Consolidated Balance Sheets

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

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

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

Consolidated Statements of Operations

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

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

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

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

Consolidated Statements of Changes in Equity

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

	Thousands		Millions of yen									
	Issued number of shares of common stock	Issued number of shares of preferred stock	Common stock and preferred stock	Capital surplus	Retained earnings	Valuation difference on available-for-sale securities	Deferred gains or losses on hedge	Revaluation reserve for land	Foreign currency translation adjustments	Total	Minority interests	Total equity
Balance, March 31, 2008	1,523,833	227,031	¥379,197	¥128,511	¥190,253	¥ 57,288	¥ 413	¥(15,532)	¥ (66)	¥ 740,066	¥ 3,179	¥ 743,245
Net loss					(95,446)					(95,446)		(95,446)
Issuance of capital stock	164,000		20,500	20,500						41,000		41,000
Net change in the year						(140,609)	1,343		(1,979)	(141,245)	(729)	(141,974)
Balance, March 31, 2009	1,687,833	227,031	¥399,697	¥149,011	¥ 94,807	¥ (83,321)	¥ 1,757	¥(15,532)	¥(2,045)	¥ 544,374	¥ 2,449	¥ 546,824
Net income					47,527					47,527		47,527
Conversion of class II preferred stock into Common stock	375,000	(93,750)										
Conversion of class III preferred stock into Common stock	533,125	(133,281)										
Net change in the year						118,289	134		307	118,730	283	119,014
Balance, March 31, 2010	**2,595,958**	**—**	**¥399,697**	**¥149,011**	**¥142,334**	**¥ 34,968**	**¥ 1,891**	**¥(15,532)**	**¥(1,738)**	**¥ 710,632**	**¥ 2,733**	**¥ 713,366**

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

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

Consolidated Statements of Cash Flows

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

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

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

1. Basis of Presentation

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

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to Chuo Mitsui's consolidated financial statements issued domestically in order to present them in a form that is more familiar to readers outside Japan. In addition, certain reclassifications and rearrangements have been made in the consolidated financial statements for the fiscal years ended March 31, 2009 to conform to classifications and presentations used in the consolidated financial statements for the fiscal year ended March 31, 2010.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Chuo Mitsui is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥93.03 to U.S.$1, the approximate rate of exchange at March 31, 2010. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

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

2. Summary of Significant Accounting Policies

a. Consolidation

The consolidated financial statements include the amounts of Chuo Mitsui and its significant subsidiaries. The number of consolidated subsidiaries as of March 31, 2010 and 2009 was 15. In the fiscal year ended March 31, 2010, Chuo Mitsui Trust Realty Company, Limited was newly included in the scope of consolidation upon its establishment.

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

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

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

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

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

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

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

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

c. Cash and Cash Equivalents

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

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

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

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

e. Translation of Foreign Currency Accounts

Chuo Mitsui maintains its accounting records in Japanese yen. Assets and liabilities denominated in foreign currencies are

translated into Japanese yen using the exchange rate prevailing at each balance sheet date.

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

f. Securities

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

(i) Trading securities, which are held for the purpose of earning capital gains in the near term, are reported at fair value, and the related unrealized gains and losses are included in earnings;

(ii) Held-to-maturity debt securities, which are expected to be held to maturity with the positive intent and ability to hold to maturity, are reported at amortized cost; and

(iii) Available-for-sale securities, which are not classified as either of the aforementioned securities, are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity.

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

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

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

g. Derivative and Hedging Activities

Derivative financial instruments are classified and accounted for as follows:

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

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

h. Tangible Fixed Assets

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

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

i. Software

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

j. Impairment of Fixed Assets

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

k. Land Revaluation

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

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

As of March 31, 2010 and 2009, the carrying amount of the land after the above one-time revaluation exceeded the market value by ¥4,416 million ($47,476 thousand), and ¥1,506 million, respectively.

l. Stock and Bond Issue Costs

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

Bond issue costs are charged to expense as incurred.

m. Allowance for Loan Losses

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

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

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

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

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

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

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

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

The outstanding amount thus determined is then directly written off from the amount of claims as the unrecoverable amount, which totaled ¥33,562 million ($360,771 thousand) and ¥33,535 million as of March 31, 2010 and 2009, respectively.

