

For Immediate Press Release:

Consolidated Financial Results
for the 3rd Quarter Results of Fiscal 2005



Highlights for the 3rd Quarter of Fiscal 2005

Three Months Ended December 31, 2005

- Consolidated net income was JPY 5,315 million, JPY 755 million or 16.6% above the three months ended December 31, 2004.
- Ordinary income increased 15.8% or JPY 2,291 million to JPY 16,791 million over the prior year quarter led by growth in interest income (up JPY 1,224 million or 11.5%) and fee income (up JPY 1,034 million or 53.1%).
- In the nine months ended December 31, 2005, loans and discounted bills grew JPY 116 billion, JPY 60 billion of which occurred in the last three months.

Nine Months Ended December 31, 2005

- Consolidated net income before income tax increased 8.2% or JPY 1,747 million to JPY 22,990 million.
- Consolidated net income increased 3.8% or JPY 501 million to JPY 13,575 million. Non-consolidated net income increased 6.9% or JPY 838 million to JPY 12,962 million.
- Return on assets and return on equity remained strong at 1.24% and 21.86%, respectively.
- Loans and discounted bills expanded to JPY 984 billion, up JPY 180 billion or 22.5% compared with December 2004. Both business segments contributed significantly to our year-over-year loan growth with Retail Banking loans up 42.4% and Corporate Banking loans up 20.0% compared with December 2004.
- Organic revenue, which excludes revenue derived from loans purchased at a discount, increased by JPY 3,735 million, an increase of 11.7% compared with the prior year period.
- Deposits grew by JPY 168 billion or 14.5% to JPY 1,331 billion and the mix continues to shift towards retail (82% of deposits from individuals). Our deposit portfolio is stable as time deposits comprise nearly 70% of the total.
- Loan-to-deposit ratio increased from 69.1% to 73.9%.
- Our year-over-year expense to average loan ratio declined from 3.11% to 2.87%, a reduction of 7.5%.
- Non-performing loan ratio declined to 3.99%, down from 5.14% at the end of March 2005

For Immediate Press Release:

February 13, 2006

Consolidated Financial Results for the 3rd Quarter of Fiscal 2005 ended December 31, 2005

Company Name (Code Number): **The Tokyo Star Bank, Limited** (8384)
 (URL <http://www.tokyostarbank.co.jp/>)
 Stock Exchange Listings: First Section of Tokyo
 Headquarters: Tokyo

The financial information presented here has not been audited
Simplified accounting treatments are used for the depreciation of fixed assets and income taxes.
The amounts are rounded down to the nearest million of yen.

1. Summary of Consolidated Financial Results for the 3rd Quarter of Fiscal 2005

(1) Operating Results

(in millions of yen except per share data and percentages)

	For the nine months ended December 31,		For the year ended March 31, 2005
	2005	2004	
Ordinary income	48,857	45,453	63,059
Change from the previous period	7.5 %	-	
Ordinary profits	15,981	20,061	22,747
Change from the previous period	(20.3)%	-	
Net income	13,575	13,074	14,570
Change from the previous period	3.8 %	-	
Net income per common share (yen)	19,394.14	93,388.59	104,076.22

Average number of shares outstanding:

For the nine months ended December 31, 2005:	(Common stock)	700,000 shares
For the nine months ended December 31, 2004:	(Common stock)	140,000 shares
For the year ended March 31, 2005:	(Common stock)	140,000 shares

Notes

1. "Change from the previous year" for the nine months ended December 31, 2004 is not presented since the 3rd quarter results of fiscal 2003 were not disclosed.
2. The Bank consummated a five-for-one stock split on September 1, 2005. If the stock split had been made at April 1, 2004, net income per common share would have been 18,677.71 yen and 20,815.24 yen for the nine months ended December 31, 2004 and the year ended March 31, 2005, respectively.

(2) Financial Conditions

(in millions of yen except per share data and percentages)

	As of December 31,		As of March 31,
	2005	2004	2005
Total assets	1,463,905	1,283,904	1,450,163
Stockholders' equity	88,061	75,081	76,301
Stockholder's equity as a percentage of total liabilities, minority interest and stockholders' equity	6.0%	5.8%	5.3%
Stockholders' equity per common share	125,801.67	536,298.35	545,011.65

Number of shares outstanding as of:

December 31, 2005:	(Common stock)	700,000	shares
December 31, 2004:	(Common stock)	140,000	shares
March 31, 2005:	(Common stock)	140,000	shares

If the stock split had been made at April 1, 2004, net assets per common share would have been 107,259.67 yen and 109,002.33 yen for the nine months ended December 31, 2004 and the year ended March 31, 2005, respectively.

(3) Scope of Consolidation and Application of the Equity Method

Consolidated subsidiaries: 4 Non-consolidated subsidiaries accounted for under the equity method: -
 Affiliated companies accounted for by the equity method: -

(4) Change in the Scope of Consolidation and Application of the Equity Method

Consolidated subsidiaries:	Newly included:	1	Excluded:	1
Affiliated companies accounted for by the equity method:	Newly included:	-	Excluded:	-

2. Earning Projections for the Fiscal Year Ending March 31, 2006

Earning projections for the fiscal year ending March 31, 2006 remains the same as the ones which were previously disclosed on November 18, 2005 shown as below.

