Capital Adequacy (Consolidated)

Disclosure Regarding Capital Adequacy

The Bank calculates its capital adequacy ratio based on the formula contained in Notification No. 4 of the 2006 Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries of Japan entitled "Standards for Judging the Soundness of Management of The Norinchukin Bank" (hereinafter "Notification Regarding Capital Adequacy Ratio"). In addition, to calculate risk-weighted assets for credit risk, the Bank has adopted the "Foundation Internal Ratings-Based Approach (F-IRB)" and "The Standardized Approach (TSA)" for calculating operational risk capital charges.

Regarding the calculation of capital adequacy ratio, the Bank has been audited by Ernst & Young ShinNihon LLC pursuant to "Treatment of Inspection of the Capital Ratio Calculation Framework Based on Agreed-upon Procedures" (JICPA Industry Committee Report No. 30). It does not constitute a part of the audit on financial statements by law, but a review on agreed-upon procedures on internal control of the capital adequacy calculation. Accordingly, Ernst & Young ShinNihon LLC does not express any audit opinion as a result of the review.

The disclosure requirements for the Bank are provided in Notification No. 6 of the 2007 Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries of Japan entitled "Disclosure Items Related to Capital Adequacy of The Norinchukin Bank" (hereinafter, "Disclosure Notification"). In addition, from the March 2015 standards, we have started disclosure pertaining to consolidated leverage ratio, which is a supplementary indicator of the capital adequacy regulations. These disclosures can be found in this annual report as well as in the IR Library of the Bank's website at http://www.nochubank.or.jp/.

Glossary of Terms

Exposure
Exposure is defined as the sum of the corresponding credit amount (before credit risk mitigation) of assets recognized on balance sheets, plus those of off-balance sheet transactions.

Risk-Weighted Asset for Credit Risk (RA)
RA is the amount of credit risk computed from exposure in accordance with the relevant credit risk. Since the Bank adopts the Foundation Internal Ratings-Based Approach (F-IRB), the amount of RAs is computed based on certain parameters—namely, probability of default (PD), loss given default (LGD) and exposure at default (EAD).

Probability of Default (PD)
Probability of default is the likelihood that the obligor will be in default within a one-year period.

Loss Given Default (LGD)
Loss given default is the percentage of losses that are incurred from the exposure in default. The loss referred to herein includes costs and the period of recovering the claim.

Exposure at Default (EAD)
EAD is the amount of the exposure at the time of default, taking into account those of the additional drawdown from the commitment line. Since the Bank adopts the F-IRB, it is required to estimate EAD for retail exposure. Regarding corporate, sovereign, and bank exposures, however, the Bank computes EAD based on the calculation method described in the Notification Regarding Capital Adequacy Ratio.

Remarks on Computation of the Consolidated Capital Adequacy Ratio

Scope of Consolidation

- Reason for discrepancies between companies belonging to the Bank's group that are required to compute a consolidated capital adequacy ratio, as specified in the Notification Regarding Capital Adequacy Ratio, Article 3 (hereinafter, "the Consolidated Group") and the companies included in the scope of consolidation, based on "Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statement" under Ministerial Ordinance No. 28, issued by the Ministry of Finance in 1976:
  Not applicable
- As of March 31, 2015, the Bank had ten consolidated subsidiaries. The names and principal lines of business of the primary subsidiaries are as follows:
  1. Norinchukin Trust & Banking Co., Ltd.: Trust and banking business
  2. Kyodo Housing Loan Co., Ltd.: Loans and guarantees for housing
- Companies belonging to the Consolidated Group but not included in the scope of consolidation:
  Not applicable
- Companies not belonging to the Consolidated Group but included in the scope of consolidation:
  Not applicable
- Affiliated companies engaged in financial service business that were subject to the provisions of Article 9 of the Notification Regarding Capital Adequacy Ratio:
  Not applicable
- Restrictions on the transfer of funds and capital between the members of the Consolidated Group:
  Not applicable

Companies with Less than the Regulatory Required Capital and the Amount of Shortfall

With regard to the group companies that are subject to capital deduction, as provided for in the Notification Regarding Capital Adequacy Ratio, the names of those companies whose capital is less than the regulatory required capital and the total amount of shortfall in their capital:

Not applicable

Risk Weight (RW)

RW indicates the ratio of RA to EAD. The following formula applies:

EAD x RW (%) = RA

As the Bank adopts F-IRB, with regard to most of the Bank's assets, RW is determined by parameters, including PD which corresponds to the grade of debtor rating.

Total Regulatory Required Capital

Total regulatory required capital is the amount of capital equivalent to 8% of the denominator of the capital adequacy ratio.

To the amount of total regulatory required capital for each exposure of risk-weighted assets for credit risk in the quantitative disclosures of the Bank, the expected loss, included in the numerator of the capital adequacy ratio, is added and shown.

Consolidated Leverage Ratio

Consolidated leverage ratio is an indicator to supplement the capital adequacy ratio, and it was introduced to suppress excessive leverage in the banking sector. The application of disclosure regulations directed at banks that meet international standards, including the Bank, was started from the fiscal year ending March 31, 2015.

A minimum standard of 3% is currently being trialed, and adjustments to the final standards will be made by the first half of 2017.

Capital Ratio Information (Consolidated)

Composition of Capital (Consolidated)

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
Common Equity Tier 1 capital: instruments and reserves						
1a+2-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	**4,899,516**		4,570,577		
1a	of which: capital and capital surplus	**3,400,930**		3,400,930		E1.1-E1.2+E1.3
2	of which: retained earnings	**1,576,096**		1,236,359		E2
26	of which: cash dividends to be paid	**77,510**		66,712		
	of which: other than the above	**—**		—		E3
3	Accumulated other comprehensive income and other disclosed reserves	**909,585**	**1,364,377**	256,489	1,025,958	E4
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	**—**		—		E8.1
	Total of items included in Common Equity Tier 1 capital: instruments and reserves under phase-out arrangements	**2,454**		3,120		
	of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	**2,454**		3,120		
6	Common Equity Tier 1 capital: instruments and reserves (A)	**5,811,555**		4,830,187		
Common Equity Tier 1 capital: regulatory adjustments						
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	**12,437**	**18,655**	7,049	28,199	
8	of which: goodwill (net of related tax liability, including those equivalent)	**6,216**	**9,324**	3,347	13,388	A1.1+A1.2
9	of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	**6,220**	**9,331**	3,702	14,811	A2.1-A2.2
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	**—**	**—**	—	—	A3
11	Deferred gains or losses on derivatives under hedge accounting	**(14,893)**	**(22,339)**	(3,827)	(15,310)	E7
12	Shortfall of eligible provisions to expected losses	**15,829**	**23,744**	3,903	15,612	
13	Securitisation gain on sale	**—**	**—**	—	—	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	**—**	**—**	—	—	
15	Net defined-benefit asset	**9,409**	**14,114**	2,193	8,775	A4-D3
16	Investments in own shares (excluding those reported in the Net Assets section)	**—**	**—**	—	—	A5
17	Reciprocal cross-holdings in common equity	**—**	**—**	—	—	A6
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (“Other Financial Institutions”), net of eligible short positions, where the bank does not own more than 10% of the issued share capital	**—**	**—**	—	—	A7

(Millions of Yen, %)

Basel III Template No.		Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
19+20+21		Amount exceeding the 10% threshold on specified items	**—**	**—**	—	—	
19		of which: significant investments in the common stock of financials	**—**	**—**	—	—	A8
20		of which: mortgage servicing rights	**—**	**—**	—	—	A9
21		of which: deferred tax assets arising from temporary differences (net of related tax liability)	**—**	**—**	—	—	A10
22		Amount exceeding the 15% threshold on specified items	**—**	**—**	—	—	
23		of which: significant investments in the common stock of financials	**—**	**—**	—	—	A11
24		of which: mortgage servicing rights	**—**	**—**	—	—	A12
25		of which: deferred tax assets arising from temporary differences (net of related tax liability)	**—**	**—**	—	—	A13
27		Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	**—**		—		
28		Common Equity Tier 1 capital: regulatory adjustments (B)	**22,783**		9,319		
Common Equity Tier 1 capital (CET1)							
29		Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	**5,788,772**		4,820,868		
Additional Tier 1 capital: instruments							
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	**49,000**		49,000		E5.1+E5.2
30	31b	Subscription rights to Additional Tier 1 instruments	**—**		—		
30	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**—**		—		D1.1+D1.2
30		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**		—		
34-35		Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	**2,718**		2,673		E8.2
33+35		Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	**594**		679		
33		of which: instruments issued by banks and their special purpose vehicles	**594**		679		
35		of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	**—**		—		
		Total of items included in Additional Tier 1 capital: instruments under phase-out arrangements	**14**		(4)		
		of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related other comprehensive income	**14**		(4)		
36		Additional Tier 1 capital: instruments (D)	**52,327**		52,348		

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
Additional Tier 1 capital: regulatory adjustments						
37	Investments in own Additional Tier 1 instruments	**—**	**—**	—	—	A14
38	Reciprocal cross-holdings in Additional Tier 1 instruments	**—**	**—**	—	—	A15
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	**—**	**—**	—	—	A16
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	**18,127**	**27,190**	8,600	34,403	A17
	Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements	**11,872**		7,806		
	of which: 50% of balance due to pay of eligible provisions	**11,872**		7,806		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	**—**		—		
43	Additional Tier 1 capital: regulatory adjustments (E)	**29,999**		16,407		
Additional Tier 1 capital (AT1)						
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	**22,327**		35,941		
Tier 1 capital (T1=CET1+AT1)						
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	**5,811,100**		4,856,809		
Tier 2 capital: instruments and provisions						
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	**—**		—		E6
	Subscription rights to Tier 2 instruments	**—**		—		
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**1,387,791**		1,387,791		D2.1+D2.2
	Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**		—		
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	**229**		192		E8.3
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	**148,216**		148,216		
47	of which: instruments issued by banks and their special purpose vehicles	**148,216**		148,216		
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	**—**		—		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	**7**		19		
50a	of which: general reserve for possible loan losses	**7**		19		A18
50b	of which: eligible provisions	**—**		—		A19
	Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements	**853,337**		641,595		
	of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related other comprehensive income	**853,337**		641,595		
51	Tier 2 capital: instruments and provisions (H)	**2,389,581**		2,177,813		

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
Tier 2 capital: regulatory adjustments						
52	Investments in own Tier 2 instruments	—	—	—	—	A20
53	Reciprocal cross-holdings in Tier 2 instruments	—	—	—	—	A21
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	—	—	—	—	A22
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	—	—	—	—	A23
	Total of items included in Tier 2 capital: regulatory adjustments under phase-out arrangements	**48,214**		55,367		
	of which: intangibles assets other than mortgage servicing rights	**9,324**		13,388		
	of which: 50% of balance due to pay of eligible provisions	**11,872**		7,806		
	of which: significant investments in the additional Tier 1 capital of other financial institutions	**27,017**		34,172		
57	Tier 2 capital: regulatory adjustments (I)	**48,214**		55,367		
Tier 2 capital (T2)						
58	Tier 2 capital (T2) ((H)-(I)) (J)	**2,341,367**		2,122,446		
Total capital (TC=T1+T2)						
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	**8,152,467**		6,979,256		
Risk weighted assets						
	Total of items included in risk weighted assets under phase-out arrangements	**24,329**		24,764		
	of which: intangibles assets other than mortgage servicing rights	**9,331**		14,811		
	of which: net defined-benefit asset	**14,114**		8,775		
	of which: significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	**883**		1,178		
60	Risk weighted assets (L)	**33,700,958**		27,646,905		
Capital Ratio (consolidated)						
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	**17.17%**		17.43%		
62	Tier 1 capital ratio (consolidated) ((G)/(L))	**17.24%**		17.56%		
63	Total capital ratio (consolidated) ((K)/(L))	**24.19%**		25.24%		
Regulatory Adjustments						
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**553,001**		543,542		A24
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**55,679**		51,927		A25
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		—		A26
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	—		—		A27

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
Provisions included in Tier 2 capital: instruments and provisions						
76	Provisions (general reserve for possible loan losses)	**7**		19		
77	Cap on inclusion of provisions (general reserve for possible loan losses)	**105**		127		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	**—**		—		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	**179,205**		149,587		
Capital instruments under phase-out arrangements						
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	**594**		679		
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	**254**		169		
84	Current cap on Tier 2 instruments under phase-out arrangements	**1,075,204**		1,228,805		
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	**—**		—		

Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements (Consolidated)

As of March 31, 2015

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	**20,038,143**		
of which: non-significant investments in the capital instruments of other financial institutions		**105,000**	
Tier 2 capital instruments		**—**	
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)		**105,000**	A24
Foreign Exchanges Assets	**202,946**		
Securities	**59,723,905**	**59,723,905**	
Money Held in Trust	**4,507,849**	**4,507,849**	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		**15,540**	A1.1
Securities and Money Held in Trust of which: investments in own capital instruments		**—**	
Common Equity (excluding those reported in the Net Assets section)		**—**	A5
Additional Tier 1 capital		**—**	A14
Tier 2 capital		**—**	A20
Securities and Money Held in Trust of which: reciprocal cross-holdings in capital instruments		**—**	
Common Equity		**—**	A6
Additional Tier 1 capital		**—**	A15
Tier 2 capital		**—**	A21

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Securities and Money Held in Trust of which: investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital		448,001	
Common Equity		—	A7
Additional Tier 1 capital		—	A16
Tier 2 capital		—	A22
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		448,001	A24
Securities and Money Held in Trust of which: significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		100,996	
Amount exceeding the 10% threshold on specified items		—	A8
Amount exceeding the 15% threshold on specified items		—	A11
Additional Tier 1 capital		45,317	A17
Tier 2 capital		—	A23
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		55,679	A25
Trading Assets	10,099		
Monetary Claims Bought	226,605		
Call Loans and Bills Bought	569,902		
Receivables under Resale Agreements	29,842		
Receivables under Securities Borrowing Transactions	78,804		
Cash and Due from Banks	7,297,692		
Other Assets	881,872		
Tangible Fixed Assets	110,386		
Buildings	43,729		
Land	50,827		
Lease Assets	11,450		
Construction in Progress	20		
Other	4,358		
Intangible Fixed Assets	20,947	20,947	
Software	12,505	12,505	
Lease Assets	3,519	3,519	
Other	4,922	4,922	
of which: goodwill and those equivalents (excluding those reported in the Net Assets section)		—	A1.2
of which: other intangible assets other than goodwill and mortgage servicing rights		20,947	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		5,395	A2.2
of which: mortgage servicing rights (net of related deferred tax liabilities)		—	
Amount exceeding the 10% threshold on specified items		—	A9
Amount exceeding the 15% threshold on specified items		—	A12
Amount below the thresholds for deduction (before risk weighting)		—	A26
Amounts of assets related to retirement benefits	32,559	32,559	A4
Deferred Tax Assets	2,014	2,014	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)		—	A3
of which: deferred tax assets arising from temporary differences (net of related deferred tax liabilities)		—	
Amount exceeding the 10% threshold on specified items		—	A10
Amount exceeding the 15% threshold on specified items		—	A13
Amount below the thresholds for deduction (before risk weighting)		—	A27
Customers' Liabilities for Acceptances and Guarantees	936,504		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Reserve for Possible Loan Losses	(118,132)	(118,132)	
of which: general reserve for possible loan losses includes Tier 2		(7)	A18
of which: eligible provisions includes Tier 2		—	A19
Reserve for Possible Investment Losses	(2,213)		
Total Assets	94,549,729		
(Liabilities)			
Deposits	53,474,106		
Negotiable Certificates of Deposit	3,674,664		
Debentures	3,552,811		
Bonds	50,000	50,000	
of which: qualifying Additional Tier 1 instruments		—	D1.1
of which: qualifying Tier 2 instruments		—	D2.1
Trading liabilities	6,717		
Borrowed money	2,441,513	2,441,513	
of which: qualifying Additional Tier 1 instruments		—	D1.2
of which: qualifying Tier 2 instruments		1,387,791	D2.2
Call Money and Bills Sold	475,000		
Payables under Repurchase Agreements	17,707,639		
Payables under Securities Lending Transactions	74,682		
Foreign Exchanges Liabilities	35		
Trust Money	2,612,780		
Other Liabilities	1,348,589		
Reserve for Bonus Payments	7,326		
Liabilities related to retirement benefits	16,349		
Reserve for Directors' Retirement Benefits	1,064		
Deferred Tax Liabilities	852,175	852,175	
of which: assets related to retirement benefits		9,035	D3
Deferred Tax Liabilities for Land Revaluation	9,633	9,633	
Acceptances and Guarantees	936,504		
Total Liabilities	87,241,595		
(Net Assets)			
Paid-in Capital	3,425,909	3,425,909	E1.1
of which: preferred stock		24,999	E1.2
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.1
Capital Surplus	25,020	25,020	
of which: other capital surplus		20	E1.3
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.2
Retained Earnings	1,576,096	1,576,096	E2
Treasury Preferred Stock	(150)	(150)	
Total Owners' Equity	5,026,876	5,026,876	
of which: others		—	E3
of which: directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards		—	E6
Net Unrealized Gains on Other Securities	2,339,436	2,339,436	
Net Deferred Losses on Hedging Instruments	(104,793)	(104,793)	
of which: net deferred losses on hedge		(37,232)	E7
Revaluation Reserve for Land	16,984	16,984	
Foreign Currency Translation Adjustment	23	23	
Remeasurements of Defined Benefit Plans	22,311	22,311	
Total Accumulated Other Comprehensive Income	2,273,963	2,273,963	E4

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Minority Interests	**7,294**	**7,294**	
of which: common equity issued by subsidiaries and held by third parties (amount allowed in group CET1)		**—**	E8.1
of which: Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)		**2,718**	E8.2
of which: Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		**229**	E8.3
Total Net Assets	**7,308,134**		
Total Liabilities and Net Assets	**94,549,729**		

Notes: 1. "Balance sheet amount based on regulatory scope of consolidation" refers only to the items used in calculating capital adequacy.
2. "Balance sheet amount based on regulatory scope of consolidation" does not reflect transitional arrangements so that the amount of the column consists of the amount included in capital adequacy and the amount excluded under transitional arrangements in "Composition of Capital".

