

For Immediate Release:

May 22, 2007

Financial Statements for Fiscal 2006

Company Name:

Mizuho Trust & Banking Co., Ltd. ("MHTB")



Stock Code Number (Japan): 8404

Stock Exchanges (Japan): Tokyo Stock Exchange (First Section), Osaka Securities Exchange (First Section)

URL: <http://www.mizuho-tb.co.jp/english/>

Address: 2-1 Yaesu 1-chome, Chuo-ku, Tokyo 103-8670, Japan

Representative: Name: IKEDA, Teruhiko Ordinary General Meeting of Shareholders (scheduled): June 26, 2007

Title: President & CEO

Filing of Yuka Shoken Hokokusho to the Kanto Local

For Inquiry: Name: HOSOI, Souichi

Finance Bureau (scheduled):

June 27, 2007

Title: General Manager, Accounting

Commencement of Dividend Payment (scheduled):

June 27, 2007

Phone: +81-3-3274-9000

Trading Accounts :

Established

(Amounts less than one million yen and one decimal place are rounded down.)

1. Financial Highlights for Fiscal 2006 (for the fiscal year ended March 31, 2007)

(1) Consolidated Results of Operations

(%: Changes from previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income	
	¥ million	%	¥ million	%	¥ million	%
Fiscal 2006	277,058	7.6	83,172	15.0	67,745	58.3
Fiscal 2005	257,400	11.0	72,270	52.3	42,773	65.7

	Net Income per Share of Common Stock	Diluted Net Income per Share of Common Stock	Net Income on Own Capital	Ordinary Profits to Total Assets	Ordinary Profits to Ordinary Income
	¥	¥	%	%	%
Fiscal 2006	12.88	7.77	30.2	1.2	30.0
Fiscal 2005	7.88	4.86	28.3	1.1	28.0

Reference: Equity in Income from Investments in Affiliates:

Fiscal 2006: ¥ 66 million; Fiscal 2005: ¥ (349) million

(2) Consolidated Financial Conditions

Consolidated Capital Adequacy Ratio (BIS) in Fiscal 2006 is the preliminary figure for immediate release purposes.

	Total Assets	Total Net Assets	Own Capital Ratio (Note1)	Total Net Assets per Share of Common Stock	Consolidated Capital Adequacy Ratio (BIS) (Note2)
	¥ million	¥ million	%	¥	%
Fiscal 2006	6,665,974	515,457	7.6	49.62	15.69
Fiscal 2005	6,302,531	450,330	7.1	35.26	14.42

Reference: Own Capital

As of March 31, 2007: ¥ 512,603 million; As of March 31, 2006: ¥ million

Notes: 1. Own Capital Ratio was calculated as follows: (Total Net Assets - Minority Interests) / Total Assets × 100

2. Consolidated Capital Adequacy Ratio (BIS) was based on the "Standards for Banking to Consider the Adequacy of its Capital Based on Assets and Others pursuant to Article 14-2 of the Banking Law "(Financial Services Agency Ordinance Announcement No. 19, March 27, 2006), commencing with Fiscal 2006.

The ratio for Fiscal 2005 was based on the previous standards.

(3) Conditions of 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
	¥ million	¥ million	¥ million	¥ million
Fiscal 2006	(87,975)	22,088	(57,500)	81,065
Fiscal 2005	(257,697)	(16,150)	(65,043)	204,445

2. Cash Dividends for Common Shareholders

	Cash Dividends per Share			Total Cash Dividends (Annual)	Dividends Pay-out Ratio (Consolidated basis)	Dividends on Net Assets (Consolidated basis)
	(Record Date)	Interim period-end	Fiscal year-end			
		¥	¥	¥ million	%	%
Fiscal 2005	-	-	1.00	5,024	12.6	3.8
Fiscal 2006	-	-	1.00	5,024	7.7	2.3
Fiscal 2007 (estimate)	-	-	1.00		8.1	

Note: Please refer to p. 3 for Cash Dividends for Shareholders of Classified Stock, the rights of which are different from those of common stock.

3. Earnings Estimates for Fiscal 2007 (for the fiscal year ending March 31, 2008)

(%: Changes from corresponding period of previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income		Net Income per Share of Common Stock
	¥ million	%	¥ million	%	¥ million	%	¥
1H F2007	125,000	(2.3)	36,000	(10.7)	28,000	17.1	5.57
Fiscal 2007	265,000	(4.3)	83,500	0.3	65,000	(4.0)	12.33

4. Others

(1) Changes in Significant Subsidiaries during the Fiscal Year

(change in specified subsidiaries accompanying change in scope of consolidation): No

(2) Changes in Accounting Methods and Presentation of Consolidated Financial Statements

(a) Changes due to revisions of accounting standards, etc. : Yes

(b) Changes other than (a) above : No

Please refer to:

"Notes 13, 32, 41 and 42" to the consolidated balance sheet for details.

"Note 5" to the consolidated statement of changes in net assets for details.

"Note 4" to the consolidated statement of cash flows for details.

(3) Outstanding Shares (Common Stock)

(a) Year End Outstanding Shares (including Treasury stock)

Fiscal 2006 5,024,755,829 shares Fiscal 2005 5,024,755,829 shares

(b) Year End Outstanding Treasury stock

Fiscal 2006 691,795 shares Fiscal 2005 607,103 shares

Please refer to Per Share Information for Common Stock on page 30 regarding the shares of calculation basis of the consolidated net income per share of common stock.

(Reference) Non-Consolidated Financial Statements for Fiscal 2006

1. Financial Highlights for Fiscal 2006 (for the fiscal year ended March 31, 2007)

(1) Non-Consolidated Results of Operations

(%: Changes from previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income	
	¥ million	%	¥ million	%	¥ million	%
Fiscal 2006	241,564	8.1	79,797	18.7	68,817	121.7
Fiscal 2005	223,289	11.4	67,193	33.1	31,027	0.2

	Net Income per Share of Common Stock	Diluted Net Income per Share of Common Stock
	¥	¥
Fiscal 2006	13.09	7.89
Fiscal 2005	5.54	3.52

(2) Non-Consolidated Financial Conditions

Non-Consolidated Capital Adequacy Ratio (BIS) in Fiscal 2006 is the preliminary figure for immediate release purposes.

	Total Assets	Total Net Assets	Own Capital Ratio (Note1)	Total Net Assets per Share of Common Stock	Non-Consolidated Capital Adequacy Ratio (BIS) (Note2)
	¥ million	¥ million	%	¥	%
Fiscal 2006	6,586,407	508,375	7.7	48.77	15.60
Fiscal 2005	6,241,779	444,729	7.1	34.15	14.29

Reference: Own Capital

As of March 31, 2007: ¥ 508,375 million; As of March 31, 2006: ¥ million

Notes: 1. Own Capital Ratio was calculated as follows: (Total Net Assets / Total Assets × 100)

2. Non-Consolidated Capital Adequacy Ratio (BIS) was based on the "Standards for Banking to Consider the Adequacy of its Capital Based on Assets and Others pursuant to Article 14-2 of the Banking Law "(Financial Services Agency Ordinance Announcement No. 19, March 27, 2006), commencing with Fiscal 2006. The ratio for Fiscal 2005 was based on the previous standards.

2. Earnings Estimates for Fiscal 2007 (for the fiscal year ending March 31, 2008)

(%: Changes from corresponding period of previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income		Net Income per Share of Common Stock
	¥ million	%	¥ million	%	¥ million	%	¥
1H F2007	110,000	(2.0)	35,000	(11.4)	28,000	16.3	5.57
Fiscal 2007	230,000	(4.7)	80,000	0.2	65,000	(5.5)	12.33

Above estimates are based on information, which available at this moment, and assumptions of uncertain factors, which may have an influence of future operating results. Actual results may differ materially from these estimates, depending on future events.

Cash Dividends for Shareholders of Classified Stock

Breakdown of cash dividends per share and total cash dividends related to classified stock, the rights of which are different from those of common stock are as follows:

(Record Date)	Cash Dividends per Share			Total Cash Dividends (Annual)
	Interim period-end	Fiscal year-end	Annual	
	¥	¥	¥	¥ million
First Series Class 1 Preferred Stock				
Fiscal 2005	-	6.50	6.50	1,950
Fiscal 2006	-	6.50	6.50	1,823
Fiscal 2007 (estimate)	-	6.50	6.50	
Second Series Class 3 Preferred Stock				
Fiscal 2005	-	1.50	1.50	1,200
Fiscal 2006	-	1.50	1.50	1,200
Fiscal 2007 (estimate)	-	1.50	1.50	

1. CONSOLIDATED RESULTS OF OPERATIONS

(1) Results of Operations

a) Results of Fiscal 2006

Consolidated Ordinary Income for fiscal 2006 was ¥277.0 billion, increasing by ¥19.6 billion from the previous fiscal year. Consolidated Ordinary Profits were ¥83.1 billion, increasing by ¥10.9 billion from the previous fiscal year. Consolidated Net Income was ¥67.7 billion, increasing by ¥24.9 billion from the previous fiscal year, including Extraordinary Gains amounting to ¥ 1.3 billion, Tax Expenses – Deferred amounting to ¥13.7 billion and others.

Segment results of operations by geographic area are categorized under Japan and other areas. Ordinary Income and Ordinary Profits in Japan were ¥ 267.2 billion and ¥ 82.5 billion, respectively. Ordinary Income and Ordinary Profits from other areas (U.S.A. and Europe) were ¥ 9.7 billion and ¥ 1.0 billion, respectively. MHTB and its consolidated subsidiaries are engaged in credit guarantee and other business in addition to trust and banking business. Segment information by types of business, however, has not been presented, as the percentages of those activities are insignificant.

b) Estimates for Fiscal 2007 (for the year ending March 31, 2008)

Earnings Estimates: As for earnings estimates for fiscal 2007, MHTB estimates Ordinary Income of ¥ 265.0 billion, Ordinary Profits of ¥ 83.5 billion and Net Income of ¥ 65.0 billion on a consolidated basis, respectively. MHTB also estimates Ordinary Income of ¥ 230.0 billion, Ordinary Profits of ¥ 80.0 billion and Net Income of ¥ 65.0 billion on a non-consolidated basis, respectively.

(2) Financial Conditions

a) Asset, Liabilities, Net Assets and Cash flows

Assets: Consolidated total assets as of March 31, 2007 amounted to ¥6,665.9 billion, increasing by ¥363.4 billion from the end of the previous fiscal year. Cash and Due from Banks amounted to ¥276.3 billion, decreasing by ¥52.3 billion, Loans and Bills Discounted amounted to ¥4,021.8 billion, increasing by ¥490.5 billion and Securities amounted to ¥1,736.5 billion, increasing by ¥6.2 billion respectively from the end of the previous fiscal year.

Liabilities: Total Liabilities as of March 31, 2007 amounted to ¥6,150.5 billion, increasing by ¥300.8 billion from the end of the previous fiscal year. Deposits amounted to ¥2,895.8 billion, increasing by ¥345.0 billion, Call Money and Bills Sold amounted to ¥597.4 billion, decreasing by ¥463.6 billion, Guarantee Deposits Received under Securities Lending Transactions amounted to ¥493.9 billion, increasing by ¥324.1 billion, and Borrowed Money amounted to ¥250.1 billion, increasing by ¥226.8 billion respectively from the end of the previous fiscal year.

Net Assets: Net Assets as of March 31, 2007 amounted to ¥515.4 billion. Accounting changes were introduced effective from this fiscal year. But former “Shareholders’ Equity” as of March 31, 2007 calculated for convenient comparison using former accounting method, increased by ¥61.4 billion. This was primarily due to

increase in Net Unrealized Gains on Other Securities.

Cash Flows: Cash Flow from Operating Activities was ¥(87.9) billion. Cash Flow from Investing Activities was ¥22.0 billion. Cash Flow from Financing Activities was ¥(57.5) billion. As a result, Cash and Cash Equivalents as of March 31, 2007 was ¥81.0 billion, decreasing by ¥ 123.3 billion from the end of the previous fiscal year.

b) Consolidated Capital Adequacy Ratio (Preliminary)

The Consolidated Capital Adequacy Ratio (Basel II BIS Capital Ratio) was 15.69 %. The comparative capital adequacy ratio of past five years that include this fiscal year is as follows:

March 31, 2003	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
11.23%	12.76%	13.19%	14.42%	15.69% (Preliminary)

Note: From the end of this fiscal year, the Consolidated Capital Adequacy Ratio is calculated according to Basel II. The capital adequacy ratio according to Basel I, the previous standards was 14.44%.

c) Trust Accounts (Non-Consolidated)

Total Assets of Trust Accounts amounted to ¥ 56,333.6 billion, increasing by ¥ 4,824.3 billion from the end of the previous fiscal year.

(3) Policy on Profit Distribution and Dividend Estimates for Fiscal 2006/Fiscal 2007

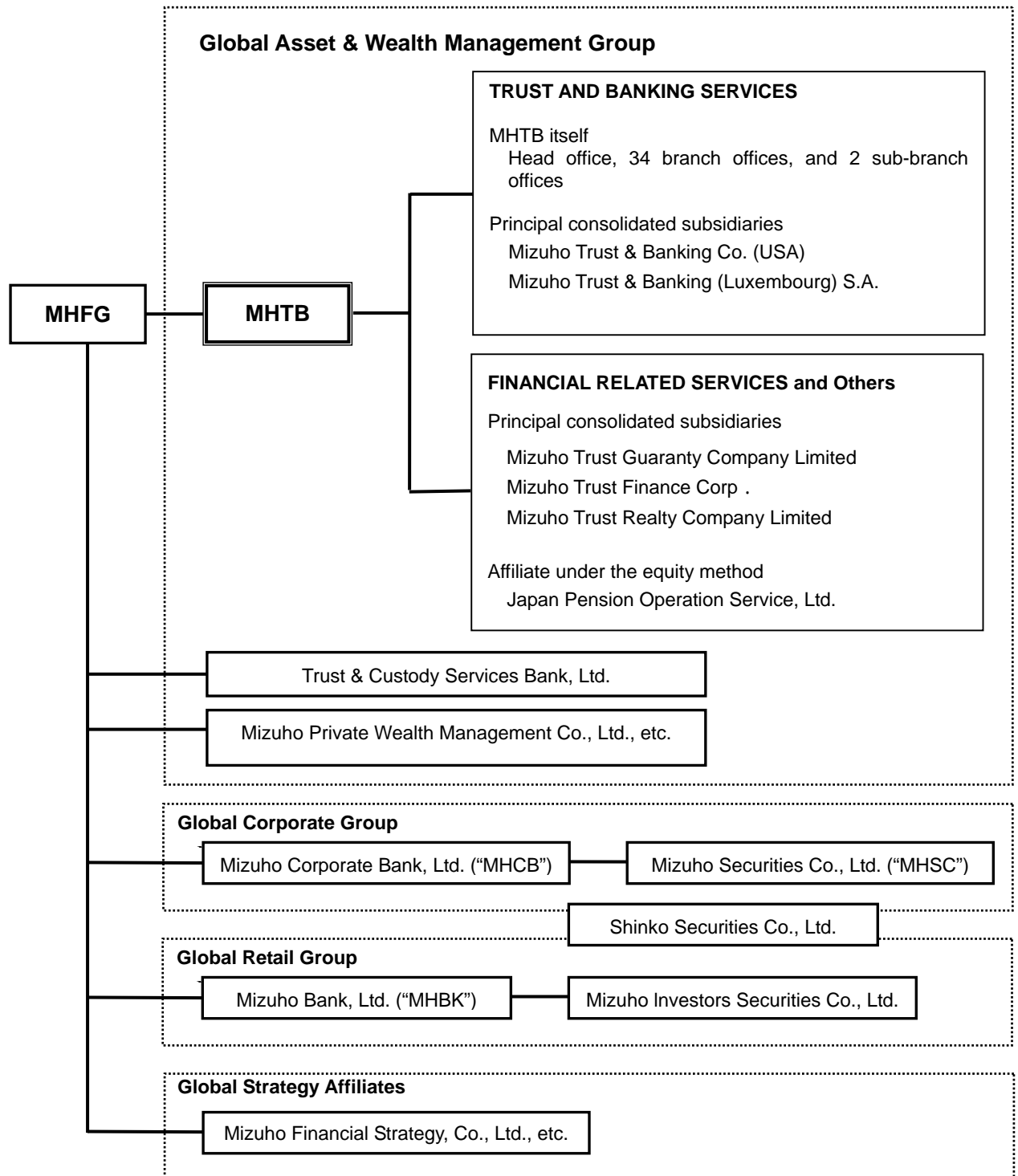
MHTB has a basic policy of stable, and regular cash dividend payments given its public profile as a trust banking company, while increasing retained earnings from the viewpoint of a sound financial position.

MHTB proposes a cash dividend per share of common stock for fiscal 2006 of ¥1. We also propose making dividend payments on preferred stock as prescribed.

As for the dividend forecast for fiscal 2007, we estimate a dividend payment of ¥1 per share of common stock taking into consideration the earnings estimates and also estimate the distribution of the dividend on preferred stock as prescribed.

2. ORGANIZATION STRUCTURE OF MHTB GROUP

MHTB Group is composed of Mizuho Trust & Banking Co., Ltd. (“MHTB”), 12 consolidated subsidiaries, and 1 affiliate under the equity method (See below). MHTB Group provides various financial services, principally trust and banking services. The parent company of MHTB is Mizuho Financial Group, Inc. (“MHFG”).



Note: MHSC and Shinko Securities Co., Ltd. are expected to merge as of January 1, 2008.

3. MANAGEMENT POLICY

(1) Principal Management Policy

Mizuho Trust & Banking Co., Ltd. (“MHTB”) pursues its goals of being “the Most Trusted Trust Bank by Customers and Clients” on the basis of the two fundamental management philosophies that form the foundation of its management strategies and decision-making process, “To provide the highest global level of financial services to our customers and clients as a comprehensive service provider and trust banking company of Mizuho Financial Group” and “To be held in high regard by its shareholders and the financial markets as Japan’s leading comprehensive trust banking company”.

(2) Management’s Benchmark

MHTB aims to maximize its profits and achieve its goal of becoming “No.1 Trust Bank” in terms of Gross Profits in the Trust & Asset management businesses for Fiscal 2009, making constructive allocations of its management resources mainly to the Trust & Asset management businesses.

(3) Management’s Medium/Long-term Targets

Three management strategies are promoted in the mid-term business plan initiated in April 2005 called “Challenge to No.1 Trust Bank”, covering the three fiscal years from 2005; a) creating new trust business, b) increasing the market share of current business, and c) establishing a stable internal control system for aggressive operations.

(4) Issues to be Resolved

For fiscal 2006, the second fiscal year of its business plan, MHTB showed good results. Gross Profits from Trust & Asset management businesses exceeded ¥100 billion, and the ratio of Gross Profits from Trust & Asset management businesses for the fiscal year rose to approximately 62% from approximately 58% for the previous fiscal year.

For Fiscal 2007, as the last year of the business plan for accomplishing the remaining tasks to complete the current business plan successfully and establishing a firm corporate structure to promote the next business plan, MHTB will execute its plan in order to improve customer satisfaction thoroughly, will establish an even more stable internal control system, and will achieve its earnings targets by maintaining its business performance. MHTB will also make concerted efforts to carry out its missions of improving its profitability and aiming to be “the Most Trusted Bank by Customers and Clients” by a steady and smooth implementation of the strategies promoted in its business plan.

4. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

MIZUHO TRUST & BANKING CO., LTD.

Millions of yen

	As of March 31, 2007	As of March 31, 2006	Change
Assets			
Cash and Due from Banks	¥ 276,325	¥ 328,686	¥ (52,361)
Call Loans and Bills Purchased	66,551	137,495	(70,943)
Other Debt Purchased	265,039	251,430	13,609
Trading Assets	26,170	41,744	(15,573)
Securities	1,736,523	1,730,262	6,261
Loans and Bills Discounted	4,021,886	3,531,314	490,571
Foreign Exchange Assets	307	4,287	(3,979)
Other Assets	204,536	210,551	(6,014)
Tangible Fixed Assets	36,436	—	36,436
Buildings	15,413	—	15,413
Land	15,611	—	15,611
Other Tangible Fixed Assets	5,411	—	5,411
Intangible Fixed Assets	25,092	—	25,092
Software	19,931	—	19,931
Other Intangible Fixed Assets	5,160	—	5,160
Premises and Equipment	—	47,680	(47,680)
Deferred Tax Assets	17,370	6,158	11,212
Customers' Liabilities for Acceptances and Guarantees	38,891	45,723	(6,831)
Reserves for Possible Losses on Loans	(49,152)	(32,802)	(16,349)
Reserve for Possible Losses on Investments	(7)	—	(7)
Total Assets	¥ 6,665,974	¥ 6,302,531	¥ 363,442
Liabilities			
Deposits	¥ 2,895,807	¥ 2,550,759	¥ 345,048
Negotiable Certificates of Deposit	607,090	577,940	29,150
Call Money and Bills Sold	597,443	1,061,143	(463,699)
Guarantee Deposits Received under Securities Lending Transactions	493,982	169,806	324,176
Trading Liabilities	25,079	45,431	(20,352)
Borrowed Money	250,182	23,315	226,867
Foreign Exchange Liabilities	10	6	3
Bonds and Notes	162,200	177,500	(15,300)
Due to Trust Accounts	996,495	1,124,099	(127,604)
Other Liabilities	57,647	48,598	9,049
Reserve for Bonus Payments	2,322	1,976	346
Reserve for Employee Retirement Benefits	10,769	10,417	351
Reserve for Director and Corporate Auditor Retirement Benefits	472	—	472
Reserve for Contingencies in Trust Transactions	11,670	12,010	(340)
Deferred Tax Liabilities	451	918	(467)
Acceptances and Guarantees	38,891	45,723	(6,831)
Total Liabilities	6,150,516	5,849,647	300,869
Net Assets			
Common Stock and Preferred Stock	247,231	—	247,231
Capital Surplus	15,373	—	15,373
Retained Earnings	107,063	—	107,063
Treasury Stock	(110)	—	(110)
Total Shareholders' Equity	369,558	—	369,558
Net Unrealized Gains on Other Securities, net of Taxes	142,109	—	142,109
Net Deferred Hedge Gains, net of Taxes	782	—	782
Foreign Currency Translation Adjustments	153	—	153
Total Valuation and Translation Adjustments	143,045	—	143,045
Minority Interests	2,854	—	2,854
Total Net Assets	515,457	—	515,457
Total Liabilities and Net Assets	¥ 6,665,974	¥ —	¥ 6,665,974
Minority Interests			
Minority Interests	—	2,554	(2,554)
Shareholders' Equity			
Common Stock and Preferred Stock	—	247,231	(247,231)
Capital Surplus	—	15,377	(15,377)
Retained Earnings	—	80,486	(80,486)
Net Unrealized Gains on Other Securities, net of Taxes	—	107,235	(107,235)
Foreign Currency Translation Adjustments	—	83	(83)
Treasury Stock	—	(84)	84
Total Shareholders' Equity	—	450,330	(450,330)
Total Liabilities, Minority Interests and Shareholders' Equity	¥ —	¥ 6,302,531	¥ (6,302,531)

Note : Amounts less than one million yen are rounded down

CONSOLIDATED STATEMENTS OF INCOME

Millions of yen

	For the fiscal year ended March 31, 2007	For the fiscal year ended March 31, 2006	Change
Ordinary Income	¥ 277,058	¥ 257,400	¥ 19,658
Trust Fees	66,134	77,948	(11,813)
Interest Income	87,102	75,724	11,377
<i>Interest on Loans and Bills Discounted</i>	56,279	52,865	3,414
<i>Interest and Dividends on Securities</i>	24,489	19,881	4,608
<i>Interest on Call Loans and Bills Purchased</i>	686	238	447
<i>Interest on Securities Borrowing Transactions</i>	0	20	(20)
<i>Interest on Due from Banks</i>	2,637	1,348	1,289
<i>Other Interest Income</i>	3,008	1,370	1,638
Fee and Commission Income	86,337	81,855	4,481
Trading Income	893	1,005	(112)
Other Operating Income	6,307	3,125	3,181
Other Ordinary Income	30,283	17,740	12,543
Ordinary Expenses	193,886	185,129	8,756
Interest Expenses	33,874	29,576	4,298
<i>Interest on Deposits</i>	13,415	7,284	6,131
<i>Interest on Negotiable Certificates of Deposit</i>	1,681	297	1,384
<i>Interest on Call Money and Bills Sold</i>	2,963	883	2,080
<i>Interest on Securities Lending Transactions</i>	6,492	8,469	(1,977)
<i>Interest on Borrowed Money</i>	535	94	440
<i>Interest on Bonds and Notes</i>	3,231	3,236	(4)
<i>Other Interest Expenses</i>	5,553	9,311	(3,757)
Fee and Commission Expenses	15,957	18,881	(2,923)
Trading Expenses	6	3	3
Other Operating Expenses	98	5,425	(5,326)
General and Administrative Expenses	107,236	96,909	10,326
Other Ordinary Expenses	36,713	34,334	2,379
<i>Provision for Reserves for Possible Losses on Loans</i>	17,203	—	17,203
<i>Other</i>	19,509	34,334	(14,824)
Ordinary Profits	83,172	72,270	10,901
Extraordinary Gains	1,344	15,491	(14,146)
<i>Gains on Disposition of Fixed Assets</i>	16	—	16
<i>Gains on Disposition of Premises and Equipment</i>	—	1,335	(1,335)
<i>Recovery of Written-off Claims</i>	987	4,808	(3,820)
<i>Reversal of Reserves for Possible Losses on Loans</i>	—	8,728	(8,728)
<i>Reversal of Reserve for Contingencies in Trust Transactions</i>	340	—	340
<i>Other Extraordinary Gains</i>	—	619	(619)
Extraordinary Losses	566	21,635	(21,069)
<i>Losses on Disposition of Fixed Assets</i>	545	—	545
<i>Losses on Disposition of Premises and Equipment</i>	—	916	(916)
<i>Losses on Impairment of Fixed Assets</i>	21	2,129	(2,108)
<i>Other Extraordinary Losses</i>	—	18,590	(18,590)
Income before Income Taxes and Minority Interests	83,950	66,126	17,824
Income Taxes:			
Current	1,921	1,757	163
Deferred	13,787	20,955	(7,168)
Minority Interests in Net Income	496	639	(142)
Net Income	¥ 67,745	¥ 42,773	¥ 24,971

Note : Amounts less than one million yen are rounded down.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS FOR THE FISCAL YEAR ENDED MARCH 31, 2007

	Shareholders' Equity					Valuation and Translation Adjustments					
	Common Stock and Preferred Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity	Net Unrealized Gains on Other Securities, net of Taxes	Net Deferred Hedge Gains, net of Taxes	Foreign Currency Translation Adjustments	Total Valuation and Translation Adjustments	Minority Interests	Total Net Assets
Balance as of March 31, 2006	¥ 247,231	¥ 15,377	¥ 80,486	¥ (84)	¥ 343,010	¥ 107,235	-	¥ 83	¥ 107,319	¥ 2,554	¥ 452,884
Changes during the fiscal year											
Cash Dividends	-	-	(8,174)	-	(8,174)	-	-	-	-	-	(8,174)
Net Income	-	-	67,745	-	67,745	-	-	-	-	-	67,745
Repurchase of Treasury Stock	-	-	-	(33,027)	(33,027)	-	-	-	-	-	(33,027)
Disposition of Treasury Stock	-	1	-	2	4	-	-	-	-	-	4
Cancellation of Treasury Stock	-	(5)	(32,994)	32,999	-	-	-	-	-	-	-
Net Changes in Items other than Shareholders' Equity	-	-	-	-	-	34,873	782	69	35,725	299	36,025
Total Changes during the fiscal year	-	(3)	26,577	(25)	26,547	34,873	782	69	35,725	299	62,572
Balance as of March 31, 2007	247,231	15,373	107,063	(110)	369,558	142,109	782	153	143,045	2,854	515,457

Note : Amounts less than one million yen are rounded down.