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

n. Provision for Bonuses

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

o. Provision for Directors' Retirement Benefits

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

p. Provision for Retirement Benefits and Pension Plans

Chuo Mitsui has defined benefit plans (employee pension fund plans and tax qualified pension plans) and lump-sum severance indemnity plans.

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

q. Provision for Contingent Losses

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

(1) Provision for Reimbursement of Deposits

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

(2) Provision for Possible Losses Related to Land Trust

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

r. Income Taxes

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

s. Leases

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

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

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

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

t. Per Share Information

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

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

u. New Accounting Pronouncements

(i) Business Combinations

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

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

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

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

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

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

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

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

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

(iii) Asset Retirement Obligations

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

(iv) Accounting Changes and Error Correction

In December 2009, ASBJ issued ASBJ Statement No.24 "Accounting Standard for Accounting Changes and Error Corrections" and ASBJ Guidance No.24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections". Accounting treatments under this standard and guidance are as follows;

(1)Changes in Accounting Policies:

When a new accounting policy is applied with revision of accounting standards, a new policy is applied retrospectively unless the revised accounting standards include specific transitional provisions. When the revised accounting standards include specific transitional provisions, an entity shall comply with the specific transitional provisions.

(2)Changes in Presentations

When the presentation of financial statements is changed, prior period financial statements are reclassified in accordance with the new presentation.

(3)Changes in Accounting Estimates

A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods.

(4)Corrections of Prior Period Errors

When an error in prior period financial statements is discovered, those statements are restated.

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

(v) Segment Information Disclosures

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

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

3. Changes in Significant Accounting Policies

a. Financial instruments

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

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

b. Provision for Retirement Benefits

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

c. Consolidation

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

4. Securities

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

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

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

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

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

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

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

Available-for sale securities and held-to-maturity securities whose fair value is not readily determinable as of March 31, 2009 were as follows. The similar information for 2010 is disclosed in Note 31.

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

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

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

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

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

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

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

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

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

Guarantee obligations for privately offered corporate bonds (provided in accordance with Article 2, Paragraph 3 of the Financial Instruments and Exchange Act) in "Securities" were ¥124,395 million ($1,337,158 thousand) and ¥165,751 million as of March 31, 2010 and 2009, respectively.

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

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

5. Money Held in Trust

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

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

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

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

6. Loans and Bills Discounted

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

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

Loans to Borrowers in Bankruptcy and Non-Accrual Loans

Loans to borrowers in bankruptcy are included in loans and bills discounted, and totaled ¥14,278 million ($153,480 thousand) and ¥30,996 million as of March 31, 2010 and 2009, respectively.

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

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

Non-accrual loans are included in loans and bills discounted, and totaled ¥79,645 million ($856,124 thousand) and ¥79,746 million as of March 31, 2010 and 2009, respectively.

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

Loans Past Due Three Months or More

Loans past due three months or more are included in loans and bills discounted, and totaled ¥58 million ($624 thousand)

and ¥84 million as of March 31, 2010 and 2009, respectively. Loans classified as loans to borrowers in bankruptcy or non-accrual loans are excluded.

Restructured Loans
Restructured loans are included in loans and bills discounted, and totaled ¥16,904 million ($181,705 thousand) and ¥7,083 million as of March 31, 2010 and 2009, respectively. Such restructured loans are loans on which Chuo Mitsui and major consolidated subsidiaries have granted concessions (for example, reduction of the face amount or maturity amount of the debt or accrued interest) to debtors in financial difficulties to assist them in their financial recovery and eventually enable them to pay their creditors. Loans classified as loans to borrowers in bankruptcy or non-accrual loans or loans past due three months or more are excluded.

