Chuo Mitsui Trust Group

Annual Report 2010

Chuo Mitsui Trust Group

Chuo Mitsui Trust Group Outline (as of March 31, 2010)

Holding Company

Chuo Mitsui Trust Holdings

Chuo Mitsui Trust Group, unique in the financial community because of its high-level financial products and services, aspires to be a business organization that contributes widely to society and meets the expectations of clients through its commitment to efficient, highly transparent management.

Chuo Mitsui Trust Holdings, Inc.

Registered Head Office	33-1, Shiba 3-chome, Minato-ku, Tokyo, Japan
Capital Stock	¥261.6 billion
Stock Exchange Listings	First section of Tokyo, Osaka and Nagoya stock exchanges
Capital Adequacy Ratio	13.80% (Consolidated basis, domestic standard)
Number of Employees[*1]	110

Subsidiary Trust Bank

Chuo Mitsui

Subsidiary Trust Bank

Chuo Mitsui Asset

Subsidiary Asset Management Company

Chuo Mitsui Asset Management

Subsidiary Asset Management Company

Chuo Mitsui Capital

The Chuo Mitsui Trust and Banking Company, Limited

Trust bank providing services for individual and corporate customers

Registered Head Office	33-1, Shiba 3-chome, Minato-ku, Tokyo, Japan
Capital Stock	¥399.6 billion
Balance of Trust Assets	¥6,851.9 billion
Total Amount of Funds	¥10,415.6 billion
Number of Offices	67 domestic bases (excluding three representative offices and 28 *Consulplaza*[*2] locations)
Long-Term Ratings	A1 (Moody's), A (S&P), A (Japan Credit Rating Agency), A- (Fitch)
Capital Adequacy Ratio	13.04% (Non-consolidated basis, Domestic standard)
Number of Employees[*1]	6,373

Chuo Mitsui Asset Trust and Banking Company, Limited

Trust bank providing services for institutional investors including trust asset-related and pension businesses

Registered Head Office	23-1, Shiba 3-chome, Minato-ku, Tokyo, Japan
Capital Stock	¥11.0 billion
Balance of Trust Assets	¥30,983.2 billion
Total Amount of Funds	¥15,343.9 billion
Long-Term Ratings	A1 (Moody's), A (Japan Credit Rating Agency)
Capital Adequacy Ratio	29.42% (Non-consolidated basis, Domestic standard)
Number of Employees[*1]	645

Chuo Mitsui Asset Management Company, Limited

Asset management company establishing and operating investment trust funds

Registered Head Office	23-1, Shiba 3-chome, Minato-ku, Tokyo, Japan
Capital Stock	¥300 million
Number of Employees[*1]	106

Chuo Mitsui Capital Company Limited

Asset management company investing in the area of private equity

Registered Head Office	2-8, Nihonbashi Muromachi 3-chome, Chuo-ku, Tokyo, Japan
Capital Stock	¥1.2 billion
Number of Employees[*1]	38

*1 Excluding employees seconded to other companies, temporary staff and part-time staff

*2 As of June 30, 2010, there were 29 *Consulplaza* locations.

CONTENTS

The Chuo Mitsui Trust Group discloses corporate information in the form of three reports.

Disclosure Report

This report consists of disclosure materials (documentation describing the Group's operations and financial standing) compiled in accordance with Japan's Banking Law. It is compiled to disclose information in accordance with legal requirements in an easy-to-understand format, while providing a large audience with an understanding of the Chuo Mitsui Trust Group's activities. The Disclosure Report is published twice a year in full-year (published every July) and interim (published every January) editions.

Annual Report

This financial report is prepared in English for a target audience consisting primarily of overseas investors. While it is compiled based on the Disclosure Report, care is taken to ensure that content is easily comprehensible to overseas readers. The Annual Report is published twice a year in full-year and interim editions.

CSR Report

This report, which is published annually, provides an overview of information relating to environmental and social activities from the standpoint of corporate social responsibility (CSR).

Website

http://www.chuomitsui.jp/english/

All three reports are available on Chuo Mitsui Trust Holding's website.

The Company strives to disclose information about the Group's overall financial condition in a timely, fair, and forthright manner on its website.

CONSOLIDATED FINANCIAL HIGHLIGHTS 2010

Years ended March 31, 2010 and 2009

	Billions of yen 2010	2009	Millions of U.S. dollars (Note) 2010
For the year:			
Total income	¥ **368.0**	¥ 422.2	$ **3,956.7**
Interest income	**181.5**	211.6	**1,951.9**
Trust fees	**50.8**	59.5	**546.8**
Fees and commissions	**80.7**	90.9	**868.4**
Total expenses	**283.2**	531.9	**3,045.2**
Interest expenses	**68.9**	96.8	**740.6**
General and administrative expenses	**149.2**	148.8	**1,604.1**
Income (loss) before income taxes	**84.7**	(109.6)	**911.5**
Net income (loss)	**46.8**	(92.0)	**503.3**
At year-end			
Total equity	¥ **846.5**	¥ 688.4	$ **9,099.8**
Total assets	**14,977.9**	15,086.4	**161,001.4**
Loans and bills discounted	**8,941.9**	8,584.2	**96,118.9**
Securities	**4,525.6**	4,896.6	**48,647.5**
Deposits	**9,087.1**	9,446.4	**97,679.3**
Trust assets*	**37,835.1**	36,070.2	**406,698.2**
Capital adequacy ratio**	**13.80%**	12.05%	
Reference (subsidiary banks)*			
Gross operating profit (before trust account write-offs)***	¥ **226.9**	¥ 228.7	$ **2,439.0**
Operating expenses	**117.9**	115.9	**1,267.4**
Pre-provision profit***	**108.9**	112.8	**1,171.6**
Credit costs	**7.5**	21.2	**81.6**

Note: U.S. dollar amounts stated in this annual report are translated solely for convenience at ¥93.03 to US$1, the rate prevailing on March 31, 2010.
* 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 54 in the Financial Section.

A Word from the President

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

This disclosure document for fiscal 2009, the year ended March 31, 2010, 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 Group's key companies are its two trust banks—The Chuo Mitsui Trust and Banking Company, Limited ("Chuo Mitsui"), which concentrates on the retail trust business, banking business, real estate business, and stock transfer agency business, and Chuo Mitsui Asset Trust and Banking Company, Limited ("Chuo Mitsui Asset"), which has particular strengths in pension trusts and the securities trust businesses—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.

On November 6, 2009, Chuo Mitsui Trust Holdings, Inc., ("CMTH") and The Sumitomo Trust and Banking Co., Ltd., reached a basic agreement on the management integration of their two groups, subject to the approval of their shareholders and relevant authorities.

After the integration, the new trust bank group will aim to be "Japan's leading trust bank group which boasts the largest scale and the highest status by combining banking, asset management and administration and real estate businesses" which will emphasize maintaining a strong relationship of trust with its clients.

In order to facilitate the smooth and swift integration of the two groups, both Groups are proceeding with specific discussions and preparations in a spirit of mutual trust and equality through entities such as the Integration Promotion Committee, which is headed by the presidents of CMTH and The Sumitomo Trust and Banking Co., Ltd.

As we strive to meet the expectations of clients, shareholders, investors, and business partners, your cooperation and understanding will be instrumental in this effort, and on behalf of everyone under the Group umbrella, I ask for your continued support.

August 2010

Kazuo Tanabe

President, Chuo Mitsui Trust Holdings, Inc.

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 ("CMTH"), 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?

Management philosophy

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, CMTH, 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 appropriately executed consultations tailored to clients' needs at different stages of life. Consultations cover a wide range of issues, including loans and asset management and 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

While downside risk to the global economy remains, a gradual recovery is predicted to continue for the Japanese domestic economy in the wake of expanding exports, and downward movement of stock prices is expected to be limited as financial markets stabilize. In the face of this business environment, we will marshal all business units in all Group companies to build on profits in an effort to increase our gross operating profit.

First, we will continue to selectively reinforce our presence in the investment trust market, where funds are shifting from savings to investments, and in the real estate market, where a recovery in transaction volume can be expected due to factors such as progress in adjustments of transaction prices. In lending operations, the Chuo Mitsui Trust Group has been prioritizing individual 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 stay competitive in these promising fields amid increasingly intense competition, we aim to carefully allocate personnel and financial resources to activities that will deliver the best possible results 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. More recently, financial institutions are expected to build autonomous internal control systems. In addition to precisely developing a stance that assures compliance with laws and other socially imposed regulations as well as a management approach for dealing with the changing risks associated with our business environment and business operations, the Group will fortify its internal auditing functions—a self-regulated process to ascertain the effectiveness and actual utility of internal structures—and reinforce its capacity to pinpoint trouble spots and correct them.

Q2. What can you tell us about the management integration effort?

On November 6, 2009, CMTH and The Sumitomo Trust and Banking Co., Ltd. ("STB"), reached a basic agreement on the management integration of their two groups, subject to the approval of their shareholders and relevant authorities. CMTH and STB have agreed to form "The Trust Bank", a new trust bank group that, with the combination of their expertise and comprehensive capability, can provide its clients with better and swifter comprehensive solutions than ever before. To create the new trust bank group, CMTH and STB Groups plan to combine their personnel, know-how and other managerial resources and to fuse both groups' strengths.

The new trust bank group will be able to further strengthen its high levels of expertise as a trust bank developed over the past decades by CMTH and STB Groups. At the same time, CMTH and STB believe that the new trust bank group will possess the status and capabilities as one of Japan's leading financial institutions, in addition to its leading role in the trust bank sector. The new trust bank group, which "takes pride as Japan's leading trust bank group which boasts the largest scale and the highest status by combining banking, asset management and administration and real estate businesses", will emphasize maintaining a strong relationship of trust with its clients and, as it moves onto the global stage, will aim to achieve the following goals:

(1) From clients' perspective
To be a trusted partner that swiftly provides comprehensive solutions by making full use of its high levels of expertise and comprehensive capability.

(2) From society's perspective
To be a company operating a trust business with strong social and public traits, that engages in sound management based on a high degree of self-discipline and greatly contributes to society by proactively promoting corporate social responsibility activities.

(3) From shareholders' perspective
To be a financial institution with a new business model creating distinct, high value-added services by combining banking, asset management and administration and real estate businesses.

(4) From employees' perspective
To be a workplace where the diversity and creativity of its employees are more fully used to add value to the organization and where employees can have pride and be highly motivated in fulfilling their missions.

Schedule

April 1, 2011 (planned) : Share exchange (first step)
CMTH and STB plan to conduct the management integration through a share exchange between CMTH and STB and to position CMTH, planned to be renamed Sumitomo Mitsui Trust Holdings, Inc. (tentative), as a new holding company.

April 1, 2012 (planned) : Integration of the Group's three trust banks (second step)
Sumitomo Mitsui Trust Holdings, Inc. (tentative) will plan to merge the three trust banks operating beneath it into a single trust bank, planned to be named Sumitomo Mitsui Trust Bank, Ltd. (tentative).

Q3. What kind of results have your management priorities achieved?

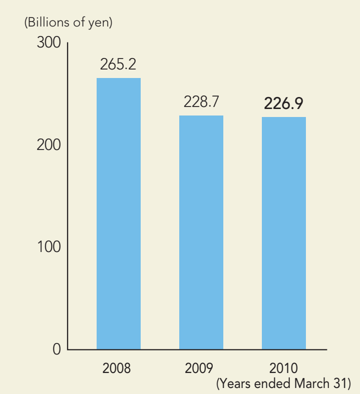
In fiscal 2009, the Chuo Mitsui Trust Group pursued a variety of activities centering on the priority businesses areas of investment trust and annuity insurance-related businesses as well as the real estate business and individual loans based on a fundamental policy of “combining the Group’s full strength in order to increase profits steadily, and lay the groundwork for a great leap forward in the future.”

Gross operating profit stayed at roughly the same level as the previous year due to increased earnings in the individual loan and market-related businesses. Net income surged from the previous year due to lower credit-related expenses and the absence of negative factors such as the previous year’s losses on the devaluation of stockholdings and losses on the sale of Japanese stock-related investments.

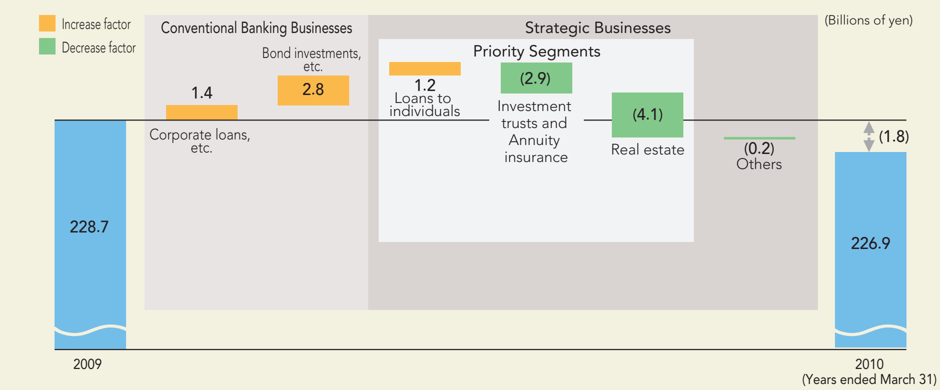
Gross Operating Profit

Gross operating profit stayed roughly level at ¥226.9 billion in the face of a lagging recovery in the market environment as growing profits centered in the individual loan business and market-related businesses such as bond investments helped offset a decrease in fees on the investment trust and annuity insurance-related business and the real estate business.

Gross Operating Profit



Factors Affecting Gross Operating Profit (combined results for two banking subsidiaries)

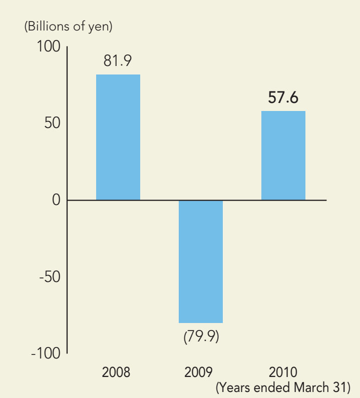


Net Income

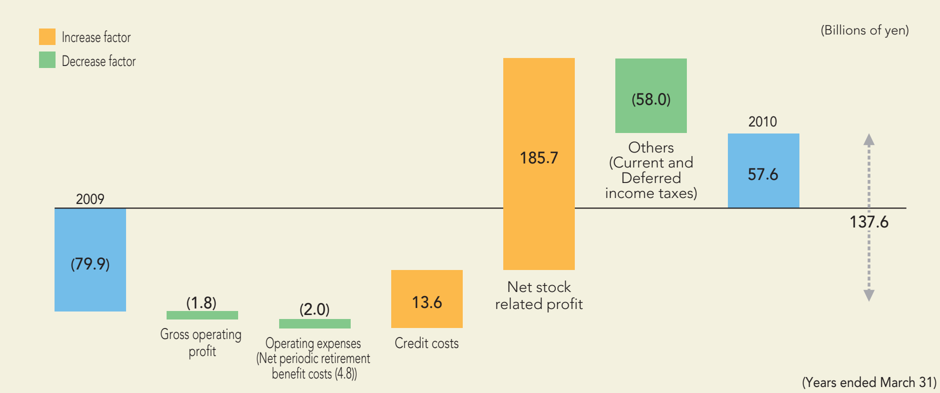
The Group posted a net income of ¥57.6 billion, an improvement of ¥137.6 billion from the net income position of a year earlier. The primary factors leading to this result are presented below:

- Improvement in credit costs (responsible for an increase of ¥13.6 billion)
- Improvement in net stock related profit (responsible for an increase of ¥185.7 billion)

Net Income



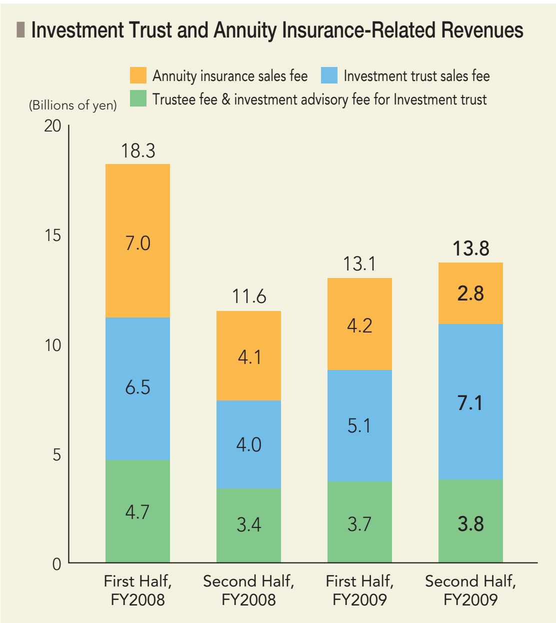
Factors Affecting Net Income (combined results for two banking subsidiaries)

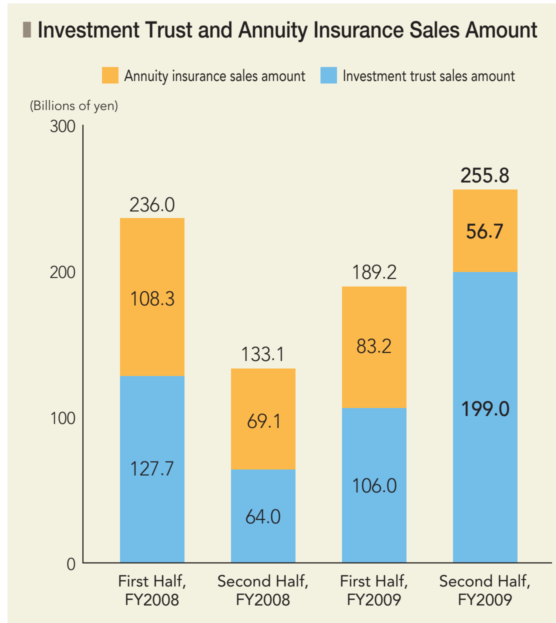


Initiatives and financial data for individual businesses are presented below.

Investment Trust and Annuity Insurance-related Businesses

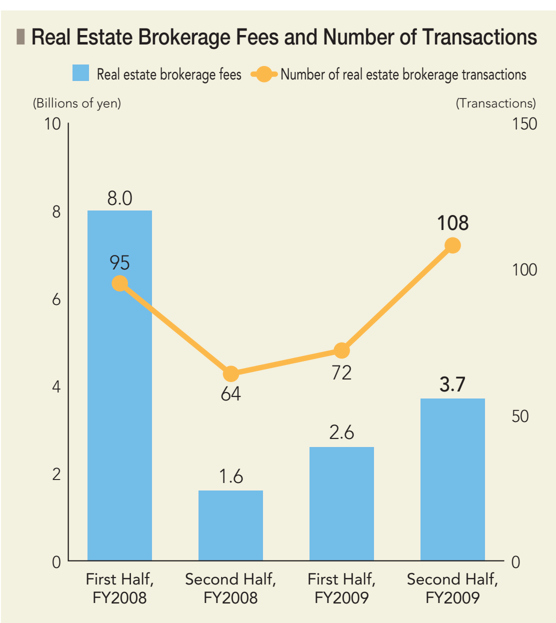
Although a decrease in annuity insurance sales fees drove fiscal 2009 revenue down compared to the previous year, a trend toward recovery was visible in revenue as investment trust operations sales amounts recovered. We will continue to present a selection of products corresponding to customers' needs and offer appropriate consultations.

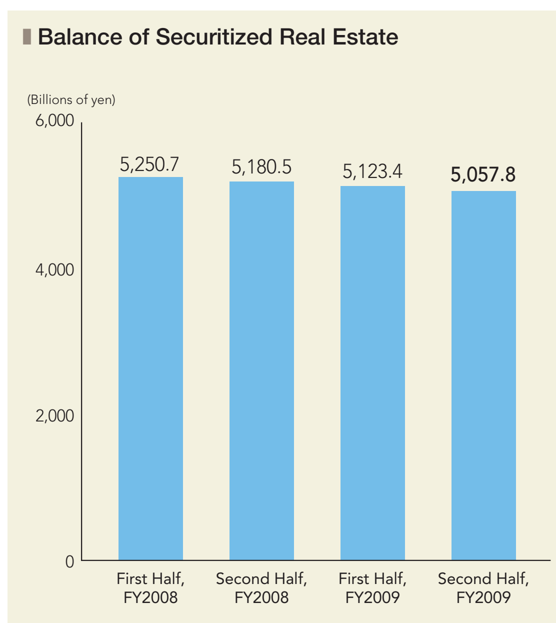




Real Estate Business

Fiscal 2009 revenue fell compared to the previous year, but the real estate market is showing signs of a recovery. We will continue to precisely address customers' real estate investment needs and strive for higher profitability.

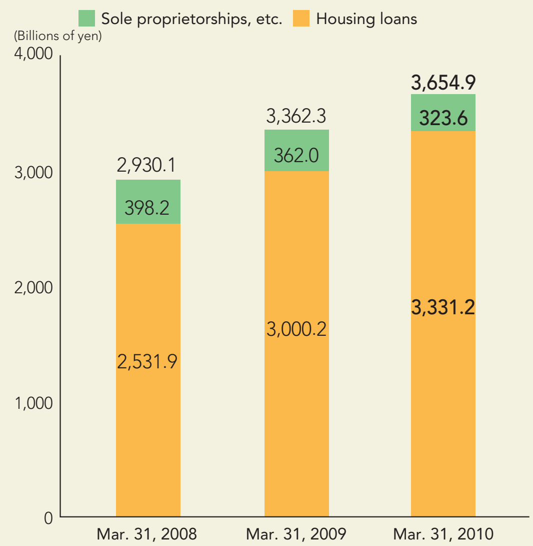




Lending Business

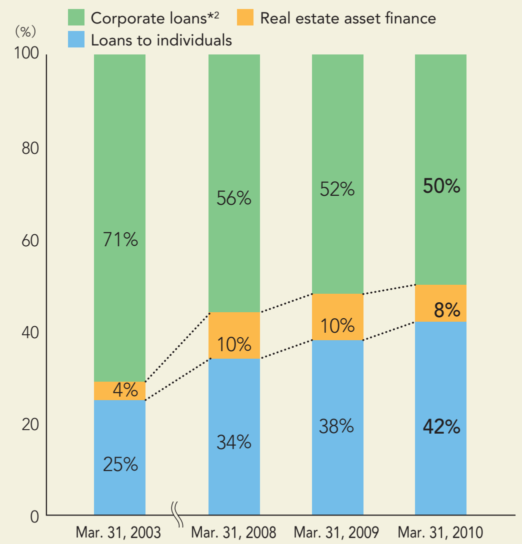
We are striving to build a highly sound loan portfolio by pursuing loans to individuals, especially housing loans, with a focus on profitability.

Balance of Loans to Individuals*



* Balance post-securitization

Average Loans Balance*1 Composition



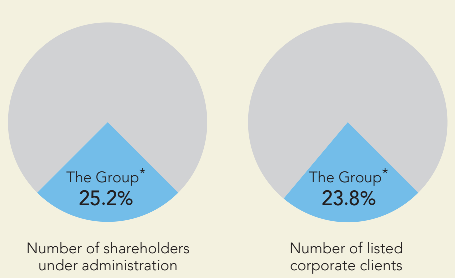
*1 Banking account (domestic funds) + jointly operated money trusts + loan trusts + non-resident yen-denominated loans, after deducting the impact of securitization.
*2 Loans to corporate borrowers + restructuring and revitalization-related finance.

Stock Transfer Agency Business

Chuo Mitsui Trust Group is entrusted with providing stock transfer agency services by many leading Japanese corporations. Almost one in four listed companies in Japan are clients for stock transfer agency services of the Chuo Mitsui Trust Group.

Industry Share

As of March 31, 2010

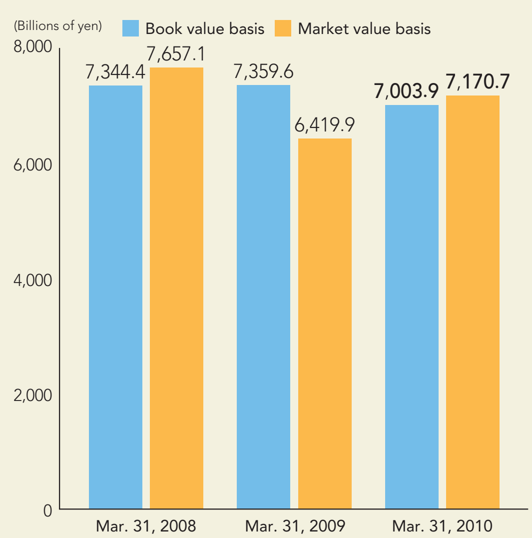


* Including Tokyo Securities Transfer Agent Co., Ltd.

Pension Trust Business

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

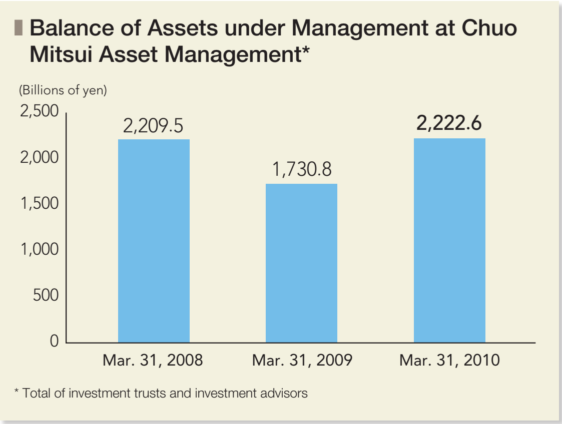
Balance of Entrusted Pension Assets*

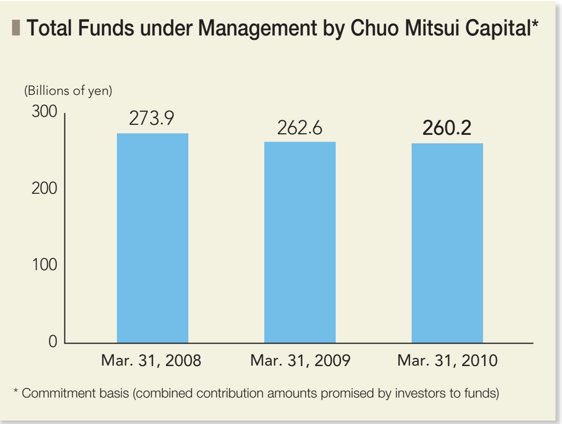


* Combined total of pension assets from such sources as defined benefit plans, employees' pension funds and qualified pension plans. Includes balance of investments with discretionary rights for management.

Asset Management Business

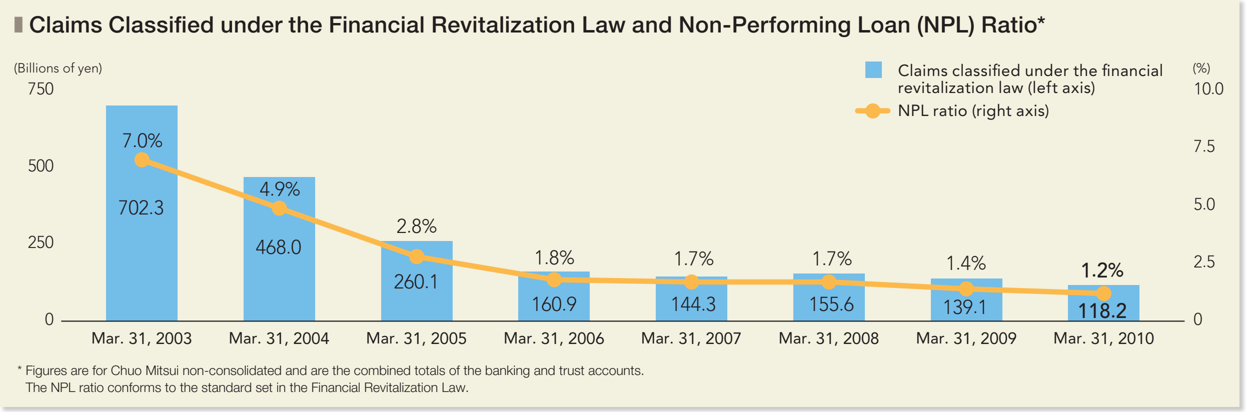
The Group continues to strengthen its asset management business at its two asset management companies.





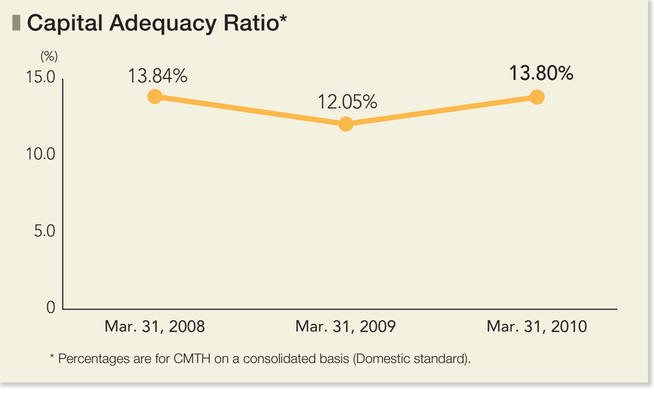
Status of Non-performing Loans (NPL)

Claims classified under the Financial Revitalization Law have decreased by ¥20.9 billion yoy to ¥118.2 billion as of the end of March 2010. The NPL ratio decreased by 0.2% yoy to 1.2%.



Status of Capital Adequacy Ratio

The capital adequacy ratio increased by 1.75% to 13.80% compared to March 31, 2009. The Group maintains a sufficient capital adequacy ratio.



Q4. What management priorities will you focus in FY2010?

Management Priorities

The Chuo Mitsui Trust Group regards enhanced profitability as a top priority. In fiscal 2010, we will continue to work to boost profitability in line with existing management policies, reflecting our view of the year as an approaching period for management integration with The Sumitomo Trust and Banking Co., Ltd.

In fiscal 2010, we will focus our attention on the approaches highlighted in the diagram below:

1. Increase in gross operating profit by recomposition of revenue structure

- Investment trusts and annuity insurance
- Real estate
- Loans to individuals

} Keep focusing as priority segments

2. Strengthen the low cost operation

- Restraining cost operation

3. Maintain and promoting the soundness of asset quality

- Maintain the soundness of loan portfolio
- Reduction of equity holdings at early stage

Public Funds

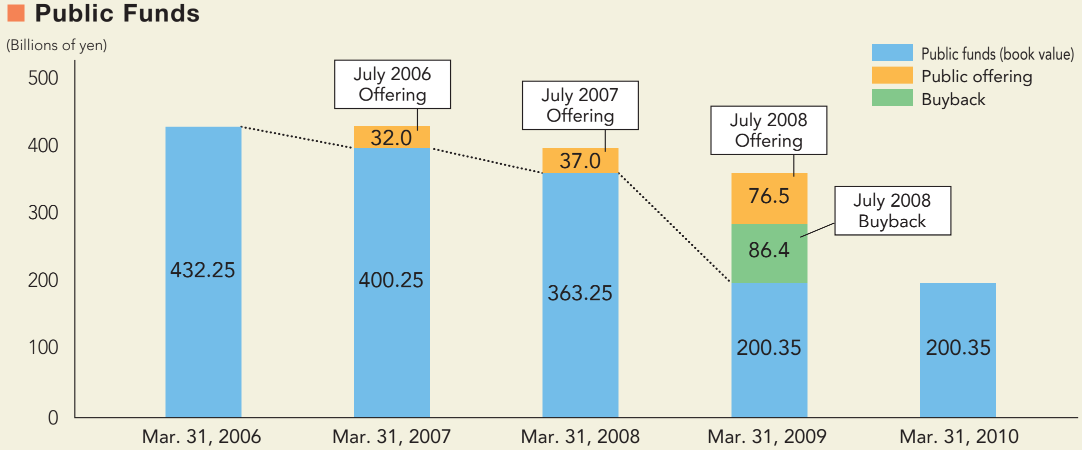
Public funds underwritten by the Resolution and Collection Corporation ("RCC") in the form of preferred stock fell to ¥200.35 billion during fiscal 2008, due to the sale of shares in the market and repurchases from the RCC.

However, as the share price of the Company's stock remained relatively low mainly due to the turmoil in the financial market, the full amount of ¥200.35 billion preferred stock was converted to the common stock on August 1, 2009, pursuant to the provisions of the Company's Articles of Incorporation. As a consequence, RCC now holds about 30% of the Company's outstanding common stock.

The Company will strive to repay the public funds as soon as possible through sales in the market or using other methods.

The conversion of preferred stock to common stock resulted in the addition of 500,875,000 shares of common stock, bringing the total number of outstanding common stock to 1,658,426,267.

Public Funds



Corporate Governance

Basic Premise

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 system of crosschecks to maintain management transparency and ensure sound business practices. At the same time, the Group strives to maintain efficient management structures in order to expedite decision-making.

Overview of Governance Structures

Under the Chuo Mitsui Trust Holdings ("CMTH") umbrella, established management structures have been put in place to allow the Group's subsidiary trust banks, Chuo Mitsui and Chuo Mitsui Asset, and its subsidiary asset management companies, Chuo Mitsui Asset Management and Chuo Mitsui Capital, to pursue their respective business activities in an independent manner. Meanwhile, CMTH serves as a financial holding company established to oversee the operations and administration of its subsidiaries by taking responsibility for the following Group-level functions.

1. Formulation of Group management strategy

CMTH coordinates business strategies for the Group's subsidiary trust banks and asset management companies and formulates management plans to maximize Group-wide profits and shareholder value.

2. Monitoring of business operations

While responsibility for business operations lies with each subsidiary trust bank and asset management company, CMTH manages operation of trust banks and asset management companies to ensure consistency with Group strategies and monitors operational performance.

3. Allocation of management resources

CMTH allocates the Group's management resources—that is, those resources necessary for business activities, consisting of tangible resources such as human resources, physical resources, and monetary resources, as well as intangible resources such as information, knowledge, and branding—and manages their utilization by its subsidiary trust banks and asset management companies.

4. Supervision of risk management

CMTH formulates basic policy on risk management for the Group as a whole and monitors risk management at its subsidiary trust banks and asset management companies.

5. Supervision of compliance

In addition to formulating basic policy on corporate ethics for the Group and standards of conduct for senior management and employees, CMTH monitors compliance status at subsidiary trust banks and asset management companies.

6. Supervision of internal audits

In addition to formulating basic policy on internal audits for the Group as a whole, CMTH assesses the internal audit systems at subsidiary trust banks and asset management companies and offers guidance as necessary.

Management Structure

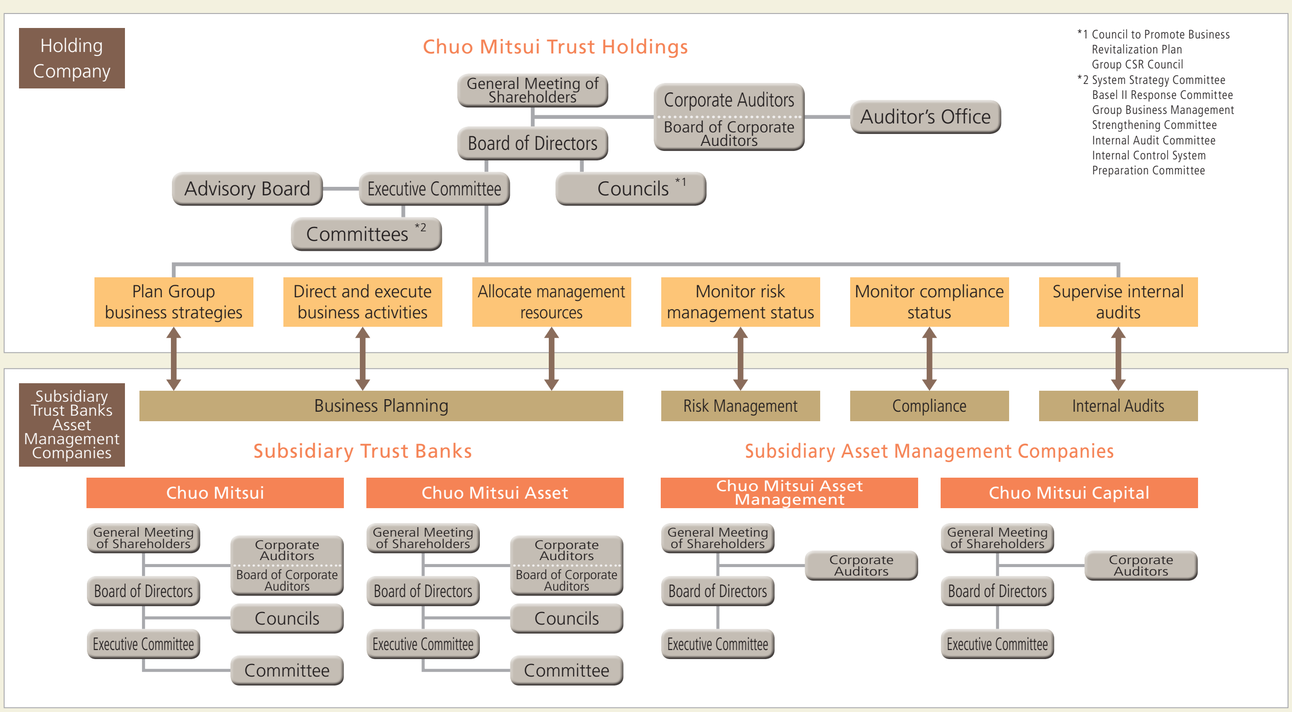
Some of the directors of Chuo Mitsui Trust Holdings are concurrently directors at subsidiary trust banks and are responsible for ensuring effective implementation of business strategies within the Group. The managing director of Chuo Mitsui Trust Holdings, who does not hold concurrent positions, supervises 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.

Standing, from left: Takashi Kamikanda, Senior Executive Officer; Nobuo Iwasaki, Senior Managing Director; Shinji Ochiai, Managing Director; Masaru Hashimoto, Senior Executive Officer
Seated, from left: Jun Okuno, Director; Kazuo Tanabe, President; Kunitaro Kitamura, Deputy President; Ken Sumida, Director

Corporate Governance Structure



Basic Policy on Internal Controls

Chuo Mitsui Trust Holdings' Board of Directors, fully aware of its responsibility for the business administration of Chuo Mitsui Trust Group, which comprises Chuo Mitsui Trust Holdings as the financial holding company and its subsidiaries, established the following provisions regarding the establishment of the 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.

1. Compliance Structure

(1) Basic compliance policies for the Company and the Group will be established and a compliance standard 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 as necessary by the Board of Directors.
(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. The status of these plans—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 will be set up, both in-house and outside the Company, 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.

2. 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. The status of these plans—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.

3. 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.

4. 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 financial reporting described above.

5. 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.

6. 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.

7. 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

In 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, Chuo Mitsui Trust Group is working to improve its risk management system. To this end, risk management is one of the most important functions.

Risk management aims to properly handle the risks particular to each business or transaction to prevent the appearance of risks, as well to control risks in the case they should appear so that losses can be contained within a narrow 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. Simultaneously, it has created a capital management system as a framework for assessment and control of the capital adequacy level, the core 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 the development of proper risk management systems. From the viewpoint of effective application of capital, the Group adopted a capital allocation operation. Each operating department which receives capital allocation from the holding company, runs their operation within the allocated capital amount, and the risk management department monitors their compliance status. In cases where the risk of an 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 the internal audit functions of subsidiary trust banks and asset management companies, and issues instructions as necessary upon receipt of reports on audit results and the status of improvements carried out by subsidiary trust banks and asset management companies.

To promote the risk management policy decided by the holding company, the subsidiary trust banks and asset management companies develop their respective risk management structures appropriate for each operation and its risk characteristics.

The Board of Directors of Chuo Mitsui Trust Holdings obtains the 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.

In addition, 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. 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 the source, type and characteristics of risks, and the 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

▶ Risk Management Structure Overview

The 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.

The risk supervision 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 risk 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, taking Group policies into consideration, 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 consideration 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

▶ Compliance Basic Policies

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 the 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.

In addition, the Company updates its 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 refined 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 their respective business focus, and they strive to ensure that everyone, from executives to new recruits, fully understand these documents through training and educational programs. These 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.

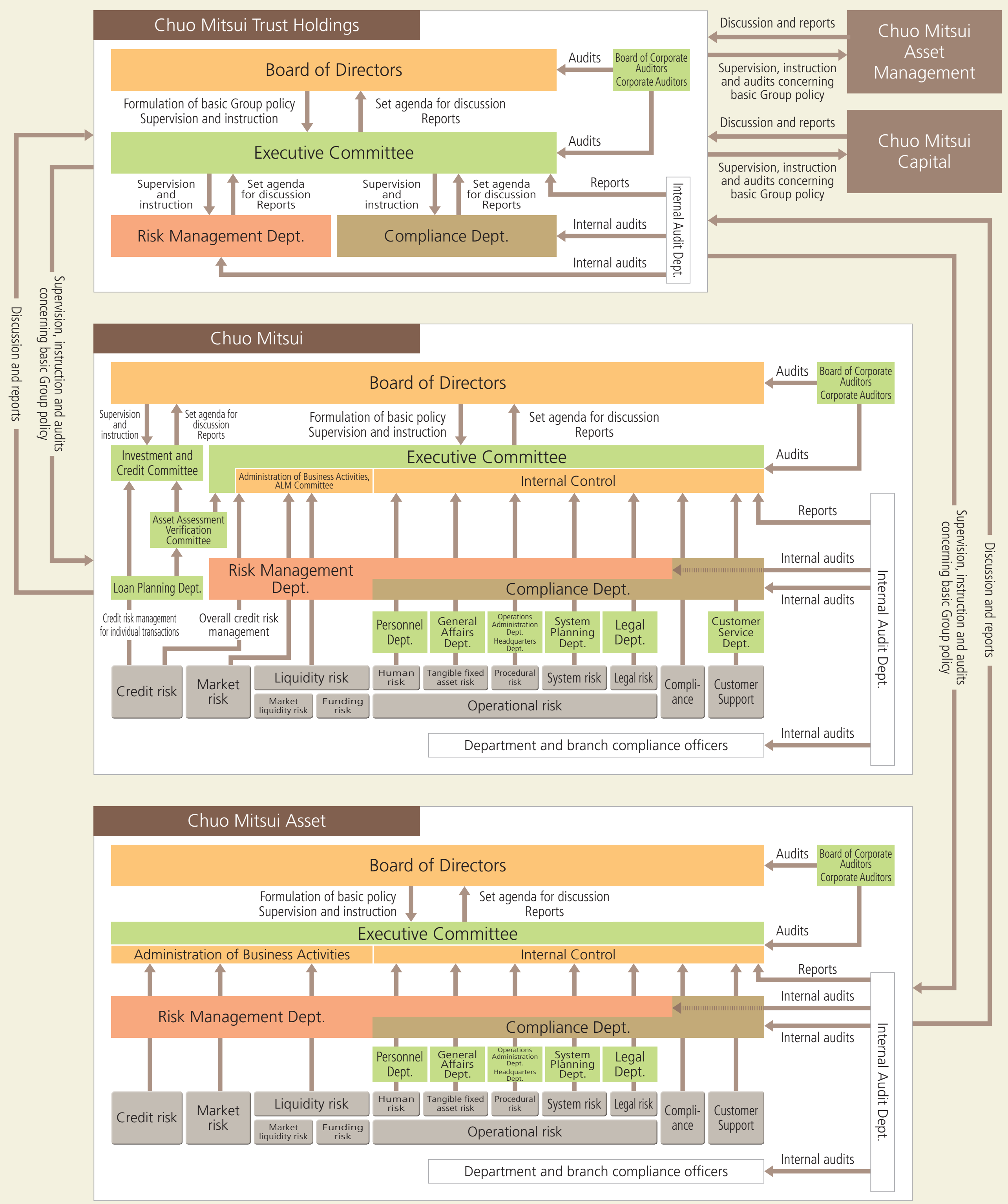
Compliance officers are assigned to all departments and staffed branches to secure enforcement of measures in each location. This oversight function is augmented by meticulous checks of internal auditing departments, which ascertain the implementation status of compliance measures.

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' websites.

Meanwhile, Chuo Mitsui Asset and Tokyo Securities Transfer Agent, a 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



Personal Information Protection Policy

The Chuo Mitsui Trust Group makes every effort to ensure that customers' personal information is handled in compliance with the Chuo Mitsui Trust Group Personal Information Protection Policy. (For further information regarding individual company policies on the protection of customer information, please see the website of each subsidiary trust bank and asset management company, or the materials available at their branch offices.)

The Chuo Mitsui Trust Group Declaration on Personal Information Protection

We, the Chuo Mitsui Trust Group, have established the following policies in order to protect the personal information of our customers and shareholders against loss, unauthorized disclosure, tampering and other improper use.

Furthermore, we will strive to ensure the proper and appropriate management of personal information in accordance with this Policy, for example by establishing related rules and regulations as necessary and raising awareness of the same among management and employees.

1. Compliance with Laws and Regulations

The Chuo Mitsui Trust Group has designated an Information Management Administrator as part of its larger commitment to ensure compliance with laws and regulations, supervisory agency guidelines, and related standards when handling our customers' personal information.

2. Proper Acquisition of Personal Information

The Chuo Mitsui Trust Group will acquire personal information solely through proper and fair means. When acquiring information about a person indirectly through a third party, we will not accept information if a concern exists that the third party acquired the information through unlawful or improper means.

3. Acquisition, Use, and Provision of Sensitive Information

Except under certain circumstances, such as where permitted by law or with the consent of the individual in question when necessary for business purposes, the Chuo Mitsui Trust Group will not acquire, use, or otherwise handle personal information that is considered to be "sensitive information*."

* "Sensitive information" is undisclosed personal information related to political views, creed, labor union affiliation, race and ethnicity, family origin and domicile, health and medical history, sexual lifestyle, or criminal history.

4. Purpose of Use

The Chuo Mitsui Trust Group will use personal information solely within the scope of a specific statement of purpose, to be defined separately as necessary.

5. Information Accuracy and Currency

The Chuo Mitsui Trust Group will strive to ensure that all personal information in its possession is accurate and up to date.

6. Provision to a Third Party

In principle, the Chuo Mitsui Trust Group will not provide personal data to third parties. Except where permitted by law, provision of personal information to a third party will be subject to the consent of the individual in question and will be promptly terminated upon the request of the individual.

7. Use in Business Outsourcing and Collaborative Use

When personal data is provided as part of the outsourcing of Group business or used in collaboration with a third party, the Chuo Mitsui Trust Group will take measures to protect its integrity, for example by confirming the other party's system of personal information protection or contractually restricting the scope of use.

8. Response to Customer Inquiries

The Chuo Mitsui Trust Group maintains customer service centers that respond in good faith to questions, comments, inquiries, and requests for revision, in regard to the content and handling of personal information.

9. Safety Management of Personal Information

The Chuo Mitsui Trust Group has mechanisms in place to ensure proper safety management during the handling of personal information in its organizational, personnel, and systems structures, and maintains the necessary safety management systems for the protection of personal information.

10. Continuous Improvement of the Personal Information Protection System

The Chuo Mitsui Trust Group will continually strive to review and improve its compliance programs regarding the protection of personal information and internal rules and regulations regarding personal information.

October 1, 2007

The Chuo Mitsui Trust Group

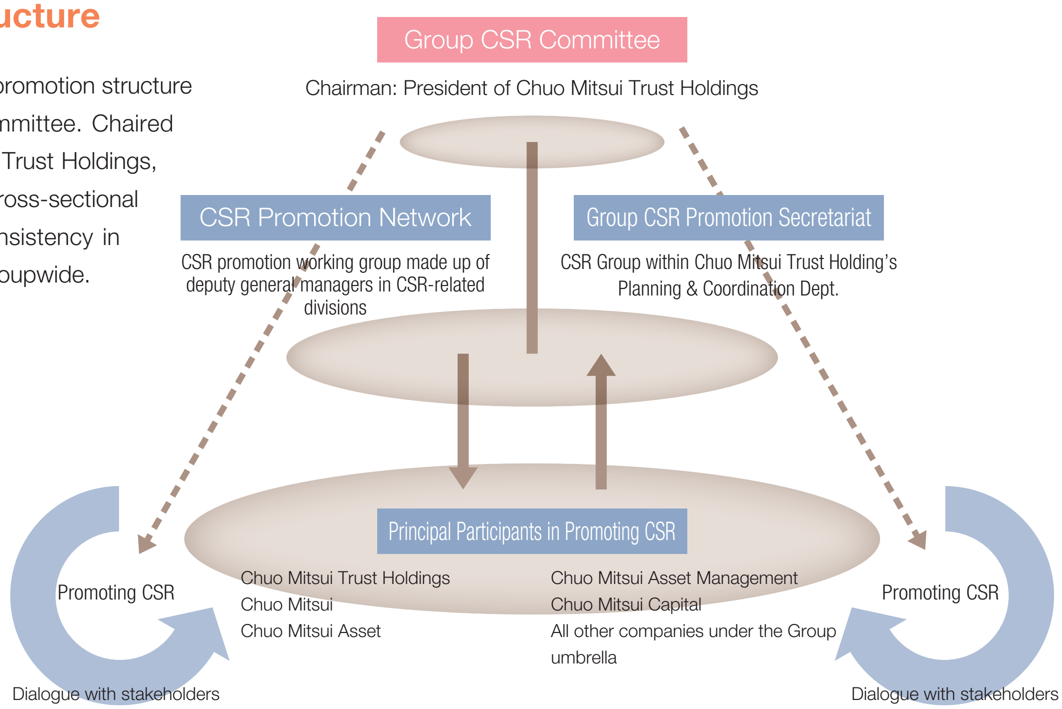
CSR (Corporate Social Responsibility)

CSR Basic Concept

Chuo Mitsui Trust Group engages in CSR activities as part of our commitment, codified in our management philosophy, to fulfilling the inherent social responsibilities of a corporate citizen. We emphasize dialogue with stakeholders and believe in the importance of sustained, consistent responsiveness. To this end, we seek to foster greater awareness among our employees—the main contributors in our business—and promote activities that incorporate input from clients and employees that meet the needs of society. CSR activities establish us as a member of society, and are integral to our ability to grow together with society. Going forward we will continue to pursue CSR activities, fully cognizant of our public mission as a financial group.

CSR Promotion Structure

The Chuo Mitsui Group's CSR promotion structure hinges on the Group CSR Committee. Chaired by the president of Chuo Mitsui Trust Holdings, the committee functions as a cross-sectional supervisory body to ensure consistency in the direction of CSR activities groupwide.