CONSOLIDATED STATEMENT OF CAPITAL SURPLUS
AND RETAINED EARNINGS
FOR THE FISCAL YEAR ENDED MARCH 31, 2006

MIZUHO TRUST & BANKING CO., LTD.

Millions of yen

For the
fiscal year ended
March 31, 2006

Capital Surplus

Balance at the beginning of the fiscal year	¥ 12,215
Increase	3,162
Gains on Sale of Treasury Stock	7
Increase related to Merger	3,154
Balance at the end of the fiscal year	15,377

Retained Earnings

Balance at the beginning of the fiscal year	49,041
Increase	42,773
Net Income	42,773
Decrease	11,328
Dividends	8,174
Decrease related to Merger	3,154
Balance at the end of the fiscal year	80,486

Note : Amounts less than one million yen are rounded down.

CONSOLIDATED STATEMENTS OF CASH FLOWS

MIZUHO TRUST & BANKING CO., LTD.

	<i>Millions of yen</i>	
	For the fiscal year ended March 31, 2007	For the fiscal year ended March 31, 2006
.Cash Flow from Operating Activities		
Income before Income Taxes and Minority Interests	83,950	66,126
Depreciation	14,845	13,731
Loss on Impairment of Fixed Assets	21	2,129
Equity in Income from Investments in Affiliates	(66)	349
Increase (Decrease) in Reserves for Possible Losses on Loans	16,349	(18,168)
Increase (Decrease) in Reserve for Contingencies in Trust Transactions	(340)	12,010
Increase (Decrease) in Reserve for Bonus Payments	346	189
Increase (Decrease) in Reserve for Employee Retirement Benefits	351	1,492
Increase (Decrease) in Reserve for Director and Corporate Auditor Retirement Benefits	472	
Increase (Decrease) in Reserve for Possible Losses on Investments	7	
Interest Income – accrual basis	(87,102)	(75,724)
Interest Expense – accrual basis	33,874	29,576
Losses (Gains) on Securities	(25,388)	(4,894)
Foreign Exchange Losses (Gains) - Net	(8,013)	(21,099)
Losses (Gains) on Disposition of Fixed Assets	528	
Losses (Gains) on Disposition of Premises and Equipment	—	(418)
Decrease (Increase) in Trading Assets	15,573	(7,694)
Increase (Decrease) in Trading Liabilities	(20,352)	5,050
Decrease (Increase) in Loans and Bills Discounted	(490,571)	(237,911)
Increase (Decrease) in Deposits	344,514	(314,859)
Increase (Decrease) in Negotiable Certificates of Deposit	29,150	59,220
Increase (Decrease) in Borrowed Money (excluding Subordinated Borrowed Money)	227,867	(45)
Decrease (Increase) in Due from Banks (excluding Due from Central Banks)	(70,716)	53,232
Decrease (Increase) in Call Loans and others	57,380	(174,839)
Increase (Decrease) in Call Money and others	(463,699)	380,772
Increase (Decrease) in Guarantee Deposits Received under Securities Lending Transactions	324,176	(44,899)
Decrease (Increase) in Foreign Exchange Assets	3,979	(2,920)
Increase (Decrease) in Foreign Exchange Liabilities	3	0
Increase (Decrease) in Due to Trust Accounts	(127,604)	(25,220)
Interest and Dividends Income – cash basis	86,044	78,164
Interest Expenses – cash basis	(32,672)	(33,186)
Others	1,139	3,914
Subtotal	(85,950)	(255,922)
Cash Paid in Income Taxes	(2,025)	(1,775)
Net Cash Used in Operating Activities	(87,975)	(257,697)
.Cash Flow from Investing Activities		
Payments for Purchase of Securities	(1,510,746)	(1,715,362)
Proceeds from Sale of Securities	1,082,771	959,069
Proceeds from Redemption of Securities	462,279	751,514
Payments for Purchase of Tangible Fixed Assets	(2,379)	
Payments for Purchase of Intangible Fixed Assets	(15,341)	
Payments for Purchase of Premises and Equipment	—	(18,820)
Proceeds from Sale of Tangible Fixed Assets	199	
Proceeds from Sale of Intangible Fixed Assets	5,306	
Proceeds from Sale of Premises and Equipment	—	7,447
Net Cash Provided by Investing Activities	22,088	(16,150)
.Cash Flow from Financing Activities		
Proceeds from Subordinated Borrowed Money	—	20,000
Repayments of Subordinated Borrowed Money	(1,000)	(3,000)
Proceeds from Issuance of Subordinated Bonds	—	75,500
Payments for Redemption of Subordinated Bonds	(15,300)	(81,200)
Repayment to Minority Shareholders	—	(67,862)
Cash Dividends Paid	(8,174)	(8,174)
Cash Dividends Paid to Minority Shareholders	(2)	(307)
Payments for Repurchase of Treasury Stock	(33,027)	
Proceeds from Sale of Treasury Stock	4	
Net Cash Used in Financing Activities	(57,500)	(65,043)
.Effect of Exchange Rate Changes on Cash and Cash Equivalents	8	188
.Net Decrease in Cash and Cash Equivalents	(123,379)	(338,703)
.Cash and Cash Equivalents at the beginning of the fiscal year	204,445	543,148
.Cash and Cash Equivalents at the end of the fiscal year	81,065	204,445

BASIS FOR PRESENTATION AND PRINCIPLES OF CONSOLIDATION

1. Scope of Consolidation

(a) Number of consolidated subsidiaries: 12

Names of principal companies:

Mizuho Trust Guaranty Company Limited

Mizuho Trust Finance Corp .

Mizuho Trust Realty Company Limited

Mizuho Trust & Banking Co. (USA)

Mizuho Trust & Banking (Luxembourg) S.A.

During the fiscal year, Global Fund Services (Luxembourg) S.A. was excluded from the scope of the consolidation as a result of the dissolution.

(b) Number of non-consolidated subsidiaries: Not applicable

2. Application of the Equity Method

(a) Number of affiliates under the equity method: 1

Name of company:

Japan Pension Operation Service, Ltd.

(b) Number of non-consolidated subsidiaries and affiliates not under the equity method: Not applicable

3. Balance Sheet Dates of Consolidated Subsidiaries

(a) Balance sheet dates of consolidated subsidiaries are as follows:

December 31: 5 companies

March 31: 7 companies

(b) These consolidated subsidiaries were consolidated based on their financial statements as of and for the fiscal year ended their respective balance sheet dates.

The necessary adjustments have been made to the financial statements for any significant transactions that took place between their respective balance sheet dates and the date of the consolidated financial statements.

4. Evaluation of Assets and Liabilities of Consolidated Subsidiaries

Assets and liabilities of consolidated subsidiaries are valued at fair value as of the respective date of acquisition.

5. Amortization of Goodwill

The entire amount of goodwill is fully amortized in the period of occurrence.

NOTES TO CONSOLIDATED BALANCE SHEETS

1. Amounts less than one million yen are rounded down.
2. Trading transactions intended to take advantage of short-term fluctuations and arbitrage opportunities in interest rates, currency exchange rates, market prices of securities and related indices are recognized on a trade date basis and recorded in Trading Assets or Trading Liabilities on the consolidated balance sheet.
Securities and monetary claims held for trading purposes are stated at fair value at the consolidated balance sheet date. Derivative financial products, such as swaps, futures transactions and option transactions, are stated at their fair values, assuming that such transactions were terminated and settled at the consolidated balance sheet date.
3. Regarding Other Securities, Japanese stocks with a quoted market price are stated at fair value, determined based on the average quoted market price over the month preceding the consolidated balance sheet date, others which have readily determinable fair value are stated at fair value at the consolidated balance sheet date (cost of securities sold is calculated primarily by the moving average method) and securities which do not have readily determinable fair value are stated at acquisition cost or amortized cost as determined by the moving average method. The net unrealized gains on Other Securities are included directly in Net Assets, net of applicable income taxes.
4. Derivative transactions (other than transactions for trading purpose) are valued at fair value.
5. Regarding Tangible Fixed Assets, depreciation of buildings is computed by the straight-line method, except in the case of appliances and fittings where the declining-balance method is applied, and that of equipment is computed by the declining-balance method with the following range of useful lives.

Buildings	3 years to 50 years
Equipment	2 years to 20 years

With respect to the consolidated subsidiaries, depreciation of Tangible Fixed Assets is computed mainly by the declining-balance method over the estimated useful lives.

6. The amortization of Intangible Fixed Assets is computed by the straight-line method. Development costs for internally used software are capitalized and amortized under the straight-line method over their estimated useful lives (mainly 5 years), as determined by MHTB and its consolidated subsidiaries.
7. Bond issuance costs are expensed as incurred.
8. Assets and Liabilities denominated in foreign currencies are translated into Japanese yen primarily at the exchange rates in effect at the consolidated balance sheet date.
Assets and Liabilities denominated in foreign currencies of the consolidated subsidiaries are translated primarily at the exchange rates in effect at their respective balance sheet dates.
9. Reserves for Possible Losses on Loans of MHTB and major domestic consolidated subsidiaries are maintained in accordance with internally established standards for write-offs and provisions.
For claims extended to obligors that are legally bankrupt under the Bankruptcy Law, Special Liquidation under the Company Law or other similar laws ("Bankrupt Obligors"), and to obligors that are effectively in similar conditions ("Substantially Bankrupt Obligors"), reserves are maintained at the amounts of claims net of direct write-offs described below, and expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees. For claims extended to obligors that are not yet legally or formally bankrupt but are likely to be bankrupt ("Intensive Control Obligor"), reserves are maintained at the amounts deemed necessary based on overall solvency analyses of the amounts of claims net of expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees.
For claims extended to Intensive Control Obligors and Obligors with Restructured Loans (defined in Note 26. below) and others, if the exposure to an obligor exceeds a certain specific amount, reserves are provided as follows: (i) if future cash flows of the principal and interest can be reasonably estimated, the discounted cash flow method is applied, under which the reserve is determined as the difference between the book value of the loan and its present value of future cash flows discounted using the contractual interest rate before the loan was classified as a Restructured Loan, and (ii) if future cash flows of the principal and interest cannot be reasonably estimated, reserves are provided for the losses estimated for each individual loan.
For claims extended to other obligors, reserves are maintained at rates derived from historical credit loss experience and other factors. Reserve for Possible Losses on Loans to Restructuring Countries is maintained in order to cover

possible losses based on analyses of the political and economic climates of the countries.

All claims are assessed by each claims origination department in accordance with the internally established “Self-assessment Standard,” and the results of the assessments are verified and examined by the independent examination department. Reserves for Possible Losses on Loans are provided for on the basis of such verified assessments.

In the case of claims to Bankrupt Obligors and Substantially Bankrupt Obligors, which are collateralized or guaranteed by a third party, the amounts deemed uncollectible (calculated by deducting the anticipated proceeds from the sale of collateral pledged against the claims and amounts that are expected to be recovered from guarantors of the claims) are written off against the respective claims balances. The total directly written-off amount was ¥ 41,305 million.

Other consolidated subsidiaries provide the amount necessary to cover the loan losses based upon past experience for general claims and the assessment for each individual loan for other claims.

10. Reserve for Possible Losses on Investments is maintained to provide against possible losses on investments in securities, after taking into consideration the financial condition and other factors concerning the investee company.
11. Reserve for Bonus Payments, which is provided for future bonus payments to employees, is maintained at the amount accrued at the end of the fiscal year, based on the estimated future payments.
12. Reserve for Employee Retirement Benefits (including Prepaid Pension Cost), which is provided for future benefit payments to employees, is recorded as the required amount accrued at the end of the fiscal year, based on the projected benefit obligation and the estimated plan asset amounts at the end of the fiscal year. Unrecognized actuarial difference are recognized as income or expenses starting from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the current employees (mainly 10 years to 14 years).
13. Until the previous fiscal year, MHTB and certain domestic consolidated subsidiaries recognized director and corporate auditor retirement benefits as expenses at the time of payment. However, in accordance with the public announcement of the “Accounting Standard for Directors’ Bonus” (ASBJ Statement No.4, November 29, 2005) and the “Auditing Treatment relating to Reserve defined under the Special Tax Measurement Law, Reserve defined under the Special Law and Reserve for Director and Corporate Auditor Retirement Benefits” (The Japanese Institute of Certified Public Accountants (“JICPA”) Auditing and Assurance Practice Committee Report No.42, April 13, 2007), these benefits are recorded as Reserve for Director and Corporate Auditor Retirement Benefits at the required amount at the end of the fiscal year, based on internally established standards. As a result, Ordinary Profits and Income before Income Taxes and Minority Interests, each decreased by ¥472 million, compared with the corresponding amounts under previously applied method.
14. Reserve for Contingencies in Trust Transactions is maintained to provide against possible losses from contingencies in trust transactions. The balance is a reasonable estimate of possible future losses, on an individual basis, considered to require a reserve.
15. Finance leases of MHTB and domestic consolidated subsidiaries that do not involve the transfer of ownership to the lessee are accounted for as operating leases.
16. MHTB applies the deferred method of hedge accounting for the interest rate risk accompanying various monetary assets and liabilities, which is stipulated in “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Financial Instruments for Banks” (JICPA Industry Audit Committee Report No.24). The effectiveness of hedging activities is assessed as follows:
 - (i) as for hedging activities to offset the market fluctuation risks, the effectiveness is assessed by bracketing both the hedging instruments, such as interest-rate swaps, and the hedged instruments, such as deposits and loans, in the same maturity bucket.
 - (ii) as for hedging activities to fix the cash flows, the effectiveness is assessed based on the correlation between a base interest rate index of the hedged cash flow and that of the hedging instrument.

Net Deferred Hedge Gains, net of Taxes recorded on the consolidated balance sheet resulted from the application of the macro-hedge method based on “Tentative Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Financial Instruments for Banks” (JICPA Industry Audit Committee Report No.15), under which the overall interest rate risks inherent in loans, deposits and others are controlled on a macro-basis using derivatives transactions. These deferred hedge gains/losses are amortized as interest income or interest expenses over the average remaining maturity of the respective hedging instruments.

The unamortized amounts of gross deferred hedge losses and gross deferred hedge gains on the macro-hedges, before net of applicable income taxes, at the end of the fiscal year were ¥ 23,762 million and ¥ 23,152 million, respectively.

17. MHTB applies the deferred method of hedge accounting to hedge foreign exchange risks associated with various foreign currency denominated monetary assets and liabilities as stipulated in “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks” (JICPA Industry Audit Committee Report No.25). The effectiveness of the hedge is assessed by confirming both the amount for the foreign currency position of the hedging instruments of currency-swap transactions, exchange swap transactions and similar transactions as the method of hedging the foreign exchange risks of monetary claims and liabilities denominated in foreign currencies and the amounts of the foreign currency position of the hedged monetary claims and liabilities denominated in foreign currency are equivalent.
18. Inter-company interest rate swaps, currency swaps and similar derivatives among consolidated companies or between trading accounts and other accounts, which are designated as hedges, are not eliminated and related gains and losses are recognized in the income statement or deferred under hedge accounting, because these inter-company derivatives are executed according to the criteria for appropriate outside third-party cover operations which are treated as hedge transactions objectively in accordance with JICPA Industry Audit Committee Reports No. 24 and 25.
19. With respect to MHTB and its domestic consolidated subsidiaries, Japanese consumption taxes and local consumption taxes are mainly excluded from the transaction amounts.
20. Investments in non-consolidated subsidiaries and affiliate amounted to ¥444 million (excluding consolidated subsidiaries).
21. Accumulated depreciation of Tangible Fixed Assets amounted to ¥ 26,875 million.
22. The book value of Tangible Fixed Assets adjusted for gains on sales of replaced assets amounted to ¥ 1,295 million.
23. In addition to Fixed Assets booked on the consolidated balance sheet, certain computers are used on the basis of finance lease contracts that do not involve transfer of ownership to the lessee.
24. Loans and Bills Discounted include Loans to Bankrupt Obligors of ¥ 2,638 million and Non-Accrual Delinquent Loans of ¥ 44,209 million.
Loans to Bankrupt Obligors are loans, excluding loans written-off, on which delinquencies in payment of principal and/or interest have continued for a significant period of time or for some other reason there is no prospect of collecting principal and/or interest (“Non-Accrual Loans”), as per Article 96 Paragraph 1 No. 3, subsections 1 to 5 or No. 4 of the Corporate Tax Law Enforcement Ordinance (Government Ordinance No. 97, 1965).
Non-Accrual Delinquent Loans represent non-accrual loans other than (i) Loans to Bankrupt Obligors and (ii) loans for which interest payments have been deferred in order to assist or facilitate the restructuring of the obligors.
25. Balance of Loans Past Due for 3 Months or More: ¥ 468 million.
Loans Past Due for 3 Months or More are loans for which payments of principal and/or interest have not been received for a period of three months or more beginning with the next day following the last due date for such payments, and which are not included in Loans to Bankrupt Obligors, or Non-Accrual Delinquent Loans.
26. Balance of Restructured Loans: ¥ 61,436 million.
Restructured Loans represent loans on which contracts were amended in favor of obligors (e.g. reduction of, or exemption from, stated interest, deferral of interest payments, extension of maturity dates, renunciation of claims) in order to assist or facilitate the restructuring of the obligors. Loans to Bankrupt Obligors, Non-Accrual Delinquent Loans and Loans Past Due for 3 Months or More are not included.
27. Total balance of Loans to Bankrupt Obligors, Non-Accrual Delinquent Loans, Loans Past Due for 3 Months or More and Restructured Loans: ¥ 108,752 million.
The amounts given in Notes 24. through 27. are gross amounts before deduction of amounts for the Reserves for Possible Losses on Loans.
28. In accordance with JICPA Industry Audit Committee Report No. 24, bills discounted are accounted for as financial transactions, although MHTB has rights to sell or pledge these bankers’ acceptance, commercial bills, documentary bills and foreign exchange bills. The principal amount of these bills amounted to ¥3,148 million.

29. The following assets were pledged as collateral:

Securities:	¥ 891,429 million
Loans and Bills Discounted:	¥ 742,778 million

The following liabilities were collateralized by the above assets:

Deposits:	¥ 1,621 million
Call Money and Bills Sold:	¥ 100,000 million
Guarantee Deposits Received under Securities Lending Transactions:	¥ 493,982 million
Borrowed Money:	¥ 227,900 million

In addition to the above, the settlement accounts of domestic exchange transactions or derivatives transactions and others were collateralized by Securities amounting to ¥ 163,239 million.

None of the assets has been pledged as collateral in connection with borrowings by affiliates.

Other Assets includes margin for futures transactions of ¥ 2,500 million and guarantee deposits of ¥ 9,741 million.

30. Borrowed Money includes subordinated borrowed money of ¥ 20,000 million.

31. Bonds and Notes solely consist of subordinated bonds.

32. Net Assets per share of common stock: ¥49.62

“Guidance for Accounting Standards for Net Earning per Share” (ASBJ Guidance No.4, September 25, 2002) revised on January 31, 2006 took effect as of the fiscal year that ended upon or after the enforcement of the Company Law. Accordingly, MHTB has applied the above guidance starting this fiscal year, and included “Net Deferred Hedge Gains, net of Taxes” for calculation of net assets per share. The effect of this application on the consolidated balance sheet is immaterial.

33. The principal amounts of money trusts and loan trusts with guarantees for the repayment of trust principal were ¥ 987,902 million and ¥ 172,055 million, respectively.

34. Figures for fair value and unrealized gains (losses) on securities are as follows. In addition to “Securities”, trading securities in “Trading Assets” and negotiable certificates of deposit in “Cash and Due from Banks” are also included. The same inclusion applies through Note 38 inclusive.

Trading Securities

<i>Millions of yen</i>		
	Amount on Consolidated BS	Net Unrealized Gains/Losses on the Consolidated Statement of Income for Fiscal 2006
Trading Securities	455	(6)

Bonds Held-to-Maturity which have readily determinable fair value: Nil

Other Securities which have readily determinable fair value:

	<i>Millions of yen</i>				
	Acquisition Cost	Amount on Consolidated BS	Unrealized Gains/Losses Net	Gains	Losses
Japanese Stocks	190,592	410,298	219,705	221,011	1,306
Japanese Bonds	941,835	915,473	(26,362)	56	26,418
Japanese Government Bonds	868,375	842,502	(25,873)	0	25,873
Japanese Local Government Bonds	11,785	11,717	(67)	52	119
Japanese Corporate Bonds	61,674	61,253	(421)	4	425
Others	278,902	275,389	(3,512)	1,307	4,819
Total	1,411,330	1,601,161	189,831	222,376	32,544

The following amounts are included in Net Unrealized Gains on Other Securities, net of Taxes:

Net Unrealized Gains (Less: Deferred Tax Liability ¥ 47,570 million)	¥ 142,260 million
Less: Amount corresponding to Minority Interests:	¥ 153 million

Amount included in Net Unrealized Gains
on Other Securities, net of Taxes:

¥142,107 million

Certain Other Securities which have readily determinable fair value are devalued to the fair value, and the difference between the acquisition cost and the fair value is treated as the loss for the fiscal year (“devaluation”). If the fair value (primarily the closing market price at the consolidated balance sheet date) has significantly deteriorated compared with the acquisition cost (including amortized cost), the fair value is taken as the amount recorded unless it is deemed that there is a possibility of a recovery in the fair value. The amount of devaluation for the fiscal year was ¥73 million.

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

Securities whose market price is 50% or less of the acquisition cost.

Securities whose market price exceeds 50% but is 70% or less of the acquisition cost and the quoted price maintain a certain level or lower.

35. Bonds Held-to-Maturity sold during the fiscal year: Nil

36. Other Securities sold during the fiscal year are as follows:

	<i>Millions of yen</i>		
	Amount Sold	Total Amount of Gains on Sale	Total Amount of Losses on Sale
Other Securities	1,080,813	26,799	228

37. Major components of securities not stated at fair value and their amount on the consolidated balance sheet are as follows:

	<i>Millions of yen</i>
	Amount on Consolidated BS
Other Securities	
Unlisted Japanese Stocks	11,847
Non-publicly offered Japanese Corporate Bonds	67,398
Unlisted Foreign Securities	43,618

38. The redemption schedule by term for Other Securities with maturities is as follows:

	<i>Millions of yen</i>			
	Within 1 year	1–5 years	5–10 years	Over 10 years
Bonds	48,403	383,889	284,526	266,052
Japanese Government Bonds	3	317,401	266,374	258,723
Japanese Local Government Bonds	1,541	6,606	3,569	
Japanese Corporate Bonds	46,858	59,882	14,582	7,328
Other	16,031	98,793	143,918	
Total	64,435	482,682	428,445	266,052

39. Overdraft protection on current accounts and contracts for the commitment line for loans are contracts by which MHTB and major domestic consolidated subsidiaries are bound to extend loans up to the prearranged amount, at the request of customers, unless the customer is in breach of contract conditions. The unutilized balance of these contracts amounted to ¥ 898,423 million. Of this amount, ¥ 669,919 million relates to contracts in which the original contractual term is one year or less, or which are unconditionally cancelable at any time. Since many of these contracts expire without the rights exercised, the unutilized balance itself does not necessarily affect future cash flows of MHTB and its consolidated subsidiaries. A provision is included in many of these contracts that entitles MHTB and its consolidated subsidiaries to refuse the execution of loans, or reduce the maximum amount under contracts when there is a change in the financial situation, necessity to preserve a claim, or other similar reasons. MHTB and its consolidated subsidiaries obtain, moreover, real estate or securities as collateral at the time the contract is entered into, if needed, and periodically monitor customers’ business conditions, based on and in accordance with internally established standards, and take measures to control credit risks such as amendments to contracts, if needed.

