

The Aichi Bank, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements

1. Basis of Financial Statements

(a) Basis of presentation

The consolidated financial statements of The Aichi Bank, Ltd. (the “Bank”) and its subsidiaries (collectively the “Group”) have been prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements from International Financial Reporting Standards. These consolidated financial statements were compiled from the original consolidated financial statements in Japanese prepared by the Bank as required by the Securities and Exchange Law of Japan and submitted to the Director of Kanto Finance Bureau in Japan.

Yen amounts in the accompanying consolidated financial statements are expressed in millions of Japanese yen and have been rounded down. As a result, the sum of each yen amount appearing in the consolidated financial statements and the notes thereto may not be equal to the sum of the individual account balances.

(b) U.S. dollar amounts

The Group maintains its accounting records in Japanese yen. The U.S. dollar amounts included in the consolidated financial statements and notes thereto represent the U.S. dollar amounts converted from Japanese yen amounts on the basis of ¥ 100.19 to U.S.\$1.00, the exchange rate prevailing on March 31, 2008. The inclusion of such dollar amounts is solely for the convenience of readers and is not intended to imply that the Japanese yen assets and liabilities have been or could be readily converted, realized or settled in U.S. dollars at the given rate or at any other rate.

2. Summary of Significant Accounting Policies

(a) Principles of consolidation

The consolidated financial statements included the accounts of the Bank and all of its subsidiaries. The Bank had four subsidiaries engaged primarily in providing a wide range of financial services, and, in its judgment, no affiliates, enterprises that are controlled by the Bank rather than owned by a majority voting interest, at March 31, 2008 and 2007. All intercompany transactions and accounts have been eliminated. The difference between the cost of investments in subsidiaries and the underlying equity in their net assets adjusted based on the fair value at the time of acquisition is deferred as goodwill and amortized over five years using the straight-line method.

Effective for the year ended March 31, 2007, the Group applied the new accounting standard, “Practical Solution on Application of Control Criteria and Influence Criteria to Investment Associations” (ASBJ Practical Solution No. 20) issued by the Accounting Standards Board of Japan (“ASBJ”) on September 8, 2006. This application had no effect on the consolidated financial statements.

(b) Accounting standard for presentation of net assets in the balance sheet

ASBJ issued a new accounting standard, “Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Statement No. 5)” and the Implementation guidance, “Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet” (ASBJ Guidance No. 8) on December 9, 2005. The standard is applicable for the year ended on and after May 1, 2006. The standard requires presenting the net assets section in the balance sheet in a way similar to that required by International Financial Reporting Standards. The Group has adopted the new accounting standards from the year ended March 31, 2007. If the previous accounting method had been applied for the consolidated balance sheet at March 31, 2007, net assets would have amounted to ¥190,843 million (\$1,904,811 thousand).

(c) Cash and cash equivalents

For the purpose of the consolidated statements of cash flows, cash and cash equivalents consisted of cash and demand deposits from The Bank of Japan as follows:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Cash and due from banks	¥ 41,879	¥ 44,065	\$ 418,000	\$ 439,821
Less due from banks other than The Bank of Japan	(1,748)	(1,517)	(17,454)	(15,145)
Cash and cash equivalents	¥ 40,130	¥ 42,548	\$ 400,546	\$ 424,676

(d) Trading securities

Trading securities are stated at fair value at the end of the fiscal year. Related gain or losses, both realized and unrealized, are included in the consolidated statements of income. Accrued interests on trading securities are included in other assets.

(e) Investment securities

Debt securities for which the Group has both the intent and the ability to hold to maturity are classified as held-to-maturity securities and are stated at amortized cost. Marketable securities, other than those classified as held-to-maturity or trading, are carried at fair value at the balance sheet dates. Net unrealized gains and losses on these securities, net of tax, are reported as a component of equity. Non-marketable securities classified as available-for-sale securities are stated at moving average cost or amortized cost. Carrying values of individual investment securities are reduced, if necessary, through write-downs to reflect other than temporary impairment in values. Gains and losses on the disposal of investment securities are principally computed using the moving average method. Accrued interests on securities are included in other assets. Funds entrusted to trust banks for securities (included in "Money held in trust") of the Group are stated at fair value.

Effective for the year ended March 31, 2007, the Group applied the new accounting standard, "Practical Solution on Investors' Accounting for Limited-Liability Partnerships and Limited-Liability Companies" (ASBJ Practical Solution No. 21) issued by ASBJ on September 8, 2006. This application had no effect on the consolidated financial statements.

(f) Derivatives

Derivatives are recorded at fair value, if hedge accounting is not applied, and gains and losses on derivatives are recognized in the consolidated statements of income. The Bank's subsidiaries apply the special treatment of hedge accounting permitted under the accounting standard for financial instruments. Accordingly interest rate swaps, which qualify as hedging instruments, are accounted for on an accrual basis and are recorded net of interest expenses generated from borrowings as hedged items if certain conditions are met.

(g) Reserve for possible losses on investments

A reserve for possible losses on investments is provided to absorb the future loss that may occur in relation to investments in debt securities issued by borrowers that have the weakest financial performance based on the internal rules of the Bank.

(h) Loans and bills discounted and reserve for possible loan losses

Loans and bills discounted are stated at the amount of unpaid principal. Unearned interest and discount are recorded as liabilities and recognized as income over the contract terms of the loans or bills.

A reserve for possible loan losses of the Bank is provided to cover future credit losses in accordance with the internal rules for self-assessment of asset quality. Loans written off are charged either to reserve for possible loan losses and/or current income. Recover on loans that have been written off are recorded as other income. The reserve for possible loan losses is made based on the Bank's internal rules in accordance with Report No. 4 of the Ad Hoc Committee for Audits of Banks, "Practical Guideline for Evaluation of Internal Control Over Valuation of Assets and Audits of Write-off of Bad Loans and Allowance for Doubtful Loans of Banks and Similar Financial Institutions," issued by the Japanese Institute of Certified Public Accountants ("JICPA"). For loans to borrowers that are legally or substantially bankrupt, a reserve is provided net of amounts expected to be collected through the disposal of collateral or the execution of guarantees. For loans to borrowers who are likely to become bankrupt, a reserve has been provided based on an overall solvency assessment net of amounts expected to be collected through the disposal of collateral or the execution of guarantees. For loans to borrowers except for those mentioned above, a reserve has been provided based on the historical loss experience of the Bank for a certain past period. All claims are assessed by the Bank's operating divisions based on the Bank's internal rules for the self-assessment of asset quality. The inspection division, which is independent from the operating divisions, conducts audits of these assessments. The reserves described above are determined based on the audit results.

