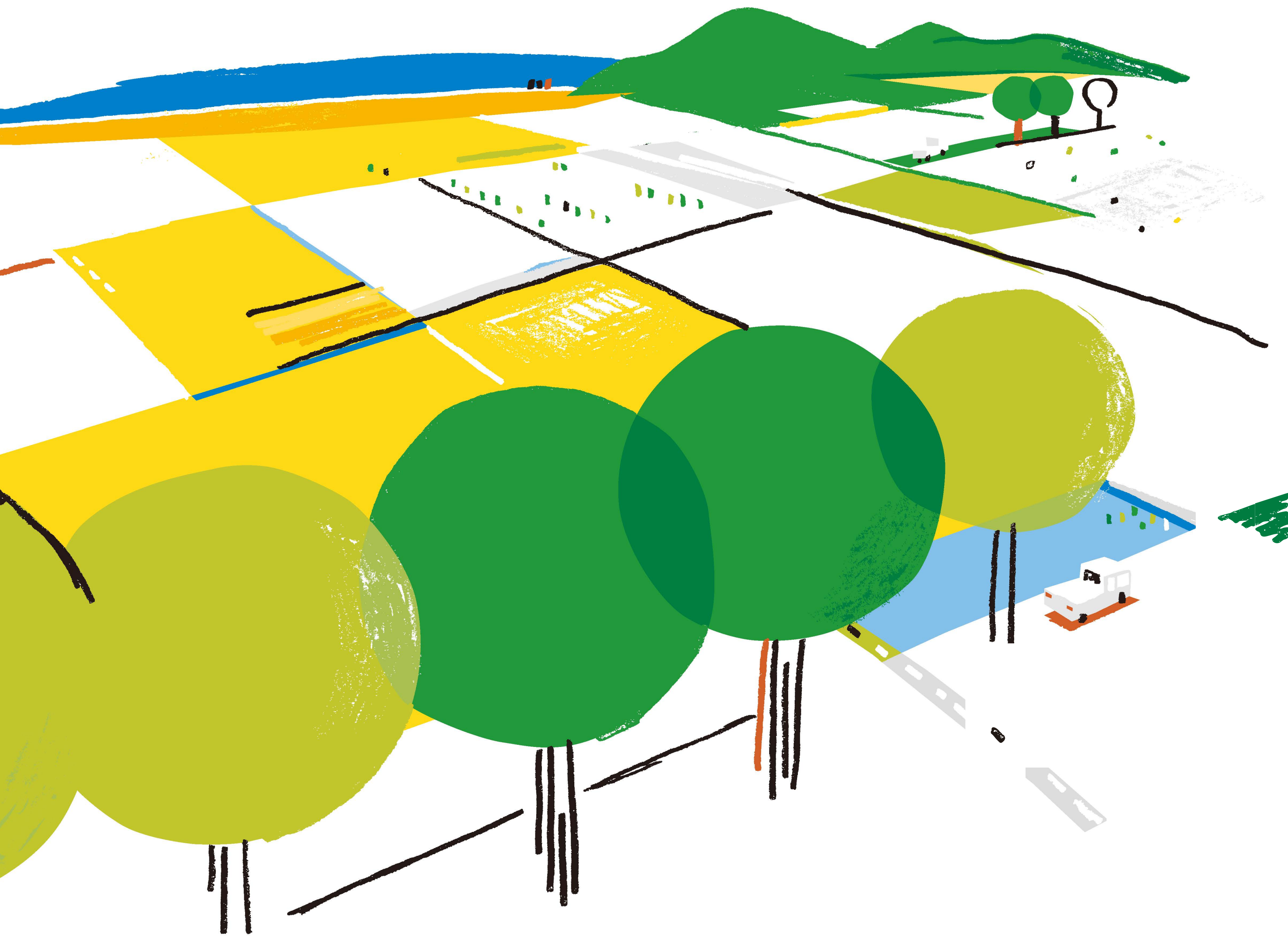
Interim Report

2018

For The Six Months Ended **September 30, 2018**



NORINCHUKIN

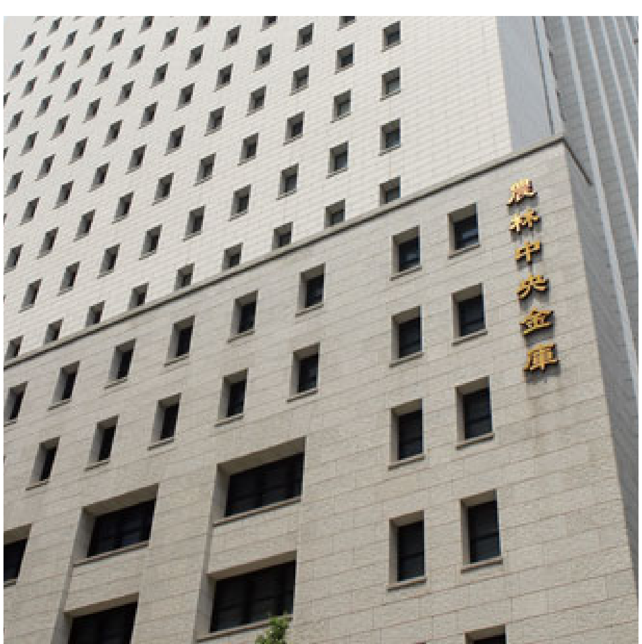
Leading Bank that Supports the Agriculture, Fishery and Forestry Industries, Food Production and Consumption, and the Daily Lives of Local Communities

The mission of The Norinchukin Bank is to fully support Japan's agriculture, fishery and forestry industries as the national-level organization of JA Bank Group, JF Marine Bank Group and JForest Group. Through this support, the Bank contributes to the development of food production and consumption and a better quality of life for the people living in local communities.

Securing stable profits through global investments as one of Japan's leading institutional investors is an important activity that we undertake to fulfill our mission.

Courageously facing change, we will pursue our unchanging mission and continue to challenge new horizons.

Individual members	Farmers	Fishermen	Forest Owners
	↕	↕	↕
Municipal-level organizations	Japan Agricultural Cooperatives (JA)	Japan Fishery Cooperatives (JF)	Japan Forest Owners' Cooperatives (JForest)
	↕	↕	↕
Prefectural-level organizations	Prefectural Banking Federations of Agricultural Cooperatives (JA Shinnoren)	Prefectural Banking Federations of Fishery Cooperatives (JF Shingyoren)	Prefectural Federations of Forest Owners' Cooperatives (JForest Shinren)
	↕	↕	↕
	The Norinchukin Bank (the Bank)		



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	■ ¥3,480.4 billion (US$30.6 billion) (As of September 30, 2018) *All capital is from private parties (members and investors in preferred securities).
Total assets (On a consolidated basis)	■ ¥108,041.1 billion (US$951.5 billion) (As of September 30, 2018)
Capital ratio (On a consolidated basis, Basel III standard)	■ Common Equity Tier 1 Capital Ratio 16.62% (As of September 30, 2018) ■ Tier 1 Capital Ratio 16.63% (As of September 30, 2018) ■ Total Capital Ratio 20.60% (As of September 30, 2018)

Contents

Forward-Looking Statements
This report contains information about the financial condition and performance of the Bank as of September 30, 2018 (as of the latest date for information on business locations), as well as forward-looking statements pertaining to 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.

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: 3,570)
(As of September 30, 2018)

Number of employees
■ 3,704 (As of September 30, 2018)

Business locations
(In Japan) ■ Head office: 1 ■ Branch: 19
■ Branch annex: 1 ■ Office: 17
(Overseas) ■ Branch: 3
■ Representative office: 2
(As of September 30, 2018)

Ratings (As of September 30, 2018)

Rating agency	Long-term debt	Short-term debt
S&P	A	A-1
Moody’s Investors Service	A1	P-1

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

Report on Financial Statements for the First Half of Fiscal 2018

Toru Nakaya
Chairman of the Supervisory Committee

Kazuto Oku
President and Chief Executive Officer

In fiscal 2018, as the final year of the Medium-Term Management Plan, which covers the three years starting in fiscal 2016, The Norinchukin Bank (the Bank) is proceeding steadily with its business operations and is continuing to work toward becoming the leading bank that supports the agriculture, fishery and forestry industries, food production and consumption, as well as the daily lives of local communities.

In the first half of fiscal 2018, against the backdrop of the expansion of the global economy, long-term interest rates rose moderately and there was a continuing trend of rising stock prices. Foreign exchange rates saw a progression of yen depreciation mainly against the U.S. dollar.

Under such circumstances, the Bank undertook appropriate financial management aiming at stable cash flow. As a result, in the first half of fiscal 2018, the Bank secured Consolidated Ordinary Profits of ¥117.2 billion. At the same time, it maintained its Consolidated Capital Adequacy Ratio at a high level, with a Common Equity Tier 1 Capital Ratio of 16.62%, a Tier 1 Capital Ratio of 16.63%, and a Total Capital Ratio of 20.60%. Looking ahead, the economic and financial environment is expected to remain harsh—e.g., the prolonged negative interest rate policy in Japan, the rising cost of foreign currency funding, the prospect of interest rate hikes in the United States. Nevertheless, the Bank will seek to engage in appropriate financial management.

Looking at business operations going forward, the Bank will work on establishing three business areas—food and agriculture business, retail business and investment business—and enhancing corporate functions that manage and support these businesses as a whole, as per the Medium-Term Management Plan's basic policy. At the same time, we are addressing challenges with a vision for the future, which includes the steady implementation of the Self-reform of JA Bank.

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.

January 2019

TORU NAKAYA

Toru Nakaya
Chairman of the Supervisory Committee

Kazuto Oku

Kazuto Oku
President and Chief Executive Officer

Financial Results for the First Half of Fiscal 2018

■ Income

On a consolidated basis, Ordinary Profits* came to ¥117.2 billion, down ¥25.3 billion on a year-over-year basis, and Profit Attributable to Owners of Parent was ¥85.8 billion, down ¥20.7 billion on a year-over-year basis.

On a non-consolidated basis, Ordinary Profits came to ¥115.8 billion, down ¥22.4 billion on a year-over-year basis, and Net Income was ¥86.5 billion, down ¥17.9 billion on a year-over-year basis.

**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.*

■ Balance of Assets and Liabilities

On a consolidated basis, Total Assets at the end of the first half of fiscal 2018 was ¥108,041.1 billion, up ¥3,113.4 billion from the previous fiscal year-end. Total Net Assets came to ¥6,666.6 billion, down ¥79.4 billion from the previous fiscal year-end.

On a non-consolidated basis, Total Assets was ¥106,408.0 billion, up ¥2,990.4 billion from the previous fiscal year-end. On the assets side, Loans and Bills Discounted was ¥13,821.1 billion, and Securities was ¥54,003.4 billion. On the liabilities side, Deposits amounted to ¥67,074.1 billion, and Debentures was ¥1,515.5 billion.

■ Capital Adequacy Ratio

On a consolidated basis, the Bank's Common Equity Tier 1 Capital Ratio was 16.62%, its Tier 1 Capital Ratio was 16.63%, and its Total Capital Ratio (Basel III standard) was 20.60%.

On a non-consolidated basis, the Bank's Common Equity Tier 1 Capital Ratio was 16.78%, its Tier 1 Capital Ratio was 16.81%, and its Total Capital Ratio was 20.84%.

Key Management Indicators

<Consolidated>

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

	First Half of Fiscal 2016	Fiscal 2016	First Half of Fiscal 2017	Fiscal 2017	**First Half of Fiscal 2018**	**First Half of Fiscal 2018**
Total Income	¥ 706.5	¥ 1,373.5	¥ 756.0	¥ 1,464.4	**¥ 911.0**	**$ 8,023**
Total Expenses	512.6	1,152.5	614.1	1,280.5	**793.8**	**6,992**
Profit Attributable to Owners of Parent	143.4	206.1	106.5	147.6	**85.8**	**755**
Total Comprehensive Income	(56.6)	(109.2)	230.5	(192.9)	**(8.3)**	**(73)**
Total Net Assets	7,061.3	7,008.8	7,169.4	6,746.0	**6,666.6**	**58,716**
Total Assets	102,160.4	107,062.7	113,201.5	104,927.7	**108,041.1**	**951,569**
Capital Adequacy Ratio (BIS) (Note 2)						
Common Equity Tier 1 Capital Ratio (%)	20.19	19.31	18.72	19.02	**16.62**	**16.62**
Tier 1 Capital Ratio (%)	20.23	19.34	18.75	19.02	**16.63**	**16.63**
Total Capital Ratio (%)	26.38	24.39	23.54	23.50	**20.60**	**20.60**

Notes: 1. U.S. dollars have been converted at the rate of ¥113.54 to U.S.$1, the effective rate of exchange at September 30, 2018.
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.

<Non-Consolidated>

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

	First Half of Fiscal 2016	Fiscal 2016	First Half of Fiscal 2017	Fiscal 2017	**First Half of Fiscal 2018**	**First Half of Fiscal 2018**
Total Income	¥ 698.8	¥ 1,360.3	¥ 745.6	¥ 1,425.7	**¥ 902.2**	**$ 7,946**
Total Expenses	507.3	1,139.9	608.1	1,268.4	**786.4**	**6,926**
Net Income	142.4	203.4	104.5	129.9	**86.5**	**762**
Paid-in Capital	3,480.4	3,480.4	3,480.4	3,480.4	**3,480.4**	**30,654**
Total Net Assets	7,007.3	6,939.0	7,098.3	6,654.0	**6,576.6**	**57,923**
Total Assets	101,004.0	105,812.4	111,841.2	103,417.6	**106,408.0**	**937,185**
Deposits	61,629.0	61,904.2	65,281.2	65,823.8	**67,074.1**	**590,753**
Debentures	2,778.2	2,423.8	2,098.9	1,774.4	**1,515.5**	**13,347**
Loans and Bills Discounted	12,747.1	11,948.5	11,654.5	11,742.6	**13,821.1**	**121,729**
Securities	54,700.8	62,108.2	62,572.5	52,332.7	**54,003.4**	**475,633**
Capital Adequacy Ratio (BIS) (Note 2)						
Common Equity Tier 1 Capital Ratio (%)	20.28	19.42	18.83	19.20	**16.78**	**16.78**
Tier 1 Capital Ratio (%)	20.34	19.47	18.88	19.23	**16.81**	**16.81**
Total Capital Ratio (%)	26.63	24.60	23.74	23.78	**20.84**	**20.84**

Notes: 1. U.S. dollars have been converted at the rate of ¥113.54 to U.S.$1, the effective rate of exchange at September 30, 2018.
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.

Bank Initiatives

Outline of the Medium-Term Management Plan

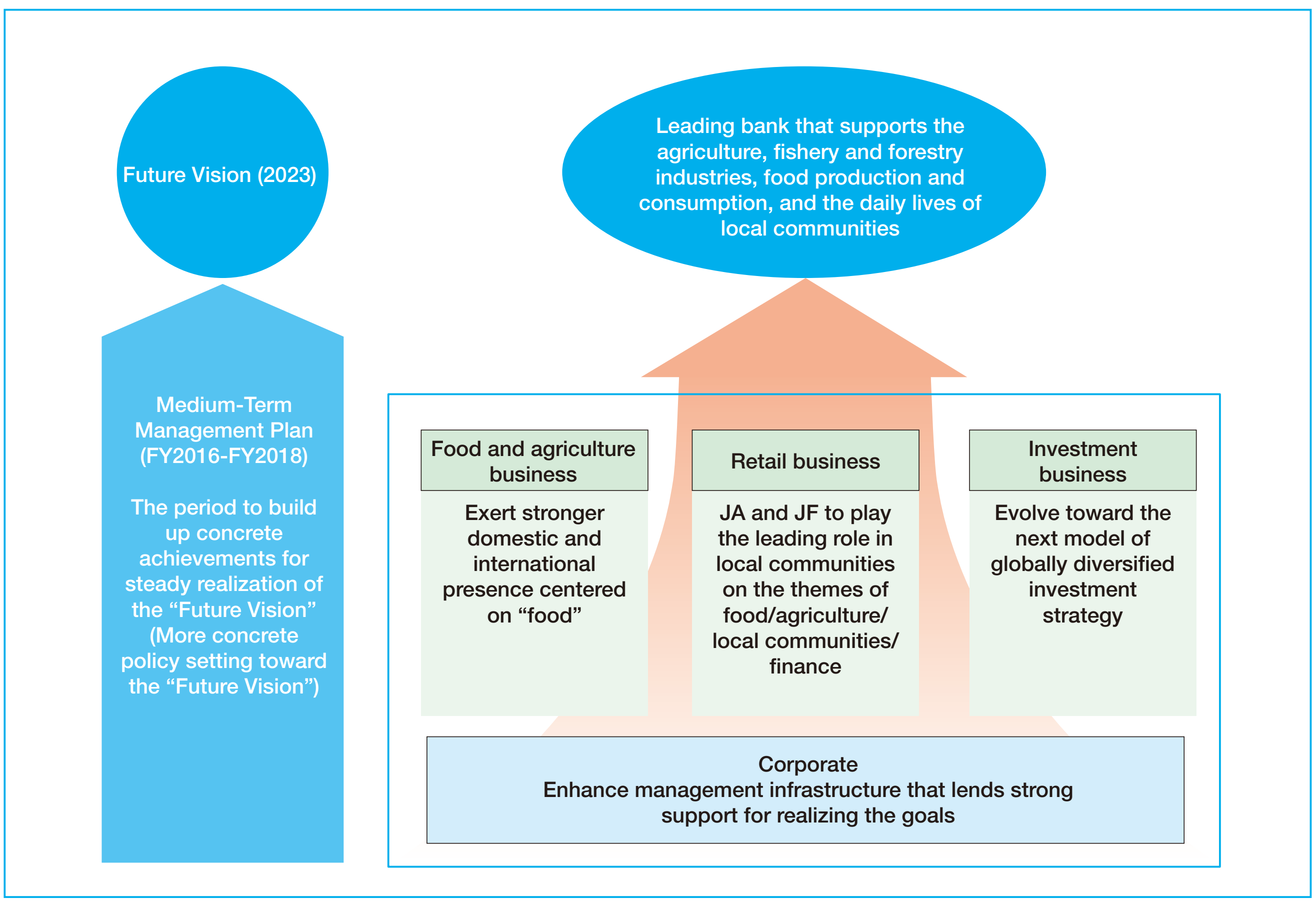
The environment surrounding the Bank and cooperatives is becoming increasingly harsh amid such developments as the progress of negotiations on the Trans-Pacific Partnership (TPP) and the tightening of international financial regulations. At the same time, social interest and expectations for turning the agriculture, fishery and forestry industries into growth industries are higher than ever before.

In light of the basic role of The Norinchukin Bank and the situation surrounding the Bank and cooperatives, we have formulated the Medium-Term Management Plan (fiscal 2016 through fiscal 2018) comprising management and business management policies for the three years and engage in business operations based on the plan.

Under the Medium-Term Management Plan, we define the basic policy to achieve three objectives of "contributing fully as the bank rooted with the agriculture, fishery and forestry industries and food businesses, turning the agriculture, fishery and forestry industries into growing industries," "reinforcing the cooperative banking business platform," and "achieving stable returns to our members through the sophistication of the current globally diversified investment strategy," and establish the corresponding three business areas of "food and agriculture business," "retail business" and "investment business," as well as enhancing corporate functions that manage and support these three areas.

In addition, the Bank introduced a headquarters system from the perspective of achieving quick decision-making, policy development and implementation and the flexible use of management resources. We established a structure to promote these three business areas also at the organizational level by launching four headquarters,

Basic Policy of "Medium-Term Management Plan (FY2016-FY2018)"



three of which are front-office headquarters, namely, "Food & Agri Banking Business" (in charge of the "food and agriculture business"), "Retail Banking Business" (in charge of promoting and strengthening JA Bank and JF Marine Bank's "retail business") and "Global Investments" (in charge of the "investment business" aimed at the further evolution of the "globally diversified investments"), and one of which is "Corporate & Shared Services" (in charge of the management infrastructure that supports the aforementioned three headquarters).

"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 are implementing "Self-reform of JA Bank" efforts during an intensive period for the initiative up to fiscal 2018.

The "Self-reform of JA Bank" is 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 has 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 is promoting 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 has 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 around 100 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. Having promoted such initiatives one after the other to help turn the agriculture industry into a growth industry, we will further strengthen these initiatives into the future.

Both JA Bank and the Bank will work as hard as possible toward the steady implementation of the "Self-reform of JA Bank" effort, and contribute to the development of agriculture and local communities by continuing to enhance the provision of financial services and securing sound management.

Food and Agriculture Business Initiatives

Food and Agriculture Business Initiatives

The Bank conducts initiatives to further exert its role as the central organization for agricultural, fishery and forest owners' cooperatives, focusing on contribution to its members and the agriculture, fishery and forestry industries as a matter of the highest priority. The Bank is offering various solutions to achieve the practices of the "food and agriculture business" indicated in the Medium-Term Management Plan started from fiscal 2016, which contribute to turning the agriculture, fishery and forestry industries into growth industries.

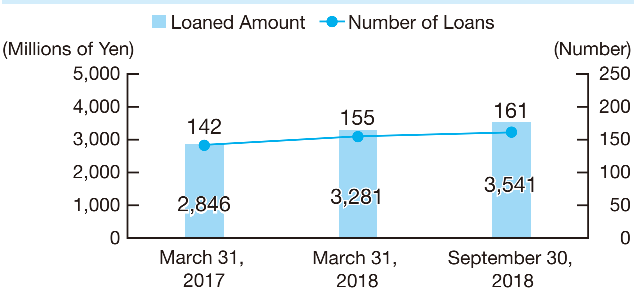
Smooth Capital Supply to the Food and Agriculture-Related Fields

● Initiatives for Agricultural Loans

For agricultural corporations run by those expected to be agricultural leaders of tomorrow, we offer the Agricultural Corporation Development Loan (Agri-Seed Loan), etc., for operating funds for agricultural production and processing and sales, etc., of farm products without collateral or guarantee in principle.

In addition to direct financing as mentioned above, the Bank reduces interest burdens on agricultural workers, for example by providing subsidies to borrowers of JA Bank's agricultural loans to cover up to one percent of the interest cost. In fiscal 2018, approximately 90,000 loans, totaling ¥1.8 billion, were provided, and in the cumulative total up to fiscal 2018, ¥13.3 billion in subsidies were granted for approximately 730,000 agricultural loans.

Trends in Cumulative Number and Amount of Agri-Seed Loans Executed



● Establishing the F&A (Food and Agri) Growth Industry Investment Facility

In May 2016, the Bank established the "F&A (Food and Agri) Growth Industry Investment Facility" to assist Japan's agriculture, fishery and forestry industries in adding higher value and enhancing their international competitiveness.

The Bank believes that in order to transform agriculture, fishery and forestry sectors into growth industries, it is indispensable to add higher value and improve the productivity of downstream industries as well, and to achieve this, collaboration with cooperative organizations and companies in domestic and foreign industries is required and risk money needs to be provided.

To this end, the Bank has established the "F&A (Food and Agri) Growth Industry Investment Facility" on the scale of ¥50.0 billion, to supply risk money for such tasks as adding higher value and improving productivity.

To date, the Bank has supported the financial stabilization of domestic agricultural corporations and their business development via capital contributions, added higher value through sixth industrialization and renewable energy projects, explored overseas sales channels via food and agriculture-related businesses in the Middle East, and supplied capital mainly to streamline production with cutting-edge agricultural IT technologies.

List of F&A (Food and Agri) Growth Industry Investment Facility

	Investment target	Investment facility
Agri-Seed Fund	Agricultural corporations, corporations operating agriculture-related businesses (small to medium scale)	¥4.0 billion
Support Fund for Business Entities of Agricultural Leaders	Agricultural corporations, corporations operating agriculture-related businesses (large scale)	¥5.0 billion
Agriculture, Forestry and Fisheries Cooperative Fund	Agricultural, fishery and forestry workers and their organizations (JA, regional community farming organizations, corporations, etc.)	¥2.9 billion
Export Promotion Support Fund	Food and agriculture-related businesses in six Middle East Gulf States	$50 million
Investment Limited Partnership for Renewable Energy in Agriculture, Forestry and Fisheries	Renewable energy power generation project undertaken by associates of agricultural, forestry and fishery villages to contribute to revitalizing local communities	¥0.5 billion
Direct Investment Facility	Investments to expand the scale of the agriculture, fishery and forestry industries, improve productivity and creating added-value, etc.	¥18.0 billion
(Extendable capacity)	Scheduled to be allotted according to the status of each investment facility	¥14.6 billion
Total	—	¥50.0 billion

Offering Solutions That Contribute to Increasing Agricultural Income

● Initiatives to Expand Sales and Add Higher Value

Collaboration with JA Zen-Noh (National Federation of Agricultural Cooperative Associations)

Aiming to increase agricultural income, expand production and revitalize local communities, the Bank collaborates closely with the initiatives promoted by JA Zen-Noh to reform the distribution and processing structure, expand exports and reduce production materials costs, mainly by providing advice related to investments/loans and offering financial and nonfinancial services including brokerage with general business corporations and the dispatching of staff.

