

## Consolidated Balance Sheet (Unaudited)

The Norinchukin Bank and Subsidiaries  
As of September 30, 2021

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	September 30 2021	March 31 2021	September 30 2021
<b>Assets</b>			
Cash and Due from Banks (Notes 13, 15 and 16)	¥ 23,408,093	¥ 20,066,967	\$209,131
Call Loans and Bills Bought (Note 15)	1,750,000	60,890	15,634
Receivables under Resale Agreements	399,692	548,061	3,570
Monetary Claims Bought (Notes 15 and 16)	291,382	302,918	2,603
Trading Assets (Note 15)	6,991	7,310	62
Money Held in Trust (Notes 5, 15 and 17)	9,933,627	10,638,598	88,748
Securities (Notes 3, 5, 9, 15 and 16)	44,269,680	48,093,847	395,512
Loans and Bills Discounted (Notes 4, 5, 8 and 15)	22,482,347	22,102,545	200,860
Foreign Exchange Assets	262,293	290,017	2,343
Other Assets (Notes 5 and 15)	2,364,627	2,885,756	21,125
Tangible Fixed Assets (Note 14)	166,467	165,914	1,487
Intangible Fixed Assets	54,994	57,724	491
Net Defined Benefit Asset	112,521	112,151	1,005
Deferred Tax Assets	4,106	3,771	36
Customers' Liabilities for Acceptances and Guarantees	2,742,268	2,446,587	24,499
Reserve for Possible Loan Losses (Note 15)	(119,462)	(134,983)	(1,067)
Reserve for Possible Investment Losses	(183)	(270)	(1)
<b>Total Assets</b>	<b>¥108,129,448</b>	<b>¥107,647,809</b>	<b>\$966,045</b>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Deposits (Notes 6 and 15)	¥ 66,127,970	¥ 65,652,162	\$590,797
Negotiable Certificates of Deposit (Note 15)	2,475,328	3,100,259	22,114
Debentures (Note 15)	407,854	355,479	3,643
Payables under Repurchase Agreements (Notes 5 and 15)	18,069,526	17,073,926	161,435
Trading Liabilities (Note 15)	4,313	5,137	38
Borrowed Money (Notes 5, 7 and 15)	4,891,121	5,092,464	43,698
Foreign Exchange Liabilities	13	0	0
Short-term Entrusted Funds (Note 15)	1,627,147	877,743	14,537
Other Liabilities (Note 15)	2,954,407	4,543,028	26,395
Reserve for Bonus Payments	7,565	7,552	67
Net Defined Benefit Liability	29,149	29,486	260
Reserve for Directors' Retirement Benefits	911	1,459	8
Deferred Tax Liabilities	628,091	498,333	5,611
Deferred Tax Liabilities for Land Revaluation	4,790	8,607	42
Acceptances and Guarantees	2,742,268	2,446,587	24,499
<b>Total Liabilities</b>	<b>99,970,459</b>	<b>99,692,228</b>	<b>893,151</b>
<b>Net Assets</b>			
Paid-in Capital (Note 10)	4,040,198	4,040,198	36,095
Capital Surplus	23,399	24,993	209
Retained Earnings	2,137,269	2,146,592	19,094
<b>Total Owners' Equity</b>	<b>6,200,867</b>	<b>6,211,784</b>	<b>55,399</b>
Net Unrealized Gains on Other Securities	2,118,712	1,948,587	18,928
Net Deferred Losses on Hedging Instruments	(229,459)	(280,135)	(2,050)
Revaluation Reserve for Land	14,538	14,312	129
Foreign Currency Transaction Adjustments	331	(16)	2
Remeasurements of Defined Benefit Plans	44,173	49,260	394
<b>Total Accumulated Other Comprehensive Income</b>	<b>1,948,296</b>	<b>1,732,008</b>	<b>17,406</b>
Non-controlling Interests	9,824	11,787	87
<b>Total Net Assets</b>	<b>8,158,989</b>	<b>7,955,581</b>	<b>72,893</b>
<b>Total Liabilities and Net Assets</b>	<b>¥108,129,448</b>	<b>¥107,647,809</b>	<b>\$966,045</b>

