Consolidated Balance Sheets (Unaudited)

Chuo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
As of September 30, 2009 and 2008, and March 31, 2009

	Millions of yen			Thousands of U.S. dollars (Note 1)
	September 30		March 31	September 30
	2009	2008	2009	**2009**
ASSETS				
Cash and cash equivalents	**¥ 224,857**	¥ 315,123	¥ 217,270	**$ 2,493,430**
Due from banks other than due from the Bank of Japan	**31,383**	47,364	15,675	**348,004**
Call loans and bills bought	**3,565**	120,557	15,391	**39,532**
Receivables under securities borrowing transactions	**5,932**	40,187	8,812	**65,779**
Monetary claims bought (Note 3)	**107,741**	125,425	103,377	**1,194,736**
Trading assets (Notes 3 and 7)	**22,747**	35,583	38,249	**252,243**
Securities (Notes 3 and 7)	**4,900,667**	5,197,221	4,896,624	**54,343,172**
Money held in trust (Note 4)	**4,762**	2,486	2,588	**52,810**
Loans and bills discounted (Notes 5 and 7)	**9,115,054**	8,126,195	8,584,295	**101,076,226**
Foreign exchanges	**745**	842	802	**8,271**
Other assets (Notes 7)	**344,174**	376,012	409,456	**3,816,525**
Tangible fixed assets (Note 6)	**126,443**	131,185	128,095	**1,402,125**
Intangible fixed assets	**57,945**	75,085	59,223	**642,555**
Deferred tax assets	**158,648**	153,240	192,569	**1,759,239**
Customers' liabilities for acceptances and guarantees (Note 8)	**419,395**	522,480	475,535	**4,650,644**
Allowance for loan losses	**(63,934)**	(59,027)	(61,521)	**(708,964)**
Total assets	**¥15,460,128**	¥15,209,964	¥15,086,445	**$171,436,333**
LIABILITIES AND EQUITY				
Liabilities:				
Deposits (Notes 7 and 9)	**¥ 9,327,881**	¥ 9,299,676	¥ 9,446,495	**$103,436,260**
Call money and bills sold (Note 7)	**329,050**	587,663	253,478	**3,648,814**
Payables under repurchase agreements (Note 7)	**255,326**	—	—	**2,831,295**
Payables under securities lending transactions (Note 7)	**1,354,655**	1,892,085	1,255,648	**15,021,679**
Trading liabilities	**7,228**	4,635	8,867	**80,156**
Borrowed money (Notes 7 and 10)	**1,352,004**	690,183	1,692,565	**14,992,289**
Foreign exchanges	**—**	4	42	**—**
Bonds payable (Note 11)	**219,992**	179,134	174,570	**2,439,477**
Due to trust account	**1,113,645**	976,046	879,917	**12,349,135**
Other liabilities	**225,658**	165,042	191,184	**2,502,312**
Provision for bonuses	**3,091**	3,458	3,079	**34,286**
Provision for directors' retirement benefits	**1,518**	1,445	1,630	**16,843**
Provision for retirement benefits (Note 12)	**2,488**	2,341	2,393	**27,596**
Provision for contingent losses	**11,459**	12,896	12,228	**127,078**
Deferred tax liabilities	**6,964**	5,296	353	**77,227**
Acceptances and guarantees (Note 8)	**419,395**	522,480	475,535	**4,650,644**
Total liabilities	**14,630,361**	14,342,391	14,397,990	**162,235,099**
Commitments and contingent liabilities (Note 13)				
Equity (Note 14)**:**				
Common stock and preferred stock (Note 15)	**261,608**	261,608	261,608	**2,900,961**
Retained earnings	**349,883**	444,464	338,564	**3,879,833**
Treasury stock	**(264)**	(284)	(262)	**(2,929)**
Valuation difference on available-for-sale securities	**47,374**	34,524	(83,325)	**525,333**
Deferred gains or losses on hedges	**1,073**	(2,921)	2,406	**11,904**
Revaluation reserve for land	**(15,532)**	(15,532)	(15,532)	**(172,240)**
Foreign currency translation adjustment	**(1,464)**	(402)	(2,045)	**(16,241)**
Total	**642,678**	721,456	501,413	**7,126,621**
Minority interests	**187,088**	146,116	187,041	**2,074,612**
Total equity	**829,767**	867,573	688,455	**9,201,234**
Total liabilities and equity	**¥15,460,128**	¥15,209,964	¥15,086,445	**$171,436,333**

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

Consolidated Statements of Operations (Unaudited)

Chuo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
Six months ended September 30, 2009 and 2008, and year ended March 31, 2009

	Millions of yen			Thousands of U.S. dollars (Note 1)
	Six months ended September 30		Year ended March 31	Six months ended September 30
	2009	2008	2009	**2009**
Income:				
Interest income:				
Interest on loans and discounts	**¥ 62,187**	¥ 61,534	¥124,493	**$ 689,596**
Interest and dividends on securities	**28,059**	49,803	82,956	**311,150**
Interest on call loans and bills bought	**43**	623	905	**485**
Other interest income (Note 16)	**1,424**	1,746	3,329	**15,795**
Trust fees (Note 17)	**26,543**	30,832	59,503	**294,342**
Fees and commissions	**39,302**	52,254	90,974	**435,823**
Trading income	**926**	1,232	2,440	**10,270**
Other ordinary income (Note 18)	**15,002**	4,299	19,758	**166,362**
Other income (Note 19)	**10,224**	17,899	37,862	**113,383**
Total income	**183,715**	220,227	422,223	**2,037,210**
Expenses:				
Interest expenses:				
Interest on deposits	**23,648**	24,922	51,468	**262,240**
Interest on call money and bills sold	**412**	2,591	3,996	**4,576**
Interest on borrowings	**2,137**	2,400	5,691	**23,698**
Other interest expenses (Note 20)	**9,497**	22,007	35,689	**105,316**
Fees and commissions	**9,420**	6,899	15,059	**104,463**
Trading expenses	**—**	35	—	**—**
Other ordinary expenses (Note 21)	**3,355**	6,924	15,535	**37,204**
General and administrative expenses	**75,070**	76,605	148,818	**832,448**
Other expenses (Note 22)	**24,069**	40,827	255,643	**266,905**
Total expenses	**147,611**	183,216	531,902	**1,636,855**
Income (loss) before income taxes	**36,104**	37,011	(109,678)	**400,355**
Income taxes:				
Income taxes-current	**4,182**	5,765	9,276	**46,384**
Income taxes-deferred	**9,016**	14,724	(33,006)	**99,986**
Total income taxes	**13,199**	20,489	(23,729)	**146,370**
Minority interests in income	**3,815**	2,733	6,084	**42,313**
Net income (loss)	**¥ 19,088**	¥ 13,787	¥(92,033)	**$ 211,670**

