Capital Adequacy (Consolidated)

Disclosure Regarding Capital Adequacy and Features of Regulatory Capital Instruments

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 "Advanced Internal Ratings-Based Approach (A-IRB) (partially 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 (on a consolidated and a non-consolidated basis), 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 part of the audit on consolidated financial statements or financial statements by law, but an inspection of part of the internal control related to the capital ratio calculation, which the Bank recognized as necessary, using the procedures that were agreed upon between the Bank and Ernst & Young ShinNihon LLC. The results of the review are reported to the Bank. Accordingly, Ernst & Young ShinNihon LLC does not express any audit opinion regarding the capital ratio itself and/or the internal control regarding the calculation of the capital ratio.

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"). These disclosures as well as the features of regulatory capital instruments can be found in the IR Library of the Bank's website at http://www.nochubank.or.jp/.

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, 2018, the Bank had 13 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

Overview of Internal Capital Adequacy Assessment Process

The Bank annually conducts its Internal Capital Adequacy Assessment Process (ICAAP) regarding the qualitative and quantitative sufficiency of its internal capital to demonstrate appropriate management of the risks and maintenance of sufficient capital to cover the risks in terms of consistency and the forward-looking robustness of its capital management framework. Through the ICAAP, the Bank intends to achieve a balance among "capital," "risk" and "return" at an elevated level and gain a deep understanding from various stakeholders on the soundness of its business.

The ICAAP process mainly focuses on the following three points: (1) the current status of the Bank's capital (regulatory capital management and economic capital management); (2) the framework for assessing capital adequacy; and (3) the robustness and flexibility of capital from a forward-looking viewpoint (comprehensive, medium time line stress tests and management action). Furthermore, to ensure comprehensive assessment, the ICAAP also covers (4) the impact of the "uncertainties" that are difficult to measure via statistical methods or that might arise in special circumstances exceeding the quantitative measurement assumptions on capital.

Overview of the Risk Characteristics and Risk Management Policies, Procedures and Framework of the Entire Consolidated Group

Overview of the Risk Characteristics and Risk Management Policies, Procedures and Framework of the Entire Consolidated Group

■ Approach to Risk Management

Risk management initiatives by the Bank are stipulated in its Basic Policies for Risk Management. The policies identify the types of risks to be managed and the basic framework for risk management, including organizational structure and methodology. In accordance with the policies, the Bank manages individual risks after assessing the materiality of risks and identifying risks to be managed. The Bank also implements integrated risk management by measuring the overall amount of risk using quantitative methods and comparing it with the Bank's capital resources.

To implement integrated risk management, the Bank has set up the Risk Management Committee. At the committee, the Bank's management discusses important issues relating to its risk management framework and capital adequacy, and determines respective management frameworks. The committee also ensures that the total risk amount is kept within capital resource limits. The structure also requires that the integrated risk management status (such as capital and risk status, and significant decisions made by the Risk Management Committee) be reported to the Board of Directors on a regular basis. The Bank has also established a number of committees based on the type of risk, i.e. the Portfolio Management Committee (market risk, credit risk and liquidity risk), the Credit Committee, the Food and Agri Finance Committee (credit risk), and the Operational Risk Management Committee (operational risk), to enable the management to discuss and decide what measures are needed to control risks that arise in the execution of management strategy and business policies within an acceptable level. In line with the controls described above, under the risk management framework including economic capital management determined by the Risk Management Committee, and based on the need to carefully maintain a balance among return, capital and risk, in addition to due consideration for liquidity, the Bank has built and operated a forward-looking risk management framework by steadily grasping the trends in international financial regulations and exercising effective restraints.

In line with the Basic Policies for Risk Management, the Bank's group companies have established their own risk management systems by setting effective management policies and frameworks, etc., according to the content of their businesses and risk characteristics, in consultation with the Bank.

■ Integrated Risk Management

Based on the Basic Policies for Risk Management, the Bank stipulates a core risk management framework that manages risk quantitatively and comprehensively in comparison with capital, which represents its financial strength. The core function in this framework is economic capital management.

Under economic capital management, risks to be covered by capital are measured, and the internal capital for this purpose is applied in advance. The amount of risk is controlled so as not to exceed the applied internal capital by monitoring the changes in the amount of risk caused by market fluctuations and additional risk-taking in a timely manner during the fiscal year. Any cases where the amount of risk reaches the applied internal capital need to be handled by the Board of Directors. To control various risks, upper limits are set on respective risks according to their importance and other factors.

The Bank categorizes the types of risks to be controlled into market risk, credit risk and operational risk. To maximize the benefit of the globally diversified investment concept, the Bank manages the economic capital on an aggregate basis instead of allocating the capital to each asset class or to each business segment, as the Bank believes such an approach should fit in the business profile of the Bank. In addition, the definition of internal capital applied and the economic capital management framework are determined by the Board of Directors, while the middle office is responsible for monitoring the fluctuating capital levels and the amount of risk during each fiscal year. These results are reported to management on a timely basis and used for sharing an awareness of the risk environment between the middle office and the front office.

Measurement of risks is conducted as to all financial assets and liabilities in the Bank's portfolio, in principle. Market risk is measured primarily using a method which simulates scenarios such as interest rate and stock price fluctuations, based on past data (historical simulation method). Credit risk is mainly measured using simulations of scenarios such as default, downgrading and greater credit spread, upon consideration of credit concentration risk on certain corporate groups, industries and regions. On that basis, in order that the correlation between the risks of market and credit are reflected consistently, their Value-at-Risk (VaR), with a 99.50% confidence interval and one-year holding period, is centrally simulated to measure the integrated risk amount. Also, operational risk is measured by VaR, which is measured using statistical methods with a 99.90% confidence interval and one-year holding period and using potential risk event scenarios and risk events that have come to light.

■ Implementation of Stress Tests

Stress tests are performed together with the implementation of the fiscal year's ICAAP and budget planning, covering the Bank's entire portfolio. For the stress tests, detailed stress scenarios are prepared by drafting stress scenarios from among several stress events reflecting the Bank's vulnerability and by reference to the significance based on the assessment of their impact amounts and probability of occurrence based on an analysis of the internal and external environments, and factoring in specific time lines and the ripple effects of risks regarding interest rates, stocks and foreign exchange rates in Japan and abroad as well as credit cost, in consultation with the front office, etc.

In addition, by referring to the impact amounts based on the capital adequacy ratio, unrealized gains and losses on securities and other factors under the stress scenarios, things that the Bank should be mindful of and possible management actions are discussed at the management level to help decision making on day-to-day portfolio management.

■ Market Risk Management

Market risk is the possibility of loss arising from a market event such as fluctuations in the value of assets and liabilities (including off-balance-sheet items) due to fluctuations in various market risk factors, including interest rates, foreign exchange rates and stock prices, and fluctuations in the income generated from those assets and liabilities.

In its portfolio management under the basic concept of "globally diversified investment," the Bank positions market risk as a significant risk factor affecting its earnings base and aims to retain a stable level of profit through active risk-taking supported by an appropriate risk management framework.

■ Market Risk Management Framework

The Bank's market risk management is conducted through the Risk Management Committee being responsible for overall integrated risk management, the Portfolio Management Committee setting market portfolio allocation policies, the front office executing transactions and the middle office independent of the front office monitoring the amount of risk.

The principal market portfolio management process is as described below.

Decision Making

Material decisions on market investments are made at the Board level. The Board of Directors formulates the annual allocation policies. Based on the policies, the Portfolio Management Committee-composed of the Board members involved in market portfolio management-makes decisions, together with general managers, on specific policies related to market investments after discussing them.

Decision making on market investments is carried out after examining the investment environment including the financial markets and the economic outlook, current position of the securities portfolio, and Asset and Liability Management (ALM) situation of the Bank. The Portfolio Management Committee holds meetings on a weekly basis, as well as when needed, to respond to changes in market conditions in a flexible manner.

Execution

Based on the investment decisions made by the Portfolio Management Committee, the front office executes securities transactions and risk hedging. The front office is not only responsible for executing transactions efficiently but also monitoring market conditions closely to propose new investment strategies to the Portfolio Management Committee.

Monitoring

The term "monitoring functions" refers to checking whether the execution of transactions made by the front office is compliant with the investment decisions approved by the Portfolio Management Committee, and to measuring the amount of risk in the Bank's investment portfolio. To maintain an appropriate risk balance among asset classes, various risk indicators as well as risk amount for economic capital management are measured and monitored. These functions are fulfilled by the middle office, which is independent of the front office. Matters relevant to market portfolio management (such as market conditions, major investment decisions made by the Portfolio Management Committee, condition of the market portfolio and views on near-term market portfolio management) are reported to the Board of Directors on a regular basis. Monitoring reports are used to analyze the current situation of the market portfolio and as a data source for discussing the investment strategies in the near future at the Portfolio Management Committee.

Matters Relating to Credit Risk

Overview of Credit Risk Characteristics and Risk Management Policies, Procedures and Framework

■ Credit Risk Management

Credit risk is the possibility of loss arising from a credit event such as deterioration in the financial condition of a borrower and economic environment that causes an asset (including off-balance sheet items) to lose value or to be significantly impaired. At the Bank, in its portfolio management based on "globally diversified investments," credit risk, as well as market risk, is positioned as an important risk in optimizing the portfolio. Specifically, credit risk arising from investment and loan activities for the "food and agriculture business" and "investment business" is appropriately managed by building a management framework centering on the Internal Rating System.

■ Credit Risk Management Framework

The Bank adopts a business model of taking the deposits received by cooperative members from the JA Bank's membership and investing them effectively and consistently and providing stable returns. Therefore, the Bank not only conducts traditional loan and deposit businesses but also develops a broad range of globally diversified investments in Japanese and international financial markets, centering on bonds, stocks, credit assets and alternative assets. As a result, its balance of market assets—mainly securities—exceeds that of loan assets.

The Bank's credit risk management framework comprises four committees (the Risk Management Committee, the Credit Committee, the Portfolio Management Committee and the Food and Agri Finance Committee) that are managed by the directors and general managers involved in risk management. These committees determine the Bank's credit risk management framework as well as its credit investment policies. The front office executes loan transactions and credit investments in accordance with the credit policies and within the credit limits of these policies. The middle office, which is independent of the front office, monitors changes in the credit risk portfolio and reports them to the committees. Feedback is then used for upgrading the risk management framework and for future credit investment planning.

Each of the four committees has a specific role assigned to it by the management. The Risk Management Committee, with the Risk Management Division serving as the secretariat, is responsible for deliberation and decision making on the basic framework for overall credit risk management, including the Internal Rating System, self-assessment, economic capital management and credit ceiling for credit overconcentration risk. The Portfolio Management Committee and the Food and Agri Finance Committee, with the Financial Planning & Control Division serving as the secretariat, formulate basic strategies and deliberate on the execution policies regarding loans and investments, and deliberate and decide on business strategies for important or large transactions. Moreover, the Credit Committee functions as a venue for deliberation and decision making of policies about how to deal with the obligations of borrowers whose financial condition has deteriorated.

The middle office monitors the credit risk portfolio status and other items. In addition, the status of credit risk management (such as market overview; important decisions made by the Credit Committee, the Portfolio Management Committee and the Food and Agri Finance Committee; overview of the credit risk portfolio; current approach to risk management) is regularly reported to the Board of Directors. The Compliance Division checks the appropriateness of business operations from the aspect of compliance by attending various meetings and, if finding any significant fact, reports that to an Audit & Supervisory Board Member.

Under the direction of the Board of Directors, the Internal Audit Division audits the operational status of such meetings and reports the results to the Board of Directors.

Overview of the Criteria for Write-Offs and Provisions to Reserves

■ Self-Assessment Based on Internal Rating

The Bank conducts self-assessment on a quarterly basis at the end of March, June, September and December.

The self-assessment process initially classifies debtors in line with the Bank's debtor ratings. There are five debtor classifications: standard, substandard, doubtful, debtors in default, and debtors in bankruptcy.

Subsequently, within each of these classifications, the credit for each individual debtor is classified into four categories (I, II, III and IV) according to its recoverability.

■ Write-Offs and Provisions to Reserves

Write-offs and provisions to reserves for possible loan losses are made according to the criteria set by the Bank for each debtor classification by self-assessment. For exposure to standard debtors and substandard debtors, the Bank makes provisions to general reserves for possible loan losses for each category of borrower based on the expected loss ratio, which is calculated mainly from historical loss ratio. For substandard debtors with substantial exposure, provisions to specific reserves for possible loan losses are calculated by the Discounted Cash Flow (DCF) method on an individual basis. For exposure to doubtful debtors or lower, provisions to specific reserves for possible loan losses are made, or write-offs are performed, for the necessary amount classified as Category III and IV which are not recovered by collateral or guarantee.

Details on Loans and Bills Discounted and other items are described in the Notes to the Financial Statements.

Relationship among Internal Rating, Self-Assessment, and Exposure Requiring Mandatory Disclosure under the Financial Revitalization Law

<table>
<tr><th rowspan="2">Internal Rating</th><th colspan="4">Self-Assessment</th><th rowspan="2">Exposure Requiring Mandatory Disclosure under the Financial Revitalization Law</th></tr>
<tr><th colspan="2">Debtor Classification</th><th>Asset Category</th><th>Definition of Asset Category</th></tr>
<tr><td>1-1 4
1-2 5
2 6
3 7</td><td colspan="2">Standard</td><td>Category I</td><td>Debtors who maintain favorable operating conditions and have no particular financial difficulties. Internal ratings 1-1 to 4 are equivalent to investment grades of credit rating agencies.</td><td rowspan="2">Standard</td></tr>
<tr><td>8-1
8-2</td><td rowspan="2">Substandard</td><td>Other substandard debtors</td><td rowspan="2">II</td><td rowspan="2">Debtors requiring close monitoring going forward</td></tr>
<tr><td>8-3
8-4</td><td>Debtors under requirement of control</td><td>Special attention</td></tr>
<tr><td>9</td><td colspan="2">Doubtful</td><td>III</td><td>Debtors who are highly likely to fall into bankruptcy</td><td>Doubtful</td></tr>
<tr><td>10-1</td><td colspan="2">Debtors in default</td><td rowspan="2">IV</td><td>Debtor who have effectively fallen into bankruptcy, although no facts have emerged to indicate legal or formal bankruptcy</td><td rowspan="2">Bankrupt or de facto bankrupt</td></tr>
<tr><td>10-2</td><td colspan="2">Debtors in bankruptcy</td><td>Debtors who are legally and formally bankrupt</td></tr>
</table>

On the other hand, the credit risk parameters used to calculate the capital adequacy ratio are different from the parameters used to calculate the general reserves for possible loan losses and are calculated based on a transition to the default (substandard debtors or below) under the Internal Rating System. Among the credit risk parameters, the Probability of Default (PD) is estimated by the Bank based on historical default ratios corresponding to the internal ratings, whereas the Loss Given Default (LGD) is estimated by the Bank based on internal loss data after default. For the Exposure at Default (EAD), the value specified in the Notification Regarding Capital Adequacy Ratio is used.

■ Exposure Subject to Standardized Approach

For the assets listed below, the Bank partially applies the Standardized Approach specifically to those assets.

- 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 plans to apply the Internal Ratings-Based Approach to Norinchukin Australia Pty Limited from March 31, 2020.

The Bank applies the ratings of five qualified credit rating agencies (External Credit Assessment Institution (ECAI)) in computing its risk assets, namely S&P, Moody's Investors Service, Fitch Ratings, Rating & Investment Information and Japan Credit Rating Agency. 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.

Exposure Subject to the Internal Ratings-Based Approach

■ Scope of Internal Ratings-Based (IRB) Approach

The Bank adopts the IRB Approach in computing credit risk assets. The scope of the IRB Approach was defined at the time of adoption as applying to all exposures in principle.

However, insignificant business units and asset categories in computing the amount of credit risk assets are excluded from the application of the IRB Approach, and the Standardized Approach is applied. Whether to apply the Standardized Approach is decided on consideration of the qualitative aspect of credit business, among other factors, in addition to the quantitative requirements specified in the Notification.

Outline of the Internal Rating System

The Internal Rating System is introduced and operated as a crucial tool to ensure a good balance between active risk taking and keeping the credit risk amount under control within the limits of the Bank's financial strength such as capital under appropriate risk management.

Types of Exposure by Portfolio and Overview of Internal Rating Procedures

■ Corporate, Sovereign and Bank Exposure

Types of Exposure

The types of corporate exposure include general business corporate exposure, bank exposure, sovereign (country) 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, sovereign and bank exposure, the front office is in charge of applying for a rating and then the credit risk management section reviews and approves it. Moreover, the debtor rating is reviewed at least once a year. In addition, when an event occurs that could cause a change in the rating, the Bank conducts an "ad-hoc review."

Overview of Loan Recovery Rating Procedures

At the Bank, a loan recovery rating is assigned to each transaction with corporate, sovereign and bank exposure according to the conservation status of the collateral.

Moreover, the loan recovery rating is reviewed on a quarterly basis.

■ Equity Exposure

The Bank assigns debtor 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 retail 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.

Parameter Estimates and Validation Framework

■ Corporate, Sovereign and Bank Exposures

• PD

For the Probability of Default (PD) for corporate, sovereign and bank exposures, the Bank uses internal estimates corresponding to the debtor rating grades for four categories—resident corporate, non-resident corporate, bank and sovereign.

Among the above exposures, the resident corporate uses default data by the Bank's internal rating, whereas the non-resident corporate, bank and sovereign categories use default data by external ratings mapped to the internal rating grades to calculate long-term average default ratios corresponding to the debtor rating grades, to which the correction and capital floors stipulated in the Notification Regarding Capital Adequacy Ratio are applied to estimate the PDs.

For the bank and sovereign exposures, which are low default portfolios (LDPs), it is difficult to make consistent PD estimates from long-term average default data, which is the case with general corporate exposures. Therefore, after estimating the rating transition matrix, the probability of default that could occur after several years' rating transitions is calculated to estimate the PDs. In addition, a floor is applied to the upper ratings with the default ratio being below the floor level, among the resident corporate, non-resident corporate and bank exposures, thereby raising the PDs.

For the PDs applied in calculating the capital adequacy ratio, more conservative PDs are applied, compared to the long-term average default ratios to ensure stable management. To confirm the validity and conservativeness of the PDs, benchmarking and validation of the assumptions underlying the PD estimation method are conducted, in addition to back-testing using the default data by the Bank's internal ratings and validation by comparing to long-term average default ratios. The continuation of a low-default environment, except for some industries in Japan and globally for the past three fiscal years, led to a discrepancy with the conservative PDs applied in calculating capital adequacy ratio.

• LGD

For the Loss Given Default (LGD) for the Bank's general business corporate exposure, internal estimates corresponding to the loan recovery ratings are used.

LGDs are estimated by formulating the long-term average loss ratio and the collateral coverage ratio based on internal loss data after default and reflecting various correction requirements. In particular, a correction concerning the economic slowdown period is measured by applying a certain amount of stress through yearly regression using the average loss ratio and macroeconomic indicators.

For bank and sovereign exposures, which are low-default portfolios, the Bank's internal estimates are not used.

For the LGDs applied in calculating the capital adequacy ratio, validation using back-testing and other methods, based on internal loss data; benchmarking; and validation of the assumptions underlying the LGD estimation method are conducted to confirm the validity and conservativeness of the LGDs.

Although the length of time from default to the liquidation (conclusion) of exposures varies to a certain degree according to the reasons for the liquidation of each individual exposure, the average length of such a period has stayed about the same. Therefore, the average period of conclusion is set and used to estimate the LGDs.

• EAD

For the Exposure at Default (EAD) relating to corporate, sovereign and bank exposures, the Bank's internal estimates are not used.

■ Retail Exposure

For the Probability of Default (PD) and the Loss Given Default (LGD) for the Bank's retail exposures, internal estimates are used for each pool level classified by the characteristics of exposure and the status of credit risk.

The PDs are estimated by calculating long-term average default ratios based on historical default data for each pool level and applying the correction and capital floor stipulated in the Notification Regarding Capital Adequacy Ratio. To confirm the validity and conservativeness of the PDs, benchmarking and validation concerning the years elapsed and the effect during the year of execution are conducted, in addition to back-testing using default data for each pool level.

The LGDs are estimated for each pool level by calculating the loss ratio using a method appropriate for the default situation in question, based on the loss data after defaults occurring in the past, taking into account the uncertainties during the recovery process, and reflecting various corrections. Regarding a correction factor concerning the economic slowdown, changes in the value of collateral occurred during a certain economic cycle and its loss ratio are reflected in the LGDs.

Because the periods from the time of default to the liquidation (conclusion) of exposures vary depending on the pool due to the difference in the characteristics of each pool, the average period until conclusion for each pool level is set based on historical loss data and used to estimate the LGDs.

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.

■ Framework for the Implementation of the Internal Rating System as Well as the Development and Management of Models Used

At the Bank, the middle office, which is independent of the front office, designs the Internal Rating System based on the characteristics of the credit portfolio and establishes rules concerning the internal rating objectives, each rating grade criteria, evaluation methods and mapping criteria, approval authority, and review and validation of rating. Validation and monitoring of the Internal Rating System to ensure appropriate implementation is performed on a regular basis.

The middle office conducts validation, monitoring and implementation of the internal rating framework, and engages in the development of models as well. The Credit Risk Management Division handles the implementation of models, whereas the Risk Management Division conducts validation thereof and formulates a model maintenance plan, considering opinions from the related Departments, which is to be discussed at the Risk Management Committee.

The design, implementation and validation of the Internal Rating System as well as the formulation of model maintenance plans are audited by the Internal Audit Division independent of the Risk Management Division.

Credit Risk Mitigation Techniques

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

■ Overview

Credit Risk Mitigation (CRM) Techniques refer to the method to reduce the amounts of credit risk assets by using collateral, guarantees or other means for the recovery of claims. The Bank adjusts the amounts of credit risk assets using eligible financial collateral, guarantees or other means in accordance with the Notification Regarding Capital Adequacy Ratio.

A major eligible type of financial collateral is securities. For securities with market value such as listed stocks, a decline in market value means a reduction in the recoverable amount. The recovery effect is not recognized for stocks of the parent company.