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, 2021

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2021	2020	2021
<b>Income</b>			
Interest Income:	¥289,330	¥ 431,003	\$2,584
Interest on Loans and Bills Discounted	46,492	50,967	415
Interest and Dividends on Securities	235,484	371,889	2,103
Fees and Commissions	13,974	15,341	124
Trading Income	—	323	—
Other Operating Income	56,732	39,287	506
Other Income (Note 11)	271,805	106,313	2,428
<b>Total Income</b>	<b>631,842</b>	<b>592,268</b>	<b>5,644</b>
<b>Expenses</b>			
Interest Expenses:	256,284	342,366	2,289
Interest on Deposits	5,258	20,219	46
Fees and Commissions	6,449	9,385	57
Trading Expenses	54	1	0
Other Operating Expenses	154,183	28,911	1,377
General and Administrative Expenses	72,059	70,733	643
Other Expenses (Note 12)	8,668	54,142	77
<b>Total Expenses</b>	<b>497,700</b>	<b>505,540</b>	<b>4,446</b>
<b>Income before Income Taxes</b>	<b>134,142</b>	<b>86,728</b>	<b>1,198</b>
Income Taxes — Current	(3,251)	180,183	(29)
Income Taxes — Deferred	43,058	(159,504)	384
<b>Total Income Taxes</b>	<b>39,806</b>	<b>20,678</b>	<b>355</b>
Profit	94,335	66,049	842
Profit Attributable to Non-controlling Interests	455	543	4
<b>Profit Attributable to Owners of Parent</b>	<b>¥ 93,880</b>	<b>¥ 65,506</b>	<b>\$ 838</b>

	Yen		U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2021	2020	2021
<b>Profit Attributable to Owners of Parent per Share</b>	<b>¥22.05</b>	<b>¥15.38</b>	<b>\$0.19</b>

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, 2021

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2021	2020	2021
<b>Profit</b>	¥ 94,335	¥ 66,049	\$ 842
<b>Other Comprehensive Income</b>	218,311	781,353	1,950
Net Unrealized Gains (Losses) on Other Securities	170,215	763,692	1,520
Net Deferred Gains (Losses) on Hedging Instruments	50,660	17,272	452
Revaluation Reserve for Land	2,247	—	20
Foreign Currency Transaction Adjustments	338	19	3
Remeasurements of Defined Benefit Plans	(5,109)	(672)	(45)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	(39)	1,042	(0)
<b>Total Comprehensive Income</b>	¥312,647	¥847,403	\$2,793
Attributable to:			
Owners of Parent	312,189	846,846	2,789
Non-controlling Interests	458	557	4

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, 2021

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2021	2020	2021
<b>Capital Surplus</b>			
Balance at the Beginning of the Fiscal Year	¥ 24,993	¥ 24,993	\$ 223
Additions:	—	—	—
Deductions:			
Change in Ownership Interest of Parent due to Transactions with Non-controlling Interests	1,594	—	14
Balance at the End of the Period	23,399	24,993	209
<b>Retained Earnings</b>			
Balance at the Beginning of the Fiscal Year	2,146,592	2,013,599	19,177
Additions:			
Profit Attributable to Owners of Parent	93,880	65,506	838
Reversal of Revaluation Reserve for Land	2,020	—	18
Deductions:			
Dividends	105,223	75,241	940
Balance at the End of the Period	¥2,137,269	¥2,003,865	\$19,094