A reserve for possible loan losses of the subsidiaries is made for the aggregate amount of estimated credit loss based on an individual financial review of doubtful or troubled receivables and a general reserve based on historical loss experience for other receivables.

(i) Tangible fixed assets, and depreciation

Tangible fixed assets of the Bank are stated at cost, less accumulated depreciation. Depreciation is computed using the declining balance method over the estimated useful life of the asset, except for buildings acquired on and after April 1, 1998, which are depreciated using the straight-line method. The useful life of tangible fixed assets ranges as follows:

Buildings	8 years to 50 years
Equipment and furniture	3 years to 20 years

Tangible fixed assets of the subsidiaries are principally depreciated by the straight-line method over the estimated useful life of the asset.

(Change in depreciation method)

In accordance with the amendment of the Corporate Tax Law of Japan, effective April 1, 2007, the Group changed the Depreciation method for tangible fixed assets acquired on and after April 1, 2007 to the method based on the amended Corporate Tax Law of Japan. As a result, operating income and income before income taxes and minority interests for the year ended March 31, 2008 was ¥50 million (\$500 thousand) less than it would have been with the previous accounting method.

(Additional information)

For tangible fixed assets acquired before April 1, 2007, from the year ended March 31, 2008 the residual value is depreciated over five years using the straight-line method from the year following the fiscal year in which the depreciable limit is reached. As a result of this change, operating income and income before income taxes and minority interests were ¥49 million (\$490 thousand) less than they would have been with the previous method.

(j) Intangible fixed assets

Intangible fixed assets are amortized using the straight-line method. Costs of computer software developed or obtained for internal use are deferred and amortized by the straight-line method principally

over the estimated useful life of five years.

(k) Leases

For finance leases under which ownership of the leased property is not transferred to the lessee during the term of the leases, the Group, as lessee, does not capitalize the leased property, and the related rental and lease expenses are charged to income as incurred, as permitted by the “Opinion Concerning Accounting Standards for Leases” issued by the Business Accounting Council of Japan (“BACJ”) in June 1993.

The subsidiary engaged in the leasing business as a lessor accounts for all lease contracts, including finance leases, using the accounting treatment similar to that for operating leases, as permitted by the accounting principles generally accepted in Japan.

(l) Accounting standard for impairment of fixed assets

On August 9, 2002, BACJ issued the “Accounting Standard for Impairment of Fixed Assets,” effective for the fiscal years beginning on and after April 1, 2005. ASBJ issued related practical guidance on October 31, 2003. The Group adopted this accounting standard and related practical guidance. The standard requires that fixed assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and that impairment loss be recognized in the income statement by reducing the carrying amount of the impaired asset or group of assets to the recoverable amount, measured as the higher of net selling price or value in use. Fixed assets include land, buildings and other forms of property, as well as intangible assets, and are grouped at the lowest level for which there are cash flows identifiably different from other groups of assets. To recognize and measure impairment loss, fixed assets are grouped into cash-generating units, such as operating business branches, other than idle or unused property. Recoverable amounts of the assets are based on value in use calculated using discounted future cash flows at interest rates principally of 7.0% and 6.5% at March 31, 2008 and 2007, respectively, or net selling prices based primarily on appraisal valuations net of estimated costs of disposal.

For the years ended March 31, 2008 and 2007, the Group recognized impairment loss for the property of business branches and idle properties as follows:

	Land	Buildings and structures	Other properties	Total
	Millions of yen			
For the year 2008:				
Operating assets:				
Aichi Prefecture	¥ 80	¥ 45	¥ 59	¥ 185
Other	257	25	54	338
Idle assets:				
Aichi Prefecture	9	0	0	10
Other	-	9	-	9
Total	<u>¥ 347</u>	<u>¥ 80</u>	<u>¥ 114</u>	<u>¥ 543</u>
	Thousands of U.S. dollars			
Operating assets:				
Aichi Prefecture	\$ 808	\$ 449	\$ 595	\$ 1,852
Other	2,573	259	549	3,381
Idle assets:				
Aichi Prefecture	90	9	3	102
Other	-	90	-	90
Total	<u>\$ 3,471</u>	<u>\$ 807</u>	<u>\$ 1,147</u>	<u>\$ 5,425</u>

	<u>Land</u>	<u>Buildings and structures</u>	<u>Other properties</u>	<u>Total</u>
	Millions of yen			
For the year 2007:				
Operating assets:				
Aichi Prefecture	¥ -	¥ -	¥ 2	¥ 2
Other	0	7	12	20
Idle assets:				
Aichi Prefecture	25	10	2	39
Other	110	21	1	133
Total	<u>¥ 136</u>	<u>¥ 40</u>	<u>¥ 19</u>	<u>¥ 195</u>

	<u>Land</u>	<u>Buildings and structures</u>	<u>Other properties</u>	<u>Total</u>
	Thousands of U.S. dollars			
Operating assets:				
Aichi Prefecture	\$ -	\$ -	\$ 26	\$ 26
Other	2	80	125	207
Idle assets:				
Aichi Prefecture	253	109	28	390
Other	1,104	216	12	1,332
Total	<u>\$ 1,359</u>	<u>\$ 405</u>	<u>\$ 191</u>	<u>\$ 1,955</u>

(m) Foreign currency translation

Assets and liabilities denominated in foreign currencies are principally translated into Japanese yen at the exchange rate prevailing at the balance sheet date. Income and expenses are translated at the exchange rates at the transaction date. Gains and losses resulting from foreign currency translation are included in the consolidated statements of income.

(n) Employee retirement benefits

Employees who terminate their service with the Group are entitled to retirement benefits generally determined with reference to current basic salary, years of service and conditions under which the termination occurs.

