

住友信託銀行

2009

INTERIM REPORT

Six Months Ended September 30, 2009



## Financial Highlights

### Earnings

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During the first half of fiscal year 2009, despite the increase in market-related income, consolidated net business profit before credit costs decreased by 7.5 billion yen year on year, to 87.7 billion yen, as The Sumitomo Trust and Banking Company, Limited\* Group as a whole saw a decline in income from fee revenue due to the effects of a decline in the market value of entrusted assets and a decrease in real estate brokerage volume.

Net income decreased by 9 billion yen year on year, to 19.2 billion yen. This was attributable to higher allowance for doubtful loans we set aside for our clients whose financial conditions have deteriorated, while we realized the gain on retirement of perpetual subordinated bonds.

\* Hereinafter Sumitomo Trust or STB.

### Financial Soundness

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The balance of non-performing loans (disclosed under the Financial Reconstruction Law, banking and principal guaranteed trust accounts combined, non-consolidated basis) at the end of September 2009 increased by 192.7 billion yen from the end of the previous fiscal year, to 309.2 billion yen, mainly because of an increase of 168.5 billion yen in doubtful loans due to a deterioration in the financial conditions of some of our domestic clients. The ratio of non-performing loans (the proportion of assets classified under the Financial Reconstruction Law to total loan balance) increased by 1.6 percentage points from the end of the previous fiscal year, to 2.5%. However, coverage ratio for “Doubtful loans,” which is secured by collateral values and allowance for loan losses, stands at 96%, and financially reaches a satisfactory level.

### Capital (Net Assets)

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The consolidated BIS capital adequacy ratio at the end of September 2009 increased by 2.08 percentage points from the end of the previous fiscal year, to 14.17%. Consolidated Tier I capital ratio also increased from the end of the previous fiscal year by 2.25 percentage points, to 9.88%.

The “goodwill” generated through the acquisition of Nikko Asset Management Co., Ltd. (“Nikko AM”) on October 1, 2009 is expected to reduce both consolidated BIS capital adequacy ratio and consolidated Tier I capital ratio by approximately 0.6%.

### Dividend Policy

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In fiscal year 2009, Sumitomo Trust maintains the dividend policy, consolidated payout ratio of approximately 30%, which has been decided in midterm management plan.\*

Based on the dividend policy mentioned above, our annual dividends for fiscal year 2009 will be 10.00 yen per share (consolidated dividend payout ratio of 39.5%), the same as the previous fiscal year. Sumitomo Trust distributed interim dividends for fiscal year 2009 of 5.00 yen per share, which corresponded to the half of the projected annual dividends mentioned above.

\* Consolidated dividend payout ratio in fiscal year 2011 is not decided yet.

## • Financial Highlights for the First Half Fiscal Year 2009

	Billions of Yen							
	Non-consolidated				Consolidated			
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Year-on-Year	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Year-on-Year
<b>Net Business Profit</b>								
before Credit Costs*1 .....	81.6	72.7	201.0	8.8	87.7	95.3	241.1	(7.5)
Total Substantial Credit Costs*2 ...	(32.7)	(10.3)	(121.3)	(22.3)	(40.8)	(24.5)	(170.0)	(16.2)
<b>Net Gains on Stocks</b>								
and Other Securities .....	(6.3)	(9.3)	(46.6)	3.0	(6.4)	(10.2)	(48.3)	3.7
Ordinary Profit .....	31.1	47.5	37.9	(16.3)	33.4	54.7	29.6	(21.3)
Net Income .....	19.3	30.3	38.9	(11.0)	19.2	28.3	7.9	(9.0)

\*1 Consolidated net business profit before credit costs = Non-consolidated net business profit before credit costs + Subsidiary companies' ordinary profits (non-recurring effect adjusted) + Affiliates' ordinary profits (non-recurring effect adjusted) X Ratio of equity holdings - Intra-group transaction (dividends, etc.).

\*2 Recoveries of written-off claims is included in Total Substantial Credit Costs from this fiscal year.

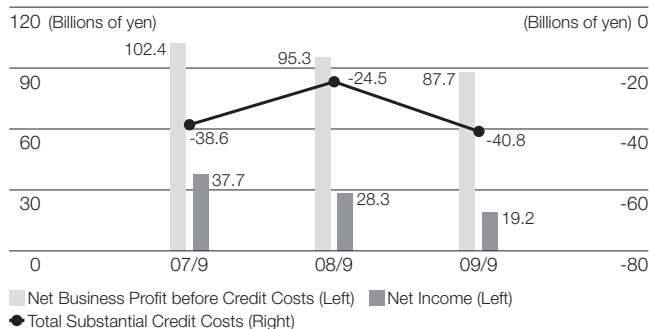
\*3 Figures in ( ) indicate minus figures.

## • Dividends

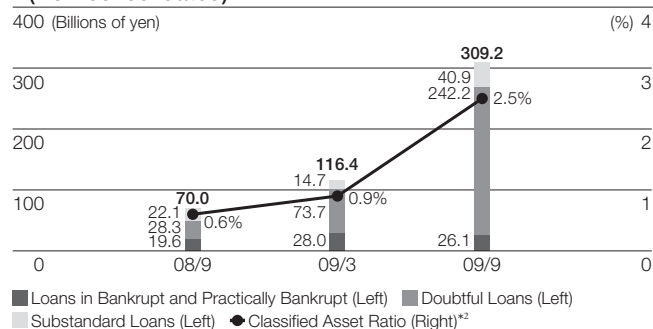
	FY2007	FY2008	FY2009 (Forecast)
Common Share Dividends per Share .....	17.00 yen	10.00 yen	10.00 yen
Interim Dividend .....	8.50 yen	8.50 yen	5.00 yen (actual)
Consolidated Net Income .....	82.3 billion yen	7.9 billion yen	45.0 billion yen
Consolidated Dividend Payout Ratio* .....	34.6%	210.7%	39.5%

\* Consolidated Dividend Payout Ratio =  $\frac{\text{Cash Dividends (common share)}}{\text{Consolidated Net Income}} \times 100$

## • Consolidated Results



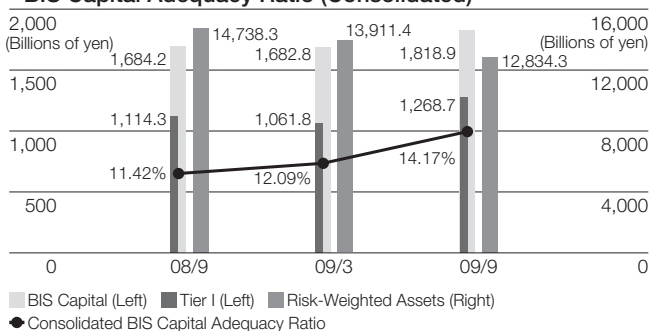
## • Assets Classified under the Financial Reconstruction Law\*1 (Non-consolidated)



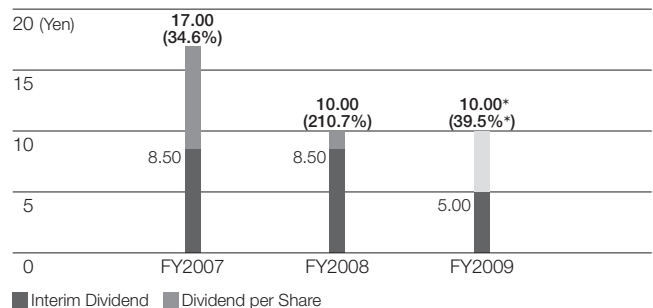
\*1 Banking account and principal guaranteed trust account combined

\*2 Classified Asset Ratio: Percentage of Assets Classified under the Financial Reconstruction Law to Total Loan Balance

## • BIS Capital, Risk-Weighted Assets, BIS Capital Adequacy Ratio (Consolidated)



## • Dividend per Share and Consolidated Dividend Payout Ratio



\* Forecast

Note: Figures in ( ) indicate Consolidated Dividend Payout Ratio

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## Message from the President and CEO



In order to accurately and speedily respond to the ever-more complex and advanced needs of our clients in the New Paradigm that has been ushered in after the global financial crises, Sumitomo Trust has acquired Nikko AM and has reached a basic agreement on the management integration with Chuo Mitsui Trust Holdings, Inc. (“Chuo Mitsui”). The new trust bank group aims to become a global player as “The Trust Bank Group taking 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.”

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### Interim Earnings in Adverse Conditions

Our consolidated net business profit before credit costs in the first half of the fiscal year 2009 decreased by 7.5 billion yen year on year, to 87.7 billion yen. This was due to the drop in the market value of entrusted assets such as pension trusts and mutual funds in the fiduciary services business as well as the decrease in net fees and commissions for real-estate brokerage, mutual funds and individual annuity sales, despite the increase in market-related income.

Consolidated total substantial credit costs increased by 16.2 billion yen year on year, to 40.8 billion yen, mainly due to the higher allowance in response to the increase in doubtful loans caused by the worsening financial conditions of some of our domestic clients, while we realized the gain of 9.4 billion yen from retirement of perpetual subordinated bonds. As a result, consolidated net income decreased by 9.0 billion yen year on year, to 19.2 billion yen.

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### Reinforced Financial Soundness

The consolidated BIS capital adequacy ratio at the end of September 2009 increased by 2.08 percentage points from the end of the previous fiscal year, to 14.17%. The consolidated Tier I ratio increased by 2.25 percentage points to 9.88%. This is because Tier I capital increased due to our 109.0 billion yen issuance of preferred shares as well as improvement in unrealized losses of available-for-sale securities, and because risk-weighted assets decreased by 1.1 trillion yen (-7.7%) from the end of the previous fiscal year.

Even after taking into account the goodwill generated through the purchase of Nikko AM on October 1, 2009, which is expected to reduce both the consolidated BIS capital adequacy ratio and consolidated Tier I capital ratio by approximately 0.6%, we believe that we have ensured a sufficient capital level.

The balance of non-performing loans (disclosed under the Financial Reconstruction Law, banking and principal guaranteed trust accounts combined, non-consolidated basis) at the end of September 2009 increased by 192.7 billion yen from the end of the previous fiscal year, to 309.2 billion yen, mainly because of an increase of 168.5 billion yen in doubtful loans.

However, we believe we have secured a sufficient level of financial reserves, evident from our coverage ratio of 96% by collateral values and allowances for the entire loan amounts.

On the other hand, loans to special mention debtors decreased by 226.2 billion yen from the end of the previous fiscal year, to 619.1 billion yen, due to the repayments and downgrades to doubtful loans.

## Dividends Remain Unchanged

We plan to keep our annual dividends for fiscal year 2009 unchanged at the previous year's level of 10.00 yen per share (consolidated dividend payout ratio of 39.5%), based on our dividend policy of approximately 30% payout ratio. We distributed interim dividends for fiscal year 2009 of 5.00 yen per share, which corresponded to the half of the projected annual dividends mentioned above.

## Breaking Through the New Paradigm by M&A and Management Integration

In order to drastically reinforce asset management and custody businesses that serve as one of our core businesses, we acquired Nikko AM in October 2009. In addition, to accelerate the achievement of the objectives raised in the midterm management plan, at one stroke, and lead to significant leap forward, we reached a basic agreement on the management integration with Chuo Mitsui in November, subject to the approval of our shareholders and relevant authorities.

### • Acquisition of Nikko AM

#### — Drastic reinforcement of investment marketing and asset management businesses

Our aim of the acquisition of Nikko AM is to make maximum use of our mutually complimentary abilities to drastically reinforce our asset management and custody businesses as well as investment marketing business. Specifically, we will utilize Nikko AM's strengths in product development and sales support capabilities to further enhance our investment marketing capabilities that target retail clients as well as overseas institutional investors and expand our business franchise of our asset management business. Thereby, we will provide high added-value financial products as one of Japan's largest asset management groups that hold one of the top positions in terms of market share of both corporate as well as individual investors.

### • Management Integration with Chuo Mitsui Trust Group

The financial crisis has led to major structural changes in the economy and society. Against this background, client needs in managing their assets are becoming increasingly advanced and complex. In this context, both companies completely agree that we are truly entering an era where a trust group, featuring high levels of expertise and broad scope of businesses, should give full play to its strengths. Based on our shared understanding of the management environment, we agreed to create a new trust bank group, having the combination of its expertise and comprehensive capability, that can provide its clients with better and swifter comprehensive solutions than ever before with an intended target date set for April 2011. We will achieve this by combining both companies' managerial resources and fusing both groups' strengths to address the increasingly advanced and complex issues that clients face in managing their assets.

After the management integration, we will have approximately 58 trillion yen (as of March 31, 2009) of assets under management and approximately 181 trillion yen (as of March 31, 2009) of assets under custody, making us the largest asset management and administration institution in Japan. For sales volume of mutual funds and annuity insurance to retail clients, we will be ranked third among Japanese banks after the two megabanks, dramatically boosting our presence as a financial group which manages financial assets for retail clients. Furthermore, in real estate business and stock transfer agency services, we will become first or second among trust banks, enabling further improvements in our expertise with stronger information network and higher service quality.

## Aspiring to be "The Trust Bank"

We have expressed our beliefs in creating a new trust bank as "The Trust Bank." It means, "The Trust Bank Group taking 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." This is nothing different from our endeavor to further expand our original vision. In each business domain, we will build an unshakeable relationship with our clients that is based on trust through the provision of products and services with the highest standard, and aim to become a global player as a trust bank group representing Japan.

I would like to request the continued support of our shareholders and investors.

January 2010



Hitoshi Tsunekage President and CEO

# Financial Section

# Consolidated Balance Sheets (Unaudited)

	Millions of Yen			Millions of U.S. Dollars
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
<b>Assets:</b>				
Cash and Due from Banks	¥ 1,220,329	¥ 744,784	¥ 605,348	\$ 13,526
Call Loans and Bills Bought	62,398	125,054	9,597	692
Receivables under Securities Borrowing Transactions	332,159	—	295,941	3,682
Monetary Claims Bought	415,589	502,795	455,019	4,606
Trading Assets (Note 6)	905,185	920,630	1,089,812	10,033
Money Held in Trust	22,401	17,541	22,102	248
Securities (Notes 6 and 13)	4,441,338	5,180,046	4,794,815	49,228
Loans and Bills Discounted (Notes 1, 2, 3, 4, 5 and 6)	11,234,906	10,846,022	11,229,604	124,528
Foreign Exchanges	8,896	7,620	12,166	99
Lease Receivables and Investment Assets (Note 6)	641,486	647,885	668,368	7,110
Other Assets (Note 6)	1,208,174	1,286,792	1,411,193	13,391
Tangible Fixed Assets (Notes 8 and 9)	127,881	130,724	129,530	1,417
Intangible Fixed Assets	139,599	146,579	142,913	1,547
Deferred Tax Assets	132,340	101,713	207,740	1,467
Customers' Liabilities for Acceptances and Guarantees (Note 13)	368,342	374,662	422,947	4,083
Allowance for Loan Losses	(176,247)	(112,957)	(166,971)	(1,954)
<b>Total Assets</b>	<b>¥ 21,084,784</b>	<b>¥ 20,919,895</b>	<b>¥ 21,330,132</b>	<b>\$ 233,704</b>
<b>Liabilities:</b>				
Deposits (Note 6)	¥ 12,312,877	¥ 11,798,870	¥ 11,909,027	\$ 136,476
Negotiable Certificates of Deposit	2,062,055	2,314,045	2,303,517	22,856
Call Money and Bills Sold	208,822	263,750	133,181	2,315
Payables under Repurchase Agreements (Note 6)	972,446	1,486,026	1,236,775	10,779
Payables under Securities Lending Transactions	—	95,013	—	—
Trading Liabilities	95,692	41,609	131,605	1,061
Borrowed Money (Notes 6 and 10)	861,340	893,354	1,460,149	9,547
Foreign Exchanges	33	406	532	0
Short-term Bonds Payable	336,114	343,082	333,561	3,725
Bonds Payable (Note 11)	532,776	579,023	556,622	5,905
Borrowed Money from Trust Account	1,056,013	644,661	547,115	11,705
Other Liabilities	832,392	700,768	1,002,600	9,226
Provision for Bonuses	6,136	6,299	6,100	68
Provision for Retirement Benefits	8,272	8,855	8,539	92
Provision for Reimbursement of Deposits	954	823	890	11
Provision for Contingent Loss	6,192	7,718	6,302	69
Provision for Relocation Expenses	698	2,118	698	8
Deferred Tax Liabilities	35	143	34	0
Deferred Tax Liabilities for Land Revaluation (Note 8)	5,834	5,979	5,878	65
Acceptances and Guarantees (Note 13)	368,342	374,662	422,947	4,083
<b>Total Liabilities</b>	<b>¥ 19,667,030</b>	<b>¥ 19,567,212</b>	<b>¥ 20,066,080</b>	<b>\$ 217,990</b>
<b>Net Assets:</b>				
<b>Shareholders' Equity:</b>	<b>¥ 1,118,803</b>	<b>¥ 1,027,447</b>	<b>¥ 992,986</b>	<b>\$ 12,401</b>
Capital Stock	342,037	287,537	287,537	3,791
Capital Surplus	297,053	242,555	242,555	3,293
Retained Earnings	480,172	497,834	463,346	5,322
Treasury Stock	(458)	(479)	(453)	(5)
<b>Valuation and Translation Adjustments:</b>	<b>(8,460)</b>	<b>4,804</b>	<b>(119,080)</b>	<b>(94)</b>
Valuation Difference on Available-for-Sale Securities	(5,640)	20,790	(102,248)	(63)
Deferred Gains or Losses on Hedges	10,741	(4,974)	(2,208)	119
Revaluation Reserve for Land (Note 8)	(4,572)	(4,366)	(4,511)	(51)
Foreign Currency Translation Adjustment	(8,988)	(6,644)	(10,111)	(100)
<b>Minority Interests</b>	<b>307,409</b>	<b>320,431</b>	<b>390,146</b>	<b>3,407</b>
<b>Total Net Assets</b>	<b>¥ 1,417,753</b>	<b>¥ 1,352,683</b>	<b>¥ 1,264,052</b>	<b>\$ 15,714</b>
<b>Total Liabilities and Net Assets</b>	<b>¥ 21,084,784</b>	<b>¥ 20,919,895</b>	<b>¥ 21,330,132</b>	<b>\$ 233,704</b>

	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
Number of Authorized Common Shares (Shares)	3,000,000,000	3,000,000,000	3,000,000,000	
Number of Issued Common Shares (Shares)	1,675,128,546	1,675,128,546	1,675,128,546	
Number of Authorized Preferred Shares (Shares)	400,000,000			
Number of Issued Preferred Shares (Shares)	109,000,000			
Net Assets per Share (Yen/U.S. Dollar)	¥ 597.76	¥ 616.41	¥ 521.85	\$ 6.63

See accompanying notes.

	Millions of Yen			Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2009	Six Months Ended Sep. 30, 2008	Year Ended Mar. 31, 2009	Six Months Ended Sep. 30, 2009
<b>Income:</b>				
Trust Fees .....	¥ 26,258	¥ 36,379	¥ 64,448	\$ 291
Interest Income: .....	141,248	198,252	371,801	1,566
Interest on Loans and Discounts .....	92,235	106,870	210,159	1,022
Interest and Dividends on Securities .....	43,438	78,870	140,904	481
Other Interest Income .....	5,573	12,512	20,737	62
Fees and Commissions .....	48,769	53,151	103,012	541
Trading Income .....	10,030	2,477	6,339	111
Other Ordinary Income .....	183,879	198,187	492,260	2,038
Other Income (Note 1) .....	23,591	13,426	50,112	261
<b>Total Income</b> .....	<b>¥ 433,777</b>	<b>¥ 501,875</b>	<b>¥ 1,087,974</b>	<b>\$ 4,808</b>
<b>Expenses:</b>				
Interest Expenses: .....	¥ 53,657	¥ 111,207	¥ 197,628	\$ 595
Interest on Deposits .....	38,825	61,294	111,554	430
Interest on Borrowings and Rediscounts .....	4,149	6,850	14,942	46
Other Interest Expenses .....	10,682	43,063	71,130	118
Fees and Commissions Payments .....	12,654	14,817	27,351	140
Trading Expenses .....	—	11,751	58,367	—
Other Ordinary Expenses .....	160,952	156,957	316,830	1,784
General and Administrative Expenses .....	104,710	107,447	211,096	1,161
Other Expenses (Note 2) .....	58,774	42,763	223,135	651
<b>Total Expenses</b> .....	<b>¥ 390,749</b>	<b>¥ 444,946</b>	<b>¥ 1,034,408</b>	<b>\$ 4,331</b>
<b>Income before Income Taxes</b> .....	<b>¥ 43,028</b>	<b>¥ 56,928</b>	<b>¥ 53,565</b>	<b>\$ 477</b>
Income Taxes:				
Current .....	13,411	11,511	45,937	149
Deferred .....	2,841	12,914	(10,540)	31
<b>Minority Interests in Income</b> .....	<b>7,499</b>	<b>4,179</b>	<b>10,221</b>	<b>83</b>
<b>Net Income</b> .....	<b>¥ 19,276</b>	<b>¥ 28,323</b>	<b>¥ 7,946</b>	<b>\$ 214</b>
	Yen			U.S. Dollars
<b>Net Income per Share</b> .....	<b>¥ 11.30</b>	<b>¥ 16.91</b>	<b>¥ 4.74</b>	<b>\$ 0.13</b>
<b>Net Income per Share (fully-diluted)</b> .....	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

See accompanying notes.



