

Table 3 The Transition of The Status of Coverage of NPLs based on the Financial Reconstruction Law

Major Banks		trillion yen,(percentage)							
		March-02	September-02	March-03	September-03	March-04	September-04	March-05	September-05
Bankrupt or <i>de- facto</i> bankrupt	Amount of loans	3.2	2.8	2.2	2.2	1.5	1.6	1.1	0.8
	Secured by collateral, guarantees, or provisions	3.2 (100.0)	2.8 (100.0)	2.2 (100.0)	2.2 (100.0)	1.5 (100.0)	1.6 (100.0)	1.1 (100.0)	0.8 (100.0)
	by collateral or guarantees	2.8 (88.7)	2.6 (90.9)	2.0 (91.5)	2.0 (92.5)	1.4 (92.9)	1.5 (93.6)	1.0 (92.5)	0.7 (92.3)
	by provisions	0.4 (11.3)	0.3 (9.1)	0.2 (8.5)	0.2 (7.4)	0.1 (7.1)	0.1 (6.4)	0.1 (7.5)	0.1 (7.7)
	Amount of loans	12.2	9.5	6.6	6.2	5.2	7.1	3.6	3.1
Doubtful (In danger of bankruptcy)	Secured by collateral, guarantees, or provisions	9.9 (81.3)	7.8 (81.9)	5.7 (86.0)	5.2 (84.6)	4.7 (89.6)	5.4 (76.9)	3.2 (87.5)	2.8 (89.4)
	by collateral or guarantees	5.5 (44.9)	4.3 (45.7)	3.1 (47.0)	2.7 (44.6)	2.4 (46.5)	2.3 (32.0)	1.5 (40.2)	1.4 (45.1)
	by provisions	4.5 (36.5)	3.4 (36.2)	2.6 (39.1)	2.5 (40.0)	2.2 (43.1)	3.2 (44.9)	1.7 (47.3)	1.4 (44.3)
	Amount of loans	11.3	11.6	11.5	9.1	7.0	3.4	2.7	2.3
	Secured by collateral, guarantees, or provisions	6.1 (53.5)	6.4 (54.7)	7.0 (60.5)	5.7 (62.6)	4.5 (64.5)	2.3 (67.7)	1.7 (61.1)	1.3 (59.5)
Special attention	by collateral or guarantees	4.5 (39.5)	4.6 (39.9)	4.6 (39.9)	3.7 (40.2)	2.6 (36.9)	1.5 (44.5)	0.9 (33.2)	0.8 (33.9)
	by provisions	1.6 (14.0)	1.7 (14.8)	2.4 (20.6)	2.0 (22.5)	1.9 (27.6)	0.8 (23.1)	0.8 (27.8)	0.6 (25.6)
	Amount of loans	26.8	23.9	20.2	17.5	13.6	12.1	7.4	6.1
Total	Secured by collateral, guarantees, or provisions	19.2 (71.8)	17.0 (70.8)	14.8 (73.0)	13.1 (75.1)	10.6 (77.9)	9.3 (77.3)	5.9 (79.5)	4.9 (79.7)
	by collateral or guarantees	12.8 (47.8)	11.5 (48.2)	9.7 (47.7)	8.4 (48.3)	6.3 (46.6)	5.3 (43.7)	3.3 (45.0)	2.9 (46.9)
	by provisions	6.4 (23.9)	5.4 (22.6)	5.1 (25.3)	4.7 (26.8)	4.3 (31.3)	4.1 (33.6)	2.6 (34.5)	2.0 (32.8)
	Amount of loans	26.8	23.9	20.2	17.5	13.6	12.1	7.4	6.1

## Regional Banks

trillion yen,(percentage)