In accordance with the accounting standard for employee retirement benefits, the Group principally recognizes retirement benefits, including pension costs and related liabilities, based on the actuarial present value of the projected benefit obligation using an actuarial appraisal approach and the value of pension plan assets available for benefits at the fiscal year-end. Unrecognized actuarial differences such as changes in the projected benefit obligation or value of pension plan assets resulting from outcomes which are different from those assumed and from changes in the assumptions themselves are amortized on a straight-line basis principally over thirteen to fourteen years, a period within the average remaining years of service of employees, from the next fiscal year after the year the differences arise.

(o) Reserve for employee bonuses

A reserve for employee bonuses is provided based on the estimated amounts of future payments attributable to the respective fiscal year.

(p) Reserve for directors and corporate auditors bonuses

A reserve for bonuses to directors and corporate auditors, which is provided for future bonus payments to directors and corporate auditors, reflects an amount estimated to have accrued on the consolidated

balance sheet date.

From the year ended March 31, 2007, the Group has adopted the “Accounting Standard for Directors’ Bonus (ASBJ Statement No. 4)” issued by ASBJ on November 29, 2005. The standard requires that the directors’ bonuses, including those for corporate auditors, be accounted for as an expense in the accounting period in which such bonuses accrue. Until the year ended March 31, 2006, bonuses to directors and corporate auditors were recorded as a part of the appropriation of retained earnings in the fiscal year when a proposed appropriation of retained earnings for directors and corporate auditors’ bonuses was approved by stockholders. As a result of this adoption operating income and income before income taxes and minority interests for the year ended March 31, 2007 were ¥25 million (\$255 thousand), less than they would have been with the previous accounting method.

(q) Reserve for executive retirement benefits

A reserve for executive retirement benefits is provided for payment of retirement benefits to directors, corporate auditors and other executive officers in the amount deemed to have accrued at the interim period-end based on our internal regulations.

(Change in depreciation method)

A reserve for executive retirement benefits had been recognized as an expense upon payment in the past. In accordance with the auditing treatment related to reserve defined under the Special Tax Measurement Law, reserves defined under the Special Law and Reserve for Directors and Corporate Auditor Retirement Benefits (JICPA Auditing and Assurance Practice Committee report No. 42, April 13, 2007) effective from the fiscal year starting April 1, 2007, the Group has adopted the report from the year ended March 31, 2008. As a result, income before income taxes and minority interests was ¥449 million (\$4,489 thousand) less for the year ended March 31, 2008 than it would have been with the previous accounting method.

(r) Reserve for reimbursement of deposits

A reserve for reimbursement of deposits which were not recognized as liabilities under certain conditions is provided for possible losses on the future claims of withdrawal based on historical reimbursement experience.

(Change in depreciation method)

Formerly, deposits which had not been recognized as liabilities were expensed when they were actually reimbursed. However from the year ended March 31, 2008 such reserve is provided in an estimated amount in accordance with the treatment for auditing of reserve under Special Taxation Measures Law, “Reserve under Special Laws and Reserve for Retirement Benefits to Directors and Corporate Auditors” (JICPA Audit and Assurance Practice Committee Report No. 42). As a result, income before income taxes and minority interests decreased ¥251 million (\$2,508 thousand) less for the year ended March 31, 2008 than it would have been with the previous accounting method.

(s) Reserve for contingencies

A provision is made in an amount deemed necessary to cover possible losses resulting from the default of loans under a responsibility sharing system with credit guarantee associations based primarily on historical default rates.

(Additional information)

On October 1, 2007, a responsibility sharing system was established for credit guarantee associations under which financial institutions share losses resulting from payments in subrogation by credit guarantee associations. For the year ended March 31, 2008, the Bank made an initial provision for possible losses under the responsibility sharing system in an amount of ¥477 million (\$4,767 thousand). The reserve for contingencies recognized on the consolidated statement as of March 31, 2008 was ¥477 million (\$4,767 thousand).

(t) Accounting standard for treasury shares and appropriation of legal reserve

The Group has adopted the “Accounting Standard for Treasury Shares and Appropriation of Legal Reserve” and its implementation guidance issued by ASBJ on August 11, 2006. This accounting change had no effect on the consolidated financial statements.

(u) Accounting Standards for Financial Instruments

Provisions are provided for securities as stipulated by regulations such as the “Accounting Standards for Financial Instruments” (ASBJ Statement No. 10) and the “Accounting Practices for Financial Instruments” (JICPA Accounting Practice Committee Report No. 14) which were partially revised on June 15 and July 4, 2007, respectively, and became effective from the fiscal year ending on or after the implementation day of the Financial Instruments and Exchange Law. The Group, accordingly, applied the revised accounting standards and practices from this fiscal year.

(v) Income taxes

Income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carryforwards. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

(w) Appropriation of retained earnings

Cash dividends are recorded in the fiscal year when a proposed appropriation of retained earnings is approved by the stockholders. See Note 2 (p) for the accounting for bonuses to directors and corporate auditors.

(x) Per share data

Net income per share is computed by dividing income available to common stockholders by the weighted average number of shares of common stock outstanding during the respective years. Diluted net income per share is not disclosed as the Group had no diluted common shares for the years ended March 31, 2008 or 2007.

Cash dividends per share shown in the accompanying consolidated statements of income represent dividends declared by the Bank as applicable to the respective year.

3. Trading Securities and Investment Securities

At March 31, 2008 and 2007, trading securities consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Japanese government bonds	¥ 507	¥ 453	\$ 5,070	\$ 4,524
Local government bonds	34	53	347	539
	<u>¥ 542</u>	<u>¥ 507</u>	<u>\$ 5,417</u>	<u>\$ 5,063</u>

At March 31, 2008 and 2007, investment securities consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Japanese government bonds	¥ 256,773	¥ 261,282	\$ 2,562,866	\$ 2,607,866
Local government bonds	34,638	32,859	345,724	327,968
Bonds and debentures	274,756	249,555	2,742,353	2,490,821
Equity securities	100,406	145,274	1,002,164	1,449,992
Other	173,517	190,764	1,731,887	1,904,027
	<u>¥ 840,092</u>	<u>¥ 879,735</u>	<u>\$ 8,384,994</u>	<u>\$ 8,780,674</u>

At March 31, 2008 Japanese government bonds as a sub-account of securities included ¥28,422 million (\$283,685 thousand) of unsecured loaned securities for which borrowers had a right to sell or pledge.