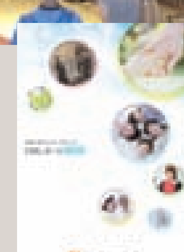
CSR Promotion Network

The CSR Promotion Network, made up of deputy general managers and senior managers in CSR-related divisions, was established to share CSR-related information and ideas across group companies and to discuss and exchange views on specific initiatives.

Efforts to Raise Awareness of CSR Among Employees

In addition to sharing CSR-related information through in-house newsletters and the corporate intranet, the Group also conducts a survey of employees to coincide with the annual publication of the CSR Report. The feedback received is used to drive CSR activities forward.

Other initiatives to encourage employees to contemplate CSR issues include visitation days for children that offer an opportunity to think as a family about what it means to work in a society.



CSR Activities—Highlights

▌Activities through banking and trust functions: Pursuing initiatives that take advantage of our financial and trust functions in order to bring about a sustainable society

▶ Efforts to Promote CSR Activities

The Group promotes corporate social responsibility through investment—the flow of money.

While the Group has offered SRI* funds to individual and institutional investors for some time, Chuo Mitsui Asset Management launched a new eco-fund in January 2010 (See p. 46).

In addition, Chuo Mitsui Trust and Banking, which sells the fund, participates in the Eco Action Point* program administered by JCB Co., Ltd. with the support of the Ministry of the Environment. Clients who purchase the fund receive Eco Action Points. Furthermore, Chuo Mitsui Asset Trust and Banking, one of the nation's largest asset management firms, is a signatory to the United Nations' Principles for Responsible Investment and has declared its commitment to investment activities that take ESG issues (environmental, social, and governance) into account.

▶ Efforts to Prevent Global Warming

With interest in the problem of global warming increasing, an increasing number of companies are undertaking active programs of environmental protection measures, for example by establishing voluntary targets for reducing greenhouse gas emissions.

In October 2009, Chuo Mitsui earned a tremendous response from its business partners when it began the sale of emissions credit trust beneficiary rights originating with wind power projects in Argentina, which are in keen demand among corporations. These emissions credit trust beneficiary rights help reduce greenhouse gas emissions in the form of products and services with carbon offsets.

Chuo Mitsui Trust and Banking also offers reduced interest rates on housing loans to people who purchase all-electric homes or energy-efficient homes powered by natural gas. In this way, we offer support for energy-efficient homes.

▶ Contributing to Society as a Charitable Trust Trustee

A charitable trust is an arrangement through which individuals entrust assets, or companies entrust a portion of their profits, to a trust bank that administers and manages the assets in accordance with a philanthropic purpose determined in advance. Charitable trusts are used for a wide variety of purposes such as funding academic scholarships, research in the natural sciences and humanities, social welfare projects, animal conservation efforts, improvements to the urban environment, activities to protect the natural environment, and even promoting international cooperation and exchange.

The number of charitable trusts administered by Chuo Mitsui and the balance of assets under management are both top class in the industry. Going forward, the company will continue its efforts to help charitable trusts achieve their objectives.

■ Charitable Trusts at Chuo Mitsui

Number of trusts under administration (as of March 31, 2010)	140
Balance of trusts under administration (as of March 31, 2010)	¥13.9 billion
Profits generated (FY2009)	Total of ¥759.75 million provided to 2,305 trust beneficiaries (individuals and corporations)

*** SRI**

SRI stands for "socially responsible investment," an approach that takes corporate environmental, ethical, and community contributions into account when evaluating and selecting companies for investment.

*** Eco Action Points**

Consumers receive Eco Action Points when they purchase products and services (energy-efficient products, reusable products, etc.) that are effective in curtailing greenhouse gases. Accumulated points can then be exchanged for various goods and services, other types of points or electronic money, or donated to environmental projects.

*** Carbon Offsets**

Carbon offsetting is a process of compensating for all or part of one's own difficult-to-eliminate carbon emissions through reductions or absorption elsewhere. Carbon offset products are those that incorporate an offset for the emissions they produce.

Support for Studies in Finance and Economics

▶ Support for Universities in Japan and Overseas

From the standpoint of contributing to society as a financial institution, Chuo Mitsui Trust Group supports the education of the tomorrow's leaders as well as research in the fields of finance and economics through the establishment of courses at universities in Japan and overseas.

Conference at Tsinghua University in China

■ **Courses and Research Projects Provided by the Group**

Aoyama Gakuin University	Chuo Mitsui Trust and Banking Intellectual Property Trusts Course
Osaka Electro-Communication University	Introduction to Asset Inheritance Theory, Advanced Studies in Real Estate Investment
Renmin University of China	Chuo Mitsui Trust Group Economics Course
Tsinghua University (China)	Chuo Mitsui Trust and Banking-Tsinghua University, Chinese Research Center Research Project

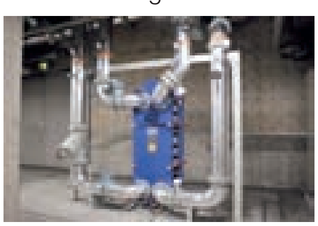
▶ Sponsorship of the Network for Economics Education

Chuo Mitsui Trust Group has been a sponsor of the Network for Economics Education since fiscal 2006. Headed by Professor Soichi Shinohara of Doshisha University, the organization works to improve economic education for elementary and junior high school students.

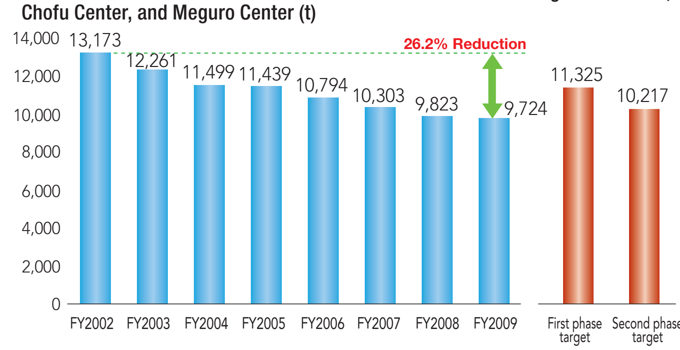
Efforts to Conserve Energy and Resources

▶ Efforts to Reduce CO_2 emissions

Through the adoption of energy-saving equipment and the conservative use of air conditioning, a 26.2% reduction in CO_2 emissions was achieved at the Chuo Mitsui Head Office, Chofu Center, and Meguro Center over the eight year period FY2002 through FY2009.



Volume of CO_2 Emissions at the Chuo Mitsui Trust and Banking Head Office, Chofu Center, and Meguro Center (t)

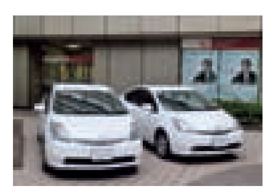


CO_2 Reduction Target Under the Tokyo Metropolitan Government's Environmental Protection Ordinance
Phase 1 (FY2010–2014): Avg. 11,325t
Phase 2 (FY2015–2019): Avg. 10,217t

▶ Group Resource Saving Activities

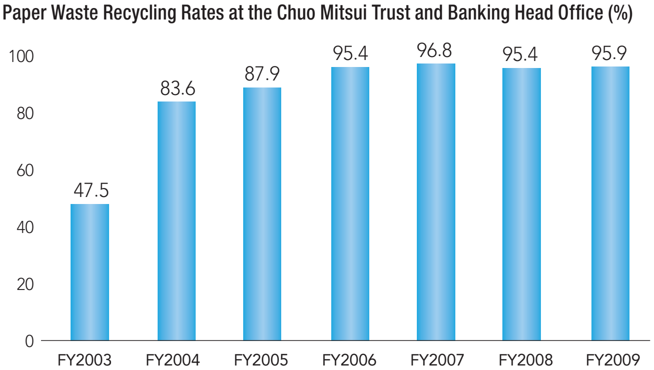
In addition to promoting energy-saving efforts, Chuo Mitsui Trust Group also encourages efforts to conserve resources. For example, wastepaper at the Chuo Mitsui Head Office consisting of confidential documents is reused as mixed paper, while other waste paper is recycled into toilet paper. As a result, the wastepaper recycling rate in the building has reached 95.9% (FY2009).

▶ Adoption of Low-Polluting Vehicles

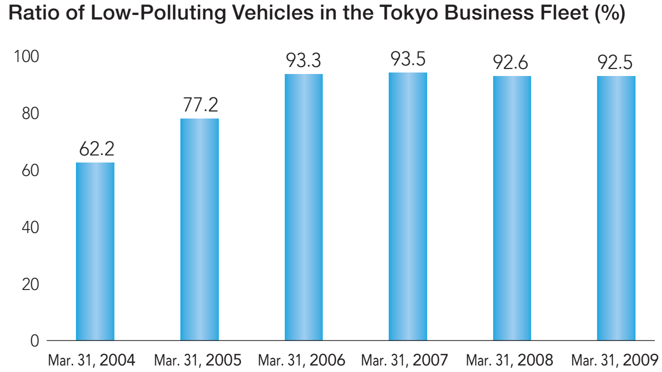


At Chuo Mitsui, more than 80% of the vehicles driven for business use by employees at administrative offices and branches are low-polluting models. The ratio of low-polluting vehicles at the bank's offices in the Tokyo metropolitan area passed 90% in March 2006, and has maintained this level ever since.

Paper Waste Recycling Rates at the Chuo Mitsui Trust and Banking Head Office (%)



Ratio of Low-Polluting Vehicles in the Tokyo Business Fleet (%)



Activities at Branches

▶ "Play with the Sun!" Global Warming Awareness Event

As a member of Minato Net, a network of employees responsible for CSR at companies located in Tokyo's Minato-ku district, Chuo Mitsui Trust Holdings held "Play with the Sun," an event to raise awareness about how to prevent global warming, in July 2009 (location: Tokyo Minato-ku Higashimachi Elementary School).

Elementary students participating in the event enjoyed a fun-filled environmental learning program while watching the first total solar eclipse in 46 years. The event provided an opportunity for local elementary students to think about the environment while enjoying candle making and card games.

▶ Activities to Prevent Bank Transfer Scams

All Chuo Mitsui administrative offices and branches are engaged in various activities aimed at preventing bank transfer scams. These activities include street campaigning, seminars, and heightened security at ATM corners. Tellers are also trained to alert clients on the spot if a funds transfer request seems at all suspicious. Indeed, a number of cases in which these activities resulted in the prevention of fraud have earned letters of gratitude from the police.

▶ Experience Learning for Junior High School Students

At the request of the local Yamauchi Junior High, Chuo Mitsui's Tama Plaza Branch in Yokohama held a work experience program for local junior high school students in February 2010. The event provided an opportunity for participating students to increase their awareness of their status as members of society through various trust bank operations, including dealing with customers, counting paper money, and screening housing loan applications using model cases.

▶ Exhibition of Girls' Festival Dolls

In cooperation with a local doll store, Chuo Mitsui's Ueno Branch held an exhibition of girls' festival dolls from February to March 2010. The manufacture and sale of these dolls has long been a local area industry. Visitors to the exhibit were impressed. One said that the wait to get in had passed quickly, while another said the dolls brought back warm memories of childhood. The exhibit was successful in deepening ties with local residents.

▶ Wheelchair Workshop

Chuo Mitsui Trust and Banking's Toyohashi Branch invited a speaker from the Disabled Guide Help Shibucha Club to lead a wheelchair workshop in March 2010. In addition to learning what to keep in mind when assisting wheelchair users, employees also had the opportunity to experience using wheelchairs themselves. The process gave participants an understanding of what convenience means from the standpoint of wheelchair users. After the workshop, employees reworked the branch layout to make it more accessible.

Chuo Mitsui

Services for Individuals and Corporations

Jun Okuno
President

Individual Services

Investment trust and annuity insurance-related business

Investment trust balance: ¥1,109.7 billion

Annuity insurance balance: ¥1,323.1 billion

Chuo Mitsui ("CMTB") strives to maintain top-class performance, due to a wider selection of high-quality investment trusts and annuity insurance products, and in so doing has acquired a solid reputation as a key player in the industry.

Individual loan business

Balance of housing loans: ¥3,331.2 billion

CMTB's lending balance is growing steadily on a portfolio of products well suited to clients' needs.

Corporate Services

Lending related business

Balance of corporate restructuring and revitalization-related finance: ¥76.5 billion

Balance of real estate asset finance: ¥689.0 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 : ¥5,057.8 billion

Real estate business-related revenue: ¥9.8 billion (FY2009)

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 as industry share: 23.8%

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

(As of March 31, 2010)

Business Outline

Individual Services

- Sell investment trusts
- Sell annuity insurance
- Provide various deposit and trust products
- Offer investment trust wrap accounts
- Extend loans to individuals
- Provide real estate services
- Extend testamentary and inheritance services

Corporate Services

Financial services
- Offer diverse financing techniques
- Function as an advisor
- 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
- Provide advice on IPOs
- Offer practical, stock-related legal assistance
- Provide IT support services
- Offer services to support investor relations activities

Individual Services Chuo Mitsui

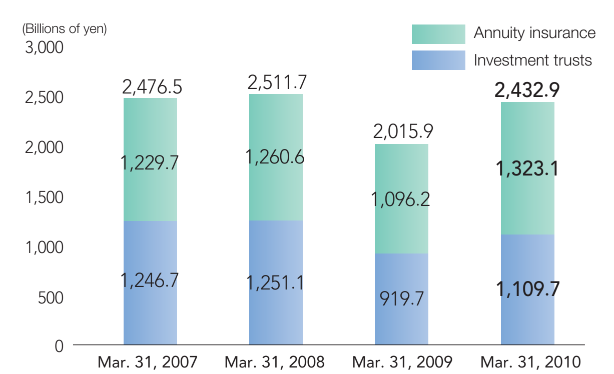
External Environment, Client's Needs		Concrete Actions, Services
The growing need for fund management against a backdrop highlighted by the mass retirement of the baby-boomer generation and reform of the public pension system. Loan product utilization needs that reflect different generations' lifestyles	»	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 in the wake of 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

Notable 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, CMTB is able to maintain its position in the vanguard in its market, in terms of the balances of both investment trust sales and annuity insurance sales.

■ Balance of Investment Trusts and Annuity Insurance Sales*



* Market value basis

▶ CMTB's Expanding Line of Investment Trust Products

Investment trusts and other securities investments are attracting growing attention as a means of asset management that can be expected to deliver comparatively high profits if managed effectively, even during an extended period of low interest rates. CMTB is working to expand its line of investment trust products so that it can better accommodate clients' increasingly diverse needs in line with market globalization.

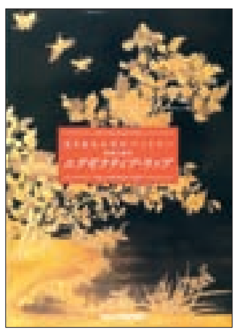
In December 2009, CMTB began offering the Nissay Japan Income Fund ("J-Bond") (created and administered by Nissay Asset Management Corporation), which makes diversified investments in a variety of types of Japanese bonds, particularly corporate bonds, and is expected to deliver a monthly profit distribution.

In February 2010, CMTB began offering the PIMCO U.S. High Yield Bond Fund (Japanese Yen, Brazilian Real, Australian Dollar) ("High Yield Plus [Japanese Yen, Brazilian Real, Australian Dollar]") (created and administered by Chuo Mitsui Asset Management), which allows investors to select from among three currency options, each of which invests in U.S. high-yield bonds and utilizes a currency hedge.

▶ Investment Trust Wrap Accounts

We offer Chuo Mitsui Private Wrap accounts (with a minimum contract of ¥10 million). After the client signs a discretionary investment agreement, CMTB offers a comprehensive suite of services, including developing a basic management plan, selecting investment trust funds for inclusion, and reporting results to the client.

In November 2009, we began offering the Chuo Mitsui Executive Wrap (with a minimum contract of ¥100 million) to better meet the asset management needs of customers with more extensive investing experience and knowledge and higher risk tolerance. With the factors that drive market changes becoming more complex and the expectations placed on the sophisticated asset management expertise of investment experts growing, investment trust wrap accounts allow CMTB to custom-tailor portfolios to accommodate the management needs and risk tolerance of specific clients.



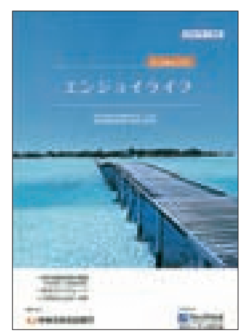
▶ Expanded Line-up of Single-Payment Whole Life and Fixed Annuity Insurance Offerings

CMTB began offering Sanzo Hoshi single-payment whole life insurance (guaranteed by Meiji Yasuda Life Insurance Company) in September 2009.

The death benefit for this product increases by a fixed percentage each year during the first 10 years after the policy is established. The death benefit continues to grow even after the tenth year and can be expected to be increase further depending on market rates. All increases to the death benefit are permanent and will not be reduced later. This product is an effective choice for clients who need to ensure that their hard-earned assets continue to grow in value and remain intact.

In March 2010, CMTB began offering Enjoy Life, a fixed annuity insurance product (guaranteed by Mass Mutual Life Insurance Company).

This product is an effective choice for customers who wish to begin receiving front-loaded pension funds immediately, and continue receiving funds indefinitely so that they can begin to enjoy their “second life” as a retiree.



Best Quality

CMTB is proud to offer Best Quality, a membership-based service for clients entering into transactions amount at least ¥10 million.

Members enjoy access to special information and privileges, including preferential interest rates and fees, money plan advice, information about theater productions, and ticket sales. (Service content varies with the transaction amount.)

Members also receive a twice-yearly magazine featuring interviews with celebrities; special features on health, culture, and other topics; and articles about money and finance.

◆ Important Information Concerning Investment Trusts

- Unlike a deposit account, in an investment trust full repayment of the original amount of the investment principal is not guaranteed.
- Investment trusts are not protected by the Deposit Insurance System. In addition, the investment trusts maintained by Chuo Mitsui Trust and Banking Company, Limited are not protected by the Investor Protection Fund.
- Investment trusts invest in securities that are subject to the price fluctuations of domestic and overseas securities and other financial instruments. Risk therefore exists from fluctuations in foreign exchange rates and the price of stocks, bonds, and real estate investment trusts (REITs) included such instruments.
  These factors can lower the value of a trust below the original acquisition price. The gains or losses in the value of the investment trust incurred during the management of the trusts, will be borne by the client.
- The expenses to be borne by the client from the original purchase to the conversion or redemption of the investment trust are as follows. (As of June 1, 2010; applicable to investment trusts maintained by the Chuo Mitsui Trust and Banking Company, Limited)

  Expenses to be borne directly at the time of application
  Application fee (The amount varies depending on the number of units, unit value, etc. Maximum 3.15%, including tax, of the net asset value of the investment asset.)

  Expenses to be borne indirectly by an investment asset during the holding period
  Management fees (Maximum 2.1% per annum, including tax, of the customer's retained amount of the total net value of the investment assets.)
  Other Expenses (Accountant fees, brokerage commissions on securities acquisitions, etc. Fees vary depending on fund management conditions and other factors; therefore Chuo Mitsui Trust and Banking Company, Limited is unable to provide rates or upper limits for such expenses.)

  Expenses to be borne directly at the time of conversion
  Exit charge (Maximum 0.5% of the net asset value of the investment asset at the time of conversion. There is no cancellation fee.)
- The total amount of fees, charges, and other expenses, and the method of calculation of the expenses will vary depending on the type of products purchased, the holding period, and other factors. Therefore, Chuo Mitsui Trust and Banking Company, Limited is unable to provide set rates for such expenses.
- The risks and expenses entailed by an investment trust can vary considerably from one trust to another. Before entering into the trust contract, clients are requested to carefully read the Pre-Contract Documents (Prospectus and supplemental materials) provided by the Bank and its branch offices. (The Pre-Contract Documents (Prospectus and supplementary materials) may also be requested via the Internet banking website.)
- The Chuo Mitsui Trust and Banking Company, Limited markets investment trusts and handles the purchase and conversion of investment trusts. The investment trusts are created and managed by various asset management companies.
- These materials have been prepared by the Chuo Mitsui Trust and Banking Company, Limited.

◆ Important Information Concerning the Chuo Mitsui Private Wrap and Chuo Mitsui Executive Wrap Asset Management Accounts

- Unlike a deposit account, repayment of the full amount of the original principal invested in the Chuo Mitsui Private Wrap and Chuo Mitsui Executive Wrap asset management accounts (Hereafter, "investment trust wrap accounts") is not guaranteed.
  In addition, the investment wrap accounts are not protected by the Deposit Insurance System or the Investor Protection Fund.
- The investment wrap accounts invest in investment trusts. Investment unit trusts invest in securities that are subject to the price fluctuations of domestic and overseas securities and other financial instruments. Risk therefore exists from fluctuations in foreign exchange rates and in the unit prices of such instruments, which include stocks, bonds, real estate investment trusts (REITs). It is possible that the trust wrap accounts could produce a loss on the contracted amount (investment principal). The gains or losses in the investment trust value incurred during the management of the accounts will be borne by the client.
- Expenses associated with the investment wrap accounts to be borne by the client are as follows. (As of June 1, 2010.) The total amount of fees, charges, and other expenses will vary depending on the associated investment trusts, management period, and other factors. Therefore, Chuo Mitsui Trust and Banking Company, Limited is unable to provide set rates for such expenses.

  Investment Advisor Fees
  The Chuo Mitsui Private Wrap Asset Management Account
  ■ Maximum 1.47% per annum, including tax, of the average balance of the managed asset market value.
  The Chuo Mitsui Executive Wrap Asset Management Account
  The investment advisor fee will be the sum of the fixed fee and contingency fee.
  ■ The fixed fee will be a maximum of 0.84% per annum, including tax, of the average balance of the managed asset market value.
  ■ In the event the market price of the managed asset on the contingency fee base date (March 31) exceeds the contingency fee base price*, the contingency fee will be 15.75%, including tax, of the difference between the market price and the base price.

  * The base price is the market value of the managed asset at the time a new contract is entered. The base price will increase or decrease when managed assets are added to or deducted from the account. In the event a contingency fee is charged, a new base price will be set by deducting the fixed fee and contingency fee from the market value of the managed asset.

  Fees incurred by associated investment trusts
  ■ Management fees: Maximum 1.974% per annum, including tax, of the customer's retained amount of the total net assets of the investment trust.) Fees incurred by associated investment trusts will vary each year.
  ■ Exit charge: Maximum 0.5% of the net asset value at the time of conversion of the investment trust. The rate will vary depending on the associated investment trusts.
  ■ Other Expenses: Accountant fees, brokerage commissions on securities acquisitions, etc. Fees vary depending on the associated investment trusts, the management period, and other factors; therefore Chuo Mitsui Trust and Banking Company, Limited is unable to provide rates or upper limits for such expenses.
- When considering a trust wrap account, clients are requested to carefully read the Proposal and Pre-Contract Documents provided by Chuo Mitsui Trust and Banking Company, Limited, before signing a contract.
- These materials have been prepared by the Chuo Mitsui Trust and Banking Company, Limited.

◆ Important Information Concerning Life Insurance Products

- Individual annuity insurance and whole life insurance are life insurance products and are not deposit accounts. These products are not protected by the Deposit Insurance System or the Investor Protection Fund, and repayment of principal is not guaranteed.

- Single-payment premiums for variable-amount insurance policies are managed as special accounts, and the payment levels of future annuities, death benefit payments, funds in reserve, and cancellation refunds will vary (rise or fall) depending on the management performance of the special account assets.
  Special accounts are managed by means of investment trusts and other instruments that invest in domestic and foreign stocks and bonds. Risk therefore exists from fluctuations in stock and bond prices and foreign exchange rates.
  It is possible that management performance could lead to losses, causing annuity, cancellation refund, and other payments to fall below the single-payment premium.

- Single-payment premiums for fixed-amount insurance policies are compounded at the current savings interest rate (a fixed interest rate) as of the date of the contract to determine the pension fund balance upon the policy's expiration. However, when the policyholder elects to pay initial fees associated with the contract, the effective interest rate over the life of the contract will be less than the stated savings rate because the initial fees are deducted from the principal before interest is earned.
  Single-payment premiums for fixed-amount insurance policies are invested primarily in corporate and government bonds. The cancellation refund amount at the time of policy cancellation is based on the value of the managed assets, which will be affected by market interest rate fluctuations and other factors. The amount refunded will be adjusted to reflect market value at the time of cancellation. This may produce a loss in the form of a cancellation refund that is lower than the single-payment premium.

- Life insurance policies denominated in foreign currency face risk from foreign exchange fluctuation. Death benefit payments, cancellation refunds, annuities, and other payments are converted into currencies other than the contract currency. Fluctuation in foreign exchange rates can produce payment levels that are below the total amount paid in when converted into the foreign currency, and can also produce a loss.
  Even with an unchanged foreign exchange rate, the fees and commissions on foreign exchange transactions can produce payment levels that are below the total amount paid, when converted into the foreign currency, and can also produce a loss.

- The impact of these risks will be borne by the policyholder. In the event of bankruptcy of the insurance underwriter, the policyholder is protected by the Life Insurance Policyholders Protection Corporation of Japan. However, the policyholder may incur a loss from the elimination of annuities, death benefit payments, refunds, or other future payments.

- At the time of execution of the policy, during the management period, and during the period of annuity payments, the client will bear the costs of policy execution, insurance, management, annuity administration, foreign exchange transaction, and other fees. A "surrender charge" will also be charged if a policy is cancelled.

Summary of Fees
(For policies handled by Chuo Mitsui Trust and Banking Company, Limited as of June 1, 2010)

- Policy execution fee (maximum 5.0% of the single-payment premium)
- Insurance fee (maximum 2.98% per annum of the funds held in reserve)
- Management fee (maximum 0.2205% per annum, including tax, of the total net value of the special accounts)
- Annuity administration fee (maximum 1.0% of the annuity payment amount)
- Foreign exchange transaction fee (maximum ¥0.50 for a one-way (¥1.00 for a two-way) foreign exchange transaction between the yen and a foreign currency)
- Surrender charge (maximum 9.0% of the policy being cancelled) (maximum 10.0% as of July 12, 2010)

Individual policies are subject to various fees and charges. Chuo Mitsui Trust and Banking Company, Limited is not able to provide a total amount for these fees and charges prior to policy finalization.
For further details, please see the Pre-Policy Documents (Policy Summary and Important Information) for each product.

- Chuo Mitsui Trust and Banking Company, Limited serves as an intermediary agency between the client and the insurance underwriter with which the client enters a policy contract. The insurance underwriter is responsible for all payments, such as annuities, to the client.

- Laws and regulations can prohibit the Company from selling insurance to an individual based on the person's place of employment, financial status at the time of application, or other circumstances.

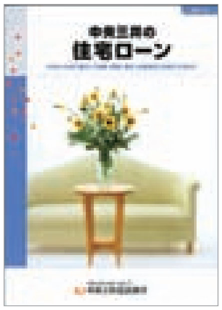
- When considering purchasing an insurance product, clients are requested to carefully read the Pre-Policy Documents (Policy Summary and Important Information) for each product.
  In addition, clients are requested to read the Product Pamphlet and Policy Guide and Conditions.

- For further details, please talk to a life insurance agent certified to sell certified personal pension and whole life insurance.

- These materials have been prepared by the Chuo Mitsui Trust and Banking Company, Limited.

The Chuo Mitsui Trust and Banking Company, Limited
A registered financial institution, Kanto Local Finance Bureau (RFI) No. 21
Member, Japan Securities Dealers Association, Japan Securities Investment Advisers Association, and The Financial Futures Association of Japan

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 added 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.

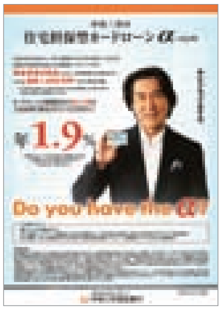
Responding to diversifying lifestyles and a range of retail banking requirements, CMTB complements its housing loans with a selection of products that utilize homes as collateral. This includes home-backed card loans (α-*style*), a secured financial instrument that enables clients to acquire funds for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

▶ Excellina, Chuo Mitsui's Housing Loan for Women

CMTB offers Excellina, a housing loan exclusively for women.

This product is designed with working women in mind and features such benefits as no prepayment penalties, special interest benefits at the time of childbirth, and support during hospital stays in the form of medical life insurance with a repayment assistance rider (insurance premiums are paid by CMTB).

▶ Home-backed Card Loans (α-*style*)



CMTB also offers a home equity type card loan product known as "α-style" that can be used to provide the funds needed by clients as they pursue their plans for the future.

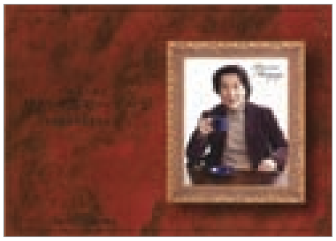
In addition to being available regardless of whether the client already has a housing loan, even at another institution, this product features a number of user-friendly benefits such as a two-stage interest program with interest rates that are lower (as of July 2010) during the first stage (fixed interest rate for approximately one year after contract) than the second stage (variable interest rate starting at the end of the first stage).

In addition, Chuo Mitsui waives prepayment penalties on its housing loans when borrowers apply or make a contract for "α-style."

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. In addition, in October 2009 we began offering home remodeling loans for older clients (lump sum principal repayment) for use by seniors in funding home renovations.

▶ CMTB's Reverse Mortgages

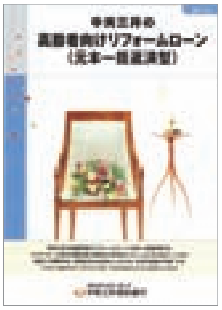


Chuo Mitsui offers reverse mortgages that support the financial freedom of older clients.

This product allows clients to borrow funds using a residence as collateral. The loan is repaid in a lump sum, for example, from the proceeds from the sale of the house upon the borrower's passing. 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.

Borrowed funds can be used for any purpose (with the exception of business), including to finance leisure pursuits or to make a lump sum payment of fees upon admission to a nursing home.

▶ Home Renovation Loans for Older Clients (Lump Sum Principal Repayment)



In October 2009, Chuo Mitsui began offering home renovation loans featuring lump sum principal repayment as a new product for older clients age 60 and over.

The product allows borrowers to use a residence as collateral in order to secure financing for home improvements such as making a home barrier-free or earthquake-resistant. Monthly repayments by the client are interest only, while the principal is repaid from the proceeds from the sale of the house upon the client's passing.

Applying Asset Utilization Expertise 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 precisely address all the issues that emerge in dealing with real estate from a client's perspective. CMTB lists numerous buildings on Chuo Mitsui Realty's website and optimizes 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.

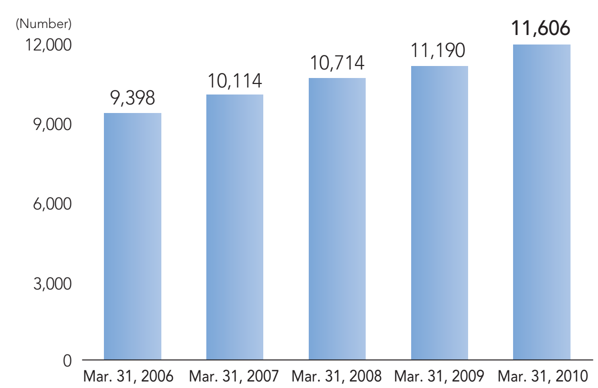
▶ Testamentary Trusts

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.

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 11,606 as of March 31, 2010, substantiating the enduring bonds of trust that CMTB has forged with clients over many years.

■ Number of Wills in Custody



▶ Inheritance Coordination Services

CMTB also offers inheritance services to smooth the succession process in the absence of a will or testament. We can complete burdensome inheritance procedures on behalf of the successor, including by investigating inherited assets, creating an asset inventory, documenting discussions of how to divide assets and carrying out associated procedures (including registering real estate, transferring ownership of assets such as deposits and stocks, and converting assets into cash), and paying inheritance tax on behalf of the successor.

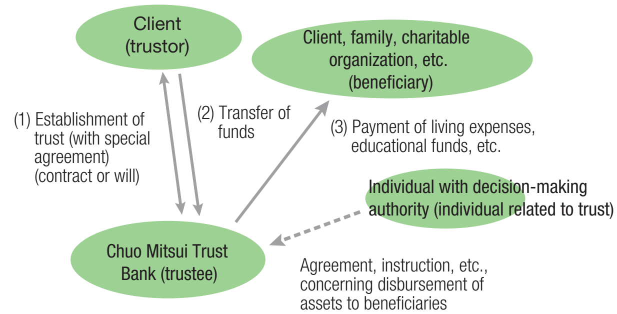
▶ Agreement on Testamentary Trusts and Inheritance Coordination Services with Prudential Life Insurance

In November 2008, Chuo Mitsui completed an agreement on testamentary trusts and inheritance coordination services with Prudential Life Insurance Co., Ltd. Having insurance companies act as trust services agents is the first experiment of its kind in the life insurance industry. Our initiatives to gradually broaden our services in this area have included working with Prudential Life Insurance to hold business succession seminars for business owners at nine locations nationwide from July to October 2009.

▶ Custom-tailored Trust Services

CMTB provides asset management services through custom-tailored trust products in order to accommodate increased social interest in asset management and preservation associated with the aging of Japan's population, increasing prevalence of nuclear families, and the recent creation of an adult guardianship system. To better accommodate requests from clients desiring advice concerning Japan's adult guardianship system, we have entered into an agreement on adult guardianship program consultation and use with the Legal Support Adult Guardianship Center.

This product takes advantage of CMTB's unique capabilities as a trust bank to provide peace of mind by managing, preserving, and disbursing client assets according to individual objectives. Trust beneficiaries can include the client as well as others (both individuals and corporations), and the trust serves as a vehicle through which trust assets are disbursed to the client, family, and charitable organizations in a manner that reflects the client's wishes. Used in combination with a testamentary trust, this product can accommodate a diverse range of client needs, for example by having asset management, preservation, and disbursement begin after succession starts.



▶ Partnerships with Bequest Donation Programs

To better accommodate clients who wish to contribute to society or the social good through bequests, CMTB supports bequest donations by working with universities' and public interest groups' bequest donation programs. We serve clients considering donating assets to their alma mater or groups involved in humanitarian, nature conservation, and other activities by helping draft wills and testaments, performing donation procedures based on wills and testaments, and distributing bequests to successors. CMTB has currently established partnerships with 99 corporations and other groups (as of March 31, 2010).

Enhancing the network through initiatives like the development of distinctive branch offices

▶ *Consulplaza* Openings

CMTB opened *Consulplaza* Fujimino (Fujimi-shi, Saitama Prefecture) in September 2009 and *Consulplaza* Totsuka (Yokohama-shi, Kanagawa Prefecture) in April 2010 as new branches as well as *Consulplaza* Seishin-Chuo (Kobe-shi, Hyogo Prefecture) in June 2010 following remodeling. All three facilities serve large numbers of clients daily.

Consulplaza Totsuka and *Consulplaza* Seishin-Chuo incorporate a new, more spacious design so that clients can relax in comfort as they make use of the facilities' services.

The new branches bring the total number of *Consulplaza* locations nationwide to 29.

CMTB will continue to enhance accessibility through further development of the *Consulplaza* network and its regular branch network, which comprised 67 branches and 3 sub-branches as of June 30, 2010.

Consulplaza Totsuka

Consulplaza

These consulting-oriented offices are located in areas frequented by clients during their daily lives, for example train stations and commercial facilities such as department stores. They remain open during evening hours year-round and are based on the concept of a living design consultation space that stays open on weekends. Clients can discuss various financial topics, including deposits and investment trusts, annuity insurance transactions, housing loans, wills and inheritance, and real estate, at no charge.

▶ Introduction of a New Branch Terminal System

In May 2010, CMTB began rolling out a new branch terminal system known as Palette for use by clients visiting branches to conduct banking business. (We expect to finish deploying the system to regular branches by December 2010.)

The system features new functionality that was developed based on opinions and requests submitted through suggestion box cards and other means.

Among the new capabilities is a function that prints out the forms used in various investment trust procedures, dramatically reducing the amount of information that must be filled in by the client. In addition, the new system reduces the time for processing by incorporating verification steps performed when clients submit requests into the system.

Asset management consultation offices now feature Internet-connected displays that can be viewed by clients along with their assigned CMTB representatives as part of an effort to provide more detailed and timely information, for example market data.

The system's name—Palette—reflects our desire to foster its development into a terminal that helps clients paint their vision of the future. In addition to reducing the amount of time needed to conduct banking business, we look forward to harnessing this system to provide more robust support for clients' asset management needs by augmenting the expertise we have developed over our history as a trust bank with the ability to provide valuable information.

The new branch terminal system, Palette

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 2009, 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 for retired individuals.

Since June 2009, 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 in 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.

Customer Service Initiatives

CMTB strives to reinforce activities designed to create a higher level of customer service as part of its efforts to cement its reputation as a financial institution truly trusted by its clients.

Listening to Clients

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

During fiscal 2009, we received valuable ideas and requests from customers, including about 61,000 suggestion box cards and about 8,000 responses to mail-out questionnaires.

Compliments and complaints from clients converge in the Customer Service Department, where the 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.

We strive to provide better services by considering how to improve products and services based on the opinions and requests received from customers in connection with these activities.

As part of these initiatives, we announced our compliance with the ISO 10002 standard for complaint management systems on April 1, 2010.

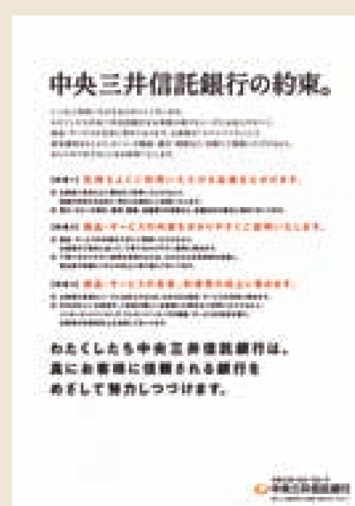
ISO 10002, an international standard on the handling of customer complaints administered by the International Organization for Standardization (ISO), defines complaint resolution processes and guidelines for the appropriate implementation of those processes.

Promoting Customer Satisfaction Activities at All Branches

In addition to putting up posters declaring CMTB's promises to clients to promote awareness of its customer-first philosophy, each branch has created a client satisfaction improvement committee as part of an active program of activities to improve customer satisfaction in a manner consistent with the unique circumstances of each branch.

CMTB also provides an extensive program of employee education and training opportunities to ensure that each and every staff member practices customer-first service on a daily basis.

We verify retail service quality standards at each branch from the customer's point of view through programs such as monitoring by third-party organizations, and work to improve our service based on the results.



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.

Broaden Fund Supply through Varied Financing Techniques

Chuo Mitsui draws on a wealth of experience and expertise developed over its many years in the industry to provide financing that is carefully geared to the needs of its clients.

Real estate asset finance such as non-recourse loans and real estate securitization utilizing real estate-managed trusts and special-purpose companies has numerous applications ranging from securitization of company-owned properties to real estate investment projects.

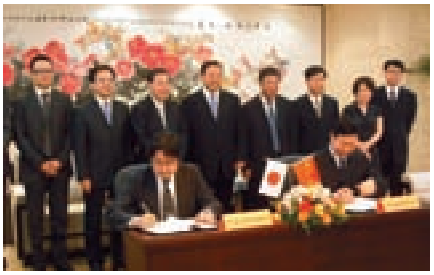
For clients interested in corporate restructuring, Chuo Mitsui provides leveraged finance* services for increasing corporate value through restructuring by such means as management buyouts* and leveraged buyouts*.

For clients interested in revitalizing their operations, Chuo Mitsui offers funds to meet needs throughout the corporate rehabilitation process through debtor-in-possession financing* and other means.

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.

Concluding Cooperative Agreements on Economic Exchange with Shenyang and Other Chinese Cities



In June 2010, CMTB became the first Japanese trust bank to enter into cooperative agreements with the municipal government of Shenyang, People's Republic of China, and the Shenyang Finance and Trade Development Zone Management Committee.

Under the agreements, CMTB will introduce Japanese corporations with an interest in making investments in the city and zone and cooperate with efforts to attract foreign capital, while the city and zone will provide information about the investment environments in their respective territories and introduce Chinese corporations with an interest in making investments in Japan to CMTB.

The Chuo Mitsui Group is working to take advantage of experience and expertise gained in Japan to develop its businesses in China, where reform and the development of capital markets is proceeding at a remarkable pace. CMTB will continue to work with the municipal government of Shenyang and the Shenyang Finance and Trade Development Zone Management Committee to attract Japanese corporations with an interest in entering the Chinese market, and to support their efforts to do so, in accordance with the new agreements.

* MBO

A form of corporate acquisition where a company's managers acquire administration rights by purchasing shares from the existing owner or parent company in cooperation with a sponsor such as an investment fund, with the intention of continuing the business in question.

* LBO

An acquisition made using borrowed funds obtained by using the cash flows or assets of the target company as collateral.

* Leveraged financing

A financial technique wherein the purchaser obtains a majority of the acquisition funding by relying on the cash flows or assets of the target company rather than on the party's own creditworthiness.

* DIP financing

Credit extended to an entity after it files for bankruptcy under the Civil Rehabilitation Law or Corporate Reorganization Law until the process ends is known as debtor-in-possession financing.

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.

Comprehensive Skills of Real Estate Professionals Reinforce Consultation Capabilities

Real Estate Brokerage and Securitization Services

In the field of property sales and purchase 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 changes in international accounting standards.

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 the 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.

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 offers administration-related services of a high caliber. The value of trusts under administration stood at ¥5 trillion, as of March 31, 2010.

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, 2010, provided asset custody and other administration services to 10 of the 38 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

While a true recovery in the real estate market is expected to take more time, demand for real estate remains firm. For many 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 a steady cash flow.

CMTB designated its real estate investment advisory department and real estate investment promotion departments as specialized sections. CMTB is 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 enhance the content of its consultations.

Establishment of a Subsidiary to Handle the Investment Management Business

In order to expand its asset management services for domestic and overseas institutional investors, CMTB established Chuo Mitsui Trust Reality Company, Limited in November 2009 to handle the investment management business by offering investors securities such as trust beneficiary rights with real estate as the underlying asset. The new company, which began operations in March 2010, will offer investment management and advisory services associated with investments such as real estate trust beneficiary rights by bringing together the Chuo Mitsui Trust Group's skilled personnel and expertise in the asset management and real estate businesses.

* J-REIT (Japanese Real Estate Investment Trust)

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, 2010, a total of 38 funds were listed on the Tokyo Stock Exchange.

* 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, Client's Needs		Concrete Actions, Services
Response to the growing sophistication of stock transfer agency services	»	Implement sophisticated back office operations.
Response to the Company Law, and as it applies to shareholder' 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) and shareholder relations (SR) activities	»	Undertake IR & SR 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.

Implement Sophisticated Back Office Operations

CMTB brought new systems online when the dematerialized stock certificate system went into effect in January 2009, and we continue to execute sophisticated back office operations.

The system is run by 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. The joint venture seeks 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.

The company's ability to accommodate sophisticated transactions is evidenced by its support for the industry's first use of a rights issue (i.e., a gratis allocation of new share subscription rights, one method by which the issuing company can raise capital) under the dematerialized stock certificate system.

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 is already authorized to use the Privacy Mark logo.

* Privacy Mark

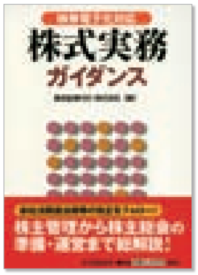
The Privacy Mark certification confirms that a business maintains a management system with suitable measures to protect private information and that it properly handles such data, in accordance with JISQ 15001 criteria established by the Japan Industrial Standards Committee.

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.

In March 2010, CMTB issued *Heisei 22 Nenban Kabushiki Jitsumu Kabunushi Sokai no Point* ("Stock Matters: Hints on Executing General Shareholders' Meetings, (2010 edition)"). The publication takes advantage of contributors' practical experience to explain operation of general shareholders' meetings, based on the latest laws using examples and other helpful aids.

Tokyo Securities Transfer Agent is also involved in activities that support employees responsible for companies' stock-related activities and general shareholders' meetings throughout the Group, for example by publishing *Kabuken Denshika Taio Kabushiki Jitsumu Guidance* ("Dealing with the Dematerialization of Stock Certificates: Guidance on Stock-related Matters") in May 2009. These activities present clients with timely, practical information—a commitment that has earned top marks from CMTB's corporate clients.



Kabuken Denshika Taio Kabushiki Jitsumu Guidance ("Dealing with the Dematerialization of Stock Certificates: Guidance on Stock-related Matters"), released in May 2009 through Chuokeizai-sha, Inc.

Heisei 22 Nenban Kabushiki Jitsumu Kabunushi Sokai no Point ("Stock Matters: Hints on Executing General Shareholders' Meetings, (2010 edition)"), released in March 2010 through Zaikei Shohosha

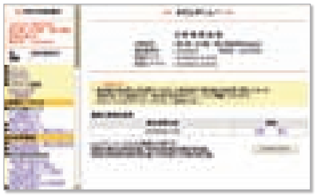
Supporting the Use of IT

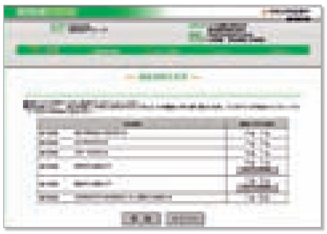
CMTB's "AXIS" stock transfer services system and "M-O-U-S-E" online system for shareholders' general meetings support client companies' account settlement and general shareholders' meeting-related activities.

The "AXIS" stock transfer services system supports corporate account settlement-related tasks by providing services not only for creating and managing shareholder registers, but also for allowing documentation such as shareholder lists and statistical data to be viewed instantaneously via the Internet in a highly secure environment.

The "M-O-U-S-E" online system for shareholders' general meetings provides carefully targeted support for the large number of vote tabulation-related tasks that such meetings entail in a short period of time, from the creation of voting documents to the tabulation of electronic and paper votes, and even tallying of the number of shareholders in attendance.

CMTB provides a high level of convenience in the form of IT support services for account settlement and shareholders' general meeting-related activities such as these.





Investor Relations (IR)* and Shareholder Relations (SR)* Support

CMTB offers beneficial shareholder survey services to identify domestic and overseas institutional investors not listed in shareholders' registries, such as foreign beneficial shareholder surveys, foreign beneficial shareholder data services and proprietary products including domestic institutional investor beneficial shareholder data creation and domestic institutional investor shareholder survey reports. In addition, we provide an extensive selection of services designed to offer comprehensive support for corporate IR and SR activities, including analytical reports on voting results, a site allowing clients to view convocation notices, and individual shareholder analysis reports that can be put to use in targeting and evaluating the effectiveness of individual IR and SR activities.

* Investor Relations (IR) and Shareholder Relations (SR)

Investor relations (IR) refers to public relations activities targeting investors, specifically the full range of activities by which corporations provide the information needed to make investment decisions to shareholders and investors in a timely, fair, and ongoing manner. Shareholder relations (SR) refers to those activities targeting shareholders.

Initiatives to Facilitate Financing

CMTB considers the facilitation of financing to small and medium-sized enterprises and individuals seeking housing loans as one of its most important social missions, a mission we have strived to fulfill throughout our history. In the context of the Bill on Provisional Measures for the Facilitation of Financing to Small and Medium-sized Businesses, CMTB took steps to further enhance its intermediary capability as a lending institution and adopted the Fundamental Policy on Facilitating Financing in December 2009 to ensure a prompt and appropriate response to requests from small and medium-sized business and housing loan customers for discussion and review of loan conditions, and restructuring of loan repayment conditions.

In addition to facilitating financing operations through systems at our branch offices to provide a prompt and appropriate response to customer inquiries, and a system at our head office to enable full understanding of the branch office support activities, each branch office maintains a customer consultation desk for discussion of inquiries and complaints, which can also be submitted via a toll-free telephone number and our website.

We also assist small and medium-sized enterprises with efforts to improve and revitalize business operations by offering business consultation, management guidance, business reconstruction strategies, and other support services.

CMTB is committed to continuing to work together to provide appropriate and proactive financial intermediary services to facilitate the business activities of small and medium-sized enterprises and to help housing loan customers enjoy a stable lifestyle.

Status of Restructured Loans
(Cumulative from December 4, 2009, to March 31, 2010)

Small and Medium-Sized Enterprises

(Units: Number of loans, million yen)

	Number of loans	Total amount of loans
Number and value of loans for which restructuring requests were received	377	15,378
Number and value of loans restructured	272	12,373
Number and value of loans for which restructuring requests were denied	0	0
Number and value of loans under assessment for restructuring	101	2,925
Number and value of loans for which restructuring requests were withdrawn	4	79

Housing Loans

(Units: Number of loans, million yen)

	Number of loans	Total amount of loans
Number and value of loans for which restructuring requests were received	312	7,304
Number and value of loans restructured	179	4,478
Number and value of loans for which restructuring requests were denied	0	0
Number and value of loans under assessment for restructuring	119	2,608
Number and value of loans for which restructuring requests were withdrawn	14	218

Chuo Mitsui Asset

Institutional Investor Services

Ken Sumida
President

Institutional Investor Services

Pension Trust Business

No.1 among trust banks for clients seeking to increase investment in assets (FY2009)

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: ¥11.4 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.

(As of March 31, 2010)

Business Outline

	Trust Asset Management Business	Trust Asset Administration Business	Pension Management Services
Pension Trusts	Employee pension fund trusts, defined benefit corporate pension trusts, tax-qualified pension trusts, national pension fund trusts		
		Defined contribution pension operations (asset administrators, administration managers)	
Securities Trusts	Individually operated designated money trusts (*shiteitan*) [1] Money trusts other than *shiteitan* (moneyfund trusts) Stock buyback money trusts other than *shiteitan* [2] Designated composite trusts Securities management trusts		
	Investment Management Business Investment Advisory Business	Securities investment trusts Specified money trusts (*tokkin*) [3] Specified money in trusts other than money trusts Specified composite trusts Managed securities trusts Trust-style rights plans [4] Employee stock ownership (ESOP) trusts [5]	

*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.

*5. Trusts designed to function as an employee incentive by utilizing existing employee stock ownership plans. In addition to enrichment of social welfare programs, benefits include creation of a stable base of shareholders and effective utilization of treasury stock.

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

External Environment, Client's Needs		Concrete Actions, Services
Demand for high quality fund management products featuring excellent risk-return characteristics.	»	Provide top class asset management expertise and high-quality alternative products that meet client needs.
Requirement for high-level fund management consultation.	»	Advanced consulting capabilities to exercise 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 ¥22 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.

