

**Correction of Financial Results
for the First Half of Fiscal 2006 ended September 30, 2006**

Tokyo (Friday, December 22, 2006) – The Tokyo Star Bank, Limited (“Tokyo Star Bank”) announces the following corrections to its Consolidated Financial Results, Non-Consolidated Financial Results and Selected Financial Information for the first half of fiscal 2006 ended September 30, 2006 initially released on November 17, 2006. (Corrected figures are indicated by boldface and underscore.)

Summary of Changes

- (1) As a result of a decrease in risk assets due to the amendment of contract terms misclassification for unused commitment lines on a consolidated basis, the Consolidated Capital Adequacy Ratio has been adjusted upwards from 9.23% to **9.27%**.
- (2) Notes to the Consolidated and Non-Consolidated Balance Sheets regarding the amount of participated loans accounted for as loans to original debtors have been corrected.
- (3) Notes to the Consolidated and Non-Consolidated Balance Sheets regarding the Deferred hedging gain/loss have been corrected (amendment of incorrect wording).

(1-a) Amendment of contract terms misclassification for unused commitment lines

Note 28 of "Notes to the Consolidated Balance Sheet" (Page 8 of Consolidated Financial Results for the First Half of Fiscal 2006 ended September 30, 2006)

Unused commitment line amount within the limits relating to contracts whose original terms were within one year (or contracts unconditionally cancelable at voluntary timing)

(Before Correction)	<u>99,871 million yen</u>
(After Correction)	<u>109,405 million yen</u>

(1-b) Adjustment of Consolidated Capital Adequacy Ratio

- A. "Capital adequacy ratio (based on the domestic standards)" in "(2) Financial Conditions" (Page 1 of Consolidated Financial Results for the First Half of Fiscal 2006 ended September 30, 2006) has been adjusted from 9.23% to **9.27%**.
- B. "Capital adequacy ratio" within "Earnings, Returns and Capital" section in "I. Overview of Consolidated Business Results for the First Half Year Ended September 30, 2006" (Page 1 of SELECTED FINANCIAL INFORMATION For the First Half of Fiscal 2006 (Supplementary)) has been adjusted from 9.23% to **9.27%**.
- C. "**5. Capital Adequacy Ratio [Consolidated]**" (Page 7 of SELECTED FINANCIAL INFORMATION For the First Half of Fiscal 2006 (Supplementary))

(Before Correction)

【Consolidated】

(in millions of yen)

	As of	As of	Change (A)-(B)	As of	Change (A)-(C)
	September 30, 2006 (A)	March 31, 2006 (B)		September 30, 2005 (C)	
(1) Capital Adequacy Ratio	<u>9.23</u>	8.95	<u>0.28</u>	9.04	<u>0.19</u>
(2) Tier I Capital	95,936	87,505	8,431	82,548	13,388
(3) Tier II Capital	<u>10,183</u>	9,790	<u>393</u>	9,350	<u>833</u>
(4) Reductions	—	—	—	—	—
(5) Capital (2)+(3)-(4)	<u>106,120</u>	97,296	<u>8,824</u>	91,899	<u>14,221</u>
(6) Risk-adjusted Assets	<u>1,149,416</u>	1,086,542	<u>62,874</u>	1,016,075	<u>133,341</u>

(After Correction)

【Consolidated】

(in millions of yen)

	As of	As of	Change (A)-(B)	As of	Change (A)-(C)
	September 30, 2006 (A)	March 31, 2006 (B)		September 30, 2005 (C)	
(1) Capital Adequacy Ratio	<u>9.27</u>	8.95	<u>0.32</u>	9.04	<u>0.23</u>
(2) Tier I Capital	95,936	87,505	8,431	82,548	13,388
(3) Tier II Capital	<u>10,152</u>	9,790	<u>362</u>	9,350	<u>802</u>
(4) Reductions	—	—	—	—	—
(5) Capital (2)+(3)-(4)	<u>106,088</u>	97,296	<u>8,792</u>	91,899	<u>14,189</u>
(6) Risk-adjusted Assets	<u>1,144,333</u>	1,086,542	<u>57,791</u>	1,016,075	<u>128,258</u>

(2) Amount of participated loans accounted for as loans to original debtors

A. Note 21 of "Notes to the Consolidated Balance Sheet" (Page 6 of Consolidated Financial Results for the First Half of Fiscal 2006 ended September 30, 2006)

(Before Correction) 223 million yen

(After Correction) 1,223 million yen

B. Note 21 of "Notes to the Non-Consolidated Balance Sheet" (Page 30 of Non-Consolidated Financial Results for the First Half of Fiscal 2006 ended September 30, 2006)

(Before Correction) 19,181 million yen

(After Correction) 20,181 million yen

(3) Amendment of incorrect wording for Deferred hedging gain/loss

Note 29 (2) of "Notes to the Consolidated Balance Sheet" (Page 8 of Consolidated Financial Results for the First Half of Fiscal 2006 ended September 30, 2006)

Note 30 (2) of "Notes to the Non-Consolidated Balance Sheet" (Page 32 of Non-Consolidated Financial Results for the First Half of Fiscal 2006 ended September 30, 2006)

Deferred hedging loss (instead of gain) included in **"Other assets" (instead of "Other liabilities")** is presented as "Deferred gain (loss) on hedging instruments, net of taxes" in "Valuation and translation adjustments."