

# **Analyst Meeting Presentation Material**

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June 1, 2006

**Mitsui Trust Financial Group**

# Agenda

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## . Management Strategies

- *Management Direction*
- *Management Objectives: Results and Plan*
- *Low Cost Operations*
- *Financial Summary*
- *Recomposition of Revenue Structure*
- *Profitability & Efficiency*
- *Revenues by Business Unit*

## . Business Operations

1. *Expansion of Fee Businesses*
2. *Increase Efficiency of Banking Business*
3. *New Businesses*

## . Strengthening of Balance Sheet

- *Disposal of NPLs*
- *Equity Portfolio*
- *Deferred Tax Assets*
- *NPLs Balance & NPLs Ratio*
- *Bond Portfolio*
- *Capital*

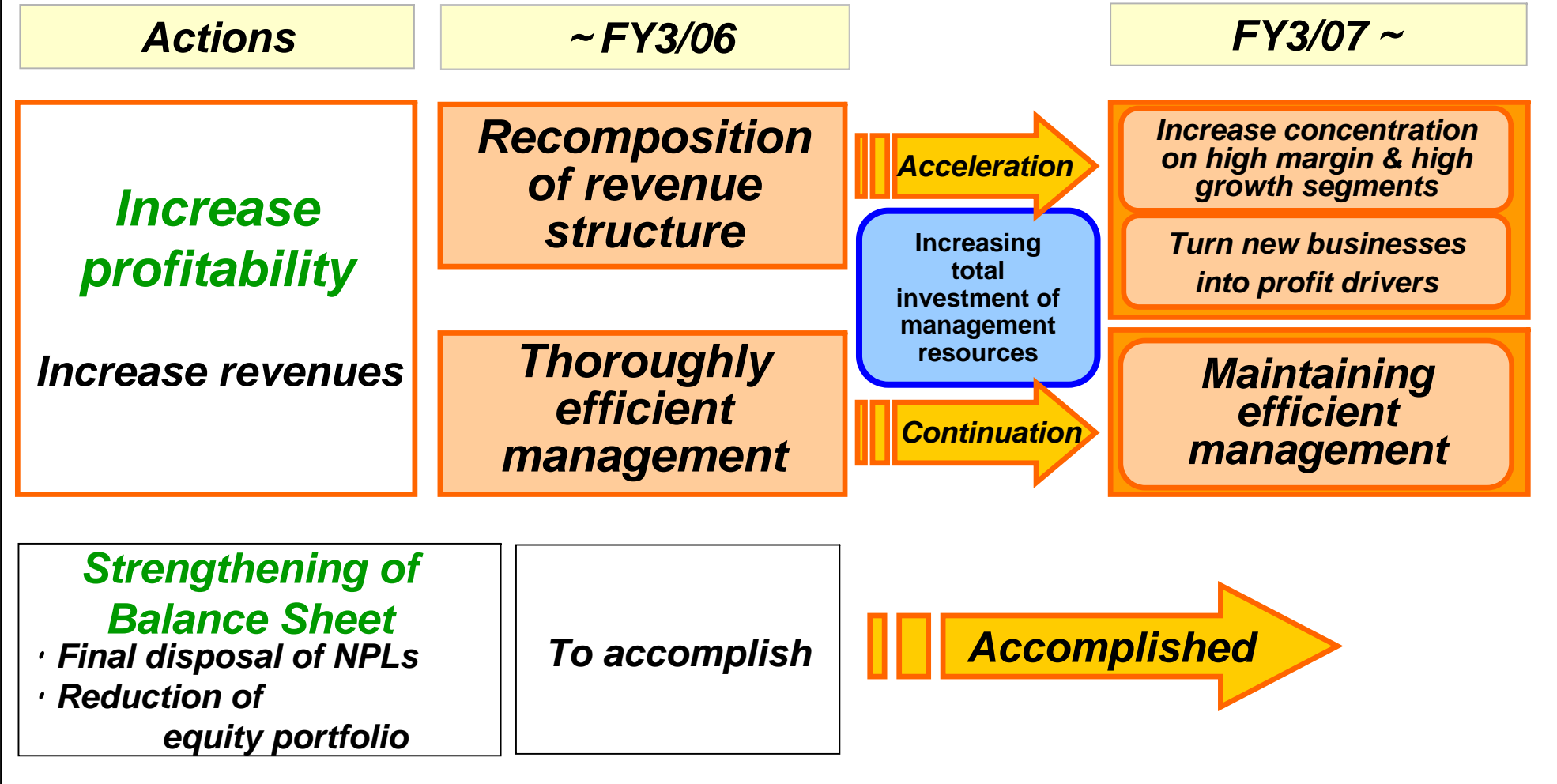
## . *Management Strategies*

- *Management Direction*
- *Recomposition of Revenue Structure*
- *Management Objectives: Results and Plan*
- *Low Cost Operations*
- *Profitability & Efficiency*
- *Financial Summary*
- *Revenues by Business Unit*

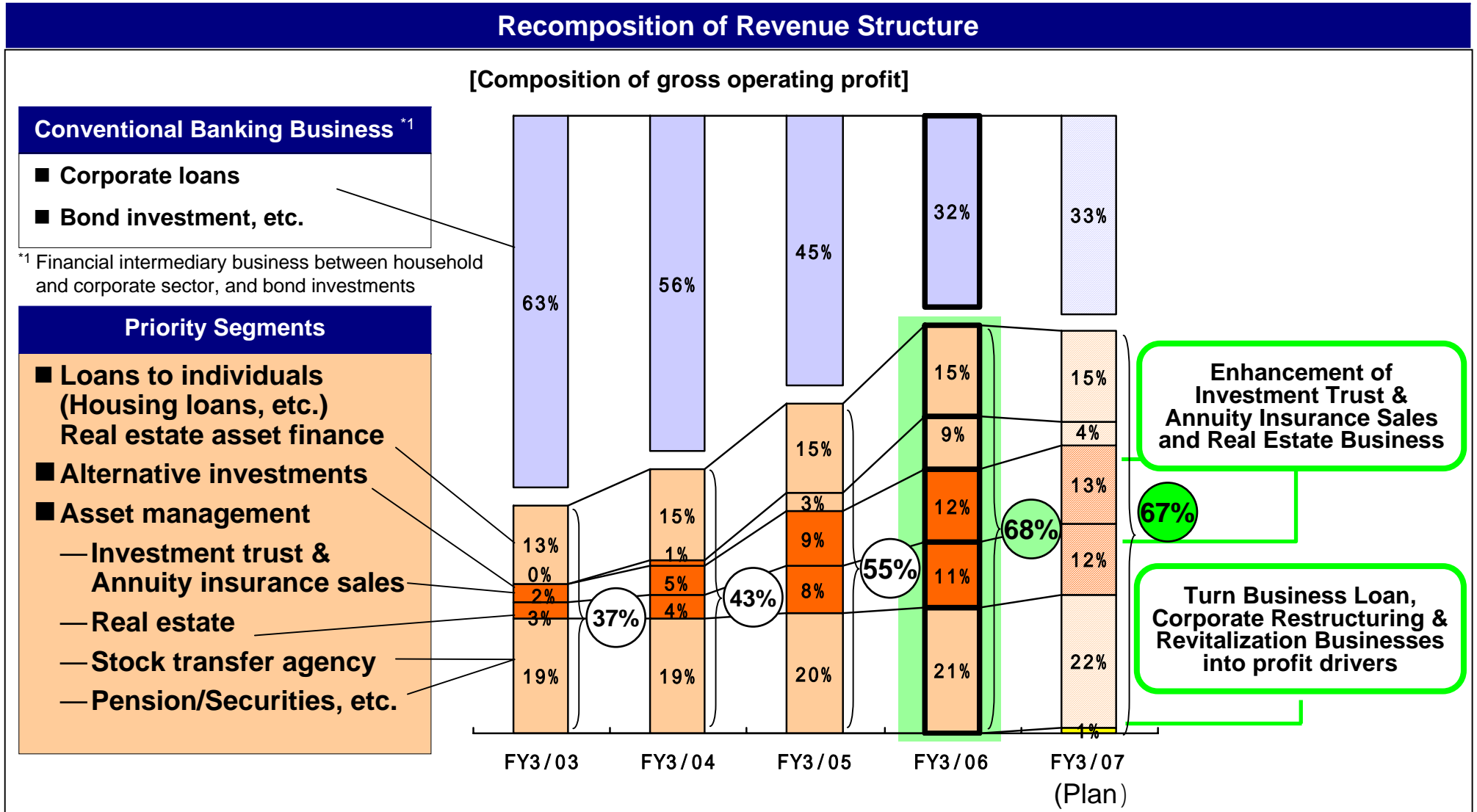
# Management Direction

## Management Direction

### Mitsui Trust Financial Group



# Recomposition of Revenue Structure



# Management Objectives: Results and Plan

Items	FY3/06 Actual	FY3/07 Plan
<b>Recomposition of Revenue Structure</b>		
Investment trust & annuity insurance sales	Revenues of ¥34.4bn [Record High] (¥8.4bn increase, or 32% increase YoY)	Revenues: ¥36.5bn
Real estate related fees	Revenues of ¥30.3bn [Record High] (¥5.0bn increase, or 20% increase YoY)	Revenues: ¥35.0bn
Housing loans	New origination of ¥701.3bn [Record High] (¥90.1bn increase, or 15% increase from 3/05)	Same level of new origination in FY3/06
<b>Strengthening of Balance Sheet</b>		
NPLs Ratio *1	Actual: 1.8% from 2.8% in 3/05 (Achieved target of lower than 2.0%)	Estimate: Low 1.0% level
Credit costs *1	Resolution of NPL problem by use of ¥65.6bn for clean up	Estimate: ¥20.0bn
Reduction of equity portfolio*2	Actual: 62% of Tier1 from 73% in 3/05	50% level of Tier1
DTAs *2	Actual: 18% of Tier1 from 35% in 3/05	Low 10% level of Tier1

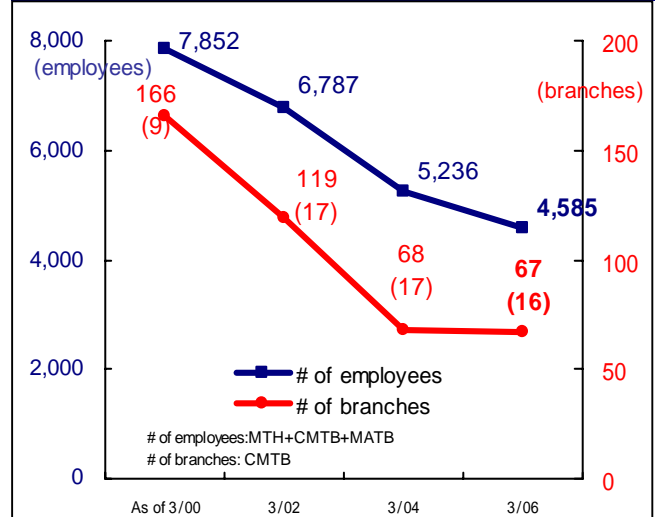
\*1 CMTB, non-consolidated \*2 MTH, consolidated

# Low Cost Operations

## Low Cost Operations (CMTB+MATB)

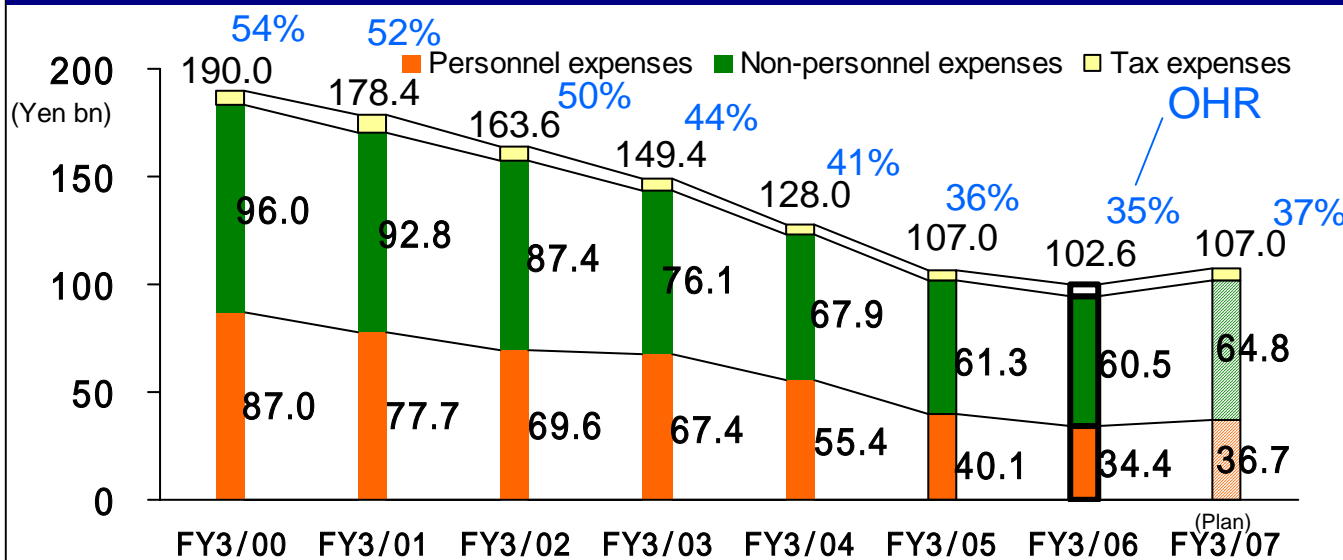
Items	FY3/06 Actual	FY3/07 Plan
Operating Expenses	¥6.7bn decrease YoY	Proactive investment of management resources in high margin & high growth segments
OHR	35% Lowest among Japanese major banks	Maintain current efficiency

