

Consolidated Balance Sheets

The Norinchukin Bank and Subsidiaries
As of March 31, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2011	2010	2011
Assets			
Cash and Due from Banks (Notes 29, 31 and 32)	¥ 1,837,633	¥ 2,195,337	\$ 22,100
Call Loans and Bills Bought (Note 31)	1,300,000	1,336,137	15,634
Receivables under Securities Borrowing Transactions	232,694	—	2,799
Monetary Claims Bought (Notes 31 and 32)	292,406	490,182	3,517
Trading Assets (Notes 3, 31 and 32)	19,377	13,054	233
Money Held in Trust (Notes 5, 9, 31 and 33)	7,751,802	6,556,615	93,227
Securities (Notes 4, 9, 21, 31 and 32)	43,041,795	43,994,790	517,640
Loans and Bills Discounted (Notes 5, 9, 20 and 31)	14,082,755	13,097,635	169,366
Foreign Exchange Assets (Note 6)	309,746	12,925	3,725
Other Assets (Notes 7, 9 and 31)	371,593	384,535	4,469
Tangible Fixed Assets (Note 8)	130,908	143,169	1,574
Intangible Fixed Assets	52,905	54,310	636
Deferred Tax Assets (Note 18)	134,602	204,530	1,619
Customers' Liabilities for Acceptances and Guarantees (Note 19)	557,304	502,932	6,702
Reserve for Possible Loan Losses (Note 31)	(269,211)	(303,340)	(3,238)
Reserve for Possible Investment Losses	(12,432)	(6,094)	(149)
Total Assets	¥69,833,882	¥68,676,723	\$839,854
Liabilities and Net Assets			
Liabilities			
Deposits (Notes 10 and 31)	¥40,949,373	¥39,101,635	\$492,476
Negotiable Certificates of Deposit (Note 31)	768,118	702,799	9,238
Debentures (Notes 11 and 31)	5,416,360	5,605,767	65,140
Bonds (Note 12)	254,366	265,806	3,059
Call Money and Bills Sold (Notes 9 and 31)	473,664	948,151	5,696
Payables under Repurchase Agreements (Notes 9 and 31)	8,523,065	9,667,031	102,502
Payables under Securities Lending Transactions (Note 9)	833,229	98,543	10,021
Trading Liabilities (Notes 13 and 31)	11,724	12,576	141
Borrowed Money (Notes 9, 14 and 31)	1,866,007	2,043,307	22,441
Foreign Exchange Liabilities (Note 15)	0	1	0
Short-term Entrusted Funds (Note 31)	4,397,280	4,277,171	52,884
Other Liabilities (Notes 9, 16 and 31)	1,498,346	1,469,168	18,020
Reserve for Bonus Payments	4,417	4,519	53
Reserve for Employees' Retirement Benefits (Note 17)	3,754	1,783	45
Reserve for Directors' Retirement Benefits	989	994	12
Deferred Tax Liabilities for Land Revaluation	16,041	18,439	193
Acceptances and Guarantees (Note 19)	557,304	502,932	6,702
Total Liabilities	65,574,044	64,720,631	788,623
Net Assets			
Paid-in Capital (Note 22)	3,425,909	3,425,909	41,202
Capital Surplus	25,020	25,020	301
Retained Earnings	972,337	837,448	11,694
Treasury Preferred Stock	(150)	(150)	(2)
Total Owners' Equity	4,423,117	4,288,228	53,195
Net Unrealized Losses on Other Securities, net of taxes	(222,611)	(406,850)	(2,677)
Net Deferred Gains on Hedging Instruments, net of taxes	26,783	36,923	322
Revaluation Reserve for Land, net of taxes	26,666	31,968	321
Foreign Currency Transaction Adjustments	(39)	(26)	(1)
Total Accumulated Other Comprehensive Income	(169,200)	(337,984)	(2,035)
Minority Interests	5,920	5,847	71
Total Net Assets	4,259,837	3,956,092	51,231
Total Liabilities and Net Assets	¥69,833,882	¥68,676,723	\$839,854

The accompanying notes are an integral part of the financial statements.



Consolidated Statements of Operations and Comprehensive Income

(1) Consolidated Statements of Operations

The Norinchukin Bank and Subsidiaries

For the fiscal years ended March 31, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2011	2010	2011
Income			
Interest Income:	¥ 665,029	¥ 719,196	\$ 7,998
Interest on Loans and Bills Discounted	90,130	102,854	1,084
Interest and Dividends on Securities	562,327	566,640	6,763
Interest on Call Loans and Bills Bought	2,440	4,788	29
Interest on Receivables under Resale Agreements	104	60	1
Interest on Receivables under Securities			
Borrowing Transactions	927	583	11
Interest on Due from Banks	2,480	7,436	30
Other Interest Income	6,618	36,832	80
Fees and Commissions	19,185	16,964	231
Trading Income (Note 23)	194	106	2
Other Operating Income (Note 24)	164,692	247,406	1,981
Other Income (Note 25)	262,337	286,886	3,155
Total Income	1,111,439	1,270,560	13,367
Expenses			
Interest Expenses:	557,731	648,014	6,708
Interest on Deposits	53,362	110,857	642
Interest on Negotiable Certificates of Deposit	2,567	2,252	31
Interest on Debentures	67,643	66,535	814
Interest on Borrowed Money	81,890	95,088	985
Interest on Call Money and Bills Sold	522	583	6
Interest on Payables under Repurchase Agreements	22,616	20,414	272
Interest on Payables under Securities Lending			
Transactions	156	204	2
Interest on Bonds	11,099	12,594	133
Other Interest Expenses	317,871	339,483	3,823
Fees and Commissions	10,544	10,745	127
Trading Expenses (Note 26)	160	776	2
Other Operating Expenses (Note 27)	247,483	173,725	2,976
General and Administrative Expenses	110,063	114,880	1,324
Other Expenses (Note 28)	60,799	246,754	731
Total Expenses	986,781	1,194,895	11,868
Income before Income Taxes and Minority Interests	124,657	75,664	1,499
Income Taxes — Current	1,146	6,477	14
Income Taxes — Deferred	(6,168)	36,000	(74)
Total Income Taxes	(5,022)	42,478	(60)
Income before Minority Interests	129,679	—	1,559
Minority Interests in Net Income	92	98	1
Net Income	¥ 129,586	¥ 33,087	\$ 1,558
		Yen	U.S. Dollars (Note 1)
		2011	2011
Net Income per Share	¥28.41	¥7.77	\$0.34

The accompanying notes are an integral part of the financial statements.

(2) Consolidated Statements of Comprehensive Income

The Norinchukin Bank and Subsidiaries
For the fiscal years ended March 31, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2011	2010	2011
Income before Minority Interests	¥129,679	¥—	\$1,559
Other Comprehensive Income	174,074	—	2,094
Net Unrealized Gains on Other Securities, net of taxes	184,585	—	2,220
Net Deferred Losses on Hedging Instruments, net of taxes	(10,149)	—	(122)
Foreign Currency Transaction Adjustments	(13)	—	(0)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	(347)	—	(4)
Total Comprehensive Income	¥303,754	¥—	\$3,653
Attributable to:			
Owners of the Parent	¥303,672	¥—	\$3,652
Minority Interests	¥ 81	¥—	\$ 1

The accompanying notes are an integral part of the financial statements.



Consolidated Statements of Capital Surplus and Retained Earnings

The Norinchukin Bank and Subsidiaries
For the fiscal years ended March 31, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2011	2010	2011
Capital Surplus			
Balance at the Beginning of the Fiscal Year	¥ 25,020	¥ 25,020	\$ 301
Balance at the End of the Fiscal Year	25,020	25,020	301
Retained Earnings			
Balance at the Beginning of the Fiscal Year	837,448	803,522	10,072
Additions:			
Net Income for the Fiscal Year	129,586	33,087	1,558
Transfer from Revaluation Reserve for Land, net of taxes	5,302	838	64
Balance at the End of the Fiscal Year	¥972,337	¥837,448	\$11,694

The accompanying notes are an integral part of the financial statements.



Consolidated Statements of Cash Flows

The Norinchukin Bank and Subsidiaries
For the fiscal years ended March 31, 2011 and 2010

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2011	2010	2011
Cash Flows from Operating Activities:			
Income before Income Taxes and Minority Interests	¥ 124,657	¥ 75,664	\$ 1,499
Depreciation	14,714	10,031	177
Losses on Impairment of Fixed Assets	9,170	2,570	110
Equity in Losses of Affiliates	12,875	48,202	155
Net Increase (Decrease) in Reserve for Possible Loan Losses	(34,128)	101,995	(410)
Net Increase in Reserve for Possible Investment Losses	6,338	6,094	76
Net Decrease in Reserve for Bonus Payments	(102)	(88)	(1)
Net Increase in Reserve for Employees' Retirement Benefits	1,970	862	24
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	(4)	155	(0)
Interest Income	(665,029)	(719,196)	(7,998)
Interest Expenses	557,731	648,014	6,708
Gains on Securities	(17,538)	(72,021)	(211)
Losses (Gains) on Money Held in Trust	(1,265)	6,195	(15)
Foreign Exchange Losses	2,764,234	1,490,696	33,244
Losses (Gains) on Disposal of Fixed Assets	(1,960)	691	(24)
Net Decrease (Increase) in Trading Assets	(6,322)	11,787	(76)
Net Decrease in Trading Liabilities	(851)	(1,149)	(10)
Net Increase in Loans and Bills Discounted	(985,120)	(2,074,942)	(11,848)
Net Increase in Deposits	1,847,737	1,608,816	22,222
Net Increase in Negotiable Certificates of Deposit	65,318	381,549	786
Net Increase (Decrease) in Debentures	(189,406)	353,701	(2,279)
Net Decrease in Borrowed Money (Excluding Subordinated Borrowed Money)	(177,300)	(3,614,200)	(2,132)
Net Decrease in Interest-bearing Due from Banks	274,831	719,856	3,305
Net Decrease (Increase) in Call Loans and Bills Bought and Other	240,982	(36,320)	2,898
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	(232,694)	140,422	(2,798)
Net Increase (Decrease) in Call Money and Bills Sold and Other	(1,618,453)	5,498,320	(19,464)
Net Increase in Short-term Entrusted Funds	120,109	199,716	1,444
Net Increase (Decrease) in Payables under Securities Lending Transactions	734,686	(431,733)	8,836
Net Decrease (Increase) in Foreign Exchange Assets	(296,821)	68,777	(3,570)
Net Decrease in Foreign Exchange Liabilities	(0)	(50)	(0)
Interest Received	744,141	732,242	8,949
Interest Paid	(580,049)	(691,449)	(6,976)
Other, Net	(30,860)	101,562	(371)
Subtotal	2,681,590	4,566,777	32,250
Income Taxes Paid	(6,350)	(678)	(76)
Net Cash Provided by Operating Activities	2,675,240	4,566,098	32,174

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2011	2010	2011
Cash Flows from Investing Activities:			
Purchases of Securities	(40,115,753)	(34,389,377)	(482,451)
Proceeds from Sales of Securities	3,871,282	3,291,245	46,558
Proceeds from Redemption of Securities	34,725,684	26,992,585	417,627
Increase in Money Held in Trust	(2,127,571)	(2,309,489)	(25,587)
Decrease in Money Held in Trust	896,001	1,996,677	10,776
Purchases of Tangible Fixed Assets	(8,339)	(3,044)	(100)
Purchases of Intangible Fixed Assets	(4,953)	(18,631)	(60)
Proceeds from Sales of Tangible Fixed Assets	5,601	995	67
Proceeds from Sales of Intangible Fixed Assets	—	38	—
Net Cash Used in Investing Activities	(2,758,047)	(4,439,001)	(33,170)
Cash Flows from Financing Activities:			
Proceeds from Issuance of Subordinated Borrowed Money	—	9,950	—
Proceeds from Issuance of Stock	—	4,539	—
Dividends Paid to Minority Interests	(9)	(9)	(0)
Net Cash Provided by (Used in) Financing Activities	(9)	14,479	(0)
Net Increase (Decrease) in Cash and Cash Equivalents	(82,816)	141,576	(996)
Cash and Cash Equivalents at the Beginning of the Fiscal Year	1,029,012	887,436	12,375
Cash and Cash Equivalents at the End of the Fiscal Year (Note 29)	¥ 946,195	¥ 1,029,012	\$ 11,379

The accompanying notes are an integral part of the financial statements.



Notes to the Consolidated Financial Statements

The Norinchukin Bank and Subsidiaries

1. Basis of Presentation

The consolidated financial statements have been prepared based on the accounting records maintained by The Norinchukin Bank (“the Bank”) and its consolidated subsidiaries in accordance with the provisions set forth in The Norinchukin Bank Law and in conformity with accounting principles and practices generally accepted in Japan, that are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

Certain items presented in the consolidated financial statements filed with the Ministry of Agriculture, Forestry and Fisheries of Japan have been reclassified for the convenience of readers.

The consolidated financial statements are intended only to present the consolidated financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in Japan.

Amounts in U.S. dollars are included solely for the convenience of readers. The exchange rate of ¥83.15=U.S.\$1, the approximate rate of exchange prevailing on March 31, 2011, has been used for translation purposes. The inclusion of such amounts is not intended to imply that Japanese yen amounts have been, or could be, readily converted, realized or settled in U.S. dollars at the aforementioned rate or at any other rate.

The yen figures disclosed in the consolidated financial statements are expressed in millions of yen and have been rounded down. Consequently, differences may exist between the sum of rounded figures and the totals listed in the annual report.

2. Summary of Significant Accounting Policies

Accounting Changes

The Bank and its consolidated subsidiaries adopted the standard of “Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)” (ASBJ Statement No. 19, July 31, 2008) at the end of the fiscal year ended March 31, 2010. However, as the discount rate was not impacted by this adoption, it did not have impact on the consolidated financial statements.