	Yen			U.S. dollars (Note 1)
	Six months ended September 30		Year ended March 31	Six months ended September 30
	2009	2008	2009	**2009**
Per share of common stock (Note 26)**:**				
Basic net income (loss)	**¥14.41**	¥13.03	¥(84.89)	**$0.15**
Diluted net income	**—**	8.11	—	**—**

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

Consolidated Statements of Changes in Equity (Unaudited)

Chuo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
Six months ended September 30, 2009 and 2008, and year ended March 31, 2009

	Thousands		Millions of yen										
	Issued number of shares of common stock	Issued number of shares of preferred stock	Common stock and preferred stock	Capital surplus	Retained earnings	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Treasury stock	Total	Minority interests	Total equity
Balance, March 31, 2009	1,157,551	125,218	¥ 261,608	¥ —	¥ 338,564	¥ (83,325)	¥ 2,406	¥ (15,532)	¥ (2,045)	¥ (262)	¥ 501,413	¥ 187,041	¥ 688,455
Net income					**19,088**						**19,088**		**19,088**
Cash dividends					**(7,765)**						**(7,765)**		**(7,765)**
Purchase of treasury stock										**(8)**	**(8)**		**(8)**
Disposal of treasury stock					**(3)**					**6**	**2**		**2**
Conversion of Class II preferred stock into common stock	**375,000**	**(93,750)**											
Conversion of Class III preferred stock into common stock	**125,875**	**(31,468)**											
Net change in the period						**130,700**	**(1,333)**		**581**		**129,948**	**46**	**129,994**
Balance, September 30, 2009	**1,658,426**	**—**	**¥ 261,608**	**¥ —**	**¥ 349,883**	**¥ 47,374**	**¥ 1,073**	**¥ (15,532)**	**¥ (1,464)**	**¥ (264)**	**¥ 642,678**	**¥ 187,088**	**¥ 829,767**

	Thousands of U.S. dollars (Note 1)										
	Common stock and preferred stock	Capital surplus	Retained earnings	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Treasury stock	Total	Minority interests	Total equity
Balance, March 31, 2009	$2,900,961	$ —	$3,754,313	$ (923,992)	$ 26,689	$ (172,240)	$ (22,686)	$ (2,906)	$5,560,139	$2,074,095	$7,634,235
Net income			**211,670**						**211,670**		**211,670**
Cash dividends			**(86,111)**						**(86,111)**		**(86,111)**
Purchase of treasury stock								**(95)**	**(95)**		**(95)**
Disposal of treasury stock			**(39)**					**72**	**32**		**32**
Conversion of Class II preferred stock into common stock											
Conversion of Class III preferred stock into common stock											
Net change in the period				**1,449,325**	**(14,785)**		**6,445**		**1,440,986**	**516**	**1,441,503**
Balance, September 30, 2009	**$2,900,961**	**$ —**	**$3,879,833**	**$ 525,333**	**$ 11,904**	**$ (172,240)**	**$ (16,241)**	**$ (2,929)**	**$7,126,621**	**$2,074,612**	**$9,201,234**

	Thousands		Millions of yen										
	Issued number of shares of common stock	Issued number of shares of preferred stock	Common stock and preferred stock	Capital surplus	Retained earnings	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Treasury stock	Total	Minority interests	Total equity
Balance, March 31, 2008	987,551	227,031	¥ 261,608	¥ 127,347	¥ 441,646	¥ 57,239	¥ 917	¥ (15,532)	¥ (66)	¥ (261)	¥ 872,898	¥ 146,316	¥1,019,214
Net income					13,787						13,787		13,787
Cash dividends					(10,926)						(10,926)		(10,926)
Purchase of treasury stock										(127,423)	(127,423)		(127,423)
Disposal of treasury stock				(4)						14	10		10
Cancellation of treasury stock		(54,000)		(127,342)	(43)					127,386	—		—
Conversion of Class III preferred stock into common stock	170,000	(47,812)											
Net change in the period						(22,714)	(3,839)		(336)		(26,889)	(200)	(27,089)
Balance, September 30, 2008	**1,157,551**	**125,218**	**¥ 261,608**	**¥ —**	**¥ 444,464**	**¥ 34,524**	**¥ (2,921)**	**¥ (15,532)**	**¥ (402)**	**¥ (284)**	**¥ 721,456**	**¥ 146,116**	**¥ 867,573**

	Thousands		Millions of yen										
	Issued number of shares of common stock	Issued number of shares of preferred stock	Common stock and preferred stock	Capital surplus	Retained earnings	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Treasury stock	Total	Minority interests	Total equity
Balance, March 31, 2008	987,551	227,031	¥ 261,608	¥ 127,347	¥ 441,646	¥ 57,239	¥ 917	¥ (15,532)	¥ (66)	¥ (261)	¥ 872,898	¥ 146,316	¥1,019,214
Net loss					(92,033)						(92,033)		(92,033)
Cash dividends					(10,926)						(10,926)		(10,926)
Purchase of treasury stock										(127,496)	(127,496)		(127,496)
Disposal of treasury stock				(84)						110	26		26
Cancellation of treasury stock		(54,000)		(127,263)	(122)					127,386			
Conversion of Class III preferred stock into common stock	170,000	(47,812)											
Net change in the year						(140,564)	1,489		(1,979)		(141,055)	40,725	(100,329)
Balance, March 31, 2009	**1,157,551**	**125,218**	**¥ 261,608**	**¥ —**	**¥ 338,564**	**¥ (83,325)**	**¥ 2,406**	**¥ (15,532)**	**¥ (2,045)**	**¥ (262)**	**¥ 501,413**	**¥ 187,041**	**¥ 688,455**

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

Consolidated Statements of Cash Flows (Unaudited)

Chuo Mitsui Trust Holdings, Inc. and Consolidated Subsidiaries
Six months ended September 30, 2009 and 2008, and year ended March 31, 2009

