

November 21, 2011

Consolidated Financial Results
for the First Half of Fiscal 2011 ended September 30, 2011
[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 2011 ended September 30, 2011

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

| | For the six months ended | |
|---|--------------------------|--------------------|
| | September 30, 2011 | September 30, 2010 |
| Ordinary income | 39,534 | 39,299 |
| Change from the previous period | 0.5% | 21.1% |
| Ordinary profit | 6,149 | (3,500) |
| Change from the previous period | - | - |
| Net income | 3,330 | (3,105) |
| Change from the previous period | - | - |
| Net income per common share (yen) | 4,757.93 | (4,436.94) |
| Diluted net income per common share (yen) | - | - |

Note: Comprehensive income for the six months ended :

September 30, 2011 : 2,927 million yen - %
 September 30, 2010 : (1,497) million yen - %

(2) Financial Conditions (in millions of yen except percentages)

| | As of | |
|---|---------------------------------|----------------|
| | September 30, 2011 | March 31, 2011 |
| Total assets | 2,295,171 | 2,188,598 |
| Net assets | 97,300 | 94,880 |
| Ratio of net assets to total assets | 4.2% | 4.3% |
| Capital adequacy ratio (based on the domestic standards) | (Preliminary) 10.30% | 9.19% |

Notes: 1. Net assets, excluding Stock acquisition rights and Minority interests, as of :

September 30, 2011 : 97,150 million yen
 March 31, 2011 : 94,730 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) Changes in Accounting Policies, Changes in Accounting Estimates and Correction of Prior Period Errors for Consolidated Financial Statements

- ① Changes accounting policies due to revision of accounting standards etc. : No
- ② Changes accounting policies other than ① above : No
- ③ Changes in accounting estimates : No
- ④ Correction of prior period errors : No

(3) Number of Shares Outstanding (Common stock)

- ① Number of Shares Outstanding as of :
- | | | |
|--------------------|---|----------------|
| September 30, 2011 | : | 700,000 shares |
| March 31, 2011 | : | 700,000 shares |
- ② Number of Treasury Shares Outstanding as of :
- | | | |
|--------------------|---|----------|
| September 30, 2011 | : | - shares |
| March 31, 2011 | : | - shares |
- ③ Average Number of Shares Outstanding for the six months ended :
- | | | |
|--------------------|---|----------------|
| September 30, 2011 | : | 700,000 shares |
| September 30, 2010 | : | 700,000 shares |

(Reference)

1. Summary of Non-Consolidated Financial Results for the First Half of Fiscal 2011 ended September 30, 2011

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

| | For the six months ended | |
|-----------------------------------|--------------------------|--------------------|
| | September 30, 2011 | September 30, 2010 |
| Ordinary income | 39,083 | 38,748 |
| Change from the previous period | 0.8% | 20.4% |
| Ordinary profit | 4,827 | (3,422) |
| Change from the previous period | - | - |
| Net income | 2,644 | (2,280) |
| Change from the previous period | - | - |
| Net income per common share (yen) | 3,777.88 | (3,258.36) |

(2) Financial Conditions (in millions of yen except percentages)

| | As of | |
|--|-------------------------|----------------|
| | September 30, 2011 | March 31, 2011 |
| Total assets | 2,285,928 | 2,176,784 |
| Net assets | 92,865 | 91,131 |
| Ratio of net assets to total assets | 4.0% | 4.1% |
| Capital adequacy ratio (based on the domestic standards) | (Preliminary) 10.11% | 9.27% |

Notes: 1. Net assets, excluding Stock acquisition rights and Minority interests, as of :

September 30, 2011 : 92,865 million yen
 March 31, 2011 : 91,131 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".

Consolidated Financial Statements

1. Significant accounting information

(1) Changes in significant subsidiaries

There is no applicable information.

(2) Additional information

From this first half, the Tokyo Star Bank, Limited ("the Bank") and its subsidiaries have applied "Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Statement No.24, December 4, 2009) and "Guidance on the Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No.24, December 4, 2009).

"Recoveries of Written-off Claims" is included in "Other income" in the consolidated statement of income for this first half, according to "Practical Guidelines on Accounting Standards for Financial Instruments" (JICPA Accounting Practice Committee Statement No.14). However, the Bank and its subsidiaries have not applied a new accounting standard and a new guidance retroactively for the previous first half of fiscal year ended September 30, 2010.