The Bank and its consolidated subsidiaries adopted the standard of “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, March 10, 2008) and “Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19, March 10, 2008) at the end of the fiscal year ended March 31, 2010. The effect of this adoption on the consolidated financial statements was immaterial.

Change in Presentation of Consolidated Balance Sheet

As the addendum format of “Ordinance for Enforcement of The Norinchukin Bank Law” (Cabinet Office and Ministry of Agriculture, Forestry and Fisheries Ordinance No. 16 of 2001) was revised by “Order Partially Revising Ordinance for Enforcement of The Norinchukin Bank Law” (Cabinet Office and Ministry of Agriculture, Forestry and Fisheries Ordinance No. 1, March 25, 2011), “Total Valuation and Translation Adjustments” in the prior years is presented as “Total Accumulated Other Comprehensive Income” from the fiscal year ended March 31, 2011.

Change in Presentation of Consolidated Statement of Operations

As the addendum format of “Ordinance for Enforcement of The Norinchukin Bank Law” (Cabinet Office and Ministry of Agriculture, Forestry and Fisheries Ordinance No. 16 of 2001) was revised by “Order Partially Revising Ordinance for Enforcement of The Norinchukin Bank Law” (Cabinet Office and Ministry of Agriculture, Forestry and Fisheries Ordinance No. 1, March 25, 2011), “Income before Minority Interests” is newly presented from the fiscal year ended March 31, 2011.

Additional Information

The Bank has adopted “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No. 25, June 30, 2010) from the fiscal year ended March 31, 2011.

In accordance with this new standard, consolidated statement of comprehensive income for the year ended March 31, 2010 is not presented. The comparative information for the year ended March 31, 2010 is as follows:

Other Comprehensive Income	¥1,425,608 million
Net Unrealized Gains on Other Securities, net of taxes	¥1,465,547 million
Net Deferred Losses on Hedging Instruments, net of taxes	¥(39,929) million
Foreign Currency Transaction Adjustments	¥(6) million
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	¥(2) million
Total Comprehensive Income	¥1,458,795 million
Attributable to:	
Owners of the Parent	¥1,458,672 million
Minority Interests	¥122 million

(1) Principles of Consolidation

Scope of Consolidation

Subsidiaries

Subsidiaries are, in general, the companies in which the Bank 1) holds, directly and/or indirectly, more than 50% of the voting shares; 2) holds, directly and/or indirectly, 40% or more of the voting shares and, at the same time, exercises effective control over the decision-making body by directing business policy and deciding on financial and operating policies; or 3) holds more than 50% of the voting shares together with those entities that would vote or agree to vote with the Bank due to their close relationship with the Bank through sharing of personnel, provision of finance and technology and other relationships and, at the same time, has effective control over the decision-making body, unless evidence exists which shows that the Bank does not have such control.

The numbers of subsidiaries as of March 31, 2011 and 2010 were 8 and 8, all of which were consolidated, respectively.

The major consolidated subsidiaries are as follows:

- The Norinchukin Trust & Banking Co., Ltd.
- Kyodo Housing Loan Co., Ltd.

The date of the fiscal year-end of all consolidated subsidiaries is March 31.

Affiliates

Affiliates are, in general, the companies, other than subsidiaries, in which the Bank 1) holds, directly and/or indirectly, 20% or more of the voting shares; 2) holds, directly and/or indirectly, 15% or more of the voting shares and also is able to influence the decision-making body through sharing of personnel, provision of finance and technology, and other relationships; or 3) holds more than 20% of the voting shares together with those entities that would vote or agree to vote with the Bank due to their close relationship with the Bank through sharing of personnel, provision of finance and technology and other relationships and, at the same time, is able to influence the decision-making body in a material degree, unless evidence exists which shows that the Bank does not have such influence.

The numbers of affiliates as of March 31, 2011 and 2010 were 7 and 7, 6 and 6 of which were accounted for by the equity method, respectively, while the remaining immaterial affiliate is carried at cost. Differences between the cost and the underlying net equity at fair value of investments in companies which are accounted for by the equity method have been amortized by the straight-line method over 20 years. However, immaterial goodwill and negative goodwill are charged or credited to income in the year of acquisition. The major affiliates accounted for by the equity method are as follows:

- Mitsubishi UFJ NICOS Co., Ltd.
- JA MITSUI LEASING, LTD.

(2) Transactions for Trading Purposes

Transactions for trading purposes are those seeking gains arising from short-term market movements or from the arbitrage opportunities in interest rates, foreign exchange rates and other market related indices. Such transactions are reported as Trading Assets or Trading Liabilities in the consolidated balance sheet on a trade date basis.

Gains and losses arising from transactions for trading purposes are recorded in Trading Income and Trading Expenses on the consolidated statements of operations.

Securities, monetary claims and certain other instruments held for trading purposes are valued at fair value prevailing at the end of the fiscal year. Derivatives held for trading purposes, such as swaps, futures and options, are valued on the assumption that they were settled at the end of the consolidated balance sheet date.

Trading Income and Trading Expenses include interest received and paid in the fiscal year, gains or losses resulting from any change in the fair value of securities and monetary claims from the end of the previous fiscal year and gains or losses of derivatives resulting from any change in the fair value, which is determined assuming they were settled at the end of the fiscal year, from the end of the previous fiscal year.

(3) Financial Instruments

a. Securities

Held-to-maturity debt securities are valued at amortized cost (straight-line method), as determined by the moving average method.

Investments in affiliates that are not accounted for by the equity method are valued at cost, as determined by the moving average method. Other securities that have readily determinable fair value are valued at fair value, which is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date (the cost of securities sold is calculated primarily by the moving average method). Other securities which are extremely difficult to determine the fair value are valued at cost determined by the moving average method or are valued at amortized cost.

Net Unrealized Gains or Losses on Other Securities, net of taxes, are reported separately in Net Assets.

Securities included in Money Held in Trust are valued using the same methods described in (2) and (3) a. above.

b. Derivatives

Derivative transactions (other than transactions for trading purposes) are recorded at fair value.

c. Hedge Accounting

(a) Hedge of Interest Rate Risk

The Bank applies the deferral method of hedge accounting to hedge transactions to manage interest rate risk associated with various financial assets and liabilities, which is described in "Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks," issued by the Japanese Institute of Certified Public Accountants ("JICPA"), (JICPA Industry Audit Committee Report No. 24). Hedge effectiveness of a fair value hedge is assessed by identified groups of hedged items, such as loans and deposits, and the corresponding groups of hedging instruments, such as interest rate swaps within the same maturity bucket. Hedge effectiveness of a cash flow hedge is assessed based on the correlation of the interest rate risk indicators of the hedged items and that of the hedging instruments.

Deferred hedge gains or losses were recorded in the consolidated balance sheet as a result of applying the hedge accounting method described in "Tentative Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks" (JICPA Industry Audit Committee Report No. 15), to the macro hedges under which the Bank used derivatives to manage the overall interest rate risk arising from various financial assets and liabilities, such as loans and deposits. Such deferred hedge gains or losses are amortized into Interest Income or Interest Expenses as calculated based on the maturity and notional amount of the hedging instruments, beginning in the fiscal year ended March 31, 2004.

The unamortized balances of deferred hedge losses under the macro hedges, before deducting the tax effect, as of March 31, 2011 and 2010 were ¥105 million (\$1 million) and ¥1,244 million, respectively.

(b) Hedge of Foreign Exchange Rate Risk

The Bank applies the deferral method of hedge accounting to the hedge to manage foreign exchange rate risk arising from various financial assets and liabilities denominated in foreign currencies, which is described in “Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry” (JICPA Industry Audit Committee Report No. 25). Hedge effectiveness is assessed by reviewing whether the amount of the hedged items, such as financial monetary assets and liabilities denominated in foreign currencies, exceeds that of the hedging instruments, such as currency swap or foreign exchange swap transactions, entered into to mitigate the foreign exchange rate risk arising from the hedged items.

The deferral method or the fair value method of hedge accounting is applied to the portfolio hedges of foreign exchange rate risks associated with securities denominated in foreign currencies (other than debt securities), provided that (1) the securities denominated in foreign currencies are identified as hedged items in advance, and (2) foreign currency amounts of spot and forward liabilities exceeds those of the acquisition costs of the foreign currency securities designated as hedged items.

(c) Internal Derivative Transactions

Internal derivative transactions between trading accounts and banking accounts or inter-division transactions, which are designated as hedges, are not eliminated. The related gains and losses are recognized in the consolidated statements of operations or are deferred in the consolidated balance sheet in accordance with the hedge accounting rules, because the internal interest rate swap and currency swap transactions, that are designated as hedging instruments, are traded in a non discretionary manner and are appropriately and ultimately covered by third party transactions, which are conducted in accordance with the standards stipulated in the JICPA Industry Audit Committee Report No. 24 and No. 25.

For certain other assets or liabilities, the Bank applies the deferral method or the accrual method of hedge accounting, as specifically permitted for certain interest rate swaps. Under the deferral method, the recognition of income or expenses associated with a hedging instrument is deferred to the period when the income or expense arising from the hedged item is recognized.

A certain Bank’s consolidated subsidiary applies the accrual method of hedge accounting, as specifically permitted for certain interest rate swaps.

(4) Tangible Fixed Assets (other than Lease Assets)**a. Depreciation**

Depreciation of Tangible Fixed Assets of the Bank is calculated using the declining-balance method. However, depreciation on buildings acquired on or after April 1, 1998 (excluding annex facilities from buildings) is calculated using the straight-line method.

The useful lives of major Tangible Fixed Assets are as follows:

Buildings:	15 years to 50 years
Others:	5 years to 15 years

Depreciation of Tangible Fixed Assets of the consolidated subsidiaries is primarily calculated using the declining-balance method over their estimated economic useful lives.

b. Land Revaluation

In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes was revalued on March 31, 1998. Unrealized gains arising from revaluation, net of deferred tax, are disclosed as Revaluation Reserve for Land, net of taxes and included in Net Assets on the consolidated balance sheet. The related deferred tax liability is recorded as Deferred Tax Liabilities for Land Revaluation.

The land prices used for the revaluation were reasonably calculated based on third-party appraisals in accordance with Article 2-5 of the enforcement ordinance for the Law Concerning the Revaluation of Land.

(5) Intangible Fixed Assets (other than Lease Assets)

Depreciation of Intangible Fixed Assets is calculated using the straight-line method.

The costs of software developed or obtained for internal use are capitalized and amortized using the straight-line method over an estimated useful life of 5 years.

(6) Lease Assets**a. Depreciation**

Depreciation of Lease Assets in Tangible Fixed Assets and Intangible Fixed Assets which are finance leases where the ownership of assets is not transferred to the lessees is calculated using the straight-line method over the lease term with zero residual value unless residual value is guaranteed by the corresponding lease contracts.

b. Accounting for Finance Leases

Finance leases where the ownership of assets is not transferred to the lessees, which commenced in fiscal years beginning prior to April 1, 2008, are accounted for by the same accounting method as for operating leases. Rental expenses and lease expenses under operating leases are charged to income when incurred.

(7) Debentures

All the debenture issuance costs are charged to income when incurred.

(8) Foreign Currency Translation

Assets and liabilities denominated in foreign currencies, and accounts of overseas branches are translated into Japanese yen primarily using the exchange rates in effect at the consolidated balance sheet date.

Assets and liabilities of the consolidated subsidiaries denominated in foreign currencies are translated into Japanese yen using the respective exchange rates in effect at the balance sheet date.

(9) Reserve for Possible Loan Losses

Reserve for Possible Loan Losses of the Bank is computed as follows:

- a. Reserve for loans to debtors who are legally or substantially bankrupt under the Bankruptcy Law, Special Liquidation under the Company Law or other similar laws is provided based on the remaining book value of the loans after the direct write-off described below and the deduction of the amount expected to be collected through the disposal of collateral or the execution of guarantees.

With respect to loans to borrowers who are legally or substantially bankrupt and that are secured by collateral or guarantees, the remaining book value of the loan, after the deduction of the amount of collateral or the execution of guarantees, is directly written off. Direct write-offs were ¥46,050 million (\$554 million) and ¥74,286 million for the fiscal years ended March 31, 2011 and 2010, respectively.
- b. Reserve for loans to debtors who are not currently bankrupt, but are likely to become bankrupt (“doubtful debtors”), is determined after taking into account a comprehensively evaluated repayment ability of debtors after deducting the amount expected to be collected through the disposal of collateral or the execution of guarantees.
- c. Reserve for loans to debtors with restructured loans (see Note 5) is provided based on the Discounted Cash Flow method if the loan balance exceeds a specific amount and the future cash flows of the principal and interest of the loan can be reasonably estimated. Under the Discounted Cash Flow method, reserve is measured as the difference between the book value of the loan and its present value of expected future cash flows, discounted by the contractual interest rate before the terms of the loan were restructured.
- d. Reserve for loans other than those indicated above, is provided primarily at the amount calculated using the default rates which the Bank has calculated based on actual defaults experienced in the past.
- e. Specific reserve for loans to certain countries with financial difficulties is provided based on the expected amount of losses taking into account the political, economic and other conditions in each country.

All claims are assessed by the Business Units based on the Bank’s internal rules for the self-assessment of asset quality. The Asset Audit Department, which is independent from the Business Units, audits these self-assessments. Reserves described above are determined based on the results of these self-assessments.

The effects of the Great East Japan Earthquake are taken into account in the self-assessment as long as the reasonable judgements of the debtors’ status can be possibly made. The reasonably estimated amounts of the effects are reflected in the financial statements of the fiscal year ended March 31, 2011.

Reserve for Possible Loan Losses for receivables of the Bank's consolidated subsidiaries is provided at the amount determined as necessary using the past default ratio. Reserve for Possible Loan Losses for problem receivables of the Bank's consolidated subsidiaries is provided by taking into account their recoverability and an estimate of uncollectible amount.