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, 2021

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2021	2020	2021
<b>Cash Flows from Operating Activities:</b>			
Income before Income Taxes	¥ 134,142	¥ 86,728	\$ 1,198
Depreciation	11,549	11,558	103
Equity in Losses (Earnings) of Affiliates	(4,020)	(2,224)	(35)
Net Increase (Decrease) in Reserve for Possible Loan Losses	(15,731)	48,432	(140)
Net Increase (Decrease) in Reserve for Possible Investment Losses	(87)	(229)	(0)
Net Increase (Decrease) in Reserve for Bonus Payments	13	166	0
Net Decrease (Increase) in Net Defined Benefit Asset	(370)	(424)	(3)
Net Increase (Decrease) in Net Defined Benefit Liability	(337)	(290)	(3)
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	(548)	(102)	(4)
Interest Income	(289,330)	(431,003)	(2,584)
Interest Expenses	256,284	342,366	2,289
Losses (Gains) on Securities	72,101	(20,977)	644
Losses (Gains) on Money Held in Trust	(33,002)	(20,080)	(294)
Foreign Exchange Losses (Gains)	(192,903)	156,473	(1,723)
Losses (Gains) on Disposal of Fixed Assets	(476)	183	(4)
Net Decrease (Increase) in Trading Assets	319	718	2
Net Increase (Decrease) in Trading Liabilities	(824)	(965)	(7)
Net Decrease (Increase) in Loans and Bills Discounted	(382,007)	(1,016,977)	(3,412)
Net Increase (Decrease) in Deposits	475,808	(242,087)	4,250
Net Increase (Decrease) in Negotiable Certificates of Deposit	(624,931)	(644,119)	(5,583)
Net Increase (Decrease) in Debentures	52,375	(256,424)	467
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	(190,106)	(795,744)	(1,698)
Net Decrease (Increase) in Interest-bearing Due from Banks	338,950	648,678	3,028
Net Decrease (Increase) in Call Loans and Bills Bought and Other	(1,529,001)	(648,595)	(13,660)
Net Increase (Decrease) in Call Money and Bills Sold and Other	995,599	1,787,627	8,894
Net Increase (Decrease) in Short-term Entrusted Funds	749,404	1,097,157	6,695
Net Decrease (Increase) in Foreign Exchange Assets	27,724	(259,951)	247
Net Increase (Decrease) in Foreign Exchange Liabilities	13	0	0
Interest Received	284,690	476,873	2,543
Interest Paid	(105,560)	(216,597)	(943)
Other, Net	(6,186)	176,554	(55)
Subtotal	23,551	276,721	210
Income Taxes (Paid) Refunded	(234,995)	(19,022)	(2,099)
Net Cash Provided by (Used in) Operating Activities	(211,444)	257,699	(1,889)

## Consolidated Statement of Cash Flows (Unaudited), continued

The Norinchukin Bank and Subsidiaries  
For the six months ended September 30, 2021

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Six Months ended September 30
	2021	2020	2021
<b>Cash Flows from Investing Activities:</b>			
Purchases of Securities	(6,425,729)	(6,276,898)	(57,408)
Proceeds from Sales of Securities	3,545,509	1,105,738	31,676
Proceeds from Redemption of Securities	6,782,099	5,072,229	60,592
Increase in Money Held in Trust	(276,722)	(448)	(2,472)
Decrease in Money Held in Trust	373,040	443,475	3,332
Purchases of Tangible Fixed Assets	(2,038)	(572)	(18)
Purchases of Intangible Fixed Assets	(4,615)	(3,418)	(41)
Proceeds from Sales of Tangible Fixed Assets	0	—	0
Net Cash Provided by (Used in) Investing Activities	3,991,542	340,105	35,661
<b>Cash Flows from Financing Activities:</b>			
Proceeds from Share Issuance to Non-controlling Shareholders	60	—	0
Purchase of Treasury Shares of Subsidiaries	(3,605)	—	(32)
Dividends Paid	(105,223)	(75,241)	(940)
Dividends Paid to Non-controlling Shareholders	(470)	(685)	(4)
Net Cash Provided by (Used in) Financing Activities	(109,239)	(75,926)	(975)
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>1,897</b>	<b>(223)</b>	<b>16</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>3,672,756</b>	<b>521,655</b>	<b>32,812</b>
<b>Cash and Cash Equivalents at the Beginning of the Fiscal Year</b>	<b>19,121,793</b>	<b>18,491,970</b>	<b>170,837</b>
<b>Cash and Cash Equivalents at the End of the Period (Note 13)</b>	<b>¥22,794,550</b>	<b>¥19,013,625</b>	<b>\$203,650</b>

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 ¥111.93=U.S.\$1, the approximate rate of exchange prevailing on September 30, 2021, 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 subsidiaries as of September 30, 2021 was 22, 21 of which were consolidated and the remaining subsidiary was unconsolidated.

The major consolidated subsidiaries are as follows:

The Norinchukin Trust & Banking Co., Ltd.

Kyodo Housing Loan Co., Ltd.

Newly established “Norinchukin Capital Co., Ltd.” and other three companies were consolidated from the period ended September 30, 2021.

The major unconsolidated subsidiary is as follows:

NORINCHUKIN INNOVATION FUND L.P.

