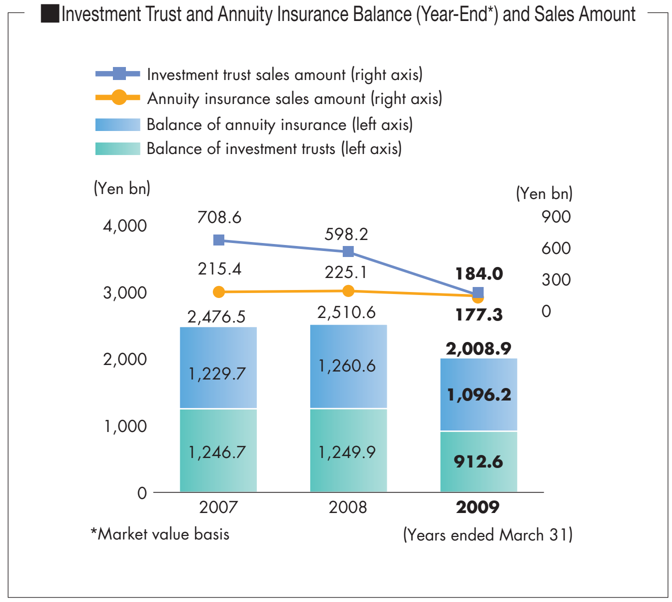
Investment Trust and Annuity Insurance-Related Businesses

Adverse factors, particularly the impact of stock market turmoil, caused revenue and sales from the investment trust and annuity insurance-related businesses to decrease yoy. But we will continue to present a selection of products corresponding to customers' needs and offer appropriate consultations.

■Investment Trust and Annuity Insurance-Related Revenues



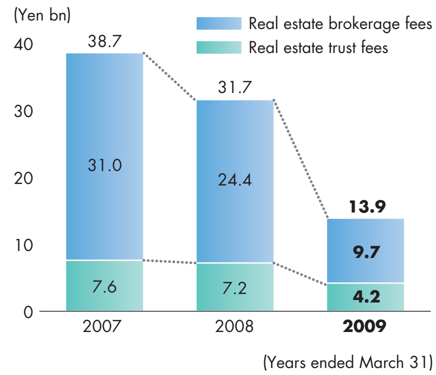
■Investment Trust and Annuity Insurance Balance (Year-End*) and Sales Amount



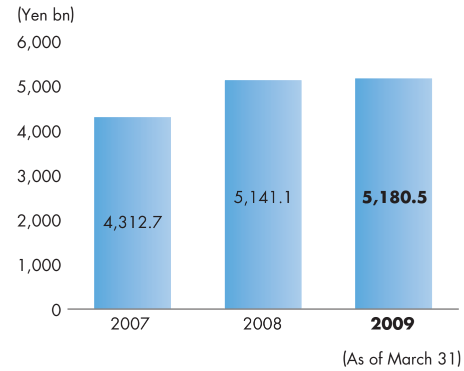
Real Estate Business

The market downturn negatively impacted real estate operations, causing revenue to decrease ¥17.7 billion yoy, to ¥13.9 billion. Nevertheless, we will address customers' real estate investment needs accurately and strive for higher profitability.

■Real Estate Business–Related Revenue



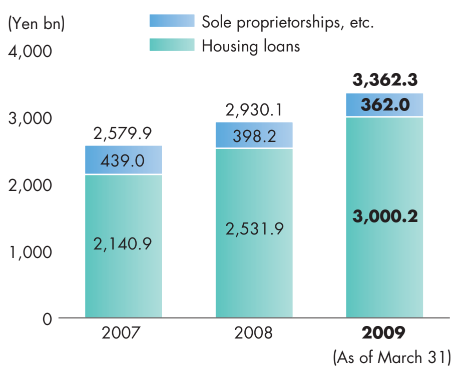
■Balance of Securitized Real Estate



Lending Business

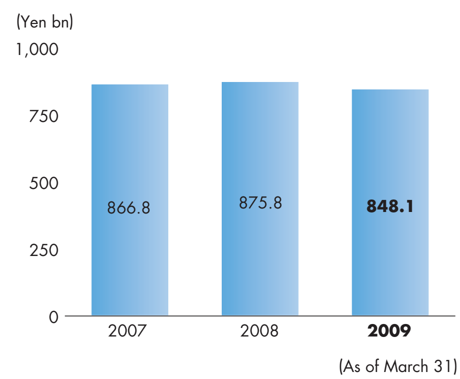
We strive to build a loan portfolio delivering higher profits through a proactive approach toward loans for individuals, especially housing loans.

■Balance of Loans to Individuals*



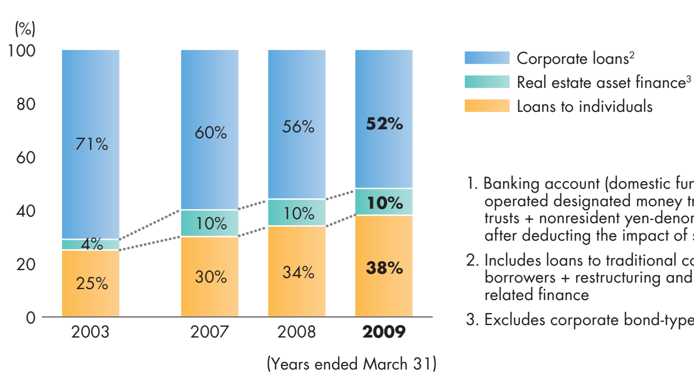
*Balance post securitization.
There have been no securitization results since fiscal 2006

■Balance of Real Estate Asset Finance*



*Balance post securitization

■Average Loan Balance[1] Composition

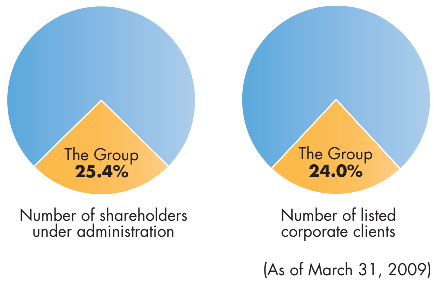


1. Banking account (domestic funds) + jointly operated designated money trusts + loan trusts + nonresident yen-denominated loans, after deducting the impact of securitization
2. Includes loans to traditional corporate borrowers + restructuring and revitalization-related finance
3. Excludes corporate bond-type loans

Stock Transfer Agency Services

Chuo Mitsui Trust Group is entrusted to provide stock transfer agency services by many leading Japanese corporations. Almost one in four listed companies are Chuo Mitsui Trust Group's clients for stock transfer agency services.

■Industry Share*

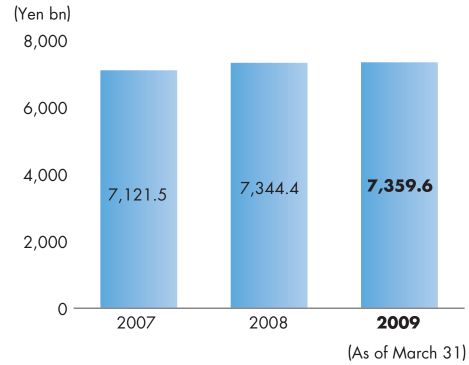


*Combined shares held by Chuo Mitsui and Tokyo Securities Transfer Agent

Pension Trust Business

Utilizing market-respected asset management and consultation capabilities, we are reinforcing our profit base and extending its scope.

■Balance of Pension Assets under Management (Book Value)

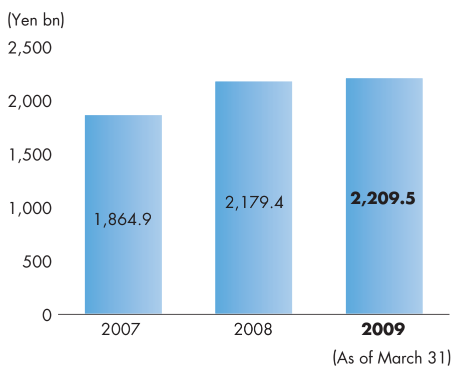


Note: Combined total of pension assets from such sources as defined benefit plans, employees' pension funds and qualified pension plans. Includes balance of investments with discretionary rights for management.

Asset Management Business

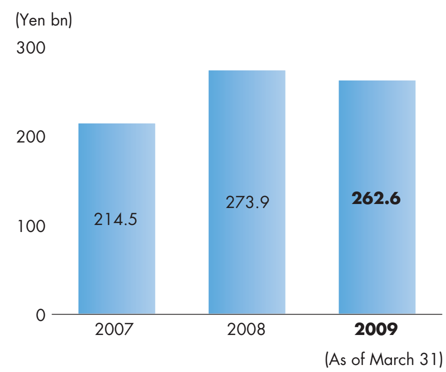
The Group's two asset management companies reinforce its presence in the asset management business.

■Balance of Assets under Management at Chuo Mitsui Asset Management*



*Principal basis, wherein residual principal is the amount that remains after subtracting cancelled and redeemed amounts from investment trust opening amounts

■Total Funds under Management by Chuo Mitsui Capital*

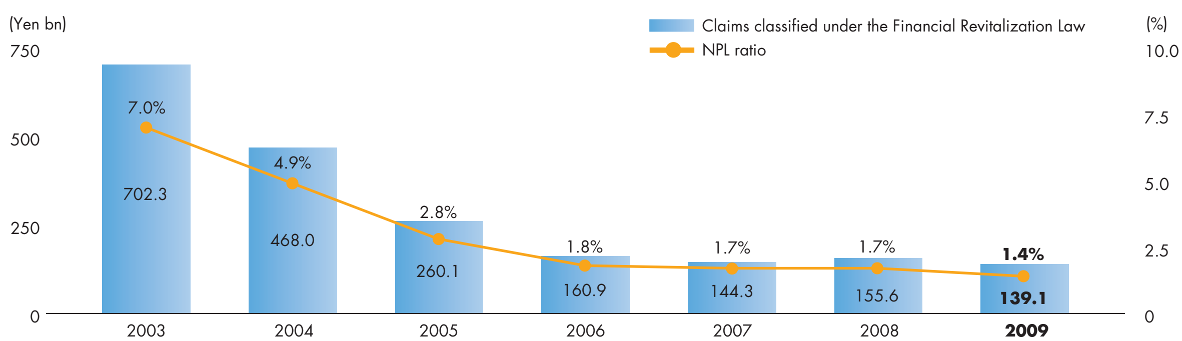


*Commitment basis, the combined contribution amounts promised by investors to funds

Status of Non-Performing Loans (NPL)

Claims classified under the Financial Revitalization Law have decreased by ¥16.4 billion to ¥139.1 billion as of the end of March 2009. The NPL ratio decreased by 0.3% yoy to 1.4%.

■Claims Classified under the Financial Revitalization Law and NPL Ratio



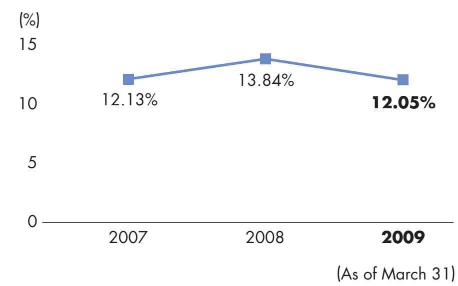
Note: Figures are for Chuo Mitsui non-consolidated and are the combined totals of the banking and trust accounts. The NPL ratio conforms to the standard set in the Financial Revitalization Law.

(As of March 31)

Status of Capital Adequacy Ratio

The capital adequacy ratio decreased by 1.79% to 12.05%, primarily because CMHD repurchased and cancelled Class III preferred stock in July 2008 and because the Group posted a net loss in fiscal year 2008. Despite the reduction, the Group maintains a sufficient capital adequacy ratio.

■Capital Adequacy Ratio



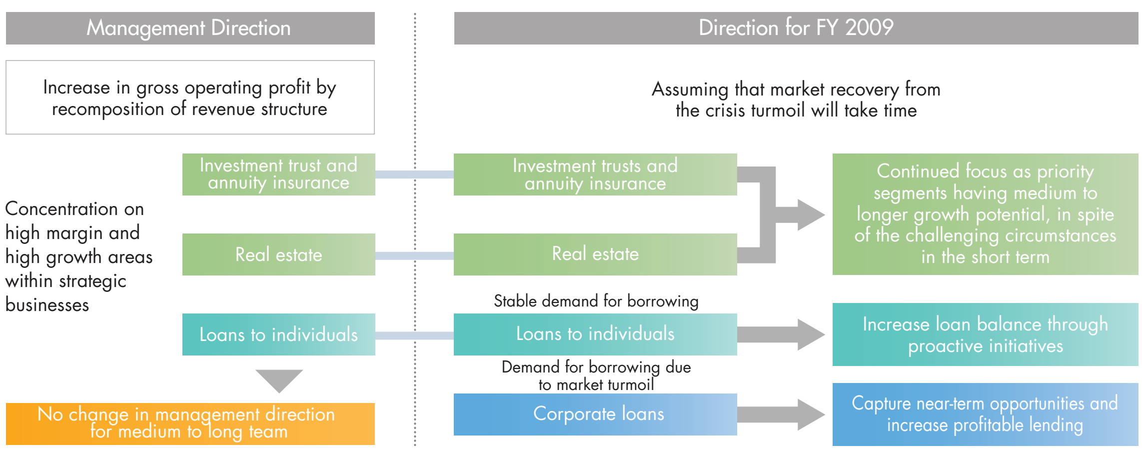
Note: Percentages are for CMHD on a consolidated basis (Domestic standard).

Q3: What management priorities will you focus on in FY 2009?

Management Priorities

The Chuo Mitsui Trust Group regards enhanced profitability as a top priority. We will fortify activities in areas with particularly high profit and high growth potential within our strategic businesses, and thereby ensure steady progress toward our goal of higher gross operating profit.

Our medium- to long-term management direction will not be changing. But the turmoil that reigns in financial markets will take time to subside, and stock markets will need a similar period of adjustment before a recovery can be sustained. In fiscal 2009 we will focus our attention on the approaches highlighted in the diagram below.



Corporate Governance

Basic Premise

Seeking to maintain management transparency and ensure sound business practices, Chuo Mitsui Trust Group strives to clarify the scope of accountability and responsibility assumed by regular employees and senior management, including members of the Board, and has implemented a suitable cross-check structure to facilitate this goal. To expedite its decision-making in the operating environment, the Group strives to maintain efficient management structure.

Functions and Responsibilities of Chuo Mitsui Trust Holdings

Under Chuo Mitsui Trust Holdings' umbrella, the subsidiary trust banks, Chuo Mitsui and Chuo Mitsui Asset, and the subsidiary asset management companies, Chuo Mitsui Asset Management and Chuo Mitsui Capital, have established operating structures to be able to complete respective business activities independently. Meanwhile, Chuo Mitsui Trust Holdings, as a financial holding company established to oversee the operations and administration of its subsidiaries, assumes the following six functions.

1. Formulate Group management strategy

Chuo Mitsui Trust Holdings coordinates business strategies for the subsidiary trust banks and asset management companies under its umbrella and prepares management plans to maximize groupwide profits and shareholder value.

2. Monitor administration of business activities

While responsibility for the administration of respective business activities lies with each subsidiary trust bank and asset management company, Chuo Mitsui Trust Holdings monitors its execution to ensure that these activities are consistent with Group strategies and to stay informed of the performance of each business operation.

3. Allocate management resources

Chuo Mitsui Trust Holdings allocates the Group's management resources—that is, the resources necessary to execute business activities, which are not only tangible resources, such as human resources, physical resources and monetary resources, but also intangible resources, such as information, knowledge and brands—and tracks the use of these management resources at each subsidiary trust bank and asset management company.

4. Supervise risk management

Chuo Mitsui Trust Holdings formulates basic policy on risk management for the Group as a whole and undertakes related assessments, including verification of risk management efforts at each subsidiary trust bank and asset management company.

5. Track compliance status

As well as preparing key policy on corporate ethics for the Group and standards of conduct befitting senior management and employees of this group, Chuo Mitsui Trust Holdings tracks efforts at the subsidiary trust banks and asset management companies under its umbrella to conform to compliance issues.

6. Monitor internal audits

In addition to formulating the basic direction for the execution of internal audits within the Group, Chuo Mitsui Trust Holdings examines the results of internal audits at the subsidiary trust banks and asset management companies under its umbrella, then pinpoints areas for improvement and offers necessary guidance to these subsidiaries to effect required changes.

Management Structure

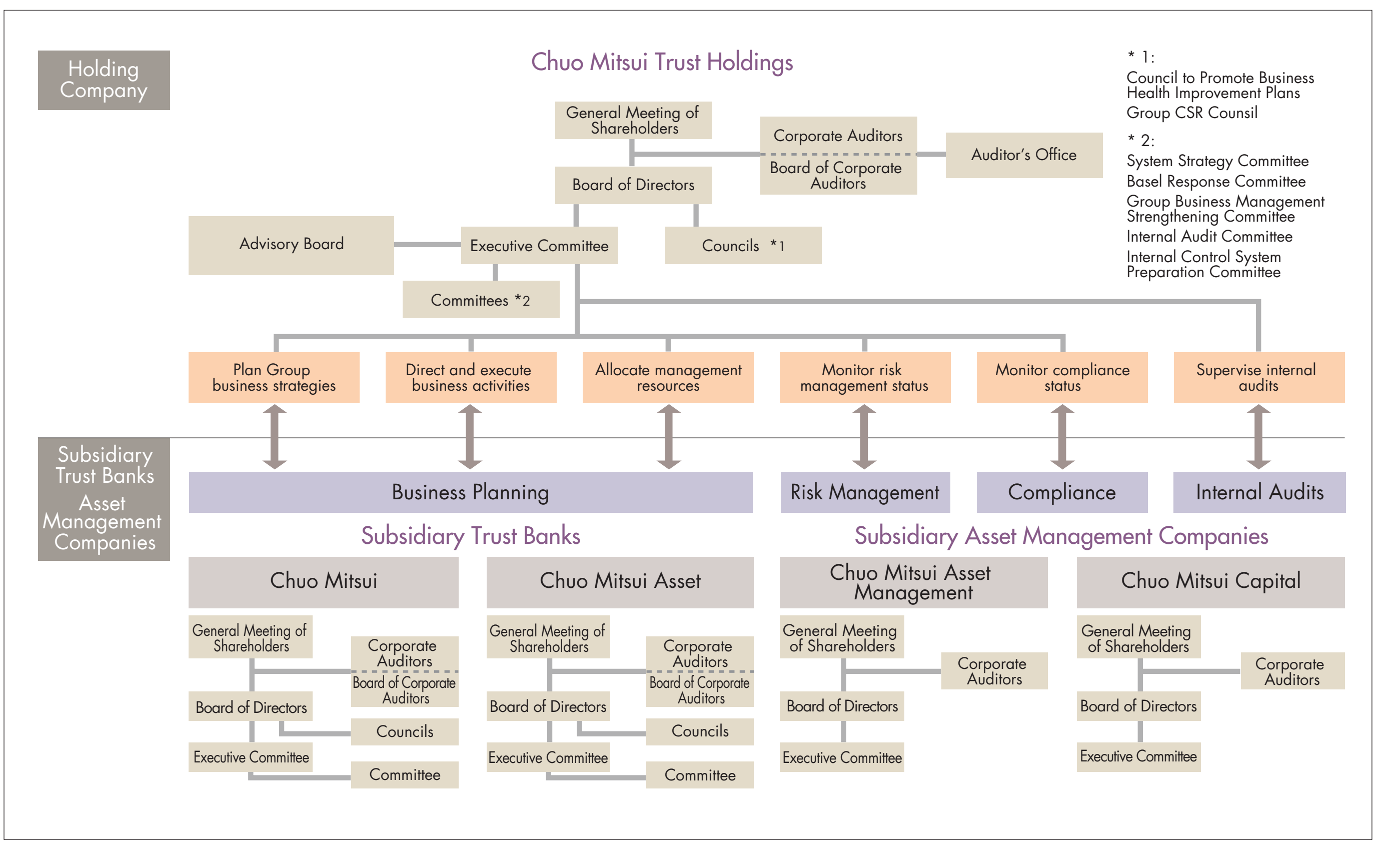
Some of the directors of Chuo Mitsui Trust Holdings are concurrently directors at subsidiary trust banks and are responsible for ensuring effective implementation of business strategies within the Group. The managing director of Chuo Mitsui Trust Holdings, who does not hold concurrent positions, supervises internal auditing and cements the crosscheck function at subsidiaries. With greater management transparency in mind, especially given the rapid transformation of the business environment, the term of office for all directors has been set at one year.

Some of the corporate auditors hold concurrent positions as auditors at subsidiary trust banks. They audit the operations of subsidiaries and utilize the results to establish a format for implementing suitable audits of the holding company. They also function in a cross-check capacity, confirming the conclusions reached by the auditor at the holding company, who does not hold concurrent positions.

Executive committees have been established under the Board of Directors at Chuo Mitsui Trust Holdings and at its subsidiaries. These committees are chaired by the president of the respective company and have the participation of relevant directors. Each executive committee addresses material issues relating to the execution of business activities, in line with basic policy established by each Board of Directors, and undertakes preliminary discussions pertaining to respective Board of Directors' resolutions.

Chuo Mitsui Trust Holdings also maintains an advisory board, which comprises outside experts who extend advice on all aspects of operations.

Standing, from left: Nobuo Iwasaki, Senior Executive Officer; Ken Sumida, Senior Managing Director; Jun Okuno, Senior Managing Director; Tadashi Kawai, Director
Seated, from left: Kazuo Tanabe, President; Kiichiro Furusawa, Chairman of the Board; Tomohiro Ito, Deputy President



Basic Policy on Internal Controls

Chuo Mitsui Trust Holdings' Board of Directors, fully aware of its responsibility for business administration of Chuo Mitsui Trust Group, which comprises Chuo Mitsui Trust Holdings as the financial holding company and its subsidiaries, has established the following provisions regarding the establishment of structures necessary to ensure that the activities undertaken by the Company are appropriate and the execution of duties by directors conforms to prevailing laws as well as the Company's Articles of Incorporation, in accordance with Article 362, Paragraph 5 and Paragraph 4, No. 6 of the Company Law and Article 100 of Rules for Enforcement of the Company Law.

• Compliance Structure

(1) Basic compliance policies for the Company and the Group will be established and a compliance standard will be introduced for executives.
(2) Important issues pertaining to legal compliance will be discussed by the Executive Committee, which the president chairs and relevant directors attend, and further discussion and reports will be undertaken by the Board of Directors, as necessary.
(3) A supervisory unit for legal compliance will be set up at the head office. In addition, each division will assign a person of action and a person of authority, who will, respectively, cover the execution of compliance efforts and take overall responsibility for such efforts.
(4) A compliance program—a plan to reinforce the legal compliance perspective—will be formulated each fiscal year and instructions will be passed on to the Company's subsidiary trust banks and asset management companies for preparing their own plans. Plan status, in terms of improvements made and goals achieved—will be monitored.
(5) Opportunities for legal compliance–oriented education and training will be offered to executives on an ongoing basis.
(6) Serious violation of laws pertaining to the Company's activities by executives must be reported and special points in-house and outside of the Company will be set up to collect information on alleged infractions.
(7) The Company and its subsidiaries will take a firm stand to prevent dealings with antisocial forces and will maintain no association whatsoever with such elements. A structure, underpinned by close ties with outside professionals, particularly the police, will be put in place to promote communication and cooperation among relevant divisions and departments and thereby facilitate an organized response in the event an executive or an employee is approached with an inappropriate request. Under no circumstances will we engage in transactions to the benefit persons or organizations that threaten the order and safety of civil society.
(8) The Board of Directors will set out rules for implementing the compliance structure described above as well as for the contents of a handbook—the Compliance Manual—aimed at executives.

• Risk Management Structure

(1) Important issues pertaining to risk management will be discussed by the Executive Committee, which the president chairs and relevant directors attend, and further discussion and reports will be undertaken by the Board of Directors, as necessary.
(2) A supervisory unit for risk management will be set up at the head office. In addition, each division will assign a person of action and a person of authority, who will, respectively, cover the execution of compliance efforts and take overall responsibility for such efforts.
(3) A Group approach to risk management will be formulated and instructions will be passed on to the Company's subsidiary trust banks and asset management companies to prepare their own plans for maintaining an internal risk management perspective. Plan status, in terms of improvements made and goals achieved, will be monitored.
(4) An internal auditing unit, independent from divisions that execute operations, will monitor business processes in each division and will recommend measures to prevent misconduct and to promote improvement in business processes.
(5) The Board of Directors will set out rules for implementing the risk management structure described above.

• Structure for Execution of Duties

(1) Key matters up for resolution or reporting by the Board of Directors will undergo preliminary discussion by the Executive Committee, which the president chairs and relevant directors attend.
(2) The Board of Directors will set out the basic items pertaining to the Company's organizational structure and the division of duties as well as the staff organization and authority granted to executives to ensure the smooth execution of duties and appropriate conduct.
(3) In-house regulations will be prepared in accordance with relevant legislation, and in the event said legislation is revised or abrogated, required amendments to in-house regulations will be implemented forthwith.

• Ensuring Appropriate Financial Reporting

(1) Accounting treatment and financial reporting will be governed by several laws and regulations, including the Banking Law, the Company Law and the Financial Instruments and Exchange Law. Appropriate and sound processes will be carried out, in accordance with fair and proper corporate accounting standards.
(2) Accounting standards will be put in place to facilitate the swift and accurate treatment of the accounting business and ensure clear and straightforward reports covering the Company's financial condition and its operating results.
(3) An internal auditing unit, independent from divisions that execute operations, will monitor business processes in each division to confirm the suitability of respective business processes, which is the cornerstone of financial reporting.
(4) The Board of Directors will set out rules for implementing the structure for appropriate financing reporting described above.

• Group Management Structure

(1) In its capacity as a financial holding company, Chuo Mitsui Trust Holdings will endeavor to create compliance and risk management structures applicable to the entire Group.
(2) The Company will verify from both risk management and legal perspectives all intra-Group transactions of particular significance to the Group.
(3) The Company will consolidate and then make public in a timely and appropriate manner disclosure materials recently issued and acquired by the Group.
(4) The Company will set up an external point that accepts information on alleged illegal activity by executives of the Group and, in the unlikely event illegal activity is confirmed at a Group company, will indicate an appropriate response for implementation.

• Information Storage and Management Structure

(1) Minutes, which record progress on agendas and specific points of discussion, will be prepared at the General Meeting of Shareholders and at Board of Directors and Executive Committee meetings and kept with related materials.
(2) The Board of Directors will set out the basic items pertaining to information storage and management, such as the organizational structure for information management and the classification of management categories, according to importance.

• Structure for Corporate Auditors' Audits

(1) An auditors' office will be established to assist corporate auditors in their duties, and staff will be assigned at the request of auditors. Staff so assigned to this office will not take orders or instructions from directors and will respect the opinions of auditors regarding personnel transfers, disciplinary action and other matters related to their assignment.
(2) Corporate auditors may attend meetings of the Board of Directors and the Executive Committee as well as any other meetings they deem necessary to the execution of their duties. Executives will cooperate with corporate auditors in good faith, a requirement that includes a quick response to any request by a corporate auditor for information on matters concerning the execution of duties.
(3) A system will be maintained to accord corporate auditors with timely information regarding the occurrence of any legal transgression, situations that threaten to cause obvious corporate damage, and information on serious legal misconduct, which come to light through the execution of an internal audit or through the system for reporting on perceived illegal behavior.
(4) Corporate auditors can request an additional audit by the Internal Auditing Division and insist on other pertinent measures, when the situation calls for further action.
(5) The Board of Directors will set out rules for implementing the structure for corporate auditors' audits described above.

Risk Management System and Compliance

Chuo Mitsui Trust Group Risk Management System

▶Basic Policies on Risk Management

Chuo Mitsui Trust Group is working to improve its risk management system with the recognition of the fact that ensuring the sound and stable management of the entire Group and each subsidiary in the Group is vital to the improvement of corporate value, and, to that end, risk management is one of the most important functions.

Risk management aims to properly handle the risks particular to each business or transaction, and prevent the appearance of risks, and control risks even in the case they appear so that losses can be contained within a certain scope.

The Group has established an integrated risk management system to serve as a framework for ascertainment of risks in a comprehensive manner and to keep risks within the limits for maintaining management vitality, and simultaneously created a capital management system as a framework for assessment and control of capital adequacy level, the taproot of management vitality, in light of the status of risk-taking and business strategies, etc. The Group also continues to promote the improvement and upgrading of both systems.

▶Group Risk Management System

The Group positions supervision of risk management for the entire Group as one of the most important functions of the holding company, Chuo Mitsui Trust Holdings, Inc. Chuo Mitsui Trust Holdings aims to improve and upgrade its risk management system by establishing the Rules for Risk Management as a basic agenda for risk management in the Group and formulates policies and plans for each fiscal year with respect to risk management in the Group.

Chuo Mitsui Trust Holdings has instituted the Risk Management Department as a department to supervise overall Group risk management and monitor the risk status of the Group, and to also supervise, manage and issue instructions to its subsidiary trust banks and asset management companies on development of proper risk management systems. From the view point of effective application of capital, the Group adopted on capital allocation operation. Each operating department, which received capital allocation from the holding company, runs the operation within the allocated capital amount, and the risk management department monitors its compliance status. In case risk of each of the operating department exceeds or expects to exceed the allocated capital amount, the risk management department will discuss a response with the holding company.

In regard to internal audits, a system is in place in which Chuo Mitsui Trust Holdings determines policy improvements of the internal audit system for the entire Group and carries out internal audits for each department of Chuo Mitsui Trust Holdings. In addition, Chuo Mitsui Trust Holdings supervises internal audit functions of subsidiary trust banks and asset management companies and issues necessary instructions upon receipt of reports on audit results and the status of improvements carried out by subsidiary trust banks and asset management companies.

The subsidiary trust banks and asset management companies develop their respective risk management structure which is appropriate for each operation and risk characteristics to promote the risk management policy decided by the holding company.

The Board of Directors of Chuo Mitsui Trust Holdings obtains necessary information from subsidiary trust banks and asset management companies, performs monitoring, appraisal and analysis of the risk status of the Group, and carries out proper risk management so that sound management is ensured.

Additionally, the Directors of Chuo Mitsui Trust Holdings and subsidiary trust banks and asset management companies duly recognize the fact that risk management has a material impact on achievement of their strategic targets, and the Executive Officers in charge of the risk management departments strive to accurately recognize the status of risk management, and examine policies and specific measures, based on a sufficient understanding of source, type and characteristics of risks and methods and importance of risk management. The roles and responsibilities of these Directors and Executive Officers in charge of the risk management departments are specified in the respective Rules for Risk Management provided by Chuo Mitsui Trust Holdings and subsidiary trust banks and asset management companies.

Risk Management System at Chuo Mitsui, Chuo Mitsui Asset, Chuo Mitsui Asset Management and Chuo Mitsui Capital

▶Overview

Two subsidiary trust banks and two subsidiary asset management companies under the holding company umbrella maintain departments that supervise overall risk management practices as well as specific measures targeting credit, market and operational risks.

These departments determine the basic rules for risk management, namely the types of risk that require attention, the techniques to manage risk, and the structure and authority for risk control, that appear in the Rules for Risk Management that each company's board of directors formulates to build a suitable risk management system in line with the risk management policies set down by the holding company. The supervision departments also apply specific standards and regulations to establish the content of risk management for each type of risk handled by the respective business.

Every year, the risk supervision departments prepare internal management plans, in consideration of Group policies, and strive to enhance risk management capabilities through various measures.

In addition, each subsidiary pursues activities fine-tuned to their own needs.

At Chuo Mitsui and Chuo Mitsui Asset, the Internal Control Executive Committee and the Business Administration Executive Committee, which fall under the authority of the Board of Directors, address various management issues with due enough considerations to risk management. Each subsidiary trust bank complements its risk supervision department with units assigned a different type of operational risk, namely procedural, system, legal, personnel and tangible asset risks. This rounds out risk management efforts to ensure a thorough risk-ready response.

At Chuo Mitsui Asset, Chuo Mitsui Asset Management and Chuo Mitsui Capital, the business spotlight is on asset management operations. The burden of credit risk and market risk essentially lies with beneficiaries and fund contributors, but the three subsidiaries involved in asset management endeavor to manage the risks that characterize this business by applying approaches suitable from the perspective of fulfilling the obligations expected of a trustee and investment manager.

Chuo Mitsui Trust Group Compliance Structure

Basic Policy on Compliance

Through activities undertaken by its two subsidiary trust banks and its two asset management companies, Chuo Mitsui Trust Group assumes a public mission and a social responsibility to contribute to further development of the national economy.

The Group addresses these obligations by providing products and services that meet the diverse needs of its clients. Accordingly, the Group is expected to function as a private corporation with a public conscience, constantly striving to expand the scope of its social responsibility and public mission. Achieving this status is a vital prerequisite to securing the unwavering trust of clients and society as a whole.

Ongoing progress in deregulation and increasing diversification in financial transactions and services require financial institutions to remain absolutely true to the principle of self-responsibility in the execution of business activities and to act with independent resolve in dealing with various issues of importance. Sound and appropriate management, underpinned by rigorous self-discipline, is indispensable in the effort to earn and sustain the trust of clients, and from this perspective, compliance is one of the most important management issues for Chuo Mitsui Trust Group.

Compliance means meticulous adherence to laws and ordinances as well as conformity to social norms. Because trust is the Group's biggest asset, the need to achieve a process to ensure compliance, and thereby instill trust among clients and society as a whole, is a foregone conclusion. Executives—whose positions demand respect for rules and standards—as well as employees, must conscientiously address compliance as they go about their daily routines to support a solid compliance structure.

The trust placed in the Group by its clients carries considerable weight, and well aware of the value of such trust, the Group will provide the information that clients need to form suitable decisions on transactions and will reinforce its efforts to build the best possible client support structure to prevent unwarranted losses.

Group Compliance Structure

One of the most important functions of the holding company—Chuo Mitsui Trust Holdings—is its capacity to supervise overall compliance within the Group. The Company established the Compliance Department to execute its supervisory function and allocated authority to this department to formulate compliance policy and monitor the management and execution status of compliance efforts within the Group.

Through the Compliance Department, Chuo Mitsui Trust Holdings promotes various measures to ensure business activities are executed as they should be. Specifically, the department updates the Rules of Compliance and the Rules for Compliance Management, which set forth basic policy on corporate ethics and guidelines for the conduct of employees, as well as the Compliance Manual, a detailed handbook. The department also decides on the content of the annual Compliance Program, a concrete action agenda to enhance groupwide compliance practices.

It is also part of the holding company's mandate to instill confidence in clients regarding confidentiality. Toward this end, the Company updates Basic Rules for Client Protection, which describes methods for meeting expectations and building trust among the Group's clients, and implements an annual Client Protection Promotion Program.

In regard to internal audits, Chuo Mitsui Trust Holdings sets the policy for an internal auditing structure appropriate to the whole Group and implements internal audits in each of its own divisions. In addition, the Company monitors internal auditing capabilities at the two subsidiary trust banks and the two asset management companies under its umbrella, reviews reports, primarily the results of audits performed at subsidiaries and the status of improvements if audits have identified trouble spots, and issues instructions when necessary.

The compliance structures in place at the Company's subsidiary trust banks and asset management companies mirror the basic policy designed for groupwide enforcement but have been adjusted to match the characteristics of each company's operations.

Compliance Structures at Chuo Mitsui, Chuo Mitsui Asset, Chuo Mitsui Asset Management and Chuo Mitsui Capital

Compliance Structure Overview

The Company's subsidiary trust banks and asset management companies maintain supervisory units for compliance and client support.

To establish compliance structures in line with groupwide policy, these supervisory units have drafted rules for compliance and a compliance manual applicable to respective business focus, and they strive to ensure that everyone, from executives to new recruits, fully understand these documents through training and educational programs. The rules and the manual are updated by each unit as necessary.

Every year each subsidiary plans its own annual compliance program with stipulated specific measures, based on groupwide policy, and promotes various measures aimed at improving respective compliance structures.

Efforts to reinforce client support structures are also guided by groupwide policy. Every year each subsidiary designs a client protection promotion program, highlighting approaches that facilitate appropriate provision of information, appropriately manages conflicts of interest, prevents unfair trading and facilitates new ways to make services more convenient.

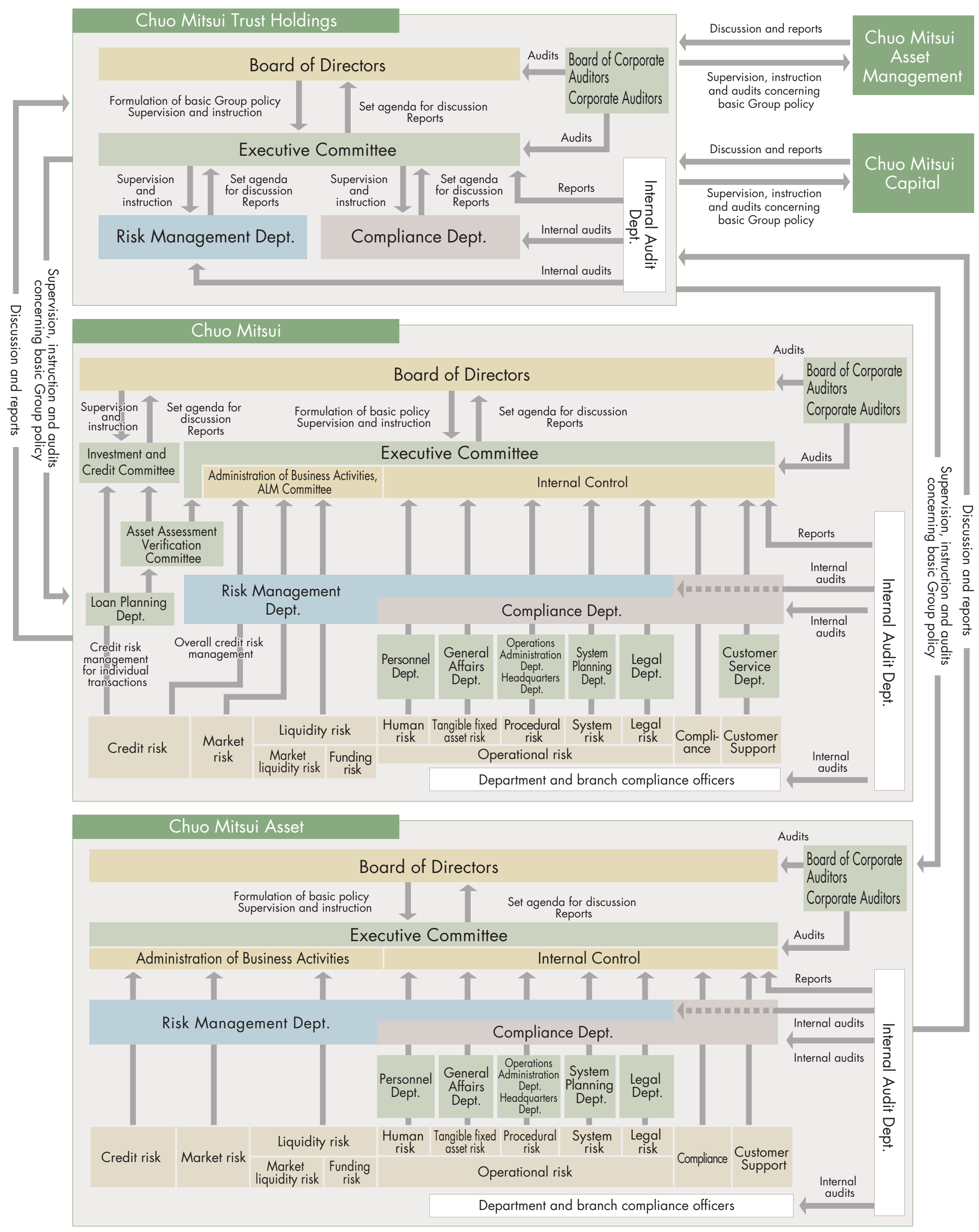
Compliance officers are assigned to all departments and staffed branches to secure enforcement of measures in each location. This oversight function is augmented by the meticulous checks of internal auditing departments, which ascertain the implementation status of compliance measures.

Each subsidiary also promotes responses relevant to specific aspects of business. For example, at Chuo Mitsui, which focuses on retail services targeting individuals, the bank tapped its Customer Service Department as the active unit for client support. Activities aimed at raising client satisfaction are given a clear direction through responses to questionnaires, including a suggestion card format set up inside branches.

At both Chuo Mitsui and Chuo Mitsui Asset, ideas and requests from clients provide clues for making products and services better. The results gained through client input are presented on the banks' Web sites.

Meanwhile, Chuo Mitsui Asset, and Chuo Mitsui Stock Transfer Agency Business and Tokyo Securities Transfer Agent, subsidiary of Chuo Mitsui, emphasize safeguards to secure client information more tightly. Efforts have already been recognized with Privacy Mark certification.

■Outline of Chuo Mitsui Trust Group's Risk Management and Compliance Structure



Corporate Social Responsibility

Basic Concept

Chuo Mitsui Trust Group undertakes CSR activities designed to fulfill the social responsibilities incumbent upon corporate citizens. As a cohesive unit, we emphasize dialogue with stakeholders—that is, everyone with a stake in our operations—and view consistency in our responses as a requirement of our social obligations.

Toward this end, management seeks to foster greater awareness of CSR in every single employee—as they actually—and favors involvement in activities based on social needs and inspired by constructive comments from clients and employees.

Growing public interest in the environment, particularly climate change precipitated by global warming, has spurred individuals and organizations of all descriptions to get involved in ways that lessen their impact on the environment. Chuo Mitsui Trust Group is no exception. Members of the Group endorsed a statement by the United Nations Environment Programme Financial Initiative (UNEP FI) that emphasizes environmental protection and sustainable business development, and the Group subsequently became a signatory to the statement, demonstrating an overall commitment to activities designed to mitigate environmental problems.

Not only do we earnestly strive to save energy and resources in our own operations, we also seek to contribute to environmental solutions as a financial group, by maximizing our banking and trust functions, including the application of trusts to carbon emissions trading.

Management believes that financial institutions also have a public duty to facilitate the flow of funds—that is, investment activities. Chuo Mitsui, Chuo Mitsui Asset and Chuo Mitsui Asset Management have and will continue to stress the importance of CSR in investment choices through a service package, namely, the establishment, management and handling of socially responsible investment (SRI) funds, an investment approach that considers the various aspects of CSR in the assessment and selection of companies for investment. Furthermore, Chuo Mitsui Asset added its corporate signature to the UN Principles for Responsible Investment, thereby declaring its commitment as an asset management company to address environmental, social and governance (ESG) issues in its investment decision-making and ownership practices.

At the office level, management encourages subsidiaries and branches throughout the Group to voluntarily pursue a wider range of activities within their respective communities and supports ongoing measures to encourage this movement.

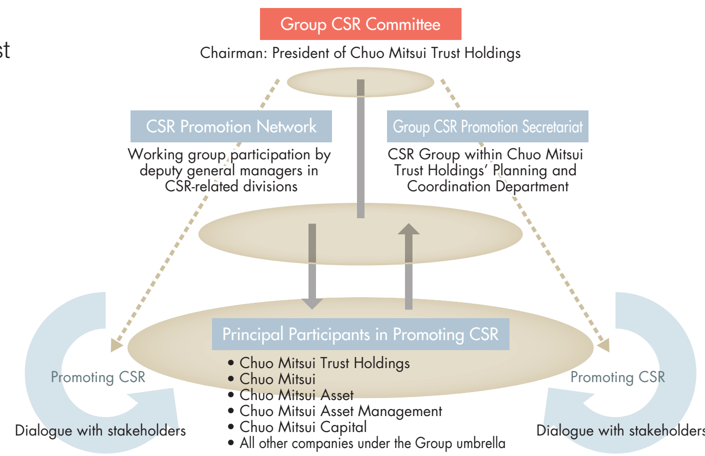
A positive approach to CSR is integral to our existence as a member of society and underpins our ability to develop alongside the communities in which we maintain a presence. We are well aware of our public mission as a financial group and, with the indispensable support of stakeholders, we will continue to engage in CSR activities that allow us to meet everyone's expectations, including our own.

Management Structure

Fully aware of the public mission that Chuo Mitsui Trust Group must fulfill as a financial group, management seeks to raise the CSR-oriented consciousness of all employees.

CSR Promotion Structure

The Group's CSR promotion structure hinges on the Group CSR Committee. Chaired by the president of Chuo Mitsui Trust Holdings ("CMHD"), this committee functions as a horizontal supervisory body and ensures consistency in the direction of the groupwide CSR activities.



Employees and CSR

Basic Concept

Employees form the frontline of corporate activities. For Chuo Mitsui Trust Group to contribute widely to society through its business activities, it is essential that employees confidently demonstrate their capacities, secured by high moral standards and a fine-tuned perspective on compliance.

With this in mind, management promotes measures designed to deepen employees' understanding of CSR and ensure a thorough awareness of compliance issues.

In our organization, we value the characteristics that make each employee unique and we respect individuality—a dynamic that forms the cornerstone of a personnel system built on fairness and impartiality. We also actively support skill development and career formation. As well, we strive to ensure a safe and secure office environment and seek to create a workplace atmosphere that motivates employees to do well in their assigned tasks.

The overall effect is that employees are better able to juggle work and family obligations and more likely to lead richly rewarding lives. This, we believe, benefits not only the individual and the Group but also society, as employees are more inclined to get involved in family and community activities.

For Employees: Training to Upgrade Skills and Define a Career Path

Chuo Mitsui Trust Group undertakes the following programs for employees to support skill development and career formation:

For All Employees (example)
- Open classes
  Classes on various subjects are held on non-work days and open to anyone who wishes to attend.

Position-Specific Training (examples)
Objective: To improve abilities related to the execution of required duties and responsibilities, based on hiring date and current position

- Orientation for new employees
  Learn the basic protocols and business how-tos of the gainfully employed.
- Annual career development training
  Gain understanding and competence in terms of position-specific know-how and roles, for the first 10 years of employment.
- Management training
  Acquire management skills in such areas as business promotion, human resources development, internal controls and health care.

Business-Specific Training (examples)
Objective: To systematically improve business knowledge, based on career experience

- Financial planner training
  Acquire the know-how and learn the techniques financial planners use to pinpoint client needs and offer pertinent advice.
- Bank-teller training
  Acquire the know-how and skills necessary to advise clients on trust products and services over the counter at branches.
- Administrative training
  Gain know-how related to loans and inheritances etc. administrative procedures.

In addition to the programs described above, the Group offers more than 100 courses over the span of a year.


Bank-teller training

CSR Activities—Highlights

We will pursue activities that utilize our banking and trust functions to find solutions to various social concerns.

Activities through banking and trust functions

▶ Applying the Trust Function to Carbon Emissions Trading

Takejiro Sueyoshi, Special Advisor, UNEP FI (left), Kazuo Tanabe, President, Chuo Mitsui trust Holdings (right)

In a domestic first, Chuo Mitsui was granted permission by Japan's Financial Services Agency in February 2007 to add carbon credits to the types of trust assets it accepts for administration. From November of that year, the bank applied its trust function to carbon emissions trading and began parceling carbon credits into small-lot units for sale.

Global warming is a problem that cannot be solved within the boundaries of a single country—it requires an international approach. At home and abroad, companies are increasingly keen to introduce measures to cut greenhouse gas emissions, especially carbon dioxide, regarded as the main cause of global warming.

Under the Kyoto Protocol, Japan has pledged to cut its greenhouse gas emissions by 6% from the 1990 level between 2008 and 2012—the first phase—and has drafted various measures to achieve this target. Because of the energy-saving steps taken so far, it is more difficult for Japan to get its greenhouse gas emissions down those extra few percentage points, compared with countries that have more room for reduction.

A measure attracting considerable attention from two fronts—curbing greenhouse gas emissions on a global scale, and outstanding cost-versus-effect results—is the use of carbon credits. Japanese companies can acquire credits by investing funds or the excellent technologies for which Japan is known into projects in developing countries where the room for reduction is greater.

Since 2005, Chuo Mitsui Trust Group has explored the application of its trust function to carbon emissions trading. Efforts, including participation in research groups sponsored by government-related organizations, seek to deal with growing demand from companies to purchase carbon credits as a way to shrink their carbon footprints. Such efforts also represent a different facet of CSR activities.

There are two types of carbon credit purchasing schemes that utilize the trust function: management and disposal, and administrative. Chuo Mitsui provides a purchasing scheme based on management and disposal: carbon credit trust beneficiary rights.

Amid heightened awareness of the problems caused by global warming, companies are voluntarily setting greenhouse gas-reduction targets and bringing out carbon offset products, which utilize carbon credits. These trends are fueling demand for products and processes that enable companies to acquire the carbon credits needed to balance their respective emissions status.

Already, Chuo Mitsui is marketing carbon credit trust beneficiary rights, which transform emissions allowances into various eco-products, including carbon offset*-carrying financial products and leasing products, as well as home delivery services. These products and services contribute to lower emissions of greenhouse gases.

Members of the Group endorsed a statement by the UNEP FI that emphasizes environmental protection and sustainable business development, and the Group subsequently became a signatory to the statement, demonstrating an overall commitment to activities designed to mitigate environmental problems.

We will continue to contribute to the realization of a sustainable society through a menu of solutions that draw on our trust function.

*Carbon Offset
Carbon offsetting is the process of compensating for all or part of the inevitable amount of greenhouse gases at one place with a volume of greenhouse gas reduction or absorption elsewhere. A carbon offset product is a product that applies carbon offsetting to offset a client's greenhouse gases.

▶ Preferred Interest Rates on Housing Loans for Environment-Friendly Homes

In October 2004, Chuo Mitsui set up a housing loan with preferred interest rates for buyers of all-electric homes. These homes present outstanding factors of safety and energy savings. In April 2005, the bank began handling housing loans with preferred interest rates for buyers of gas energy-saving homes, with environment-friendly gas-powered appliances.

▶ Involvement in SRI Funds

Chuo Mitsui has handled a socially responsible investment (SRI) fund—nicknamed the SRI Plan—since November 2006.

SRI is an investment strategy that assesses a target company from environmental, ethical and community perspectives. Looking beyond the economics of a company to its underlying CSR commitment is more likely to reveal stocks worthy of long-term investment.

Corporate governance and CSR are becoming vital touchstones for investors—both individual and institutional—and companies that are proactive in their efforts will be seen as investments with solid growth potential.

The Chuo Mitsui SRI Mother Fund, which hinges on the SRI Plan, was established by Chuo Mitsui Asset Management in August 2004 for qualified institutional investors. In the operation of this fund, Chuo Mitsui Asset—one of the largest asset management companies in Japan—extends investment advice based on CSR evaluations by Integrex, Inc.

The SRI Plan has been offered to defined contribution pension plans since November 2008.

Of note, Chuo Mitsui Asset is a signatory to the UN Principles for Responsible Investment, thereby asserting its commitment as an asset management company to address ESG issues in the course of its investment activities. The bank will continue to foster wider appreciation of SRI among investors from its perspective as a financial institution.

Takejiro Sueyoshi, Special Advisor, UNEP FI (left), Tadashi Kawai, President, Chuo Mitsui Asset (right)

Masatoshi Ichikawa

Fund Manager, Investment Division, Chuo Mitsui Asset Management

Although still much smaller in terms of market scale than in the West, Japan's SRI fund balance has increased phenomenally over the past few years, along with the number of funds offered. This reflects heightened interest in SRI, especially among individual investors. Through the establishment and operation of SRI funds, I hope to support the creation of a society that gives high marks to companies that vigorously pursue CSR through given frameworks, that is, investment.

▶ Contributing to Society as Charitable Trust Trustee

A charitable trust is a scheme through which community-minded individuals and companies entrust property or a portion of profits, respectively, to a trust bank, which administers and manages the assets for whatever philanthropic purpose the provider has chosen. Profits from these trusts are used for public not personal benefit.

The scope of application has diversified considerably since the first charitable trust debuted in 1977. Today, the proceeds generated on such trusts can be used to bankroll scholarships, to finance social welfare projects and animal conservation efforts, to back research in the humanities and natural science, to finance urban environment development and natural environment activities, and even to promote international exchange and cooperation.

The number of charitable trusts under Chuo Mitsui's administration and its balance of charitable trust assets are top-ranked in the industry. The bank will continue to play an integral role in achieving the objectives of each charitable trust—eager to see those inevitable smiles on the faces of scholarship recipients, the restoration of beautiful landscapes and the creation of communities bustling with activity.

Utilizing the testamentary trust framework characteristic of a trust bank to address the wishes of clients who want to contribute to society through a bequest, Chuo Mitsui promotes ties with post-secondary institutions and charitable organizations under a bequest-based donation system. The bank assists clients in their desire to allocate assets, perhaps to an alma mater or to organizations involved in environmental protection activities or artistic or humanitarian pursuits, by drawing up wills and executing the formalities of donation based on these wills.

Currently, Chuo Mitsui maintains ties with more than 80 organizations to facilitate responses to the wide-ranging needs of donation-minded clients.

■Charitable Trusts at Chuo Mitsui

Number of trusts under administration (as of March 31, 2009)	143
Balance of trusts under administration (as of March 31, 2009)	¥14.7 billion
Profits generated (FY 2008)	Total of ¥728.66 million provided to about 2,316 trust beneficiaries (people and companies)

For Society

We constantly strive to be an active, participating member of society, making a positive contribution.

Support for Studies in Finance and Economics

Viewing social contribution from the perspective of a financial institution, we support the education of tomorrow's thinkers and doers and offer assistance to explore new techniques in financial and economic research.

▶ Established Courses—Introduction to Estate Planning Theory and Special Topics in Real Estate Investment—at Osaka Electro-Communication University

In April 2009, Chuo Mitsui established two endowment courses—Introduction to Estate Planning Theory and Special Topics in Real Estate Investment—for the newly created Asset Management Department at Osaka Electro-Communication University.

In Japan, the flow of funds from savings to investments is not only considerable but gaining speed, and as more of the baby-boomer generation enters retirement, the administration, maintenance and smooth transfer of personal wealth takes on greater importance. This is a priority theme that requires access to attractive financial products, especially those utilizing trusts.

Chuo Mitsui Trust Group agrees with the position taken by Osaka Electro-Communication University that the education of top talent to deal with these social changes is an urgent social issue.

▶ Chuo Mitsui Trust Group Economics Course at Renmin University of China

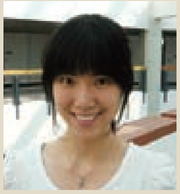
Chuo Mitsui Trust Group established an economics course at Renmin University of China in fiscal 2005, ended March 31, 2006, and provides the macroeconomic course materials for a test class comprising a select group of students with excellent academic records. Each year, students who achieve outstanding marks in the sponsored course are invited to Japan to participate in an academic exchange. This is a prime example of efforts to develop talented individuals capable of playing active roles on the world stage.

▶ Chuo Mitsui Trust and Banking Intellectual Property Assets Course at Aoyama Gakuin University

Since fiscal 2007, ended March 31, 2008, Chuo Mitsui has extended funds to the Graduate School of Law in the Department of Business Law at Aoyama Gakuin University in Tokyo for a course on intellectual property trusts. In fiscal 2008, Chuo Mitsui Trust Group employees joined the lecture team, thereby expanding the scope of course content to include everything from Trust Law basics to treatment of practical issues, such as the finer points of intellectual trust agreements.

Companies are increasingly keen to turn intellectual property assets into a valuable management resource, and financial assistance for the course at Aoyama Gakuin University is intended to enhance instruction and research efforts on this theme.

Mr. Tanaka, Lecturer and head of the Legal Department



Zhuang Yan

Student, School of Economics Renmin University of China

The academic exchange in Japan provides great motivation for students in the Chuo Mitsui Trust Group Economics Course to study hard and score well. I was selected to go to Japan in fiscal 2007. I met with people from Chuo Mitsui Trust Group and learned about trust schemes. I also participated in debates with Japanese students. These were some of the highlights that made my trip a truly valuable learning experience for me. I hope this course will continue to help academic exchange between China and Japan.

▶ Finance and Macroeconomics Project at Tsinghua University

In fiscal 2007, ended March 31, 2008, Chuo Mitsui Trust Group established the Tsinghua-Chuo Mitsui Trust Financial System and Macroeconomics Research Project at the Tsinghua University Financial Research Center in China.

Wei Jie, Professor, Tsinghua University (left), Kiichiro Furusawa, Chairman, Chuo Mitsui Trust Holdings (right)

The project includes an annual conference where updates on research activities are provided and guest speakers give lectures.

By supporting research in the fields of finance and macroeconomics at this leading institution of higher learning in China, the Group is helping to promote cultural and academic exchange between Japan and China.

▶ Sponsor of Network for Economic Education

Chuo Mitsui Trust Group has been a sponsor of the Network for Economics Education since fiscal 2006, ended March 31, 2007. This is an association headed by Soichi Shinohara, a professor at Doshisha University in Kyoto, that supports economic studies among elementary and junior high school students.

Economics summer class for teachers was an event co-hosted by Network for Economics Education and the Tokyo Stock Exchange Group.

Participation of Employees of the Chuo Mitsui Trust Group

▶ Introduction of TABLE FOR TWO

Chuo Mitsui joined the TABLE FOR TWO movement and with the help of Aim Services Co., Ltd., has maintained the scheme at its head office cafeteria since October 2007.

Under this scheme, when people in developed countries, where calorie intake is excessive, choose low-calorie menu items at participating company cafeterias, restaurants or events, a portion of sales is donated through the United Nations' World Food Programme to organizations that provide meals to children in developing countries.

At the head office cafeteria, some of the items on the Wednesday menu's specials are substituted with low-calorie options. Through the first year of the program, donations derived from employees' selection of the Wednesday low-calorie specials paid for more than 10,000 school lunches.

Not only is the low-calorie menu widely supported by cafeteria users, the simplicity of enjoying a well-balanced meal and helping out the less fortunate at the same time has drawn many positive comments. Encouraged by the solid popularity of the program among employees, the cafeteria has expanded the items on its TABLE FOR TWO low-calorie menu in the second year.


TABLE FOR TWO low-calorie menu

Chuo Mitsui will continue to promote TABLE FOR TWO because it encourages employees to make healthy choices while supporting efforts to eliminate hunger in developing countries.

Masahisa Kogure

President, Table for Two International

The TABLE FOR TWO program, which currently has 80 participating organizations in Japan, contributes to society through the promotion of healthy eating. The movement is also gaining momentum overseas.

I extend my heartfelt thanks to everyone at Chuo Mitsui for supporting the program since its inception more than a year ago. Every person contributes to the success of this program and keeps meals coming to children in developing countries. I look forward to your continued support.

▶ Relief Funds

In addition to financial contributions from companies in times of disaster, members of Chuo Mitsui Trust Group open special accounts and solicit donations from employees for relief efforts.

Funds were collected for victims of the earthquake that hit Sichuan Province, China, in May 2008, as well as the inland earthquake that rocked the Japanese prefectures of Iwate and Miyagi in June 2008. The donation tally was updated on the CSR activity page of the Group's intranet.

The funds were channeled through the Japan Committee for Unicef and The Central Community Chest of Japan, a social welfare organization affiliated with United Way International, primarily for disaster relief.

▶ Plastic Bottle Cap Collection Program

The Chuo Mitsui head office and the Meguro Trust Center, along with 10 other companies in the Minato-ku district of Tokyo, are involved in a plastic bottle cap collection program called Minato Net, a network of community-minded companies in Minato-ku.

Under this program, caps from used plastic bottles are collected in-house at each participating company and sold to a recycler, with the proceeds going to the non-profit organization Japan Committee for "Vaccines for the World's Children," established to supply vaccines to help eradicate polio and other major preventable diseases in Asia.

Some Chuo Mitsui branches are also involved in this program.

Plastic cap collection box

Activities at Branches

▶Salon Concerts

Since December 2008, Chuo Mitsui's Nihonbashi Branch has held regular chamber music concerts by students of the Toho Gakuen School of Music in the Mitsui Hall. This hall is designated an important cultural asset.

The imaginative, high-quality performances have entertained many clients in a cozy setting while providing the music students with opportunities to present their talents to receptive audiences.

Chamber music concert organized by the business division of Chuo Mitsui's Nihonbashi Branch.

▶Preventing Fund-Transfer Fraud

All business offices and branches of Chuo Mitsui are involved in various activities to thwart possible fraudulent fund transfers. Activities include seminars, public information campaigns and enhanced security in automated teller machine corners. Counter staff will alert clients on the spot if a fund transfer request seems at all suspicious.

Being alert to the signs of a possible ruse and actually preventing a fraudulent event from transpiring has earned Chuo Mitsui letters of gratitude from the police.

Public information campaign put on by Chuo Mitsui's Umeda Branch in Osaka.

▶Cleanup at Tottori Sand Dunes

Chuo Mitsui's Tottori Branch is proud to be associated with the extensive cleanup campaigns at the Tottori Sand Dunes, a natural asset that stretches along the Sea of Japan coast east of the city of Tottori. These events are organized by the local government and have taken place every spring and autumn since 1980.

The branch encourages its employees to get involved as part of its ongoing commitment to the community, and the 13 employees who joined a large crowd of volunteers in the spring 2008 cleanup found the event to be extremely rewarding.

As a member of the local community, the branch will continue to participate in activities that preserve the beauty of the dunes.

Cleanup campaigh at the Tottori Sand Dunes.

▶Academic Materials for Elementary School in China

The Beijing Representative Office donates school books and other academic materials to the Mitsui Trust and Banking Taihe Elementary School, in rural Taihe County, Anhui Province, China. This school was built in 1996 with funds from members of the Group before the merger in 2002 under a program to support education for children in the developing regions of China.

In addition to its donations of children's books and electronic products, including personal computers, the office maintains a direct link to the school through visits by the chief representative and other activities. These efforts help sustain a positive learning environment for the children.

Children with books donated by the Beijing Representative Office.

For the Environment

To address environmental issues, especially global warming, the Group, as a whole, promotes energy- and resource-saving activities and tackles ways to shrink its environmental footprint.

▶ Tokyo Governor's Prize for Measures to Combat Global Warming

The companies under the Chuo Mitsui Trust Group umbrella participate in Team Minus 6%, a national project to achieve Japan's 6% Kyoto Protocol target and actively embrace energy- and resource-saving measures.

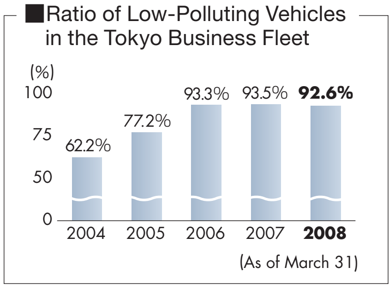
Of note, Chuo Mitsui's efforts to reduce energy consumption at the Chofu Center through the installation of an energy management system and conversion of used fuel were recognized with a Tokyo Governor's Prize.

みんなで止めよう温暖化
チーム・マイナス6% www.team-6.jp

▶ Low-Polluting Vehicles and Stop-Idling Rule

At Chuo Mitsui, more than 80% of the vehicles driven for business-use by employees in administrative divisions and branches are low-polluting models. Of note, low-polluting vehicles at the bank's offices in the Tokyo metropolitan area accounted for more than 90% of the vehicles in use in March 2006. This level has been consistently maintained.

Chuo Mitsui is an active participant in the Tokyo Metropolitan Government's stop idling initiative. All the bank's business-use vehicles in Tokyo sport the special "Stop Idling" sticker produced by the city's Bureau of Environment Automotive Pollution Control Division to raise awareness of idling and its adverse impact on air quality.



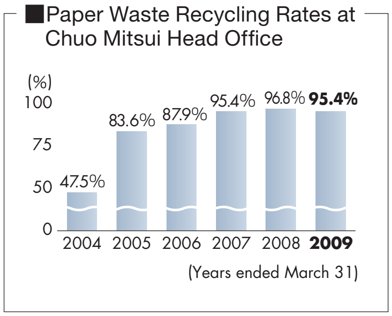
▶ Energy- and Resource-Saving Activities at Offices

In fiscal 2005, ended March 31, 2006, the Chuo Mitsui Trust Group companies joined the Cool Biz movement, and continue to follow this relaxed dress code during summer. Air-conditioners are set at 28°C and limits are put on the hours that air-conditioners can be used.

Other efforts to reduce energy consumption include a limited number of elevators in operation at the Chuo Mitsui head office. In fact, use of the stairs is encouraged. The cafeteria's hours of operation have also been shortened.

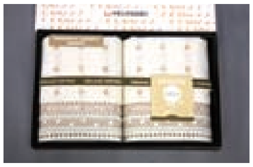
As a resource-saving measure, paper waste is recycled. The Chuo Mitsui head office achieved a recycling rate of 95.4% in fiscal 2008, ended March 31, 2009.

In addition, Chuo Mitsui branches as well as those of Chuo Mitsui Asset turned out the lights, mainly illuminated signage and front window areas, in conjunction with the Ministry of the Environment's Lights-Down Campaign on June 21, 2008—the first day of summer—and again on July 7, 2008—the first day of the Toyako Summit. This event was designed to draw attention to efforts that reduce carbon dioxide and encourage businesses, especially, to turn off their neon signboards and advertising billboards.



▶ Gifts for Clients

Chuo Mitsui has consistently favored environment-conscious gifts for clients. In October 2008, the bank began offering a Katharine Hamnett towel set made of organic cotton and therefore free of chemically synthesized agrichemicals. Individual branches have also come onboard the eco-friendly gift wagon with their own selections.



Masahiko Suzuki

Architect, First Class
Director and Manager, Facilities Management Division CMTB Facilities K.K.

CMTB Facilities K.K. undertake overall management and operation of buildings and facilities used by Chuo Mitsui.

The bank uses about 100 buildings in Japan. CMTB Facilities' seven registered architects, of First Class, including myself, are directly involved in the management and operation of these buildings, and we work day and night, applying our expertise to energy-saving policies.

Global warming is an urgent problem of worldwide proportions. The Group will draw on composite strengths to promote energy- and resource-saving activities to lessen its environmental impact.

Chuo Mitsui

Services for Individuals and Corporations

Individual Services

Retail Business

Balance of investment trust sales: ¥912.6 billion
Balance of annuity insurance sales: ¥1,096.2 billion

Chuo Mitsui (“CMTB”) turned in a top-class performance, thanks to a wider selection of high-quality investment trusts and annuity insurance products, and thus has acquired a solid reputation as a key player in the industry

Banking Business

Balance of housing loans: ¥3,000.2 billion

CMTB’s lending balance is steadily growing, largely because its products are well suited to clients’ needs.

Corporate Services

Financial Services

Balance of corporate restructuring and revitalization-related finance: ¥93.0 billion
Balance of real estate asset finance: ¥848.1 billion

CMTB actively addresses the diverse fund procurement requirements of corporate clients by providing corporate restructuring and revitalization-related financing, such as leverage financing, and real estate asset finance.

Real Estate Business

Balance of securitized real estate: ¥5,180.5 billion
Real estate business-related revenue: ¥13.9 billion

CMTB strives to extend corporate financing solutions attuned to the needs of clients as well as assorted services backed by high-level expertise in the real estate fund business.

Stock Transfer Agency Services

Number of listed companies under administration by Chuo Mitsui Trust Group: 926

CMTB utilizes accumulated experience and the merits of scale to offer a broad range of services, including advice on initial public offerings (IPOs), practical, stock-related legal assistance, IT support services of general shareholders’ meetings, and support for corporate investor relations activities.

Business Outline

Individual Services

- Sell investment trusts and annuity insurance
- Provide various trust and deposit products
- Extend loans to individuals
- Reverse mortgages
- Facilitate utilization of real estate
- Extend testamentary trust and inheritance-processing services
- Provide tailor-made trusts

Corporate Services

Financial Services

- Present diverse financing techniques
- Function as advisory
- Promote business matching
- Offer fund-management products

Real Estate Business

- Undertake brokerage of properties
- Securitize property holdings
- Perform appraisals
- Suggest methods for effective utilization of real estate

Stock Transfer Agency Services

- Provide stock-related services
- Present advice on IPOs
- Offer practical, stock-related legal assistance
- Provide IT support services
- Offer services to support investor relations activities

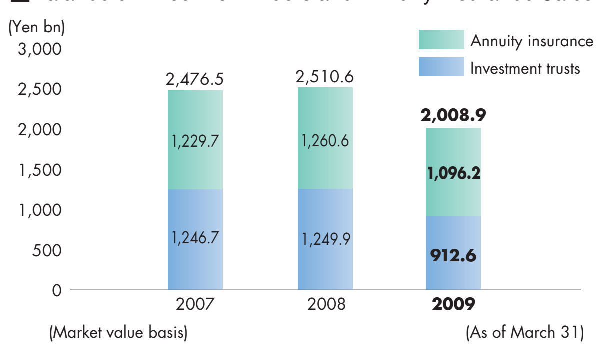
External Environment, Clients' Needs		Concrete Actions, Services
The growing need for fund management against a backdrop highlighted by the mass retirement of the baby-boomer generation and reform of the public pension system.	▶	Offer a product and service menu matched to diversifying client needs.
Demand for effective utilization of assets and smooth transfer and maintenance of inheritance with the advent of a society characterized by a falling birthrate and a rising percentage of elderly.	▶	Apply know-how on asset utilization through high-level consultations.
Improved convenience of financial institutions by progress in deregulation and increased use of the Internet.	▶	Enrich the network through such measures as distinctive branch development.

Offer a Product and Service Menu Matched to Diversifying Client Needs

Commendable Achievements in Sales of Investment Trusts and Annuity Insurance

CMTB handles a rich variety of investment trusts and annuity insurance geared to client needs and complements these funds with expanded access to accurate, high-quality consultations. As a result, despite prevailing challenges, particularly lackluster stock market conditions, which eroded fiscal 2008 balances in sales of investment trusts and annuity insurance, CMTB was able to maintain its vanguard position with one of the highest balances of any domestic financial institution.