# Financial Section

# Consolidated Statements of Changes in Net Assets (Unaudited)

	Millions of Yen			Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2009	Six Months Ended Sep. 30, 2008	Year Ended Mar. 31, 2009	Six Months Ended Sep. 30, 2009
<b>Shareholders' Equity:</b>				
<b>Capital Stock:</b>				
Balance at the End of Previous Period .....	¥ 287,537	¥ 287,537	¥ 287,537	\$ 3,187
Changes of Items during the Period:				
Issuance of New Shares .....	54,500	—	—	604
Total Changes of Items during the Period .....	54,500	—	—	604
Balance at the End of Current Period .....	¥ 342,037	¥ 287,537	¥ 287,537	\$ 3,791
<b>Capital Surplus:</b>				
Balance at the End of Previous Period .....	¥ 242,555	¥ 242,555	¥ 242,555	\$ 2,688
Changes of Items during the Period:				
Issuance of New Shares .....	54,500	—	—	604
Disposal of Treasury Stock .....	(2)	(0)	(0)	(0)
Total Changes of Items during the Period .....	54,497	(0)	(0)	604
Balance at the End of Current Period .....	¥ 297,053	¥ 242,555	¥ 242,555	\$ 3,293
<b>Retained Earnings:</b>				
Balance at the End of Previous Period .....	¥ 463,346	¥ 483,686	¥ 483,686	\$ 5,136
Changes of Items during the Period:				
Dividends from Surplus .....	(2,511)	(14,234)	(28,468)	(28)
Net Income .....	19,276	28,323	7,946	214
Disposal of Treasury Stock .....	—	(1)	(24)	—
Reversal of Revaluation Reserve for Land .....	60	60	206	1
Total Changes of Items during the Period .....	16,825	14,147	(20,339)	186
Balance at the End of Current Period .....	¥ 480,172	¥ 497,834	¥ 463,346	\$ 5,322
<b>Treasury Stock:</b>				
Balance at the End of Previous Period .....	¥ (453)	¥ (441)	¥ (441)	\$ (5)
Changes of Items during the Period:				
Purchase of Treasury Stock .....	(10)	(46)	(66)	(0)
Disposal of Treasury Stock .....	5	8	54	0
Total Changes of Items during the Period .....	(5)	(38)	(12)	(0)
Balance at the End of Current Period .....	¥ (458)	¥ (479)	¥ (453)	\$ (5)
<b>Total Shareholders' Equity:</b>				
Balance at the End of Previous Period .....	¥ 992,986	¥ 1,013,338	¥ 1,013,338	\$ 11,006
Changes of Items during the Period:				
Issuance of New Shares .....	109,000	—	—	1,208
Dividends from Surplus .....	(2,511)	(14,234)	(28,468)	(28)
Net Income .....	19,276	28,323	7,946	214
Purchase of Treasury Stock .....	(10)	(46)	(66)	(0)
Disposal of Treasury Stock .....	2	6	29	0
Reversal of Revaluation Reserve for Land .....	60	60	206	1
Total Changes of Items during the Period .....	125,817	14,108	(20,352)	1,395
Balance at the End of Current Period .....	¥ 1,118,803	¥ 1,027,447	¥ 992,986	\$ 12,401



	Millions of Yen			Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2009	Six Months Ended Sep. 30, 2008	Year Ended Mar. 31, 2009	Six Months Ended Sep. 30, 2009
<b>Valuation and Translation Adjustments:</b>				
<b>Valuation Difference on Available-for-Sale Securities:</b>				
Balance at the End of Previous Period .....	¥ (102,248)	¥ 65,958	¥ 65,958	\$ (1,133)
Changes of Items during the Period:				
Net Changes of Items Other than Shareholders' Equity .....	96,607	(45,167)	(168,206)	1,071
Total Changes of Items during the Period .....	96,607	(45,167)	(168,206)	1,071
Balance at the End of Current Period .....	¥ (5,640)	¥ 20,790	¥ (102,248)	\$ (63)
<b>Deferred Gains or Losses on Hedges:</b>				
Balance at the End of Previous Period .....	¥ (2,208)	¥ 1,107	¥ 1,107	\$ (24)
Changes of Items during the Period:				
Net Changes of Items Other than Shareholders' Equity .....	12,950	(6,081)	(3,315)	144
Total Changes of Items during the Period .....	12,950	(6,081)	(3,315)	144
Balance at the End of Current Period .....	¥ 10,741	¥ (4,974)	¥ (2,208)	\$ 119
<b>Revaluation Reserve for Land:</b>				
Balance at the End of Previous Period .....	¥ (4,511)	¥ (4,306)	¥ (4,306)	\$ (50)
Changes of Items during the Period:				
Net Changes of Items Other than Shareholders' Equity .....	(60)	(60)	(205)	(1)
Total Changes of Items during the Period .....	(60)	(60)	(205)	(1)
Balance at the End of Current Period .....	¥ (4,572)	¥ (4,366)	¥ (4,511)	\$ (51)
<b>Foreign Currency Translation Adjustment:</b>				
Balance at the End of Previous Period .....	¥ (10,111)	¥ (4,729)	¥ (4,729)	\$ (112)
Changes of Items during the Period:				
Net Changes of Items Other than Shareholders' Equity .....	1,122	(1,915)	(5,381)	12
Total Changes of Items during the Period .....	1,122	(1,915)	(5,381)	12
Balance at the End of Current Period .....	¥ (8,988)	¥ (6,644)	¥ (10,111)	\$ (100)
<b>Total Valuation and Translation Adjustments:</b>				
Balance at the End of Previous Period .....	¥ (119,080)	¥ 58,029	¥ 58,029	\$ (1,320)
Changes of Items during the Period:				
Net Changes of Items Other than Shareholders' Equity .....	110,620	(53,225)	(177,109)	1,226
Total Changes of Items during the Period .....	110,620	(53,225)	(177,109)	1,226
Balance at the End of Current Period .....	¥ (8,460)	¥ 4,804	¥ (119,080)	\$ (94)
<b>Minority Interests:</b>				
Balance at the End of Previous Period .....	¥ 390,146	¥ 209,586	¥ 209,586	\$ 4,324
Changes of Items during the Period:				
Net Changes of Items Other than Shareholders' Equity .....	(82,737)	110,845	180,560	(917)
Total Changes of Items during the Period .....	(82,737)	110,845	180,560	(917)
Balance at the End of Current Period .....	¥ 307,409	¥ 320,431	¥ 390,146	\$ 3,407
<b>Total Net Assets:</b>				
Balance at the End of Previous Period .....	¥ 1,264,052	¥ 1,280,954	¥ 1,280,954	\$ 14,011
Changes of Items during the Period:				
Issuance of New Shares .....	109,000	—	—	1,208
Dividends from Surplus .....	(2,511)	(14,234)	(28,468)	(28)
Net Income .....	19,276	28,323	7,946	214
Purchase of Treasury Stock .....	(10)	(46)	(66)	(0)
Disposal of Treasury Stock .....	2	6	29	0
Reversal of Revaluation Reserve for Land .....	60	60	206	1
Net Changes of Items Other than Shareholders' Equity .....	27,883	57,619	3,450	309
Total Changes of Items during the Period .....	153,700	71,728	(16,902)	1,704
Balance at the End of Current Period .....	¥ 1,417,753	¥ 1,352,683	¥ 1,264,052	\$ 15,714

See accompanying notes.

	Millions of Yen			Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2009	Six Months Ended Sep. 30, 2008	Year Ended Mar. 31, 2009	Six Months Ended Sep. 30, 2009
<b>Net Cash Provided by (Used in) Operating Activities:</b>				
Income before Income Taxes .....	¥ 43,028	¥ 56,928	¥ 53,565	\$ 477
Depreciation and Amortization .....	8,624	8,214	17,296	96
Impairment Losses .....	28	127	419	0
Amortization of Goodwill .....	4,264	4,264	8,528	47
Equity in Losses (Earnings) of Affiliates .....	452	1,106	2,122	5
Increase (Decrease) in Allowance for Loan Losses .....	9,272	6,279	60,315	103
Increase (Decrease) in Provision for Bonuses .....	36	27	(171)	0
Increase (Decrease) in Provision for Directors' Bonuses .....	—	(75)	(75)	—
Increase (Decrease) in Provision for Retirement Benefits .....	(266)	(781)	(1,097)	(3)
Increase (Decrease) in Provision for Reimbursement of Deposits .....	64	3	70	1
Increase (Decrease) in Provision for Contingent Loss .....	(110)	(87)	(1,504)	(1)
Increase (Decrease) in Provision for Relocation Expenses .....	—	(125)	(1,545)	—
Gain on Fund Management .....	(141,248)	(198,252)	(371,801)	(1,566)
Financing Expenses .....	53,657	111,207	197,628	595
Loss (Gain) Related to Securities .....	(1,420)	(8,096)	(18,231)	(16)
Loss (Gain) on Money Held in Trust .....	(490)	(61)	(179)	(5)
Foreign Exchange Losses (Gains) .....	65,784	35,230	193,576	729
Loss (Gain) on Disposal of Fixed Assets .....	203	(1,586)	(167)	2
Net Decrease (Increase) in Trading Assets .....	184,627	157,562	(11,620)	2,046
Net Increase (Decrease) in Trading Liabilities .....	(35,912)	(296,608)	(206,612)	(398)
Net Decrease (Increase) in Loans and Bills Discounted .....	72	(99,794)	(483,581)	1
Net Increase (Decrease) in Deposit .....	400,179	(68,603)	57,956	4,436
Net Increase (Decrease) in Negotiable Certificates of Deposit .....	(241,462)	(142,649)	(153,177)	(2,676)
Net Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowings) .....	(593,723)	40,972	553,098	(6,581)
Net Decrease (Increase) in Deposit (excluding Deposit Paid to Bank of Japan) .....	34,262	(30,611)	103,588	380
Net Decrease (Increase) in Call Loans .....	(11,981)	87,284	236,598	(133)
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions .....	(35,715)	152,240	(143,701)	(396)
Net Increase (Decrease) in Call Money .....	(188,688)	819,035	439,215	(2,091)
Net Increase (Decrease) in Payables under Securities Lending Transactions .....	—	(36,944)	(131,957)	—
Net Decrease (Increase) in Foreign Exchange-Assets .....	3,270	325	(4,219)	36
Net Increase (Decrease) in Foreign Exchange-Liabilities .....	(499)	406	532	(6)
Net Increase (Decrease) in Short-term Bonds Payable .....	2,537	(14,533)	(24,537)	28
Net Increase (Decrease) in Lease Receivables and Investment Assets .....	26,882	9,652	(4,321)	298
Increase (Decrease) in Straight Bonds-Issuance and Redemption .....	1,000	—	—	11
Net Increase (Decrease) in Borrowed Money from Trust Account .....	508,897	(102,893)	(200,439)	5,641
Proceeds from Fund Management .....	147,462	207,394	392,804	1,634
Payments for Finance .....	(51,157)	(93,968)	(186,724)	(567)
Other Net .....	728	(10,045)	90,954	8
Sub Total .....	¥ 192,661	¥ 592,545	¥ 462,606	\$ 2,135
Income Taxes Paid .....	(12,387)	(37,018)	(75,623)	(137)
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>¥ 180,273</b>	<b>¥ 555,527</b>	<b>¥ 386,982</b>	<b>\$ 1,998</b>

	Millions of Yen			Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2009	Six Months Ended Sep. 30, 2008	Year Ended Mar. 31, 2009	Six Months Ended Sep. 30, 2009
<b>Net Cash Provided by (Used in) Investment Activities:</b>				
Purchase of Securities .....	¥ (1,276,125)	¥ (4,830,519)	¥ (10,255,117)	\$ (14,145)
Proceeds from Sales of Securities .....	1,310,596	3,800,558	9,029,638	14,527
Proceeds from Redemption of Securities .....	450,497	257,645	531,404	4,993
Increase in Money Held in Trust .....	—	—	(12,000)	—
Decrease in Money Held in Trust .....	192	53	7,609	2
Purchase of Tangible Fixed Assets .....	(1,886)	(3,399)	(8,845)	(21)
Proceeds from Sales of Tangible Fixed Assets .....	212	3,670	4,602	2
Purchase of Intangible Fixed Assets .....	(6,712)	(7,668)	(15,288)	(74)
Proceeds from Sales of Intangible Fixed Assets .....	5	—	1,021	0
<b>Net Cash Provided by (Used in) Investment Activities .....</b>	<b>¥ 476,779</b>	<b>¥ (779,658)</b>	<b>¥ (716,975)</b>	<b>\$ 5,285</b>
<b>Net Cash Provided by (Used in) Financing Activities:</b>				
Increase in Subordinated Borrowings .....	¥ 20,000	¥ —	¥ 60,000	\$ 222
Decrease in Subordinated Borrowings .....	(25,000)	(30,000)	(35,000)	(277)
Proceeds from Issuance of Subordinated Bonds and Bonds with Subscription Rights to Shares .....	58,704	28,500	29,500	651
Payments for Redemption of Subordinated Bonds and Bonds with Subscription Rights to Shares .....	(79,970)	(41,900)	(41,900)	(886)
Proceeds from Issuance of Common Share .....	108,566	—	—	1,203
Proceeds from Contributions by Minority Shareholders .....	—	110,000	180,055	—
Repayments to Minority Shareholders .....	(83,000)	—	—	(920)
Cash Dividends Paid .....	(2,516)	(14,230)	(28,473)	(28)
Cash Dividends Paid to Minority Shareholders .....	(7,289)	(3,223)	(9,404)	(81)
Purchase of Treasury Stock .....	(10)	(46)	(66)	(0)
Proceeds from Sales of Treasury Stock .....	2	6	29	0
<b>Net Cash Provided by (Used in) Financing Activities .....</b>	<b>¥ (10,511)</b>	<b>¥ 49,105</b>	<b>¥ 154,739</b>	<b>\$ (117)</b>
Effect of Exchange Rate Change on Cash and Cash Equivalents .....	¥ 2,702	¥ (2,361)	¥ (6,698)	\$ 30
<b>Net Increase in Cash and Cash Equivalents .....</b>	<b>¥ 649,243</b>	<b>¥ (177,386)</b>	<b>¥ (181,951)</b>	<b>\$ 7,196</b>
Cash and Cash Equivalents at Beginning of Year .....	¥ 304,631	¥ 487,255	¥ 487,255	\$ 3,377
Decrease in Cash and Cash Equivalents Resulting from Exclusion of Subsidiaries from Consolidation .....	—	—	(671)	—
<b>Cash and Cash Equivalents at End of (Half) Year (Notes 1 and 2) ....</b>	<b>¥ 953,875</b>	<b>¥ 309,868</b>	<b>¥ 304,631</b>	<b>\$ 10,573</b>

See accompanying notes.

### Basis of Presenting Financial Statements

The accompanying translated consolidated financial statements are compiled from the audited consolidated financial statements that are prepared for Japanese domestic purposes in accordance with the Financial Instruments and Exchange Act of Japan (hereinafter the "FIEA"), the Banking Act of Japan and accounting principles and practices generally accepted in Japan (hereinafter "Japanese GAAP"). Certain parts of Japanese GAAP are partly different from International Financial Reporting Standards in terms of application and disclosure requirements.

The accounts of overseas subsidiaries of the Sumitomo Trust and Banking Co., Ltd. (hereinafter "the Bank") are based on their accounting records maintained in conformity with generally accepted accounting principles prevailing in the respective countries of domicile.

The accompanying consolidated financial statements are restructured and translated into English (with some modifications and expanded descriptions for facilitation of understanding by readers outside Japan) from the consolidated financial statements in accordance with Japanese GAAP and filed with appropriate Local Finance Bureau of the Ministry of Finance as required by the FIEA. Some supplementary information included in the statutory Japanese consolidated financial statements, but not required for fair presentation, is not presented in the accompanying financial statements.

The Bank, a Japanese corporation, maintains its records and prepares its financial statements in Japanese yen. The accompanying U.S. dollar financial statements are translated from yen-base financial statements for convenience, and only as a matter of arithmetical computation, at the rate of 90.22 yen to 1.00 U.S. dollar, the exchange rate prevailing at September 30, 2009. The translations would not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.

In accordance with the FIEA, amounts of less than one million yen are omitted. As a result, the totals in yen, and accordingly in U.S. dollars, shown in the consolidated financial statements do not necessarily agree with the sum of the individual amounts.

Certain amounts in prior periods have been reclassified to the current presentation.

### Significant Accounting Policies and Principles

#### 1. Trading Account Activities

Trading account activities are conducted for short-term profit-taking by market-making and sales arbitrages. Trading assets and liabilities include securities, commercial paper and financial derivatives.

The mark-to-market accounting method is adopted for such financial instruments, all of which are stated at fair value as "Trading Assets" or "Trading Liabilities" in the consolidated balance sheets. Gain and losses on trading transactions are shown as "Trading Income" or "Trading Expenses" on a trade date basis.

Trading account securities and monetary claims are stated at the fair value of the balance sheet dates and financial derivatives for trading activities, such as swaps, futures and options, are valued on the assumption that they are settled at the balance sheet dates.

Gain and losses on trading transactions shown as "Trading Income" and "Trading Expenses" include interests, changes in fair value of securities and monetary claims in the current period, and changes in values of financial derivatives on the assumption that they are settled at the balance sheet dates.

#### 2. Evaluation for Securities

(a) Under the accounting standard for financial instruments, the Bank is required to explicitly determine the objectives of holding each security and classify them into (i) securities held for trading purposes (hereinafter trading securities), (ii) debt securities intended to be held to maturity (hereinafter held-to-maturity debt securities), (iii) equity securities issued by subsidiaries and affiliated companies, or (iv) all other securities that are not classified in any of the above categories (hereinafter available-for-sale securities).

Held-to-maturity debt securities are carried at amortized cost, using the moving average method. Equity securities issued by subsidiaries and affiliated companies that are neither consolidated nor accounted for using the equity method are stated at moving average cost. Japanese stocks classified as available-for-sale securities with fair value are revaluated at the average market price of the final month in the first half of the fiscal year. Available-for-sale securities other than Japanese stocks with fair value are revaluated at the balance sheet dates. Available-for-sale securities with no available fair value are carried at cost or amortized cost using the moving average method.

Valuation difference on available-for-sale securities is recorded as a separate component of "Net Assets" and reported in the consolidated balance sheets.

(b) Securities invested in money held in trust are revaluated as the same treatment as 1 or 2 (a) mentioned above.

#### 3. Financial Derivatives other than Trading Purposes

Financial derivatives other than trading purposes are valued on the assumption that they are settled at the balance sheet dates (the mark-to-market accounting method).

#### 4. Depreciation Methods

(a) Tangible Fixed Assets (except lease assets)

Tangible fixed assets except buildings acquired on and after April 1, 1998 are depreciated using the declining-balance method over the following estimated useful lives. Buildings acquired on and after April 1, 1998 are depreciated using the straight-line method over the following estimated useful lives.

Buildings:	3 to 60 years
Equipment:	2 to 20 years

Tangible fixed assets of subsidiaries are depreciated mainly using the declining-balance method over the estimated useful lives.

(b) Intangible Fixed Assets (except lease assets)

Intangible fixed assets are depreciated using the straight-line method. Expenses related to software for internal use are capitalized in “Intangible Fixed Assets” and amortized over the estimated useful lives, generally 5 years.

Goodwill is amortized over the duration which is reasonably determined by each case within 20 years. However, immaterial goodwill is depreciated during each fiscal year.

(c) Lease Assets

Leased assets for finance leases without transfer of ownership in “Tangible Fixed Assets” are depreciated using the straight-line method over the lease term assuming no salvage value.

## 5. Allowance for Loan Losses

Allowance for loan losses is provided as detailed below, pursuant to the internal rules for self-assessment of assets quality (hereinafter “Self-Assessment Rules”) and the internal rules regarding allowance for loan losses.

For claims to debtors who are legally bankrupt (due to bankruptcy, subject to the Civil Rehabilitation Act of Japan, suspension of transactions with banks by the rules of clearinghouses, etc.) or virtually bankrupt, the specific allowance is provided based on the amount of claims, deducting the amount expected to be collected through the disposal of collateral or execution of guarantees.

For claims to debtors who are likely to become bankrupt, the specific allowance is provided for the amount considered to be necessary based on an overall solvency assessment, deducting the amount expected to be collected through the disposal of collateral or execution of guarantees.

For claims to debtors with more than certain amount of the Bank’s claims to debtors, (i) who are likely to become bankrupt, (ii) to whom the Bank has Restructured loans, or (iii) whom the Bank classifies as special mention debtors other than substandard ones meeting certain credit criteria, where future cash flows from capital collection and interest receipt could be reasonably estimated, an allowance is provided for the difference between the present value of expected future cash flows discounted at the original contracted interest rate before relaxing to support and the current book value of the claims.

For claims that are classified into the categories other than above, the general allowance is provided based on the historical loan-loss-ratio.

All claims are assessed by branches and the Global Credit Supervision Department I and II based on the Self-Assessment Rules. The Corporate Risk Management Department, which is independent from the branches and the Global Credit Supervision Department I and II, subsequently conducts the audits of their assessments, and the allowance is adjusted to reflect the audit results.

As for the consolidated subsidiaries, allowance for loan losses is provided for general claims based on the historical loan-loss-ratio, and allowance for loan losses is provided individually for certain claims based on the amount expected to be uncollectible.

And for claims to debtors who are legally bankrupt or virtually bankrupt with collateral or guarantees, the expected uncollectible amount, net of amounts expected to be collected through the disposal of collateral or through the execution of guarantees, are directly deducted out of the original amount of claims. The deducted amount was 67,891 million yen.

## 6. Provision for Bonuses

Provision for bonuses is provided for the estimated employees’ bonuses attributable to the six months ended September 30, 2009.

## 7. Provision for Retirement Benefits

Provision for retirement benefits is provided based on the projected benefit obligation and the fair value of the plan assets at the balance sheet dates. Prior service cost is recognized in income or expenses using the straight-line method over the average expected remaining service years (mainly 10 years).

Actuarial gain and losses are recognized in income or expenses using the straight-line method over the average expected remaining service years (mainly 10 years).

## 8. Provision for Reimbursement of Deposits

Provision for reimbursement of deposits is provided for the deposits which are no longer accounted as deposit under certain conditions against the estimated future reimbursement requested by customers calculated based on the past reimbursement record.

## 9. Provision for Contingent Loss

Provision for contingent loss is provided for possible contingent loss on trust transactions based on individually estimated expected losses.

## 10. Provision for Relocation Expenses

Provision for relocation expenses is provided for the reasonably estimated costs for integrating and jointly developing office buildings in the Tokyo metropolitan area.

## 11. Foreign Currency Translation

Assets and liabilities denominated in foreign currencies are primarily translated into yen at the exchange rate at the balance sheet dates.

Assets and liabilities of consolidated overseas subsidiaries are translated into yen at the exchange rate of each balance sheet date.

## 12. Accounting for Leases

As for the Bank and its domestic consolidated subsidiaries, transactions of finance leases without transfer of ownerships started before April 1, 2008 have been accounted for according to the same accounting treatment used in operating leases.

Besides, as for the domestic consolidated subsidiaries, the income and expenses for transactions of finance leases without transfer of ownerships are accounted for by the sales revenue and costs of goods sold when lease payments are collected.



### 13. Hedge Accounting

#### (a) Interest Related Transactions

The Bank manages interest rate risk arising from various assets and liabilities, such as Loans, Bills discounted, Deposits, etc., by using financial derivative transactions and applies deferred hedge accounting regulated by “Treatment for Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry” (the JICPA Industry Auditing Committee Report No.24, hereinafter “Report No.24”). In hedging activities to offset changes in the fair value of Deposits, Loans, etc., as hedged items, the Bank designates hedged items and interest rate swaps etc. as hedging transactions by grouping them by their maturities. As for cash-flow-hedge, the effectiveness of the hedge is assessed by confirming the correlation between the volatility factor of interest rate for hedged items and for hedging transactions.

In accordance with “Temporary Treatment for Accounting and Auditing concerning Application of Accounting Standard for Financial Instruments in Banking Industry” (the JICPA Industry Auditing Committee Report No.15), the Bank had adopted “Macro Hedge Accounting” to account for certain interest related derivatives, which were utilized to manage interest rate exposure of certain changes of transactions such as loans and deposits. Deferred hedge gain (losses) resulted from “Macro Hedge Accounting” are amortized over the remaining period for each hedging transaction.

At the balance sheet dates, deferred hedge gain and losses (before net of taxes) resulted from “Macro Hedge Accounting” are 10,527 million yen and 11,078 million yen, respectively.