The 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.

The dates of the first half of fiscal year of consolidated subsidiaries are as follows:

Closing date: June 30, 2021                      Number of subsidiaries: 9

Closing date: September 30, 2021              Number of subsidiaries: 12

As for the newly established companies mentioned above whose closing date of the first half of fiscal year is June 30, namely Norinchukin Capital Co., Ltd. and other three companies, only their balance sheets on the dates of establishment were reflected on the consolidated financial statements, because their closing date had not come to the dates of the first half of fiscal year from the date of establishment to the consolidated balance sheet date of September 30, 2021.

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

## 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, 2021 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.

Derivatives are measured at fair value based on net assets or liabilities after offsetting financial assets and financial liabilities with respect to specific market risk or specific credit risk.

## (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.

Other securities are valued at fair value (the cost of securities sold is calculated by the moving average method). Stocks and others which are no market prices ("Stocks and others with no market prices") 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.

The fair value of Derivatives is calculated based on net assets or liabilities after offsetting financial assets and financial liabilities with respect to specific market risk or specific credit risk.

### 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 Committee Practical Guideline No. 24, issued on October 8, 2020). 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 Committee Practical Guideline No. 25, issued on October 8, 2020). 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 Committee Practical Guideline 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.

(d) Hedges Applied to “the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR”

As for Hedges mentioned above, all of hedges under “the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” (The Accounting Standards Board of Japan (ASBJ) the PITF No. 40 for Practical Solution, issued on September 29, 2020) are applied to the specific treatments designated by the PITF. Hedges applied to the PITF are as follows.

- I Hedge Methods: The Deferral Method or The Accrual Method specifically permitted for certain interest rate swap
  - Hedge Instruments: Interest rate swaps
  - Hedged Items: Loans and Bill Discounted, Securities (Bonds) and others
  - Type of Hedge Transactions: Offsetting market movements
- II Hedge Method: The Deferral Method
  - Hedge Instrument: Interest rate swaps
  - Hedged Items: Payables under Repurchase Agreements and others
  - Type of Hedge Transactions: Fixing cash flows
- III Hedge Method: The Deferral Method
  - Hedge Instrument: Currency swaps
  - Hedged Items: Financial monetary assets and liabilities denominated in foreign currencies and others
  - Type of Hedge Transactions: Offsetting market movements

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

**a. Depreciation**

Depreciation of Tangible Fixed Assets of the Bank is calculated using the declining-balance method. However, depreciation on buildings



acquired on or after April 1, 1998 (excluding buildings and accompanying facilities) and buildings and accompanying facilities and structures acquired on or after April 1, 2016 are calculated using the straight-line method.

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

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

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

#### **b. Land Revaluation**

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

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

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

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

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

#### **(6) Lease Assets**

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

#### **(7) Foreign Currency Translation**

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

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

#### **(8) Reserve for Possible Loan Losses**

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

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

With respect to loans to borrowers who are legally or substantially bankrupt and that are secured by collateral or guarantees, the remaining book value of the loan, after the deduction of the amount of collateral or the execution of guarantees, is directly written off. Direct write-offs were ¥9,884 million (\$88 million) and ¥9,911 million for the period ended September 30, 2021 and the fiscal year ended March 31, 2021, 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 (“debtors under requirement of control”) (see Note 4) and other debtors requiring close monitoring going forward (“other substandard debtors”) is provided based on the Discounted Cash Flow method if the loan bal-

ance 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 to “debtors under requirement of control” other than those indicated above, the Bank principally estimates expected losses for the next 3 years. Whereas “other substandard debtors” and debtors who maintain favorable operating conditions and who have no particular financial difficulties (“standard”), the Bank estimates expected losses for the next year. The expected losses are calculated by long-term averages of the historical loan-loss ratios based on past 1-or 3-year loan-loss experience and further adjusted for uncertainties of future forecasts. This is adjusted by referring the historical loan losses in accordance with current position in economic cycle and possibility of each scenario in light of future outlook. These are based on the macroeconomic indicators (Japan’s GDP growth rate) which are highly correlated to historical records of loan losses and the Bank’s outlook for economic fluctuation. The future forecasts are approved by directors after consultation with a committee composed of management (the Risk Management Committee).
- 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) 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.