(Projections for Fiscal Year Ending March 31, 2006) (in millions of yen)

Ordinary income	Ordinary profits	Net income
68,647	22,433	14,492

(Note)

The information contains forward-looking statements. The forward-looking statements are inherently susceptible to risks and uncertainties and does not guarantee future performance. Please note that future performance may differ from the prospect due to matters such as changes in business environments.

COMPARISON OF CONSOLIDATED BALANCE SHEETS

(in millions of yen)	As of December 31,		(A)-(B)	As of March 31,
	2005 (A)	2004 (B)		2005
Assets:	(Unaudited)	(Unaudited)		
Cash and due from banks	74,021	35,149	38,872	152,792
Call loans	30,727	25,715	5,012	1,307
Monetary receivables bought	50,589	46,508	4,081	50,264
Trading securities	8	15	(7)	12
Monetary assets held in trust	4,255	4,271	(16)	4,235
Investment securities	292,697	355,765	(63,068)	360,270
Loans and bills discounted	984,595	803,910	180,685	868,115
Foreign exchanges	285	391	(106)	236
Other assets	20,042	9,647	10,395	9,476
Premises and equipment	13,384	16,799	(3,415)	16,591
Deferred tax assets	11,437	7,911	3,526	11,004
Customers' liabilities for acceptances and guarantees	3,670	3,345	325	4,005
Reserve for possible loan losses	(21,808)	(25,529)	3,721	(28,149)
Total assets	1,463,905	1,283,904	180,001	1,450,163
Liabilities and Stockholders' Equity				
Liabilities:				
Deposits	1,321,480	1,162,952	158,528	1,328,076
Negotiable certificates of deposit	10,000	-	10,000	-
Borrowed money	1,000	4,900	(3,900)	4,300
Foreign exchanges	7	0	7	5
Corporate bonds and notes	3,000	3,000	-	3,000
Other liabilities	34,814	32,942	1,872	32,215
Reserve for employee bonus	1,083	775	308	1,416
Reserve for director bonus	423	195	228	235
Deferred tax liabilities	-	34	(34)	-
Goodwill	365	676	(311)	607
Acceptances and guarantees	3,670	3,345	325	4,005
Total liabilities	1,375,844	1,208,822	167,022	1,373,862
Stockholders' equity:				
Common stock	21,000	21,000	-	21,000
Capital surplus	19,000	19,000	-	19,000
Retained earnings	47,864	34,092	13,772	35,588
Unrealized gains on securities available for sale, net of tax	196	989	(793)	713
Total stockholders' equity	88,061	75,081	12,980	76,301
Total liabilities and stockholders' equity	1,463,905	1,283,904	180,001	1,450,163

Note: The amounts are rounded down to the nearest million.

COMPARISON OF CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions of yen)	For the nine months ended December 31,			For year ended
	2005 (A)	2004 (B)	(A)-(B)	March 31, 2005
	(Unaudited)	(Unaudited)		
Ordinary income:	48,857	45,453	3,404	63,059
Interest income	34,143	29,852	4,291	41,121
<i>Interest on loans and discounts</i>	28,015	25,090	2,925	34,540
<i>Interest on and dividends from securities</i>	3,912	3,059	853	4,441
Fees and commissions	7,418	6,932	486	9,480
Other operating income	1,468	1,154	314	1,407
Other ordinary income	5,826	7,513	(1,687)	11,049
Ordinary expenses:	32,875	25,392	7,483	40,311
Interest expenses	5,893	3,780	2,113	5,137
<i>Interest on deposits</i>	5,820	3,638	2,182	4,963
Fees and commissions	1,713	1,104	609	1,718
Other operating expenses	458	1,353	(895)	2,033
General and administrative expenses	19,997	16,924	3,073	23,991
Other ordinary expenses	4,812	2,229	2,583	7,430
Ordinary profits	15,981	20,061	(4,080)	22,747
Extraordinary gains	7,788	1,825	5,963	1,900
<i>Reversal of loan loss reserve</i>	5,779	717	5,062	-
Extraordinary losses	780	643	137	1,220
Income before income taxes	22,990	21,243	1,747	23,428
Income taxes				
Current	9,414	8,169	1,245	11,996
Deferred	-	-	-	(3,138)
Minority interest	-	0	0	0
Net income	13,575	13,074	501	14,570

Note: The amounts are rounded down to the nearest million.

**COMPARISON OF CONSOLIDATED STATEMENTS OF CAPITAL SURPLUS
AND RETAINED EARNINGS**

(in millions of yen)	For the nine months ended December 31,			For year ended
	2005 (A)	2004 (B)	(A)-(B)	March 31, 2005
	(Unaudited)	(Unaudited)		
Capital surplus				
Balance, at beginning of the period	19,000	19,000	-	19,000
Balance, at end of the period	19,000	19,000	-	19,000
Retained earnings				
Balance, at beginning of the period	35,588	22,017	13,571	22,017
Additions	13,575	13,074	501	14,570
<i>Net income</i>	<i>13,575</i>	<i>13,074</i>	<i>501</i>	<i>14,570</i>
Deductions	1,300	1,000	300	1,000
<i>Dividend declared</i>	<i>1,300</i>	<i>1,000</i>	<i>300</i>	<i>1,000</i>
Balance, at end of the period	47,864	34,092	13,772	35,588

Note: The amounts are rounded down to the nearest million.

