

For Immediate Release

Company Name: The Tokyo Star Bank, Limited

Name of Representative: Todd Budge

President & CEO

(Code: 8384 TSE First Section)

Issuance of Unsecured Subordinated Bonds

Tokyo (Wednesday, January 31, 2007) – The Tokyo Star Bank, Limited (“Tokyo Star Bank”) hereby announces the conditions of Unsecured Subordinated Bonds as follows:

1	Name of the Bond	Tokyo Star Bank Unsecured Subordinated Callable Bonds – Second Series
2	Aggregate Amount of the Bonds	12.5 billion yen
3	Amount of Each Bond	Single denomination of 100 million yen
4	Interest Rate	Fixed interest rate of 1.95% per annum up to 8 February, 2012. Floating interest rate of 6m/s Euro Yen LIBOR + 2.10% per annum from 9 February, 2012 to 8 February, 2017.
5	Issue Price	100 yen for the nominal amount of 100 yen
6	Redemption Amount	100 yen for the nominal amount of 100 yen
7	Term	10 years (callable after 5 years)
8	Maturity Date	February 8, 2017
9	Interest Payment Date	February 8 and August 8 of every year
10	Offering Date	January 31, 2007
11	Method of Offering	Domestic public offering
12	Closing Date	February 8, 2007
13	Lead Managers	Daiwa Securities SMBC Co. Ltd. Mizuho Securities Co., Ltd.
14	Fiscal Agent	Sumitomo Mitsui Banking Corporation
15	Depository Organization	The Japan Securities Depository Center, Inc. (JASDEC)
16	Rating	A- (JCR)