

Consolidated Financial Results for the First Half of Fiscal 2010
ended September 30, 2010
 <under Japanese GAAP>

Company Name: **The Tokyo Star Bank, Limited**
 (URL <http://www.tokyostarbank.co.jp/>)

Headquarters: Tokyo

Notes:

- The financial information presented here has not been audited.
- The amounts are rounded down to the nearest million of yen.

1. Summary of Consolidated Financial Results
for the First Half of Fiscal 2010 Ended September 30, 2010

(1) Operating Results (millions of yen except per share data and percentages)

	For the six months ended September 30,	
	2010	2009
Ordinary income	39,299	32,439
Change from the previous period	21.1 %	(13.1)%
Ordinary profit	(3,500)	(44)
Change from the previous period	-	-
Net income	(3,105)	96
Change from the previous period	-	-
Net income per common share (yen)	(4,436.94)	138.20
Diluted net income per common share (yen)	-	-

(2) Financial Conditions (millions of yen except per share data and percentages)

	As of September 30,	As of March 31,
	2010	2010
Total assets	2,111,007	2,126,379
Net assets	97,452	93,545
Ratio of net assets to total assets	4.6 %	4.3 %
Net assets per common share (yen)	124,717.35	133,635.96
Capital adequacy ratio (based on the domestic standards)	(Preliminary) 8.90 %	8.54 %

Notes:

1. Net assets, excluding Stock acquisition rights and Minority interests, as of
 September 30, 2010 : 97,302 million yen
 March 31, 2010 : 93,545 million yen
2. Ratio of net assets to total assets
 = (Net assets - Stock acquisition rights - Minority interests) / Total assets X 100
3. Capital adequacy ratio is based on "Financial Services Agency Ordinance Announcement No.19".

2. Others

- (1) Significant Change in the Scope of Consolidation: No
- (2) Change in Policies in preparation of Consolidated Financial Statements
 1. changes due to revision of accounting standards etc.: Yes
 2. changes other than 1. above: No
- (3) Number of shares outstanding as of:
 September 30, 2010 (Common stock) : 700,000 shares
 March 31, 2010 (Common stock) : 700,000 shares
- (4) Number of Treasury Shares Outstanding for the Six Months Ended :
 September 30, 2010 (Common stock) : Not applicable
 March 31, 2010 (Common stock) : Not applicable
- (5) Average Number of Shares Outstanding for the Six Months Ended :
 September 30, 2010 (Common stock) : 700,000 shares
 September 30, 2009 (Common stock) : 700,000 shares

(Reference)

**1. Summary of Non-Consolidated Financial Results
for the First Half of Fiscal 2010 Ended September 30, 2010**

	(millions of yen except per share data and percentages)	
	For the six months ended September 30,	
	2010	2009
Ordinary income	38,748	32,175
Change from the previous period	20.4 %	(13.0)%
Ordinary profit	(3,422)	(2,473)
Change from the previous period	-	-
Net income	(2,280)	(2,054)
Change from the previous period	-	-
Net income per common share (yen)	(3,258.36)	(2,935.22)

	(millions of yen except per share data and percentages)	
	As of September 30,	As of March 31,
	2010	2010
Total assets	2,092,434	2,101,644
Net assets	92,036	87,454
Ratio of net assets to total assets	4.3 %	4.1 %
Net assets per common share (yen)	117,194.64	124,935.08
Capital adequacy ratio (based on the domestic standards)	(Preliminary) 8.92 %	8.46 %

Notes:

- Net assets, excluding Stock acquisition rights and Minority interests, as of
September 30, 2010 : 92,036 million yen
March 31, 2010 : 87,454 million yen
- Ratio of net assets to total assets
= (Net assets - Stock acquisition rights - Minority interests) / Total assets X 100
- Capital adequacy ratio is based on "Financial Services Agency Ordinance Announcement No.19".

Consolidated Financial Statements

1. Significant accounting information

(1) Changes in significant subsidiaries

There is no applicable information.

(2) Changes in accounting policies, procedures, and presentation

① Accounting changes

(Application of Accounting Standard for Asset Retirement Obligations)

From the first half year ended September 30, 2010, the Bank and its subsidiaries have applied "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No.21, March 31, 2008).

This change resulted in a 8 million yen increase in "Ordinary loss" and 94 million yen increase in "Loss before income taxes and minority interests". The change in Asset retirement obligations due to commencement of application of the accounting standards is 241 million yen.

(Application of Accounting Standard for Business Combination)

From the first half year ended September 30, 2010, the Bank and its subsidiaries have applied "Accounting Standard for Business Combination" (ASBJ Statement No. 21, December 26, 2008), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008) and "Partial Amendments to Accounting Standard for Research and Development Costs (ASBJ Statement No. 23, December 26, 2008), "Revised Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, December 26, 2008) and "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, December 26, 2008).