		March-02	September-02	March-03	September-03	March-04	September-04	March-05	September-05
Bankrupt or <i>de- facto</i> bankrupt	Amount of loans	3.9	3.8	3.5	3.4	2.9	2.5	2.2	2.0
	Secured by collateral, guarantees, or provisions	3.9 (100.0)	3.8 (100.0)	3.5 (100.0)	3.4 (100.0)	2.9 (100.0)	2.5 (99.9)	2.2 (100.0)	2.0 (100.0)
	by collateral or guarantees	2.4 (63.0)	2.3 (62.0)	2.3 (64.1)	2.1 (63.0)	1.8 (62.4)	1.6 (63.4)	1.4 (64.4)	1.3 (62.8)
	by provisions	1.4 (37.0)	1.4 (38.0)	1.3 (35.9)	1.2 (37.0)	1.1 (37.6)	0.9 (36.5)	0.8 (35.6)	0.8 (37.2)
Doubtful (In danger of bankruptcy)	Amount of loans	6.3	6.4	6.2	6.0	5.9	5.5	5.1	4.8
	Secured by collateral, guarantees, or provisions	5.4 (85.4)	5.4 (84.5)	5.3 (84.4)	5.1 (84.6)	5.0 (85.2)	4.7 (85.6)	4.3 (85.3)	4.1 (84.8)
	by collateral or guarantees	3.7 (58.7)	3.7 (57.2)	3.5 (56.7)	3.4 (56.0)	3.2 (54.7)	3.0 (54.1)	2.8 (54.2)	2.6 (54.9)
	by provisions	1.7 (26.7)	1.7 (27.3)	1.7 (27.7)	1.7 (28.6)	1.8 (30.5)	1.7 (31.5)	1.6 (31.1)	1.4 (29.9)
Special attention	Amount of loans	4.6	4.8	4.9	4.5	4.1	3.6	3.1	2.8
	Secured by collateral, guarantees, or provisions	2.9 (64.0)	3.0 (61.8)	3.0 (62.4)	2.8 (62.4)	2.5 (60.6)	2.1 (59.1)	1.8 (58.6)	1.7 (58.7)
	by collateral or guarantees	2.4 (51.0)	2.3 (48.6)	2.3 (47.4)	2.1 (46.7)	1.7 (42.8)	1.4 (40.4)	1.2 (38.8)	1.1 (38.6)
	by provisions	0.6 (12.9)	0.6 (13.2)	0.7 (14.9)	0.7 (15.7)	0.7 (17.8)	0.7 (18.8)	0.6 (19.8)	0.6 (20.0)
Total	Amount of loans	14.8	15.0	14.7	13.9	12.8	11.6	10.4	9.7
	Secured by collateral, guarantees, or provisions	12.2 (82.4)	12.2 (81.1)	11.8 (80.8)	11.3 (81.1)	10.3 (80.7)	9.3 (80.6)	8.3 (80.4)	7.8 (80.3)
	by collateral or guarantees	8.5 (57.3)	8.3 (55.6)	8.1 (55.4)	7.6 (54.7)	6.7 (52.6)	6.0 (51.9)	5.4 (51.7)	5.0 (51.8)
	by provisions	3.7 (25.1)	3.8 (25.5)	3.7 (25.4)	3.7 (26.4)	3.6 (28.1)	3.3 (28.7)	3.0 (28.7)	2.8 (28.6)

## All Banks

trillion yen,(percentage)