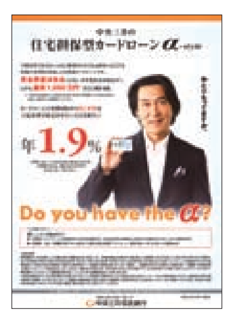
■Balance of Investment Trusts and Annuity Insurance Sales



Wide Variety of Loans Geared to the Lifestyles of Individuals

CMTB provides loans for first-time homeowners as well as financing to cover the cost of building a new home, to purchase a home upon selling an older dwelling and to refinance a home. However, the scope of lending choices also includes formats with enhanced convenience, such as the option to combine miscellaneous expenses into a loan, as well as loans with repayment provisions that grant borrowers added peace of mind in the event of unforeseen circumstances, such as illness. For the latter, borrowers can opt into a package that carries a rider against all three major diseases in Japan—cancer, stroke and heart attack—and one specifically for cancer.

Responding to diversifying lifestyles and a range of retail banking requirements, CMTB complements its housing loans with a selection of products that utilize homes as collateral. This includes home-backed card loans (α-*style*), a secured financial instrument that enables clients to acquire funds for the application of their choosing.



Home-Backed Loans for Seniors Ensure Comfort in Old Age

Leading the way in the finance industry, CMTB began handling reverse mortgages in March 2005 to provide elderly homeowners with funds that enable them to maintain a comfortable life in their retirement years.

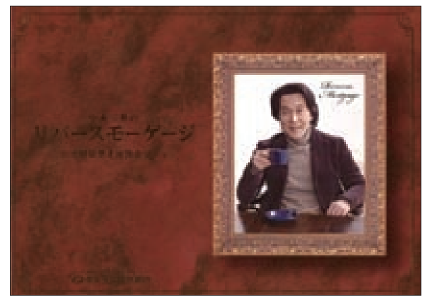
▶ CMTB's Reverse Mortgages

A reverse mortgage is a lending structure that essentially enables the borrower to acquire funds, with a house as security, so that when the borrower dies, the loan is recovered by selling the property. The reverse mortgages offered by CMTB support the financial freedom of older clients.

CMTB offers two types of reverse mortgages—fixed, annual installments, similar to a pension and disbursements within an established limit whenever the borrower requires funds. Clients can choose the option that best fits their needs.

The funds acquired under either format can be used for any purpose, except business applications, to finance leisurely pursuits as well as home renovations or for moving into an old-age home.

If a home is left vacant during the contract period, the borrower can entrust the property to Tokyu Relocation Co., Ltd., a specialized real estate company that CMTB partnered with in April 2008, to rent the house out or otherwise ensure effective use of the subject property and generate income while the owners are absent. Such opportunities give older clients various lifestyle options and comfort in their sunset years.



Apply Know-How on Asset Utilization Through High-level Consultations

▶ Capitalizing on Real Estate

Dealing with real estate brings out all sorts of questions and requirements, whether they are issues surrounding the first-time purchase of a home or moving from one home to another, the acquisition of investment or business property or its sale, or assistance to fully capitalize on a property's potential.

CMTB maintains close ties with Chuo Mitsui Realty Co., Ltd., a member of the Chuo Mitsui Trust Group with years of experience in the market and an extensive service network, to accurately address from a client's perspective all the issues that emerge in dealing with real estate. CMTB lists numerous buildings on Chuo Mitsui Realty's website and maximizes a wide range of information opportunities, including seminars and individual sessions arranged with Chuo Mitsui Realty to enhance consultation services covering all real estate categories.

For members and special members of CMTB's members-only Best Quality service who seek real estate brokerage services, CMTB maintains a preferred system that discounts brokerage fees at the time of contract-signing.

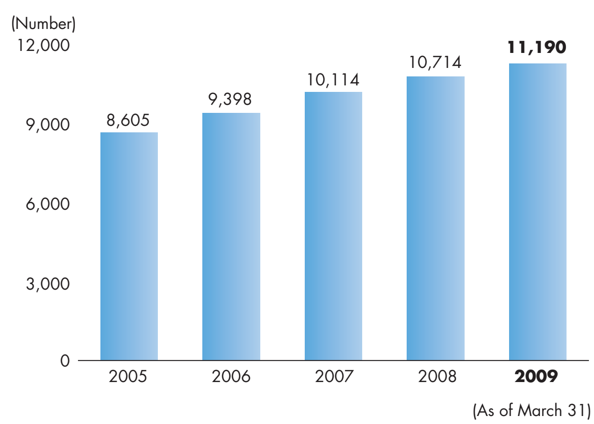
▶ Testamentary Trusts

The drafting of a will is the most reliable way for a person to ensure that precious or hard-earned assets are transferred smoothly to the specified beneficiaries or to allocate a certain portion of the assets to a particularly deserving individual or charity.

CMTB's comprehensive view of testamentary-related business covers all angles, including taxation and legal considerations. CMTB utilizes the testamentary trust expertise only a trust bank can possess to extend pertinent advice on the preparation of wills for expeditious transfer of wealth. CMTB also offers subsequent assistance, such as custody of wills and executor services to guarantee accurate distribution of assets according to the stated wishes of the deceased.

The number of wills in CMTB's custody reached 11,190 as of March 31, 2009, substantiating the enduring bonds of trust that CMTB has forged with clients over many years.

■Number of Wills in Custody



Varied Network with Distinctive Branches

Consulplaza Openings

CMTB continued to expand the *Consulplaza* network and in fiscal 2008 welcomed the opening of five new locations: *Consulplaza* Kashiwa, in Kashiwa, Chiba Prefecture, in August 2008; *Consulplaza* Chitose-Karasuyama, in Setagaya-ku, Tokyo, in September 2008; *Consulplaza* Gakuenmae, in Nara, Nara Prefecture, October 2008; *Consulplaza* Nishinomiya Kitaguchi, in Nishinomiya, Hyogo Prefecture, in November 2008; and *Consulplaza* Kyoto, inside the Kyoto Branch, in January 2009. These locations are always crowded with clients.

In principle, *Consulplaza* locations are open on weekdays and weekends throughout the year and maintain extended evening hours to accommodate clients who have no time to stop by during regular daytime operation. The *Consulplaza* concept of a readily accessible living design consultation space give clients a gateway to discuss various financial topics, including loans, asset management, real estate and wills and inheritance, at no charge.

Since the first *Consulplaza* opened in 1998, CMTB has carefully expanded the network, focusing on places of convenience, such as train stations or department stores and other commercial facilities, which clients are likely to frequent in the course of their day-to-day activities. This makes it easier for clients to drop into a *Consulplaza* on the way to or from another errand.

Consulplaza Gakuenmae, in Nara

Consulplaza Nishinomiya, in Hyogo

Including the five newest locations, the *Consulplaza* network stood at 27 locations, as of March 31, 2009.

CMTB will continue to enhance accessibility through further development of the *Consulplaza* network and its regular branch network, which comprised 67 branches and three sub-branches, as of March 31, 2009.

Expanded Online Banking Services

CMTB continues to enhance the range of transactions possible through Chuo Mitsui Direct, an online banking service that debuted in March 2007. The goal is to encourage clients to see the service as a convenient, worry-free way to execute their banking tasks.

To provide a greater sense of security, CMTB is aggressively implementing measures to prevent phishing, an online form of fraud that has become increasingly prevalent in the last few years. In April 2008, CMTB signed up for RSA FraudAction, a complete fraud protection service that includes site shutdown, and put in place a structure that promptly dispenses with phishing sites. Then in October 2008, CMTB installed Extended Validation Secure Sockets Layer Server Identification so that clients can easily verify that the page they are browsing is indeed a page of CMTB's website. And in February 2009, CMTB began sending emails with electronic signatures so that receiving clients know for sure that these are legitimate notices from CMTB.

To make online banking more convenient, in March 2009 CMTB extended the deadline for same-day transactions on investment trusts. For all products except money market funds, requests had to be received by noon to be executed on the same day. The closing time for transactions is now 3 p.m., with a few products for which transactions must be made by 2 p.m. to be posted on the same day.

CMTB will continue to improve its service menu and accessibility to make online banking more attractive to clients, from both security and convenience standpoints.

Energetic Advertising Campaigns

Television Commercials

In April 2008, CMTB began airing television commercials featuring the well-known actor Koji Yakusho. The first round of commercials, in April and May, had Mr. Yakusho sitting alone in a theater, watching a retirement scene on the big screen. At the end, he describes the *Special Interest Term Deposit* to the man who has retired in the scene. The second round of commercials, in June and July, highlighted the card loan product *Chuo Mitsui Home-Backed Card Loan (α-style)*, with Mr. Yakusho promoting *α-style*.

Since those commercials in the spring and summer of 2008, CMTB has run two more versions, spotlighting asset management and wills and inheritance, respectively. The asset management commercial has Mr. Yakusho transplanting a pot of flowers to a place outside where they can bloom and grow to profusion. The idea is that assets, like flowers, can flourish in the right environment. The wills and inheritance commercial portrays Mr. Yakusho as a man listening to his father's records and reminiscing. The underlying theme is that leaving assets, whether they be financial or material objects, keeps memories of someone who has died alive in the recipient's heart.

CMTB plans to utilize various media channels, to raise its corporate profile and promote its services menu.

Listening to Clients

CMTB headquarters receives many comments and requests from clients, forwarded through domestic branches and call centers. CMTB has also installed suggestion boxes at banking access points and occasionally sends questionnaires directly to clients to ascertain their needs and preferences.

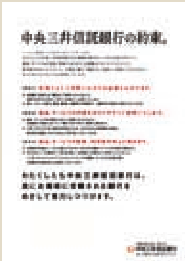
In September 2008, CMTB undertook a broad-based survey, mailing out questionnaires to clients as well as to those who had terminated contracts. The effort drew about 4,000 responses offering valuable ideas and requests.

Compliments and complaints from clients converge in the Customer Service Department, where staff looks into the comments—good and bad—and identifies problem points. Solutions, based on initial input from clients, are considered at the executive level and in the affected operating divisions to improve products and services.

CMTB produces a leaflet dedicated to client comments. In it, CMTB acknowledges the many comments received from clients and describes efforts to address suggestions and concerns that will inevitably lead to enhanced products and services.

CMTB will consistently strive to upgrade the skills of each and every employee and reinforce the quality and usefulness of the products and services it provides. This emphasis will support a solid level of trust between CMTB and more clients and ensure that CMTB can always meet their expectations.

Promoting Customer Satisfaction Activities at All Branches



In April 2009, as part of its efforts to cement its reputation as a financial institution truly trusted by it clients, CMTB began reinforcing activities designed to elicit a higher level of customer satisfaction at all branches.

Each location has put up a poster declaring CMTB's promises to clients—essentially, the keys to higher customer satisfaction—which acts as a motivational reminder to employees. Other active approaches to customer satisfaction include the creation of a client satisfaction improvement committee at each office, client response rules fine-tuned to branch-specific conditions, and action plans for boosting customer satisfaction.

Reducing Wait Times

CMTB is working to reduce lobby wait times for clients who come into a branch for their banking needs. Toward this end, new number-dispensing machines have been installed at 27 branches, as of March 31, 2009. These machines print out numbered tickets according to banking transaction so that clients can be directed to the counters best suited to handle the desired transaction. This makes the branch visit faster and more efficient for everyone.These machines will be installed at other branches within the domestic network.

In addition, to make wait times more pleasant, CMTB will gradually put in self-serve tea machines at more locations so that clients can enjoy a beverage until their number is called.

The drinking cups are eco-friendly and will not generate toxic gas if/when incinerated.

External Environment, Clients' Needs		Concrete Actions, Services
Increasingly diversified, high-level techniques for procuring capital.	▶	Extend a broad range of financing options through various financing methods.
Change in the business environment.	▶	Provide an assortment of solutions to support clients' efforts to enhance corporate value.

Varied Financing Techniques Widen Fund Supply

CMTB draws on a wealth of experience and know-how accumulated over many years to provide financing geared to the needs of corporate clients.

A prime example is real estate asset finance, such as non-recourse loans and securitization of real estate, which utilizes real estate-managed trusts and special purpose companies. Real estate asset finance extends beyond securitization of company-owned properties to a wide range of applications, including real estate investment projects.

Other financing techniques include leverage financing, which enables clients in the process of corporate restructuring to reinforce corporate value through management buyouts and leveraged buyouts, and debtor-in-possession financing for clients seeking funds to revitalize operations through corporate rehabilitation procedures.

Assorted Solutions to Support Clients' Efforts to Enhance Operations

CMTB maximizes the unique characteristics inherent in a trust bank to provide clients with a wide selection of corporate value-enhancing solutions, from introductions that can lead to mergers and acquisitions involving business divisions and subsidiaries to the liquidation of assets and the restructuring of corporate real estate (CRE Strategies). CMTB also presents workable business strategies, such as methods to facilitate business succession and measures to deflect hostile takeover bids.

Corporate Real Estate Strategies

The importance of real estate in corporate management strategies is growing. Against this backdrop, CMTB is actively encouraging clients to undertake a review of respective property holdings and related utilization strategies. CMTB is also reinforcing its proposal-making activities, with a focus on real estate sales and securitization. Integral to this process is know-how acquired over many years in financing and real estate-related operations and the ability to pinpoint the changing needs and perceptions of each client with regard to property holdings.

External Environment, Clients' Needs		Concrete Actions, Services
Demand for business finance improvement and the securing of diversified funding methods.	▶	Draw on the comprehensive skills of real estate professionals to reinforce consultation capabilities.
Development of the real estate investment market, such as J-REITs and private funds.	▶	Aggressively promote real estate fund-related business.
Expansion of investment in the real estate market by institutional investors.	▶	Fulfill investment needs with pertinent real estate investment consultations.

Real Estate Business

CMTB has a number of real estate specialists, including real estate appraisers, on staff. Drawing on the many years of experience and expertise accumulated by these professionals and their predecessors, CMTB is able to offer clients a comprehensive range of real estate-related consultations from various starting points, including brokerage and securitization, effective land utilization and real estate appraisals and assessment, to respond accurately to demand for financial solutions for client companies.

Draw on the Comprehensive Skills of Real Estate Professionals to Reinforce Consultation Capabilities

Real Estate Brokerage and Securitization Services

In the area of property sales and purchasing for business use, CMTB's seasoned professionals boast solid experience and expertise in various real estate-related matters, including taxation and law. They respond with fine-tuned precision to the needs of corporate clients and take on everything from structural surveys to the preparation of transfers of ownership.

In the area of improved balance sheet composition and funding, CMTB assists clients in creating financial strategy solutions such as securitization and other methods.

Real Estate Appraisals and Effective Use of Property

CMTB makes full use of accumulated real estate development and management know-how to extend advice on the design of suitable plans for eliciting greater practical value from old buildings and idle land. CMTB also draws on the considerable expertise of its own real estate appraisers to address heightened demand for accurate assessment of property values, paralleling the trend of corporate restructuring.

A J-REIT is a structure by which a specially formed trust or an investment company established under special tax measures channels funds collected from multiple investors into revenue-generating real estate through diversified investment with subsequent investment returns distributed to investors. The implementation of a listing mechanism on stock exchanges allows investment units and trust beneficiary certificates issued by investment companies to be traded on the market like stocks. As of March 31, 2009, a total of 41 funds were listed on the Tokyo Stock Exchange.

Aggressively Promote Real Estate Fund-Related Business

CMTB energetically promotes its real estate fund-related business to capitalize on emerging opportunities, such as the trend among companies to reduce and recombine assets through securitization of real estate, an expanded J-REIT market, as well as demand for private fund formation fueled by diversifying investment needs.

Administration of Securitized Real Estate Trusts

The formation of real estate securitization schemes and real estate funds almost always includes the establishment of trusts to manage the subject property. Trusts to manage and dispose of real estate represent a fundamental structure of real estate securitization, and in the administration of such trusts, CMTB suggests securitization schemes matched to user requirements and provides administration-related services of a high caliber. The value of trusts under administration stood at ¥5.1 trillion, as of March 31, 2009.

Asset Custody and General Administration for Listed J-REITs

J-REIT investment companies are legally obligated to outsource to trust banks and other financial institutions the administration of investor lists as well as asset custody services, such as the creation of accounting books for asset holdings, including cash, title deeds and marketable securities, as well as actual custody of these assets, and the execution of general office work, such as corporate administrative processes.

CMTB has participated in the establishment of a number of listed investment companies, and as of March 31, 2009, provided asset custody and other administration services to 11 of the 41 listed investment companies. The high quality of its services has earned CMTB high marks from these clients.

Fulfill Investment Needs with Pertinent Real Estate Investment Consultations

Despite lingering repercussions from the credit crunch and turmoil in financial markets worldwide, demand for real estate remains firm. For companies, real estate transactions still form the backbone of corporate management and financial strategies, while investors remain keen to acquire and operate revenue-generating real estate that they can count on to deliver steady cash flow.

CMTB designated its real estate investment advisory department and real estate investment promotion departments as specialized sections. CMTB registered as a general real estate investment advisory and therefore has a structure in place to facilitate responses to any real estate investment need that clients may have. CMTB's capabilities are enhanced by consistent efforts to enrich the content of its consultations.

General Real Estate Investment Advisory

In September 2000, the Ministry of Land and Transportation introduced a registration system for general real estate investment advisories to encourage healthy development of this business. Real estate investment advisories provide assistance on real estate investments and discretionary services on behalf of clients regarding investment decisions and transactions. An advisory that limits its services to assistance on real estate investments is classified as an ordinary real estate investment advisory, while an advisory that integrates basic services with discretionary services involving decisions and transactions is classified as a general real estate investment advisory.

Stock Transfer Agency Services Chuo Mitsui

External Environment, Clients' Needs		Concrete Actions, Services
Respond to the dematerialization of stock certificates, advances in IT, and the need for high-level systems.	▶	Started executing operations under the dematerialized stock certificate system.
Respond to new legislation, including the Company Law, and as it applies to shareholders' general meetings.	▶	Offer practical, stock-related legal services.
Utilization of IT for general shareholders' meetings.	▶	Provide services that underpin the use of IT.
Greater effort put into investor relations (IR) activities.	▶	Undertake IR support services.

Stock Transfer Agency Services

Stock transfer agency services ensure swift and accurate execution of a multifaceted array of corporate actions, assumed on behalf of stock-issuing clients and all done in accordance with legal and taxation rules. These services encompass annual tasks, namely, maintaining shareholder lists, sending out voting notices and invitations to shareholders' general meetings, and calculating and distributing dividends, in addition to stock-related events, including capital increases, stock splits and the transfer of shares.

With the enforcement of the dematerialized stock certificate system, stock transfer agency services also include management of special accounts, which are book-entry transfer accounts established by stock-issuing companies to protect the rights of shareholders who do not have accounts at securities companies.

Commenced Operations Under the Dematerialized Stock Certificate System

As the dematerialized stock certificate system went into effect January 5, 2009, systems went online and the execution of sophisticated back office operations began.

The location was Japan Stockholders Data Service Company, Limited, a 50:50 joint venture established with Mizuho Trust Banking Co., Ltd., in April 2008. CMTB outsources its stock transfer agency back office operations to the joint venture, as does Tokyo Securities Transfer Agent Co., Ltd., a wholly owned subsidiary of CMTB. But the joint venture will seek to represent a joint-use platform for stock transfer agency back office operations with activities aimed at enhancing related IT and systems and raising administrative standards.

Japan Stockholders Data Service knows the importance of protecting client information and is working to achieve the required standard to be recognized for Privacy Mark certification from the Japan Information Processing Development Corporation. Tokyo Securities Transfer Agent and CMTB Stock Transfer Agency Business Co., Ltd., another wholly owned subsidiary of CMTB, are already authorized to use the Privacy Mark logo.

Privacy Mark

The Privacy Mark certification confirms that a business maintains a management system with suitable measures to protect private information and that it properly handles such data, in accordance with JISQ 15001 criteria established by the Japan Industrial Standards Committee.

Practical, Stock-Related Legal Assistance

In-house professionals have accumulated a wealth of practical experience that CMTB draws on to run study sessions for stock-issuing companies on the Company Law and the Financial Instruments and Exchange Law as well as takeover defense measures and responses to issues that impact general shareholders' meetings. In addition, CMTB holds lectures jointly with Tokyo Securities Transfer Agent on topics of interest to stock-issuing companies, such as practical measures for dealing with the dematerialization of stock certificates and shareholder proposals.

CMTB issued ***Kabuken Denshikago no Kabushiki Jitsumu*** ("Stock Matters after Stock Certificates Are Dematerialized") in January 2009 to coincide with the implementation of the dematerialized stock certificate system. In March 2009, CMTB brought out ***Heisei 21 Nenban Kabushiki Jitsumu Kabunushi Sokai no Point*** ("Stock Matters: Hints on Executing General Shareholders' Meetings, (2009 edition)"). Complementing these publications were regular issues of specialized magazines and books, such as ***Shoken Daiko News*** ("Stock Transfer Agency News") and ***Shoken Daiko Kenkyu*** ("Stock Transfer Agency Studies"), which support the stock-related activities of issuing companies from a legal perspective.

These formats present clients with timely, practical information—a commitment that has earned top marks from CMTB's corporate clients.

Kabuken Denshikago no Kabushiki Jitsumu ("Stock Matters after Stock Certificates Are Dematerialized"), released in January 2009 through Shoji-Homu Co., Ltd.

Heisei 21 Nenban Kabushiki Jitsumu Kabunushi Sokai no Point ("Stock Matters: Hints on Executing General Shareholders' Meetings, (2009 edition)"), released in March 2009 through Zaikei Shohosha.

Supporting the Use of IT

CMTB's Online System for Shareholders' General Meetings updates the tally of votes exercised by shareholders on an hourly basis. This system can be linked to the system set up in the reception area on the day of the shareholders' general meeting to support fast and secure execution of the meeting agenda. In addition, the Online System for Shareholders' General Meetings has a site where shareholders can exercise their right to vote online. This function has drawn high praise for ease-of-use.

IR Support

CMTB offers beneficial shareholder survey services to identify domestic and overseas institutional investors not listed in shareholders' registries. Specifically, CMTB provides a proprietary data-creation service on domestic institutional investor beneficial shareholders and a survey report on domestic institutional investor shareholders as well as foreign shareholder surveys and foreign beneficial shareholder data services.

In addition, CMTB maintains an assortment of meticulously thorough IR support services, from a report on voting results to convocation notice sites, techniques to visualize how shareholders' general meetings will unfold, and individual shareholder questionnaires.

Chuo Mitsui Asset

Institutional Investor Services

Institutional Investor Services

Pension Trust Business

The leading choice for asset management companies: No.1 among trust banks

Chuo Mitsui Asset ("CMAB") is focusing on its consulting expertise in retirement benefit plans to design and provide services fine-tuned to clients' needs, which will lead to stronger client loyalty, a larger amount of assets under administration and higher profits.

Securities Trust Business

Balance of investment trusts under administration—more than ¥7.6 trillion

CMAB will expand its profit base in the constantly growing investment trust market by directing more energy into the trust operations characteristic of a trust company and enhancing related services, and by focusing more attention on stronger investment advisory services for asset management companies.

Business Outline

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1. Trusts for which the trustee has the authority to manage the entrusted funds at its own discretion within the range and type of assets designated by the trustor.
2. Trusts to facilitate the purchase of own shares (treasury stock) from the market on behalf of the trustor, i.e., the client company. This is a specified investment-style product that allows purchases at the trustee's discretion, thereby averting possible violation of regulations by the client company concerning market manipulation and insider trading.
3. Trusts for which the trustor has full discretionary rights for management of the entrusted assets.
4. Products utilizing trust schemes that function as measures to deflect hostile takeovers.
   A trust is set up for equity warrants prior to the execution of subscription rights to new shares, so that if a hostile takeover bid is tabled, new shares can be issued to existing shareholders, essentially terminating the predatory action.

CMAB also handles other products, including money claims in trust, in addition to the products listed above.

External Environment, Clients' Needs	Concrete Actions, Services
Demand for high-quality fund management products featuring excellent risk-return characteristics.	Provide top class asset management expertise.
Requirement of high-level fund management consultation.	Advanced consulting capabilities exercising expertise to the fullest extent.
Reinforcement of risk management positions.	Fulfill fiduciary responsibility through a unified risk management system.

One of Japan's Largest Asset Managers

The Trust Asset Management Department is responsible for about ¥21 trillion in funds. These funds are combined in various formats, including corporate pensions, public pensions and public sector funds, and are managed according to proposals formulated with the explicit input of clients. The scale of the funds handled at CMAB is one of the largest in Japan, and CMAB utilizes the merits of this scale, as well as the talents of a skilled group of some 200 professionals, to achieve excellent fund management performance.

Provide Top Class Asset Management Expertise

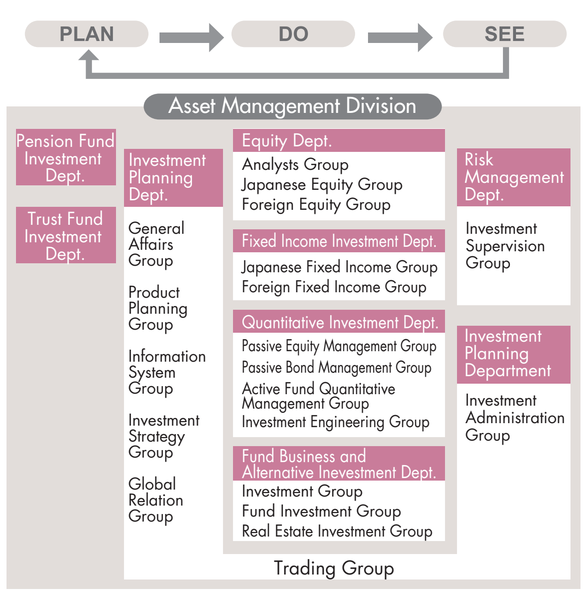
Consistent Fund Management Principle and Function-Specific Structure

Fund management operations at CMAB are underpinned by a fundamental principle that prioritizes consistency and clarity in the processes used to manage funds. To support this principle, operations have been arranged into a function-specific structure paralleling the all-encompassing Plan→Do→See process for fund management products. As a multiproduction firm, CMAB provides a diverse selection of products, including actively managed funds, passively managed funds and alternative funds, targeting both foreign and domestic investment.

Providing High-Quality Products

As one of the largest asset management companies in Japan, CMAB is providing high-quality products for 1) active fund management, whereby well-experienced fund managers establish funds based on research data compiled by top-class corporate and quantitative analysts, in terms of qualification as well as number, 2) passive fund management, which draws on years of accumulated results since the 1985 launch of passive funds, featuring domestic stock to promote the process and improve the quality of related products, and 3) alternative funds, such as hedge funds, real estate funds, global REITs and private equity funds.

■Divisional Structure for Trust Asset Management



(As of July 1, 2009)

Advanced Consulting Capabilities Exercising Expertise to the Fullest Extent

Portfolio Consultations

CMAB is promoting consulting regarding appropriate portfolio — portfolios wherein risk-return is constrained to respond to the need for stabilized investment performance, promoting diversified investment from a medium-to long-term perspective or responded to the need for high performance backed by high growth in emerging countries — reflecting clients' varied needs.

New Product Consultations

Regarding introduction of new products such as Asian equity active funds, which invest in Asian countries where high growth is expected over the medium to long term, from the dual perspective of diversified sources of investment income and risk diversification through a wider selection of country-based investment targets, and infrastructure investment funds, which are a response to the diversification of alternative products, CMAB is extending the scope of its consulting that matches clients' needs and features new products.

Promoting New Businesses

Deregulation, effective from April 2004, lifted restrictions on the participation of trust banks in the area of investment advisory services. Seeking to capitalize on this opportunity to establish a wider, more resilient profit base, CMAB enthusiastically embraced investment advisory services, including the promising field of advice on investment trusts, and has endeavored to apply respected fund management expertise acquired through services for institutional investors to meet the needs of individual investors as well.

With an eye toward further cultivating its base of new clients, CMAB entered the business of asset management services for nonresidents and offers investment advice on foreign-owned funds that concentrate investment in Japanese stocks.

Fulfill Fiduciary Responsibility Through a Unified Risk Management System

CMAB strictly adheres to the responsibilities expected of a trustee. This commitment is substantiated by an independent risk management structure specifically created for asset management operations and a unified structure for risk management, compliance and performance evaluation.

In addition, to guarantee the integrity and transparency of its services, CMAB welcomed examination of its trust asset management business by an external auditing corporation in accordance with the U.S. auditing standard SAS 70 and received an SAS 70 auditor's report attesting to effective application of internal controls during the verification period.

Sustained High Marks in Survey of Pension Funds

CMAB achieved high approval ratings, both quantitatively and qualitatively, again in 2008, taking top spot among Japanese trust banks in Newsletter on Pensions & Investment, a survey conducted by Japan's Rating and Investment Information, Inc., that targets institutional investors nationwide and asks them to assess the fund managers handling their pension funds. CMAB has maintained this rating since 2001.

CMAB was also voted the No. 1 fund manager among all trust banks that clients would choose newly as a service provider. CMAB has been named to this spot every year since 2005.

The solid evaluation and enduring loyalty that CMAB has garnered from its clients are a testament to its asset management capabilities and pertinent investment advice.

Chuo Mitsui Asset Wins R&I Fund Award 2009

Adding to its R&I Fund Award collection, CMAB was recognized at the 2009 event, sponsored by Rating and Investment Information, Inc., with top prize in the defined benefit pension category for a CMAB-managed enhanced index fund targeting domestic stocks.

A fund on which the CMA offers investment advice to the fund manager, Chuo Mitsui Asset Management, was recognized with a prize in the investment trust category for J-REITs. Another fund, with a domestic equity focus, took an award in the defined contribution pension category.

Asset Administration Business Chuo Mitsui Asset

External Environment, Clients' Needs	Concrete Actions, Services
Highly precise, low-cost services.	Improve business efficiency through economies of scale.
Reinforcement of services with higher quality and higher value-added features.	High-value-added services: online information access.
Risk management System.	Strict application of internal controls and external audits.

Asset Administration Business

Asset administration and asset management are complementary sides of the same business coin, wherein asset administrators handle the basic elements of asset maintenance, including custody, settlement, accounting and record-keeping, for the various assets designated for investment by fund managers. In addition to reliable and precise data processing, asset administration increasingly requires swift and accurate responses to the evolving globalization of fund management and reform of the domestic securities clearing and settlement system. It also requires higher-quality services, including securities lending and transition management, and sophisticated information services, such as the integrated presentation of administration results.

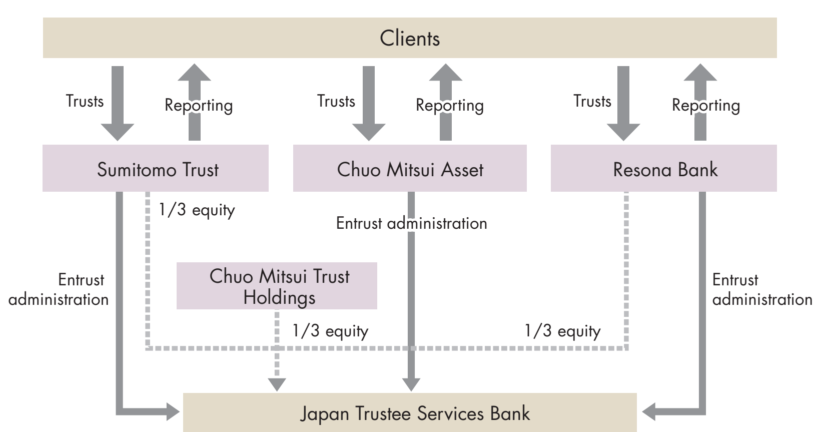
Improve Business Efficiency Through Economies of Scale

Benefiting from Transfer of Assets to Japan Trustee Services

Seeking to capitalize on the economies of scale in basic operations of trust asset administration, CMAB has entrusted administration of its trusts assets to Japan Trustee Services Bank, Ltd.

Japan Trustee Services Bank, with investment from Chuo Mitsui Trust Holdings, The Sumitomo Trust & Banking Co., Ltd., and Resona Bank, Ltd., is Japan's largest asset administrator with entrusted assets at a staggering ¥181 trillion.

As always, Japan Trust Services Bank will draw on the management resources and years of know-how accumulated by participating banks to deliver high-level asset administration services to its clients and will utilize the returns granted by the size of entrusted assets to make execution of these services all the more efficient.



Profile of Japan Trustee Services Bank

- Date of establishment: June 20, 2000
- Capitalization: ¥51.0 billion
- Total assets: ¥1,189.2 billion
- Balance of trust assets: ¥181,279.2 billion

(As of March 31, 2009)

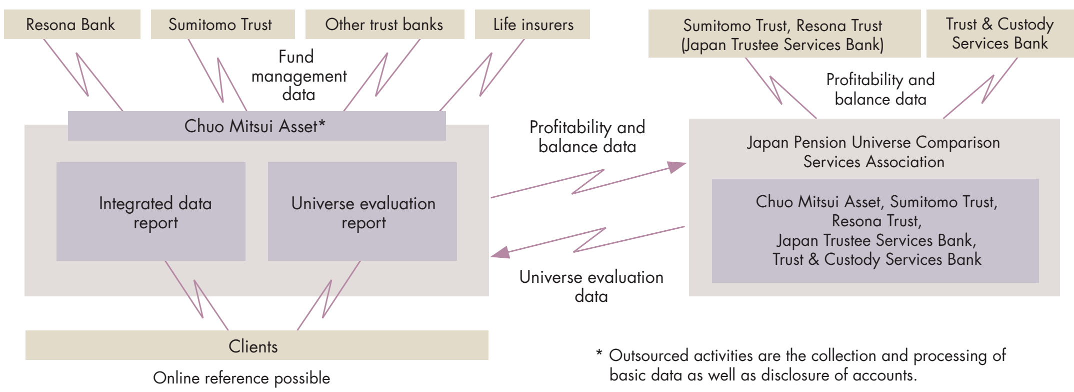
High-Value-Added Services: Online Information Access

For clients, including pension funds, which require asset administration services, CMAB undertakes master record-keeping services. In addition to the collection, integration and processing of fund management data compiled by multiple asset administrators, these services facilitate timely and unified online access to data regarding investment status and performance evaluations as well as reports useful to risk management efforts.

CMAB has acquired an enviable reputation for providing integrated data that encompasses entire corporate groups and transcends the borders of defined benefit corporate pensions, employee pension funds, tax-qualified pension funds, retirement benefit trusts and other systems.

Further complementing this data, CMAB offers the Universe Comparison Service, a high-value-added method that compares relative performance of one pension fund against other pension funds in a fixed universe, according to several classifications, including the pension system, such as employee pension funds and defined benefit corporate pension funds, or by the scale of invested assets.

■Chuo Mitsui Asset Master Record-Keeping Service



* Outsourced activities are the collection and processing of basic data as well as disclosure of accounts.

Strict Application of Internal Controls and External Audits

CMAB relies on Japan Trustee Services Bank, Ltd., to administer its trust assets. To underpin reliability and transparency in trust asset management operations, the business activities of Japan Trustee Services Bank were examined by an external auditing corporation in accordance with the U.S. auditing standard SAS 70. The resulting SAS 70 auditor's report demonstrated effective application of internal controls during the verification period.

CMAB maintains a system to monitor the execution of trust asset management operations by Japan Trustee Services Bank. The status of this monitoring system was also checked by an external auditing corporation in accordance with SAS 70 criteria and also received a report confirming effective application of internal controls during the verification period.

Universe Comparison Service

Seeking to build a universe information database, CMAB teamed up with The Sumitomo Trust & Banking Co., Ltd., Resona Bank Ltd., Trust & Custody Service Bank, Ltd., and Japan Trustee Services Bank in joint operation of the Japan Pension Universe Comparison Service Association.

Pension Management Services Chuo Mitsui Asset

External Environment, Clients' Needs	Concrete Actions, Services
Reform of the retirement benefit system. Mobilization of human resources. Risk controls for retirement benefit systems.	Support transition from tax-qualified pension plan system. Extend comprehensive advice on individual retirement benefit schemes. Engage in defined contribution pension.

Pension Management Services

In its capacity as a provider of lead-manager services, CMAB offers pension management services covering system and contract administration, actuarial calculations and maintenance of members and beneficiaries. As of March 31, 2009, CMAB was entrusted with administration of 723 tax-qualified pension funds, 92 employee pension funds, and 328 defined benefit corporate pension funds.

CMAB is also actively engaged in services for cash-balanced plans and defined contribution pension plans.

Support Transition from Tax-Qualified Pension Plan System

The tax-qualified pension plan system will be abolished by law in March 2012, and companies will have to adopt other pension plans. CMAB will strengthen the content of its consultations to support companies in their transition to a defined benefit corporate pension plan or defined contribution pension plan, and strive to ensure a smooth and orderly shift.

Extend Comprehensive Advice on Individual Retirement Benefit Schemes

Efforts to mitigate the risks associated with retirement benefit scheme, following the introduction of retirement benefit accounting and enactment of the Defined Contribution Pension Law and the Defined Benefit Corporate Pension Law, are a priority issue for corporate executives. Indeed, the situation requires comprehensive solutions to diverse and complex issues, which are retirement benefit obligations, the design of retirement benefit schemes and asset management.

CMAB has applied years of expertise accumulated in the areas of tax-qualified pension plans and employee pension plan funds to the creation of a full line of services covering a range of issues dealing with retirement benefit schemes, from the introduction of such schemes and respective maintenance, to asset management and administration, and further to the calculation of retirement benefit obligations and pension ALM analysis.

Especially now, in this transition period for the retirement benefit scheme in Japan, trust banks are expected to have enhanced information access and consulting capacity to provide clients with required data and advice promptly and more accurately than ever before. CMAB is prepared for these expectations, utilizing its Pension Research Center to promptly provide various information and its Consulting Department to ensure prudent advice.

Services Supporting Defined Contribution Pension

CMAB is working to build the all-encompassing structure of a defined contribution pension trustee organization featuring a full line of services, from verification of existing retirement benefit scheme and advice on the design and implementation of defined contribution pension plans to services involving record-keeping, asset administration, fund management products and investment education.

CMAB has aggressively developed schemes geared to the specific needs of clients, including the December 2002 introduction of Japan's first jointly operated defined contribution pension plan scheme, and the April 2005 debut of a comprehensive defined contribution pension plan scheme. Proven results have prompted many companies to appoint CMAB as their operational administrator and asset administrator, and CMAB will continue to apply accumulated know-how to enhance its services still further.

In October 2008, CMAB joined three other financial companies under the Mitsui Group umbrella in creating MSI Quartet General-Type DC Plan to facilitate the implementation of defined contribution pension plans at small and medium-sized companies.

A defined contribution pension plan operates on the choices made by participants—that is, employees—so all participants, even those unaccustomed to investing, must understand the importance of investment. Companies with defined contribution pension plans must establish investment education programs for their employees to support this process.

Defined contribution pension plans require diversified, ongoing investment of assets over the long term. To reacquaint participants with these crucial aspects of defined contribution pension fund management, Chuo Mitsui offers a varied menu of easy-to-follow investment education services, including seminars, Internet-based assistance and e-learning tools.

Implementing SAS Internal Control Audits on Pension Operations

To support clients' responses to such legal developments as the Sarbanes-Oxley Act, a compliance-oriented corporate reform law dubbed the SOX Act in the United States, where it was created in the wake of corporate financial scandals, CMAB welcomed examination of its pension and trust asset management businesses by an external auditing corporation, in accordance with the U.S. auditing standard SAS 70.

CMAB, which received an SAS 70 auditor's report confirming effective application of internal controls during the verification period, was first major domestic trust bank to undergo such an audit.

Under the SOX Act, which applies to fiscal years ending after July 2006 at companies listed in the United States, executives shall be accountable for internal controls. The scope of such controls and inherent accountability shall encompass outsourced services and thus compel U.S.-listed companies to ascertain the status of internal controls at the trust banks to which they outsource administration of their pension funds.

Moreover, the Financial Instruments and Exchange Law—essentially, Japan's version of the SOX Act—will require listed companies to disclose their respective internal control structures to investors, effective from fiscal years ending on or after March 31, 2009.

Against this backdrop, CMAB decided to obtain a SAS 70 auditor's report and thereby address the wider responsibilities of companies entrusting management of their corporate pensions to CMAB. With this report, clients have confirmation that the services extended by CMAB to its corporate clients are backed by high-level internal controls and that CMAB is taking an active approach to help its clients satisfy SOX Act requirements.

Jointly Operated Defined Contribution Pension Plan, Comprehensive Defined Contribution Pension Plan

The joint introduction of defined contribution pension plans at several companies is a format that shares plan operation among the participating companies. This reduces the costs involved in educating employees about investing responsibilities and investment choices and leads to greater efficiency in the operation and administration of such pension plans.

A jointly operated defined contribution pension plan is one established by a corporate group with capital ties, whereas a comprehensive defined contribution pension plan is one wherein such capital ties do not exist.
Japan Pension Universe Comparison Service Association.

Chuo Mitsui Asset Management

Services for individual and institutional investors

Services for individual and institutional investors	Investment trust management services Balance of assets under management ¥2,209.5 billion

External Environment, Clients' Needs	Concrete Actions, Services
Diversifying demand content for risk products.	Provide products tailored to demand, promote expansion of distribution channel.
Greater need for enhanced investment information services in a deteriorating investment environment.	Reinforce sales support activities and enhance depth of information provided.

Business Summary

As the asset management company under the Chuo Mitsui Trust Group umbrella, Chuo Mitsui Asset Management ("CMAM") is responsible for investment trust management services. Specifically, the company manages publicly placed investment trusts for ordinary individual investors and privately placed investment trusts for variable annuity insurance clients and also designs and manages investment trust funds for a wide range of investors, including defined contribution pension plans and institutional investors.

In fiscal 2008, the company continued to reinforce marketing activities aimed at existing sales companies, including Chuo Mitsui—a key sales company—and endeavored to cultivate new marketing channels and create new funds fine-tuned to investor needs. Accordingly, the balance of investment trusts* increased from ¥2,209.5 billion, as of March 31, 2008 to ¥2,179.4 billion as of March 31, 2009.

*Outstanding principal basis (net of sales, repurchases and redemption amount)

Addressing Clients' Needs

Conditions in the investment trust market are expected to remain difficult for the time being, due to cooling investor interest in risk products. This situation stems largely from huge declines in assets in all markets and lower risk tolerance among individuals. However, CMAM believes that a widening flow of savings in favor of investments should keep the investment trust market growing over the medium to long term.

Against this backdrop, CMAM will apply various measures, emphasizing improved product development capabilities and enhanced sales support activities, to expand marketing channels and develop more business with existing sales companies. The company will also cement a stronger base from which to realize growth over the medium to long term by raising its profile among clients and fostering a higher level of trust and credibility in the market.

From the social need for internal control perspective and broader overall services, CMAM will continuously strive to reinforce its risk management and compliance status and persistently enhance and expand its operations, as a reliable investment trust manager for clients.

Provide Products Tailored to Demand, Promote Expansion of Distribution Channels

CMAM is actively promoting to provide investment products for variable annuity insurance while aiming to increase balance through the sales of investment trust products by Chuo Mitsui Trust and Banking Company, Limited and other sales companies.

The company has seen a steady increase in new channels within the regional bank and Internet security companies and has been able to introduce follow-up products to existing clients.

The investment trust market has endured a challenging environment in the wake of the Lehman crisis—the collapse of Lehman Brothers Holdings Inc.—but the variable annuity insurance market has held comparatively firm, characterized by a relatively brisk inflow of funds. Seeking to accentuate the positives of this prevailing market situation, CMAM endeavored to widen its sales channels and was successful in getting its products used as investments in variable annuity insurance handled by Japan Post Bank Co., Ltd., and regional banks.

Reinforce Sales Support Activities and Enhance Depth of Information Provided

Given the turbulence that rocked financial and capital markets worldwide in fiscal 2008, CMAM redoubled its efforts to foster greater awareness and understanding of the products it handles. A particular emphasis was on seminars for investors and workshops for sales agents. The company undertook 1,100 sessions throughout Japan.

CMAM took steps to develop the scope of information available on its Japanese-language website. The company now lists key stock indexes as well as government bond yields and exchange rates under "Market Data" on its web, with a more detailed window of data just a click away.

In the online Monthly Review, the content of "Economic Summary," "Market Summary with Forecasts" and other regular reports has been enriched. Design elements and the layout of information will be modified, as appropriate, to improve usability.

CMAM will continue to provide products fine-tuned to diverse investor needs and enhance the depth of the information it provides.

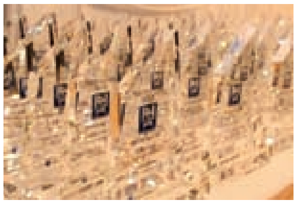
R&I Fund Awards 2009

Investment trusts managed by CMAM received honors at the R&I Fund Awards 2009 presentation in April 2009.

These awards are sponsored by Rating and Investment Information Inc., a Japanese rating agency, and are presented annually to funds.

CMAM won two awards: one for a Japanese REIT fund in the investment trust category and the other for a Japanese equity fund in the defined contribution pension category.

In the management of these award-winning funds, CMAM has drawn on the investment advisory expertise of Chuo Mitsui Asset. Therefore, the awards represent not only the company's excellent performance but also the high-caliber asset management capabilities of the entire Chuo Mitsui Trust Group.



Chuo Mitsui Capital

Services for corporate and institutional investors

Services for corporate and institutional investors	Private equity fund management services Aggregate assets under management* ¥262.6 billion *Commitment basis (combined contribution amounts promised by investors to funds)

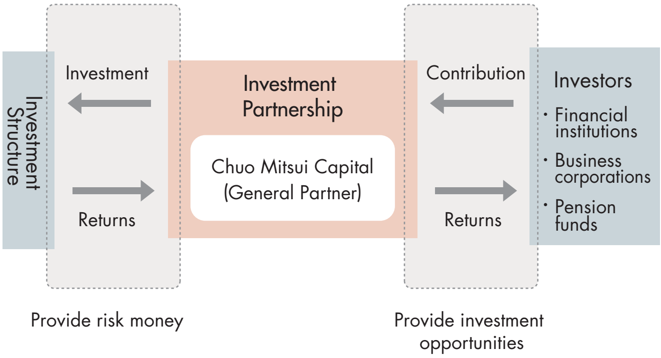
External Environment, Clients' Needs	Concrete Actions, Services
Diversified corporate capital-restructuring and fund-procurement needs.	Provide risk money matched to various requirements.
Demand for fund management through private equity investment.	Provide quality, diversified investment opportunities to all investors.

Business Summary

Chuo Mitsui Capital ("CMC") is the private equity fund management arm of the Chuo Mitsui Trust Group. The company pursues active investment operations by maximizing sophisticated investment know-how and an extensive investment network.

A private equity fund is a pooled investment vehicle designed to secure profits through investment in privately-owned stocks and others. A general partner, responsible for raising and managing the fund, draws contributions from multiple investors to form an investment partnership and then applies the investments to designated structures to produce returns.

As a general partner, CMC raises capital from a wide range of investors, including financial institutions, business corporations and pension funds, and directs the contributions into four investment categories of private equity.



Provide Risk Money Matched to Various Requirements

Mezzanine Finance

In this form of finance, the risk-return profile is positioned halfway between borrowings, namely loans, and equity, essentially stocks. The need for mezzanine finance is growing as businesses look for new ways of funding for M&A activities.

Investment structures which are preferred stock, corporate bonds and subordinated debt. The share of management rights can be flexibly controlled through the design of the financing structure. Such investment addresses diverse capital restructuring needs, including MBOs, amid current efforts at corporate realignment and business succession among major corporate groups.

Growth Capital Investment

This is equity investment targeting mid-sized companies with stable operating bases that seek to develop new areas of growth and companies pursuing capital restructuring amid the MBO boom.

Investment is generally aimed at common stock of unlisted companies, but may include investment in dedicated funds established specifically to acquire this stock. In that case, the investment objective is often listed stock.

Fund of Funds

In fund of funds investment, the fund invests in excellent private equity investment funds around the world. The funds are invested mainly in buyout-funds and realize regional diversity on a global scale. With fund of funds investment, the degree of content diversity is extremely high and participation is relatively easy for investors who are just beginning to explore the private equity realm.

Venture Capital

A venture capital project in 2000 launched CMC's fund management activities. Venture capital investment provides risk money through investment in common stock primarily to companies pursuing promising new businesses and development of innovative technologies. This is the company's basic investment category.

Pioneer in Mezzanine Finance

Among the four investment categories described above, mezzanine finance is the focus of CMC's operations. The company has participated in numerous structures, including those for Covalent Materials Corporation (formerly, Toshiba Ceramics Co., Ltd.), and Komeda Co., Ltd., a coffee shop operator headquartered in Nagoya, central Japan.

As a pioneer in Japan's mezzanine finance market, CMC is keen to maximize accumulated investment know-how and an extensive network and will energetically work to expand its presence in mezzanine financing.

Provide Quality, Diversified Investment Opportunities to All Investors

Against the current state of lackluster stock market conditions, private equity investment is attracting interest because of less correlation with stock price. Demand is sure to expand, among institutional investors, such as pension funds.

The company addresses the needs of all investors, including financial institutions, and offers good opportunities, such as fund of funds, which provide globally diversified investment opportunities on private equity investment, as well as mezzanine funds, which offer middle-risk/middle-return investment opportunities.

With private equity investment assuming greater importance as an asset class, CMC will continue to utilize accumulated, high-level know-how in investment and fund operations to arrange funds that offer all investors an excellent standard of diversified investment opportunities.

Financial Section

Economic and Fiscal Environments

The economic environment in fiscal 2008—the consolidated fiscal year ended March 31, 2009—was characterized by additional repercussions from the financial fire originally sparked by the U.S. subprime loan problem. The September 2008 failures of major U.S. financial institutions precipitated a credit crunch of global proportions and placed the entire financial system on very shaking ground. Burning worldwide, the financial fire crept into to the real economy, accelerating the decline of business conditions. In Japan, the downturn grew dramatically worse, substantiated by record-breaking drops in exports and production.

In other domestic financial developments, short-term interest rates (overnight call rates) fell toward the 0.1% mark in late December, following two cuts by the Bank of Japan, in October and December 2008. Long-term interest rates climbed into the 1.8% range in mid-June 2008, as skyrocketing resource prices prompted fears of inflation, but traced a downward path again, reflecting poor economic conditions, and settled into the 1.3% range by March 31, 2009. The Nikkei Stock Average moved into the mid-14,000s in early June 2008, but plummeted as the financial crisis deepened and economic conditions deteriorated, and ended the term in the low 8,000s. In the foreign exchange market, the U.S. dollar hovered between ¥100 and ¥110 until about August 2008 before the yen appreciated against the benchmark currency. At one point, in December 2008, the U.S. dollar fell into the ¥87 range, but it returned to the ¥98 range by the end of March 2009.

Fiscal 2008 Consolidated Performance

As of March 31, 2009, deposits amounted to ¥9,446.4 billion, edging up 7.0% from a year earlier. Loans and bills discounted reached ¥8,584.2 billion, up 9.3%. Securities came to ¥4,896.6 billion, up 5.3%.

Total assets stood at ¥15,086.4 billion, up 4.2%.

Total equity shrank 32.5% year-on-year, to ¥688.4 billion, owing to the absence of capital surplus, due to a net loss in fiscal 2008, and lower net unrealized gains on available-for-sale securities.

Aggregate trust assets (combined amounts in the trust accounts of Chuo Mitsui and Chuo Mitsui Asset) were ¥36,070.2 billion, down 25.1%, mainly because of decreases in securities and beneficiary rights.

On the profit-and-loss front, total income dropped 9.9%, to ¥422.2 billion, and total expenses jumped 59.9%, to ¥531.9 billion. As a result, Chuo Mitsui Trust Holdings recorded a loss of ¥109.6 billion before income taxes and minority interests, compared with ¥135.7 billion in income before income taxes and minority interests a year earlier. Similarly, a net loss replaced the net income position maintained in fiscal 2007, with the Group posting a red ¥92.0 billion compared with a black ¥71.8 billion. Net loss per share was ¥84.89, compared with net income per share of ¥70.55 in fiscal 2007.

The fiscal 2008 consolidated capital adequacy ratio, calculated according to a domestic standard, was 12.05%, down from 13.84% in fiscal 2007.

Segment Information

By business segment, the trust and banking business generated total ordinary income of ¥404.0 billion and ordinary expenses of ¥517.7 billion, leading to an ordinary loss of ¥113.7 billion. Other finance-related operations generated ordinary income of ¥43.9 billion and ordinary expenses of ¥34.6 billion, for ordinary profit of ¥9.2 billion.

Cash Flows

In fiscal 2008, net cash provided by operating activities amounted to ¥796.3 billion, up ¥368.4 billion from fiscal 2007, primarily due to a net increase in borrowed money.

Net cash used in investing activities came to ¥585.7 billion, up ¥11.5 billion from fiscal 2007, mainly due to a decrease in proceeds from sales of securities.

Net cash used in financing activities came to ¥143.1 billion, up ¥138.3 billion from fiscal 2007, largely reflecting the purchase and cancellation of preferred stock to repay public funds.

Cash and cash equivalents at the end of March 2009 settled at ¥217.2 billion, up ¥65.4 billion from a year earlier.

Non-Consolidated Fiscal 2008 Performance

Total assets of Chuo Mitsui Trust Holdings stood at ¥809.7 billion. Total equity reached ¥617.2 billion, owing to the purchase and cancellation of preferred stock to repay public funds. Total equity per share was ¥358.58.

Income before income taxes and minority interests, which is essentially dividends and income received from subsidiary banks, settled at ¥7.5 billion. Net income decreased to ¥7.0 billion, and net income per share of common stock fell to ¥4.58.

Dividends

In view of its public duty as a bank holding company, Chuo Mitsui Trust Holdings' basic policy on dividends is underscored by an unwavering commitment to ensure an appropriate level of retained earnings while maintaining stable dividends for shareholders.

In recent years, the year-end dividend has been paid through appropriation of retained earnings in consideration of the Group's performance and the status of retained earnings. This appropriation of funds has been approved by shareholders at the general meeting of shareholders. The Company's Articles of Incorporation set forth a provision allowing for the payment of an interim dividend, with a record date of September 30 each year. The Board of Directors makes the decision on interim dividends.

The year-end dividend for fiscal 2008 was trimmed by ¥2.00, to ¥5.00 per share of common stock, taking fiscal results into the dividend calculation. Dividends on preferred stock remained the same as in fiscal 2007: ¥14.40 per share for class II preferred; and ¥20.00 per share for class III preferred.

Trust Account and Banking Account

Trust banks keep two types of account: the banking account, which is the institution's own; and the trust account, which is the account of beneficiaries. Trust banks have a number of trust accounts, reflecting the fact that they must separately administer the assets of each trust contract. In principle, details of individual accounts are disclosed only to trustors or beneficiaries. Nevertheless, the total balances of money and pension trusts are recorded in the trust account's aggregate balance sheet. The main assets and liabilities of the trust account with principal guarantee agreement are also disclosed.

Although trust assets nominally belong to trust banks, in fact they belong to the beneficiaries. The institutions therefore receive trust fees for managing these accounts. After deductions for fees and expenses, the profits generated with these accounts all become trust assets.

Trust fees represent one source of income in the banking account. In other words, the banking account income statement reflects both earnings from banking operations and from trust operations.

The Concept of Net Operating Profit *(Gyomu Juneki)*

To calculate core profits—excluding items outside core operations, such as stock earnings and losses and write-offs of non-performing assets—we calculate the net operating profit by selecting only those items that express the earnings from core operations from within the income statement.

Net operating profit is calculated by subtracting the general and administrative expenses and the transfer to the general reserve for possible loan losses from gross operating profit. Gross operating profit comprises:

- Net interest income (such as from deposits, loans and marketable securities);
- Net fees and commissions (trust fees, and fees and commissions);
- Net trading gains (earnings from trading purpose transactions); and
- Net other operating income (such as earnings from foreign exchange and bond trading).

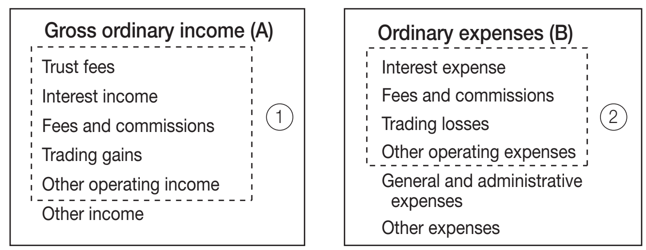
Net Operating Profit at Trust Banks

In addition to net operating profit, trust banks disclose net operating profit before trust account write-offs. With trust banks, the net operating profit calculated according to the formula mentioned above does not adequately reflect the profitability of core operations. Trust fees, which are part of business profit, are calculated after subtracting loan write-offs in the trust account. Therefore, net operating profit is smaller than a trust bank's actual profitability in core operations.

To adjust for this difference and more accurately reflect the profitability of core operations, trust banks calculate net operating profit before trust account write-offs. This allows a comparison with other banks according to net operating profit.

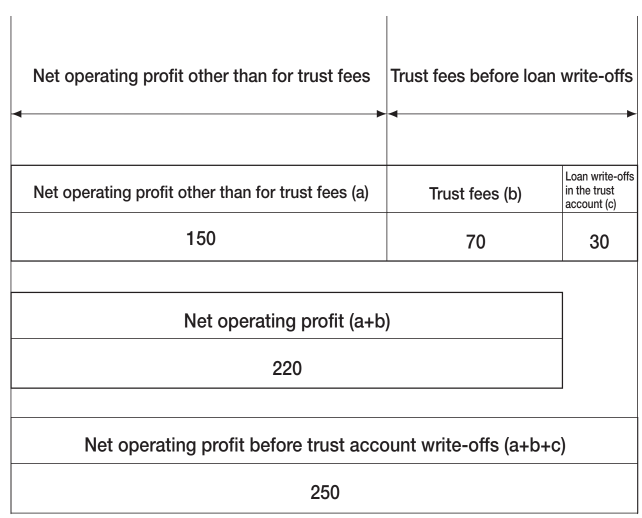
Pre-provision profit is calculated by adding back the transfer to general reserve for possible loan losses from net operating profit before trust account write-offs. The purpose of this calculation is to show the trend of a bank's earning power by eliminating all credit costs including transfers to general reserves.

• The Relationship between Ordinary Income and Net Operating Profit



Ordinary income
This is calculated by deducting ordinary expenses (B) from gross ordinary income (A).
Gross operating profit
The amount remaining after subtracting the highlighted areas in box ② from those in box ① is nearly equal to gross operating profit.
Net operating profit
This results from subtracting general and administrative expenses and the transfer to general reserve for possible loan losses from gross operating profit. The transfer to the general reserve for possible loan losses is part of other expenses.

• Sample Calculation of Net Operating Profit before Trust Account Write-Offs



Consolidated Balance Sheets

Chuo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
As of March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	**2009**
ASSETS			
Cash and cash equivalents	**¥ 217,270**	¥ 151,850	**$ 2,212,530**
Due from banks other than due from the Bank of Japan	**15,675**	60,702	**159,627**
Call loans and bills bought	**15,391**	204,862	**156,731**
Receivables under securities borrowing transactions	**8,812**	104,003	**89,735**
Monetary claims bought (Note 3)	**103,377**	111,422	**1,052,726**
Trading assets (Notes 3 and 10)	**38,249**	42,886	**389,507**
Securities (Notes 3 and 10)	**4,896,624**	4,647,960	**49,863,797**
Money held in trust (Note 4)	**2,588**	2,463	**26,359**
Loans and bills discounted (Notes 5 and 10)	**8,584,295**	7,852,066	**87,416,446**
Foreign exchanges (Note 6)	**802**	811	**8,174**
Other assets (Notes 7 and 10)	**409,456**	427,978	**4,169,620**
Premises and equipment (Note 8)	**128,095**	132,794	**1,304,431**
Intangible fixed assets (Note 9)	**59,223**	73,499	**603,087**
Deferred tax assets (Note 28)	**192,569**	144,995	**1,960,989**
Customers' liabilities for acceptances and guarantees (Note 11)	**475,535**	584,076	**4,842,522**
Allowance for possible loan losses	**(61,521)**	(69,535)	**(626,494)**
Total assets	**¥15,086,445**	¥14,472,837	**$153,629,793**
LIABILITIES AND EQUITY			
Liabilities:			
Deposits (Notes 10 and 12)	**¥ 9,446,495**	¥ 8,830,588	**$ 96,176,492**
Call money and bills sold (Note 10)	**253,478**	291,581	**2,581,242**
Payables under repurchase agreements (Note 10)	**—**	24,197	**—**
Payables under securities lending transactions (Note 10)	**1,255,648**	1,797,121	**12,786,640**
Trading liabilities	**8,867**	8,185	**90,302**
Borrowed money (Notes 10 and 13)	**1,692,565**	474,369	**17,235,905**
Foreign exchanges (Note 6)	**42**	10	**429**
Subordinated bonds (Note 14)	**174,570**	176,261	**1,777,698**
Payables to trust account	**879,917**	1,051,839	**8,960,463**
Other liabilities (Note 15)	**191,184**	188,125	**1,946,884**
Reserve for bonus payment	**3,079**	3,260	**31,358**
Reserve for retirement benefits for directors and corporate auditors	**1,630**	1,301	**16,602**
Reserve for employee retirement benefits (Note 16)	**2,393**	2,262	**24,337**
Reserve for contingent losses (Note 17)	**12,228**	12,859	**124,529**
Deferred tax liabilities (Note 28)	**353**	7,580	**3,596**
Acceptances and guarantees (Note 11)	**475,535**	584,076	**4,842,522**
Total liabilities	**14,397,990**	13,453,622	**146,619,046**
Commitments and contingent liabilities (Note 18)			
Equity (Note 19)**:**			
Common stock and preferred stock (Note 20)	**261,608**	261,608	**2,664,039**
Capital surplus	**—**	127,347	**—**
Retained earnings	**338,564**	441,646	**3,447,698**
Net unrealized gains (losses) on available-for-sale securities	**(83,325)**	57,239	**(848,530)**
Deferred gains on derivatives under hedge accounting	**2,406**	917	**24,509**
Land revaluation difference	**(15,532)**	(15,532)	**(158,173)**
Foreign currency translation adjustments	**(2,045)**	(66)	**(20,834)**
Treasury stock—at cost			
324,157 shares in 2009 and 280,082 shares in 2008	**(262)**	(261)	**(2,669)**
Total	**501,413**	872,898	**5,106,042**
Minority interests	**187,041**	146,316	**1,904,704**
Total equity	**688,455**	1,019,214	**7,010,746**
Total liabilities and equity	**¥15,086,445**	¥14,472,837	**$153,629,793**

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statements of Operations

Chuo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
Fiscal years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	**2009**
Income:			
Interest income:			
Interest on loans and bills discounted	**¥124,493**	¥116,328	**$1,267,750**
Interest and dividends on securities	**82,956**	82,918	**844,771**
Interest on call loans and bills bought	**905**	1,755	**9,216**
Other interest income (Note 21)	**3,329**	6,007	**33,902**
Trust fees (Note 22)	**59,503**	68,644	**605,938**
Fees and commissions	**90,974**	123,888	**926,420**
Trading gains	**2,440**	2,063	**24,851**
Other operating income (Note 23)	**19,758**	15,718	**201,209**
Other income (Note 24)	**37,862**	51,193	**385,564**
Total income	**422,223**	468,518	**4,299,625**
Expenses:			
Interest expenses:			
Interest on deposits	**51,468**	43,484	**524,117**
Interest on call money and bills sold	**3,996**	9,380	**40,702**
Interest on borrowings	**5,691**	5,833	**57,954**
Other interest expenses (Note 25)	**35,689**	40,652	**363,432**
Fees and commissions	**15,059**	15,004	**153,354**
Trading losses	**—**	23	**—**
Other operating expenses (Note 26)	**15,535**	9,120	**158,203**
General and administrative expenses	**148,818**	139,149	**1,515,459**
Other expenses (Note 27)	**255,643**	70,096	**2,603,292**
Total expenses	**531,902**	332,746	**5,416,518**
Income (loss) before income taxes and minority interests	**(109,678)**	135,772	**(1,116,893)**
Income taxes (Note 28):			
Current	**9,276**	15,483	**94,463**
Deferred	**(33,006)**	42,967	**(336,112)**
Total income taxes	**(23,729)**	58,451	**(241,648)**
Minority interests in net income	**6,084**	5,484	**61,955**
Net income (loss)	**¥ (92,033)**	¥ 71,837	**$ (937,200)**

	Yen		U.S. dollars (Note 1)
	2009	2008	**2009**
Per share of common stock (Note 33):			
Basic net income (loss)	**¥ (84.89)**	¥ 70.55	**$(0.86)**
Diluted net income	**—**	40.03	**—**
Cash dividends per share applicable to the year (Note 20):			
Common stock	**5.00**	7.00	**0.05**
Class II convertible preferred stock	**14.40**	14.40	**0.14**
Class III convertible preferred stock	**20.00**	20.00	**0.20**

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statements of Changes in Equity

Chuo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
Fiscal years ended March 31, 2009 and 2008

	Thousands		Millions of yen										
	Issued number of shares of common stock	Issued number of shares of preferred stock	Common stock and preferred stock	Capital surplus	Retained earnings	Net unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Treasury stock	Total	Minority interests	Total equity
Balance, March 31, 2007	905,329	250,156	¥261,608	¥127,342	¥378,812	¥259,248	¥(7,439)	¥(15,532)	¥ 53	¥(195)	¥1,003,897	¥133,467	¥1,137,364
Net income					71,837						71,837		71,837
Cash dividends					(9,003)						(9,003)		(9,003)
Purchase of treasury stock										(126)	(126)		(126)
Disposal of treasury stock				5						60	65		65
Conversion of Class III preferred stock into common stock	82,222	(23,125)											
Net change in the year						(202,009)	8,357		(119)		(193,771)	12,849	(180,922)
Balance, March 31, 2008	987,551	227,031	261,608	127,347	441,646	57,239	917	(15,532)	(66)	(261)	872,898	146,316	1,019,214
Net loss					(92,033)						(92,033)		(92,033)
Cash dividends					(10,926)						(10,926)		(10,926)
Purchase of treasury stock										(127,496)	(127,496)		(127,496)
Disposal of treasury stock				(84)						110	26		26
Cancellation of treasury stock		(54,000)		(127,263)	(122)					127,386			
Conversion of Class III preferred stock into common stock	170,000	(47,812)											
Net change in the year						(140,564)	1,489		(1,979)		(141,055)	40,725	(100,329)
Balance, March 31, 2009	**1,157,551**	**125,218**	**¥261,608**	**¥ —**	**¥338,564**	**¥(83,325)**	**¥ 2,406**	**¥(15,532)**	**¥(2,045)**	**¥(262)**	**¥ 501,413**	**¥187,041**	**¥ 688,455**

	Thousands of U.S. dollars (Note 1)										
	Common stock and preferred stock	Capital surplus	Retained earnings	Net unrealized gains (losses) on available-for-sale securities	Deferred gains on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Treasury stock	Total	Minority interests	Total equity
Balance, March 31, 2008	$2,664,039	$1,296,814	$4,497,418	$ 582,882	$ 9,345	$(158,173)	$ (676)	$(2,665)	$8,888,985	$1,489,986	$10,378,971
Net loss			(937,200)						(937,200)		(937,200)
Cash dividends			(111,268)						(111,268)		(111,268)
Purchase of treasury stock								(1,298,335)	(1,298,335)		(1,298,335)
Disposal of treasury stock		(856)						1,122	266		266
Cancellation of treasury stock		(1,295,958)	(1,251)					1,297,209			
Net change in the year				(1,431,412)	15,164		(20,157)		(1,436,405)	414,718	(1,021,687)
Balance, March 31, 2009	**$2,664,039**	**$ —**	**$3,447,698**	**$(848,530)**	**$ 24,509**	**$(158,173)**	**$(20,834)**	**$(2,669)**	**$5,106,042**	**$1,904,704**	**$ 7,010,746**

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statements of Cash Flows

Chuo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
Fiscal years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	**2009**
Operating activities:			
Income (loss) before income taxes and minority interests	**¥ (109,678)**	¥ 135,772	**$ (1,116,893)**
Adjustments for:			
Income taxes paid	**22,304**	(52,263)	**227,128**
Depreciation and amortization	**13,336**	27,914	**136,115**
Loss on impairment of fixed assets	**62**	—	**638**
Amortization of consolidation goodwill	**1,817**	2,002	**18,503**
Equity in earnings of associated companies	**195**	(682)	**1,986**
Decrease in allowance for possible loan losses	**(8,013)**	(5,246)	**(81,606)**
(Decrease) increase in reserve for bonus payment	**(180)**	34	**(1,842)**
Increase in reserve for retirement benefits for directors and corporate auditors	**328**	273	**3,346**
Increase in reserve for employees retirement benefits	**131**	246	**1,337**
(Decrease) increase in reserve for contingent losses	**(631)**	2,925	**(6,427)**
Net loss (gain) on securities	**183,681**	(8,897)	**1,870,479**
Net gain on money held in trust	**(131)**	—	**(1,343)**
Foreign exchange (gain) loss, net	**(20,030)**	86,966	**(203,971)**
Net loss (gain) on disposals of premises and equipment	**1,544**	(1,633)	**15,727**
Change in assets and liabilities:			
Decrease in trading assets	**4,636**	9,917	**47,218**
Increase in trading liabilities	**682**	3,787	**6,948**
Increase in loans and bills discounted	**(732,228)**	(454,541)	**(7,456,506)**
Increase in deposits	**615,906**	300,485	**6,271,964**
Increase in borrowed money (excluding subordinated borrowings)	**1,258,196**	131,507	**12,812,588**
Decrease in due from banks (excluding cash equivalents)	**45,026**	134,260	**458,521**
Decrease (increase) in call loans and bills bought	**197,360**	(101,027)	**2,009,778**
Decrease (increase) in receivables under securities borrowing transactions	**95,191**	(23,904)	**969,359**
Decrease in call money and bills sold	**(62,300)**	(346,066)	**(634,429)**
(Decrease) increase in payables under securities lending transactions	**(541,472)**	734,577	**(5,513,980)**
Decrease in foreign exchanges (assets)	**8**	128	**89**
Increase (decrease) in foreign exchanges (liabilities)	**31**	(38)	**322**
Decrease in payables to trust account	**(171,921)**	(170,754)	**(1,750,732)**
Other—net	**2,496**	22,221	**25,424**
Net cash provided by operating activities	**796,376**	427,967	**8,109,745**
Investing activities:			
Purchases of securities	**(4,385,439)**	(5,112,576)	**(44,658,242)**
Proceeds from sales of securities	**3,094,368**	3,748,448	**31,510,876**
Proceeds from redemption of securities	**704,200**	806,739	**7,171,084**
Decrease in money held in trust	**125**	—	**1,274**
Purchases of premises and equipment	**(3,669)**	(14,721)	**(37,368)**
Proceeds from sales of premises and equipment	**1,719**	3,900	**17,511**
Purchases of intangible fixed assets	**(12,917)**	(15,036)	**(131,546)**
Proceeds from sales of intangible fixed assets	**15,839**	601	**161,297**
Proceeds from sales of consolidated subsidiaries (Note 29)	**—**	8,399	**—**
Net cash used in investing activities	**(585,774)**	(574,244)	**(5,965,112)**
Financing activities:			
Proceeds from subordinated borrowings	**5,000**	—	**50,916**
Payment of subordinated borrowings	**(45,000)**	—	**(458,248)**
Redemption of subordinated bonds and subordinated convertible bonds	**—**	(3,660)	**—**
Issuance of capital stock to minority interests	**41,000**	42,000	**417,515**
Dividends paid	**(10,926)**	(9,003)	**(111,268)**
Dividends paid for minority interests	**(5,801)**	(4,515)	**(59,077)**
Reduction of capital stock to minority interests	**—**	(29,600)	**—**
Payment for purchase of treasury stock	**(127,496)**	(126)	**(1,298,335)**
Proceeds from sales of treasury stock	**26**	17	**266**
Net cash used in financing activities	**(143,198)**	(4,888)	**(1,458,230)**
Foreign currency translation adjustments on cash and cash equivalents	**(1,984)**	(118)	**(20,205)**
Net decrease in cash and cash equivalents	**65,420**	(151,283)	**666,196**
Cash and cash equivalents, beginning of year	**151,850**	303,133	**1,546,334**
Cash and cash equivalents, end of year	**¥ 217,270**	¥ 151,850	**$ 2,212,530**

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

1. Basis of Presentation

The accompanying consolidated financial statements (banking account) have been prepared from the accounts maintained by Chuo Mitsui Trust Holdings, Inc. ("Chuo Mitsui Trust Holdings") and its consolidated subsidiaries (together, the "Chuo Mitsui Trust Group") in accordance with accounting principles generally accepted in Japan, and certain accounting and disclosure rules under Financial Instruments and Exchange Act of Japan and the Banking Law of Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to Chuo Mitsui Trust Holdings' consolidated financial statements issued domestically in order to present them in a form that is more familiar to readers outside Japan. In addition, certain reclassifications and rearrangements have been made in the consolidated financial statements for the fiscal years ended March 31, 2008 to conform to classifications and presentations used in the consolidated financial statement for the fiscal year ended March 31, 2009.