**(14) 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.

**(15) Profit Attributable to Owners of Parent per Share**

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

The 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.

**(16) Accounting Principles and Procedures When Related Accounting Standards Are Not Clear**

Profit and losses on cancellation of Investment Trust are accounted in “Interest and Dividends on Securities” on Profit and Loss Statement.

**(17) Other Information**

(Change in Accounting Policies)

(Adoption of Accounting Standard for Revenue Recognition and Others)

The Bank and its consolidated subsidiaries have adopted Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, issued on 31st March 2020) and others at the beginning of the first half of this fiscal year and recognize revenue when promised goods or services are transferred to customers, in an amount that reflects the consideration to which the Bank and its consolidated subsidiaries expect to be entitled in exchange for those goods or services.

Upon the adoption of the accounting standard, the Bank and its consolidated subsidiaries elected the transition method described by proviso to Article 84 of the accounting standard, and have recognized a cumulative effect in case where the Bank and its consolidated subsidiaries would have retrospectively elected the new accounting policy, which was adjusted to retained earnings at the beginning of the first half of this fiscal year, and have adopted the new accounting policy to the beginning balance of retained earnings in the fiscal year.

As a result, the impact on the consolidated financial statements in this period was immaterial.

**3. Securities**

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2021	As of March 31, 2021	As of September 30, 2021
Japanese Government Bonds	¥ 8,553,768	¥10,112,251	\$ 76,420
Municipal Government Bonds	156,790	153,990	1,400
Corporate Bonds	1,319,260	1,303,319	11,786
Stocks	892,622	906,672	7,974
Other	33,347,239	35,617,614	297,929
Foreign Bonds	25,525,882	27,820,107	228,052
Foreign Stocks	37,691	34,571	336
Investment Trusts	6,832,862	6,931,963	61,045
Other	950,802	830,971	8,494
<b>Total</b>	<b>¥44,269,680</b>	<b>¥48,093,847</b>	<b>\$395,512</b>

**4. Loans and Bills Discounted**

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2021	As of March 31, 2021	As of September 30, 2021
Loans on Deeds	¥21,066,837	¥19,953,948	\$188,214
Loans on Bills	273,462	286,386	2,443
Overdrafts	1,140,766	1,860,952	10,191
Bills Discounted	1,280	1,257	11
<b>Total</b>	<b>¥22,482,347</b>	<b>¥22,102,545</b>	<b>\$200,860</b>

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2021	As of March 31, 2021	As of September 30, 2021
Loans to Borrowers under Bankruptcy Proceedings	¥ 377	¥ 1,505	\$ 3
Delinquent Loans	60,178	69,900	537
Loans Past Due for Three Months or More	154	77	1
Restructured Loans	27,824	27,224	248
<b>Total</b>	<b>¥88,534</b>	<b>¥98,707</b>	<b>\$790</b>

(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, 2021	As of March 31, 2021	As of September 30, 2021
Securities	¥19,031,536	¥18,501,625	\$170,030
Loans and Bills Discounted	2,579,163	2,151,881	23,042

Liabilities secured by the above assets are as follows:

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2021	As of March 31, 2021	As of September 30, 2021
Payables under Repurchase Agreements	¥17,768,630	¥17,073,926	\$158,747
Borrowed Money	2,315,120	2,606,580	20,683

In addition, as of September 30, 2021 and March 31, 2021, Securities (including transactions of Money Held in Trust) of ¥10,779,024 million (\$96,301 million) and ¥9,568,323 million, respectively, were pledged as collateral for settlement of exchange and derivative transactions or as margins of futures transactions.

As of September 30, 2021 and March 31, 2021, initial margins of futures markets of ¥57,678 million (\$515 million) and ¥20,493 million, respectively, cash collateral paid for financial instruments of ¥896,534 million (\$8,009 million) and ¥1,424,768 million, respectively, other cash collateral paid of ¥1,003,827 million (\$8,968 million) and ¥1,059,337 million, respectively, and guarantee deposits of ¥8,253 million (\$73 million) and ¥8,119 million, respectively, were included in Other Assets.