Some of the Bank's consolidated subsidiaries provide reserve at the amount determined using the information available at the end of the fiscal year ended March 31, 2011 with respect to the debtors whose accurate status is difficult to confirm due to the Great East Japan Earthquake.

(10) Reserve for Possible Investment Losses

Reserve for Possible Investment Losses represents an amount determined to be necessary to cover the estimated loss from the investments, taking into account the financial condition and other factors of the issuer of the securities.

(11) Reserve for Bonus Payments

Reserve for Bonus Payments represents estimated cost of payment of employees' bonuses attributable to the fiscal year.

(12) Reserve for Employees' Retirement Benefits

Reserve for Employees' Retirement Benefits, which is provided for the payment of employees' retirement benefits, is recorded as the required amount accrued at the end of the fiscal year, based on the estimated present value of projected benefit obligations ("PBO") and the estimated plan assets at the end of the fiscal year. In the case that plan assets exceed the amounts of the PBO adjusted by unrecognized prior service cost and actuarial differences, the excess portion is recorded as prepaid pension costs in Other Assets.

Unrecognized prior service cost is amortized over a certain period (10 years) within the employees' average remaining service period using the straight-line method beginning in the fiscal year which the difference had been incurred.

Unrecognized actuarial differences are amortized over a certain period (10 years) within the employees' average remaining service period using the declining-balance method beginning in the fiscal year after the difference had been incurred.

Some of Bank's consolidated subsidiaries adopt the simplified method whereby the amount that would be payable if the eligible employees voluntarily terminate the employment and certain other alternative measures may be used without employing actuarial calculations in accordance with the Accounting Standard for Retirement Benefit to calculate PBO.

(13) Reserve for Directors' Retirement Benefits

Reserve for Directors' Retirement Benefits for the payments of retirement benefits for directors and corporate auditors is recognized as the required amount accrued at the end of the fiscal year.

(14) Consumption Taxes

Consumption tax and local consumption tax incurred on taxable transactions are excluded from these transaction amounts.

(15) Scope of "Cash and Cash Equivalents" in the Consolidated Statements of Cash Flows

"Cash and Cash Equivalents" in the consolidated statements of cash flows represents cash and non-interest bearing due from banks in Cash and Due from Banks of the consolidated balance sheets.

Non-interest bearing due from banks includes due from Bank of Japan for which interest is paid on excess reserve balance based on a temporary measure introduced by Bank of Japan.

(16) Net Income per Share

Net Income per Share is computed based upon the weighted average number of shares outstanding during the fiscal year.

The total dividends for Lower Dividend Rate Stocks and Preferred Stocks and the total Special Dividends are deducted from the numerator, the aggregate number of Lower Dividend Rate Stock and Preferred Stock is deducted from the denominator respectively in the calculation of Net Income per Share.

3. Trading Assets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Trading Securities	¥ 7,206	¥ 78	\$ 87
Derivatives of Trading Securities	—	—	—
Derivatives of Securities Related to Trading Transactions	—	4	—
Trading-related Financial Derivatives	12,170	12,971	146
Total	¥19,377	¥13,054	\$233

4. Securities

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Japanese Government Bonds	¥15,276,015	¥14,137,539	\$183,716
Municipal Government Bonds	1,489	1,053	18
Corporate Bonds	104,505	265,613	1,257
Stocks	498,299	565,729	5,993
Other	27,161,484	29,024,854	326,656
Foreign Bonds	17,964,916	20,522,753	216,054
Foreign Stocks	55,583	62,801	668
Investment Trusts	8,481,284	7,692,580	102,000
Other	659,699	746,718	7,934
Total	¥43,041,795	¥43,994,790	\$517,640

The maturity profile of securities is as follows:

As of March 31, 2011	Millions of Yen				
	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
Bonds	¥6,858,263	¥ 103,030	¥5,668,012	¥2,752,704	¥ —
Japanese Government Bonds	6,855,457	17,200	5,662,417	2,740,939	—
Municipal Government Bonds	28	660	556	244	—
Corporate Bonds	2,777	85,169	5,038	11,519	—
Stocks	—	—	—	—	498,299
Other	1,400,260	12,077,862	3,430,173	2,348,178	7,905,010
Foreign Bonds	1,360,520	11,683,349	3,182,839	1,738,207	—
Foreign Stocks	—	—	—	—	55,583
Investment Trusts	25,373	134,817	978	503,036	7,817,078
Other	14,366	259,694	246,355	106,935	32,347
Total	¥8,258,523	¥12,180,892	¥9,098,186	¥5,100,882	¥8,403,309

As of March 31, 2010	Millions of Yen				
	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
Bonds	¥6,596,463	¥ 102,250	¥2,786,167	¥4,919,324	¥ —
Japanese Government Bonds	6,431,445	13,633	2,785,727	4,906,733	—
Municipal Government Bonds	55	516	440	40	—
Corporate Bonds	164,962	88,100	—	12,550	—
Stocks	—	—	—	—	565,729
Other	3,028,139	13,636,146	3,165,015	2,096,741	7,098,812
Foreign Bonds	2,895,273	13,422,033	2,811,261	1,394,184	—
Foreign Stocks	—	—	—	—	62,801
Investment Trusts	113,221	20,729	42,971	523,086	6,992,572
Other	19,643	193,384	310,781	179,470	43,438
Total	¥9,624,602	¥13,738,396	¥5,951,182	¥7,016,066	¥7,664,541

Millions of U.S. Dollars

As of March 31, 2011	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
Bonds	\$82,481	\$ 1,239	\$ 68,166	\$33,105	\$ —
Japanese Government Bonds	82,447	207	68,099	32,964	—
Municipal Government Bonds	0	8	7	3	—
Corporate Bonds	34	1,024	60	138	—
Stocks	—	—	—	—	5,993
Other	16,840	145,254	41,253	28,240	95,069
Foreign Bonds	16,362	140,509	38,278	20,904	—
Foreign Stocks	—	—	—	—	668
Investment Trusts	305	1,622	12	6,050	94,012
Other	173	3,123	2,963	1,286	389
Total	\$99,321	\$146,493	\$109,419	\$61,345	\$101,062

Notes: 1. The above amount is based on the consolidated balance sheet amount at the end of the fiscal year.

2. Investment Trusts include Japanese trusts and Foreign trusts.

5. Loans and Bills Discounted

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Loans on Deeds	¥12,581,210	¥11,524,120	\$151,308
Loans on Bills	143,204	111,366	1,722
Overdrafts	1,352,753	1,455,323	16,269
Bills Discounted	5,587	6,824	67
Total	¥14,082,755	¥13,097,635	\$169,366

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Loans to Borrowers under Bankruptcy Proceedings	¥ 3,216	¥ 6,444	\$ 39
Delinquent Loans	245,670	226,270	2,954
Loans Past Due for Three Months or More	111	320	1
Restructured Loans	62,000	71,796	746
Total	¥310,997	¥304,832	\$3,740

(1) Loans to borrowers under bankruptcy proceedings are loans whose interests accruals are suspended (excluding the parts written-off for possible loan losses, hereinafter referred to as "Non-accrual Loans") since the loans are determined to be uncollectible considering the period of time past due and other reasons, as stipulated in Article 96-1-3, 4 of Corporate Tax Law (Law No. 97, 1965).

(2) Delinquent loans are also non-accrual loans other than loans to borrowers under bankruptcy proceedings or loans whereby payments of interests are deferred in order to support the borrowers' rehabilitation.
In addition, as of March 31, 2011 and 2010, Money Held in Trust includes delinquent loans of ¥— and ¥3,271 million, respectively.

(3) Loans past due for three months or more are loans whose principal or interest is past-due for three months or more, other than loans to borrowers under bankruptcy proceedings and delinquent loans.

(4) Restructured loans are loans whereby its terms are modified in favor of the borrowers by reducing the interest rate, deferral of payments of interest or principal, waiving principal repayments, etc., in order to support the borrowers' rehabilitation and facilitate the collection of the loan.
In addition, as of March 31, 2011 and 2010, Money Held in Trust includes restructured loans of ¥3 million (\$0 million) and ¥—, respectively.

6. Foreign Exchange Assets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Foreign Bills Bought	¥ —	¥ —	\$ —
Due from Foreign Banks	309,746	12,925	3,725
Total	¥309,746	¥12,925	\$3,725

7. Other Assets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Prepaid Expenses	¥ 554	¥ 777	\$ 7
Accrued Income	119,356	133,463	1,435
Financial Derivatives	49,256	67,125	592
Other	202,426	183,169	2,435
Total	¥371,593	¥384,535	\$4,469

8. Tangible Fixed Assets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Land	¥ 67,442	¥ 73,935	\$ 811
Buildings	40,491	45,345	487
Equipment	8,343	6,804	100
Lease Assets	14,430	17,077	174
Other	201	5	2
Total Net Book Value	130,908	143,169	1,574
Accumulated Depreciation Deducted	¥101,613	¥ 96,692	\$1,222

9. Assets Pledged

Assets pledged as collateral comprise the following:

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Securities	¥13,218,581	¥14,110,113	\$158,973
Loans and Bills Discounted	7,556,911	6,989,835	90,883

Liabilities related to the above pledged assets are as follows:

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Call Money and Bills Sold	¥ 425,000	¥ 455,000	\$ 5,111
Payables under Repurchase Agreements	8,523,065	9,667,031	102,502
Payables under Securities Lending Transactions	804,888	84,008	9,680
Borrowed Money	335,000	532,300	4,029
Other Liabilities	21,150	—	254

In addition, as of March 31, 2011 and 2010, Securities (including transactions of Money Held in Trust) of ¥7,831,309 million (\$94,183 million) and ¥8,658,580 million, respectively, were pledged as collateral for settlement of exchange and derivative transactions or as margins of futures transactions.

As of March 31, 2011 and 2010, initial margins of futures transactions of ¥1,631 million (\$20 million) and ¥2,199 million, cash collateral under financial derivative transactions of ¥953 million (\$11 million) and ¥17,099 million, and guarantee deposits of ¥6,336 million (\$76 million) and ¥5,928 million were included in Other Assets.

10. Deposits

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Time Deposits	¥34,495,148	¥33,440,190	\$414,855
Deposits at Notice	52,668	39,168	633
Ordinary Deposits	990,567	1,002,256	11,913
Current Deposits	105,039	126,704	1,263
Other Deposits	5,305,950	4,493,315	63,812
Total	¥40,949,373	¥39,101,635	\$492,476

11. Debentures

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
One-year Discount Debentures	¥ —	¥ —	\$ —
Long-term Coupon Debentures	5,416,360	5,605,767	65,140
Total	¥5,416,360	¥5,605,767	\$65,140

12. Bonds

Bonds were subordinated bonds of ¥254,366 million (\$3,059 million) and ¥265,806 million as of March 31, 2011 and 2010, respectively.

13. Trading Liabilities

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Derivatives of Trading Securities	¥ 12	¥ —	\$ 0
Derivatives of Securities Related to Trading Transactions	0	—	0
Trading-related Financial Derivatives	11,710	12,576	141
Total	¥11,724	¥12,576	\$141

14. Borrowed Money

Borrowed Money includes subordinated borrowings of ¥1,486,007 million (\$17,871 million) and ¥1,486,007 million as of March 31, 2011 and 2010, respectively.

15. Foreign Exchange Liabilities

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Foreign Bills Sold	¥—	¥—	\$—
Foreign Bills Payable	0	1	0
Due to Foreign Banks	—	—	—
Total	¥ 0	¥ 1	\$ 0

16. Other Liabilities

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Accrued Expenses	¥ 62,595	¥ 85,187	\$ 753
Income Taxes Payable	492	2,350	6
Unearned Income	1,353	1,621	16
Derivatives Other Than for Trading	193,667	349,816	2,329
Accounts Payable for Securities Purchased	1,031,865	924,564	12,410
Other	208,371	105,627	2,506
Total	¥1,498,346	¥1,469,168	\$18,020

17. Retirement Benefit Plans

The Bank and its consolidated subsidiaries fund a defined benefit pension plan and, in addition, have a lump-sum payment pension plan. Additional retirement benefits are paid to employees in certain cases. To fund the lump-sum payment pension plan, the Bank has established a retirement benefit trust.

The reserve for retirement benefits as of March 31, 2011 and 2010, are as follows:

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Projected Benefit Obligations	¥(88,780)	¥(85,915)	\$(1,068)
Plan Assets	68,149	75,407	820
Unfunded Retirement Benefit Obligations	(20,630)	(10,508)	(248)
Unrecognized Actuarial Differences	16,253	7,941	195
Unrecognized Prior Service Cost	1,327	1,487	16
Net Amounts Reported in the Consolidated Balance Sheets	(3,049)	(1,079)	(37)
Prepaid Pension Cost	704	704	8
Reserve for Employees' Retirement Benefits	¥ (3,754)	¥ (1,783)	\$ (45)

Note: Some of the Bank's consolidated subsidiaries adopt the simplified method whereby the amount that would be payable if the eligible employees voluntarily terminate the employment and certain other alternative measures may be used without employing actuarial calculations in accordance with the Accounting Standard for Retirement Benefit to calculate PBO.