As of March 31, 2014

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	17,395,323		
of which: non-significant investments in the capital instruments of other financial institutions		105,000	
Tier 2 capital instruments		—	
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)		105,000	A24
Foreign Exchanges Assets	134,353		
Securities	52,883,256	52,883,256	
Money Held in Trust	4,650,704	4,650,704	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		16,735	A1.1
Securities and Money Held in Trust of which: investments in own capital instruments		—	
Common Equity (excluding those reported in the Net Assets section)		—	A5
Additional Tier 1 capital		—	A14
Tier 2 capital		—	A20
Securities and Money Held in Trust of which: reciprocal cross-holdings in capital instruments		—	
Common Equity		—	A6
Additional Tier 1 capital		—	A15
Tier 2 capital		—	A21
Securities and Money Held in Trust of which: investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital		—	
Common Equity		—	A7
Additional Tier 1 capital		—	A16
Tier 2 capital		—	A22
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		438,542	A24
Securities and Money Held in Trust of which: significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		94,930	
Amount exceeding the 10% threshold on specified items		—	A8
Amount exceeding the 15% threshold on specified items		—	A11

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Additional Tier 1 capital		43,003	A17
Tier 2 capital		—	A23
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		51,927	A25
Trading Assets	14,055		
Monetary Claims Bought	174,256		
Call Loans and Bills Bought	619,386		
Receivables under Resale Agreements	—		
Receivables under Securities Borrowing Transactions	5,614		
Cash and Due from Banks	5,981,536		
Other Assets	498,890		
Tangible Fixed Assets	110,358		
Buildings	40,652		
Land	51,498		
Lease Assets	10,915		
Construction in Progress	754		
Other	6,537		
Intangible Fixed Assets	25,126	25,126	
Software	20,163	20,163	
Lease Assets	1,967	1,967	
Other	2,995	2,995	
of which: goodwill and those equivalents (excluding those reported in the Net Assets section)		—	A1.2
of which: other intangible assets other than goodwill and mortgage servicing rights		25,126	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		6,612	A2.2
of which: mortgage servicing rights (net of related deferred tax liabilities)		—	
Amount exceeding the 10% threshold on specified items		—	A9
Amount exceeding the 15% threshold on specified items		—	A12
Amount below the thresholds for deduction (before risk weighting)		—	A26
Amounts of assets related to retirement benefits	15,171	15,171	A4
Deferred Tax Assets	2,069	2,069	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)		—	A3
of which: deferred tax assets arising from temporary differences (net of related deferred tax liabilities)		—	
Amount exceeding the 10% threshold on specified items		—	A10
Amount exceeding the 15% threshold on specified items		—	A13
Amount below the thresholds for deduction (before risk weighting)		—	A27
Customers' Liabilities for Acceptances and Guarantees	806,697		
Reserve for Possible Loan Losses	(170,718)	(170,718)	
of which: general reserve for possible loan losses includes Tier 2		(19)	A18
of which: eligible provisions includes Tier 2		—	A19
Reserve for Possible Investment Losses	(2,407)		
Total Assets	83,143,675		
(Liabilities)			
Deposits	49,717,247		
Negotiable Certificates of Deposit	2,848,086		
Debentures	4,025,067		
Bonds	50,000	50,000	
of which: qualifying Additional Tier 1 instruments		—	D1.1
of which: qualifying Tier 2 instruments		—	D2.1
Trading liabilities	6,994		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Borrowed money	2,278,623	2,278,623	
of which: qualifying Additional Tier 1 instruments		—	D1.2
of which: qualifying Tier 2 instruments		1,387,791	D2.2
Call Money and Bills Sold	492,493		
Payables under Repurchase Agreements	12,582,675		
Payables under Securities Lending Transactions	132,945		
Foreign Exchanges Liabilities	4		
Trust Money	2,950,795		
Other Liabilities	775,982		
Reserve for Bonus Payments	6,830		
Liabilities related to retirement benefits	14,589		
Reserve for Directors' Retirement Benefits	1,096		
Deferred Tax Liabilities	467,297	467,297	
of which: assets related to retirement benefits		4,202	D3
Deferred Tax Liabilities for Land Revaluation	9,729	9,729	
Acceptances and Guarantees	806,697		
Total Liabilities	77,167,156		
(Net Assets)			
Paid-in Capital	3,425,909	3,425,909	E1.1
of which: preferred stock		24,999	E1.2
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.1
Capital Surplus	25,020	25,020	
of which: other capital surplus		20	E1.3
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.2
Retained Earnings	1,236,359	1,236,359	E2
Treasury Preferred Stock	(150)	(150)	
Total Owners' Equity	4,687,139	4,687,139	
of which: others		—	E3
of which: directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards		—	E6
Net Unrealized Gains on Other Securities	1,302,399	1,302,399	
Net Deferred Losses on Hedging Instruments	(45,419)	(45,419)	
of which: net deferred losses on hedge		(19,137)	E7
Revaluation Reserve for Land	16,606	16,606	
Foreign Currency Translation Adjustment	(6)	(6)	
Remeasurements of Defined Benefit Plans	8,867	8,867	
Total Accumulated Other Comprehensive Income	1,282,448	1,282,448	E4
Minority Interests	6,930	6,930	
of which: common equity issued by subsidiaries and held by third parties (amount allowed in group CET1)		—	E8.1
of which: Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)		2,673	E8.2
of which: Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		192	E8.3
Total Net Assets	5,976,519		
Total Liabilities and Net Assets	83,143,675		

Notes: 1. "Balance sheet amount based on regulatory scope of consolidation" refers only to the items used in calculating capital adequacy.
2. "Balance sheet amount based on regulatory scope of consolidation" does not reflect transitional arrangements so that the amount of the column consists of the amount included in capital adequacy and the amount excluded under transitional arrangements in "Composition of Capital".

Capital Adequacy (Consolidated)

(Minimum amount of regulatory required capital and breakdown for each risk category)

Regulatory Required Capital

(Billions of Yen)

Items	As of March 31, 2015		As of March 31, 2014	
	EAD	**Regulatory Required Capital**	EAD	Regulatory Required Capital
Amount of regulatory required capital for credit risk	**121,948**	**2,523**	105,039	2,133
Exposure subject to Internal Ratings-Based Approach	**106,592**	**2,503**	94,918	2,120
Corporate exposure (excluding Specialized Lending)	**6,331**	**261**	5,819	261
Corporate exposure (Specialized Lending)	**208**	**17**	131	17
Sovereign exposure	**58,056**	**0**	49,644	0
Bank exposure	**17,267**	**148**	16,176	154
Retail exposure	**997**	**34**	882	34
Retail exposure secured by residential properties	**953**	**30**	838	29
Qualifying revolving retail exposure	**—**	**—**	—	—
Other retail exposure	**43**	**3**	44	4
Securitization and re-securitization exposure	**5,436**	**60**	5,432	86
Equity portfolios	**1,240**	**209**	969	169
Equity portfolios subject to PD/LGD approaches	**811**	**89**	183	27
Equity portfolios subject to simple risk-weighted method	**67**	**22**	50	17
Equities under the internal models approach	**361**	**97**	320	89
Grandfathered equity exposure	**—**	**—**	414	35
Exposure subject to risk-weighted asset calculation for investment fund	**16,482**	**1,747**	15,447	1,374
Other debt purchased	**335**	**15**	197	12
Other exposures	**235**	**8**	215	9
Exposure subject to Standardized Approach	**46**	**0**	42	0
Assets subject to Standardized Approach on a non-consolidated basis	**4**	**0**	6	0
Assets subject to Standardized Approach in consolidated companies (excluding securitization exposure)	**42**	**0**	36	0
Assets subject to Standardized Approach in consolidated companies (securitization exposure)	**0**	**0**	0	0
Amount corresponding to CVA risk	**314**	**6**	232	4
CCP-related exposures	**14,943**	**10**	9,787	4
Items that included by transitional arrangements	**51**	**1**	58	1
Amount of regulatory required capital for market risk	/	**227**	/	165
Standardized Approach	/	**226**	/	164
Interest rate risk category	/	**—**	/	—
Equity risk category	/	**—**	/	—
Foreign exchange risk category	/	**226**	/	164
Commodity risk category	/	**—**	/	—
Option transactions	/	**—**	/	—
Internal models Approach	/	**0**	/	0
Amount of regulatory required capital for operational risk	/	**61**	/	41
Offsets on consolidation	/	**2,812**	/	2,339

Notes: 1. Regulatory required capital for credit risk = 8% of risk-weighted assets for credit risk + Expected losses

2. "Risk-weighted asset calculation for investment fund" is risk-weighted assets as calculated according to the method specified in Notification Regarding Capital Adequacy Ratio, Article 144.

3. The Notification Regarding Capital Adequacy Ratio, Article 13 of supplemental provision contains a grandfathering provision for computing the amount of risk assets related to equity exposures that meet specified criteria.

4. Risk-weighted asset calculation for investment fund includes ¥8.5 billion EAD and ¥0 billion of Required Capital of CPP-related exposures.

5. Under "The Standardized Approach (TSA)," which is a method for computing the amount corresponding to operational risk, the gross profit for one year is allocated among the business activities as specified in Appendix Table 1 of the Notification Regarding Capital Adequacy Ratio. The multiplier specified for each business activity classification is multiplied by the gross profit, and the average of the annual totals for the past three years is taken to be the amount corresponding to operational risk (Notification Regarding Capital Adequacy Ratio, Article 282).

(Billions of Yen)

Items	**As of March 31, 2015**	As of March 31, 2014
Consolidated total required capital	**2,696**	2,211

Note: Consolidated total required capital is an amount that results from multiplying the denominator of the formula by 8% as stipulated in Notification Regarding Capital Adequacy Ratio, Article 2.

Credit Risk (Consolidated)

(Funds and securitization exposures are excluded)

1. Credit Risk Exposure

Fiscal 2014 (Ended March 31, 2015)

Geographic Distribution of Exposure, Details in Significant Areas by Major Types of Credit Exposure

(Billions of Yen)

Region	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	19,972	15,146	7	8,995	44,122	113
Asia except Japan	291	158	0	98	548	—
Europe	200	10,109	2	7,295	17,607	—
The Americas	709	18,300	15	16,753	35,779	—
Other areas	13	369	—	244	627	—
Amounts held by consolidated subsidiaries	999	35	—	41	1,076	9
Total	22,187	44,120	25	33,428	99,762	123

Industry Distribution of Exposure, Details by Major Types of Credit Exposure

(Billions of Yen)

Industry	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	2,400	401	0	0	2,803	22	0
Agriculture	28	0	0	0	28	5	0
Forestry	7	—	—	—	7	0	—
Fishing	26	—	—	0	26	19	0
Mining	5	—	—	0	5	—	—
Construction	90	9	—	0	99	1	—
Utility	234	8	0	0	242	—	—
Information/telecommunications	72	5	—	0	78	—	—
Transportation	564	133	3	0	700	14	—
Wholesaling, retailing	1,552	68	0	0	1,620	14	0
Finance and insurance	1,766	11,066	21	33,142	45,996	7	0
Real estate	520	85	—	3	609	19	—
Services	1,263	138	0	1	1,403	9	—
Municipalities	86	11	—	0	97	—	—
Other	12,568	32,158	—	238	44,965	0	—
Amounts held by consolidated subsidiaries	999	35	—	41	1,076	9	0
Total	22,187	44,120	25	33,428	99,762	123	1

Note: "Others" within "Finance and insurance" includes repo-type transactions, call loans, and certain other items.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of Yen)

Term to maturity	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	16,562	1,906	4	30,430	48,903
Over 1 year to 3 years	1,908	9,341	14	1,935	13,199
Over 3 years to 5 years	1,400	15,936	2	—	17,338
Over 5 years to 7 years	755	11,549	1	0	12,306
Over 7 years	558	4,034	3	0	4,595
No term to maturity	3	1,316	—	1,021	2,341
Amounts held by consolidated subsidiaries	999	35	—	41	1,076
Total	22,187	44,120	25	33,428	99,762

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position during fiscal 2014.
2. The amounts of credit-risk exposure held by consolidated subsidiaries are extremely limited, amounting only to about 1% of consolidated risk exposure, so only the total amounts held by these subsidiaries are shown.
3. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥47.2 billion.
4. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

Fiscal 2013 (Ended March 31, 2014)

Geographic Distribution of Exposure, Details in Significant Areas by Major Types of Credit Exposure

(Billions of Yen)

Region	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	19,064	15,154	8	7,106	41,334	142
Asia except Japan	201	126	2	306	636	—
Europe	92	10,253	0	6,559	16,905	—
The Americas	463	12,016	2	12,033	24,516	—
Other areas	7	1,024	0	224	1,256	—
Amounts held by consolidated subsidiaries	885	36	0	36	958	9
Total	20,714	38,612	13	26,266	85,607	152

Industry Distribution of Exposure, Details by Major Types of Credit Exposure

(Billions of Yen)

Industry	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	2,698	303	0	0	3,002	26	1
Agriculture	40	0	—	0	40	6	0
Forestry	10	—	—	—	10	1	—
Fishing	28	—	—	0	28	16	0
Mining	4	—	—	0	4	—	—
Construction	110	7	—	0	117	2	—
Utility	148	5	0	0	154	—	—
Information/telecommunications	81	5	0	1	87	—	—
Transportation	579	85	2	0	667	21	—
Wholesaling, retailing	1,790	54	0	0	1,845	23	0
Finance and insurance	2,547	11,527	10	26,005	40,091	14	—
Real estate	518	69	—	1	590	19	—
Services	1,233	95	0	1	1,329	10	0
Municipalities	109	13	—	0	122	—	—
Other	9,927	26,409	—	219	36,556	0	—
Amounts held by consolidated subsidiaries	885	36	0	36	958	9	0
Total	20,714	38,612	13	26,266	85,607	152	2

Note: "Others" within "Finance and insurance" includes repo-type transactions, call loans, and certain other items.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of Yen)

Term to maturity	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	16,017	3,074	3	25,756	44,851
Over 1 year to 3 years	1,574	4,299	2	—	5,876
Over 3 years to 5 years	1,335	13,330	3	—	14,668
Over 5 years to 7 years	543	10,668	1	—	11,213
Over 7 years	355	6,013	2	—	6,371
No term to maturity	3	1,190	—	473	1,667
Amounts held by consolidated subsidiaries	885	36	0	36	958
Total	20,714	38,612	13	26,266	85,607

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position during fiscal 2013.
2. The amounts of credit-risk exposure held by consolidated subsidiaries are extremely limited, amounting only to about 1% of consolidated risk exposure, so only the total amounts held by these subsidiaries are shown.
3. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥43.5 billion.
4. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

2. Reserves for Possible Loan Losses

Increase/Decrease in General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and the Specific Reserve for Loans to Countries with Financial Problems by Region

(Billions of Yen)

Region	As of March 31, 2015	As of March 31, 2014	Increase/(decrease)
General reserve for possible loan losses	**20**	40	**(19)**
Specific reserve for possible loan losses	**50**	58	**(8)**
Japan	**50**	58	**(8)**
Asia except Japan	**—**	—	**—**
Europe	**—**	—	**—**
The Americas	**—**	—	**—**
Other areas	**—**	—	**—**
Amounts held by consolidated subsidiaries	**4**	5	**(0)**
Offsets on consolidation	**(1)**	(1)	**0**
Specified reserve for loans to countries with financial problems	**—**	—	**—**
Total	**74**	102	**(28)**

Increase/Decrease in General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and the Specified Reserve for Loans to Countries with Financial Problems by Industry

(Billions of Yen)

Industry	As of March 31, 2015	As of March 31, 2014	Increase/(decrease)
General reserve for possible loan losses	**20**	40	**(19)**
Specific reserve for possible loan losses	**50**	58	**(82)**
Manufacturing	**5**	6	**(0)**
Agriculture	**3**	4	**(0)**
Forestry	**0**	0	**(0)**
Fishing	**7**	8	**(0)**
Mining	**—**	—	**—**
Construction	**0**	0	**(0)**
Utility	**—**	—	**—**
Information/telecommunications	**—**	—	**—**
Transportation	**3**	5	**(2)**
Wholesaling, retailing	**3**	3	**(0)**
Finance and insurance	**0**	5	**(4)**
Real estate	**17**	17	**0**
Services	**7**	7	**(0)**
Municipalities	**—**	—	**—**
Other	**—**	—	**—**
Others	**—**	—	**—**
Amount held by consolidated subsidiaries	**4**	5	**(0)**
Offsets on consolidation	**(1)**	(1)	**0**
Specified reserve for loans to countries with financial problems	**—**	—	**—**
Total	**74**	102	**(28)**

3. Exposure Subject to the Internal Ratings-Based Approach

Types of Exposure by Portfolio and Overview of Internal Rating Procedures

■ Corporate, Sovereign and Bank Exposure

Types of Exposure

Corporate exposure includes general business corporate exposure, sovereign (country) exposure, bank exposure, and specialized lending exposure.

Within these categories, general business corporate exposure is subdivided into resident and non-resident corporate, depending on head office location.

Specialized lending is subdivided into Income-Producing Real Estate (IPRE), High-Volatility Commercial Real Estate (HVCRE), Object Finance (OF) and Project Finance (PF).

Overview of Debtor Rating Procedure

In the Bank's general procedure for assigning a debtor rating for corporate exposure, the front office is in charge of applying for a rating and then the credit risk management section reviews and approves it. To be more precise, a debtor rating is assigned for each type of exposure including resident and non-resident corporate, sovereign, bank and specialized lending.

Work Flow for Assigning Debtor Ratings

The Bank assigns debtor ratings after taking into account all of the latest available and most relevant information.

Ratings undergo "periodic review" at least once a year in order to quickly reflect the financial status of the borrower. When an event occurs that could cause a change in the rating, the Bank conducts an "ad-hoc review."

	Items for Review	Content of Review
1	Financial rating	Based on quantitative data of an obligor, including financial statements, the relevant quantitative model according to the risk profile of the obligor is applied to assign a financial rating.
2	Adjustments in financial rating	In addition to the process stated above, the Bank takes into account the events which should affect the obligor, and adjusts the financial rating.
3	Qualitative evaluation	Among significant elements to evaluate the creditworthiness of the obligor, those elements which are not captured fully by quantitative evaluation are evaluated.
4	Country adjustment	The rating of the obligor is adjusted not to exceed the rating of the country.
5	Consideration of external information	Supplemental to quantitative and qualitative evaluation, the Bank may consider other elements, such as changes in agency rating, CDS or corporate bond spread, or stock price, and adjust the rating accordingly.
6	Determination of debtor classification	Determination of the classification of an obligor in accordance with Procedure for Self-Assessment Exercise.
7	Final rating	To reflect the situation of the obligor more accurately, supplemental evaluation may be conducted before the final decision of the internal rating.

■ Equity Exposure

The Bank assigns internal ratings to equity exposures according to the same process used in assigning ratings to corporate exposures whenever possible.

■ Retail Exposure

Retail exposures, such as retail exposure secured by residential properties, qualifying revolving retail exposure and other retail exposures, are managed by grouping individual exposures into eligible retail pools the Bank stipulates and assigning ratings at the pool level.

a. Corporate, Sovereign and Bank Exposure

Relationship between Internal Ratings and Parameter Estimates

At the Bank, PD for various internal ratings is divided into four categories: resident corporate, non-resident corporate, sovereign and bank. The methods for estimating these PDs are (a) the internal estimate method: the Bank estimates the long-term average for PD according to internal rating grades based on internal default data of the Bank and (b) mapping technique: the Bank maps internal grades to rating grades used by a credit rating agency and applies the default rate for a rating grade of the agency to a corresponding grade of internal rating of the Bank.

The Bank's definition of default used in estimating PD and in validation satisfies the IRB Approach criteria.

For specialized lending, the Bank applies slotting criteria to compute risk-weighted assets.

Fiscal 2014 (Ended March 31, 2015)

(Billions of Yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Corporate Exposure	1.81%	44.72%	52%	6,331	5,619	711
1-1 to 4	0.13%	44.73%	35%	5,754	5,082	672
5 to 7	1.69%	44.60%	118%	398	366	31
8-1 to 8-2	15.79%	44.68%	323%	93	86	6
Subtotal	0.46%	44.72%	45%	6,246	5,536	710
8-3 to 10-2	100.00%	44.03%	554%	85	83	1
Sovereign Exposure	0.00%	45.00%	0%	58,056	55,971	2,084
1-1 to 4	0.00%	45.00%	0%	58,055	55,970	2,084
5 to 7	0.86%	45.00%	131%	0	0	—
8-1 to 8-2	9.88%	42.18%	226%	0	0	—
Subtotal	0.00%	45.00%	0%	58,056	55,971	2,084
8-3 to 10-2	—	—	—	—	—	—
Bank Exposure	0.04%	22.80%	11%	17,267	8,109	9,157
1-1 to 4	0.03%	22.83%	11%	17,209	8,055	9,153
5 to 7	1.87%	15.82%	57%	48	44	3
8-1 to 8-2	8.94%	5.67%	33%	9	9	0
Subtotal	0.04%	22.80%	11%	17,267	8,109	9,157
8-3 to 10-2	100.00%	45.00%	563%	0	0	—
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	0.26%	90.00%	138%	811	811	—
1-1 to 4	0.09%	90.00%	131%	794	794	—
5 to 7	1.71%	90.00%	292%	11	11	—
8-1 to 8-2	15.51%	90.00%	708%	5	5	—
Subtotal	0.21%	90.00%	137%	811	811	—
8-3 to 10-2	100.00%	90.00%	1,192%	0	0	—

Notes: 1. Weighted averages of PD, LGD and risk weights are computed based on EAD (including on-balance and off-balance items).
2. Risk weight is equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default(EAD).