	Millions of yen			Thousands of U.S. dollars (Note 1)
	Six months ended September 30		Year ended March 31	Six months ended September 30
	2009	2008	2009	**2009**
Operating activities:				
Income (loss) before income taxes	**¥ 36,104**	¥ 37,011	¥ (109,678)	**$ 400,355**
Adjustments for:				
Income taxes paid	**1,006**	29,559	22,304	**11,155**
Depreciation and amortization	**5,452**	7,098	13,366	**60,463**
Loss on impairment of fixed assets	**—**	62	62	**—**
Amortization of consolidation goodwill	**1,210**	1,089	1,817	**13,424**
Equity in earnings of associated companies	**779**	(133)	195	**8,639**
Increase (decrease) in allowance for loan losses	**2,412**	(10,508)	(8,013)	**26,754**
Increase (decrease) in provision for bonuses	**12**	197	(180)	**139**
(Decrease) increase in provision for directors' retirement benefits	**(111)**	143	328	**(1,235)**
Increase in provision for retirement benefits	**94**	78	131	**1,051**
(Decrease) increase in provision for contingent losses	**(768)**	36	(631)	**(8,526)**
Net (gain) loss on securities	**(10,352)**	20,772	183,681	**(114,802)**
Net gain on money held in trust	**(61)**	(72)	(131)	**(680)**
Foreign exchange loss (gain), net	**51,987**	(30,967)	(20,030)	**576,489**
Net (gain) loss on disposals of tangible fixed assets	**(8)**	58	1,544	**(92)**
Change in assets and liabilities:				
Decrease in trading assets	**15,502**	7,302	4,636	**171,904**
(Decrease) increase in trading liabilities	**(1,639)**	(3,549)	682	**(18,177)**
Increase in loans and discounts	**(530,759)**	(274,129)	(732,228)	**(5,885,552)**
(Decrease) increase in deposits	**(118,613)**	469,088	615,906	**(1,315,298)**
(Decrease) increase in borrowed money (excluding subordinated borrowings)	**(340,561)**	260,813	1,258,196	**(3,776,460)**
(Increase) decrease in due from banks (excluding cash equivalents)	**(15,707)**	13,337	45,026	**(174,180)**
Decrease in call loans and bills bought	**7,498**	70,304	197,360	**83,146**
Decrease in receivables under securities borrowing transactions	**2,880**	63,816	95,191	**31,936**
Increase (decrease) in call money and bills sold	**330,898**	271,884	(62,300)	**3,669,309**
Increase (decrease) in payables under securities lending transactions	**99,006**	94,964	(541,472)	**1,097,881**
Decrease (increase) in foreign exchanges (assets)	**56**	(30)	8	**629**
(Decrease) increase in foreign exchanges (liabilities)	**(42)**	(5)	31	**(467)**
Increase (decrease) in due to trust account	**233,727**	(75,793)	(171,921)	**2,591,788**
Other—net	**1,463**	(22,956)	2,496	**16,224**
Net cash provided by operating activities	**(228,532)**	929,472	796,376	**(2,534,179)**
Investing activities:				
Purchases of securities	**(3,272,980)**	(1,583,930)	(4,385,439)	**(36,293,858)**
Proceeds from sales of securities	**3,296,493**	724,068	3,094,368	**36,554,593**
Proceeds from redemption of securities	**176,650**	288,327	704,200	**1,958,863**
Increase in money held in trust	**(2,500)**	—	—	**(27,722)**
Decrease in money held in trust	**58**	69	125	**644**
Purchases of tangible fixed assets	**(1,056)**	(1,806)	(3,669)	**(11,715)**
Proceeds from sales of tangible fixed assets	**166**	320	1,719	**1,847**
Purchases of intangible fixed assets	**(3,611)**	(7,280)	(12,917)	**(40,047)**
Proceeds from sales of intangible fixed assets	**884**	423	15,839	**9,813**
Net cash used in investing activities	**194,104**	(579,809)	(585,774)	**2,152,417**
Financing activities:				
Proceeds from subordinated borrowings	**60,000**	—	5,000	**665,335**
Payment of subordinated borrowings	**(60,000)**	(45,000)	(45,000)	**(665,335)**
Proceeds from subordinated bonds	**60,000**	—	—	**665,335**
Redemption of subordinated bonds	**(6,905)**	—	—	**(76,574)**
Issuance of capital stock to minority interests	**—**	—	41,000	**—**
Dividends paid	**(7,765)**	(10,926)	(10,926)	**(86,111)**
Dividends paid for minority interests	**(3,882)**	(2,727)	(5,801)	**(43,049)**
Payment for purchase of treasury stock	**(8)**	(127,423)	(127,496)	**(95)**
Proceeds from sales of treasury stock	**2**	10	26	**32**
Net cash used in financing activities	**41,441**	(186,067)	(143,198)	**459,538**
Foreign currency translation adjustments on cash and cash equivalents	**573**	(321)	(1,984)	**6,355**
Net increase in cash and cash equivalents	**7,587**	163,273	65,420	**84,131**
Cash and cash equivalents, beginning of period	**217,270**	151,850	151,850	**2,409,298**
Cash and cash equivalents, end of period	**¥ 224,857**	¥ 315,123	¥ 217,270	**$ 2,493,430**

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

1. Basis of Presentation

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

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to Chuo Mitsui Trust Holdings' consolidated financial statements issued domestically in order to present them in a form that is more familiar to readers outside Japan. In addition, certain reclassifications and rearrangements have been made in the consolidated financial statements for the fiscal years ended March 31, 2009 and six months ended September 30, 2008 to conform to classifications and presentations used in the consolidated financial statement for six months ended September 30, 2009.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Chuo Mitsui Trust Holdings is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥90.18 to U.S.$1, the approximate rate of exchange at September 30, 2009. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

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

2. Summary of Significant Accounting Policies

a. Consolidation

The consolidated financial statements include the accounts of Chuo Mitsui Trust Holdings and its significant subsidiaries. The number of consolidated subsidiaries as of September 30, 2009 was 24 (23 in 2008). Major consolidated subsidiaries are The Chuo Mitsui Trust and Banking Company, Limited ("Chuo Mitsui"), Chuo Mitsui Asset, Chuo Mitsui Asset Management Company, Limited and Chuo Mitsui Capital Company, Limited.

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

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

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

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

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

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

The Chuo Mitsui Trust Group applied this accounting standard effective April 1, 2008. The effect of this change did

not have a significant impact on the consolidated balance sheets and the consolidated statements of operations.

c. 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 Chuo Mitsui Trust Group 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.

d. Cash and Cash Equivalents

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

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

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

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

f. Translation of Foreign Currency Accounts

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

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

g. Securities

Securities other than investments in unconsolidated subsidiaries and associated companies are classified and accounted for, depending on management's intent, as follows:

(i) Trading securities, which are held for the purpose of earning capital gains in the near term, are reported at fair value and the related unrealized gains and losses are included in earnings.
(ii) Held-to-maturity debt securities, which are expected to be held to maturity with the positive intent and ability to hold to maturity, are reported at amortized cost; and
(iii) Available-for-sale securities, which are not classified as either of the aforementioned securities are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity.