Securities are classified as trading, held-to-maturity or available-for-sale. The classification determines the respective accounting method that should be used as stipulated by the accounting standard for financial instruments. At March 31, 2008 and 2007, the carrying values of trading securities and the related net unrealized losses or gains included in the consolidated statements of income were as follows:

	Millions of yen				Thousands of U.S. dollars			
	2008		2007		2008		2007	
	Carrying value	Unrealized losses	Carrying value	Unrealized gains	Carrying value	Unrealized losses	Carrying value	Unrealized gains
Trading securities	¥ 542	¥ (0)	¥ 507	¥ (0)	\$ 5,417	\$ (9)	\$ 5,063	\$ (0)

At March 31, 2008 and 2007, gross unrealized gains and losses for marketable held-to-maturity securities were as follows:

	Carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
	Millions of yen			
Held-to-maturity debt securities with fair value at March 31, 2008:				
Local government bonds	¥ 198	¥ 2	¥ -	¥ 201
Bonds and debentures	9,191	211	(0)	9,402
	<u>¥ 9,390</u>	<u>¥ 213</u>	<u>¥ (0)</u>	<u>¥ 9,604</u>
Held-to-maturity debt securities with fair value at March 31, 2007:				
Local government bonds	¥ 250	¥ 4	¥ -	¥ 254
Bonds and debentures	10,530	221	(1)	10,750
	<u>¥ 10,781</u>	<u>¥ 225</u>	<u>¥ (1)</u>	<u>¥ 11,005</u>

	Thousands of U.S. dollars			
	Carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
Held-to-maturity debt securities with fair value at March 31, 2008:				
Local government bonds	\$ 1,984	\$ 23	\$ -	\$ 2,007
Bonds and debentures	91,745	2,108	(2)	93,851
	<u>\$ 93,729</u>	<u>\$ 2,131</u>	<u>\$ (2)</u>	<u>\$ 95,858</u>

Held-to-maturity debt securities with fair value at March 31, 2007:

Local government bonds	\$ 2,501	\$ 41	\$ -	\$ 2,542
Bonds and debentures	105,109	2,208	(12)	107,305
	<u>\$ 107,610</u>	<u>\$ 2,249</u>	<u>\$ (12)</u>	<u>\$ 109,847</u>

At March 31, 2008 and 2007, gross unrealized gains and losses for marketable available-for-sale securities were as follows:

	<u>Costs</u>	<u>Gross unrealized gains</u>	<u>Gross unrealized losses</u>	<u>Fair and carrying value</u>
Millions of yen				
Available-for-sale securities with fair value at March 31, 2008:				
Japanese government bonds	¥ 256,791	¥ 3,434	¥ (3,452)	¥ 256,773
Local government bonds	33,691	757	(9)	34,439
Bonds and debentures	244,797	3,257	(329)	247,725
Equity securities	57,354	43,300	(2,323)	98,331
Other	175,961	1,443	(3,887)	173,517
	<u>¥ 768,596</u>	<u>¥ 52,192</u>	<u>¥ (10,001)</u>	<u>¥ 810,787</u>

Available-for-sale securities with fair value at March 31, 2007:

Japanese government bonds	¥ 261,116	¥ 2,198	¥ (2,033)	¥ 261,282
Local government bonds	32,484	251	(127)	32,608
Bonds and debentures	220,448	974	(752)	220,670
Equity securities	56,282	87,123	(415)	142,991
Other	186,447	6,127	(1,810)	190,764
	<u>¥ 756,780</u>	<u>¥ 96,674</u>	<u>¥ (5,138)</u>	<u>¥ 848,316</u>

Thousands of U.S. dollars

Available-for-sale securities with fair value at March 31, 2008:

Japanese government bonds	\$ 2,563,042	\$ 34,281	\$ (34,456)	\$ 2,562,867
Local government bonds	336,278	7,557	(94)	343,741
Bonds and debentures	2,443,328	32,511	(3,287)	2,472,552
Equity securities	572,460	432,186	(23,191)	981,455
Other	1,756,278	14,405	(38,801)	1,731,882
	<u>\$ 7,671,386</u>	<u>\$ 520,940</u>	<u>\$ (99,829)</u>	<u>\$ 8,092,497</u>

Available-for-sale securities with fair value at March 31, 2007:

Japanese government bonds	\$ 2,606,217	\$ 21,943	\$ (20,294)	\$ 2,607,866
Local government bonds	324,230	2,506	(1,269)	325,467
Bonds and debentures	2,200,304	9,724	(7,507)	2,202,521
Equity securities	561,762	869,584	(4,143)	1,427,203
Other	1,860,942	61,156	(18,075)	1,904,023
	<u>\$ 7,553,455</u>	<u>\$ 964,913</u>	<u>\$ (51,288)</u>	<u>\$ 8,467,080</u>

During the years ended March 31, 2008 and 2007, the Group recorded a loss on the write-down of marketable available-for-sale securities due to other than temporary impairments in value amounting to ¥1,267 million (\$12,647 thousand) and ¥265 million (\$2,650 thousand), respectively.

At March 31, 2008 and 2007, net unrealized gains on available-for-sale securities, net of applicable income taxes and minority interests, recorded in a component of equity on the consolidated balance sheets were as follows:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Unrealized gains	¥ 42,191	¥ 91,536	\$ 421,112	\$ 913,625
Less applicable income taxes	(14,758)	(34,711)	(147,307)	(346,452)
Less minority interests portion	(6)	(24)	(66)	(250)
Net unrealized gains in equity	<u>¥ 27,425</u>	<u>¥ 56,800</u>	<u>\$ 273,739</u>	<u>\$ 566,923</u>

During the years ended March 31, 2008 and 2007, the Group sold available-for-sale securities and recorded gains of ¥3,133 million (\$31,279 thousand) and ¥3,737 million (\$37,299 thousand), respectively, and losses of ¥525 million (\$5,246 thousand) and ¥2,725 million (\$27,202 thousand), respectively, on the consolidated statements of income.