## 6. Deposits

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2021	As of March 31, 2021	As of September 30, 2021
Time Deposits	¥56,906,891	¥56,792,010	\$508,415
Deposits at Notice	14,195	12,650	126
Ordinary Deposits	4,115,742	3,798,523	36,770
Current Deposits	79,804	98,339	712
Other Deposits	5,011,336	4,950,639	44,772
<b>Total</b>	<b>¥66,127,970</b>	<b>¥65,652,162</b>	<b>\$590,797</b>

## 7. Borrowed Money

Borrowed Money includes subordinated borrowings of ¥1,317,895 million (\$11,774 million) and ¥1,317,895 million as of September 30, 2021 and March 31, 2021, respectively, which have a special agreement that requires the fulfillment of the payment obligations of such borrowing to be subordinated to other general liabilities.

## 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 ¥4,210,265 million (\$37,615 million) and ¥4,158,145 million as of September 30, 2021 and March 31, 2021, respectively. The amounts of the undrawn commitments, which the Bank and its consolidated subsidiaries could cancel at any time without cause, were ¥2,661,971 million (\$23,782 million) and ¥2,678,644 million as of September 30, 2021 and March 31, 2021, respectively.

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

## 9. Securities Loaned

Securities include securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) of ¥403,355 million (\$3,603 million) and ¥454,450 million as of September 30, 2021 and March 31, 2021, respectively.

Securities borrowed under unsecured borrowing agreements (Saiken Taishaku Torihiki) and securities purchased under resale agreements and cash-collateralized borrowing agreements and others, which can be sold or re-pledged by the Bank, include securities re-pledged of ¥1,631,329 million (\$14,574 million) and ¥1,558,253 million as of September 30, 2021 and March 31, 2021, respectively, and include securities held without re-pledge of ¥321,984 million (\$2,876 million) and ¥457,271 million as of September 30, 2021 and March 31, 2021, 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, 2021	As of March 31, 2021	As of September 30, 2021
Common Stock	¥4,015,198	¥4,015,198	\$35,872
Preferred Stock	24,999	24,999	223
Total	¥4,040,198	¥4,040,198	\$36,095

The Common Stock account includes lower dividend rate stock with a total par value of ¥3,589,481 million (\$32,068 million) and ¥3,589,481 million as of September 30, 2021 and March 31, 2021, 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. Other Income

Six Months ended September 30	Millions of Yen		Millions of U.S. Dollars
	2021	2020	2021
Gains on Sales of Stocks and Other Securities	¥106,715	¥ 11,488	\$ 953
Gains on Money Held in Trust	144,335	91,609	1,289
Equity in Earnings of Affiliates	4,020	2,224	35
Gains on Disposal of Fixed Assets	584	—	5
Recoveries of Written-off Claims	178	121	1
Reversal of Reserve for Possible Loan Losses	14,502	—	129
Other	1,467	869	13
<b>Total</b>	<b>¥271,805</b>	<b>¥106,313</b>	<b>\$2,428</b>

## 12. Other Expenses

Six Months ended September 30	Millions of Yen		Millions of U.S. Dollars
	2021	2020	2021
Write-off of Loans	¥ 153	¥ 241	\$ 1
Provision of Reserve for Possible Loan Losses	—	48,719	—
Losses on Sales of Stocks and Other Securities	89	18	0
Losses on Revaluation of Stocks and Other Securities	2,047	418	18
Losses on Money Held in Trust	309	3,223	2
Losses on Disposal of Fixed Assets	107	183	0
Other	5,959	1,338	53
<b>Total</b>	<b>¥8,668</b>	<b>¥54,142</b>	<b>\$77</b>

## 13. Cash Flows

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

As of September 30	Millions of Yen		Millions of U.S. Dollars
	2021	2020	2021
Cash and Due from Banks	¥23,408,093	¥19,378,455	\$209,131
Less: Interest-bearing Due from Banks	(613,543)	(364,829)	(5,481)
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>¥22,794,550</b>	<b>¥19,013,625</b>	<b>\$203,650</b>

## 14. Segment Information

For the Six Months Ended September 30, 2021

### (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, 2021	Millions of Yen			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	¥61,949	¥520,620	¥48,688	¥631,258

  

Six Months ended September 30, 2021	Millions of U.S. Dollars			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	\$553	\$4,651	\$434	\$5,639

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, 2021	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥611,884	¥12,350	¥687	¥6,336	¥631,258