#### (b) Currency Related Transactions

The Bank manages foreign exchange risks arising from various assets and liabilities denominated in foreign currencies by using financial derivative transactions and applies deferred hedge accounting in accordance with “Treatment for Accounting and Auditing of Application of Accounting Standard for Foreign Currency Transactions in Banking Industry” (the JICPA Industry Auditing Committee Report No.25, hereinafter “Report No.25”).

The Bank designates specific currency swaps and foreign exchange swaps made to mitigate foreign exchange risks arising from monetary claims and debts denominated in foreign currencies as hedging transactions. The effectiveness of the hedge is assessed by confirming that the monetary claims and debts denominated in foreign currency as hedged items exceed the position of those hedging transactions. The Bank also applies fair value hedge to mitigate foreign currency exchange rate exposure in available-for-sale securities denominated in foreign currencies (other than bonds) as “Portfolio Hedges” when hedged foreign currency securities are specified in advance to the inception of the transactions and spot liabilities and forward liabilities exist on a foreign currency basis that exceed acquisition costs of the foreign currency securities designated as hedged items.

#### (c) Internal Hedge Transactions and others

Gain and losses arisen from hedging instruments such as interest rate swaps and cross currency swaps between consolidated companies and between the trading account and other accounts are either accounted as gain, losses or deferred as asset, liability or net asset and are not eliminated. This treatment is allowed by Report No.24 and 25, under which the Bank operated strictly and non-arbitrarily in conformity with the standard equivalent to the third-party cover transactions that are required for hedge qualification.

The Bank also applies the individual deferred hedge accounting to specific assets and liabilities. Consolidated subsidiaries apply the individual deferred hedge accounting, the individual fair value hedge accounting and the accrual-basis hedge accounting on interest rate swaps.

### 14. National and Local Consumption Taxes

National and local consumption taxes of the Bank and consolidated subsidiaries are accounted for using the tax-exclusion method. However, consumption taxes not eligible for deduction such as those with purchasing properties are charged to expenses.

### Changes of Basic Significant Items in the Preparation of Consolidated Financial Statements

#### 1. Implementation Guidance on Determining a Subsidiary and an Affiliate

As “Implementation Guidance on Determining a Subsidiary and an Affiliate” (Accounting Standards Board of Japan Implementation Guidance No.22) was adopted from the fiscal year beginning on and after October 1, 2008, the Bank has started to adopt this implementation guidance from the first half of the fiscal year 2009.

This adoption did not affect the consolidated financial statements for the first half of the fiscal year 2009.

### Notes for the Balance Sheets

#### 1. Delinquent Loans

Loans in bankruptcy proceedings and other delinquent loans are 19,178 million yen and 286,398 million yen, respectively.

Loans in bankruptcy proceedings are non-accrual loans outstanding (not including direct write-off portion of loans) to borrowers who are legally bankrupt as defined in the Paragraph 1, Item 3 and 4 of Article 96 of “Enforcement Ordinance for the Corporation Tax Law” (Cabinet Order No.97, 1965).

Other delinquent loans are non-accrual loans other than (i) loans in bankruptcy proceedings and (ii) loans of which interest payments are rescheduled in order to assist the restructuring of borrowers.

#### 2. Loans more than Three Months Past Due

Loans more than three months past due amounted to 40 million yen.

Loans more than three months past due are those loans for which principal or interest payments are more than three months past due from the date succeeding the due date, excluding those loans classified as delinquent loans.

### 3. Restructured Loans

Restructured loans amounted to 43,665 million yen.

Restructured loans are those loans whose terms have been relaxed to support borrowers who are in financial difficulties excluding delinquent loans and loans more than three months past due.

### 4. Total of Delinquent Loans, Loans more than Three Months Past Due and Restructured Loans

The total of loans in bankruptcy proceedings, other delinquent loans, loans more than three months past due and restructured loans amounted to 349,283 million yen. Those amounts described in 1 to 4 above are before deducting Reserve for possible loan losses.

### 5. Bills Discounted

The Bank treats bills discounted as financial transaction, which are regulated by Report No.24. The Bank holds the right to sell or pledge such bills discounted at its discretion and the total face value of these bills amounted to 3,252 million yen.

### 6. Assets Pledged as Collateral

Following parts of the assets are pledged as collateral:

Trading Assets	391,879 million yen
Securities	1,478,771 million yen
Loans and Bills Discounted	721,102 million yen
Lease Receivables and	
Investment Assets	1,592 million yen
Other Assets	14,086 million yen
Corresponding Liabilities of the Assets Pledged as Collateral:	
Deposits	33,012 million yen
Call Money	31,577 million yen
Payables under	
Repurchase Agreements	972,446 million yen
Borrowed Money	67,397 million yen

In addition to the items outlined above, "Securities" of 706,257 million yen and "Other Assets" of 172 million yen are pledged mainly as collateral in substitution for settlement of cash or margin of future markets. "Other Assets" includes margin of future markets of 1,381 million yen, security deposits of 16,588 million yen and cash collateral for derivative transactions of 25,863 million yen.

### 7. Commitment Line Contracts on Overdrafts and Loans

Commitment line contracts on overdrafts and loans are agreements to loan up to committed limit as long as there have been no breach of contracts upon the customers' request. The balance of unused commitment line contracts is 8,566,538 million yen, including 7,135,622 million yen of those either maturing within 1 year or unconditionally cancelable.

Because most of these contracts expire without being drawn down, the balance of unused commitment line contracts itself does not necessarily represent future cash flows of the Bank and its subsidiaries. In addition, most of these contracts contain clauses allowing the Bank and its subsidiaries to reject requests or reduce committed limits, when there are reasonable reasons such as changes in financial condition, needs to protect claims and other similar necessities. The Bank and its subsidiaries may request the customer to provide collateral such as real estate or securities at the time of the contract, and may ask customers to amend clauses or take measures to secure soundness of the credit thereafter through periodical internal monitoring procedures that have already been in place.

### 8. Revaluation Reserve for Land

In accordance with "Act on Revaluation of Land" (Law No.34, promulgated on March 31, 1998, hereinafter the Act), the Bank revaluated land used for business operations. Net unrealized losses on revaluation deducted by "Deferred Tax Liabilities for Land Revaluations" are recorded as "Revaluation Reserve for Land" in "Net Assets."

Revaluation Date: March 31, 1999

Revaluation method as stipulated in

the Paragraph 3, Article 3 of the Act:

Revaluations are based on land prices of standardized premises as specified by the Paragraph 1, Article 2 of the "Enforcement Order on Act on Revaluation of Land," and the land prices specified in the Article 4 of the Act after relevant adjustments.

### 9. Accumulated Depreciation of Tangible Fixed Assets

Accumulated depreciation of "Tangible Fixed Assets" is 99,408 million yen.

### 10. Borrowed Money

"Borrowed Money" includes subordinate debt of 145,000 million yen.

### 11. Bonds Payable

"Bonds Payable" includes subordinate bonds of 516,776 million yen.

### 12. Principal of Guaranteed Trust Account

Principals of Jointly-operated Money Trusts (hereinafter "JOMTs") and Loan trust, whose repayment of the principal is guaranteed by the Bank, are 602,992 million yen and 122,038 million yen, respectively.

### 13. Guarantee Liabilities for Privately-offered Corporate Bonds

The Bank guaranteed 87,970 million yen of corporate bonds in "Securities" which were privately offered (subject to the Paragraph 3, Article 2 of the FIEA).



## Notes for the Statements of Income

### 1. Other Income

“Other Income” includes gain on sales of stocks and other securities of 7,892 million yen, and the dividend income from STB Finance Cayman Ltd., (a financial subsidiary of the Bank) of 9,469 million yen, that resulted from gain on partial retirement of pound basis perpetual subordinated bonds on May 29, 2009.

### 2. Other Expenses

“Other Expenses” includes provision for reserve for possible loan losses of 27,794 million yen, and losses on devaluation of stocks and other securities of 12,869 million yen.

## Notes for the Statement of Changes in Net Assets

### 1. Issued Shares and Treasury Stock

Issued shares and Treasury stock are as follows:

	Thousands of Shares			
	At the End of Previous Period	Increase	Decrease	At the End of Current Period
September 30, 2009				
Number of Issued Shares:				
Common Share	1,675,128	—	—	1,675,128
The First Series of Class 2 Preferred Shares	—	109,000	—	109,000
Total	1,675,128	109,000	—	1,784,128
Treasury Stock:				
Common Share	525	21	6	541

Notes: 1. The First Series of Class 2 Preferred Shares increased by 109,000 thousand due to issuance by way of a third-party allotment.

2. Treasury stock increased by 21 thousand due to requests for redemption of odd-lot stocks.

3. Treasury stock decreased by 6 thousand due to requests for additional purchase of odd-lot stocks.

### 2. Dividends

Dividends are as follows:

Resolution	Type of Shares	Millions of Yen	Yen	Record Date	Effective Date
		Cash Dividends Declared	Cash Dividends per Share		
June 26, 2009 Ordinary General Meeting of Shareholders	Common Share	¥ 2,511	¥ 1.50	March 31, 2009	June 29, 2009

Dividends, which record date is during the first half of the fiscal year and effective date of distribution is after the first half of the fiscal year, are as follows:

Resolution	Type of Shares	Millions of Yen	Resources Allotted for the Distribution	Yen	Record Date	Effective Date
		Cash Dividends Declared		Cash Dividends per Share		
November 13, 2009 Board of Directors' meeting	Common Share	¥ 8,372	Retained Earnings	¥ 5.00	September 30, 2009	December 4, 2009
	The First Series of Class 2 Preferred Shares	¥ 341	Retained Earnings	¥ 3.13	September 30, 2009	December 4, 2009

**Notes for the Statements of Cash Flows**

**1. Cash and Cash Equivalents**

In preparing the consolidated statement of cash flows, “Cash and Due from Bank of Japan” in the case of the Bank, and “Cash

and Due from Banks” in the case of the consolidated subsidiaries, are considered “Cash and Cash Equivalents.”

**2. Reconciliation of Cash and Cash Equivalents**

	Millions of Yen	Millions of U.S. Dollars
Cash and Due from Banks .....	¥ 1,220,329	\$ 13,526
Due from Banks (excluding due from Bank of Japan) .....	(266,454)	(2,953)
Cash and Cash Equivalents .....	¥ 953,875	\$ 10,573

**Subsequent Events**

**1. Acquisition of Nikko Asset Management Co., Ltd.**

On October 1 2009, the Bank has acquired 98.55% shares of Nikko Asset Management Co., Ltd. held by Citigroup Japan Holdings Corp. and other shareholders.

- (1) Number of shares 194,152,500 common shares
- (2) Acquisition price 112.4 billion yen (needs adjustment)
- (3) Date of acquisition October 1, 2009
- (4) Shareholding ratio 98.55% of all outstanding shares (except shares held by Nikko Asset Management’s Employee Share Ownership Plan)

**2. Management Integration of the Bank and Chuo Mitsui Trust Holdings, Inc.**

On November 6 2009, the Bank and Chuo Mitsui Trust Holdings, Inc. (hereinafter “CMTH”) reached a basic agreement on the management integration of two groups by share exchange and the merger of the Chuo Mitsui Trust and Banking Company, Limited.(hereinafter “CMTB”) and Chuo Mitsui Asset Trust and Banking Company, Limited.(hereinafter “CMATB”) by the Bank.

(1) Objective of the management integration

The objective is 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, the Bank and CMTH plan to combine their personnel, know-how and other managerial resources and to fuse both groups’ strengths such as CMTH Group’s agility and the Bank Group’s diversity.

(2) Way of the share exchange between the Bank and CMTH

CMTH will be a new holding company and the Bank will be a complete subsidiary of the new holding company.

(3) Target date for the management integration

April 1, 2011, subject to the approval of both groups’ shareholders and relevant authorities

(4) Way of the merger of the three trust banks

The Bank will be a surviving company, merging CMTB and CMATB.

(5) Target date for the merger of the three trust banks

April 1, 2012, subject to the approval of both groups’ shareholders and relevant authorities

	Millions of Yen			Millions of U.S. Dollars
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
<b>Assets:</b>				
Loans and Bills Discounted .....	¥ 378,542	¥ 381,818	¥ 369,126	\$ 4,196
Securities .....	319,078	7,325,120	351,435	3,537
Money Held in Trust .....	63,708,157	61,964,219	65,304,242	706,142
Securities Held in Custody Accounts .....	395,066	440,051	420,212	4,379
Money Claims .....	9,808,542	9,391,818	9,524,281	108,718
Tangible Fixed Assets .....	4,465,727	4,396,803	4,485,986	49,498
Intangible Fixed Assets .....	37,714	34,175	37,706	418
Other Claims .....	1,418,253	2,596,617	1,505,504	15,720
Call Loans .....	3,900	4,700	32,700	43
Loans to Banking Account .....	1,056,013	644,661	547,115	11,705
Cash and Due from Banks .....	281,646	213,755	192,657	3,122
Other Assets .....	1	—	—	0
<b>Total Assets</b> .....	<b>¥ 81,872,644</b>	<b>¥ 87,393,741</b>	<b>¥ 82,770,968</b>	<b>\$ 907,478</b>
<b>Liabilities:</b>				
Money Trusts .....	¥ 12,926,169	¥ 20,927,526	¥ 13,679,006	\$ 143,274
Pension Trusts .....	5,087,975	6,510,079	5,999,483	56,395
Property Formation Benefit Trusts .....	9,360	9,107	9,268	104
Loan Trusts .....	123,950	206,543	161,907	1,374
Securities Investment Trusts .....	24,240,029	22,537,130	24,659,872	268,677
Money Entrusted, other than Money Trusts .....	2,384,805	2,912,094	2,439,777	26,433
Securities Trusts .....	18,447,758	16,514,452	17,200,893	204,475
Money Claim Trusts .....	9,614,558	9,076,530	9,271,464	106,568
Land and Fixtures Trusts .....	44,656	56,377	51,863	495
Composite Trusts .....	8,993,378	8,643,900	9,297,432	99,683
Other Trusts .....	0	0	0	0
<b>Total Liabilities</b> .....	<b>¥ 81,872,644</b>	<b>¥ 87,393,741</b>	<b>¥ 82,770,968</b>	<b>\$ 907,478</b>

## Risk Managed Loans

(1) Banking Account	Millions of Yen			Millions of U.S. Dollars
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
Loans in Bankruptcy Proceedings .....	¥ 19,178	¥ 12,814	¥ 21,990	\$ 213
% to Total Loans .....	0.17%	0.11%	0.19%	
Other Delinquent Loans .....	¥ 286,398	¥ 74,270	¥ 133,070	\$ 3,174
% to Total Loans .....	2.54%	0.68%	1.18%	
Loans more than Three Months Past Due .....	¥ 40	¥ 1	¥ 5	\$ 0
% to Total Loans .....	0.00%	0.00%	0.00%	
Restructured Loans .....	¥ 43,665	¥ 37,069	¥ 21,809	\$ 484
% to Total Loans .....	0.38%	0.34%	0.19%	
Total Loans Outstanding .....	¥ 11,234,906	¥ 10,846,022	¥ 11,229,604	\$ 124,528
Direct Write-off on Loans .....	¥ 62,666	¥ 33,540	¥ 54,922	\$ 695

(2) Guaranteed Trust Account	Millions of Yen			Millions of U.S. Dollars
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
Loans in Bankruptcy Proceedings .....	¥ —	¥ 26	¥ 17	\$ —
% to Total Loans .....	—	0.00%	0.00%	
Other Delinquent Loans .....	¥ 14,173	¥ 14,243	¥ 14,212	\$ 157
% to Total Loans .....	5.64%	4.76%	5.08%	
Loans more than Three Months Past Due .....	¥ —	¥ —	¥ —	\$ —
% to Total Loans .....	—	—	—	
Restructured Loans .....	¥ 126	¥ 275	¥ 266	\$ 1
% to Total Loans .....	0.05%	0.09%	0.09%	
Total Loans Outstanding .....	¥ 250,998	¥ 299,134	¥ 279,719	\$ 2,782

## Definitions :

- (1) Loans in bankruptcy proceedings are non-accrual loans outstanding (not including direct write-off portion of loans) to borrowers who are legally bankrupt as defined in the Paragraph 1, Item 3 and 4 of Article 96 of "Enforcement Ordinance for the Corporate Tax Law" (Cabinet Order No.97, 1965).
- (2) Other delinquent loans are non-accrual loans other than 1) loans in bankruptcy proceedings and 2) loans of which interest payments are rescheduled in order to assist the restructuring of borrowers.
- (3) Loans more than three months past due are those loans for which principal or interest payments are more than three months past due from the date succeeding the due date, excluding those loans classified as loans in bankruptcy proceedings and other delinquent loans.
- (4) Restructured loans are those loans whose terms have been relaxed to support borrowers who are in financial difficulties, excluding delinquent loans and loans more than three months past due.

Note: Guaranteed trust, the principals of which are guaranteed, are constituted by "Loan Trusts" and Jointly-Operated Money Trusts ("JOMTs") included in "Money Trusts."

## Allowance

(1) Banking Account	Millions of Yen			Millions of U.S. Dollars
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
Allowance for Loan Losses:				
General Allowance .....	¥ 70,599	¥ 85,731	¥ 92,124	\$ 783
Specific Loan Loss Allowance .....	105,648	27,226	74,846	1,171
Allowance for Loans to Borrowers in Specific Foreign Countries .....	—	—	—	—
<b>Total .....</b>	<b>¥ 176,247</b>	<b>¥ 112,957</b>	<b>¥ 166,971</b>	<b>\$ 1,954</b>

(2) Guaranteed Trust Account	Millions of Yen			Millions of U.S. Dollars
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
Allowance for Possible Impairment of Principal (Loan Trusts) .....	¥ 793	¥ 1,417	¥ 1,011	\$ 9
Allowance for Possible Impairment of Principal (JOMTs) .....	545	330	631	6
<b>Total .....</b>	<b>¥ 1,338</b>	<b>¥ 1,747</b>	<b>¥ 1,642</b>	<b>\$ 15</b>

## Credit Costs

(1) Banking Account	Millions of Yen			Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2009	Six Months Ended Sep. 30, 2008	Year Ended Mar. 31, 2009	Six Months Ended Sep. 30, 2009
Allowance for Loan Losses .....	¥ (21,529)	¥ (8,786)	¥ (2,410)	\$ (239)
Expenses Relating to Problem Loans:				
Claims Written-Off .....	55,122	25,573	103,111	611
Provision for Specific Reserve .....	3,571	4,774	12,348	40
Others .....	49,230	20,157	85,345	546
Recoveries of Written-off Claims .....	2,319	640	5,417	26
Extraordinary Income:				
Recoveries of Written-off Claims .....	(333)	(695)	(905)	(4)
<b>Total .....</b>	<b>¥ 33,259</b>	<b>¥ 16,090</b>	<b>¥ 99,795</b>	<b>\$ 369</b>

(2) Guaranteed Trust Account	Millions of Yen			Millions of U.S. Dollars
	Six Months Ended Sep. 30, 2009	Six Months Ended Sep. 30, 2008	Year Ended Mar. 31, 2009	Six Months Ended Sep. 30, 2009
Claims Written-Off .....	¥ —	¥ —	¥ —	\$ —
Losses on Sale of Loans .....	—	(0)	(0)	—
<b>Total .....</b>	<b>¥ —</b>	<b>¥ (0)</b>	<b>¥ (0)</b>	<b>\$ —</b>
<b>Total Credit Costs .....</b>	<b>¥ 33,259</b>	<b>¥ 16,090</b>	<b>¥ 99,794</b>	<b>\$ 369</b>
<b>Total Substantial Credit Costs .....</b>	<b>¥ 40,810</b>	<b>¥ 24,519</b>	<b>¥ 170,098</b>	<b>\$ 452</b>
Losses Related to Overseas Credit Investment .....	8,105	10,735	48,786	90

Notes: 1. Credit costs in banking account are included in "Other Expenses" on the consolidated statements of income.

2. Credit costs in guaranteed trust accounts are reflected in "Trust Fees" after deduction of such costs.

3. Total substantial credit costs = Total credit costs + Credit investment related costs of net gain on sales of stocks and other securities and others.

## Valuation Difference on Securities

(1) Held-to-Maturity Debt Securities with Fair Value	Millions of Yen			Millions of U.S. Dollars
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
Government Bonds .....	¥ 8,505	¥ 4,118	¥ 7,169	\$ 94
Local Government Bonds .....	—	0	0	—
Short-term Corporate Bonds .....	—	—	—	—
Corporate Bonds .....	168	(24)	142	2
Other Securities: .....	32,747	29	(2,885)	363
Foreign Bonds .....	32,747	29	(2,885)	363
<b>Total</b> .....	<b>¥ 41,421</b>	<b>¥ 4,123</b>	<b>¥ 4,426</b>	<b>\$ 459</b>

(2) Available-for-Sale Securities with Fair Value	Millions of Yen			Millions of U.S. Dollars
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Sep. 30, 2009
Stocks .....	¥ 68,675	¥ 174,279	¥ (24,441)	\$ 761
Bonds: .....	25,841	(10,846)	20,323	286
Government Bonds .....	25,826	(8,579)	20,737	286
Local Government Bonds .....	33	(68)	7	0
Short-term Corporate Bonds .....	—	—	—	—
Corporate Bonds .....	(17)	(2,198)	(421)	(0)
Other Securities: .....	(15,327)	(125,422)	(64,925)	(170)
Foreign Stocks .....	322	393	136	4
Foreign Bonds .....	(6,918)	(110,409)	(45,328)	(77)
Others .....	(8,731)	(15,407)	(19,733)	(97)
<b>Total</b> .....	<b>¥ 79,189</b>	<b>¥ 38,010</b>	<b>¥ (69,043)</b>	<b>\$ 878</b>

# Risk Management

## Capital Adequacy Ratio

Consolidated

We calculate the BIS capital adequacy ratio on both a consolidated and non-consolidated basis in line with provisions of Article 14-2 of the Banking Law and on the basis of calculation formulae prescribed under the criteria for judging whether a bank's capital adequacy ratio is appropriate in light of assets held (the Financial Services Agency 2006 Notification No.19, hereinafter referred to as the "Notification"). Applying uniform international standards, we have adopted the Foundation Internal Ratings-Based (IRB) Approach for the calculation of credit risk-weighted assets and the Standardized Approach for the calculation of operational risk, and also introduced market risk regulations.