Effective October 1, 2007, we changed our group trade name from Mitsui Trust Financial Group to Chuo Mitsui Trust Group, renamed Mitsui Trust Holdings, Inc. as Chuo Mitsui Trust Holdings, Inc., and renamed Mitsui Asset Trust and Banking Company, Limited as Chuo Mitsui Asset Trust and Banking Company, Limited ("Chuo Mitsui Asset").

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Chuo Mitsui Trust Holdings is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥98.2 to U.S.$1, the approximate rate of exchange at March 31, 2009. 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.

Amounts less than one million Japanese yen and one thousand U.S. dollars have been truncated, except for per share information. As a result, the total may not be equal to the total of individual amounts.

2. Summary of Significant Accounting Policies

a. Consolidation

The consolidated financial statements include the accounts of Chuo Mitsui Trust Holdings and its significant subsidiaries. The number of consolidated subsidiaries as of March 31, 2009 was 25 (27 in 2008). Major consolidated subsidiaries are The Chuo Mitsui Trust and Banking Company, Limited ("Chuo Mitsui"), Chuo Mitsui Asset, Chuo Mitsui Asset Management Company, Limited and Chuo Mitsui Capital Company, Limited.

Under the control or influence concept, those companies in which the parent company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Chuo Mitsui Trust Group has the ability to exercise significant influence are accounted for by the equity method, unless in either case the companies are immaterial.

Investments in four (three in 2008) associated companies were accounted for by the equity method. Investments in unconsolidated subsidiaries are stated at cost. If the equity method of accounting had been applied to the investments in these subsidiaries, the effect on the accompanying consolidated financial statements would not be material.

Any differences between the cost of an acquired subsidiary or associated company and the fair value of its net assets at the date of the acquisition are amortized over a period within 20 years, or charged to income as incurred if such differences are considered to be immaterial.

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

b. Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements

In May 2006, the Accounting Standards Board of Japan (the "ASBJ") issued ASBJ Practical Issues Task Force (PITF) No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements". PITF No. 18 prescribes: (1) the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements, (2) financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States of America tentatively may be used for the consolidated process, (3) however, the following items should be adjusted in the consolidated process so that net income is accounted for in accordance with Japanese GAAP unless they are not material: 1) amortization of goodwill; 2) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in the equity; 3) expensing capitalized development costs of R&D; 4) cancellation of the fair value model accounting for property, plant, and equipment and investment properties and incorporation of the cost model accounting; 5) recording the prior years' effects of changes in accounting policies in the income statement where retrospective adjustments to financial statements have been incorporated; and 6) exclusion of minority interests from net income, if contained. PITF No. 18 was effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted.

The Chuo Mitsui Trust Group applied this accounting standard effective April 1, 2008. The effect of this change did not have a significant impact on the consolidated balance sheets and the consolidated statements of income.

c. Cash and Cash Equivalents

Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents include amounts due from the Bank of Japan.

d. Mark-to-Market Accounting for Trading Transactions

Transactions for trading purposes (that is, transactions which seek to capture gains arising from short-term changes in interest rates, currency exchange rates or market prices of securities and other market-related indices or from gaps among markets) are included in trading assets and trading liabilities on a trade date basis. Trading securities and monetary claims bought for trading purposes recorded in these accounts are stated at market value and trading-related financial derivatives are at the amounts that would be settled if they were terminated at the end of the fiscal year.

Unrealized gains and losses on trading transactions are recognized in the consolidated statements of income.

e. Translation of Foreign Currency Accounts

The consolidated trust bank subsidiaries maintain their accounting records in Japanese yen. Assets and liabilities denominated in foreign currencies are translated into Japanese yen using the exchange rate prevailing at each balance sheet date.

The balance sheet accounts of the consolidated foreign subsidiaries are translated into Japanese yen at the current exchange rate as of each balance sheet date except for equity, which is translated at the historical rate. Differences arising from such translation are shown as "Foreign currency translation adjustments" in a separate component of equity.

f. Securities

Securities other than investments in unconsolidated subsidiaries and associated companies are classified and accounted for, depending on management's intent, as follows:
(i) Trading securities, which are held for the purpose of earning capital gains in the near term, are reported at fair value and the related unrealized gains and losses are included in earnings.
(ii) 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
(iii) 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 equity.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average cost method.

For other than temporary declines in fair value, securities are reduced to net realizable value by a charge to income.

Securities in money held in trust are classified and accounted for in the same manner as securities described above.

The fair values of floating rate Japanese government bonds were previously measured at their market prices. However, after consideration of the recent market environment, a judgment has been made by management that current market prices are not indicative of the fair values. At the end of this fiscal year, the fair values of these bonds were determined based on the values reasonably estimated by a broker dealer. As a result, securities were higher and unrealized losses on available-for-sale securities were lower by ¥9,169 million ($93,379 thousand) than they would have been if valued based on the market prices.

The reasonably estimated values are computed as the sum of discounted future cash flow. Major variables in that measurement methodology are the yield of government bonds and volatility of those yields.

g. Derivatives and Hedging Activities

Derivative financial instruments are classified and accounted for as follows: (i) except as discussed below, all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the consolidated statements of income; and (ii) for derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of the high correlation and effectiveness between the hedging instruments and the hedged items, certain domestic consolidated subsidiaries use the deferral hedge method or the fair value hedge method.

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 is recognized and included in interest expenses or income.

The fair values of some credit default swaps in derivatives were previously measured at the prices offered by brokers. However, a judgment has been made by management the current market prices are not indicative of fair values. At the end of the fiscal year, the fair values of these credit default swaps were determined based on the values reasonably estimated by using our own calculation methods. As a result, other operating expenses and loss before income taxes and minority interests decreased by ¥1,271 million ($12,946 thousand), respectively.

The values reasonably estimated by using our own calculation methods are calculated by the theory value model on the basis of analysis such as price change chronological order comparison of the market price of the credit default swap and a price comparison between similar articles.

h. Premises and Equipment

Premises and equipment are carried at cost less accumulated depreciation. Depreciation of premises and equipment owned by the consolidated trust bank subsidiaries is computed by the declining-balance method, while the straight-line method is applied to buildings acquired after April 1, 1998. The range of useful lives is from 10 to 50 years for buildings, and from three to eight years for equipment. Depreciation of premises and equipment owned by other consolidated subsidiaries is mainly computed by the straight-line method over the estimated useful lives of the respective assets.

i. Software

Capitalized software for internal use is amortized by the straight-line method over the estimated useful lives of the software (principally five years).

j. Impairment of Fixed Assets

Chuo Mitsui Trust Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

k. Land Revaluation

Under the Law of Land Revaluation, The Mitsui Trust and Banking Company, Limited, the forerunner of Chuo Mitsui, elected a one-time revaluation for its own-use land to a value based on real estate appraisal information as of March 31, 1998.

The resulting land revaluation difference represents unrealized appreciation of land and is stated as a component of equity. Continuous readjustment is not permitted unless the land value subsequently declines significantly such that the amount of the decline in value should be removed from the land revaluation difference account and related deferred tax liabilities.

As of March 31, 2009, the carrying amount of the land after the above one-time revaluation exceeded the market value by ¥1,506 million ($15,341 thousand).

l. Stock and Bond Issue Costs

Stock issue costs are amortized by the straight-line method over the effective period within three years.

Bond issue costs are amortized by the straight-line method over three years.

m. Allowance for Possible Loan Losses

Allowance for possible loan losses of major consolidated subsidiaries is maintained in accordance with internally established standards for write-offs and allowance for loan losses.

(i) For claims against borrowers that are legally bankrupt, such as borrowers in bankruptcy and under special liquidation proceedings ("legal bankruptcy"), and against borrowers that are in substantially similar adverse condition ("virtual bankruptcy"), allowances are maintained at 100% of the amount of claims net of expected amounts recoverable from the disposal of collateral and/or the amounts recoverable under guarantees.

(ii) For claims against borrowers that have not yet become legally or formally bankrupt but that are very likely to become bankrupt ("possible bankruptcy"), allowances are maintained at amounts deemed necessary to absorb losses on the amount of claims less expected amounts recoverable from the disposal of collateral and/or the amounts recoverable under guarantees, based on the overall assessment of the borrowers' repayment ability.

For claims against large borrowers that are classified as possible bankruptcy and close observation borrowers for which future cash flows could be reasonably estimated, allowances are provided for the difference between the present value of expected future cash flows discounted at the contracted interest rate and the carrying value of the claim.

(iii) For claims against other borrowers judged to be legal bankruptcy, virtual bankruptcy and possible bankruptcy borrowers, as mentioned above, allowances are maintained at rates derived from historical loan loss experiences, etc.

(iv) Allowance for possible losses on loans to restructuring countries is maintained in order to cover possible losses based on the political and economic climates of those countries.

All claims are assessed by the operating sections and each Credit Supervision Department based on the internal guidelines for self-assessment on asset quality. Subsequently, the Internal Audit Department, which is independent from the operating sections, reviews these self-assessments, and the allowances are provided based on the results of the self assessments. With respect to claims with collateral and/or guarantees extended to borrowers that are in legal bankruptcy or virtual bankruptcy borrowers, the unrecoverable amount is estimated by deducting from the amount of claims the realizable value of collateral or the amount likely to be recovered based on guarantees.

The outstanding amount thus determined is then directly written off from the amount of claims as the unrecoverable amount, which totaled ¥33,535 million ($341,498 thousand) and ¥85,098 million as of March 31, 2009 and 2008, respectively.

Other consolidated subsidiaries provide for "allowance for possible loan losses" based on the past experience and management's assessment of the loan portfolio.

n. Reserve for Bonus Payments

Reserve for bonus payments is provided for the payment of employees' bonuses based on estimates of the future payments attributed to the current fiscal year.

o. Reserve for Retirement Benefits for Directors and Corporate Auditors

Reserve for retirement benefits for directors and corporate auditors is provided at the amount which would be required if all directors, corporate auditors and executive officers retired at the balance sheet date. The retirement benefits for directors and corporate auditors are paid subject to the approval of the shareholders.

p. Reserve for Retirement Benefits and Pension Plans

Chuo Mitsui Trust Holdings and its principal domestic subsidiaries have defined benefit plans (employee pension fund plans and tax qualified pension plans) and lump-sum severance indemnity plans.

Chuo Mitsui Trust Holdings and its principal domestic subsidiaries account for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date.

q. Reserve for Contingent Losses

Reserve for contingent losses, which is provided for possible losses from contingent events related to off-balance sheet and other transactions, is calculated by estimation of the impact of these contingent events.

(1) Reserve for Reimbursement of Deposits

Reserve for reimbursement of deposits which were derecognized as liabilities under certain conditions is provided for the possible losses on the future claims of withdrawal based on the historical reimbursement experience. Formerly, deposits which were derecognized as liabilities were expensed when they were actually reimbursed. However, from the fiscal year ended March 31, 2008, such reserve is provided in the estimated amount as described above in accordance with the "Treatment for Auditing of Reserve under Special Taxation Measures Law, Reserve under Special Laws and Reserve for Retirement Benefits to Directors and Corporate Auditors" (the Japanese Institute of Certified Public Accountants ("JICPA") Audit and Assurance Practice Committee Report No. 42) of April 13, 2007.

As a result, income before income taxes and minority interests decreased by ¥6,109 million as compared with the former method.

(2) Reserve for Possible Losses Related to Land Trusts

Reserve for possible losses related to land trusts is provided for estimated losses deemed necessary for potential damages to the compensation rights being acquired, when a liability for reimbursement, as a trustee of a land trust, is incurred due to the future business circumstances of the land trust.

r. Income Taxes

The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities.

Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

s. Leases

In March 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions", which revised the previous accounting standard for lease transactions issued in June 1993. The revised accounting standard for lease transactions is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted for fiscal years beginning on or after April 1, 2007.

Under the previous accounting standard, finance leases that deemed to transfer ownership of the leased property to the lessee were capitalized. However, other finance leases were accounted for as operating lease transactions if certain "as if capitalized" information was disclosed in the note to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions be capitalized to recognize lease assets and lease obligations in the balance sheet.

In addition, the revised accounting standard permits leases which existed at the transition date and do not transfer ownership of the leased property to the lessee to continue to be accounted for as operating lease transactions.

The Chuo Mitsui Trust Group applied the revised accounting standard effective April 1, 2008. The effect of this change did not have a significant impact on the consolidated balance sheets and the consolidated statements of income.

t. Per Share Information

Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period.

Diluted net income per share reflects the potential dilution that could occur if securities were exercised or converted into common stock. Diluted net income per share of common stock assumes full conversion of the outstanding convertible bonds and preferred stock at the beginning of the year (or at the time of issuance) with an applicable adjustment for related expenses and dividends.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years, including dividends to be paid after the end of the year.

u. New Accounting Pronouncements

(i) Business Combinations

On December 26, 2008, the ASBJ issued a revised accounting standard for business combinations, ASBJ Statement No. 21, "Accounting Standard for Business Combinations." Major accounting changes under the revised accounting standard are as follows;

(1) The current accounting standard for business combinations allows companies to apply the pooling of interests method of accounting when certain specific criteria are met such that the business combination is essentially regarded as a uniting-of-interests. The revised standard requires accounting for such business combinations by the purchase method and the pooling of interests method of accounting is no longer allowed.

(2) The current accounting standard requires that research and development costs be charged to income as incurred. Under the revised standard, in-process research and development (IPR&D) acquired in a business combination is capitalized as an intangible asset.

(3) The current accounting standard accounts for a bargain purchase gain (negative goodwill) to be systematically amortized within 20 years. Under the revised standard, the acquirer recognizes a bargain purchase gain in profit or loss on the acquisition date after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed with a review of such procedures used.

This standard is applicable to business combinations undertaken on or after April 1, 2010, with early adoption permitted for fiscal years beginning on or after April 1, 2009.

(ii) Unification of Accounting Policies Applied to Foreign Associated Companies for the Equity Method

The current accounting standard requires to unify accounting policies within the consolidation group. However, the current guidance allows to apply the equity method for the financial statements of its foreign associated company which have been prepared in accordance with generally accepted accounting principles in their respective jurisdictions without unification of accounting policies.

On December 26, 2008, the ASBJ issued ASBJ Statement No. 16 (Revised 2008), "Revised Accounting Standard for Equity Method of Accounting for Investments". The new standard requires adjustments to conform the associate's accounting policies for similar transactions and events under similar circumstances to those of the parent company when the associate's financial statements are used in applying the equity method unless it is impractible to determine adjustments. In addition, financial statements prepared by foreign associated companies in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States tentatively may be used in applying the equity method if the following items are adjusted so that net income is accounted for in accordance with Japanese GAAP unless they are not material: 1) amortization of goodwill; 2) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in the equity; 3) expensing capitalized development costs of R&D; 4) cancellation of the fair value model accounting for property, plant, and equipment and investment properties and incorporation of the cost model accounting; 5) recording the prior years' effects of changes in accounting policies in the income statement where retrospective adjustments to the financial statements have been incorporated; and 6) exclusion of minority interests from net income, if contained.

This standard is applicable to the equity method of accounting for investments effective on or after April 1, 2010, with early adoption permitted for fiscal years beginning on or after April 1, 2009.

(iii) Asset Retirement Obligations

On March 31, 2008, the ASBJ published a new accounting standard for asset retirement obligations, ASBJ Statement No. 18 "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21 "Guidance on Accounting Standard for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and the normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an increase or a decrease in the carrying amount of the liability and the capitalized amount of the related asset retirement cost. This standard is effective for fiscal years beginning on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or before March 31, 2010.

3. *Securities*

Securities as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Japanese government bonds	**¥2,667,383**	¥2,123,056	**$27,162,766**
Japanese municipal bonds	**639**	1,295	**6,512**
Japanese corporate bonds	**366,935**	343,880	**3,736,616**
Japanese stocks	**562,910**	793,554	**5,732,283**
Other securities	**1,298,755**	1,386,173	**13,225,618**
Total	**¥4,896,624**	¥4,647,960	**$49,863,797**

The carrying amounts and aggregate fair values of securities (including securities in trading assets and monetary claims bought) as of March 31, 2009 and 2008, were as follows:

	Millions of yen			
March 31, 2009	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				**¥ 26,230**
Available-for-sale:				
Japanese equity securities	**¥ 481,791**	**¥ 45,171**	**¥77,288**	**449,674**
Japanese debt securities	**2,132,238**	**3,437**	**21,848**	**2,113,827**
Other	**952,822**	**4,281**	**50,049**	**907,055**
Held-to-maturity	**927,381**	**6,031**	**24,567**	**908,844**

	Millions of yen			
March 31, 2008	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				¥ 30,005
Available-for-sale:				
Japanese equity securities	¥ 517,214	¥211,226	¥43,170	685,269
Japanese debt securities	1,595,291	868	36,704	1,559,454
Other	1,217,354	8,844	73,486	1,152,712
Held-to-maturity	781,174	7,236	3,006	785,403

	Thousands of U.S. dollars			
March 31, 2009	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				**$ 267,110**
Available-for-sale:				
Japanese equity securities	**$ 4,906,229**	**$ 459,999**	**$787,054**	**4,579,174**
Japanese debt securities	**21,713,225**	**35,003**	**222,490**	**21,525,738**
Other	**9,702,880**	**43,601**	**509,667**	**9,236,814**
Held-to-maturity	**9,443,800**	**61,420**	**250,180**	**9,255,039**

Note: Values in the consolidated balance sheets reflect fair market values calculated by using the average market prices during the final month of the fiscal year for Japanese stocks and securities investment trusts, and by using the market prices at the end of the fiscal year for securities other than Japanese stocks and securities investment trusts.

Available-for-sale securities and held-to-maturity securities whose fair value were not readily determinable as of March 31, 2009 and 2008, were mainly as follows:

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Available-for-sale:			
Unlisted Japanese stocks	**¥ 91,985**	¥ 88,838	**$ 936,717**
Unlisted corporate bonds	**298,188**	283,821	**3,036,538**
Unlisted foreign securities	**14,557**	3,732	**148,245**
Subscription certificates	**18,103**	42,845	**184,357**
Held-to-maturity:			
Unlisted foreign securities	**4,571**	3,000	**46,549**
Total	**¥427,406**	¥422,237	**$4,352,409**

Proceeds from sales of available-for-sale securities for the fiscal years ended March 31, 2009 and 2008, were ¥3,323,541 million ($33,844,615 thousand) and ¥3,939,028 million, respectively. Gross realized gains and losses on these sales, computed on the moving-average basis, were ¥37,130 million ($378,114 thousand) and ¥120,275 million ($1,224,806 thousand), respectively, for the fiscal year ended March 31, 2009, and ¥31,525 million and ¥1,384 million, respectively, for the fiscal year ended March 31, 2008.

The carrying values of securities classified as available-for-sale and held-to-maturity by contractual maturities as of March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Due within one year	**¥ 411,859**	¥ 185,667	**$ 4,194,086**
Due after one year through five years	**2,687,559**	2,222,999	**27,368,219**
Due after five years through ten years	**545,777**	240,005	**5,557,818**
Due after ten years	**567,522**	976,763	**5,779,251**
Total	**¥4,212,718**	¥3,625,434	**$42,899,375**

Securities in unconsolidated subsidiaries and associated companies totaled ¥146,725 million ($1,494,147 thousand) and ¥136,324 million as of March 31, 2009 and 2008, respectively.

Guarantee obligations for privately offered corporate bonds (provided in accordance with Article 2, Paragaraph 3 of the Financial Instruments and Exchange Act) in "Securities" were ¥165,751 million ($1,687,895 thousand) and ¥164,471 million as of March 31, 2009 and 2008, respectively.

The fair value of floating rate Japanese government bonds were previously measured at their market prices. However, after consideration of the recent market environment, a judgment has been made by management that current market prices are not indicative of the fair values. At the end of this fiscal year, the fair values of these bonds were determined based on the values reasonably estimated by a broker dealer. As a result, securities were higher and unrealized losses on available-for-sale securities were lower by ¥9,169 million ($93,379 thousand) than they would have been if valued based on the market prices.

The reasonably estimated values are computed as the sum of discounted future cash flow. Major variables in that measurement methodology are the yield of government bonds and volatility of those yields.

4. Money Held in Trust

The carrying amounts and aggregate fair values of money held in trust as of March 31, 2009 and 2008, were as follows:

	Millions of yen		
March 31, 2009	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**¥1,687**	**¥ 900**	**¥2,588**

	Millions of yen		
March 31, 2008	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	¥1,681	¥ 782	¥2,463

	Thousands of U.S. dollars		
March 31, 2009	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**$17,188**	**$9,171**	**$26,359**

5. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Bills discounted	**¥ 7,105**	¥ 7,477	**$ 72,356**
Loans on notes	**1,140,721**	897,587	**11,616,308**
Loans on deeds	**6,519,528**	6,147,259	**66,390,310**
Overdrafts	**916,939**	799,741	**9,337,471**
Total	**¥8,584,295**	¥7,852,066	**$87,416,446**

Loans to Borrowers in Bankruptcy and Non-Accrual Loans

Loans to borrowers in bankruptcy are included in loans and bills discounted, and totaled ¥30,996 million ($315,647 thousand) and ¥10,982 million as of March 31, 2009 and 2008 respectively.

Loans are generally placed on non-accrual status when substantial doubt is judged to exist as to the ultimate collectibility of either principal or interest.

Loans to borrowers in bankruptcy represent non-accruing loans, after the partial write-off of claims deemed uncollectible, to debtors who are legally bankrupt as defined in Article 96, Paragraph 1, Subparagraphs 3 and 4 of Enforcement Ordinance for the Corporation Tax Law.

Non-accrual loans are included in loans and bills discounted, and totaled ¥79,746 million ($812,087 thousand) and ¥46,943 million as of March 31, 2009 and 2008, respectively.

Non-accrual loans are non-accruing loans other than loans to borrowers in bankruptcy and loans for which interest payment is deferred in order to assist the debtor's recovery from financial difficulties.

Loans Past Due Three Months or More

Loans past due three months or more are included in loans and bills discounted, and totaled ¥84 million ($858 thousand) and ¥13 million as of March 31, 2009 and 2008, respectively. Loans classified as loans to borrowers in bankruptcy or non-accrual loans are excluded.

Restructured Loans

Restructured loans are included in loans and bills discounted, and totaled ¥7,083 million ($72,138 thousand) and ¥69,804 million as of March 31, 2009 and 2008, respectively. Such restructured loans are loans on which major consolidated subsidiaries have granted concessions (for example, reduction of the face amount or maturity amount of the debt or accrued interest) to debtors in financial difficulties to assist them in their financial recovery and eventually enable them to pay their creditors. Loans classified as loans to borrowers in bankruptcy or non-accrual loans or loans past due three months or more are excluded.

Loans to borrowers in bankruptcy and non-accrual loans, loans past due three months or more and restructured loans totaled ¥117,911 million ($1,200,732 thousand) and ¥127,744 million as of March 31, 2009 and 2008, respectively. These claims are before deduction of the allowance for possible loan losses.

Bills discounted are accounted for as secured lending transactions in conformity with the Industry Audit Committee Report No. 24 "Treatment of Accounting and Auditing Concerning Accounting for Financial Products in the Banking Industry" issued by the JICPA on February 13, 2002. Bills discounted by Chuo Mitsui are permitted to be sold or pledged.

6. Foreign Exchanges

Foreign exchanges as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Assets:			
Due from foreign banks	**¥ 802**	¥ 811	**$ 8,174**
Total	**¥ 802**	¥ 811	**$ 8,174**
Liabilities:			
Due to foreign banks	**¥ 39**	¥ 9	**$ 403**
Other	**2**	1	**25**
Total	**¥ 42**	¥ 10	**$ 429**

7. Other Assets

Other assets as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Prepaid expenses	**¥ 926**	¥ 1,331	**$ 9,430**
Accrued income	**41,179**	43,817	**419,345**
Prepaid pension expenses	**116,433**	120,811	**1,185,678**
Receivables for securities transactions	**40,657**	13,017	**414,024**
Financial derivatives	**46,912**	44,455	**477,722**
Financial stabilization fund contribution	**82,061**	82,061	**835,651**
Other	**81,286**	122,483	**827,767**
Total	**¥409,456**	¥427,978	**$4,169,620**

8. Premises and Equipment

Premises and equipment as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Land	**¥ 81,958**	¥ 82,008	**$ 834,610**
Buildings	**39,459**	41,651	**401,831**
Equipment	**6,614**	9,111	**67,357**
Other	**62**	23	**632**
Total	**¥128,095**	¥132,794	**$1,304,431**

Accumulated depreciation amounted to ¥89,233 million ($908,686 thousand) and ¥87,955 million as of March 31, 2009 and 2008, respectively.

9. Intangible Fixed Assets

Intangible fixed assets as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Software	**¥16,624**	¥24,215	**$169,296**
Goodwill	**37,755**	39,572	**384,478**
Other	**4,842**	9,710	**49,313**
Total	**¥59,223**	¥73,499	**$603,087**

10. Collateral

The carrying amounts of assets pledged as collateral and the related collateralized debt as of March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Securities	**¥2,790,999**	¥2,518,658	**$28,421,583**
Loans	**632,297**	54,535	**6,438,872**
Trading assets	**20,133**	—	**205,022**
Other assets	**70**	70	**721**
Total	**¥3,443,500**	¥2,573,264	**$35,066,200**
Deposits	**¥ 3,645**	¥ 4,312	**$ 37,123**
Call money and bills sold	**49,000**	53,800	**498,981**
Payables under repurchase agreements	**—**	24,197	**—**
Payables under securities lending transactions	**1,255,648**	1,797,121	**12,786,640**
Borrowed money	**1,598,360**	340,000	**16,276,578**
Total	**¥2,906,653**	¥2,219,430	**$29,599,324**

In addition, securities pledged as collateral for exchange settlements, for derivative transactions and for certain other purposes as of March 31, 2009 and 2008 were ¥605,755 million ($6,168,592 thousand) and ¥395,815 million, respectively.

Also, securities deposits (included in other assets) as of March 31, 2009 and 2008 were ¥9,374 million ($95,464 thousand) and ¥9,546 million, respectively.

11. 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 as assets in the consolidated balance sheets representing Chuo Mitsui Trust Holdings' right of indemnity from the applicant.

12. Deposits

Deposits as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Current deposits	**¥ 109,386**	¥ 88,367	**$ 1,113,915**
Ordinary deposits	**1,136,563**	1,177,967	**11,573,966**
Deposits at notice	**20,160**	7,989	**205,296**
Time deposits	**7,588,606**	6,825,996	**77,277,048**
Negotiable certificates of deposit	**542,280**	663,340	**5,522,199**
Other	**49,499**	66,928	**504,065**
Total	**¥9,446,495**	¥8,830,588	**$96,196,492**

13. Borrowed Money

Borrowed money as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Borrowed money	**¥1,600,065**	¥341,869	**$16,293,950**
Subordinated borrowings	**77,500**	107,500	**789,205**
Perpetual subordinated borrowings	**15,000**	25,000	**152,749**
Total	**¥1,692,565**	¥474,369	**$17,235,905**

The weighted-average rates calculated from the interest rates and the balances as of March 31, 2009 and 2008, were 0.36% and 1.29%, respectively.

Annual maturities of borrowed money as of March 31, 2009, for the next five years are as follows:

Fiscal year ending March 31	Millions of yen	Thousands of U.S. dollars
2010	¥1,598,428	$16,277,270
2011	104	1,062
2012	821	8,368
2013	89	906
2014	546	5,569
Total	¥1,599,990	$16,293,177

14. Subordinated Bonds

Subordinated bonds as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Issuer: Chuo Mitsui,			
Unsecured perpetual subordinated bonds, 2.06% (2.32% in 2008)	**¥ 16,100**	¥ 16,100	**$ 163,951**
2.03% unsecured subordinated bonds due 2015	**40,000**	40,000	**407,331**
1.27% unsecured subordinated callable bonds due 2015	**30,000**	30,000	**305,498**
5.506% USD unsecured perpetual subordinated notes	**83,470**	85,161	**850,000**
2.06% unsecured perpetual subordinated bonds	**5,000**	5,000	**50,916**
Total	**¥174,570**	¥176,261	**$1,777,698**

15. Other Liabilities

Other liabilities as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Accrued expenses	**¥ 54,876**	¥ 46,620	**$ 558,821**
Unearned income	**31,819**	27,289	**324,025**
Financial derivatives	**57,181**	45,915	**582,300**
Income taxes payable	**3,170**	9,235	**32,290**
Payable for securities transaction	**19,962**	547	**203,282**
Other	**24,173**	58,515	**246,163**
Total	**¥191,184**	¥188,125	**$1,946,884**

16. Retirement and Pension Plans

Employees who terminate their services with Chuo Mitsui Trust Holdings or certain domestic consolidated subsidiaries 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. If the termination is involuntary, caused by retirement at the mandatory retirement age or caused by death, the employee is entitled to greater payment than in the case of voluntary termination.

Chuo Mitsui Trust Holdings and its principal domestic subsidiaries have defined benefit plans (employee pension fund plans and tax qualified pension plans) and lump-sum severance indemnity plans. Certain domestic consolidated subsidiaries have lump-sum severance indemnity plans and integrated contributory pension plans.

The consolidated trust bank subsidiaries contributed certain available-for-sale securities with a fair value to the employee retirement benefit trust for their pension plans. The securities held in this trust are qualified as plan assets.

The funded status for employees' retirement benefits as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Projected benefit obligation	**¥(181,854)**	¥(181,463)	**$(1,851,881)**
Fair value of plan assets	**181,525**	224,302	**1,848,532**
Unrecognized actuarial loss	**114,368**	75,710	**1,164,649**
Net amount accrued on the consolidated balance sheets	**114,039**	118,549	**1,161,300**
Prepaid pension expenses (included in other assets)	**116,433**	120,811	**1,185,678**
Reserve for retirement benefits	**¥ (2,393)**	¥ (2,262)	**$ (24,377)**

The components of net periodic benefit costs (income) for the fiscal years ended March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Service cost	**¥ 3,915**	¥ 3,620	**$ 39,869**
Interest cost	**3,431**	3,333	**34,943**
Expected return on plan assets	**(7,345)**	(14,327)	**(74,801)**
Recognized acturial loss	**12,394**	4,324	**126,218**
Other	**360**	383	**3,674**
Net periodic benefit costs (income)	**¥ 12,756**	¥ (2,664)	**$ 129,904**

Assumptions used for the fiscal years ended March 31, 2009 and 2008, were as follows:

	2009	2008
Discount rate	**1.9%**	1.9%
Expected rate of return on plan assets	**3.2%**	5.1%
Method of attributing the projected benefits to periods of services	**Mainly point basis**	Mainly point basis
Recognition period of actuarial loss	**8 to 9 years**	8 to 9 years

17. Reserve for Contingent Losses

Reserve for contingent losses as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Reserve for reimbursement of deposits	**¥ 6,062**	¥ 6,109	**$ 61,731**
Reserve for possible losses related to land trust	**5,819**	6,750	**59,259**
Other	**347**	—	**3,538**
Total	**¥12,228**	¥12,859	**$124,529**

18. Commitments and Contingent Liabilities

a. Certain consolidated subsidiaries issue commitments to extend credit and establish credit lines for overdrafts by making agreements to meet the financing needs of their customers. The total balance of unused commitment lines as of March 31, 2009 and 2008, was ¥2,062,196 million ($20,999,963 thousand) and ¥2,276,336 million, respectively, of which commitment lines whose maturities are less than one year were ¥1,915,912 million ($19,510,314 thousand) and ¥2,093,004 million, respectively.

Many of these commitment lines expire without being drawn. As such, the total balance of unused commitment lines does not necessarily impact future cash flows of the subsidiaries. Furthermore, many commitment lines contain provisions that allow the subsidiaries to refuse to advance funds to the customers or reduce the contract amount of the commitment lines under certain conditions.

The subsidiaries may also request customers to provide collateral, if necessary, such as real estate or securities on the execution date of the contract. After the execution date, the subsidiaries periodically monitor the customers' creditworthiness over the term of the contracts in accordance with internal policies, and take measures to manage the credit exposures such as revising the terms of the contracts, if necessary.

b. Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by Chuo Mitsui. Regarding guaranteed trusts, Chuo Mitsui guaranteed the principal amount of ¥1,084,149 million ($11,040,220 thousand) and ¥1,061,263 million for certain money trusts as of March 31, 2009 and 2008, respectively, and ¥569,331 million ($5,797,669 thousand) and ¥862,381 million for loan trusts as of March 31, 2009 and 2008, respectively.

19. Equity

Since May 1, 2006, Japanese companies have been subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders' meeting. For companies that meet certain criteria such as: (1) having a Board of Directors, (2) having independent auditors, (3) having a Board of Corporate Auditors, and (4) where the term of service of the directors under the company's article of incorporation is prescribed as one year rather than two years for a normal term, the Board of Directors may declare dividends (except for dividends in kind) at any time during fiscal year if the company has so prescribed in its articles of incorporation. However, Chuo Mitsui Trust Holdings cannot do so because it does not meet all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to certain limitation and additional requirements. Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

(b) Increases/decreases and transfer of capital stock, reserve and surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 25% of the capital stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that capital stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

(c) Treasury stock and treasury stock acquisition rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula.

Under the Companies Act, stock acquisition rights are presented as a separate component of equity.

The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

Under the Banking Law of Japan, the consolidated trust bank subsidiaries are required to appropriate an amount equal to 20% of dividends as a legal reserve or as additional paid-in capital depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 100% of the capital stock.

20. Common Stock and Preferred Stock

Common stock and preferred stock as of March 31, 2009, consisted of the following:

	Number of shares (Thousands)		Per share (Yen)
Class of stock	Authorized	Issued	Fiscal year-end cash dividend
Common stock	4,068,332	1,157,551	¥ 5.00
Class II convertible preferred stock	93,750	93,750	14.40
Class III convertible preferred stock	156,406	31,468	20.00
Class V convertible preferred stock	62,500	—	—
Class VI convertible preferred stock	62,500	—	—

Chuo Mitsui Trust Holdings issued two classes of non-voting, non-cumulative and non-participating preferred stock. These preferred stocks are convertible into common stock at the specific convertible price. The preferred shareholder shall be entitled, in priority to any payment of dividends on or in respect of any other class of shares, to the specific annual dividend.

Preferred shareholders receive liquidation at ¥1,600 per share and do not have the right to participate in any further liquidation distribution.

The preferred stocks are convertible for a fixed period of time at the option of the shareholder. Unless previously converted by the preferred shareholder, all outstanding preferred shares will be mandatorily exchanged for fully paid shares of common stock on a specific day, at the number of common shares calculated by the market price per share on the day, following each conversion date.

Terms of preferred stock are as follows:

	Preferred stock	
	Class II	Class III
Annual dividend	¥14.40	¥20.00
Convertible due	July 31, 2009	July 31, 2009
Convertible price	¥450	¥450

21. Other Interest Income

Other interest income for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Interest on due from banks	**¥ 738**	¥3,591	**$ 7,520**
Interest on monetary claims bought	**2,147**	1,603	**21,867**
Other	**443**	811	**4,514**
Total	**¥3,329**	¥6,007	**$33,902**

22. Trust Fees

Chuo Mitsui and Chuo Mitsui Asset receive fees for controlling and managing trust properties held under trust agreements between them and their clients.

23. Other Operating Income

Other operating income for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Gains on foreign exchange	**¥ 2,237**	¥ —	**$ 22,789**
Gains on sales and redemption of bonds	**17,433**	15,199	**177,534**
Other	**87**	519	**886**
Total	**¥19,758**	¥15,718	**$201,209**

24. Other Income

Other income for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Gains on sales of stocks and other securities	**¥17,337**	¥18,675	**$176,554**
Gains on money held in trust	**131**	145	**1,343**
Lease-related income	**—**	14,470	**—**
Net reversal of allowance for possible loan losses	**5,204**	2,740	**53,003**
Other	**15,187**	15,161	**154,663**
Total	**¥37,862**	¥51,193	**$385,564**

25. Other Interest Expenses

Other interest expenses for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Interest on subordinated bonds	**¥ 6,682**	¥ 7,241	**$ 68,054**
Interest on subordinated convertible bonds	**—**	0	**—**
Interest on interest rate swaps	**2,448**	2,182	**24,936**
Interest on payables under repurchase agreements and payables under securities lending transactions	**19,991**	23,577	**203,577**
Other	**6,566**	7,651	**66,864**
Total	**¥35,689**	¥40,652	**$363,432**

26. Other Operating Expenses

Other operating expenses for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Losses on foreign exchange	**¥ —**	¥1,077	**$ —**
Losses on sales and redemption of bonds	**6,134**	2,437	**62,469**
Losses on derivatives	**8,768**	4,316	**89,291**
Other	**632**	1,288	**6,442**
Total	**¥15,535**	¥9,120	**$158,203**

27. Other Expenses

Other expenses for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Losses on sales of loans	**¥ 8,049**	¥ 1,597	**$ 81,967**
Write-off of loans	**22,042**	9,706	**224,465**
Losses on sales of stocks and other securities	**119,841**	1,265	**1,220,379**
Losses on devaluation of stocks and other securities	**78,472**	12,912	**799,107**
Lease-related expenses	**—**	13,480	**—**
Provision for contingent losses	**—**	4,150	**—**
Losses on disposal of premises and equipment	**1,811**	849	**18,449**
Other	**25,426**	26,133	**258,923**
Total	**¥255,643**	¥70,096	**$2,603,292**

28. Income Taxes

Chuo Mitsui Trust Holdings and its domestic consolidated subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 40.69% for the fiscal years ended March 31, 2009 and 2008.

The tax effects of significant temporary differences and loss carryforwards, which resulted in deferred tax assets and liabilities as of March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Deferred tax assets:			
Allowance for possible loan losses	**¥ 28,058**	¥ 37,814	**$ 285,728**
Tax loss carryforwards	**199,846**	122,629	**2,035,098**
Net unrealized losses on available-for-sale securities	**13,558**	—	**138,066**
Securities	**12,389**	35,391	**126,163**
Reserve for retirement benefits	**3,015**	2,088	**30,704**
Other	**49,784**	47,026	**506,967**
Valuation allowance	**(94,374)**	(68,204)	**(961,046)**
Total deferred tax assets	**212,277**	176,745	**2,161,682**
Deferred tax liabilities:			
Gains on return of securities from employee retirement benefit trusts	**(8,807)**	(9,310)	**(89,693)**
Net unrealized gains on available-for-sale securities	**—**	(12,210)	**—**
Other	**(11,253)**	(17,808)	**(114,595)**
Total deferred tax liabilities	**(20,061)**	(39,329)	**(204,289)**
Net deferred tax assets	**¥192,215**	¥137,415	**$1,957,392**

A reconciliation between the normal effective statutory tax rate and the actual effective tax rates reflected in the accompanying consolidated statements of income for the fiscal years ended March 31, 2009 and 2008, was as follows:

	2009	2008
Normal effective statutory tax rate	**40.69%**	40.69%
Valuation allowance	**(21.94)**	5.50
Nontaxable dividends received	**2.52**	(2.63)
Other, net	**0.36**	(0.50)
Actual effective tax rate	**21.63%**	43.05%

29. Transaction Related Cash Flows

For the fiscal year ended March 31, 2008, Chuo Mitsui Leasing Co., Ltd. was excluded from Chuo Mitsui Trust Group as a result of the sale of all of the shares of its common stock. Assets and liabilities of the subsidiary at the time of disposal, cash received by selling the stock and proceeds from sales of consolidated subsidiaries were as follows:

	Millions of yen
Fiscal years ended March 31, 2008	2008
Premises and equipment	¥ 65,206
Intangible fixed assets	6,130
Borrowed money	(50,373)
Other assets and liabilities, net	(14,899)
Net gain on sales of stock	2,335
Cash received by selling the stock	8,400
Cash and cash equivalents of consolidated subsidiaries	(0)
Proceeds from sales of consolidated subsidiaries	¥ 8,399

30. Leases

Lessee

Total lease payments under finance lease arrangements that do not transfer ownership of the leased property to the lessee were ¥16 million ($168 thousand) and ¥35 million for the fiscal years ended March 31, 2009 and 2008, respectively.

Pro forma information on leased property such as acquisition cost and accumulated depreciation and obligations under finance leases as of March 31, 2009 and 2008, and the related depreciation expense and interest expense under finance leases for the fiscal years ended March 31, 2009 and 2008, on an "as if capitalized" basis were as follows:

	Millions of yen		
	2009		
	Equipment	Other	Total
Acquisition cost	**¥54**	**¥—**	**¥54**
Accumulated depreciation	**37**	**—**	**37**
Net leased property	**¥17**	**¥—**	**¥17**

	Millions of yen		
	2008		
	Equipment	Other	Total
Acquisition cost	¥109	¥—	¥109
Accumulated depreciation	70	—	70
Net leased property	¥ 38	¥—	¥ 38

	Thousands of U.S. dollars		
	2009		
	Equipment	Other	Total
Acquisition cost	**$558**	**$—**	**$558**
Accumulated depreciation	**382**	**—**	**382**
Net leased property	**$175**	**$—**	**$175**

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Obligations under finance leases:			
Due within one year	**¥ 9**	¥19	**$ 98**
Due after one year	**8**	19	**84**
Total	**¥17**	¥39	**$182**

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Depreciation expense	**¥14**	¥30	**$145**
Interest expense	**0**	2	**8**
Total	**¥15**	¥33	**$154**

Depreciation expense and interest expense, which were not reflected in the accompanying consolidated statements of income, were computed by the straight-line method and the interest method, respectively.

The minimum rental commitments under noncancellable operating leases as of March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Due within one year	**¥ 8**	¥ 8	**$ 88**
Due after one year	**11**	16	**113**
Total	**¥19**	¥24	**$202**

Lessor

For the fiscal year ended March 31, 2008, Chuo Mitsui Leasing Co., Ltd. was excluded from Chuo Mitsui Trust Group as a result of the sale of all of the shares of its common stock. Therefore, the notes related to lease transactions for lessor include only income information.

Total leases receipts under finance lease arrangements that did not transfer ownership of the leased property to the lessee were ¥13,602 million for the fiscal years ended March 31, 2008.

Depreciation expense and interest income under finance leases for the fiscal years ended March 31, 2008, were as follows:

	Millions of yen
	2008
Depreciation expense	¥12,583
Interest income	765
Total	¥13,348

31. Derivatives Information

Derivative Transactions

(a) Instruments

The primary derivative transactions undertaken by Chuo Mitsui Trust Group are listed below:

- Interest rate derivatives: interest futures, interest rate future options, interest rate swaps, caps, floors, swaptions
- Currency derivatives: foreign exchange contracts, currency swaps, currency options
- Stock derivatives: stock index futures, stock index options
- Bond derivatives: bond futures, bond future options, over-the-counter bond options, forward bond agreements
- Other: credit derivatives

(b) Purposes and Policies for Derivative Transactions

Chuo Mitsui Trust Group employs derivative transactions as a vital tool to meet the increasingly sophisticated and diversified financial needs of clients, to keep the market risk exposure on its own assets and liabilities to a level commensurate with its risk management capacity and to seek to capture gains primarily through price fluctuations. Derivative transactions involve various risks, including market risk, which arises through changing interest rates and price fluctuations. Chuo Mitsui Trust Group must be aware of the characteristics and volume of such risks and enforce strict risk management processes to hedge the risks inherent in derivative transactions.

(c) Content of Risks for Derivative Transactions

(1) Market Risk

Market risk is the potential for loss caused by fluctuations in the fair value of financial products or portfolios, owing to changes in market volatility in the market prices of traded products, such as interest rates, foreign exchange rates and marketable securities. Chuo Mitsui Trust Group measures risk volume through such means as basis point value ("BPV")* and value at risk ("VaR").**

* BPV shows the change in fair value of transactions when interest rates change by one basis point (0.01%).

** VaR is a method to statistically gauge the maximum portfolio loss at a certain probability during a given holding period, thereby facilitating standardized measurement of risk across different products, including interest rates, foreign exchange rates and bonds.

(2) Credit Risk

Credit risk is the possibility of reduction or complete elimination of fair value on transactions, owing to such adverse developments as the worsening financial position of a borrower. In the case of derivative transactions, credit risk is not the loss of the assumed principal but the cost, or reconstruction cost, extended to conclude an agreement with a third party having cash flow equivalent to the amount at the time the original counterparty defaulted.

Chuo Mitsui Trust Group's credit equivalent, determined on a consolidated basis according to Bank for International Settlements (BIS) capital adequacy standards, consists of latent credit exposure plus reconstruction costs.

(d) Risk Management System for Derivative Transactions

Chuo Mitsui Trust Group is fully aware of the social responsibility and public mission that is incumbent upon financial institutions. Members of Chuo Mitsui Trust Group therefore assume risk only within strategic objectives and risk-hedging capabilities, based on suitable risk management, and adhere to a basic risk management policy to secure appropriate returns on investment.

As the holding company for Chuo Mitsui Trust Group, Chuo Mitsui Trust Holdings monitors risk management for the entire Chuo Mitsui Trust Group, oversees the system for securing appropriate profits and for managing risk at the consolidated trust bank subsidiaries, and provides guidance for enhancing the system when and where necessary.

The consolidated trust bank subsidiaries have established their own Rules for Risk Management geared to respective operating scale and business characteristics, in accordance with the risk management direction of Chuo Mitsui Trust Group that Chuo Mitsui Trust Holdings has set forth in its Rules for Risk Management, and utilize these rules to undertake appropriate risk management.

With regard to market risk, Chuo Mitsui maintains a basic policy through its Rules for Market Risk Management and follows Regulations for Market Risk Management to reinforce and control accurate hedging techniques and risk. A cross-check structure has been established whereby the divisions that execute transactions are clearly separate from the divisions that process the transactions, and overall management of market risk is consolidated under the Risk Management Department, which is independent of both the front and back offices and pinpoints the status of activities undertaken by both office categories.

This department identifies and analyzes group-wide risk, tracks compliance of risk limits and reports to the director in charge on a daily basis and to the Executive Committee on a monthly basis.

With regard to hedge transactions, Chuo Mitsui has prepared Rules for Hedge Transactions to maintain suitable control of hedge transactions.

For credit risk, Chuo Mitsui follows its Rules for Credit Risk Management, which provide direction for regulating credit risk on loans, fund transactions, derivative transactions and other credit-related risks, and works to forge a stronger credit risk management structure.

Credit lines for derivative and other transactions are established through strict procedures, in accordance with trading standards provided separately. The compliance status of such credit lines and other conditions are appropriately monitored.

Fair Value of Transactions

The following transactions are stated at fair value and unrealized gains (losses) are reflected in the consolidated statements of income. Transactions which qualify for hedge accounting are excluded from the following table.

Interest rate transactions

	Millions of yen			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Interest rate futures contracts:				
Buying	**¥ 2,422**	**¥ —**	**¥ 4**	**¥ 4**
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	**5,619,186**	**3,966,022**	**183,798**	**183,798**
Floating rate receipt, fixed rate payment	**5,454,906**	**3,852,284**	**(181,671)**	**(181,671)**
Floating rate receipt, floating rate payment	**32,200**	**32,200**	**3,026**	**3,026**
Interest rate swaptions:				
Selling	**50,200**	**18,400**	**(520)**	**310**
Buying	**62,833**	**15,671**	**633**	**404**
Others:				
Selling	**65,335**	**47,928**	**(53)**	**159**
Buying	**81,650**	**47,650**	**52**	**(30)**
Total			**¥ 5,270**	**¥ 6,002**

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Interest rate futures contracts:				
Buying	¥ 1,196	¥ —	¥ 21	¥ 21
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	5,818,400	4,490,219	104,493	104,493
Floating rate receipt, fixed rate payment	5,709,145	4,356,431	(101,200)	(101,200)
Floating rate receipt, floating rate payment	32,200	32,200	3,184	3,184
Interest rate swaptions:				
Selling	95,400	21,200	(498)	718
Buying	89,592	13,951	411	(27)
Others:				
Selling	51,934	42,693	(18)	205
Buying	50,867	41,680	15	(95)
Total			¥ 6,408	¥ 7,301

	Thousands of U.S. dollars			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Interest rate futures contracts:				
Buying	**$ 24,669**	**$ —**	**$ 49**	**$ 49**
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	**57,221,858**	**40,387,195**	**1,871,673**	**1,871,673**
Floating rate receipt, fixed rate payment	**55,548,950**	**39,228,964**	**(1,850,016)**	**(1,850,016)**
Floating rate receipt, floating rate payment	**327,902**	**327,902**	**30,824**	**30,824**
Interest rate swaptions:				
Selling	**511,201**	**187,372**	**(5,298)**	**3,163**
Buying	**639,847**	**159,582**	**6,446**	**4,118**
Others:				
Selling	**665,334**	**488,073**	**(542)**	**1,620**
Buying	**831,466**	**485,234**	**533**	**(311)**
Total			**$ 53,669**	**$ 61,121**

Note: Fair value of listed transactions is calculated according to closing market prices on the Tokyo International Financial Futures Exchange and other exchanges. Fair value of over-the-counter transactions is calculated according to discounted present value, the option pricing model and other valuation techniques.

Currency transactions

	Millions of yen			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	**¥ 54,010**	**¥51,064**	**¥ 188**	**¥ 188**
Foreign exchange contracts:				
Selling	**1,231,127**	**4,556**	**(34,808)**	**(34,808)**
Buying	**1,348,544**	**5,285**	**28,478**	**28,478**
Currency options:				
Selling	**5,401**	**—**	**(384)**	**(158)**
Buying	**5,401**	**—**	**383**	**156**
Total			**¥(6,142)**	**¥(6,143)**

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	¥ 5,009	¥5,009	¥ 25	¥ 25
Foreign exchange contracts:				
Selling	1,454,328	4,268	36,371	36,371
Buying	1,619,135	5,074	(36,186)	(36,186)
Currency options:				
Selling	15,133	—	(1,032)	(580)
Buying	37,280	—	1,384	849
Total			¥ 561	¥ 478

	Thousands of U.S. dollars			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	**$ 550,000**	**$520,000**	**$ 1,915**	**$ 1,915**
Foreign exchange contracts:				
Selling	**12,536,938**	**46,400**	**(354,464)**	**(354,464)**
Buying	**13,732,628**	**53,822**	**290,004**	**290,004**
Currency options:				
Selling	**55,000**	**—**	**(3,915)**	**(1,613)**
Buying	**55,000**	**—**	**3,906**	**1,593**
Total			**$(62,553)**	**$(62,565)**

Note: Fair value is calculated according to discounted present value, the option pricing model and other valuation techniques.

Stock transactions

There was no contract or notional amount of stock transactions as of March 31, 2009.

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Stock index futures:				
Selling	¥2,507	¥—	¥ 9	¥ 9
Stock index options:				
Buying	29,000	—	14	(125)
Total			¥24	¥(115)

Note: Fair value is calculated according to closing market prices on the stock exchanges, such as the Tokyo Stock Exchange.

Bond transactions

	Millions of yen			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Forward bond agreements:				
Selling	**¥19,640**	**¥—**	**¥(48)**	**¥(48)**
Buying	**19,640**	**—**	**52**	**52**
Total			**¥ 3**	**¥ 3**

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Bond futures:				
Selling	¥1,143	¥—	¥1	¥1
Buying	1,139	—	2	2
Total			¥3	¥3

	Thousands of U.S. dollars			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Forward bond agreements:				
Selling	**$200,000**	**$—**	**$(496)**	**$(496)**
Buying	**200,000**	**—**	**530**	**530**
Total			**$ 33**	**$ 33**

Note: Fair value is calculated according to closing market prices on the stock exchanges, such as the Tokyo Stock Exchange and the prices offered by information venders.

Credit derivative transactions

	Millions of yen			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	**¥15,000**	**¥15,000**	**¥(12,748)**	**¥(12,748)**

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	¥10,000	¥10,000	¥(5,011)	¥(5,011)

	Thousands of U.S. dollars			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	**$152,749**	**$152,749**	**$(129,816)**	**$(129,816)**

Notes: 1. Fair value is calculated according to discounted present value and the prices offered by brokers and by the pricing model.
2. "Selling" refers to acceptance transactions on credit risk.

The fair values of some credit default swaps in derivatives were previously measured at the prices offered by brokers. However, a judgment has been made by management that the current market prices are not indicative of fair values. At the end of the fiscal year, the fair values of these credit default swaps were determined based on the values reasonably estimated by using our own calculation methods. As a result, other operating expenses and loss before income taxes and minority interests decreased by ¥1,271 million ($12,946 thousand), respectively.

The values reasonably estimated by using our own calculation methods are calculated by the theory value model on the basis of analysis such as price change chronological order comparison of the market price of the credit default swap and a price comparison between similar articles.

32. Segment Information

Information about business segments, geographic segments and ordinary income from international operations for the fiscal years ended March 31, 2009 and 2008, was as follows:

(1) Business Segment Information

	Millions of yen			
	2009			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**¥ 387,705**	**¥ 25,338**	**¥ —**	**¥ 413,043**
Intersegment	**16,335**	**18,617**	**(34,953)**	**—**
Total ordinary income	**404,041**	**43,955**	**(34,953)**	**413,043**
Ordinary expenses	**517,797**	**34,660**	**(22,503)**	**529,954**
Ordinary profit	**¥ (113,756)**	**¥ 9,294**	**¥(12,449)**	**¥ (116,910)**
Assets, depreciation and capital expenditures:				
Total assets	**¥15,010,437**	**¥872,001**	**¥(795,993)**	**¥15,086,445**
Depreciation	**12,848**	**518**	**—**	**13,366**
Capital expenditures	**16,202**	**384**	**—**	**16,587**

	Millions of yen			
	2008			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	¥ 413,081	¥ 46,018	¥ —	¥ 459,100
Intersegment	17,664	189,830	(207,494)	—
Total ordinary income	430,745	235,849	(207,494)	459,100
Ordinary expenses	306,053	49,722	(22,063)	333,712
Ordinary profit	¥ 124,691	¥186,126	¥(185,431)	¥ 125,387
Assets, depreciation and capital expenditures:				
Total assets	¥14,352,216	¥971,452	¥(850,832)	¥14,472,837
Depreciation	14,483	13,430	—	27,914
Capital expenditures	19,002	842	—	19,844

	Thousands of U.S. dollars			
	2009			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**$ 3,948,122**	**$ 258,024**	**$ —**	**$ 4,206,146**
Intersegment	**166,354**	**189,590**	**(355,944)**	**—**
Total ordinary income	**4,114,476**	**447,614**	**(355,944)**	**4,206,146**
Ordinary expenses	**5,272,888**	**352,962**	**(229,164)**	**5,396,686**
Ordinary profit	**$ (1,158,412)**	**$ 94,652**	**$ (126,779)**	**$ (1,190,539)**
Assets, depreciation and capital expenditures:				
Total assets	**$152,855,778**	**$8,879,854**	**$(8,105,839)**	**$153,629,793**
Depreciation	**130,838**	**5,277**	**—**	**136,115**
Capital expenditures	**164,999**	**3,915**	**—**	**168,914**

Notes: 1. Ordinary income represents total income less certain special income, and ordinary expenses represents total expenses less certain special expenses.
2. "Other finance-related operations" mainly consists of credit guarantee services, leasing, credit card services and Investment Trust Management services.
3. Reserve for reimbursement of deposits that were derecognized as liabilities under certain conditions is provided for possible losses on future claims of withdrawal based on historical reimbursement experience. Formerly, deposits that were derecognized as liabilities were expensed when they were actually reimbursed. However, from the fiscal year ended March 31, 2008, such reserve is provided in the estimated amount as described above in accordance with the "Treatment for Auditing of Reserve under Special Taxation Measures Law, Reserve under Special Laws and Reserve for Retirement Benefits to Directors and Corporate Auditors" (JICPA Audit and Assurance Practice Committee Report No. 42) of April 13, 2008. The effect of this change was to decrease ordinary profit for "Trust and banking business" for the fiscal year ended March 31, 2008 by ¥6,109 million.
4. Chuo Mitsui Leasing Co., Ltd. is not included in capital expenditures for the fiscal year ended March 31, 2008 because Chuo Mitsui Leasing Co., Ltd. was excluded from Chuo Mitsui Trust Group as a result of the sale of all of the shares of its common stock.

(2) Geographic Segment Information

Since domestic (Japan) total ordinary income and total assets by geographic segment for the fiscal years ended March 31, 2009 and 2008, represented more than 90% of the consolidated total ordinary income and total assets of each respective year, geographic segment information was not required to be disclosed.

(3) Ordinary Income from International Operations

	Millions of yen, except percentage data		Thousands of U.S. dollars, except percentage data
	2009	2008	**2009**
Ordinary income from international operations (A)	**¥ 63,581**	¥ 54,639	**$ 647,464**
Consolidated ordinary income (B)	**413,043**	459,100	**4,206,146**
(A)/(B) (%)	**15.3%**	11.9%	**15.3%**

Note: Ordinary income from international operations represents ordinary income arising from international operations both in and outside Japan.

33. Per Share Information

Diluted net income per share for the fiscal year ended March 31, 2009 is not disclosed because of Chuo Mitsui Trust Group's net loss position. Basic net income per share ("EPS") for the fiscal years ended March 31, 2009 was as follows:

	Millions of yen	Thousands of shares	Yen	U.S. dollars
Fiscal year ended March 31, 2009	Net income (loss)	Weighted-average shares	EPS	EPS
Basic EPS				
Net income available to common shareholders	**¥(94,012)**	**1,107,406**	**¥(84.89)**	**$(0.86)**

A reconciliation of the differences between basic and diluted net income per share ("EPS") for the fiscacl year ended March 31, 2008 was as follows:

	Millions of yen	Thousands of shares	Yen
Fiscal year ended March 31, 2008	Net income	Weighted-average shares	EPS
Basic EPS			
Net income available to common shareholders	¥67,821	961,239	¥70.55
Effect of dilutive securities			
Convertible bonds	0	21	
Preferred stock	4,015	833,281	
Diluted EPS			
Net income for computation	¥71,837	1,794,543	¥40.03

34. Subsequent Event

(1) The following appropriation of retained earnings of Chuo Mitsui Trust Holdings as of March 31, 2009, was approved at the general meeting of shareholders held on June 26, 2009:

	Millions of yen	Thousands of U.S. dollars
Fiscal year-end dividends:		
Common stock, ¥5.00 ($0.05) per share	¥5,786	$58,921
Class II convertible preferred stock, ¥14.40 ($0.14) per share	1,350	13,747
Class III convertible preferred stock, ¥20.00 ($0.20) per share	629	6,409
Total	¥7,765	$79,078

(2) Pursuant to the provisions of the Company's Articles of Incorporation, Chuo Mitsui Trust Holdings, acquired all relevant preferred stock on August 1, 2009, subscribed by the Resolution and Collection Corporation ("RCC"), and issued Chuo Mitsui Trust Holdings' common stocks to RCC in exchange for these preferred stocks. Chuo Mitsui Trust Holdings subsequently cancelled all the relevant preferred stocks immediately after obtaining these stocks.