2. Consolidated balance sheets

| (in millions of yen) | As of March 31, 2011 | As of September 30, 2011 |
|---|-------------------------|-----------------------------|
| Assets | | |
| Cash and due from banks | 150,068 | 62,707 |
| Call loans | 5,968 | 89,259 |
| Monetary claims bought | 19,801 | 18,670 |
| Money held in trust | 2,632 | 2,443 |
| Securities | 451,318 | 525,272 |
| Loans and bills discounted | 1,539,991 | 1,572,941 |
| Foreign exchanges | 885 | 994 |
| Other assets | 27,766 | 32,277 |
| Tangible fixed assets | 6,927 | 7,087 |
| Intangible fixed assets | 2,462 | 2,693 |
| Deferred tax assets | 20,124 | 19,039 |
| Customers' liabilities for acceptances and guarantees | 22,558 | 21,007 |
| Allowance for loan losses | (61,906) | (59,223) |
| Total assets | 2,188,598 | 2,295,171 |
| Liabilities | | |
| Deposits | 1,943,508 | 2,037,446 |
| Borrowed money | 6,800 | 19,870 |
| Foreign exchanges | 38 | 3 |
| Bonds payable | 68,100 | 63,100 |
| Other liabilities | 50,806 | 55,214 |
| Provision for bonuses | 899 | 882 |
| Provision for directors' bonuses | 173 | 126 |
| Provision for directors' retirement benefits | 86 | 52 |
| Provision for losses on dormant deposit repayments | 130 | 130 |
| Provision for possible losses on refund of interest | 36 | 36 |
| Provision for losses on office relocation | 580 | - |
| Acceptances and guarantees | 22,558 | 21,007 |
| Total liabilities | 2,093,717 | 2,197,870 |
| Net assets | | |
| Capital stock | 26,000 | 26,000 |
| Capital surplus | 24,000 | 24,000 |
| Retained earnings | 41,663 | 44,494 |
| Total shareholders' equity | 91,663 | 94,494 |
| Valuation difference on available-for-sale securities | 111 | 232 |
| Deferred gains or losses on hedges | 2,955 | 2,423 |
| Total accumulated other comprehensive income | 3,066 | 2,656 |
| Minority interests | 150 | 150 |
| Total net assets | 94,880 | 97,300 |
| Total liabilities and net assets | 2,188,598 | 2,295,171 |

3. Consolidated statements of income

| (in millions of yen) | For six months ended September 30, 2010 | For six months ended September 30, 2011 |
|---|--|--|
| Ordinary income | 39,299 | 39,534 |
| Interest income | 24,212 | 23,323 |
| Interest on loans and discounts | 20,299 | 19,568 |
| Interest and dividends on securities | 2,732 | 2,807 |
| Fees and commissions | 6,970 | 6,242 |
| Other ordinary income | 5,983 | 6,915 |
| Other income | 2,132 | 3,052 |
| Ordinary expenses | 42,799 | 33,384 |
| Interest expenses | 6,769 | 6,953 |
| Interest on deposits | 6,157 | 6,228 |
| Fees and commissions payments | 2,689 | 2,953 |
| Other ordinary expenses | 347 | 3,076 |
| General and administrative expenses | 14,694 | 15,998 |
| Other expenses | 18,297 | 4,403 |
| Ordinary profit (loss) | (3,500) | 6,149 |
| Extraordinary income | 88 | 0 |
| Extraordinary loss | 206 | 59 |
| Income (Loss) before income taxes and minority interests | (3,618) | 6,090 |
| Income taxes-current | 1,307 | 1,387 |
| Income taxes-deferred | (1,819) | 1,365 |
| Total income taxes | (512) | 2,752 |
| Income (Loss) before minority interests | (3,105) | 3,338 |
| Minority Interests in income (loss) | - | 7 |
| Net income (loss) | (3,105) | 3,330 |

4. Consolidated statements of comprehensive income

| (in millions of yen) | For six months ended September 30, 2010 | For six months ended September 30, 2011 |
|--|--|--|
| Income (Loss) before minority interests | (3,105) | 3,338 |
| Other comprehensive income | 1,608 | (410) |
| Valuation difference on available-for-sale securities | 467 | 121 |
| Deferred gains or losses on hedges | 1,141 | (531) |
| Comprehensive income | (1,497) | 2,927 |
| Comprehensive income attributable to owners of the parent | (1,497) | 2,920 |
| Comprehensive income attributable to minority interests | - | 7 |

