

Financial Statements for the Fiscal 2008

Name : **The Norinchukin Bank**

(URL <http://www.nochubank.or.jp/>)

Name of the President: Yoshio Kono, President & Chief Executive Officer

The Person Responsible for Inquiries : Shinichi Saitoh, General Manager of Financial Planning & Control Division

(Note) Amounts less than one million yen and digits after decimal point presented are rounded down.

1. Consolidated Financial Results for the Fiscal 2008 (for the fiscal year ended March 31, 2009)

(1) Consolidated Results of Operations

(Percentage represents change from the previous year)

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal 2008	1,429,247	45.9)	616,656)	—	572,102)	—
Fiscal 2007	2,639,764	0.6	363,195	2.6)	276,880	7.8

	Net Assets Net Income Ratio		Total Assets Ordinary Profits Ratio		Ordinary Income Ordinary Profits Ratio	
		%		%		%
Fiscal 2008	20.0)		1.0)		43.1)	
Fiscal 2007	7.2		0.5		13.7	

(Ref) Equity in Earnings of Affiliates for Fiscal 2008 (1,422) millions of Yen for Fiscal 2007 519 millions of Yen

(2) Consolidated Financial Conditions

*Consolidated BIS Capital Adequacy Ratio as of March 31, 2009 is preliminary.

	Total Assets	Total Net Assets	Net Assets Ratio (Note 1)	Consolidated BIS Capital Adequacy Ratio (Note 2)
	Millions of Yen	Millions of Yen	%	%
Fiscal 2008	62,593,968	2,492,768	3.9	15.56
Fiscal 2007	61,085,505	3,229,901	5.2	12.47

(Ref) Net Assets - Minority Interests for Fiscal 2008 2,487,033 millions of Yen for Fiscal 2007 3,223,944 millions of Yen

(Note 1) Net Assets Ratio is computed by dividing (Net Assets — Minority Interests) by the Total Assets.

(Note 2) The calculation of the Norinchukin Bank's Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No.4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank).

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the end of the fiscal year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal 2008	3,618,310	(4,746,071)	1,834,458	887,436
Fiscal 2007	(2,157,384)	1,691,897	311,964	180,738

(4) Changes in the Scope of Consolidation (Specified Subsidiaries) in the fiscal year : No

(5) Changes in Accounting Principles, Methods or Presentations of Consolidated Financial Statements

- ① Changes due to revisions of Accounting Standards: Yes
 ② Changes other than ① above: No

(Note) Please refer to the Note II "Changes in Accounting Policies" in Consolidated Financial Statements on page 16 for details.

2. Non-consolidated Financial Results for the Fiscal 2008 (for the fiscal year ended March 31, 2009)

(1) Non-consolidated Results of Operations

(Percentage represents change from the previous year)

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal 2008	1,415,724	(46.0)	(612,719)	—	(565,712)	—
Fiscal 2007	2,625,735	0.7	352,703	§.5)	272,073	7.1

(2) Non-consolidated Financial Conditions

*Non-Consolidated BIS Capital Adequacy Ratio as of March 31, 2009 is preliminary.

	Total Assets	Total Net Assets	Net Assets Ratio (Note 1)	Non-Consolidated BIS Capital Adequacy Ratio (Note 2)
	Millions of Yen	Millions of Yen	%	%
Fiscal 2008	62,499,278	2,472,301	3.9	15.65
Fiscal 2007	61,191,721	3,202,479	5.2	12.55

(Ref) Net Assets for Fiscal 2008 2,472,301 millions of Yen for Fiscal 2007 3,202,479 millions of Yen

(Note 1) Net Assets Ratio is computed by dividing the Net Assets by the Total Assets.

(Note 2) The calculation of the Norinchukin Bank's Non-Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No.4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank).

The FY 2008 in Review

Total Assets of the Norinchukin Bank (“the Bank”) at the fiscal year increased by ¥1,307.5 billion to ¥62,499.2 billion from the previous fiscal year-end.

On the procurement side, Deposits amounted to ¥37,501.5 billion and Debentures was ¥5,255.0 billion. On the asset side, Loans and Bills Discounted was ¥10,947.8 billion and the Securities was ¥39,558.8 billion.

Amid the increasing turmoil in financial markets triggered by the sub-prime loan crisis in the US, the Bank has been managing its portfolio conservatively, using integrated risk management. This was mainly because increasing losses exceeded our expectations on securities holdings, which was caused by the collapse of the financial market under extreme stress, the Bank's Ordinary Losses were ¥612.7 billion and Net Loss was ¥565.7 billion.

The Bank's net operating losses (before reversal of reserve for possible loan losses) were ¥ 470.6 billion.

The Bank's shares in the consolidated financial statements are extremely high. Consolidated Total Assets at the end of the fiscal year increased by ¥1,508.4 billion to ¥62,593.9 billion from the previous fiscal year-end. Consolidated Ordinary Losses were ¥616.6 billion and consolidated Net Loss was ¥572.1 billion.

(Note) All the amounts shown in this document are rounded down.

Capital Adequacy Ratio

○ Non-Consolidated BIS Capital Adequacy Ratio (¥100Millions of Yen)

(Amounts less than 100 million yen and digits after decimal point presented are rounded down)

	Fiscal 2008 (preliminary)	Fiscal 2007	Change
BIS Capital Adequacy Ratio (%)	15.65	12.55	3.10
Tier I Ratio (%)	9.61	9.37	0.24
Total capital	37,435	40,409	(2,973)
Total tier I capital	23,006	30,198	(7,192)
Total capital requirements	19,133	25,758	(6,624)
Risk Adjusted Assets	239,171	321,979	(82,808)

○ Consolidated BIS Capital Adequacy Ratio (¥100Millions of Yen)

(Amounts less than 100 million yen and digits after decimal point presented are rounded down)

	Fiscal 2008 (preliminary)	Fiscal 2007	Change
BIS Capital Adequacy Ratio (%)	15.56	12.47	3.09
Tier I Ratio (%)	9.62	9.39	0.23
Total capital	37,514	40,388	(2,873)
Total tier I capital	23,187	30,408	(7,221)
Total capital requirements	19,275	25,906	(6,630)
Risk Adjusted Assets	240,943	323,828	(82,884)

The Bank's management policies and current issues to be addressed by the Bank

1 The Bank's Management Policies

In the fiscal year, the Norinchukin Bank raised ¥ 1,917.6 billion of capital from its member cooperatives in order to reconstruct its stable financial base. The Bank takes very seriously the fact that it has had to raise a large amount of capital from its members. Therefore, the Bank has established a set of future business operation policies, referred to as "The Business Renewal Plan" (FY 2009 – FY 2012). The plan was created based on two pillars of reviewing financial management and risk management methods and of strengthening the Bank's role as the central organization for cooperatives further. These policies will be implemented thoroughly through the best efforts of all the Bank's management and employees.

The Bank recognizes that implementing the Business Renewal Plan is its most important commitment to its member cooperatives. That is, all the Bank's employees acknowledge the importance of carrying out the Business Renewal Plan in a steady way, with knowledge of being a part of cooperative organization.

The Bank will promote the Business Renewal Plan firmly while ensuring that its various stakeholders, including members, understand and support the Plan. Furthermore, the Bank will seek to elevate its presence as a financial institution globally through steady growth of JA Bank and JF Marine Bank, as well as by investing both prudently and from a global perspective.

2 Current Issues to be Addressed by the Bank

The Bank will mainly address the following issues which are listed in the Business Renewal Plan.

(1) Reviewing methods of financial and risk management

As far as securities investment is concerned, the Bank plans to invest in safer products. In addition to conducting portfolio management which seeks to maintain a good balance among capital, risk and profits, the bank will implement a stable financial management which will not be affected by market turmoil by restructuring its risk management method.

Regarding the future financial management, the Bank will make efforts to deliver stable returns to its members while maintaining its capital adequacy ratio at a high level.

Also, the Bank will respond in accordance with a trend of changes in regulations by authorities.

(2) Further strengthening the Bank's role as the central organization for cooperatives

The Bank will strive more than ever to reflect members' opinions to its business operations. In addition, the Bank, as a member of cooperative organization, will seek to contribute to Japan's agriculture, forestry and fishery industries and to develop the cooperative credit business. Moreover, the Bank will attempt to improve JA Bank and JF Marine Bank's planning capabilities and business operations. At the same time, the Bank, as agriculture, forestry and fishery industries-based financial institution, will aim to strengthen its support for training people who engage in these industries and for development of their businesses, in addition to expanding its financial services offerings.

List of Group Companies

As of March 31, 2009)

Company Name	Address	Nature of Business	Date of Establishment	Capital Percentage of Voting Rights (%)
The Norinchukin Trust & Banking Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Trust & Banking	August 17, 1995	¥20,000 million 100.00
Kyodo Seminar Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Training	May 25, 1981	¥20 million 100.00
Norinchukin Research Institute Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Research	March 25, 1986	¥300 million 100.00
Nochu Business Support Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Operations for Property Accumulation Savings Various Operations Talent Provider on behalf of The Norinchukin Bank	August 18, 1998	¥100 million 100.00
Kyodo Housing Loan Co., Ltd.	15-3, Chuochi 1-chome, Meguro-ku, Tokyo, Japan	Mortgage Loans	August 10, 1979	¥10,500 million 91.52
Nochu Information System Co., Ltd.	5-3, Musashino 3-chome, Akishima-City, Tokyo, Japan	System Development & Maintenance	May 29, 1981	¥100 million 90.00
Norinchukin-Zenkyoren Asset Management Co., Ltd.	7-12, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	Asset management & Investment Advice	September 28, 1993	¥1,920 million 50.91
Ant Capital Partners Co., Ltd.	2-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	Buyout, Venture Capital Investment, Secondary Private Equity Investment and Fund Management	October 23, 2000	¥3,086 million 38.00
The Cooperative Servicing Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Management of Non-Performing Loans	April 11, 2001	¥500 million 37.96
Private Equity Funds Research and Investments Co., Ltd.	7-9, Nihonbashi 1-chome, Chuo-ku, Tokyo, Japan	Evaluation and investment management of private equity fund	October 19, 2007	¥1,000 million 30.00 (5.00)
The Agribusiness Investment & Consultation Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Investment consultation to the Agricultural Companies	October 24, 2002	¥4,070 million 19.97
Mitsubishi UFJ NICOS Co., Ltd.	Akihabara UDX 14-1, Sotokanda 4-chome, Chiyoda-ku, Tokyo, Japan	Credit Card Service	June 7, 1951	¥109,312 million 15.01
Daiichi Life Norinchukin Building Management Co., Ltd.	13-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo, Japan	Building Maintenance	April 1, 1993	¥10 million 27.00
Norinchukin Finance (Cayman) Limited	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	Issuances of Subordinated Bonds, Borrowing of Subordinated Loans etc	August 30, 2006	US \$50,000 100.00