## # of employees & branches



Figures in parenthesis are for consuplazas (in-store mini branches)

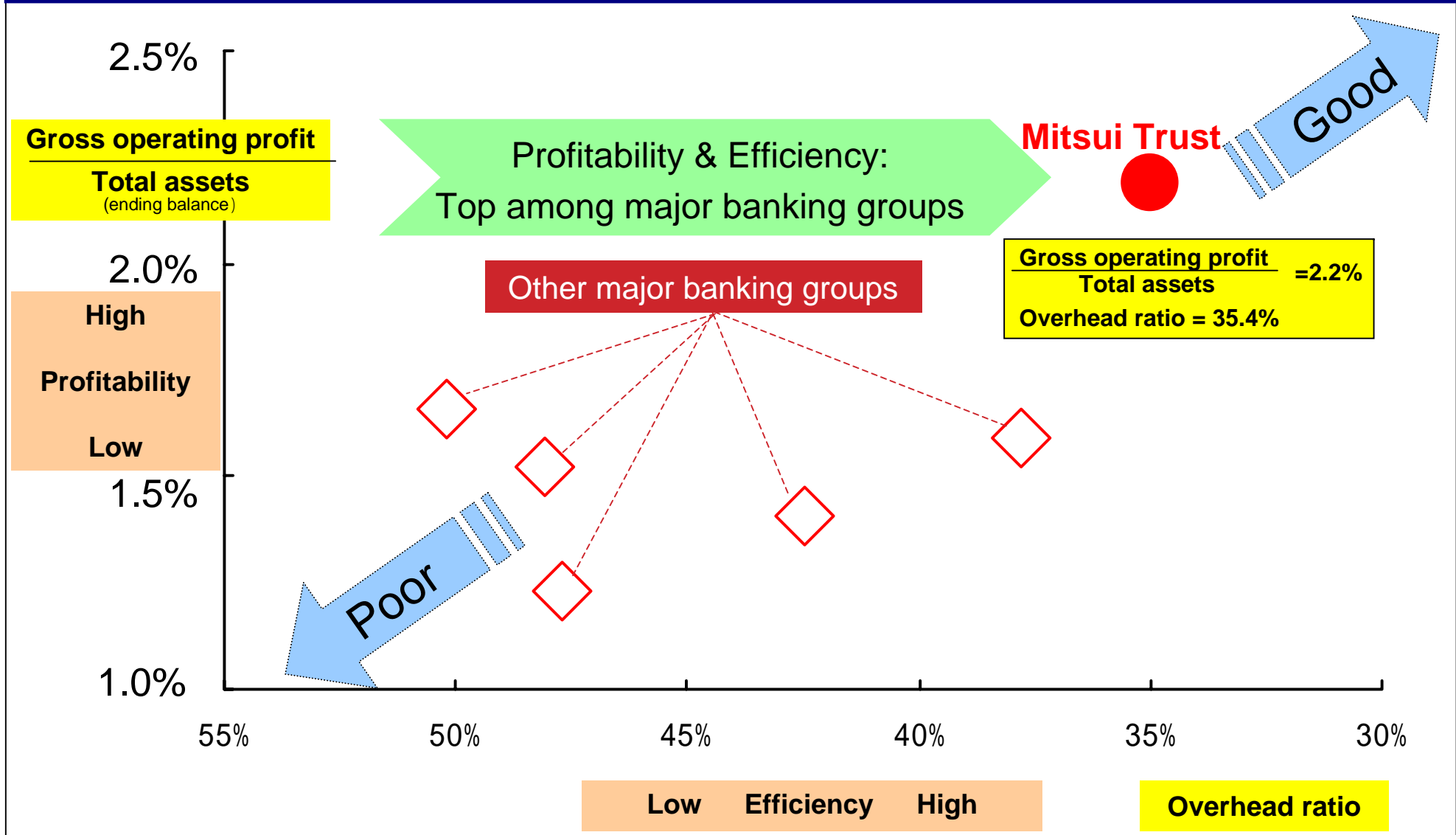
## Operating Expenses (CMTB+MATB)



Maintain high efficiency and increase investment of management resources in high margin & high growth segments

# Profitability & Efficiency

Profitability & Efficiency: Comparison of Major Banking Groups (FY3/06)





# Financial Summary

## FY3/06 Highlights & FY3/07 Outlook

	a	b	c:b-a	d	(Yen bn)
		Actual		Outlook	e:d-b
Combined totals	FY3/05	FY3/06	Change	FY3/07	Change
CMTB+MATB					
Gross operating profit <sup>*1</sup>	298.1	283.3	(14.8)	287.0	3.7
[of which housing loan securitization profit]	[34.4]	[16.2]	[(18.2)]	[0.0]	[(16.2)]
Operating expenses [minus]	107.0	100.2	(6.7)	107.0	6.8
Overhead ratio	36%	35%	(1)%	37%	2%
Pre-provision profit <sup>*2</sup>	191.1	183.0	(8.0)	180.0	(3.0)
Net stock-related profit	15.8	26.5	10.7	0.0	(26.5)
[of which capital gain on alternative investments]	[(0.0)]	[3.6]	[3.6]	-	-
Recurring profit	149.9	125.2	(24.6)	150.0	24.8
Deferred income taxes [minus]	47.1	0.1	(47.0)	19.0	18.9
Net income	92.1	118.2	26.1	120.0	1.8
Credit costs [minus]	43.9	65.6	21.7	20.0	(45.6)
MTH, Consolidated	FY3/05	FY3/06	Change	FY3/07	Change
Recurring profit	157.4	138.3	(19.0)	160.0	21.7
Net income	94.0	119.6	25.6	120.0	0.4
ROE <sup>*3</sup>	19%	23%	4%	19%	(4)%

\*1 Before trust a/c credit costs \*2 Effective net operating profit before trust a/c credit costs & provision (reversal) of general reserve

\*3 Average balance of outstanding capital was used as divisor

# Revenues by Business Unit

Revenues by Business Unit									
	a	b	c:b-a	Growth	d	e:d-b	Growth	CAGR	
CMTB+MATB Combined totals	FY3/05	Actual FY3/06	Change	rate	Outlook FY3/07	Change	rate	FY3/05~	
<b>Asset management business</b>	<b>108.5</b>	<b>125.9</b>	<b>17.4</b>	<b>16%</b>	<b>134.0</b>	<b>8.1</b>	<b>6%</b>	<b>11%</b>	
Investment trust & annuity insurance sales	26.0	34.4	8.4	32%	36.5	2.1	6%	18%	
Real estate	CMTB 25.3	30.3	5.0	20%	35.0	4.7	16%	18%	
Stock transfer agency	15.7	16.7	1.0	6%	16.0	(0.7)	(4)%	1%	
Pension	24.9	25.7	0.8	3%	28.5	2.8	11%	7%	
Securities	MATB 8.8	10.5	1.7	19%	12.5	2.0	19%	19%	
[ <sup>of which</sup> Investment advisory fee & trust fee]	[3.9]	[6.1]	[2.2]	[56%]	[8.0]	[1.9]	[31%]	[43%]	
Others	7.5	8.2	0.7	9%	5.5	(2.7)	(33)%	(14)%	
<b>Banking business</b>	<b>189.5</b>	<b>157.4</b>	<b>(32.1)</b>	<b>(17)%</b>	<b>153.0</b>	<b>(4.4)</b>	<b>(3)%</b>	<b>(10)%</b>	
Excl. * Financing business 3 a/c total, others	118.5	106.6	(11.9)	(10)%	108.0	1.4	1%	(5)%	
* Loans to individuals, Real estate asset finance	46.0	41.0	(5.0)	(11)%	44.0	3.0	7%	(2)%	
Housing loan securitization profit	34.4	16.2	(18.2)	(53)%	0.0	(16.2)	-	-	
Net bond-related profit	(9.4)	(6.4)	3.0	-	1.0	7.4	-	-	
<b>Gross operating profit</b>	<b>298.1</b>	<b>283.3</b>	<b>(14.8)</b>	<b>(5)%</b>	<b>287.0</b>	<b>3.7</b>	<b>1%</b>	<b>(2)%</b>	
<b>Operating expenses</b>	<b>107.0</b>	<b>100.2</b>	<b>(6.8)</b>	<b>(6)%</b>	<b>107.0</b>	<b>6.8</b>	<b>7%</b>	<b>0%</b>	
<b>Pre-provision profit</b>	<b>191.1</b>	<b>183.0</b>	<b>(8.1)</b>	<b>(4)%</b>	<b>180.0</b>	<b>(3.0)</b>	<b>(2)%</b>	<b>(3)%</b>	

## . *Business Operations*

- 1. Expansion of Fee Businesses*
- 2. Increase Efficiency of Banking Business*
- 3. New Businesses*

## - 1. Expansion of Fee Businesses

- *Investment Trust & Annuity Insurance Sales*
- *Real Estate Business*
- *Stock Transfer Agency Business*
- *Pension & Securities Business of MATB*

# Investment Trust & Annuity Insurance Sales

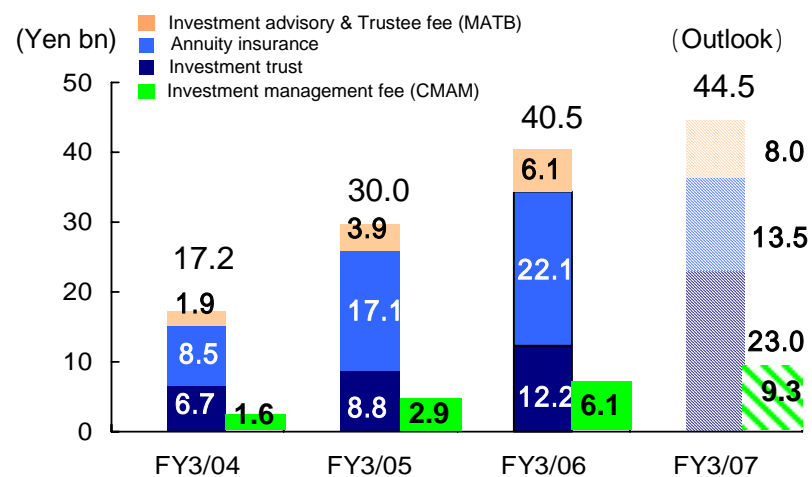
In the growing investment trust market, develop sales and marketing of investment trust by enhancing consultation capability

## Breakdown of Investment trust & Annuity insurance related fees and commissions

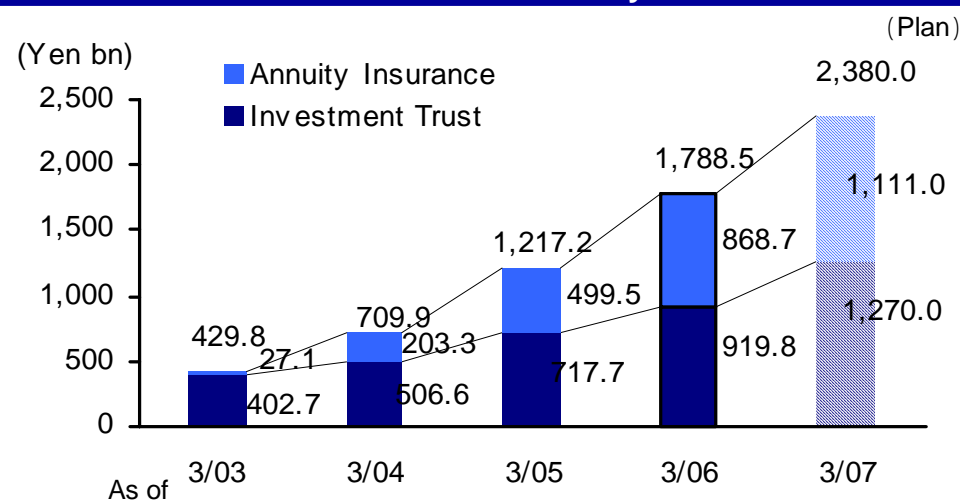
CMTB	a	b	c:b-a Chg.	d	e:d-b Chg.
	FY3/05	Actual FY3/06		Outlook FY3/07	
Investment trust	8.8	12.2	3.4	23.0	10.8
Annuity insurance	17.1	22.1	5.0	13.5	(8.6)
<b>Total</b>	<b>26.0</b>	<b>34.4</b>	<b>8.4</b>	<b>36.5</b>	<b>2.1</b>
<b>MATB</b>					
Investment advisory	0.9	2.2	1.3	3.0	0.8
Trustee Fee	3.0	3.9	0.9	5.0	1.1
<b>Total</b>	<b>3.9</b>	<b>6.1</b>	<b>2.2</b>	<b>8.0</b>	<b>1.9</b>
<b>Grand total</b>	<b>30.0</b>	<b>40.5</b>	<b>10.5</b>	<b>44.5</b>	<b>4.0</b>
<b>(Reference)</b>					
Investment management fee of CMAM*	2.9	6.1	3.2	9.3	3.2

\*Chuo Mitsui Asset Management Co., Ltd.