Assumptions used in the above calculation are as follows:

As of or for the fiscal years ended March 31	2011	2010
Discount Rate	2.0%	2.0%
Expected Rate of Return on Plan Assets	3.0%	3.0%
Method of Attributing the Projected Benefits to Periods of Service	Straight-line Basis	Straight-line Basis
Amortization of Unrecognized Actuarial Differences	10 years	10 years
Amortization of Unrecognized Prior Service Cost	10 years	10 years

18. Accounting for Income Taxes

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Deferred Tax Assets:			
Reserve for Possible Loan Losses	¥ 65,335	¥ 78,917	\$ 786
Write-off of Loans	4,151	7,168	50
Losses on Revaluation of Securities	122,496	151,057	1,473
Reserve for Employees' Retirement Benefits	8,912	8,207	107
Depreciation Expense	707	886	8
Net Operating Losses Carried Forward	6,389	—	77
Unrealized Losses on Other Securities	103,372	143,735	1,243
Deferred Losses on Hedging Instruments	2,718	3,769	33
Unrealized Losses on Reclassification	76,651	121,766	922
Other	80,187	79,187	964
Subtotal	470,923	594,696	5,663
Valuation Allowance	(200,987)	(246,178)	(2,417)
Total Deferred Tax Assets	269,936	348,518	3,246
Deferred Tax Liabilities:			
Gain from Contribution of Securities to Employee Retirement Benefit Trust	(5,577)	(5,577)	(67)
Unrealized Gains on Other Securities	(47)	(46)	(1)
Deferred Gains on Hedging Instruments	(14,839)	(20,482)	(178)
Unrealized Gains on Reclassification	(58,627)	(65,238)	(705)
Other	(56,242)	(52,643)	(676)
Total Deferred Tax Liabilities	(135,333)	(143,988)	(1,627)
Net Deferred Tax Assets	¥134,602	¥204,530	\$1,619

19. Acceptances and Guarantees

As of March 31	Millions of Yen		Millions of U.S.
	2011	2010	Dollars 2011
Acceptance of Bills of Exchange	¥ —	¥ —	\$ —
Letters of Credit	578	3,890	7
Guarantees	556,726	499,041	6,695
Total	¥557,304	¥502,932	\$6,702

All contingent liabilities arising in connection with customers' foreign trade and other transactions are classified under Acceptances and Guarantees. As a contra account, Customers' Liabilities for Acceptances and Guarantees, is classified as an asset representing the Bank's right of indemnity from customers.

20. Commitments to Overdrafts and Loans

Commitments related to overdrafts and loans represent agreements to extend overdrafts or loans up to the pre-agreed amount at the customer's request as long as no violation of the conditions stipulated in the commitment agreement exists. The amount of undrawn commitments in relation to such agreements was ¥2,545,039 million (\$30,608 million) and ¥2,524,614 million as of March 31, 2011 and 2010, respectively. The amount, which the Bank and its consolidated subsidiaries could cancel at any time without penalty, was ¥1,715,544 million (\$20,632 million) and ¥1,653,804 million as of March 31, 2011 and 2010, respectively.

The amount of undrawn commitments does not necessarily affect the future cash flow of the Bank and its consolidated subsidiaries because the majority of such agreements are terminated without being exercised. Most of these agreements have provisions which stipulate that the Bank and its consolidated subsidiaries may not extend the loan or may decrease the commitment when there are certain changes in the overall financial conditions, certain issues relating to collateral and other reasons. At the time of extending loans to customers, the Bank and its consolidated subsidiaries are able to request collateral in the form of premises or securities as necessary. After extending loans, the Bank periodically checks the financial condition of its customers based on predefined policies and procedures and acts to secure loans as necessary.

21. Securities Loaned

Securities include securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) of ¥139,814 million (\$1,681 million) and ¥162,151 million as of March 31, 2011 and 2010, respectively.

Securities borrowed under unsecured borrowing agreements (Saiken Taishaku Torihiki) and securities purchased under resale agreements and cash-collateralized borrowing agreements, which can be sold or re-pledged by the Bank, include securities re-pledged out of ¥29,671 million (\$357 million) and ¥15,369 million as of March 31, 2011 and 2010, respectively, and securities held without re-pledge of ¥1,065,101 million (\$12,809 million) and ¥739,538 million as of March 31, 2011 and 2010, respectively. No such securities are re-loaned to the third parties.

22. Paid-in Capital

As of March 31	Millions of Yen		Millions of U.S.
	2011	2010	Dollars 2011
Common Stock	¥3,400,909	¥3,400,909	\$40,901
Preferred Stock	24,999	24,999	301
Total	¥3,425,909	¥3,425,909	\$41,202

The Common Stock account includes Lower Dividend Rate Stock with a total par value of ¥2,975,192 million (\$35,781 million) and ¥2,975,192 million as of March 31, 2011 and 2010, respectively.

Lower Dividend Rate Stock is similar to regular common stock but has been issued on the condition that the dividend yield will be set below that relating to common stock.

23. Trading Income

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Income from Trading Securities and Derivatives	¥ —	¥106	\$—
Income from Securities and Derivatives Related to Trading Transactions	—	—	—
Income from Trading-related Financial Derivatives	194	—	2
Other	—	—	—
Total	¥194	¥106	\$ 2

24. Other Operating Income

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Gains on Foreign Exchange Transactions	¥ —	¥ 3,322	\$ —
Gains on Sales of Bonds	69,902	175,839	841
Gains on Redemption of Bonds	28,499	16,454	343
Gains on Financial Derivatives	21,276	7,548	256
Other	45,014	44,242	541
Total	¥164,692	¥247,406	\$1,981

25. Other Income

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Gains on Sales of Stocks and Other Securities	¥ 23,639	¥ 15,359	\$ 284
Gains on Money Held in Trust	205,109	267,219	2,467
Equity in Earnings of Affiliates	—	—	—
Gains on Disposals of Fixed Assets	2,484	216	30
Recoveries of Written-off Claims	1,533	2,306	18
Reversal of Reserve for Possible Loan Losses	25,615	—	308
Other	3,955	1,785	48
Total	¥262,337	¥286,886	\$3,155

26. Trading Expenses

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Expenses on Trading Securities and Derivatives	¥ 65	¥ —	\$ 1
Expenses on Securities and Derivatives Related to Trading Transactions	94	479	1
Expenses on Trading-related Financial Derivatives	—	297	—
Total	¥160	¥776	\$ 2

27. Other Operating Expenses

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Amortization of Debenture Issuance Costs	¥ 471	¥ 523	\$ 6
Losses on Foreign Exchange Transactions	657	—	8
Losses on Sales of Bonds	178,810	38,693	2,150
Losses on Redemption of Bonds	4,593	1	55
Losses on Revaluation of Bonds	10,390	80,459	125
Other	52,560	54,047	632
Total	¥247,483	¥173,725	\$2,976

28. Other Expenses

Fiscal years ended March 31	Millions of Yen		Millions of U.S.
	2011	2010	Dollars 2011
Write-off of Loans	¥ 1,908	¥ 12,918	\$ 23
Provision of Reserve for Possible Loan Losses	—	139,337	—
Losses on Sales of Stocks and Other Securities	120	2,920	2
Losses on Revaluation of Stocks and Other Securities	10,902	5,736	131
Losses on Money Held in Trust	6,001	16,932	72
Equity in Losses of Affiliates	12,875	48,202	155
Losses on Disposals of Fixed Assets	523	908	6
Provision of Reserve for Possible Investment Losses	6,338	6,094	76
Other	22,129	13,703	266
Total	¥60,799	¥246,754	\$731

29. Cash Flows

The reconciliation of Cash and Due from Banks in the consolidated balance sheets to “Cash and Cash Equivalents” at the end of the fiscal year is as follows:

As of March 31	Millions of Yen		Millions of U.S.
	2011	2010	Dollars 2011
Cash and Due from Banks	¥1,837,633	¥2,195,337	\$22,100
Less: Interest-bearing Due from Banks	(891,437)	(1,166,325)	(10,721)
Cash and Cash Equivalents at the End of the Fiscal Year	¥ 946,195	¥1,029,012	\$11,379

30. Segment Information

Fiscal year ended March 31, 2011

(1) Segment Information

Segment Information is not shown in these statements, since the banking business is the only reportable segment.

(Additional information)

The Bank and its consolidated subsidiaries have adopted the standard of “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17, March 27, 2009) and “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, March 21, 2008) from the fiscal year ended March 31, 2011.

(2) Related Information

a. Information about Services

Fiscal year ended March 31, 2011	Millions of Yen			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	¥103,139	¥898,026	¥80,640	¥1,081,805

Fiscal year ended March 31, 2011	Millions of U.S. Dollars			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	\$1,240	\$10,800	\$970	\$13,010

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

b. Information about Geographic Areas**(a) Ordinary Income**

Fiscal year ended March 31, 2011	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥1,058,570	¥2,706	¥7,710	¥12,819	¥1,081,805

Fiscal year ended March 31, 2011	Millions of U.S. Dollars				
	Japan	Americas	Europe	Others	Total
	\$12,731	\$32	\$93	\$154	\$13,010

Notes: 1. Ordinary Income represents Total Income less certain special income.
 2. Ordinary Income is shown in place of Sales for non-financial companies.
 3. Ordinary Income is categorized by countries or areas based on the location of the Bank's head office, branches and its consolidated subsidiaries.
 4. Americas includes the United States of America and Cayman Islands. Europe includes the United Kingdom.

(b) Tangible Fixed Asset

As of March 31, 2011	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥130,296	¥342	¥178	¥91	¥130,908

As of March 31, 2011	Millions of U.S. Dollars				
	Japan	Americas	Europe	Others	Total
	\$1,567	\$4	\$2	\$1	\$1,574

c. Information about Major Customers

Fiscal year ended March 31, 2011	Name of Customer	Millions of Yen	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	¥125,800	—

Fiscal year ended March 31, 2011	Name of Customer	Millions of U.S. Dollars	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	\$1,513	—

Notes: 1. Ordinary Income represents Total Income less certain special income.
 2. Ordinary Income is shown in place of Sales for non-financial companies.

(3) Information about Impairment Loss of Fixed Assets in Reportable Segments

Information about Impairment Loss of Fixed Assets in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

(4) Information about the Amortization and Balance of Goodwill in Reportable Segments

None

(5) Information about Gains from the Recognition of Negative Goodwill in Reportable Segments

None

Fiscal year ended March 31, 2010**(1) Segment Information by Type of Business**

Segment Information by Type of Businesses is not shown in these statements, since the business segments, other than the banking businesses, are immaterial.

(2) Segment Information by Geographic Areas

Millions of Yen

Fiscal year ended March 31, 2010	Japan	Americas	Europe	Asia	Total	Elimination and Corporate Assets	Consolidated
I. Ordinary Income							
(1) Ordinary Income from Third-parties	¥ 1,225,787	¥ 2,675	¥ 18,305	¥ 21,269	¥ 1,268,037	¥ —	¥ 1,268,037
(2) Inter-segment Ordinary Income	36,409	53,608	43,510	34,621	168,149	(168,149)	—
Total	1,262,196	56,283	61,815	55,890	1,436,186	(168,149)	1,268,037
Ordinary Expenses	1,210,003	36,087	57,841	55,634	1,359,566	(168,149)	1,191,416
Ordinary Profits	52,193	20,196	3,974	256	76,620	—	76,620
II. Total Assets	¥73,754,640	¥8,825,406	¥4,405,537	¥3,432,790	¥90,418,375	¥(21,741,652)	¥68,676,723

Notes: 1. Ordinary Income represents Total Income less certain special income, and Ordinary Expenses represent Total Expenses less certain special expenses.

2. Ordinary Profits represent Ordinary Income less Ordinary Expenses.

3. The Bank reports Ordinary Income and Ordinary Profits that corresponds to Sales and Operating Profits for non-financial companies, for the Bank's head office, branches and its consolidated subsidiaries according to the classification of geographic areas. The geographic classification is effected by geographical proximity, similarities in economic activities and inter-relationships among these activities.

4. Americas includes the United States of America and Cayman Islands. Europe includes the United Kingdom and Asia includes the Republic of Singapore.

(3) Ordinary Income from International Operations

Fiscal years ended March 31, 2010	Ordinary Income from International Operations	Consolidated Ordinary Income	Ratio of Ordinary Income from International Operations over Consolidated Ordinary Income
	Millions of Yen		Percentage
	¥921,174	¥1,268,037	72.6%

Notes: 1. Ordinary Income represents Total Income less certain special income, and Ordinary Expenses represent Total Expenses less certain special expenses.

2. Ordinary Income from International Operations is shown in place of Overseas Sales for non-financial companies.

3. Ordinary Income from International Operations comprises foreign currency transactions, yen-denominated trade bills, yen-denominated transactions with non-Japanese residents, transactions in the offshore market in Japan, transactions by overseas branches of the Bank and transactions by overseas consolidated subsidiaries (excluding Inter-segment Ordinary Income between consolidated entities). The composition of this substantial volume of transactions is not broken down by counter-party. Therefore, segment information by geographic areas has not been presented.

31. Financial Instruments**(1) Particulars of Financial Instruments****a. Policy on Financial Instruments**

The Bank is a financial institution which takes as its foundation the Japanese agricultural, forestry, and fisheries industry cooperatives. The Bank mainly raises procurement funds from its cooperative members' deposits (mainly 1 year), issuance of debentures (term 5 years), various financial markets, and invests these funds mainly in loans and securities. The Bank oversees the management of its securities based on the fundamental concept "globally diversified investment." In terms of geographical area, the Bank invests in Japan, the United States, Europe, and other regions. The Bank classifies its assets as bonds, equities, credit assets, and alternative investments, depending on the investment allocation. The Bank possesses various financial assets and liabilities, and its integrated risk management framework is conducted in concert with its financial management framework (asset and liability management ("ALM"), market portfolio management, credit portfolio management and others). In addition, these include derivative instruments. It is also important to note that in the management of foreign currency assets, the Bank takes steps to limit the foreign exchange rate risk in most of these investments by employing various tools, such as cross-currency swaps.

Some of the Bank's consolidated subsidiaries conduct banking business, mortgage loan business and other business.

b. Contents and Risk of Financial Instruments

The main financial assets of the Bank and its consolidated subsidiaries consist of Loans and Bills Discounted, Securities and Money Held in Trust.

Loans and Bills Discounted are exposed to credit risk. Securities and Money Held in Trust mainly consist of bonds, equities, credit and alternative assets, which are held for held-to-maturity, available for sale, and trading purpose. These securities are exposed to the market risk arising from interest rates, currency exchange rates and price fluctuations, as well as the credit risk and liquidity risk.