40. Projected benefit obligations etc. as of the consolidated balance sheet date are as follows:

Millions of yen

Projected Benefit Obligations	(123,793)
Plan Assets (Fair Value)	158,850
Unfunded Retirement Benefit Obligations	35,056
Unrecognized Actuarial Differences	5,644
Net Amount on Consolidated Balance Sheet	40,701
Prepaid Pension Cost	51,470
Reserve for Employee Retirement Benefits	(10,769)

41. The appendix forms of “Banking Law Enforcement Regulations” (Ministry of Finance Ordinance No. 10, 1982) have been revised by the “Cabinet Office Ordinance to Amend Part of Detailed Enforcement Regulations on Mutual Loan Business Law and Banking Law” (Cabinet Office Ordinance No. 60, April 28, 2006), following the application of “Accounting Standards for Presentation of Net Assets in the Balance Sheet” (ASBJ Statement No. 5, December 9, 2005) and “Guidance on Accounting Standards for Presentation of Net Assets in the Balance Sheet” (ASBJ Guidance No. 8, December 9, 2005) effective from the fiscal year ending on or after the enforcement date of the Company Law. In accordance with the application of the revised “Banking Law Enforcement Regulations” commencing with the fiscal year beginning on or after April 1, 2006, presentation of account items has been changed as follows:

- (1) Former “Shareholders’ Equity” is presented as “Net Assets” and classified into “Shareholders’ Equity,” “Valuation and Translation Adjustments” and “Minority Interests.” The amount corresponding to former “Shareholders’ Equity” as of the end of this fiscal year was ¥ 511,820 million.
- (2) The net realized and unrealized gains from hedging instruments formerly included in Other Liabilities as deferred hedge gains are presented as “Net Deferred Hedge Gains, net of Taxes” included in Valuation and Translation Adjustments, net of applicable income taxes.
- (3) “Minority Interests” formerly listed after Liabilities is included in Net Assets.
- (4) Former “Premises and Equipment” is classified into “Tangible Fixed Assets,” “Intangible Fixed Assets” and “Other Assets.”
 - (a) As a result, building, land and equipment formerly included in “Premises and Equipment ” are presented as “Buildings,” “Land” and “Other Tangible Fixed Assets” included in “Tangible Fixed Assets.” In addition, premium of “Guarantee Deposits and Premium ” formerly included in “Premises and Equipment” is presented in “Other Intangible Fixed Assets” included in “Intangible Fixed Assets,” and guarantee deposits are presented in “Other Assets”.
 - (b) Software and other items formerly included in “Other Assets” are presented in “Software” and “Other Intangible Fixed Assets” included in “Intangible Fixed Assets.”

42. “Accounting Standards for Treasury Shares and Appropriation of Legal Reserve” (ASBJ Statement No. 1, February 21, 2002) and “Guidance on Accounting Standards for Treasury Shares and Appropriation of Legal Reserve” (ASBJ Guidance No. 2, February 21, 2002) were partially revised as of December 27, 2005 and August 11, 2006. Given that the revisions apply to procedures stipulated by the Company Law, MHTB has applied the above standards and guidance commencing with this fiscal year. The effect of this application on the consolidated balance sheet is immaterial.

NOTES TO CONSOLIDATED STATEMENTS OF INCOME

1. Amounts less than one million yen are rounded down.
2. Net Income per share of common stock for the fiscal year: ¥ 12.88
3. Diluted Net Income per share of common stock for the fiscal year: ¥ 7.77
4. Income or expenses on trading transactions are recognized on a trade date basis and recorded in Trading Income and Trading Expenses on the consolidated statement of income. Trading Income and Trading Expenses include the interest received and interest paid during the fiscal year, the gains or losses resulting from any change in the value of securities and monetary claims between the beginning and the end of the fiscal year, and the gains or losses resulting from any change in the value of financial derivatives between the beginning and the end of the fiscal year, assuming they were settled at the end of the fiscal year.
5. Other Ordinary Income includes gains on sales of stocks and other securities of ¥ 20,821 million.
6. Other of Other Ordinary Expenses includes losses on write-offs of loans of ¥ 3,805 million and losses on devaluation of stocks and other securities of ¥ 1,202 million.

NOTES TO CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

1. Amounts less than one million yen are rounded down.
2. Appropriation of Retained Earnings approved at the ordinary general meeting of shareholders in June 2006.
3. Types and number of outstanding shares and of treasury stock are as follows:

	<i>Thousands of Shares</i>				
	As of March 31, 2006	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2007	Remarks
Outstanding shares					
Common stock	5,024,755			5,024,755	
First Series Class 1 Preferred Stock	300,000		19,434	280,565	*1
Second Series Class 3 Preferred Stock	800,000			800,000	
Total	6,124,755		19,434	6,105,321	
Treasury stock					
Common stock	607	98	14	691	*2
First Series Class 1 Preferred Stock		19,434	19,434		*1
Total	607	19,533	19,448	691	

*1. Increases and decreases are due to repurchase and cancellation of treasury stock (First Series Class 1 Preferred Stock, 19,434 thousand shares)

*2. Increases are due to repurchase of fractional shares (98 thousand shares), decreases are due to additional purchase of fractional shares (14 thousand shares).

4. Cash dividends distributed by MHTB are as follows (*non-consolidated basis*):
Cash Dividends paid during the fiscal year ended March 31, 2007.

Resolution	Types	Cash Dividends (Millions of yen)	Cash Dividends per Share (Yen)	Record Date	Effective Date
June 27, 2006	Common Stock	5,024	1.00	March 31, 2006	
Ordinary General Meeting of Shareholders	First Series Class 1 Preferred Stock	1,950	6.50	March 31, 2006	June 27, 2006
	Second Series Class 3 Preferred Stock	1,200	1.50	March 31, 2006	

Cash dividends whose record date falls in the fiscal year ended March 31, 2007 and whose effective date comes after the end of the fiscal year:

Cash Dividends on common stock and preferred stock are proposed as a matter to be resolved at the ordinary general meeting of shareholders scheduled to be held on June 26, 2007.

Resolution	Types	Cash Dividends (Millions of yen)	Cash Dividends per Share (Yen)	Record Date	Effective Date
June 26, 2007	Common Stock	5,024	1.00	March 31, 2007	
Ordinary General Meeting of Shareholders	First Series Class 1 Preferred Stock	1,823	6.50	March 31, 2007	June 27, 2007
	Second Series Class 3 Preferred Stock	1,200	1.50	March 31, 2007	

The resource of dividends is "Retained Earnings."

5. "Accounting Standards for Statement of Changes in Net Assets" (ASBJ Statement No. 6, December 27, 2005) and "Guidance on Accounting Standards for Statement of Changes in Net Assets" (ASBJ Guidance No. 9, December 27, 2005) took effect as of the fiscal year ended on or after the enforcement date of the Company Law. Thus, the standards and guidance were adopted commencing with this fiscal year, with the "Consolidated Statement of Changes in Net Assets" newly prepared instead of the former "Consolidated Statement of Capital Surplus and Retained Earnings."

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

1. Amounts less than one million yen are rounded down.
2. For the purpose of the consolidated statement of cash flows, Cash and Cash Equivalents consist of cash and deposits with the central banks included in “Cash and Due from Banks” on the consolidated balance sheet.
3. Cash and Cash Equivalents at the balance sheet date reconciles to Cash and Due from Banks on the consolidated balance sheet as follows:

Cash and Due from Banks	¥ 276,325 million
Time Deposit Placed	¥ (151,830) million
Other Deposit Placed	¥ (43,429) million
Cash and Cash Equivalents	¥ 81,065 million
4. The appendix forms of the “Banking Law Enforcement Regulations” (Ministry of Finance Ordinance No. 10, 1982) have been revised by the “Cabinet Office Ordinance to Amend Part of Detailed Enforcement Regulations on Mutual Loan Business Law and Banking Law” (Cabinet Office Ordinance No. 60, April 28, 2006). In accordance with the application of the revised regulations commencing with the fiscal year beginning on or after April 1, 2006, the presentation of the consolidated statement of cash flows has been changed as follows:
 - (1) Former “Losses (Gains) on Disposition of Premises and Equipment” is presented as “Losses (Gains) on Disposition of Fixed Assets” following the new classification of former “Premises and Equipment” on the consolidated balance sheet into “Tangible Fixed Assets,” “Intangible Fixed Assets” and others.
 - (2) Former “Payments for Purchase of Premises and Equipment” is presented as “Payments for Purchase of Tangible Fixed Assets” and others, and former “Proceeds from Sale of Premises and Equipment” is presented as “Proceeds from Sale of Tangible Fixed Assets” and others.

SEGMENT INFORMATION

1. Segment Information by Type of Business

MHTB and its consolidated subsidiaries are engaged in credit guarantee and related business in addition to trust and banking business. Such segment information, however, has not been presented, as the percentages of those activities are insignificant.

2. Segment Information by Geographic Area

Fiscal 2006 (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	Japan	Others	Total	Elimination	Consolidated Total
Ordinary Income:					
(1) From outside customers	267,262	9,795	277,058	-	277,058
(2) Inter-segment	459	608	1,067	(1,067)	-
Total	267,722	10,404	278,126	(1,067)	277,058
Ordinary Expenses	185,123	9,364	194,487	(601)	193,886
Ordinary Profits	82,598	1,039	83,638	(466)	83,172
Assets	6,577,196	99,021	6,676,218	(10,243)	6,665,974

Fiscal 2005 (from April 1, 2005 to March 31, 2006)

(Millions of yen)

	Japan	Others	Total	Elimination	Consolidated Total
Ordinary Income:					
(1) From outside customers	248,658	8,742	257,400	-	257,400
(2) Inter-segment	1	1,218	1,219	(1,219)	-
Total	248,659	9,960	258,620	(1,219)	257,400
Ordinary Expenses	176,921	9,427	186,349	(1,219)	185,129
Ordinary Profits	71,738	532	72,270	-	72,270
Assets	6,230,577	88,331	6,318,908	(16,376)	6,302,531

Notes:

1. Amounts less than one million yen are rounded down.
2. Geographic analyses of MHTB's and its consolidated subsidiaries' operations are presented based on geographic contiguity, similarities in economic activities, and correlation between business operations. Ordinary Income and Ordinary Profits are presented in lieu of Sales and Operating Profits as is the case for non-financial companies.
Ordinary Income, Ordinary Expenses and Ordinary Profits outside Japan are presented in Others (U.S.A., Europe), as the percentages of those countries and areas are insignificant.

3. Ordinary Income from International Operations

(Millions of yen)

Period	Ordinary Income from International Operations (a)	Consolidated Ordinary Income (b)	(a)/(b)
Fiscal 2006 from April 1, 2006 to March 31, 2007	21,697	277,058	7.8%
Fiscal 2005 from April 1, 2005 to March 31, 2006	21,433	257,400	8.3%

Notes:

1. Amounts less than one million yen are rounded down.
2. Ordinary Income from International Operations is presented in lieu of Sales as is the case for non-financial companies.
3. Ordinary Income from International Operations represents Ordinary Income from foreign currency transactions in Japan, trade bills in Japanese Yen, transactions with non-Japanese residents in Japanese Yen, transactions in Japan Offshore Market and the total income of the consolidated foreign subsidiaries. Geographic analyses of Ordinary Income from International Operations are not presented as no such information is available.

(Exclusion of Disclosure)

Regarding the notes for Lease transaction, Transactions with Related parties, Derivatives and other, they are excluded in the immediate release by the consideration of both the necessarily and the materiality study. Please refer to "Selected Financial Information" regarding Deferred Tax Accounting. MHTB will disclose those information in "EDINET."

MARKET VALUE INFORMATION OF SECURITIES "FISCAL 2006"

【Fiscal 2006 Consolidated】

1. Securities

(Notes) In addition to Securities on the consolidated balance sheet, "Securities" is inclusive of Trading Securities in "Trading Assets" and Negotiable Certificates of Deposit in "Cash and Due from Banks".

(1) Trading Securities (as of March 31, 2007)

(Millions of yen)

Contents	Amount on Consolidated BS	Net Unrealized Gains/Losses on the Consolidated Statement of Income for Fiscal 2006
Trading Securities	455	(6)

(2) Bonds held-to-maturity which have readily determinable fair value (as of March 31, 2007): Nil

(3) Other Securities which have readily determinable fair value (as of March 31, 2007)

(Millions of yen)

Contents	Acquisition Cost	Amount on Consolidated BS	Unrealized Gains/Losses		
			Net	Gains	Losses
Japanese Stocks	190,592	410,298	219,705	221,011	1,306
Japanese Bonds	941,835	915,473	(26,362)	56	26,418
Japanese Government Bonds	868,375	842,502	(25,873)	0	25,873
Japanese Local Government Bonds	11,785	11,717	(67)	52	119
Japanese Corporate Bonds	61,674	61,253	(421)	4	425
Other	278,902	275,389	(3,512)	1,307	4,819
Total	1,411,330	1,601,161	189,831	222,376	32,544

Note: Japanese Stocks with a quoted market price are stated at fair value, determined based on the average quoted market price over the month preceding the balance sheet date, others which have readily determinable market price are stated at fair value at the consolidated balance sheet date. Value for judgment of devaluation is based on the quoted market price at the balance sheet date.

(4) Other Securities sold during fiscal year (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	Amount Sold	Total Amount of Gains on Sales	Total Amount of Losses on Sales
Other Securities	1,080,813	26,799	228

(5) Breakdown of Securities not stated at fair value and Amount on Consolidated BS (as of March 31, 2007)

(Millions of yen)

Bonds held-to-maturity	Nil
Other Securities	
Unlisted Japanese Stocks	11,847
Non-publicly offered Japanese Corporate Bonds	67,398
Unlisted Foreign Securities	43,618

(6) Expected redemption amount of Other Securities with maturities (as of March 31, 2007)

(Millions of yen)

Contents	Within 1 year	1 - 5 years	5 - 10 years	Over 10 years
Japanese Bonds	48,403	383,889	284,526	266,052
Japanese Government Bonds	3	317,401	266,374	258,723
Japanese Local Government Bonds	1,541	6,606	3,569	-
Japanese Corporate Bonds	46,858	59,882	14,582	7,328
Other	16,031	98,793	143,918	-
Total	64,435	482,682	428,445	266,052

2. Money Held in Trust

(1) Money held in Trust held-to-maturity (as of March 31, 2007): Nil

(2) Other Money held in Trust (not for investments and holding to maturity) (as of March 31, 2007): Nil

3. Net Unrealized Gain/Loss on Other Securities (as of March 31, 2007)

The contents of net unrealized gain/loss on Other Securities on the consolidated balance sheet is as follows.

(Millions of yen)

Gain from Valuation Difference	189,833
Other Securities	189,833
Deferred Tax Liabilities (minus)	47,571
Net Unrealized Gains on Other Securities (Before the adjustment of Minority interests)	142,262
Minority Interests (minus)	153
Net Unrealized Gains on Other Securities	142,109

Note: Translation differences regarding securities, which do not have readily determinable fair value, of ¥2 million are included in Other Securities of Net Unrealized Gains on Other Securities as of March 31, 2007.

MARKET VALUE INFORMATION OF SECURITIES "FISCAL 2005"

【Fiscal 2005 Consolidated】

1. Securities

(Notes) In addition to Securities on the consolidated balance sheet, "Securities" is inclusive of Trading Securities in "Trading Assets" and Negotiable Certificates of Deposit in "Cash and Due from Banks".

(1) Trading Securities (as of March 31, 2006)

(Millions of yen)

Contents	Amount on Consolidated BS	Net Unrealized Gains/Losses on the Consolidated Statement of Income for Fiscal 2005
Trading Securities	749	(23)

(2) Bonds held-to-maturity which have readily determinable fair value (as of March 31, 2006): Nil

(3) Other Securities which have readily determinable fair value (as of March 31, 2006)

(Millions of yen)

Contents	Acquisition Cost	Amount on Consolidated BS	Unrealized Gains/Losses		
			Net	Gains	Losses
Japanese Stocks	194,668	413,092	218,424	218,589	165
Japanese Bonds	1,032,058	998,184	(33,874)	172	34,046
Japanese Government Bonds	933,369	900,282	(33,086)	0	33,086
Japanese Local Government Bonds	13,116	13,058	(57)	141	199
Japanese Corporate Bonds	85,572	84,843	(729)	30	760
Other	166,004	162,610	(3,393)	1,246	4,640
Total	1,392,731	1,573,887	181,155	220,008	38,852

Note: Japanese Stocks with a quoted market price are stated at fair value, determined based on the average quoted market price over the month preceding the balance sheet date, others which have readily determinable market price are stated at fair value at the consolidated balance sheet date. Value for judgment of devaluation is based on the quoted market price at the balance sheet date.

(4) Other Securities sold during fiscal year (from April 1, 2005 to March 31, 2006)

(Millions of yen)

	Amount Sold	Total Amount of Gains on Sales	Total Amount of Losses on Sales
Other Securities	953,971	10,917	5,507

(5) Breakdown of Securities not stated at fair value and Amount on Consolidated BS (as of March 31, 2006)

(Millions of yen)	
Bonds held-to-maturity	Nil
Other Securities	
Unlisted Japanese Stocks	23,817
Non-publicly offered Japanese Corporate Bonds	53,560
Beneficial Certificate on Loan Trust	6,887
Unlisted Foreign Securities	66,548

(6) Expected redemption amount of Other Securities with maturities

(Millions of yen)				
Contents	Within 1 year	1 - 5 years	5 - 10 years	Over 10 years
Japanese Bonds	227,601	297,798	216,686	309,657
Japanese Government Bonds	199,926	198,327	192,371	309,657
Japanese Local Government Bonds	418	8,339	4,300	-
Japanese Corporate Bonds	27,257	91,131	20,014	-
Other	22,328	101,781	86,335	-
Total	249,929	399,580	303,022	309,657

2. Money Held in Trust

(1) Money held in Trust held-to-maturity (as of March 31, 2006): Nil

(2) Other Money held in Trust (not for investments and holding to maturity) (as of March 31, 2006): Nil

3. Net Unrealized Gain/Loss on Other Securities (as of March 31, 2006)

The contents of net unrealized gain/loss on Other Securities on the consolidated balance sheet is as follows.

(Millions of yen)	
Gain from Valuation Difference	181,156
Other Securities	181,156
Deferred Tax Liabilities (minus)	73,573
Net Unrealized Gains on Other Securities (before adjustment of Minority Interests)	107,582
Minority Interests (minus)	347
Net Unrealized Gains on Other Securities	107,235

Note: Translation differences regarding securities, which do not have readily determinable fair value, of ¥0 million are included in Other Securities of Net Unrealized Gains on Other Securities as of March 31, 2006.

MARKET VALUE INFORMATION OF SECURITIES OF LOAN TRUSTS

[Fiscal 2006 Consolidated]: Nil

[Fiscal 2005 Consolidated]: Nil

INFORMATION OF EMPLOYEE RETIREMENT BENEFITS

1. Projected Benefit Obligations

(Millions of yen)

Contents	Fiscal 2006 (as of March 31, 2007)	Fiscal 2005 (as of March 31, 2006)
Projected Benefit Obligations (A)	(123,793)	(118,865)
Plan Assets (Fair Value) (B)	158,850	148,494
Unfunded Retirement Benefit Obligations (C) = (A) + (B)	35,056	29,628
Unrecognized Actuarial Differences (D)	5,644	9,956
Net Amount on Consolidated Balance Sheet (E) = (C) + (D)	40,701	39,584
Prepaid Pension Cost (F)	51,470	50,002
Reserve for Employee Retirement Benefits (E) - (F)	(10,769)	(10,417)

Note: Certain subsidiaries adopt the simplified method to calculate the retirement benefit obligation.

2. Expenses related to Employee Retirement Benefit

(Millions of yen)

Contents	Fiscal 2006 (as of March 31, 2007)	Fiscal 2005 (as of March 31, 2006)
Service Cost (Note1,2,3)	(2,486)	(2,210)
Interest Cost	(2,956)	(2,944)
Expected Return on Plan Assets	5,401	4,319
Amortization of Unrecognized Actuarial Differences	(3,491)	(6,190)
Accumulation of Prior Service Cost	-	619
Other	(247)	(1,539)
Net Retirement Benefit Expenses	(3,780)	(7,945)

Note 1: Employees contribution to corporate pension fund is exclusive of service cost.

2: Contribution from the certain consolidated subsidiaries to jointly-owned employee's pension fund is inclusive of service cost.

3: Retirement benefit expenses from consolidated subsidiaries which adopt the simplified method is totally inclusive of service cost.

PER SHARE INFORMATION FOR COMMON STOCK

		Fiscal 2006 from April 1, 2006 to March 31, 2007	Fiscal 2005 from April 1, 2005 to March 31, 2006
Net Assets per Share of Common Stock	Yen	49.62	35.26
Net Income per Share of Common Stock	Yen	12.88	7.88
Diluted Net Income per Share of Common Stock	Yen	7.77	4.86

Note 1. "Guidance for Accounting Standards for Net Earnings per Share" (ASBJ Guidance No.4, September 25, 2002) revised on January 31, 2006 took effect as of fiscal year that ended upon or after the enforcement of the Company Law. Accordingly, MHTB has applied the above guidance starting this fiscal year, and included "Net Deferred Hedge Gains, net of Taxes" for calculation of net assets per share. The effect of this application on the consolidated balance sheet is immaterial.

2. The basis of calculation of net assets per share of common stock is as follows:

		Fiscal 2006 (as of March 31, 2007)	Fiscal 2005 (as of March 31, 2006)
Total Net Assets	Millions of yen	515,457	
Amount Deducted from Net Assets	Millions of yen	266,160	
Paid-in Amount of Preferred Stock	Millions of yen	260,282	
Cash Dividend on Preferred Stock	Millions of yen	3,023	
Minority Interests	Millions of yen	2,854	
Net Assets related to Common Stock	Millions of yen	249,297	
Number of shares, based on which total net assets per share of common stock was calculated.	Thousands of shares	5,024,064	

3. The basis of the calculation of diluted net income per share of common stock is as follows:

		Fiscal 2006 from April 1, 2006 to March 31, 2007	Fiscal 2005 from April 1, 2005 to March 31, 2006
Net Income per Share of Common Stock	Yen	12.88	7.88
Net Income	Millions of yen	67,745	42,773
Amount not attributable to Common Stock	Millions of yen	3,023	3,150
Cash Dividend on Preferred Stock	Millions of yen	3,023	3,150
Net Income related to Common Stock	Millions of yen	64,721	39,623
Average Outstanding Share of Common Stock	Thousands of shares	5,024,111	5,024,154
Diluted Net Income per Share of Common Stock	Yen	7.77	4.86
Adjustment to Net Income	Millions of yen	3,023	3,150
Cash Dividend on Preferred stock	Millions of yen	3,023	3,150
Increased Number of Share of Common Stock	Thousands of shares	3,689,874	3,767,800
First Series Class 1 Preferred Stock	Thousands of shares	1,751,474	1,829,400
Second Series Class 3 Preferred Stock	Thousands of shares	1,938,400	1,938,400
Description of dilutive securities which were not included in the calculation of Diluted Net Income per Share of Common Stock as they have no dilutive effect.			

COMPARISON OF STATEMENTS OF TRUST ASSETS AND LIABILITIES

(Millions of yen)

Statements of Trust Account items	Fiscal 2006 as of March 31, 2007	Fiscal 2005 as of March 31, 2006	Change
Loans and Bills Discounted	2,295,445	1,002,883	1,292,561
Securities	10,470,165	8,128,796	2,341,369
Beneficiary Right to the Trust	29,008,670	28,079,057	929,613
Securities Held in Custody Accounts	738,358	843,807	(105,449)
Securities Lent	-	60,005	(60,005)
Money Claims	6,496,056	5,901,688	594,368
Tangible Fixed Assets	4,960,030	4,332,372	627,657
Intangible Fixed Assets	128,157	-	128,157
Surface Rights	-	9,152	(9,152)
Lease Rights on Lands	-	111,794	(111,794)
Other Claims	747,846	1,452,952	(705,105)
Call Loans	24,675	27,461	(2,786)
Due from Banking Account	996,495	1,124,099	(127,604)
Cash and Due from banks	467,724	435,203	32,520
Total Assets	56,333,625	51,509,274	4,824,351
Money Trusts	21,078,709	18,429,450	2,649,259
Pension Trusts	3,767,015	3,964,776	(197,761)
Property Formation Benefit Trusts	5,999	6,298	(298)
Loan Trusts	173,424	343,048	(169,624)
Investment Trusts	7,068,376	6,852,718	215,657
Money Entrusted Other than Money Trusts	3,127,937	1,891,763	1,236,174
Securities Trusts	5,706,850	5,682,235	24,615
Money Claim Trusts	6,410,824	5,933,031	477,793
Equipment Trusts	1,135	1,528	(392)
Land and Fixtures Trusts	459,864	472,806	(12,941)
Composite Trusts	8,530,397	7,928,636	601,760
Other Trusts	3,089	2,980	109
Total Liabilities	56,333,625	51,509,274	4,824,351

Note: 1. Amounts less than one million yen are rounded down.

2. Statements of Trust Account Items are selected based on trust businesses referred to in "Enforcement Regulations for the Law Concerning Concurrent Operations, etc., of Trust Business by Financial Institutions."

The only company to operate trust business is MHTB in MHTB and its consolidated subsidiaries.