5. Consolidated statements of changes in net assets

| (in millions of yen) | For six months ended September 30, 2010 | For six months ended September 30, 2011 |
|---|--|--|
| Shareholders' equity | | |
| Capital stock | | |
| Balance at the beginning of current period | 21,000 | 26,000 |
| 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 | 26,000 | 26,000 |
| Capital surplus | | |
| Balance at the beginning of current period | 19,000 | 24,000 |
| 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 | 24,000 | 24,000 |
| Retained earnings | | |
| Balance at the beginning of current period | 51,080 | 41,663 |
| Changes of items during the period | | |
| Dividends from surplus | (4,746) | (500) |
| Net income (loss) | (3,105) | 3,330 |
| Total changes of items during the period | (7,851) | 2,830 |
| Balance at the end of current period | 43,228 | 44,494 |
| Total shareholders' equity | | |
| Balance at the beginning of current period | 91,080 | 91,663 |
| Changes of items during the period | | |
| Issuance of new shares | 10,000 | - |
| Dividends from surplus | (4,746) | (500) |
| Net income (loss) | (3,105) | 3,330 |
| Total changes of items during the period | 2,148 | 2,830 |
| Balance at the end of current period | 93,228 | 94,494 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | | |
| Balance at the beginning of current period | 473 | 111 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | 467 | 121 |
| Total changes of items during the period | 467 | 121 |
| Balance at the end of current period | 941 | 232 |
| Deferred gains or losses on hedges | | |
| Balance at the beginning of current period | 1,990 | 2,955 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | 1,141 | (531) |
| Total changes of items during the period | 1,141 | (531) |
| Balance at the end of current period | 3,132 | 2,423 |
| Total accumulated other comprehensive income | | |
| Balance at the beginning of current period | 2,464 | 3,066 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | 1,608 | (410) |
| Total changes of items during the period | 1,608 | (410) |
| Balance at the end of current period | 4,073 | 2,656 |
| Minority interests | | |
| Balance at the beginning of current period | - | 150 |
| 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 | 150 |

5. Consolidated statements of changes in net assets (continued)

| (in millions of yen) | For six months ended September 30, 2010 | For six months ended September 30, 2011 |
|--|--|--|
| Total net assets | | |
| Balance at the beginning of current period | 93,545 | 94,880 |
| Changes of items during the period | | |
| Issuance of new shares | 10,000 | - |
| Dividends from surplus | (4,746) | (500) |
| Net income (loss) | (3,105) | 3,330 |
| Net changes of items other than shareholders' equity | 1,758 | (410) |
| Total changes of items during the period | 3,906 | 2,420 |
| Balance at the end of current period | 97,452 | 97,300 |

6. Going Concern Assumption

There is no applicable information.

7. Subsequent Event

There is no applicable information.

Non-consolidated Financial Statements

1. Non-consolidated balance sheets

| (in millions of yen) | As of March 31, 2011 | As of September 30, 2011 |
|---|-------------------------|-----------------------------|
| Assets | | |
| Cash and due from banks | 149,994 | 62,674 |
| Call loans | 5,968 | 89,259 |
| Monetary claims bought | 19,801 | 18,670 |
| Money held in trust | 2,632 | 2,443 |
| Securities | 477,160 | 551,116 |
| Loans and bills discounted | 1,510,855 | 1,545,126 |
| Foreign exchanges | 885 | 994 |
| Other assets | 27,664 | 32,202 |
| Tangible fixed assets | 5,392 | 6,182 |
| Intangible fixed assets | 2,294 | 2,523 |
| Deferred tax assets | 17,838 | 16,944 |
| Customers' liabilities for acceptances and guarantees | 1,219 | 1,169 |
| Allowance for loan losses | (44,922) | (43,379) |
| Total assets | 2,176,784 | 2,285,928 |
| Liabilities | | |
| Deposits | 1,955,310 | 2,049,837 |
| Borrowed money | 9,800 | 22,870 |
| Foreign exchanges | 38 | 3 |
| Bonds payable | 68,100 | 63,100 |
| Other liabilities | 49,326 | 54,898 |
| Provision for bonuses | 887 | 873 |
| Provision for directors' bonuses | 173 | 126 |
| Provision for directors' retirement benefits | 86 | 52 |
| Provision for losses on dormant deposit repayments | 130 | 130 |
| Provision for office moving expenses | 580 | - |
| Acceptances and guarantees | 1,219 | 1,169 |
| Total liabilities | 2,085,653 | 2,193,062 |
| Net assets | | |
| Capital stock | 26,000 | 26,000 |
| Capital surplus | 24,000 | 24,000 |
| Legal capital surplus | 24,000 | 24,000 |
| Retained earnings | 38,064 | 40,209 |
| Legal retained earnings | 2,000 | 2,000 |
| Other retained earnings | 36,064 | 38,209 |
| Retained earnings brought forward | 36,064 | 38,209 |
| Total shareholders' equity | 88,064 | 90,209 |
| Valuation difference on available-for-sale securities | 111 | 232 |
| Deferred gains or losses on hedges | 2,955 | 2,423 |
| Total valuation and translation adjustments | 3,066 | 2,656 |
| Total net assets | 91,131 | 92,865 |
| Total liabilities and net assets | 2,176,784 | 2,285,928 |