As part of such initiatives, JA Zen-Noh promoted the joint purchase of low-priced agricultural machinery focused on important functions (e.g., large tractors) to lower costs for agricultural machinery. In line with this initiative, the Bank proposes funding options to accommodate the needs of agricultural workers and promotes loans at agricultural machinery shows held at various locations nationwide.

Export Support Initiatives

To allow its members and agricultural, fishery and forestry workers who aim to export their products to engage in steady exports, the Bank provides an export support package. In fiscal 2017, while adhering with the existing export support initiatives, the Bank further strove to promote exports by enhancing initiatives to deepen the content and improve applicability, reflecting input from participants in each initiative. Specifically, the Bank (1) released the export PR publication "*Yushutsu-no-Ibuki*" (quarterly), (2) held export seminars (in Osaka), (3) participated in overseas trade fairs (exhibited at the HKTDC Food Expo 2018, FOOD TAIPEI and Food & Hotel Asia in Singapore), and (4) offered its members and agricultural, fishery and forestry workers an opportunity to participate in the Great Okinawa Trade Fair.


HKTDC Food Expo 2018

Business Conferences and Business Matching Initiatives

The Bank capitalizes on the characteristics of the cooperative system as a nationwide system to identify the business needs of its customers (cooperative organizations, agricultural, fishery and forestry workers and corporate clients), and provides business matching services and conferences to lead to constant business transactions among them. In fiscal 2018, the Bank plans to hold nationwide and block business conferences, etc., and is supporting the expansion of the sales channels of participating sellers' groups.

JA Group Japanese Agricultural and Livestock Products Business Conference (nationwide business conference)

● Initiatives to Reduce Production Costs

Agricultural Equipment Lease Support Program

To encourage reduction of production costs through producers' scale expansion, etc., agri-seed leasing business was implemented for partial subsidies on leases involving agricultural machinery and equipment, etc. The first solicitation was conducted for rice and vegetable producers, for which approximately 8,000 subsidies were decided in October 2015, and the second solicitation was conducted adding livestock and dairy to the subsidy target items, for which approximately 4,000 subsidies were decided in May 2016. The Bank is deepening relationships with subsidy recipients through a visitation approach.

Specifically, after the snow damage that occurred in 2014, the utilization of this program for introducing tractors helped farmers resume operations, thereby expanding the vegetable farm area of 5 hectares in fiscal 2015 to 9.4 hectares in fiscal 2017, showcasing the effects of cost reduction and expansion of scale.

Project to Reinforce Business Consultation Function

To strengthen response capabilities to diverse management issues of agricultural corporations, etc., the "management consultation function strengthening business" was launched in September 2015. Specifically, the Bank established consultation counters nationwide and provided subsidies for management seminars and individual consultations that are held in each prefecture. In fiscal 2017, 105 seminars or similar events were held nationwide. Moreover, free consultation counters nationwide by specialists and the website "Agriweb" to dispatch information related to agricultural business management were launched in 2016. In July 2017, a link was established between "Agriweb" and JA Zen-Noh's "APPINES" website, which provides information on farming operation. Drawing on the alliances among the JA Group, the Bank has operated to address the managerial issues of agricultural workers in general. The number of members of "Agriweb" was 3,786 as of September 30, 2018.

The "Agriweb" website supporting agricultural management

Production Costs Reduction Support Program

In collaboration with JA Zen-Noh and related organizations, in fiscal 2016 the Bank started a support program to help reduce production costs. The program, with the aim to reduce production costs, provides subsidies for the dissemination of new technologies and innovative initiatives, implementing the following four programs.

The first program implemented: "DNA Chip Dissemination Promotion Support Program for Livestock and Dairy Business" in coordination with JA Zen-Noh to prevent cow disease and conduct health checks

The second program: Support program to pass on "Takumino-Waza" or techniques and expertise possessed by experienced agricultural workers

The third program: Support program to establish a relay shipping structure for fruits and vegetables toward the expansion of exports, which contributes to the reduction of overseas sales costs

The fourth program: Support program for the stable supply of items to address horticultural consumer needs

Under the fourth program, during the period from April 2018 to September 2018 the Bank supplied 464,000 tomato seeds of a new species.

Support for Revitalization of Regional Areas and Local Communities

● Agricultural Entrant Support Program

To cultivate future domestic farming core leaders, the Bank has implemented the agricultural entrant support program. In fiscal 2015, the Bank expanded the subsidy business we have implemented toward training provided to potential agricultural entrants and launched a subsidy business toward farming operation costs incurred by independent agricultural entrants aimed at providing support for stabilizing their management soon after becoming an agricultural entrant. During fiscal 2017, the Bank subsidized 831 training programs and 4,219 farming operations.

● 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, 61 students have graduated and started engaging in farming nationwide. At present, fifth and sixth year 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.

● 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 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 "Next Generation Agriculture Summit" soliciting self-motivated young farmers. Most recently, in November 2018, the Bank cosponsored the "Farmers' & Kids' Festival," 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. In addition, at the National Federation of Agricultural Labor Support Conference, the Bank promoted an alliance to eliminate the labor shortage problem. In addition to such national initiatives, prefecture-level alliances are also under way.

● Inbound Green Tourism

Four companies comprising the Bank, ABC Cooking Studio Co., Ltd., Recruit Lifestyle Co., Ltd., and Nokyo Tourist Corporation, entered into a comprehensive partnership agreement in April 2016 aimed at contributing to the support for revitalization of local communities and overseas export.

Aiming to revitalize local communities by increasing the number of tourists visiting regional areas of Japan and advertising the attraction of Japanese foods, the Bank has implemented six tours. For the sixth tour, which was conducted in March 2018, as an effort to support the reconstruction of Kumamoto and Oita prefectures, where the number of domestic tourists has been declining due to the 2016 Kumamoto earthquakes, the Bank conducted Food and Agriculture Green Tourism targeting domestic tourists in an alliance with local governmental administrations and corporations, etc. These initiatives of the Bank are linked to more local characteristic-oriented initiatives within prefectures.

JA Bank's Agriculture Financing

JA Bank supports farmers' agricultural management and livelihoods by providing various types of direct agricultural loans and handling Agriculture Modernization Loans and Japan Finance Corporation loans. As of March 31, 2018, JA Bank's outstanding balance of agriculture-loans was ¥2,036.1 billion (of which loans to farmers amounted to ¥1,254.8 billion). The outstanding balance of loans in trust of the Japan Finance Corporation and other entities came to ¥460.4 billion.

Notes: 1. "Direct agricultural loans" are non-policy-based loans funded by JA Bank.
2. "Agricultural policy-based loans" refer to: (1) those financed directly or indirectly by local authorities; and (2) those provided by JA Bank at a low interest rate based on interest subsidies, etc., from local authorities.
3. "Other policy-based loans" include agricultural management improvement promotion loans (New Super S Fund) and agricultural management assistance support loans.
4. Of the "direct agricultural loans" funded by JA Bank, the outstanding balance of loans of The Norinchukin Bank excludes the source fund for financing facilities extended to JA Bank, such as the Bank of Japan's loan support program and other policy-based loans.

Outstanding Balance of Agricultural Loans, by Type

(Billions of Yen)

Type	March 31, 2018
Direct agricultural loans [1]	1,594.4
Agriculture policy-based loans [2]	441.6
Agriculture Modernization Loans	159.8
Other policy-based loans [3]	281.8
Total	2,036.1

Outstanding Balance of Agricultural Loans in Trust

(Billions of Yen)

Type	March 31, 2018
Japan Finance Corporation loans	460.0
Others	0.3
Total	460.4

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. The program has provided financial support to affected agricultural, fishery and forestry industry workers and affected members with multifaceted support in keeping with meeting needs and situations in disaster-stricken areas.

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

For the business of disaster-affected farmers, fishermen and foresters reconstruct their businesses, the Bank has provided long-term low-interest Reconstruction Loan (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 business 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 subsidized 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 as well as supported projects to promote reconstruction through the agriculture, fishery and forestry industries and initiatives to realize advanced agricultural, fishery and forestry industries through reconstruction. The Bank also supports the revitalization of disaster-stricken prefectural areas, such as by donating wooden products, etc., made using local timber.


Harvesting by a Reconstruction Fund recipient


Agricultural machinery used to resume operations by producers of leeks and other vegetables

Product	Number of loans, etc.	Amount
Reconstruction Loan (Tohoku Agricultural, Forestry, and Fisheries Industries Support Loan)	Number of loans 159	Loaned amount ¥48.2 billion
Reconstruction Fund (Tohoku Agricultural, Forestry, and Fisheries Industries Support Fund)	Number of investments 63	Invested amount ¥1.5 billion
Lease subsidies	Number of subsidies 1,708	Total lease amount ¥6.4 billion
Interest subsidies to JA/JF disaster funds	Number of support cases 4,059	Loaned amount ¥20.5 billion

*Cumulative total as of September 30, 2018

● Reconstruction Support to Members and Customers

Japan Agricultural Cooperatives (JA) and Japan Fisheries Cooperatives (JF) increased their capital under the Framework for Special Post-Earthquake Support. Both Cooperatives have repaid the funds they borrowed to help increase their capital, continuing their efforts toward regional reconstruction.

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 conducted 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.

Seven and a half years have passed since the Great East Japan Earthquake and agriculture and fishing operations have resumed, and lifestyle reconstruction efforts have proceeded in many of the disaster-affected areas. However, disparity has arisen among local communities in this situation, and approximately 20,000 people (as of August 2018) are still forced to live in temporary housing. Given such facts, looking at the disaster-affected areas as a whole, the reconstruction process is still only half-way complete. As the Bank continues to provide sufficient support for reconstruction initiatives in the disaster-affected areas, new developments are being seen, such as the development of agricultural leaders and the expansion of scale, and with an emphasis on encouraging these initiatives, we will continue to provide full and multifaceted support to the reconstruction of agriculture, fishery and forestry industries and local communities.

● Reconstruction Support Efforts by JA Group, JF Group and JForest Group

JA Group, JF Group and JForest Group have launched a website to introduce their activities to help the agriculture, fishery and forestry industries recover from the vast damage caused by the Great East Japan Earthquake and reconstruction initiatives and to record these efforts into the future.

Website name: Record of Reconstruction Initiatives of Agricultural, Fisheries and Forest Owners' Cooperatives (in Japanese only)

Retail Business Initiatives

■ JA Bank Initiatives

Under the JA Bank Medium-Term Strategies (fiscal 2016 through fiscal 2018), which started in fiscal 2016, aiming to become an entity that is needed more in regions by contributing to food, agriculture and local communities, JA Bank has been making efforts to increase agricultural income and revitalize local communities by providing high-quality financial services for community residents such as individual members and customers.

In particular, in terms of "Accomplishing the Self-reform of JA Bank," JA Bank is promoting initiatives such as: the implementation of the "Support Program for Increasing Agricultural Income and Revitalizing Local Communities" on a total budget of ¥100.0 billion; the planning and sale of financial products leading to the expansion of the consumption of domestic agricultural and livestock products under the name of "*No to Ayumu* Project" (Project for Making Progress with Agriculture); and the deployment of mobile branches in vehicles aimed at providing financial services in underpopulated areas and enhancing the ability to respond to disasters.

To meet the diverse needs of farmers—ranging from a wide range of leaders who will support local communities and farming villages in the future to large-scale companies that spearhead the agricultural industry—more extensively, we have installed a "Prefectural Leader Support Center" in all prefectures. Leveraging these Prefectural Leader Support Centers, JA, JA Shinnoren and the Bank are working together as one to further enhance financial services for the agricultural industry through efforts such as actively visiting agricultural corporations, which is linked to other purposes such as the CS survey, and developing the JA Bank interest subsidy program.

In addition, for community residents, with the aim of becoming the main bank for customers in all aspects of their lives, we are striving to meticulously address their diverse needs by providing financial products and services tailored to life plans, including loans, accounts for receiving salary and pension payments and internet banking, and by preparing to address needs for inheritance advice and asset management.

■ JF Marine Bank Initiatives

In accordance with the JF Marine Bank Medium-Term Business Promotion Policy (fiscal 2018 through fiscal 2020), JF Marine Bank is making efforts to become a trusted provider of financial services for fishing communities by implementing its initiatives to maintain and strengthen its business promotion capabilities, mainly focused on financing for the fishery industry.

Specifically, JF Marine Bank continues to engage in initiatives to approach fishing communities through the formulation and implementation of an action plan to enhance its financial functions for the fishery industry (e.g., increasing lending to fishermen). JF Marine Bank is enhancing contacts with fishing communities through visits and other activities by persons such as financial consultants for the fishery industry who have been newly appointed based on a certification system. As a result, during the first half of fiscal 2018, the amount of newly executed fishery-related loans exceeded nationwide targets.

In addition, JF Marine Bank has added disaster funds for fishermen, etc., who suffered losses due to natural disaster to the list of loans within the scope of its interest subsidy business in an effort to reduce their burden.

Going forward, JF Marine Bank will continue engaging in initiatives to strengthen the financial functions for the fishery industry including the financing of the fishing boat leasing businesses, which is a policy measure of the national government.

On top of these initiatives, aiming to further deepen transactions with community residents, JF (Japan Fisheries Cooperatives) and JF Shingyoren have united to develop a "Promotion Campaign to Become a Main Bank for Fishermen's Households." Moreover, the Bank has been providing support for initiatives in each prefecture, recording a year-over-year net increase in the balance of personal savings at the end of first half of fiscal 2018. Along with these measures, the Bank has been making efforts to produce actual results through support for the activities of JF Women's Groups/Youth Groups, and has been contributing to local communities, the revitalization of beach events by dispatching "supporters for beach activities" and other activities.

We will achieve sound and efficient operation of JF Marine Bank by taking steps to ensure the effectiveness of the JF Marine Bank Safety System (Stable and Responsible JF Cooperative Banking Business System) so that individual members and customers can use JF Marine Bank with peace of mind.

JForest Group Initiatives

JForest Group has been engaging in the "JForest Movement for the Creation of Future Forestlands, Forestry Industry and Mountain Villages—Creating Local Communities Using Forests for the Next Generation" (fiscal 2016 through fiscal 2020), whose objective includes revitalizing local communities by invigorating forestry and related industries. In addition, the Bank is supporting the consolidation of forest management by such means as financing the introduction of high-performance forestry machinery, which the Bank has been working on for some time, subsidizing activities aimed at the sustainable demonstration of multifaceted roles of forests through the revitalization of deserted private forests based on the Norinchukin Forest Restoration Fund (Nochu Moridikara Fund), recruiting leaders, and subsidizing the costs of purchasing protective trousers and other safety equipment aimed at improving labor safety.

In October 2016, the Bank established an endowed research department at the University of Tokyo for the study of lumber-using systems. In conjunction with this, the Bank established the Wood Solution Network as a platform for collaboration among industrial, government, academic and financial sectors through the participation of lumber-related companies and organizations, conducting surveys and research as well as various kinds of activities toward the expansion of lumber utilization.

Initiatives for Training and Developing Human Resources Related to the Cooperative System

Based on the environmental changes surrounding the cooperative system, JA Bank, JF Marine Bank and JForest Group are continuing to work to develop human resources that meet and fulfill the expectations of individual members and customers such as nurturing "Reform Leaders" who can lead the implementation of management visions toward reforms.

At JA Bank, "JA Bank Central Academy—Managers Course[1]" and the "JA Bank Central Academy—Senior Executives Course[2]," the "Seminar for Cooperative Presidents/Board Chairpersons" (targeted at JA presidents/board chairpersons), and the "Block Symposium" (targeted at JA branch managers and mid-career employees), etc., were implemented. Furthermore, follow-up efforts were conducted to help participants to implement management strategies that were formulated via the training courses and to nurture human resources who can implement initiatives toward reforms to address future changes in the business environment.

Moreover, for steady implementation of the JA Bank Medium-Term Strategies, we are working to enhance the acquisition of financial knowledge and other professional skills through well-planned training sessions tailored to each initiative and verifying the acquisition of new knowledge and skills through such training. Furthermore, we support JA's initiative to reform its business operational structure, mainly by providing support for the dissemination of the "CS Improvement Program" and the "Onsite Sales Capability Enhancement Program," which have been developed to conduct sales activities from the perspective of customers and improve the organizational culture.

Notes: 1. The "JA Bank Central Academy—Managers Course" (cumulative total of 620 participants as of September 30, 2018) is targeted at JA directors in charge of the banking business.
2. The "JA Bank Central Academy—Senior Executives Course" (cumulative total of 399 participants as of September 30, 2018) is targeted at JA senior managers in charge of the cooperative banking business.

These participants are implementing the management strategies formulated through these training sessions and helping our initiatives toward reform to take root so that the Bank can continually address future changes in the environment.

In addition, for JF Shingyoren, etc., the Bank is offering the "JF Marine Bank Training—Branch Operation Course," which is targeted at management personnel in charge of branch operations, who are the key personnel to provide necessary financial services for fishing communities. For Japan Forest Owners' Cooperatives (JForest), the Bank is offering "JForest Counsellor Training," which is targeted at personnel holding the title of counselor who are in charge of the practical managerial duties of JForest, thereby supporting the implementation of organizational reform by developing human resources who can lead reform and innovation at each cooperative.

Strengthening of Profitability through Appropriate Risk Management

Under its Medium-Term Management Plan (fiscal 2016 through fiscal 2018), the Bank's adequate financial management has taken into account the market environment and other factors, and conducted risk management that contributes to enhanced business competitiveness. Specifically, we will continue to strengthen our financial position with sound financial management. As a globally operating financial institution, we will maintain capital adequacy at a suitable level as well. To ensure a solid profit base, we will focus on flexible asset allocation management that is responsive to market conditions and on upgrading and accumulating investment expertise. At the same time, to further reinforce our earning capacity, we will selectively pursue new, high quality investment opportunities while taking into account market conditions.

As for risk management initiatives to help strengthen business competitiveness, we endeavor to build and operate a framework for forward-looking risk management through effective control that takes into account the Bank's business characteristics.

CSR Initiatives

As the financial institution founded on a platform of agricultural, fishery and forest owners' cooperatives as well as an institution engaging in global investment and loan activities, the Bank follows a basic policy for CSR (corporate social responsibility) activities to maintain the trust of various stakeholders and contribute to the sustainable development of the economy and society. Moreover, the Norinchukin Group engages in the CSR activities mutually coordinating with members in the field of agriculture, fishery and forestry industries.

To respond to broadening CSR-related social demands, the Bank organized its CSR priorities into six areas and 17 focal points in fiscal 2016. In these six areas, all directors and employees of the Bank work on the sustainable development of society through their business operations. Moreover, the Bank has participated in the following three international initiatives. Concerning the CSR Report as well, the content of the report has been updated in line with newly organized focal points and has been disclosed on the Bank's website.

Participation in Major Initiatives

United Nations Global Compact	Equator Principles	CDP
UN GLOBAL COMPACT Network Japan WE SUPPORT	EQUATOR PRINCIPLES	CDP DRIVING SUSTAINABLE ECONOMIES

Areas of the Materiality of The Norinchukin Bank

Six CSR Areas

CSR areas through core businesses

- Contribution to the development of the agriculture, fishery and forestry industries
- Responsible financing

CSR areas as the basis of management

- Environmental/Social contributions
- Trust from customers
- Respect for employees
- Organizational foundation

Six CSR Areas and 17 Focal Points

Area	Focal Point
Contribution to the development of the agriculture, fishery and forestry industries	1 Promotion of the agriculture, fishery and forestry industries
	2 Contribution to local communities
Responsible financing	3 Responsible investments and loans
	4 Promotion of environmental conservation projects
Environmental/Social contributions	5 Contribution to creating a sound society
	6 Environmental considerations
Trust from customers	7 Reliability of financial infrastructure
	8 Respect for customers
	9 Appropriate business activities
Respect for employees	10 Fair labor practices
	11 Employee diversity
	12 Human resource development
	13 Occupational health and safety
Organizational foundation	14 Governance
	15 Corporate ethics
	16 Respect for human rights
	17 Stakeholder engagement

Measures Taken by the Bank to Cope with Various Kinds of Disasters

During the first half of fiscal 2018, multiple torrential rains, typhoons, earthquakes and other disasters (outlined below) occurred and caused significant damage throughout Japan.

We express our sincere condolences to the victims of these disasters.

Month of disaster	Name of disaster
June 2018	Earthquake with the seismic center located in northern Osaka
July 2018	July 2018 Torrential Rains
September 2018	Typhoon No. 21, 2018
	2018 Hokkaido Eastern Iburi Earthquake

To address large-scale disasters, the Bank activates a disaster countermeasure headquarters immediately after the occurrence of a disaster and takes urgent financial and other measures, while monitoring the situation, the seriousness of damage and system operation status of each affected area.

Immediately after the occurrence of the 2018 disasters, the Bank quickly paid out requested amounts from the deposit accounts of customers who lost their passbook or seal due to the disaster. In addition, to contribute to smooth financing mainly for disaster-affected agricultural, fishery and forestry workers, the Bank, together with JA Bank and JF Marine Bank, established consultation counters concerning new loans and repayments of the past borrowings and provided various financial support measures such as making low-interest disaster countermeasure loans and providing interest subsidies for agricultural loans.

To Address the July 2018 Torrential Rains

To Help Victims of the Disaster

The July 2018 Torrential Rains caused tremendous damage to the agricultural, fishery and forestry industries in disaster-afflicted areas. Facing the spread of damage, in addition to its existing financial support, in October 2018 the Bank created a 2018 West Japan Torrential Rain Countermeasure Fund on the scale of ¥0.5 billion as a scheme to stabilize financial condition of disaster-afflicted agricultural corporations, etc. This fund is operated by The Agribusiness Investment & Consultation Co., Ltd., which was established via joint investments by Japan Finance Corporation and the JA Group, to invest in agricultural corporations, etc., that satisfy certain conditions.

In addition, in disaster-afflicted areas, JA Bank handles low-interest residence-related loans to help people with residences damaged by the disaster.

Operation of Our Mobile Branches in Vehicles in Disaster-Affected Areas

JA Bank introduced throughout Japan mobile branches in vehicles with terminals that allow customers to deposit and withdraw money from their accounts (57 mobile branches in vehicles as of August 31, 2018) to provide financial services mainly for customers who live in areas without bank branches and ATMs.

Mobile branches in vehicles, which can operate terminals for deposit and withdrawal using their own power generators, can be used as an alternative method for bank branches and ATMs that are damaged and cannot operate in disaster areas.

In the areas that were afflicted by torrential rains in July 2018, at four JAs—JA Ehime-Taiki, JA Okayama-Nishi, JA Aki (Hiroshima Prefecture) and JA Megumino (Gifu Prefecture)—mobile branches in vehicles operated and provided deposit, withdrawal and other services for customers.

Moreover, to achieve quick support, each area's JA Group worked together as one, thereby dispatching mobile branches in vehicles to JA Aki from JA Onomichi-city and JA Mihara within the same prefecture and JA Yamaguchi Chuo in a neighboring prefecture; to JA Okayama-Nishi from JA Hyogo-Nishi in a neighboring prefecture; and to JA Ehime-Taiki from JA Ehime Kenshinren.

Through various support efforts, the Bank is committed to continuing support for the restoration of the agriculture, fishery and forestry industries and assistance to disaster-afflicted people to continue their businesses and restore their lives.