NON-CONSOLIDATED BALANCE SHEET

As of March 31, 2007

(Millions of yen)

(Assets)		(Liabilities)	
Cash and Due from Banks	225,832	Deposits	2,821,861
Cash	26,084	Current Deposits	36,941
Due from Banks	199,748	Ordinary Deposits	545,919
Call Loans	60,000	Deposits at Notice	6,346
Other Debt Purchased	265,039	Time deposits	2,192,798
Trading Assets	26,170	Other Deposits	39,854
Trading Securities	455	Negotiable Certificates of Deposit	611,890
Trading Securities Derivatives	0	Call Money	597,443
Trading Related Financial Derivatives	25,715	Guarantee Deposits Received under Securities Lending Transactions	493,982
Securities	1,719,550	Trading Liabilities	25,079
Japanese Government Bonds	842,502	Trading Related Financial Derivatives	25,079
Japanese Local Government Bonds	11,717	Borrowed Money	257,932
Japanese Corporate Bonds	128,651	Borrowings	257,932
Japanese Stocks	425,498	Foreign Exchange Liabilities	15
Other Securities	311,179	Due to Foreign Banks (their account)	6
Loans and Bills Discounted	4,026,203	Due to Foreign Banks (our account)	6
Bills Discounted	3,148	Foreign Bills Payable	2
Loans on Notes	159,557	Bonds and Notes	152,200
Loans on Deeds	3,498,609	Due to Trust Accounts	996,495
Overdrafts	364,887	Other Liabilities	48,849
Foreign Exchange Assets	307	Domestic Exchange Settlement Credits	177
Due from Foreign Banks (our account)	307	Accrued Income Taxes	896
Other Assets	192,993	Accrued Expenses	17,339
Domestic Exchange Settlement Debits	177	Unearned Income	4,057
Prepaid Expenses	604	Employees' Deposits	0
Accrued Income	35,350	Variation Margin of Futures Transactions	1
Initial Margin of Futures Transactions	2,500	Derivatives other than for Trading and Hedging	4,025
Variation Margin of Futures Transactions	3	Other	22,351
Derivatives other than for Trading or Hedging	4,670	Reserve for Bonus Payments	1,505
Other	149,687	Reserve for Employee Retirement Benefits	10,323
Tangible Fixed Assets	32,781	Reserve for Director and Corporate Auditor Retirement Benefits	322
Buildings	13,825	Reserve for Contingencies in Trust Transactions	11,670
Land	14,576	Acceptances and Guarantees	48,460
Other Tangible Fixed Assets	4,379	Total Liabilities	6,078,031
Intangible Fixed Assets	17,227		
Software	16,932	(Net Assets)	
Other Intangible Fixed Assets	294	Common Stock and Preferred Stock	247,231
Deferred Tax Assets	18,804	Capital Surplus	15,367
Customers' Liabilities for Acceptance and Guarantees	48,460	Capital Surplus Reserve	15,367
Reserves for Possible Losses on Loans	(46,957)	Retained Earnings	103,287
Reserve for Possible Losses on Investments	(7)	Earned Surplus Reserve	4,904
		Other Retained Earnings	98,383
		Earnings Surplus Brought Forward	98,383
		Treasury Stock	(110)
		Total Shareholders' Equity	365,776
		Net Unrealized Gain on Other Securities, net of Taxes	141,816
		Net Deferred Hedge Gains, net of Taxes	782
		Total Valuation and Translation Adjustments	142,599
		Total Net Assets	508,375
Total Assets	6,586,407	Total Liabilities and Net Assets	6,586,407

NON-CONSOLIDATED STATEMENT OF INCOME

For the fiscal year ended March 31, 2007

(Millions of yen)

Ordinary Income		241,564
Trust Fees	66,134	
Interest income	83,278	
Interest on Loans and Bills Discounted	55,793	
Interest and Dividends on Securities	23,756	
Interest on Call Loans	344	
Interest on Securities Borrowing Transactions	0	
Interest on Bills Purchased	2	
Interest on Due from Banks	419	
Interest on Interest Swaps	668	
Other Interest Income	2,294	
Fee and Commission Income	63,154	
Fee and Commission on Domestic and Foreign Exchange	536	
Other Fee and Commission Income	62,617	
Trading Income	893	
Income from Trading Securities	5	
Income from Trading Related Financial Derivatives	887	
Other Operating Income	6,144	
Gains on Foreign Exchange Transactions	68	
Gains on Sales of Bonds and Other Securities	5,977	
Income on Derivatives other than Trading or Hedging	62	
Other	35	
Other Ordinary Income	21,959	
Gains on Sales of Stocks and Other Securities	20,125	
Other	1,833	
Ordinary Expenses		161,766
Interest Expenses	31,085	
Interest on Deposits	10,552	
Interest on Negotiable Certificates of Deposit	1,699	
Interest on Call Money	2,951	
Interest on Securities Lending Transactions	6,492	
Interest on Bills Sold	11	
Interest on Borrowed Money	1,017	
Interest on Bonds and Notes	2,807	
Other Interest Expenses	5,553	
Fee and Commission Expenses	14,545	
Fee and Commission on Domestic and Foreign Exchange	292	
Other Fee and Commission Expenses	14,252	
Trading Expenses	6	
Expenses on Securities and Derivatives Related to Trading	6	
Other Operating Expenses	98	
Losses on Sales of Bonds and Other Securities	90	
Losses on Devaluation of Bonds and Other Securities	0	
Other	7	
General and Administrative Expenses	91,833	
Other Ordinary Expenses	24,197	
Reserves for Possible Losses on Loans	16,717	
Losses on Write-offs of Loans	3,615	
Reserve for Possible Losses on Investments	7	
Losses on Sales of Stocks and Other Securities	138	
Losses on Devaluation of Stocks and Other Securities	1,202	
Other	2,517	
Ordinary Profits		79,797
Extraordinary Gains		1,344
Gains on Disposition of Fixed Assets	16	
Recovery of Written-off Claims	987	
Reversal of Reserve for Contingencies in Trust Transactions	340	
Extraordinary Losses		555
Losses on Disposition of Fixed Assets	534	
Losses on Impairment of Fixed Assets	21	
Income before Income Taxes		80,586
Income Taxes:		
Current		25
Deferred		11,743
Net Income		68,817

NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

Millions of yen

	Shareholders' Equity									Valuation and Translation Adjustments			Total Net Assets
	Common Stock and Preferred Stock	Capital Surplus			Retained Earnings			Treasury Stock	Total Shareholders' Equity	Net Unrealized Gains on Other Securities, net of Taxes	Net Deferred Hedge Gains, net of Taxes	Total Valuation and Translation Adjustments	
		Capital Surplus Reserve	Other Capital Surplus	Total Capital Surplus	Earned Surplus Reserve	Other Retained Earnings	Total Retained Earnings						
						Earned Surplus Brought Forward							
Balance as of March 31, 2006	247,231	15,367	3	15,371	3,269	72,368	75,638	(84)	338,156	106,573	-	106,573	444,729
Changes during the fiscal year													
Cash Dividends	-	-	-	-	1,634	(9,808)	(8,174)	-	(8,174)	-	-	-	(8,174)
Net Income	-	-	-	-	-	68,817	68,817	-	68,817	-	-	-	68,817
Repurchase of Treasury Stock	-	-	-	-	-	-	-	(33,027)	(33,027)	-	-	-	(33,027)
Disposition of Treasury Stock	-	-	1	1	-	-	-	2	4	-	-	-	4
Cancellation of Treasury Stock	-	-	(5)	(5)	-	(32,994)	(32,994)	32,999	-	-	-	-	-
Net Changes in Items other than Shareholders' Equity	-	-	-	-	-	-	-	-	-	35,243	782	36,025	36,025
Total Changes during the fiscal year	-	-	(3)	(3)	1,634	26,014	27,649	(25)	27,619	35,243	782	36,025	63,645
Balance as of March 31, 2007	247,231	15,367	-	15,367	4,904	98,383	103,287	(110)	365,776	141,816	782	142,599	508,375

Note : Amounts less than one million yen are rounded down.

NON-CONSOLIDATED STATEMENT OF APPROPRIATION OF RETAINED EARNINGS

(Millions of yen)

	As of June 27, 2006
Unappropriated Retained Earnings at the end of year	72,368
Appropriations	9,808
Earned Surplus Reserve	1,634
Dividend for First Series Preferred Stock (Class 1) (6.5 yen per share)	1,950
Dividend for Second Series Preferred Stock (Class 3) (1.5 yen per share)	1,200
Dividend for Common Stock (1.0 yen per share)	5,024
Unappropriated Retained Earnings Carried Forward to the Next Fiscal Year	62,559

Note: The date in the statement is the approved date of the ordinary shareholders meeting.

BASIS FOR PRESENTATION (NON-CONSOLIDATED)

Please refer to Notes to Balance Sheet and Statement of Income, respectively.

NOTES TO NON-CONSOLIDATED BALANCE SHEET

1. Amounts less than one million yen are rounded down.
2. Trading transactions intended to take advantage of short-term fluctuations and arbitrage opportunities in interest rates, currency exchange rates, market prices of securities and related indices are recognized on a trade date basis and recorded in Trading Assets or Trading Liabilities on the balance sheet.
Securities and monetary claims held for trading purposes are stated at fair value at the balance sheet date. Derivative financial products, such as swaps, futures transactions and option transactions, are stated at their fair values, assuming that such transactions were terminated and settled at the balance sheet date.
3. Investments in the consolidated subsidiaries and affiliate, which are not under the equity method, are stated at acquisition cost determined by the moving average method. Regarding Other Securities, Japanese stocks with a quoted market price are stated at fair value, determined based on the average quoted market price over the month preceding the balance sheet date, others which have readily determinable fair value are stated at fair value at the balance sheet date (cost of securities sold is calculated primarily by the moving average method) and securities which do not have readily determinable fair value are stated at acquisition cost or amortized cost determined by the moving average method. The net unrealized gains on Other Securities are included directly in Net Assets, net of applicable income taxes.
4. Derivative transactions (other than transactions categorized as trading purpose) are valued at fair value.
5. Regarding Tangible Fixed Assets, Depreciation of buildings is computed by the straight-line method, except in the case of appliances and fittings where the declining-balance method is applied, and that of equipment is computed by the declining-balance method with the following range of useful lives.

Buildings	3 years to 50 years
Equipment	2 years to 20 years
6. The amortization of Intangible Fixed Assets is computed by the straight-line method. Development costs for internally used software are capitalized and amortized using the straight-line method over their estimated useful lives of 5 years determined by MHTB.
7. Bond issuance costs are expensed as incurred.
8. Assets and Liabilities denominated in foreign currencies are translated into Japanese yen primarily at the exchange rates in effect at the balance sheet date, with the exception of investments in subsidiaries, which are translated at historical exchange rates.
9. Reserves for Possible Losses on Loans are maintained in accordance with internally established standards for write-offs and provisions.
For claims extended to obligors that are legally bankrupt under the Bankruptcy Law, Special Liquidation under the Company Law or other similar laws ("Bankrupt Obligors"), and to obligors that are effectively in similar conditions ("Substantially Bankrupt Obligors"), reserves are maintained at the amounts of claims net of direct write-offs described below, and expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees. For claims extended to obligors that are not yet legally or formally bankrupt but are likely to be bankrupt ("Intensive Control Obligor"), reserves are maintained at the amounts deemed necessary based on overall solvency analyses of the amounts of claims net of expected amounts recoverable from the disposition of collateral and the amounts recoverable under guarantees.
For claims extended to Intensive Control Obligors and Obligors with Restructured Loans (defined in Note 28 below) and others, if the exposure to an obligor exceeds a certain specific amount, reserves are provided as follows: (i) if future cash flows of the principal and interest can be reasonably estimated, the discounted cash flow method is applied, under which the reserve is determined as the difference between the book value of the loan and its present value of future cash flows discounted by the contractual interest rate before the loan was classified as a Restructured Loan, and (ii) if future cash flows of the principal and interest cannot be reasonably estimated, reserves are provided for the losses estimated for each individual loan.
For claims extended to other obligors, reserves are maintained at rates derived from historical credit loss experience and others.
Reserve for Possible Losses on Loans to Restructuring Countries is maintained in order to cover possible losses based on analyses of the political and economic climates of the countries.
All claims are assessed by each claims origination department in accordance with the internally established

“Self-assessment Standard”, and the results of the assessments are verified and examined by the independent examination department. Reserves for Possible Losses on Loans are provided for on the basis of such verified assessments.

In the case of claims to Bankrupt Obligors and Substantially Bankrupt Obligors, which are collateralized or guaranteed by a third party, the amounts deemed uncollectible (calculated by deducting the anticipated proceeds from the sale of collateral pledged against the claims and amounts that are expected to be recovered from guarantors of the claims) are written off against the respective claims balances. The total directly written-off amount was ¥ 39,425 million.

10. Reserve for Possible Losses on Investments is maintained to provide against possible losses on investments in securities, after taking into consideration the financial condition and other factors concerning the investee company.
11. Reserve for Bonus Payments, which is provided for future bonus payments to employees, is maintained at the amount accrued at the end of the fiscal year, based on the estimated future payments.
12. Reserve for Employee Retirement Benefits (including Prepaid Pension Cost), which is provided for future benefit payments to employees, is recorded as the required amount accrued at the end of the fiscal year, based on the projected benefits obligation and the estimated plan asset amounts at the end of fiscal year. Unrecognized actuarial difference are recognized as income or expense starting from the following fiscal year under the straight-line method over a certain term within the average remaining service period of the current employees (10 years to 14 years).
13. Until the previous fiscal year, MHTB recognized director and corporate auditor retirement benefits as expenses at the time of payment. However, in accordance with the public announcement of the “Accounting Standard for Directors’ Bonus” (ASBJ Statement No.4, November 29, 2005) and the “Auditing Treatment relating to Reserve defined under the Special Tax Measurement Law, Reserve defined under the Special Law and Reserve for Director and Corporate Auditor Retirement Benefits” (The Japanese Institute of Certified Public Accountants (“JICPA”) Auditing and Assurance Practice Committee Report No.42, April 13, 2007), these benefits are recorded as Reserve for Director and Corporate Auditor Retirement Benefits at the required amount at the end of the fiscal year, based on internally established standards. As a result, Ordinary Profits and Income before Income Taxes, each decreased by ¥322 million, compared with the corresponding amounts under previously applied method.
14. Reserve for Contingencies in Trust Transactions is maintained to provide against possible losses from contingencies in trust transactions. The balance is a reasonable estimate of possible future losses, on an individual basis, considered to require a reserve.
15. Finance leases of MHTB that do not involve the transfer of ownership to the lessee are accounted for as operating leases.
16. MHTB applies the deferred method of hedge accounting for the interest rate risk accompanying various monetary assets and liabilities, which is stipulated in “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Financial Instruments for Banks” (JICPA Industry Audit Committee Report No.24). The effectiveness of the hedge is assessed as follows:
 - (i) as for hedging activities to offset the market fluctuation risks, the effectiveness is assessed by bracketing both the hedging instruments, such as interest-rate swaps, and the hedged instruments, such as deposits and loans, in the same maturity bucket.
 - (ii) as for hedging activities to fix the cash flows, the effectiveness is assessed based on the correlation between a base interest rate index of the hedged cash flow and that of the hedging instrument.

Net Deferred Hedge Gains, net of Taxes recorded on the balance sheet resulted from the application of the macro-hedge method based on “Tentative Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Financial Instruments for Banks” (JICPA Industry Audit Committee Report No.15), under which the overall interest rate risks inherent in loans, deposits and others are controlled on a macro-basis using derivatives transactions. These deferred hedge gains/losses are amortized as interest income or interest expenses over the average remaining maturity of the respective hedging instruments.

The unamortized amounts of gross deferred hedge losses and gross deferred hedge gains on the macro-hedges, before net of applicable income taxes, at the end of the fiscal year were ¥23,762 million and ¥23,152 million, respectively.

17. MHTB applies the deferred method of hedge accounting to hedge foreign exchange risks associated with various foreign currency denominated monetary assets and liabilities as stipulated in “Accounting and Auditing Treatment relating to Adoption of Accounting Standards for Foreign Currency Transactions for Banks” (JICPA Industry Audit Committee Report No.25). The effectiveness of the hedge is assessed by confirming both the amount for the foreign currency position of the hedging instruments of currency-swap transactions, exchange swap transactions and similar transactions as the method of hedging the foreign exchange risks of monetary claims and liabilities denominated in foreign currencies and the amounts of the foreign currency position of the hedged monetary claims and liabilities denominated in foreign currency are equivalent.
18. Inter-company interest rate swaps, currency swaps and similar derivatives between trading account and other accounts, which are designated as hedges, are not eliminated and related gains and losses are recognized in the income statement or deferred under hedge accounting, because these inter-company derivatives are executed according to the criteria for appropriate outside third-party cover operations which are treated as hedge transactions objectively in accordance with JICPA Industry Audit Committee Reports No. 24 and 25.
19. Japanese consumption taxes and local consumption taxes are excluded from the transaction amounts. Amounts of nondeductible consumption taxes related to Tangible Fixed Assets are included in expenses.
20. Investments in subsidiaries and affiliate amounted to ¥13,100 million.
21. The monetary claims against subsidiaries and affiliate amounted to ¥30,405 million.
22. The monetary obligations against subsidiaries and affiliate amounted to ¥18,955 million.
23. Accumulated depreciation of Tangible Fixed Assets amounted to ¥ 24,633 million.
24. The book value of Tangible Fixed Assets adjusted for gains on sales of replaced assets amounted to ¥1,295 million.
25. In addition to Fixed Assets booked on the balance sheet, certain computers are used on the basis of finance lease contracts that do not involve transfer of ownership to the lessee.
26. Loans and Bills Discounted include Loans to Bankrupt Obligors of ¥2,435 million and Non-Accrual Delinquent Loans of ¥43,332 million.
Loans to Bankrupt Obligors are loans, excluding loans written-off, on which delinquencies in payment of principal and/or interest have continued for a significant period of time or for some other reason there is no prospect of collecting principal and/or interest (“Non-Accrual Loans”), as per Article 96 Paragraph 1 No. 3, subsections 1 to 5 or No. 4 of the Corporate Tax Law Enforcement Ordinance (Government Ordinance No. 97, 1965).
Non-Accrual Delinquent Loans represent non-accrual loans other than (i) Loans to Bankrupt Obligors and (ii) loans for which interest payments have been deferred in order to assist or facilitate the restructuring of the obligors.
27. Balance of Loans Past Due for 3 Months or More: ¥ 468 million.
Loans Past Due for 3 Months or More are loans for which payments of principal and/or interest have not been received for a period of three months or more beginning with the next day following the last due date for such payments, and which are not included in Loans to Bankrupt Obligors, or Non-Accrual Delinquent Loans.
28. Balance of Restructured Loans: ¥ 61,436 million.
Restructured Loans represent loans on which contracts were amended in favor of obligors (e.g. reduction of, or exemption from, stated interest, deferral of interest payments, extension of maturity dates, renunciation of claims) in order to assist or facilitate the restructuring of the obligors. Loans to Bankrupt Obligors, Non-Accrual Delinquent Loans and Loans Past Due for 3 Months or More are not included.
29. Total balance of Loans to Bankrupt Obligors, Non-Accrual Delinquent Loans, Loans Past Due for 3 Months or More and Restructured Loans: ¥ 107,672 million. The amounts given in the Notes 26. through 29. are gross amounts before deduction of amounts for the Reserves for Possible Losses on Loans.

30. In accordance with JICPA Industry Audit Committee Report No. 24, bills discounted are accounted for as financial transactions, although MHTB has rights to sell or pledge these bankers' acceptance, commercial bills, documentary bills and foreign exchange bills. The principal amount of these bills amounted to ¥3,148 million.
31. Breakdown of assets pledged as collateral.
 The following assets were pledged as collateral:
 Securities: ¥ 891,429 million
 Loans and Bills Discounted: ¥ 742,778 million
 The following liabilities were collateralized by the above assets:
 Deposits: ¥ 1,621 million
 Call Money: ¥ 100,000 million
 Guarantee Deposits Received under Securities Lending Transactions: ¥ 493,982 million
 Borrowed Money: ¥ 227,900 million
 In addition to the above, the settlement accounts of domestic exchange transactions or derivatives transactions and others were collateralized by Securities amounting to ¥ 134,564 million.
 None of the assets has been pledged as collateral in connection with borrowings by subsidiaries or affiliate.
 Other Assets includes guarantee deposits of ¥ 7,560 million.
32. Borrowed Money includes subordinated borrowed money of ¥ 30,000 million.
33. Bonds and Notes solely consist of subordinated bonds.
34. Net Assets per share of common stock: ¥48.77
 "Guidance for Accounting Standards for Net Earning per Share" (ASBJ Guidance No.4, September 25, 2002) revised on January 31, 2006 took effect as of the fiscal year that ended upon or after the enforcement of the Company Law. Accordingly, MHTB has applied the above guidance starting this fiscal year, and included "Net Deferred Hedge Gains, net of Taxes" for calculation of net assets per share. The effect of this application on the balance sheet is immaterial.
35. MHTB is restricted to distribute the dividends pursuant to Article 18 of the Banking Law. In case MHTB divides the surplus, MHTB appropriates "Earned Surplus Reserve" by the 1/5 of the amount of surplus that decreases by the dividend from surplus regardless of Article 445-4 (Amount of Capital and Amount of Surplus) of Corporate Law.
36. The principal amounts of money trusts and loan trusts with guarantees for the repayment of trust principal were ¥ 987,902 million and ¥ 172,055 million, respectively.
37. Figures for fair value and unrealized gains (losses) on securities are as follows. In addition to "Japanese Government Bonds", "Japanese Local Government Bonds", "Japanese Corporate Bonds", "Japanese Stocks" and "Other Securities", Trading Securities in "Trading Assets" is also included. The same inclusion applies through Note 41 inclusive.

Trading Securities

	<i>Millions of yen</i>	
	Amount on BS	Net Unrealized Gains/Losses on the Statement of Income for Fiscal 2006
Trading Securities	455	(6)

Bonds Held-to-Maturity which have readily determinable fair value: Nil

Investments in subsidiaries and affiliate which have readily determinable fair value: Nil

*Other Securities which have readily determinable fair value:**Millions of yen*

	Acquisition	Amount	Unrealized Gains/Losses		
	Cost	on BS	Net	Gains	Losses
Japanese Stocks	190,544	409,482	218,937	220,244	1,306
Japanese Bonds	941,835	915,473	(26,362)	56	26,418
Japanese Government Bonds	868,375	842,502	(25,873)	0	25,873
Japanese Local Government Bonds	11,785	11,717	(67)	52	119
Japanese Corporate Bonds	61,674	61,253	(421)	4	425
Other	250,183	246,671	(3,512)	1,307	4,819
Total	1,382,564	1,571,627	189,063	221,608	32,544

The amount of ¥141,815 million that is after deduction of the deferred tax liabilities of ¥47,247 million from Net Unrealized Gains is included in Net Unrealized Gains on Other Securities, net of Taxes.

Certain Other Securities which have readily determinable fair value are devalued to the fair value and the difference between the acquisition cost and the fair value is treated as the loss for the fiscal year (“devaluation”). If the fair value (primarily the closing market price at the balance sheet date) has significantly deteriorated compared with the acquisition cost (including amortized cost), the fair value is taken as the amount recorded unless it is deemed that there is a possibility of a recovery in the fair value. The amount of devaluation for the fiscal year was ¥73 million.

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

Securities whose market price is 50% or less of the acquisition cost

Securities whose market price exceeds 50% but is 70% or less of the acquisition cost and the quoted price maintain a certain level or lower.

38. Bonds Held-to-maturity sold during the fiscal year: Nil

39. Other Securities sold during the fiscal year are as follows:

Millions of yen

	Amount Sold	Total Amount of Gains on Sale	Total Amount of Losses on Sale
Other Securities	1,080,004	26,103	228

40. Major components of securities not stated at fair value and their amount on the balance sheet are as follows:

Millions of yen

Details	Amount on BS
<u>Investments in subsidiaries and affiliate</u>	
Subsidiaries	12,350
Affiliate	750
<u>Other Securities</u>	
Unlisted Japanese Stocks	11,756
Non-publicly offered Japanese Corporate Bonds	67,398
Unlisted Foreign Securities	43,618

41. The redemption schedule by term for Other Securities with maturities is as follows:

Millions of yen

	Within 1 year	1–5 years	5–10 years	Over 10 years
Bonds	48,403	383,889	284,526	266,052
Japanese Government Bonds	3	317,401	266,374	258,723
Japanese Local Government Bonds	1,541	6,606	3,569	
Japanese Corporate Bonds	46,858	59,882	14,582	7,328
Other	6,189	79,846	143,918	
Total	54,592	463,735	428,445	266,052

42. Overdraft protection on current accounts and contracts for the commitment line for loans are contracts by which MHTB is bound to extend loans up to the prearranged amount, at the request of customers, unless the customer is in breach of contract conditions. The unutilized balance of these contracts amounted to ¥913,315 million. Of this amount, ¥684,811 million relates to contracts in which the original contractual term is one year or less, or which are unconditionally cancelable at any time.

Since many of these contracts expire without the rights exercised, the unutilized balance itself does not necessarily affect future cash flows of MHTB. A provision is included in many of these contracts that entitles MHTB to refuse the execution of loans, or reduce the maximum amount under contracts when there is a change in the financial situation, necessity to preserve a claim, or other similar reasons. MHTB obtains, moreover, real estate or securities as collateral at the time the contract is entered into, if needed, and periodically monitor customers' business conditions, based on and in accordance with internally established standards, and take measures to control credit risks such as amendments to contracts, if needed.

43. Breakdown of Deferred Tax Assets and Deferred Tax Liabilities are as follows:

Deferred Tax Assets	
<i>Reserves for Possible Losses on Loans</i>	¥ 13,607 million
<i>Devaluation of Securities</i>	¥ 59,577 million
<i>Reserve for Employee Retirement Benefits</i>	¥ 7,920 million
<i>Tax Losses Carried Forwards</i>	¥ 157,093 million
<i>Unrealized Losses on Other Securities</i>	¥ 3,627 million
<i>Other</i>	¥ 19,639 million
Sub Total of Deferred Tax Assets	¥ 261,465 million
<i>Valuation Allowance</i>	¥ (189,087) million
Total Deferred Tax Assets	¥ 72,377 million
Deferred Tax Liabilities	
<i>Unrealized Gains on Other Securities</i>	¥ (45,343) million
<i>Gains from Establishment of Retirement Benefits Trust</i>	¥ (6,255) million
<i>Net Deferred Hedge Gains</i>	¥ (534) million
<i>Other</i>	¥ (1,439) million
Total Deferred Tax Liabilities	¥ (53,573) million
Net Amount of Deferred Tax Assets	¥ 18,804 million

44. Transactions with Related parties

Subsidiaries and affiliate:

Millions of yen							
Position	Name of Company	Ratio of Voting Right	Relationship	Transactions	Amount of Transactions (Note2)	Account	Balance as of end of Fiscal year
Subsidiary	Mizuho Trust Guaranty Co., Ltd.	Direct Holding 100%	Execution of Agreement for Guarantees subject to Loan claims of MHTB	Guarantees subject to Loan claims of MHTB (Note1)	342,986		342,986

(Transaction terms and principle for conclusion of transaction term)

Note1: The content of transaction is the agreements subject to guarantees for loan claims of MHTB.

Note 2: "Amount of transactions" is stated as "Balance as of March 31, 2007."