## BIS Capital Adequacy Ratio

	Millions of Yen		
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009
<b>Tier I</b>			
Capital Stock .....	¥ 342,037	¥ 287,537	¥ 287,537
Noncumulative Perpetual Preferred Share .....	54,500	—	—
Deposit for Subscriptions to Shares .....	—	—	—
Capital Surplus .....	297,053	242,555	242,555
Retained Earnings .....	480,171	497,833	463,345
Treasury Stock (Deduction) .....	458	479	453
Deposit for Subscriptions to Treasury Stock .....	—	—	—
Expected Distributed Amount (Deduction) .....	8,714	14,234	2,511
Net Unrealized Loss on Available-for-Sale Securities (Deduction) .....	9,676	—	109,615
Foreign Currency Translation Adjustments .....	(8,988)	(6,644)	(10,111)
Share Warrants .....	—	—	—
Minority Interests .....	307,153	237,254	306,969
Noncumulative Preferred Securities Issued by Overseas Special Purpose Companies .....	280,000	210,000	280,000
Business Rights Equivalents (Deduction) .....	—	—	—
Goodwill Equivalents (Deduction) .....	102,715	111,244	106,980
Equivalent to Intangible Fixed Assets Recorded through Business Combination (Deduction) .....	—	—	—
Equivalent to the Increase in the Capital Associated with Securitization Transactions (Deduction) .....	1,798	—	1,062
Equivalent to 50% of the Excess of Expected Loss over Qualifying Allowance (Deduction) .....	25,348	18,274	7,865
Total Tier I before Deduction of Deferred Tax Assets (Aggregate Sum of Items Above) .....	1,268,713	1,114,302	1,061,806
Deducted Amounts of Deferred Tax Assets (Deduction)*1 .....	—	—	—
Total (A) .....	1,268,713	1,114,302	1,061,806
Noncumulative Preferred Securities Attached with Step-up Interest Rate Clause*2 (a) .....	156,000	156,000	156,000
<b>Tier II</b>			
45% of Net Unrealized Gain on Available-for-Sale Securities .....	—	14,440	—
45% of Revaluation Reserve for Land .....	567	725	614
General Allowance for Loan Losses .....	8,511	7,069	9,383
Excess of Qualifying Allowance over Expected Loss .....	—	—	—
Debt Capital .....	623,784	647,026	673,625
Perpetual Subordinated Debt*3 .....	207,885	266,150	292,740
Subordinated Term Debt and Fixed-term Preferred Share*4 .....	415,899	380,876	380,885
Total .....	632,863	669,262	683,624
Included in Capital (B) .....	632,863	669,262	683,624
<b>Tier III</b>			
Subordinated Short-term Debt .....	—	—	—
Included in Capital (C) .....	—	—	—
<b>Items for Deduction</b>			
Items for Deduction*5 (D) .....	82,662	99,297	62,542
<b>Total Qualifying Capital</b>			
(A) + (B) + (C) - (D) (E) .....	1,818,913	1,684,267	1,682,888
<b>Risk-Weighted Assets</b>			
Asset (On-balance Sheet) Items .....	10,534,329	11,907,818	11,340,590
Off-balance Sheet Transaction Items .....	1,495,607	1,904,390	1,603,280
Amount of Credit Risk-Weighted Assets (F) .....	12,029,936	13,812,209	12,943,870
Amount of Market Risk Equivalents ((H)/8%) (G) .....	131,631	203,320	284,753
(Reference) Market Risk Equivalents (H) .....	10,530	16,265	22,780
Amount of Operational Risk Equivalents ((J)/8%) (I) .....	672,763	722,800	682,848
(Reference) Operational Risk Equivalents (J) .....	53,821	57,824	54,627
Amount Obtained by Multiplying by 12.5 the Excess of the Amount Obtained by Multiplying the Old Required Capital by the Rate Prescribed by the Notification over the New Required Capital (K) .....	—	—	—
Total ((F) + (G) + (I) + (K)) (L) .....	¥ 12,834,331	¥ 14,738,329	¥ 13,911,473
<b>BIS Capital Adequacy Ratio = E/L x 100 (%)</b> .....	14.17	11.42	12.09
<b>Tier I Capital Ratio = A/L x 100 (%)</b> .....	9.88	7.56	7.63
<b>Ratio of Noncumulative Preferred Securities with Step-up Interest Rate Clauses to Tier I Capital = a/A x 100 (%)</b> ..	12.29	13.99	14.69

\*1 As of September 30, 2009, deferred tax assets total ¥132,304 million in net terms. The upper limit on the inclusion of deferred tax assets in capital is ¥253,742 million.

\*2 Listed in the Notification Article 5, Paragraph 2, i.e. stocks and other securities with high probability of redemptions through such measures as attachment of step-up interest rate clauses (including noncumulative preferred securities issued by overseas special purpose companies).

\*3 Debt capital listed in the Notification Article 6, Paragraph 1, 4 that have all of the characteristics listed below:

- (1) Paid-up debts unsecured and subordinate to other debts
- (2) Not redeemable, except for certain cases
- (3) Used for compensation of loss while continuing business
- (4) Allowed to defer interest payment obligations

\*4 Listed in the Notification Article 6, Paragraph 1, 5 and 6. However, subordinated term debts are limited to those with an original maturity of over five years.

\*5 Listed in the Notification Article 8, Paragraph 1, 1 through 6, and include the amounts equivalent to intentional holdings of other financial institutions' capital funding means and the amounts equivalent to investments in those provided for under the Notification Article 8, Paragraph 1, 2.

\*6 We received an external audit by KPMG AZSA & Co. of the calculation of the consolidated BIS capital adequacy ratio in line with 'Agreed Upon Methods for the Implementation of Capital Adequacy Ratio Audits' (Pronouncement 30 of the Japanese Institute of Certified Public Accountants, Bank Auditing Committee, June 12, 2007).

The external audit is not part of the accounting audit of the consolidated financial statements but was conducted on parts of the internal risk management framework concerning the calculation of the consolidated BIS capital adequacy ratio under agreed-upon examination procedures and is a report of the results. It thus does not represent an opinion by the external auditor regarding the consolidated BIS capital adequacy ratio itself or parts of the internal control which concern the ratio.



Details of preferred securities issued by overseas special purpose companies included in the Tier I of capital for consolidated BIS capital adequacy ratio calculation are the following:

1. Issuer	STB Preferred Capital 2 (Cayman) Limited	STB Preferred Capital 3 (Cayman) Limited	STB Preferred Capital 4 (Cayman) Limited	STB Preferred Capital 5 (Cayman) Limited
2. Description of Securities	Noncumulative Preferred Securities	Same as on the left	Same as on the left	Same as on the left
3. Maturity	Perpetual (the Securities may be redeemed in whole or in part on any dividend payment date on or after seven years from the issuance at the option of the Issuer subject to the prior approval of the holders of the common shares and applicable regulatory requirements).	Perpetual (the Securities may be redeemed in whole or in part on any dividend payment date on or after ten years from the issuance at the option of the Issuer subject to the prior approval of the holders of the common shares and applicable regulatory requirements).	Same as on the left	Perpetual (the Securities may be redeemed in whole or in part on any dividend payment date on or after five years from the issuance at the option of the Issuer subject to the prior approval of the holders of the common shares and applicable regulatory requirements).
4. Dividend Rate	<1st year - 10th year > Fixed Rate <Thereafter> Step-up Floating Rate	Same as on the left	Series A <1st year - 10th year > Fixed Rate <Thereafter> Step-up Floating Rate Series B <1st year - 10th year > Fixed Rate <Thereafter> Non Step-up Floating Rate	<1st year - 5th year > Fixed Rate <Thereafter> Non Step-up Floating Rate
5. Issue Amount	¥50 billion	¥50 billion	Series A ¥56 billion Series B ¥54 billion	¥70 billion
6. Issue Date	December 7, 2005	March 2, 2007	June 24, 2008	December 18, 2008
7. Outline of Dividend Payment	Dividends are payable by the Issuer in the presence of distributable amount of the Bank in conformity with the calculation of preferred shares of the bank. If the Bank pays any dividends on any of its common share with respect to any financial year of the Bank, then the Issuer will be required to pay full dividends on the Securities for the applicable year.	Same as on the left	Same as on the left	Same as on the left
8. Dividend Limitation	Dividends will not be paid if any of certain criteria have met. The criteria include the following: When the Bank did not pay dividend on any class of preferred shares. When the Bank's BIS capital adequacy ratio or Tier I capital ratio is to decline below the minimum percentages required by Japanese banking regulations.	Same as on the left	Same as on the left	Same as on the left
9. Rights to the Remaining Assets	The Securities are intended to provide holders, through the perpetual subordinated loan to the Bank, with rights to remaining assets that are the same as those to which holders would be entitled if they had purchased noncumulative nonvoting perpetual preferred share issued directly by the Bank.	Same as on the left	Same as on the left	Same as on the left

## Scope of Consolidation

Consolidated

Companies that are Subject to Deduction Items Listed in the Notification, Article 8, Paragraph 1, 2 (a) through (c).

	Sep. 30, 2009	Sep. 30, 2008
Companies that Failed to Meet the Regulatory Required Capital and Shortfall Amounts .....	Not applicable	Not applicable

## Capital Adequacy

Consolidated

### (1) Amount of Required Capital against Credit Risk (excluding equity exposures to which the IRB Approach is applied and exposures held in funds)

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Portfolios to which the Standardized Approach is Applied .....	¥ 116,891	¥ 134,812
Exposures to Business Units Set for Phased Roll-Out Application .....	92,005	108,327
Exposures Excluded from Application .....	24,885	26,485
Portfolios to which the IRB Approach is Applied and the Breakdown by Portfolio .....	934,402	923,798
Corporate Exposures .....	765,042	725,109
Sovereign Exposures .....	10,355	25,545
Bank Exposures .....	24,826	28,765
Residential Mortgage Exposures .....	56,144	47,735
Qualifying Revolving Retail Exposures .....	557	612
Other Retail Exposures .....	13,363	12,989
Purchased Receivables .....	41,128	60,319
Other Assets .....	22,984	22,720
Securitization Exposures .....	25,094	47,639
Exposures to which the Standardized Approach is Applied .....	—	—
Exposures to which the IRB Approach is Applied .....	25,094	47,639

Note: From March 31, 2009, retail exposure for Life Housing Loan, Ltd. is being presented using the IRB Approach instead of the standardized approach.

### (2) Amount of Required Capital against Credit Risk concerning Equity Exposures to which the IRB Approach is Applied

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Equity Exposures .....	¥ 75,729	¥ 87,751
PD/LGD Approach .....	14,999	14,023
Simple Risk Weight Method of the Market-based Approach .....	20,630	20,808
Internal Models Method of the Market-based Approach .....	—	—
Transitional Measures .....	40,099	52,919

### (3) Amount of Required Capital against Credit Risk concerning Exposures Held in Funds

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
	¥ 43,736	¥ 87,368

### (4) Amount of Required Capital against Market Risk

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Market Risk .....	¥ 10,530	¥ 16,265
Amount of Required Capital by Category under the Standardized Approach .....	1,884	2,340
Interest Rate Risk .....	1,561	1,830
Equity Position Risk .....	—	—
Foreign Exchange Risk .....	322	509
Commodities Risk .....	—	—
Options Transactions .....	—	—
Internal Models Approach .....	8,646	13,925

## (5) Amount of Required Capital against Operational Risk

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Standardized Approach .....	¥ 53,821	¥ 57,824

## (6) Total Required Capital

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Total Required Capital .....	¥ 1,026,746	¥ 1,179,066

## Credit Risk

Consolidated

## (1) Balance of Exposures Related to Credit Risk (excluding exposures held in funds and securitization exposures)

	Millions of Yen				
	Sep. 30, 2009				
	Credit Risk Exposures				Exposures 3 Months or Longer Overdue or Exposures in Default
Loans, Commitments and Other Off-balance Sheet Exposures other than Derivatives	Securities	Over-The-Counter Derivatives			
Japan .....	¥ 17,552,783	¥ 14,831,953	¥ 2,482,903	¥ 237,925	¥ 324,399
Outside Japan .....	2,446,191	548,325	1,236,187	661,678	13,703
Total for Regions .....	¥ 19,998,974	¥ 15,380,279	¥ 3,719,091	¥ 899,603	¥ 338,103
Manufacturing .....	2,883,735	2,529,728	326,071	27,936	8,805
Agriculture and Forestry .....	3,870	2,727	1,108	34	—
Fisheries .....	7,287	7,190	24	72	498
Mining and Quarrying of Stones and Gravel .....	15,873	15,666	—	206	—
Construction .....	193,460	154,362	38,107	990	17,686
Electricity, Gas, Heat Supply and Water .....	219,036	177,472	40,373	1,190	—
Information and Communication .....	227,522	221,626	5,525	370	26,425
Transport and Postal Activities .....	940,692	831,650	89,404	19,637	28,083
Wholesale and Retail Trade .....	1,432,549	1,340,380	85,267	6,902	8,566
Finance and Insurance .....	1,846,292	1,575,090	100,775	170,427	149,402
Real Estate .....	2,347,030	2,157,351	179,122	10,556	48,078
Goods Rental and Leasing .....	802,123	793,205	6,285	2,632	—
Local Public Bodies .....	83,839	74,404	9,434	—	—
Individuals .....	1,996,984	1,996,984	—	—	9,769
Others .....	6,998,675	3,502,436	2,837,592	658,646	40,786
Total for Industry Sectors .....	¥ 19,998,974	¥ 15,380,279	¥ 3,719,091	¥ 899,603	¥ 338,103
One Year or Shorter .....	4,337,637	3,849,177	439,080	49,379	
Over One Year to less than Five Years .....	7,907,905	5,927,847	1,629,952	350,105	
Five Years or Longer .....	7,753,430	5,603,254	1,650,058	500,118	
Total for All Durations .....	19,998,974	15,380,279	3,719,091	899,603	
Average Balance during the Period .....	¥ 20,006,316	¥ 15,288,768	¥ 3,808,268	¥ 909,279	

Notes: 1 Exposures subject to the calculation of credit risk-weighted assets excluding those subject to funds, securitization, other assets and those excluded from the application.

2 "Others" in the industry sectors include non-residents and state public services. Exposures for the duration of over five years include those with no fixed maturities.

3 "Average balance during the period" is the average figure of those as of September 30, 2008; March 31, 2009; and September 30, 2009.

4 The above data represents amounts after credit risk mitigation effects of netting contracts allowed under the law and the netting against the company's cash balance.

5 The above data represents exposures to original debtors in loan participations.

6 Pursuant to the revision of Japan Standard Industrial Classification (November 2007), presentation of industry sectors has been partially modified from the end of September 2009.

	Millions of Yen				
	Sep. 30, 2008				
	Credit Risk Exposures				Exposures 3 Months or Longer Overdue or Exposures in Default
	Loans, Commitments and Other Off-balance Sheet Exposures other than Derivatives	Securities	Over-The-Counter Derivatives		
Japan .....	¥ 16,702,099	¥ 14,075,072	¥ 2,441,066	¥ 185,959	¥ 89,776
Outside Japan .....	3,276,292	889,507	1,634,734	752,050	9,499
<b>Total for Regions .....</b>	<b>¥ 19,978,391</b>	<b>¥ 14,964,580</b>	<b>¥ 4,075,800</b>	<b>¥ 938,010</b>	<b>¥ 99,275</b>
Manufacturing .....	2,604,214	2,183,421	404,017	16,775	6,370
Agriculture .....	3,935	2,895	1,019	21	—
Forestry .....	200	200	—	—	—
Fisheries .....	8,434	8,254	133	46	1,797
Mining .....	15,432	15,181	—	250	—
Construction .....	201,339	192,343	8,575	420	3,111
Electricity, Gas, Heat Supply and Water .....	213,020	162,735	49,347	937	—
Information and Communication .....	231,597	217,554	13,832	209	3,592
Transport .....	858,038	734,437	114,159	9,441	—
Wholesale and Retail Trade .....	1,443,899	1,359,027	78,712	6,159	7,758
Finance and Insurance .....	2,049,607	1,729,249	148,275	172,083	194
Real Estate .....	2,207,512	1,989,911	212,077	5,523	29,497
Various Services .....	1,219,306	1,191,174	24,750	3,382	5,107
Local Public Bodies .....	108,809	85,698	23,110	—	—
Individuals .....	2,105,731	2,105,731	—	—	14,237
Others .....	6,707,313	2,986,764	2,997,789	722,758	27,609
<b>Total for Industry Sectors .....</b>	<b>¥ 19,978,391</b>	<b>¥ 14,964,580</b>	<b>¥ 4,075,800</b>	<b>¥ 938,010</b>	<b>¥ 99,275</b>
One Year or Shorter .....	4,877,968	4,458,809	355,554	63,605	
Over One Year to less than Five Years .....	7,563,915	5,599,597	1,610,953	353,364	
Five Years or Longer .....	7,536,506	4,906,173	2,109,292	521,040	
<b>Total for All Durations .....</b>	<b>¥ 19,978,391</b>	<b>¥ 14,964,580</b>	<b>¥ 4,075,800</b>	<b>¥ 938,010</b>	
<b>Average Balance during the Period .....</b>	<b>¥ 19,980,601</b>	<b>¥ 15,068,401</b>	<b>¥ 3,924,852</b>	<b>¥ 987,347</b>	

Notes: 1 Exposures subject to the calculation of credit risk-weighted assets excluding those subject to funds, securitization, other assets and those excluded from the application.

2 "Others" in the industry sectors include non-residents and state public services. Exposures for the duration of over five years include those with no fixed maturities.

3 "Average balance during the period" is the average figure of those as of September 30, 2007; March 31, 2008; and September 30, 2008.

## (2) General Allowance for Loan Losses

	Millions of Yen			
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Change from Mar. 31, 2009
	Balance	Balance	Balance	
General Allowance for Loan Losses .....	¥ 70,599	¥ 85,731	¥ 92,124	¥ (21,525)

## (3) Specific Allowance for Loan Losses (breakdown by region, industry sector)

	Millions of Yen	
	Sep. 30, 2009	
	Balance	
Japan .....	¥	97,366
Outside Japan .....		8,282
<b>Total for Regions .....</b>	<b>¥</b>	<b>105,648</b>
Manufacturing .....		1,866
Agriculture and Forestry .....		8
Fisheries .....		2
Mining and Quarrying of Stones and Gravel .....		21
Construction .....		1,787
Electricity, Gas, Heat Supply and Water .....		10
Information and Communication .....		835
Transport and Postal Activities .....		17,157
Wholesale and Retail Trade .....		977
Finance and Insurance .....		37,875
Real Estate .....		25,033
Goods Rental and Leasing .....		163
Local Public Bodies .....		—
Individuals .....		3,044
Others .....		16,864
<b>Total for Industry Sectors .....</b>	<b>¥</b>	<b>105,648</b>

Note: Pursuant to the revision of Japan Standard Industrial Classification (November 2007), presentation of industry sectors has been partially modified from the end of September 2009.

	Millions of Yen	
	Sep. 30, 2008	Mar. 31, 2009
	Balance	Balance
Japan .....	¥ 19,381	¥ 67,285
Outside Japan .....	7,845	7,561
<b>Total for Regions .....</b>	<b>¥ 27,226</b>	<b>¥ 74,846</b>
Manufacturing .....	1,533	1,662
Agriculture .....	0	2
Forestry .....	0	—
Fisheries .....	0	0
Mining .....	7	25
Construction .....	2,157	2,755
Electricity, Gas, Heat Supply and Water .....	8	9
Information and Communication .....	70	27,116
Transport .....	107	133
Wholesale and Retail Trade .....	629	388
Finance and Insurance .....	1	368
Real Estate .....	5,725	22,239
Various Services .....	2,322	1,933
Local Public Bodies .....	1,581	—
Individuals .....	3,743	2,904
Others .....	9,335	15,306
<b>Total for Industry Sectors .....</b>	<b>¥ 27,226</b>	<b>¥ 74,846</b>

(4) Allowance for Loan Losses from Borrowers in Specified Foreign Countries (breakdown by industry sector)

Not applicable as of the end of September 2009, the end of March 2009 and the end of September 2008.

(5) Amount of Written-off Loans (breakdown by industry sector)

	Millions of Yen
	Six Months Ended Sep. 30, 2009
Manufacturing .....	¥ 112
Agriculture and Forestry .....	3
Fisheries .....	1
Mining and Quarrying of Stones and Gravel .....	0
Construction .....	153
Electricity, Gas, Heat Supply and Water .....	0
Information and Communication .....	1
Transport and Postal Activities .....	95
Wholesale and Retail Trade .....	74
Finance and Insurance .....	0
Real Estate .....	1,545
Goods Rental and Leasing .....	11
Local Public Bodies .....	—
Individuals .....	524
Others .....	1,046
Total for Industry Sectors .....	¥ 3,571

Note: Pursuant to the revision of Japan Standard Industrial Classification (November 2007), presentation of industry sectors has been partially modified from the first half of fiscal year 2009.

	Millions of Yen
	Six Months Ended Sep. 30, 2008
Manufacturing .....	¥ 67
Agriculture .....	0
Forestry .....	—
Fisheries .....	16
Mining .....	—
Construction .....	41
Electricity, Gas, Heat Supply and Water .....	0
Information and Communication .....	469
Transport .....	2
Wholesale and Retail Trade .....	32
Finance and Insurance .....	2
Real Estate .....	3
Various Services .....	77
Local Public Bodies .....	—
Individuals .....	375
Others .....	3,683
Total for Industry Sectors .....	¥ 4,774

## (6) Amount of Exposures by Risk-Weight Category (Standardized Approach)

	Millions of Yen			
	Sep. 30, 2009		Sep. 30, 2008	
	Subject to Rating		Subject to Rating	
Balance of Exposures to which the Standardized Approach is Applied after				
Allowing for the Credit Risk Mitigation Effect by Risk-Weight Category ...	¥ 2,001,885	¥ 152,377	¥ 2,273,764	¥ 140,983
0% .....	264,928	—	247,820	—
10% .....	3,116	—	1,059	—
20% .....	256,526	20,632	355,261	22,941
35% .....	—	—	29,006	—
50% .....	103,618	60,860	73,754	58,269
100% .....	1,352,635	69,969	1,550,268	59,773
150% .....	21,059	914	16,594	—
Amounts Deducted from Capital under				
the Notification, Article 8, Paragraph 1, 3 and 6 .....	—	—	—	—

## (7) Amount of Exposures by Risk-Weight Category (IRB Approach)

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Specialized Lending under the Slotting Criteria .....	¥ 1,246,648	¥ 1,267,550
High-Volatility Commercial Real Estate Exposures .....	237,427	281,759
Maturities of 2.5 years or Longer .....	94,788	153,896
Strong .....	30,019	28,417
Good .....	34,890	103,078
Satisfactory .....	19,662	22,400
Weak .....	10,215	—
Default .....	—	—
Maturities of less than 2.5 Years .....	142,638	127,862
Strong .....	15,517	16,464
Good .....	49,619	54,104
Satisfactory .....	64,301	57,293
Weak .....	—	—
Default .....	13,200	—
Other Exposures .....	¥ 1,009,220	¥ 985,791
Maturities of 2.5 years or Longer .....	757,136	727,976
Strong .....	350,382	343,184
Good .....	243,729	198,870
Satisfactory .....	148,093	167,995
Weak .....	5,467	17,926
Default .....	9,463	—
Maturities of less than 2.5 Years .....	252,084	257,814
Strong .....	64,712	69,849
Good .....	104,813	103,131
Satisfactory .....	79,220	82,283
Weak .....	3,155	60
Default .....	182	2,490
Equity Exposures to which the Simple Risk Weight Method of the Market-based Approach is Applied .....	¥ 62,346	¥ 65,854
Listed Stocks .....	6,101	18,034
Unlisted Stocks .....	56,245	47,820



## Application of the IRB Approach

(1) Weighted average of Probability of Default (PD), weighted average of Loss Given Default (LGD), weighted average of Risk-weights (RW), Exposure At Default (EAD) of On-balance sheet asset items (On\_EAD), and EAD of Off-balance sheet asset items (Off\_EAD), by obligor category for Corporate Exposures

	Millions of Yen				
	Sep. 30, 2009				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.07%	45.90%	25.44%	¥ 2,216,678	¥ 711,427
Ratings 5 – 6 .....	0.87%	44.79%	70.87%	4,509,188	818,987
Ratings 7 – 8 .....	14.77%	43.47%	207.59%	539,190	52,527
Ratings 8- – 10 .....	100.00%	43.24%	—	282,783	6,784
Total .....	4.65%	45.01%	62.92%	¥ 7,547,840	¥ 1,589,727

Note: Specialized lending and purchased receivables are excluded.