Regarding guarantees, the types of guarantors in such transactions are mainly sovereigns, including central and local governments, financial institutions and corporates. To evaluate the creditworthiness of a guarantor, in principle, the Bank evaluates the entity’s financial soundness as a guarantor after assigning a debtor rating and assessing the guarantor’s creditworthiness. The effectiveness of CRM is not recognized if the debtor rating of a guarantor declines and falls below that of a guarantee.

To recognize the effectiveness of CRM using collateral and a guarantee, the legal effectiveness and appropriate assessment of the collateral and guarantee are important. Concerning the adequacy of collateral and guarantees, the front office and the Risk Management Division maintain their legal effectiveness and ensure their recoverability, and regularly confirm the marketability (liquidity) of collateral through timely and appropriate assessments.

■ Remarks on Policies for the Use of Netting and Basic Features of the Process and the Usage Status of Netting

For eligible financial collateral (excluding repo-type transactions and secured derivative transactions), the effectiveness of CRM can be recognized if it satisfies the relevant requirements stipulated in the Notification Regarding Capital Adequacy Ratio. The Bank recognizes the effectiveness of CRM only for deposits with the Bank (including Norinchukin Bank Debentures) or stocks, etc. On the other hand, for deposits held with the Bank that are not pledged as collateral, as deposits and loans are not offset, the Bank does not take into account the effects of CRM.

For the application of netting, the Bank specifies detailed procedures in its internal rules, confirms legal efficacy at the time of a collateral pledge and periodically confirms and revaluates whether the function of protection from credit risks is maintained. To calculate the effectiveness of CRM, the amount of eligible financial collateral is used with consideration of the standard volatility adjustment ratios.

■ Basic Features of Evaluation of Collateral and Collateral Administrative Policies and Processes

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.

■ Remarks on the Status of Market Risk or Credit Risk Concentrations 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.

Counterparty Credit Risk in Derivative Transactions

Overview of Risk Characteristics and Risk Management Policies, Procedures and Framework for Counterparty Credit Risk in Derivatives and Repo-Type Transactions

■ Policies for Allocation of Risk Capital and Credit Ceiling Concerning Exposures to Counterparties and CCP

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).

■ Assessment on Collateral, Guarantee, Netting and Other Credit Risk Mitigation (CRM) Techniques and Overview of Management Policies and Disposal Procedures for Collateral, etc.

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. If the counterparty is not a core company of the group it belongs to, the Bank concludes a guarantee agreement with the core company of the group.

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 transactions, etc., in some cases, the Bank receives collateral such as various types of bonds, depending on the agreements that are concluded with its major counterparties.

The effectiveness of CRM techniques in these transactions is evaluated by the appropriate transaction unit. In case the amounts of collateral, etc., received are insufficient, according to the details of the agreement, the Bank receives additional collateral, thereby managing collateral, etc. In addition, in case of the disposal of collateral, such is executed based on the specifics of the agreement with each counterparty.

■ Policies for Recognition, Monitoring and Management of Wrong-Way Risk

"Wrong-way risk" refers to a risk of an increase in loss through interaction with the counterparty, which occurs in case the exposure of derivative transactions to the counterparty is adversely co-dependent with the credit quality of that counterparty.

Regarding risks related to financial institutions, which account for a majority of counterparty credit risks, the Bank conducts appropriate management of such risks including a wrong-way risk, by establishing credit limits for each financial institution based on the Bank Ceiling system and via monitoring on a daily basis.

■ 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 Portfolio Management Committee. For this reason, even if the Bank is required to post additional collateral, the impact on the Bank will be minimal.

Securitization Exposure

Overview of Risk Characteristics, Risk Management Policies, Procedures and Framework Related to Securitization Exposure

From the standpoint of globally diversified investments, the Bank invests in securitized (structured finance) transactions. Securitized exposure is a tool enabling the Bank to effectively and efficiently mitigate and acquire credit risk and other forms of risk of underlying assets. The Bank's policy is to continuously utilize securitized transactions while managing the risk arising from those transactions appropriately. The Bank does not plan to conduct securitized transactions in trading accounts.

Securitization exposure is managed mainly by operating the following cycle: After a management framework and an investment policy for each asset class are determined by the four committees consisting of the management—the Risk Management Committee, the Credit Committee, the Portfolio Management Committee and the Food and Agri Finance Committee—the front office executes the transaction through individual analysis during initial investment research (due diligence) and credit screening. The middle office, which is independent of the front office, reports the status of the credit risk portfolio and other related matters to the committees for further review of the management framework, leading to planning and formulation of an investment policy.

During individual analysis, in general, because of complex investment structures with different risk-return profiles than the underlying assets, after identifying items of due diligence and monitoring of each asset class as well as securitization and re-securitization, the Bank carefully examines risk in underlying assets and structure and conducts quantitative analysis of repayment capacity. After investment, the Bank monitors the credit condition, including underlying asset performance of each project, and analyzes and assesses the market environment taking into account underlying asset trends of each asset class. In the event of credit deterioration, etc., is being seen, a framework of risk management is created including revising investment and holding policies.

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 and manage them closely. The Bank does not plan to acquire new secondary or tertiary re-securitization exposures.

For securitization transactions, as described above, the Bank has been mainly be involved as an investor, and also involved in arranging securitization and liquidity schemes such as using loan debt as the Group. As of March 31, 2018, 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's subsidiaries (excluding consolidated subsidiaries) or affiliates have no securitization exposure involving securitization transactions performed by the Bank in fiscal 2017.

As of March 31, 2018, the Bank had not provided credit support, etc., other than contracts.

Accounting Policies for Securitization Exposure

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.

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

The Bank does not use the "Internal Assessment Approach (IAA)."

Market Risk

Characteristics of Market Risks and Market Risk Management Policies, Procedures and Framework

The Bank's trading operations refer to operations of trading accounts, etc., to generate profits from short-term fluctuations in market prices and utilizing price or other gaps between markets. The section of the front office in charge of execution of trades is organizationally separated from other sections of the front office handling other transactions. The front office executes trades within the approved position and loss limits predetermined from a risk-return perspective. The middle office, which is independent of the front office, measures the risk amounts including VaR and monitors the status of risk taking by the front office. The results of such monitoring are regularly reported to the Portfolio Management Committee, etc. For risk measurements, the Bank uses internal models based on a variance-covariance method with a one-tailed 99% confidence interval and a 10-business day holding period, and measures VaR on a daily basis.

Computation of Market Risk Amount by Internal Models Approach

■ VaR and Stress VaR

(1) Scope of Internal Models Approach

An internal models approach based on a variance-covariance method is used, covering general market risk in the trading accounts.

(2) In case multiple models are used at different business bases of the Group, explanation on the models used by each operational base:

Not applicable

(3) Overview of the Models

VaR is measured using the variance-covariance matrix. Regarding the volatility of the variance-covariance matrix, after estimating a long-term stable value by weighing historical data using the exponential weighted moving average (EWMA) method, the generalized autoregressive conditional heteroskedasticity (GARCH) model is used to adjust the variables. For the remaining differences, a "T-distribution" is assumed, taking into account the market's fat-tailed distribution.

(4) Difference between the model used for internal management and the legally stipulated model

There is no difference.

(5) Value at Risk

- Frequency of updates of historical data: daily
- Period of observation of historical data: the most recent 1,000 business days
- Method for weighing historical data: risk-weighing of historical data using the EWMA method.
- VaR calculated based on a holding period of fewer than 10 business days was converted to a VaR for a 10-business day holding period by adjusting the holding period based on the VaR per business day. To adjust the holding period, volatility during one business day is adjusted to volatility during 10 business days using the GARCH model.
- VaR summing method: General market risks and individual risks are simply summed. Different risk factor values are summed, reflecting a correlation that is estimated using the variance-covariance method based on historical data.
- Price reevaluation method: Prices are revaluated by sensitivity analysis.
- Measurement of fluctuations in risk factors: risks related to interest rate are determined via absolute return, whereas risks related to currency exchange rates and bond futures, etc., are determined via bilateral returns.

(6) Remarks on stress VaR

- Stress period selection method and the basis for the selection: Based on the daily profit/loss fluctuations since 1999, the variance of profit/loss fluctuations during 250 days was computed and the period with the largest variance was selected as a stress period.
- Price reevaluation method: Prices are revaluated using price sensitivity analysis.
- For stress VaR computed based on the holding period of fewer than 10 business days, the holding period is adjusted by multiplying by $\sqrt{t}$.

(7) Remarks on stress tests

The Bank conducts stress tests monthly based on multiple stress scenarios assuming radical market changes such as the largest fluctuations in interest rates for the past five years.

(8) Back-testing

The VaR of one business day that is calculated using a model is compared to daily profit/loss fluctuations. In case more than a certain excess was seen due to the model's factors, those factors are analyzed and the model is reviewed on an as-needed basis.

(9) Validation framework for parameters used for internal models

For validation of the parameters used for internal models, the following items are validated on a regular basis:

- Statistical validation concerning suitability with the hypothetical distribution assumed for the variance-covariance matrix
- Statistical validation concerning the significance of the parameters estimated by the GARCH model
- Statistical validation concerning how close the prices revaluated by a sensitivity analysis are to actual profit/loss fluctuations

Based on the analysis results from the Division in charge of management of the internal models, if there any problems, the Risk Management Division discusses whether to review the model.

(10) Other remarks on model validation methods

Not applicable

■ Additional risk

Not applicable

■ Comprehensive risk

Not applicable

Operational Risk

Overview of Risk Management Policies and Procedures Related to Operational Risk

■ Operational Risk Management

For operational risk management, the Bank has established its basic policies including definitions of the risk, management framework and management processes, which have been approved by the Board of Directors.

■ Definition of Operational Risk

The Bank defines operational risk as the risk that arises in the course of business operations which per se do not generate profit. Operational risk is different from market risk, credit risk and liquidity risk, or the types of risks the Bank actively takes to generate profits. Operational risk is further broken down into subcategories, such as processing risk, IT systems risk, legal risk, personnel risk, tangible assets risk, information security risk, business continuity risk, reputational risk and regulatory risk.

■ Basic Approach of Operational Risk Management

The Bank has established policies and procedures to manage and control individual operational risks such as processing risk, IT systems risk, legal risk, personnel risk, tangible assets risk and information security risk, for which the Bank's key management strategy is the prevention of risk event occurrence. The Bank also employs the following common risk management methods in order to identify, analyze, assess, manage and mitigate risks effectively: the operational risk reporting system for collection and analysis of risk events which have come to light, as well as Risk & Control Self-Assessment (RCSA) system for the evaluation of potential risks. To counter business continuity risk, for which the Bank's key management strategy is the mitigation of the impact and effect of risk events following their occurrence, the Bank has established the Policies and Procedures for Risk Management and other rules to address the situation after occurrence of a disaster and countermeasures to take when a disaster is predicted to occur. In addition, the Bank has worked to verify and enhance the effectiveness of its business continuity framework through regular drills.

Risks other than the above, such as reputational risk and regulatory risk, are defined as risks which should be dealt in accordance with the Bank's business judgment. The Bank strives to take proactive action in order to prevent the occurrence of risk events while continuously monitoring these risks for signs of changes, and endeavors to incorporate those changes in the Bank's management strategy. The Bank's current status in operational risk management is reported to the Operational Risk Management Committee and the Board of Directors periodically, and the basic policies for operational risk management are reviewed based on these reports when necessary. In addition, the overall operational risk management framework is subject to thorough internal audit on a regular basis, in order to continuously improve its effectiveness.

Equity Exposure

Overview of Risk Characteristics, Risk Management Policies, Procedures and Framework Related to Equity Exposure

■ Framework for Correct Recognition, Evaluation, Measurement and Reporting of Risks

Risk measurements are conducted by the middle office, which is independent of the front office. The Bank's exposure to equity comprises stocks classified as other securities and stocks of subsidiaries and affiliates. 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.

■ Risk Management Policies for Other Securities and Stocks of Subsidiaries and Affiliates by Category

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. Concerning the stocks of subsidiaries and affiliates, such are recognized as credit risk assets and managed within the economic capital management framework.

■ Principal Accounting Policies for Exposures Including Evaluation of Exposure to Equity and Other Investments (Including the items in line with Article 8, Paragraph 3, of the “Ordinance on Terminology, Forms and Preparation Methods of Financial Statement” in case the accounting policies are changed)

For accounting purposes, among exposure to equity and other investments, stocks of subsidiaries and affiliates 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.

Exposure Subject to Risk-Weighted Asset Calculation for Investment Funds

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.

Interest Rate Risk

Overview of Risk Management Policies and Procedures Related to Interest Rate Risk

The “globally diversified investment” concept is the basis of the Bank’s portfolio management. With bonds (interest rate), stocks and credit assets as major asset classes, this concept aims to establish a portfolio with high soundness and profitability and a good balance among risks as a whole by controlling profits from each asset and related risks within the range of the assets, taking into account the correlation among asset classes and other related points.

Therefore, the Bank deems market risk, such as interest rate risk and the risk of stock price volatility, to be a significant risk factor affecting the Bank’s earnings base. Through active and appropriate risk-taking supported by a robust risk management framework, the Bank aims to retain a stable level of profit. The Bank also utilizes hedge transactions such as derivatives from a perspective of controlling market risks including interest rate risk and maintaining such risks at an adequate level.

For risk management, from the perspective of controlling market risks including interest rate risk and credit risk, etc., while keeping an appropriate risk balance, so that such risks are kept within a range of its capital-based financial strength, the Bank has established capital management checkpoints. For monitoring, ⊿EVE and VaR are measured on a daily basis to grasp the impact of interest rate fluctuations on current market values and NII and ⊿NII to grasp the impact of interest rate fluctuations on the level of earnings. Such data are reported to the management of the Bank.

Moreover, interest risk volume based on VaR is measured using the VaR model by the historical simulation method, with a 99.50% confidence interval and one-year holding period, in the same way as economic capital is measured.

In addition to the above, the Bank conducts periodic stress tests, etc., to perform profit-and-loss simulation analyses under a wide range of scenarios, such as a scenario in which interest rates rise and fall based on a dynamic portfolio. Furthermore, the Bank has established a framework to properly monitor the multifaceted effects of interest rate risk, including 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 applies the deferral method of hedge accounting to the hedge transactions to manage interest rate risk associated with various financial assets and liabilities, which is described in “Accounting and Auditing Treatment relating to the Adoption of the ‘Accounting for Financial Instruments’ for Banks,” issued by the Japanese Institute of Certified Public Accountants (“JICPA”), (JICPA Industry Audit Committee Report No. 24, issued on February 13, 2002). Hedge effectiveness of a fair value hedge is assessed by identified groups of hedged items, such as loans and deposits, and the corresponding groups of hedging instruments, such as interest rate swaps within the same maturity bucket. Hedge effectiveness of a cash flow hedge is assessed based on the correlation of the interest rate risk indicators of the hedged items and that of the hedging instruments.

Overview of Interest Rate Risk Calculation Methods

■ Average/longest maturity for a revision of the interest rate allotted to liquid deposits

For deposits without a contractual maturity that the Bank accepts, without applying an internal model, such are instead evaluated as overnight deposits to measure their interest rate risks.

■ Assumptions related to early repayment, etc., before the loan maturity

To evaluate mortgage-backed bonds and housing loans, related interest rate risks are measured, taking potential early repayments into account. In such measurements, the midterm cancellation ratio is estimated by a statistical analysis based on the interest rate situation and the historical repayment and cancellation data.

■ Method to tabulate multiple different currencies and the underlying assumption

Regarding the Economic Value of Equity (⊿EVE), from the perspective of consistency with economic capital management, by estimating a correlation structure among different currencies based on historical interest rate fluctuations, ⊿EVE is tabulated for multiple currencies using a method similar to a variance-covariance method, taking the variance effect into account. In case currencies with losses occurred and currencies with profits generated both existed in specific scenarios, from the perspective of carefully estimating the offsetting effect between currencies with profits and currencies with losses, after factoring in the cross-currency offsetting effect into the analysis of the profit-generating currencies, the ⊿EVE of currencies with gains and that of currencies with losses are summed and tabulated.

Concerning Net Interest Income (⊿NII), the ⊿NII among different currencies is simply summed.

■ Assumptions regarding the spread (whether to include in the discount interest and/or cash flow, etc., at the time of calculation)

Discounted interest rates are established, considering the appropriate spread for each product. Such spread is set as invariable despite interest rate shocks.

■ Other assumptions that pose serious impact on ⊿EVE and/or ⊿NII such as utilization of internal models

Most time deposits with the Bank are cooperative deposits from JA and JA Shinnoren. Cooperative deposits are time deposits that are continually deposited by JA and JA Shinnoren based on the JA Bank Basic Policy from the perspective of safe and efficient management by the entire JA Bank. A source of part of such time deposits is the liquid deposits received by JA and JA Shinnoren from their individual customers.

Therefore, of the cooperative deposits, regarding the balance of liquid deposits that JA and JA Shinnoren receive from their individual customers, statistical analysis is conducted, and projected interest rate, Japan's population dynamics and the trend of deposits and savings are analyzed. Then, maturity—with the average maturity for revision of the interest rate being five years and the longest maturity for revising the interest rate being 10 years—is allotted to each such deposit (core deposit) to recognize the interest rate risks in terms of the ⊿EVE and ⊿NII.

■ Remarks on fluctuations since the disclosure at the end of the previous fiscal year

Not applicable

■ Other remarks on the interpretation and significance of measured values

Not applicable

Capital Ratio Information (Consolidated)

Composition of Capital (Consolidated)

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	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	**5,373,368**		5,296,239		
1a	of which: capital and capital surplus	**3,455,509**		3,455,509		E1.1-E1.2+E1.3
2	of which: retained earnings	**1,988,359**		1,910,262		E2
26	of which: cash dividends to be paid	**70,500**		69,531		
	of which: other than the above	**—**		—		E3
3	Accumulated other comprehensive income and other disclosed reserves	**1,242,763**		1,267,699	316,924	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			960		
	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)			960		
6	Common Equity Tier 1 capital: instruments and reserves (A)	**6,616,132**		6,564,899		
Common Equity Tier 1 capital: regulatory adjustments						
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	**37,007**		29,690	7,422	
8	of which: goodwill (net of related tax liability, including those equivalent)	**4,638**		11,087	2,771	A1.1+A1.2
9	of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	**32,368**		18,602	4,650	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	**89,100**		15,538	3,884	E7
12	Shortfall of eligible provisions to expected losses	**21,227**		14,971	3,742	
13	Securitization gain on sale	**—**		—	—	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	**—**		—	—	
15	Net defined-benefit asset	**37,938**		26,354	6,588	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, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	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)	**185,274**		86,555		
Common Equity Tier 1 capital (CET1)							
29		Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	**6,430,858**		6,478,344		
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	**49,973**		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
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)	**3,543**		3,254		E8.2
33+35		Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	**—**		424		
33		of which: instruments issued by banks and their special purpose vehicles	**—**		424		
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			(10)		
		of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related other comprehensive income			(10)		
36		Additional Tier 1 capital: instruments (D)	**53,517**		52,668		

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	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)	**51,754**		40,027	10,006	A17
	Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements			1,871		
	of which: 50% of balance due to pay of eligible provisions			1,871		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	**—**		—		
43	Additional Tier 1 capital: regulatory adjustments (E)	**51,754**		41,898		
Additional Tier 1 capital (AT1)						
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	**1,763**		10,769		
Tier 1 capital (T1=CET1+AT1)						
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	**6,432,621**		6,489,114		
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
46	Subscription rights to Tier 2 instruments	**—**		—		
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**1,415,480**		1,415,480		D2
46	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)	**121**		96		E8.3
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	**97,816**		97,816		
47	of which: instruments issued by banks and their special purpose vehicles	**97,816**		97,816		
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	**72**		12		
50a	of which: general reserve for possible loan losses	**72**		12		A18
50b	of which: eligible provisions	**—**		—		A19
	Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements			192,795		
	of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related other comprehensive income			192,795		
51	Tier 2 capital: instruments and provisions (H)	**1,513,489**		1,706,199		

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	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			14,592		
	of which: intangibles assets other than mortgage servicing rights			2,771		
	of which: 50% of balance due to pay of eligible provisions			1,871		
	of which: significant investments in the additional Tier 1 capital of other financial institutions			9,948		
57	Tier 2 capital: regulatory adjustments (I)	—		14,592		
Tier 2 capital (T2)						
58	Tier 2 capital (T2) ((H)-(I)) (J)	**1,513,489**		1,691,607		
Total capital (TC=T1+T2)						
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	**7,946,110**		8,180,721		
Risk weighted assets						
	Total of items included in risk weighted assets under phase-out arrangements			11,533		
	of which: intangibles assets other than mortgage servicing rights			4,650		
	of which: net defined-benefit asset			6,588		
	of which: significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)			294		
60	Risk weighted assets (L)	**33,810,329**		33,539,401		
Capital ratio (consolidated)						
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	**19.02%**		19.31%		
62	Tier 1 capital ratio (consolidated) ((G)/(L))	**19.02%**		19.34%		
63	Total capital ratio (consolidated) ((K)/(L))	**23.50%**		24.39%		
Regulatory adjustments						
72	Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**315,503**		348,985		A24.1+A24.2
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**24,445**		46,493		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, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	Amounts excluded under transitional arrangements	Ref. No.
Provisions included in Tier 2 capital: instruments and provisions						
76	Provisions (general reserve for possible loan losses)	**72**		12		
77	Cap on inclusion of provisions (general reserve for possible loan losses)	**892**		143		
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	**189,429**		183,999		
Capital instruments under phase-out arrangements						
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	**—**		424		
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”)	**—**		424		
84	Current cap on Tier 2 instruments under phase-out arrangements	**614,402**		768,003		
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	**—**		—		

OV1: Overview of RWA (Consolidated)

(Millions of Yen)