Providing Top Class Asset Management Expertise and High-quality Alternative Funds Designed to Meet Customer Needs

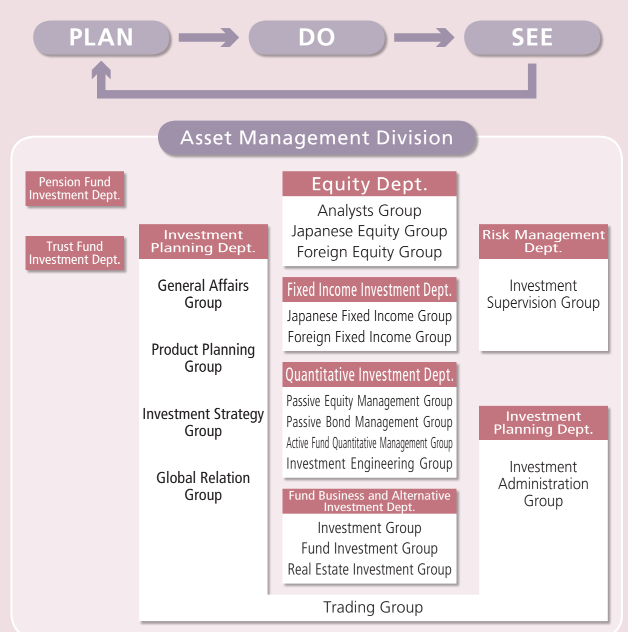
Consistent Fund Management Principle and Function-Specific Structure

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 multi-product 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 active fund management, whereby experienced fund managers establish funds based on research data compiled by top-class corporate and quantitative analysts in terms of quality and quantity, and 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. The company also offers high-quality alternative funds designed to meet customer needs, including hedge funds, real estate funds, global REITs, and private equity funds.

Divisional Structure for Trust Asset Management



Advanced Consulting Capabilities Exercising Expertise to the Fullest Extent

Consultations to Meet a Diverse Range of Portfolio Needs

Reflecting clients' varied needs, CMAB is promoting its consulting services in regard to the appropriate composition of portfolios—ones in which risk-return is constrained to respond to the need for stabilized investment performance, promoting diversified investment from a medium-to long-term perspective, or responding to the need for high performance backed by high growth in emerging countries.

Consultations Concerning Portfolio Risk Management

CMAB's consultation services focus on clients' portfolio risk management needs. In addition to proposing portfolio management and development approaches for accommodating fluctuations in clients' pension liabilities, we can provide services such as portfolio insurance against significant market downside risk and exchange rate management services such as dynamic hedging.

New Product Consultations

CMAB is extending the scope of its consulting services for matching clients' needs and the features of new products such as Asian equity active funds, which invest in countries across Asia to take advantage of expectations of high growth over the medium to long term, while diversifying sources of both risk and income by expanding the range of countries in which investments are made, and infrastructure investment funds, which are a response to the diversification of alternative products.

Promoting New Businesses

Seeking to establish a wider, more resilient profit base, CMAB has enthusiastically embraced investment advisory services, including the promising field of advice on investment trusts and the distribution of assets to investment wrap accounts, both of which are popular with individual clients due to their potential for generating relatively high earnings in these times of low interest rates. We have 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 non-residents and offers investment advice on foreign-owned funds that concentrate investment in Japanese stocks. We are also involved in selling applicable funds to overseas institutional investors via the Group's network.

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 2009 Survey of Pension Funds

Chuo Mitsui Asset achieved high approval ratings, both quantitatively and qualitatively, and took the top spot among Japanese trust banks, an honor it has received each year since 2001, in a 2009 survey of corporate pension funds of Japanese asset management institutions administered by *Newsletter on Pensions and Investment*, which is published by Rating and Investment Information, Inc. Chuo Mitsui Asset was also ranked as the No.1 company at which clients would like to increase the share of their assets. 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 2010 and Mercer MPA Award 2009

The CMAB-managed Japan Equity–A1 Japan Fundamental Growth Fund was recognized in the domestic share growth segment/defined-benefit pension category of the R&I Fund Award 2010 by Rating and Investment Information. The fund also received the Mercer MPA Award 2009 from management rating company Mercer Japan. These accolades reflect the high regard in which CMAB's asset management capabilities are held in the industry. We look forward to continuing to provide high-quality products.

Asset Administration Business Chuo Mitsui Asset

External Environment, Client's Needs		Concrete Actions, Services
Highly precise, low-cost operations	»	Improve business efficiency through economies of scale.
Enhancement of service quality and added value	»	Upgrade information services.
Enhancement of the risk management system	»	Rigorously implement internal controls and subject them to 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.

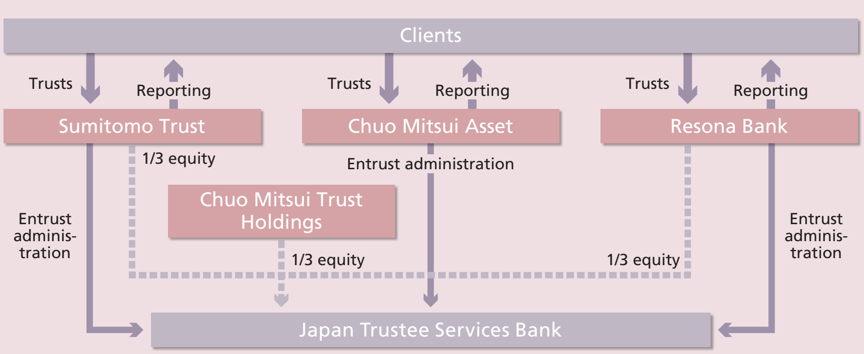
Improve Business Efficiency Through Economies of Scale

Benefiting from Transfer of Assets to Japan Trustee Services

Seeking to capitalize on the economies of scale in the 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 of ¥182 trillion.

As always, Japan Trust Services Bank draws on the management resources and years of know-how accumulated by participating banks to deliver high-level asset administration services to its clients, and utilizes 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
- Capital stock: ¥51.0 billion
- Total assets: ¥1,118.5 billion
- Balance of trust assets: ¥182,273 billion

(As of March 31, 2010)

Upgrade Information Services

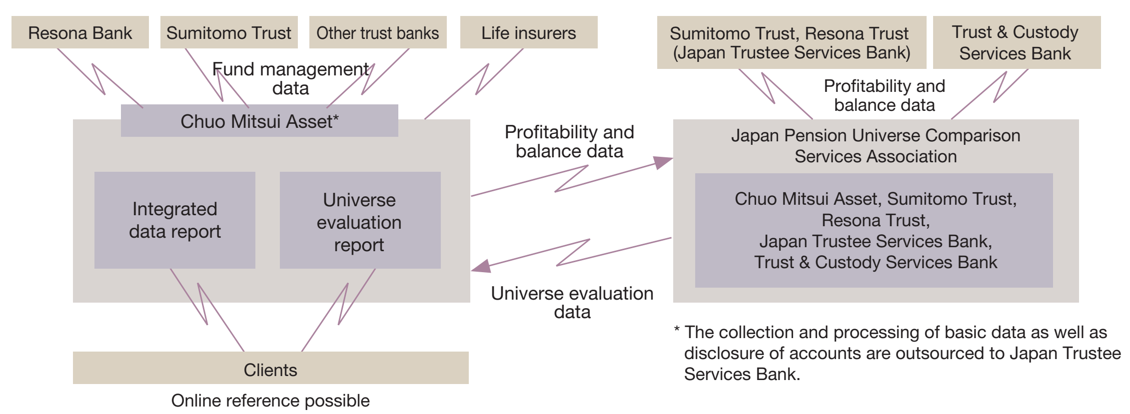
Online Information Access

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



Strict Application of Internal Controls and External Audits

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 Services

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

External Environment, Client's Needs

Reform of the retirement benefit system

Reassessment of retirement benefit accounting
(Reassessment of differences with international accounting standards)

Risk controls for retirement benefit systems

Concrete Actions, Services

Support transition from tax-qualified pension plan system.

Extend comprehensive advice on retirement benefit schemes.

Engage in defined contribution plan.

Pension Management Services

CMAB provides a comprehensive range of services, from design of pension systems to actuarial calculations and maintenance of members and beneficiaries. As of March 31, 2010, we were entrusted with the administration of a total of 1,031 defined-benefit corporate pension funds, employee pension funds, and tax-qualified pension funds with 1.98 million participants.

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

Following the introduction of retirement benefit accounting and enactment of the Defined Contribution Pension Law and the Defined Benefit Corporate Pension Law, efforts to mitigate the risks associated with retirement benefit schemes are a priority issue for corporate executives. Indeed, the situation requires comprehensive solutions to diverse and complex issues of 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 at this time, 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 the 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 the 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 schemes 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.

Defined contribution pension plans operate on the choices made by participants, so it is important that all participants, even those unaccustomed to investing, understand investing. 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, CMAB offers a varied menu of easy-to-follow investment education services, including seminars, Internet-based assistance and e-learning tools.

In March 2010, CMAB launched redesigned versions of its Internet-based assistance tools in order to improve convenience for customers, including by standardizing passwords for online services offered by operational and management institutions involved in recordkeeping, displaying information about pension asset balances and interest rates, and enabling clients to conduct asset management simulations using actual pension asset balances.

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 the first major trust bank in Japan 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 are accountable for internal controls. The scope of such controls and inherent accountability encompasses outsourced services and as a result compels 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—requires listed companies in Japan 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 the 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 in which such capital ties do not exist.

Chuo Mitsui Asset Management

■ Services for Individual and Institutional Investors ■

Satoshi Yamamoto
President

Services for individual and institutional investors »

Investment trust management services

Balance of assets under management: ¥2,222.6 billion

(As of March 31, 2010)

External Environment, Client's Needs		Concrete Actions, Services
Diversifying demand content for risk products	»	Provide products tailored to demand, promote expansion of distribution channels.
Active initiatives to address environmental issues by leveraging financial functions	»	Work to accelerate the Group's CSR activities.

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 2009, 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 (on a net asset basis) increased from ¥1,730.8 billion, as of March 31, 2009 to ¥2,222.6 billion as of March 31, 2010.

Addressing Clients' Needs

CMAM believes that as the flow of savings in favor of investment widens, the investment trust market will continue growing over the medium to long term.

With expanding exports and other factors expected to drive a continuing gradual recovery in the domestic economy, 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.

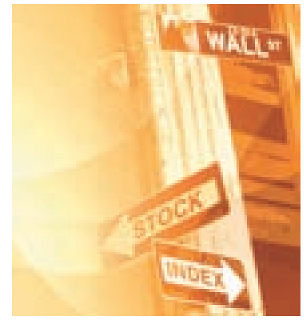
From the social need for internal control perspective and broader overall services, CMAM will continuously strive to reinforce its risk management and compliance status and constantly work to enhance and expand its operations, as a reliable investment trust manager for clients.

Provide Products Tailored to Demand, Promote Expansion of Distribution Channels

In order to increase the balance of assets under its management, Chuo Mitsui Asset Management actively provides investment trust products that are designed to meet the diverse needs of CMTB and other sales companies, as well as appealing investment products.

In April 2009, we created a new fund linked to the 30-stock Dow Jones Industrial Average* (NY Dow Jones Index), an index with which Japanese individual investors are familiar, as a product for individual investors. Due in part to the fact that no similar product existed in the domestic investment trust market at the time of its introduction, the product was adopted by many banks and securities companies. Today, there are 21 sales companies offering it.

Going forward, we will continue to provide products that meet the diverse needs of investors through a broad range of distribution channels.



Group Initiatives to Promote CSR Activities

CMAM was selected as a financial institution to create “eco funds” and other vehicles under a fiscal 2009 Ministry of the Environment program that subsidizes corporate survey and screening costs for environmental rankings, leading to the establishment of the Chuo Mitsui Environmental Japanese Equity Fund (“Eco Voice”) in January 2010.

CMAM uses some of the trust fees from this fund in an effort to reduce greenhouse gases by promoting widespread use of natural energy, for example by purchasing green power certificates.

Products win recognition

Investment trusts managed by CMAM continue to receive recognition from rating agencies based on their high level of performance and robust management.

Under the R&I Fund Awards sponsored by Rating and Investment Information Inc., the Chuo Mitsui Japanese REIT Fund was recognized in the investment trust and Japanese REIT category for the second year running, while the Chuo Mitsui DC Japanese Equity Excellent Focus fund was recognized in the defined contribution pension and domestic equity category.

In addition, the Chuo Mitsui High-interest Sovereign Open fund was recognized as the Fund of the Year 2009 by Morningstar in the Japanese and international bond category. It was the fund’s third such honor, following recognition as the Fund of the Year 2005 and the Fund of the Year 2006.

* The Dow Jones Industrial Average℠ is a product of the Dow Jones Index, a licensed trademark of CME Group Index Services LLC (“CME Index”), and is used under license. Dow Jones®, Dow Jones Industrial Average℠, DJIA℠, and Dow Jones Index are service marks of Dow Jones Trademark Holdings, LLC (“Dow Jones”). Chuo Mitsui Asset Management has received permission to use these trademarks for certain purposes. This fund does not receive support, approval, sales, or advertising from Dow Jones, CME Index, or their respective affiliates, and those entities have no expressed opinion on whether it is preferable to invest in this fund.

Chuo Mitsui Capital

Services for corporate and institutional investors

Kiichiro Kurimoto
President

Services for corporate and institutional investors

Private equity fund management services
Aggregate assets under management*: ¥260.2 billion

* Commitment basis (combined contribution amounts promised by investors to funds)

(As of March 31,2010)

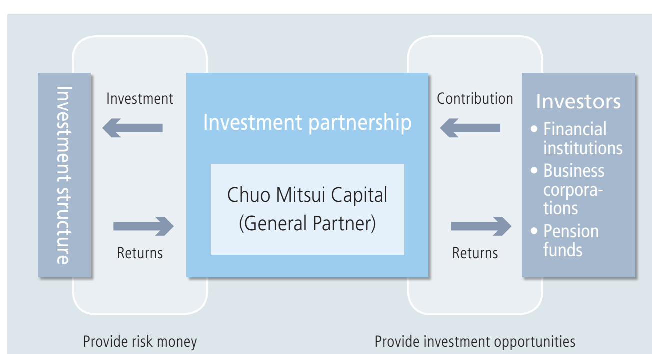
External Environment, Client's Needs	Concrete Actions, Services
Diversified corporate capital-restructuring and fund-procurement needs	Provide risk money matched to various requirements.
Demand for fund management through private equity investment	Provide quality, diversified investment opportunities 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 unlisted stocks and other assets. 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 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 the 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

CMC was launched as a venture capital business in 2000. Venture capital investment provides risk money through investment in common stock primarily to companies pursuing promising new businesses and development of innovative technologies.

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 coffee shop operator Komeda Co., Ltd., and BancTec Japan, Inc.

As a pioneer in Japan's mezzanine finance market, CMC is keen to maximize its 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

Private equity investment is attracting interest due to its low correlation with stock prices, and demand is expected to expand among institutional investors such as pension funds.

CMC 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 investment opportunities.

Financial Section

Economic and Financial Environments

With respect to the economic conditions during this period, due to massive government economic stimulus packages overseas, the economic condition appears to have bottomed out, and the economies have begun to recover in Asia including China. In Japan, while there was a lack of self-sustaining recovery mainly due to low capital expenditure, economic conditions continued to improve led by the effect of increased exports and economic policy.

In the financial market, short-term interest rates (overnight call rates) hovered around the Bank of Japan's target rate of 0.1%. Meanwhile, concern over an increase in issuance of government bonds led long-term interest rates to climb up to the 1.5% level, but rates almost hovered at low 1% level. The Nikkei Stock Average rose in anticipation of economic recovery, from the 8,300 range at the beginning of the period to the 11,000 range at the end of March 2010. In the foreign exchange market, the yen trended higher against the dollar from the beginning of the period and once peaked to the ¥84 range for the first time in 14 years in November due to increasing credit concern regarding Dubai, but returned to the ¥93 range at the end of March 2010 in anticipation of economic recovery in the United States.

Fiscal 2009 Consolidated Performance

As of March 31, 2010, the balance of deposits was ¥9,087.1 billion, a decrease of 3.8% compared to the end of March 2009. The balance of loans and bills discounted was ¥8,941.9 billion, an increase of 4.1%.Securities was ¥4,525.6 billion, a decrease of 7.5%. Total assets was ¥14,977.9 billion, a decrease of 0.7%.

Total equity increased by 22.9% compared to the end of March 2009, to ¥846.5 billion, owing to the increase of retained earnings, due to a net income in fiscal 2009, and increased valuation difference on available-for-sale securities.

Aggregate trust assets (combined amounts in the trust accounts of the Chuo Mitsui Trust and Banking Company, Limited and Chuo Mitsui Asset Trust and Banking Company, Limited) were ¥37,835.1 billion, an increase of 4.8% compared to the end of March 2009.

On the profit-and-loss front, total income decreased by 12.8%, to ¥368.0 billion, and total expenses decreased by 46.7%, to ¥283.2 billion. As a result, Chuo Mitsui Trust Holdings recorded a income before income taxes of ¥84.7 billion compared with a ¥109.6 billion loss before income taxes in fiscal 2008. Similarly, a net income of ¥46.8 billion replaced the net loss position of ¥92.0 billion posted in fiscal 2008. Net income per share was ¥31.41, compared with net loss per share of ¥84.89 in fiscal 2008.

The fiscal 2009 consolidated capital adequacy ratio, calculated according to a domestic standard, was 13.80%, increasing from 12.05% in fiscal 2008.

Segment Information

By business segment, the trust and banking business generated total ordinary income of ¥361.1 billion and ordinary expenses of ¥269.8 billion, leading to an ordinary profit of ¥91.3 billion. Other finance-related operations generated ordinary income of ¥37.7 billion and ordinary expenses of ¥35.1 billion, for ordinary profit of ¥2.5 billion.

Cash Flows

In fiscal 2009, net cash used in operating activities was ¥436.4 billion, a decrease of ¥1,232.8 billion from fiscal 2008, primarily due to a net decrease in borrowed money.

Net cash provided by investing activities was ¥406.4 billion, an increase of ¥992.2 billion from fiscal 2008, mainly due to an increase in proceeds from sales of securities.

Net cash provided by financing activities was ¥50.2 billion, an increase of ¥193.4 billion from fiscal 2008, mainly due to a decrease in payment for purchase of treasury stock.

Cash and cash equivalents at the end of March 2010 was ¥237.8 billion, an increase of ¥20.5 billion compared to the end of March 2009.

Non-Consolidated Fiscal 2009 Performance

Total assets of Chuo Mitsui Trust Holdings were ¥805.1 billion, a decrease of ¥4.5 billion from fiscal 2008. Total equity was ¥612.3 billion, a decrease of ¥4.9 billion from fiscal 2008. Total equity per share was ¥369.33.

Income before income taxes was ¥2.2 billion, a decrease of ¥5.2 billion from fiscal 2008 primarily due to decrease in dividends received from subsidiaries. Net income decreased by ¥4.1 billion from fiscal 2008 to ¥2.8 billion, and net income per share of common stock fell to ¥1.92.

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 shareholders meeting. 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 2009 was increased by ¥3.00 to ¥8.00 per share of common stock, taking fiscal results into the dividend decision.

Trust Account and Banking Account

Trust banks keep two types of accounts: 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 operations 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 writeoffs 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 operations statement.

Net operating profit is calculated by subtracting the general and administrative expenses and the transfer to the general allowance for 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).

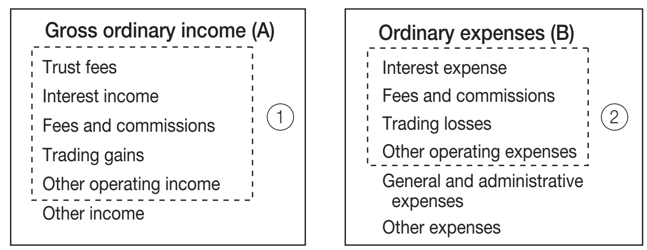
Net Operating Profit at Trust Banks

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 writeoffs. This allows a comparison with other banks according to net operating profit.

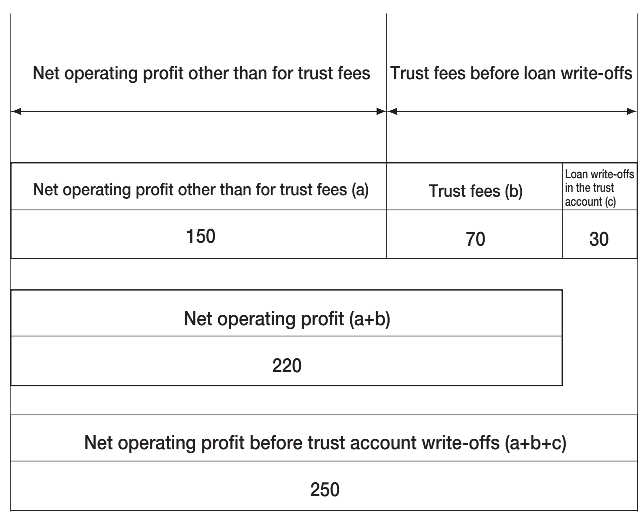
Pre-provision profit is calculated by adding back the transfer to the general allowance for loan losses from net operating profit before trust account write-offs. The purpose of this calculation is to show the trend of a bank's earning power by eliminating all credit costs including transfers to general 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 allowance for loan losses from gross operating profit. The transfer to the general allowance for 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, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2010	2009	**2010**
ASSETS			
Cash and cash equivalents (Note 31)	**¥ 237,851**	¥ 217,270	**$ 2,556,722**
Due from banks other than due from the Bank of Japan (Note 31)	**24,388**	15,675	**262,155**
Call loans and bills bought (Note 31)	**9,884**	15,391	**106,246**
Receivables under securities borrowing transactions (Note 31)	**1,521**	8,812	**16,349**
Monetary claims bought (Notes 4 and 31)	**98,818**	103,377	**1,062,223**
Trading assets (Notes 4, 11 and 31)	**22,778**	38,249	**244,852**
Securities (Notes 4, 11 and 31)	**4,525,683**	4,896,624	**48,647,569**
Money held in trust (Notes 5 and 31)	**2,234**	2,588	**24,024**
Loans and bills discounted (Notes 6, 11 and 31)	**8,941,948**	8,584,295	**96,118,976**
Foreign exchanges (Note 7)	**767**	802	**8,245**
Other assets (Notes 8, 11, 31 and 32)	**446,145**	409,456	**4,795,717**
Tangible fixed assets (Note 9)	**126,000**	128,095	**1,354,407**
Intangible fixed assets (Note 10)	**58,940**	59,223	**633,567**
Deferred tax assets (Note 29)	**150,296**	192,569	**1,615,570**
Customers' liabilities for acceptances and guarantees (Note 12)	**384,117**	475,535	**4,128,962**
Allowance for loan losses	**(53,410)**	(61,521)	**(574,119)**
Total assets	**¥14,977,966**	¥15,086,445	**$161,001,468**
LIABILITIES AND EQUITY			
Liabilities:			
Deposits (Notes 11, 13 and 31)	**¥ 9,087,107**	¥ 9,446,495	**$ 97,679,327**
Call money and bills sold (Notes 11 and 31)	**306,161**	253,478	**3,290,994**
Payables under securities lending transactions (Notes 11 and 31)	**1,702,697**	1,255,648	**18,302,675**
Trading liabilities (Note 31)	**7,911**	8,867	**85,044**
Borrowed money (Notes 11, 14 and 31)	**1,217,246**	1,692,565	**13,084,451**
Foreign exchanges (Note 7)	**21**	42	**231**
Bonds payable (Notes 15 and 31)	**234,750**	174,570	**2,523,387**
Due to trust account (Note 31)	**995,612**	879,917	**10,702,063**
Other liabilities (Notes 16, 31 and 32)	**170,887**	191,184	**1,836,904**
Provision for bonuses	**3,160**	3,079	**33,969**
Provision for directors' retirement benefits	**1,704**	1,630	**18,320**
Provision for retirement benefits (Note 17)	**2,662**	2,393	**28,616**
Provision for contingent losses (Note 18)	**12,022**	12,228	**129,228**
Deferred tax liabilities (Note 29)	**5,346**	353	**57,471**
Acceptances and guarantees (Note 12)	**384,117**	475,535	**4,128,962**
Total liabilities	**14,131,410**	14,397,990	**151,901,649**
Commitments and contingent liabilities (Note 19)			
Equity (Note 20)**:**			
Common stock and preferred stock (Note 21)	**261,608**	261,608	**2,812,089**
Retained earnings	**377,619**	338,564	**4,059,120**
Valuation difference on available-for-sale securities	**35,002**	(83,325)	**376,246**
Deferred gains or losses on hedges	**2,705**	2,406	**29,078**
Revaluation reserve for land	**(15,532)**	(15,532)	**(166,963)**
Foreign currency translation adjustments	**(1,738)**	(2,045)	**(18,682)**
Treasury stock—at cost 366,149 shares in 2010 and 324,157 shares in 2009	**(270)**	(262)	**(2,910)**
Total	**659,394**	501,413	**7,087,978**
Minority interests	**187,161**	187,041	**2,011,840**
Total equity	**846,556**	688,455	**9,099,819**
Total liabilities and equity	**¥14,977,966**	¥15,086,445	**$161,001,468**

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, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2010	2009	**2010**
Income:			
Interest income:			
Interest on loans and discounts	**¥122,029**	¥124,493	**$1,311,722**
Interest and dividends on securities	**55,570**	82,956	**597,339**
Interest on call loans and bills bought	**181**	905	**1,950**
Other interest income (Note 22)	**3,810**	3,329	**40,961**
Trust fees (Note 23)	**50,874**	59,503	**546,856**
Fees and commissions	**80,790**	90,974	**868,438**
Trading income	**2,592**	2,440	**27,869**
Other ordinary income (Note 24)	**27,505**	19,758	**295,658**
Other income (Note 25)	**24,740**	37,862	**265,942**
Total income	**368,095**	422,223	**3,956,740**
Expenses:			
Interest expenses:			
Interest on deposits	**46,393**	51,468	**498,694**
Interest on call money and bills sold	**725**	3,996	**7,802**
Interest on borrowings	**3,838**	5,691	**41,261**
Other interest expenses (Note 26)	**17,943**	35,689	**192,876**
Fees and commissions	**21,112**	15,059	**226,938**
Other ordinary expenses (Note 27)	**8,318**	15,535	**89,414**
General and administrative expenses	**149,232**	148,818	**1,604,131**
Other expenses (Note 28)	**35,733**	255,643	**384,102**
Total expenses	**283,296**	531,902	**3,045,221**
Income (loss) before income taxes	**84,798**	(109,678)	**911,519**
Income taxes (Note 29):			
Income taxes-current	**8,149**	9,276	**87,598**
Income taxes-deferred	**22,150**	(33,006)	**238,096**
Total income taxes	**30,299**	(23,729)	**325,694**
Minority interests in net income	**7,672**	6,084	**82,472**
Net income (loss)	**¥ 46,826**	¥ (92,033)	**$ 503,351**

	Yen		U.S. dollars (Note 1)
	2010	2009	**2010**
Per share of common stock (Note 34):			
Basic net income (loss)	**¥31.41**	¥(84.89)	**$0.33**
Cash dividends per share applicable to the year (Note 21):			
Common stock	**8.00**	5.00	**0.08**
Class II convertible preferred stock	**—**	14.40	**—**
Class III convertible preferred stock	**—**	20.00	**—**

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, 2010 and 2009

	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	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Treasury stock	Total	Minority interests	Total equity
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
Net income					46,826						46,826		46,826
Cash dividends					(7,765)						(7,765)		(7,765)
Purchase of treasury stock										(18)	(18)		(18)
Disposal of treasury stock					(5)					9	4		4
Conversion of class II preferred stock into common stock	375,000	(93,750)											
Conversion of class III preferred stock into common stock	125,875	(31,468)											
Net change in the year						118,327	298		307		118,933	119	119,053
Balance, March 31, 2010	**1,658,426**	**—**	**¥261,608**	**¥ —**	**¥377,619**	**¥ 35,002**	**¥2,705**	**¥ (15,532)**	**¥(1,738)**	**¥ (270)**	**¥ 659,394**	**¥187,161**	**¥ 846,556**

	Thousands of U.S. dollars (Note 1)										
	Common stock and preferred stock	Capital surplus	Retained earnings	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Treasury stock	Total	Minority interests	Total equity
Balance, March 31, 2009	$2,812,089	$ —	$3,639,299	$ (895,685)	$25,872	$ (166,963)	$ (21,991)	$ (2,817)	$5,389,802	$2,010,555	$7,400,358
Net income			503,351						503,351		503,351
Cash dividends			(83,473)						(83,473)		(83,473)
Purchase of treasury stock								(196)	(196)		(196)
Disposal of treasury stock			(57)					103	45		45
Conversion of class II preferred stock into common stock											
Conversion of class III preferred stock into common stock											
Net change in the year				1,271,931	3,206		3,309		1,278,447	1,285	1,279,733
Balance, March 31, 2010	**$2,812,089**	**$ —**	**$4,059,120**	**$ 376,246**	**$29,078**	**$ (166,963)**	**$ (18,682)**	**$ (2,910)**	**$7,087,978**	**$2,011,840**	**$9,099,819**

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, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2010	2009	**2010**
Operating activities:			
Income (loss) before income taxes	**¥ 84,798**	¥ (109,678)	**$ 911,519**
Adjustments for:			
Income taxes paid	**(4,013)**	22,304	**(43,143)**
Depreciation and amortization	**11,135**	13,366	**119,699**
Loss on impairment of fixed assets	**41**	62	**446**
Amortization of consolidation goodwill	**2,451**	1,817	**26,346**
Equity in earnings of associated companies	**814**	195	**8,756**
Decrease in allowance for loan losses	**(8,111)**	(8,013)	**(87,190)**
Increase (decrease) in provision for bonuses	**80**	(180)	**867**
Increase in provision for directors' retirement benefits	**73**	328	**795**
Increase in provision for retirement benefits	**268**	131	**2,883**
Decrease in provision for contingent losses	**(206)**	(631)	**(2,221)**
Net (gain) loss on securities	**(18,967)**	183,681	**(203,880)**
Net gain on money held in trust	**(144)**	(131)	**(1,548)**
Foreign exchange loss (gain), net	**34,951**	(20,030)	**375,705**
Net loss on disposals of tangible fixed assets	**267**	1,544	**2,872**
Change in assets and liabilities:			
Decrease in trading assets	**15,471**	4,636	**166,301**
(Decrease) increase in trading liabilities	**(956)**	682	**(10,276)**
Increase in loans and bills discounted	**(357,653)**	(732,228)	**(3,844,494)**
(Decrease) increase in deposits	**(359,387)**	615,906	**(3,863,137)**
(Decrease) increase in borrowed money (excluding subordinated borrowings)	**(475,319)**	1,258,196	**(5,109,313)**
(Increase) decrease in due from banks (excluding cash equivalents)	**(8,712)**	45,026	**(93,656)**
Decrease in call loans and bills bought	**10,127**	197,360	**108,859**
Decrease in receivables under securities borrowing transactions	**7,291**	95,191	**78,372**
Increase (decrease) in call money and bills sold	**52,683**	(62,300)	**566,303**
Increase (decrease) in payables under securities lending transactions	**447,049**	(541,472)	**4,805,436**
Decrease in foreign exchanges (assets)	**35**	8	**383**
(Decrease) increase in foreign exchanges (liabilities)	**(20)**	31	**(222)**
Increase (decrease) in due to trust account	**115,695**	(171,921)	**1,243,635**
Other—net	**13,794**	2,496	**148,277**
Net cash (used in) provided by operating activities	**(436,461)**	796,376	**(4,691,620)**
Investing activities:			
Purchases of securities	**(6,619,136)**	(4,385,439)	**(71,150,559)**
Proceeds from sales of securities	**6,651,069**	3,094,368	**71,493,809**
Proceeds from redemption of securities	**385,705**	704,200	**4,146,031**
Increase in money held in trust	**(2,500)**	—	**(26,873)**
Decrease in money held in trust	**2,637**	125	**28,349**
Purchases of tangible fixed assets	**(3,446)**	(3,669)	**(37,051)**
Proceeds from sales of tangible fixed assets	**353**	1,719	**3,800**
Purchases of intangible fixed assets	**(9,302)**	(12,917)	**(99,992)**
Proceeds from sales of intangible fixed assets	**1,064**	15,839	**11,439**
Net cash provided by (used in) investing activities	**406,443**	(585,774)	**4,368,954**
Financing activities:			
Proceeds from subordinated borrowings	**65,000**	5,000	**698,699**
Payment of subordinated borrowings	**(65,000)**	(45,000)	**(698,699)**
Proceeds from subordinated bonds	**103,000**	—	**1,107,169**
Redemption of subordinated bonds	**(37,274)**	—	**(400,674)**
Issuance of capital stock to minority interests	**—**	41,000	**—**
Dividends paid	**(7,765)**	(10,926)	**(83,473)**
Dividends paid for minority interests	**(7,649)**	(5,801)	**(82,224)**
Payment for purchase of treasury stock	**(18)**	(127,496)	**(196)**
Proceeds from sales of treasury stock	**4**	26	**45**
Net cash provided by (used in) financing activities	**50,296**	(143,198)	**540,646**
Foreign currency translation adjustments on cash and cash equivalents	**302**	(1,984)	**3,252**
Net increase in cash and cash equivalents	**20,581**	65,420	**221,233**
Cash and cash equivalents, beginning of year	**217,270**	151,850	**2,335,488**
Cash and cash equivalents, end of year	**¥237,851**	¥ 217,270	**$2,556,722**

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, 2009 to conform to classifications and presentations used in the consolidated financial statement for the fiscal year ended March 31, 2010.

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 ¥93.03 to U.S.$1, the approximate rate of exchange at March 31, 2010. 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, 2010 and 2009 was 25. Major consolidated subsidiaries are The Chuo Mitsui Trust and Banking Company, Limited ("Chuo Mitsui"), Chuo Mitsui Asset Trust and Banking Company, Limited ("Chuo Mitsui Asset"), Chuo Mitsui Asset Management Company, Limited ("Chuo Mitsui Asset Management") and Chuo Mitsui Capital Company Limited ("Chuo Mitsui Capital"). In the fiscal year ended March 31, 2010, Chuo Mitsui Trust Realty Company, Limited was newly included in the scope of consolidation upon its establishment.

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 associated companies were accounted for by the equity method in 2010 and 2009. 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 expense 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 operations.

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 transactions are recognized in the consolidated statements of operations.

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 expense.

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

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 operations; 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.

h. Tangible Fixed Assets

Tangible fixed assets are carried at cost less accumulated depreciation. Depreciation of tangible fixed assets 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 tangible fixed assets 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

The 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, 2010 and 2009, the carrying amount of the land after the above one-time revaluation exceeded the market value by ¥4,416 million ($47,476 thousand), and ¥1,506 million, respectively.

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 charged to expense as incurred.

m. Allowance for Loan Losses

Allowance for 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 in 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 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 ¥33,562 million ($360,771 thousand) and ¥33,535 million as of March 31, 2010 and 2009, respectively.

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

n. Provision for Bonuses

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

o. Provision for Directors' Retirement Benefits

Provision for directors' retirement Benefits 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. Provision 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. Provision for Contingent Losses

Provision 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) Provision for Reimbursement of Deposits

Provision 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.

(2) Provision for Possible Losses Related to Land Trust

Provision for possible losses related to land trust 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 operations. 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 were 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 notes 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 operations.

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.

Cash dividends per share presented in the accompanying consolidated statements of operations 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 expense 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 requires that a bargain purchase gain (negative goodwill) 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 us to unify accounting policies within the consolidation group. However, the current guidance allows us 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.

(iv) Accounting Changes and Error Correction
In December 2009, ASBJ issued ASBJ Statement No.24 "Accounting Standard for Accounting Changes and Error Corrections" and ASBJ Guidance No.24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections". Accounting treatments under this standard and guidance are as follows;
(1)Changes in Accounting Policies:
When a new accounting policy is applied with revision of accounting standards, a new policy is applied retrospectively unless the revised accounting standards include specific transitional provisions. When the revised accounting standards include specific transitional provisions, an entity shall comply with the specific transitional provisions.
(2)Changes in Presentations
When the presentation of financial statements is changed, prior period financial statements are reclassified in accordance with the new presentation.
(3)Changes in Accounting Estimates
A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods.
(4)Corrections of Prior Period Errors
When an error in prior period financial statements is discovered, those statements are restated.
This accounting standard and the guidance are applicable to

accounting changes and corrections of prior period errors which are made from the beginning of the fiscal year that begins on or after April 1, 2011.

(v) Segment Information Disclosures
In March 2008, the ASBJ revised ASBJ Statement No.17 "Accounting Standard for Segment Information Disclosures" and issued ASBJ Guidance No.20 "Guidance on Accounting Standard for Segment Information Disclosures". Under the standard and guidance, an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. This accounting standard and the guidance are applicable to segment information disclosures for the fiscal years beginning on or after April 1, 2010.

3. Changes in Significant Accounting Policies

a. Financial instruments
In March 2008, the ASBJ revised ASBJ Statement No.10 "Accounting Standard for Financial Instruments" and issued ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". This accounting standard and the guidance are applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010 with early adoption permitted from the beginning of the fiscal years ending before March 31, 2010. The Chuo Mitsui Trust Group applied the revised accounting standard and the new guidance effective March 31, 2010.

As a result, compared with the previous treatments, "Securities" decreased by 419 million yen ($4,508 thousand), "Deferred tax assets" decreased by 235 million yen ($2,535 thousand), "Valuation difference on available-for-sale securities" increased by 344 million yen ($3,704 thousand), "Income before income taxes" increased by 1,534 million yen ($16,498 thousand), respectively.

b. Provision for Retirement Benefits
The Chuo Mitsui Trust Group applied ASBJ Statement No.19 "Partial Amendments to Accounting Standard for Retirement Benefits (Part3)" (issued by ASBJ on July 31, 2008) from this fiscal year end. There was no effect on financial statements with regard to this adoption.

c. Consolidation
The Chuo Mitsui Trust Group applied ASBJ Implementation Guidance No.22 "Guidance on determining a subsidiary and an affiliate" (issued by ASBJ on May 13, 2008) from this fiscal year end. There was no effect on financial statements with regard to this adoption.

4. Securities

Securities as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Japanese government bonds	**¥2,031,802**	¥2,667,383	**$21,840,293**
Japanese municipal bonds	**644**	639	**6,929**
Japanese corporate bonds	**296,390**	366,935	**3,185,964**
Japanese stocks	**657,373**	562,910	**7,066,247**
Other securities	**1,539,472**	1,298,755	**16,548,134**
Total	**¥4,525,683**	¥4,896,624	**$48,647,569**

The carrying amounts and aggregate fair values of securities (including securities in trading assets and monetary claims bought) as of March 31, 2010 and 2009, were as follows:

	Millions of yen			
March 31, 2010	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				**¥ 11,993**
Available-for-sale:				
Japanese equity securities	**¥ 474,967**	**¥118,025**	**¥45,019**	**547,973**
Japanese debt securities	**1,910,748**	**9,912**	**13,561**	**1,907,099**
Other	**1,206,556**	**2,897**	**25,210**	**1,184,242**
Held-to-maturity	**721,082**	**3,264**	**3,559**	**720,787**

	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

	Thousands of U.S. dollars			
March 31, 2010	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				**$ 128,923**
Available-for-sale:				
Japanese equity securities	**$ 5,105,532**	**$1,268,684**	**$483,924**	**5,890,292**
Japanese debt securities	**20,539,059**	**106,550**	**145,771**	**20,499,838**
Other	**12,969,540**	**31,144**	**270,997**	**12,729,687**
Held-to-maturity	**7,751,072**	**35,096**	**38,266**	**7,747,902**

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 is not readily determinable as of March 31, 2009 were as follows. The similar information for 2010 is disclosed in Note 31.

	Carrying amount
	Millions of yen
	2009
Available-for-sale:	
Unlisted Japanese stocks	¥ 91,985
Unlisted corporate bonds	298,188
Unlisted foreign securities	14,557
Subscription certificates	18,103
Held-to-maturity:	
Unlisted foreign securities	4,571
Total	¥427,406

Proceeds from sales of available-for-sale securities for the fiscal years ended March 31, 2010 and 2009, were ¥6,528,435 million ($70,175,594 thousand) and ¥3,323,541 million, respectively. Gross realized gains and losses on these sales, computed on the moving-average basis, were ¥37,052 million ($398,288 thousand) and ¥4,842 million ($52,056 thousand), respectively, for the fiscal year ended March 31, 2010, and ¥37,130 million and ¥120,275 million, respectively, for the fiscal year ended March 31, 2009.

The information of available-for-sale securities which were sold during the year ended March 31, 2010 was as follows.

	Millions of yen		
March 31, 2010	Proceeds	Realized gains	Realized losses
Available-for-sale:			
Japanese equity securities	**¥ 72,793**	**¥17,754**	**¥ 974**
Japanese debt securities	**4,693,067**	**7,747**	**2,096**
Other	**1,762,574**	**11,550**	**1,771**
Held-to-maturity	**204,196**	**3,099**	**—**
Total	**¥6,732,632**	**¥40,152**	**¥4,842**

	Thousands of U.S. dollars		
March 31, 2010	Proceeds	Realized gains	Realized losses
Available-for-sale:			
Japanese equity securities	**$ 782,469**	**$190,843**	**$10,480**
Japanese debt securities	**50,446,819**	**83,281**	**22,538**
Other	**18,946,304**	**124,163**	**19,037**
Held-to-maturity	**2,194,953**	**33,320**	**—**
Total	**$72,370,547**	**$431,609**	**$52,056**

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

	Millions of yen
	2009
Due within one year	¥ 411,859
Due after one year through five years	2,687,559
Due after five years through ten years	545,777
Due after ten years	567,522
Total	¥4,212,718

Securities in unconsolidated subsidiaries and associated companies totaled ¥130,700 million ($1,404,931 thousand) and ¥146,725 million as of March 31, 2010 and 2009, 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 ¥124,395 million ($1,337,158 thousand) and ¥165,751 million as of March 31, 2010 and 2009, respectively.

Available-for-sale securities with the fair value, whose fair value significantly declined compared with the acquisition cost, and is not considered to recover to their acquisition cost, are written down to the respective fair value which is recorded as the carrying amount on the consolidated balance sheets. The related losses on revaluation are charged to income for the fiscal year.

Impairment losses were ¥1,583 million ($17,026 thousand), mainly consisting of ¥1,569 million ($16,865 thousand) on equity securities for the year ended March 31, 2010, and ¥77,515 million consisting of ¥77,163 million on equity securities, and ¥326 million on foreign securities for the year ended March 31, 2009.

5. Money Held in Trust

The carrying amounts and aggregate fair values of money held in trust as of March 31, 2010 and 2009, were as follows:

	Millions of yen		
March 31, 2010	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**¥1,694**	**¥540**	**¥2,234**

	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

	Thousands of U.S. dollars		
March 31, 2010	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**$18,216**	**$5,808**	**$24,024**

6. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Bills discounted	**¥ 4,325**	¥ 7,105	**$ 46,492**
Loans on notes	**1,298,472**	1,140,721	**13,957,571**
Loans on deeds	**6,928,690**	6,519,528	**74,478,028**
Overdrafts	**710,459**	916,939	**7,636,884**
Total	**¥8,941,948**	¥8,584,295	**$96,118,976**

Loans to Borrowers in Bankruptcy and Non-Accrual Loans

Loans to borrowers in bankruptcy are included in loans and bills discounted, and totaled ¥14,278 million ($153,480 thousand) and ¥30,996 million as of March 31, 2010 and 2009 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 ¥79,645 million ($856,124 thousand) and ¥79,746 million as of March 31, 2010 and 2009, 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 ¥58 million ($624 thousand) and ¥84 million as of March 31, 2010 and 2009, 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 ¥16,904 million ($181,705 thousand) and ¥7,083 million as of March 31, 2010 and 2009, 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 ¥110,885 million ($1,191,934 thousand) and ¥117,911 million as of March 31, 2010 and 2009, respectively. These claims are before deduction of the allowance for 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.

7. Foreign Exchanges

Foreign exchanges as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Assets:			
Due from foreign banks	**¥767**	¥802	**$8,245**
Total	**¥767**	¥802	**$8,245**
Liabilities:			
Due to foreign banks	**¥ —**	¥ 39	**$ —**
Other	**21**	2	**231**
Total	**¥ 21**	¥ 42	**$ 231**

8. Other Assets

Other assets as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Prepaid expenses	**¥ 884**	¥ 926	**$ 9,505**
Accrued income	**37,838**	41,179	**406,734**
Prepaid pension expenses	**100,379**	116,433	**1,079,003**
Receivables for securities transactions	**108,253**	40,657	**1,163,643**
Financial derivatives	**45,053**	46,912	**484,292**
Financial stabilization fund contribution	**82,061**	82,061	**882,091**
Other	**71,674**	81,286	**770,446**
Total	**¥446,145**	¥409,456	**$4,795,717**

9. Tangible Fixed Assets

Tangible fixed assets as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Land	**¥ 81,958**	¥ 81,958	**$ 880,992**
Buildings	**37,384**	39,459	**401,858**
Equipment	**6,456**	6,614	**69,400**
Other	**200**	62	**2,155**
Total	**¥126,000**	¥128,095	**$1,354,407**

Accumulated depreciation amounted to ¥91,612 million ($984,765 thousand) and ¥89,233 million as of March 31, 2010 and 2009, respectively.

10. Intangible Fixed Assets

Intangible fixed assets as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Software	**¥16,221**	¥16,624	**$174,372**
Goodwill	**35,304**	37,755	**379,498**
Other	**7,414**	4,842	**79,696**
Total	**¥58,940**	¥59,223	**$633,567**

11. Collateral

The carrying amounts of assets pledged as collateral and the related collateralized debt as of March 31, 2010 and 2009, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Securities	**¥2,529,071**	¥2,790,999	**$27,185,546**
Loans	**765,768**	632,297	**8,231,409**
Trading assets	**—**	20,133	**—**
Other assets	**70**	70	**758**
Total	**¥3,294,909**	¥3,443,500	**$35,417,714**
Deposits	**¥ 3,959**	¥ 3,645	**$ 42,557**
Call money and bills sold	**—**	49,000	**—**
Payables under securities lending transactions	**1,702,697**	1,255,648	**18,302,675**
Borrowed money	**1,123,400**	1,598,360	**12,075,674**
Total	**¥2,830,057**	¥2,906,653	**$30,420,907**

In addition, securities pledged as collateral for exchange settlements, for derivative transactions and for certain other purposes as of March 31, 2010 and 2009 were ¥655,266 million ($7,043,600 thousand) and ¥605,755 million, respectively.

Also, securities deposits (included in other assets) as of March 31, 2010 and 2009 were ¥8,860 million ($95,239 thousand) and ¥9,3 74 million, respectively.

12. 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.

13. Deposits

Deposits as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Current deposits	**¥ 113,513**	¥ 109,386	**$ 1,220,179**
Ordinary deposits	**1,153,395**	1,136,563	**12,398,099**
Deposits at notice	**21,514**	20,160	**231,266**
Time deposits	**7,421,637**	7,588,606	**79,776,823**
Negotiable certificates of deposit	**327,190**	542,280	**3,517,037**
Other	**49,856**	49,499	**535,920**
Total	**¥9,087,107**	¥9,446,495	**$97,679,327**

14. Borrowed Money

Borrowed money as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Borrowed money	**¥1,124,746**	¥1,600,065	**$12,090,148**
Subordinated borrowings	**77,500**	77,500	**833,064**
Perpetual subordinated borrowings	**15,000**	15,000	**161,238**
Total	**¥1,217,246**	¥1,692,565	**$13,084,451**

The weighted-average rates calculated from the interest rates and the balances as of March 31, 2010 and 2009, were 0.27% and 0.36%, respectively.

Annual maturities of borrowed money as of March 31, 2010, for the next five years are as follows:

Fiscal year ending March 31	Millions of yen	Thousands of U.S. dollars
2011	**¥1,128,924**	**$12,135,056**
2012	**2,927**	**31,467**
2013	**15,195**	**163,334**
2014	**5,146**	**55,325**
2015	**60,052**	**645,521**
Total	**¥1,212,246**	**$13,030,705**

15. Bonds Payable

Bonds payable as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Issuer: Chuo Mitsui,			
Unsecured perpetual subordinated bonds, 2.24% (2.06% in 2009)	**¥ 16,100**	¥ 16,100	**$ 173,062**
2.03% unsecured subordinated bonds due 2015	**40,000**	40,000	**429,968**
1.27% unsecured subordinated callable bonds due 2015	**—**	30,000	**—**
5.50% USD unsecured perpetual subordinated notes	**70,650**	83,470	**759,440**
2.06% unsecured perpetual subordinated bonds	**5,000**	5,000	**53,746**
4.46% unsecured perpetual subordinated bonds	**10,000**	—	**107,492**
2.95% unsecured subordinated callable bonds due 2017	**50,000**	—	**537,461**
1.51% unsecured subordinated callable bonds due 2020	**25,000**	—	**268,730**
1.25% unsecured subordinated callable bonds due 2020	**18,000**	—	**193,485**
Total	**¥234,750**	¥174,570	**$2,523,387**

Annual maturities of bonds as March 31, 2010 for the next five years were as follows:

Fiscal year ending March 31	Millions of yen	Thousands of U.S. dollars
2011	**¥ —**	**$ —**
2012	**—**	**—**
2013	**55,000**	**591,207**
2014	**—**	**—**
2015	**83,000**	**892,185**
Total	**¥138,000**	**$1,483,392**

16. Other Liabilities

Other liabilities as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Accrued expenses	**¥ 59,009**	¥ 54,876	**$ 634,305**
Unearned income	**33,955**	31,819	**364,993**
Financial derivatives	**45,420**	57,181	**488,232**
Income taxes payable	**5,464**	3,170	**58,736**
Payable for securities transaction	**10,115**	19,962	**108,735**
Other	**16,922**	24,173	**181,900**
Total	**¥170,887**	¥191,184	**$1,836,904**

17. 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, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Projected benefit obligation	**¥(182,101)**	¥(181,854)	**$(1,957,444)**
Fair value of plan assets	**209,054**	181,525	**2,247,177**
Unrecognized actuarial loss	**70,763**	114,368	**760,653**
Net amount accrued on the consolidated balance sheets	**97,717**	114,039	**1,050,386**
Prepaid pension expenses (included in other assets)	**100,379**	116,433	**1,079,003**
Provision for retirement benefits	**¥ (2,662)**	¥ (2,393)	**$ (28,616)**

The components of net periodic benefit costs for the fiscal years ended March 31, 2010 and 2009, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Service cost	**¥ 4,012**	¥ 3,915	**$ 43,128**
Interest cost	**3,433**	3,431	**36,902**
Expected return on plan assets	**(2,626)**	(7,345)	**(28,235)**
Recognized acturial loss	**18,079**	12,394	**194,341**
Other	**392**	360	**4,215**
Net periodic benefit costs	**¥23,290**	¥12,756	**$250,351**

Assumptions used for the fiscal years ended March 31, 2010 and 2009, were as follows:

	2010	2009
Discount rate	**1.9%**	1.9%
Expected rate of return on plan assets	**1.4%**	3.2%
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

18. Provision for Contingent Losses

Provision for contingent losses as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Provision for reimbursement of deposits	**¥ 5,105**	¥ 6,062	**$ 54,874**
Provision for possible losses related to land trust	**6,462**	5,819	**69,467**
Other	**454**	347	**4,886**
Total	**¥12,022**	¥12,228	**$129,228**

19. 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, 2010 and 2009, was ¥2,370,526 million ($25,481,310 thousand) and ¥2,062,196 million, respectively, of which commitment lines whose maturities are less than one year were ¥2,220,327 million ($23,866,793 thousand) and ¥1,915,912 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 ¥1,024,773 million ($11,015,519 thousand) and ¥1,084,149 million for certain money trusts as of March 31, 2010 and 2009, respectively, and ¥357,078 million ($3,838,319 thousand) and ¥569,331 million for loan trusts as of March 31, 2010 and 2009, respectively.