	Millions of Yen				
	Sep. 30, 2008				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.06%	45.85%	23.11%	¥ 2,067,039	¥ 742,265
Ratings 5 – 6 .....	0.91%	44.81%	72.29%	4,381,833	800,903
Ratings 7 – 8 .....	19.14%	44.18%	218.16%	691,877	101,093
Ratings 8- – 10 .....	100.00%	44.68%	—	65,510	2,554
Total .....	3.04%	45.08%	69.19%	¥ 7,206,260	¥ 1,646,816

Note: Specialized lending and purchased receivables are excluded.

(2) Weighted average of Probability of Default (PD), weighted average of Loss Given Default (LGD), weighted average of Risk-weights (RW), Exposure At Default (EAD) of On-balance sheet asset items (On\_EAD), and EAD of Off-balance sheet asset items (Off\_EAD), by obligor category for Sovereign Exposures

	Millions of Yen				
	Sep. 30, 2009				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.00%	44.98%	3.10%	¥ 3,556,294	¥ 24,156
Ratings 5 – 6 .....	1.24%	45.00%	119.67%	12,344	1,266
Ratings 7 – 8 .....	14.68%	42.14%	202.12%	157	—
Ratings 8- – 10 .....	—	—	—	—	—
Total .....	0.01%	44.98%	3.55%	¥ 3,568,797	¥ 25,422

Note: Specialized lending and purchased receivables are excluded.

	Millions of Yen				
	Sep. 30, 2008				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.01%	45.00%	9.05%	¥ 3,166,089	¥ 32,260
Ratings 5 – 6 .....	1.65%	45.00%	136.44%	11,155	1,900
Ratings 7 – 8 .....	14.68%	44.86%	231.02%	2,877	—
Ratings 8- – 10 .....	—	—	—	—	—
Total .....	0.03%	45.00%	9.77%	¥ 3,180,122	¥ 34,160

Note: Specialized lending and purchased receivables are excluded.

(3) Weighted average of Probability of Default (PD), weighted average of Loss Given Default (LGD), weighted average of Risk-weights (RW), Exposure At Default (EAD) of On-balance sheet asset items (On\_EAD), and EAD of Off-balance sheet asset items (Off\_EAD), by obligor category for Bank Exposures

	Millions of Yen				
	Sep. 30, 2009				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.04%	46.95%	17.78%	¥ 586,607	¥ 671,131
Ratings 5 – 6 .....	0.46%	44.74%	59.01%	38,445	96,260
Ratings 7 – 8 .....	9.40%	45.00%	202.10%	—	281
Ratings 8- – 10 .....	—	—	—	—	—
Total .....	0.08%	46.74%	21.80%	¥ 625,053	¥ 767,674

Note: Specialized lending and purchased receivables are excluded.

	Millions of Yen				
	Sep. 30, 2008				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.04%	46.55%	18.32%	¥ 778,870	¥ 832,079
Ratings 5 – 6 .....	0.48%	46.44%	60.55%	35,025	41,462
Ratings 7 – 8 .....	21.40%	70.03%	411.33%	1,843	—
Ratings 8- – 10 .....	100.00%	45.00%	—	194	—
Total .....	0.10%	46.57%	20.66%	¥ 815,933	¥ 873,542

Note: Specialized lending and purchased receivables are excluded.

(4) Weighted average of Probability of Default (PD), weighted average of Risk-weights (RW) and balance, by obligor category for Equity Exposures to which the PD/LGD Approach is applied

	Millions of Yen		
	Sep. 30, 2009		
	PD	RW	Balance
Ratings 1 – 4 .....	0.07%	106.15%	¥ 58,968
Ratings 5 – 6 .....	0.31%	151.22%	78,898
Ratings 7 – 8 .....	13.96%	516.34%	187
Ratings 8- – 10 .....	100.00%	—	94
Total .....	0.30%	132.37%	¥ 138,148

	Millions of Yen		
	Sep. 30, 2008		
	PD	RW	Balance
Ratings 1 – 4 .....	0.06%	108.07%	¥ 28,968
Ratings 5 – 6 .....	0.29%	158.24%	87,663
Ratings 7 – 8 .....	9.40%	461.59%	117
Ratings 8- – 10 .....	100.00%	—	134
Total .....	0.36%	145.93%	¥ 116,883

(5) Weighted average of Probability of Default (PD), weighted average of Loss Given Default (LGD), weighted average of Risk-weights (RW), Exposure At Default (EAD) of On-balance sheet asset items (On-EAD), EAD of Off-balance sheet asset items (Off-EAD), Undrawn Commitment, and weighted average of Credit Conversion Factor (CCF) applied to Undrawn Commitment, by exposure pool for Retail Exposures

	Millions of Yen						
	Sep. 30, 2009						
	PD	LGD	RW	On_EAD	Off_EAD	Undrawn Commitment	CCF
<b>Residential Mortgage</b>							
Current .....	0.38%	53.00%	31.84%	¥ 1,691,215	¥ 95,359	¥ 197	75%
Overdue .....	37.46%	53.65%	323.23%	7,353	79	—	—
Default .....	100.00%	46.89%	—	7,835	83	—	—
<b>Qualifying Revolving Retail</b>							
Current .....	1.46%	100.00%	53.88%	6,327	3,339	65,994	5%
Overdue .....	—	—	—	—	—	—	—
Default .....	—	—	—	—	—	—	—
<b>Other Retail (consumer)</b>							
Current .....	1.23%	53.20%	58.89%	117,156	6,662	97,475	6%
Overdue .....	27.59%	53.66%	142.19%	3,222	221	343	25%
Default .....	100.00%	48.83%	—	1,117	732	118	22%
<b>Other Retail (commercial)</b>							
Current .....	0.37%	54.39%	34.77%	122,050	7,155	290	75%
Overdue .....	15.54%	54.39%	115.27%	1,032	344	—	—
Default .....	100.00%	50.06%	—	1,288	304	—	—
<b>Total .....</b>	<b>1.17%</b>	<b>53.29%</b>	<b>34.85%</b>	<b>¥ 1,958,600</b>	<b>¥ 114,281</b>	<b>¥ 164,419</b>	<b>70%</b>

Notes: 1 LGD estimates include EL default amounts for exposures in default.

2 "Overdue" denotes credits less than 3 months overdue.

	Millions of Yen						
	Sep. 30, 2008						
	PD	LGD	RW	On_EAD	Off_EAD	Undrawn Commitment	CCF
<b>Residential Mortgage</b>							
Current .....	0.35%	53.65%	31.60%	¥ 1,450,909	¥ 104,578	¥ 225	75%
Overdue .....	37.46%	53.65%	323.23%	5,558	110	—	—
Default .....	100.00%	49.10%	—	5,857	92	—	—
<b>Qualifying Revolving Retail</b>							
Current .....	1.46%	100.00%	53.88%	7,039	3,578	70,588	5%
Overdue .....	—	—	—	—	—	—	—
Default .....	—	—	—	—	—	—	—
<b>Other Retail (consumer)</b>							
Current .....	1.09%	53.14%	54.61%	118,677	8,163	125,475	5%
Overdue .....	27.58%	53.38%	141.42%	3,146	139	316	17%
Default .....	100.00%	47.06%	—	3,318	741	127	24%
<b>Other Retail (commercial)</b>							
Current .....	0.36%	54.39%	34.28%	91,351	8,091	150	75%
Overdue .....	15.54%	54.39%	115.27%	849	206	—	—
Default .....	100.00%	50.12%	—	1,089	574	—	—
<b>Total .....</b>	<b>1.22%</b>	<b>53.89%</b>	<b>34.44%</b>	<b>¥ 1,687,797</b>	<b>¥ 126,277</b>	<b>¥ 196,883</b>	<b>69%</b>

Notes: 1 LGD estimates include EL default amounts for exposures in default.

2 "Overdue" denotes credits less than 3 months overdue.

## (6) Actual Credit Losses in the Current Period and Year-on-Year Change

	Millions of Yen				
	Six Months Ended Sep. 30, 2009		Six Months Ended Sep. 30, 2008		Change in Actual Credit Losses
	Actual Credit Losses	Writebacks	Actual Credit Losses	Writebacks	
Corporate Exposures .....	¥ 27,561	¥ (20,651)	¥ 8,893	¥ (10,020)	¥ 18,668
Sovereign Exposures .....	(8)	(8)	0	(1)	(8)
Bank Exposures .....	(75)	(75)	15	—	(90)
Equity Exposures under the PD/LGD Approach .....	—	—	—	—	—
Retail Exposures .....	664	(387)	1,578	(1,224)	(913)

Note: Of total credit costs, only those that can be identified as stemming from specified asset classes are shown in the table.

## Factor Analysis

Losses in the first half of fiscal year 2009 increased ¥17.6 billion year on year, the main reason for which being write-offs of loans and allowances for loan losses due to the increase in loans to at risk of bankruptcy debtors and other non-performing loans.

## (7) Estimated Credit Losses

	Millions of Yen	
	Estimated Credit Losses	Actual Credit Losses
Corporate Exposures .....	¥ 155,291	¥ 62,075
Sovereign Exposures .....	474	45
Bank Exposures .....	612	(15)
Equity Exposures under the PD/LGD Approach .....	376	—
Retail Exposures .....	11,658	1,455

Notes: 1 Estimated credit losses are the average of estimates calculated as of March 31, 2007; September 30, 2007; March 31, 2008; September 30, 2008; March 31, 2009 and September 30, 2009. Estimated credit losses for retail exposures are the average of estimates calculated as of March 31, 2008; September 30, 2008; March 31, 2009 and September 30, 2009.

2 Actual credit losses are the sum of losses for one year ended September 30, 2009.

## Credit Risk Mitigation Techniques

Consolidated

## Exposures to which Credit Risk Mitigation Techniques are Applied

	Millions of Yen			
	Sep. 30, 2009			
	Eligible Financial Collateral	Other Eligible IRB Collateral	Guarantees	Credit Derivatives
Portfolios to which the Standardized Approach is Applied .....	¥ 5,263	¥ —	¥ —	¥ —
Portfolios to which the IRB Approach is Applied .....	1,664,756	246,700	174,209	38,244
Corporate Exposures .....	464,411	238,146	63,989	—
Sovereign Exposures .....	97,323	8,554	108,844	—
Bank Exposures .....	1,103,022	—	1,374	38,244
Residential Mortgage Exposures .....	—	—	—	—
Qualifying Revolving Retail Exposures .....	—	—	—	—
Other Retail Exposures .....	—	—	—	—

	Millions of Yen			
	Sep. 30, 2008			
	Eligible Financial Collateral	Other Eligible IRB Collateral	Guarantees	Credit Derivatives
Portfolios to which the Standardized Approach is Applied .....	¥ 28,796	¥ —	¥ —	¥ —
Portfolios to which the IRB Approach is Applied .....	1,629,794	121,069	135,373	40,000
Corporate Exposures .....	166,943	121,028	39,726	—
Sovereign Exposures .....	170	41	92,425	—
Bank Exposures .....	1,462,680	—	3,221	40,000
Residential Mortgage Exposures .....	—	—	—	—
Qualifying Revolving Retail Exposures .....	—	—	—	—
Other Retail Exposures .....	—	—	—	—

Note: From March 31, 2008, the scope of credit risk mitigation technique has been enlarged.

## Derivative Products and Long Settlement Transactions

Consolidated

### Derivative Products

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Aggregate Sum of Amounts of Gross Reconstruction Costs (limited only to those not below zero) .....	¥ 3,437,178	¥ 1,747,559
Credit Equivalents Before Effect of Mitigation by Collateral under the Credit Risk Mitigation Technique .....	1,066,070	938,449
Foreign Exchange Related .....	1,043,028	702,987
Interest Rate Related .....	3,948,112	2,423,405
Gold Related .....	—	—
Equity Related .....	—	—
Precious Metals (Excluding Gold) Related .....	—	—
Other Commodities Related .....	—	—
Credit Derivatives .....	53	683
Effect of Mitigating Credit Equivalents due to Close-out Netting Contracts (Deduction) .....	(3,925,123)	(2,188,626)
Amounts of Collateral .....	166,466	—
Deposits .....	138,427	—
Securities .....	28,039	—
Credit Equivalents After Effect of Mitigation by Collateral under the Credit Risk Mitigation Technique .....	899,604	938,449
Notional Principal Amounts of Credit Derivatives Subject to the Calculation of Credit Equivalents .....	118,244	120,000
Purchase of Protection by Credit Default Swaps .....	38,244	40,000
Purchase of Protection by Total Return Swaps .....	—	—
Purchase of Protection by First-to-Default Credit Derivatives .....	—	—
Purchase of Protection by Second-to-Default Credit Derivatives .....	—	—
Providing Protection by Credit Default Swaps .....	80,000	80,000
Providing Protection by Total Return Swaps .....	—	—
Providing Protection by First-to-Default Credit Derivatives .....	—	—
Providing Protection by Second-to-Default Credit Derivatives .....	—	—
Notional Principal Amounts of Credit Derivatives used to Allow for the Effect of Credit Risk Mitigation Technique .....	¥ 38,244	¥ 40,000

Note: Credit equivalents are calculated with the current exposure approach.

### Long Settlement Transactions

Not applicable as of the end of September 2009 and the end of September 2008.

## Securitization Exposures (Originator)

Consolidated

## First Half of Fiscal Year 2009

## (1) Outline of Securitizations during the First Half of Fiscal Year 2009, Type and Status of Principal Underlying Assets

We conducted the following single securitization transaction as an originator during the first half of fiscal year 2009.

Date of Securitization:	April 2009		
Type of Underlying Assets:	Mortgage Loans		
Aggregate Sum of Underlying Assets:	¥21,108 million (at the time of securitization), ¥20,090 million (as of the end of September 2009)		
Type of Transaction:	Asset transfer-type securitization transaction		
Rating Agency:	Standard & Poors Rating Services (S&P)		
Initial Issue Amount:	Preferred Beneficially Notes	¥ 19,500 million (AAA/S&P)	
	Subordinated Beneficially Notes	¥ 1,608 million (no rating)	
Date of Redemption:	January 2046		

We hold part of the exposures related to this securitization transaction, and quantitative data in (2)–(9) below include data related to this securitization transaction.

## (2) Amounts of Securitization Exposures Held and Breakdown of Principal Underlying Assets by Type

	Millions of Yen			
	Sep. 30, 2009			
	Exposure Amounts	Aggregate Sum of Underlying Assets		
		Asset Transfer-Type Securitization Transaction	Synthetic Securitization Transaction	
Housing Loans .....	¥ 12,312	¥ 102,417	¥ 102,417	¥ —
Credit Card Loans, Consumer Loans .....	—	—	—	—
Auto Loans, Other Loans to Individuals .....	—	—	—	—
Commercial Real Estate-Secured Loans .....	—	—	—	—
Loans and Bonds to Corporates .....	—	—	—	—
Claims on Lease Payments .....	—	—	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—	—	—
Total .....	¥ 12,312	¥ 102,417	¥ 102,417	¥ —

## (3) Cumulative Total for the First Half of Fiscal Year 2009 of Principal Underlying Assets Overdue for Three Months or Longer or in Default Related to Securitization Exposures Held, Cumulative Total of Losses for the First Half of Fiscal Year 2009, and their Breakdowns by Type of Principal Underlying Assets

	Millions of Yen	
	Six Months Ended Sep. 30, 2009	
	Cumulative Total of Underlying Assets Overdue for Three Months or Longer or in Default	Cumulative Total Losses for First Half of Fiscal Year 2009
Housing Loans .....	¥ 68	¥ 65
Credit Card Loans, Consumer Loans .....	—	—
Auto Loans, Other Loans to Individuals .....	—	—
Commercial Real Estate-Secured Loans .....	—	—
Loans and Bonds to Corporates .....	—	—
Claims on Lease Payments .....	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—
Total .....	¥ 68	¥ 65

(4) Balance and Amounts of Required Capital of Securitization Exposures Held by Risk-Weight Category

	Millions of Yen	
	Sep. 30, 2009	
	Balance	Required Capital
Risk-Weight Category (IRB Approach) .....	¥ 12,312	¥ 2,218
20% or less .....	—	—
over 20% and 100% or less .....	—	—
over 100% and less than 1,250% .....	12,115	2,021
Capital Deduction .....	197	197
Risk-Weight Category (Standardized Approach) .....	—	—
20% or less .....	—	—
over 20% and 100% or less .....	—	—
over 100% and less than 1,250% .....	—	—
Capital Deduction .....	—	—
Total .....	¥ 12,312	¥ 2,218

(5) Amount Equivalent to the Increase in Capital Following Securitization and Breakdown by Type of Principal Underlying Assets

	Millions of Yen
	Sep. 30, 2009
Housing Loans .....	¥ 1,798
Credit Card Loans, Consumer Loans .....	—
Auto Loans, Other Loans to Individuals .....	—
Commercial Real Estate-Secured Loans .....	—
Loans and Bonds to Corporates .....	—
Claims on Lease Payments .....	—
Accounts Receivable, Other Claims on Corporates .....	—
Total .....	¥ 1,798

(6) Amount of Securitization Exposures by Type of Principal Underlying Assets Deducted from Capital under Provisions of the Notification Article 247

	Millions of Yen
	Sep. 30, 2009
Housing Loans .....	¥ 197
Credit Card Loans, Consumer Loans .....	—
Auto Loans, Other Loans to Individuals .....	—
Commercial Real Estate-Secured Loans .....	—
Loans and Bonds to Corporates .....	—
Claims on Lease Payments .....	—
Accounts Receivable, Other Claims on Corporates .....	—
Total .....	¥ 197

(7) Items by Type of Principal Underlying Assets of Securitization Exposures with Early Redemption Clauses

Not applicable.

## (8) Amounts of Gains/Losses on Sale in Association with Securitization Transactions Recognized during the First Half of Fiscal Year 2009 and Breakdown by Type of Principal Underlying Assets

	Millions of Yen
	Six Months Ended Sep. 30, 2009
Housing Loans .....	¥ 1,368
Credit Card Loans, Consumer Loans .....	—
Auto Loans, Other Loans to Individuals .....	—
Commercial Real Estate-Secured Loans .....	—
Loans and Bonds to Corporates .....	—
Claims on Lease Payments .....	—
Accounts Receivable, Other Claims on Corporates .....	—
<b>Total .....</b>	<b>¥ 1,368</b>

## (9) Amounts of Credit Risk-Weighted Assets Calculated with the Application of Transitional Measures with respect to Securitization Exposures

Not applicable.

**Securitization Exposures (Originator)**

Consolidated

**First Half of Fiscal Year 2008**

## (1) Outline of Securitizations during the First Half of Fiscal Year 2008, Type and Status of Principal Underlying Assets

Not applicable.

## (2) Amounts of Securitization Exposures Held and Breakdown of Principal Underlying Assets by Type

	Millions of Yen			
	Sep. 30, 2008			
	Exposure Amounts	Aggregate Sum of Underlying Assets		
Asset Transfer-Type Securitization Transaction		Synthetic Securitization Transaction		
Housing Loans .....	¥ 302	¥ 24,956	¥ 24,956	¥ —
Credit Card Loans, Consumer Loans .....	—	—	—	—
Auto Loans, Other Loans to Individuals .....	—	—	—	—
Commercial Real Estate-Secured Loans .....	—	—	—	—
Loans and Bonds to Corporates .....	—	—	—	—
Claims on Lease Payments .....	—	—	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—	—	—
<b>Total .....</b>	<b>¥ 302</b>	<b>¥ 24,956</b>	<b>¥ 24,956</b>	<b>¥ —</b>



(3) Cumulative Total for the First Half of Fiscal Year 2008 of Principal Underlying Assets Overdue for Three Months or Longer or in Default Related to Securitization Exposures Held, Cumulative Total of Losses for the First Half of Fiscal Year 2008, and their Breakdowns by Type of Principal Underlying Assets.

	Millions of Yen	
	Six Months Ended Sep. 30, 2008	
	Cumulative Total of Underlying Assets Overdue for Three Months or Longer or in Default	Cumulative Total Losses for First Half of Fiscal Year 2008
Housing Loans .....	¥ 60	¥ 62
Credit Card Loans, Consumer Loans .....	—	—
Auto Loans, Other Loans to Individuals .....	—	—
Commercial Real Estate-Secured Loans .....	—	—
Loans and Bonds to Corporates .....	—	—
Claims on Lease Payments .....	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—
<b>Total .....</b>	<b>¥ 60</b>	<b>¥ 62</b>

(4) Balance and Amounts of Required Capital of Securitization Exposures Held by Risk-Weight Category

	Millions of Yen	
	Sep. 30, 2008	
	Balance	Required Capital
Risk-Weight Category (IRB Approach) .....	¥ 302	¥ 302
20% or less .....	—	—
over 20% and 100% or less .....	—	—
over 100% and less than 1,250% .....	—	—
Capital Deduction .....	302	302
Risk-Weight Category (Standardized Approach) .....	—	—
20% or less .....	—	—
over 20% and 100% or less .....	—	—
over 100% and less than 1,250% .....	—	—
Capital Deduction .....	—	—
<b>Total .....</b>	<b>¥ 302</b>	<b>¥ 302</b>

(5) Amount Equivalent to the Increase in Capital Following Securitization and Breakdown by Type of Principal Underlying Assets  
Not applicable.

(6) Amount of Securitization Exposures by Type of Principal Underlying Assets Deducted from Capital under Provisions of the Notification Article 247

	Millions of Yen
	Sep. 30, 2008
Housing Loans .....	¥ 302
Credit Card Loans, Consumer Loans .....	—
Auto Loans, Other Loans to Individuals .....	—
Commercial Real Estate-Secured Loans .....	—
Loans and Bonds to Corporates .....	—
Claims on Lease Payments .....	—
Accounts Receivable, Other Claims on Corporates .....	—
<b>Total .....</b>	<b>¥ 302</b>

(7) Items by Type of Principal Underlying Assets of Securitization Exposures with Early Redemption Clauses  
Not applicable.

(8) Amounts of Gains/Losses on Sale in Association with Securitization Transactions Recognized during the First Half of Fiscal Year 2008 and Breakdown by Type of Principal Underlying Assets

Not applicable.

(9) Amounts of Credit Risk-Weighted Assets Calculated with the Application of Transitional Measures with respect to Securitization Exposures

Not applicable.