Mobile branches in vehicles dispatched by JA Yamaguchi Chuo to JA Aki

Consolidated Balance Sheet (Unaudited)

The Norinchukin Bank and Subsidiaries
As of September 30, 2018

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	September 30 2018	March 31 2018	**September 30 2018**
Assets			
Cash and Due from Banks (Notes 11, 13 and 14)	**¥ 26,322,933**	¥ 28,756,371	**$231,838**
Call Loans and Bills Bought (Note 13)	**1,075,000**	630,000	**9,468**
Receivables under Resale Agreements	**37,200**	—	**327**
Monetary Claims Bought (Notes 13 and 14)	**315,805**	354,872	**2,781**
Trading Assets (Note 13)	**7,491**	8,582	**65**
Money Held in Trust (Notes 5, 13 and 15)	**8,736,957**	7,439,710	**76,950**
Securities (Notes 3, 5, 9, 13 and 14)	**53,987,491**	52,321,859	**475,493**
Loans and Bills Discounted (Notes 4, 5, 8 and 13)	**13,943,442**	11,858,949	**122,806**
Foreign Exchange Assets	**228,485**	324,698	**2,012**
Other Assets (Notes 5 and 13)	**1,629,477**	1,585,342	**14,351**
Tangible Fixed Assets (Note 12)	**119,650**	122,356	**1,053**
Intangible Fixed Assets	**47,147**	43,480	**415**
Net Defined Benefit Asset	**53,089**	52,510	**467**
Deferred Tax Assets	**1,960**	2,026	**17**
Customers' Liabilities for Acceptances and Guarantees	**1,580,814**	1,474,730	**13,922**
Reserve for Possible Loan Losses (Note 13)	**(45,767)**	(47,716)	**(403)**
Reserve for Possible Investment Losses	**(2)**	(4)	**(0)**
Total Assets	**¥108,041,179**	¥104,927,769	**$951,569**
Liabilities and Net Assets			
Liabilities			
Deposits (Notes 6 and 13)	**¥ 67,052,479**	¥ 65,799,561	**$590,562**
Negotiable Certificates of Deposit (Note 13)	**1,979,321**	2,920,656	**17,432**
Debentures (Note 13)	**1,507,522**	1,766,498	**13,277**
Payables under Repurchase Agreements (Notes 5 and 13)	**15,025,174**	15,080,638	**132,333**
Trading Liabilities (Note 13)	**4,157**	5,034	**36**
Borrowed Money (Notes 5, 7 and 13)	**4,889,353**	4,641,504	**43,062**
Foreign Exchange Liabilities	**9**	38	**0**
Short-term Entrusted Funds (Note 13)	**2,345,944**	1,405,187	**20,661**
Other Liabilities (Note 13)	**6,498,974**	4,569,727	**57,239**
Reserve for Bonus Payments	**7,591**	7,591	**66**
Net Defined Benefit Liability	**35,165**	35,481	**309**
Reserve for Directors' Retirement Benefits	**1,032**	1,508	**9**
Deferred Tax Liabilities	**438,380**	464,915	**3,861**
Deferred Tax Liabilities for Land Revaluation	**8,607**	8,607	**75**
Acceptances and Guarantees	**1,580,814**	1,474,730	**13,922**
Total Liabilities	**101,374,530**	98,181,681	**892,853**
Net Assets			
Paid-in Capital (Note 10)	**3,480,488**	3,480,488	**30,654**
Capital Surplus	**24,993**	24,993	**220**
Retained Earnings	**2,003,663**	1,988,359	**17,647**
Total Owners' Equity	**5,509,146**	5,493,842	**48,521**
Net Unrealized Gains on Other Securities	**1,053,734**	1,152,861	**9,280**
Net Deferred Gains on Hedging Instruments	**65,604**	59,823	**577**
Revaluation Reserve for Land	**14,312**	14,312	**126**
Foreign Currency Transaction Adjustments	**(43)**	(110)	**(0)**
Remeasurements of Defined Benefit Plans	**14,255**	15,876	**125**
Total Accumulated Other Comprehensive Income	**1,147,864**	1,242,763	**10,109**
Non-controlling Interests	**9,638**	9,482	**84**
Total Net Assets	**6,666,648**	6,746,088	**58,716**
Total Liabilities and Net Assets	**¥108,041,179**	¥104,927,769	**$951,569**

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

Consolidated Statements of Operations and Comprehensive Income (Unaudited)

(1) Consolidated Statement of Operations

The Norinchukin Bank and Subsidiaries
For the six months ended September 30, 2018

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2018	2017	**2018**
Income			
Interest Income:	**¥682,203**	¥589,088	**$6,008**
Interest on Loans and Bills Discounted	**51,970**	37,612	**457**
Interest and Dividends on Securities	**617,881**	541,436	**5,441**
Fees and Commissions	**14,308**	13,818	**126**
Trading Income	**296**	—	**2**
Other Operating Income	**94,914**	58,322	**835**
Other Income	**119,286**	94,835	**1,050**
Total Income	**911,008**	756,064	**8,023**
Expenses			
Interest Expenses:	**606,191**	490,950	**5,339**
Interest on Deposits	**62,465**	37,517	**550**
Fees and Commissions	**8,637**	8,491	**76**
Trading Expenses	**346**	146	**3**
Other Operating Expenses	**94,199**	24,083	**829**
General and Administrative Expenses	**80,444**	80,852	**708**
Other Expenses	**4,073**	9,669	**35**
Total Expenses	**793,892**	614,194	**6,992**
Income before Income Taxes	**117,115**	141,869	**1,031**
Income Taxes — Current	**21,197**	29,852	**186**
Income Taxes — Deferred	**9,410**	4,972	**82**
Total Income Taxes	**30,608**	34,825	**269**
Profit	**86,507**	107,044	**761**
Profit Attributable to Non-controlling Interests	**703**	497	**6**
Profit Attributable to Owners of Parent	**¥ 85,803**	¥106,546	**$ 755**

	Yen		U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2018	2017	**2018**
Profit Attributable to Owners of Parent per Share	**¥20.15**	¥25.02	**$0.17**

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

Consolidated Statements of Operations and Comprehensive Income (Unaudited), continued

(2) Consolidated Statement of Comprehensive Income

The Norinchukin Bank and Subsidiaries
For the six months ended September 30, 2018

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2018	2017	**2018**
Profit	**¥ 86,507**	¥ 107,044	**$ 761**
Other Comprehensive Income	**(94,897)**	123,483	**(835)**
Net Unrealized Gains (Losses) on Other Securities	**(99,336)**	142,160	**(874)**
Net Deferred Gains (Losses) on Hedging Instruments	**5,771**	(17,852)	**50**
Foreign Currency Transaction Adjustments	**13**	0	**0**
Remeasurements of Defined Benefit Plans	**(1,641)**	(1,330)	**(14)**
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	**294**	504	**2**
Total Comprehensive Income	**¥ (8,390)**	¥ 230,527	**$ (73)**
Attributable to:			
Owners of Parent	**(9,095)**	230,026	**(80)**
Non-controlling Interests	**705**	500	**6**

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

Consolidated Statement of Capital Surplus and Retained Earnings (Unaudited)

The Norinchukin Bank and Subsidiaries
For the six months ended September 30, 2018

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2018	2017	**2018**
Capital Surplus			
Balance at the Beginning of the Fiscal Year	**¥ 24,993**	¥ 24,993	**$ 220**
Balance at the End of the Period	**24,993**	24,993	**220**
Retained Earnings			
Balance at the Beginning of the Fiscal Year	**1,988,359**	1,910,262	**17,512**
Additions:			
Profit Attributable to Owners of Parent	**85,803**	106,546	**755**
Deductions:			
Dividends	**70,500**	69,507	**620**
Balance at the End of the Period	**¥2,003,663**	¥1,947,301	**$17,647**

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

Consolidated Statement of Cash Flows (Unaudited)

The Norinchukin Bank and Subsidiaries
For the six months ended September 30, 2018

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2018	2017	**2018**
Cash Flows from Operating Activities:			
Income before Income Taxes	**¥ 117,115**	¥ 141,869	**$ 1,031**
Depreciation	**8,587**	7,859	**75**
Equity in Losses (Earnings) of Affiliates	**(2,182)**	(5,002)	**(19)**
Net Increase (Decrease) in Reserve for Possible Loan Losses	**(1,949)**	148	**(17)**
Net Increase (Decrease) in Reserve for Possible Investment Losses	**(2)**	(7)	**(0)**
Net Increase (Decrease) in Reserve for Bonus Payments	**0**	(238)	**0**
Net Decrease (Increase) in Net Defined Benefit Asset	**(579)**	(672)	**(5)**
Net Increase (Decrease) in Net Defined Benefit Liability	**(316)**	(293)	**(2)**
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	**(476)**	20	**(4)**
Net Increase (Decrease) in Reserve for Agriculture, Fishery and Forestry Industry Subsidies	**—**	(501)	**—**
Interest Income	**(682,203)**	(589,088)	**(6,008)**
Interest Expenses	**606,191**	490,950	**5,339**
Losses (Gains) on Securities	**(103,333)**	(54,549)	**(910)**
Losses (Gains) on Money Held in Trust	**(19,675)**	(20,022)	**(173)**
Foreign Exchange Losses (Gains)	**(1,858,663)**	(1,180,691)	**(16,370)**
Losses (Gains) on Disposal of Fixed Assets	**96**	741	**0**
Net Decrease (Increase) in Trading Assets	**1,091**	774	**9**
Net Increase (Decrease) in Trading Liabilities	**(877)**	(560)	**(7)**
Net Decrease (Increase) in Loans and Bills Discounted	**(2,084,461)**	292,170	**(18,358)**
Net Increase (Decrease) in Deposits	**1,252,918**	3,375,666	**11,035**
Net Increase (Decrease) in Negotiable Certificates of Deposit	**(941,334)**	(440,909)	**(8,290)**
Net Increase (Decrease) in Debentures	**(258,975)**	(321,865)	**(2,280)**
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	**247,819**	344,535	**2,182**
Net Decrease (Increase) in Interest-bearing Due from Banks	**370,280**	258,396	**3,261**
Net Decrease (Increase) in Call Loans and Bills Bought and Other	**(443,136)**	(231,085)	**(3,902)**
Net Decrease (Increase) in Receivable under Securities Borrowing Transactions	**—**	1,173	**—**
Net Increase (Decrease) in Call Money and Bills Sold and Other	**(55,463)**	1,511,437	**(488)**
Net Increase (Decrease) in Short-term Entrusted Funds	**940,756**	941,497	**8,285**
Net Increase (Decrease) in Payables under Securities Lending Transactions	**—**	(1,013)	**—**
Net Decrease (Increase) in Foreign Exchange Assets	**96,213**	8,668	**847**
Net Increase (Decrease) in Foreign Exchange Liabilities	**(29)**	5	**(0)**
Interest Received	**664,623**	598,606	**5,853**
Interest Paid	**(427,403)**	(316,263)	**(3,764)**
Other, Net	**34,265**	(701,459)	**301**
Subtotal	**(2,541,103)**	4,110,295	**(22,380)**
Income Taxes (Paid) Refunded	**1,514**	(22,811)	**13**
Net Cash Provided by (Used in) Operating Activities	**(2,539,588)**	4,087,484	**(22,367)**

Consolidated Statement of Cash Flows (Unaudited), continued

The Norinchukin Bank and Subsidiaries
For the six months ended September 30, 2018

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2018	2017	**2018**
Cash Flows from Investing Activities:			
Purchases of Securities	**(6,681,017)**	(10,341,924)	**(58,842)**
Proceeds from Sales of Securities	**3,648,171**	4,051,702	**32,131**
Proceeds from Redemption of Securities	**3,123,814**	7,199,785	**27,512**
Increase in Money Held in Trust	**(62,287)**	(1,335,910)	**(548)**
Decrease in Money Held in Trust	**526,445**	455,165	**4,636**
Purchases of Tangible Fixed Assets	**(913)**	(4,627)	**(8)**
Purchases of Intangible Fixed Assets	**(6,779)**	(8,081)	**(59)**
Net Cash Provided by (Used in) Investing Activities	**547,433**	16,108	**4,821**
Cash Flows from Financing Activities:			
Dividends Paid	**(70,500)**	(69,507)	**(620)**
Dividends Paid to Non-controlling Shareholders	**(548)**	(420)	**(4)**
Net Cash Provided by (Used in) Financing Activities	**(71,049)**	(69,927)	**(625)**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**50**	—	**0**
Net Increase (Decrease) in Cash and Cash Equivalents	**(2,063,153)**	4,033,665	**(18,171)**
Cash and Cash Equivalents at the Beginning of the Fiscal Year	**27,874,673**	22,229,610	**245,505**
Cash and Cash Equivalents at the End of the Period (Note 11)	**¥25,811,520**	¥ 26,263,276	**$227,334**

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

Notes to the Consolidated Financial Statements (Unaudited)

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 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.

The consolidated financial statements are intended only to present the consolidated financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in Japan.

Amounts in U.S. dollars are included solely for the convenience of readers. The exchange rate of ¥113.54=U.S.$1, the approximate rate of exchange prevailing on September 30, 2018, 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 interim 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 number of consolidated subsidiaries as of September 30, 2018 was 14.

The major consolidated subsidiaries are as follows:

The Norinchukin Trust & Banking Co., Ltd.

Kyodo Housing Loan Co., Ltd.

Newly established "Norinchukin Europe N.V." was consolidated from the period.

The balance sheet date of the first half of fiscal year of 13 consolidated subsidiaries is September 30, the rest is June 30.

The unconsolidated subsidiary is as follows:

AN Credit Strategies Fund, L.P.

Unconsolidated subsidiary was excluded from the scope of consolidation, since its impact on the consolidated financial statements was not so material as to hinder a rational judgement of the financial position and results of operations in terms of Total Assets, Ordinary Income, Net Income, Retained Earnings and Accumulated Other Comprehensive Income.

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 number of affiliates as of September 30, 2018 was 7, 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 period, 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 period, 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 ‘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 applicable share of estimated annual depreciation cost for the period is recorded based on the following range of useful lives.

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 end of the period.

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 end of the period.

(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 ¥14,727 million ($129 million) and ¥16,648 million for the period ended September 30, 2018 and the fiscal year ended March 31, 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 4) 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 end of the period.

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 end of the period.

(13) Consumption Taxes

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

(14) Accounting for Income Taxes

Income Taxes-Current and Income Taxes-Deferred for the period are calculated based upon assumption that reversal from or transfer to Reserve for Tax Basis Adjustments of Fixed Assets by the disposal of Retained Earnings is made at the end of the fiscal year.

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

"Cash and Cash Equivalents" in the consolidated statement 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.

(16) 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 aggregate number of lower dividend rate stocks and preferred stocks is deducted from the denominator in the calculation of Profit Attributable to Owners of Parent per Share.

(Additional Information)

The Bank's Supervisory Committee resolved on August 7, 2018 that it will redeem approximately ¥1.5 trillion existing subordinated loans and finance through lower-dividend rate stocks and up to ¥1,217.4 billion perpetual subordinated loans from members as follows:

(1) Units to be paid
5,623,470,000 (maximum)
(2) Amount to be paid
¥100 per unit
(3) Total amount to be paid
¥562,347 million (maximum)
(4) Total capitalization
¥562,347 million (maximum)
(5) Allottee
Prefectural Banking Federations of Agricultural Cooperatives (JA Shinnoren), Japan Agricultural Cooperatives (JA), Prefectural Banking Federations of Fishery Cooperatives (JF Shingyoren) and Japan Fishery Cooperatives (JF) (to be allotted based on individual discussion with them)
(6) Allotment date
December 26, 2018
(7) Subscription period
From February 18, 2019 to March 15, 2019

(8) Payment date

March 29, 2019

(9) Purpose

Improvement of its capital profile in respect to future regulatory changes

3. Securities

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2018	As of March 31, 2018	**As of September 30, 2018**
Japanese Government Bonds	**¥10,793,683**	¥11,621,830	**$ 95,065**
Municipal Government Bonds	**11,046**	8,779	**97**
Corporate Bonds	**1,023,501**	679,893	**9,014**
Stocks	**914,294**	868,728	**8,052**
Other	**41,244,965**	39,142,627	**363,263**
Foreign Bonds	**26,806,644**	26,128,111	**236,098**
Foreign Stocks	**38,303**	38,563	**337**
Investment Trusts	**13,378,829**	12,129,913	**117,833**
Other	**1,021,188**	846,038	**8,994**
Total	**¥53,987,491**	¥52,321,859	**$475,493**

4. Loans and Bills Discounted

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2018	As of March 31, 2018	**As of September 30, 2018**
Loans on Deeds	**¥12,506,087**	¥10,347,290	**$110,146**
Loans on Bills	**434,308**	401,018	**3,825**
Overdrafts	**1,001,598**	1,107,570	**8,821**
Bills Discounted	**1,447**	3,070	**12**
Total	**¥13,943,442**	¥11,858,949	**$122,806**

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2018	As of March 31, 2018	**As of September 30, 2018**
Loans to Borrowers under Bankruptcy Proceedings	**¥ 168**	¥ 286	**$ 1**
Delinquent Loans	**24,090**	26,042	**212**
Loans Past Due for Three Months or More	**334**	198	**2**
Restructured Loans	**17,570**	15,945	**154**
Total	**¥42,164**	¥42,472	**$371**

(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.

5. Assets Pledged

Assets pledged as collateral comprise the following:

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2018	As of March 31, 2018	**As of September 30, 2018**
Securities	**¥18,638,408**	¥19,560,428	**$164,157**
Loans and Bills Discounted	**1,538,450**	1,928,190	**13,549**

Liabilities secured by the above assets are as follows:

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2018	As of March 31, 2018	**As of September 30, 2018**
Payables under Repurchase Agreements	**¥14,806,352**	¥15,080,638	**$130,406**
Borrowed Money	**3,179,592**	3,011,560	**28,004**

In addition, as of September 30, 2018 and March 31, 2018, Securities (including transactions of Money Held in Trust) of ¥12,595,621 million ($110,935 million) and ¥11,344,295 million, respectively, and Foreign Exchange Assets (including transactions of Money Held in Trust) of ¥1,518 million ($13 million) and nil, respectively, were pledged as collateral for settlement of exchange and derivative transactions or as margins of futures transactions.

As of September 30, 2018 and March 31, 2018, initial margins of futures markets of ¥28,317 million ($249 million) and ¥4,063 million, respectively, cash collateral paid for financial instruments of ¥528,380 million ($4,653 million) and ¥137,702 million, respectively, other cash collateral paid of ¥593,805 million ($5,229 million) and ¥605,618 million, respectively, and guarantee deposits of ¥7,763 million ($68 million) and ¥7,659 million, respectively, were included in Other Assets.

6. Deposits

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2018	As of March 31, 2018	**As of September 30, 2018**
Time Deposits	**¥57,970,605**	¥56,835,908	**$510,574**
Deposits at Notice	**27,546**	32,094	**242**
Ordinary Deposits	**3,336,467**	3,427,381	**29,385**
Current Deposits	**90,532**	93,018	**797**
Other Deposits	**5,627,327**	5,411,159	**49,562**
Total	**¥67,052,479**	¥65,799,561	**$590,562**

7. Borrowed Money

Borrowed Money includes subordinated borrowings of ¥1,513,296 million ($13,328 million) and ¥1,513,296 million as of September 30, 2018 and March 31, 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. Above subordinated borrowing includes ¥1,415,480 million ($12,466 million) and ¥1,415,480 million qualifying Tier 2 capital stipulated 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.

8. 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 ¥3,890,402 million ($34,264 million) and ¥3,318,911 million as of September 30, 2018 and March 31, 2018, respectively. The amounts of the undrawn commitments, which the Bank and its consolidated subsidiaries could cancel at any time without cause, were ¥2,731,911 million ($24,061 million) and ¥2,272,177 million as of September 30, 2018 and March 31, 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 checks the financial condition of its customers based on predefined policies and procedures and acts to secure loans as necessary.

9. Securities Loaned

Securities include securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) of ¥1,214,450 million ($10,696 million) and ¥1,142,492 million as of September 30, 2018 and March 31, 2018, respectively.

Securities borrowed under unsecured borrowing agreements (Saiken Taishaku Torihiki) and securities purchased under resale agreements and cash-collateralized borrowing agreements, which can be sold or re-pledged by the Bank, include securities re-pledged of ¥346,285 million ($3,049 million) and nil as of September 30, 2018 and March 31, 2018, respectively, and securities held without re-pledge of ¥337,934 million ($2,976 million) and ¥581,414 million as of September 30, 2018 and March 31, 2018, respectively. No such securities are re-loaned to the third parties.

10. Paid-in Capital

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2018	As of March 31, 2018	**As of September 30, 2018**
Common Stock	**¥3,455,488**	¥3,455,488	**$30,434**
Preferred Stock	**24,999**	24,999	**220**
Total	**¥3,480,488**	¥3,480,488	**$30,654**

The Common Stock account includes lower dividend rate stock with a total par value of ¥3,029,771 million ($26,684 million) and ¥3,029,771 million as of September 30, 2018 and March 31, 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.

11. 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 period is as follows:

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2018**	2017	**2018**
Cash and Due from Banks	**¥26,322,933**	¥26,714,355	**$231,838**
Less: Interest-bearing Due from Banks	**(511,413)**	(451,078)	**(4,504)**
Cash and Cash Equivalents at the End of the Period	**¥25,811,520**	¥26,263,276	**$227,334**

12. Segment Information

For the Six Months Ended September 30, 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

Six Months ended September 30, 2018	Millions of Yen			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	**¥53,272**	**¥805,654**	**¥52,081**	**¥911,008**

Six Months ended September 30, 2018	Millions of U.S. Dollars			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	**$469**	**$7,095**	**$458**	**$8,023**

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

Six Months ended September 30, 2018	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥885,783	**¥15,179**	**¥2,030**	**¥8,014**	**¥911,008**

Six Months ended September 30, 2018	Millions of U.S. Dollars				
	Japan	Americas	Europe	Others	Total
	$7,801	**$133**	**$17**	**$70**	**$8,023**

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 September 30, 2018	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥118,398	**¥272**	**¥665**	**¥313**	**¥119,650**

As of September 30, 2018	Millions of U.S. Dollars				
	Japan	Americas	Europe	Others	Total
	$1,042	**$2**	**$5**	**$2**	**$1,053**

c. Information about Major Customers

Six Months ended September 30, 2018	Name of Customer	Millions of Yen	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	**¥131,681**	—

Six Months ended September 30, 2018	Name of Customer	Millions of U.S. Dollars	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	**$1,159**	—

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

Information about Gain on Recognition of Negative Goodwill in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

For the Six Months Ended September 30, 2017

(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			
Six Months ended September 30, 2017	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	¥38,569	¥666,229	¥51,266	¥756,064

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				
Six Months ended September 30, 2017	Japan	Americas	Europe	Others	Total
	¥740,666	¥8,396	¥1,683	¥5,318	¥756,064

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 September 30, 2017	Japan	Americas	Europe	Others	Total
	¥122,741	¥300	¥488	¥336	¥123,867

c. Information about Major Customers

		Millions of Yen	
Six Months ended September 30, 2017	Name of Customer	Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	¥182,261	—

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

Information about Gain on Recognition of Negative Goodwill in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

13. Financial Instruments

Disclosures Regarding the Fair Value of Financial Instruments and Other Items

"Consolidated Balance Sheet Amount," "Fair Value" and "Difference" as of September 30, 2018 and March 31, 2018 are as follows:

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

	Millions of Yen			Millions of U.S. Dollars		
As of September 30, 2018	Consolidated Balance Sheet Amount	Fair Value	Difference	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks	**¥ 26,322,933**	**¥ 26,322,933**	**¥ —**	**$231,838**	**$231,838**	**$ —**
(2) Call Loans and Bills Bought	**1,075,000**	**1,075,000**	**—**	**9,468**	**9,468**	**—**
(3) Monetary Claims Bought	**315,805**	**315,929**	**123**	**2,781**	**2,782**	**1**
(4) Trading Assets (*2)						
Trading Securities	**2,839**	**2,839**	**—**	**25**	**25**	**—**
(5) Money Held in Trust (*1)						
Other Money Held in Trust	**8,736,708**	**8,743,590**	**6,882**	**76,948**	**77,008**	**60**
(6) Securities						
Held-to-Maturity Debt Securities	**17,536,409**	**17,564,981**	**28,572**	**154,451**	**154,703**	**251**
Other Securities	**35,632,626**	**35,632,626**	**—**	**313,833**	**313,833**	**—**
(7) Loans and Bills Discounted	**13,943,442**			**122,806**		
Reserve for Possible Loan Losses (*1)	**(43,766)**			**(385)**		
	13,899,676	**13,899,467**	**(208)**	**122,420**	**122,419**	**(1)**
Total Assets	**¥103,521,998**	**¥103,557,368**	**¥35,369**	**$911,766**	**$912,078**	**$ 311**
(1) Deposits	**¥ 67,052,479**	**¥ 67,052,494**	**¥ 14**	**$590,562**	**$590,562**	**$ 0**
(2) Negotiable Certificates of Deposit	**1,979,321**	**1,979,321**	**—**	**17,432**	**17,432**	**—**
(3) Debentures	**1,507,522**	**1,509,901**	**2,378**	**13,277**	**13,298**	**20**
(4) Payables under Repurchase Agreements	**15,025,174**	**15,025,174**	**—**	**132,333**	**132,333**	**—**
(5) Borrowed Money	**4,889,353**	**4,889,353**	**—**	**43,062**	**43,062**	**—**
(6) Short-term Entrusted Funds	**2,345,944**	**2,345,944**	**—**	**20,661**	**20,661**	**—**
Total Liabilities	**¥ 92,799,797**	**¥ 92,802,189**	**¥ 2,392**	**$817,331**	**$817,352**	**$ 21**
Derivative Instruments (*3)						
Transactions not Accounted for as Hedge Transactions	**¥ 1,206**	**¥ 1,206**	**¥ —**	**$ 10**	**$ 10**	**$ —**
Transactions Accounted for as Hedge Transactions	**(323,743)**	**(323,743)**	**—**	**(2,851)**	**(2,851)**	**—**
Total Derivative Instruments	**¥ (322,537)**	**¥ (322,537)**	**¥ —**	**$ (2,840)**	**$ (2,840)**	**$ —**

(*) 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 15. 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 period, 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 14. 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. 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 16. 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) Other Securities” in Disclosures Regarding the Fair Value of Financial Instruments and Other Items excludes these financial instruments.

As of September 30, 2018	Millions of Yen	Millions of U.S. Dollars
Unlisted Stocks and Others (*1) (*2)	**¥126,541**	**$1,114**
Investment Trusts (*3)	**270,473**	**2,382**
Investments in Partnership and Others (*4)	**421,441**	**3,711**
Total	**¥818,456**	**$7,208**

(*) 1. Unlisted Stocks and Others 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 period was ¥265 million ($2 million) on Unlisted Stocks and Others.
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 and Others (*1) (*2)	¥128,707
Investment Trusts (*3)	274,236
Investments in Partnership and Others (*4)	344,703
Total	¥747,648

(*) 1. Unlisted Stocks and Others 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 and Others.
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.”