2. Non-consolidated statements of income

| (in millions of yen) | For six months ended September 30, 2010 | For six months ended September 30, 2011 |
|--|--|--|
| Ordinary income | 38,748 | 39,083 |
| Interest income | 23,832 | 23,115 |
| Interest on loans and discounts | 19,922 | 19,362 |
| Interest and dividends on securities | 2,729 | 2,806 |
| Fees and commissions | 6,897 | 6,108 |
| Other ordinary income | 5,983 | 6,915 |
| Other income | 2,036 | 2,943 |
| Ordinary expenses | 42,171 | 34,255 |
| Interest expenses | 6,827 | 6,999 |
| Interest on deposits | 6,158 | 6,228 |
| Fees and commissions payments | 5,615 | 5,047 |
| Other ordinary expenses | 347 | 3,076 |
| General and administrative expenses | 14,237 | 15,574 |
| Other expenses | 15,143 | 3,558 |
| Ordinary profit (loss) | (3,422) | 4,827 |
| Extraordinary income | 32 | 0 |
| Extraordinary loss | 195 | 0 |
| Income (Loss) before income taxes | (3,586) | 4,827 |
| Income taxes-current | 94 | 1,007 |
| Income taxes-deferred | (1,400) | 1,174 |
| Total income taxes | (1,305) | 2,182 |
| Net income (loss) | (2,280) | 2,644 |

3. Non-consolidated statements of changes in net assets

| (in millions of yen) | For six months ended September 30, 2010 | For six months ended September 30, 2011 |
|---|--|--|
| Shareholders' equity | | |
| Capital stock | | |
| Balance at the beginning of current period | 21,000 | 26,000 |
| 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 | 26,000 | 26,000 |
| Capital surplus | | |
| Legal capital surplus | | |
| Balance at the beginning of current period | 19,000 | 24,000 |
| 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 | 24,000 | 24,000 |
| Total capital surplus | | |
| Balance at the beginning of current period | 19,000 | 24,000 |
| 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 | 24,000 | 24,000 |
| Retained earnings | | |
| Legal retained earnings | | |
| Balance at the beginning of current period | 2,000 | 2,000 |
| Balance at the end of current period | 2,000 | 2,000 |
| Other retained earnings | | |
| Retained earnings brought forward | | |
| Balance at the beginning of current period | 42,989 | 36,064 |
| Changes of items during the period | | |
| Dividends from surplus | (4,746) | (500) |
| Net income | (2,280) | 2,644 |
| Total changes of items during the period | (7,026) | 2,144 |
| Balance at the end of current period | 35,962 | 38,209 |
| Total retained earnings | | |
| Balance at the beginning of current period | 44,989 | 38,064 |
| Changes of items during the period | | |
| Dividends from surplus | (4,746) | (500) |
| Net income | (2,280) | 2,644 |
| Total changes of items during the period | (7,026) | 2,144 |
| Balance at the end of current period | 37,962 | 40,209 |
| Total shareholders' equity | | |
| Balance at the beginning of current period | 84,989 | 88,064 |
| Changes of items during the period | | |
| Issuance of new shares | 10,000 | - |
| Dividends from surplus | (4,746) | (500) |
| Net income | (2,280) | 2,644 |
| Total changes of items during the period | 2,973 | 2,144 |
| Balance at the end of current period | 87,962 | 90,209 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | | |
| Balance at the beginning of current period | 474 | 111 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | 467 | 121 |
| Total changes of items during the period | 467 | 121 |
| Balance at the end of current period | 941 | 232 |
| Deferred gains or losses on hedges | | |
| Balance at the beginning of current period | 1,990 | 2,955 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | 1,141 | (531) |
| Total changes of items during the period | 1,141 | (531) |
| Balance at the end of current period | 3,132 | 2,423 |
| Total valuation and translation adjustments | | |
| Balance at the beginning of current period | 2,464 | 3,066 |
| Changes of items during the period | | |
| Net changes of items other than shareholders' equity | 1,608 | (410) |
| Total changes of items during the period | 1,608 | (410) |
| Balance at the end of current period | 4,073 | 2,656 |

3. Non-consolidated statements of changes in net assets (continued)

| (in millions of yen) | For six months ended September 30, 2010 | For six months ended September 30, 2011 |
|--|--|--|
| Total net assets | | |
| Balance at the beginning of current period | 87,454 | 91,131 |
| Changes of items during the period | | |
| Issuance of new shares | 10,000 | - |
| Dividends from surplus | (4,746) | (500) |
| Net income | (2,280) | 2,644 |
| Net changes of items other than shareholders' equity | 1,608 | (410) |
| Total changes of items during the period | 4,581 | 1,734 |
| Balance at the end of current period | <u>92,036</u> | <u>92,865</u> |

4. Going Concern Assumption

There is no applicable information.