45. The appendix forms of "Banking Law Enforcement Regulations" (Ministry of Finance Ordinance No. 10, 1982) have been revised by the "Cabinet Office Ordinance to Amend Part of Detailed Enforcement Regulations on Mutual Loan Business Law and Banking Law" (Cabinet Office Ordinance No. 60, April 28, 2006), following the application of "Accounting Standards for Presentation of Net Assets in the Balance Sheet" (ASBJ Statement No. 5, December 9, 2005) and "Guidance on Accounting Standards for Presentation of Net Assets in the Balance Sheet" (ASBJ Guidance No. 8, December 9, 2005) effective from the fiscal year ending on or after the enforcement date of the Company Law. In accordance with the application of the revised "Banking Law Enforcement Regulations" commencing with the fiscal year beginning on or after April 1, 2006, presentation of account items has been changed as follows:

- (1) Former "Shareholders' Equity" is presented as "Net Assets" and classified into "Shareholders' Equity," "Valuation and Translation Adjustments." The amount corresponding to former "Shareholders' Equity" as of the end of this fiscal year was ¥507,593 million.

- (2) “Unappropriated Retained Earnings at the end of year” formerly listed in “Retained Earnings” is presented as “Earned Surplus Brought Forward” of “Other Retained Earnings” in “Retained Earnings”.
 - (3) The net realized and unrealized gains (losses) from hedging instruments formerly included in “Other Liabilities” as deferred hedge gains are presented as “Net Deferred Hedge Gains, net of Taxes” included in Valuation and Translation Adjustments, net of applicable income taxes.
 - (4) Former “Premises and Equipment” is classified into “Tangible Fixed Assets,” “Intangible Fixed Assets” and “Other Assets.”
 - (a) As a result, building, land and equipment formerly included in “Premises and Equipment” are presented as “Buildings,” “Land” and “Other Tangible Fixed Assets” included in “Tangible Fixed Assets”. In addition, premium of “Guarantee Deposits and Premium” formerly included in “Premises and Equipment” is presented in “Other Intangible Fixed Assets” included in “Intangible Fixed Assets”, and guarantee deposits are presented in “Other Assets”.
 - (b) Software formerly included in “Other” of “Other Assets” is presented in “Software” included in “Intangible Fixed Assets.”
46. “Accounting Standards for Treasury Shares and Appropriation of Legal Reserve” (ASBJ Statement No. 1, February 21, 2002) and “Guidance on Accounting Standards for Treasury Shares and Appropriation of Legal Reserve” (ASBJ Guidance No. 2, February 21, 2002) were partially revised as of December 27, 2005 and August 11, 2006. Given that the revisions apply to procedures stipulated by the Company Law, MHTB has applied the above standards and guidance commencing with this fiscal year. The effect of this application on the balance sheet is immaterial.

NOTES TO NON-CONSOLIDATED STATEMENT OF INCOME

1. Amounts less than one million yen are rounded down.
2. The income from transaction with subsidiaries and affiliate:

Total amount of interest income:	¥ 525 million
Total amount of fee and commission income:	¥ 776 million
Total amount of other operating income and other ordinary income:	¥ 132 million
The Expenses from transaction with subsidiaries and affiliate:	
Total amount of interest expenses:	¥ 541 million
Total amount of fee and commission expenses:	¥ 279 million
Total amount of other operating expenses and other ordinary expense:	¥14,416 million
3. Net Income per share of common stock: ¥13.09
4. Diluted Net Income per share of common stock: ¥7.89
5. Income or expenses on trading transactions are recognized on a trade date basis and recorded in Trading Income and Trading Expenses on the statement of income. Trading Income and Trading Expenses represent the interest received/paid during the fiscal year plus (1) the gains or losses resulting from any change in the value of securities and monetary claims in the fiscal year, and (2) the gains or losses resulting from any change in the value of derivative financial instruments in the fiscal year, assuming that they were settled at the term end.
6. Previously, the bottom of the statement of income showed the calculation of the unappropriated retained earnings. From this fiscal year, MHTB prepares the Non-Consolidated Statement of Changes in Net Assets and disclose the change of Common stock and Preferred stock, Surplus and Reserve. By the introduction of the Statement of Changes in Net Assets, MHTB does not prepare the Non-Consolidated Statement of Proposal for Appropriation of Retained Earnings.

NOTES TO NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

1. Amounts less than one million yen are rounded down.
2. Appropriation of Retained Earnings approved at the ordinary general meeting of shareholders in June 2006.
3. Types and number of treasury stock are as follows:

	<i>Thousands of shares</i>				
	As of March 31, 2006	Increase during the fiscal year	Decrease during the fiscal year	As of March 31, 2007	Remarks
Treasury stock					
Common stock	607	98	14	691	*1
First Series Class 1 Preferred Stock		19,434	19,434		*2
Total	607	19,533	19,448	691	

*1. Increases are due to repurchase of fractional shares (98 thousand shares), decreases are due to additional purchase of fractional shares (14 thousand shares).

*2. Increases and decreases are due to repurchase and cancellation of treasury stock (First Series Class 1 Preferred Stock, 19,434 thousand shares).

4. “Accounting Standards for Statement of Changes in Net Assets” (ASBJ Statement No. 6, December 27, 2005) and “Guidance on Accounting Standards for Statement of Changes in Net Assets” (ASBJ Guidance No. 9, December 27, 2005) took effect as of the fiscal year ending on or after the enforcement date of the Company Law. Thus, the standards and guidance were adopted commencing with this fiscal year, with the “Non-Consolidated Statement of Changes in Net Assets” newly prepared instead of the former “Non-Consolidated Statement of Capital Surplus and Retained Earnings.”

MARKET VALUE INFORMATION OF SECURITIES "FISCAL 2006"

【Fiscal 2006 Non-Consolidated】

1. Securities

(Notes) In addition to "Japanese Government Bonds", "Japanese Local Government Bonds", "Japanese Corporate Bonds", "Japanese Stocks" and "Other Securities" on the Non-consolidated balance sheet, "Securities" is inclusive of Trading Securities in "Trading Assets".

(1) Trading Securities (as of March 31, 2007)

(Millions of yen)		
Contents	Amount on BS	Net Unrealized Gains/Losses on the Statement of Income for Fiscal 2006
Trading Securities	455	(6)

(2) Bonds held-to-maturity which have readily determinable fair value (as of March 31, 2007): Nil

(3) Investments in subsidiaries and affiliate which have readily determinable fair value (as of March 31, 2007): Nil

(4) Other Securities which have readily determinable fair value (as of March 31, 2007)

(Millions of yen)					
Contents	Acquisition Cost	Amount on BS	Unrealized Gains/Losses		
			Net	Gains	Losses
Japanese Stocks	190,544	409,482	218,937	220,244	1,306
Japanese Bonds	941,835	915,473	(26,362)	56	26,418
Japanese Government Bonds	868,375	842,502	(25,873)	0	25,873
Japanese Local Government Bonds	11,785	11,717	(67)	52	119
Japanese Corporate Bonds	61,674	61,253	(421)	4	425
Other	250,183	246,671	(3,512)	1,307	4,819
Total	1,382,564	1,571,627	189,063	221,608	32,544

Note: Japanese Stocks with a quoted market price are stated at fair value, determined based on the average quoted market price over the month preceding the balance sheet date, others which have readily determinable market price are stated at fair value at the balance sheet date. Value for judgment of devaluation is based on the quoted market price at the balance sheet

(5) Other Securities sold during Fiscal Year (from April 1, 2006 to March 31, 2007)

(Millions of yen)			
	Amount Sold	Total Amount of Gains on Sales	Total Amount of Losses on Sales
Other Securities	1,080,004	26,103	228

(6) Breakdown of Securities not stated at fair value and Amount on BS (as of March 31, 2007)

(Millions of yen)

Investments in subsidiaries and affiliate	
Subsidiaries	12,350
Affiliate	750
Other Securities	
Unlisted Japanese Stocks	11,756
Non-publicly offered Japanese Corporate Bonds	67,398
Unlisted Foreign Securities	43,618

(7) Expected redemption amount of other securities with maturities (as of March 31, 2007)

(Millions of yen)

Contents	Within 1 year	1 - 5 years	5 - 10 years	Over 10 years
Japanese Bonds	48,403	383,889	284,526	266,052
Japanese Government Bonds	3	317,401	266,374	258,723
Japanese Local Government Bonds	1,541	6,606	3,569	-
Japanese Corporate Bonds	46,858	59,882	14,582	7,328
Other	6,189	79,846	143,918	-
Total	54,592	463,735	428,445	266,052

2. Money Held in Trust

(1) Money held in Trust held-to-maturity (as of March 31, 2007): Nil

(2) Other Money held in Trust (not for investments and holding to maturity) (as of March 31, 2007): Nil

3. Net Unrealized gain/loss on Other Securities (as of March 31, 2007)

The contents of net unrealized gain/loss on Other Securities on balance sheet is as follows.

(Millions of yen)

Gain from Valuation Difference	189,065
Other Securities	189,065
Deferred Tax Liabilities (minus)	47,248
Net Unrealized Gains on Other Securities	141,816

Note: Translation differences regarding securities, which do not have readily determinable fair value, of ¥2 million are included in Other Securities of Net Unrealized Gains on Other Securities as of March 31, 2007.

MARKET VALUE INFORMATION OF SECURITIES "FISCAL 2005"

【Fiscal 2005 Non-Consolidated】

1. Securities

(Notes) In addition to "Japanese Government Bonds", "Japanese Local Government Bonds", "Japanese Corporate Bonds", "Japanese Stocks" and "Other Securities" on the Non-consolidated balance sheet, "Securities" is inclusive of Trading Securities in "Trading Assets".

(1) Trading Securities (as of March 31, 2006)

(Millions of yen)		
Contents	Amount on BS	Net Unrealized Gains/Losses on the Statement of Income for Fiscal 2005
Trading Securities	749	(23)

(2) Bonds held-to-maturity which have readily determinable fair value (as of March 31, 2006): Nil

(3) Investments in subsidiaries and affiliate which have readily determinable fair value (as of March 31, 2006): Nil

(4) Other Securities which have readily determinable fair value (as of March 31, 2006)

(Millions of yen)					
Contents	Acquisition Cost	Amount on BS	Unrealized Gains/Losses		
			Net	Gains	Losses
Japanese Stocks	194,506	411,191	216,684	216,850	165
Japanese Bonds	1,032,058	998,184	(33,874)	172	34,046
Japanese Government Bonds	933,369	900,282	(33,086)	0	33,086
Japanese Local Government Bonds	13,116	13,058	(57)	141	199
Japanese Corporate Bonds	85,572	84,843	(729)	30	760
Other	140,101	136,707	(3,393)	1,246	4,640
Total	1,366,666	1,546,082	179,416	218,268	38,852

Note: Japanese Stocks with a quoted market price are stated at fair value, determined based on the average quoted market price over the month preceding the balance sheet date, others which have readily determinable market price are stated at fair value at the balance sheet date. Value for judgment of devaluation is based on the quoted market price at the balance sheet date.

(5) Other Securities sold during Fiscal Year (from April 1, 2005 to March 31, 2006)

(Millions of yen)			
	Amount Sold	Total Amount of Gains on Sales	Total Amount of Losses on Sales
Other Securities	949,458	9,152	5,507

(6) Breakdown of Securities not stated at fair value and Amount on BS (as of March 31, 2006)

(Millions of yen)

Investments in subsidiaries and affiliate	
Subsidiaries	12,350
Affiliate	750
Other Securities	
Unlisted Japanese Stocks	23,726
Non-publicly offered Japanese Corporate Bonds	53,560
Beneficial Certificate of Loan Trust	6,887
Unlisted Foreign Securities	66,548

(7) Expected redemption amount of other securities with maturities (as of March 31, 2006)

(Millions of yen)

Contents	Within 1 year	1 - 5 years	5 - 10 years	Over 10 years
Japanese Bonds	227,601	297,798	216,686	309,657
Japanese Government Bonds	199,926	198,327	192,371	309,657
Japanese Local Government Bonds	418	8,339	4,300	-
Japanese Corporate Bonds	27,257	91,131	20,014	-
Others	12,576	85,561	86,335	-
Total	240,177	383,360	303,022	309,657

2. Money Held in Trust

(1) Money held in Trust held-to-maturity (as of March 31, 2006): Nil

(2) Other Money held in Trust (not for investments and holding to maturity) (as of March 31, 2006): Nil

3. Net unrealized gain/loss on Other Securities (as of March 31, 2006)

The contents of net unrealized gain/loss on Other Securities on the balance sheet is as follows.

(Millions of yen)

Gain from Valuation Difference	179,416
Other Securities	179,416
Deferred Tax Liabilities (minus)	72,843
Net Unrealized Gains on Other Securities	106,573

Note: Translation differences regarding securities, which do not have readily determinable fair value, of ¥0 million are included in Other Securities of Net Unrealized Gains on Other Securities as of March 31, 2006.

INFORMATION FOR DEFERRED TAX ACCOUNTING

1. Breakdown of Deferred Tax Assets and Deferred Tax Liabilities

(Millions of yen)

Items	Fiscal 2006 (as of March 31, 2007)	Fiscal 2005 (as of March 31, 2006)
Deferred Tax Assets		
Reserves for Possible Losses on Loans	13,607	9,554
Devaluation of Securities	59,577	64,110
Reserve for Employee Retirement Benefits	7,920	8,119
Tax Losses Carried Forwards	157,093	191,774
Unrealized Losses on Other Securities	3,627	—
Other	19,639	16,905
Sub Total of Deferred Tax Assets	261,465	290,465
Valuation Allowance	(189,087)	(205,878)
Total Deferred Tax Assets	72,377	84,587
Deferred Tax Liabilities		
Unrealized Gains on Other Securities	(45,343)	(72,843)
Gains from Establishment of Retirement Benefits Trust	(6,255)	(6,255)
Net Deferred Hedge Gains	(534)	—
Other	(1,439)	—
Total Deferred Tax Liabilities	(53,573)	(79,098)
Net Amount of Deferred Tax Assets	18,804	5,488

2. Reconciliation of the Statutory Tax Rate to the Effective Income Tax Rate

(%)

Items	Fiscal 2006 from April 1, 2006 to March 31, 2007	Fiscal 2005 from April 1, 2005 to March 31, 2006
Statutory Tax Rate	40.6	40.6
Adjustments		
Change in Valuation Allowance	(24.8)	31.3
Dividends received deduction and Other Permanent Differences	(1.3)	(33.0)
Other	0.1	1.8
Effective Income Tax Rate	14.6	40.7

PER SHARE INFORMATION FOR COMMON STOCK

		Fiscal 2006 from April 1, 2006 to March 31, 2007	Fiscal 2005 from April 1, 2005 to March 31, 2006
Net Assets per Share of Common Stock	Yen	48.77	34.15
Net Income per Share of Common Stock	Yen	13.09	5.54
Diluted Net Income per Share of Common Stock	Yen	7.89	3.52

Note 1. "Guidance for Accounting Standards for Net Earnings per Share" (ASBJ Guidance No.4, September 25, 2002) revised on January 31, 2006 took effect as of fiscal year that ended upon or after the enforcement of the Company Law. Accordingly, MHTB has applied the above guidance starting this fiscal year, and included "Net Deferred Hedge Gains, net of Taxes" for calculation of net assets per share. The effect of this application on the balance sheet is immaterial.

2. The basis of calculation of net assets per share of common stock is as follows:

		Fiscal 2006 (as of March 31, 2007)	Fiscal 2005 (as of March 31, 2006)
Total Net Assets	Millions of yen	508,375	
Amount Deducted from Net Assets	Millions of yen	263,306	
Paid-in Amount of Preferred Stock	Millions of yen	260,282	
Cash Dividend on Preferred Stock	Millions of yen	3,023	
Net Assets related to Common Stock	Millions of yen	245,069	
Number of shares, based on which total net assets per share of common stock was calculated.	Thousands of shares	5,024,064	

3. The basis of the calculation of diluted net income per share of common stock is as follows:

		Fiscal 2006 from April 1, 2006 to March 31, 2007	Fiscal 2005 from April 1, 2005 to March 31, 2006
Net Income per Share of Common Stock	Yen	13.09	5.54
Net Income	Millions of yen	68,817	31,027
Amount not attributable to Common Stock	Millions of yen	3,023	3,150
Cash Dividend on Preferred Stock	Millions of yen	3,023	3,150
Net Income related to Common Stock	Millions of yen	65,794	27,877
Average Outstanding Share of Common Stock	Thousands of shares	5,024,111	5,024,197
Diluted Net Income per Share of Common Stock	Yen	7.89	3.52
Adjustment to Net Income	Millions of yen	3,023	3,150
Cash Dividend on Preferred Stock	Millions of yen	3,023	3,150
Increased Number of Share of Common Stock	Thousands of shares	3,689,874	3,767,800
First Series Class 1 Preferred Stock	Thousands of shares	1,751,474	1,829,400
Second Series Class 3 Preferred Stock	Thousands of shares	1,938,400	1,938,400
Description of dilutive securities which were not included in the calculation of Diluted Net Income per Share of Common Stock as they have no dilutive effect.			

COMPARISON OF NON-CONSOLIDATED BALANCE SHEETS

	<i>Millions of yen</i>		
	As of March 31, 2007	As of March 31, 2006	Change
Assets			
Cash and Due from Banks	¥ 225,832	¥ 293,321	¥ (67,488)
Call Loans	60,000	70,000	(10,000)
Bills Purchased	–	62,300	(62,300)
Other Debt Purchased	265,039	251,430	13,609
Trading Assets	26,170	41,744	(15,573)
Securities	1,719,550	1,715,086	4,463
Loans and Bills Discounted	4,026,203	3,532,645	493,558
Foreign Exchange Assets	307	4,287	(3,979)
Other Assets	192,993	193,822	(829)
Tangible Fixed Assets	32,781	–	32,781
Intangible Fixed Assets	17,227	–	17,227
Premises and Equipment	–	40,988	(40,988)
Deferred Tax Assets	18,804	5,488	13,315
Customers' Liabilities for Acceptances and Guarantees	48,460	61,191	(12,731)
Reserves for Possible Losses on Loans	(46,957)	(30,527)	(16,429)
Reserve for Possible Losses on Investments	(7)	–	(7)
Total Assets	¥ 6,586,407	¥ 6,241,779	¥ 344,627
Liabilities			
Deposits	¥ 2,821,861	¥ 2,492,641	¥ 329,220
Negotiable Certificates of Deposit	611,890	582,840	29,050
Call Money	597,443	661,543	(64,099)
Guarantee Deposits Received under Securities Lending Transactions	493,982	169,806	324,176
Bills Sold	–	399,600	(399,600)
Trading Liabilities	25,079	45,431	(20,352)
Borrowed Money	257,932	37,065	220,867
Foreign Exchange Liabilities	15	11	3
Bonds and Notes	152,200	161,500	(9,300)
Due to Trust Accounts	996,495	1,124,099	(127,604)
Other Liabilities	48,849	37,954	10,894
Reserve for Bonus Payments	1,505	1,345	160
Reserve for Employee Retirement Benefits	10,323	10,007	315
Reserve for Director and Corporate Auditor Retirement Benefits	322	–	322
Reserve for Contingencies in Trust Transactions	11,670	12,010	(340)
Acceptances and Guarantees	48,460	61,191	(12,731)
Total Liabilities	6,078,031	5,797,049	280,982
Net Assets			
Common Stock and Preferred Stock	247,231	–	247,231
Capital Surplus	15,367	–	15,367
Capital Surplus Reserve	15,367	–	15,367
Retained Earnings	103,287	–	103,287
Earned Surplus Reserve	4,904	–	4,904
Other Retained Earnings	98,383	–	98,383
Earnings Surplus Brought Forward	98,383	–	98,383
Treasury Stock	(110)	–	(110)
Total Shareholders' Equity	365,776	–	365,776
Net Unrealized Gains on Other Securities, net of Taxes	141,816	–	141,816
Net Deferred Hedge Gains, net of Taxes	782	–	782
Total Valuation and Translation Adjustments	142,599	–	142,599
Total Net Assets	508,375	–	508,375
Shareholders' Equity			
Common Stock and Preferred Stock	–	247,231	(247,231)
Capital Surplus	–	15,371	(15,371)
Capital Surplus Reserve	–	15,367	(15,367)
Other Capital Surplus	–	3	(3)
Profits on Sales of Treasury Stock	–	3	(3)
Retained Earnings	–	75,638	(75,638)
Earned Surplus Reserve	–	3,269	(3,269)
Unappropriated Retained Earnings	–	72,368	(72,368)
Net Income	–	31,027	(31,027)
Net Unrealized Gains on Other Securities, net of Taxes	–	106,573	(106,573)
Treasury Stock	–	(84)	84
Total Shareholders' Equity	–	444,729	(444,729)
Total Liabilities and Net Assets (Shareholders' Equity)	¥ 6,586,407	¥ 6,241,779	¥ 344,627

Note : Amounts less than one million yen are rounded down.

COMPARISON OF NON-CONSOLIDATED STATEMENTS OF INCOME

Millions of yen

	For the fiscal year ended March 31, 2007	For the fiscal year ended March 31, 2006	Change
Ordinary Income	¥ 241,564	¥ 223,289	¥ 18,275
Trust Fees	66,134	77,948	(11,813)
Interest Income	83,278	72,507	10,770
<i>Interest on Loans and Bills Discounted</i>	<i>55,793</i>	<i>52,237</i>	<i>3,556</i>
<i>Interest and Dividends on Securities</i>	<i>23,756</i>	<i>18,782</i>	<i>4,973</i>
Fee and Commission Income	63,154	59,740	<i>3,413</i>
Trading Income	893	1,005	(112)
Other Operating Income	6,144	3,159	2,985
Other Ordinary Income	21,959	8,927	13,032
Ordinary Expenses	161,766	156,095	5,671
Interest Expenses	31,085	27,883	3,201
<i>Interest on Deposits</i>	<i>10,552</i>	<i>5,735</i>	<i>4,816</i>
Fee and Commission Expenses	14,545	17,219	(2,674)
Trading Expenses	6	3	3
Other Operating Expenses	98	5,425	(5,326)
General and Administrative Expenses	91,833	83,968	7,864
Other Ordinary Expenses	24,197	21,594	2,602
Ordinary Profits	79,797	67,193	12,603
Extraordinary Gains	1,344	7,612	(6,268)
Extraordinary Losses	555	22,518	(21,962)
Income before Income Taxes	80,586	52,288	28,298
Income Taxes:			
Current	25	39	(13)
Deferred	11,743	21,222	(9,478)
Net Income	¥ 68,817	¥ 31,027	¥ 37,790

Note : Amounts less than one million yen are rounded down.

STATEMENT OF TRUST ASSETS AND LIABILITIES

As of March 31, 2007

(Millions of yen)			
Assets	Amount	Liabilities	Amount
Loans and Bills Discounted	2,295,445	Money Trusts	21,078,709
Securities	10,470,165	Pension Trusts	3,767,015
beneficiary Right to the Trust	29,008,670	Property Formation Benefit Trusts	5,999
Securities held in Custody Accounts	738,358	Loan Trusts	173,424
Money Claims	6,496,056	Investment Trusts	7,068,376
Tangible Fixed Assets	4,960,030	Monet Entrusted Other than Money Trusts	3,127,937
Intangible Fixed Assets	128,157	Securities Trusts	5,706,850
Other Claims	747,846	Money Claim Trusts	6,410,824
Call Loans	24,675	Equipment Trusts	1,135
Due from Banking Account	996,495	Land and Fixtures Trusts	459,864
Cash and Due from Banks	467,724	Composite Trusts	8,530,397
		Other Trusts	3,089
Total	56,333,625	Total	56,333,625

Note:

1. Amounts less than one million yen are rounded down.
2. The statement is exclusive of the Trusts that is difficult to value monetary.
3. Beneficiary Rights to the Trusts is inclusive of entrusted Trusts for asset maintenance of ¥ 27,997,382 million.
4. Joint trust assets under the management of other companies¥ 3,231,491 million.
There is no "Trust assets under the service-shared co-trusteeship" in "Joint trust assets under the management of other companies."
5. Loans and bills discounted among Money Trusts with the contracts of principal indemnification amounted to ¥ 52,869 million.
Of this amount,
(1) Balance of Non-Accrual Delinquent Loans¥ 7,708 million.
(2) Balance of Loans past Due for 3 Months or More¥ 121 million.
(3) Total balance of Non-Accrual Delinquent Loans and Loans Past Due for 3 Months or More¥ 7,829 million.

(Reference) Breakdown of Accounts of Money Trusts and Loan Trusts with the contracts of principal indemnification
(including Trusts entrusted for asset management) are as follows.

Money Trusts (Millions of yen)			
Assets	Amount	Liabilities	Amount
Loans and Bills Discounted	52,869	Principal	987,902
Securities	94,238	Reserve	164
Others	841,461	Others	502
Total	988,569	Total	988,569

Note: Amounts less than one million yen are rounded down.

Loan Trusts (Millions of yen)			
Assets	Amount	Liabilities	Amount
Loans and Bills Discounted	—	Principal	172,055
Securities	—	Reserve	1,136
Others	173,731	Others	539
Total	173,731	Total	173,731

Note: Amounts less than one million yen are rounded down.

COMPARISON OF BALANCES OF PRINCIPAL ITEMS

(Millions of yen)

Items	Fiscal 2006 as of March 31, 2007	Fiscal 2005 as of March 31, 2006	Change
Total Amount of Funds	28,458,900	25,819,054	2,639,845
Deposits	2,821,861	2,492,641	329,220
Negotiable Certificates of Deposit	611,890	582,840	29,050
Money Trusts	21,078,709	18,429,450	2,649,259
Pension Trusts	3,767,015	3,964,776	(197,761)
Property Formation Benefit Trusts	5,999	6,298	(298)
Loan Trusts	173,424	343,048	(169,624)
Loans and Bills Discounted	6,321,648	4,535,528	1,786,119
of Banking account	4,026,203	3,532,645	493,558
of Trust accounts	2,295,445	1,002,883	1,292,561
Securities for Investments	12,189,716	9,843,882	2,345,833

Note: Amounts less than on million yen are rounded down.