20. Equity

Japanese companies are 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.

21. Common Stock and Preferred Stock

Common stock and preferred stock as of March 31, 2010, 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	1,658,426	¥8.00
Class II convertible preferred stock	93,750	—	—
Class III convertible preferred stock	156,406	—	—
Class V convertible preferred stock	62,500	—	—
Class VI convertible preferred stock	62,500	—	—

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
Class of stock	The acquisition preferred stocks	The issuance common stocks	Exchange price
Class II convertible preferred stock	93,750	375,000	¥400
Class III convertible preferred stock	31,468	125,875	400

	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**	—

22. Other Interest Income

Other interest income for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Interest on due from banks	**¥ 189**	¥ 738	**$ 2,037**
Interest on interest rate swaps	**1,998**	—	**21,484**
Interest on monetary claims bought	**1,351**	2,147	**14,523**
Other	**271**	443	**2,915**
Total	**¥3,810**	¥3,329	**$40,961**

23. 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.

24. Other Ordinary Income

Other ordinary income for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Gains on foreign exchange	**¥ 1,283**	¥ 2,237	**$ 13,800**
Gains on sales and redemption of bonds	**21,764**	17,433	**233,949**
Gains on derivatives	**2,566**	—	**27,590**
Other	**1,890**	87	**20,318**
Total	**¥27,505**	¥19,758	**$295,658**

25. Other Income

Other income for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Gains on sales of stocks and other securities	**¥16,055**	¥17,337	**$172,588**
Gains on money held in trust	**168**	131	**1,810**
Net reversal of allowance for loan losses	**—**	5,204	**—**
Recoveries of written-off claims	**2,147**	2,799	**23,079**
Other	**6,369**	12,388	**68,465**
Total	**¥24,740**	¥37,862	**$265,942**

26. Other Interest Expenses

Other interest expenses for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Interest on bonds payable	**¥ 7,512**	¥ 6,682	**$ 80,758**
Interest on interest rate swaps	**—**	2,448	**—**
Interest on payables under repurchase agreements and payables under securities lending transactions	**3,500**	19,991	**37,630**
Other	**6,929**	6,566	**74,487**
Total	**¥17,943**	¥35,689	**$192,876**

27. Other Ordinary Expenses

Other ordinary expenses for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Losses on sales and redemption of bonds	**¥ 8,245**	¥ 6,134	**$ 88,628**
Losses on derivatives	**—**	8,768	**—**
Other	**73**	632	**786**
Total	**¥ 8,318**	¥15,535	**$ 89,414**

28. Other Expenses

Other expenses for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Losses on sales of loans	**¥ 7**	¥ 8,049	**$ 79**
Write-off of loans	**10,339**	22,042	**111,139**
Losses on sales of stocks and other securities	**1,578**	119,841	**16,969**
Losses on devaluation of stocks and other securities	**2,238**	78,472	**24,064**
Loss on money held in trust	**24**	—	**261**
Provision of allowance for loan losses	**360**	—	**3,878**
Losses on disposal of tangible fixed assets	**501**	1,811	**5,393**
Other	**20,682**	25,426	**222,317**
Total	**¥ 35,733**	¥255,643	**$ 384,102**

29. 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, 2010 and 2009.

The tax effects of significant temporary differences and loss carryforwards, which resulted in deferred tax assets and liabilities as of March 31, 2010 and 2009, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Deferred tax assets:			
Allowance for loan losses	**¥ 28,832**	¥ 28,058	**$ 309,931**
Valuation difference on available-for-sale securities	**—**	13,558	**—**
Tax loss carryforwards	**160,547**	199,846	**1,725,761**
Securities	**12,801**	12,389	**137,604**
Provision for retirement benefits	**6,281**	3,015	**67,516**
Other	**54,918**	49,784	**590,335**
Valuation allowance	**(88,356)**	(94,374)	**(949,761)**
Total deferred tax assets	**175,025**	212,277	**1,881,388**
Deferred tax liabilities:			
Valuation difference on available-for-sale securities	**(13,856)**	—	**(148,941)**
Gains on return of securities from employee retirement benefit trusts	**(8,799)**	(8,807)	**(94,590)**
Other	**(7,419)**	(11,253)	**(79,757)**
Total deferred tax liabilities	**(30,075)**	(20,061)	**(323,289)**
Net deferred tax assets	**¥144,949**	¥192,215	**$1,558,098**

A reconciliation between the normal effective statutory tax rate and the actual effective tax rates reflected in the accompanying consolidated statements of operations for the fiscal years ended March 31, 2010 and 2009, was as follows:

	2010	2009
Normal effective statutory tax rate	**40.69%**	40.69%
Valuation allowance	**(5.57)**	(21.94)
Nontaxable dividends received	**(0.36)**	2.52
Other, net	**0.97**	0.36
Actual effective tax rate	**35.73%**	21.63%

30. Leases

Lessee

Total lease payments under finance lease arrangements that do not transfer ownership of the leased property to the lessee were ¥11 million ($121 thousand) and ¥16 million for the fiscal years ended March 31, 2010 and 2009, respectively.

Pro forma information on leased property such as acquisition cost and accumulated depreciation and obligations under finance leases as of March 31, 2010 and 2009, and the related depreciation expense and interest expense under finance leases for the fiscal years ended March 31, 2010 and 2009, on an "as if capitalized" basis were as follows:

	Millions of yen		
	2010		
	Equipment	Other	Total
Acquisition cost	**¥45**	**¥—**	**¥45**
Accumulated depreciation	**37**	**—**	**37**
Net leased property	**¥ 7**	**¥—**	**¥ 7**

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

	Thousands of U.S. dollars		
	2010		
	Equipment	Other	Total
Acquisition cost	**$491**	**$—**	**$491**
Accumulated depreciation	**406**	**—**	**406**
Net leased property	**$ 84**	**$—**	**$ 84**

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Obligations under finance leases:			
Due within one year	**¥ 6**	¥ 9	**$ 67**
Due after one year	**2**	8	**21**
Total	**¥ 8**	¥17	**$ 89**

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Depreciation expense	**¥ 9**	¥14	**$ 98**
Interest expense	**0**	0	**4**
Total	**¥ 9**	¥15	**$ 102**

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

The minimum rental commitments under noncancellable operating leases as of March 31, 2010 and 2009, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Due within one year	**¥341**	¥254	**$3,672**
Due after one year	**435**	331	**4,681**
Total	**¥777**	¥586	**$8,353**

31. Financial Instruments

As noted in "a. Financial Instruments" in "3.Changes in Significant Accounting Policies" the Chuo Mitsui Trust Group applied ASBJ Statement No.10 "Accounting Standard for Financial Instruments" and ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". The accounting standard and the guidance are applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010. Therefore, the required information is disclosed only for 2010.

1. Outline of Financial Instruments

(1) Group Policy for Financial Instruments

With Chuo Mitsui Trust Holdings in a pivotal position as bank holding company, the Chuo Mitsui Trust Group is engaged in a range of financial service businesses including trust banking business by Chuo Mitsui and Chuo Mitsui Asset, investment trust management business by Chuo Mitsui Asset Management, private equity fund management business by Chuo Mitsui Capital, credit guarantee business and credit card business by other subsidiaries. To facilitate these businesses, the Chuo Mitsui Trust Group is holding financial assets such as loans and bills discounted and securities, while funding by accepting savings deposits. The policies as well as measures regarding how to manage or fund financial assets and liabilities are determined primarily under the annual plans prepared by each Group company. Risks associated with the Group-wide financial assets and liabilities are monitored by Chuo Mitsui Trust Holdings. Chuo Mitsui and Chuo Mitsui Asset are monitoring their respective risks while implementing comprehensive Asset-Liability Management (ALM). Meanwhile Chuo Mitsui is engaged in derivative transactions in an effort to contain market risk and other risks arising from its assets and liabilities within the level commensurate with its management capacity.

(2) Content of Financial Instruments and Risks Arising from

1) Credit Risk

The Chuo Mitsui Trust Group's credit arrangement involves loans to corporate and individual customers, along with investment in shares and bonds issued by its client companies and derivative transactions. Such credit arrangement is exposed to credit risk of the borrowers, investees and counterparties in the event of deterioration in their financial condition.

2) Market Risk

In the course of trading and investment activities, the Chuo Mitsui Trust Group handles financial instruments including equity securities, investment trusts, investments in silent partnership, foreign securities, foreign exchanges and derivatives, in addition to a portfolio of domestic bonds consisting of primarily the Japanese government bonds. These financial instruments are exposed to the market risk of fluctuations in interest rates, foreign exchange rates, and market prices of securities as well as volatility. Some of these financial instruments are less liquid than listed equity securities and government bonds and thus more prone to market fluctuations.

One of the Chuo Mitsui Trust Group's main sources of earnings is the spread between the interest income from loans and securities, etc. and interest expenses on deposits, etc., which is exposed to the interest rate risk that such profit can be compromised by the magnitude and timing of fluctuations in investment interest rate and funding interest rate.

3) Liquidity Risk on Fund Raising

The Chuo Mitsui Trust Group raises funds primarily through savings deposits from domestic corporate and individual customers, along with repurchase agreements in bond lending market, borrowed money and issuance of corporate bonds. These financing activities are exposed to the liquidity risk that financing could become costlier or more restricted due to the circumstances including deterioration in the Chuo Mitsui Trust Group's financial condition or business results, bad reputation of the Chuo Mitsui Trust Group, worsening economic environment and lowering market liquidity.

4) Purposes for Derivative Transactions

(i) Banking accounts

In banking accounts, the Chuo Mitsui Trust Group enters into derivative transactions for the purpose of hedging interest rates, currency exchange, and other risks pertaining to the Chuo Mitsui Trust Group's assets and liabilities.

In principle, mark-to-market accounting is applied to the banking account derivative transactions into which the Chuo Mitsui Trust Group enters. Within hedged derivative transactions entered into for hedging purposes, hedge accounting is applied to transactions deemed to have high hedge effectiveness, and the deferral hedge method, the fair value hedge method, and interest rate swaps meeting certain conditions method are applied.

(ii) Trading accounts

In trading accounts, the Chuo Mitsui Trust Group engages in derivative transactions primarily as a means of earning from short-term price fluctuations. The Chuo Mitsui Trust Group also provides its customers with a broad range of high-value-added products and financial risk management methods based on these transactions. Before entering into such a transaction, the Chuo Mitsui Trust Group endeavors to ensure that customers have sufficient understanding of the content and risks entailed in such transactions.

(3) Risk Management for Financial Instruments

Chuo Mitsui Trust Holdings sets out basic framework of the Group-wide risk management in the Rules for Risk Management, establishing the Risk Management Department which as a risk management coordinating function, provides supervision, control and guidance to bank subsidiaries, etc. in regard to issues including the development of an adequate risk management system, while monitoring the Chuo Mitsui Trust Group's risk situation.

1) Credit Risk Management

The Chuo Mitsui Trust Group's basic policy for managing credit risk associated with transactions involving credit arrangement is set out in the Rules for Credit Risk Management, while specific procedures such as a rating system, assessment of assets and centralized credit risk management are set out in the Rules for Corporation Credit Rating and other rules.

To determine whether to provide credit for individual cases, the Credit Supervision Department independent of the Marketing Department is conducting rigorous credit assessment and control in terms of the criteria including purpose of loans, repayment capability, collateral effect and profitability on case-by-case basis.

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 is appropriately monitored.

2) Market Risk Management

With regard to market risk, the Chuo Mitsui Trust Group 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. An independent check system 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 with risk limits and reports to the director in charge on a daily basis and to the Executive Committee on a monthly basis.

Risks arising from the fluctuations of investment interest rate and funding interest rate, are managed by the ALM at the Chuo Mitsui. For the purpose of ALM, 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. The Risk Management Department is engaged in day-to-day monitoring by using gap analysis and interest rate sensitivity analysis based on the comprehensive grasp of interest rates and terms/maturities of financial asset and liabilities, which are reported monthly to the ALM Committee established with the purpose to discuss matters regarding ALM. The ALM Committee also discusses the matters including the corporate policy for market-related transactions, development of cash planning and implementation of hedging operation.

3) Liquidity Risk Management on Fund Raising

The Chuo Mitsui Trust Group's basic policy for managing liquidity risk is set out in the Rules for Cash Flow Risk Management. Liquidity risk is managed by Risk Management Department that monitors compliance with the predetermined guidelines on funding gap, while contingency procedures are in place to enable flexible responses in the event of an emergency.

(4) Supplementary Explanation Concerning Fair Values of Financial Instruments
Fair values of financial instruments are based on quoted prices in active markets. If a quoted price is not available, other rational valuation techniques are used instead. Calculation of such fair value involves certain assumptions, and could vary when different assumptions are employed.

2. Fair Value of Financial Instruments
The carrying amount on the consolidated balance sheets and fair value of financial instruments as of March 31, 2010 as well as the differences between these values are described below. Financial instruments whose fair values are not readily determinable are not included in the table. (See Notes B)

	Millions of yen		
March 31, 2010	Carrying amount	Fair value	Unrealized gain (losses)
(1) Cash and cash equivalents	¥ 237,851	¥ 237,851	¥ —
(2) Due from banks other than due from the Bank of Japan	24,388	24,388	—
(3) Call loans and bills bought (*1)	9,871	9,884	13
(4) Receivables under securities borrowing transactions	1,521	1,521	—
(5) Monetary claims bought (*1)	98,598	98,655	56
(6) Trading assets			
Trading securities	50	50	—
(7) Money held in trust	2,234	2,234	—
(8) Securities			
Held-to-maturity debt securities	659,925	659,794	(131)
Other securities	3,626,041	3,626,041	—
(9) Loans and bills discounted	8,941,948		
Allowance for loan losses (*1)	(51,873)		
	8,890,074	8,951,323	61,249
Total assets	¥13,550,558	¥13,611,745	¥ 61,187
(1) Deposits	¥ 9,087,107	¥ 9,126,543	¥ 39,436
(2) Call money and bills sold	306,161	306,161	—
(3) Payables under securities lending transactions	1,702,697	1,702,697	—
(4) Borrowed money	1,217,246	1,221,320	4,074
(5) Bonds payable	234,750	237,844	3,093
(6) Due to trust account	995,612	995,612	—
Total liabilities	¥13,543,577	¥13,590,180	¥ 46,603
Derivative transactions (*2)			
To which hedge accounting is not applied	¥ (3,749)	¥ (3,749)	¥ —
To which hedge accounting is applied	8,905	8,905	—
Total derivative transactions	¥ 5,156	¥ 5,156	¥ —

	Thousands of U.S. dollars		
March 31, 2010	Carrying amount	Fair value	Unrealized gain (losses)
(1) Cash and cash equivalents	$ 2,556,722	$ 2,556,722	$ —
(2) Due from banks other than due from the Bank of Japan	262,155	262,155	—
(3) Call loans and bills bought (*1)	106,106	106,246	140
(4) Receivables under securities borrowing transactions	16,349	16,349	—
(5) Monetary claims bought (*1)	1,059,861	1,060,467	606
(6) Trading assets			
Trading securities	537	537	—
(7) Money held in trust	24,024	24,024	—
(8) Securities			
Held-to-maturity debt securities	7,093,688	7,092,274	(1,414)
Other securities	38,977,120	38,977,120	—
(9) Loans and bills discounted	96,118,976		
Allowance for loan losses (*1)	(557,602)		
	95,561,374	96,219,755	658,381
Total assets	$145,657,940	$146,315,652	$ 657,712
(1) Deposits	$ 97,679,327	$ 98,103,234	$ 423,906
(2) Call money and bills sold	3,290,994	3,290,994	—
(3) Payables under securities lending transactions	18,302,675	18,302,675	—
(4) Borrowed money	13,084,451	13,128,244	43,793
(5) Bonds payable	2,523,387	2,556,641	33,254
(6) Due to trust account	10,702,063	10,702,063	—
Total liabilities	$145,582,899	$146,083,854	$ 500,954
Derivative transactions (*2)			
To which hedge accounting is not applied	$ (40,299)	$ (40,299)	$ —
To which hedge accounting is applied	95,728	95,728	—
Total derivative transactions	$ 55,429	$ 55,429	$ —

(*1) General as well as specific allowance for loan losses in respect of loans and bills discounted is excluded. As allowances for loan losses in respect of call loans and bills bought, and monetary claims bought are immaterial, they are deducted from the carrying amount.
(*2) Derivative transactions included in trading assets and trading liabilities or other assets and other liabilities are collectively indicated.
Receivables and payables incurred by derivative transactions are presented in net. Net payables are presented in parenthesis.

Notes: A. Calculation method of fair values of financial instruments

Assets
(1) Cash and cash equivalents and (2) Due from banks other than due from the Bank of Japan
Deposits without maturity are stated at their carrying amounts as their fair values approximate carrying amounts. Deposits with maturities with shorter deposit terms (within one year) are stated at their carrying amounts as their fair values approximate carrying amounts.
(3) Call loans and bills bought and (4) Receivables under securities borrowing transactions
These are subject to shorter agreed periods (within one year), and are stated at their acquisition costs as their fair values approximate acquisition costs.
(5) Monetary claims bought
Of the monetary claims bought, beneficiary certificates representing interest in a trust holding loan receivables are stated at the prices quoted by brokers. Other monetary claims bought with shorter agreed periods (within one year), are stated at

their acquisition costs as their fair values approximate acquisition costs.
(6) Trading assets
Securities including bonds held for trading purposes are stated at the prices quoted by Japan Securities Dealers Association.
(7) Money held in trust
Securities comprising trust assets in money held in trust are stated at the prices quoted by brokers.
Matters to be noted in respect of money held in trust by purpose of holding are stated in Note 5 "Money Held in Trust."
(8) Securities
Of securities of various categories; (i) equity securities are stated at the prices quoted on the stock exchanges: (ii) privately offered corporate bonds are stated at the values calculated by discounting principal and interest by the interest rate reflecting credit risk, by category based on internal rating and term, (iii) other bonds are stated at the prices published by Japan Securities Dealers Association or the prices quoted by brokers. Investment trust beneficiary certificates are stated at the official reference price published by securities investment trust and management firms.

Following an examination of the recent market environment, market values of floating-rate Japanese government bonds (JGBs) are believed to remain inappropriate to be treated as their fair values. Therefore reasonably assessed values of floating-rate JGBs are recorded as the carrying amount for the year ended March 31, 2010. Thus compared with the cases where market prices are recorded as the carrying amounts, "Securities" increased by ¥8,013 million ($86,139 thousand), "Deferred tax assets" decreased by ¥3,255 million ($34,998 thousand), while "Valuation difference on available-for-sale securities" increased by ¥4,757 million ($51,141 thousand).
Reasonably assessed values of floating-rate JGBs are determined based on the discounted cash flow method. Price-determining variables include JGB yield and its volatility. Matters to be noted in respect of securities by purpose of holding are stated in Note 4 "Securities."
(9) Loans and bills discounted
Of loans and bills discounted, those with floating rates reflect market rates at short intervals, whose fair values approximate acquisition costs unless borrowers' creditworthiness changes significantly after the loans are made, and acquisition costs are stated as the fair values. Meanwhile, those with fixed rates are stated at the fair values, as calculated by discounting principal and interest by the interest rate reflecting credit risk by category based on the nature of loan, internal rating and term. Those loans with shorter contract periods (within one year) are stated at acquisition cost which approximate their fair values. Claims under legal bankruptcy, virtual bankruptcy and possible bankruptcy, whose expected amounts of loan losses are calculated based on the expected recoverable amounts from their collateral or guarantee, are stated at their acquisition costs at the consolidation date less the current expected amount of loan losses, which approximate their fair values. Of loans and bills discounted, those without scheduled due dates thanks to the special conditions such as the ones limiting the loan amounts within the values of pledged assets, are stated at acquisition costs which are assumed to approximate their fair values because of the estimated repayment period and interest rate conditions, etc.

Liabilities
(1) Deposits
For demand deposits, the amount payable (carrying amount) in case demand is made on the consolidation date is treated as their fair value. Meanwhile for time deposits, present values calculated by discounting future cash flows by category based on terms, etc., by the interest rate applicable to newly deposited savings are deemed to be their fair values. For time deposits with shorter deposit terms (within one year) and those with floating rates, carrying amounts approximate fair values, and thus quoted as such.
Negotiable certificates of deposit are all with shorter deposit terms (within one year) and are stated at their carrying amounts which approximate their fair values.
(2) Call money and bills sold and (3) Payables under securities lending transactions
These are subject to shorter agreed periods (within one year), and are stated at their acquisition costs as their fair values approximate acquisition costs.
(4) Borrowed money
Borrowings are stated at their present values, as calculated by discounting principal and interest by the interest rate assumed for similar borrowings. Those borrowings with shorter contract periods (within one year) are stated at acquisition costs which approximate their fair values.
(5) Bonds payable
Bonds payable are stated at the prices quoted by Japan Securities Dealers Association, or in the absence of such market values, at their present values as calculated by discounting principal and interest by the interest rate assumed for the similar bond issues.
(6) Due to trust account
Due to trust account is stated at the amounts payable (book value) in case demand is made on the consolidation date.

Derivative transactions
The information regarding derivatives transactions is included in Note 32 "Derivative Information."

Notes: B. Financial instruments whose fair values are not readily determinable are listed below.
These items are not included in "Asset (8) Other securities" stated in fair value of financial instruments.

	Millions of yen
Category	Carrying amount
Unlisted Japanese stocks (*)	¥ 109,399
Subscription certificates	120,210
Foreign securities	10,106
Total	¥ 239,716

	Thousands of U.S. dollars
Category	Carrying amount
Unlisted Japanese stocks (*)	$ 1,175,955
Subscription certificates	1,292,169
Foreign securities	108,635
Total	$ 2,576,760

Fair Values of these items are not disclosed because there is no market price, and it is very difficult to identify fair values.
(*) For the year ended March 31, 2010, unlisted Japanese stocks were treated with an impairment loss of ¥498 million ($5,363 thousand).

Notes: C. Scheduled redemption amount of monetary claims and securities with maturity after the balance sheet date

	Millions of yen					
	Within one year	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Due from banks	¥ 227,418	¥ —	¥ —	¥ —	¥ —	¥ —
Call loans and bills bought	9,884	—	—	—	—	—
Receivables under securities borrowing transactions	1,521	—	—	—	—	—
Monetary claims bought	24,522	—	1,009	674	—	72,748
Securities	778,482	861,309	1,059,065	264,043	398,851	422,067
Held-to-maturity debt securities	411,155	79,623	146,700	—	—	22,445
Japanese government bonds	399,155	135	—	—	—	—
Japanese corporate bonds	—	—	—	—	—	22,445
Other securities with maturity	367,327	781,686	912,365	264,043	398,851	399,622
Japanese government bonds	285,228	499,179	379,993	1,934	337,055	129,151
Japanese municipal bonds	490	—	—	153	—	—
Japanese corporate bonds	53,738	113,344	77,383	13,954	416	15,107
Loans and bills discounted (*)	2,875,574	1,752,678	864,238	306,764	403,055	2,401,545
Total	¥3,917,403	¥2,613,988	¥1,924,313	¥571,482	¥801,906	¥2,896,361

	Thousands of U.S. dollars					
	Within one year	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Due from banks	$ 2,444,573	$ —	$ —	$ —	$ —	$ —
Call loans and bills bought	106,246	—	—	—	—	—
Receivables under securities borrowing transactions	16,349	—	—	—	—	—
Monetary claims bought	263,593	—	10,847	7,248	—	781,985
Securities	8,368,082	9,258,407	11,384,131	2,838,257	4,287,338	4,536,902
Held-to-maturity debt securities	4,419,602	855,890	1,576,910	—	—	241,272
Japanese government bonds	4,290,612	1,451	—	—	—	—
Japanese corporate bonds	—	—	—	—	—	241,272
Other securities with maturity	3,948,480	8,402,517	9,807,220	2,838,257	4,287,338	4,295,629
Japanese government bonds	3,065,978	5,365,785	4,084,628	20,793	3,623,088	1,388,275
Japanese municipal bonds	5,275	—	—	1,654	—	—
Japanese corporate bonds	577,642	1,218,362	831,810	150,004	4,478	162,394
Loans and bills discounted (*)	30,910,188	18,839,932	9,289,890	3,297,481	4,332,531	25,814,738
Total	$42,109,035	$28,098,340	$20,684,868	$6,142,987	$8,619,869	$31,133,625

(*) Of the loaned monies, ¥93,843 million ($1,008,746 thousand) that cannot envisage scheduled redemption amount such as claims under legal bankruptcy, virtual bankruptcy and possible bankruptcy, and ¥241,533 million ($2,596,296 thousand) without specified terms are not included.

Notes: D. Amounts of repayment of Japanese corporate bonds, borrowed money and other interest-bearing liabilities, scheduled after the consolidation date

	Millions of yen					
	Within one year	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Deposits (*)	¥5,315,432	¥2,456,425	¥1,246,313	¥ 63,046	¥ 5,889	¥ —
Call money and bills sold	306,161	—	—	—	—	
Payables under securities lending transactions	1,702,697	—	—	—	—	—
Borrowed money	1,128,924	18,122	65,199	5,000	—	—
Bonds payable	—	55,000	83,000	70,650	10,000	16,100
Due to trust account	995,612	—	—	—	—	—
Total	¥9,448,828	¥2,529,547	¥1,394,513	¥138,697	¥15,889	¥16,100

	Thousands of U.S. dollars					
	Within one year	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Deposits (*)	$ 57,136,751	$26,404,659	$13,396,900	$ 677,705	$ 63,310	$ —
Call money and bills sold	3,290,994	—	—	—	—	—
Payables under securities lending transactions	18,302,675	—	—	—	—	—
Borrowed money	12,135,056	194,801	700,847	53,746	—	—
Bonds payable	—	591,207	892,185	759,440	107,492	173,062
Due to trust account	10,702,063	—	—	—	—	—
Total	$101,567,541	$27,190,668	$14,989,932	$1,490,891	$170,802	$173,062

(*) Of deposits, demand deposits are included in "within one year". Also deposits include current deposits.

32. Derivatives Information

Derivative Transactions

(a) Instruments

The primary derivative transactions undertaken by the 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 Chuo Mitsui Trust Group has the following derivative contracts outstanding at March 31, 2010 and 2009:

1.Derivatives to which hedge accounting is not applied
Contract or notional amount, fair value, unrealized gains (losses) and calculation method of fair value are as follows: Note that contract or notional amounts do not represent the market risk exposure associated with the derivatives.

Interest rate transactions

	Millions of yen			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	¥5,210,194	¥3,794,889	¥ 148,272	¥ 148,272
Floating rate receipt, fixed rate payment	5,134,979	3,747,950	(145,257)	(145,257)
Floating rate receipt, floating rate payment	32,200	32,200	2,821	2,821
Interest rate swaptions:				
Selling	57,150	37,750	(1,284)	161
Buying	77,078	45,329	1,565	1,051
Others:				
Selling	56,551	56,498	(67)	143
Buying	95,920	95,920	67	(31)
Total			¥ 6,119	¥ 7,162

	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

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	**$56,005,527**	**$40,792,101**	**$ 1,593,815**	**$ 1,593,815**
Floating rate receipt, fixed rate payment	**55,197,023**	**40,287,544**	**(1,561,400)**	**(1,561,400)**
Floating rate receipt, floating rate payment	**346,124**	**346,124**	**30,328**	**30,328**
Interest rate swaptions:				
Selling	**614,317**	**405,783**	**(13,802)**	**1,734**
Buying	**828,528**	**487,251**	**16,831**	**11,307**
Others:				
Selling	**607,881**	**607,311**	**(720)**	**1,541**
Buying	**1,031,065**	**1,031,065**	**730**	**(338)**
Total			**$ 65,782**	**$ 76,989**

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			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	**¥ 48,375**	**¥ 46,515**	**¥ 132**	**¥ 132**
Foreign exchange contracts:				
Selling	**1,041,461**	**385**	**(29,707)**	**(29,707)**
Buying	**1,058,211**	**777**	**30,483**	**30,483**
Total			**¥ 907**	**¥ 907**

	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)

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	**$ 520,000**	**$500,000**	**$ 1,420**	**$ 1,420**
Foreign exchange contracts:				
Selling	**11,194,902**	**4,148**	**(319,331)**	**(319,331)**
Buying	**11,374,949**	**8,362**	**327,668**	**327,668**
Total			**$ 9,758**	**$ 9,758**

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			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Stock index options:				
Selling	**¥ 475**	**¥ —**	**¥ (0)**	**¥ 4**
Buying	**1,987**	**—**	**0**	**(33)**
Total			**¥ 0**	**¥ (28)**

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Stock index options:				
Selling	**$ 5,105**	**$ —**	**$ (0)**	**$ 48**
Buying	**21,364**	**—**	**3**	**(356)**
Total			**$ 3**	**$ (308)**

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			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Bond future options:				
Buying	**¥31,093**	**¥—**	**¥49**	**¥(26)**

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

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Bond future options:				
Buying	**$334,225**	**$—**	**$529**	**$(284)**

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			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	**¥15,000**	**¥15,000**	**¥(10,826)**	**¥(10,826)**

	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)

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	**$161,238**	**$161,238**	**$(116,372)**	**$(116,372)**

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 liabilities and other ordinary expenses decreased by and income before income taxes increased by ¥1,537 million ($16,524 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.

2.Derivatives to which hedge accounting is applied

Contract or notional amount, fair value, unrealized gains (losses) and calculation method of fair value are as follows: Note that contract or notional amounts do not represent the market risk exposure associated with the derivatives.

As noted in "a. Financial Instruments" in "3. Changes in Significant Accounting Policies" the Chuo Mitsui Trust Group applied ASBJ Statement No.10 "Accounting Standard for Financial Instruments" and ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". The accounting standard and the guidance are applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010. Therefore, the required information is disclosed only for 2010.

Interest rate transactions

			Millions of yen		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Interest rate swaps:				
	Fixed rate receipt				
	Floating rate payment	Securities	¥ 100,000	¥ 100,000	¥ 1,592
	Floating rate receipt				
	Fixed rate payment	Securities	100,000	100,000	(2,610)
	Fixed rate receipt				
	Floating rate payment	Borrowed money	17,500	17,500	344
	Fixed rate receipt				
	Floating rate payment	Bonds	115,650	115,650	8,535
	Fixed rate receipt				
	Floating rate payment	Deposits	70,579	—	4
	Total				¥ 7,866

			Thousands of U.S. dollars		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Interest rate swaps:				
	Fixed rate receipt				
	Floating rate payment	Securities	$ 1,074,922	$ 1,074,922	$ 17,122
	Floating rate receipt				
	Fixed rate payment	Securities	1,074,922	1,074,922	(28,055)
	Fixed rate receipt				
	Floating rate payment	Borrowed money	188,111	188,111	3,702
	Fixed rate receipt				
	Floating rate payment	Bonds	1,243,154	1,243,154	91,751
	Fixed rate receipt				
	Floating rate payment	Deposits	758,671	—	43
	Total				$ 84,563

Notes: 1. These transactions are mainly accounted for using the deferral hedge accounting in accordance with JICPA Industry Audit Committee Report No. 24 "Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in the Banking Industry."
2. Fair values are calculated according to discounted present value.

Currency transactions

			Millions of yen		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Foreign exchange forward contracts:				
	Buying	Bonds	¥ 3,523	¥ 2,844	¥ 249

			Thousands of U.S. dollars		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Foreign exchange forward contracts:				
	Buying	Bonds	$ 37,879	$ 30,572	$ 2,676

Notes: 1. These transactions are accounted for using the deferral hedge accounting individually in accordance with JICPA Guidance on Accounting Standard for Financial Instruments.
2. Fair values are calculated according to discounted present value.

Bond transactions

			Millions of yen		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Bond forward agreements:				
	Selling	Securities	¥ 18,730	¥—	¥ (14)
Method of recognizing gains or losses on hedged items	Bond OTC options:				
	Selling	Securities	605,000	—	(19)
	Buying	Securities	605,000	—	824
	Total				¥ 789

			Thousands of U.S. dollars		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Bond forward agreements:				
	Selling	Securities	$ 201,338	$—	$ (161)
Method of recognizing gains or losses on hedged items	Bond OTC options:				
	Selling	Securities	6,503,278	—	(212)
	Buying	Securities	6,503,278	—	8,862
	Total				$ 8,488

Notes: Fair values are calculated according to the prices offered by information vendors, the option pricing model and other valuation techniques.

33. Segment Information

Information about business segments, geographic segments and ordinary income from international operations for the fiscal years ended March 31, 2010 and 2009, was as follows:

(1) Business Segment Information

	Millions of yen			
	2010			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**¥ 344,794**	**¥ 20,721**	**¥ —**	**¥ 365,516**
Intersegment	**16,325**	**17,069**	**(33,395)**	**—**
Total ordinary income	**361,120**	**37,791**	**(33,395)**	**365,516**
Ordinary expenses	**269,802**	**35,196**	**(22,898)**	**282,100**
Ordinary profit	**¥ 91,317**	**¥2,595**	**¥ (10,496)**	**¥ 83,415**
Assets, depreciation and capital expenditures:				
Total assets	**¥14,912,355**	**¥868,481**	**¥(802,869)**	**¥14,977,966**
Depreciation	**10,641**	**494**	**—**	**11,135**
Capital expenditures	**12,247**	**501**	**—**	**12,749**

	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

	Thousands of U.S. dollars			
	2010			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**$ 3,706,272**	**$ 222,742**	**$ —**	**$ 3,929,015**
Intersegment	**175,485**	**183,489**	**(358,975)**	**0**
Total ordinary income	**3,881,758**	**406,232**	**(358,975)**	**3,929,015**
Ordinary expenses	**2,900,168**	**378,332**	**(246,140)**	**3,032,360**
Ordinary profit	**$ 981,590**	**$ 27,899**	**$ (112,834)**	**$ 896,655**
Assets, depreciation and capital expenditures:				
Total assets	**$160,296,199**	**$9,335,494**	**$(8,630,224)**	**$161,001,468**
Depreciation	**114,386**	**5,313**	**—**	**119,699**
Capital expenditures	**131,650**	**5,393**	**—**	**137,043**

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, credit card services and Investment Trust Management services.

(2) Geographic Segment Information

Since domestic (Japan) total ordinary income and total assets by geographic segment for the fiscal years ended March 31, 2010 and 2009, 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
	2010	2009	**2010**
Ordinary income from international operations (A)	**¥ 57,363**	¥ 63,581	**$ 616,613**
Consolidated ordinary income (B)	**365,516**	413,043	**3,929,015**
(A)/(B) (%)	**15.6%**	15.3%	**15.6%**

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

34. Per Share Information

Diluted net income per share for the fiscal year ended March 31, 2010 is not stated as there were no potential dilutive securities. Basic net income per share ("EPS") for the fiscal years ended March 31, 2010 was as follows:

Fiscal year ended March 31, 2010	Millions of yen: Net income (loss)	Thousands of shares: Weighted-average shares	Yen: EPS	U.S. dollars: EPS
Basic EPS				
Net income available to common shareholders	**¥ 46,826**	**1,490,670**	**¥ 31.41**	**$ 0.33**

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:

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

35. Subsequent Event

The following appropriation of retained earnings of Chuo Mitsui Trust Holdings as of March 31, 2010, was approved at the general meeting of shareholders held on June 29, 2010:

	Millions of yen	Thousands of U.S. dollars
Fiscal year-end dividends:		
Common stock, ¥8.00 ($0.08) per share	¥13,264	$142,582

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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, 2010 and 2009, and the related consolidated statements of operations, 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, 2010 and 2009, 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 LLC

June 22, 2010
(June 29, 2010 as to Note 35)

Member of
Deloitte Touche Tohmatsu

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

Chuo Mitsui Trust Holdings, Inc.
As of March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
ASSETS			
Current assets:			
Cash and due from banks	**¥ 1,922**	¥ 1,195	**$ 20,661**
Securities	**35,000**	40,000	**376,222**
Deferred tax assets	**267**	141	**2,874**
Income tax refunds receivable	**2,024**	2,904	**21,761**
Other current assets	**49**	66	**532**
Total current assets	**39,263**	44,308	**422,051**
Non-current assets:			
Tangible fixed assets	**1**	2	**21**
Intangible fixed assets	**4**	5	**45**
Investments and other assets:	**765,879**	765,423	**8,232,610**
Investment securities	**652**	652	**7,008**
Investments in subsidiaries and affiliates (Stocks)	**764,406**	764,406	**8,216,776**
Deferred tax assets	**459**	—	**4,943**
Other investments	**361**	364	**3,882**
Total non-current assets	**765,885**	765,431	**8,232,677**
Total assets	**¥805,149**	¥809,740	**$8,654,729**
LIABILITIES AND EQUITY			
Liabilities:			
Current liabilities:			
Accrued expenses	**¥ 1,379**	¥ 1,409	**$ 14,828**
Income taxes payable	**40**	23	**431**
Provision for bonuses	**80**	71	**862**
Other liabilities	**168**	82	**1,814**
Total current liabilities	**1,668**	1,587	**17,936**
Non-current liabilities:			
Bonds payable	**189,700**	189,700	**2,039,127**
Provision for retirement benefits	**1,041**	840	**11,198**
Provision for directors' retirement benefits	**363**	323	**3,909**
Total non-current liabilities	**191,105**	190,863	**2,054,235**
Total liabilities	**192,774**	192,450	**2,072,172**
Equity:			
Common stock and preferred stock	**261,608**	261,608	**2,812,089**
Capital surplus	**118,668**	118,673	**1,275,594**
Retained earnings	**232,368**	237,268	**2,497,782**
Treasury stock—at cost			
366,149 shares in 2010 and 324,157 shares in 2009	**(270)**	(262)	**(2,910)**
Total equity	**612,375**	617,289	**6,582,557**
Total liabilities and equity	**¥805,149**	¥809,740	**$8,654,729**

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

Chuo Mitsui Trust Holdings, Inc.
Fiscal years ended March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Operating income:			
Dividends received from subsidiaries	**¥10,043**	¥14,349	**$107,959**
Fees and commissions received from subsidiaries	**3,607**	2,649	**38,781**
Total operating income	**13,651**	16,998	**146,741**
Operating expenses:			
Interest on bonds	**7,674**	6,270	**82,492**
General and administrative expenses	**2,871**	2,668	**30,861**
Total operating expenses	**10,545**	8,938	**113,353**
Operating profit	**3,106**	8,060	**33,388**
Non-operating income:			
Interest income	**0**	84	**9**
Interest on securities	**47**	102	**506**
Commission fee	**0**	1	**2**
Other non-operating income	**18**	44	**196**
Total non-operating income	**66**	232	**715**
Non-operating expenses:			
Commission fee	**376**	663	**4,050**
Management integration expenses	**507**	—	**5,454**
Other non-operating expenses	**4**	105	**53**
Total non-operating expenses	**889**	768	**9,558**
Income before income taxes	**2,283**	7,524	**24,545**
Income taxes:			
Income taxes-current	**3**	3	**40**
Income taxes-deferred	**(585)**	468	**(6,297)**
Total income taxes	**(582)**	471	**(6,257)**
Net income	**¥ 2,865**	¥ 7,052	**$ 30,802**

	Yen		U.S. dollars
	2010	2009	**2010**
Net income per share of common stock:			
Basic	**¥1.92**	¥4.58	**$0.02**
Diluted	**—**	4.27	**—**

Consolidated Balance Sheets

The Chuo Mitsui Trust and Banking Company, Limited, and Consolidated Subsidiaries
As of March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2010	2009	**2010**
ASSETS			
Cash and cash equivalents (Note 31)	**¥ 225,570**	¥ 201,406	**$ 2,424,702**
Due from banks other than due from the Bank of Japan (Note 31)	**24,286**	15,547	**261,066**
Call loans and bills bought (Note 31)	**9,884**	15,391	**106,246**
Receivables under securities borrowing transactions (Note 31)	**1,521**	8,812	**16,349**
Monetary claims bought (Notes 4 and 31)	**98,818**	103,377	**1,062,223**
Trading assets (Notes 4, 11 and 31)	**22,778**	38,249	**244,852**
Securities (Notes 4, 11 and 31)	**4,414,926**	4,786,223	**47,457,022**
Money held in trust (Notes 5 and 31)	**2,234**	2,588	**24,024**
Loans and bills discounted (Notes 6, 11 and 31)	**8,941,948**	8,584,295	**96,118,976**
Foreign exchanges (Note 7)	**767**	802	**8,245**
Other assets (Notes 8, 11, 31 and 32)	**412,807**	371,125	**4,437,355**
Tangible fixed assets (Note 9)	**125,162**	127,327	**1,345,398**
Intangible fixed assets (Note 10)	**27,361**	26,288	**294,110**
Deferred tax assets (Note 29)	**147,841**	191,525	**1,589,179**
Customers' liabilities for acceptances and guarantees (Note 12)	**384,117**	475,535	**4,128,962**
Allowance for loan losses	**(53,370)**	(61,479)	**(573,689)**
Total assets	**¥14,786,655**	¥14,887,017	**$158,945,024**
LIABILITIES AND EQUITY			
Liabilities:			
Deposits (Notes 11, 13 and 31)	**¥ 9,127,480**	¥ 9,490,198	**$ 98,113,296**
Call money and bills sold (Notes 11 and 31)	**217,161**	160,478	**2,334,314**
Payables under securities lending transactions (Notes 11 and 31)	**1,702,697**	1,255,648	**18,302,675**
Trading liabilities (Note 31)	**7,911**	8,867	**85,044**
Borrowed money (Notes 11, 14 and 31)	**1,217,246**	1,692,565	**13,084,451**
Foreign exchanges (Note 7)	**21**	42	**231**
Bonds payable (Notes 15 and 31)	**234,750**	174,570	**2,523,387**
Due to trust account (Note 31)	**995,612**	879,917	**10,702,063**
Other liabilities (Notes 16, 31 and 32)	**163,570**	184,612	**1,758,255**
Provision for bonuses	**2,643**	2,571	**28,413**
Provision for directors' retirement benefits	**1,115**	1,069	**11,994**
Provision for retirement benefits (Note 17)	**1,592**	1,533	**17,113**
Provision for contingent losses (Note 18)	**12,022**	12,228	**129,228**
Deferred tax liabilities (Note 29)	**5,345**	353	**57,457**
Acceptances and guarantees (Note 12)	**384,117**	475,535	**4,128,962**
Total liabilities	**14,073,289**	14,340,193	**151,276,890**
Commitments and contingent liabilities (Note 19)			
Equity (Note 20)**:**			
Common stock and preferred stock (Note 21)	**399,697**	399,697	**4,296,436**
Capital surplus	**149,011**	149,011	**1,601,762**
Retained earnings	**142,334**	94,807	**1,529,986**
Valuation difference on available-for-sale securities	**34,968**	(83,321)	**375,879**
Deferred gains or losses on hedges	**1,891**	1,757	**20,329**
Revaluation reserve for land	**(15,532)**	(15,532)	**(166,963)**
Foreign currency translation adjustments	**(1,738)**	(2,045)	**(18,682)**
Total	**710,632**	544,374	**7,638,748**
Minority interests	**2,733**	2,449	**29,385**
Total equity	**713,366**	546,824	**7,668,133**
Total liabilities and equity	**¥14,786,655**	¥14,887,017	**$158,945,024**

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, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2010	2009	**2010**
Income:			
Interest income:			
Interest on loans and discounts	**¥122,029**	¥124,508	**$1,311,722**
Interest and dividends on securities	**55,379**	82,469	**595,287**
Interest on call loans and bills bought	**181**	905	**1,950**
Other interest income (Note 22)	**3,798**	3,325	**40,832**
Trust fees (Note 23)	**15,713**	21,002	**168,905**
Fees and commissions	**70,922**	80,732	**762,360**
Trading income	**2,592**	2,440	**27,869**
Other ordinary income (Note 24)	**27,505**	19,758	**295,658**
Other income (Note 25)	**25,852**	37,496	**277,892**
Total income	**323,975**	372,639	**3,482,480**
Expenses:			
Interest expenses:			
Interest on deposits	**46,444**	51,658	**499,237**
Interest on call money and bills sold	**575**	3,492	**6,184**
Interest on borrowings	**3,837**	5,686	**41,255**
Other interest expenses (Note 26)	**17,943**	35,689	**192,876**
Fees and commissions	**11,677**	5,614	**125,528**
Other ordinary expenses (Note 27)	**8,318**	15,535	**89,414**
General and administrative expenses	**126,184**	126,512	**1,356,389**
Other expenses (Note 28)	**36,123**	255,771	**388,301**
Total expenses	**251,105**	499,959	**2,699,188**
Income (loss) before income taxes	**72,869**	(127,320)	**783,292**
Income taxes (Note 29):			
Income taxes-current	**1,618**	1,612	**17,398**
Income taxes-deferred	**23,668**	(33,354)	**254,421**
Total income taxes	**25,287**	(31,741)	**271,819**
Minority interests in net income (loss)	**54**	(131)	**587**
Net income (loss)	**¥ 47,527**	¥(95,446)	**$ 510,884**

	Yen		U.S. dollars (Note 1)
	2010	2009	**2010**
Per share of common stock (Note 34):			
Basic net income (loss)	**¥20.73**	¥(60.87)	**$0.22**
Cash dividends per share applicable to the year (Note 21):			
Common stock	**3.66**	—	**0.03**

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, 2010 and 2009

	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	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Total	Minority interests	Total equity
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)
Issuance of capital stock	164,000		20,500	20,500						41,000		41,000
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
Net income					47,527					47,527		47,527
Conversion of class II preferred stock into Common stock	375,000	(93,750)										
Conversion of class III preferred stock into Common stock	533,125	(133,281)										
Net change in the year						118,289	134		307	118,730	283	119,014
Balance, March 31, 2010	**2,595,958**	**—**	**¥399,697**	**¥149,011**	**¥142,334**	**¥ 34,968**	**¥ 1,891**	**¥ (15,532)**	**¥(1,738)**	**¥ 710,632**	**¥ 2,733**	**¥ 713,366**

	Thousands of U.S. dollars (Note 1)									
	Common stock and preferred stock	Capital surplus	Retained earnings	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Total	Minority interests	Total equity
Balance, March 31, 2009	$4,296,436	$1,601,762	$1,019,101	$ (895,636)	$18,888	$ (166,963)	$ (21,991)	$5,851,597	$26,334	$5,877,932
Net income			510,884					510,884		510,884
Conversion of class II preferred stock into Common stock										
Conversion of class III preferred stock into Common stock										
Net change in the year				1,271,515	1,440		3,309	1,276,265	3,050	1,279,315
Balance, March 31, 2010	**$4,296,436**	**$1,601,762**	**$1,529,986**	**$ 375,879**	**$20,329**	**$ (166,963)**	**$ (18,682)**	**$7,638,748**	**$29,385**	**$7,668,133**

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, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2010	2009	**2010**
Operating activities:			
Income (loss) before income taxes	**¥ 72,869**	¥ (127,320)	**$ 783,292**
Adjustments for:			
Income taxes paid	**853**	(1,182)	**9,179**
Depreciation and amortization	**9,789**	11,859	**105,226**
Loss on impairment of fixed assets	**41**	62	**446**
Amortization of consolidation goodwill	**705**	235	**7,584**
Equity in earnings of associated companies	**895**	365	**9,629**
Decrease in allowance for loan losses	**(8,108)**	(8,011)	**(87,165)**
Increase (decrease) in provision for bonuses	**71**	(215)	**771**
Increase in provision for directors' retirement benefits	**45**	183	**493**
Increase in provision for retirement benefits	**58**	104	**628**
Decrease in provision for contingent losses	**(206)**	(631)	**(2,221)**
Net (gain) loss on securities	**(18,951)**	184,397	**(203,717)**
Net gain on money held in trust	**(144)**	(131)	**(1,548)**
Foreign exchange loss (gain), net	**34,951**	(20,030)	**375,705**
Net loss on disposals of tangible fixed assets	**265**	1,539	**2,854**
Change in assets and liabilities:			
Decrease in trading assets	**15,471**	4,636	**166,301**
(Decrease) increase in trading liabilities	**(956)**	682	**(10,276)**
Increase in loans and bills discounted	**(357,653)**	(731,828)	**(3,844,494)**
(Decrease) increase in deposits	**(362,718)**	519,962	**(3,898,943)**
(Decrease) increase in borrowed money (excluding subordinated borrowings)	**(475,319)**	1,258,196	**(5,109,313)**
(Increase) decrease in due from banks (excluding cash equivalents)	**(8,739)**	44,778	**(93,943)**
Decrease in call loans and bills bought	**10,127**	197,360	**108,859**
Decrease in receivables under securities borrowing transactions	**7,291**	95,191	**78,372**
Increase (decrease) in call money and bills sold	**56,683**	(63,800)	**609,300**
Increase (decrease) in payables under securities lending transactions	**447,049**	(541,472)	**4,805,436**
Decrease in foreign exchanges (assets)	**35**	8	**383**
(Decrease) increase in foreign exchanges (liabilities)	**(20)**	31	**(222)**
Increase (decrease) in due to trust account	**115,695**	(171,921)	**1,243,635**
Other—net	**9,807**	(1,100)	**105,420**
Net cash (used in) provided by operating activities	**(450,109)**	651,948	**(4,838,323)**
Investing activities:			
Purchases of securities	**(6,441,189)**	(4,207,814)	**(69,237,766)**
Proceeds from sales of securities	**6,650,948**	3,094,325	**71,492,507**
Proceeds from redemption of securities	**207,843**	530,548	**2,234,153**
Increase in money held in trust	**(2,500)**	—	**(26,873)**
Decrease in money held in trust	**2,637**	125	**28,349**
Purchases of tangible fixed assets	**(3,142)**	(3,548)	**(33,774)**
Proceeds from sales of tangible fixed assets	**351**	1,720	**3,783**
Purchase of intangible fixed assets	**(7,271)**	(10,972)	**(78,161)**
Proceeds from sales of intangible fixed assets	**567**	15,234	**6,100**
Net cash provided by (used in) investing activities	**408,245**	(580,381)	**4,388,319**
Financing activities:			
Proceeds from subordinated borrowings	**65,000**	5,000	**698,699**
Payment of subordinated borrowings	**(65,000)**	(45,000)	**(698,699)**
Proceeds from subordinated bonds	**103,000**	—	**1,107,169**
Redemption of subordinated bonds	**(37,274)**	—	**(400,674)**
Issuance of common stock	—	41,000	—
Dividends paid for minority interests	—	(40)	—
Net cash provided by financing activities	**65,725**	959	**706,495**
Foreign currency translation adjustments on cash and cash equivalents	**302**	(1,984)	**3,252**
Net increase in cash and cash equivalents	**24,163**	70,542	**259,743**
Cash and cash equivalents, beginning of year	**201,406**	130,863	**2,164,958**
Cash and cash equivalents, end of year	**¥ 225,570**	¥ 201,406	**$ 2,424,702**

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 The Chuo Mitsui Trust and Banking Company, Limited ("Chuo Mitsui"), and its consolidated subsidiaries (together, the "Chuo Mitsui Trust and Banking Group") 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, 2009 to conform to classifications and presentations used in the consolidated financial statements for the fiscal year ended March 31, 2010.