14. Fair Value of Securities

Held-to-Maturity Debt Securities

As of September 30, 2018	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	**¥ 1,927,473**	**¥ 1,933,271**	**¥ 5,798**	**$ 16,976**	**$ 17,027**	**$ 51**
	Municipal Government Bonds	—	—	—	—	—	—
	Short-term Corporate Bonds	—	—	—	—	—	—
	Corporate Bonds	**2,885**	**2,906**	**20**	**25**	**25**	**0**
	Other	**6,294,083**	**6,347,603**	**53,519**	**55,434**	**55,906**	**471**
	Foreign Bonds	**6,222,380**	**6,275,691**	**53,311**	**54,803**	**55,272**	**469**
	Other	**71,702**	**71,911**	**208**	**631**	**633**	**1**
	Subtotal	**8,224,442**	**8,283,781**	**59,338**	**72,436**	**72,959**	**522**
Transactions for Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	**4,015,072**	**4,002,310**	**(12,762)**	**35,362**	**35,250**	**(112)**
	Municipal Government Bonds	—	—	—	—	—	—
	Short-term Corporate Bonds	—	—	—	—	—	—
	Corporate Bonds	—	—	—	—	—	—
	Other	**5,591,992**	**5,574,111**	**(17,880)**	**49,251**	**49,093**	**(157)**
	Foreign Bonds	**5,368,597**	**5,350,801**	**(17,795)**	**47,283**	**47,127**	**(156)**
	Other	**223,395**	**223,310**	**(85)**	**1,967**	**1,966**	**(0)**
	Subtotal	**9,607,065**	**9,576,422**	**(30,643)**	**84,613**	**84,344**	**(269)**
Total		**¥17,831,508**	**¥17,860,203**	**¥ 28,695**	**$157,050**	**$157,303**	**$ 252**

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 September 30, 2018	Type	Millions of Yen			Millions of U.S. Dollars		
		Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	¥ 796,139	¥ 258,358	¥ 537,780	$ 7,011	$ 2,275	$ 4,736
	Bonds	4,716,095	4,495,023	221,071	41,536	39,589	1,947
	Japanese Government Bonds	4,596,710	4,376,339	220,371	40,485	38,544	1,940
	Municipal Government Bonds	51	47	4	0	0	0
	Short-term Corporate Bonds	—	—	—	—	—	—
	Corporate Bonds	119,333	118,636	696	1,051	1,044	6
	Other	14,597,409	13,257,153	1,340,255	128,566	116,761	11,804
	Foreign Bonds	8,984,470	8,695,634	288,836	79,130	76,586	2,543
	Foreign Stocks	20,779	7,817	12,961	183	68	114
	Investment Trusts	5,083,999	4,191,204	892,795	44,777	36,913	7,863
	Other	508,159	362,497	145,662	4,475	3,192	1,282
	Subtotal	20,109,644	18,010,536	2,099,108	177,115	158,627	18,487
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	9,137	10,634	(1,496)	80	93	(13)
	Bonds	1,166,703	1,170,495	(3,791)	10,275	10,309	(33)
	Japanese Government Bonds	254,427	257,645	(3,218)	2,240	2,269	(28)
	Municipal Government Bonds	10,994	11,000	(5)	96	96	(0)
	Short-term Corporate Bonds	—	—	—	—	—	—
	Corporate Bonds	901,282	901,849	(567)	7,938	7,943	(4)
	Other	14,384,874	14,951,019	(566,144)	126,694	131,680	(4,986)
	Foreign Bonds	6,231,195	6,437,143	(205,947)	54,881	56,694	(1,813)
	Foreign Stocks	—	—	—	—	—	—
	Investment Trusts	8,024,356	8,381,887	(357,531)	70,674	73,823	(3,148)
	Other	129,322	131,987	(2,665)	1,139	1,162	(23)
	Subtotal	15,560,716	16,132,149	(571,432)	137,050	142,083	(5,032)
Total		¥35,670,360	¥34,142,685	¥1,527,675	$314,165	$300,710	$13,454

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.

Securities Recognized for Revaluation Loss

Securities other than those for trading purposes and those whose fair value is extremely difficult to determine, are revalued to their fair value, and the difference between the acquisition cost (and other) and the fair value is treated as a realized loss for the six months ended September 30, 2018 and the fiscal year ended March 31, 2018 (“revaluation loss”), if the fair value has significantly deteriorated from the acquisition cost (and other), and unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the six months ended September 30, 2018 was nil.

The amount of revaluation loss for the fiscal year ended March 31, 2018 was ¥117 million, all of which was 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

15. 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 September 30, 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	**¥8,736,957**	**¥8,838,664**	**¥(101,706)**	**¥156,494**	**¥258,201**

	Millions of U.S. Dollars				
As of September 30, 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	**$76,950**	**$77,846**	**$(895)**	**$1,378**	**$2,274**

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."

16. 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 September 30, 2018	Total	Over 1 Year			Total	Over 1 Year		
Exchange-traded Transactions								
Interest Rate Futures:								
Sold	**¥827,203**	**¥274,518**	**¥ 211**	**¥ 211**	**$7,285**	**$2,417**	**$ 1**	**$ 1**
Purchased	**33,104**	**—**	**19**	**19**	**291**	**—**	**0**	**0**
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Forward Rate Agreements:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps:								
Rec.: Fix.-Pay.: Flt.	**271,013**	**169,744**	**3,301**	**3,301**	**2,386**	**1,495**	**29**	**29**
Rec.: Flt.-Pay.: Fix.	**240,836**	**168,650**	**(2,817)**	**(2,817)**	**2,121**	**1,485**	**(24)**	**(24)**
Rec.: Flt.-Pay.: Flt.	—	—	—	—	—	—	—	—
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	**¥ /**	**¥ /**	**¥ 714**	**¥ 714**	**$ /**	**$ /**	**$ 6**	**$ 6**

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

	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 September 30, 2018	Total	Over 1 Year			Total	Over 1 Year		
Exchange-traded Transactions								
Currency Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	$ —	$ —	$ —	$ —
Purchased	—	—	—	—	—	—	—	—
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Currency Swaps	—	—	—	—	—	—	—	—
Forwards:								
Sold	**447,264**	**15,291**	**(6,156)**	**(6,156)**	**3,939**	**134**	**(54)**	**(54)**
Purchased	**428,718**	**15,337**	**6,648**	**6,648**	**3,775**	**135**	**58**	**58**
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	**¥ /**	**¥ /**	**¥ 492**	**¥ 492**	**$ /**	**$ /**	**$ 4**	**$ 4**

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 September 30, 2018 and March 31, 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 September 30, 2018	Total	Over 1 Year			Total	Over 1 Year		
Exchange-traded Transactions								
Bond Futures:								
Sold	**¥ —**	**¥—**	**¥—**	**¥—**	**$—**	**$—**	**$—**	**$—**
Purchased	**4,566**	**—**	**(0)**	**(0)**	**40**	**—**	**(0)**	**(0)**
Bond Futures Options:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Over-the-counter Transactions								
Bond Options:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Other:								
Sold	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Purchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total	**¥ /**	**¥ /**	**¥ (0)**	**¥ (0)**	**$ /**	**$ /**	**$ (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.

	Millions of Yen			
	Contract Amount or Notional Amount		Fair Value	Unrealized Gain/Loss
As of March 31, 2018	Total	Over 1 Year		
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 September 30, 2018 and March 31, 2018.

Credit Derivative Instruments

The Bank and its consolidated subsidiaries held no Credit Derivative Instruments as of September 30, 2018 and March 31, 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 September 30, 2018

Method of Hedges	Type of Derivative Instruments	Hedged Items	Millions of Yen			Millions of U.S. Dollars		
			Contract Amount or Notional Amount		Fair Value	Contract Amount or Notional Amount		Fair Value
			Total	Over 1 Year		Total	Over 1 Year	
The Deferral Method	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures	**¥1,185,000**	**¥ 645,000**	**¥ 2,349**	**$10,436**	**$ 5,680**	**$ 20**
	Interest Rate Swaps (Rec.:Flt.-Pay.: Fix.)	Yen-denominated Securities, Deposits and Others	**7,019,680**	**6,573,228**	**93,484**	**61,825**	**57,893**	**823**
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted, Yen-denominated Securities and Others	**272,954**	**268,663**	**Note 3**	**2,404**	**2,366**	**Note 3**
Total			**¥ /**	**¥ /**	**¥95,833**	**$ /**	**$ /**	**$844**

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 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 (ref: 13. Financial Instruments "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		Fair Value
			Total	Over 1 Year	
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 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 (ref: 13. Financial Instruments "Disclosures Regarding the Fair Value of Financial Instruments and Other Items").

Currency-Related Derivative Instruments

As of September 30, 2018			Millions of Yen			Millions of U.S. Dollars		
Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount		Fair Value	Contract Amount or Notional Amount		Fair Value
			Total	Over 1 Year		Total	Over 1 Year	
The Deferral Method	Currency Swaps	Foreign Currency Denominated Securities and Others	**¥15,030,488**	**¥8,479,183**	**¥(311,373)**	**$132,380**	**$74,680**	**$(2,742)**
	Forex Forward		**5,551,063**	**—**	**(108,203)**	**48,890**	**—**	**(952)**
Total			**¥ /**	**¥ /**	**¥(419,577)**	**$ /**	**$ /**	**$(3,695)**

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			Millions of Yen		
Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount		Fair Value
			Total	Over 1 Year	
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 September 30, 2018 and March 31, 2018.

Bond-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Bond-Related Derivative Instruments as of September 30, 2018 and March 31, 2018.

17. The Norinchukin Bank (Parent Company)

(1) Non-consolidated Balance Sheet (Unaudited)

	Millions of Yen		Millions of U.S. Dollars
	September 30 2018	March 31 2018	**September 30 2018**
Assets			
Cash and Due from Banks	**¥ 26,293,684**	¥ 28,729,996	**$231,580**
Call Loans	**1,075,000**	630,000	**9,468**
Receivables under Resale Agreements	**37,200**	—	**327**
Monetary Claims Bought	**315,805**	354,872	**2,781**
Trading Assets	**7,491**	8,582	**65**
Money Held in Trust	**8,736,211**	7,438,320	**76,943**
Securities	**54,003,459**	52,332,765	**475,633**
Loans and Bills Discounted	**13,821,164**	11,742,630	**121,729**
Foreign Exchange Assets	**228,485**	324,698	**2,012**
Other Assets	**1,623,307**	1,580,600	**14,297**
Tangible Fixed Assets	**118,344**	120,920	**1,042**
Intangible Fixed Assets	**43,920**	40,043	**386**
Prepaid Pension Cost	**24,631**	20,821	**216**
Customers' Liabilities for Acceptances and Guarantees	**125,217**	141,073	**1,102**
Reserve for Possible Loan Losses	**(44,859)**	(46,681)	**(395)**
Reserve for Possible Investment Losses	**(1,047)**	(1,032)	**(9)**
Total Assets	**¥106,408,018**	¥103,417,613	**$937,185**
Liabilities and Net Assets			
Liabilities			
Deposits	**¥ 67,074,121**	¥ 65,823,858	**$590,753**
Negotiable Certificates of Deposit	**1,979,321**	2,920,656	**17,432**
Debentures	**1,515,522**	1,774,498	**13,347**
Payables under Repurchase Agreements	**15,025,174**	15,080,638	**132,333**
Trading Liabilities	**4,157**	5,034	**36**
Borrowed Money	**4,832,353**	4,585,004	**42,560**
Foreign Exchange Liabilities	**9**	38	**0**
Short-term Entrusted Funds	**2,345,944**	1,405,187	**20,661**
Other Liabilities	**6,456,289**	4,528,441	**56,863**
Reserve for Bonus Payments	**6,007**	6,022	**52**
Reserve for Retirement Benefits	**25,183**	24,614	**221**
Reserve for Directors' Retirement Benefits	**658**	1,121	**5**
Deferred Tax Liabilities	**432,831**	458,731	**3,812**
Deferred Tax Liabilities for Land Revaluation	**8,607**	8,607	**75**
Acceptances and Guarantees	**125,217**	141,073	**1,102**
Total Liabilities	**99,831,400**	96,763,528	**879,261**
Net Assets			
Paid-in Capital	**3,480,488**	3,480,488	**30,654**
Capital Surplus	**25,020**	25,020	**220**
Retained Earnings	**1,938,989**	1,922,906	**17,077**
Total Owners' Equity	**5,444,498**	5,428,416	**47,952**
Net Unrealized Gains on Other Securities, net of taxes	**1,052,310**	1,151,642	**9,268**
Net Deferred Gains on Hedging Instruments, net of taxes	**65,495**	59,713	**576**
Revaluation Reserve for Land, net of taxes	**14,312**	14,312	**126**
Total Valuation and Translation Adjustments	**1,132,118**	1,225,668	**9,971**
Total Net Assets	**6,576,617**	6,654,084	**57,923**
Total Liabilities and Net Assets	**¥106,408,018**	¥103,417,613	**$937,185**

(2) Non-consolidated Statement of Operations (Unaudited)

	Millions of Yen		Millions of U.S. Dollars
For the six months ended September 30	**2018**	2017	**2018**
Income			
Interest Income:	**¥685,206**	¥591,244	**$6,034**
Interest on Loans and Bills Discounted	**50,069**	35,957	**440**
Interest and Dividends on Securities	**622,821**	545,249	**5,485**
Fees and Commissions	**7,006**	7,221	**61**
Trading Income	**296**	—	**2**
Other Operating Income	**92,795**	57,169	**817**
Other Income	**116,908**	89,996	**1,029**
Total Income	**902,212**	745,631	**7,946**
Expenses			
Interest Expenses:	**606,136**	490,908	**5,338**
Interest on Deposits	**62,466**	37,517	**550**
Fees and Commissions	**7,556**	7,400	**66**
Trading Expenses	**346**	146	**3**
Other Operating Expenses	**93,895**	24,081	**826**
General and Administrative Expenses	**74,480**	76,106	**655**
Other Expenses	**4,070**	9,474	**35**
Total Expenses	**786,484**	608,118	**6,926**
Income before Income Taxes	**115,728**	137,512	**1,019**
Income Taxes — Current	**19,766**	28,696	**174**
Income Taxes — Deferred	**9,378**	4,303	**82**
Total Income Taxes	**29,145**	33,000	**256**
Net Income	**¥ 86,582**	¥104,512	**$ 762**

Capital Adequacy (Consolidated)

Disclosure Regarding Capital Adequacy

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

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 can be found in this interim report as well as 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 September 30, 2018, the Bank had 14 consolidated subsidiaries. The names and principal lines of business of the primary subsidiaries are as follows:
  1. Norinchukin Trust & Banking Co., Ltd.: Trust and banking business
  2. Kyodo Housing Loan Co., Ltd.: Loans and guarantees for housing
- Companies belonging to the Consolidated Group but not included in the scope of consolidation:

  Not applicable
- Companies not belonging to the Consolidated Group but included in the scope of consolidation:

  Not applicable
- Affiliated companies engaged in financial service business that were subject to the provisions of Article 9 of the Notification Regarding Capital Adequacy Ratio:

  Not applicable
- Restrictions on the transfer of funds and capital between the members of the Consolidated Group:

  Not applicable

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

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

Not applicable

Capital Ratio Information (Consolidated)

Composition of Capital (Consolidated)

(Millions of Yen, %)

Basel III Template No.	Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
Common Equity Tier 1 capital: instruments and reserves						
1a+2-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	**5,459,172**		5,402,811		
1a	of which: capital and capital surplus	**3,455,509**		3,455,509		E1.1-E1.2+E1.3
2	of which: retained earnings	**2,003,663**		1,947,301		E2
26	of which: cash dividends to be paid	**—**		—		
	of which: other than the above	**—**		—		E3
3	Accumulated other comprehensive income and other disclosed reserves	**1,147,864**		1,366,483	341,620	E4
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	**—**		—		E8.1
	Total of items included in Common Equity Tier 1 capital: instruments and reserves under phase-out arrangements			1,044		
	of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)			1,044		
6	Common Equity Tier 1 capital: instruments and reserves (A)	**6,607,036**		6,770,339		
Common Equity Tier 1 capital: regulatory adjustments						
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	**39,642**		33,604	8,401	
8	of which: goodwill (net of related tax liability, including those equivalent)	**4,683**		10,616	2,654	A1.1+A1.2
9	of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	**34,959**		22,987	5,746	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	**153,995**		9,457	2,364	E7
12	Shortfall of eligible provisions to expected losses	**29,279**		17,329	4,332	
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	**38,357**		26,743	6,685	A4-D3
16	Investments in own shares (excluding those reported in the Net Assets section)	**—**		—	—	A5
17	Reciprocal cross-holdings in common equity	**—**		—	—	A6
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (“Other Financial Institutions”), net of eligible short positions, where the bank does not own more than 10% of the issued share capital	**—**		—	—	A7

(Millions of Yen, %)

Basel III Template No.		Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
19+20+21		Amount exceeding the 10% threshold on specified items	**—**		—	—	
19		of which: significant investments in the common stock of financials	**—**		—	—	A8
20		of which: mortgage servicing rights	**—**		—	—	A9
21		of which: deferred tax assets arising from temporary differences (net of related tax liability)	**—**		—	—	A10
22		Amount exceeding the 15% threshold on specified items	**—**		—	—	
23		of which: significant investments in the common stock of financials	**—**		—	—	A11
24		of which: mortgage servicing rights	**—**		—	—	A12
25		of which: deferred tax assets arising from temporary differences (net of related tax liability)	**—**		—	—	A13
27		Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	**—**		—		
28		Common Equity Tier 1 capital: regulatory adjustments (B)	**261,275**		87,134		
Common Equity Tier 1 capital (CET1)							
29		Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	**6,345,761**		6,683,204		
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**		48,973		E5.1+E5.2
30	31b	Subscription rights to Additional Tier 1 instruments	**—**		—		
30	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**—**		—		D1
30		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**		—		
34-35		Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	**3,651**		3,318		E8.2
33+35		Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	**—**		424		
33		of which: instruments issued by banks and their special purpose vehicles	**—**		424		
35		of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	**—**		—		
		Total of items included in Additional Tier 1 capital: instruments under phase-out arrangements			(9)		
		of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related other comprehensive income			(9)		
36		Additional Tier 1 capital: instruments (D)	**53,624**		52,707		

(Millions of Yen, %)

Basel III Template No.	Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
Additional Tier 1 capital: regulatory adjustments						
37	Investments in own Additional Tier 1 instruments	**—**		—	—	A14
38	Reciprocal cross-holdings in Additional Tier 1 instruments	**—**		—	—	A15
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	**—**		—	—	A16
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	**50,777**		40,054	10,013	A17
	Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements			2,166		
	of which: 50% of balance due to pay of eligible provisions			2,166		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	**—**		—		
43	Additional Tier 1 capital: regulatory adjustments (E)	**50,777**		42,220		
Additional Tier 1 capital (AT1)						
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	**2,847**		10,487		
Tier 1 capital (T1=CET1+AT1)						
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	**6,348,609**		6,693,691		
Tier 2 capital: instruments and provisions						
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	**—**		—		E6
	Subscription rights to Tier 2 instruments	**—**		—		
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**1,415,480**		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)	**135**		102		E8.3
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	**97,816**		97,816		
47	of which: instruments issued by banks and their special purpose vehicles	**97,816**		97,816		
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	**—**		—		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	**99**		12		
50a	of which: general reserve for possible loan losses	**99**		12		A18
50b	of which: eligible provisions	**—**		—		A19
	Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements			209,277		
	of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related other comprehensive income			209,277		
51	Tier 2 capital: instruments and provisions (H)	**1,513,530**		1,722,688		

(Millions of Yen, %)

Basel III Template No.	Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
Tier 2 capital: regulatory adjustments						
52	Investments in own Tier 2 instruments	—		—	—	A20
53	Reciprocal cross-holdings in Tier 2 instruments	—		—	—	A21
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	—		—	—	A22
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	—		—	—	A23
	Total of items included in Tier 2 capital: regulatory adjustments under phase-out arrangements			14,776		
	of which: intangibles assets other than mortgage servicing rights			2,654		
	of which: 50% of balance due to pay of eligible provisions			2,166		
	of which: significant investments in the additional Tier 1 capital of other financial institutions			9,955		
57	Tier 2 capital: regulatory adjustments (I)	—		14,776		
Tier 2 capital (T2)						
58	Tier 2 capital (T2) ((H)-(I)) (J)	**1,513,530**		1,707,912		
Total capital (TC=T1+T2)						
59	Total capital (TC=T1+T2) ((G)+(J)) (K)	**7,862,140**		8,401,604		
Risk weighted assets						
	Total of items included in risk weighted assets under phase-out arrangements			12,727		
	of which: intangibles assets other than mortgage servicing rights			5,746		
	of which: net defined-benefit asset			6,685		
	of which: significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)			294		
60	Risk weighted assets (L)	**38,164,507**		35,681,820		
Capital ratio (consolidated)						
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	**16.62%**		18.72%		
62	Tier 1 capital ratio (consolidated) ((G)/(L))	**16.63%**		18.75%		
63	Total capital ratio (consolidated) ((K)/(L))	**20.60%**		23.54%		
Regulatory adjustments						
72	Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**212,392**		342,609		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)	**23,520**		50,666		A25
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—		—		A26
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	—		—		A27

(Millions of Yen, %)

Basel III Template No.	Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
Provisions included in Tier 2 capital: instruments and provisions						
76	Provisions (general reserve for possible loan losses)	**99**		12		
77	Cap on inclusion of provisions (general reserve for possible loan losses)	**1,383**		135		
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	**213,234**		195,747		
Capital instruments under phase-out arrangements						
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	**—**		424		
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	**—**		424		
84	Current cap on Tier 2 instruments under phase-out arrangements	**614,402**		768,003		
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	**—**		—		

OV1: Overview of RWA (Consolidated)

(Millions of Yen)

Basel III Template No.		a	b	c	d
		RWA		Minimum capital requirements	
		September 30, 2018	September 30, 2017	**September 30, 2018**	September 30, 2017
1	Credit risk (excluding counterparty credit risk)	**5,411,955**		**457,773**	
2	Of which: standardized approach (SA)	**110,665**		**8,853**	
3	Of which: internal rating-based (IRB) approach	**5,170,299**		**438,441**	
	Of which: significant investments	**—**		**—**	
	Of which: estimated residual value of lease transactions	**—**		**—**	
	Others	**130,991**		**10,479**	
4	Counterparty credit risk (CCR)	**455,659**		**37,536**	
5	Of which: standardized approach for counterparty credit risk (SA-CCR)	**—**		**—**	
	Of which: current exposure method (CEM)	**39,775**		**3,372**	
6	Of which: expected positive exposure (EPE) method	**—**		**—**	
	Of which: credit valuation adjustment (CVA)	**58,031**		**4,642**	
	Of which: Central counterparty related exposure (CCP)	**171,806**		**13,744**	
	Others	**186,046**		**15,776**	
7	Equity positions in banking book under market-based approach	**1,701,161**		**144,258**	
	Equity investments in funds (SA)	**—**		**—**	
	Equity investments in funds (IRB)	**25,599,464**		**2,170,806**	
11	Settlement risk	**—**		**—**	
12	Securitization exposures in banking book	**654,444**		**55,496**	
13	Of which: IRB ratings-based approach (RBA) or IRB internal assessment approach (IAA)	**654,444**		**55,496**	
14	Of which: IRB Supervisory Formula Approach (SFA)	**—**		**—**	
15	Of which: Standardized approach (SA)	**—**		**—**	
	Of which: 1,250% risk weight is applied	**0**		**0**	
16	Market risk	**1,569,780**		**125,582**	
17	Of which: standardized approach (SA)	**1,532,522**		**122,601**	
18	Of which: internal model approaches (IMA)	**37,257**		**2,980**	
19	Operational risk	**709,217**		**56,737**	
20	Of which: Basic Indicator Approach	**—**		**—**	
21	Of which: Standardized Approach	**709,217**		**56,737**	
22	Of which: Advanced Measurement Approach	**—**		**—**	
23	Amounts below the thresholds for deduction	**58,591**		**4,968**	
	Risk weighted assets subject to transitional arrangements				
24	Floor adjustment	**—**		**—**	
25	Total	**36,160,274**		**3,053,160**	

