



Deposit Insurance Corporation of Japan

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(Website: <http://www.dic.go.jp>)

News Release
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Statement by the Governor

Yachiyo Bank Ltd. to redeem preferred stocks

1. In accordance with the Law Concerning Emergency Measures for Early Strengthening of Financial Functions (the “Early Strengthening Law”), the request for the approval was made by Yachiyo Bank Ltd. through the Resolution and Collection Corporation (RCC) against Deposit Insurance Corporation of Japan (DICJ) to purchase of the preferred stocks by third parties designated by Yachiyo Bank Ltd..
2. The DICJ considered the request referring its own announcement made in October, 2005 concerning “the temporally measures to the requests for the sale of preferred stocks issued to strengthen the capital base or the prepayment proposal of public fund” and found it appropriate to give its approval to the request for the redemption in view of the followings.
 - (1) Minimizing the public cost
 - (2) Maintaining the financial system stability
 - (3) Soundness of the management of financial institutionsTherefore, the DICJ approved today the request made through the RCC as the DICJ considered the transaction was in line with the policy of early disposal under the Early Strengthening Law.

The details are as follows;

Outline of subject preferred stocks

Financial Institution	Yachiyo Bank Ltd.
Name of Stocks	Preferred Stocks I
Total Amount	35.0 billion yen
Number of issued Stocks	35,000
Value per stock	1 million yen
Number of disposed stock	35,000
Value per stock	1,144,800 yen
Total Amount	40,068,000,000 yen
Scheduled date	March 24, 2006
Sell-off	The Sumitomo Trust & Banking Co., Ltd.