SELECTED FINANCIAL INFORMATION

For Fiscal 2006



Mizuho Trust & Banking Co., Ltd.

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Notes:

"CON": Consolidated figures of Mizuho Trust & Banking Co., Ltd. ("MHTB")

"NON (B)": Non-consolidated figures of MHTB

"NON (B) <MHTB and MHAC>": Aggregated figures of MHTB including past figures for its former financial subsidiary for corporate revitalization

*MHTB merged with its own financial subsidiary for corporate revitalization as of October 1, 2005.

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I. FINANCIAL DATA FOR FISCAL 2006

1. Income Analysis

[Non-Consolidated] (including past figures for its former revitalization subsidiary)

(Millions of yen)

		Fiscal 2006		Fiscal 2005
			Change	
1	Gross Profits	173,869	8,935	164,934
2	<i>Gross Profits without Credit Costs for Trust Accounts</i>	<i>173,869</i>	<i>7,534</i>	<i>166,335</i>
3	Net Interest Income	52,192	6,466	45,726
4	Net Trust Fees	66,134	(11,813)	77,948
5	<i>Trust Fees without Credit Costs for Trust Accounts</i>	<i>66,134</i>	<i>(13,214)</i>	<i>79,349</i>
6	<i>Trust Fees for Loan Trust and Jointly Operated Designated Money Trust</i>	<i>7,264</i>	<i>(15,311)</i>	<i>22,576</i>
7	Credit Costs for Trust Accounts (minus) A	-	(1,401)	1,401
8	<i>Losses on Write-offs of Loans</i>	-	(649)	649
9	<i>Others</i>	-	(751)	751
10	Net Fee and Commission Income	48,609	6,085	42,523
11	Net Trading Income	886	(115)	1,002
12	Net Other Operating Income	6,045	8,311	(2,265)
13	General and Administrative Expenses(Excluding Non-Recurring Losses) (minus)	87,755	9,794	77,960
14	Personnel Expenses	29,262	534	28,727
15	Non-Personnel Expenses	55,531	9,613	45,918
16	Miscellaneous Taxes	2,961	(353)	3,314
17	Provision for General Reserve for Possible Losses on Loans (minus) B	(3,156)	(3,156)	-
18	Net Business Profits	89,270	2,297	86,973
19	Net Gains (Losses) related to Bonds	6,143	8,721	(2,578)
20	Net Business Profits(Before Provision for General Reserve for Possible Losses on Loans) (*1)	86,114	(2,260)	88,374
21	Excluding Net Gains related to Bonds	79,971	(10,982)	90,953
22	Net Non-recurring Gains (Losses)	(9,473)	7,824	(17,297)
23	Net Gains related to Stocks and Other Securities	18,778	10,805	7,972
24	Expenses related to Portfolio Problems for Banking Account (minus) C	23,661	8,142	15,518
25	Other	(4,589)	5,162	(9,752)
26	Ordinary Profits	79,797	10,121	69,676
27	Net Extraordinary Gains (Losses)	789	7,937	(7,148)
28	<i>Net Gains (Losses) on Disposition of Fixed Assets</i>	<i>(517)</i>	<i>(961)</i>	<i>443</i>
29	<i>Loss on Impairment of Fixed Assets</i>	<i>(21)</i>	<i>2,108</i>	<i>(2,129)</i>
30	<i>Loss related to Software</i>	-	<i>18,811</i>	<i>(18,811)</i>
31	<i>Net Gains (Losses) related to Retirement Benefit</i>	-	686	(686)
32	<i>Profits for Recovery of Loans Written-off</i>	987	(3,820)	4,808
33	<i>Reversal of Reserves for Possible Losses on Loans</i> D	-	(9,093)	9,093
34	<i>Reversal of Reserve for Contingencies in Trust Transactions</i> E	340	340	-
35	Income before Income Taxes	80,586	18,059	62,527
36	Income Taxes - Current (minus)	25	(15)	40
37	Income Taxes - Deferred (minus)	11,743	(9,478)	21,222
38	Net Income	68,817	27,554	41,263
39	Credit-related Costs A+B+C-D-E	20,164	12,338	7,826
40	Ordinary Income	241,564	15,420	226,143

(Reference) Breakdown of Credit-related Costs

41	Credit Costs for Trust Accounts	-	(1,401)	1,401
42	Provision for (Reversal of) General Reserve for Possible Losses on Loans	(3,156)	(6,283)	3,126
43	Losses on Write-offs of Loans	3,614	2,191	1,423
44	Provision for (Reversal of) Specific Reserve for Possible Losses on Loans	20,065	32,105	(12,040)
45	Other Losses on Sales of Loans	178	(351)	530
46	Provision for (Reversal of) Reserve for Possible Losses on Loans to Restructuring Countries	(197)	(17)	(179)
47	Provision for (Reversal of) Reserve for Contingencies in Trust Transactions	(340)	(12,350)	12,010
48	Other Costs related to Portfolio Problems	-	(1,554)	1,554
49	Total	20,164	12,338	7,826

*1 Net Business Profits (Before Provision for General Reserve for Possible Losses on Loans) = Net Business Profits + Credit Costs for Trust Accounts
+ Provision for General Reserve for Possible Losses on Loans

[Consolidated]

(Millions of yen)

		Fiscal 2006		Fiscal 2005
			Change	
1	Consolidated Gross Profits	196,838	11,064	185,773
2	Net Interest Income	53,227	7,079	46,147
3	Net Trust Fees	66,134	(11,813)	77,948
4	Credit Costs for Trust Accounts (minus) A	-	(1,401)	1,401
5	Net Fee and Commission Income	70,379	7,405	62,974
6	Net Trading Income	886	(115)	1,002
7	Net Other Operating Income	6,209	8,508	(2,299)
8	General and Administrative Expenses (minus)	107,236	10,326	96,909
9	Expenses related to Portfolio Problems for Banking Account (minus) B	21,169	5,651	15,518
10	Net Gains related to Stocks and Other Securities	19,473	11,479	7,994
11	Equity in Income from Investment in Affiliates	66	416	(349)
12	Other	(4,799)	3,920	(8,719)
13	Net Ordinary Profits	83,172	10,901	72,270
14	Net Extraordinary Gains (Losses)	778	6,922	(6,144)
15	Reversal of Reserves for Possible Losses on Loans C	-	(8,595)	8,595
16	Reversal of Reserve for Contingencies in Trust Transactions D	340	340	-
17	Income before Income Taxes and Minority Interests	83,950	17,824	66,126
18	Income Taxes - Current (minus)	1,921	163	1,757
19	Income Taxes - Deferred (minus)	13,787	(7,168)	20,955
20	Minority Interests in Net Income (minus)	496	(142)	639
21	Net Income	67,745	24,971	42,773
* Consolidated Gross Profits = (Interest Income - Interest Expenses) + Net Trust Fees + (Fee and Commission Income - Fee and Commission Expenses) + (Trading Income - Trading Expenses) + (Other Operating Income - Other Operating Expenses)				
22	Credit-related Costs A+B-C-D	20,829	12,505	8,324
23	Consolidated Ordinary Income	277,058	19,658	257,400

2. Interest Margins

[Non-Consolidated] (including past figures for its former revitalization subsidiary)

3 Domestic Accounts *

(%)

		Fiscal 2006		Fiscal 2005
			Change	
1	Return on Interest-Earning Assets (A)	1.34	0.07	1.27
2	Return on Loans and Bills Discounted	1.53	(0.04)	1.58
3	Return on Securities	1.19	0.37	0.82
4	Cost of Funding (B)	0.36	0.11	0.25
5	Cost of Deposits and Others	0.32	0.15	0.16
6	Net Interest Margin (A) - (B)	0.97	(0.03)	1.01

* "3 Domestic Accounts" = banking account (domestic operations) + trust accounts with guarantees for the repayment of trust principal (loan trusts and jointly operated designated money trust)

(Reference) banking account (domestic operations)

(%)

		Fiscal 2006		Fiscal 2005
			Change	
7	Return on Interest-Earning Assets (A)	1.35	0.10	1.24
8	Return on Loans and Bills Discounted	1.52	(0.03)	1.56
9	Return on Securities	1.13	0.35	0.77
10	Cost of Funding (B)	0.43	0.09	0.33
11	Cost of Deposits and Others	0.36	0.16	0.19
12	Net Interest Margin (A) - (B)	0.91	0.01	0.90

3. Net Gains / Losses on Securities

[Non-Consolidated] (including past figures for its former revitalization subsidiary)

(Millions of yen)

		Fiscal 2006		Fiscal 2005
			Change	
13	Net Gains (Losses) related to Bonds	6,143	8,721	(2,578)
14	Gains on Sales and Others	5,977	3,686	2,291
15	Losses on Sales and Others (minus)	90	(5,325)	5,415
16	Devaluation (minus)	0	(9)	9
17	Provision for Reserve for Possible Losses on Investments (minus)	-	-	-
18	Gains (Losses) on Derivatives other than for Trading or Hedging (related to bonds)	255	(298)	554

* "Gains on Sales and Others" includes gains on redemption. "Losses on Sales and Others" includes losses on redemption.

(Millions of yen)

		Fiscal 2006		Fiscal 2005
			Change	
19	Net Gains related to Stocks and Others	18,778	10,805	7,972
20	Gains on Sales	20,125	11,515	8,610
21	Losses on Sales (minus)	138	46	91
22	Devaluation (minus)	1,202	657	545
23	Provision for Reserve for Possible Losses on Investments (minus)	7	7	-
24	Gains (Losses) on Derivatives other than for Trading or Hedging (related to stocks)	-	-	-

4. Unrealized Gains / Losses on Securities

(1) Valuation Basis of Securities

Trading Securities	Mark-to-market basis (Valuation Gains / Losses on Trading Securities are recognized.)
Held to Maturity Bonds	Amortized Cost Basis
Stocks in Subsidiaries and Affiliates	Cost Basis
Other Securities Available for Sale	Mark-to-market basis (Valuation Gains (Losses) are booked directly in Net Assets.)

(2) Unrealized Gains / Losses, etc. (Other Securities which have readily determinable fair value)

[Non-Consolidated]

(Millions of yen)

		As of March 31, 2007					As of September 30, 2006					As of March 31, 2006				
		Amount on B/S					Amount on B/S					Amount on B/S				
		Book Value (=Fair Value)	Unrealized Gains (Losses)			Book Value (=Fair Value)	Unrealized Gains (Losses)			Book Value (=Fair Value)	Unrealized Gains (Losses)					
				Gains	Losses			Gains	Losses			Gains	Losses			
1	Other Securities	1,571,627	189,063	221,608	32,544	1,609,947	174,187	202,537	28,350	1,546,082	179,416	218,268	38,852			
2	Japanese Stocks	409,482	218,937	220,244	1,306	394,742	201,343	201,946	603	411,191	216,684	216,850	165			
3	Japanese Bonds	915,473	(26,362)	56	26,418	904,723	(23,783)	99	23,883	998,184	(33,874)	172	34,046			
4	Japanese Government Bonds	842,502	(25,873)	0	25,873	812,858	(23,106)	18	23,125	900,282	(33,086)	0	33,086			
5	Other	246,671	(3,512)	1,307	4,819	310,481	(3,371)	491	3,863	136,707	(3,393)	1,246	4,640			

- * In addition to "Securities" on the (interim) balance sheets, NCD in "Cash and Due from Banks", CP in "Other Debt Purchased" and others are also included.
- * Fair value of Japanese Stocks with a quoted market price is determined based on the average quoted market price over the month preceding the balance sheet date.
- * Fair value of securities other than Japanese Stocks with a quoted market price is determined at the quoted market price if available, or other reasonable value at the balance sheet date.
- * The book values of Other Securities which have readily determinable fair value are stated at fair value, so the Unrealized Gains / Losses indicate the difference between book value on the (interim) balance sheet and the acquisition cost.
- * Unrealized Gains (Losses) on Other Securities, net of Taxes (recorded directly to Net Assets after tax, excluding the amount recognized in the statement of income by applying the fair-value hedge method, including translation differences regarding securities, which do not have readily determinable fair value) on "Other Securities" are as follows.

March 31, 2007	September 30, 2006	March 31, 2006
¥141,816 million	¥103,468 million	¥106,573 million

- * Balance of Bonds held-to-maturity and Securities in subsidiaries and affiliates which have readily determinable fair value is nil.

[Consolidated]

(Millions of yen)

		As of March 31, 2007				As of September 30, 2006				As of March 31, 2006			
		Amount on B/S				Amount on B/S				Amount on B/S			
		Book Value (=Fair Value)	Unrealized Gains (Losses)		Book Value (=Fair Value)	Unrealized Gains (Losses)		Book Value (=Fair Value)	Unrealized Gains (Losses)				
			Gains	Losses		Gains	Losses		Gains	Losses			
6	Other Securities	1,601,161	189,831	222,376	32,544	1,638,782	175,417	203,768	28,350	1,573,887	181,155	220,008	38,852
7	Japanese Stocks	410,298	219,705	221,011	1,306	396,074	202,573	203,176	603	413,092	218,424	218,589	165
8	Japanese Bonds	915,473	(26,362)	56	26,418	904,723	(23,783)	99	23,883	998,184	(33,874)	172	34,046
9	Japanese Government Bonds	842,502	(25,873)	0	25,873	812,858	(23,106)	18	23,125	900,282	(33,086)	0	33,086
10	Other	275,389	(3,512)	1,307	4,819	337,983	(3,371)	491	3,863	162,610	(3,393)	1,246	4,640

- * In addition to "Securities" on the (interim) consolidated balance sheets, NCD in "Cash and Due from Banks" and CP in "Other Debt Purchased" and others are also included.
- * Fair value of Japanese Stocks with a quoted market price is determined based on the average quoted market price over the month preceding the consolidated balance sheet date.
- * Fair value of securities other than Japanese Stocks with a quoted market price is determined at the quoted market price if available, or other reasonable value at the balance sheet date.
- * The book values of Other Securities which have readily determinable fair value are stated at fair value, so the Unrealized Gains / Losses indicate the difference between book value on the (interim) consolidated balance sheet and the acquisition cost.
- * Unrealized Gains (Losses) on Other Securities, net of Taxes (recorded directly to Net Assets after tax, excluding the amount recognized in the statement of income by applying the fair-value hedge method, including translation differences regarding securities, which do not have readily determinable fair value) on "Other Securities" are as follows.

March 31, 2007	September 30, 2006	March 31, 2006
¥142,109 million	¥103,936 million	¥107,235 million

- * Balance of Bonds held-to-maturity which have readily determinable fair value is nil.

5. Projected Redemption Amounts for Other Securities

[Non-Consolidated]

The redemption schedule by term for Other Securities with maturities is as follows.

(Billions of yen)

		As of March 31, 2007					As of September 30, 2006					As of March 31, 2006				
		Within 1 year	1 year - 5 years	5 years - 10 years	Over 10 years		Within 1 year	1 year - 5 years	5 years - 10 years	Over 10 years		Within 1 year	1 year - 5 years	5 years - 10 years	Over 10 years	
1	Other Securities	54.5	463.7	428.4	266.0	1,212.8	115.2	515.5	375.1	286.0	1,292.0	240.1	383.3	303.0	309.6	1,236.2
2	Japanese Bonds Total	48.4	383.8	284.5	266.0	982.8	96.3	283.2	295.3	286.0	961.0	227.6	297.7	216.6	309.6	1,051.7
3	Japanese Government Bonds	0.0	317.4	266.3	258.7	842.5	49.9	202.4	274.3	286.0	812.8	199.9	198.3	192.3	309.6	900.2
4	Japanese Local Government Bonds	1.5	6.6	3.5	-	11.7	0.5	8.0	4.0	-	12.6	0.4	8.3	4.3	-	13.0
5	Japanese Corporate Bonds	46.8	59.8	14.5	7.3	128.6	45.8	72.7	16.9	-	135.5	27.2	91.1	20.0	-	138.4
6	Other	6.1	79.8	143.9	-	229.9	18.8	232.2	79.8	-	330.9	12.5	85.5	86.3	-	184.4

6. Overview of Derivative Transactions Qualifying for Hedge Accounting

[Non-Consolidated]

Notional Amount of Interest Rate Swaps (qualifying for Hedge Accounting) by Remaining Contractual Term

(Billions of yen)

		As of March 31, 2007				As of September 30, 2006				As of March 31, 2006			
		Within 1 year	1 year - 5 years	Over 5 years		Within 1 year	1 year - 5 years	Over 5 years		Within 1 year	1 year - 5 years	Over 5 years	
7	Receive Fixed / Pay Float	20.0	145.0	150.0	315.0	50.0	165.0	140.0	355.0	98.0	50.0	60.0	208.0
8	Receive Float / Pay Fixed	70.0	110.0	50.0	230.0	30.0	165.0	50.0	245.0	-	250.0	65.0	315.0
9	Receive Float / Pay Float	-	-	-	-	-	-	-	-	-	-	-	-
10	Receive Fixed / Pay Fixed	-	-	-	-	-	-	-	-	-	-	-	-
11	Total	90.0	255.0	200.0	545.0	80.0	330.0	190.0	600.0	98.0	300.0	125.0	523.0

(Reference)

Deferred Hedge Gains / Losses of Derivative Transactions Qualifying for Hedge Accounting

(Billions of yen)

	As of March 31, 2007			As of September 30, 2006			As of March 31, 2006		
	Deferred Hedge Gains	Deferred Hedge Losses	Net Deferred Hedge Gains (Losses)	Deferred Hedge Gains	Deferred Hedge Losses	Net Deferred Hedge Gains (Losses)	Deferred Hedge Gains	Deferred Hedge Losses	Net Deferred Hedge Gains (Losses)
12	51.5	50.2	1.3	54.7	54.7	(0.0)	49.9	54.3	(4.4)

Note: The above figures reflect all derivative transactions subject to hedge accounting.

7. Employee Retirement Benefits

[Non-Consolidated]

(1) Projected Benefit Obligations

(Millions of yen)

	As of March 31, 2007	Change	As of March 31, 2006
1 Projected Benefit Obligations (A)	121,736	4,872	116,864
2 Discount Rate%	2.5	-	2.5
3 Fair Value of Plan Assets (B)	156,150	10,169	145,980
4 Assets placed in Employee Retirement Benefit Trusts	79,249	8,437	70,811
5 Unrecognized Net Obligations (C)	6,098	(4,049)	10,148
6 Unrecognized Actuarial Differences (Amortization period: 10 to 14 years)	6,098	(4,049)	10,148
7 Prepaid Pension Cost (D)	50,836	1,563	49,273
8 Reserve for Employee Retirement Benefits (A)-(B)-(C)+(D)	10,323	315	10,007

(2) Expenses related to Employee Retirement Benefits

(Millions of yen)

	Fiscal 2006	Change	Fiscal 2005
9 Service Cost	2,053	231	1,822
10 Interest Cost	2,921	16	2,905
11 Expected Return on Plan Assets	(5,401)	(1,081)	(4,319)
12 Amortization of Unrecognized Actuarial Differences	3,445	(2,636)	6,082
13 Other	247	(694)	941
14 Total	3,266	(4,164)	7,430

[Consolidated]

(Millions of yen)

	As of March 31, 2007	Change	As of March 31, 2006
15 Projected Benefit Obligations (A)	123,793	4,928	118,865
16 Fair Value of Plan Assets (B)	158,850	10,355	148,494
17 Unrecognized Net Obligations (C)	5,644	(4,311)	9,956
18 Unrecognized Actuarial Differences (Amortization period: mainly 10 to 14 years)	5,644	(4,311)	9,956
20 Prepaid Pension Cost (D)	51,470	1,468	50,002
21 Reserve for Employee Retirement Benefits (A)-(B)-(C)+(D)	10,769	351	10,417
22 Expenses Related to Employee Retirement Benefits	3,780	(4,164)	7,945

8. Capital Adequacy Ratio (Basel II)

[Consolidated]

(Billions of yen)

	As of March 31, 2007 [Preliminary]
1 (1) Capital Adequacy Ratio (%)	15.69%
2 Tier Capital Ratio (%)	8.96%
3 (2) Tier Capital	359.8
4 Common Stock and Preferred Stock	247.2
5 Capital Surplus	15.3
6 Retained Earnings	107.0
7 Treasury Stock (minus)	0.1
8 Dividends (estimate), etc (minus)	8.0
9 Unrealized Losses on Other Securities (minus)	—
10 Foreign Currency Translation Adjustments	0.1
11 Minority Interests in Consolidated Subsidiaries	2.6
12 Preferred Stock Issued by Overseas SPCs	—
13 Other (minus)	4.5
14 (3) Tier Capital (included as Qualifying Capital)	271.6
15 45% of Unrealized Gains on Other Securities	85.3
16 45% of Revaluation Reserve for Land	—
17 General Reserve for Possible Losses on Loans	4.1
18 Debt Capital	182.2
19 Perpetual Subordinated Debt and other Debt Capital	42.7
20 Subordinated Debt and Redeemable Preferred Stock	139.5
21 Other	—
22 (4) Deductions for Total Risk-based Capital	1.4
23 (5) Total Risk-based Capital (2) + (3) - (4)	630.0
24 (6) Risk-weighted Assets	4,015.2
25 Assets Exposed to Credit Risk	3,164.1
26 On-balance Sheet Items	2,970.0
27 Off-balance Sheet Items	194.0
28 Market Risk Equivalent Assets	28.2
29 Operational Risk Equivalent Assets	332.5
30 Adjustment resulting from Capital Floor Difference	490.2

[Non-consolidated]

(Billions of yen)

	As of March 31, 2007 [Preliminary]
31 (1) Capital Adequacy Ratio (%)	15.60%
32 Tier Capital Ratio (%)	8.87%
33 (2) Tier Capital	353.2
34 (3) Tier Capital (included as Qualifying Capital)	269.0
35 (4) Deductions for Total Risk-based Capital	0.9
36 (5) Total Risk-based Capital (2) + (3) - (4)	621.3
37 (6) Risk-weighted Assets	3,980.9

(Reference) Capital Adequacy Ratio (Basel I)

[Consolidated]

(Billions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
		(Preliminary)	Change from September 30, 2006	Change from March 31, 2006		
1	(1) Capital Adequacy Ratio (%)	14.44%	0.75%	0.02%	13.69%	14.42%
2	Tier Capital Ratio (%)	8.04%	0.78%	0.48%	7.26%	7.56%
3	(2) Tier Capital	364.3	36.4	27.2	327.8	337.1
4	(3) Tier Capital (as Qualifying Capital)	291.0	(0.6)	(15.7)	291.7	306.8
5	(4) Deductions for Total Risk-based Capital	1.3	0.0	(0.0)	1.3	1.4
6	(5) Total Risk-based Capital (2) + (3) - (4)	654.0	35.8	11.5	618.2	642.5
7	(6) Risk-weighted Assets	4,527.0	12.8	72.6	4,514.2	4,454.3

[Non-Consolidated]

(Billions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
		(Preliminary)	Change from September 30, 2006	Change from March 31, 2006		
30	(1) Capital Adequacy Ratio (%)	14.34%	0.75%	0.05%	13.59%	14.29%
31	Tier Capital Ratio (%)	7.93%	0.78%	0.49%	7.15%	7.44%
32	(2) Tier Capital	357.7	36.6	27.7	321.0	329.9
33	(3) Tier Capital (as Qualifying Capital)	289.7	(0.0)	(15.1)	289.8	304.8
36	(4) Deductions for Total Risk-based Capital	0.9	(0.0)	(0.1)	0.9	1.0
37	(5) Total Risk-based Capital (2) + (3) - (4)	646.5	36.6	12.7	609.9	633.7
38	(6) Risk-weighted Assets	4,507.7	22.0	74.1	4,485.7	4,433.6

II. REVIEW OF CREDITS

1. Status of Non-Accrual, Past Due & Restructured Loans

The figures below are presented net of partial direct write-offs.

Treatment of accrued interest is based on the results of the self-assessment of assets.

(All loans to obligors classified in the self-assessment of assets as Bankrupt Obligor, Substantially Bankrupt Obligor, and Intensive Control Obligor are categorized as non-accrual loans.)