Basel III Template No.		a	b	c	d
		RWA		Minimum capital requirements	
		March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
1	Credit risk (excluding counterparty credit risk)	**5,115,398**	4,904,497	**432,755**	415,104
2	Of which: standardized approach (SA)	**71,423**	11,445	**5,713**	915
3	Of which: internal rating-based (IRB) approach	**4,900,735**	4,738,491	**415,582**	401,824
	Of which: significant investments	**—**	—	**—**	—
	Of which: estimated residual value of lease transactions	**—**	—	**—**	—
	Others	**143,239**	154,560	**11,459**	12,364
4	Counterparty credit risk (CCR)	**478,053**	427,523	**39,309**	34,981
5	Of which: standardized approach for counterparty credit risk (SA-CCR)	**—**	—	**—**	—
	Of which: current exposure method (CEM)	**42,302**	37,480	**3,587**	3,178
6	Of which: expected positive exposure (EPE) method	**—**	—	**—**	—
	Of which: credit valuation adjustment (CVA)	**64,705**	57,766	**5,176**	4,621
	Of which: Central counterparty related exposure (CCP)	**191,435**	207,338	**15,314**	16,587
	Others	**179,609**	124,938	**15,230**	10,594
7	Equity positions in banking book under market-based approach	**1,587,104**	1,404,425	**134,586**	119,095
	Equity investments in funds (SA)	**—**	—	**—**	—
	Equity investments in funds (IRB)	**22,365,018**	21,861,347	**1,896,529**	1,853,819
11	Settlement risk	**0**	—	**0**	—
12	Securitization exposures in banking book	**518,665**	496,098	**43,982**	42,069
13	Of which: IRB ratings-based approach (RBA) or IRB internal assessment approach (IAA)	**518,665**	494,333	**43,982**	41,919
14	Of which: IRB Supervisory Formula Approach (SFA)	**—**	1,764	**—**	149
15	Of which: Standardized approach (SA)	**—**	—	**—**	—
	Of which: 1,250% risk weight is applied	**0**	0	**0**	0
16	Market risk	**1,197,002**	1,702,320	**95,760**	136,185
17	Of which: standardized approach (SA)	**1,171,398**	1,692,705	**93,711**	135,416
18	Of which: internal model approaches (IMA)	**25,604**	9,614	**2,048**	769
19	Operational risk	**709,217**	889,187	**56,737**	71,135
20	Of which: Basic Indicator Approach	**—**	—	**—**	—
21	Of which: Standardized Approach	**709,217**	889,187	**56,737**	71,135
22	Of which: Advanced Measurement Approach	**—**	—	**—**	—
23	Amounts below the thresholds for deduction	**60,904**	116,022	**5,164**	9,838
	Risk weighted assets subject to transitional arrangements		11,533		922
24	Floor adjustment	**—**	—	**—**	—
25	Total	**32,031,365**	31,812,957	**2,704,826**	2,683,152

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

As of March 31, 2018

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	11,858,949		
of which: non-significant investments in the capital instruments of other financial institutions		103,000	
Tier 2 capital instruments		—	
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)		103,000	A24.1
Foreign Exchanges Assets	324,698		
Securities	52,321,859	52,321,859	
Money Held in Trust	7,439,710	7,439,710	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		4,638	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		212,503	
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)		212,503	A24.2
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)		76,199	
Amount exceeding the 10% threshold on specified items		—	A8
Amount exceeding the 15% threshold on specified items		—	A11
Additional Tier 1 capital		51,754	A17
Tier 2 capital		—	A23
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		24,445	A25
Trading Assets	8,582		
Monetary Claims Bought	354,872		
Call Loans and Bills Bought	630,000		
Receivables under Securities Borrowing Transactions	—		
Cash and Due from Banks	28,756,371		
Other Assets	1,585,342		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Tangible Fixed Assets	122,356		
Buildings	47,443		
Land	47,545		
Lease Assets	23,347		
Construction in Progress	5		
Other	4,014		
Intangible Fixed Assets	43,480	43,480	
Software	24,550	24,550	
Lease Assets	6,275	6,275	
Other	12,654	12,654	
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		43,480	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		11,112	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	52,510	52,510	A4
Deferred Tax Assets	2,026	2,026	
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		—	
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	1,474,730		
Reserve for Possible Loan Losses	(47,716)	(47,716)	
of which: general reserve for possible loan losses includes Tier 2		(72)	A18
of which: eligible provisions includes Tier 2		—	A19
Reserve for Possible Investment Losses	(4)		
Total Assets	104,927,769		
(Liabilities)			
Deposits	65,799,561		
Negotiable Certificates of Deposit	2,920,656		
Debentures	1,766,498		
Trading liabilities	5,034		
Borrowed Money	4,641,504	4,641,504	
of which: qualifying Additional Tier 1 instruments		—	D1
of which: qualifying Tier 2 instruments		1,415,480	D2
Call Money and Bills Sold	—		
Payables under Repurchase Agreements	15,080,638		
Payables under Securities Lending Transactions	—		
Foreign Exchanges Liabilities	38		
Trust Money	1,405,187		
Other Liabilities	4,569,727		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Reserve for Bonus Payments	**7,591**		
Reserve for Employees' Retirement Benefits	**35,481**		
Reserve for Directors' Retirement Benefits	**1,508**		
Reserve for Agriculture, Fishery and Forestry Industry Subsidies	**—**		
Deferred Tax Liabilities	**464,915**	**464,915**	
of which: assets related to retirement benefits		**14,571**	D3
Deferred Tax Liabilities for Land Revaluation	**8,607**		
Acceptances and Guarantees	**1,474,730**		
Total Liabilities	**98,181,681**		
(Net Assets)			
Paid-in Capital	**3,480,488**	**3,480,488**	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		**24,999**	E5.1
Capital Surplus	**24,993**	**24,993**	
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		**24,973**	E5.2
Retained Earnings	**1,988,359**	**1,988,359**	E2
Treasury Preferred Stock	**—**	**—**	
Total Owners' Equity	**5,493,842**	**5,493,842**	
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	**1,152,861**	**1,152,861**	
Net Deferred Losses on Hedging Instruments	**59,823**	**59,823**	
of which: net deferred losses on hedge		**89,100**	E7
Revaluation Reserve for Land	**14,312**	**14,312**	
Foreign Currency Translation Adjustment	**(110)**	**(110)**	
Remeasurements of Defined Benefit Plans	**15,876**	**15,876**	
Total Accumulated Other Comprehensive Income	**1,242,763**	**1,242,763**	E4
Minority Interests	**9,482**	**9,482**	
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)		**3,543**	E8.2
of which: Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		**121**	E8.3
Total Net Assets	**6,746,088**		
Total Liabilities and Net Assets	**104,927,769**		

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

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

	a	b	c	d	e	f	g
			Carrying values of items:				
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets							
Loans and Bills Discounted	**11,858,949**	**11,858,949**	**11,844,939**	**—**	**14,009**	**1,379,541**	**—**
Foreign Exchange Assets	**324,698**	**324,698**	**324,698**	**—**	**—**	**240,551**	**—**
Securities	**52,321,859**	**52,321,859**	**45,288,837**	**21,381,791**	**6,976,629**	**36,173,302**	**56,392**
Money Held in Trust	**7,439,710**	**7,439,710**	**7,439,710**	**2,421,431**	**—**	**6,841,086**	**—**
Trading Assets	**8,582**	**8,582**	**—**	**5,526**	**—**	**8,582**	**—**
Monetary Claims Bought	**354,872**	**354,872**	**138,088**	**—**	**216,784**	**—**	**—**
Call Loans and Bills Bought	**630,000**	**630,000**	**630,000**	**—**	**—**	**—**	**—**
Cash and Due from Banks	**28,756,371**	**28,756,371**	**28,756,371**	**—**	**—**	**76,818**	**—**
Other Assets	**1,585,342**	**1,585,342**	**226,275**	**835,810**	**25,273**	**767,549**	**497,982**
Tangible Fixed Assets	**122,356**	**122,356**	**122,356**	**—**	**—**	**—**	**—**
Intangible Fixed Assets	**43,480**	**43,480**	**—**	**—**	**—**	**—**	**43,480**
Net Defined Benefit Asset	**52,510**	**52,510**	**—**	**—**	**—**	**—**	**52,510**
Deferred Tax Assets	**2,026**	**2,026**	**—**	**—**	**—**	**—**	**2,026**
Customers' Liabilities for Acceptances and Guarantees	**1,474,730**	**1,474,730**	**1,474,730**	**—**	**—**	**10,640**	**—**
Reserve for Possible Loan Losses	**(47,716)**	**(47,716)**	**(47,716)**	**—**	**—**	**—**	**—**
Reserve for Possible Investment Losses	**(4)**	**(4)**	**(4)**	**—**	**—**	**—**	**—**
Total assets	**104,927,769**	**104,927,769**	**96,198,285**	**24,644,560**	**7,232,697**	**45,498,073**	**652,392**
Liabilities							
Deposits	**65,799,561**	**65,799,561**	**—**	**4,424,474**	**—**	**5,070,005**	**60,729,555**
Negotiable Certificates of Deposit	**2,920,656**	**2,920,656**	**—**	**—**	**—**	**—**	**2,920,656**
Debentures	**1,766,498**	**1,766,498**	**—**	**—**	**—**	**—**	**1,766,498**
Trading Liabilities	**5,034**	**5,034**	**—**	**5,034**	**—**	**5,034**	**—**
Borrowed Money	**4,641,504**	**4,641,504**	**—**	**—**	**—**	**272,647**	**4,368,856**
Payables under Repurchase Agreements	**15,080,638**	**15,080,638**	**—**	**15,080,638**	**—**	**—**	**—**
Foreign Exchange Liabilities	**38**	**38**	**—**	**—**	**—**	**30**	**8**
Short-term Entrusted Funds	**1,405,187**	**1,405,187**	**—**	**—**	**—**	**—**	**1,405,187**
Other Liabilities	**4,569,727**	**4,569,727**	**—**	**634,456**	**—**	**3,891,211**	**150,280**
Reserve for Bonus Payments	**7,591**	**7,591**	**—**	**—**	**—**	**—**	**7,591**
Net Defined Benefit Liability	**35,481**	**35,481**	**—**	**—**	**—**	**—**	**35,481**
Reserve for Directors' Retirement Benefits	**1,508**	**1,508**	**—**	**—**	**—**	**—**	**1,508**
Deferred Tax Liabilities	**464,915**	**464,915**	**—**	**—**	**—**	**—**	**464,915**
Deferred Tax Liabilities for Land Revaluation	**8,607**	**8,607**	**—**	**—**	**—**	**—**	**8,607**
Acceptances and Guarantees	**1,474,730**	**1,474,730**	**—**	**—**	**—**	**10,640**	**1,474,730**
Total liabilities	**98,181,681**	**98,181,681**	**—**	**20,144,604**	**—**	**9,249,570**	**73,333,877**

Notes: 1. Repo-type transactions are classified into two categories of credit risk of securities and counterparty credit risk.
2. Foreign currency assets are classified into two categories of market risk at the amount corresponding to the foreign exchange risk and credit risk of the assets that are subject to transactions.

LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b	c	d	e
			Items subject to:			
		Total	Credit risk framework	Securitization framework	Counterparty credit risk framework	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	104,275,376	96,198,285	24,644,560	7,232,697	45,498,073
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	24,847,803	—	20,144,604	—	9,249,570
3	Total net amount under regulatory scope of consolidation	79,427,573	96,198,285	4,499,956	7,232,697	36,248,503
4	Off-balance sheet amounts	(12,014,712)	1,380,924	—	—	(13,395,636)
5	Differences in valuations	—	—	—	—	—
6	Differences due to different netting rules, other than those already included in row 2	—	—	—	—	—
7	Differences due to consideration of provisions	47,721	47,721	—	—	—
8	Differences due to prudential filters	—	—	—	—	—
9	Others	(202,956)	56,217	21,396,688	—	(21,655,863)
	of which: repo-type transactions differences	20,438,541	—	20,438,541	—	—
	of which: derivative transactions differences	958,147	—	958,147	—	—
10	Exposure amounts considered for regulatory purposes	132,009,494	97,683,148	25,896,645	7,232,697	1,197,002

Notes: 1. As differences related to repo-type transactions, mainly the differences arising from a method used to measure the effectiveness of CRM.
2. In 9. "Others" market risk, the differences in the foreign currency positions are stated in the amount corresponding to foreign exchange risk.

Credit Risk (Consolidated)

(Investment Fund, securitization exposures, repo-type transactions and derivatives transactions are excluded.)

1. Credit Risk Exposure

Fiscal 2017 (Ended March 31, 2018)

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

(Billions of Yen)

Items	Loans, commitments, off-balance sheet exposure	Securities	Others	Total credit risk exposure	Default exposure	Reserve for default exposure	Write-off of default exposure
Japan	11,397	13,260	28,712	53,370	40	15	3
Asia except Japan	321	145	2	470	—	—	—
Europe	340	8,672	203	9,216	—	—	—
The Americas	931	10,066	999	11,997	1	1	—
Other areas	404	162	242	809	0	—	0
Amounts held by consolidated subsidiaries	1,548	31	61	1,641	4	0	0
Offsets on consolidation	(160)	(63)	(28)	(252)	—	—	—
Total	14,783	32,275	30,193	77,252	46	17	3

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

(Billions of Yen)

Items	Loans, commitments, off-balance sheet exposure	Securities	Others	Total credit risk exposure	Default exposure	Reserve for default exposure	Write-off of default exposure
Manufacturing	**2,819**	**509**	**140**	**3,469**	**16**	**3**	**2**
Agriculture	**63**	**0**	**0**	**64**	**5**	**4**	**0**
Forestry	**6**	**—**	**0**	**6**	**0**	**0**	**—**
Fishing	**17**	**0**	**0**	**18**	**9**	**4**	**0**
Mining	**17**	**—**	**0**	**17**	**—**	**—**	**—**
Construction	**86**	**12**	**0**	**98**	**0**	**—**	**—**
Utility	**464**	**5**	**1**	**471**	**—**	**—**	**—**
Information/telecommunications	**133**	**12**	**0**	**146**	**—**	**—**	**—**
Transportation	**661**	**180**	**0**	**841**	**1**	**1**	**—**
Wholesaling, retailing	**1,551**	**129**	**1**	**1,682**	**3**	**1**	**—**
Finance and insurance	**3,208**	**4,346**	**29,664**	**37,219**	**0**	**0**	**—**
Real estate	**701**	**45**	**3**	**750**	**0**	**0**	**—**
Services	**1,591**	**70**	**3**	**1,664**	**3**	**1**	**—**
Municipalities	**30**	**0**	**0**	**30**	**—**	**—**	**—**
Others	**2,040**	**26,994**	**346**	**29,381**	**0**	**—**	**0**
Amounts held by consolidated subsidiaries	**1,548**	**31**	**61**	**1,641**	**4**	**0**	**0**
Offsets on consolidation	**(160)**	**(63)**	**(28)**	**(252)**	**—**	**—**	**—**
Total	**14,783**	**32,275**	**30,193**	**77,252**	**46**	**17**	**3**

Notes: 1. "Others" within "Finance and insurance" includes due from the Bank of Japan in Cash and certain other items.
2. "Securities" within "Others" includes bonds issued by central government.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of Yen)

Items	Loans, commitments, off-balance sheet exposure	Securities	Others	Total credit risk exposure
In 1 year	**5,807**	**3,071**	**29,794**	**38,673**
Over 1 year to 3 years	**2,375**	**11,701**	**51**	**14,128**
Over 3 years to 5 years	**2,860**	**4,460**	**9**	**7,330**
Over 5 years to 7 years	**1,006**	**2,557**	**17**	**3,581**
Over 7 years	**1,334**	**9,653**	**46**	**11,034**
No term to maturity	**11**	**863**	**240**	**1,114**
Amounts held by consolidated subsidiaries	**1,548**	**31**	**61**	**1,641**
Offsets on consolidation	**(160)**	**(63)**	**(28)**	**(252)**
Total	**14,783**	**32,275**	**30,193**	**77,252**

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position during fiscal 2017.
2. The amounts of credit-risk exposure held by consolidated subsidiaries are extremely limited, amounting only to about 2% of consolidated risk exposure, so only the total amounts held by these subsidiaries are shown.
3. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

Delinquent Maturity Exposure

(Billions of Yen)

Items	As of March 31, 2018
Less than One Month	0
From One Month to less than Two Months	0
From Two Months to less than Three Months	0
Three Months or More	0
Amounts held by consolidated subsidiaries	1
Total	1

Note: "One Month or less" excludes loans that are not delinquent.

Special Attention

(Billions of Yen)

Items	As of March 31, 2018
Amounts of the reserves that were increased to address the exposure	14
Amounts of other than the above	—
Amounts held by consolidated subsidiaries	1
Total	15

Ratio of the EAD for each asset class to the total amount of EAD

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen, %)

Items		EAD	Percentage of total amount of EAD
Subject to Standardized Approach		115,403	0.15%
Subject to Internal Ratings-Based Approach (IRB)		76,191,129	99.59%
	Corporate exposure (excluding Specialized Lending Products)	7,895,751	10.32%
	Corporate exposure (Specialized Lending)	817,055	1.07%
	Bank exposure	4,988,616	6.52%
	Sovereign exposure	59,731,756	78.07%
	Equity portfolios subject to PD/LGD approaches	818,712	1.07%
	Retail exposure	1,511,613	1.98%
	Other debt purchased	427,623	0.56%
	Important investments	—	—
	Lease transactions	—	—
Other assets		199,112	0.26%
Total		76,505,645	100.00%

CR1: Credit quality of assets

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b	c	d
		Gross carrying values of		Allowances/ impairments	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
	On-balance sheet assets				
1	Loans	39,987	11,656,941	44,203	11,652,726
2	Debt Securities	—	31,462,991	—	31,462,991
3	Off-balance sheet exposures	16	30,008,705	40	30,008,681
4	Total on-balance sheet assets (1+2+3)	40,004	73,128,639	44,244	73,124,399
	Off-balance sheet assets				
5	Acceptances and Guarantees	1,409	1,473,208	1,427	1,473,190
6	Commitments	—	1,008,888	205	1,008,683
7	Total off-balance sheet assets (5+6)	1,409	2,482,097	1,632	2,481,873
	Total				
8	Total (4+7)	41,414	75,610,736	45,877	75,606,273

Note: Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

CR2: Changes in stock of defaulted loans and debt securities

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.			a
1	Defaulted loans and debt securities at end of the previous reporting period		57,064
2	Changes in the amounts of per factor during fiscal 2017	Default	24,236
3		Returned to non-defaulted status	6,059
4		Amounts written off	3,069
5		Other changes (Decrease in the balance due to a recovery of exposure at default)	(32,167)
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)		40,004

CR3: Credit risk mitigation techniques – overview

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b	c	d	e
		Exposures unsecured	Exposures totally secured	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives, of which: secured amount
1	Loans	11,318,701	334,024	335,814	341,371	—
2	Debt securities	30,930,862	532,129	—	562,129	—
3	Other on-balance sheet assets	30,007,377	1,304	474	1,588	—
4	Total	72,256,941	867,458	336,288	905,088	—
5	Of which defaulted	36,495	3,508	7,480	—	—

CR4: Standardized approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen, %)

No.		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA	RWA density
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1	Cash	—	—	—	—	—	—
2	Japanese government and the Bank of Japan	—	—	—	—	—	—
3	Foreign central government and their central banks	—	—	—	—	—	—
4	Bank for International Settlements	—	—	—	—	—	—
5	Japanese regional municipal bodies	—	—	—	—	—	—
6	Non-central government public sector entities	—	—	—	—	—	—
7	Multilateral Development Bank	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities	—	—	—	—	—	—
9	Japanese government institutions	—	—	—	—	—	—
10	Regional third-sector company	—	—	—	—	—	—
11	Banks and securities firms	—	—	—	—	—	—
12	Corporates	—	—	—	—	—	—
13	SMEs and individuals	—	—	—	—	—	—
14	Residential Mortgage	—	—	—	—	—	—
15	Exposures to corporates, SMEs and individuals (acquisition of real estate)	—	—	—	—	—	—
16	Loans with principal or interest payments three months or more in arrears (excluding residential mortgage)	—	—	—	—	—	—
17	Extension of three months or more in mortgage loan terms	—	—	—	—	—	—
18	Bills in process of collection	—	—	—	—	—	—
19	Guarantee by Credit Guarantee Corporations	—	—	—	—	—	—
20	Guarantee by Regional Economy Vitalization Corporation of Japan (REVIC)	—	—	—	—	—	—
21	Investment (excluding important investment)	—	—	—	—	—	—
22	Total	—	—	—	—	—	—

Notes: 1. Assets subject to the Standardized Approach are a) the on-balance and off-balance sheet assets of the Bank's consolidated subsidiaries, with the exception of Kyodo Housing Loan Co., Ltd., and b) the suspense payments and prepaid expenses on the consolidated balance sheet of the Bank and Kyodo Housing Loan Co., Ltd.

2. The total of the credit risk assets subject to the Standardized Approach (above a+b) is ¥71.4 billion, which is not shown in these statements due to its extremely limited amount—only about 0.22% of the credit risk assets on a consolidated basis (¥31,904.1 billion).

CR5: Standardized approach – exposures by asset classes and risk weights
Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.	Asset classes \ Risk weight	a	b	c	d	e	f	g	h	i	j	k
		Total credit exposures amount (post CCF and post-CRM)										
		0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	—	—	—	—	—	—	—	—	—	—	—
2	Japanese government and the Bank of Japan	—	—	—	—	—	—	—	—	—	—	—
3	Foreign central government and their central banks	—	—	—	—	—	—	—	—	—	—	—
4	Bank for International Settlements	—	—	—	—	—	—	—	—	—	—	—
5	Japanese regional municipal bodies	—	—	—	—	—	—	—	—	—	—	—
6	Non-central government public sector entities	—	—	—	—	—	—	—	—	—	—	—
7	Multilateral Development Bank	—	—	—	—	—	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities	—	—	—	—	—	—	—	—	—	—	—
9	Japanese government institutions	—	—	—	—	—	—	—	—	—	—	—
10	Regional third-sector company	—	—	—	—	—	—	—	—	—	—	—
11	Banks and securities firms	—	—	—	—	—	—	—	—	—	—	—
12	Corporates	—	—	—	—	—	—	—	—	—	—	—
13	SMEs and individuals	—	—	—	—	—	—	—	—	—	—	—
14	Residential Mortgage	—	—	—	—	—	—	—	—	—	—	—
15	Exposures to corporates, SMEs and individuals (acquisition of real estate)	—	—	—	—	—	—	—	—	—	—	—
16	Loans with principal or interest payments three months or more in arrears (excluding residential mortgage)	—	—	—	—	—	—	—	—	—	—	—
17	Extension of three months or more in mortgage loan terms	—	—	—	—	—	—	—	—	—	—	—
18	Bills in process of collection	—	—	—	—	—	—	—	—	—	—	—
19	Guarantee by Credit Guarantee Corporations	—	—	—	—	—	—	—	—	—	—	—
20	Guarantee by Regional Economy Vitalization Corporation of Japan (REVIC)	—	—	—	—	—	—	—	—	—	—	—
21	Investment (excluding important investment)	—	—	—	—	—	—	—	—	—	—	—
22	Total	—	—	—	—	—	—	—	—	—	—	—

Notes: 1. Assets subject to the Standardized Approach are a) 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., and b) the suspense payments and prepaid expenses on the consolidated balance sheet of the Bank and Kyodo Housing Loan Co., Ltd.

