

Assets & Borrower Classification Standard by Self Assessment

		Large	Collectability		Small
Borrower Classification	Classification of guarantee, Collateral Superior Collateral (Deposit, Government Bond etc) Superior Guarantee (Guarantee by public sector etc)	Ordinary Collateral (Real estate etc)		No Collateral, Guarantee	
		Estimated Disposal Value of collateral (70% of market value)	Difference between Market Value and Estimated Disposal Value of collateral (30% of market value)		
Bankrupt	I	II	III	IV	
<i>De facto</i> bankrupt	I	II	III	IV	
In danger of bankruptcy	I	II	III	III	
Special attention	I	II	II	II	
Needs attention	I	II	II	II	
Normal	I	I	I	I	

Solvent Financial Condition Insolvent

Category I: Assets with no problems in terms of repayment risk or loss of value risk

Category II: Assets deemed to include a higher than normal repayment risk

Category III: Assets for which there are serious doubts about collection or value

Category IV: Assets deemed to be uncollectable or without value

Bankrupt Legally and formally bankrupt, including bankruptcy, liquidation, reorganization, rehabilitation, composition, and suspension of dealings on the bill exchange

De facto bankrupt Be in serious business difficulties and considered to be impossible to rebuild, though not yet legally and formally bankrupt

In danger of Bankruptcy Facing business difficulties and failing to make adequate progress on its business improvement plan, so that there is a possibility of falling into bankruptcy in the future

Special Attention Within the borrowers classified as "Needs Attention", overduing longer than 3 months or having problems with lending conditions (I.e., waivers, reductions, or dererrals of interest)

Needs Attention Having problems with lending conditions, fulfillment or its financial conditions, etc

Normal Having strong results and no particular problems with its financial condition