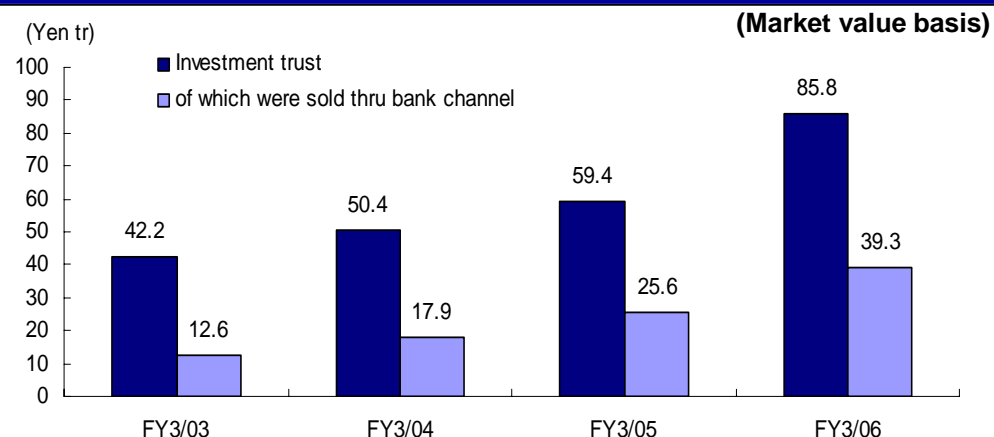
## Growth of Investment trust & Annuity insurance related fees and commissions



## Balance of Investment trust & Annuity insurance sales



## Net Asset Growth of Investment trust



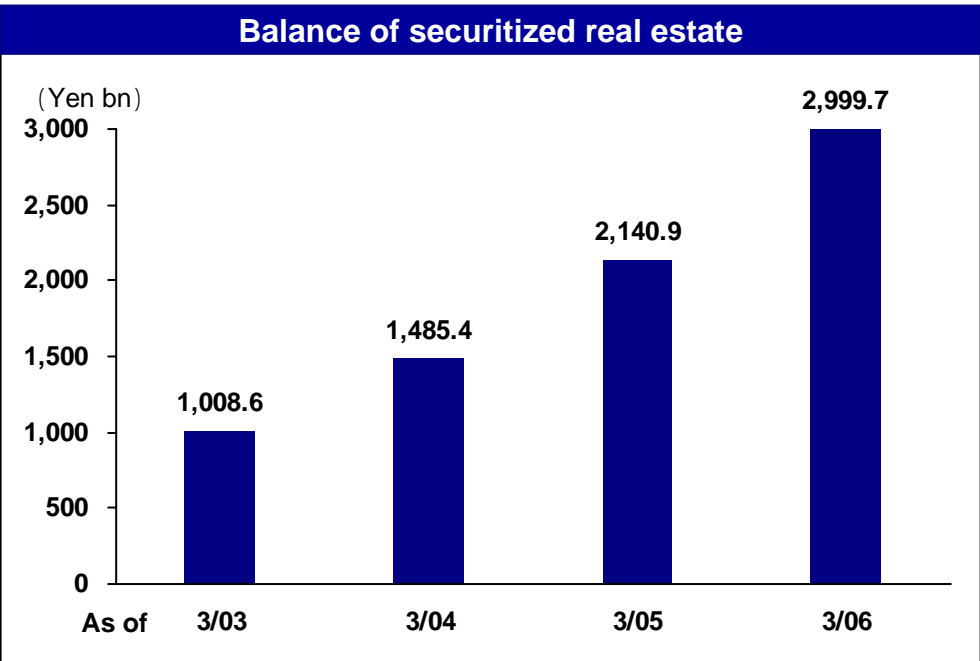
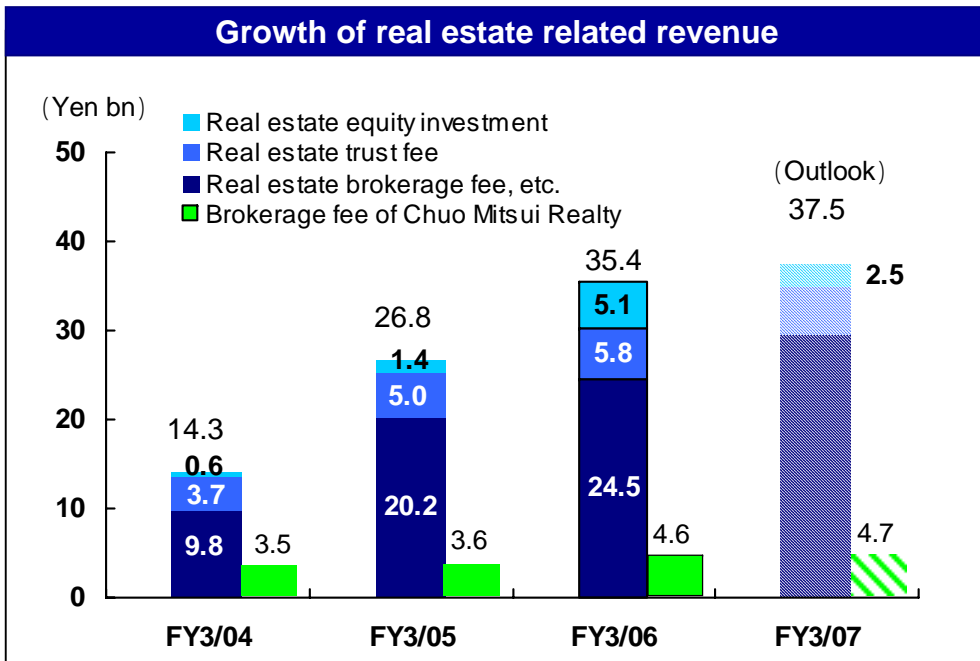
# Real Estate Business

Real estate related revenue					
CMTB	a	b	c:b-a Chg.	d	(Yen bn) e:d-b Chg.
	FY3/05	Actual FY3/06		Outlook FY3/07	
Brokerage fee, etc.	20.2	24.5	4.3	29.5	5.0
Trust fee	5.0	5.8	0.8	5.5	(0.3)
Real estate business revenue	25.3	30.3	5.0	35.0	4.7
Equity investment revenue	1.4	5.1	3.7	2.5	(2.6)
<b>Total</b>	<b>26.8</b>	<b>35.4</b>	<b>8.6</b>	<b>37.5</b>	<b>2.1</b>

(Reference)					
Brokerage fee of Chuo Mitsui Realty	3.6	4.6	1.0	4.7	0.1

- Posted record high revenue due to steady increase in brokerage fees related to funds & investors
- Pursue every profit-earning opportunities in the brokerage business, securitization business, equity investment business, and fund business by utilizing high expertise in these fields

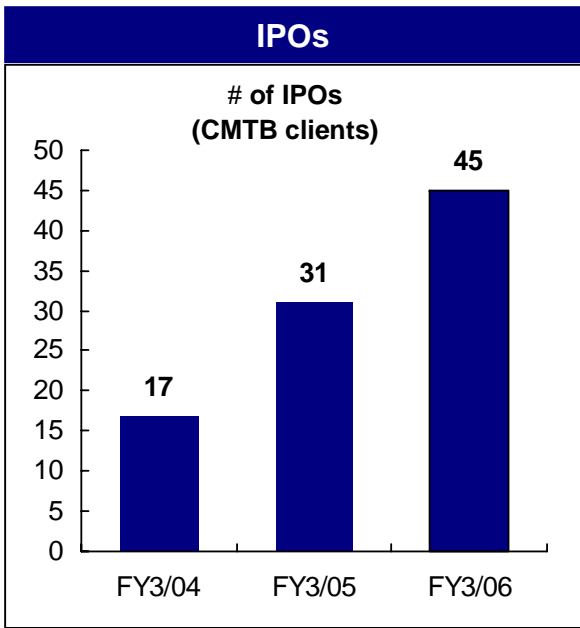
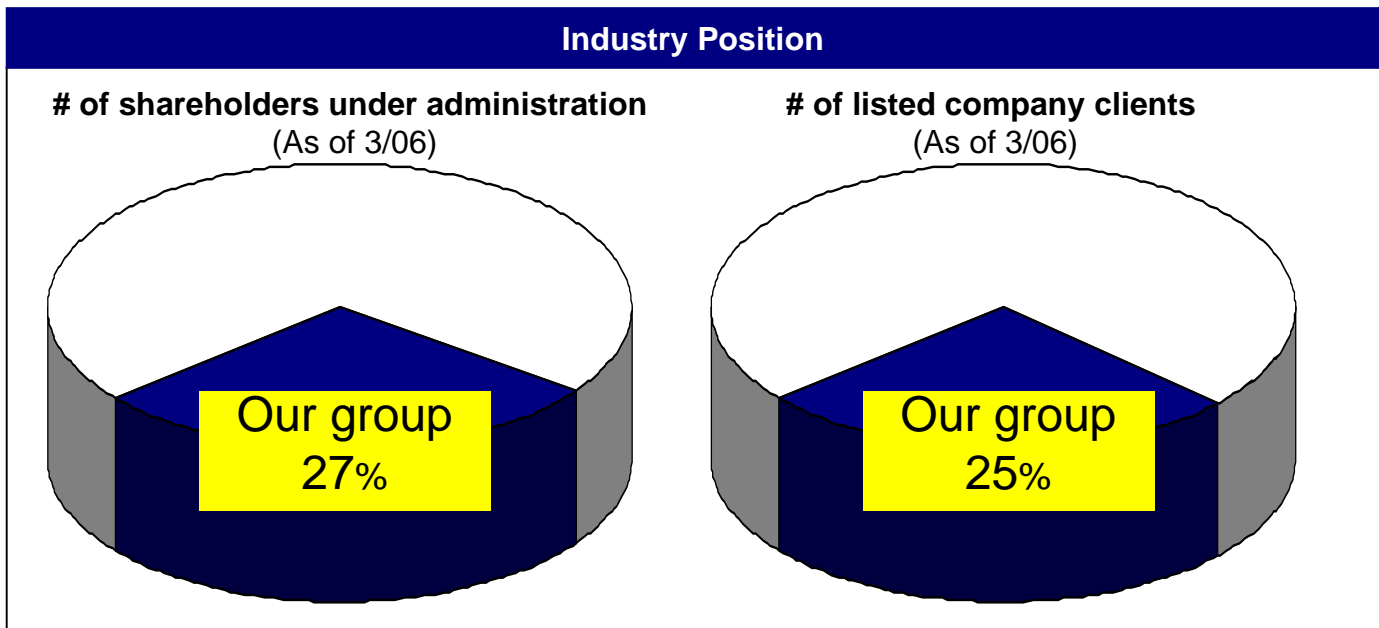