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

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

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

The fair values of floating rate Japanese government bonds were previously measured at their market prices. However, after consideration of the recent market environment, a judgment has been made by management that current market prices are not indicative of the fair values. At the end of period, the fair values of these bonds were determined based on the values reasonably estimated by a broker dealer.
As a result, securities and valuation difference on available-for-sale securities were higher by ¥9,229 million (U.S.$102,346 thousand) and by ¥5,479 million (U.S.$60,763 thousand), respectively and deferred tax assets were lower by ¥3,750 million (U.S.$41,583 thousand), than they would have been if values were based on the market prices.

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

h. Derivatives and Hedging Activities

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

The interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value but the differential paid or received under the swap agreements is recognized and included in interest expenses or income.

The fair values of some credit default swaps in derivatives were previously measured at the prices offered by brokers. However, a judgment has been made by management the current market prices are not indicative of fair values. At the end of the period, the fair values of these credit default swaps were determined based on the values reasonably estimated by using our own calculation methods. As a result, other liabilities and other ordinary expenses decreased by and income before income taxes increased by ¥1,333 million ($14,786 thousand), respectively.

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

i. Tangible Fixed Assets

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

j. Software

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

k. Impairment of Fixed Assets

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

l. Land Revaluation

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

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

As of September 30, 2009, the carrying amount of the land after the above one-time revaluation exceeded the market value by ¥2,428 million ($26,931 thousand).

m. Stock and Bond Issue Costs

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

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

n. Allowance for Loan Losses

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

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

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

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

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

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

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

The outstanding amount thus determined is then directly written off from the amount of claims as the unrecoverable amount, which totaled ¥36,020 million ($399,428 thousand) and ¥47,431 million as of September 30, 2009 and 2008, respectively.

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

o. Provision for Bonuses

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

p. Provision for Directors' Retirement Benefits

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

q. Provision for Retirement Benefits and Pension Plans

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

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

r. Provision for Contingent Losses

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

(1) Provision for Reimbursement of Deposits

Provision for reimbursement of deposits which were derecognized as liabilities under certain conditions is provided for the possible losses on the future claims of withdrawal based on the historical reimbursement experience.

(2) Provision for Possible Losses Related to Land Trusts

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

s. Income Taxes

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

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

t. Leases

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

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

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

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

u. Per Share Information

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

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

v. New Accounting Pronouncements

(i) Business Combinations

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

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

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

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

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

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

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

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

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

(iii) Asset Retirement Obligations

On March 31, 2008, the ASBJ published a new accounting standard for asset retirement obligations, ASBJ Statement No. 18 "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21 "Guidance on Accounting Standard for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and the normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be

recognized when a reasonable estimate of asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an increase or a decrease in the carrying amount of the liability and the capitalized amount of the related asset retirement cost. This standard is effective for fiscal years beginning on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or before March 31, 2010.

3. Securities

Securities as of September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Japanese government bonds	**¥2,440,727**	¥2,560,485	**$27,065,059**
Japanese local government bonds	**644**	1,184	**7,145**
Japanese corporate bonds	**348,333**	405,524	**3,862,651**
Japanese stocks	**692,157**	755,838	**7,675,285**
Other securities	**1,418,804**	1,474,189	**15,733,030**
Total	**¥4,900,667**	¥5,197,221	**$54,343,172**

The carrying amounts and aggregate fair values of securities (including securities in trading assets and monetary claims bought) as of September 30, 2009 and 2008, were as follows:

	Millions of yen		
September 30, 2009	Cost	Net unrealized gains (losses)	Fair value
Securities classified as:			
Trading			**¥ 13,013**
Available-for-sale:			
Japanese equity securities	**¥ 489,938**	**¥90,208**	**580,147**
Japanese debt securities	**1,881,427**	**(3,746)**	**1,877,681**
Other	**1,048,855**	**(20,326)**	**1,028,529**
Held-to-maturity	**921,106**	**(2,116)**	**918,989**

	Millions of yen		
September 30, 2008	Cost	Net unrealized gains (losses)	Fair value
Securities classified as:			
Trading			¥ 26,970
Available-for-sale:			
Japanese equity securities	¥ 508,774	¥143,084	651,859
Japanese debt securities	2,054,276	(34,206)	2,020,070
Other	1,176,398	(85,445)	1,090,952
Held-to-maturity	935,187	(18,379)	916,807

	Thousands of U.S. dollars		
September 30, 2009	Cost	Net unrealized gains	Fair value
Securities classified as:			
Trading			**$ 144,302**
Available-for-sale:			
Japanese equity securities	**$ 5,432,899**	**$1,000,314**	**6,433,214**
Japanese debt securities	**20,863,028**	**(41,539)**	**20,821,488**
Other	**11,630,693**	**(225,398)**	**11,405,294**
Held-to-maturity	**10,214,089**	**(23,472)**	**10,190,616**

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

Available-for-sale securities and held-to-maturity securities whose fair value were not readily determinable as of September 30, 2009 and 2008, were mainly as follows:

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Available-for-sale:			
Unlisted Japanese stocks	**¥ 91,673**	¥ 84,509	**$1,016,566**
Unlisted corporate bonds	**289,117**	323,319	**3,206,008**
Unlisted foreign securities	**14,430**	3,700	**160,022**
Subscription certificates	**17,854**	25,495	**197,985**
Held-to-maturity:			
Unlisted foreign securities	**4,442**	4,657	**49,266**
Total	**¥417,519**	¥441,682	**$4,629,849**

Securities in unconsolidated subsidiaries and associated companies totaled ¥145,456 million ($1,612,962 thousand) and ¥141,497 million as of September 30, 2009 and 2008, respectively.

Guarantee obligations for privately offered corporate bonds (provided in accordance with Article 2, Paragraph 3 of the Financial Instruments and Exchange Act) in "Securities" were ¥150,832 million ($1,672,572 thousand) and ¥172,510 million as of September 30, 2009 and 2008, respectively.

The fair value of floating rate Japanese government bonds were previously measured at their market prices. However, after consideration of the recent market environment, a judgment has been made by management that current market prices are not indicative of the fair values. At the end of this period, the fair values of these bonds were determined based on the values reasonably estimated by a broker dealer. As a result, securities and valuation difference on available-for-sale securities were higher by ¥9,229 million (U.S.$102,346 thousand) and by ¥5,479 million (U.S.$60,763 thousand), respectively and deferred tax assets were lower by ¥3,750 million (U.S.$41,583 thousand), than they would have been if values were based on the market prices.