Loans to borrowers in bankruptcy and non-accrual loans, loans past due three months or more and restructured loans totaled ¥110,885 million ($1,191,934 thousand) and ¥117,911 million as of March 31, 2010 and 2009, respectively. These claims are before deduction of the allowance for loan losses.

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

7. Foreign Exchanges

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

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

8. Other Assets

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

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

9. Tangible Fixed Assets

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

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

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

10. Intangible Fixed Assets

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

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

11. Collateral

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

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

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

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

12. Customers' Liabilities for Acceptances and Guarantees

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

13. Deposits

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

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

14. Borrowed Money

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

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

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

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

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

15. Bonds Payable

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

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

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

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

16. Other Liabilities

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

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

17. Retirement and Pension Plans

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

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

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

The funded status for employees' retirement benefits as of March 31, 2010 and 2009, consisted of the following:

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

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

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

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

	2010	2009
Discount rate	**1.9%**	1.9%
Expected rate of return on plan assets	**1.4%**	3.2%
Method of attributing the projected benefits to periods of services	**Mainly point basis**	Mainly point basis
Recognition period of actuarial loss	**9 years**	9 years

18. Provision for Contingent Losses

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

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

19. Commitments and Contingent Liabilities

a. Chuo Mitsui and certain consolidated subsidiaries issue commitments to extend credit and establish credit lines for overdrafts by making agreements to meet the financing needs of their customers. The total balance of unused commitment lines as of March 31, 2010 and 2009, was ¥2,470,526 million ($26,556,232 thousand) and ¥2,212,196 million, respectively, of which commitment lines whose maturities are less than one year were ¥2,320,327 million ($24,941,715 thousand) and ¥2,065,912 million, respectively.

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

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

b. Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by Chuo Mitsui. Regarding guaranteed trusts, Chuo Mitsui guaranteed the principal amount of ¥1,024,773 million ($11,015,519 thousand) and ¥1,084,149 million for certain money trusts as of March 31, 2010 and 2009, respectively, and ¥357,078 million ($3,838,319 thousand) and ¥569,331 million for loan trusts as of March 31, 2010 and 2009, respectively.

20. Equity

Japanese companies are subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

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

The Companies Act permits companies to distribute dividends- in-kind (non-cash assets) to shareholders subject to certain limitation and additional requirements. Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock.

(b) Increases/decreases and transfer of capital stock, reserve and surplus
The Banking Law of Japan requires that an amount equal to 20% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 100% of the capital stock. The Companies Act also provides that capital stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.
(c) Treasury stock and treasury stock acquisition rights
The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by specific formula.

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

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

21. Common Stock and Preferred Stock

Common stock and preferred stock as of March 31, 2010, consisted of the following:

	Number of shares (Thousands)		Per share (Yen)
Class of stock	Authorized	Issued	Fiscal year-end cash dividend
Common stock	3,911,104	2,595,958	¥3.66
Class I convertible preferred stock:	362,941	—	—

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

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

	Number of shares (Thousands)	
Class of stock	The cancellation preferred stocks	After the cancellation preferred stocks
Class I convertible preferred stock:		
Second series	93,750	—
Third series	133,281	—

22. Other Interest Income

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

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

23. Trust Fees

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

24. Other Ordinary Income

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

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

25. Other Income

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

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

26. Other Interest Expenses

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

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

27. Other Ordinary Expenses

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

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

28. Other Expenses

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

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

29. Income Taxes

Chuo Mitsui and its domestic consolidated subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 40.63% for the fiscal years ended March 31, 2010 and 2009.

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

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

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

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

30. Leases

Lessee

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

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

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

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

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

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

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

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

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

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

31. Financial Instruments

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

1. Outline of Financial Instruments

(1) Group Policy for Financial Instruments

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

(2) Content of Financial Instruments and Risks Arising from

1) Credit Risk

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

2) Market Risk

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

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

3) Liquidity Risk on Fund Raising

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

4) Purposes for Derivative Transactions

(i) Banking accounts

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

In principle, mark-to-market accounting is applied to the banking account derivative transactions into which the Chuo Mitsui Trust and Banking Group enters. Within hedged derivative transactions entered into for hedging

purposes, hedge accounting is applied to transactions deemed to have high hedge effectiveness, and the deferral hedge method, the fair value hedge method, and interest rate swaps meeting certain conditions method are applied.

