ANNUAL REPORT
2019

NORINCHUKIN

Our work at The Norinchukin Bank won't change the world overnight.

Our focus is on the agriculture, fishery and forestry industries.
This means that nature is our partner,
and nothing in nature bears fruit overnight.
Industries in this sector don't make things
—they produce and nurture life as a legacy for future generations.

This is precisely why we are dedicated to serving those who sustain these industries
and their local communities, no matter how small the scale of their operations.
As the sole financial institution wholly devoted to this sector
—the very cornerstone of our nation, we strive consistently
to generate solid outcomes in the global financial markets.

Our history spans more than 90 years.

But that alone is no longer enough.
We must take on a greater role than ever before
if this sector is to continue developing in response to the changing times.

We must harness our financial knowledge to make
new contributions that extended beyond our past functions and scope.
We must do our utmost to address on-the-ground issues.
We must respond to the needs not only of producers,
but also to those of processors, distributors and consumers.

The life generated by the agriculture, fishery and forestry industries
sprouts the workings of all life well into the future.

Now is the time for each and every one of us to give our all.
We aim to make the chain of life that connects us to the future
more bounteous and more certain.

Dedicated to sustaining all life.

The Norinchukin Bank

Contents

Forward-Looking Statements

This report contains information about the financial condition and performance of the Bank as of March 31, 2019 (as of the latest date for information on business locations), as well as forward-looking statements pertaining to the prospects, business plans, targets, etc. of the Bank. The forward-looking statements are based on our current expectations and are subject to risks and uncertainties that may affect our businesses, which could cause actual results to differ materially from those currently anticipated.

In this report, Japan Agricultural Cooperatives are referred to as JA, Japan Fishery Cooperatives as JF, and Japan Forest Owners' Cooperatives as JForest.

Message from the Management

Toru Nakaya
Chairman of the Supervisory Committee

Kazuto Oku
President and Chief Executive Officer

First, we would like to sincerely thank all our stakeholders for their support and cooperation with The Norinchukin Bank in its day-to-day operations.

On this occasion, we have published this annual report, which contains details of the business performance for fiscal 2018, as well as a summary of the general situation at JA Bank, JF Marine Bank and JForest Group, so we ask that you please have a look through it.

The Basic Role of The Norinchukin Bank as the Central Organization for Cooperatives

As the national-level financial institution for agricultural, fishery and forestry cooperatives in Japan, the mission of The Norinchukin Bank ("the Bank") is to contribute to the development of the agriculture, fishery and forestry industries and to national economic prosperity by facilitating access to financial resources. With the capital provided by Japan Agricultural Cooperatives (JA), Japan Fisheries Cooperatives (JF), Japan Forest Owners' Cooperatives (JForest), etc., as well as the stable funding base through customer deposits at JA Bank and JF Marine Bank, the Bank, to achieve its mission, lends funds to its members, agricultural, fishery and forestry workers, and companies related to the agriculture, fishery and forestry industries. The Bank also conducts various lending and investment activities in Japan and abroad, efficiently manages funds, and stably returns profits to its members.

Moreover, the Bank provides various services for supporting the cooperative banking business of JA and JF, including the planning and implementation of policies, development of human resources, and provision of business infrastructure. The Bank also provides operational guidance for the cooperative banking business based on relevant rules and regulations, and is working to build a safety net for the JA Bank and JF Marine Bank Systems. The Bank continues to work to improve trust in its cooperative banking business, while playing the important role of strengthening and expanding the cooperative banking business.

Operation of the Medium-Term Management Plan (FY2019-FY2023)

The environment surrounding the Bank and cooperatives is becoming increasingly harsh amid such developments as global profit margin compression and accelerating digitalization. Meanwhile, public interest in and expectations for turning the agriculture, fishery and forestry industries into growth industries are higher than ever before.

In light of the situation surrounding the Bank and cooperatives and the basic role of the Bank, we have formulated a Medium-Term Management Plan (fiscal 2019 through fiscal 2023), comprising management and business management policies for five years from fiscal 2019, and are engaged in business management based on the Plan.

JA Bank, JF Marine Bank, JForest Group and the Bank will continue to perform their roles and functions with the goal of becoming financial institutions and organizations that win the confidence of their customers, and contribute to the advancement of the agriculture, fishery and forestry industries and their rural communities.

Finally, we would like to ask you all for your continued support for JA Bank, JF Marine Bank, JForest Group and The Norinchukin Bank.

July 2019

TORU NAKAYA Kazuto Oku

Message from the CEO

Financial Results and Capital Adequacy in Fiscal 2018

In fiscal 2018, the Bank recorded an ordinary profit of ¥124.5 billion and profit attributable to owners of parent of ¥103.5 billion, showing steady profitability despite the impact of the rising cost of foreign currency funding and other factors.

The Bank's capital adequacy ratios on a consolidated basis were maintained at a high level, with a Common Equity Tier 1 Capital Ratio of 16.59%, a Tier 1 Capital Ratio of 19.65% and a Total Capital Ratio of 19.65%.

Summary of Earnings

(Billions of Yen)

	FY2016	FY2017	**FY2018**
Ordinary Profit	214.0	171.0	**124.5**
Profit Attributable to Owners of Parent	206.1	147.6	**103.5**
Net Assets	7,008.8	6,746.0	**7,473.2**
Common Equity Tier 1 Capital Ratio	19.31%	19.02%	**16.59%**
Tier 1 Capital Ratio	19.34%	19.02%	**19.65%**
Total Capital Ratio	24.39%	23.50%	**19.65%**

Business Performance in Fiscal 2018

During fiscal 2018, which is the final year of the "Medium-Term Management Plan (fiscal 2016 through fiscal 2018)," the Bank established a new system for directors and employees, effective on the first day of the fiscal year (April 1), from the perspective of achieving quick decision making, policy development and implementation, and the flexible use of management resources. In addition, to establish the three business areas of the "food and agriculture business," the "retail business" and the "investment business," the four Senior Managing Directors (Representative Directors) are in charge of operations of the respective headquarters as the head of each business. With this system, the Bank has implemented policies for each business.

Under the "Medium-Term Management Plan (fiscal 2016 through fiscal 2018)," even though it has become increasingly difficult to secure profits due to the worsening investment environment in recent years, the Bank has been successful in ensuring stable returns to stakeholders. In addition, the Bank made efforts to increase farmers' income and revitalize local communities through "Self-reform of JA Bank." The Bank also worked on various initiatives including the increase in agricultural loans, the offering of risk capital, business matching, the enhancement of JA Bank's business base and JF Marine Bank's financing functions for the fishery industry, the performance of Main-bank functions for JF and JForest, the provision of support for reconstruction efforts to help recover from earthquake and other natural disasters, the expansion of project financing and the enhancement of corporate functions that support each of the Bank's businesses.

"Self-Reform of JA Bank" Initiatives

With the situation surrounding the agriculture industry becoming increasingly severe, in light of the Government's "agricultural cooperative reform" movement, etc., in 2014 the JA Group formulated "Self-reform of JA Group" as self-reform. As a member of JA Group, for JA Bank to also contribute more than ever to agriculture and local communities, we implemented "Self-reform of JA Bank" efforts during an intensive period for the initiative up to fiscal 2018.

The "Self-reform of JA Bank" comprised of "three pillars": (1) further responses to contribute to increase in income of farmers and the revitalization of local communities especially the "Support Program for Increasing Agricultural Income and Revitalizing Local Communities (total amount of ¥100 billion)"; (2) arrangement of the business environment so that JA can make its best efforts in agricultural businesses; and (3) the provision of financial services that connect agriculture and local communities/users in order to contribute to local communities.

To date, the Bank engaged in the smooth supply of capital to food and agriculture-related fields including the utilization of the "F&A (Food and Agri) Growth Industry Investment Facility" to the scale of ¥50.0 billion, which was established with the aim of providing risk money, and promoted initiatives to expand sales of agricultural products, increase agricultural production and add higher value to agriculture. Specifically, the Bank promoted exports of agricultural products, supporting the expansion of sales channels by continuing to host business conventions and conducting business matching in Japan. The Bank is also providing sixth industrialization support.

Moreover, toward the reduction of production costs, the Bank implemented the "Agricultural Equipment Lease Support Program (Agri-Seed Lease)" to support agricultural workers' efforts to expand their scale of operations and streamline their businesses, and the "Production Costs Reduction Support Program" to foster innovative activities such as the dissemination of new technologies. The Bank also has provided support for hosting seminars and consultations aimed at helping advance farm management; strengthened management consultation functions mainly through the operation of the "Agriweb" website to dispatch information on agricultural management; and engaged in initiatives toward revitalizing local communities such as supporting new farmers extensively and training young and next-generation farm operators.

Moreover, we worked diversely to rationalize banking business operations, such as introducing equipment to streamline cash business at JA business service locations and introducing an "agent" model based on the choice made on a JA-by-JA basis. We deployed mobile branches in vehicles and implemented, among others, "No to Ayumu Project" (Project for Making Progress with Agriculture) to plan and sell financial products linked to expanded consumption of agricultural products. We promoted such initiatives one after the other to help turn the agriculture industry into a growth industry.

Both JA Bank and the Bank will contribute to the development of agriculture and local communities by continuing to enhance the provision of financial services and securing sound management.

Outline of the Medium-Term Management Plan (FY2019-FY2023)

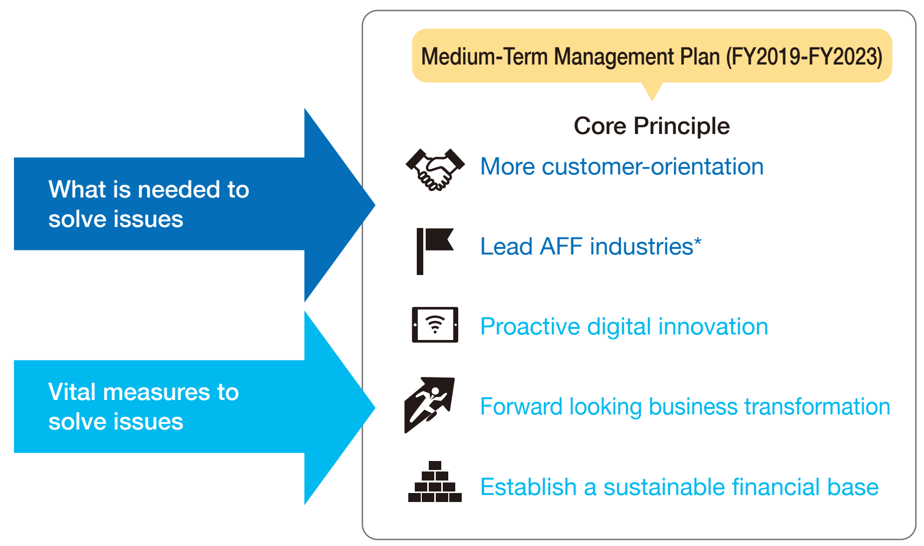
The Bank has formulated the Medium-Term Management Plan "Catch the Winds of Change. Create New Value," covering five years (fiscal 2019 through fiscal 2023).

We predict our business environment will face non-continuous changes in the next 10 years, such as global profit margin compression; accelerating digitalization; aging leaders in the agriculture, fishery and forestry industries; the need for scale expansion; growth in Asia; and environmental and social issues. We recognize new issues such as the enhancement of profitability; the provision of comprehensive services that customers want; effective support for leaders in the agriculture, fishery and forestry industries; deepening our global business network; and offering value to society.

Based on such recognition, we will take on the challenge of creating new value to solve new issues.

Core Principle

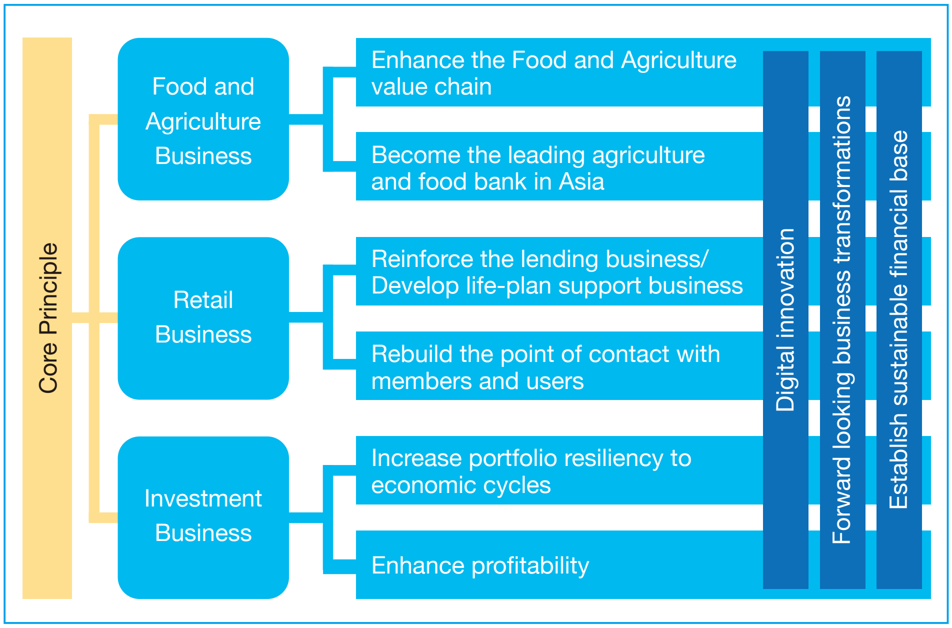
To take on this challenge of creating new value, self-reform is necessary. Looking ahead to the next ten years, we will take a fresh look at the current operation and make necessary changes to the way we work. To achieve major reforms, we will implement the Medium-Term Management Plan as our vision for the Norinchukin Group in the next five years, based on the following Core Principle.



* AFF industries: Agriculture, Fishery and Forestry industries

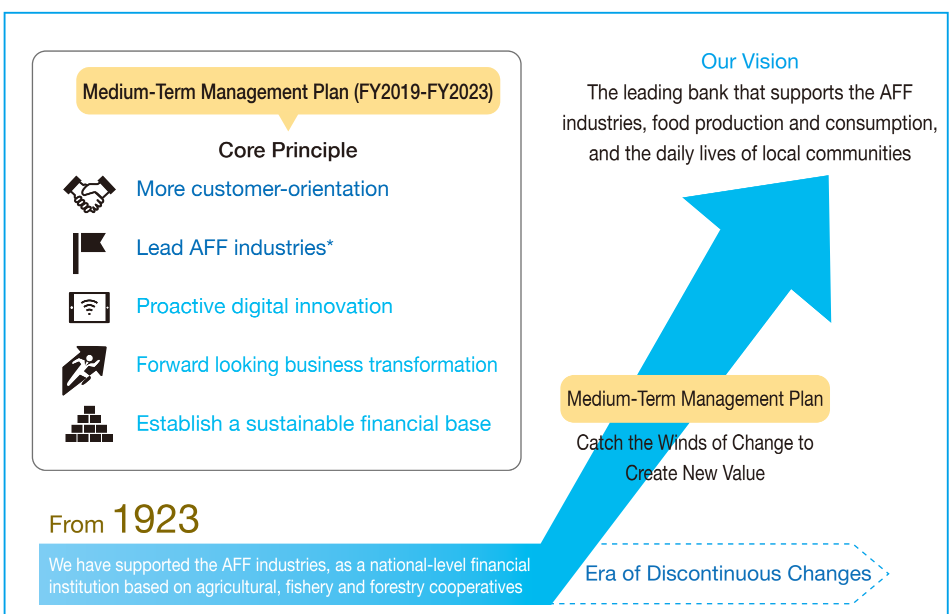
Priority Strategies

The Bank will take on the priority strategies under the Core Principle with a structure consisting of the "Food and Agriculture Business," the "Retail Business" and the "Investment Business," supported by "Corporate Shared Services." The Bank will implement these strategies jointly with JA Bank Medium-Term Management Strategy, JF Marine Bank Medium-Term Management Strategy and the JForest Cooperatives Action Policy, and achieve our goals in alliance with the entire cooperative groups.



Aiming to become a "leading bank that supports the agriculture, fishery and forestry industries, food production and consumption, and the daily lives of local communities"

Since our establishment in 1923 as a national-level financial institution to help our foundational entities—agricultural, fishery and forestry cooperative organizations—we have contributed to the development of the agricultural, fishery and forestry industries over 95 years. To continue to fulfill this mission, we will deepen dialogues with cooperative members and tackle our challenging "Catch the Winds of Change. Create New Value" plan. Through such efforts, together with our cooperative groups, we will strive to meet the expectations of our customers, realize sustainable growth and offer value to society.



* AFF industries: Agriculture, Fishery and Forestry industries

Sustainability Management Initiatives

Reflecting the rapidly rising interest in the increase in the global population, the low birth rate and aging society in advanced countries, climate change and issues of economic disparity and poverty, global initiatives toward the sustainable development of society are under way, such as the "Sustainable Development Goals (SDGs)" by the United Nations and the "Paris Agreement," which is a new framework of measures to address climate change. Against this backdrop, expectations are on the rise for corporations to address such social issues.

Based on an understanding of such changes in society, we have newly established 14 "Sustainability Topics" covering Five Sustainability Focus Areas ("Creating positive impact on the agriculture, fishery and forestry industries, food and local communities," "Promoting responsible finance," "Promoting sustainability management," "Securing highly capable human resources" and "Maintaining customer trust as a financial institution"). We reorganized the existing CSR Committee into Sustainability Committee to discuss measures to address environmental and social issues at the management level.

From fiscal 2019, we will work to address the Sustainability Topics to achieve sustainability management (i.e., to achieve sustainable business activities of the Bank and its cooperative groups through measures to address environmental and social issues).

Participation in Major Initiatives

United Nations Global Compact

Equator Principles

CDP

Principles for Financial Action for the 21st Century

TCFD

Response to the "Task Force on Climate-related Financial Disclosures (TCFD)"

In April 2019, the Bank announced the endorsement of the recommendations of the TCFD, which was established by the Financial Stability Board (FSB). The Bank will appropriately address the impacts and risks of climate change on the Bank's businesses, implement measures, and expand disclosures in line with the TCFD recommendations over time.

Governance to Address Climate Change

The Bank's measures to address environmental and social issues including climate change are discussed at the Sustainability Committee, and the content discussed therein is reported periodically to the Board of Directors and the Supervisory Committee.

Managing Climate-Related Risks

The Bank conducts due diligence based on the Equator Principles (EPs) for large-scale development projects. In addition, amid the progressing global initiatives to transition toward a decarbonized society, regarding new loans for the coal-fired thermal power generation sector, the Bank, in principle, limits such loans only to ultra-supercritical (USC) coal-fired power generation or facilities with higher efficiency.

The Bank's Sustainability Topics (Five Focus Areas and 14 Topics)

Five Focus Areas	14 Topics
(Focus Area 1) Creating positive impact on the agriculture, fishery and forestry industries, food and local communities	(Topic 1-1) Contributing to sustainable agriculture, fishery and forestry industries
	(Topic 1-2) Contributing to safe and secure food supply
	(Topic 1-3) Contributing to sustainable local communities
	(Topic 1-4) Conserving the natural environment as a foundation of the agriculture, fishery and forestry industries
	(Topic 1-5) Creating business innovation
(Focus Area 2) Promoting responsible finance	(Topic 2-1) Promoting sustainable finance
	(Topic 2-2) Contributing to sustainable energy utilization
	(Topic 2-3) Realizing financing for everybody
(Focus Area 3) Promoting sustainability management	(Topic 3-1) Ensuring a transparent organizational governing structure
	(Topic 3-2) Reinforcing the management of environmental and social risks
	(Topic 3-3) Reinforcing stakeholder engagement
(Focus Area 4) Securing highly capable human resources	(Topic 4-1) Improving diversity and equal opportunities
	(Topic 4-2) Enhancing human resources development
(Focus Area 5) Maintaining customer trust as a financial institution	(Topic 5-1) Further reinforcing the compliance framework

Aiming to become a "leading bank that supports the agriculture, fishery and forestry industries, food production and consumption, and the daily lives of local communities," the Bank together with its cooperative groups will meet the expectations of its customers, achieve further sustainable growth and offer value to society.

The Cooperative System and the Cooperative Banking Business

The cooperative banking business, through its network covering all of Japan, contributes to the development of the agriculture, fishery and forestry industries in Japan, and provides financial support for the livelihood of local citizens.

■ The Cooperative System and the Cooperative Banking Business

In addition to "banking business," which involves accepting deposits and making loans, our cooperative members engage in a number of other business activities. Among these are providing "guidance" for business and day-to-day matters for farmers, fishermen and foresters; "marketing and supplying" through the sale of agricultural, fisheries and forestry products as well as procurement of production materials; and "mutual insurance" as insurance coverage for various unforeseen events.

Cooperative members that perform this wide range of activities comprise JA, JF and JForest at the municipal level and their respective federations and unions at the prefectural and national levels (as indicated in the accompanying chart). This nationwide structure from the municipal level to the national level is generally known as the "cooperative system."

The framework and functions of the banking businesses of (1) JA and JF at the municipal level, (2) JA Shinnoren (Prefectural Banking Federations of Agricultural Cooperatives) and JF Shingyoren (Prefectural Banking Federations of Fishery Cooperatives) at the prefectural level, and (3) The Norinchukin Bank at the national level are referred to collectively as the "cooperative banking business."

■ Business Activities of Cooperatives

● Japan Agricultural Cooperatives (JA)

JA are cooperatives, established under the Agricultural Cooperative Law, that conduct a wide range of businesses and activities in the spirit of mutual assistance. The principal business activities of JA encompass (1) offering guidance for improving individual members' management of their farms and their standards of living; (2) providing marketing and supplying functions for farming, including the gathering and selling of crops, and supplying materials needed for production and daily living; (3) providing mutual insurance, such as life and auto insurance; and (4) offering banking services, such as accepting deposits, making loans and remitting funds.

As of April 1, 2019, 611 JA throughout Japan contributed to the development of the agricultural industry and rural communities through their various businesses and other activities.

● Japan Fishery Cooperatives (JF)

JF are cooperatives established under the Fishery Cooperative Law with the objective of overseeing and protecting the businesses and lives of fishermen. The principal business activities of JF include (1) providing guidance for the management of marine resources and for the improvement of individual members' management of their business and production technology; (2) marketing and supplying for individual members for the storage, processing and sale of caught fish and other marine products, and for the supply of materials required for their business and daily lives; (3) banking services, including the acceptance of deposits and lending of needed funds; and (4) mutual life and non-life insurance. There were 940 JF throughout Japan (as of April 1, 2019) that contribute to the development of the fishery industry and fisheries communities through a broad range of activities in various parts of the country.

● Japan Forest Owners' Cooperatives (JForest)

JForest, established under the Forestry Cooperative Law, are cooperatives for private forest owners. The ownership structure of Japan's forests consists mostly of small forest owners, and forestry cooperatives play an important role in organizing and representing their interests.

The principal business activity of JForest is forest improvement, which involves planting, undergrowth removal and the thinning of forests owned by individual members, as well as the sale of forest products, such as logs and timber.

Playing a central role in forestland improvement, 617 JForest members (as of April 1, 2019) throughout Japan contribute to helping forests perform their diverse range of natural functions, including the supply of timber and other forest resources, preservation of national land, protection of watersheds, maintenance of living environment, and provision of places for health and relaxation.

■ Position of the Bank within the Cooperative Banking Business

The Bank was established in 1923 as the central bank for Japan's industrial cooperatives. It was renamed The Norinchukin Bank in 1943 and is now a private financial institution based on the Norinchukin Bank Law.

JA, JF and JForest were created with the aim of improving the economic and social positions of farmers, fishermen and foresters through the cooperative efforts of their respective individual members under the slogan "one for all and all for one."

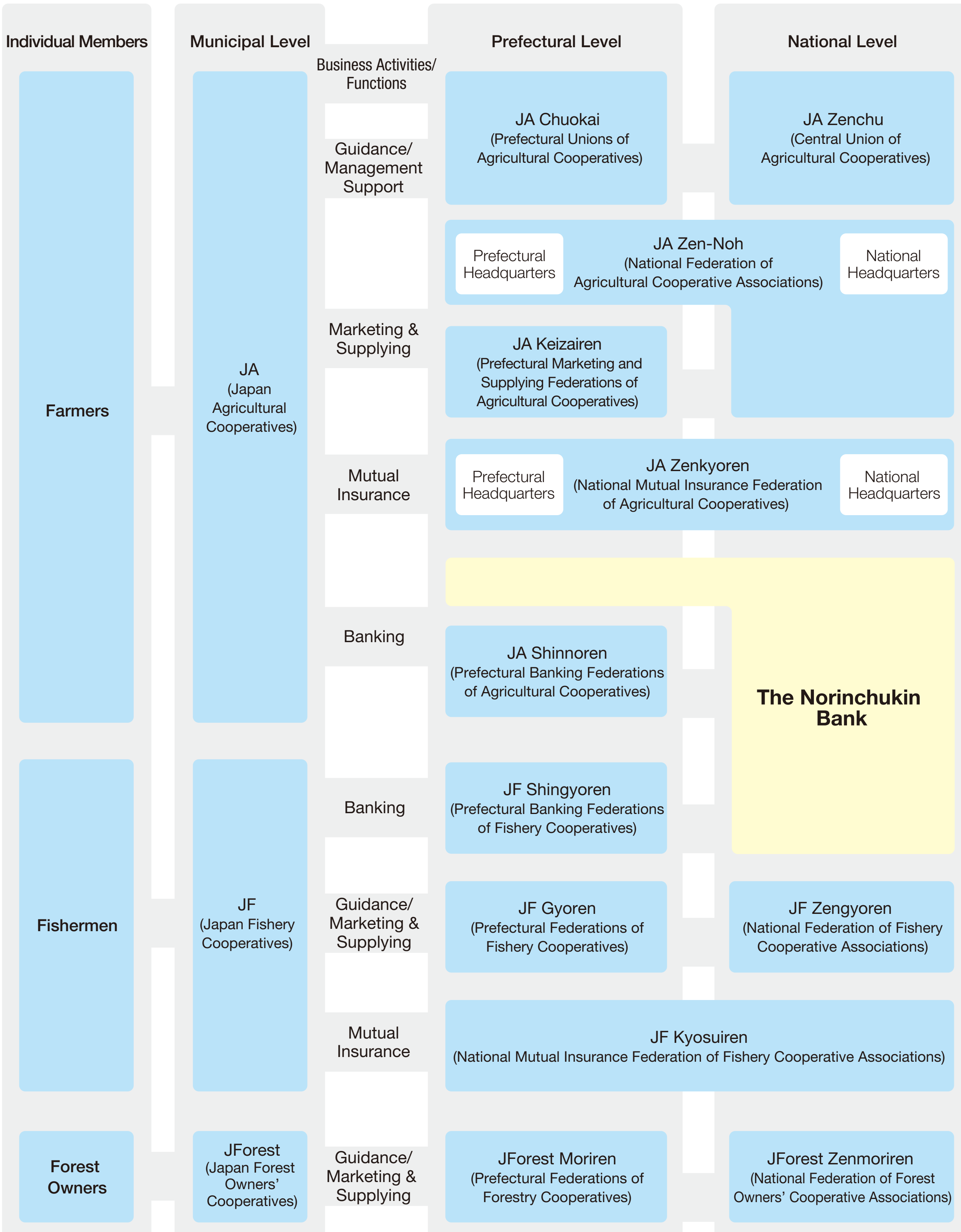
The Bank is a national-level cooperative financial institution whose membership (i.e. shareholders) comprises the previously mentioned municipal-level cooperatives, prefectural-level federations and other organizations. Furthermore, the Bank plays a major role in Japanese society as a contributor to the development of the nation's economy and as a supporter for the advancement of the agriculture, fishery and forestry industries with facilitated finance for its members under the provisions of Article 1 of the Norinchukin Bank Law.

The Bank's funds are derived from member deposits (the majority of funds held at the Bank are deposits of individual members of JA and JF) and the issuance of Norinchukin Bank debentures. The Bank also raises capital in financial markets. These financial resources are then lent to farmers, fishermen, foresters and corporations connected to the agriculture, fishery and forestry industries, local governments and public entities. In addition to the aforementioned activities, the Bank efficiently manages its funds through investments in securities and other financial instruments. The Bank stably returns to its members profits on investment and lending activities and provides various other financial services. Through these various services and activities, the Bank plays a major role as the national-level financial institution for cooperatives.

Article 1 of the Norinchukin Bank Law

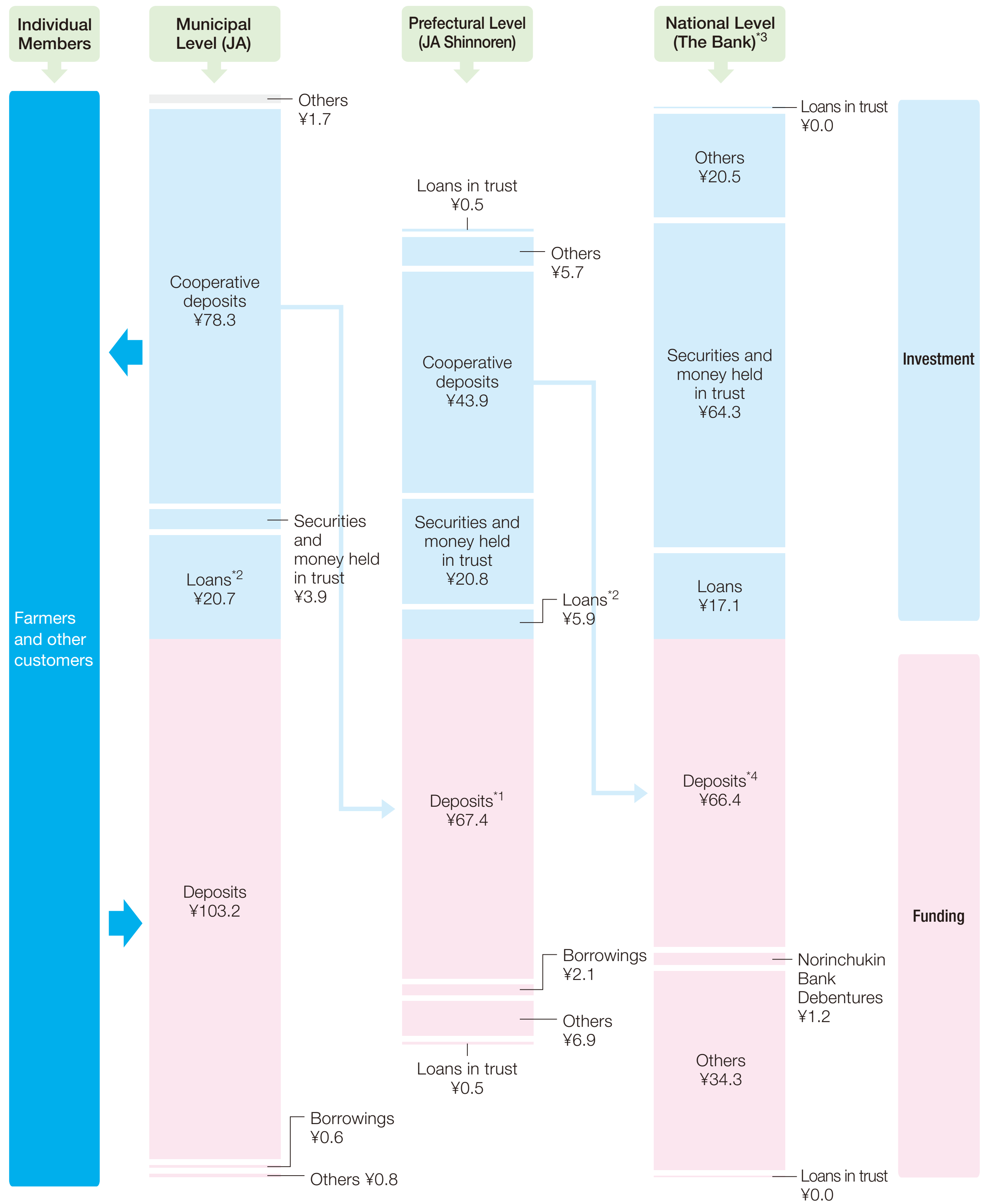
As a financial institution based on agricultural, fisheries and forestry cooperatives as well as other members of the agriculture, fisheries and forestry cooperative system, the Bank contributes to the development of the nation's economy by supporting the advancement of the agriculture, fishery and forestry industries by providing financial services for the member organizations of the cooperative system.

Structure of the Cooperative System



Flow of Funds within JA Cooperative Banking System (As of March 31, 2019)

(Trillions of Yen)



Totals of "investment" and "funding" may not equal the sum of their components due to rounding.
*1 In some prefectures, JA may make direct deposits to the Bank.
*2 The loan balances of JA and JA Shinnoren do not include lending to financial institutions.
*3 Overseas accounts have been excluded from the Bank's balances.
*4 The Bank's deposits include not only those from JA Group but also those from JF and JForest Groups and other financial institutions.

Operations of the JA Bank System

JA, JA Shinnoren and The Norinchukin Bank, which are members of JA Bank, work under a framework for integrated and systematic cooperation in each business activity. We call this framework the "JA Bank System," and our aim is to become a financial institution that is more trusted and chosen by its members and customers.

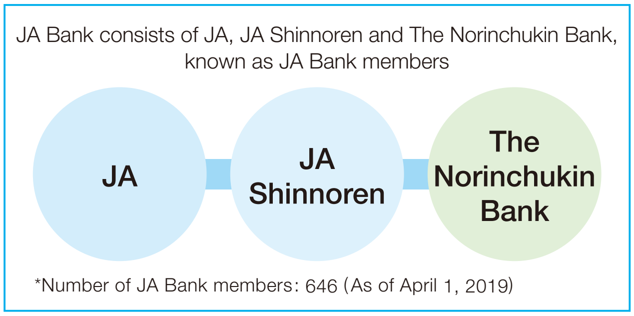
■ What is JA Bank?

● JA Bank is the Name of a Group of Financial Institutions

The JA Bank System consists of JA, JA Shinnoren and The Norinchukin Bank, which are together referred to as JA Bank members. The JA Bank System functions essentially as one financial institution, possessing one of the largest networks among private financial groups in Japan.

As of April 1, 2019, JA Bank contained 613 JA, 32 JA Shinnoren and The Norinchukin Bank, for a total of 646 entities.

JA Bank



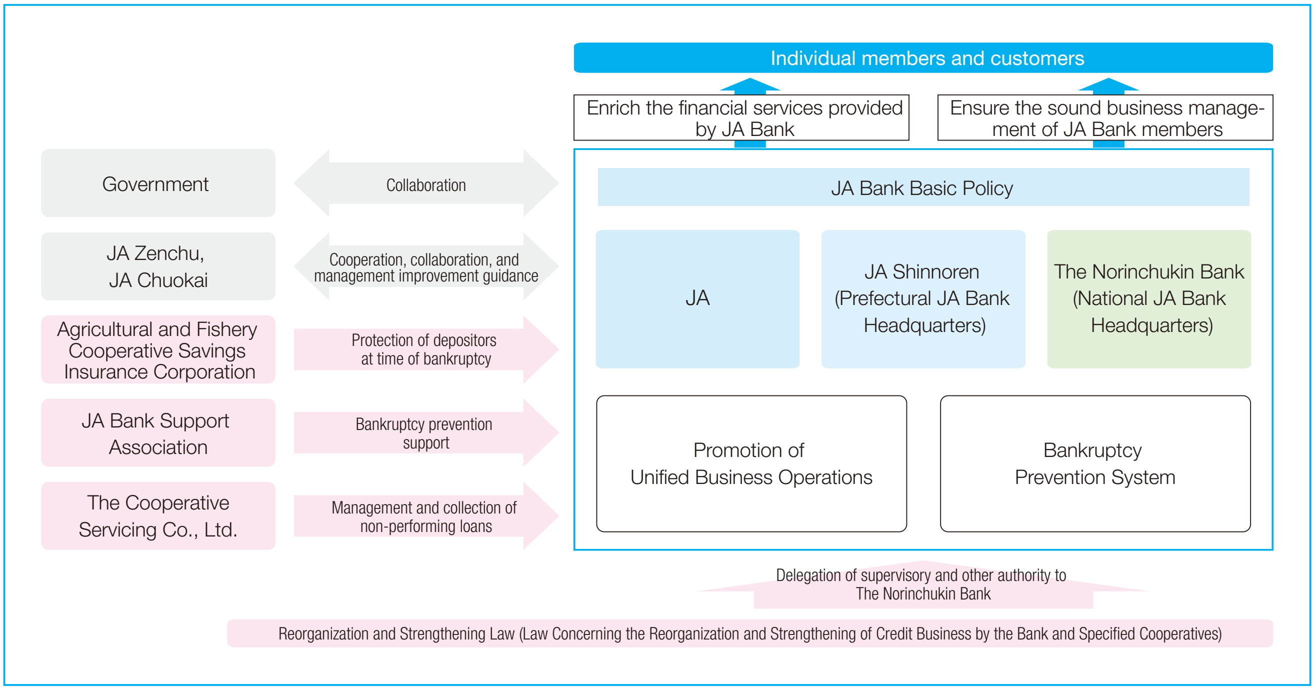
■ JA Bank System

● A Framework for Integrated and Systematic Cooperation among JA Bank Members

To ensure that individual members and customers of JA Bank have even stronger confidence in the cooperative banking system and make increased use of its services, we have established the JA Bank Basic Policy. This policy is based on the Reorganization and Strengthening Law (Law Concerning the Reorganization and Strengthening of Credit Business by the Bank and Specified Cooperatives) and is implemented with the consent of all JA Bank members. The framework for integrated and systematic cooperation among JA, JA Shinnoren and The Norinchukin Bank is based on the JA Bank Basic Policy and is referred to as the "JA Bank System."

The JA Bank System is founded on two basic pillars. The first is "unified business operations," which seeks to improve and strengthen financial services provided by JA Bank by taking advantage of both economies of scale and meticulous customer care. The second is the "bankruptcy prevention system," which ensures the reliability of JA Bank.

Framework of the JA Bank System



● Comprehensive Strategies of JA Bank

Every three years, JA Bank formulates the JA Bank Medium-Term Strategies as its comprehensive strategies for conducting integrated business operations. Under the JA Bank Medium-Term Strategies (fiscal 2019 through fiscal 2021), JA Bank has set its future vision of continuing to be “highly evaluated, chosen and increasingly needed by farmers and communities,” by engaging in individual member and customer-oriented business operation as a top priority and establishing a sustainable profit structure, while leveraging the strengths of its comprehensive businesses.

To realize this future vision, JA, JA Shinnoren and The Norinchukin Bank together engage in the four major strategic pillars: (1) “Support the growth of agriculture and communities” by providing a broad range of solutions for farmers’ management issues to enhance farmers’ satisfaction, increase farmers’ income and revitalize communities; (2) “Strengthen its lending service” by addressing the needs of farmers and communities for funds appropriately, aiming to further perform JA Bank’s financial intermediary function; (3) “Implement life plan support” by proposing asset formation and asset management plans suited for the life plans desired by individual members and customers, aiming to deepen the relationships with them; and (4) “Restructure the contact point with individual members and customers,” taking advantage of opportunities to reorganize branches and ATMs and review branch functions, etc., with the aims of improving the convenience and satisfaction of individual members and customers and achieving low-cost business operation.

● Initiatives to Improve and Enhance Our System Infrastructure

The JASTEM System, a unified nationwide IT system managed by the Bank, supports greater convenience for individual members and customers of JA Bank and helps streamline JA business operations. To maintain consistent operation of the JASTEM System as JA Bank’s core infrastructure, the JASTEM System’s equipment was updated upon the arrival of the system’s lifecycle and changed to the new JASTEM System in October 2018.

We are also continuing efforts to improve the functions of ATMs nationwide and enhance the convenience and security of online banking for greater security and convenience for individual members and customers of JA Bank in using our services.

● Initiatives to Ensure Sound and Stable JA Bank

Based on the JA Bank Basic Policy, JA Bank Headquarters receives management-related information from all JA Bank members and reviews them to confirm that they meet certain standards. This system makes it possible to foresee potential issues well in advance and provide early guidance prior to any early stage corrective action by the government.

In addition, the JA Bank Support Association, a designated support corporation founded based on the Reorganization and Strengthening Law, has established the JA Bank Support Fund with financial resources contributed by JA Bank members nationwide. This fund can inject capital and provide other needed support to JA Bank members.

Through these initiatives, we are striving to establish a banking business that enjoys even greater trust from and is used more by individual members and customers.

■ Trends of Cooperative Members and the Cooperative Banking Business

● Trends of JA Funds

In fiscal 2018, JA deposits rose 1.9% year on year, to a year-end balance of ¥103,224.5 billion. This was largely due to the increase in the balance of deposits from individuals as a result of providing financial services meeting customers’ needs.

Regarding JA loans, mainly due to the increased balance of mortgage loans, total loans increased 1.4% year on year, to a year-end balance of ¥20,738.6 billion. Securities held by JA increased 0.4% year on year, to a year-end balance of ¥3,937.0 billion.

■ Reorganization of JA Bank Business

To deal effectively with changes in the operating environment of the agricultural industry as well as individual members and JA, JA Bank has rationalized and streamlined the organization and business of its cooperative banking system.

The Bank has merged with the JA Shinnoren in twelve prefectures (Aomori, Miyagi, Akita, Yamagata, Fukushima, Tochigi, Gunma, Chiba, Toyama, Okayama, Nagasaki, and Kumamoto) and has conducted the following organizational streamlining by shifting from a three-tier structure consisting of JA at the municipal level, JA Shinnoren at the prefectural level, and The Norinchukin Bank at the national level to a two-tier structure of JA and The Norinchukin Bank.

Elsewhere, the goal of "one JA in each prefecture," whereby the rights and obligations of both JA Shinnoren and JA Keizairen (Prefectural Marketing and Supplying Federations of Agricultural Cooperatives) in a prefecture are integrated and taken over by a single JA in the prefecture, has been achieved in three prefectures in total (i.e., Nara, Shimane and Okinawa Prefectures) to date.

The Bank will continue to steadily support JA's functional and system reforms and make efforts to rationalize and streamline the operations of the Bank itself with the goal of creating a cooperative banking structure capable of meeting the expectations and winning the trust of both individual members and customers.

Operations of JF Marine Bank

JF Marine Bank provides financial support to fishing communities and appropriate financial functions for the fishery industry

■ What is JF Marine Bank?

● JF Marine Bank is the Name of a Group of Financial Institutions

JF Marine Bank is the name of a nationwide financial group consisting of JF Marine Bank members (JF that engage in the cooperative banking business including deposits and loans, JF Shingyoren and The Norinchukin Bank) and JF Zengyoren (National Federation of Fishery Cooperative Associations).

As of April 1, 2019, JF Marine Bank members totaled 105, consisting of 76 JF that offer financial services and 28 JF Shingyoren (including inter-regional JF Shingyoren) and The Norinchukin Bank.

JF Marine Bank

JF Marine Bank Members	
• JF that offer cooperative banking services • JF Shingyoren • The Norinchukin Bank	JF Zengyoren

*Number of JF Marine Bank members : 105 (As of April 1, 2019)

■ JF Marine Bank System

● A Framework for Integrated and Systematic Cooperation among JF Marine Bank Members

To ensure that individual members and customers of JF Marine Bank have even stronger confidence in the cooperative banking business and make increased use of its services, under the Reorganization and Strengthening Law (Law Concerning the Reorganization and Strengthening of Credit Business by the Bank and Specified Cooperatives), JF Marine Bank has formulated the "JF Marine Bank Basic Policy" with the unanimous approval of the JF Marine Bank members. Based on this JF Marine Bank Basic Policy, the framework of the integrated operation of JF, JF Shingyoren and The Norinchukin Bank is called the "JF Marine Bank System."

The JF Marine Bank System consists of two pillars—the "Integrated Business Operations" to offer financial services leveraging the foundational common system and clerical work and the "Bankruptcy Prevention System" to ensure the reliability of JF Marine Bank.

● Comprehensive Strategies of JF Marine Bank

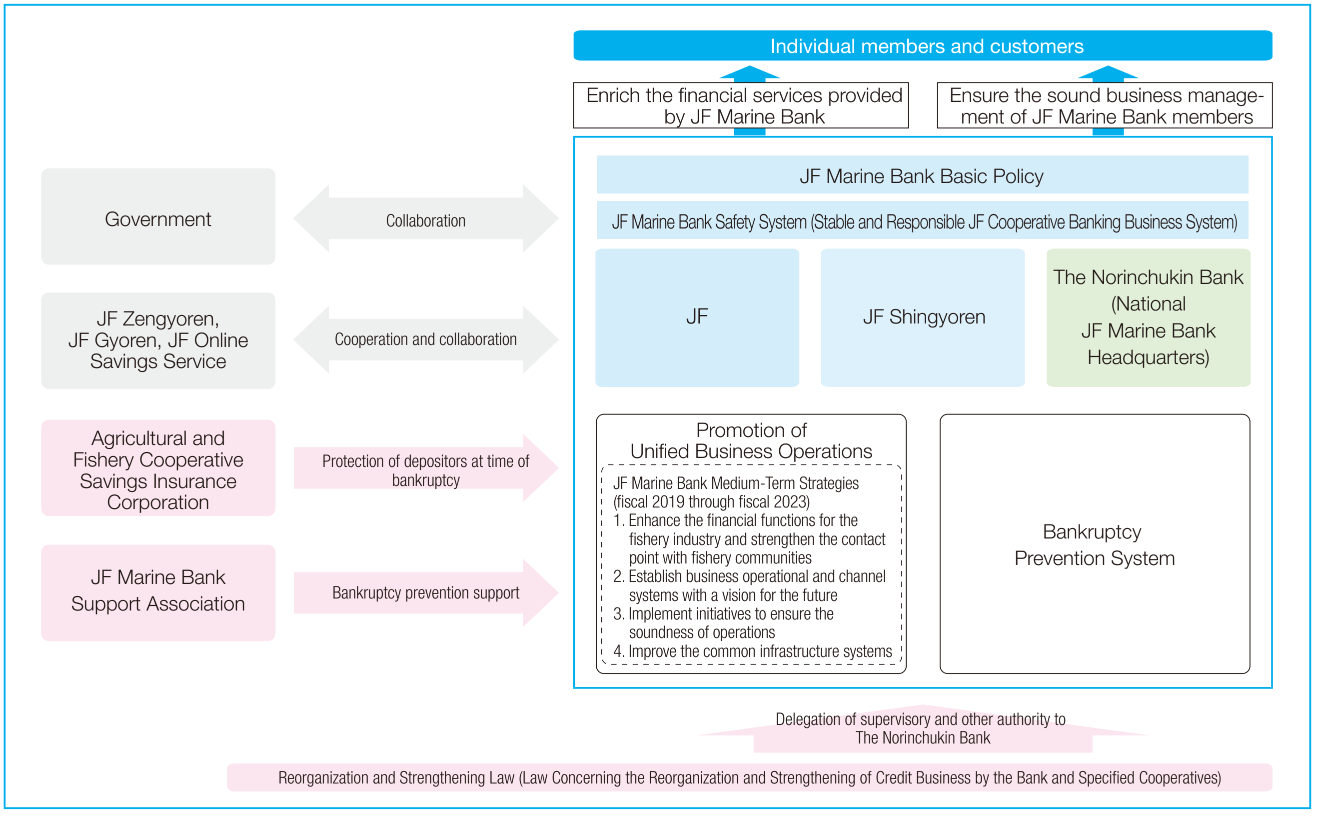
JF Marine Bank has formulated the JF Marine Bank Medium-Term Strategies (fiscal 2019 through fiscal 2023) as its comprehensive strategies for conducting integrated business operations. With the goals to enhance its financial functions for the fishery industry and establish sustainable operations into the future, while offering settlement functions for caught fish, etc. as a fishery-dedicated financial institution, these Medium-Term Strategies are to (1) enhance its financial functions for the fishery industry and strengthen the contact point with fishery communities; (2) establish business operational and channel systems with a vision for the future; (3) implement initiatives to ensure the soundness of operations; and (4) improve the common infrastructure systems as an initiative that JF, JF Shingyoren and The Norinchukin Bank together work on.

● Framework for Bankruptcy Prevention

To further increase the adequacy and soundness of business operations, all JF Marine Bank members are required to submit management data to JF Marine Bank Headquarters, where such data is examined. JF Marine Bank Headquarters can prevent organizations, such as JF, that have problems with their operations, from falling into bankruptcy by quickly identifying issues and taking preventive actions, thereby creating a system that assures depositors' peace of mind. These activities are taken under the guidance of The Norinchukin Bank and JF Shingyoren.

In addition to these activities, JF, JF Shingyoren and The Norinchukin Bank have jointly established the JF Marine Bank Support Fund and set up a framework for

Framework of the JF Marine Bank System



encouraging the voluntary efforts of cooperative members toward organizational and business reforms.

JF, JF Shingyoren and The Norinchukin Bank also participate in the Agricultural and Fishery Cooperative Savings Insurance System, a public savings insurance system.

● JF Marine Bank Safety System (Stable and Responsible JF Cooperative Banking Business System)

JF Marine Bank provides community-based financial functions for the fishery industry and assumes an essential role in fishery communities. To make improvements that will ensure that JF Marine Bank has a management system appropriate for a member of Japan's financial system, the "system of one fishery cooperative banking business in each prefecture" has been carried out. Under the system, JF and JF Shingyoren in the same prefecture conduct in unison the cooperative banking business. As a result, a fishery cooperative banking business had been established in each prefecture by the end of fiscal 2009.

With the goal of making this foundation even stronger and achieving sound and efficient business operation, we are proceeding with examination of the strengthening of management and the building of new management structures such as inter-regional JF Shingyoren.

JF Marine Bank believes that its purpose is to serve not only its individual members and customers, but also communities and society. To these aims, JF Marine Bank continues its efforts to further strengthen the JF Marine Bank Safety System (Stable and Responsible JF Cooperative Banking Business System) and respond to the financial needs of the fishery industry suited to the area.

● Trends of JF Funds

The balance of deposits held with JF Bank increased 0.3% year on year, to ¥2,670.0 billion as of March 31, 2019.

The balance of loans at JF Bank fell 3.8% year on year, to ¥507.7 billion, due to factors such as easing of demand for new financing amid a harsh environment for fisheries business.

■ Reorganization of JF Marine Bank Business

JF cooperative banking business is being reorganized to create a more sound and efficient management system. As of April 1, 2019, the banking business operating system consists of integrated Shingyoren to which banking business was transferred from JF to JF Shingyoren (25 prefecture-level organizations), multiple independent JF centering on JF Shingyoren (two prefecture-level organizations), the inter-regional Shingyoren (established on April 1, 2017, as a result of the integration of Hyogo-ken Shingyoren and Wakayama-ken Shingyoren) and one JF per prefecture (five prefecture-level organizations).

Also, the number of JF engaged in banking business (including one JF per prefecture) had been reduced to 76 as of April 1, 2019 from 875 on March 31, 2000.

At the same time, the total number of JF, including those not engaged in banking business, decreased by 13 in fiscal 2018. As a result, the number of JF stood at 940 as of April 1, 2019, reflecting progress made toward consolidation.

In the future, greater emphasis will be placed on policies to strengthen and reorganize JF cooperative banking business under the JF Marine Bank Safety System (Stable and Responsible JF Cooperative Banking Business System), which serves as a framework for JF Marine Bank's business management.

The Norinchukin Bank supports these initiatives at JF cooperative members.

JForest Group Initiatives

■ Current State of Cooperative Activities

JForest Group has established the JForest Movement for the Creation of Future Forestlands, Forestry Industry and Mountain Villages—Creating Local Communities Using Forests for the Next Generation, a new cooperative campaign policy that runs from fiscal 2016 through fiscal 2020. JForest Group is carrying out the following three agendas: (1) enhance an efficient business base through the consolidate forest management and utilization of advanced technologies, (2) build a stable supply system of domestic lumber leveraging the cooperative system's economies of scale and (3) create an open organization trusted by individual members and society, JForest Group will play a key role in regenerating Japan's forests and the forestry industry.

■ Norinchukin Bank Initiatives

In addition to providing financial support for JForest Group's various initiatives, the Bank provides nonfinancial support and works so that JForest Group can play a key role in Japan's forestlands and forestry industry.

• Forest Rejuvenation Fund (FRONT80)/ Nochu Potential Forest Productivity Fund

In order to promote activities aimed at the sustainable demonstration of the multi-faceted roles of forests, through the revitalization of private forests in danger of becoming deserted, the Norinchukin 80th Anniversary Forest Rejuvenation Fund (FRONT80) was established in 2005 (final offers in fiscal 2013). In the nine years between 2005 and 2013, we received 319 applications from all over the country, and from among them we have selected 52 projects and have provided subsidies totaling ¥942 million.

From fiscal 2014, in order to promote efforts for the consolidation of facilities and provide a boost to forestry cooperatives, taking into account changes to JForest's surrounding environment such as governmental policies, we began soliciting applications for the Nochu Potential Forest Productivity Fund that has been established as a successor to FRONT80. In the five years between fiscal 2014 through 2018, we received 188 applications, we decided on ¥812 million in subsidies after selecting 38 from among them.