### Securitization Exposures (Investor)

Consolidated

(1) Amount of Securitization Exposures Held and Breakdown of Principal Underlying Assets by Type

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
	Exposure	Exposure
Housing Loans .....	¥ 403,820	¥ 507,756
Credit Card Loans, Consumer Loans .....	102,871	171,692
Auto Loans, Other Loans to Individuals .....	1,915	13,477
Commercial Real Estate-Secured Loans .....	49,912	88,530
Loans and Bonds to Corporates .....	217,043	296,514
Claims on Lease Payments .....	92,401	106,109
Accounts Receivable, Other Claims on Corporates .....	4,785	8,493
Total .....	¥ 872,750	¥ 1,192,574

(2) Balance and Amounts of Required Capital of Securitization Exposures Held by Risk-Weight Category

	Millions of Yen			
	Sep. 30, 2009		Sep. 30, 2008	
	Balance	Required Capital	Balance	Required Capital
Risk-Weight Category (IRB Approach) .....	¥ 872,750	¥ 22,875	¥ 1,192,574	¥ 47,337
20% or less .....	749,540	5,725	1,026,135	8,028
over 20% and 100% or less .....	103,372	5,165	121,826	6,843
over 100% and less than 1,250% .....	15,118	7,265	21,300	9,154
Capital Deduction .....	4,718	4,718	23,311	23,311
Risk-Weight Category (Standardized Approach) .....	—	—	—	—
20% or less .....	—	—	—	—
over 20% and 100% or less .....	—	—	—	—
over 100% and less than 1,250% .....	—	—	—	—
Capital Deduction .....	—	—	—	—
Total .....	¥ 872,750	¥ 22,875	¥ 1,192,574	¥ 47,337

(3) Amount of Securitization Exposures by Type of Principal Underlying Assets Deducted from Capital under Provisions of the Notification Article 247

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Housing Loans .....	¥ —	¥ —
Credit Card Loans, Consumer Loans .....	1,000	2,543
Auto Loans, Other Loans to Individuals .....	—	—
Commercial Real Estate-Secured Loans .....	—	—
Loans and Bonds to Corporates .....	3,717	20,767
Claims on Lease Payments .....	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—
Total .....	¥ 4,718	¥ 23,311

(4) Amounts of Credit Risk-Weighted Assets Calculated with the Application of Transitional Measures with respect to Securitization Exposures

Not applicable as of the end of September 2009 and the end of September 2008.

**Market Risk**

Consolidated

(1) End of Period Value at Risk (VaR) and Maximum, Minimum and Mean VaR for the Period

• Market Risk in the First Half of Fiscal Year 2009

	Banking Account	Trading Account
As of Sep. 30, 2009 .....	¥ 111.4 billion	¥ 0.9 billion
Maximum .....	187.6 billion	8.9 billion
Minimum .....	111.4 billion	0.6 billion
Mean .....	129.7 billion	1.9 billion

(For the October 2008 - September, 2009 Period)

• Market Risk in the First Half of Fiscal Year 2008

	Banking Account	Trading Account
As of Sep. 30, 2008 .....	¥ 131.2 billion	¥ 1.7 billion
Maximum .....	145.8 billion	2.1 billion
Minimum .....	84.7 billion	0.4 billion
Mean .....	117.0 billion	1.0 billion

(For the October, 2007 - September, 2008 Period)

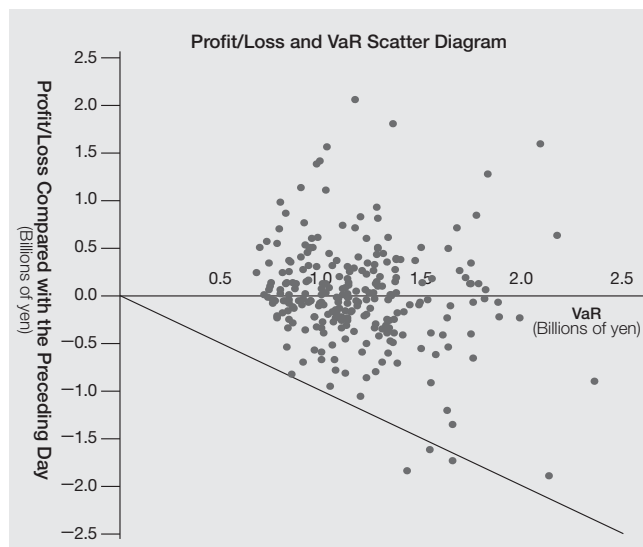
VaR Measurement Standards

Banking Account	Confidence Interval: One-tailed 99%	Time Horizon: 21 business days	Observation Period: One Year
Trading Account	Confidence Interval: One-tailed 99%	Time Horizon: 1 business day	Observation Period: One Year

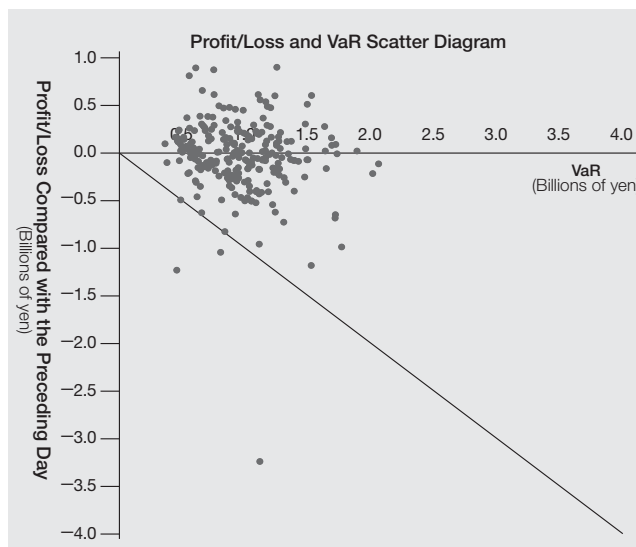
(2) Results of Back Testing and Reasons for Large Deviations between Actual Losses and VaR

• Back Testing of the Trading Account

First Half of Fiscal Year 2009



First Half of Fiscal Year 2008



Note: As shown above, for the first half of fiscal year 2009 back testing of the trading accounts shows three instances of losses in excess of VaR.

## Capital Subscriptions or Equity Exposures in the Banking Account

Consolidated

	Millions of Yen							
	Sep. 30, 2009				Sep. 30, 2008			
	Book Value		Market Value		Book Value		Market Value	
Consolidated Book and Market Values* <sup>1</sup>								
Listed Equity Exposures .....	¥ 491,641		¥ 491,641		¥ 642,503		¥ 642,503	
Capital Subscriptions or Equity Exposures not included in "Listed Equity Exposures" .....	47,734		47,734		75,262		75,262	
Amounts of Gains/Losses on Sale and Written-off of Capital Subscriptions or Equity Exposures* <sup>1,2</sup> .....	Gains/Losses	Gains	Losses	Written-off	Gains/Losses	Gains	Losses	Written-off
	(6,483)	7,892	1,507	12,869	(10,205)	3,612	1,206	12,611
Amounts of Unrealized Gains/Losses Recognized in the Consolidated Balance Sheets and not Recognized in the Consolidated Statements of Income .....	68,997				174,673			
Amounts of Unrealized Gains/Losses not Reported in the Consolidated Balance Sheets and Statements of Income .....	Not applicable				Not applicable			

\*1 Figures for Available-for-Sale Securities include only Japanese and foreign stocks.

\*2 Interim Consolidated Statements of Income figures for gains/losses on stock holdings and related written-off.

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Amounts by Portfolio Category* .....	¥ 673,317	¥ 806,737
Outstanding Shares Held .....	472,822	624,000
Portfolios Adopting the Market-based Approach .....	62,346	65,854
Portfolios Adopting the PD/LGD Approach .....	138,148	116,883

\* Amounts by portfolio category show exposures subject to the calculation of credit risk-weighted assets.

## Exposures Held in Funds

Consolidated

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Aggregate Sum of Exposures Held in Funds .....	¥ 237,503	¥ 358,676
Look-through Approach .....	157,034	212,718
Simple Majority Formula .....	31,806	50,565
Investment Criteria Formula .....	18,676	19,023
Internal Models Approach .....	—	—
Probability Approach .....	26,983	74,675
Others .....	3,002	1,692

Note: Exposures subject to the calculation of credit risk-weighted assets are shown.

## Interest Rate Risk in the Banking Account

Consolidated

Gains/Losses and Changes in Economic Value due to Interest Rate Shocks under the Internal Control Management used by the Consolidated Group

- Outlier Ratio

	Sep. 30, 2009	Sep. 30, 2008
Overall Amount of Interest Rate Risk .....	¥ 77.9 billion	¥ 132.1 billion
Japanese Yen Interest Rate .....	25.9 billion	56.8 billion
U.S. Dollar Interest Rate .....	32.8 billion	22.8 billion
Euro Interest Rate .....	15.6 billion	52.1 billion
Outlier Ratio .....	4.1%	7.4%

Notes: 1 Our interest rate fluctuation scenario assumes an interest rate shock consisting of the 1st and 99th percentile of the fluctuation range measured for a one year holding period and a minimum observation period of five years.

2 Our risk measurement method uses the interest rate sensitivity approach. Core deposits are defined as the lowest of the following three items, as an upper limit, for the five-year maturity (an average term of 2.5 years): 1) the lowest balance of deposits in the past five years, 2) the balance after deducting the maximum annual outflow of deposits in the past five years from the current balance of deposits, or 3) the amount equivalent to 50% of the current balance of deposits.

## Capital Adequacy Ratio

Non-consolidated

### BIS Capital Adequacy Ratio

	Millions of Yen		
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009
<b>Tier I</b>			
Capital Stock .....	¥ 342,037	¥ 287,537	¥ 287,537
Noncumulative Perpetual Preferred Share .....	54,500	—	—
Deposit for Subscriptions to Shares .....	—	—	—
Legal Capital Surplus .....	242,555	242,555	242,555
Other Capital Surplus .....	54,497	—	—
Legal Retained Earnings .....	46,580	46,580	46,580
Other Retained Earnings .....	408,225	396,839	391,524
Others .....	279,999	210,475	279,999
Treasury Stock .....	458	479	453
Deposit for Subscriptions to Treasury Stock .....	—	—	—
Expected Distributed Amount (Deduction) .....	8,714	14,234	2,511
Net Unrealized Loss on Available-for-Sale Securities (Deduction) .....	9,194	—	105,437
Subscription Rights to Shares .....	—	—	—
Business Rights Equivalents (Deduction) .....	—	—	—
Goodwill Equivalents (Deduction) .....	—	—	—
Equivalent to Intangible Fixed Assets Recorded through Business Combination (Deduction) .....	—	—	—
Equivalent to the Increase in the Capital Associated with Securitization Transactions (Deduction) .....	1,633	—	1,513
Equivalent to 50% of the Excess of Expected Loss over Qualifying Allowance (Deduction) .....	26,332	19,681	8,861
Total Tier I before Deduction of Deferred Tax Assets (Aggregate Sum of Items Above) .....	1,327,563	1,149,593	1,129,420
Deducted Amount of Deferred Tax Assets (Deduction)*1 .....	—	—	—
Total (A) .....	1,327,563	1,149,593	1,129,420
Noncumulative Preferred Securities Attached with Step-up Interest Rate Clause*2 (a) .....	156,000	156,000	156,000
Noncumulative Preferred Securities Issued by Overseas Special Purpose Companies .....	280,000	210,000	280,000
<b>Tier II</b>			
45% of Net Unrealized Gain on Available-for-Sale Securities .....	—	14,485	—
45% of Revaluation Reserve for Land .....	567	725	614
General Allowance for Loan Losses .....	—	—	—
Excess of Qualifying Allowance over Expected Loss .....	—	—	—
Debt Capital .....	623,784	647,026	673,625
Perpetual Subordinated Debt*3 .....	207,885	266,150	292,740
Subordinated Term Debt and Fixed-term Preferred Share*4 .....	415,899	380,876	380,885
Total .....	623,784	662,237	674,240
Included in Capital (B) .....	623,784	662,237	674,240
<b>Tier III</b>			
Subordinated Short-term Debt .....	—	—	—
Included in Capital (C) .....	—	—	—
<b>Items for Deduction</b>			
Items for Deduction*5 (D) .....	89,180	104,034	72,000
<b>Total Qualifying Capital</b>			
((A) + (B) + (C) - (D)) (E) .....	1,862,734	1,707,796	1,731,659
<b>Risk-Weighted Assets</b>			
Asset (On-balance Sheet) Items .....	10,003,106	11,334,724	10,841,202
Off-balance Sheet Transaction Items .....	1,531,580	1,947,828	1,665,469
Amount of Credit Risk-Weighted Assets (F) .....	11,534,687	13,282,553	12,506,671
Amount of Market Risk Equivalents ((H)/8%) (G) .....	127,594	196,949	278,815
(Reference) Market Risk Equivalents (H) .....	10,207	15,755	22,305
Amount of Operational Risk Equivalents ((J)/8%) (I) .....	488,021	550,390	502,883
(Reference) Operational Risk Equivalents (J) .....	39,041	44,031	40,230
Amount Obtained by Multiplying by 12.5 the Excess of the Amount Obtained by Multiplying the Old Required Capital by the Rate Prescribed by the Notification over the New Required Capital (K) .....	—	—	—
Total ((F) + (G) + (I) + (K)) (L) .....	¥ 12,150,303	¥ 14,029,893	¥ 13,288,370
<b>BIS Capital Adequacy Ratio = E/L x 100 (%)</b> .....	15.33	12.17	13.03
<b>Tier I Capital Ratio = A/L x 100 (%)</b> .....	10.92	8.19	8.49
<b>Ratio of Noncumulative Preferred Securities with   Step-up Interest Rate Clauses to Tier I Capital = a/A x 100 (%)</b> .....	11.75	13.57	13.81

\*1 As of September 30, 2009, deferred tax assets total ¥113,963 million in net terms. The upper limit on the inclusion of deferred tax assets in capital is ¥265,512 million.

\*2 Listed in the Notification Article 17, Paragraph 2, i.e. stocks and other securities with high probability of redemptions through such measures as attachment of step-up interest rate clauses (including noncumulative preferred securities issued by overseas special purpose companies).

\*3 Debt capital listed in the Notification Article 18, Paragraph 1, 4 that have all of the characteristics listed below:

- (1) Paid-up debts unsecured and subordinate to other debts
- (2) Not redeemable except for certain cases
- (3) Used for compensation of loss while continuing business
- (4) Allowed to defer interest payment obligations

\*4 Listed in the Notification Article 18, Paragraph 1, 5 and 6. However, subordinated term debts are limited to those with an original maturity of over five years.

\*5 Listed in the Notification Article 20, Paragraph 1, 1 through 5, and include the amounts equivalent to intentional holdings of other financial institutions' capital funding means.

\*6 We received an external audit by KPMG AZSA & Co. of the calculation of the non-consolidated BIS capital adequacy ratio in line with 'Agreed Upon Methods for the Implementation of Capital Adequacy Ratio Audits' (Pronouncement 30 of the Japanese Institute of Certified Public Accountants, Bank Auditing Committee, June 12, 2007).

The external audit is not part of the accounting audit of the non-consolidated financial statements but was conducted on part of the internal risk management framework concerning the calculation of the non-consolidated BIS capital adequacy ratio under agreed-upon examination procedures and is a report of the results. It thus does not represent the opinion of the external auditor regarding the non-consolidated BIS capital adequacy ratio itself or parts of the internal control which concern the ratio.

Details of preferred securities issued by overseas special purpose companies included in “Others” of the Tier I of capital for non-consolidated BIS capital adequacy ratio calculation are the following:

1. Issuer	STB Preferred Capital 2 (Cayman) Limited	STB Preferred Capital 3 (Cayman) Limited	STB Preferred Capital 4 (Cayman) Limited	STB Preferred Capital 5 (Cayman) Limited
2. Description of Securities	Noncumulative Preferred Securities	Same as on the left	Same as on the left	Same as on the left
3. Maturity	Perpetual (the Securities may be redeemed in whole or in part on any dividend payment date on or after seven years from the issuance at the option of the Issuer subject to the prior approval of the holders of the common shares and applicable regulatory requirements).	Perpetual (the Securities may be redeemed in whole or in part on any dividend payment date on or after ten years from the issuance at the option of the Issuer subject to the prior approval of the holders of the common shares and applicable regulatory requirements).	Same as on the left	Perpetual (the Securities may be redeemed in whole or in part on any dividend payment date on or after five years from the issuance at the option of the Issuer subject to the prior approval of the holders of the common shares and applicable regulatory requirements).
4. Dividend Rate	<1st year - 10th year > Fixed Rate <Thereafter> Step-up Floating Rate	Same as on the left	Series A <1st year - 10th year > Fixed Rate <Thereafter> Step-up Floating Rate Series B <1st year - 10th year > Fixed Rate <Thereafter> Non Step-up Floating Rate	<1st year - 5th year > Fixed Rate <Thereafter> Non Step-up Floating Rate
5. Issue Amount	¥50 billion	¥50 billion	Series A ¥56 billion Series B ¥54 billion	¥70 billion
6. Issue Date	December 7, 2005	March 2, 2007	June 24, 2008	December 18, 2008
7. Outline of Dividend Payment	Dividends are payable by the Issuer in the presence of distributable amount of the Bank in conformity with the calculation of preferred shares of the bank. If the Bank pays any dividends on any of its common share with respect to any financial year of the Bank, then the Issuer will be required to pay full dividends on the Securities for the applicable year.	Same as on the left	Same as on the left	Same as on the left
8. Dividend Limitation	Dividends will not be paid if any of certain criteria have met. The criteria include the following: When the Bank did not pay dividend on any class of preferred shares. When the Bank's BIS capital adequacy ratio or Tier I capital ratio is to decline below the minimum percentages required by Japanese banking regulations.	Same as on the left	Same as on the left	Same as on the left
9. Rights to the Remaining Assets	The Securities are intended to provide holders, through the perpetual subordinated loan to the Bank, with rights to remaining assets that are the same as those to which holders would be entitled if they had purchased noncumulative nonvoting perpetual preferred share issued directly by the Bank.	Same as on the left	Same as on the left	Same as on the left

## Capital Adequacy

Non-consolidated

(1) Amount of Required Capital against Credit Risk (excluding equity exposures to which the IRB Approach is applied and exposures held in funds)

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Portfolios to which the Standardized Approach is Applied .....	¥ 19,149	¥ 18,177
Exposures to Business Units Set for Phased Roll-Out Application .....	—	—
Exposures Excluded from Application .....	19,149	18,177
Portfolios to which the IRB Approach is Applied and the Breakdown by Portfolio .....	993,655	1,000,172
Corporate Exposures .....	763,853	725,109
Sovereign Exposures .....	10,355	25,545
Bank Exposures .....	24,820	28,757
Residential Mortgage Exposures .....	49,797	47,077
Qualifying Revolving Retail Exposures .....	557	612
Other Retail Exposures .....	11,756	12,685
Purchased Receivables .....	36,477	56,010
Other Assets .....	96,036	104,373
Securitization Exposures .....	24,693	46,434
Exposures to which the Standardized Approach is Applied .....	—	—
Exposures to which the IRB Approach is Applied .....	24,693	46,434

(2) Amount of Required Capital against Credit Risk concerning Equity Exposures to which the IRB Approach is Applied

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Equity Exposures .....	¥ 73,211	¥ 84,999
PD/LGD Approach .....	14,999	14,023
Simple Risk Weight Method of the Market-based Approach .....	18,326	18,454
Internal Models Method of the Market-based Approach .....	—	—
Transitional Measures .....	39,884	52,521

(3) Amount of Required Capital against Credit Risk concerning Exposures Held in Funds

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
	¥ 43,736	¥ 87,368

(4) Amount of Required Capital against Market Risk

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Market Risk .....	¥ 10,207	¥ 15,755
Amount of Required Capital by Category under the Standardized Approach .....	1,561	1,830
Interest Rate Risk .....	1,561	1,830
Equity Position Risk .....	—	—
Foreign Exchange Risk .....	—	—
Commodities Risk .....	—	—
Options Transactions .....	—	—
Internal Models Approach .....	8,646	13,925



## (5) Amount of Required Capital against Operational Risk

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Standardized Approach .....	¥ 39,041	¥ 44,031

## (6) Total Required Capital

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Total Required Capital .....	¥ 972,024	¥ 1,122,391

## Credit Risk

Non-consolidated

## (1) Balance of Exposures Related to Credit Risk (excluding exposures held in funds and securitization exposures)

	Millions of Yen				
	Sep. 30, 2009				
	Credit Risk Exposures				Exposures 3 Months or Longer Overdue or Exposures in Default
	Loans, Commitments and Other Off-balance Sheet Exposures other than Derivatives	Securities	Over-The-Counter Derivatives		
Japan .....	¥ 16,080,577	¥ 13,367,435	¥ 2,475,617	¥ 237,524	¥ 300,727
Outside Japan .....	2,402,937	507,149	1,234,109	661,678	13,703
Total for Regions .....	¥ 18,483,515	¥ 13,874,584	¥ 3,709,727	¥ 899,202	¥ 314,430
Manufacturing .....	2,839,335	2,485,327	326,071	27,936	8,805
Agriculture and Forestry .....	3,870	2,727	1,108	34	—
Fisheries .....	7,287	7,190	24	72	498
Mining and Quarrying of Stones and Gravel .....	15,873	15,666	—	206	—
Construction .....	186,146	147,048	38,107	990	17,686
Electricity, Gas, Heat Supply and Water .....	218,942	177,379	40,373	1,190	—
Information and Communication .....	210,236	204,362	5,504	370	26,425
Transport and Postal Activities .....	908,397	799,362	89,396	19,637	28,083
Wholesale and Retail Trade .....	1,413,549	1,321,380	85,267	6,902	8,566
Finance and Insurance .....	1,837,034	1,566,306	100,701	170,026	149,402
Real Estate .....	2,245,253	2,055,612	179,085	10,556	47,922
Goods Rental and Leasing .....	799,567	790,649	6,285	2,632	—
Local Public Bodies .....	83,839	74,404	9,434	—	—
Individuals .....	1,809,546	1,809,546	—	—	7,312
Others .....	5,904,634	2,417,618	2,828,369	658,646	19,727
Total for Industry Sectors .....	¥ 18,483,515	¥ 13,874,584	¥ 3,709,727	¥ 899,202	¥ 314,430
One Year or Shorter .....	4,189,760	3,701,312	439,080	49,366	—
Over One Year to less than Five Years .....	7,603,469	5,623,799	1,629,952	349,718	—
Five Years or Longer .....	6,690,285	4,549,472	1,640,694	500,118	—
Total for All Durations .....	18,483,515	13,874,584	3,709,727	899,202	—
Average Balance during the Period .....	¥ 18,468,423	¥ 13,761,370	¥ 3,798,333	¥ 908,718	—

Notes: 1 Exposures subject to the calculation of credit risk-weighted assets excluding those subject to funds, securitization, other assets and those excluded from the application.

2 "Others" in the industry sectors include non-residents and state public services. Exposures for the duration of over five years include those with no fixed maturities.

3 "Average balance during the period" is the average figure of those as of September 30, 2008; March 31, 2009; and September 30, 2009.