Expected maturities of debt securities classified as held-to-maturity and available-for-sale at March 31, 2008 and 2007 were as follows:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Due in one year or less	¥ 62,490	¥ 46,815	\$ 623,720	\$ 467,263
Due after one year through five years	409,159	398,721	4,083,837	3,979,656
Due after five years through ten years	159,031	163,004	1,587,301	1,626,958
Due after ten years	104,587	113,412	1,043,896	1,131,977
	<u>¥ 735,269</u>	<u>¥ 721,954</u>	<u>\$ 7,338,754</u>	<u>\$ 7,205,854</u>

4. Loans and Bills Discounted

At March 31, 2008 and 2007, loans and bills discounted consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Bills discounted	¥ 48,087	¥ 59,077	\$ 479,960	\$ 589,659
Loans on bills	96,195	108,684	960,134	1,084,785
Loans on deeds	1,150,231	1,106,478	11,480,498	11,043,802
Overdrafts	199,691	201,405	1,993,131	2,010,234
	<u>¥ 1,494,205</u>	<u>¥ 1,475,646</u>	<u>\$ 14,913,723</u>	<u>\$ 14,728,480</u>

Bills discounted are accounted for as financial transactions in accordance with JICPA Industry Audit Committee Report No. 24, "Accounting and Auditing Treatment of Accounting Standards for Financial Instruments in Banking Industry." The Group has rights to sell or pledge bankers' acceptances, commercial bills, documentary bills and foreign exchanges without restrictions. The total face value of these bills amounted to ¥48,122 million (\$480,308 thousand) and ¥59,229 million (\$591,170 thousand) at March 31, 2008 and 2007, respectively.

Claims to borrowers in bankruptcy and past due loans amounted to ¥50,362 million (\$502,670 thousand) and ¥42,939 million (\$428,577 thousand) at March 31, 2008 and 2007, respectively and are included in loans and bills discounted. Loans are generally placed on non-accrual status when

substantial doubt is judged to exist as to the ultimate collectibility of either principal or interest if they are past due for a certain period or for other reasons. Claims to borrowers in bankruptcy represent non-accrual loans, after the charge-off of claims deemed uncollectible, to borrowers who are legally bankrupt, which are defined in Article 96, Paragraph 1, Subparagraph 3 and 4 of the Enforcement Ordinance for the Corporation Tax Law of Japan. Past due loans are non-accrual loans other than claims for borrowers in bankruptcy and loans for which interest payments are deferred in order to assist the financial recovery of borrowers in financial difficulties.

At March 31, 2008 and 2007, delinquent loans for which the payment of principal and/or interest was contractually past due three months or more, excluding non-accrual loans, amounted to ¥374 million (\$3,737 thousand) and ¥286 million (\$2,859 thousand), respectively.

At March 31, 2008 and 2007, “restructured loans” of which the Bank had restructured the terms, such as a reduction of the original interest rate, forbearance of interest and/or principal payments, and an extension of the maturity date in order to support borrowers in their financial recovery or restructuring, excluding “claims to borrowers in bankruptcy,” “past due loans” and “delinquent loans contractually past due three months or more” disclosed above, amounted to ¥7,548 million (\$75,345 thousand) and ¥4,182 million (\$41,743 thousand), respectively.

Total non-performing assets, net of charge-off of claims deemed uncollectible, which consisted of “claims to borrowers in bankruptcy,” “past due loans,” “delinquent loans contractually past due three months or more” and “restructured loans,” aggregated ¥58,285 million (\$581,752 thousand) and ¥47,407 million (\$473,179 thousand) at March 31, 2008 and 2007, respectively.

5. Foreign Exchange

At March 31, 2008 and 2007, foreign exchange consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Assets:				
Due from banks	¥ 835	¥ 649	\$ 8,340	\$ 6,482
Foreign bills of exchange purchased	34	151	348	1,511
Foreign bills of exchange receivable	573	646	5,727	6,456
	<u>¥ 1,444</u>	<u>¥ 1,447</u>	<u>\$ 14,415</u>	<u>\$ 14,449</u>
	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Liabilities:				
Due to banks	¥ 1	¥ 1	\$ 10	\$ 11
Foreign bills of exchange sold	302	178	3,019	1,779
Foreign bills of exchange payable	110	80	1,100	799
	<u>¥ 413</u>	<u>¥ 259</u>	<u>\$ 4,129</u>	<u>\$ 2,589</u>

6. Tangible Fixed Assets

At March 31, 2008 and 2007, tangible fixed assets consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Land	¥ 23,471	¥ 23,819	\$ 234,271	\$ 237,740
Buildings and structures	19,476	19,263	194,395	192,268
Equipment and furniture	10,537	11,040	105,178	110,199
Property held for leases	45,901	50,248	458,145	501,536
Construction in progress	11	13	119	131
Other tangible fixed assets	2,584	2,668	25,798	26,634
	<u>101,983</u>	<u>107,053</u>	<u>1,017,906</u>	<u>1,068,508</u>
Less accumulated depreciation	(52,513)	(55,292)	(524,136)	(551,878)
Tangible fixed assets	<u>¥ 49,470</u>	<u>¥ 51,761</u>	<u>\$ 493,770</u>	<u>\$ 516,630</u>

As permitted by the accounting principles and practices generally accepted in Japan, deferred capital gains on sales on real property are deducted from the original acquisition cost of property newly acquired for replacement purposes in the same line of business as the property sold by the Bank. At March 31, 2008 and 2007, respectively, the amount of ¥2,333 million (\$23,293 thousand) was directly reduced from the acquisition cost of land.

The Bank elected the one-time revaluation of land used for the banking business effective on March 31, 1998, reflecting appropriate adjustments for land shape and other factors, based on the appraisal values issued by the Japanese National Tax Agency under the Law Concerning Revaluation of Land (the "Law"). According to the Law, the amount equivalent to the tax effect on the excess of sound reassessed values over the original book value is stated as deferred tax liabilities for revaluation account, and the rest of the excess, net of the tax effect, is disclosed as a land revaluation increment account and included in equity on the consolidated balance sheets. At March 31, 2008 and 2007, the differences in the carrying values of land used for the banking business after reassessment over the current market value at March 31, 2007 amounted to ¥2,307 million (\$23,029 thousand) and ¥6,483 million (\$64,708 thousand), respectively.