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 ¥93.03 to U.S.$1, the approximate rate of exchange at March 31, 2010. 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, 2010 and 2009 was 15. In the fiscal year ended March 31, 2010, Chuo Mitsui Trust Realty Company, Limited was newly included in the scope of consolidation upon its establishment.

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 associated companies were accounted for by the equity method in 2010 and 2009.

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 expense 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 operations.

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 operations.

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 expense.

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

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 operations; 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, 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.

h. Tangible Fixed Assets

Tangible fixed assets are carried at cost less accumulated depreciation. Depreciation of tangible fixes assets 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 tangible fixes assets 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

The Chuo Mitsui Trust and Banking Group reviews 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, 2010 and 2009, the carrying amount of the land after the above one-time revaluation exceeded the market value by ¥4,416 million ($47,476 thousand), and ¥1,506 million, respectively.

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 charged to expense as incurred.

m. Allowance for Loan Losses

Allowance for 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 in bankruptcy and under special liquidation proceedings ("legal bankruptcy"), and against borrowers that are in substantially similarly adverse condition ("virtual bankruptcy"), allowances are maintained at 100% of 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 in 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 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 ¥33,562 million ($360,771 thousand) and ¥33,535 million as of March 31, 2010 and 2009, respectively.

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

n. Provision for Bonuses

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

o. Provision for Directors' Retirement Benefits

Provision for directors' retirement benefits 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. Provision 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. Provision for Contingent Losses

Provision 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) Provision for Reimbursement of Deposits

Provision 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.

(2) Provision for Possible Losses Related to Land Trust

Provision for possible losses related to land trust 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 operations. 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 were 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 notes 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 and Banking 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 operations.

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.

Cash dividends per share presented in the accompanying consolidated statements of operations 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 expense 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 requires that a bargain purchase gain (negative goodwill) 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 us to unify accounting policies within the consolidation group. However, the current guidance allows us 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.

(iv) Accounting Changes and Error Correction
In December 2009, ASBJ issued ASBJ Statement No.24 "Accounting Standard for Accounting Changes and Error Corrections" and ASBJ Guidance No.24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections". Accounting treatments under this standard and guidance are as follows;
(1)Changes in Accounting Policies:
When a new accounting policy is applied with revision of accounting standards, a new policy is applied retrospectively unless the revised accounting standards include specific transitional provisions. When the revised accounting standards include specific transitional provisions, an entity shall comply with the specific transitional provisions.
(2)Changes in Presentations
When the presentation of financial statements is changed, prior period financial statements are reclassified in accordance with the new presentation.
(3)Changes in Accounting Estimates
A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods.
(4)Corrections of Prior Period Errors
When an error in prior period financial statements is discovered, those statements are restated.
This accounting standard and the guidance are applicable to accounting changes and corrections of prior period errors which are made from the beginning of the fiscal year that begins on or after April 1, 2011.

(v) Segment Information Disclosures
In March 2008, the ASBJ revised ASBJ Statement No.17 " Accounting Standard for Segment Information Disclosures" and issued ASBJ Guidance No.20 "Guidance on Accounting Standard for Segment Information Disclosures". Under the standard and guidance, an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in

deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. This accounting standard and the guidance are applicable to segment information disclosures for the fiscal years beginning on or after April 1, 2010.

3. Changes in Significant Accounting Policies

a. Financial instruments

In March 2008, the ASBJ revised ASBJ Statement No.10 "Accounting Standard for Financial Instruments" and issued ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". This accounting standard and the guidance are applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010 with early adoption permitted from the beginning of the fiscal years ending before March 31, 2010. The Chuo Mitsui Trust and Banking Group applied the revised accounting standard and the new guidance effective March 31, 2010.

As a result, compared with the previous treatments, "Securities" decreased by 419 million yen ($4,508 thousand), "Deferred tax assets" decreased by 235 million yen ($2,535 thousand), "Valuation difference on available-for-sale securities" increased by 344 million yen ($3,704 thousand), "Income before income taxes" increased by 1,534 million yen ($16,498 thousand), respectively.

b. Provision for Retirement Benefits

The Chuo Mitsui Trust and Banking Group applied ASBJ Statement No.19 "Partial Amendments to Accounting Standard for Retirement Benefits (Part3)" (issued by ASBJ on July 31, 2008) from this fiscal year end. There was no effect on financial statements with regard to this adoption.

c. Consolidation

The Chuo Mitsui Trust and Banking Group applied ASBJ Implementation Guidance No.22 "Guidance on determining a subsidiary and an affiliate" (issued by ASBJ on May 13, 2008) from this fiscal year end. There was no effect on financial statements with regard to this adoption.

4. Securities

Securities as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Japanese government bonds	**¥1,942,833**	¥2,578,436	**$20,883,945**
Japanese municipal bonds	**644**	639	**6,929**
Japanese corporate bonds	**296,390**	366,935	**3,185,964**
Japanese stocks	**637,391**	543,044	**6,851,463**
Other securities	**1,537,666**	1,297,167	**16,528,719**
Total	**¥4,414,926**	¥4,786,223	**$47,457,022**

The carrying amounts and aggregate fair values of securities (including securities in trading assets and monetary claims bought) as of March 31, 2010 and 2009, were as follows:

	Millions of yen			
March 31, 2010	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				**¥ 11,993**
Available-for-sale:				
Japanese equity securities	**¥ 474,967**	**¥118,025**	**¥45,019**	**547,973**
Japanese debt securities	**1,821,768**	**9,911**	**13,549**	**1,818,130**
Other	**1,206,546**	**2,897**	**25,210**	**1,184,232**
Held-to-maturity	**721,082**	**3,264**	**3,559**	**720,787**

	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

	Thousands of U.S. dollars			
March 31, 2010	Cost	Unrealized gains	Unrealized losses	Fair value
Securities classified as:				
Trading				**$ 128,923**
Available-for-sale:				
Japanese equity securities	**$ 5,105,532**	**$1,268,684**	**$483,924**	**5,890,292**
Japanese debt securities	**19,582,594**	**106,543**	**145,647**	**19,543,490**
Other	**12,969,432**	**31,144**	**270,996**	**12,729,580**
Held-to-maturity	**7,751,072**	**35,096**	**38,266**	**7,747,902**

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 is not readily determinable as of March 31, 2009 were as follows. The similar information for 2010 is disclosed in Note 31.

	Carrying amount
	Millions of yen
	2009
Available-for-sale:	
Unlisted Japanese stocks	¥ 91,077
Unlisted corporate bonds	298,188
Unlisted foreign securities	20,568
Subscription certificates	135,980
Held-to-maturity:	
Unlisted foreign securities	4,571
Total	¥550,385

Proceeds from sales of available-for-sale securities for the fiscal years ended March 31, 2010 and 2009, were ¥6,528,370 million ($70,174,896 thousand) and ¥3,323,541 million, respectively.

Gross realized gains and losses on these sales, computed on the moving-average basis, were ¥37,049 million ($398,257 thousand) and ¥4,842 million ($52,055 thousand), respectively, for the fiscal year ended March 31, 2010, and ¥37,130 million and ¥120,275 million, respectively, for the fiscal year ended March 31, 2009.

The information of available-for-sale securities which were sold during the year ended March 31, 2010 was as follows:

	Millions of yen		
March 31, 2010	Proceeds	Realized gains	Realized losses
Available-for-sale:			
Japanese equity securities	**¥ 72,793**	**¥17,754**	**¥ 974**
Japanese debt securities	**4,693,067**	**7,747**	**2,096**
Other	**1,762,509**	**11,548**	**1,771**
Held-to-maturity	**204,196**	**3,099**	**0**
Total	**¥6,732,567**	**¥40,149**	**¥4,842**

	Thousands of U.S. dollars		
March 31, 2010	Proceeds	Realized gains	Realized losses
Available-for-sale:			
Japanese equity securities	**$ 782,469**	**$190,843**	**$10,480**
Japanese debt securities	**50,446,819**	**83,281**	**22,538**
Other	**18,945,607**	**124,132**	**19,037**
Held-to-maturity	**2,194,953**	**33,320**	**0**
Total	**$72,369,850**	**$431,577**	**$52,055**

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

	Millions of yen
	2009
Due within one year	¥ 323,478
Due after one year through five years	2,731,296
Due after five years through ten years	625,360
Due after ten years	567,522
Total	¥4,247,659

Securities in unconsolidated subsidiaries and associated companies totaled ¥1,234 million ($13,268 thousand) and ¥2,291 million as of March 31, 2010 and 2009, 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 ¥124,395 million ($1,337,158 thousand) and ¥165,751 million as of March 31, 2010 and 2009, respectively.

Available-for-sale securities with the fair value, whose fair value significantly declined compared with the acquisition cost, and is not considered to recover to their acquisition cost, are written down to the respective fair value which is recorded as the carrying amount on the consolidated balance sheets. The related losses on revaluation are charged to income for the fiscal year.

Impairment losses were ¥1,583 million ($17,026 thousand), mainly consisting of ¥1,569 million ($16,865 thousand) on equity securities for the year ended March 31, 2010, and ¥77,515 million consisting of ¥77,163 million on equity securities, and ¥326 million on foreign securities for the year ended March 31, 2009.

5. Money Held in Trust

The carrying amounts and aggregate fair values of money held in trust as of March 31, 2010 and 2009, were as follows:

	Millions of yen		
March 31, 2010	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**¥1,694**	**¥540**	**¥2,234**

	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

	Thousands of U.S. dollars		
March 31, 2010	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**$18,216**	**$5,808**	**$24,024**

6. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Bills discounted	**¥ 4,325**	¥ 7,105	**$ 46,492**
Loans on notes	**1,298,472**	1,140,721	**13,957,571**
Loans on deeds	**6,928,690**	6,519,528	**74,478,028**
Overdrafts	**710,459**	916,939	**7,636,884**
Total	**¥8,941,948**	¥8,584,295	**$96,118,976**

Loans to Borrowers in Bankruptcy and Non-Accrual Loans

Loans to borrowers in bankruptcy are included in loans and bills discounted, and totaled ¥14,278 million ($153,480 thousand) and ¥30,996 million as of March 31, 2010 and 2009, 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 ¥79,645 million ($856,124 thousand) and ¥79,746 million as of March 31, 2010 and 2009, 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 ¥58 million ($624 thousand)

and ¥84 million as of March 31, 2010 and 2009, 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 ¥16,904 million ($181,705 thousand) and ¥7,083 million as of March 31, 2010 and 2009, 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 ¥110,885 million ($1,191,934 thousand) and ¥117,911 million as of March 31, 2010 and 2009, respectively. These claims are before deduction of the allowance for 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.

7. Foreign Exchanges
Foreign exchanges as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Assets:			
Due from foreign banks	**¥767**	¥802	**$8,245**
Total	**¥767**	¥802	**$8,245**
Liabilities:			
Due to foreign banks	**¥ —**	¥ 39	**$ —**
Other	**21**	2	**231**
Total	**¥ 21**	¥ 42	**$ 231**

8. Other Assets
Other assets as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Prepaid expenses	**¥ 666**	¥ 671	**$ 7,167**
Accrued income	**29,361**	34,007	**315,617**
Prepaid pension expenses	**87,727**	101,295	**943,004**
Receivables for securities transactions	**108,253**	40,657	**1,163,643**
Financial derivatives	**45,053**	46,912	**484,292**
Financial stabilization fund contribution	**82,061**	82,061	**882,091**
Other	**59,682**	65,520	**641,538**
Total	**¥412,807**	¥371,125	**$4,437,355**

9. Tangible Fixed Assets
Tangible fixed assets as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Land	**¥ 81,958**	¥ 81,958	**$ 880,992**
Buildings	**37,054**	39,091	**398,309**
Equipment	**5,948**	6,214	**63,940**
Other	**200**	62	**2,155**
Total	**¥125,162**	¥127,327	**$1,345,398**

Accumulated depreciation amounted to ¥89,630 million ($963,455 thousand) and ¥87,448 million as of March 31, 2010 and 2009, respectively.

10. Intangible Fixed Assets
Intangible fixed assets as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Software	**¥12,579**	¥13,507	**$135,224**
Goodwill	**7,555**	8,261	**81,215**
Other	**7,225**	4,519	**77,670**
Total	**¥27,361**	¥26,288	**$294,110**

11. Collateral
The carrying amounts of assets pledged as collateral and the related collateralized debt as of March 31, 2010 and 2009, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Securities	**¥2,529,071**	¥2,790,999	**$27,185,546**
Loans	**765,768**	632,297	**8,231,409**
Trading assets	**—**	20,133	**—**
Other assets	**70**	70	**758**
Total	**¥3,294,909**	¥3,443,500	**$35,417,714**
Deposits	**¥ 3,959**	¥ 3,645	**$ 42,557**
Call money and bills sold	**—**	49,000	**—**
Payables under securities lending transactions	**1,702,697**	1,255,648	**18,302,675**
Borrowed money	**1,123,400**	1,598,360	**12,075,674**
Total	**¥2,830,057**	¥2,906,653	**$30,420,907**

In addition, securities pledged as collateral for exchange settlements, for derivative transactions and for certain other purposes as of March 31, 2010 and 2009 were ¥566,297 million ($6,087,253 thousand) and ¥516,808 million, respectively.

Also, securities deposits (included in other assets) as of March 31, 2010 and 2009 were ¥7,985 million ($85,841 thousand) and ¥8,514 million, respectively.

12. 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.

13. Deposits

Deposits as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Current deposits	**¥ 113,981**	¥ 109,821	**$ 1,225,216**
Ordinary deposits	**1,156,767**	1,139,109	**12,434,350**
Deposits at notice	**21,514**	20,160	**231,266**
Time deposits	**7,423,237**	7,589,406	**79,794,022**
Negotiable certificates of deposit	**362,190**	582,280	**3,893,260**
Other	**49,787**	49,420	**535,180**
Total	**¥9,127,480**	¥9,490,198	**$98,113,296**

14. Borrowed Money

Borrowed money as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Borrowed money	**¥1,124,746**	¥1,600,065	**$12,090,148**
Subordinated borrowings	**77,500**	77,500	**833,064**
Perpetual subordinated borrowings	**15,000**	15,000	**161,238**
Total	**¥1,217,246**	¥1,692,565	**$13,084,451**

The weighted-average rates calculated from the interest rates and the balances as of March 31, 2010 and 2009, were 0.27% and 0.36%, respectively.

Annual maturities of borrowed money as of March 31, 2010, for the next five years are as follows:

Fiscal year ending March 31	Millions of yen	Thousands of U.S. dollars
2011	**¥1,128,924**	**$12,135,056**
2012	**2,927**	**31,467**
2013	**15,195**	**163,334**
2014	**5,146**	**55,325**
2015	**60,052**	**645,521**
Total	**¥1,212,246**	**$13,030,705**

15. Bonds Payable

Bonds payable as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Issuer: Chuo Mitsui,			
Unsecured perpetual subordinated bonds, 2.24% (2.06% in 2009)	**¥ 16,100**	¥ 16,100	**$ 173,062**
2.03% unsecured subordinated bonds due 2015	**40,000**	40,000	**429,968**
1.27% unsecured subordinated callable bonds due 2015	**—**	30,000	**—**
5.50% USD unsecured perpetual subordinated notes	**70,650**	83,470	**759,440**
2.06% unsecured perpetual subordinated bonds	**5,000**	5,000	**53,746**
4.46% unsecured perpetual subordinated bonds	**10,000**	—	**107,492**
2.95% unsecured subordinated callable bonds due 2017	**50,000**	—	**537,461**
1.51% unsecured subordinated callable bonds due 2020	**25,000**	—	**268,730**
1.25% unsecured subordinated callable bonds due 2020	**18,000**	—	**193,485**
Total	**¥234,750**	¥174,570	**$2,523,387**

Annual maturities of bonds as of March 31, 2010, for the next five years were as follows:

Fiscal year ending March 31	Millions of yen	Thousands of U.S. dollars
2011	**¥ —**	**$ —**
2012	**—**	**—**
2013	**55,000**	**591,207**
2014	**—**	**—**
2015	**83,000**	**892,185**
Total	**¥138,000**	**$1,483,392**

16. Other Liabilities

Other liabilities as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Accrued expenses	**¥ 56,827**	¥ 53,004	**$ 610,851**
Unearned income	**33,527**	31,367	**360,395**
Financial derivatives	**45,420**	57,181	**488,232**
Income taxes payable	**2,587**	571	**27,812**
Payable for securities transaction	**10,115**	19,962	**108,735**
Other	**15,091**	22,525	**162,226**
Total	**¥163,570**	¥184,612	**$1,758,255**

17. 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, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Projected benefit obligation	**¥(151,871)**	¥(152,070)	**$(1,632,497)**
Fair value of plan assets	**180,112**	155,491	**1,936,067**
Unrecognized actuarial loss	**57,894**	96,340	**622,321**
Net amount accrued on the consolidated balance sheets	**86,135**	99,761	**925,891**
Prepaid pension expenses (included in other assets)	**87,727**	101,295	**943,004**
Provision for retirement benefits	**¥ (1,592)**	¥ (1,533)	**$ (17,113)**

The components of net periodic benefit costs for the fiscal years ended March 31, 2010 and 2009, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Service cost	**¥ 3,187**	¥ 3,182	**$ 34,264**
Interest cost	**2,867**	2,881	**30,823**
Expected return on plan assets	**(2,233)**	(6,320)	**(24,006)**
Recognized acturial loss	**14,880**	10,174	**159,954**
Other	**318**	310	**3,419**
Net periodic benefit costs	**¥19,020**	¥10,227	**$204,455**

Assumptions used for the fiscal years ended March 31, 2010 and 2009, were as follows:

	2010	2009
Discount rate	**1.9%**	1.9%
Expected rate of return on plan assets	**1.4%**	3.2%
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

18. Provision for Contingent Losses

Provision for contingent losses as of March 31, 2010 and 2009 consisted of the following

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Provision for reimbursement of deposits	**¥ 5,105**	¥ 6,062	**$ 54,874**
Provision for possible losses related to land trust	**6,462**	5,819	**69,467**
Other	**454**	347	**4,886**
Total	**¥12,022**	¥12,228	**$129,228**

19. 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, 2010 and 2009, was ¥2,470,526 million ($26,556,232 thousand) and ¥2,212,196 million, respectively, of which commitment lines whose maturities are less than one year were ¥2,320,327 million ($24,941,715 thousand) and ¥2,065,912 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 ¥1,024,773 million ($11,015,519 thousand) and ¥1,084,149 million for certain money trusts as of March 31, 2010 and 2009, respectively, and ¥357,078 million ($3,838,319 thousand) and ¥569,331 million for loan trusts as of March 31, 2010 and 2009, respectively.

20. Equity

Japanese companies are 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.

21. Common Stock and Preferred Stock

Common stock and preferred stock as of March 31, 2010, 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	2,595,958	¥3.66
Class I convertible preferred stock:	362,941	—	—

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
Class of stock	The acquisition preferred stocks	The issuance common stocks	Exchange price
Class I convertible preferred stock:			
Second series	93,750	375,000	¥400
Third series	133,281	533,125	400

	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	—

22. Other Interest Income

Other interest income for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Interest on due from banks	**¥ 177**	¥ 734	**$ 1,909**
Interest on interest rate swap	**1,998**	—	**21,484**
Interest on monetary claims bought	**1,351**	2,147	**14,523**
Other	**271**	443	**2,915**
Total	**¥3,798**	¥3,325	**$40,832**

23. Trust Fees

Chuo Mitsui receives fees for controlling and managing trust properties held under trust agreements between it and its clients.

24. Other Ordinary Income

Other ordinary income for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Gains on foreign exchange	**¥ 1,283**	¥ 2,237	**$ 13,800**
Gains on sales and redemption of bonds	**21,764**	17,433	**233,949**
Gains on derivatives	**2,566**	—	**27,590**
Other	**1,890**	87	**20,318**
Total	**¥27,505**	¥19,758	**$295,658**

25. Other Income

Other income for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Gains on sales of stocks and other securities	**¥16,052**	¥17,337	**$172,556**
Gains on money held in trust	**168**	131	**1,810**
Net reversal of allowance for loan losses	**—**	5,202	**—**
Recoveries of written-off claims	**2,147**	2,799	**23,079**
Other	**7,483**	12,025	**80,446**
Total	**¥25,852**	¥37,496	**$277,892**

26. Other Interest Expenses

Other interest expenses for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Interest on bonds payable	**¥ 7,512**	¥ 6,682	**$ 80,758**
Interest on interest rate swaps	**—**	2,448	**—**
Interest on payables under repurchase agreements and payables under securities lending transactions	**3,500**	19,991	**37,630**
Other	**6,929**	6,566	**74,487**
Total	**¥17,943**	¥35,689	**$192,876**

27. Other Ordinary Expenses

Other ordinary expenses for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Losses on sales and redemption of bonds	**¥8,245**	6,134	**$88,628**
Losses on derivatives	**—**	8,768	**—**
Other	**73**	632	**786**
Total	**¥8,318**	¥15,535	**$89,414**

28. Other Expenses

Other expenses for the fiscal years ended March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Losses on sales of loans	**¥ 7**	¥ 8,049	**$ 79**
Write-off of loans	**10,339**	22,042	**111,139**
Losses on sales of stocks and other securities	**1,578**	119,841	**16,969**
Losses on devaluation of stocks and other securities	**2,238**	78,472	**24,064**
Losses on money held in trust	**24**	—	**261**
Provision of allowance for loan losses	**363**	—	**3,903**
Losses on disposal of tangible fixed assets	**500**	1,806	**5,375**
Other	**21,072**	25,559	**226,509**
Total	**¥36,123**	¥255,771	**$388,301**

29. 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, 2010 and 2009.

The tax effects of significant temporary differences and loss carryforwards, which resulted in deferred tax assets and liabilities as of March 31, 2010 and 2009, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Deferred tax assets:			
Allowance for loan losses	**¥ 28,832**	¥ 28,058	**$ 309,931**
Tax loss carryforwards	**160,068**	199,249	**1,720,607**
Valuation difference on available-for-sale securities	**—**	13,558	**—**
Securities	**12,770**	12,358	**137,275**
Provision for retirement benefits	**2,851**	638	**30,654**
Other	**53,575**	48,441	**575,895**
Valuation allowance	**(87,919)**	(93,439)	**(945,062)**
Total deferred tax assets	**170,180**	208,864	**1,829,302**
Deferred tax liabilities:			
Valuation difference on available-for-sale securities	**(13,856)**	—	**(148,941)**
Gains on return of securities from employee retirement benefit trusts	**(8,799)**	(8,807)	**(94,590)**
Other	**(5,028)**	(8,883)	**(54,048)**
Total deferred tax liabilities	**(27,683)**	(17,691)	**(297,580)**
Net deferred tax assets	**¥142,496**	¥191,172	**$1,531,721**

A reconciliation between the normal effective statutory tax rate and the actual effective tax rates reflected in the accompanying consolidated statements of operations for the fiscal years ended March 31, 2010 and 2009, was as follows:

	2010	2009
Normal effective statutory tax rate	**40.63%**	40.63%
Valuation allowance	**(5.80)**	(18.28)
Nontaxable dividends received	**(0.37)**	2.13
Other, net	**0.24**	0.45
Actual effective tax rate	**34.70%**	24.93%

30. Leases

Lessee

Total lease payments under finance lease arrangements that do not transfer ownership of the leased property to the lessee were ¥11 million ($121 thousand) and ¥16 million for the fiscal years ended March 31, 2010 and 2009, respectively.

Pro forma information on leased property such as acquisition cost and accumulated depreciation and obligations under finance leases as of March 31, 2010 and 2009, and the related depreciation expense and interest expense under finance leases for the fiscal years ended March 31, 2010 and 2009, on an "as if capitalized" basis were as follows:

	Millions of yen		
	2010		
	Equipment	Other	Total
Acquisition cost	**¥45**	**¥—**	**¥45**
Accumulated depreciation	**37**	**—**	**37**
Net leased property	**¥ 7**	**¥—**	**¥ 7**

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

	Thousands of U.S. dollars		
	2010		
	Equipment	Other	Total
Acquisition cost	**$491**	**$—**	**$491**
Accumulated depreciation	**406**	**—**	**406**
Net leased property	**$ 84**	**$—**	**$ 84**

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Obligations under finance leases:			
Due within one year	**¥6**	¥ 9	**$67**
Due after one year	**2**	8	**21**
Total	**¥8**	¥17	**$89**

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Depreciation expense	**¥9**	¥14	**$ 98**
Interest expense	**0**	0	**4**
Total	**¥9**	¥15	**$102**

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

The minimum rental commitments under noncancellable operating leases as of March 31, 2010 and 2009, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Due within one year	**¥341**	¥254	**$3,672**
Due after one year	**435**	331	**4,681**
Total	**¥777**	¥586	**$8,353**

31. Financial Instruments

As noted in "a. Financial Instruments" in "3.Changes in Significant Accounting Policies" the Chuo Mitsui Trust and Banking Group applied ASBJ Statement No.10 "Accounting Standard for Financial Instruments" and ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". The accounting standard and the guidance are applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010. Therefore, the required information is disclosed only for 2010.

1. Outline of Financial Instruments

(1) Group Policy for Financial Instruments

With Chuo Mitsui Trust Holdings in a pivotal position as bank holding company, the Chuo Mitsui Trust and Banking Group is engaged in a range of financial service businesses including trust banking business by Chuo Mitsui credit guarantee business by Chuo Mitsui's subsidiaries, and credit card business. To facilitate these businesses, the Chuo Mitsui Trust and Banking Group is holding financial assets such as loans and bills discounted and securities, while funding by accepting savings deposits. The policies as well as measures regarding how to manage or fund financial assets and liabilities are determined primarily under the annual plans prepared by each Group company. Risks associated with the Group-wide financial assets and liabilities are monitored by Chuo Mitsui Trust Holdings. Chuo Mitsui is monitoring its respective risks while implementing comprehensive Asset-Liability Management (ALM). Meanwhile Chuo Mitsui is engaged in derivative transactions in an effort to contain market risk and other risks associated with its assets and liabilities within the level commensurate with its management capacity.

(2) Content of Financial Instruments and Risks Arising from

1) Credit Risk

The Chuo Mitsui Trust and Banking Group's credit arrangement involves loans to corporate and individual customers, along with investment in shares and bonds issued by its client companies and derivative transactions. Such credit arrangement is exposed to credit risk of the borrowers, investees and counterparties in the event of deterioration in their financial condition.

2) Market Risk

In the course of trading and investment activities, the Chuo Mitsui Trust and Banking Group handles financial instruments including equity securities, investment trusts, investments in silent partnership, foreign securities, foreign exchanges and derivatives, in addition to a portfolio of domestic bonds consisting of primarily the Japanese government bonds. These financial instruments are exposed to the market risk of fluctuations in interest rates, foreign exchange rates, and market prices of securities as well as volatility. Some of these financial instruments are less liquid than listed equity securities and government bonds and thus more prone to market fluctuations.

One of the Chuo Mitsui Trust and Banking Group's main sources of earnings is the spread between the interest income from loans and securities, etc. and interest expenses on deposits, etc., which is exposed to the interest rate risk that such profit can be compromised by the magnitude and timing of fluctuations in investment interest rate and funding interest rate.

3) Liquidity Risk on Fund Raising

The Chuo Mitsui Trust and Banking Group raises funds primarily through savings deposits from domestic corporate and individual customers, along with repurchase agreements in bond lending market, borrowed money and issuance of corporate bonds. These financing activities are exposed to the liquidity risk that financing could become costlier or more restricted due to the circumstances including deterioration in the Chuo Mitsui Trust and Banking Group's financial condition or business results, bad reputation of the Chuo Mitsui Trust and Banking Group, worsening economic environment and lowering market liquidity.

4) Purposes for Derivative Transactions

(i) Banking accounts

In banking accounts, the Chuo Mitsui Trust and Banking Group enters into derivative transactions for the purpose of hedging interest rates, currency exchange, and other risks pertaining to the Chuo Mitsui Trust and Banking Group's assets and liabilities.

In principle, mark-to-market accounting is applied to the banking account derivative transactions into which the Chuo Mitsui Trust and Banking Group enters. Within hedged derivative transactions entered into for hedging purposes, hedge accounting is applied to transactions deemed to have high hedge effectiveness, and the deferral hedge method, the fair value hedge method, and interest rate swaps meeting certain conditions method are applied.

(ii) Trading accounts

In trading accounts, the Chuo Mitsui Trust and Banking Group engages in derivative transactions primarily as a means of earning from short-term price fluctuations. The Chuo Mitsui Trust and Banking Group also provides its customers with a broad range of high-value-added products and financial risk management methods based on these transactions. Before entering into such a transaction, the Chuo Mitsui Trust and Banking Group endeavors to ensure that customers have sufficient understanding of the content and risks entailed in such transactions.

(3) Risk Management for Financial Instruments

Chuo Mitsui sets out basic framework of risk management in the Rules for Risk Management, establishing the Risk Management Department which as a risk management coordinating function and striving to achieve adequate risk management.

1) Credit Risk Management

Chuo Mitsui's basic policy for managing credit risk associated with transactions involving credit arrangement is set out in the Rules for Credit Risk Management, while specific procedures such as a rating system, assessment of assets and centralized credit risk management are set out in the Rules for Corporation Credit Rating and other rules.

To determine whether to provide credit for individual cases, the Credit Supervision Department independent of the Marketing Department is conducting rigorous credit assessment and control in terms of the criteria including purpose of loans, repayment capability, collateral effect and profitability on case-by-case basis.

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 is appropriately monitored.

2) Market 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. An independent check system 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 with risk limits and reports to the director in charge on a daily basis and to the Executive Committee on a monthly basis.

Risks arising from the fluctuations of investment interest rate and funding interest rate, are managed by the ALM at Chuo Mitsui. For the purpose of ALM, 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. The Risk Management Department is engaged in day-to-day monitoring by using gap analysis and interest rate sensitivity analysis based on the comprehensive grasp of interest rates and terms/maturities of financial asset and liabilities, which are reported monthly to the ALM Committee established with the purpose to discuss matters regarding ALM. The ALM Committee also discusses the matters including the corporate policy for market-related transactions, development of cash planning and implementation of hedging operation.

3) Liquidity Risk Management on Fund Raising

Chuo Mitsui's basic policy for managing liquidity risk is set out in the Rules for Cash Flow Risk Management. Liquidity risk is managed by Risk Management Department that monitors compliance with the predetermined guidelines on funding gap, while contingency procedures are in place to enable flexible responses in the event of an emergency.

(4) Supplementary Explanation Concerning Fair Values of Financial Instruments

Fair values of financial instruments are based on quoted prices in active markets. If a quoted price is not available, other rational valuation techniques are used instead. Calculation of such fair value involves certain assumptions, and could vary when different assumptions are employed.

2. *Fair Value of Financial Instruments*

The carrying amount on the consolidated balance sheets and fair value of financial instruments as of March 31, 2010 as well as the differences between these values are described below. Financial instruments such as unlisted Japanese stocks whose fair values are not readily determinable are not included in the table. (See Notes B)

	Millions of yen		
March 31, 2010	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash and cash equivalents	¥ 225,570	¥ 225,570	¥ —
(2) Due from banks other than due from the Bank of Japan	24,286	24,286	—
(3) Call loans and bills bought (*1)	9,871	9,884	13
(4) Receivables under securities borrowing transactions	1,521	1,521	—
(5) Monetary claims bought (*1)	98,598	98,655	56
(6) Trading assets			
Trading securities	50	50	—
(7) Money held in trust	2,234	2,234	—
(8) Securities			
Held-to-maturity debt securities	659,925	659,794	(131)
Other securities	3,537,062	3,537,062	—
(9) Loans and bills discounted	8,941,948		
Allowance for loan losses (*1)	(51,873)		
	8,890,074	8,951,323	61,249
Total assets	¥13,449,196	¥13,510,383	¥ 61,187
(1) Deposits	¥ 9,127,480	¥ 9,166,916	¥ 39,436
(2) Call money and bills sold	217,161	217,161	—
(3) Payables under securities lending transactions	1,702,697	1,702,697	—
(4) Borrowed money	1,217,246	1,221,320	4,074
(5) Bonds payable	234,750	237,844	3,093
(6) Due to trust account	995,612	995,612	—
Total liabilities	¥13,494,949	¥13,541,553	¥ 46,603
Derivative transactions (*2)			
To which hedge accounting is not applied	¥ (3,749)	¥ (3,749)	¥ —
To which hedge accounting is applied	8,905	8,905	—
Total derivative transactions	¥ 5,156	¥ 5,156	¥ —

March 31, 2010	Thousands of U.S. dollars Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash and cash equivalents	$ 2,424,702	$ 2,424,702	$ —
(2) Due from banks other than due from the Bank of Japan	261,066	261,066	—
(3) Call loans and bills bought (*1)	106,106	106,246	140
(4) Receivables under securities borrowing transactions	16,349	16,349	—
(5) Monetary claims bought (*1)	1,059,861	1,060,467	606
(6) Trading assets			
Trading securities	537	537	—
(7) Money held in trust	24,024	24,024	—
(8) Securities			
Held-to-maturity debt securities	7,093,688	7,092,274	(1,414)
Other securities	38,020,666	38,020,666	—
(9) Loans and bills discounted	96,118,976		
Allowance for loan losses (*1)	(557,602)		
	95,561,374	96,219,755	658,381
Total assets	$144,568,377	$145,226,090	$657,712
(1) Deposits	$ 98,113,296	$ 98,537,203	$423,906
(2) Call money and bills sold	2,334,314	2,334,314	—
(3) Payables under securities lending transactions	18,302,675	18,302,675	—
(4) Borrowed money	13,084,451	13,128,244	43,793
(5) Bonds payable	2,523,387	2,556,641	33,254
(6) Due to trust account	10,702,063	10,702,063	—
Total liabilities	$145,060,188	$145,561,142	$500,954
Derivative transactions (*2)			
To which hedge accounting is not applied	$ (40,299)	$ (40,299)	$ —
To which hedge accounting is applied	95,728	95,728	—
Total derivative transactions	$ 55,429	$ 55,429	$ —

(*1) General as well as specific allowance for loan losses in respect of loans and bills discounted is excluded. As allowances for loan losses in respect of call loans and bills bought, and monetary claims bought are immaterial, they are deducted from the carrying amount.

(*2) Derivative transactions included in trading assets and trading liabilities or other assets and other liabilities are collectively indicated.
Receivables and payables incurred by derivative transactions are presented in net. Net payables are presented in parenthesis.

Notes: A Calculation method of fair values of financial instruments

Assets

(1) Cash and cash equivalents and (2) Due from banks other than due from Bank of Japan.
Deposits without maturity are stated at their carrying amounts as their fair values approximate carrying amounts. Deposits with maturities with shorter deposit terms (within one year) are stated at their carrying amounts as their fair values approximate carrying amounts.
(3) Call loans and bills bought and (4) Receivables under securities borrowing transactions
These are subject to shorter agreed periods (within one year), and are stated at their acquisition costs as their fair values approximate acquisition costs.
(5) Monetary claims bought
Of the monetary claims bought, beneficiary certificates representing interest in a trust holding loan receivables are stated at the prices quoted by brokers. Other monetary claims bought with shorter agreed periods (within one year), are stated at their acquisition costs as their fair values approximate acquisition costs.
(6) Trading assets
Securities including bonds held for trading purposes are stated at the prices quoted by Japan Securities Dealers Association.
(7) Money held in trust
Securities comprising trust assets in money held in trust are stated at the prices quoted by brokers.
Matters to be noted in respect of money held in trust by purpose of holding are stated in Note 5 "Money Held in Trust."
(8) Securities
Of securities of various categories; (i) equity securities are stated at the prices quoted on the stock exchanges: (ii) privately offered corporate bonds are stated at the values calculated by discounting principal and interest by the interest rate reflecting credit risk, by category based on internal rating and term, (iii) other bonds are stated at the prices published by Japan Securities Dealers Association or the prices quoted by brokers. Investment trust beneficiary certificates are stated at the official reference price published by securities investment trust and management firms.

Following an examination of the recent market environment, market values of floating-rate Japanese government bonds (JGBs) are believed to remain inappropriate to be treated as their fair values. Therefore reasonably assessed values of floating-rate JGBs are recorded as the carrying amount for the year ended March 31, 2010. Thus compared with the cases where market prices are recorded as the carrying amounts, "Securities" increased by ¥8,013 million ($ 86,139 thousand), "Deferred tax assets" decreased by ¥3,255 million ($ 34,998 thousand), while "Valuation difference on available-for-sale securities" increased by ¥4,757 million ($ 51,141 thousand).

Reasonably assessed values of floating-rate JGBs are determined based on the discounted cash flow method. Price-determining variables include JGB yield and its volatility.

Matters to be noted in respect of securities by purpose of holding are stated in Note 4 "Securities."

(9) Loans and bills discounted
Of loans and bills discounted, those with floating rates reflect market rates at short intervals, whose fair values approximate acquisition costs unless borrowers' creditworthiness changes significantly after the loans are made, and acquisition costs are stated as the fair values. Meanwhile, those with fixed rates are stated at the fair values, as calculated by discounting principal and interest by the interest rate reflecting credit risk by category based on the nature of loan, internal rating and term. Those loans with shorter contract periods (within one year) are stated at acquisition cost which approximate their fair values. Claims under legal bankruptcy, virtual bankruptcy and possible bankruptcy, whose expected amounts of loan losses are calculated based on the expected recoverable amounts from their collateral or guarantee, are stated at their acquisition costs at the consolidation date less the current expected amount of loan losses, which approximate their fair values. Of loans and bills discounted, those without scheduled due dates thanks to the special conditions such as the ones limiting the loan amounts within the values of pledged assets, are stated at acquisition costs which are assumed to approximate their fair values because of the estimated repayment period and interest rate conditions, etc.

Liabilities

(1) Deposits

For demand deposits, the amount payable (carrying amount) in case demand is made on the consolidation date is treated as their fair value. Meanwhile for time deposits, present values calculated by discounting future cash flows by category based on terms, etc., by the interest rate applicable to newly deposited savings are deemed to be their fair values. For time deposits with shorter deposit terms (within one year) and those with floating rates, carrying amounts approximate fair values, and thus quoted as such.

Negotiable certificates of deposit are all with shorter deposit terms (within one year) and are stated at their carrying amounts which approximate their fair values.

(2) Call money and bills sold and (3) Payables under securities lending transactions

These are subject to shorter contract periods (within one year), and are stated at their acquisition costs as their fair values approximate acquisition costs.

(4) Borrowed money

Borrowings are stated at their present values, as calculated by discounting principal and interest by the interest rate assumed for similar borrowings. Those borrowings with shorter agreed periods (within one year) are stated at acquisition costs which approximate their fair values.

(5) Bonds payable

Bonds payable are stated at the prices quoted by Japan Securities Dealers Association, or in the absence of such market values, at their present values as calculated by discounting principal and interest by the interest rate assumed for the similar bond issues.

(6) Due to trust account

Due to trust account is stated at the amounts payable (book value) in case demand is made on the consolidation date.

Derivative transactions

The information regarding derivatives transactions is included in Note 32 "Derivative Information."

Notes: B Financial instruments whose fair values are not readily determinable are listed below.
These items are not included in "Asset (8) Other securities" stated in fair value of financial instruments.

Category	Millions of yen Carrying amount
Unlisted Japanese stocks (*)	¥ 89,417
Subscription certificates	119,785
Foreign securities	8,735
Total	¥ 217,938

Category	Thousands of U.S. dollars Carrying amount
Unlisted Japanese stocks (*)	$ 961,170
Subscription certificates	1,287,597
Foreign securities	93,898
Total	$ 2,342,666

Fair Values of these items are not disclosed because there is no market price, and it is very difficult to identify fair values.

(*) For the year ended March 31, 2010, unlisted Japanese stocks were treated with an impairment loss of ¥498 million ($5,363 thousand).

Notes: C Scheduled redemption amount of monetary claims and securities with maturity after the balance sheet date

	Millions of yen					
	Within one year	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Due from banks	¥ 215,035	¥ —	¥ —	¥ —	¥ —	¥ —
Call loans and bills bought	9,884	—	—	—	—	—
Receivables under securities borrowing transactions	1,521	—	—	—	—	—
Monetary claims bought	24,522	—	1,009	674	—	72,748
Securities	689,482	861,295	1,058,822	263,942	398,784	422,067
Held-to-maturity debt securities	411,155	79,623	146,700	—	—	22,445
Japanese government bonds	399,155	135	—	—	—	—
Japanese corporate bonds	—	—	—	—	—	22,445
Other securities with maturity	278,327	781,671	912,122	263,942	398,784	399,622
Japanese government bonds	196,228	499,179	379,993	1,934	337,055	129,151
Japanese municipal bonds	490	—	—	153	—	—
Japanese corporate bonds	53,738	113,344	77,383	13,954	416	15,107
Loans and bills discounted (*)	2,875,574	1,752,678	864,238	306,764	403,055	2,401,545
Total	¥3,816,020	¥2,613,974	¥1,924,069	¥571,381	¥801,839	¥2,896,361

	Thousands of U.S. dollars					
	Within one year	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Due from banks	$ 2,311,466	$ —	$ —	$ —	$ —	$ —
Call loans and bills bought	106,246	—	—	—	—	—
Receivables under securities borrowing transactions	16,349	—	—	—	—	—
Monetary claims bought	263,593	—	10,847	7,248	—	781,985
Securities	7,411,402	9,258,251	11,381,514	2,837,174	4,286,622	4,536,902
Held-to-maturity debt securities	4,419,602	855,890	1,576,910	—	—	241,272
Japanese government bonds	4,290,612	1,451	—	—	—	—
Japanese corporate bonds	—	—	—	—	—	241,272
Other securities with maturity	2,991,799	8,402,361	9,804,603	2,837,174	4,286,622	4,295,629
Japanese government bonds	2,109,298	5,365,785	4,084,628	20,793	3,623,088	1,388,275
Japanese municipal bonds	5,275	—	—	1,654	—	—
Japanese corporate bonds	577,642	1,218,362	831,810	150,004	4,478	162,394
Loans and bills discounted (*)	30,910,188	18,839,932	9,289,890	3,297,481	4,332,531	25,814,738
Total	$41,019,246	$28,098,184	$20,682,252	$6,141,904	$8,619,153	$31,133,625

(*) Of the loaned monies, ¥93,843 million ($1,008,746 thousand) that cannot envisage scheduled redemption amount such as claims under legal bankruptcy, virtual bankruptcy and possible bankruptcy, and ¥241,533 million ($2,596,296 thousand) without specified terms are not included.

Notes: D Amounts of repayment of Japanese corporate bonds, borrowed money and other interest-bearing liabilities, scheduled after the consolidation date

	Millions of yen					
	Within one year	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Deposits (*)	¥5,355,804	¥2,456,425	¥1,246,313	¥ 63,046	¥ 5,889	¥ —
Call money and bills sold	217,161	—	—	—	—	—
Payables under securities lending transactions	1,702,697	—	—	—	—	—
Borrowed money	1,128,924	18,122	65,199	5,000	—	—
Bonds payable	—	55,000	83,000	70,650	10,000	16,100
Due to trust account	995,612	—	—	—	—	—
Total	¥9,400,200	¥2,529,547	¥1,394,513	¥138,697	¥15,889	¥16,100

	Thousands of U.S. dollars					
	Within one year	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
Deposits (*)	$ 57,570,720	$26,404,659	$13,396,900	$ 677,705	$ 63,310	$ —
Call money and bills sold	2,334,314	—	—	—	—	—
Payables under securities lending transactions	18,302,675	—	—	—	—	—
Borrowed money	12,135,056	194,801	700,847	53,746	—	—
Bonds payable	—	591,207	892,185	759,440	107,492	173,062
Due to trust account	10,702,063	—	—	—	—	—
Total	$101,044,830	$27,190,668	$14,989,932	$1,490,891	$170,802	$173,062

(*) Of deposits, demand deposits are included in "within one year". Also deposits include current deposits.

32. *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
Chuo Mitsui has the following derivative contracts outstanding at March 31, 2010 and 2009:

1.Derivatives to which hedge accounting is not applied
Contract or notional amount, fair value, unrealized gains (losses) and calculation method of fair value are as follows: Note that contract or notional amounts do not represent the market risk exposure associated with the derivatives.

Interest rate transactions

	Millions of yen			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	¥5,210,194	¥3,794,889	¥ 148,272	¥ 148,272
Floating rate receipt, fixed rate payment	5,134,979	3,747,950	(145,257)	(145,257)
Floating rate receipt, floating rate payment	32,200	32,200	2,821	2,821
Interest rate swaptions:				
Selling	57,150	37,750	(1,284)	161
Buying	77,078	45,329	1,565	1,051
Others:				
Selling	56,551	56,498	(67)	143
Buying	95,920	95,920	67	(31)
Total			¥ 6,119	¥ 7,162

	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

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Interest rate swaps:				
Fixed rate receipt, floating rate payment	$56,005,527	$40,792,101	$ 1,593,815	$ 1,593,815
Floating rate receipt, fixed rate payment	55,197,023	40,287,544	(1,561,400)	(1,561,400)
Floating rate receipt, floating rate payment	346,124	346,124	30,328	30,328
Interest rate swaptions:				
Selling	614,317	405,783	(13,802)	1,734
Buying	828,528	487,251	16,831	11,307
Others:				
Selling	607,881	607,311	(720)	1,541
Buying	1,031,065	1,031,065	730	(338)
Total			$ 65,782	$ 76,989

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			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	¥ 48,375	¥ 46,515	¥ 132	¥ 132
Foreign exchange contracts:				
Selling	1,041,461	385	(29,707)	(29,707)
Buying	1,058,211	777	30,483	30,483
Total			¥ 907	¥ 907

	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)

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Currency rate swaps	$ 520,000	$500,000	$ 1,420	$ 1,420
Foreign exchange contracts:				
Selling	11,194,902	4,148	(319,331)	(319,331)
Buying	11,374,949	8,362	327,668	327,668
Total			$ 9,758	$ 9,758

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			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Stock index options:				
Selling	¥ 475	¥ —	¥ (0)	¥ 4
Buying	1,987	—	0	(33)
Total			¥ 0	¥ (28)

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Stock index options:				
Selling	$ 5,105	$ —	$ (0)	$ 48
Buying	21,364	—	3	(356)
Total			$ 3	$ (308)

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			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Bond future options:				
Buying	**¥31,093**	**¥—**	**¥49**	**¥(26)**

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

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Listed:				
Bond future options:				
Buying	**$334,225**	**$—**	**$529**	**$(284)**

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			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	**¥15,000**	**¥15,000**	**¥(10,826)**	**¥(10,826)**

	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)

	Thousands of U.S. dollars			
	2010			
	Contract or notional amount			
	Total	Over one year	Fair value	Unrealized gains (losses)
Over-the-counter:				
Credit default swaps:				
Selling	**$161,238**	**$161,238**	**$(116,372)**	**$(116,372)**

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 liabilities and other ordinary expenses decreased by and income before income taxes increased by ¥1,537 million ($16,524 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.

2.*Derivatives to which hedge accounting is applied*

Contract or notional amount, fair value, unrealized gains (losses) and calculation method of fair value are as follows: Note that contract or notional amounts do not represent the market risk exposure associated with the derivatives.

As noted in "a. Financial Instruments" in "3. Changes in Significant Accounting Policies" the Chuo Mitsui Trust and Banking Group applied ASBJ Statement No.10 "Accounting Standard for Financial Instruments" and ASBJ Guidance No.19 "Guidance on Accounting Standard for Financial Instruments and Related Disclosures". The accounting standard and the guidance are applicable to financial instruments and related disclosures at the end of the fiscal years ending on or after March 31, 2010. Therefore, the required information is disclosed only for 2010.