(ii) Trading accounts

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

(3) Risk Management for Financial Instruments

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

1) Credit Risk Management

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

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

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

2) Market Risk Management

With regard to market risk, Chuo Mitsui maintains a basic policy through its Rules for Market Risk Management and follows Regulations for Market Risk Management to reinforce and control accurate hedging techniques and risk. An independent check system has been established whereby the divisions that execute transactions are clearly separate from the divisions that process the transactions, and overall management of market risk is consolidated under the Risk Management Department, which is independent of both the front and back offices and pinpoints the status of activities undertaken by both office categories. This department identifies and analyzes group-wide risk, tracks compliance with risk limits and reports to the director in charge on a daily basis and to the Executive Committee on a monthly basis.

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

3) Liquidity Risk Management on Fund Raising

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

(4) Supplementary Explanation Concerning Fair Values of Financial Instruments

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

2. *Fair Value of Financial Instruments*

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

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

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

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

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

Notes: A Calculation method of fair values of financial instruments

Assets

(1) Cash and cash equivalents and (2) Due from banks other than due from Bank of Japan.
Deposits without maturity are stated at their carrying amounts as their fair values approximate carrying amounts. Deposits with maturities with shorter deposit terms (within one year) are stated at their carrying amounts as their fair values approximate carrying amounts.

(3) Call loans and bills bought and (4) Receivables under securities borrowing transactions
These are subject to shorter agreed periods (within one year), and are stated at their acquisition costs as their fair values approximate acquisition costs.

(5) Monetary claims bought
Of the monetary claims bought, beneficiary certificates representing interest in a trust holding loan receivables are stated at the prices quoted by brokers. Other monetary claims bought with shorter agreed periods (within one year), are stated at their acquisition costs as their fair values approximate acquisition costs.

(6) Trading assets
Securities including bonds held for trading purposes are stated at the prices quoted by Japan Securities Dealers Association.

(7) Money held in trust
Securities comprising trust assets in money held in trust are stated at the prices quoted by brokers.
Matters to be noted in respect of money held in trust by purpose of holding are stated in Note 5 "Money Held in Trust."

(8) Securities
Of securities of various categories; (i) equity securities are stated at the prices quoted on the stock exchanges: (ii) privately offered corporate bonds are stated at the values calculated by discounting principal and interest by the interest rate reflecting credit risk, by category based on internal rating and term, (iii) other bonds are stated at the prices published by Japan Securities Dealers Association or the prices quoted by brokers. Investment trust beneficiary certificates are stated at the official reference price published by securities investment trust and management firms.

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

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

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

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

Liabilities

(1) Deposits

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

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

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

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

(4) Borrowed money

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

(5) Bonds payable

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

(6) Due to trust account

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

Derivative transactions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32. *Derivatives Information*

Derivative Transactions

a. Instruments

The primary derivative transactions undertaken by Chuo Mitsui are listed below.

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

b. Purposes and Policies for Derivative Transactions

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

c. Contents of Risks for Derivative Transactions

(1) Market Risk

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

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

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

(2) Credit Risk

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

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

d. Risk Management System for Derivative Transactions

In accordance with the Rules for Risk Management Chuo Mitsui Trust Holdings has established for Chuo Mitsui Trust Group, Chuo Mitsui assumes risk only within strategic objectives and risk-hedging capabilities, based on suitable risk management, and adheres to a basic risk management policy to secure appropriate returns on investment.

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

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

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

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

Credit lines for derivative and other transactions are established through strict procedures, in accordance with

trading standards provided separately. The compliance status of such credit lines and other conditions are appropriately monitored.