Fiscal 2013 (Ended March 31, 2014)

(Billions of Yen)

Ratings		Weighted-average PD	Weighted-average LGD	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Corporate Exposure		2.46%	44.89%	56%	5,819	5,138	681
	1-1 to 4	0.13%	44.94%	35%	5,178	4,532	646
	5 to 7	1.77%	44.62%	117%	413	386	27
	8-1 to 8-2	15.79%	44.37%	320%	116	110	5
	Subtotal	0.57%	44.90%	46%	5,708	5,029	679
	8-3 to 10-2	100.00%	44.31%	556%	111	109	1
Sovereign Exposure		0.00%	45.00%	0%	49,644	47,843	1,801
	1-1 to 4	0.00%	45.00%	0%	49,644	47,842	1,801
	5 to 7	0.86%	45.00%	131%	0	0	—
	8-1 to 8-2	9.88%	0.00%	0%	0	0	—
	Subtotal	0.00%	45.00%	0%	49,644	47,843	1,801
	8-3 to 10-2	—	—	—	—	—	—
Bank Exposure		0.04%	22.29%	12%	16,176	7,379	8,796
	1-1 to 4	0.03%	22.32%	12%	16,116	7,324	8,791
	5 to 7	1.93%	17.84%	64%	49	45	4
	8-1 to 8-2	8.94%	5.82%	33%	10	9	0
	Subtotal	0.04%	22.29%	12%	16,176	7,379	8,796
	8-3 to 10-2	100.00%	45.00%	563%	0	0	—
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach		0.55%	90.00%	186%	183	183	—
	1-1 to 4	0.12%	90.00%	163%	169	169	—
	5 to 7	3.48%	90.00%	454%	12	12	—
	8-1 to 8-2	15.84%	90.00%	360%	2	2	—
	Subtotal	0.54%	90.00%	186%	183	183	—
	8-3 to 10-2	100.00%	90.00%	1,193%	0	0	—

Notes: 1. Weighted averages of PD, LGD and risk weights are computed based on EAD (including on-balance and off-balance items).
2. Risk weight is equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default(EAD).
3. "Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach" does not take account of the Notification Regarding Capital Adequacy Ratio, Article 13 of Supplemental Provision (regarding provisional measures for equity exposure).

b. Retail Exposure

Relationship between Retail Pools and Parameter Estimates

On retail exposure, the Bank estimates parameters, namely PD, LGD, and EAD for each retail pool. Each of those parameters is estimated based on observed data of defaults and losses net of recovered amounts as well as external data. The applicable EAD is the end-of-period balance, since the Bank has no exposure for revolving products, with which balances may be changed within the predetermined credit lines at the discretions of the obligors.

The Bank's definition of default used in estimating and validating the parameters satisfies the criteria stipulated in the Notification Regarding Capital Adequacy Ratio.

Details on PD, LGD, RW and EAD Assets

Fiscal 2014 (Ended March 31, 2015)

(Billions of Yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average LGD default	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Retail exposure secured by residential properties	**1.22%**	**48.77%**	**92.49%**	**81.56%**	**46%**	**1,096**	**263**	**833**
Not default Not delinquent	**0.40%**	**48.80%**	**/**	**/**	**35%**	**1,078**	**248**	**830**
Not default Delinquent	**26.66%**	**45.88%**	**/**	**/**	**419%**	**12**	**10**	**2**
Not default Subtotal	**0.70%**	**48.77%**	**/**	**/**	**40%**	**1,090**	**258**	**832**
Default	**100.00%**	**/**	**92.49%**	**81.56%**	**1,156%**	**5**	**4**	**0**
Qualifying revolving retail exposure	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Not default Not delinquent	**—**	**—**	**/**	**/**	**—**	**—**	**—**	**—**
Not default Delinquent	**—**	**—**	**/**	**/**	**—**	**—**	**—**	**—**
Not default Subtotal	**—**	**—**	**/**	**/**	**—**	**—**	**—**	**—**
Default	**—**	**/**	**—**	**—**	**—**	**—**	**—**	**—**
Other retail exposure	**4.34%**	**59.97%**	**112.26%**	**96.68%**	**110%**	**44**	**40**	**3**
Not default Not delinquent	**0.85%**	**59.99%**	**/**	**/**	**63%**	**42**	**38**	**3**
Not default Delinquent	**24.34%**	**57.21%**	**/**	**/**	**309%**	**0**	**0**	**0**
Not default Subtotal	**0.98%**	**59.97%**	**/**	**/**	**64%**	**42**	**38**	**3**
Default	**100.00%**	**/**	**112.26%**	**96.68%**	**1,403%**	**1**	**1**	**0**
Total	**1.34%**	**49.20%**	**96.59%**	**84.70%**	**48%**	**1,140**	**303**	**837**
Not default Not delinquent	**0.42%**	**49.22%**	**/**	**/**	**36%**	**1,120**	**286**	**834**
Not default Delinquent	**26.62%**	**46.09%**	**/**	**/**	**417%**	**12**	**10**	**2**
Not default Subtotal	**0.71%**	**49.19%**	**/**	**/**	**41%**	**1,133**	**297**	**836**
Default	**100.00%**	**/**	**96.59%**	**84.70%**	**1,207%**	**7**	**6**	**0**

Notes: 1. Purchased retail receivables in investment funds using estimated parameters have been included in the amount subject to quantitative disclosure.
2. "Not default Delinquent" does not fall under the default definition in the Notification Regarding Capital Adequacy Ratio, but past-due.
3. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).
4. For defaulted exposure, the risk weights have been computed taking account of the unexpected losses on default (LGD default) and the expected losses on default (EL default).
5. As of March 31, 2015, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

Fiscal 2013 (Ended March 31, 2014)

(Billions of Yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average LGD default	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Retail exposure secured by residential properties	1.43%	49.19%	92.52%	82.40%	50%	1,003	285	717
Not default Not delinquent	0.44%	49.22%	/	/	38%	984	269	714
Not default Delinquent	27.13%	46.28%	/	/	425%	12	10	1
Not default Subtotal	0.77%	49.19%	/	/	43%	996	279	716
Default	100.00%	/	92.52%	82.40%	1,156%	6	5	1
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—	/	/	—	—	—	—
Not default Delinquent	—	—	/	/	—	—	—	—
Not default Subtotal	—	—	/	/	—	—	—	—
Default	—	/	—	—	—	—	—	—
Other retail exposure	5.18%	61.02%	115.07%	99.83%	124%	44	40	4
Not default Not delinquent	0.86%	61.04%	/	/	64%	42	38	4
Not default Delinquent	27.47%	55.67%	/	/	323%	0	0	0
Not default Subtotal	0.95%	61.02%	/	/	65%	42	38	4
Default	100.00%	/	115.07%	99.83%	1,438%	1	1	0
Total	1.59%	49.69%	97.54%	86.29%	53%	1,048	326	722
Not default Not delinquent	0.46%	49.71%	/	/	39%	1,027	308	718
Not default Delinquent	27.13%	46.38%	/	/	424%	12	10	1
Not default Subtotal	0.77%	49.67%	/	/	44%	1,039	318	720
Default	100.00%	/	97.54%	86.29%	1,219%	8	7	1

Notes: 1. Purchased retail receivables in investment funds using estimated parameters have been included in the amount subject to quantitative disclosure.
2. "Not default Delinquent" does not fall under the default definition in the Notification Regarding Capital Adequacy Ratio, but past-due.
3. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).
4. For defaulted exposure, the risk weights have been computed taking account of the unexpected losses on default (LGD default) and the expected losses on default (EL default).
5. As of March 31, 2014, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

c. Actual Losses on Exposure to Corporate, Sovereign, Bank and Retail Exposure

Actual Losses by Exposure Types

(Billions of Yen)

Type of exposure	As of March 31, 2015	As of March 31, 2014	Increase/(decrease)
Corporate exposure	**3**	0	**2**
Sovereign exposure	**—**	—	**—**
Bank exposure	**—**	—	**—**
Equity exposure subject to PD/LGD approach	**1**	—	**1**
Retail exposure secured by residential properties	**0**	0	**0**
Qualifying revolving retail exposure	**—**	—	**—**
Other retail exposure	**0**	0	**(0)**
Total	**4**	0	**3**

Note: Actual losses are defined as losses due to direct write-offs, partial direct write-offs, specific reserve for possible loan losses, general reserve for possible loan losses and loan sales of exposure that defaulted up to the end of the previous period.

Comparison between Actual Losses in the Previous Fiscal Year and Past Financial Results and Analysis of Causes

Although credit conditions have generally remained favorable, with the provisions to specific reserves for possible loan losses due to the deterioration in the credit status of certain debtors, there was an increase in losses such as corporate exposure, and the total value of actual losses for fiscal 2014 were up ¥3.7 billion year-on-year.

Comparison of Estimated Losses and Actual Losses

(Billions of Yen)

Type of exposure	As of March 31, 2015		As of March 31, 2014		As of March 31, 2013	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	**17**	**3**	20	0	24	1
Sovereign exposure	**0**	**—**	0	—	0	—
Bank exposure	**0**	**—**	1	—	0	—
Equity exposure subject to PD/LGD approach	**0**	**1**	0	—	0	—
Retail exposure secured by residential properties	**2**	**0**	2	0	1	0
Qualifying revolving retail exposure	**—**	**—**	—	—	—	—
Other retail exposure	**0**	**0**	0	0	1	0

Type of exposure	As of March 31, 2012		As of March 31, 2011		As of March 31, 2010	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	42	9	73	7	55	43
Sovereign exposure	0	—	0	—	0	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	2	0	3	0	1	0
Retail exposure secured by residential properties	1	1	1	0	1	0
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

Type of exposure	As of March 31, 2009		As of March 31, 2008		As of March 31, 2007	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	46	25	29	7	27	18
Sovereign exposure	1	—	1	—	1	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	0	0	1	0	0	0
Retail exposure secured by residential properties	1	0	1	0	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

Notes: 1. The scope of actual and estimated losses includes the following accounts on balance sheet: loans, foreign exchange, accrued interests in other assets, suspense payable and customers' liabilities for acceptances and guarantees, as well as securities without quoted market values, money trusts without quoted market values, and monetary claims purchased.

2. Estimated losses of each year are amount of expected losses.

d. Exposure to Specialized Lending Products Subject to Supervisory Slotting Criteria by Risk Weight

Amount of Specialized Lending Exposure Subject to Supervisory Slotting Criteria by Risk Weight

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Specialized Lending exposure subject to supervisory slotting criteria	**247**	134
Specialized Lending, excluding High-Volatility Commercial Real Estate (HVCRE)	**247**	93
Risk weight of 50%	**5**	0
Risk weight of 70%	**156**	72
Risk weight of 90%	**43**	9
Risk weight of 115%	**17**	0
Risk weight of 250%	**5**	6
Risk weight of 0% (default)	**19**	4
High-Volatility Commercial Real Estate (HVCRE)	**—**	40
Risk weight of 70%	**—**	—
Risk weight of 95%	**—**	5
Risk weight of 120%	**—**	12
Risk weight of 140%	**—**	—
Risk weight of 250%	**—**	23
Risk weight of 0% (default)	**—**	—

Notes: 1. "Specialized Lending" refers to loans for Project Finance (PF), Object Finance (OF), Commodity Finance (CF) and Income-Producing Real Estate (IPRE) (as defined in the Notification Regarding Capital Adequacy Ratio, Article 1-1-41).

2. "High-Volatility Commercial Real Estate (HVCRE)" refers to loans that are the financing of commercial real estate that exhibits a higher rate of loss volatility compared to other types of Specialized Lending, as specified in the Notification Regarding Capital Adequacy Ratio, Article 1-1-43.

3. "Specialized Lending exposure subject to supervisory slotting criteria" refers to the amounts of Specialized Lending, subject to the Bank's internal rating system, and have been allotted to the risk asset classifications given in the Notification Regarding Capital Adequacy Ratio, Article 130-4 and Article 130-6, after taking account of risk weights.

4. For risk weights, the Bank has applied the stipulations contained in the Notification Regarding Capital Adequacy Ratio, Article 130-4 and Article 130-6.

e. Equity Exposure Subject to the Simple Risk-Weighted Method of the Market-Based Approach by Risk Weight

Amount of Equity Exposure Subject to the Simple Risk-Weighted Method of the Market-Based Approach

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Equity exposure subject to the simple risk-weighted method of the market-based approach by RW	**67**	50
Risk weight of 300%	**—**	—
Risk weight of 400%	**67**	50

Note: The "simple risk-weighted method of the market-based approach by RW" is a method for computing the amount of risk-weighted assets of equity and other investments. Under this method, the market value of listed stocks is multiplied by a risk weight of 300%, and the estimated value of unlisted stocks is multiplied by a risk weight of 400% (Notification Regarding Capital Adequacy Ratio, Article 143-4).

4. Exposure Subject to Standardized Approach

Overview

The Bank adopts IRB Approach in computing credit risk assets. However, for the assets listed below, the Bank considers that the percentage of such assets in overall credit risk assets is minuscule and that they are not regarded as significant from a credit risk management perspective. Accordingly, the Bank partially applies the Standardized Approach specifically to those assets and does not plan to apply the IRB Approach to them.

- The on-balance sheet assets and off-balance sheet items of the Bank's consolidated subsidiaries, with the exception of Kyodo Housing Loan Co., Ltd.
- The following assets held by the Bank and Kyodo Housing Loan: Suspense payments (with the exception of the account for securities), prepaid expenses, foreign currency forward contracts for foreign currency deposits of cooperative organizations, and current account overdrafts (to holders of the Bank's debentures).

The Bank applies the ratings of five qualified credit rating agencies (External Credit Assessment Institution (ECAI)) in computing its risk assets, namely Moody's Investors Service, Standard & Poor's, Fitch Ratings, Ltd., Rating & Investment Information, Inc. and Japan Credit Rating Agency, Ltd. The Bank applies a risk weight of 100% to its exposure to corporate, sovereign and bank exposures (excluding past due exposure for three months or more) in accordance with the Notification Regarding Capital Adequacy Ratio, Article 44, regardless of the ratings assigned by these qualified rating agencies.

Amount of Exposure Subject to Standardized Approach

(Billions of Yen)

Classification	As of March 31, 2015		As of March 31, 2014	
	Exposure	Refer to ECAI	Exposure	Refer to ECAI
Exposure subject to Standardized Approach	**47**	**—**	43	—
Risk weight of 0%	**35**	**—**	30	—
Risk weight of 10%	**—**	**—**	—	—
Risk weight of 20%	**3**	**—**	3	—
Risk weight of 35%	**—**	**—**	—	—
Risk weight of 50%	**—**	**—**	—	—
Risk weight of 75%	**—**	**—**	—	—
Risk weight of 100%	**7**	**—**	9	—
Risk weight of 150%	**—**	**—**	—	—
Risk weight of 1,250%	**—**	**—**	—	—
Others	**1**	**—**	1	—

Note: Others include investment funds which are measured credit risk assets by look-through approach and the assets which are more than 150% and less than 1,250% risk weight.

Credit Risk Mitigation Techniques (Consolidated)

Overview of Risk Management Policies and Procedures Related to Credit Risk Mitigation Techniques

■ Outline of Evaluation, Administrative Policies and Procedures for Collateral

The Bank regards future cash flows generated from the businesses of debtors as funds for recovery of its claims. Collateral is viewed as supplementary for the recovery of its claims. The Bank applies a collateral evaluation method to ensure that the amount recovered from collateral is not less than the assessed value of the collateral, even in the case that it becomes necessary to recover claims from collateral.

Specifically, the Bank values collateral based on objective evidence such as appraisals, official land valuations for inheritance tax purposes, and market value. Further, it has established detailed valuation procedures that make up its internal rules. In addition, the procedures stipulate the frequency of valuation reviews according to collateral type and the creditworthiness of debtors, which routinely reflects changes in value. The Bank conducts verification whenever possible, even when setting policies for debtors and during self-assessment. The Bank also estimates the recoverable amount by multiplying the weighing factor based on collateral type, and then uses that estimate as a secured amount for the depreciation allowance.

As a part of collateral management, the Bank stipulates the procedures of reviewing the legal efficacy and enforceability of collateral not only at the time of the collateral pledge but also periodically through the term of contract.

■ Principal Types of Collateral

The principal types of collateral are marketable securities, commercial bills and real estate.

■ Types of Guarantors and Principal Counterparties in Credit Derivatives and Explanation of their Credit Standing

The types of guarantors in such transactions are mainly sovereigns, including central and local governments, financial institutions and corporates. When evaluating the creditworthiness of guarantors, the Bank evaluates their financial soundness after assigning a debtor rating and assessing their creditworthiness. There is no transaction for which credit risk is mitigated by a credit derivative.

■ Scope of Credit Risk Mitigation

Taking account of the conditions stated in the Notification Regarding Capital Adequacy Ratio and the Bank's operating practices, the Bank adopts Credit Risk Mitigation (CRM) as follows.

Eligible Financial Collateral

For repo-type transactions and secured derivative transactions (transactions based on a CSA contract), the Bank recognizes the effectiveness of CRM as stipulated in the Notification Regarding Capital Adequacy Ratio.

For transactions other than repo-type transactions and secured derivative transactions, the Bank recognizes the effectiveness of CRM in such case where deposits with the Bank (including Norinchukin Bank Debentures) or stocks, etc., are pledged as collateral.

Other Eligible Collateral

The Bank does not take into account the effects of CRM for collateral such as real estate, commercial bills, and other eligible assets.

Setoff for Loans and Deposits

The Bank does not take into account the effects of CRM for deposits held with the Bank unless they are pledged as collateral.

Guarantees and Credit Derivatives

Guarantees derived from guarantors recognized for maintaining effective guarantees take into account the effects of CRM, including the assignment of a debtor rating higher than that of the guaranteed party. Furthermore, these are not transactions that use credit derivatives to reduce credit risk.

Legally Binding Bilateral Netting Contracts for Derivatives and Repo-Type Transactions

The Bank considers legally binding bilateral netting contracts for derivatives subject to netting in the ISDA Master Agreement as a means of CRM. Legally binding netting contracts are managed by verifying the necessity of the contract itself and scope of transactions on a regular and as-needed basis.

Regarding repo-type transactions, although the Bank has concluded legally binding netting agreements with its major counterparties, taking account of the stipulations of the Notification Regarding Capital Adequacy Ratio and the Bank's operating practices, the Bank does not consider these agreements as a means of mitigating credit risk.

■ Information about Credit and Market Risk Concentration Arising from the Application of CRM Techniques

For exposures where the credit risk of guaranteed exposure is being transferred from a guaranteed party to a guarantor as a result of CRM techniques, the Bank monitors the concentrations of credit risk, and manages the exposures accordingly. Regarding market risk, there is no exposure of credit derivatives in the Bank's trading accounts.