2. The total of the credit risk assets subject to the Standardized Approach (above a+b) is ¥71.4 billion, which is not shown in these statements due to its extremely limited amount—only about 0.22% of the credit risk assets on a consolidated basis (¥31,904.1 billion).

CR6: IRB – Credit risk exposures by portfolio and PD range

■ Foundation Internal Ratings-Based Approach (F-IRB)

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen, %, Thousands, Year)

		a	b	c	d	e	f	g	h	i	j	k	l
No.	PD scale	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density	EL	Provisions
	Sovereign exposure												
1	0.00 to 0.15 or less	59,590,829	15,000	—	60,116,894	0.00	0.0	45.00	2.2	233	0.00	0	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	27,927	—	—	79	0.28	0.0	45.00	4.6	59	74.37	0	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	113,000	—	—	116	3.21	0.0	45.00	5.0	187	161.71	1	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	59,731,756	15,000	—	60,117,090	0.00	0.0	45.00	2.2	481	0.00	1	—
	Bank exposure												
1	0.00 to 0.15 or less	4,779,827	—	—	4,779,827	0.03	0.1	45.63	1.8	773,150	16.17	854	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	115,350	1,000	0.75	17,122	0.40	0.0	42.73	2.5	10,360	60.50	29	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	54,966	7,595	0.82	56,939	1.14	0.0	23.93	1.7	30,059	52.79	163	
6	Exceeding 2.50 to 10.00 or less	30,777	704	1.00	30,394	4.30	0.0	25.20	2.0	25,493	83.87	359	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	4,980,920	9,300	0.82	4,884,283	0.07	0.2	45.24	1.8	839,063	17.17	1,406	—
	Corporate exposure (excluding SMEs exposure and specialized lending)												
1	0.00 to 0.15 or less	477,317	—	—	275,190	0.05	0.1	62.60	4.1	118,426	43.03	86	
2	Exceeding 0.15 to 0.25 or less	15,081	2,000	0.75	16,581	0.15	0.0	65.80	3.7	13,490	81.36	16	
3	Exceeding 0.25 to 0.50 or less	27	—	—	27	0.42	0.0	45.00	2.4	17	63.95	0	
4	Exceeding 0.50 to 0.75 or less	1	—	—	1	0.63	0.0	45.00	5.0	1	107.26	0	
5	Exceeding 0.75 to 2.50 or less	27,854	—	—	3	1.44	0.0	45.00	5.0	4	134.59	0	
6	Exceeding 2.50 to 10.00 or less	1,742	—	—	1,742	4.80	0.0	45.00	4.4	2,988	171.51	37	
7	Exceeding 10.00 to 100.00 or less	182	—	—	182	15.84	0.0	45.00	4.6	454	248.48	13	
8	100.00 (default)	1,648	—	—	1,648	100.00	0.0	45.00	4.0	—	0.00	741	
9	Subtotal	523,856	2,000	0.75	295,378	0.65	0.3	62.56	4.0	135,384	45.83	895	127
	SMEs exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Specialized lending exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—

(Millions of Yen, %, Thousands, Year)

		a	b	c	d	e	f	g	h	i	j	k	l
No.	PD scale	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density	EL	Provisions
	Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach												
1	0.00 to 0.15 or less	642,332	—	—	642,332	0.04	0.1	90.00	5.0	643,608	100.19	280	
2	Exceeding 0.15 to 0.25 or less	149,391	—	—	149,391	0.15	0.1	90.00	5.0	179,233	119.97	202	
3	Exceeding 0.25 to 0.50 or less	19,950	—	—	19,950	0.41	0.0	90.00	5.0	37,525	188.08	74	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	5,725	—	—	5,725	1.08	0.0	90.00	5.0	15,203	265.51	55	
6	Exceeding 2.50 to 10.00 or less	428	—	—	428	4.26	0.0	90.00	5.0	1,682	393.03	16	
7	Exceeding 10.00 to 100.00 or less	851	—	—	851	15.84	0.0	90.00	5.0	5,812	682.49	121	
8	100.00 (default)	32	—	—	32	100.00	0.0	90.00	5.0	362	1,125.00	29	
9	Subtotal	818,712	—	—	818,712	0.10	0.3	90.00	5.0	883,427	107.90	779	—
	Debt purchased for corporate (Default risk)												
1	0.00 to 0.15 or less	97,541	—	—	97,502	0.00	0.0	45.00	1.0	691	0.70	1	
2	Exceeding 0.15 to 0.25 or less	8,283	—	—	8,283	0.15	0.0	45.00	1.0	2,052	24.77	5	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	105,825	—	—	105,786	0.01	0.0	45.00	1.0	2,743	2.59	6	—
	Debt purchased for corporate (Dilution risk)												
1	0.00 to 0.15 or less	—	—	—	14,064	0.00	0.0	45.00	1.0	—	0.00	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	1,852	0.15	0.0	45.00	1.0	458	24.77	1	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	15,917	0.01	0.0	45.00	1.0	458	2.88	1	—
	Loan participation (corporate) (Default risk of seller)												
1	0.00 to 0.15 or less	—	—	—	40,339	0.01	0.0	45.00	3.0	2,525	6.26	2	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	40,339	0.01	0.0	45.00	3.0	2,525	6.26	2	—
	Debt purchased for retail												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Qualifying revolving retail exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—

(Millions of Yen, %, Thousands, Year)

		a	b	c	d	e	f	g	h	i	j	k	l
No.	PD scale	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density	EL	Provisions
	Retail exposure secured by residential properties												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	1,329,530	1.00	1,329,530	0.32	71.9	53.26	—	401,297	30.18	2,265	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	130,680	—	—	130,680	0.78	10.5	68.35	—	94,734	72.49	696	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	1,264	2,863	1.00	4,127	21.56	0.3	57.88	—	13,612	329.77	520	
8	100.00 (default)	1,571	543	1.00	2,115	100.00	0.3	92.61	—	2,907	137.44	1,959	
9	Subtotal	133,516	1,332,938	1.00	1,466,454	0.56	83.1	54.67	—	512,552	34.95	5,442	1,894
	Other retail exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	274	717	1.00	992	0.28	1.0	88.28	—	443	44.67	2	
4	Exceeding 0.50 to 0.75 or less	38,870	—	—	38,870	0.71	1.5	58.33	—	19,661	50.58	160	
5	Exceeding 0.75 to 2.50 or less	644	2,906	1.00	3,551	2.21	2.6	95.53	—	4,480	126.14	76	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	173	3	1.00	177	23.15	0.0	58.83	—	244	138.07	23	
8	100.00 (default)	1,562	4	1.00	1,567	100.00	0.1	98.63	—	3,228	206.02	1,545	
9	Subtotal	41,526	3,632	1.00	45,158	4.35	5.3	63.31	—	28,058	62.13	1,809	618
Total		66,336,114	1,362,871	0.98	67,789,121	0.02	89.5	45.85	2.2	2,404,696	3.54	10,345	2,640

CR6: IRB – Credit risk exposures by portfolio and PD range

■ Advanced Internal Ratings-Based Approach (A-IRB)

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen, %, Thousands, Year)

		a	b	c	d	e	f	g	h	i	j	k	l
No.	PD scale	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density	EL	Provisions
	Sovereign exposure												
1	0.00 to 0.15 or less	—	—	—	35,719	0.01	0.0	30.34	4.0	1,582	4.43	1	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	35,719	0.01	0.0	30.34	4.0	1,582	4.43	1	—
	Bank exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—

(Millions of Yen, %, Thousands, Year)

		a	b	c	d	e	f	g	h	i	j	k	l
No.	PD scale	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density	EL	Provisions
	Corporate exposure (excluding SMEs exposure and specialized lending)												
1	0.00 to 0.15 or less	3,688,885	1,118,849	0.48	4,413,834	0.05	0.3	29.79	2.9	724,512	16.41	691	
2	Exceeding 0.15 to 0.25 or less	2,070,635	271,785	0.58	2,083,418	0.16	0.5	29.62	2.8	627,471	30.11	1,035	
3	Exceeding 0.25 to 0.50 or less	272,339	65,693	0.57	312,862	0.42	0.2	29.84	2.6	139,833	44.69	392	
4	Exceeding 0.50 to 0.75 or less	94,206	3,117	0.75	60,824	0.63	0.0	25.19	3.5	30,338	49.87	96	
5	Exceeding 0.75 to 2.50 or less	284,639	24,274	0.41	279,506	1.21	0.5	27.71	2.5	170,534	61.01	939	
6	Exceeding 2.50 to 10.00 or less	46,012	21,786	0.46	47,934	4.79	0.4	27.91	2.9	45,284	94.47	642	
7	Exceeding 10.00 to 100.00 or less	92,608	23,068	0.74	102,126	15.82	0.3	24.66	1.8	122,096	119.55	3,986	
8	100.00 (default)	38,762	3,060	0.28	34,170	100.00	0.1	26.78	1.7	—	0.00	9,151	
9	Subtotal	6,588,091	1,531,635	0.51	7,334,676	0.86	2.6	29.53	2.8	1,860,072	25.35	16,935	13,717
	SMEs exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Specialized lending exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Debt purchased for corporate (Default risk)												
1	0.00 to 0.15 or less	172,833	36,500	1.00	216,279	0.05	0.0	30.35	1.3	19,273	8.91	32	
2	Exceeding 0.15 to 0.25 or less	30,687	16,793	0.90	38,992	0.18	0.0	30.35	2.2	11,153	28.60	22	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	4,787	1,595	0.74	7,047	0.63	0.0	30.35	1.2	2,963	42.04	13	
5	Exceeding 0.75 to 2.50 or less	4,323	—	—	3,259	0.83	0.0	30.35	1.0	1,481	45.44	8	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	212,632	54,888	0.96	265,579	0.09	0.0	30.35	1.4	34,872	13.13	76	—
	Debt purchased for corporate (Dilution risk)												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—

(Millions of Yen, %, Thousands, Year)

		a	b	c	d	e	f	g	h	i	j	k	l
No.	PD scale	Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density	EL	Provisions
	Loan participation (corporate) (Default risk of seller)												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Debt purchased for retail												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Qualifying revolving retail exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Retail exposure secured by residential properties												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
	Other retail exposure												
1	0.00 to 0.15 or less	—	—	—	—	—	—	—	—	—	—	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—	—	—	—	—	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
Total		**6,800,723**	**1,586,523**	**0.52**	**7,635,975**	**0.83**	**2.6**	**29.56**	**2.8**	**1,896,527**	**24.83**	**17,013**	**13,717**

CR7: IRB – Effect on RWA of credit derivatives used as CRM techniques

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.	Portfolio	a	b
		Pre-credit derivatives RWA	Actual RWA
1	Sovereign – FIRB	—	—
2	Sovereign – AIRB	—	—
3	Banks – FIRB	—	—
4	Banks – AIRB	—	—
5	Corporate – FIRB	—	—
6	Corporate – AIRB	—	—
7	Specialised lending – FIRB	—	—
8	Specialised lending – AIRB	—	—
9	Retail – qualifying revolving (QRRE)	—	—
10	Retail – residential mortgage exposures	—	—
11	Other retail exposures	—	—
12	Equity – FIRB	—	—
13	Equity – AIRB	—	—
14	Purchased receivables – FIRB	—	—
15	Purchased receivables – AIRB	—	—
16	Total	—	—

Note: Because the Bank did not use credit derivatives as credit risk mitigation techniques as of March 31, 2018, credit derivatives are not shown in these statements.

CR8: RWA flow statements of credit risk exposures under IRB

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.			RWA amounts
1	RWA as at end of previous reporting period		**4,738,491**
2	Changes in the amounts per factor during fiscal 2017	Asset size	**464,655**
3		Asset quality	**(274,900)**
4		Model updates	**0**
5		Methodology and policy	**0**
6		Acquisitions and disposals	**0**
7		Foreign exchange movements	**(27,511)**
8		Other	**0**
9	RWA as at end of reporting period		**4,900,735**

CR9: IRB – Backtesting of probability of default (PD) per portfolio

Fiscal 2017 (Ended March 31, 2018)

(%, the Number of Items)

a	b	c					d	e	f		g	h	i
		External rating equivalent							Number of obligors				
Portfolio	PD Range	S&P	Moody's	Fitch	R&I	JCR	Weighted average PD	Arithmetic average PD by obligors	End of previous period	End of current period	Defaulted obligors in the year	of which: new defaulted obligors in the year	Average historical annual default rate (5 years)
Sovereign exposure	1-1 to 2	AAA—A-	Aaa—A3	AAA—A-	AAA—A-	AAA—A-	0.00%	0.00%	92	90	0	0	0.00%
	3 to 4	BBB+—BBB-	Baa1—Baa3	BBB+—BBB-	BBB+—BBB-	BBB+—BBB-	0.06%	0.06%	32	21	0	0	0.00%
	5 to 6	BB+—BB-	Ba1—B1	BB+—BB-	BB+—BB-	BB+—BB-	0.86%	0.86%	3	2	0	0	0.00%
	7	B+	B2	B+	B+	B+	—	—	—	—	—	—	—
	8-1 to 8-2	B—CCC-	B3—Caa3	B—CCC-	B—CCC-	B—CCC	9.88%	9.88%	1	1	0	0	0.00%
Bank exposure	1-1 to 2	AAA—A-	Aaa—A3	AAA—A-	AAA—A-	AAA—A-	0.03%	0.03%	177	177	0	0	0.00%
	3 to 4	BBB+—BBB-	Baa1—Baa3	BBB+—BBB-	BBB+—BBB-	BBB+—BBB-	0.10%	0.17%	103	102	0	0	0.00%
	5 to 6	BB+—BB-	Ba1—B1	BB+—BB-	BB+—BB-	BB+—BB-	2.21%	1.83%	115	119	0	0	0.00%
	7	B+	B2	B+	B+	B+	4.95%	4.95%	22	21	0	0	0.00%
	8-1 to 8-2	B—CCC-	B3—Caa3	B—CCC-	B—CCC-	B—CCC	8.94%	8.94%	5	3	0	0	0.00%
Corporate exposure	1-1 to 2	AAA—A-	Aaa—A3	AAA—A-	AAA—A-	AAA—A-	0.05%	0.05%	448	510	0	0	0.00%
	3 to 4	BBB+—BBB-	Baa1—Baa3	BBB+—BBB-	BBB+—BBB-	BBB+—BBB-	0.23%	0.26%	927	993	2	1	0.04%
	5 to 6	BB+—BB-	Ba1—B1	BB+—BB-	BB+—BB-	BB+—BB-	1.11%	1.32%	703	719	0	0	0.08%
	7	B+	B2	B+	B+	B+	4.51%	4.75%	501	561	2	0	0.86%
	8-1 to 8-2	B—CCC-	B3—Caa3	B—CCC-	B—CCC-	B—CCC	15.84%	15.84%	336	374	11	2	4.29%
Retail exposure	Standard loans						0.36%	0.44%	72,656	78,431	99	0	0.14%
	Delinquent loans						22.07%	22.95%	368	398	47	0	12.81%

Notes: 1. Although most tallied data are about consolidated assets, in principle, as to the "Number of obligors," "Defaulted obligors in the year" and "Average historical annual default rate (5 years)" of corporate, sovereign and bank exposure, only non-consolidated data are tallied, taking into account that the PDs are estimated mainly for the group of obligors of the Bank as a non-consolidated entity and a majority of such obligors are borrowers of the Bank alone on a non-consolidated basis.

2. Although the Bank has applied the Advanced Internal Ratings-Based Approach (A-IRB) to corporate, sovereign and bank exposure, beginning with the standard capital adequacy ratio calculation as of March 31, 2017, because the average PD and the average historical annual default rates, which are subject to back-testing, were calculated including the data prior to the transition to the A-IRB, the sum of the investment funds under the A-IRB and those under the Foundation Internal Ratings-Based Approach (F-IRB) were tallied and disclosed.

3. Back-testing is not applied to Specialized Lending Products because the slotting criteria method is adopted for them. Moreover, the data on equity exposure and debt purchased for corporate, for which the PD/LGD approaches are applied, are not tallied for each classification because the number of defaults is recognized in one of the above categories in case default occurs.

4. Retail exposure, the balance of which is insignificant against total assets, is disclosed as a whole in a single portfolio category.

5. Because related back-testing is conducted and tallied using the PD values used to calculate the capital adequacy ratio for estimation and validation, with the "previous year-end" for corporate, sovereign and bank exposure being September 30, 2016, and the "current year-end" as September 30, 2017, and with the "previous year-end" for retail exposure being the end of a reference month on an exposure pool basis in estimation and validation for 2016 and the "current year-end" being the end of the same reference month for 2017, the "Number of obligors" and "Defaulted obligors in the year" were tallied. Also, the "Weighted-average PD" and "Arithmetic average PD by obligors" are calculated, considering the purpose of this disclosure, using the PD values that were applied to compute the risk-weighted asset data used to calculate the capital adequacy ratio as of the reference date of March 31, 2016.

6. Concerning the "Average historical annual default rate (5 years)," the five-year average value is computed with the reference date of September 30 of each year for corporate exposure, and that for retail exposure with the reference date being the end of the reference month of each exposure pool for estimation and validation, using the internal past default data.

7. For retail exposure, calculation was conducted not by obligor but also by loan.

■ Establishment of the Debtor Rating System and Categories for Estimating PDs Related to Corporate, Sovereign and Bank Exposure

Portfolio	Evaluation methods for assigning debtor ratings	Category for estimating PDs	Ratio to the entire credit RWA
Sovereign exposure	Internal development methods Methods to refer to credit ratings by external agencies	Sovereign	0.01%
Bank exposure	Internal development methods Methods to refer to credit ratings by external agencies	Bank	3.40%
Corporate exposure (excluding Specialized Lending Products)	Internal development methods Methods to refer to credit ratings by external agencies Credit rating agencies estimating models approach	Resident corporate Non-resident corporate	6.76%
Specialized Lending Products	Internal development methods	Not applicable because the slotting criteria method is applied	1.95%
Equity Exposure to the PD/LGD Approaches are applied	Internal development methods Methods to refer to credit ratings by external agencies	Categorized as resident corporate, non-resident corporate, bank or sovereign	3.01%
Other debt purchased for corporate, sovereign and bank exposure	Internal development methods Methods to refer to credit ratings by external agencies	Categorized as resident corporate, non-resident corporate, bank or sovereign	0.18%

Note: The "Category for estimating PDs" are Resident corporate, Non-resident corporate, Bank and Sovereign under the Debtor Rating System. PDs are assigned corresponding to the debtor rankings in each category.