Fair Value of Transactions

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

1.Derivatives to which hedge accounting is not applied

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

Interest rate transactions

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

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

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

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

Currency transactions

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

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

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

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

Stock transactions

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

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

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

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

Bond transactions

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

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

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

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

Credit derivative transactions

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

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

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

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

The fair values of some credit default swaps in derivatives were previously measured at the prices offered by brokers. However, a judgment has been made by management that the current market prices are not indicative of fair values. At the end of the fiscal year, the fair values of these credit default swaps were determined based on the values reasonably

estimated by using our own calculation methods. As a result, other liabilities and other ordinary expenses decreased by and income before income taxes increased by ¥1,537 million ($16,524 thousand), respectively.

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

2. *Derivatives to which hedge accounting is applied*

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

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

Interest rate transactions

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

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

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

Currency transactions

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

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

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

Bond transactions

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

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

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

33. Segment Information

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

(1) Business Segment Information

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

	Millions of yen			
	2009			
	Trust and banking business	Other finance-related operations	Eliminations/ corporate	Consolidated
Ordinary income:				
External customers	¥ 350,696	¥12,766	¥ —	¥ 363,462
Intersegment	1,886	1,566	(3,452)	—
Total ordinary income	352,582	14,332	(3,452)	363,462
Ordinary expenses	489,198	13,661	(4,842)	498,017
Ordinary profit	¥ (136,615)	¥ 670	¥ 1,390	¥ (134,554)
Assets, depreciation and capital expenditures:				
Total assets	¥14,870,346	¥59,998	¥(43,326)	¥14,887,017
Depreciation	11,433	425	—	11,859
Capital expenditures	14,202	318	—	14,521

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

Notes: 1. Ordinary income represents total income less certain special income, and ordinary expenses represents total expenses less certain special expenses.

2. "Other finance-related operations" mainly consists of credit guarantee services, and credit card services.

(2) Geographic Segment Information

Since domestic (Japan) total ordinary income and total assets by geographic segment for the fiscal years ended March 31, 2010 and 2009, represented more than 90% of the consolidated total ordinary income and total assets of each respective year, geographic segment information was not required to be disclosed.

(3) Ordinary Income from International Operations

	Millions of yen, except percentage data		Thousands of U.S. dollars, except percentage data
	2010	2009	**2010**
Ordinary income from international operations (A)	**¥ 57,794**	¥ 63,581	**$ 621,247**
Consolidated ordinary income (B)	**321,395**	363,462	**3,454,756**
(A)/(B) (%)	**17.9%**	17.4%	**17.9%**

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

34. Per Share Information

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

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

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

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

35. Subsequent Event

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

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

Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Chuo Mitsui Trust and Banking Company, Limited:

We have audited the accompanying consolidated balance sheets (banking account) of The Chuo Mitsui Trust and Banking Company, Limited (the "Bank") and consolidated subsidiaries as of March 31, 2010 and 2009, and the related consolidated statements of operations, changes in equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Bank and consolidated subsidiaries as of March 31, 2010 and 2009, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu LLC

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

Member of
Deloitte Touche Tohmatsu

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

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

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

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

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

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

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

Non-Consolidated Balance Sheets (Supplemental Information—Unaudited)

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

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

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

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

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

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

Financial Statements of Subsidiary Banks (Trust Account—Unaudited)

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

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

See Notes to Financial Statements of Subsidiary Banks (Trust Account—Unaudited).

Notes to Financial Statements of Subsidiary Banks (Trust Account—Unaudited)

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

1. Trust Accounts

Under the Trust Law of Japan, trust activities must be administered separately from a commercial banking business. As a result, assets accepted in trust must be segregated from other assets. Within the general category of trust accounts, each trust account is segregated from other trust assets. Accordingly, the financial statements of Chuo Mitsui Trust Holdings, Inc. ("Chuo Mitsui Trust Holdings"), do not reflect Chuo Mitsui Trust Holdings' records as to the assets accepted in trust, which are maintained separately under the trust account.