(Note 9)

- Figure in parentheses () in the voting rights column indicate voting rights held indirectly via subsidiaries.
- Nochu Information System Co., Ltd. which is a consolidated subsidiary and The JA Bank Computer System Co., Ltd. which was a consolidated subsidiary merged in April, 2008. Surviving company is Nochu Information System Co., Ltd.
- Due to establishment of joint holding company and share exchange transaction with Mitsui Leasing and Development, Ltd., Kyodo Leasing Co., Ltd. and Kyodo Auto Leasing Co., Ltd. were excluded from the affiliates in April 2008.
- Due to acquisition of its share in August, 2008, Mitsubishi UFJ NICOS Co., Ltd. was newly accounted for by the equity method.
- Due to acquisition of its share in November, 2008, Ant Capital Partners Co., Ltd. was newly accounted for by the equity method.

Consolidated Financial Statements

Principles of Consolidated Financial Statements

1 Scope of Consolidation

- (1) Consolidated subsidiaries 8 companies

Names of principal companies:

The Norinchukin Trust & Banking Co., Ltd.

Kyodo Housing Loan Co., Ltd.

Due to merger in April, 2008 with Nochu Information System Co., Ltd. which is a consolidated subsidiary, The JA Bank Computer System Co., Ltd. was excluded from the scope of consolidation.

- (2) Unconsolidated subsidiaries 0 companies

2 Application of the Equity Method

- (1) Affiliates which were accounted for by the equity method 5 companies

Names of principal companies:

Mitsubishi UFJ NICOS Co., Ltd.

Due to acquisition of its share, Mitsubishi UFJ NICOS Co., Ltd. and Ant Capital Partners Co., Ltd. were newly accounted for by the equity method in the fiscal year. Goodwill is amortized using the straight-line method over 20 years.

Due to establishment of joint holding company and share exchange transaction with Mitsui Leasing and Development, Ltd., Kyodo Leasing Co., Ltd. and Kyodo Auto Leasing Co., Ltd. were excluded from the affiliates in fiscal 2008.

- (2) Affiliates which were not accounted for by the equity method 1 company

Name of the company:

Daichi Life Norinchukin Building Management Co., Ltd.

The equity method was not applied to the affiliate, since the impact of the affiliate on the consolidated financial statements was not material in terms of Net Income, Retained Earnings and Net Deferred Losses on Hedging Instruments, net of taxes.

3 The Fiscal Year of Consolidated Subsidiaries

- (1) The number of consolidated subsidiaries and their closing date of the fiscal year are as follows:

Closing date: March 31, 2009 Number of subsidiaries: 8

- (2) Consolidated subsidiaries were consolidated based on their financial statements as of their respective closing dates.

4 Valuation of Assets and Liabilities of the Consolidated Subsidiaries in Acquisition

Assets and liabilities of consolidated subsidiaries were valued at fair value at the time of the acquisition.

5 Amortization of the Goodwill

Goodwill is charged to income when incurred, if deemed immaterial.

6 Appropriations of Retained Earnings

The Consolidated Statement of Capital Surplus and Retained Earnings was presented based on the appropriation of retained earnings resolved in the consolidated financial year.

Consolidated Balance Sheets

(Millions of Yen)

	Fiscal 2008 (As of March 31, 2009) (A)	Fiscal 2007 (As of March 31, 2008) (B)	Change A) – B)
(Assets)			
Loans and Bills Discounted	11,022,692	9,853,902	1,168,789
Foreign Exchange Assets	81,703	7,119	74,583
Securities	39,540,599	36,242,079	3,298,519
Money Held in Trust	5,654,876	7,964,516	(2,309,639)
Trading Assets	24,842	48,033	(23,191)
Monetary Claims Bought	646,139	770,387	(124,247)
Call Loans and Bills Bought	1,155,692	1,851,020	(695,327)
Receivables under Resale Agreements	-	258,135	(258,135)
Receivables under Securities Borrowing Transactions	140,422	1,108,779	(968,357)
Cash and Due from Banks	2,773,412	1,096,901	1,676,510
Other Assets	938,415	1,452,979	(514,563)
Tangible Fixed Assets	134,384	136,254	(1,869)
Buildings	46,349	47,284	(935)
Land	71,388	75,489	(4,100)
Lease Assets	1,811	-	1,811
Construction in Progress	6,145	6,225	(79)
Other Tangible Fixed Assets	8,689	7,254	1,434
Intangible Fixed Assets	33,026	18,417	14,609
Software	1,060	1,892	(832)
Lease Assets	366	-	366
Other Intangible Fixed Assets	31,599	16,524	15,075
Deferred Tax Assets	241,435	153,135	88,300
Customers' Liabilities for Acceptances and Guarantees	407,668	317,809	89,858
Reserve for Possible Loan Losses	(201,344)	(140,511)	(60,833)
Reserve for Possible Investment Losses	-	(53,455)	53,455
Total Assets	62,593,968	61,085,505	1,508,462
(Liabilities)			
Deposits	37,492,819	38,804,362	(1,311,542)
Negotiable Certificates of Deposit	321,249	538,019	(216,769)
Debentures	5,252,065	4,821,975	430,089
Bonds	270,718	337,695	(66,976)
Trading Liabilities	13,725	15,248	(1,522)
Borrowed Money	5,647,557	998,700	4,648,857
Call Money and Bills Sold	510,000	758,000	(248,000)
Payables under Repurchase Agreements	4,606,862	4,461,811	145,051
Payables under Securities Lending Transactions	530,276	496,637	33,639
Foreign Exchange Liabilities	51	2	49
Short-term Entrusted Funds	4,077,454	4,401,193	(323,739)
Other Liabilities	945,561	1,876,213	(930,651)
Reserve for Bonus Payments	4,608	5,826	(1,218)
Reserve for Employees' Retirement Benefits	921	832	88
Reserve for Directors' Retirement Benefits	838	791	47
Deferred Tax Liabilities	-	1,031	(1,031)
Deferred Tax Liabilities for Land Revaluation	18,819	19,452	(633)
Acceptances and Guarantees	407,668	317,809	89,858
Total Liabilities	60,101,200	57,855,604	2,245,595
(Net Assets)			
Paid-in Capital	3,421,370	2,016,033	1,405,337
Capital Surplus	25,020	25,020	-
Retained Earnings	803,522	1,457,413	(653,891)
Treasury Preferred Stock	(150)	-	(150)
Total Owners' Equity	4,249,763	3,498,467	751,295
Net Unrealized Losses on Other Securities, net of taxes	(1,872,359)	(296,711)	(1,575,648)
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	76,840	(12,003)	88,844
Revaluation Reserve for Land, net of taxes	32,807	34,208	(1,400)
Foreign Currency Transaction Adjustments	(19)	(16)	(2)
Total Valuation and Translation Adjustments	(1,762,730)	(274,523)	(1,488,206)
Minority Interests	5,734	5,956	(221)
Total Net Assets	2,492,768	3,229,901	(737,132)
Total Liabilities and Net Assets	62,593,968	61,085,505	1,508,462

Consolidated Statements of Operations

(Millions of Yen)

	Fiscal 2008 (Year ended March 31, 2009) (A)	Fiscal 2007 (Year ended March 31, 2008) (B)	Change (A) - (B)
Ordinary Income	1,429,247	2,639,764	(1,210,516)
Interest Income	1,018,159	1,941,088	(922,929)
Interest on Loans and Bills Discounted	126,524	151,179	(24,654)
Interest and Dividends on Securities	815,221	1,720,157	(904,936)
Interest on Call Loans and Bills Bought	17,063	12,545	4,517
Interest on Receivables under Resale Agreements	2,032	4,350	(2,317)
Interest on Receivables under Securities Borrowing Transactions	4,772	3,462	1,309
Interest on Due from Banks	42,197	38,006	4,190
Other Interest Income	10,348	11,386	(1,038)
Fees and Commissions	17,097	19,251	(2,154)
Trading Income	1,739	1,044	695
Other Operating Income	115,633	313,617	(197,984)
Other Ordinary Income	276,617	364,761	(88,144)
Ordinary Expenses	2,045,903	2,276,568	(230,664)
Interest Expenses	1,091,843	1,732,433	(640,589)
Interest on Deposits	248,490	369,999	(121,508)
Interest on Negotiable Certificates of Deposit	9,412	58,634	(49,222)
Interest on Debentures	57,286	44,084	13,201
Interest on Borrowed Money	40,513	20,096	20,416
Interest on Call Money and Bills Sold	3,835	6,045	(2,210)
Interest on Payables under Repurchase Agreements	48,343	241,053	(192,710)
Interest on Payables under Securities Lending Transactions	1,518	4,548	(3,029)
Interest on Bonds	12,055	15,188	(3,132)
Other Interest Expenses	670,387	972,781	(302,393)
Fees and Commissions	12,796	10,616	2,179
Trading Expenses	422	201	221
Other Operating Expenses	537,944	304,967	232,976
General and Administrative Expenses	115,574	113,144	2,429
Other Ordinary Expenses	287,322	115,205	172,117
Provision of Reserve for Possible Loan Losses	70,679	-	70,679
Other Ordinary Expenses	216,642	115,205	101,437
Ordinary Profits(Losses)	(616,656)	363,195	(979,852)
Extraordinary Profits	8,847	64,060	(55,213)
Gains on Disposal of Fixed Assets	193	835	(642)
Reversal of Reserve for Possible Loan Losses	-	58,482	(58,482)
Recoveries of Written-off Claims	7,525	4,719	2,805
Other Extraordinary Profits	1,128	22	1,106
Extraordinary Losses	2,289	1,972	317
Losses on Disposal of Fixed Assets	1,231	868	362
Losses on Impairment of Fixed Assets	1,058	1,103	(45)
Income(Loss) before Income Taxes and Minority Interests	(610,098)	425,284	(1,035,383)
Income Taxes - Current	1,606	137,263	(135,657)
Income Taxes - Deferred	(39,402)	10,675	(50,078)
Total Income Taxes	(37,795)	147,939	(185,735)
Minority Interests in Net Income(Loss)	(199)	464	(664)
Net Income(Loss)	(572,102)	276,880	(848,983)