Interest rate transactions

			Millions of yen		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Interest rate swaps:				
	Fixed rate receipt Floating rate payment	Securities	¥ 100,000	¥ 100,000	¥ 1,592
	Floating rate receipt Fixed rate payment	Securities	100,000	100,000	(2,610)
	Fixed rate receipt Floating rate payment	Borrowed money	17,500	17,500	344
	Fixed rate receipt Floating rate payment	Bonds	115,650	115,650	8,535
	Fixed rate receipt Floating rate payment	Deposits	70,579	—	4
	Total				¥ 7,866

			Thousands of U.S. dollars		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Interest rate swaps:				
	Fixed rate receipt Floating rate payment	Securities	$ 1,074,922	$ 1,074,922	$ 17,122
	Floating rate receipt Fixed rate payment	Securities	1,074,922	1,074,922	(28,055)
	Fixed rate receipt Floating rate payment	Borrowed money	188,111	188,111	3,702
	Fixed rate receipt Floating rate payment	Bonds	1,243,154	1,243,154	91,751
	Fixed rate receipt Floating rate payment	Deposits	758,671	—	43
	Total				$ 84,563

Notes: 1. These transactions are mainly accounted for using the deferral hedge accounting in accordance with JICPA Industry Audit Committee Report No. 24 "Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in the Banking Industry."
2. Fair values are calculated according to discounted present value.

Currency transactions

			Millions of yen		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Foreign exchange forward contracts:				
	Buying	Bonds	¥ 3,523	¥ 2,844	¥ 249

			Thousands of U.S. dollars		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Foreign exchange forward contracts:				
	Buying	Bonds	$ 37,879	$ 30,572	$ 2,676

Notes: 1. These transactions are accounted for using the deferral hedge accounting individually in accordance with JICPA Guidance on Accounting Standard for Financial Instruments.
2. Fair values are calculated according to discounted present value.

Bond transactions

			Millions of yen		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Bond forward agreements:				
	Selling	Securities	¥ 18,730	¥—	¥ (14)
Method of recognizing gains or losses on hedged items	Bond OTC options:				
	Selling	Securities	605,000	—	(19)
	Buying	Securities	605,000	—	824
	Total				¥ 789

			Thousands of U.S. dollars		
			2010		
			Contract or notional amount		
Hedge accounting method	Type of derivatives	Major hedged item	Total	Over one year	Fair value
Primary method	Bond forward agreements:				
	Selling	Securities	$ 201,338	$—	$ (161)
Method of recognizing gains or losses on hedged items	Bond OTC options:				
	Selling	Securities	6,503,278	—	(212)
	Buying	Securities	6,503,278	—	8,862
	Total				$ 8,488

Notes: Fair values are calculated according to the prices offered by information vendors, the option pricing model and other valuation techniques.

33. Segment Information

Information about business segments, geographic segments and ordinary income from international operations for the fiscal years ended March 31, 2010 and 2009, was as follows:

(1) Business Segment Information

	Millions of yen			
	2010			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**¥ 311,314**	**¥10,081**	**¥ —**	**¥321,395**
Intersegment	**1,588**	**4,020**	**(5,608)**	**—**
Total ordinary income	**312,902**	**14,102**	**(5,608)**	**321,395**
Ordinary expenses	**240,360**	**14,293**	**(4,646)**	**250,007**
Ordinary profit	**¥ 72,541**	**¥ (191)**	**¥ (961)**	**¥ 71,388**
Assets, depreciation and capital expenditures:				
Total assets	**¥14,776,664**	**¥61,520**	**¥(51,528)**	**¥14,786,655**
Depreciation	**9,378**	**410**	**—**	**9,789**
Capital expenditures	**9,979**	**434**	**—**	**10,413**

	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

	Thousands of U.S. dollars			
	2010			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**$ 3,346,384**	**$ 108,372**	**$ —**	**$ 3,454,756**
Intersegment	**17,072**	**43,215**	**(60,287)**	**—**
Total ordinary income	**3,363,456**	**151,587**	**(60,287)**	**3,454,756**
Ordinary expenses	**2,583,691**	**153,644**	**(49,946)**	**2,687,389**
Ordinary profit	**$ 779,764**	**$ (2,057)**	**$ (10,340)**	**$ 767,366**
Assets, depreciation and capital expenditures:				
Total assets	**$158,837,623**	**$ 661,292**	**$ (553,892)**	**$158,945,024**
Depreciation	**100,813**	**4,413**	**—**	**105,226**
Capital expenditures	**107,271**	**4,665**	**—**	**111,936**

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, and credit card services.

(2) Geographic Segment Information

Since domestic (Japan) total ordinary income and total assets by geographic segment for the fiscal years ended March 31, 2010 and 2009, 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
	2010	2009	**2010**
Ordinary income from international operations (A)	**¥ 57,794**	¥ 63,581	**$ 621,247**
Consolidated ordinary income (B)	**321,395**	363,462	**3,454,756**
(A)/(B) (%)	**17.9%**	17.4%	**17.9%**

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

34. Per Share Information

Diluted net income per share for the fiscal year ended March 31, 2010 is not stated as there were no potential dilutive securities. Basic net income per share ("EPS") for the fiscal years ended March 31, 2010 was as follows:

	Millions of yen	Thousands of shares	Yen	U.S. dollars
Fiscal year ended March 31, 2010	Net income (loss)	Weighted-average shares	EPS	EPS
Basic EPS				
Net income available to common shareholders	**¥ 47,527**	**2,292,420**	**¥ 20.73**	**$0.22**

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

	Millions of yen	Thousands of shares	Yen
Fiscal year ended March 31, 2009	Net income (loss)	Weighted-average shares	EPS
Basic EPS			
Net income available to common shareholders	¥(95,446)	1,567,866	¥(60.87)

35. Subsequent Event

The following appropriation of retained earnings of Chuo Mitsui as of March 31, 2010, was approved at the general meeting of shareholders held on June 28, 2010:

	Millions of yen	Thousands of U.S. dollars
Fiscal year-end dividends		
Common stock, ¥3.66 ($0.03) per share	**¥9,501**	**$102,130**

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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, 2010 and 2009, and the related consolidated statements of operations, 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, 2010 and 2009, 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 LLC

June 22, 2010
(June 28, 2010 as to Note 35)

Member of
Deloitte Touche Tohmatsu

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

The Chuo Mitsui Trust and Banking Company, Limited
As of March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
ASSETS			
Cash and cash equivalents	**¥ 221,587**	¥ 196,017	**$ 2,381,888**
Due from banks other than due from the Bank of Japan	**24,286**	15,547	**261,066**
Call loans	**6,512**	11,784	**70,000**
Receivables under securities borrowing transactions	**1,521**	8,812	**16,349**
Monetary claims bought	**98,818**	103,377	**1,062,223**
Trading assets	**22,778**	38,249	**244,852**
Securities	**4,494,557**	4,874,797	**48,312,993**
Loans and bills discounted	**8,938,774**	8,581,809	**96,084,855**
Foreign exchanges	**767**	802	**8,245**
Other assets	**410,641**	366,523	**4,414,071**
Tangible fixed assets	**99,887**	101,566	**1,073,716**
Intangible fixed assets	**19,311**	17,458	**207,587**
Deferred tax assets	**140,434**	184,598	**1,509,556**
Customers' liabilities for acceptances and guarantees	**48,101**	57,195	**517,058**
Allowance for loan losses	**(46,519)**	(55,999)	**(500,052)**
Total assets	**¥14,481,460**	¥14,502,540	**$155,664,412**
LIABILITIES AND EQUITY			
Liabilities:			
Deposits	**¥ 9,184,360**	¥ 9,536,252	**$ 98,724,721**
Call money	**217,161**	160,478	**2,334,314**
Payables under securities lending transactions	**1,702,697**	1,255,648	**18,302,675**
Trading liabilities	**7,911**	8,867	**85,044**
Borrowed money	**1,217,246**	1,692,565	**13,084,451**
Foreign exchanges	**21**	42	**231**
Bonds payable	**234,750**	174,570	**2,523,387**
Due to trust accounts	**995,612**	879,917	**10,702,063**
Other liabilities	**127,070**	150,477	**1,365,913**
Provision for bonuses	**2,050**	2,014	**22,041**
Provision for directors' retirement benefits	**875**	806	**9,409**
Provision for contingent losses	**11,567**	11,881	**124,342**
Acceptances and guarantees	**48,101**	57,195	**517,058**
Total liabilities	**13,749,429**	13,930,717	**147,795,654**
Equity:			
Common stock and preferred stock	**399,697**	399,697	**4,296,436**
Capital surplus	**149,011**	149,011	**1,601,762**
Retained earnings	**177,199**	127,336	**1,904,758**
Valuation difference on available-for-sale securities	**19,762**	(90,447)	**212,434**
Deferred gains or losses on hedges	**1,891**	1,757	**20,329**
Revaluation reserve for land	**(15,532)**	(15,532)	**(166,963)**
Total equity	**732,030**	571,822	**7,868,757**
Total liabilities and equity	**¥14,481,460**	¥14,502,540	**$155,664,412**

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

The Chuo Mitsui Trust and Banking Company, Limited
Fiscal years ended March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Income:			
Interest income:			
Interest on loans and discounts	**¥121,276**	¥123,530	**$1,303,633**
Interest and dividends on securities	**55,265**	82,254	**594,064**
Interest on call loans and bills bought	**179**	897	**1,925**
Other interest income	**3,722**	3,165	**40,015**
Trust fees	**15,713**	21,002	**168,905**
Fees and commissions	**59,136**	68,953	**635,673**
Trading gains	**2,592**	2,440	**27,869**
Other ordinary income	**27,505**	19,712	**295,658**
Other income	**24,311**	30,444	**261,331**
Total income	**309,704**	352,403	**3,329,078**
Expenses:			
Interest expenses:			
Interest on deposits	**46,535**	51,729	**500,218**
Interest on call money and bills sold	**575**	3,492	**6,184**
Interest on borrowings	**3,827**	5,671	**41,147**
Other interest expenses	**17,943**	35,689	**192,876**
Fees and commissions	**15,571**	17,077	**167,378**
Other ordinary expenses	**8,318**	15,535	**89,414**
General and administrative expenses	**117,473**	110,846	**1,262,753**
Other expenses	**24,811**	235,843	**266,704**
Total expenses	**235,056**	475,885	**2,526,678**
Income (loss) before income taxes	**74,647**	(123,482)	**802,399**
Income taxes:			
Income taxes-current	**183**	202	**1,974**
Income taxes-deferred	**24,600**	(33,300)	**264,430**
Net income (loss)	**¥ 49,863**	¥ (90,384)	**$ 535,993**

	yen		U.S. dollars
	2010	2009	**2010**
Per share of common stock:			
Basic net income	**¥(21.75)**	¥(57.64)	**$(0.23)**

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

Chuo Mitsui Asset Trust and Banking Company, Limited
As of March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
ASSETS			
Cash and cash equivalents	**¥ 12,281**	¥ 15,864	**$ 132,019**
Due from banks other than due from the Bank of Japan	**569**	565	**6,125**
Securities	**89,185**	89,162	**958,669**
Other assets	**31,631**	35,227	**340,018**
Tangible fixed assets	**679**	582	**7,300**
Intangible fixed assets	**3,711**	3,311	**39,895**
Deferred tax assets	**2,254**	1,261	**24,234**
Total assets	**¥140,313**	¥145,975	**$1,508,262**
LIABILITIES AND EQUITY			
Liabilities:			
Deposits	**¥ 96**	¥ 152	**$ 1,036**
Call money	**89,000**	93,000	**956,680**
Other liabilities	**7,944**	7,397	**85,398**
Provision for bonuses	**367**	365	**3,946**
Provision for director's retirement benefits	**158**	193	**1,702**
Total liabilities	**97,566**	101,109	**1,048,764**
Equity:			
Common stock	**11,000**	11,000	**118,241**
Capital surplus	**21,246**	21,246	**228,378**
Retained earnings	**10,507**	12,620	**112,947**
Valuation difference on available-for-sale securities	**(6)**	0	**(69)**
Total equity	**42,747**	44,866	**459,498**
Total liabilities and equity	**¥140,313**	¥145,975	**$1,508,262**

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

Chuo Mitsui Asset Trust and Banking Company, Limited
Fiscal years ended March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Income:			
Interest income:			
Interest and dividends on securities	**¥ 187**	¥ 479	**$ 2,019**
Interest on due from banks	**11**	3	**119**
Trust fees	**35,186**	38,527	**378,227**
Fees and commissions	**8,662**	8,593	**93,119**
Other income	**39**	37	**421**
Total income	**44,087**	47,641	**473,907**
Expenses:			
Interest expenses:			
Interest on borrowings	**0**	12	**5**
Other interest expenses	**150**	504	**1,618**
Fees and commissions	**11,885**	11,781	**127,764**
General and administrative expenses	**18,845**	17,851	**202,569**
Other expenses	**111**	24	**1,200**
Total expenses	**30,993**	30,174	**333,158**
Income before income taxes	**13,093**	17,467	**140,749**
Income taxes:			
Income taxes-current	**6,294**	7,282	**67,664**
Income taxes-deferred	**(988)**	(212)	**(10,623)**
Net income	**¥ 7,787**	¥10,397	**$ 83,708**

	Yen		U.S. dollars
	2010	2009	**2010**
Per share of common stock:			
Net income	**¥12,978.93**	¥17,328.67	**$139.51**

Financial Statements of Subsidiary Banks (Trust Account—Unaudited)

Chuo Mitsui Trust Holdings, Inc.
As of March 31, 2010 and 2009

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Assets:			
Loans (Note 2)	**¥ 254,912**	¥ 609,340	**$ 2,740,114**
Securities (Note 3)	**82,610**	84,520	**887,997**
Beneficiary rights	**29,356,150**	27,193,363	**315,555,743**
Securities held in custody accounts	**123**	183	**1,326**
Monetary claims	**1,528,858**	1,545,278	**16,434,032**
Premises and equipment	**5,334,660**	5,440,609	**57,343,446**
Intangible fixed assets	**26,982**	27,069	**290,042**
Other claims	**37,588**	41,872	**404,044**
Due from banking account	**995,612**	879,917	**10,702,063**
Cash and due from banks	**217,640**	248,058	**2,339,470**
Total assets	**¥37,835,141**	¥36,070,214	**$406,698,281**
Liabilities:			
Money trusts (Note 4)	**¥ 9,453,157**	¥10,059,266	**$101,614,074**
Pension trusts	**6,749,433**	6,723,024	**72,551,145**
Property formation benefit trusts	**13,657**	14,375	**146,808**
Loan trusts (Note 5)	**358,777**	504,047	**3,856,578**
Securities investment trusts	**11,222,499**	8,507,657	**120,633,128**
Money in trust other than money trusts	**343,023**	422,305	**3,687,232**
Securities in trust	**1,369,355**	1,351,264	**14,719,505**
Money claims in trust	**1,548,503**	1,568,019	**16,645,204**
Real estate in trust	**75,951**	76,192	**816,417**
Composite trusts	**6,700,739**	6,843,927	**72,027,729**
Other trusts	**42**	133	**456**
Total liabilities	**¥37,835,141**	¥36,070,214	**$406,698,281**

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, 2010 and 2009, was ¥1,381,852 million ($14,853,839 thousand) and ¥1,653,480 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 ¥93.03 to U.S.$1, the approximate rate of exchange as of March 31, 2010. 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, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Loans on deeds	**¥230,794**	¥584,733	**$2,480,858**
Loans on notes	**24,118**	24,606	**259,255**
Total	**¥254,912**	¥609,340	**$2,740,114**

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, 2010 and 2009, included the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Loans to borrowers in bankruptcy	**¥ —**	¥ 37	**$ —**
Non-accrual loans	**172**	15,322	**1,852**
Loans past due three months or more	**—**	16	**—**
Restructured loans	**8,926**	10,115	**95,958**
Total	**¥ 9,099**	¥25,491	**$ 97,810**

3. Securities

Securities are stated at market price or at cost by each trust agreement.

Securities held as of March 31, 2010 and 2009, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2010	2009	**2010**
Japanese government bonds	**¥81,954**	¥83,802	**$880,945**
Japanese stocks	**488**	496	**5,254**
Other securities	**167**	221	**1,797**
Total	**¥82,610**	¥84,520	**$887,997**

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
	2010	2009	**2010**
Assets:			
Loans	**¥ 242,262**	¥ 259,139	**$ 2,604,138**
Other	**782,525**	825,039	**8,411,534**
Total	**¥1,024,787**	¥1,084,178	**$11,015,672**
Liabilities:			
Principal	**¥1,024,773**	¥1,084,149	**$11,015,519**
Allowance for the impairment of guaranteed trust principal	**43**	49	**470**
Other	**(29)**	(20)	**(318)**
Total	**¥1,024,787**	¥1,084,178	**$11,015,672**

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
	2010	2009	**2010**
Assets:			
Loans	**¥ —**	¥333,603	**$ —**
Securities	**488**	496	**5,254**
Other	**361,317**	242,325	**3,883,886**
Total	**¥361,806**	¥576,424	**$3,889,140**
Liabilities:			
Principal	**¥357,078**	¥569,331	**$3,838,319**
Allowance for the impairment of guaranteed trust principal	**2,129**	3,271	**22,888**
Other	**2,598**	3,822	**27,932**
Total	**¥361,806**	¥576,424	**$3,889,140**

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				
	2010	2009	2008	2007	2006
Banking account (As of March 31)					
Total assets	**¥14,977.9**	¥15,086.4	¥14,472.8	¥14,090.5	¥13,808.7
Cash and due from banks	**262.2**	232.9	212.5	498.0	431.5
Call loans and bills bought	**9.8**	15.3	204.8	111.1	164.5
Securities	**4,525.6**	4,896.6	4,647.9	4,511.7	3,835.7
Loans and bills discounted	**8,941.9**	8,584.2	7,852.0	7,377.3	7,292.0
Foreign exchanges	**0.7**	0.8	0.8	0.9	37.5
Customers' liabilities for acceptances and guarantees	**384.1**	475.5	584.0	711.1	1,023.3
Total liabilities	**¥14,131.4**	¥14,397.9	¥13,453.6	¥12,953.1	¥12,843.3
Deposits	**9,087.1**	9,446.4	8,830.5	8,529.7	8,806.9
Call money and bills sold	**306.1**	253.4	291.5	547.3	394.0
Borrowed money	**1,217.2**	1,692.5	474.3	393.2	165.4
Foreign exchanges	**0.0**	0.0	0.0	0.0	0.0
Acceptances and guarantees	**384.1**	475.5	584.0	711.1	1,023.3
Total equity	**¥ 846.5**	¥ 688.4	¥ 1,019.2	¥ 1,137.3	¥ 858.8
Trust account* (As of March 31)					
Total assets	**¥37,835.1**	¥36,070.2	¥48,171.7	¥45,154.0	¥42,457.3
Loans	**254.9**	609.3	676.8	779.6	1,185.9
Securities	**82.6**	84.5	8,306.9	7,662.3	6,484.4
Beneficiary rights	**29,356.1**	27,193.3	30,578.5	28,750.0	28,284.2
Total liabilities	**¥37,835.1**	¥36,070.2	¥48,171.7	¥45,154.0	¥42,457.3
Money trusts	**9,453.1**	10,059.2	18,601.5	17,336.2	16,873.2
Pension trusts	**6,749.4**	6,723.0	6,894.8	6,657.5	6,194.2
Property formation benefit trusts	**13.6**	14.3	15.4	16.3	16.8
Loan trusts	**358.7**	504.0	664.1	835.8	1,078.8
Securities investment trusts	**11,222.4**	8,507.6	11,729.5	11,022.7	8,858.9
Statements of operations (Fiscal years ended March 31)					
Total income	**¥ 368.0**	¥ 422.2	¥ 468.5	¥ 468.0	¥ 484.4
Total expenses	**283.2**	531.9	332.7	288.3	344.5
Income (loss) before income taxes	**84.7**	(109.6)	135.7	179.6	139.9
Net income (loss)	**¥ 46.8**	¥ (92.0)	¥ 71.8	¥ 112.7	¥ 119.6

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 selfassessment 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 selfassessment 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 riskmonitored 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 (processing risk, system risk, legal risk, personnel risk and tangible 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

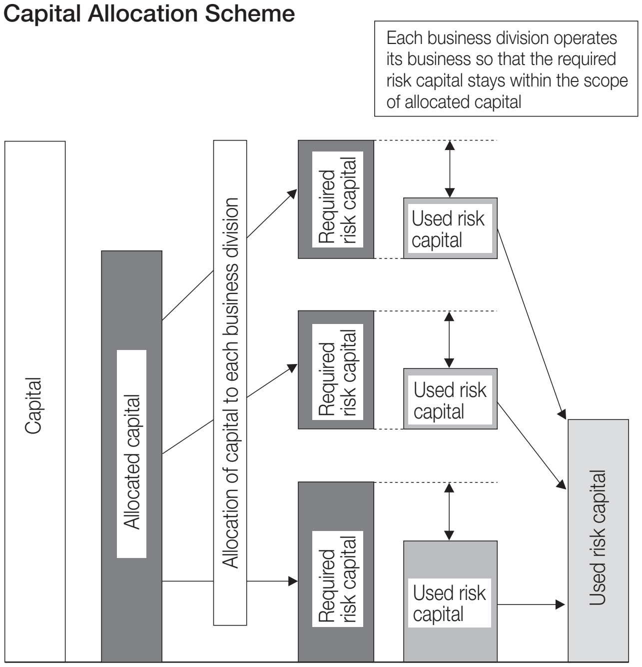
The Group undertakes capital allocation operations by allocating capital of the Group to each business division for its risks (credit risk, market risk and operational risk). The capital allocation plan is formulated by the capital management department of Chuo Mitsui Trust Holdings based on the risk 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.

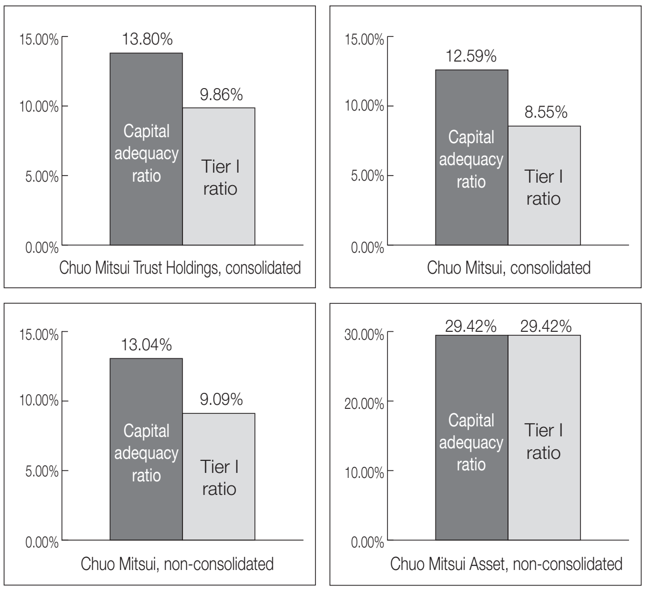
Moreover, based on the results of the assessment of the capital adequacy level, we formulate and carry out a capital strategy to provide goals for capital levels and policies for capital financing, etc., and thereby make efforts to ensure an adequate financial base that corresponds to the risks.

• Capital adequacy status

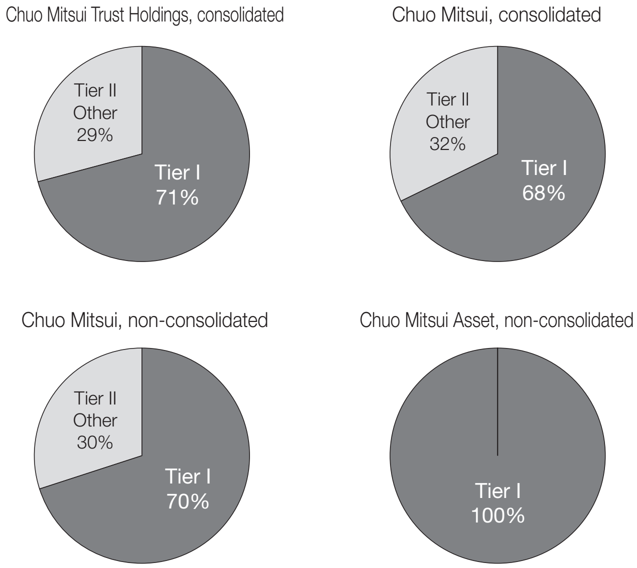
The Group's capital adequacy ratios under regulations are well above 8% for Chuo Mitsui Trust Holdings on a consolidated basis, Chuo Mitsui Trust and Banking Co., Ltd., on a consolidated basis and non-consolidated basis, and Chuo Mitsui Asset Trust and Banking Co., Ltd., on a non-consolidated basis. 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 ¥1,058.6 billion* (Tier I capital of ¥742.4 billion) of Chuo Mitsui Trust

Capital Adequacy Ratio as of End of March 2010



Breakdown of Capital



Holdings on a consolidated basis, the allocated risk capital (required risk capital) is ¥497.2 billion. Risk capital actually used is ¥328.2 billion. In addition, the balance between allocated risk capital (required risk capital) and capital (Tier I capital and Tier II capital, etc.), about ¥561.4 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

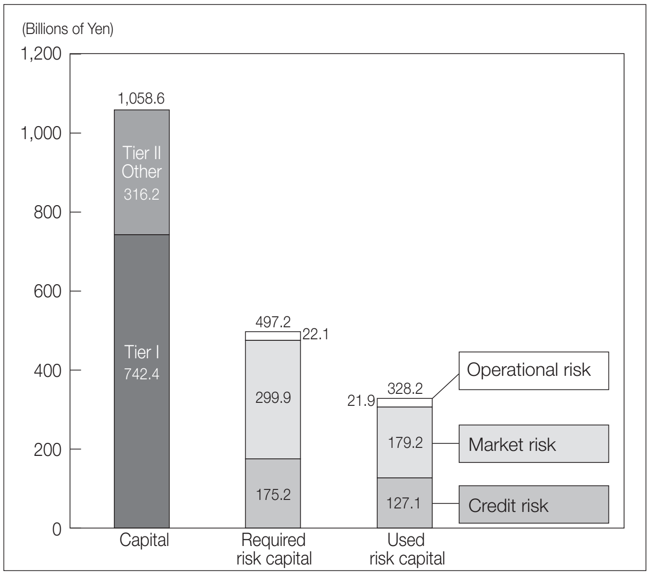
The Group has established an emergency response framework for quick and appropriate responses, and to ensure the execution of business operations in case of a disaster, system malfunction, outbreak of infection or other event that might disrupt business operations, and has been conducting drills on a regular basis.

The Group has established a backup office in case the head office is rendered unusable by a natural disaster.

In addition to setting up a Joint Crisis Management Task Force and adopting measures to prevent transmission of the disease to clients and employees, the Group reacted to the 2009 novel influenza A pandemic by putting in place a contingency plan and developing measures to prevent transmission and ensure continuity of business operations in the event of an expansion of the pandemic or mutation into a highly virulent virus.

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 processing risks; the System Planning Department manages system risks; and the Legal Department manages legal risks; the Personnel Department manages personnel risks; and the General Affairs Department manages tangible 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 nonperforming 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.

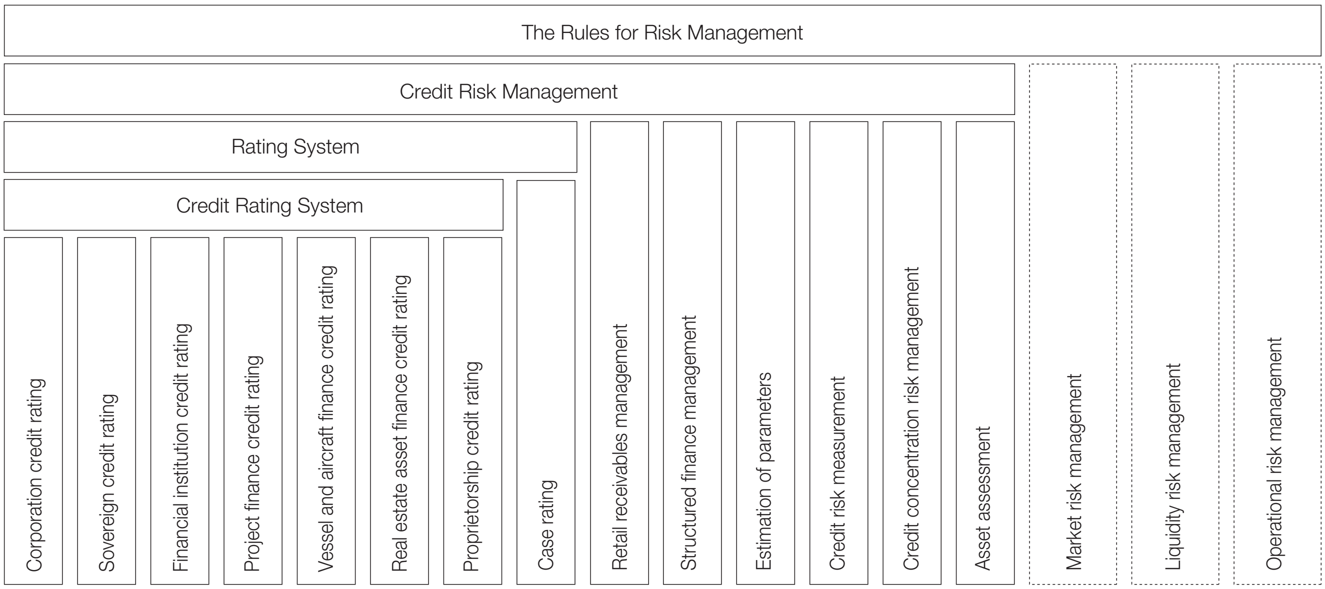
Credit Risk Management System

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.

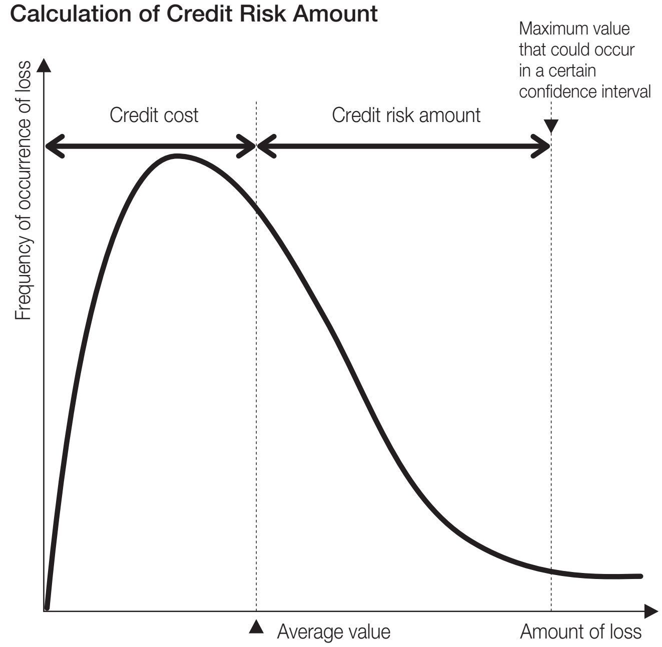
Credit Risk Management Methods

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 report 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 Investment and Credit 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.

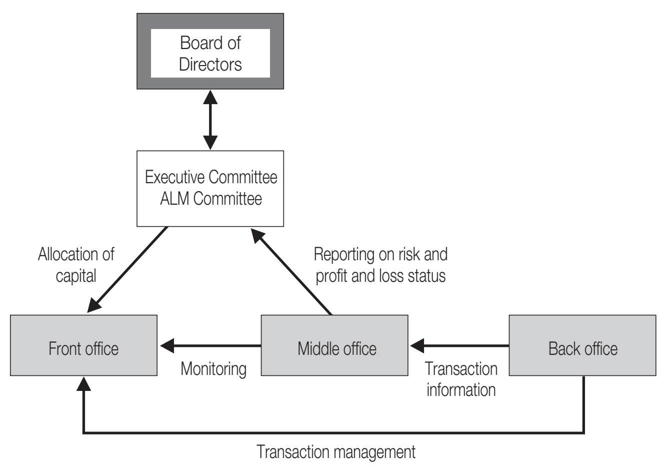
Market Risk Management System
Basic Policies on Market Risk Management
Market risk is the possibility that the value of assets and liabilities will fluctuate with changing interest rates, foreign exchange rates, the price of marketable securities, and other market factors, and thereby cause losses.

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.

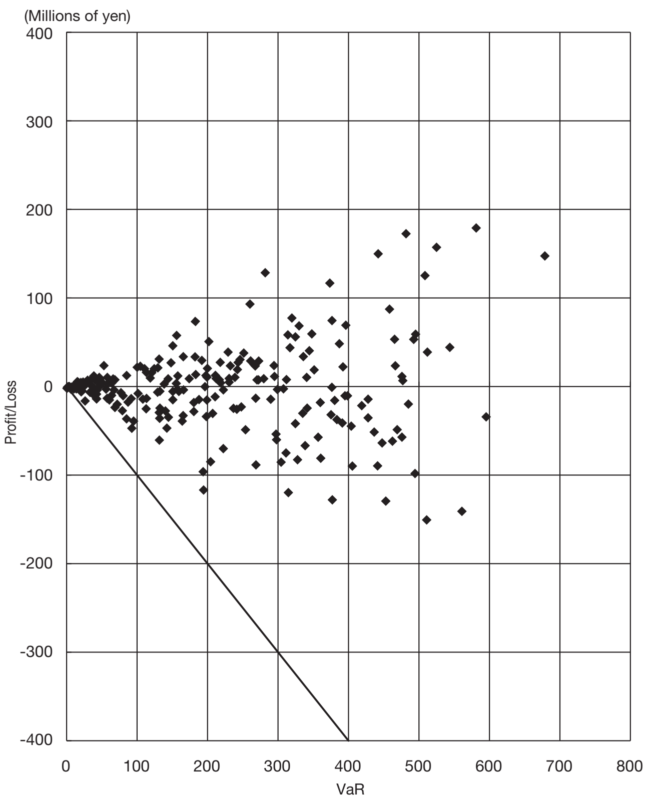
Market risk at Chuo Mitsui is contained through the efforts of the middle office division, which monitors the Bank's risk status and ensures compliance to the risk capital amount set by Chuo Mitsui Trust Holdings as the upper limit of market risk assumed. Reports are sent to the assigned Executive Officer 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 20 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 2009 to March 2010 (244 business days)

VaR trading transactions in fiscal 2009 moved within a range of roughly ¥10 million to ¥680 million, and out of 244 business days, daily losses never exceeded the VaR. The Bank's VaR assumes probability loss of 1%, and the results 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 risk of loss arising from inadequate or failed internal processes, people and systems or from external events. This risk includes processing risk and system risk as well as legal risk, personnel risk and tangible asset risk. Recognizing that all operations entail operational risk, we have an operational risk management system. In addition to appropriate identification and assessment of operational risk in both qualitative and quantitative aspects, we establish a system for controlling and monitoring of operational risk and a system for executing contingency and business continuity plans to mitigate operational risk. For calculation of the operational risk equivalent amount under Basel II, we use the Standardised Approach (TSA).

Operational Risk Management System
Chuo Mitsui has established the Risk Management Department as an integrated operational risk management department. This department has been working to improve and develop the Bank's operational risk management together with the Operations Administration Department, System Planning Department, Legal Department, Personnel Department and General Affairs Department, etc., which are responsible for processing risk, system risk, legal risk, personnel risk, and tangible asset risk.

Operational Risk Management Method
In order to qualitatively identify and assess operational risks inherent in various business processes, we carry out self-assessment on the effectiveness of internal control (control self-assessment, "CSA" hereinafter) semiannually.

Additionally, for quantitative identification and assessment of operational risks, the operational risk amount is calculated on a quarterly basis using internal loss data—losses arising from the realization of operational risk—and scenario data—severity of potential operational risks estimated through CSA. Each department establishes and implements a risk mitigation plan to manage the risks assessed in both qualitative and quantitative aspects. The PDCA cycle has been established to verify the effectiveness of the Bank's risk mitigation plans through follow-up CSA and operational risk measurement.

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.

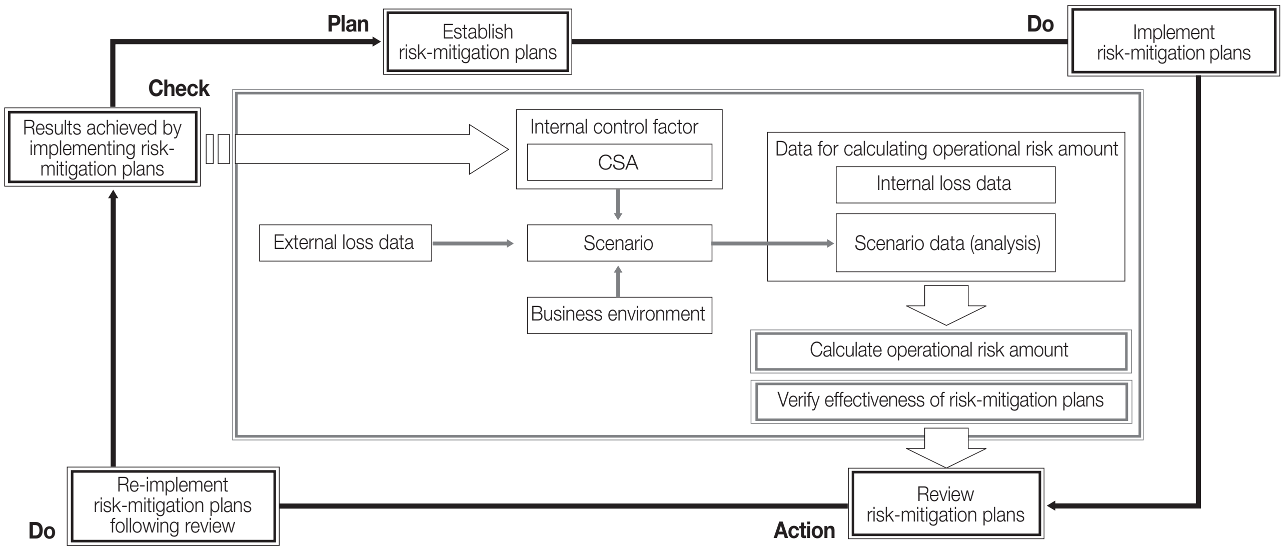
Risk Management System Regarding Equity Exposures
• Risk amount measurement
For marketable stock using the historical simulation method, based on market historical data, the market risk amounts are measured with regard to price volatility.

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 Departments and branches, secondary assessment by the credit

PDCA Cycle for Operational Risk



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 Investment and Credit 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, the president is responsible for decision-making related to investments involving amounts in excess of certain levels, on a product-by-product basis.

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 processing risks, the System Planning Department manages system risks, the Legal Department manages legal risks, the Personnel Department manages personnel risks, and the General Affairs Department manages tangible 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. Specific management procedures have been laid out in the form of "the Rules of Cash Flow Risk Management" and other standards. 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 Policy on Operational Risk Management

Recognizing that all operations entail operational risk, we have an operational risk management system. In addition to appropriate identification and assessment of operational risk in both qualitative and quantitative aspects, we establish a system for controlling and monitoring of operational risk and a system for executing contingency and business continuity plans to mitigate operational risk.

Operational Risk Management System

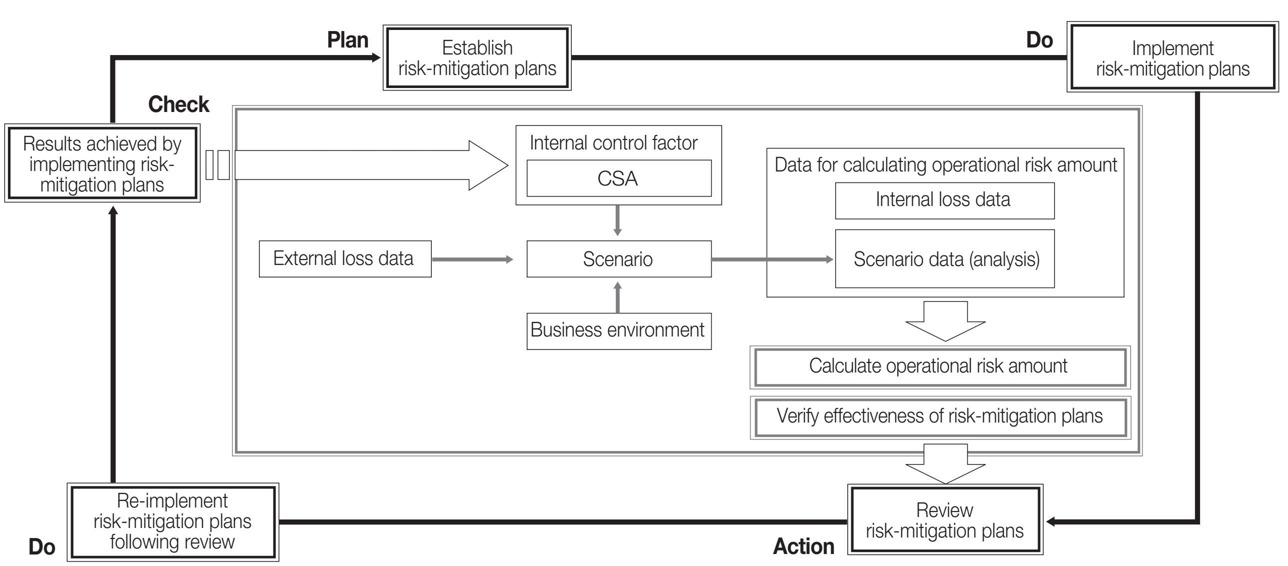
Chuo Mitsui Asset has established the Risk Management Department as an integrated operational risk management department. This department has been working to improve and develop the Bank's operational risk management together with the Operations Administration Department, System Planning Department, Legal Department, Personnel Department and General Affairs Department, etc., which are responsible for processing risk, system risk, legal risk, personnel risk, and tangible asset risk.

Operational Risk Management Method

In order to qualitatively identify and assess operational risks inherent in various business processes, we carry out self-assessment on the effectiveness of internal control (control self-assessment, "CSA" hereinafter) semiannually.

Additionally, for quantitative identification and assessment of operational risks, the operational risk amount is calculated on a quarterly basis using internal loss data—losses arising from the realization of operational risk—and scenario data—severity of potential operational risks estimated through CSA. Each department establishes and implements a risk mitigation plan to manage the risks assessed in both qualitative and quantitative aspects. The PDCA cycle has been established to verify the effectiveness of the Bank's risk mitigation plans through follow-up CSA and operational risk measurement.

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.

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Basel II Related Data

Chuo Mitsui Trust Holdings, Inc.

Table of Contents

Consolidated Date

Consolidated Data

Means of Capital Procurement

Common 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. 21 companies within the scope of consolidation of the holding company are the business units for which application was excluded (as of end of March, 2010)
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, 2009	**March 31, 2010**
Tier I capital		
Capital stock	261,608	**261,608**
Non-cumulative perpetual preferred stock of above	100,175	**—**
New stock application margin	—	**—**
Capital surplus	—	**—**
Retained earnings	338,524	**377,592**
Treasury stock (-)	262	**270**
Treasury stock application margin	—	**—**
Projected amount of distributed income (-)	7,765	**13,264**
Evaluation loss on other securities (-)	—	**—**
Foreign currency translation adjustment	(2,045)	**(1,738)**
Stock acquisition rights	—	**—**
Minority interests of consolidated subsidiaries and affiliates	187,763	**187,805**
Non-dilutive preferred securities issued by overseas SPCs among above	183,500	**183,500**
Trade right equivalent amount (-)	—	**—**
Goodwill equivalent amount (-)	37,755	**35,304**
Intangible fixed asset equivalent posted by corporate consolidation, etc. (-)	—	**—**
Amount equivalent to capital increase due to securitization transactions (-)	26,681	**20,401**
Amount equivalent to 50% of the amount exceeding the expected loss amount from the qualifying reserve (-)	14,370	**13,602**
Total tier I capital before deduction of deferred tax assets (total amount of above respective items)	699,016	**742,425**
Amount of deferred tax assets deducted (-)	52,412	**—**
Total Tier I capital (A)	646,603	**742,425**
Non-dilutive preferred securities with step-up interest rate provisions of above (Note 2) (B)	85,000	**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	267,070	**319,250**
Perpetual subordinated bonds of above (Note 5)	119,570	**116,750**
Fixed-term subordinated bonds and fixed-term preferred stock (Note 6)	147,500	**202,500**
Amount not calculated into tier II capital (-)	—	**—**
Total Tier II capital (C)	267,070	**319,251**
Items for deduction (Note 7) (D)	21,841	**23,041**
Capital Amount (E) = (A) + (C) – (D)	891,832	**1,038,635**
<For Reference>		
Risk weighted assets, etc.		
Credit risk weighted asset amount	6,855,889	**7,022,674**
Asset (on-balance sheet) items	6,087,070	**6,371,285**
Off-balance sheet transaction items	768,818	**651,389**
Amount arrived at by dividing operational risk equivalents by 8%	541,112	**503,395**
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)	7,397,001	**7,526,070**
Consolidated Capital Adequacy Ratio (Domestic Standard) = (E)/(F) x 100	12.05%	**13.80%**
(A)/(F) x 100	8.74%	**9.86%**
(B)/(A) x 100	13.14%	**11.44%**

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, 2010, 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 13.78% (Tier I ratio: 9.66%).