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

4. Money Held in Trust

The carrying amounts and aggregate fair values of money held in trust as of September 30, 2009 and 2008, were as follows:

	Millions of yen		
September 30, 2009	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**¥1,691**	**¥571**	**¥2,262**

	Millions of yen		
September 30, 2008	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	¥1,684	¥801	¥2,486

	Thousands of U.S. dollars		
September 30, 2009	Cost	Unrealized gains	Fair value
Money held in trust classified as:			
Available-for-sale	**$18,752**	**$6,335**	**$25,088**

5. Loans and Bills Discounted

Loans and bills discounted as of September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Bills discounted	**¥ 3,147**	¥ 7,557	**$ 34,904**
Loans on notes	**1,319,576**	1,058,163	**14,632,701**
Loans on deeds	**6,983,821**	6,256,243	**77,443,133**
Overdrafts	**808,507**	804,231	**8,965,487**
Total	**¥9,115,054**	¥8,126,195	**$101,076,226**

Loans to Borrowers in Bankruptcy and Non-Accrual Loans

Loans to borrowers in bankruptcy are included in loans and bills discounted, and totaled ¥26,009 million ($288,414 thousand) and ¥39,339 million as of September 30, 2009 and 2008 respectively.

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

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

Non-accrual loans are included in loans and bills discounted, and totaled ¥101,245 million ($1,122,704 thousand) and ¥61,802 million as of September 30, 2009 and 2008, respectively.

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

Loans Past Due Three Months or More

Loans past due three months or more are included in loans and bills discounted, and totaled ¥31 million ($349 thousand) and ¥2 million as of September 30, 2009 and 2008, respectively. Loans classified as loans to borrowers in bankruptcy or non-accrual loans are excluded.

Restructured Loans

Restructured loans are included in loans and bills discounted, and totaled ¥6,797 million ($75,373 thousand) and ¥12,111 million as of September 30, 2009 and 2008, respectively. Such restructured loans are loans on which major consolidated subsidiaries have granted concessions (for example, reduction of the face amount or maturity amount of the debt or accrued interest) to debtors in financial difficulties to assist them in their financial recovery and eventually enable them to pay their creditors. Loans classified as loans to borrowers in bankruptcy or non-accrual loans or loans past due three months or more are excluded.

Loans to borrowers in bankruptcy and non-accrual loans, loans past due three months or more and restructured loans totaled ¥134,083 million ($1,486,841 thousand) and ¥113,255 million as of September 30, 2009 and 2008, respectively. These claims are before deduction of the allowance for loan losses.

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

6. Tangible fixed Assets

Accumulated depreciation amounted to ¥90,600 million ($1,004,665 thousand) and ¥89,593 million as of September 30, 2009 and 2008, respectively.

7. Collateral

The carrying amounts of assets pledged as collateral and the related collateralized debt as of September 30, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Securities	**¥2,590,435**	¥2,868,113	**$28,725,166**
Loans	**773,585**	73,677	**8,578,239**
Trading assets	**4,982**	—	**55,248**
Other assets	**70**	70	**785**
Total	**¥3,369,074**	¥2,941,861	**$37,359,440**
Deposits	**¥ 8,423**	¥ 13,638	**$ 93,411**
Call money and bills sold	**45,000**	59,500	**499,001**
Payables under repurchase agreements	**255,326**	—	**2,831,295**
Payables under securities lending transactions	**1,354,655**	1,892,085	**15,021,679**
Borrowed money	**1,258,100**	600,900	**13,950,986**
Total	**¥2,921,505**	¥2,566,123	**$32,396,375**

In addition, securities pledged as collateral for exchange settlements, for derivative transactions and for certain other purposes as of September 30, 2009 and 2008 were ¥625,059 million ($6,931,239 thousand) and ¥594,516 million, respectively.

Also, securities deposits (included in other assets) as of September 30, 2009 and 2008 were ¥9,121 million ($101,145 thousand) and ¥9,515 million, respectively.

8. Customers' Liabilities for Acceptances and Guarantees

All contingent liabilities arising from acceptances and guarantees are reflected in acceptances and guarantees. As a contra account, customers' liabilities for acceptances and guarantees are shown as assets in the consolidated balance sheets representing Chuo Mitsui Trust Holdings' right of indemnity from the applicant.

9. Deposits

Deposits as of September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Current deposits	**¥ 107,561**	¥ 79,638	**$ 1,192,742**
Ordinary deposits	**1,140,697**	1,146,307	**12,649,113**
Deposits at notice	**20,859**	10,039	**231,307**
Time deposits	**7,397,846**	7,202,578	**82,034,224**
Negotiable certificates of deposit	**604,900**	736,650	**6,707,695**
Other	**56,017**	124,461	**621,175**
Total	**¥9,327,881**	¥9,299,676	**$103,436,260**

10. Borrowed Money

Borrowed money as of September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Borrowed money	**¥1,259,504**	¥602,683	**$13,966,563**
Subordinated borrowings	**77,500**	72,500	**859,392**
Perpetual subordinated borrowings	**15,000**	15,000	**166,333**
Total	**¥1,352,004**	¥690,183	**$14,992,289**

11. Bonds Payable

Bonds payable as of September 30, 2009 and 2008, consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Unsecured perpetual subordinated bonds	**¥ 99,992**	¥109,134	**$1,108,805**
Unsecured subordinated bonds	**120,000**	70,000	**1,330,671**
Total	**¥219,992**	¥179,134	**$2,439,477**

12. Retirement and Pension Plans

Employees who terminate their services with Chuo Mitsui Trust Holdings or certain domestic consolidated subsidiaries are, under most circumstances, entitled to retirement and pension benefits determined by reference to basic rates of pay at the time of termination, length of service and conditions under which the termination occurs. If the termination is involuntary, caused by retirement at the mandatory retirement age or caused by death, the employee is entitled to greater payment than in the case of voluntary termination.

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

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

13. Commitments and Contingent Liabilities

a. Certain consolidated subsidiaries issue commitments to extend credit and establish credit lines for overdrafts by making agreements to meet the financing needs of their customers. The total balance of unused commitment lines as of September 30, 2009 and 2008, was ¥2,322,112 million ($25,749,747 thousand) and ¥2,062,247 million, respectively, of which commitment lines whose maturities are less than one year were ¥2,190,221 million ($24,287,219 thousand) and ¥1,906,109 million, respectively.

