

Deposit Insurance Corporation of Japan



9th Fl., Shin Yurakucho, Bldg.
12-1, 1 cho-me Yurakucho,
Chiyoda-ku, Tokyo, 100-0006, Japan
(Website: <http://www.dic.go.jp>)

News Release
Date: August 29, 2006

Statement by the Governor

Completion of Transfer and Selection of Entrustment

1. Stocks, which was purchased by Deposit Insurance Corporation of Japan (DICJ) from former Long-Term Credit Bank of Japan (Shinsei Bank) and former Nippon Credit Bank (Aozora Bank) at the end of Special Public Management Term and entrusted with Shinsei Trust Bank and Aozora Trust Bank, respectively, have been transferred to DICJ since March 2, 2005, on expiration of the trust period. Upon the transfer of final stock (acquisition book value base: about ¥370 billion) to DICJ today, all the transfer was completed.
2. As we had announced in the statement by the governor on February 27, 2006, that we would entrust disposal of stocks on this issue to a financial institution which has expertise in relation to such operations, we selected the entrustment institution in the project competition today.
In the first screening, we selected qualified trust banks which possess enough credit capability and investment performance on large-scale stocks similar to this matter. In the second screening, we examined the proposals offered by the pre-screened candidates in view of the objective criteria such as the disposal method, the system, and the amount of the reward. As a result, we concluded Mitsui Asset Trust and Banking Corporation, Limited. as the entrustment institution and made a contract with it.
3. DICJ will entrust disposal of stocks to the trust bank selected this time, as is mentioned in a separate statement by the governor “Immediate Guidance for disposal of preferred stocks of former Long-Term Credit Bank of Japan and former Nippon Credit Bank.”

Outline of the stocks in this case

	Shinsei Trust & Banking (Former Long-Term Credit Bank of Japan)	Aozora Trust Bank (Former Nippon Credit Bank)
Entrustment term after extension	February 24, 2006	August 28, 2006
Accumulated amount of total purchase	2,269.3 billion yen	670.4 billion yen
Outstanding as of the end of July, 2006 (including transferred stocks)	1,214.0 billion yen	580.7 billion yen
Transferred stocks	1,214.0 billion yen	205.8 billion yen
Amount of stocks transferred in this case		371.2 billion yen

(Note)1. Amounts are based on purchased book value

2. Differences of amount at each point, for instance between accumulated amount of total purchase and outstanding as of the end of July, was caused from redemption by Shinsei Bank and Aozora Bank and payback by each during these period.