• Support for Initiatives to Consolidate Forest Management

From fiscal 2015, the Bank has undertaken new initiatives toward "forestry labor safety improvement measures" aimed at improving labor safety and recruiting leaders practice consolidated forest management. The Bank subsidizes safety equipment purchased by JForest and JForest Moriren (Prefectural Federations of Forestry Cooperatives) engaged in measures to improve labor safety. During the four-year period of fiscal 2015 through 2018, ¥336 million was provided to forestry cooperatives and prefectural federations of forestry cooperatives throughout Japan for 1,691 projects. Through these measures, the Bank is making a certain level of contribution to reducing labor disasters caused by "cut" and "abrasion."

• Support to Expand Domestic Lumber Use

JForest Group is working to expand the use of domestic lumber, and the Bank is also supporting JForest Group in its efforts. In April 2013, a financing scheme was established for forestry cooperatives and federations actively involved in the building of distribution and sales systems for lumber. In fiscal 2018, the loan facilities were established for 40 projects totaling ¥7.7 billion.

In addition, as support for initiatives which contribute to the expansion of domestic lumber use and forest conservation, the Bank has been engaging in the donation of wood products made from local lumber, sponsorship for tree-planting events, and subsidization of wood use education activity expenses, and in fiscal 2018, provided subsidies totaling ¥42 million to 43 prefecture-level organizations for 49 projects, as well as donating wood products worth ¥39 million to 19 parties in areas affected by the Great East Japan Earthquake.

In October 2016, the Bank established an endowed research department at the University of Tokyo for the study of lumber-using systems. Along with this, we also established the Wood Solution Network in which related upstream, midstream and downstream companies and organizations participate to pursue the development of forests and the forestry and lumber industries. This network is working in an alliance with the aforementioned endowed research department to solve various issues to expand the use of lumber as a platform for collaboration among industrial, government, academic and financial sectors.

• Support to Strengthen Management System

Furthermore, in collaboration with JForest Zenmoriren (National Federation of Forest Owners' Cooperative Associations), the Bank subsidized the cost of workshops for forestry cooperative auditors education, training sessions for auditors and other costs in order to support the strengthening of the management systems of JForest. Moreover, we continue to give lectures at compliance study groups held at prefectural-level organizations.

Loading logs with a forwarder

Safety muster (wearing safety equipment provided through subsidies)

Safety Net for the Cooperative Banking System

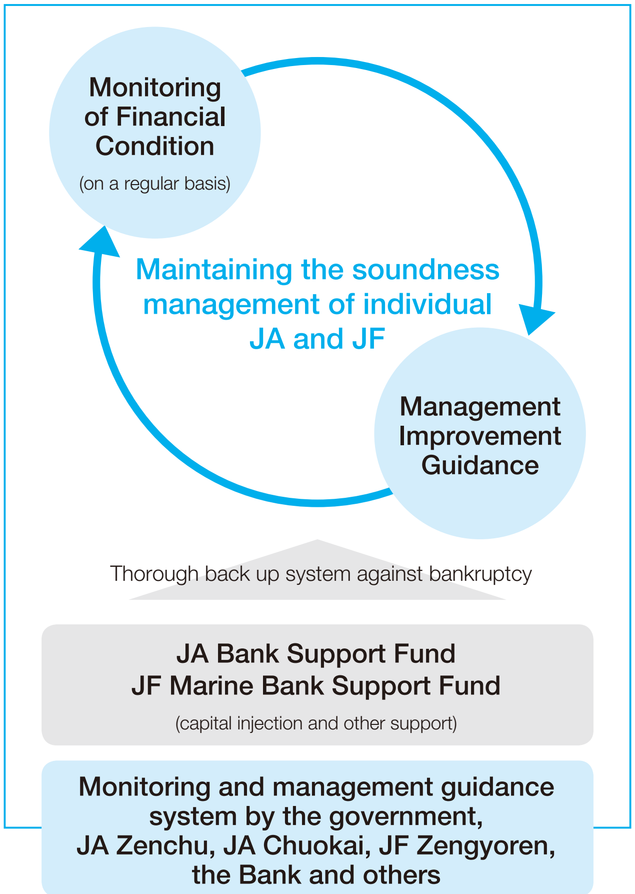
JA Bank and JF Marine Bank have established a safety net based on the Bankruptcy Prevention System and the Agricultural and Fishery Cooperative Savings Insurance System to provide an increased sense of security for their individual members and customers.

■ Bankruptcy Prevention System

JA Bank and JF Marine Bank have developed their own respective systems to prevent JA and JF from bankruptcy.

Specific functions of these systems include: (1) monitoring of the business conditions of individual JA and JF to identify problems at an early stage, (2) taking steps at the earliest stage possible to prevent bankruptcy, and (3) injecting necessary funds drawn from the JA Bank Support Fund or the JF Marine Bank Support Fund*, the funds of which are collected from JA Bank and JF Marine Bank members nationwide, in order to maintain the sound management of individual JA and JF.

**As of March 31, 2019, the balance of the JA Bank Support Fund was ¥170.6 billion, and that of the JF Marine Bank Support Fund was ¥22.6 billion.*



■ Agricultural and Fishery Cooperative Savings Insurance System

When a member organization of the cooperative banking system, such as JA or JF, becomes unable to reimburse deposited funds to its individual members and customers, this system provides policy coverage for depositors and ensures settlement of funds, thereby contributing to the stability of the cooperative banking system. The system is the same as the Deposit Insurance System, for which banks, shinkin banks, credit associations and labor banks are members.

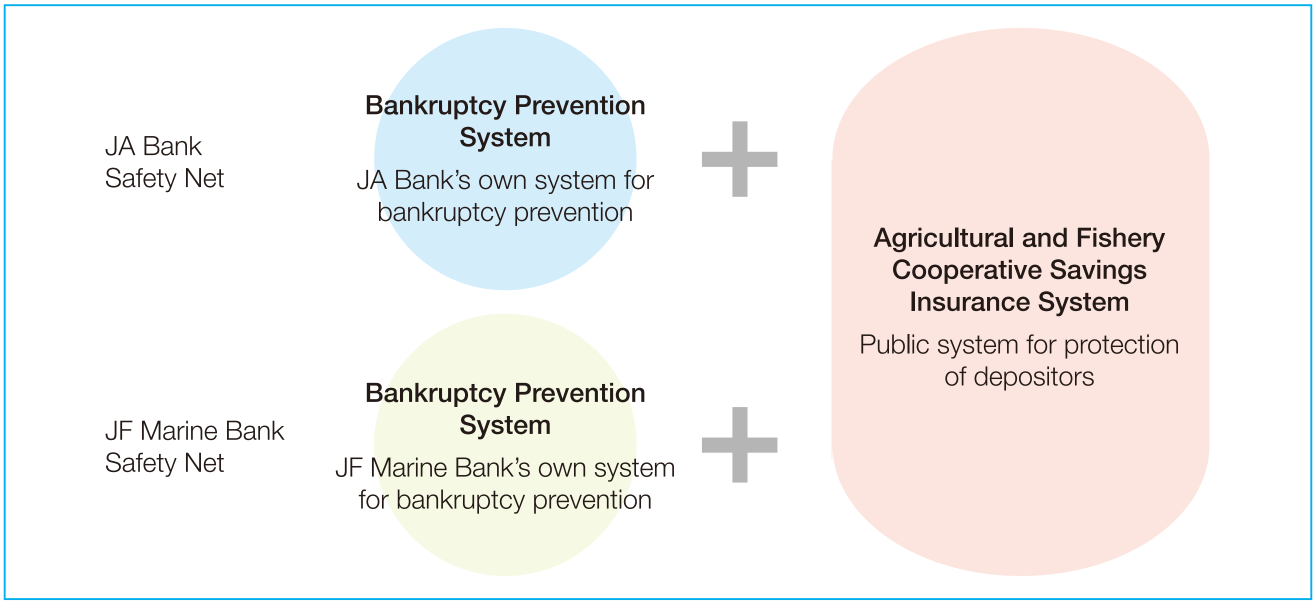
The Agricultural and Fishery Cooperative Savings Insurance System has been established under the Agricultural and Fishery Cooperative Savings Insurance Law. It is managed by the Agricultural and Fishery Cooperative Savings Insurance Corporation, which has been established jointly by the Japanese government, the Bank of Japan, The Norinchukin Bank, JA Shinnoren, JF Shingyoren and other entities.

When funds are deposited in agricultural or fishery cooperatives covered by the system, the deposits are automatically guaranteed by this system.

Even though the blanket deposit insurance system was fully discontinued on April 1, 2005, payment and settlement deposits (deposits that satisfy the following three conditions: (1) bearing no interest, (2) being redeemable on demand, and (3) providing normally required payment and settlement services) are still fully protected by the system. However, all other types of deposits are only covered up to ¥10.0 million in principal (per depositor at each cooperative organization), plus interest accrued.

As of March 31, 2019, the balance of the reserve fund of the Agricultural and Fishery Cooperative Savings Insurance System was ¥431.2 billion.

Safety Net for the Cooperative Banking System



Financial Institutions and Savings Covered by the Savings Insurance System, and the Scope of Protection

Covered Agricultural and Fishery Cooperatives

JA (limited to those engaged in banking business), JA Shinnoren, JF (limited to those engaged in banking business), JF Shingyoren, Marine Product Processing Cooperative (limited to those engaged in banking business), Federations of Marine Product Cooperatives (limited to those engaged in banking business), The Norinchukin Bank

Covered Savings, etc.

Savings, fixed term savings, Norinchukin Bank debentures (limited to custody products), as well as installment savings and property accumulation savings products using such savings, savings related to the investment of defined-contribution pension reserves, etc.

Scope of Protection

Types of savings, etc.			Scope of protection
Savings, etc. covered by the insurance	Payment and settlement deposits	Savings which meet the three requirements, such as bearing no interest *1	Full amount (permanent measure)
	Ordinary savings, etc.	Savings other than those for payment and settlement purposes *2	Total of principal up to ¥10.0 million and interest thereon *3 [The portion in excess of ¥10.0 million will be paid according to the financial status of the failed cooperative (may be subject to deductions)]
Savings, etc. not covered by the insurance		Foreign currency savings, negotiable certificate of deposits, Norinchukin Bank debentures (excluding custody products), etc.	Not protected [Payable according to the financial status of the failed cooperative (may be subject to deductions)]

*1 Savings satisfying the three requirements of "bearing no interest, being redeemable on demand, providing payment and settlement services."
*2 Savings earmarked for taxes, installment savings and property accumulation savings products using insured savings will be protected.
*3 Distribution of earnings on fixed term savings will be protected in the same way as interest.

Corporate Governance

The Norinchukin Bank's Management System

The Bank is both the national-level organization for Japan's agricultural, fisheries and forestry cooperatives as well as an institutional investor that plays a major role in the financial and capital markets through investment of large amounts of funds in Japan and overseas. Naturally, the Bank adheres to decisions made within the Council of Delegates comprising representative members of all shareholders. At the same time, the Supervisory Committee and the Board of Directors, as stipulated by the Norinchukin Bank Law, are organized to share duties as well as coordinate the Bank's decision-making, while taking into consideration the internal and external situations of the cooperatives.

Supervisory Committee

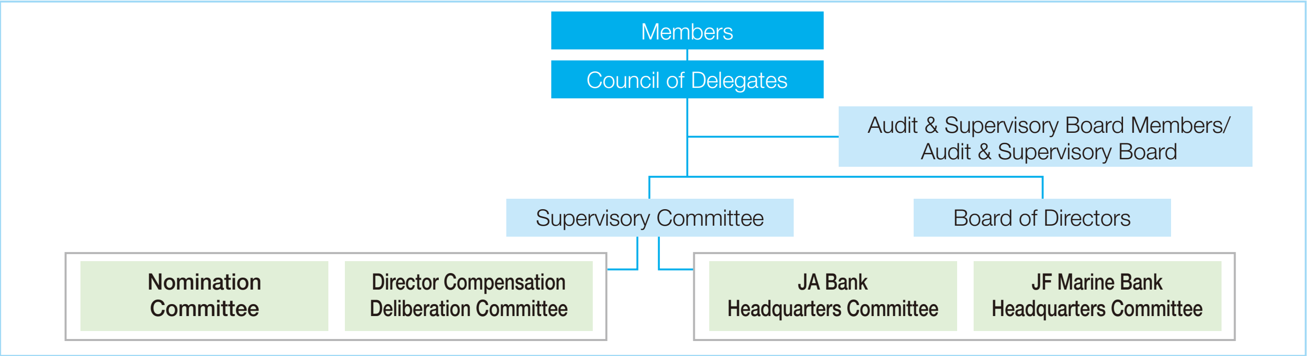
The Supervisory Committee is responsible for submitting agendas for discussion and reporting to the Council of Delegates as well as for making decisions on important issues related to agricultural, fishery and forestry cooperatives. The Supervisory Committee also has the authority to oversee business activities performed by directors. This includes the authority to request that board members attend meetings to explain their business activities and to request the Council of Delegates to dismiss board members. The Supervisory Committee members have been selected from among board members of cooperative organizations, people engaged in the agriculture, fishery and forestry industries, as well as individuals with an in-depth knowledge of finance. Supervisory Committee members are recommended by the Nomination Committee, which mainly consists of representatives of the Bank's members, and are then appointed by the Council of Delegates. Regarding the Bank's compensation structure for directors, the Bank established the Director Compensation Deliberation Committee to deliberate on compensation issues, as a subcommittee of the Supervisory Committee.

Under the jurisdiction of the Supervisory Committee are the JA Bank Headquarters Committee and the JF Marine Bank Headquarters Committee, which are composed of representative committee members of cooperatives and the Bank's directors. These committees deliberate on basic policies of the banking business conducted by the agricultural and fishery cooperative organizations as well as on operational guidance for the Bank's members acting in the name of the headquarters.

Board of Directors

The Board of Directors makes decisions regarding the execution of business activities, excluding those matters under the jurisdiction of the Supervisory Committee, and performs a cross-checking function on the exercise of directors' business affairs. Members of the Board are elected by the Supervisory Committee and assume their positions upon approval of the Council of Delegates. Of the seven board members, two of them are appointed as members of the Supervisory Committee. Hence, decisions made by the Supervisory Committee and the Board of Directors are closely coordinated.

Management System of the Bank



Audit & Supervisory Board Members/Audit & Supervisory Board

Audit & Supervisory Board Members are elected directly by the Council of Delegates, and are responsible for auditing the decisions of the Supervisory Committee and the Board of Directors as well as for general oversight of the Supervisory Committee and board members' business activities. Moreover, the Audit & Supervisory Board, comprised of Audit & Supervisory Board Members, is established in accordance with the Norinchukin Bank Law. In addition, of the five Audit & Supervisory Board Members, three of them satisfy the conditions stated in Article 24-3 of the Norinchukin Bank Law*, and are equivalent to external auditors in publicly traded companies.

** According to Article 24-3 of the Norinchukin Bank Law, at least one of the Audit & Supervisory Board Members must satisfy all of the following conditions:*

(1) The member must not be a director or employee of a corporation that is a member of The Norinchukin Bank.

(2) The member must not have held the positions of director, member of the Supervisory Committee, or employee of The Norinchukin Bank, or the position of director, accounting advisor (if the advisor is a corporation, then an employee who performs such duties), executive officer or employee of one of the Bank's subsidiaries, in the five years prior to their appointment.

(3) The member must not be the spouse or relative within the second degree of kinship of a Norinchukin Bank director, Supervisory Committee member, manager or other important employees.

Basic Policy on Governance

In light of the spirit of the Corporate Governance Code, the Bank has formulated a Basic Policy on Norinchukin Bank Governance.

Framework for Business Administration (Risk Appetite Framework (RAF))

Basic Approach

The business environment surrounding financial institutions is changing radically. For the Bank to maintain its high soundness and continue to meet stakeholders' expectations and perform its basic roles, the forward-looking recognition of risks and the appropriate risk controls as well as the risk taking in a disciplined manner are increasingly important.

To implement such measures, the Bank has introduced the Risk Appetite Framework (RAF) for business administration. Under the RAF, the Bank is aiming to achieve the goals of the management plan and working to foster and disseminate a sound risk culture that supports its business administration framework.

Risk Appetite Framework (RAF)

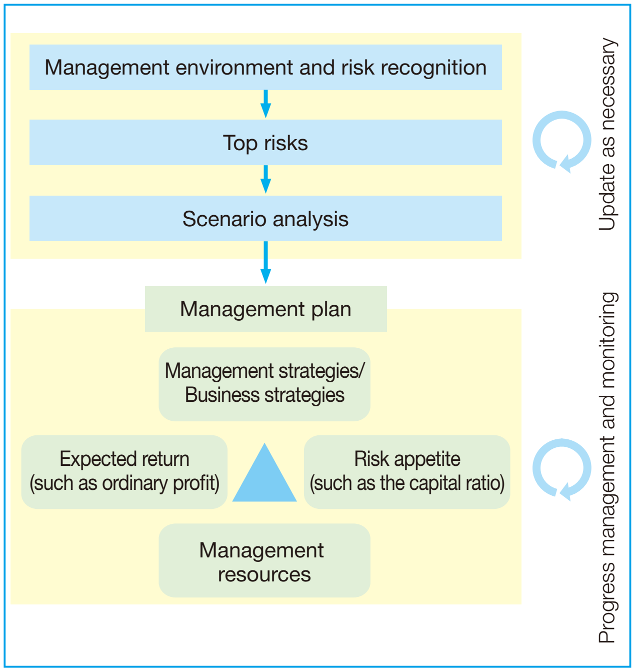
The Bank's RAF is a "framework for business administration leading to disciplined risk taking and optimizing the balance between risk and return" by clarifying the Bank's management strategies, business strategies and expected return (types and amounts of return that are set as goals) and risk appetite (types and amounts of risks that the Bank is willing to take or are acceptable to the Bank) and managing them in an integrated manner. Under the RAF, by allocating finite management resources (such as the general and administrative expenses and staff) effectively, with the aim of an optimal balance between risk and return, the Bank further improves its soundness while adjusting to changes in the surrounding environment.

■ Implementation of the RAF

The Bank has issued its "Risk Appetite Statement" and has formulated and documented the basic matters related to implementation of the RAF. To formulate a management plan, based on the Risk Appetite Statement, the Bank identifies the "Top Risks" (risk events to which the Bank needs to pay special attention in the future) in light of the management environment and risk recognition, and analyzes scenarios of risk events that could happen in the future. Based on the analysis results, the Bank clarifies the expected return from the implementation of the management strategies and business strategies as well as the risk appetite, decides the allocation of management resources and formulates the management plan.

The Bank has clarified the policies for managing the expected return and risk appetite and set the Key Goal Indicators (KGIs) and Risk Appetite Indicators. During a fiscal year, while updating the information on the management environment and the risk recognition, the Bank monitors the status of management strategies, business strategies and expected return as well as the risk appetite, and reviews them if necessary. Thus, the RAF is implemented with the PDCA cycle of the management plan.

Outline of the RAF



■ Risk Culture

It can be said that the corporate culture is something multifaceted that is formed by the organizational code of conduct and sense of value built on the thoughts and behavior of each director and employee of the company. To maintain its soundness and continue to perform its roles consistently as a financial institution with social responsibility, it is necessary to ensure profitability through a certain level of risk taking. To this end, the "risk culture" that is shared by directors and employees throughout the organization concerning risk recognition, risk taking and risk management is especially important for the appropriate implementation of the RAF.

For all directors and employees of the Bank to be able to share the required standard of behavior and way of thinking and act always to establish and maintain trust with diverse stakeholders, the Bank defines the future vision of an ideal organization as a goal and disseminates that vision throughout the Bank, thereby working to foster a sound risk culture and disseminate such a culture throughout the entity.

Initiatives for Strengthening Internal Control

■ Basic Approach

For the Bank to fulfill its fundamental mission as the central organization for Japan's agricultural, fisheries and forestry cooperatives as well as its social responsibility, the Bank views the construction of management control systems as its highest priority. It has established basic policies for internal control to secure compliance with corporate ethics rules and relevant laws and regulations, proper management of risks, as well as appropriate business activities in general.

■ Basic Internal Control Policy

● Systems for Ensuring Duties Exercised by Directors and Employees Conform to Relevant Laws and the Articles of Association

(1) To ensure sound management through compliance with laws and regulations, the Bank has established its Code of Ethics and Compliance Manual. It has taken steps to ensure that all directors and employees are fully aware of the importance of strict observance of laws and regulations, and performance of their duties with integrity and fairness.

(2) To ensure that directors act in compliance with laws and regulations, their activities are monitored and audited by other directors and Audit & Supervisory Board Members. In addition, the Compliance Division, which supervises the Bank's overall compliance matters, reviews important decisions in advance.

(3) With regard to compliance matters, the Bank has set up the Compliance Hotline System, which allows employees to turn to the Compliance Division or outside lawyers for advice or to file a report.

(4) The Bank institutes a Compliance Program each fiscal year, which includes systematic compliance promotion and education and training programs for employees.

(5) The Bank takes a strong and resolute stance against anti-social elements that pose a threat to social order and security, and blocks all relationships with them.

(6) With regard to internal controls on financial reporting, the Bank has in place measures to ensure that such reporting is reliable and appropriate.

● Systems for Retaining and Managing Information Related to Directors' Execution of Duties

(1) Important documents related to the execution of directors' duties, such as minutes of Board of Directors meetings and other important meetings, as well as documents requiring approval, are properly managed by specifying their retention period and management standards.

(2) The Bank's business units are obligated, upon the request of directors, executive officers and Audit & Supervisory Board Members, to present information related to the performance of their duties for their inspection.

● Rules and Other Systems for Managing the Risk of Loss

(1) The Bank views the proper implementation of risk management as a major business challenge for maintaining a business that is safe and sound while simultaneously establishing a stable profit base. Accordingly, the Bank has established basic policies for risk management that set out the types and definitions of risks that the management must be aware of, and risk management systems and frameworks.

(2) Risks that need to be managed are divided into two types. The first type consists of risks that the Bank takes on proactively and deliberately with the goal of generating profit. These risks include credit risk, market risk and liquidity risk. The second type of risk is operational risk. Based on the nature of these various kinds of risks, the Bank has established risk management policies and procedures, and undertakes risk management for the Bank and its group companies from a comprehensive and unified perspective. To properly carry out these risk management activities, the Bank has established decision-making bodies and units to be in charge, clearly defined each of their roles and responsibilities, and taken steps to implement an appropriate risk management system.

(3) The Bank carries out comprehensive and more sophisticated risk management through economic capital management, which measures various kinds

of risks and ensures that total risk capital remains within the limits of the Bank's regulatory capital requirement.

(4) To comply with requirements for ensuring management soundness set forth in the Norinchukin Bank Law, the Bank conducts regulatory capital management based on the conditions stipulated in laws and regulations.

(5) In the case of a major natural disaster, the Bank makes necessary preparations to maintain its business continuity.

• Systems for Ensuring Efficient Execution of Directors' Duties

(1) The Bank establishes its medium-term management plans, business plans and other plans for business execution, and periodically assesses their progress.

(2) To ensure that decision making by the Board of Directors is efficient, the Bank has formed committees composed of directors and executive officers to which the board delegates specific matters and tasks for implementation. The Bank has also formed councils to discuss management issues on a regular or as-needed basis. Their duties include the discussion of proposals on matters to be decided by the Board of Directors.

(3) To ensure that directors and employees perform their duties efficiently, the Bank takes steps to improve its organizational system by clearly establishing its organizational structure, authorities and responsibilities.

• Systems for Ensuring that Operations are Conducted Properly at the Group Companies of the Bank and its Subsidiaries

(1) To ensure the proper operation of the Norinchukin Bank Group, the Bank has established basic policies for the operation and management of its group companies according to the group company's type of business, scale and importance.

(2) Based on business management agreements concluded between the Bank and each group company, matters relating to management, matters relating compliance, matters relating to risk management and matters relating to internal audits to be discussed and reported, to ensure smooth and appropriate operation within the group have been decided, and the status of execution of business at each group company is monitored.

(3) In group companies, the Bank provides appropriate guidance, advice and supervision and conducts performance reviews in order to improve rules and other systems for managing the risk of loss, systems for ensuring the efficient execution of directors' duties and systems for ensuring duties exercised by directors and employees conform to relevant laws and the Articles of Association.

• Internal Audit System

(1) To contribute to the proper operation of its business, the Bank has created the Internal Audit Division, which is independent of units that carry out business operation. The Bank strives to maintain a system to ensure that internal audits are effectively carried out for its entire operations.

(2) Internal audits are conducted for the Bank and group companies that have concluded agreements for audits, and are implemented based on an auditing plan approved by the Board of Directors.

(3) The Internal Audit Division periodically reports a summary of audit results to the Board of Directors and related divisions.

(4) Members of the Internal Audit Division meet periodically and as needed with Audit & Supervisory Board Members and accounting auditors to exchange views and information as well as to better coordinate their auditing activities.

• Details regarding Staff who Support Audit & Supervisory Board Members and Their Independence from Directors, as well as Details to Ensure the Effectiveness of Instructions Given to Such Staff.

(1) The Office of Audit & Supervisory Board Members, an independent unit, has been formed by the Bank to assist Audit & Supervisory Board Members in fulfilling their duties.

(2) In principle, three or more full-time employees are assigned to the Office of Audit & Supervisory Board Members to perform clerical work to help administer

the Audit & Supervisory Board and other tasks specified by its members.

(3) Employees assigned to the Office of Audit & Supervisory Board Members work in accordance with the instructions of the Audit & Supervisory Board Members.

(4) Full-time Audit & Supervisory Board Members' views on the performance evaluations of the employees assigned to the Office of Audit & Supervisory Board Members and their reassignment to other departments are obtained in advance and duly respected.

• Systems for Directors and Employees to Report to Audit & Supervisory Board Members and Other Systems for Reporting to Audit & Supervisory Board Members

(1) When a director discovers information that could cause serious damage to the Bank and the Bank Group, it must be reported immediately to the Audit & Supervisory Board.

(2) When the Compliance Division discovers information that is important from a compliance perspective or that is vital to the compliance system in general in the Bank and the Bank Group, the division must report these matters to Audit & Supervisory Board Members.

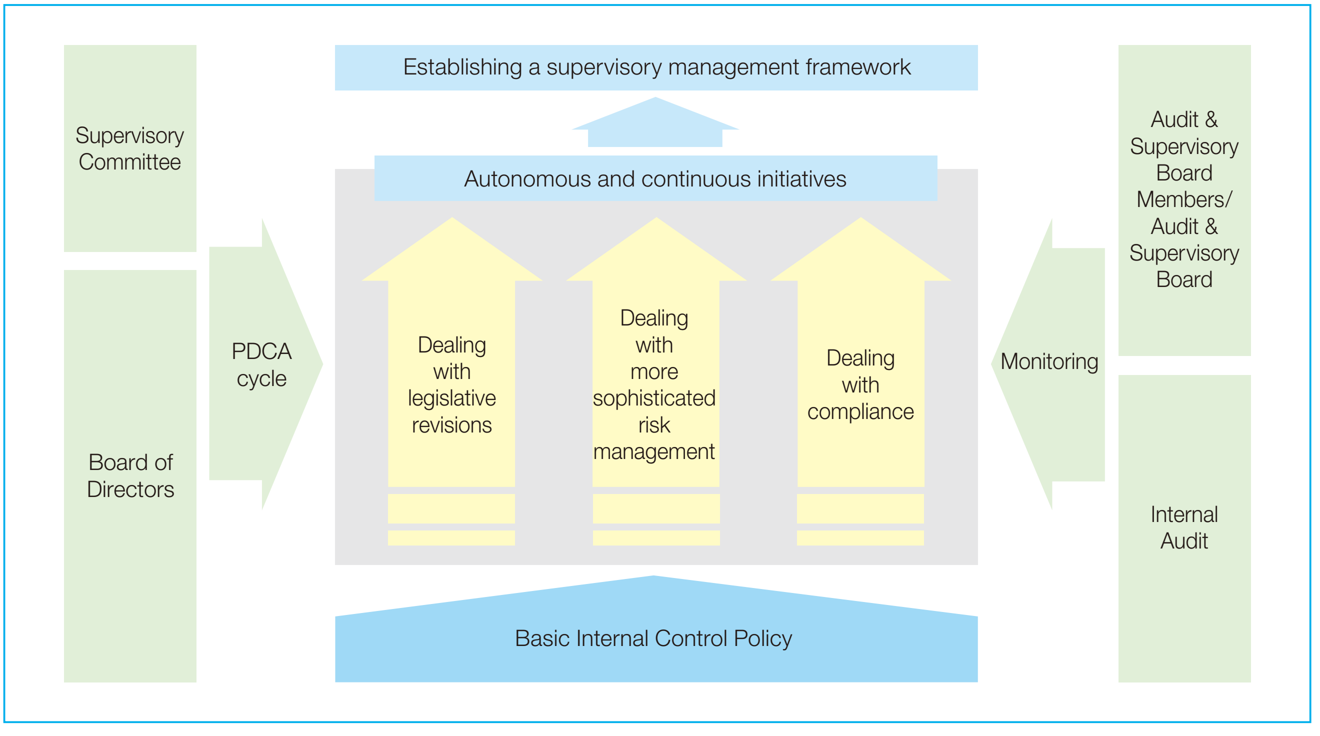
(3) The Internal Audit Division reports its findings regarding internal audits to Audit & Supervisory Board Members, and the two groups engage in discussion periodically.

(4) Documents related to major decisions and other important documents related to business conduct are provided to Audit & Supervisory Board Members for review.

• Systems for Directors and Employees of a Group Company, or Persons Receiving Reports from Said Directors and Employees, to Report to Audit & Supervisory Board Members

In addition to reports based on the provisions of the preceding paragraph, the Compliance Division receives reports on the internal reporting situation in group companies from the department in charge of the group company internal reporting program and reports to Audit & Supervisory Board Members.

Initiatives for Strengthening Internal Control



● Systems to Ensure that Persons who Report to Audit & Supervisory Board Members Are Not Discriminated Against for Reasons of Having Made the Report

Ensures that directors and employees of the Bank and those of the group companies who report to Audit & Supervisory Board Members for appropriate purposes are not discriminated against for reasons of having made the report, and that this is thoroughly understood and enforced.

● Policy Pertaining to Expenses Arising Due to Performance of Duties by Audit & Supervisory Board Members

In order to defray expenses, etc., arising due to the performance of duties by Audit & Supervisory Board Members, an appropriate budget framework shall be established, and except when deemed not necessary for the performance of duties by Audit & Supervisory Board Members, all expenses claimed by Audit & Supervisory Board Members shall be borne by the Bank.

● Other Systems to Ensure Effective Conduct of Audits by Audit & Supervisory Board Members

Fully aware of the importance and value of audits by Audit & Supervisory Board Members, the following systems have been created to ensure that they are conducted effectively.

(1) Audit & Supervisory Board Members are allowed to attend Board of Directors meetings, Supervisory Committee meetings and other important meetings, and are free to express their opinions.
(2) Representative directors and Audit & Supervisory Board Members periodically meet to exchange views.
(3) Directors, executive officers and employees must cooperate with Audit & Supervisory Board Members' investigation and interview requests.
(4) In general, directors, executive officers and employees must comply with the matters set forth in the Rules of the Audit & Supervisory Board and the Standards for Audits.

Internal Audit System

■ Position of the Internal Audit

The Bank defines internal audit as objective and rational verification and evaluation of the appropriateness and effectiveness of the internal management system by an independent internal audit unit based on the Bank's business characteristics and risk conditions.

The objective of internal audit is to contribute to the proper execution of business by helping audited divisions develop corrective action plans to resolve issues that have been identified as a result of verification and assessment, and then by verifying the effectiveness of these plans.

The scope of internal audit includes all operations and assets managed by all divisions and branches of the Bank. Internal audits are conducted on affiliates that have signed agreements for business audits and on contractually outsourced businesses for which business audit contracts have been signed as long as these audits do not infringe on the scope of agreements, contracts, laws and regulations. For businesses of affiliates and contractually outsourced businesses that are not subject to audit, internal audits are conducted on the management status of relevant businesses by responsible divisions.

■ Outline of the Internal Audit System

The Bank's Board of Directors has established the Internal Audit Policy, which sets out basic internal auditing functions, including the definitions, objectives, scope and positioning of auditing within the organization.

Based on this policy, the Bank has established the Internal Audit Division as an internal auditing unit that is independent from other business divisions.

In addition, the Bank has formed the Internal Audit Committee, which includes representative directors. The purpose of the committee is to consider and discuss matters related to internal audits in general, including planning, implementation and improvements, and to facilitate reporting of internal audit matters to the management and follow up of audit results.

Moreover, the Internal Audit Division, Audit & Supervisory Board Members and accounting auditors meet to exchange views and information on a periodic and as-needed basis in order to strengthen their cooperative efforts.

■ Preparation of Internal Audit Plans

Internal audits are implemented by instituting individual audit execution plans based on medium-term and annual internal audit plans approved by the Board of Directors.

An efficient and effective audit execution plan is established after first understanding the status of risk management in the department to be audited, and confirming the sufficiency of required auditing resources, and then taking into account the frequency and depth of the audit based on the type and extent of risks.

■ Implementation of Effective Internal Audits

The Internal Audit Division is conducting audits conforming to IIA* standards, as well as conducting audits in the spirit of the internal auditing standards of various countries including Japan where the Bank is based.

Furthermore, to ensure the effectiveness and improvement of internal audits, personnel with highly specialized knowledge are assigned to the Internal Audit Division. After assignment, they continue to upgrade their knowledge and skills through training and are encouraged to obtain external qualifications.

In addition, the Internal Audit Division makes use of a variety of auditing methods to conduct internal audits effectively and efficiently. They include off-site audits for which on-site auditing is not required, off-site monitoring to gather daily audit-related information, and unannounced audits.

* *IIA (The Institute of Internal Auditors Inc.) is an international body relating to internal auditing that aims to improve the expertise of internal auditors and establish their professional status.*

■ Reporting of Audit Results and Follow-Up

After audits are completed by the Internal Audit Division, the audited divisions or branches are notified of the results by the Internal Audit Division. The audited divisions or branches are to take corrective actions on the recommendations by the Internal Audit

Division by specified deadlines. They prepare corrective action plans when necessary, and report them to the Internal Audit Division.

The Internal Audit Division reports and explains its audit results together with the audited divisions' report to a director in charge and Audit & Supervisory Board Members. In addition, the director in charge reports a summary of the audit results to the Board of Directors on a quarterly basis, and reports on the performance of internal audits are presented to the Supervisory Committee periodically. Matters of special importance must be immediately reported to President and Chief Executive Officer, Audit & Supervisory Board Members and the Board of Directors, and, when deemed necessary, to the Supervisory Committee as well.

Quality Assessment of Internal Audits

In order to ensure the effectiveness of internal audits and aim to upgrade and improve them, the Internal Audit Division carry out ongoing review of internal audit quality and self-evaluations once a year, as well as having quality assessments carried out at least once every three years, in principle, by an external specialist, such as an auditing firm.

Auditing of Assets

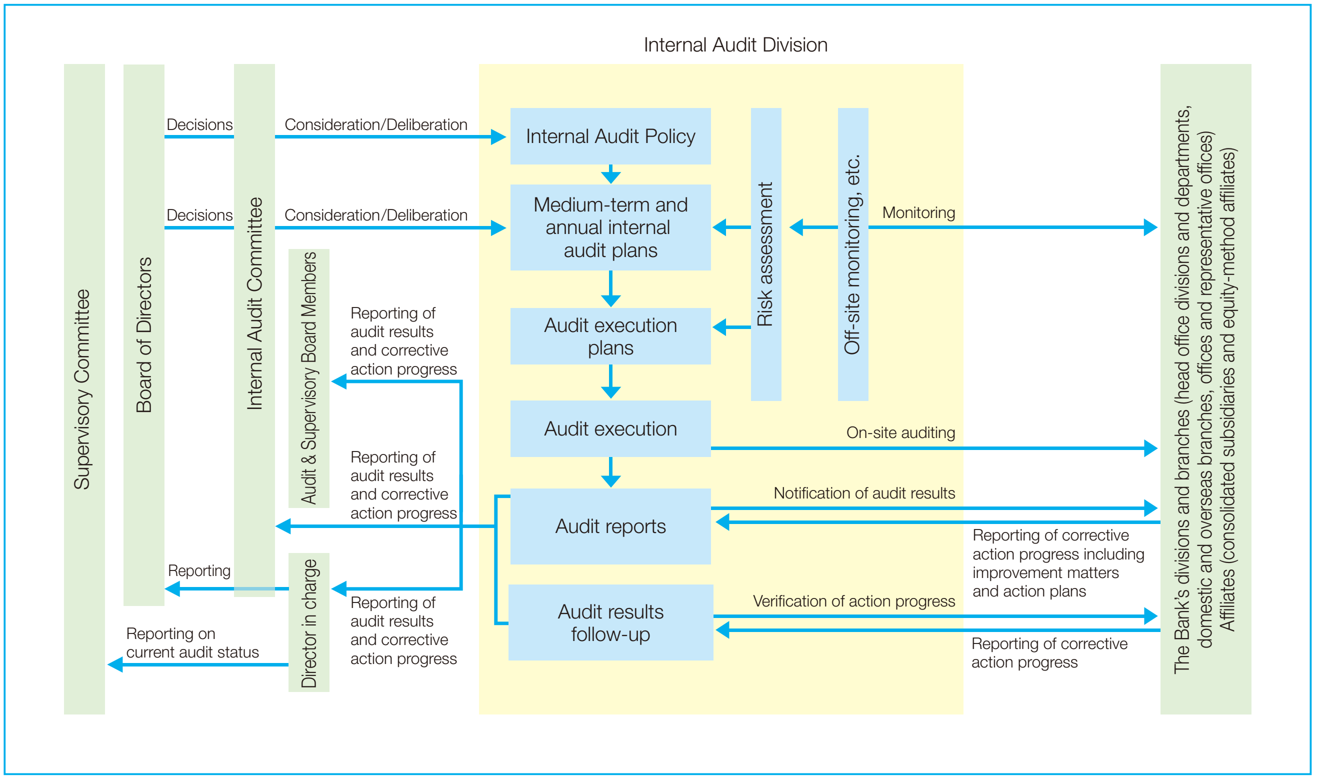
The Internal Audit Division audits the Bank's assets and verifies the accuracy and appropriateness of the Bank's internal ratings, self-assessments, loan write-offs and amounts of capital set aside for reserves.

Implementation of Assessment of Internal Control Systems Pertaining to Financial Reporting*

The Internal Audit Division performs assessment of internal control systems pertaining to financial reporting in accordance with generally accepted assessment standards for assessment of internal control systems pertaining to financial reporting published by the Business Accounting Council.

* *Financial reporting refers to the consolidated financial statements included in business reports created in accordance with the provisions of Article 80, paragraph 2, of the Norinchukin Bank Act and Article 111, paragraph 2, of the Ordinance for Enforcement of the Norinchukin Bank Act.*

Overview of Internal Audit System



Continuing as a Financial Institution Trusted by the Public

COMPLIANCE INITIATIVES

Basic Compliance Policies

As a financial institution whose business is founded first and foremost on trust and confidence, the Bank recognizes that the creation of an enhanced and more effective compliance framework is becoming an increasingly important management objective, especially in light of strong public criticism of corporate and other organizational improprieties and the significant expectations behind them today.

As a global financial institution that plays a central role in Japan's financial system, and the national-level financial institution serving as the umbrella organization for JA Bank and JF Marine Bank, the Bank is committed to fulfilling its basic mission and social responsibilities. To prove itself worthy of its customers' and members' trust and expectations in light of changes in the social and business environment, the Bank continues its unceasing efforts in the area of compliance by managing its business in accordance with societal norms, for instance by fully complying with laws and regulations based on the principle of total self-reliance. We are also constantly working to achieve a higher degree of transparency by emphasizing proper disclosure and accountability.

As part of this effort, we have defined our basic compliance policy in our Code of Ethics and a code of conduct for all directors and employees. To further ensure full compliance awareness among all directors and employees, we have incorporated in the Compliance Manual the following sections: the "Interpretation of laws and regulations to be observed by directors and employees of the Bank." These measures will ensure that compliance awareness is thoroughly understood and practiced by all directors and employees as they go about their daily business.

In response to recent growing societal demand for greater customer protection, based on its Customer Protection Management Policy, the Bank has taken steps to reinforce its management systems as part of its compliance efforts aimed at winning customer trust. These steps include providing explanations to customers, handling customer complaints and inquiries, managing customer information, managing contractors in the case of outsourcing customer-related business, and managing transactions that may involve a conflict of interest with customers.

Code of Ethics

1. Fundamental Mission and Social Responsibility

We are always aware of the importance of our fundamental mission and social responsibilities, and commit to forging even stronger bonds of societal confidence by fulfilling the mission and responsibilities through sound business operations.

2. Offering High-Quality Services

We meet the need of customers by offering customer-oriented services, and fulfil a role as a national-level institution engaged in cooperative banking business and contribute to economic and social development through offering high-quality services which are supported by enhancements in security levels to prepare for natural disaster and for cyber-attack which threaten the civil life and corporate activities, and by ensuring business continuity at the time of disaster.

3. Strict Compliance with Laws and Regulations

We comply with all relevant laws and regulations, and conduct business operations in an honest and fair manner in response to society's expectation and trust.

4. Severing Anti-Social Forces and Combating the Threat of Terrorism

We have a zero-tolerance policy against anti-social forces which threaten the safety and order of civil society, and thoroughly sever any relations with them. We endeavor to enhance measures against money laundering and financing of terrorism, recognising the current heightened risks of international society being under threat of terrorism, etc.

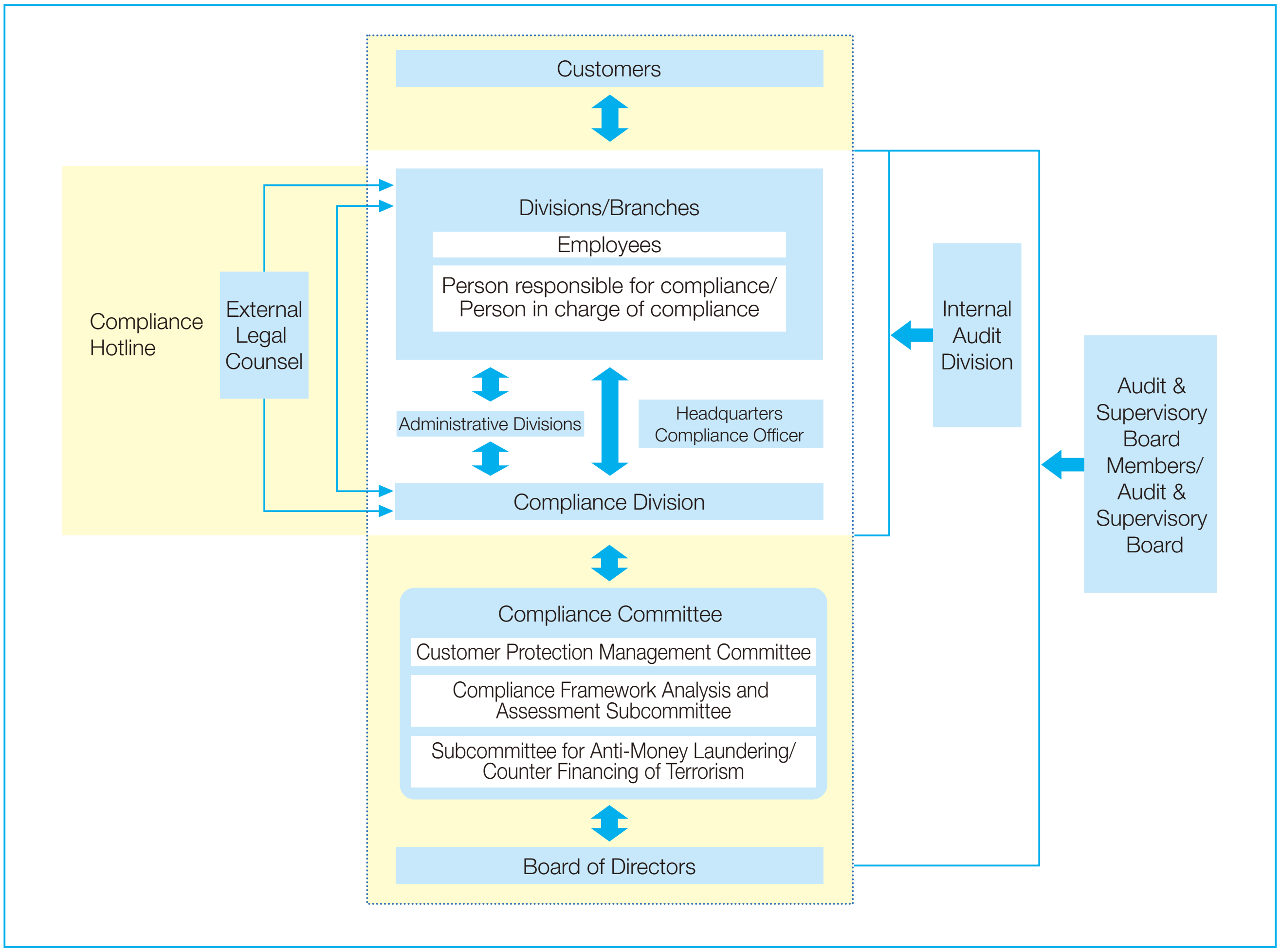
5. Building Highly Transparent Organizational Culture

We build a highly transparent organizational culture by respecting employee's individuality and by ensuring pleasant working environment considering employee's health and safety, while endeavoring to enhance communication and maintain satisfactory relationships with society, including proactively and fairly disclosing business information.

6. Contribution to Sustainable Society

We, as members of society, work closely with local communities, to support them with respect to the human rights of each person and with social issues such as an environmental issue, and we seek to contribute to the realization of sustainable society.

Compliance Framework



■ Compliance Activities Directly Linked to Management

The Bank's compliance framework is comprised of the Compliance Committee, the Compliance Division (in charge of overall compliance activities), the Headquarters Compliance Officer (established in July 2017) and the administrative divisions of relevant businesses, as well as personnel responsible for compliance, those in charge of compliance and compliance leaders assigned to the Bank's divisions and branches. The Compliance Committee has been established as a body under the Board of Directors to deliberate on basic compliance issues. Topics of high-level importance discussed by the Compliance Committee are subsequently approved by or reported to the Board of Directors.

In addition, the PDCA cycle pertaining to the operation of the framework is being strengthened by the Customer Protection Management Committee, the Compliance Framework Analysis and Assessment Subcommittee and the Subcommittee for Anti-Money Laundering/Counter Financing of Terrorism, which are subcommittees under the Compliance Committee.

The Bank also has clarified its efforts to disseminate a sound risk culture and systematically prevent inappropriate behavior as part of its risk handling policy in the RAF.

■ Compliance Practices within the Bank

The Bank's compliance framework at branches and divisions is based on the combined efforts of each and every employee, primarily centered on the General Manager of each branch or division as the person responsible for compliance, together with a person in charge of compliance and a compliance leader. Directly appointed by the General Manager of the Compliance Division, persons in charge of compliance oversee all compliance-related matters at their branches or divisions. They are expected to keep track of day-to-day compliance activities by using checklists to handle requests for advice or questions from other members of staff, to organize branch or divisional training and educational programs, and to liaise with, report to, and handle requests to the Compliance Division.

Since July 2017, the Headquarters Compliance Officers appointed in the Food & Agri Banking Business, the Retail Banking Business and Global Investments have been responsible for supporting each headquarters' operations from the aspect of compliance.

The Compliance Division, supervising overall compliance activities, acts as the secretariat for the Compliance Committee. It strives to strengthen the Bank's compliance framework by conducting compliance reviews, responding to requests from branches and divisions for compliance-related advice, and conducting compliance monitoring, which includes visiting branches and divisions to verify their compliance practices directly while providing guidance.

The Compliance Division has also installed a Compliance Hotline to enable employees to report on compliance issues to the Compliance Division or outside lawyers by telephone or email.

The Compliance Division supervises compliance activities in the area of customer protection as well, and ensures that branches and divisions are practicing compliance while collaborating with other related divisions.

■ Compliance Program

Each fiscal year, the Bank institutes a Compliance Program incorporating its management frameworks for compliance and customer protection, as well as promotion of initiatives, education and training plans for them. The Compliance Division implements the Compliance Program and monitors its progress to further reinforce the Bank's compliance framework.

■ Cooperation with Group Companies

The Bank is taking steps to strengthen its group's compliance systems by promoting a common awareness of compliance issues discussed at regular meetings with compliance divisions at its group companies.

■ Enhancing Disclosure

To improve and strengthen its disclosure initiatives, the Bank formed the Information Disclosure Committee in fiscal 2006 to discuss the appropriateness of its information disclosure initiatives.

■ Measures to Prevent Money Laundering

The Bank has established policies to prevent money laundering and is strengthening preventive measures in this area as part of an international cooperative effort.

■ Measures to Combat Bank Transfer Fraud

To help victims of bank transfer fraud and similar crimes, the Bank has established procedures based on the Law Concerning Remedies to Remittance Solicitation Fraud, and is taking steps to prevent such fraud.

■ Measures to Eliminate Anti-Social Elements

Under the Code of Ethics, the Bank takes a strong and resolute stance against anti-social elements that pose a threat to social order and security, and in order to block all relationships with such anti-social elements, the Bank has established a systematic exclusionary system, in line with the following basic principles, and strives to ensure sound management.

(1) Response as an organization

The Bank has established the foundation of express provisions under the Code of Ethics, and will respond as an entire organization, from the top management downward, and not simply leave it to the personnel or department in charge.

In addition, the Bank will guarantee the safety of employees who would respond to the unjustified demands from anti-social elements.

(2) Cooperation with outside agencies

In preparation for unjustified demands from anti-social elements, the Bank endeavors to establish continuing cooperation outside agencies such as the police, the

National Centers for the Elimination of Boryokudan.

(3) Blocking of relationships including business transactions

The Bank shall block all relationships with anti-social elements including business relationships. In addition, unjustified demands from anti-social elements will be rejected.

(4) Civil and criminal legal responses in times of emergency

The Bank shall reject unjustified demands from anti-social elements and take legal action, if necessary, on both a civil and criminal basis.

(5) Prohibition of secret deals and provision of funds

Even in cases where the unjustified demands from anti-social elements are based on misconduct related to business activity or involving an employee, the Bank will absolutely not engage in secret deals. Furthermore, the Bank shall absolutely not provide funds to anti-social elements.

Disclosure Policy

As the national-level financial institution for Japan's agricultural, fishery and forestry cooperatives, the Bank places fulfillment of its basic mission and social responsibilities and management of its business to high standards of transparency by focusing on information disclosure and accountability as its key management priority. Accordingly, the Bank strives for appropriate information disclosure by complying with disclosure requirements under applicable foreign and domestic laws as well as securities and exchange laws.

Handling of Material Information

1. The Bank considers the following information material and subject to public disclosure:
   (i) Information subject to mandatory disclosure under applicable domestic and foreign laws as well as securities and exchange laws.
   (ii) Information not subject to mandatory disclosure as (i) above but may have a significant impact on investor decisions.

Methods of Disclosure

2. The Bank discloses information that is subject to mandatory disclosure under applicable domestic and foreign laws and securities and exchange laws using predefined disclosure procedures, such as the information distribution systems of domestic and foreign securities and stock exchanges. In addition, the Bank has taken steps to diversify its methods of information disclosure, for instance online disclosure.

Fairness of Disclosure

3. When disclosing the aforementioned information, the Bank observes the principle of fair disclosure so that information is disclosed timely and appropriately.

Disclosure of Forward-Looking Information

4. The Bank discloses information containing future forecasts to enable capital market participants to accurately assess its present condition, future outlook, debt repayment ability and other matters. This forward-looking information is based on estimates from information available at the time the forecasts were prepared, and contains elements of risk and uncertainty. For this reason, actual results may differ substantially from the forecasts because of changes in economic and business conditions affecting the Bank's operations.

Enhancement of Internal Systems

5. To disclose information in line with its Disclosure Policy, the Bank strives to upgrade and expand necessary internal systems.

Policy Regarding Market Rumors

6. The Bank's basic policy is to not comment on rumors once it is clear that the source of the rumors did not originate from within the Bank. However, when the Bank decides that the rumors could have a major impact on capital markets, or when stock exchanges or other parties demand an explanation, the Bank may comment on such rumors at its own discretion.

Revitalization of Local Communities and Finance Facilitation Initiatives

Revitalization of Local Communities

● Initiatives to Agricultural Entrant Support Program

To cultivate future farming leaders, the Bank has implemented the program to support entrants to the agriculture industry. In fiscal 2015, the Bank expanded the subsidy business we have implemented towards training provided to potential new farmers and launched a subsidy business towards farming operation costs incurred by independent agricultural entrants aimed at providing support for stabilizing their management soon after becoming an agricultural entrant.

In fiscal 2018, the Bank provided subsidies of ¥500 million for approximately 4,200 businesses that help independent agricultural entrants with their farming operation costs and subsidies of ¥200 million for approximately 800 businesses that accept potential agricultural entrants (trainees).

Leaflet for the "Agricultural Entrant Support Program"

● Training of Next-Generation Farm Operators

As the main sponsor of AgriFuture Japan, the Bank encourages the training of farm operators of the next generation by providing operational support for the Japan Institute of Agricultural Management and seminar business run by the general incorporated association.

Since the opening of the Japan Institute of Agricultural Management in April 2013, 72 students have graduated and started engaging in farming nationwide. At present, class of 2019 and 2020 students are studying hard, encouraging each other as colleagues sharing the same aspiration in the school located on one of the floors of The Norinchukin Bank Shinagawa Training Center.