[Non-Consolidated]

Banking Account

(Millions of yen ,%)

	As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
			Change from September 30, 2006		Change from March 31, 2006					
		%		%		%		%		%
1 Loans to Bankrupt Obligor	2,435	0.06	(204)	(0.01)	736	0.01	2,639	0.07	1,698	0.04
2 Non-Accrual Delinquent Loans	43,332	1.07	34,193	0.82	31,490	0.74	9,139	0.25	11,842	0.33
3 Loans Past Due for 3 Months or More	468	0.01	(713)	(0.02)	137	0.00	1,181	0.03	330	0.00
4 Restructured Loans	61,436	1.52	(4,153)	(0.27)	(6,160)	(0.38)	65,590	1.79	67,597	1.91
5 Total	107,672	2.67	29,122	0.51	26,203	0.36	78,550	2.15	81,468	2.30
6 Total Loans	4,026,203	100.00	380,042	-	493,558	-	3,646,161	100.00	3,532,645	100.00
7 Amount of Partial Direct Write-offs	39,106		(6,580)		(8,413)		45,687		47,519	

Trust Accounts

(Millions of yen ,%)

	As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
			Change from September 30, 2006		Change from March 31, 2006					
		%		%		%		%		%
8 Loans to Bankrupt Obligor	-	-	-	-	-	-	-	-	-	-
9 Non-Accrual Delinquent Loans	7,708	14.58	889	4.23	7,708	14.58	6,819	10.34	-	-
10 Loans Past Due for 3 Months or More	121	0.22	(2)	0.04	121	0.22	123	0.18	-	-
11 Restructured Loans	-	-	(35)	(0.05)	(39)	(0.03)	35	0.05	39	0.03
12 Total	7,829	14.80	851	4.21	7,790	14.76	6,978	10.59	39	0.03
13 Total Loans	52,869	100.00	(13,024)	-	(45,513)	-	65,894	100.00	98,383	100.00

Banking Account + Trust Accounts

(Millions of yen ,%)

	As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
			Change from September 30, 2006		Change from March 31, 2006					
		%		%		%		%		%
14 Loans to Bankrupt Obligor	2,435	0.05	(204)	(0.01)	736	0.01	2,639	0.07	1,698	0.04
15 Non-Accrual Delinquent Loans	51,041	1.25	35,083	0.82	39,199	0.92	15,958	0.42	11,842	0.32
16 Loans Past Due for 3 Months or More	589	0.01	(715)	(0.02)	258	0.00	1,305	0.03	330	0.00
17 Restructured Loans	61,436	1.50	(4,189)	(0.26)	(6,200)	(0.35)	65,625	1.76	67,636	1.86
18 Total	115,502	2.83	29,973	0.52	33,994	0.58	85,528	2.30	81,508	2.24
19 Total Loans	4,079,073	100.00	367,017	-	448,044	-	3,712,056	100.00	3,631,029	100.00

*Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

[Consolidated]

Banking Account

(Millions of yen, %)

		As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
				Change from September 30, 2006		Change from March 31, 2006					
					%		%		%		%
1	Loans to Bankrupt Obligors	2,638	0.06	(149)	(0.01)	832	0.01	2,787	0.07	1,805	0.05
2	Non-Accrual Delinquent Loans	44,209	1.09	34,185	0.82	31,525	0.74	10,023	0.27	12,683	0.35
3	Loans Past Due for 3 Months or More	468	0.01	(713)	(0.02)	137	0.00	1,181	0.03	330	0.00
4	Restructured Loans	61,436	1.52	(4,153)	(0.27)	(6,160)	(0.38)	65,590	1.80	67,597	1.91
5	Total	108,752	2.70	29,168	0.51	26,334	0.37	79,583	2.18	82,417	2.33
6	Total Loans	4,021,886	100.00	381,974	-	490,571	-	3,639,911	100.00	3,531,314	100.00
7	Amount of Partial Direct Write-offs	40,980		(7,124)		(8,789)		48,105		49,770	

Banking Account + Trust Accounts

(Millions of yen, %)

		As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
				Change from September 30, 2006		Change from March 31, 2006					
					%		%		%		%
8	Loans to Bankrupt Obligors	2,638	0.06	(149)	(0.01)	832	0.01	2,787	0.07	1,805	0.04
9	Non-Accrual Delinquent Loans	51,917	1.27	35,074	0.81	39,233	0.92	16,843	0.45	12,683	0.34
10	Loans Past Due for 3 Months or More	589	0.01	(715)	(0.02)	258	0.00	1,305	0.03	330	0.00
11	Restructured Loans	61,436	1.50	(4,189)	(0.26)	(6,200)	(0.35)	65,625	1.77	67,636	1.86
12	Total	116,582	2.86	30,019	0.52	34,125	0.58	86,562	2.33	82,456	2.27
13	Total Loans	4,074,756	100.00	368,949	-	445,057	-	3,705,806	100.00	3,629,698	100.00

*Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

2. Status of Reserves for Possible Losses on Loans

Banking Account

[Non-Consolidated]

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
1	Reserves for Possible Losses on Loans	46,957	14,750	16,429	32,207	30,527
2	General Reserve for Possible Losses on Loans	22,486	(6,759)	(3,156)	29,246	25,643
3	Specific Reserve for Possible Losses on Loans	24,289	21,604	19,781	2,684	4,507
4	Reserve for Possible Losses on Loans to Restructuring Countries	181	(94)	(195)	276	376

Above figures are presented net of partial direct write-offs, the amounts of which are indicated in the table below.

5	Amount of Partial Direct Write-offs	39,425	(8,100)	(9,942)	47,526	49,368
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[Consolidated]

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
6	Reserves for Possible Losses on Loans	49,152	14,619	16,349	34,532	32,802
7	General Reserve for Possible Losses on Loans	23,463	(7,120)	(3,383)	30,583	26,847
8	Specific Reserve for Possible Losses on Loans	25,507	21,834	19,928	3,672	5,578
9	Reserve for Possible Losses on Loans to Restructuring Countries	181	(94)	(195)	276	376

10	Amount of Partial Direct Write-offs	41,305	(8,640)	(10,313)	49,946	51,619
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(Reference: Trust Accounts)

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
11	Special Reserve Fund (Loan Trusts)	1,136	(468)	(1,841)	1,604	2,977
12	Reserve for Possible Loan Losses (Money Trust)	164	(39)	(149)	203	313
13	Total	1,300	(507)	(1,990)	1,807	3,291

*Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

3. Reserve Ratios for Non-Accrual, Past Due & Restructured Loans

Banking Account

[Non-Consolidated]

(%)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
14	Reserve Ratios After Partial Direct Write-offs of Category IV Loans	43.61	2.60	6.13	41.00	37.47

[Consolidated]

(%)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
15	Reserve Ratios After Partial Direct Write-offs of Category IV Loans	45.19	1.80	5.39	43.39	39.80

4. Status of Disclosed Claims under the Financial Reconstruction Law ("FRL")

[Non-Consolidated]

Banking Account

(Millions of yen ,%)

		As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
			%	Change from September 30, 2006	%	Change from March 31, 2006	%		%		%
1	Claims against Bankrupt and Substantially Bankrupt Obligors	30,556	0.73	25,706	0.60	26,976	0.63	4,849	0.12	3,580	0.09
2	Claims with Collection Risk	43,481	1.04	14,237	0.27	33,134	0.76	29,244	0.77	10,346	0.28
3	Claims for Special Attention	62,079	1.49	(4,950)	(0.28)	(6,202)	(0.37)	67,030	1.77	68,282	1.87
4	Sub-total	136,117	3.27	34,992	0.59	53,908	1.02	101,124	2.68	82,208	2.25
5	Normal Claims	4,016,819	96.72	347,672	(0.59)	452,196	(1.02)	3,669,147	97.31	3,564,623	97.74
6	Total	4,152,937	100.00	382,665	-	506,104	-	3,770,271	100.00	3,646,832	100.00
7	Amount of Partial Direct Write-offs	39,287		(8,100)		(9,943)		47,388		49,230	

Trust Accounts

(Millions of yen ,%)

		As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
			%	Change from September 30, 2006	%	Change from March 31, 2006	%		%		%
8	Claims against Bankrupt and Substantially Bankrupt Obligors	-	-	-	-	-	-	-	-	-	-
9	Claims with Collection Risk	7,708	14.58	889	4.23	7,708	14.58	6,819	10.34	-	-
10	Claims for Special Attention	121	0.22	(38)	(0.01)	82	0.18	159	0.24	39	0.03
11	Sub-total	7,829	14.80	851	4.21	7,790	14.76	6,978	10.59	39	0.03
12	Normal Claims	45,039	85.19	(13,875)	(4.21)	(53,304)	(14.76)	58,915	89.40	98,344	99.96
13	Total	52,869	100.00	(13,024)	-	(45,513)	-	65,894	100.00	98,383	100.00

Banking Account + Trust Accounts

(Millions of yen ,%)

		As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
			%	Change from September 30, 2006	%	Change from March 31, 2006	%		%		%
14	Claims against Bankrupt and Substantially Bankrupt Obligors	30,556	0.72	25,706	0.60	26,976	0.63	4,849	0.12	3,580	0.09
15	Claims with Collection Risk	51,190	1.21	15,126	0.27	40,843	0.94	36,063	0.94	10,346	0.27
16	Claims for Special Attention	62,200	1.47	(4,988)	(0.27)	(6,120)	(0.34)	67,189	1.75	68,321	1.82
17	Sub-total	143,947	3.42	35,844	0.60	61,699	1.22	108,102	2.81	82,248	2.19
18	Normal Claims	4,061,859	96.57	333,796	(0.60)	398,892	(1.22)	3,728,063	97.18	3,662,967	97.80
19	Total	4,205,806	100.00	369,640	-	460,591	-	3,836,166	100.00	3,745,215	100.00

*Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

[Consolidated]

Banking Account

(Millions of yen, %)

		As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
			%	Change from September 30, 2006	%	Change from March 31, 2006	%				
1	Claims against Bankrupt and Substantially Bankrupt Obligors	31,652	0.76	25,743	0.60	27,107	0.63	5,908	0.15	4,544	0.12
2	Claims with Collection Risk	43,481	1.05	14,237	0.27	33,134	0.76	29,244	0.77	10,346	0.28
3	Claims for Special Attention	62,079	1.49	(4,950)	(0.28)	(6,202)	(0.38)	67,030	1.78	68,282	1.88
4	Sub-total	137,212	3.31	35,029	0.59	54,039	1.02	102,183	2.72	83,172	2.29
5	Normal Claims	4,001,854	96.68	349,514	(0.59)	454,979	(1.02)	3,652,340	97.27	3,546,875	97.70
6	Total	4,139,067	100.00	384,543	-	509,019	-	3,754,523	100.00	3,630,048	100.00

7	Amount of Partial Direct Write-offs	41,167	(8,640)	(10,313)	49,808	51,481
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Banking Account + Trust Accounts

(Millions of yen, %)

		As of March 31, 2007						As of September 30, 2006		As of March 31, 2006	
			%	Change from September 30, 2006	%	Change from March 31, 2006	%				
8	Claims against Bankrupt and Substantially Bankrupt Obligors	31,652	0.75	25,743	0.60	27,107	0.63	5,908	0.15	4,544	0.12
9	Claims with Collection Risk	51,190	1.22	15,126	0.27	40,843	0.94	36,063	0.94	10,346	0.27
10	Claims for Special Attention	62,200	1.48	(4,988)	(0.27)	(6,120)	(0.34)	67,189	1.75	68,321	1.83
11	Sub-total	145,042	3.46	35,880	0.60	61,830	1.22	109,162	2.85	83,212	2.23
12	Normal Claims	4,046,894	96.53	335,638	(0.60)	401,674	(1.22)	3,711,256	97.14	3,645,219	97.76
13	Total	4,191,937	100.00	371,518	-	463,505	-	3,820,418	100.00	3,728,431	100.00

*Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

5. Coverage on Disclosed Claims under the FRL

【 Non-Consolidated 】

(1) Disclosed Claims under the FRL and Coverage Amount

Banking Account

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
1	Claims against Bankrupt and Substantially Bankrupt Obligors	30,556	25,706	26,976	4,849	3,580
2	<i>Collateral, Guarantees, and equivalent</i>	18,797	14,394	15,680	4,403	3,116
3	<i>Reserve for Possible Losses on Loans</i>	11,759	11,312	11,296	446	463
4	Claims with Collection Risk	43,481	14,237	33,134	29,244	10,346
5	<i>Collateral, Guarantees, and equivalent</i>	8,777	(5,954)	3,737	14,731	5,039
6	<i>Reserve for Possible Losses on Loans</i>	23,891	10,210	19,846	13,680	4,044
7	Claims for Special Attention	62,079	(4,950)	(6,202)	67,030	68,282
8	<i>Collateral, Guarantees, and equivalent</i>	32,945	(1,958)	(3,122)	34,904	36,068
9	<i>Reserve for Possible Losses on Loans</i>	11,417	(3,192)	(1,682)	14,610	13,100
10	Total	136,117	34,992	53,908	101,124	82,208
11	<i>Collateral, Guarantees, and equivalent</i>	60,520	6,480	16,295	54,039	44,225
12	<i>Reserve for Possible Losses on Loans</i>	47,068	18,330	29,460	28,737	17,608

* The collateralized amounts by "Collateral, Guarantees, and equivalent" for "Claims for Special Attention" are calculated at the coverage ratio.

* Reserve for Possible Losses on Loans = Specific Reserve for Possible Losses on Loans + General Reserve for Possible Losses on Loans (excluding "Normal Claims" and "Claims against Watch Obligors excluding Claims for Special Attention").

Trust Accounts

(Millions of yen)

13	Claims against Bankrupt and Substantially Bankrupt Obligors	-	-	-	-	-
14	<i>Collateral, Guarantees, and equivalent</i>	-	-	-	-	-
15	Claims with Collection Risk	7,708	889	7,708	6,819	-
16	<i>Collateral, Guarantees, and equivalent</i>	7,708	889	7,708	6,819	-
17	Claims for Special Attention	121	(38)	82	159	39
18	<i>Collateral, Guarantees, and equivalent</i>	121	(2)	121	123	-
19	Total	7,829	851	7,790	6,978	39
20	<i>Collateral, Guarantees, and equivalent</i>	7,829	887	7,829	6,942	-

* Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

* The collateralized amounts by "Collateral, Guarantees, and equivalent" for "Claims for Special Attention" are calculated at the collateralized ratio.

* Special Reserves are provided in Trust Accounts (As of March 31, 2007: ¥1,300 million, As of September 30, 2006: ¥1,807 million, As of March 31, 2006: ¥3,291 million)

Banking Account + Trust Accounts

(Millions of yen)

21	Claims against Bankrupt and Substantially Bankrupt Obligors	30,556	25,706	26,976	4,849	3,580
22	<i>Collateral, Guarantees, and equivalent</i>	18,797	14,394	15,680	4,403	3,116
23	<i>Reserve for Possible Losses on Loans</i>	11,759	11,312	11,296	446	463
24	Claims with Collection Risk	51,190	15,126	40,843	36,063	10,346
25	<i>Collateral, Guarantees, and equivalent</i>	16,485	(5,065)	11,446	21,551	5,039
26	<i>Reserve for Possible Losses on Loans</i>	23,891	10,210	19,846	13,680	4,044
27	Claims for Special Attention	62,200	(4,988)	(6,120)	67,189	68,321
28	<i>Collateral, Guarantees, and equivalent</i>	33,067	(1,960)	(3,001)	35,028	36,068
29	<i>Reserve for Possible Losses on Loans</i>	11,417	(3,192)	(1,682)	14,610	13,100
30	Total	143,947	35,844	61,699	108,102	82,248
31	<i>Collateral, Guarantees, and equivalent</i>	68,350	7,367	24,125	60,982	44,225
32	<i>Reserve for Possible Losses on Loans</i>	47,068	18,330	29,460	28,737	17,608

(2) Coverage Ratio

Banking Account

(Millions of yen)

		As of March 31, 2007		As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006	
1	Coverage Amount	107,588	24,811	45,755	61,833
2	Collateral, Guarantees, and equivalent	60,520	6,480	16,295	44,225
3	Reserves for Possible Losses on Loans	47,068	18,330	29,460	17,608

* Reserve for Possible Losses on Loans = Specific Reserve for Possible Losses on Loans + General Reserve for Possible Losses on Loans (excluding "Normal Claims" and "Claims against Watch Obligors excluding Claims for Special Attention").

4	Coverage Ratio <After partial write-offs>	79.0	(2.8)	3.8	81.8	75.2
5	Claims against Bankrupt and Substantially Bankrupt Obligors	100.0	-	-	100.0	100.0
6	Claims with Collection Risk	75.1	(22.0)	(12.6)	97.1	87.7
7	Claims for Special Attention	71.4	(2.4)	(0.5)	73.8	72.0
8	Claims against Special Attention Obligors	72.6	(2.3)	(0.6)	74.9	73.2

Reserve Ratio against Uncovered Portion

9	Claims against Bankrupt and Substantially Bankrupt Obligors	100.0	-	-	100.0	100.0
10	Claims with Collection Risk	68.8	(25.4)	(7.3)	94.2	76.2
11	Claims for Special Attention	39.1	(6.2)	(1.4)	45.4	40.6
12	Claims against Special Attention Obligors	40.2	(6.3)	(1.7)	46.5	42.0

(Reference) Reserve Ratio

13	Claims for Special Attention Obligors	18.43	(3.38)	(0.95)	21.82	19.39
14	Claims against Watch Obligors excluding Claims for Special Attention Obligors	4.60	1.38	0.60	3.21	3.99
15	Claims for Normal Obligors	0.09	(0.12)	(0.12)	0.21	0.21

Trust Accounts

(Millions of yen)

16	Coverage Amount	7,829	887	7,829	6,942	-
17	Collateral, Guarantees, and equivalent	7,829	887	7,829	6,942	-

18	Coverage Ratio	100.0	0.5	100.0	99.4	-
19	Claims against Bankrupt and Substantially Bankrupt Obligors	-	-	-	-	-
20	Claims with Collection Risk	100.0	-	100.0	100.0	-
21	Claims for Special Attention	100.0	22.4	100.0	77.5	-
22	Claims against Special Attention Obligors	100.0	22.4	60.6	77.5	39.3

Banking Account + Trust Accounts

(Millions of yen)

23	Coverage Amount	115,418	25,698	53,585	89,719	61,833
24	Collateral, Guarantees, and equivalent	68,350	7,367	24,125	60,982	44,225
25	Reserves for Possible Losses on Loans	47,068	18,330	29,460	28,737	17,608

* Reserve for Possible Losses on Loans = Specific Reserve for Possible Losses on Loans + General Reserve for Possible Losses on Loans (excluding "Normal Claims" and "Claims against Watch Obligors excluding Claims for Special Attention").

26	Coverage Ratio <After partial write-offs>	80.1	(2.8)	5.0	82.9	75.1
27	Claims against Bankrupt and Substantially Bankrupt Obligors	100.0	-	-	100.0	100.0
28	Claims with Collection Risk	78.8	(18.8)	(8.9)	97.6	87.7
29	Claims for Special Attention	71.5	(2.3)	(0.4)	73.8	71.9
30	Claims against Special Attention Obligors	72.7	(2.2)	(0.5)	74.9	73.2

6. Claims Classified by Self-Assessment

[Non-Consolidated]

Banking Account

(Billions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
1	Total Claims (*1)	4,152.9	382.6	506.1	3,770.2	3,646.8
2	Non-Category	3,945.4	410.8	457.5	3,534.5	3,487.8
3	Sub-total (*2)	207.5	(28.2)	48.5	235.7	158.9
4	Category	196.6	(38.2)	39.0	234.8	157.6
5	Category	10.8	9.9	9.5	0.8	1.2
6	Category	-	-	-	-	-
7	Amount of Partial Direct Write-offs	39.2	(8.1)	(9.9)	47.3	49.2

Trust Accounts

(Billions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
8	Total Claims (*1)	52.8	(13.0)	(45.5)	65.8	98.3
9	Non-Category	52.7	(12.9)	(44.7)	65.7	97.4
10	Sub-total	0.1	0.0	(0.7)	0.1	0.9
11	Category	0.1	0.0	(0.7)	0.1	0.9
12	Category	-	-	-	-	-
13	Category	-	-	-	-	-

Banking Account + Trust Accounts

(Billions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
14	Total Claims (*1)	4,205.8	369.6	460.5	3,836.1	3,745.2
15	Non-Category	3,998.1	397.8	412.8	3,600.2	3,585.2
16	Sub-total (*2)	207.6	(28.2)	47.7	235.9	159.9
17	Category	196.8	(38.2)	38.2	235.0	158.6
18	Category	10.8	9.9	9.5	0.8	1.2
19	Category	-	-	-	-	-

*Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

[Consolidated]

Banking Account

(Billions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
20	Total Claims (*1)	4,139.0	384.5	509.0	3,754.5	3,630.0
21	Non-Category	3,931.6	413.0	460.6	3,518.5	3,471.0
22	Sub-total (*2)	207.3	(28.5)	48.3	235.9	159.0
23	Category	196.2	(38.6)	38.7	234.8	157.4
24	Category	11.1	10.0	9.5	1.1	1.5
25	Category	-	-	-	-	-
26	Amount of Partial Direct Write-offs	41.1	(8.6)	(10.3)	49.8	51.4

*1 Total claims denotes loans, securities lending, guarantees, trade finances, foreign exchanges, accrued interests, and various kinds of accrual and suspense accounts which are accounted as claims.

*2 Category and are the amounts after deduction of Specific Reserve for Possible Losses on Loans.

7. Overview of Non-Performing Loans ("NPLs")

[Non-Consolidated]

<Banking Account + Trust Accounts, After Partial Direct Write-offs>

SELF-ASSESSMENT					Disclosed Claims under the Financial Reconstruction Law	(Millions of yen)
Categorization Obligor	Non-Category	Category	Category	Category		
Bankrupt Obligor 2,454	28,272	2,284	Direct Write-offs & Reserve 100%	Direct Write-offs & Reserve 100%	Claims against Bankrupt and Substantially Bankrupt Obligor 30,556 Coverage Ratio 100%	Non-Accrual, Past Due & Restructured Loans
Substantially Bankrupt Obligor 28,101	Covered by Collateral, Guarantee, or Reserve, etc.	Covered by Collateral, or Guarantee, etc.	Amounts for reserves recorded under Non-Category	Amounts for reserves recorded under Non-Category		Loans to Bankrupt Obligor 2,435
Intensive Control Obligor 51,190	31,692	8,684	10,812	Direct Write-offs & Reserve 68.84%	Claims with Collection Risk 51,190 Coverage Ratio 78.8%	Non-Accrual Delinquent Loans 51,041
	Covered by Collateral, Guarantee, or Reserve, etc.	Covered by Collateral, or Guarantee, etc.	Amounts for reserves recorded under Non-Category			
Watch Obligor	Special Attention Obligor 71,331 (*1)	51,869		Reserve Ratios against Total Claims (Banking Account) Claims against Other Watch Obligor :4.60% Claims against Normal Obligor :0.09%	Claims for Special Attention 62,200 Coverage Ratio: 71.5% (*2)	28,444 (*3) Loans Past Due for 3 Months or More 589 Restructured Loans 61,436
		Covered by Collateral, Guarantee, or Reserve, etc.	19,461			
	Other Watch Obligor					
Normal Obligor						
Total 4,205,806					Total 143,947	Total 115,502

*Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

*1 Claims against Special Attention Obligor include all claims, not limited to claims for Special Attention Obligor.

*2 The collateralized amount by "Collateral, Guarantee, or Reserve, etc." for "Claims for Special Attention" is calculated using the ratio of the collateralized claims to Special Attention Obligor.

*3 The difference between total Non-Accrual, Past Due & Restructuring Loans and total Disclosed Claims under the FRL represents the amount of claims other than loans included in Disclosed Claims under the FRL.

8. Results of Removal of NPLs from the Balance Sheet

[Non-Consolidated] (including past figures for its former revitalization subsidiary)

< Banking Account + Trust Accounts >

(1) Outstanding Balance of Claims against Bankrupt and Substantially Bankrupt Obligors and Claims with Collection Risk (under the FRL)

(Billions of yen)

		Before September 30, 2003	As of March 31, 2004	As of September 30, 2004	As of March 31, 2005	As of September 30, 2005	As of March 31, 2006	As of September 30, 2006	As of March 31, 2007	Change from September 30, 2006
1	Claims against Bankrupt and Substantially Bankrupt Obligors	171.6	11.6	12.9	4.5	2.8	2.1	2.0	1.6	(0.4)
2	Claims with Collection Risk	384.3	17.3	8.6	3.2	1.0	0.7	0.7	0.6	(0.0)
3	Amount Categorized as above before September 30, 2003	555.9	28.9	21.6	7.8	3.8	2.8	2.7	2.2	(0.5)
4	of which the amount which was in the process of being removed from the balance sheet	4.9	12.5	11.9	4.5	2.8	2.1	2.0	1.6	(0.4)
5	Claims against Bankrupt and Substantially Bankrupt Obligors		8.8	6.1	2.7	0.1	0.0	-	-	-
6	Claims with Collection Risk		15.1	0.5	0.1	0.1	0.0	0.0	0.0	(0.0)
7	Amount Newly Categorized as above during the Second Half of Fiscal 2003		23.9	6.6	2.9	0.2	0.0	0.0	0.0	(0.0)
8	of which the amount which was in the process of being removed from the balance sheet		8.8	6.0	2.7	0.1	0.0	-	-	-
9	Claims against Bankrupt and Substantially Bankrupt Obligors			0.5	0.4	0.3	0.0	-	-	-
10	Claims with Collection Risk			6.0	0.9	0.5	0.3	0.2	0.1	(0.0)
11	Amount Newly Categorized as above during the First Half of Fiscal 2004			6.5	1.3	0.9	0.4	0.2	0.1	(0.0)
12	of which the amount which was in the process of being removed from the balance sheet			0.5	0.4	0.3	0.0	-	-	-
13	Claims against Bankrupt and Substantially Bankrupt Obligors				10.1	0.6	1.2	1.0	0.0	(1.0)
14	Claims with Collection Risk				53.4	38.9	2.1	0.1	0.1	(0.0)
15	Amount Newly Categorized as above during the Second Half of Fiscal 2004				63.6	39.5	3.3	1.1	0.1	(1.0)
16	of which the amount which was in the process of being removed from the balance sheet				1.6	0.5	1.2	1.0	0.0	(1.0)
17	Claims against Bankrupt and Substantially Bankrupt Obligors					0.7	0.0	0.0	0.0	(0.0)
18	Claims with Collection Risk					4.0	1.4	1.3	1.1	(0.2)
19	Amount Newly Categorized as above during the First Half of Fiscal 2005					4.7	1.5	1.3	1.1	(0.2)
20	of which the amount which was in the process of being removed from the balance sheet					0.7	0.0	0.0	0.0	(0.0)
21	Claims against Bankrupt and Substantially Bankrupt Obligors						0.0	0.0	0.0	0.0
22	Claims with Collection Risk						5.4	2.6	1.7	(0.9)
23	Amount Newly Categorized as above during the Second Half of Fiscal 2005						5.5	2.6	1.7	(0.9)
24	of which the amount which was in the process of being removed from the balance sheet						0.0	0.0	0.0	0.0
25	Claims against Bankrupt and Substantially Bankrupt Obligors							1.6	28.6	26.9
26	Claims with Collection Risk							30.9	7.8	(23.0)
27	Amount Newly Categorized as above during the First Half of Fiscal 2006							32.6	36.4	3.8
28	of which the amount which was in the process of being removed from the balance sheet							0.0	1.0	0.9
29	Claims against Bankrupt and Substantially Bankrupt Obligors									25.4
30	Claims with Collection Risk									(24.4)
31	Amount removed from the balance sheet during the second Half of Fiscal 2006									1.0
32	Claims against Bankrupt and Substantially Bankrupt Obligors								0.2	0.2
33	Claims with Collection Risk								39.5	39.5
34	Amount Newly Categorized as above during the Second Half of Fiscal 2006								39.8	39.8
35	of which the amount which was in the process of being removed from the balance sheet								0.2	0.2
36	Claims against Bankrupt and Substantially Bankrupt Obligors	171.6	20.4	19.6	17.9	4.6	3.5	4.8	30.5	25.7
37	Claims with Collection Risk	384.3	32.4	15.2	57.8	44.7	10.3	36.0	51.1	15.1
38	Total	555.9	52.9	34.8	75.8	49.4	13.9	40.9	81.7	40.8
39	of which the amount which was in the process of being removed from the balance sheet	4.9	21.3	18.4	9.4	4.6	3.5	3.2	2.9	(0.2)

*Trust accounts denotes trust accounts with guarantees for the repayment of trust principal.