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by The Chuo Mitsui Trust and Company, Limited, and such guaranteed principal as of March 31, 2010 and 2009, was ¥1,381,852 million ($14,853,839 thousand) and ¥1,653,480 million, respectively.

The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥93.03 to U.S.$1, the approximate rate of exchange as of March 31, 2010. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

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

2. Loans

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

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

Under certain trust agreements, repayments of the principal of the customers' trust assets are guaranteed by banking subsidiaries, and loans on such guaranteed trust assets as of March 31, 2010 and 2009, included the following:

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

3. Securities

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

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

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

4. Balance of Money Trusts

The principal amounts of certain money trusts are guaranteed and the balance of these accounts is as follows:

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

In the case of certain money trusts, the principal amount is guaranteed and, as the above table indicates, allowance for the impairment of guaranteed trust principal is set aside by banking subsidiaries. The figures of the table include funds reinvested from the other trusts managed by a banking subsidiary.

5. Balance of Loan Trusts

The balance of loan trusts is as follows (the figures of the table include funds reinvested from the other trusts managed by a banking subsidiary):

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

As in certain money trusts, the principal amount of loan trusts is guaranteed and, as the above table indicates, allowance for the impairment of guaranteed trust principal is set aside by banking subsidiaries.

Consolidated Five-Year Summary

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

Note: All figures are based on the consolidated financial statements.
* All figures are combined totals from The Chuo Mitsui Trust and Banking Company, Limited, and Chuo Mitsui Asset Trust and Banking Company, Limited.

Definitions of Self-Assessment System, Disclosure of Assets Based on the Financial Revitalization Law and Risk-Monitored Loans

Self-Assessment System

What Is the Self-Assessment System?

Self-assessment of asset quality requires a financial institution to examine the quality of its own assets and group assets, according to the degree of risk for default on loans or the potential irrecoverability of invested value.

Assets subject to self-assessment are loans and loan equivalents, such as loan receivables in securities, foreign currency, accrued interest, accounts due, provisional payments equivalent to loans, and acceptances and guarantees.

Basic Concept in Self-Assessment

In principle, the process of asset assessment assigns credit ratings to borrowers, then groups the borrowers according to these rating assignments. Each borrower is viewed individually, based on such details as the application of funds, and the status of collateral and guarantees is ascertained to facilitate further classification, according to the degree of risk inherent in the recovery of the loan or the potential for the invested value to erode.

Credit Ratings

Credit ratings correspond to a client's credit risk, a status based on financial position, ratings by rating agencies, information from credit bureaus, and other sources. A credit rating must be consistent with borrower categories.

Borrower Categories

A borrower's ability to repay loans is determined by such factors as financial status, cash flow and profitability, and this ability will place a borrower into one of five categories: normal, caution, possible bankruptcy, virtual bankruptcy and legal bankruptcy.

1. Normal: Borrowers whose business prospects are favorable and whose financial position exhibits no particular problems.
2. Caution: Borrowers with problematic lending conditions, such as reduced or suspended interest payments, borrowers with non-accrual repayment schedules, wherein principal or interest payments are in arrears, and borrowers which may require special measures in the future because business prospects are sluggish or unstable, or because financial positions are uncertain.
3. Possible bankruptcy: Borrowers for whom bankruptcy is not currently imminent but for whom the eventuality of failure in the future is high because financial difficulty exists and a sufficient boost through a business improvement plan, for example, is not expected. This category includes borrowers receiving support from a financial institution or other backer.
4. Virtual bankruptcy: Borrowers that face severe operating difficulties and while they have not been declared legally bankrupt they are essentially insolvent because they lack any hope of restructuring.
5. Legal bankruptcy: Borrowers whose legal bankruptcy is substantiated by a declaration of bankruptcy, liquidation, reorganization, composition or civil reconstruction, or for whom clearinghouse transactions have been halted.