Consolidated Statements of Capital Surplus and Retained Earnings

(Millions of Yen)

	Fiscal 2008 (Year ended March 31, 2009) (A)	Fiscal 2007 (Year ended March 31, 2008) (B)	Change A) – B)
(Capital Surplus)			
Balance at the Beginning of the Fiscal Year	25,020	25,020	-
Additions	-	-	-
Deductions	-	-	-
Balance at the End of the Fiscal Year	25,020	25,020	-
(Retained Earnings)			
Balance at the Beginning of the Fiscal Year	1,457,413	1,249,484	207,928
Additions:	1,400	290,100	(288,700)
Net Income for the Fiscal Year	-	276,880	(276,880)
Transfer from Revaluation Reserve for Land, net of taxes	1,400	13,220	(11,819)
Deductions:	655,291	82,171	573,119
Net Loss for the Fiscal Year	572,102	-	572,102
Dividends	83,188	82,171	1,016
Balance at the End of the Fiscal Year	803,522	1,457,413	(653,891)

Consolidated Statements of Cash Flows

(Millions of Yen)

	Fiscal 2008 (Year ended March 31, 2009) (A)	Fiscal 2007 (Year ended March 31, 2008) (B)	Change (A) — (B)
I Cash Flows from Operating Activities:			
Income (Loss) before Income Taxes and Minority Interests	(610,098)	425,284	(1,035,383)
Depreciation	6,797	8,109	(1,312)
Losses on Impairment of Fixed Assets	1,058	1,103	(45)
Amortization of Goodwill	(36)	(55)	18
Equity in Losses (Earnings) of Affiliates	1,422	(519)	1,942
Net Increase (Decrease) in Reserve for Possible Loan Losses	60,833	(63,868)	124,701
Net Increase (Decrease) in Reserve for Possible Investment Losses	(53,455)	14,827	(68,282)
Net Increase (Decrease) in Reserve for Bonus Payments	(1,218)	794	(2,012)
Net Increase (Decrease) in Reserve for Employees' Retirement Benefits	88	(1,017)	1,106
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	47	600	(553)
Interest Income	(1,018,159)	(1,941,088)	922,929
Interest Expenses	1,091,843	1,732,433	(640,589)
Losses (Gains) on Securities	688,417	(20,791)	709,208
Losses (Gains) on Money Held in Trust	102,170	(11,575)	113,745
Foreign Exchange Losses (Gains)	650,839	3,388,081	(2,737,242)
Losses (Gains) on Disposal of Fixed Assets	1,037	32	1,005
Net Decrease (Increase) in Trading Assets	23,191	4,516	18,674
Net Increase (Decrease) in Trading Liabilities	(1,522)	(4,414)	2,891
Net Decrease (Increase) in Loans and Bills Discounted	(1,168,789)	3,000,777	(4,169,566)
Net Increase (Decrease) in Deposits	(1,311,542)	(2,439,130)	1,127,587
Net Increase (Decrease) in Negotiable Certificates of Deposit	(216,769)	(1,837,007)	1,620,237
Net Increase (Decrease) in Debentures	430,089	350,819	79,270
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	4,136,500	5,000	4,131,500
Net Decrease (Increase) in Interest-bearing Due from Banks	(969,917)	(383,784)	(586,132)
Net Decrease (Increase) in Call Loans and Bills Bought and Other	1,077,710	(1,215,036)	2,292,747
Net Decrease (Increase) in Receivable under Securities Borrowing Transactions	968,357	(545,497)	1,513,855
Net Increase (Decrease) in Call Money and Bills Sold and Other	(102,948)	(3,287,667)	3,184,719
Net Increase (Decrease) in Short-term Entrusted Funds	(323,739)	1,532,226	(1,855,965)
Net Increase (Decrease) in Payables under Securities Lending Transactions	33,639	(848,387)	882,026
Net Decrease (Increase) in Foreign Exchange Assets	(74,583)	(3,943)	(70,640)
Net Increase (Decrease) in Foreign Exchange Liabilities	49	1	47
Interest Received	1,067,266	1,957,856	(890,589)
Interest Paid	(1,126,130)	(1,712,230)	586,100
Other, Net	387,954	(187,385)	575,340
Subtotal	3,750,403	(2,080,936)	5,831,340
Income Taxes Paid	(132,092)	(76,447)	(55,644)
Net Cash Provided by (Used in) Operating Activities	3,618,310	(2,157,384)	5,775,695
II Cash Flows from Investing Activities:			
Purchases of Securities	(15,343,927)	(8,847,073)	(6,496,853)
Proceeds from Sales of Securities	2,596,380	7,240,315	(4,643,935)
Proceeds from Redemption of Securities	6,596,130	3,714,911	2,881,219
Increase in Money Held in Trust	(1,520,983)	(3,019,593)	1,498,610
Decrease in Money Held in Trust	2,947,148	2,615,657	331,491
Purchases of Tangible Fixed Assets	(5,444)	(4,771)	(672)
Purchases of Intangible Fixed Assets	(17,449)	(9,638)	(7,811)
Proceeds from Sales of Tangible Fixed Assets	1,970	2,177	(206)
Purchases of Stock of Subsidiaries (No Impact on the Scope of Consolidation)	(55)	(86)	31
Proceeds of Stock of Subsidiaries (No Impact on the Scope of Consolidation)	158	-	158
Net Cash Provided by (Used in) Investing Activities	(4,746,071)	1,691,897	(6,437,969)
III Cash Flows from Financing Activities:			
Proceeds from Issuance of Subordinated Borrowed Money	1,476,057	383,800	1,092,257
Repayment of Subordinated Borrowed Money	(963,700)	(521,632)	(442,068)
Proceeds from Issuance of Stock	1,405,337	532,016	873,321
Dividends Paid	(83,188)	(82,171)	(1,016)
Dividends Paid to Minority Interests	(47)	(47)	-
Net Cash Provided by (Used in) Financing Activities	1,834,458	311,964	1,522,493
IV Net Increase (Decrease) in Cash and Cash Equivalents	706,697	(153,521)	860,219
V Cash and Cash Equivalents at the Beginning of the Fiscal Year	180,738	334,260	(153,521)
VI Cash and Cash Equivalents at the End of the Fiscal Year	887,436	180,738	706,697

Notes to Consolidated Financial Statements

Amounts less than one million yen are rounded down.

I . Significant accounting policies

1. Standards of Accounting Method

(1) Trading Assets/ Liabilities and Trading Income/ Expenses

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.

(2) Securities

(a) 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 under 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 that do not have readily determinable 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.

(b) Securities included in Money Held in Trust are valued using the same methods described in (1) and (2)(a) above.

(3) Derivatives

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

(4) Depreciation

(a) Tangible Fixed Assets (excluding Lease Assets)

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 of 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) Intangible Fixed Assets (excluding Lease Assets)

Depreciation of Intangible Fixed Assets of the Bank and the consolidated subsidiaries is calculated using the straight-line method. The costs of software developed or obtained for internal use are capitalized and amortized over an estimated useful life of 5 years.

(c) Lease Assets

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.

(5) Reserve for Possible Loan Losses

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. Reserve for loans to debtors who are not currently bankrupt, but are likely to become bankrupt, 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.

Reserve for loans to debtors with restructured loans (see Notes to Consolidated Balance Sheet 5. below) 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.

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. 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. Reserve described above is determined based on the results of these self-assessments.

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 ¥68,902 million for the fiscal year ended March 31, 2009.

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.

(6) Reserve for Bonus Payments

Reserve for Bonus Payments represents estimated costs of payment of employees' bonuses attributable to the fiscal

year.

(7) 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 actuarial differences, the excess portion is recorded as prepaid pension costs in Other Assets.

Unrecognized actuarial differences are amortized over a certain period of time (10 years) using the declining-balance method beginning in the fiscal year after the difference had been incurred.

Certain consolidated subsidiaries adopt the simplified method to calculate PBO.

(8) 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.

(9) 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.

(10) 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.

(11) Hedge accounting

(a) Hedge of interest rate risk

The Bank applies the deferred 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 expense over 7 years, the average remaining maturity, 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 and deferred hedge gains under the macro hedges as of March 31, 2009 were ¥6,456 million (before deducting the tax effect) and ¥43 million (before deducting the tax effect), respectively.

(b) Hedge of foreign exchange rate risk

The Bank applies the deferred method of hedge accounting to the hedges 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 deferred method or the fair value method of hedge accounting is applied to the portfolio hedges of foreign exchange 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.

(12) Consumption taxes

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

2. Scope of “Cash and Cash Equivalents” in Consolidated Statement of Cash Flows

“Cash and Cash Equivalents” in the consolidated statement of cash flows represents cash and non-interest bearing due from bank in Cash and Due from Banks of the consolidated balance sheet.

Non-interest bearing due from bank 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.

II. Changes in Accounting Policies

Accounting Standard for Lease Transactions

“Accounting Standard for Lease Transactions”(ASBJ Statement No.13, March 30, 2007) and “Guidance on Accounting Standard for Lease Transactions”(ASBJ Guidance No.16, March 30, 2007) are applicable from the fiscal year beginning on or after April 1, 2008. The Bank has adopted the standard and guidance from this fiscal year.

The effect of this adoption on the Consolidated Financial Statements is immaterial.