● Environmental Finance Initiatives

The Bank introduced the Agricultural, Forestry, Fishery and Ecology Rating System in 2010 to evaluate its members and companies which practice pro-environmental activities. The Bank added its own evaluation items to those of the system, including initiatives for environmentally sound agriculture, fishery and forestry industries and for the sixth industrialization.

Moreover, in 2012, the Bank began acting as a broker of domestic emission credits (J-VER). The J-VER System is the domestic emission trading scheme operated by the government. In 2018, part of the CO_2 emitted from the "Farmers' & Kids' Festival 2018" sponsored by the Japan Agricultural Corporations Association was offset using J-VER, which was brokered by the Bank. The Bank continues to support initiatives for environmentally-responsible agricultural and forestry operations such as forest improvement and environmental measures of companies by acting as a broker of J-VER trading derived from the agriculture, fishery and forestry industries.

● Agricultural, Forestry, and Fisheries Future Fund

To support the voluntary initiatives of agricultural, fishery and forestry workers/business entities and promote the dispatch of related information toward the further growth of the agriculture, fishery and forestry industries, the Bank established the "Agricultural, Forestry, and Fisheries Future Project" and, as the entity to implement the project, founded the "Agricultural, Forestry, and Fisheries Future Fund" in 2014, to which the Bank contributed ¥20.0 billion.

The "Agricultural, Forestry, and Fisheries Future Fund" has provided subsidies for a total of 37 projects. For fiscal 2019, the Fund started solicitation in June 2019.


Poster introducing the recipients of subsidiaries from the "Agricultural, Forestry, and Fisheries Future Fund"

● Stronger Collaboration with the Japan Agricultural Corporations Association

In February 2014, the Bank entered into a comprehensive partnership agreement with the Japan Agricultural Corporations Association, a public interest incorporated association with about 1,800 (2,003 as of March 31, 2019) pioneering agricultural corporation members nationwide. The partnership enables the association's members to more easily address issues they face, including their capital investments, management streamlining and value-adding to agricultural and livestock products, as well as provides a wide range of supports for the creation of new customers and export of products by utilizing the Bank's network.

In fiscal 2018, the Bank cosponsored the "Farmers' & Kids' Festival," (cosponsored since fiscal 2010) at which agricultural corporations, etc., from throughout the nation display and sell agricultural products and offer workshops for consumers in the metropolitan area where the festival is held annually. The Bank also cosponsored the "Next Generation Agriculture Summit" (cosponsored since fiscal 2016) soliciting self-motivated young farmers. In addition, at the National Federation of Agricultural Labor Support Conference, the Bank promoted an alliance to eliminate the labor shortage problem.

Next Generation Agriculture Summit

● Initiatives for Food and Farming Education Projects

The Bank provides subsidies for "food and farming education" projects that aim to deepen children's understanding of agriculture and food and to contribute to the development of local communities. We donate study materials for fifth graders as agriculture and food-related teaching aids, support initiatives to incorporate local agricultural products into school lunch menus, and organize cooking classes from the perspective of local production for local consumption. In fiscal 2018, we donated 1.33 million books to primary schools nationwide and provided approximately 2,000 subsidies, totaling of ¥500 million to local food and farming education activities. The Bank started to donate study materials in fiscal 2008 and has distributed more than 15 million books cumulatively to date. Since fiscal 2018, the Bank has distributed study materials to Japanese schools overseas—in Hong Kong (China), Beijing, Singapore, New York and London, etc.

Reconstruction Support Efforts

■ Outline of the Reconstruction Support Program

To provide full and multifaceted assistance for the recovery and reconstruction of the agriculture, fishery and forestry industries severely affected by the Great East Japan Earthquake, the Bank established the Reconstruction Support Program (support amount: ¥30.0 billion) in April 2011. Under this program, the Bank has provided the affected agricultural, fishery and forestry industry workers and affected members with multifaceted support tailored to the needs and situations of disaster-stricken areas.

1 Reconstruction Support for Farmers, Fishermen, Foresters and Local Communities

For the business reconstruction of disaster-affected farmers, fishermen and foresters, the Bank has provided long-term low-interest reconstruction loans (Tohoku Agricultural, Forestry, and Fisheries Industries Support Loan) and reconstruction fund (Tohoku Agricultural, Forestry, and Fisheries Industries Support Fund) through its affiliate, the Agribusiness Investment & Consultation Co., Ltd., as well as assistance to formulate reconstruction plans.

The Bank has been involved in large-scale reconstruction projects in disaster-stricken areas since their conceptual stages and is lending various kinds of support for the reconstruction of local communities. Further, the Bank has been offering a wide variety of financial assistance, such as providing interest subsidies for disaster funds extended by JA (Japan Agricultural Cooperatives) and JF (Japan Fisheries Cooperatives) to agricultural and fishery workers to help ease their interest burden, as well as providing lease subsidies to agricultural workers who acquire farm machinery and horticultural facilities through leasing.

In addition, the Bank has supported to agricultural workers for the cost of production materials and machines necessary to resume operations, fishery workers for the cost of cooling ice used in test operations, projects to promote reconstruction through agriculture, fishery and forestry industries and initiatives to realize advanced agriculture, fishery and forestry industries through reconstruction. The Bank also supports revitalization of disaster-stricken areas, such as by donating wooden products, etc., made using local timber.

Product	Number of loans, etc.	Amount
Reconstruction Loan (Tohoku Agricultural, Forestry, and Fisheries Industries Support Loan)	Number of loans 167	Loaned amount ¥51.5 billion
Reconstruction Fund (Tohoku Agricultural, Forestry, and Fisheries Industries Support Fund)	Number of investments 66	Invested amount ¥1.6 billion
Lease subsidies	Number of subsidies 1,908	Total lease amount ¥7.0 billion
Interest subsidies to JA/JF disaster funds	Number of support cases 4,059	Loaned amount ¥20.5 billion

*Cumulative total as of March 31, 2019

2 Reconstruction Support to Members and Customers

Both JA (Japan Agricultural Cooperatives) and JF (Japan Fishery Cooperation), to which the Bank has assisted in increasing capital under the Framework for Special Post-Earthquake Support, have repaid the funds they borrowed to help increase their capital.

Stable financial functions are provided to JA Bank and JF Marine Bank users with consultation services at JA Bank and utilization of movable terminals at JF Marine Bank. In addition, the Bank has also engaged in initiatives to restore customers' lives by supporting the Reconstruction Loan offered by JA Bank and JF Marine Bank and by appropriately responding to the double-loan problems and the project to promote collective relocation for disaster prevention. Based on the outcome of these support initiatives, in fiscal 2018, the Bank stopped accepting new applications under the Reconstruction Support Program.

Eight years have passed since the Great East Japan Earthquake, and agriculture and fishing operations have resumed in many of the disaster-affected areas, Disparity has arisen among local communities in this situation, and although lifestyle reconstruction efforts are proceeding there are still approximately 14,000 people (as of March 2019) forced to live in temporary housing, and looking at the disaster-affected areas as a whole, there are regions where the reconstruction process is still only half-way complete.

We will continue to provide full and multifaceted support for the reconstruction of agriculture, fishery and forestry industries and local communities.

Response to the Principles of Fiduciary Duty

In March 2017, the Financial Services Agency announced the seven Principles of Fiduciary Duty, which are based on an awareness of the need to realize a mechanism to achieve a well-balanced portfolio of household financial assets toward a goal of "achieving the stable asset building of the Japanese nation." Under such a mechanism, financial business operators compete in offering customer-oriented, high-quality financial products and services and customers choose those that provide better products/services. To achieve the stable asset building of the nation, it is necessary to encourage a transition from the savings-centered management of household financial assets to a well-balanced portfolio.

Under the JA Bank Medium-Term Strategies (fiscal 2019–2021), JA Bank aims to shift the focus from promoting core products such as savings, pensions and credit cards, to making proposals tailored to life plans desired by individual members and customers considering each individual's asset situation and specific needs.

This policy corresponds with the Principles of Fiduciary Duty announced by the Financial Services Agency. Accordingly, the Bank and the Bank's group companies, as well as JA and JA Shinnoren, both of which handle mutual funds, have adopted the seven Principles of Fiduciary Duty and announced the policies and measures to address those principles.

Through steady implementation of the items under those policies and making improvements mainly via regular reviews of the content to ensure that necessary updates are reflected, we will familiarize throughout the group our business operation, tailored to the business activities and lives of agricultural, fishery and forestry workers and community residents, as the corporate culture of JA Bank and the Bank's group.

Finance Facilitation Initiatives

● Policies on Finance Facilitation

As the financial institution founded on agricultural, fishery and forestry cooperatives, the Bank considers one of its most important roles is to provide necessary funds smoothly to its customers engaging in agricultural, fishery and forestry operations and SMEs, and conducts initiatives under basic policies for finance facilitation, including the flexible handling of loan applications from customers, making changes to financing conditions in response to customers' request for reduction of debt repayment burdens, proactive response to management consultation from customers, and support for their initiatives for management improvement.

In addition, in order to proceed with these initiatives properly, the Bank has developed a structure through discussion and reporting at meetings attended by relevant directors and executive officers, the designation of the department in charge of financing facilitation, the assignment of a financing facilitator at each branch who can collaborate with the department in charge of financing facilitation, and the creation of a customer service counter to respond to consultations and complaints from customers.

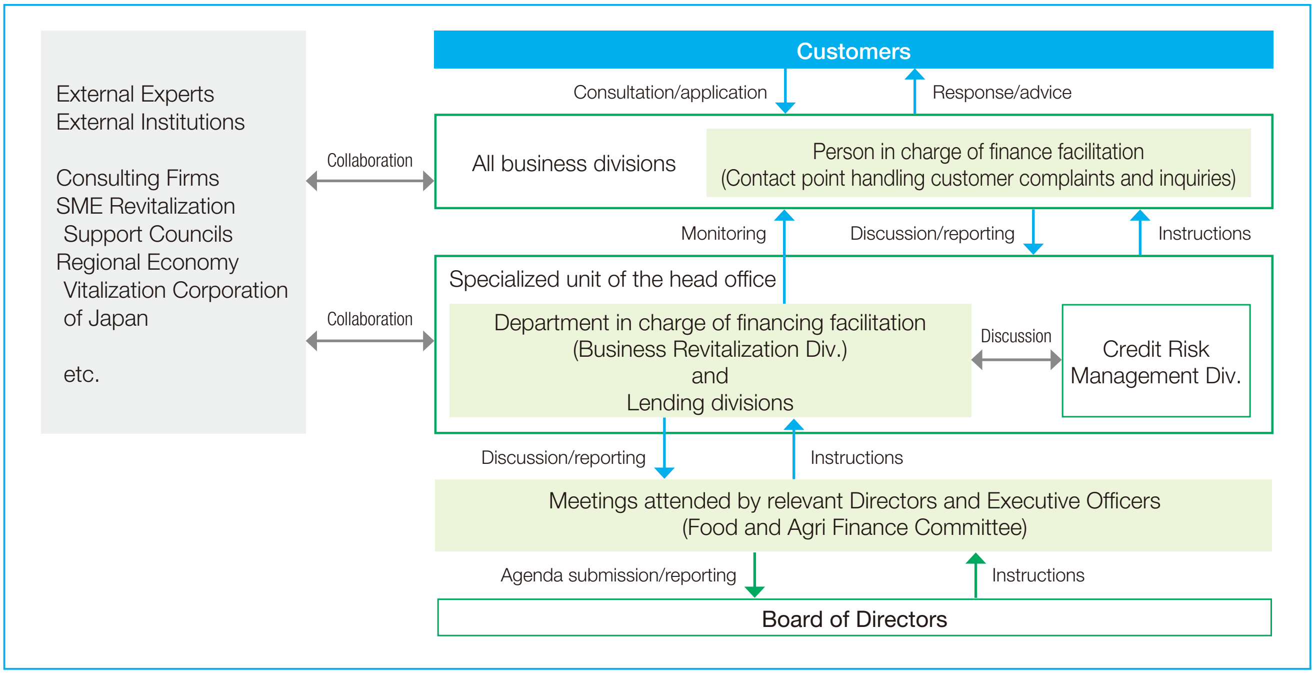
● Management Support Initiatives for Customers

The Bank focuses on providing services to customers who need support for management improvement and business reconstruction with due consideration to the impact on their local communities and other factors, and divisions and branches that handle customer transactions, together with a department in charge of financing facilitation, assist with the customers' efforts in the development and execution of plans, and review their progress and revise them as appropriate. We also collaborate with external parties, including consulting firms, Small- and Medium-size Enterprise Revitalization Support Councils (SMERSCs) and Regional Economy Vitalization Corporation of Japan (REVIC) as necessary, using various tools to achieve the best solution.

● Policy to Address the Guidelines for Management Guarantee

Based on the Guidelines for Management Guarantee published in December 2013, the Bank has developed a structure for compliance with the guidelines, and we will continue efforts to address the issue of personal guarantees by business owners in good faith based on these Guidelines.

Image of Finance Facilitation System



Develop Human Resources Essential to Achieve the Bank's Missions and Goals and Promote Employee Engagement

Basic Policy

To become a leading bank that supports the agriculture, fishery and forestry industries, food production and consumption, and the daily lives of local communities, the Bank has established the Basic Policy on Human Resource Management to develop human resources essential to achieve its missions and goals and promote employee engagement.

Basic Policy on Human Resource Management

Future Vision

- Develop human resources essential to achieve the Bank's missions and goals and promote employee engagement to realize its goal of becoming a leading bank that supports the agriculture, fishery and forestry industries, food production and consumption, and the daily lives of local communities

Basic Policy

- Form a group of self-motivated human resources capable of "Catching the Winds of Change" in the business environment and executing new business strategies
- Nurture high employee satisfaction by helping each employee to understand the strategies and goals of the Bank and its cooperative group and grow through tenacious engagement in each employee's business duties with self-motivated passion for contributing to the Bank and its cooperative group and tackling challenges.

In line with this basic policy, our effort is focused on the planning and management of personnel systems including performance and competency assessment systems and personnel development. Goals are set during interviews between superiors and their subordinates, their achievements are validated, and employee competency demonstrated in various work-related situations is reviewed. Through repetition of this process, the Bank promotes employee awareness and efforts to contribute to the Bank's performance and develop competency while also supporting it through extensive training options.

For the development of employees' careers, the Bank deploys and assigns personnel based on the competency, aptitude and career perspective of each person, and supports self-fulfillment through work, by adopting the Career Challenge Program (a job transfer application system) and the Career Change Program. In addition, the Bank is aggressively recruiting and employing highly-competitive external human resources.

Furthermore, we promote our initiative to reduce overtime and facilitate flexible workstyles, and improve health management and benefit programs for employees so that they can work in a state of good health and with peace of mind. In health management, in addition to periodic health examinations, the Bank conducts activities to help employees live a healthier life and holds mental health counseling sessions with a medical specialist. The Bank is also focused on improving the work environment such that employees can devote themselves to business operations by providing stronger child-raising and nursing-care support and establishing a system of obtaining legal advice from a lawyer.

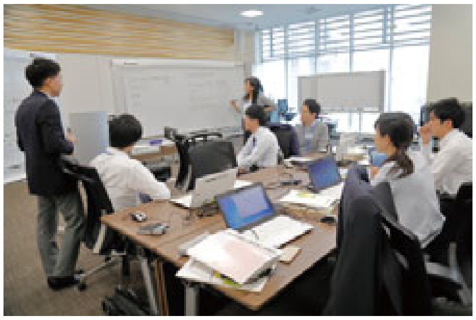
Human Resource Initiatives

With the goal of training core personnel in each headquarters, the Bank is actively providing opportunities for them to develop their skills in order to support the self-motivated efforts of each and every employee. In addition to subsidy programs for correspondence courses, certification exams, foreign language study and sending employees to overseas study and cross-industry seminars, the Bank holds after-work training based on required subjects in each business field. The Bank holds after-work training and group study, etc., by years of service or by rank.

In addition to the three-week entry training, new employees are sent to JA on-site training, on-site training at agricultural corporations and overseas language training so that they can have diverse experience in Japan and overseas. The Bank also provides on-the-job training and conducts a mentoring system for each new employee.

For young, mid-career employees along with management-level employees, we are helping them develop their careers leading to further growth through such measures as sending them on loan to JA and JA Shinnoren. We are also deepening employee understanding of the Bank's basic mission by holding workshops led by specialists in the cooperative system and the agriculture, fishery and forestry industries to develop human resources who can play a role as employees of the cooperative system.

To raise the management capabilities of management-level employees, we offer programs to send employees to study at European and U.S. business schools to develop management skills, as well as personal coaching to help managers to implement the Bank's management plan.


Entry training for new employees


Overseas language training

Principal Human Resource Programs

Group Training

- Career development training: Foster an awareness of career development by taking an inventory of employee abilities and through self-analysis
- Management training: Acquire and improve knowledge and business skills needed for management, including leadership, junior staff development, vision making and work efficiency
- Managerial development training: Acquire and improve knowledge required for organizational management, division and branch management, etc.
- The Bank Business School: Improve and deepen understanding of basic business management theory and consulting abilities, and build cross-departmental networks

Personal Development Support

- Financial support for correspondence courses, gaining certifications outside the Bank and foreign language training: Support for employee self-directed career development by partially subsidizing various studies

Outside Studies

- Graduate School of Business (managers program): Acquire advanced management skills at domestic and overseas universities
- Overseas study: Acquire specialized knowledge and global viewpoint through attendance at an MBA or LL.M program
- Overseas branch trainee system: Develop a global perspective in less-experienced staff by posting them at overseas branches
- Exchange personnel and acquire specialized knowledge by sending staff to cross-industry training, management companies, JA and JA Shinnoren

New Employee Training

- Workplace training system for new employees, instructor training, mentorship system
- Entry training, on-site training at JA, on-site training at agricultural corporations and overseas language training

Other

- After-work training
- Lectures by specialists from cooperatives, fostering of awareness as employees of the cooperative system through staff workshops
- Business English language lessons
- e-Learning

■ Respect for Human Rights and Diversity

The Bank respects diversity and works to raise awareness regarding human rights issues throughout the Group, aiming to create a work environment where all directors and employees can participate actively.

Toward the establishment of a highly-transparent corporate culture that respects individual characteristics and creativeness/ingenuity, the Bank formulated a human rights-related educational and enlightenment policy, based on which the Bank strives to deepen the proper understanding of directors and employees about human rights issues by conducting human rights training for all directors and employees every year. Furthermore, to prevent harassment in the workplace, we are taking various measures such as appointing personnel in charge and responsible for human rights and setting up an outside consultation hotline.

■ Initiatives Supporting the Raising of Next-Generation Children and Promoting the Active Participation of Women

The Bank received the Kurumin Certification for Childcare Support Company for its efforts to realize a work-life balance and support for balancing work with childrearing such as providing maternity leave before and after childbirth, a support program for employees who take childbirth and childcare leave, and a shortened working hour program for childcare. In addition, the Bank is promoting measures to introduce various initiatives to promote and familiarize workstyle reform such as ensuring a certain interval between work hours and arranging staggered work hours. In addition to these measures and our efforts to increase the rate of women among new graduate hires, we are helping to build a network among female employees by holding “Women Employee Career Forums.”

Women Employee Career Forum

■ Initiatives for Hiring People with Disabilities

In alliance with Group companies, the Bank established Norinchukin Business Assist Co., Ltd. to expand the employment of people with disabilities. The Bank is striving to make a workplace where people with disabilities can engage in business duties with high morale and feel secure and rewarded.

Risk Management

Basic Policies for Risk Management

■ Basic Approach

Along with recent economic and financial globalization, the business environment for financial institutions has changed significantly. New profit and operational opportunities have been created even as financial institutions are facing increasingly complex and volatile risks. For financial institutions to maintain a high level of public confidence in such an environment, it is important to establish and operate an effective internal control system.

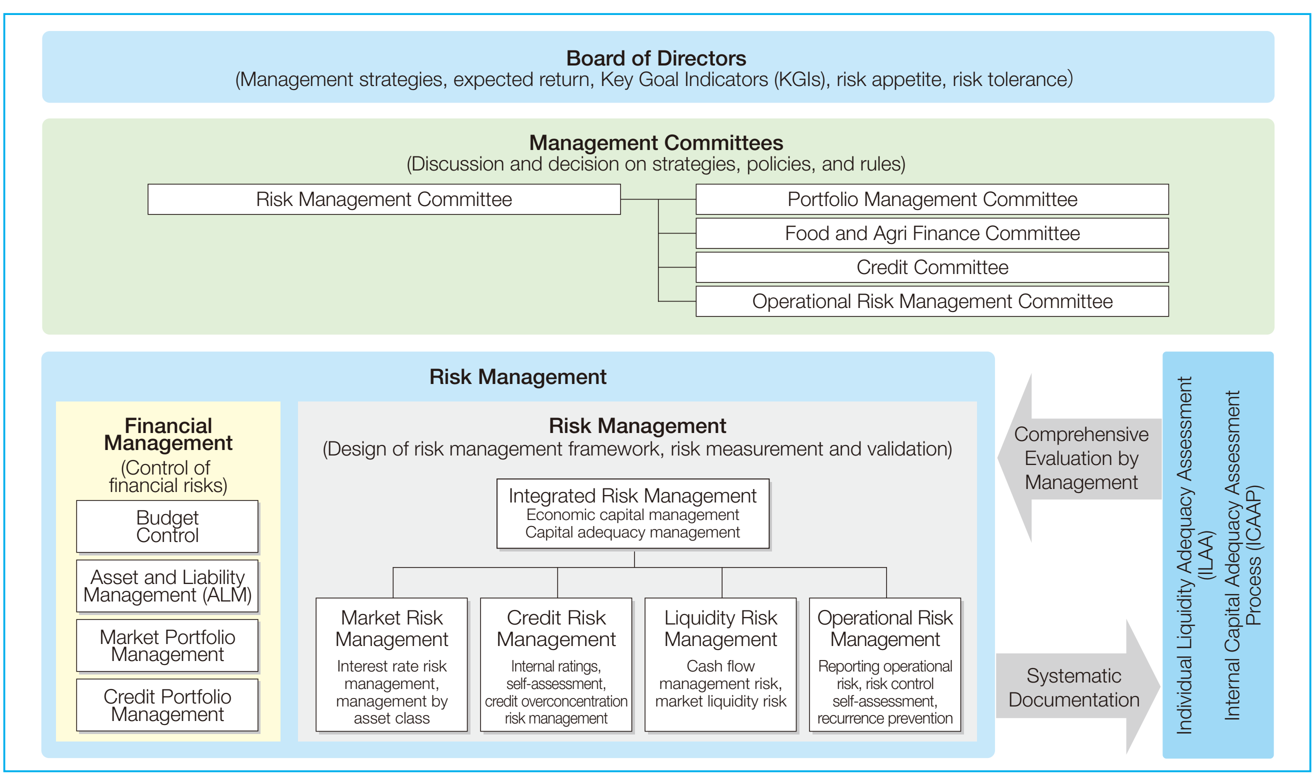
To implement appropriate company-wide risk management, the Bank has formulated the Basic Policies for Risk Management. The policies identify the types of risks to be managed and the basic framework for risk management, including organizational structure and methodology. Based on the Basic Policies, the Bank is working on the management task of ceaselessly upgrading its risk management framework with the managerial goals to fully demonstrate its competitive edge and presence and fulfill its role adequately as a financial institution involved in the agricultural, fishery and forestry industries as well as food production and consumption, further reinforce the business base of its cooperative banking business and realize stable returns to its members through the further evolution of its existing globally diversified investments.

■ Risk Management Framework

The Bank's risk management framework under its internal control aims to ensure the overall stability and sturdiness of operations according to the Bank's risk appetite as specified in the Risk Appetite Framework (RAF), the aforementioned framework for operational management.

To ensure the effectiveness of the risk management framework, 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. Classifying market risk, credit risk, liquidity risk and operational risk as impor-

Risk Management System



tant risks, the Bank conducts risk management with economic capital management and capital adequacy management as its axes.

Risk Management in Group Companies

Based on the Basic Policies for Risk Management of the Bank, each of the Bank's group companies has formulated its own risk management structure including effective risk management policies and a framework after discussion with the Bank and taking into consideration each company's business activities and risk profiles and characteristics.

Compliance with Basel Regulations

Basel regulations are international agreements relating to various regulations that aim to maintain the soundness of banks operating internationally. Currently, Basel III, which was discussed and agreed upon, learning from the global financial crisis that occurred in 2008, is being adopted incrementally. Moreover, in December 2015, the Bank was selected by the Japanese authorities as a Domestic Systemically Important Bank (D-SIB), thereby an additional capital buffer has applied to the Bank incrementally since fiscal 2016. The Bank is taking appropriate steps mainly for the sophistication of its integrated risk management including the application of the Basel III targets to its internal control, particularly to address the capital adequacy ratio based on the Basel III regulations, and starting to adopt the Interest Rate Risk in the Banking Book (IRRBB) regulation. Keeping a close eye on increasingly tightening regulations, the Bank will continue to respond to new regulatory requirements in an appropriate manner.

Compliance with the Basel Banking Regulations

Topics	Compliance with the Basel Regulations
2007 • U.S. subprime mortgage crisis	
2008 • Collapse of Lehman Brothers	
2010 • European Sovereign Debt Crisis • Announcement of Basel III	
2013	• Start of application of capital adequacy ratio requirements (Adopting the ratio incrementally through 2019)
2015	• Start of application of Liquidity Coverage Ratio (LCR) • Selected as a D-SIB (Domestic Systemically Important Bank) by the Japanese authorities
2017 • Finalization of Basel III	• Start of application of Advanced Internal Ratings-Based Approach (A-IRB)
2018	• Start of application of Interest Rate Risk in the Banking Book (IRRBB) regulation
2019	• Start of application of Leverage Ratio

Capital Management Framework

Capital Resources

The Bank considers it a major management priority to secure a sufficiently high level of capital resources in order to maintain and strengthen its financial position. Through these measures, the Bank ensures stable returns to its members and plays its role as the central bank for Japan's agricultural, fisheries and forestry cooperatives, contributes to those industries and the development of the cooperative banking business, and aligns itself with the diverse needs of its customers. With the strong membership of the cooperative system as its base, the Bank has ensured an adequate capital ratio in compliance with international standards. Furthermore, in March 2019, with the full understanding and support of its members, the Bank implemented the advance repayment of past subordinated loans (about ¥1,510.0 billion), which has become Tier 2 capital under Basel III; newly received increased capital of low dividend rate stocks (about ¥560.0 billion) as Basel III common equity Tier 1 capital; and implemented the borrowing of perpetual subordinated loans (about ¥1,320.0 billion) as additional Tier 1 capital under Basel III, from the perspective of addressing the qualitative capital improvement with consideration of the Bank's measures to address financial regulations, etc., in the future.

As a result, the Bank's common equity Tier 1 capital ratios at the end of fiscal 2018 on a consolidated and a non-consolidated basis, were both maintained at 16%, and the total capital ratios at the end of fiscal 2018, on a consolidated and a non-consolidated basis, were maintained at a level exceeding 19% (Basel III standard). In the years ahead, the focus of the Bank's management agenda will be to fully perform its role as the central bank for the cooperatives, while maintaining its high-quality capital at a sufficiently high level, and to ensure continuing stable returns to its members.

Moreover, the Bank is rated by the two leading credit rating agencies in the United States—S&P and Moody's Investors Service—and has received top-tier ratings among Japanese financial institutions. One of the main reasons supporting these ratings is the strong capital base afforded by the membership of the cooperative system.

While major commercial banks in Japan received injections of public funds in the past to restore financial soundness and to facilitate their ability to extend credit, the Bank, based on its capital adequacy, has not applied for such an injection.

■ Framework for Maintaining Capital Adequacy

Utilizing the RAF and various risk management frameworks, the Bank strives for sound business operations with a good balance between risk and return. Capital management checkpoints are established in order to ensure that capital adequacy is maintained above a certain level even in uncertain economic and environments.

The checkpoints provide a framework to ensure that capital adequacy is maintained above the risk appetite indicators and the risk tolerance level—the level of risk that is acceptable to the entity, both of which are set forth in the RAF. This is done by monitoring key volatility factors by discussing countermeasures at an early stage. Specifically, the Bank is closely monitoring the capital ratio and the level of unrealized gains and losses on securities to ensure that the appropriate levels of capital are maintained.

■ Internal Capital Adequacy Assessment Process (ICAAP)

The Bank conducts the Internal Capital Adequacy Assessment Process (ICAAP) and comprehensively manages its capital resources.

The ICAAP is a series of processes for ensuring the recognition of the capital-related tolerable risks for the Bank and the risk tolerance level from the perspective of risk management in light of the business model and risk profile of the Bank, in accordance with its management strategies, business strategies, expected return and risk appetite, all of which are specified in the RAF, and demonstrating that the Bank maintains a sufficient level of internal capital to cover risks based on such recognition. In addition to monitoring the current status of the capital resources that the Bank holds, the Bank conducts comprehensive assessments mainly by verifying the appropriateness of its framework for maintaining capital adequacy and its operation as well as confirming the sturdiness and flexibility of operations from a forward-looking perspective by implementing comprehensive stress tests.

Integrated Risk Management Methodology

■ Economic Capital Management

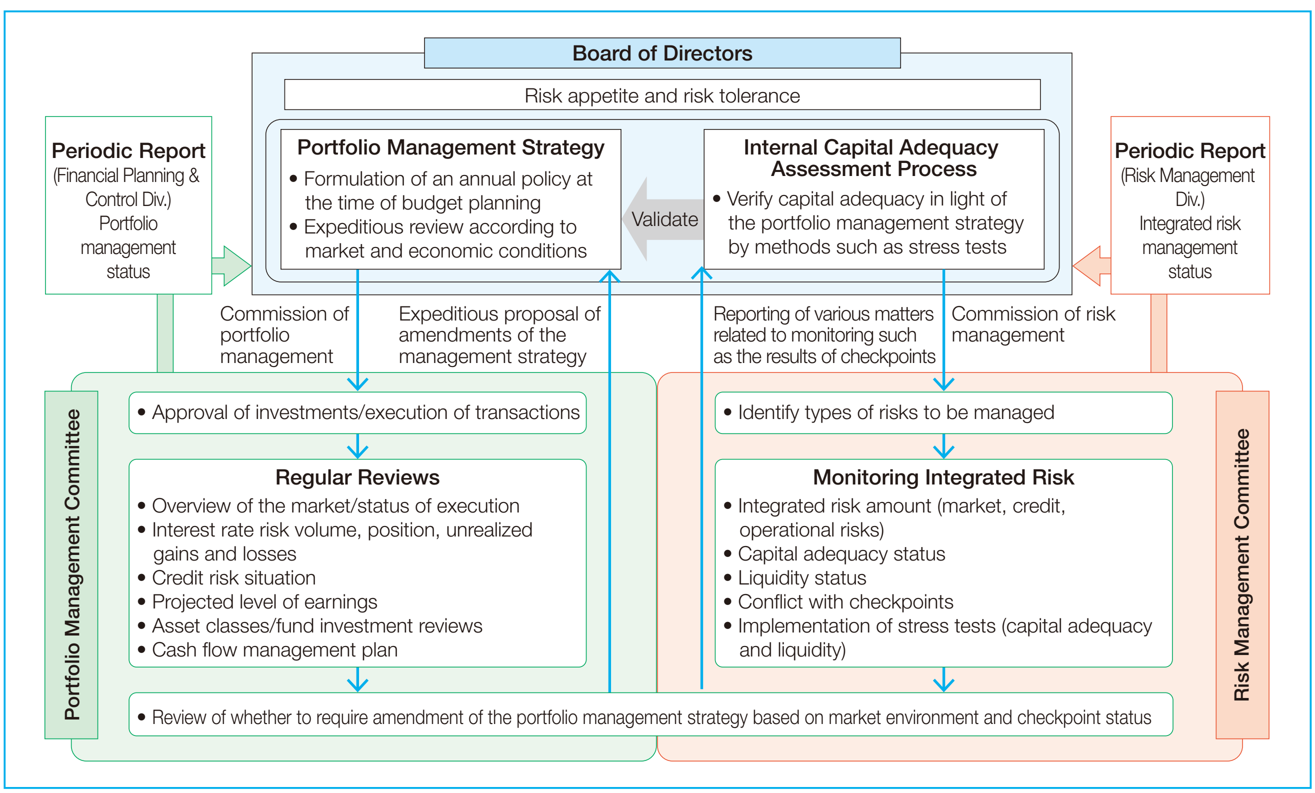
Based on the Basic Policies for Risk Management, the Bank stipulates a core integrated risk management framework that manages risk quantitatively and comprehensively in comparison with capital, which represents its financial strength. The core function in this framework is economic capital management.

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 during the fiscal year under review and additional risk-taking in a timely manner. The Bank manages economic capital on both a consolidated and a non-consolidated basis.

■ Integrated Risk Management Consistent with Financial Management

The Bank's integrated risk management framework is carried out consistently with its financial management framework to maintain a balance between a sound financial position and adequate profitability. The Bank has particularly established the market risk management infrastructure to enable a prompt response to changes in financial market conditions. The Bank conducts analysis from various perspectives, including static and dynamic interest rate sensitivity analyses toward the impact on earnings, and price sensitivity analysis of its assets for the impact on interest rate changes. In addition, as a part of Asset and Liability Management (ALM), the Bank measures the amount of risk, taking into account of price volatilities of bonds and stocks as well as volatilities in foreign currency exchange rates, and conducts scenario simulations under various stress assumptions. Through the analysis described above, the Bank strives for flexible financial management by understanding the impact of market volatilities on the value of its assets.

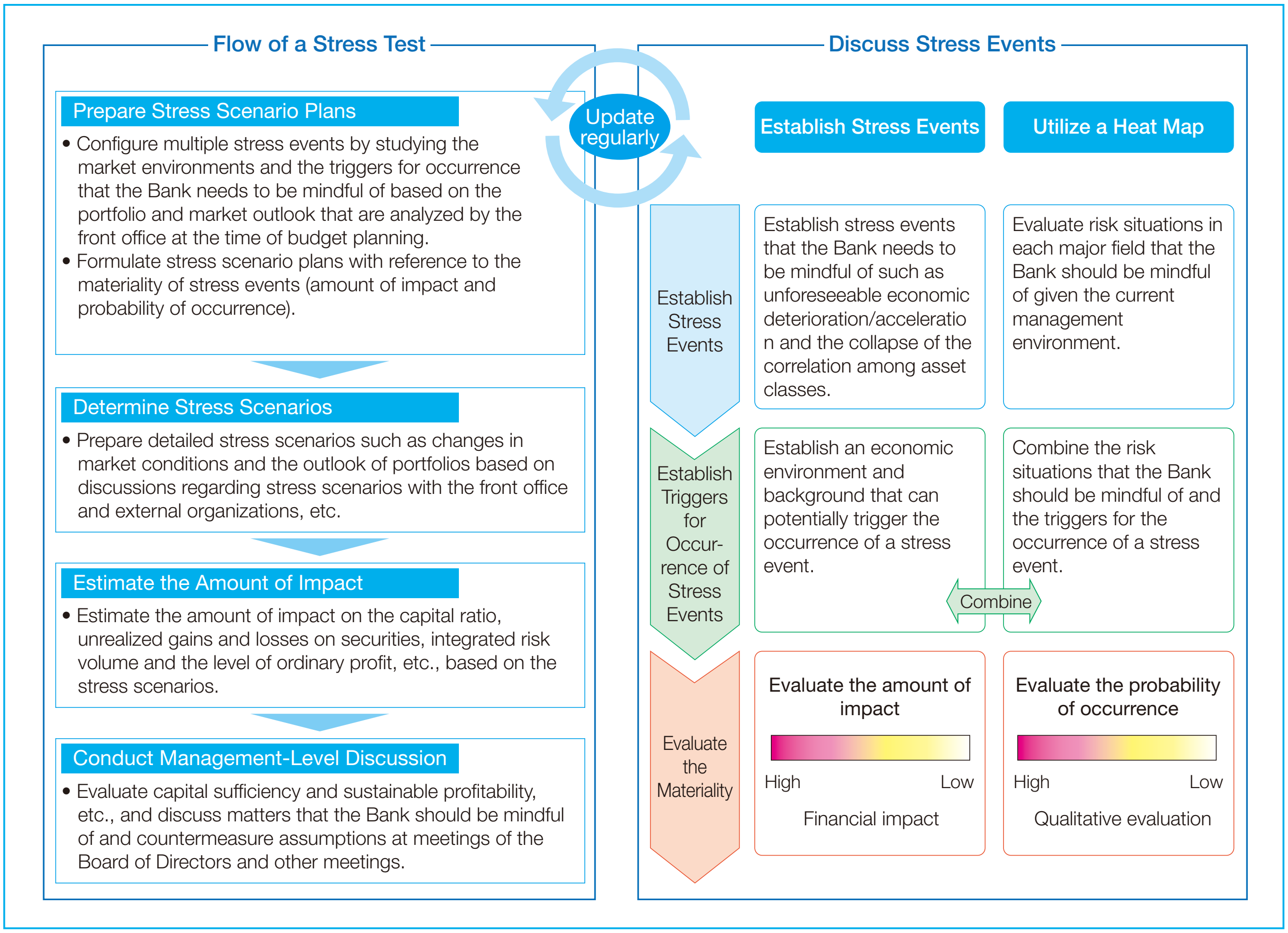
Risk Management



Implementation of Stress Tests

Stress tests are performed together with the implementation of the fiscal year's ICAAP and budget planning. By preparing strict stress scenarios that factor in specific timelines and the ripple effects of risks covering the Bank's entire portfolio after analyzing internal and external environments, the Bank verifies the impact of these stresses on profit, capital and risk.

Moreover, stress tests play an important role in the process of formulating portfolio management strategies, which occurs along with budget planning. In addition, the Bank also utilizes stress tests for a forward-looking assessment of internal capital adequacy such as reviewing the countermeasures (management actions) to take at times of stress based on the assumed amount of impact on profitability and capital, etc. resulting from stress tests.



Market Risk Management

Market risk refers to a risk of loss incurred by changes in value of assets and liabilities (including off-balance sheet items) caused by changes in various market risk factors such as interest rates, foreign currency exchange rates and stock prices. It also refers to a risk of loss incurred by changes in profits generated by assets and liabilities.

The "globally diversified investment" concept is the basis of the Bank's portfolio management. With bonds, 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 capital, 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.

● Market Risk Management Framework

To ensure the effectiveness of market risk management in the execution of market transaction operations, the Bank's Board of Directors formulates portfolio management strategies (decision making), the front office conducts the trading of securities and risk hedging (execution), the middle office assesses risk amounts (monitoring) and discusses the need for revisions to portfolio management policy (policy change), each office operating independently. In addition, the status of portfolio management is reported to the Board of Directors on a regular basis.

In market risk management, the Bank verifies the status of the market portfolio, such as the amount of market risk, the interest rate risk amount for banking accounts (⊿EVE, NII and ⊿NII), the risk-return profile of each asset class and the correlation among asset classes, and manages the risk balance, the level of the interest rate risk amount for banking accounts and the level of earnings. In addition, to address changes in the external environment such as the market environment, as well as the internal environment such as the financial position and in line with revisions to the related outlook, the Bank recognizes expeditious and flexible reviews of the market portfolio as an important element in market risk management. To this end, the Bank adopts a framework to quickly capture changes in the market environment by setting an alarm point for losses in each asset class and risk volume increase as well as the impact of short-term market fluctuations, and then review its market portfolio management strategies.

Glossary

⊿EVE: Decrease in Economic Value of Equity (EVE) due to an interest rate shock

⊿NII: Decrease in Net Interest Income (NII) during 12 months from the base date due to the interest rate shock

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 the economic and financial environment that causes an asset (including off-balance sheet items) to lose value or to be significantly impaired.

For 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, regarding credit risk that arises from investment/financing activities in the "food and agriculture business" and "investment business," the Bank has established a management framework centered on the Internal Rating System, striving to manage credit risk appropriately.

● Credit Risk Assets

The Bank's major credit risk assets in the "food and agriculture business" are loans for and investments in the agricultural, fishery and forestry industries and related companies and other organizations, and those in the "investment business" are credit investments such as domestic and foreign securitized products, bonds and loans, and alternative investments such as private equity and real estate equity.

● Credit Risk Management Framework

Adopting the Advanced Internal Ratings-Based Approach, the Bank manages credit risk regarding individual credit and the credit portfolio based on its Internal Rating System, which consists of the Debtor Rating System for the evaluation of each debtor's future debt repayment capacity and the Recovery Rating System for the evaluation of the probability of recovery in case of default.

Credit risk amounts regarding individual credit and credit portfolio have been assessed and measured appropriately based on the internal rating, simulations and stress tests, etc., and are reflected in capital management, write-offs and provisions to reserves.

In the management of individual credit, the Bank formulates a basic strategy, considering the medium- to long-term outlook of credit risks and the evaluation of business viability. Then, a designated authorized person approves the credit to the borrower. The credit risk for each loan is assessed by the Bank's Loan Facility Evaluation System based on the internal rating, the purposes of the loan and loan structure, etc. with the comprehensive consideration of such factors as the risk-return balance and consistency with the basic strategy for the borrower.

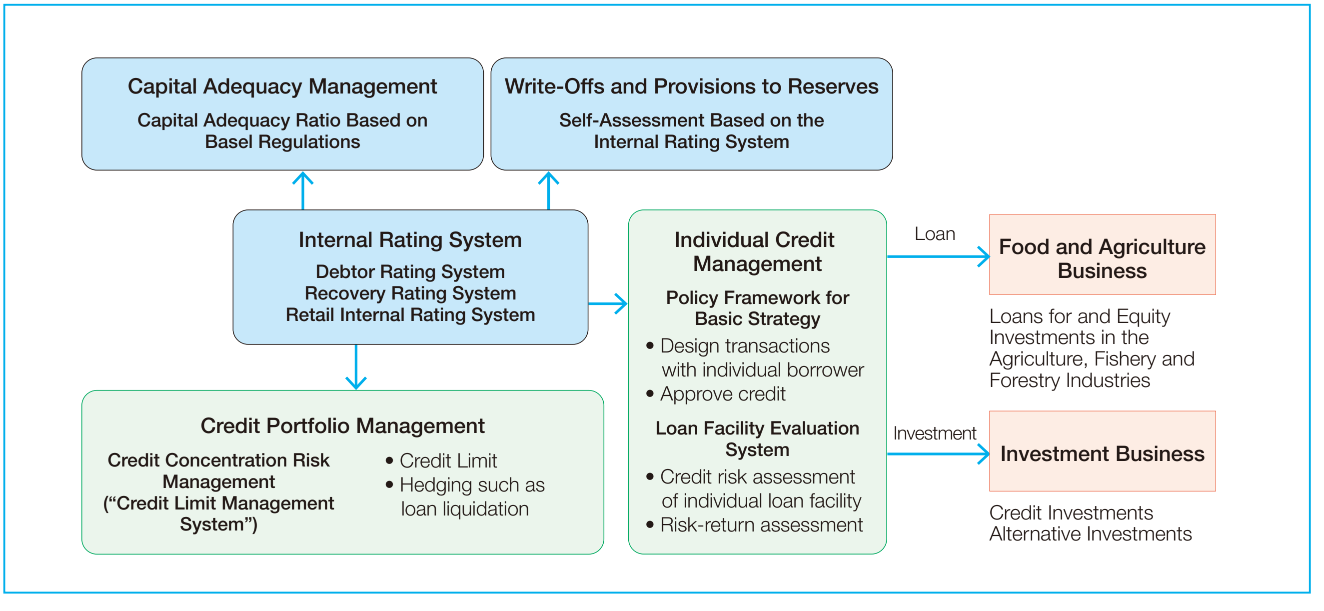
In credit portfolio management, the Bank is focused on managing credit concentration risk as investment and loan projects become increasingly large in scale and globalization progress, etc.

Specifically, the Bank is controlling risks appropriately through the cross-divisional approaches over its "food and agriculture business" and "investment business," from the multifaceted perspectives including borrowers' internal rating, business sector and operational region, mainly by setting a soft limit and monitoring under the "Credit Limit Management System" and hedging by loan liquidation.

● Credit Review Framework

The Bank's credit review framework utilizes its expertise developed in making loans for the agriculture, fishery and forestry industries—the Bank's specialized field—and conducting globally diversified investments. Especially in the food and agriculture business, the Bank is striving to strengthen its credit review capability for the evaluation of business viability utilizing its proprietary analysis methods for each business type/project and deliver a consulting function leveraging its research on the food and agricultural industry. In credit review related to the investment business, according to the characteristics of investment products and business fields, the Bank has strengthened due diligence analysis including stress tests at the time of investment and monitoring after investment. For investments in the form of a fund as well, the Bank strives to look through the component assets as much as possible, allocate an internal rating to each asset, apply overconcentration risk management to such investments and evaluate the fund managers' operations.

The Entire Picture of Credit Risk Management



Liquidity Risk Management

The Bank defines liquidity risk as the following: "The risk toward financial losses incurred from the difficulty in securing funds required for activities of the Bank, or from being forced to procure funds at significantly higher funding costs than normal as a result of a maturity mismatch between investment and funding procurement, or as a result of an unforeseen fund outflow from the Bank (cash flow risk)." It is also defined as: "The risk towards financial losses arising from being unable to execute transactions in the market due to market turmoil, or from being forced to execute transactions under significantly less favorable conditions than normal occasions (market liquidity risk)."

• Individual Liquidity Adequacy Assessment (ILAA)

The Bank conducts Individual Liquidity Adequacy Assessment (ILAA) as a framework for the Board of Directors to periodically assess the appropriateness and adequacy of management of liquidity (cash flow), an element that is as important as capital resources (solvency) for financial institutions to remain in business.

ILAA involves the systematic assessment of the appropriateness of liquidity in terms of the framework for maintaining appropriate liquidity, the current status and future outlook of liquidity and the verification results thereof.

• Liquidity Risk Management Methods

In addition to the proper assessment of the market liquidity of each asset it holds, the Bank monitors the Warning Index to detect any change in the market expeditiously and switches the liquidity alert level based on the impact of the change. In addition, with a basic framework of calculating the assumed amount of outflow of funds at times of stress based on the fund gap and securing assets with liquidity at a level that exceeds the assumed amount of such outflow or covering such outflow by procuring low-liquidity assets with a certain residual period, the Bank operates various frameworks for the evaluation of funding ability and the timely understanding of the collateral margin to prepare for unpredicted situations, etc. The Bank also has formulated countermeasures for times of stress (Liquidity Management Action), the effectiveness of which has been verified by conducting stress tests.

Operational Risk Management

Operational risk refers to a 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. At the Bank, 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.

For operational risk management, the Bank has established definitions of the risk, its management framework and basic management processes by resolutions of the Board of Directors. In line with these, the Bank has clearly formulated basic policies for operational risk management such as the prevention of large-scale operational risks as outlined in the aforementioned RAF and has been managing the risk control framework based on such policies. Specifically, for the appropriate management of operational risks that are borne by the Bank's company-wide operations, the Bank has adopted the operational risk reporting system for the collection and analysis of risk events that have come to light, as well as the Risk & Control Self-Assessment (RCSA) system for the evaluation of potential risks applicable to all divisions and branches.

● Organizational Structure of Operational Risk Management

Important issues such as the basic policies and annual planning of the Bank's operational risk management are first discussed at the Risk Management Committee, and then approved by the Board of Directors. The Operational Risk Management Committee, comprised of relevant members of the Board as well as the general managers of related divisions, is set under the Board's supervision, and monitors the current status of the Bank's operational risk management. The committee also promotes cross-risk as well as cross-divisional approaches towards managing operational risk. Furthermore, the Bank has established a division to be in charge of operational risk management, which is independent of the business lines, as well as divisions to be in charge of individual risks. The Bank has also designated a person to be in charge of operational risk management in each branch and division.

● Information Security Initiatives

The Bank utilizes a variety of information obtained during transactions with customers, etc., for various kinds of operations. Amid the increasingly diverse environments and purposes for information handling due to the rapid progress and evolution of information technology, the Bank is focused on information security measures to protect and manage customers' information appropriately.

The Bank works systematically to enhance its information security, centered on the Risk Management Division with overall responsibility for information security planning, promotion and progress management. Also, important matters related to the improvement of the information security management frameworks are discussed mainly at the Operational Risk Management Committee. Especially concerning personal information, the Bank has set out the Personal Information Protection Declaration and has created a framework for the requirements from a Personal Information Handling Business Operator and Person in Charge of a Process Related to an Individual Number to facilitate the proper handling of Personal Information and Individual Number.

● Cyber-security Initiatives

The Bank recognizes the threat of increasingly sophisticated and intricate cyber-attacks as an important managerial risk. Mainly at the core IT & Systems Planning Division in charge of cyber-security, under the cross-division management framework including discussions at management-level meetings, the Bank is strengthening its cyber-security measures. The Bank also has installed a cyber-security–dedicated CSIRT (Computer Security Incident Response Team), which is in charge of addressing a situation at the occurrence of an incident, multi-tier prevention of such incidents, improving detection and monitoring systems, and conducting training assuming that such an incident has just happened.

Business Outline

FINANCING, etc

As the main bank for the agriculture, fishery and forestry industries, the Bank has created a unique cooperative financing program, aimed at providing support not only from the aspect of financial support, but also from a business operations perspective to turn the agriculture, fishery and forestry industries into growth industries and to support customers' growth and development.

Although cooperative organizations (JA, JF, JForest and related federations) are taking a leading role in these initiatives as financial contact points for leaders in the agriculture, fishery and forestry industries, the Bank is focused on providing financial support, etc., to large-scale leaders, cooperative organizations, etc. This financing for agricultural, fisheries and forestry industries has been positioned as the Bank's core business since its establishment.

In addition, the Bank's financing covers a wide range of industries, including not only those directly involved in the agriculture, fishery and forestry industries such as the food industry where agricultural, fishery and forestry products are processed; the pulp and paper industries; the chemical and machinery industries that produce production materials for primary industries; and the trading, supermarket and restaurant industries that distribute primary industry products, but also customers in other fields, including the leasing, credit, IT, telecommunications, real estate and service industries.

Furthermore, the Bank actively responds to customers requiring funding for M&A utilizing its abundant funds in yen, and for customers entering the overseas market, the Bank leverages its foreign currency funding ability, through cooperation among its overseas branches located in New York, London and Singapore and branches in Japan.

Leveraging its deep relationships with leaders in the agriculture, fishery and forestry industries, long-term transactions with the business community and its domestic and overseas networks, the Bank offers various solutions to expand sales, add higher value, reduce production costs, and revitalize diverse regions and local communities.

SECURITIES INVESTMENT

■ The Bank's Basic Asset Management Approach

The Bank is one of the largest financial institutions in Japan and, at the same time, it is one of Japan's leading institutional investors. Assets invested in the market by the Bank amount to approximately ¥65.0 trillion, which accounts for a major portion of the Bank's total assets under management. The Bank invests in securities under the basic concept of "globally diversified investment." The goal of this approach is to achieve stable return in the medium- to long-term by investing in assets with diversified risk-return characteristics while minimizing risks encountered each fiscal year in situations such as rising interest rates and declining stock prices. The Bank conducts a multifaceted analysis based on geographical location (Japan, the United States, Europe, and other countries and regions) and asset class (bonds, equities, credit assets and alternative investments), and then flexibly reviews its allocation of assets depending on changes in market conditions. In pursuit of investment returns, the Bank uses external investment companies. The Bank carefully reviews the investment processes, compliance systems, management philosophy and strategies, asset management records, and other matters of external investment companies under consideration. After selection, the Bank closely monitors their performance from both quantitative and qualitative perspectives. This allows the Bank to systematically examine their performance on a continuing basis to decide whether or not to continue business relationship.