The main financial liabilities of the Bank consist of Deposits from members, Debentures, Borrowed Money, Call Money and Payables under Repurchase Agreements. These financial liabilities are exposed to market risk arising from interest rates and currency exchange rates. Procurement fund from the financial markets is exposed to liquidity risk arising from market crashes and other forms of liquidity risk.

Derivative instruments include the transactions accounted for as hedge transactions, as part of our ALM. A portion of interest-related derivative instruments and currency-related derivative instruments are not accounted for as hedge transactions, and is exposed to the market risk arising from interest rates and currency exchange rates.

Ref: Summary of Significant Accounting Policies (3) Financial Instruments c. Hedge Accounting for hedge item and hedge instruments related to hedge accounting, hedge policy and hedge effectiveness

c. Risk Management for Financial Instruments

(a) Integrated Risk Management

The Bank has established its “Basic Policies for Risk Management,” which specifies a core risk management framework that quantifies and manages the Bank’s risk comprehensively in comparison with its capital, the Bank’s financial strength. To implement integrated risk management, the Bank has established the Integrated Risk Management Committee. The Committee also ensures that the total amount of risk undertaken is kept within the Bank’s financial strength. The Bank has also established a number of committees which are categorized according to the type of risk they handle, e.g. the Market Portfolio Management Committee (market risk, liquidity risk), the Credit Portfolio Management Committee (credit risk), and Other, to enable the top management to discuss risk management policies, including planned risk-taking. The framework also requires the integrated risk management situation to be regularly reported to the Board of Directors.

The Bank’s consolidated subsidiaries have managed to align each risk management framework in accordance with the Bank’s “Management and Operation Policy for Group Companies,” taking account of the Bank’s “Basic Policies for Risk Management” as well as the nature of its own business activities and the risk profile.

(b) Credit Risk Management

The Bank has established its “Policies and Procedures for Credit Risk Management” and other rules for credit risk, and manages to align the credit risk management framework with the Bank’s internal rating, credit risk analysis, credit ceiling, credit management and others.

As for credit risk assets, which consist of loans and various products for the item, area and business, the Bank comprehensively manages credit risk on an entire credit portfolio basis as well as an individual credit basis for whole credit risk assets.

The Bank’s credit risk management framework is comprised of several committees (Including the Integrated Risk Management Committee, the Credit Portfolio Management Committee and other committees), which determine the credit risk management framework as well as credit investment policy. Front sections execute loan transactions and credit investments in accordance with the credit policy and within the credit limits approved by the committees. Middle sections, which are segregated from the front sections, monitor changes in the credit risk portfolio and report them to the committees. Those reports are used for upgrading the risk management framework and for future credit investment planning.

The Bank performs specialized analysis for all outstanding credit according to borrower type, such as cooperatives, corporates, public entities, financial institutions, overseas borrowers and securitized products.

The Internal Audit Division periodically oversees and audits credit risk management, and reports to the Board of Directors.

To mitigate credit over-concentration risk, the Bank has established credit ceiling systems. Total credit exposure for each ceiling category is monitored on a regular basis and controlled to avoid any over-concentration on credit exposure.

(c) Market Risk Management

The Bank has established its “Policies and Procedures for Market Risk Management” and other rules for market risk, and align its market risk management framework with other relevant frameworks, policies and procedures. Specifically, the risk balance of the market portfolio is managed by analyzing and understanding market portfolio conditions based on the degree of market risk measured by the middle sections, including the amount of aggregate risk, risk indicators such as Value at Risk (VaR) and Basis Point Value, and correlation among asset classes. The Bank also analyzes and takes into account its financial position, based on the outlook for economic and financial conditions supported by research into macro-economic factors and the financial markets, simulations of earnings, unrealized gains and losses of the portfolio and the capital adequacy ratio. In principle, market risk measurements cover all financial assets and liabilities in the Bank’s portfolio and make use of the Internal Model for the calculation of VaR. Through the investment execution process, the Bank ensures the segregation of duties among divisions in charge for decisions (planning) on allocation policy, execution of individual transactions, and monitoring of risk positions. The Market Portfolio Management Committee sets market portfolio allocation

policy, the front sections execute the transactions in accordance with allocation policy, and the middle sections conduct monitoring. From a risk management perspective, the front sections executing trades for the trading accounts are explicitly separated from the front sections executing trades for the banking accounts. Targets for profits, and position and loss limits are revised semi-annually. Progress in achieving profit targets within approved limits is monitored on a daily basis. When positions or losses exceed approved limits, the middle sections alert the front sections to take appropriate action, which includes preparing corrective measures, reducing trading volumes, or suspending trading altogether.

The Bank adopts the variance-covariance method to measure the VaR of the trading securities within Trading Assets and certain interest-related, bond-related or other derivative transactions within Derivative Instruments, which are accounted for as trading operations. The market risk (the estimate of the potential loss) of the Bank's trading operations as of March 31, 2011, the end of fiscal 2010, summed up to ¥26 million (\$0 million) in total under the variance-covariance method with the holding period of one business day, a 99% confidence interval, and the observation period of the most recent 1,000 days excluding Saturdays and Sundays.

The Bank also performs a back-testing to compare the model-measured VaR with the actual profits and losses. From the back test for the fiscal year 2010 actual results, the Bank had only one exception where the actual loss exceeded VaR and concludes that the adopted measurement method provides a sufficient accuracy of the market risk measurement. VaR, however, is designed to measure the market risk under the certain occurrence probability hypothesis based on the statistical calculation of the historical market movements. Therefore, VaR may not cover the risks in extremely volatile market conditions.

In order to measure the VaR of the financial assets and liabilities from the banking operations (the operations other than trading operations), the Bank adopts the historical simulation method. The market risk (the estimate of the potential net loss) of the Bank and its consolidated subsidiaries from the banking operations totaled ¥2,020,554 million (\$24,300 million) as of March 31, 2011, the end of fiscal 2010, under the historical simulation method with holding period of 240 business days (converted from 60 business days using the bootstrap method), a 99.50% confidence interval, and the observation period from August 1, 1995 to recent day. Since the Bank adopts mid- to long-term investment policies, the impact of the short-term market volatilities are separately monitored using the variance-covariance method VaR while market risks are basically measured using the historical simulation method VaR as mentioned above.

The Bank also performs a back-testing to compare the model-measured VaR with the actual profits and losses. VaR, is designed to measure the market risk under the certain occurrence probability hypothesis based on the statistical calculation of the historical market movements. Therefore, VaR may not cover risks in extremely volatile market conditions.

(d) Liquidity Risk Management

The Bank manages liquidity risk in accordance with its "Policies and Procedures for Liquidity Risk Management." Considering the profiles of the Bank's ALM together with the relatively less liquid assets that it holds, the Bank takes initiatives to diversify and enhance the varieties of funding instruments, placing an emphasis on the stability of cash flows. Cash flow management is conducted on an aggregate basis by the head office, for each currency, funding instrument and funding operation center. The cash flow management plan is approved by the Market Portfolio Management Committee.

d. Supplementary Explanations for the Fair Value of Financial Instruments and Other Items

The fair value of financial instruments is based on the quoted market price or a reasonably estimated amount, if the quoted market price is not available. As the reasonably estimated amounts are calculated based on certain assumptions, these estimates could be significantly affected by different assumptions.

(2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items

“Consolidated Balance Sheet Amount,” “Fair Value” and “Difference” as of March 31, 2011 and 2010 are as follows:

Unlisted stocks and other financial instruments, the fair value of which is extremely difficult to determine, are excluded from the table below. (ref. Note 2)

	Millions of Yen			Millions of U.S. Dollars		
	Consolidated Balance Sheet Amount	Fair Value	Difference	Consolidated Balance Sheet Amount	Fair Value	Difference
Fiscal year ended March 31, 2011						
(1) Cash and Due from Banks	¥ 1,837,633	¥ 1,837,633	¥ —	\$ 22,100	\$ 22,100	\$ —
(2) Call Loans and Bills Bought	1,300,000	1,300,000	—	15,634	15,634	—
(3) Monetary Claims Bought (*1)	290,776	290,800	23	3,497	3,498	1
(4) Trading Assets (*2)						
Trading Securities	7,206	7,206	—	87	87	—
(5) Money Held in Trust (*1)						
Money Held in Trust for Trading Purpose	38,450	38,450	—	462	462	—
Other Money Held in Trust	7,708,182	7,725,649	17,467	92,702	92,912	210
(6) Securities						
Held-to-Maturity Debt Securities	14,886,555	15,292,334	405,779	179,033	183,913	4,880
Other Securities	27,501,141	27,501,141	—	330,741	330,741	—
(7) Loans and Bills Discounted	14,082,755			169,366		
Reserve for Possible Loan Losses (*1)	(211,609)			(2,545)		
	13,871,146	13,924,464	53,317	166,821	167,462	641
Total Assets	¥67,441,091	¥67,917,680	¥476,589	\$811,077	\$816,809	\$5,732
(1) Deposits	¥40,949,373	¥40,949,411	¥ 38	\$492,476	\$492,477	\$ 1
(2) Negotiable Certificates of Deposit	768,118	768,118	—	9,238	9,238	—
(3) Debentures	5,416,360	5,481,245	64,884	65,140	65,920	780
(4) Call Money and Bills Sold	473,664	473,664	—	5,696	5,696	—
(5) Payables under Repurchase Agreements	8,523,065	8,523,065	—	102,502	102,502	—
(6) Borrowed Money	1,866,007	1,866,007	—	22,441	22,441	—
(7) Short-term Entrusted Funds	4,397,280	4,397,280	—	52,884	52,884	—
Total Liabilities	¥62,393,870	¥62,458,793	¥ 64,923	\$750,377	\$751,158	\$ 781
Derivative Instruments (*3)						
Transactions not Accounted for as Hedge						
Transactions	¥ (1,248)	¥ (1,248)	¥ —	\$ (15)	\$ (15)	\$ —
Transactions Accounted for as Hedge						
Transactions	(143,698)	(143,698)	—	(1,728)	(1,728)	—
Total Derivative Instruments	¥ (144,946)	¥ (144,946)	¥ —	\$ (1,743)	\$ (1,743)	\$ —

(*1) 1. Monetary Claims Bought, Money Held in Trust and Loans and Bills Discounted are net of Reserve for Possible Loan Losses. Monetary Claims Bought and Money Held in Trust are presented by net on the consolidated balance sheet as the reserve amounts are immaterial.

2. Derivative Instruments are excluded from Trading Assets.

3. Derivative Instruments within Trading Assets, Trading Liabilities, Other Assets and Other Liabilities are shown by net position. Receivables and payables which arise from Derivative Instruments are shown on a net basis.

Fiscal year ended March 31, 2010	Millions of Yen		
	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks	¥ 2,195,337	¥ 2,195,337	¥ —
(2) Call Loans and Bills Bought	1,336,137	1,336,137	—
(3) Monetary Claims Bought (*1)	437,417	437,454	37
(4) Trading Assets (*2)			
Trading Securities	78	78	—
(5) Money Held in Trust (*1)			
Money Held in Trust for Trading Purpose	8,551	8,551	—
Other Money Held in Trust	6,540,639	6,563,386	22,746
(6) Securities			
Held-to-Maturity Debt Securities	15,606,157	16,007,662	401,504
Other Securities	27,515,174	27,515,174	—
(7) Loans and Bills Discounted	13,097,635		
Reserve for Possible Loan Losses (*1)	(213,692)		
	12,883,942	12,947,624	63,681
Total Assets	¥66,523,437	¥67,011,407	¥487,970
(1) Deposits	¥39,101,635	¥39,101,955	¥ 319
(2) Negotiable Certificates of Deposit	702,799	702,799	—
(3) Debentures	5,605,767	5,698,771	93,004
(4) Call Money and Bills Sold	948,151	948,151	—
(5) Payables under Repurchase Agreements	9,667,031	9,667,031	—
(6) Borrowed Money	2,043,307	2,043,307	—
(7) Short-term Entrusted Funds	4,277,171	4,277,171	—
Total Liabilities	¥62,345,864	¥62,439,188	¥ 93,323
Derivative Instruments (*3)			
Transactions not Accounted for as Hedge Transactions	¥ 1,818	¥ 1,818	¥ —
Transactions Accounted for as Hedge Transactions	(284,536)	(284,536)	—
Total Derivative Instruments	¥ (282,717)	¥ (282,717)	¥ —

- (*) 1. Monetary Claims Bought, Money Held in Trust and Loans and Bills Discounted are net of Reserve for Possible Loan Losses. Monetary Claims Bought and Money Held in Trust are presented by net on the consolidated balance sheet as the reserve amounts are immaterial.
2. Derivative Instruments are excluded from Trading Assets.
3. Derivative Instruments within Trading Assets, Trading Liabilities, Other Assets and Other Liabilities are shown by net position. Receivables and payables which arise from Derivative Instruments are shown on a net basis.

(Note 1) Calculation Methods for the Fair Value of Financial Instruments are as follows:

Assets

(1) Cash and Due from Banks

For Due from Banks without stated maturity, fair value approximates the carrying value. For Due from Banks with stated maturity, as the contractual terms are short-term (1 Year or Less), fair value approximates the carrying value. Concerning negotiable certificates of deposit, fair value is determined based on reasonably estimated amounts at the end of the fiscal year. The reasonably estimated amounts of negotiable certificates of deposit are calculated according to the Discounted Cash Flow method. The price-determining variable is the over-the-counter rate.

(2) Call Loans and Bills Bought

These contractual terms are short-term (1 Year or Less), and fair value approximates the carrying value.

(3) Monetary Claims Bought

Monetary Claims Bought are valued based on the quoted prices provided by brokers or vendors.

(4) Trading Assets

Trading Securities are valued based on the closing price at the exchange or quoted price provided by the corresponding financial institutions.

(5) Money Held in Trust

Loans and Bills Discounted and Securities included in Money Held in Trust are valued according to the same methods described in (6) and (7) below.