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

As of September 30, 2018

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	13,943,442		
of which: non-significant investments in the capital instruments of other financial institutions		—	
Tier 2 capital		—	
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		—	A24.1
Foreign Exchanges Assets	228,485		
Securities	53,987,491	53,987,491	
Money Held in Trust	8,736,957	8,736,957	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		4,683	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		212,392	
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)		212,392	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)		74,297	
Amount exceeding the 10% threshold on specified items		—	A8
Amount exceeding the 15% threshold on specified items		—	A11
Additional Tier 1 capital		50,777	A17
Tier 2 capital		—	A23
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		23,520	A25
Trading Assets	7,491		
Monetary Claims Bought	315,805		
Call Loans and Bills Bought	1,075,000		
Receivables under Resale Agreements	37,200		
Cash and Due from Banks	26,322,933		
Other Assets	1,629,477		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Tangible Fixed Assets	119,650		
Intangible Fixed Assets	47,147	47,147	
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		47,147	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		12,188	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	53,089	53,089	A4
Deferred Tax Assets	1,960	1,960	
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	1,580,814		
Reserve for Possible Loan Losses	(45,767)	(45,767)	
of which: general reserve for possible loan losses includes Tier 2		(99)	A18
of which: eligible provisions includes Tier 2		—	A19
Reserve for Possible Investment Losses	(2)		
Total Assets	108,041,179		
(Liabilities)			
Deposits	67,052,479		
Negotiable Certificates of Deposit	1,979,321		
Debentures	1,507,522		
Trading liabilities	4,157		
Borrowed Money	4,889,353	4,889,353	
of which: qualifying Additional Tier 1 instruments		—	D1
of which: qualifying Tier 2 instruments		1,415,480	D2
Payables under Repurchase Agreements	15,025,174		
Foreign Exchanges Liabilities	9		
Trust Money	2,345,944		
Other Liabilities	6,498,974		
Reserve for Bonus Payments	7,591		
Reserve for Employees' Retirement Benefits	35,165		
Reserve for Directors' Retirement Benefits	1,032		
Deferred Tax Liabilities	438,380	438,380	
of which: assets related to retirement benefits		14,732	D3
Deferred Tax Liabilities for Land Revaluation	8,607		
Acceptances and Guarantees	1,580,814		
Total Liabilities	101,374,530		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Net Assets)			
Paid-in Capital	**3,480,488**	**3,480,488**	E1.1
of which: preferred stock		**24,999**	E1.2
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		**24,999**	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	**2,003,663**	**2,003,663**	E2
Treasury Preferred Stock	**—**	**—**	
Total Owners' Equity	**5,509,146**	**5,509,146**	
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	**1,053,734**	**1,053,734**	
Net Deferred Losses on Hedging Instruments	**65,604**	**65,604**	
of which: net deferred losses on hedge		**153,995**	E7
Revaluation Reserve for Land	**14,312**	**14,312**	
Foreign Currency Translation Adjustment	**(43)**	**(43)**	
Remeasurements of Defined Benefit Plans	**14,255**	**14,255**	
Total Accumulated Other Comprehensive Income	**1,147,864**	**1,147,864**	E4
Minority Interests	**9,638**	**9,638**	
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)		**3,651**	E8.2
of which: Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		**135**	E8.3
Total Net Assets	**6,666,648**		
Total Liabilities and Net Assets	**108,041,179**		

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

CR1: Credit quality of assets
For the Six Months Ended September 30, 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	**38,824**	**13,721,644**	**42,148**	**13,718,320**
2	Debt Securities	**—**	**29,748,393**	**—**	**29,748,393**
3	Off-balance sheet exposures	**17**	**27,852,633**	**42**	**27,852,608**
4	Total on-balance sheet assets (1+2+3)	**38,841**	**71,322,671**	**42,191**	**71,319,321**
	Off-balance sheet assets				
5	Acceptances and Guarantees	**1,517**	**1,579,179**	**1,490**	**1,579,206**
6	Commitments	**—**	**1,100,302**	**229**	**1,100,072**
7	Total off-balance sheet assets (5+6)	**1,517**	**2,679,481**	**1,719**	**2,679,279**
	Total				
8	Total (4+7)	**40,359**	**74,002,152**	**43,911**	**73,998,600**

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
For the Six Months Ended September 30, 2018

(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 the reporting period	Default	**18,388**
3		Returned to non-defaulted status	**232**
4		Amounts written off	**1,639**
5		Other changes (Decrease in the balance due to a recovery of exposure at default)	**(17,679)**
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)		**38,841**

CR3: Credit risk mitigation techniques – overview
For the Six Months Ended September 30, 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 deriva-tives, of which: secured amount
1	Loans	**13,273,382**	**444,937**	**370,668**	**451,845**	**—**
2	Debt securities	**28,951,075**	**797,317**	**—**	**797,317**	**—**
3	Other on-balance sheet assets	**27,850,292**	**2,315**	**543**	**2,521**	**—**
4	Total	**70,074,751**	**1,244,570**	**371,212**	**1,251,685**	**—**
5	Of which defaulted	**36,557**	**2,284**	**6,188**	**—**	**—**

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

For the Six Months Ended September 30, 2018

(Millions of Yen, %)

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

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

2. The total of the credit risk assets subject to the Standardized Approach (above a+b) is ¥110.6 billion, which is not shown in these statements due to its extremely limited amount—only about 0.30% of the credit risk assets on a consolidated basis (¥35,885.5 billion).

CR5: Standardized approach – exposures by asset classes and risk weights
For the Six Months Ended September 30, 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 Kyodo Housing Loan Co., Ltd., and b) the suspense payments and prepaid expenses on the consolidated balance sheet of the Bank and Kyodo Housing Loan Co., Ltd.

2. The total of the credit risk assets subject to the Standardized Approach (above a+b) is ¥110.6 billion, which is not shown in these statements due to its extremely limited amount—only about 0.30% of the credit risk assets on a consolidated basis (¥35,885.5 billion).

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

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

For the Six Months Ended September 30, 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	54,639,674	15,000	—	55,414,624	0.00	0.0	45.00	2.1	73,797	0.13	54	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	27,929	—	—	81	0.28	0.0	45.00	4.1	56	69.27	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	112,244	—	—	4	5.90	0.0	45.00	5.0	8	188.34	0	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	54,779,848	15,000	—	55,414,709	0.00	0.0	45.00	2.1	73,862	0.13	54	—
	Bank exposure												
1	0.00 to 0.15 or less	5,629,573	—	—	5,629,613	0.03	0.1	45.00	1.7	862,851	15.32	975	
2	Exceeding 0.15 to 0.25 or less	—	—	—	—	—	—	—	—	—	—	—	
3	Exceeding 0.25 to 0.50 or less	119,389	—	—	21,873	0.40	0.0	43.23	2.6	13,578	62.07	37	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	57,506	2,531	0.96	59,490	1.14	0.0	35.14	1.7	41,975	70.55	238	
6	Exceeding 2.50 to 10.00 or less	29,061	615	1.00	28,507	3.97	0.0	33.54	1.9	29,393	103.10	407	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	5,835,529	3,147	0.96	5,739,484	0.07	0.2	44.83	1.7	947,798	16.51	1,658	—
	Corporate exposure (excluding SMEs exposure and specialized lending)												
1	0.00 to 0.15 or less	702,728	—	—	259,295	0.05	0.1	64.26	4.1	112,220	43.27	83	
2	Exceeding 0.15 to 0.25 or less	9,112	—	—	9,112	0.15	0.0	58.17	3.0	5,388	59.12	7	
3	Exceeding 0.25 to 0.50 or less	23	—	—	23	0.42	0.0	45.00	1.9	13	58.53	0	
4	Exceeding 0.50 to 0.75 or less	0	—	—	0	0.63	0.0	45.00	4.9	1	106.15	0	
5	Exceeding 0.75 to 2.50 or less	27,854	—	—	8	1.64	0.0	45.00	5.0	11	140.19	0	
6	Exceeding 2.50 to 10.00 or less	3,501	—	—	3,501	4.80	0.0	45.00	4.7	6,124	174.93	75	
7	Exceeding 10.00 to 100.00 or less	21	—	—	21	15.84	0.0	45.00	2.1	48	221.55	1	
8	100.00 (default)	1,596	—	—	1,596	100.00	0.0	45.00	4.0	—	0.00	718	
9	Subtotal	744,840	—	—	273,561	0.69	0.3	63.69	4.0	123,807	45.25	887	113
	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	716,915	—	—	716,915	0.04	0.1	90.00	5.0	718,196	100.17	314	
2	Exceeding 0.15 to 0.25 or less	127,893	—	—	127,893	0.15	0.1	90.00	5.0	153,731	120.20	173	
3	Exceeding 0.25 to 0.50 or less	15,813	—	—	15,813	0.41	0.0	90.00	5.0	29,712	187.89	58	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	3,323	—	—	3,323	1.12	0.0	90.00	5.0	8,932	268.79	33	
6	Exceeding 2.50 to 10.00 or less	412	—	—	412	4.21	0.0	90.00	5.0	1,615	391.19	15	
7	Exceeding 10.00 to 100.00 or less	756	—	—	756	15.84	0.0	90.00	5.0	5,162	682.49	107	
8	100.00 (default)	23	—	—	23	100.00	0.0	90.00	5.0	267	1,125.00	21	
9	Subtotal	865,138	—	—	865,138	0.09	0.3	90.00	5.0	917,618	106.06	724	
	Debt purchased for corporate (Default risk)												
1	0.00 to 0.15 or less	1,871,791	—	—	1,871,727	0.00	0.0	45.00	1.0	330	0.01	0	
2	Exceeding 0.15 to 0.25 or less	8,325	—	—	8,325	0.15	0.0	45.00	1.0	2,062	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	1,880,117	—	—	1,880,052	0.00	0.0	45.00	1.0	2,393	0.12	6	—
	Debt purchased for corporate (Dilution risk)												
1	0.00 to 0.15 or less	—	—	—	12,566	0.00	0.0	45.00	1.0	—	0.00	—	
2	Exceeding 0.15 to 0.25 or less	—	—	—	3,012	0.15	0.0	45.00	1.0	746	24.77	2	
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	—	—	—	15,578	0.02	0.0	45.00	1.0	746	4.79	2	—
	Loan participation (corporate) (Default risk of seller)												
1	0.00 to 0.15 or less	—	—	—	42,569	0.01	0.0	45.00	2.8	2,342	5.50	3	
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	—	—	—	42,569	0.01	0.0	45.00	2.8	2,342	5.50	3	—
	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	—	1,450,780	1.00	1,450,780	0.32	76.7	53.26	—	437,894	30.18	2,472	
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—	—	—	—	—	
5	Exceeding 0.75 to 2.50 or less	131,486	—	—	131,486	0.78	10.3	68.35	—	95,321	72.49	701	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	1,585	3,378	1.00	4,964	21.61	0.4	58.03	—	16,416	330.71	628	
8	100.00 (default)	1,667	706	1.00	2,373	100.00	0.3	92.69	—	3,268	137.71	2,200	
9	Subtotal	134,738	1,454,865	1.00	1,589,603	0.57	87.9	54.58	—	552,902	34.78	6,002	1,773
	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	243	731	1.00	974	0.28	0.9	88.28	—	435	44.67	2	
4	Exceeding 0.50 to 0.75 or less	38,198	—	—	38,198	0.71	1.5	58.33	—	19,321	50.58	158	
5	Exceeding 0.75 to 2.50 or less	531	3,064	1.00	3,596	2.22	2.5	95.96	—	4,561	126.83	77	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	312	5	1.00	318	23.12	0.0	59.18	—	442	138.74	43	
8	100.00 (default)	1,348	2	1.00	1,351	100.00	0.1	98.64	—	2,751	203.65	1,333	
9	Subtotal	40,635	3,804	1.00	44,440	4.00	5.1	63.26	—	27,512	61.90	1,615	630
Total		64,280,849	1,476,817	0.98	65,865,139	0.02	94.1	45.89	2.0	2,648,983	4.02	10,955	2,518

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

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

For the Six Months Ended September 30, 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	—	—	—	33,432	0.01	0.0	30.31	4.2	1,668	4.99	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	—	—	—	33,432	0.01	0.0	30.31	4.2	1,668	4.99	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)

No.	PD scale	a Original on-balance sheet gross exposure	b Off-balance sheet exposures pre CCF	c Average CCF	d EAD post CRM and post-CCF	e Average PD	f Number of obligors	g Average LGD	h Average maturity	i RWA	j RWA density	k EL	l Provisions
	Corporate exposure (excluding SMEs exposure and specialized lending)												
1	0.00 to 0.15 or less	3,844,967	1,521,898	0.44	4,751,789	0.05	0.3	29.79	2.8	766,451	16.12	743	
2	Exceeding 0.15 to 0.25 or less	2,166,519	250,083	0.60	2,127,016	0.16	0.5	29.56	2.8	637,654	29.97	1,070	
3	Exceeding 0.25 to 0.50 or less	274,815	35,618	0.44	292,195	0.42	0.2	28.06	2.5	118,518	40.56	344	
4	Exceeding 0.50 to 0.75 or less	116,561	1,756	0.75	74,693	0.63	0.0	25.27	3.7	40,349	54.01	118	
5	Exceeding 0.75 to 2.50 or less	243,826	26,639	0.36	244,393	1.23	0.5	27.95	2.4	147,886	60.51	839	
6	Exceeding 2.50 to 10.00 or less	46,483	22,794	0.44	47,639	4.67	0.4	26.89	3.2	44,887	94.22	602	
7	Exceeding 10.00 to 100.00 or less	60,950	6,208	0.81	57,628	15.81	0.3	28.08	2.3	80,313	139.36	2,560	
8	100.00 (default)	37,789	3,008	0.26	33,215	100.00	0.1	26.98	1.6	—	0.00	8,964	
9	Subtotal	6,791,913	1,868,007	0.46	7,628,572	0.72	2.7	29.51	2.8	1,836,060	24.06	15,244	12,014
	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	163,162	36,500	1.00	206,509	0.05	0.0	30.35	1.2	17,480	8.46	31	
2	Exceeding 0.15 to 0.25 or less	33,657	6,585	0.75	31,749	0.19	0.0	30.35	2.3	8,894	28.01	19	
3	Exceeding 0.25 to 0.50 or less	—	—	—	—	—	—	—	—	—	—	—	
4	Exceeding 0.50 to 0.75 or less	2,646	1,204	0.75	4,685	0.63	0.0	30.35	1.2	1,969	42.02	8	
5	Exceeding 0.75 to 2.50 or less	2,271	—	—	1,135	0.83	0.0	30.35	1.0	516	45.44	2	
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—	—	—	—	—	
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	201,737	44,289	0.95	244,079	0.08	0.0	30.35	1.3	28,859	11.82	62	—
	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		**6,993,650**	**1,912,296**	**0.47**	**7,906,085**	**0.70**	**2.7**	**29.54**	**2.7**	**1,866,589**	**23.60**	**15,308**	**12,014**

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

For the Six Months Ended September 30, 2018

(Millions of Yen)

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

Note: Because the Bank did not use credit derivatives as credit risk mitigation techniques as of September 30, 2018, credit derivatives are not shown in these statements.

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

For the Six Months Ended September 30, 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	58,008	7,954	50%	63,973	—	—	—	63,973	31,986	—
	Equal to or more than 2.5 years	492,919	47,586	70%	448,866	20,823	—	38,581	508,271	355,790	2,033
Good	Less than 2.5 years	6,558	20,908	70%	18,880	—	—	—	18,880	13,216	75
	Equal to or more than 2.5 years	167,975	18,748	90%	133,544	10,101	—	—	143,646	129,281	1,149
Satisfactory		35,640	3,414	115%	24,518	13,683	—	—	38,201	43,931	1,069
Weak		30,439	5,500	250%	25,357	6,849	—	—	32,207	80,518	2,576
Default		805	—	—	—	1,822	—	—	1,822	—	911
Total		792,348	104,112	—	715,142	53,281	—	38,581	807,004	654,725	7,815
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		20,396	—	300%					20,396	61,188	
Private equity exposures		143,804	—	400%					143,804	575,219	
Other equity exposures		385,978	—	276%					385,978	1,064,753	
Total		550,179	—	—					550,179	1,701,161	
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

For the Six Months Ended September 30, 2018

(Millions of Yen)

		a	b	c	d	e	f
No.		**Replacement cost**	**Potential future exposure**	**EEPE**	**Alpha used for computing regulatory EAD**	**EAD post-CRM**	**RWA**
1	SA-CCR	—	—		1.4	—	—
	Current exposure method	31,203	233,198			284,812	39,775
2	Expected positive exposure method			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					16,186,152	186,046
5	VaR					—	—
6	Total						225,821

CCR2: Credit valuation adjustment (CVA) capital charge

For the Six Months Ended September 30, 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	**258,506**	**58,031**
5	Total subject to the CVA capital charge	**258,506**	**58,031**

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

For the Six Months Ended September 30, 2018

(Millions of Yen)

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

Note: As of September 30, 2018, although the Bank applied the standardized approach to some of the derivatives, the RWAs are not shown in these statements because the amounts of such assets were less than one million yen.

CCR4: IRB – CCR exposures by portfolio and PD scale

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

For the Six Months Ended September 30, 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	**2,257,620**	**0.00**	**0.0**	**45.00**	**0.4**	**—**	**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	**2,257,620**	**0.00**	**0.0**	**45.00**	**0.4**	**—**	**0.00**
	Bank exposure							
1	0.00 to 0.15 or less	**12,963,759**	**0.03**	**0.0**	**8.13**	**0.1**	**184,180**	**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	**12,963,759**	**0.03**	**0.0**	**8.13**	**0.1**	**184,180**	**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		**15,221,379**	**0.02**	**0.0**	**13.60**	**0.2**	**184,180**	**1.21**

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)

For the Six Months Ended September 30, 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	—	—	—	—	—	—	—
	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	**1,247,031**	**0.05**	**0.0**	**17.30**	**0.1**	**40,385**	**3.23**
2	Exceeding 0.15 to 0.25 or less	**1,205**	**0.15**	**0.0**	**30.35**	**2.4**	**308**	**25.57**
3	Exceeding 0.25 to 0.50 or less	**1,626**	**0.42**	**0.0**	**30.35**	**4.9**	**1,005**	**61.79**
4	Exceeding 0.50 to 0.75 or less	—	—	—	—	—	—	—
5	Exceeding 0.75 to 2.50 or less	**58**	**0.97**	**0.0**	**30.35**	**1.2**	**29**	**50.46**
6	Exceeding 2.50 to 10.00 or less	—	—	—	—	—	—	—
7	Exceeding 10.00 to 100.00 or less	—	—	—	—	—	—	—
8	100.00 (default)	—	—	—	—	—	—	—
9	Subtotal	**1,249,921**	**0.05**	**0.0**	**17.33**	**0.1**	**41,727**	**3.33**
Total		**1,249,921**	**0.05**	**0.0**	**17.33**	**0.1**	**41,727**	**3.33**

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

CCR5: Composition of collateral for CCR exposure

For the Six Months Ended September 30, 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	—	**885**	—	**526,574**	**612,744**	**41,900**
2	Cash – other currencies	—	—	—	**30,163**	**19,053,311**	**70,730**
3	Domestic sovereign debt	—	—	**620,951**	—	**36,100**	**6,453,562**
4	Other sovereign debt	—	—	**1,162**	—	—	**11,681,604**
5	Government agency debt	—	—	—	—	—	**3,433,495**
6	Corporate bonds	—	—	—	—	—	**487,867**
7	Equity securities	—	—	**32,348**	—	—	—
8	Other collateral	—	—	—	—	—	**2,036,633**
9	Total	—	**885**	**654,461**	**556,737**	**19,702,156**	**24,205,794**

CCR6: Credit derivatives exposures

For the Six Months Ended September 30, 2018

(Millions of Yen)

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

Note: The Bank had no amount of credit derivative instruments exposure as of September 30, 2018.

CCR8: Exposures to central counterparties

For the Six Months Ended September 30, 2018

(Millions of Yen)

No.		a EAD (post-CRM)	b RWA
1	Exposures to QCCPs (total)		**171,806**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	**8,726,445**	**18,797**
3	(i) OTC derivatives	**813,962**	**18,733**
4	(ii) Exchange-traded derivatives	**1,604**	**64**
5	(iii) Securities financing transactions	**7,910,878**	—
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	
8	Non-segregated initial margin	**293,150**	**593**
9	Pre-funded default fund contributions	**107,675**	**152,414**
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

For the Six Months Ended September 30, 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	—	—	—	—	—	—	**3,236,499**	—	**3,236,499**
2	residential mortgage	—	—	—	—	—	—	**2,385,252**	—	**2,385,252**
3	credit card	—	—	—	—	—	—	**320,865**	—	**320,865**
4	other retail exposures	—	—	—	—	—	—	**530,381**	—	**530,381**
5	re-securitization	—	—	—	—	—	—	**0**	—	**0**
6	Wholesale (total) – of which	—	—	—	—	—	—	**5,931,391**	—	**5,931,391**
7	loans to corporates	—	—	—	—	—	—	**5,857,249**	—	**5,857,249**
8	commercial mortgage	—	—	—	—	—	—	**68,172**	—	**68,172**
9	lease and receivables	—	—	—	—	—	—	**5,968**	—	**5,968**
10	other wholesale	—	—	—	—	—	—	—	—	—
11	re-securitization	—	—	—	—	—	—	—	—	—

SEC2: Securitization exposures in the trading book

For the Six Months Ended September 30, 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

For the Six Months Ended September 30, 2018

(Millions of Yen)

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

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

For the Six Months Ended September 30, 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	9,164,639	9,164,639	9,164,639	3,233,248	5,931,391	—	—	—	—	—	—	—	—	—	—
2	>20% to 50% RW	2,115	2,115	2,115	2,115	—	—	—	—	—	—	—	—	—	—	—
3	>50% to 100% RW	1,135	1,135	1,135	1,135	—	—	—	—	—	—	—	—	—	—	—
4	>100% to <1,250% RW	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	1,250% RW	0	0	—	—	—	0	—	0	—	—	—	—	—	—	—
	Exposure values (by regulatory approach)															
6	IRB SFA	9,167,891	9,167,891	9,167,891	3,236,499	5,931,391	—	—	—	—	—	—	—	—	—	—
7	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250%	0	0	—	—	—	0	—	0	—	—	—	—	—	—	—
	RWA (by regulatory approach)															
10	IRB SFA	654,444	654,444	654,444	230,384	424,059	—	—	—	—	—	—	—	—	—	—
11	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	1,250%	0	0	—	—	—	0	—	0	—	—	—	—	—	—	—
	Capital charge after cap															
14	IRB SFA	55,496	55,496	55,496	19,536	35,960	—	—	—	—	—	—	—	—	—	—
15	IRB SFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	SA/SSFA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	1,250%	0	0	—	—	—	0	—	0	—	—	—	—	—	—	—

MR1: Market risk under standardized approach

For the Six Months Ended September 30, 2018

(Millions of Yen)

No.			RWA
1	Interest rate risk (general and specific)		—
2	Equity risk (general and specific)		—
3	Foreign exchange risk		1,532,522
4	Commodity risk		—
	Options		
5		Simplified approach	—
6		Delta-plus method	—
7		Scenario approach	—
8	Securitization		—
9	Total		1,532,522

MR3: IMA values for trading portfolios

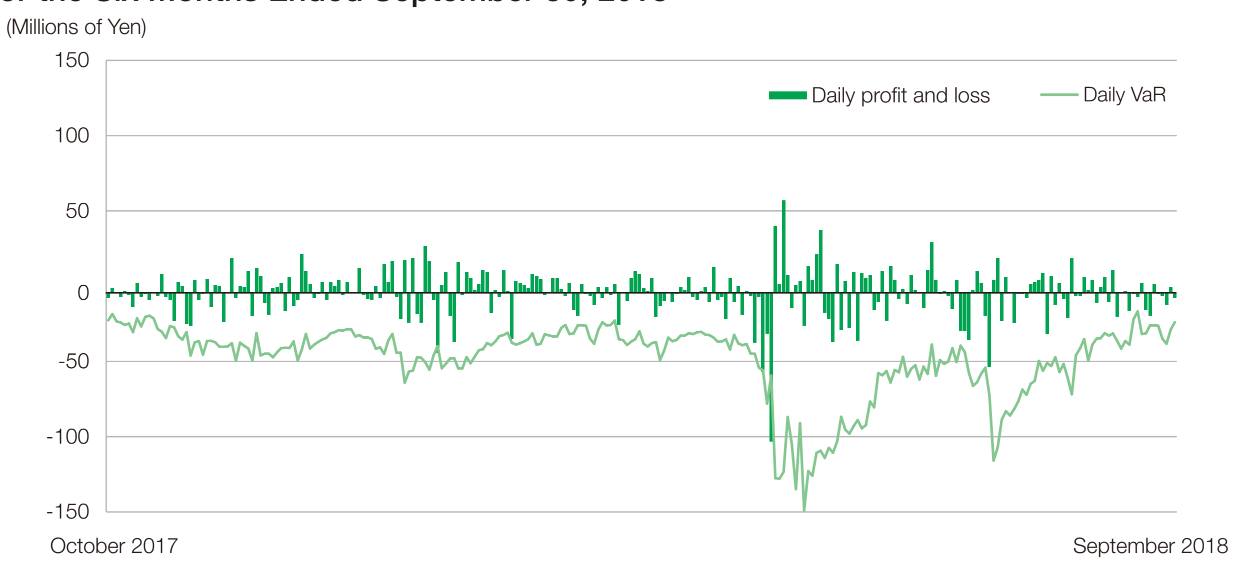
For the Six Months Ended September 30, 2018

(Millions of Yen)

No.		
	VaR (10 day 99%)	
1	Maximum value	**403**
2	Average value	**174**
3	Minimum value	**40**
4	Period end	**40**
	Stressed VaR (10 day 99%)	
5	Maximum value	**1,108**
6	Average value	**816**
7	Minimum value	**224**
8	Period end	**224**
	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

For the Six Months Ended September 30, 2018



Note: The Bank conducted three excess back-tests in the past 250 business days. The excess back-testing was conducted on February 2, 2018 (a loss of ¥39 million with a VaR of ¥35 million), on May 24, 2018 (a loss of ¥52 million with a VaR of ¥51 million), and on May 28, 2018 (a loss of ¥98 million with a VaR of ¥54 million). The reasons for conducting each excess back-test were market factors.