■ Investment Approach by Asset Type

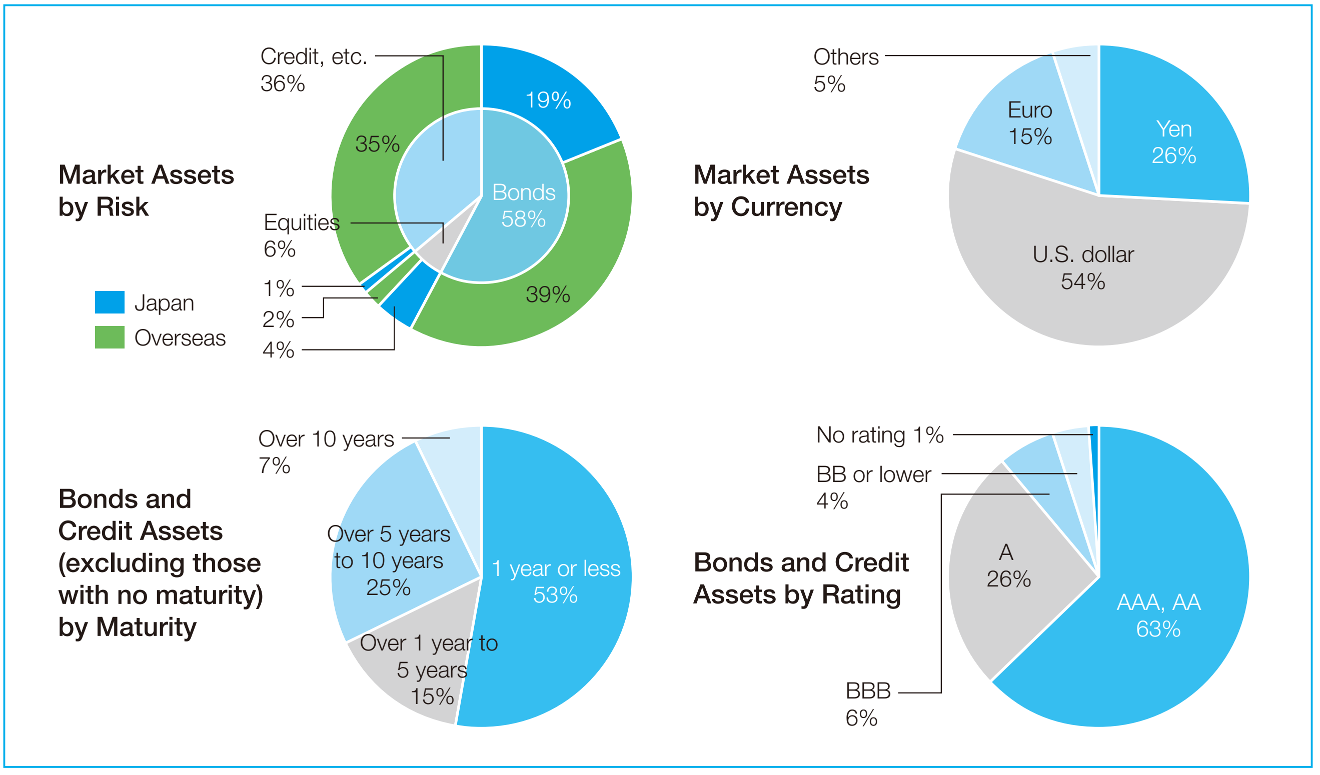
Bonds account for a major portion of the Bank's assets due to their risk-return characteristics and other attributes, and are the Bank's core investment tool. When making investment decisions, the Bank gives full attention not only to interest rate risk but also to credit and liquidity risks. The Bank has built up an efficient bond portfolio through investments in various types of bonds, including Japanese government bonds, government agency bonds, mortgage-backed bonds and foreign corporate bonds.

In selecting equity investments, the Bank considers risk-return characteristics and correlations with other asset classes to manage its portfolio with a long-term view. While the Bank's strategy for equity investments focuses on passive investing linked to various stock indices, the Bank complements this strategy with active investing aimed at generating returns beyond those obtained from the index-linked passive approach through diversified domestic and foreign stock investments.

In credit and alternative investments, the Bank selects low-risk assets based on global credit cycle analysis, risk-return profile in various investment asset classes, and the analysis of correlations with conventional assets (bonds and stocks).

In managing foreign currency assets, the Bank takes steps to limit foreign exchange risk in most of these investments by employing various tools, such as foreign currency funding.

Breakdown of Investment Assets (As of March 31, 2019)



■ Market Asset Management System

Major decisions related to the Bank's market investment portfolio are reached systematically by the Portfolio Management Committee, both of which are composed of the management and general managers of relevant divisions. Moreover, in sections engaging in market transactions, the Bank has created a mutual checking system among the front office (for execution of transactions), middle office (for monitoring) and back office (for processing and settlement) that operate independently from each other.

The front office executes transactions based on policies drawn up at Portfolio Management Committee. The committee also focuses on optimizing transaction efficiency, the constant and careful monitoring of market trends, developing proposals for new transaction plans, and other activities. To put the Bank's concept of globally diversified investment into practice, the front office sections create more efficient and effective management systems wherein domestic and international investments are integrated within bonds, equities and other investment instrument categories.

The middle office sections are responsible for checking the appropriateness of front office sections' execution, as well as measuring risk volumes utilizing stress tests and other methods.

■ Short-Term Money Market Transactions

In its role as the national-level financial institution for Japan's agricultural, fishery and forestry cooperatives, the Bank exercises efficient control over its available cash, principally surplus funds from the cooperatives, and manages these funds in the domestic money market. The Bank is a leading and active participant in Japan's short-term money market. In addition, as a leading institutional investor, the Bank makes diversified investments in international capital markets and actively uses foreign currency markets to fund these investments. Proper liquidity risk management is a prerequisite for the Bank's business continuity and stable management of its portfolio.

Accordingly, the Bank monitors its cash flow and that of the cooperative banking system, as well as domestic and international market trends. In Japan, the Bank is an active participant in the interbank market and other markets such as the repo market. The Bank assumes a leadership position in these markets and also plays a major role in expanding market functions. Through its participation in the Research Committee for Revitalization of Short-Term Money Market and other organizations, the Bank also contributes to improving market practices. In foreign currency funding markets, backed by its high credit standing, the Bank conducts stable and efficient transactions, such as foreign currency funding transactions for globally diversified investment. Foreign currency funding utilizing various funding tools is managed in unison among teams in the Bank's head office and its three overseas branches in New York, London and Singapore.

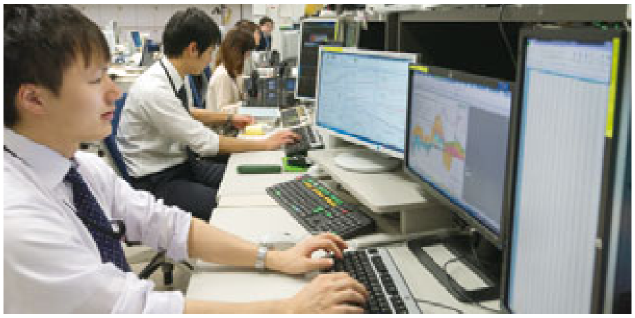
Additionally, the Bank exercises exacting control over settlement and liquidity risks while simultaneously providing settlement functions at the Bank of Japan on behalf of cooperative organizations. For foreign currency settlement, through its participation in the CLS System (multi-currency cash settlement system), the Bank is managing settlements in U.S. dollars, euros and other major currencies.

■ Foreign Exchange Transactions

As a market participant representing the cooperative banking system, the Bank has formed an efficient and highly skilled dealing team with the primary aim of responding to the needs of its customers, including cooperative organizations and companies related to the agriculture, fishery and forestry industries.

■ Trading Services

The Bank trades in financial derivatives and various other financial products in order to meet the needs of its customers. It also strives to improve dealing profitability from its various financial products through arbitrage transactions, options and a range of other techniques.



DEPOSIT SERVICES

■ Features of the Bank's Deposits

Deposits from member cooperatives comprise the majority of the Bank's deposits. Other deposits consist primarily of those from companies involved in the agriculture, fishery and forestry industries and nonprofit organizations, such as local public bodies. This is due to the Bank's role as the national-level cooperative financial institution for the agriculture, fishery and forestry industries.

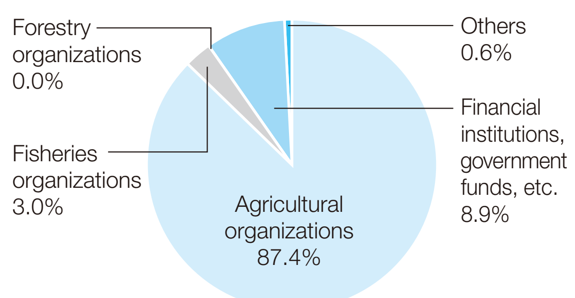
● Deposits from JA Bank and JF Marine Bank Members

Savings deposited with JA and JF by their individual members and local customers are used to finance individual members, local customers, companies, local public bodies and other such organizations. Surplus funds are then deposited with JA Shinnoren (Prefectural Banking Federations of Agricultural Cooperatives) or JF Shingyoren (Prefectural Banking Federations of Fishery Cooperatives) at the prefectural level. These funds, in turn, are used by JA Shinnoren or JF Shingyoren to finance agricultural and fisheries organizations, companies involved in the agricultural and fisheries industries, local public bodies and other such organizations. Surplus funds are then deposited with the Bank.

In its capacity as the national-level cooperative banking institution in the cooperative banking system, the Bank is responsible for centrally managing funds steadily deposited in this manner.

To enable individual members and local customers to deposit their valued savings with a sense of security, JA, JF, JA Shinnoren, JF Shingyoren and the Bank are protected under the Agricultural and Fishery Cooperative Savings Insurance System, a public system that insures deposits.

Balance of Deposits with the Bank



(As of March 31, 2019)
*Excludes negotiable certificates of deposit

Total: ¥66,821.5 billion

NORINCHUKIN BANK DEBENTURES

In accordance with the Norinchukin Bank Law, the Bank is authorized to issue Norinchukin Bank Debentures as a source of funding. The Bank currently issues the Zaikeisai as a savings product on a regular basis. The issuance of the Ritsuki Norinsai, primarily issued to institutional investors as a five-year investment product, has been suspended for the time being since April 2019.

The balance of issued and outstanding debentures as of March 31, 2019 totaled ¥1,262.2 billion. The funds raised through the issuance of Norinchukin Bank Debentures have been used for purposes that include financing for the agriculture, fishery and forestry industries as well as for companies related to these industries.

SETTLEMENT SERVICES

Cooperative financial institutions, comprising JA, JA Shinnoren, JF, JF Shingyoren and the Bank, have one of the largest networks among private financial institutions in Japan, with approximately 7,800 branches (as of March 31, 2019). At the heart of this network is the Cooperative Settlement Data Transmission System, which is operated jointly by the cooperative financial institutions.

■ Domestic Exchange Business Leveraging Special Characteristics of Cooperatives

As the national-level financial institution for Japan's agricultural, fishery and forestry cooperatives, the Bank has focused on expanding and upgrading settlement services for all relevant cooperatives. Domestic exchange business plays an important role in the settlement of proceeds from the sale of agricultural, fishery and forestry products that connect points of consumption and production. Leveraging the special characteristics of the cooperatives with their extensive nationwide network, the Bank conducts domestic exchange transactions with banks that are members of the national bank domestic exchange system through the Interbank Online Data Telecommunication System in Japan (Zengin System).

■ Cash Dispenser and ATM Network

Through the JA Online Savings Service and the JF Online Savings Service, cooperative banking institutions are developing a nationwide network of ATM machines and cash dispensers. In addition, as a member of the Multi-Integrated Cash Service (MICS) network aiming to facilitate a smooth operation of a cross-sector online alliance service of cash dispenser and ATM operators, the cooperative banking institutions are part of an alliance of seven private sector banks (city banks, regional banks, trust banks, second-tier regional banks, shinkin banks, credit associations and labor banks). This enables savings withdrawals and balance inquiries at cash dispensers and ATMs, not only at the cooperative banking institutions, but also at most other financial institutions throughout Japan.

■ Direct Deposit and Fund Transfer Services

Massive volumes of various data related, for instance, to direct deposit of salary and pension and direct transfer of utility payments are swiftly processed in cooperation with the Cooperative Data Transmission System and unified IT infrastructure platforms for JA and JF. By connecting to the Zengin System, the Bank receives data on the direct deposits of salary and other information from other financial institutions.

Networks with Customers in Japan and Overseas

The Bank has formed a network for customer transactions placing the Cooperative Data Transmission System and the Norinchukin Online Banking System at its core. It also offers a diversified range of sophisticated services, such as remittance services through the "firm banking" system for cooperative banking customers, and uses the Society for Worldwide Interbank Financial Telecommunication (SWIFT) settlement system for transactions between the Bank's head office or overseas branches and overseas financial institutions.

Number of Branches, Cash Dispensers and ATMs

(As of March 31, 2019)

	Number of cooperative members*	Number of branches*	Number of cash dispensers and ATMs
Norinchukin Bank	1	20	0
JA Shinnoren	32	47	651
JA	628	7,547	11,197
JF Shingyoren	28	105	408
JF	76	125	153
Total	765	7,844	12,409

*Number of cooperative members and branches that handle domestic exchange operations

HEAD OFFICE AND BRANCH OPERATIONS (DOMESTIC AND OVERSEAS)

● The Bank's Domestic Offices

The Bank's domestic offices are comprised of its head office and 19 branches located throughout Japan (as of March 31, 2019).

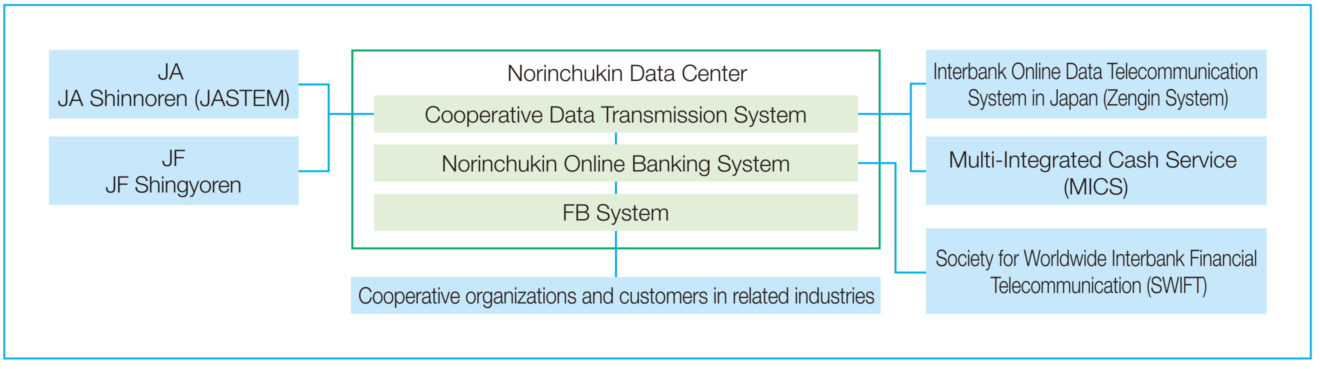
The principal business roles of domestic branches are to: (1) receive deposits from cooperative members, (2) extend loans to agricultural, fishery and forestry sectors including individuals and corporations related to these sectors as well as public sectors in each region, and (3) conduct business related to the JA Bank System and the JF Marine Bank System.

● The Bank's Overseas Branches and Representative Offices

To respond appropriately to changes in the global financial markets, the Bank operates business in the major financial centers around the globe, and is expanding and enhancing its financial capability.

In addition to branches in New York, London and Singapore, the Bank has representative offices in Beijing and Hong Kong (China).

Networks with Customers in Japan and Overseas



The Norinchukin Group Companies (As of March 31, 2019)

The Bank, in line with its overall strategy for the cooperative banking business, works together with its group companies engaging in a wide range of business activities related to the Bank.

■ Trust and Banking Company

The Norinchukin Trust & Banking Co., Ltd.

The Norinchukin Trust & Banking Co., Ltd. plays the following basic roles by providing: (1) trust products and services to individual members of cooperatives such as JA and local communities, leveraging the network of the agricultural, fishery and forestry cooperatives, (2) asset investment and management products to organizations connected to the Bank and its group companies, and (3) financing and fund management tools for customers including corporations and pension funds that leverage its trust services. Assets under management and administration by this company exceed ¥12.0 trillion. The Norinchukin Trust & Banking also focuses on asset management for individual members of JA, offering inheritance trust services.

Established	August 17, 1995
Location	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan
Representative	Katsuyuki Touyama, President
Number of directors and employees	148

■ Company That Conducts Project Financing Operations

Norinchukin Australia Pty Limited

Norinchukin Australia Pty Limited conducts project financing operations in Australia and New Zealand.

Established	February 8, 2017
Location	Level 29, 126 Phillip Street, Sydney, NSW2000, Australia

■ Company in Preparation of Obtaining a Banking License in Europe

Norinchukin Europe N.V.

Norinchukin Europe N.V. was set up as a company to acquire a banking license in Europe.

Established	September 21, 2018

■ Companies That Support the Organizational Base of the Cooperative Banking Business

Norinchukin Research Institute Co., Ltd.

http://www.nochuri.co.jp/english/index.html

Norinchukin Research Institute Co., Ltd. is the think tank of cooperative financial institutions and supports the cooperative banking business through its survey and research activities. The scope of its activities includes (1) performing medium- to long-term research for the agriculture, fishery and forestry industries and on environmental issues, (2) practical research on agricultural, fishery and forestry cooperatives, (3) providing economic and financial information to cooperative organizations and customers, and (4) research that contributes to recovery from the Great East Japan Earthquake. The Institute's periodicals and research including The NORIN KINYU, Monthly Review of Agriculture, Forestry and Fishery Finance and the Kinyu Shijo (Financial Markets) can be viewed on its website.

Established	March 25, 1986
Location	27-11, Sendagaya 5-chome, Shibuya-ku, Tokyo 151-0051, Japan
Representative	Shinichi Saitoh, President
Number of directors and employees	76

Norinchukin Academy Co., Ltd.

Norinchukin Academy Co., Ltd., as a training specialist for cooperative members, is involved in training directors and employees engaging in banking business by conducting group trainings, correspondence courses, certification exams, dispatching lecturers, and publishing training materials. In fiscal 2015, approximately 13,000 and 18,000 employees took correspondence courses and certification exams, respectively.

Established	May 25, 1981
Location	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-0006, Japan
Representative	Nobuo Igarashi, President & CEO
Number of directors and employees	61

Investment Management Firm

Norinchukin Value Investments Co., Ltd.

https://www.nvic.co.jp

Norinchukin Value Investments Co., Ltd. is an investment management firm founded by the Norinchukin Bank and Norinchukin Trust & Banking Co., Ltd., and it provides investment management services with the concept of "long-term concentrated portfolio" where the firm invests, with respect to companies which are capable of generating sustainable cash flow in a long time horizon, on back of the increasing needs from institutional investors.

Established	October 2, 2014
Location	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan
Representative	Keito Shimbu, President
Number of directors and employees	24

Companies That Complement the Business Base of the Cooperative Banking Business

Kyodo Housing Loan Co., Ltd.

Kyodo Housing Loan Co., Ltd. provides mortgages in partnership with more than 400 companies in the fields of housing and real estate sales, housing manufacturing and other related areas, in addition to providing guarantee services for JA Bank and JF Marine Bank's mortgages. The company also handles Flat 35 mortgages in alliance with the Japan Housing Finance Agency.

Established	August 10, 1979
Location	27-11, Sendagaya 5-chome, Shibuya-ku, Tokyo 151-0051, Japan
Representative	Hideaki Iida, Managing Director
Number of directors and employees	170

JA Card Co., Ltd.

JA Card Co., Ltd. ("JA Card"), plans and promotes settlement solutions centering on the JA Card business in the retail field under a business alliance among the Bank, Mitsubishi UFJ Financial Group, Inc., and Mitsubishi UFJ NICOS Co., Ltd.

Established	October 2, 2017
Location	14-1, Sotokanda 4-chome, Chiyoda-ku, Tokyo 101-8960, Japan
Representative	Yusuke Ikegami, President
Number of directors and employees	44

Norinchukin Zenkyoren Asset Management Co., Ltd.

Norinchukin Zenkyoren Asset Management Co., Ltd. responds to the asset management needs of a range of financial institutions and institutional investors, including cooperative members, through development and offering of investment funds. It is one of Japan's top originators of funds sold through private offering. This company also offers main investment trust products sold at branches and offices of cooperative banking institutions.

Established	September 28, 1993
Location	7-9, Hirakawacho 2-chome, Chiyoda-ku, Tokyo 102-0093, Japan
Representative	Kazuo Yoshida, Chairman & CEO
Number of directors and employees	134

The Cooperative Servicing Co., Ltd.

The Cooperative Servicing Co., Ltd. is a Ministry of Justice-approved debt collection company that manages and collects non-performing loans held by cooperative members. It also seeks early repayment of delinquent loans.

Established	April 11, 2001
Location	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan
Representative	Shinichiro Kawasaki, President & CEO
Number of directors and employees	68

JA MITSUI LEASING, LTD.

www.jamitsuilease.co.jp/en/

JA MITSUI LEASING, LTD. is a general leasing company that responds to the increasingly diverse and sophisticated financial needs of customers. It plays a key role in providing lease-related services to cooperative members and people engaged in the agriculture, fishery and forestry industries.

Established	April 1, 2008
Location	13-1, Ginza 8-chome, Chuo-ku, Tokyo 104-0061, Japan
Representative	Shuzo Furuya, President & CEO
Number of directors and employees	1,017

The Agribusiness Investment & Consultation Co., Ltd.

The Agribusiness Investment & Consultation Co., Ltd. incorporated in accordance with the Act on Special Measures concerning Facilitation of Investment to Agricultural Corporations, invests in agricultural corporations nationwide and in companies involved in processing and distribution of agricultural products in order to help secure the financial stability and growth of agricultural leaders of tomorrow.

Established	October 24, 2002
Location	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan
Representative	Tetsuya Higuchi, Operating Officer
Number of directors and employees	15

*Due to a personnel change, Kentaro Morimoto newly assumed office as Operating Officer and Representative Director as of April 1, 2019.

■ Companies Working to Rationalize and Streamline the Cooperative Banking Business

Nochu Business Support Co., Ltd.

Nochu Business Support Co., Ltd. is entrusted with the administrative work of the Bank and its group companies to meet their outsourcing needs. For instance, the Bank's Operations Center entrusts its work to the company.

Established	August 18, 1998
Location	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan
Representative	Minoru Ota, President & CEO
Number of directors and employees	126

Norinchukin Business Assist Co., Ltd.

Norinchukin Business Assist Co., Ltd., is entrusted with administrative work related to the financing of the Bank and its group companies, while expanding the employment of people with disabilities as a special subsidiary company based on the Act on Employment Promotion, etc., of Persons with Disabilities.

Established	December 1, 2016
Location	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-0006, Japan
Representative	Yuji Hayama, President and CEO
Number of directors and employees	36

Norinchukin Facilities Co., Ltd.

Norinchukin Facilities Co., Ltd. is entrusted with facilities-related work such as cleaning and security as well as food service operation at Bank-owned facilities.

Established	August 6, 1956
Location	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-0006, Japan
Representative	Kohei Taneda, President & CEO
Number of directors and employees	158

Nochu Information System Co., Ltd.

Nochu Information System Co., Ltd. is entrusted with the development and operation of the Bank's various computer systems, including the core banking system. It also plays a major role in the Bank's IT strategy. The company is responsible for all developmental and operational aspects of the nationwide JASTEM System, JA Bank's key computer system (a large retail system, which administers approximately 44 million accounts and approximately 12,000 ATMs).

Established	May 29, 1981
Location	2-3, Toyosu 3-chome, Koto-ku, Tokyo 135-0061, Japan
Representative	Shoji Yukimoto, President & CEO
Number of directors and employees	673

Others

Ant Capital Partners Co., Ltd.

www.antcapital.jp/english/

Ant Capital Partners Co., Ltd. invests in and manages private equity funds.

Established	October 23, 2000
Location	2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005, Japan
Representative	Ryosuke Iinuma, President and CEO
Number of directors and employees	47

Investment Limited Partnership for Renewable Energy in Agriculture, Forestry, and Fisheries

Investment Limited Partnership for Renewable Energy in Agriculture, Forestry, and Fisheries is a limited liability partnership for investment that, in the spirit of the Act on the Promotion of Renewable Energy in Rural Areas, invests in those renewable energy projects engaged in rural communities and hilly and mountainous areas that contribute to the revitalization of local communities and for which stable and management is expected.

Established	April 30, 2014
Location	13-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-8420, Japan

Norinchukin Finance (Cayman) Limited

Norinchukin Finance (Cayman) Limited is a special purpose company incorporated outside Japan for the purpose of raising capital for the Bank.

Established	August 30, 2006
Location	PO Box 309, Ugland House, Grand Cayman, KY1-1104 Cayman Islands

JAML MRC Holding, Inc.

JAML MRC Holding, Inc., invests in Mitsui Rail Capital, LLC, which conducts a railcar leasing business in North America.

Established	March 6, 2015
Location	286 Madison Ave., Suite 301, New York, NY 10017, U.S.A.

Gulf Japan Food Fund GP

Gulf Japan Food Fund GP invests in and manages private equity funds aimed at expanding exports of Japanese agricultural and livestock products to six Gulf States in the Middle East.

Established	July 29, 2015
Location	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands

Financial Review

■ Financial Results for the fiscal year ended March 31, 2019 (Consolidated)

The Norinchukin Bank's ("the Bank") financial results on a consolidated basis as of March 31, 2019 include the results of 16 consolidated subsidiaries and 7 affiliates which are accounted for by the equity method.

The following is a summary of Financial Results for the fiscal year 2018 (for the fiscal year ended March 31, 2019).

• Balance of Assets and Liabilities

Consolidated Total Assets increased by ¥1,026.1 billion from the previous fiscal year-end to ¥105,953.9 billion, and consolidated Total Net Assets increased by ¥727.1 billion from the previous fiscal year-end to ¥7,473.2 billion.

On the assets side, Loans and Bills Discounted increased by ¥6,754.0 billion to ¥18,613.0 billion, and Securities increased by ¥3,336.8 billion to ¥55,658.7 billion from the previous fiscal year-end, respectively.

On the liabilities side, Deposits increased by ¥997.5 billion to ¥66,797.0 billion, and Debentures decreased by ¥512.2 billion to ¥1,254.2 billion from the previous fiscal year-end, respectively.

• Income

Consolidated Ordinary Profits* were ¥124.5 billion, down ¥46.4 billion from the previous fiscal year, and Profit Attributable to Owners of Parent was ¥103.5 billion, down ¥44.0 billion from the previous fiscal year.

* Ordinary Profits represent Ordinary Income less Ordinary Expenses. Ordinary Income represents Total Income less certain special income, and Ordinary Expenses represent Total Expenses less certain special expenses.

• Capital Adequacy Ratio

The Bank's Consolidated Capital Adequacy Ratios (Basel III standard) were as follows: Consolidated Common Equity Tier 1 Capital Ratio 16.59%, Consolidated Tier 1 Capital Ratio 19.65%, and Consolidated Total Capital Ratio 19.65% as of March 31, 2019.

Key Management Indicators (Consolidated)

(Billions of Yen/Millions of U.S. Dollars (Note 1))

	2015/3	2016/3	2017/3	2018/3	**2019/3**	**2019/3**
Total Income	¥ 1,360.0	¥ 1,287.9	¥ 1,373.5	¥ 1,464.4	**¥ 1,732.1**	**$ 15,616**
Total Expenses	847.0	964.4	1,152.5	1,280.5	**1,607.8**	**14,495**
Profit Attributable to Owners of Parent	411.3	271.2	206.1	147.6	**103.5**	**933**
Total Comprehensive Income	1,403.0	(98.1)	(109.2)	(192.9)	**238.5**	**2,150**
Total Net Assets	7,308.1	7,186.7	7,008.8	6,746.0	**7,473.2**	**67,375**
Total Assets	94,549.7	101,182.9	107,062.7	104,927.7	**105,953.9**	**955,228**
Capital Adequacy Ratio (BIS) (Note 2)						
Common Equity Tier 1 Capital Ratio (%)	17.17	18.94	19.31	19.02	**16.59**	**16.59**
Tier 1 Capital Ratio (%)	17.24	18.99	19.34	19.02	**19.65**	**19.65**
Total Capital Ratio (%)	24.19	25.07	24.39	23.50	**19.65**	**19.65**

Notes: 1. U.S. dollars have been converted at the rate of ¥110.92 to U.S. $1, the effective rate of exchange at March 31, 2019.
2. The calculation of the Bank's Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No. 4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank) issued in 2006.

■ Financial Results for the fiscal year ended March 31, 2019 (Non-consolidated)

• Balance of Assets and Liabilities

Total Assets of the Bank at the end of the fiscal year increased by ¥759.1 billion to ¥104,176.8 billion from the previous fiscal year-end. Total Net Assets at the end of the fiscal year increased by ¥727.7 billion to ¥7,381.8 billion from the previous fiscal year-end.

On the assets side, Loans and Bills Discounted was ¥18,438.0 billion, and Securities was ¥55,751.1 billion. On the liabilities side, Deposits amounted to ¥66,821.5 billion, and Debentures was ¥1,262.2 billion.

• Income

Interest income of the Bank for the fiscal year ended March 31, 2019 totaled to ¥109.2 billion, down ¥63.6 billion from the previous fiscal year.

The total credit costs were ¥1.9 billion in net losses mainly from the provision of the reserves due to the increase in loans.

As for securities investments, net gains/losses on sales were net gains of ¥66.3 billion, up ¥43.4 billion from the previous fiscal year, and the expenses of provisions and impairments for price-decline of securities and other reasons increased by ¥0.3 billion to ¥1.0 billion from the previous fiscal year.

As a result, with all of the factors mentioned above, the Bank recorded ¥117.4 billion in Ordinary Profits, down ¥41.4 billion and ¥100.6 billion in Net Income, down ¥29.3 billion from the previous fiscal year, respectively. The Bank's net operating losses stood at ¥36.8 billion.

• Capital Adequacy Ratio

The Bank's Non-consolidated Capital Adequacy Ratios (Basel III standard) were as follows: Common Equity Tier 1 Capital Ratio 16.73%, Tier 1 Capital Ratio 19.86%, and Total Capital Ratio 19.86% as of March 31, 2019.

Key Management Indicators (Non-consolidated)

(Billions of Yen/Millions of U.S. Dollars (Note 1))

	2015/3	2016/3	2017/3	2018/3	**2019/3**	**2019/3**
Total Income	¥ 1,340.4	¥ 1,274.7	¥ 1,360.3	¥ 1,425.7	**¥ 1,709.1**	**$ 15,408**
Total Expenses	837.8	953.9	1,139.9	1,268.4	**1,591.9**	**14,352**
Net Income	404.5	271.5	203.4	129.9	**100.6**	**907**
Paid-in Capital	3,425.9	3,480.4	3,480.4	3,480.4	**4,040.1**	**36,424**
Total Net Assets	7,231.8	7,133.6	6,939.0	6,654.0	**7,381.8**	**66,551**
Total Assets	93,618.4	100,130.0	105,812.4	103,417.6	**104,176.8**	**939,206**
Deposits	53,486.1	58,838.5	61,904.2	65,823.8	**66,821.5**	**602,430**
Debentures	3,564.3	3,133.0	2,423.8	1,774.4	**1,262.2**	**11,379**
Loans and Bills Discounted	19,935.7	17,915.8	11,948.5	11,742.6	**18,438.0**	**166,228**
Securities	59,738.5	58,329.7	62,108.2	52,332.7	**55,751.1**	**502,625**
Capital Adequacy Ratio (BIS) (Note 2)						
Common Equity Tier 1 Capital Ratio (%)	17.18	19.02	19.42	19.20	**16.73**	**16.73**
Tier 1 Capital Ratio (%)	17.25	19.07	19.47	19.23	**19.86**	**19.86**
Total Capital Ratio (%)	24.36	25.29	24.60	23.78	**19.86**	**19.86**

Notes: 1. U.S. dollars have been converted at the rate of ¥110.92 to U.S. $1, the effective rate of exchange at March 31, 2019.
2. The calculation of the Bank's Non-Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No. 4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank) issued in 2006.

Consolidated Balance Sheet

The Norinchukin Bank and Subsidiaries
As of March 31, 2019

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2019	2018	**2019**
Assets			
Cash and Due from Banks (Notes 29, 31 and 32)	**¥ 18,941,664**	¥ 28,756,371	**$170,768**
Call Loans and Bills Bought (Note 31)	**44,368**	630,000	**400**
Receivables under Resale Agreements	**10,096**	—	**91**
Monetary Claims Bought (Notes 31 and 32)	**326,079**	354,872	**2,939**
Trading Assets (Notes 3, 31 and 32)	**15,844**	8,582	**142**
Money Held in Trust (Notes 9, 31 and 33)	**8,667,392**	7,439,710	**78,140**
Securities (Notes 4, 9, 20, 31 and 32)	**55,658,707**	52,321,859	**501,791**
Loans and Bills Discounted (Notes 5, 9, 19 and 31)	**18,613,018**	11,858,949	**167,805**
Foreign Exchange Assets (Note 6)	**344,943**	324,698	**3,109**
Other Assets (Notes 7, 9 and 31)	**1,415,586**	1,585,342	**12,762**
Tangible Fixed Assets (Note 8)	**117,294**	122,356	**1,057**
Intangible Fixed Assets (Note 8)	**48,765**	43,480	**439**
Net Defined Benefit Asset (Note 16)	**57,715**	52,510	**520**
Deferred Tax Assets (Note 17)	**2,034**	2,026	**18**
Customers' Liabilities for Acceptances and Guarantees (Note 18)	**1,738,971**	1,474,730	**15,677**
Reserve for Possible Loan Losses (Note 31)	**(48,402)**	(47,716)	**(436)**
Reserve for Possible Investment Losses	**(154)**	(4)	**(1)**
Total Assets	**¥105,953,925**	¥104,927,769	**$955,228**
Liabilities and Net Assets			
Liabilities			
Deposits (Notes 10 and 31)	**¥ 66,797,069**	¥ 65,799,561	**$602,209**
Negotiable Certificates of Deposit (Note 31)	**790,599**	2,920,656	**7,127**
Debentures (Notes 11 and 31)	**1,254,239**	1,766,498	**11,307**
Payables under Repurchase Agreements (Notes 9 and 31)	**15,111,297**	15,080,638	**136,236**
Trading Liabilities (Notes 12 and 31)	**7,022**	5,034	**63**
Borrowed Money (Notes 9, 13 and 31)	**4,837,392**	4,641,504	**43,611**
Foreign Exchange Liabilities (Note 14)	**32**	38	**0**
Short-term Entrusted Funds (Note 31)	**1,048,091**	1,405,187	**9,449**
Other Liabilities (Notes 15 and 31)	**6,320,163**	4,569,727	**56,979**
Reserve for Bonus Payments	**7,557**	7,591	**68**
Net Defined Benefit Liability (Note 16)	**38,287**	35,481	**345**
Reserve for Directors' Retirement Benefits	**1,236**	1,508	**11**
Deferred Tax Liabilities (Note 17)	**520,070**	464,915	**4,688**
Deferred Tax Liabilities for Land Revaluation	**8,607**	8,607	**77**
Acceptances and Guarantees (Note 18)	**1,738,971**	1,474,730	**15,677**
Total Liabilities	**98,480,637**	98,181,681	**887,852**
Net Assets			
Paid-in Capital (Note 21)	**4,040,198**	3,480,488	**36,424**
Capital Surplus	**24,993**	24,993	**225**
Retained Earnings	**2,021,435**	1,988,359	**18,224**
Total Owners' Equity	**6,086,627**	5,493,842	**54,874**
Net Unrealized Gains on Other Securities	**1,501,790**	1,152,861	**13,539**
Net Deferred Gains (Losses) on Hedging Instruments	**(152,678)**	59,823	**(1,376)**
Revaluation Reserve for Land	**14,312**	14,312	**129**
Foreign Currency Transaction Adjustments	**(67)**	(110)	**(0)**
Remeasurements of Defined Benefit Plans (Note 16)	**12,959**	15,876	**116**
Total Accumulated Other Comprehensive Income	**1,376,316**	1,242,763	**12,408**
Non-controlling Interests	**10,343**	9,482	**93**
Total Net Assets	**7,473,287**	6,746,088	**67,375**
Total Liabilities and Net Assets	**¥105,953,925**	¥104,927,769	**$955,228**

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Operations and Comprehensive Income

(1) Consolidated Statement of Operations

The Norinchukin Bank and Subsidiaries
For the fiscal year ended March 31, 2019

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2019	2018	**2019**
Income			
Interest Income:	**¥1,311,278**	¥1,146,827	**$11,821**
Interest on Loans and Bills Discounted	**108,599**	79,458	**979**
Interest and Dividends on Securities	**1,178,448**	1,050,275	**10,624**
Interest on Call Loans and Bills Bought	**(910)**	(912)	**(8)**
Interest on Receivables under Resale Agreements	**(727)**	(0)	**(6)**
Interest on Receivables under Securities Borrowing Transactions	**1**	147	**0**
Interest on Due from Banks	**20,146**	12,847	**181**
Other Interest Income	**5,719**	5,011	**51**
Fees and Commissions	**31,077**	29,076	**280**
Trading Income (Note 22)	**124**	163	**1**
Other Operating Income (Note 23)	**151,587**	92,874	**1,366**
Other Income (Note 24)	**238,078**	195,496	**2,146**
Total Income	**1,732,146**	1,464,439	**15,616**
Expenses			
Interest Expenses:	**1,269,168**	1,021,366	**11,442**
Interest on Deposits	**135,445**	84,872	**1,221**
Interest on Negotiable Certificates of Deposit	**25,651**	30,896	**231**
Interest on Debentures	**3,487**	5,602	**31**
Interest on Borrowed Money	**83,339**	81,256	**751**
Interest on Call Money and Bills Sold	**(2)**	13	**(0)**
Interest on Payables under Repurchase Agreements	**166,785**	121,255	**1,503**
Interest on Payables under Securities Lending Transactions	**0**	0	**0**
Other Interest Expenses	**854,460**	697,469	**7,703**
Fees and Commissions	**18,103**	17,339	**163**
Trading Expenses (Note 25)	**330**	246	**2**
Other Operating Expenses (Note 26)	**142,424**	68,292	**1,284**
General and Administrative Expenses	**162,049**	162,899	**1,460**
Other Expenses (Note 27)	**15,791**	10,402	**142**
Total Expenses	**1,607,868**	1,280,546	**14,495**
Income before Income Taxes	**124,278**	183,892	**1,120**
Income Taxes — Current	**17,199**	12,735	**155**
Income Taxes — Deferred	**2,086**	22,283	**18**
Total Income Taxes	**19,285**	35,019	**173**
Profit	**104,992**	148,873	**946**
Profit Attributable to Non-controlling Interests	**1,416**	1,268	**12**
Profit Attributable to Owners of Parent	**¥ 103,575**	¥ 147,604	**$ 933**

	Yen		U.S. Dollars (Note 1)
	2019	2018	**2019**
Profit Attributable to Owners of Parent per Share	**¥6.87**	¥24.11	**$0.06**

The accompanying notes are an integral part of the financial statements.

(2) Consolidated Statement of Comprehensive Income

The Norinchukin Bank and Subsidiaries
For the fiscal year ended March 31, 2019

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2019	2018	**2019**
Profit	**¥ 104,992**	¥ 148,873	**$ 946**
Other Comprehensive Income	**133,546**	(341,866)	**1,203**
Net Unrealized Gains (Losses) on Other Securities (Note 28)	**349,444**	(431,906)	**3,150**
Net Deferred Gains (Losses) on Hedging Instruments (Note 28)	**(212,514)**	86,208	**(1,915)**
Foreign Currency Transaction Adjustments (Note 28)	**8**	(10)	**0**
Remeasurements of Defined Benefit Plans (Note 28)	**(2,945)**	3,128	**(26)**
Share of Other Comprehensive Income of Affiliates accounted for by the equity method (Note 28)	**(446)**	713	**(4)**
Total Comprehensive Income	**¥ 238,538**	¥(192,993)	**$ 2,150**
Attributable to:			
Owners of Parent	**237,128**	(194,256)	**2,137**
Non-controlling Interests	**1,410**	1,262	**12**

The accompanying notes are an integral part of the financial statements.

Consolidated Statement of Capital Surplus and Retained Earnings

The Norinchukin Bank and Subsidiaries
For the fiscal year ended March 31, 2019

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2019	2018	**2019**
Capital Surplus			
Balance at the Beginning of the Fiscal Year	**¥ 24,993**	¥ 24,993	**$ 225**
Additions:	**—**	—	**—**
Deductions:	**—**	—	**—**
Balance at the End of the Fiscal Year	**24,993**	24,993	**225**
Retained Earnings			
Balance at the Beginning of the Fiscal Year	**1,988,359**	1,910,262	**17,926**
Additions:			
Profit Attributable to Owners of Parent	**103,575**	147,604	**933**
Deductions:			
Dividends	**70,500**	69,507	**635**
Balance at the End of the Fiscal Year	**¥2,021,435**	¥1,988,359	**$18,224**

The accompanying notes are an integral part of the financial statements.

Consolidated Statement of Cash Flows

The Norinchukin Bank and Subsidiaries
For the fiscal year ended March 31, 2019

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2019	2018	**2019**
Cash Flows from Operating Activities:			
Income before Income Taxes	**¥ 124,278**	¥ 183,892	**$ 1,120**
Depreciation	**17,778**	16,362	**160**
Equity in Losses (Earnings) of Affiliates	**(3,669)**	(7,205)	**(33)**
Net Increase (Decrease) in Reserve for Possible Loan Losses	**687**	(9,013)	**6**
Net Increase (Decrease) in Reserve for Possible Investment Losses	**150**	(6)	**1**
Net Increase (Decrease) in Reserve for Bonus Payments	**(33)**	(302)	**(0)**
Net Decrease (Increase) in Net Defined Benefit Asset	**(5,205)**	(6,914)	**(46)**
Net Increase (Decrease) in Net Defined Benefit Liability	**2,805**	(3,142)	**25**
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	**(272)**	221	**(2)**
Net Increase (Decrease) in Reserve for Agriculture, Fishery and Forestry Industry Subsidies	**—**	(523)	**—**
Interest Income	**(1,311,278)**	(1,146,827)	**(11,821)**
Interest Expenses	**1,269,168**	1,021,366	**11,442**
Losses (Gains) on Securities	**(183,220)**	(48,624)	**(1,651)**
Losses (Gains) on Money Held in Trust	**(1,472)**	(825)	**(13)**
Foreign Exchange Losses (Gains)	**(642,970)**	855,626	**(5,796)**
Losses (Gains) on Disposal of Fixed Assets	**261**	1,400	**2**
Net Decrease (Increase) in Trading Assets	**(7,261)**	2,132	**(65)**
Net Increase (Decrease) in Trading Liabilities	**1,987**	(1,115)	**17**
Net Decrease (Increase) in Loans and Bills Discounted	**(6,755,155)**	199,339	**(60,901)**
Net Increase (Decrease) in Deposits	**997,508**	3,913,375	**8,993**
Net Increase (Decrease) in Negotiable Certificates of Deposit	**(2,130,057)**	(768,613)	**(19,203)**
Net Increase (Decrease) in Debentures	**(512,259)**	(646,325)	**(4,618)**
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	**392,322**	269,892	**3,536**
Net Decrease (Increase) in Interest-bearing Due from Banks	**270,261**	(172,171)	**2,436**
Net Decrease (Increase) in Call Loans and Bills Bought and Other	**604,326**	(580,777)	**5,448**
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	**—**	1,173	**—**
Net Increase (Decrease) in Call Money and Bills Sold and Other	**30,659**	(4,567,737)	**276**
Net Increase (Decrease) in Short-term Entrusted Funds	**(357,095)**	147,755	**(3,219)**
Net Increase (Decrease) in Payables under Securities Lending Transactions	**—**	(1,013)	**—**
Net Decrease (Increase) in Foreign Exchange Assets	**(20,244)**	(100,597)	**(182)**
Net Increase (Decrease) in Foreign Exchange Liabilities	**(6)**	36	**(0)**
Interest Received	**1,289,872**	1,184,377	**11,628**
Interest Paid	**(1,257,830)**	(1,017,707)	**(11,339)**
Other, Net	**(130,559)**	(497,652)	**(1,177)**
Subtotal	**(8,316,524)**	(1,780,143)	**(74,977)**
Income Taxes Paid	**(12,004)**	(45,357)	**(108)**
Net Cash Provided by (Used in) Operating Activities	**(8,328,529)**	(1,825,501)	**(75,085)**

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2019	2018	**2019**
Cash Flows from Investing Activities:			
Purchases of Securities	**(13,100,524)**	(14,994,997)	**(118,107)**
Proceeds from Sales of Securities	**4,139,697**	8,928,067	**37,321**
Proceeds from Redemption of Securities	**6,933,138**	14,695,131	**62,505**
Increase in Money Held in Trust	**(293,098)**	(2,085,643)	**(2,642)**
Decrease in Money Held in Trust	**826,703**	1,022,188	**7,453**
Purchases of Tangible Fixed Assets	**(2,487)**	(9,212)	**(22)**
Purchases of Intangible Fixed Assets	**(12,302)**	(16,094)	**(110)**
Proceeds from Sales of Tangible Fixed Assets	**0**	1,055	**0**
Purchase of Stocks of Subsidiaries (Affecting the Scope of Consolidation)	**—**	(2)	**—**
Net Cash Provided by (Used in) Investing Activities	**(1,508,873)**	7,540,491	**(13,603)**
Cash Flows from Financing Activities:			
Proceeds from Subordinated Borrowed Money	**1,316,972**	—	**11,873**
Repayments of Subordinated Borrowed Money	**(1,512,373)**	—	**(13,634)**
Proceeds from Issuance of Stock	**559,710**	—	**5,046**
Dividends Paid	**(70,500)**	(69,507)	**(635)**
Dividends Paid to Non-controlling Interests	**(548)**	(420)	**(4)**
Net Cash Provided by (Used in) Financing Activities	**293,259**	(69,927)	**2,643**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**(300)**	—	**(2)**
Net Increase (Decrease) in Cash and Cash Equivalents	**(9,544,443)**	5,645,062	**(86,047)**
Cash and Cash Equivalents at the Beginning of the Fiscal Year	**27,874,673**	22,229,610	**251,304**
Cash and Cash Equivalents at the End of the Fiscal Year (Note 29)	**¥ 18,330,229**	¥ 27,874,673	**$ 165,256**

The accompanying notes are an integral part of the financial statements.

Notes to the Consolidated Financial Statements

The Norinchukin Bank and Subsidiaries

1. Basis of Presentation

The consolidated financial statements have been prepared based on the accounting records maintained by The Norinchukin Bank ("the Bank") and its consolidated subsidiaries in accordance with the provisions set forth in The Norinchukin Bank Law and in conformity with accounting principles and practices generally accepted in Japan, that are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

Certain items presented in the consolidated financial statements filed with the Ministry of Agriculture, Forestry and Fisheries of Japan have been reclassified for the convenience of readers.

Amounts in U.S. dollars are included solely for the convenience of readers. The exchange rate of ¥110.92=U.S.$1, the approximate rate of exchange prevailing on March 31, 2019, has been used for translation purposes. The inclusion of such amounts is not intended to imply that Japanese yen amounts have been, or could be, readily converted, realized or settled in U.S. dollars at the aforementioned rate or at any other rate.

The yen and U.S. dollars figures disclosed in the consolidated financial statements are expressed in millions of yen and millions of U.S. dollars, and have been rounded down. Consequently, differences may exist between the sum of rounded figures and the totals listed in the annual report.

2. Summary of Significant Accounting Policies

(1) Principles of Consolidation

Scope of Consolidation

Subsidiaries

Subsidiaries are, in general, the companies in which the Bank 1) holds, directly and/or indirectly, more than 50% of the voting shares; 2) holds, directly and/or indirectly, 40% or more of the voting shares and, at the same time, exercises effective control over the decision-making body by directing business policy and deciding on financial and operating policies; or 3) holds more than 50% of the voting shares together with those entities that would vote or agree to vote with the Bank due to their close relationship with the Bank through sharing of personnel, provision of finance and technology and other relationships and, at the same time, has effective control over the decision-making body, unless evidence exists which shows that the Bank does not have such control.

The numbers of subsidiaries as of March 31, 2019 and 2018 were 16 and 13, respectively, all of which were consolidated.

The major consolidated subsidiaries are as follows:

The Norinchukin Trust & Banking Co., Ltd.

Kyodo Housing Loan Co., Ltd.

The dates of the fiscal year-end of all consolidated subsidiaries are as follows:

Closing date: December 31, 2018 Number of subsidiaries: 3

Closing date: March 31, 2019 Number of subsidiaries: 13

The necessary adjustments have been made to the financial statements for any significant transactions that took place between their respective closing dates and the date of the consolidated financial statements.

Newly established "Norinchukin Europe N.V." and other two companies were consolidated from the fiscal year ended March 31, 2019.

Affiliates

Affiliates are, in general, the companies, other than subsidiaries, in which the Bank 1) holds, directly and/or indirectly, 20% or more of the voting shares; 2) holds, directly and/or indirectly, 15% or more of the voting shares and also is able to influence the decision-making body through sharing of personnel, provision of finance and technology, and other relationships; or 3) holds more than 20% of the voting shares together with those entities that would vote or agree to vote with the Bank due to their close relationship with the Bank through sharing of personnel, provision of finance and technology and other relationships and, at the same time, is able to influence the decision-making body in a material degree, unless evidence exists which shows that the Bank does not have such influence.

The numbers of affiliates as of March 31, 2019 and 2018 were 7 and 7, respectively, all of which were accounted for by the equity method. Differences between the cost and the underlying net equity at fair value of investments in companies which are accounted for by the equity method have been amortized by the straight-line method over 20 years except for immaterial goodwill which are charged to income in the year of acquisition. Negative goodwill is credited to income in the year of acquisition. The major affiliate accounted for by the equity method is as follows:

JA MITSUI LEASING, LTD.

(2) Transactions for Trading Purposes

Transactions for trading purposes are those seeking gains arising from short-term market movements or from the arbitrage opportunities in interest rates, foreign exchange rates and other market related indices. Such transactions are reported as Trading Assets or Trading Liabilities in the consolidated balance sheet on a trade date basis.

Gains and losses arising from transactions for trading purposes are recorded in Trading Income and Trading Expenses on the consolidated statement of operations.

Securities, monetary claims and certain other instruments held for trading purposes are valued at fair value prevailing at the end of the period. Derivatives held for trading purposes, such as swaps, futures and options, are valued on the assumption that they were settled at the end of the period.

Trading Income and Trading Expenses include interest received and paid in the fiscal year, gains or losses resulting from any change in the fair value of securities and monetary claims from the end of the previous fiscal year and gains or losses of derivatives resulting from any change in the fair value, which is determined assuming they were settled at the end of the fiscal year, from the end of the previous fiscal year.

(3) Financial Instruments

a. Securities

Held-to-maturity debt securities are valued at amortized cost (straight-line method), as determined by the moving average method.

In principle, other securities are valued at fair value, which is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date (the cost of securities sold is calculated primarily by the moving average method). Other securities which are extremely difficult to determine the fair value are valued at cost determined by the moving average method.

Net Unrealized Gains or Losses on Other Securities, net of taxes, are reported separately in Net Assets.

Securities included in Money Held in Trust are valued using the same methods described in (2) and (3) a. above.

b. Derivatives

Derivative transactions (other than transactions for trading purposes) are recorded at fair value.

c. Hedge Accounting

(a) Hedge of Interest Rate Risk

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.

(b) Hedge of Foreign Exchange Rate Risk

The Bank applies the deferral method of hedge accounting to the hedge transactions to manage foreign exchange rate risk arising from various financial assets and liabilities denominated in foreign currencies, which is described in “Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry” (JICPA Industry Audit Committee Report No. 25, issued on July 29, 2002). Hedge effectiveness is assessed by reviewing whether the amount of the hedged items, such as financial monetary assets and liabilities denominated in foreign currencies, exceeds that of the hedging instruments, such as currency swap or foreign exchange swap transactions, entered into to mitigate the foreign exchange rate risk arising from the hedged items.

The deferral method or the fair value method of hedge accounting is applied to the portfolio hedges of foreign exchange rate risks associated with securities denominated in foreign currencies (other than debt securities), provided that (1) the securities denominated in foreign currencies are identified as hedged items in advance, and (2) foreign currency amounts of spot and forward liabilities exceeds those of the acquisition costs of the foreign currency securities designated as hedged items.

(c) Internal Derivative Transactions

Internal derivative transactions between trading accounts and banking accounts or inter-division transactions, which are designated as hedges, are not eliminated. The related gains and losses are recognized in the consolidated statement of operations or are deferred in the consolidated balance sheet in accordance with the hedge accounting rules, because the internal interest rate swap and currency swap transactions, that are designated as hedging instruments, are traded in a non-discretionary manner and are appropriately and ultimately covered by third party transactions, which are conducted in accordance with the standards stipulated in the JICPA Industry Audit Committee Report No. 24 and No. 25.

For certain other assets or liabilities, the Bank applies the deferral method or the accrual method of hedge accounting, as specifically permitted for certain interest rate swaps. Under the deferral method, the recognition of income or expenses associated with a hedging instrument is deferred to the period when the income or expense arising from the hedged item is recognized.

(4) Tangible Fixed Assets (other than Lease Assets)

a. Depreciation

Depreciation of Tangible Fixed Assets of the Bank is calculated using the declining-balance method. However, depreciation on buildings acquired on or after April 1, 1998 (excluding buildings and accompanying facilities) and buildings and accompanying facilities and structures acquired on or after April 1, 2016 are calculated using the straight-line method.

The useful lives of major Tangible Fixed Assets are as follows:

Buildings: 15 years to 50 years
Others: 5 years to 15 years

Depreciation of Tangible Fixed Assets of the consolidated subsidiaries is primarily calculated using the declining-balance method over their estimated economic useful lives.

b. Land Revaluation

In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes was revaluated on March 31, 1998. Unrealized gains arising from revaluation, net of deferred tax, are disclosed as Revaluation Reserve for Land and included in Net Assets on the consolidated balance sheet. The related deferred tax liability is recorded as Deferred Tax Liabilities for Land Revaluation.

The land prices used for the revaluation were reasonably calculated based on third-party appraisals in accordance with Article 2-5 of the enforcement ordinance for the Law Concerning the Revaluation of Land.

(5) Intangible Fixed Assets (other than Lease Assets)

Depreciation of Intangible Fixed Assets is calculated using the straight-line method.