# Stock Transfer Agency Business

Revenue of Stock Transfer Agency Business					
	a	b	c:b-a	d	(Yen bn)
CMTB	FY3/05	Actual FY3/06	Chg.	Outlook FY3/07	e:d-b
					Chg.
Fees received	27.0	27.7	0.7	26.2	(1.5)
Fees paid (Minus)	11.3	10.9	(0.4)	10.2	(0.7)
	15.7	16.7	1.0	16.0	(0.7)

Providing client-oriented and sophisticated services including IT online system for shareholders' meetings and verification of actual shareholders

Number of CMTB clients that did IPO increased due to our steady and appropriate support and consultation for their listing



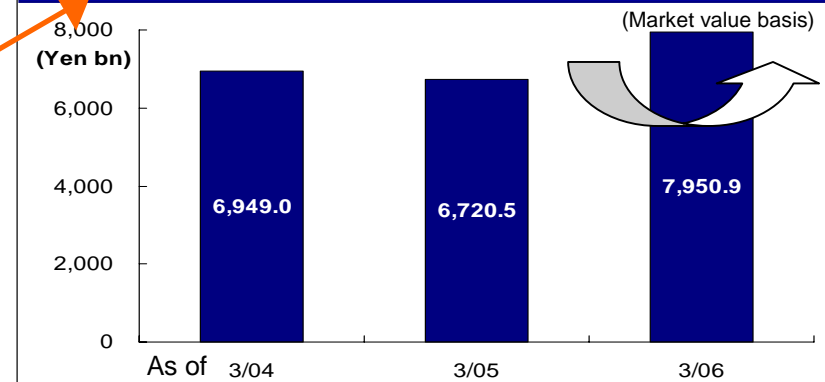
# Pension & Securities Business of Mitsui Asset

## Mitsui Asset: FY3/06 Highlights & FY3/07 Outlook

	a	b	c:b-a Change	d	(Yen bn)
	FY3/05	Actual FY3/06		Outlook FY3/07	e:d-b Change
Gross operating profit	32.8	36.1	3.2	41.0	4.9
Pension business	24.9	25.7	0.8	28.5	2.8
Securities business	8.8	10.5	1.7	12.5	2.0
[of which investment advisory fee and trustee fee]	[3.9]	[6.1]	[2.2]	[8.0]	[1.9]
Others	(0.9)	(0.1)	0.8	0.0	0.1
Operating expenses	14.5	13.1	(1.3)	14.0	0.9
Overhead ratio	44%	36%	(8%)	34%	(2%)
Pre-provision profit	18.2	22.9	4.6	27.0	4.1
Net income	10.1	12.6	2.4	15.0	2.4

Negative impact of "Daiko Henjo" is over  
~Increasing entrusted asset expanded profit base

## Balance of Entrusted Pension Assets & Discretionary Assets under Management

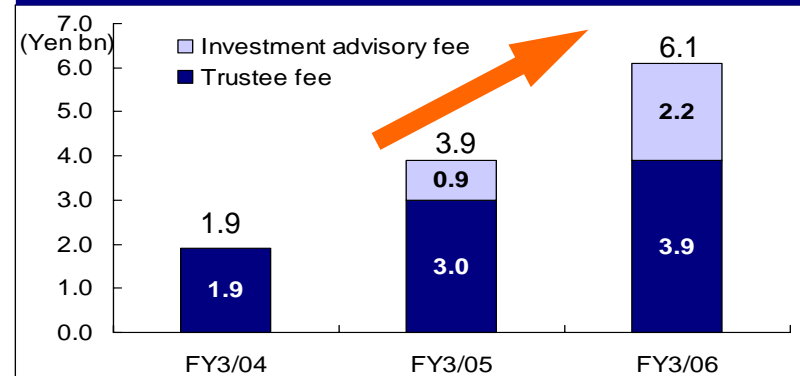


Investment advisory fee & trustee fee showed steady growth due to enhancement of approach to expanding investment trust market

## Revenue of Pension business & Securities business

MATB	a	b	c:b-a Chg.	d	(Yen bn)
	FY3/05	Actual FY3/06		Outlook FY3/07	e:d-b Chg.
<b>Pension business</b>					
Fees received	30.9	31.0	0.1	28.5	2.8
Fees paid (minus)	6.0	5.3	(0.7)		
<b>Total</b>	24.9	25.7	0.8	28.5	2.8
<b>Securities business</b>					
Fees received	11.6	13.3	1.7	12.5	2.0
Fees paid (minus)	2.8	2.8	0.0		
<b>Total</b>	8.8	10.5	1.7	12.5	2.0

## Investment advisory & trustee fees





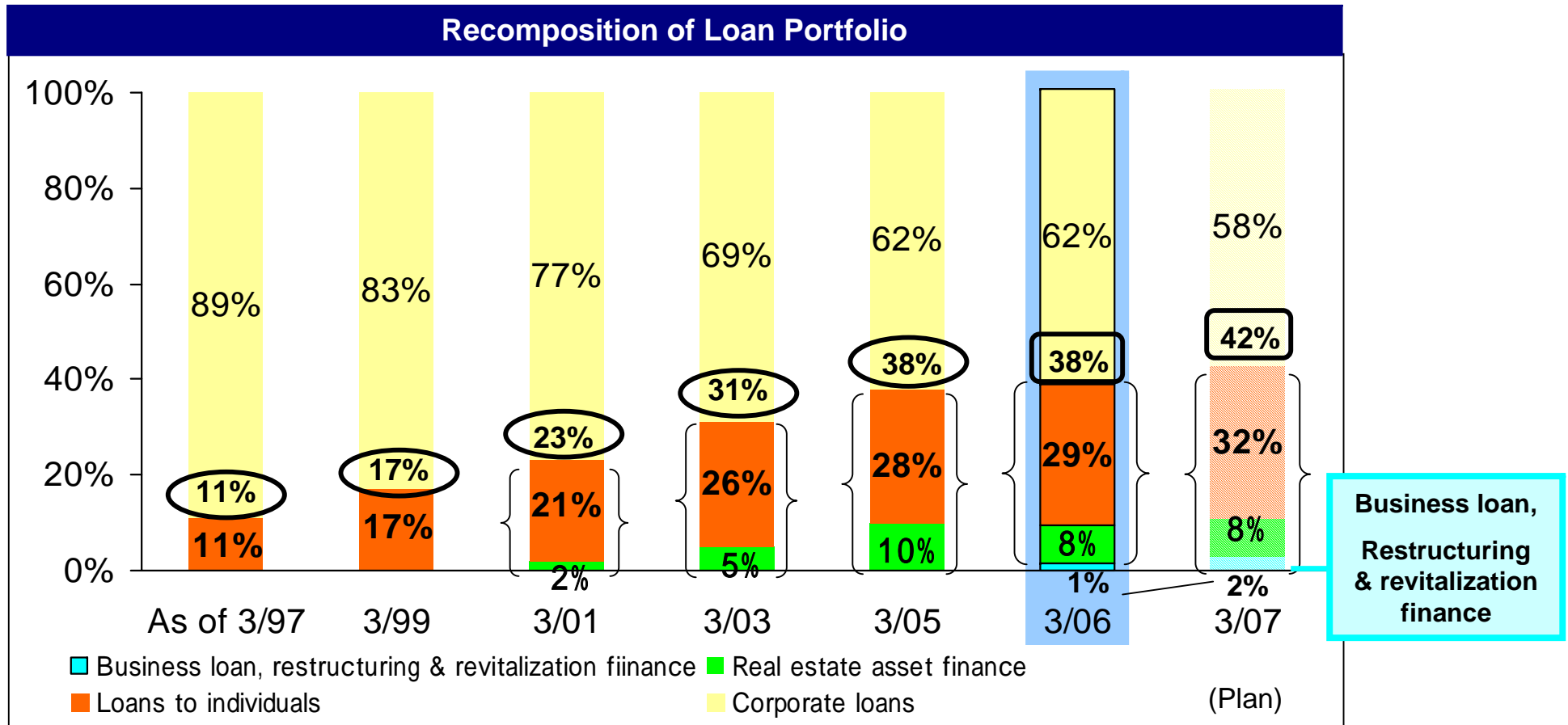
## -2. Increase Efficiency of Banking Business

- *Recomposition of Loan Portfolio*
- *Housing Loans*
- *Real Estate Asset Finance*
- *Yields & Margins*
- *Alternative Investments*

# Recomposition of Loan Portfolio

Composition of loans to individuals and real estate asset finance: 37%

- Credit loss rate of loans to individuals: Stable at 0.01%
- Real estate asset finance: No defaults



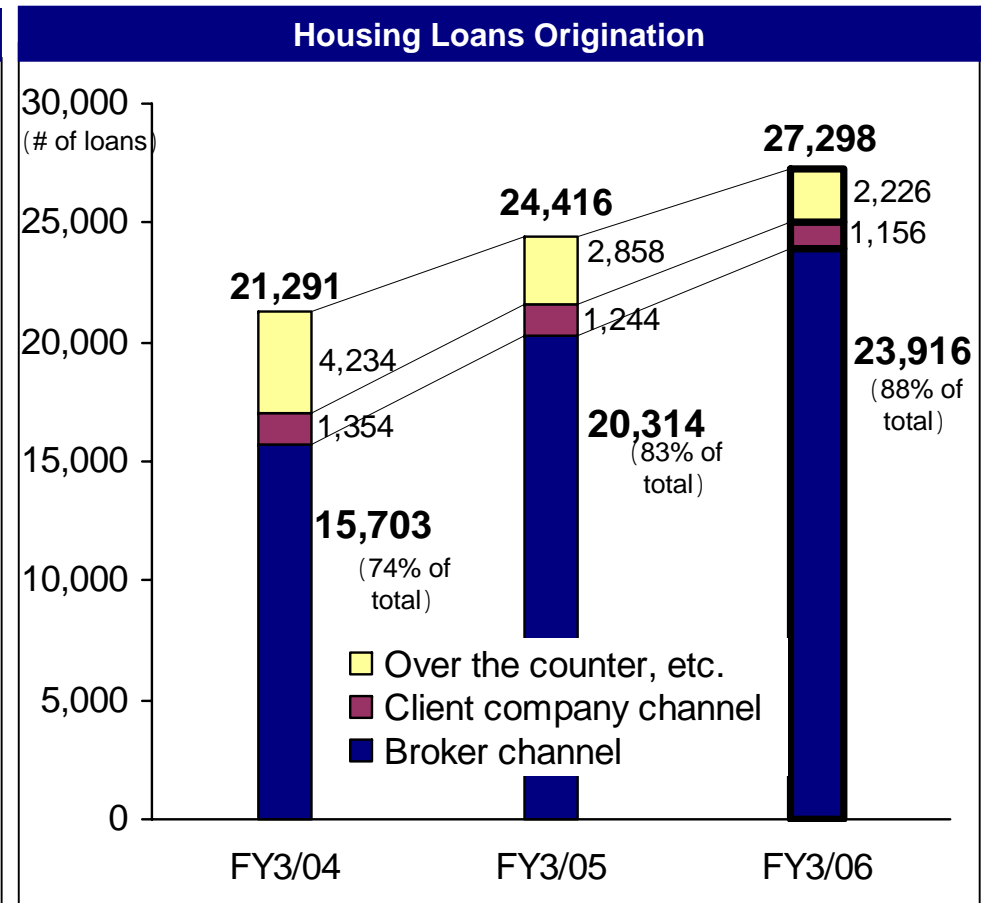
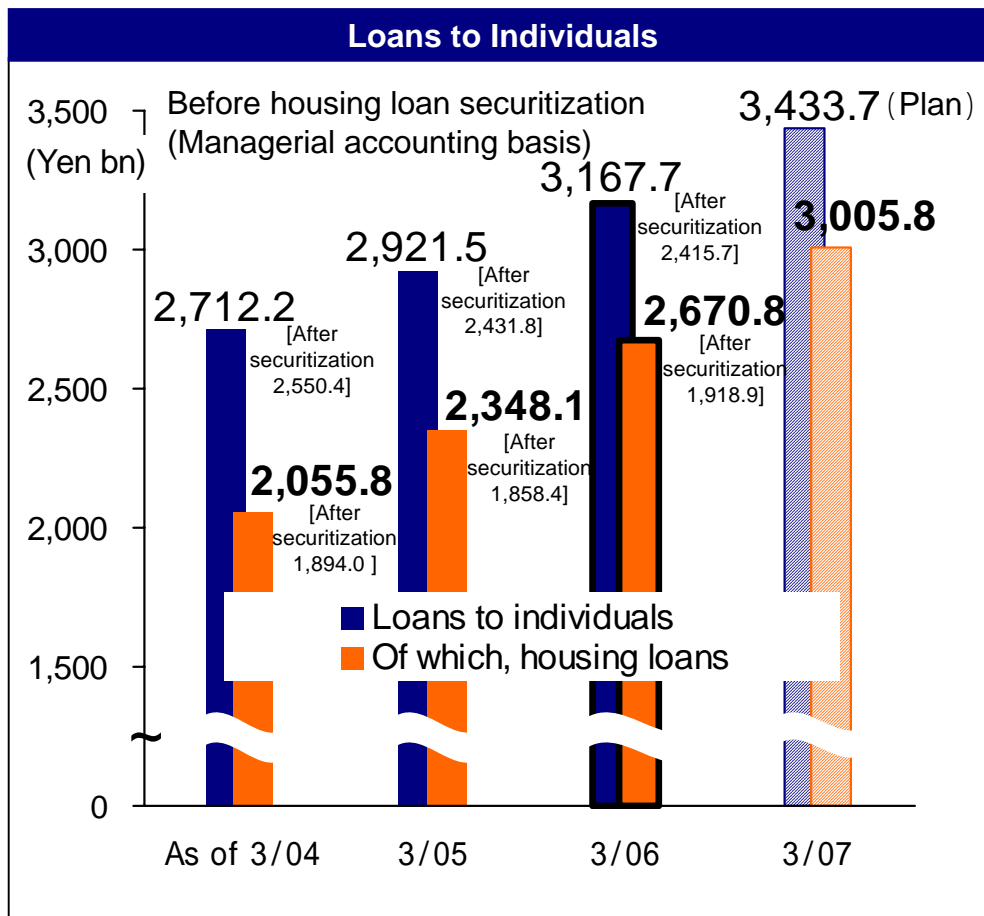
# Housing Loans