4 The above data represents amounts after credit risk mitigation effects of netting contracts allowed under the law and the netting against the company's cash balance.

5 The above data represents exposures to original debtors in loan participations.

6 Pursuant to the revision of Japan Standard Industrial Classification (November 2007), presentation of industry sectors has been partially modified from the accounting period of the first half of this fiscal year 2009 (September 30, 2009).

	Millions of Yen				
	Sep. 30, 2008				
	Credit Risk Exposures				Exposures 3 Months or Longer Overdue or Exposures in Default
	Loans, Commitments and Other Off-balance Sheet Exposures other than Derivatives	Securities	Over-The-Counter Derivatives		
Japan .....	¥ 15,179,437	¥ 12,564,754	¥ 2,429,425	¥ 185,257	¥ 72,408
Outside Japan .....	3,243,710	856,974	1,634,727	752,009	9,499
<b>Total for Regions .....</b>	<b>¥ 18,423,148</b>	<b>¥ 13,421,728</b>	<b>¥ 4,064,152</b>	<b>¥ 937,266</b>	<b>¥ 81,908</b>
Manufacturing .....	2,570,306	2,150,018	403,512	16,775	6,370
Agriculture .....	3,935	2,895	1,019	21	—
Forestry .....	200	200	—	—	—
Fisheries .....	8,434	8,254	133	46	1,797
Mining .....	15,432	15,181	—	250	—
Construction .....	193,312	184,316	8,575	420	3,111
Electricity, Gas, Heat Supply and Water .....	212,936	162,652	49,347	937	—
Information and Communication .....	209,488	195,467	13,811	209	3,592
Transport .....	833,058	710,375	113,241	9,441	—
Wholesale and Retail Trade .....	1,428,282	1,343,480	78,641	6,159	7,758
Finance and Insurance .....	2,036,707	1,723,287	142,080	171,339	194
Real Estate .....	2,089,166	1,872,424	211,219	5,523	29,497
Various Services .....	1,201,720	1,173,669	24,668	3,382	5,107
Local Public Bodies .....	108,809	85,698	23,110	—	—
Individuals .....	1,902,691	1,902,691	—	—	13,464
Others .....	5,608,665	1,891,116	2,994,790	722,758	11,014
<b>Total for Industry Sectors .....</b>	<b>¥ 18,423,148</b>	<b>¥ 13,421,728</b>	<b>¥ 4,064,152</b>	<b>¥ 937,266</b>	<b>¥ 81,908</b>
One Year or Shorter .....	4,693,040	4,273,917	355,554	63,569	
Over One Year to less than Five Years .....	7,162,232	5,198,518	1,610,953	352,759	
Five Years or Longer .....	6,567,876	3,949,293	2,097,644	520,937	
<b>Total for All Durations .....</b>	<b>¥ 18,423,148</b>	<b>¥ 13,421,728</b>	<b>¥ 4,064,152</b>	<b>¥ 937,266</b>	
<b>Average Balance during the Period .....</b>	<b>¥ 18,387,921</b>	<b>¥ 13,488,587</b>	<b>¥ 3,912,332</b>	<b>¥ 987,001</b>	

Notes: 1 Exposures subject to the calculation of credit risk-weighted assets excluding those subject to funds, securitization, other assets and those excluded from the application.

2 "Others" in the industry sectors include non-residents and state public services. Exposures for the duration of over five years include those with no fixed maturities.

3 "Average balance during the period" is the average figure of those as of September 30, 2007; March 31, 2008; and September 30, 2008.

## (2) General Allowance for Loan Losses

	Millions of Yen			
	Sep. 30, 2009	Sep. 30, 2008	Mar. 31, 2009	Change from Mar. 31, 2009
	Balance	Balance	Balance	
General Allowance for Loan Losses .....	<b>¥ 59,891</b>	¥ 76,959	¥ 80,813	¥ (20,922)

## (3) Specific Allowance for Loan Losses (breakdown by region, industry sector)

	Millions of Yen	
	Sep. 30, 2009	
	Balance	
Japan .....	¥ 79,572	
Outside Japan .....	7,944	
Total for Regions .....	¥ 87,517	
Manufacturing .....	1,029	
Agriculture and Forestry .....	—	
Fisheries .....	—	
Mining and Quarrying of Stones and Gravel .....	—	
Construction .....	1,405	
Electricity, Gas, Heat Supply and Water .....	0	
Information and Communication .....	—	
Transport and Postal Activities .....	16,690	
Wholesale and Retail Trade .....	622	
Finance and Insurance .....	37,504	
Real Estate .....	15,084	
Goods Rental and Leasing .....	0	
Local Public Bodies .....	0	
Individuals .....	550	
Others .....	14,629	
Total for Industry Sectors .....	¥ 87,517	

Note: Pursuant to the revision of Japan Standard Industrial Classification (November 2007), presentation of industry sectors has been partially modified from the end of September 2009.

	Millions of Yen	
	Sep. 30, 2008	Mar. 31, 2009
	Balance	Balance
Japan .....	¥ 10,183	¥ 48,505
Outside Japan .....	7,845	7,561
Total for Regions .....	¥ 18,028	¥ 56,066
Manufacturing .....	1,110	1,066
Agriculture .....	—	—
Forestry .....	—	—
Fisheries .....	—	—
Mining .....	—	—
Construction .....	1,112	1,410
Electricity, Gas, Heat Supply and Water .....	—	—
Information and Communication .....	25	27,028
Transport .....	—	0
Wholesale and Retail Trade .....	117	6
Finance and Insurance .....	—	45
Real Estate .....	2,364	10,679
Various Services .....	926	528
Local Public Bodies .....	1,575	0
Individuals .....	1,567	710
Others .....	9,227	14,590
Total for Industry Sectors .....	¥ 18,028	¥ 56,066

(4) Allowance for Loan Losses from Borrowers in Specified Foreign Countries (breakdown by industry sector)

Not applicable as of the end of September 2009, the end of March 2009 and the end of September 2008.

(5) Amount of Written-off Loans (breakdown by industry sector)

	Millions of Yen
	Six Months Ended Sep. 30, 2009
Manufacturing .....	¥ 0
Agriculture and Forestry .....	—
Fisheries .....	—
Mining and Quarrying of Stones and Gravel .....	—
Construction .....	74
Electricity, Gas, Heat Supply and Water .....	—
Information and Communication .....	—
Transport and Postal Activities .....	82
Wholesale and Retail Trade .....	0
Finance and Insurance .....	—
Real Estate .....	1,533
Goods Rental and Leasing .....	—
Local Public Bodies .....	—
Individuals .....	288
Others .....	600
Total for Industry Sectors .....	¥ 2,579

Note: Pursuant to the revision of Japan Standard Industrial Classification (November 2007), presentation of industry sectors has been partially modified from the first half of fiscal year 2009.

	Millions of Yen
	Six Months Ended Sep. 30, 2008
Manufacturing .....	¥ 0
Agriculture .....	—
Forestry .....	—
Fisheries .....	16
Mining .....	—
Construction .....	—
Electricity, Gas, Heat Supply and Water .....	—
Information and Communication .....	468
Transport .....	—
Wholesale and Retail Trade .....	0
Finance and Insurance .....	—
Real Estate .....	1
Various Services .....	0
Local Public Bodies .....	—
Individuals .....	203
Others .....	3,477
Total for Industry Sectors .....	¥ 4,167

## (6) Amount of Exposures by Risk-Weight Category (Standardized Approach)

	Millions of Yen			
	Sep. 30, 2009		Sep. 30, 2008	
	Subject to Rating		Subject to Rating	
Balance of Exposures to which the Standardized Approach is Applied after				
Allowing for the Credit Risk Mitigation Effect by Risk-Weight Category ...	¥ 266,076	¥ —	¥ 238,099	¥ —
0% .....	—	—	—	—
10% .....	—	—	—	—
20% .....	33,383	—	13,594	—
35% .....	—	—	—	—
50% .....	—	—	—	—
100% .....	232,693	—	224,505	—
150% .....	—	—	—	—
Amounts Deducted from Capital under				
the Notification, Article 20, Paragraph 1, 2 and 5 .....	—	/	—	/

## (7) Amount of Exposures by Risk-Weight Category (IRB Approach)

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Specialized Lending under the Slotting Criteria .....	¥ 1,246,648	¥ 1,267,550
High-Volatility Commercial Real Estate Exposures .....	237,427	281,759
Maturities of 2.5 years or Longer .....	94,788	153,896
Strong .....	30,019	28,417
Good .....	34,890	103,078
Satisfactory .....	19,662	22,400
Weak .....	10,215	—
Default .....	—	—
Maturities of less than 2.5 Years .....	142,638	127,862
Strong .....	15,517	16,464
Good .....	49,619	54,104
Satisfactory .....	64,301	57,293
Weak .....	—	—
Default .....	13,200	—
Other Exposures .....	¥ 1,009,220	¥ 985,791
Maturities of 2.5 years or Longer .....	757,136	727,976
Strong .....	350,382	343,184
Good .....	243,729	198,870
Satisfactory .....	148,093	167,995
Weak .....	5,467	17,926
Default .....	9,463	—
Maturities of less than 2.5 Years .....	252,084	257,814
Strong .....	64,712	69,849
Good .....	104,813	103,131
Satisfactory .....	79,220	82,283
Weak .....	3,155	60
Default .....	182	2,490
Equity Exposures to which the Simple Risk Weight Method of the Market-based Approach is Applied .....	¥ 55,513	¥ 58,899
Listed Stocks .....	5,938	17,972
Unlisted Stocks .....	49,575	40,926

## Application of the IRB Approach

(1) Weighted average of Probability of Default (PD), weighted average of Loss Given Default (LGD), weighted average of Risk-weights (RW), Exposure At Default (EAD) of On-balance sheet asset items (On\_EAD), and EAD of Off-balance sheet asset items (Off\_EAD), by obligor category for Corporate Exposures

	Millions of Yen				
	Sep. 30, 2009				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.07%	45.90%	25.44%	¥ 2,216,678	¥ 711,427
Ratings 5 – 6 .....	0.86%	44.79%	70.77%	4,497,196	818,987
Ratings 7 – 8 .....	14.77%	43.47%	207.59%	539,190	52,527
Ratings 8- – 10 .....	100.00%	43.24%	—	282,783	6,784
Total .....	4.66%	45.01%	62.85%	¥ 7,535,848	¥ 1,589,727

Note: Specialized lending and purchased receivables are excluded.

	Millions of Yen				
	Sep. 30, 2008				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.06%	45.85%	23.11%	¥ 2,067,039	¥ 742,265
Ratings 5 – 6 .....	0.91%	44.81%	72.29%	4,381,833	800,903
Ratings 7 – 8 .....	19.14%	44.18%	218.16%	691,877	101,093
Ratings 8- – 10 .....	100.00%	44.68%	—	65,510	2,554
Total .....	3.04%	45.08%	69.19%	¥ 7,206,260	¥ 1,646,816

Note: Specialized lending and purchased receivables are excluded.

(2) Weighted average of Probability of Default (PD), weighted average of Loss Given Default (LGD), weighted average of Risk-weights (RW), Exposure At Default (EAD) of On-balance sheet asset items (On\_EAD), and EAD of Off-balance sheet asset items (Off\_EAD), by obligor category for Sovereign Exposures

	Millions of Yen				
	Sep. 30, 2009				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.00%	44.98%	3.10%	¥ 3,556,294	¥ 24,156
Ratings 5 – 6 .....	1.24%	45.00%	119.67%	12,344	1,266
Ratings 7 – 8 .....	14.68%	42.14%	202.12%	157	—
Ratings 8- – 10 .....	—	—	—	—	—
Total .....	0.01%	44.98%	3.55%	¥ 3,568,797	¥ 25,422

Note: Specialized lending and purchased receivables are excluded.

	Millions of Yen				
	Sep. 30, 2008				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.01%	45.00%	9.05%	¥ 3,166,089	¥ 32,260
Ratings 5 – 6 .....	1.65%	45.00%	136.44%	11,155	1,900
Ratings 7 – 8 .....	14.68%	44.86%	231.02%	2,877	—
Ratings 8- – 10 .....	—	—	—	—	—
Total .....	0.03%	45.00%	9.77%	¥ 3,180,122	¥ 34,160

Note: Specialized lending and purchased receivables are excluded.

(3) Weighted average of Probability of Default (PD), weighted average of Loss Given Default (LGD), weighted average of Risk-weights (RW), Exposure At Default (EAD) of On-balance sheet asset items (On\_EAD), and EAD of Off-balance sheet asset items (Off\_EAD), by obligor category for Bank Exposures

	Millions of Yen				
	Sep. 30, 2009				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.04%	46.96%	17.79%	¥ 585,683	¥ 671,131
Ratings 5 – 6 .....	0.46%	44.74%	59.01%	38,445	96,260
Ratings 7 – 8 .....	9.40%	45.00%	202.10%	—	281
Ratings 8- – 10 .....	—	—	—	—	—
Total .....	0.08%	46.74%	21.81%	¥ 624,129	¥ 767,674

Note: Specialized lending and purchased receivables are excluded.

	Millions of Yen				
	Sep. 30, 2008				
	PD	LGD	RW	On_EAD	Off_EAD
Ratings 1 – 4 .....	0.04%	46.55%	18.33%	¥ 777,714	¥ 832,079
Ratings 5 – 6 .....	0.48%	46.44%	60.55%	35,025	41,462
Ratings 7 – 8 .....	21.40%	70.03%	411.33%	1,843	—
Ratings 8- – 10 .....	100.00%	45.00%	—	194	—
Total .....	0.10%	46.57%	20.67%	¥ 814,777	¥ 873,542

Note: Specialized lending and purchased receivables are excluded.

(4) Weighted average of Probability of Default (PD), weighted average of Risk-weights (RW) and balance, by obligor category for Equity Exposures to which the PD/LGD Approach is applied

	Millions of Yen		
	Sep. 30, 2009		
	PD	RW	Balance
Ratings 1 – 4 .....	0.07%	106.15%	¥ 58,968
Ratings 5 – 6 .....	0.31%	151.22%	78,898
Ratings 7 – 8 .....	13.96%	516.34%	187
Ratings 8- – 10 .....	100.00%	—	94
Total .....	0.30%	132.37%	¥ 138,148

	Millions of Yen		
	Sep. 30, 2008		
	PD	RW	Balance
Ratings 1 – 4 .....	0.06%	108.07%	¥ 28,968
Ratings 5 – 6 .....	0.29%	158.24%	87,663
Ratings 7 – 8 .....	9.40%	461.59%	117
Ratings 8- – 10 .....	100.00%	—	134
Total .....	0.36%	145.93%	¥ 116,883



(5) Weighted average of Probability of Default (PD), weighted average of Loss Given Default (LGD), weighted average of Risk-weights (RW), Exposure At Default (EAD) of On-balance sheet asset items (On-EAD), EAD of Off-balance sheet asset items (Off-EAD), Undrawn Commitment, and weighted average of Credit Conversion Factor (CCF) applied to Undrawn Commitment, by exposure pool for Retail Exposures

	Millions of Yen						
	Sep. 30, 2009						
	PD	LGD	RW	On_EAD	Off_EAD	Undrawn Commitment	CCF
<b>Residential Mortgage</b>							
Current .....	0.33%	53.65%	30.48%	¥ 1,579,049	¥ 89,970	¥ 197	75%
Overdue .....	37.46%	53.65%	323.23%	7,353	79	—	—
Default .....	100.00%	48.74%	—	5,598	83	—	—
<b>Qualifying Revolving Retail</b>							
Current .....	1.46%	100.00%	53.88%	6,327	3,339	65,994	5%
Overdue .....	—	—	—	—	—	—	—
Default .....	—	—	—	—	—	—	—
<b>Other Retail (consumer)</b>							
Current .....	1.32%	53.25%	61.50%	110,348	2,321	10,145	10%
Overdue .....	27.59%	53.66%	142.19%	3,221	221	341	25%
Default .....	100.00%	46.47%	—	898	732	118	22%
<b>Other Retail (commercial)</b>							
Current .....	0.36%	54.39%	34.28%	87,632	7,155	290	75%
Overdue .....	15.54%	54.39%	115.27%	1,032	344	—	—
Default .....	100.00%	49.85%	—	1,132	304	—	—
<b>Total .....</b>	<b>1.05%</b>	<b>53.87%</b>	<b>33.88%</b>	<b>¥ 1,802,595</b>	<b>¥ 104,553</b>	<b>¥ 77,087</b>	<b>70%</b>

Notes: 1 LGD estimates include EL default amounts for exposures in default.  
2 "Overdue" denotes credits less than 3 months overdue.

	Millions of Yen						
	Sep. 30, 2008						
	PD	LGD	RW	On_EAD	Off_EAD	Undrawn Commitment	CCF
<b>Residential Mortgage</b>							
Current .....	0.34%	53.65%	31.42%	¥ 1,450,909	¥ 98,186	¥ 225	75%
Overdue .....	37.46%	53.65%	323.23%	5,558	110	—	—
Default .....	100.00%	48.74%	—	5,416	92	—	—
<b>Qualifying Revolving Retail</b>							
Current .....	1.46%	100.00%	53.88%	7,039	3,578	70,588	5%
Overdue .....	—	—	—	—	—	—	—
Default .....	—	—	—	—	—	—	—
<b>Other Retail (consumer)</b>							
Current .....	1.21%	53.19%	59.55%	111,695	2,521	10,790	7%
Overdue .....	27.58%	53.38%	141.42%	3,146	139	316	17%
Default .....	100.00%	46.11%	—	3,084	741	127	24%
<b>Other Retail (commercial)</b>							
Current .....	0.36%	54.39%	34.28%	91,351	8,091	150	75%
Overdue .....	15.54%	54.39%	115.27%	849	206	—	—
Default .....	100.00%	49.85%	—	991	574	—	—
<b>Total .....</b>	<b>1.19%</b>	<b>53.90%</b>	<b>34.48%</b>	<b>¥ 1,680,041</b>	<b>¥ 114,242</b>	<b>¥ 82,197</b>	<b>69%</b>

Notes: 1 LGD estimates include EL default amounts for exposures in default.  
2 "Overdue" denotes credits less than 3 months overdue.

## (6) Actual Credit Losses in the Current Period and Year-on-Year Change

	Millions of Yen				
	Six Months Ended Sep. 30, 2009		Six Months Ended Sep. 30, 2008		Change in Actual Credit Losses
	Actual Credit Losses	Writebacks	Actual Credit Losses	Writebacks	
Corporate Exposures .....	¥ 27,561	¥ (20,651)	¥ 8,893	¥ (10,020)	¥ 18,668
Sovereign Exposures .....	(8)	(8)	0	(1)	(8)
Bank Exposures .....	(75)	(75)	15	—	(90)
Equity Exposures under the PD/LGD Approach .....	—	—	—	—	—
Retail Exposures .....	293	(377)	1,236	(1,213)	(942)

Note: Of total credit costs, only those that can be identified as stemming from specified asset classes are shown in the table.

## Factor Analysis

Losses in the first half of fiscal year 2009 increased ¥17.6 billion year on year, the main reason for which being write-offs of loans and allowances for loan losses due to the increase in loans to at risk of bankruptcy debtors and other non-performing loans.

## (7) Estimated Credit Losses

	Millions of Yen	
	Estimated Credit Losses	Actual Credit Losses
Corporate Exposures .....	¥ 155,239	¥ 62,075
Sovereign Exposures .....	474	45
Bank Exposures .....	612	(15)
Equity Exposures under the PD/LGD Approach .....	376	—
Retail Exposures .....	10,511	564

Notes: 1 Estimated credit losses are the average of estimates calculated as of March 31, 2007; September 30, 2007; March 31, 2008; September 30, 2008; March 31, 2009 and September 30, 2009. Estimated credit losses for retail exposures are the average of estimates calculated as of March 31, 2008; September 30, 2008; March 31, 2009 and September 30, 2009.

2 Actual credit losses are the sum of losses for one year ended September 30, 2009.

## Credit Risk Mitigation Techniques

Non-consolidated

## Exposures to which Credit Risk Mitigation Techniques are Applied

	Millions of Yen			
	Sep. 30, 2009			
	Eligible Financial Collateral	Other Eligible IRB Collateral	Guarantees	Credit Derivatives
Portfolios to which the Standardized Approach is Applied .....	¥ —	¥ —	¥ —	¥ —
Portfolios to which the IRB Approach is Applied .....	1,664,756	246,700	174,209	38,244
Corporate Exposures .....	464,411	238,146	63,989	—
Sovereign Exposures .....	97,323	8,554	108,844	—
Bank Exposures .....	1,103,022	—	1,374	38,244
Residential Mortgage Exposures .....	—	—	—	—
Qualifying Revolving Retail Exposures .....	—	—	—	—
Other Retail Exposures .....	—	—	—	—

	Millions of Yen			
	Sep. 30, 2008			
	Eligible Financial Collateral	Other Eligible IRB Collateral	Guarantees	Credit Derivatives
Portfolios to which the Standardized Approach is Applied .....	¥ —	¥ —	¥ —	¥ —
Portfolios to which the IRB Approach is Applied .....	1,629,794	121,069	135,373	40,000
Corporate Exposures .....	166,943	121,028	39,726	—
Sovereign Exposures .....	170	41	92,425	—
Bank Exposures .....	1,462,680	—	3,221	40,000
Residential Mortgage Exposures .....	—	—	—	—
Qualifying Revolving Retail Exposures .....	—	—	—	—
Other Retail Exposures .....	—	—	—	—

Note: From March 31, 2008, the scope of credit risk mitigation technique has been enlarged.

## Derivative Products and Long Settlement Transactions

Non-consolidated

### Derivative Products

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Aggregate Sum of Amounts of Gross Reconstruction Costs (limited only to those not below zero) .....	¥ 3,437,963	¥ 1,747,409
Credit Equivalents Before Effect of Mitigation by Collateral under the Credit Risk Mitigation Technique .....	1,068,869	941,444
Foreign Exchange Related .....	1,045,056	706,341
Interest Rate Related .....	3,948,882	2,423,046
Gold Related .....	—	—
Equity Related .....	—	—
Precious Metals (Excluding Gold) Related .....	—	—
Other Commodities Related .....	—	—
Credit Derivatives .....	53	683
Effect of Mitigating Credit Equivalents due to Close-out Netting Contracts (Deduction) .....	(3,925,123)	(2,188,626)
Amounts of Collateral .....	166,466	—
Deposits .....	138,427	—
Securities .....	28,039	—
Credit Equivalents After Effect of Mitigation by Collateral under the Credit Risk Mitigation Technique .....	902,403	941,444
Notional Principal Amounts of Credit Derivatives Subject to the Calculation of Credit Equivalents .....	118,244	120,000
Purchase of Protection by Credit Default Swaps .....	38,244	40,000
Purchase of Protection by Total Return Swaps .....	—	—
Purchase of Protection by First-to-Default Credit Derivatives .....	—	—
Purchase of Protection by Second-to-Default Credit Derivatives .....	—	—
Providing Protection by Credit Default Swaps .....	80,000	80,000
Providing Protection by Total Return Swaps .....	—	—
Providing Protection by First-to-Default Credit Derivatives .....	—	—
Providing Protection by Second-to-Default Credit Derivatives .....	—	—
Notional Principal Amounts of Credit Derivatives used to Allow for the Effect of Credit Risk Mitigation Technique .....	¥ 38,244	¥ 40,000

Note: Credit equivalents are calculated with the current exposure approach.