7. Pledged Assets

At March 31, 2008 and 2007, investment securities totaling ¥36,755 million (\$366,855 thousand) and ¥37,802 million (\$377,307 thousand), respectively, were pledged as collateral for security deposits received related to lending transactions of ¥36,749 million (\$366,797 thousand) and ¥37,889 million (\$378,175 thousand), respectively.

At March 31, 2008 and 2007, investment securities totaling ¥39,742 million (\$396,669 thousand) and ¥38,461 million (\$383,888 thousand), respectively, were pledged as collateral for the settlement of exchange, derivative and other transactions.

At March 31, 2008 and 2007, minimum lease commitments to be received totaling ¥1,787 million (\$17,838 thousand) and ¥4,090 million (\$40,829 thousand) were pledged as collateral for borrowing of ¥730 million (\$7,286 thousand) and ¥2,510 million (\$25,052 thousand), respectively.

8. Deposits

At March 31, 2008 and 2007, deposits consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Demand deposits	¥ 1,126,517	¥ 1,141,668	\$ 11,243,812	\$ 11,395,036
Time deposits	1,092,834	1,036,371	10,907,617	10,344,058
Other	29,336	25,473	292,813	254,251
Subtotal	2,248,688	2,203,513	22,444,242	21,993,345
Negotiable certificates of deposit	4,040	6,920	40,323	69,069
	<u>¥ 2,252,728</u>	<u>¥ 2,210,433</u>	<u>\$ 22,484,565</u>	<u>\$ 22,062,414</u>

9. Borrowings

At March 31, 2008, the annual maturities of borrowings due through February 2013 with an average interest rate of 1.40% per annum were as follows:

Year ending March 31,	Millions of yen	Thousands of U.S. dollars
2009	¥ 4,838	\$ 48,288
2010	2,425	24,204
2011	1,875	18,714
2012	1,500	14,972
2013	610	6,089
	<u>¥ 11,248</u>	<u>\$ 112,267</u>

10. Employee Retirement Benefits

The Group has qualified pension plans and lump-sum retirement benefit plans, which substantially cover all employees.

The reserve for employee retirement benefits as of March 31, 2008 and 2007 were analyzed as follows:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Projected benefit obligation	¥ 19,904	¥ 20,006	\$ 198,672	\$ 199,689
Less fair value of pension plan assets at end of year	(23,242)	(27,763)	(231,987)	(277,111)
Projected benefit obligation in excess of pension plan assets	(3,337)	(7,756)	(33,315)	(77,422)
Less unrecognized actuarial differences (loss)	(3,829)	336	(38,217)	3,359
	(7,166)	(7,420)	(71,532)	(74,063)
Prepaid pension cost	10,119	10,224	101,003	102,046
Balance of reserve for employee retirement benefits recognized on the consolidated balance sheets	<u>¥ 2,952</u>	<u>¥ 2,803</u>	<u>\$ 29,471</u>	<u>\$ 27,983</u>

Note: The projected benefit obligation of certain subsidiaries is calculated using a simplified calculation method as permitted by the accounting standard for employee retirement benefits.

Net periodic retirement benefit expenses for the years ended March 31, 2008 and 2007 were as follows:

	Millions of yen		Thousands of U.S dollars	
	2008	2007	2008	2007
Components of net periodic retirement benefit expenses:				
Service cost	¥ 568	¥ 562	\$ 5,675	\$ 5,610
Interest cost	400	398	3,994	3,981
Expected return on pension plan assets	(463)	(455)	(4,622)	(4,544)
Amortization of actuarial differences	215	281	2,153	2,807
Other	30	29	301	298
Net periodic retirement benefit expenses	¥ 751	¥ 816	\$ 7,501	\$ 8,152

Major assumptions used in the calculation of the above information for the years ended March 31, 2008 and 2007 were as follows:

	2008	2007
Method attributing the projected benefits to periods of services	Straight-line method	Straight-line method
Discount rate	2.0%	2.0%
Expected rate of return on pension plan assets	2.5%	2.5%
Amortization of actuarial differences	13~14 years	13~14 years
Amortization of prior service cost	1 year	1 year

11. Acceptances and Guarantees

The Bank provides guarantees for liabilities of its customers for payments of loans from other financial institutions. A contra account, "Customers' liabilities for acceptances and guarantees," is classified as an asset in the consolidated balance sheets, indicating the Bank's right of indemnity from customers.

At March 31, 2008 and 2007, liabilities for guarantees on corporate bonds included in "Investment securities," which were issued by private placement (Article 2 Paragraph 3 of the Securities and Exchange Law) amounted to ¥17,839 million (\$178,055 thousand) and ¥18,247 million (\$182,126 thousand), respectively.

From the year ended March 31, 2007, the respective amounts of "Acceptances and guarantees" and "Customers' liabilities for acceptances and guarantees" relating to the liabilities for guarantees are netted in accordance with the revision of the appendix forms of the "Banking Law Enforcement Regulations" (Ministry of Finance Ordinance No. 10, 1982) by the "Cabinet Office Ordinance to Amend Part of Banking Law Enforcement Regulations" (Cabinet Office Ordinance No. 38, April 17, 2007) effective from the year beginning April 1, 2006. As a result, "Acceptances and guarantees" and "Customers' liabilities for acceptances and guarantees" were each ¥18,247 million (\$154,572 thousand) less than they would have been with the previous accounting method.

12. Net Assets

At March 31, 2008 and 2007, the authorized number of shares of common stock without par value was 30 million, and the number of shares of common stock issued was 10,943,240 shares. At March 31, 2008 and 2007, the number of share of treasury stock held by the Group was 52,791 and 47,650 shares, respectively.

At March 31, 2008 and 2007, capital surplus principally consisted of additional paid-in capital. Included in retained earnings was the legal reserve of the Bank in the amount of ¥5,392 million (\$53,827 thousand) at March 31, 2008 and 2007, respectively. The Japanese Banking Law provides that an amount equivalent to at least 20% of the cash payments as appropriations of retained earnings shall be

appropriated as the legal reserve until the total amount of additional paid-in capital and such reserve equals the capital of common stocks. The legal reserve is not available for distributions as dividends, but may be used to reduce a deficit or may be transferred to capital of common stocks by proper action of the Board of Directors and/or stockholders.