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

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

b. Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by Chuo Mitsui. Regarding guaranteed trusts, Chuo Mitsui guaranteed the principal amount of ¥1,085,575 million ($12,037,875 thousand) and ¥1,108,432 million for certain money trusts as of September 30, 2009 and 2008, respectively, and ¥439,731 million ($4,876,155 thousand) and ¥677,775 million for loan trusts as of September 30, 2009 and 2008, respectively.

14. Equity

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

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders' meeting. For companies that meet certain criteria such as: (1) having a Board of Directors, (2) having independent auditors, (3) having a Board of Corporate Auditors, and (4) where the term of service of the directors under the company's article of incorporation is prescribed as one year rather than two years for a normal term, the Board of Directors may declare dividends (except for

dividends in kind) at any time during fiscal year if the company has so prescribed in its articles of incorporation. However, Chuo Mitsui Trust Holdings cannot do so because it does not meet all the above criteria.

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

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

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

(c) Treasury stock and treasury stock acquisition rights

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

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

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

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

15. Common Stock and Preferred Stock

Common stock and preferred stock as of September 30, 2009, consisted of the following:

	Number of shares (Thousands)	
Class of stock	Authorized	Issued
Common stock	4,068,332	1,658,426
Class II convertible preferred stock	93,750	—
Class III convertible preferred stock	156,406	—
Class V convertible preferred stock	62,500	—
Class VI convertible preferred stock	62,500	—

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

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

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

16. Other Interest Income

Other interest income for six months ended September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Interest on due from banks	**¥ 110**	¥ 613	**$ 1,228**
Interest on interest rate swaps	**564**	—	**6,259**
Interest on monetary claims bought	**678**	842	**7,522**
Other	**70**	290	**784**
Total	**¥1,424**	¥1,746	**$15,795**

17. Trust Fees

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

18. Other Ordinary Income

Other ordinary income for six months ended September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Gains on foreign exchange	**¥ 138**	¥ 22	**$ 1,532**
Gains on sales and redemption of bonds	**10,528**	4,202	**116,749**
Gains on derivatives	**2,530**	—	**28,057**
Other	**1,805**	74	**20,022**
Total	**¥15,002**	¥4,299	**$166,362**

19. Other Income

Other income for six months ended September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Gains on sales of stocks and other securities	**¥ 5,314**	¥ 4,505	**$ 58,926**
Gains on money held in trust	**61**	72	**680**
Gains on disposal of tangible fixed assets	**209**	—	**2,325**
Recoveries of written-off claims	**940**	1,699	**10,431**
Reversal allowance for contingent losses	**762**	—	**8,456**
Net reversal of allowance for loan losses	—	8,256	—
Other	**2,936**	3,365	**32,563**
Total	**¥10,224**	¥17,899	**$113,383**

20. Other Interest Expenses

Other interest expenses for six months ended September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Interest on subordinated bonds	**¥3,569**	¥ 3,411	**$ 39,582**
Interest on interest rate swaps	**—**	1,071	**—**
Interest on payables under repurchase agreements and payables under securities lending transactions	**2,147**	14,017	**23,813**
Other	**3,780**	3,506	**41,921**
Total	**¥9,497**	¥22,007	**$105,316**

21. Other Ordinary Expenses

Other ordinary expenses for six months ended September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Losses on sales and redemption of bonds	**¥3,322**	¥1,167	**$36,841**
Losses on derivatives	**—**	5,213	**—**
Other	**32**	543	**362**
Total	**¥3,355**	¥6,924	**$37,204**

22. Other Expenses

Other expenses for six months ended September 30, 2009 and 2008, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Net provision of allowance for loan losses	**¥ 4,146**	¥ —	**$ 45,979**
Losses on sales of loans	**1**	0	**15**
Write-off of loans	**7,366**	10,180	**81,683**
Losses on sales of stocks and other securities	**606**	299	**6,729**
Losses on devaluation of stocks and other securities	**1,150**	17,417	**12,756**
Losses on disposal of tangible fixed assets	**201**	210	**2,232**
Other	**10,597**	12,719	**117,509**
Total	**¥24,069**	¥40,827	**$266,905**

23. Leases

Lessee

Total lease payments under finance lease arrangements that do not transfer ownership of the leased property to the lessee were ¥5 million ($62 thousand) and ¥13 million for six months ended September 30, 2009 and 2008, respectively.

Pro forma information on leased property such as acquisition cost and accumulated depreciation and obligations under finance leases as of September 30, 2009 and 2008, and the related depreciation expense and interest expense under finance leases for six months ended September 30, 2009 and 2008, on an "as if capitalized" basis were as follows:

	Millions of yen		
	2009		
	Equipment	Other	Total
Acquisition cost	**¥45**	**¥—**	**¥45**
Accumulated depreciation	**33**	**—**	**33**
Net leased property	**¥12**	**¥—**	**¥12**

	Millions of yen		
	2008		
	Equipment	Other	Total
Acquisition cost	¥98	¥—	¥98
Accumulated depreciation	71	—	71
Net leased property	¥27	¥—	¥27

	Thousands of U.S. dollars		
	2009		
	Equipment	Other	Total
Acquisition cost	**$506**	**$—**	**$506**
Accumulated depreciation	**368**	**—**	**368**
Net leased property	**$137**	**$—**	**$137**

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Obligations under finance leases:			
Due within one year	**¥ 9**	¥13	**$104**
Due after one year	**3**	14	**39**
Total	**¥12**	¥27	**$144**

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Depreciation expense	**¥4**	¥11	**$50**
Interest expense	**0**	0	**2**
Total	**¥4**	¥12	**$53**

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

The minimum rental commitments under noncancellable operating leases as of September 30, 2009 and 2008, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	**2009**
Due within one year	**¥ 6**	¥ 8	**$ 71**
Due after one year	**5**	12	**62**
Total	**¥12**	¥20	**$133**

24. Derivatives Information

Derivative Transactions

(a) Instruments

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

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

(b) Purposes and Policies for Derivative Transactions

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

(c) Content of Risks for Derivative Transactions

(1) Market Risk

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

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

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

(2) Credit Risk

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

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

(d) Risk Management System for Derivative Transactions

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

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

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

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

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

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

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

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

Fair Value of Transactions

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

Interest rate transactions

	Millions of yen		
	2009		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Interest rate swaps:	**¥10,289,685**	**¥5,134**	**¥5,134**
Interest rate swaptions:	**127,153**	**83**	**875**
Others:	**96,183**	**(0)**	**104**
Total		**¥5,217**	**¥6,114**