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

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

(Billions of Yen)

Classification	As of September 30, 2018		As of September 30, 2017	
	Exposure	**(For reference) Weighted-average risk weight**	Exposure	(For reference) Weighted-average risk weight
Look-through approach	**20,668**	**64%**	19,566	64%
Majority approach	**1,119**	**386%**	803	386%
Mandate approach	**—**	**—**	—	—
Market-based approach	**1,333**	**324%**	1,588	326%
Others (simple approach)	**606**	**425%**	354	425%
Total	**23,727**	**95%**	22,313	92%

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

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

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

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

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

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

IRRBB1 – Quantitative information on IRRBB

(Millions of Yen)

No.		a	b	c	d
		⊿EVE		⊿NII	
		For the six months ended September 30, 2018	For the six months ended September 30, 2017	**For the six months ended September 30, 2018**	For the six months ended September 30, 2017
1	Parallel up	**2,491,560**		**203,001**	
2	Parallel down	**(936,478)**		**(158,121)**	
3	Steepener	**813,594**			
4	Flattener	**(112,498)**			
5	Short rate up	**592,828**			
6	Short rate down	**(230,727)**			
7	Maximum	**2,491,560**		**203,001**	
		e		f	
		For the six months ended September 30, 2018		For the six months ended September 30, 2017	
8	Tier 1 capital	**6,348,609**		6,693,691	

Composition of Leverage Ratio Disclosure (Consolidated)

(In Million Yen, %)

Corresponding line # on Basel III disclosure template (Table 2) (*)		Corresponding line # on Basel III disclosure template (Table 1) (*)	Items		As of September 30, 2018	As of September 30, 2017
On-balance sheet exposures (1)						
1			On-balance sheet exposures before deducting adjustment items		**105,515,507**	110,901,642
	1a	1	Total assets reported in the consolidated balance sheet		**108,041,179**	113,201,550
	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) (–)		**2,525,671**	2,299,908
2		7	The amount of adjustment items pertaining to Tier 1 capital (–)		**158,056**	119,897
3			Total on-balance sheet exposures	(a)	**105,357,451**	110,781,745
Exposures related to derivative transactions (2)						
4			Replacement cost associated with derivatives transactions, etc.		**208,142**	135,372
5			Add-on amount associated with derivatives transactions, etc.		**283,668**	256,731
			The amount of receivables arising from providing cash marginin relation to derivatives transactions, etc.		**556,697**	611,965
6			The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework		**—**	—
7			The amount of deductions of receivables (out of those arising from providing cash variation margin) (–)		**—**	—
8			The amount of client-cleared trade exposures for which a bank or bank holding company acting as clearing member is not obliged to make any indemnification (–)			
9			Adjusted effective notional amount of written credit derivatives		**—**	—
10			The amount of deductions from effective notional amount of written credit derivatives (–)		**—**	—
11		4	Total exposures related to derivative transactions	(b)	**1,048,507**	1,004,069
Exposures related to repo transactions (3)						
12			The amount of assets related to repo transactions, etc.		**112,630**	190,889
13			The amount of deductions from the assets above (line 12) (–)		**—**	—
14			The exposures for counterparty credit risk for repo transactions, etc.		**522,879**	533,201
15			The exposures for agent repo transaction			
16		5	The Total exposures related to repo transactions, etc.	(c)	**635,509**	724,090
Exposures related to off-balance sheet transactions (4)						
17			Notional amount of off-balance sheet transactions		**4,495,250**	3,853,628
18			The amount of adjustments for conversion in relation to off-balance sheet transactions (–)		**1,929,805**	1,717,770
19		6	Total exposures related to off-balance sheet transactions	(d)	**2,565,445**	2,135,858
Leverage ratio on a consolidated basis (5)						
20			The amount of capital (Tier 1 capital)	(e)	**6,348,609**	6,693,691
21		8	Total exposures ((a)+(b)+(c)+(d))	(f)	**109,606,913**	114,645,763
22			Leverage ratio on a consolidated basis ((e)/(f))		**5.79%**	5.83%

Sound Management of Liquidity Risk (Consolidated)

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

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

	Items	The current quarter (July 1 to September 30, 2018)		The previous quarter (April 1 to June 30, 2018)	
High-quality liquid assets (1)					
1	Total high-quality liquid assets		33,838,080		36,255,368
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	50,794	5,053	59,959	5,970
3	of which: stable deposits	384	12	374	11
4	of which: quasi-stable deposits	50,410	5,041	59,584	5,959
5	Cash outflows relating to unsecured wholesale funding	11,649,636	8,815,636	12,790,115	9,160,694
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	10,277,870	7,443,869	11,605,657	7,976,236
8	of which: debt securities	1,371,766	1,371,766	1,184,458	1,184,458
9	Cash outflows relating to secured funding, etc.		218,809		194,812
10	Cash outflows relating to funding programs and credit/ liquidity facilities such as derivative transactions, etc.	2,579,119	1,612,563	2,622,660	1,598,584
11	of which: cash outflows relating to derivative transactions	1,373,206	1,373,206	1,349,770	1,349,770
12	of which: cash outflows relating to funding programs	0	0	0	0
13	of which: cash outflows relating to credit/liquidity facilities	1,205,913	239,358	1,272,890	248,814
14	Cash outflows based on an obligation to provide capital	5,307,288	387,308	4,562,934	302,330
15	Cash outflows relating to contingencies	5,148,533	246,557	4,740,151	207,263
16	Total cash outflows		11,285,925		11,469,654
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.	806,366	0	708,138	0
18	Cash inflows relating to collections of advances, etc.	3,713,099	3,208,271	3,538,956	3,031,396
19	Other cash inflows	5,922,651	437,760	5,428,369	388,139
20	Total cash inflows	10,442,116	3,646,031	9,675,463	3,419,536
Liquidity coverage ratio on a consolidated basis (4)					
21	Sum of high-quality liquid assets that can be included		33,838,080		36,255,368
22	Net cash outflows		7,639,894		8,050,118
23	Liquidity coverage ratio on a consolidated basis		442.9%		450.3%
24	The number of data for calculating the average value		62		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.

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

As of September 30, 2017

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	11,766,118		
of which: non-significant investments in the capital instruments of other financial institutions		103,000	
Tier 2 capital		—	
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	215,432		
Securities	62,546,412	62,546,412	
Money Held in Trust	8,192,529	8,192,529	
Securities and Money Held in Trust of which: goodwill and those equivalents (excluding those reported in the Intangible Fixed Assets)		13,270	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 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		239,609	
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)		239,609	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)		100,733	
Amount exceeding the 10% threshold on specified items		—	A8
Amount exceeding the 15% threshold on specified items		—	A11
Additional Tier 1 capital		50,067	A17
Tier 2 capital		—	A23
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)		50,666	A25
Trading Assets	9,940		
Monetary Claims Bought	281,439		
Call Loans and Bills Bought	353,746		
Cash and Due from Banks	26,714,355		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Other Assets	1,625,076		
Tangible Fixed Assets	123,867		
Intangible Fixed Assets	38,630	38,630	
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		38,630	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		9,895	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	46,268	46,268	A4
Deferred Tax Assets	6,353	6,353	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related deferred tax liabilities)		—	A3
of which: deferred tax assets arising from temporary differences (net of related deferred tax liabilities)		—	
Amount exceeding the 10% threshold on specified items		—	A10
Amount exceeding the 15% threshold on specified items		—	A13
Amount below the thresholds for deduction (before risk weighting)		—	A27
Customers' Liabilities for Acceptances and Guarantees	1,338,261		
Reserve for Possible Loan Losses	(56,878)	(56,878)	
of which: general reserve for possible loan losses includes Tier 2		(12)	A18
of which: eligible provisions includes Tier 2		—	A19
Reserve for Possible Investment Losses	(3)		
Total Assets	113,201,550		
(Liabilities)			
Deposits	65,261,852		
Negotiable Certificates of Deposit	3,248,360		
Debentures	2,090,958		
Trading Liabilities	5,589		
Borrowed Money	4,716,146	4,716,146	
of which: qualifying additional Tier 1 instruments		—	D1
of which: qualifying Tier 2 instruments		1,415,480	D2
Call Money and Bills Sold	2,705		
Payables under Repurchase Agreements	21,157,106		
Foreign Exchanges Liabilities	7		
Trust Money	2,198,929		
Other Liabilities	5,326,002		
Reserve for Bonus Payments	7,655		
Liabilities Related to Retirement Benefits	38,330		
Reserve for Directors' Retirement Benefits	1,306		
Deferred Tax Liabilities	630,294	630,294	
of which: assets related to retirement benefits		12,839	D3
Deferred Tax Liabilities for Land Revaluation	8,607		
Acceptances and Guarantees	1,338,261		
Total Liabilities	106,032,137		

(Millions of Yen)

Items	Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Net Assets)			
Paid-in Capital	3,480,488	3,480,488	E1.1
of which: preferred stock		24,999	E1.2
of which: directly issued qualifying additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.1
Capital Surplus	24,993	24,993	
of which: other capital surplus		20	E1.3
of which: directly issued qualifying additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,473	E5.2
Retained Earnings	1,947,301	1,947,301	E2
Treasury Preferred Stock	(150)	(150)	
Total Owners' Equity	5,452,634	5,452,634	
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	1,726,800	1,726,800	
Net Deferred Losses on Hedging Instruments	(44,307)	(44,307)	
of which: net deferred losses on hedge		11,821	E7
Revaluation Reserve for Land	14,312	14,312	
Foreign Currency Translation Adjustment	(48)	(48)	
Remeasurements of Defined Benefit Plans	11,347	11,347	
Total Accumulated Other Comprehensive Income	1,708,104	1,708,104	E4
Non-controlling Interests	8,674	8,674	
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)		3,318	E8.2
of which: Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		102	E8.3
Total Net Assets	7,169,413		
Total Liabilities and Net Assets	113,201,550		

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

Capital Adequacy (Consolidated)

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

Regulatory Required Capital

(Billions of Yen)

Items	As of September 30, 2017	
	EAD	Regulatory Required Capital
Amount of regulatory required capital for credit risk	150,630	2,712
Exposure subject to Internal Ratings-Based Approach	133,841	2,687
Corporate exposure (excluding Specialized Lending)	8,545	189
Corporate exposure (Specialized Lending)	720	53
Sovereign exposure	69,663	0
Bank exposure	17,049	94
Retail exposure	1,375	42
Retail exposure secured by residential properties	1,331	38
Qualifying revolving retail exposure	—	—
Other retail exposure	43	4
Securitization and re-securitization exposure	7,205	44
Equity portfolios	1,348	212
Equity portfolios subject to PD/LGD approaches	863	85
Equity portfolios subject to simple risk-weighted method	111	37
Equities under the internal models approach	373	90
Exposure subject to risk-weighted asset calculation for investment fund	27,355	2,031
Other debt purchased	351	5
Other exposures	227	13
Exposure subject to Standardized Approach	52	0
Assets subject to Standardized Approach on a non-consolidated basis	4	0
Assets subject to Standardized Approach in consolidated companies (excluding securitization exposure)	47	0
Assets subject to Standardized Approach in consolidated companies (securitization exposure)	—	—
Amount corresponding to CVA risk	249	4
CCP-related exposures	16,463	18
Items that included by transitional arrangements	22	1
Amount of regulatory required capital for market risk		149
Standardized Approach		148
Interest rate risk category		—
Equity risk category		—
Foreign exchange risk category		148
Commodity risk category		—
Option transactions		—
Internal models Approach		0
Amount of regulatory required capital for operational risk		71
Offsets on consolidation		2,933

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

2. Within the Exposure subject to Internal Ratings-Based Approach (excluding retail exposure), the EAD subject to the Advanced Internal Ratings-Based Approach and the amount of regulatory required capital are ¥8,858.9 billion and ¥184.9 billion, respectively.

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

4. "Risk-weighted asset calculation for investment fund" does not includes ¥171.1 billion EAD and ¥0.2 billion of Required Capital of CCP-related exposures.

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

(Billions of Yen)

Item	As of September 30, 2017
Consolidated total required capital	2,854

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

Credit Risk (Consolidated)

(Investment Fund and securitization exposures are excluded.)

1. Credit Risk Exposure

For the Six Months Ended September 30, 2017

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

(Billions of Yen)

Items	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	11,709	16,920	4	29,099	57,733	90
Asia except Japan	327	146	—	234	708	—
Europe	321	9,462	128	9,490	19,403	—
The Americas	923	16,347	2	18,446	35,720	—
Other areas	390	186	—	236	813	—
Amounts held by consolidated subsidiaries	1,375	28	—	58	1,462	5
Total	15,047	43,092	135	57,566	115,841	95

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

(Billions of Yen)

Items	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	2,826	507	0	0	3,334	63	2
Agriculture	49	0	0	0	50	5	0
Forestry	5	—	—	—	5	0	—
Fishing	18	0	—	0	18	10	—
Mining	13	—	—	0	13	—	—
Construction	81	12	—	0	93	0	—
Utility	409	5	—	0	415	—	—
Information/telecommunications	112	10	—	0	122	—	—
Transportation	641	176	2	0	820	2	—
Wholesaling, retailing	1,623	123	0	0	1,747	3	—
Finance and insurance	3,059	6,336	131	57,273	66,800	0	—
Real estate	689	154	—	2	846	0	—
Services	1,640	88	0	1	1,730	3	0
Municipalities	33	0	—	0	33	—	—
Other	2,467	35,647	0	230	38,344	0	—
Amounts held by consolidated subsidiaries	1,375	28	—	58	1,462	5	0
Total	15,047	43,092	135	57,566	115,841	95	3

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

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of Yen)

Items	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	6,591	6,198	0	56,217	69,008
Over 1 year to 3 years	2,146	14,212	1	5	16,366
Over 3 years to 5 years	2,729	8,234	1	0	10,964
Over 5 years to 7 years	976	2,815	0	0	3,792
Over 7 years	1,225	9,593	131	0	10,950
No term to maturity	2	2,009	—	1,284	3,296
Amounts held by consolidated subsidiaries	1,375	28	—	58	1,462
Total	15,047	43,092	135	57,566	115,841

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position for the six months ended September 30, 2017.
2. The amounts of credit-risk exposure held by consolidated subsidiaries are extremely limited, amounting only to about 1% of consolidated risk exposure, so only the total amounts held by these subsidiaries are shown.
3. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥52.7 billion.
4. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

2. Reserves for Possible Loan Losses

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

(Billions of Yen)

Items	As of September 30, 2017	Increase/(decrease)
General reserve for possible loan losses	35	22
Specific reserve for possible loan losses	17	(14)
Japan	17	(14)
Asia except Japan	—	—
Europe	—	—
The Americas	—	—
Other areas	—	—
Amounts held by consolidated subsidiaries	3	0
Offsets on consolidation	(1)	0
Specified reserve for loans to countries with financial problems	—	—
Total	54	7

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

(Billions of Yen)

Items	As of September 30, 2017	Increase/(decrease)
General reserve for possible loan losses	35	22
Specific reserve for possible loan losses	17	(14)
Manufacturing	2	(5)
Agriculture	4	(0)
Forestry	0	(0)
Fishing	5	(0)
Mining	—	—
Construction	—	(0)
Utility	—	—
Information/telecommunications	—	—
Transportation	1	(0)
Wholesaling, retailing	1	(0)
Finance and insurance	0	(0)
Real estate	—	(7)
Services	1	(0)
Municipalities	—	—
Other	—	—
Others	—	—
Amount held by consolidated subsidiaries	3	0
Offsets on consolidation	(1)	0
Specified reserve for loans to countries with financial problems	—	—
Total	54	7

3. Exposure Subject to the Internal Ratings-Based Approach

a. Corporate, Sovereign and Bank Exposure

For the Six Months Ended September 30, 2017

(Billions of Yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average EL default	Weighted-average risk weight	EAD				
						EAD (on-balance sheet)	EAD (off-balance sheet)		
								Amount of undrawn commitments	Weighted average of credit conversion factor
Corporate Exposure	1.20%	28.97%		28%	8,545	6,509	2,035	834	75.00%
1-1 to 4	0.10%	29.08%		22%	8,058	6,062	1,996	815	75.00%
5 to 7	1.62%	27.63%		75%	359	335	23	8	75.00%
8-1 to 8-2	15.82%	28.41%		203%	46	40	6	2	75.00%
Subtotal	0.25%	29.01%		25%	8,464	6,437	2,026	826	75.00%
8-3 to 10-2	100.00%	24.94%	24.94%	312%	81	71	9	8	75.00%
Sovereign Exposure	0.00%	44.99%		0%	69,663	67,405	2,257	17	75.00%
1-1 to 4	0.00%	44.99%		0%	69,663	67,405	2,257	17	75.00%
5 to 7	3.21%	45.00%		189%	0	0	—	—	—
8-1 to 8-2	—	—		—	—	—	—	—	—
Subtotal	0.00%	44.99%		0%	69,663	67,405	2,257	17	75.00%
8-3 to 10-2	—	—	—	—	—	—	—	—	—
Bank Exposure	0.05%	16.67%		7%	17,049	4,886	12,163	0	75.00%
1-1 to 4	0.04%	16.59%		7%	16,965	4,805	12,160	0	75.00%
5 to 7	2.02%	31.76%		87%	84	80	3	—	—
8-1 to 8-2	8.94%	28.84%		157%	0	0	0	—	—
Subtotal	0.05%	16.67%		7%	17,049	4,886	12,163	0	75.00%
8-3 to 10-2	—	—	—	—	—	—	—	—	—
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	0.12%	90.00%		123%	863	863	—	—	—
1-1 to 4	0.08%	90.00%		121%	853	853	—	—	—
5 to 7	2.15%	90.00%		283%	9	9	—	—	—
8-1 to 8-2	15.84%	90.00%		723%	0	0	—	—	—
Subtotal	0.11%	90.00%		123%	863	863	—	—	—
8-3 to 10-2	100.00%	90.00%	90.00%	1,193%	0	0	—	—	—

Notes: 1. Weighted-averages of PD, LGD, EL default and risk weight are computed based on EAD (including on-balance and off-balance sheets).

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

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

Internal rating	Self-assessments: Debtor classification		Self-assessments: Asset category	Self-assessments: Definition of asset category	Exposure requiring mandatory disclosure under the Financial Revitalization Law
1-1 4 1-2 5 2 6 3 7	Standard		Category I	Debtors who maintain favorable operating conditions and have no particular financial difficulties. Internal ratings 1-1 to 4 are equivalent to investment grade of credit rating agencies.	Standard
8-1 8-2 8-3 8-4	Substandard	Other substandard debtors	II	Debtors requiring close monitoring going forward	Standard
	Substandard	Debtors under requirement of control	II	Debtors requiring close monitoring going forward	Special attention
9	Doubtful		III	Debtors who are highly likely to fall into bankruptcy	Doubtful
10-1	Debtors in default		IV	Debtors who have effectively fallen into bankruptcy, although no facts have emerged to indicate legal or formal bankruptcy	Bankrupt or de facto bankrupt
10-2	Debtors in bankruptcy		IV	Debtors who are legally and formally bankrupt	Bankrupt or de facto bankrupt

b. Retail Exposure

Details on PD, LGD, EL Default, Risk Weight and EAD Assets

For the Six Months Ended September 30, 2017

(Billions of Yen)

Types of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)	Amount of undrawn commitments	Weighted average of credit conversion factor
Retail exposure secured by residential properties	0.83%	48.88%	74.69%	38%	1,426	225	1,201	—	—
Not default Not delinquent	0.35%	48.88%		32%	1,413	214	1,198	—	—
Not default Delinquent	24.61%	48.52%		428%	8	6	2	—	—
Not default Subtotal	0.50%	48.88%		34%	1,421	220	1,200	—	—
Default	100.00%		74.69%	1,064%	4	4	0	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—		—	—	—	—	—	—
Not default Delinquent	—	—		—	—	—	—	—	—
Not default Subtotal	—	—		—	—	—	—	—	—
Default	—		—	—	—	—	—	—	—
Other retail exposure	4.89%	60.33%	97.05%	117%	43	40	3	—	—
Not default Not delinquent	0.82%	60.35%		62%	41	38	3	—	—
Not default Delinquent	22.97%	56.59%		298%	0	0	0	—	—
Not default Subtotal	0.96%	60.33%		64%	42	38	3	—	—
Default	100.00%		97.05%	1,412%	1	1	0	—	—
Total	0.95%	49.21%	80.70%	40%	1,470	265	1,204	—	—
Not default Not delinquent	0.36%	49.21%		33%	1,454	253	1,201	—	—
Not default Delinquent	24.57%	48.76%		424%	9	6	2	—	—
Not default Subtotal	0.51%	49.21%		35%	1,463	259	1,204	—	—
Default	100.00%		80.70%	1,157%	6	5	0	—	—

Notes: 1. Purchased retail receivables in investment funds using estimated parameters have been included in the amount subject to quantitative disclosure.

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

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

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

5. As of September 30, 2017, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

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

Actual Losses by Exposure Types

(Billions of Yen)

Types of exposure	As of September 30, 2017	Increase/(decrease)
Corporate exposure	8	4
Sovereign exposure	—	—
Bank exposure	—	—
Equity exposure subject to PD/LGD approach	—	—
Retail exposure secured by residential properties	0	0
Qualifying revolving retail exposure	—	—
Other retail exposure	0	0
Total	9	4

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

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

Credit conditions have generally remained favorable, but we increased reserves for possible loan losses in accordance with worsening credit conditions of certain investees. The total value of actual losses in the first half of fiscal 2017 was up ¥4.4 billion year on year.

Comparison of Estimated Losses and Actual Losses

(Billions of Yen)

Types of exposure	As of September 30, 2017		As of September 30, 2016		As of March 31, 2017	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	5	8	7	4	14	4
Sovereign exposure	0	—	0	—	0	—
Bank exposure	0	—	0	—	1	—
Equity exposure subject to PD/LGD approach	0	—	0	—	0	—
Retail exposure secured by residential properties	1	0	1	0	2	0
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

Types of exposure	As of March 31, 2016		As of March 31, 2015		As of March 31, 2014	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	15	1	17	3	20	0
Sovereign exposure	0	—	0	—	0	—
Bank exposure	0	—	0	—	1	—
Equity exposure subject to PD/LGD approach	0	0	0	1	0	—
Retail exposure secured by residential properties	2	0	2	0	2	0
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

(Billions of Yen)

Types of exposure	As of March 31, 2013		As of March 31, 2012		As of March 31, 2011	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	24	1	42	9	73	7
Sovereign exposure	0	—	0	—	0	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	0	—	2	0	3	0
Retail exposure secured by residential properties	1	0	1	1	1	0
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	1	0	0	0	0	0

Types of exposure	As of March 31, 2010		As of March 31, 2009		As of March 31, 2008	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	55	43	46	25	29	7
Sovereign exposure	0	—	1	—	1	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	1	0	0	0	1	0
Retail exposure secured by residential properties	1	0	1	0	1	0
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

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

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

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

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

(Billions of Yen)

Classifications	As of September 30, 2017
Specialized Lending exposure subject to supervisory slotting criteria	798
Specialized Lending, excluding High-Volatility Commercial Real Estate (HVCRE)	798
Risk weight of 50%	59
Risk weight of 70%	531
Risk weight of 90%	101
Risk weight of 115%	52
Risk weight of 250%	14
Risk weight of 0% (default)	39
High-Volatility Commercial Real Estate (HVCRE)	—
Risk weight of 70%	—
Risk weight of 95%	—
Risk weight of 120%	—
Risk weight of 140%	—
Risk weight of 250%	—
Risk weight of 0% (default)	—

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

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

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

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

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

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

(Billions of Yen)

Classifications	As of September 30, 2017
Equity exposure subject to the simple risk-weighted method of the market-based approach by risk weight	111
Risk weight of 300%	—
Risk weight of 400%	111

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

4. Exposure Subject to Standardized Approach

Amount of Exposure Subject to Standardized Approach

(Billions of Yen)

Classifications	As of September 30, 2017	
	Exposure	Refer to ECAI
Exposure subject to Standardized Approach	52	—
Risk weight of 0%	37	—
Risk weight of 10%	0	—
Risk weight of 20%	4	—
Risk weight of 35%	—	—
Risk weight of 50%	—	—
Risk weight of 75%	—	—
Risk weight of 100%	9	—
Risk weight of 150%	—	—
Risk weight of 1,250%	—	—
Others	1	—

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

Credit Risk Mitigation Techniques (Consolidated)

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

(Billions of Yen)

Classifications			As of September 30, 2017
Internal Ratings-Based Approach			10,938
	Eligible financial collateral		10,164
		Corporate exposure	—
		Sovereign exposure	—
		Bank exposure	10,164
	Other eligible IRB collateral		—
		Corporate exposure	—
		Sovereign exposure	—
		Bank exposure	—
	Guarantees, Credit Derivatives		773
		Corporate exposure	411
		Sovereign exposure	256
		Bank exposure	105
		Retail exposure secured by residential properties	—
		Qualifying revolving retail exposure	—
		Other retail exposure	—
Standardized Approach			—
	Eligible financial collateral		—
	Guarantees, Credit Derivatives		—

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

Counterparty Credit Risk in Derivative Transactions (Consolidated)

Methods Used for Calculating Amount of Credit Exposure

The current exposure method has been adopted.