② Changes in presentation

(Consolidated Statements of Income)

As the Bank and its subsidiaries have applied "Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements" (Cabinet Office Ordinance No.5, March 24, 2009) based on "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), "Income (Loss) before minority interests" is presented in the consolidated statements of income for the first half year ended September 30, 2010.

2. Consolidated balance sheets

(in millions of yen)	As of September 30, 2009	As of September 30, 2010	As of March 31, 2010
Assets			
Cash and due from banks	59,509	75,843	57,384
Call loans	77,324	71,898	62,190
Monetary claims bought	29,766	19,273	31,256
Money held in trust	3,246	2,947	3,084
Securities	505,853	414,649	500,574
Loans and bills discounted	1,312,250	1,504,925	1,439,861
Foreign exchanges	571	903	476
Other assets	21,370	29,679	24,122
Tangible fixed assets	8,074	7,381	7,863
Intangible fixed assets	3,497	2,331	2,492
Deferred tax assets	13,942	15,691	14,975
Customers' liabilities for acceptances and guarantees	28,305	24,366	26,423
Allowance for loan losses	(38,788)	(58,885)	(44,325)
Total assets	2,024,923	2,111,007	2,126,379
Liabilities			
Deposits	1,805,162	1,873,065	1,904,286
Foreign exchanges	9	1	4
Bonds payable	55,200	68,500	60,700
Other liabilities	34,621	45,709	37,871
Provision for bonuses	209	893	911
Provision for directors' bonuses	—	162	125
Provision for directors' retirement benefits	41	71	48
Provision for losses on dormant deposit repayments	485	529	629
Provision for possible losses on refund of interest	22	30	30
Provision for possible losses on business restructuring	—	226	1,803
Acceptances and guarantees	28,305	24,366	26,423
Total liabilities	1,924,058	2,013,555	2,032,834
Net assets			
Capital stock	21,000	26,000	21,000
Capital surplus	19,000	24,000	19,000
Retained earnings	60,257	43,228	51,080
Total shareholders' equity	100,257	93,228	91,080
Valuation difference on available-for-sale securities	(1,015)	941	473
Deferred gains or losses on hedges	1,623	3,132	1,990
Total valuation and translation adjustments	608	4,073	2,464
Minority interests	—	150	—
Total net assets	100,865	97,452	93,545
Total liabilities and net assets	2,024,923	2,111,007	2,126,379

3. Consolidated statements of income

(in millions of yen)	For six months ended September 30, 2009	For six months ended September 30, 2010	For year ended March 31, 2010
Ordinary income	32,439	39,299	67,296
Interest income	24,231	24,212	47,915
Interest on loans and discounts	20,262	20,299	40,423
Interest and dividends on securities	3,044	2,732	5,458
Fees and commissions	5,752	6,970	12,398
Other ordinary income	914	5,983	3,806
Other income	1,540	2,132	3,176
Ordinary expenses	32,483	42,799	69,562
Interest expenses	6,312	6,769	13,677
Interest on deposits	5,871	6,157	12,757
Fees and commissions payments	2,716	2,689	5,348
Other ordinary expenses	3,175	347	5,874
General and administrative expenses	14,921	14,694	29,549
Other expenses	5,356	18,297	15,112
Ordinary profit (loss)	(44)	(3,500)	(2,266)
Extraordinary income	199	88	585
Extraordinary loss	54	206	2,950
Income (Loss) before income taxes and minority interests	101	(3,618)	(4,631)
Income taxes-current	420	1,307	871
Income taxes-deferred	(415)	(1,819)	(2,721)
Total income taxes	4	(512)	(1,850)
Income (Loss) before minority interests	—	(3,105)	—
Net income (loss)	96	(3,105)	(2,780)