The costs of software developed or obtained for internal use are capitalized and amortized over an estimated useful life of 5 years.

(6) Lease Assets

Depreciation of Lease Assets in Tangible Fixed Assets and Intangible Fixed Assets which are finance leases where the ownership of assets is not transferred to the lessees is calculated using the straight-line method over the lease term with zero residual value unless residual value is guaranteed by the corresponding lease contracts.

(7) Foreign Currency Translation

Assets and liabilities denominated in foreign currencies, and accounts of overseas branches are translated into Japanese yen primarily using the exchange rates in effect at the consolidated balance sheet date.

Assets and liabilities of the consolidated subsidiaries denominated in foreign currencies are translated into Japanese yen using the respective exchange rates in effect at the balance sheet date.

(8) Reserve for Possible Loan Losses

Reserve for Possible Loan Losses of the Bank is computed as follows:

a. Reserve for loans to debtors who are legally bankrupt under the Bankruptcy Law, Special Liquidation under Company Law or other similar laws ("debtors in bankruptcy") or debtors who are substantially bankrupt under those laws ("debtors in default") is provided based on the remaining book value of the loans after the direct write-off described below and the deduction of the amount expected to be collected through the disposals of collateral or the execution of guarantees.

With respect to loans to borrowers who are legally or substantially bankrupt and that are secured by collateral or guarantees, the remaining book value of the loan, after the deduction of the amount of collateral or the execution of guarantees, is directly written off. Direct write-offs were ¥12,461 million ($112 million) and ¥16,648 million for the fiscal years ended March 31, 2019 and 2018, respectively.

b. Reserve for loans to debtors who are not currently bankrupt, but are likely to become bankrupt ("doubtful debtors"), is determined after taking into account a comprehensively evaluated repayment ability of debtors after deducting the amount expected to be collected through the disposal of collateral or the execution of guarantees.

c. Reserve for loans to debtors with restructured loans (see Note 5) and other debtors requiring close monitoring going forward is provided based on the Discounted Cash Flow method if the loan balance exceeds a specific amount and the future cash flows of the principal and interest of the loan can be reasonably estimated. Under the Discounted Cash Flow method, reserve is measured as the difference between the book value of the loan and its present value of expected future cash flows, discounted primarily by the contractual interest rate before the terms of the loan were restructured.

d. Reserve for loans other than those indicated above, is provided primarily at the amount calculated using the default rates which the Bank has calculated based on actual defaults experienced in the past.

e. Specific reserve for loans to certain countries with financial difficulties is provided based on the expected amount of losses taking into account the political, economic and other conditions in each country.

All claims are assessed by the Business Units based on the Bank's internal rules for the self-assessment of asset quality. The Asset Audit Department, which is independent from the Business Units, audits these self-assessments. Reserves described above are determined based on the results of these self-assessments.

Reserve for Possible Loan Losses for receivables of the Bank's consolidated subsidiaries is provided at the amount determined as necessary using the past default ratio. Reserve for Possible Loan Losses for problem receivables of the Bank's consolidated subsidiaries is provided by taking into account their recoverability and an estimate of uncollectible amount.

(9) Reserve for Possible Investment Losses

Reserve for Possible Investment Losses represents an amount determined to be necessary to cover the estimated loss from the investments, taking into account the financial condition and other factors of the issuer of the securities.

(10) Reserve for Bonus Payments

Reserve for Bonus Payments represents estimated cost of payment of employees' bonuses attributable to the period.

(11) Reserve for Directors' Retirement Benefits

Reserve for Directors' Retirement Benefits for the payments of retirement benefits for directors (including Executive Officers) and corporate auditors is recognized as the required amount accrued at the end of the period.

(12) Accounting Method for Retirement Benefits

In calculating retirement benefit obligations, the benefit formula basis is used for attributing expected retirement benefits to the period up to the end of this fiscal year.

Unrecognized prior service cost is amortized over a certain period (10 years) within the employees' average remaining service period using the straight-line method beginning in the fiscal year in which the difference has arisen.

Unrecognized actuarial differences are amortized over a certain period (10 years) within the employees' average remaining service period using the declining-balance method beginning in the fiscal year after the difference has arisen.

Some of the Bank's consolidated subsidiaries, in calculating Net Defined Benefit Liability and retirement benefit cost, adopt the simplified method whereby the retirement benefit obligations are calculated at an amount that would be paid if all eligible employees voluntarily retired at the consolidated balance sheet date.

(13) Consumption Taxes

Consumption tax and local consumption tax incurred on taxable transactions are excluded from these transaction amounts.

(14) Scope of "Cash and Cash Equivalents" in the Consolidated Statement of Cash Flows

"Cash and Cash Equivalents" in the consolidated statements of cash flows represents cash, non-interest bearing due from banks and due from the Bank of Japan in Cash and Due from Banks on the consolidated balance sheet.

(15) Profit Attributable to Owners of Parent per Share

Profit Attributable to Owners of Parent per Share is computed based upon the weighted average number of shares outstanding during the period.

The total dividends for lower dividend rate stocks and preferred stocks and the total special dividends are deducted from the numerator, the aggregate number of lower dividend rate stocks and preferred stocks is deducted from the denominator, respectively, in the calculation of Profit Attributable to Owners of Parent per Share.

3. Trading Assets

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Trading Securities	**¥ 8,560**	¥3,064	**$ 77**
Derivatives of Trading Securities	**—**	—	**—**
Derivatives of Securities Related to Trading Transactions	**32**	24	**0**
Trading-related Financial Derivatives	**7,251**	5,493	**65**
Total	**¥15,844**	¥8,582	**$142**

4. Securities

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Japanese Government Bonds	**¥10,563,017**	¥11,621,830	**$ 95,230**
Municipal Government Bonds	**13,262**	8,779	**119**
Short-term Corporate Bonds	**—**	—	**—**
Corporate Bonds	**1,215,377**	679,893	**10,957**
Stocks	**832,578**	868,728	**7,506**
Other	**43,034,472**	39,142,627	**387,977**
Foreign Bonds	**28,677,351**	26,128,111	**258,540**
Foreign Stocks	**32,575**	38,563	**293**
Investment Trusts	**13,437,295**	12,129,913	**121,144**
Other	**887,250**	846,038	**7,999**
Total	**¥55,658,707**	¥52,321,859	**$501,791**

The maturity profile of securities is as follows:

	Millions of Yen				
As of March 31, 2019	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
Bonds	**¥1,749,304**	**¥ 8,229,542**	**¥ 1,886**	**¥ 1,810,923**	**¥ —**
Japanese Government Bonds	**1,312,990**	**7,509,487**	**—**	**1,740,539**	**—**
Municipal Government Bonds	**4**	**13,232**	**23**	**1**	**—**
Short-term Corporate Bonds	**—**	**—**	**—**	**—**	**—**
Corporate Bonds	**436,309**	**706,821**	**1,862**	**70,383**	**—**
Stocks	**—**	**—**	**—**	**—**	**832,578**
Other	**3,811,238**	**4,657,551**	**12,900,806**	**9,627,508**	**12,037,367**
Foreign Bonds	**3,681,959**	**3,802,977**	**12,409,286**	**8,783,127**	**—**
Foreign Stocks	**—**	**—**	**—**	**—**	**32,575**
Investment Trusts	**115,376**	**712,669**	**82,825**	**782,235**	**11,744,188**
Other	**13,902**	**141,904**	**408,694**	**62,145**	**260,603**
Total	**¥5,560,543**	**¥12,887,094**	**¥12,902,692**	**¥11,438,431**	**¥12,869,945**

	Millions of Yen				
As of March 31, 2018	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
Bonds	¥1,506,289	¥ 9,362,808	¥ 19,502	¥1,421,903	¥ —
Japanese Government Bonds	1,461,095	8,793,134	16,338	1,351,262	—
Municipal Government Bonds	34	8,715	25	3	—
Short-term Corporate Bonds	—	—	—	—	—
Corporate Bonds	45,159	560,958	3,138	70,637	—
Stocks	—	—	—	—	868,728
Other	2,085,573	8,277,965	11,701,087	6,111,034	10,966,967
Foreign Bonds	2,029,677	7,336,425	11,297,353	5,464,655	—
Foreign Stocks	—	—	—	—	38,563
Investment Trusts	2,053	764,099	42,168	600,400	10,721,192
Other	53,842	177,440	361,565	45,978	207,210
Total	¥3,591,863	¥17,640,773	¥11,720,590	¥7,532,937	¥11,835,695

	Millions of U.S. Dollars				
As of March 31, 2019	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
Bonds	**$15,770**	**$ 74,193**	**$ 17**	**$ 16,326**	**$ —**
Japanese Government Bonds	**11,837**	**67,701**	**—**	**15,691**	**—**
Municipal Government Bonds	**0**	**119**	**0**	**0**	**—**
Short-term Corporate Bonds	**—**	**—**	**—**	**—**	**—**
Corporate Bonds	**3,933**	**6,372**	**16**	**634**	**—**
Stocks	**—**	**—**	**—**	**—**	**7,506**
Other	**34,360**	**41,990**	**116,307**	**86,796**	**108,522**
Foreign Bonds	**33,194**	**34,285**	**111,876**	**79,184**	**—**
Foreign Stocks	**—**	**—**	**—**	**—**	**293**
Investment Trusts	**1,040**	**6,425**	**746**	**7,052**	**105,879**
Other	**125**	**1,279**	**3,684**	**560**	**2,349**
Total	**$50,131**	**$116,183**	**$116,324**	**$103,123**	**$116,029**

Notes: 1. The above amount is based on the consolidated balance sheet amount at the end of the fiscal year.
2. Investment Trusts include Japanese trusts and foreign trusts.

5. Loans and Bills Discounted

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Loans on Deeds	**¥17,106,235**	¥10,347,290	**$154,221**
Loans on Bills	**367,218**	401,018	**3,310**
Overdrafts	**1,136,946**	1,107,570	**10,250**
Bills Discounted	**2,616**	3,070	**23**
Total	**¥18,613,018**	¥11,858,949	**$167,805**

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Loans to Borrowers under Bankruptcy Proceedings	**¥ 534**	¥ 286	**$ 4**
Delinquent Loans	**24,177**	26,042	**217**
Loans Past Due for Three Months or More	**888**	198	**8**
Restructured Loans	**18,040**	15,945	**162**
Total	**¥43,641**	¥42,472	**$393**

Notes: 1. Loans to Borrowers under Bankruptcy Proceedings are loans (excluding the parts written-off for possible loan losses) stipulated in Article 96-1-3, 4 of Order for Enforcement of the Corporation Tax Act (Cabinet Order No. 97, 1965) on which interest is placed on a no-accrual status (hereinafter referred to as "Non-accrual Loans") since the loan principals and/or their pertaining interests are determined to be uncollectible considering the period of time past due and other reasons.

2. Delinquent Loans are also Non-accrual Loans other than Loans to Borrowers under Bankruptcy Proceedings or loans whereby payments of interests are deferred in order to support the borrowers' rehabilitation.

3. Loans Past Due for Three Months or More are loans whose principal or interest is past-due for three months or more, other than Loans to Borrowers under Bankruptcy Proceedings and Delinquent Loans.

Note: Even if debtors' loans past due for six months or more, in case that they are not identified as doubtful debtors or below based on their debt repayment statuses, the prospect of their capacity to eliminate liabilities in excess of assets as well as their business revitalization plan, their loans are included in this scope.

4. Restructured loans are Loans whereby its terms are modified in favor of the borrowers by reducing the interest rate, deferral of payments of interest or principal, waiving principal repayments, etc., in order to support the borrowers' rehabilitation and facilitate the collection of the loan.

6. Foreign Exchange Assets

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Due from Foreign Banks	**¥344,943**	¥324,698	**$3,109**
Total	**¥344,943**	¥324,698	**$3,109**

7. Other Assets

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Prepaid Expenses	**¥ 1,311**	¥ 748	**$ 11**
Accrued Income	**186,905**	175,992	**1,685**
Derivatives other than for Trading	**171,796**	597,343	**1,548**
Cash Collateral Paid for Financial Instruments	**348,567**	137,702	**3,142**
Other	**707,006**	673,555	**6,374**
Total	**¥1,415,586**	¥1,585,342	**$12,762**

8. Tangible Fixed Assets and Intangible Fixed Assets

Tangible Fixed Assets

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Buildings	**¥ 45,304**	¥ 47,443	**$ 408**
Land	**47,150**	47,545	**425**
Lease Assets	**20,864**	23,347	**188**
Construction in Progress	**2**	5	**0**
Other	**3,971**	4,014	**35**
Total Net Book Value	**117,294**	122,356	**1,057**
Accumulated Depreciation Deducted	**¥106,285**	¥ 99,687	**$ 958**

Intangible Fixed Assets

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Software	**¥24,272**	¥24,550	**$218**
Lease Assets	**5,181**	6,275	**46**
Other	**19,311**	12,654	**174**
Total	**¥48,765**	¥43,480	**$439**

9. Assets Pledged

Assets pledged as collateral comprise the following:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Securities	**¥18,229,425**	¥19,560,428	**$164,347**
Loans and Bills Discounted	**1,388,120**	1,928,190	**12,514**

Liabilities secured by the above assets are as follows:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Payables under Repurchase Agreements	**¥15,111,297**	¥15,080,638	**$136,236**
Borrowed Money	**3,079,812**	3,011,560	**27,766**

In addition, as of March 31, 2019 and 2018, Securities (including transactions of Money Held in Trust) of ¥12,429,226 million ($112,055 million) and ¥11,344,295 million, respectively, were pledged as collateral for settlement of exchange and derivative transactions or as margins of futures transactions.

As of March 31, 2019 and 2018, initial margins of futures markets of ¥32,203 million ($290 million) and ¥4,063 million, respectively, cash collateral paid for financial instruments of ¥348,567 million ($3,142 million) and ¥137,702 million, respectively, other cash collateral paid of ¥599,203 million ($5,402 million) and ¥605,618 million, respectively, and guarantee deposits of ¥7,862 million ($70 million) and ¥7,659 million, respectively, were included in Other Assets.

10. Deposits

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Time Deposits	**¥58,135,842**	¥56,835,908	**$524,124**
Deposits at Notice	**14,020**	32,094	**126**
Ordinary Deposits	**3,197,984**	3,427,381	**28,831**
Current Deposits	**82,320**	93,018	**742**
Other Deposits	**5,366,900**	5,411,159	**48,385**
Total	**¥66,797,069**	¥65,799,561	**$602,209**

11. Debentures

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Long-term Coupon Debentures	**¥1,254,239**	¥1,766,498	**$11,307**
Total	**¥1,254,239**	¥1,766,498	**$11,307**

12. Trading Liabilities

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Derivatives of Trading Securities	**¥ 29**	¥ —	**$ 0**
Derivatives of Securities Related to Trading Transactions	**36**	18	**0**
Trading-related Financial Derivatives	**6,955**	5,015	**62**
Total	**¥7,022**	¥5,034	**$63**

13. Borrowed Money

Borrowed Money includes subordinated borrowings of ¥1,317,895 million ($11,881 million) and ¥1,513,296 million as of March 31, 2019 and 2018, respectively, which have a special agreement that requires the fulfillment of the payment obligations of such borrowing to be subordinated to other general liabilities.

14. Foreign Exchange Liabilities

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Foreign Bills Payable	**¥32**	¥38	**$0**
Total	**¥32**	¥38	**$0**

15. Other Liabilities

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Accrued Expenses	**¥ 76,332**	¥ 64,431	**$ 688**
Income Taxes Payable	**4,314**	2,407	**38**
Unearned Income	**590**	1,110	**5**
Derivatives other than for Trading	**485,291**	214,744	**4,375**
Accounts Payable for Securities Purchased	**5,537,846**	3,773,492	**49,926**
Other	**215,788**	513,540	**1,945**
Total	**¥6,320,163**	¥4,569,727	**$56,979**

16. Retirement Benefit Plans

(1) Outline of the adopted Retirement Benefit Plans

The Bank has a point based plan on which points are granted according to years of employees' service etc. The Bank has a defined benefit pension plan (funded) and, in addition, has a lump-sum payment pension plan (originally unfunded, but establishing a retirement benefit trust makes this plan funded). On the defined benefit pension plan, a lump-sum payment or pension is granted based on employees' salary and length of service. On the lump-sum payment pension plan, a lump-sum payment is granted based on employees' salary and length of service. Additional retirement benefits are paid to employees in certain cases.

Some of the Bank's consolidated subsidiaries, in calculating Net Defined Benefit Liability and retirement benefit cost, adopt the simplified method whereby retirement benefit obligations are calculated at an amount that would be paid if all eligible employees voluntarily retired at the consolidated balance sheet date.

(2) Defined Benefit Plan

a. The changes in the retirement benefit obligations for the years ended March 31, 2019 and 2018, except for the plans accounted for by the simplified method, are as follows:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Balance at the Beginning of the Fiscal Year	**¥139,531**	¥138,996	**$1,257**
Service Cost	**4,053**	4,025	**36**
Interest Cost	**421**	427	**3**
Actuarial Differences	**1,586**	918	**14**
Retirement Benefit Paid	**(5,020)**	(4,836)	**(45)**
Transfer due to change from the simplified method to the principal method	**2,301**	—	**20**
Balance at the End of the Fiscal Year	**¥142,874**	¥139,531	**$1,288**

b. The changes in plan assets for the years ended March 31, 2019 and 2018, except for the plans accounted for by the simplified method, are as follows:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Balance at the Beginning of the Fiscal Year	**¥158,299**	¥147,829	**$1,427**
Expected Return on Plan Assets	**2,138**	2,004	**19**
Actuarial Differences	**2,170**	8,881	**19**
Contributions by the Bank	**1,765**	1,699	**15**
Retirement Benefit Paid	**(2,296)**	(2,115)	**(20)**
Transfer due to change from the simplified method to the principal method	**1,351**	—	**12**
Balance at the End of the Fiscal Year	**¥163,428**	¥158,299	**$1,473**

c. The changes in Net Defined Benefit Liability of the plans accounted for by the simplified method for the years ended March 31, 2019 and 2018 are as follows:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Balance at the Beginning of the Fiscal Year	**¥1,739**	¥1,860	**$15**
Retirement Benefit Expense	**336**	511	**3**
Retirement Benefit Paid	**(207)**	(478)	**(1)**
Contributions to the Plans	**(34)**	(154)	**(0)**
Transfer due to change from the simplified method to the principal method	**(708)**	—	**(6)**
Balance at the End of the Fiscal Year	**¥1,125**	¥1,739	**$10**

d. The following table sets forth the funded status of the plans and the amounts recognized in the Consolidated Balance Sheet as of March 31, 2019 and 2018 for the Bank's and the consolidated subsidiaries' defined benefit plans:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Funded Retirement Benefit Obligations	**¥ 144,010**	¥ 142,697	**$ 1,298**
Plan Assets at Fair Value	**(164,171)**	(160,394)	**(1,480)**
	(20,161)	(17,696)	**(181)**
Unfunded Retirement Benefit Obligations	**733**	668	**6**
Net Amount of Liabilities and Assets Recorded in the Consolidated Balance Sheet	**(19,427)**	(17,028)	**(175)**
Net Defined Benefit Liability	**38,287**	35,481	**345**
Net Defined Benefit Asset	**57,715**	52,510	**520**
Net Amount of Liabilities and Assets Recorded in the Consolidated Balance Sheet	**¥ (19,427)**	¥ (17,028)	**$ (175)**

Note: The above table includes the plans accounted for by the simplified method.

e. The components of retirement benefit expense are as follows:

	Millions of Yen		Millions of U.S. Dollars
For the fiscal years ended March 31	**2019**	2018	**2019**
Service Cost	**¥ 4,053**	¥ 4,025	**$ 36**
Interest Cost	**421**	427	**3**
Expected Return on Plan Assets	**(2,138)**	(2,004)	**(19)**
Amortization of Actuarial Differences	**(4,820)**	(3,792)	**(43)**
Amortization of Prior Service Cost	**159**	159	**1**
Retirement Benefit Expense by the Simplified Method	**336**	511	**3**
Other	**1,431**	1,051	**12**
Retirement Benefit Expense on Defined Benefit Plan	**¥ (556)**	¥ 377	**$ (5)**

f. Effect of Remeasurements of Defined Benefit Plans on Consolidated Statement of Comprehensive Income

The components of Remeasurements of Defined Benefit Plans recognized on the Consolidated Statement of Comprehensive Income (before tax effect) are as follows:

	Millions of Yen		Millions of U.S. Dollars
For the fiscal years ended March 31	**2019**	2018	**2019**
Prior Service Cost	**¥ 159**	¥ 159	**$ 1**
Actuarial Differences	**(4,236)**	4,170	**(38)**
Total	**¥(4,076)**	¥4,330	**$(36)**

g. Effect of Remeasurements of Defined Benefit Plans on Consolidated Balance Sheet

The components of Remeasurements of Defined Benefit Plans recognized on the Consolidated Balance Sheet (before tax effect) are as follows:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Unrecognized Prior Service Cost	**¥ (53)**	¥ (212)	**$ (0)**
Unrecognized Actuarial Differences	**18,536**	22,772	**167**
Total	**¥18,483**	¥22,560	**$166**

h. Particulars of Plan Assets

(a) The fair value of Plan Assets, by major category, as a percentage of total Plan Assets are as follows:

As of March 31	2019	2018
Bonds	**15%**	15%
Stocks	**75%**	75%
Insurance Assets (General Account)	**9%**	9%
Other	**1%**	1%
Total	**100%**	100%

(b) Method for estimating the expected rates of return on Plan Assets

The expected rates of return on Plan Assets have been estimated based on the current and anticipated allocation to each asset class and the current and expected long-term returns on assets held in each category of Plan Assets.

i. The assumptions used in accounting for the above plan

The major assumptions used in accounting for the above plan are as follows:

As of or for the fiscal years ended March 31	2019	2018
Discount Rate	**0.3%**	0.3%
Expected Rates of Increase in Salary	**2.0–3.6%**	1.1–4.6%
Expected Rates of Return on Plan Assets	**0–3.0%**	0–3.0%

17. Accounting for Income Taxes

Components of deferred tax assets and liabilities are as follows:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Deferred Tax Assets:			
Reserve for Possible Loan Losses	**¥ 3,905**	¥ 4,489	**$ 35**
Write-off of Loans	**1,851**	2,347	**16**
Losses on Revaluation of Securities	**13,972**	15,503	**125**
Net Defined Benefit Liability	**8,592**	10,102	**77**
Depreciation Expense	**459**	416	**4**
Net Operating Losses Carried Forward	**21**	141	**0**
Unrealized Losses on Other Securities	**—**	6	**—**
Deferred Losses on Hedging Instruments	**101,331**	71,621	**913**
Unrealized Losses on Reclassification	**3,710**	4,428	**33**
Other	**88,376**	81,236	**796**
Subtotal	**222,220**	190,293	**2,003**
Valuation Allowance	**(58,106)**	(59,161)	**(523)**
Total Deferred Tax Assets	**164,114**	131,132	**1,479**
Deferred Tax Liabilities:			
Gains from Contribution of Securities to Employee Retirement Benefit Trust	**(10,097)**	(11,228)	**(91)**
Unrealized Gains on Other Securities	**(564,620)**	(424,879)	**(5,090)**
Deferred Gains on Hedging Instruments	**(42,566)**	(94,480)	**(383)**
Unrealized Gains on Reclassification	**(8,014)**	(12,669)	**(72)**
Other	**(56,851)**	(50,763)	**(512)**
Total Deferred Tax Liabilities	**(682,150)**	(594,021)	**(6,149)**
Net Deferred Tax Liabilities	**¥(518,035)**	¥(462,888)	**$(4,670)**

18. Acceptances and Guarantees

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Guarantees	**¥1,738,971**	¥1,474,730	**$15,677**
Total	**¥1,738,971**	¥1,474,730	**$15,677**

All contingent liabilities arising in connection with customers' foreign trade and other transactions are classified under Acceptances and Guarantees. As a contra account, Customers' Liabilities for Acceptances and Guarantees, is classified as an asset representing the Bank's right of indemnity from customers.

19. Commitments to Overdrafts and Loans

Commitments related to overdrafts and loans represent agreements to extend overdrafts or loans up to the pre-agreed amount at the customer's request as long as no violation of the conditions stipulated in the commitment agreement exists. The amounts of undrawn commitments in relation to such agreements were ¥3,906,443 million ($35,218 million) and ¥3,318,911 million as of March 31, 2019 and 2018, respectively. The amounts of the undrawn commitments, which the Bank and its consolidated subsidiaries could cancel at any time without cause, were ¥2,796,710 million ($25,213 million) and ¥2,272,177 million as of March 31, 2019 and 2018 respectively.

The amount of undrawn commitments does not necessarily affect the future cash flow of the Bank and its consolidated subsidiaries because the majority of such agreements are terminated without being exercised. Most of these agreements have provisions which stipulate that the Bank and its consolidated subsidiaries may not extend the loan or may decrease the commitment when there are certain changes in the overall financial conditions, certain issues relating to collateral and other reasons. At the time of extending loans to customers, the Bank and its consolidated subsidiaries are able to request collateral in the form of premises or securities as necessary. After extending loans, the Bank and its consolidated subsidiaries periodically check the financial condition of its customers based on predefined policies and procedures and acts to secure loans as necessary.

20. Securities Loaned

Securities include securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) of ¥952,649 million ($8,588 million) and ¥1,142,492 million as of March 31, 2019 and 2018, respectively.

Securities borrowed under unsecured borrowing agreements (Saiken Taishaku Torihiki) and securities purchased under resale agreements and cash-collateralized borrowing agreements and others, which can be sold or re-pledged by the Bank, include securities re-pledge of ¥393,990 million ($3,552 million) and ¥— million as of March 31, 2019 and 2018, respectively, and include securities held without re-pledge of ¥477,318 million ($4,303 million) and ¥581,414 million as of March 31, 2019 and 2018, respectively. No such securities are re-loaned to the third parties.

21. Paid-in Capital

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Common Stock	**¥4,015,198**	¥3,455,488	**$36,199**
Preferred Stock	**24,999**	24,999	**225**
Total	**¥4,040,198**	¥3,480,488	**$36,424**

The Common Stock account includes lower dividend rate stock with a total par value of ¥3,589,481 million ($32,360 million) and ¥3,029,771 million as of March 31, 2019 and 2018, respectively.

Lower dividend rate stock is similar to regular common stock but has been issued on the condition that the dividend yield will be set below that relating to common stock.

22. Trading Income

	Millions of Yen		Millions of U.S. Dollars
Fiscal years ended March 31	**2019**	2018	**2019**
Income from Trading Securities and Derivatives	**¥ —**	¥ 39	**$—**
Income from Trading-related Financial Derivatives	**124**	124	**1**
Total	**¥124**	¥163	**$ 1**

23. Other Operating Income

	Millions of Yen		Millions of U.S. Dollars
Fiscal years ended March 31	**2019**	2018	**2019**
Gains on Sales of Bonds	**¥ 97,794**	¥40,153	**$ 881**
Gains on Redemption of Bonds	**0**	3,462	**0**
Gains on Derivatives other than for Trading or Hedging	**3,783**	469	**34**
Other	**50,009**	48,789	**450**
Total	**¥151,587**	¥92,874	**$1,366**

24. Other Income

	Millions of Yen		Millions of U.S. Dollars
Fiscal years ended March 31	**2019**	2018	**2019**
Gains on Sales of Stocks and Other Securities	**¥ 68,414**	¥ 8,289	**$ 616**
Gains on Money Held in Trust	**163,873**	153,500	**1,477**
Equity in Earnings of Affiliates	**3,669**	7,205	**33**
Gains on Disposal of Fixed Assets	**0**	206	**0**
Recoveries of Written-off Claims	**559**	164	**5**
Reversal of Reserve for Possible Loan Losses	**—**	5,335	**—**
Gains on Exchange of Shares of Affiliates	**—**	14,272	**—**
Other	**1,562**	6,521	**14**
Total	**¥238,078**	¥195,496	**$2,146**

25. Trading Expenses

	Millions of Yen		Millions of U.S. Dollars
Fiscal years ended March 31	**2019**	2018	**2019**
Expenses on Trading Securities and Derivatives	**¥ 30**	¥ —	**$0**
Expenses on Securities and Derivatives Related to Trading Transactions	**299**	246	**2**
Total	**¥330**	¥246	**$2**

26. Other Operating Expenses

	Millions of Yen		Millions of U.S. Dollars
Fiscal years ended March 31	**2019**	2018	**2019**
Amortization of Debenture Issuance Costs	**¥ 98**	¥ 105	**$ 0**
Losses on Foreign Exchange Transactions	**1,145**	1,808	**10**
Losses on Sales of Bonds	**99,649**	25,586	**898**
Losses on Redemption of Bonds	**0**	0	**0**
Other	**41,530**	40,790	**374**
Total	**¥142,424**	¥68,292	**$1,284**

27. Other Expenses

	Millions of Yen		Millions of U.S. Dollars
Fiscal years ended March 31	**2019**	2018	**2019**
Write-off of Loans	**¥ 213**	¥ 25	**$ 1**
Provision of Reserve for Possible Loan Losses	**2,437**	—	**21**
Losses on Sales of Stocks and Other Securities	**0**	7	**0**
Losses on Revaluation of Stocks and Other Securities	**450**	1,106	**4**
Losses on Money Held in Trust	**297**	207	**2**
Losses on Disposal of Fixed Assets	**262**	1,606	**2**
Provision of Reserve for Possible Investment Losses	**150**	—	**1**
Other	**11,979**	7,445	**108**
Total	**¥15,791**	¥10,402	**$142**

28. Other Comprehensive Income

Reclassification adjustments and tax effects on the Other Comprehensive Income are as follows:

	Millions of Yen		Millions of U.S. Dollars
Fiscal years ended March 31	**2019**	2018	**2019**
Net Unrealized Gains (Losses) on Other Securities:			
Gains (Losses) arising during the fiscal year	**¥ 451,087**	¥(567,800)	**$4,066**
Reclassification adjustments to profit or loss	**34,166**	(29,631)	**308**
Amounts before tax effects	**485,254**	(597,431)	**4,374**
Tax effects	**(135,810)**	165,524	**(1,224)**
Total	**349,444**	(431,906)	**3,150**
Net Deferred Gains (Losses) on Hedging Instruments:			
Gains (Losses) arising during the fiscal year	**(661,166)**	(228,616)	**(5,960)**
Reclassification adjustments to profit or loss	**367,409**	348,013	**3,312**
Amounts before tax effects	**(293,756)**	119,396	**(2,648)**
Tax effects	**81,242**	(33,188)	**732**
Total	**(212,514)**	86,208	**(1,915)**
Foreign Currency Transaction Adjustments:			
Gains (Losses) arising during the fiscal year	**8**	(10)	**0**
Reclassification adjustments to profit or loss	**—**	—	**—**
Amounts before tax effects	**8**	(10)	**0**
Tax effects	**—**	—	**—**
Total	**8**	(10)	**0**
Remeasurements of Defined Benefit Plans:			
Gains (Losses) arising during the fiscal year	**583**	7,963	**5**
Reclassification adjustments to profit or loss	**(4,660)**	(3,633)	**(42)**
Amounts before tax effects	**(4,076)**	4,330	**(36)**
Tax effects	**1,131**	(1,201)	**10**
Total	**(2,945)**	3,128	**(26)**
Share of Other Comprehensive Income of Affiliates accounted for by the equity method:			
Gains (Losses) during the fiscal year	**(493)**	362	**(4)**
Reclassification adjustments to profit or loss	**46**	350	**0**
Total	**(446)**	713	**(4)**
Total Other Comprehensive Income	**¥ 133,546**	¥(341,866)	**$1,203**

29. Cash Flows

The reconciliation of Cash and Due from Banks in the consolidated balance sheet to “Cash and Cash Equivalents” at the end of the fiscal year is as follows:

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Cash and Due from Banks	**¥18,941,664**	¥28,756,371	**$170,768**
Less: Interest-bearing Due from Banks	**(611,434)**	(881,697)	**(5,512)**
Cash and Cash Equivalents at the End of the Fiscal Year	**¥18,330,229**	¥27,874,673	**$165,256**

30. Segment Information

Fiscal year ended March 31, 2019

(1) Segment Information

Segment Information is not shown in these statements, since the banking business is the only reportable segment.

(2) Related Information

a. Information about Services

	Millions of Yen			
Fiscal year ended March 31, 2019	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	**¥110,654**	**¥1,514,602**	**¥106,889**	**¥1,732,146**

	Millions of U.S. Dollars			
Fiscal year ended March 31, 2019	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	**$997**	**$13,654**	**$963**	**$15,616**

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

b. Information about Geographic Areas

(a) Ordinary Income

	Millions of Yen				
Fiscal year ended March 31, 2019	Japan	Americas	Europe	Others	Total
	¥1,674,786	**¥33,708**	**¥5,080**	**¥18,571**	**¥1,732,146**

	Millions of U.S. Dollars				
Fiscal year ended March 31, 2019	Japan	Americas	Europe	Others	Total
	$15,099	**$303**	**$45**	**$167**	**$15,616**

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.
3. Ordinary Income is categorized by countries or areas based on the location of the Bank’s head office, branches and its consolidated subsidiaries.
4. Americas includes the United States of America and Cayman Islands. Europe includes the United Kingdom.

(b) Tangible Fixed Assets

	Millions of Yen				
As of March 31, 2019	Japan	Americas	Europe	Others	Total
	¥115,886	**¥248**	**¥844**	**¥315**	**¥117,294**

	Millions of U.S. Dollars				
As of March 31, 2019	Japan	Americas	Europe	Others	Total
	$1,044	**$2**	**$7**	**$2**	**$1,057**

c. Information about Major Customers

Fiscal year ended March 31, 2019	Name of Customer	Millions of Yen Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	**¥202,819**	—

Fiscal year ended March 31, 2019	Name of Customer	Millions of U.S. Dollars Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	**$1,828**	—

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

(3) Information about Impairment Loss of Fixed Assets in Reportable Segments

Information about Impairment Loss of Fixed Assets in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

(4) Information about Amortization and Unamortized Balance of Goodwill in Reportable Segments

Information about Amortization and Unamortized Balance of Goodwill in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

(5) Information about Gain on Recognition of Negative Goodwill in Reportable Segments

None

Fiscal year ended March 31, 2018

(1) Segment Information

Segment Information is not shown in these statements, since the banking business is the only reportable segment.

(2) Related Information

a. Information about Services

Fiscal year ended March 31, 2018	Loan Business	Securities Investment Business	Others	Total
	Millions of Yen			
Ordinary Income from External Customers	¥86,599	¥1,261,866	¥101,489	¥1,449,954

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

b. Information about Geographic Areas

(a) Ordinary Income

Fiscal year ended March 31, 2018	Japan	Americas	Europe	Others	Total
	Millions of Yen				
	¥1,417,051	¥18,867	¥3,118	¥10,917	¥1,449,954

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.
3. Ordinary Income is categorized by countries or areas based on the location of the Bank's head office, branches and its consolidated subsidiaries.
4. Americas includes the United States of America and Cayman Islands. Europe includes the United Kingdom.

(b) Tangible Fixed Assets

As of March 31, 2018	Japan	Americas	Europe	Others	Total
	Millions of Yen				
	¥121,076	¥277	¥663	¥338	¥122,356

c. Information about Major Customers

Fiscal year ended March 31, 2018	Name of Customer	Millions of Yen	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	¥339,973	—

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

(3) Information about Impairment Loss of Fixed Assets in Reportable Segments

Information about Impairment Loss of Fixed Assets in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

(4) Information about Amortization and Unamortized Balance of Goodwill in Reportable Segments

Information about Amortization and Unamortized Balance of Goodwill in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

(5) Information about Gain on Recognition of Negative Goodwill in Reportable Segments

None

31. Financial Instruments

(1) Particulars of Financial Instruments

a. Policy on Financial Instruments

The Bank is a financial institution which takes as its foundation the Japanese agricultural, forestry and fisheries industry cooperatives. The Bank mainly raises procurement funds from its cooperative members' deposits (mainly 1 year), issuance of debentures (term 5 years), various financial markets, and invests these funds mainly in loans and securities. The Bank oversees the management of its securities based on the fundamental concept "globally diversified investment." In terms of geographical area, the Bank invests in Japan, the United States, Europe, and other regions. The Bank classifies its assets as bonds, equities, credit assets, and alternative investments, depending on the investment allocation. The Bank possesses various financial assets and liabilities, and its integrated risk management framework is conducted in concert with its financial management framework (asset and liability management ("ALM"), market portfolio management, credit portfolio management and others). In addition, these include derivative instruments. It is also important to note that in the management of foreign currency assets, the Bank takes steps to limit the foreign exchange rate risk in most of these investments by employing various tools, such as cross-currency swaps.

Some of the Bank's consolidated subsidiaries conduct banking business, mortgage loan business and other businesses.

b. Contents and Risk of Financial Instruments

The main financial assets of the Bank and its consolidated subsidiaries consist of Loans and Bills Discounted, Securities and Money Held in Trust.

Loans and Bills Discounted are exposed to credit risk. Securities and Money Held in Trust mainly consist of bonds, equities, credit and alternative assets, which are held for held-to-maturity, available for sale, and trading purposes. These securities are exposed to the market risk arising from interest rates, currency exchange rates and price fluctuations, as well as the credit risk and liquidity risk.

The main financial liabilities of the Bank consist of Deposits from members, Debentures, Borrowed Money, Call Money and Bills Sold and Payables under Repurchase Agreements. These financial liabilities are exposed to market risk arising from interest rates and currency exchange rates. Procurement fund from the financial markets is exposed to liquidity risk arising from difficulties of securing necessary funds in certain cases such as market crashes.

Derivative instruments include the transactions accounted for as hedge transactions, as part of our ALM. A portion of interest-related derivative instruments and currency-related derivative instruments are not accounted for as hedge transactions, and are exposed to the market risk arising from interest rates and currency exchange rates.

Ref: Summary of Significant Accounting Policies (3) Financial Instruments c. Hedge Accounting for hedged items and hedging instruments related to hedge accounting, hedge policy and hedge effectiveness

c. Risk Management for Financial Instruments

(a) Integrated Risk Management

The Bank, under its "Basic Policies for Risk Management," focuses on comprehensive risk management, where risks it faces in conducting business are identified and managed taking into account their respective natures, and its overall risk measured using quantitative methods is managed in comparison with its capital, the Bank's financial strength. To implement integrated risk management, the Bank has established the Risk Management Committee. The Committee also ensures that the total amount of risk undertaken is kept within the Bank's financial strength. The Bank has also established a number of committees which are categorized according to the type of risk they handle, e.g. the Portfolio Management Committee (market risk, credit risk, liquidity risk), the Credit Committee, the Food and Agri Finance Committee (credit risk), and other, to enable the top management to discuss risk management policies, including planned risk-taking. The framework also requires the integrated risk management situation to be regularly reported to the Board of Directors.

The Bank's consolidated subsidiaries have managed to align each risk management framework in accordance with the Bank's "Management and Operation Policy for Group Companies," taking account of the Bank's "Basic Policies for Risk Management" as well as the nature of its own business activities and the risk profile.

(b) Market Risk Management

The Bank has established its "Policies and Procedures for Market Risk Management" and other rules for market risk, and align its market risk management framework with other relevant frameworks, policies and procedures.

Specifically, through the investment execution process, the Bank ensures the segregation of duties among divisions in charge for decisions (planning) on allocation policy, execution of individual transactions, and monitoring of risk positions. The Portfolio Management Committee sets market portfolio allocation policy, the front sections execute the transactions in accordance with the allocation policy, and the middle sections conduct monitoring.

The risk balance of the market portfolio is managed by analyzing and understanding market portfolio conditions based on the degree of market risk measured by the middle sections, including the amount of aggregate risk, risk indicators such as Value at Risk (VaR) and interest rate risk sensitivity, and correlation among asset classes. In principle, market risk measurements cover all financial assets and liabilities in the Bank's portfolio and make use of the Internal Model for the calculation of VaR.

From a risk management perspective, the front sections executing trades for the trading accounts are explicitly separated from the front sections executing trades for the banking accounts. Targets for profits, and position and loss limits are revised semi-annually. Progress in achieving profit targets within approved limits is monitored on a daily basis. When positions or losses exceed approved limits, the middle sections alert the front sections to take appropriate action, which includes preparing corrective measures, reducing trading volumes, or suspending trading altogether.

The Bank adopts the variance-covariance method to measure the VaR of the trading securities within Trading Assets and certain interest-related, bond-related or other derivative transactions within Derivative Instruments, which are accounted for as trading operations. The market risk (the estimate of the potential loss) of the Bank's trading operations as of March 31, 2019 and 2018 summed up to ¥16 million ($0 million) and ¥19 million, respectively, in total under the variance-covariance method with the holding period of one business day, a 99% confidence interval, and the observation period of 1,000 business days.

In order to measure the VaR of the financial assets and liabilities from the banking operations (the operations other than trading operations), the Bank adopts the historical simulation method. The market risk (the estimate of the potential net loss) of the Bank from the banking operations totaled ¥2,170,676 million ($19,569 million) and ¥2,202,220 million as of March 31, 2019 and 2018, respectively, under the historical simulation method with holding period of 1 year, a 99.5% confidence interval, and the observation period from fiscal year 1995 to recent day. Since the Bank adopts mid- to long-term investment policies, as to the impact of the short-term market volatilities, the variance-covariance method VaR and others are separately calculated while market risks are basically measured by using the historical simulation method VaR as mentioned above.

The Bank also performs a back-testing to compare the model-measured VaR with the actual profits and losses. From the back-testing for the fiscal years ended March 31, 2019 and 2018 actual results, the Bank had only one exception for each fiscal year where the actual loss exceeded VaR and concludes that the adopted measurement method provides a sufficient accuracy of the market risk measurement. VaR, however, is designed to measure the market risk under the certain occurrence probability hypothesis based on the statistical calculation of the historical market movements. Therefore, VaR may not cover the risks in extremely volatile market conditions. The Bank measures losses under various scenarios (stress test) to complement the said limits and weakness of the model.

(c) Credit Risk Management

The Bank has established its “Policies and Procedures for Credit Risk Management” and other rules for credit risk, and manages to align the credit risk management framework with the Bank’s internal rating, credit risk analysis, credit ceiling, credit management and others. Specifically, as for the credit risk assets, which consist of loans and various products for the item, area and business, the Bank comprehensively manages credit risk on an entire credit portfolio basis as well as individual credit basis for whole credit risk assets.

The Bank’s credit risk management framework is comprised of several committees (Including the Risk Management Committee, the Portfolio Management Committee and other committees), which determine the credit risk management framework as well as credit investment policy. Front sections execute loan transactions and credit investments in accordance with the credit policy and within the credit limits approved by the committees. Middle sections, which are segregated from the front sections, monitor changes in the credit risk portfolio and report them to the committees. Those reports are used for upgrading the risk management framework and for future credit investment planning.

The Bank performs specialized analysis for all outstanding credit according to borrower type, such as cooperatives, corporates, public entities, financial institutions, overseas borrowers and securitized products.

To mitigate credit over-concentration risk, the Bank has established credit ceiling systems. Total credit exposure for each ceiling category is monitored on a regular basis and controlled to avoid any over-concentration on credit exposure.

(d) Liquidity Risk Management

The Bank manages liquidity risk in accordance with its “Policies and Procedures for Liquidity Risk Management.” Considering the profiles of the Bank’s ALM together with the relatively less liquid assets that it holds, the Bank takes initiatives to diversify and enhance the varieties of funding instruments, placing an emphasis on the stability of cash flows. Cash flow management is conducted on an aggregate basis at the head office in collaboration with relevant branches, and various limits for each currency, funding instrument and funding base are established by the Risk Management Committee. The cash flow management plan, which sets out specific cash flow policy, is approved by the Portfolio Management Committee.

d. Supplementary Explanations for the Fair Value of Financial Instruments and Other Items

The fair value of financial instruments is based on the quoted market price or a reasonably estimated amount, if the quoted market price is not available. As the reasonably estimated amounts are calculated based on certain assumptions, these estimates could be significantly affected by different assumptions.

(2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items

"Consolidated Balance Sheet Amount," "Fair Value" and "Difference" as of March 31, 2019 and 2018 are as follows:

Unlisted stocks and other financial instruments whose fair value is extremely difficult to determine are excluded from the table below. (ref. Note 2)

	Millions of Yen			Millions of U.S. Dollars		
As of March 31, 2019	Consolidated Balance Sheet Amount	Fair Value	Difference	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks	**¥ 18,941,664**	**¥ 18,941,664**	**¥ —**	**$170,768**	**$170,768**	**$ —**
(2) Call Loans and Bills Bought	**44,368**	**44,368**	**—**	**400**	**400**	**—**
(3) Monetary Claims Bought	**326,079**	**326,413**	**333**	**2,939**	**2,942**	**3**
(4) Trading Assets (*2)						
Trading Securities	**8,560**	**8,560**	**—**	**77**	**77**	**—**
(5) Money Held in Trust (*1)						
Other Money Held in Trust	**8,667,172**	**8,672,304**	**5,131**	**78,138**	**78,185**	**46**
(6) Securities						
Held-to-Maturity Debt Securities	**18,443,863**	**18,429,773**	**(14,089)**	**166,280**	**166,153**	**(127)**
Other Securities	**36,472,828**	**36,472,828**	**—**	**328,821**	**328,821**	**—**
(7) Loans and Bills Discounted	**18,613,018**			**167,805**		
Reserve for Possible Loan Losses (*1)	**(46,072)**			**(415)**		
	18,566,945	**18,591,749**	**24,803**	**167,390**	**167,614**	**223**
Total Assets	**¥101,471,483**	**¥101,487,662**	**¥ 16,179**	**$914,816**	**$914,962**	**$ 145**
(1) Deposits	**¥ 66,797,069**	**¥ 66,797,077**	**¥ 8**	**$602,209**	**$602,209**	**$ 0**
(2) Negotiable Certificates of Deposit	**790,599**	**790,599**	**—**	**7,127**	**7,127**	**—**
(3) Debentures	**1,254,239**	**1,256,761**	**2,522**	**11,307**	**11,330**	**22**
(4) Payables under Repurchase Agreements	**15,111,297**	**15,111,297**	**—**	**136,236**	**136,236**	**—**
(5) Borrowed Money	**4,837,392**	**4,837,392**	**—**	**43,611**	**43,611**	**—**
(6) Short-term Entrusted Funds	**1,048,091**	**1,048,091**	**—**	**9,449**	**9,449**	**—**
Total Liabilities	**¥ 89,838,688**	**¥ 89,841,219**	**¥ 2,530**	**$809,941**	**$809,964**	**$ 22**
Derivative Instruments (*3)						
Transactions not Accounted for as Hedge Transactions	**¥ (572)**	**¥ (572)**	**¥ —**	**$ (5)**	**$ (5)**	**$ —**
Transactions Accounted for as Hedge Transactions	**(312,649)**	**(312,649)**	**—**	**(2,818)**	**(2,818)**	**—**
Total Derivative Instruments	**¥ (313,221)**	**¥ (313,221)**	**¥ —**	**$ (2,823)**	**$ (2,823)**	**$ —**

(*) 1. Money Held in Trust and Loans and Bills Discounted are net of Reserve for Possible Loan Losses. Money Held in Trust is presented by net on the consolidated balance sheet as the reserve amounts are immaterial.
2. Derivative Instruments are excluded from Trading Assets.
3. Derivative Instruments within Trading Assets, Trading Liabilities, Other Assets and Other Liabilities are shown by net position. Receivables and payables which arise from Derivative Instruments are shown on a net basis.

As of March 31, 2018	Millions of Yen Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks	¥ 28,756,371	¥ 28,756,371	¥ —
(2) Call Loans and Bills Bought	630,000	630,000	—
(3) Monetary Claims Bought	354,872	355,047	175
(4) Trading Assets (*2)			
Trading Securities	3,064	3,064	—
(5) Money Held in Trust (*1)			
Other Money Held in Trust	7,439,433	7,446,785	7,351
(6) Securities			
Held-to-Maturity Debt Securities	16,184,983	16,253,721	68,737
Other Securities	35,389,227	35,389,227	—
(7) Loans and Bills Discounted	11,858,949		
Reserve for Possible Loan Losses (*1)	(45,441)		
	11,813,507	11,797,889	(15,618)
Total Assets	¥100,571,460	¥100,632,107	¥60,646
(1) Deposits	¥ 65,799,561	¥ 65,799,582	¥ 21
(2) Negotiable Certificates of Deposit	2,920,656	2,920,656	—
(3) Debentures	1,766,498	1,770,670	4,172
(4) Payables under Repurchase Agreements	15,080,638	15,080,638	—
(5) Borrowed Money	4,641,504	4,641,504	—
(6) Short-term Entrusted Funds	1,405,187	1,405,187	—
Total Liabilities	¥ 91,614,045	¥ 91,618,238	¥ 4,193
Derivative Instruments (*3)			
Transactions not Accounted for as Hedge Transactions	¥ 1,495	¥ 1,495	¥ —
Transactions Accounted for as Hedge Transactions	381,594	381,594	—
Total Derivative Instruments	¥ 383,090	¥ 383,090	¥ —

(*) 1. Money Held in Trust and Loans and Bills Discounted are net of Reserve for Possible Loan Losses. Money Held in Trust is presented by net on the consolidated balance sheet as the reserve amounts are immaterial.
2. Derivative Instruments are excluded from Trading Assets.
3. Derivative Instruments within Trading Assets, Trading Liabilities, Other Assets and Other Liabilities are shown by net position. Receivables and payables which arise from Derivative Instruments are shown on a net basis.

(Note 1) Calculation Methods for the Fair Value of Financial Instruments are as follows:

Assets

(1) Cash and Due from Banks

For Due from Banks without stated maturity, fair value approximates the carrying value. For Due from Banks with stated maturity, as the contractual terms are short-term (1 year or less), fair value approximates the carrying value. Concerning negotiable certificates of deposit, fair value is determined based on reasonably estimated amounts at the end of the period. The reasonably estimated amounts of negotiable certificates of deposit are calculated according to the Discounted Cash Flow method. The price-determining variable is the over-the-counter rate, etc.

(2) Call Loans and Bills Bought

These contractual terms are short-term (1 year or less), and fair value approximates the carrying value.

(3) Monetary Claims Bought

Monetary Claims Bought are valued based on the quoted prices provided by brokers or venders.

(4) Trading Assets

Trading Securities are valued based on the closing price at the exchange or quoted price provided by the corresponding financial institutions.

(5) Money Held in Trust

Loans and Bills Discounted and Securities included in Money Held in Trust are valued according to the same methods described in (6) and (7) below.

Relevant notes concerning the fair value of Money Held in Trust of each classification are described in section 33. Fair Value of Money Held in Trust.

(6) Securities

Regarding the valuation of stocks, fair value is based on the closing price at the exchange. With respect to investment trusts, fair value is based on the net asset value (“NAV”) published or the quoted prices provided by brokers or venders. As for bonds, fair value is based on the quoted market price if available, reasonably estimated amounts (using the Discounted Cash Flow method and other methods of valuation), or the quoted prices provided by brokers or venders.

As for corporate bonds issued through private offerings, the fair value is based on reasonably estimated amounts which are calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates based on each credit rating, recovery rates and other variables. The estimates for the valuations of some securitized products are calculated according to the prices calculated by the Discounted Cash Flow method, using variables such as default rates, recovery rates, pre-payment rates, discount rates and other variables.

Concerning floating-rate Japanese government bonds which are rarely traded in the current market, the Bank continues to determine that market prices are not deemed as fair value, and that the fair value of these bonds is based on reasonably estimated amounts at the end of the fiscal year, which are calculated according to the Discounted Cash Flow method. The price-determining variables include the yield of Japanese government bonds, swaption volatilities and other variables.

As for investments for “Partnership” and “Limited Partnership” (“Investments in Partnership and Others”), fair value is based on the share of NAV which is valued assets of “Partnership” or “Limited Partnership,” if available.

Relevant notes about the fair value of securities of each classification are described in section 32. Fair Value of Securities.

(7) Loans and Bills Discounted

The carrying value of Loans and Bills Discounted with floating rates approximates the fair value since they are repriced reflecting market interest fluctuations within a short period, unless the creditworthiness of the debtors has been revised. Accordingly, the carrying value is deemed to be the fair value. As for Loans and Bills Discounted with fixed rates, the fair value is calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates based on each credit rating, recovery rates, and other variables. As for mortgages, the fair value is calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates, recovery rates, pre-payment rates and other variables.

As for Loans and Bills Discounted to doubtful debtors and others, the reserves for those assets are provided by the amount not expected to be recovered based on the present value of expected future cash flows or the recovery amount of collateral and guarantee. Accordingly, the carrying values net of the reserve approximate the fair value.

As for Loans and Bills Discounted without stated maturity for which credit is extended up to the value of the collateral assets, the carrying value is deemed to approximate the fair value, taking into account expected maturities, interest rates and other terms.

Liabilities

(1) Deposits

With respect to demand deposits, the amounts payable on demand as of the consolidated balance sheet date (the carrying value) are estimated at fair value. The carrying value of Time Deposits with floating rates approximates the fair value since it is repriced reflecting market interest rate fluctuations within a short period (1 year or less), unless the creditworthiness of the Bank and its consolidated subsidiaries has changed. Accordingly, the carrying value is deemed to be the fair value. As for Time Deposits with fixed rates, are calculated according to the Discounted Cash Flow method, and these discount rates are the currently-applied deposit rates. Some contractual terms are short-term (1 year or less), and fair value approximates the carrying value.