■ Remarks on the Evaluation Methods for Assigning Ratings to Corporate, Sovereign and Bank Exposure

Evaluation methods	Overview of the evaluation methods	Method to allocate exposures to the evaluation methods to be applied
Internal development methods	Evaluation method combining quantitative and qualitative methods, in principle, using a quantitative model	1. Allocation of ratings based on the quantitative financial information and qualitative information available via transactions mainly with credit risk in financing, etc. 2. Allocation of ratings to debtors of which evaluation by the internal development method is possible because there is a sufficient level of quality and quantity of information obtained from disclosure data and fund managers in case of investing in specific bonds and loans mainly with credit risk (including fund and other indirect investments)
Methods to refer to credit ratings by external agencies	Evaluation methods utilizing mainly S&P or Moody's credit rating information	Allocation of ratings to debtors of which rating information from external credit rating agencies is available Provided, however, the use of this method shall be limited to either of the following. 1. In case of investing in bonds or loans mainly with market risks such as price volatility and interest risk (including fund and other indirect investments) 2. In case of investing in credit risk-born funds, etc., with inferior quality and quantity of information on the investment targets constituting the fund available from disclosure data and fund managers compared to the information obtained on debtors to whom the Bank's internal development method is applied, thereby the alternative use of rating information from external credit rating agencies as major information rather than the use of the internal development method being judged to be more appropriate
Credit rating agencies estimating models approach	Evaluation method utilizing quantitative evaluation by a vendor model for estimating the external rating as major information	In case of investing in specific bonds and loans (including investment types commissioned to external firms) mainly with credit risk and allotment of ratings to debtors who satisfy both of the following: 1. In case it is impossible to obtain rating information by external credit rating agencies 2. In case the quality and quantity of information available from disclosure data and fund managers is inferior compared to that of debtors to whom internal development methods are applied, thereby the alternative use of quantitative evaluation by a vendor model of estimating external rating as major information rather than the use of internal development methods being judged to be more appropriate

■ Establishment of Pools Related to Retail Exposure

Portfolio	Pools		Ratio to the entire RWA
	Non-consolidated	Consolidated subsidiaries	
Retail exposure secured by residential properties	Cooperative mortgage loan	Mortgage loan that is not backed by a loan guarantee company, JA Bank mortgage loan guarantee	1.70%
Qualifying revolving retail exposure	—	—	—
Other debt purchased (retail)	Purchased mortgage loans, purchased personal loans	Purchased retail receivables	0.00%
Other retail exposure	Forestry funds for individual forestry business operators, agricultural funds for individual agricultural business operators, educational loans in trust	Business loans not backed by a loan guarantee company, non-businesses loans not backed by a loan guarantee company, JA Bank unsecured loan guarantee	0.09%

■ Remarks on the Scope of Application of Retail Exposure Pools

Portfolio	Method to apply exposure pools
Retail exposure secured by residential properties	Credit of an individual who resides on the real estate owned by the Bank
Qualifying revolving retail exposures	Exposures with all the characteristics listed below 1. Exposure with the debt balance changeable depending on the debtor's arbitrary judgments within the upper limit stipulated in the contract, with no collateral, and no contract regarding the maintenance of credit lines, thereby allowing the Bank to cancel without cause 2. Exposure to individual person-related risks 3. The upper limit of the balance for an individual is ¥10 million or lower. 4. Low volatility in the loss ratio of low-PD exposures in the portfolio to which the exposure belongs 5. It is possible to verify the volatility rate using the loss ratio data of the exposure.
Other debt purchased (retail)	Loans for individuals purchased from outside the consolidated group of the Bank
Other retail exposure	Non-business loans for individuals that are not categorized in the above loans for individuals (e.g., educational funds, auto loans and funds for living) or business loans mainly by credit guarantee associations in the amount of less than ¥100 million after subtracting the portion of the guarantee

CR10: IRB (specialised lending and equities under the simple risk-weight method)

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen, %)

a	b	c	d	e	f	g	h	i	j	k	l
Specialized Lending Products (supervisory slotting criteria)											
Other than Lending for High-Volatility Commercial Real Estate (HVCRE)											
Regulatory categories	Residual contractual maturity	On-balance sheet amount	Off-balance sheet amount	RW	Exposure amount (EAD)					RWA	Expected losses
					PF	OF	CF	IPRE	Total		
Strong	Less than 2.5 years	41,990	19,705	50%	50,352	—	—	6,416	56,769	28,384	—
	Equal to or more than 2.5 years	513,966	47,645	70%	470,338	21,458	—	38,901	530,698	371,488	2,122
Good	Less than 2.5 years	6,545	17,541	70%	17,675	—	—	—	17,675	12,372	70
	Equal to or more than 2.5 years	96,718	31,624	90%	92,648	—	—	—	92,648	83,383	741
Satisfactory		37,208	11,561	115%	18,188	27,691	—	—	45,879	52,761	1,284
Weak		22,654	—	250%	20,447	—	—	—	20,447	51,119	1,635
Default		753	—	—	—	1,912	—	—	1,912	—	956
Total		719,837	128,078	—	669,652	51,061	—	45,318	766,032	599,512	6,811
High-Volatility Commercial Real Estate (HVCRE)											
Regulatory categories	Residual contractual maturity	On-balance sheet amount	Off-balance sheet amount	RW					Exposure amount (EAD)	RWA	Expected losses
Strong	Less than 2.5 years	—	—	70%					—	—	—
	Equal to or more than 2.5 years	—	—	95%					—	—	—
Good	Less than 2.5 years	—	—	95%					—	—	—
	Equal to or more than 2.5 years	—	—	120%					—	—	—
Satisfactory		—	—	140%					—	—	—
Weak		—	—	250%					—	—	—
Default		—	—	—					—	—	—
Total		—	—	—					—	—	—
Equity Exposure (Method of the Market-Based Approach)											
Equity Exposure to which the Market-Based Approach is applied											
Categories		On-balance sheet amount	Off-balance sheet amount	RW					Exposure amount (EAD)	RWA	
Exchange-traded equity exposures		—	—	300%					—	—	
Private equity exposures		134,271	—	400%					134,271	537,085	
Other equity exposures		371,098	—	283%					371,098	1,050,019	
Total		505,370	—	—					505,370	1,587,104	
Equity Exposure to which a risk weight of 100%											
Equity Exposure to which a risk weight of 100% is applied as set forth in the proviso of Notification Regarding Capital Adequacy Ratio, Article 143-1		—	—	100%					—	—	

CCR1: Analysis of counterparty credit risk (CCR) exposure by approach

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR	—	—		1.4	—	—
	Current exposure method	240,271	389,179			635,131	42,302
2	Expected positive exposure method			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					15,517,250	179,609
5	VaR					—	—
6	Total						221,912

CCR2: Credit valuation adjustment (CVA) capital charge

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b
		EAD post-CRM	RWA
1	Total portfolios subject to the Advanced CVA capital charge	—	—
2	(i) VaR component (including the 3×multiplier)		—
3	(ii) Stressed VaR component (including the 3×multiplier)		—
4	All portfolios subject to the Standardized CVA capital charge	284,862	64,705
5	Total subject to the CVA capital charge	284,862	64,705

CCR3: Standardized approach – CCR exposures by regulatory portfolio and risk weights

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b	c	d	e	f	g	h	i
		Amount of Credit Exposure (Consideration the effect of credit risk mitigation techniques)								
	Items / Risk weight	0%	10%	20%	50%	75%	100%	150%	Others	Total
1	Japanese government and the Bank of Japan	—	—	—	—	—	—	—	—	—
2	Foreign central government and their central banks	—	—	—	—	—	—	—	—	—
3	Bank for International Settlements	—	—	—	—	—	—	—	—	—
4	Japanese regional municipal bodies	—	—	—	—	—	—	—	—	—
5	Non-central government public sector entities	—	—	—	—	—	—	—	—	—
6	Multilateral Development Bank	—	—	—	—	—	—	—	—	—
7	Japan Finance Organization for Municipalities	—	—	—	—	—	—	—	—	—
8	Japanese government institutions	—	—	—	—	—	—	—	—	—
9	Regional third-sector company	—	—	—	—	—	—	—	—	—
10	Banks and securities firms	—	—	—	—	—	—	—	—	—
11	Corporates	—	—	—	—	—	—	—	—	—
12	SMEs and individuals	—	—	—	—	—	—	—	—	—
13	Other than above	—	—	—	—	—	—	—	—	—
14	Total	—	—	—	—	—	—	—	—	—

Note: The Bank had no counterparty credit risk exposure subject to the Standardized Approach as of March 31, 2018.

CCR4: IRB – CCR exposures by portfolio and PD scale

■ Foundation Internal Ratings-Based Approach (F-IRB)

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen, %, Thousands, Year)

No.		a	b	c	d	e	f	g
	PD scale	EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	RWA	RWA density
	Sovereign exposure							
1	0.00 to 0.15 or less	**2,109,525**	**0.00**	**0.0**	**45.00**	**0.9**	**—**	**0.00**
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—
8	100.00 (default)	—	—	—	—	—	—	—
9	Subtotal	**2,109,525**	**0.00**	**0.0**	**45.00**	**0.9**	**—**	**0.00**
	Bank exposure							
1	0.00 to 0.15 or less	**12,923,542**	**0.03**	**0.0**	**5.06**	**0.2**	**183,575**	**1.42**
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—
8	100.00 (default)	—	—	—	—	—	—	—
9	Subtotal	**12,923,542**	**0.03**	**0.0**	**5.06**	**0.2**	**183,575**	**1.42**
	Corporate exposure							
1	0.00 to 0.15 or less	—	—	—	—	—	—	—
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—
8	100.00 (default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Total		**15,033,068**	**0.03**	**0.0**	**12.41**	**0.3**	**183,575**	**1.22**

Note: The number of counterparties is less than 100 in each portfolio.

CCR4: IRB – CCR exposures by portfolio and PD scale

■ Advanced Internal Ratings-Based Approach (A-IRB)

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen, %, Thousands, Year)

No.	PD scale	a EAD post-CRM	b Average PD	c Number of obligors	d Average LGD	e Average maturity	f RWA	g RWA density
	Sovereign exposure							
1	0.00 to 0.15 or less	—	—	—	—	—	—	—
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—
8	100.00 (default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
	Bank exposure							
1	0.00 to 0.15 or less	—	—	—	—	—	—	—
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—
5	Exceeding 0.75 to 2.50 or less	—	—	—	—	—	—	—
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—
8	100.00 (default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
	Corporate exposure							
1	0.00 to 0.15 or less	**1,115,931**	**0.05**	**0.0**	**17.31**	**0.1**	**36,462**	**3.26**
2	Exceeding 0.15 to 0.25 or less	**1,359**	**0.15**	**0.0**	**30.35**	**2.4**	**349**	**25.72**
3	Exceeding 0.25 to 0.50 or less	**220**	**0.42**	**0.0**	**30.35**	**3.2**	**107**	**48.69**
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—
5	Exceeding 0.75 to 2.50 or less	**1,802**	**0.83**	**0.0**	**30.35**	**4.9**	**1,416**	**78.60**
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—
8	100.00 (default)	—	—	—	—	—	—	—
9	Subtotal	**1,119,314**	**0.05**	**0.0**	**17.35**	**0.1**	**38,336**	**3.42**
Total		**1,119,314**	**0.05**	**0.0**	**17.35**	**0.1**	**38,336**	**3.42**

Note: The number of counterparties is less than 100 in each portfolio.

CCR5: Composition of collateral for CCR exposure

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in SFTs	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash – domestic currency	—	**358,073**	—	**137,906**	—	**7,000**
2	Cash – other currencies	—	**15,548**	—	**3,858**	**19,505,157**	**82,463**
3	Domestic sovereign debt	**544**	—	**626,028**	—	**12,529**	**5,313,085**
4	Other sovereign debt	—	—	**1,099**	—	**54,202**	**12,616,048**
5	Government agency debt	—	—	—	—	**3,484**	**3,913,397**
6	Corporate bonds	—	—	—	—	**334**	**575,795**
7	Equity securities	—	—	**29,008**	—	—	—
8	Other collateral	—	—	—	—	—	**1,533,730**
9	Total	**544**	**373,622**	**656,136**	**141,765**	**19,575,708**	**24,041,520**

CCR6: Credit derivatives exposures

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a Protection bought	b Protection sold
	Notionals		
1	Single-name credit default swaps	—	—
2	Index credit default swaps	—	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	—	—
	Fair values		
7	Positive fair value (asset)	—	—
8	Negative fair value (liability)	—	—

Note: The Bank had no amount of credit derivative instruments exposure as of March 31, 2018.

CCR7: RWA flow statements of CCR exposures under Expected Positive Exposure Method

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.			Amounts
1	RWA as at end of previous reporting period		—
2	Changes in the amounts of per factor during fiscal 2017	Asset size	—
3		Credit quality of counterparties	—
4		Model updates (Expected positive exposure method only)	—
5		Methodology and policy (Expected positive exposure method only)	—
6		Acquisitions and disposals	—
7		Foreign exchange movements	—
8		Other	—
9	RWA as at end of current reporting period		—

Note: The Bank had not applied the Expected Positive Exposure Method as of March 31, 2018.

CCR8: Exposures to central counterparties

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)		191,435
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	9,163,365	13,854
3	(i) OTC derivatives	738,061	13,832
4	(ii) Exchange-traded derivatives	563	22
5	(iii) Securities financing transactions	8,424,740	—
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	
8	Non-segregated initial margin	415,357	605
9	Pre-funded default fund contributions	165,474	176,975
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)		—
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Securities financing transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions		—

SEC1: Securitization exposures in the banking book

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.	Types of underlying assets	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	—	—	—	—	—	—	3,235,840	—	3,235,840
2	residential mortgage	—	—	—	—	—	—	2,391,192	—	2,391,192
3	credit card	—	—	—	—	—	—	304,455	—	304,455
4	other retail exposures	—	—	—	—	—	—	540,192	—	540,192
5	re-securitization	—	—	—	—	—	—	0	—	0
6	Wholesale (total) – of which	—	—	—	—	—	—	3,996,856	—	3,996,856
7	loans to corporates	—	—	—	—	—	—	3,925,191	—	3,925,191
8	commercial mortgage	—	—	—	—	—	—	63,379	—	63,379
9	lease and receivables	—	—	—	—	—	—	8,285	—	8,285
10	other wholesale	—	—	—	—	—	—	—	—	—
11	re-securitization	—	—	—	—	—	—	—	—	—

SEC2: Securitization exposures in the trading book

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.	Types of underlying assets	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	—	—	—	—	—	—	—	—	—
2	residential mortgage	—	—	—	—	—	—	—	—	—
3	credit card	—	—	—	—	—	—	—	—	—
4	other retail exposures	—	—	—	—	—	—	—	—	—
5	re-securitization	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	—	—	—	—	—	—	—	—	—
7	loans to corporates	—	—	—	—	—	—	—	—	—
8	commercial mortgage	—	—	—	—	—	—	—	—	—
9	lease and receivables	—	—	—	—	—	—	—	—	—
10	other wholesale	—	—	—	—	—	—	—	—	—
11	re-securitization	—	—	—	—	—	—	—	—	—

SEC3: Securitization exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Total exposures														
			Traditional securitization							Synthetic securitization						
				Of which securitization			Of which re-securitization				Of which securitization			Of which re-securitization		
					Of which retail underlying	Of which wholesale		Of which senior	Of which non-senior			Of which retail underlying	Of which wholesale		Of which senior	Of which non-senior
	Exposure values (by RW bands)															
1	≤20% RW	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2	>20% to 50% RW	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3	>50% to 100% RW	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4	>100% to <1,250% RW	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	1,250% RW	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Exposure values (by regulatory approach)															
6	IRB RBA (including IAA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	RWA (by regulatory approach)															
10	IRB RBA (including IAA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	1,250%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Capital charge after cap															
14	IRB RBA (including IAA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	1,250%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

SEC4: Securitization exposures in the banking book and associated capital requirements – bank acting as investor

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Total exposures														
			Traditional securitization							Synthetic securitization						
				Of which securitization			Of which re-securitization				Of which securitization			Of which re-securitization		
					Of which retail underlying	Of which wholesale		Of which senior	Of which non-senior			Of which retail underlying	Of which wholesale		Of which senior	Of which non-senior
	Exposure values (by RW bands)															
1	≤20% RW	7,228,828	7,228,828	7,228,828	3,231,972	3,996,856	—	—	—	—	—	—	—	—	—	—
2	>20% to 50% RW	2,735	2,735	2,735	2,735	—	—	—	—	—	—	—	—	—	—	—
3	>50% to 100% RW	1,133	1,133	1,133	1,133	—	—	—	—	—	—	—	—	—	—	—
4	>100% to <1,250% RW	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	1,250% RW	0	0	—	—	—	0	—	0	—	—	—	—	—	—	—
	Exposure values (by regulatory approach)															
6	IRB SFA	7,232,697	7,232,697	7,232,697	3,235,840	3,996,856	—	—	—	—	—	—	—	—	—	—
7	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250%	0	0	—	—	—	0	—	0	—	—	—	—	—	—	—
	RWA (by regulatory approach)															
10	IRB SFA	518,665	518,665	518,665	230,646	288,019	—	—	—	—	—	—	—	—	—	—
11	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	1,250%	0	0	—	—	—	0	—	0	—	—	—	—	—	—	—
	Capital charge after cap															
14	IRB SFA	43,982	43,982	43,982	19,558	24,424	—	—	—	—	—	—	—	—	—	—
15	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	1,250%	0	0	—	—	—	0	—	0	—	—	—	—	—	—	—

MR1: Market risk under standardized approach

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.			RWA
1	Interest rate risk (general and specific)		—
2	Equity risk (general and specific)		—
3	Foreign exchange risk		1,171,398
4	Commodity risk		—
	Options		
5		Simplified approach	—
6		Delta-plus method	—
7		Scenario approach	—
8	Securitization		—
9	Total		1,171,398

MR2: RWA flow statements of market risk exposures under an IMA

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.			a	b	c	d	e	f
			VaR	Stressed VaR	IRC	CRM	Other	Total RWA
1a	Risk-weighted assets at the end of the previous fiscal year		**2,440**	**7,174**	**—**	**—**		**9,614**
1b	Adjustment of the amounts of risk-weighted assets given the regulatory required capital ratio at the end of the previous fiscal year		**1.79**	**2.21**	**—**	**—**		**2.08**
1c	Amounts calculated under the Internal Models Approach as of the reference date prior to the previous year-end calculation		**1,361**	**3,239**	**—**	**—**		**4,601**
2	Amounts of volatilities by factor during fiscal 2017	Movement in risk levels	**342**	**4,668**	**—**	**—**		**5,010**
3		Model updates/changes	**—**	**—**	**—**	**—**		**—**
4		Methodology and policy	**—**	**—**	**—**	**—**		**—**
5		Acquisitions and disposals	**—**	**—**	**—**	**—**		**—**
6		Foreign exchange movements	**14**	**627**	**—**	**—**		**641**
7		Other	**(872)**	**—**	**—**	**—**		**(872)**
8a	Amounts calculated under the Internal Models Approach as of the reference date for computation at the end of fiscal 2017		**845**	**8,535**	**—**	**—**		**9,380**
8b	Adjustment of the amounts of risk-weighted assets given the regulatory required capital ratio at the end of fiscal 2017		**5.01**	**2.50**	**—**	**—**		**2.72**
8c	RWA at end of reporting period		**4,236**	**21,367**	**—**	**—**		**25,604**

MR3: IMA values for trading portfolios

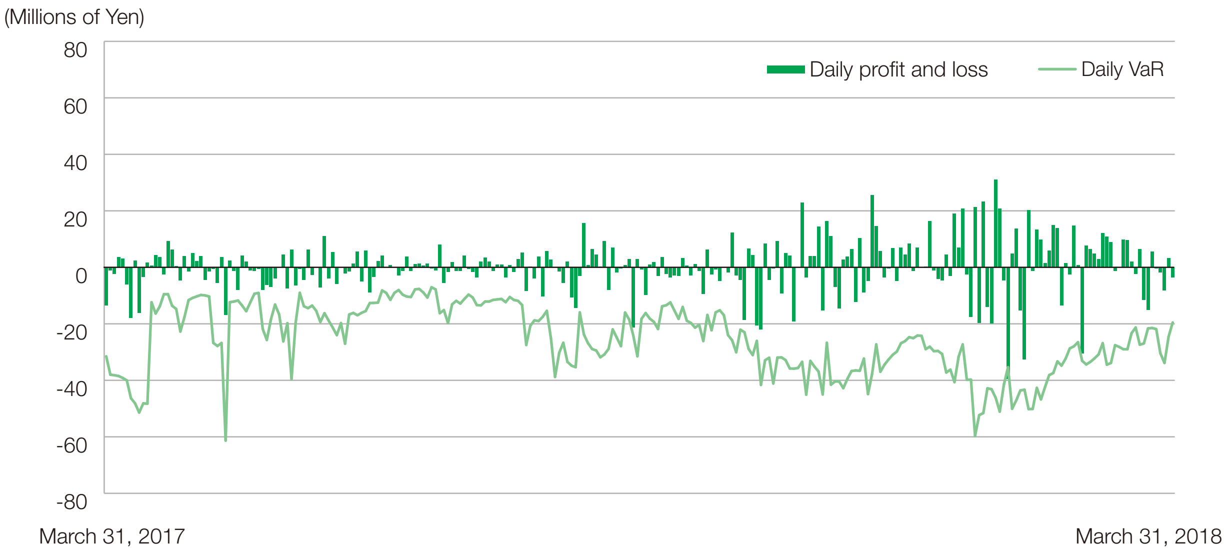
Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		
	VaR (10 day 99%)	
1	Maximum value	**194**
2	Average value	**84**
3	Minimum value	**24**
4	Period end	**67**
	Stressed VaR (10 day 99%)	
5	Maximum value	**714**
6	Average value	**350**
7	Minimum value	**86**
8	Period end	**682**
	Incremental Risk Charge (99.9%)	
9	Maximum value	**—**
10	Average value	**—**
11	Minimum value	**—**
12	Period end	**—**
	Comprehensive Risk capital charge (99.9%)	
13	Maximum value	**—**
14	Average value	**—**
15	Minimum value	**—**
16	Period end	**—**
17	Floor (standardized measurement method)	**—**

MR4: Comparison of VaR estimates with gains/losses

Fiscal 2017 (Ended March 31, 2018)



Note: The Bank conducted one excess back-test in fiscal 2017. The excess back-testing was conducted on February 2, 2018, resulting in a loss of ¥39 million with a VaR of ¥35 million. The reason for the excess back-testing was market factors.

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

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

(Billions of Yen)

Classification	As of March 31, 2018		As of March 31, 2017	
	Exposure	(For reference) Weighted-average risk weight	Exposure	(For reference) Weighted-average risk weight
Look-through approach	**18,187**	**65%**	17,571	64%
Majority approach	**939**	**386%**	713	388%
Mandate approach	**—**	**—**	—	—
Market-based approach	**1,330**	**327%**	1,670	325%
Others (simple approach)	**380**	**425%**	306	428%
Total	**20,837**	**94%**	20,261	94%

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.

IRRBB1 – Quantitative information on IRRBB

(Millions of Yen)

No.		a	b	c	d
		⊿EVE		⊿NII	
		Fiscal 2017	Fiscal 2016	**Fiscal 2017**	Fiscal 2016
1	Parallel up	**2,414,759**		**215,487**	
2	Parallel down	**(910,955)**		**(134,632)**	
3	Steepener	**744,233**			
4	Flattener	**(75,925)**			
5	Short rate up	**635,873**			
6	Short rate down	**(246,169)**			
7	Maximum	**2,414,759**		**215,487**	
		e		f	
		Fiscal 2017		Fiscal 2016	
8	Tier 1 capital	**6,432,621**		6,489,114	

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

(In 0.1 Billion Yen)

Description	As of March 31, 2018
1 Total exposures (A)+(B)+(C)+(D): (A) On-balance assets (other than assets specifically identified below (B), (C) and contra-account of guarantees) (B) Sum of counterparty exposure of derivatives contracts, capped notional amount of credit derivatives and potential future exposure of derivatives contracts (C) Adjusted gross value of securities financing transactions (SFTs) and counterparty exposure of SFTs (D) Gross notional amount of off-balance sheet items (other than derivatives contracts and SFTs)	**1,067,002**
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	**94,193**
3 Intra-financial system liabilities (A)+(B)+(C): (A) Deposits and debt 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	**46,910**
4 Securities outstanding (Note 1)	**46,871**
5 Assets under custody	**52,911**
6 Notional amount of OTC derivatives	**280,135**
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)	**137,714**
8 Level 3 assets (Note 3)	**14,823**
9 Cross-jurisdictional claims	**465,364**
10 Cross-jurisdictional liabilities	**184,617**

Description	Fiscal 2017
11 Payments (settled through the BOJ-NET, the Japanese Banks' Payment Clearing Network and other similar settlement systems, excluding intragroup payments)	**9,240,002**
12 Underwritten transactions in debt and equity markets (Note 4)	**334**

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.