Relevant notes concerning the fair value of Money Held in Trust of each classification are described in section 33. Fair Value of Money Held in Trust.

(6) Securities

Regarding the valuation of stocks, fair value is based on the closing price at the exchange. With respect to investment trusts, fair value is based on the net asset value (“NAV”) published or the quoted prices provided by brokers or vendors. As for bonds, fair value is based on the quoted market price if available, reasonably estimated amounts (using the Discounted Cash Flow method and other methods of valuation), or the quoted prices provided by brokers or vendors.

As for corporate bonds issued through private offerings, the fair value is based on reasonably estimated amounts which are calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates based on each credit rating, recovery rates and other variables. The estimates for the valuations of some securitized products are calculated according to the prices calculated by the Discounted Cash Flow method, using variables such as default rates, recovery rates, pre-payment rates, discount rates and other variables, or the quoted prices provided by brokers or vendors, or both.

Concerning floating-rate Japanese government bonds which are rarely traded in the current market, the Bank continues to determine that market prices are not deemed as fair value, and that the fair value of these bonds is based on reasonably estimated amounts at the end of the fiscal year, which are calculated according to the Discounted Cash Flow method. The price-determining variables include the yield of Japanese government bonds, swaption volatilities and other variables.

As for investments for “Partnership” and “Limited Partnership” (“Investments in Partnership and Others”), fair value is based on the share of NAV which is valued assets of “Partnership” or “Limited Partnership,” if available.

Relevant notes about the fair value of securities of each classification are described in section 32. Fair Value of Securities.

(7) Loans and Bills Discounted

The carrying value of Loans and Bills Discounted with floating rates approximates the fair value since they are repriced reflecting market interest fluctuations within a short period, unless the creditworthiness of the debtors has been revised. Accordingly, the carrying value is deemed to be the fair value. As for Loans and Bills Discounted with fixed rates, the fair value is calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates based on each credit rating, recovery rates, and other variables. As for mortgages, the fair value is calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates, recovery rates, pre-payment rates and other variables.

As for Loans and Bills Discounted to doubtful debtors and others, the reserves for those assets are provided by the amount not expected to be recovered based on the present value of expected future cash flows or the recovery amount of collateral and guarantee. Accordingly, the carrying values net of the reserve approximate the fair value.

As for Loans and Bills Discounted without stated maturity for which credit is extended up to the value of the collateral assets, the carrying value is deemed to approximate the fair value, taking into account expected maturity, interest rates and other terms.

Liabilities

(1) Deposits

With respect to demand deposits, the payment amounts required on the consolidated balance sheet date (the carrying value) are estimated at fair value. Time deposits are calculated according to the Discounted Cash Flow method, and these discount rates are the currently-applied deposit rates. Some contractual terms are short-term (1 Year or Less), and fair value approximates the carrying value.

(2) Negotiable Certificates of Deposit

These contractual terms are short-term (1 Year or Less), and fair value approximates the carrying value.

(3) Debentures

As for Debentures, fair value is based on the quoted market price if available, or calculated according to the Discounted Cash Flow method. The price-determining variable of this method is the rate which would be applied if a similar debenture was issued.

(4) Call Money and Bills Sold, (5) Payables under Repurchase Agreements, (7) Short-term Entrusted Funds

These contractual terms are short-term (1 Year or Less), and the fair value approximates the carrying value.

(6) Borrowed Money

The carrying value of Borrowed Money with floating rates approximates the fair value since it is repriced reflecting market interest rate fluctuations within a short period (1 Year or Less), unless the creditworthiness of the Bank and its consolidated subsidiaries has changed. Accordingly, the carrying value is deemed to be the fair value. Some contractual terms are short-term (1 Year or Less), and the fair value approximates the carrying value.

Derivative Instruments

Derivative Instruments include interest rate-related derivative instruments (interest rate swaps and others) and currency-related derivative instruments (currency swaps and others). The fair value is based on the closing price at the exchange, a discounted net present value model, an option pricing model or other models as appropriate.

The accrual method of hedge accounting, as specifically permitted for certain interest rate swaps, is valued with the valuation of hedge items, so that the fair value is included in the fair value of Loans and Bills Discounted and other items.

Relevant notes regarding the fair value of Derivative Instruments are described in section 34. Fair Value of Derivative Instruments.

(Note 2) The following table lists financial instruments, the fair value of which is extremely difficult to determine:

“Assets (6) Other Securities” of fair value of financial instruments exclude the transactions of the table below.

As of March 31, 2011	Millions of Yen	Millions of U.S. Dollars
Unlisted Stocks (*1) (*2)	¥180,315	\$2,169
Bonds (*2) (*3)	127,375	1,532
Investments in Partnership and Others (*4)	343,109	4,126
Total	¥650,800	\$7,827

(*1) Unlisted Stocks are excluded from “Disclosures Regarding the Fair Value of Financial Instruments and Other Items,” since there are no market prices and their fair value is extremely difficult to determine.

2. The amount of revaluation losses for the fiscal year ended March 31, 2011 was ¥2,498 million (\$30 million) on Unlisted Stocks and ¥346 million (\$4 million) on Bonds.

3. Out of Bonds (including foreign bonds), real estate backed bonds, which are extremely difficult to estimate cash flow and to determine fair value, are excluded from “Disclosures Regarding the Fair Value of Financial Instruments and Other Items.” With respect to doubtful bonds, the Bank has set aside Reserve for Possible Loan Losses of ¥42,049 million (\$506 million), in accordance with the Bank’s internal rules.

4. Out of Investments in Partnership and Others, certain “Partnership” or “Limited Partnership” whose fair value is extremely difficult to determine are excluded from “Disclosures Regarding the Fair Value of Financial Instruments and Other Items.”

As of March 31, 2010	Millions of Yen
Unlisted Stocks (*1) (*2)	¥188,987
Bonds (*3)	292,292
Investments in Partnership and Others (*4)	388,757
Total	¥870,036

(*1) Unlisted Stocks are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items," since there are no market prices and their fair value is extremely difficult to determine.

2. The amount of revaluation losses for the fiscal year ended March 31, 2010 was ¥4,345 million on Unlisted Stocks.

3. Out of Bonds (including foreign bonds), real estate backed bonds, which are extremely difficult to estimate cash flow and to determine fair value, are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items." With respect to doubtful bonds, the Bank has set aside Reserve for Possible Loan Losses of ¥61,165 million, in accordance with the Bank's internal rules.

4. Out of Investments in Partnership and Others, certain "Partnership" or "Limited Partnership" whose fair value is extremely difficult to determine are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items."

(Note 3) The redemption schedule of money claims and securities with stated maturities after the consolidated balance sheet date is as follows:

As of March 31, 2011	Millions of Yen					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Due from Banks (*1)	¥ 1,733,912	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	1,300,000	—	—	—	—	—
Monetary Claims Bought	—	37,299	16,698	11,581	—	231,519
Securities						
Held-to-Maturity Debt Securities	668,020	3,250,598	2,506,213	1,099,540	4,813,576	2,700,205
Other Securities held that have Maturity	8,935,951	4,309,796	1,463,944	979,056	2,424,955	1,314,895
Loans and Bills Discounted (*2)	10,523,189	1,987,363	842,149	203,668	169,228	108,543
Total	¥23,161,073	¥9,585,056	¥4,829,005	¥2,293,847	¥7,407,761	¥4,355,163

As of March 31, 2011	Millions of U.S. Dollars					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Due from Banks (*1)	\$ 20,853	\$ —	\$ —	\$ —	\$ —	\$ —
Call Loans and Bills Bought	15,634	—	—	—	—	—
Monetary Claims Bought	—	448	201	139	—	2,784
Securities						
Held-to-Maturity Debt Securities	8,034	39,093	30,141	13,224	57,890	32,474
Other Securities held that have Maturity	107,468	51,832	17,606	11,775	29,164	15,814
Loans and Bills Discounted (*2)	126,557	23,901	10,128	2,449	2,035	1,305
Total	\$278,546	\$115,274	\$58,076	\$27,587	\$89,089	\$52,377

(*1) Demand deposits within Due from Banks are included in the entry for "1 Year or Less."

2. Debtors in bankruptcy, debtors in default, loans to doubtful debtors and others of ¥248,612 million (\$2,990 million) within Loans and Bills Discounted, for which the redemption date cannot be estimated, are excluded from the table above.

The calculation method of the redemption schedule above for the loans to debtors in bankruptcy, debtors in default, loans to doubtful debtors and others has been changed from the fiscal year ended March 31, 2011.

As of March 31, 2010	Millions of Yen					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Due from Banks (*1)	¥ 2,041,689	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	1,336,137	—	—	—	—	—
Monetary Claims Bought	726	109,499	52,813	36,959	—	302,058
Securities						
Held-to-Maturity Debt Securities	234,449	3,339,520	2,902,397	889,891	3,253,291	5,274,566
Other Securities held that have Maturity	9,408,058	4,468,482	3,155,671	1,013,024	795,977	1,517,635
Loans and Bills Discounted (*2)	9,657,188	1,629,250	1,295,075	224,266	158,452	117,047
Total	¥22,678,250	¥9,546,753	¥7,405,958	¥2,164,142	¥4,207,721	¥7,211,307

(*1) Demand deposits within Due from Banks are included in the entry for "1 Year or Less."

2. Loans and Bills Discounted, overdrafts and other loans without stated maturity, are included in the entry for "1 Year or Less."

Debtors in bankruptcy, debtors in default, loans to doubtful debtors and others of ¥16,354 million, for which the redemption date cannot be estimated, are excluded from the table above.

(Note 4) The redemption schedule of Borrowed Money and other Interest-bearing liabilities after the consolidated balance sheet date is as follows:

	Millions of Yen					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
As of March 31, 2011						
Deposits (*1)	¥40,913,812	¥ 30,928	¥ 4,632	¥—	¥—	¥ —
Negotiable Certificates of Deposit	768,118	—	—	—	—	—
Debentures	1,131,919	2,501,055	1,783,373	11	—	—
Call Money and Bills Sold	473,664	—	—	—	—	—
Payables under Repurchase Agreements	8,523,065	—	—	—	—	—
Borrowed Money (*2)	380,000	—	—	—	—	1,486,007
Short-term Entrusted Funds	4,397,280	—	—	—	—	—
Total	¥56,587,861	¥2,531,984	¥1,788,006	¥11	¥—	¥1,486,007

	Millions of U.S. Dollars					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
As of March 31, 2011						
Deposits (*1)	\$492,049	\$ 372	\$ 55	\$—	\$—	\$ —
Negotiable Certificates of Deposit	9,238	—	—	—	—	—
Debentures	13,613	30,079	21,448	0	—	—
Call Money and Bills Sold	5,696	—	—	—	—	—
Payables under Repurchase Agreements	102,502	—	—	—	—	—
Borrowed Money (*2)	4,570	—	—	—	—	17,871
Short-term Entrusted Funds	52,884	—	—	—	—	—
Total	\$680,552	\$30,451	\$21,503	\$ 0	\$—	\$17,871

(*1) 1. Demand deposits within Deposits are included in the entry for "1 Year or Less."

2. Permanent subordination borrowing within Borrowed Money are included in the entry for "Over 10 Years."

	Millions of Yen					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
As of March 31, 2010						
Deposits (*1)	¥39,076,782	¥ 15,872	¥ 8,980	¥—	¥—	¥ —
Negotiable Certificates of Deposit	702,799	—	—	—	—	—
Debentures	1,021,538	2,413,092	2,171,130	6	—	—
Call Money and Bills Sold	948,151	—	—	—	—	—
Payables under Repurchase Agreements	9,667,031	—	—	—	—	—
Borrowed Money (*2)	552,300	5,000	—	—	—	1,486,007
Short-term Entrusted Funds	4,277,171	—	—	—	—	—
Total	¥56,245,774	¥2,433,964	¥2,180,111	¥ 6	¥—	¥1,486,007

(*1) 1. Demand deposits within Deposits are included in the entry for "1 Year or Less."

2. Permanent subordination borrowing within Borrowed Money are included in the entry for "Over 10 Years."

32. Fair Value of Securities

For the Fiscal Year Ended March 31, 2011

Trading Securities

	Millions of Yen	Millions of U.S. Dollars
	Unrealized Gain Recognized as Income	Unrealized Gain Recognized as Income
As of March 31, 2011		
Trading Securities	¥6	\$0

Note: The above analysis of Trading Securities includes Trading Securities disclosed as Trading Assets in the consolidated balance sheet.

Held-to-Maturity Debt Securities

		Millions of Yen		
As of March 31, 2011	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
	Japanese Government Bonds	¥ 7,585,693	¥ 7,859,500	¥273,806
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value exceeded	Other	4,799,722	4,980,400	180,677
Consolidated Balance Sheet Amount	Foreign Bonds	4,799,722	4,980,400	180,677
	Other	—	—	—
	Sub total	12,385,416	12,839,900	454,484
	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value not exceeded	Other	2,501,838	2,453,134	(48,704)
Consolidated Balance Sheet Amount	Foreign Bonds	2,501,138	2,452,434	(48,704)
	Other	700	700	—
	Sub total	2,501,838	2,453,134	(48,704)
	Total	¥14,887,255	¥15,293,034	¥405,779

		Millions of U.S. Dollars		
As of March 31, 2011	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
	Japanese Government Bonds	\$ 91,229	\$ 94,522	\$3,293
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value exceeded	Other	57,724	59,897	2,173
Consolidated Balance Sheet Amount	Foreign Bonds	57,724	59,897	2,173
	Other	—	—	—
	Sub total	148,953	154,419	5,466
	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value not exceeded	Other	30,088	29,502	(586)
Consolidated Balance Sheet Amount	Foreign Bonds	30,080	29,494	(586)
	Other	8	8	—
	Sub total	30,088	29,502	(586)
	Total	\$179,041	\$183,921	\$4,880

Note: The above analysis of Held-to-Maturity Debt Securities includes Securities and trust beneficiary interest in Monetary Claims Bought in the consolidated balance sheet.