	Millions of yen		
	2008		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Listed:			
Interest rate futures contracts:	¥ 1,237	¥ 21	¥ 21
Over-the-counter:			
Interest rate swaps:	11,886,748	4,929	4,929
Interest rate swaptions:	132,460	405	873
Others:	71,485	(2)	55
Total		¥5,354	¥5,881

	Thousands of U.S. dollars		
	2009		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Interest rate swaps:	**$114,101,640**	**$56,934**	**$56,934**
Interest rate swaptions:	**1,409,991**	**929**	**9,703**
Others:	**1,066,566**	**(2)**	**1,162**
Total		**$57,861**	**$67,800**

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

Currency transactions

	Millions of yen		
	2009		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Currency rate swaps	**¥ 46,893**	**¥ 145**	**¥ 145**
Foreign exchange contracts:	**2,403,996**	**1,475**	**1,475**
Total		**¥1,620**	**¥1,620**

	Millions of yen		
	2008		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Currency rate swaps	¥ 56,963	¥ 209	¥ 209
Foreign exchange contracts:	3,387,065	4,800	4,800
Currency options:	10,811	(0)	(10)
Total		¥5,008	¥4,999

	Thousands of U.S. dollars		
	2009		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Currency rate swaps	**$ 520,000**	**$ 1,608**	**$ 1,608**
Foreign exchange contracts:	**26,657,758**	**16,366**	**16,366**
Total		**$17,974**	**$17,974**

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

Stock transactions

	Millions of yen		
	2009		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Listed:			
Stock index options:	**¥4,156**	**¥5**	**¥(33)**

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

	Thousands of U.S. dollars		
	2009		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Listed:			
Stock index options:	**$46,088**	**$61**	**$(367)**

	Millions of yen		
	2008		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Listed:			
Stock index futures:	¥ 792	¥—	¥ —
Stock index options:	4,050	20	(110)
Total		¥20	¥(110)

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

Bond transactions

There was no contract or notional amount of bond transactions as of September 30, 2009.

	Millions of yen		
	2008		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Forward bond agreement:	¥41,428	¥(58)	¥(58)
Total		¥(58)	¥(58)

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

Credit derivative transactions

	Millions of yen		
	2009		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Credit default swaps:	**¥15,000**	**¥(11,618)**	**¥(11,618)**

	Millions of yen		
	2008		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Credit default swaps:	¥10,000	¥(8,123)	¥(8,123)

	Thousands of U.S. dollars		
	2009		
	Contract or notional amount		
	Total	Fair value	Unrealized gains (losses)
Over-the-counter:			
Credit default swaps:	**$166,333**	**$(128,833)**	**$(128,833)**

Notes: Fair value is calculated according to discounted present value and the prices offered by brokers and by the pricing model.

The fair values of some credit default swaps in derivatives were previously measured at the prices offered by brokers. However, a judgment has been made by management that the current market prices are not indicative of fair values. At the end of the period, the fair values of these credit default swaps were determined based on the values reasonably estimated by using our own calculation methods. As a result, other liabilities and other ordinary expenses decreased by and income before income taxes increased by ¥1,333 million ($14,786 thousand), respectively.

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

25. Segment Information

Information about business segments, geographic segments and ordinary income from international operations for six months ended September 30, 2009 and 2008, was as follows:

(1) Business Segment Information

	Millions of yen			
	2009			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**¥ 171,402**	**¥ 10,400**	**¥ —**	**¥ 181,802**
Intersegment	**8,335**	**13,215**	**(21,551)**	**—**
Total ordinary income	**179,738**	**23,615**	**(21,551)**	**181,802**
Ordinary expenses	**141,024**	**17,738**	**(11,352)**	**147,410**
Ordinary profit	**¥ 38,713**	**¥ 5,877**	**¥ (10,199)**	**¥ 34,392**
Total assets	**¥15,390,610**	**¥871,575**	**¥(802,057)**	**¥15,460,128**

	Millions of yen			
	2008			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	¥ 196,818	¥ 12,994	¥ —	¥ 209,812
Intersegment	8,267	17,054	(25,322)	—
Total ordinary income	205,086	30,048	(25,322)	209,812
Ordinary expenses	176,644	17,548	(11,301)	182,892
Ordinary profit	¥ 28,442	¥ 12,499	¥ (14,020)	¥ 26,920
Total assets	¥15,127,820	¥840,805	¥(758,661)	¥15,209,964

	Thousands of U.S. dollars			
	2009			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	**$ 1,900,669**	**$ 115,327**	**$ —**	**$ 2,015,996**
Intersegment	**92,434**	**146,545**	**(238,980)**	**—**
Total ordinary income	**1,993,103**	**261,872**	**(238,980)**	**2,015,996**
Ordinary expenses	**1,563,809**	**196,696**	**(125,883)**	**1,634,622**
Ordinary profit	**$ 429,293**	**$ 65,176**	**$ (113,096)**	**$ 381,374**
Total assets	**$170,665,447**	**$9,664,846**	**$(8,893,960)**	**$171,436,333**

Notes: 1. Ordinary income represents total income less certain special income, and ordinary expenses represents total expenses less certain special expenses.
2. "Other finance-related operations" mainly consists of credit guarantee services, credit card services and Investment Trust Management services.

(2) Geographic Segment Information

Since domestic (Japan) total ordinary income and total assets by geographic segment for six months ended September 30, 2009 and 2008, represented more than 90% of the consolidated total ordinary income and total assets of each respective period, geographic segment information was not required to be disclosed.