Six Months ended September 30, 2021	Millions of U.S. Dollars				
	Japan	Americas	Europe	Others	Total
	\$5,466	\$110	\$6	\$56	\$5,639

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, 2021	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥164,559	¥181	¥1,195	¥531	¥166,467

As of September 30, 2021	Millions of U.S. Dollars				
	Japan	Americas	Europe	Others	Total
	\$1,470	\$1	\$10	\$4	\$1,487

**c. Information about Major Customers**

Six Months ended September 30, 2021	Name of Customer	Millions of Yen	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	¥99,221	—

Six Months ended September 30, 2021	Name of Customer	Millions of U.S. Dollars	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	\$886	—

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**

None

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

None

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

None

**For the Six Months Ended September 30, 2020****(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, 2020	Millions of Yen			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	¥51,871	¥488,669	¥51,728	¥592,268

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, 2020	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥573,043	¥10,102	¥2,149	¥6,973	¥592,268

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, 2020	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥111,341	¥201	¥773	¥303	¥112,619

**c. Information about Major Customers**

Six Months ended September 30, 2020	Name of Customer	Millions of Yen	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	¥78,457	—

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**

None

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

None

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

None

**15. Financial Instruments****(1) Disclosures Regarding the Fair Value of Financial Instruments and Other Items**

Stocks and others with no market prices are excluded from the table below (ref. Note). In addition to this, Call Loans and Bills Bought, Cash and Due from Banks, Negotiable Certificates of Deposit, Payables under Repurchase Agreements, and Short-term Entrusted Funds, are omitted because these instruments are settled in a short period and then their fair values would approximate their carrying values.

Investments in Partnership and others are out of scope from the disclosure of the fair value measurement due to being applied to transitional measure of Article 27 of Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31 on 4th July 2019), and the consolidated balance sheet amount of the financial instrument is ¥946,402 million (\$8,455 million) and ¥827,012 million as of September 30, 2021 and March 31, 2021 respectively.



“Consolidated Balance Sheet Amount,” “Fair Value” and “Difference” as of September 30, 2021 and March 31, 2021 are as follows:

	Millions of Yen			Millions of U.S. Dollars		
	Consolidated Balance Sheet Amount	Fair Value	Difference	Consolidated Balance Sheet Amount	Fair Value	Difference
<b>As of September 30, 2021</b>						
Monetary Claims Bought	¥ 291,382	¥ 291,349	¥ (32)	\$ 2,603	\$ 2,602	\$ (0)
Trading Assets (*2)						
Trading Securities	1,524	1,524	—	13	13	—
Money Held in Trust (*1)						
Other Money Held in Trust	9,933,431	9,938,142	4,711	88,746	88,788	42
Securities						
Held-to-Maturity Debt Securities	8,682,705	8,728,899	46,194	77,572	77,985	412
Other Securities	34,452,016	34,452,016	—	307,799	307,799	—
Loans and Bills Discounted	22,482,347			200,860		
Reserve for Possible Loan Losses (*1)	(113,579)			(1,014)		
	<b>22,368,768</b>	<b>22,407,089</b>	<b>38,321</b>	<b>199,846</b>	<b>200,188</b>	<b>342</b>
Total Assets	¥75,729,829	¥75,819,023	¥89,194	\$676,582	\$677,378	\$796
Deposits	¥66,127,970	¥66,128,013	¥ 43	\$590,797	\$590,797	\$ 0
Debentures	407,854	407,366	(488)	3,643	3,639	(4)
Borrowed Money	4,891,121	4,891,121	—	43,698	43,698	—
Total Liabilities	¥71,426,947	¥71,426,502	¥ (445)	\$638,139	\$638,135	\$ (3)
Derivative Instruments (*3)						
Transactions not Accounted for as Hedge						
Transactions	¥ 4,741	¥ 4,741	¥ —	\$ 42	\$ 42	\$ —
Transactions Accounted for as Hedge						
Transactions	(620,775)	(620,775)	—	(5,546)	(5,546)	—
Total Derivative Instruments	¥ (616,033)	¥ (616,033)	¥ —	\$ (5,503)	\$ (5,503)	\$ —

(\*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.