The stockholders of the Bank approved the following appropriation of retained earnings at the annual general meeting on June 27, 2008:

	<u>Millions of yen</u>	<u>Thousands of U.S. dollars</u>
Cash dividends (¥45 per share)	¥ 490	\$ 4,891

13. Commitments

(a) Loan commitments

Contracts of overdraft facilities and loan commitment limits are agreements that allow customers to extend overdrafts or loans up to prescribed limits as long as there is no violation of any condition in the contract. At March 31, 2008 and 2007, the unused amounts within the limits of these contracts which expire within one year or are revocable by the Bank at any time without any conditions aggregated ¥440,213 million (\$4,393,783 thousand) and ¥421,723 million (\$4,209,233 thousand), respectively.

Since many of these commitments expire without being drawn down, the unused amount does not necessarily represent a future cash flow. Most of these contracts have conditions that the Bank can refuse customers' applications or decrease the contract limits for appropriate reasons such as changes in the financial situation, deterioration in creditworthiness, etc. At the inception of the contracts, the Bank obtains real estate, securities, etc., as collateral if considered necessary. Subsequently, the Bank performs periodic reviews of the customers' business performance in accordance with the Bank's internal rules and takes necessary measures such as requiring additional collateral and/or guarantees to prevent losses.

(b) Lease commitments

The Group has entered into various lease agreements as a lessee principally for land for office space. The leases are generally cancelable with a few months advance notice. In addition, a subsidiary engaged in the leasing business as a lessor entered into various long-term, noncancelable lease agreements with third parties that were categorized as finance leases. At March 31, 2008 and 2007, the aggregate future minimum lease commitments to be received for such noncancelable finance leases, excluding the ones under which ownership of the leased property was recognized as transferred to the lessee, were as follows:

	<u>Millions of yen</u>		<u>Thousands of U.S. dollars</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Due within one year	¥ 4,487	¥ 4,909	\$ 44,787	\$ 48,999
Due after one year	10,939	11,887	109,192	118,647
	<u>¥ 15,427</u>	<u>¥ 16,796</u>	<u>\$ 153,979</u>	<u>\$ 167,646</u>

14. Derivative Instruments

The Bank has entered into various derivative transactions in the normal course of business to meet the needs of its customers and for risk management and asset-liability management purposes of the Bank. These derivatives involve, in various degrees, credit and market risks. The Bank is exposed to credit loss in the event of non-performance by the other parties. However, the Bank does not expect non-performance by counterparties.

At March 31, 2008 and 2007, derivative instruments which were traded on the over-the-counter market and stated at fair value and recognized for valuation gains and losses in the consolidated statements of income, other than those to which hedge accounting was applied, were summarized as follows:

	Notional principal or contract amounts		Fair value	Valuation gains/(losses)
	Total	Over 1 year		
Millions of yen				
At March 31, 2008:				
Foreign exchange forward contracts	¥ 16,225	¥ 1,662	¥ 680	¥ 680
Currency swap contracts	19,122	-	-	-
Interest swap contracts	1,800	-	-	-
At March 31, 2007:				
Foreign exchange forward contracts	¥ 16,391	¥ 99	¥ (74)	¥ (74)
Currency swap contracts	31,188	19,188	-	-
Interest swap contracts	2,000	1,000	-	-
Thousands of U.S. dollars				
At March 31, 2008:				
Foreign exchange forward contracts	\$ 161,950	\$ 16,595	\$ 6,792	\$ 6,792
Currency swap contracts	190,857	-	-	-
Interest swap contracts	17,966	-	-	-
At March 31, 2007:				
Foreign exchange forward contracts	\$ 163,600	\$ 992	\$ (744)	\$ (744)
Currency swap contracts	311,289	191,516	-	-
Interest swap contracts	19,962	9,981	-	-

Note: Fair value is based on the discounted cash flow method or option pricing calculation model.

15. Income Taxes

Income taxes for the years ended March 31, 2008 and 2007 consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Income taxes:				
Current	¥ 5,053	¥ 5,476	\$ 50,442	\$ 54,657
Deferred	(1,048)	524	(10,463)	5,233
	<u>¥ 4,005</u>	<u>¥ 6,000</u>	<u>\$ 39,979</u>	<u>\$ 59,890</u>

The tax effects of temporary differences that gave rise to a significant portion of deferred tax assets and liabilities at March 31, 2008 and 2007 were as follows:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Deferred tax assets:				
Reserve for possible loan losses	¥ 3,250	¥ 2,392	\$ 32,443	\$ 23,876
Reserve for employee retirement benefits	2,474	2,336	24,695	23,316
Investment securities	3,566	3,061	35,600	30,560
Other	4,462	4,126	44,535	41,186
	<u>13,753</u>	<u>11,916</u>	<u>137,273</u>	<u>118,938</u>
Less valuation allowance	<u>(4,195)</u>	<u>(3,311)</u>	<u>(41,871)</u>	<u>(33,053)</u>
	9,558	8,604	95,402	85,885
Deferred tax liabilities:				
Unrealized gains on available-for-sale securities	14,758	34,711	147,307	346,452
Deferred gains on sale of property	245	228	2,445	2,283
Gains on transfer of investment securities for trusts for retirement benefit plans	4,040	4,040	40,332	40,332
	<u>19,044</u>	<u>38,980</u>	<u>190,084</u>	<u>389,067</u>
Net deferred tax liabilities	<u>¥ 9,486</u>	<u>¥ 30,375</u>	<u>\$ 94,682</u>	<u>\$ 303,182</u>

At March 31, 2008 and 2007, deferred tax assets and liabilities reported on the accompanying consolidated balance sheets were as follows:

	Millions of yen		Thousands of U.S. dollars	
	2008	2007	2008	2007
Deferred tax assets	¥ 816	¥ 398	\$ 8,154	\$ 3,981
Deferred tax liabilities	10,303	30,774	102,836	307,164

In assessing the realizability of deferred tax assets, management of the Group considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. At March 31, 2008 and 2007, a valuation allowance was provided to reduce deferred tax assets to the extent that the management believed that of the deferred tax assets were realizable.