Tentative Solution on Reclassification of Debt Securities

“Tentative Solution on Reclassification of Debt Securities”(ASBJ Practical Issue Task Force(“PITF”) No.26, December 5, 2008) was released on December 5, 2008. The Bank has adopted the PITF from this fiscal year, and reclassified certain debt securities from “Other Securities” to “Held-to-Maturity Debt Securities” on December 30, 2008, January 30, 2009 and March 31, 2009. As a result, compared with the valuation based on the former classification, Securities decreased by ¥1,130 million, Deferred Tax Assets and Net Unrealized Gains on Other Securities increased by ¥96,275 million and ¥95,144 million, respectively. For the detail of the reclassified bonds, see “7 Securities Reclassified by Holding Purpose” in “(Securities)”.

(Additional information)

Partial Change in the Calculation Method for Fair Value of Other Securities

As for floating-rate Japanese government bonds which are rarely transacted in the current market, the Bank determined that market prices are no longer deemed as fair value, and values them at reasonably estimated amounts at the end of the fiscal year.

As a result, compared with valuation using the market prices, Securities and Net Unrealized Gains on Other Securities increased by ¥425,664 million, respectively.

Reasonably estimated amounts of floating-rate Japanese government bonds are calculated by Discount Cash Flow method. The price decision variables include the yield of Japanese government bonds, swaption volatilities and other.

As for some of foreign bonds, such as securitization products, which are rarely transacted in the current market, the Bank determined that quoted prices provided by brokers or venders are no longer deemed as fair value, and values such bonds at reasonably estimated amounts at the end of the fiscal year.

As a result, compared with valuation using the broker or vender prices, Securities and Net Unrealized Gains on Other Securities increased by ¥1,094,767 million and ¥501,260 million, respectively, and Other Operating Expenses and Ordinary Losses decreased by ¥593,506 million, respectively.

Reasonably estimated amounts of such foreign bonds are calculated by Discount Cash Flow method. The price decision variables include default rates, recovery rates, pre-payment rates, discount rates and others.

(Notes to Consolidated Balance Sheet)

1. Investments in Affiliates ¥91,025 million
2. The Bank held no securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) as of March 31, 2009.
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 ¥72,575 million and securities held without re-pledge of ¥510,187 million as of March 31, 2009, respectively.

3. Loans and Bills Discounted include Loans to borrowers under bankruptcy proceedings of ¥13,115 million and delinquent loans of ¥136,985 million.

Loans to borrowers under bankruptcy proceedings are loans whose interest 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).

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, Money Held in Trust includes delinquent loans of ¥16,308 million.

4. Loans and Bills Discounted include past due for three months or more of ¥474 million.

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.

5. Loans and Bills Discounted include restructured loans of ¥56,867 million.

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.

6. The total amount of loans to borrowers under bankruptcy proceedings, delinquent loans, loans past due for three months or more and restructured loans was ¥223,750 million.

The amounts of loans indicated in 3. to 6. above are amounts before deducting the reserves for possible loan losses.

7. Bills Discounted are treated as finance transactions based on JICPA Industry Audit Committee Report No.24. Based on the Report, the Bank has the right to appropriate freely deposited banker's acceptances, commercial notes, documentary bills, and purchased foreign exchange through sales or collateralization. The face value of the total Bills Discounted was ¥10,309 million.

8. Assets pledged as collateral consist of the followings:

Assets Pledged

Loans and Bills Discounted	¥4,253,009 million
Securities	¥14,424,299 million

Liabilities related to the above pledged assets are as follows:

Borrowed Money	¥4,126,500 million
Call Money	¥455,000 million
Payables under Repurchase Agreements	¥4,606,862 million
Payables under Securities Lending Transactions	¥457,581 million

In addition, Securities of ¥5,779,969 million were pledged as collateral for settlement of exchange and derivative transactions or as margin for futures transactions (including transactions of Monetary Held in Trust).

Initial margins of future markets of ¥1,268 million, receivables under financial derivatives transactions of ¥476,165 million and guarantee deposits of ¥5,643 million were included in Other Assets.

9. Commitments related to overdrafts and loans represent agreements to extend overdrafts or loans up to a 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 is ¥2,400,293 million as of March 31, 2009. The amount, which the Bank and its consolidated subsidiaries can cancel at any time without penalty, is ¥1,551,595 million as of March 31, 2009.

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 financial condition of the borrower, 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.

10. In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes has been revaluated. 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.

Date of Revaluation	March 31, 1998
Revaluation Method	Reasonably calculated in accordance with the Appraisal methods stipulated in Article 25 of the enforcement ordinance for the Law Concerning the Revaluation of Land (No.119 effective as of March 31, 1998)

11. Accumulated Depreciation Deducted from Tangible Fixed Assets ¥92,022 million

12. Accumulated Amount of Tax Basis Adjustments Deducted from Tangible Fixed Assets ¥7,117 million

13. Borrowed Money includes subordinated borrowings of ¥1,476,057 million which have a special agreement that requires the fulfillment of the payment obligations of such borrowing to be subordinated to other general liabilities.

14. Bonds include subordinated bonds of ¥270,718 million.

15. The amount of guaranteed obligations for corporate bonds acquired through private offerings (as in Article 23 Financial Instruments and Exchange Law) among those classified as corporate bonds in Securities was ¥21,038 million.

16. Net Assets per Share for the end of the fiscal year was ¥73.06 (Minority Interests, the residuary assets for Lower Dividend Rate Stocks and Preferred Stocks are deducted from the numerator, and the aggregate number of Lower

Dividend Rate Stocks and Preferred Stocks is deducted from the denominator in the calculation of net assets per share.)

17. Total Monetary Credits to Directors, Supervisory Committee and the Auditors of the Bank ¥159 million

18. In addition to the fixed assets recorded on the consolidated balance sheet, some computers, network system equipments, and automobiles are being used under finance leases where the ownership of assets is not transferred to the lessee.

19. Projected pension benefit obligations, etc. as of March 31, 2009 are analyzed as follows:

Projected Benefit Obligations	¥(84,094) million
<u>Plan Assets (in fair value)</u>	<u>¥57,705 million</u>
(Unfunded) Overfunded Retirement Benefit Obligations	¥(26,389) million
<u>Unrecognized Actuarial Differences</u>	<u>¥31,444 million</u>
Net Amounts Reported in the Consolidated Balance Sheet	¥5,055 million
Prepaid Pension Costs	¥5,976 million
Reserve for Employees' Retirement Benefits	¥(921) million

(Notes to Consolidated Statement of Operations)

1. Other Ordinary Expenses includes the write-off of loans of ¥9,349 million, losses on sales of stocks and other securities of ¥79,319 million, and losses on revaluation of stocks and other securities of ¥30,061 million.

2. Other Extraordinary Profits is the profit by the share exchange of affiliates stocks.

3. The following Losses on Impairment of Fixed Assets were recognized in the fiscal year.

(Millions of yen)			
Purpose of Use	Type	Area	Impairment Losses
Operating assets	Land and Buildings	Hiroshima prf, others	747
Idle assets	Land and Buildings	Tokyo , others	310

As for operating assets, the Bank aggregates the head office and all branches as one unit, taking into consideration mutually complementary relationship of the cash flows. Idle assets (including assets held for sale) were assessed individually by asset.

For the operating assets and idle assets held for sale upon closure of branches, the Bank reduced the book values to their recoverable amounts and recognized the relevant losses as Losses on Impairment of Fixed Assets, which were included in Extraordinary Losses in the fiscal year.

The recoverable amounts are the net realizable value, which is calculated based on the appraisal value and other.

For the consolidated subsidiaries, assets of each individual subsidiary are grouped as one unit. Consolidated subsidiaries record no impairment losses on fixed assets.

4. Net Loss per Share for the fiscal year is ¥134.38 (The aggregate number of Lower Dividend Rate Stock and Preferred Stock is deducted from the denominator in the calculation of net income per share.)

(Notes to Consolidated Statement of Cash Flows)

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

Cash and Due from Banks	¥ 2,773,412 million
Less: Interest-bearing Due from Banks	¥ (1,885,975) million
Cash and Cash Equivalents at the end of the fiscal year	¥887,436 million

(Securities)

Information relating to Securities is as provided below. The Securities include Trading Securities in Trading Assets and negotiable certificates of deposit in Cash and Due from the Bank.

1. Trading Securities (as of March 31, 2009)

	Consolidated balance sheet amount	Unrealized Gain Recognized as Income
Trading Securities	10,651	60

(Millions of yen)

2. Held-to-Maturity Debt Securities that have Fair Value (as of March 31, 2009)

	Consolidated balance sheet amount	Fair Value	Difference	Gain	Loss
Japanese Government Bonds	7,615,885	7,658,643	42,758	42,759	0
Municipal Government Bonds	—	—	—	—	—
Corporate Bonds	—	—	—	—	—
Other	6,818,845	6,777,358	(41,487)	11,938	53,426
Total	14,434,730	14,436,001	1,270	54,697	53,427

(Millions of yen)

(Notes)

1. Fair Value is based on the quoted market price if available, or other reasonable value at the consolidated balance sheet date.
2. “Gain” and “Loss” of “Difference” is gross valuation of the difference between the consolidated balance sheet amount and the fair value.

3. Other Securities held that have Fair Value (as of March 31, 2009)

(Millions of Yen)

	Acquisition Cost	Consolidated balance sheet amount	Net Unrealized Gain/Loss	Gain	Loss
Stocks	289,874	313,373	23,499	55,549	32,049
Bonds	6,699,255	6,746,689	47,433	50,521	3,088
Japanese Government Bonds	6,473,143	6,520,071	46,928	47,887	959
Municipal Government Bonds	7,021	7,133	111	112	0
Corporate Bonds	219,090	219,484	393	2,522	2,128
Other	18,560,991	16,752,246	(1,808,745)	274,551	2,083,296
Total	25,550,122	23,812,309	(1,737,812)	380,622	2,118,435

(Notes)

1. Consolidated balance sheet amount is stated based on the closing fair value, which is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date.