Selected Financial Information of 3rd Quarter Results

1. Disclosed Claims under Financial Revitalization Law

(in millions of yen)

	As of December 31, 2005 (A)	As of March 31, 2005 (B)	Variance (A)-(B)
Bankruptcy and Quasi-Bankruptcy	8,231	7,934	297
Doubtful	19,097	25,380	(6,283)
Sub-standard	12,070	11,644	426
Total	39,399	44,958	(5,559)

2. BIS Capital Ratio

	As of March 31, 2006 (Forecast)	As of March 31, 2005 (B)
Capital Adequacy Ratio	Mid-8%	8.84%
Tier I Capital Ratio	High-end of 7%	7.89%

3. Balances of Loans and Deposits

	As of December 31, 2005 (A)	As of March 31, 2005 (B)
Individual deposits	1,085,582	1,017,555
Corporations	184,700	191,513
Public entities	48,051	107,282
Financial institutions	3,146	11,725
Total deposits	1,321,480	1,328,076
Loans and Bills Discounted	984,595	868,115

4. Unrealized Gains/Losses on Securities available for sales

(in millions of yen)

As of December 31,

	2005				2004			
	Fair value	Difference	Gain	Loss	Fair value	Difference	Gain	Loss
Held-to-maturity securities:	-	-	-	-	14	0	0	-
Available-for-sale securities:	261,320	334	1,114	779	337,791	1,874	2,031	157
Equities	-	-	-	-	523	369	369	-
Bonds	148,912	31	89	58	220,254	889	909	19
Other	112,407	302	1,024	721	117,012	615	753	138

As of March 31,

	2005			
	Fair value	Difference	Gain	Loss
Held-to-maturity securities:	14	0	0	-
Available-for-sale securities:	320,723	1,202	1,815	612
Equities	493	132	132	-
Bonds	196,682	866	878	11
Other	123,547	203	804	600

5. Derivatives

(1) Interest Rate Derivatives

All interest rate derivatives are for the purpose of hedge.

(2) Currency Derivatives

(in millions of yen)

	As of December 31,						As of March 31,		
	2005			2004			2004		
	Contractual or Notional Amounts	Market Values	Unrealized Gain (Loss)	Contractual or Notional Amounts	Market Values	Unrealized Gain (Loss)	Contractual or Notional Amounts	Market Values	Unrealized Gain (Loss)
Listed:									
Currency Futures	-	-	-	-	-	-	-	-	-
Currency Options	-	-	-	-	-	-	-	-	-
Over-the-counter:									
Currency Swaps	-	-	-	-	-	-	-	-	-
Foreign Exchange Forward Contracts	6,886	(0)	(0)	3,661	(8)	(8)	1,277	(2)	(2)
Currency Options	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Total			(0)			(8)			(2)

(3) Equity Derivatives

Not applicable

(4) Bond Derivatives

(in millions of yen)

	As of December 31,						As of March 31,		
	2005			2004			2004		
	Contractual or Notional Amounts	Market Values	Unrealized Gain (Loss)	Contractual or Notional Amounts	Market Values	Unrealized Gain (Loss)	Contractual or Notional Amounts	Market Values	Unrealized Gain (Loss)
Listed:	-	-	-	11	9	(2)	-	-	-
Over-the-counter:	-	-	-	-	-	-	-	-	-
Total			-			(2)			-

(5) Commodity Derivatives

Not applicable

(6) Credit Derivatives

Not applicable

6. Operating Results on a non-consolidated basis

(in millions of yen)

	3rd Quarter of Fiscal 2005	3rd Quarter of Fiscal 2004	Variance
Gross Operating Profits	32,697	29,707	2,990
Net Interest Income	27,546	24,931	2,615
Net Fees and Commissions	4,020	4,457	(437)
Net Other Operating Income	1,129	319	810
General & Administrative Expenses	19,030	15,588	3,442
Personnel Expenses	8,518	6,860	1,658
Nonpersonnel Expenses	9,601	7,736	1,865
Taxes	909	991	(82)
Net Transfer to General Reserve	–	–	–
Net Operating Income	13,667	14,118	(451)
Other Income & Expenses	575	5,206	(4,631)
Other Income	5,335	7,299	(1,964)
Other Expenses	4,759	2,093	2,666
Credit Costs	4,035	1,721	2,314
Gains & Losses on Available-for-sale Securities	–	170	(170)
Ordinary Profits	14,242	19,325	(5,083)
Extraordinary Gains & Losses	8,219	1,117	7,102
Extraordinary Gains	8,825	1,633	7,192
of which Gains on Reversal of Reserve for Loan Losses	6,168	906	5,262
Extraordinary Losses	606	516	90
Income Taxes	9,499	8,317	1,182
Net Income	12,962	12,124	838