(2) Negotiable Certificates of Deposit

These contractual terms are short-term (1 year or less), and fair value approximates the carrying value.

(3) Debentures

As for Debentures, fair value is based on the quoted market price if available, or calculated according to the Discounted Cash Flow method. The price-determining variable of this method is the rate which would be applied if a similar debenture was issued.

(4) Payables under Repurchase Agreements and (6) Short-term Entrusted Funds

These contractual terms are short-term (1 year or less), and the fair value approximates the carrying value.

(5) Borrowed Money

The carrying value of Borrowed Money with floating rates approximates the fair value since it is repriced reflecting market interest rate fluctuations within a short period (1 year or less), unless the creditworthiness of the Bank and its consolidated subsidiaries has changed. Accordingly, the carrying value is deemed to be the fair value. Some contractual terms are short-term (1 year or less), and the fair value approximates the carrying value. As for Borrowed Money with fixed rates, the fair value is calculated according to the Discounted Cash Flow method. The price-determining variable of this method is the rate which would be applied to a similar Borrowed Money. The fair value of the Borrowed Money with a short-term (1 year or less), approximates the carrying value.

Derivative Instruments

Derivative instruments include interest rate-related derivative instruments (interest rate swaps and others) and currency-related derivative instruments (currency swaps and others). The fair value is based on the closing price at the exchange, a discounted net present value model, an option pricing model or other models as appropriate.

The accrual method of hedge accounting, as specifically permitted for certain interest rate swaps, is valued with the valuation of hedged items, so that the fair value is included in the fair value of Loans and Bills Discounted and other items.

Relevant notes regarding the fair value of derivative instruments are described in section 34. Fair Value of Derivative Instruments.

(Note 2) The following table lists Consolidated Balance Sheet Amount of financial instruments, the fair value of which is extremely difficult to determine:
"Assets (6) Securities" in "Disclosures Regarding the Fair Value of Financial Instruments and Other Items" excludes these financial instruments.

As of March 31, 2019	Millions of Yen	Millions of U.S. Dollars
Unlisted Stocks (*1) (*2)	**¥125,178**	**$1,128**
Investment Trusts (*3)	**228,770**	**2,062**
Investments in Partnership and Others (*4)	**388,065**	**3,498**
Total	**¥742,015**	**$6,689**

(*) 1. Unlisted Stocks are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items," since there are no market prices and their fair value is extremely difficult to determine.
2. The amount of revaluation losses for the fiscal year ended March 31, 2019 was ¥325 million ($2 million) on Unlisted Stocks.
3. Out of Investments in Investment Trusts, certain "Private REIT" whose fair value is extremely difficult to determine are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items."
4. Out of Investments in Partnership and Others, certain "Partnership" or "Limited Partnership" whose fair value is extremely difficult to determine are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items."

As of March 31, 2018	Millions of Yen
Unlisted Stocks (*1) (*2)	¥128,707
Investment Trusts (*3)	274,236
Investments in Partnership and Others (*4)	344,703
Total	¥747,648

(*) 1. Unlisted Stocks are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items," since there are no market prices and their fair value is extremely difficult to determine.
2. The amount of revaluation losses for the fiscal year ended March 31, 2018 was ¥988 million on Unlisted Stocks.
3. Out of Investments in Investment Trusts, certain "Private REIT" whose fair value is extremely difficult to determine are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items."
4. Out of Investments in Partnership and Others, certain "Partnership" or "Limited Partnership" whose fair value is extremely difficult to determine are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items."

(Note 3) The redemption schedule of money claims and securities with stated maturities after the consolidated balance sheet date is as follows:

	Millions of Yen					
As of March 31, 2019	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Due from Banks (*1)	**¥18,849,584**	**¥ —**	**¥ —**	**¥ —**	**¥ —**	**¥ —**
Call Loans and Bills Bought	**44,368**	**—**	**—**	**—**	**—**	**—**
Monetary Claims Bought	**133,600**	**—**	**5,095**	**16,887**	**98,916**	**71,591**
Securities						
Held-to-Maturity Debt Securities	**2,226,832**	**5,288,827**	**730,267**	**943,333**	**1,529,827**	**7,720,488**
Other Securities held that have Maturity	**3,258,359**	**4,994,815**	**1,622,325**	**1,404,751**	**8,674,137**	**3,276,124**
Loans and Bills Discounted (*2)	**10,032,105**	**3,411,850**	**2,760,686**	**1,158,986**	**725,865**	**488,707**
Total	**¥34,544,850**	**¥13,695,493**	**¥5,118,374**	**¥3,523,958**	**¥11,028,747**	**¥11,556,912**

	Millions of U.S. Dollars					
As of March 31, 2019	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Due from Banks (*1)	**$169,938**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Call Loans and Bills Bought	**400**	**—**	**—**	**—**	**—**	**—**
Monetary Claims Bought	**1,204**	**—**	**45**	**152**	**891**	**645**
Securities						
Held-to-Maturity Debt Securities	**20,076**	**47,681**	**6,583**	**8,504**	**13,792**	**69,604**
Other Securities held that have Maturity	**29,375**	**45,030**	**14,626**	**12,664**	**78,201**	**29,535**
Loans and Bills Discounted (*2)	**90,444**	**30,759**	**24,888**	**10,448**	**6,544**	**4,405**
Total	**$311,439**	**$123,471**	**$46,144**	**$31,770**	**$99,429**	**$104,191**

(*) 1. Demand deposits within Due from Banks are included in "1 Year or Less."
2. Loans to debtors in bankruptcy, debtors in default, doubtful debtors and others of ¥24,816 million ($223 million) for which the redemption amount cannot be estimated, and loans with no maturity of ¥10,000 million ($90 million) within Loans and Bills Discounted, are excluded from the table above.

	Millions of Yen					
As of March 31, 2018	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Due from Banks (*1)	¥28,700,497	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	630,000	—	—	—	—	—
Monetary Claims Bought	138,100	—	4,674	7,460	93,768	110,878
Securities						
Held-to-Maturity Debt Securities	2,016,848	4,928,726	3,081,722	462,712	2,000,846	3,684,906
Other Securities held that have Maturity	1,548,256	6,982,544	2,225,358	2,561,571	6,915,427	3,421,980
Loans and Bills Discounted (*2)	4,982,022	2,571,835	2,486,183	784,145	657,036	341,788
Total	¥38,015,725	¥14,483,105	¥7,797,938	¥3,815,890	¥9,667,079	¥7,559,553

(*) 1. Demand deposits within Due from Banks are included in "1 Year or Less."
2. Loans to debtors in bankruptcy, debtors in default, doubtful debtors and others of ¥25,938 million for which the redemption amount cannot be estimated, and loans with no maturity of ¥10,000 million within Loans and Bills Discounted, are excluded from the table above.

(Note 4) The redemption schedule of Borrowed Money and other interest-bearing liabilities after the consolidated balance sheet date is as follows:

	Millions of Yen					
As of March 31, 2019	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Deposits (*1)	**¥66,614,733**	**¥ 150,408**	**¥ 31,927**	**¥ —**	**¥ —**	**¥ —**
Negotiable Certificates of Deposit	**790,599**	**—**	**—**	**—**	**—**	**—**
Debentures	**474,791**	**526,026**	**253,420**	**—**	**—**	**—**
Payables under Repurchase Agreements	**15,111,297**	**—**	**—**	**—**	**—**	**—**
Borrowed Money (*2)	**1,049,163**	**1,791,517**	**673,648**	**3,825**	**1,342**	**1,317,895**
Short-term Entrusted Funds	**1,048,091**	**—**	**—**	**—**	**—**	**—**
Total	**¥85,088,676**	**¥2,467,953**	**¥958,996**	**¥3,825**	**¥1,342**	**¥1,317,895**

	Millions of U.S. Dollars					
As of March 31, 2019	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Deposits (*1)	**$600,565**	**$ 1,356**	**$ 287**	**$—**	**$—**	**$ —**
Negotiable Certificates of Deposit	**7,127**	**—**	**—**	**—**	**—**	**—**
Debentures	**4,280**	**4,742**	**2,284**	**—**	**—**	**—**
Payables under Repurchase Agreements	**136,236**	**—**	**—**	**—**	**—**	**—**
Borrowed Money (*2)	**9,458**	**16,151**	**6,073**	**34**	**12**	**11,881**
Short-term Entrusted Funds	**9,449**	**—**	**—**	**—**	**—**	**—**
Total	**$767,117**	**$22,249**	**$8,645**	**$ 34**	**$12**	**$11,881**

(*) 1. Demand deposits within Deposits are included in "1 Year or Less."
2. Perpetual subordinated borrowings within Borrowed Money are included in "Over 10 Years."

	Millions of Yen					
As of March 31, 2018	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Deposits (*1)	¥65,696,356	¥ 102,694	¥ 510	¥ —	¥ —	¥ —
Negotiable Certificates of Deposit	2,920,656	—	—	—	—	—
Debentures	638,093	875,946	252,455	2	—	—
Payables under Repurchase Agreements	15,080,638	—	—	—	—	—
Borrowed Money (*2)	588,949	1,780,537	751,243	1,392,315	30,642	97,816
Short-term Entrusted Funds	1,405,187	—	—	—	—	—
Total	¥86,329,881	¥2,759,177	¥1,004,209	¥1,392,318	¥30,642	¥97,816

(*) 1. Demand deposits within Deposits are included in "1 Year or Less."
2. Perpetual subordinated borrowings within Borrowed Money are included in "Over 10 Years."

32. Fair Value of Securities

Trading Securities

	Millions of Yen		Millions of U.S. Dollars
	2019	2018	**2019**
As of March 31	Unrealized Gain Recognized as Income	Unrealized Gain Recognized as Income	Unrealized Gain Recognized as Income
Trading Securities	**¥181**	¥30	**$1**

Note: The above analysis of Trading Securities includes Trading Securities disclosed as Trading Assets in the consolidated balance sheet.

Held-to-Maturity Debt Securities

As of March 31, 2019	Type	Millions of Yen: Consolidated Balance Sheet Amount	Millions of Yen: Fair Value	Millions of Yen: Difference	Millions of U.S. Dollars: Consolidated Balance Sheet Amount	Millions of U.S. Dollars: Fair Value	Millions of U.S. Dollars: Difference
Transactions for Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	**¥ 2,229,371**	**¥ 2,235,070**	**¥ 5,699**	**$ 20,098**	**$ 20,150**	**$ 51**
	Municipal Government Bonds	**—**	**—**	**—**	**—**	**—**	**—**
	Short-term Corporate Bonds	**—**	**—**	**—**	**—**	**—**	**—**
	Corporate Bonds	**2,514**	**2,536**	**22**	**22**	**22**	**0**
	Other	**4,736,764**	**4,776,432**	**39,667**	**42,704**	**43,061**	**357**
	Foreign Bonds	**4,574,275**	**4,613,586**	**39,311**	**41,239**	**41,593**	**354**
	Other	**162,489**	**162,845**	**356**	**1,464**	**1,468**	**3**
	Subtotal	**6,968,650**	**7,014,040**	**45,389**	**62,825**	**63,235**	**409**
Transactions for Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	**3,299,450**	**3,294,251**	**(5,199)**	**29,746**	**29,699**	**(46)**
	Municipal Government Bonds	**—**	**—**	**—**	**—**	**—**	**—**
	Short-term Corporate Bonds	**—**	**—**	**—**	**—**	**—**	**—**
	Corporate Bonds	**—**	**—**	**—**	**—**	**—**	**—**
	Other	**8,501,842**	**8,447,895**	**(53,946)**	**76,648**	**76,162**	**(486)**
	Foreign Bonds	**8,338,251**	**8,284,327**	**(53,923)**	**75,173**	**74,687**	**(486)**
	Other	**163,590**	**163,567**	**(22)**	**1,474**	**1,474**	**(0)**
	Subtotal	**11,801,293**	**11,742,147**	**(59,145)**	**106,394**	**105,861**	**(533)**
Total		**¥18,769,943**	**¥18,756,187**	**¥(13,756)**	**$169,220**	**$169,096**	**$(124)**

Note: The above analysis of Held-to-Maturity Debt Securities includes Securities and trust beneficiary interests in Monetary Claims Bought in the consolidated balance sheet.

As of March 31, 2018	Type	Millions of Yen: Consolidated Balance Sheet Amount	Millions of Yen: Fair Value	Millions of Yen: Difference
Transactions for Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	¥ 2,483,403	¥ 2,492,183	¥ 8,780
	Municipal Government Bonds	—	—	—
	Short-term Corporate Bonds	—	—	—
	Corporate Bonds	3,325	3,353	27
	Other	8,536,234	8,612,380	76,146
	Foreign Bonds	8,460,921	8,536,819	75,897
	Other	75,312	75,560	248
	Subtotal	11,022,963	11,107,917	84,954
Transactions for Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	4,326,845	4,313,750	(13,094)
	Municipal Government Bonds	—	—	—
	Short-term Corporate Bonds	—	—	—
	Corporate Bonds	—	—	—
	Other	1,165,007	1,162,060	(2,946)
	Foreign Bonds	910,487	907,613	(2,874)
	Other	254,519	254,446	(72)
	Subtotal	5,491,852	5,475,810	(16,041)
Total		¥16,514,815	¥16,583,728	¥ 68,912

Note: The above analysis of Held-to-Maturity Debt Securities includes Securities and trust beneficiary interests in Monetary Claims Bought in the consolidated balance sheet.

Other Securities

As of March 31, 2019	Type	Millions of Yen: Consolidated Balance Sheet Amount	Millions of Yen: Acquisition Cost	Millions of Yen: Difference	Millions of U.S. Dollars: Consolidated Balance Sheet Amount	Millions of U.S. Dollars: Acquisition Cost	Millions of U.S. Dollars: Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	¥ 711,487	¥ 255,286	¥ 456,200	$ 6,414	$ 2,301	$ 4,112
	Bonds	5,407,989	5,117,650	290,339	48,755	46,138	2,617
	Japanese Government Bonds	5,034,195	4,744,412	289,782	45,385	42,773	2,612
	Municipal Government Bonds	13,262	13,245	16	119	119	0
	Short-term Corporate Bonds	—	—	—	—	—	—
	Corporate Bonds	360,532	359,991	540	3,250	3,245	4
	Other	19,000,213	17,574,944	1,425,268	171,296	158,447	12,849
	Foreign Bonds	11,001,728	10,484,956	516,772	99,186	94,527	4,658
	Foreign Stocks	17,038	7,372	9,666	153	66	87
	Investment Trusts	7,581,398	6,790,874	790,523	68,350	61,223	7,126
	Other	400,047	291,740	108,306	3,606	2,630	976
	Subtotal	25,119,689	22,947,881	2,171,808	226,466	206,886	19,579
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	11,448	14,122	(2,674)	103	127	(24)
	Bonds	852,331	852,599	(267)	7,684	7,686	(2)
	Japanese Government Bonds	—	—	—	—	—	—
	Municipal Government Bonds	—	—	—	—	—	—
	Short-term Corporate Bonds	—	—	—	—	—	—
	Corporate Bonds	852,331	852,599	(267)	7,684	7,686	(2)
	Other	10,497,677	10,660,770	(163,093)	94,641	96,112	(1,470)
	Foreign Bonds	4,763,095	4,776,839	(13,744)	42,941	43,065	(123)
	Foreign Stocks	—	—	—	—	—	—
	Investment Trusts	5,627,126	5,770,844	(143,717)	50,731	52,027	(1,295)
	Other	107,454	113,086	(5,631)	968	1,019	(50)
	Subtotal	11,361,456	11,527,492	(166,035)	102,429	103,926	(1,496)
Total		¥36,481,146	¥34,475,373	¥2,005,772	$328,896	$310,812	$18,083

Notes: 1. The above analysis of Other Securities includes Securities, negotiable certificates of deposit disclosed as Cash and Due from Banks and trust beneficiary interests in Monetary Claims Bought in the consolidated balance sheet.
2. Investment Trusts include Japanese trusts and foreign trusts.

As of March 31, 2018	Type	Millions of Yen Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	¥ 749,167	¥ 261,147	¥ 488,020
	Bonds	4,930,821	4,665,916	264,905
	Japanese Government Bonds	4,811,581	4,547,363	264,217
	Municipal Government Bonds	83	78	5
	Short-term Corporate Bonds	—	—	—
	Corporate Bonds	119,156	118,474	682
	Other	15,637,228	14,374,162	1,263,066
	Foreign Bonds	8,795,279	8,504,075	291,203
	Foreign Stocks	21,923	7,736	14,187
	Investment Trusts	6,395,997	5,556,975	839,022
	Other	424,027	305,374	118,653
	Subtotal	21,317,217	19,301,226	2,015,991
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	7,492	8,908	(1,415)
	Bonds	566,107	566,636	(529)
	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	8,695	8,700	(4)
	Short-term Corporate Bonds	—	—	—
	Corporate Bonds	557,411	557,936	(524)
	Other	13,547,356	13,978,852	(431,495)
	Foreign Bonds	7,961,423	8,180,330	(218,906)
	Foreign Stocks	—	—	—
	Investment Trusts	5,459,679	5,670,260	(210,581)
	Other	126,253	128,260	(2,007)
	Subtotal	14,120,956	14,554,397	(433,440)
Total		¥35,438,174	¥33,855,623	¥1,582,551

Notes: 1. The above analysis of Other Securities includes Securities, negotiable certificates of deposit disclosed as Cash and Due from Banks and trust beneficiary interests in Monetary Claims Bought in the consolidated balance sheet.
2. Investment Trusts include Japanese trusts and foreign trusts.

Held-to-Maturity Debt Securities Sold during the Fiscal Year

The Bank and its consolidated subsidiaries sold no held-to-maturity debt securities for the fiscal years ended March 31, 2019 and 2018.

Other Securities Sold during the Fiscal Year

	Millions of Yen			Millions of U.S. Dollars		
Fiscal year ended March 31, 2019	Sales Proceeds	Gains on Sales	Losses on Sales	Sales Proceeds	Gains on Sales	Losses on Sales
Stocks	**¥ 26,811**	**¥ 17,638**	**¥ —**	**$ 241**	**$ 159**	**$ —**
Bonds	**139,828**	**1,184**	**1**	**1,260**	**10**	**0**
Japanese Government Bonds	**139,481**	**1,184**	**—**	**1,257**	**10**	**—**
Municipal Government Bonds	**—**	**—**	**—**	**—**	**—**	**—**
Short-term Corporate Bonds	**—**	**—**	**—**	**—**	**—**	**—**
Corporate Bonds	**346**	**—**	**1**	**3**	**—**	**0**
Other	**3,879,368**	**147,120**	**99,659**	**34,974**	**1,326**	**898**
Foreign Bonds	**3,590,954**	**72,084**	**72,230**	**32,374**	**649**	**651**
Foreign Stocks	**1,908**	**492**	**0**	**17**	**4**	**0**
Investment Trusts	**118,455**	**50,967**	**28**	**1,067**	**459**	**0**
Other	**168,048**	**23,574**	**27,400**	**1,515**	**212**	**247**
Total	**¥4,046,008**	**¥165,943**	**¥99,661**	**$36,476**	**$1,496**	**$898**

Note: Investment Trusts include Japanese trusts and foreign trusts.

	Millions of Yen		
Fiscal year ended March 31, 2018	Sales Proceeds	Gains on Sales	Losses on Sales
Stocks	¥ 8,644	¥ 4,706	¥ 6
Bonds	—	—	—
Japanese Government Bonds	—	—	—
Municipal Government Bonds	—	—	—
Short-term Corporate Bonds	—	—	—
Corporate Bonds	—	—	—
Other	8,854,330	43,736	25,586
Foreign Bonds	8,838,475	38,265	23,701
Foreign Stocks	11	—	0
Investment Trusts	7,860	3,591	0
Other	7,983	1,879	1,884
Total	¥8,862,974	¥48,443	¥25,593

Note: Investment Trusts include Japanese trusts and foreign trusts.

Securities Recognized for Revaluation Loss

Securities other than those for trading purposes and those whose fair value is difficult to determine, are revalued to their fair value, and the difference between the book value and the fair value is treated as a realized loss for the fiscal years ended March 31, 2019 and 2018 (“revaluation loss”), if the fair value has significantly deteriorated from the book value unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the fiscal year ended March 31, 2019 was ¥124 million ($1 million) including ¥124 million ($1 million) on Stocks.

The amount of revaluation loss for the fiscal year ended March 31, 2018 was ¥117 million including ¥117 million on Stocks.

The criteria for determining whether the securities’ fair value has “significantly deteriorated” are outlined as follows:

Securities whose fair values are equal to or less than 50% of their acquisition costs (and other)

Securities whose fair values remain between 50% (exclusive) and 70% (inclusive) of their acquisition costs (and other) for a certain period

33. Fair Value of Money Held in Trust

Other Money Held in Trust (Money Held in Trust other than that for trading purposes or held-to-maturity)

	Millions of Yen				
As of March 31, 2019	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost
Other Money Held in Trust	**¥8,667,392**	**¥8,618,740**	**¥48,651**	**¥140,343**	**¥91,691**

	Millions of U.S. Dollars				
As of March 31, 2019	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost
Other Money Held in Trust	**$78,140**	**$77,702**	**$438**	**$1,265**	**$826**

Note: "Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost" and "Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost" are gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount presented in "Difference."

	Millions of Yen				
As of March 31, 2018	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost
Other Money Held in Trust	¥7,439,710	¥7,467,227	¥(27,517)	¥149,633	¥177,150

Note: "Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost" and "Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost" are gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount presented in "Difference."

34. Fair Value of Derivative Instruments

(1) Derivative Instruments not accounted for as hedges

Regarding the derivative instruments which are not accounted for as hedge transactions, Contract Amount or Notional Amount, Fair Value and Unrealized Gain or Loss for each type of derivative transactions, respectively, at the consolidated balance sheet date, and determination of fair value are as follows.

Contract Amount or Notional Amount does not show by itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount		Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount		Fair Value	Unrealized Gain/Loss
As of March 31, 2019	Total	Over 1 Year			Total	Over 1 Year		
Exchange-traded Transactions								
Interest Rate Futures:								
Sold	**¥ 5,380**	**¥ 5,380**	**¥ (37)**	**¥ (37)**	**$ 48**	**$ 48**	**$ (0)**	**$ (0)**
Purchased	**5,398**	**—**	**6**	**6**	**48**	**—**	**0**	**0**
Interest Rate Options:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Over-the-counter Transactions								
Forward Rate Agreements:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Interest Rate Swaps:								
Rec.: Fix.-Pay.: Flt.	**206,659**	**196,864**	**7,229**	**7,229**	**1,863**	**1,774**	**65**	**65**
Rec.: Flt.-Pay.: Fix.	**200,576**	**190,864**	**(6,891)**	**(6,891)**	**1,808**	**1,720**	**(62)**	**(62)**
Rec.: Flt.-Pay.: Flt.	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Interest Rate Options:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Other:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total	**¥ /**	**¥ /**	**¥ 307**	**¥ 307**	**$ /**	**$ /**	**$ 2**	**$ 2**

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges.
The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

As of March 31, 2018	Millions of Yen: Contract Amount or Notional Amount: Total	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions				
Interest Rate Futures:				
Sold	¥ 47,735	¥ 47,735	¥ 140	¥ 140
Purchased	126,752	19,606	(81)	(81)
Interest Rate Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Forward Rate Agreements:				
Sold	—	—	—	—
Purchased	—	—	—	—
Interest Rate Swaps:				
Rec.: Fix.-Pay.: Flt.	260,751	152,285	5,023	5,023
Rec.: Flt.-Pay.: Fix.	232,794	153,257	(4,597)	(4,597)
Rec.: Flt.-Pay.: Flt.	—	—	—	—
Interest Rate Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥ 485	¥ 485

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges.
The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

Currency-Related Derivative Instruments

As of March 31, 2019	Millions of Yen: Contract Amount or Notional Amount: Total	Over 1 Year	Fair Value	Unrealized Gain/Loss	Millions of U.S. Dollars: Contract Amount or Notional Amount: Total	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Currency Futures:								
Sold	**¥ —**	**¥ —**	**¥ —**	**¥ —**	**$ —**	**$ —**	**$ —**	**$ —**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Currency Options:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Over-the-counter Transactions								
Currency Swaps	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Forwards:								
Sold	**368,399**	**14,489**	**(3,225)**	**(3,225)**	**3,321**	**130**	**(29)**	**(29)**
Purchased	**556,750**	**14,533**	**2,380**	**2,380**	**5,019**	**131**	**21**	**21**
Currency Options:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Other:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total	**¥ /**	**¥ /**	**¥ (845)**	**¥ (845)**	**$ /**	**$ /**	**$ (7)**	**$ (7)**

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
Fair value is determined based on the discounted net present value model.

As of March 31, 2018	Millions of Yen: Contract Amount or Notional Amount: Total	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions				
Currency Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Currency Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Currency Swaps	—	—	—	—
Forwards:				
Sold	128,818	9,640	1,599	1,599
Purchased	143,097	9,644	(595)	(595)
Currency Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥1,004	¥1,004

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Stock-Related Derivative Instruments as of March 31, 2019 and 2018.

Bond-Related Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount		Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount		Fair Value	Unrealized Gain/Loss
As of March 31, 2019	Total	Over 1 Year			Total	Over 1 Year		
Exchange-traded Transactions								
Bond Futures:								
Sold	**¥13,471**	**¥—**	**¥(65)**	**¥(65)**	**$121**	**$—**	**$ (0)**	**$ (0)**
Purchased	**10,309**	**—**	**31**	**31**	**92**	**—**	**0**	**0**
Bond Futures Options:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Over-the-counter Transactions								
Bond Options:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Other:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total	**¥ /**	**¥ /**	**¥(34)**	**¥(34)**	**$ /**	**$ /**	**$ (0)**	**$ (0)**

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at Osaka Exchange or other relevant exchanges.
The fair value of over-the-counter traded derivative instruments is determined based on an option pricing model or other models as appropriate.

As of March 31, 2018	Millions of Yen: Contract Amount or Notional Amount: Total	Millions of Yen: Contract Amount or Notional Amount: Over 1 Year	Millions of Yen: Fair Value	Millions of Yen: Unrealized Gain/Loss
Exchange-traded Transactions				
Bond Futures:				
Sold	¥ 1,024	¥—	¥(17)	¥(17)
Purchased	10,027	—	23	23
Bond Futures Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Bond Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥ 5	¥ 5

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at Osaka Exchange or other relevant exchanges.
The fair value of over-the-counter traded derivative instruments is determined based on an option pricing model or other models as appropriate.

Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Commodities-Related Derivative Instruments as of March 31, 2019 and 2018.

Credit Derivative Instruments

The Bank and its consolidated subsidiaries held no Credit Derivative Instruments as of March 31, 2019 and 2018.

(2) Derivative Instruments accounted for as hedges

Regarding the derivative instruments which are accounted for as hedge transactions, Contract Amount or Notional Amount, and Fair Value for each type of derivative transactions, respectively, at the consolidated balance sheet date, and determination of fair value are as follows.

Contract Amount or Notional Amount does not show by itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

As of March 31, 2019

Method of Hedges	Type of Derivative Instruments	Hedged Items	Millions of Yen: Contract Amount or Notional Amount: Total	Millions of Yen: Contract Amount or Notional Amount: Over 1 Year	Millions of Yen: Fair Value	Millions of U.S. Dollars: Contract Amount or Notional Amount: Total	Millions of U.S. Dollars: Contract Amount or Notional Amount: Over 1 Year	Millions of U.S. Dollars: Fair Value
The Deferral Method	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures	**¥ 905,000**	**¥ 465,000**	**¥ 3,273**	**$ 8,159**	**$ 4,192**	**$ 29**
	Interest Rate Swaps (Rec.:Flt.-Pay.: Fix.)	Yen-denominated Securities, Deposits and Others	**7,537,453**	**7,022,892**	**(193,036)**	**67,953**	**63,314**	**(1,740)**
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted, Yen-denominated Securities and Others	**305,967**	**253,749**	Note 3	**2,758**	**2,287**	Note 3
Total			**¥ /**	**¥ /**	**¥(189,763)**	**$ /**	**$ /**	**$(1,710)**

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting which is described in "Accounting and Auditing Treatment relating to the Adoption of '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).
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.
3. The fair value of certain interest rate swaps which the accrual method of hedge accounting is applied, as specifically permitted for certain interest rate swaps, is not included in the table above as the hedging instruments are accounted for together with of Loans and Bills Discounted and other items (ref: 31. Financial Instruments (2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items).

As of March 31, 2018

Method of Hedges	Type of Derivative Instruments	Hedged Items	Millions of Yen: Contract Amount or Notional Amount: Total	Contract Amount or Notional Amount: Over 1 Year	Fair Value
The Deferral Method	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures	¥1,425,000	¥ 825,000	¥ 4,366
	Interest Rate Swaps (Rec.:Flt.-Pay.: Fix.)	Yen-denominated Securities, Deposits and Others	7,308,939	7,019,564	104,040
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted, Yen-denominated Securities and Others	245,540	230,924	Note 3
Total			¥ /	¥ /	¥108,407

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting which is described in "Accounting and Auditing Treatment relating to the Adoption of '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).
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.
3. The fair value of certain interest rate swaps which the accrual method of hedge accounting is applied, as specifically permitted for certain interest rate swaps, is not included in the table above as the hedging instruments are accounted for together with of Loans and Bills Discounted and other items (ref: 31. Financial Instruments (2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items).

Currency-Related Derivative Instruments

As of March 31, 2019

Method of Hedges	Type of Derivative Instruments	Hedged Items	Millions of Yen: Contract Amount or Notional Amount: Total	Millions of Yen: Contract Amount or Notional Amount: Over 1 Year	Millions of Yen: Fair Value	Millions of U.S. Dollars: Contract Amount or Notional Amount: Total	Millions of U.S. Dollars: Contract Amount or Notional Amount: Over 1 Year	Millions of U.S. Dollars: Fair Value
The Deferral Method	Currency Swaps	Foreign Currency Denominated Securities and Others	**¥17,402,560**	**¥10,065,496**	**¥(107,732)**	**$156,892**	**$90,745**	**$ (971)**
	Forex Forward		**5,131,927**	**—**	**(15,154)**	**46,266**	**—**	**(136)**
Total			**¥ /**	**¥ /**	**¥(122,886)**	**$ /**	**$ /**	**$(1,107)**

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting which is described in "Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25, issued on July 29, 2002).
2. Determination of fair value:
Fair value is determined based on the discounted net present value model.

As of March 31, 2018

Method of Hedges	Type of Derivative Instruments	Hedged Items	Millions of Yen: Contract Amount or Notional Amount: Total	Contract Amount or Notional Amount: Over 1 Year	Fair Value
The Deferral Method	Currency Swaps	Foreign Currency Denominated Securities and Others	¥13,386,163	¥7,160,947	¥222,272
	Forex Forward		4,882,459	—	50,915
Total			¥ /	¥ /	¥273,187

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting which is described in "Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25, issued on July 29, 2002).
2. Determination of fair value:
Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Stock-Related Derivative Instruments as of March 31, 2019 and 2018.

Bond-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Bond-Related Derivative Instruments as of March 31, 2019 and 2018.

35. The Norinchukin Bank (Parent Company)

(1) Non-consolidated Balance Sheet

	Millions of Yen		Millions of U.S. Dollars
As of March 31	**2019**	2018	**2019**
Assets			
Cash and Due from Banks	**¥ 18,906,686**	¥ 28,729,996	**$170,453**
Call Loans	**44,368**	630,000	**400**
Receivables under Resale Agreements	**10,096**	—	**91**
Monetary Claims Bought	**326,079**	354,872	**2,939**
Trading Assets	**15,844**	8,582	**142**
Money Held in Trust	**8,666,524**	7,438,320	**78,133**
Securities	**55,751,186**	52,332,765	**502,625**
Loans and Bills Discounted	**18,438,032**	11,742,630	**166,228**
Foreign Exchange Assets	**327,003**	324,698	**2,948**
Other Assets	**1,409,538**	1,580,600	**12,707**
Tangible Fixed Assets	**115,914**	120,920	**1,045**
Intangible Fixed Assets	**45,435**	40,043	**409**
Prepaid Pension Cost	**28,574**	20,821	**257**
Customers' Liabilities for Acceptances and Guarantees	**140,063**	141,073	**1,262**
Reserve for Possible Loan Losses	**(46,861)**	(46,681)	**(422)**
Reserve for Possible Investment Losses	**(1,680)**	(1,032)	**(15)**
Total Assets	**¥104,176,806**	¥103,417,613	**$939,206**
Liabilities and Net Assets			
Liabilities			
Deposits	**¥ 66,821,541**	¥ 65,823,858	**$602,430**
Negotiable Certificates of Deposit	**790,599**	2,920,656	**7,127**
Debentures	**1,262,239**	1,774,498	**11,379**
Payables under Repurchase Agreements	**15,111,297**	15,080,638	**136,236**
Trading Liabilities	**7,022**	5,034	**63**
Borrowed Money	**4,780,892**	4,585,004	**43,102**
Foreign Exchange Liabilities	**32**	38	**0**
Short-term Entrusted Funds	**1,048,091**	1,405,187	**9,449**
Other Liabilities	**6,276,796**	4,528,441	**56,588**
Reserve for Bonus Payments	**5,947**	6,022	**53**
Reserve for Retirement Benefits	**25,617**	24,614	**230**
Reserve for Directors' Retirement Benefits	**782**	1,121	**7**
Deferred Tax Liabilities	**515,400**	458,731	**4,646**
Deferred Tax Liabilities for Land Revaluation	**8,607**	8,607	**77**
Acceptances and Guarantees	**140,063**	141,073	**1,262**
Total Liabilities	**96,794,930**	96,763,528	**872,655**
Net Assets			
Paid-in Capital	**4,040,198**	3,480,488	**36,424**
Capital Surplus	**25,020**	25,020	**225**
Retained Earnings	**1,953,053**	1,922,906	**17,607**
Total Owners' Equity	**6,018,273**	5,428,416	**54,257**
Net Unrealized Gains on Other Securities, net of taxes	**1,501,099**	1,151,642	**13,533**
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	**(151,808)**	59,713	**(1,368)**
Revaluation Reserve for Land, net of taxes	**14,312**	14,312	**129**
Total Valuation and Translation Adjustments	**1,363,602**	1,225,668	**12,293**
Total Net Assets	**7,381,875**	6,654,084	**66,551**
Total Liabilities and Net Assets	**¥104,176,806**	¥103,417,613	**$939,206**

(2) Non-consolidated Statement of Operations

	Millions of Yen		Millions of U.S. Dollars
For the fiscal years ended March 31	**2019**	2018	**2019**
Income			
Interest Income:	**¥1,311,996**	¥1,147,253	**$11,828**
Interest on Loans and Bills Discounted	**103,937**	76,152	**937**
Interest and Dividends on Securities	**1,183,896**	1,054,024	**10,673**
Interest on Call Loans	**(910)**	(912)	**(8)**
Interest on Receivables under Resale Agreements	**(727)**	(0)	**(6)**
Interest on Receivables under Securities Borrowing Transactions	**1**	147	**0**
Interest on Due from Banks	**20,079**	12,830	**181**
Other Interest Income	**5,719**	5,011	**51**
Fees and Commissions	**15,779**	15,082	**142**
Trading Income	**124**	163	**1**
Other Operating Income	**147,196**	90,360	**1,327**
Other Income	**234,020**	172,925	**2,109**
Total Income	**1,709,117**	1,425,786	**15,408**
Expenses			
Interest Expenses:	**1,269,032**	1,021,264	**11,440**
Interest on Deposits	**135,445**	84,872	**1,221**
Interest on Negotiable Certificates of Deposit	**25,651**	30,896	**231**
Interest on Debentures	**3,487**	5,619	**31**
Interest on Borrowed Money	**83,212**	81,266	**750**
Interest on Call Money	**(2)**	13	**(0)**
Interest on Payables under Repurchase Agreements	**166,785**	121,255	**1,503**
Interest on Payables under Securities Lending Transactions	**0**	0	**0**
Other Interest Expenses	**854,452**	697,340	**7,703**
Fees and Commissions	**15,704**	15,292	**141**
Trading Expenses	**330**	246	**2**
Other Operating Expenses	**141,810**	68,299	**1,278**
General and Administrative Expenses	**149,546**	153,013	**1,348**
Other Expenses	**15,503**	10,299	**139**
Total Expenses	**1,591,927**	1,268,416	**14,352**
Income before Income Taxes	**117,190**	157,369	**1,056**
Income Taxes — Current	**14,447**	10,141	**130**
Income Taxes — Deferred	**2,095**	17,267	**18**
Total Income Taxes	**16,542**	27,409	**149**
Net Income	**¥ 100,647**	¥ 129,960	**$ 907**

	Yen		U.S. Dollars
	2019	2018	**2019**
Net Income per Share	**¥6.18**	¥19.96	**$0.05**

36. Appropriation of Retained Earnings

The following dividends were approved at the Council of Delegates held on June 21, 2019.

	Millions of Yen	Millions of U.S. Dollars
Cash Dividends		
Special Dividends	**¥26,547**	**$239**
Dividends on Common Stock (at the rate of 6% of the ¥100 face value, or ¥6.00 per share)	**25,543**	**230**
Dividends on Lower Dividend Rate Stock (at the rate of 1.3% of the ¥100 face value, or ¥1.30 per share)	**46,663**	**420**
Dividends on Preferred Stock (at the rate of 20% of the ¥100 face value, or ¥20.00 per share)	**1,115**	**10**

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Building a better working world

Independent Auditor's Report

The Board of Directors
The Norinchukin Bank

We have audited the accompanying consolidated financial statements of The Norinchukin Bank and its consolidated subsidiaries, which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statements of operations, comprehensive income, capital surplus and retained earnings, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Norinchukin Bank and its consolidated subsidiaries as at March 31, 2019, and their consolidated financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Convenience Translation

We have reviewed the translation of these consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying consolidated financial statements have been properly translated on the basis described in Note 1.

Ernst & Young ShinNihon LLC

June 21, 2019

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.

As for the external audit on the calculation of capital adequacy ratio (on a consolidated and a non-consolidated basis), the Bank has been audited via the agreed-upon procedures and operation by Ernst & Young ShinNihon LLC pursuant to the "Practical Guidelines for the Agreed-upon Procedures and Operations for the Inspection of the Capital Ratio Calculation Framework" (JICPA Industry Committee Report No. 4465). These operations do not constitute part of the consolidated financial statements or financial statements or part of the audits on the internal control related to the financial reporting. Ernst & Young ShinNihon LLC conducts these operations not to express any audit opinion or conclusion regarding the capital ratio itself and/or the internal control regarding the calculation of the capital ratio. Rather, Ernst & Young ShinNihon LLC implements such procedures within the range that was agreed upon with the Bank and reports the results of the review to the Bank.

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, 2019, the Bank had 16 consolidated subsidiaries and firms. 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 SA-CCR 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.

Given the introduction of new securitized capital taxation regulations in Japan in March 2019, the Bank appropriately monitors and verifies the status of its compliance with the regulations regarding risk retention and other details for each project at the time of investment and during the fiscal year.

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, 2019, 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 2018.

As of March 31, 2019, 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, assuming the average maturity of cooperative deposits is 1.5 years.

■ 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)

CC1: Composition of Capital (Consolidated)

(Millions of Yen, %)

Basel III Template No.	Items	a **As of March 31, 2019**	b As of March 31, 2018	c Reference to Template CC2
Common Equity Tier 1 capital: instruments and reserves				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	**5,936,784**	5,373,368	
1a	of which: capital and capital surplus	**4,015,219**	3,455,509	E1.1-E1.2+E1.3
2	of which: retained earnings	**2,021,435**	1,988,359	E2
26	of which: cash dividends to be paid	**99,870**	70,500	
	of which: other than the above	**—**	—	E3
3	Accumulated other comprehensive income and other disclosed reserves	**1,376,316**	1,242,763	E4
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	**—**	—	E8.1
6	Common Equity Tier 1 capital: instruments and reserves (A)	**7,313,100**	6,616,132	
Common Equity Tier 1 capital: regulatory adjustments				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	**40,653**	37,007	
8	of which: goodwill (net of related tax liability, including those equivalent)	**4,496**	4,638	A1.1+A1.2
9	of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	**36,157**	32,368	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	**(3,370)**	89,100	E7
12	Shortfall of eligible provisions to expected losses	**63,605**	21,227	
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	**41,699**	37,938	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	**—**	—	A7
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)	**142,587**	185,274	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	**7,170,512**	6,430,858	
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**	49,973	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	**1,316,972**	—	D1
30	Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**	—	

(Millions of Yen, %)

Basel III Template No.	Items	a **As of March 31, 2019**	b As of March 31, 2018	c Reference to Template CC2
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	**3,754**	3,543	E8.2
33+35	Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	**—**	—	
33	of which: instruments issued by banks and their special purpose vehicles	**—**	—	
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	**—**	—	
36	Additional Tier 1 capital: instruments (D)	**1,370,700**	53,517	
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)	**51,357**	51,754	A17
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	**—**	—	
43	Additional Tier 1 capital: regulatory adjustments (E)	**51,357**	51,754	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	**1,319,342**	1,763	
Tier 1 capital (T1=CET1+AT1)				
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	**8,489,855**	6,432,621	
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	D2
	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)	**146**	121	E8.3
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	**923**	97,816	
47	of which: instruments issued by banks and their special purpose vehicles	**923**	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	**123**	72	
50a	of which: general reserve for possible loan losses	**123**	72	A18
50b	of which: eligible provisions	**—**	—	A19
51	Tier 2 capital: instruments and provisions (H)	**1,192**	1,513,489	
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 and other TLAC liabilities 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 common share capital of the entity (amount above the 10% threshold)	**—**	—	A22
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	**—**	—	A23
57	Tier 2 capital: regulatory adjustments (I)	**—**	—	

(Millions of Yen, %)

Basel III Template No.	Items	a **As of March 31, 2019**	b As of March 31, 2018	c Reference to Template CC2
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	**1,192**	1,513,489	
Total capital (TC=T1+T2)				
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	**8,491,048**	7,946,110	
Risk weighted assets				
60	Risk weighted assets (L)	**43,200,202**	33,810,329	
Capital ratio (consolidated) and buffers				
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	**16.59%**	19.02%	
62	Tier 1 capital ratio (consolidated) ((G)/(L))	**19.65%**	19.02%	
63	Total capital ratio (consolidated) ((K)/(L))	**19.65%**	23.50%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	**3.05%**	2.25%	
65	Of which: capital conservation buffer requirement	**2.50%**	1.87%	
66	Of which: bank-specific countercyclical buffer requirement	**0.05%**	0.00%	
67	Of which: higher loss absorbency requirement	**0.50%**	0.37%	
68	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital buffer requirements	**11.65%**	13.02%	
Regulatory adjustments				
72	Non-significant investments in the capital and other TLAC liabilities of other financial institutions that are below the thresholds for deduction (before risk weighting)	**607,563**	315,503	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)	**23,786**	24,445	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
Provisions included in Tier 2 capital: instruments and provisions				
76	Provisions (general reserve for possible loan losses)	**123**	72	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	**1,692**	892	
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	**225,151**	189,429	
Capital instruments under phase-out arrangements				
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	**—**	—	
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")	**—**	—	
84	Current cap on Tier 2 instruments under phase-out arrangements	**460,802**	614,402	
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, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018
1	Credit risk (excluding counterparty credit risk)	**5,900,202**	5,115,398	**499,034**	432,755
2	Of which: standardized approach (SA)	**135,360**	71,423	**10,828**	5,713
3	Of which: internal rating-based (IRB) approach	**5,628,859**	4,900,735	**477,327**	415,582
	Of which: significant investments	**—**	—	**—**	—
	Of which: estimated residual value of lease transactions	**—**	—	**—**	—
	Others	**135,982**	143,239	**10,878**	11,459
4	Counterparty credit risk (CCR)	**526,744**	478,053	**43,164**	39,309
5	Of which: standardized approach for counterparty credit risk (SA-CCR)	**54,677**	—	**4,636**	—
	Of which: current exposure method (CEM)		42,302		3,587
6	Of which: expected positive exposure (EPE) method	**—**	—	**—**	—
	Of which: credit valuation adjustment (CVA)	**74,451**	64,705	**5,956**	5,176
	Of which: Central counterparty related exposure (CCP)	**238,684**	191,435	**19,094**	15,314
	Others	**158,930**	179,609	**13,477**	15,230
7	Equity positions in banking book under market-based approach	**1,703,602**	1,587,104	**144,465**	134,586
8	Equity investments in funds - Look-through approach	**25,580,900**		**2,168,668**	
9	Equity investments in funds - Mandate-based approach	**1,054,709**		**89,439**	
	Equity investments in funds - Simple approach (subject to 250% RW)	**—**		**—**	
	Equity investments in funds - Simple approach (subject to 400% RW)	**112,342**		**9,526**	
10	Equity investments in funds - Fall-back approach (subject to 1,250% RW)	**1,098,813**		**87,905**	
	Equity investments in funds (SA)		—		—
	Equity investments in funds (IRB)		22,365,018		1,896,529
11	Settlement risk	**6,364**	0	**539**	0
12	Securitization exposures in banking book	**2,159,835**	518,665	**172,786**	43,982
13	Of which: Securitization IRB approach (SEC-IRBA) or internal assessment approach (IAA)	**—**		**—**	
14	Of which: Securitization external ratings-based approach (SEC-ERBA)	**2,159,835**		**172,786**	
15	Of which: Securitization standardized approach (SEC-SA)	**—**		**—**	
	Of which: Ratings-based approach (RBA) or internal assessment approach (IAA) in the IRB approach		518,665		43,982
	Of which: IRB Supervisory Formula Approach (SFA)		—		—
	Of which: Standardized approach (SA)		—		—
	Of which: 1,250% risk weight is applied	**0**	0	**0**	0
16	Market risk	**2,370,494**	1,197,002	**189,639**	95,760
17	Of which: standardized approach (SA)	**2,352,803**	1,171,398	**188,224**	93,711
18	Of which: internal model approaches (IMA)	**17,690**	25,604	**1,415**	2,048
19	Operational risk	**572,760**	709,217	**45,820**	56,737
20	Of which: Basic Indicator Approach	**—**	—	**—**	—
21	Of which: Standardized Approach	**572,760**	709,217	**45,820**	56,737
22	Of which: Advanced Measurement Approach	**—**	—	**—**	—
23	Amounts below the thresholds for deduction	**59,258**	60,904	**5,025**	5,164
	Risk weighted assets subject to transitional arrangements				
24	Floor adjustment	**—**	—	**—**	—
25	Total	**41,146,027**	32,031,365	**3,456,016**	2,704,826

CC2: Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements (Consolidated)

As of March 31, 2019

(Millions of Yen)

Items	a Consolidated balance sheet amount	b Consolidated balance sheet amounts based on regulatory scope of consolidation	c Reference numbers or symbols for referring to Template CC1
(Assets)			
Loans and Bills Discounted	**18,613,018**		
of which: non-significant investments in the capital etc., of other financial institutions		—	
Tier 2 capital instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		—	
Non-significant investments in the capital etc., that are below the thresholds for deduction (before risk weighting)		—	A24.1
Foreign Exchanges Assets	**344,943**		
Securities	**55,658,707**	**55,658,707**	
Money Held in Trust	**8,667,392**	**8,667,392**	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		**4,496**	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: non-significant 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		**607,563**	
Common Equity		—	A7
Additional Tier 1 capital		—	A16
Tier 2 capital instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		—	A22
Non-significant investments in the capital, etc., of banking, financial and insurance entities that are outside the scope of regulatory consolidation, in which the bank does not own more than 10% of the issued shares and are below the thresholds for deduction (before risk weighting)		**607,563**	A24.2
Securities and Money Held in Trust of which: significant investments in the capital, etc., of other financial institutions		**75,143**	
Amount exceeding the 10% threshold on specified items		—	A8
Amount exceeding the 15% threshold on specified items		—	A11
Additional Tier 1 capital		**51,357**	A17
Tier 2 capital instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		—	A23
Significant investments in the capital, etc., of other financial institutions that are below the thresholds for deduction (before risk weighting)		**23,786**	A25
Trading Assets	**15,844**		
Monetary Claims Bought	**326,079**		
Call Loans and Bills Bought	**44,368**		
Receivables under Resale Agreements	**10,096**		
Cash and Due from Banks	**18,941,664**		
Other Assets	**1,415,586**		

(Millions of Yen)

Items	a Consolidated balance sheet amount	b Consolidated balance sheet amounts based on regulatory scope of consolidation	c Reference numbers or symbols for referring to Template CC1
Tangible Fixed Assets	**117,294**		
Buildings	**45,304**		
Land	**47,150**		
Lease Assets	**20,864**		
Construction in Progress	**2**		
Other	**3,971**		
Intangible Fixed Assets	**48,765**	**48,765**	
Software	**24,272**	**24,272**	
Lease Assets	**5,181**	**5,181**	
Other	**19,311**	**19,311**	
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		**48,765**	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		**12,608**	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	**57,715**	**57,715**	A4
Deferred Tax Assets	**2,034**	**2,034**	
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	**1,738,971**		
Reserve for Possible Loan Losses	**(48,402)**	**(48,402)**	
of which: general reserve for possible loan losses includes Tier 2		**(123)**	A18
of which: eligible provisions includes Tier 2		**—**	A19
Reserve for Possible Investment Losses	**(154)**		
Total Assets	**105,953,925**		
(Liabilities)			
Deposits	**66,797,069**		
Negotiable Certificates of Deposit	**790,599**		
Debentures	**1,254,239**		
Trading liabilities	**7,022**		
Borrowed Money	**4,837,392**	**4,837,392**	
of which: qualifying Additional Tier 1 instruments		**1,316,972**	D1
of which: qualifying Tier 2 instruments		**—**	D2
Payables under Repurchase Agreements	**15,111,297**		
Foreign Exchanges Liabilities	**32**		
Trust Money	**1,048,091**		
Other Liabilities	**6,320,163**		
Account payables for securities purchased	**5,537,846**		
Others	**782,317**		

(Millions of Yen)

Items	a Consolidated balance sheet amount	b Consolidated balance sheet amounts based on regulatory scope of consolidation	c Reference numbers or symbols for referring to Template CC1
Reserve for Bonus Payments	**7,557**		
Liability Related to Retirement Benefits	**38,287**		
Reserve for Directors' Retirement Benefits	**1,236**		
Deferred Tax Liabilities	**520,070**	**520,070**	
of which: assets related to retirement benefits		**16,016**	D3
Deferred Tax Liabilities for Land Revaluation	**8,607**	**8,607**	
Acceptances and Guarantees	**1,738,971**		
Total Liabilities	**98,480,637**		
(Net Assets)			
Paid-in Capital	**4,040,198**	**4,040,198**	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	**2,021,435**	**2,021,435**	E2
Total Owners' Equity	**6,086,627**	**6,086,627**	
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	**1,501,790**	**1,501,790**	
Net Deferred Losses on Hedging Instruments	**(152,678)**	**(152,678)**	
of which: net deferred losses on hedge		**(3,370)**	E7
Revaluation Reserve for Land	**14,312**	**14,312**	
Foreign Currency Translation Adjustment	**(67)**	**(67)**	
Remeasurements of Defined Benefit Plans	**12,959**	**12,959**	
Total Accumulated Other Comprehensive Income	**1,376,316**	**1,376,316**	E4
Minority Interests	**10,343**	**10,343**	
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)		**3,754**	E8.2
of which: Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		**146**	E8.3
Total Net Assets	**7,473,287**		
Total Liabilities and Net Assets	**105,953,925**		

Notes 1: "Consolidated balance sheet amounts based on regulatory scope of consolidation" refer only to the items used in calculating capital adequacy.
2: "Consolidated balance sheet amounts based on regulatory scope of consolidation" are the amounts before the transitional arrangements, therefore the items that were newly included in the Bank's own capital via the transitional arrangements are not included in this table.

As of March 31, 2018

(Millions of Yen)

Items	Consolidated balance sheet amount	Consolidated balance sheet amounts based on regulatory scope of consolidation	Reference numbers or symbols for referring to Template CC1
(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		—	
Non-significant investments in the capital of other financials 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 Resale Agreements	—		
Cash and Due from Banks	28,756,371		
Other Assets	1,585,342		

(Millions of Yen)

Items	Consolidated balance sheet amount	Consolidated balance sheet amounts based on regulatory scope of consolidation	Reference numbers or symbols for referring to Template CC1
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
Payables under Repurchase Agreements	15,080,638		
Foreign Exchanges Liabilities	38		
Trust Money	1,405,187		
Other Liabilities	4,569,727		
Account payables for securities purchased	3,773,492		
Others	796,235		

(Millions of Yen)

Items	Consolidated balance sheet amount	Consolidated balance sheet amounts based on regulatory scope of consolidation	Reference numbers or symbols for referring to Template CC1
Reserve for Bonus Payments	7,591		
Liability Related to Retirement Benefits	35,481		
Reserve for Directors' Retirement Benefits	1,508		
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
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		

Notes 1: "Consolidated balance sheet amounts based on regulatory scope of consolidation" refer only to the items used in calculating capital adequacy.

2: "Consolidated balance sheet amounts based on regulatory scope of consolidation" are the amounts before the transitional arrangements, therefore the items that were newly included in the Bank's own capital via the transitional arrangements are not included in this table.