2. “Gain” and “Loss” of “Net Unrealized Gain/Loss” is gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount.

3. Certain other securities which have readily determinable fair values are revalued to their fair value, and the difference between the acquisition cost and the fair value is treated as a realized loss for the fiscal year ended March 31, 2009 (“revaluation loss”), if the fair value (primarily the closing market price at the end of the consolidated balance sheet date) has significantly deteriorated from the acquisition cost (including amortized cost), and unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the fiscal year was ¥335,830 million (including ¥15,051 million on Stocks and ¥320,778 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 50% or less of their acquisition costs

Securities whose fair values are more than 50% and 70% or less of their acquisition costs for a certain period

(Additional information)

As for floating-rate Japanese government bonds which are rarely transacted in the current market, the Bank determined that market prices are no longer deemed as fair value, and values them at reasonably estimated amounts at the end of the fiscal year.

As a result, compared with valuation using the market prices, Securities and Net Unrealized Gains on Other Securities increased by ¥425,664 million, respectively.

Reasonably estimated amounts of floating-rate Japanese government bonds are calculated by Discount Cash Flow method. The price decision variables include the yield of Japanese government bonds, swaption volatilities and other.

As for some of foreign bonds, such as securitization products, which are rarely transacted in the current market, the Bank determined that quoted prices provided by brokers or venders are no longer deemed as fair value, and values such bonds at reasonably estimated amounts at the end of the fiscal year.

As a result, compared with valuation using the broker or vender prices, Securities and Net Unrealized Gains on Other Securities increased by ¥1,094,767 million and ¥501,260 million, respectively, and Other Operating

Expenses and Ordinary Losses decreased by ¥593,506 million, respectively.

Reasonably estimated amounts of such foreign bonds are calculated by Discount Cash Flow method. The price decision variables include default rates, recovery rates, prepayment rates, discount rates and others.

4. Held-to-Maturity Debt Securities sold during the fiscal year ended March 31, 2009

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

5. Other Securities sold during the fiscal year ended March 31, 2009

(Millions of Yen)

	Sales Proceeds	Gains on Sales	Losses on Sales
Other Securities	2,559,539	95,097	116,911

6. Major components and Consolidated Balance Sheet amount of Securities not stated at Fair Value (as of March 31, 2009)

(Millions of Yen)

	Consolidated balance sheet amount
Other Securities	1,236,286
Unlisted Stocks	131,207
Foreign Bonds	406,298
Other	698,780

7. Securities Reclassified Holding Purpose (as of March 31, 2009)

Floating-rate Japanese government bonds that were previously classified as “Other Securities” have been reclassified to “Held-to-Maturity Debt Securities” at ¥7,605,555 million on December 30, 2008, and some of foreign bonds that were previously classified as “Other Securities” have been reclassified to “Held-to-Maturity Debt Securities” at ¥4,248,330 million and ¥2,143,399 million on January 30, 2009 and March 31, 2009, respectively. The Bank decided to make these reclassifications, taking into account unexpected significant changes which occurred in the market and have continued for an extended period, such as extreme small volume and number of transactions and significantly widening offer-bid spread. Under these market conditions, these securities are difficult to sell at their fair value.

(Millions of Yen)

	Fair Value	Consolidated balance sheet amount	Net Unrealized Gains (Losses) on Other Securities, net of taxes
Japanese Government Bonds	7,642,897	7,600,279	155,022
Other	6,777,358	6,818,845	(367,817)

8. Redemption Schedule of Other Securities with stated maturities and Held-to-Maturity Debt Securities (as of March 31, 2009)

(Millions of Yen)

	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years
Bonds	4,693,469	1,841,741	2,351,183	5,614,853
Japanese Government Bonds	4,666,411	1,580,245	2,288,198	5,601,100
Municipal Government Bonds	1,966	4,205	1,462	84
Corporate Bonds	25,091	257,290	61,522	13,668
Other	516,279	7,481,958	4,857,510	3,328,283
Total	5,209,749	9,323,699	7,208,694	8,943,136

(Money Held in Trust)

1. Money Held in Trust for Trading Purpose (as of March 31, 2009)

(Millions of Yen)

	Consolidated balance sheet amount	Unrealized Gain Recognized as Income
Money Held in Trust for Trading Purpose	3,898	(987)

2. Held-to-Maturity Money Held in Trust (as of March 31, 2009)

The Bank and its consolidated subsidiaries held no held-to-maturity money held in trust.

3. Other Money Held in Trust (other than for trading purpose or held-to-maturity) (as of March 31, 2009)

(Millions of Yen)

	Acquisition Cost	Consolidated balance sheet amount	Net Unrealized Gain/Loss	Gain	Loss
Other Money Held in Trust	5,697,430	5,650,978	(46,452)	138,323	184,775

(Notes)

1. Consolidated balance sheet amount is stated based on the closing fair value, which is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date.
2. "Gain" and "Loss" of "Net Unrealized Gain/Loss" is gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount.

Segment Information

1 Segment Information by Type of Businesses

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

2 Segment Information By Geographic Areas

Fiscal 2007 (Year ended March 31, 2008)

(Millions of Yen)

	Japan	Americas	Europe	Asia	Total	Elimination and Corporate Assets	Consolidated
I Ordinary Income							
(1) Ordinary Income from Third-parties	2,534,168	23,138	46,506	35,950	2,639,764	—	2,639,764
(2) Inter-segment Ordinary Income	63,771	239,000	221,763	157,503	682,038	(682,038)	—
Total	2,597,939	262,138	268,269	193,454	3,321,802	(682,038)	2,639,764
Ordinary Expenses	2,256,583	245,589	263,517	192,916	2,958,607	(682,038)	2,276,568
Ordinary Profits	341,355	16,549	4,751	538	363,195	—	363,195
II Assets	66,410,771	3,858,345	5,156,588	3,788,118	79,213,823	(18,128,317)	61,085,505

Fiscal 2008 (Year ended March 31, 2009)

(Millions of Yen)

	Japan	Americas	Europe	Asia	Total	Elimination and Corporate Assets	Consolidated
I Ordinary Income							
(1) Ordinary Income from Third-parties	1,338,910	12,484	42,644	35,207	1,429,247	—	1,429,247
(2) Inter-segment Ordinary Income	69,484	73,691	135,195	115,752	394,123	(394,123)	—
Total	1,408,395	86,176	177,840	150,959	1,823,371	(394,123)	1,429,247
Ordinary Expenses	2,050,781	61,561	176,465	151,219	2,440,027	(394,123)	2,045,903
Ordinary Profits (Ordinary Losses)	(642,386)	24,614	1,374	(259)	(616,656)	—	(616,656)
II Assets	66,426,718	6,906,332	3,236,050	2,780,004	79,349,106	(16,755,138)	62,593,968

(Notes)

- The Bank reported "Ordinary Income" and "Ordinary Profits" that corresponds to Sales and Operating Profit for non-financial companies, for the Bank's head office, branches and the 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.
- "Americas" includes the United States of America and Cayman Islands. "Europe" includes the United Kingdom and "Asia" includes the Republic of Singapore.
- "Tentative Solution on Reclassification of Debt Securities"(ASBJ Practical Issue Task Force("PITF") No.26, December 5, 2008) was released on December 5, 2008. The Bank has adopted the PITF from this fiscal year, and reclassified certain debt securities from "Other Securities" to "Held-to-Maturity Debt Securities" on December 30, 2008, January 30, 2009 and March 31, 2009. As a result, compared with the valuation based on the former classification, Assets increased in Japan by ¥95,144 million.
- As for floating-rate Japanese government bonds which are rarely transacted in the current market, the Bank determined that market prices are no longer deemed as fair value, and values them at reasonably estimated amounts at the end of the fiscal year. As for some of foreign bonds, such as securitization products, which are rarely transacted in the current market, the Bank determined that quoted prices provided by brokers or venders are no longer deemed as fair value, and values such bonds at reasonably estimated amounts at the end of the fiscal year. As a result, compared with valuation using the broker or vender prices, Assets increased in Japan by ¥1,520,432 million, and Ordinary Expenses and Ordinary Losses decreased in Japan by ¥593,506 million, respectively.

3 Ordinary Income from International Operations

(Millions of Yen)

	Ordinary Income from International Operations	Consolidated Ordinary Income	Ratio of Ordinary Income from International Operations over Consolidated Ordinary Income
Fiscal 2007 (Year ended March 31, 2008)	1,971,619	2,639,764	74.6%
Fiscal 2008 (Year ended March 31, 2009)	1,027,406	1,429,247	71.8%

(Notes)

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

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Millions of Yen)

	Fiscal 2008 (As of March 31, 2009) (A)	Fiscal 2007 (As of March 31, 2008) (B)	Change A — B
(Assets)			
Loans and Bills Discounted	10,947,810	9,795,662	1,152,147
Loans on Deeds	8,771,553	7,765,093	1,006,459
Loans on Bills	171,449	199,749	(28,299)
Overdrafts	1,994,497	1,815,057	179,440
Bills Discounted	10,309	15,761	(5,452)
Foreign Exchange Assets	81,703	7,119	74,583
Due from Foreign Banks	81,703	7,119	74,583
Securities	39,558,840	36,262,384	3,296,455
Japanese Government Bonds	14,115,853	8,802,241	5,313,612
Municipal Government Bonds	7,718	13,439	(5,720)
Corporate Bonds	357,572	455,332	(97,760)
Stocks	578,966	823,001	(244,034)
Other Securities	24,498,729	26,168,369	(1,669,640)
Money Held in Trust	5,653,984	7,963,664	(2,309,680)
Trading Assets	24,842	48,033	(23,191)
Trading Securities	10,651	32,239	(21,588)
Derivatives of Trading Securities	25	48	(23)
Derivatives of Securities Related to Trading Transactions	14	-	14
Trading-related Financial Derivatives	14,151	15,745	(1,593)
Monetary Claims Bought	646,139	770,387	(124,247)
Call Loans	1,155,692	1,833,020	(677,327)
Receivables under Resale Agreements	-	258,135	(258,135)
Receivables under Securities Borrowing Transactions	140,422	1,108,779	(968,357)
Cash and Due from Banks	2,763,329	1,095,094	1,668,235
Cash	94,010	145,137	(51,127)
Due from Banks	2,669,318	949,956	1,719,362
Other Assets	932,219	1,445,050	(512,830)
Domestic Exchange Settlement Account, Debit	37	109	(72)
Prepaid Expenses	757	1,168	(410)
Accrued Income	105,362	198,339	(92,976)
Initial Margins of Future Markets	1,268	2,050	(782)
Valuation Margins of Future Markets	-	103	(103)
Derivatives Other Than for Trading	113,902	1,000,420	(886,518)
Others	710,890	242,857	468,033
Tangible Fixed Assets	132,562	134,502	(1,940)
Buildings	45,641	46,590	(948)
Land	70,568	74,669	(4,100)
Lease Assets	1,811	-	1,811
Construction in Progress	6,145	6,225	(79)
Other Tangible Fixed Assets	8,394	7,016	1,377
Intangible Fixed Assets	31,959	17,164	14,795
Software	-	649	(649)
Lease Assets	366	-	366
Other Intangible Fixed Assets	31,593	16,514	15,078
Deferred Tax Assets	238,848	150,750	88,098
Customers' Liabilities for Acceptances and Guarantees	383,950	492,389	(108,439)
Reserve for Possible Loan Losses	(192,922)	(136,922)	(56,000)
Reserve for Possible Investment Losses	(103)	(53,494)	53,390
Total Assets	62,499,278	61,191,721	1,307,557