	Number of shares (Thousands)		Yen	U.S. dollars
Class of stock	The acquisition preferred stocks	The issuance common stocks	Exchange price	Exchange price
Class II convertible preferred stock	93,750	375,000	¥400	$4.07
Class III convertible preferred stock	31,468	125,875	400	4.07

	Number of shares (Thousands)	
Class of stock	The cancellation preferred stocks	After the cancellation of preferred stocks
Class II convertible preferred stock	93,750	—
Class III convertible preferred stock	31,468	—

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Independent Auditors' Report

To the Board of Directors of
Chuo Mitsui Trust Holdings, Inc.:

We have audited the accompanying consolidated balance sheets (banking account) of Chuo Mitsui Trust Holdings, Inc. (the "Company") and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of income, changes in equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and consolidated subsidiaries as of March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Our audits 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 22, 2009
(August 3, 2009 as to Note 34)

Member of
Deloitte Touche Tohmatsu

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

Chuo Mitsui Trust Holdings, Inc.
As of March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
ASSETS			
Current assets:			
Cash and due from banks	**¥ 1,195**	¥137,557	**$ 12,173**
Securities	**40,000**	—	**407,331**
Deferred tax assets	**141**	278	**1,440**
Income tax refunds receivable	**2,904**	36,894	**29,579**
Other current assets	**66**	63	**679**
Total current assets	**44,308**	174,793	**451,205**
Non-current assets:			
Tangible fixed assets	**2**	2	**29**
Intangible fixed assets	**5**	4	**59**
Investments and other assets:	**765,423**	724,103	**7,794,532**
Investment securities	**652**	652	**6,639**
Investments in subsidiaries and associated companies (Stocks)	**764,406**	722,806	**7,784,182**
Deferred tax assets	**—**	331	**—**
Other investments	**364**	313	**3,710**
Total non-current assets	**765,431**	724,111	**7,794,621**
Total assets	**¥809,740**	¥898,904	**$8,245,827**
LIABILITIES AND EQUITY			
Liabilities:			
Current liabilities:			
Accrued expenses	**¥ 1,409**	¥ 956	**$ 14,358**
Accrued taxes	**23**	16	**234**
Reserve for bonus payment	**71**	77	**727**
Other current liabilities	**82**	95	**841**
Total current liabilities	**1,587**	1,144	**16,161**
Non-current liabilities:			
Bonds	**189,700**	148,100	**1,931,771**
Reserve for retirement benefits	**840**	822	**8,560**
Reserve for retirement benefits for directors and corporate auditors	**323**	259	**3,291**
Total non-current liabilities	**190,863**	149,181	**1,943,624**
Total liabilities	**192,450**	150,326	**1,959,785**
Equity:			
Common stock and preferred stock	**261,608**	261,608	**2,664,039**
Capital surplus	**118,673**	246,088	**1,208,492**
Retained earnings	**237,268**	241,142	**2,416,177**
Treasury stock—at cost			
324,157 shares in 2009 and 280,082 shares in 2008	**(262)**	(261)	**(2,669)**
Total equity	**617,289**	748,578	**6,286,041**
Total liabilities and equity	**¥809,740**	¥898,904	**$8,245,827**

Non-Consolidated Statements of Income (Supplemental Information—Unaudited)

Chuo Mitsui Trust Holdings, Inc.
Fiscal years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Operating income:			
Dividends received from subsidiaries	**¥14,349**	¥184,405	**$146,127**
Fees and commissions received from subsidiaries	**2,649**	2,348	**26,977**
Total operating income	**16,998**	186,754	**173,104**
Operating expenses:			
Interest expenses on bonds	**6,270**	4,581	**63,853**
General and administrative expenses	**2,668**	2,379	**27,171**
Total operating expenses	**8,938**	6,961	**91,025**
Operating profit	**8,060**	179,793	**82,079**
Non-operating income:			
Interest income	**84**	15	**860**
Interest and dividends on securities	**102**	70	**1,041**
Fees and commissions	**1**	1	**10**
Other non-operating income	**44**	36	**456**
Total non-operating income	**232**	124	**2,369**
Non-operating expenses:			
Commissions	**663**	603	**6,751**
Other non-operating expenses	**105**	67	**1,075**
Total non-operating expenses	**768**	670	**7,827**
Income before income taxes	**7,524**	179,246	**76,621**
Income taxes:			
Current	**3**	3	**38**
Deferred	**468**	(167)	**4,766**
Net income	**¥ 7,052**	¥179,410	**$ 71,815**

	Yen		U.S. dollars
	2009	2008	**2009**
Per share of common stock:			
Basic net income	**¥4.58**	¥182.46	**$0.04**
Diluted net income	**4.27**	99.97	**0.04**

Consolidated Balance Sheets

The Chuo Mitsui Trust and Banking Company, Limited, and Consolidated Subsidiaries
As of March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	**2009**
ASSETS			
Cash and cash equivalents	**¥ 201,406**	¥ 130,863	**$ 2,050,978**
Due from banks other than due from the Bank of Japan	**15,547**	60,326	**158,323**
Call loans and bills bought	**15,391**	204,862	**156,731**
Receivables under securities borrowing transactions	**8,812**	104,003	**89,735**
Monetary claims bought (Note 3)	**103,377**	111,422	**1,052,726**
Trading assets (Notes 3 and 10)	**38,249**	42,886	**389,507**
Securities (Notes 3 and 10)	**4,786,223**	4,542,651	**48,739,550**
Money held in trust (Note 4)	**2,588**	2,463	**26,359**
Loans and bills discounted (Notes 5 and 10)	**8,584,295**	7,852,466	**87,416,446**
Foreign exchanges (Note 6)	**802**	811	**8,174**
Other assets (Notes 7 and 10)	**371,125**	351,346	**3,779,283**
Premises and equipment (Note 8)	**127,327**	131,871	**1,296,612**
Intangible fixed assets (Note 9)	**26,288**	39,104	**267,702**
Deferred tax assets (Note 28)	**191,525**	143,476	**1,950,366**
Customers' liabilities for acceptances and guarantees (Note 11)	**475,535**	584,076	**4,842,522**
Allowance for possible loan losses	**(61,479)**	(69,490)	**(626,062)**
Total assets	**¥14,887,017**	¥14,233,141	**$151,598,959**
LIABILITIES AND EQUITY			
Liabilities:			
Deposits (Notes 10 and 12)	**¥ 9,490,198**	¥ 8,970,236	**$ 96,641,535**
Call money and bills sold (Note 10)	**160,478**	200,081	**1,634,195**
Payables under repurchase agreements (Note 10)	**—**	24,197	**—**
Payables under securities lending transactions (Note 10)	**1,255,648**	1,797,121	**12,786,640**
Trading liabilities	**8,867**	8,185	**90,302**
Borrowed money (Notes 10 and 13)	**1,692,565**	474,369	**17,235,905**
Foreign exchanges (Note 6)	**42**	10	**429**
Subordinated bonds (Note 14)	**174,570**	176,261	**1,777,698**
Payables to trust account	**879,917**	1,051,839	**8,960,463**
Other liabilities (Note 15)	**184,612**	177,973	**1,879,966**
Reserve for bonus payment	**2,571**	2,786	**26,187**
Reserve for retirement benefits for directors and corporate auditors	**1,069**	886	**10,895**
Reserve for employee retirement benefits (Note 16)	**1,533**	1,429	**15,616**
Reserve for contingent losses (Note 17)	**12,228**	12,859	**124,529**
Deferred tax liabilities (Note 28)	**353**	7,580	**3,596**
Acceptances and guarantees (Note 11)	**475,535**	584,076	**4,842,522**
Total liabilities	**14,340,193**	13,489,895	**146,030,486**
Commitments and contingent liabilities (Note 18)			
Equity (Note 19)**:**			
Common stock and preferred stock (Note 20)	**399,697**	379,197	**4,070,239**
Capital surplus	**149,011**	128,511	**1,517,433**
Retained earnings	**94,807**	190,253	**965,448**
Net unrealized gains (losses) on available-for-sale securities	**(83,321)**	57,288	**(848,483)**
Deferred gains on derivatives under hedge accounting	**1,757**	413	**17,894**
Land revaluation difference	**(15,532)**	(15,532)	**(158,173)**
Foreign currency translation adjustments	**(2,045)**	(66)	**(20,834)**
Total	**544,374**	740,066	**5,543,525**
Minority interests	**2,449**	3,179	**24,948**
Total equity	**546,824**	743,245	**5,568,473**
Total liabilities and equity	**¥14,887,017**	¥14,233,141	**$151,598,959**

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statements of Operations

The Chuo Mitsui Trust and Banking Company, Limited, and Consolidated Subsidiaries
Fiscal years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	**2009**
Income:			
Interest income:			
Interest on loans and bills discounted	**¥124,508**	¥116,342	**$1,267,905**
Interest and dividends on securities	**82,469**	82,495	**839,816**
Interest on call loans and bills bought	**905**	1,755	**9,216**
Other interest income (Note 21)	**3,325**	6,007	**33,865**
Trust fees (Note 22)	**21,002**	24,934	**213,874**
Fees and commissions	**80,732**	115,523	**822,118**
Trading gains	**2,440**	2,063	**24,851**
Other operating income (Note 23)	**19,758**	15,718	**201,209**
Other income (Note 24)	**37,496**	54,863	**381,842**
Total income	**372,639**	419,702	**3,794,701**
Expenses:			
Interest expenses:			
Interest on deposits	**51,658**	43,572	**526,054**
Interest on call money and bills sold	**3,492**	8,856	**35,566**
Interest on borrowings	**5,686**	5,833	**57,905**
Other interest expenses (Note 25)	**35,689**	40,652	**363,432**
Fees and commissions	**5,614**	4,745	**57,170**
Trading losses	**—**	23	**—**
Other operating expenses (Note 26)	**15,535**	9,120	**158,203**
General and administrative expenses	**126,512**	122,773	**1,288,313**
Other expenses (Note 27)	**255,771**	70,259	**2,604,594**
Total expenses	**499,959**	305,838	**5,091,240**
Income (loss) before income taxes and minority interests	**(127,320)**	113,864	**(1,296,539)**
Income taxes (Note 28):			
Current	**1,612**	5,472	**16,416**
Deferred	**(33,354)**	42,321	**(339,653)**
Total income taxes	**(31,741)**	47,794	**(323,237)**
Minority interests in net income (loss)	**(131)**	1,412	**(1,336)**
Net income (loss)	**¥ (95,446)**	¥ 64,657	**$ (971,964)**

	Yen		U.S. dollars (Note 1)
	2009	2008	**2009**
Per share of common stock (Note 33):			
Basic net income (loss)	**¥(60.87)**	¥46.22	**$0.61**
Diluted net income	**—**	28.96	**—**
Cash dividends per share applicable to the year (Note 20):			
Common stock	**—**	98.44	**—**
Class I convertible preferred stock (Second series)	**—**	—	**—**
Class I convertible preferred stock (Third series)	**—**	—	**—**

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statements of Changes in Equity

The Chuo Mitsui Trust and Banking Company, Limited, and Consolidated Subsidiaries
Fiscal years ended March 31, 2009 and 2008

	Thousands		Millions of yen									
	Issued number of shares of common stock	Issued number of shares of preferred stock	Common stock and preferred stock	Capital surplus	Retained earnings	Net unrealized gains (losses) on available-for-sale securities	Deferred gains (losses) on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Total	Minority interests	Total equity
Balance, March 31, 2007	1,336,567	250,156	¥358,173	¥107,488	¥290,612	¥259,294	¥(7,439)	¥(15,532)	¥ 53	¥ 992,649	¥2,552	¥995,201
Net income					64,657					64,657		64,657
Cash dividends					(165,016)					(165,016)		(165,016)
Issuance of capital stock	105,000		21,000	21,000						42,000		42,000
Conversion of preferred stock into common stock	82,222	(23,125)										
Conversion of convertible bonds	43		23	23						47		47
Net change in the year						(202,005)	7,853		(119)	(194,271)	627	(193,644)
Balance, March 31, 2008	1,523,833	227,031	379,197	128,511	190,253	57,288	413	(15,532)	(66)	740,066	3,179	743,245
Net loss					(95,446)					(95,446)		(95,446)
Cash dividends												
Issuance of capital stock	164,000		20,500	20,500						41,000		41,000
Conversion of preferred stock into common stock												
Conversion of convertible bonds												
Net change in the year						(140,609)	1,343		(1,979)	(141,245)	(729)	(141,974)
Balance, March 31, 2009	**1,687,833**	**227,031**	**¥399,697**	**¥149,011**	**¥ 94,807**	**¥ (83,321)**	**¥ 1,757**	**¥(15,532)**	**¥(2,045)**	**¥544,374**	**¥2,449**	**¥546,824**

	Thousands of U.S. dollars (Note 1)									
	Common stock and preferred stock	Capital surplus	Retained earnings	Net unrealized gains (losses) on available-for-sale securities	Deferred gains on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Total	Minority interests	Total equity
Balance, March 31, 2008	$3,861,481	$1,308,675	$1,937,413	$ 583,385	$ 4,215	$(158,173)	$ (676)	$7,536,322	$32,373	$7,568,695
Net loss			(971,964)					(971,964)		(971,964)
Cash dividends										
Issuance of capital stock	208,757	208,757						417,515		417,515
Conversion of convertible bonds										
Net change in the year				(1,431,868)	13,678		(20,157)	(1,438,347)	(7,424)	(1,445,772)
Balance, March 31, 2009	**$4,070,239**	**$1,517,433**	**$ 965,448**	**$ (848,483)**	**$ 17,894**	**$(158,173)**	**$(20,834)**	**$5,543,525**	**$24,948**	**$5,568,473**

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Consolidated Statements of Cash Flows

The Chuo Mitsui Trust and Banking Company, Limited, and Consolidated Subsidiaries
Fiscal years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2009	2008	**2009**
Operating activities:			
Income (loss) before income taxes and minority interests	**¥ (127,320)**	¥ 113,864	**$ (1,296,539)**
Adjustments for:			
Income taxes paid	**(1,182)**	(8,598)	**(12,043)**
Depreciation and amortization	**11,859**	26,166	**120,765**
Loss on impairment of fixed assets	**62**	—	**638**
Amortization of consolidation goodwill	**235**	322	**2,401**
Equity in earnings of associated companies	**365**	(109)	**3,723**
Decrease in allowance for possible loan losses	**(8,011)**	(5,245)	**(81,581)**
Decrease in reserve for bonus payment	**(215)**	(26)	**(2,191)**
Increase in reserve for retirement benefits for directors and corporate auditors	**183**	234	**1,869**
Increase in reserve for employee retirement benefits	**104**	55	**1,063**
(Decrease) increase in reserve for contingent losses	**(631)**	2,925	**(6,427)**
Net loss (gain) on securities	**184,397**	(12,043)	**1,877,777**
Net gain on money held in trust	**(131)**	—	**(1,343)**
Foreign exchange (gain) loss—net	**(20,030)**	86,966	**(203,971)**
Net loss (gain) on disposals of premises and equipment	**1,539**	(1,639)	**15,676**
Change in assets and liabilities:			
Decrease in trading assets	**4,636**	9,917	**47,218**
Increase in trading liabilities	**682**	3,787	**6,948**
Increase in loans and bills discounted	**(731,828)**	(453,851)	**(7,452,433)**
Increase in deposits	**519,962**	404,725	**5,294,931**
Increase in borrowed money (excluding subordinated borrowings)	**1,258,196**	131,507	**12,812,588**
Decrease in due from banks (excluding cash equivalents)	**44,778**	134,133	**455,996**
Decrease (increase) in call loans and bills bought	**197,360**	(101,027)	**2,009,778**
Decrease (increase) in receivables under securities borrowing transactions	**95,191**	(23,904)	**969,359**
Decrease in call money and bills sold	**(63,800)**	(342,566)	**(649,704)**
(Decrease) increase in payables under securities lending transactions	**(541,472)**	734,577	**(5,513,980)**
Decrease in foreign exchanges (assets)	**8**	128	**89**
Increase (decrease) in foreign exchanges (liabilities)	**31**	(38)	**322**
Decrease in payables to trust account	**(171,921)**	(169,892)	**(1,750,732)**
Other—net	**(1,100)**	22,131	**(11,206)**
Net cash provided by operating activities	**651,948**	552,498	**6,638,991**
Investing activities:			
Purchases of securities	**(4,207,814)**	(4,944,762)	**(42,849,436)**
Proceeds from sales of securities	**3,094,325**	3,749,135	**31,510,441**
Proceeds from redemption of securities	**530,548**	639,086	**5,402,733**
Decrease in money held in trust	**125**	—	**1,274**
Purchases of premises and equipment	**(3,548)**	(14,318)	**(36,136)**
Proceeds from sales of premises and equipment	**1,720**	3,901	**17,517**
Purchase of intangible fixed assets	**(10,972)**	(12,901)	**(111,735)**
Proceeds from sales of intangible fixed assets	**15,234**	26	**155,138**
Proceeds from sales of stocks of consolidated subsidiaries (Note 29)	**—**	12,107	**—**
Net cash used in investing activities	**(580,381)**	(567,725)	**(5,910,203)**
Financing activities:			
Proceeds from subordinated borrowings	**5,000**	—	**50,916**
Payment of subordinated borrowings	**(45,000)**	—	**(458,248)**
Redemption of subordinated bonds and subordinated convertible bonds	**—**	(3,660)	**—**
Issuance of common stock	**41,000**	42,000	**417,515**
Dividends paid	**—**	(165,016)	**—**
Dividends paid for minority interests	**(40)**	(113)	**(412)**
Net cash used in financing activities	**959**	(126,789)	**9,770**
Foreign currency translation adjustments on cash and cash equivalents	**(1,984)**	(118)	**(20,205)**
Net decrease in cash and cash equivalents	**70,542**	(142,135)	**718,353**
Cash and cash equivalents, beginning of year	**130,863**	272,998	**1,332,625**
Cash and cash equivalents, end of year	**¥ 201,406**	¥ 130,863	**$ 2,050,978**

See accompanying "Notes to Consolidated Financial Statements," which are an integral part of these statements.

Notes to Consolidated Financial Statements

The Chuo Mitsui Trust and Banking Company, Limited, and Consolidated Subsidiaries
Fiscal years ended March 31, 2009 and 2008

1. Basis of Presentation

The accompanying consolidated financial statements (banking account) have been prepared from the accounts maintained by The Chuo Mitsui Trust and Banking Company, Limited ("Chuo Mitsui"), and its consolidated subsidiaries under the umbrella of Chuo Mitsui Trust Holdings, Inc. ("Chuo Mitsui Trust Holdings") in accordance with accounting principles generally accepted in Japan, and certain accounting and disclosure rules under the Financial Instruments and Exchange Act of Japan and the Banking Law of Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to Chuo Mitsui's consolidated financial statements issued domestically in order to present them in a form that is more familiar to readers outside Japan. In addition, certain reclassifications and rearrangements have been made in the consolidated financial statements for the fiscal years ended March 31, 2008 to conform to classifications and presentations used in the consolidated financial statements for the fiscal year ended March 31, 2009.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Chuo Mitsui is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥98.2 to U.S.$1, the approximate rate of exchange at March 31, 2009. 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.

Amounts less than one million Japanese yen and one thousand U.S. dollars have been truncated, except for per share information. As a result, the total may not be equal to the total of individual amounts.

2. Summary of Significant Accounting Policies

a. Consolidation

The consolidated financial statements include the amounts of Chuo Mitsui and its significant subsidiaries. The number of consolidated subsidiaries as of March 31, 2009 was 15 (17 in 2008).

Under the control or influence concept, those companies in which Chuo Mitsui, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which Chuo Mitsui has the ability to exercise significant influence are accounted for by the equity method, unless in either case the companies are immaterial.

Investments in three (two in 2008) associated companies were accounted for by the equity method.

Investments in unconsolidated subsidiaries are stated at cost. If the equity method of accounting had been applied to the investments in these subsidiaries, the effect on the accompanying consolidated financial statements would not be material.

Any differences between the cost of an acquired subsidiary or associated company and the fair value of its net assets at the date of the acquisition are amortized over a period within 20 years, or charged to income as incurred if such differences are considered to be immaterial.

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

b. Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements

In May 2006, the Accounting Standards Board of Japan (the "ASBJ") issued ASBJ Practical Issues Task Force (PITF) No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements". PITF No. 18 prescribes: (1) the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements, (2) financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States of America tentatively may be used for the consolidated process, (3) however, the following items should be adjusted in the consolidated process so that net income is accounted for in accordance with Japanese GAAP unless they are not material: 1) amortization of goodwill; 2) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in the equity; 3) expensing capitalized development costs of R&D; 4) cancellation of the fair value model accounting for property, plant, and equipment and investment properties and incorporation of the cost model accounting; 5) recording the prior years' effects of changes in accounting policies in the income statement where retrospective adjustments to financial statements have been incorporated; and 6) exclusion of minority interests from net income, if contained. PITF No. 18 was effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted.

The Chuo Mitsui Trust and Banking Group applied this accounting standard effective April 1, 2008. The effect of this change did not have a significant impact on the consolidated balance sheets and the consolidated statements of income.

c. Cash and Cash Equivalents

Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents include amounts due from the Bank of Japan.

d. Mark-to-Market Accounting for Trading Purpose Transactions

Transactions for trading purposes (that is, transactions which seek to capture gains arising from short-term changes in interest rates, currency exchange rates or market prices of securities and other market-related indices or from gaps among markets) are included in trading assets and trading liabilities on a trade date basis. Trading securities and monetary claims bought for trading purposes recorded in these accounts are stated at market value and trading-related financial derivatives are at the amounts that would be settled if they were terminated at the end of the fiscal year.

Unrealized gains and losses on trading purpose transactions are recognized in the consolidated statements of income.

e. Translation of Foreign Currency Accounts

Chuo Mitsui maintains its accounting records in Japanese yen. Assets and liabilities denominated in foreign currencies are translated into Japanese yen using the exchange rate prevailing at each balance sheet date.

The balance sheet accounts of the consolidated foreign subsidiaries are translated into Japanese yen at the current exchange rate as of each balance sheet date except for equity, which is translated at the historical rate. Differences arising from such translation are shown as “Foreign currency translation adjustments” in a separate component of equity.

f. Securities

Securities other than investments in unconsolidated subsidiaries and associated companies are classified and accounted for, depending on management’s intent, as follows:
(i) Trading securities, which are held for the purpose of earning capital gains in the near term, are reported at fair value, and the related unrealized gains and losses are included in earnings;
(ii) 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
(iii) 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 equity.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average cost method.

For other than temporary declines in fair value, securities are reduced to net realizable value by a charge to income.

Securities in money held in trust are classified and accounted for the same as securities described above.

The fair values of floating rate Japanese government bonds were previously measured at their market prices. However, after consideration of the recent market environment, a judgment has been made by management that current market prices are not indicative of the fair values. At the end of this fiscal year, the fair values of these bonds were determined based on the values reasonably estimated by a broker dealer. As a result, securities were higher and unrealized losses on available-for-sale securities were lower by ¥9,169 million ($93,379 thousand) than they would have been if valued based on the market prices.

The reasonably estimated values are computed as the sum of discounted future cash flow. Major variables in that measurement methodology are the yield of government bonds and the volatility of those yields.

g. Derivative and Hedging Activities

Derivative financial instruments are classified and accounted for as follows:
(i) Except as discussed below, all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the consolidated statements of income; and (ii) for derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, Chuo Mitsui and certain domestic consolidated subsidiaries use the deferral hedge method or the fair value hedge method.

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 is recognized and included in interest expenses or income.

The fair values of some credit default swaps in derivatives were previously measured at the prices offered by brokers. However, a judgment has been made by management that the current market prices are not indicative of fair values. At the end of the fiscal year, the fair values of these credit default swaps were determined based on the values reasonably estimated by using our own calculation methods. As a result, other operating expenses and loss before income taxes and minority interests decreased by ¥1,271 million ($12,946 thousand), respectively.

The values reasonably estimated by using our own calculation methods are calculated by the theory value model on the basis of analysis such as price change chronological order comparison of the market price of the credit default swap and a price comparison between similar articles.

h. Premises and Equipment

Premises and equipment are carried at cost less accumulated depreciation. Depreciation of premises and equipment owned by Chuo Mitsui is computed by the declining-balance method, while the straight-line method is applied to buildings acquired after April 1, 1998. The range of useful lives is from 10 to 50 years for buildings, and from three to eight years for equipment.

Depreciation of premises and equipment owned by consolidated subsidiaries is mainly computed by the straight-line method over the estimated useful lives of the respective assets.

i. Software
Capitalized software for internal use is amortized by the straight-line method over the estimated useful lives of the software (principally five years).

j. Impairment of Fixed Assets
Chuo Mitsui and its consolidated subsidiaries review their long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

k. Land Revaluation
Under the Law of Land Revaluation, The Mitsui Trust and Banking Company, Limited, the forerunner of Chuo Mitsui, elected the one-time revaluation for its own-use land to a value based on real estate appraisal information as of March 31, 1998.

The resulting land revaluation difference represents unrealized appreciation of land and is stated as a component of equity. Continuous readjustment is not permitted unless the land value subsequently declines significantly such that the amount of the decline in value should be removed from the land revaluation difference account and related deferred tax liabilities.

As of March 31, 2009, the carrying amount of the land after the above one-time revaluation exceeded the market value by ¥1,506 million ($5,341 thousand).

l. Stock and Bond Issue Costs
Stock issue costs are amortized by the straight-line method over the effective period within three years.

Bond issue costs are amortized by the straight-line method over three years.

m. Allowance for Possible Loan Losses
Allowance for possible loan losses of Chuo Mitsui and major consolidated subsidiaries is maintained in accordance with internally established standards for write-offs and allowances for loan losses.

(i) For claims against borrowers that are legally bankrupt, such as borrowers under bankruptcy and special liquidation proceedings (“legal bankruptcy”), and against borrowers that are in substantially similarly adverse condition (“virtual bankruptcy”), allowances are maintained at 100% of amounts of claims net of expected amounts recoverable from the disposal of collateral and/or the amounts recoverable under guarantees.
(ii) For claims against borrowers that have not yet become legally or formally bankrupt but that are very likely to become bankrupt (“possible bankruptcy”), allowances are maintained at amounts deemed necessary to absorb losses on the amount of claims less expected amounts recoverable from the disposal of collateral and/or the amounts recoverable under guarantees, based on the overall assessment of the borrowers’ repayment ability.

For claims against large borrowers that are classified as possible bankruptcy and close observation borrowers for which future cash flows could be reasonably estimated, allowances are provided for the difference between the present value of expected future cash flows discounted at the contracted interest rate and the carrying value of the claim.
(iii) For claims against other borrowers judged to be legal bankruptcy, virtual bankruptcy and possible bankruptcy borrowers, as mentioned above, allowances are maintained at rates derived from historical loan loss experiences, etc.
(iv) Allowance for possible losses on loans to restructuring countries is maintained in order to cover possible losses based on the political and economic climates of those countries.

All claims are assessed by the operating sections and each Credit Supervision Department based on the internal guidelines for self-assessment on asset quality. Subsequently, the Internal Audit Department, which is independent from the operating sections, reviews these self-assessments, and the allowances are provided based on the results of the self-assessments.

With respect to claims with collateral and/or guarantees extended to borrowers that are in legal bankruptcy or virtual bankruptcy borrowers, the unrecoverable amount is estimated by deducting from the amount of claims the realizable value of collateral or the amount likely to be recovered based on guarantees.

The outstanding amount thus determined is then directly written off from the amount of claims as the unrecoverable amount, which totaled ¥33,535 million ($341,498 thousand) and ¥85,098 million as of March 31, 2009 and 2008, respectively.

Other consolidated subsidiaries provide for “allowance for possible loan losses” based on the past experience and management’s assessment of the loan portfolio.

n. Reserve for Bonus Payment
Reserve for bonus payment is provided for the payment of employees' bonuses based on estimates of the future payments attributed to the current fiscal year.

o. Reserve for Retirement Benefits for Directors and Corporate Auditors
Reserve for retirement benefits for directors and corporate auditors is provided at the amount which would be required if all directors, corporate auditors and executive officers retired at the balance sheet date. The retirement benefits for directors and corporate auditors are paid subject to the approval of the shareholders.

p. Reserve for Retirement Benefits and Pension Plans
Chuo Mitsui has defined benefit plans (employee pension fund plans and tax qualified pension plans) and lump-sum severance indemnity plans.

Chuo Mitsui accounts for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date.

q. Reserve for Contingent Losses
Reserve for contingent losses, which is provided for possible losses from contingent events related to off-balance sheet and other transactions is calculated by estimation of the impact of these contingent events.
(1) Reserve for Reimbursement of Deposits
Reserve for reimbursement of deposits which were derecognized as liabilities under certain conditions is provided for the possible losses on the future claims of withdrawal based on the historical reimbursement experience. Formerly, deposits which were derecognized as liabilities were expensed when they were actually reimbursed. However, from the fiscal year ended March 31, 2008, such reserve is provided in the estimated amount as described above in accordance with the "Treatment for Auditing of Reserve under Special Taxation Measures Law. Reserve under Special Laws and Reserve for Retirement Benefits to Directors and Corporate Auditors" (the Japanese Institute of Certified Public Accountants ("JICPA") Audit and Assurance Practice Committee Report No. 42) of April 13, 2007.

As a result, income before income taxes and minority interests decreased by ¥6,109 million as compared with the former method.
(2) Reserve for Possible Losses Related to Land Trusts
Reserve for possible losses related to land trusts is provided for estimated losses deemed necessary for potential damages to the compensation rights being acquired, when a liability for reimbursement, as a trustee of a land trust, is incurred due to the future business circumstances of the land trust.

r. Income Taxes
The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

s. Leases
In March 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions", which revised the previous accounting standard for lease transactions issued in June 1993. The revised accounting standard for lease transactions is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted for fiscal years beginning on or after April 1, 2007.

Under the previous accounting standard, finance leases that deemed to transfer ownership of the leased property to the lessee were capitalized. However, other finance leases were accounted for as operating lease transactions if certain "as if capitalized" information was disclosed in the note to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions be capitalized to recognize lease assets and lease obligations in the balance sheet.

In addition, the revised accounting standard permits leases which existed at the transition date and do not transfer ownership of the leased property to the lessee to continue to be accounted for as operating lease transactions.

Chuo Mitsui and its consolidated subsidiaries applied the revised accounting standard effective April 1, 2008. The effect of this change did not have a significant impact on the consolidated balance sheets and the consolidated statements of income.

t. Per Share Information
Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period.

Diluted net income per share reflects the potential dilution that could occur if securities were exercised or converted into common stock. Diluted net income per share of common stock assumes full conversion of the outstanding convertible bonds and preferred stock at the beginning of the year (or at the time of issuance) with an applicable adjustment for related expense and dividends.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years, including dividends to be paid after the end of the year.

u. New Accounting Pronouncements

(i) Business Combinations

On December 26, 2008, the ASBJ issued a revised accounting standard for business combinations, ASBJ Statement No. 21, "Accounting Standard for Business Combinations." Major accounting changes under the revised accounting standard are as follows;

(1) The current accounting standard for business combinations allows companies to apply the pooling of interests method of accounting when certain specific criteria are met such that the business combination is essentially regarded as a uniting-of-interests. The revised standard requires accounting for such business combinations by the purchase method and the pooling of interests method of accounting is no longer allowed.

(2) The current accounting standard requires that research and development costs be charged to income as incurred. Under the revised standard, in-process research and development (IPR&D) acquired in a business combination is capitalized as an intangible asset.

(3) The current accounting standard accounts for a bargain purchase gain (negative goodwill) to be systematically amortized within 20 years. Under the revised standard, the acquirer recognizes a bargain purchase gain in profit or loss on the acquisition date after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed with a review of such procedures used.

This standard is applicable to business combinations undertaken on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or after April 1, 2009.

(ii) Unification of Accounting Policies Applied to Foreign Associated Companies for the Equity Method

The current accounting standard requires to unify accounting policies within the consolidation group. However, the current guidance allows to apply the equity method for the financial statements of its foreign associated company which have been prepared in accordance with generally accepted accounting principles in their respective jurisdictions without unification of accounting policies.

On December 26, 2008, the ASBJ issued ASBJ Statement No. 16 (Revised 2008), "Revised Accounting Standard for Equity Method of Accounting for Investments". The new standard requires adjustments to conform the associate's accounting policies for similar transactions and events under similar circumstances to those of the parent company when the associate's financial statements are used in applying the equity method unless it is impractible to determine adjustments. In addition, financial statements prepared by foreign associated companies in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States tentatively may be used in applying the equity method if the following items are adjusted so that net income is accounted for in accordance with Japanese GAAP unless they are not material: 1) amortization of goodwill; 2) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in the equity; 3) expensing capitalized development costs of R&D; 4) cancellation of the fair value model accounting for property, plant, and equipment and investment properties and incorporation of the cost model accounting; 5) recording the prior years' effects of changes in accounting policies in the income statement where retrospective adjustments to the financial statements have been incorporated; and 6) exclusion of minority interests from net income, if contained.

This standard is applicable to equity method of accounting for investments effective on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or after April 1, 2009.

(iii) Asset Retirement Obligations

On March 31, 2008, the ASBJ published a new accounting standard for asset retirement obligations, ASBJ Statement No. 18 "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21 "Guidance on Accounting Standard for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and the normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an increase or a decrease in the carrying amount of the liability and the capitalized amount of the related asset retirement cost. This standard is effective for fiscal years beginning on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or before March 31, 2010.

3. Securities

Securities as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Japanese government bonds	**¥2,578,436**	¥2,038,178	**$26,256,993**
Japanese municipal bonds	**639**	1,295	**6,512**
Japanese corporate bonds	**366,935**	343,880	**3,736,616**
Japanese stocks	**543,044**	774,481	**5,529,985**
Other securities	**1,297,167**	1,384,815	**13,209,443**
Total	**¥4,786,223**	¥4,542,651	**$48,739,550**

The carrying amounts and aggregate fair values of securities (including securities in trading assets and monetary claims bought) as of March 31, 2009 and 2008, were as follows:

	Millions of yen			
March 31, 2009	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				**¥ 26,230**
Available-for-sale:				
Japanese equity securities	**¥ 481,790**	**¥ 45,173**	**¥77,288**	**449,674**
Japanese debt securities	**2,043,291**	**3,423**	**21,834**	**2,024,880**
Other	**952,822**	**4,281**	**50,049**	**907,055**
Held-to-maturity	**927,381**	**6,031**	**24,567**	**908,844**

	Millions of yen			
March 31, 2008	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				¥ 30,005
Available-for-sale:				
Japanese equity securities	¥ 517,214	¥211,226	¥43,170	685,269
Japanese debt securities	1,510,376	864	36,665	1,474,576
Other	1,217,354	8,844	73,486	1,152,712
Held-to-maturity	781,174	7,236	3,006	785,403

	Thousands of U.S. dollars			
March 31, 2009	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				**$ 267,110**
Available-for-sale:				
Japanese equity securities	**$ 4,906,214**	**$460,014**	**$787,054**	**4,579,174**
Japanese debt securities	**20,807,453**	**34,862**	**222,350**	**20,619,965**
Other	**9,702,880**	**43,601**	**509,667**	**9,236,814**
Held-to-maturity	**9,443,800**	**61,420**	**250,180**	**9,255,039**

Note: Values in the consolidated balance sheets reflect fair market values calculated by using the average market prices during the final month of the fiscal year for Japanese stocks and securities investment trusts, and by using the market prices at the end of the fiscal year for securities other than Japanese stocks and securities investment trusts.

Available-for-sale securities and held-to-maturity securities whose fair value were not readily determinable as of March 31, 2009 and 2008, were mainly as follows:

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Available-for-sale:			
Unlisted Japanese stocks	**¥ 91,077**	¥ 88,678	**$ 927,470**
Unlisted corporate bonds	**298,188**	283,821	**3,036,538**
Unlisted foreign securities	**20,568**	9,104	**209,453**
Subscription certificates	**135,980**	152,994	**1,384,730**
Held-to-maturity:			
Unlisted foreign securities	**4,571**	3,000	**46,549**
Total	**¥550,385**	¥537,598	**$5,604,743**

Proceeds from sales of available-for-sale securities for the fiscal years ended March 31, 2009 and 2008, were ¥3,323,541 million ($33,844,615 thousand) and ¥3,939,028 million, respectively. Gross realized gains and losses on these sales, computed on the moving-average basis, were ¥37,130 million ($378,114 thousand) and ¥120,275 million ($1,224,806 thousand), respectively, for the fiscal year ended March 31, 2009, and ¥31,525 million and ¥1,384 million, respectively, for the fiscal year ended March 31, 2008.

The carrying values of securities classified as available-for-sale and held-to-maturity by contractual maturities as of March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Due within one year	**¥ 323,478**	¥ 100,788	**$ 3,294,083**
Due after one year through five years	**2,731,296**	2,224,056	**27,813,611**
Due after five years through ten years	**625,360**	354,468	**6,368,237**
Due after ten years	**567,522**	976,763	**5,779,251**
Total	**¥4,247,659**	¥3,656,077	**$43,255,183**

Securities in unconsolidated subsidiaries and associated companies totaled ¥2,291 million ($23,340 thousand) and ¥532 million as of March 31, 2009 and 2008, respectively.

Guarantee obligations for privately offered corporate bonds (provided in accordance with Article 2, Paragraph 3 of the Financial Instruments and Exchange Act) in "Securities" were ¥165,751 million ($1,687,895 thousand) and ¥164,471 million as of March 31, 2009 and 2008, respectively.

The fair value of floating rate Japanese government bonds were previously measured at their market prices. However, after consideration of the recent market environment, a judgment has been made by management that current market prices are not indicative of the fair values. At the end of this fiscal year, the fair values of these bonds were determined based on the values reasonably estimated by a broker dealer. As a result, securities were higher and unrealized losses on available-for-sale securities were lower by ¥9,169 million ($93,379 thousand) than they would have been if valued based on the market prices.

The reasonably estimated values are computed as the sum of discounted future cash flow. Major variables in that measurement methodology are the yield of government bonds and volatility of those yields.

4. Money Held in Trust

The carrying amounts and aggregate fair values of money held in trust as of March 31, 2009 and 2008, were as follows:

	Millions of yen		
March 31, 2009	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**¥1,687**	**¥900**	**¥2,588**

	Millions of yen		
March 31, 2008	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	¥1,681	¥782	¥2,463

	Thousands of U.S. dollars		
March 31, 2009	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**$17,188**	**$9,171**	**$26,359**

5. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Bills discounted	**¥ 7,105**	¥ 7,477	**$ 72,356**
Loans on notes	**1,140,721**	897,987	**11,616,308**
Loans on deeds	**6,519,528**	6,147,259	**66,390,310**
Overdrafts	**916,939**	799,741	**9,337,471**
Total	**¥8,584,295**	¥7,852,466	**$87,416,446**

Loans to Borrowers in Bankruptcy and Non-Accrual Loans

Loans to borrowers in bankruptcy are included in loans and bills discounted, and totaled ¥30,996 million ($315,647 thousand) and ¥10,982 million as of March 31, 2009 and 2008, respectively.

Loans are generally placed on non-accrual status when substantial doubt is judged to exist as to the ultimate collectibility of either principal or interest.

Loans to borrowers in bankruptcy represent non-accruing loans, after the partial write-off of claims deemed uncollectible, to debtors who are legally bankrupt as defined in Article 96, Paragraph 1, Subparagraphs 3 and 4 of Enforcement Ordinance for the Corporation Tax Law.

Non-accrual loans are included in loans and bills discounted, and totaled ¥79,746 million ($812,087 thousand) and ¥46,943 million as of March 31, 2009 and 2008, respectively.

Non-accrual loans are non-accruing loans other than loans to borrowers in bankruptcy and loans for which interest payment is deferred in order to assist the debtor's financial recovery from financial difficulties.

Loans Past Due Three Months or More

Loans past due three months or more are included in loans and bills discounted, and totaled ¥84 million ($858 thousand) and ¥13 million as of March 31, 2009 and 2008, respectively. Loans classified as loans to borrowers in bankruptcy or non-accrual loans are excluded.

Restructured Loans

Restructured loans are included in loans and bills discounted, and totaled ¥7,083 million ($72,138 thousand) and ¥69,804 million as of March 31, 2009 and 2008, respectively. Such restructured loans are loans on which Chuo Mitsui and major consolidated subsidiaries have granted concessions (for example, reduction of the face amount or maturity amount of the debt or accrued interest) to debtors in financial difficulties to assist them in their financial recovery and eventually enable them to pay their creditors. Loans classified as loans to borrowers in bankruptcy or non-accrual loans or loans past due three months or more are excluded.

Loans to borrowers in bankruptcy and non-accrual loans, loans past due three months or more and restructured loans totaled ¥117,911 million ($1,200,732 thousand) and ¥127,744 million as of March 31, 2009 and 2008, respectively. These claims are before deduction of the allowance for possible loan losses.

Bills discounted are accounted for as secured lending transactions in conformity with the Industry Audit Committee Report No. 24 "Treatment of Accounting and Auditing Concerning Accounting for Financial Products in the Banking Industry" issued by the JICPA on February 13, 2002. Bills discounted by Chuo Mitsui are permitted to be sold or pledged.

6. Foreign Exchanges

Foreign exchanges as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Assets:			
Due from foreign banks	**¥ 802**	¥ 811	**$ 8,174**
Total	**¥ 802**	¥ 811	**$ 8,174**
Liabilities:			
Due to foreign banks	**¥ 39**	¥ 9	**$ 403**
Other	**2**	1	**25**
Total	**¥ 42**	¥ 10	**$ 429**

7. Other Assets

Other assets as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Prepaid expenses	**¥ 671**	¥ 832	**$ 6,836**
Accrued income	**34,007**	35,406	**346,310**
Prepaid pension expenses	**101,295**	104,855	**1,031,521**
Receivables for securities transactions	**40,657**	13,017	**414,024**
Financial derivatives	**46,912**	44,455	**477,722**
Financial stabilization fund contribution	**82,061**	82,061	**835,651**
Other	**65,520**	70,718	**667,215**
Total	**¥371,125**	¥351,346	**$3,779,283**

8. Premises and Equipment

Premises and equipment as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Land	**¥ 81,958**	¥ 82,008	**$ 834,610**
Buildings	**39,091**	41,246	**398,083**
Equipment	**6,214**	8,592	**63,285**
Other	**62**	23	**632**
Total	**¥127,327**	¥131,871	**$1,296,612**

Accumulated depreciation amounted to ¥87,448 million ($890,517 thousand) and ¥86,356 million as of March 31, 2009 and 2008, respectively.

9. Intangible Fixed Assets

Intangible fixed assets as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Software	**¥13,507**	¥21,682	**$137,550**
Goodwill	**8,261**	8,496	**84,124**
Other	**4,519**	8,924	**46,027**
Total	**¥26,288**	¥39,104	**$267,702**

10. Collateral

The carrying amounts of assets pledged as collateral and the related collateralized debt as of March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Securities	**¥2,790,999**	¥2,504,675	**$28,421,583**
Loans	**632,297**	54,535	**6,438,872**
Trading assets	**20,133**	—	**205,022**
Other assets	**70**	70	**721**
Total	**¥3,443,500**	¥2,559,281	**$35,066,200**
Deposits	**¥ 3,645**	¥ 4,312	**$ 37,123**
Call money and bills sold	**49,000**	40,000	**498,981**
Payables under repurchase agreements	**—**	24,197	**—**
Payables under securities lending transactions	**1,255,648**	1,797,121	**12,786,640**
Borrowed money	**1,598,360**	340,000	**16,276,578**
Total	**¥2,906,653**	¥2,205,630	**$29,599,324**

In addition, securities pledged as collateral for exchange settlements, for derivative transactions and for certain other purposes as of March 31, 2009 and 2008 were ¥516,808 million ($5,262,819 thousand) and ¥325,918 million, respectively.

Also, securities deposits (included in other assets) as of March 31, 2009 and 2008 were ¥8,514 million ($86,701 thousand) and ¥8,663 million, respectively.

11. 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 as assets in the consolidated balance sheets representing Chuo Mitsui's right of indemnity from the applicant.

12. Deposits

Deposits as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Current deposits	**¥ 109,821**	¥ 88,698	**$ 1,118,348**
Ordinary deposits	**1,139,109**	1,317,291	**11,599,898**
Deposits at notice	**20,160**	7,989	**205,296**
Time deposits	**7,589,406**	6,825,996	**77,285,194**
Negotiable certificates of deposit	**582,280**	663,340	**5,929,531**
Other	**49,420**	66,920	**503,265**
Total	**¥9,490,198**	¥8,970,236	**$96,641,535**

13. Borrowed Money

Borrowed money as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Borrowed money	**¥1,600,065**	¥341,869	**$16,293,950**
Subordinated borrowings	**77,500**	107,500	**789,205**
Perpetual subordinated borrowings	**15,000**	25,000	**152,749**
Total	**¥1,692,565**	¥474,369	**$17,235,905**

The weighted-average rates calculated from the interest rates and the balances as of March 31, 2009 and 2008, were 0.36% and 1.29%, respectively.

Annual maturities of borrowed money as of March 31, 2009, for the next five years are as follows:

Fiscal year ending March 31	Millions of yen	Thousands of U.S. dollars
2010	¥1,598,428	$16,277,270
2011	104	1,062
2012	821	8,368
2013	89	906
2014	546	5,569
Total	¥1,599,990	$16,293,177

14. Subordinated Bonds

Subordinated bonds as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Issuer: Chuo Mitsui,			
Unsecured perpetual subordinated bonds, 2.06% (2.32% in 2008)	**¥ 16,100**	¥ 16,100	**$ 163,951**
2.03% unsecured subordinated bonds due 2015	**40,000**	40,000	**407,331**
1.27% unsecured subordinated callable bonds due 2015	**30,000**	30,000	**305,498**
5.506% USD unsecured perpetual subordinated notes	**83,470**	85,161	**850,000**
2.06% unsecured perpetual subordinated bonds	**5,000**	5,000	**50,916**
Total	**¥174,570**	¥176,261	**$1,777,698**

15. Other Liabilities

Other liabilities as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Accrued expenses	**¥ 53,004**	¥ 44,720	**$ 539,760**
Unearned income	**31,367**	26,784	**319,425**
Financial derivatives	**57,181**	45,915	**582,300**
Income taxes payable	**571**	4,226	**5,816**
Payable for securities transaction	**19,962**	547	**203,282**
Other	**22,525**	55,777	**229,381**
Total	**¥184,612**	¥177,973	**$1,879,966**

16. Retirement and Pension Plans

Employees who terminate their services with Chuo Mitsui or certain domestic consolidated subsidiaries 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. If the termination is involuntary, caused by retirement at the mandatory retirement age or caused by death, the employee is entitled to greater payment than in the case of voluntary termination.

Chuo Mitsui has defined benefit plans (employee pension fund plans and tax qualified pension plans) and lump-sum severance indemnity plans. Certain domestic consolidated subsidiaries have lump-sum severance indemnity plans and integrated contributory pension plans.

Chuo Mitsui contributed certain available-for-sale securities with a fair value to the employee retirement benefit trust for their pension plans. The securities held in this trust are qualified as plan assets.

The funded status for employees' retirement benefits as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Projected benefit obligation	**¥(152,070)**	¥(152,514)	**$(1,548,577)**
Fair value of plan assets	**155,491**	191,759	**1,583,421**
Unrecognized actuarial loss	**96,340**	64,181	**981,061**
Net amount accrued on the consolidated balance sheets	**99,761**	103,426	**1,015,905**
Prepaid pension expenses (included in other assets)	**101,295**	104,855	**1,031,521**
Reserve for retirement benefits	**¥ (1,533)**	¥ (1,429)	**$ (15,616)**

The components of net periodic benefit costs (income) for the fiscal years ended March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Service cost	**¥ 3,182**	¥ 2,946	**$ 32,406**
Interest cost	**2,881**	2,809	**29,344**
Expected return on plan assets	**(6,320)**	(12,221)	**(64,368)**
Recognized acturial loss	**10,174**	3,124	**103,606**
Other	**310**	347	**3,161**
Net periodic benefit costs (income)	**¥10,227**	¥ (2,992)	**$104,150**

Assumptions used for the fiscal years ended March 31, 2009 and 2008, were as follows:

	2009	2008
Discount rate	**1.9%**	1.9%
Expected rate of return on plan assets	**3.2%**	5.1%
Method of attributing the projected benefits to periods of services	**Mainly point basis**	Mainly point basis
Recognition period of actuarial loss	**9 years**	9 years

17. Reserve for Contingent Losses

Reserve for contingent losses as of March 31, 2009 and 2008 consisted of the following

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Reserve for reimbursement of deposits	**¥ 6,062**	¥ 6,109	**$ 61,731**
Reserve for possible losses related to land trust	**5,819**	6,750	**59,259**
Other	**347**	—	**3,538**
Total	**¥12,228**	¥12,859	**$124,529**

18. Commitments and Contingent Liabilities

a. Chuo Mitsui and certain consolidated subsidiaries issue commitments to extend credit and establish credit lines for overdrafts by making agreements to meet the financing needs of their customers. The total balance of unused commitment lines as of March 31, 2009 and 2008, was ¥2,212,196 million ($22,527,458 thousand) and ¥2,376,336 million, respectively, of which commitment lines whose maturities are less than one year were ¥2,065,912 million ($21,037,809 thousand) and ¥2,193,004 million, respectively.

Many of these commitment lines expire without being drawn. As such, the total balance of unused commitment lines does not necessarily impact future cash flows of Chuo Mitsui and certain consolidated subsidiaries. Furthermore, many commitment lines contain provisions that allow Chuo Mitsui and certain consolidated subsidiaries to refuse to advance funds to the customers or reduce the contract amount of the commitment lines under certain conditions.

Chuo Mitsui and certain consolidated subsidiaries may also request customers to provide collateral, if necessary, such as real estate or securities on the execution date of the contract. After the execution date, Chuo Mitsui and certain consolidated subsidiaries periodically monitor the customers' creditworthiness over the term of the contracts in accordance with internal policies, and take measures to manage the credit exposures such as revising the terms of the contracts, if necessary.

b. Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by Chuo Mitsui. Regarding guaranteed trusts, Chuo Mitsui guaranteed the principal amount of ¥1,084,149 million ($11,040,220 thousand) and ¥1,061,263 million for certain money trusts as of March 31, 2009 and 2008, respectively, and ¥569,331 million ($5,797,669 thousand) and ¥862,381 million for loan trusts as of March 31, 2009 and 2008, respectively.

19. Equity

Since May 1, 2006, Japanese companies have been subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders meeting. For companies that meet certain criteria such as: (1) having a Board of Directors, (2) having independent auditors, (3) having a Board of Corporate Auditors, and (4) where the term of service of the directors under the company's article of incorporation is prescribed as one year rather than two years for a normal term, the Board of Directors may declare dividends (except for dividends in kind) at any time during fiscal year if the company has so prescribed in its articles of incorporation. However, Chuo Mitsui cannot do so because it does not meet all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to certain limitation and additional requirements. Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock.

(b) Increases/decreases and transfer of capital stock, reserve and surplus

The Banking Law of Japan requires that an amount equal to 20% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 100% of the capital stock. The Companies Act also provides that capital stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

(c) Treasury stock and treasury stock acquisition rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by specific formula.

Under the Companies Act, stock acquisition rights are presented as a separate component of equity.

The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

20. Common Stock and Preferred Stock

Common stock and preferred stock as of March 31, 2009, consisted of the following:

	Number of shares (Thousands)		Per share (Yen)
Class of stock	Authorized	Issued	Fiscal year-end cash dividend
Common stock	3,911,104	1,687,833	¥—
Class I convertible preferred stock:			
Second series	—	93,750	—
Third series	—	133,281	—
Total	362,941	227,031	

Chuo Mitsui issued non-voting, non-cumulative and non-participating preferred stock to Chuo Mitsui Trust Holdings. This preferred stock is convertible into common stock at the specific convertible price. The preferred shareholder shall be entitled, in priority to any payment of dividends on or in respect of any other class of share, to the specific annual dividend.

Preferred shareholders receive liquidation at ¥1,600 per share and do not have the right to participate in any further liquidation distribution.

The preferred stock is convertible for a fixed period of time at the option of the shareholder. Unless previously converted by the preferred shareholder, all outstanding preferred shares will be mandatorily exchanged for fully paid shares of common stock on a specific day, at the number of common shares calculated by the market price per share on the day, following each conversion date.

Issue terms of each preferred stock are as follows:

	Class I preferred stock	
	Second series	Third series
Annual dividend	¥14.40	¥20.00
Convertible due	July 31, 2009	July 31, 2009
Convertible price	¥552.00	¥552.00

21. Other Interest Income

Other interest income for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Interest on due from banks	**¥ 734**	¥3,591	**$ 7,483**
Interest on monetary claims bought	**2,147**	1,603	**21,867**
Other	**443**	811	**4,514**
Total	**¥3,325**	¥6,007	**$33,865**

22. Trust Fees

Chuo Mitsui receives fees for controlling and managing trust properties held under trust agreements between it and its clients.

23. Other Operating Income

Other operating income for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Gain on foreign exchange	**¥ 2,237**	¥ —	**$ 22,789**
Gains on sales and redemption of bonds	**17,433**	15,199	**177,534**
Other	**87**	519	**886**
Total	**¥19,758**	¥15,718	**$201,209**

24. Other Income

Other income for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Gains on sales of stocks and other securities	**¥17,337**	¥21,794	**$176,554**
Gains on money held in trust	**131**	145	**1,343**
Lease-related income	**—**	14,470	**—**
Net reversal of allowance for possible loan losses	**5,202**	2,739	**52,978**
Other	**14,824**	15,713	**150,965**
Total	**¥37,496**	¥54,863	**$381,842**

25. Other Interest Expenses

Other interest expenses for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Interest on subordinated bonds	**¥ 6,682**	¥ 7,241	**$ 68,054**
Interest on subordinated convertible bonds	**—**	0	**—**
Interest on interest rate swaps	**2,448**	2,182	**24,936**
Interest on payables under repurchase agreements and payables under securities lending transactions	**19,991**	23,577	**203,577**
Other	**6,566**	7,651	**66,864**
Total	**¥35,689**	¥40,652	**$363,432**

26. Other Operating Expenses

Other operating expenses for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Losses on foreign exchange	**¥ —**	¥1,077	**$ —**
Losses on sales and redemption of bonds	**6,134**	2,437	**62,469**
Losses on derivatives	**8,768**	4,316	**89,291**
Other	**632**	1,288	**6,442**
Total	**¥15,535**	¥9,120	**$158,203**

27. Other Expenses

Other expenses for the fiscal years ended March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Losses on sales of loans	**¥ 8,049**	¥ 1,597	**$ 81,967**
Write-off of loans	**22,042**	9,706	**224,465**
Losses on sales of stocks and other securities	**119,841**	1,265	**1,220,379**
Losses on devaluation of stocks and other securities	**78,472**	12,899	**799,107**
Lease-related expenses	**—**	13,480	**—**
Provision for contingent losses	**—**	4,150	**—**
Losses on disposal of premises and equipment	**1,806**	843	**18,398**
Other	**25,559**	26,315	**260,276**
Total	**¥255,771**	¥70,259	**$2,604,594**

28. Income Taxes

Chuo Mitsui and its domestic consolidated subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 40.63% for the fiscal years ended March 31, 2009 and 2008.

The tax effects of significant temporary differences and loss carryforwards, which resulted in deferred tax assets and liabilities as of March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Deferred tax assets:			
Allowance for possible loan losses	**¥ 28,058**	¥ 37,799	**$ 285,728**
Tax loss carryforwards	**199,249**	122,263	**2,029,015**
Net unrealized losses on available-for-sale securities	**13,558**	—	**138,066**
Securities	**12,358**	35,709	**125,852**
Reserve for retirement benefits	**638**	590	**6,498**
Other	**48,441**	45,047	**493,289**
Valuation allowance	**(93,439)**	(68,053)	**(951,519)**
Total deferred tax assets	**208,864**	173,357	**2,126,930**
Deferred tax liabilities:			
Gains on return of securities from employee retirement benefit trusts	**(8,807)**	(9,310)	**(89,693)**
Net unrealized gains on available-for-sale securities	**—**	(12,210)	**—**
Other	**(8,883)**	(15,939)	**(90,467)**
Total deferred tax liabilities	**(17,691)**	(37,460)	**(180,161)**
Net deferred tax assets	**¥191,172**	¥135,896	**$1,946,769**

A reconciliation between the normal effective statutory tax rate and the actual effective tax rates reflected in the accompanying consolidated statements of income for the fiscal years ended March 31, 2009 was as follows:

	2009
Normal effective statutory tax rate	40.63%
Valuation allowance	(18.28)
Nontaxable dividends received	2.13
Other, net	0.45
Actual effective tax rate	24.93%

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statements of income for the fiscal year ended March 31, 2008 was not required to be disclosed under Japanese accounting standards due to immaterial differences (less than 5% of the normal effective statutory tax rate).

29. Transaction Related Cash Flows

For the fiscal year ended March 31, 2008, Chuo Mitsui Leasing Co., Ltd. and two other subsidiaries were excluded from Chuo Mitsui's consolidated subsidiaries as a result of the sale of all of the shares of its common stock. Assets and liabilities of the subsidiaries at the time of disposal, cash received by selling the stock and proceeds from sales of consolidated subsidiaries were as follows:

	Millions of yen
	2008
Premises and equipment	¥ 65,321
Intangible fixed assets	6,204
Borrowed money	(50,373)
Other assets and liabilities, net	(13,749)
Net gain on sales of stock	4,705
Cash received by selling the stock	12,108
Cash and cash equivalents of consolidated subsidiaries	(0)
Proceeds from sales of consolidated subsidiaries	¥ 12,107

30. Leases

Lessee

Total lease payments under finance lease arrangements that do not transfer ownership of the leased property to the lessee were ¥16 million ($168 thousand) and ¥35 million for the fiscal years ended March 31, 2009 and 2008, respectively.

Pro forma information on leased property such as acquisition cost and accumulated depreciation and obligations under finance leases as of March 31, 2009 and 2008, and the related depreciation expense and interest expense under finance leases for the fiscal years ended March 31, 2009 and 2008, on an "as if capitalized" basis were as follows:

	Millions of yen		
	2009		
	Equipment	Other	Total
Acquisition cost	**¥54**	**¥—**	**¥54**
Accumulated depreciation	**37**	**—**	**37**
Net leased property	**¥17**	**¥—**	**¥17**

	Millions of yen		
	2008		
	Equipment	Other	Total
Acquisition cost	¥109	¥—	¥109
Accumulated depreciation	70	—	70
Net leased property	¥ 38	¥—	¥ 38

	Thousands of U.S. dollars		
	2009		
	Equipment	Other	Total
Acquisition cost	**$558**	**$—**	**$558**
Accumulated depreciation	**382**	**—**	**382**
Net leased property	**$175**	**$—**	**$175**

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Obligations under finance leases:			
Due within one year	**¥ 9**	¥19	**$ 98**
Due after one year	**8**	19	**84**
Total	**¥17**	¥39	**$182**

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Depreciation expense	**¥14**	¥30	**$145**
Interest expense	**0**	2	**8**
Total	**¥15**	¥33	**$154**

Depreciation expense and interest expense, which were not reflected in the accompanying consolidated statements of income, were computed by the straight-line method and the interest method, respectively.

The minimum rental commitments under noncancellable operating leases as of March 31, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Due within one year	**¥ 8**	¥ 8	**$ 88**
Due after one year	**11**	16	**113**
Total	**¥19**	¥24	**$202**

Lessor

For the fiscal year ended March 31, 2008, Chuo Mitsui Leasing Co., Ltd. was excluded from Chuo Mitsui's consolidated subsidiaries as a result of the sale of all of the shares of its common stock. Therefore, the notes related to lease transactions for lessor include only income information.

Total leases receipts under finance lease arrangements that did not transfer ownership of the leased property to the lessee were ¥13,602 million for the fiscal years ended March 31, 2008.

Depreciation expense and interest income under finance leases for the fiscal years ended March 31, 2008, were as follows:

	Millions of yen
	2008
Depreciation expense	¥12,583
Interest income	765
Total	¥13,348

31. Derivatives Information

Derivative Transactions

a. Instruments

The primary derivative transactions undertaken by Chuo Mitsui are listed below.

- Interest rate derivatives: interest futures, interest rate future options, interest rate swaps, caps, floors, swaptions
- Currency derivatives: foreign exchange contracts, currency swaps, currency options
- Stock derivatives: stock index futures, stock index options
- Bond derivatives: bond futures, bond future options, over-the-counter bond options, forward bond agreements
- Other: credit derivatives

b. Purposes and Policies for Derivative Transactions

Chuo Mitsui employs derivative transactions as a vital tool to meet the increasingly sophisticated and diversified financial needs of clients, to keep the market risk exposure on its own assets and liabilities to a level commensurate with its risk management capacity and to seek to capture gains primarily through price fluctuations. Derivative transactions involve various risks, including market risk, which arises through changing interest rates and price fluctuations. Chuo Mitsui must be aware of the characteristics and volume of such risk and enforce strict risk management processes to hedge the risks inherent in derivative transactions.

c. Contents of Risks for Derivative Transactions

(1) Market Risk

Market risk is the potential for loss caused by fluctuations in the fair value of financial products or portfolios, owing to changes in market volatility on the market prices of traded products, such as interest rates, foreign exchange rates and marketable securities. Chuo Mitsui measures risk volume through such means as basis point value ("BPV")* and value at risk ("VaR")**.

* BPV shows the change in fair value of transactions when interest rates change by one basis point (0.01%).

** VaR is a method to statistically gauge the maximum portfolio loss at a certain probability during a given holding period, thereby facilitating standardized measurement of risk across different products, including interest rates, foreign exchange rates and bonds.

(2) Credit Risk
Credit risk is the possibility of reduction or complete elimination of fair value on transactions, owing to such adverse developments as the worsening financial position of a borrower. In the case of derivative transactions, credit risk is not the loss of the assumed principal but the cost, or reconstruction cost, extended to conclude an agreement with a third party having cash flow equivalent to the amount at the time the original counterparty defaulted.

Chuo Mitsui's credit equivalent, determined on a consolidated basis according to Bank for International Settlements (BIS) capital adequacy standards, comprises latent credit exposure plus reconstruction costs.

d. Risk Management System for Derivative Transactions
In accordance with the Rules for Risk Management Chuo Mitsui Trust Holdings has established for Chuo Mitsui Trust Group, Chuo Mitsui assumes risk only within strategic objectives and risk-hedging capabilities, based on suitable risk management, and adheres to a basic risk management policy to secure appropriate returns on investment.

With regard to market risk, Chuo Mitsui maintains a basic policy through its Rules for Market Risk Management and follows Regulations for Market Risk Management to reinforce and control accurate hedging techniques and risk. A cross-check structure has been established whereby the divisions that execute transactions are clearly separate from the divisions that process the transactions, and overall management of market risk is consolidated under the Risk Management Department, which is independent of both the front and back offices and pinpoints the status of activities undertaken by both office categories.

This department identifies and analyzes groupwide risk, tracks compliance of risk limits and reports to the director in charge on a daily basis and to the Executive Committee on a monthly basis.

With regard to hedge transactions, Chuo Mitsui has prepared Rules for Hedge Transactions to maintain suitable control of hedge transactions.

For credit risk, Chuo Mitsui follows its Rules for Credit Risk Management, which provide direction for regulating credit risk on loans, fund transactions, derivative transactions and other credit-related risks, and works to forge a stronger credit risk management structure.

Credit lines for derivative and other transactions are established through strict procedures, in accordance with trading standards provided separately. The compliance status of such credit lines and other conditions are appropriately monitored.

Fair Value of Transactions
The following transactions are stated at fair value and unrealized gains (losses) are reflected in the consolidated statements of income. Transactions which qualify for hedge accounting are excluded from the following table.

Interest rate transactions

	Millions of yen			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Interest rate futures contracts:				
Buying	¥ 2,422	¥ —	¥ 4	¥ 4
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	5,619,186	3,966,022	183,798	183,798
Floating rate receipt, fixed rate payment	5,454,906	3,852,284	(181,671)	(181,671)
Floating rate receipt, floating rate payment	32,200	32,200	3,026	3,026
Interest rate swaptions:				
Selling	50,200	18,400	(520)	310
Buying	62,833	15,671	633	404
Others:				
Selling	65,335	47,928	(53)	159
Buying	81,650	47,650	52	(30)
Total			¥ 5,270	¥ 6,002

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Interest rate futures contracts:				
Buying	¥ 1,196	¥ —	¥ 21	¥ 21
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	5,818,440	4,490,219	104,493	104,493
Floating rate receipt, fixed rate payment	5,709,145	4,356,431	(101,200)	(101,200)
Floating rate receipt, floating rate payment	32,200	32,200	3,184	3,184
Interest rate swaptions:				
Selling	95,400	21,200	(498)	718
Buying	89,592	13,951	411	(27)
Others:				
Selling	51,934	42,693	(18)	205
Buying	50,897	41,680	15	(95)
Total			¥ 6,408	¥ 7,301

	Thousands of U.S. dollars			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Interest rate futures contracts:				
Buying	**$ 24,669**	**$ —**	**$ 49**	**$ 49**
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	**57,221,858**	**40,387,198**	**1,871,673**	**1,871,673**
Floating rate receipt, fixed rate payment	**55,548,950**	**39,228,964**	**(1,850,016)**	**(1,850,016)**
Floating rate receipt, floating rate payment	**327,902**	**327,902**	**30,824**	**30,824**
Interest rate swaptions:				
Selling	**511,201**	**187,372**	**(5,298)**	**3,163**
Buying	**639,847**	**159,582**	**6,446**	**4,118**
Others:				
Selling	**665,334**	**488,073**	**(542)**	**1,620**
Buying	**831,466**	**485,234**	**533**	**(311)**
Total			**$ 53,669**	**$ 61,121**

Note: Fair value of listed transactions is calculated according to closing market prices on the Tokyo International Financial Futures Exchange and other exchanges. Fair value of over-the-counter transactions is calculated according to discounted present value, the option pricing model and other valuation techniques.

Currency transactions

	Millions of yen			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	**¥ 54,010**	**¥51,064**	**¥ 188**	**¥ 188**
Foreign exchange contracts:				
Selling	**1,231,127**	**4,556**	**(34,808)**	**(34,808)**
Buying	**1,348,544**	**5,285**	**28,478**	**28,478**
Currency options:				
Selling	**5,401**	**—**	**(384)**	**(158)**
Buying	**5,401**	**—**	**383**	**156**
Total			**¥ (6,142)**	**¥ (6,143)**

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	¥ 5,009	¥5,009	¥ 25	¥ 25
Foreign exchange contracts:				
Selling	1,454,328	4,268	36,371	36,371
Buying	1,619,135	5,074	(36,186)	(36,186)
Currency options:				
Selling	15,133	—	(1,032)	(580)
Buying	37,280	—	1,384	849
Total			¥ 561	¥ 478

	Thousands of U.S. dollars			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	**$ 550,000**	**$520,000**	**$ 1,915**	**$ 1,915**
Foreign exchange contracts:				
Selling	**12,536,938**	**46,400**	**(354,464)**	**(354,464)**
Buying	**13,732,628**	**53,822**	**290,004**	**290,004**
Currency options:				
Selling	**55,000**	**—**	**(3,915)**	**(1,613)**
Buying	**55,000**	**—**	**3,906**	**1,593**
Total			**$ (62,553)**	**$(62,565)**

Note: Fair value is calculated according to discounted present value, the option pricing model and other valuation techniques.

Stock transactions

There was no contract or notional amount of stock transactions as of March 31, 2009.

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Stock index futures:				
Selling	¥2,507	¥—	¥ 9	¥ 9
Stock index options:				
Buying	29,000	—	14	(125)
Total			¥24	¥(115)

Note: Fair value is calculated according to closing market prices on the stock exchanges, such as the Tokyo Stock Exchange.

Bond transactions

	Millions of yen			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Forward bond agreements:				
Selling	**¥19,640**	**¥—**	**¥(48)**	**¥(48)**
Buying	**19,640**	**—**	**52**	**52**
Total			**¥ 3**	**¥ 3**

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Bond futures:				
Selling	¥1,143	¥—	¥1	¥1
Buying	1,139	—	2	2
Total			¥3	¥3

	Thousands of U.S. dollars			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Forward bond agreements:				
Selling	**$200,000**	**$—**	**$(496)**	**$(496)**
Buying	**200,000**	**—**	**530**	**530**
Total			**$ 33**	**$ 33**

Note: Fair value is calculated according to closing market prices on the stock exchanges, such as the Tokyo Stock Exchange, and the prices offered by information venders.

Credit derivative transactions

	Millions of yen			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	**¥15,000**	**¥15,000**	**¥(12,748)**	**¥(12,748)**

	Millions of yen			
	2008			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	¥10,000	¥10,000	¥(5,011)	¥(5,011)

	Thousands of U.S. dollars			
	2009			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	**$152,749**	**$152,749**	**$(129,816)**	**$(129,816)**

Notes: 1. Fair value is calculated according to discounted present value and the prices offered by brokers and by the pricing model.
2. “Selling” refers to acceptance transactions on credit risk.

The fair values of some credit default swaps in derivatives were previously measured at the prices offered by brokers. However, a judgment has been made by management that the current market prices are not indicative of fair values. At the end of the fiscal year, the fair values of these credit default swaps were determined based on the values reasonably estimated by using our own calculation methods. As a result, other operating expenses and loss before income taxes and minority interests decreased by ¥1,271 million ($12,946 thousand), respectively.

The values reasonably estimated by using our own calculation methods are calculated by the theory value model on the basis of analysis such as price change chronological order comparison of the market price of the credit default swap and a price comparison between similar articles.

32. Segment Information

Information about business segments, geographic segments and ordinary income from international operations for the fiscal years ended March 31, 2009 and 2008, was as follows:

(1) Business Segment Information

	Millions of yen			
	2009			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**¥ 350,696**	**¥ 12,766**	**¥ —**	**¥ 363,462**
Intersegment	**1,886**	**1,566**	**(3,452)**	**—**
Total ordinary income	**352,582**	**14,332**	**(3,452)**	**363,462**
Ordinary expenses	**489,198**	**13,661**	**(4,842)**	**498,017**
Ordinary profit	**¥ (136,615)**	**¥ 670**	**¥ 1,390**	**¥ (134,554)**
Assets, depreciation and capital expenditures:				
Total assets	**¥14,870,346**	**¥ 59,998**	**¥(43,326)**	**¥14,887,017**
Depreciation	**11,433**	**425**	**—**	**11,859**
Capital expenditures	**14,202**	**318**	**—**	**14,521**

	Millions of yen			
	2008			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	¥ 369,655	¥ 40,629	¥ —	¥ 410,285
Intersegment	5,515	2,916	(8,432)	—
Total ordinary income	375,170	43,546	(8,432)	410,285
Ordinary expenses	278,706	35,649	(7,544)	306,811
Ordinary profit	¥ 96,464	¥ 7,897	¥ (887)	¥ 103,473
Assets, depreciation and capital expenditures:				
Total assets	¥14,207,421	¥ 70,316	¥ (44,597)	¥14,233,141
Depreciation	12,775	13,390	—	26,166
Capital expenditures	16,651	608	—	17,259

	Thousands of U.S. dollars			
	2009			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**$ 3,571,245**	**$ 130,001**	**$ —**	**$ 3,701,247**
Intersegment	**19,211**	**15,949**	**(35,160)**	**—**
Total ordinary income	**3,590,456**	**145,950**	**(35,160)**	**3,701,247**
Ordinary expenses	**4,981,653**	**139,119**	**(49,315)**	**5,071,458**
Ordinary profit	**$ (1,391,197)**	**$ 6,830**	**$ 14,154**	**$ (1,370,211)**
Assets, depreciation and capital expenditures:				
Total assets	**$151,429,188**	**$ 610,979**	**$(441,208)**	**$151,598,959**
Depreciation	**116,429**	**4,336**	**—**	**120,765**
Capital expenditures	**144,626**	**3,245**	**—**	**147,872**

Notes: 1. Ordinary income represents total income less certain special income, and ordinary expenses represents total expenses less certain special expenses.
2. "Other finance-related operations" mainly consists of credit guarantee services, leasing and credit card services.
3. Reserve for reimbursement of deposits that were derecognized as liabilities under certain conditions is provided for possible losses on future claims of withdrawal based on historical reimbursement experience. Formerly, deposits that were derecognized as liabilities were expensed when they were actually reimbursed. However, from the fiscal year ended March 31, 2008, such reserve is provided in the estimated amount as described above in accordance with the "Treatment for Auditing of Reserve under Special Taxation Measures Law, Reserve under Special Laws and Reserve for Retirement Benefits to Directors and Corporate Auditors" (JICPA Audit and Assurance Practice Committee Report No. 42) of April 13, 2008. The effect of this change was decrease ordinary profit for "Trust and banking business" for the fiscal year ended March 31, 2008 by ¥6,109 million.
4. Chuo Mitsui Leasing Co., Ltd. and two other subsidiaries are not included in capital expenditures for the fiscal year ended March 31, 2008 because Chuo Mitsui Leasing Co., Ltd. and two other subsidiaries were excluded from Chuo Mitsui's consolidated subsidiaries as a result of the sale of all of the shares of its common stock.

(2) Geographic Segment Information

Since domestic (Japan) total ordinary income and total assets by geographic segment for the fiscal years ended March 31, 2009 and 2008, represented more than 90% of the consolidated total ordinary income and total assets of each respective year, geographic segment information was not required to be disclosed.

(3) Ordinary Income from International Operations

	Millions of yen, except percentage data		Thousands of U.S. dollars, except percentage data
	2009	2008	**2009**
Ordinary income from international operations (A)	**¥ 63,581**	¥ 55,090	**$ 647,464**
Consolidated ordinary income (B)	**363,462**	410,285	**3,701,247**
(A)/(B) (%)	**17.4%**	13.4%	**17.4%**

Note: Ordinary income from international operations represents ordinary income arising from international operations both in and outside Japan.

33. Per Share Information

Diluted net income per share for the fiscal year ended March 31, 2009 is not disclosed because of Chuo Mitsui and its consolidated subsidiaries net loss position. Basic net income per share ("EPS") for the fiscal years ended March 31, 2009 was as follows:

	Millions of yen	Thousands of shares	Yen	U.S. dollars
Fiscal year ended March 31, 2009	Net income (loss)	Weighted-average shares	EPS	EPS
Basic EPS				
Net income available to common shareholders	**¥(95,446)**	**1,567,866**	**¥(60.87)**	**$(0.61)**

A reconciliation of the differences between basic and diluted net income per share ("EPS") for the fiscal year ended March 31, 2008 was as follows:

	Millions of yen	Thousands of shares	Yen
Fiscal year ended March 31, 2008	Net income	Weighted-average shares	EPS
Basic EPS			
Net income available to common shareholders	¥64,657	1,398,776	¥46.22
Effect of dilutive securities			
Convertible bonds	0	21	
Preferred stock	—	833,281	
Diluted EPS			
Net income for computation	¥64,657	2,230,080	¥28.96

34. Subsequent Event

Pursuant to the provisions of the Company's Articles of Incorporation, Chuo Mitsui, acquired all relevant preferred stock on August 1, 2009, subscribed by Chuo Mitsui Trust Holdings, and issued Chuo Mitsui's common stocks to Chuo Mitsui Trust Holdings in exchange for these preferred stocks. Chuo Mitsui subsequently cancelled all the relevant preferred stocks immediately after obtaining these stocks.