(3) Ordinary Income from International Operations

	Millions of yen, except percentage data		Thousands of U.S. dollars, except percentage data
	2009	2008	**2009**
Ordinary income from international operations (A)	**¥ 29,470**	¥ 33,394	**$ 326,801**
Consolidated ordinary income (B)	**181,802**	209,812	**2,015,996**
(A)/(B) (%)	**16.2%**	15.9%	**16.2%**

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

26. Per Share Information

Diluted net income per share for six months ended September 30, 2009 was not stated as there were no potentially dilutive securities. Basic net income per share ("EPS") for six months ended September 30, 2009 was as follows:

	Millions of yen	Thousands of shares	Yen	U.S. dollars
Six months ended September 30, 2009	Net income	Weighted-average shares	EPS	EPS
Basic EPS				
Net income available to common shareholders	**¥19,088**	**1,324,179**	**¥14.41**	**$0.15**

A reconciliation of the differences between basic and diluted net income per share ("EPS") for six months ended September 30, 2008 was as follows:

	Millions of yen	Thousands of shares	Yen
Six months ended September 30, 2008	Net income	Weighted-average shares	EPS
Basic EPS			
Net income available to common shareholders	¥13,787	1,057,859	¥13.03
Effect of dilutive securities			
Preferred stock	—	642,194	
Diluted EPS			
Net income for computation	¥13,787	1,700,054	¥ 8.11

27. Subsequent Event

On November 6, 2009, Chuo Mitsui Trust Holdings, Inc. ("CMTH") reached a basic agreement on the management integration with The Sumitomo Trust and Banking Co., Ltd. ("STB") through a share exchange between CMTH and STB (The First Step), and consolidated subsidiaries of CMTH, The Chuo Mitsui Trust and Banking Company, Limited and Chuo Mitsui Asset Trust and Banking Company, Limited, and STB will be merged thereafter (The Second Step). Overview of the management integration is as follows:

(1) Objectives of Management Integration

CMTH and STB have agreed to form "The Trust Bank", a new trust bank group that, with the combination of their expertise and comprehensive capability, can provide its clients with better and swifter comprehensive solutions than ever before. To create the new trust bank group, CMTH and STB Groups plan to combine their personnel, know-how and other managerial resources and fuse both groups' strengths such as CMTH Group's agility and STB Group's diversity.

(2) Outline of the Share Exchange

CMTH and STB plan to conduct the management integration through a share exchange between CMTH and STB and to position CMTH as a new holding company ("Integrated Holding Company").

(3) Target date of the Share Exchange

Subject to the approval of their shareholders and relevant authorities, the share exchange will be conducted on April 1, 2011 (plan).

(4) Outline of the Merger of Three Trust Banks

Integrated Holding Company will plan to merge the three trust banks operating beneath it, which are STB, The Chuo Mitsui Trust and Banking Company, Limited and Chuo Mitsui Asset Trust and Banking Company, Limited, into a single trust bank. STB is planned to be the surviving company.

(5) Target date of the Merger

Subject to the approval of their shareholders and relevant authorities, the merger will be conducted on April 1, 2012 (plan).

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

Chuo Mitsui Trust Holdings, Inc.
As of September 30, 2009 and 2008, and March 31, 2009

	Millions of yen			Thousands of U.S. dollars
	September 30		March 31	September 30
	2009	2008	2009	**2009**
ASSETS				
Current assets:				
Cash and due from banks	**¥ 1,549**	¥ 2,809	¥ 1,195	**$ 17,176**
Securities	**39,000**	42,000	40,000	**432,468**
Income taxes refunds receivable	**2,007**	2,894	2,904	**22,263**
Other current assets	**180**	270	208	**2,002**
Total current assets	**42,737**	47,974	44,308	**473,911**
Non-current assets:				
Tangible fixed assets	**2**	3	2	**27**
Intangible fixed assets	**5**	6	5	**56**
Investments and other assets:	**765,409**	724,196	765,423	**8,487,573**
Investments in subsidiaries and affiliates (Stocks)	**764,406**	722,806	764,406	**8,476,455**
Other investments	**1,002**	1,389	1,016	**11,118**
Total non-current assets	**765,416**	724,206	765,431	**8,487,657**
Total assets	**¥808,154**	¥772,180	¥809,740	**$ 8,961,568**
LIABILITIES AND EQUITY				
Liabilities:				
Current liabilities:				
Provision for bonuses	**¥ 71**	¥ 78	¥ 71	**$ 798**
Other liabilities	**1,560**	1,204	1,515	**17,303**
Total current liabilities	**1,632**	1,283	1,587	**18,101**
Non-current liabilities:				
Bonds payable	**189,700**	148,100	189,700	**2,103,570**
Provision for retirement benefits	**902**	849	840	**10,007**
Provision for directors' retirement benefits	**328**	292	323	**3,638**
Total non-current liabilities	**190,930**	149,242	190,863	**2,117,217**
Total liabilities	**192,563**	150,525	192,450	**2,135,318**
Equity:				
Common stock and preferred stock	**261,608**	261,608	261,608	**2,900,961**
Capital surplus:				
Legal capital surplus	**65,411**	65,411	65,411	**725,342**
Other capital surplus	**53,258**	53,286	53,262	**590,585**
Total capital surplus	**118,670**	118,698	118,673	**1,315,927**
Retained earnings:				
Other retained earnings	**235,576**	241,633	237,268	**2,612,289**
Retained earnings brought forward	**235,576**	241,633	237,268	**2,612,289**
Total retained earnings	**235,576**	241,633	237,268	**2,612,289**
Treasury stock	**(264)**	(284)	(262)	**(2,929)**
Total equity	**615,591**	621,655	617,289	**6,826,249**
Total liabilities and equity	**¥808,154**	¥772,180	¥809,740	**$ 8,961,568**

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

Chuo Mitsui Trust Holdings, Inc.
Six months ended September 30, 2009 and 2008, and year ended March 31, 2009

	Millions of yen			Thousands of U.S. dollars
	Six months ended September 30		Year ended March 31	Six months ended September 30
	2009	2008	2009	**2009**
Operating income:				
Dividends received from subsidiaries	**¥10,017**	¥14,349	¥14,349	**$ 111,085**
Fees and commissions received from subsidiaries	**1,525**	1,332	2,649	**16,917**
Total operating income	**11,543**	15,682	16,998	**128,003**
Operating expenses:				
Interest on bonds	**3,905**	2,823	6,270	**43,305**
General and administrative expenses	**1,511**	1,336	2,668	**16,765**
Total operating expenses	**5,417**	4,160	8,938	**60,070**
Operating profit	**6,126**	11,521	8,060	**67,932**
Non-operating income	**44**	168	232	**493**
Non-operating expenses	**85**	267	768	**950**
Ordinary profit	**6,084**	11,422	7,524	**67,475**
Income before income taxes	**6,084**	11,422	7,524	**67,475**
Income taxes:				
Income taxes-current	**1**	1	3	**21**
Income taxes-deferred	**9**	3	468	**109**
Total income taxes	**11**	5	471	**130**
Net income	**¥ 6,073**	¥11,416	¥ 7,052	**$ 67,344**

	Yen			U.S. dollars
	Six months ended September 30		Year ended March 31	Six months ended September 30
	2009	2008	2009	**2009**
Net income per share of common stock	**¥4.58**	¥10.79	¥4.58	**$0.05**