**FY3/06 Actual**

■ **New housing loan origination: ¥701.3bn**  
**[Record high]**

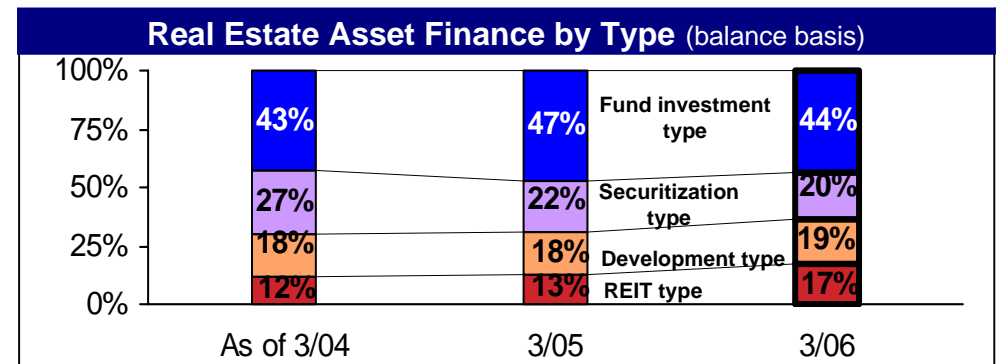
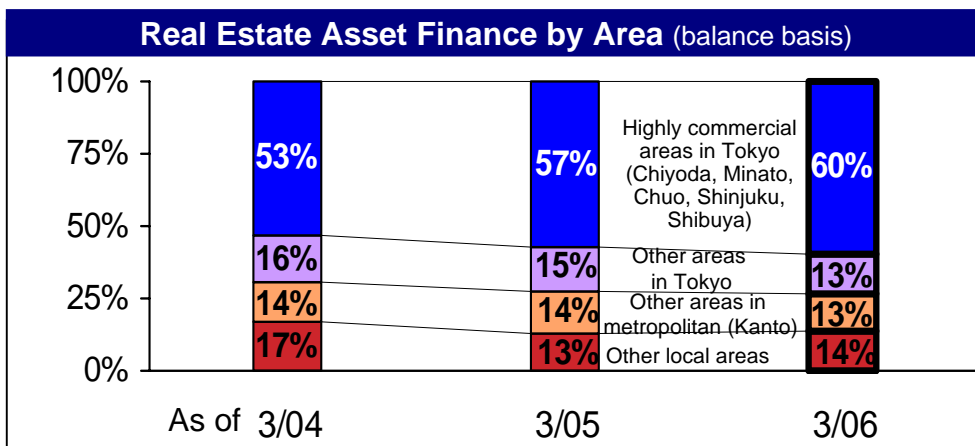
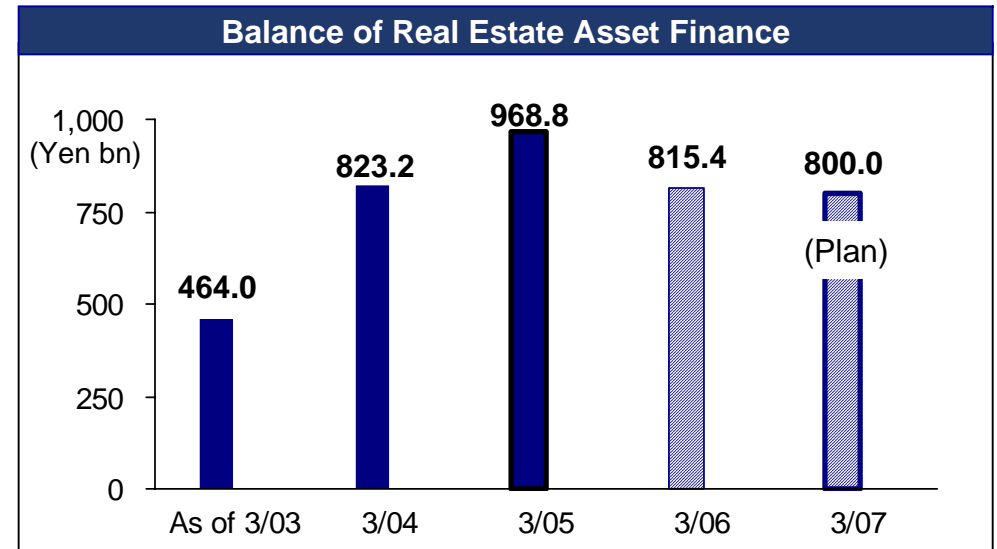
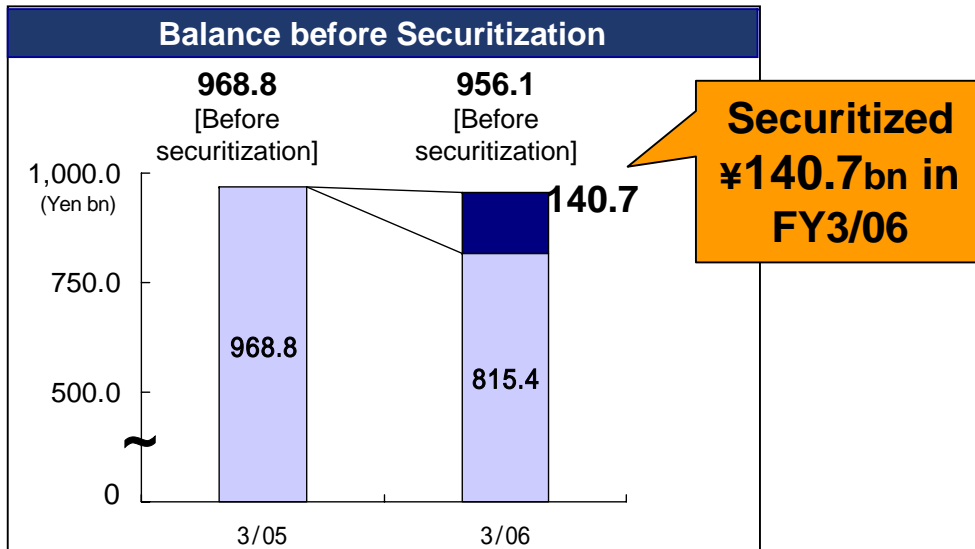
■ **Net increase: ¥322.7bn**

“Route sales (real estate agent and developer channel)” strategy brings in successful differentiation with competitors



# Real Estate Asset Finance

Shift business model to fee-oriented business which utilizes securitization methods, by taking advantage of position as pioneer in real estate asset finance



*Fund investment type: Real estate fund investment*

*Securitization type: Off-balancing real estate of corporations*

*Development type: Building new office buildings and large condominiums*

*REIT type: Loans to REIT (to investment company)*

# Yields & Margins

## CMTB: Banking a/c [domestic] Yields

CMTB, Banking a/c, Domestic funds

	a		b		c:b-a	
	FY3/05	FY3/06	FY3/05	FY3/06	Change	
1 Average yield of interest income	1.13%	1.21%			0.08%	
2 Average yield on loans and bills discounted	1.40%	1.12%			(0.28)%	
Interest yield on securities	0.74%	1.67%			0.93%	
3 Average yield on interest expense	0.33%	0.24%			(0.09)%	
4 Average yield on deposits	0.22%	0.19%			(0.03)%	
Yield margin(1-3)	0.80%	0.96%			0.16%	
Yield margin(2-4)	1.18%	0.93%			(0.25)%	

## CMTB: 3 a/c Yields

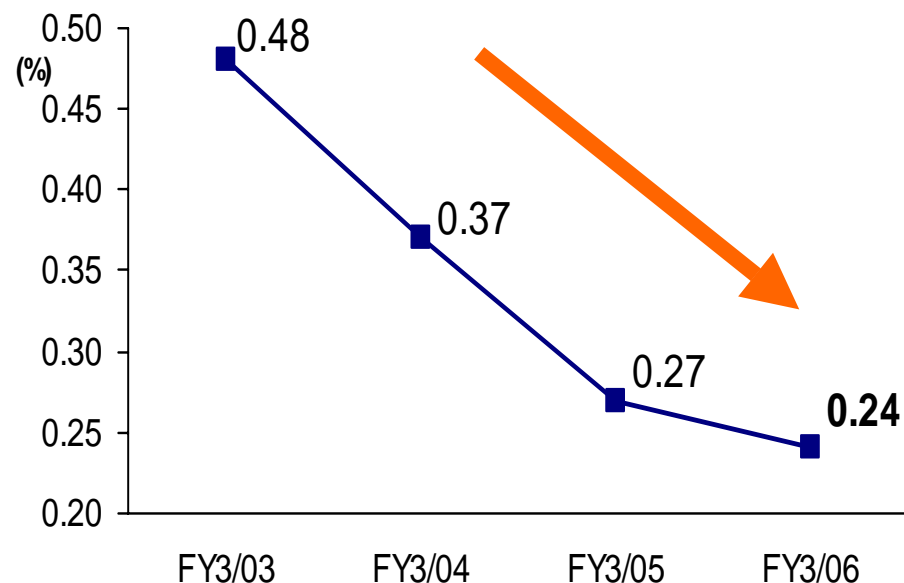
Banking a/c(domestic funds) + Loan Trusts + JODMTs\*

	a		b		c:b-a	
	FY3/05	FY3/06	FY3/05	FY3/06	Change	
1 Average yield of interest income	1.19%	1.19%			0.00%	
2 Average yield on loans and bills discounted	1.46%	1.19%			(0.27)%	
Average yield on securities	0.96%	1.84%			0.88%	
3 Average yield on interest expense	0.27%	0.20%			(0.07)%	
4 Average yield on deposits and principals	0.17%	0.15%			(0.02)%	
Yield margin(1-3)	0.92%	0.99%			0.07%	
Yield margin(2-4)	1.29%	1.04%			(0.25)%	

\*Jointly Operated Designated Money Trusts

## Yields on Time Deposits

(Managerial accounting basis, 6 month average, stock basis)



**Yield on securities remarkably improved due to outstanding performance in alternative investments.**

# Alternative Investments

- Part of asset portfolio diversification strategy, reallocated with risk capital freed from reduction of equity portfolio, etc.
- Risk control thoroughly considered

Alternative Investments: Actual & Outlook			
	Actual FY3/05	Actual FY3/06	Outlook FY3/07
	(Yen bn)		
End balance	680.0	450.0	610.0
a Average balance	560.0	730.0	430.0
b Return <sup>*1</sup>	12.6	35.0	20.0
b/a Rate of returns	2.2%	4.7%	4.7%

- | Types of Alternative Investments   |
|--|
| · Securitized product investments<br>RMBS<br>Credit linked notes<br>Repackaged bonds |
| · Venture capital investments  |
| · Real estate equity investments   |
| · Non-performing loan investments  |
| · Equity fund investments  |

\*1 Gross basis (before considering funding costs)