### Long Settlement Transactions

Not applicable as of the end of September 2009 and the end of September 2008.

## Securitization Exposures (Originator)

Non-consolidated

## First Half of Fiscal Year 2009

(1) Outline of Securitizations during the First Half of Fiscal Year 2009, Type and Status of Principal Underlying Assets  
Not applicable.

## (2) Amounts of Securitization Exposures Held and Breakdown of Principal Underlying Assets by Type

	Millions of Yen			
	Sep. 30, 2009			
	Exposure Amounts	Aggregate Sum of Underlying Assets		
		Asset Transfer-Type Securitization Transaction	Synthetic Securitization Transaction	
Housing Loans .....	¥ 8,735	¥ 82,328	¥ 82,328	¥ —
Credit Card Loans, Consumer Loans .....	—	—	—	—
Auto Loans, Other Loans to Individuals .....	—	—	—	—
Commercial Real Estate-Secured Loans .....	—	—	—	—
Loans and Bonds to Corporates .....	—	—	—	—
Claims on Lease Payments .....	—	—	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—	—	—
Total .....	¥ 8,735	¥ 82,328	¥ 82,328	¥ —

(3) Cumulative Total for the First Half of Fiscal Year 2009 of Principal Underlying Assets Overdue for Three Months or Longer or in Default Related to Securitization Exposures Held, Cumulative Total of Losses for the First Half of Fiscal Year 2009, and their Breakdowns by Type of Principal Underlying Assets

	Millions of Yen	
	Six Months Ended Sep. 30, 2009	
	Cumulative Total of Underlying Assets Overdue for Three Months or Longer or in Default	Cumulative Total Losses for First Half of Fiscal Year 2009
Housing Loans .....	¥ 68	¥ 59
Credit Card Loans, Consumer Loans .....	—	—
Auto Loans, Other Loans to Individuals .....	—	—
Commercial Real Estate-Secured Loans .....	—	—
Loans and Bonds to Corporates .....	—	—
Claims on Lease Payments .....	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—
Total .....	¥ 68	¥ 59

(4) Balance and Amounts of Required Capital of Securitization Exposures Held by Risk-Weight Category

	Millions of Yen	
	Sep. 30, 2009	
	Balance	Required Capital
Risk-Weight Category (IRB Approach) .....	¥ 8,735	¥ 1,447
20% or less .....	—	—
over 20% and 100% or less .....	—	—
over 100% and less than 1,250% .....	8,537	1,250
Capital Deduction .....	197	197
Risk-Weight Category (Standardized Approach) .....	—	—
20% or less .....	—	—
over 20% and 100% or less .....	—	—
over 100% and less than 1,250% .....	—	—
Capital Deduction .....	—	—
Total .....	¥ 8,735	¥ 1,447

(5) Amount Equivalent to the Increase in Capital Following Securitization and Breakdown by Type of Principal Underlying Assets

	Millions of Yen
	Sep. 30, 2009
Housing Loans .....	¥ 1,633
Credit Card Loans, Consumer Loans .....	—
Auto Loans, Other Loans to Individuals .....	—
Commercial Real Estate-Secured Loans .....	—
Loans and Bonds to Corporates .....	—
Claims on Lease Payments .....	—
Accounts Receivable, Other Claims on Corporates .....	—
Total .....	¥ 1,633

(6) Amounts of Securitization Exposures by Type of Principal Underlying Assets Deducted from Capital under Provisions of the Notification Article 247

	Millions of Yen
	Sep. 30, 2009
Housing Loans .....	¥ 197
Credit Card Loans, Consumer Loans .....	—
Auto Loans, Other Loans to Individuals .....	—
Commercial Real Estate-Secured Loans .....	—
Loans and Bonds to Corporates .....	—
Claims on Lease Payments .....	—
Accounts Receivable, Other Claims on Corporates .....	—
Total .....	¥ 197

(7) Items by Type of Principal Underlying Assets of Securitization Exposures with Early Redemption Clauses

Not applicable.

## (8) Amounts of Gains/Losses on Sale in Association with Securitization Transactions Recognized during the First Half of Fiscal Year 2009 and Breakdown by Type of Principal Underlying Assets

	Millions of Yen
	Six Months Ended Sep. 30, 2009
Housing Loans .....	¥ 385
Credit Card Loans, Consumer Loans .....	—
Auto Loans, Other Loans to Individuals .....	—
Commercial Real Estate-Secured Loans .....	—
Loans and Bonds to Corporates .....	—
Claims on Lease Payments .....	—
Accounts Receivable, Other Claims on Corporates .....	—
<b>Total .....</b>	<b>¥ 385</b>

## (9) Amounts of Credit Risk-Weighted Assets Calculated with the Application of Transitional Measures with respect to Securitization Exposures

Not applicable.

**Securitization Exposures (Originator)**

Non-consolidated

**First Half of Fiscal Year 2008**

## (1) Outline of Securitizations during the First Half of Fiscal Year 2008, Type and Status of Principal Underlying Assets

Not applicable.

## (2) Amounts of Securitization Exposures Held and Breakdown of Principal Underlying Assets by Type

	Millions of Yen			
	Sep. 30, 2008			
	Exposure Amounts	Aggregate Sum of Underlying Assets		
Asset Transfer-Type Securitization Transaction		Synthetic Securitization Transaction		
Housing Loans .....	¥ 302	¥ 24,956	¥ 24,956	¥ —
Credit Card Loans, Consumer Loans .....	—	—	—	—
Auto Loans, Other Loans to Individuals .....	—	—	—	—
Commercial Real Estate-Secured Loans .....	—	—	—	—
Loans and Bonds to Corporates .....	—	—	—	—
Claims on Lease Payments .....	—	—	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—	—	—
<b>Total .....</b>	<b>¥ 302</b>	<b>¥ 24,956</b>	<b>¥ 24,956</b>	<b>¥ —</b>

(3) Cumulative Total for the First Half of Fiscal Year 2008 of Principal Underlying Assets Overdue for Three Months or Longer or in Default Related to Securitization Exposures Held, Cumulative Total of Losses for the First Half of Fiscal Year 2008, and their Breakdowns by Type of Principal Underlying Assets.

	Millions of Yen	
	Six Months Ended Sep. 30, 2008	
	Cumulative Total of Underlying Assets Overdue for Three Months or Longer or in Default	Cumulative Total Losses for First Half of Fiscal Year 2008
Housing Loans .....	¥ 60	¥ 62
Credit Card Loans, Consumer Loans .....	—	—
Auto Loans, Other Loans to Individuals .....	—	—
Commercial Real Estate-Secured Loans .....	—	—
Loans and Bonds to Corporates .....	—	—
Claims on Lease Payments .....	—	—
Accounts Receivable, Other Claims on Corporates .....	—	—
<b>Total .....</b>	<b>¥ 60</b>	<b>¥ 62</b>

(4) Balance and Amounts of Required Capital of Securitization Exposures Held by Risk-Weight Category

	Millions of Yen	
	Sep. 30, 2008	
	Balance	Required Capital
Risk-Weight Category (IRB Approach) .....	¥ 302	¥ 302
20% or less .....	—	—
over 20% and 100% or less .....	—	—
over 100% and less than 1,250% .....	—	—
Capital Deduction .....	302	302
Risk-Weight Category (Standardized Approach) .....	—	—
20% or less .....	—	—
over 20% and 100% or less .....	—	—
over 100% and less than 1,250% .....	—	—
Capital Deduction .....	—	—
<b>Total .....</b>	<b>¥ 302</b>	<b>¥ 302</b>

(5) Amount Equivalent to the Increase in Capital Following Securitization and Breakdown by Type of Principal Underlying Assets  
Not applicable.

(6) Amount of Securitization Exposures by Type of Principal Underlying Assets Deducted from Capital under Provisions of the Notification Article 247

	Millions of Yen
	Sep. 30, 2008
Housing Loans .....	¥ 302
Credit Card Loans, Consumer Loans .....	—
Auto Loans, Other Loans to Individuals .....	—
Commercial Real Estate-Secured Loans .....	—
Loans and Bonds to Corporates .....	—
Claims on Lease Payments .....	—
Accounts Receivable, Other Claims on Corporates .....	—
<b>Total .....</b>	<b>¥ 302</b>

(7) Items by Type of Principal Underlying Assets of Securitization Exposures with Early Redemption Clauses  
Not applicable.



(8) Amounts of Gains/Losses on Sale in Association with Securitization Transactions Recognized during the First Half of Fiscal Year 2008 and Breakdown by Type of Principal Underlying Assets

Not applicable.

(9) Amounts of Credit Risk-Weighted Assets Calculated with the Application of Transitional Measures with respect to Securitization Exposures

Not applicable.

### Securitization Exposures (Investor)

Non-consolidated

(1) Amounts of Securitization Exposures Held and Breakdown of Principal Underlying Assets by Type

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
	Exposure	Exposure
Housing Loans	¥ 403,820	¥ 507,756
Credit Card Loans, Consumer Loans	102,871	171,692
Auto Loans, Other Loans to Individuals	1,885	12,977
Commercial Real Estate-Secured Loans	49,912	88,530
Loans and Bonds to Corporates	217,414	295,329
Claims on Lease Payments	92,351	103,233
Accounts Receivable, Other Claims on Corporates	4,785	8,493
Total	¥ 873,041	¥ 1,188,013

(2) Balance and Amounts of Required Capital of Securitization Exposures Held by Risk-Weight Category

	Millions of Yen			
	Sep. 30, 2009		Sep. 30, 2008	
	Balance	Required Capital	Balance	Required Capital
Risk-Weight Category (IRB Approach)	¥ 873,041	¥ 23,246	¥ 1,188,013	¥ 46,132
20% or less	749,460	5,725	1,022,759	8,008
over 20% and 100% or less	103,372	5,165	121,826	6,843
over 100% and less than 1,250%	15,118	7,265	21,300	9,154
Capital Deduction	5,089	5,089	22,126	22,126
Risk-Weight Category (Standardized Approach)	—	—	—	—
20% or less	—	—	—	—
over 20% and 100% or less	—	—	—	—
over 100% and less than 1,250%	—	—	—	—
Capital Deduction	—	—	—	—
Total	¥ 873,041	¥ 23,246	¥ 1,188,013	¥ 46,132

(3) Amount of Securitization Exposures by Type of Principal Underlying Assets Deducted from Capital under Provisions of the Notification Article 247

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Housing Loans	¥ —	¥ —
Credit Card Loans, Consumer Loans	1,000	2,543
Auto Loans, Other Loans to Individuals	—	—
Commercial Real Estate-Secured Loans	—	—
Loans and Bonds to Corporates	4,088	19,583
Claims on Lease Payments	—	—
Accounts Receivable, Other Claims on Corporates	—	—
Total	¥ 5,089	¥ 22,126

(4) Amounts of Credit Risk-Weighted Assets Calculated with the Application of Transitional Measures with respect to Securitization Exposures

Not applicable as of the end of September 2009 and the end of September 2008.

**Market Risk**

Non-consolidated

(1) End of Period Value at Risk (VaR) and Maximum, Minimum and Mean VaR for the Period

• Market Risk in the First Half of Fiscal Year 2009

	Banking Account	Trading Account
As of Sep. 30, 2009 .....	¥ 109.0 billion	¥ 0.9 billion
Maximum .....	183.2 billion	8.9 billion
Minimum .....	107.6 billion	0.6 billion
Mean .....	126.2 billion	1.9 billion

(For the October, 2008 - September, 2009 Period)

• Market Risk in the First Half of Fiscal Year 2008

	Banking Account	Trading Account
As of Sep. 30, 2008 .....	¥ 126.6 billion	¥ 1.7 billion
Maximum .....	141.2 billion	2.1 billion
Minimum .....	81.2 billion	0.4 billion
Mean .....	112.3 billion	1.0 billion

(For the October, 2007 - September, 2008 Period)

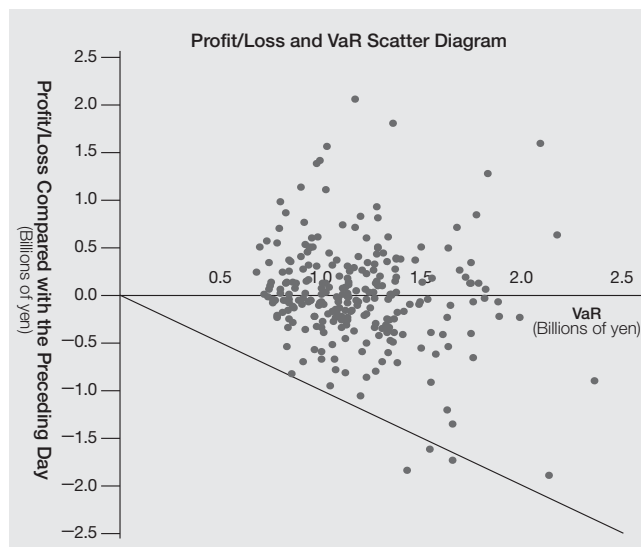
VaR Measurement Standards

Banking Account	Confidence Interval: One-tailed 99%	Time Horizon: 21 business days	Observation Period: One Year
Trading Account	Confidence Interval: One-tailed 99%	Time Horizon: 1 business day	Observation Period: One Year

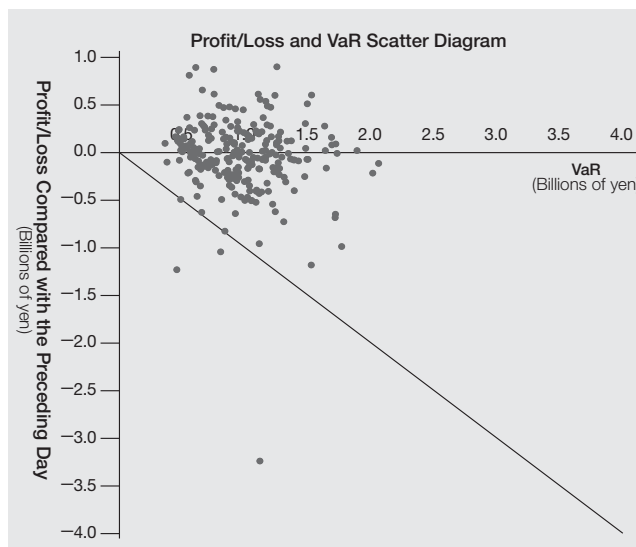
(2) Results of Back Testing and Reasons for Large Deviations between Actual Losses and VaR

• Back Testing of the Trading Account

First Half of Fiscal Year 2009



First Half of Fiscal Year 2008



Note: As shown above, for the first half of fiscal year 2009 back testing of the trading accounts shows three instances of losses in excess of VaR.

## Capital Subscriptions or Equity Exposures in the Banking Account

Non-consolidated

	Millions of Yen							
	Sep. 30, 2009				Sep. 30, 2008			
	Book Value		Market Value		Book Value		Market Value	
Non-consolidated Book and Market Values*1								
Listed Equity Exposures .....	¥ 491,267		¥ 491,267		¥ 642,085		¥ 642,085	
Capital Subscriptions or Equity Exposures not included in “Listed Equity Exposures” .....	47,229		47,229		74,759		74,759	
Amounts of Gains/Losses on Sale and Written-off of Capital Subscriptions or Equity Exposures*1,2 .....	Gains/Losses	Gains	Losses	Written-off	Gains/Losses	Gains	Losses	Written-off
	(6,320)	7,886	1,501	12,706	(9,325)	3,594	1,151	11,768
Amounts of Unrealized Gains/Losses Recognized in the Non-consolidated Balance Sheets and not Recognized in the Non-consolidated Statements of Income .....			68,686				174,348	
Amounts of Unrealized Gains/Losses not Reported in the Non-consolidated Balance Sheets and Statements of Income ...	Not applicable				Not applicable			

\*1 Figures for Available-for-Sale Securities include only Japanese and foreign stocks.

\*2 Interim Non-consolidated Statements of Income figures for gains/losses on stock holdings and related written-off.

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Amounts by Portfolio Category* .....	¥ 663,954	¥ 795,090
Outstanding Shares Held .....	470,291	619,307
Portfolios Adopting the Market-based Approach .....	55,513	58,899
Portfolios Adopting the PD/LGD Approach .....	138,148	116,883

\* Amounts by portfolio category show exposures subject to the calculation of credit risk-weighted assets.

## Exposures Held in Funds

Non-consolidated

	Millions of Yen	
	Sep. 30, 2009	Sep. 30, 2008
Aggregate Sum of Exposures Held in Funds .....	¥ 237,503	¥ 358,676
Look-through Approach .....	157,034	212,718
Simple Majority Formula .....	31,806	50,565
Investment Criteria Formula .....	18,676	19,023
Internal Models Approach .....	—	—
Probability Approach .....	26,983	74,675
Others .....	3,002	1,692

Note: Exposures subject to the calculation of credit risk-weighted assets are shown.

## Interest Rate Risk in the Banking Account

Non-consolidated

Gains/Losses and Changes in Economic Value due to Interest Rate Shocks under the Internal Control Management used by the Parent Company

## • Outlier Ratio

	Sep. 30, 2009	Sep. 30, 2008
Overall Amount of Interest Rate Risk .....	¥ 64.7 billion	¥ 118.0 billion
Japanese Yen Interest Rate .....	12.8 billion	42.8 billion
U.S. Dollar Interest Rate .....	32.8 billion	22.7 billion
Euro Interest Rate .....	15.6 billion	52.1 billion
Outlier Ratio .....	3.3%	6.5%

Notes: 1 Our interest rate fluctuation scenario assumes an interest rate shock consisting of the 1st and 99th percentile of the fluctuation range measured for a one year holding period and a minimum observation period of five years.

2 Our risk measurement method uses the interest rate sensitivity approach. Core deposits are defined as the lowest of the following three items, as an upper limit, for the five-year maturity (an average term of 2.5 years): 1) the lowest balance of deposits in the past five years, 2) the balance after deducting the maximum annual outflow of deposits in the past five years from the current balance of deposits, or 3) the amount equivalent to 50% of the current balance of deposits.

## STB Basic Information

### Head Office

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### Tokyo Office

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Chiyoda-ku, Tokyo 100-6611, Japan  
Telephone: +81 (3) 3286-1111

### Date of Establishment

July 1925

## Corporate Data

as of September 30, 2009

### Paid-in Capital

¥342,037 million

### Number of Employees

6,061

### Independent Public Accountants

KPMG AZSA & Co.

### Authorized Share (Thousands)

Common Share: 3,000,000

Preferred Share: 400,000

### Issued Share (Thousands)

Common Share: 1,675,128

First Series of Class 2 Preferred Share: 109,000

### Number of Shareholders

Common Share: 48,191

First Series of Class 2 Preferred Share: 22

## STB Basic Information

## Board of Directors, Executive Officers and Auditors

as of December 31, 2009

### Chairman of the Board

**Atsushi Takahashi**\*1

### Vice Chairman

**Takaaki Hatabe**\*1

### President and CEO

**Hitoshi Tsunekage**\*1

### Senior Executive Officer

**Akio Otsuka**\*1

**Kiyoshi Mukohara**\*1

**Teruhiko Sugita**\*1

**Tomoaki Ando**\*1

### Managing Executive Officer

**Shuichi Kusakawa**\*1

**Rikiya Hattori**\*1

**Hidehiko Asai**

**Mitsuru Nawata**

**Sumikazu Tsutsui**\*1

**Tetsuo Ohkubo**\*1

**Fuminari Suzuki**

**Koichi Hozumi**

General Manager, Global Credit Supervision Dept. II

**Junichi Sayato**\*1

**Yasuyuki Yagi**

**Yukihiro Kitano**

### Executive Officer

**Shigemasa Shibata**

**Masayuki Imanaka**

General Manager, Tokyo Corporate Business Dept. II

**Ibuki Mori**

**Kouji Nohara**

Regional Executive, Nagoya / General Manager, Nagoya Branch

**Koji Inagaki**

General Manager, Tokyo Corporate Business Dept. I

**Seiichiro Nemoto**

Head Office Executive

**Koji Yosomiya**

President and CEO, First Credit Corporation (Subsidiary of Sumitomo Trust)

**Takashi Imai**

General Manager, Kyoto Branch

**Keiji Tanaka**

Regional Executive, Americas / General Manager, New York Branch

**Toshifumi Aga**

General Manager, Osaka Business Dept.

**Satoru Abe**

General Manager, Retail Business Planning and Promotion Dept.

**Jun Sasaki**

General Manager, Global Markets Planning Dept.

General Manager, Treasury Unit, Global Markets

**Hideki Hiraki**

General Manager, Corporate Risk Management Dept.

### Standing Statutory Auditor

**Masaru Suzuki**

### Statutory Auditor

**Koichi Takamura**\*2

**Tatsuya Tsuboi**

**Hitoshi Maeda**\*2

**Toshio Hoshino**\*2

\*1 Directors

\*2 External Auditors

**STB Basic Information****International Network**

as of December 31, 2009

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**STB Basic Information****Subsidiaries and Affiliated Companies**

as of December 31, 2009

**JAPAN**

The Sumishin Shinko Company Limited  
Sumishin Guaranty Company Limited  
First Credit Corporation  
STB Leasing & Financial Group Co., Ltd.  
STB Leasing Co., Ltd.  
STB Wealth Partners Co., Limited  
Life Housing Loan, Ltd.  
Sumishin Business Service Company, Limited  
STB Real Estate Investment Management Co., Ltd.  
STB Business Partners Co., Ltd.  
Nikko Asset Management Co., Ltd.  
Japan TA Solution, Ltd.  
Sumishin Matsushita Financial Services Co., Ltd.  
Sumishin Card Company, Limited  
STB Investment Corporation  
Sumishin Information Service Company Limited  
STB Asset Management Co., Ltd.  
STB Research Institute Co., Ltd.  
Sumishin Realty Company, Limited  
SBI Sumishin Net Bank, Ltd.  
Japan Pension Operation Service, Ltd.

**BUSINEXT CORPORATION**

Sumishin Life Card Company, Limited  
Top REIT Asset Management Co., Ltd.  
HR One Corporation  
Japan Trustee Services Bank, Ltd.  
Japan Trustee Information Systems, Ltd.

**OVERSEAS**

The Sumitomo Trust Finance (H.K.) Limited  
Sumitomo Trust and Banking (Luxembourg) S.A.  
Sumitomo Trust and Banking Co. (U.S.A.)  
STB Consulting (China) Co., Ltd.  
STB Omega Investment Limited  
STB Finance Cayman Limited  
STB Preferred Capital (Cayman) Limited  
STB Preferred Capital 2 (Cayman) Limited  
STB Preferred Capital 3 (Cayman) Limited  
STB Preferred Capital 4 (Cayman) Limited  
STB Preferred Capital 5 (Cayman) Limited  
Fresco Asset Funding Corporation



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