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

As of March 31, 2017

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	12,058,289		
of which: non-significant investments in the capital instruments of other financial institutions		103,000	
Tier 2 capital instruments		—	
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)		103,000	A24.1
Foreign Exchanges Assets	224,101		
Securities	62,079,090	62,079,090	
Money Held in Trust	6,983,612	6,983,612	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		13,858	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		245,985	
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)		245,985	A24.2
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)		96,526	
Amount exceeding the 10% threshold on specified items		—	A8
Amount exceeding the 15% threshold on specified items		—	A11
Additional Tier 1 capital		50,033	A17
Tier 2 capital		—	A23
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		46,493	A25
Trading Assets	10,715		
Monetary Claims Bought	257,888		
Call Loans and Bills Bought	146,220		
Receivables under Resale Agreements	—		
Receivables under Securities Borrowing Transactions	1,173		
Cash and Due from Banks	22,939,086		
Other Assets	1,001,888		
Tangible Fixed Assets	117,791		
Buildings	45,206		
Land	48,100		
Lease Assets	21,394		
Construction in Progress	158		
Other	2,931		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Intangible Fixed Assets	31,141	31,141	
Software	11,639	11,639	
Lease Assets	5,882	5,882	
Other	13,618	13,618	
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		31,141	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		7,888	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	45,596	45,596	A4
Deferred Tax Assets	7,010	7,010	
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		—	
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	1,215,882		
Reserve for Possible Loan Losses	(56,730)	(56,730)	
of which: general reserve for possible loan losses includes Tier 2		(12)	A18
of which: eligible provisions includes Tier 2		—	A19
Reserve for Possible Investment Losses	(10)		
Total Assets	107,062,747		
(Liabilities)			
Deposits	61,886,185		
Negotiable Certificates of Deposit	3,689,270		
Debentures	2,412,824		
Bonds	—	—	
of which: qualifying Additional Tier 1 instruments		—	D1.1
of which: qualifying Tier 2 instruments		—	D2.1
Trading liabilities	6,150		
Borrowed Money	4,371,611	4,371,611	
of which: qualifying Additional Tier 1 instruments		—	D1.2
of which: qualifying Tier 2 instruments		1,415,480	D2.2
Call Money and Bills Sold	3,365		
Payables under Repurchase Agreements	19,645,010		
Payables under Securities Lending Transactions	1,013		
Foreign Exchanges Liabilities	2		
Trust Money	1,257,432		
Other Liabilities	4,929,423		
Reserve for Bonus Payments	7,894		
Reserve for Employees' Retirement Benefits	—		
Liabilities related to retirement benefits	38,624		
Reserve for Directors' Retirement Benefits	1,286		
Reserve for Agriculture, Fishery and Forestry Industry Subsidies	523		
Deferred Tax Liabilities	578,827	578,827	
of which: assets related to retirement benefits		12,652	D3
Deferred Tax Liabilities for Land Revaluation	8,607	8,607	
Acceptances and Guarantees	1,215,882		
Total Liabilities	100,053,934		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Net Assets)			
Paid-in Capital	3,480,488	3,480,488	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	24,993	24,993	
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	1,910,262	1,910,262	E2
Treasury Preferred Stock	(150)	(150)	
Total Owners' Equity	5,415,594	5,415,594	
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	1,584,281	1,584,281	
Net Deferred Losses on Hedging Instruments	(26,550)	(26,550)	
of which: net deferred losses on hedge		19,422	E7
Revaluation Reserve for Land	14,312	14,312	
Foreign Currency Translation Adjustment	(53)	(53)	
Remeasurements of Defined Benefit Plans	12,635	12,635	
Total Accumulated Other Comprehensive Income	1,584,624	1,584,624	E4
Minority Interests	8,594	8,594	
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)		3,254	E8.2
of which: Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		96	E8.3
Total Net Assets	7,008,813		
Total Liabilities and Net Assets	107,062,747		

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, 2017	
	EAD	Regulatory Required Capital
Amount of regulatory required capital for credit risk	141,673	2,551
Exposure subject to Internal Ratings-Based Approach	125,678	2,527
Corporate exposure (excluding Specialized Lending)	7,454	188
Corporate exposure (Specialized Lending)	513	39
Sovereign exposure	66,106	0
Bank exposure	16,901	108
Retail exposure	1,268	40
Retail exposure secured by residential properties	1,224	36
Qualifying revolving retail exposure	—	—
Other retail exposure	44	4
Securitization and re-securitization exposure	6,513	42
Equity portfolios	1,250	200
Equity portfolios subject to PD/LGD approaches	802	80
Equity portfolios subject to simple risk-weighted method	100	34
Equities under the internal models approach	346	85
Exposure subject to risk-weighted asset calculation for investment fund	25,111	1,892
Other debt purchased	308	4
Other exposures	249	12
Exposure subject to Standardized Approach	50	0
Assets subject to Standardized Approach on a non-consolidated basis	7	0
Assets subject to Standardized Approach in consolidated companies (excluding securitization exposure)	43	0
Assets subject to Standardized Approach in consolidated companies (securitization exposure)	—	—
Amount corresponding to CVA risk	547	4
CCP-related exposures	15,375	16
Items that included by transitional arrangements	21	0
Amount of regulatory required capital for market risk	/	136
Standardized Approach	/	135
Interest rate risk category	/	—
Equity risk category	/	—
Foreign exchange risk category	/	135
Commodity risk category	/	—
Option transactions	/	—
Internal models Approach	/	0
Amount of regulatory required capital for operational risk	/	71
Offsets on consolidation	/	2,758

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

2. Within the Exposure Subject to the Internal Ratings-Based Approach (excluding retail), the EAD subject to the Advanced Internal Ratings-Based Approach and the amount of regulatory required capital are ¥7,910.6 billion and ¥189.1 billion, respectively.

3. "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.

4. Risk-weighted asset calculation for investment fund includes ¥172.7 billion EAD and ¥0.3 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)

Item	As of March 31, 2017
Consolidated total required capital	2,683

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 2016 (Ended March 31, 2017)

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

(Billions of Yen)

Regions	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	11,830	15,146	30	23,930	50,938	59
Asia except Japan	291	146	12	388	838	—
Europe	284	10,268	218	10,009	20,781	—
The Americas	841	18,012	38	15,239	34,131	—
Other areas	258	407	14	258	938	—
Amounts held by consolidated subsidiaries	1,268	28	—	54	1,352	5
Total	14,774	44,010	314	49,880	108,980	64

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

(Billions of Yen)

Industries	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	2,708	466	1	0	3,176	23	—
Agriculture	47	0	0	0	48	5	0
Forestry	6	—	—	—	6	0	—
Fishing	19	0	—	0	19	11	—
Mining	13	—	—	0	13	—	—
Construction	85	11	—	0	96	0	—
Utility	356	5	—	0	361	—	—
Information/telecommunications	118	8	—	0	127	—	—
Transportation	622	124	2	0	750	7	—
Wholesaling, retailing	1,500	121	0	0	1,622	7	—
Finance and insurance	2,696	7,824	310	49,566	60,396	0	—
Real estate	636	143	—	2	783	0	—
Services	1,482	82	0	1	1,565	3	0
Municipalities	39	0	—	0	39	—	—
Other	3,171	35,192	—	255	38,619	0	—
Amounts held by consolidated subsidiaries	1,268	28	—	54	1,352	5	0
Total	14,774	44,010	314	49,880	108,980	64	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)

Terms to maturity	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	7,116	5,358	66	49,043	61,583
Over 1 year to 3 years	1,847	14,622	78	0	16,547
Over 3 years to 5 years	2,432	12,043	1	0	14,477
Over 5 years to 7 years	961	3,077	0	0	4,039
Over 7 years	1,146	7,133	168	0	8,448
No term to maturity	2	1,747	—	782	2,532
Amounts held by consolidated subsidiaries	1,268	28	—	54	1,352
Total	14,774	44,010	314	49,880	108,980

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position during fiscal 2016.
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 ¥51.3 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)

Regions	As of March 31, 2017	Increase/(decrease)
General reserve for possible loan losses	28	13
Specific reserve for possible loan losses	22	(12)
Japan	22	(12)
Asia except Japan	—	—
Europe	—	—
The Americas	—	—
Other areas	—	—
Amounts held by consolidated subsidiaries	3	0
Offsets on consolidation	(1)	0
Specified reserve for loans to countries with financial problems	—	—
Total	53	1

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)

Industries	As of March 31, 2017	Increase/(decrease)
General reserve for possible loan losses	28	13
Specific reserve for possible loan losses	22	(12)
Manufacturing	7	2
Agriculture	4	0
Forestry	0	(0)
Fishing	5	(0)
Mining	—	—
Construction	—	(0)
Utility	—	—
Information/telecommunications	—	—
Transportation	1	(1)
Wholesaling, retailing	1	(0)
Finance and insurance	0	(0)
Real estate	—	(9)
Services	1	(3)
Municipalities	—	—
Other	—	—
Others	—	—
Amount held by consolidated subsidiaries	3	0
Offsets on consolidation	(1)	0
Specified reserve for loans to countries with financial problems	—	—
Total	53	1

3. Exposure Subject to the Internal Ratings-Based Approach

a. Corporate, Sovereign and Bank Exposure

Fiscal 2016 (Ended March 31, 2017)

(Billions of Yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)	Amount of undrawn commitments	Weighted average of credit conversion factor
Corporate Exposure	1.11%	30.00%		32%	7,454	6,254	1,199	698	75.00%
1-1 to 4	0.11%	30.15%		24%	6,909	5,742	1,167	687	75.00%
5 to 7	1.53%	28.02%		74%	388	364	24	10	75.00%
8-1 to 8-2	15.84%	29.05%		209%	103	96	6	0	75.00%
Subtotal	0.41%	30.02%		29%	7,402	6,203	1,198	698	75.00%
8-3 to 10-2	100.00%	27.16%	27.16%	339%	52	51	0	—	—
Sovereign Exposure	0.00%	44.99%		0%	66,106	64,060	2,046	19	75.00%
1-1 to 4	0.00%	44.99%		0%	66,106	64,060	2,046	19	75.00%
5 to 7	1.00%	45.00%		134%	0	0	—	—	—
8-1 to 8-2	9.88%	0.02%		4%	0	0	—	—	—
Subtotal	0.00%	44.99%		0%	66,106	64,060	2,046	19	75.00%
8-3 to 10-2	—	—	—	—	—	—	—	—	—
Bank Exposure	0.05%	19.00%		8%	16,901	5,990	10,911	0	75.00%
1-1 to 4	0.04%	18.98%		8%	16,820	5,913	10,907	0	75.00%
5 to 7	2.02%	25.00%		74%	80	76	3	—	—
8-1 to 8-2	8.94%	45.00%		250%	0	0	0	—	—
Subtotal	0.05%	19.00%		8%	16,901	5,990	10,911	0	75.00%
8-3 to 10-2	—	—	—	—	—	—	—	—	—
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	0.17%	90.00%		126%	802	802	—	—	—
1-1 to 4	0.08%	90.00%		122%	789	789	—	—	—
5 to 7	1.93%	90.00%		292%	12	12	—	—	—
8-1 to 8-2	15.84%	90.00%		723%	0	0	—	—	—
Subtotal	0.13%	90.00%		126%	802	802	—	—	—
8-3 to 10-2	100.00%	90.00%	90.00%	1,193%	0	0	—	—	—

Notes: 1. Weighted averages of PD, LGD, EL default 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).

b. Retail Exposure

Details on PD, LGD, RW and EAD Assets

Fiscal 2016 (Ended March 31, 2017)

(Billions of Yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)	Amount of undrawn commitments	Weighted average of credit conversion factor
Retail exposure secured by residential properties	0.89%	49.00%	73.26%	39%	1,327	233	1,094	—	—
Not default Not delinquent	0.36%	49.00%		32%	1,313	222	1,090	—	—
Not default Delinquent	24.92%	47.91%		425%	9	6	2	—	—
Not default Subtotal	0.53%	49.00%		35%	1,322	229	1,093	—	—
Default	100.00%		73.26%	1,049%	4	4	0	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—		—	—	—	—	—	—
Not default Delinquent	—	—		—	—	—	—	—	—
Not default Subtotal	—	—		—	—	—	—	—	—
Default	—		—	—	—	—	—	—	—
Other retail exposure	5.76%	60.01%	97.15%	128%	44	41	3	—	—
Not default Not delinquent	0.81%	60.02%		61%	42	38	3	—	—
Not default Delinquent	23.36%	57.47%		304%	0	0	0	—	—
Not default Subtotal	0.91%	60.01%		63%	42	39	3	—	—
Default	100.00%		97.15%	1,408%	2	2	0	—	—
Total	1.05%	49.34%	80.73%	42%	1,372	274	1,097	—	—
Not default Not delinquent	0.37%	49.35%		33%	1,355	261	1,094	—	—
Not default Delinquent	24.90%	48.09%		423%	9	6	2	—	—
Not default Subtotal	0.54%	49.34%		36%	1,365	268	1,096	—	—
Default	100.00%		80.73%	1,161%	6	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, 2017, 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, 2017	Increase/(decrease)
Corporate exposure	4	2
Sovereign exposure	—	—
Bank exposure	—	—
Equity exposure subject to PD/LGD approach	—	(0)
Retail exposure secured by residential properties	0	(0)
Qualifying revolving retail exposure	—	—
Other retail exposure	0	0
Total	4	2

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 due to the recording of reserves for possible loan losses caused by worsened credit conditions of some entities for which the Bank provided loans, the total value of actual losses for fiscal 2016 were up ¥2.3 billion year-on-year.

Comparison of Estimated Losses and Actual Losses

(Billions of Yen)

Type of exposure	As of March 31, 2017		As of March 31, 2016		As of March 31, 2015	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	14	4	15	1	17	3
Sovereign exposure	0	—	0	—	0	—
Bank exposure	1	—	0	—	0	—
Equity exposure subject to PD/LGD approach	0	—	0	0	0	1
Retail exposure secured by residential properties	2	0	2	0	2	0
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

Type of exposure	As of March 31, 2014		As of March 31, 2013		As of March 31, 2012	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	20	0	24	1	42	9
Sovereign exposure	0	—	0	—	0	—
Bank exposure	1	—	0	—	0	—
Equity exposure subject to PD/LGD approach	0	—	0	—	2	0
Retail exposure secured by residential properties	2	0	1	0	1	1
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	1	0	0	0

Type of exposure	As of March 31, 2011		As of March 31, 2010		As of March 31, 2009	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	73	7	55	43	46	25
Sovereign exposure	0	—	0	—	1	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	3	0	1	0	0	0
Retail exposure secured by residential properties	1	0	1	0	1	0
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

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

Notes: 1. The scope of estimated and actual 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, 2017
Specialized Lending exposure subject to supervisory slotting criteria	587
Specialized Lending, excluding High-Volatility Commercial Real Estate (HVCRE)	587
Risk weight of 50%	57
Risk weight of 70%	366
Risk weight of 90%	91
Risk weight of 115%	16
Risk weight of 250%	17
Risk weight of 0% (default)	38
High-Volatility Commercial Real Estate (HVCRE)	—
Risk weight of 70%	—
Risk weight of 95%	—
Risk weight of 120%	—
Risk weight of 140%	—
Risk weight of 250%	—
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, 2017
Equity exposure subject to the simple risk-weighted method of the market-based approach by RW	100
Risk weight of 300%	—
Risk weight of 400%	100

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, 2017	
	Exposure	
		Refer to ECAI
Exposure subject to Standardized Approach	51	—
Risk weight of 0%	37	—
Risk weight of 10%	—	—
Risk weight of 20%	2	—
Risk weight of 35%	—	—
Risk weight of 50%	—	—
Risk weight of 75%	—	—
Risk weight of 100%	10	—
Risk weight of 150%	—	—
Risk weight of 1,250%	—	—
Others	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)

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, 2017
Foundation Internal Ratings-Based Approach	9,692
Eligible financial collateral	8,940
Corporate exposure	—
Sovereign exposure	0
Bank exposure	8,940
Other eligible IRB collateral	—
Corporate exposure	—
Sovereign exposure	—
Bank exposure	—
Guarantees, Credit Derivatives	751
Corporate exposure	405
Sovereign exposure	256
Bank exposure	89
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)

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, 2017
Total gross replacement costs (limited to items with a value of greater than zero)	(A)	420
Total gross add-ons	(B)	576
Gross credit exposure	(C) = (A)+(B)	997
Foreign exchange related		719
Interest rate related		277
Equity related		0
Credit derivatives		—
Transactions with a long settlement period		—
Reduction in credit exposure due to netting contracts (including collateral pledged for CSA)	(D)	250
Amount of credit exposure before taking into account credit risk mitigation techniques due to collateral	(E) = (C)–(D)	746
Amount of collateral	(F)	292
Eligible financial collateral		292
Amount of credit exposure after taking into account credit risk mitigation techniques due to collateral	(G) = (E)–(F)	453

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, 2017
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)

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, 2017
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 2016 (Ended March 31, 2017)

(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	6,513 (0)	0 (—)	51	0	51	0
Individuals						
Asset-Backed Securities (ABS)	1,071 (—)	— (—)	—	—	—	—
Residential Mortgage-Backed Securities (RMBS)	2,336 (—)	— (—)	—	—	—	—
Real estate						
Commercial Mortgage-Backed Securities (CMBS)	66 (—)	— (—)	—	—	—	—
Corporates						
Subtotal of CDOs (CLO, ABS-CDO, CBO)	3,038 (—)	0 (—)	51	0	51	0
Collateralized Loan Obligations (CLO)	3,038 (—)	— (—)	51	—	51	—
Asset-Backed Securities CDOs (ABS-CDO)	0 (—)	0 (—)	0	0	—	0
Collateralized Bond Obligations (CBO)	— (—)	— (—)	—	—	—	—
Others	0 (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.

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

Fiscal 2016 (Ended March 31, 2017)

(Billions of Yen)

Classification	Amount of exposure			Regulatory required capital		
		On-balance	Off-balance		On-balance	Off-balance
Amount of securitization exposure	6,461	6,461	0	40	40	0
Risk weight: 20% or less	6,442	6,442	—	39	39	—
Risk weight: exceeding 20% to 50% or less	6	6	—	0	0	—
Risk weight: exceeding 50% to 100% or less	12	12	—	1	1	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	0	—	0	0	—	0
Risk weight: 1,250%	—	—	—	—	—	—
Amount of re-securitization exposure	51	51	—	1	1	—
Risk weight: 20% or less	—	—	—	—	—	—
Risk weight: exceeding 20% to 50% or less	51	51	—	1	1	—
Risk weight: exceeding 50% to 100% or less	—	—	—	—	—	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	—	—	—	—	—	—
Risk weight: 1,250%	0	0	—	0	0	—

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

(Billions of Yen)

Classification	As of March 31, 2017	
	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%	—	—

2. Securitization Exposure Subject to Market Risk

Not applicable

Market Risk (Consolidated)

■ VaR

(Millions of Yen)

	Fiscal 2016
Base date of computation	2017. 3. 31
VaR (For the most recent 60 business days)	
Base date of computation	108
Maximum	128
Minimum	40
Average	65

■ Stress VaR

(Millions of Yen)

	Fiscal 2016
Base date of computation	2017. 3. 31
Stress VaR (For the most recent 60 business days)	
Base date of computation	259
Maximum	311
Minimum	83
Average	191

■ Amount of Market Risk

(Millions of Yen)

		Fiscal 2016
For the portion computed with the internal models approach (B)+(G)+(J)	(A)	769
Value at Risk (MAX (C, D))	(B)	195
Amount on base date of computation	(C)	108
Amount determined by multiplying (E) by the average for the most recent 60 business days	(D)	195
(Multiplier)	(E)	3.0
(Times exceeding VaR in back testing)	(F)	2
Stress Value at Risk (MAX (H, I))	(G)	573
Amount on base date of computation	(H)	259
Amount determined by multiplying (E) by the average for the most recent 60 business days	(I)	573
Additional amount at the time of measuring individual risk	(J)	0

Notes: 1. As a result of back testing conducted in fiscal 2016, 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)

Amount on the Balance Sheet and Market Value

(Billions of Yen)

Classification	As of March 31, 2017	
	Amount on the balance sheet	Market value
Equity exposure	1,250	/
Exposure to publicly traded equity	1,062	1,062
Exposure to privately held equity	187	/

Note: 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 2016		
	Gains from sale of equities, etc.	Losses from sales of equities, etc.	Write-offs of equities, etc.
Equity exposure	34	0	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, 2017
Amount of valuation gains (losses) recognized on the balance sheet and not recognized in the statements of operations	436

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 Exposures for Each Portfolio Classification

(Billions of Yen)

Classification	As of March 31, 2017
	EAD
Equity portfolios	1,250
Equity portfolios subject to PD/LGD approaches	802
Equity portfolios subject to simple risk-weighted method	100
Equities under the internal models approach	346

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.)