**Sold almost all of Fund of hedge funds**

## -3. *New Businesses*

- *New Businesses*
- *Business Loans*
- *Corporate Restructuring & Revitalization Business*

# New Businesses

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## **Corporate Restructuring & Revitalization Business**

- Provide Leveraged finance, DIP finance in response to funding needs for corporate restructuring and revitalization

## **Business Loans**

- Established “Business Loan Dept.”, a specialized division of CMTB in 4/05 Expand operation nationwide
- Enhance alliance with Nissin Co. Ltd. in “Chuo Mitsui Finance Service” (a joint venture)

## **Reverse Mortgage**

- Engaged in the business ahead of peers in anticipation of coming aging society
  - Expand sales by figuring out clients’ needs

**Developing  
new profit growth  
drivers**

## **Private Banking**

- Opened “Private Trust Saloon” to provide wealth management products and services to high-net-worth individuals

## **Securities Brokerage**

- Add foreign bonds and other products to lineup to meet the needs of clients, amid an acceleration in the shift of personal financial asset from “deposits” to “investments”



# Business Loans

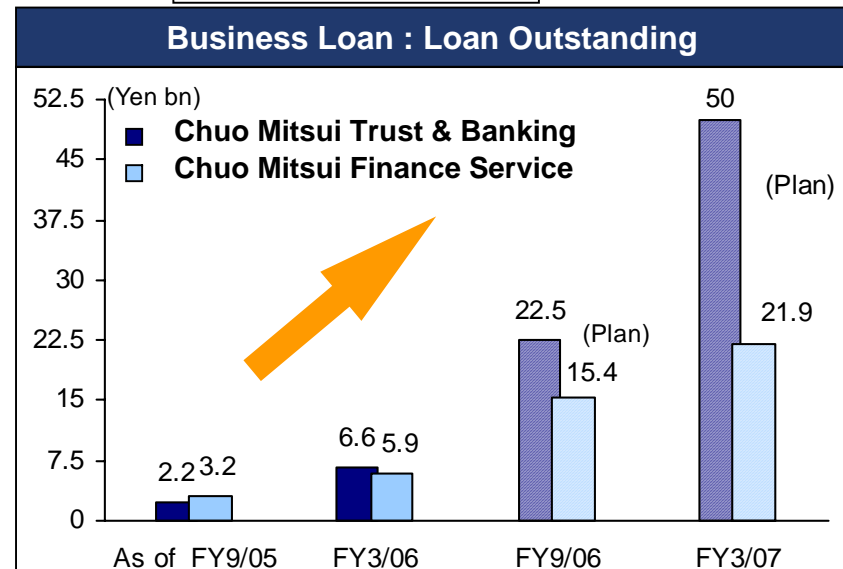
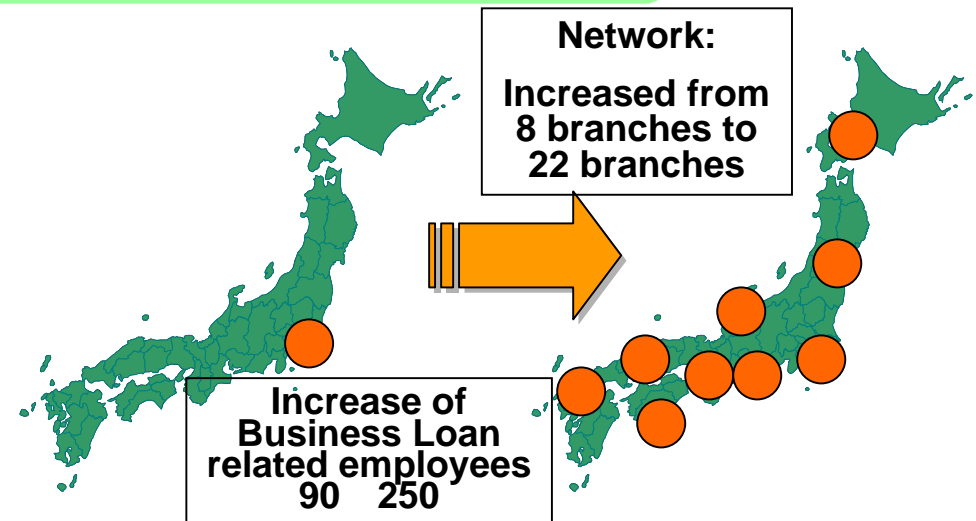
Proactive investment of business resources in Business Loans  
Enhance alliance with Nissin Co., Ltd. in Chuo Mitsui Finance Service

## Chuo Mitsui Trust & Banking

- Market scale ---4.7 million companies  
Small Enterprises---1.6 million  
Individual shops/offices --- 3.1 million
- Increased marketing efficiency by establishment of call center
- Established quick assessment function through scoring system  
(Target companies: Annual Sales / ¥50mil ~ )

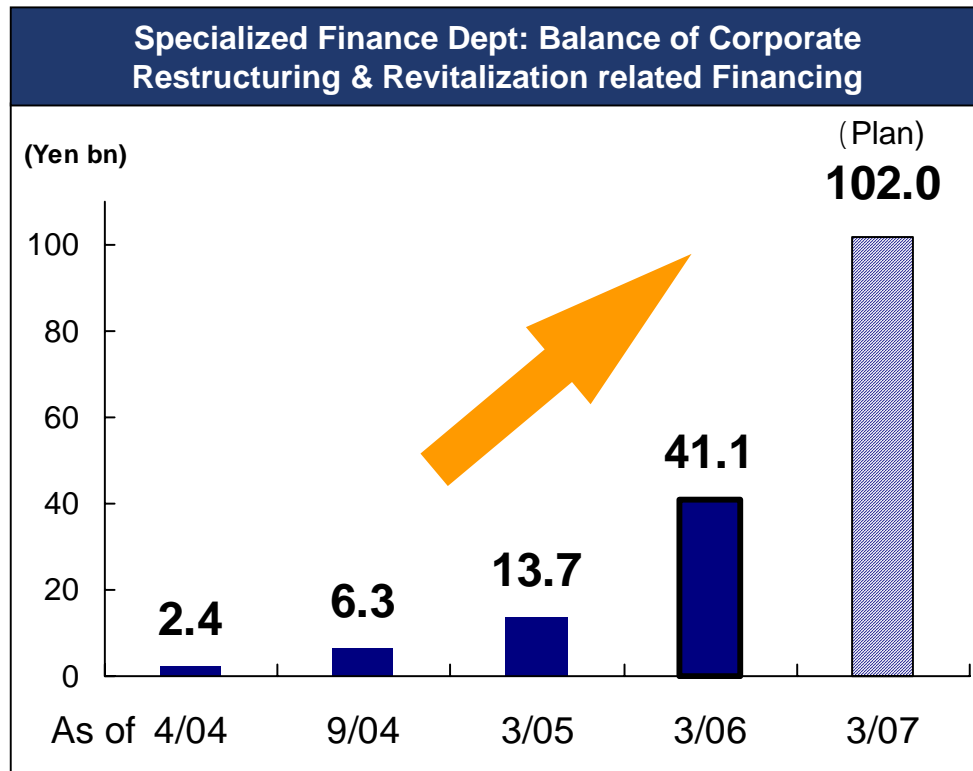
## Chuo Mitsui Finance Service

- Focus on real estate related finance with Nissin Co., Ltd.
- Introducing new products to meet clients' diversified needs  
- Card-Loan type finance, Floating rate loan  
(Target companies: Annual Sales / ~¥50mil )



# Corporate Restructuring & Revitalization Business

Established specialized division to meet the diversified needs of corporate clients by offering corporate restructuring and revitalization, M&A, and buyout related finance and services



## Corporate revitalization financing

### ■ Major player in DIP financing

- \* DIP finance, Exit finance
- \* Arrangement of revitalization scheme (finding sponsors)
- \* Financing to succeeding (existing) company
- \* Collaboration with CMTB Total Servicing Co., Ltd. in NPLs business

## Corporate restructuring financing

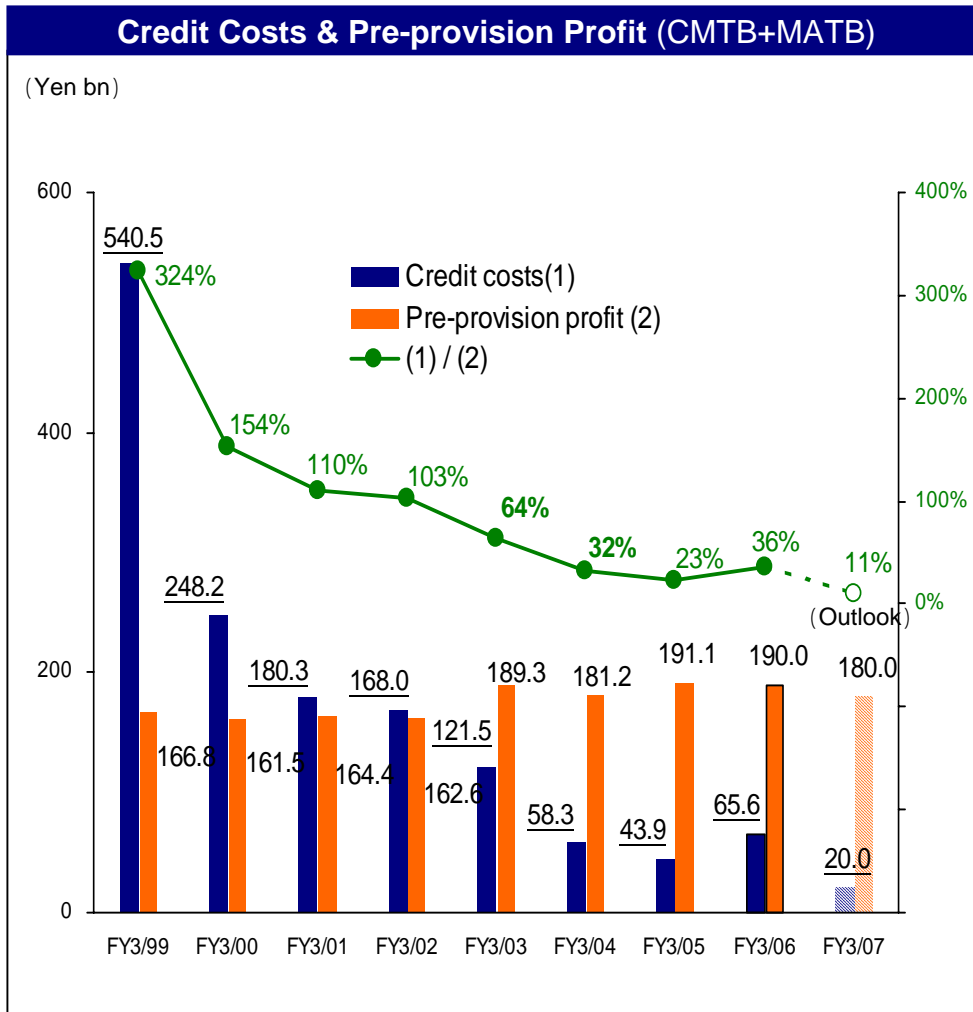
### ■ Positioned as leading provider of financing products to increase corporate value, such as management buyouts

- \* Leveraged loan
- \* Intermediary on M&A, finding sponsors
- \* Arrangement of financing scheme

## . *Strengthening of Balance Sheet*

- *Disposal of NPLs*
- *NPLs Balance & NPLs Ratio*
- *Equity Portfolio*
- *Bond Portfolio*
- *Deferred Tax Assets*
- *Capital*

# Disposal of NPLs



### Breakdown of Credit Costs

	a	b	c:b-a	d	(Yen bn) e:d-b
	FY3/05	Actual FY3/06	Chg.	Outlook FY3/07	Chg.
CMTB					
New NPLs costs	38.1	49.3	11.2	20.0	(29.3)
Off-balance costs	22.0	2.6	(19.4)		
Provision (reversal) of general reserve	(16.2)	13.6	29.8	0.0	(13.6)
<b>Total</b>	<b>43.9</b>	<b>65.6</b>	<b>21.7</b>	<b>20.0</b>	<b>(45.6)</b>