Breakdown of the Amount of Credit Exposure

(Billions of Yen)

Classifications			As of September 30, 2017
Total gross replacement costs (limited to items with a value of greater than zero)		(A)	158
Total gross add-ons		(B)	562
Gross credit exposure		(C)=(A)+(B)	720
	Foreign exchange related		474
	Interest rate related		246
	Equity related		—
	Credit derivatives		—
	Transactions with a long settlement period		—
Reduction in credit exposure due to netting contracts (including collateral pledged for CSA)		(D)	294
Amount of credit exposure before taking into account credit risk mitigation techniques due to collateral		(E)=(C)–(D)	426
Amount of collateral		(F)	0
	Eligible financial collateral		0
Amount of credit exposure after taking into account credit risk mitigation techniques due to collateral		(G)=(E)–(F)	425

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

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

(Billions of Yen)

Classifications	As of September 30, 2017
To buy protection	—
Credit default swaps	—
Total return swaps	—
To sell protection	—
Credit default swaps	—
Total return swaps	—
Notional principal amount of credit derivatives taking into consideration the effect of credit risk mitigation techniques	—

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

Securitization Exposure (Consolidated)

1. Items to Calculate Risk-Weighted Asset for Credit Risk Detail of Securitization Exposure Held as Originator

(Billions of Yen)

Classifications	As of September 30, 2017
Total amount of underlying assets	—
Amounts of assets held by securitization transactions purpose	—
Amounts of securitized exposure	—
Gains (losses) on sales of securitization transactions	—
Amounts of securitization exposure	—
Amounts of re-securitization exposure	—
Increase in capital due to securitization transactions	—
Amounts of securitization exposure that applied risk weight 1,250%	—
Amounts of re-securitization exposure subject to credit risk mitigation techniques	—

Details of Securitization Exposure Held as Investor by Exposure Type

For the Six Months Ended September 30, 2017

(Billions of Yen)

Classifications	Total amount of securitization exposure		Re-securitization exposure			
	Amount of exposure	Risk weight 1,250%	Amount of exposure	Re-securitization products (Secondary, tertiary)	Re-securitization products peculiar to regulation	Risk weight 1,250%
Amounts of exposures	7,205 (—)	0 (—)	7	0	7	0
Individuals						
Asset-Backed Securities (ABS)	1,103 (—)	— (—)	—	—	—	—
Residential Mortgage-Backed Securities (RMBS)	2,227 (—)	— (—)	—	—	—	—
Real estate						
Commercial Mortgage-Backed Securities (CMBS)	66 (—)	— (—)	—	—	—	—
Corporates						
Subtotal of CDOs (CLO, ABS-CDO, CBO)	3,808 (—)	0 (—)	7	0	7	0
Collateralized Loan Obligations (CLO)	3,808 (—)	— (—)	7	—	7	—
Asset-Backed Securities CDOs (ABS-CDO)	0 (—)	0 (—)	0	0	—	0
Collateralized Bond Obligations (CBO)	— (—)	— (—)	—	—	—	—
Others	— (—)	— (—)	—	—	—	—

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

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

For the Six Months Ended September 30, 2017

(Billions of Yen)

Classifications	Amount of exposure			Regulatory required capital		
		On-balance	Off-balance		On-balance	Off-balance
Amount of securitization exposure	7,198	7,198	—	44	44	—
Risk weight: 20% or less	7,186	7,186	—	43	43	—
Risk weight: exceeding 20% to 50% or less	6	6	—	0	0	—
Risk weight: exceeding 50% to 100% or less	4	4	—	0	0	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	—	—	—	—	—	—
Risk weight: 1,250%	—	—	—	—	—	—
Amount of re-securitization exposure	7	7	—	0	0	—
Risk weight: 20% or less	—	—	—	—	—	—
Risk weight: exceeding 20% to 50% or less	7	7	—	0	0	—
Risk weight: exceeding 50% to 100% or less	—	—	—	—	—	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	—	—	—	—	—	—
Risk weight: 1,250%	0	0	—	0	0	—

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

(Billions of Yen)

Classifications	As of September 30, 2017	
	Amount of exposure	Regulatory required capital
Amount of re-securitization exposure	—	—
Risk weight applied to guarantor: 20% or less	—	—
Risk weight applied to guarantor: exceeding 20% to 50% or less	—	—
Risk weight applied to guarantor: exceeding 50% to 100% or less	—	—
Risk weight applied to guarantor: exceeding 100% to 250% or less	—	—
Risk weight applied to guarantor: exceeding 250% to less than 1,250%	—	—
Risk weight applied to guarantor: 1,250%	—	—

2. Securitization Exposure Subject to Market Risk

Not applicable

Market Risk (Consolidated)

Computation of Market Risk Amount by the Internal Models Approach

■ VaR

(Millions of Yen)

	For the six months ended September 30, 2017
Base date of computation	2017. 9. 30
VaR (For the most recent 60 business days)	
Base date of computation	55
Maximum	129
Minimum	24
Average	62

■ Stress VaR

(Millions of Yen)

	For the six months ended September 30, 2017
Base date of computation	2017. 9. 30
Stress VaR (For the most recent 60 business days)	
Base date of computation	194
Maximum	552
Minimum	102
Average	247

■ Amount of Market Risk

(Millions of Yen)

		For the six months ended September 30, 2017
For the portion computed with the internal models approach (B)+(G)+(J)	(A)	930
Value at Risk (MAX (C, D))	(B)	187
Amount on base date of computation	(C)	55
Amount determined by multiplying (E) by the average for the most recent 60 business days	(D)	187
(Multiplier)	(E)	3.00
(Times exceeding VaR in back testing)	(F)	1
Stress Value at Risk (MAX (H, I))	(G)	743
Amount on base date of computation	(H)	194
Amount determined by multiplying (E) by the average for the most recent 60 business days	(I)	743
Additional amount at the time of measuring individual risk	(J)	0

Notes: 1. As a result of back testing conducted in the first half of fiscal 2017, actual gains and losses did not diverge substantially downward from the VaR value.
2. When discrepancies between the model's estimates and actual results go beyond a certain number of times due to the designs of the model, the Bank scrutinizes the relevant model factors and revises the model if necessary.
3. Since the Bank adopts a standardized approach, neither an additional risk nor a comprehensive risk of specific risks of trading account are the measurement objects.

Equity Exposure (Consolidated)

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

Amount on the Consolidated Balance Sheet and Market Value

(Billions of Yen)

Classifications	As of September 30, 2017	
	Amount on the consolidated balance sheet	Market value
Equity exposure	1,348	
Exposure to publicly traded equity	1,146	1,146
Exposure to privately held equity	201	

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

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

(Billions of Yen)

Item	For the six months ended September 30, 2017		
	Gain on sales of equities, etc.	Loss on sales of equities, etc.	Write-offs of equities, etc.
Equity exposure	3	0	1

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

Amount of Valuation Gains (Losses)

(Billions of Yen)

Item	As of September 30, 2017
Amount of valuation gains (losses) recognized on the consolidated balance sheet and not recognized in the consolidated statements of operations	494

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

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

Not applicable

Equity Exposure for Each Portfolio Classification

(Billions of Yen)

Classifications	As of September 30, 2017
	EAD
Equity portfolios	1,348
Equity portfolios subject to PD/LGD approaches	863
Equity portfolios subject to simple risk-weighted method	111
Equities under the internal models approach	373

Interest Rate Risk (Consolidated)

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

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

(Billions of Yen)

Classifications	As of September 30, 2017
Interest-rate risk	2,515
Yen interest rate risk	104
U.S. dollar interest rate risk	1,928
Euro interest rate risk	468
Interest rate risk in other currencies	12

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

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

Capital Adequacy (Non-Consolidated)

Capital Ratio Information (Non-Consolidated)

Composition of Capital (Non-Consolidated)

(Millions of Yen, %)

Basel III Template No.	Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
Common Equity Tier 1 capital: instruments and reserves						
1a+2-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	**5,394,675**		5,353,147		
1a	of which: capital and capital surplus	**3,455,509**		3,455,509		E1.1+E1.2
2	of which: retained earnings	**1,939,166**		1,897,638		E2
26	of which: cash dividends to be paid	**—**		—		
	of which: other than the above	**—**		—		E3
3	Valuation and translation adjustments and other disclosed reserves	**1,132,132**		1,356,349	339,087	E4
	Total of items included in Common Equity Tier 1 capital: instruments and reserves under phase-out arrangements			—		
6	Common Equity Tier 1 capital: instruments and reserves (A)	**6,526,808**		6,709,497		
Common Equity Tier 1 capital: regulatory adjustments						
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	**31,732**		20,611	5,152	
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)	**31,732**		20,611	5,152	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	**153,886**		9,249	2,312	E7
12	Shortfall of eligible provisions to expected losses	**22,285**		13,868	3,467	
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)	**17,796**		9,781	2,445	A3-D3
16	Investments in own shares (excluding those reported in the Net Assets section)	**—**		—	—	A4
17	Reciprocal cross-holdings in common equity	**—**		—	—	A5
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (“Other Financial Institutions”), net of eligible short positions, where the bank does not own more than 10% of the issued share capital	**—**		—	—	A6
19+20+21	Amount exceeding the 10% threshold on specified items	**—**		—	—	
19	of which: significant investments in the common stock of financials	**—**		—	—	A7
20	of which: mortgage servicing rights	**—**		—	—	A8
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	**—**		—	—	

(Millions of Yen, %)

Basel III Template No.		Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
22		Amount exceeding the 15% threshold on specified items	**—**		—	—	
23		of which: significant investments in the common stock of financials	**—**		—	—	A9
24		of which: mortgage servicing rights	**—**		—	—	A10
25		of which: deferred tax assets arising from temporary differences (net of related tax liability)	**—**		—	—	
27		Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	**—**		—		
28		Common Equity Tier 1 capital: regulatory adjustments (B)	**225,701**		53,510		
Common Equity Tier 1 capital (CET1)							
29		Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	**6,301,106**		6,655,986		
Additional Tier 1 capital: instruments							
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	**49,999**		49,000		E5.1+E5.2
30	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**—**		—		D1
30		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**		—		
33+35		Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	**—**		499		
		Total of items included in Additional Tier 1 capital: instruments under phase-out arrangements			2		
		of which: amounts of counted in to base instruments of Additional Tier 1 under phase-out arrangements that related valuation and translation adjustments			2		
36		Additional Tier 1 capital: instruments (D)	**49,999**		49,502		
Additional Tier 1 capital: regulatory adjustments							
37		Investments in own Additional Tier 1 instruments	**—**		—	—	A11
38		Reciprocal cross-holdings in Additional Tier 1 instruments	**—**		—	—	A12
39		Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	**—**		—	—	A13
40		Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	**39,041**		31,233	7,808	A14
		Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements			1,733		
		of which: 50% of balance due to pay of eligible provisions			1,733		

(Millions of Yen, %)

Basel III Template No.	Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	**—**		—		
43	Additional Tier 1 capital: regulatory adjustments (E)	**39,041**		32,966		
Additional Tier 1 capital (AT1)						
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	**10,958**		16,535		
Tier 1 capital (T1=CET1+AT1)						
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	**6,312,065**		6,672,521		
Tier 2 capital: instruments and provisions						
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	**—**		—		E6
	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	**1,415,480**		1,415,480		D2
	Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	**—**		—		
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	**97,816**		97,816		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	**7**		5		
50a	of which: general reserve for possible loan losses	**7**		5		A15
50b	of which: eligible provisions	**—**		—		A16
	Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements			209,162		
	of which: amounts of counted in to base instruments of Tier 2 under phase-out arrangements that related valuation and translation adjustments			209,162		
51	Tier 2 capital: instruments and provisions (H)	**1,513,303**		1,722,463		
Tier 2 capital: regulatory adjustments						
52	Investments in own Tier 2 instruments	**—**		—	—	A17
53	Reciprocal cross-holdings in Tier 2 instruments	**—**		—	—	A18
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	**—**		—	—	A19
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	**—**		—	—	A20
	Total of items included in Tier 2 capital: regulatory adjustments under phase-out arrangements			1,733		
	of which: 50% of balance due to pay of eligible provisions			1,733		
57	Tier 2 capital: regulatory adjustments (I)	**—**		1,733		

(Millions of Yen, %)

Basel III Template No.	Items	As of September 30, 2018	Amounts excluded under transitional arrangements	As of September 30, 2017	Amounts excluded under transitional arrangements	Ref. No.
Tier 2 capital (T2)						
58	Tier 2 capital (T2) ((H)-(I)) (J)	**1,513,303**		1,720,729		
Total capital (TC=T1+T2)						
59	Total capital (TC=T1+T2) ((G)+(J)) (K)	**7,825,368**		8,393,251		
Risk weighted assets						
	Total of items included in risk weighted assets under phase-out arrangements			19,552		
	of which: intangibles assets other than mortgage servicing rights			5,152		
	of which: prepaid pension costs			2,445		
	of which: significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)			11,954		
60	Risk weighted assets (L)	**37,536,228**		35,340,763		
Capital ratio (non-consolidated)						
61	Common Equity Tier 1 capital ratio (non-consolidated) ((C)/(L))	**16.78%**		18.83%		
62	Tier 1 capital ratio (non-consolidated) ((G)/(L))	**16.81%**		18.88%		
63	Total capital ratio (non-consolidated) ((K)/(L))	**20.84%**		23.74%		
Regulatory adjustments						
72	Non-significant investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	**211,140**		341,353		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**		68,397		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)	**7**		5		
77	Cap on inclusion of provisions (general reserve for possible loan losses)	**101**		55		
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	**210,247**		193,888		
Capital instruments under phase-out arrangements						
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	**—**		499		
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	**—**		499		
84	Current cap on Tier 2 instruments under phase-out arrangements	**614,402**		768,003		
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	**—**		—		

OV1: Overview of RWA (Non-Consolidated)

(Millions of Yen)

Basel III Template No.		a	b	c	d
		RWA		Minimum capital requirements	
		September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
1	Credit risk (excluding counterparty credit risk)	4,852,143		410,796	
2	Of which: standardized approach (SA)	8,109		648	
3	Of which: internal rating-based (IRB) approach	4,713,600		399,713	
	Of which: significant investments	—		—	
	Of which: estimated residual value of lease transactions	—		—	
	Others	130,433		10,434	
4	Counterparty credit risk (CCR)	457,975		37,733	
5	Of which: standardized approach for counterparty credit risk (SA-CCR)	—		—	
	Of which: current exposure method (CEM)	39,775		3,372	
6	Of which: expected positive exposure (EPE) method	—		—	
	Of which: credit valuation adjustment (CVA)	58,031		4,642	
	Of which: Central counterparty related exposure (CCP)	171,806		13,744	
	Others	188,363		15,973	
7	Equity positions in banking book under market-based approach	1,703,477		144,454	
	Equity investments in funds (SA)	—		—	
	Equity investments in funds (IRB)	25,598,404		2,170,716	
11	Settlement risk	—		—	
12	Securitization exposures in banking book	654,444		55,496	
13	Of which: IRB ratings-based approach (RBA) or IRB internal assessment approach (IAA)	654,444		55,496	
14	Of which: IRB Supervisory Formula Approach (SFA)	—		—	
15	Of which: Standardized approach (SA)	—		—	
	Of which: 1,250% risk weight is applied	0		0	
16	Market risk	1,569,780		125,582	
17	Of which: standardized approach (SA)	1,532,522		122,601	
18	Of which: internal model approaches (IMA)	37,257		2,980	
19	Operational risk	681,275		54,502	
20	Of which: Basic Indicator Approach	—		—	
21	Of which: Standardized Approach	681,275		54,502	
22	Of which: Advanced Measurement Approach	—		—	
23	Amounts below the thresholds for deduction	42,638		3,615	
	Risk weighted assets subject to transitional arrangements				
24	Floor adjustment	—		—	
25	Total	35,560,140		3,002,898	

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

As of September 30, 2018

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	**13,821,164**		
Including non-significant investments in the capital instruments of other financial institutions		**—**	
Tier 2 capital		**—**	
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		**—**	A21.1
Foreign Exchanges Assets	**228,485**		
Securities	**54,003,459**	**54,003,453**	
Money Held in Trust	**8,736,211**	**8,736,211**	
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		**211,140**	—
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)		**211,140**	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)		**56,096**	—
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)		**17,055**	A22
Trading Assets	**7,491**		
Monetary Claims Bought	**315,805**		
Call Loans	**1,075,000**		
Receivables under Resale Agreements	**37,200**		
Cash and Due from Banks	**26,293,684**		
Other Assets	**1,623,307**		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Tangible Fixed Assets	**118,344**		
Intangible Fixed Assets	**43,920**	**43,920**	
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		**43,920**	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		**12,188**	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)	**24,631**	**24,631**	A3
Customers' Liabilities for Acceptances and Guarantees	**125,217**		
Reserve for Possible Loan Losses	**(44,859)**	**(44,859)**	
of which: general reserve for possible loan losses includes Tier 2		**(7)**	A15
of which: eligible provisions includes Tier 2		**—**	A16
Reserve for Possible Investment Losses	**(1,047)**		
Total Assets	**106,408,018**		
(Liabilities)			
Deposits	**67,074,121**		
Negotiable Certificates of Deposit	**1,979,321**		
Debentures	**1,515,522**		
Trading Liabilities	**4,157**		
Borrowed Money	**4,832,353**	**4,832,353**	
of which: qualifying Additional Tier 1 instruments		**—**	D1
of which: qualifying Tier 2 instruments		**1,415,480**	D2
Payables under Repurchase Agreements	**15,025,174**		
Foreign Exchanges Liabilities	**9**		
Trust Money	**2,345,944**		
Other Liabilities	**6,456,289**		
Reserve for Bonus Payments	**6,007**		
Reserve for Employees' Retirement Benefits	**25,183**		
Reserve for Directors' Retirement Benefits	**658**		
Deferred Tax Liabilities	**432,831**	**432,831**	
of which: prepaid pension cost		**6,835**	D3
Deferred Tax Liabilities for Land Revaluation	**8,607**		
Acceptances and Guarantees	**125,217**		
Total Liabilities	**99,831,400**		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Net Assets)			
Paid-in Capital	**3,480,488**	**3,480,488**	
Common equity	**3,455,488**	**3,455,488**	E1.1
of which: lower dividend rate stock	**3,029,771**	**3,029,771**	
Preferred stock	**24,999**	**24,999**	
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		**24,999**	E5.1
Capital Surplus	**25,020**	**25,020**	
Capital surplus	**24,999**	**24,999**	
of which: directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		**24,999**	E5.2
Other capital surplus	**20**	**20**	E1.2
Retained Earnings	**1,938,989**	**1,939,166**	E2
Legal reserves	**735,566**	**735,566**	
Voluntary reserves	**1,203,423**	**1,203,600**	
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	**333,381**	**333,558**	
Total Owners' Equity	**5,444,498**	**5,444,675**	
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	**1,052,310**	**1,052,310**	
Net Deferred Losses on Hedging Instruments	**65,495**	**65,495**	
of which: net deferred losses on hedge		**153,886**	E7
Revaluation Reserve for Land, net of taxes	**14,312**	**14,312**	
Foreign Currency Translation Adjustment		**13**	
Total Valuation and Translation Adjustment	**1,132,118**	**1,132,132**	E4
Total Net Assets	**6,576,617**		
Total Liabilities and Net Assets	**106,408,018**		

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

IRRBB1 – Quantitative information on IRRBB

(Millions of Yen)

No.		a	b	c	d
		⊿EVE		⊿NII	
		For the six months ended September 30, 2018	For the six months ended September 30, 2017	**For the six months ended September 30, 2018**	For the six months ended September 30, 2017
1	Parallel up	**2,491,560**		**203,001**	
2	Parallel down	**(936,478)**		**(158,121)**	
3	Steepener	**813,594**			
4	Flattener	**(112,498)**			
5	Short rate up	**592,828**			
6	Short rate down	**(230,727)**			
7	Maximum	**2,491,560**		**203,001**	
		e		f	
		For the six months ended September 30, 2018		For the six months ended September 30, 2017	
8	Tier 1 capital	**6,348,609**		6,693,691	

Sound Management of Liquidity Risk (Non-Consolidated)

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

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

Items		The current quarter (July 1 to September 30, 2018)		The previous quarter (April 1 to June 30, 2018)	
High-quality liquid assets (1)					
1	Total high-quality liquid assets		33,838,080		36,255,368
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	50,794	5,053	59,959	5,970
3	of which: stable deposits	384	12	374	11
4	of which: quasi-stable deposits	50,411	5,041	59,584	5,959
5	Cash outflows relating to unsecured wholesale funding	11,612,856	8,778,855	12,756,055	9,126,634
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	10,241,005	7,407,004	11,571,516	7,942,095
8	of which: debt securities	1,371,851	1,371,851	1,184,539	1,184,539
9	Cash outflows relating to secured funding, etc.		218,809		194,812
10	Cash outflows relating to funding programs and credit/liquidity facilities such as derivative transactions, etc.	2,568,628	1,608,367	2,617,277	1,597,145
11	of which: cash outflows relating to derivative transactions	1,373,206	1,373,206	1,349,770	1,349,770
12	of which: cash outflows relating to funding programs	0	0	0	0
13	of which: cash outflows relating to credit/liquidity facilities	1,195,422	235,161	1,267,506	247,374
14	Cash outflows based on an obligation to provide capital	5,307,271	387,291	4,562,918	302,314
15	Cash outflows relating to contingencies	3,917,482	220,743	3,583,082	182,556
16	Total cash outflows		11,219,118		11,409,430
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.	806,366	0	708,138	0
18	Cash inflows relating to collections of advances, etc.	3,764,464	3,260,024	3,594,256	3,087,028
19	Other cash inflows	5,922,749	437,858	5,427,888	387,659
20	Total cash inflows	10,493,579	3,697,882	9,730,283	3,474,687
Liquidity coverage ratio on a non-consolidated basis (4)					
21	Sum of high-quality liquid assets that can be included		33,838,080		36,255,368
22	Net cash outflows		7,521,235		7,934,743
23	Liquidity coverage ratio on a non-consolidated basis		449.9%		456.9%
24	The number of data for calculating the average value		62		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.

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

As of September 30, 2017

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Assets)			
Loans and Bills Discounted	11,654,523		
of which: non-significant investments in the capital instruments of other financial institutions		103,000	
Tier 2 capital		—	
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)		103,000	A21.1
Foreign Exchanges Assets	215,432		
Securities	62,572,532	62,572,526	
Money Held in Trust	8,191,761	8,191,761	
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		238,353	—
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)		238,353	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 (net of eligible short positions)		107,438	—
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)		68,397	A22
Trading Assets	9,940		
Monetary Claims Bought	281,439		
Call Loans	353,746		
Cash and Due from Banks	26,687,883		
Other Assets	1,619,722	1,619,722	
Tangible Fixed Assets	121,404		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
Intangible Fixed Assets	35,660	35,660	
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		35,660	A2.1
of which: amount that corresponds to effective tax rate to other intangible assets other than goodwill and mortgage servicing rights		9,895	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)	16,922	16,922	A3
Customers' Liabilities for Acceptances and Guarantees	135,922		
Reserve for Possible Loan Losses	(54,268)	(54,268)	
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	(1,330)		
Total Assets	111,841,291		
(Liabilities)			
Deposits	65,281,229		
Negotiable Certificates of Deposit	3,248,360		
Debentures	2,098,959		
Trading Liabilities	5,589		
Borrowed Money	4,659,646	4,659,646	
of which: qualifying additional Tier 1 instruments		—	D1
of which: qualifying Tier 2 instruments		1,415,480	D2
Call Money	2,705		
Payables under Repurchase Agreements	21,157,106		
Foreign Exchanges Liabilities	7		
Trust Money	2,198,929		
Other Liabilities	5,289,613		
Reserve for Bonus Payments	6,061		
Reserve for Employees' Retirement Benefits	23,414		
Reserve for Directors' Retirement Benefits	975		
Reserve for Agriculture, Fishery and Forestry Industry Subsidies	21		
Deferred Tax Liabilities	625,746	625,746	
of which: prepaid pension cost		4,695	D3
Deferred Tax Liabilities for Land Revaluation	8,607		
Acceptances and Guarantees	135,922		
Total Liabilities	104,742,898		

(Millions of Yen)

Items	Non-Consolidated balance sheet amount	Balance sheet amount based on regulatory scope of consolidation	Ref. No.
(Net Assets)			
Paid-in Capital	3,480,488	3,480,488	
Common equity	3,455,488	3,455,488	E1.1
of which: lower dividend rate stock	3,029,771	3,029,771	
Preferred stock	24,999	24,999	
of which: directly issued qualifying additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.1
Capital Surplus	25,020	25,020	
Capital surplus	24,999	24,999	
of which: directly issued qualifying additional Tier 1 instruments plus related capital surplus of which classified as equity under applicable accounting standards		24,500	E5.2
Other capital surplus	20	20	E1.2
Retained Earnings	1,897,458	1,897,638	E2
Legal reserves	709,566	709,566	
Voluntary reserves	1,187,892	1,188,072	
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	343,638	343,818	
Total Owners' Equity	5,402,967	5,403,147	
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	1,725,680	1,725,680	
Net Deferred Losses on Hedging Instruments	(44,567)	(44,567)	
of which: net deferred losses on hedge		11,561	E7
Revaluation Reserve for Land, net of taxes	14,312	14,312	
Foreign Currency Translation Adjustment		11	
Total Valuation and Translation Adjustment	1,695,425	1,695,436	E4
Total Net Assets	7,098,393		
Total Liabilities and Net Assets	111,841,291		

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

Capital Adequacy (Non-Consolidated)

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

Regulatory Required Capital

(Billions of Yen)

Items	As of September 30, 2017	
	EAD	Regulatory Required Capital
Amount of regulatory required capital for credit risk	149,354	2,680
Exposure subject to Internal Ratings-Based Approach	132,620	2,655
Corporate exposure (excluding Specialized Lending)	8,602	189
Corporate exposure (Specialized Lending)	720	53
Sovereign exposure	69,663	0
Bank exposure	17,079	94
Retail exposure	3	0
Retail exposure secured by residential properties	0	0
Qualifying revolving retail exposure	—	—
Other retail exposure	3	0
Securitization and re-securitization exposure	7,205	44
Equity portfolios	1,413	222
Equity portfolios subject to PD/LGD approaches	928	94
Equity portfolios subject to simple risk-weighted method	110	37
Equities under the internal models approach	373	90
Exposure subject to risk-weighted asset calculation for investment fund	27,354	2,031
Other debt purchased	351	5
Other exposures	225	13
Exposure subject to Standardized Approach	4	0
Overdrafts	—	—
Prepaid expenses	0	0
Suspense payments	4	0
Other	0	0
Amount corresponding to CVA risk	249	4
CCP-related exposures	16,463	18
Items that included by transitional arrangements	15	1
Amount of regulatory required capital for market risk		149
Standardized Approach		148
Interest rate risk category		—
Equity risk category		—
Foreign exchange risk category		148
Commodity risk category		—
Option transactions		—
Internal models Approach		0
Amount of regulatory required capital for operational risk		69
Offsets on consolidation		2,898

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

2. Within the Exposure subject to Internal Ratings-Based Approach (excluding retail exposure), the EAD subject to the Advanced Internal Ratings-Based Approach and the amount of regulatory required capital are ¥8,919.3 billion and ¥186.1 billion, respectively.