4. Consolidated statements of changes in net assets

(in millions of yen)	For six months ended September 30, 2009	For six months ended September 30, 2010	For year ended March 31, 2010
Shareholders' equity			
Capital stock			
Balance at the end of previous period	21,000	21,000	21,000
Changes of items during the period			
Issuance of new shares	—	5,000	—
Total changes of items during the period	—	5,000	—
Balance at the end of current period	21,000	26,000	21,000
Capital surplus			
Balance at the end of previous period	19,000	19,000	19,000
Changes of items during the period			
Issuance of new shares	—	5,000	—
Total changes of items during the period	—	5,000	—
Balance at the end of current period	19,000	24,000	19,000
Retained earnings			
Balance at the end of previous period	64,444	51,080	64,444
Changes of items during the period			
Dividends from surplus	(4,284)	(4,746)	(10,584)
Net income (loss)	96	(3,105)	(2,780)
Total changes of items during the period	(4,187)	(7,851)	(13,364)
Balance at the end of current period	60,257	43,228	51,080
Total shareholders' equity			
Balance at the end of previous period	104,444	91,080	104,444
Changes of items during the period			
Issuance of new shares	—	10,000	—
Dividends from surplus	(4,284)	(4,746)	(10,584)
Net income (loss)	96	(3,105)	(2,780)
Total changes of items during the period	(4,187)	2,148	(13,364)
Balance at the end of current period	100,257	93,228	91,080
Valuation and translation adjustments			
Valuation difference on available-for-sale securities			
Balance at the end of previous period	(3,583)	473	(3,583)
Changes of items during the period			
Net changes of items other than shareholders' equity	2,567	467	4,057
Total changes of items during the period	2,567	467	4,057
Balance at the end of current period	(1,015)	941	473
Deferred gains or losses on hedges			
Balance at the end of previous period	1,218	1,990	1,218
Changes of items during the period			
Net changes of items other than shareholders' equity	405	1,141	772
Total changes of items during the period	405	1,141	772
Balance at the end of current period	1,623	3,132	1,990
Total valuation and translation adjustments			
Balance at the end of previous period	(2,365)	2,464	(2,365)
Changes of items during the period			
Net changes of items other than shareholders' equity	2,973	1,608	4,829
Total changes of items during the period	2,973	1,608	4,829
Balance at the end of current period	608	4,073	2,464
Minority interests			
Balance at the end of previous period	—	—	—
Changes of items during the period			
Net changes of items other than shareholders' equity	—	150	—
Total changes of items during the period	—	150	—
Balance at the end of current period	—	150	—
Total net assets			
Balance at the end of previous period	102,079	93,545	102,079
Changes of items during the period			
Issuance of new shares	—	10,000	—
Dividends from surplus	(4,284)	(4,746)	(10,584)
Net income (loss)	96	(3,105)	(2,780)
Net changes of items other than shareholders' equity	2,973	1,608	4,829
Total changes of items during the period	(1,213)	3,906	(8,534)
Balance at the end of current period	100,865	97,452	93,545

5. Going Concern Assumption

There is no applicable information.

Non-consolidated Financial Statements

1. Non-consolidated balance sheets

(in millions of yen)	As of September 30, 2009	As of September 30, 2010	As of March 31, 2010
Assets			
Cash and due from banks	59,393	75,755	57,287
Call loans	77,324	71,898	62,190
Monetary claims bought	29,766	19,273	31,256
Money held in trust	3,246	2,947	3,084
Securities	510,511	440,389	505,297
Loans and bills discounted	1,300,691	1,471,538	1,427,563
Foreign exchanges	571	903	476
Other assets	21,149	29,529	23,936
Tangible fixed assets	6,048	5,377	5,849
Intangible fixed assets	3,374	2,184	2,348
Deferred tax assets	11,776	12,950	12,653
Customers' liabilities for acceptances and guarantees	1,569	1,311	1,452
Allowance for loan losses	(27,012)	(41,627)	(31,754)
Total assets	1,998,411	2,092,434	2,101,644
Liabilities			
Deposits	1,811,173	1,881,229	1,907,838
Borrowed money	—	3,000	3,000
Foreign exchanges	9	1	4
Bonds payable	55,200	68,500	60,700
Other liabilities	34,422	44,477	37,694
Provision for bonuses	200	887	900
Provision for directors' bonuses	—	162	125
Provision for directors' retirement benefits	41	71	48
Provision for losses on dormant deposit repayments	485	529	629
Provision for possible losses on business restructuring	—	226	1,795
Acceptances and guarantees	1,569	1,311	1,452
Total liabilities	1,903,102	2,000,397	2,014,189
Net assets			
Capital stock	21,000	26,000	21,000
Capital surplus	19,000	24,000	19,000
Legal capital surplus	19,000	24,000	19,000
Retained earnings	54,700	37,962	44,989
Legal retained earnings	2,000	2,000	2,000
Other retained earnings	52,700	35,962	42,989
Retained earnings brought forward	52,700	35,962	42,989
Total shareholders' equity	94,700	87,962	84,989
Valuation difference on available-for-sale securities	(1,015)	941	474
Deferred gains or losses on hedges	1,623	3,132	1,990
Total valuation and translation adjustments	608	4,073	2,464
Total net assets	95,309	92,036	87,454
Total liabilities and net assets	1,998,411	2,092,434	2,101,644