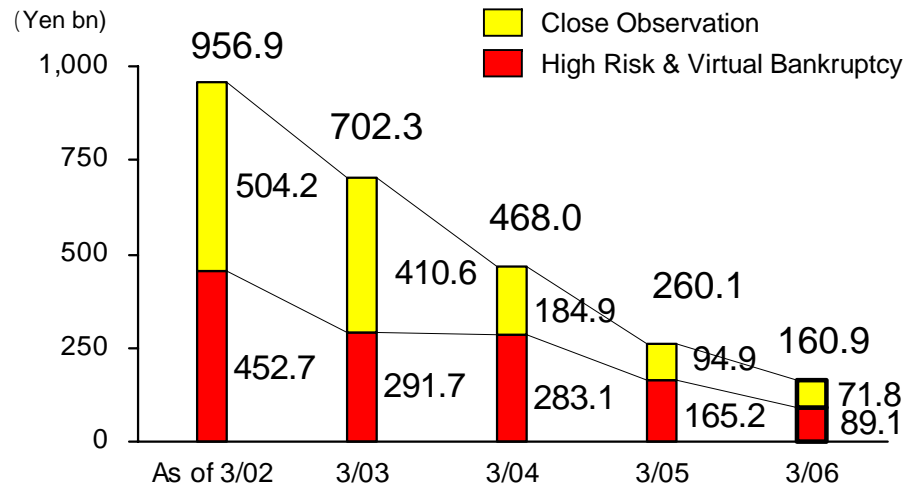
### Amount of Off-balance NPLs

	a	b	c:b-a	d	(Yen bn) e:d-b
	FY3/05	Actual FY3/06	Chg.	Outlook FY3/07	Chg.
CMTB					
Off-balance amount	253.7	233.2	(20.4)	60.0	(173.2)

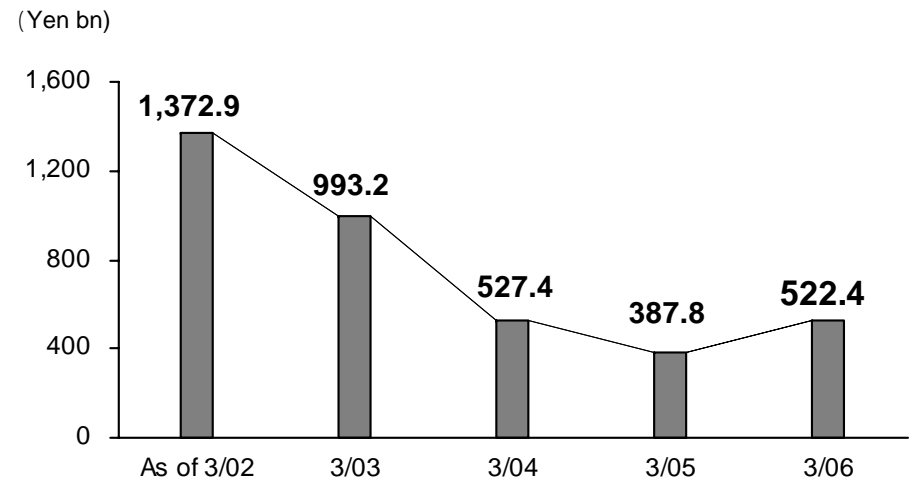
# NPLs Balance & NPLs Ratio

**NPLs Ratio: decreased to 1.8%**

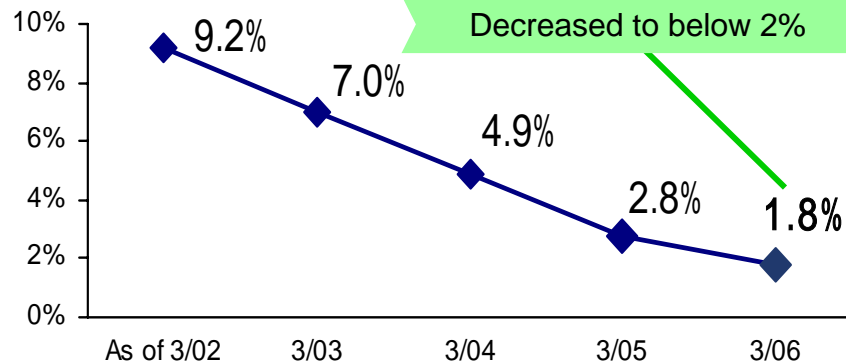
### NPLs Balance (Banking a/c + Trust a/c)



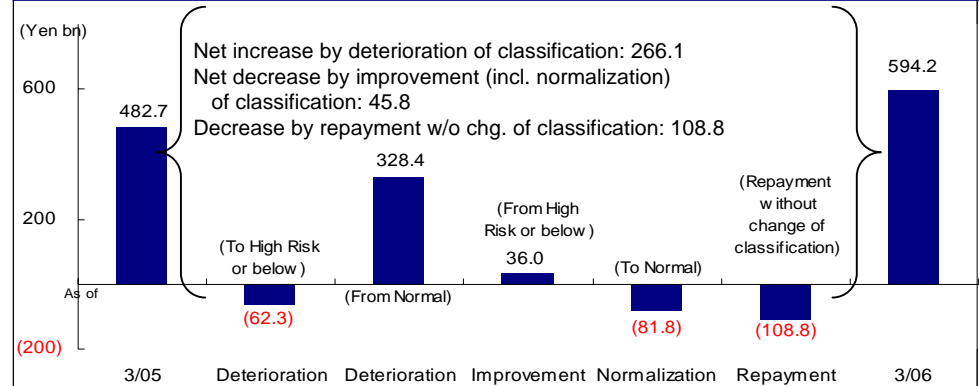
### Balance of "Other" Special Mention Loans (Banking a/c + Trust a/c)



### NPLs Ratio (Banking a/c + trust a/c)



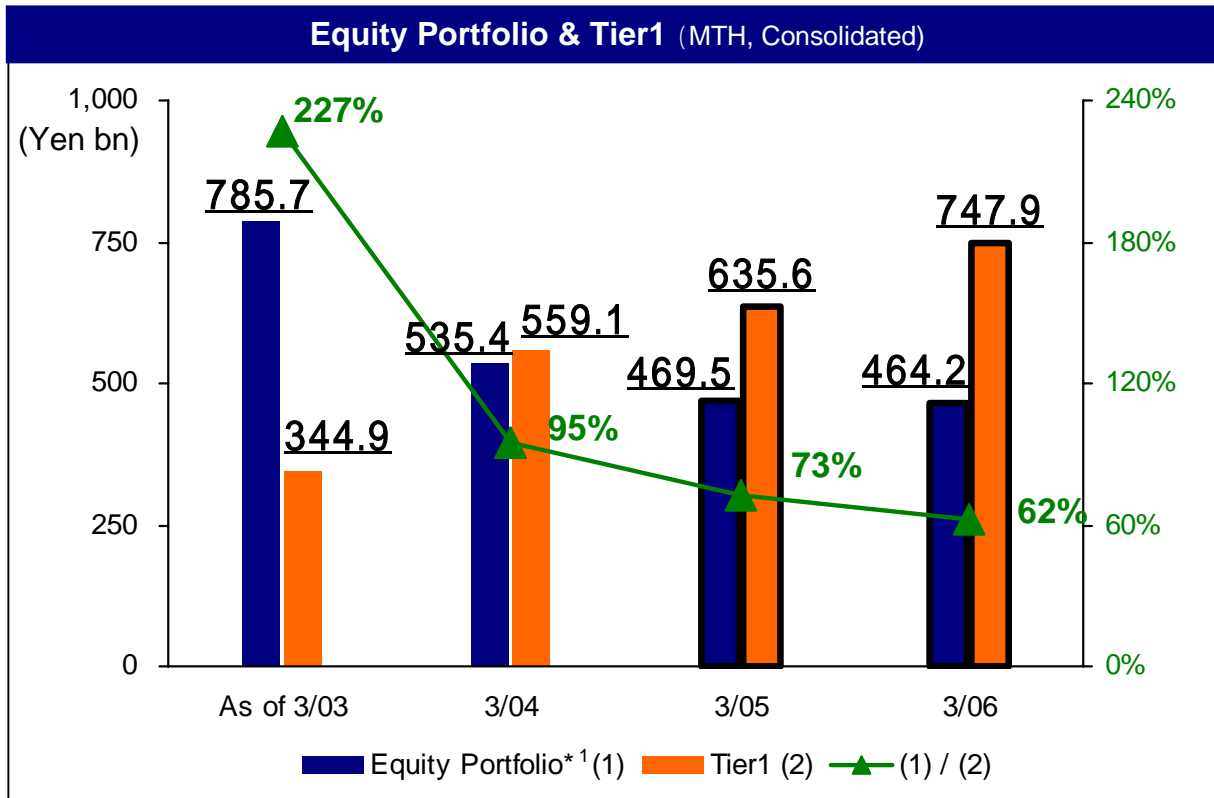
### Migration of Special Mention Loans (Banking a/c + Trust a/c)



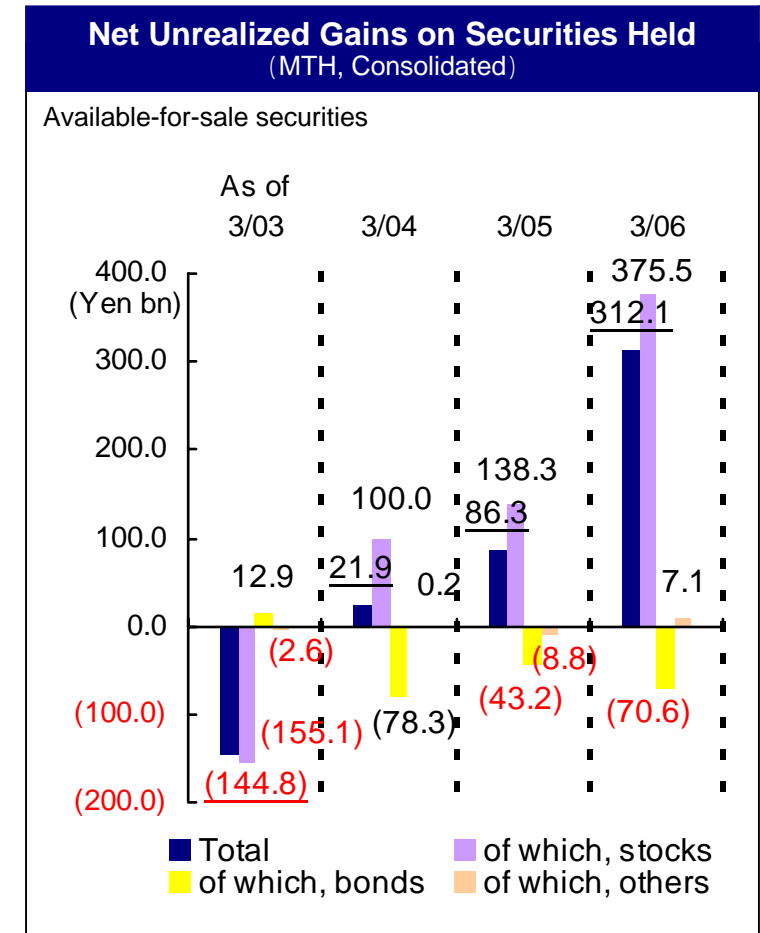
# Equity Portfolio

The balance declined to low 60% level of Tier1 Capital

Net unrealized gains on securities held increased

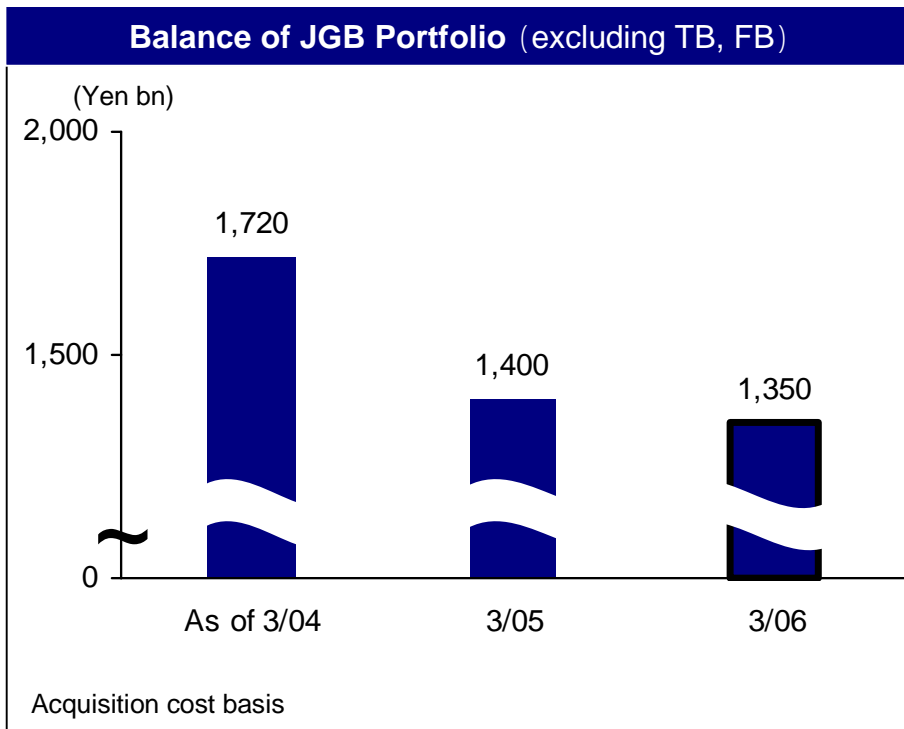


\*<sup>1</sup> Acquisition cost basis, except for 3/03 figure (book value basis, due to net unrealized losses)