(Millions of Yen)

	Fiscal 2008 (As of March 31, 2009) (A)	Fiscal 2007 (As of March 31, 2008) (B)	Change A – B
(Liabilities)			
Deposits	37,501,564	38,813,327	(1,311,762)
Time Deposits	31,666,861	33,611,664	(1,944,802)
Deposits at Notice	38,892	30,373	8,518
Ordinary Deposits	1,103,027	1,010,319	92,708
Current Deposits	91,383	119,364	(27,980)
Other Deposits	4,601,399	4,041,606	559,793
Negotiable Certificates of Deposit	321,249	538,019	(216,769)
Debentures	5,255,031	4,822,176	432,855
Debentures Issued	5,255,031	4,822,176	432,855
Trading Liabilities	13,725	15,248	(1,522)
Derivatives of Trading Securities	0	96	(96)
Derivatives of Securities Related to Trading Transactions	47	3	43
Trading-related Financial Derivatives	13,678	15,147	(1,469)
Borrowed Money	5,873,611	1,301,922	4,571,689
Borrowings	5,873,611	1,301,922	4,571,689
Call Money	510,000	758,000	(248,000)
Payables under Repurchase Agreements	4,606,862	4,461,811	145,051
Payables under Securities Lending Transactions	530,276	496,637	33,639
Foreign Exchange Liabilities	51	2	49
Foreign Bills Payable	51	2	49
Short-term Entrusted Funds	4,077,454	4,401,193	(323,739)
Other Liabilities	930,267	1,863,773	(933,506)
Domestic Exchange Settlement Account, Credit	194	154	39
Accrued Expenses	133,790	172,388	(38,597)
Income Taxes Payable	87	117,308	(117,220)
Unearned Income	1,905	2,563	(657)
Employees' Deposits	8,268	8,087	181
Valuation Margins of Future Markets	56	-	56
Derivatives Other Than for Trading	745,449	142,255	603,193
Lease Liabilities	2,147	-	2,147
Account Payables for Securities Purchased	973	645,730	(644,756)
Payables under Financial Derivatives Transactions	-	685,500	(685,500)
Others	37,392	89,784	(52,392)
Reserve for Bonus Payments	3,495	4,746	(1,251)
Reserve for Directors' Retirement Benefits	616	539	77
Deferred Tax Liabilities for Land Revaluation	18,819	19,452	(633)
Acceptances and Guarantees	383,950	492,389	(108,439)
Total Liabilities	60,026,977	57,989,241	2,037,735
(Net Assets)			
Paid-in Capital	3,421,370	2,016,033	1,405,337
Common Stock	3,396,370	1,991,033	1,405,337
(including Lower Dividend Rate Stock)	2,970,653	1,565,316	1,405,337
Preferred Stock	24,999	24,999	-
Capital Surplus	25,020	25,020	-
Capital Surplus Reserve	24,999	24,999	-
Other Capital Surplus	20	20	-
Reserve for Revaluation	20	20	-
Retained Earnings	788,100	1,435,601	(647,500)
Legal Reserves	432,066	374,966	57,100
Voluntary Reserves	356,034	1,060,635	(704,600)
Special Reserves	399,551	342,451	57,100
General Reserves	440,013	360,013	80,000
Reserves for Tax Basis Adjustments of Fixed Assets	6,886	4,761	2,124
Others	7	7	-
Unappropriated Retained Earnings (Undisposed Losses)	(490,423)	353,401	(843,825)
Net Income (Loss)	(565,712)	272,073	(837,786)
Total Owners' Equity	4,234,491	3,476,655	757,836
Net Unrealized Losses on Other Securities, net of taxes	(1,871,867)	(296,521)	(1,575,346)
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	76,870	(11,861)	88,731
Revaluation Reserve for Land, net of taxes	32,807	34,208	(1,400)
Total Valuation and Translation Adjustments	(1,762,190)	(274,175)	(1,488,015)
Total Net Assets	2,472,301	3,202,479	(730,178)
Total Liabilities and Net Assets	62,499,278	61,191,721	1,307,557

Non-consolidated Statements of Operations

(Millions of Yen)

	Fiscal 2008 (Year ended March 31, 2009) (A)	Fiscal 2007 (Year ended March 31, 2008) (B)	Change (A) - (B)
Ordinary Income	1,415,724	2,625,735	(1,210,010)
Interest Income	1,013,410	1,936,357	(922,946)
Interest on Loans and Bills Discounted	121,898	146,507	(24,609)
Interest and Dividends on Securities	815,150	1,720,183	(905,033)
Interest on Bills Bought	101	-	101
Interest on Call Loans	16,913	12,462	4,451
Interest on Receivables under Resale Agreements	2,032	4,350	(2,317)
Interest on Receivables under Securities Borrowing Transactions	4,772	3,462	1,309
Interest on Due from Banks	42,193	38,005	4,188
Other Interest Income	10,348	11,386	(1,038)
Fees and Commissions	12,346	12,936	(590)
Exchange Fees	978	1,015	(37)
Other Commissions Receivable	11,368	11,920	(552)
Trading Income	1,739	1,044	695
Income from Trading Securities and Derivatives	307	804	(497)
Income from Securities and Derivatives Related to Trading Transactions	-	225	(225)
Income from Trading-related Financial Derivatives	1,432	-	1,432
Other Trading Income	-	14	(14)
Other Operating Income	111,449	311,388	(199,938)
Gains on Sales of Bonds	57,793	263,578	(205,785)
Gains on Redemption of Bonds	2,677	-	2,677
Gains on Financial Derivatives	3,411	-	3,411
Other Operating Income	47,568	47,809	(241)
Other Ordinary Income	276,777	364,007	(87,230)
Gains on Sales of Stocks and Other Securities	37,424	53,325	(15,901)
Gains on Money Held in Trust	237,425	309,146	(71,720)
Others	1,927	1,535	391
Ordinary Expenses	2,028,443	2,273,031	(244,588)
Interest Expenses	1,091,656	1,732,370	(640,713)
Interest on Deposits	248,523	370,030	(121,507)
Interest on Negotiable Certificates of Deposit	9,412	58,634	(49,222)
Interest on Debentures	57,298	44,086	13,211
Interest on Borrowed Money	52,344	35,203	17,140
Interest on Call Money	3,835	6,044	(2,209)
Interest on Payables under Repurchase Agreements	48,343	241,053	(192,710)
Interest on Payables under Securities Lending Transactions	1,518	4,548	(3,029)
Interest on Interest Rate Swap	209,958	409,206	(199,247)
Other Interest Expenses	460,422	563,561	(103,139)
Fees and Commissions	10,599	15,052	(4,453)
Exchange Fees	530	564	(34)
Other Commissions	10,069	14,488	(4,418)
Trading Expenses	422	201	221
Expenses on Securities and Derivatives Related to Trading Transactions	422	-	422
Expenses on Trading-related Financial Derivatives	-	201	(201)
Other Operating Expenses	537,734	305,010	232,723
Amortization of Debenture Issuance Costs	670	691	(21)
Losses on Foreign Exchange Transactions	71,672	1,208	70,464
Losses on Sales of Bonds	105,725	86,652	19,073
Losses on Redemption of Bonds	1,979	-	1,979
Losses on Revaluation of Bonds	316,582	168,763	147,819
Expenses on Financial Derivatives	-	10,175	(10,175)
Other Operating Expenses	41,103	37,519	3,583
General and Administrative Expenses	107,938	105,244	2,693
Other Ordinary Expenses	280,092	115,152	164,940
Provision of Reserve for Possible Loan Losses	64,874	-	64,874
Transfer to Reserve for Possible Investment Losses	64	14,866	(14,801)
Write-off of Loans	9,327	3,377	5,950
Losses on Sales of Stocks and Other Securities	79,319	31	79,287
Losses on Revaluation of Stocks and Other Securities	30,061	72,686	(42,624)
Losses on Money Held in Trust	89,917	8,060	81,856
Others	6,527	16,130	(9,603)
Ordinary Profits(Losses)	(612,719)	352,703	(965,422)
Extraordinary Profits	11,032	65,665	(54,632)
Gains on Disposal of Fixed Assets	193	835	(642)
Reversal of Reserve for Possible Loan Losses	-	60,088	(60,088)
Recoveries from Written-off Claims	7,525	4,719	2,805
Other Extraordinary Profits	3,314	21	3,293
Extraordinary Losses	2,283	1,965	318
Losses on Disposal of Fixed Assets	1,224	861	363
Losses on Impairment of Fixed Assets	1,058	1,103	(45)
Income(Loss) before Income Taxes	(603,969)	416,403	(1,020,373)
Income Taxes - Current	87	134,522	(134,435)
Income Taxes - Deferred	(38,345)	9,807	(48,152)
Total Income Taxes	(38,257)	144,330	(182,587)
Net Income(Loss)	(565,712)	272,073	(837,786)
Unappropriated Retained Earnings Brought Forward	73,888	68,107	5,780
Transfer from Land Revaluation Reserve	1,400	13,220	(11,819)
Unappropriated Retained Earnings(Undisposed Losses) at the End of the Year	(490,423)	353,401	(843,825)

Notes to Non-Consolidated Financial Statements

Amounts less than one million yen are rounded down.