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

Fiscal 2018 (Ended March 31, 2019)

(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	**18,613,018**		**18,501,191**	**—**	**111,826**	**1,870,409**	**—**
Foreign Exchange Assets	**344,943**		**344,943**	**—**	**—**	**230,607**	**—**
Securities	**55,658,707**		**45,258,546**	**21,458,792**	**10,344,221**	**39,571,532**	**55,939**
Money Held in Trust	**8,667,392**		**8,667,392**	**2,077,247**	**—**	**8,127,372**	**—**
Trading Assets	**15,844**		**—**	**7,295**	**—**	**15,844**	**—**
Monetary Claims Bought	**326,079**		**133,588**	**—**	**192,491**	**—**	**—**
Call Loans and Bills Bought	**44,368**		**44,368**	**—**	**—**	**44,368**	**—**
Receivables under Resale Agreements	**10,096**		**—**	**10,096**	**—**	**—**	**—**
Cash and Due from Banks	**18,941,664**		**18,941,664**	**—**	**—**	**86,431**	**—**
Other Assets	**1,415,586**		**200,426**	**639,942**	**54,230**	**398,385**	**511,250**
Tangible Fixed Assets	**117,294**		**117,294**	**—**	**—**	**—**	**—**
Intangible Fixed Assets	**48,765**		**—**	**—**	**—**	**—**	**48,765**
Net Defined Benefit Asset	**57,715**		**—**	**—**	**—**	**—**	**57,715**
Deferred Tax Assets	**2,034**		**—**	**—**	**—**	**—**	**2,034**
Customers' Liabilities for Acceptances and Guarantees	**1,738,971**		**1,738,971**	**—**	**—**	**16**	**—**
Reserve for Possible Loan Losses	**(48,402)**		**(48,402)**	**—**	**—**	**—**	**—**
Reserve for Possible Investment Losses	**(154)**		**(154)**	**—**	**—**	**—**	**—**
Total assets	**105,953,925**		**93,899,829**	**24,193,374**	**10,702,769**	**50,344,968**	**675,705**
Liabilities							
Deposits	**66,797,069**		**—**	**4,294,799**	**—**	**4,985,259**	**61,811,809**
Negotiable Certificates of Deposit	**790,599**		**—**	**—**	**—**	**—**	**790,599**
Debentures	**1,254,239**		**—**	**—**	**—**	**—**	**1,254,239**
Trading Liabilities	**7,022**		**—**	**7,022**	**—**	**7,022**	**—**
Borrowed Money	**4,837,392**		**—**	**—**	**—**	**358,102**	**4,479,289**
Payables under Repurchase Agreements	**15,111,297**		**—**	**15,111,297**	**—**	**3,953**	**—**
Foreign Exchange Liabilities	**32**		**—**	**—**	**—**	**32**	**—**
Short-term Entrusted Funds	**1,048,091**		**—**	**—**	**—**	**—**	**1,048,091**
Other Liabilities	**6,320,163**		**—**	**616,743**	**—**	**5,782,101**	**188,964**
Reserve for Bonus Payments	**7,557**		**—**	**—**	**—**	**—**	**7,557**
Net Defined Benefit Liability	**38,287**		**—**	**—**	**—**	**—**	**38,287**
Reserve for Directors' Retirement Benefits	**1,236**		**—**	**—**	**—**	**—**	**1,236**
Deferred Tax Liabilities	**520,070**		**—**	**—**	**—**	**—**	**520,070**
Deferred Tax Liabilities for Land Revaluation	**8,607**		**—**	**—**	**—**	**—**	**8,607**
Acceptances and Guarantees	**1,738,971**		**—**	**—**	**—**	**16**	**1,738,971**
Total liabilities	**98,480,637**		**—**	**20,029,862**	**—**	**11,136,489**	**71,887,723**

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.

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	11,844,939	—	14,009	1,379,541	—	
Foreign Exchange Assets	324,698	324,698	—	—	240,551	—	
Securities	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	2,421,431	—	6,841,086	—	
Trading Assets	8,582	—	5,526	—	8,582	—	
Monetary Claims Bought	354,872	138,088	—	216,784	—	—	
Call Loans and Bills Bought	630,000	630,000	—	—	—	—	
Cash and Due from Banks	28,756,371	28,756,371	—	—	76,818	—	
Other Assets	1,585,342	226,275	835,810	25,273	767,549	497,982	
Tangible Fixed Assets	122,356	122,356	—	—	—	—	
Intangible Fixed Assets	43,480	—	—	—	—	43,480	
Net Defined Benefit Asset	52,510	—	—	—	—	52,510	
Deferred Tax Assets	2,026	—	—	—	—	2,026	
Customers' Liabilities for Acceptances and Guarantees	1,474,730	1,474,730	—	—	10,640	—	
Reserve for Possible Loan Losses	(47,716)	(47,716)	—	—	—	—	
Reserve for Possible Investment Losses	(4)	(4)	—	—	—	—	
Total assets	104,927,769	96,198,285	24,644,560	7,232,697	45,498,073	652,392	
Liabilities							
Deposits	65,799,561	—	4,424,474	—	5,070,005	60,729,555	
Negotiable Certificates of Deposit	2,920,656	—	—	—	—	2,920,656	
Debentures	1,766,498	—	—	—	—	1,766,498	
Trading Liabilities	5,034	—	5,034	—	5,034	—	
Borrowed Money	4,641,504	—	—	—	272,647	4,368,856	
Payables under Repurchase Agreements	15,080,638	—	15,080,638	—	—	—	
Foreign Exchange Liabilities	38	—	—	—	30	8	
Short-term Entrusted Funds	1,405,187	—	—	—	—	1,405,187	
Other Liabilities	4,569,727	—	634,456	—	3,891,211	150,280	
Reserve for Bonus Payments	7,591	—	—	—	—	7,591	
Net Defined Benefit Liability	35,481	—	—	—	—	35,481	
Reserve for Directors' Retirement Benefits	1,508	—	—	—	—	1,508	
Deferred Tax Liabilities	464,915	—	—	—	—	464,915	
Deferred Tax Liabilities for Land Revaluation	8,607	—	—	—	—	8,607	
Acceptances and Guarantees	1,474,730	—	—	—	10,640	1,474,730	
Total liabilities	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 2018 (Ended March 31, 2019)

(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)	**105,278,219**	**93,899,829**	**24,193,374**	**10,702,769**	**50,344,968**
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	**26,592,914**	**—**	**20,029,862**	**—**	**11,136,489**
3	Total net amount under regulatory scope of consolidation	**78,685,305**	**93,899,829**	**4,163,512**	**10,702,769**	**39,208,479**
4	Off-balance sheet amounts	**(15,886,255)**	**1,489,805**	**—**	**—**	**(17,376,061)**
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	**48,557**	**48,557**	**—**	**—**	**—**
8	Differences due to prudential filters	**—**	**—**	**—**	**—**	**—**
9	Others	**1,970,305**	**52,639**	**21,379,590**	**—**	**(19,461,923)**
	of which: repo-type transactions differences	**20,381,298**	**—**	**20,381,298**	**—**	**—**
	of which: derivative transactions differences	**998,291**	**—**	**998,291**	**—**	**—**
10	Exposure amounts considered for regulatory purposes	**134,107,199**	**95,490,832**	**25,543,103**	**10,702,769**	**2,370,494**

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.

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 2018 (Ended March 31, 2019)

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	17,543	12,623	18,542	48,709	40	14	0
Asia except Japan	505	408	2	916	—	—	—
Europe	657	8,928	276	9,862	—	—	—
The Americas	1,013	8,487	651	10,152	0	0	—
Other areas	411	493	244	1,149	0	—	0
Amounts held by consolidated subsidiaries	1,958	31	72	2,062	4	0	0
Offsets on consolidation	(244)	(75)	(29)	(349)	—	—	—
Total	21,846	30,898	19,759	72,504	46	15	1

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	3,107	515	136	3,759	15	2	0
Agriculture	69	—	0	69	8	5	0
Forestry	5	—	0	5	0	0	—
Fishing	20	0	0	20	10	4	0
Mining	38	—	0	38	—	—	—
Construction	86	11	0	97	0	—	—
Utility	767	5	1	775	—	—	—
Information/telecommunications	142	15	0	158	—	—	—
Transportation	762	284	0	1,048	0	0	—
Wholesaling, retailing	1,633	127	1	1,762	2	0	—
Finance and insurance	3,868	4,516	19,218	27,603	0	0	—
Real estate	743	45	3	792	0	0	—
Services	1,943	102	3	2,049	3	1	—
Municipalities	11	462	3	477	—	—	—
Others	6,929	24,854	347	32,130	0	—	0
Amounts held by consolidated subsidiaries	1,958	31	72	2,062	4	0	0
Offsets on consolidation	(244)	(75)	(29)	(349)	—	—	—
Total	21,846	30,898	19,759	72,504	46	15	1

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	**10,783**	**5,405**	**19,354**	**35,543**
Over 1 year to 3 years	**3,445**	**9,983**	**30**	**13,459**
Over 3 years to 5 years	**3,042**	**1,493**	**5**	**4,541**
Over 5 years to 7 years	**1,157**	**1,677**	**8**	**2,843**
Over 7 years	**1,691**	**11,546**	**55**	**13,292**
No term to maturity	**12**	**835**	**262**	**1,110**
Amounts held by consolidated subsidiaries	**1,958**	**31**	**72**	**2,062**
Offsets on consolidation	**(244)**	**(75)**	**(29)**	**(349)**
Total	**21,846**	**30,898**	**19,759**	**72,504**

Notes: 1. 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.
2. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

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 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.
2. 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, 2019**	As of March 31, 2018
Less than One Month	**0**	0
From One Month to less than Two Months	**—**	0
From Two Months to less than Three Months	**0**	0
Three Months or More	**0**	0
Amounts held by consolidated subsidiaries	**1**	1
Total	**2**	1

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

Special Attention

(Billions of Yen)

Items	**As of March 31, 2019**	As of March 31, 2018
Amounts of the reserves that were increased to address the exposure	**16**	14
Amounts of other than the above	**—**	—
Amounts held by consolidated subsidiaries	**1**	1
Total	**18**	15

Ratio of the EAD for each asset class to the total amount of EAD
Fiscal 2018 (Ended March 31, 2019)

(Millions of Yen)

Items	EAD	Percentage of total amount of EAD
Subject to Standardized Approach	**183,840**	**0.26%**
Subject to Internal Ratings-Based Approach (IRB)	**71,281,728**	**99.42%**
Corporate exposure (excluding Specialized Lending Products)	**9,240,490**	**12.89%**
Corporate exposure (Specialized Lending)	**1,061,181**	**1.48%**
Bank exposure	**4,986,935**	**6.95%**
Sovereign exposure	**47,677,411**	**66.50%**
Equity portfolios subject to PD/LGD approaches	**778,917**	**1.09%**
Retail exposure	**1,782,291**	**2.48%**
Other debt purchased	**5,754,498**	**8.03%**
Important investments	**—**	**0.00%**
Lease transactions	**—**	**0.00%**
Other assets	**228,062**	**0.32%**
Total	**71,693,631**	**100.00%**

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 2018 (Ended March 31, 2019)

(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	**37,652**	**18,365,059**	**44,829**	**18,357,882**
2	Debt Securities	**—**	**30,125,945**	**—**	**30,125,945**
3	Off-balance sheet exposures	**16**	**19,543,652**	**34**	**19,543,633**
4	Total on-balance sheet assets (1+2+3)	**37,668**	**68,034,656**	**44,863**	**68,027,461**
	Off-balance sheet assets				
5	Acceptances and Guarantees	**1,614**	**1,737,356**	**1,834**	**1,737,136**
6	Commitments	**—**	**1,122,823**	**245**	**1,122,577**
7	Total off-balance sheet assets (5+6)	**1,614**	**2,860,179**	**2,080**	**2,859,713**
	Total				
8	Total (4+7)	**39,283**	**70,894,836**	**46,944**	**70,887,175**

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

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 2018 (Ended March 31, 2019)

(Millions of Yen)

No.			a
1	Defaulted loans and debt securities at end of the previous reporting period		**40,004**
2	Changes in the amounts of per factor during fiscal 2018	Default	**23,213**
3		Returned to non-defaulted status	**389**
4		Amounts written off	**703**
5		Other changes (Decrease in the balance due to a recovery of exposure mainly at default)	**(24,456)**
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)		**37,668**

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 mainly 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 2018 (Ended March 31, 2019)

(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	**17,872,799**	**485,083**	**440,739**	**465,945**	**—**
2	Debt securities	**29,204,481**	**921,463**	**—**	**921,463**	**—**
3	Other on-balance sheet assets	**19,541,462**	**2,170**	**566**	**2,451**	**—**
4	Total	**66,618,743**	**1,408,717**	**441,305**	**1,389,860**	**—**
5	Of which defaulted	**34,884**	**2,784**	**5,872**	**—**	**—**

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 2018 (Ended March 31, 2019)

(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 IRB approach-applied subsidiaries and b) the suspense payments and prepaid expenses on the consolidated balance sheet of the Bank and IRB approach-applied subsidiaries.

2. The total of the credit risk assets subject to the Standardized Approach (above a+b) is ¥135.3 billion, which is not shown in these statements due to its extremely limited amount—only about 0.33% of the credit risk assets on a consolidated basis (¥40,256.9 billion).

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen, %)

No.	Asset classes	a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA	RWA density
		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 IRB approach-applied subsidiaries and b) the suspense payments and prepaid expenses on the consolidated balance sheet of the Bank and IRB approach-applied subsidiaries.

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 2018 (Ended March 31, 2019)

(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 and off-balance sheet assets of the Bank's consolidated subsidiaries, with the exception of IRB approach-applied subsidiaries and b) the suspense payments and prepaid expenses on the consolidated balance sheet of the Bank and IRB approach-applied subsidiaries.

2. The total of the credit risk assets subject to the Standardized Approach (above a+b) is ¥135.3 billion, which is not shown in these statements due to its extremely limited amount—only about 0.33% of the credit risk assets on a consolidated basis (¥40,256.9 billion).

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.	Risk weight / Asset classes	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 and off-balance sheet assets of the Bank's consolidated subsidiaries, with the exception of IRB approach-applied subsidiaries and b) the suspense payments and prepaid expenses on the consolidated balance sheet of the Bank and IRB approach-applied subsidiaries.

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 2018 (Ended March 31, 2019)

(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	47,529,594	—	—	48,368,659	0.00	0.0	45.00	2.3	138,418	0.28	99	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	34,414	—	—	6,566	0.28	0.0	45.00	4.9	5,107	77.78	8	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	704	—	—	704	0.86	0.0	45.00	5.0	835	118.67	2	
6	Exceeding 2.50 to 10.00 or less	112,698	—	—	68	5.90	0.0	45.00	5.0	128	188.34	1	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	47,677,411	—	—	48,375,999	0.00	0.0	45.00	2.3	144,491	0.29	111	—
	Bank exposure												
1	0.00 to 0.15 or less	4,807,623	—	—	4,807,623	0.03	0.1	44.81	2.1	836,519	17.39	802	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	88,842	1,000	0.75	25,941	0.40	0.0	43.50	2.5	16,185	62.39	45	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	57,379	2,406	0.95	59,354	1.14	0.0	25.88	1.7	32,203	54.25	175	
6	Exceeding 2.50 to 10.00 or less	29,513	519	1.00	29,050	3.97	0.0	28.19	2.0	26,120	89.91	358	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	4,983,359	3,925	0.91	4,921,969	0.07	0.2	44.48	2.1	911,029	18.50	1,380	—
	Corporate exposure (excluding SMEs exposure and specialized lending)												
1	0.00 to 0.15 or less	880,965	—	—	348,668	0.05	0.1	61.45	3.6	134,521	38.58	107	
2	Exceeding 0.15 to 0.25 or less	9,784	—	—	9,784	0.15	0.0	57.26	2.9	5,581	57.04	8	
3	Exceeding 0.25 to 0.50 or less	24	—	—	24	0.42	0.0	45.00	2.1	15	60.47	0	
4	Exceeding 0.50 to 0.75 or less	5	—	—	5	0.63	0.0	45.00	4.7	5	104.33	0	
5	Exceeding 0.75 to 2.50 or less	26,387	40	0.75	1,118	1.83	0.0	45.00	3.8	1,423	127.27	9	
6	Exceeding 2.50 to 10.00 or less	13,844	474	0.74	14,199	3.91	0.1	45.00	4.5	23,404	164.82	249	
7	Exceeding 10.00 to 100.00 or less	39,027	2,667	0.75	41,027	15.35	0.0	45.00	4.4	100,266	244.38	2,833	
8	100.00 (default)	1,541	—	—	1,541	100.00	0.0	45.00	4.0	—	—	693	
9	Subtotal	971,581	3,181	0.75	416,371	2.06	0.4	59.06	3.7	265,219	63.69	3,902	107
	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	**650,849**	—	—	**650,849**	**0.04**	**0.1**	**90.00**	**5.0**	**652,038**	**100.18**	**285**	
2	Exceeding 0.15 to 0.25 or less	**109,310**	—	—	**109,310**	**0.15**	**0.1**	**90.00**	**5.0**	**131,264**	**120.08**	**148**	
3	Exceeding 0.25 to 0.50 or less	**15,458**	—	—	**15,458**	**0.41**	**0.0**	**90.00**	**5.0**	**29,684**	**192.03**	**57**	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	**1,949**	—	—	**1,949**	**1.11**	**0.0**	**90.00**	**5.0**	**5,196**	**266.62**	**19**	
6	Exceeding 2.50 to 10.00 or less	**658**	—	—	**658**	**4.12**	**0.0**	**90.00**	**5.0**	**2,557**	**388.39**	**24**	
7	Exceeding 10.00 to 100.00 or less	**688**	—	—	**688**	**15.84**	**0.0**	**90.00**	**5.0**	**4,698**	**682.49**	**98**	
8	100.00 (default)	**3**	—	—	**3**	**100.00**	**0.0**	**90.00**	**5.0**	**39**	**1,125.00**	**3**	
9	Subtotal	**778,917**	—	—	**778,917**	**0.09**	**0.3**	**90.00**	**5.0**	**825,479**	**105.97**	**636**	
	Debt purchased for corporate (Default risk)												
1	0.00 to 0.15 or less	**5,385,268**	—	—	**5,385,248**	**0.00**	**0.0**	**45.00**	**1.0**	**1,355**	**0.02**	**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	**5,385,268**	—	—	**5,385,248**	**0.00**	**0.0**	**45.00**	**1.0**	**1,355**	**0.02**	**1**	—
	Debt purchased for corporate (Dilution risk)												
1	0.00 to 0.15 or less	—	—	—	**10,329**	**0.00**	**0.0**	**45.00**	**1.0**	—	**0.00**	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	**937**	**0.15**	**0.0**	**45.00**	**1.0**	**232**	**24.77**	**0**	
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	—	—	—	**11,267**	**0.01**	**0.0**	**45.00**	**1.0**	**232**	**2.06**	**0**	—
	Loan participation (corporate) (Default risk of seller)												
1	0.00 to 0.15 or less	—	—	—	**41,262**	**0.01**	**0.0**	**45.00**	**2.8**	**2,288**	**5.54**	**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	—	—	—	**41,262**	**0.01**	**0.0**	**45.00**	**2.8**	**2,288**	**5.54**	**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	**—**	**1,594,855**	**1.00**	**1,594,855**	**0.30**	**82.3**	**55.98**	**—**	**482,805**	**30.27**	**2,678**	
4	Exceeding 0.50 to 0.75 or less	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	
5	Exceeding 0.75 to 2.50 or less	**134,592**	**—**	**—**	**134,592**	**0.77**	**10.4**	**68.41**	**—**	**96,805**	**71.92**	**709**	
6	Exceeding 2.50 to 10.00 or less	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	
7	Exceeding 10.00 to 100.00 or less	**1,214**	**2,542**	**1.00**	**3,757**	**20.99**	**0.3**	**60.00**	**—**	**12,774**	**339.98**	**478**	
8	100.00 (default)	**1,559**	**779**	**1.00**	**2,339**	**100.00**	**0.3**	**94.21**	**—**	**3,416**	**146.04**	**2,204**	
9	Subtotal	**137,367**	**1,598,177**	**1.00**	**1,735,545**	**0.51**	**93.4**	**57.00**	**—**	**595,801**	**34.32**	**6,070**	**1,925**
	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	**244**	**729**	**1.00**	**974**	**0.27**	**0.8**	**90.25**	**—**	**434**	**44.60**	**2**	
4	Exceeding 0.50 to 0.75 or less	**39,569**	**—**	**—**	**39,569**	**0.69**	**1.5**	**58.05**	**—**	**19,634**	**49.61**	**158**	
5	Exceeding 0.75 to 2.50 or less	**1,030**	**3,630**	**1.00**	**4,660**	**2.19**	**2.7**	**97.02**	**—**	**5,949**	**127.63**	**99**	
6	Exceeding 2.50 to 10.00 or less	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	
7	Exceeding 10.00 to 100.00 or less	**279**	**0**	**1.00**	**280**	**22.47**	**0.0**	**58.16**	**—**	**381**	**135.69**	**36**	
8	100.00 (default)	**1,253**	**7**	**1.00**	**1,260**	**100.00**	**0.1**	**86.01**	**—**	**2,081**	**165.13**	**1,084**	
9	Subtotal	**42,378**	**4,368**	**1.00**	**46,746**	**3.64**	**5.2**	**63.36**	**—**	**28,481**	**60.92**	**1,381**	**578**
Total		**59,976,284**	**1,609,653**	**0.99**	**61,713,327**	**0.03**	**99.9**	**45.97**	**2.2**	**2,774,377**	**4.49**	**13,488**	**2,611**

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

(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
	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	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	—

(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
	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	—	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 2018 (Ended March 31, 2019)

(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	—	—	—	29,690	0.02	0.0	30.31	4.2	1,962	6.60	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	—	—	—	29,690	0.02	0.0	30.31	4.2	1,962	6.60	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	—	—	—	—	—	—	—	—	—	—	—	—
	Corporate exposure (excluding SMEs exposure and specialized lending)												
1	0.00 to 0.15 or less	4,516,403	1,153,915	0.45	5,283,259	0.05	0.4	29.81	2.9	866,130	16.39	832	
2	Exceeding 0.15 to 0.25 or less	2,153,658	325,292	0.61	2,140,661	0.16	0.5	29.76	2.8	643,932	30.08	1,072	
3	Exceeding 0.25 to 0.50 or less	301,338	39,750	0.47	323,634	0.42	0.2	28.37	2.6	136,173	42.07	385	
4	Exceeding 0.50 to 0.75 or less	118,301	6,708	0.74	94,960	0.63	0.0	27.34	3.1	54,077	56.94	163	
5	Exceeding 0.75 to 2.50 or less	247,047	29,226	0.38	249,083	1.19	0.5	28.05	2.5	153,484	61.61	834	
6	Exceeding 2.50 to 10.00 or less	49,492	16,371	0.33	45,806	4.79	0.4	28.41	2.6	43,155	94.21	624	
7	Exceeding 10.00 to 100.00 or less	64,228	12,487	0.87	66,161	15.83	0.3	28.20	2.5	93,334	141.06	2,954	
8	100.00 (default)	39,613	3,027	0.27	33,264	100.00	0.1	27.37	1.7	—	0.00	9,106	
9	Subtotal	7,490,084	1,586,780	0.48	8,236,832	0.69	2.7	29.63	2.8	1,990,288	24.16	15,973	13,056
	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	—	—	—	—	—	—	—	—	—	—	—	
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	**166,359**	**41,500**	**1.00**	**220,921**	**0.04**	**0.0**	**30.05**	**1.2**	**17,238**	**7.80**	**32**	
2	Exceeding 0.15 to 0.25 or less	**45,127**	**6,433**	**0.75**	**43,827**	**0.21**	**0.0**	**30.35**	**2.6**	**13,709**	**31.27**	**28**	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	**30,935**	—	—	**31,765**	**0.63**	**0.0**	**25.75**	**4.0**	**16,918**	**53.26**	**51**	
5	Exceeding 0.75 to 2.50 or less	**23,730**	—	—	**15,963**	**1.05**	**0.0**	**21.12**	**4.2**	**8,257**	**51.72**	**34**	
6	Exceeding 2.50 to 10.00 or less	**4,243**	—	—	**4,243**	**3.49**	**0.0**	**20.71**	**5.0**	**3,908**	**92.11**	**30**	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	**270,395**	**47,933**	**0.96**	**316,720**	**0.22**	**0.0**	**29.08**	**1.9**	**60,032**	**18.95**	**176**	—
	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	—	—	—	—	—	—	—	—	—	—	—	—
	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	—	—	—	—	—	—	—	—	—	—	—	—

(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	—	—	—	—	—	—	—	—	—	—	—	
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		7,760,479	1,634,714	0.50	8,583,243	0.67	2.8	29.61	2.8	2,052,283	23.91	16,152	13,056

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 2018 (Ended March 31, 2019)

(Millions of Yen)

No.	Portfolio	a Pre-credit derivatives RWA	b 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, 2019, credit derivatives are not shown in these statements.

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.	Portfolio	a Pre-credit derivatives RWA	b 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 2018 (Ended March 31, 2019)

(Millions of Yen)

No.			RWA amounts
1	RWA as at end of previous reporting period		**4,900,735**
2	Changes in the amounts per factor during fiscal 2018	Asset size	**1,010,639**
3		Asset quality	**(298,803)**
4		Model updates	**0**
5		Methodology and policy	**0**
6		Acquisitions and disposals	**0**
7		Foreign exchange movements	**16,287**
8		Other	**0**
9	RWA as at end of reporting period		**5,628,859**

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 2018 (Ended March 31, 2019)

(%, 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%	90	94	0	0	0.00%
	3 to 4	BBB+—BBB-	Baa1—Baa3	BBB+—BBB-	BBB+—BBB-	BBB+—BBB-	0.11%	0.11%	21	21	0	0	0.00%
	5 to 6	BB+—BB-	Ba1—Ba3	BB+—BB-	BB+—BB-	BB+—BB-	3.21%	3.21%	2	2	0	0	0.00%
	7	B+	B1	B+	B+	B+	—	—	—	1	0	0	0.00%
	8-1 to 8-2	B—CCC-	B2—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	162	0	0	0.00%
	3 to 4	BBB+—BBB-	Baa1—Baa3	BBB+—BBB-	BBB+—BBB-	BBB+—BBB-	0.08%	0.17%	102	103	0	0	0.00%
	5 to 6	BB+—BB-	Ba1—Ba3	BB+—BB-	BB+—BB-	BB+—BB-	1.53%	1.81%	119	112	0	0	0.00%
	7	B+	B1	B+	B+	B+	4.95%	4.95%	21	19	0	0	0.00%
	8-1 to 8-2	B—CCC-	B2—Caa3	B—CCC-	B—CCC-	B—CCC	8.94%	8.94%	3	4	0	0	0.00%
Corporate exposure	1-1 to 2	AAA—A-	Aaa—A3	AAA—A-	AAA—A-	AAA—A-	0.05%	0.05%	510	532	0	0	0.00%
	3 to 4	BBB+—BBB-	Baa1—Baa3	BBB+—BBB-	BBB+—BBB-	BBB+—BBB-	0.21%	0.26%	993	962	0	0	0.02%
	5 to 6	BB+—BB-	Ba1—Ba3	BB+—BB-	BB+—BB-	BB+—BB-	1.20%	1.39%	719	702	0	0	0.00%
	7	B+	B1	B+	B+	B+	4.68%	4.78%	561	613	5	0	1.00%
	8-1 to 8-2	B—CCC-	B2—Caa3	B—CCC-	B—CCC-	B—CCC	15.82%	15.83%	374	405	14	0	4.19%
Retail exposure	Standard loans						0.37%	0.46%	78,431	97,941	88	3	0.08%
	Delinquent loans						21.62%	20.10%	398	364	44	0	11.23%

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, 2017, and the "current year-end" as September 30, 2018, 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 2017 and the "current year-end" being the end of the same reference month for 2018, 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, 2018.

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	0.38%
Bank exposure	Internal development methods Methods to refer to credit ratings by external agencies	Bank	2.40%
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	5.94%
Specialized Lending Products	Internal development methods	Not applicable because the slotting criteria method is applied	2.11%
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	2.15%
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	0.17%

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	1.57%
Qualifying revolving retail exposure	—	—	—
Other debt purchased (retail)	Purchased mortgage loans, purchased personal loans	Purchased retail receivables	0.00%
Other retail exposure	Agricultural funds for individual agricultural business operators, forestry funds for individual forestry business operators, fishery funds for individual fishery 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	0.07%

■ 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

Fiscal 2017 (Ended March 31, 2018)

(%, the Number of Items)

a	b	c					d	e	f		g	h	i
Portfolio	PD Range	External rating equivalent					Weighted average PD	Arithmetic average PD by obligors	Number of obligors		Defaulted obligors in the year	of which: new defaulted obligors in the year	Average historical annual default rate (5 years)
		S&P	Moody's	Fitch	R&I	JCR			End of previous period	End of current period			
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 2018 (Ended March 31, 2019)

(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	41,978	34,738	50%	62,411	5,621	—	—	68,032	34,016	—
	Equal to or more than 2.5 years	573,953	59,269	70%	512,381	45,822	—	38,259	596,463	417,524	2,385
Good	Less than 2.5 years	—	19,159	70%	11,821	—	—	—	11,821	8,274	47
	Equal to or more than 2.5 years	225,667	74,377	90%	201,096	31,098	—	—	232,195	208,975	1,857
Satisfactory		40,279	1,612	115%	28,897	12,590	—	—	41,488	47,711	1,161
Weak		33,649	3,876	250%	27,894	6,382	—	—	34,277	85,694	2,742
Default		380	—	—	—	877	—	—	877	—	438
Total		915,908	193,034	—	844,503	102,394	—	38,259	985,157	802,198	8,633
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		378,165	—	300%					378,165	1,134,497	
Private equity exposures		142,276	—	400%					142,276	569,105	
Other equity exposures		—	—	—					—	—	
Total		520,441	—	—					520,441	1,703,602	
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%					—	—	

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 2018 (Ended March 31, 2019)

(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	**10,294**	**250,099**		**1.4**	**392,177**	**54,677**
2	Expected positive exposure method			**—**	**—**	**—**	**—**
3	Simple Approach for credit risk mitigation					**—**	**—**
4	Comprehensive Approach for credit risk mitigation					**15,884,780**	**158,930**
5	VaR					**—**	**—**
6	Total						**213,608**

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 2018 (Ended March 31, 2019)

(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	**348,120**	**74,451**
5	Total subject to the CVA capital charge	**348,120**	**74,451**

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 2018 (Ended March 31, 2019)

(Millions of Yen)

No.	Items / Risk weight	a	b	c	d	e	f	g	h	i
		Amount of Credit Exposure (Consideration the effect of credit risk mitigation techniques)								
		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, 2019.

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.	Items / Risk weight	a	b	c	d	e	f	g	h	i
		Amount of Credit Exposure (Consideration the effect of credit risk mitigation techniques)								
		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 2018 (Ended March 31, 2019)

(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	**2,181,938**	**0.00**	**0.0**	**45.00**	**0.8**	**—**	**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	**2,181,938**	**0.00**	**0.0**	**45.00**	**0.8**	**—**	**0.00**
	Bank exposure							
1	0.00 to 0.15 or less	**12,812,601**	**0.03**	**0.0**	**8.00**	**0.1**	**167,624**	**1.30**
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	**12,812,601**	**0.03**	**0.0**	**8.00**	**0.1**	**167,624**	**1.30**
	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		**14,994,539**	**0.02**	**0.0**	**13.39**	**0.2**	**167,624**	**1.11**

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

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 2018 (Ended March 31, 2019)

(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	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	**1,278,410**	**0.05**	**0.0**	**17.32**	**0.1**	**44,040**	**3.44**
2	Exceeding 0.15 to 0.25 or less	**1,465**	**0.15**	**0.0**	**30.35**	**2.6**	**397**	**27.11**
3	Exceeding 0.25 to 0.50 or less	**2,418**	**0.42**	**0.0**	**30.35**	**4.8**	**1,485**	**61.41**
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—
5	Exceeding 0.75 to 2.50 or less	**121**	**0.98**	**0.0**	**30.35**	**1.0**	**59**	**48.97**
6	Exceeding 2.50 to 10.00 or less	**0**	**4.80**	**0.0**	**30.35**	**1.0**	**0**	**87.57**
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—
8	100.00 (default)	—	—	—	—	—	—	—
9	Subtotal	**1,282,417**	**0.05**	**0.0**	**17.36**	**0.1**	**45,984**	**3.58**
Total		**1,282,417**	**0.05**	**0.0**	**17.36**	**0.1**	**45,984**	**3.58**

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

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	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)

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
	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 2018 (Ended March 31, 2019)

(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	**—**	**36,101**	**—**	**348,695**	**—**	**4,701**
2	Cash – other currencies	**—**	**7,744**	**—**	**32,140**	**19,493,702**	**85,064**
3	Domestic sovereign debt	**—**	**—**	**644,050**	**—**	**13,770**	**5,546,402**
4	Other sovereign debt	**—**	**—**	**1,145**	**—**	**63,735**	**12,745,617**
5	Government agency debt	**—**	**—**	**—**	**—**	**1,980**	**3,157,687**
6	Corporate bonds	**—**	**—**	**—**	**—**	**—**	**459,571**
7	Equity securities	**—**	**—**	**32,542**	**—**	**—**	**—**
8	Other collateral	**—**	**—**	**—**	**—**	**948**	**1,787,166**
9	Total	**—**	**43,846**	**677,739**	**380,836**	**19,574,136**	**23,786,212**

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 2018 (Ended March 31, 2019)

(Millions of Yen)

No.		a	b
		Protection bought	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 subject to the tallying on this template as of March 31, 2019.

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

No.		a	b
		Protection bought	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 subject to the tallying on this template as of March 31, 2018.

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

Fiscal 2018 (Ended March 31, 2019)

(Millions of Yen)

No.			Amounts
1	RWA as at end of previous reporting period		—
2	Changes in the amounts of per factor during fiscal 2018	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, 2019.

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 2018 (Ended March 31, 2019)

(Millions of Yen)

No.		a	b
		EAD (post-CRM)	RWA
1	Exposures to QCCPs (total)		**238,684**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	**9,021,107**	**383**
3	(i) OTC derivatives	**1,248,216**	**375**
4	(ii) Exchange-traded derivatives	**330**	**7**
5	(iii) Securities financing transactions	**7,772,560**	**—**
6	(iv) Netting sets where cross-product netting has been approved	**—**	**—**
7	Segregated initial margin	**—**	
8	Non-segregated initial margin	**128,891**	**0**
9	Pre-funded default fund contributions	**116,147**	**238,299**
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	**—**	**—**

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 2018 (Ended March 31, 2019)

(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	**—**	**—**	**—**	**—**	**—**	**—**	**3,074,940**	**—**	**3,074,940**
2	residential mortgage	**—**	**—**	**—**	**—**	**—**	**—**	**2,024,003**	**—**	**2,024,003**
3	credit card	**—**	**—**	**—**	**—**	**—**	**—**	**312,488**	**—**	**312,488**
4	other retail exposures	**—**	**—**	**—**	**—**	**—**	**—**	**738,449**	**—**	**738,449**
5	re-securitization	**—**	**—**	**—**	**—**	**—**	**—**	**0**	**—**	**0**
6	Wholesale (total) – of which	**—**	**—**	**—**	**—**	**—**	**—**	**7,627,828**	**—**	**7,627,828**
7	loans to corporates	**—**	**—**	**—**	**—**	**—**	**—**	**7,556,883**	**—**	**7,556,883**
8	commercial mortgage	**—**	**—**	**—**	**—**	**—**	**—**	**67,036**	**—**	**67,036**
9	lease and receivables	**—**	**—**	**—**	**—**	**—**	**—**	**3,908**	**—**	**3,908**
10	other wholesale	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
11	re-securitization	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**

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 2018 (Ended March 31, 2019)

(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	—	—	—	—	—	—	—	—	—

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 2018 (Ended March 31, 2019)

(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%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

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	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

(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 underly-ing	Of which wholesale		Of which senior	Of which non-senior			Of which retail underly-ing	Of which wholesale		Of which senior	Of which non-senior
	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 2018 (Ended March 31, 2019)

(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 underly-ing	Of which wholesale		Of which senior	Of which non-senior			Of which retail underly-ing	Of which wholesale		Of which senior	Of which non-senior
	Exposure values (by RW bands)															
1	≤20% RW	10,671,236	10,671,236	10,671,236	3,043,407	7,627,828	–	–	–	–	–	–	–	–	–	–
2	>20% to 50% RW	5,669	5,669	5,669	5,669	–	–	–	–	–	–	–	–	–	–	–
3	>50% to 100% RW	15,632	15,632	15,632	15,632	–	–	–	–	–	–	–	–	–	–	–
4	>100% to <1,250% RW	10,231	10,231	10,231	10,231	–	–	–	–	–	–	–	–	–	–	–
5	1,250% RW	0	0	–	–	–	0	–	0	–	–	–	–	–	–	–
	Exposure values (by regulatory approach)															
6	IRB SFA	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7	IRB SFA	10,702,769	10,702,769	10,702,769	3,074,940	7,627,828	–	–	–	–	–	–	–	–	–	–
8	SA/SSFA	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	1,250%	0	0	–	–	–	0	–	0	–	–	–	–	–	–	–
	RWA (by regulatory approach)															
10	IRB SFA	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	IRB SFA	2,159,835	2,159,835	2,159,835	634,627	1,525,208	–	–	–	–	–	–	–	–	–	–
12	SA/SSFA	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	1,250%	0	0	–	–	–	0	–	0	–	–	–	–	–	–	–

(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 underly-ing	Of which wholesale		Of which senior	Of which non-senior			Of which retail underly-ing	Of which wholesale		Of which senior	Of which non-senior
	Capital charge after cap															
14	IRB SFA	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	IRB SFA	**172,786**	**172,786**	**172,786**	**50,770**	**122,016**	–	–	–	–	–	–	–	–	–	–
16	SA/SSFA	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	1,250%	**0**	**0**	–	–	–	**0**	–	**0**	–	–	–	–	–	–	–

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 underly-ing	Of which wholesale		Of which senior	Of which non-senior			Of which retail underly-ing	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 2018 (Ended March 31, 2019)

(Millions of Yen)

No.			RWA
1	Interest rate risk (general and specific)		**—**
2	Equity risk (general and specific)		**—**
3	Foreign exchange risk		**2,352,803**
4	Commodity risk		**—**
	Options		
5		Simplified approach	**—**
6		Delta-plus method	**—**
7		Scenario approach	**—**
8	Securitization		**—**
9	Total		**2,352,803**

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 2018 (Ended March 31, 2019)

(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		**4,236**	**21,367**	**—**	**—**		**25,604**
1b	Adjustment of the amounts of risk-weighted assets given the regulatory required capital ratio at the end of the previous fiscal year		**5.01**	**2.50**	**—**	**—**		**2.72**
1c	Amounts calculated under the Internal Models Approach as of the reference date prior to the previous year-end calculation		**845**	**8,535**	**—**	**—**		**9,380**
2	Amounts of volatilities by factor during fiscal 2018	Movement in risk levels	**(127)**	**(3,919)**	**—**	**—**		**(4,047)**
3		Model updates/changes	**—**	**—**	**—**	**—**		**—**
4		Methodology and policy	**—**	**—**	**—**	**—**		**—**
5		Acquisitions and disposals	**—**	**—**	**—**	**—**		**—**
6		Foreign exchange movements	**4**	**10**	**—**	**—**		**14**
7		Other	**3**	**—**	**—**	**—**		**3**
8a	Amounts calculated under the Internal Models Approach as of the reference date for computation at the end of fiscal 2018		**725**	**4,626**	**—**	**—**		**5,352**
8b	Adjustment of the amounts of risk-weighted assets given the regulatory required capital ratio at the end of fiscal 2018		**4.54**	**3.11**	**—**	**—**		**3.30**
8c	RWA at end of reporting period		**3,297**	**14,392**	**—**	**—**		**17,690**

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 2018 (Ended March 31, 2019)

(Millions of Yen)

No.		
	VaR (10 day 99%)	
1	Maximum value	**403**
2	Average value	**131**
3	Minimum value	**36**
4	Period end	**58**
	Stressed VaR (10 day 99%)	
5	Maximum value	**1,108**
6	Average value	**583**
7	Minimum value	**143**
8	Period end	**370**
	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)	**—**

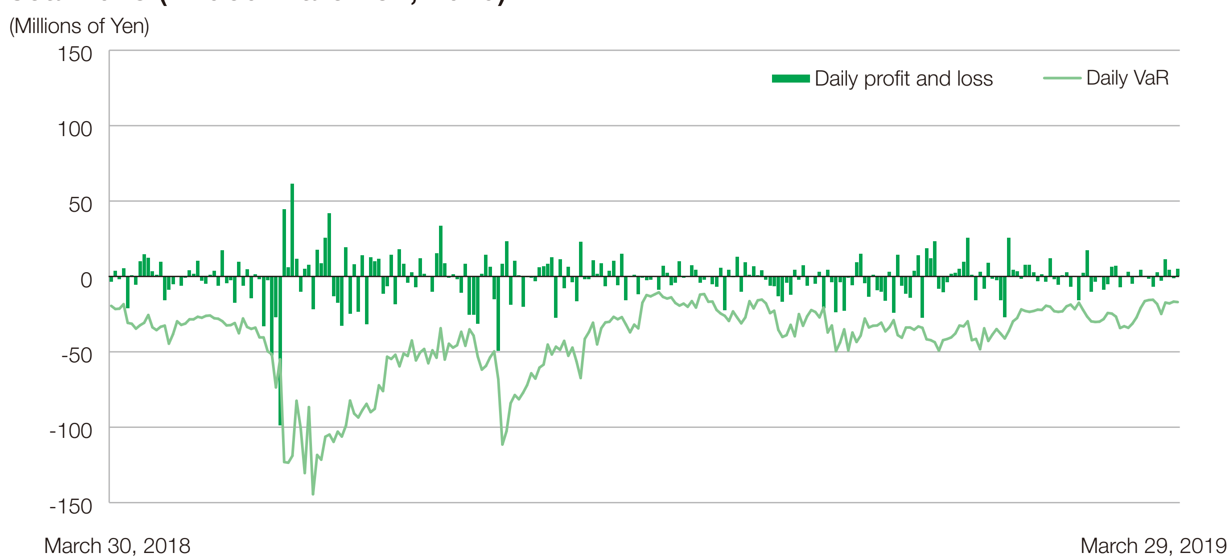
Fiscal 2017 (Ended March 31, 2018)

(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)	—

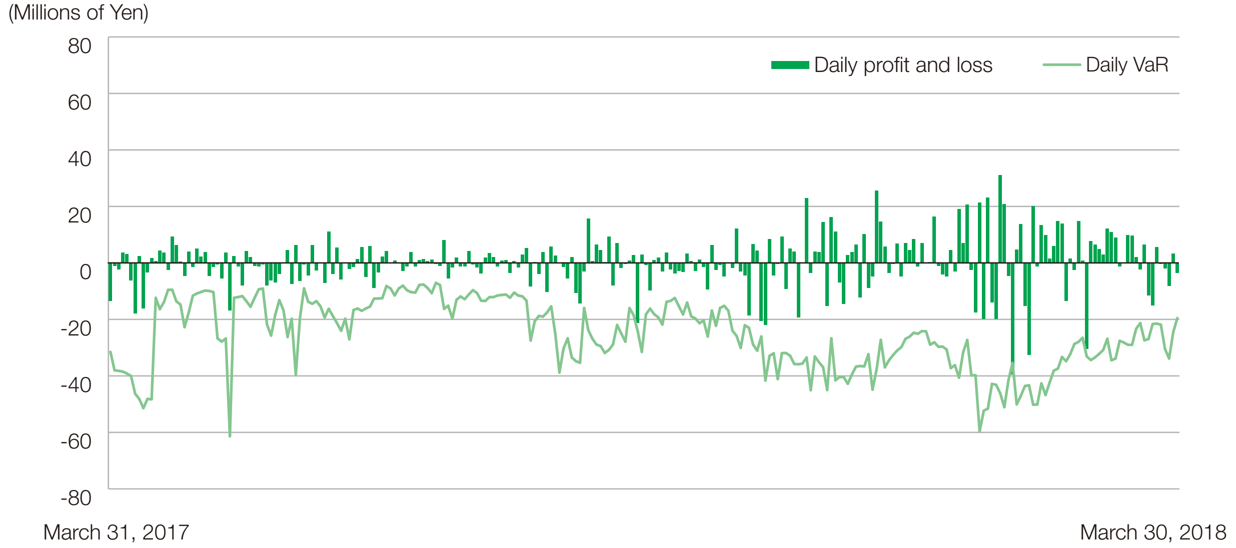
MR4: Comparison of VaR estimates with gains/losses

Fiscal 2018 (Ended March 31, 2019)



Note: The Bank conducted three excesses back-test in the past 250 business days. These excesses back-testing were conducted on May 24, 2018, resulting in a loss of ¥52 million with a VaR of ¥51 million, May 28, 2018, resulting in a loss of ¥98 million with a VaR of ¥54 million, November 28, 2018, resulting in a loss of ¥21 million with a VaR of ¥20 million. The reasons for these excesses back-testing were all market factors.

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

Fiscal 2018 (Ended March 31, 2019)

(Billions of Yen)

Items	Exposure
Look-through approach	**22,992**
Mandate-based approach	**339**
Simple approach (subject to 250% RW)	**—**
Simple approach (subject to 400% RW)	**29**
Fall-back approach (subject to 1,250% RW)	**94**
Total	**23,455**

Notes: 1. The "Look-through approach" is a computation method if the exposure-related information on the underlying assets for the retained exposure meets all the following requirements. Using this approach, the credit risk asset amount of the retained exposure is calculated by multiplying the amount of the retained exposure by the ratio that is obtained by dividing "the total amount of credit risk-weighted assets including such underlying assets" by "the total amount of assets held by the business entity that actually holds such underlying assets." (Please refer to Notification Regarding Capital Adequacy Ratio, Article 144-2.)

1. The assets have been acquired appropriately and frequently.

2. The related information has been inspected and verified by an independent third party.

2. The "Mandate-based approach" is a computation method used when credit risk asset amounts cannot be computed using the "Look-through approach." If clarified asset management criteria are available, using this approach, the credit risk asset amount of the retained exposure is calculated by multiplying the amount of the retained exposure by the ratio that is obtained by dividing the "maximized total amount of the credit risk-weighted assets including the underlying assets for the retained exposure based on such asset management criteria" by "the total amount of assets held by the business entity that actually holds such underlying assets." (Please refer to Notification Regarding Capital Adequacy Ratio, Article 144-7.)

3. The "Simple approach" is a computation method applied in the case the requirements for neither the "Look-through approach" nor the "Mandate-based approach" can be met. In this approach, if the purported risk weight of retained exposure is deemed to be highly probable at the probability level listed below based on the explanation and information provided, the purported risk weight is used to compute the credit risk asset amount of the retained exposure. (Please refer to Notification Regarding Capital Adequacy Ratio, Article 144-10.)

1. 250% or below: 250%

2. More than 250% and 400% or less: 400%

4. The "Fall-back approach (subject to 1,250% RW)" is a method for computing credit risk asset amounts using 1,250% risk weight in case none of the requirements of the "Look-through approach," "Mandate-based approach" or "Simple approach" can be met. (Please refer to Notification Regarding Capital Adequacy Ratio, Article 144-11.)

Fiscal 2017 (Ended March 31, 2018)

(Billions of Yen)

Items	Exposure
Look-through approach	18,187
Majority approach	939
Mandate-based approach	—
Market-based approach	1,330
Others (simple approach)	380
Total	20,837

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 the previous 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 previous Notification Regarding Capital Adequacy Ratio, Article 144-2.)

3. The "Mandate-based 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 previous 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 previous 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 previous Notification Regarding Capital Adequacy Ratio, Article 144-5.)

IRRBB1 – Quantitative information on IRRBB

(Millions of Yen)

No.		a	b	c	d
		⊿EVE		⊿NII	
		Fiscal 2018	Fiscal 2017	**Fiscal 2018**	Fiscal 2017
1	Parallel up	**2,334,465**	2,414,759	**211,427**	215,487
2	Parallel down	**(782,540)**	(910,955)	**(171,149)**	(134,632)
3	Steepener	**613,761**	744,233		
4	Flattener	**(22,001)**	(75,925)		
5	Short rate up	**654,816**	635,873		
6	Short rate down	**(224,577)**	(246,169)		
7	Maximum	**2,334,465**	2,414,759	**211,427**	215,487
		e		f	
		Fiscal 2018		Fiscal 2017	
8	Tier 1 capital	**8,489,855**		6,432,621	

Note: Interest risk measurements are conducted as to the non-consolidated and consolidated subsidiaries that retain more than a certain level of interest rate risk.

CCyB1: Geographical distribution of credit exposures used in the countercyclical capital buffer

Fiscal 2018 (Ended March 31, 2019)

(Millions of Yen, %)

	a	b	c	d
Geographical breakdown	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer	Bank-specific countercyclical capital buffer rate	Countercyclical buffer amount
Sweden	**2.00%**	**74,586**		
UK	**1.00%**	**1,714,726**		
Hong Kong (China)	**2.50%**	**94,432**		
Subtotal		**1,883,744**		
Total		**35,744,841**	**0.05%**	**21,600**

Note: As to geographic allocation methods for the amounts of credit risk-weighted assets, the location of each project of direct investments or fund and securitization products with which the look-through of the underlying assets is possible is defined as the ultimate country bearing the risk. Regarding fund and securitization products with which it is difficult to "look-through" the underlying assets, the ultimate risk-bearing country is allocated based on the asset management criteria and other factors.

Fiscal 2017 (Ended March 31, 2018)

Not applicable.

GSIB1: Disclosure of G-SIB indicators

(Millions of Yen)

Basel III Template No.			**Fiscal 2018**	Fiscal 2017
1	Cross-jurisdictional activity	Cross-jurisdictional claims	**52,259,913**	46,536,437
2		Cross-jurisdictional liabilities	**17,346,431**	18,461,796
3	Size	Total exposures	**108,003,728**	106,700,255
4	Interconnectedness	Intra-financial system assets	**8,469,985**	9,419,347
5		Intra-financial system liabilities	**5,074,153**	4,691,074
6		Securities outstanding	**2,044,838**	4,687,154
7	Substitutability/ Financial institution infrastructure	Assets under custody	**5,667,098**	5,291,116
8		Payment activity	**750,509,973**	924,000,246
9		Underwritten transactions in debt and equity markets	**19,770**	33,410
10	Complexity	Notional amount of over-the-counter (OTC) derivatives	**32,615,296**	28,013,565
11		Level 3 assets	**1,211,734**	1,482,364
12		Trading and available for sale (AFS) securities	**15,430,382**	13,771,436

Composition of Leverage Ratio Disclosure (Consolidated)

Composition of Leverage Ratio Disclosure (Consolidated)

(Millions of Yen, %)

Corresponding line # on Basel III disclosure template (Table 2) (*)	Corresponding line # on Basel III disclosure template (Table 1) (*)	Items		As of March 31, 2019	As of March 31, 2018
On-balance sheet exposures (1)					
1		On-balance sheet exposures before deducting adjustment items		**103,946,107**	102,618,948
1a	1	Total assets reported in the consolidated balance sheet		**105,953,925**	104,927,769
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) (–)		**2,007,818**	2,308,820
2	7	The amount of adjustment items pertaining to Tier 1 capital (–)		**197,315**	147,928
3		Total on-balance sheet exposures	(a)	**103,748,791**	102,471,020
Exposures related to derivative transactions (2)					
4		Replacement cost multiplied by 1.4 associated with derivatives transactions, etc.		**47,257**	
		Replacement cost associated with derivatives transactions, etc.			487,036
5		Potential future exposure multiplied by 1.4 associated with derivatives transactions, etc.		**765,719**	
		Add-on amount associated with derivatives transactions, etc.			442,777
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.			141,765
6		The amount of receivables arising from providing collateral, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework		**—**	—
		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) (–)		**155,688**	—
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)	**657,288**	1,071,579
Exposures related to repo transactions (3)					
12		The amount of assets related to repo transactions, etc.		**89,766**	89,463
13		The amount of deductions from the assets above (line 12) (–)		**—**	—
14		The exposures for counterparty credit risk for repo transactions, etc.		**654,497**	599,252
15		The exposures for agent repo transaction			
16	5	The Total exposures related to repo transactions, etc.	(c)	**744,264**	688,716
Exposures related to off-balance sheet transactions (4)					
17		Notional amount of off-balance sheet transactions		**4,294,725**	3,848,872
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (–)		**1,638,657**	1,527,861
19	6	Total exposures related to off-balance sheet transactions	(d)	**2,656,067**	2,321,011
Leverage ratio on a consolidated basis (5)					
20		The amount of capital (Tier 1 capital)	(e)	**8,489,855**	6,432,621
21	8	Total exposures ((a)+(b)+(c)+(d))	(f)	**107,806,412**	106,552,327
22		Leverage ratio on a consolidated basis ((e)/(f))		**7.87%**	6.03%

Reasons for the Significant Difference in the Leverage Ratio Disclosure (Consolidated) at the End of the Previous Term

The amount of capital increased due to the implementation of a capital enhancement.