	Number of shares (Thousands)		Yen	U.S. dollars
Class of stock	The acquisition preferred stocks	The issuance common stocks	Exchange price	Exchange price
Class I convertible preferred stock:				
Second series	93,750	375,000	¥400	$4.07
Third series	133,281	533,125	400	4.07

	Number of shares (Thousands)	
Class of stock	The cancellation preferred stocks	After the cancellation preferred stocks
Class I convertible preferred stock:		
Second series	93,750	—
Third series	133,281	—

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Independent Auditors' Report

To the Board of Directors of
The Chuo Mitsui Trust and Banking Company, Limited:

We have audited the accompanying consolidated balance sheets (banking account) of The Chuo Mitsui Trust and Banking Company, Limited (the "Bank") and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of income, changes in equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Bank and consolidated subsidiaries as of March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Our audits 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 22, 2009
(Augst 3, 2009 as to Note 34)

Member of
Deloitte Touche Tohmatsu

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

The Chuo Mitsui Trust and Banking Company, Limited
As of March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
ASSETS			
Cash and cash equivalents	**¥ 196,017**	¥ 123,781	**$ 1,996,100**
Due from banks other than due from the Bank of Japan	**15,547**	60,326	**158,323**
Call loans	**11,784**	203,000	**120,000**
Receivables under securities borrowing transactions	**8,812**	104,003	**89,735**
Monetary claims bought	**103,377**	111,422	**1,052,726**
Trading assets	**38,249**	42,886	**389,507**
Securities	**4,874,797**	4,577,514	**49,641,526**
Loans and bills discounted	**8,581,809**	7,847,314	**87,391,131**
Foreign exchanges	**802**	811	**8,174**
Other assets	**366,523**	349,473	**3,732,417**
Premises and equipment	**101,566**	104,994	**1,034,283**
Intangible fixed assets	**17,458**	27,950	**177,782**
Deferred tax assets	**184,598**	136,592	**1,879,816**
Customers' liabilities for acceptances and guarantees	**57,195**	47,864	**582,436**
Allowance for possible loan losses	**(55,999)**	(64,017)	**(570,254)**
Total assets	**¥14,502,540**	¥13,673,917	**$147,683,707**
LIABILITIES AND EQUITY			
Liabilities:			
Deposits	**¥ 9,536,252**	¥ 8,994,152	**$ 97,110,517**
Call money	**160,478**	200,081	**1,634,195**
Payables under repurchase agreements	**—**	24,197	**—**
Payables under securities lending transactions	**1,255,648**	1,797,121	**12,786,640**
Trading liabilities	**8,867**	8,185	**90,302**
Borrowed money	**1,692,565**	474,369	**17,235,905**
Foreign exchanges	**42**	10	**429**
Subordinated bonds	**174,570**	176,261	**1,777,698**
Payables to trust account	**879,917**	1,051,839	**8,960,463**
Other liabilities	**150,477**	146,211	**1,532,358**
Reserve for bonus payment	**2,014**	1,998	**20,517**
Reserve for retirement benefits for directors and corporate auditors	**806**	643	**8,208**
Reserve for contingent losses	**11,881**	12,859	**120,990**
Acceptances and guarantees	**57,195**	47,864	**582,436**
Total liabilities	**13,930,717**	12,935,796	**141,860,666**
Equity:			
Common stock and preferred stock	**399,697**	379,197	**4,070,239**
Capital surplus	**149,011**	128,511	**1,517,433**
Retained earnings	**127,336**	217,720	**1,296,702**
Net unrealized gains on available-for-sale securities	**(90,447)**	27,809	**(921,055)**
Deferred gains (losses) on derivatives under hedge accounting	**1,757**	413	**17,894**
Land revaluation difference	**(15,532)**	(15,532)	**(158,173)**
Total equity	**571,822**	738,120	**5,823,040**
Total liabilities and equity	**¥14,502,540**	¥13,673,917	**$147,683,707**

Non-Consolidated Statements of Income (Supplemental Information—Unaudited)

The Chuo Mitsui Trust and Banking Company, Limited
Fiscal years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Income:			
Interest income:			
Interest on loans and bills discounted	**¥123,530**	¥114,840	**$1,257,949**
Interest and dividends on securities	**82,254**	85,401	**837,622**
Interest on call loans and bills bought	**897**	1,735	**9,143**
Other interest income	**3,165**	5,738	**32,239**
Trust fees	**21,002**	24,934	**213,874**
Fees and commissions	**68,953**	96,694	**702,177**
Trading gains	**2,440**	2,063	**24,851**
Other operating income	**19,712**	15,383	**200,743**
Other income	**30,444**	29,603	**310,025**
Total income	**352,403**	376,395	**3,588,627**
Expenses:			
Interest expenses:			
Interest on deposits	**51,729**	43,619	**526,773**
Interest on call money and bills sold	**3,492**	8,856	**35,566**
Interest on borrowings	**5,671**	5,780	**57,754**
Other interest expenses	**35,689**	40,489	**363,432**
Fees and commissions	**17,077**	17,774	**173,905**
Trading losses	**—**	23	**—**
Other operating expenses	**15,535**	9,158	**158,203**
General and administrative expenses	**110,846**	100,009	**1,128,783**
Other expenses	**235,843**	41,674	**2,401,665**
Total expenses	**475,885**	267,387	**4,846,084**
Income before income taxes	**(123,482)**	109,007	**(1,257,456)**
Income taxes:			
Current	**202**	539	**2,058**
Deferred	**(33,300)**	42,000	**(339,103)**
Net income	**¥ (90,384)**	¥ 66,467	**$ (920,411)**

	Yen		U.S. dollars
	2009	2008	**2009**
Per share of common stock:			
Basic net income	**¥(57.64)**	¥47.51	**$(0.58)**
Diluted net income	**—**	29.77	**—**

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

Chuo Mitsui Asset Trust and Banking Company, Limited
As of March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
ASSETS			
Cash and cash equivalents	**¥ 15,864**	¥ 21,319	**$ 161,549**
Due from banks other than due from the Bank of Japan	**565**	375	**5,757**
Securities	**89,162**	85,094	**907,972**
Other assets	**35,227**	39,354	**358,730**
Premises and equipment	**582**	701	**5,934**
Intangible fixed assets	**3,311**	3,249	**33,720**
Deferred tax assets	**1,261**	1,063	**12,848**
Total assets	**¥145,975**	¥151,158	**$1,486,513**
LIABILITIES AND EQUITY			
Liabilities:			
Deposits	**¥ 152**	¥ 76	**$ 1,555**
Call money	**93,000**	91,500	**947,046**
Other liabilities	**7,397**	10,655	**75,335**
Reserve for bonus payment	**365**	337	**3,718**
Reserve for retirement benefit for directors and corporate auditors	**193**	141	**1,970**
Total liabilities	**101,109**	102,710	**1,029,626**
Equity:			
Common stock	**11,000**	11,000	**112,016**
Capital surplus	**21,246**	21,246	**216,354**
Retained earnings	**12,620**	16,223	**128,515**
Net unrealized gains (losses) on available-for-sale securities	**0**	(21)	**0**
Total equity	**44,866**	48,447	**456,886**
Total liabilities and equity	**¥145,975**	¥151,158	**$1,486,513**

Non-Consolidated Statements of Income (Supplemental Information—Unaudited)

Chuo Mitsui Asset Trust and Banking Company, Limited
Fiscal years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Income:			
Interest income:			
Interest and dividends on securities	**¥ 479**	¥ 524	**$ 4,878**
Interest on due from banks	**3**	—	**37**
Trust fees	**38,527**	43,744	**392,340**
Fees and commissions	**8,593**	10,499	**87,509**
Other income	**37**	49	**386**
Total income	**47,641**	54,817	**485,151**
Expenses:			
Interest expenses:			
Interest on borrowings	**12**	0	**129**
Other interest expenses	**504**	524	**5,136**
Fees and commissions	**11,781**	12,668	**119,978**
General and administrative expenses	**17,851**	15,562	**181,782**
Other expenses	**24**	51	**252**
Total expenses	**30,174**	28,806	**307,277**
Income before income taxes	**17,467**	26,011	**177,873**
Income taxes:			
Current	**7,282**	9,720	**74,164**
Deferred	**(212)**	824	**(2,168)**
Net income	**¥10,397**	¥15,465	**$105,877**

	Yen		U.S. dollars
	2009	2008	**2009**
Per share of common stock:			
Net income	**¥17,328.67**	¥25,775.78	**$176.46**

Financial Statements of Subsidiary Banks (Trust Account—Unaudited)

Chuo Mitsui Trust Holdings, Inc.
As of March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Assets:			
Loans (Note 2)	**¥ 609,340**	¥ 676,854	**$ 6,205,094**
Securities (Note 3)	**84,520**	8,306,969	**860,700**
Beneficiary rights	**27,193,363**	30,578,599	**276,918,163**
Securities held in custody accounts	**183**	267	**1,869**
Monetary claims	**1,545,278**	1,728,752	**15,736,034**
Premises and equipment	**5,440,609**	5,418,211	**55,403,355**
Intangible fixed assets	**27,069**	17,658	**275,654**
Other claims	**41,872**	121,752	**426,400**
Due from banking account	**879,917**	1,051,839	**8,960,463**
Cash and due from banks	**248,058**	270,806	**2,526,053**
Total assets	**¥36,070,214**	¥48,171,712	**$367,313,790**
Liabilities:			
Money trusts (Note 4)	**¥10,059,266**	¥18,601,563	**$102,436,517**
Pension trusts	**6,723,024**	6,894,844	**68,462,567**
Property formation benefit trusts	**14,375**	15,424	**146,386**
Loan trusts (Note 5)	**504,047**	664,185	**5,132,869**
Securities investment trusts	**8,507,657**	11,729,584	**86,636,026**
Money in trust other than money trusts	**422,305**	432,521	**4,300,467**
Securities in trust	**1,351,264**	1,270,058	**13,760,330**
Money claims in trust	**1,568,019**	1,757,133	**15,967,607**
Real estate in trust	**76,192**	80,993	**775,895**
Composite trusts	**6,843,927**	6,725,052	**69,693,765**
Other trusts	**133**	349	**1,355**
Total liabilities	**¥36,070,214**	¥48,171,712	**$367,313,790**

See Notes to Financial Statements of Subsidiary Banks (Trust Account—Unaudited).

1. Trust Accounts

Under the Trust Law of Japan, trust activities must be administered separately from a commercial banking business. As a result, assets accepted in trust must be segregated from other assets. Within the general category of trust accounts, each trust account is segregated from other trust assets. Accordingly, the financial statements of Chuo Mitsui Trust Holdings, Inc. ("Chuo Mitsui Trust Holdings"), do not reflect Chuo Mitsui Trust Holdings' records as to the assets accepted in trust, which are maintained separately under the trust account.

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by The Chuo Mitsui Trust and Company, Limited, and such guaranteed principal as of March 31, 2009 and 2008, was ¥1,653,480 million ($16,837,889 thousand) and ¥1,923,645 million, respectively.

The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥98.20 to U.S.$1, the approximate rate of exchange as of March 31, 2009. 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.

Amounts less than one million Japanese yen and one thousand U.S. dollars have been truncated. As a result, the total may not be equal to the total of individual amounts.

2. Loans

Loans as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Loans on deeds	**¥584,733**	¥644,898	**$5,954,519**
Loans on notes	**24,606**	31,956	**250,574**
Total	**¥609,340**	¥676,854	**$6,205,094**

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by banking subsidiaries, and loans on such guaranteed trust assets as of March 31, 2009 and 2008, included the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Loans to borrowers in bankruptcy	**¥ 37**	¥ 48	**$ 378**
Non-accrual loans	**15,322**	16,101	**156,028**
Loans past due three months or more	**16**	51	**169**
Restructured loans	**10,115**	10,332	**103,014**
Total	**¥25,491**	¥26,533	**$259,591**

3. Securities

Securities are stated at market price or at cost by each trust agreement.

Securities held as of March 31, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Japanese government bonds	**¥83,802**	¥4,276,535	**$853,385**
Japanese municipal bonds	**—**	413,766	**—**
Japanese corporate bonds	**—**	1,328,034	**—**
Japanese stocks	**496**	2,197,104	**5,054**
Foreign securities	**0**	91,270	**0**
Other securities	**221**	257	**2,259**
Total	**¥84,520**	¥8,306,969	**$860,700**

4. Balance of Money Trusts

The principal amounts of certain money trusts are guaranteed and the balance of these accounts is as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Assets:			
Loans	**¥ 259,139**	¥ 271,015	**$ 2,638,892**
Securities	**—**	2,812	**—**
Other	**825,039**	787,489	**8,401,622**
Total	**¥1,084,178**	¥1,061,317	**$11,040,514**
Liabilities:			
Principal	**¥1,084,149**	¥1,061,263	**$11,040,220**
Allowance for the impairment of guaranteed trust principal	**49**	47	**500**
Other	**(20)**	5	**(205)**
Total	**¥1,084,178**	¥1,061,317	**$11,040,514**

In the case of certain money trusts, the principal amount is guaranteed and, as the above table indicates, allowance for the impairment of guaranteed trust principal is set aside by banking subsidiaries. The figures of the table include funds reinvested from the other trusts managed by a banking subsidiary.

5. Balance of Loan Trusts

The balance of loan trusts is as follows (the figures of the table include funds reinvested from the other trusts managed by a banking subsidiary):

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Assets:			
Loans	**¥333,603**	¥385,196	**$3,397,182**
Securities	**496**	499	**5,054**
Other	**242,325**	485,740	**2,467,671**
Total	**¥576,424**	¥871,437	**$5,869,907**
Liabilities:			
Principal	**¥569,331**	¥862,381	**$5,797,669**
Allowance for the impairment of guaranteed trust principal	**3,271**	4,743	**33,310**
Other	**3,822**	4,311	**38,927**
Total	**¥576,424**	¥871,437	**$5,869,907**

As in certain money trusts, the principal amount of loan trusts is guaranteed and, as the above table indicates, allowance for the impairment of guaranteed trust principal is set aside by banking subsidiaries.

Consolidated Five-Year Summary

	Chuo Mitsui Trust Holdings				
	Billions of yen				
	2009	2008	2007	2006	2005
Banking account (As of March 31)					
Total assets	**¥15,086.4**	¥14,472.8	¥14,090.5	¥13,808.7	¥13,431.4
Cash and due from banks	**232.9**	212.5	498.0	431.5	509.8
Call loans and bills bought	**15.3**	204.8	111.1	164.5	12.0
Securities	**4,896.6**	4,647.9	4,511.7	3,835.7	4,006.2
Loans and bills discounted	**8,584.2**	7,852.0	7,377.3	7,292.0	7,144.5
Foreign exchanges	**0.8**	0.8	0.9	37.5	1.8
Customers' liabilities for acceptances and guarantees	**475.5**	584.0	711.1	1,023.3	771.7
Total liabilities	**¥14,397.9**	¥13,453.6	¥12,953.1	¥12,843.3	¥12,718.3
Deposits	**9,446.4**	8,830.5	8,529.7	8,806.9	8,937.5
Call money and bills sold	**253.4**	291.5	547.3	394.0	325.2
Borrowed money	**1,692.5**	474.3	393.2	165.4	174.0
Foreign exchanges	**0.0**	0.0	0.0	0.0	0.0
Acceptances and guarantees	**475.5**	584.0	711.1	1,023.3	771.7
Total equity	**¥ 688.4**	¥ 1,019.2	¥ 1,137.3	¥ 858.8	¥ 606.6
Trust account* (As of March 31)					
Total assets	**¥36,070.2**	¥48,171.7	¥45,154.0	¥42,457.3	¥37,288.5
Loans	**609.3**	676.8	779.6	1,185.9	1,502.1
Securities	**84.5**	8,306.9	7,662.3	6,484.4	5,762.3
Beneficiary rights	**27,193.3**	30,578.5	28,750.0	28,284.2	24,975.6
Total liabilities	**¥36,070.2**	¥48,171.7	¥45,154.0	¥42,457.3	¥37,288.5
Money trusts	**10,059.2**	18,601.5	17,336.2	16,873.2	16,009.6
Pension trusts	**6,723.0**	6,894.8	6,657.5	6,194.2	5,999.5
Property formation benefit trusts	**14.3**	15.4	16.3	16.8	18.8
Loan trusts	**504.0**	664.1	835.8	1,078.8	1,392.5
Securities investment trusts	**8,507.6**	11,729.5	11,022.7	8,858.9	6,115.6
Statements of income (Fiscal years ended March 31)					
Total income	**¥ 422.2**	¥ 468.5	¥ 468.0	¥ 484.4	¥ 513.8
Total expenses	**531.9**	332.7	288.3	344.5	363.6
Income before income taxes and minority interests	**(109.6)**	135.7	179.6	139.9	150.1
Net income	**¥ (92.0)**	¥ 71.8	¥ 112.7	¥ 119.6	¥ 94.0

Note: All figures are based on the consolidated financial statements.
* All figures are combined totals from The Chuo Mitsui Trust and Banking Company, Limited, and Chuo Mitsui Asset Trust and Banking Company, Limited.

Definitions of Self-Assessment System, Disclosure of Assets Based on the Financial Revitalization Law and Risk-Monitored Loans

Self-Assessment System

What Is the Self-Assessment System?

Self-assessment of asset quality requires a financial institution to examine the quality of its own assets and group assets, according to the degree of risk for default on loans or the potential irrecoverability of invested value.

Assets subject to self-assessment are loans and loan equivalents, such as loan receivables in securities, foreign currency, accrued interest, accounts due, provisional payments equivalent to loans, and acceptances and guarantees.

Basic Concept in Self-Assessment

In principle, the process of asset assessment assigns credit ratings to borrowers, then groups the borrowers according to these rating assignments. Each borrower is viewed individually, based on such details as the application of funds, and the status of collateral and guarantees is ascertained to facilitate further classification, according to the degree of risk inherent in the recovery of the loan or the potential for the invested value to erode.

Credit Ratings

Credit ratings correspond to a client's credit risk, a status based on financial position, ratings by rating agencies, information from credit bureaus, and other sources. A credit rating must be consistent with borrower categories.

Borrower Categories

A borrower's ability to repay loans is determined by such factors as financial status, cash flow and profitability, and this ability will place a borrower into one of five categories: normal, caution, possible bankruptcy, virtual bankruptcy and legal bankruptcy.

1. Normal: Borrowers whose business prospects are favorable and whose financial position exhibits no particular problems.
2. Caution: Borrowers with problematic lending conditions, such as reduced or suspended interest payments, borrowers with non-accrual repayment schedules, wherein principal or interest payments are in arrears, and borrowers which may require special measures in the future because business prospects are sluggish or unstable, or because financial positions are uncertain.
3. Possible bankruptcy: Borrowers for whom bankruptcy is not currently imminent but for whom the eventuality of failure in the future is high because financial difficulty exists and a sufficient boost through a business improvement plan, for example, is not expected. This category includes borrowers receiving support from a financial institution or other backer.
4. Virtual bankruptcy: Borrowers that face severe operating difficulties and while they have not been declared legally bankrupt they are essentially insolvent because they lack any hope of restructuring.
5. Legal bankruptcy: Borrowers whose legal bankruptcy is substantiated by a declaration of bankruptcy, liquidation, reorganization, composition or civil reconstruction, or for whom clearinghouse transactions have been halted.

Claim Categories

Under the self-assessment system, claims are grouped into "categories"—II, III and IV—and the respective assets are called "category assets." Claims that do not fall into categories II, III and IV are called "no category," and the assets that fall outside these classifications are deemed "no category assets."

Disclosure of Assets Based on the Financial Revitalization Law

Borrower Classification

1. Claims under bankruptcy and virtual bankruptcy: Loans and loan equivalents granted to borrowers that have succumbed to legal business failure by reason of declared bankruptcy, reorganization, composition proceedings or other officially recognized end to operations.
2. Claims under high risk: Loans to borrowers that have not yet reached a state of legal bankruptcy but are highly unlikely to repay the principal and interest according to contractual obligations because of worsening financial position and business performance.
3. Claims under close observation: Loans three months past due—i.e., loans for which payment of principal or interest has fallen more than three months behind, counting from the day following the contractual payment day—and restructured loans—i.e., loans for which the contractual conditions have been revised, for example, with a specific concession in favor of the

borrower to facilitate the restructuring of a business that has been economically disadvantaged, or to support such a business, and thereby promote repayment of the outstanding loan.
4. Normal claims: Loans to borrowers with no particular problems affecting financial position or business performance, thereby excluding them from the three classifications described above.

Relationship with Borrower Classifications in the Self-Assessment System
1. Claims under bankruptcy and virtual bankruptcy: Corresponds to the sum of loans to borrowers that are in legal bankruptcy or virtual bankruptcy under self-assessment standards.
2. Claims under high risk: Equivalent to loans to borrowers classified as in possible bankruptcy under self-assessment standards.
3. Claims under close observation: Represents the sum of loans to borrowers in the caution category of self-assessment standards that are either more than three months past due or restructured.
4. Normal claims: Identified with loans to healthy borrowers under self-assessment standards, as well as loans other than claims under the close observation category of loans to borrowers requiring caution.

Risk-Monitored Loans
What are risk-monitored loans?
1. Loans to borrowers in bankruptcy: Of loans for which no accrued interest is recorded because the recovery of principal or interest is unlikely due to a prolonged delay in payment of principal or interest (excludes the portion written off; hereafter referred to as “loans for which accrued interest is not recorded”), loans to borrowers in bankruptcy are those for which the reason is found in the provisions of the Corporate Tax Law (Ordinance 97, 1965), Article 96, Paragraph 1, Sub-Paragraph 3, Points a) through e), or Article 4 of the same law.
2. Non-accrual loans: Of loans for which accrued interest is not recorded, non-accrual loans are loans other than those to borrowers in bankruptcy and loans for which interest has been waived to facilitate business restructuring.
3. Loans past due three months or more: This category comprises loans for which payment of principal or interest has fallen more than three months behind, counting from the day following the contractual payment day, but excludes loans to borrowers in bankruptcy and non-accrual loans.
4. Restructured loans: This category covers loans for which payment of interest is reduced or suspended, payment of principal is extended, the claim is waived, or another measure advantageous to the borrower is granted to facilitate business restructuring. Loans to borrowers in bankruptcy, non-accrual loans and loans past due three months or more are not included in this category.

Relationship between Self-Assessment Assets and Disclosure of Assets Based on the Financial Revitalization Law
Assets classified under self-assessment standards and disclosure of assets based on the Financial Revitalization Law are loans and loan equivalents. These loans differ primarily from risk-monitored loans in that risk-monitored loans exclude loan equivalents.
1. Loans to borrowers in bankruptcy: These are loans to legally bankrupt borrowers.
2. Non-accrual loans: These are loans to virtually bankrupt borrowers and borrowers for which the possibility of bankruptcy exists.
3. Loans past due three months or more: Of loans to borrowers requiring caution, loans past due three months or more are those for which the payment of principal or interest has fallen three months behind, counting from the day following the contractual payment day.
4. Restructured loans: Of loans to borrowers requiring caution, restructured loans are those for which payment of interest is reduced or suspended, payment of principal is extended, the claim is waived or another measure advantageous to the borrower is granted to facilitate business restructuring.

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Basel II Related Data

This section outlines matters to be stated in explanatory documents relating to the fiscal year separately stipulated by the Director-General of the Financial Services Agency (Notification No. 15 of Financial Services Agency, March 23, 2007) with regard to the status of capital adequacy as set forth in Article 19-2, Paragraph 1, Item 5-(d) of the Enforcement Regulations of the Bank Law (Ministry of Finance Ordinance No. 10, 1982).

The “Capital Adequacy Ratio Notification” indicates standards for judgments by banks on whether or not their capital adequacy status is appropriate in light of the assets, etc., held pursuant to the provisions of Article 14-2 of the Bank Law (Financial Services Agency Notification No. 19, March 27, 2006), “Consolidated Capital Adequacy Ratio Notification” indicates standards for judgment by financial holding companies on whether or not the capital adequacy status is appropriate in the light of the assets, etc., they and their subsidiaries hold pursuant to the provisions of Article 52-25 of the Bank Law (Financial Services Agency Notification No. 20, March 27, 2006).

[Risk Management]
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● Chuo Mitsui Trust Group Risk Management System

Basic Policies on Risk Management

Chuo Mitsui Trust Group is working to improve its risk management system with the recognition of the fact that ensuring the sound and stable management of the entire Group and each subsidiary in the Group is vital to the improvement of corporate value, and, to that end, risk management is one of the most important functions.

Risk management aims to properly handle the risks particular to each business or transaction, and prevent the appearance of risks, and control risks even in the case they appear so that losses can be contained within a certain scope.

The Group has established an integrated risk management system to serve as a framework for ascertainment of risks in a comprehensive manner and to keep risks within the limits for maintaining management vitality, and simultaneously created a capital management system as a framework for assessment and control of capital adequacy level, the taproot of management vitality, in light of the status of risk-taking and business strategies, etc. The Group also continues to promote the improvement and upgrading of both systems.

Group Risk Management System

The Group positions supervision of risk management for the entire Group as one of the most important functions of the holding company (Chuo Mitsui Trust Holdings, Inc.). Chuo Mitsui Trust Holdings aims to improve and upgrade its risk management system by establishing the Rules for Risk Management as a basic agenda for risk management in the Group and formulates policies and plans for each fiscal year with respect to risk management in the Group.

Chuo Mitsui Trust Holdings has instituted the Risk Management Department as a department to supervise overall Group risk management and monitor the risk status of the Group, and to also supervise, manage and issue instructions to its subsidiary banks and asset management companies on development of proper risk management systems. Additionally, as a department for supervision of compliance, the Compliance Department has been instituted to formulate policies for the entire Group and to monitor the status of management and operations.

In regard to internal audits, a system is in place in which Chuo Mitsui Trust Holdings determines policy improvements of the internal audit system for the entire Group and carries out internal audits for each department of Chuo Mitsui Trust Holdings. In addition, Chuo Mitsui Trust Holdings supervises internal audit functions of subsidiary banks and asset management companies and issues necessary instructions upon receipt of reports on audit results and the status of improvements carried out by subsidiary banks and asset management companies.

At subsidiary banks and asset management companies, in order for risk management and compliance policies determined by Chuo Mitsui Trust Holdings to be carried out, systems for proper risk management corresponding to the risk characteristics and compliance, corresponding to each business have been developed.

The Board of Directors of Chuo Mitsui Trust Holdings obtains necessary information from subsidiary banks and asset management companies, performs monitoring, appraisal and analysis of the risk status of the Group, and carries out proper risk management so that sound management is ensured.

Additionally, the Directors of Chuo Mitsui Trust Holdings and subsidiary banks and asset management companies duly recognize the fact that risk management has a material impact on the achievement of their strategic targets, and the Executive Officers in charge of the risk management departments strive to accurately recognize the status and examine policies and specific measures, based on a sufficient understanding of source, type and characteristics of risks and methods and importance of risk management. The roles and responsibilities of these Directors and Executive Officers in charge of the risk management departments are specified in the respective the Rules for Risk Management provided by Chuo Mitsui Trust Holdings and subsidiary banks and asset management companies.

Methods of Integrated Risk Management and Capital Management

• Integrated risk management system

The Group has built an integrated risk management system as a framework for risk management to secure sound management by keeping risks within the limits for management vitality. In integrated risk management, risks subject to management are classified into credit risk, market risk, liquidity risk, and operational risk (procedural risk, system risk, legal risk, human risk and tangible fixed asset risk); and management corresponding to each risk characteristic is carried out while various risks are ascertained, appraised and managed comprehensively. The results of the monitoring of risk status are reported to the Executive Committee and the Board of Directors on a monthly basis.

• Capital allocation operations

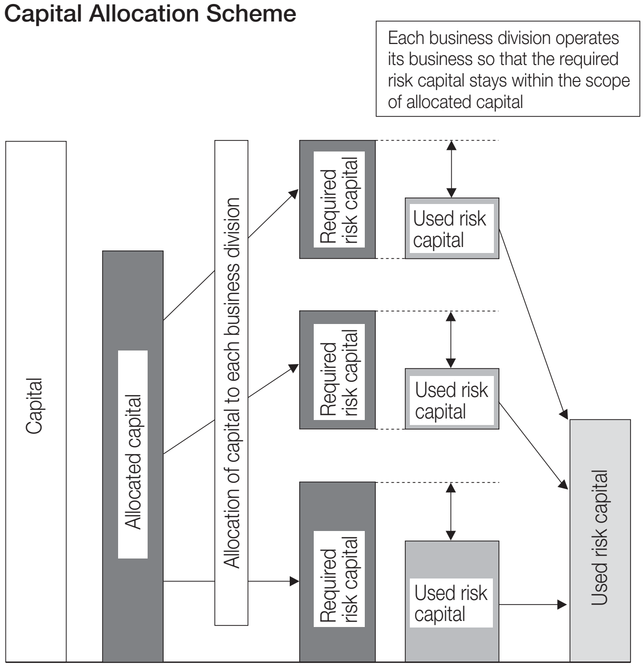
The Group undertakes capital allocation operations by allocating capital of the Group to each business division for its risks (credit risk, market risk and operational risk). The capital allocation plan is formulated by the capital management department of Chuo Mitsui Trust Holdings based on the risk status ascertained through the integrated risk management system and the annual plan, and undergoes a verification of its appropriateness by the risk management supervision department and is decided on by the Board of Directors.

Each business division operates its business in compliance with the allocated risk capital (amount of required risk capital). The risk management supervision department monitors the adherence to the allocated risk capital (amount of required risk capital) and the risk status on a monthly basis and reports to the Executive Committee and the Board of Directors.

The capital allocation plan is reexamined on a regular basis each quarter, and also whenever deemed necessary due to modifications to the business plan of any one of the Group companies or change in risk status, etc., as needed.

The Group calculates various management indices such as income or loss after deducting capital cost based on the capital allocated to each business division in order to utilize capital more effectively for efficient, risk-return-conscious operations of capital. In addition, the Group sets indices for earnings after adjusting for risk, in consideration of capital cost associated with each product, including loans and marketable securities, and uses these as benchmarks when undertaking new investments and loans.

Capital Allocation Scheme



• **Assessment of capital adequacy level, capital strategy**
The capital management departments assess the level of capital adequacy from the viewpoint of soundness each time a capital allocation plan is formulated or reexamined, and reports to the Executive Committee and the Board of Directors.

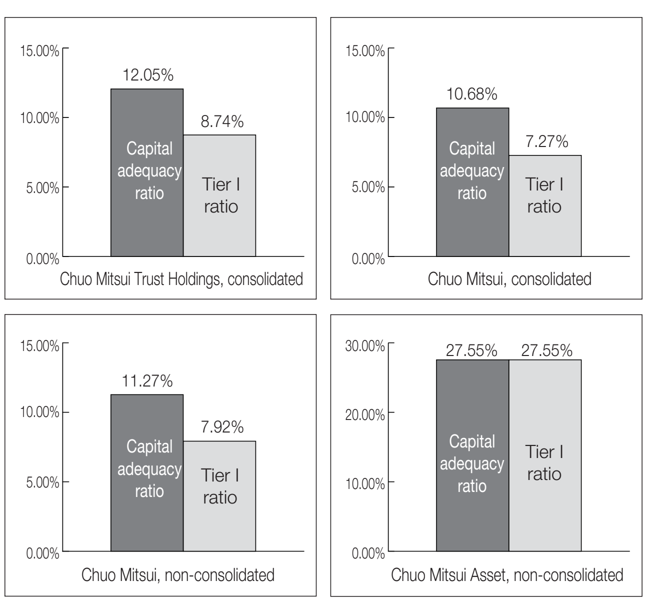
Assessment of the capital adequacy level is conducted based on the status of the capital adequacy ratio under regulations, ratio of Tier I capital to capital and results of verification of the appropriateness of the capital allocation plan, etc. For verification of the appropriateness of the capital allocation plan, simultaneously with the verification of the appropriateness of the method of capital allocation, the level at which capital can buffer against stress phenomena is also verified.

Moreover, based on the results of the assessment of the capital adequacy level, we formulate and carry out a capital strategy to provide goals for capital levels and policies for capital financing, etc., and thereby make efforts to ensure an adequate financial base that corresponds to the risks.

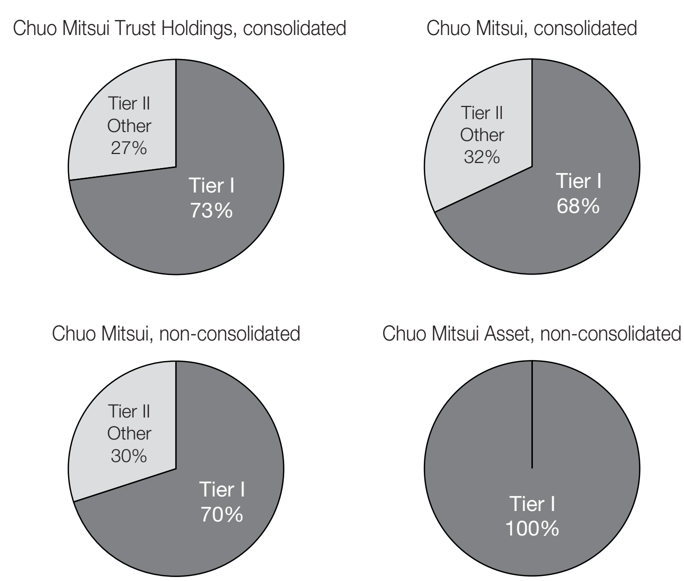
• **Capital adequacy status**
The Group's capital adequacy ratios under regulations are well above 8% for Chuo Mitsui Trust Holdings on a consolidated basis, Chuo Mitsui Trust and Banking Co., Ltd., on a consolidated basis and non-consolidated basis, and Chuo Mitsui Asset Trust and Banking Co., Ltd., on a non-consolidated basis. In addition, Tier I capital accounts for the largest slice, if not all, of the capital pie at Chuo Mitsui Trust Holdings on a consolidated basis, at Chuo Mitsui on a consolidated basis and non-consolidated basis, and at Chuo Mitsui Asset on a non-consolidated basis.

Under the capital allocation plan, against capital of ¥788.8 billion* (Tier I capital of ¥543.6 billion) of Chuo Mitsui Trust

Capital Adequacy Ratio as of End of March 2009



Breakdown of Capital



Holdings on a consolidated basis, the allocated risk capital (required risk capital) is ¥446.2 billion. Risk capital actually used is ¥293.1 billion. In addition, the balance between allocated risk capital (required risk capital) and capital (Tier I capital and Tier II capital, etc.), about ¥342.6 billion, is on a sufficient level as a buffer against stress phenomena (past economy recessions, land price drops, drastic price changes in markets, etc.).

As stated above, the capital adequacy level of the Group is sufficient.

* Though the Group uses Domestic Standard, BIS Standard is used for its capital allocation operations.

- **Upgrading of integrated risk management and capital management systems**

The Group will continuously verify the scope of risk to be managed, risk measurement methods, capital allocation methods, capital adequacy level assessment methods, etc., so that integrated risk management and capital management will be more effective, and will strive to improve and upgrade the systems.

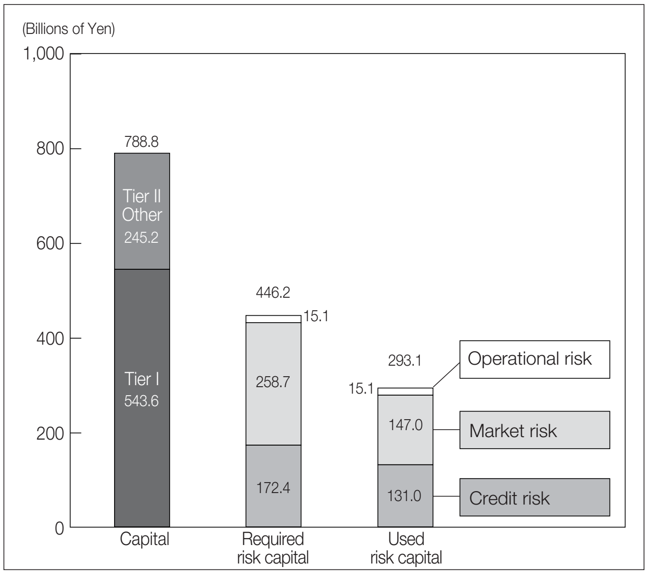
• Business Continuity Management

The Group has established an emergency response framework for quick and appropriate responses, and to ensure the execution of business operations in case of a disaster, system malfunction, outbreak of infection or other event that might disrupt business operations, and has been conducting drills on a regular basis.

In the case of the outbreak of the new influenza strain in April 2009, the Group set up a Crisis-Management Committee across the Group to avoid the risk of transmission of the new influenza to the customers and/or employees, in accordance with the Group's contingency plan.

The Group will continuously maintain the business continuity plan for sustaining the business operations in the event of crisis.

Capital and Risk Capital



Prerequisite	Time Horizon	Confidence interval
Credit risk	1 year	99%
Market risk	Holding period corresponding to asset composition (1 year max.)	99%
Operational risk	1 year	99%

● Chuo Mitsui Risk Management System

Risk Management System

In order to build a proper risk management system in accordance with the risk management policies formulated by Chuo Mitsui Trust Holdings, the Board of Directors at Chuo Mitsui established the Rules for Risk Management. This document sets out the Bank's basic rules for risk management, including the types of risk requiring attention, the techniques applied to hedge risk, and the structure and authority for risk control, and the regulations based on these rules detail the content of specific standards in each type of risk.

In regard to administrative structure, the Executive Committee, which falls under the authority of the Board of Directors, undertakes a variety of activities, including discussions about risk management policies prior to implementation and the determination of risk status. The Executive Committee also works toward a healthier business foundation by identifying bankwide risk and considering overall business administration. In addition, the Asset-Liability Management (ALM) Committee, Investment and Credit Committee, and Asset Assessment Inspection Committee have been instituted to work on various management tasks while giving due consideration to risk management.

Chuo Mitsui has established management departments for each type of risk, and the Risk Management Department manages overall control, credit risk, market risk, liquidity risk and operational risk; the Operations Administration Department and other head office departments manage procedural risks; the System Planning Department manages system risks; and the Legal Department manages legal risks; the Personnel Department manages human risks; and the General Affairs Department manages tangible fixed asset risks.

In addition, the capital allocation plan and plans for reexaminations notified by Chuo Mitsui Trust Holdings are reported to Chuo Mitsui's Executive Committee and Board of Directors, and each department that receives allocation of capital according to the plan engages in business operations in compliance with the respective allocated capitals. The risk management supervision division monitors the status of compliance with the capital allocation plan, and if it is predicted that a particular division's risk exceeds or is likely to exceed the amount of capital allocated to the division, it promptly reports to Chuo Mitsui Trust Holdings and consults on measures for handling.

The risk management system instructed by Chuo Mitsui Trust Holdings has been added as an issue to be handled in the internal management plan formulated each fiscal year, and efforts have been made toward its upgrading.

Credit Risk Management System

Basic Policies on Credit Risk and Scope of Targets Subject to Management

Credit risk is the risk of suffering losses due to a decrease or extinguishment of assets (including off-balance-sheet assets) as a result of deterioration of financial conditions of borrowers. Chuo Mitsui stipulates a basic framework for risk management in the Rules for Risk Management, in accordance with the risk management policies determined by Chuo Mitsui Trust Holdings, and provides specifics for credit risk management in the Rules for Credit Risk Management. In order to maintain asset quality and avert the unpredictable development of non-performing assets, the target for credit risk management includes overall credit-related business including lending transactions, market transactions and off-balance-sheet transactions.

Note that Chuo Mitsui Trust Holdings and Chuo Mitsui use the foundation internal rating-based approach for calculation of the credit risk weighted asset under Basel II.

Credit Risk Management System

In regard to credit risk management, the Risk Management Department performs management relating to transactions by sales departments and branches or consolidated subsidiaries, and each credit-related department performs management relating to market transactions, etc.; the Risk Management Department also performs supervision of risk management at Chuo Mitsui on a consolidated basis. As systems for credit risk management, in response to the transaction form and characteristics, etc. of each credit-related business, a rating system, retail receivables management system, structured finance management, estimation of parameters, credit risk measurement, credit concentration risk management, asset assessment, verifications relating to rating systems and such, monitoring and reporting, and risk assessment methods upon the introduction of new products and new business are stipulated.

The Risk Management Department supervises and issues instructions on improvement and upgrading of risk management systems in collaboration with the responsible departments in each business for subsidiaries as well, to improve the credit risk management system in conformance with the scale and business characteristics of each subsidiary.

Thereby a system is established in which credit management on a consolidated basis is managed identically to that of the bank itself.

Credit Risk Management System

Credit Screening

The credit supervision division, which function independently from business promotion divisions, controls the credit risk on each transaction under respective departmental authorities. A multifaceted perspective is applied, one that stresses fund application, repayment capability and cash flow, as well as collateral status and corporate client profitability. For major loan assessments, the lending arrangements are presented to the Investment and Credit Committee, which consists of the president and related executives, where the primary objectives of loan and security investment are discussed at the executive level.

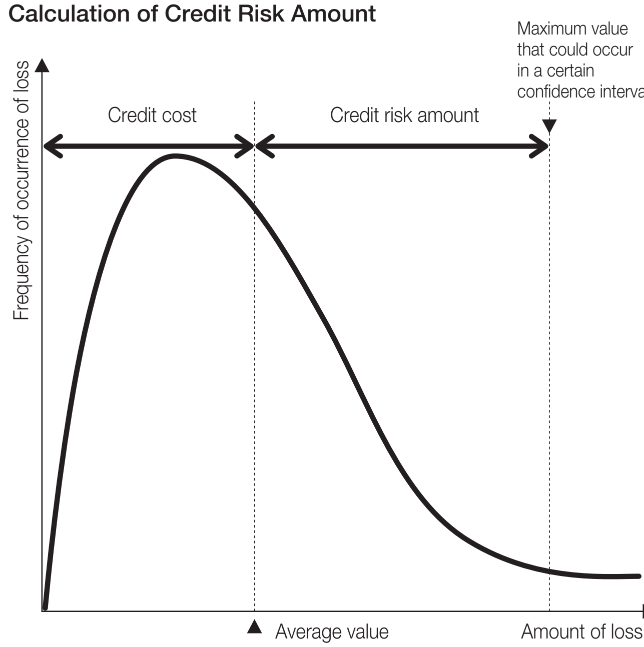
Credit Risk Management Methods

The risk management departments monitor the status of credit risk amounts and compliance status of the capital allocated to each credit-related business division by Chuo Mitsui Trust Holdings, and reports the risk amount status to the Executive Committee and the Board of Directors on a monthly basis.

Calculations of credit risk amounts are performed in principle by Monte Carlo Simulation using estimated parameters based on an internal rating system.

Additionally, in order to eliminate excessive credit concentration extended to borrowers in a specific industrial sector, internal rating or corporate group, Chuo Mitsui sets a benchmark regarding lending limits to respective borrower companies and corporate groups, which if reached requires discussion with management on the direction needed to manage and control credit risk exposures. The risk management departments also monitor the credit balance status on a monthly basis, and report to the Investment and Credit Committee. If, based on monitoring, the credit balance exceeds the benchmark and thus requires discussion on direction, measures will be drafted, which include the target credit balance and safeguards against default, and discussions will be held at the management level. Monitoring is otherwise performed each quarter on the status of the balance and credit risk amounts by industrial sector, and reporting is made to the Executive Committee. In the case where the balance composition ratio and the credit risk amounts composition ratio by industry classification exceed a certain percentage for a specific industrial sector, future handling policies, including restriction of credit are submitted to the Investment and Credit Committee.

Calculation of Credit Risk Amount



Chuo Mitsui takes initiatives to upgrade the credit portfolio management (CPM) with measures such as the reduction of concentrated credit risk by flexibly purchasing or selling loan assets.

Credit Risk Management for Each Credit

For credit risk management of each credit, efforts have been made to improve the system with an internal rating system and case rating system for corporate borrowers, a pool management system for retail receivables and an asset assessment system for loan assets and such.

• Internal rating system

Targeting all corporate borrowers, an eleven-stage credit rating system has been introduced as an internal rating system linked to borrower classification in asset assessment and activated for checking corporate borrowers and for measurement of credit risk using credit assessment and in-house models. An internal rating is assigned that takes into consideration all of the available, relevant and most current material information. Additionally, reconsideration is carried out more than once per year, and also in the event of the occurrence of a phenomenon with a material impact on the appraisal of the credit risk of the borrower. An internal rating is assigned by the sales department and branches, based on quantitative assessment by financial data and qualitative assessment by affiliate companies and actual asset appraisal, etc., with corrections made using reference to external ratings, etc. However, if the credit supervision division judges that a particular modification is necessary in the light of the actual status of the borrower, a modified score is assigned and then the final internal rating is determined. Under this system, the credit risk management division verifies the rating assignment process and operational status on a regular basis to maintain its appropriateness.

Relationship Between Internal Rating and Borrower Classification

Internal Rating	Borrower Classification	Definition
A	Normal Borrowers	Borrowers of the highest internal rating rank with very high ability to fulfill obligations. These are primarily governments, local public organizations, etc., and corporations in excellent financial condition and whose business conditions are favorable.
B+		Borrowers whose ability to fulfill obligations is high, but which are a bit more likely to be affected by a deterioration in the business or economic environment, compared with the group with the highest internal rating rank. This is the highest internal rating rank for mid-to-small or micro corporations. These are primarily corporations in excellent financial condition and whose business conditions are favorable, and mid-to-small or micro corporations in excellent financial condition and whose business conditions are favorable.
B		Borrowers whose ability to fulfill obligations is high, but such ability is more likely to decline in the case of a deterioration in the business or economic environment, compared with the group with higher internal rating rank. These are primarily corporations in good financial condition and whose business conditions are stable.
C+		Borrowers whose ability to fulfill obligations is non-problematic, but there is a rather large concern about a decline in ability to perform obligations due to a deterioration in the business or economic environment. These are primarily corporations in fairly good financial condition and whose business conditions are stable.
C		Borrowers whose ability to fulfill obligations is currently non-problematic, but is recognized to have factors by which the ability to fulfill obligations would be damaged in the case of a deterioration in the business or economic environment. These are primarily corporations currently in non-problematic financial and business conditions, but which need some attention in regards to future business performance.
C-		Borrowers who currently have the ability to fulfill obligations, but for which there is uncertainty or fragility in the case of a deterioration in the business environment, financial condition or economic environment, and for which there is a possibility that the ability to fulfill obligations will be damaged in the future. These are primarily corporations whose financial condition and future business performance require attention.
D1	Caution Borrowers	Borrowers whose business condition is weak or unstable, or whose financial condition is problematic, and for which there is a high possibility of a disruption being created in the status of its performance of obligations. These are primarily corporations whose status of performance of obligations is currently non-problematic, but whose financial condition and business performance, etc., will require full attention.
D2		Borrowers whose business performance is weak or which have material problems in their financial condition, and already have had problems, or there is an extremely high possibility of a disruption being created in the status of performance of its obligations. These are primarily corporations that will require full attention to their financial condition and future business performance.
D3	Close Observation Borrowers	Borrowers whose business condition is weak or unstable, or whose financial condition is problematic, and where receivables requiring close observation have arisen in accordance with the Financial Reconstruction Law Enforcement Regulations.
E	Possible Bankruptcy Borrowers	Borrowers in financial difficulties and whose management improvement plans have not progressed well and for whom there is a high possibility of bankruptcy.
F	Virtual Bankruptcy Borrowers/ Legal Bankruptcy Borrowers	Borrowers in serious financial difficulty and substantially bankrupt, or, in fact, already gone bankrupt, from a legal or formal perspective

• Case rating system

In order to set basic lending spread standards that are to be used as indexes for lending operations, a case rating system is employed for transactions relating to lending and acceptances and guarantees for corporate borrowers, in which hierarchical classifications are established as a result of adding the factors of duration of credit to the expected loss ratio. Assigning of case ratings is carried out when the sales department and branches perform lending procedures relating to the relevant receivables, and reconsideration is done in a timely and appropriate fashion.

• Retail receivables management system

For retail receivables, as a framework for the establishment and management of pool classifications that are subdivided in response to risk characteristics, the retail receivables management system has been introduced for credit assessment, as well as for measurement of credit risk. Allocation of retail receivables to pool classifications is carried out when a sales department or branches perform lending procedures relating to the relevant receivables. Under this system, the credit risk management division reexamines the allocation to pool classifications for all retail receivables is reexamined on the basis of information registered in the system as of the end of March each year.

• Asset assessment system

In our asset assessment system, the Business Departments and branches perform the initial assessment, and responsible supervisory divisions such as the Credit Supervision Departments perform the secondary assessment, paying due attention to ensuring asset soundness, and after going through an internal audit by the Internal Audit Department, the results are reported to the Executive Committee and the Board of Directors. Not only does asset assessment serve as a foundation for the creation of accurate financial statements of Chuo Mitsui, it also functions as a device by which middle management can more accurately ascertain borrower-specific problems, and, when a borrower's credit is in question, the borrower's receivables are classified into "managed receivables" and "caution receivables" corresponding to the degree of credit risk, and future handling policies are formulated and then a follow-up is carried out under the instructions of the credit supervision division.

- **Problematic receivables management and other related matters**

We have established a system by which, when a trigger phenomenon including arrearage or bankruptcy occurs, the Business Departments and branches report on the status to the credit supervision division and the credit risk management division so that any deterioration of credit risk can be promptly ascertained.

Moreover, from the viewpoint of ensuring proper profits, based on the internal rating for each borrower, an "index spread" is determined that corresponds to the risk degree for each case, such as duration of credit and preservation status, and thus efforts are made to improve lending profitability.

Overview of Rating System and Retail Receivables Management System

As to corporate exposures, Chuo Mitsui has prepared four internal rating systems in response to the probability of default of the borrower: "corporation credit rating system," "sovereign credit rating system," "financial institution credit rating system" and "proprietorship credit rating system," and "case rating system," which is a rating system responding to the expected loss ratio, etc., of receivables. As to specialized lending, Chuo Mitsui has developed three internal rating systems to respond to the expected loss ratio, etc., of receivables, which are "project finance credit rating system," "vessel and aircraft credit rating system," and "real estate asset finance credit rating system." In addition, as to retail exposure, a "retail receivables management system" has been prepared.

On individual systems

- In the "corporation credit rating system," for general corporations, a model relating to quantitative assessment based on financial data is built for each industry, and, upon adding a qualitative assessment and an assessment under external ratings, we assign an internal rating; for non-profit organizations, we assign a rating by emphasizing qualitative information including purpose of foundation and founding entity.
- "Sovereign credit rating system" is a system to assign internal ratings upon using external ratings and such of the central government as primary factors.
- "Financial institution credit rating system" is a system to assign internal ratings taking into consideration quantitative and qualitative information upon using external ratings as primary factors.
- "Proprietorship credit rating system" is a system to assign internal ratings using scoring models based on tax declaration documents, etc.
- "Case rating system" is a system to assign internal ratings by adding loan period, etc., to the expected loss ratio.
- "Project finance credit rating system" is a system to assign internal ratings by taking into consideration the standard of DSCR (debt service coverage ratio, the ratio of cash flow to amount of payment of principal and interest) of the subject party and factors particular to the subject project.
- "Vessel and aircraft finance credit rating system" is a system to grant internal ratings by taking into consideration the DSCR standard of the subject party and factors particular to the subject vessels and aircraft.
- "Real estate asset finance credit rating system" is a system to assign internal ratings based on the LTV standard (loan to value, the ratio of loans to projected disposable amount of collateral) of the subject party.
- "Retail receivables management system" is a system to

determine pool classification corresponding to the risk characteristics of the borrowers, risk characteristics of transactions and overdue status, etc.

- In each of the abovementioned systems, the internal rating and pool classification are reexamined more than once per year, and for procedures for assigning the rating and allocation to pool classifications, we stipulate that the risk management division verify the process and operational status on a regular basis and maintain appropriateness.

Estimation of parameters

Relevant to the estimation of parameters, we estimate probability of default (PD) of corporate exposures, and PD, loss given default (LGD) and exposure at default (EAD) of exposure oriented to retail.

Regarding the estimation, based on internal results data, if there is an insufficiency or inconsistency in the data, conservative and appropriate modifications will be added using available information and methods. Estimated value is reexamined once per year; however, if the estimated value is judged not to be in conformance with the actual situation due to a drastic change of external surroundings, etc., parameters will be modified even during the term.

Status of use of each system and parameter estimated value

We utilize the rating system and the retail classification management system in credit assessment and supervision. Case rating is used as a basic factor in the case of setting a lending spread standard (“index spread”) that will be the index for lending operations. Balance by internal ratings for the portfolio of Chuo Mitsui is reported to the Executive Committee every three months and used for portfolio management.

Moreover, such parameters as estimated PD by internal rating, PD and LGD estimated for each retail pool classification are utilized for measurement and capital allocation of credit risks.

Verification of each system and estimation of parameters value

Verification relating to the appropriateness of the hierarchy and the PD standard, etc., in the rating system is carried out with a frequency of more than once per year. Moreover, verification relating to the significance and homogeneity of pool classification, etc., as to pool classifications relating to retail exposure is also carried out with a frequency of more than once per year.

As to verification of estimation of parameters, verification such as back testing relating to the estimated parameter value is carried out with a frequency of more than once per year.

If a discrepancy between the estimated value and actual value arises in back testing or if there is any problem in another verification, the factors in that discrepancy or problem are analyzed, and when necessary, we consider reexamining the estimation logic for the parameters and the rating system.

Credit Risk Mitigation Measures

Chuo Mitsui stipulates rules regarding reduction methods for credit risk such as collateral or guarantees in the Rules of Loan and Related Matters to determine basic policies, procedures and managerial obligations with regard to loans.

• Collateral

Collateral is classified into types as deposit collateral, commercial bills, securities, real estate, assignment of obligation, pledge of obligation, and other movables and immovables, and management methods are determined respectively.

Additionally, we have determined assessment methods in response to collateral characteristics in the assessment of collateral, and also rules and manuals for reexamination of assessments.

In regard to assessment method, assessment rates for collateral are set for respective types of collateral, and especially for real estate collateral, assessment rates have been reexamined on the basis of past collateral sales records. Additionally, assessment of marketable securities is reexamined each month and the ratio to the loan is checked.

Moreover, procedures to confirm whether the collateral settlor has lawful title so that the collateral subject to acquisition can be an effective means of preservation, and whether the collateral is perfected by execution of agreements on registration upon acquisition of collateral, are obligatory when advancing a loan.

Upon acquisition of collateral, its effectiveness and marketability is carefully judged and assessed, for example, by considering whether or not there is excessive concentration in the names on collateral share certificates, etc.

• Guarantees

In guarantees, Chuo Mitsui prescribes procedures with corporations (primarily parent companies), credit guarantee associations, guarantee companies and individuals as primary guarantors. Additionally, for lending, Chuo Mitsui confirms whether the guarantor has funds and is a competent person with high creditworthiness, and in addition assigns an internal rating to all corporate guarantors, as used for lending, to assess creditworthiness.

If a guarantor in lending oriented to a corporation is a parent company or a subsidiary of the primary debtor, the guarantor and primary debtor are managed as a unit of the same corporate group, and, additionally, in the case of a guarantee from a party that has a personnel or capital connection with the primary debtor, the guarantor is managed as included in the relevant corporate group, and excessive credit concentration risk is managed through monitoring.

In regard to guarantees for lending to individuals, guarantees by consolidated subsidiaries of Chuo Mitsui account for about 80% thereof, and the greater part of this lending is housing loans with mortgages. As for the remainder of guarantees, about 10% is guaranteed by corporations and several percent is by individuals, and there is no excessive risk concentration.

• **Offset**
Offset procedures for deposits are performed after ensuring legal effectiveness under Civil Law and Bank Transaction Agreement, etc., executed between borrowers and Chuo Mitsui. Moreover, as for the status of lending and balance of deposits, deposit status is individually checked at the time of lending in response to the balance of lending, and deposit status for each company is ascertained on a daily basis.

• **Netting**
For application of bilateral netting agreements to be legally effective, Chuo Mitsui obtains a legal opinion under the laws of the country where the counterparty is established or located (countries where overseas branch offices of the counterparty are located) for the transaction type prescribed under International Swap and Derivatives Association (ISDA) master agreements, etc., by which it judges the legal effectiveness.

Counterparty Risk of Derivative Products Transactions and Long-term Settlement Period Transactions
In regard to counterparty risks of derivative products transactions, based on the credit equivalents arrived at by adding future latent exposure (notional principal amounts multiplied by add-on) to the cost of executing an agreement with the same cash flow as of that point with a third party (replacement cost), credit risk management is performed as follows:

• **Asset assessment**
As the relevant risk is subject for asset assessment, credit risk management is performed through asset assessment implemented on each fiscal term (including quarterly and interim term).

• **Credit risk management**
For credit risk of derivative products transactions, we conduct monitoring on the status of credit risk amounts and compliance status with allocated capital amount in the same way as the lending operations.

Additionally, monitoring of credit concentration status is carried out together with loans, as subject of management of credit concentration risk.

• **Amount posted as assets**
Amount of positive replacement cost of derivative product transaction multiplied by the expected loss ratios is deducted from the replacement cost as the credit risk correction amount and then the remainder of the amount is posted as assets.

Market Risk Management System

Basic Policies on Market Risk Management

Market risk is the possibility that the value of assets and liabilities will fluctuate with changing interest rates, foreign exchange rates, the price of marketable securities, and other market factors, and thereby cause losses.

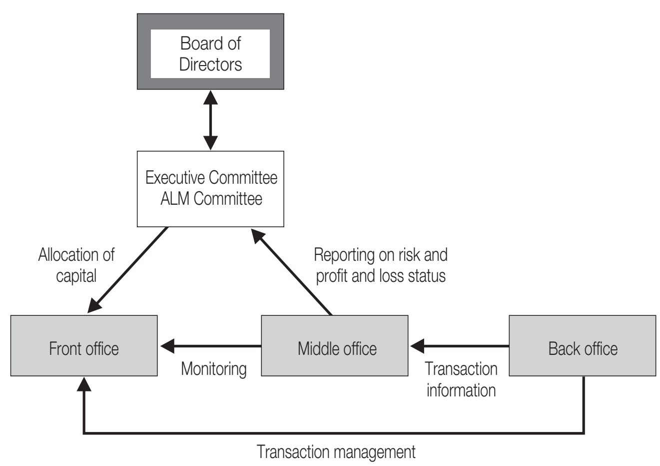
Chuo Mitsui stipulates the basic framework for risk management in the Rules for Risk Management and provides specifics of market risk management in the Rules for Market Risk Management, in accordance with the risk management policies determined by Chuo Mitsui Trust Holdings.

The target of market risk management comprehensively includes foreign exchange and interest rate transactions in trading operations, and in addition, bond portfolios, funds, cross-holding shares, etc., in banking operations.

Market Risk Management System

In regard to market-related transactions, the front office divisions execute transactions, while the back office division confirms the content of these transactions, and the middle office division controls the market risk. Each office category is independent of the others, creating a crosscheck structure. At Chuo Mitsui, the Risk Management Department as the middle office division performs monitoring and reporting of overall market risks on a daily basis. This department is also responsible for preparing proposals and supervising market analysis operations that improve market risk management skills at the Bank.

Market Risk Management System



Market Risk Management Method

For market risk management, Chuo Mitsui utilizes Value at Risk (VaR), which is defined as a maximum loss of the total exposure, within 1% probability. VaR is calculated using the historical simulation method, based on market historical data.

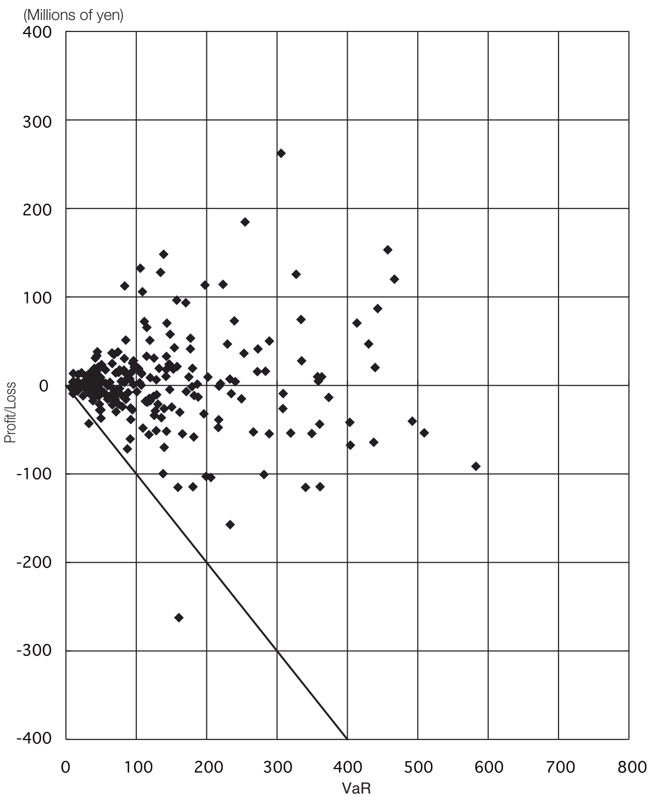
Market risk at Chuo Mitsui is contained through the efforts of the middle office division, which monitors the Bank's risk status and ensures compliance to the risk capital amount set by Chuo Mitsui Trust Holdings as the upper limit of market risk assumed. Reports are sent to the assigned Executive Officer on a daily basis.

The Bank maintains a structure that averts potential risk before it becomes obvious. Alarm points and loss limits have been set to prevent the expansion of losses following a bad turn in market trading, and the middle office division tracks profits and losses.

Cementing its position on strict risk-controlling practices, Chuo Mitsui also executes stress tests, which assume radical price swings that have actually occurred in the market over the past 19 years, and uses the results for verification of the appropriateness of Chuo Mitsui Trust Holdings capital allocation plans. As a supplementary measure, the Bank performs back tests, which compare VaR against profit or loss, to ascertain the validity of VaR-based risk measurements.

An example of back testing on trading transactions follows.

Comparison of VaR and Profit/Loss



Assumptions for calculation of VaR
Time horizon: 1 day
Probability of loss: 1%
Observation period: April 2008 to March 2009 (245 business days)

VaR trading transactions in fiscal 2008 moved within a range of roughly ¥10 million to ¥580 million, and out of 245 business days, daily losses exceeded the VaR on two occasions. The Bank's VaR assumes probability loss of 1%, and the results for fiscal 2008 show that the Bank's VaR calculation model is sufficiently accurate to predict market risk.

Liquidity Risk Management

Liquidity risk is twofold. In a cash-flow sense, liquidity risk bears the potential for losses when a financial institution is unable to secure necessary funds, due to a poor financial position, or when a financial institution is forced to acquire funds at blatantly higher interest rates than usual. In a market sense, liquidity risk may precipitate losses when market turmoil impedes a financial institution's ability to complete transactions, or compels a financial institution to fulfill transactions at prices noticeably more disadvantageous than usual. On the cash-flow front, Chuo Mitsui establishes guidelines, particularly for cash gaps, and monitors adherence to these standards to control liquidity risk. The Bank also facilitates flexible, bankwide responses through the preparation of contingency plans, which orchestrate measures to be invoked in times of emergency. The Bank makes accurate identification of cash flow risk double sure by letting the Risk Management Department handle risk management for the Treasury Department, which is responsible for controlling cash flow risk. On the market front, trading limits are set for each type of transaction, based on such factors as market scale. The Risk Management Department monitors compliance conditions to keep amounts within the assigned limits as the middle office division.

ALM Management

In regard to ALM, the Corporate Planning Department carries out overall supervision of ALM operations, and the Risk Management Department is responsible for management and analysis relating to ALM, such as monitoring of interest rate risk.

Moreover, an ALM Committee has been established for the purpose of integrally managing flexible operations of market-related business based on interest rate trends, or various types of hedge operations, and deliberating on matters regarding ALM, to meet monthly or more frequently.

At the ALM Committee, asset and liability status, market risk and cash flow risk situations and other related matters are reported along with discussion on investment policies for bonds and stock, capital plan formulation, and hedge operation implementation and other matters.

For implementation of multi-dimensional risk monitoring, Chuo Mitsui uses such methods as gap analysis by maturity ladder on interest rate change period basis, interest rate sensitivity analysis by basis point value (BPV), periodical profit and loss simulation analysis based on multiple interest rate scenarios, present value fluctuation analysis under interest rate shock relating to the outlier standards as the ALM management method.

[Maturity Gap]

Method of ascertaining interest rate risk by sorting assets and liabilities in contract units by interest rate change period and looking at the difference (gap) between assets and liabilities in each particular period.

[BPV]
Method of ascertaining interest rate risk for assets and liabilities by the amount of volatility in current value when interest rate yield curves shift in parallel by 0.01%.

[Periodic Profit and Loss Simulation]
Method of ascertaining the degree of impact on periodic profits and losses due to interest rate volatility with assumptions that include future balance, spread, applicable interest rate, etc., based on certain interest rate scenarios.

[Interest Rate Risk Relating to Outlier Standards]
Method of ascertaining interest rate risk of assets and liabilities by the amount of change in present value under interest rate shock based on the range of past interest rate volatility, and of ascertaining the level of interest rate risk amounts using the ratio to capital (Tier I + Tier II).

Assumptions in calculation of the amount of interest rate risk relating to the outlier standards are as follows:

• Interest rate shock
For the yen and dollar, 99 percentile value and 1 percentile value of interest rate fluctuation measured within a period of holding of 1 year and a period of observation of 5 years, and for other currency, interest rate shock by parallel transfer of up and down 2% is applied.

• Core deposit
A core deposit is defined as a deposit that stays for a long period without being withdrawn from liquidity deposits (ordinary deposits and current deposits, etc.). The amount of core deposit is defined as the smallest among 1) minimum balance in the past 5 years, 2) the amount arrived at by deducting the maximum annual amount of outflow in the past 5 years from the current balance, or 3) 50% of the current balance. It is assumed to reach maturity, with a monthly equal cash outflow, in 5 years.

Operational Risk Management System

Basic Policy on Operational Risk Management

Operational risk is the danger of losses arising from inadequate or failed internal processes, inappropriate actions by staff, and unacceptable use or malfunction of in-house systems, as well from as the occurrence of external incidents that adversely impact operations. This risk is classified into procedural risk, system risk, legal risk, human risk and tangible fixed asset risk. Chuo Mitsui manages operational risks which are identified in all the operations. The risks are appropriately assessed and ascertained in both qualitative and quantitative aspects and endeavors to mitigate the operational risks by implementing preventive and/or recovery measures in case of appearance of a risk. For calculation of amount of operational risk equivalents under Basel II, we use the Standardised Approach (TSA).

Operational Risk Management System
At Chuo Mitsui, the Risk Management Department supervises overall operational risk management, and, in collaboration with the Operations Administration Department, System Planning Department, Legal Department, Personnel Department and General Affairs Department, etc., which are the respective managerial divisions of procedural risk, system risk, legal risk, human risk and tangible fixed asset risk, strives to improve and upgrade the risk management system.

Operational Risk Management Method
In order to qualitatively assess and ascertain the operational risk status inherent in each business, we carry out self-assessment on the control status relating to the relevant risk (control self-assessment, “CSA” hereinafter) semiannually.

Additionally, for qualitative assessment and identification of operational risks, operational risk amounts are measured on a quarterly basis, according to internal loss data—actual loss amounts caused by the manifestation of operational risks—and risk scenarios—latent anticipated loss amounts based on such benchmarks as CSA results. Each department establishes and implements plans to mitigate operational risks that have been identified from both qualitative and quantitative angles. A PDCA cycle has been set up to verify the effectiveness of these risk-mitigation plans through follow-up CSA and operational risk measurements.

Risk Management Policies Regarding Equity Exposures in Bank Accounts

Basic Policies of Risk Management Regarding Equity Exposures

We measure risk amounts for capital subscriptions or equity exposures in the banking account in accordance with the following risk management system and methods, and, based on the results, we verify whether the risk amount is proper compared to the capital, and control the proper risk amount.

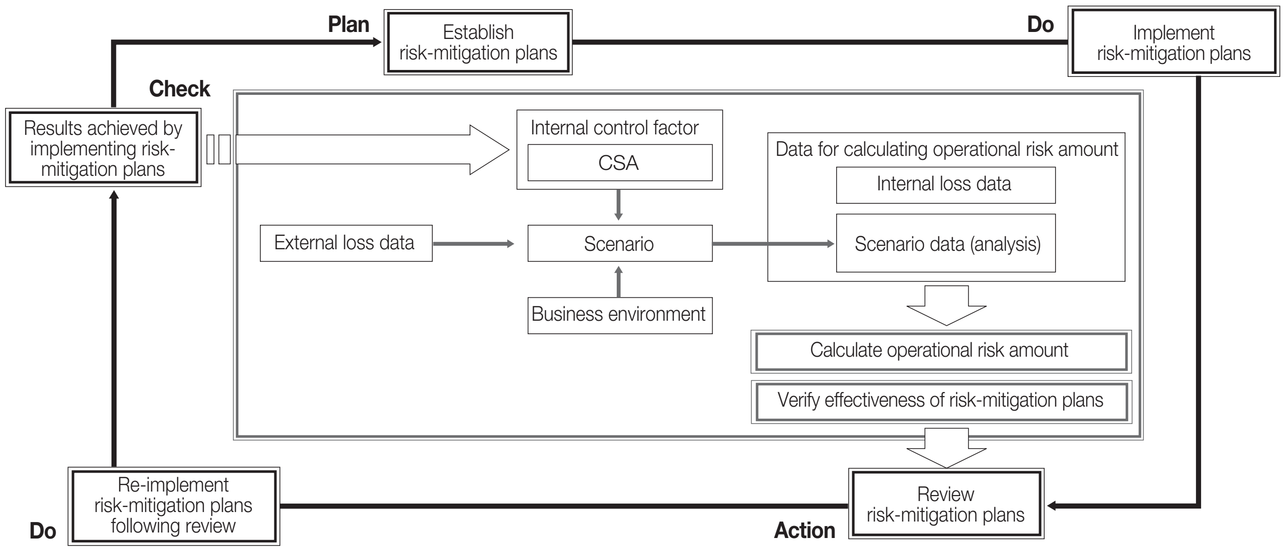
Risk Management System Regarding Equity Exposures
• Risk amount measurement
For marketable stock using the historical simulation method, based on market historical data, the market risk amounts are measured with regard to price volatility.

Additionally, with regard to credit risk, taking into consideration credit concentration risk, we measure the credit risk amount together with the amount of loan, etc.

• Asset assessment
For marketable stock using historical data, the market risk amount is measured with regard to price volatility using a historical simulation method based on past market data.

Asset assessment targets the entire amount of exposure for assessment, and through initial assessment by the Business

PDCA Cycle for Operational Risk



Departments and branches, secondary assessment by the credit supervision division, and then through an internal audit by the Internal Audit Department, the results are reported to the Executive Committee and Board of Directors.

Risk Management Method

In regard to equity exposures, risk management supervision division performs monitoring with regard to the status of credit risk and market risk amounts, as well as the status of compliance with capital allocation amounts, and report on the status of risk amounts to the Executive Committee and the Board of Directors on a monthly basis.

Additionally, in order to eliminate excessive credit concentration in a specific industry, internal rating classification, borrower or group, we monitor equity exposures together with lending on a monthly basis and report to the Investment and Credit Committee. Monitoring is also implemented for the status of balance and credit risk amount by industry each quarter, and the results are reported to the Executive Committee.