1. Significant accounting policies

(1) Trading Assets/ Liabilities and Trading Income/ Expenses

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 non-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 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 non-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.

(2) Securities

(a) Held-to-maturity debt securities are valued at amortized cost (straight-line method), as determined by the moving average method. Stocks of subsidiaries (as defined in Article 56-2 of The Norinchukin Bank Law for rules on subsidiaries) are valued at cost 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 non-consolidated balance sheet date (the cost of securities sold is calculated primarily by the moving average method). Other securities that do not have readily determinable 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.

(b) Securities included in Money Held in Trust are valued using the same methods described in (1) and (2)(a) above.

(3) Derivatives

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

(4) Depreciation

(a) Tangible Fixed Assets (excluding Lease Assets)

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 of 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

(b) Intangible Fixed Assets (excluding Lease Assets)

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

(c) Lease Assets

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 computed calculated using the straight-line method over the lease term with zero residual value unless residual value is guaranteed by the corresponding lease contracts.

(5) Issuance costs

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

(6) 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 non-consolidated balance sheet date except for stocks of subsidiaries denominated in foreign currencies which are translated into Japanese yen using the respective exchange rates at the time of their acquisition.

(7) Reserves

(a) Reserve for Possible Loan Losses

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. Reserve for loans to debtors who are not currently bankrupt, but are likely to become bankrupt, 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.

Reserve for loans to debtors with restructured loans (see Notes to Non-consolidated Balance Sheet 5. below) 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.

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. 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. Reserve described above is determined based on the results of these self-assessments.

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 ¥67,111 million for the fiscal year ended March 31, 2009.

(b) 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.

(c) Reserve for Bonus Payments

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

(d) 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 actuarial differences, the excess portion is recorded as prepaid pension costs in Others of Other Assets.

Unrecognized actuarial differences are amortized over a certain period of time (10 years) using the declining-balance method beginning in the fiscal year after the difference had been incurred.

(e) Reserve for Directors' Retirement Benefits

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

(8) 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.

(9) Hedge accounting

(a) Hedge of interest rate risk

The Bank applies the deferred 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 non-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 expense over 7 years, the average remaining maturity, 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 and deferred hedge gains under the macro hedges as of March 31, 2009 were ¥6,456 million (before deducting the tax effect) and ¥43 million (before deducting the tax effect), respectively.

(b) Hedge of foreign exchange rate risk

The Bank applies the deferred method of hedge accounting to the hedges 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 deferred method or the fair value method of hedge accounting is applied to the portfolio hedges of foreign exchange 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 non-consolidated statement of operations or are deferred in the non-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.

(10) Consumption taxes

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

2. Changes in Accounting Policies

Accounting Standard for Lease Transactions

“Accounting Standard for Lease Transactions”(ASBJ Statement No.13, March 30, 2007) and “Guidance on Accounting Standard for Lease Transactions”(ASBJ Guidance No.16, March 30, 2007) are applicable from the fiscal year beginning on or after April 1, 2008. The Bank has adopted the standard and guidance from this fiscal year.

The effect of this adoption on the Non-Consolidated Financial Statements is immaterial.

Tentative Solution on Reclassification of Debt Securities

“Tentative Solution on Reclassification of Debt Securities”(ASBJ Practical Issue Task Force(“PITF”) No.26, December 5, 2008) was released on December 5, 2008. The Bank has adopted the PITF from this fiscal year, and reclassified certain debt securities from “Other Securities” to “Held-to-Maturity Debt Securities” on December 30, 2008, January 30, 2009 and March 31, 2009. As a result, compared with the case valuation based on the former classification, Securities decreased by ¥1,130 million, Deferred Tax Assets and Net Unrealized Gains on Other Securities increased by ¥96,275 million and ¥95,144 million, respectively. For the detail of the reclassified bonds, see, “8 Securities Reclassified by Holding Purpose” in “(Securities)”.

(Additional information)

Partial Change in the Calculation Method for Fair Value of Other Securities

As for floating-rate Japanese government bonds which are rarely transacted in the current market, the Bank determined that market prices are no longer deemed as fair value, and values them at reasonably estimated amounts at the end of the fiscal year.

As a result, compared with valuation using the market prices, Securities and Net Unrealized Gains on Other Securities increased by ¥425,664 million, respectively.

Reasonably estimated amounts of floating-rate Japanese government bonds are calculated by Discount Cash Flow method. The price decision variables include the yield of Japanese government bonds, swaption volatilities and other.

As for some of foreign bonds, such as securitization products, which are rarely transacted in the current market, the Bank determined that quoted prices provided by brokers or venders are no longer deemed as fair value, and values such bonds at reasonably estimated amounts at the end of the fiscal year.

As a result, compared with valuation using the broker or vender prices, Securities and Net Unrealized Gains on Other Securities increased by ¥1,094,767 million and ¥501,260 million, respectively, and Other Operating Expenses and Ordinary Losses decreased by ¥593,506 million, respectively.

Reasonably estimated amounts of such foreign bonds are calculated by Discount Cash Flow method. The price decision variables include default rates, recovery rates, pre-payment rates, discount rates and others.

(Notes to Non-consolidated Balance Sheet)

1. Investments in Subsidiaries and Affiliates ¥135,571 million

2. The Bank held no securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) as of March 31, 2009.

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 ¥72,575 million and securities held without re-pledge of ¥510,187 million as of March 31, 2009, respectively.

3. Loans and Bills Discounted include Loans to borrowers under bankruptcy proceedings of ¥12,883 million and delinquent loans of ¥123,204 million.

Loans to borrowers under bankruptcy proceedings are loans whose interest 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).

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, Money Held in Trust includes delinquent loans of ¥16,308 million.

4. Loans and Bills Discounted include past due for three months or more of ¥47 million.

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.

5. Loans and Bills Discounted include restructured loans of ¥53,672 million.

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.

6. The total amount of loans to borrowers under bankruptcy proceedings, delinquent loans, loans past due for three months or more and restructured loans was ¥206,116 million.

The amounts of loans indicated in 3. to 6. above are amounts before deducting the reserves for possible loan losses.

7. Bills Discounted are treated as finance transactions based on JICPA Industry Audit Committee Report No.24. Based on the Report, the Bank has the right to appropriate freely deposited banker's acceptances, commercial notes, documentary bills, and purchased foreign exchange through sales or collateralization. The face value of the total Bills Discounted was ¥10,309 million.

8. Assets pledged as collateral consist of the followings:

Assets Pledged

Loans and Bills Discounted	¥4,253,009 million
Securities	¥14,424,299 million

Liabilities related to the above pledged assets are as follows:

Borrowed Money	¥4,126,500 million
Call Money	¥455,000 million
Payables under Repurchase Agreements	¥4,606,862 million
Payables under Securities Lending Transactions	¥457,581 million

In addition, Securities of ¥5,759,866 million were pledged as collateral for settlement of exchange and derivative transactions or as margin for futures transactions (including transactions of Monetary Held in Trust).

Receivables under financial derivatives transactions of ¥476,165 million and guarantee deposits of ¥5,220 million were included in Others of Other Assets.

9. Commitments related to overdrafts and loans represent agreements to extend overdrafts or loans up to a 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 is ¥2,615,393 million as of March 31, 2009. The amount, which the Bank can cancel at any time without penalty, is ¥1,766,695 million as of March 31, 2009. The amount of undrawn commitments does not necessarily affect the future cash flow of the Bank because the majority

of such agreements are terminated without being exercised. Most of these agreements have provisions which stipulate that the Bank may not extend the loan or may decrease the commitment when there are certain changes in the financial condition of the borrower, certain issues relating to collateral and other reasons. At the time of extending loans to customers, the Bank is 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.

10. In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes has been revaluated. 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 non-consolidated balance sheet. The related deferred tax liability is recorded as Deferred Tax Liabilities for Land Revaluation.

Date of Revaluation	March 31, 1998
Revaluation Method	Reasonably calculated in accordance with the Appraisal methods stipulated in Article 25 of the enforcement ordinance for the Law Concerning the Revaluation of Land (No.119 effective as of March 31, 1998)

11. Accumulated Depreciation Deducted from Tangible Fixed Assets	¥91,112 million
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12. Accumulated Losses on Impairment of Tangible Fixed Assets	¥18,808 million
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13. Accumulated Amount of Tax Basis Adjustments Deducted from Tangible Fixed Assets	¥7,117 million
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14. Borrowed Money includes subordinated borrowings of ¥1,747,111 million which have a special agreement that requires the fulfillment of the payment obligations of such borrowing to be subordinated to other general liabilities.

15. The amount of guaranteed obligations for corporate bonds acquired through private offerings (as in Article 23 Financial Instruments and Exchange Law) among those classified as corporate bonds in Securities was ¥21,038 million.

16. Net Assets per Share for the end of the fiscal year was ¥72.62 (The residuary assets for Lower Dividend Rate Stocks and Preferred Stocks are deducted from the numerator, and the aggregate number of Lower Dividend Rate Stocks and Preferred Stocks is deducted from the denominator in the calculation of net assets per share.)

17. In addition to the fixed assets recorded on the non-consolidated balance sheet, some computers, network system equipments, and automobiles are being used under finance leases where the ownership of assets is not transferred to the lessee.

18. Total Receivables Due from Subsidiaries and Affiliates	¥440,134 million
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19. Total Payable Due to Subsidiaries and Affiliates	¥296,971 million
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20. The Bank holds no surplus defined in Article 109-1 of the Norinchukin Bank Law.