(2) Progress in Removal of NPLs from the Balance Sheet (Accumulated Removal Amount and Removal Ratio)

(Billions of yen / %)

	Amount Newly Categorized	Balance as of March 31, 2007	Accumulated Removal Amount	Accumulated Removal Ratio (%)	Modified Accumulated Removal Ratio (%) *
40	Categorized before Sept 30, 2003	555.9	2.2	553.7	99.5
41	Newly Categorized during the Second Half of Fiscal 2003	23.9	0.0	23.8	99.8
42	Newly Categorized during the First Half of Fiscal 2004	6.5	0.1	6.3	97.5
43	Newly Categorized during the Second Half of Fiscal 2004	63.6	0.1	63.5	99.8
44	Newly Categorized during the First Half of Fiscal 2005	4.7	1.1	3.6	76.8
45	Newly Categorized during the Second Half of Fiscal 2005	5.5	1.7	3.8	68.9
46	Newly Categorized during the First Half of Fiscal 2006	32.6	36.4	(3.8)	(11.7)
47	Newly Categorized during the Second Half of Fiscal 2006	39.8	39.8		
48	Total	732.9	81.7	651.1	

* Modified accumulated removal ratios are based on the accumulated removal amount including the amount which was in the process of being removed from the balance sheet.

(3) Breakdown of Reasons for Removal of NPLs from the Balance Sheet during the Second Half of Fiscal 2006

(Billions of yen)

		Accumulated as of September 30, 2003	In the Second Half of Fiscal 2003	In the First Half of Fiscal 2004	In the Second Half of Fiscal 2004	In the First Half of Fiscal 2005	In the Second Half of Fiscal 2005	In the First Half of Fiscal 2006	Amount Removed from B/S in the Second Half of Fiscal 2006
1	Liquidation (minus)	0.0	0.3	-	-	-	-	-	0.3
2	Restructuring (minus)	-	-	0.0	3.0	-	-	-	3.1
3	Improvement in Business Performance due to Restructuring (minus)	-	-	-	0.9	-	0.0	0.0	1.0
4	Loan Sales (minus)	0.7	4.2	-	-	-	0.7	-	5.7
5	Direct Write-off (minus)	(0.3)	(4.6)	(0.0)	(3.0)	-	-	0.3	(7.8)
6	Other (minus)	0.1	0.0	0.0	0.0	0.2	0.2	(4.2)	(3.4)
7	Debt Recovery (minus)	0.3	0.0	0.0	0.0	0.2	0.1	(4.5)	(3.7)
8	Improvement in Business Performance (minus)	(0.1)	0.0	0.0	0.0	0.0	0.0	0.2	0.3
9	Total (minus)	0.5	0.0	0.0	1.0	0.2	0.9	(3.8)	(1.0)

(Reference) Breakdown of Accumulated Amount Removed from the Balance Sheet

(Billions of yen)

		Up to the Second Half of Fiscal 2003	In the First Half of Fiscal 2004	In the Second Half of Fiscal 2004	In the First Half of Fiscal 2005	In the Second Half of Fiscal 2005	In the First Half of Fiscal 2006	In the Second Half of Fiscal 2006	Accumulated Removed Amount from the Second Half of Fiscal 2000
10	Liquidation (minus)	158.4	12.8	18.7	8.1	0.2	0.0	0.3	198.8
11	Restructuring (minus)	48.8	1.3	1.9	0.4	1.2	1.5	3.1	58.5
12	Improvement in Business Performance due to Restructuring (minus)	20.6	0.1	0.0	0.5	1.1	0.0	1.0	23.6
13	Securitization (minus)	258.3	6.2	12.7	12.5	6.9	-	5.7	302.5
14	Direct Write-off (minus)	(226.5)	(15.4)	(22.0)	(13.2)	(2.8)	(1.5)	(7.8)	(289.4)
15	Other (minus)	267.2	19.4	11.1	22.7	34.3	5.5	(3.4)	357.0
16	Debt Recovery (minus)		8.9	10.4	16.8	23.6	2.8	(3.7)	
17	Improvement in Business Performance (minus)		10.5	0.6	5.8	10.6	2.7	0.3	
18	Total (minus)	527.0	24.5	22.6	31.2	41.0	5.6	(1.0)	651.1

From the Second Half of Fiscal 2000 to the Second Half of Fiscal 2003.

(4) Breakdown of Amount Which Was in the Process of Being Removed from the Balance Sheet

(Billions of yen)

		Accumulated as of September 30, 2003	In the Second Half of Fiscal 2003	In the First Half of Fiscal 2004	In the Second Half of Fiscal 2004	In the First Half of Fiscal 2005	In the Second Half of Fiscal 2005	In the First Half of Fiscal 2006	In the Second Half of Fiscal 2006
19	Legal Liquidation (minus)	1.2	-	-	-	-	0.0	1.0	0.1
20	Proceedings Similar to Legal Liquidation (minus)	-	-	-	-	-	-	-	-
21	Corporate Division (minus)	-	-	-	-	-	-	-	-
22	Partial Direct Write-Offs of Small Amount of Claims to Small/Medium Size Companies (minus)	0.3	-	-	0.0	0.0	0.0	0.0	0.1
23	Creation of Trust with RCC (minus)	-	-	-	-	-	-	-	-
24	Total (minus)	1.6	-	-	0.0	0.0	0.0	1.0	0.2

9. Principal Amounts of NPLs Sold

[Non-Consolidated] (including past figures for its former revitalization subsidiary)

(Billions of yen)

		Fiscal 2006	Change	Fiscal 2005
25	Principal Amounts of NPLs Sold	8.0	(11.8)	19.8
26	To RCC	-	-	-
27	To Others	8.0	(11.8)	19.8

10. Debt Forgiveness

[Non-Consolidated] (including past figures for its former revitalization subsidiary)

(Number of cases, Billions of yen)

		Fiscal 2006	Change	Fiscal 2005
28	Number of Case of Debt Forgiveness	0.1	(0.3)	0.4
29	Book Value	0.0	(1.0)	1.0

The above figures do not include debt forgiveness following legal bankruptcy procedures.

11. Status of Loans by Industry

(1) Outstanding Balance of Loans by Industry

[Non-Consolidated]

(Billions of yen)

	As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
	Outstanding Loans	Change from September 30, 2006	Change from March 31, 2006		
1 Domestic Total (excluding Loans Booked Offshore)	6,315.3	1,706.5	1,784.5	4,608.7	4,530.8
2 Manufacturing	417.3	8.1	21.3	409.2	395.9
3 Agriculture	-	-	-	-	-
4 Forestry	-	-	-	-	-
5 Fishery	-	-	-	-	-
6 Mining	6.3	(0.3)	(0.2)	6.6	6.6
7 Construction	123.9	6.5	2.9	117.4	120.9
8 Utilities	95.7	(7.6)	(9.2)	103.4	105.0
9 Communication	1,385.0	1,356.4	1,366.4	28.5	18.5
10 Transportation	203.3	(10.6)	(15.7)	214.0	219.1
11 Wholesale & Retail	228.5	1.8	15.1	226.6	213.4
12 Finance & Insurance	511.8	(34.3)	(18.6)	546.2	530.5
13 Real Estate	852.8	(17.2)	(92.6)	870.0	945.5
14 Service Industries	275.8	7.9	27.9	267.8	247.8
15 Local Government	39.0	(5.2)	(27.8)	44.2	66.8
16 Governments	700.0	400.0	500.0	300.0	200.0
17 Others	1,475.4	1.0	15.1	1,474.3	1,460.2
18 Loans Booked Offshore	6.3	2.4	1.6	3.8	4.6
19 Governments	1.6	(0.0)	(0.0)	1.7	1.7
20 Financial Institutions	-	-	-	-	-
21 Other	4.6	2.5	1.6	2.1	2.9
22 Total	6,321.6	1,709.0	1,786.1	4,612.5	4,535.5

* Amounts of outstanding loans are aggregated figures of banking and trust accounts.

(2) Non-Accrual, Past Due & Restructured Loans and Disclosed Claims under the FRL by Industry

[Non-Consolidated]

(Billions of yen)

	As of March 31, 2007		As of September 30, 2006		As of March 31, 2006	
	Non-Accrual, Past Due & Restructured Loans	Disclosed Claims under the FRL	Non-Accrual, Past Due & Restructured Loans	Disclosed Claims under the FRL	Non-Accrual, Past Due & Restructured Loans	Disclosed Claims under the FRL
23 Domestic Total (excluding Loans Booked Offshore)	113.8	142.2	83.9	106.5	79.9	80.6
24 Manufacturing	2.0	2.8	0.7	0.7	4.5	5.2
25 Agriculture	-	-	-	-	-	-
26 Forestry	-	-	-	-	-	-
27 Fishery	-	-	-	-	-	-
28 Mining	-	-	-	-	-	-
29 Construction	1.2	1.2	0.8	0.8	0.8	0.8
30 Utilities	-	-	-	-	-	-
31 Communication	-	-	-	-	-	-
32 Transportation	44.7	44.7	47.1	47.1	49.3	49.3
33 Wholesale & Retail	1.4	1.4	1.9	1.9	0.6	0.6
34 Finance & Insurance	34.7	34.7	-	-	-	-
35 Real Estate	8.0	8.0	10.7	10.7	11.3	11.3
36 Service Industries	8.2	8.2	9.6	9.6	8.1	8.1
37 Local Government	3.9	31.4	3.0	25.5	-	-
38 Governments	-	-	-	-	-	-
39 Others	9.2	9.3	9.7	9.8	5.0	5.0
40 Loans Booked Offshore	1.6	1.6	1.5	1.5	1.5	1.5
41 Governments	1.6	1.6	-	-	-	-
42 Financial Institutions	-	-	-	-	-	-
43 Others	-	-	1.5	1.5	1.5	1.5
44 Total	115.5	143.9	85.5	108.1	81.5	82.2
45 Amount of Partial Direct Write-Offs	39.1	39.2	45.6	47.3	47.5	49.2

* Amounts of outstanding loans are aggregated figures of banking and trust accounts with guarantees for the repayment of trust principal.

(3) Balance of Housing and Consumer Loans

[Non-Consolidated]

(Billions of yen)

		As of March 31, 2007		As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006	
1	Housing and Consumer Loans	1,452.6	(10.8)	5.0	1,447.6
2	Housing Loans	275.5	(3.3)	(12.0)	287.6
3	Other Consumer Loans	1,177.0	(7.5)	17.0	1,159.9

* Amounts are aggregated figures of banking and trust accounts.

(4) Loans to Both Small and Medium-Sized Enterprises ("SMEs") and Individual Customers

[Non-Consolidated]

(Billions of yen, %)

		As of March 31, 2007		As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006	
4	Loans to Both SMEs and Individual Customers	2,677.1	(134.3)	(113.8)	2,790.9
5	Ratio to Total Balance of Loans	42.3	(18.6)	(19.2)	61.0

* Amounts are aggregated figures of banking and trust accounts.

* Amounts do not include offshore loans.

* The definition of 'Small and Medium-Sized Enterprises' is as follows;

Companies of which the capital is 300 million yen or below (100 million yen or below for the wholesale industry, and 50 million yen or below for the retail and service industries), or enterprises with full-time employees of 300 or below. (100 or below for the wholesale industry, 50 or below for the retail industry, and 100 or below for the service industry).

12. Status of Loans by Nationality of Borrowers**(1) Balance of Loans for Restructuring Countries**

[Non-Consolidated]

(Millions of yen, number of countries)

		As of March 31, 2007		As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006	
6	Loan amount	1,694	(570)	(1,394)	3,088
7	Number of Restructuring Countries	3	-	-	3

(2) Balance of Loans for Asia

[Non-Consolidated]

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
1	China	-	-	-	-	-
2	Hong Kong	-	-	-	-	-
3	Indonesia	2,028	(741)	(1,663)	2,770	3,691
4	South Korea	-	(0)	(3)	0	3
5	Thailand	-	-	-	-	-
6	Malaysia	255	(309)	(360)	565	616
7	Singapore	227	(31)	(62)	258	289
8	Other	-	(56)	(112)	56	112
9	Total	2,511	(1,139)	(2,201)	3,651	4,713

* Includes both Japanese and Non-Japanese obligors (Non-Japanese Obligor are classified as final obligor country.)

(Non-Accrual, Past Due & Restructured Loans)

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
10	China	-	-	-	-	-
11	Hong Kong	-	-	-	-	-
12	Indonesia	1,685	1,147	1,101	537	583
13	South Korea	-	(0)	(3)	0	3
14	Thailand	-	-	-	-	-
15	Malaysia	-	(256)	(255)	256	255
16	Singapore	-	-	-	-	-
17	Other	-	-	-	-	-
18	Total	1,685	890	842	794	842

* Includes both Japanese and Non-Japanese obligors (Non-Japanese Obligor are classified as final obligor country.)

(3) Balance of Loans for Central and South America

[Non-Consolidated]

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
19	Panama	7,432	3,380	3,007	4,052	4,424
20	Other	1	(0)	(7)	1	9
21	Total	7,434	3,380	3,000	4,054	4,434

* Includes both Japanese and Non-Japanese obligors (Non-Japanese Obligor are classified as final obligor country.)

(Non-Accrual, Past Due & Restructured Loans)

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
22	Panama	-	-	-	-	-
23	Other	1	(0)	(0)	1	1
24	Total	1	(0)	(0)	1	1

* Includes both Japanese and Non-Japanese obligors (Non-Japanese Obligor are classified as final obligor country.)

III. DEFERRED TAXES

1. Change in Deferred Tax Assets, etc.

[Non-Consolidated]

(Billions of yen)

	As of March 31, 2007	Change from		As of September 30, 2006	As of March 31, 2006
		September 30, 2006	March 31, 2006		
1 Total Deferred Tax Assets (A)	261.4	(12.7)	(29.0)	274.2	290.4
2 Total Deferred Tax Liabilities (B)	(53.5)	23.4	25.5	(76.9)	(79.0)
3 (A) + (B)	207.8	10.6	(3.4)	197.2	211.3
4 Valuation Allowance	(189.0)	16.3	16.7	(205.4)	(205.8)
5 Net Deferred Tax Assets (C)	18.8	26.9	13.3	(8.1)	5.4
(Reference)					
6 Tier (D)	353.2	32.1	23.2	321.0	329.9
7 (C)/(D) (%)	5.3	7.8	3.6	(2.5)	1.6

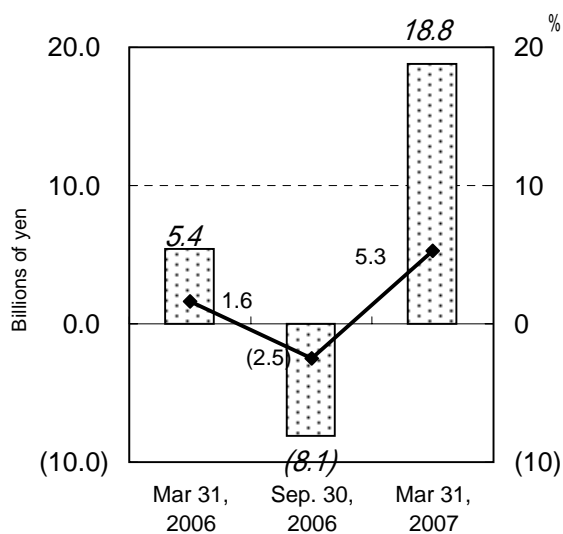
[Consolidated]

(Billions of yen)

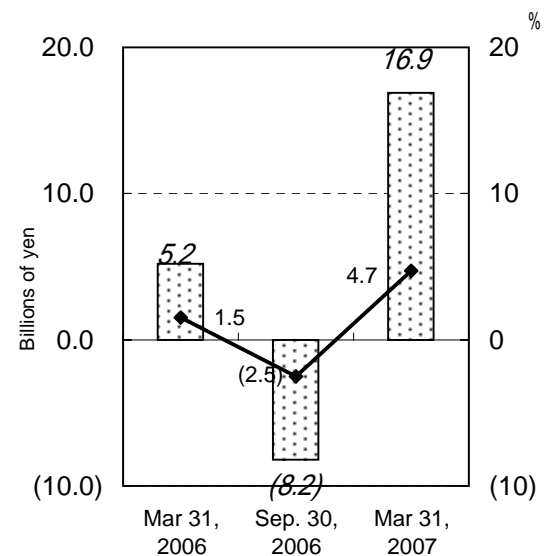
	As of March 31, 2007	Change from		As of September 30, 2006	As of March 31, 2006
		September 30, 2006	March 31, 2006		
8 Net Deferred Tax Assets (A)	16.9	25.1	11.6	(8.2)	5.2
(Reference)					
9 Tier (B)	359.8	31.9	22.7	327.8	337.1
10 (A)/(B) (%)	4.7	7.2	3.1	(2.5)	1.5

Changes of Deferred Tax Assets

Non-Consolidated



Consolidated



Net Deferred Tax Assets

Net Deferred Tax Assets to Tier I Ratio

2. Estimation of Deferred Tax Assets, etc.

[Non-Consolidated]

(1) Calculation Policy

Recoverability of Deferred Tax Assets is basically assessed based on future taxable income derived from future profitability, considering that MHTB's fundamental profitability enabled itself to report consistently an appropriate level of Net Business Profits in previous periods. MHTB's tax losses carry-forwards and future deductible temporary differences in the past resulted from nonrecurring special causes, e.g. losses from extraordinary and significant waiver of claims due to the crash of the bubble economy, acceleration of disposal of NPLs and stock holdings in accordance with government policy to stabilize promptly the financial system under the long deflationary depression, and the restructuring of businesses to meet the severe management environment. Since MHTB could have reported positive taxable income every year if the losses from these special factors were excluded, the conditions under the provisory clause of 5. (1) of "Audit Guideline for Considering Recoverability of Deferred Tax Assets" (JICPA Audit Committee Report No.66) have been fulfilled. Period for future taxable income considered in the assessment is five years.

(Reference) Past results of taxable income (loss)

(Billions of yen)

Fiscal 2006 (estimate)	85.0
Fiscal 2005	24.9
Fiscal 2004	44.8
Fiscal 2003	66.7
Fiscal 2002	(195.0)

(Notes)

- Figures are taxable income (tax loss) amounts per the final corporation tax returns before deducting tax losses carried forward from prior years. Subsequent amendments have not been reflected.
- Figures for Fiscal 2006 are estimates of taxable income before deducting tax losses carried forward from prior years.
- Above figures are those before deducting losses due to nonrecurring special reasons stipulated in Section 5. of JICPA Audit Committee Report No.66. If these nonrecurring factors are excluded, positive taxable income would have been recorded in each term.
- Figures for the periods before the Corporate Split and Merger are those of the legally surviving bank.

(2) Estimation for Calculating Deferred Tax Assets

(Billions of yen)

a) Estimate of future taxable income

(Reference)

		Total amount for five years (from April 1, 2007 to March 31, 2012)	Fiscal 2006
1	Gross Profits	711.3	173.8
2	General and Administrative Expenses (minus)	444.9	87.7
3	Net Business Profits (Before Provision for (Reversal of) General Reserve for Possible Losses on Loans)	266.4	86.1
4	Credit-related Costs (minus)	42.5	20.1
5	Income before Income Taxes	176.2	80.5
6	Tax Adjustments (*1)	(11.0)	
7	Taxable Income before Current Temporary Differences (A) (*2)	165.1	
8	Statutory tax rate (B)	40.6%	
9	Deferred Tax Assets corresponding to Taxable Income before Current Temporary Differences (C) = (A) × (B)	67.0	Equal to Line 27

*1. Tax Adjustments are estimated future book-tax differences under the provisions of the corporation tax law and others.

*2. Taxable Income before Current Temporary Differences is an estimate of taxable income before reversal of temporary differences as of March 31, 2007.

(Billions of yen)

b) Breakdown of Deferred Tax Assets

b) Breakdown of Deferred Tax Assets		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
10	Reserves for Possible Losses on Loans	13.6	4.5	4.0	9.0	9.5
11	Devaluation of securities	59.5	(4.0)	(4.5)	63.6	64.1
12	Unrealized Losses on Other Securities	3.6	3.6	3.6	-	-
13	Reserve for Employee Retirement Benefits	7.9	(0.0)	(0.1)	7.9	8.1
14	Net Deferred Hedge Losses (D)	-	(0.0)	-	0.0	-
15	Tax Losses Carried Forward	157.0	(17.8)	(34.6)	174.9	191.7
16	Other	19.6	1.0	2.7	18.5	16.9
17	Total Deferred Tax Assets (E)	261.4	(12.7)	(29.0)	274.2	290.4
18	Valuation Allowance (F)	(189.0)	16.3	16.7	(205.4)	(205.8)
19	Subtotal (E) + (F)	72.3	3.5	(12.2)	68.7	84.5
20	Amount related to Retirement Benefits Accounting	(6.2)	-	-	(6.2)	(6.2)
21	Unrealized Profits related to Lease Transactions	-	-	-	-	-
22	Unrealized Gains on Other Securities (G)	(45.3)	25.3	27.4	(70.7)	(72.8)
23	Net Deferred Hedge Gains (H)	(0.5)	(0.5)	(0.5)	-	-
24	Other	(1.4)	(1.4)	(1.4)	-	-
25	Total Deferred Tax Liabilities (I)	(53.5)	23.4	25.5	(76.9)	(79.0)
26	Net Deferred Tax Assets (Liabilities) (E) + (F) + (I)	18.8	26.9	13.3	(8.1)	5.4
27	Deferred Tax Assets corresponding to Taxable Income before Current Temporary Differences = (C)	67.0	4.5	(70.3)	62.5	137.3
28	Unrealized Gains on Other securities = (G)	(45.3)	25.3	27.4	(70.7)	(72.8)
29	Net Deferred Hedge Losses = (D)	-	(0.0)	-	0.0	-
30	Net Deferred Hedge Gains = (H)	(0.5)	(0.5)	(0.5)	-	-
31	Others (including Deferred Tax Assets corresponding to Remaining Taxable Income before Current Temporary Differences and others)	(2.3)	(2.3)	56.7	(0.0)	(59.0)

< Explanation >

Future taxable income was estimated using a more conservative assumption than that used in the Business Plan and Others formulated in March 2007. Details of the respective estimated five-year totals are as follows. Gross Profits: ¥711.3 billion, General and Administrative Expenses: ¥444.9 billion, and Net Business Profits (Before Provision for General Reserve for Possible Losses on Loans): ¥266.4 billion.

The resulting estimated income before Income Taxes (including credit-related costs, etc.) is ¥176.2 billion and estimated Taxable Income before Current Temporary Differences is ¥165.1 billion.

On the other hand, Deferred Tax Assets which are tax deductible in the future, such as Reserves for Possible Losses on Loans, Tax Losses Carried Forward and others amounted to ¥261.4 billion. However, after considering temporary differences which are not expected to be reversed in the next five years, Valuation Allowance of ¥(189.0) billion was provided, therefore after offsetting Deferred Tax Liabilities of ¥(53.5) billion, ¥18.8 billion of net Deferred Tax Assets was recorded on the balance sheet.

IV. OTHER

1. Breakdown of Deposits

[Non-Consolidated]

(Millions of yen)

		As of March 31, 2007			As of September 30, 2006	As of March 31, 2006
			Change from September 30, 2006	Change from March 31, 2006		
1	Deposits (Balance)	2,810,675	38,554	328,621	2,772,120	2,482,053
2	Current	589,207	23,670	(20,292)	565,537	609,500
3	Individual Deposits	372,737	40,207	40,761	332,529	331,975
4	Corporate Deposits	211,255	(15,515)	(55,377)	226,770	266,633
5	Financial/Government Institutions	5,214	(1,021)	(5,676)	6,236	10,890
6	Fixed	2,192,798	30,945	344,625	2,161,853	1,848,173
7	Individual Deposits	1,424,512	(60,871)	12,775	1,485,384	1,411,737
8	Corporate Deposits	462,521	47,162	98,586	415,359	363,934
9	Financial/Government Institutions	305,764	44,654	233,262	261,109	72,501

* Above figures do not include offshore deposits.

2 Number of Directors and Employees

[Non-Consolidated]

(Full)

		As of March 31, 2007	As of September 30, 2006	As of March 31, 2006
10	Members of the Board of Directors and Auditors	11	11	11
11	Executive Officers	18	18	16
12	Employees (*1)	2,801	2,860	2,719

*1 The number of Employees is as same as Yuka Shoken Hokokusho.

3 Number of Branches and Offices

[Non-Consolidated]

(Full)

		As of March 31, 2007	As of September 30, 2006	As of March 31, 2006
13	Head Office and Domestic Branches	35	37	37
14	Domestic Sub-Branche s	2	1	1
15	Overseas Branches	-	-	-
16	Overseas Representative Offices	1	1	1

4. Earnings Estimates for Fiscal 2007 (Ending March 31, 2008)

[Non-Consolidated]

(Billions of yen)

		First Half	Fiscal 2007
1	Gross Profits	81.0	174.0
2	Trust and Asset management business	51.0	109.0
3	Banking business	30.0	65.0
4	General and Administrative Expenses (minus)	44.0	88.0
5	Net Business Profits (Before Provision for (Reversal of) General Reserve for Possible Losses on Loans)	37.0	86.0
6	Ordinary Profits	35.0	80.0
7	Net Income	28.0	65.0
8	Credit-related Cost (minus)	2.0	5.0

[Consolidated]

(Billions of yen)

		First Half	Fiscal 2007
9	Ordinary Profits	36.0	83.5
10	Net Income	28.0	65.0