Sound Management of Liquidity Risk (Consolidated)

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

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

Items		The current quarter (January 1 to March 31, 2019)		The previous quarter (October 1 to December 31, 2018)	
High-quality liquid assets (1)					
1	Total high-quality liquid assets		**26,396,317**		30,028,554
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	**46,690**	**4,643**	47,027	4,677
3	of which: stable deposits	**371**	**11**	372	11
4	of which: quasi-stable deposits	**46,319**	**4,632**	46,655	4,665
5	Cash outflows relating to unsecured wholesale funding	**10,435,820**	**7,522,931**	10,573,627	7,627,886
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	**9,812,566**	**6,899,677**	9,765,777	6,820,036
8	of which: debt securities	**623,254**	**623,254**	807,850	807,850
9	Cash outflows relating to secured funding, etc.		**166,963**		171,326
10	Cash outflows relating to funding programs and credit/ liquidity facilities such as derivative transactions, etc.	**2,677,929**	**1,573,518**	2,567,208	1,550,987
11	of which: cash outflows relating to derivative transactions	**1,318,653**	**1,318,653**	1,313,370	1,313,370
12	of which: cash outflows relating to funding programs	**0**	**0**	0	0
13	of which: cash outflows relating to credit/liquidity facilities	**1,359,276**	**254,865**	1,253,838	237,617
14	Cash outflows based on an obligation to provide capital	**6,720,140**	**831,697**	5,306,955	445,495
15	Cash outflows relating to contingencies	**5,176,359**	**243,922**	5,272,121	259,956
16	Total cash outflows		**10,343,674**		10,060,327
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.	**393,893**	**0**	494,842	0
18	Cash inflows relating to collections of advances, etc.	**3,445,241**	**2,757,554**	2,882,498	2,394,926
19	Other cash inflows	**6,843,439**	**609,318**	5,356,903	353,406
20	Total cash inflows	**10,682,573**	**3,366,872**	8,734,243	2,748,331
Liquidity coverage ratio on a consolidated basis (4)					
21	Sum of high-quality liquid assets that can be included		**26,396,317**		30,028,554
22	Net cash outflows		**6,976,802**		7,311,995
23	Liquidity coverage ratio on a consolidated basis		**378.3%**		410.6%
24	The number of data for calculating the average value		**58**		62

(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)

CC1: Composition of Capital (Non-Consolidated)

(Millions of Yen, %)

Basel III Template No.	Items	a	b	c
		As of March 31, 2019	As of March 31, 2018	Reference to Template CC2
Common Equity Tier 1 capital: instruments and reserves				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	**5,868,584**	5,308,106	
1a	of which: capital and capital surplus	**4,015,219**	3,455,509	E1.1+E1.2
2	of which: retained earnings	**1,953,235**	1,923,097	E2
26	of which: cash dividends to be paid	**99,870**	70,500	
	of which: other than the above	**—**	—	E3
3	Valuation and translation adjustments and other disclosed reserves	**1,363,611**	1,225,668	E4
6	Common Equity Tier 1 capital: instruments and reserves (A)	**7,232,195**	6,533,774	
Common Equity Tier 1 capital: regulatory adjustments				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	**32,826**	28,931	
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)	**32,826**	28,931	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	**(2,500)**	88,989	E7
12	Shortfall of eligible provisions to expected losses	**59,932**	14,701	
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)	**20,645**	15,043	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	**—**	—	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)	**—**	—	
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)	**110,904**	147,666	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	**7,121,291**	6,386,108	
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**	49,999	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	**1,316,972**	—	D1
30	Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**	—	

(Millions of Yen, %)

Basel III Template No.	Items	a **As of March 31, 2019**	b As of March 31, 2018	c Reference to Template CC2
33+35	Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	**—**	—	
36	Additional Tier 1 capital: instruments (D)	**1,366,971**	49,999	
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)	**38,406**	39,041	A14
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	**—**	—	
43	Additional Tier 1 capital: regulatory adjustments (E)	**38,406**	39,041	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	**1,328,564**	10,958	
Tier 1 capital (T1=CET1+AT1)				
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	**8,449,856**	6,397,066	
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	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	**923**	97,816	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	**5**	30	
50a	of which: general reserve for possible loan losses	**5**	30	A15
50b	of which: eligible provisions	**—**	—	A16
51	Tier 2 capital: instruments and provisions (H)	**928**	1,513,326	
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 and other TLAC liabilities 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 common share capital of the entity (amount above the 10% threshold)	**—**	—	A19
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	**—**	—	A20
57	Tier 2 capital: regulatory adjustments (I)	**—**	—	
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	**928**	1,513,326	
Total capital (TC=T1+T2)				
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	**8,450,784**	7,910,393	
Risk weighted assets				
60	Risk weighted assets (L)	**42,543,621**	33,259,570	

(Millions of Yen, %)

Basel III Template No.	Items	a **As of March 31, 2019**	b As of March 31, 2018	c Reference to Template CC2
Capital ratio (non-consolidated) and buffers				
61	Common Equity Tier 1 capital ratio (non-consolidated) ((C)/(L))	**16.73%**	19.20%	
62	Tier 1 capital ratio (non-consolidated) ((G)/(L))	**19.86%**	19.23%	
63	Total capital ratio (non-consolidated) ((K)/(L))	**19.86%**	23.78%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)			
65	Of which: capital conservation buffer requirement			
66	Of which: bank-specific countercyclical buffer requirement			
67	Of which: higher loss absorbency requirement			
68	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital buffer requirements			
Regulatory adjustments				
72	Non-significant investments in the capital and other TLAC liabilities of other financial institutions that are below the thresholds for deduction (before risk weighting)	**608,789**	314,254	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)	**17,055**	18,489	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)	**5**	30	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	**69**	374	
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	**222,181**	186,541	
Capital instruments under phase-out arrangements				
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	**—**	—	
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")	**—**	—	
84	Current cap on Tier 2 instruments under phase-out arrangements	**460,802**	614,402	
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, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	Credit risk (excluding counterparty credit risk)	**5,169,978**	4,629,601	**437,737**	391,761
2	Of which: standardized approach (SA)	**5,558**	29,963	**444**	2,397
3	Of which: internal rating-based (IRB) approach	**5,028,963**	4,456,982	**426,456**	377,952
	Of which: significant investments	**—**	—	**—**	—
	Of which: estimated residual value of lease transactions	**—**	—	**—**	—
	Others	**135,457**	142,656	**10,836**	11,412
4	Counterparty credit risk (CCR)	**526,744**	480,954	**43,164**	39,555
5	Of which: standardized approach for counterparty credit risk (SA-CCR)	**54,677**	—	**4,636**	—
	Of which: current exposure method (CEM)		42,302		3,587
6	Of which: expected positive exposure (EPE) method	**—**	—	**—**	—
	Of which: credit valuation adjustment (CVA)	**74,451**	64,705	**5,956**	5,176
	Of which: Central counterparty related exposure (CCP)	**238,684**	191,435	**19,094**	15,314
	Others	**158,930**	182,511	**13,477**	15,476
7	Equity positions in banking book under market-based approach	**1,705,918**	1,589,624	**144,661**	134,800
8	Equity investments in funds - Look-through approach	**25,796,502**		**2,186,951**	
9	Equity investments in funds - Mandate-based approach	**1,054,709**		**89,439**	
	Equity investments in funds - Simple approach (subject to 250% RW)	**—**		**—**	
	Equity investments in funds - Simple approach (subject to 400% RW)	**40,386**		**3,424**	
10	Equity investments in funds - Fall-back approach (subject to 1,250% RW)	**1,098,816**		**87,905**	
	Equity investments in funds (SA)		—		—
	Equity investments in funds (IRB)		22,364,471		1,896,483
11	Settlement risk	**10,412**	0	**882**	0
12	Securitization exposures in banking book	**2,159,835**	518,665	**172,786**	43,982
13	Of which: Securitization IRB approach (SEC-IRBA) or internal assessment approach (IAA)	**—**		**—**	
14	Of which: Securitization external ratings-based approach (SEC-ERBA)	**2,159,835**		**172,786**	
15	Of which: Securitization standardized approach (SEC-SA)	**—**		**—**	
	Of which: Ratings-based approach (RBA) or internal assessment approach (IAA) in the IRB approach		518,665		43,982
	Of which: IRB Supervisory Formula Approach (SFA)		—		—
	Of which: Standardized approach (SA)		—		—
	Of which: 1,250% risk weight is applied	**0**	0	**0**	0
16	Market risk	**2,370,447**	1,197,002	**189,635**	95,760
17	Of which: standardized approach (SA)	**2,352,757**	1,171,398	**188,220**	93,711
18	Of which: internal model approaches (IMA)	**17,690**	25,604	**1,415**	2,048
19	Operational risk	**541,046**	681,275	**43,283**	54,502
20	Of which: Basic Indicator Approach	**—**	—	**—**	—
21	Of which: Standardized Approach	**541,046**	681,275	**43,283**	54,502
22	Of which: Advanced Measurement Approach	**—**	—	**—**	—
23	Amounts below the thresholds for deduction	**42,638**	46,223	**3,615**	3,919
	Risk weighted assets subject to transitional arrangements				
24	Floor adjustment	**—**	—	**—**	—
25	Total	**40,517,436**	31,507,820	**3,403,489**	2,660,765

CC2: Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements (Non-Consolidated)

As of March 31, 2019

(Millions of Yen)

Items	a	b	c
	Non-Consolidated balance sheet amount	Non-Consolidated balance sheet amounts based on regulatory scope of consolidation	Reference numbers or symbols for referring to Template CC1
(Assets)			
Loans and Bills Discounted	**18,438,032**		
Loans on deeds	**16,867,449**		
Loans on bills	**367,218**		
Overdrafts	**1,200,746**		
Bills discounted	**2,616**		
of which: non-significant investments in the capital, etc., of other financial institutions		**—**	
Tier 2 capital instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		**—**	
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		**—**	A21.1
Foreign Exchanges Assets	**327,003**		
Due from foreign banks	**327,003**		
Securities	**55,751,186**	**55,751,180**	
Japanese government bonds	**10,558,008**	**10,558,008**	
Municipal government bonds	**49**	**49**	
Corporate bonds	**1,215,377**	**1,215,377**	
Stocks	**855,014**	**855,014**	
Other securities	**43,122,736**	**43,122,730**	
Money Held in Trust	**8,666,524**	**8,666,524**	
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: non-significant investments in the capital, etc., of other financial institutions		**608,789**	—
Common Equity		**—**	A6
Additional Tier 1 capital		**—**	A13
Tier 2 capital instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		**—**	A19
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		**608,789**	A21.2
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, where the bank does not own more than 10% of the issued share capital		**55,462**	—
Amount exceeding the 10% threshold on specified items		**—**	A7
Amount exceeding the 15% threshold on specified items		**—**	A9
Additional Tier 1 capital		**38,406**	A14
Tier 2 capital instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		**—**	A20
Significant investments in the capital, etc., of other financial institutions that are below the thresholds for deduction (before risk weighting)		**17,055**	A22

(Millions of Yen)

Items	a Non-Consolidated balance sheet amount	b Non-Consolidated balance sheet amounts based on regulatory scope of consolidation	c Reference numbers or symbols for referring to Template CC1
Trading Assets	**15,844**		
Trading securities	**8,560**		
Derivatives of securities related to trading transactions	**32**		
Trading-related financial derivatives	**7,251**		
Monetary Claims Bought	**326,079**		
Call Loans	**44,368**		
Receivables under Resale Agreements	**10,096**		
Cash and Due from Banks	**18,906,686**		
Cash	**92,077**		
Due from banks	**18,814,608**		
Other Assets	**1,409,538**		
Domestic exchange settlement account, debit	**348**		
Prepaid expenses	**952**		
Accrued income	**182,074**		
Initial margins of futures markets	**32,203**		
Valuation margins of futures markets	**66**		
Derivatives other than for trading	**171,796**		
Cash collateral paid for financial instruments	**348,567**		
Others	**673,529**		
Tangible Fixed Assets	**115,914**		
Buildings	**44,650**		
Land	**46,885**		
Lease assets	**20,669**		
Construction in progress	**2**		
Other	**3,706**		
Intangible Fixed Assets	**45,435**	**45,435**	
Software	**22,202**	**22,202**	
Lease assets	**5,180**	**5,180**	
Other	**18,051**	**18,051**	
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		**45,435**	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		**12,608**	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)	**28,574**	**28,574**	A3
Customers' Liabilities for Acceptances and Guarantees	**140,063**		
Reserve for Possible Loan Losses	**(46,861)**	**(46,861)**	
of which: general reserve for possible loan losses includes Tier 2		**(5)**	A15
of which: eligible provisions includes Tier 2		**—**	A16
Reserve for Possible Investment Losses	**(1,680)**		
Total Assets	**104,176,806**		

(Millions of Yen)

Items	a	b	c
	Non-Consolidated balance sheet amount	Non-Consolidated balance sheet amounts based on regulatory scope of consolidation	Reference numbers or symbols for referring to Template CC1
(Liabilities)			
Deposits	**66,821,541**		
Time deposits	**58,140,292**		
Deposits at notice	**14,020**		
Ordinary deposits	**3,213,672**		
Current deposits	**86,419**		
Other deposits	**5,367,135**		
Negotiable Certificates of Deposit	**790,599**		
Debentures	**1,262,239**		
Debentures issued	**1,262,239**		
Trading Liabilities	**7,022**		
Derivatives of trading securities	**29**		
Derivatives of securities related to trading transactions	**36**		
Trading-related financial derivatives	**6,955**		
Borrowed Money	**4,780,892**	**4,780,892**	
Borrowings	**4,780,892**	**4,780,892**	
of which: qualifying Additional Tier 1 instruments		**1,316,972**	D1
of which: qualifying Tier 2 instruments		**—**	D2
Payables under Repurchase Agreements	**15,111,297**		
Foreign Exchanges Liabilities	**32**		
Foreign bills payable	**32**		
Trust Money	**1,048,091**		
Other Liabilities	**6,276,796**		
Domestic exchange settlement account, credit	**662**		
Accrued expenses	**77,923**		
Income taxes payable	**2,693**		
Unearned income	**571**		
Employees' deposits	**—**		
Variation margins of futures markets	**—**		
Derivatives other than for trading	**485,291**		
Cash collateral received for financial instruments	**43,846**		
Lease liabilities	**23,708**		
Account payables for securities purchased	**5,537,846**		
Others	**104,253**		
Reserve for Bonus Payments	**5,947**		
Reserve for Employees' Retirement Benefits	**25,617**		
Reserve for Directors' Retirement Benefits	**782**		
Deferred Tax Liabilities	**515,400**	**515,400**	
of which: prepaid pension cost		**7,929**	D3
Deferred Tax Liabilities for Land Revaluation	**8,607**		
Acceptances and Guarantees	**140,063**		
Total Liabilities	**96,794,930**		

(Millions of Yen)

Items	a Non-Consolidated balance sheet amount	b Non-Consolidated balance sheet amounts based on regulatory scope of consolidation	c Reference numbers or symbols for referring to Template CC1
(Net Assets)			
Paid-in Capital	**4,040,198**	**4,040,198**	
Common equity	**4,015,198**	**4,015,198**	E1.1
of which: lower dividend rate stock	**3,589,481**	**3,589,481**	
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	**1,953,053**	**1,953,235**	E2
Legal reserves	**735,566**	**735,566**	
Voluntary reserves	**1,217,487**	**1,217,669**	
Special reserves	**303,500**	**303,500**	
General reserves	**559,403**	**559,403**	
Reserves for tax basis adjustments of fixed assets	**7,131**	**7,131**	
Others	**7**	**7**	
Unappropriated retained earnings	**347,445**	**347,626**	
Net income	**100,647**	**100,638**	
Total Owners' Equity	**6,018,273**	**6,018,454**	
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	**1,501,099**	**1,501,099**	
Net Deferred Losses on Hedging Instruments	**(151,808)**	**(151,808)**	
of which: net deferred losses on hedge		**(2,500)**	E7
Revaluation Reserve for Land, net of taxes	**14,312**	**14,312**	
Foreign Currency Translation Adjustment	**—**	**8**	
Total Valuation and Translation Adjustment	**1,363,602**	**1,363,611**	E4
Total Net Assets	**7,381,875**		
Total Liabilities and Net Assets	**104,176,806**		

Notes 1: "Non-Consolidated balance sheet amounts based on regulatory scope of consolidation" refer only to the items used in calculating capital adequacy.
2: "Non-Consolidated balance sheet amounts based on regulatory scope of consolidation" are the amounts before the transitional arrangements, therefore the items that were newly included in the Bank's own capital via the transitional arrangements are not included in this table.

As of March 31, 2018

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Non-Consolidated balance sheet amounts 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	
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	Non-Consolidated balance sheet amounts based on regulatory scope of consolidation	Ref. No.
Trading Assets	8,582		
Trading securities	3,064		
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	Non-Consolidated balance sheet amounts 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 trading securities	—		
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
Payables under Repurchase Agreements	15,080,638		
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		
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	Non-Consolidated balance sheet amounts 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		

Notes 1: "Non-Consolidated balance sheet amounts based on regulatory scope of consolidation" refer only to the items used in calculating capital adequacy.
2: "Non-Consolidated balance sheet amounts based on regulatory scope of consolidation" are the amounts before the transitional arrangements, therefore the items that were newly included in the Bank's own capital via the transitional arrangements are not included in this table.

IRRBB1 – Quantitative information on IRRBB

(Millions of Yen)

No.		a	b	c	d
		⊿EVE		⊿NII	
		Fiscal 2018	Fiscal 2017	**Fiscal 2018**	Fiscal 2017
1	Parallel up	**2,334,465**	2,414,759	**211,427**	215,487
2	Parallel down	**(782,540)**	(910,955)	**(171,149)**	(134,632)
3	Steepener	**613,761**	744,233		
4	Flattener	**(22,001)**	(75,925)		
5	Short rate up	**654,816**	635,873		
6	Short rate down	**(224,577)**	(246,169)		
7	Maximum	**2,334,465**	2,414,759	**211,427**	215,487
		e		f	
		Fiscal 2018		Fiscal 2017	
8	Tier 1 capital	**8,449,856**		6,397,066	

Composition of Leverage Ratio Disclosure (Non-Consolidated)

Composition of Leverage Ratio Disclosure (Non-Consolidated)

(Millions of yen, %)

Corresponding line # on Basel III disclosure template (Table 2) (*)	Corresponding line # on Basel III disclosure template (Table 1) (*)	Items		As of March 31, 2019	As of March 31, 2018
On-balance sheet exposures (1)					
1		On-balance sheet exposures before deducting adjustment items		**103,767,895**	
1a	1	Total assets reported in the non-consolidated balance sheet		**104,176,806**	
1b	3	The amount of assets that are deducted from the total assets reported in the non-consolidated balance sheet (except adjustment items) (–)		**408,910**	
2	7	The amount of adjustment items pertaining to Tier 1 capital (–)		**151,812**	
3		Total on-balance sheet exposures	(a)	**103,616,083**	
Exposures related to derivative transactions (2)					
4		Replacement cost multiplied by 1.4 associated with derivatives transactions, etc.		**47,257**	
5		Potential future exposure multiplied by 1.4 associated with derivatives transactions, etc.		**765,719**	
6		The amount of receivables arising from providing collateral, provided where deducted from the non-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) (–)		**155,688**	
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)	**657,288**	
Exposures related to repo transactions (3)					
12		The amount of assets related to repo transactions, etc.		**89,766**	
13		The amount of deductions from the assets above (line 12) (–)		**—**	
14		The exposures for counterparty credit risk for repo transactions, etc.		**654,497**	
15		The exposures for agent repo transaction			
16	5	The Total exposures related to repo transactions, etc.	(c)	**744,264**	
Exposures related to off-balance sheet transactions (4)					
17		Notional amount of off-balance sheet transactions		**2,796,376**	
18		The amount of adjustments for conversion in relation to off-balance sheet transactions (–)		**1,716,492**	
19	6	Total exposures related to off-balance sheet transactions	(d)	**1,079,883**	
Leverage ratio on a non-consolidated basis (5)					
20		The amount of capital (Tier 1 capital)	(e)	**8,449,856**	
21	8	Total exposures ((a)+(b)+(c)+(d))	(f)	**106,097,519**	
22		Leverage ratio on a non-consolidated basis ((e)/(f))		**7.96%**	

Sound Management of Liquidity Risk (Non-Consolidated)

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

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

Items		The current quarter (January 1 to March 31, 2019)		The previous quarter (October 1 to December 31, 2018)	
High-quality liquid assets (1)					
1	Total high-quality liquid assets		**26,396,317**		30,028,554
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	**46,690**	**4,643**	47,027	4,677
3	of which: stable deposits	**371**	**11**	372	11
4	of which: quasi-stable deposits	**46,319**	**4,632**	46,655	4,666
5	Cash outflows relating to unsecured wholesale funding	**10,401,725**	**7,488,836**	10,535,382	7,589,641
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	**9,778,376**	**6,865,487**	9,727,447	6,781,707
8	of which: debt securities	**623,349**	**623,349**	807,935	807,935
9	Cash outflows relating to secured funding, etc.		**166,963**		171,326
10	Cash outflows relating to funding programs and credit/ liquidity facilities such as derivative transactions, etc.	**2,670,118**	**1,570,393**	2,557,161	1,546,969
11	of which: cash outflows relating to derivative transactions	**1,318,653**	**1,318,653**	1,313,370	1,313,370
12	of which: cash outflows relating to funding programs	**0**	**0**	0	0
13	of which: cash outflows relating to credit/liquidity facilities	**1,351,465**	**251,740**	1,243,791	233,599
14	Cash outflows based on an obligation to provide capital	**6,720,122**	**831,679**	5,306,937	445,477
15	Cash outflows relating to contingencies	**3,808,920**	**215,333**	3,967,028	232,791
16	Total cash outflows		**10,277,847**		9,990,881
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.	**393,893**	**0**	494,842	0
18	Cash inflows relating to collections of advances, etc.	**3,510,554**	**2,823,257**	2,950,576	2,463,334
19	Other cash inflows	**6,842,082**	**607,961**	5,356,647	353,149
20	Total cash inflows	**10,746,529**	**3,431,218**	8,802,065	2,816,483
Liquidity coverage ratio on a non-consolidated basis (4)					
21	Sum of high-quality liquid assets that can be included		**26,396,317**		30,028,554
22	Net cash outflows		**6,846,629**		7,174,397
23	Liquidity coverage ratio on a non-consolidated basis		**385.5%**		418.5%
24	The number of data for calculating the average value		**58**		62

(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.

Compensation

Compensation Structure Disclosure

The Bank has disclosed its compensation structure since March 2012 based on Notification No. 10 in 2012 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries of Japan entitled "Matters set forth separately by the Minister of Agriculture, Forestry and Fisheries of Japan and the Financial Services Agency Commissioner, based on Article 112-6 of the Ordinance for Enforcement of The Norinchukin Bank Law, Article 112-6 and Article 113-4 of said Ordinance" (hereinafter "Compensation Notification").

1. Compensation Structure for the Subject Directors and Employees of the Bank

Definition of the Subject Directors and Employees

The scope of the Subject Directors and the Subject Employees stipulated in the Compensation Notification who are subject to compensation disclosure is described below.

Definition of the Subject Directors

The Subject Directors are the Bank's Board members and Audit & Supervisory Board members. The Supervisory Committee members and part-time Audit & Supervisory Board members are excluded from the scope.

Definition of the Subject Employees

Among the Bank's directors other than the Subject Directors, and the Bank's employees, as well as the Bank's major consolidated subsidiaries' directors and employees, who are "Highly Compensated Persons" that exert a major material impact on the business operations or financial status of the Bank or its major subsidiaries are deemed the Subject Employees and are thereby subject to compensation disclosure. None of the Bank's directors other than the Subject Directors, or the Bank's employees, as well as the directors or employees of its major subsidiaries fall under the category of the Subject Employees.

Definition of Major Consolidated Subsidiaries

Major consolidated subsidiaries are the subsidiaries whose ratio of total assets to the Bank's consolidated total assets is 2% or higher, and which have a material impact on the Group management. However, none of the Bank's consolidated subsidiaries fall under this category.

Definition of Highly Compensated Persons

Highly Compensated Persons are those persons whose compensation is higher than the average for the Subject Directors (excluding those who retired during the period), calculated by dividing the total compensation described in the chart "REM1: Remuneration awarded during the financial year." Regarding retirement lump sum payments, once the total retirement lump sum payment has been subtracted from the total compensation, the amount obtained by dividing the total lump sum payment by the number of years in office is then added to the remaining compensation amount. This amount is regarded as a person's total compensation and becomes the basis of the judgment whether the person is a Highly Compensated Person.

Definition of Persons Who Exert a Material Impact on the Business Operations or Financial Status of the Group

Persons who Exert a Material Impact on the Business Operations or Financial Status of the Group are those persons whose ordinary transactions and areas of management exert a considerable influence on the business operations of the Bank, the Group and the major consolidated subsidiaries, or persons whose transactions exert a considerable influence on the financial status of the Group through the generation of losses.

Determining the Subject Directors' Compensation

Regarding the Bank's compensation structure for directors, the Bank established the Director Compensation Deliberation Committee (the "Committee") to deliberate on compensation issues, as a subcommittee of the Supervisory Committee. The Committee deliberates on the Bank's director compensation standards and total compensation of those who are eligible to receive retirement benefit payments, as well as the standards for such payments. The Committee is composed of committee members (cooperative organization representatives, attorneys and CPAs) commissioned by the Supervisory Committee, and the Chairman of the Committee is appointed by the Chairman of the Supervisory Committee from among those committee members who are attorneys and CPAs.

Based on the results of the Committee's discussions, proposals concerning total director compensation and retirement benefits are presented to the Supervisory Committee, and those proposals are finally discussed and decided at the Council of Delegates.

Within the limits of total compensation decided at the Council of Delegates, the compensation of directors is decided at the Board of Directors meeting and the compensation of Audit & Supervisory Board members is decided through Audit & Supervisory Board members consultation.

In addition, following a resolution at the Council of Delegates, the actual amount of retirement benefits is decided at the Board of Directors meeting for Board members and through Audit & Supervisory Board members consultation for Audit & Supervisory Board members.

Total Compensation Paid to Director Compensation Deliberation Committee Members and Number of Times the Committee has Convened

The Committee was convened three times between April 2018 and March 2019.

Note: Of the Committee members, those who concurrently serve as a member of another committee such as the Supervisory Committee, the total compensation paid to them is not indicated because it is impossible to calculate the amounts of compensation for the execution only of this Committee separately. Regarding other members, because such disclosure would reveal each member's compensation, the total compensation paid is not indicated.

2. Matters Related to the Evaluation of the Appropriateness of the Design and Operation of the Bank's Compensation Structure for the Subject Directors

Compensation Policy

The Bank is a financial institution founded by agricultural, fishery and forestry workers' cooperative organizations based on The Norinchukin Bank Law. Through the provision of financial and various other functions for these cooperative organizations, the Bank aims to contribute to the development of the agricultural, fishery and forestry industries and the nation's economy. To help the Bank realize this aim, the Bank has designed its director compensation system.

● Compensation Policy for the Subject Directors

The actual compensation of directors of the Bank is composed of the directors' compensation and retirement benefits.

In light of the special nature of the Bank's role as the central bank for cooperatives, as well as financial institution for farmers, fishermen and foresters, and trends in cooperative organizations and other business sectors, director compensation is determined on the basis of fixed compensation by director's rank, combined with variable compensation in accordance with the status of progress on the initiatives of the Bank's management plans as a sound incentive toward sustainable growth.

For Audit & Supervisory Board members, from the perspective of effective functioning of their duties, only fixed compensation is paid, there being no variable compensation.

Retirement benefits are calculated by applying a fixed weighting based on a director's compensation during his or her term of office in line with the retirement benefit payment rules.

The decision-making process for the retirement benefits is as follows. Proposals presented for total director compensation and retirement benefits are decided by the Supervisory Committee based on the results of the Committee's discussions. These proposals are then ultimately discussed and decided at the Council of Delegates.

Within the limits of total compensation decided at the Council of Delegates, the compensation of directors is decided at the Board of Directors meeting and the compensation of Audit & Supervisory Board members is decided through Audit & Supervisory Board members consultation.

In addition, following a resolution at the Council of Delegates, the actual amount of retirement benefits is decided at the Board of Directors meeting for Board members and through Audit & Supervisory Board members consultation for Audit & Supervisory Board members.

3. The Bank's Compensation Structure for the Subject Directors, Its Risk Management Consistency, and the Link between Compensation and Performance

As described in the previous section, the final decision on the Subject Directors' total compensation is decided at the Council of Delegates.

The Bank's compensation structure has no adverse effect on risk management, nor is it disproportionally linked to performance.

4. Other Matters for Reference Concerning the Bank's Compensation Structure for the Subject Directors

Aside from that mentioned in the preceding paragraph, no matters fall under this category.

REM1: Remuneration awarded during the financial year
Fiscal 2018 (Ended March 31, 2019)

(Person, Millions of Yen)

No.			a Senior management	b Other material risk takers
1	Fixed remuneration	Number of employees	**14**	—
2		Total fixed remuneration (3+5+7)	**250**	—
3		of which: cash-based	**250**	—
4		of which: deferred	—	—
5		of which: shares or other share-linked instruments	—	—
6		of which: deferred	—	—
7		of which: other forms	—	—
8		of which: deferred	—	—
9	Variable remuneration	Number of employees	**9**	—
10		Total variable remuneration (11+13+15)	**79**	—
11		of which: cash-based	**79**	—
12		of which: deferred	—	—
13		of which: shares or other share-linked instruments	—	—
14		of which: deferred	—	—
15		of which: other forms	—	—
16		of which: deferred	—	—
17	Retirement benefits	Number of employees	**14**	—
18		Total retirement benefits	**99**	—
19		of which: deferred	—	—
20	Other remuneration	Number of employees	—	—
21		Total other remuneration	—	—
22		of which: deferred	—	—
23	Total remuneration (2+10+18+21)		**428**	—

Notes: 1. Number of the Subject Directors includes that of retired directors.
2. Directors' Retirement Benefits are the sum of Directors' Retirement Benefits (excluding a reversal of Directors' Retirement Benefits for fiscal 2017) paid during fiscal 2018 and Reserve for Directors' Retirement Benefits posted for fiscal 2018.

Fiscal 2017 (Ended March 31, 2018)

(Person, Millions of Yen)

No.			a	b
			Senior management	Other material risk takers
1	Fixed remuneration	Number of employees	17	—
2		Total fixed remuneration (3+5+7)	325	—
3		of which: cash-based	325	—
4		of which: deferred	—	—
5		of which: shares or other share-linked instruments	—	—
6		of which: deferred	—	—
7		of which: other forms	—	—
8		of which: deferred	—	—
9	Variable remuneration	Number of employees	14	—
10		Total variable remuneration (11+13+15)	123	—
11		of which: cash-based	123	—
12		of which: deferred	—	—
13		of which: shares or other share-linked instruments	—	—
14		of which: deferred	—	—
15		of which: other forms	—	—
16		of which: deferred	—	—
17	Retirement benefits	Number of employees	17	—
18		Total retirement benefits	129	—
19		of which: deferred	—	—
20	Other remuneration	Number of employees	—	—
21		Total other remuneration	—	—
22		of which: deferred	—	—
23	Total remuneration (2+10+18+21)		577	—

Notes: 1. Number of the Subject Directors includes that of retired directors.
2. Directors' Retirement Benefits are the sum of Directors' Retirement Benefits (excluding a reversal of Directors' Retirement Benefits for fiscal 2016) paid during fiscal 2017 and Reserve for Directors' Retirement Benefits posted for fiscal 2017.

REM2: Special payments
Fiscal 2018 (Ended March 31, 2019)

(Person, Millions of Yen)

	a	b	c	d	e	f
	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
Senior management	—	—	—	—	—	—
Other material risk takers	—	—	—	—	—	—

Fiscal 2017 (Ended March 31, 2018)

(Person, Millions of Yen)

	a	b	c	d	e	f
	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
Senior management	—	—	—	—	—	—
Other material risk takers	—	—	—	—	—	—

REM3: Deferred remuneration
Fiscal 2018 (Ended March 31, 2019)

(Millions of Yen)

		a	b	c	d	e
		Total amount of outstanding deferred remuneration	Of which Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/ or implicit adjustment	Total amount of reduction during the year due to ex post explicit adjustments	Total amount of reduction during the year due to ex post implicit adjustments	Total amount of deferred remuneration paid out in the financial year
Senior management	Cash	—	—	—	—	—
	Shares or other share-linked instruments	—	—	—	—	—
	Other remuneration	—	—	—	—	—
Other material risk takers	Cash	—	—	—	—	—
	Shares or other share-linked instruments	—	—	—	—	—
	Other remuneration	—	—	—	—	—
Total		—	—	—	—	—

Fiscal 2017 (Ended March 31, 2018)

(Millions of Yen)

		a	b	c	d	e
		Total amount of outstanding deferred remuneration	Of which Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/ or implicit adjustment	Total amount of reduction during the year due to ex post explicit adjustments	Total amount of reduction during the year due to ex post implicit adjustments	Total amount of deferred remuneration paid out in the financial year
Senior management	Cash	—	—	—	—	—
	Shares or other share-linked instruments	—	—	—	—	—
	Other remuneration	—	—	—	—	—
Other material risk takers	Cash	—	—	—	—	—
	Shares or other share-linked instruments	—	—	—	—	—
	Other remuneration	—	—	—	—	—
Total		—	—	—	—	—

Status of Capital and Shareholders

Members and Share Ownership (As of March 31, 2019)

(1) Common Stocks (Including lower dividend rate stocks)

The face value of one common stock is ¥100.

Type of Organization	Number of Members	Stocks Owned
Agricultural Cooperatives	767 (149)	8,561,660,470 (7,526,360,000)
Federations of Agricultural Cooperatives	101 (32)	30,333,862,540 (27,571,600,000)
Forest Owners' Cooperatives	610 (0)	19,615,920 (0)
Forestry Production Cooperatives	10 (0)	14,050 (0)
Federations of Forest Owners' Cooperatives	46 (0)	22,921,100 (0)
Fishery Cooperatives	971 (6)	159,400,051 (99,380,000)
Fishery Production Cooperatives	23 (0)	202,240 (0)
Federations of Fishery Cooperatives	83 (28)	1,021,393,789 (697,470,000)
Marine Products Processing Cooperatives	37 (0)	612,400 (0)
Federations of Marine Products Processing Cooperatives	6 (0)	694,650 (0)
Mutual Insurance Federation of Fishery Cooperative Associations	1 (0)	7,064,800 (0)
Agricultural Mutual Relief Insurance Associations	43 (0)	884,400 (0)
Federations of Agricultural Mutual Relief Insurance Associations	16 (0)	474,700 (0)
Fishing Boat Insurance Associations	1 (0)	2,454,350 (0)
Agricultural Credit Guarantee Fund Associations	10 (0)	139,650 (0)
Fishery Credit Guarantee Fund Associations	22 (0)	17,158,100 (0)
Fishery Mutual Relief Insurance Associations	12 (0)	132,000 (0)
Federation of Fishery Mutual Relief Insurance Associations	1 (0)	292,800 (0)
Land Improvement Districts	762 (0)	2,874,340 (0)
Federations of Land Improvement Districts	3 (0)	2,450 (0)
Medium and Small-Sized Enterprise Cooperative Associations Related to Sericulture, Forestry or Salt Production	15 (0)	133,500 (0)
Total	3,540 (215)	40,151,988,300 (35,894,810,000)

(2) Preferred Stocks

The face value of one stock is ¥100.

Type of Organization	Number of Members	Stocks Owned
Financial Institutions	9	26,787,410
Securities Companies	3	5,577,700
Other Corporations	19	23,426,340
Total	31	55,791,450

Voting Rights of Members

The Norinchukin Bank is the central financial institution for Japan's agricultural, fishery and forest owners' cooperative system. The supreme management decision-making organization for the Bank is the Council of Delegates, which consists of representative members and substitutes for the general meetings of all shareholders. Unlike stock companies, where one share represents one vote, the voting rights of the members of the Council of Delegates are equal regardless of the number of investment units they own. For this reason, a list of major shareholders has not been included in this report.

Trends in the Bank's Capital

(Millions of Yen)

Date	Increase in Capital	Capital after Increase	Method of Increase
November 30, 1983	15,000	45,000	Allotment
November 30, 1990	30,000	75,000	Allotment
November 30, 1992	25,000	100,000	Allotment
February 16, 1995	24,999	124,999	Private placement
September 25, 1997	150,000	274,999	Allotment
March 25, 1998	850,000	1,124,999	Allotment
November 29, 2002	100,000	1,224,999	Allotment
December 1, 2005	225,717	1,450,717	Allotment
March 30, 2006	14,300	1,465,017	Allotment
September 29, 2006	19,000	1,484,017	Allotment
November 26, 2007	15,900	1,499,917	Allotment
February 28, 2008	12,900	1,512,817	Allotment
March 25, 2008	503,216	2,016,033	Allotment
December 29, 2008	24,800	2,040,833	Allotment
March 30, 2009	1,380,537	3,421,370	Allotment
September 28, 2009	4,539	3,425,909	Allotment
September 29, 2015	45,551	3,471,460	Allotment
December 29, 2015	9,028	3,480,488	Allotment
March 29, 2019	559,710	4,040,198	Allotment

Organizational Diagram (As of April 1, 2019)

- Council of Delegates
  - Supervisory Committee
    - JA Bank Headquarters
    - JF Marine Bank Headquarters
  - Board of Directors
    - Food & Agri Banking Business
      - Food & Agri Business Planning Div.
      - Debt Capital Markets Div.
      - Corporate Business Div. I
      - Corporate Business Div. II
      - Corporate Business Div. III
      - Corporate Business Div. IV
      - Corporate Business Div. V
      - Business Revitalization Div.
    - Retail Banking Business
      - JA Bank System Management Div.
      - JA Bank System Retail Innovation Consulting & Practice Div.
      - JA Bank System Business Transformation Div.
      - Cooperative System Human Resource Development Div.
      - JF Marine Bank Management Div.
    - Global Investments
      - Fixed Income Investment Div.
      - Equity Investment Div.
      - Credit Investment Div.
      - Alternative Investment Div.
        - Real Estate Investment and Solution Dept.
      - Project and Asset Finance Div.
      - Treasury & Forex Div.
      - Legal for Investments Div.
    - Corporate & Shared Services
      - Procedures & Operations Planning Div.
        - Procedures & Operations Risk Management Dept.
      - IT & Systems Planning Div.
      - Operations Planning and Management Div.
      - Head Office Business Service Div.
      - Compliance Div.
      - Risk Management Div.
      - Credit Risk Management Div.
      - Risk Monitoring Div.
        - Model Management Dept.
      - Coordination Div.
        - Secretariat
        - BCP Dept.
      - Legal Div.
      - Personnel Div.
        - Career Development Dept.
      - Corporate Planning Div.
        - Sustainability Management Dept.
        - Facilities Management Dept.
        - Subsidiaries & Affiliates Management Dept.
        - Business Development Dept.
      - Financial Planning & Control Div.
        - Controller's Dept.
      - Digital Innovation Div.
        - Data Management Dept.
    - Internal Audit Div.
  - Audit & Supervisory Board Members
  - Audit & Supervisory Board
    - Office of Audit & Supervisory Board Members

[Branches]

- Sapporo Branch
- Aomori Branch
- Sendai Branch
  - Morioka Office
- Akita Branch
- Yamagata Branch
- Fukushima Branch
- Utsunomiya Branch
- Maebashi Branch
- Chiba Branch
- Cooperative Finance & Administration (Kanto Area) Div.
  - Mito Office
  - Kofu Office
  - Nagano Office
- Toyama Branch
  - Niigata Office
  - Kanazawa Office
- Nagoya Branch
  - Shizuoka Office
- Osaka Branch
  - Wakayama Office
- Okayama Branch
  - Tottori Office
  - Matsue Office
  - Hiroshima Office
  - Yamaguchi Office
- Takamatsu Branch
  - Tokushima Office
  - Matsuyama Office
  - Kochi Office
- Fukuoka Branch
  - Miyazaki Office
  - Kagoshima Office
- Nagasaki Branch
- Kumamoto Branch
- Oita Branch
- Naha Branch
- New York Branch
  - U.S. Risk Management Dept.
- London Branch
  - U.K. Risk Management Dept.
- Singapore Branch
  - Singapore Risk Management Dept.
- Hong Kong (China) Representative Office
- Beijing Representative Office

Directors and Auditors (As of June 29, 2019)

Supervisory Committee

Toru Nakaya
Katsunori Ishikawa
Yoshimitsu Nagashima
Hiroshi Kishi
Jiro Muramatsu
Akira Sato
Isamu Amemiya
Tokurou Shibata
Haruto Oniki
Tadashi Kubota
Mikio Aoai
Hideaki Kubori
Mariko Bando
Masanori Tanabe
Kazuto Oku
Kazuhiko Otake

Board of Directors

President & Chief Executive Officer

Kazuto Oku

Senior Managing Directors
(Representative Directors)

Tetsuya Kanamaru
Shozo Goto
Keito Shimbu
Kazuhiko Otake

Managing Directors

Hikaru Yoshida
Kei Fujisaki

Audit & Supervisory Board

Kiyotsugu Akimoto
Shigeo Miyachi
Koji Hatsukawa
Ryutaro Edo
Masahiro Muroi

Managing Executive Officers

Yasuyuki Matsumoto
Satoshi Iwaso
Takahiro Nakajima
Seiki Todaka
Ryo Akiyoshi
Shin Kawamoto
Hiroshi Yuda
Masato Imai
Masakazu Kita
Masanobu Yagi
Satoshi Matsunaga

Executive Officers

Akiko Ito
Yoshio Kimura
Yoshihiro Ito
Koki Ogino

History

Milestones in the Bank's 95-Year History

1923 • The Bank is established with government funds under special legislation as the central bank for Japanese cooperatives, "Sangyo Kumiai" (December)

1938 • Fisheries cooperatives become members of the Bank

1943 • Forestry cooperatives become members of the Bank (March)
• The Bank's name is changed to The Norinchukin Bank (September)

1950 • The first Norinchukin Bank debentures are issued

1959 • Redemption of the government's equity stake is completed, thereby making the Bank a private bank

1974 • Foreign exchange operations begin

1977 • Investment and trading in foreign currency denominated bonds begin

1982 • A representative office opens in New York (the Bank's first overseas foothold) (October)

1984 • New York Representative Office is upgraded to branch status (October)

1985 • A representative office opens in London (January)

1986 • Fiduciary services for corporate bonds begin
• Norinchukin International plc opens in London

1989 • The Bank's U.S. dollar denominated notes are issued in the Euromarket

1990 • A representative office opens in Singapore (October)

1991 • London Representative Office is upgraded to branch status (April)

1993 • Singapore Representative Office is upgraded to branch status (April)
• Norinchukin Securities Co., Ltd., is established (July)
• Norinchukin Investment Trust Management Co., Ltd., is established (September)

1995 • Preferred stocks are issued, opening the way for capital increases through the participation of ordinary investors (February)
• The Norinchukin Trust & Banking Co., Ltd., is established (August)

1996 • Laws concerning the integration of the Bank and Shinnoren are enacted (December)

1998 • Capital increase through issue of low dividend rate stocks (¥1 trillion) is conducted (March)
• Market risk investment sections undergo substantial reorganization, upgrading them to match global asset management styles
• Representative offices are opened in Hong Kong (China) and Beijing (July, November)

2000 • Norinchukin Zenkyoren Asset Management Co., Ltd., is established (October)

2001 • The Norinchukin Bank Law is revised (June)
• The Law concerning the Reorganization and Strengthening of Credit Business by the Bank and Specified Cooperatives is revised (June)

2002 • JA Bank System begins (January)
• Capital increase through issue of perpetual subordinated loan notes is conducted (September)
• Capital increase through issue of common stocks (¥100 billion) is conducted (November)
• Consolidation of JA Shinnoren with the Bank begins

2003 • JF Marine Bank implements fundamental policies (January)

2004 • Norinchukin Securities Co., Ltd., is liquidated (September)

2005 • Capital increase through issue of common stocks (¥225.7 billion) is conducted (December)

2006 • Final integration of Okayama JA Shinnoren and Nagasaki JA Shinnoren is completed (January)
• JASTEM is made available in all prefectures (May)
• Capital increase through issue of fixed-term subordinated bonds is conducted (September)
• Kyodo Credit Service Co., Ltd., merges with UFJ Nicos Co., Ltd. (October)
• Financial holding company (FHC) status is granted in the United States (December)
• JA savings deposits top ¥80 trillion (December)

2007 • Final integration of Akita JA Shinnoren is completed (February)
• JA Bank Agri-Support business is established (June)
• Final integration of Tochigi JA Shinnoren is completed (October)

2008 • Final integration of Yamagata JA Shinnoren and Toyama JA Shinnoren is completed (January)
• Capital increase through issue of lower dividend rate stocks (¥503.2 billion) and perpetual subordinated loans notes is conducted (March)
• Final integration of Fukushima JA Shinnoren is completed (October)

2009 • Final integration of Kumamoto JA Shinnoren is completed (January)
• Capital increase through issue of lower dividend rate stocks (¥1,380.5 billion) and perpetual subordinated loan notes is conducted (March)

2010 • Growth Base Reinforcement Fund (¥100.0 billion) is established (August)
• Growth Base Support Fund (¥600.0 billion) is established (December)

2011 • Reconstruction Support Program is established (April)
• Partial Integration of Gunma JA Shinnoren is completed (October)

2012 • Norinchukin Facilities Co., Ltd. becomes wholly-owned subsidiary (May)
• Domestic emission credits (J-VER) service begins (as a broker) (June)
• Final integration of Aomori JA Shinnoren is completed (October)
• Global Seed Fund (¥500 billion) is established (November)
• JA savings deposits top ¥90 trillion (December)

2013 • Partial integration of Chiba JA Shinnoren is completed (July)

2014 • Norinchukin Bank Shinagawa Training Center is completed (February)
• Agricultural, Forestry and Fisheries Future Fund is established (March)
• Capital increase through issue of fixed-term subordinated loans notes is conducted (March)
• Norinchukin Value Investments Co., Ltd. is established (October)
• Final integration of the Gunma Shinnoren is completed (October)

2015 • Final integration of the Chiba Shinnoren is completed (January)

2016 • Headquarters System is introduced (June)
• Norinchukin Business Assist Co., Ltd. is established (December)

2017 • Norinchukin Australia Pty Limited is established (February)
• JA savings deposits top ¥100 trillion (June)
• Executive Officer System is introduced (July)
• JA Card Co., Ltd. is established (October)

2018 • Capital increase through issue of low dividend rate stocks (¥559.7 billion) and perpetual subordinated loan notes is conducted (March)

List of Group Companies

(As of March 31, 2019)

Company Name	Address	Nature of Business	Date of Establishment	Capital (Millions of Yen) Percentage of Voting Rights (%)
The Norinchukin Trust & Banking Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan	Trust & Banking	August 17, 1995	20,000 100.00
Norinchukin Australia Pty Limited	Level 29, 126 Phillip Street, Sydney, NSW2000, Australia	Project financing operations in Australia and New Zealand	February 8, 2017	A$181,415 thousand 100.00
Norinchukin Europe N.V.	Gustav Mahlerlaan 1216, Amsterdam, The Netherlands	Company to prepare for the acquisition of a banking license in Europe	September 21, 2018	€30 million 100.00
Norinchukin Research Institute Co., Ltd.	27-11, Sendagaya 5-chome, Shibuya-ku, Tokyo 151-0051, Japan	Research	March 25, 1986	300 100.00
Norinchukin Facilities Co., Ltd.	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-0006, Japan	Building Management & Facility Management	August 6, 1956	100 100.00
Nochu Business Support Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan	Provider of various administrative services for The Norinchukin Bank	August 18, 1998	100 100.00
Norinchukin Business Assist Co., Ltd.	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-0006, Japan	Provider of administrative services for The Norinchukin Bank	December 1, 2016	30 100.00 (13.34)*
Norinchukin Academy Co., Ltd.	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-0006, Japan	Training	May 25, 1981	20 100.00
Norinchukin Value Investments Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan	Investment Management Services	October 2, 2014	444 92.50 (27.75)*
Kyodo Housing Loan Co., Ltd.	27-11, Sendagaya 5-chome, Shibuya-ku, Tokyo 151-0051, Japan	Mortgage Loans & Housing Loan Guarantee	August 10, 1979	10,500 92.12
Nochu Information System Co., Ltd.	2-3, Toyosu 3-chome, Koto-ku, Tokyo 135-0061, Japan	System Development & Maintenance	May 29, 1981	100 90.00
JA Card Co., Ltd.	14-1, Sotokanda 4-chome, Chiyoda-ku, Tokyo 101-8960, Japan	Planning and promotion, such as JA card business	October 2, 2017	100 51.00
Norinchukin Zenkyoren Asset Management Co., Ltd.	7-9, Hirakawacho 2-chome, Chiyoda-ku, Tokyo 102-0093, Japan	Asset Management & Investment Advice	September 28, 1993	3,420 50.91
Norinchukin Finance (Cayman) Limited	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	Issue of Subordinated Bonds, Provision of Subordinated Loans	August 30, 2006	$50,000 100.00
The Cooperative Servicing Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan	Management and Collection of Non-Performing Loans	April 11, 2001	500 37.96
JA MITSUI LEASING, LTD.	13-1, Ginza 8-chome, Chuo-ku, Tokyo 104-0061, Japan	Leasing Business	April 1, 2008	32,000 33.40
Ant Capital Partners Co., Ltd.	2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005, Japan	Private Equity Investments & Fund Management	October 23, 2000	100 24.95
Gulf Japan Food Fund GP	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	Investments	July 29, 2015	$50,000 20.10
JAML MRC Holding, Inc.	286 Madison Ave., Suite 301, New York, NY 10017, U.S.A.	Investments	March 6, 2015	$42 million 20.00
The Agribusiness Investment & Consultation Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo 101-0047, Japan	Investment in Agricultural Corporations	October 24, 2002	4,070 19.97
Investment Limited Partnership for Renewable Energy in Agriculture, Forestry, and Fisheries	13-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-8420, Japan	Investment in Renewable Energy Projects	April 30, 2014	334 —

** The percentage of share units indirectly owned by The Norinchukin Bank.*

Global Network (As of August 1, 2019)

Overseas Branches

New York Branch

21st Floor, 245 Park Avenue,
New York, NY 10167-0104, U.S.A.
Telephone: 1-212-697-1717
Fax: 1-212-697-5754
SWIFT: NOCUUS 33

London Branch

4th Floor, 155 Bishopsgate,
London EC2M 3YX, U.K.
Telephone: 44-20-7588-6589
Fax: 44-20-7588-6585
SWIFT: NOCUGB2L
Company number: BR001902

Singapore Branch

12 Marina Boulevard, #38-01/02,
Marina Bay Financial Centre
Tower 3, Singapore 018982
Telephone: 65-6535-1011
Fax: 65-6535-2883
SWIFT: NOCUSGSG

Overseas Representative Offices

Hong Kong (China) Representative Office

34th Floor, Edinburgh Tower,
The Landmark, 15 Queen's Road,
Central, Hong Kong, People's Republic
of China
Telephone: 852-2868-2839
Fax: 852-2918-4430

Beijing Representative Office

Room 601, Chang Fu Gong Building,
Jia-26, Jianguo Men Wai St.,
Beijing, China 100022
Telephone: 86-10-6513-0858
Fax: 86-10-6513-0859

Corporate Outline

Name	The Norinchukin Bank
Legal basis	The Norinchukin Bank Law (Law No. 93 of 2001)
Date of establishment	December 20, 1923
Chairman of the Supervisory Committee	Toru Nakaya
President and Chief Executive Officer	Kazuto Oku
Paid-in capital	¥4,040.1 billion (US$36.4 billion) (As of March 31, 2019) *All capital is from private parties (members and investors in preferred securities).
Total assets (On a consolidated basis)	¥105,953.9 billion (US$955.2 billion) (As of March 31, 2019)
Capital ratio (On a consolidated basis, Basel III standard)	Common Equity Tier 1 Capital Ratio 16.59% (As of March 31, 2019) Tier 1 Capital Ratio 19.65% (As of March 31, 2019) Total Capital Ratio 19.65% (As of March 31, 2019)
Members	Japan Agricultural Cooperatives (JA), Japan Fishery Cooperatives (JF), Japan Forest Owners' Cooperatives (JForest), and related federations, as well as other agricultural, fishery and forestry cooperative organizations that have invested in the Bank (Number of shareholders: 3,540) (As of March 31, 2019)
Number of employees	3,615 (As of March 31, 2019)
Business locations	(In Japan) Head office: 1, Branch: 19, Branch annex: 1, Office: 17 (Overseas) Branch: 3, Representative office: 2 (As of March 31, 2019)

Ratings (As of March 31, 2019)

Rating agency	Long-term debt	Short-term debt
S&P	A	A-1
Moody's Investors Service	A1	P-1

Contact information of Head Office:

13-2, Yurakucho 1-chome, Chiyoda-ku,
Tokyo 100-8420, Japan
URL: http://www.nochubank.or.jp/en/
SWIFT: NOCUJPJT

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