2. Non-consolidated statements of income

(in millions of yen)	For six months ended September 30, 2009	For six months ended September 30, 2010	For year ended March 31, 2010
Ordinary income	32,175	38,748	66,762
Interest income	24,037	23,832	47,564
Interest on loans and discounts	20,073	19,922	40,077
Interest and dividends on securities	3,039	2,729	5,453
Fees and commissions	5,741	6,897	12,339
Other ordinary income	908	5,983	3,806
Other income	1,488	2,036	3,052
Ordinary expenses	34,649	42,171	71,911
Interest expenses	6,313	6,827	13,683
Interest on deposits	5,871	6,158	12,762
Fees and commissions payments	6,106	5,615	11,814
Other ordinary expenses	3,175	347	5,874
General and administrative expenses	14,623	14,237	28,984
Other expenses	4,430	15,143	11,555
Ordinary profit (loss)	(2,473)	(3,422)	(5,148)
Extraordinary income	0	32	16
Extraordinary loss	53	195	2,941
Income (Loss) before income taxes	(2,527)	(3,586)	(8,073)
Income taxes-current	17	94	82
Income taxes for prior periods	49	—	—
Income taxes-deferred	(539)	(1,400)	(2,690)
Total income taxes	(472)	(1,305)	(2,607)
Net income (loss)	(2,054)	(2,280)	(5,465)

3. Non-consolidated statements of changes in net assets

(in millions of yen)	For six months ended September 30, 2009	For six months ended September 30, 2010	For year ended March 31, 2010
Shareholders' equity			
Capital stock			
Balance at the end of previous period	21,000	21,000	21,000
Changes of items during the period			
Issuance of new shares	—	5,000	—
Total changes of items during the period	—	5,000	—
Balance at the end of current period	21,000	26,000	21,000
Capital surplus			
Legal capital surplus			
Balance at the end of previous period	19,000	19,000	19,000
Changes of items during the period			
Issuance of new shares	—	5,000	—
Total changes of items during the period	—	5,000	—
Balance at the end of current period	19,000	24,000	19,000
Total capital surplus			
Balance at the end of previous period	19,000	19,000	19,000
Changes of items during the period			
Issuance of new shares	—	5,000	—
Total changes of items during the period	—	5,000	—
Balance at the end of current period	19,000	24,000	19,000
Retained earnings			
Legal retained earnings			
Balance at the end of previous period	2,000	2,000	2,000
Balance at the end of current period	2,000	2,000	2,000
Other retained earnings			
Retained earnings brought forward			
Balance at the end of previous period	59,039	42,989	59,039
Changes of items during the period			
Dividends from surplus	(4,284)	(4,746)	(10,584)
Net income	(2,054)	(2,280)	(5,465)
Total changes of items during the period	(6,338)	(7,026)	(16,049)
Balance at the end of current period	52,700	35,962	42,989
Total retained earnings			
Balance at the end of previous period	61,039	44,989	61,039
Changes of items during the period			
Dividends from surplus	(4,284)	(4,746)	(10,584)
Net income	(2,054)	(2,280)	(5,465)
Total changes of items during the period	(6,338)	(7,026)	(16,049)
Balance at the end of current period	54,700	37,962	44,989
Total shareholders' equity			
Balance at the end of previous period	101,039	84,989	101,039
Changes of items during the period			
Issuance of new shares	—	10,000	—
Dividends from surplus	(4,284)	(4,746)	(10,584)
Net income	(2,054)	(2,280)	(5,465)
Total changes of items during the period	(6,338)	2,973	(16,049)
Balance at the end of current period	94,700	87,962	84,989
Valuation and translation adjustments			
Valuation difference on available-for-sale securities			
Balance at the end of previous period	(3,583)	474	(3,583)
Changes of items during the period			
Net changes of items other than shareholders' equity	2,567	467	4,057
Total changes of items during the period	2,567	467	4,057
Balance at the end of current period	(1,015)	941	474
Deferred gains or losses on hedges			
Balance at the end of previous period	1,218	1,990	1,218
Changes of items during the period			
Net changes of items other than shareholders' equity	405	1,141	772
Total changes of items during the period	405	1,141	772
Balance at the end of current period	1,623	3,132	1,990
Total valuation and translation adjustments			
Balance at the end of previous period	(2,365)	2,464	(2,365)
Changes of items during the period			
Net changes of items other than shareholders' equity	2,973	1,608	4,830
Total changes of items during the period	2,973	1,608	4,830
Balance at the end of current period	608	4,073	2,464
Total net assets			
Balance at the end of previous period	98,674	87,454	98,674
Changes of items during the period			
Issuance of new shares	—	10,000	—
Dividends from surplus	(4,284)	(4,746)	(10,584)
Net income	(2,054)	(2,280)	(5,465)
Net changes of items other than shareholders' equity	2,973	1,608	4,830
Total changes of items during the period	(3,365)	4,581	(11,219)
Balance at the end of current period	95,309	92,036	87,454

4. Going Concern Assumption

There is no applicable information.