Amount of Exposure Subject to Credit Risk Mitigation Techniques (Eligible Financial Collateral, Other Eligible IRB Collateral, Guarantees, Credit Derivatives)

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Foundation Internal Ratings-Based Approach	**8,586**	8,949
Eligible financial collateral	**8,007**	7,755
Corporate exposure	**38**	11
Sovereign exposure	**0**	0
Bank exposure	**7,968**	7,743
Other eligible IRB collateral	**—**	—
Corporate exposure	**—**	—
Sovereign exposure	**—**	—
Bank exposure	**—**	—
Guarantees, Credit Derivatives	**579**	1,194
Corporate exposure	**346**	290
Sovereign exposure	**231**	200
Bank exposure	**1**	702
Retail exposure secured by residential properties	**—**	—
Qualifying revolving retail exposure	**—**	—
Other retail exposure	**—**	—
Standardized Approach	**—**	—
Eligible financial collateral	**—**	—
Guarantees, Credit Derivatives	**—**	—

Note: Exposure subject to risk-weighted asset calculation for investment fund is not included.

Counterparty Credit Risk in Derivative Transactions (Consolidated)

Overview of Risk Management Policies and Procedures for Counterparty Credit Risk in Derivatives and Transactions with a Long Settlement Period

■ Policies for Allocation of Risk Capital and Credit Lines

The Bank manages credit risk involving derivative transactions with financial institutions within the risk limits (Bank Ceiling) established in each group financial institution. A Bank Ceiling is established for each front section on the basis of each entity within the group and each type of transaction (derivatives, financial transactions, loans, etc.). Credit exposures related to derivative transactions are managed so as not to exceed the limits. Under the Bank Ceiling system, the exposure of derivatives that are to be managed is calculated utilizing the current exposure method (the replacement cost (mark-to-market) of the transaction plus an add-on deemed to reflect the potential future exposure).

■ Policies for Calculating the Value of Collateral as Security for Claims and Reserve for Possible Loan Losses

For derivative transactions, the Bank has concluded a CSA contract with major counterparties. In some cases, the Bank receives collateral from these counterparties. The collateral posted may vary depending on the terms of the CSA contract, but mainly it consists of Japanese government bonds (JGBs), Japanese yen cash, U.S. Treasury bonds, and U.S. dollar cash. Regarding replacement costs for derivative transactions (the required cost when renegotiating the same transaction on the market), the Bank has allocated a required reserve depending on the debtor classification of the financial institution counterparty.

■ Remarks on Impact in Case the Bank is Required to Post Additional Collateral when its Credit Standing Deteriorates

If the Bank's credit rating is downgraded, the Bank's financial institution counterparty will reduce its credit risk limit and may demand the Bank to post collateral. However, the Bank has a sufficiently high level of liquid assets, such as government bonds that can be used as collateral, and the amount of those assets is periodically checked by the Market Portfolio Management Committee. For this reason, even if the Bank is required to post additional collateral, the impact on the Bank will be minimal.

Methods Used for Calculating Amount of Credit Exposure

The current exposure method has been adopted.

Breakdown of the Amount of Credit Exposure

(Billions of Yen)

Classification		As of March 31, 2015	As of March 31, 2014
Total gross replacement costs (limited to items with a value of greater than zero)	(A)	**155**	100
Total gross add-ons	(B)	**538**	469
Gross credit exposure	(C) = (A)+(B)	**694**	570
Foreign exchange related		**588**	460
Interest rate related		**104**	107
Equity related		**1**	2
Credit derivatives		**—**	—
Transactions with a long settlement period		**—**	—
Reduction in credit exposure due to netting contracts (including collateral pledged for CSA)	(D)	**384**	345
Amount of credit exposure before taking into account credit risk mitigation techniques due to collateral	(E) = (C)–(D)	**310**	224
Amount of collateral	(F)	**4**	13
Eligible financial collateral		**4**	13
Amount of credit exposure after taking into account credit risk mitigation techniques due to collateral	(G) = (E)–(F)	**306**	210

Notes: 1. Derivatives transactions included in risk-weighted assets calculation for investment funds are not included.
2. Under the stipulations of the Notification Regarding Capital Adequacy Ratio, Article 56-1, the amount of credit exposure not computed has not been included.

Notional Principal Amount of Credit Derivatives Included in Computation of Credit Exposure

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
To buy protection	**—**	—
Credit default swaps	**—**	—
Total return swaps	**—**	—
To sell protection	**—**	—
Credit default swaps	**—**	—
Total return swaps	**—**	—
Notional principal amount of credit derivatives taking into consideration the effect of credit risk mitigation techniques	**—**	—

Notes: 1. Credit derivatives included in risk-weighted assets for investment funds have not been taken into consideration.
2. Under the stipulations of the Notification Regarding Capital Adequacy Ratio, Article 10 -2, 3 and Article 56, the amount of credit risk assets not computed has not been included.

Securitization Exposure (Consolidated)

Overview of Risk Management Policies and Risk Characteristics for Securitization Exposure

From the standpoint of globally diversified investments, the Bank invests in securitized (structured finance) transactions to generate earnings from global credit risk. Securitized transactions have certain types of underlying assets and make it possible to effectively and efficiently mitigate and acquire credit risk and other forms of risk. The Bank's policy is to continuously utilize such transactions while managing the risk arising from those transactions appropriately.

The Bank's risk management for securitization exposure is in line with the credit and market risk management framework and consists of a cycle that is mainly focused on establishing investment policy, performing individual analysis during initial investment research (due diligence), credit screening, implementation, monitoring, and investment policy review.

Securitization exposure changes the risk-return profile of the underlying asset and transfers all or part of them to investors. Therefore, in general, securitization exposure is a complex investment structure with a different risk-return profile than the underlying assets. In view of the risk characteristics of securitization exposure, to properly evaluate risk return, the Bank has established a systematic risk evaluation process, which includes setting investment approval limits based on credit rating, monitoring the rating methods of credit rating agencies, and quantitative analysis of repayment ability. Further, after performing due diligence and identifying items to be monitored and reviewed for each asset class and securitization and re-securitization, the Bank carefully examines risk in the underlying assets and structure at the time of investment. The Bank monitors and reviews the credit condition of each investment on an ongoing basis and analyzes and assesses the market environment for each asset class, taking into account underlying asset performance.

The securitization exposure which contains securitization exposure as an underlying asset is called re-securitization exposure. Among the re-securitization exposures, wherein the majority of underlying assets are comprised of securitization exposures, the Bank treats them as secondary and tertiary re-securitization exposures and manages them separately from other re-securitization exposures in order to monitor them closely. The Bank does not plan to acquire new secondary or tertiary re-securitization exposures.

Regarding its securitization exposure, the Bank appropriately calculates the amount of risk-weighted asset for credit risk based on the Notification Regarding Capital Adequacy Ratio. As a part of its integrated risk management, based on the risk profile of the securitization exposure, the Bank computes risk amount and engages in other initiatives to enhance the accuracy and sophistication of its risk management.

As of March 31, 2014, the Bank engaged in no securitization transactions in which the Bank acted as an originator and recognized regulatory risk asset mitigation effects. In addition, the Bank has had no securitization transactions involving third-party assets using a special purpose entity (SPE), nor do the Bank's subsidiaries (excluding consolidated subsidiaries) or affiliates have securitization exposure involving securitization transactions performed by the Bank in fiscal 2013.

Calculation of Risk-Weighted Asset for Credit Risk in Securitization Exposure

The Bank calculates the amount of risk-weighted asset for credit risk for securitization exposure by applying the "Ratings-Based Approach (RBA)" or "Supervisory Formula (SF)." In cases in which it cannot apply RBA or SF, the Bank applies a risk weight of 1,250%. In addition, the Bank does not use the "Internal Assessment Approach (IAA)."

The Bank has no securitization exposures containing securitization exposure as an underlying asset, for which risk-weighted asset for credit risk is calculated not as re-securitization exposure but as securitization exposure based on rules in the Notification Regarding Capital Adequacy Ratio.

For securitization exposures to which RBA is applied, the Bank relies on the following five qualified credit rating agencies: Moody's Investors Service, Standard & Poor's, Fitch Ratings, Ltd., Rating & Investment Information, Inc., and Japan Credit Rating Agency, Ltd.

The Bank treats securitized instruments in accordance with the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10) and "Practical Guidelines on Accounting Standards for Financial Instruments" (JICPA Laws and Regulations Committee Report No. 14) for accounting purposes.

No material changes have been made to quantitative data. Moreover, the Bank holds no assets for the purpose of securitization transactions.

1. Items to Calculate Risk-Weighted Asset for Credit Risk

Details of Securitization Exposure Held as Originator

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Total amount of underlying assets	—	—
Amounts of assets held by securitization transactions purpose	—	—
Amounts of securitized exposure	—	—
Gains (losses) on sales of securitization transactions	—	—
Amounts of securitization exposure	—	—
Amounts of re-securitization exposure	—	—
Increase in capital due to securitization transactions	—	—
Amounts of securitization exposure that applied risk weight 1,250%	—	—
Amounts of re-securitization exposure subject to credit risk mitigation techniques	—	—

Details of Securitization Exposure Held as Investor by Exposure Type

Fiscal 2014 (Ended March 31, 2015)

(Billions of Yen)

Classification	Total amount of securitization exposure					
			Re-securitization exposure			
	Amount of exposure	Risk weight 1,250%	Amount of exposure	Re-securitization products (Secondary, tertiary)	Re-securitization products peculiar to regulation	Risk weight 1,250%
Amount of exposure	5,436 (2)	10 (0)	380	102	278	7
Individuals						
Asset-Backed Securities (ABS)	1,277 (0)	— (—)	—	—	—	—
Residential Mortgage-Backed Securities (RMBS)	2,289 (—)	— (—)	4	—	4	—
Real estate						
Commercial Mortgage-Backed Securities (CMBS)	68 (—)	— (—)	—	—	—	—
Corporates						
Subtotal of CDOs (CLO, ABS-CDO, CBO)	1,797 (—)	7 (—)	376	102	273	7
Collateralized Loan Obligations (CLO)	1,695 (—)	— (—)	273	—	273	—
Asset-Backed Securities CDOs (ABS-CDO)	102 (—)	7 (—)	102	102	—	7
Collateralized Bond Obligations (CBO)	— (—)	— (—)	—	—	—	—
Others	4 (1)	3 (0)	—	—	—	—

Notes: 1. Re-securitization exposure refers to securitization exposure which contains securitization exposure as an underlying asset.
2. The off-balance exposure has been described in parentheses. There is no re-securitization exposure of the off-balance.

Fiscal 2013 (Ended March 31, 2014)

(Billions of Yen)

Classification	Total amount of securitization exposure					
	Amount of exposure	Risk weight 1,250%	Re-securitization exposure			
			Amount of exposure	Re-securitization products (Secondary, tertiary)	Re-securitization products peculiar to regulation	Risk weight 1,250%
Amount of exposure	5,432 (3)	33 (2)	359	96	263	25
Individuals						
Asset-Backed Securities (ABS)	1,501 (0)	— (—)	—	—	—	—
Residential Mortgage-Backed Securities (RMBS)	2,638 (—)	— (—)	9	—	9	—
Real estate						
Commercial Mortgage-Backed Securities (CMBS)	71 (—)	3 (—)	—	—	—	—
Corporates						
Subtotal of CDOs (CLO, ABS-CDO, CBO)	1,172 (—)	25 (—)	349	96	253	25
Collateralized Loan Obligations (CLO)	1,076 (—)	— (—)	253	—	253	—
Asset-Backed Securities CDOs (ABS-CDO)	96 (—)	25 (—)	96	96	—	25
Collateralized Bond Obligations (CBO)	— (—)	— (—)	—	—	—	—
Others	49 (3)	4 (2)	—	—	—	—

Notes: 1. Re-securitization exposure refers to securitization exposure which contains securitization exposure as an underlying asset.
2. The off-balance exposure has been described in parentheses. There is no re-securitization exposure of the off-balance.

Amount of Securitization Exposure Held as Investor and Regulatory Required Capital by Risk-Weighted Category

Fiscal 2014 (Ended March 31, 2015)

(Billions of Yen)

Classification	Amount of exposure			Regulatory required capital		
		On-balance	Off-balance		On-balance	Off-balance
Amount of securitization exposure	**5,056**	**5,054**	**2**	**38**	**37**	**1**
Risk weight: 20% or less	**5,001**	**5,000**	**0**	**31**	**31**	**0**
Risk weight: exceeding 20% to 50% or less	**39**	**39**	**—**	**1**	**1**	**—**
Risk weight: exceeding 50% to 100% or less	**6**	**6**	**—**	**0**	**0**	**—**
Risk weight: exceeding 100% to 250% or less	**—**	**—**	**—**	**—**	**—**	**—**
Risk weight: exceeding 250% to less than 1,250%	**6**	**5**	**1**	**2**	**1**	**0**
Risk weight: 1,250%	**3**	**2**	**0**	**3**	**2**	**0**
Amount of re-securitization exposure	**380**	**380**	**—**	**21**	**21**	**—**
Risk weight: 20% or less	**4**	**4**	**—**	**0**	**0**	**—**
Risk weight: exceeding 20% to 50% or less	**360**	**360**	**—**	**11**	**11**	**—**
Risk weight: exceeding 50% to 100% or less	**1**	**1**	**—**	**0**	**0**	**—**
Risk weight: exceeding 100% to 250% or less	**—**	**—**	**—**	**—**	**—**	**—**
Risk weight: exceeding 250% to less than 1,250%	**5**	**5**	**—**	**1**	**1**	**—**
Risk weight: 1,250%	**7**	**7**	**—**	**8**	**8**	**—**

Fiscal 2013 (Ended March 31, 2014)

(Billions of Yen)

Classification	Amount of exposure			Regulatory required capital		
		On-balance	Off-balance		On-balance	Off-balance
Amount of securitization exposure	5,073	5,069	3	47	44	2
Risk weight: 20% or less	4,961	4,960	0	30	30	0
Risk weight: exceeding 20% to 50% or less	18	18	—	0	0	—
Risk weight: exceeding 50% to 100% or less	79	79	—	5	5	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	6	5	1	2	1	0
Risk weight: 1,250%	7	5	2	8	5	2
Amount of re-securitization exposure	359	359	—	38	38	—
Risk weight: 20% or less	9	9	—	0	0	—
Risk weight: exceeding 20% to 50% or less	290	290	—	9	9	—
Risk weight: exceeding 50% to 100% or less	33	33	—	2	2	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	—	—	—	—	—	—
Risk weight: 1,250%	25	25	—	26	26	—

Amount of Re-Securitization Exposure Held as Investor and Subject to Credit Risk Mitigation Techniques

(Billions of Yen)

Classification	**As of March 31, 2015**		As of March 31, 2014	
	Amount of exposure	**Regulatory required capital**	**Amount of exposure**	**Regulatory required capital**
Amount of re-securitization exposure	—	—	—	—
Risk weight applied to guarantor: 20% or less	—	—	—	—
Risk weight applied to guarantor: exceeding 20% to 50% or less	—	—	—	—
Risk weight applied to guarantor: exceeding 50% to 100% or less	—	—	—	—
Risk weight applied to guarantor: exceeding 100% to 250% or less	—	—	—	—
Risk weight applied to guarantor: exceeding 250% to less than 1,250%	—	—	—	—
Risk weight applied to guarantor: 1,250%	—	—	—	—

Risk-Weighted Asset Computed through Application of Appendix Article 15 of the Notification Regarding Capital Adequacy Ratio

Not applicable

2. Securitization Exposure Subject to Market Risk

Not applicable

Market Risk (Consolidated)

Methods for Calculating Market Risk Amount and Applicable Valuation Methods

The Bank utilizes an internal models approach to measure “general market risk in trading accounts.” The Bank applies a standardized approach for measuring “individual risk in trading accounts,” “foreign currency exchange risk,” “commodity risk,” “assets and liabilities related to trading accounts in consolidated subsidiaries,” and “foreign currency exchange risk and commodity risk in consolidated subsidiaries.” The amount of market risk in securitization exposure is also calculated using this method.

The financial products pertaining to trading accounts are limited to those with extremely high liquidity such as JGBs, derivatives (interest rate futures, bond futures, interest rate swaps, and other products). Securitization exposure is not covered by these accounts.

Computation of Market Risk Amount by Internal Models Approach

■ Scope of Market Risk Amount Computed by the Internal Models Approach

The model covers general market risk in the trading accounts. The scope of market risk amount is the same on a consolidated and non-consolidated basis.

When computing market risk amount, the assumed holding period is set at 10 business days based on the characteristics of the product handle, and the market risk amount is the combined total of stress VaR calculated after taking into account market fluctuations at times of past stress affecting the portfolio and the VaR measured during the most recent observation period.

■ Internal Models Approach

(1) Applied model: Variance-covariance matrix
(2) Confidence interval: 99th percentile, one-tailed confidence interval
(3) Holding period: 10 business days
(Adjust value for holding period of one business day)

■ VaR

(Millions of Yen)

	Fiscal 2014	Fiscal 2013
Base date of computation	**2015. 3. 31**	2014. 3. 31
VaR (For the most recent 60 business days)		
Base date of computation	**69**	26
Maximum	**327**	60
Minimum	**18**	15
Average	**75**	32

■ Stress VaR

(Millions of Yen)

	Fiscal 2014	Fiscal 2013
Base date of computation	**2015. 3. 31**	2014. 3. 31
Stress VaR (For the most recent 60 business days)		
Base date of computation	**355**	140
Maximum	**355**	210
Minimum	**55**	87
Average	**161**	143

■ Amount of Market Risk

(Millions of Yen)

		Fiscal 2014	Fiscal 2013
For the portion computed with the internal models approach (B)+(G)+(J)	(A)	**711**	529
Value at Risk (MAX (C, D))	(B)	**226**	98
Amount on base date of computation	(C)	**69**	26
Amount determined by multiplying (E) by the average for the most recent 60 business days	(D)	**226**	98
(Multiplier)	(E)	**3**	3
(Times exceeding VaR in back testing)	(F)	**2**	3
Stress Value at Risk (MAX (H, I))	(G)	**484**	430
Amount on base date of computation	(H)	**355**	140
Amount determined by multiplying (E) by the average for the most recent 60 business days	(I)	**484**	430
Additional amount at the time of measuring individual risk	(J)	**0**	0

Notes: 1. As a result of back testing conducted in fiscal 2014, actual gains and losses did not diverge substantially downward from the VaR value.
2. When discrepancies between the model's estimates and actual results go beyond a certain number of times due to the design of the model, the Bank scrutinizes the relevant model factors and revises the model if necessary.
3. Since the bank adopts a standardized approach, neither an additional risk nor a comprehensive risk of specific risks of trading account are the measurement objects.

Equity Exposure (Consolidated)

(Includes items such as shares; excludes items in trading accounts)

Overview of Risk Management Policies and Procedures Related to Equity Exposure

The Bank's exposure to equity comprises stocks classified as other securities and stocks of subsidiaries and other associated companies. The amount of risk-weighted asset for credit risk is computed by the methods specified by the Notification Regarding Capital Adequacy Ratio. For internal management purposes, the Bank conducts comprehensive risk management within its economic capital management framework, as described in the section, "Risk Management."

■ Equities Classified as Other Securities

Risk management of equities classified as other securities is managed under a framework of market risk management (including interest rate risk and foreign currency exchange risk). That framework mainly consists of the economic capital management framework. Further details can be found in "Risk Management."

■ Stocks of Subsidiaries and Affiliates

The stocks of subsidiaries and other associated companies are recognized as credit risk assets and managed within the economic capital management framework.

■ Principal Accounting Policies

For accounting purposes, among exposure to equity and other investments, stocks of subsidiaries and other associated companies are valued at cost, determined by the moving average method. Exposure to equity and other investments classified in other securities is valued at the market value prevailing on the date of the closing of accounts, in the case of equities with quoted market values (with book values mainly determined by the moving average method). Equities which are extremely difficult to determine the fair value of are valued at cost, determined by the moving average method. In addition, the valuation difference on other securities is entered directly in the net assets account.