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

4. "Risk-weighted asset calculation for investment fund" does not includes ¥171.1 billion EAD and ¥0.2 billion of Required Capital of CCP-related exposures.

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

(Billions of Yen)

Item	As of September 30, 2017
Non-consolidated total required capital	2,827

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

Credit Risk (Non-Consolidated)

(Investment Fund and securitization exposures are excluded.)

1. Credit Risk Exposure

For the Six Months Ended September 30, 2017

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

(Billions of Yen)

Items	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	11,709	16,920	4	29,099	57,733	90
Asia except Japan	327	146	—	234	708	—
Europe	321	9,462	128	9,490	19,403	—
The Americas	923	16,347	2	18,446	35,720	—
Other areas	390	186	—	236	813	—
Total	13,672	43,063	135	57,507	114,378	90

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

(Billions of Yen)

Items	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	2,826	507	0	0	3,334	63	2
Agriculture	49	0	0	0	50	5	0
Forestry	5	—	—	—	5	0	—
Fishing	18	0	—	0	18	10	—
Mining	13	—	—	0	13	—	—
Construction	81	12	—	0	93	0	—
Utility	409	5	—	0	415	—	—
Information/telecommunications	112	10	—	0	122	—	—
Transportation	641	176	2	0	820	2	—
Wholesaling, retailing	1,623	123	0	0	1,747	3	—
Finance and insurance	3,059	6,336	131	57,273	66,800	0	—
Real estate	689	154	—	2	846	0	—
Services	1,640	88	0	1	1,730	3	0
Municipalities	33	0	—	0	33	—	—
Other	2,467	35,647	0	230	38,344	0	—
Total	13,672	43,063	135	57,507	114,378	90	2

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

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of Yen)

Items	Loans, commit-ments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	6,591	6,198	0	56,217	69,008
Over 1 year to 3 years	2,146	14,212	1	5	16,366
Over 3 years to 5 years	2,729	8,234	1	0	10,964
Over 5 years to 7 years	976	2,815	0	0	3,792
Over 7 years	1,225	9,593	131	0	10,950
No term to maturity	2	2,009	—	1,284	3,296
Total	13,672	43,063	135	57,507	114,378

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position for the six months ended September 30, 2017.
2. Of the credit risk exposure, the risk exposure to which the standard method is applicable is ¥4.4 billion.
3. The default exposure is the exposure to the borrowers classified as "need special attention" or below based on the Bank's self-assessment.

2. Reserves for Possible Loan Losses

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

(Billions of Yen)

Items	As of September 30, 2017	Increase/(decrease)
General reserve for possible loan losses	35	22
Specific reserve for possible loan losses	17	(14)
Japan	17	(14)
Asia except Japan	—	—
Europe	—	—
The Americas	—	—
Other areas	—	—
Specified reserve for loans to countries with financial problems	—	—
Total	52	7

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

(Billions of Yen)

Items	As of September 30, 2017	Increase/(decrease)
General reserve for possible loan losses	35	22
Specific reserve for possible loan losses	17	(14)
Manufacturing	2	(5)
Agriculture	4	(0)
Forestry	0	(0)
Fishing	5	(0)
Mining	—	—
Construction	—	(0)
Utility	—	—
Information/telecommunications	—	—
Transportation	1	(0)
Wholesaling, retailing	1	(0)
Finance and insurance	0	(0)
Real estate	—	(7)
Services	1	(0)
Municipalities	—	—
Other	—	—
Others	—	—
Specified reserve for loans to countries with financial problems	—	—
Total	52	7

3. Exposure Subject to the Internal Ratings-Based Approach

a. Corporate, Sovereign and Bank Exposure

For the Six Months Ended September 30, 2017

(Billions of Yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)	Amount of undrawn commitments	Weighted average of credit conversion factor
Corporate Exposure	1.17%	28.98%		28%	8,602	6,566	2,035	834	75.00%
1-1 to 4	0.10%	29.08%		22%	8,119	6,122	1,996	815	75.00%
5 to 7	1.61%	27.56%		74%	357	333	23	8	75.00%
8-1 to 8-2	15.82%	28.35%		203%	46	39	6	2	75.00%
Subtotal	0.25%	29.02%		25%	8,522	6,496	2,026	826	75.00%
8-3 to 10-2	100.00%	24.51%	24.51%	306%	79	70	9	8	75.00%
Sovereign Exposure	0.00%	44.99%		0%	69,663	67,405	2,257	17	75.00%
1-1 to 4	0.00%	44.99%		0%	69,663	67,405	2,257	17	75.00%
5 to 7	3.21%	45.00%		189%	0	0	—	—	—
8-1 to 8-2	—	—		—	—	—	—	—	—
Subtotal	0.00%	44.99%		0%	69,663	67,405	2,257	17	75.00%
8-3 to 10-2	—	—	—	—	—	—	—	—	—
Bank Exposure	0.05%	16.72%		7%	17,079	4,885	12,193	0	75.00%
1-1 to 4	0.04%	16.64%		7%	16,995	4,805	12,190	0	75.00%
5 to 7	2.02%	31.76%		87%	84	80	3	—	—
8-1 to 8-2	8.94%	28.84%		157%	0	0	0	—	—
Subtotal	0.05%	16.72%		7%	17,079	4,885	12,193	0	75.00%
8-3 to 10-2	—	—	—	—	—	—	—	—	—
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	0.12%	90.00%		127%	928	928	—	—	—
1-1 to 4	0.08%	90.00%		125%	917	917	—	—	—
5 to 7	2.32%	90.00%		285%	10	10	—	—	—
8-1 to 8-2	15.84%	90.00%		723%	0	0	—	—	—
Subtotal	0.12%	90.00%		127%	928	928	—	—	—
8-3 to 10-2	100.00%	90.00%	90.00%	1,193%	0	0	—	—	—

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

b. Retail Exposure

Details on PD, LGD, EL Default, Risk Weight and EAD Assets

For the Six Months Ended September 30, 2017

(Billions of Yen)

Types of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average EL default	Weighted-average risk weight	EAD				
						EAD (on-balance sheet)	EAD (off-balance sheet)		
								Amount of undrawn commitments	Weighted average of credit conversion factor
Retail exposure secured by residential properties	4.66%	43.92%	59.39%	84%	95	95	—	—	—
Not default Not delinquent	0.63%	43.92%		43%	87	87	—	—	—
Not default Delinquent	27.36%	43.92%		407%	4	4	—	—	—
Not default Subtotal	2.00%	43.92%		61%	92	92	—	—	—
Default	100.00%		59.39%	902%	2	2	—	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—		—	—	—	—	—	—
Not default Delinquent	—	—		—	—	—	—	—	—
Not default Subtotal	—	—		—	—	—	—	—	—
Default	—		—	—	—	—	—	—	—
Other retail exposure	15.47%	90.72%	97.55%	316%	3	1	2	—	—
Not default Not delinquent	2.19%	91.29%		147%	3	0	2	—	—
Not default Delinquent	20.74%	49.05%		249%	0	0	0	—	—
Not default Subtotal	2.44%	90.72%		148%	3	0	2	—	—
Default	100.00%		97.55%	1,405%	0	0	0	—	—
Total	5.07%	45.51%	65.60%	93%	98	96	2	—	—
Not default Not delinquent	0.68%	45.59%		46%	91	88	2	—	—
Not default Delinquent	27.30%	43.97%		405%	4	4	0	—	—
Not default Subtotal	2.01%	45.51%		64%	95	93	2	—	—
Default	100.00%		65.60%	984%	3	3	0	—	—

Notes: 1. As of September 30, 2017, the majority of retail exposure is purchased retail receivables which are included in investment funds. Purchased retail receivables in investment funds using estimated parameters have been included in the amount subject to quantitative disclosure.

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

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

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

5. As of September 30, 2017, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

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

Actual Losses by Exposure Types

(Billions of Yen)

Types of exposure	As of September 30, 2017	Increase/(decrease)
Corporate exposure	8	4
Sovereign exposure	—	—
Bank exposure	—	—
Equity exposure subject to PD/LGD approach	—	—
Retail exposure secured by residential properties	—	—
Qualifying revolving retail exposure	—	—
Other retail exposure	0	0
Total	8	4

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

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

Credit conditions have generally remained favorable, but we increased reserves for possible loan losses in accordance with worsening credit conditions of certain investees. The total value of actual losses in the first half of fiscal 2017 was up ¥4.4 billion year on year.

Comparison of Estimated Losses and Actual Losses

(Billions of Yen)

Types of exposure	As of September 30, 2017		As of September 30, 2016		As of March 31, 2017	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	5	8	7	4	14	4
Sovereign exposure	0	—	0	—	0	—
Bank exposure	0	—	0	—	1	—
Equity exposure subject to PD/LGD approach	0	—	0	—	0	—
Retail exposure secured by residential properties	0	—	0	—	0	—
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	—	0	0

Types of exposure	As of March 31, 2016		As of March 31, 2015		As of March 31, 2014	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	15	1	17	3	20	0
Sovereign exposure	0	—	0	—	0	—
Bank exposure	0	—	0	—	1	—
Equity exposure subject to PD/LGD approach	0	0	0	1	0	—
Retail exposure secured by residential properties	0	0	—	—	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

Types of exposure	As of March 31, 2013		As of March 31, 2012		As of March 31, 2011	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	24	1	42	9	73	7
Sovereign exposure	0	—	0	—	0	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	0	—	2	0	3	0
Retail exposure secured by residential properties	—	—	—	—	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

(Billions of Yen)

Types of exposure	As of March 31, 2010		As of March 31, 2009		As of March 31, 2008	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	55	42	45	23	28	6
Sovereign exposure	0	—	1	—	1	—
Bank exposure	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	1	0	0	0	1	0
Retail exposure secured by residential properties	—	—	—	—	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0

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

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

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

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

(Billions of Yen)

Classifications	As of September 30, 2017
Specialized Lending exposure subject to supervisory slotting criteria	798
Specialized Lending, excluding High-Volatility Commercial Real Estate (HVCRE)	798
Risk weight of 50%	59
Risk weight of 70%	531
Risk weight of 90%	101
Risk weight of 115%	52
Risk weight of 250%	14
Risk weight of 0% (default)	39
High-Volatility Commercial Real Estate (HVCRE)	—
Risk weight of 70%	—
Risk weight of 95%	—
Risk weight of 120%	—
Risk weight of 140%	—
Risk weight of 250%	—
Risk weight of 0% (default)	—

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

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

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

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

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

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

(Billions of Yen)

Classifications	As of September 30, 2017
Equity exposure subject to the simple risk-weighted method of the market-based approach by risk weight	110
Risk weight of 300%	—
Risk weight of 400%	110

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

4. Exposure Subject to Standardized Approach

Amount of Exposure Subject to Standardized Approach

(Billions of Yen)

Classifications	As of September 30, 2017	
	Exposure	Refer to ECAI
Exposure subject to Standardized Approach	4	—
Risk weight of 0%	—	—
Risk weight of 10%	—	—
Risk weight of 20%	—	—
Risk weight of 35%	—	—
Risk weight of 50%	—	—
Risk weight of 75%	—	—
Risk weight of 100%	4	—
Risk weight of 150%	—	—
Risk weight of 1,250%	—	—
Others	—	—

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

Credit Risk Mitigation Techniques (Non-Consolidated)

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

(Billions of Yen)

Classifications	As of September 30, 2017
Internal Ratings-Based Approach	10,938
Eligible financial collateral	10,164
Corporate exposure	—
Sovereign exposure	—
Bank exposure	10,164
Other eligible IRB collateral	—
Corporate exposure	—
Sovereign exposure	—
Bank exposure	—
Guarantees, Credit Derivatives	773
Corporate exposure	411
Sovereign exposure	256
Bank exposure	105
Retail exposure secured by residential properties	—
Qualifying revolving retail exposure	—
Other retail exposure	—
Standardized Approach	—
Eligible financial collateral	—
Guarantees, Credit Derivatives	—

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

Counterparty Credit Risk in Derivative Transactions (Non-Consolidated)

Methods Used for Calculating Amount of Credit Exposure

The current exposure method has been adopted.

Breakdown of the Amount of Credit Exposure

(Billions of Yen)

Classifications		As of September 30, 2017
Total gross replacement costs (limited to items with a value of greater than zero)	(A)	158
Total gross add-ons	(B)	562
Gross credit exposure	(C)=(A)+(B)	720
Foreign exchange related		474
Interest rate related		246
Equity related		—
Credit derivatives		—
Transactions with a long settlement period		—
Reduction in credit exposure due to netting contracts (including collateral pledged for CSA)	(D)	294
Amount of credit exposure before taking into account credit risk mitigation techniques due to collateral	(E)=(C)–(D)	426
Amount of collateral	(F)	0
Eligible financial collateral		0
Amount of credit exposure after taking into account credit risk mitigation techniques due to collateral	(G)=(E)–(F)	425

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

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

(Billions of Yen)

Classifications	As of September 30, 2017
To buy protection	—
Credit default swaps	—
Total return swaps	—
To sell protection	—
Credit default swaps	—
Total return swaps	—
Notional principal amount of credit derivatives taking into consideration the effect of credit risk mitigation techniques	—

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

Securitization Exposure (Non-Consolidated)

1. Items to Calculate Risk-Weighted Asset for Credit Risk Detail of Securitization Exposure Held as Originator

(Billions of Yen)

Classifications	As of September 30, 2017
Total amount of underlying assets	—
Amounts of assets held by securitization transactions purpose	—
Amounts of securitized exposure	—
Gains (losses) on sales of securitization transactions	—
Amounts of securitization exposure	—
Amounts of re-securitization exposure	—
Increase in capital due to securitization transactions	—
Amounts of securitization exposure that applied risk weight 1,250%	—
Amounts of re-securitization exposure subject to credit risk mitigation techniques	—

Details of Securitization Exposure Held as Investor by Exposure Type

For the Six Months Ended September 30, 2017

(Billions of Yen)

Classifications	Total amount of securitization exposure					
			Re-securitization exposure			
	Amount of exposure	Risk weight 1,250%	Amount of exposure	Re-securitization products (Secondary, tertiary)	Re-securitization products peculiar to regulation	Risk weight 1,250%
Amounts of exposures	7,205 (—)	0 (—)	7	0	7	0
Individuals						
Asset-Backed Securities (ABS)	1,103 (—)	— (—)	—	—	—	—
Residential Mortgage-Backed Securities (RMBS)	2,227 (—)	— (—)	—	—	—	—
Real estate						
Commercial Mortgage-Backed Securities (CMBS)	66 (—)	— (—)	—	—	—	—
Corporates						
Subtotal of CDOs (CLO, ABS-CDO, CBO)	3,808 (—)	0 (—)	7	0	7	0
Collateralized Loan Obligations (CLO)	3,808 (—)	— (—)	7	—	7	—
Asset-Backed Securities CDOs (ABS-CDO)	0 (—)	0 (—)	0	0	—	0
Collateralized Bond Obligations (CBO)	— (—)	— (—)	—	—	—	—
Others	— (—)	— (—)	—	—	—	—

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

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

For the Six Months Ended September 30, 2017

(Billions of Yen)

Classifications	Amount of exposure			Regulatory required capital		
		On-balance	Off-balance		On-balance	Off-balance
Amount of securitization exposure	7,198	7,198	—	44	44	—
Risk weight: 20% or less	7,186	7,186	—	43	43	—
Risk weight: exceeding 20% to 50% or less	6	6	—	0	0	—
Risk weight: exceeding 50% to 100% or less	4	4	—	0	0	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	—	—	—	—	—	—
Risk weight: 1,250%	—	—	—	—	—	—
Amount of re-securitization exposure	7	7	—	0	0	—
Risk weight: 20% or less	—	—	—	—	—	—
Risk weight: exceeding 20% to 50% or less	7	7	—	0	0	—
Risk weight: exceeding 50% to 100% or less	—	—	—	—	—	—
Risk weight: exceeding 100% to 250% or less	—	—	—	—	—	—
Risk weight: exceeding 250% to less than 1,250%	—	—	—	—	—	—
Risk weight: 1,250%	0	0	—	0	0	—

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

(Billions of Yen)

Classifications	As of September 30, 2017	
	Amount of exposure	Regulatory required capital
Amount of re-securitization exposure	—	—
Risk weight applied to guarantor: 20% or less	—	—
Risk weight applied to guarantor: exceeding 20% to 50% or less	—	—
Risk weight applied to guarantor: exceeding 50% to 100% or less	—	—
Risk weight applied to guarantor: exceeding 100% to 250% or less	—	—
Risk weight applied to guarantor: exceeding 250% to less than 1,250%	—	—
Risk weight applied to guarantor: 1,250%	—	—

2. Securitization Exposure Subject to Market Risk

Not applicable

Market Risk (Non-Consolidated)

Computation of Market Risk Amount by the Internal Models Approach

■ VaR

(Millions of Yen)

	For the six months ended September 30, 2017
Base date of computation	2017. 9. 30
VaR (For the most recent 60 business days)	
Base date of computation	55
Maximum	129
Minimum	24
Average	62

■ Stress VaR

(Millions of Yen)

	For the six months ended September 30, 2017
Base date of computation	2017. 9. 30
Stress VaR (For the most recent 60 business days)	
Base date of computation	194
Maximum	552
Minimum	102
Average	247

■ Amount of Market Risk

(Millions of Yen)

		For the six months ended September 30, 2017
For the portion computed with the internal models approach (B)+(G)+(J)	(A)	930
Value at Risk (MAX (C, D))	(B)	187
Amount on base date of computation	(C)	55
Amount determined by multiplying (E) by the average for the most recent 60 business days	(D)	187
(Multiplier)	(E)	3.00
(Times exceeding VaR in back testing)	(F)	1
Stress Value at Risk (MAX (H, I))	(G)	743
Amount on base date of computation	(H)	194
Amount determined by multiplying (E) by the average for the most recent 60 business days	(I)	743
Additional amount at the time of measuring individual risk	(J)	0

Notes: 1. As a result of back testing conducted in the first half of fiscal 2017, actual gains and losses did not diverge substantially downward from the VaR value.
2. When discrepancies between the model's estimates and actual results go beyond a certain number of times due to the designs of the model, the Bank scrutinizes the relevant model factors and revises the model if necessary.
3. Since the Bank adopts a standardized approach, neither an additional risk nor a comprehensive risk of specific risks of trading account are the measurement objects.

Equity Exposure (Non-Consolidated)

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

Amount on the Balance Sheet and Market Value

(Billions of Yen)

Classifications	As of September 30, 2017	
	Amount on the balance sheet	Market value
Equity exposure	1,413	
Exposure to publicly traded equity	1,146	1,146
Exposure to privately held equity	266	

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

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

(Billions of Yen)

Item	For the six months ended September 30, 2017		
	Gain on sales of equities, etc.	Loss on sales of equities, etc.	Write-offs of equities, etc.
Equity exposure	3	0	1

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

Amount of Valuation Gains (Losses)

(Billions of Yen)

Item	As of September 30, 2017
Amount of valuation gains (losses) recognized on the balance sheet and not recognized in the statements of operations	494

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

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

Not applicable

Equity Exposure for Each Portfolio Classification

(Billions of Yen)

Classifications	As of September 30, 2017
	EAD
Equity portfolios	1,413
Equity portfolios subject to PD/LGD approaches	928
Equity portfolios subject to simple risk-weighted method	110
Equities under the internal models approach	373

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

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

(Billions of Yen)

Classifications	As of September 30, 2017	
	Exposure	(For reference) Weighted average risk weight
Look-through approach	19,566	64%
Majority approach	803	386%
Mandate approach	—	—
Market-based approach	1,588	326%
Others (simple approach)	354	425%
Total	22,313	92%

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

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

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

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

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

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

Interest Rate Risk (Non-Consolidated)

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

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

(Billions of Yen)

Classifications	As of September 30, 2017
Interest-rate risk	2,515
Yen interest rate risk	104
U.S. dollar interest rate risk	1,928
Euro interest rate risk	468
Interest rate risk in other currencies	12

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

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

Status of Capital and Shareholders

Members and Share Ownership (As of September 30, 2018)

(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	788 (150)	7,034,821,270 (5,999,500,000)
Federations of Agricultural Cooperatives	101 (33)	26,466,321,740 (23,704,080,000)
Forest Owners' Cooperatives	611 (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	975 (4)	126,540,051 (66,520,000)
Fishery Production Cooperatives	24 (0)	202,840 (0)
Federations of Fishery Cooperatives	83 (28)	851,529,389 (527,610,000)
Marine Products Processing Cooperatives	38 (0)	616,200 (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)	885,900 (0)
Federations of Agricultural Mutual Relief Insurance Associations	15 (0)	473,200 (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	764 (0)	2,873,940 (0)
Federations of Land Improvement Districts	4 (0)	2,850 (0)
Medium and Small-Sized Enterprise Cooperative Associations Related to Sericulture, Forestry or Salt Production	15 (0)	133,500 (0)
Total	3,570 (215)	34,554,888,300 (30,297,710,000)

(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

Directors and Auditors (As of September 30, 2018)

Supervisory Committee

Toru Nakaya
Katsunori Ishikawa
Kazushige Yamagami
Yoshimitsu Nagashima
Hiroshi Kishi
Jiro Muramatsu
Akira Sato
Isamu Amemiya
Tokurou Shibata
Yasuhiro Yoshida
Eiichi Mori
Haruto Oniki
Takehisa Yokouchi
Tadashi Kubota
Mikio Aoai
Hideaki Kubori
Mariko Bando
Masahiro Samejima
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

Shinichiro Nakano
Hikaru Yoshida

Audit & Supervisory Board

Kiyotsugu Akimoto
Shigeo Miyachi
Koji Hatsukawa
Ryutaro Edo
Masahiro Muroi

Managing Executive Officers

Satoshi Iwaso
Takahiro Nakajima
Ryo Akiyoshi
Yasuyuki Matsumoto
Hiroshi Yuda
Masanobu Yagi
Shin Kawamoto
Takao Nakashima
Seiki Todaka

Executive Officers

Akiko Ito
Yoshio Kimura
Yoshihiro Ito
Koki Ogino

List of Group Companies

(As of September 30, 2018)

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 finance lending operations in Australia and New Zealand	February 8, 2017	A$121,415 thousand 100.00
Norinchukin Europe N.V.	Gustav Mahlerlaan 1216, 4th Floor, 1081 LA Amsterdam, The Netherlands	European Bank Licensing Application and related businesses	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	197 100.00
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 Advisory 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
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
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
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	329 —

** The percentage of share units indirectly owned by The Norinchukin Bank.*

Global Network (As of September 30, 2018)

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 Representative Office

34th Floor, Edinburgh Tower,
The Landmark, 15 Queen's Road,
Central, Hong Kong
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

Brand Statement and Logo

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

NORINCHUKIN

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

NORINCHUKIN