		March-02	September-02	March-03	September-03	March-04	September-04	March-05	September-05
Bankrupt or <i>de- facto</i> bankrupt	Amount of loans	7.4	7.0	5.7	5.6	4.4	4.1	3.2	2.8
	Secured by collateral, guarantees, or provisions	7.4 (100.0)	7.0 (100.0)	5.7 (100.0)	5.6 (100.0)	4.4 (100.0)	4.1 (100.0)	3.2 (100.0)	2.8 (100.0)
	by collateral or guarantees	5.5 (75.0)	5.1 (74.1)	4.3 (74.4)	4.2 (74.7)	3.2 (72.8)	3.1 (75.1)	2.4 (73.6)	2.0 (70.9)
	by provisions	1.8 (25.0)	1.8 (25.9)	1.5 (25.5)	1.4 (25.3)	1.2 (27.2)	1.0 (24.9)	0.9 (26.4)	0.8 (29.1)
Doubtful (In danger of bankruptcy)	Amount of loans	19.3	16.4	13.0	12.3	11.2	12.7	8.8	8.0
	Secured by collateral, guarantees, or provisions	16.1 (83.1)	13.6 (83.2)	11.1 (85.4)	10.5 (84.8)	9.8 (87.4)	10.2 (80.8)	7.6 (86.4)	6.9 (86.7)
	by collateral or guarantees	9.7 (50.1)	8.3 (50.7)	6.7 (51.8)	6.2 (50.2)	5.7 (50.7)	5.3 (41.6)	4.3 (48.4)	4.1 (50.9)
	by provisions	6.4 (33.1)	5.3 (32.6)	4.4 (33.6)	4.3 (34.6)	4.1 (36.7)	5.0 (39.2)	3.4 (38.0)	2.9 (35.8)
Special attention	Amount of loans	16.5	16.8	16.6	13.7	11.1	7.0	5.9	5.1
	Secured by collateral, guarantees, or provisions	9.4 (56.8)	9.6 (57.1)	10.2 (61.3)	8.6 (62.7)	7.0 (63.2)	4.4 (63.4)	3.5 (59.8)	3.0 (59.1)
	by collateral or guarantees	7.0 (42.4)	7.1 (42.5)	7.0 (42.2)	5.8 (42.4)	4.3 (39.1)	3.0 (42.5)	2.1 (36.2)	1.9 (36.6)
	by provisions	2.4 (14.4)	2.4 (14.6)	3.2 (19.1)	2.8 (20.3)	2.7 (24.0)	1.5 (21.0)	1.4 (23.6)	1.2 (22.6)
Total	Amount of loans	43.2	40.1	35.3	31.6	26.6	23.8	17.9	15.9
	Secured by collateral, guarantees, or provisions	32.8 (75.9)	30.1 (75.2)	27.0 (76.5)	24.6 (77.9)	21.1 (79.4)	18.8 (79.1)	14.4 (80.2)	12.8 (80.2)
	by collateral or guarantees	22.2 (51.4)	20.6 (51.3)	18.0 (51.0)	16.2 (51.1)	13.2 (49.5)	11.3 (47.7)	8.8 (49.0)	7.9 (49.8)
	by provisions	10.6 (24.5)	9.6 (23.9)	9.0 (25.5)	8.5 (26.8)	7.9 (29.9)	7.5 (31.4)	5.6 (31.2)	4.8 (30.3)

Note: 1. "Major Banks" excludes Shinsei Bank and Aozora Bank from City Banks, Long-term Credit Banks and Trust Banks.

2. "Regional Banks" includes Saitama Resona Bank.

3. Figures of "All Banks" are composed of City Banks, Long-term Credit Banks (including Shinsei Bank, which changed its status to an Ordinary Bank Charter on April 2004), Trust Banks and Regional Banks.

4. From FY2003, the figures for UFJ Bank, Mizuho Group, NISHI-NIPPON Bank and Fukuoka City Bank (after March-2005, NISHI-NIPPON City Bank which NISHI-NIPPON Bank and Fukuoka City Bank merged to become) include those which are transferred to subsidiary companies for corporate revitalization. From FY2004, the figures for Hokuriku Bank include those which are transferred to subsidiary companies for corporate revitalization. The figures for Shinwa Bank for September-05 include those which are transferred to subsidiary companies for corporate revitalization.

5. Provisions include specific provisions, general provisions and provisions for support of special borrowers.

6. Figures in parentheses stand for the ratio of coverage to NPLs.

7. Figures of September are figures of half-year, and figures of March are figures of one year.