■ Calculating Risk-Weighted Asset of Equity Exposure

The Bank applies the PD/LGD approach to calculate risk-weighted asset for credit risk for equity exposure, and the simple risk-weighted method and internal models approach under the market-based approach.

Amount on the Balance Sheet and Market Value

(Billions of Yen)

Classification	As of March 31, 2015		As of March 31, 2014	
	Amount on the balance sheet	Market value	Amount on the balance sheet	Market value
Equity exposure	**1,240**	/	969	/
Exposure to publicly traded equity	**1,074**	**1,074**	798	798
Exposure to privately held equity	**165**	/	171	/

Notes: Regulatory adjustments in numerator provided for by Notification Regarding Capital Adequacy Ratio, Article 2 were not included.

Amount of Gain (Loss) due to Sale or Write-Off

(Billions of Yen)

Item	Fiscal 2015			Fiscal 2014		
	Gains from sale of equities, etc.	Losses from sales of equities, etc.	Write-offs of equities, etc.	Gains from sale of equities, etc.	Losses from sales of equities, etc.	Write-offs of equities, etc.
Equity exposure	**19**	**0**	**1**	2	5	0

Note: Amounts reflect relevant figures posted in the consolidated income statements.

Amount of Valuation Gains (Losses)

(Billions of Yen)

Item	As of March 31, 2015	As of March 31, 2014
Amount of valuation gains (losses) recognized on the balance sheet and not recognized in the statements of operations	**422**	209

Notes: 1. Exposure is to equity shares issued by both domestic and overseas companies.
2. Regulatory adjustments in numerator provided for by Notification Regarding Capital Adequacy Ratio, Article 2 were not included.

Unrealized Gains (Losses) Not Recognized on Consolidated Balance Sheets or Consolidated Statements of Income

Not applicable

Equity Exposure Subject to Treatment Under the Notification Regarding Capital Adequacy Ratio, Appendix Article 13

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
	Amount on the balance sheets	Amount on the balance sheets
Equity exposure subject to treatment under the Notification Regarding Capital Adequacy Ratio, Appendix Article 13	—	414
Corporate	—	400
Bank	—	9
Sovereign	—	5

Note: The Notification Regarding Capital Adequacy Ratio, Article 13 of Supplemental Provision specifies provisional methods for calculating the value of credit risk assets in exposure to equity and other investments that meets certain specified standards.

Equity Exposures for Each Portfolio Classification

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
	EAD	EAD
Equity portfolios	**1,240**	969
Equity portfolios subject to PD/LGD approaches	**811**	183
Equity portfolios subject to simple risk-weighted method	**67**	50
Equities under the internal models approach	**361**	320
Grandfathered equity exposure	—	414

Exposure Subject to Risk-Weighted Asset Calculation for Investment Funds (Consolidated)

Overview of Risk Management Policies and Procedures Related to Exposure Subject to Risk-Weighted Asset Calculation for Investment Funds

Exposure subject to risk-weighted asset calculation for investment funds consists mainly of assets managed in investment trusts and money trusts. Assets under management include equities, bonds and credit assets, which are the Bank's primary investment assets. Risk management policies are stipulated for each of the asset's risk. An outline is provided in the section "Risk Management." In addition to assets managed by the Bank itself, the Bank utilizes investment funds in which asset management is entrusted to management firms. Risk is managed by applying methods appropriate for each type of fund in accordance with the Bank's internal rules. In order to select managers and entrust assets with them, the Bank performs thorough due diligence on the manager's ability, including operating organization, risk management, compliance framework, management philosophy and strategies, as well as past performance. In addition, during entrusting assets to managers, the Bank monitors their performance from quantitative and qualitative perspectives and conducts reviews of performance on a regular basis to assess whether to maintain or replace individual managers.

Amount of Exposure Subject to Risk-Weighted Asset Calculation for Investment Fund

(Billions of Yen)

Classification	As of March 31, 2015		As of March 31, 2014	
	Exposure	(For reference) Weighted-average risk weight	Exposure	(For reference) Weighted-average risk weight
Look-through approach	**12,554**	**76%**	12,338	72%
Majority approach	**637**	**380%**	432	406%
Mandate approach	**—**	**—**	—	—
Market-based approach	**2,460**	**350%**	2,029	263%
Others (simple approach)	**193**	**432%**	217	437%
Total	**15,844**	**132%**	15,018	111%

Notes: 1. The "Look-through approach" is a method for computing the risk-weighted assets in fund by totaling the amount of risk-weighted assets for credit risk in individual asset categories. (Please refer to Notification Regarding Capital Adequacy Ratio, Article 144-1.)

2. The "Majority approach" is a method for computing the risk-weighted assets in fund by applying risk weight to the fund as well as equity exposure when the exposure of equity, in terms of value, is major in a fund. (Please refer to the Notification Regarding Capital Adequacy Ratio, Article 144-2.)

3. The "Mandate approach" is a method for computing the risk-weighted assets in fund where only the investment mandate of the fund is known. The risk-weighted assets are computed as follows: It is assumed that the fund first invests, to the maximum extent allowed under its mandate, in the asset classes attracting the highest capital requirement, and then continues making investments in descending order until the maximum total investment level is reached. (Please refer to the Notification Regarding Capital Adequacy Ratio, Article 144-3.)

4. The "Market-based approach" is a method for computing the credit risk of exposure regarded as credit risk assets using the Bank's internal model (which is a value-at-risk (VaR) model based on the historical simulation method). (Please refer to the Notification Regarding Capital Adequacy Ratio, Article 144-4.)

5. The "Others (simple approach)" is a method for computing the risk-weighted assets in fund by applying risk weight of 400%, when it is judged the probability that the weighted-average risk weight will be less than 400%. In all other cases, risk weight of 1,250% is applied to funds. (Please refer to the Notification Regarding Capital Adequacy Ratio, Article 144-5.)

6. (For reference) The sum of the amount of risk-weighted assets (excluding CVA risk amount) and the amount resulting from dividing the expected loss by 8% are divided by EAD to yield the risk weight value.

Interest Rate Risk (Consolidated)

(The increase or decrease of the profit and loss or in the economic value from interest rate shocks which are used for internal management purpose, in terms of interest rate risk excluding trading accounts.)

Overview of Risk Management Policies and Procedures for Interest Rate Risk

As described in the "Risk Management" section, in its economic capital management, or the foundation of the Bank's risk management, the Bank primarily conducts overall risk management, taking into account the correlation between asset classes such as bonds, stocks, and credit assets under the Bank's core concept of globally diversified investment.

The Bank manages interest rate risk by performing profit and loss simulation analyses under a wide range of scenarios. The Bank also conducts various interest rate sensitivity analyses, such as BPV and yield-curve risk, and static and dynamic revenue and expenditure impact analyses by major currencies. The Bank manages interest rate risk based on interest rate risk standards for banking accounts as well. The Bank has been constructing a framework that will enable it to properly monitor the multi-faceted effects of interest rate risk.

The Bank verifies the proper operation of interest rate risk management, besides the management of other major risks, from the point of view of the assessment of capital adequacy, by monitoring checkpoints for the Bank's capital management and conducting sets of stress testing.

Key Assumptions for Interest Rate Risk Management and Frequency of Risk Measurement

As previously mentioned, economic capital management forms the core of the Bank's risk management. The Bank measures its securities portfolio risk on a daily basis. In addition, the internal management of interest rate risk based on interest rate risk standards for banking accounts applies a one year holding period and at least a five year historical observation period to measure interest rate volatility. The Bank calculates monthly declines in economic value corresponding to a 99% confidence interval for interest rate volatility. The measurements cover, in principle, all financial assets and liabilities, but the measurement process itself does not take into account inter-grid factors and correlations with other assets.

Interest Rate Risk Volume Computed with the Internal Model in Core Business Accounts (Excluding Trading Accounts)

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Interest rate risk	**2,125**	2,119
Yen interest rate risk	**119**	182
U.S. dollar interest rate risk	**1,599**	1,470
Euro interest rate risk	**379**	460
Interest rate risk in other currencies	**27**	4

Notes: 1. Interest rate risk, without taking into account inter-grid factors and correlations with other assets, calculates a one-year holding period and a historical observation period from 1995 to the most recent year of interest rate volatility. The Bank calculated declines in economic value corresponding to a 99% confidence interval for interest rate volatility. Because the interest rate risk of consolidated subsidiaries is limited from the standpoint of the asset value of subsidiaries, the non-consolidated risk of the Bank is calculated.

2. Regarding core deposits, since the balances of deposits, etc., without maturity dates are limited, the Bank does not currently measure their risk volume. In addition, regarding repayments of mortgage-backed securities and callable securities before maturity, risk volume is measured after taking account of negative convexity due to call conditions and other factors.

Indicators for Assessing Global Systemically Important Banks (G-SIBs)

(In 0.1 Billion Yen)

Description	As of March 31, 2015	As of March 31, 2014
1 Total exposures (A)+(B)+(C)+(D): (A) Counterparty exposure of derivatives contracts (B) Gross value of securities financing transactions (SFTs) and counterparty exposure of SFTs (C) Other assets (other than assets specifically identified above and regulatory adjustments to Tier 1 and CET1 capital under the fully phased-in Basel III framework) (D) Notional amount of off-balance sheet items (other than derivatives contracts and SFTs)	**957,527**	846,233
2 Intra-financial system assets (A)+(B)+(C)+(D): (A) Funds deposited with or lent to other financial institutions and undrawn committed lines extended to other financial institutions (B) Holdings of securities issued by other financial institutions (Note 1) (C) Net positive current exposure of SFTs with other financial institutions (D) Over-the-counter (OTC) derivatives with other financial institutions that have a net positive fair value	**117,439**	113,676
3 Intra-financial system liabilities (A)+(B)+(C): (A) Deposits due to, and undrawn committed lines obtained from, other financial institutions (B) Net negative current exposure of SFTs with other financial institutions (C) OTC derivatives with other financial institutions that have a net negative fair value	**96,848**	86,287
4 Securities outstanding (Note 1)	**72,774**	69,231
5 Assets under custody	**67,209**	62,118
6 Notional amount of OTC derivatives	**309,912**	280,674
7 Held-for-trading (HFT) securities and available-for-sale (AFS) securities , excluding HFT and AFS securities that meet the definition of Level 1 assets and Level 2 assets with haircuts (Note 2)	**134,960**	120,239
8 Level 3 assets (Note 3)	**15,275**	14,363
9 Cross-jurisdictional claims	**495,164**	426,584
10 Cross-jurisdictional liabilities	**200,341**	146,462

Description	Fiscal 2014	Fiscal 2013
11 Payments (settled through the BOJ-NET, the Japanese Banks' Payment Clearing Network and other similar settlement systems, excluding intragroup payments)	**4,019,598**	3,848,299
12 Underwritten transactions in debt and equity markets (Note 4)	**409**	580

Notes: 1. Securities refer to secured debt securities, senior unsecured debt securities, subordinated debt securities,commercial paper, certificate of deposits, and common equities.

2. Level 1 and Level 2 assets with haircuts are defined in the Basel III Liquidity Coverage Ratio (LCR).

3. The amount is calculated in accordance with the International Financial Reporting Standards.

4. This refers to underwriting of securities defined in article 2 paragraph 8 item 6 of the Financial Instruments and Exchange Act.

Composition of Leverage Ratio Disclosure (Consolidated)

(In Million Yen, %)

Corresponding line # on Basel III disclosure template (Table 2) (*)		Corresponding line # on Basel III disclosure template (Table 1) (*)	Item		As of March 31, 2015	As of March 31, 2014
On-balance sheet exposures (1)						
1			On-balance sheet exposures before deducting adjustment items		**92,791,953**	
	1a	1	Total assets reported in the consolidated balance sheet		**94,549,729**	
	1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis (–)			
	1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)		**—**	
	1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items) (–)		**1,757,776**	
2		7	The amount of adjustment items pertaining to Tier1 capital (–)		**67,676**	
3			Total on-balance sheet exposures	(a)	**92,724,276**	
Exposures related to derivative transactions (2)						
4			Replacement cost associated with derivatives transactions, etc.		**26,596**	
5			Add-on amount associated with derivatives transactions, etc.		**232,988**	
			The amount of receivables arising from providing cash marginin relation to derivatives transactions, etc.		**471,052**	
6			The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework		**—**	
7			The amount of deductions of receivables (out of those arising from providing cash variation margin) (–)		**—**	
8			The amount of client-cleared trade exposures for which a bank or bank holding company acting as clearing member is not obliged to make any indemnification (–)			
9			Adjusted effective notional amount of written credit derivatives		**—**	
10			The amount of deductions from effective notional amount of written credit derivatives (–)		**—**	
11		4	Total exposures related to derivative transactions	(b)	**730,636**	
Exposures related to repo transactions (3)						
12			The amount of assets related to repo transactions, etc.		**193,894**	
13			The amount of deductions from the assets above (line 12) (–)		**—**	
14			The exposures for counterparty credit risk for repo transactions, etc.		**411,739**	
15			The exposures for agent repo transaction			
16		5	The Total exposures related to repo transactions, etc.	(c)	**605,633**	
Exposures related to off-balance sheet transactions (4)						
17			Notional amount of off-balance sheet transactions		**2,673,385**	
18			The amount of adjustments for conversion in relation to off-balance sheet transactions (–)		**1,211,217**	
19		6	Total exposures related to off-balance sheet transactions	(d)	**1,462,167**	
Leverage ratio on a consolidated basis (5)						
20			The amount of capital (Tier1 capital)	(e)	**5,811,100**	
21		8	Total exposures ((a)+(b)+(c)+(d))	(f)	**95,522,715**	
22			Leverage ratio on a consolidated basis ((e)/(f))		**6.08%**	

Note: Corresponding line # on Basel III disclosure template refers to that in Table 1 and Table 2 in the rule text of "Basel III leverage ratio framework and disclosure requirements" published by the Basel Committee on Banking Supervision on January 12, 2014. (http://www.bis.org/publ/bcbs270.pdf)

Capital Adequacy (Non-Consolidated)

Capital Ratio Information (Non-Consolidated)

Composition of Capital (Non-Consolidated)

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
Common Equity Tier 1 capital: instruments and reserves						
1a+2-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	**4,854,345**		4,532,258		
1a	of which: capital and capital surplus	**3,400,930**		3,400,930		E1.1+E1.2
2	of which: retained earnings	**1,530,925**		1,198,041		E2
26	of which: cash dividends to be paid	**77,510**		66,712		
	of which: other than the above	**—**		—		E3
3	Valuation and translation adjustments and other disclosed reserves	**900,084**	**1,350,126**	254,667	1,018,670	E4
	Total of items included in Common Equity Tier 1 capital: instruments and reserves under phase-out arrangements	**—**		—		
6	Common Equity Tier 1 capital: instruments and reserves (A)	**5,754,429**		4,786,925		
Common Equity Tier 1 capital: regulatory adjustments						
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	**5,619**	**8,428**	3,456	13,824	
8	of which: goodwill (net of related tax liability, including those equivalent)	**—**	**—**	—	—	A1.1+A1.2
9	of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	**5,619**	**8,428**	3,456	13,824	A2.1-A2.2
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	**—**	**—**	—	—	
11	Deferred gains or losses on derivatives under hedge accounting	**(14,913)**	**(22,369)**	(3,826)	(15,305)	E7
12	Shortfall of eligible provisions to expected losses	**14,316**	**21,474**	3,127	12,511	
13	Securitisation gain on sale	**—**	**—**	—	—	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	**—**	**—**	—	—	
15	Defined-benefit pension fund net assets (prepaid pension costs)	**490**	**736**	—	—	A3-D3
16	Investments in own shares (excluding those reported in the Net Assets section)	**—**	**—**	—	—	A4
17	Reciprocal cross-holdings in common equity	**—**	**—**	—	—	A5
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (“Other Financial Institutions”), net of eligible short positions, where the bank does not own more than 10% of the issued share capital	**—**	**—**	—	—	A6
19+20+21	Amount exceeding the 10% threshold on specified items	**—**	**—**	—	—	
19	of which: significant investments in the common stock of financials	**—**	**—**	—	—	A7
20	of which: mortgage servicing rights	**—**	**—**	—	—	A8
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	**—**	**—**	—	—	

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
22	Amount exceeding the 15% threshold on specified items	**—**	**—**	—	—	
23	of which: significant investments in the common stock of financials	**—**	**—**	—	—	A9
24	of which: mortgage servicing rights	**—**	**—**	—	—	A10
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	**—**	**—**	—	—	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	**—**		—		
28	Common Equity Tier 1 capital: regulatory adjustments (B)	**5,513**		2,757		
Common Equity Tier 1 capital (CET1)						
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	**5,748,916**		4,784,168		
Additional Tier 1 capital: instruments						
30 / 31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	**49,000**		49,000		E5.1+E5.2
30 / 32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**—**		—		D1.1+D1.2
30	Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**		—		
33+35	Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	**699**		799		
	Total of items included in Additional Tier 1 capital: instruments under phase-out arrangements	**14**		(4)		
	of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related valuation and translation adjustments	**14**		(4)		
36	Additional Tier 1 capital: instruments (D)	**49,714**		49,795		
Additional Tier 1 capital: regulatory adjustments						
37	Investments in own Additional Tier 1 instruments	**—**	**—**	—	—	A11
38	Reciprocal cross-holdings in Additional Tier 1 instruments	**—**	**—**	—	—	A12
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	**—**	**—**	—	—	A13
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	**15,210**	**22,816**	7,588	30,354	A14
	Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements	**10,737**		6,255		
	of which: 50% of balance due to pay of eligible provisions	**10,737**		6,255		

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	**—**		—		
43	Additional Tier 1 capital: regulatory adjustments (E)	**25,948**		13,844		
Additional Tier 1 capital (AT1)						
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	**23,765**		35,950		
Tier 1 capital (T1=CET1+AT1)						
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	**5,772,681**		4,820,118		
Tier 2 capital: instruments and provisions						
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	**—**		—		E6
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**1,387,791**		1,387,791		D2.1+D2.2
	Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**		—		
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	**148,216**		148,216		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	**3**		11		
50a	of which: general reserve for possible loan losses	**3**		11		A15
50b	of which: eligible provisions	**—**		—		A16
	Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements	**852,868**		641,539		
	of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related valuation and translation adjustments	**852,868**		641,539		
51	Tier 2 capital: instruments and provisions (H)	**2,388,878**		2,177,557		
Tier 2 capital: regulatory adjustments						
52	Investments in own Tier 2 instruments	**—**	**—**	—	—	A17
53	Reciprocal cross-holdings in Tier 2 instruments	**—**	**—**	—	—	A18
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	**—**	**—**	—	—	A19
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	**—**	**—**	—	—	A20
	Total of items included in Tier 2 capital: regulatory adjustments under phase-out arrangements	**10,737**		6,255		
	of which: 50% of balance due to pay of eligible provisions	**10,737**		6,255		
57	Tier 2 capital: regulatory adjustments (I)	**10,737**		6,255		