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

(Billions of Yen)

Classification	As of March 31, 2017
Interest rate risk	2,299
Yen interest rate risk	132
U.S. dollar interest rate risk	1,714
Euro interest rate risk	437
Interest rate risk in other currencies	14

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, 2017
1 Total exposures (A)+(B)+(C)+(D): (A) On-balance assets (other than assets specifically identified below (B), (C) and contra-account of guarantees) (B) Sum of counterparty exposure of derivatives contracts, capped notional amount of credit derivatives and potential future exposure of derivatives contracts (C) Adjusted gross value of securities financing transactions (SFTs) and counterparty exposure of SFTs (D) Gross notional amount of off-balance sheet items (other than derivatives contracts and SFTs)	1,084,445
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	104,631
3 Intra-financial system liabilities (A)+(B)+(C): (A) Deposits and debt 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	41,658
4 Securities outstanding (Note 1)	61,020
5 Assets under custody	42,906
6 Notional amount of OTC derivatives	305,733
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)	136,410
8 Level 3 assets (Note 3)	11,703
9 Cross-jurisdictional claims	536,492
10 Cross-jurisdictional liabilities	228,377

Description	Fiscal 2016
11 Payments (settled through the BOJ-NET, the Japanese Banks' Payment Clearing Network and other similar settlement systems, excluding intragroup payments)	8,236,236
12 Underwritten transactions in debt and equity markets (Note 4)	170

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) (*)	Items		As of March 31, 2018	As of March 31, 2017
On-balance sheet exposures (1)						
1			On-balance sheet exposures before deducting adjustment items		**102,618,948**	105,152,671
	1a	1	Total assets reported in the consolidated balance sheet		**104,927,769**	107,062,747
	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) (–)		**2,308,820**	1,910,076
2		7	The amount of adjustment items pertaining to Tier 1 capital (–)		**147,928**	112,915
3			Total on-balance sheet exposures	(a)	**102,471,020**	105,039,756
Exposures related to derivative transactions (2)						
4			Replacement cost associated with derivatives transactions, etc.		**487,036**	314,857
5			Add-on amount associated with derivatives transactions, etc.		**442,777**	428,062
			The amount of receivables arising from providing cash marginin relation to derivatives transactions, etc.		**141,765**	154,189
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)	**1,071,579**	897,109
Exposures related to repo transactions (3)						
12			The amount of assets related to repo transactions, etc.		**89,463**	118,494
13			The amount of deductions from the assets above (line 12) (–)		**—**	—
14			The exposures for counterparty credit risk for repo transactions, etc.		**599,252**	486,837
15			The exposures for agent repo transaction			
16		5	The Total exposures related to repo transactions, etc.	(c)	**688,716**	605,332
Exposures related to off-balance sheet transactions (4)						
17			Notional amount of off-balance sheet transactions		**3,848,872**	3,333,877
18			The amount of adjustments for conversion in relation to off-balance sheet transactions (–)		**1,527,861**	1,390,219
19		6	Total exposures related to off-balance sheet transactions	(d)	**2,321,011**	1,943,657
Leverage ratio on a consolidated basis (5)						
20			The amount of capital (Tier 1 capital)	(e)	**6,432,621**	6,489,114
21		8	Total exposures ((a)+(b)+(c)+(d))	(f)	**106,552,327**	108,485,856
22			Leverage ratio on a consolidated basis ((e)/(f))		**6.03%**	5.98%

Quantitative Disclosure Items Concerning a Liquidity Coverage Ratio on a Consolidated Basis

(Unit: Millions of Yen, %, the Number of Items)

Items		The current quarter (January 1 to March 31, 2018)		The previous quarter (October 1 to December 31, 2017)	
High-quality liquid assets (1)					
1	Total high-quality liquid assets		**35,326,846**		36,412,857
Cash outflows (2)		**Amount before multiplying a cash outflow ratio**	**Amount after multiplying a cash outflow ratio**	Amount before multiplying a cash outflow ratio	Amount after multiplying a cash outflow ratio
2	Cash outflows relating to unsecured retail funding	**64,950**	**6,482**	59,263	5,941
3	of which: stable deposits	**362**	**11**	359	11
4	of which: quasi-stable deposits	**64,587**	**6,471**	58,904	5,930
5	Cash outflows relating to unsecured wholesale funding	**10,950,578**	**8,046,631**	11,053,588	8,149,139
6	of which: qualifying operational deposits	**0**	**0**	0	0
7	of which: capital relating to unsecured wholesale funding, excluding qualifying operational deposits and debt securities	**9,707,695**	**6,803,749**	9,928,897	7,024,447
8	of which: debt securities	**1,242,883**	**1,242,883**	1,124,692	1,124,692
9	Cash outflows relating to secured funding, etc.		**231,830**		259,727
10	Cash outflows relating to funding programs and credit/ liquidity facilities such as derivative transactions, etc.	**2,597,219**	**1,554,316**	2,733,287	1,693,107
11	of which: cash outflows relating to derivative transactions	**1,310,321**	**1,310,321**	1,445,176	1,445,176
12	of which: cash outflows relating to funding programs	**0**	**0**	0	0
13	of which: cash outflows relating to credit/liquidity facilities	**1,286,898**	**243,995**	1,288,111	247,931
14	Cash outflows based on an obligation to provide capital	**4,753,481**	**483,955**	4,511,656	235,344
15	Cash outflows relating to contingencies	**4,487,830**	**187,672**	4,293,695	165,037
16	Total cash outflows		**10,510,886**		10,508,295
Cash inflows (3)		**Amount before multiplying a cash outflow ratio**	**Amount after multiplying a cash outflow ratio**	Amount before multiplying a cash outflow ratio	Amount after multiplying a cash outflow ratio
17	Cash inflows relating to secured fund management, etc.	**1,217,183**	**0**	1,139,727	0
18	Cash inflows relating to collections of advances, etc.	**4,481,538**	**3,925,059**	4,442,392	3,924,015
19	Other cash inflows	**5,825,485**	**774,977**	5,890,927	483,352
20	Total cash inflows	**11,524,205**	**4,700,036**	11,473,046	4,407,366
Liquidity coverage ratio on a consolidated basis (4)					
21	Sum of high-quality liquid assets that can be included		**35,326,846**		36,412,857
22	Net cash outflows		**5,810,850**		6,100,928
23	Liquidity coverage ratio on a consolidated basis		**607.9%**		596.8%
24	The number of data for calculating the average value		**59**		62

Qualitative Disclosure Items Concerning a Liquidity Coverage Ratio on a Consolidated Basis

Items concerning a change in the consolidated liquidity coverage ratio on a time-series basis

The consolidated liquidity coverage ratio for the current quarter maintained a high and stable level.

Items concerning evaluation of the level of the consolidated liquidity coverage ratio

The consolidated liquidity coverage ratio for the current quarter has tended to be well above the minimum level.

Items concerning the details of the sum of high-quality liquid assets that can be included

In light of the Bank's liquidity coverage ratio, there is no material item.

Other items concerning the consolidated liquidity coverage ratio

In light of the Bank's liquidity coverage ratio, there is no material item.

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, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	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	**5,308,106**		5,248,636		
1a	of which: capital and capital surplus	**3,455,509**		3,455,509		E1.1+E1.2
2	of which: retained earnings	**1,923,097**		1,862,634		E2
26	of which: cash dividends to be paid	**70,500**		69,507		
	of which: other than the above	**—**		—		E3
3	Valuation and translation adjustments and other disclosed reserves	**1,225,668**		1,256,883	314,220	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)	**6,533,774**		6,505,519		
Common Equity Tier 1 capital: regulatory adjustments						
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	**28,931**		16,429	4,107	
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)	**28,931**		16,429	4,107	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	**88,989**		15,423	3,855	E7
12	Shortfall of eligible provisions to expected losses	**14,701**		11,506	2,876	
13	Securitization 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)	**15,043**		7,458	1,864	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, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	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)	**147,666**		50,818		
Common Equity Tier 1 capital (CET1)						
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	**6,386,108**		6,454,700		
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	**49,999**		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
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	**—**		499		
	Total of items included in Additional Tier 1 capital: instruments under phase-out arrangements			2		
	of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related valuation and translation adjustments			2		
36	Additional Tier 1 capital: instruments (D)	**49,999**		49,502		
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)	**39,041**		31,233	7,808	A14
	Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements			1,438		
	of which: 50% of balance due to pay of eligible provisions			1,438		

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	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)	**39,041**		32,671		
Additional Tier 1 capital (AT1)						
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	**10,958**		16,830		
Tier 1 capital (T1=CET1+AT1)						
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	**6,397,066**		6,471,531		
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	**1,415,480**		1,415,480		D2
	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	**97,816**		97,816		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	**30**		7		
50a	of which: general reserve for possible loan losses	**30**		7		A15
50b	of which: eligible provisions	**—**		—		A16
	Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements			192,720		
	of which: amounts of counted in to base instruments of Tier 2 under phase-out arrangements that related valuation and translation adjustments			192,720		
51	Tier 2 capital: instruments and provisions (H)	**1,513,326**		1,706,023		
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			1,438		
	of which: 50% of balance due to pay of eligible provisions			1,438		
57	Tier 2 capital: regulatory adjustments (I)	**—**		1,438		

(Millions of Yen, %)

Basel III Template No.	Items	As of March 31, 2018	Amounts excluded under transitional arrangements	As of March 31, 2017	Amounts excluded under transitional arrangements	Ref. No.
Tier 2 capital (T2)						
58	Tier 2 capital (T2) ((H)-(I)) (J)	**1,513,326**		1,704,585		
Total capital (TC=T1+T2)						
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	**7,910,393**		8,176,116		
Risk weighted assets						
	Total of items included in risk weighted assets under phase-out arrangements			17,926		
	of which: intangibles assets other than mortgage servicing rights			4,107		
	of which: prepaid pension costs			1,864		
	of which: significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)			11,954		
60	Risk weighted assets (L)	**33,259,570**		33,231,785		
Capital ratio (non-consolidated)						
61	Common Equity Tier 1 capital ratio (non-consolidated) ((C)/(L))	**19.20%**		19.42%		
62	Tier 1 capital ratio (non-consolidated) ((G)/(L))	**19.23%**		19.47%		
63	Total capital ratio (non-consolidated) ((K)/(L))	**23.78%**		24.60%		
Regulatory adjustments						
72	Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**314,254**		347,726		A21.1+A21.2
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**18,489**		67,401		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)	**30**		7		
77	Cap on inclusion of provisions (general reserve for possible loan losses)	**374**		89		
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	**186,541**		182,328		
Capital instruments under phase-out arrangements						
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	**—**		499		
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”)	**—**		499		
84	Current cap on Tier 2 instruments under phase-out arrangements	**614,402**		768,003		
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	**—**		—		

OV1: Overview of RWA (Non-Consolidated)

(Millions of Yen)

Basel III Template No.		a	b	c	d
		RWA		Minimum capital requirements	
		March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
1	Credit risk (excluding counterparty credit risk)	**4,629,601**	4,575,347	**391,761**	387,220
2	Of which: standardized approach (SA)	**29,963**	7,147	**2,397**	571
3	Of which: internal rating-based (IRB) approach	**4,456,982**	4,415,063	**377,952**	374,397
	Of which: significant investments	**—**	—	**—**	—
	Of which: estimated residual value of lease transactions	**—**	—	**—**	—
	Others	**142,656**	153,136	**11,412**	12,250
4	Counterparty credit risk (CCR)	**480,954**	429,984	**39,555**	35,190
5	Of which: standardized approach for counterparty credit risk (SA-CCR)	**—**	—	**—**	—
	Of which: current exposure method (CEM)	**42,302**	37,480	**3,587**	3,178
6	Of which: expected positive exposure (EPE) method	**—**	—	**—**	—
	Of which: credit valuation adjustment (CVA)	**64,705**	57,765	**5,176**	4,621
	Of which: Central counterparty related exposure (CCP)	**191,435**	207,338	**15,314**	16,587
	Others	**182,511**	127,400	**15,476**	10,803
7	Equity positions in banking book under market-based approach	**1,589,624**	1,406,741	**134,800**	119,291
	Equity investments in funds (SA)	**—**	—	**—**	—
	Equity investments in funds (IRB)	**22,364,471**	21,860,102	**1,896,483**	1,853,713
11	Settlement risk	**0**	—	**0**	—
12	Securitization exposures in banking book	**518,665**	496,098	**43,982**	42,069
13	Of which: IRB ratings-based approach (RBA) or IRB internal assessment approach (IAA)	**518,665**	494,333	**43,982**	41,919
14	Of which: IRB Supervisory Formula Approach (SFA)	**—**	1,764	**—**	149
15	Of which: Standardized approach (SA)	**—**	—	**—**	—
	Of which: 1,250% risk weight is applied	**0**	0	**0**	0
16	Market risk	**1,197,002**	1,702,320	**95,760**	136,185
17	Of which: standardized approach (SA)	**1,171,398**	1,692,705	**93,711**	135,416
18	Of which: internal model approaches (IMA)	**25,604**	9,614	**2,048**	769
19	Operational risk	**681,275**	864,361	**54,502**	69,148
20	Of which: Basic Indicator Approach	**—**	—	**—**	—
21	Of which: Standardized Approach	**681,275**	864,361	**54,502**	69,148
22	Of which: Advanced Measurement Approach	**—**	—	**—**	—
23	Amounts below the thresholds for deduction	**46,223**	168,503	**3,919**	14,289
	Risk weighted assets subject to transitional arrangements		17,926		1,434
24	Floor adjustment	**—**	—	**—**	—
25	Total	**31,507,820**	31,521,385	**2,660,765**	2,658,542

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

As of March 31, 2018

(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	**11,742,630**		
Loans on deeds	**10,168,870**		
Loans on bills	**401,018**		
Overdrafts	**1,169,670**		
Bills discounted	**3,070**		
Including non-significant investments in the capital instruments of other financial institutions		**103,000**	
Tier 2 capital instruments		**—**	
Non-significant investments in the capital instruments of other financial institutions not subject to deduction		**103,000**	A21.1
Foreign Exchanges Assets	**324,698**		
Due from foreign banks	**324,698**		
Securities	**52,332,765**	**52,332,759**	
Japanese government bonds	**11,612,797**	**11,612,797**	
Municipal government bonds	**83**	**83**	
Short-term corporate bonds	**—**	**—**	
Corporate bonds	**679,893**	**679,893**	
Stocks	**891,488**	**891,488**	
Other securities	**39,148,501**	**39,148,495**	
Money Held in Trust	**7,438,320**	**7,438,320**	
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		**211,254**	—
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)		**211,254**	A21.2
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)		**57,530**	—
Amount exceeding the 10% threshold on specified items			A7
Amount exceeding the 15% threshold on specified items		**—**	A9
Additional Tier 1 capital		**39,041**	A14
Tier 2 capital		**—**	A20
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		**18,489**	A22

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Trading Assets	8,582		
Trading securities	3,064		
Derivatives of trading securities	—		
Derivatives of securities related to trading transactions	24		
Trading-related financial derivatives	5,493		
Monetary Claims Bought	354,872		
Call Loans	630,000		
Receivables under Resale Agreements	—		
Cash and Due from Banks	28,729,996		
Cash	55,871		
Due from banks	28,674,125		
Other Assets	1,580,600		
Domestic exchange settlement account, debit	35		
Prepaid expenses	411		
Accrued income	172,228		
Initial margins of futures markets	4,063		
Valuation margins of futures markets	—		
Derivatives other than for trading	597,343		
Cash collateral paid for financial instruments	137,702		
Others	668,814		
Tangible Fixed Assets	120,920		
Buildings	46,873		
Land	47,280		
Lease assets	23,099		
Construction in progress	5		
Other	3,661		
Intangible Fixed Assets	40,043	40,043	
Software	22,145	22,145	
Lease assets	6,274	6,274	
Other	11,623	11,623	
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		40,043	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		11,112	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
Defined-benefit pension fund net assets (prepaid pension costs)	20,821	20,821	A3
Customers' Liabilities for Acceptances and Guarantees	141,073		
Reserve for Possible Loan Losses	(46,681)	(46,681)	
of which: general reserve for possible loan losses includes Tier 2		(30)	A15
of which: eligible provisions includes Tier 2		—	A16
Reserve for Possible Investment Losses	(1,032)		
Total Assets	103,417,613		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Liabilities)			
Deposits	**65,823,858**		
Time deposits	**56,839,908**		
Deposits at notice	**32,094**		
Ordinary deposits	**3,442,679**		
Current deposits	**97,820**		
Other deposits	**5,411,355**		
Negotiable Certificates of Deposit	**2,920,656**		
Debentures	**1,774,498**		
Debentures issued	**1,774,498**		
Trading Liabilities	**5,034**		
Derivatives of securities related to trading transactions	**18**		
Trading-related financial derivatives	**5,015**		
Borrowed Money	**4,585,004**	**4,585,004**	
Borrowings	**4,585,004**	**4,585,004**	
of which: qualifying Additional Tier 1 instruments		**—**	D1
of which: qualifying Tier 2 instruments		**1,415,480**	D2
Call Money	**—**		
Payables under Repurchase Agreements	**15,080,638**		
Payables under Securities Lending Transactions	**—**		
Foreign Exchanges Liabilities	**38**		
Foreign bills payable	**38**		
Trust Money	**1,405,187**		
Other Liabilities	**4,528,441**		
Domestic exchange settlement account, credit	**613**		
Accrued expenses	**66,461**		
Income taxes payable	**613**		
Unearned income	**1,103**		
Employees' deposits	**8,672**		
Variation margins of futures markets	**64**		
Derivatives other than for trading	**214,744**		
Cash collateral received for financial instruments	**419,712**		
Lease liabilities	**27,100**		
Account payables for securities purchased	**3,773,492**		
Others	**15,863**		
Reserve for Bonus Payments	**6,022**		
Reserve for Employees' Retirement Benefits	**24,614**		
Reserve for Directors' Retirement Benefits	**1,121**		
Reserve for Agriculture, Fishery and Forestry Industry Subsidies	**—**		
Deferred Tax Liabilities	**458,731**	**458,731**	
of which: prepaid pension cost		**5,777**	D3
Deferred Tax Liabilities for Land Revaluation	**8,607**		
Acceptances and Guarantees	**141,073**		
Total Liabilities	**96,763,528**		

(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	**3,480,488**	**3,480,488**	
Common equity	**3,455,488**	**3,455,488**	E1.1
of which: lower dividend rate stock	**3,029,771**	**3,029,771**	
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		**24,999**	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		**24,999**	E5.2
Other capital surplus	**20**	**20**	E1.2
Reserve for revaluation	**20**	**20**	
Retained Earnings	**1,922,906**	**1,923,097**	E2
Legal reserves	**709,566**	**709,566**	
Voluntary reserves	**1,213,340**	**1,213,531**	
Special reserves	**277,500**	**277,500**	
General reserves	**559,403**	**559,403**	
Reserves for tax basis adjustments of fixed assets	**7,343**	**7,343**	
Others	**7**	**7**	
Unappropriated retained earnings	**369,086**	**369,277**	
Net income	**129,960**	**129,970**	
Total Owners' Equity	**5,428,416**	**5,428,612**	
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	**1,151,642**	**1,151,642**	
Net Deferred Losses on Hedging Instruments	**59,713**	**59,713**	
of which: net deferred losses on hedge		**88,989**	E7
Revaluation Reserve for Land, net of taxes	**14,312**	**14,312**	
Foreign Currency Translation Adjustment		**(0)**	
Total Valuation and Translation Adjustment	**1,225,668**	**1,225,668**	E4
Total Net Assets	**6,654,084**		
Total Liabilities and Net Assets	**103,417,613**		

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

IRRBB1 – Quantitative information on IRRBB

(Millions of Yen)

No.		a	b	c	d
		⊿EVE		⊿NII	
		Fiscal 2017	Fiscal 2016	**Fiscal 2017**	Fiscal 2016
1	Parallel up	**2,414,759**		**215,487**	
2	Parallel down	**(910,955)**		**(134,632)**	
3	Steepener	**744,233**			
4	Flattener	**(75,925)**			
5	Short rate up	**635,873**			
6	Short rate down	**(246,169)**			
7	Maximum	**2,414,759**		**215,487**	
		e		**f**	
		Fiscal 2017		Fiscal 2016	
8	Tier 1 capital	**6,397,066**		6,471,531	

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

As of March 31, 2017

(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	11,948,542		
Loans on deeds	10,476,391		
Loans on bills	370,443		
Overdrafts	1,099,295		
Bills discounted	2,411		
Including non-significant investments in the capital instruments of other financial institutions		103,000	
Tier 2 capital instruments		—	
Non-significant investments in the capital instruments of other financial institutions not subject to deduction		103,000	A21.1
Foreign Exchanges Assets	224,101		
Due from foreign banks	224,101		
Securities	62,108,251	62,108,246	
Japanese government bonds	13,166,759	13,166,759	
Municipal government bonds	148	148	
Short-term corporate bonds	150,000	150,000	
Corporate bonds	272,622	272,622	
Stocks	881,571	881,571	
Other securities	47,637,150	47,637,144	
Money Held in Trust	6,982,774	6,982,774	
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		244,726	—
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)		244,726	A21.2
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)		106,442	—
Amount exceeding the 10% threshold on specified items		—	A7
Amount exceeding the 15% threshold on specified items		—	A9
Additional Tier 1 capital		39,041	A14
Tier 2 capital		—	A20
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		67,401	A22

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Trading Assets	10,715		
Trading securities	3,913		
Derivatives of trading securities	4		
Derivatives of securities related to trading transactions	8		
Trading-related financial derivatives	6,787		
Monetary Claims Bought	257,888		
Call Loans	146,220		
Payables under Repurchase Agreements	—		
Receivables under Resale Agreements	1,173		
Cash and Due from Banks	22,912,982		
Cash	95,371		
Due from banks	22,817,610		
Other Assets	997,741	997,741	
Domestic exchange settlement account, debit	194	194	
Prepaid expenses	418	418	
Accrued income	196,382	196,382	
Initial margins of futures markets	3,944	3,944	
Valuation margins of futures markets	617	617	
Derivatives other than for trading	414,707	414,707	
Cash collateral paid for financial instruments	149,628	149,628	
Others	231,847	231,847	
Defined-benefit pension fund net assets (prepaid pension costs)	12,903	12,903	A3
Tangible Fixed Assets	115,392		
Buildings	44,345		
Land	47,280		
Lease assets	21,119		
Construction in progress	44		
Other	2,601		
Intangible Fixed Assets	28,425	28,425	
Software	9,844	9,844	
Lease assets	5,880	5,880	
Other	12,700	12,700	
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		28,425	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		7,888	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	120,867		
Reserve for Possible Loan Losses	(54,203)	(54,203)	
of which: general reserve for possible loan losses includes Tier 2		(7)	A15
of which: eligible provisions includes Tier 2		—	A16
Reserve for Possible Investment Losses	(1,344)		
Total Assets	105,812,432		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Liabilities)			
Deposits	61,904,218		
Time deposits	54,444,528		
Deposits at notice	36,227		
Ordinary deposits	2,988,208		
Current deposits	90,932		
Other deposits	4,344,321		
Negotiable Certificates of Deposit	3,689,270		
Debentures	2,423,827		
Debentures issued	2,423,827		
Bonds Payable		—	
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	6,150		
Derivatives of trading securities	—		
Derivatives of securities related to trading transactions	9		
Trading-related financial derivatives	6,141		
Borrowed Money	4,315,111	4,315,111	
Borrowings	4,315,111	4,315,111	
of which: qualifying Additional Tier 1 instruments		—	D1.2
of which: qualifying Tier 2 instruments		1,415,480	D2.2
Call Money	3,365		
Payables under Repurchase Agreements	19,645,010		
Payables under Securities Lending Transactions	1,013		
Foreign Exchanges Liabilities	2		
Foreign bills payable	2		
Trust Money	1,257,432		
Other Liabilities	4,894,665		
Domestic exchange settlement account, credit	936		
Accrued expenses	62,989		
Income taxes payable	11,348		
Unearned income	671		
Employees' deposits	9,070		
Variation margins of futures markets	—		
Derivatives other than for trading	228,773		
Cash collateral received for financial instruments	433,362		
Lease liabilities	24,045		
Others	4,123,467		
Reserve for Bonus Payments	6,302		
Reserve for Employees' Retirement Benefits	22,301		
Reserve for Directors' Retirement Benefits	938		
Reserve for Agriculture, Fishery and Forestry Industry Subsidies	523		
Deferred Tax Liabilities	573,768	573,768	
of which: prepaid pension cost		3,580	D3
Deferred Tax Liabilities for Land Revaluation	8,607	8,607	
Acceptances and Guarantees	120,867		
Total Liabilities	98,873,376		