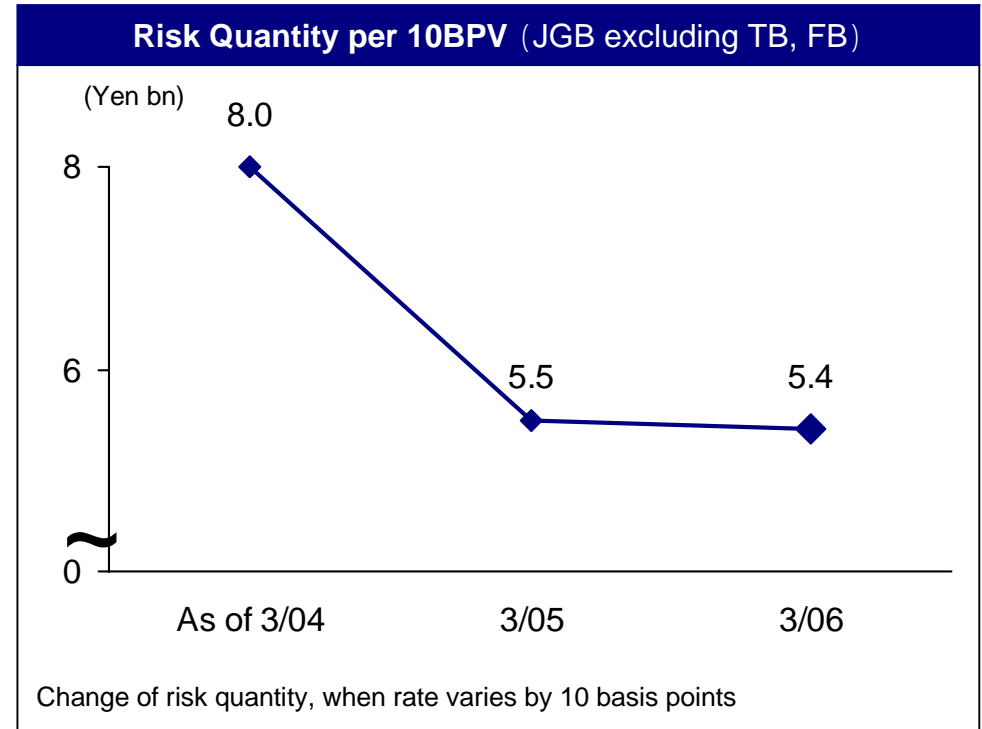


# Bond Portfolio

## Executed risk control operation



Excluding Held to maturity securities

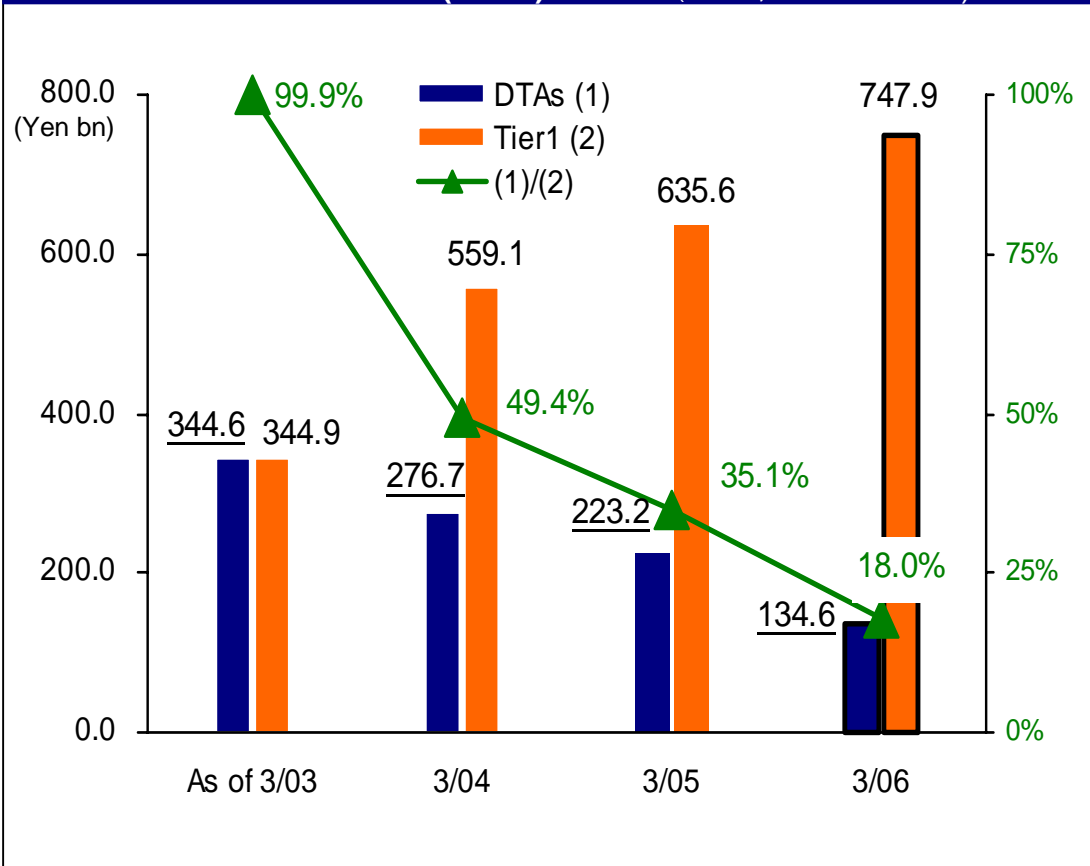


Excluding Held to maturity securities

# Deferred Tax Assets

**3/06 : decreased to below 20.0% of Tier1 capital (MTH, Consolidated)**

**Deferred Tax Assets (DTAs) & Tier1 (MTH, Consolidated)**



## Breakdown of Deferred Tax Assets & Liabilities

CMTB: Non-consolidated		(Yen bn)			
		As of	3/05	3/06	Chg.
1	Deferred tax assets		240.3	239.2	(1.1)
	Allowance for possible loan losses		43.9	32.4	(11.5)
	Securities write-offs		30.3	28.1	(2.2)
	Unrealized losses on available-for-sale securities		0.0	-	-
	Reserve for retirement benefits		13.8	9.7	(4.1)
	Tax loss carryforwards		235.2	204.8	(30.4)
	Others		21.1	26.6	5.4
	Valuation allowance		(104.3)	(62.6)	41.6
2	Deferred tax liabilities		14.4	82.6	68.1
	Gains on establishment of retirement benefit trusts		11.4	10.7	(0.7)
	Unrealized gains on available-for-sale securities		-	69.3	69.3
	Others		3.0	2.6	(0.3)
1-2	Net deferred tax assets		225.9	156.5	(69.3)

## Estimation of CMTB's Taxable Income before Adjustments (5 Years Total)

		(Yen bn)		
		Estimated profit, based on our "Financial Health Improvement Plan" <sup>*1</sup>	Adjusted amount	Estimated profit for DTA
Assumption for estimation	5 yrs total			5 yrs total
Pre-provision profit		889.4	(177.8)	711.6
Net income before taxes		701.0	(154.1)	546.9
				a
	Adjustment on tax account			b
				(2.3)
	Taxable income before adjustments	a+b		544.6

Approx. ¥140.0 bn p.a.  
Approx. ¥110.0 bn p.a.  
Approx. ¥110.0 bn p.a.



# Capital

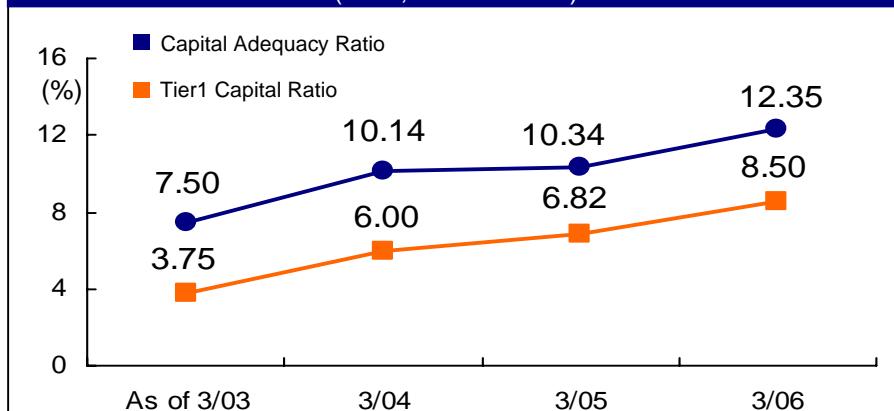
## Capital Adequacy Ratio (MTH, Consolidated)

	(Yen bn)				
	a	b	c:b-a	d:Estimate	e:d-b
MTH, Consolidated	3/05	3/06	Change	3/07	Change
Tier1	635.6	747.9	112.2	860.0	112.1
Tier2	331.4	341.7	10.3	330.0	(11.7)
Risk-weighted assets	9,320.5	8,795.5	(524.9)	9,200.0	404.5
Capital Adequacy Ratio	10.34%	12.35%	2.01%	12.5 to 12.9%	
Tier1 Ratio	6.82%	8.50%	1.68%	9.0 to 9.4%	

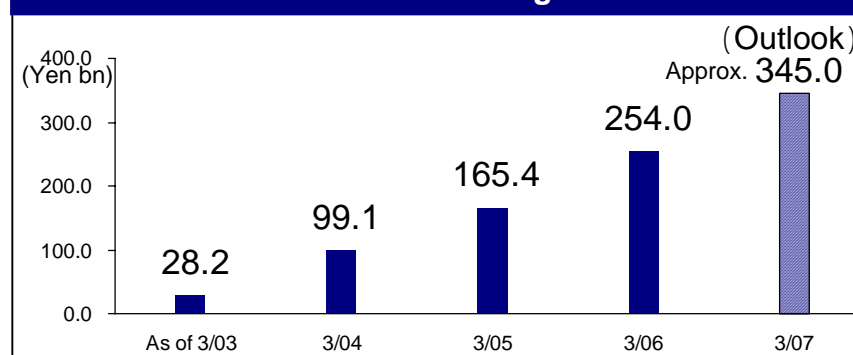
## Risk Assets Change in FY3/07 (Plan)

	(Yen bn)
	[Risk assets change]
Increase in high yield assets	[+390.0]
Loans to individuals	[+130.0]
Business loans	[+40.0]
Corporate revitalization related assets	[+60.0]
Alternative investments	[+160.0]
Others	[+10.0]
<b>Total</b>	<b>[+400.0]</b>

## Capital Adequacy Ratio & Tier1 Capital Ratio (MTH, Consolidated)



## Retained Earnings \*1



\*1 Total retained earnings of MTH+CMTB+MATB subtracted by amount required for accumulated earned reserve of retained earnings and dividends paid to shareholders

## Preferred Shares

	Amount (Yen bn)	Type	Year/Month of Issue	Dividend Rate	Current Conversion Price	Reset Floor	Annual reset date, Upward/Doward Resets	Mandatory conversion date	Conversion Price at mandatory conversion date	Final Reset Floor (Yen)
Class I	32.0	Convertible	3/1998	2.50%	395.40	395.40	August 1,	8/1/2018	Market price *	400
Class II	150.0	Convertible	3/1999	0.90%	450	450	Downward reset	8/1/2009	Market price *	400
Class III	250.25	Convertible	3/1999	1.25%	450	450	only	8/1/2009	Market price *	400
<b>Total</b>	<b>432.25</b>									

\* 30-day average for common share prices, starting from 45 days prior to mandatory conversion



This material contains certain forward-looking statements. These statements are not guarantees of future performance, and involve risks and uncertainties. Actual results may differ from these forward-looking statements contained in the present material, due to various factors, including, but not limited, to changes in overall economic conditions.