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements	Ref. No.
Tier 2 capital (T2)						
58	Tier 2 capital (T2) ((H)-(I)) (J)	**2,378,141**		2,171,301		
Total capital (TC=T1+T2)						
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	**8,150,823**		6,991,420		
Risk weighted assets						
	Total of items included in risk weighted assets under phase-out arrangements	**45,028**		67,670		
	of which: intangibles assets other than mortgage servicing rights	**8,428**		13,824		
	of which: significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	**35,863**		53,846		
60	Risk weighted assets (L)	**33,458,943**		27,446,963		
Capital ratio (non-consolidated)						
61	Common Equity Tier 1 capital ratio (non-consolidated) ((C)/(L))	**17.18%**		17.43%		
62	Tier 1 capital ratio (non-consolidated) ((G)/(L))	**17.25%**		17.56%		
63	Total capital ratio (non-consolidated) ((K)/(L))	**24.36%**		25.47%		
Regulatory adjustments						
72	Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**551,761**		542,300		A21
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**67,400**		67,460		A22
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	**—**		—		A23
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	**—**		—		
Provisions included in Tier 2 capital: instruments and provisions						
76	Provisions (general reserve for possible loan losses)	**3**		11		
77	Cap on inclusion of provisions (general reserve for possible loan losses)	**55**		80		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as “nil”)	**—**		—		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	**177,921**		148,553		
Capital instruments under phase-out arrangements						
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	**699**		799		
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	**299**		199		
84	Current cap on Tier 2 instruments under phase-out arrangements	**1,075,204**		1,228,805		
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	**—**		—		

Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements (Non-Consolidated)

As of March 31, 2015

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	19,935,726		
Loans on deeds	18,226,645		
Loans on bills	375,573		
Overdrafts	1,330,275		
Bills discounted	3,231		
Including non-significant investments in the capital instruments of other financial institutions		105,000	
Tier 2 capital instruments		—	
Non-significant investments in the capital instruments of other financial institutions not subject to deduction		105,000	A21
Foreign Exchanges Assets	202,946		
Due from foreign banks	202,946		
Securities	59,738,559	59,738,553	
Japanese government bonds	13,770,207	13,770,207	
Municipal government bonds	765	765	
Corporate bonds	25,487	25,487	
Stocks	876,072	876,072	
Other securities	45,066,025	45,066,020	
Money Held in Trust	4,506,018	4,506,018	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		—	A1.1
Securities and Money Held in Trust of which: investments in own capital instruments		—	—
Common Equity (excluding those reported in the Net Assets section)		—	A4
Additional Tier 1 capital		—	A11
Tier 2 capital		—	A17
Securities and Money Held in Trust of which: reciprocal cross-holdings in capital instruments		—	—
Common Equity		—	A5
Additional Tier 1 capital		—	A12
Tier 2 capital		—	A18
Securities and Money Held in Trust of which: investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital		446,761	—
Common Equity		—	A6
Additional Tier 1 capital		—	A13
Tier 2 capital		—	A19
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		446,761	A21
Securities and Money Held in Trust of which: significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions		105,426	—
Amount exceeding the 10% threshold on specified items		—	A7
Amount exceeding the 15% threshold on specified items		—	A9
Additional Tier 1 capital		38,026	A14
Tier 2 capital		—	A20
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		67,400	A22

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Trading Assets	**10,099**		
Trading securities	**2,572**		
Derivatives of trading securities	**—**		
Derivatives of securities related to trading transactions	**62**		
Trading-related financial derivatives	**7,464**		
Monetary Claims Bought	**226,605**		
Call Loans	**569,902**		
Payables under Repurchase Agreements	**29,842**		
Receivables under Resale Agreements	**78,804**		
Cash and Due from Banks	**7,278,611**		
Cash	**125,387**		
Due from banks	**7,153,223**		
Other Assets	**877,757**	**877,776**	
Domestic exchange settlement account, debit	**90**	**90**	
Prepaid expenses	**951**	**951**	
Accrued income	**192,521**	**192,541**	
Initial margins of futures markets	**1,105**	**1,105**	
Valuation margins of futures markets	**—**	**—**	
Derivatives other than for trading	**148,798**	**148,798**	
Cash collateral paid for financial instruments	**469,946**	**469,946**	
Others	**64,343**	**64,343**	
of which: defined-benefit pension fund net assets (prepaid pension costs)		**1,698**	A3
Tangible Fixed Assets	**108,474**		
Buildings	**43,071**		
Land	**49,890**		
Lease assets	**11,383**		
Construction in progress	**20**		
Other	**4,108**		
Intangible Fixed Assets	**19,443**	**19,443**	
Software	**11,545**	**11,545**	
Lease assets	**3,519**	**3,519**	
Other	**4,378**	**4,378**	
of which: goodwill and those equivalents (excluding those reported in the Net Assets section)		**—**	A1.2
of which: other intangible assets other than goodwill and mortgage servicing rights		**19,443**	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		**5,395**	A2.2
of which: mortgage servicing rights (net of related deferred tax liabilities)		**—**	—
Amount exceeding the 10% threshold on specified items		**—**	A8
Amount exceeding the 15% threshold on specified items		**—**	A10
Amount below the thresholds for deduction (before risk weighting)		**—**	A23
Customers' Liabilities for Acceptances and Guarantees	**151,587**		
Reserve for Possible Loan Losses	**(114,920)**	**(114,815)**	
of which: general reserve for possible loan losses includes Tier 2		**(3)**	A15
of which: eligible provisions includes Tier 2		**—**	A16
Reserve for Possible Investment Losses	**(2,714)**		
Total Assets	**93,618,444**		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Liabilities)			
Deposits	53,486,188		
Time deposits	47,338,747		
Deposits at notice	54,721		
Ordinary deposits	1,126,409		
Current deposits	86,545		
Other deposits	4,879,765		
Negotiable Certificates of Deposit	3,674,664		
Debentures	3,564,315		
Debentures issued	3,564,315		
Bonds Payable		50,000	
of which: qualifying Additional Tier 1 instruments of which: classified as liabilities		—	D1.1
of which: qualifying Tier 2 instruments of which: classified as liabilities		—	D2.1
Trading Liabilities	6,717		
Derivatives of trading securities	—		
Derivatives of securities related to trading transactions	5		
Trading-related financial derivatives	6,711		
Borrowed Money	2,436,513	2,386,513	
Borrowings	2,436,513	2,386,513	
of which: qualifying Additional Tier 1 instruments		—	D1.2
of which: qualifying Tier 2 instruments		1,387,791	D2.2
Call Money	475,000		
Payables under Repurchase Agreements	17,707,639		
Payables under Securities Lending Transactions	74,682		
Foreign Exchanges Liabilities	35		
Foreign bills payable	35		
Trust Money	2,612,780		
Other Liabilities	1,321,639		
Domestic exchange settlement account, credit	44		
Accrued expenses	50,258		
Income taxes payable	79,299		
Unearned income	840		
Employees' deposits	8,611		
Variation margins of futures markets	52		
Derivatives other than for trading	591,896		
Cash collateral received for financial instruments	17,299		
Lease liabilities	13,333		
Others	560,006		
Reserve for Bonus Payments	5,917		
Reserve for Employees' Retirement Benefits	14,947		
Reserve for Directors' Retirement Benefits	766		
Deferred Tax Liabilities	843,611	843,640	
of which: prepaid pension cost		471	D3
Deferred Tax Liabilities for Land Revaluation	9,633	9,633	
Acceptances and Guarantees	151,587		
Total Liabilities	86,386,642		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Net Assets)			
Paid-in Capital	**3,425,909**	**3,425,909**	
Common equity	**3,400,909**	**3,400,909**	E1.1
of which: lower dividend rate stock	**2,975,192**	**2,975,192**	
Preferred stock	**24,999**	**24,999**	
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		**24,500**	E5.1
Capital Surplus	**25,020**	**25,020**	
Capital surplus	**24,999**	**24,999**	
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		**24,500**	E5.2
Other capital surplus	**20**	**20**	E1.2
Reserve for revaluation	**20**	**20**	
Retained Earnings	**1,530,683**	**1,530,925**	E2
Legal reserves	**532,966**	**532,966**	
Voluntary reserves	**997,717**	**997,959**	
Special reserves	**100,900**	**100,900**	
General reserves	**424,403**	**424,403**	
Reserves for tax basis adjustments of fixed assets	**7,523**	**7,523**	
Others	**7**	**7**	
Unappropriated retained earnings	**464,883**	**465,125**	
Net income	**404,551**	**404,446**	
Total Owners' Equity	**4,981,614**	**4,981,861**	
of which: others		**—**	E3
of which: directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards		**—**	E6
Net Unrealized Gains on Other Securities	**2,338,046**	**2,338,046**	
Net Deferred Losses on Hedging Instruments	**(104,843)**	**(104,843)**	
of which: net deferred losses on hedging instruments		**(37,282)**	E7
Revaluation Reserve for Land, net of taxes	**16,984**	**16,984**	
Foreign Currency Translation Adjustment		**23**	
Total Valuation and Translation Adjustment	**2,250,187**	**2,250,211**	E4
Total Net Assets	**7,231,802**		
Total Liabilities and Net Assets	**93,618,444**		

Notes: 1. "Balance sheet amount based on regulatory scope of consolidation" refers only to the items used in calculating capital adequacy.
2. "Balance sheet amount based on regulatory scope of consolidation" does not reflect transitional arrangements so that the amount of the column consists of the amount included in capital adequacy and the amount excluded under transitional arrangements in "Composition of Capital".

As of March 31, 2014

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	17,295,089		
Loans on deeds	15,601,861		
Loans on bills	285,793		
Overdrafts	1,402,833		
Bills discounted	4,601		
Including non-significant investments in the capital instruments of other financial institutions		105,000	
Tier 2 capital instruments		—	
Non-significant investments in the capital instruments of other financial institutions not subject to deduction		105,000	A21
Foreign Exchanges Assets	134,353		
Due from foreign banks	134,353		
Securities	52,901,442	52,901,436	
Japanese government bonds	14,051,062	14,051,062	
Municipal government bonds	2,143	2,143	
Corporate bonds	34,908	34,908	
Stocks	684,678	684,678	
Other securities	38,128,649	38,128,643	
Money Held in Trust	4,649,907	4,649,907	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		—	A1.1
Securities and Money Held in Trust of which: investments in own capital instruments		—	—
Common Equity (excluding those reported in the Net Assets section)		—	A4
Additional Tier 1 capital		—	A11
Tier 2 capital		—	A17
Securities and Money Held in Trust of which: reciprocal cross-holdings in capital instruments		—	—
Common Equity		—	A5
Additional Tier 1 capital		—	A12
Tier 2 capital		—	A18
Securities and Money Held in Trust of which: investments in the instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital		437,300	—
Common Equity		—	A6
Additional Tier 1 capital		—	A13
Tier 2 capital		—	A19
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		437,300	A21
Securities and Money Held in Trust of which: significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions		105,403	—
Amount exceeding the 10% threshold on specified items		—	A7
Amount exceeding the 15% threshold on specified items		—	A9
Additional Tier 1 capital		37,942	A14
Tier 2 capital		—	A20
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		67,460	A22

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Trading Assets	14,055		
Trading securities	6,082		
Derivatives of trading securities	—		
Derivatives of securities related to trading transactions	—		
Trading-related financial derivatives	7,973		
Monetary Claims Bought	174,256		
Call Loans	619,386		
Payables under Repurchase Agreements	—		
Receivables under Resale Agreements	5,614		
Cash and Due from Banks	5,967,497		
Cash	100,667		
Due from banks	5,866,829		
Other Assets	495,370	495,369	
Domestic exchange settlement account, debit	30	30	
Prepaid expenses	428	428	
Accrued income	180,711	180,710	
Initial margins of futures markets	894	894	
Valuation margins of futures markets	—	—	
Derivatives other than for trading	94,795	94,795	
Cash collateral paid for financial instruments	158,793	158,793	
Others	59,717	59,717	
of which: defined-benefit pension fund net assets (prepaid pension costs)		—	A3
Tangible Fixed Assets	108,316		
Buildings	39,904		
Land	50,546		
Lease assets	10,849		
Construction in progress	754		
Other	6,261		
Intangible Fixed Assets	23,900	23,900	
Software	19,348	19,348	
Lease assets	1,967	1,967	
Other	2,584	2,584	
of which: goodwill and those equivalents (excluding those reported in the Net Assets section)		—	A1.2
of which: other intangible assets other than goodwill and mortgage servicing rights		23,900	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		6,620	A2.2
of which: mortgage servicing rights (net of related deferred tax liabilities)		—	—
Amount exceeding the 10% threshold on specified items		—	A8
Amount exceeding the 15% threshold on specified items		—	A10
Amount below the thresholds for deduction (before risk weighting)		—	A23
Customers' Liabilities for Acceptances and Guarantees	137,056		
Reserve for Possible Loan Losses	(167,110)	(166,875)	
of which: general reserve for possible loan losses includes Tier 2		(11)	A15
of which: eligible provisions includes Tier 2		—	A16
Reserve for Possible Investment Losses	(2,855)		
Total Assets	82,356,280		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Liabilities)			
Deposits	49,731,175		
Time deposits	43,557,676		
Deposits at notice	72,543		
Ordinary deposits	1,129,174		
Current deposits	84,419		
Other deposits	4,887,362		
Negotiable Certificates of Deposit	2,848,086		
Debentures	4,037,577		
Debentures issued	4,037,577		
Bonds Payable		50,000	
of which: qualifying Additional Tier 1 instruments of which: classified as liabilities		—	D1.1
of which: qualifying Tier 2 instruments of which: classified as liabilities		—	D2.1
Trading Liabilities	6,994		
Derivatives of trading securities	—		
Derivatives of securities related to trading transactions	—		
Trading-related financial derivatives	6,994		
Borrowed Money	2,272,623	2,222,623	
Borrowings	2,272,623	2,222,623	
of which: qualifying Additional Tier 1 instruments		—	D1.2
of which: qualifying Tier 2 instruments		1,387,791	D2.2
Call Money	492,493		
Payables under Repurchase Agreements	12,582,675		
Payables under Securities Lending Transactions	132,945		
Foreign Exchanges Liabilities	4		
Foreign bills payable	4		
Trust Money	2,950,795		
Other Liabilities	751,547		
Domestic exchange settlement account, credit	55		
Accrued expenses	48,612		
Income taxes payable	96		
Unearned income	892		
Employees' deposits	8,462		
Variation margins of futures markets	3		
Derivatives other than for trading	320,896		
Cash collateral received for financial instruments	9,837		
Lease liabilities	12,177		
Others	350,512		
Reserve for Bonus Payments	5,457		
Reserve for Employees' Retirement Benefits	10,476		
Reserve for Directors' Retirement Benefits	803		
Deferred Tax Liabilities	463,869	463,934	
of which: prepaid pension cost		—	D3
Deferred Tax Liabilities for Land Revaluation	9,729	9,729	
Acceptances and Guarantees	137,056		
Total Liabilities	76,434,310		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Net Assets)			
Paid-in Capital	3,425,909	3,425,909	
Common equity	3,400,909	3,400,909	E1.1
of which: lower dividend rate stock	2,975,192	2,975,192	
Preferred stock	24,999	24,999	
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.1
Capital Surplus	25,020	25,020	
Capital surplus	24,999	24,999	
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.2
Other capital surplus	20	20	E1.2
Reserve for revaluation	20	20	
Retained Earnings	1,197,694	1,198,041	E2
Legal reserves	504,066	504,066	
Voluntary reserves	693,628	693,975	
Special reserves	72,000	72,000	
General reserves	409,403	409,403	
Reserves for tax basis adjustments of fixed assets	7,661	7,661	
Others	7	7	
Unappropriated retained earnings	204,556	204,903	
Net income	143,197	143,201	
Total Owners' Equity	4,648,624	4,648,977	
of which: others		—	E3
of which: directly issued qualifying Tier 2 instruments plus related capital surplus of which classified as equity under applicable accounting standards		—	E6
Net Unrealized Gains on Other Securities	1,302,149	1,302,149	
Net Deferred Losses on Hedging Instruments	(45,412)	(45,412)	
of which: net deferred losses on hedging instruments		(19,131)	E7
Revaluation Reserve for Land, net of taxes	16,606	16,606	
Foreign Currency Translation Adjustment		(6)	
Total Valuation and Translation Adjustment	1,273,344	1,273,338	E4
Total Net Assets	5,921,969		
Total Liabilities and Net Assets	82,356,280		

Notes: 1. "Balance sheet amount based on regulatory scope of consolidation" refers only to the items used in calculating capital adequacy.

2. "Balance sheet amount based on regulatory scope of consolidation" does not reflect transitional arrangements so that the amount of the column consists of the amount included in capital adequacy and the amount excluded under transitional arrangements in "Composition of Capital".

Capital Adequacy (Non-Consolidated)

(Minimum amount of regulatory required capital and breakdown for each risk category)

Regulatory Required Capital

(Billions of Yen)

Items	As of March 31, 2015		As of March 31, 2014	
	EAD	Regulatory Required Capital	EAD	Regulatory Required Capital
Amount of regulatory required capital for credit risk	**120,971**	**2,499**	104,226	2,111
Exposure subject to Internal Ratings-Based Approach	**105,708**	**2,477**	94,154	2,095
Corporate exposure (excluding Specialized Lending)	**6,387**	**261**	5,878	261
Corporate exposure (Specialized Lending)	**208**	**17**	131	17
Sovereign exposure	**58,056**	**0**	49,644	0
Bank exposure	**17,267**	**148**	16,175	154
Retail exposure	**3**	**1**	4	2
Retail exposure secured by residential properties	**—**	**—**	—	—
Qualifying revolving retail exposure	**—**	**—**	—	—
Other retail exposure	**3**	**1**	4	2
Securitization and re-securitization exposure	**5,436**	**60**	5,432	86
Equity portfolios	**1,297**	**217**	1,029	177
Equity portfolios subject to PD/LGD approaches	**868**	**97**	219	33
Equity portfolios subject to simple risk-weighted method	**67**	**22**	50	17
Equities under the internal models approach	**361**	**97**	320	89
Grandfathered equity exposure	**—**	**—**	438	37
Exposure subject to risk-weighted asset calculation for investment fund	**16,481**	**1,747**	15,445	1,374
Other debt purchased	**335**	**15**	197	12
Other exposures	**234**	**8**	214	9
Exposure subject to Standardized Approach	**4**	**0**	6	0
Overdrafts	**—**	**—**	—	—
Prepaid expenses	**0**	**0**	0	0
Suspense payments	**3**	**0**	5	0
Other	**—**	**—**	—	—
Amount corresponding to CVA risk	**314**	**6**	232	4
CCP-related exposures	**14,943**	**10**	9,787	4
Items that included by transitional arrangements	**33**	**3**	45	5
Amount of regulatory required capital for market risk	**/**	**227**	/	165
Standardized Approach	**/**	**226**	/	164
Interest rate risk category	**/**	**—**	/	—
Equity risk category	**/**	**—**	/	—
Foreign exchange risk category	**/**	**226**	/	164
Commodity risk category	**/**	**—**	/	—
Option transactions	**/**	**—**	/	—
Internal models Approach	**/**	**0**	/	0
Amount of regulatory required capital for operational risk	**/**	**59**	/	39
Offsets on consolidation	**/**	**2,785**	/	2,316

Notes: 1. Regulatory required capital for credit risk = 8% of risk-weighted assets for credit risk + Expected losses

2. "Risk-weighted asset calculation for investment fund" is risk-weighted assets as calculated according to the method specified in Notification Regarding Capital Adequacy Ratio, Article 144.

3. The Notification Regarding Capital Adequacy Ratio, Article 13 of supplemental provision contains a grandfathering provision for computing the amount of risk assets related to equity exposures that meet specified criteria.

4. Risk-weighted asset calculation for investment fund includes ¥8.5 billion EAD and ¥0 billion of Required Capital of CPP-related exposures.

5. Under "The Standardized Approach (TSA)," which is a method for computing the amount corresponding to operational risk, the gross profit for one year is allocated among the business activities as specified in Appendix Table 1 of the Notification Regarding Capital Adequacy Ratio. The multiplier specified for each business activity classification is multiplied by the gross profit, and the average of the annual totals for the past three years is taken to be the amount corresponding to operational risk (Notification Regarding Capital Adequacy Ratio, Article 282).