A reconciliation of the Japanese statutory effective tax rate and the actual effective income tax rate on pre-tax income reflected in the accompanying consolidated statements of income for the year ended March 31, 2008 was as follows:

	Percentage of pre-tax income
Japanese statutory effective tax rate	40.55%
Increase (decrease) due to:	
Permanently non-deductible expenses	0.75
Tax exempt income	(4.68)
Change in valuation allowance	10.44
Other	0.41
Actual effective income tax rate	<u>47.48%</u>

The reconciliation for the year ended March 31, 2007 is not disclosed as such difference was not material.

16. Segment Information

A summary of information classified by lines of business of the Group for the years ended March 31, 2008 and 2007 is as follows:

	Bank	Leasing	Other	Total	Elimination	Consolidated
Millions of yen						
For the year 2008:						
Ordinary income:						
External customers	¥ 51,781	¥ 7,836	¥ 2	¥ 59,619	¥ -	¥ 59,619
Intersegment	75	268	103	447	(447)	-
	51,856	8,104	105	60,066	(447)	59,619
Ordinary expenses	41,748	8,325	84	50,157	(445)	49,712
Ordinary profit (loss)	¥ 10,108	¥ (220)	¥ 21	¥ 9,908	¥ (1)	¥ 9,907
Special income (expenses), net						(1,471)
Income before income taxes and minority interests						¥ 8,435
Identifiable assets	¥ 2,528,718	¥ 20,361	¥ 152	¥ 2,549,232	¥ (6,133)	¥ 2,543,098
Depreciation	1,427	5,660	0	7,088	-	7,088
Impairment loss on fixed assets	543	-	-	543	-	543
Capital expenditures	997	4,388	-	5,385	-	5,385
For the year 2007:						
Ordinary income:						
External customers	¥ 50,461	¥ 7,979	¥ 6	¥ 58,447	¥ -	¥ 58,447
Intersegment	70	276	105	451	(451)	-
	50,531	8,255	111	58,898	(451)	58,447
Ordinary expenses	38,621	7,783	85	46,491	(448)	46,042
Ordinary profit	¥ 11,910	¥ 471	¥ 25	¥ 12,407	¥ (2)	¥ 12,405
Special income (expenses), net						1,904
Income before income taxes and minority interests						¥ 14,309
Identifiable assets	¥ 2,527,725	¥ 22,814	¥ 149	¥ 2,550,689	¥ (7,082)	¥ 2,543,607
Depreciation	1,178	5,537	0	6,716	-	6,716
Impairment loss on fixed assets	195	-	-	195	-	195
Capital expenditures	2,138	5,947	-	8,085	-	8,085
Thousands of U.S. dollars						
For the year 2008:						
Ordinary income:						
External customers	\$ 516,830	\$ 78,212	\$ 25	\$ 595,067	\$ -	\$ 595,067
Intersegment	751	2,679	1,032	4,462	(4,462)	-
	517,581	80,891	1,057	599,529	(4,462)	595,067
Ordinary expenses	416,692	83,095	841	500,628	(4,448)	496,180
Ordinary profit (loss)	\$ 100,889	\$ (2,204)	\$ 216	\$ 98,901	\$ (14)	\$ 98,887
Special income (expenses), net						(14,691)
Income before income taxes and minority interests						\$ 84,196
Identifiable assets	\$ 25,239,233	\$ 203,228	\$ 1,523	\$ 25,443,984	\$ (61,224)	\$ 25,382,760
Depreciation	14,245	56,500	4	70,749	-	70,749
Impairment loss on fixed assets	5,426	-	-	5,426	-	5,426
Capital expenditures	9,953	43,802	-	53,755	-	53,755
For the year 2007:						
Ordinary income:						
External customers	\$ 503,661	\$ 79,641	\$ 63	\$ 583,365	\$ -	\$ 583,365
Intersegment	699	2,757	1,048	4,504	(4,504)	-
	504,360	82,398	1,111	587,869	(4,504)	583,365
Ordinary expenses	385,485	77,688	856	464,029	(4,481)	459,548
Ordinary profit	\$ 118,875	\$ 4,710	\$ 255	\$ 123,840	\$ (23)	\$ 123,817
Special income (expenses), net						19,010
Income before income taxes and minority interests						\$ 142,827
Identifiable assets	\$ 25,229,321	\$ 227,711	\$ 1,493	\$ 25,458,525	\$ (70,692)	\$ 25,387,833
Depreciation	11,762	55,266	6	67,034	-	67,034
Impairment loss on fixed assets	1,955	-	-	1,955	-	1,955
Capital expenditures	21,345	59,358	-	80,703	-	80,703

Information for geographic segment and overseas sales is not shown as the Bank had no subsidiaries outside Japan and overseas sales were immaterial.

Notes: (1) "Ordinary income" represents total income less certain special income included in other income in the accompanying consolidated statements of income. "Ordinary expenses" represents total expenses less certain special expenses included in other expenses. "Ordinary profit" represents ordinary income less ordinary expenses.

(2) The "Other" business segment includes information technology management operations.

17. Transactions with Related Parties

Significant transactions with related parties in the year ended March 31, 2008 were as follows:

Name	Business	Description of the Bank's transaction	Transaction amount (millions of yen)	Transaction amount (thousands of U.S. dollars)	Account	Balances (millions of yen)	Balances (thousands of U.S. dollars)
Takashi Yokoi	Office Worker	Loan lending	(Average balance during period) ¥ 51	\$ 509	Loans and bills discounted	¥ 50	\$ 506
			(Interest on loans and bills discounted) ¥ 1	\$ 9			

Significant transactions with related parties in the year ended March 31, 2007 were as follows:

Name	Business	Description of the Bank's transaction	Transaction amount (millions of yen)	Transaction amount (thousands of U.S. dollars)	Account	Balances (millions of yen)	Balances (thousands of U.S. dollars)
Takashi Yokoi	Office Worker	Loan lending	(Average balance during period) ¥ 52	\$ 519	Loans and bills discounted	¥ 52	\$ 519
			(Interest on loans and bills discounted) ¥ 1	\$ 9			