Other Securities

		Millions of Yen		
As of March 31, 2011	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
	Stocks	¥ 255,131	¥ 181,032	¥ 74,098
	Bonds	2,001,782	1,997,067	4,715
	Japanese Government Bonds	1,989,405	1,985,029	4,375
	Municipal Government Bonds	984	950	34
	Corporate Bonds	11,393	11,087	305
Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Other	10,292,582	9,884,213	408,369
	Foreign Bonds	6,077,348	5,951,594	125,754
	Foreign Stocks	9,574	9,063	511
	Investment Trusts	4,144,863	3,865,416	279,446
	Other	60,796	58,139	2,657
	Sub total	12,549,496	12,062,313	487,183
	Stocks	91,572	123,312	(31,740)
	Bonds	5,794,182	5,797,440	(3,257)
	Japanese Government Bonds	5,700,917	5,702,257	(1,340)
	Municipal Government Bonds	505	511	(6)
	Corporate Bonds	92,760	94,671	(1,910)
Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost	Other	9,371,949	10,229,044	(857,095)
	Foreign Bonds	4,459,681	4,699,018	(239,336)
	Foreign Stocks	17,290	20,946	(3,655)
	Investment Trusts	4,336,421	4,944,974	(608,552)
	Other	558,554	564,106	(5,551)
	Sub total	15,257,704	16,149,797	(892,093)
	Total	¥27,807,201	¥28,212,110	¥(404,909)

		Millions of U.S. Dollars		
As of March 31, 2011	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
	Stocks	\$ 3,068	\$ 2,177	\$ 891
	Bonds	24,075	24,018	57
	Japanese Government Bonds	23,926	23,873	53
	Municipal Government Bonds	12	12	0
	Corporate Bonds	137	133	4
Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Other	123,783	118,872	4,911
	Foreign Bonds	73,089	71,577	1,512
	Foreign Stocks	115	109	6
	Investment Trusts	49,848	46,487	3,361
	Other	731	699	32
	Sub total	150,926	145,067	5,859
	Stocks	1,101	1,483	(382)
	Bonds	69,684	69,723	(39)
	Japanese Government Bonds	68,562	68,578	(16)
	Municipal Government Bonds	6	6	(0)
	Corporate Bonds	1,116	1,139	(23)
Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost	Other	112,711	123,019	(10,308)
	Foreign Bonds	53,634	56,513	(2,879)
	Foreign Stocks	208	252	(44)
	Investment Trusts	52,152	59,470	(7,318)
	Other	6,717	6,784	(67)
	Sub total	183,496	194,225	(10,729)
	Total	\$334,422	\$339,292	\$ (4,870)

Notes: 1. The above analysis of Other Securities includes Securities, negotiable certificates of deposit disclosed as Cash and Due from Banks and trust beneficiary interest in Monetary Claims Bought in the consolidated balance sheet.

2. Investment Trusts include Japanese trusts and Foreign trusts.

Held-to-Maturity Debt Securities Sold during the Fiscal Year

The Bank and its consolidated subsidiaries sold no held-to-maturity debt securities.

Other Securities Sold during the Fiscal Year

Fiscal year ended March 31, 2011	Millions of Yen			Millions of U.S. Dollars		
	Sales Proceeds	Gains on Sales	Losses on Sales	Sales Proceeds	Gains on Sales	Losses on Sales
Stocks	¥ 24,605	¥12,326	¥ 37	\$ 296	\$148	\$ 0
Bonds	519,890	—	10,183	6,252	—	122
Japanese Government Bonds	456,382	—	10,183	5,488	—	122
Municipal Government Bonds	—	—	—	—	—	—
Corporate Bonds	63,507	—	—	764	—	—
Other	3,361,636	46,917	166,672	40,429	564	2,005
Foreign Bonds	3,279,004	19,712	166,590	39,435	237	2,004
Foreign Stocks	12,954	4,429	82	156	53	1
Investment Trusts	46,773	6,881	—	563	83	—
Other	22,905	15,892	—	275	191	—
Total	¥3,906,132	¥59,243	¥176,892	\$46,977	\$712	\$2,127

Note: Investment Trusts include Japanese trusts and Foreign trusts.

Securities Recognized for Revaluation Loss

Certain securities (other than trading purposes) which have readily determinable fair values are revalued to their fair value, and the difference between the acquisition cost (and other) and the fair value is treated as a realized loss for the fiscal year ended March 31, 2011 (“revaluation loss”), if the fair value has significantly deteriorated from the acquisition cost (and other), and unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the fiscal year was ¥28,940 million (\$348 million) (including ¥8,404 million (\$101 million) on Stocks, ¥1,700 million (\$21 million) on Foreign Bonds, ¥8,343 million (\$100 million) on Investment Trusts and ¥10,493 million (\$126 million) on Other).

The criteria for determining whether the securities’ fair value has “significantly deteriorated” are outlined as follows:

Securities whose fair values are equal to or less than 50% of their acquisition costs (and other)

Securities whose fair values remain in the range of more than 50% and equal to or less than 70% of their acquisition costs (and other) for a certain period

For the Fiscal Year Ended March 31, 2010

Trading Securities

As of March 31, 2010	Millions of Yen
	Unrealized Gain Recognized as Income
Trading Securities	¥0

Note: The above analysis of Trading Securities includes Trading Securities disclosed as Trading Assets in the consolidated balance sheet.

Held-to-Maturity Debt Securities

As of March 31, 2010	Type	Millions of Yen		
		Consolidated Balance Sheet Amount	Fair Value	Difference
	Japanese Government Bonds	¥ 7,600,268	¥ 7,843,348	¥243,079
	Municipal Government Bonds	—	—	—
Transactions for Fair Value exceeded	Corporate Bonds	—	—	—
Consolidated Balance Sheet Amount	Other	5,947,829	6,211,558	263,728
	Foreign Bonds	5,947,829	6,211,558	263,728
	Sub total	13,548,098	14,054,906	506,808
	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
Transactions for Fair Value not exceeded	Corporate Bonds	—	—	—
Consolidated Balance Sheet Amount	Other	2,058,059	1,952,755	(105,303)
	Foreign Bonds	2,058,059	1,952,755	(105,303)
	Sub total	2,058,059	1,952,755	(105,303)
	Total	¥15,606,157	¥16,007,662	¥401,504

Other Securities

As of March 31, 2010	Type	Millions of Yen		
		Consolidated Balance Sheet Amount	Acquisition Cost	Difference
	Stocks	¥ 312,310	¥ 197,125	¥ 115,184
	Bonds	1,256,998	1,256,721	277
	Japanese Government Bonds	1,205,194	1,205,048	145
	Municipal Government Bonds	660	628	32
Transactions for	Corporate Bonds	51,143	51,044	99
Consolidated Balance Sheet Amount	Other	12,106,101	11,769,715	336,385
exceeded Acquisition Cost	Foreign Bonds	9,116,203	8,960,169	156,034
	Foreign Stocks	—	—	—
	Investment Trusts	2,916,670	2,737,149	179,520
	Other	73,228	72,397	830
	Sub total	13,675,410	13,223,562	451,847
	Stocks	97,612	121,645	(24,032)
	Bonds	5,459,988	5,463,153	(3,165)
	Japanese Government Bonds	5,332,075	5,332,655	(580)
	Municipal Government Bonds	392	395	(3)
Transactions for	Corporate Bonds	127,519	130,102	(2,582)
Consolidated Balance Sheet Amount	Other	8,746,664	9,724,125	(977,461)
not exceeded Acquisition Cost	Foreign Bonds	3,195,318	3,396,646	(201,327)
	Foreign Stocks	29,621	32,392	(2,771)
	Investment Trusts	4,775,910	5,534,961	(759,050)
	Other	745,813	760,125	(14,312)
	Sub total	14,304,265	15,308,924	(1,004,659)
	Total	¥27,979,675	¥28,532,487	¥ (552,812)

Notes: 1. The above analysis of Other Securities includes Securities, negotiable certificates of deposit disclosed as Cash and Due from Banks and trust beneficiary interest in Monetary Claims Bought in the consolidated balance sheet.

2. Investment Trusts include Japanese trusts and Foreign trusts.

Held-to-Maturity Debt Securities Sold during the Fiscal Year

Millions of Yen

Fiscal year ended March 31, 2010	Sales Costs	Sales Proceeds	Losses on Sales
Japanese Government Bonds	¥ —	¥ —	¥ —
Other	20,328	12,373	(7,955)
Foreign Bonds	20,328	12,373	(7,955)
Total	¥20,328	¥12,373	¥(7,955)

Cause for Sales: Serious deterioration for the credit standing of bond.

Other Securities Sold during the Fiscal Year

Millions of Yen

Fiscal year ended March 31, 2010	Sales Proceeds	Gains on Sales	Losses on Sales
Stocks	¥ 27,717	¥ 15,025	¥ 2,756
Bonds	2,507,836	55,268	10,029
Japanese Government Bonds	2,451,444	52,739	—
Municipal Government Bonds	6,667	106	3
Corporate Bonds	49,723	2,422	10,025
Other	710,314	79,642	38,642
Foreign Bonds	702,340	79,301	38,423
Foreign Stocks	5,821	328	153
Investment Trusts	683	1	53
Other	1,469	11	12
Total	¥3,245,868	¥149,936	¥51,427

Note: Investment Trusts include Japanese trusts and Foreign trusts.

Securities Reclassified to Held-to-Maturity

Millions of Yen

As of March 31, 2010	Fair Value	Consolidated Balance Sheet Amount	Net Unrealized Gains (Losses) on Other Securities, net of taxes
Japanese Government Bonds	¥7,832,669	¥7,589,728	¥141,224
Other	6,259,835	6,106,456	(266,167)
Foreign Bonds	6,259,835	6,106,456	(266,167)

Securities Recognized for Revaluation Loss

Certain securities (other than trading purpose) which have readily determinable fair values are revalued to their fair value, and the difference between the acquisition cost (and other) and the fair value is treated as a realized loss for the fiscal year ended March 31, 2010 (“revaluation loss”), if the fair value has significantly deteriorated from the acquisition cost (and other), and unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the fiscal year was ¥87,194 million (including ¥1,390 million on Stocks, ¥545 million on Corporate Bonds, ¥79,913 million on Foreign Bonds and ¥5,344 million on Other).

The criteria for determining whether a security’s fair value has “significantly deteriorated” are outlined as follows:

Securities whose fair values are equal to or less than 50% of their acquisition costs (and other)

Securities whose fair values remain in the range of more than 50% and equal to or less than 70% of their acquisition costs (and other) for a certain period

33. Fair Value of Money Held in Trust

For the Fiscal Year Ended March 31, 2011

Money Held in Trust for Trading Purpose

	Millions of Yen		Millions of U.S. Dollars	
	Consolidated Balance Sheet Amount	Unrealized Loss Recognized as Expenses	Consolidated Balance Sheet Amount	Unrealized Loss Recognized as Expenses
As of March 31, 2011				
Money Held in Trust for Trading Purpose	¥38,450	¥(122)	\$462	\$(1)

Other Money Held in Trust (Money Held in Trust other than that for trading purpose or held to maturity)

	Millions of Yen				
	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost
As of March 31, 2011					
Other Money Held in Trust	¥7,713,352	¥7,593,372	¥119,979	¥144,015	¥24,035

	Millions of U.S. Dollars				
	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost
As of March 31, 2011					
Other Money Held in Trust	\$92,764	\$91,321	\$1,443	\$1,732	\$289

Note: "Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost" and "Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost" are gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount presented in "Difference."

For the Fiscal Year Ended March 31, 2010

Money Held in Trust for Trading Purpose

	Millions of Yen	
	Consolidated Balance Sheet Amount	Unrealized Gain Recognized as Income
As of March 31, 2010		
Money Held in Trust for Trading Purpose	¥8,551	¥321

Other Money Held in Trust (Money Held in Trust other than that for trading purpose or held to maturity)

	Millions of Yen				
	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost
As of March 31, 2010					
Other Money Held in Trust	¥6,548,064	¥6,419,450	¥128,614	¥168,161	¥39,547

Note: "Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost" and "Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost" are gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount presented in "Difference."

34. Fair Value of Derivative Instruments

For the Fiscal Year Ended March 31, 2011

(1) Derivative Instruments not accounted for as hedges

Regarding the derivative instruments which are not accounted for as hedge transactions, Contract Amount or Notional Amount, Fair Value and Unrealized Gain or Loss for each type of derivative transactions, respectively, at the end of the consolidated balance sheet date, and Determination of fair value are as follows.

Contract Amount or Notional Amount does not show itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2011								
Exchange-traded Transactions								
Interest Rate Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Forward Rate Agreements:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps:								
Rec.: Fix.-Pay.: Flt.	411,344	343,902	11,502	11,502	4,947	4,136	138	138
Rec.: Flt.-Pay.: Fix.	580,657	493,871	(12,959)	(12,959)	6,983	5,940	(156)	(156)
Rec.: Flt.-Pay.: Flt.	41,800	23,500	42	42	503	283	1	1
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	¥ /	¥ /	¥(1,414)	¥(1,414)	\$ /	\$ /	\$ (17)	\$ (17)

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

Currency-Related Derivative Instruments

As of March 31, 2011	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Currency Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Currency Swaps								
Forwards:								
Sold	457,333	2,213	(1,880)	(1,880)	5,500	27	(23)	(23)
Purchased	512,527	2,213	2,060	2,060	6,164	27	25	25
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	¥ /	¥ /	¥ 179	¥ 179	\$ /	\$ /	\$ 2	\$ 2

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

As of March 31, 2011	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Equity Price Index Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Equity Price Index Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Equity Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Equity Price Index Swaps:								
Rec.: Stock Index	—	—	—	—	—	—	—	—
Pay.: Flt. Rate	—	—	—	—	—	—	—	—
Rec.: Flt. Rate	—	—	—	—	—	—	—	—
Pay.: Stock Index	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	1,000	1,000	—	—	12	12	—	—
Total	¥ /	¥ /	¥ —	¥ —	\$ /	\$ /	\$ —	\$ —

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

3. Derivative instruments without a fair value included in "Over-the-counter Transactions, Other" are valued at cost.

Bond-Related Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2011								
Exchange-traded Transactions								
Bond Futures:								
Sold	¥3,569	¥—	¥(13)	¥(13)	\$43	\$—	\$(0)	\$(0)
Purchased	—	—	—	—	—	—	—	—
Bond Futures Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Bond Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	¥ /	¥ /	¥(13)	¥(13)	\$ /	\$ /	\$(0)	\$(0)

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on an option pricing model or other models as appropriate.

Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no commodities-related derivative instruments as of March 31, 2011.

Credit Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2011								
Over-the-counter Transactions								
Credit Default Swaps:								
Sold	¥ —	¥ —	¥—	¥—	\$ —	\$ —	\$—	\$—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	12,500	12,500	—	—	150	150	—	—
Total	¥ /	¥ /	¥—	¥—	\$ /	\$ /	\$—	\$—

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations. As for derivative transactions which are listed on "Other" of "Over-the-counter Transactions," the fair value and unrealized gain/loss are excluded from the consolidated balance sheet and consolidated statement of operations, since there are no market prices and their fair value is extremely difficult to determine.

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

3. "Sold" and "Purchased" indicate assumption and transfer of credit risk, respectively.

(2) Derivative Instruments accounted for as hedges

Regarding the derivative instruments which are accounted for as hedge transactions, Contract Amount or Notional Amount, and Fair Value for each type of derivative transactions, respectively, at the end of the consolidated balance sheet date, and determination of fair value are as follows.

Contract Amount or Notional Amount does not show itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

As of March 31, 2011			Millions of Yen			Millions of U.S. Dollars		
Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferral Method	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures and Others	¥1,077,570	¥960,000	¥12,957	\$12,959	\$11,545	\$156
	Interest Rate Swaps (Rec.:Flt.-Pay.: Fix.)	Yen-denominated Securities, Deposits and Others	565,486	565,486	19,928	6,801	6,801	240
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted, Yen-denominated Securities and Others	116,303	110,958	Note 3	1,399	1,334	Note 3
Total			¥ /	¥ /	¥32,886	\$ /	\$ /	\$396

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting which is described in "Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks," issued by the Japanese Institute of Certified Public Accountants ("JICPA"), (JICPA Industry Audit Committee Report No. 24).

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

3. The accrual method of hedge accounting, as specifically permitted for certain interest rate swaps, is valued with the valuation of hedged items, so that the fair value is included in the fair value of Loans and Bills Discounted and other items (Ref: 31. Financial Instruments (2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items).

Currency-Related Derivative Instruments

As of March 31, 2011			Millions of Yen			Millions of U.S. Dollars		
Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferral Method	Currency Swaps	Foreign Currency Denominated Securities and Others	¥8,720,987	¥2,793,101	¥(116,514)	\$104,883	\$33,591	\$(1,401)
	Forex Forward		4,855,294	—	(60,070)	58,392	—	(723)
Total			¥ /	¥ /	¥(176,584)	\$ /	\$ /	\$(2,124)

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting which is described in "Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25).

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Stock-Related Derivative Instruments as of March 31, 2011.

Bond-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Bond-Related Derivative Instruments as of March 31, 2011.

For the Fiscal Year Ended March 31, 2010

(1) Derivative Instruments not accounted for as hedges

Regarding the derivative instruments which are not accounted for as hedge transactions, Contract Amount or Notional Amount, Fair Value and Unrealized Gain or Loss for each type of derivative transactions, respectively, at the end of the consolidated balance sheet date, and Determination of fair value are as follows.

Contract Amount or Notional Amount does not show itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2010				
Exchange-traded Transactions				
Interest Rate Futures:				
Sold	¥1,843,813	¥ 13,806	¥ 841	¥ 841
Purchased	1,124,107	20,448	(323)	(323)
Interest Rate Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Forward Rate Agreements:				
Sold	—	—	—	—
Purchased	—	—	—	—
Interest Rate Swaps:				
Rec.: Fix.-Pay.: Flt.	510,243	371,820	12,777	12,777
Rec.: Flt.-Pay.: Fix.	493,608	374,122	(12,455)	(12,455)
Rec.: Flt.-Pay.: Flt.	61,800	41,800	81	81
Interest Rate Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥ 921	¥ 921

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

Currency-Related Derivative Instruments

As of March 31, 2010	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions				
Currency Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Currency Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Currency Swaps				
	—	—	—	—
Forwards:				
Sold	445,336	4,207	(3,820)	(3,820)
Purchased	854,993	4,206	4,645	4,645
Currency Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥ 824	¥ 824

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

As of March 31, 2010	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions				
Equity Price Index Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Equity Price Index Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Equity Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Equity Price Index Swaps:				
Rec.: Stock Index	—	—	—	—
Pay.: Flt. Rate	—	—	—	—
Rec.: Flt. Rate	—	—	—	—
Pay.: Stock Index	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	1,000	1,000	—	—
Total	¥ /	¥ /	¥ —	¥ —

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

3. Derivative instruments without a fair value included in "Over-the-counter Transactions, Other" are valued at cost.

Bond-Related Derivative Instruments

As of March 31, 2010	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions				
Bond Futures:				
Sold	¥ 1,851	¥—	¥ 4	¥ 4
Purchased	—	—	—	—
Bond Futures Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Bond Options:				
Sold	148,800	—	68	(485)
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥72	¥(481)

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on an option pricing model or other models as appropriate.

Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no commodities-related derivative instruments as of March 31, 2010.

Credit Derivative Instruments

As of March 31, 2010	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Over-the-counter Transactions				
Credit Default Swaps:				
Sold	¥ —	¥ —	¥—	¥—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	12,500	12,500	—	—
Total	¥ /	¥ /	¥—	¥—

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations. As for Derivative transactions which are listed on "Other" of "Over-the-counter Transactions," the fair value and unrealized gain/loss are excluded from the consolidated balance sheet and consolidated statement of operations, since there are no market prices and their fair value is extremely difficult to determine.

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

3. "Sold" and "Purchased" indicate assumption and transfer of credit risk, respectively.

(2) Derivative Instruments accounted for as hedges

Regarding the derivative instruments which are accounted for as hedge transactions, Contract Amount or Notional Amount, and Fair Value for each type of derivative transactions, respectively, at the end of the consolidated balance sheet date, and determination of fair value are as follows.

Contract Amount or Notional Amount does not show itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

As of March 31, 2010

Millions of Yen

Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferral Method	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures and Others	¥1,017,184	¥813,474	¥33,747
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted and Others	64,151	58,930	Notes 3
Total			¥ /	¥ /	¥33,747

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting which is described in "Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks," issued by the Japanese Institute of Certified Public Accountants ("JICPA"), (JICPA Industry Audit Committee Report No. 24).

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

3. The accrual method of hedge accounting, as specifically permitted for certain interest rate swaps, is valued with the valuation of hedged items, so that the fair value of the instruments is not shown in this statement.

Currency-Related Derivative Instruments

As of March 31, 2010

Millions of Yen

Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferral Method	Currency Swaps	Foreign Currency Denominated	¥8,063,437	¥3,291,202	¥(180,302)
	Forex Forward	Securities and Others	5,607,562	—	(137,980)
Total			¥ /	¥ /	¥(318,283)

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting which is described in "Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25).

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Stock-Related Derivative Instruments as of March 31, 2010.

Bond-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Bond-Related Derivative Instruments as of March 31, 2010.

35. The Norinchukin Bank (Parent Company)

(1) Non-consolidated Balance Sheets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Assets			
Cash and Due from Banks	¥ 1,828,040	¥ 2,180,393	\$ 21,985
Call Loans	1,300,000	1,336,137	15,634
Receivables under Securities Borrowing Transactions	232,694	—	2,799
Monetary Claims Bought	292,406	490,182	3,517
Trading Assets	19,377	13,054	233
Money Held in Trust	7,751,046	6,555,624	93,217
Securities	43,070,056	44,013,720	517,980
Loans and Bills Discounted	14,002,397	13,038,081	168,399
Foreign Exchange Assets	309,746	12,925	3,725
Other Assets	367,682	381,057	4,422
Tangible Fixed Assets	128,783	141,131	1,549
Intangible Fixed Assets	51,612	53,191	621
Deferred Tax Assets	132,456	202,355	1,593
Customers' Liabilities for Acceptances and Guarantees	336,442	354,512	4,046
Reserve for Possible Loan Losses	(261,701)	(295,778)	(3,147)
Reserve for Possible Investment Losses	(9,072)	(6,199)	(109)
Total Assets	¥69,551,969	¥68,470,391	\$836,464
Liabilities and Net Assets			
Liabilities			
Deposits	¥40,957,047	¥39,108,744	\$492,568
Negotiable Certificates of Deposit	768,118	702,799	9,238
Debentures	5,421,664	5,611,743	65,204
Call Money	473,664	948,151	5,696
Payables under Repurchase Agreements	8,523,065	9,667,031	102,502
Payables under Securities Lending Transactions	833,229	98,543	10,021
Trading Liabilities	11,724	12,576	141
Borrowed Money	2,075,605	2,284,402	24,962
Foreign Exchange Liabilities	0	1	0
Short-term Entrusted Funds	4,397,280	4,277,171	52,884
Other Liabilities	1,480,545	1,449,309	17,806
Reserve for Bonus Payments	3,597	3,621	43
Reserve for Retirement Benefits	2,776	899	33
Reserve for Directors' Retirement Benefits	748	764	9
Deferred Tax Liabilities for Land Revaluation	16,041	18,439	193
Acceptances and Guarantees	336,442	354,512	4,046
Total Liabilities	65,301,553	64,538,714	785,346
Net Assets			
Paid-in Capital	3,425,909	3,425,909	41,202
Capital Surplus	25,020	25,020	301
Retained Earnings	968,106	818,500	11,643
Total Owners' Equity	4,419,036	4,269,430	53,146
Net Unrealized Losses on Other Securities, net of taxes	(222,078)	(406,661)	(2,671)
Net Deferred Gains on Hedging Instruments, net of taxes	26,790	36,940	322
Revaluation Reserve for Land, net of taxes	26,666	31,968	321
Total Valuation and Translation Adjustments	(168,620)	(337,752)	(2,028)
Total Net Assets	4,250,415	3,931,677	51,118
Total Liabilities and Net Assets	¥69,551,969	¥68,470,391	\$836,464

(2) Non-consolidated Statements of Operations

For the fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2011	2010	2011
Income			
Interest Income:	¥ 660,629	¥ 714,561	\$ 7,945
Interest on Loans and Bills Discounted	85,855	98,426	1,033
Interest and Dividends on Securities	562,214	566,443	6,761
Interest on Call Loans and Bills Bought	2,440	4,788	29
Interest on Receivables under Resale Agreements	104	60	1
Interest on Receivables under Securities Borrowing Transactions	927	583	11
Interest on Due from Banks	2,469	7,426	30
Other Interest Income	6,618	36,832	80
Fees and Commissions	14,780	12,758	178
Trading Income	194	106	2
Other Operating Income	162,768	245,431	1,958
Other Income	263,407	286,543	3,168
Total Income	1,101,780	1,259,400	13,251
Expenses			
Interest Expenses:	557,758	647,953	6,708
Interest on Deposits	53,365	110,870	642
Interest on Negotiable Certificates of Deposit	2,567	2,252	31
Interest on Debentures	67,706	66,590	814
Interest on Borrowed Money	92,957	107,561	1,118
Interest on Call Money and Bills Sold	522	583	6
Interest on Payables under Repurchase Agreements	22,616	20,414	272
Interest on Payables under Securities Lending Transactions	156	204	2
Other Interest Expenses	317,865	339,476	3,823
Fees and Commissions	10,442	11,546	125
Trading Expenses	160	776	2
Other Operating Expenses	247,519	173,669	2,977
General and Administrative Expenses	102,992	107,812	1,239
Other Expenses	44,459	247,250	535
Total Expenses	963,332	1,189,010	11,586
Income before Income Taxes	138,448	70,390	1,665
Income Taxes — Current	322	5,035	4
Income Taxes — Deferred	(6,177)	35,794	(74)
Total Income Taxes	(5,855)	40,829	(70)
Net Income	¥ 144,303	¥ 29,561	\$ 1,735
		Yen	U.S. Dollars
	2011	2010	2011
Net Income per Share	¥31.87	¥6.94	\$0.38

36. Appropriation of Retained Earnings

The following dividends were approved at the Council of Delegates held on June 24, 2011.

	Millions of Yen	Millions of U.S. Dollars
Cash Dividends		
Special Dividends	¥ 4,624	\$ 56
Dividends on Common Stock (at the rate of 3% of the ¥100 face value, or ¥3.00 per share)	12,771	154
Dividends on Lower Dividend Rate Stock (at the rate of 0.1% of the ¥100 face value, or ¥0.10 per share)	2,975	36
Dividends on Preferred Stock (at the rate of 18% of the ¥100 face value, or ¥18.00 per share)	1,004	12



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Report of Independent Auditors

The Board of Directors
 The Norinchukin Bank

We have audited the accompanying consolidated balance sheets of The Norinchukin Bank (the "Bank") and consolidated subsidiaries as of March 31, 2011 and 2010, and the related consolidated statements of operations, capital surplus and retained earnings, and cash flows for the years then ended and consolidated statement of comprehensive income for the year ended March 31, 2011, all expressed in yen. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these 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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Norinchukin Bank and consolidated subsidiaries at March 31, 2011 and 2010, 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.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2011 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1.

Ernst & Young Shin Nihon LLC

June 24, 2011