Transaction Policies and Risk Management System Regarding Securitization Exposure

Policies on Securitization Transactions

There are two cases of securitization transactions: the case where we are involved in the establishment of underlying assets for securitization transactions as originator, and the case where we acquire securitization exposure as investor by investment in securitization products.

In securitization transactions as originator, there are securitization of housing loans primarily aiming to improve ALM control and asset efficiency, and securitization of real estate asset finance aiming at financing intermediacy business or improvement of asset efficiency. As for securitization of housing loans, we will reserve subordinated beneficial interest after securitization as well and hold principal risk of a certain extent; however, in securitization of real estate asset finance, principal risk will be transferred.

Acquisition of securitization exposure as investor is performed for the purpose of ensuring proper profits based on risk.

Internal Control of Securitization Transactions

With respect to securitization transactions as originator, from the viewpoint of ALM control and improvement of asset efficiency, we examine the scale of the transaction and the scheme adequately, and check the legal aspects of the agreement as well. It is determined that decisions will be made by the Board of Directors after the Executive Committee in the case of securitization of receivables of a certain value or greater.

Concerning acquisition of securitization exposure as an investor, we set the ceiling for the amount and investment period by case and by name for which investment is allowed in the decision by the general manager responsible in accordance with the rating; and for those with ratings of a certain level or below, all decisions shall be made by the president.

Risk Management Method

Concerning securitization transactions as originator, we carry out credit risk management of loan receivables, which are the underlying assets, using the methods of asset assessment system and internal rating system, just as with other loan assets. We also strictly manage cash flow risk, relating to securitization.

Concerning securitization transactions as investor, for each product acquired, we measure the credit risk based on external ratings, underlying assets and subordinated complementation ratio, etc. Also, we measure the interest rate risk fluctuation relating to capital transfer as the reimbursements progress.

Accounting Standards Regarding Securitization Transactions (In case of securitization of financial assets held by Chuo Mitsui)

In securitization transactions, we recognize these as sales of assets when the sales proceeds are paid.

If we have equity reserved for securitization exposure, we consider the difference between the market value by the DCF method for the entire underlying assets and market value of equity for transfer as market value of the reserved equity, and calculate the book value for equity for transfer and equity for reserve by dividing the book value of the entire underlying asset by the market value. As to equity for transfer, we recognize the difference between the book value and the market value as capital gains or losses, and as to the reserved equity, since the extinguishment requirements of financial assets are not satisfied, we do not recognize capital gains or losses.

If there is a difference between the book value and face value of reserved equity, in the period until completion of reimbursement of equity for transfer, the book value is modified in response to the cash flow of the entire underlying asset.

Management System Relating to Other Risks

We will reexamine risks to be managed on an ongoing basis by assuming every risk within the integrated risk management and continue to make efforts to maintain an integrated risk management system.

Internal Audit System

The Internal Audit Department, which is independent of actual operating departments, formulates internal auditing plans, in line with the policy set by Chuo Mitsui Trust Holdings for maintaining an internal auditing perspective consistent throughout the Group, and undertakes internal audits to verify the suitability and effectiveness of the internal control structure at all divisions and subsidiaries. The results of internal audits are promptly reported to the Board of Directors and the Internal Control Executive Committee. In addition, a system is in place for instructing an operating unit to implement corrective measures, should problems appear in the internal control structure of that unit.

● Chuo Mitsui Asset Risk Management System

Risk Management System

In order to build a proper risk management system in accordance with the risk management policies formulated by Chuo Mitsui Trust Holdings, the Board of Directors at Chuo Mitsui Asset, as a trust bank specializing in pension and securities trust businesses, established the Rules for Risk Management. This document sets out the Bank's basic rules for risk management, including the types of risk requiring attention, the techniques applied to hedge risk, and the structure and authority for risk control, and the regulations based on these rules detail the content of specific standards in each type of risk.

In regard to administrative structure, the Executive Committee, which falls under the authority of the Board of Directors, undertakes a variety of activities, including discussions about risk management policies prior to implementation and the determination of risk status. The Executive Committee also works toward a healthier business foundation by identifying bankwide risk and considering overall business administration.

Chuo Mitsui Asset has established management departments for each type of risk, and the Risk Management Department manages overall control and credit risk, market risk, liquidity risk, and operational risk, and the Operations Administration Department and other head office departments manage procedural risks, the System Planning Department manages system risks, the Legal Department manages legal risks, the Personnel Department manages human risks, and the General Affairs Department manages tangible fixed asset risks.

In addition, the capital allocation plan and plans for its reexamination of which Chuo Mitsui Trust Holdings notifies Chuo Mitsui Asset are reported to the Executive Committee and the Board of Directors, and each department that receives allocation of capital according to the plan engages in business operations in compliance with the relevant amount of capital.

The risk management supervision division monitors the status of compliance with the capital allocation plan, and if it is predicted that a particular division's risk exceeds or is likely to exceed the amount of capital allocated to the division, they promptly report to Mitsui Trust Holdings and consult on measures for handling.

The risk management system instructed by Mitsui Trust Holdings has been added as an issue to be handled in the internal management plan formulated each fiscal year, and efforts have been made toward its upgrading.

The burden of credit risk, market risk and liquidity risk management for the Bank's core trust businesses essentially lies with the beneficiaries. But the Bank takes the view that a trustee should accept a certain degree of responsibility and therefore carries out adequate risk management. Trust operations are divided broadly into two categories: designated trusts, which are trusts for which the Bank, in its capacity as trustee, holds discretionary rights for the management of assets, and specified trusts, for which the Bank does not hold such rights. Risk management is conducted for each category. For designated trusts, Chuo Mitsui Asset manages entrusted funds in accordance with contract conditions, such as designated investment targets and preferred asset composition. The Bank also sets clear internal standards for exercising discretionary rights granted by clients and manages respective assets within these established parameters. For specified trusts, the Bank conducts a trustee examination, similar to that for designated trusts, at the time a new contract is formed. The compatibility of the request to the Bank's capabilities is confirmed and procedural strategy is checked.

Credit Risk Management System

Basic Policies and Management System for Credit Risk

In principle, Chuo Mitsui Asset does not engage in lending so credit risk remains limited. However, we stipulate the specific content of credit risk management in the Rules for Credit Risk Management and strive for proper management.

Management of credit risk is performed by the Risk Management Department targeting interbank transactions such as call and negotiable deposits. In the credit risk management system, we prescribe measurement of credit risks, monitoring and reporting, asset assessment, and risk assessment methods upon the introduction of new products and new business.

Credit Risk Management System

The risk management division management carries out measuring and monitoring of credit risk amounts, and report the status of risk amounts to the Executive Committee and Board of Directors on a monthly basis.

Asset assessment is performed at the headquarters responsible for subject assets with sufficient attention to ensuring the soundness of assets, and the results are reported to the Executive Committee and Board of Directors after going through an internal audit by the Internal Audit Department.

Market Risk Management System

Basic Policies and Management System for Market Risk Management

Chuo Mitsui Asset is a trust bank specializing in wholesale trusts with pension trusts and securities trusts as core businesses, and our policy is to take on only extremely limited risks as we limit market-related transactions to those related to cash flow and procurement of government bonds for settlement collateral. However, we stipulate the specific content of market risk management in the Rules for Market Risk Management and strive for proper management.

The target for market risk management comprehensively includes bond portfolios and cross-holding shares, etc., in banking operations.

In regard to market-related transactions, the front office divisions execute transactions, while the back office division confirms the content of transactions, and the middle office division controls the market risks. Each office category is independent of the others, creating crosscheck structure. The Risk Management Department as the middle office division performs monitoring and reporting of overall market risks on a daily basis. This department is also responsible for preparing proposals and supervising market analysis operations that improve market risk management skills at the Bank.

Market risk is limited for Chuo Mitsui Asset, as we only own government bonds for settlement collateral, call transactions, and small-scale cross-holding shares.

Market risk amounts and BPV monitored by the middle office division are reported to the assigned Executive Officer on a daily basis, and the risk amount status is reported to the Executive Committee and the Board of Directors on a monthly basis.

Liquidity Risk Management and ALM Management

For cash flow risks, Chuo Mitsui Asset has set guidelines for cash gaps, and monitors compliance status. Through the roles of the Corporate Planning Department controlling cash flows and the Risk Management Department conducting risk management, we ensure that our management of cash flow risk is impeccable. As we do not engage in business such as acceptance of deposits from corporations and individuals as other banks, nor perform operations to invest in securities, etc., for the purpose of gaining profits, liquidity risk is limited to cash flows relating to the purchase of government bonds for settlement collateral.

For ALM as well, cash flow management is the main operation, and the Corporate Planning Department supervises overall ALM operations, and the Risk Management Department is responsible for management and analysis relating to ALM, such as risk monitoring.

Operational Risk Management System

Basic Policies for Operational Risk Management

Chuo Mitsui Asset manages operational risks which are identified in all the operations. The risks are appropriately assessed and ascertained in both qualitative and quantitative aspects and endeavors to mitigate the operational risks by implementing preventive and/or recovery measures in case of appearance of a risk.

Operational Risk Management System

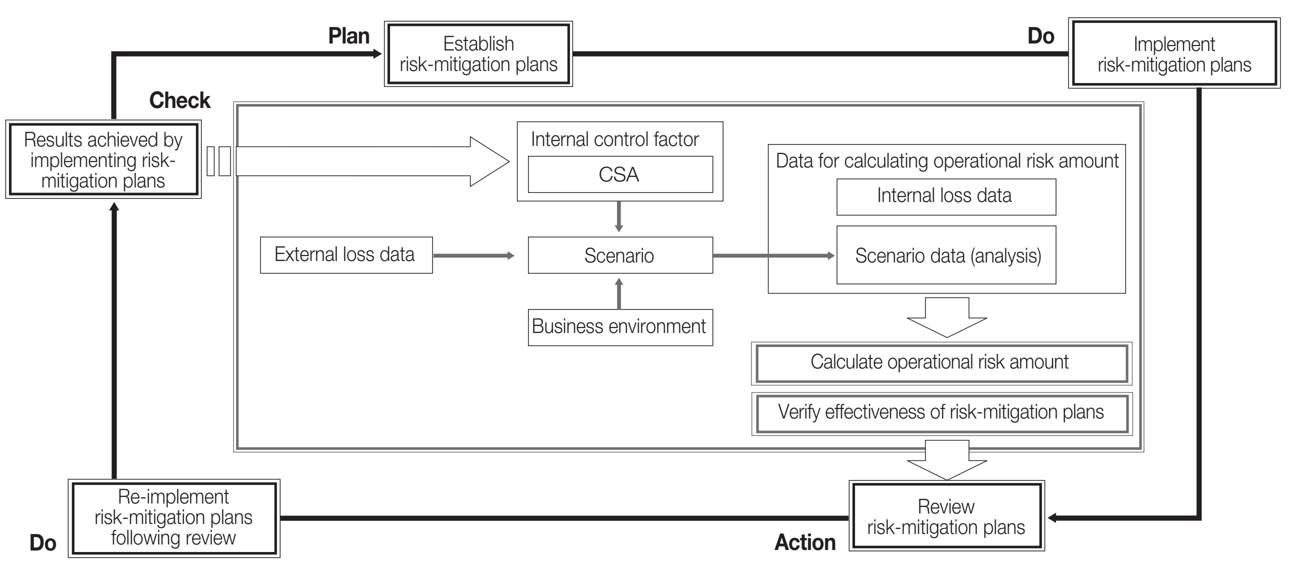
At Chuo Mitsui Asset, the Risk Management Department supervises overall operational risk management, and, in collaboration with the Operations Administration Department, System Planning Department, Legal Department, Personnel Department and General Affairs Department, etc., which are the respective managerial divisions of procedural risk, system risk, legal risk, human risk and tangible fixed asset risk, strives to improve and upgrade the risk management system.

Operational Risk Management Method

In order to qualitatively assess and ascertain the operational risk status inherent in each business, we carry out self-assessment on the control status relating to the relevant risk (control self assessment, "CSA" hereinafter) semiannually.

Additionally, for qualitative assessment and identification of operational risks, operational risk amounts are measured on a quarterly basis, according to internal loss data—actual loss amounts caused by the manifestation of operational risks—and risk scenarios—latent anticipated loss amounts based on such benchmarks as CSA results. Each department establishes and implements plans to mitigate operational risks that have been identified from both qualitative and quantitative angles. A PDCA cycle has been set up to verify the effectiveness of these risk-mitigation plans through follow-up CSA and operational risk measurements.

PDCA Cycle for Operational Risk



Risk Management Policies Regarding Equity Exposures in Bank Accounts

Basic Policies of Risk Management and the Risk Management System Regarding Equity Exposures

We have no equity exposures in principle but if we hold it as an exception, we perform management corresponding to its scale.

In the management system, the Risk Management Department performs measurement, monitoring and reporting of credit risk and market risk, and the Corporate Planning Department is in charge of summarizing and reporting of asset assessment.

Risk Management Method

As to equity exposures as well, the risk management supervision division performs monitoring of the status of amounts of credit risk and market risk, and report the risk amount status to the Executive Committee and Board of Directors on a monthly basis.

Transaction Policies and Risk Management System Regarding Securitization Exposure

We do not engage in transactions applicable to either the case where we would be involved in establishment of underlying assets for securitization transactions as originator, or the case where we would acquire securitization exposure as investor by investment in securitization products.

Internal Audit System

At Chuo Mitsui Asset, the Internal Auditing Department, which is independent of actual operating departments, formulates internal auditing plans, in line with the policy set by Chuo Mitsui Trust Holdings for maintaining an internal auditing perspective consistent throughout the Group, and undertakes internal audits of all divisions, and verifies the suitability and effectiveness of such aspects as the internal control structure. The results of internal audits are reported to the Board of Directors and the Internal Control Executive Committee.

In addition, a system is in place for instructing a relevant operating unit to implement corrective measures, should problems appear in the internal control structure or other pertinent system of that unit.

Reference

Basel II Related Data

Chuo Mitsui Trust Holdings, Inc.
Table of Contents

Consolidated Data

Means of Capital Procurement

Common stock
Non-cumulative perpetual preferred stock
Non-dilutive preferred securities (including non-dilutive preferred securities with step-up interest rate provisions)
Perpetual subordinated bonds
Fixed-term subordinated bonds

Credit Risk Weighted Assets

1. Type of internal ratings-based approach to be used:	the foundation internal ratings-based approach
2. Scope of application of the internal ratings-based approach and scope of application of the standardised approach:	for calculation of credit risk weighted assets, the foundation internal ratings-based approach is used in principle, however, the following scope shall be exempted from application and the standardised approach is used. **[Business units under the standardised approach]** Assets not occurring incidental to credit transactions, or assets to which it is practically difficult to apply the internal ratings-based approach and besides there is little significance in credit risk management. **[Assets under the standardised approach]** Business units whose primary business is not credit business. 25 companies within the scope of consolidation of the holding company are the business units for which application was excluded (as of end of March, 2009)
3. Phased roll-out application:	N.A.
4. Rating agency used for the standardised approach:	Rating and Investment Information, Inc. However, for corporate exposures, we apply 100% risk weight to all.
5. Securitization Exposure	
Credit risk weighted asset amount calculation method:	- for those with external ratings: the external ratings-based approach - for those without external ratings but possible to ascertain the original assets that back up the relevant securitization exposure: supervisory formula - for those without external ratings and not possible to ascertain the original assets that back up the relevant securitization exposure: capital deduction
Rating agency to be used:	Rating and Investment Information, Inc. Japan Credit Rating Agency, Ltd. Moody's Investors Service Inc. Standard & Poor's Ratings Services Fitch Ratings Limited

Operational Risks

• Method used in calculation of operational risk equivalents:	the standardised approach

Scope of Consolidation

• Difference between companies that belong to the group of companies subject to calculation of the consolidated capital adequacy ratio (the "Holding Company Group") and companies included within the consolidation scope in accordance with the consolidated financial statements rules (Regulations for Terminology, Forms and Preparation of Consolidated Financial Statements):	The consolidated capital adequacy ratio is calculated by including financial subsidiaries that are not consolidated, since Article 5, Paragraph 2 of Consolidated Financial Statements Rules is applicable, and companies that adopt the method of pro rata consolidation pursuant to Article 21 of the Consolidated Capital Adequacy Ratio Notification, with the companies that are within the scope of consolidation in preparation of consolidated financial statements
• Of the Holding Company Group, the number of consolidated subsidiaries, name of principal consolidated subsidiaries, and descriptions of their primary businesses:	Number of consolidated subsidiaries: 25 Primary consolidated subsidiaries: The Chuo Mitsui Trust and Banking Company, Limited (trust banking business) Chuo Mitsui Asset Trust and Banking Company, Limited. (trust banking business) Chuo Mitsui Asset Management Co., Ltd. (investment trust management business) Chuo Mitsui Capital Co., Ltd. (private equity fund management business) Chuo Mitsui Guarantee Co., Ltd. (credit guarantee business) Chuo Mitsui Card Co., Ltd. (credit card business) CMTB Equity Investments Co., Ltd. (securities operation management) Chuo Mitsui Finance Service Co., Ltd. (loan business)
• Number of affiliates engaging in financial businesses applicable to Article 21 of the Consolidated Capital Adequacy Ratio Notification, names of primary affiliates engaging in financial businesses, and descriptions of their primary businesses:	Number of affiliates, etc. engaging in financial businesses: 1 Name: Japan Trustee Services Bank, Ltd. Primary businesses: trust banking business
• Number of companies subject to items for deduction indicated in a. to c. of Article 20, Paragraph 1, Item 2 of Consolidated Capital Adequacy Ratio Notification, names of primary companies, and descriptions of their primary businesses:	N.A.
• Number of companies which belong to companies indicated in Article 52-23, Paragraph 1, Item 10 of Bank Law and that exclusively operate businesses indicated in a. of the relevant Item, or companies which belong to companies indicated in Item 11 of the relevant Paragraph, and that do not belong to the Holding Company Group and the names of the primary companies, and descriptions of the primary businesses:	N.A.
• Overview of restrictions relating to transfer of funds and capital inside Holding Company Group:	N.A.
• Of companies subject to items for deduction as indicated in a. to c. of Article 20, Paragraph 1, Item 2 of Consolidated Capital Adequacy Ratio Notification, names of companies that have less capital than regulatory required capital, and the total amount less than the required capital:	N.A.

Composition of Capital

Composition of Capital

(Millions of Yen)

Item	March 31, 2008	March 31, 2009
Tier I capital		
Capital stock	261,608	**261,608**
Non-cumulative perpetual preferred stock of above	181,625	**100,175**
New stock application margin	—	**—**
Capital surplus	127,347	**—**
Retained earnings	441,585	**338,524**
Treasury stock (-)	261	**262**
Treasury stock application margin	—	**—**
Projected amount of distributed income (-)	10,926	**7,765**
Evaluation loss on other securities (-)	—	**—**
Foreign currency translation adjustment	(66)	**(2,045)**
Stock acquisition rights	—	**—**
Minority interests of consolidated subsidiaries and affiliates	146,480	**187,763**
Non-dilutive preferred securities issued by overseas SPCs among above	142,500	**183,500**
Trade right equivalent amount (-)	—	**—**
Goodwill equivalent amount (-)	39,572	**37,755**
Intangible fixed asset equivalent posted by corporate consolidation, etc. (-)	—	**—**
Amount equivalent to capital increase due to securitization transactions (-)	34,763	**26,681**
Amount equivalent to 50% of the amount exceeding the expected loss amount from the qualifying reserve (-)	13,374	**14,370**
Total tier I capital before deduction of deferred tax assets (total amount of above respective items)	878,057	**699,016**
Amount of deferred tax assets deducted (-)	—	**52,412**
Total Tier I capital (A)	878,057	**646,603**
Non-dilutive preferred securities with step-up interest rate provisions of above (Note 2) (B)	75,000	**85,000**
Tier II capital		
Amount equivalent to 45% of difference between land revaluation amount and book value just before revaluation	—	**—**
General reserve for possible loan losses (Note 3)	0	**0**
Amount by which qualifying reserve exceeds expected loss amount (Note 4)	—	**—**
Liability type fundraising means	263,761	**267,070**
Perpetual subordinated bonds of above (Note 5)	121,261	**119,570**
Fixed-term subordinated bonds and fixed-term preferred stock (Note 6)	142,500	**147,500**
Amount not calculated into tier II capital (-)	—	**—**
Total Tier II capital (C)	263,762	**267,070**
Items for deduction (Note 7) (D)	19,470	**21,841**
Capital Amount (E) = (A) + (C) — (D)	1,122,349	**891,832**
<For Reference>		
Risk weighted assets, etc.		
Credit risk weighted asset amount	7,528,769	**6,855,889**
Asset (on-balance sheet) items	6,408,511	**6,087,070**
Off-balance sheet transaction items	1,120,257	**768,818**
Amount arrived at by dividing operational risk equivalents by 8%	580,232	**541,112**
Amount arrived at by multiplying 25.0 {(amount arrived at by multiplying the rate prescribed in the Notification with former required capital) minus (amount of new required capital)} by 25.0	—	**—**
Total (F)	8,109,001	**7,397,001**
Consolidated Capital Adequacy Ratio (Domestic Standard) = (E)/(F) x 100	13.84%	**12.05%**
(A)/(F) x 100	10.82%	**8.74%**
(B)/(A) x 100	8.54%	**13.14%**

Notes:
1. Composition of capital and capital adequacy ratio, etc. are calculated in accordance with Financial Services Agency Notification No. 20 of 2006 (the "Consolidated Capital Adequacy Ratio Notification") and No. 79 of 2008.
2. Meaning those as provided in Article 17, Paragraph 2 of Consolidated Capital Adequacy Ratio Notification, in other words, stock, etc., that has the probability of redemption including those adding a step-up interest rate and other special provisions (including non-dilutive preferred securities issued by overseas SPCs).
3. Amount of portion to which standardised approach is adopted is stated.
4. For trust account with an agreement on compensation for principal, amount by which qualifying reserve exceeds expected loss amount is not posted.

5. Meaning liability fundraising means as indicated in Article 18, Paragraph 1, Item 3 of the Consolidated Capital Adequacy Ratio Notification, and which have all the characteristics as indicated below:
   (1) Unsecured, subordinated to other liabilities, and already paid,
   (2) Not to be redeemed, except for in certain cases,
   (3) Should supplement loss while business is ongoing,
   (4) That for which interest payment obligation postponement is allowed.
6. These are those indicated in Article 18, Paragraph 1, Items 4 and 5 of the Consolidated Capital Adequacy Ratio Notification. However, for fixed-term subordinated bonds, there is a limitation to those with redemption periods exceeding 5 years from the agreement.
7. Amount equivalent to intentional holding of fundraising means of other financial institutions as indicated in Article 20, Paragraph 1, Item 1 of the Consolidated Capital Adequacy Ratio Notification, amount equivalent to investment in those set in Item 2 of the relevant paragraph, the amount that is to be deducted pursuant to the provisions of Items 3 to 6 thereof and those indicated in Item 2 above.
8. From the end of the 2002 consolidated fiscal term (March 31, 2003), as to internal management system relating to calculation of the consolidated capital adequacy ratio, we have received examination services by Deloitte Touche Tohmatsu. The relevant examination services were an implementation of examination procedures agreed upon between Tohmatsu and us, and were not an accounting audit in accordance with the GAAS, nor did we receive their opinion on the consolidated capital adequacy ratio itself, or internal controls relating to the calculation of the consolidated capital adequacy ratio (the abovementioned examination procedures were in accordance with the Japanese Institute of Certified Public Accountants, Committee on Audit by Business Type, Report No. 30).
9. Consolidated capital adequacy ratio (International Unified Standard) as of March 31, 2009, which constitutes a condition for adoption and continuous use of the internal ratings-based approach as prescribed in Article 216 of the Consolidated Capital Adequacy Ratio Notification, is 10.59% (Tier I ratio: 7.29%).

Chuo Mitsui issued “preferred investment securities issued by foreign SPCs” as follows, and, as for non-dilutive preferred securities issued by SPCs, we accounted for these in “Tier I capital” of “Consolidated Capital Adequacy Ratio.”

Issuer	MTH Preferred Capital 1 (Cayman) Limited	MTH Preferred Capital 3 (Cayman) Limited	MTH Preferred Capital 4 (Cayman) Limited
Types of securities issued	Dividend non-cumulative preferred securities	Dividend non-cumulative preferred securities	Dividend non-cumulative preferred securities
Redemption date	No provisions	No provisions	No provisions
Voluntary redemption	Redeemable voluntarily on each dividend payment date in July 2012 and thereafter (however, prior approval by supervising agencies is required)	Redeemable voluntarily on each dividend payment date in July 2013 and thereafter (however, prior approval by supervising agencies is required)	Redeemable voluntarily on each dividend payment date in July 2014 and thereafter (however, prior approval by supervising agencies is required)
Total issue amount	27.5 billion yen	30.0 billion yen	10.0 billion yen
Paid-in date	March 25, 2002	March 24, 2003	March 22, 2004
Dividend payment date	July 25 and January 25 every year	July 25 and January 25 every year	July 25 and January 25 every year
Dividend rate	Variable dividend (no step-up)	Variable dividend (no step-up)	Variable dividend (no step-up)
Outline of conditions with regards to dividend payments	(1) A dividend on the preferred securities shall be paid within the scope of our distributable payments profit amount in the most recent fiscal year (if there is a dividend on our preferred stock, amount after deducting the amount) (2) Dividend occlusion conditions If any one of the following events is applicable, a dividend on the preferred securities shall not be paid: (i) When we did not pay a dividend on our preferred stock relating to the most recent fiscal year, (ii) When we deliver to the issuer a certificate to the effect that we are in a state of insolvency, (iii) When our capital adequacy ratio is below the standard required under the regulations, (iv) When we issue instructions not to pay dividend to issuer. (3) Compulsory dividend When we distribute a dividend on the common stock of the Company relating to the most recent fiscal year, a dividend on the preferred securities shall be made in the entire amount. However, the restrictions as in (1) and (2) (ii) (iii) above shall be applicable.	Same as left	Same as left
Right to claim the remaining assets	Shareholders of the preferred securities shall hold the right to claim the remaining assets of the substantially same priority order as the preferred stock	Same as left	Same as left

Issuer	MTH Preferred Capital 5 (Cayman) Limited	MTH Preferred Capital 6 (Cayman) Limited	CMTH Preferred Capital 7 (Cayman) Limited
Types of securities issued	Dividend non-cumulative preferred securities	Dividend non-cumulative preferred securities	Dividend non-cumulative preferred securities
Redemption date	No provisions	No provisions	No provisions
Voluntary redemption	Redeemable voluntarily on each dividend payment date in July 2017 and thereafter (however, prior approval by supervising agencies is required)	Redeemable voluntarily on each dividend payment date in July 2018 and thereafter (however, prior approval by supervising agencies is required)	Redeemable voluntarily on each dividend payment date in July 2019 and thereafter (however, prior approval by supervising agencies is required)
Total issue amount	33.0 billion yen	42.0 billion yen	[Series A] 10.0 billion yen [Series B] 31.0 billion yen
Paid-in date	March 1, 2007	March 15, 2008	December 16, 2008
Dividend payment date	July 25 and January 25 every year	July 25 and January 25 every year	July 25 and January 25 every year
Dividend rate	Fixed dividend initially (however, on and after the dividend payment date that comes after July 2017, variable dividend will be applied and a step-up dividend will be added)	Fixed dividend initially (however, on and after the dividend payment date that comes after July 2018, variable dividend will be applied and a step-up dividend will be added)	[Series A] Fixed dividend initially (however, on and after the dividend payment date that comes after July 2019, variable dividend will be applied and a step-up dividend will be added) [Series B] Fixed dividend initially (however, on and after the dividend payment date that comes after July 2019, variable dividend will be applied, and no dividend rate step-up will be added)
Outline of conditions with regards to dividend payments	(1) A dividend on the preferred securities shall be paid within the scope of our distributable payments profit amount in the most recent fiscal year (if there is a dividend on our preferred stock, amount after deducting the amount) (2) Dividend occlusion conditions If any one of the following events is applicable, a dividend on preferred securities shall not be paid: (i) When we did not pay a dividend on our preferred stock relating to the most recent fiscal year, (ii) When we deliver to the issuer a certificate to the effect that we are in a state of insolvency, (iii) When our capital adequacy ratio is below the standard required under the regulations, (iv) When we issue instructions not to pay dividend to issuer. (3) Compulsory dividend When we distribute a dividend on the common stock of the Company relating to the most recent fiscal year, a dividend on the preferred securities shall be made in the entire amount. However, the restrictions as in (1) and (2) (ii) (iii) above shall be applicable.	Same as left	Same as left
Right to claim the remaining assets	Shareholders of the preferred securities shall hold the right to claim the remaining assets which is essentially at the substantially same priority order as the preferred stock	Same as left	Same as left

Capital Adequacy Levels
Required Capital Amount

(1) Required capital amount for credit risks (amount in (2) (3) shall be excluded)

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Portfolio applicable to the standardised approach	9,888	**8,431**
Business units under the standardised approach	8,738	**7,469**
Assets under the standardised approach	1,150	**962**
Portfolio applicable to the internal ratings-based approach	545,110	**526,934**
Corporate exposures	380,999	**388,932**
Sovereign exposures	1,153	**1,121**
Bank exposures	28,305	**21,565**
Residential mortgage exposures	53,972	**48,946**
Qualifying revolving retail exposures	2,068	**2,152**
Other retail exposures	32,522	**24,395**
Other exposures (Note 1)	46,088	**39,819**
Securitization exposure	56,933	**45,363**
Total (A)	611,932	**580,730**

Notes:
1. Exposure regarding purchased receivables, unsettled transactions, lease transactions and other assets.
2. Calculation method of required capital amount for the credit risk is as follows (though the Group uses domestic standard), as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount)
Portfolio which the standardised approach is applicable: amount of credit risk weighted asset x 8% + capital deduction amount
Portfolio which the internal ratings-based approach is applicable and securitization exposure: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount

(2) Required capital amount for the credit risk relating to equity exposures applicable to the internal ratings-based approach

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Market-based approach	9,502	**137**
Simple risk weight method	9,502	**137**
PD/LGD approach	8,168	**22,658**
Those applicable to the transitional measure (Note 1)	44,341	**33,284**
Total (B)	62,012	**56,080**

Notes:
1. Amount of credit risk weighted assets is calculated by placing risk weight as being 100%, pursuant to Article 13 of Supplementary Rules of Consolidated Capital Adequacy Ratio Notification.
2. Calculation method of required capital amount to credit risk relating to equity exposures applicable to the internal ratings-based approach is as follows (though the Group uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount)
Those applicable to simple risk weight method of the market-based approach: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount
Those applicable to the PD/LGD approach: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount
Those applicable to the transitional measure: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount

(3) Required capital amount for the credit risk relating to funds

(Millions of Yen)

Calculation Method	March 31, 2008	**March 31, 2009**
Look-through formula	75,523	**70,752**
Modified simple majority method	23,771	**3,914**
Operational standards method	13,861	**909**
Simple risk weight method	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total (C)	113,156	**75,575**

Note: Calculation method of required capital amount for the credit risk relating to funds is as follows (though the Group uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount)
Look-through formula: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount
Other than look-through formula: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount

(4) Required capital amount for operational risks

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Standardised approach	46,418	**43,288**
Total (D)	46,418	**43,288**

(5) Total amount of consolidated required capital

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Total amount of consolidated required capital (Note 1)	648,720	**591,760**

Notes:
1. (Total amount of credit risk weighted asset + Operational risk equivalents/8%) x 8%
2. Though the Group uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the total amount of consolidated required capital.

Credit Risks

(except for exposure relating to funds and securitization exposure)

Term-end Balance of Exposure Relevant to Credit Risks and Breakdown by Primary Types

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**	**Average balance of exposure during the term**
Standardised approach	636,336	**541,838**	**565,876**
Loaned money, call loans, deposits, etc.	302,500	**198,697**	**234,740**
Securities	308,179	**312,548**	**293,317**
Derivative transactions	—	**—**	**—**
Off-balance sheet transactions	25,655	**30,592**	**37,819**
Commitment	—	**—**	**—**
Trusts with an agreement on compensation for principal	—	**—**	**—**
Repo-style transactions	—	**—**	**—**
Other	25,655	**30,592**	**37,819**
Internal ratings-based approach	13,633,403	**16,176,839**	**14,685,437**
Loaned money, call loans, deposits, etc.	8,296,054	**8,704,917**	**8,396,623**
Securities	3,264,243	**3,977,212**	**3,673,824**
Derivative transactions	100,637	**114,707**	**102,928**
Off-balance sheet transactions	1,972,467	**3,380,001**	**2,512,061**
Commitment	423,023	**474,660**	**421,278**
Trusts with an agreement on compensation for principal	612,744	**551,286**	**578,195**
Repo-style transactions	96,817	**43,598**	**73,621**
Other	839,881	**2,310,455**	**1,438,966**
Total	14,269,739	**16,718,677**	**15,251,314**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default.
2. Equity exposures and other assets, etc. as provided in Article 156 of the Consolidated Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. The internal ratings-based approach application exclusion portion is described in the standardised approach.
4. The average balance of exposure during the term is the average value for respective quarterly term-end balances.

(1) Term-end Balance of Exposure by Region and Breakdown by Primary Types

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Domestic	12,757,591	**15,252,735**
Loaned money, call loans, deposits, etc.	8,499,859	**8,656,719**
Securities	2,341,157	**3,220,101**
Derivative transactions	32,678	**12,406**
Off-balance sheet transactions	1,883,896	**3,363,509**
Commitment	390,315	**474,660**
Trusts with an agreement on compensation for principal	612,551	**551,281**
Repo-style transactions	49,765	**1,892**
Other	831,263	**2,335,674**
Overseas	1,512,147	**1,465,941**
Loaned money, call loans, deposits, etc.	321,875	**246,896**
Securities	1,008,086	**1,069,659**
Derivative transactions	67,958	**102,300**
Off-balance sheet transactions	114,226	**47,084**
Commitment	32,707	**—**
Trusts with an agreement on compensation for principal	193	**4**
Repo-style transactions	47,051	**41,706**
Other	34,273	**5,373**
Total	14,269,739	**16,718,677**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default.
2. Equity exposures and other assets, etc. as provided in Article 156 of the Consolidated Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. The internal ratings-based approach application exclusion portion is described in the standardised approach.

(2) Term-end Balance of Exposure by Business Type and Breakdown by Primary Type

(Millions of Yen)

Business Type	March 31, 2008	March 31, 2009
Sovereign	3,590,932	**6,043,812**
Central government and central bank	3,203,461	**5,524,817**
Loaned money, call loans, deposits, etc.	161,567	**186,960**
Securities	2,383,084	**3,199,453**
Derivative transactions	—	**—**
Off-balance sheet transactions	658,808	**2,138,403**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	658,808	**2,138,403**
Local public organizations	60,452	**52,557**
Loaned money, call loans, deposits, etc.	18,336	**13,849**
Securities	1,297	**640**
Derivative transactions	—	**—**
Off-balance sheet transactions	40,818	**38,067**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6,122	**5,888**
Repo-style transactions	—	**—**
Other	34,696	**32,179**
Other	327,018	**466,437**
Loaned money, call loans, deposits, etc.	267,950	**210,740**
Securities	51,940	**240,674**
Derivative transactions	—	**—**
Off-balance sheet transactions	7,127	**15,023**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6,905	**14,801**
Repo-style transactions	—	**—**
Other	221	**221**
Financial institutions	1,719,173	**937,640**
Loaned money, call loans, deposits, etc.	702,482	**417,397**
Securities	812,844	**368,994**
Derivative transactions	71,069	**78,294**
Off-balance sheet transactions	132,777	**72,954**
Commitment	20,499	**25,619**
Trusts with an agreement on compensation for principal	1,718	**1,519**
Repo-style transactions	95,426	**43,598**
Other	15,132	**2,216**
Business corporations	6,091,270	**6,474,831**
Loaned money, call loans, deposits, etc.	5,184,498	**5,360,758**
Securities	323,256	**479,999**
Derivative transactions	29,568	**36,412**
Off-balance sheet transactions	553,946	**597,660**
Commitment	350,888	**398,385**
Trusts with an agreement on compensation for principal	62,902	**47,104**
Repo-style transactions	1,390	**—**
Other	138,765	**152,171**

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(Millions of Yen)

Business Type	March 31, 2008	March 31, 2009
Individual	2,804,170	**3,239,976**
Loaned money, call loans, deposits, etc.	2,199,526	**2,691,491**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	604,643	**548,484**
Commitment	51,635	**50,656**
Trusts with an agreement on compensation for principal	535,096	**481,972**
Repo-style transactions	—	**—**
Other	17,912	**15,855**
Special international financial transaction account portion	64,192	**22,416**
Loaned money, call loans, deposits, etc.	64,192	**22,416**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Total	14,269,739	**16,718,677**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default.
2. Equity exposures and other assets, etc. as provided in Article 156 of the Consolidated Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(Reference) Term-end Balance of Exposure by Business Type Relevant to Business Corporations and Breakdown by Primary Type

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Manufacturing	1,042,075	**1,253,486**
Loaned money, call loans, deposits, etc.	797,656	**1,004,321**
Securities	43,610	**47,610**
Derivative transactions	3,105	**2,646**
Off-balance sheet transactions	197,702	**198,908**
Commitment	160,424	**166,227**
Trusts with an agreement on compensation for principal	14,413	**11,650**
Repo-style transactions	—	**—**
Other	22,864	**21,030**
Agriculture	171	**161**
Loaned money, call loans, deposits, etc.	164	**161**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	7	**—**
Commitment	7	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Forestry	224	**200**
Loaned money, call loans, deposits, etc.	220	**200**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	3	**—**
Commitment	3	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Fishery	8	**5**
Loaned money, call loans, deposits, etc.	3	**5**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	5	**—**
Commitment	5	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Mining industry	6,602	**7,433**
Loaned money, call loans, deposits, etc.	3,068	**2,208**
Securities	—	**—**
Derivative transactions	45	**—**
Off-balance sheet transactions	3,488	**5,224**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6	**—**
Repo-style transactions	—	**—**
Other	3,482	**5,224**
Construction	134,688	**157,177**
Loaned money, call loans, deposits, etc.	100,431	**124,686**
Securities	1,400	**500**
Derivative transactions	132	**70**
Off-balance sheet transactions	32,724	**31,920**
Commitment	29,392	**29,062**
Trusts with an agreement on compensation for principal	2,201	**1,736**
Repo-style transactions	—	**—**
Other	1,129	**1,121**

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(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Electricity, gas, heating, water	200,314	**212,667**
Loaned money, call loans, deposits, etc.	190,707	**149,374**
Securities	—	**—**
Derivative transactions	9	**14**
Off-balance sheet transactions	9,597	**63,277**
Commitment	4,610	**60,807**
Trusts with an agreement on compensation for principal	4,986	**2,469**
Repo-style transactions	—	**—**
Other	—	**0**
Information communications	48,788	**50,865**
Loaned money, call loans, deposits, etc.	39,803	**43,064**
Securities	3,288	**2,965**
Derivative transactions	75	**42**
Off-balance sheet transactions	5,620	**4,793**
Commitment	5,488	**4,729**
Trusts with an agreement on compensation for principal	111	**46**
Repo-style transactions	—	**—**
Other	20	**18**
Transportation	589,933	**639,378**
Loaned money, call loans, deposits, etc.	530,486	**549,723**
Securities	29,886	**39,117**
Derivative transactions	2,696	**2,324**
Off-balance sheet transactions	26,884	**48,213**
Commitment	17,737	**40,074**
Trusts with an agreement on compensation for principal	6,817	**6,283**
Repo-style transactions	—	**—**
Other	2,308	**1,855**
Wholesale and retail	545,964	**577,444**
Loaned money, call loans, deposits, etc.	499,178	**522,047**
Securities	13,935	**18,159**
Derivative transactions	907	**1,418**
Off-balance sheet transactions	31,943	**35,819**
Commitment	21,557	**22,323**
Trusts with an agreement on compensation for principal	3,517	**2,493**
Repo-style transactions	—	**—**
Other	6,867	**11,002**
Finance and insurance	1,190,249	**1,228,002**
Loaned money, call loans, deposits, etc.	1,070,228	**1,110,919**
Securities	360	**240**
Derivative transactions	18,464	**26,865**
Off-balance sheet transactions	101,196	**89,977**
Commitment	35,286	**16,587**
Trusts with an agreement on compensation for principal	9,559	**4,409**
Repo-style transactions	1,390	**—**
Other	54,958	**68,980**
Real estate	1,603,785	**1,510,789**
Loaned money, call loans, deposits, etc.	1,360,388	**1,292,189**
Securities	143,063	**141,102**
Derivative transactions	2,735	**2,074**
Off-balance sheet transactions	97,598	**75,423**
Commitment	56,646	**38,488**
Trusts with an agreement on compensation for principal	17,299	**14,942**
Repo-style transactions	—	**—**
Other	23,651	**21,992**

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(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Various services	519,710	**440,573**
Loaned money, call loans, deposits, etc.	436,463	**356,359**
Securities	52,230	**52,695**
Derivative transactions	706	**422**
Off-balance sheet transactions	30,310	**31,095**
Commitment	9,544	**10,872**
Trusts with an agreement on compensation for principal	3,986	**3,073**
Repo-style transactions	—	**—**
Other	16,778	**17,149**
Other	208,751	**396,644**
Loaned money, call loans, deposits, etc.	155,697	**205,496**
Securities	35,481	**177,608**
Derivative transactions	687	**532**
Off-balance sheet transactions	16,884	**13,006**
Commitment	10,183	**9,210**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	6,701	**3,796**
Total	6,091,270	**6,474,831**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default.
2. Equity exposures and other assets, etc. as provided in Article 156 of the Consolidated Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(3) Term-end Balance of Exposure by Remaining Period and Breakdown by Primary Type

(Millions of Yen)

Remaining Period	March 31, 2008	**March 31, 2009**
1 year or shorter	4,595,288	**6,119,156**
Loaned money, call loans, deposits, etc.	3,187,930	**2,981,441**
Securities	365,522	**618,627**
Derivative transactions	28,448	**32,190**
Off-balance sheet transactions	1,013,386	**2,486,896**
Commitment	120,657	**155,700**
Trusts with an agreement on compensation for principal	44,773	**46,558**
Repo-style transactions	96,817	**43,598**
Other	751,138	**2,241,037**
Over 1 year to 3 years or shorter	2,767,819	**3,312,769**
Loaned money, call loans, deposits, etc.	1,438,856	**1,627,744**
Securities	1,097,101	**1,480,297**
Derivative transactions	4,178	**4,407**
Off-balance sheet transactions	227,683	**200,321**
Commitment	205,307	**188,470**
Trusts with an agreement on compensation for principal	16,703	**9,346**
Repo-style transactions	—	**—**
Other	5,671	**2,504**
Over 3 years to 5 years or shorter	2,354,834	**2,377,681**
Loaned money, call loans, deposits, etc.	1,215,348	**1,059,149**
Securities	1,051,130	**1,207,793**
Derivative transactions	4,121	**1,463**
Off-balance sheet transactions	84,234	**109,275**
Commitment	64,301	**89,172**
Trusts with an agreement on compensation for principal	16,832	**16,689**
Repo-style transactions	—	**—**
Other	3,099	**3,412**
Over 5 years to 7 years or shorter	403,530	**606,746**
Loaned money, call loans, deposits, etc.	272,510	**344,238**
Securities	91,724	**212,536**
Derivative transactions	6,358	**4,827**
Off-balance sheet transactions	32,937	**45,144**
Commitment	3,753	**11,798**
Trusts with an agreement on compensation for principal	25,536	**24,621**
Repo-style transactions	—	**—**
Other	3,647	**8,724**
Over 7 years	3,890,933	**4,053,955**
Loaned money, call loans, deposits, etc.	2,390,036	**2,798,626**
Securities	966,944	**770,506**
Derivative transactions	57,530	**71,817**
Off-balance sheet transactions	476,421	**413,005**
Commitment	6,205	**11,125**
Trusts with an agreement on compensation for principal	371,439	**319,400**
Repo-style transactions	—	**—**
Other	98,777	**82,480**

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(Millions of Yen)

Remaining Period	March 31, 2008	**March 31, 2009**
With no provision for period	257,332	**248,366**
Loaned money, call loans, deposits, etc.	93,873	**92,415**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	163,459	**155,951**
Commitment	22,797	**18,393**
Trusts with an agreement on compensation for principal	137,459	**134,669**
Repo-style transactions	—	**—**
Other	3,202	**2,888**
Total	14,269,739	**16,718,677**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default.
2. Equity exposures and other assets, etc. as provided in Article 156 of the Consolidated Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. Those of which remaining period is beyond recognition are included in "With no provision for period."

Term-end Balance of Exposures Three Months or Longer Overdue and Exposures in Default and Breakdown by Primary Type

(1) Term-end balance of exposure by region

(Millions of Yen)

Classification	March 31, 2008 Domestic	March 31, 2008 Overseas	March 31, 2008 Total	**March 31, 2009** Domestic	**March 31, 2009** Overseas	**March 31, 2009** Total
Exposures three months or longer overdue (those applying to standardised approach)	4	—	4	**107**	**—**	**107**
Exposures in default (those applying to the internal ratings-based approach)	172,835	447	173,282	**151,341**	**7,033**	**158,375**
Total	172,839	447	173,287	**151,449**	**7,033**	**158,482**

Notes:
1. Equity exposures is not included in the above.
2. Internal ratings-based approach application exclusion portion is described in the standardised approach.

(2) Term-end balance of exposure by business type

(i) Exposures three months or longer overdue (those applicable to standardised approach)

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	4	**107**
Manufacturing	0	**105**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	—	**0**
Electricity, gas, heating, water	—	**—**
Information communications	0	**—**
Transportation	—	**—**
Wholesale and retail	—	**0**
Finance and insurance	—	**—**
Real estate	0	**—**
Various services	3	**1**
Other	—	**—**
Individual	—	**—**
Special international financial transaction account portion	—	**—**
Total	4	**107**

Note: Equity exposures is not included in the above.

(ii) Exposures in default (those applicable to the internal ratings-based approach)

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**5,000**
Business corporations	141,172	**120,136**
Manufacturing	7,521	**7,660**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	11,662	**10,105**
Electricity, gas, heating, water	195	**158**
Information communications	772	**72**
Transportation	79,470	**2,376**
Wholesale and retail	9,670	**8,609**
Finance and insurance	6,152	**831**
Real estate	13,126	**79,597**
Various services	12,446	**8,190**
Other	154	**2,534**
Individual	31,662	**32,885**
Special international financial transaction account portion	—	**353**
Total	172,835	**158,375**

Note: Equity exposures is not included in the above.

Term-end Balance and Amount of Variance during the Term of General Reserve for Possible Loan Losses, Respective Reserve for Possible Loan Losses, and Specified Overseas Receivables Reserve Account

(1) Balance of reserve by region

(Millions of Yen)

Type of Reserve	FY2007		**FY2008**	
	Term end Balance	Variance during Term	Term end Balance	Variance during Term
General reserve for possible loan losses	51,408	(5,872)	**31,744**	**(19,663)**
Respective reserve for possible loan losses (-)	18,089	922	**29,750**	**11,661**
Domestic	14,937	(993)	**25,206**	**10,269**
Overseas	3,152	1,916	**4,544**	**1,392**
Specified overseas receivables reserve account	38	(488)	**26**	**(12)**
Total	69,535	(5,438)	**61,521**	**(8,013)**

Notes:
1. Above is a description of the value in bank account.
2. General reserve for possible loan losses is not managed by region.

(2) Balance of respective reserve for possible loan losses by business type

(Millions of Yen)

Type of Reserve	FY2007 Term end Balance	FY2007 Variance during Term	**FY2008** Term end Balance	**FY2008** Variance during Term
Sovereign	—	—	**—**	**—**
Central government and central bank	—	—	**—**	**—**
Local public body	—	—	**—**	**—**
Other	—	—	**—**	**—**
Financial institutions	—	—	**4,544**	**4,544**
Business corporations	15,262	1,396	**22,475**	**7,212**
Manufacturing	3,219	2,406	**3,193**	**(25)**
Agriculture	—	—	**—**	**—**
Forestry	—	—	**—**	**—**
Fishery	—	—	**—**	**—**
Mining industry	—	—	**—**	**—**
Construction	1,510	(2,870)	**2,622**	**1,111**
Electricity, gas, heating, water	—	—	**—**	**—**
Information communications	579	579	**57**	**(521)**
Transportation	583	(667)	**340**	**(243)**
Wholesale and retail	1,635	771	**1,639**	**4**
Finance and insurance	2,864	2,864	**30**	**(2,833)**
Real estate	245	147	**10,802**	**10,556**
Various services	4,507	(712)	**3,788**	**(718)**
Other	116	(1,123)	**0**	**(116)**
Individual	2,826	(473)	**2,731**	**(95)**
Special international financial transaction account portion	—	—	**—**	**—**
Total	18,089	922	**29,750**	**11,661**

Note: General reserve for possible loan losses and specified overseas receivables reserve account are not managed by business type.

Amount of Loan Amortized by Business Type

(Millions of Yen)

Business Type	Amount of loan amortized for FY2007	**Amount of loan amortized for FY2008**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	8,109	**21,455**
Manufacturing	1,827	**3,721**
Agriculture	—	**3**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	1,398	**2,614**
Electricity, gas, heating, water	—	**—**
Information communications	360	**603**
Transportation	161	**346**
Wholesale and retail	2,229	**3,336**
Finance and insurance	—	**3**
Real estate	474	**9,415**
Various services	1,655	**1,409**
Other	—	**—**
Individual	2,639	**2,598**
Special international financial transaction account portion	1,300	**—**
Total	12,049	**24,054**

Note: Amount of loan amortized for trust account with an agreement on compensation for principal is included in the above.

Balance by Risk Weight Classification for Exposure Applicable to Standardised Approach

(Millions of Yen)

Risk Weight	March 31, 2008			**March 31, 2009**		
		Rating applicable	Rating not applicable (Note)		Rating applicable	Rating not applicable (Note)
0%	404,929	4	404,924	**377,146**	**4**	**377,142**
Over 0% to 10%	126	—	126	**54**	**—**	**54**
Over 10% to 35%	200,028	198,128	1,900	**138,880**	**2,753**	**136,126**
Over 35% to 75%	363	—	363	**420**	**—**	**420**
Over 75% to 100%	30,883	—	30,883	**25,228**	**—**	**25,228**
Over 100% to 150%	4	—	4	**107**	**—**	**107**
Capital deduction	—	—	—	**—**	**—**	**—**
Total	636,336	198,132	438,203	**541,838**	**2,757**	**539,080**

Note: The Group has registered for application of special exceptions in Article 45 of Consolidated Capital Adequacy Ratio Notification as to Exposure oriented to corporations, etc., so risk weight is uniformly 100%. The exposures applicable to the relevant special exceptions are described in the "rating not applicable" column.

Exposures Applicable to the Internal Ratings-based Approach

(1) Balance of specialized lending using slotting criteria

(Millions of Yen)

Risk Weight	March 31, 2008	**March 31, 2009**
0%	447	**16,718**
50%	252,438	**268,908**
70%	458,997	**334,018**
90%	15,927	**22,053**
115%	3,797	**12,694**
250%	22,758	**35,120**
Total	754,366	**689,513**

Note: The Group does not hold loans for commercial real estate (with high volatility).

(2) Balance of equity exposures using simple risk weight method of the market-based approach

(Millions of Yen)

Risk Weight	March 31, 2008	**March 31, 2009**
300%	36,375	**—**
400%	733	**404**
Total	37,108	**404**

Note: As for balance of equity exposures classified into other securities, smaller amount of either, the amount posted on the consolidated balance sheet or acquisition cost. For balance of equity exposures that is not classified into other securities, the amount posted on the consolidated balance sheet is used.

Portfolio Applicable to the Internal Ratings-based Approach

(1) Corporate exposures

(Millions of Yen)

Classification	March 31, 2008				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.34%	44.38%	44.87%	3,974,644	577,295
Need caution *(youchui-saki)* (Not including obligor under close observation)	10.73%	42.96%	183.71%	330,362	93,667
Under close observation *(youkanri-saki)* or worse	100.00%	42.45%		163,858	25,399
Total	4.84%	44.19%	54.62%	4,468,865	696,362

(Millions of Yen)

Classification	March 31, 2009				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.34%**	**43.89%**	**46.56%**	**4,514,612**	**649,889**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**9.39%**	**41.49%**	**169.30%**	**397,481**	**56,245**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**41.07%**		**93,818**	**40,254**
Total	**3.38%**	**43.64%**	**55.16%**	**5,005,912**	**746,390**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(2) Sovereign exposures

(Millions of Yen)

Classification	March 31, 2008				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.00%	44.93%	0.43%	2,503,305	695,050
Need caution *(youchui-saki)* (Not including obligor under close observation)	—	—	—	—	—
Under close observation *(youkanri-saki)* or worse	100.00%	45.00%		—	6
Total	0.00%	44.93%	0.43%	2,503,305	695,057

(Millions of Yen)

Classification	March 31, 2009				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.00%**	**44.94%**	**0.23%**	**3,507,561**	**2,160,882**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**—**	**—**	**—**	**—**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**—**	**6**
Total	**0.00%**	**44.96%**	**0.23%**	**3,507,561**	**2,160,889**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(3) Bank exposures

(Millions of Yen)

Classification	March 31, 2008				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.06%	45.13%	25.04%	1,175,340	189,863
Need caution *(youchui-saki)* (Not including obligor under close observation)	7.42%	0.00%	0.00%	496	—
Under close observation *(youkanri-saki)* or worse	—	—		—	—
Total	0.06%	45.12%	25.03%	1,175,837	189,863

(Millions of Yen)

Classification	**March 31, 2009** PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1) On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.11%**	**44.34%**	**30.68%**	**603,857**	**151,248**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**—**	**—**	**—**	**—**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**5,000**	**—**
Total	**0.76%**	**44.34%**	**30.48%**	**608,857**	**151,248**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(4) Equity exposures using PD/LGD approach

(Millions of Yen)

Classification	March 31, 2008 PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1) On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.15%	90.00%	135.35%	71,577	2,812
Need caution *(youchui-saki)* (Not including obligor under close observation)	7.42%	90.00%	428.24%	40	—
Under close observation *(youkanri-saki)* or worse	100.00%	90.00%		5	—
Total	0.16%	90.00%	135.50%	71,622	2,812

(Millions of Yen)

Classification	**March 31, 2009** PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1) On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.30%**	**90.00%**	**157.75%**	**167,378**	**—**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**7.41%**	**90.00%**	**430.05%**	**425**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**90.00%**		**19**	**—**
Total	**0.33%**	**90.00%**	**158.42%**	**167,824**	**—**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(5) Exposure relating to purchased receivables

(Millions of Yen)

March 31, 2008			**March 31, 2009**		
Risk Weight Weighted Average	EAD Estimated Value (Note 1) On-balance Sheet Asset Items	Off-balance Sheet Asset Items	Risk Weight Weighted Average	EAD Estimated Value (Note 1) On-balance Sheet Asset Items	Off-balance Sheet Asset Items
22.65%	484,367	975	**45.19%**	**208,313**	**851**

Notes:
1. EAD Estimated value is an amount that takes into consideration the effect of credit risk reduction method.
2. This description is about exposure oriented to purchase business corporations that do not use top-down approach.
3. Risk weight weighted average is a value of risk weight weighted with EAD dilution.

(6) Residential mortgage exposures, qualifying revolving retail exposures, and other retail exposures.

(Millions of Yen)

Types of exposure	March 31, 2008						
	PD estimated value weighted average	LGD estimated value weighted average	Risk weight weighted average	EAD estimated value		Commitment pre-withdrawal amount	Weighted average of estimated value of assessment rate which is to be multiplied by the non-withdrawal amount to the left
				On-balance sheet asset items	Off-balance sheet asset items		
Residential mortgage							
Not delinquent	0.26%	41.61%	20.44%	2,014,542	294,341	8,073	100.00%
Delinquent	33.36%	41.71%	253.64%	25,202	1,474	115	100.00%
Default	100.00%	40.47%	32.72%	9,492	897	9	100.00%
Consumer loan							
Not delinquent	1.09%	67.08%	39.40%	38,979	51,079	160,734	26.13%
Delinquent	32.83%	66.14 %	197.39%	1,341	384	544	18.59%
Default	100.00%	37.14%	109.74%	2,393	1,840	215	14.61%
Business type loan							
Not delinquent	3.79%	51.12%	76.92%	106,477	116,047	6,161	99.98%
Delinquent	23.47%	60.83%	124.95%	3,305	2,156	—	—
Default	100.00%	77.45%	—	6,907	1,873	—	—
Other							
Not delinquent	0.42%	11.49%	14.93%	1,509	1,730	141	100.00%
Delinquent	—	—	—	—	—	—	—
Default	100.00%	74.44%	—	78	51	21	100.00%
Total	2.16%	51.84%	38.69%	2,210,230	471,878	176,018	32.18%

(Millions of Yen)

Types of exposure	**March 31, 2009**						
	PD estimated value weighted average	LGD estimated value weighted average	Risk weight weighted average	EAD estimated value		Commitment pre-withdrawal amount	Weighted average of estimated value of assessment rate which is to be multiplied by the non-withdrawal amount to the left
				On-balance sheet asset items	Off-balance sheet asset items		
Residential mortgage							
Not delinquent	**0.22%**	**34.14%**	**15.04%**	**2,503,292**	**271,222**	**6,022**	**100.00%**
Delinquent	**31.23%**	**34.17%**	**208.60%**	**30,219**	**1,322**	**16**	**100.00%**
Default	**100.00%**	**32.03%**	**38.83%**	**12,623**	**899**	**—**	**—**
Consumer loan							
Not delinquent	**1.04%**	**76.53%**	**45.13%**	**44,521**	**50,745**	**157,325**	**28.09%**
Delinquent	**31.02%**	**65.46%**	**190.05%**	**1,387**	**550**	**594**	**29.81%**
Default	**100.00%**	**57.84%**	**4.49%**	**2,663**	**1,782**	**168**	**32.30%**
Business type loan							
Not delinquent	**1.66%**	**36.90%**	**41.19%**	**62,549**	**99,694**	**711**	**100.00%**
Delinquent	**53.53%**	**50.05%**	**57.34%**	**2,200**	**1,774**	**—**	**—**
Default	**100.00%**	**77.76%**	**—**	**10,396**	**2,390**	**—**	**—**
Other							
Not delinquent	**0.47%**	**15.01%**	**18.82%**	**1,027**	**1,376**	**170**	**100.00%**
Delinquent	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Default	**100.00%**	**92.06%**	**—**	**95**	**33**	**26**	**100.00%**
Total	**1.72%**	**35.82%**	**19.49%**	**2,670,979**	**431,791**	**165,035**	**31.12%**

Notes:
1. EAD Estimated value is an amount that takes into consideration the effect of credit risk reduction method.
2. Segmented pool classification is integrated into above classifications and shown.
3. PD estimated value weighted average, LGD estimated value weighted average, risk weight weighted average, and weighted average of estimated value of assessment rate by which to multiply the pre-withdrawal amount to the left are estimated values or risk weight by respective pool classifications weighted with EAD estimated value.

Actual value of loss of portfolio applicable to the internal ratings-based approach in the most recent term / actual value of the relevant term, and comparison with past actual value

(Millions of Yen)

Classification	Actual loss amount for FY2007	**Actual loss amount for FY2008**	Comparison with actual loss amount for previous year
Corporate exposures	51,094	**41,936**	**(9,158)**
Sovereign exposures	—	**—**	**—**
Bank exposures	—	**12,542**	**12,542**
Equity exposures applicable to the PD/LGD approach	252	**—**	**(252)**
Residential mortgage exposures	1,679	**1,770**	**90**
Qualifying revolving retail exposures	1	**0**	**(0)**
Other retail exposures	5,148	**2,955**	**(2,193)**
Total	58,176	**59,204**	**1,027**

Note: Actual loss amount is a total of the following amounts relating to exposures in default, not including reversal of reserve:
General reserve for possible loan losses provision amount, special reserve provision amount debt, rewrite-off reserve provision amount, special foreign receivables reserve account provision amount, credit risk adjusted amount relating to derivatives (up to here, portion for party requiring management), respective reserve for possible loan losses provision amount, reserve for contingent loss provision amount, debt write-off, loss on sale of receivables, loss on waiver of receivables, amount relating to equity exposures applicable to the PD/LGD approach, loss on sale.

[Analysis of Factors]

Actual loss amount for FY2008, increased by 1.0 billion yen compared to FY2007.

This is primarily attributable to that the amount of loss by bank exposure occurred although the amount of reserve decreased mainly on corporate exposure.

Estimated value of loss amount of portfolio applicable to the internal ratings-based approach

(Millions of Yen)

Classification	Actual value of loss amount for FY2008	**Estimated value of loss amount for FY2009**
Corporate exposures	106,791	**80,468**
Sovereign exposures	41	**42**
Bank exposures	356	**2,629**
Equity exposures applicable to the PD/LGD approach	99	**487**
Residential mortgage exposures	10,531	**9,862**
Qualifying revolving retail exposures	1,077	**1,247**
Other retail exposures	15,750	**15,984**
Total	134,649	**110,722**

Note: Estimated value of loss amount (= EAD estimated value x PD estimated value x LGD estimated value) is the value estimated to have accrued in each fiscal year with March 31, 2008 and 2009 as the reference date, respectively.

Credit Risk Mitigation Measures

Amount of Exposure to which Credit Risk Reduction Method Has Been Applied

(Millions of Yen)

Classification	March 31, 2008			
	Amount of exposure to which qualified financial asset collateral has been applied	Amount of exposure to which qualified receivables collateral has been applied	Amount of exposure to which qualified real estate collateral has been applied	Amount of exposure to which qualified other collateral has been applied
Standardised approach	13,800	—	—	—
Internal ratings-based approach	1,923,472	7,935	381,718	4,371
Corporate exposures	498,892	7,935	359,931	4,371
Sovereign exposures	—	—	21,786	—
Bank exposures	1,424,580	—	—	—
Total	1,937,272	7,935	381,718	4,371

(Millions of Yen)

Classification	March 31, 2009			
	Amount of exposure to which qualified financial asset collateral has been applied	Amount of exposure to which qualified receivables collateral has been applied	Amount of exposure to which qualified real estate collateral has been applied	Amount of exposure to which qualified other collateral has been applied
Standardised approach	**—**	**—**	**—**	**—**
Internal ratings-based approach	**1,305,192**	**6,632**	**609,378**	**36,721**
Corporate exposures	**37,860**	**6,632**	**588,198**	**36,721**
Sovereign exposures	**—**	**—**	**21,179**	**—**
Bank exposures	**1,267,332**	**—**	**—**	**—**
Total	**1,305,192**	**6,632**	**609,378**	**36,721**

Amount of Exposure to which Guarantees and Credit Derivatives Have Been Applied

(Millions of Yen)

Classification	March 31, 2008		March 31, 2009	
	Amount of exposure to which guarantees have been applied	Amount of exposure to which credit derivatives have been applied	Amount of exposure to which guarantees have been applied	Amount of exposure to which credit derivatives have been applied
Standardised approach	—	—	**—**	**—**
Internal ratings-based approach	94,458	—	**95,096**	**—**
Corporate exposures	39,117	—	**43,704**	**—**
Sovereign exposures	5,656	—	**5,619**	**—**
Bank exposures	49,684	—	**45,772**	**—**
Total	94,458	—	**95,096**	**—**

Risks of Transaction Partners in Derivative Products Transactions and Long-term Settlement Period Transactions

(1) Method used for calculation of credit equivalents

	Name
Method used for calculation of credit equivalents	Current exposure method

(2) Total amount of gross reconstruction cost (not less than zero)

(Millions of Yen)

	March 31, 2008	March 31, 2009
Total gross reconstruction cost amount	164,877	**225,119**

(3) Credit equivalents before taking into consideration effect of credit risk reduction method by collateral (for derivative product transactions, credit equivalents for each transaction classification are included)

(Millions of Yen)

	March 31, 2008	March 31, 2009
Credit equivalents before taking into consideration the effect of credit risk reduction method by collateral	93,690	**96,646**
Of which, those corresponding to foreign exchange related transactions	61,584	**47,227**
Of which, those corresponding to interest rate related transactions	191,268	**261,730**
Of which, those corresponding to other transactions	—	**—**
Of which, those corresponding to the effect of credit risk reduction via collective liquidation netting contracts (loss)	159,162	**212,311**

(4) Total amount as indicated in (2) plus total amount of gross add-on minus the amount indicated in (3)

(Millions of Yen)

	March 31, 2008	March 31, 2009
Total amount as indicated in (2) and gross add-on total minus the amount as indicated in (3)	(159,162)	**(212,311)**

(5) Amount by type of collateral

(Millions of Yen)

Classification of acceptance or provision	Type of collateral	March 31, 2008	**March 31, 2009**
Accepted collateral	Government bonds	2,680	**7,991**
	Domestic stocks	—	**—**
	US bonds	—	**—**
	Cash	3,438	**3,870**
	Other	—	**—**
Total		6,118	**11,861**
Deposited collateral	Government bonds	14,692	**25,830**
	Domestic stocks	21,020	**13,176**
	US bonds	2,113	**1,979**
	Cash	99	**48**
	Other	—	**—**
Total		37,925	**41,034**

Notes:
1. Amount of collateral is indicated at market value.
2. Of deposited collateral, ¥29,835 million (at March 31, 2008) and ¥21,973 million (at March 31, 2009) are deposited with liquidation institutions, etc.

(6) Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral	91,876	**90,007**

(7) Credit derivative predicted principal amount that will be subject to calculation of credit equivalents

(Millions of Yen)

Classification of purchase or provision	Type of credit derivative	March 31, 2008 predicted principal	**March 31, 2009 predicted principal**
Protection purchase	Credit default swap	—	**—**
	Credit linked notes	—	**—**
	Other	—	**—**
Total		—	**—**
Protection provision	Credit default swap	10,000	**10,000**
	Credit linked notes	45,000	**63,000**
	Other	5,000	**5,000**
Total		60,000	**78,000**

(8) Estimated amount of principal of credit derivatives used to take into consideration the effect of credit risk reduction method

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Estimated amount of principal of credit derivatives used to take into consideration the effect of credit risk reduction method	—	**—**

Securitization Exposure

Securitization Exposure of which the Group is the Originator

(1) Total amount of original assets and breakdown by type of these primary original assets

(Millions of Yen)

Form of securitization	March 31, 2008	**March 31, 2009**
Amount of original assets of asset transfer-type securitization transactions	719,193	**587,180**
Residential mortgage	703,693	**587,180**
Other	15,500	**—**
Amount of original assets of synthetic-type securitization transactions	—	**—**
Residential mortgage	—	**—**
Other	—	**—**
Total amount of original assets	719,193	**587,180**

(2) Of exposure composing original assets, amount of exposures three months or longer overdue or exposures in default amount, loss amount in current term, and breakdown by type of these primary original assets

(Millions of Yen)

Classification	March 31, 2008		**March 31, 2009**	
	Exposure amount	Loss amount in current term	Exposure amount	Loss amount in current term
Exposures three months or longer overdue	—	—	**—**	**—**
Residential mortgage	—	—	**—**	**—**
Other	—	—	**—**	**—**
Exposures in default	2,601	319	**2,250**	**414**
Residential mortgage	2,601	319	**2,250**	**414**
Other	—	—	**—**	**—**
Total	2,601	319	**2,250**	**414**

(3) Amount of securitization exposure held and breakdown by type of these primary original assets

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
	Amount of exposure	Amount of exposure
Residential mortgage	201,878	**195,331**
Other	2,757	**—**
Total	204,635	**195,331**

(4) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2008		**March 31, 2009**	
	Balance	Required capital	Balance	Required capital
Less than 20%	—	—	**—**	**—**
20% to less than 50%	—	—	**—**	**—**
50% to less than 100%	201,878	14,559	**195,331**	**12,722**
100% to less than 350%	—	—	**—**	**—**
Capital deduction	2,682	2,682	**2,682**	**2,682**
Total	204,560	17,242	**198,014**	**15,405**

Note: Required capital amount = (credit risk weighted asset amount x 1.06) x 8% + expected loss amount

(5) Capital equivalent amount increased due to securitization transaction and breakdown by original asset type

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	34,687	**26,681**
Other	75	**—**
Total	34,763	**26,681**

(6) Amount of securitization exposure to be deducted from capital pursuant to provisions of Article 225 of the Consolidated Capital Adequacy Ratio Notification and breakdown by original asset type

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	—	**—**
Other	2,682	**2,682**
Total	2,682	**2,682**

(7) Matters concerning securitization exposure with early redemption provisions
N.A.

(8) Outline of exposure securitized in current term
N.A.

(9) Amount of profit/loss on sale recognized during the term accompanying securitization transactions and breakdown by primary original asset type
N.A.

(10) Amount of credit risk weighted assets calculated through application of Article 15 of the Supplementary Rules of Consolidated Capital Adequacy Ratio Notification
N.A.