(Billions of Yen)

Items	As of March 31, 2015	As of March 31, 2014
Non-consolidated total required capital	**2,676**	2,195

Note: Non-consolidated total required capital is an amount that results from multiplying the denominator of the formula by 8% as stipulated in Notification Regarding Capital Adequacy Ratio, Article 14.

Credit Risk (Non-Consolidated)

(Funds and securitization exposures are excluded)

1. Credit Risk Exposure

Fiscal 2014 (Ended March 31, 2015)

Geographic Distribution of Exposure, Details in Significant Areas by Major Types of Credit Exposure

(Billions of Yen)

Region	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	19,972	15,146	7	8,995	44,122	113
Asia except Japan	291	158	0	98	548	—
Europe	200	10,109	2	7,295	17,607	—
The Americas	709	18,300	15	16,753	35,779	—
Other areas	13	369	—	244	627	—
Total	21,187	44,085	25	33,386	98,685	113

Industry Distribution of Exposure, Details by Major Types of Credit Exposure

(Billions of Yen)

Industry	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	2,400	401	0	0	2,803	22	0
Agriculture	28	0	0	0	28	5	0
Forestry	7	—	—	—	7	0	—
Fishing	26	—	—	0	26	19	0
Mining	5	—	—	0	5	—	—
Construction	90	9	—	0	99	1	—
Utility	234	8	0	0	242	—	—
Information/telecommunications	72	5	—	0	78	—	—
Transportation	564	133	3	0	700	14	—
Wholesaling, retailing	1,552	68	0	0	1,620	14	0
Finance and insurance	1,766	11,066	21	33,142	45,996	7	0
Real estate	520	85	—	3	609	19	—
Services	1,263	138	0	1	1,403	9	—
Municipalities	86	11	—	0	97	—	—
Other	12,568	32,158	—	238	44,965	0	—
Total	21,187	44,085	25	33,386	98,685	113	1

Note: "Others" within "Finance and insurance" includes repo-type transactions, call loans, and certain other items.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of Yen)

Term to maturity	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	16,562	1,906	4	30,430	48,903
Over 1 year to 3 years	1,908	9,341	14	1,935	13,199
Over 3 years to 5 years	1,400	15,936	2	—	17,338
Over 5 years to 7 years	755	11,549	1	0	12,306
Over 7 years	558	4,034	3	0	4,595
No term to maturity	3	1,316	—	1,021	2,341
Total	21,187	44,085	25	33,386	98,685

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position during fiscal 2014.
2. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥4.4 billion.
3. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

Fiscal 2013 (Ended March 31, 2014)

Geographic Distribution of Exposure, Details in Significant Areas by Major Types of Credit Exposure

(Billions of Yen)

Region	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	19,064	15,154	8	7,106	41,334	142
Asia except Japan	201	126	2	306	636	—
Europe	92	10,253	0	6,559	16,905	—
The Americas	463	12,016	2	12,033	24,516	—
Other areas	7	1,024	0	224	1,256	—
Total	19,829	38,576	13	26,230	84,649	142

Industry Distribution of Exposure, Details by Major Types of Credit Exposure

(Billions of Yen)

Industry	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	2,698	303	0	0	3,002	26	1
Agriculture	40	0	—	0	40	6	0
Forestry	10	—	—	—	10	1	—
Fishing	28	—	—	0	28	16	0
Mining	4	—	—	0	4	—	—
Construction	110	7	—	0	117	2	—
Utility	148	5	0	0	154	—	—
Information/telecommunications	81	5	0	1	87	—	—
Transportation	579	85	2	0	667	21	—
Wholesaling, retailing	1,790	54	0	0	1,845	23	0
Finance and insurance	2,547	11,527	10	26,005	40,091	14	—
Real estate	518	69	—	1	590	19	—
Services	1,233	95	0	1	1,329	10	0
Municipalities	109	13	—	0	122	—	—
Other	9,927	26,409	—	219	36,556	0	—
Total	19,829	38,576	13	26,230	84,649	142	2

Note: "Others" within "Finance and insurance" includes repo-type transactions, call loans, and certain other items.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of Yen)

Term to maturity	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	16,017	3,074	3	25,756	44,851
Over 1 year to 3 years	1,574	4,299	2	—	5,876
Over 3 years to 5 years	1,335	13,330	3	—	14,668
Over 5 years to 7 years	543	10,668	1	—	11,213
Over 7 years	355	6,013	2	—	6,371
No term to maturity	3	1,190	—	473	1,667
Total	19,829	38,576	13	26,230	84,649

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position during fiscal 2013.
2. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥6.4 billion.
3. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

2. Reserves for Possible Loan Losses

Increase/Decrease in General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and the Specific Reserve for Loans to Countries with Financial Problems by Region

(Billions of Yen)

Region	As of March 31, 2015	As of March 31, 2014	Increase/(decrease)
General reserve for possible loan losses	**20**	40	**(19)**
Specific reserve for possible loan losses	**50**	58	**(8)**
Japan	**50**	58	**(8)**
Asia except Japan	**—**	—	**—**
Europe	**—**	—	**—**
The Americas	**—**	—	**—**
Other areas	**—**	—	**—**
Specified reserve for loans to countries with financial problems	**—**	—	**—**
Total	**71**	99	**(28)**

Increase/Decrease in General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and the Specified Reserve for Loans to Countries with Financial Problems by Industry

(Billions of Yen)

Industry	As of March 31, 2015	As of March 31, 2014	Increase/(decrease)
General reserve for possible loan losses	**20**	40	**(19)**
Specific reserve for possible loan losses	**50**	58	**(8)**
Manufacturing	**5**	6	**(0)**
Agriculture	**3**	4	**(0)**
Forestry	**0**	0	**(0)**
Fishing	**7**	8	**(0)**
Mining	**—**	—	**—**
Construction	**0**	0	**(0)**
Utility	**—**	—	**—**
Information/telecommunications	**—**	—	**—**
Transportation	**3**	5	**(2)**
Wholesaling, retailing	**3**	3	**(0)**
Finance and insurance	**0**	5	**(4)**
Real estate	**17**	17	**0**
Services	**7**	7	**(0)**
Municipalities	**—**	—	**—**
Other	**—**	—	**—**
Others	**—**	—	**—**
Specified reserve for loans to countries with financial problems	**—**	—	**—**
Total	**71**	99	**(28)**

3. Exposure Subject to the Internal Ratings-Based Approach

a. Corporate, Sovereign and Bank Exposure

Fiscal 2014 (Ended March 31, 2015)

(Billions of Yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average risk weight	EAD		
					EAD (on-balance sheet)	EAD (off-balance sheet)
Corporate Exposure	1.72%	44.72%	51%	6,387	5,676	711
1-1 to 4	0.13%	44.74%	35%	5,815	5,143	672
5 to 7	1.69%	44.59%	118%	398	366	31
8-1 to 8-2	15.79%	44.68%	323%	92	86	6
Subtotal	0.45%	44.73%	45%	6,306	5,596	710
8-3 to 10-2	100.00%	43.98%	554%	81	79	1
Sovereign Exposure	0.00%	45.00%	0%	58,056	55,971	2,084
1-1 to 4	0.00%	45.00%	0%	58,055	55,970	2,084
5 to 7	0.86%	45.00%	131%	0	0	—
8-1 to 8-2	9.88%	42.18%	226%	0	0	—
Subtotal	0.00%	45.00%	0%	58,056	55,971	2,084
8-3 to 10-2	—	—	—	—	—	—
Bank Exposure	0.04%	22.80%	11%	17,267	8,109	9,157
1-1 to 4	0.03%	22.83%	11%	17,208	8,055	9,153
5 to 7	1.87%	15.82%	57%	48	44	3
8-1 to 8-2	8.94%	5.67%	33%	9	9	0
Subtotal	0.04%	22.80%	11%	17,266	8,109	9,157
8-3 to 10-2	100.00%	45.00%	563%	0	0	—
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	0.26%	90.00%	140%	868	868	—
1-1 to 4	0.09%	90.00%	134%	850	850	—
5 to 7	2.05%	90.00%	300%	12	12	—
8-1 to 8-2	15.52%	90.00%	702%	5	5	—
Subtotal	0.22%	90.00%	140%	868	868	—
8-3 to 10-2	100.00%	90.00%	1,192%	0	0	—

Notes: 1. Weighted averages of PD, LGD and risk weights are computed based on EAD (including on-balance and off-balance items).
2. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).

Fiscal 2013 (Ended March 31, 2014)

(Billions of Yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Corporate Exposure	2.36%	44.89%	56%	5,878	5,196	681
1-1 to 4	0.13%	44.94%	35%	5,242	4,596	646
5 to 7	1.76%	44.62%	117%	412	385	27
8-1 to 8-2	15.79%	44.37%	319%	116	110	5
Subtotal	0.56%	44.90%	46%	5,771	5,092	679
8-3 to 10-2	100.00%	44.28%	556%	106	104	1
Sovereign Exposure	0.00%	45.00%	0%	49,644	47,842	1,801
1-1 to 4	0.00%	45.00%	0%	49,644	47,842	1,801
5 to 7	0.86%	45.00%	131%	0	0	—
8-1 to 8-2	9.88%	0.00%	0%	0	0	—
Subtotal	0.00%	45.00%	0%	49,644	47,842	1,801
8-3 to 10-2	—	—	—	—	—	—
Bank Exposure	0.04%	22.29%	12%	16,175	7,379	8,796
1-1 to 4	0.03%	22.32%	12%	16,116	7,324	8,791
5 to 7	1.93%	17.84%	64%	49	45	4
8-1 to 8-2	8.94%	5.82%	33%	10	9	0
Subtotal	0.04%	22.29%	12%	16,175	7,379	8,796
8-3 to 10-2	100.00%	45.00%	563%	0	0	—
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	0.53%	90.00%	191%	219	219	—
1-1 to 4	0.13%	90.00%	173%	204	204	—
5 to 7	3.48%	90.00%	454%	12	12	—
8-1 to 8-2	15.84%	90.00%	338%	2	2	—
Subtotal	0.53%	90.00%	191%	219	219	—
8-3 to 10-2	100.00%	90.00%	1,193%	0	0	—

Notes: 1. Weighted averages of PD, LGD and risk weights are computed based on EAD (including on-balance and off-balance items).

2. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).

3. "Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach" does not take account of the Notification Regarding Capital Adequacy Ratio, Article 13 of Supplemental Provision (regarding provisional measures for equity exposure).

b. Retail Exposure

Details on PD, LGD, RW and EAD Assets

Fiscal 2014 (Ended March 31, 2015)

(Billions of Yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average LGD default	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Retail exposure secured by residential properties	4.94%	43.87%	83.79%	70.14%	94%	142	142	—
Not default Not delinquent	0.67%	43.87%	/	/	45%	129	129	—
Not default Delinquent	28.09%	43.87%	/	/	410%	9	9	—
Not default Subtotal	2.56%	43.87%	/	/	70%	138	138	—
Default	100.00%	/	83.79%	70.14%	1,047%	3	3	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—	/	/	—	—	—	—
Not default Delinquent	—	—	/	/	—	—	—	—
Not default Subtotal	—	—	/	/	—	—	—	—
Default	—	/	—	—	—	—	—	—
Other retail exposure	25.95%	81.83%	115.02%	99.17%	447%	4	1	2
Not default Not delinquent	2.01%	81.96%	/	/	128%	3	0	2
Not default Delinquent	30.61%	39.17%	/	/	211%	0	0	0
Not default Subtotal	2.10%	81.83%	/	/	128%	3	0	2
Default	100.00%	/	115.02%	99.17%	1,438%	1	1	0
Total	5.57%	44.99%	91.06%	76.89%	104%	146	144	2
Not default Not delinquent	0.70%	44.81%	/	/	47%	132	130	2
Not default Delinquent	28.09%	43.86%	/	/	410%	9	9	0
Not default Subtotal	2.55%	44.75%	/	/	71%	142	139	2
Default	100.00%	/	91.06%	76.89%	1,138%	4	4	0

Notes: 1. As of March 31, 2015, the majority of retail exposure is purchased retail receivables which are included in investment funds. Purchased retail receivables in investment funds using estimated parameters have been included in the amount subject to quantitative disclosure.

2. "Not default Delinquent" does not fall under the default definition in the Notification Regarding Capital Adequacy Ratio, but past-due.

3. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).

4. For defaulted exposure, the risk weights have been computed taking account of the unexpected losses on default (LGD default) and the expected losses on default (EL default).

5. As of March 31, 2014, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

Fiscal 2013 (Ended March 31, 2014)

(Billions of Yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average LGD default	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Retail exposure secured by residential properties	4.67%	43.98%	84.23%	71.07%	91%	164	164	—
Not default Not delinquent	0.69%	43.98%	/	/	46%	150	150	—
Not default Delinquent	28.41%	43.98%	/	/	413%	9	9	—
Not default Subtotal	2.33%	43.98%	/	/	68%	160	160	—
Default	100.00%	/	84.23%	71.07%	1,053%	3	3	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—	/	/	—	—	—	—
Not default Delinquent	—	—	/	/	—	—	—	—
Not default Subtotal	—	—	/	/	—	—	—	—
Default	—	/	—	—	—	—	—	—
Other retail exposure	31.53%	77.82%	115.14%	99.89%	517%	4	2	2
Not default Not delinquent	1.93%	78.09%	/	/	120%	3	1	2
Not default Delinquent	41.01%	47.39%	/	/	364%	0	0	0
Not default Subtotal	2.28%	77.82%	/	/	122%	3	1	2
Default	100.00%	/	115.14%	99.89%	1,439%	1	1	0
Total	5.44%	44.95%	92.56%	78.84%	103%	169	166	2
Not default Not delinquent	0.71%	44.73%	/	/	47%	154	152	2
Not default Delinquent	28.45%	43.99%	/	/	413%	9	9	0
Not default Subtotal	2.33%	44.68%	/	/	69%	163	161	2
Default	100.00%	/	92.56%	78.84%	1,157%	5	5	0

Notes: 1. As of March 31, 2014, the majority of retail exposure is purchased retail receivables which are included in investment funds. Purchased retail receivables in investment funds using estimated parameters have been included in the amount subject to quantitative disclosure.
2. "Not default Delinquent" does not fall under the default definition in the Notification Regarding Capital Adequacy Ratio, but past-due.
3. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).
4. For defaulted exposure, the risk weights have been computed taking account of the unexpected losses on default (LGD default) and the expected losses on default (EL default).
5. As of March 31, 2014, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

c. Actual Losses on Exposure to Corporate, Sovereign, Bank and Retail Exposure

Actual Losses by Exposure Types

(Billions of Yen)

Type of exposure	As of March 31, 2015	As of March 31, 2014	Increase/(decrease)
Corporate exposure	**3**	0	**2**
Sovereign exposure	**—**	—	**—**
Bank exposure	**—**	—	**—**
Equity exposure subject to PD/LGD approach	**1**	—	**1**
Retail exposure secured by residential properties	**—**	—	**—**
Qualifying revolving retail exposure	**—**	—	**—**
Other retail exposure	**0**	0	**(0)**
Total	**4**	0	**3**

Note: Actual losses are defined as losses due to direct write-offs, partial direct write-offs, specific reserve for possible loan losses, general reserve for possible loan losses and loan sales of exposure that defaulted up to the end of the previous period.

Comparison between Actual Losses in the Previous Fiscal Year and Past Financial Results and Analysis of Causes

Although credit conditions have generally remained favorable, with the provisions to specific reserves for possible loan losses due to the deterioration in the credit status of certain debtors, there was an increase in losses such as corporate exposure, and the total value of actual losses for fiscal 2014 were up ¥3.7 billion year-on-year.

Comparison of Estimated Losses and Actual Losses

(Billions of Yen)

Type of exposure	**As of March 31, 2015**		As of March 31, 2014		As of March 31, 2013	
	Estimated losses	**Actual losses**	**Estimated losses**	**Actual losses**	**Estimated losses**	**Actual losses**
Corporate exposure	**17**	**3**	20	0	24	1
Sovereign exposure	**0**	**—**	0	—	0	—
Bank exposure	**0**	**—**	1	—	0	—
Equity exposure subject to PD/LGD approach	**0**	**1**	0	—	0	—
Retail exposure secured by residential properties	**—**	**—**	—	—	—	—
Qualifying revolving retail exposure	**—**	**—**	—	—	—	—
Other retail exposure	**0**	**0**	0	0	0	0

Type of exposure	As of March 31, 2012		As of March 31, 2011		As of March 31, 2010	
	Estimated losses	**Actual losses**	**Estimated losses**	**Actual losses**	**Estimated losses**	**Actual losses**
Corporate exposure	42	9	73	7	55	42
Sovereign exposure	0	—	0	—	0	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	2	0	3	0	1	0
Retail exposure secured by residential properties	—	—	—	—	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

Type of exposure	As of March 31, 2009		As of March 31, 2008		As of March 31, 2007	
	Estimated losses	**Actual losses**	**Estimated losses**	**Actual losses**	**Estimated losses**	**Actual losses**
Corporate exposure	45	23	28	6	27	18
Sovereign exposure	1	—	1	—	1	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	0	0	1	0	0	0
Retail exposure secured by residential properties	—	—	—	—	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

Notes: 1. The scope of actual and estimated losses includes the following accounts on balance sheet: loans, foreign exchange, accrued interests in other assets, suspense payable and customers' liabilities for acceptances and guarantees, as well as securities without quoted market values, money trusts without quoted market values, and monetary claims purchased.

2. Estimated losses of each year are amount of expected losses.

d. Exposure to Specialized Lending Products Subject to Supervisory Slotting Criteria by Risk Weight

Amount of Specialized Lending Exposure Subject to Supervisory Slotting Criteria by Risk Weight

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Specialized Lending exposure subject to supervisory slotting criteria	**247**	134
Specialized Lending, excluding High-Volatility Commercial Real Estate (HVCRE)	**247**	93
Risk weight of 50%	**5**	0
Risk weight of 70%	**156**	72
Risk weight of 90%	**43**	9
Risk weight of 115%	**17**	0
Risk weight of 250%	**5**	6
Risk weight of 0% (default)	**19**	4
High-Volatility Commercial Real Estate (HVCRE)	**—**	40
Risk weight of 70%	**—**	—
Risk weight of 95%	**—**	5
Risk weight of 120%	**—**	12
Risk weight of 140%	**—**	—
Risk weight of 250%	**—**	23
Risk weight of 0% (default)	**—**	—

Notes: 1. "Specialized Lending" refers to loans for Project Finance (PF), Object Finance (OF), Commodity Finance (CF) and Income-Producing Real Estate (IPRE) (as defined in the Notification Regarding Capital Adequacy Ratio, Article 1-1-41).

2. "High-Volatility Commercial Real Estate (HVCRE)" refers to loans that are the financing of commercial real estate that exhibits a higher rate of loss volatility compared to other types of Specialized Lending, as specified in the Notification Regarding Capital Adequacy Ratio, Article 1-1-43.

3. "Specialized Lending exposure subject to supervisory slotting criteria" refers to the amounts of Specialized Lending, subject to the Bank's internal rating system, and have been allotted to the risk asset classifications given in the Notification Regarding Capital Adequacy Ratio, Article 130-4 and Article 130-6, after taking account of risk weights.