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, 2009	**March 31, 2010**
Portfolio applicable to the standardised approach	8,431	**7,248**
Business units under the standardised approach	7,469	**6,650**
Assets under the standardised approach	962	**598**
Portfolio applicable to the internal ratings-based approach	526,934	**525,611**
Corporate exposures	388,932	**384,760**
Sovereign exposures	1,121	**1,233**
Bank exposures	21,565	**25,780**
Residential mortgage exposures	48,946	**54,299**
Qualifying revolving retail exposures	2,152	**1,957**
Other retail exposures	24,395	**18,891**
Other exposures (Note 1)	39,819	**38,688**
Securitization exposure	45,363	**38,209**
Total (A)	580,730	**571,070**

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, 2009	**March 31, 2010**
Market-based approach	137	**81**
Simple risk weight method	137	**81**
PD/LGD approach	22,658	**27,409**
Those applicable to the transitional measure (Note 1)	33,284	**34,414**
Total (B)	56,080	**61,905**

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, 2009	**March 31, 2010**
Look-through formula	70,752	**68,451**
Modified simple majority method	3,914	**3,886**
Operational standards method	909	**899**
Simple risk weight method	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total (C)	75,575	**73,237**

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, 2009	**March 31, 2010**
Standardised approach	43,288	**40,271**
Total (D)	43,288	**40,271**

(5) Total amount of consolidated required capital

(Millions of Yen)

Classification	March 31, 2009	**March 31, 2010**
Total amount of consolidated required capital (Note 1)	591,760	**602,085**

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, 2009	**March 31, 2010**	**Average balance of exposure during the term**
Standardised approach	541,838	**508,132**	**513,978**
Loaned money, call loans, deposits, etc.	198,697	**160,502**	**158,849**
Securities	312,548	**317,104**	**319,571**
Derivative transactions	—	**—**	**—**
Off-balance sheet transactions	30,592	**30,525**	**35,557**
Commitment	—	**—**	**—**
Trusts with an agreement on compensation for principal	—	**—**	**—**
Repo-style transactions	—	**—**	**—**
Other	30,592	**30,525**	**35,557**
Internal ratings-based approach	16,176,839	**15,023,640**	**15,534,936**
Loaned money, call loans, deposits, etc.	8,704,917	**9,099,584**	**8,842,126**
Securities	3,977,212	**3,416,291**	**3,747,030**
Derivative transactions	114,707	**111,159**	**102,026**
Off-balance sheet transactions	3,380,001	**2,396,603**	**2,843,752**
Commitment	474,660	**514,990**	**542,541**
Trusts with an agreement on compensation for principal	551,286	**202,936**	**277,199**
Repo-style transactions	43,598	**27,025**	**37,781**
Other	2,310,455	**1,651,650**	**1,986,229**
Total	16,718,677	**15,531,772**	**16,048,914**

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, 2009	**March 31, 2010**
Domestic	15,252,735	**13,965,582**
Loaned money, call loans, deposits, etc.	8,656,719	**9,022,114**
Securities	3,220,101	**2,526,438**
Derivative transactions	12,406	**18,049**
Off-balance sheet transactions	3,363,509	**2,398,980**
Commitment	474,660	**514,990**
Trusts with an agreement on compensation for principal	551,281	**202,932**
Repo-style transactions	1,892	**233**
Other	2,335,674	**1,680,823**
Overseas	1,465,941	**1,566,189**
Loaned money, call loans, deposits, etc.	246,896	**237,973**
Securities	1,069,659	**1,206,957**
Derivative transactions	102,300	**93,110**
Off-balance sheet transactions	47,084	**28,148**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	4	**4**
Repo-style transactions	41,706	**26,791**
Other	5,373	**1,353**
Total	16,718,677	**15,531,772**

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, 2009	**March 31, 2010**
Sovereign	6,043,812	**5,000,734**
Central government and central bank	5,524,817	**4,571,892**
Loaned money, call loans, deposits, etc.	186,960	**214,302**
Securities	3,199,453	**2,791,092**
Derivative transactions	—	**—**
Off-balance sheet transactions	2,138,403	**1,566,497**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**4**
Repo-style transactions	—	**—**
Other	2,138,403	**1,566,493**
Local public organizations	52,557	**44,730**
Loaned money, call loans, deposits, etc.	13,849	**11,861**
Securities	640	**640**
Derivative transactions	—	**—**
Off-balance sheet transactions	38,067	**32,228**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	5,888	**4,293**
Repo-style transactions	—	**—**
Other	32,179	**27,935**
Other	466,437	**384,111**
Loaned money, call loans, deposits, etc.	210,740	**176,759**
Securities	240,674	**195,343**
Derivative transactions	—	**—**
Off-balance sheet transactions	15,023	**12,009**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	14,801	**11,793**
Repo-style transactions	—	**—**
Other	221	**216**
Financial institutions	937,640	**842,020**
Loaned money, call loans, deposits, etc.	417,397	**434,254**
Securities	368,994	**279,886**
Derivative transactions	78,294	**75,275**
Off-balance sheet transactions	72,954	**52,604**
Commitment	25,619	**24,341**
Trusts with an agreement on compensation for principal	1,519	**1,233**
Repo-style transactions	43,598	**27,025**
Other	2,216	**3**
Business corporations	6,474,831	**6,128,760**
Loaned money, call loans, deposits, etc.	5,360,758	**5,088,238**
Securities	479,999	**466,432**
Derivative transactions	36,412	**35,884**
Off-balance sheet transactions	597,660	**538,204**
Commitment	398,385	**441,466**
Trusts with an agreement on compensation for principal	47,104	**22,798**
Repo-style transactions	—	**—**
Other	152,171	**73,939**

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(continued from left column) (Millions of Yen)

Business Type	March 31, 2009	**March 31, 2010**
Individual	3,239,976	**3,533,398**
Loaned money, call loans, deposits, etc.	2,691,491	**3,307,813**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	548,484	**225,584**
Commitment	50,656	**49,182**
Trusts with an agreement on compensation for principal	481,972	**162,813**
Repo-style transactions	—	**—**
Other	15,855	**13,588**
Special international financial transaction account portion	22,416	**26,858**
Loaned money, call loans, deposits, etc.	22,416	**26,858**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Total	16,718,677	**15,531,772**

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, 2009	**March 31, 2010**
Manufacturing	1,253,486	**1,210,766**
Loaned money, call loans, deposits, etc.	1,004,321	**934,921**
Securities	47,610	**53,413**
Derivative transactions	2,646	**2,611**
Off-balance sheet transactions	198,908	**219,819**
Commitment	166,227	**193,150**
Trusts with an agreement on compensation for principal	11,650	**6,982**
Repo-style transactions	—	**—**
Other	21,030	**19,687**
Agriculture	161	**346**
Loaned money, call loans, deposits, etc.	161	**346**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Forestry	200	**—**
Loaned money, call loans, deposits, etc.	200	**—**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Fishery	5	**3**
Loaned money, call loans, deposits, etc.	5	**3**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Mining industry	7,433	**782**
Loaned money, call loans, deposits, etc.	2,208	**767**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	5,224	**15**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	5,224	**15**
Construction	157,177	**129,120**
Loaned money, call loans, deposits, etc.	124,686	**96,082**
Securities	500	**494**
Derivative transactions	70	**17**
Off-balance sheet transactions	31,920	**32,526**
Commitment	29,062	**31,518**
Trusts with an agreement on compensation for principal	1,736	**24**
Repo-style transactions	—	**—**
Other	1,121	**983**

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(continued from left column)

(Millions of Yen)

Business Type	March 31, 2009	**March 31, 2010**
Electricity, gas, heating, water	212,667	**180,404**
Loaned money, call loans, deposits, etc.	149,374	**175,912**
Securities	—	**—**
Derivative transactions	14	**8**
Off-balance sheet transactions	63,277	**4,483**
Commitment	60,807	**4,407**
Trusts with an agreement on compensation for principal	2,469	**76**
Repo-style transactions	—	**—**
Other	0	**0**
Information communications	50,865	**41,763**
Loaned money, call loans, deposits, etc.	43,064	**35,606**
Securities	2,965	**2,026**
Derivative transactions	42	**11**
Off-balance sheet transactions	4,793	**4,119**
Commitment	4,729	**4,060**
Trusts with an agreement on compensation for principal	46	**42**
Repo-style transactions	—	**—**
Other	18	**17**
Transportation	639,378	**657,170**
Loaned money, call loans, deposits, etc.	549,723	**548,966**
Securities	39,117	**33,573**
Derivative transactions	2,324	**2,146**
Off-balance sheet transactions	48,213	**72,484**
Commitment	40,074	**67,585**
Trusts with an agreement on compensation for principal	6,283	**3,748**
Repo-style transactions	—	**—**
Other	1,855	**1,150**
Wholesale and retail	577,444	**549,872**
Loaned money, call loans, deposits, etc.	522,047	**490,511**
Securities	18,159	**18,308**
Derivative transactions	1,418	**783**
Off-balance sheet transactions	35,819	**40,268**
Commitment	22,323	**23,607**
Trusts with an agreement on compensation for principal	2,493	**3,178**
Repo-style transactions	—	**—**
Other	11,002	**13,482**
Finance and insurance	1,228,002	**1,245,943**
Loaned money, call loans, deposits, etc.	1,110,919	**1,192,029**
Securities	240	**—**
Derivative transactions	26,865	**27,800**
Off-balance sheet transactions	89,977	**26,114**
Commitment	16,587	**18,642**
Trusts with an agreement on compensation for principal	4,409	**7,306**
Repo-style transactions	—	**—**
Other	68,980	**165**
Real estate	1,510,789	**1,322,545**
Loaned money, call loans, deposits, etc.	1,292,189	**1,124,041**
Securities	141,102	**112,196**
Derivative transactions	2,074	**1,696**
Off-balance sheet transactions	75,423	**84,610**
Commitment	38,488	**63,969**
Trusts with an agreement on compensation for principal	14,942	**230**
Repo-style transactions	—	**—**
Other	21,992	**20,409**

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(continued from p. 147)

(Millions of Yen)

Business Type	March 31, 2009	**March 31, 2010**
Various services	440,573	**383,640**
Loaned money, call loans, deposits, etc.	356,359	**295,898**
Securities	52,695	**42,973**
Derivative transactions	422	**342**
Off-balance sheet transactions	31,095	**44,426**
Commitment	10,872	**27,403**
Trusts with an agreement on compensation for principal	3,073	**1,210**
Repo-style transactions	—	**—**
Other	17,149	**15,813**
Other	396,644	**406,400**
Loaned money, call loans, deposits, etc.	205,496	**193,149**
Securities	177,608	**203,447**
Derivative transactions	532	**467**
Off-balance sheet transactions	13,006	**9,336**
Commitment	9,210	**7,122**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	3,796	**2,214**
Total	6,474,831	**6,128,760**

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, 2009	**March 31, 2010**
1 year or shorter	6,119,156	**5,847,864**
Loaned money, call loans, deposits, etc.	2,981,441	**3,020,028**
Securities	618,627	**946,115**
Derivative transactions	32,190	**30,955**
Off-balance sheet transactions	2,486,896	**1,850,765**
Commitment	155,700	**198,588**
Trusts with an agreement on compensation for principal	46,558	**30,838**
Repo-style transactions	43,598	**27,025**
Other	2,241,037	**1,594,312**
Over 1 year to 3 years or shorter	3,312,769	**2,559,377**
Loaned money, call loans, deposits, etc.	1,627,744	**1,505,791**
Securities	1,480,297	**834,091**
Derivative transactions	4,407	**3,481**
Off-balance sheet transactions	200,321	**216,011**
Commitment	188,470	**212,821**
Trusts with an agreement on compensation for principal	9,346	**1,092**
Repo-style transactions	—	**—**
Other	2,504	**2,097**
Over 3 years to 5 years or shorter	2,377,681	**1,949,931**
Loaned money, call loans, deposits, etc.	1,059,149	**935,710**
Securities	1,207,793	**968,606**
Derivative transactions	1,463	**5,777**
Off-balance sheet transactions	109,275	**39,838**
Commitment	89,172	**34,741**
Trusts with an agreement on compensation for principal	16,689	**3,219**
Repo-style transactions	—	**—**
Other	3,412	**1,877**
Over 5 years to 7 years or shorter	606,746	**559,192**
Loaned money, call loans, deposits, etc.	344,238	**313,971**
Securities	212,536	**218,317**
Derivative transactions	4,827	**3,854**
Off-balance sheet transactions	45,144	**23,047**
Commitment	11,798	**9,372**
Trusts with an agreement on compensation for principal	24,621	**6,555**
Repo-style transactions	—	**—**
Other	8,724	**7,119**
Over 7 years	4,053,955	**4,373,424**
Loaned money, call loans, deposits, etc.	2,798,626	**3,387,899**
Securities	770,506	**766,264**
Derivative transactions	71,817	**67,091**
Off-balance sheet transactions	413,005	**152,168**
Commitment	11,125	**44,023**
Trusts with an agreement on compensation for principal	319,400	**33,982**
Repo-style transactions	—	**—**
Other	82,480	**74,162**

(continues to right column)

(continued from left column) (Millions of Yen)

Remaining Period	March 31, 2009	**March 31, 2010**
With no provision for period	248,366	**241,983**
Loaned money, call loans, deposits, etc.	92,415	**96,686**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	155,951	**145,297**
Commitment	18,393	**15,443**
Trusts with an agreement on compensation for principal	134,669	**127,248**
Repo-style transactions	—	**—**
Other	2,888	**2,605**
Total	16,718,677	**15,531,772**

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, 2009 Domestic	March 31, 2009 Overseas	March 31, 2009 Total	**March 31, 2010** Domestic	**March 31, 2010** Overseas	**March 31, 2010** Total
Exposures three months or longer overdue (those applying to standardised approach)	107	—	107	**3**	**—**	**3**
Exposures in default (those applying to the internal ratings-based approach)	151,341	7,033	158,375	**128,737**	**5,306**	**134,043**
Total	151,449	7,033	158,482	**128,740**	**5,306**	**134,046**

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, 2009	**March 31, 2010**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	107	**3**
Manufacturing	105	**1**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	0	**0**
Electricity, gas, heating, water	—	**—**
Information communications	—	**0**
Transportation	—	**—**
Wholesale and retail	0	**—**
Finance and insurance	—	**—**
Real estate	—	**—**
Various services	1	**0**
Other	—	**0**
Individual	—	**—**
Special international financial transaction account portion	—	**—**
Total	107	**3**

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, 2009	**March 31, 2010**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	5,000	**5,000**
Business corporations	120,136	**94,365**
Manufacturing	7,660	**3,380**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	10,105	**6,916**
Electricity, gas, heating, water	158	**231**
Information communications	72	**3,298**
Transportation	2,376	**1,599**
Wholesale and retail	8,609	**7,595**
Finance and insurance	831	**6,208**
Real estate	79,597	**58,920**
Various services	8,190	**6,215**
Other	2,534	**—**
Individual	32,885	**34,371**
Special international financial transaction account portion	353	**306**
Total	158,375	**134,043**

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	FY2008		**FY2009**	
	Term end Balance	Variance during Term	Term end Balance	Variance during Term
General reserve for possible loan losses	31,744	(19,663)	**29,197**	**(2,547)**
Respective reserve for possible loan losses (-)	29,750	11,661	**24,156**	**(5,594)**
Domestic	25,206	10,269	**19,906**	**(5,300)**
Overseas	4,544	1,392	**4,250**	**(294)**
Specified overseas receivables reserve account	26	(12)	**56**	**30**
Total	61,521	(8,013)	**53,410**	**(8,111)**

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	FY2008		**FY2009**	
	Term end Balance	Variance during Term	Term end Balance	Variance during Term
Sovereign	—	—	**—**	**—**
Central government and central bank	—	—	**—**	**—**
Local public body	—	—	**—**	**—**
Other	—	—	**—**	**—**
Financial institutions	4,544	4,544	**4,250**	**(294)**
Business corporations	22,475	7,212	**15,797**	**(6,678)**
Manufacturing	3,193	(25)	**354**	**(2,838)**
Agriculture	—	—	**—**	**—**
Forestry	—	—	**—**	**—**
Fishery	—	—	**—**	**—**
Mining industry	—	—	**—**	**—**
Construction	2,622	1,111	**872**	**(1,750)**
Electricity, gas, heating, water	—	—	**—**	**—**
Information communications	57	(521)	**3,282**	**3,224**
Transportation	340	(243)	**48**	**(291)**
Wholesale and retail	1,639	4	**787**	**(852)**
Finance and insurance	30	(2,833)	**45**	**14**
Real estate	10,802	10,556	**7,811**	**(2,990)**
Various services	3,788	(718)	**2,594**	**(1,194)**
Other	0	(116)	**0**	**0**
Individual	2,731	(95)	**4,109**	**1,377**
Special international financial transaction account portion	—	—	**—**	**—**
Total	29,750	11,661	**24,156**	**(5,594)**

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 FY2008	**Amount of loan amortized for FY2009**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	21,455	**9,669**
Manufacturing	3,721	**287**
Agriculture	3	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	2,614	**1,222**
Electricity, gas, heating, water	—	**—**
Information communications	603	**26**
Transportation	346	**28**
Wholesale and retail	3,336	**993**
Finance and insurance	3	**39**
Real estate	9,415	**6,187**
Various services	1,409	**885**
Other	—	**—**
Individual	2,598	**2,783**
Special international financial transaction account portion	—	**—**
Total	24,054	**12,452**

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, 2009	Rating applicable	Rating not applicable (Note)	**March 31, 2010**	Rating applicable	Rating not applicable (Note)
0%	377,146	4	377,142	**371,711**	**3**	**371,708**
Over 0% to 10%	54	—	54	**10,048**	**—**	**10,048**
Over 10% to 35%	138,880	2,753	136,126	**105,401**	**2,901**	**102,500**
Over 35% to 75%	420	—	420	**273**	**—**	**273**
Over 75% to 100%	25,228	—	25,228	**20,693**	**—**	**20,693**
Over 100% to 150%	107	—	107	**3**	**—**	**3**
Capital deduction	—	—	—	**—**	**—**	**—**
Total	541,838	2,757	539,080	**508,132**	**2,904**	**505,228**

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, 2009	**March 31, 2010**
0%	16,718	**19,739**
50%	268,908	**176,472**
70%	334,018	**280,057**
90%	22,053	**28,303**
115%	12,694	**11,283**
250%	35,120	**30,767**
Total	689,513	**546,623**

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, 2009	**March 31, 2010**
300%	—	**29**
400%	404	**217**
Total	404	**247**

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, 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%	4,514,612	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

(Millions of Yen)

Classification	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
	March 31, 2010				
Normal *(seijou-saki)*	**0.52%**	**44.11%**	**55.10%**	**4,638,582**	**506,684**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**8.31%**	**41.39%**	**161.66%**	**300,176**	**32,200**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**41.25%**		**84,457**	**22,455**
Total	**2.89%**	**43.89%**	**60.39%**	**5,023,216**	**561,340**

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	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
	March 31, 2009				
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

(Millions of Yen)

Classification	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
	March 31, 2010				
Normal *(seijou-saki)*	**0.00%**	**44.96%**	**0.31%**	**3,040,670**	**1,580,209**
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%**	**0.31%**	**3,040,670**	**1,580,216**

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	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
	March 31, 2009				
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

(Millions of Yen)

Classification	March 31, 2010			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)*	**0.22%**	**44.40%**	**38.85%**	**592,834**	**127,879**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**12.33%**	**45.00%**	**217.13%**	**806**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**5,000**	**—**
Total	**0.92%**	**44.41%**	**38.78%**	**598,640**	**127,879**

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, 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)*	0.30%	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	—

(Millions of Yen)

Classification	March 31, 2010			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)*	**0.54%**	**90.00%**	**172.28%**	**179,209**	**—**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**7.38%**	**90.00%**	**433.48%**	**136**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**90.00%**		**1,006**	**—**
Total	**1.10%**	**90.00%**	**171.52%**	**180,353**	**—**

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, 2009			March 31, 2010		
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
45.19%	208,313	851	**53.12%**	**159,010**	**490**

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, 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	—	—
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%

(Millions of Yen)

Types of exposure	**March 31, 2010**						
				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%**	**14.98%**	**2,935,219**	**167,384**	**3,210**	**100.00%**
Delinquent	**28.76%**	**34.11%**	**208.93%**	**31,655**	**141**	**23**	**100.00%**
Default	**100.00%**	**31.86%**	**43.05%**	**17,662**	**83**	**—**	**—**
Consumer loan							
Not delinquent	**0.96%**	**72.09%**	**45.93%**	**49,291**	**45,705**	**150,446**	**30.32%**
Delinquent	**27.78%**	**69.69%**	**195.41%**	**1,586**	**170**	**550**	**30.99%**
Default	**100.00%**	**57.59%**	**12.38%**	**4,186**	**58**	**205**	**28.47%**
Business type loan							
Not delinquent	**1.48%**	**36.84%**	**36.70%**	**136,497**	**2,580**	**94**	**100.00%**
Delinquent	**38.75%**	**42.09%**	**79.79%**	**2,788**	**1**	**1**	**100.00%**
Default	**100.00%**	**66.13%**	**—**	**10,641**	**5**	**5**	**100.00%**
Other							
Not delinquent	**1.04%**	**21.40%**	**27.71%**	**827**	**945**	**141**	**100.00%**
Delinquent	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Default	**100.00%**	**91.74%**	**—**	**102**	**22**	**22**	**100.00%**
Total	**1.56%**	**35.44%**	**18.79%**	**3,190,460**	**217,098**	**154,700**	**31.90%**

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 FY2008	**Actual loss amount for FY2009**	Comparison with actual loss amount for previous year
Corporate exposures	41,936	**25,741**	**(16,194)**
Sovereign exposures	—	**—**	**—**
Bank exposures	12,542	**4,250**	**(8,292)**
Equity exposures applicable to the PD/LGD approach	—	**191**	**191**
Residential mortgage exposures	1,770	**3,623**	**1,853**
Qualifying revolving retail exposures	0	**88**	**87**
Other retail exposures	2,955	**5,574**	**2,619**
Total	59,204	**39,469**	**(19,734)**

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 FY2009, increased by 19.7 billion yen compared to FY2008.

This was primarily attributable to a reduction in losses associated with domestic corporate exposures and foreign bank exposures.

Estimated value of loss amount of portfolio applicable to the internal ratings-based approach

(Millions of Yen)

Classification	Actual value of loss amount for FY2009	**Estimated value of loss amount for FY2010**
Corporate exposures	80,468	**67,056**
Sovereign exposures	42	**56**
Bank exposures	2,629	**3,035**
Equity exposures applicable to the PD/LGD approach	487	**1,761**
Residential mortgage exposures	9,862	**11,167**
Qualifying revolving retail exposures	1,247	**1,206**
Other retail exposures	15,984	**11,534**
Total	110,722	**95,818**

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, 2009 and 2010 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, 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

(Millions of Yen)

Classification	March 31, 2010			
	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	**1,717,107**	**6,131**	**587,113**	**37,674**
Corporate exposures	**12,252**	**6,131**	**570,346**	**37,674**
Sovereign exposures	**—**	**—**	**16,766**	**—**
Bank exposures	**1,704,855**	**—**	**—**	**—**
Total	**1,717,107**	**6,131**	**587,113**	**37,674**

Amount of Exposure to which Guarantees and Credit Derivatives Have Been Applied

(Millions of Yen)

Classification	March 31, 2009		March 31, 2010	
	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	95,096	—	**101,516**	**—**
Corporate exposures	43,704	—	**55,596**	**—**
Sovereign exposures	5,619	—	**3,527**	**—**
Bank exposures	45,772	—	**42,392**	**—**
Total	95,096	—	**101,516**	**—**

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, 2009	March 31, 2010
Total gross reconstruction cost amount	225,119	**195,379**

(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, 2009	March 31, 2010
Credit equivalents before taking into consideration the effect of credit risk reduction method by collateral	96,646	**93,163**
Of which, those corresponding to foreign exchange related transactions	47,227	**48,591**
Of which, those corresponding to interest rate related transactions	261,730	**229,678**
Of which, those corresponding to other transactions	—	**724**
Of which, those corresponding to the effect of credit risk reduction via collective liquidation netting contracts (loss)	212,311	**185,830**

(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, 2009	March 31, 2010
Total amount as indicated in (2) and gross add-on total minus the amount as indicated in (3)	212,311	**185,830**

(5) Amount by type of collateral

(Millions of Yen)

Classification of acceptance or provision	Type of collateral	March 31, 2009	**March 31, 2010**
Accepted collateral	Government bonds	7,991	**3,205**
	Domestic stocks	—	**—**
	US bonds	—	**—**
	Cash	3,870	**3,605**
	Other	—	**—**
Total		11,861	**6,810**
Deposited collateral	Government bonds	25,830	**24,293**
	Domestic stocks	13,176	**17,343**
	US bonds	1,979	**1,098**
	Cash	48	**313**
	Other	—	**—**
Total		41,034	**43,049**

Notes:
1. Amount of collateral is indicated at market value.
2. Of deposited collateral, ¥21,973 million (at March 31, 2009) and ¥25,072 million (at March 31, 2010) 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, 2009	**March 31, 2010**
Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral	90,007	**89,560**

(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, 2009 predicted principal	**March 31, 2010 predicted principal**
Protection purchase	Credit default swap	—	**—**
	Credit linked notes	—	**—**
	Other	—	**—**
Total		—	**—**
Protection provision	Credit default swap	10,000	**15,000**
	Credit linked notes	63,000	**63,000**
	Other	5,000	**—**
Total		78,000	**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, 2009	**March 31, 2010**
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, 2009	**March 31, 2010**
Amount of original assets of asset transfer-type securitization transactions	587,180	**506,175**
Residential mortgage	587,180	**506,175**
Other	—	**—**
Amount of original assets of synthetic-type securitization transactions	—	**—**
Residential mortgage	—	**—**
Other	—	**—**
Total amount of original assets	587,180	**506,175**

(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, 2009		**March 31, 2010**	
	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	2,250	414	**1,800**	**202**
Residential mortgage	2,250	414	**1,800**	**202**
Other	—	—	**—**	**—**
Total	2,250	414	**1,800**	**202**

(3) Amount of securitization exposure held and breakdown by type of these primary original assets

(Millions of Yen)

Type of original assets	March 31, 2009	**March 31, 2010**
	Amount of exposure	Amount of exposure
Residential mortgage	195,331	**190,459**
Other	—	**—**
Total	195,331	**190,459**

(4) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2009		**March 31, 2010**	
	Balance	Required capital	Balance	Required capital
Less than 20%	—	—	**—**	**—**
20% to less than 50%	—	—	**—**	**—**
50% to less than 100%	195,331	12,722	**190,459**	**11,468**
100% to less than 350%	—	—	**—**	**—**
Capital deduction	2,682	2,682	**2,682**	**2,682**
Total	198,014	15,405	**193,142**	**14,151**

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, 2009	**March 31, 2010**
Residential mortgage	26,681	**20,401**
Other	—	**—**
Total	26,681	**20,401**

(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, 2009	**March 31, 2010**
Residential mortgage	—	**—**
Other	2,682	**2,745**
Total	2,682	**2,745**

(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, 2009	**March 31, 2010**
Residential mortgage backed securities (RMBS)	102,119	**90,126**
Multi-borrower type commercial-use real estate backed securities (MCMBS)	—	**—**
Debt collateral certificate using credit derivative (Synthetic CDO)	2,153	**4,111**
First to default type credit linked notes (CLN)	40,935	**51,278**
Collateralized Loan Obligation (CLO)	5	**970**
Securitization of business (WBS)	35,051	**20,383**
Asset-backed securities of monetary receivables such as installment receivables (ABS)	11,201	**7,534**
Total	191,465	**174,405**

(2) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2009		**March 31, 2010**	
	Balance	Required capital amount	Balance	Required capital amount
Less than 20%	105,224	653	**92,530**	**571**
20% to less than 50%	86,241	2,489	**48,959**	**1,368**
50% to less than 100%	—	—	**28,553**	**1,210**
100% to less than 350%	—	—	**4,111**	**348**
350% to less than 1250%	—	—	**249**	**95**
Capital deduction	—	—	**—**	**—**
Total	191,465	3,143	**174,405**	**3,594**

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, 2009	**March 31, 2010**
Residential mortgage	—	**—**
Other	—	**63**
Total	—	**63**

(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, 2009		**March 31, 2010**	
	Amount posted on consolidated balance sheet	Market value	Amount posted on consolidated balance sheet	Market value
Listed equity exposures	449,953	449,953	**546,986**	**546,986**
Equity exposures other than above	113,235		**110,391**	
Total	563,188		**657,377**	

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, 2009	**March 31, 2010**
Profit/loss on sale	(102,503)	**14,477**
Amortization loss (–)	78,472	**2,238**
Total	(180,975)	**12,238**

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, 2009	**March 31, 2010**
Amount of appraisal profit/loss recognized on consolidated balance sheet and not recognized on consolidated profit and loss statements	(32,116)	**73,006**

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, 2009	**March 31, 2010**
Listed equity exposures	303,681	**315,350**
Equity exposures other than above	86,083	**83,188**
Total	389,764	**398,539**

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, 2009	March 31, 2010
Listed equity exposures	—	**—**
Equity exposures other than above	496	**488**
Total	496	**488**

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, 2009	March 31, 2010
Profit/loss on sale	—	**—**
Amortization loss (–)	—	**—**
Total	—	**—**

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, 2009	March 31, 2010
Listed equity exposures	—	**—**
Equity exposures other than above	496	**488**
Total	496	**488**

Exposure Relating to Funds

(Millions of Yen)

Calculation Method	March 31, 2009	March 31, 2010
Exposure applicable to look-through formula is applicable (Note 1)	398,419	**372,392**
Exposure applicable to modified simple majority method is applicable (Note 2)	12,809	**13,024**
Exposure applicable to investment criteria formula is applicable (Note 3)	3,309	**2,843**
Exposure applicable to simple risk weight method is applicable (Note 4)	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total	414,538	**388,260**

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, 2009	March 31, 2010
Variation amount of profit/loss or economic value from interest rate shock	107,803	**64,909**

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.)

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Reference

Basel II Related Data

The Chuo Mitsui Trust and Banking Company, Limited
Table of Contents

Consolidated Data

Means of Capital Procurement

Common 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, 2010)
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, 2009	**March 31, 2010**
Tier I capital		
Capital stock	399,697	**399,697**
Non-cumulative perpetual preferred stock of above	181,625	**—**
New stock application margin	—	**—**
Capital surplus	149,011	**149,011**
Retained earnings	94,767	**142,307**
Treasury stock (-)	—	**—**
Treasury stock application margin	—	**—**
Projected amount of distributed income (-)	—	**9,501**
Evaluation loss on other securities (-)	—	**—**
Foreign currency translation adjustment	(2,045)	**(1,738)**
Stock acquisition rights	—	**—**
Minority interests of consolidated subsidiaries, etc.	3,171	**3,378**
Non-dilutive preferred securities issued by overseas SPCs among above	—	**—**
Trade right equivalent amount (-)	—	**—**
Goodwill equivalent amount (-)	8,261	**7,555**
Intangible fixed asset equivalent posted by corporate consolidation, etc. (-)	—	**—**
Amount equivalent to capital increase due to securitization transactions (-)	26,681	**20,401**
Amount equivalent to 50% of the amount exceeding the expected loss amount from the qualifying reserve (-)	14,368	**13,600**
Total tier I capital before deduction of deferred tax assets (total amount of above respective items)	595,292	**641,598**
Amount of deferred tax assets deducted (-)	72,114	**14,176**
Total Tier I capital (A)	523,117	**627,422**
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.	267,070	**319,250**
Perpetual subordinated bonds of above (Note 5)	119,570	**116,750**
Fixed-term subordinated bonds and fixed-term preferred stock (Note 6)	147,500	**202,500**
Amount not calculated into Tier II capital (-)	—	**—**
Total Tier II capital (C)	267,070	**319,251**
Items for deduction (Note 7) (D)	21,783	**22,986**
Capital Amount (E) = (A) + (C) – (D)	768,464	**923,687**
<For Reference>		
Risk weighted assets, etc.		
Credit risk weighted asset amount	6,764,222	**6,943,353**
Asset (on-balance sheet) items	6,000,452	**6,296,411**
Off-balance sheet transaction items	763,770	**646,941**
Amount arrived at by dividing operational risk equivalents by 8%	425,754	**390,445**
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)	7,189,977	**7,333,798**
Consolidated Capital Adequacy Ratio (Domestic Standard) = (E)/(F) x 100	10.68%	**12.59%**
(A)/(F) x 100	7.27%	**8.55%**
(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, 2010, 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 12.60% (Tier I ratio: 8.38%)

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, 2009	**March 31, 2010**
Portfolio applicable to the standardised approach	3,669	**3,155**
Business units under the standardised approach	2,708	**2,557**
Assets under the standardised approach	961	**597**
Portfolio applicable to the internal ratings-based approach	525,328	**525,462**
Corporate exposures	388,929	**384,755**
Sovereign exposures	1,121	**1,233**
Bank exposures	21,565	**25,780**
Residential mortgage exposures	48,946	**54,299**
Qualifying revolving retail exposures	2,152	**1,957**
Other retail exposures	24,395	**18,891**
Other exposures (Note 1)	38,217	**38,543**
Securitization exposure	45,363	**38,209**
Total (A)	574,362	**566,827**

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, 2009	**March 31, 2010**
Market-based approach	137	**81**
Simple risk weight method	137	**81**
PD/LGD approach	22,618	**27,367**
Those applicable to the transitional measure (Note 1)	33,177	**34,307**
Total (B)	55,933	**61,756**

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, 2009	**March 31, 2010**
Look-through formula	69,876	**67,580**
Modified simple majority method	3,914	**3,883**
Operational standards method	906	**898**
Simple risk weight method	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total (C)	74,697	**72,361**

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, 2009	**March 31, 2010**
Standardised approach	34,060	**31,235**
Total (D)	34,060	**31,235**

(5) Total amount of consolidated required capital

(Millions of Yen)

Classification	March 31, 2009	**March 31, 2010**
Total amount of consolidated required capital (Note 1)	575,198	**586,703**

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, 2009	**March 31, 2010**	**Average balance of exposure during the term**
Standardised approach	20,344	**14,407**	**19,565**
Loaned money, call loans, deposits, etc.	20,219	**14,271**	**19,431**
Securities	125	**136**	**134**
Derivative transactions	—	**—**	**—**
Off-balance sheet transactions	—	**—**	**—**
Commitment	—	**—**	**—**
Trusts with an agreement on compensation for principal	—	**—**	**—**
Repo-style transactions	—	**—**	**—**
Other	—	**—**	**—**
Internal ratings-based approach	16,173,777	**15,021,458**	**15,532,009**
Loaned money, call loans, deposits, etc.	8,701,856	**9,097,403**	**8,839,199**
Securities	3,977,212	**3,416,291**	**3,747,030**
Derivative transactions	114,707	**111,159**	**102,026**
Off-balance sheet transactions	3,380,001	**2,396,603**	**2,843,752**
Commitment	474,660	**514,990**	**542,541**
Trusts with an agreement on compensation for principal	551,286	**202,936**	**277,199**
Repo-style transactions	43,598	**27,025**	**37,781**
Other	2,310,455	**1,651,650**	**1,986,229**
Total	16,194,122	**15,035,866**	**15,551,574**

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, 2009	**March 31, 2010**
Domestic	14,728,168	**13,469,665**
Loaned money, call loans, deposits, etc.	8,475,166	**8,873,690**
Securities	2,907,678	**2,209,470**
Derivative transactions	12,406	**18,049**
Off-balance sheet transactions	3,332,917	**2,368,455**
Commitment	474,660	**514,990**
Trusts with an agreement on compensation for principal	551,281	**202,932**
Repo-style transactions	1,892	**233**
Other	2,305,082	**1,650,297**
Overseas	1,465,954	**1,566,201**
Loaned money, call loans, deposits, etc.	246,909	**237,984**
Securities	1,069,659	**1,206,957**
Derivative transactions	102,300	**93,110**
Off-balance sheet transactions	47,084	**28,148**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	4	**4**
Repo-style transactions	41,706	**26,791**
Other	5,373	**1,353**
Total	16,194,122	**15,035,866**

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, 2009	**March 31, 2010**
Sovereign	5,664,364	**4,617,294**
Central government and central bank	5,148,901	**4,199,008**
Loaned money, call loans, deposits, etc.	153,456	**188,379**
Securities	2,887,030	**2,474,124**
Derivative transactions	—	**—**
Off-balance sheet transactions	2,108,414	**1,536,504**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**4**
Repo-style transactions	—	**—**
Other	2,108,414	**1,536,500**
Local public organizations	51,953	**44,197**
Loaned money, call loans, deposits, etc.	13,849	**11,861**
Securities	640	**640**
Derivative transactions	—	**—**
Off-balance sheet transactions	37,464	**31,695**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	5,888	**4,293**
Repo-style transactions	—	**—**
Other	31,575	**27,402**
Other	463,508	**374,087**
Loaned money, call loans, deposits, etc.	207,811	**166,734**
Securities	240,674	**195,343**
Derivative transactions	—	**—**
Off-balance sheet transactions	15,023	**12,009**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	14,801	**11,793**
Repo-style transactions	—	**—**
Other	221	**216**
Financial institutions	803,109	**740,527**
Loaned money, call loans, deposits, etc.	282,866	**332,761**
Securities	368,994	**279,886**
Derivative transactions	78,294	**75,275**
Off-balance sheet transactions	72,954	**52,604**
Commitment	25,619	**24,341**
Trusts with an agreement on compensation for principal	1,519	**1,233**
Repo-style transactions	43,598	**27,025**
Other	2,216	**3**
Business corporation	6,464,255	**6,117,788**
Loaned money, call loans, deposits, etc.	5,350,182	**5,077,265**
Securities	479,999	**466,432**
Derivative transactions	36,412	**35,884**
Off-balance sheet transactions	597,660	**538,204**
Commitment	398,385	**441,466**
Trusts with an agreement on compensation for principal	47,104	**22,798**
Repo-style transactions	—	**—**
Other	152,171	**73,939**
Individual	3,239,976	**3,533,398**
Loaned money, call loans, deposits, etc.	2,691,491	**3,307,813**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	548,484	**225,584**
Commitment	50,656	**49,182**
Trusts with an agreement on compensation for principal	481,972	**162,813**
Repo-style transactions	—	**—**
Other	15,855	**13,588**
Special international financial transaction account portion	22,416	**26,858**
Loaned money, call loans, deposits, etc.	22,416	**26,858**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Total	16,194,122	**15,035,866**

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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, 2009	**March 31, 2010**
Manufacturing	1,253,443	**1,210,726**
Loaned money, call loans, deposits, etc.	1,004,278	**934,881**
Securities	47,610	**53,413**
Derivative transactions	2,646	**2,611**
Off-balance sheet transactions	198,908	**219,819**
Commitment	166,227	**193,150**
Trusts with an agreement on compensation for principal	11,650	**6,982**
Repo-style transactions	—	**—**
Other	21,030	**19,687**
Agriculture	161	**346**
Loaned money, call loans, deposits, etc.	161	**346**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Forestry	200	**—**
Loaned money, call loans, deposits, etc.	200	**—**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Fishery	5	**3**
Loaned money, call loans, deposits, etc.	5	**3**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Mining industry	7,433	**782**
Loaned money, call loans, deposits, etc.	2,208	**767**
Securities	—	**—**
Derivative transactions	—	**0**
Off-balance sheet transactions	5,224	**15**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	5,224	**15**
Construction	157,177	**129,120**
Loaned money, call loans, deposits, etc.	124,686	**96,082**
Securities	500	**494**
Derivative transactions	70	**17**
Off-balance sheet transactions	31,920	**32,526**
Commitment	29,062	**31,518**
Trusts with an agreement on compensation for principal	1,736	**24**
Repo-style transactions	—	**—**
Other	1,121	**983**
Electricity, gas, heating, water	212,667	**180,404**
Loaned money, call loans, deposits, etc.	149,374	**175,912**
Securities	—	**—**
Derivative transactions	14	**8**
Off-balance sheet transactions	63,277	**4,483**
Commitment	60,807	**4,407**
Trusts with an agreement on compensation for principal	2,469	**76**
Repo-style transactions	—	**—**
Other	0	**0**
Information communications	50,864	**41,762**
Loaned money, call loans, deposits, etc.	43,062	**35,605**
Securities	2,965	**2,026**
Derivative transactions	42	**11**
Off-balance sheet transactions	4,793	**4,119**
Commitment	4,729	**4,060**
Trusts with an agreement on compensation for principal	46	**42**
Repo-style transactions	—	**—**
Other	18	**17**
Transportation	639,229	**657,020**
Loaned money, call loans, deposits, etc.	549,574	**548,817**
Securities	39,117	**33,573**
Derivative transactions	2,324	**2,146**
Off-balance sheet transactions	48,213	**72,484**
Commitment	40,074	**67,585**
Trusts with an agreement on compensation for principal	6,283	**3,748**
Repo-style transactions	—	**—**
Other	1,855	**1,150**
Wholesale and retail	577,444	**549,872**
Loaned money, call loans, deposits, etc.	522,047	**490,511**
Securities	18,159	**18,308**
Derivative transactions	1,418	**783**
Off-balance sheet transactions	35,819	**40,268**
Commitment	22,323	**23,607**
Trusts with an agreement on compensation for principal	2,493	**3,178**
Repo-style transactions	—	**—**
Other	11,002	**13,482**
Finance and insurance	1,227,868	**1,245,801**
Loaned money, call loans, deposits, etc.	1,110,785	**1,191,887**
Securities	240	**—**
Derivative transactions	26,865	**27,800**
Off-balance sheet transactions	89,977	**26,114**
Commitment	16,587	**18,642**
Trusts with an agreement on compensation for principal	4,409	**7,306**
Repo-style transactions	—	**—**
Other	68,980	**165**
Real estate	1,509,892	**1,321,634**
Loaned money, call loans, deposits, etc.	1,291,291	**1,123,130**
Securities	141,102	**112,196**
Derivative transactions	2,074	**1,696**
Off-balance sheet transactions	75,423	**84,610**
Commitment	38,488	**63,969**
Trusts with an agreement on compensation for principal	14,942	**230**
Repo-style transactions	—	**—**
Other	21,992	**20,409**

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(Millions of Yen)

Business Type	March 31, 2009	March 31, 2010
Various services	440,508	**383,566**
Loaned money, call loans, deposits, etc.	356,294	**295,824**
Securities	52,695	**42,973**
Derivative transactions	422	**342**
Off-balance sheet transactions	31,095	**44,426**
Commitment	10,872	**27,403**
Trusts with an agreement on compensation for principal	3,073	**1,210**
Repo-style transactions	—	**—**
Other	17,149	**15,813**
Other	387,357	**396,745**
Loaned money, call loans, deposits, etc.	196,210	**183,494**
Securities	177,608	**203,447**
Derivative transactions	532	**467**
Off-balance sheet transactions	13,006	**9,336**
Commitment	9,210	**7,122**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	3,796	**2,214**
Total	6,464,255	**6,117,788**

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, 2009	**March 31, 2010**
1 year or shorter	5,597,089	**5,400,352**
Loaned money, call loans, deposits, etc.	2,801,777	**2,872,810**
Securities	306,213	**675,813**
Derivative transactions	32,190	**30,955**
Off-balance sheet transactions	2,456,907	**1,820,772**
Commitment	155,700	**198,588**
Trusts with an agreement on compensation for principal	46,558	**30,838**
Repo-style transactions	43,598	**27,025**
Other	2,211,049	**1,564,320**
Over 1 year to 3 years or less	3,312,718	**2,512,601**
Loaned money, call loans, deposits, etc.	1,627,701	**1,505,682**
Securities	1,480,288	**787,425**
Derivative transactions	4,407	**3,481**
Off-balance sheet transactions	200,321	**216,011**
Commitment	188,470	**212,821**
Trusts with an agreement on compensation for principal	9,346	**1,092**
Repo-style transactions	—	**—**
Other	2,504	**2,097**
Over 3 years to 5 years or shorter	2,377,533	**1,949,852**
Loaned money, call loans, deposits, etc.	1,059,001	**935,631**
Securities	1,207,793	**968,606**
Derivative transactions	1,463	**5,777**
Off-balance sheet transactions	109,275	**39,838**
Commitment	89,172	**34,741**
Trusts with an agreement on compensation for principal	16,689	**3,219**
Repo-style transactions	—	**—**
Other	3,412	**1,877**
Over 5 years to 7 years or shorter	606,746	**559,192**
Loaned money, call loans, deposits, etc.	344,238	**313,971**
Securities	212,536	**218,317**
Derivative transactions	4,827	**3,854**
Off-balance sheet transactions	45,144	**23,047**
Commitment	11,798	**9,372**
Trusts with an agreement on compensation for principal	24,621	**6,555**
Repo-style transactions	—	**—**
Other	8,724	**7,119**
Over 7 years	4,053,352	**4,372,891**
Loaned money, call loans, deposits, etc.	2,798,626	**3,387,899**
Securities	770,506	**766,264**
Derivative transactions	71,817	**67,091**
Off-balance sheet transactions	412,401	**151,635**
Commitment	11,125	**44,023**
Trusts with an agreement on compensation for principal	319,400	**33,982**
Repo-style transactions	—	**—**
Other	81,876	**73,630**

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(Millions of Yen)

Remaining Period	March 31, 2009	**March 31, 2010**
With no provision for period	246,681	**240,975**
Loaned money, call loans, deposits, etc.	90,730	**95,678**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	155,951	**145,297**
Commitment	18,393	**15,443**
Trusts with an agreement on compensation for principal	134,669	**127,248**
Repo-style transactions	—	**—**
Other	2,888	**2,605**
Total	16,194,122	**15,035,866**

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, 2009 Domestic	March 31, 2009 Overseas	March 31, 2009 Total	**March 31, 2010** Domestic	**March 31, 2010** Overseas	**March 31, 2010** Total
Exposures three months or longer overdue (Those applicable to the standardised approach)	107	—	107	**3**	**—**	**3**
Exposures in default (Those applicable to the internal ratings-based approach)	151,341	7,033	158,375	**128,737**	**5,306**	**134,043**
Total	151,449	7,033	158,482	**128,740**	**5,306**	**134,046**

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, 2009	**March 31, 2010**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	107	**3**
Manufacturing	105	**1**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	0	**0**
Electricity, gas, heating, water	—	**—**
Information communications	—	**0**
Transportation	—	**—**
Wholesale and retail	0	**—**
Finance and insurance	—	**—**
Real estate	—	**—**
Various services	1	**0**
Other	—	**0**
Individual	—	**—**
Special international financial transaction account portion	—	**—**
Total	107	**3**

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, 2009	**March 31, 2010**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	5,000	**5,000**
Business corporations	120,136	**94,365**
Manufacturing	7,660	**3,380**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	10,105	**6,916**
Electricity, gas, heating, water	158	**231**
Information communications	72	**3,298**
Transportation	2,376	**1,599**
Wholesale and retail	8,609	**7,595**
Finance and insurance	831	**6,208**
Real estate	79,597	**58,920**
Various services	8,190	**6,215**
Other	2,534	**—**
Individual	32,885	**34,371**
Special international financial transaction account portion	353	**306**
Total	158,375	**134,043**

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	FY2008		**FY2009**	
	Term end Balance	Variance during Term	Term end Balance	Variance during Term
General reserve for possible loan losses	31,744	(19,663)	**29,197**	**(2,547)**
Respective reserve for possible loan losses	29,708	11,663	**24,116**	**(5,591)**
Domestic	25,164	10,271	**19,866**	**(5,297)**
Overseas	4,544	1,392	**4,250**	**(294)**
Specified overseas receivables reserve account	26	(12)	**56**	**30**
Total	61,479	(8,011)	**53,370**	**(8,108)**

Notes:
1. Above is a description of the value in the 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)

Business Type	FY2008		**FY2009**	
	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	**4,250**	**(294)**
Business corporations	22,433	7,215	**15,757**	**(6,675)**
Manufacturing	3,193	(25)	**354**	**(2,838)**
Agriculture	—	—	**—**	**—**
Forestry	—	—	**—**	**—**
Fishery	—	—	**—**	**—**
Mining industry	—	—	**—**	**—**
Construction	2,622	1,111	**872**	**(1,750)**
Electricity, gas, heating, water	—	—	**—**	**—**
Information communications	57	(521)	**3,282**	**3,224**
Transportation	340	(243)	**48**	**(291)**
Wholesale and retail	1,597	6	**747**	**(849)**
Finance and insurance	30	(2,833)	**45**	**14**
Real estate	10,802	10,556	**7,811**	**(2,990)**
Various services	3,788	(718)	**2,594**	**(1,194)**
Other	0	(116)	**0**	**0**
Individual	2,731	(95)	**4,109**	**1,377**
Special international financial transaction account portion	—	—	**—**	**—**
Total	29,708	11,663	**24,116**	**(5,591)**

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 FY2008	**Amount of loan amortized for FY2009**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	21,455	**9,629**
Manufacturing	3,721	**287**
Agriculture	3	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	2,614	**1,222**
Electricity, gas, heating, water	—	**—**
Information communications	603	**26**
Transportation	346	**28**
Wholesale and retail	3,336	**953**
Finance and insurance	3	**39**
Real estate	9,415	**6,187**
Various services	1,409	**885**
Other (Note 2)	—	**—**
Individual	2,598	**2,783**
Special international financial transaction account portion	—	**—**
Total	24,054	**12,412**

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 the Standardised Approach

(Millions of Yen)

Risk Weight	March 31, 2009			March 31, 2010		
		Rating applicable	Rating not applicable (Note)		Rating applicable	Rating not applicable (Note)
0%	627	4	623	**320**	**3**	**316**
Over 0% to 10%	30	—	30	**23**	**—**	**23**
Over 10% to 35%	4,348	2,841	1,506	**3,909**	**2,980**	**928**
Over 35% to 75%	420	—	420	**273**	**—**	**273**
Over 75% to 100%	14,810	—	14,810	**9,877**	**—**	**9,877**
Over 100% to 150%	107	—	107	**3**	**—**	**3**
Capital deduction	—	—	—	**—**	**—**	**—**
Total	20,344	2,846	17,498	**14,407**	**2,983**	**11,423**

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, 2009	**March 31, 2010**
0%	16,718	**19,739**
50%	268,908	**176,472**
70%	334,018	**280,057**
90%	22,053	**28,303**
115%	12,694	**11,283**
250%	35,120	**30,767**
Total	689,513	**546,623**

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, 2009	**March 31, 2010**
300%	—	**29**
400%	404	**217**
Total	404	**247**

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, 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

(Millions of Yen)

Credit Rating	**March 31, 2010**			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)*	**0.52%**	**44.11%**	**55.10%**	**4,638,425**	**506,684**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**8.31%**	**41.39%**	**161.66%**	**300,176**	**32,200**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**41.25%**		**84,457**	**22,455**
Total	**2.89%**	**43.89%**	**60.39%**	**5,023,059**	**561,340**

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, 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

(Millions of Yen)

Credit Rating	**March 31, 2010**			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%**	**0.31%**	**3,038,646**	**1,580,209**
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%**	**0.31%**	**3,038,646**	**1,580,216**

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, 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)*	0.11%	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

(Millions of Yen)

Credit Rating	**March 31, 2010**			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)*	**0.22%**	**44.40%**	**38.85%**	**592,834**	**127,879**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**12.33%**	**45.00%**	**217.13%**	**806**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**5,000**	**—**
Total	**0.92%**	**44.41%**	**38.78%**	**598,640**	**127,879**

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, 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)*	0.30%	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	—

(Millions of Yen)

Credit Rating	**March 31, 2010**			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)*	**0.54%**	**90.00%**	**172.21%**	**178,979**	**—**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**7.38%**	**90.00%**	**433.48%**	**136**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**90.00%**		**1,006**	**—**
Total	**1.11%**	**90.00%**	**171.45%**	**180,123**	**—**

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, 2009			**March 31, 2010**		
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
45.19%	208,313	851	**53.12%**	**159,010**	**490**

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, 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%

(Millions of Yen)

Types of exposure	**March 31, 2010**						
				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%**	**14.98%**	**2,935,219**	**167,384**	**3,210**	**100.00%**
Delinquent	**28.76%**	**34.11%**	**208.93%**	**31,655**	**141**	**23**	**100.00%**
Default	**100.00%**	**31.86%**	**43.05%**	**17,662**	**83**	**—**	**—**
Consumer loan							
Not delinquent	**0.96%**	**72.09%**	**45.93%**	**49,291**	**45,705**	**150,446**	**30.32%**
Delinquent	**27.78%**	**69.69%**	**195.41%**	**1,586**	**170**	**550**	**30.99%**
Default	**100.00%**	**57.59%**	**12.38%**	**4,186**	**58**	**205**	**28.47%**
Business type loan							
Not delinquent	**1.48%**	**36.84%**	**36.70%**	**136,497**	**2,580**	**94**	**100.00%**
Delinquent	**38.75%**	**42.09%**	**79.79%**	**2,788**	**1**	**1**	**100.00%**
Default	**100.00%**	**66.13%**	**—**	**10,641**	**5**	**5**	**100.00%**
Other							
Not delinquent	**1.04%**	**21.40%**	**27.71%**	**827**	**945**	**141**	**100.00%**
Delinquent	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Default	**100.00%**	**91.74%**	**—**	**102**	**22**	**22**	**100.00%**
Total	**1.56%**	**35.44%**	**18.79%**	**3,190,460**	**217,098**	**154,700**	**31.90%**

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 FY2008	**Actual loss amount for FY2009**	**Comparison with actual loss amount for previous year**
Corporate exposures	41,936	**25,741**	**(16,194)**
Sovereign exposures	—	**—**	**—**
Bank exposures	12,542	**4,250**	**(8,292)**
Equity exposures applicable to the PD/LGD approach	—	**191**	**191**
Residential mortgage exposures	1,770	**3,623**	**1,853**
Qualifying revolving retail exposures	0	**88**	**87**
Other retail exposures	2,955	**5,574**	**2,619**
Total	59,204	**39,469**	**(19,734)**

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 FY2009, increased by 19.7 billion yen compared to FY2008.

This was primarily attributable to a reduction in losses associated with domestic corporate exposures and foreign bank exposures.