Securitization Exposure in which the Group is the Investor

(1) Amount of securitization exposure held and breakdown by primary original asset type

(Millions of Yen)

Breakdown of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage backed securities (RMBS)	113,206	**102,119**
Multi-borrower type commercial-use real estate backed securities (MCMBS)	2,800	**—**
Debt collateral certificate using credit derivative (Synthetic CDO)	13,299	**2,153**
First to default type credit linked notes (CLN)	39,901	**40,935**
Asset-backed loans of monetary receivables such as loan receivables (ABL)	189	**5**
Securitization of business (WBS)	42,199	**35,051**
Asset-backed securities of monetary receivables such as installment receivables (ABS)	10,729	**11,201**
Total	222,326	**191,465**

(2) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2008		**March 31, 2009**	
	Balance	Required capital amount	Balance	Required capital capital amount
Less than 20%	134,096	883	**105,224**	**653**
20% to less than 50%	88,164	2,616	**86,241**	**2,489**
50% to less than 100%	—	—	**—**	**—**
100% to less than 350%	65	6	**—**	**—**
Capital deduction	1,421	1,421	**—**	**—**
Total	223,748	4,928	**191,465**	**3,143**

Note:
Required capital amount = (Credit risk weighted asset amount x 1.06) x 8%

(3) Amount of securitization exposure deducted from capital pursuant to provisions of Article 225 of the Capital Adequacy Ratio Notification and breakdown by type of original asset

(Millions of Yen)

Breakdown of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	—	**—**
Other	1,421	**—**

(4) Amount of credit risk weighted asset calculated with application of Article 15 of the Supplementary Rules of Consolidated Capital Adequacy Ratio Notification
N.A.

Equity Exposures in Bank Accounts

Amount Posted on Consolidated Balance Sheet and Market Value

(Millions of Yen)

Classification	March 31, 2008		March 31, 2009	
	Amount posted on consolidated balance sheet	Market value	Amount posted on consolidated balance sheet	Market value
Listed equity exposures	686,194	686,194	**449,953**	**449,953**
Equity exposures other than above	108,296		**113,235**	
Total	794,490		**563,188**	

Note: Equity exposures for domestic and foreign stocks are described in the above.

Amount of Profit/Loss Accompanying Sale and Write-Off of Equity Exposures

(Millions of Yen)

Breakdown	March 31, 2008	March 31, 2009
Profit/loss on sale	17,409	**(102,503)**
Amortization loss (–)	12,912	**78,472**
Total	4,497	**(180,975)**

Note: Profit/loss on stocks stated on the Consolidated Profit and Loss Statement is described in the above.

Amount of Appraisal Profit/Loss Recognized on Consolidated Balance Sheet and Not Recognized on Consolidated Profit and Loss Statements

(Millions of Yen)

	March 31, 2008	March 31, 2009
Amount of appraisal profit/loss recognized on consolidated balance sheet and not recognized on consolidated profit and loss statements	168,300	**(32,116)**

Note: Appraisal profit/loss relating to other securities (domestic and foreign stocks) that fall under equity exposures is described in above.

Amount of Appraisal Profit/Loss Not Recognized on Consolidated Balance Sheet and Not Recognized on Consolidated Profit and Loss Statements

N.A.

Amount Calculated into Tier II Capital Pursuant to Article 6, Paragraph 1 of the Consolidated Capital Adequacy Ratio Notification

N.A.

Amount of Equity Exposures Applicable to Article 13 (Transitional measure) of Supplementary Rules of Consolidated Capital Adequacy Ratio Notification

(Millions of Yen)

Classification	March 31, 2008	March 31, 2009
Listed equity exposures	418,628	**303,681**
Equity exposures other than above	90,795	**86,083**
Total	509,423	**389,764**

Note: As for the amount of equity exposures classified into other securities, smaller amount of either, the amount posted on the consolidated balance sheet or the acquisition cost is used.
As for the amount of equity exposures that is not classified into other securities, the amount posted on the consolidated balance sheet is used.

(Reference) Equity Exposures in Trust Account with an Agreement on Compensation for Principal

Term-end Balance in Trust Account with an Agreement on Compensation for Principal

(Millions of Yen)

Classification	March 31, 2008	March 31, 2009
Listed equity exposures	—	**—**
Equity exposures other than above	3,312	**496**
Total	3,312	**496**

Note: Term-end balance is the amount based on accounting processing of trust account with an agreement on compensation for principal.

Amount of Profit/Loss Accompanying Sale and Write-Off of Equity Exposures in Trust Accounts with an Agreement on Compensation for Principal

(Millions of Yen)

Breakdown	March 31, 2008	March 31, 2009
Profit/loss on sale	(651)	**—**
Amortization loss (–)	—	**—**
Total	(651)	**—**

Note: Profit/loss on sale and loss on amortization is the amount in accordance with the accounting processing of trust accounts with an agreement on compensation for principal.

Amount of Equity Exposures Applicable to Article 13 (Transitional measure) of the Supplementary Rules of Consolidated Capital Adequacy Ratio Notification in Trust Accounts with an Agreement on Compensation for Principal

(Millions of Yen)

Classification	March 31, 2008	March 31, 2009
Listed equity exposures	—	**—**
Equity exposures other than above	499	**496**
Total	499	**496**

Exposure Relating to Funds

(Millions of Yen)

Calculation Method	March 31, 2008	March 31, 2009
Exposure applicable to look-through formula is applicable (Note 1)	379,391	**398,419**
Exposure applicable to modified simple majority method is applicable (Note 2)	89,625	**12,809**
Exposure applicable to investment criteria formula is applicable (Note 3)	47,339	**3,309**
Exposure applicable to simple risk weight method is applicable (Note 4)	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total	516,356	**414,538**

Notes:
1. In investment trusts, funds, repackaged bonds, etc. (the "Fund, etc."), the exposure in which the respective backed assets are obvious.
2. Exposure in which equity exposures makes up a majority of the assets backing up the Fund, etc.
3. Exposure in which the composing assets of the Fund, etc. are predictable since the operational standards are determined even though the respective assets that back up Fund, etc. are not obvious.
4. Exposure in which the respective assets backing up the Fund, etc. are not obvious, and does not fall under 1 to 3 above.

Variation Amount of Profit/Loss or Economic Value from Interest Rate Shock Used by the Group for Internal Management with Regard to Interest Rate Risk in Bank Accounts

(Millions of Yen)

	March 31, 2008	March 31, 2009
Variation amount of profit/loss or economic value from interest rate shock	112,102	**107,803**

Note: Calculation is done by the same method as the outlier standard as provided in "General Supervision Guidelines for Major Banks."
Since subject assets in consolidation target companies other than bank subsidiaries are very few, the total sum of the value calculated for The Chuo Mitsui Trust and Banking Company, Limited on a non-consolidated basis and for Chuo Mitsui Asset Trust and Banking Company, Limited on a non-consolidated basis is indicated.
Interest rate shock to be applied: 99 percentile value of interest rate volatility measured with a retention period of 1 year and observation period of 5 years.
Core deposit to be applied: 50% of current balance of liquid deposit (ordinary deposit, current deposit, etc.)

Basel II Related Data

The Chuo Mitsui Trust and Banking Company, Limited

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Consolidated Data

Means of Capital Procurement

Common stock
Non-cumulative perpetual preferred stock
Perpetual subordinated bonds
Fixed-term subordinated bonds

Credit Risk Weighted Assets

1. Type of internal ratings-based approach to be used:	the foundation internal ratings-based approach
2. Scope of application of the internal rating-based approach and scope of application of the standardised approach:	for calculation of credit risk weighted assets, the foundation internal ratings-based approach is used in principle, however, the following scope shall be considered exempted from application and the standardised approach is used. **[Business units under the standardised approach]** Assets not occurring incidental to credit transactions or assets to which it is practically difficult to apply the internal ratings-based approach and besides there is little significance in credit risk management. **[Assets under the standardised approach]** Business units whose primary business is not credit business. 12 companies within the scope of consolidation of The Chuo Mitsui Trust and Banking Company, Limited are the business units for which application was excluded (as of end of March, 2009)
3. Phased roll-out application:	N.A.
4. Rating agency used for the standardised approach:	Rating and Investment Information, Inc. However, for corporate exposures, we apply 100% risk weight to all.
5. Securitization Exposure	
Credit risk weighted asset amount calculation method:	- for those with external ratings: the external ratings-based approach - for those without external ratings but possible to ascertain the original assets that back up the relevant securitization exposure: supervisory formula - for those without external ratings and not possible to ascertain the original assets that back up the relevant securitization exposure: capital deduction
Rating agency to be used:	Rating and Investment Information, Inc. Japan Credit Rating Agency, Ltd. Moody's Investors Service Inc. Standard & Poor's Ratings Services Fitch Ratings Limited

Operational Risks

• Method used in calculation of operational risk equivalents:	the standardised approach

Scope of Consolidation

• Difference between companies that belong to the group of companies subject to calculation of the consolidated capital adequacy ratio (the "Consolidated Group") and companies included within the consolidation scope in accordance with the Consolidated Financial Statements Rules.	The consolidated capital adequacy ratio is calculated by including financial subsidiaries that are not consolidated, since Article 5, Paragraph 2 of Consolidated Financial Statements Rules is applicable, with companies that are within the scope of consolidation in preparation of consolidated financial statements
• Of the Consolidated Group, the number of consolidated subsidiaries, names of principal consolidated subsidiaries, and descriptions of their primary businesses:	Number of consolidated subsidiaries: 15 Primary consolidated subsidiaries: Chuo Mitsui Guarantee Co., Ltd. (credit guarantee business) Chuo Mitsui Card Co., Ltd. (credit card business) CMTB Equity Investments Co., Ltd. (securities operation management) Chuo Mitsui Finance Service Co., Ltd. (loan business)
• Number of affiliates engaging in financial businesses applicable to Article 32 of the Capital Adequacy Ratio Notification, names of primary affiliates engaging in financial businesses, and descriptions of their primary businesses:	N.A.
• Number of companies subject to items for deduction as indicated in a. to c. of Article 31, Paragraph 1, Item 2 of the Capital Adequacy Ratio Notification, names of primary companies, and descriptions of their primary businesses:	N.A.
• Number of companies indicated in Article 16-2, Paragraph 1, Item 11 of the Bank Law and that only operate subordinate businesses, or companies indicated in Item 12 of the relevant Paragraph, and that do not belong to the Consolidated Group and the names of the primary companies exclusively, and descriptions of the primary businesses:	N.A.
• Overview of restrictions relating to transfer of funds and capital inside Consolidated Group:	N.A.
• Of companies subject to items for deduction indicated in a. to c. of Article 31, Paragraph 1, Item 2 of the Capital Adequacy Ratio Notification, the names of companies that have less capital than the regulatory required capital, and the total amount less than the required capital:	N.A.

Composition of Capital

Composition of Capital

(Millions of Yen)

Item	March 31, 2008	**March 31, 2009**
Tier I capital		
Capital stock	379,197	**399,697**
Non-cumulative perpetual preferred stock of above	181,625	**181,625**
New stock application margin	—	**—**
Capital surplus	128,511	**149,011**
Retained earnings	190,192	**94,767**
Treasury stock (-)	—	**—**
Treasury stock application margin	—	**—**
Projected amount of distributed income (-)	—	**—**
Evaluation loss on other securities (-)	—	**—**
Foreign currency translation adjustment	(66)	**(2,045)**
Stock acquisition rights	—	**—**
Minority interests of consolidated subsidiaries, etc.	3,343	**3,171**
Non-dilutive preferred securities issued by overseas SPCs among above	—	**—**
Trade right equivalent amount (-)	—	**—**
Goodwill equivalent amount (-)	8,496	**8,261**
Intangible fixed asset equivalent posted by corporate consolidation, etc. (-)	—	**—**
Amount equivalent to capital increase due to securitization transactions (-)	34,763	**26,681**
Amount equivalent to 50% of the amount exceeding the expected loss amount from the qualifying reserve (-)	13,380	**14,368**
Total tier I capital before deduction of deferred tax assets (total amount of above respective items)	644,538	**595,292**
Amount of deferred tax assets deducted (-)	6,988	**72,114**
Total Tier I capital (A)	637,549	**523,117**
Non-dilutive preferred securities with step-up interest rate provisions of above (Note 2) (B)	—	**—**
Tier II capital		
Amount equivalent to 45% of difference between land revaluation amount and book value just before revaluation	—	**—**
General reserve for possible loan losses (Note 3)	0	**0**
Amount by which qualifying reserve exceeds expected loss amount (Note 4)	—	**—**
Liability type fundraising means, etc.	263,761	**267,070**
Perpetual subordinated bonds of above (Note 5)	121,261	**119,570**
Fixed-term subordinated bonds and fixed-term preferred stock (Note 6)	142,500	**147,500**
Amount not calculated into Tier II capital (-)	—	**—**
Total Tier II capital (C)	263,762	**267,070**
Items for deduction (Note 7) (D)	19,426	**21,783**
Capital Amount (E) = (A) + (C) — (D)	881,885	**768,464**
<For Reference>		
Risk weighted assets, etc.		
Credit risk weighted asset amount	7,398,379	**6,764,222**
Asset (on-balance sheet) items	6,283,866	**6,000,452**
Off-balance sheet transaction items	1,114,512	**763,770**
Amount arrived at by dividing operational risk equivalents by 8%	468,697	**425,754**
Amount arrived at by multiplying 25.0 {(amount arrived at by multiplying the rate prescribed in the Notification with former required capital) minus (amount of new required capital)} by 25.0	—	**—**
Total (F)	7,867,077	**7,189,977**
Consolidated Capital Adequacy Ratio (Domestic Standard) = (E)/(F) x 100	11.20%	**10.68%**
(A)/(F) x 100	8.10%	**7.27%**
(B)/(A) x 100	—	**—**

Notes:
1. Compositions of capital and capital adequacy ratio, etc. are calculated in accordance with Financial Services Agency Notification No. 19 of 2006 (the “Capital Adequacy Ratio Notification”) and No. 79 of 2008.
2. Meaning those as provided in Article 28, Paragraph 2 of the Capital Adequacy Ratio Notification, in other words, stock, etc., that has the probability of redemption, including those adding a step-up interest rate and other special provisions (including preferred investment securities issued by overseas SPCs).
3. The amount of the portion on which a standardised approach has been adopted is stated.
4. For trust account with an agreement on compensation for principal, amount by which qualifying reserve exceeds expected loss amount is not posted.
5. Meaning liability type fundraising means as indicated in Article 29, Paragraph 1, Item 3 of the Capital Adequacy Ratio Notification, and which have all the characteristics as indicated below:
   (1) Unsecured, subordinated to other liabilities, and already paid,
   (2) Not to be redeemed, except for in certain cases,
   (3) Should supplement loss while business is ongoing,
   (4) That for which interest payment obligation postponement is allowed.
6. These are those indicated in Article 29, Paragraph 1, Items 4 and 5 of the Capital Adequacy Ratio Notification. However, for fixed-term subordinated bonds, there is a limitation to those with redemption periods exceeding 5 years from the agreement.
7. Amount equivalent to intentional holding of fundraising means of other financial institutions as indicated in Article 31, Paragraph 1, Item 1 of the Capital Adequacy Ratio Notification, amount equivalent to investment in those set in Item 2 of the relevant paragraph, the amount that is to be deducted pursuant to the provisions of Items 3 to 6 thereof and those indicated in Item 2 above.

8. From the end of the 2002 consolidated fiscal term (March 31, 2003), as to the internal management system relating to calculation of the consolidated capital adequacy ratio, we have received examination services by Deloitte Touche Tohmatsu. The relevant examination services were an implementation of examination procedures agreed upon between Tohmatsu and us, and were not an accounting audit in accordance with the GAAS, nor did we receive their opinion on the consolidated capital adequacy ratio itself, or internal controls relating to the calculation of the consolidated capital adequacy ratio (the abovementioned examination procedures were in accordance with the Japanese Institute of Certified Public Accountants, Committee on Audit by Business Type, Report No. 30)
9. Consolidated capital adequacy ratio (International Unified Standard) as of March 31, 2009, which constitutes a condition for adoption and continuous use of the internal ratings-based approach as prescribed in Article 238 of the Capital Adequacy Ratio Notification, is 9.19% (Tier I ratio: 5.80%)

Capital Adequacy Levels

Required Capital Amount

(1) Required capital amount for credit risks (amount in (2) (3) shall be excluded)

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Portfolio applicable to the standardised approach	4,082	**3,669**
Business units under the standardised approach	2,936	**2,708**
Assets under the standardised approach	1,146	**961**
Portfolio applicable to the internal ratings-based approach	541,595	**525,328**
Corporate exposures	381,062	**388,929**
Sovereign exposures	1,153	**1,121**
Bank exposures	28,305	**21,565**
Residential mortgage exposures	53,972	**48,946**
Qualifying revolving retail exposures	2,068	**2,152**
Other retail exposures	32,522	**24,395**
Other exposures (Note 1)	42,510	**38,217**
Securitization exposure	56,931	**45,363**
Total (A)	602,609	**574,362**

Notes:
1. Exposure regarding purchased receivables, unsettled transactions, lease transactions and other assets.
2. Calculation method of required capital amount for credit risk is as follows (although the Group uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount).
Portfolio applicable to the standardised approach: amount of credit risk weighted asset x 8% + capital deduction amount
Portfolio applicable to the internal ratings-based approach and securitization exposure: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount

(2) Required capital amount for credit risk relating to equity exposures applicable to the internal ratings-based approach

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Market-based approach	9,502	**137**
Simple risk weight method	9,502	**137**
PD/LGD approach	8,117	**22,618**
Those applicable to the transitional measure (Note 1)	44,234	**33,177**
Total (B)	61,854	**55,933**

Notes:
1. Amount of credit risk weighted assets is calculated by placing risk weight as being 100%, pursuant to Article 13 of Supplementary Rules of Capital Adequacy Ratio Notification.
2. Calculation method of required capital amount to credit risk relating to equity exposures applicable to the internal ratings-based approach is as follows (although the Group uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount).
Those applicable to the simple risk weight method of the market-based approach: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount
Those applicable to PD/LGD approach: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount
Those applicable to the transitional measure: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount

(3) Required capital amount for the credit risk relating to funds

(Millions of Yen)

Calculation Method	March 31, 2008	**March 31, 2009**
Look-through formula	74,566	**69,876**
Modified simple majority method	23,771	**3,914**
Operational standards method	13,831	**906**
Simple risk weight method	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total (C)	112,169	**74,697**

Note: Calculation method of required capital amount for the credit risk relating to funds is as follows (although the Group uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount).
Look-through formula: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount
Other than look-through formula: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount

(4) Required capital amount for operational risks

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Standardised approach	37,495	**34,060**
Total (D)	37,495	**34,060**

(5) Total amount of consolidated required capital

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Total amount of consolidated required capital (Note 1)	629,366	**575,198**

Notes:
1. (Total amount of credit risk weighted asset + operational risk equivalents/8%) x 8%
2. Although the Group uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the total amount of consolidated required capital.

Credit Risks

(except for exposure relating to funds and securitization exposure)

Term-end Balance of Exposure Relevant to Credit Risks and Breakdown by Primary Types

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**	**Average balance of exposure during the term**
Standardised approach	25,843	**20,344**	**25,539**
Loaned money, call loans, deposits, etc.	25,718	**20,219**	**25,414**
Securities	125	**125**	**125**
Derivative transactions	—	**—**	**—**
Off-balance sheet transactions	—	**—**	**—**
Commitment	—	**—**	**—**
Trusts with an agreement on compensation for principal	—	**—**	**—**
Repo-style transactions	—	**—**	**—**
Other	—	**—**	**—**
Internal ratings-based approach	13,633,533	**16,173,777**	**14,684,858**
Loaned money, call loans, deposits, etc.	8,296,184	**8,701,856**	**8,396,044**
Securities	3,264,243	**3,977,212**	**3,673,824**
Derivative transactions	100,637	**114,707**	**102,928**
Off-balance sheet transactions	1,972,467	**3,380,001**	**2,512,061**
Commitment	423,023	**474,660**	**421,278**
Trusts with an agreement on compensation for principal	612,744	**551,286**	**578,195**
Repo-style transactions	96,817	**43,598**	**73,621**
Other	839,881	**2,310,455**	**1,438,966**
Total	13,659,376	**16,194,122**	**14,710,398**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation exposure at default; however, for exposures under the standardised approach (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. The internal ratings-based approach application exclusion portion is described in the standardised approach.
4. The average balance of exposure during the term is the average value for respective quarterly term-end balances..

(1) Term-end Balance of Exposure by Region and Breakdown by Primary Types

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Domestic	12,291,846	**14,728,168**
Loaned money, call loans, deposits, etc.	8,034,113	**8,475,166**
Securities	2,341,157	**2,907,678**
Derivative transactions	32,678	**12,406**
Off-balance sheet transactions	1,883,896	**3,332,917**
Commitment	390,315	**474,660**
Trusts with an agreement on compensation for principal	612,551	**551,281**
Repo-style transactions	49,765	**1,892**
Other	831,263	**2,305,082**
Overseas	1,367,530	**1,465,954**
Loaned money, call loans, deposits, etc.	287,789	**246,909**
Securities	923,211	**1,069,659**
Derivative transactions	67,958	**102,300**
Off-balance sheet transactions	88,570	**47,084**
Commitment	32,707	**—**
Trusts with an agreement on compensation for principal	193	**4**
Repo-style transactions	47,051	**41,706**
Other	8,618	**5,373**
Total	13,659,376	**16,194,122**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation exposure at default; however, for exposures under the standardised approach (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. The internal ratings-based approach application exclusion portion is described in the standardised approach.

(2) Term-end Balance of Exposure by Business Type and Breakdown by Primary Type

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Sovereign	3,199,982	**5,664,364**
Central government and central bank	2,813,210	**5,148,901**
Loaned money, call loans, deposits, etc.	90,368	**153,456**
Securities	2,075,030	**2,887,030**
Derivative transactions	—	**—**
Off-balance sheet transactions	647,811	**2,108,414**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	647,811	**2,108,414**
Local public organizations	59,777	**51.953**
Loaned money, call loans, deposits, etc.	18,336	**13,849**
Securities	1,297	**640**
Derivative transactions	—	**—**
Off-balance sheet transactions	40,143	**37,464**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6,122	**5,888**
Repo-style transactions	—	**—**
Other	34,021	**31,575**
Other	326,994	**463,508**
Loaned money, call loans, deposits, etc.	267,925	**207,811**
Securities	51,940	**240,674**
Derivative transactions	—	**—**
Off-balance sheet transactions	7,127	**15,023**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6,905	**14,801**
Repo-style transactions	—	**—**
Other	221	**221**
Financial institutions	1,511,988	**803,109**
Loaned money, call loans, deposits, etc.	509,281	**282,866**
Securities	812,844	**368,994**
Derivative transactions	71,069	**78,294**
Off-balance sheet transactions	118,793	**72,954**
Commitment	20,499	**25,619**
Trusts with an agreement on compensation for principal	1,718	**1,519**
Repo-style transactions	95,426	**43,598**
Other	1,149	**2,216**
Business corporation	6,079,042	**6,464,255**
Loaned money, call loans, deposits, etc.	5,172,270	**5,350,182**
Securities	323,256	**479,999**
Derivative transactions	29,568	**36,412**
Off-balance sheet transactions	553,946	**597,660**
Commitment	350,888	**398,385**
Trusts with an agreement on compensation for principal	62,902	**47,104**
Repo-style transactions	1,390	**—**
Other	138,765	**152,171**
Individual	2,804,170	**3,239,976**
Loaned money, call loans, deposits, etc.	2,199,526	**2,691,491**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	604,643	**548,484**
Commitment	51,635	**50,656**
Trusts with an agreement on compensation for principal	535,096	**481,972**
Repo-style transactions	—	**—**
Other	17,912	**15,855**
Special international financial transaction account portion	64,192	**22,416**
Loaned money, call loans, deposits, etc.	64,192	**22,416**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Total	13,659,376	**16,194,122**

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Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation exposure at default; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(Reference) Term-end Balance of Exposure by Business Type Relevant to Corporations and Breakdown by Primary Type

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Manufacturing	1,042,030	**1,253,443**
Loaned money, call loans, deposits, etc.	797,611	**1,004,278**
Securities	43,610	**47,610**
Derivative transactions	3,105	**2,646**
Off-balance sheet transactions	197,702	**198,908**
Commitment	160,424	**166,227**
Trusts with an agreement on compensation for principal	14,413	**11,650**
Repo-style transactions	—	**—**
Other	22,864	**21,030**
Agriculture	171	**161**
Loaned money, call loans, deposits, etc.	164	**161**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	7	**—**
Commitment	7	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Forestry	224	**200**
Loaned money, call loans, deposits, etc.	220	**200**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	3	**—**
Commitment	3	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Fishery	8	**5**
Loaned money, call loans, deposits, etc.	3	**5**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	5	**—**
Commitment	5	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Mining industry	6,602	**7,433**
Loaned money, call loans, deposits, etc.	3,068	**2,208**
Securities	—	**—**
Derivative transactions	45	**—**
Off-balance sheet transactions	3,488	**5,224**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6	**—**
Repo-style transactions	—	**—**
Other	3,488	**5,224**
Construction	134,688	**157,177**
Loaned money, call loans, deposits, etc.	100,431	**124,686**
Securities	1,400	**500**
Derivative transactions	132	**70**
Off-balance sheet transactions	32,724	**31,920**
Commitment	29,392	**29,062**
Trusts with an agreement on compensation for principal	2,201	**1,736**
Repo-style transactions	—	**—**
Other	1,129	**1,121**

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(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Electricity, gas, heating, water	200,314	**212,667**
Loaned money, call loans, deposits, etc.	190,707	**149,374**
Securities	—	**—**
Derivative transactions	9	**14**
Off-balance sheet transactions	9,597	**63,277**
Commitment	4,610	**60,807**
Trusts with an agreement on compensation for principal	4,986	**2,469**
Repo-style transactions	—	**—**
Other	0	**0**
Information communications	48,784	**50,864**
Loaned money, call loans, deposits, etc.	39,800	**43,062**
Securities	3,288	**2,965**
Derivative transactions	75	**42**
Off-balance sheet transactions	5,620	**4,793**
Commitment	5,488	**4,729**
Trusts with an agreement on compensation for principal	111	**46**
Repo-style transactions	—	**—**
Other	20	**18**
Transportation	589,766	**639,229**
Loaned money, call loans, deposits, etc.	530,319	**549,574**
Securities	29,886	**39,117**
Derivative transactions	2,696	**2,324**
Off-balance sheet transactions	26,864	**48,213**
Commitment	17,737	**40,074**
Trusts with an agreement on compensation for principal	6,817	**6,283**
Repo-style transactions	—	**—**
Other	2,308	**1,855**
Wholesale and retail	545,964	**577,444**
Loaned money, call loans, deposits, etc.	499,178	**522,047**
Securities	13,935	**18,159**
Derivative transactions	907	**1,418**
Off-balance sheet transactions	31,943	**35,819**
Commitment	21,557	**22,323**
Trusts with an agreement on compensation for principal	3,517	**2,493**
Repo-style transactions	—	**—**
Other	6,867	**11,002**
Finance and insurance	1,190,507	**1,227,868**
Loaned money, call loans, deposits, etc.	1,070,486	**1,110,785**
Securities	360	**240**
Derivative transactions	18,464	**26,865**
Off-balance sheet transactions	101,196	**89,977**
Commitment	35,286	**16,587**
Trusts with an agreement on compensation for principal	9,559	**4,409**
Repo-style transactions	1,390	**0**
Other	54,958	**68,980**
Real estate	1,602,950	**1,509,892**
Loaned money, call loans, deposits, etc.	1,359,553	**1,291,291**
Securities	143,063	**141,102**
Derivative transactions	2,735	**2,074**
Off-balance sheet transactions	97,598	**75,423**
Commitment	56,646	**38,488**
Trusts with an agreement on compensation for principal	17,299	**14,942**
Repo-style transactions	—	**—**
Other	23,651	**21,992**

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(continued from p. 165) (Millions of Yen)

Business Type	March 31, 2008	March 31, 2009
Various services	519,659	**440,508**
Loaned money, call loans, deposits, etc.	436,412	**356,294**
Securities	52,230	**52,695**
Derivative transactions	706	**422**
Off-balance sheet transactions	30,310	**31,095**
Commitment	9,544	**10,872**
Trusts with an agreement on compensation for principal	3,986	**3,073**
Repo-style transactions	—	**—**
Other	16,778	**17,149**
Other	197,368	**387,357**
Loaned money, call loans, deposits, etc.	144,314	**196,210**
Securities	35,481	**177,608**
Derivative transactions	687	**532**
Off-balance sheet transactions	16,884	**13,006**
Commitment	10,183	**9,210**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	6,701	**3,796**
Total	6,079,042	**6,464,255**

Notes:
1. The following values are used for above term-end balance:
(1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of depreciation exposure at default; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from amount posted on consolidated balance sheet,
(2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
(3) Derivative transactions: credit equivalents,
(4) Trust with an agreement on compensation for principal: amount gained by deducting partial direct write-off from amount of exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(3) Term-end Balance of Exposure by Remaining Period and Breakdown by Primary Type

(Millions of Yen)

Remaining Period	March 31, 2008	**March 31, 2009**
1 year or shorter	3,986,785	**5,597,089**
Loaned money, call loans, deposits, etc.	2,912,454	**2,801,777**
Securities	57,476	**306,213**
Derivative transactions	28,448	**32,190**
Off-balance sheet transactions	988,405	**2,456,907**
Commitment	120,657	**155,700**
Trusts with an agreement on compensation for principal	44,773	**46,558**
Repo-style transactions	96,817	**43,598**
Other	726,157	**2,211,049**
Over 1 year to 3 years or less	2,767,810	**3,312,718**
Loaned money, call loans, deposits, etc.	1,438,856	**1,627,701**
Securities	1,097,092	**1,480,288**
Derivative transactions	4,178	**4,407**
Off-balance sheet transactions	227,683	**200,321**
Commitment	205,307	**188,470**
Trusts with an agreement on compensation for principal	16,703	**9,346**
Repo-style transactions	—	**—**
Other	5,671	**2,504**
Over 3 years to 5 years or shorter	2,354,790	**2,377,533**
Loaned money, call loans, deposits, etc.	1,215,303	**1,059,001**
Securities	1,051,130	**1,207,793**
Derivative transactions	4,121	**1,463**
Off-balance sheet transactions	84,234	**109,275**
Commitment	64,301	**89,172**
Trusts with an agreement on compensation for principal	16,832	**16,689**
Repo-style transactions	—	**—**
Other	3,099	**3,412**
Over 5 years to 7 years or shorter	403,381	**606,746**
Loaned money, call loans, deposits, etc.	272,361	**344,238**
Securities	91,724	**212,536**
Derivative transactions	6,358	**4,827**
Off-balance sheet transactions	32,937	**45,144**
Commitment	3,753	**11,798**
Trusts with an agreement on compensation for principal	25,536	**24,621**
Repo-style transactions	—	**—**
Other	3,647	**8,724**
Over 7 years	3,890,259	**4,053,352**
Loaned money, call loans, deposits, etc.	2,390,036	**2,798,626**
Securities	966,944	**770,506**
Derivative transactions	57,530	**71,817**
Off-balance sheet transactions	475,747	**412,401**
Commitment	6,205	**11,125**
Trusts with an agreement on compensation for principal	371,439	**319,400**
Repo-style transactions	—	**—**
Other	98,102	**81,876**

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(Millions of Yen)

Remaining Period	March 31, 2008	**March 31, 2009**
With no provision for period	256,348	**246,681**
Loaned money, call loans, deposits, etc.	92,889	**90,730**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	163,459	**155,951**
Commitment	22,797	**18,393**
Trusts with an agreement on compensation for principal	137,459	**134,669**
Repo-style transactions	—	**—**
Other	3,202	**2,888**
Total	13,659,376	**16,194,122**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: exposure at default less partial direct write-off; however, for application exclusion portion (standardised approach), amount posted on consolidated balance sheet less valuation gains on other available-for-sale securities,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after deduction of credit risk,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. Those of which remaining period is beyond recognition are included in “With no provision for period.”

Term-end Balance of Exposures Three Months or Longer Overdue and Exposures in Default and Breakdown by Primary Type

(1) Term-end balance of exposure by region

(Millions of Yen)

Classification	March 31, 2008 Domestic	March 31, 2008 Overseas	March 31, 2008 Total	**March 31, 2009** Domestic	**March 31, 2009** Overseas	**March 31, 2009** Total
Exposures three months or longer overdue (Those applicable to the standardised approach)	4	—	4	**107**	**—**	**107**
Exposures in default (Those applicable to the internal ratings-based approach)	172,835	447	173,282	**151,341**	**7,033**	**158,375**
Total	172,839	447	173,287	**151,449**	**7,033**	**158,482**

Notes:
1. Equity exposures is not included in the above.
2. Internal ratings-based approach application exclusion portion is described in the standardised approach.

(2) Term-end balance of exposure by business type

(i) Exposure delay of three months or longer (applicable to the standardised approach)

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	4	**107**
Manufacturing	0	**105**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	0	**0**
Electricity, gas, heating, water	—	**—**
Information communications	0	**—**
Transportation	—	**—**
Wholesale and retail	0	**0**
Finance and insurance	—	**—**
Real estate	—	**—**
Various services	3	**1**
Other	—	**—**
Individual	—	**—**
Special international financial transaction account portion	—	**—**
Total	4	**107**

Note: Equity exposure is not included in the above.

(ii) Exposures in default (applicable to the internal ratings-based approach)

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**5,000**
Business corporations	141,172	**120,136**
Manufacturing	7,521	**7,660**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	11,662	**10,105**
Electricity, gas, heating, water	195	**158**
Information communications	772	**72**
Transportation	79,470	**2,376**
Wholesale and retail	9,670	**8,609**
Finance and insurance	6,152	**831**
Real estate	13,126	**79,597**
Various services	12,446	**8,190**
Other	154	**2,534**
Individual	31,662	**32,885**
Special international financial transaction account portion	447	**353**
Total	173,282	**158,375**

Note: Equity exposures is not included in the above.

Term-end Balance and Amount of Variance during the Term of General Reserve for Possible Loan Losses, Respective Reserve for Possible Loan Losses, and Specified Overseas Receivables Reserve Account

(1) Balance of reserve by region

(Millions of Yen)

Business Type	FY2007		**FY2008**	
	Term end Balance	Variance during Term	Term end Balance	Variance during Term
General reserve for possible loan losses	51,408	(5,872)	**31,744**	**(19,663)**
Respective reserve for possible loan losses	18,044	877	**29,708**	**11,663**
Domestic	14,892	(1,038)	**25,164**	**10,271**
Overseas	3,152	1,916	**4,544**	**1,392**
Specified overseas receivables reserve account	38	(488)	**26**	**(12)**
Total	69,490	(5,483)	**61,479**	**(8,011)**

Notes:
1. Above is a description of the value in the bank account. Special reserve provision and receivables depreciation reserve provision under trusts with an agreement on compensation for principal are stated on Page 88.
2. General reserve for possible loan losses is not managed by region.

(2) Balance of respective reserve for possible loan losses by business type

(Millions of Yen)

Business Type	FY2007		**FY2008**	
	Term end Balance	Variance during Term	Term end Balance	Variance during Term
Sovereign	—	—	**—**	**—**
Central government and central bank	—	—	**—**	**—**
Local public organizations	—	—	**—**	**—**
Other	—	—	**—**	**—**
Financial institutions	—	—	**4,544**	**4,544**
Business corporations	15,218	1,351	**22,433**	**7,215**
Manufacturing	3,219	2,406	**3,193**	**(25)**
Agriculture	—	—	**—**	**—**
Forestry	—	—	**—**	**—**
Fishery	—	—	**—**	**—**
Mining industry	—	—	**—**	**—**
Construction	1,510	(2,870)	**2,622**	**1,111**
Electricity, gas, heating, water	—	—	**—**	**—**
Information communications	579	579	**57**	**(521)**
Transportation	583	(667)	**340**	**(243)**
Wholesale and retail	1,590	727	**1,597**	**6**
Finance and insurance	2,864	2,864	**30**	**(2,833)**
Real estate	245	147	**10,802**	**10,556**
Various services	4,507	(712)	**3,788**	**(718)**
Other	116	(1,123)	**0**	**(116)**
Individual	2,826	(473)	**2,731**	**(95)**
Special international financial transaction account portion	—	—	**—**	**—**
Total	18,045	877	**29,708**	**11,663**

Note: General reserve for possible loan losses and specified overseas receivables reserve account are not managed by business type.

Amount of Loan Amortized by Business Type

(Millions of Yen)

Business Type	Amount of loan amortized for FY2007	**Amount of loan amortized for FY2008**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	8,109	**21,455**
Manufacturing	1,827	**3,721**
Agriculture	—	**3**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	1,398	**2,614**
Electricity, gas, heating, water	—	**—**
Information communications	360	**603**
Transportation	161	**346**
Wholesale and retail	2,229	**3,336**
Finance and insurance	—	**3**
Real estate	474	**9,415**
Various services	1,655	**1,409**
Other (Note 2)	—	**—**
Individual	2,639	**2,598**
Special international financial transaction account portion	1,300	**—**
Total	12,049	**24,054**

Note: Amount of loan amortized for trust account with an agreement on compensation for princicpal is included in the above.

Balance by Risk Weight Classification for Exposure Applicable to the Standardised Approach

(Millions of Yen)

Risk Weight	March 31, 2008	Rating applicable	Rating not applicable (Note)	**March 31, 2009**	Rating applicable	Rating not applicable (Note)
0%	298	4	293	**627**	**4**	**623**
Over 0% to 10%	126	—	126	**30**	**—**	**30**
Over 10% to 35%	6,642	4,990	1,652	**4,348**	**2,841**	**1,506**
Over 35% to 75%	363	—	363	**420**	**—**	**420**
Over 75% to 100%	18,407	—	18,407	**14,810**	**—**	**14,810**
Over 100% to 150%	4	—	4	**107**	**—**	**107**
Capital deduction	—	—	—	**—**	**—**	**—**
Total	25,843	4,995	20,848	**20,344**	**2,846**	**17,498**

Note: The Group has registered for application of special exceptions in Article 67 of Consolidated Capital Adequacy Ratio Notification as to exposure oriented to corporations, etc., so risk weight is uniformly 100%. The exposures applicable to the relevant special exceptions are described in the "rating not applicable" column.

Exposures Applicable to Internal Rating System

(1) Balance of specialized lending using slotting criteria

(Millions of Yen)

Risk Weight	March 31, 2008	**March 31, 2009**
0%	447	**16,718**
50%	252,438	**268,908**
70%	458,997	**334,018**
90%	15,927	**22,053**
115%	3,797	**12,694**
250%	22,758	**35,120**
Total	754,366	**689,513**

Note: The Group does not hold loans for commercial real estate (with high volatility).

(2) Balance of equity exposures using simple risk weight method of the market-based approach

(Millions of Yen)

Risk Weight	March 31, 2008	**March 31, 2009**
300%	36,375	**—**
400%	733	**404**
Total	37,108	**404**

Note: As for balance of equity exposures classified into other securities, smaller amount of either, the amount posted on the consolidated balance sheet or acquisition cost. For balance of equity exposures that is not classified into other securities, the amount posted on the consolidated balance sheet is used.

Portfolio Applicable to the Internal Ratings-based Approach

(1) Corporate exposures

(Millions of Yen)

Credit Rating	March 31, 2008				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1) On-balance Sheet Asset Items	EAD Estimated Value (Note 1) Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.34%	44.38%	44.87%	3,974,492	577,295
Need caution *(youchui-saki)* (Not including obligor under close observation)	10.73%	42.96%	183.69%	330,762	93,667
Under close observation *(youkanri-saki)* or worse	100.00%	42.45%		163,858	25,399
Total	4.84%	44.19%	54.63%	4,469,114	696,362

(Millions of Yen)

Credit Rating	**March 31, 2009**			EAD Estimated Value (Note 1)	
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.34%**	**43.89%**	**46.56%**	**4,514,455**	**649,889**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**9.39%**	**41.49%**	**169.30%**	**397,481**	**56,245**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**41.07%**		**93,818**	**40,254**
Total	**3.38%**	**43.64%**	**55.16%**	**5,005,755**	**746,390**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(2) Sovereign exposures

(Millions of Yen)

Credit Rating	March 31, 2008			EAD Estimated Value (Note 1)	
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.00%	44.93%	0.43%	2,503,185	695,050
Need caution *(youchui-saki)* (Not including obligor under close observation)	—	—	—	—	—
Under close observation *(youkanri-saki)* or worse	100.00%	45.00%		—	6
Total	0.00%	44.93%	0.43%	2,503,185	695,057

(Millions of Yen)

Credit Rating	**March 31, 2009**			EAD Estimated Value (Note 1)	
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.00%**	**44.96%**	**0.23%**	**3,504,656**	**2,160,882**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**—**	**—**	**—**	**—**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**—**	**6**
Total	**0.00%**	**44.96%**	**0.23%**	**3,504,656**	**2,160,889**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(3) Bank exposures

(Millions of Yen)

Credit Rating	March 31, 2008			EAD Estimated Value (Note 1)	
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.05%	45.13%	25.04%	1,175,341	189,863
Need caution *(youchui-saki)* (Not including obligor under close observation)	7.42%	0.00%	0.00%	496	—
Under close observation *(youkanri-saki)* or worse	—	—		—	—
Total	0.06%	45.12%	25.03%	1,175,837	189,863

(Millions of Yen)

Credit Rating	March 31, 2009				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.11%**	**44.34%**	**30.68%**	**603,858**	**151,248**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**—**	**—**	**—**	**—**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**5,000**	**—**
Total	**0.76%**	**44.34%**	**30.48%**	**608,858**	**151,248**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average is values estimated by the respective internal ratings or risk weight weighted with EAD estimated value.

(4) Equity exposures using the PD/LGD approach

(Millions of Yen)

Credit Rating	March 31, 2008				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.15%	90.00%	134.94%	71,347	2,812
Need caution *(youchui-saki)* (Not including obligor under close observation)	7.42%	90.00%	428.24%	40	—
Under close observation *(youkanri-saki)* or worse	100.00%	90.00%		5	—
Total	0.16%	90.00%	135.09%	71,392	2,812

(Millions of Yen)

Credit Rating	March 31, 2009				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.30%**	**90.00%**	**157.68%**	**167,148**	**—**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**7.41%**	**90.00%**	**430.05%**	**425**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**90.00%**		**19**	**—**
Total	**0.33%**	**90.00%**	**158.35%**	**167,594**	**—**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are values estimated by the respective internal ratings or risk weight weighted with EAD estimated value.

(5) Exposure relating to purchased receivables

(Millions of Yen)

March 31, 2008			**March 31, 2009**		
Risk Weight Weighted Average	EAD Estimated Value (Note 1)		Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	On-balance Sheet Asset Items	Off-balance Sheet Asset Items		On-balance Sheet Asset Items	Off-balance Sheet Asset Items
22.65%	484,367	975	**45.19%**	**208,313**	**851**

Notes:
1. EAD Estimated value is amount that takes into consideration the effect of credit risk reduction method.
2. This description is about Exposure oriented to purchase business corporations that do not use top-down approach.
3. Risk weight weighted average is a value of risk weight weighted with EAD dilution.

(6) Residential mortgage exposures, qualifying revolving retail exposures, and other retail exposures

(Millions of Yen)

Types of exposure	March 31, 2008						
				EAD estimated value			
	PD estimated value weighted average	LGD estimated value weighted average	Risk weight weighted average	On-balance sheet asset items	Off-balance sheet asset items	Commitment pre-withdrawal amount	Weighted average of estimated value of assessment rate which is to be multiplied by the non-withdrawal amount to the left
Residential mortgage							
Not delinquent	0.26%	41.61%	20.44%	2,014,542	294,341	8,073	100.00%
Delinquent	33.36%	41.71%	253.64%	25,202	1,474	115	100.00%
Default	100.00%	40.47%	32.72%	9,492	897	9	100.00%
Consumer loan							
Not delinquent	1.09%	67.08%	39.40%	38,979	51,079	160,734	26.13%
Delinquent	32.83%	66.14%	197.39%	1,341	384	544	18.59%
Default	100.00%	37.14%	109.74%	2,393	1,840	215	14.61%
Business type loan							
Not delinquent	3.79%	51.12%	76.92%	106,477	116,047	6,161	99.98%
Delinquent	23.47%	60.83%	124.95%	3,305	2,156	—	—
Default	100.00%	77.45%	0.00%	6,907	1,873	—	—
Other							
Not delinquent	0.42%	11.49%	14.93%	1,509	1,730	141	100.00%
Delinquent	—	—	—	—	—	—	—
Default	100.00%	74.44 %	—	78	51	21	100.00%
Total	2.16%	51.84%	38.69%	2,210,230	471,878	176,018	32.18%

(Millions of Yen)

Types of exposure	**March 31, 2009**						
				EAD estimated value			
	PD estimated value weighted average	LGD estimated value weighted average	Risk weight weighted average	On-balance sheet asset items	Off-balance sheet asset items	Commitment pre-withdrawal amount	Weighted average of estimated value of assessment rate which is to be multiplied by the non-withdrawal amount to the left
Residential mortgage							
Not delinquent	**0.22%**	**34.14%**	**15.04%**	**2,503,292**	**271,222**	**6,022**	**100.00%**
Delinquent	**31.23%**	**34.17%**	**208.60%**	**30,219**	**1,322**	**16**	**100.00%**
Default	**100.00%**	**32.03%**	**38.83%**	**12,623**	**899**	**—**	**0.00%**
Consumer loan							
Not delinquent	**1.04%**	**76.53%**	**45.13%**	**44,521**	**50,745**	**157,325**	**28.09%**
Delinquent	**31.02%**	**65.46%**	**190.05%**	**1,387**	**550**	**594**	**29.81%**
Default	**100.00%**	**57.84%**	**4.49%**	**2,663**	**1,782**	**168**	**32.30%**
Business type loan							
Not delinquent	**1.66%**	**36.90%**	**41.19%**	**62,549**	**99,694**	**711**	**100.00%**
Delinquent	**53.53%**	**50.05%**	**57.34%**	**2,200**	**1,774**	**—**	**—**
Default	**100.00%**	**77.76%**	**—**	**10,396**	**2,390**	**—**	**—**
Other							
Not delinquent	**0.47%**	**15.01%**	**18.82%**	**1,027**	**1,376**	**170**	**100.00%**
Delinquent	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Default	**100.00%**	**92.06%**	**—**	**95**	**33**	**26**	**100.00%**
Total	**1.72%**	**35.82%**	**19.49%**	**2,670,979**	**431,791**	**165,035**	**31.12%**

Notes:
1. EAD Estimated value is an amount that takes into consideration the effect of credit risk reduction method.
2. Segmented pool classification is integrated into above classifications and shown.
3. PD estimated value weighted average, LGD estimated value weighted average, risk weight weighted average, and weighted average of estimated value of assessment rate by which to multiply the pre-withdrawal amount to the left are estimated values or risk weight by respective pool classifications weighted with EAD estimated value.

Actual loss amounts of portfolio applicable to internal ratings-based approach in the most recent term / actual value of the relevant term, and comparison with past actual value

(Millions of Yen)

Classification	Actual loss amount for FY2007	**Actual loss amount for FY2008**	**Comparison with actual loss amount for previous year**
Corporate exposures	51,094	**41,936**	**(9,158)**
Sovereign exposures	—	**—**	**—**
Bank exposures	—	**12,542**	**12,542**
Equity exposures applicable to the PD/LGD approach	252	**—**	**(252)**
Residential mortgage exposures	1,679	**1,770**	**90**
Qualifying revolving retail exposures	1	**0**	**(0)**
Other retail exposures	5,148	**2,955**	**(2,193)**
Total	58,176	**59,204**	**1,027**

Note: Actual loss amount is a total of the following amounts relating to exposures in default, not including reversal of reserve:
General reserve for possible loan losses provision amount, special reserve provision amount debt, rewrite-off reserve provision amount, special foreign receivables reserve account provision amount, credit risk adjusted amount relating to derivatives (up to here, portion for party requiring management), respective reserve for possible loan losses provision amount, reserve for contingent loss provision amount, debt write-off, loss on sale of receivables, loss on waiver of receivables, depreciation relating to equity exposures applicable to the PD/LGD approach, loss on sale.

[Analysis of Factors]

Actual loss amount for FY2008, increased by 1.0 billion yen compared to FY2007.

This is primarily attributable to that the amount of loss by bank exposure occurred although the amount of reserve decreased mainly on corporate exposure.

Estimated value of loss amount of portfolio applicable to the internal ratings-based approach

(Millions of Yen)

Classification	Actual value of loss amount for FY2008	**Estimated value of loss amount for FY2009**
Corporate exposures	106,805	**80,468**
Sovereign exposures	41	**42**
Bank exposures	356	**2,629**
Equity exposures applicable to the PD/LGD approach	97	**486**
Residential mortgage exposures	10,531	**9,862**
Qualifying revolving retail exposures	1,077	**1,247**
Other retail exposures	15,750	**15,984**
Total	134,660	**110,721**

Note: Estimated value of loss amount (= EAD estimated value x PD estimated value x LGD estimated value) is the value estimated to have acrrued in each fiscal year with March 31, 2008 and 2009 as the reference date, respectively.

Credit Risk Mitigation Measures

Amount of Exposure to which Credit Risk Reduction Method Has Been Applied

(Millions of Yen)

Classification	March 31, 2008			
	Amount of exposure to which qualified financial asset collateral has been applied	Amount of exposure to which qualified receivables collateral has been applied	Amount of exposure to which qualified real estate collateral has been applied	Amount of exposure to which qualified other collateral has been applied
Standardised approach	—	—	—	—
Internal ratings-based approach	1,923,472	7,935	381,718	4,371
Corporate exposures	498,892	7,935	359,931	4,371
Sovereign exposures	—	—	21,786	—
Bank exposures	1,424,580	—	—	—
Total	1,923,472	7,935	381,718	4,371

(Millions of Yen)

Classification	March 31, 2009			
	Amount of exposure to which qualified financial asset collateral has been applied	Amount of exposure to which qualified receivables collateral has been applied	Amount of exposure to which qualified real estate collateral has been applied	Amount of exposure to which qualified other collateral has been applied
Standardised approach	**—**	**—**	**—**	**—**
Internal ratings-based approach	**1,305,192**	**6,632**	**609,378**	**36,721**
Corporate exposures	**37,860**	**6,632**	**588,198**	**36,721**
Sovereign exposures	**—**	**—**	**21,179**	**—**
Bank exposures	**1,267,332**	**—**	**—**	**—**
Total	**1,305,192**	**6,632**	**609,378**	**36,721**

Amount of Exposure to which Guarantees and Credit Derivatives Have Been Applied

(Millions of Yen)

Classification	March 31, 2008		**March 31, 2009**	
	Amount of exposure to which guarantees have been applied	Amount of exposure to which credit derivatives have been applied	Amount of exposure to which guarantees have been applied	Amount of exposure to which credit derivatives have been applied
Standardised approach	—	—	**—**	**—**
Internal ratings-based approach	94,458	—	**95,096**	**—**
Corporate exposures	39,117	—	**43,704**	**—**
Sovereign exposures	5,656	—	**5,619**	**—**
Bank exposures	49,684	—	**45,772**	**—**
Total	94,458	—	**95,096**	**—**

Risks of Transaction Partners in Derivative Products Transactions and Long-term Settlement Period Transactions

(1) Method used for calculation of credit equivalents

	Name
Method used for calculation of credit equivalents	Current exposure method

(2) Total amount of gross reconstruction cost (not less than zero)

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Total gross reconstruction cost amount	164,877	**225,119**

(3) Credit equivalents before taking into consideration effect of credit risk reduction method by collateral (for derivative product transactions, credit equivalents for each transaction classification is included)

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Credit equivalents before taking into consideration the effect of credit risk reduction method by collateral	93,690	**96,646**
Of which, those corresponding to foreign exchange related transactions	61,584	**47,227**
Of which, those corresponding to interest rate related transactions	191,268	**261,730**
Of which, those corresponding to other transactions	—	**—**
Of which, those corresponding to the effect of credit risk reduction via collective liquidation netting contracts (loss)	159,162	**212,311**

(4) Total amount as indicated in (2) plus total amount of gross add-on minus the amount indicated in (3)

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Total amount as indicated in (2) and gross add-on total minus the amount as indicated in (3)	(159,162)	**(212,311)**

(5) Amount by type of collateral

(Millions of Yen)

Classification of acceptance or provision	Type of collateral	March 31, 2008	**March 31, 2009**
Accepted collateral	Government bonds	2,680	**7,991**
	Domestic stocks	—	**—**
	US bonds	—	**—**
	Cash	3,438	**3,870**
	Other	—	**—**
Total		6,118	**11,861**
Deposited collateral	Government bonds	14,692	**25,830**
	Domestic stocks	21,020	**13,176**
	US bonds	2,113	**1,979**
	Cash	99	**48**
	Other	—	**—**
Total		37,925	**41,034**

Notes:
1. Amount of collateral is indicated at market value.
2. Of deposited collateral, 29,835 million yen (at March 31, 2008) and 21,973 million (at March 31, 2009) are deposited with liquidation institutions, etc.

(6) Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral	91,876	**90,007**

(7) Credit derivative predicted principal amount that will be subject to calculation of credit equivalents

(Millions of Yen)

Classification of purchase or provision	Type of credit derivative	March 31, 2008 predicted principal	**March 31, 2009 predicted principal**
Protection purchase	Credit default swap	—	**—**
	Credit linked notes	—	**—**
	Other	—	**—**
Total		—	**—**
Protection provision	Credit default swap	10,000	**10,000**
	Credit linked notes	45,000	**63,000**
	Other	5,000	**5,000**
Total		60,000	**78,000**

(8) Estimated amount of principal of credit derivatives used to take into consideration the effect of credit risk reduction method

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Estimated amount of principal of credit derivatives used to take into consideration the effect of credit risk reduction method	—	**—**

Securitization Exposure

Securitization Exposure of which the Group is the Originator

(1) Total amount of original assets and breakdown by type of these primary original assets

(Millions of Yen)

Form of Securitization	March 31, 2008	**March 31, 2009**
Amount of original assets of asset transfer-type securitization transactions	719,193	**587,180**
Residential mortgage	703,693	**587,180**
Other	15,500	**—**
Amount of original assets of synthetic-type securitization transactions	—	**—**
Residential mortgage	—	**—**
Other	—	**—**
Total amount of original assets	719,193	**587,180**

(2) Of exposure composing original assets, amount of exposures three months or longer overdue or exposures in default amount, loss amount in current term, and breakdown by type of these primary original assets

(Millions of Yen)

Classification	March 31, 2008		**March 31, 2009**	
	Exposure amount	Loss amount in current term	Exposure amount	Loss amount in current term
Exposures three months or longer overdue	—	—	**—**	**—**
Residential mortgage	—	—	**—**	**—**
Other	—	—	**—**	**—**
Exposures in default	2,601	319	**2,250**	**414**
Residential mortgage	2,601	319	**2,250**	**414**
Other	—	—	**—**	**—**
Total	2,601	319	**2,250**	**414**

(3) Amount of securitization exposure held and breakdown by type of these primary original assets

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
	Amount of exposure	Amount of exposure
Residential mortgage	201,878	**195,331**
Other	2,757	**—**
Total	204,635	**195,331**

(4) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2008		**March 31, 2009**	
	Balance	Required capital	Balance	Required capital
Less than 20%	—	—	**—**	**—**
20% to less than 50%	—	—	**—**	**—**
50% to less than 100%	201,878	14,559	**195,331**	**12,722**
100% to less than 350%	—	—	**—**	**—**
Capital deduction	2,682	2,682	**2,682**	**2,682**
Total	204,560	17,242	**198,014**	**15,405**

Note: Required capital amount = (credit risk weighted asset amount x 1.06) x 8% + expected loss amount

(5) Capital equivalent amount increased due to securitization transaction and breakdown by original asset type

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	34,687	**26,681**
Other	75	**—**
Total	34,763	**26,681**

(6) Amount of securitization exposure to be deducted from capital pursuant to provisions of Article 247 of the Capital Adequacy Ratio Notification and breakdown by original asset type

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	—	**—**
Other	2,682	**2,682**
Total	2,682	**2,682**

(7) Matters concerning securitization exposure with early redemption provisions

N.A.

(8) Outline of exposure securitized in current term

N.A.

(9) Amount of profit/loss on sale recognized during the term accompanying securitization transactions and breakdown by primary original asset type

N.A.

(10) Amount of credit risk weighted assets calculated through application of Article 15 of the Supplementary Rules of Capital Adequacy Ratio Notification

N.A.

Securitization Exposure in which the Group is the Investor

(1) Amount of securitization exposure held and breakdown by type of original asset

(Millions of Yen)

Breakdown of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage backed securities (RMBS)	113,206	**102,119**
Multi-borrower type commercial-use real estate backed securities (MCMBS)	2,800	**—**
Debt collateral certificate using credit derivative (Synthetic CDO)	13,299	**2,153**
First to default type credit linked notes (CLN)	39,901	**40,935**
Asset-backed loans of monetary receivables such as loan receivables (ABL)	189	**5**
Securitization of business (WBS)	42,199	**35,051**
Asset-backed securities of monetary receivables such as installment receivables (ABS)	10,729	**11,201**
Total	222,326	**191,465**

(2) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2008		**March 31, 2009**	
	Balance	Required capital amount	Balance	Required capital capital amount
Less than 20%	134,096	883	**105,224**	**653**
20% to less than 50%	88,164	2,616	**86,241**	**2,489**
50% to less than 100%	—	—	**—**	**—**
100% to less than 350%	65	6	**—**	**—**
Capital deduction	1,418	1,418	**—**	**—**
Total	223,745	4,925	**191,465**	**3,143**

Note: Required capital amount = (Credit risk weighted asset amount x 1.06) x 8%

(3) Amount of securitization exposure deducted from capital pursuant to provisions of Article 247 of the Capital Adequacy Ratio Notification and breakdown by type of original asset

(Millions of Yen)

Breakdown of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	—	**—**
Other	1,418	**—**

(4) Amount of credit risk weighted asset calculated with application of Article 15 of the Supplementary Rules of Capital Adequacy Ratio Notification

N.A.

Equity Exposures in Bank Accounts

Amount Posted on Consolidated Balance Sheet and Market Value

(Millions of Yen)

Classification	March 31, 2008		**March 31, 2009**	
	Amount posted on consolidated balance sheet	Market value	Amount posted on consolidated balance sheet	Market value
Listed equity exposures	686,194	686,194	**449,953**	**449,953**
Equity exposures other than above	89,222		**93,369**	
Total	775,416		**543,323**	

Note: Equity exposures for domestic and foreign stocks are described in the above.

Amount of Profit/Loss Accompanying Sale and Write-Off of Equity Exposures

(Millions of Yen)

Breakdown	March 31, 2008	**March 31, 2009**
Profit/loss on sale	20,528	**(102,503)**
Amortization loss (–)	12,899	**78,472**
Total	7,629	**(180,975)**

Note: Profit/loss on stocks stated on the Consolidated Profit and Loss Statement is described in the above.

Amount of Appraisal Profit/Loss Recognized on Consolidated Balance Sheet and Not Recognized on Consolidated Profit and Loss Statements

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Amount of appraisal profit/loss recognized on consolidated balance sheet and not recognized on consolidated profit and loss statements	168,300	**(32,115)**

Note:

Amount of Appraisal Profit/Loss Not Recognized on Consolidated Balance Sheet and Not Recognized on Consolidated Profit and Loss Statements

N.A.

Amount Calculated into Tier II Capital Pursuant to Article 6, Paragraph 1 of the Capital Adequacy Ratio Notification

N.A.

Amount of Equity Exposures Applicable to Article 13 (Transitiotnal measure) of Supplementary Rules of Capital Adequacy Ratio Notification

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Listed equity exposures	418,628	**303,681**
Equity exposures other than above	90,117	**85,292**
Total	508,745	**388,973**

Note: As for the amount of equity exposures classified into other securities, smaller amount of either, the amount posted on the consolidated balance sheet or the acquisition cost is used.
As for the amount of equity exposures that is not classified into other securities, the amount posted on the consolidated balance sheet is used.

(Reference) Equity Exposures in Trust Account with an Agreement on Compensation for Principal

Term-end Balance in Trust Account with an Agreement on Compensation for Principal

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Listed equity exposures	—	**—**
Equity exposures other than above	3,312	**496**
Total	3,312	**496**

Note: Term-end balance is the amount based on accounting processing of trust account with an agreement on compensation for principal.

Amount of Profit/Loss Accompanying Sale and Write-Off of Equity Exposures in Trust Accounts with an Agreement on Compensation for Principal

(Millions of Yen)

Breakdown	March 31, 2008	**March 31, 2009**
Profit/loss on sale	(651)	**—**
Amortization loss (–)	—	**—**
Total	(651)	**—**

Note: Profit/loss on sale and amortization loss is the amount based on the accounting processing of trust accounts with an agreement on compensation for principal.

Amount of Equity Exposures Applicable to Article 13 (Transitional measure) of the Supplementary Rules of Capital Adequacy Ratio Notification in Trust Accounts with an Agreement on Compensation for Principal

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Listed equity exposures	—	**—**
Equity exposures other than above	499	**496**
Total	499	**496**

Exposure Relating to Funds

(Millions of Yen)

Calculation Method	March 31, 2008	**March 31, 2009**
Exposure applicable to look-through formula (Note 1)	376,535	**396,060**
Exposure applicable to modified simple majority method (Note 2)	89,625	**12,809**
Exposure applicable to investment criteria formula (Note 3)	47,243	**3,298**
Exposure applicable to simple risk weight method (Note 4)	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total	513,403	**412,168**

Notes:
1. In investment trusts, funds, repackaged bonds, etc. (the “Fund, etc.”), the exposure in which the respective backed assets are obvious.
2. Exposure in which equity exposures makes up a majority of the assets backing up the Fund, etc.
3. Exposure in which the composing assets of the Fund, etc. are predictable since the operational standards are determined even though the respective assets that back up Fund, etc. are not obvious.
4. Exposure in which the respective assets backing up the Fund, etc. are not obvious, and does not fall under 1 to 3 above.

Variation Amount of Profit/Loss or Economic Value from Interest Rate Shock Used by the Group for Internal Management with Regard to Interest Rate Risk in Bank Accounts

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Variation amount of profit/loss or economic value from interest rate shock	111,992	**107,693**

Note: Calculation is done by the same method as the outlier standard as provided in “General Supervision Guidelines for Major Banks.”
Since subject assets in consolidation target companies other than The Chuo Mitsui Trust and Banking Company, Limited are very few, and as internal management only manages on a non-consolidated basis, the value calculated for Chuo Mitsui Trust Banking and Company, Limited on a non-consolidated basis is indicated.
Interest rate shock to be applied: 99 percentile value of interest rate volatility measured with retention period of 1 year and observation period of 5 years.
Core deposit to be applied: 50% of current balance of liquid deposit (ordinary deposit, current deposit, etc.)

Non-consolidated Data

Means of Capital Procurement

Common stock
Non-cumulative perpetual preferred stock
Perpetual subordinated bonds
Fixed-term subordinated bonds

Credit Risk Weighted Assets

1. Type of internal ratings-based approach to be used:	the foundation internal ratings-based approach
2. Scope of application of the internal ratings-based approach and scope of application of the standardised approach:	for calculation of credit risk weighted assets, the foundation internal ratings-based approach is used in principle, however, the following scope shall be considered exempted from application and the standardised approach is used. **[Application Exclusion Assets]** Assets not occurring incidental to credit transactions or assets to which it is practically difficult to apply the internal ratings-based approach and besides there is little significance in credit risk management.
3. Rating agency used for the standardised approach:	Rating and Investment Information, Inc. However, for corporate exposures, we apply 100% risk weight to all.
4. Securitization exposure	
Credit risk weighted asset amount calculation method:	- for those with external ratings: the external ratings-based approach - for those without external ratings but possible to ascertain the original assets that back up the relevant securitization exposure: supervisory formula - for those without external ratings and not possible to ascertain the original assets that back up the relevant securitization exposure: capital deduction
Rating agency to be used:	Rating and Investment Information, Inc. Japan Credit Rating Agency, Ltd. Moody's Investors Service Inc. Standard & Poor's Ratings Services Fitch Ratings Limited

Operational Risks

• Method used in calculation of operational risk equivalents:	the standardised approach

Composition of Capital

Composition of Capital

(Millions of Yen)

Item	March 31, 2008	**March 31, 2009**
Tier I capital		
Capital stock	379,197	**399,697**
Non-cumulative perpetual preferred stock of above	181,625	**181,625**
New stock application margin	—	**—**
Capital reserve	128,511	**149,011**
Other capital surplus	—	**—**
Retained earnings	46,008	**46,008**
Other retained earnings	171,712	**81,327**
Treasury stock (-)	—	**—**
Treasury stock application margin	—	**—**
Projected amount of distributed income (-)	—	**—**
Evaluation loss on securities (-)	—	**—**
Stock acquisition rights	—	**—**
Trade rights equivalent amount (-)	—	**—**
Intangible fixed asset equivalent posted by corporate consolidation (-)	—	**—**
Amount equivalent to capital increase due to securitization transactions (-)	34,763	**26,681**
Amount equivalent to 50% of the amount exceeding the expected loss from the qualifying reserve (-)	15,969	**16,501**
Total tier I capital before deduction of deferred tax assets (total amount of above respective items)	674,697	**632,862**
Amount of deferred tax assets deducted (-)	1,652	**58,025**
Total tier I capital (A)	673,044	**574,836**
Non-dilutive preferred securities with step-up interest rate provisions of above (Note 2) (B)	—	**—**
Tier II capital		
Amount equivalent to 45% of difference between land revaluation amount and carrying amount just before revaluation	—	**—**
General reserve for possible loan losses (Note 3)	—	**—**
Amount by which qualifying reserve exceeds expected loss amount (Note 4)	—	**—**
Liability type fundraising means, etc.	263,761	**267,070**
Perpetual subordinated bonds of above (Note 5)	121,261	**119,570**
Fixed-term subordinated bonds and fixed-term preferred stock of above (Note 6)	142,500	**147,500**
Amount not calculated into Tier II capital (-)	—	**—**
Total Tier II capital (C)	263,761	**267,070**
Items for deduction (Note 7) (D)	21,963	**23,864**
Capital Amount (E) = (A) + (C) — (D)	914,842	**818,041**
<For Reference>		
Risk weighted assets, etc.		
Credit risk weighted asset amount	7,452,124	**6,859,810**
Asset (on-balance sheet) items	6,349,796	**6,100,240**
Off-balance sheet transaction items	1,102,328	**759,569**
Amount arrived at by dividing operational risk equivalents by 8%	435,172	**397,280**
Amount arrived at by multiplying {(amount arrived at by multiplying the rate prescribed in the Notification by the former required capital) minus (amount of new required capital)} by 25.0	—	**—**
Total (F)	7,887,297	**7,257,090**
Non-consolidated Capital Adequacy Ratio (Domestic Standard) = (E)/(F) x 100	11.59%	**11.27%**
(A)/(F) x 100	8.53%	**7.92%**
(B)/(A) x 100	—	**—**

Notes:

1. Composition of capital and capital adequacy ratio, etc. are calculated in accordance with Financial Services Agency Notification No. 19 of 2006 (the "Capital Adequacy Ratio Notification") and No. 79 of 2008.
2. Meaning those as provided in Article 40, Paragraph 2 of the Capital Adequacy Ratio Notification, in other words, stock, etc., that has the probability of redemption including those adding a step-up interest rate and other special provisions (including preferred investment securities issued by overseas SPCs).
3. Amount of portion to which standardised approach is adopted is stated.
4. For trust account with an agreement on compensation for principal, amount by which qualifying reserve exceeds expected loss amount is not posted.
5. Meaning liability fundraising means as indicated in Article 41, Paragraph 1, Item 3 of the Capital Adequacy Ratio Notification, and which have all of the characteristics as indicated below:
   (1) Unsecured, subordinated to other liabilities, and already paid,
   (2) Not to be redeemed, except for in certain cases,
   (3) Should supplement loss while business is ongoing,
   (4) That for which interest payment obligation postponement is allowed.

6. These are those indicated in Article 41, Paragraph 1, Items 4 and 5 of the Capital Adequacy Ratio Notification. However, for fixed-term subordinated bonds, there is a limitation to those with redemption periods exceeding 5 years from the agreement.
7. Amount equivalent to intentional holding of fundraising means of other financial institutions as indicated in Article 43, Paragraph 1, Item 1 of the Capital Adequacy Ratio Notification, amount equivalentt to investment in those set in Item 2 of the relevant paragraph, the amount that is to be deducted pursuant to the provisions of Items 3 to 6 thereof and those indicated in Item 2 above.
8. From the end of the 2002 consolidated fiscal term (March 31, 2003), as to the internal control system relating to calculation of the capital adequacy ratio, we have received examination services by Deloitte Touche Tohmatsu. The relevant examination services were an implementation of examination procedures agreed upon between Tohmatsu and us, and were not an accounting audit in accordance with the GAAS, nor did we receive their opinion on the capital adequacy ratio itself, or internal controls relating to the calculation of the capital adequacy ratio (the abovementioned examination procedures were in accordance with the Japanese Institute of Certified Public Accountants, Committee on Audit by Business Type, Report No. 30).
9. Non-consolidated capital adequacy ratio (International Unified Standard), which constitutes a condition for adoption and continuous use of the internal ratings-based approach as prescribed in Article 238 of the Capital Adequacy Ratio Notification, is 9.71% (Tier I ratio: 6.37%).