Claim Categories

Under the self-assessment system, claims are grouped into "categories"—II, III and IV—and the respective assets are called "category assets." Claims that do not fall into categories II, III and IV are called "no category," and the assets that fall outside these classifications are deemed "no category assets."

Disclosure of Assets Based on the Financial Revitalization Law

Borrower Classification

1. Claims under bankruptcy and virtual bankruptcy: Loans and loan equivalents granted to borrowers that have succumbed to legal business failure by reason of declared bankruptcy, reorganization, composition proceedings or other officially recognized end to operations.
2. Claims under high risk: Loans to borrowers that have not yet reached a state of legal bankruptcy but are highly unlikely to repay the principal and interest according to contractual obligations because of worsening financial position and business performance.
3. Claims under close observation: Loans three months past due—i.e., loans for which payment of principal or interest has fallen more than three months behind, counting from the day following the contractual payment day—and restructured loans—i.e., loans for which the contractual conditions have been revised,

for example, with a specific concession in favor of the borrower to facilitate the restructuring of a business that has been economically disadvantaged, or to support such a business, and thereby promote repayment of the outstanding loan.

4. Normal claims: Loans to borrowers with no particular problems affecting financial position or business performance, thereby excluding them from the three classifications described above.

Relationship with Borrower Classifications in the Self-Assessment System

1. Claims under bankruptcy and virtual bankruptcy: Corresponds to the sum of loans to borrowers that are in legal bankruptcy or virtual bankruptcy under selfassessment standards.
2. Claims under high risk: Equivalent to loans to borrowers classified as in possible bankruptcy under self-assessment standards.
3. Claims under close observation: Represents the sum of loans to borrowers in the caution category of selfassessment standards that are either more than three months past due or restructured.
4. Normal claims: Identified with loans to healthy borrowers under self-assessment standards, as well as loans other than claims under the close observation category of loans to borrowers requiring caution.

Risk-Monitored Loans

What are risk-monitored loans?

1. Loans to borrowers in bankruptcy: Of loans for which no accrued interest is recorded because the recovery of principal or interest is unlikely due to a prolonged delay in payment of principal or interest (excludes the portion written off; hereafter referred to as "loans for which accrued interest is not recorded"), loans to borrowers in bankruptcy are those for which the reason is found in the provisions of the Corporate Tax Law (Ordinance 97, 1965), Article 96, Paragraph 1, Sub-Paragraph 3, Points a) through e), or Article 4 of the same law.
2. Non-accrual loans: Of loans for which accrued interest is not recorded, non-accrual loans are loans other than those to borrowers in bankruptcy and loans for which interest has been waived to facilitate business restructuring.
3. Loans past due three months or more: This category comprises loans for which payment of principal or interest has fallen more than three months behind, counting from the day following the contractual payment day, but excludes loans to borrowers in bankruptcy and non-accrual loans.
4. Restructured loans: This category covers loans for which payment of interest is reduced or suspended, payment of principal is extended, the claim is waived, or another measure advantageous to the borrower is granted to facilitate business restructuring. Loans to borrowers in bankruptcy, non-accrual loans and loans past due three months or more are not included in this category.

Relationship between Self-Assessment Assets and Disclosure of Assets Based on the Financial Revitalization Law

Assets classified under self-assessment standards and disclosure of assets based on the Financial Revitalization Law are loans and loan equivalents. These loans differ primarily from risk-monitored loans in that riskmonitored loans exclude loan equivalents.

1. Loans to borrowers in bankruptcy: These are loans to legally bankrupt borrowers.
2. Non-accrual loans: These are loans to virtually bankrupt borrowers and borrowers for which the possibility of bankruptcy exists.
3. Loans past due three months or more: Of loans to borrowers requiring caution, loans past due three months or more are those for which the payment of principal or interest has fallen three months behind, counting from the day following the contractual payment day.
4. Restructured loans: Of loans to borrowers requiring caution, restructured loans are those for which payment of interest is reduced or suspended, payment of principal is extended, the claim is waived or another measure advantageous to the borrower is granted to facilitate business restructuring.

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