(Notes to Non-consolidated Statement of Operations)

1. Income and Expenses related to the transactions with subsidiaries and affiliates

(Millions of yen)

	Total Income	Total Expenses
Interest Income/Expenses	1,677	13,536
Fees and Commissions	556	1,497
Other Operating and Other Ordinary Income/Expenses	438	40,513
Other	—	—

2. The following Losses on Impairment of Fixed Assets were recognized in the fiscal year.

(Millions of yen)

Purpose of Use	Type	Area	Impairment Losses
Operating assets	Land and Buildings	Hiroshima prf, others	747
Idle assets	Land and Buildings	Tokyo, others	310

As for operating assets, the Bank aggregates the head office and all branches as one unit, taking into consideration mutually complementary relationship of the cash flows. Idle assets (including assets held for sale) were assessed individually by asset.

For the operating assets and idle assets held for sale upon closure of branches, the Bank reduced the book values to their recoverable amounts and recognized the relevant losses as Losses on Impairment of Fixed Assets, which were included in Extraordinary Losses in the fiscal year.

The recoverable amounts are the net realizable value, which is calculated based on the appraisal value and other.

3. Net Loss per Share for the fiscal year is ¥132.88 (The aggregate number of Lower Dividend Rate Stock and Preferred Stock is deducted from the denominator in the calculation of net income per share.)

(Securities)

Information relating to Securities is as provided as below. The Securities include Trading Securities in Trading Assets and negotiable certificates of deposit in Cash and Due from the Bank.

1. Trading Securities (as of March 31, 2009)

(Millions of yen)

	Non-consolidated balance sheet amount	Unrealized Gain Recognized as Income
Trading Securities	10,651	60

2. Held-to-Maturity Debt Securities that have Fair Value (as of March 31, 2009)

(Millions of yen)

	Non-consolidated balance sheet amount	Fair Value	Difference	Gain	Loss
Japanese Government Bonds	7,600,279	7,642,897	42,618	42,618	—
Municipal Government Bonds	—	—	—	—	—
Corporate Bonds	—	—	—	—	—
Other	6,818,845	6,777,358	(41,487)	11,938	53,426
Total	14,419,125	14,420,255	1,130	54,557	53,426

(Notes)

1. Fair Value is based on the quoted market price if available, or other reasonable value at the non-consolidated balance sheet date.

2. “Gain” and “Loss” of “Difference” is gross valuation of the difference between the non-consolidated balance sheet amount and the fair value.

3. Stock of subsidiaries that have Fair Value (as of March 31, 2009)

The Bank held no stock of subsidiaries that have Fair Value.

4. Other Securities held that have Fair Value (as of March 31, 2009)

(Millions of Yen)

	Acquisition Cost	Non-consolidated balance sheet amount	Net Unrealized Gain/Loss	Gain	Loss
Stocks	289,874	313,373	23,499	55,549	32,049
Bonds	6,694,758	6,742,191	47,432	50,521	3,088
Japanese Government Bonds	6,468,645	6,515,573	46,928	47,887	959
Municipal Government Bonds	7,021	7,133	111	112	0
Corporate Bonds	219,090	219,484	393	2,522	2,128
Other	18,555,405	16,747,225	(1,808,179)	274,551	2,082,730
Total	25,540,038	23,802,791	(1,737,247)	380,622	2,117,869

(Notes)

1. Non-consolidated balance sheet amount is stated based on the closing fair value, which is determined at the quoted market price if available, or other reasonable value at the non-consolidated balance sheet date.

2. “Gain” and “Loss” of “Net Unrealized Gain/Loss” is gross valuation of the difference between the acquisition cost and the non-consolidated balance sheet amount.

3. Certain other securities which have readily determinable fair values are revalued to their fair value, and the difference between the acquisition cost and the fair value is treated as a realized loss for the fiscal year ended March 31, 2009 (“revaluation loss”), if the fair value (primarily the closing market price at the end of the non-consolidated balance sheet date) has significantly deteriorated from the acquisition cost (including amortized

cost), and unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the fiscal year was ¥335,769 million (including ¥15,051 million on Stocks and ¥320,717 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 50% or less of their acquisition costs

Securities whose fair values are more than 50% and 70% or less of their acquisition costs for a certain period

(Additional information)

As for floating-rate Japanese government bonds which are rarely transacted in the current market, the Bank determined that market prices are no longer deemed as fair value, and values them at reasonably estimated amounts at the end of the fiscal year.

As a result, compared with valuation using the market prices, Securities and Net Unrealized Gains on Other Securities increased by ¥425,664 million, respectively.

Reasonably estimated amounts of floating-rate Japanese government bonds are calculated by Discount Cash Flow method. The price decision variables include the yield of Japanese government bonds, swaption volatilities and other.

As for some of foreign bonds, such as securitization products, which are rarely transacted in the current market, the Bank determined that quoted prices provided by brokers or venders are no longer deemed as fair value, and values such bonds at reasonably estimated amounts at the end of the fiscal year.

As a result, compared with valuation using the broker or vender prices, Securities and Net Unrealized Gains on Other Securities increased by ¥1,094,767 million and ¥501,260 million, respectively, and Other Operating Expenses and Ordinary Losses decreased by ¥593,506 million, respectively.

Reasonably estimated amounts of such foreign bonds are calculated by Discount Cash Flow method. The price decision variables include default rates, recovery rates, pre-payment rates, discount rates and others.

5. Held-to-Maturity Debt Securities sold during the fiscal year ended March 31, 2009

The Bank sold no held-to-maturity debt securities.

6. Other Securities sold during the fiscal year ended March 31, 2009

(Millions of Yen)

	Sales Proceeds	Gains on Sales	Losses on Sales
Other Securities	2,559,476	95,064	116,911

7. Major components and Non-consolidated Balance Sheet amount of Securities not stated at Fair Value (as of March 31, 2009)

(Millions of Yen)

	Non-consolidated balance sheet amount
Stocks of Subsidiaries and Affiliates	135,571
Stocks of Subsidiaries	43,047
Stocks of Affiliates	92,524
Other Securities	1,235,105
Unlisted Stocks	130,027
Foreign Bonds	406,298
Other	698,779

8. Securities Reclassified Holding Purpose (as of March 31, 2009)

Floating-rate Japanese government bonds that were previously classified as “Other Securities” have been reclassified to “Held-to-Maturity Debt Securities” at ¥7,605,555 million on December 30, 2008, and some of foreign bonds that were previously classified as “Other Securities” have been reclassified to “Held-to-Maturity Debt Securities” at ¥4,248,330 million and ¥2,143,399 million on January 30, 2009 and March 31, 2009, respectively. The Bank decided to make these reclassifications, taking into account unexpected significant changes which occurred in the market and have continued for an expected period, such as extreme small volume and number of transactions and significantly widening offer-bid spread. Under these market conditions, these securities are difficult to sell at their fair value.

(Millions of Yen)

	Fair Value	Non-consolidated balance sheet amount	Net Unrealized Gains (Losses) on Other Securities, net of taxes
Japanese Government Bonds	7,642,897	7,600,279	155,022
Other	6,777,358	6,818,845	(367,817)

9. Redemption Schedule of Other Securities with stated maturities and Held-to-Maturity Debt Securities (as of March 31, 2009)

(Millions of Yen)

	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years
Bonds	4,683,947	1,831,160	2,351,183	5,614,853
Japanese Government Bonds	4,656,888	1,569,665	2,288,198	5,601,100
Municipal Government Bonds	1,966	4,205	1,462	84
Corporate Bonds	25,091	257,290	61,522	13,668
Other	514,299	7,480,256	4,857,502	3,328,283
Total	5,198,246	9,311,417	7,208,685	8,943,136

(Money Held in Trust)

1. Money Held in Trust for Trading Purpose (as of March 31, 2009)

(Millions of Yen)

	Non-consolidated balance sheet amount	Unrealized Gain Recognized as Income
Money Held in Trust for Trading Purpose	3,898	(987)

2. Held-to-Maturity Money Held in Trust (as of March 31, 2009)

The Bank held no held-to-maturity money held in trust.

3. Other Money Held in Trust (other than for trading purpose or held-to-maturity) (as of March 31, 2009)

(Millions of Yen)

	Acquisition Cost	Non-consolidated balance sheet amount	Net Unrealized Gain/Loss	Gain	Loss
Other Money Held in Trust	5,696,538	5,650,085	(46,452)	138,323	184,775

(Note)

1. Non-consolidated balance sheet amount is stated based on the closing fair value, which is determined at the quoted market price if available, or other reasonable value at the non-consolidated balance sheet date.

2. "Gain" and "Loss" of "Net Unrealized Gain/Loss" is gross valuation of the difference between the acquisition cost and the non-consolidated balance sheet amount.

(Accounting for Income Taxes)

The major components of Deferred Tax Assets and Deferred Tax Liabilities as of March 31, 2009 were as follows:

Deferred Tax Assets

Reserve for Possible Loan Losses	¥45,157 million
Write-off of Loans	¥8,309 million
Losses on Revaluation of Securities	¥149,903 million
Reserve for Employees' Retirement Benefits	¥5,884 million
Depreciation of Fixed Assets	¥913 million
Net Operating Losses Carried Forward	¥37,814 million
Net Unrealized Losses on Other Securities	¥169,403 million
Deferred Losses on Hedging Instruments	¥16,054 million
Net Unrealized Losses on Reclassification	¥166,412 million
Others	<u>¥80,298 million</u>
Subtotal	¥680,151 million
Valuation Allowance	<u>¥(226,545) million</u>
Total Deferred Tax Assets	¥453,606 million

Deferred Tax Liabilities

Gain from Contribution of Securities to Employee Retirement Benefit Trust	¥(5,577) million
Net Unrealized Gains on Other Securities	¥(44,637) million
Deferred Gains on Hedging Instruments	¥(50,832) million
Net Unrealized Gains on Reclassification	¥(70,137) million
Others	<u>¥(43,572) million</u>
Total Deferred Tax Liabilities	<u>¥(214,757) million</u>

Net Deferred Tax Assets ¥238,848 million