Capital Adequacy Levels

Required Capital Amount

(1) Required capital amount for credit risks (amount in (2) (3) shall be excluded)

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Portfolio applicable to standardised approach	1,078	**892**
Portfolio applicable to the internal ratings-based approach	539,069	**522,365**
Corporate exposures	382,838	**388,517**
Sovereign exposures	1,153	**1,121**
Bank exposures	28,298	**21,550**
Residential mortgage exposures	53,042	**47,848**
Qualifying revolving retail exposures	1,267	**1,131**
Other retail exposures	29,601	**23,039**
Other exposures (Note 1)	42,868	**39,155**
Securitization exposure	56,931	**45,363**
Total (A)	597,078	**568,621**

Notes:
1. Exposure regarding purchased receivables, unsettled transactions, lease transactions and other assets.
2. Calculation method of required capital amount for the credit risk is as follows (although the Company uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount).
Portfolio applicable to the standardised approach: amount of credit risk weighted asset x 8% + capital deduction amount
Portfolio applicable to the internal ratings-based approach and securitization exposure: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount

(2) Required capital amount for the credit risk relating to equity exposures applicable to the internal ratings-based approach

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Market-based approach	9,502	**137**
Simple risk weight method	9,502	**137**
PD/LGD approach	8,832	**23,690**
Those applicable to the transitional measure (Note 1)	51,824	**41,444**
Total (B)	70,159	**65,272**

Notes:
1. Amount of credit risk weighted assets is calculated by placing risk weight as being 100%, pursuant to Article 13 of the Supplementary Rules of Capital Adequacy Ratio Notification.
2. Calculation method of required capital amount to credit risk relating to equity exposures applicable to the internal ratings-based approach is as follows (although the Company uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount).
Those applicable to simple risk weight method of the market-based approach: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount
Those applicable to the PD/LGD approach is: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount
Those applicable to the transitional measure: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount

(3) Required capital amount for the credit risk relating to funds

(Millions of Yen)

Calculation Method	March 31, 2008	**March 31, 2009**
Look-through formula	74,097	**69,624**
Modified simple majority method	22,939	**3,365**
Operational standards method	13,831	**906**
Simple risk weight method	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total (C)	110,868	**73,896**

Note: Calculation method of required capital amount for credit risk relating to funds is as follows (although the Company uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the required capital amount).
Look-through formula: (amount of credit risk weighted asset x 1.06) x 8% + expected loss amount + capital deduction amount
Other than look-through formula: (amount of credit risk weighted asset x 1.06) x 8% + capital deduction amount

(4) Required capital amount for operational risks

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Standardised approach	34,813	**31,782**
Total (D)	34,813	**31,782**

(5) Total amount of non-consolidated required capital

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Total amount of non-consolidated required capital (Note 1)	630,983	**580,567**

Notes:
1. (Total amount of credit risk weighted asset + operational risk equivalents/8%) x 8%
2. Although the Company uses domestic standards, as we have adopted the foundation internal ratings-based approach, we use 8% for calculation of the principal requirements amount.

Credit Risks

(except for matters regarding exposure applicable to credit risk weighted asset deemed calculation and securitization exposure)

Term-end Balance of Exposure Relevant to Credit Risks and Breakdown by Primary Types

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**	**Average balance of exposure during the term**
Standardised approach	15,721	**11,719**	**16,006**
Loaned money, call loans, deposits, etc.	15,721	**11,719**	**16,006**
Securities	—	—	—
Derivative transactions	—	—	—
Off-balance sheet transactions	—	—	—
Commitment	—	—	—
Trusts with an agreement on compensation for principal	—	—	—
Repo-style transactions	—	—	—
Other	—	—	—
Internal ratings-based approach	13,582,539	**16,149,213**	**14,648,315**
Loaned money, call loans, deposits, etc.	8,289,625	**8,695,196**	**8,390,365**
Securities	3,248,062	**3,978,010**	**3,663,828**
Derivative transactions	100,637	**114,707**	**102,928**
Off-balance sheet transactions	1,944,213	**3,361,300**	**2,491,193**
Commitment	394,797	**455,976**	**400,431**
Trusts with an agreement on compensation for principal	612,744	**551,286**	**578,195**
Repo-style transactions	96,817	**43,598**	**73,621**
Other	839,854	**2,310,438**	**1,438,945**
Total	13,598,261	**16,160,933**	**14,664,321**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of exposure at default; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from the amount posted on balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. Internal ratings-based approach application exclusion portion is described in the standardised approach.
4. The average balance of exposure during the term is the average value for respective quarterly term-end balances.

(1) Term-end Balance of Exposure by Region and Breakdown by Primary Types

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Domestic	12,320,936	**14,697,751**
Loaned money, call loans, deposits, etc.	8,060,704	**8,462,823**
Securities	2,343,657	**2,908,350**
Derivative transactions	32,678	**12,406**
Off-balance sheet transactions	1,883,896	**3,314,170**
Commitment	390,315	**455,931**
Trusts with an agreement on compensation for principal	612,551	**551,281**
Repo-style transactions	49,765	**1,892**
Other	831,263	**2,305,064**
Overseas	1,277,324	**1,463,182**
Loaned money, call loans, deposits, etc.	244,643	**244,092**
Securities	904,404	**1,069,659**
Derivative transactions	67,958	**102,300**
Off-balance sheet transactions	60,317	**47,129**
Commitment	4,481	**45**
Trusts with an agreement on compensation for principal	193	**4**
Repo-style transactions	47,051	**41,706**
Other	8,591	**5,373**
Total	13,598,261	**16,160,933**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of exposure at default; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from the amount posted on balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. Internal ratings-based approach application exclusion portion is described in the standardised approach.

(2) Term-end Balance of Exposure by Business Type and Breakdown by Primary Type

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Sovereign	3,180,873	**5,661,955**
Central government and central bank	2,794,236	**5,146,869**
Loaned money, call loans, deposits, etc.	90,201	**153,252**
Securities	2,056,223	**2,885,201**
Derivative transactions	—	**—**
Off-balance sheet transactions	647,811	**2,108,414**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	647,811	**2,108,414**
Local public organizations	59,776	**51,835**
Loaned money, call loans, deposits, etc.	18,335	**13,731**
Securities	1,297	**640**
Derivative transactions	—	**—**
Off-balance sheet transactions	40,143	**37,464**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6,122	**5,888**
Repo-style transactions	—	**—**
Other	34,021	**31,575**
Other	326,861	**463,250**
Loaned money, call loans, deposits, etc.	267,792	**207,553**
Securities	51,940	**240,674**
Derivative transactions	—	**—**
Off-balance sheet transactions	7,127	**15,023**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6,905	**14,801**
Repo-style transactions	—	**—**
Other	221	**221**
Financial institutions	1,504,672	**797,756**
Loaned money, call loans, deposits, etc.	501,964	**277,513**
Securities	812,844	**368,994**
Derivative transactions	71,069	**78,294**
Off-balance sheet transactions	118,793	**72,954**
Commitment	20,499	**25,619**
Trusts with an agreement on compensation for principal	1,718	**1,519**
Repo-style transactions	95,426	**43,598**
Other	1,149	**2,216**
Business corporation	6,074,555	**6,463,298**
Loaned money, call loans, deposits, etc.	5,170,762	**5,347,467**
Securities	325,756	**482,499**
Derivative transactions	29,568	**36,412**
Off-balance sheet transactions	548,468	**596,918**
Commitment	345,410	**397,643**
Trusts with an agreement on compensation for principal	62,902	**47,104**
Repo-style transactions	1,390	**—**
Other	138,765	**152,171**

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(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Individual	2,773,966	**3,215,506**
Loaned money, call loans, deposits, etc.	2,192,098	**2,684,981**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	581,868	**530,525**
Commitment	28,886	**32,714**
Trusts with an agreement on compensation for principal	535,096	**481,972**
Repo-style transactions	—	**—**
Other	17,885	**15,837**
Special international financial transaction account portion	64,192	**22,416**
Loaned money, call loans, deposits, etc.	64,192	**22,416**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Total	13,598,261	**16,160,933**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of exposure at default; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from the amount posted on balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(Reference) Term-end Balance of Exposure by Business Type Relevant to Corporations and Breakdown by Primary Type

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Manufacturing	1,040,795	**1,252,805**
Loaned money, call loans, deposits, etc.	796,875	**1,003,676**
Securities	43,610	**47,610**
Derivative transactions	3,105	**2,646**
Off-balance sheet transactions	197,204	**198,872**
Commitment	159,926	**166,191**
Trusts with an agreement on compensation for principal	14,413	**11,650**
Repo-style transactions	—	**—**
Other	22,864	**21,030**
Agriculture	161	**159**
Loaned money, call loans, deposits, etc.	161	**159**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Forestry	220	**200**
Loaned money, call loans, deposits, etc.	220	**200**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Fishery	3	**1**
Loaned money, call loans, deposits, etc.	3	**1**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Mining industry	6,598	**7,429**
Loaned money, call loans, deposits, etc.	3,063	**2,204**
Securities	—	**—**
Derivative transactions	45	**—**
Off-balance sheet transactions	3,488	**5,224**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	6	**—**
Repo-style transactions	—	**—**
Other	3,482	**5,224**
Construction	132,199	**156,287**
Loaned money, call loans, deposits, etc.	98,909	**123,873**
Securities	1,400	**500**
Derivative transactions	132	**70**
Off-balance sheet transactions	31,756	**31,843**
Commitment	28,425	**28,985**
Trusts with compensation for principal	2,201	**1,736**
Repo-style transactions	—	**—**
Other	1,129	**1,121**

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(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Electricity, gas, heating, water	200,312	**212,667**
Loaned money, call loans, deposits, etc.	190,705	**149,374**
Securities	—	**—**
Derivative transactions	9	**14**
Off-balance sheet transactions	9,597	**63,277**
Commitment	4,610	**60,807**
Trusts with an agreement on compensation for principal	4,986	**2,469**
Repo-style transactions	—	**—**
Other	0	**0**
Information communications	48,335	**50,680**
Loaned money, call loans, deposits, etc.	39,557	**42,897**
Securities	3,288	**2,965**
Derivative transactions	75	**42**
Off-balance sheet transactions	5,413	**4,774**
Commitment	5,281	**4,710**
Trusts with an agreement on compensation for principal	111	**46**
Repo-style transactions	—	**—**
Other	20	**18**
Transportation	589,402	**639,112**
Loaned money, call loans, deposits, etc.	530,103	**549,475**
Securities	29,886	**39,117**
Derivative transactions	2,696	**2,324**
Off-balance sheet transactions	26,716	**48,195**
Commitment	17,589	**40,056**
Trusts with an agreement on compensation for principal	6,817	**6,283**
Repo-style transactions	—	**—**
Other	2,308	**1,855**
Wholesale and retail	543,085	**576,417**
Loaned money, call loans, deposits, etc.	497,732	**521,106**
Securities	13,935	**18,159**
Derivative transactions	907	**1,418**
Off-balance sheet transactions	30,509	**35,733**
Commitment	20,123	**22,238**
Trusts with an agreement on compensation for principal	3,517	**2,493**
Repo-style transactions	—	**—**
Other	6,867	**11,002**
Finance and insurance	1,214,867	**1,239,847**
Loaned money, call loans, deposits, etc.	1,092,363	**1,120,264**
Securities	2,860	**2,740**
Derivative transactions	18,464	**26,865**
Off-balance sheet transactions	101,179	**89,977**
Commitment	35,269	**16,587**
Trusts with an agreement on compensation for principal	9,559	**4,409**
Repo-style transactions	1,390	**—**
Other	54,958	**68,980**
Real estate	1,585,159	**1,503,260**
Loaned money, call loans, deposits, etc.	1,342,665	**1,284,730**
Securities	143,063	**141,102**
Derivative transactions	2,735	**2,074**
Off-balance sheet transactions	96,694	**75,351**
Commitment	55,743	**38,417**
Trusts with compensation for principal	17,299	**14,942**
Repo-style transactions	—	**—**
Other	23,651	**21,992**

(continues to p. 189)

(continued from p. 188)

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Various services	518,081	**438,743**
Loaned money, call loans, deposits, etc.	435,548	**354,577**
Securities	52,230	**52,695**
Derivative transactions	706	**422**
Off-balance sheet transactions	29,595	**31,047**
Commitment	8,830	**10,824**
Trusts with an agreement on compensation for principal	3,986	**3,073**
Repo-style transactions	—	**—**
Other	16,778	**17,149**
Other	195,331	**385,685**
Loaned money, call loans, deposits, etc.	142,850	**194,924**
Securities	35,481	**177,608**
Derivative transactions	687	**532**
Off-balance sheet transactions	16,312	**12,619**
Commitment	9,610	**8,823**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	6,701	**3,796**
Total	6,074,555	**6,463,298**

Notes:
1. The following values are used for above term-end balance:
(1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of exposure at default; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from the amount posted on balance sheet,
(2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
(3) Derivative transactions: credit equivalents,
(4) Trust with an agreement on compensation for principal: exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(3) Term-end Balance of Exposure by Remaining Period Relevant to Corporations and Breakdown by Primary Type

(Millions of Yen)

Remaining Period	March 31, 2008	March 31, 2009
1 year or shorter	3,953,908	**5,592,418**
Loaned money, call loans, deposits, etc.	2,906,542	**2,794,687**
Securities	40,491	**308,587**
Derivative transactions	28,448	**32,190**
Off-balance sheet transactions	988,425	**2,456,952**
Commitment	120,677	**155,745**
Trusts with an agreement on compensation for principal	44,773	**46,558**
Repo-style transactions	96,817	**43,598**
Other	726,157	**2,211,049**
Over 1 year to 3 years or shorter	2,758,245	**3,308,420**
Loaned money, call loans, deposits, etc.	1,432,700	**1,624,009**
Securities	1,099,467	**1,480,288**
Derivative transactions	4,178	**4,407**
Off-balance sheet transactions	221,899	**199,715**
Commitment	199,544	**187,877**
Trusts with an agreement on compensation for principal	16,703	**9,346**
Repo-style transactions	—	**—**
Other	5,650	**2,490**
Over 3 years to 5 years or shorter	2,354,777	**2,377,511**
Loaned money, call loans, deposits, etc.	1,215,290	**1,058,979**
Securities	1,051,130	**1,207,793**
Derivative transactions	4,121	**1,463**
Off-balance sheet transactions	84,234	**109,275**
Commitment	64,301	**89,172**
Trusts with an agreement on compensation for principal	16,832	**16,689**
Repo-style transactions	—	**—**
Other	3,099	**3,412**
Over 5 years to 7 years or shorter	403,367	**606,727**
Loaned money, call loans, deposits, etc.	272,347	**344,218**
Securities	91,724	**212,536**
Derivative transactions	6,358	**4,827**
Off-balance sheet transactions	32,937	**45,144**
Commitment	3,753	**11,798**
Trusts with an agreement on compensation for principal	25,536	**24,621**
Repo-style transactions	—	**—**
Other	3,647	**8,724**
Over 7 years	3,887,816	**4,050,579**
Loaned money, call loans, deposits, etc.	2,389,290	**2,797,556**
Securities	965,248	**768,803**
Derivative transactions	57,530	**71,817**
Off-balance sheet transactions	475,747	**412,401**
Commitment	6,205	**11,125**
Trusts with an agreement on compensation for principal	371,439	**319,400**
Repo-style transactions	—	**—**
Other	98,102	**81,876**

(continues to right column)

(continued from left column) (Millions of Yen)

Remaining Period	March 31, 2008	March 31, 2009
With no provision for period	214,457	**225,276**
Loaned money, call loans, deposits, etc.	73,487	**87,465**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	140,969	**137,810**
Commitment	313	**256**
Trusts with an agreement on compensation for principal	137,459	**134,669**
Repo-style transactions	—	**—**
Other	3,196	**2,884**
Total	13,582,572	**16,160,933**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting partial direct write-off from amount of exposure at default; however, for application exclusion portion (standardised approach), amount gained by deducting valuation gains on other securities from the amount posted on balance sheet,
   (2) Off-balance sheet transactions: credit equivalents; however, for repo-style transactions, exposure at default after credit risk mitigation,
   (3) Derivative transactions: credit equivalents,
   (4) Trust with an agreement on compensation for principal: exposure at default less partial direct write-off.
2. Equity exposures and other assets, etc. as provided in Article 178 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. Those of which remaining period is beyond recognition are included in "With no provision for period."

Term-end Balance of Exposure Delay of Three Months or Longer and Exposures in Default and Breakdown by Primary Type

(1) Term-end balance of exposure by region

(Millions of Yen)

Classification	March 31, 2008			**March 31, 2009**		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Exposure delay of three months or longer (applicable to standardised approach)	—	—	—	**—**	**—**	**—**
Exposures in default (applicable to the internal ratings-based approach)	171,335	447	171,782	**143,896**	**7,033**	**150,929**
Total	171,335	447	171,782	**143,896**	**7,033**	**150,929**

Notes:
1. Equity exposures is not included in the above.
2. Internal ratings-based approach application exclusion portion is described in the standardised approach.

(2) Term-end balance of exposure by business type

(i) Exposures three months or longer overdue (applicable to standardised approach)

N.A.

(ii) Exposures in default (applicable to the internal ratings-based approach)

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**5,000**
Corporations	140,785	**114,033**
Manufacturing	7,517	**7,654**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	11,662	**10,069**
Electricity, gas, heating, water	195	**158**
Information communications	772	**72**
Transportation	79,470	**2,366**
Wholesale and retail	9,661	**8,577**
Finance and insurance	6,152	**831**
Real estate	12,758	**73,604**
Various services	12,439	**8,164**
Other	154	**2,534**
Individual	30,549	**31,542**
Special international financial transaction account portion	447	**353**
Total	171,782	**150,929**

Note: Equity exposures is not included in the above.

Term-end Balance and Amount of Variance during the Term of General Reserve for Possible Loan Losses, Respective Reserve for Possible Loan Losses, and Specified Overseas Receivables Reserve Account

(1) Balance of reserve by region

(Millions of Yen)

Type of Reserve	FY2007		**FY2008**	
	Term end Balance	Variance during Term	Term end Balance	Variance during Term
General reserve for possible loan losses	48,271	(6,282)	**29,015**	**(19,255)**
Respective reserve for possible loan losses	15,708	1,276	**26,957**	**11,249**
Domestic	12,556	(640)	**22,413**	**9,857**
Overseas	3,152	1,916	**4,544**	**1,392**
Specified overseas receivables reserve account	38	(483)	**26**	**(12)**
Total	64,017	(5,489)	**55,999**	**(8,018)**

Notes:
1. Above is a description of the value in bank account. Special reserve provision and receivables depreciation reserve provision under trusts with an agreement on compensation for principal are stated on Page 140.
2. General reserve for possible loan losses is not managed by region.

(2) Balance of respective reserve for possible loan losses by business type

(Millions of Yen)

Type of Reserve	FY2007		**FY2008**	
	Term end Balance	Variance during Term	Term end Balance	Variance during Term
Sovereign	—	—	**—**	**—**
Central government and central bank	—	—	**—**	**—**
Local public organizations	—	—	**—**	**—**
Other	—	—	**—**	**—**
Financial institutions	—	—	**4,544**	**4,544**
Corporations	15,200	1,496	**22,070**	**6,870**
Manufacturing	3,215	2,506	**3,191**	**(23)**
Agriculture	—	—	**—**	**—**
Forestry	—	—	**—**	**—**
Fishery	—	—	**—**	**—**
Mining industry	—	—	**—**	**—**
Construction	1,510	(2,866)	**2,611**	**1,100**
Electricity, gas, heating, water	—	—	**—**	**—**
Information communications	579	579	**57**	**(521)**
Transportation	583	(667)	**340**	**(243)**
Wholesale and retail	1,585	768	**1,591**	**6**
Finance and insurance	2,864	2,864	**30**	**(2,833)**
Real estate	242	146	**10,469**	**10,227**
Various services	4,501	(716)	**3,777**	**(724)**
Other	116	(1,119)	**—**	**(116)**
Individual	507	(220)	**342**	**(165)**
Special international financial transaction account portion	—	—	**—**	**—**
Total	15,708	1,276	**26,957**	**11,249**

Note: General reserve for possible loan losses and specified overseas receivables reserve account are not managed by business type.

Amount of Loan Amortized by Business Type

(Millions of Yen)

Business Type	Amount of loan amortized for FY2007	**Amount of loan amortized for FY2008**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	8,109	**20,119**
Manufacturing	1,827	**3,680**
Agriculture	—	**3**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	1,398	**2,448**
Electricity, gas, heating, water	0	**—**
Information communications	360	**573**
Transportation	161	**325**
Wholesale and retail	2,229	**3,108**
Finance and insurance	—	**3**
Real estate	474	**8,640**
Various services	1,655	**1,334**
Other	—	**—**
Individual	2,639	**809**
Special international financial transaction account portion	1,300	**—**
Total	12,049	**20,928**

Note: Amount of loan amortized for trust account with an agreement on compensation for principal is included in the above.

Balance for Each Risk Weight Classification as to Exposure Applicable to the Standardised Approach

(Millions of Yen)

Risk Weight	March 31, 2008			**March 31, 2009**		
		Rating applicable	Rating not applicable (Note)		Rating applicable	Rating not applicable (Note)
0%	—	—	—	**—**	**—**	**—**
Over 0% to 10%	—	—	—	**—**	**—**	**—**
Over 10% to 35%	—	—	—	**—**	**—**	**—**
Over 35% to 75%	15	15	—	**12**	**—**	**12**
Over 75% to 100%	15,705	18	15,687	**11,706**	**—**	**11,706**
Over 100% to 150%	—	—	—	**—**	**—**	**—**
Capital deduction	—	—	—	**—**	**—**	**—**
Total	15,721	34	15,687	**11,719**	**—**	**11,719**

Note: The Company as registered for application of special exceptions in Article 67 of Capital Adequacy Ratio Notification as to corporate exposures, so risk weight is uniformly 100%. The exposures applicable to the relevant special exceptions are described in the "rating not applicable" column.

Exposures Applicable to Internal Rating System

(1) Balance of specialized lending using slotting criteria

(Millions of Yen)

Risk Weight	March 31, 2008	**March 31, 2009**
0%	447	**16,718**
50%	252,438	**268,908**
70%	458,997	**334,018**
90%	15,927	**22,053**
115%	3,797	**12,694**
250%	22,758	**35,120**
Total	754,366	**689,513**

Note: The Company does not hold loans for commercial real estate (with high volatility).

(2) Balance of equity exposures using simple risk weight method of the market-based approach

(Millions of Yen)

Risk Weight	March 31, 2008	**March 31, 2009**
300%	36,375	**—**
400%	733	**404**
Total	37,108	**404**

Note: As for balance of equity exposures classified into other securities, smaller amount of either the amount posted on the balance sheet or acquisition cost. For balance of equity exposures that is not classified into other securities, the amount posted on the balance sheet is used.

Portfolio Applicable to the Internal Ratings-based Approach

(1) Corporate exposures

(Millions of Yen)

Credit Rating	March 31, 2008				
	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.33%	44.39%	44.84%	3,967,922	577,340
Need caution *(youchui-saki)* (Not including obligor under close observation)	10.50%	43.15%	182.84%	346,279	93,667
Under close observation *(youkanri-saki)* or worse	100.00%	42.46%		163,387	25,399
Total	4.83%	44.22%	54.94%	4,477,590	696,407

(Millions of Yen)

Credit Rating	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	March 31, 2009				
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.34%**	**43.89%**	**46.60%**	**4,513,144**	**649,934**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**9.31%**	**41.55%**	**168.86%**	**411,201**	**56,245**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**41.19%**		**87,063**	**40,254**
Total	**3.27%**	**43.64%**	**55.49%**	**5,011,409**	**746,435**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(2) Sovereign exposures

(Millions of Yen)

Credit Rating	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	March 31, 2008				
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.00%	44.93%	0.43%	2,484,504	695,050
Need caution *(youchui-saki)* (Not including obligor under close observation)	—	—	—	—	—
Under close observation *(youkanri-saki)* or worse	100.00%	45.00%		—	6
Total	0.00%	44.93%	0.43%	2,484,504	695,057

(Millions of Yen)

Credit Rating	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	March 31, 2009				
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.00%**	**44.96%**	**0.23%**	**3,502,905**	**2,160,882**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**—**	**—**	**—**	**—**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**—**	**6**
Total	**0.00%**	**44.96%**	**0.23%**	**3,502,905**	**2,160,889**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(3) Bank exposures

(Millions of Yen)

Credit Rating	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	March 31, 2008				
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.05%	45.13%	25.04%	1,174,666	189,863
Need caution *(youchui-saki)* (Not including obligor under close observation)	7.42%	0.00%	0.00%	496	—
Under close observation *(youkanri-saki)* or worse	—	—		—	—
Total	0.06%	45.12%	25.03%	1,175,162	189,863

(Millions of Yen)

Credit Rating	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	March 31, 2009				
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.11%**	**44.34%**	**30.70%**	**602,853**	**151,248**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**—**	**—**	**—**	**—**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**5,000**	**—**
Total	**0.76%**	**44.34%**	**30.49%**	**607,853**	**151,248**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(4) Equity exposures using the PD/LGD approach

(Millions of Yen)

Credit Rating	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	March 31, 2008				
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	0.12%	90.00%	128.04%	75,813	2,812
Need caution *(youchui-saki)* (Not including obligor under close observation)	7.42%	90.00%	428.24%	1,711	—
Under close observation *(youkanri-saki)* or worse	100.00%	90.00%		5	—
Total	0.28%	90.00%	134.13%	77,529	2,812

(Millions of Yen)

Credit Rating	PD Estimated Value Weighted Average	LGD Estimated Value Weighted Average	Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	March 31, 2009				
				On-balance Sheet Asset Items	Off-balance Sheet Asset Items
Normal *(seijou-saki)*	**0.28%**	**90.00%**	**153.50%**	**175,039**	**—**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**7.34%**	**90.00%**	**426.89%**	**2,092**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**90.00%**		**19**	**—**
Total	**0.38%**	**90.00%**	**156.71%**	**177,152**	**—**

Notes:
1. EAD Estimated value is an amount that took into consideration the effect of the credit risk reduction method.
2. Eleven internal ratings stages are integrated into three debtor classifications and indicated.
3. PD estimated value weighted average, LGD estimated value weighted average, and risk weight weighted average are either the estimated value of the respective internal ratings weighted with EAD estimated value, or the risk weight of the respective internal ratings weighted with EAD estimated value.

(5) Exposure relating to purchased receivables

(Millions of Yen)

March 31, 2008			**March 31, 2009**		
Risk Weight Weighted Average	EAD Estimated Value (Note 1)		Risk Weight Weighted Average	EAD Estimated Value (Note 1)	
	On-balance Sheet Asset Items	Off-balance Sheet Asset Items		On-balance Sheet Asset Items	Off-balance Sheet Asset Items
33.70%	484,367	975	**45.19%**	**208,313**	**851**

Notes:
1. EAD Estimated value is amount that takes into consideration the effect of credit risk reduction method.
2. This description is about Exposure to purchase corporations that do not use top-down approach.
3. Risk weight weighted average is a value of risk weight weighted with EAD dilution.

(6) Residential mortgage exposures, qualifying revolving retail exposures, and other retail exposures

(Millions of Yen)

Types of exposure	March 31, 2008						
	PD estimated value weighted average	LGD estimated value weighted average	Risk weight weighted average	EAD estimated value: On-balance sheet asset items	EAD estimated value: Off-balance sheet asset items	Commitment pre-withdrawal amount	Weighted average of estimated value of assessment rate which is to be multiplied by the non-withdrawal amount to the left
Residential mortgage							
Not delinquent	0.26%	41.61%	20.44%	2,014,542	294,336	8,073	100.00%
Delinquent	33.36%	41.71%	253.64%	25,202	1,474	115	100.00%
Default	100.00%	39.41%	32.72%	7,542	896	9	100.00%
Consumer loan							
Not delinquent	1.46%	57.52%	50.71%	33,813	28,574	77,542	25.17%
Delinquent	32.83%	66.14%	197.39%	1,341	384	544	18.59%
Default	100.00%	29.83%	111.72%	1,564	1,840	215	14.61%
Business type loan							
Not delinquent	3.72%	48.49%	72.65%	100,923	110,260	373	99.69%
Delinquent	23.88%	59.97%	124.26%	3,187	2,156	—	—
Default	100.00%	75.60%	0.00%	6,184	1,873	—	—
Other							
Not delinquent	0.42%	11.49%	14.93%	1,509	1,730	141	100.00%
Delinquent	—	—	—	—	—	—	—
Default	100.00%	74.44%	0.00%	78	51	21	100.00%
Total	2.39%	46.32%	39.09%	2,195,891	443,579	87,037	32.61%

(Millions of Yen)

Types of exposure	**March 31, 2009**						
	PD estimated value weighted average	LGD estimated value weighted average	Risk weight weighted average	EAD estimated value: On-balance sheet asset items	EAD estimated value: Off-balance sheet asset items	Commitment pre-withdrawal amount	Weighted average of estimated value of assessment rate which is to be multiplied by the non-withdrawal amount to the left
Residential mortgage							
Not delinquent	**0.22%**	**34.14%**	**15.04%**	**2,503,292**	**271,219**	**6,022**	**100.00%**
Delinquent	**31.23%**	**34.17%**	**208.60%**	**30,219**	**1,322**	**16**	**100.00%**
Default	**100.00%**	**31.23%**	**38.83%**	**9,742**	**898**	**—**	**—**
Consumer loan							
Not delinquent	**1.26%**	**68.23%**	**53.56%**	**40,044**	**32,594**	**84,345**	**30.89%**
Delinquent	**31.02%**	**65.46%**	**190.05%**	**1,387**	**550**	**594**	**29.81%**
Default	**100.00%**	**52.32%**	**3.23%**	**1,804**	**1,782**	**168**	**32.30%**
Business type loan							
Not delinquent	**1.54%**	**35.22%**	**38.04%**	**58,946**	**99,102**	**118**	**100.00%**
Delinquent	**53.53%**	**50.05%**	**57.34%**	**2,200**	**1,774**	**—**	**—**
Default	**100.00%**	**77.07%**	**—**	**9,871**	**2,390**	**—**	**—**
Other							
Not delinquent	**0.47%**	**15.01%**	**18.82%**	**1,027**	**1,376**	**170**	**100.00%**
Delinquent	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Default	**100.00%**	**92.06%**	**—**	**95**	**33**	**26**	**100.00%**
Total	**1.58%**	**35.21%**	**19.30%**	**2,658,634**	**413,045**	**91,463**	**35.69%**

Notes:
1. EAD Estimated value is an amount that takes into consideration the effect of credit risk reduction method.
2. Segmented pool classification is integrated into above classifications and shown.
3. PD estimated value weighted average, LGD estimated value weighted average, risk weight weighted average, and weighted average of estimated value of assessment rate by which to multiply the pre-withdrawal amount to the left are estimated values or risk weight by respective pool classifications weighted with EAD estimated value.

Actual loss amount of portfolio applicable to the internal ratings-based approach in the most recent term / actual value of the relevant term, and comparison with past actual value

(Millions of Yen)

Classification	Actual loss amount for FY2007	Actual loss amount for FY2008	Comparison with actual loss amount for previous year
Corporate exposures	50,909	**41,936**	**(8,973)**
Sovereign exposures	—	**—**	**—**
Bank exposures	—	**12,542**	**12,542**
Equity exposures applicable to the PD/LGD approach	252	**—**	**(252)**
Residential mortgage exposures	92	**47**	**(45)**
Qualifying revolving retail exposures	1	**—**	**(0)**
Other retail exposures	2,918	**1,102**	**(1,816)**
Total	54,174	**55,629**	**1,454**

Note: Actual loss amount is total of following amounts relating to exposures in default, not including reversal of reserve:
General reserve for possible loan losses provision amount, special reserve provision amount, receivables depreciation reserve provision, special foreign receivables reserve account provision amount, debt credit risk adjusted amount relating to derivatives (up to here, portion for party requiring management), respective reserve for possible loan losses provision amount, reserve for contingent loss provision amount, debt write-off amount, loss on sale of receivables, loss on waiver of receivables, depreciation amount relating to equity exposures applicable to the PD/LGD approach, loss on sale.

[Analysis of Factors]

Actual loss amount for FY2008, increased by 1.4 billion yen compared to FY2007.

This is primarily attributable to that the amount of loss by bank exposure occurred although the amount of reserve decreased mainly on corporate exposure.

Estimated value of loss amount of portfolio applicable to the internal ratings-based approach

(Millions of Yen)

Classification	Actual value of loss amount for FY2008	**Estimated value of loss amount for FY2009**
Corporate exposures	106,943	**78,254**
Sovereign exposures	41	**42**
Bank exposures	355	**2,628**
Equity exposures applicable to the PD/LGD approach	191	**580**
Residential mortgage exposures	9,652	**8,854**
Qualifying revolving retail exposures	579	**543**
Other retail exposures	14,337	**15,181**
Total	132,101	**106,086**

Note: Estimated value of loss amount (= EAD estimated value x PD estimated value x LGD estimated value) is the value estimated to have accrued in each fiscal year with March 31, 2007 and 2008 as the reference date, respectively.

Credit Risk Mitigation Measures

Amount of Exposure to which Credit Risk Reduction Method Has Been Applied

(Millions of Yen)

Classification	March 31, 2008			
	Amount of exposure to which qualified financial asset collateral has been applied	Amount of exposure to which qualified receivables collateral has been applied	Amount of exposure to which qualified real estate collateral has been applied	Amount of exposure to which qualified other collateral has been applied
Standardised approach	—	—	—	—
Internal ratings-based approach	1,924,211	7,935	366,673	4,371
Corporate exposures	499,631	7,935	344,886	4,371
Sovereign exposures	—	—	21,786	—
Bank exposures	1,424,580	—	—	—
Total	1,924,211	7,935	366,673	4,371

(Millions of Yen)

Classification	March 31, 2009			
	Amount of exposure to which qualified financial asset collateral has been applied	Amount of exposure to which qualified receivables collateral has been applied	Amount of exposure to which qualified real estate collateral has been applied	Amount of exposure to which qualified other collateral has been applied
Standardised approach	**—**	**—**	**—**	**—**
Internal ratings-based approach	**1,305,830**	**6,632**	**603,909**	**36,721**
Corporate exposures	**38,498**	**6,632**	**582,777**	**36,721**
Sovereign exposures	**—**	**—**	**21,131**	**—**
Bank exposures	**1,267,332**	**—**	**—**	**—**
Total	**1,305,830**	**6,632**	**603,909**	**36,721**

Amount of Exposure to which Guarantees and Credit Derivatives Have Been Applied

(Millions of Yen)

Classification	March 31, 2008		March 31, 2009	
	Amount of exposure to which guarantees have been applied	Amount of exposure to which credit derivatives have been applied	Amount of exposure to which guarantees have been applied	Amount of exposure to which credit derivatives have been applied
Standardised approach	—	—	**—**	**—**
Internal ratings-based approach	94,458	—	**95,096**	**—**
Corporate exposures	39,117	—	**43,704**	**—**
Sovereign exposures	5,656	—	**5,619**	**—**
Bank exposures	49,684	—	**45,772**	**—**
Total	94,458	—	**95,096**	**—**

Risks of Transaction Partners in Derivative Products Transactions and Long-term Settlement Period Transactions

(1) Method used for calculation of credit equivalents

	Name
Method used for calculation of credit equivalents	Current exposure method

(2) Total amount of gross reconstruction cost (not less than zero)

(Millions of Yen)

	March 31, 2008	March 31, 2009
Total gross reconstruction cost amount	164,877	**225,119**

3) Credit equivalents before taking into consideration effect of credit risk reduction method by collateral (for derivative product transactions, credit equivalents for each transaction classification is included)

(Millions of Yen)

	March 31, 2008	March 31, 2009
Credit equivalents before taking into consideration the effect of credit risk reduction method by collateral	93,690	**96,646**
Of which, those corresponding to foreign exchange related transactions	61,584	**47,227**
Of which, those corresponding to interest rate related transactions	191,268	**261,730**
Of which, those corresponding to other transactions	—	**—**
Of which, those corresponding to the effect of credit risk reduction via collective liquidation netting contracts (loss)	159,162	**212,311**

(4) Total amount indicated in (2) plus total amount of gross add-on minus the amount indicated in (3)

(Millions of Yen)

	March 31, 2008	March 31, 2009
Total amount indicated in (2) and gross add-on total minus the amount as indicated in (3)	(159,162)	**(212,311)**

(5) Amount by type of collateral

(Millions of Yen)

Classification of acceptance or provision	Type of collateral	March 31, 2008	**March 31, 2009**
Accepted collateral	Government bonds	2,680	**7,991**
	Domestic stocks	—	**—**
	US bonds	—	**—**
	Cash	3,438	**3,870**
	Other	—	**—**
Total		6,118	**11,861**
Deposited collateral	Government bonds	14,692	**25,830**
	Domestic stocks	21,020	**13,176**
	US bonds	2,113	**1,979**
	Cash	99	**48**
	Other	—	**—**
Total		37,925	**41,034**

Notes:
1. Amount of collateral is indicated at market value.
2. Of deposited collateral, 29,835 million yen (at March 31, 2008) and 21,973 million yen (at March 31, 2009) are deposited with liquidation institutions, etc.

(6) Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral	91,876	**90,007**

(7) Credit derivative predicted principal amount that will be subject to calculation of credit equivalents

(Millions of Yen)

Classification of purchase or provision	Type of credit derivative	March 31, 2008 predicted principal	**March 31, 2009 predicted principal**
Protection purchase	Credit default swap	—	**—**
	Credit linked notes	—	**—**
	Other	—	**—**
Total		—	**—**
Protection provision	Credit default swap	10,000	**10,000**
	Credit linked notes	45,000	**63,000**
	Other	5,000	**5,000**
Total		60,000	**78,000**

(8) Estimated amount of principal of credit derivatives used to take into consideration the effect of credit risk reduction method

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Estimated amount of principal of credit derivatives used to take into consideration the effect of credit risk reduction method	—	**—**

Securitization Exposure

Securitization Exposure of which the Company is the Originator

(1) Total amount of original assets and breakdown by type of these primary original assets

(Millions of Yen)

Form of Securitization	March 31, 2008	**March 31, 2009**
Amount of original assets of asset transfer-type securitization transactions	719,193	**587,180**
Residential mortgage	703,693	**587,180**
Other	15,500	**—**
Amount of original assets of synthetic-type securitization transactions	—	**—**
Residential mortgage	—	**—**
Other	—	**—**
Total amount of original assets	719,193	**587,180**

(2) Of exposure composing original assets, amount of exposure delay of three months or longer or exposures in default amount, current loss amount, and breakdown by type of these primary original assets

(Millions of Yen)

Classification	March 31, 2008		**March 31, 2009**	
	Exposure amount	Current loss amount	Exposure amount	Current loss amount
Exposure delay of three months or longer	—	—	**—**	**—**
Residential mortgage	—	—	**—**	**—**
Other	—	—	**—**	**—**
Exposures in default	2,601	—	**2,250**	**—**
Residential mortgage	2,601	—	**2,250**	**—**
Other	—	—	**—**	**—**
Total	2,601	—	**2,250**	**—**

(3) Amount of securitization exposure held and breakdown by type of these primary original assets

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
	Amount of exposure	Amount of exposure
Residential mortgage	201,878	**195,331**
Other	2,757	**—**
Total	204,635	**195,331**

(4) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2008		**March 31, 2009**	
	Balance	Required capital amount	Balance	Required capital amount
Less than 20%	—	—	**—**	**—**
20% to less than 50%	—	—	**—**	**—**
50% to less than 100%	201,878	14,559	**195,331**	**12,722**
100% to less than 350%	—	—	**—**	**—**
Capital deduction	2,682	2,682	**2,682**	**2,682**
Total	204,560	17,242	**198,014**	**15,405**

Note: Required capital amount = (credit risk weighted asset amount x 1.06) x 8% + expected loss amount

(5) Capital equivalent amount increased due to securitization transaction and breakdown by type of original assets

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	34,687	**26,681**
Other	75	**—**
Total	35,763	**26,681**

(6) Amount of securitization exposure to be deducted from capital pursuant to provisions of Article 247 of the Capital Adequacy Ratio Notification and breakdown by type of original assets

(Millions of Yen)

Type of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	—	**—**
Other	2,682	**2,682**
Total	2,682	**2,682**

(7) Matters concerning securitization exposure with early redemption provisions

N.A.

(8) Outline of exposure securitized in current term

N.A.

(9) Amount of profit/loss on sale recognized during the term accompanying securitization transactions and breakdown by type of primary original assets

N.A.

(10) Amount of credit risk weighted assets calculated through application of Article 15 of the Supplementary Rules of Capital Adequacy Ratio Notification

N.A.

Securitization Exposure in which the Company is the Investor

(1) Amount of securitization exposure held and breakdown of primary original assets by type

(Millions of Yen)

Breakdown of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage backed securities (RMBS)	113,206	**102,119**
Multi-borrower type commercial-use real estate backed securities (MCMBS)	2,800	**—**
Debt collateral certificate using credit derivative (Synthetic CDO)	13,299	**2,153**
First to default type credit linked notes (CLN)	39,901	**40,935**
Asset-backed loans of monetary receivables such as loan receivables (ABL)	189	**5**
Securitization of business (WBS)	42,199	**35,051**
Asset-backed securities of monetary receivables such as installment receivables (ABS)	10,729	**11,201**
Total	222,326	**191,465**

(2) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2008		**March 31, 2009**	
	Balance	Required capital amount	Balance	Required capital amount
Less than 20%	134,096	883	**105,224**	**653**
20% to less than 50%	88,164	2,616	**86,241**	**2,489**
50% to less than 100%	—	—	**—**	**—**
100% to less than 350%	65	6	**—**	**—**
Capital deduction	1,418	1,418	**—**	**—**
Total	223,745	4,925	**191,465**	**3,143**

Note: Required capital amount = (Credit risk weighted asset amount x 1.06) x 8%

(3) Amount of securitization exposure deducted from capital pursuant to provisions of Article 247 of the Capital Adequacy Ratio Notification and breakdown of original assets by type

(Millions of Yen)

Breakdown of original assets	March 31, 2008	**March 31, 2009**
Residential mortgage	—	**—**
Other	1,418	**—**

(4) Amount of credit risk weighted asset calculated with application of Article 15 of the Supplementary Rules of Capital Adequacy Ratio Notification

N.A.

Equity Exposures in Bank Accounts

Amount Posted on Balance Sheet and Market Value

(Millions of Yen)

Classification	March 31, 2008		March 31, 2009	
	Amount posted on balance sheet	Market value	Amount posted on balance sheet	Market value
Listed equity exposures	583,365	583,365	**379,464**	**379,464**
Equity exposures other than above	256,095		**255,586**	
Total	839,460		**635,050**	

Note: Equity exposures for domestic and foreign stocks are described in the above.

Amount of Profit/Loss Accompanying Sale and Write-Off of Equity Exposures

(Millions of Yen)

Breakdown	March 31, 2008	March 31, 2009
Profit/loss on sale	15,233	**(103,278)**
Amortization loss	7,420	**69,750**
Total	7,813	**(173,028)**

Note: Profit/loss on stocks stated on the Profit and Loss Statements is described in the above.

Amount of Appraisal Profit/Loss Recognized on Balance Sheet and Not Recognized on Profit and Loss Statements

(Millions of Yen)

	March 31, 2008	March 31, 2009
Amount of appraisal profit/loss recognized on balance sheet and not recognized on profit and loss statements	135,981	**(40,483)**

Note: Appraisal profit/loss relating to other securities (domestic and foreign stocks) that fall under equity exposures is described in above.

Amount of Appraisal Profit/Loss Not Recognized on Balance Sheet and Not Recognized on Profit and Loss Statements

N.A.

Amount Calculated into Tier II Capital Pursuant to Article 18, Paragraph 1 of the Capital Adequacy Ratio Notification

N.A.

Amount of Equity Exposures Applicable to Article 13 (Transitional measure) of Supplementary Rules of Capital Adequacy Ratio Notification

(Millions of Yen)

Classification	March 31, 2008	March 31, 2009
Listed equity exposures	358,848	**251,885**
Equity exposures other than above	241,137	**236,304**
Total	599,986	**488,189**

Note: As for the amount of equity exposures classified into other securities, smaller amount of either the amount posted on the balance sheet or the acquisition cost is used.
As for the amount of equity exposures that is not classified into other securities, the amount posted on the balance sheet is used.

(Reference) Equity Exposures in Trust Account with an Agreement on Compensation for Principal

Term-end Balance in Trust Account with an Agreement on Compensation for Principal

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Listed equity exposures	—	**—**
Equity exposures other than above	3,312	**496**
Total	3,312	**496**

Note: Term-end balance is the amount based on accounting processing of trust account with an agreement on compensation for principal.

Amount of Profit/Loss Accompanying Sale and Write-Off of Equity Exposures in Trust Accounts with an Agreement on Compensation for Principal

(Millions of Yen)

Breakdown	March 31, 2008	**March 31, 2009**
Profit/loss on sale	(651)	**—**
Amortization loss (–)	—	**—**
Total	(651)	**—**

Note: Profit/loss on sale and amortization loss is the amount in accordance with the accounting processing of trust accounts with an agreement on compensation for principal.

Amount of Equity Exposures Applicable to Article 13 (Transitional measure) of the Supplementary Rules of Capital Adequacy Ratio Notification in Trust Accounts with an Agreement on Compensation for Principal

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Listed equity exposures	—	**—**
Equity exposures other than above	499	**496**
Total	499	**496**

Exposure Relating to Funds

(Millions of Yen)

Calculation Method	March 31, 2008	**March 31, 2009**
Exposure applicable to look-through formula (Note 1)	365,100	**387,591**
Exposure applicable to modified simple majority method (Note 2)	86,354	**10,665**
Exposure applicable to investment criteria formula (Note 3)	47,243	**3,298**
Exposure applicable to simple risk weight method (Note 4)	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total	498,698	**401,556**

Notes:
1. In investment trusts, funds, repackaged bonds, etc. (the “Fund, etc.”), the exposure in which the respective backed assets are obvious.
2. Exposure in which equity exposures makes up a majority of the assets backing up the Fund, etc.
3. Exposure in which the composing assets of the Fund, etc. are predictable since the operational standards are determined even though the respective assets that back up Fund, etc. are not obvious.
4. Exposure in which the respective assets backing up the Fund, etc. are not obvious, and does not fall under 1 to 3 above.

Variation Amount of Profit/Loss or Economic Value from Interest Rate Shock used by the Company for Internal Management with Regard to Interest Rate Risk in Bank Accounts

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Variation amount of profit/loss or economic value from interest rate shock	111,992	**107,693**

Note: Calculation is done by the same method as the outlier standard as provided in “General Supervision Guidelines for Major Banks.”
Interest rate shock to be applied: 99 percentile value of interest rate volatility measured with retention period of 1 year and observation period of 5 years.
Core deposit to be applied: 50% of current balance of liquid deposit (ordinary deposit, current deposit, etc.)

Basel II Related Data

Chuo Mitsui Asset Trust and Banking Company, Limited

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Non-consolidated Data

Means of Capital Procurement

Common stock

Credit Risk Weighted Assets

1. Method to be used:	the standardised approach
2. Rating agency to be used:	Rating and Investment Information, Inc. However, for corporate exposures, etc., we apply 100% risk weight to all.

Operational Risks

• Method used in calculation of operational risk equivalents:	the standardised approach

Composition of Capital

Composition of Capital

(Millions of Yen)

Item	March 31, 2008	**March 31, 2009**
Tier I capital		
Capital stock	11,000	**11,000**
Non-cumulative perpetual preferred stock of above	—	**—**
New stock application margin	—	**—**
Capital reserve	21,246	**21,246**
Other capital surplus	—	**—**
Retained earnings	—	**—**
Other retained earnings	16,223	**12,620**
Treasury stock (-)	—	**—**
Treasury stock application margin	—	**—**
Projected amount of distributed income (-)	14,000	**9,900**
Evaluation loss on other securities (-)	21	**—**
Stock acquisition rights	—	**—**
Trade rights equivalent amount (-)	—	**—**
Intangible fixed asset equivalent posted by corporate consolidation (-)	—	**—**
Amount equivalent to capital increase due to securitization transactions (-)	—	**—**
Total Tier I capital (A)	34,447	**34,966**
Non-dilutive preferred securities with step-up interest rate provisions of above (Note 2) (B)	—	**—**
Tier II capital		
Amount equivalent to 45% of difference between land revaluation amount and book value just before revaluation	—	**—**
General reserve for possible loan losses	—	**—**
Liability type fundraising means, etc.	—	**—**
Perpetual subordinated bonds of above (Note 3)	—	**—**
Fixed-term subordinated bonds and fixed-term preferred stock of above (Note 4)	—	**—**
Amount not calculated into Tier II capital (-)	—	**—**
Total Tier II capital (C)	—	**—**
Items for deduction (Note 5) (D)	—	**—**
Capital Amount (E) = (A) + (C) – (D)	34,447	**34,966**
<For Reference>		
Risk weighted assets, etc.		
Credit risk weighted asset amount	34,781	**32,266**
Asset (on-balance sheet) items	34,744	**32,266**
Off-balance sheet transaction items	36	**—**
Amount arrived at by dividing operational risk equivalents by 8%	95,730	**94,643**
Total (F)	130,512	**126,909**
Non-consolidated Capital Adequacy Ratio (Domestic Standard) = (E)/(F) x 100	26.39%	**27.55%**
(A)/(F) x 100	26.39%	**27.55%**
(B)/(A) x 100	—	**—**

Notes:

1. Composition of capital and capital adequacy ratio, etc. are calculated in accordance with Financial Services Agency Notification No. 19 of 2006 (the "Capital Adequacy Ratio Notification") and No. 79 of 2008.
2. Meaning those as provided in Article 40, Paragraph 2 of the Capital Adequacy Ratio Notification, in other words, stock, etc., that has the probability of redemption, including those adding a step-up interest rate or other special provisions (including preferred investment securities issued by overseas SPCs)
3. Meaning liability type fundraising means as indicated in Article 41, Paragraph 1, Item 3 of the Capital Adequacy Ratio Notification, and which have all the characteristics as indicated below:
   (1) Unsecured, subordinated to other liabilities, and already paid,
   (2) Not to be redeemed, except for in certain cases,
   (3) Should supplement loss while business is ongoing,
   (4) That for which interest payment obligation postponement is allowed.
4. These are indicated in Article 41, Paragraph 1, Items 4 and 5 of the Capital Adequacy Ratio Notification. However, for fixed-term subordinated bonds, there is a limitation to those with redemption periods exceeding 5 years from the agreement.
5. Amount equivalent to intentional holding of fundraising means of other financial institutions as indicated in Article 43, Paragraph 1, Item 1 of the Capital Adequacy Ratio Notification, and the amount that is to be deducted pursuant to the provisions of Items 2 and 5 thereof.

Capital Adequacy Levels

Required Capital Amount

(1) Required capital amount for credit risks

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Portfolio applicable to the standardised approach	1,389	**1,290**
For financial institutions and securities companies	101	**88**
For corporations	441	**383**
Investment	8	**8**
Other	837	**809**
Securitization exposure	—	**—**
Total	1,389	**1,290**

Note: Calculation method of required capital amount for credit risk is as follows:
Amount of credit risk weighted asset x 4% + capital deduction amount

(2) Required capital amount for operational risks

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Standardised approach	3,829	**3,785**
Total	3,829	**3,785**

(3) Total amount of non-consolidated required capital

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Total amount of non-consolidated required capital (Note)	5,219	**5,076**

Note: (Amount of credit risk weighted asset + operational risk equivalents/8%) x 4%

Credit Risks

(except for matters regarding securitization exposure)

Term-end Balance of Exposure Relevant to Credit Risks and Breakdown by Primary Type

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**	**Average balance of exposure during the term**
Loaned money, call loans, deposits, etc.	45,122	**36,578**	**38,013**
Securities	84,874	**88,933**	**88,285**
Off-balance sheet transactions	25,655	**30,592**	**37,819**
Total	155,652	**156,103**	**164,118**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting valuation gains on other securities amount posted on balance sheet,
   (2) Off-balance sheet transactions: credit equivalents.
2. Assets that fall under Article 77 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.
3. The average balance of exposure during the term is the average value for respective quarterly term-end balances.

(1) Term-end Balance of Exposure by Region and Breakdown by Primary Types

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Domestic	155,652	**156,103**
Loaned money, call loans, deposits, etc.	45,122	**36,578**
Securities	84,874	**88,933**
Off-balance sheet transactions	25,655	**30,592**
Overseas	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Total	155,652	**156,103**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting valuation gains on other securities amount posted on balance sheet,
   (2) Off-balance sheet transactions: credit equivalents.
2. Assets that fall under Article 77 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(2) Term-end Balance of Exposure by Business Type and Breakdown by Primary Type

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Sovereign	117,920	**135,414**
Central government and central bank	117,245	**134,811**
Loaned money, call loans, deposits, etc.	21,372	**15,889**
Securities	84,874	**88,933**
Off-balance sheet transactions	10,997	**29,988**
Local public organizations	674	**603**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	674	**603**
Other	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Financial institutions	26,684	**11,089**
Loaned money, call loans, deposits, etc.	12,701	**11,089**
Securities	—	**—**
Off-balance sheet transactions	13,983	**—**
Business corporation	11,047	**9,599**
Loaned money, call loans, deposits, etc.	11,047	**9,599**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Individual	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Other	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Special international financial transaction account portion	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Total	155,652	**156,103**

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Notes:
1. The following values are used for above term-end balance:
(1) On-balance sheet transactions: amount gained by deducting valuation gains on other securities amount posted on balance sheet,
(2) Off-balance sheet transactions: credit equivalents
2. Assets that fall under Article 77 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(Reference) Term-end Balance of Exposure by Business Type relevant to Business Corporations and Breakdown by Primary Type

(Millions of Yen)

Business Type	March 31, 2008	**March 31, 2009**
Manufacturing	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Agriculture	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Forestry	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Fishery	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Mining industry	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Construction	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Electricity, gas, heating, water	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Information communications	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Transportation	91	**72**
Loaned money, call loans, deposits, etc.	91	**72**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Wholesale and retail	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Finance and insurance	369	**321**
Loaned money, call loans, deposits, etc.	369	**321**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Real estate	834	**897**
Loaned money, call loans, deposits, etc.	834	**897**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Various services	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Other	9,751	**8,308**
Loaned money, call loans, deposits, etc.	9,751	**8,308**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Total	11,047	**9,599**

(continues to right column)

(continued from left column)

Notes:
1. The following values are used for above term-end balance:
(1) On-balance sheet transactions: amount gained by deducting valuation gains on other securities amount posted on balance sheet,
(2) Off-balance sheet transactions: credit equivalents
2. Assets that fall under Article 77 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

(3) Term-end Balance of Exposure by Remaining Period and Breakdown by Primary Type

(Millions of Yen)

Remaining Period	March 31, 2008	**March 31, 2009**
1 year or shorter	153,894	**154,398**
Loaned money, call loans, deposits, etc.	44,038	**35,476**
Securities	84,874	**88,933**
Off-balance sheet transactions	24,981	**29,988**
Over 1 year to 3 years or shorter	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Over 3 years to 5 years or shorter	68	**68**
Loaned money, call loans, deposits, etc.	68	**68**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Over 5 years to 7 years or shorter	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**

(continues to right column)

(continued from left column) (Millions of Yen)

Remaining Period	March 31, 2008	**March 31, 2009**
Over 7 years	674	**603**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	674	**603**
With no provision for period	1,014	**1,032**
Loaned money, call loans, deposits, etc.	1,014	**1,032**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Total	155,652	**156,103**

Notes:
1. The following values are used for above term-end balance:
   (1) On-balance sheet transactions: amount gained by deducting valuation gains on other securities amount posted on balance sheet,
   (2) Off-balance sheet transactions: credit equivalents.
2. Assets that fall under Article 77 of the Capital Adequacy Ratio Notification (prepaid pension expenses, fixed assets, deferred tax assets, etc.) are not included in above.

Term-end Balance of Exposure Delay of Three Months or Longer and Breakdown by Primary Type

N.A.

Balance of Respective Reserve for Possible Loan Losses by Business Type

N.A.

Amount of Loan Amortized by Business Type

N.A.

Balance by Risk Weight Classification for Exposure Applicable to the Standardised Approach

(Millions of Yen)

Risk Weight	March 31, 2008			**March 31, 2009**		
		Rating applicable	Rating not applicable (Note)		Rating applicable	Rating not applicable (Note)
0%	131,720	—	131,720	**135,414**	**—**	**135,414**
0% to 10%	—	—	—	**—**	**—**	**—**
10% to 35%	12,884	—	12,884	**11,089**	**—**	**11,089**
35% to 75%	—	—	—	**—**	**—**	**—**
75% to 100%	11,047	—	11,047	**9,599**	**—**	**9,599**
100% to 150%	—	—	—	**—**	**—**	**—**
Capital deduction	—	—	—	**—**	**—**	**—**
Total	155,652	—	155,652	**156,103**	**—**	**156,103**

Note: The Company has registered for application of special exceptions in Article 67 of Capital Adequacy Ratio Notification as to exposure oriented to corporations, etc., so risk weight is uniformly 100%. Therefore, the exposures applicable to the relevant special exceptions are described in the “rating not applicable” column.

Credit Risk Mitigation Measures

(Millions of Yen)

Classification	March 31, 2008	**March 31, 2009**
Amount of exposure to which qualified financial asset collateral has been applied	13,800	**—**
Amount of exposure to which guarantees have been applied	—	**—**
Amount of exposure to which credit derivatives have been applied	—	**—**
Total	13,800	**—**

Risks of Transaction Partners in Derivative Products Transactions and Long-term Settlement Period Transactions

N.A.

Securitization Exposure

N.A.

Equity Exposures in Bank Accounts

Amount Posted on Balance Sheet and Market Value

(Millions of Yen)

Classification	March 31, 2008		**March 31, 2009**	
	Amount posted on balance sheet	Market value	Amount posted on balance sheet	Market value
Listed equity exposures	—	—	**—**	**—**
Exposures other than above	216		**216**	
Total	216		**216**	

Amount of Profit/Loss Accompanying Sale and Write-Off of Equity Exposures

N.A.

Amount of Appraisal Profit/Loss Recognized on Balance Sheet and Not Recognized on Profit and Loss Statements

N.A.

Amount of Appraisal Profit/Loss Not Recognized on Balance Sheet and Not Recognized on Profit and Loss Statements

N.A.

Amount Calculated into Supplementary Items Pursuant to Article 18, Paragraph 1 of the Capital Adequacy Ratio Notification

N.A.

Variation Amount of Profit/Loss or Economic Value from Interest Rate Shock Used by the Company for Internal Management with Regard to Interest Rate Risk in Bank Accounts

(Millions of Yen)

	March 31, 2008	**March 31, 2009**
Variation amount of profit/loss or economic value from interest rate shock	110	**110**

Note: Since the assets to be subject to management are very few, these are managed in a single unit as risk in internal management, and management limited to interest rate risk is not performed. For reference values, values calculated in accordance with the outlier standard provided in "General Supervision Guidelines for Major Banks" is indicated.
Interest rate shock to be applied: 99 percentile value of interest rate volatility measured with retention period of 1 year and observation period of 5 years.

Directors, Corporate Auditors and Executive Officers

As of August 1, 2009

Chuo Mitsui Trust Holdings, Inc.

Chairman of the Board
Kiichiro Furusawa*

President
Kazuo Tanabe*

Deputy President
Tomohiro Ito*

Senior Managing Directors
Jun Okuno
Ken Sumida

Director
Tadashi Kawai

Corporate Auditors
Tetsuo Amano
Yasuhiro Wakasa
Yasuhiro Yonezawa
Yasuhiko Takano
Hiroyuki Nakanishi

Senior Executive Officer
Nobuo Iwasaki

Executive Officer
Masaru Hashimoto

** Representative directors*

The Chuo Mitsui Trust and Banking Company, Limited

President
Kazuo Tanabe*

Deputy President
Masaharu Kodaka*

Corporate Auditors
Junichi Sahara
Yasuhiko Takano
Hiroyuki Nakanishi

First Senior Executive Officers
Itaru Masuda**
Jun Okuno
Ken Sumida
Kunitaro Kitamura

Senior Executive Officers
Mamoru Kawakami
Nobuo Iwasaki
Shunichi Sakata
Taro Kiritani
Naoya Shoji
Takashi Kamikanda
Yoichi Nakae
Katsuhiko Kudo

Executive Officers
Shinji Ochiai
Takuya Miyazaki
Hiroyuki Okudaira
Toshiyuki Ueki
Masashi Hirose
Mutsumi Watanabe
Yoshiaki Koshimura
Tomoyuki Kiyotsune
Tsuyoshi Saitou
Hirofumi Wakui

** Representative directors*
*** Directors*

Chuo Mitsui Asset Trust and Banking Company, Limited

President
Tadashi Kawai*

Senior Executive Officers
Yasuo Kuwana**
Satoshi Yamamoto**

Corporate Auditors
Yasuhiro Wakasa
Norihide Kirihara
Yasuhiro Yonezawa

Executive Officers
Seigo Kimoto
Hiroshi Misawa
Yoshinori Miyamoto

** Representative director*
*** Directors*

Organization

As of August 1, 2009

Chuo Mitsui Trust Holdings, Inc.

- General Meeting of Shareholders
- Corporate Auditors / Board of Corporate Auditors
- Board of Directors
- Executive Committee
- Management Council
- Advisory Board
- Committee
- Corporate Auditors Office
- Secretariat
- General Planning Dept.
- Planning and Coordination Dept.
- General Affairs Dept.
- Personnel Dept.
- Risk Management Dept.
- Compliance Dept.
- Legal Dept.
- Operations Administration Dept.
- System Planning Dept.
- Internal Audit Dept.

The Chuo Mitsui Trust and Banking Company, Limited

- General Meeting of Shareholders
- Corporate Auditors / Board of Corporate Auditors
- Board of Directors
- Executive Committee
- Committee
- Corporate Auditors Office
- Secretariat
- Corporate Planning Dept.
- Planning and Coordination Dept.
- General Affairs Dept.
- Personnel Dept.
- Risk Management Dept.
- Compliance Dept.
- Legal Dept.
- Customer Service Dept.
- Treasury Dept.
- Business Planning Dept.
- Private Banking Dept.
- Direct Channel Business Dept.
- Loan Planning Dept.
- Corporate Business Promotion Dept.
- Real Estate Asset Finance Dept.
- Credit Investment and Structured Finance Dept.
- Credit Supervision Dept. I
- Credit Supervision Dept. II
  - Head Office Business Depts.
  - Domestic Branches
- Global Finance Dept.
  - Representative Office
- Settlement Administration Dept.
- Real Estate Planning and Administration Dept.
- Real Estate Business Dept. I
- Real Estate Business Dept. II
- Real Estate Investment Promotion Dept. I
- Real Estate Investment Promotion Dept. II
- Real Estate Investment Advisory Dept.
- Real Estate Custody Dept.
- Real Estate Supervision Dept.
- Stock Transfer Agency Dept.
- Stock Transfer Agency Business Dept.
- Stock Transfer Agency Business Promotion Dept.
- Operations Administration Dept.
- System Planning Dept.
- Internal Audit Dept.

Chuo Mitsui Asset Trust and Banking Company, Limited

- General Meeting of Shareholders
- Corporate Auditors / Board of Corporate Auditors
- Board of Directors
- Executive Committee
- Corporate Auditors Office
- Secretariat
- Corporate Planning Dept.
- Planning and Coordination Dept.
- General Affairs Dept.
- Personnel Dept.
- Risk Management Dept.
- Compliance Dept.
- Legal Dept.
- Trust Assets Planning Dept.
  - Pension Business Dept. I
  - Pension Business Dept. II
  - Pension Business Dept. III
  - Institutional Business Dept.
  - Nagoya Branch
  - Osaka Branch
- Pension Consulting Dept.
- Pension Trust Dept.
- Trust Assets Administration Dept.
- Investment Planning Dept.
- Pension Fund Investment Dept.
- Trust Fund Investment Dept.
- Equity Dept.
- Fixed Income Investment Dept.
- Quantitative Investment Dept.
- Fund Business and Alternative Investment Dept.
- Operations Administration Dept.
- System Planning Dept.
- Internal Audit Dept.

Major Associated Companies

As of August 1, 2009

Chuo Mitsui Trust Holdings, Inc.

	Services	Capital (Millions of yen)
Japan Trustee Services Bank, Ltd.	Trust and banking	51,000

The Chuo Mitsui Trust and Banking Company, Limited

	Services	Capital (Millions of yen)
Chuo Mitsui Guarantee Co., Ltd.	Credit guarantee services	301
Chuo Mitsui Card Co., Ltd.	Credit card services	300
Chuo Mitsui Realty Co., Ltd.	Real estate brokerage	300
Chuo Mitsui Stock Transfer Agency Business Co., Ltd.	Stock transfer agency services	6,000
Chuo Mitsui Information Technology Co., Ltd.	Computer-related services	200
CMTB Equity Investments Co., Ltd.	Investment, management and administration of stocks	100
Chuo Mitsui Finance Service Co., Ltd.	Finance	3,150
Tokyo Securities Transfer Agent Co., Ltd.	Stock transfer agency services	50

Overseas Network

As of August 1, 2009

Representative Offices

The Chuo Mitsui Trust and Banking Company, Limited

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New York, N.Y. 10017-5617, U.S.A.
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Takeyasu Koike
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Beijing Representative Office
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London Representative Office
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Telefax: 44-20-7847-8406

Overseas Subsidiaries

Chuo Mitsui Trust Holdings, Inc.

MTH Preferred Capital 1 (Cayman) Limited
P.O. Box 309, Ugland House,
Grand Cayman KYI-1104,
Cayman Islands

MTH Preferred Capital 3 (Cayman) Limited
P.O. Box 309, Ugland House,
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MTH Preferred Capital 4 (Cayman) Limited
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Grand Cayman KYI-1104,
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MTH Preferred Capital 5 (Cayman) Limited
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CMTH Preferred Capital 6 (Cayman) Limited
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CMTH Preferred Capital 7 (Cayman) Limited
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The Chuo Mitsui Trust and Banking Company, Limited

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Telefax: 85 2 2533 4499

Investor Information

As of March 31, 2009

Chuo Mitsui Trust Holdings, Inc.

Registered Head Office
33-1, Shiba 3-chome,
Minato-ku, Tokyo 105-8574, Japan
Telephone: 81-3-5445-3500
Telefax: 81-3-5232-8879
Web site: http://www.chuomitsui.jp

Date of Establishment
February 1, 2002

Capital Stock
¥261,608 million

Number of Shares Authorized
4,443,488 thousand shares
Common: 4,068,332 thousand shares
Class II preferred: 93,750 thousand shares
Class III preferred: 156,406 thousand shares
Class V preferred: 62,500 thousand shares
Class VI preferred: 62,500 thousand shares

Number of Shares Issued*
Common: 1,658,426 thousand shares
Class II preferred: 93,750 thousand
Class III preferred: 31,468 thousand

Number of Shareholders
Common: 37,616 (The number of shareholders holding only fractional shares is excluded.)

Preferred: 1

* *Pursuant to the provisions of Articles of Incorporation, Chuo Mitsui Trust Holdings acquired all relevant preferred stock on August 1, 2009, subscribed by the Resolution and Collection Corporation ("RCC"), and issued Chuo Mitsui Trust Holdings' common stocks to RCC in exchange for these preferred stocks. Chuo Mitsui Trust Holdings subsequently cancelled all the relevant preferred stocks immediately after obtaining these stocks. Consequently, the total number of outstanding shares of common stock stands at 1,658,426 thousand.*

Major Shareholders

(a) Common stock

Name	Number of shares held (Thousands)	Percentage of total shares (%)
Japan Trustee Services Bank, Ltd. (Trust account)	109,750	9.48
The Master Trust Bank of Japan, Ltd. (Trust account)	85,834	7.41
Japan Trustee Services Bank, Ltd. (Trust account 4G)	67,847	5.86
Goldman Sachs & Company Regular account	28,214	2.43
Japan Trustee Services Bank, Ltd. (Trust account 4)	17,446	1.5
State Street Bank and Trust Company 505225	15,421	1.33
Japan Trustee Services Bank, Ltd. (Re-trusted by Chuo Mitsui Asset Trust and Banking Co., Ltd. Composite trust account held for Toyota Motor Corporation)	15,226	1.31
Mitsui Life Insurance Company Limited	13,648	1.17
Tobu Railway Co., Ltd.	13,355	1.15
Mellon Bank, N.A. as Agent for its Client Mellon Omnibus US Pension	12,310	1.06
Total	379,052	32.8

(b) The Resolution and Collection Corporation maintains all of the Company's preferred stocks.

Stock type	Number of shares held (Thousands)	Percentage of total shares (%)
Class II	93,750	100.00
Class III	31,468	100.00

Certified Public Accountants
Deloitte Touche Tohmatsu
(a Japanese member firm of Deloitte Touche Tohmatsu, a Swiss Verein)
MS Shibaura Building
13-23, Shibaura 4-chome
Minato-ku, Tokyo 108-8530, Japan

Further Information
For further information, please contact:
Investor Relations Group
General Planning Department
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Minato-ku, Tokyo 105-8574, Japan

Company Information

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Web site: http://www.chuomitsui-asset.co.jp

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Disclosure Policy

Financial institutions have a social responsibility and a public mission to uphold. Well aware of the importance of this task, Chuo Mitsui Trust Group actively executes disclosure of business data to elicit greater confidence from investors and shareholders.

Chuo Mitsui Trust Holdings prioritizes a high level of management transparency. This basic principle guides the Company in providing timely, fair and unembellished information on the activities of the entire Group.

Chuo Mitsui Trust Holdings utilizes the Internet to disclose a wide range of investor relations (IR) information. The Company's Web site grants access to a page that links to materials prepared for domestic institutional investor information meetings as well as an audiovisual presentation of the actual information meetings.

The Company provides English translations of the Japanese originals. The Company also maintains a page designed specifically for individual investors to ensure thorough access to IR information by all investors.

The companies under the Group umbrella, including Chuo Mitsui and Chuo Mitsui Asset also have their own Web sites, through which each company presents a wide range of information about respective products and services.

Ongoing efforts to provide clients and shareholders with various disclosure materials will promote a deeper understanding of Chuo Mitsui Trust Group.

Chuo Mitsui Trust Holdings, Inc.
http://www.chuomitsui.jp/english/

Chuo Mitsui Trust Group