4. For risk weights, the Bank has applied the stipulations contained in the Notification Regarding Capital Adequacy Ratio, Article 130-4 and Article 130-6.

e. Equity Exposure Subject to the Simple Risk-Weighted Method of the Market-Based Approach by Risk Weight

Amount of Equity Exposure Subject to the Simple Risk-Weighted Method of the Market-Based Approach

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Equity exposure subject to the simple risk-weighted method of the market-based approach by RW	**67**	50
Risk weight of 300%	**—**	—
Risk weight of 400%	**67**	50

Note: The "simple risk-weighted method of the market-based approach by RW" is a method for computing the amount of risk-weighted assets of equity and other investments. Under this method, the market value of listed stocks is multiplied by a risk weight of 300%, and the estimated value of unlisted stocks is multiplied by a risk weight of 400% (Notification Regarding Capital Adequacy Ratio, Article 143-4).

4. Exposure Subject to Standardized Approach

Amount of Exposure Subject to Standardized Approach

(Billions of Yen)

Classification	As of March 31, 2015		As of March 31, 2014	
	Exposure	Refer to ECAI	Exposure	Refer to ECAI
Exposure subject to Standardized Approach	**4**	**—**	6	—
Risk weight of 0%	**—**	**—**	—	—
Risk weight of 10%	**—**	**—**	—	—
Risk weight of 20%	**—**	**—**	—	—
Risk weight of 35%	**—**	**—**	—	—
Risk weight of 50%	**—**	**—**	—	—
Risk weight of 75%	**—**	**—**	—	—
Risk weight of 100%	**4**	**—**	6	—
Risk weight of 150%	**—**	**—**	—	—
Risk weight of 1,250%	**—**	**—**	—	—
Others	**—**	**—**	—	—

Note: Others include investment funds which are measured credit risk assets by look-through approach and the assets which are more than 150% and less than 1,250% risk weight.

Credit Risk Mitigation Techniques (Non-Consolidated)

Amount of Exposure Subject to Credit Risk Mitigation Techniques (Eligible Financial Collateral, Other Eligible IRB Collateral, Guarantees, Credit Derivatives)

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Foundation Internal Ratings-Based Approach	**8,586**	8,949
Eligible financial collateral	**8,007**	7,755
Corporate exposure	**38**	11
Sovereign exposure	**0**	0
Bank exposure	**7,968**	7,743
Other eligible IRB collateral	**—**	—
Corporate exposure	**—**	—
Sovereign exposure	**—**	—
Bank exposure	**—**	—
Guarantees, Credit Derivatives	**579**	1,194
Corporate exposure	**346**	290
Sovereign exposure	**231**	200
Bank exposure	**1**	702
Retail exposure secured by residential properties	**—**	—
Qualifying revolving retail exposure	**—**	—
Other retail exposure	**—**	—
Standardized Approach	**—**	—
Eligible financial collateral	**—**	—
Guarantees, Credit Derivatives	**—**	—

Note: Exposure subject to risk-weighted asset calculation for investment fund is not included.

Counterparty Credit Risk in Derivative Transactions (Non-Consolidated)

Methods Used for Calculating Amount of Credit Exposure

The current exposure method has been adopted.

Breakdown of the Amount of Credit Exposure

(Billions of Yen)

Classification		As of March 31, 2015	As of March 31, 2014
Total gross replacement costs (limited to items with a value of greater than zero)	(A)	**155**	100
Total gross add-ons	(B)	**538**	469
Gross credit exposure	(C) = (A)+(B)	**694**	570
Foreign exchange related		**588**	460
Interest rate related		**104**	107
Equity related		**1**	2
Credit derivatives		**—**	—
Transactions with a long settlement period		**—**	—
Reduction in credit exposure due to netting contracts (including collateral pledged for CSA)	(D)	**384**	345
Amount of credit exposure before taking into account credit risk mitigation techniques due to collateral	(E) = (C)–(D)	**310**	224
Amount of collateral	(F)	**4**	13
Eligible financial collateral		**4**	13
Amount of credit exposure after taking into account credit risk mitigation techniques due to collateral	(G) = (E)–(F)	**306**	210

Notes: 1. Derivatives transactions included in risk-weighted assets calculation for investment funds are not included.
2. Under the stipulations of the Notification Regarding Capital Adequacy Ratio, Article 56-1, the amount of credit exposure not computed has not been included.

Notional Principal Amount of Credit Derivatives Included in Computation of Credit Exposure

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
To buy protection	**—**	—
Credit default swaps	**—**	—
Total return swaps	**—**	—
To sell protection	**—**	—
Credit default swaps	**—**	—
Total return swaps	**—**	—
Notional principal amount of credit derivatives taking into consideration the effect of credit risk mitigation techniques	**—**	—

Notes: 1. Credit derivatives included in risk-weighted assets for investment funds have not been taken into consideration.
2. Under the stipulations of the Notification Regarding Capital Adequacy Ratio, Article 21-2, 3 and Article 56, the amount of credit risk assets not computed has not been included.

Securitization Exposure (Non-Consolidated)

1. Items to Calculate Risk-Weighted Asset for Credit Risk

Details of Securitization Exposure Held as Originator

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Total amount of underlying assets	—	—
Amounts of assets held by securitization transactions purpose	—	—
Amounts of securitized exposure	—	—
Gains (losses) on sales of securitization transactions	—	—
Amounts of securitization exposure	—	—
Amounts of re-securitization exposure	—	—
Increase in capital due to securitization transactions	—	—
Amounts of securitization exposure that applied risk weight 1,250%	—	—
Amounts of re-securitization exposure subject to credit risk mitigation techniques	—	—

Details of Securitization Exposure Held as Investor by Exposure Type

Fiscal 2014 (Ended March 31, 2015)

(Billions of Yen)

Classification	Total amount of securitization exposure					
	Amount of exposure	Risk weight 1,250%	Re-securitization exposure			
			Amount of exposure	Re-securitization products (Secondary, tertiary)	Re-securitization products peculiar to regulation	Risk weight 1,250%
Amount of exposure	5,436 (2)	10 (0)	380	102	278	7
Individuals						
Asset-Backed Securities (ABS)	1,277 (0)	— (—)	—	—	—	—
Residential Mortgage-Backed Securities (RMBS)	2,289 (—)	— (—)	4	—	4	—
Real estate						
Commercial Mortgage-Backed Securities (CMBS)	68 (—)	— (—)	—	—	—	—
Corporates						
Subtotal of CDOs (CLO, ABS-CDO, CBO)	1,795 (—)	7 (—)	376	102	273	7
Collateralized Loan Obligations (CLO)	1,695 (—)	— (—)	273	—	273	—
Asset-Backed Securities CDOs (ABS-CDO)	102 (—)	7 (—)	102	102	—	7
Collateralized Bond Obligations (CBO)	— (—)	— (—)	—	—	—	—
Others	4 (1)	3 (0)	—	—	—	—

Notes: 1. Re-securitization exposure refers to securitization exposures of the underlying assets in the securitization exposure.
2. The off-balance exposure has been described in parentheses. There is no re-securitization exposure of the off-balance.

Fiscal 2013 (Ended March 31, 2014)

(Billions of Yen)

Classification	Total amount of securitization exposure					
	Amount of exposure	Risk weight 1,250%	Re-securitization exposure			
			Amount of exposure	Re-securitization products (Secondary, tertiary)	Re-securitization products peculiar to regulation	Risk weight 1,250%
Amount of exposure	5,432 (3)	33 (2)	359	96	263	25
Individuals						
Asset-Backed Securities (ABS)	1,501 (0)	— (—)	—	—	—	—
Residential Mortgage-Backed Securities (RMBS)	2,638 (—)	— (—)	9	—	9	—
Real estate						
Commercial Mortgage-Backed Securities (CMBS)	71 (—)	3 (—)	—	—	—	—
Corporates						
Subtotal of CDOs (CLO, ABS-CDO, CBO)	1,172 (—)	25 (—)	349	96	253	25
Collateralized Loan Obligations (CLO)	1,076 (—)	— (—)	253	—	253	—
Asset-Backed Securities CDOs (ABS-CDO)	96 (—)	25 (—)	96	96	—	25
Collateralized Bond Obligations (CBO)	— (—)	— (—)	—	—	—	—
Others	49 (3)	4 (2)	—	—	—	—

Notes: 1. Re-securitization exposure refers to securitization exposures of the underlying assets in the securitization exposure.
2. The off-balance exposure has been described in parentheses. There is no re-securitization exposure of the off-balance.

Amount of Securitization Exposure Held as Investor and Regulatory Required Capital by Risk-Weighted Category

Fiscal 2014 (Ended March 31, 2015)

(Billions of Yen)

Classification	Amount of exposure			Regulatory required capital		
		On-balance	Off-balance		On-balance	Off-balance
Amount of securitization exposure	**5,056**	**5,054**	**2**	**38**	**37**	**1**
Risk weight: 20% or less	**5,001**	**5,000**	**0**	**31**	**31**	**0**
Risk weight: exceeding 20% to 50% or less	**39**	**39**	**—**	**1**	**1**	**—**
Risk weight: exceeding 50% to 100% or less	**6**	**6**	**—**	**0**	**0**	**—**
Risk weight: exceeding 100% to 250% or less	**—**	**—**	**—**	**—**	**—**	**—**
Risk weight: exceeding 250% to less than 1,250%	**6**	**5**	**1**	**2**	**1**	**0**
Risk weight: 1,250%	**3**	**2**	**0**	**3**	**2**	**0**
Amount of re-securitization exposure	**380**	**380**	**—**	**21**	**21**	**—**
Risk weight: 20% or less	**4**	**4**	**—**	**0**	**0**	**—**
Risk weight: exceeding 20% to 50% or less	**360**	**360**	**—**	**11**	**11**	**—**
Risk weight: exceeding 50% to 100% or less	**1**	**1**	**—**	**0**	**0**	**—**
Risk weight: exceeding 100% to 250% or less	**—**	**—**	**—**	**—**	**—**	**—**
Risk weight: exceeding 250% to less than 1,250%	**5**	**5**	**—**	**1**	**1**	**—**
Risk weight: 1,250%	**7**	**7**	**—**	**8**	**8**	**—**

Fiscal 2013 (Ended March 31, 2014)

(Billions of Yen)

Classification	Amount of exposure			Regulatory required capital		
		On-balance	Off-balance		On-balance	Off-balance
Amount of securitization exposure	5,073	5,069	3	47	44	2
Risk weight: 20% or less	4,961	4,960	0	30	30	0
Risk weight: exceeding 20% to 50% or less	18	18	—	0	0	—
Risk weight: exceeding 50% to 100% or less	79	79	—	5	5	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	6	5	1	2	1	0
Risk weight: 1,250%	7	5	2	8	5	2
Amount of re-securitization exposure	359	359	—	38	38	—
Risk weight: 20% or less	9	9	—	0	0	—
Risk weight: exceeding 20% to 50% or less	290	290	—	9	9	—
Risk weight: exceeding 50% to 100% or less	33	33	—	2	2	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	—	—	—	—	—	—
Risk weight: 1,250%	25	25	—	26	26	—

Amount of Re-Securitization Exposure Held as Investor and Subject to Credit Risk Mitigation Techniques

(Billions of Yen)

Classification	As of March 31, 2015		As of March 31, 2014	
	Amount of exposure	Regulatory required capital	Amount of exposure	Regulatory required capital
Amount of re-securitization exposure	—	—	—	—
Risk weight applied to guarantor: 20% or less	—	—	—	—
Risk weight applied to guarantor: exceeding 20% to 50% or less	—	—	—	—
Risk weight applied to guarantor: exceeding 50% to 100% or less	—	—	—	—
Risk weight applied to guarantor: exceeding 100% to 250% or less	—	—	—	—
Risk weight applied to guarantor: exceeding 250% to less than 1,250%	—	—	—	—
Risk weight applied to guarantor: 1,250%	—	—	—	—

Risk-Weighted Asset Computed through Application of Appendix Article 15 of the Notification Regarding Capital Adequacy Ratio

Not applicable

2. Securitization Exposure Subject to Market Risk

Not applicable

Market Risk (Non-Consolidated)

Computation of Market Risk Amount by Internal Models Approach

■ VaR

(Millions of Yen)

	Fiscal 2014	Fiscal 2013
Base date of computation	**2015. 3. 31**	2014. 3. 31
VaR (For the most recent 60 business days)		
Base date of computation	**69**	26
Maximum	**327**	60
Minimum	**18**	15
Average	**75**	32

■ Stress VaR

(Millions of Yen)

	Fiscal 2014	Fiscal 2013
Base date of computation	**2015. 3. 31**	2014. 3. 31
Stress VaR (For the most recent 60 business days)		
Base date of computation	**355**	140
Maximum	**355**	210
Minimum	**55**	87
Average	**161**	143

■ Amount of Market Risk

(Millions of Yen)

		Fiscal 2014	Fiscal 2013
For the portion computed with the internal models approach (B)+(G)+(J)	(A)	**711**	529
Value at Risk (MAX (C, D))	(B)	**226**	98
Amount on base date of computation	(C)	**69**	26
Amount determined by multiplying (E) by the average for the most recent 60 business days	(D)	**226**	98
(Multiplier)	(E)	**3**	3
(Times exceeding VaR in back testing)	(F)	**2**	3
Stress Value at Risk (MAX (H, I))	(G)	**484**	430
Amount on base date of computation	(H)	**355**	140
Amount determined by multiplying (E) by the average for the most recent 60 business days	(I)	**484**	430
Additional amount at the time of measuring individual risk	(J)	**0**	0

Notes: 1. As a result of back testing conducted in fiscal 2014, actual gains and losses did not diverge substantially downward from the VaR value.
2. When discrepancies between the model's estimates and actual results go beyond a certain number of times due to the design of the model, the Bank scrutinizes the relevant model factors and revises the model if necessary.
3. Since the bank adopts a standardized approach, neither an additional risk nor a comprehensive risk of specific risks of trading account are the measurement objects.

Equity Exposure (Non-Consolidated)

(Includes items such as shares; excludes items in trading accounts)

Amount on the Balance Sheet and Market Value

(Billions of Yen)

Classification	As of March 31, 2015		As of March 31, 2014	
	Amount on the balance sheet	Market value	Amount on the balance sheet	Market value
Equity exposure	**1,297**	/	1,029	/
Exposure to publicly traded equity	**1,074**	**1,074**	798	798
Exposure to privately held equity	**222**	/	231	/

Note: Regulatory adjustments in numerator provided for by Notification Regarding Capital Adequacy Ratio, Article 14 were not included.

Amount of Gain (Loss) due to Sale or Write-Off

(Billions of Yen)

Item	Fiscal 2014			Fiscal 2013		
	Gains from sale of equities, etc.	Losses from sales of equities, etc.	Write-offs of equities, etc.	Gains from sale of equities, etc.	Losses from sales of equities, etc.	Write-offs of equities, etc.
Equity exposure	**19**	**0**	**1**	2	5	0

Note: Amounts reflect relevant figures posted in the income statements.

Amount of Valuation Gains (Losses)

(Billions of Yen)

Item	As of March 31, 2015	As of March 31, 2014
Amount of valuation gains (losses) recognized on the balance sheet and not recognized in the statements of operations	**422**	209

Notes: 1. Exposure is to equity shares issued by both domestic and overseas companies.
2. Regulatory adjustments in numerator provided for by Notification Regarding Capital Adequacy Ratio, Article 14 were not included.

Unrealized Gains (Losses) Not Recognized on Non-Consolidated Balance Sheets or Non-Consolidated Statements of Income

Not applicable

Equity Exposure Subject to Treatment Under the Notification Regarding Capital Adequacy Ratio, Appendix Article 13

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
	Amount on the balance sheets	Amount on the balance sheets
Equity exposure subject to treatment under the Notification Regarding Capital Adequacy Ratio, Appendix Article 13	—	438
Corporate	—	404
Bank	—	29
Sovereign	—	5

Note: The Notification Regarding Capital Adequacy Ratio, Article 13 of Supplemental Provision specifies provisional methods for calculating the value of credit risk assets in exposure to equity and other investments that meets certain specified standards.

Equity Exposures for Each Portfolio Classification

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
	EAD	EAD
Equity portfolios	**1,297**	1,029
Equity portfolios subject to PD/LGD approaches	**868**	219
Equity portfolios subject to simple risk-weighted method	**67**	50
Equities under the internal models approach	**361**	320
Grandfathered equity exposure	—	438

Exposure Subject to Risk-Weighted Asset Calculation for Investment Funds (Non-Consolidated)

Amount of Exposure Subject to Risk-Weighted Asset Calculation for Investment Fund

(Billions of Yen)

Classification	As of March 31, 2015		As of March 31, 2014	
	Exposure	**(For reference) Weighted-average risk weight**	**Exposure**	**(For reference) Weighted-average risk weight**
Look-through approach	**12,552**	**76%**	12,337	72%
Majority approach	**637**	**380%**	432	406%
Mandate approach	**—**	**—**	—	—
Market-based approach	**2,460**	**350%**	2,029	263%
Others (simple approach)	**192**	**432%**	217	437%
Total	**15,842**	**132%**	15,017	111%

Notes: 1. The "Look-through approach" is a method for computing the risk-weighted assets in fund by totaling the amount of risk-weighted assets for credit risk in individual asset categories. (Please refer to Notification Regarding Capital Adequacy Ratio, Article 144-1.)

2. The "Majority approach" is a method for computing the risk-weighted assets in fund by applying risk weight to the fund as well as equity exposure when the exposure of equity, in terms of value, is major in a fund. (Please refer to the Notification Regarding Capital Adequacy Ratio, Article 144-2.)

3. The "Mandate approach" is a method for computing the risk-weighted assets in fund where only the investment mandate of the fund is known. The risk-weighted assets are computed as follows: It is assumed that the fund first invests, to the maximum extent allowed under its mandate, in the asset classes attracting the highest capital requirement, and then continues making investments in descending order until the maximum total investment level is reached. (Please refer to the Notification Regarding Capital Adequacy Ratio, Article 144-3.)

4. The "Market-based approach" is a method for computing the credit risk of exposure regarded as credit risk assets using the Bank's internal model (which is a value-at-risk (VaR) model based on the historical simulation method). (Please refer to the Notification Regarding Capital Adequacy Ratio, Article 144-4.)

5. The "Others (simple approach)" is a method for computing the risk-weighted assets in fund by applying risk weight of 400%, when it is judged the probability that the weighted-average risk weight will be less than 400%. In all other cases, risk weight of 1,250% is applied to funds. (Please refer to the Notification Regarding Capital Adequacy Ratio, Article 144-5.)

6. (For reference) The sum of the amount of risk-weighted assets (excluding CVA risk amount) and the amount resulting from dividing the expected loss by 8% are divided by EAD to yield the risk weight value.

Interest Rate Risk (Non-Consolidated)

(The increase or decrease of the profit and loss or in the economic value from interest rate shocks which are used for internal management purpose, in terms of interest rate risk excluding trading accounts.)

Interest Rate Risk Volume Computed with the Internal Model in Core Business Accounts (Excluding Trading Accounts)

(Billions of Yen)

Classification	As of March 31, 2015	As of March 31, 2014
Interest rate risk	**2,125**	2,119
Yen interest rate risk	**119**	182
U.S. dollar interest rate risk	**1,599**	1,470
Euro interest rate risk	**379**	460
Interest rate risk in other currencies	**27**	4

Notes: 1. Interest rate risk, without taking into account inter-grid factors and correlations with other assets, calculates a one-year holding period and a historical observation period from 1995 to the most recent year of interest rate volatility. The Bank calculated declines in economic value corresponding to a 99% confidence interval for interest rate volatility.

2. Regarding core deposits, since the balances of deposits, etc., without maturity dates are limited, the Bank does not currently measure their risk volume. In addition, regarding repayments of mortgage-backed securities and callable securities before maturity, risk volume is measured after taking account of negative convexity due to call conditions and other factors.