Estimated value of loss amount of portfolio applicable to the internal ratings-based approach

(Millions of Yen)

Classification	Actual value of loss amount for FY2009	**Estimated value of loss amount for FY2010**
Corporate exposures	80,468	**67,055**
Sovereign exposures	42	**56**
Bank exposures	2,629	**3,035**
Equity exposures applicable to the PD/LGD approach	486	**1,760**
Residential mortgage exposures	9,862	**11,167**
Qualifying revolving retail exposures	1,247	**1,206**
Other retail exposures	15,984	**11,534**
Total	110,721	**95,816**

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, 2009 and 2010 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, 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

(Millions of Yen)

Classification	March 31, 2010			
	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	**1,717,107**	**6,131**	**587,113**	**37,674**
Corporate exposures	**12,252**	**6,131**	**570,346**	**37,674**
Sovereign exposures	—	—	**16,766**	—
Bank exposures	**1,704,855**	—	—	—
Total	**1,717,107**	**6,131**	**587,113**	**37,674**

Amount of Exposure to which Guarantees and Credit Derivatives Have Been Applied

(Millions of Yen)

Classification	March 31, 2009		March 31, 2010	
	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	95,096	—	**101,516**	—
Corporate exposures	43,704	—	**55,596**	—
Sovereign exposures	5,619	—	**3,527**	—
Bank exposures	45,772	—	**42,392**	—
Total	95,096	—	**101,516**	—

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, 2009	March 31, 2010
Total gross reconstruction cost amount	225,119	**195,379**

(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, 2009	March 31, 2010
Credit equivalents before taking into consideration the effect of credit risk reduction method by collateral	96,646	**93,163**
Of which, those corresponding to foreign exchange related transactions	47,227	**48,591**
Of which, those corresponding to interest rate related transactions	261,730	**229,678**
Of which, those corresponding to other transactions	—	**724**
Of which, those corresponding to the effect of credit risk reduction via collective liquidation netting contracts (loss)	212,311	**185,830**

(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, 2009	March 31, 2010
Total amount as indicated in (2) and gross add-on total minus the amount as indicated in (3)	212,311	**185,830**

(5) Amount by type of collateral

(Millions of Yen)

Classification of acceptance or provision	Type of collateral	March 31, 2009	**March 31, 2010**
Accepted collateral	Government bonds	7,991	**3,205**
	Domestic stocks	—	**—**
	US bonds	—	**—**
	Cash	3,870	**3,605**
	Other	—	**—**
Total		11,861	**6,810**
Deposited collateral	Government bonds	25,830	**24,293**
	Domestic stocks	13,176	**17,343**
	US bonds	1,979	**1,098**
	Cash	48	**313**
	Other	—	**—**
Total		41,034	**43,049**

Notes:
1. Amount of collateral is indicated at market value.
2. Of deposited collateral, 21,973 million yen (at March 31, 2009) and 25,072 million (at March 31, 2010) 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, 2009	**March 31, 2010**
Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral	90,007	**89,560**

(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, 2009 predicted principal	**March 31, 2010 predicted principal**
Protection purchase	Credit default swap	—	**—**
	Credit linked notes	—	**—**
	Other	—	**—**
Total		—	**—**
Protection provision	Credit default swap	10,000	**15,000**
	Credit linked notes	63,000	**63,000**
	Other	5,000	**—**
Total		78,000	**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, 2009	**March 31, 2010**
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, 2009	March 31, 2010
Amount of original assets of asset transfer-type securitization transactions	587,180	**506,175**
Residential mortgage	587,180	**506,175**
Other	—	**—**
Amount of original assets of synthetic-type securitization transactions	—	**—**
Residential mortgage	—	**—**
Other	—	**—**
Total amount of original assets	587,180	**506,175**

(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, 2009		March 31, 2010	
	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	2,250	414	**1,800**	**202**
Residential mortgage	2,250	414	**1,800**	**202**
Other	—	—	**—**	**—**
Total	2,250	414	**1,800**	**202**

(3) Amount of securitization exposure held and breakdown by type of these primary original assets

(Millions of Yen)

Type of original assets	March 31, 2009	March 31, 2010
	Amount of exposure	Amount of exposure
Residential mortgage	195,331	**190,459**
Other	—	**—**
Total	195,331	**190,459**

(4) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2009		March 31, 2010	
	Balance	Required capital	Balance	Required capital
Less than 20%	—	—	**—**	**—**
20% to less than 50%	—	—	**—**	**—**
50% to less than 100%	195,331	12,722	**190,459**	**11,468**
100% to less than 350%	—	—	**—**	**—**
Capital deduction	2,682	2,682	**2,682**	**2,682**
Total	198,014	15,405	**193,142**	**14,151**

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, 2009	March 31, 2010
Residential mortgage	26,681	**20,401**
Other	—	**—**
Total	26,681	**20,401**

(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, 2009	**March 31, 2010**
Residential mortgage	—	**—**
Other	2,682	**2,745**
Total	2,682	**2,745**

(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, 2009	**March 31, 2010**
Residential mortgage backed securities (RMBS)	102,119	**90,126**
Multi-borrower type commercial-use real estate backed securities (MCMBS)	—	**—**
Debt collateral certificate using credit derivative (Synthetic CDO)	2,153	**4,111**
First to default type credit linked notes (CLN)	40,935	**51,278**
Collateralized Loan Obligation (CLO)	5	**970**
Securitization of business (WBS)	35,051	**20,383**
Asset-backed securities of monetary receivables such as installment receivables (ABS)	11,201	**7,534**
Total	191,465	**174,405**

(2) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2009		**March 31, 2010**	
	Balance	Required capital amount	Balance	Required capital amount
Less than 20%	105,224	653	**92,530**	**571**
20% to less than 50%	86,241	2,489	**48,959**	**1,368**
50% to less than 100%	—	—	**28,553**	**1,210**
100% to less than 350%	—	—	**4,111**	**348**
350% to less than 1250%	—	—	**249**	**95**
Capital deduction	—	—	**—**	**—**
Total	191,465	3,143	**174,405**	**3,594**

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, 2009	**March 31, 2010**
Residential mortgage	—	**—**
Other	—	**63**
Total	—	**63**

(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, 2009		**March 31, 2010**	
	Amount posted on consolidated balance sheet	Market value	Amount posted on consolidated balance sheet	Market value
Listed equity exposures	449,953	449,953	**546,986**	**546,986**
Equity exposures other than above	93,369		**90,409**	
Total	543,323		**637,396**	

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, 2009	**March 31, 2010**
Profit/loss on sale	(102,503)	**14,474**
Amortization loss (–)	78,472	**2,238**
Total	(180,975)	**12,235**

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, 2009	**March 31, 2010**
Amount of appraisal profit/loss recognized on consolidated balance sheet and not recognized on consolidated profit and loss statements	(32,115)	**73,007**

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 (Transitional measure) of Supplementary Rules of Capital Adequacy Ratio Notification

(Millions of Yen)

Classification	March 31, 2009	**March 31, 2010**
Listed equity exposures	303,681	**315,350**
Equity exposures other than above	85,292	**82,510**
Total	388,973	**397,861**

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, 2009	**March 31, 2010**
Listed equity exposures	—	**—**
Equity exposures other than above	496	**488**
Total	496	**488**

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, 2009	**March 31, 2010**
Profit/loss on sale	—	**—**
Amortization loss (–)	—	**—**
Total	—	**—**

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, 2009	**March 31, 2010**
Listed equity exposures	—	**—**
Equity exposures other than above	496	**488**
Total	496	**488**

Exposure Relating to Funds

(Millions of Yen)

Calculation Method	March 31, 2009	**March 31, 2010**
Exposure applicable to look-through formula (Note 1)	396,060	**370,141**
Exposure applicable to modified simple majority method (Note 2)	12,809	**13,024**
Exposure applicable to investment criteria formula (Note 3)	3,298	**2,840**
Exposure applicable to simple risk weight method (Note 4)	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total	412,168	**386,006**

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, 2009	**March 31, 2010**
Variation amount of profit/loss or economic value from interest rate shock	107,693	**64,801**

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 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 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
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, 2009	**March 31, 2010**
Tier I capital		
Capital stock	399,697	**399,697**
Non-cumulative perpetual preferred stock of above	181,625	**—**
New stock application margin	—	**—**
Capital reserve	149,011	**149,011**
Other capital surplus	—	**—**
Retained earnings	46,008	**47,908**
Other retained earnings	81,327	**129,291**
Treasury stock (-)	—	**—**
Treasury stock application margin	—	**—**
Projected amount of distributed income (-)	—	**9,501**
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 (-)	26,681	**20,401**
Amount equivalent to 50% of the amount exceeding the expected loss from the qualifying reserve (-)	16,501	**17,056**
Total tier I capital before deduction of deferred tax assets (total amount of above respective items)	632,862	**678,950**
Amount of deferred tax assets deducted (-)	58,025	**4,643**
Total tier I capital (A)	574,836	**674,307**
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.	267,070	**319,250**
Perpetual subordinated bonds of above (Note 5)	119,570	**116,750**
Fixed-term subordinated bonds and fixed-term preferred stock of above (Note 6)	147,500	**202,500**
Amount not calculated into Tier II capital (-)	—	**—**
Total Tier II capital (C)	267,070	**319,250**
Items for deduction (Note 7) (D)	23,864	**26,389**
Capital Amount (E) = (A) + (C) – (D)	818,041	**967,168**
<For Reference>		
Risk weighted assets, etc.		
Credit risk weighted asset amount	6,859,810	**7,050,041**
Asset (on-balance sheet) items	6,100,240	**6,405,613**
Off-balance sheet transaction items	759,569	**644,427**
Amount arrived at by dividing operational risk equivalents by 8%	397,280	**364,954**
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)	7,257,090	**7,414,995**
Non-consolidated Capital Adequacy Ratio (Domestic Standard) = (E)/(F) x 100	11.27%	**13.04%**
(A)/(F) x 100	7.92%	**9.09%**
(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 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 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 13.00% (Tier I ratio: 8.95%).

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, 2009	**March 31, 2010**
Portfolio applicable to standardised approach	892	**525**
Portfolio applicable to the internal ratings-based approach	522,365	**521,418**
Corporate exposures	388,517	**384,175**
Sovereign exposures	1,121	**1,233**
Bank exposures	21,550	**25,777**
Residential mortgage exposures	47,848	**53,097**
Qualifying revolving retail exposures	1,131	**997**
Other retail exposures	23,039	**17,899**
Other exposures (Note 1)	39,155	**38,236**
Securitization exposure	45,363	**38,209**
Total (A)	568,621	**560,153**

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, 2009	**March 31, 2010**
Market-based approach	137	**81**
Simple risk weight method	137	**81**
PD/LGD approach	23,690	**31,626**
Those applicable to the transitional measure (Note 1)	41,444	**41,255**
Total (B)	65,272	**72,963**

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, 2009	**March 31, 2010**
Look-through formula	69,624	**67,292**
Modified simple majority method	3,365	**3,247**
Operational standards method	906	**898**
Simple risk weight method	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total (C)	73,896	**71,437**

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, 2009	**March 31, 2010**
Standardised approach	31,782	**29,196**
Total (D)	31,782	**29,196**

(5) Total amount of non-consolidated required capital

(Millions of Yen)

Classification	March 31, 2009	**March 31, 2010**
Total amount of non-consolidated required capital (Note 1)	580,567	**593,199**

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, 2009	**March 31, 2010**	**Average balance of exposure during the term**
Standardised approach	11,719	**7,417**	**11,927**
Loaned money, call loans, deposits, etc.	11,719	**7,417**	**11,927**
Securities	—	**—**	**—**
Derivative transactions	—	**—**	**—**
Off-balance sheet transactions	—	**—**	**—**
Commitment	—	**—**	**—**
Trusts with an agreement on compensation for principal	—	**—**	**—**
Repo-style transactions	—	**—**	**—**
Other	—	**—**	**—**
Internal ratings-based approach	16,149,213	**14,999,558**	**15,506,783**
Loaned money, call loans, deposits, etc.	8,695,196	**9,092,224**	**8,833,049**
Securities	3,978,010	**3,414,582**	**3,746,315**
Derivative transactions	114,707	**111,159**	**102,026**
Off-balance sheet transactions	3,361,300	**2,381,591**	**2,825,391**
Commitment	455,976	**499,980**	**524,188**
Trusts with an agreement on compensation for principal	551,286	**202,936**	**277,199**
Repo-style transactions	43,598	**27,025**	**37,781**
Other	2,310,438	**1,651,648**	**1,986,221**
Total	16,160,933	**15,006,975**	**15,518,711**

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, 2009	**March 31, 2010**
Domestic	14,697,751	**13,443,738**
Loaned money, call loans, deposits, etc.	8,462,823	**8,864,620**
Securities	2,908,350	**2,207,625**
Derivative transactions	12,406	**18,049**
Off-balance sheet transactions	3,314,170	**2,353,442**
Commitment	455,931	**499,980**
Trusts with an agreement on compensation for principal	551,281	**202,932**
Repo-style transactions	1,892	**233**
Other	2,305,064	**1,650,295**
Overseas	1,463,182	**1,563,237**
Loaned money, call loans, deposits, etc.	244,092	**235,021**
Securities	1,069,659	**1,206,957**
Derivative transactions	102,300	**93,110**
Off-balance sheet transactions	47,129	**28,148**
Commitment	45	**—**
Trusts with an agreement on compensation for principal	4	**4**
Repo-style transactions	41,706	**26,791**
Other	5,373	**1,353**
Total	16,160,933	**15,006,975**

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, 2009	March 31, 2010
Sovereign	5,661,955	**4,615,183**
Central government and central bank	5,146,869	**4,196,927**
Loaned money, call loans, deposits, etc.	153,252	**188,143**
Securities	2,885,201	**2,472,279**
Derivative transactions	—	**—**
Off-balance sheet transactions	2,108,414	**1,536,504**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**4**
Repo-style transactions	—	**—**
Other	2,108,414	**1,536,500**
Local public organizations	51,835	**44,194**
Loaned money, call loans, deposits, etc.	13,731	**11,858**
Securities	640	**640**
Derivative transactions	—	**—**
Off-balance sheet transactions	37,464	**31,695**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	5,888	**4,293**
Repo-style transactions	—	**—**
Other	31,575	**27,402**
Other	463,250	**374,060**
Loaned money, call loans, deposits, etc.	207,553	**166,707**
Securities	240,674	**195,343**
Derivative transactions	—	**—**
Off-balance sheet transactions	15,023	**12,009**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	14,801	**11,793**
Repo-style transactions	—	**—**
Other	221	**216**
Financial institutions	797,756	**736,478**
Loaned money, call loans, deposits, etc.	277,513	**328,712**
Securities	368,994	**279,886**
Derivative transactions	78,294	**75,275**
Off-balance sheet transactions	72,954	**52,604**
Commitment	25,619	**24,341**
Trusts with an agreement on compensation for principal	1,519	**1,233**
Repo-style transactions	43,598	**27,025**
Other	2,216	**3**
Business corporation	6,463,298	**6,116,001**
Loaned money, call loans, deposits, etc.	5,347,467	**5,075,713**
Securities	482,499	**466,432**
Derivative transactions	36,412	**35,884**
Off-balance sheet transactions	596,918	**537,970**
Commitment	397,643	**441,232**
Trusts with an agreement on compensation for principal	47,104	**22,798**
Repo-style transactions	—	**—**
Other	152,171	**73,939**

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(Millions of Yen)

Business Type	March 31, 2009	March 31, 2010
Individual	3,215,506	**3,512,454**
Loaned money, call loans, deposits, etc.	2,684,981	**3,301,647**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	530,525	**210,806**
Commitment	32,714	**34,406**
Trusts with an agreement on compensation for principal	481,972	**162,813**
Repo-style transactions	—	**—**
Other	15,837	**13,585**
Special international financial transaction account portion	22,416	**26,858**
Loaned money, call loans, deposits, etc.	22,416	**26,858**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Total	16,160,933	**15,006,975**

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, 2009	**March 31, 2010**
Manufacturing	1,252,805	**1,210,417**
Loaned money, call loans, deposits, etc.	1,003,676	**934,572**
Securities	47,610	**53,413**
Derivative transactions	2,646	**2,611**
Off-balance sheet transactions	198,872	**219,819**
Commitment	166,191	**193,150**
Trusts with an agreement on compensation for principal	11,650	**6,982**
Repo-style transactions	—	**—**
Other	21,030	**19,687**
Agriculture	159	**346**
Loaned money, call loans, deposits, etc.	159	**346**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Forestry	200	**—**
Loaned money, call loans, deposits, etc.	200	**—**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Fishery	1	**—**
Loaned money, call loans, deposits, etc.	1	**—**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	—	**—**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	—	**—**
Mining industry	7,429	**779**
Loaned money, call loans, deposits, etc.	2,204	**764**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	5,224	**15**
Commitment	—	**—**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	5,224	**15**
Construction	156,287	**128,489**
Loaned money, call loans, deposits, etc.	123,873	**95,451**
Securities	500	**494**
Derivative transactions	70	**17**
Off-balance sheet transactions	31,843	**32,526**
Commitment	28,985	**31,518**
Trusts with compensation for principal	1,736	**24**
Repo-style transactions	—	**—**
Other	1,121	**983**

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(Millions of Yen)

Business Type	March 31, 2009	**March 31, 2010**
Electricity, gas, heating, water	212,667	**180,403**
Loaned money, call loans, deposits, etc.	149,374	**175,911**
Securities	—	**—**
Derivative transactions	14	**8**
Off-balance sheet transactions	63,277	**4,483**
Commitment	60,807	**4,407**
Trusts with an agreement on compensation for principal	2,469	**76**
Repo-style transactions	—	**—**
Other	0	**0**
Information communications	50,680	**41,539**
Loaned money, call loans, deposits, etc.	42,897	**35,382**
Securities	2,965	**2,026**
Derivative transactions	42	**11**
Off-balance sheet transactions	4,774	**4,119**
Commitment	4,710	**4,060**
Trusts with an agreement on compensation for principal	46	**42**
Repo-style transactions	—	**—**
Other	18	**17**
Transportation	639,112	**656,955**
Loaned money, call loans, deposits, etc.	549,475	**548,752**
Securities	39,117	**33,573**
Derivative transactions	2,324	**2,146**
Off-balance sheet transactions	48,195	**72,484**
Commitment	40,056	**67,585**
Trusts with an agreement on compensation for principal	6,283	**3,748**
Repo-style transactions	—	**—**
Other	1,855	**1,150**
Wholesale and retail	576,417	**549,261**
Loaned money, call loans, deposits, etc.	521,106	**489,900**
Securities	18,159	**18,308**
Derivative transactions	1,418	**783**
Off-balance sheet transactions	35,733	**40,268**
Commitment	22,238	**23,607**
Trusts with an agreement on compensation for principal	2,493	**3,178**
Repo-style transactions	—	**—**
Other	11,002	**13,482**
Finance and insurance	1,239,847	**1,252,389**
Loaned money, call loans, deposits, etc.	1,120,264	**1,198,475**
Securities	2,740	**—**
Derivative transactions	26,865	**27,800**
Off-balance sheet transactions	89,977	**26,114**
Commitment	16,587	**18,642**
Trusts with an agreement on compensation for principal	4,409	**7,306**
Repo-style transactions	—	**—**
Other	68,980	**165**
Real estate	1,503,260	**1,317,167**
Loaned money, call loans, deposits, etc.	1,284,730	**1,118,663**
Securities	141,102	**112,196**
Derivative transactions	2,074	**1,696**
Off-balance sheet transactions	75,351	**84,610**
Commitment	38,417	**63,969**
Trusts with compensation for principal	14,942	**230**
Repo-style transactions	—	**—**
Other	21,992	**20,409**

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(continued from p. 196)

(Millions of Yen)

Business Type	March 31, 2009	**March 31, 2010**
Various services	438,743	**382,843**
Loaned money, call loans, deposits, etc.	354,577	**295,101**
Securities	52,695	**42,973**
Derivative transactions	422	**342**
Off-balance sheet transactions	31,047	**44,426**
Commitment	10,824	**27,403**
Trusts with an agreement on compensation for principal	3,073	**1,210**
Repo-style transactions	—	**—**
Other	17,149	**15,813**
Other	385,685	**395,407**
Loaned money, call loans, deposits, etc.	194,924	**182,391**
Securities	177,608	**203,447**
Derivative transactions	532	**467**
Off-balance sheet transactions	12,619	**9,102**
Commitment	8,823	**6,887**
Trusts with an agreement on compensation for principal	—	**—**
Repo-style transactions	—	**—**
Other	3,796	**2,214**
Total	6,463,298	**6,116,001**

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, 2009	March 31, 2010
1 year or shorter	5,592,418	**5,392,549**
Loaned money, call loans, deposits, etc.	2,794,687	**2,864,961**
Securities	308,587	**675,813**
Derivative transactions	32,190	**30,955**
Off-balance sheet transactions	2,456,952	**1,820,817**
Commitment	155,745	**198,633**
Trusts with an agreement on compensation for principal	46,558	**30,838**
Repo-style transactions	43,598	**27,025**
Other	2,211,049	**1,564,320**
Over 1 year to 3 years or shorter	3,308,420	**2,512,141**
Loaned money, call loans, deposits, etc.	1,624,009	**1,505,359**
Securities	1,480,288	**787,289**
Derivative transactions	4,407	**3,481**
Off-balance sheet transactions	199,715	**216,011**
Commitment	187,877	**212,821**
Trusts with an agreement on compensation for principal	9,346	**1,092**
Repo-style transactions	—	**—**
Other	2,490	**2,097**
Over 3 years to 5 years or shorter	2,377,511	**1,949,825**
Loaned money, call loans, deposits, etc.	1,058,979	**935,603**
Securities	1,207,793	**968,606**
Derivative transactions	1,463	**5,777**
Off-balance sheet transactions	109,275	**39,838**
Commitment	89,172	**34,741**
Trusts with an agreement on compensation for principal	16,689	**3,219**
Repo-style transactions	—	**—**
Other	3,412	**1,877**
Over 5 years to 7 years or shorter	606,727	**559,176**
Loaned money, call loans, deposits, etc.	344,218	**313,956**
Securities	212,536	**218,317**
Derivative transactions	4,827	**3,854**
Off-balance sheet transactions	45,144	**23,047**
Commitment	11,798	**9,372**
Trusts with an agreement on compensation for principal	24,621	**6,555**
Repo-style transactions	—	**—**
Other	8,724	**7,119**
Over 7 years	4,050,579	**4,370,019**
Loaned money, call loans, deposits, etc.	2,797,556	**3,386,736**
Securities	768,803	**764,555**
Derivative transactions	71,817	**67,091**
Off-balance sheet transactions	412,401	**151,635**
Commitment	11,125	**44,023**
Trusts with an agreement on compensation for principal	319,400	**33,982**
Repo-style transactions	—	**—**
Other	81,876	**73,630**

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(continued from left column) (Millions of Yen)

Remaining Period	March 31, 2009	March 31, 2010
With no provision for period	225,276	**223,263**
Loaned money, call loans, deposits, etc.	87,465	**93,024**
Securities	—	**—**
Derivative transactions	—	**—**
Off-balance sheet transactions	137,810	**130,239**
Commitment	256	**388**
Trusts with an agreement on compensation for principal	134,669	**127,248**
Repo-style transactions	—	**—**
Other	2,884	**2,603**
Total	16,160,933	**15,006,975**

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, 2009 Domestic	March 31, 2009 Overseas	March 31, 2009 Total	**March 31, 2010** Domestic	**March 31, 2010** Overseas	**March 31, 2010** Total
Exposure delay of three months or longer (applicable to standardised approach)	—	—	—	**—**	**—**	**—**
Exposures in default (applicable to the internal ratings-based approach)	143,896	7,033	150,929	**123,852**	**5,306**	**129,158**
Total	143,896	7,033	150,929	**123,852**	**5,306**	**129,158**

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, 2009	**March 31, 2010**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	5,000	**5,000**
Corporations	114,033	**90,865**
Manufacturing	7,654	**3,365**
Agriculture	—	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	10,069	**6,904**
Electricity, gas, heating, water	158	**231**
Information communications	72	**3,298**
Transportation	2,366	**1,599**
Wholesale and retail	8,577	**7,584**
Finance and insurance	831	**6,208**
Real estate	73,604	**55,481**
Various services	8,164	**6,192**
Other	2,534	**—**
Individual	31,542	**32,986**
Special international financial transaction account portion	353	**306**
Total	150,929	**129,158**

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	FY2008 Term end Balance	FY2008 Variance during Term	**FY2009** Term end Balance	**FY2009** Variance during Term
General reserve for possible loan losses	29,015	(19,255)	**26,223**	**(2,791)**
Respective reserve for possible loan losses	26,957	11,249	**20,239**	**(6,717)**
Domestic	22,413	9,857	**15,989**	**(6,423)**
Overseas	4,544	1,392	**4,250**	**(294)**
Specified overseas receivables reserve account	26	(12)	**56**	**30**
Total	55,999	(8,018)	**46,519**	**(9,479)**

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	FY2008		**FY2009**	
	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	**4,250**	**(294)**
Corporations	22,070	6,870	**15,563**	**(6,506)**
Manufacturing	3,191	(23)	**351**	**(2,840)**
Agriculture	—	—	**—**	**—**
Forestry	—	—	**—**	**—**
Fishery	—	—	**—**	**—**
Mining industry	—	—	**—**	**—**
Construction	2,611	1,100	**867**	**(1,744)**
Electricity, gas, heating, water	—	—	**—**	**—**
Information communications	57	(521)	**3,282**	**3,224**
Transportation	340	(243)	**48**	**(291)**
Wholesale and retail	1,591	6	**745**	**(845)**
Finance and insurance	30	(2,833)	**45**	**14**
Real estate	10,469	10,227	**7,636**	**(2,883)**
Various services	3,777	(724)	**2,585**	**(1,191)**
Other	—	(116)	**—**	**—**
Individual	342	(165)	**426**	**83**
Special international financial transaction account portion	—	—	**—**	**—**
Total	26,957	11,249	**20,239**	**(6,717)**

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 FY2008	**Amount of loan amortized for FY2009**
Sovereign	—	**—**
Central government and central bank	—	**—**
Local public organizations	—	**—**
Other	—	**—**
Financial institutions	—	**—**
Business corporations	20,119	**8,316**
Manufacturing	3,680	**240**
Agriculture	3	**—**
Forestry	—	**—**
Fishery	—	**—**
Mining industry	—	**—**
Construction	2,448	**1,108**
Electricity, gas, heating, water	—	**—**
Information communications	573	**22**
Transportation	325	**14**
Wholesale and retail	3,108	**833**
Finance and insurance	3	**39**
Real estate	8,640	**5,254**
Various services	1,334	**803**
Other	—	**—**
Individual	809	**273**
Special international financial transaction account portion	—	**—**
Total	20,928	**8,590**

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, 2009			**March 31, 2010**		
		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%	12	—	12	**11**	**—**	**11**
Over 75% to 100%	11,706	—	11,706	**7,405**	**—**	**7,405**
Over 100% to 150%	—	—	—	**—**	**—**	**—**
Capital deduction	—	—	—	**—**	**—**	**—**
Total	11,719	—	11,719	**7,417**	**—**	**7,417**

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, 2009	**March 31, 2010**
0%	16,718	**19,739**
50%	268,908	**176,472**
70%	334,018	**280,057**
90%	22,053	**28,303**
115%	12,694	**11,283**
250%	35,120	**30,767**
Total	689,513	**546,623**

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, 2009	**March 31, 2010**
300%	—	**29**
400%	404	**217**
Total	404	**247**

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, 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%	46.60%	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

(Millions of Yen)

Credit Rating	March 31, 2010			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)*	**0.52%**	**44.11%**	**55.13%**	**4,635,506**	**506,729**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**8.26%**	**41.32%**	**160.94%**	**309,557**	**32,200**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**41.32%**		**79,944**	**22,455**
Total	**2.81%**	**43.89%**	**60.59%**	**5,025,008**	**561,385**

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, 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%	3,502,905	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

(Millions of Yen)

Credit Rating	March 31, 2010			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%**	**0.31%**	**3,036,881**	**1,580,209**
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%**	**0.31%**	**3,036,881**	**1,580,216**

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, 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)*	0.11%	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

(Millions of Yen)

Credit Rating	**March 31, 2010** 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)*	**0.22%**	**44.40%**	**38.86%**	**592,690**	**127,879**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**12.33%**	**45.00%**	**217.13%**	**806**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**45.00%**		**5,000**	**—**
Total	**0.92%**	**44.41%**	**38.79%**	**598,497**	**127,879**

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	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)*	0.28%	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	—

(Millions of Yen)

Credit Rating	**March 31, 2010** 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)*	**0.50%**	**90.00%**	**166.97%**	**198,836**	**—**
Need caution *(youchui-saki)* (Not including obligor under close observation)	**7.29%**	**90.00%**	**425.97%**	**5,808**	**—**
Under close observation *(youkanri-saki)* or worse	**100.00%**	**90.00%**		**1,044**	**—**
Total	**1.20%**	**90.00%**	**173.44%**	**205,690**	**—**

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, 2009 Risk Weight Weighted Average	EAD Estimated Value (Note 1) On-balance Sheet Asset Items	Off-balance Sheet Asset Items	**March 31, 2010** Risk Weight Weighted Average	EAD Estimated Value (Note 1) On-balance Sheet Asset Items	Off-balance Sheet Asset Items
45.19%	208,313	851	**53.12%**	**159,010**	**490**

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, 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	271,219	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%

(Millions of Yen)

Types of exposure	**March 31, 2010**						
				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%**	**14.98%**	**2,935,219**	**167,382**	**3,210**	**100.00%**
Delinquent	**28.76%**	**34.11%**	**208.93%**	**31,655**	**141**	**23**	**100.00%**
Default	**100.00%**	**31.16%**	**43.05%**	**14,546**	**82**	**—**	**—**
Consumer loan							
Not delinquent	**1.11%**	**68.12%**	**53.33%**	**45,013**	**30,650**	**88,377**	**34.58%**
Delinquent	**27.78%**	**69.69%**	**195.41%**	**1,586**	**170**	**550**	**30.99%**
Default	**100.00%**	**52.02%**	**13.99%**	**3,245**	**58**	**205**	**28.47%**
Business type loan							
Not delinquent	**1.37%**	**35.79%**	**34.50%**	**134,267**	**2,580**	**94**	**100.00%**
Delinquent	**37.54%**	**40.79%**	**80.19%**	**2,728**	**1**	**1**	**100.00%**
Default	**100.00%**	**65.83%**	**—**	**10,163**	**5**	**5**	**100.00%**
Other							
Not delinquent	**1.04%**	**21.40%**	**27.71%**	**827**	**945**	**141**	**100.00%**
Delinquent	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Default	**100.00%**	**91.74%**	**—**	**102**	**22**	**22**	**100.00%**
Total	**1.43%**	**35.08%**	**18.68%**	**3,179,358**	**202,041**	**92,631**	**37.02%**

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 FY2008	**Actual loss amount for FY2009**	Comparison with actual loss amount for previous year
Corporate exposures	41,936	**24,703**	**(17,232)**
Sovereign exposures	—	**—**	**—**
Bank exposures	12,542	**4,250**	**(8,292)**
Equity exposures applicable to the PD/LGD approach	—	**191**	**191**
Residential mortgage exposures	47	**156**	**108**
Qualifying revolving retail exposures	—	**0**	**0**
Other retail exposures	1,102	**2,577**	**1,475**
Total	55,629	**31,880**	**(23,748)**

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 FY2009, increased by 23.7 billion yen compared to FY2008.

This was primarily attributable to a reduction in losses associated with domestic corporate exposures and foreign bank exposures.

Estimated value of loss amount of portfolio applicable to the internal ratings-based approach

(Millions of Yen)

Classification	Actual value of loss amount for FY2009	**Estimated value of loss amount for FY2010**
Corporate exposures	78,254	**65,490**
Sovereign exposures	42	**56**
Bank exposures	2,628	**3,035**
Equity exposures applicable to the PD/LGD approach	580	**2,186**
Residential mortgage exposures	8,854	**10,073**
Qualifying revolving retail exposures	543	**501**
Other retail exposures	15,181	**10,863**
Total	106,086	**92,206**

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, 2009 and 2010 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, 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

(Millions of Yen)

Classification	March 31, 2010			
	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	**1,718,711**	**6,131**	**581,846**	**37,674**
Corporate exposures	**13,855**	**6,131**	**565,134**	**37,674**
Sovereign exposures	**—**	**—**	**16,711**	**—**
Bank exposures	**1,704,855**	**—**	**—**	**—**
Total	**1,718,711**	**6,131**	**581,846**	**37,674**

Amount of Exposure to which Guarantees and Credit Derivatives Have Been Applied

(Millions of Yen)

Classification	March 31, 2009		March 31, 2010	
	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	95,096	—	**101,516**	**—**
Corporate exposures	43,704	—	**55,596**	**—**
Sovereign exposures	5,619	—	**3,527**	**—**
Bank exposures	45,772	—	**42,392**	**—**
Total	95,096	—	**101,516**	**—**

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, 2009	March 31, 2010
Total gross reconstruction cost amount	225,119	**195,379**

(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, 2009	March 31, 2010
Credit equivalents before taking into consideration the effect of credit risk reduction method by collateral	96,646	**93,163**
Of which, those corresponding to foreign exchange related transactions	47,227	**48,591**
Of which, those corresponding to interest rate related transactions	261,730	**229,678**
Of which, those corresponding to other transactions	—	**724**
Of which, those corresponding to the effect of credit risk reduction via collective liquidation netting contracts (loss)	212,311	**185,830**

(4) Total amount indicated in (2) plus total amount of gross add-on minus the amount indicated in (3)

(Millions of Yen)

	March 31, 2009	March 31, 2010
Total amount indicated in (2) and gross add-on total minus the amount as indicated in (3)	212,311	**185,830**

(5) Amount by type of collateral

(Millions of Yen)

Classification of acceptance or provision	Type of collateral	March 31, 2009	**March 31, 2010**
Accepted collateral	Government bonds	7,991	**3,205**
	Domestic stocks	—	**—**
	US bonds	—	**—**
	Cash	3,870	**3,605**
	Other	—	**—**
Total		11,861	**6,810**
Deposited collateral	Government bonds	25,830	**24,293**
	Domestic stocks	13,176	**17,343**
	US bonds	1,979	**1,098**
	Cash	48	**313**
	Other	—	**—**
Total		41,034	**43,049**

Notes:
1. Amount of collateral is indicated at market value.
2. Of deposited collateral, 21,973 million yen (at March 31, 2009) and 25,072 million yen (at March 31, 2010) 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, 2009	**March 31, 2010**
Credit equivalents after taking into consideration the effect of credit risk reduction method by collateral	90,007	**89,560**

(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, 2009 predicted principal	**March 31, 2010 predicted principal**
Protection purchase	Credit default swap	—	**—**
	Credit linked notes	—	**—**
	Other	—	**—**
Total		—	**—**
Protection provision	Credit default swap	10,000	**15,000**
	Credit linked notes	63,000	**63,000**
	Other	5,000	**—**
Total		78,000	**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, 2009	**March 31, 2010**
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, 2009	**March 31, 2010**
Amount of original assets of asset transfer-type securitization transactions	587,180	**506,175**
Residential mortgage	587,180	**506,175**
Other	—	**—**
Amount of original assets of synthetic-type securitization transactions	—	**—**
Residential mortgage	—	**—**
Other	—	**—**
Total amount of original assets	587,180	**506,175**

(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, 2009		**March 31, 2010**	
	Exposure amount	Current loss amount	Exposure amount	Current loss amount
Exposure delay of three months or longer	—	—	**—**	**—**
Residential mortgage	—	—	**—**	**—**
Other	—	—	**—**	**—**
Exposures in default	2,250	—	**1,800**	**—**
Residential mortgage	2,250	—	**1,800**	**—**
Other	—	—	**—**	**—**
Total	2,250	—	**1,800**	**—**

(3) Amount of securitization exposure held and breakdown by type of these primary original assets

(Millions of Yen)

Type of original assets	March 31, 2009	**March 31, 2010**
	Amount of exposure	Amount of exposure
Residential mortgage	195,331	**190,459**
Other	—	**—**
Total	195,331	**190,459**

(4) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2009		**March 31, 2010**	
	Balance	Required capital amount	Balance	Required capital amount
Less than 20%	—	—	**—**	**—**
20% to less than 50%	—	—	**—**	**—**
50% to less than 100%	195,331	12,722	**190,459**	**11,468**
100% to less than 350%	—	—	**—**	**—**
Capital deduction	2,682	2,682	**2,682**	**2,682**
Total	198,014	15,405	**193,142**	**14,151**

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, 2009	**March 31, 2010**
Residential mortgage	26,681	**20,401**
Other	—	**—**
Total	26,681	**20,401**

(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, 2009	**March 31, 2010**
Residential mortgage	—	**—**
Other	2,682	**2,745**
Total	2,682	**2,745**

(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, 2009	**March 31, 2010**
Residential mortgage backed securities (RMBS)	102,119	**90,126**
Multi-borrower type commercial-use real estate backed securities (MCMBS)	—	**—**
Debt collateral certificate using credit derivative (Synthetic CDO)	2,153	**4,111**
First to default type credit linked notes (CLN)	40,935	**51,278**
Collateralized Loan Obligation (CLO)	5	**970**
Securitization of business (WBS)	35,051	**20,383**
Asset-backed securities of monetary receivables such as installment receivables (ABS)	11,201	**7,534**
Total	191,465	**174,405**

(2) Balance of securitization exposure held by risk weight classification of appropriate number and required capital amount

(Millions of Yen)

Risk weight	March 31, 2009		**March 31, 2010**	
	Balance	Required capital amount	Balance	Required capital amount
Less than 20%	105,224	653	**92,530**	**571**
20% to less than 50%	86,241	2,489	**48,959**	**1,368**
50% to less than 100%	—	—	**28,553**	**1,210**
100% to less than 350%	—	—	**4,111**	**348**
350% to less than 1250%	—	—	**249**	**95**
Capital deduction	—	—	**—**	**—**
Total	191,465	3,143	**174,405**	**3,594**

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, 2009	**March 31, 2010**
Residential mortgage	—	**—**
Other	—	**63**
Total	—	**63**

(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, 2009		March 31, 2010	
	Amount posted on balance sheet	Market value	Amount posted on balance sheet	Market value
Listed equity exposures	379,464	379,464	**464,844**	**464,844**
Equity exposures other than above	255,586		**263,032**	
Total	635,050		**727,876**	

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, 2009	March 31, 2010
Profit/loss on sale	(103,278)	**14,477**
Amortization loss	69,750	**1,765**
Total	(173,028)	**12,712**

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, 2009	March 31, 2010
Amount of appraisal profit/loss recognized on balance sheet and not recognized on profit and loss statements	(40,483)	**51,452**

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, 2009	March 31, 2010
Listed equity exposures	251,885	**263,574**
Equity exposures other than above	236,304	**221,855**
Total	488,189	**485,430**

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, 2009	**March 31, 2010**
Listed equity exposures	—	**—**
Equity exposures other than above	496	**488**
Total	496	**488**

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, 2009	**March 31, 2010**
Profit/loss on sale	—	**—**
Amortization loss (–)	—	**—**
Total	—	**—**

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, 2009	**March 31, 2010**
Listed equity exposures	—	**—**
Equity exposures other than above	496	**488**
Total	496	**488**

Exposure Relating to Funds

(Millions of Yen)

Calculation Method	March 31, 2009	**March 31, 2010**
Exposure applicable to look-through formula (Note 1)	387,591	**361,617**
Exposure applicable to modified simple majority method (Note 2)	10,665	**10,556**
Exposure applicable to investment criteria formula (Note 3)	3,298	**2,840**
Exposure applicable to simple risk weight method (Note 4)	—	**—**
Those applicable to 400% risk weight	—	**—**
Those applicable to 1250% risk weight	—	**—**
Total	401,556	**375,013**

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, 2009	**March 31, 2010**
Variation amount of profit/loss or economic value from interest rate shock	107,693	**64,801**

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.)

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Basel II Related Data

Chuo Mitsui Asset Trust and Banking Company, Limited

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Non-consolidated Data

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, 2009	**March 31, 2010**
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	12,620	**10,507**
Treasury stock (-)	—	**—**
Treasury stock application margin	—	**—**
Projected amount of distributed income (-)	9,900	**7,500**
Evaluation loss on other 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 (-)	—	**—**
Total Tier I capital (A)	34,966	**35,253**
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)	34,966	**35,253**
<For Reference>		
Risk weighted assets, etc.		
Credit risk weighted asset amount	32,266	**31,327**
Asset (on-balance sheet) items	32,266	**31,327**
Off-balance sheet transaction items	—	**—**
Amount arrived at by dividing operational risk equivalents by 8%	94,643	**88,498**
Total (F)	126,909	**119,826**
Non-consolidated Capital Adequacy Ratio (Domestic Standard) = (E)/(F) x 100	27.55%	**29.42%**
(A)/(F) x 100	27.55%	**29.42%**
(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, 2009	**March 31, 2010**
Portfolio applicable to the standardised approach	1,290	**1,253**
For financial institutions and securities companies	88	**77**
For corporations	383	**397**
Investment	8	**8**
Other	809	**769**
Securitization exposure	—	**—**
Total	1,290	**1,253**

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, 2009	**March 31, 2010**
Standardised approach	3,785	**3,539**
Total	3,785	**3,539**

(3) Total amount of non-consolidated required capital

(Millions of Yen)

Classification	March 31, 2009	**March 31, 2010**
Total amount of non-consolidated required capital (Note)	5,076	**4,793**

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, 2009	**March 31, 2010**	**Average balance of exposure during the term**
Loaned money, call loans, deposits, etc.	36,578	**31,888**	**34,174**
Securities	88,933	**88,968**	**88,955**
Off-balance sheet transactions	30,592	**30,525**	**35,557**
Total	156,103	**151,381**	**158,687**

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, 2009	**March 31, 2010**
Domestic	156,103	**151,381**
Loaned money, call loans, deposits, etc.	36,578	**31,888**
Securities	88,933	**88,968**
Off-balance sheet transactions	30,592	**30,525**
Overseas	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Total	156,103	**151,381**

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, 2009	March 31, 2010
Sovereign	135,414	**131,801**
Central government and central bank	134,811	**131,268**
Loaned money, call loans, deposits, etc.	15,889	**12,307**
Securities	88,933	**88,968**
Off-balance sheet transactions	29,988	**29,992**
Local public organizations	603	**532**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	603	**532**
Other	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Financial institutions	11,089	**9,635**
Loaned money, call loans, deposits, etc.	11,089	**9,635**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Business corporation	9,599	**9,945**
Loaned money, call loans, deposits, etc.	9,599	**9,945**
Securities	—	**—**
Off-balance sheet transactions	—	**—**

(continues to right column)

(continued from left column) (Millions of Yen)

Business Type	March 31, 2009	March 31, 2010
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	156,103	**151,381**

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, 2009	March 31, 2010
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	—	**—**

(continues to right column)

(continued from left column) (Millions of Yen)

Business Type	March 31, 2009	March 31, 2010
Transportation	72	**72**
Loaned money, call loans, deposits, etc.	72	**72**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Wholesale and retail	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Finance and insurance	321	**330**
Loaned money, call loans, deposits, etc.	321	**330**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Real estate	897	**910**
Loaned money, call loans, deposits, etc.	897	**910**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Various services	—	**—**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Other	8,308	**8,631**
Loaned money, call loans, deposits, etc.	8,308	**8,631**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Total	9,599	**9,945**

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, 2009	**March 31, 2010**
1 year or shorter	154,398	**149,734**
Loaned money, call loans, deposits, etc.	35,476	**30,773**
Securities	88,933	**88,968**
Off-balance sheet transactions	29,988	**29,992**
Over 1 year to 3 years or shorter	—	**68**
Loaned money, call loans, deposits, etc.	—	**68**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Over 3 years to 5 years or shorter	68	**—**
Loaned money, call loans, deposits, etc.	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, 2009	**March 31, 2010**
Over 7 years	603	**532**
Loaned money, call loans, deposits, etc.	—	**—**
Securities	—	**—**
Off-balance sheet transactions	603	**532**
With no provision for period	1,032	**1,046**
Loaned money, call loans, deposits, etc.	1,032	**1,046**
Securities	—	**—**
Off-balance sheet transactions	—	**—**
Total	156,103	**151,381**

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, 2009			**March 31, 2010**		
		Rating applicable	Rating not applicable (Note)		Rating applicable	Rating not applicable (Note)
0%	135,414	—	135,414	**131,801**	**—**	**131,801**
0% to 10%	—	—	—	**—**	**—**	**—**
10% to 35%	11,089	—	11,089	**9,635**	**—**	**9,635**
35% to 75%	—	—	—	**—**	**—**	**—**
75% to 100%	9,599	—	9,599	**9,945**	**—**	**9,945**
100% to 150%	—	—	—	**—**	**—**	**—**
Capital deduction	—	—	—	**—**	**—**	**—**
Total	156,103	—	156,103	**151,381**	**—**	**151,381**

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

N.A.

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, 2009		March 31, 2010	
	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, 2009	March 31, 2010
Variation amount of profit/loss or economic value from interest rate shock	110	**108**

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, 2010

Chuo Mitsui Trust Holdings, Inc.

President
Kazuo Tanabe*

Deputy President
Kunitaro Kitamura*

Senior Managing Director
Nobuo Iwasaki

Managing Director
Shinji Ochiai

Directors
Jun Okuno
Ken Sumida

Corporate Auditors
Tetsuo Amano
Yasuhiro Wakasa
Yasuhiro Yonezawa
Yasuhiko Takano
Hiroyuki Nakanishi

Senior Executive Officers
Takashi Kamikanda
Masaru Hashimoto

Executive Officers
Tsuyoshi Saitou
Yuzuru Kawaguchi

** Representative directors*

The Chuo Mitsui Trust and Banking Company, Limited

Chairman of the Board
Kazuo Tanabe*

President
Jun Okuno*

Deputy President
Itaru Masuda*

Corporate Auditors
Junichi Sahara
Yasuhiko Takano
Hiroyuki Nakanishi

First Senior Executive Officers
Mamoru Kawakami**
Nobuo Iwasaki

Senior Executive Officers
Shunichi Sakata
Naoya Shoji
Taro Kiritani
Takashi Kamikanda
Yoichi Nakae
Katsuhiko Kudo
Takuya Miyazaki

Executive Officers
Toshiyuki Ueki
Masashi Hirose
Mutsumi Watanabe
Yoshiaki Koshimura
Tomoyuki Kiyotsune
Hirofumi Wakui
Tadao Umezawa

** Representative directors*
*** Director*

Chuo Mitsui Asset Trust and Banking Company, Limited

Chairman of the Board
Tadashi Kawai

President
Ken Sumida*

Senior Executive Officer
Yasuo Kuwana**

Corporate Auditors
Yasuhiro Wakasa
Norihide Kirihara
Yasuhiro Yonezawa

Executive Officers
Seigo Kimoto
Hiroshi Misawa
Yoshinori Miyamoto

** Representative director*
*** Director*

Organization

As of August 1, 2010

Chuo Mitsui Trust Holdings, Inc.

- **General Meeting of Shareholders**
  - **Corporate Auditors**
  - **Board of Corporate Auditors**
  - **Board of Directors**
    - **Executive Committee**
    - **Management Council**

- Committee
- Corporate Auditors Office
- Secretariat
- General Planning Dept.
- Integration Promotion 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, 2010

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 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
Chuo Mitsui Trust Realty Company, Ltd.	Asset management services	300

Overseas Network

As of August 1, 2010

Representative Offices

The Chuo Mitsui Trust and Banking Company, Limited

New York Representative Office
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Singapore Representative Office
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Telefax: 65-6532-6155

Beijing Representative Office
Kei Ogawa
Chief Representative
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Chaoyang District, Beijing 100022,
People's Republic of China
Telephone: 86-10-6559-8556
Telefax: 86-10-6559-8592

London Representative Office
Masazumi Eto
Chief Representative
7th Floor, Triton Court, 14 Finsbury
Square, London EC2A 1BR, U.K.
Telephone: 44-20-7847-8402, 8420
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,
Grand Cayman KYI-1104,
Cayman Islands

MTH Preferred Capital 4 (Cayman) Limited
P.O. Box 309, Ugland House,
Grand Cayman KYI-1104,
Cayman Islands

MTH Preferred Capital 5 (Cayman) Limited
P.O. Box 309, Ugland House,
Grand Cayman KYI-1104,
Cayman Islands

CMTH Preferred Capital 6 (Cayman) Limited
P.O. Box 309, Ugland House,
Grand Cayman KYI-1104,
Cayman Islands

CMTH Preferred Capital 7 (Cayman) Limited
P.O. Box 309, Ugland House,
Grand Cayman KYI-1104,
Cayman Islands

The Chuo Mitsui Trust and Banking Company, Limited

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Hajime Kobayashi
President & CEO
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Chuo Mitsui Investments, Singapore Pte. Ltd. (Under liquidation)

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Chuo Mitsui Investments Hong Kong Limited
Toshiya Fujiwara
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Telefax: 85 2 2533 4499

Investor Information

As of March 31, 2010

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
4,193,332 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

Number of Shareholders
Common: 47,896 (The number of shareholders holding only fractional shares is excluded.)

Major Shareholders

Common stock

Name	Number of shares held (Thousands)	Percentage of total shares (%)
The Resolution and Collection Corporation	500,875	30.20
Japan Trustee Services Bank, Ltd. (Trust Account)	105,707	6.37
The Master Trust Bank of Japan, Ltd. (Trust Account)	101,027	6.09
Japan Trustee Services Bank, Ltd. (Trust Account 9)	21,726	1.31
Japan Trustee Services Bank, Ltd. (Trust Account 4)	18,649	1.12
Goldman Sachs & Company Regular account	15,554	0.93
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	0.91
State Street Bank and Trust Company 505225	14,431	0.87
Mitsui Life Insurance Company Limited	13,648	0.82
Tobu Railway Co., Ltd.	13,355	0.80
Total	820,200	49.45

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
Chuo Mitsui Trust Holdings, Inc.
33-1, Shiba 3-chome,
Minato-ku, Tokyo 105-8574, Japan

Company Information

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Web site: http://www.chuomitsui.co.jp

Chuo Mitsui Asset Trust and Banking Company, Limited

Registered Head Office
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Disclosure Policy

Based on an awareness of the importance of its social responsibility and public mission, the Chuo Mitsui Trust Group strives to earn the confidence of investors, shareholders, clients and others by actively disclosing business information.

Chuo Mitsui Trust Holdings strives to implement a high level of transparency in its management by disclosing information about the Group's overall financial condition in a timely, fair, and forthright manner on its website.

In addition to providing easy-to-understand explanations of management direction and results in the form of Disclosure Reports and other disclosure materials, the Company details its business strategies and other relevant information at analyst meetings and via other forums. The Company also provides an extensive range of investor relations (IR) information on its website, and Group companies offer a broad range of information about their products and services on their own websites.

The Group will continue to strive to promote a deeper understanding of its activities.

Websites of Chuo Mitsui Trust Group Companies

Chuo Mitsui Trust Holdings
http://www.chuomitsui.jp/

The Chuo Mitsui Trust and Banking Company, Limited
http://www.chuomitsui.co.jp/

Chuo Mitsui Asset Trust and Banking Company, Limited
http://www.chuomitsui-asset.jp/

Chuo Mitsui Asset Management Company, Limited
http://www.cmam.co.jp/

Chuo Mitsui Capital Company Limited
http://www.cm-capital.com/

About Chuo Mitsui Trust Group

Chuo Mitsui Trust Group, unique in the financial community because of its high-level financial products and services, aspires to be a business organization that contributes widely to society and meets the expectations of clients through its commitment to efficient, highly transparent management.

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