(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	3,480,488	3,480,488	
Common equity	3,455,488	3,455,488	E1.1
of which: lower dividend rate stock	3,029,771	3,029,771	
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	1,862,453	1,862,634	E2
Legal reserves	668,466	668,466	
Voluntary reserves	1,193,987	1,194,168	
Special reserves	236,400	236,400	
General reserves	559,403	559,403	
Reserves for tax basis adjustments of fixed assets	7,596	7,596	
Others	7	7	
Unappropriated retained earnings	390,580	390,761	
Net income	203,414	203,342	
Total Owners' Equity	5,367,962	5,368,149	
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	1,583,476	1,583,476	
Net Deferred Losses on Hedging Instruments	(26,695)	(26,695)	
of which: net deferred losses on hedge		19,278	E7
Revaluation Reserve for Land, net of taxes	14,312	14,312	
Foreign Currency Translation Adjustment		10	
Total Valuation and Translation Adjustment	1,571,093	1,571,103	E4
Total Net Assets	6,939,055		
Total Liabilities and Net Assets	105,812,432		

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, 2017	
	EAD	Regulatory Required Capital
Amount of regulatory required capital for credit risk	140,505	2,521
Exposure subject to Internal Ratings-Based Approach	124,561	2,498
Corporate exposure (excluding Specialized Lending)	7,514	188
Corporate exposure (Specialized Lending)	513	39
Sovereign exposure	66,106	0
Bank exposure	16,925	108
Retail exposure	3	1
Retail exposure secured by residential properties	0	0
Qualifying revolving retail exposure	—	—
Other retail exposure	3	1
Securitization and re-securitization exposure	6,513	42
Equity portfolios	1,316	209
Equity portfolios subject to PD/LGD approaches	869	90
Equity portfolios subject to simple risk-weighted method	100	34
Equities under the internal models approach	346	85
Exposure subject to risk-weighted asset calculation for investment fund	25,110	1,891
Other debt purchased	308	4
Other exposures	248	12
Exposure subject to Standardized Approach	7	0
Overdrafts	—	—
Prepaid expenses	0	0
Suspense payments	6	0
Other	—	—
Amount corresponding to CVA risk	547	4
CCP-related exposures	15,375	16
Items that included by transitional arrangements	13	1
Amount of regulatory required capital for market risk	/	136
Standardized Approach	/	135
Interest rate risk category	/	—
Equity risk category	/	—
Foreign exchange risk category	/	135
Commodity risk category	/	—
Option transactions	/	—
Internal models Approach	/	0
Amount of regulatory required capital for operational risk	/	69
Offsets on consolidation	/	2,727

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

2. Within the Exposure Subject to the Internal Ratings-Based Approach (excluding retail), the EAD subject to the Advanced Internal Ratings-Based Approach and the amount of regulatory required capital are ¥7,973.4 billion and ¥190.3 billion, respectively.

3. "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.

4. Risk-weighted asset calculation for investment fund includes ¥172.6 billion EAD and ¥0.3 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)

Item	As of March 31, 2017
Non-consolidated total required capital	2,658

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 2016 (Ended March 31, 2017)

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

(Billions of Yen)

Regions	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	11,830	15,146	30	23,930	50,938	59
Asia except Japan	291	146	12	388	838	—
Europe	284	10,268	218	10,009	20,781	—
The Americas	841	18,012	38	15,239	34,131	—
Other areas	258	407	14	258	938	—
Total	13,506	43,981	314	49,826	107,628	59

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

(Billions of Yen)

Industries	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	2,708	466	1	0	3,176	23	—
Agriculture	47	0	0	0	48	5	0
Forestry	6	—	—	—	6	0	—
Fishing	19	0	—	0	19	11	—
Mining	13	—	—	0	13	—	—
Construction	85	11	—	0	96	0	—
Utility	356	5	—	0	361	—	—
Information/telecommunications	118	8	—	0	127	—	—
Transportation	622	124	2	0	750	7	—
Wholesaling, retailing	1,500	121	0	0	1,622	7	—
Finance and insurance	2,696	7,824	310	49,566	60,396	0	—
Real estate	636	143	—	2	783	0	—
Services	1,482	82	0	1	1,565	3	0
Municipalities	39	0	—	0	39	—	—
Other	3,171	35,192	—	255	38,619	0	—
Total	13,506	43,981	314	49,826	107,628	59	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)

Terms to maturity	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	7,116	5,358	66	49,043	61,583
Over 1 year to 3 years	1,847	14,622	78	0	16,547
Over 3 years to 5 years	2,432	12,043	1	0	14,477
Over 5 years to 7 years	961	3,077	0	0	4,039
Over 7 years	1,146	7,133	168	0	8,448
No term to maturity	2	1,747	—	782	2,532
Total	13,506	43,981	314	49,826	107,628

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position during fiscal 2016.
2. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥7.1 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)

Regions	As of March 31, 2017	Increase/(decrease)
General reserve for possible loan losses	28	13
Specific reserve for possible loan losses	22	(12)
Japan	22	(12)
Asia except Japan	—	—
Europe	—	—
The Americas	—	—
Other areas	—	—
Specified reserve for loans to countries with financial problems	—	—
Total	51	0

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)

Industries	As of March 31, 2017	Increase/(decrease)
General reserve for possible loan losses	28	13
Specific reserve for possible loan losses	22	(12)
Manufacturing	7	2
Agriculture	4	0
Forestry	0	(0)
Fishing	5	(0)
Mining	—	—
Construction	—	(0)
Utility	—	—
Information/telecommunications	—	—
Transportation	1	(1)
Wholesaling, retailing	1	(0)
Finance and insurance	0	(0)
Real estate	—	(9)
Services	1	(3)
Municipalities	—	—
Other	—	—
Others	—	—
Specified reserve for loans to countries with financial problems	—	—
Total	51	0

3. Exposure Subject to the Internal Ratings-Based Approach

a. Corporate, Sovereign and Bank Exposure

Fiscal 2016 (Ended March 31, 2017)

(Billions of Yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average EL default	Weighted-average risk weight	EAD				
						EAD (on-balance sheet)	EAD (off-balance sheet)	Amount of undrawn commitments	Weighted average of credit conversion factor
Corporate Exposure	1.08%	30.00%		31%	7,514	6,314	1,199	698	75.00%
1-1 to 4	0.11%	30.15%		24%	6,972	5,805	1,167	687	75.00%
5 to 7	1.52%	27.98%		74%	387	363	24	10	75.00%
8-1 to 8-2	15.84%	29.02%		208%	103	96	6	0	75.00%
Subtotal	0.40%	30.02%		29%	7,463	6,265	1,198	698	75.00%
8-3 to 10-2	100.00%	26.54%	26.54%	332%	50	49	0	—	—
Sovereign Exposure	0.00%	44.99%		0%	66,106	64,060	2,046	19	75.00%
1-1 to 4	0.00%	44.99%		0%	66,106	64,060	2,046	19	75.00%
5 to 7	1.00%	45.00%		134%	0	0	—	—	—
8-1 to 8-2	9.88%	0.02%		4%	0	0	—	—	—
Subtotal	0.00%	44.99%		0%	66,106	64,060	2,046	19	75.00%
8-3 to 10-2	—	—	—	—	—	—	—	—	—
Bank Exposure	0.05%	19.04%		8%	16,925	5,989	10,935	0	75.00%
1-1 to 4	0.04%	19.01%		8%	16,844	5,912	10,931	0	75.00%
5 to 7	2.02%	25.00%		74%	80	76	3	—	—
8-1 to 8-2	8.94%	45.00%		250%	0	0	0	—	—
Subtotal	0.05%	19.04%		8%	16,925	5,989	10,935	0	75.00%
8-3 to 10-2	—	—	—	—	—	—	—	—	—
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	0.17%	90.00%		130%	869	869	—	—	—
1-1 to 4	0.09%	90.00%		127%	854	854	—	—	—
5 to 7	2.08%	90.00%		293%	13	13	—	—	—
8-1 to 8-2	15.84%	90.00%		723%	0	0	—	—	—
Subtotal	0.13%	90.00%		130%	868	868	—	—	—
8-3 to 10-2	100.00%	90.00%	90.00%	1,193%	0	0	—	—	—

Notes: 1. Weighted averages of PD, LGD, EL default 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).

b. Retail Exposure

Details on PD, LGD, RW and EAD Assets

Fiscal 2016 (Ended March 31, 2017)

(Billions of Yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)	Amount of undrawn commitments	Weighted average of credit conversion factor
Retail exposure secured by residential properties	4.79%	43.92%	59.39%	86%	103	103	—	—	—
Not default Not delinquent	0.64%	43.92%		43%	94	94	—	—	—
Not default Delinquent	27.39%	43.92%		407%	5	5	—	—	—
Not default Subtotal	2.12%	43.92%		63%	100	100	—	—	—
Default	100.00%		59.39%	902%	2	2	—	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—		—	—	—	—	—	—
Not default Delinquent	—	—		—	—	—	—	—	—
Not default Subtotal	—	—		—	—	—	—	—	—
Default	—		—	—	—	—	—	—	—
Other retail exposure	20.55%	89.55%	97.78%	378%	3	1	2	—	—
Not default Not delinquent	2.15%	89.62%		143%	3	0	2	—	—
Not default Delinquent	26.36%	42.79%		246%	0	0	0	—	—
Not default Subtotal	2.19%	89.55%		143%	3	0	2	—	—
Default	100.00%		97.78%	1,395%	0	0	0	—	—
Total	5.34%	45.25%	67.00%	96%	107	104	2	—	—
Not default Not delinquent	0.68%	45.32%		46%	97	95	2	—	—
Not default Delinquent	27.39%	43.92%		407%	5	5	0	—	—
Not default Subtotal	2.13%	45.25%		66%	103	101	2	—	—
Default	100.00%		67.00%	1,000%	3	3	0	—	—

Notes: 1. As of March 31, 2017, 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, 2017, 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, 2017	Increase/(decrease)
Corporate exposure	4	2
Sovereign exposure	—	—
Bank exposure	—	—
Equity exposure subject to PD/LGD approach	—	(0)
Retail exposure secured by residential properties	—	(0)
Qualifying revolving retail exposure	—	—
Other retail exposure	0	0
Total	4	2

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 due to the recording of reserves for possible loan losses caused by worsened credit conditions of some entities for which the Bank provided loans, the total value of actual losses for fiscal 2016 were up ¥2.4 billion year-on-year.

Comparison of Estimated Losses and Actual Losses

(Billions of Yen)

Type of exposure	As of March 31, 2017		As of March 31, 2016		As of March 31, 2015	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	14	4	15	1	17	3
Sovereign exposure	0	—	0	—	0	—
Bank exposure	1	—	0	—	0	—
Equity exposure subject to PD/LGD approach	0	—	0	0	0	1
Retail exposure secured by residential properties	0	—	0	0	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

Type of exposure	As of March 31, 2014		As of March 31, 2013		As of March 31, 2012	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	20	0	24	1	42	9
Sovereign exposure	0	—	0	—	0	—
Bank exposure	1	—	0	—	0	—
Equity exposure subject to PD/LGD approach	0	—	0	—	2	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, 2011		As of March 31, 2010		As of March 31, 2009	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	73	7	55	42	45	23
Sovereign exposure	0	—	0	—	1	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	3	0	1	0	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, 2008	
	Estimated losses	Actual losses
Corporate exposure	28	6
Sovereign exposure	1	—
Bank exposure	0	—
Equity exposure subject to PD/LGD approach	1	0
Retail exposure secured by residential properties	—	—
Qualifying revolving retail exposure	—	—
Other retail exposure	0	0

Notes: 1. The scope of estimated and actual 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, 2017
Specialized Lending exposure subject to supervisory slotting criteria	587
Specialized Lending, excluding High-Volatility Commercial Real Estate (HVCRE)	587
Risk weight of 50%	57
Risk weight of 70%	366
Risk weight of 90%	91
Risk weight of 115%	16
Risk weight of 250%	17
Risk weight of 0% (default)	38
High-Volatility Commercial Real Estate (HVCRE)	—
Risk weight of 70%	—
Risk weight of 95%	—
Risk weight of 120%	—
Risk weight of 140%	—
Risk weight of 250%	—
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, 2017
Equity exposure subject to the simple risk-weighted method of the market-based approach by RW	100
Risk weight of 300%	—
Risk weight of 400%	100

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, 2017	
	Exposure	
		Refer to ECAI
Exposure subject to Standardized Approach	7	—
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%	7	—
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, 2017
Foundation Internal Ratings-Based Approach	9,692
Eligible financial collateral	8,940
Corporate exposure	—
Sovereign exposure	0
Bank exposure	8,940
Other eligible IRB collateral	—
Corporate exposure	—
Sovereign exposure	—
Bank exposure	—
Guarantees, Credit Derivatives	751
Corporate exposure	405
Sovereign exposure	256
Bank exposure	89
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, 2017
Total gross replacement costs (limited to items with a value of greater than zero)	(A)	420
Total gross add-ons	(B)	576
Gross credit exposure	(C) = (A)+(B)	997
Foreign exchange related		719
Interest rate related		277
Equity related		0
Credit derivatives		—
Transactions with a long settlement period		—
Reduction in credit exposure due to netting contracts (including collateral pledged for CSA)	(D)	250
Amount of credit exposure before taking into account credit risk mitigation techniques due to collateral	(E) = (C)–(D)	746
Amount of collateral	(F)	292
Eligible financial collateral		292
Amount of credit exposure after taking into account credit risk mitigation techniques due to collateral	(G) = (E)–(F)	453

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, 2017
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, 2017
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 2016 (Ended March 31, 2017)

(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	6,513 (0)	0 (—)	51	0	51	0
Individuals						
Asset-Backed Securities (ABS)	1,071 (—)	— (—)	—	—	—	—
Residential Mortgage-Backed Securities (RMBS)	2,336 (—)	— (—)	—	—	—	—
Real estate						
Commercial Mortgage-Backed Securities (CMBS)	66 (—)	— (—)	—	—	—	—
Corporates						
Subtotal of CDOs (CLO, ABS-CDO, CBO)	3,038 (—)	0 (—)	51	0	51	0
Collateralized Loan Obligations (CLO)	3,038 (—)	— (—)	51	—	51	—
Asset-Backed Securities CDOs (ABS-CDO)	0 (—)	0 (—)	0	0	—	0
Collateralized Bond Obligations (CBO)	— (—)	— (—)	—	—	—	—
Others	0 (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.

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

Fiscal 2016 (Ended March 31, 2017)

(Billions of Yen)

Classification	Amount of exposure			Regulatory required capital		
		On-balance	Off-balance		On-balance	Off-balance
Amount of securitization exposure	6,461	6,461	0	40	40	0
Risk weight: 20% or less	6,442	6,442	—	39	39	—
Risk weight: exceeding 20% to 50% or less	6	6	—	0	0	—
Risk weight: exceeding 50% to 100% or less	12	12	—	1	1	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	0	—	0	0	—	0
Risk weight: 1,250%	—	—	—	—	—	—
Amount of re-securitization exposure	51	51	—	1	1	—
Risk weight: 20% or less	—	—	—	—	—	—
Risk weight: exceeding 20% to 50% or less	51	51	—	1	1	—
Risk weight: exceeding 50% to 100% or less	—	—	—	—	—	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	—	—	—	—	—	—
Risk weight: 1,250%	0	0	—	0	0	—

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

(Billions of Yen)

Classification	As of March 31, 2017	
	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%	—	—

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 2016
Base date of computation	2017. 3. 31
VaR (For the most recent 60 business days)	
Base date of computation	108
Maximum	128
Minimum	40
Average	65

■ Stress VaR

(Millions of Yen)

	Fiscal 2016
Base date of computation	2017. 3. 31
Stress VaR (For the most recent 60 business days)	
Base date of computation	259
Maximum	311
Minimum	83
Average	191

■ Amount of Market Risk

(Millions of Yen)

		Fiscal 2016
For the portion computed with the internal models approach (B)+(G)+(J)	(A)	769
Value at Risk (MAX (C, D))	(B)	195
Amount on base date of computation	(C)	108
Amount determined by multiplying (E) by the average for the most recent 60 business days	(D)	195
(Multiplier)	(E)	3.0
(Times exceeding VaR in back testing)	(F)	2
Stress Value at Risk (MAX (H, I))	(G)	573
Amount on base date of computation	(H)	259
Amount determined by multiplying (E) by the average for the most recent 60 business days	(I)	573
Additional amount at the time of measuring individual risk	(J)	0

Notes: 1. As a result of back testing conducted in fiscal 2016, 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, 2017	
	Amount on the balance sheet	Market value
Equity exposure	1,316	/
Exposure to publicly traded equity	1,062	1,062
Exposure to privately held equity	253	/

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 2016		
	Gains from sale of equities, etc.	Losses from sales of equities, etc.	Write-offs of equities, etc.
Equity exposure	34	0	0

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

Amount of Valuation Gains (Losses)

(Billions of Yen)

Item	As of March 31, 2017
Amount of valuation gains (losses) recognized on the balance sheet and not recognized in the statements of operations	436

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 Exposures for Each Portfolio Classification

(Billions of Yen)

Classification	As of March 31, 2017
	EAD
Equity portfolios	1,316
Equity portfolios subject to PD/LGD approaches	869
Equity portfolios subject to simple risk-weighted method	100
Equities under the internal models approach	346

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, 2017	
	Exposure	(For reference) Weighted-average risk weight
Look-through approach	17,570	64%
Majority approach	713	388%
Mandate approach	—	—
Market-based approach	1,670	325%
Others (simple approach)	306	428%
Total	20,260	94%

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, 2017
Interest rate risk	2,299
Yen interest rate risk	132
U.S. dollar interest rate risk	1,714
Euro interest rate risk	437
Interest rate risk in other currencies	14

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.

Quantitative Disclosure Items Concerning a Liquidity Coverage Ratio on a Non-Consolidated Basis

(Unit: Millions of Yen, %, the Number of Items)

Items		The current quarter (January 1 to March 31, 2018)		The previous quarter (October 1 to December 31, 2017)	
High-quality liquid assets (1)					
1	Total high-quality liquid assets		**35,326,846**		36,412,857
Cash outflows (2)		**Amount before multiplying a cash outflow ratio**	**Amount after multiplying a cash outflow ratio**	Amount before multiplying a cash outflow ratio	Amount after multiplying a cash outflow ratio
2	Cash outflows relating to unsecured retail funding	**64,950**	**6,482**	59,264	5,941
3	of which: stable deposits	**362**	**11**	359	11
4	of which: quasi-stable deposits	**64,588**	**6,471**	58,904	5,930
5	Cash outflows relating to unsecured wholesale funding	**10,915,725**	**8,011,778**	11,017,072	8,112,622
6	of which: qualifying operational deposits	**0**	**0**	0	0
7	of which: capital relating to unsecured wholesale funding, excluding qualifying operational deposits and debt securities	**9,672,753**	**6,768,806**	9,892,304	6,987,854
8	of which: debt securities	**1,242,972**	**1,242,972**	1,124,769	1,124,769
9	Cash outflows relating to secured funding, etc.		**231,830**		259,727
10	Cash outflows relating to funding programs and credit/ liquidity facilities such as derivative transactions, etc.	**2,597,219**	**1,554,316**	2,733,287	1,693,107
11	of which: cash outflows relating to derivative transactions	**1,310,321**	**1,310,321**	1,445,176	1,445,176
12	of which: cash outflows relating to funding programs	**0**	**0**	0	0
13	of which: cash outflows relating to credit/liquidity facilities	**1,286,898**	**243,995**	1,288,111	247,931
14	Cash outflows based on an obligation to provide capital	**4,753,466**	**483,940**	4,511,643	235,331
15	Cash outflows relating to contingencies	**3,403,961**	**164,047**	3,270,516	142,613
16	Total cash outflows		**10,452,393**		10,449,341
Cash inflows (3)		**Amount before multiplying a cash outflow ratio**	**Amount after multiplying a cash outflow ratio**	Amount before multiplying a cash outflow ratio	Amount after multiplying a cash outflow ratio
17	Cash inflows relating to secured fund management, etc.	**1,217,183**	**0**	1,139,727	0
18	Cash inflows relating to collections of advances, etc.	**4,536,149**	**3,980,067**	4,498,245	3,980,188
19	Other cash inflows	**5,823,806**	**773,299**	5,890,625	483,049
20	Total cash inflows	**11,577,139**	**4,753,366**	11,528,597	4,463,237
Liquidity coverage ratio on a non-consolidated basis (4)					
21	Sum of high-quality liquid assets that can be included		**35,326,846**		36,412,857
22	Net cash outflows		**5,699,028**		5,986,104
23	Liquidity coverage ratio on a non-consolidated basis		**619.8%**		608.2%
24	The number of data for calculating the average value		**59**		62

Qualitative Disclosure Items Concerning a Liquidity Coverage Ratio on a Non-Consolidated Basis

Items concerning a change in the non-consolidated liquidity coverage ratio on a time-series basis

The non-consolidated liquidity coverage ratio for the current quarter maintained a high and stable level.

Items concerning evaluation of the level of the non-consolidated liquidity coverage ratio

The non-consolidated liquidity coverage ratio for the current quarter has tended to be well above the minimum level.

Items concerning the details of the sum of high-quality liquid assets that can be included

In light of the Bank's liquidity coverage ratio, there is no material item.

Other items concerning the non-consolidated liquidity coverage ratio

In light of the Bank's liquidity coverage ratio, there is no material item.