	Millions of Yen		
	Consolidated Balance Sheet Amount	Fair Value	Difference
<b>As of March 31, 2021</b>			
Monetary Claims Bought	¥ 302,918	¥ 302,983	¥ 65
Trading Assets (*2)			
Trading Securities	2,016	2,016	—
Money Held in Trust (*1)			
Other Money Held in Trust	10,638,362	10,643,016	4,653
Securities			
Held-to-Maturity Debt Securities	12,786,165	12,843,398	57,232
Other Securities	34,300,147	34,300,147	—
Loans and Bills Discounted	22,102,545		
Reserve for Possible Loan Losses (*1)	(128,885)		
	<b>21,973,659</b>	<b>22,016,167</b>	<b>42,507</b>
Total Assets	¥80,003,269	¥80,107,729	¥104,459
Deposits	¥65,652,162	¥65,652,219	¥ 56
Debentures	355,479	355,756	277
Borrowed Money	5,092,464	5,092,464	—
Total Liabilities	¥71,100,105	¥71,100,440	¥ 334
Derivative Instruments (*3)			
Transactions not Accounted for as Hedge			
Transactions	¥ (2,133)	¥ (2,133)	¥ —
Transactions Accounted for as Hedge			
Transactions	(1,199,014)	(1,199,014)	—
Total Derivative Instruments	¥ (1,201,148)	¥ (1,201,148)	¥ —

(\*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) The following tables list Consolidated Balance Sheet Amount of Stocks and others with no market prices as of September 30, 2021 and March 31, 2021:

“Other Securities” in “Disclosures Regarding the Fair Value of Financial Instruments and Other Items” excludes these financial instruments.

As of September 30, 2021	Millions of Yen	Millions of U.S. Dollars
Stocks and others with no market prices	¥187,139	\$1,671

Note: The amount of revaluation losses for the period was ¥58 million (\$0 million) on Unlisted Stocks.

As of March 31, 2021	Millions of Yen
Stocks and others with no market prices	¥179,547

Note: The amount of revaluation losses for the fiscal year ended March 31, 2021 was ¥466 million on Unlisted Stocks.

## (2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items by Level within the Fair Value Hierarchy

According to observability and significance of inputs used by calculating fair values, fair values for these financial instruments are classified into the following three-level hierarchy.

Level 1 - Unadjusted quoted prices for identical instruments in active markets.

Level 2 - Observable inputs other than Level 1 prices that are either directly or indirectly observable for the financial instrument.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the instruments.

If multiple inputs which have a significant impact on market value calculation are used, a financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Financial assets and liabilities whose fair values are equal to consolidated balance sheet amounts are as follows.

As of September 30, 2021	Millions of Yen			Millions of U.S. Dollars		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Monetary Claims Bought	¥ —	¥ 142,654	¥ 623	\$ —	\$ 1,274	\$ 5
Trading Assets						
Trading Securities	1,524	—	—	13	—	—
Money Held in Trust						
Other Money Held in Trust	7,983,495	1,895,449	1,549	71,325	16,934	13
Securities						
Other Securities						
Stocks	726,453	—	—	6,490	—	—
Bonds	7,125,027	1,375,218	—	63,656	12,286	—
Japanese Government Bonds	7,125,027	—	—	63,656	—	—
Municipal Government Bonds	—	156,790	—	—	1,400	—
Corporate Bonds	—	1,218,427	—	—	10,885	—
Other	15,446,781	9,718,095	60,440	138,003	86,822	539
Foreign Bonds	15,060,331	3,287,500	24,918	134,551	29,371	222
Foreign Stocks	19,704	—	—	176	—	—
Investment Trust	366,745	6,430,594	35,521	3,276	57,451	317
Total Assets	¥31,283,282	¥13,131,417	¥62,613	\$279,489	\$117,318	\$559
Derivative Instruments						
Related to Currencies	¥ —	¥ (328,219)	¥ —	\$ —	\$ (2,932)	\$ —
Related to Interest Rates	—	(290,454)	—	—	(2,594)	—
Related to Bonds	2,640	—	—	23	—	—
Total Derivative Instruments	¥ 2,640	¥ (618,674)	¥ —	\$ 23	\$ (5,527)	\$ —

As of March 31, 2021	Millions of Yen		
	Level 1	Level 2	Level 3
Monetary Claims Bought	¥ —	¥ 125,522	¥ 674
Trading Assets			
Trading Securities	2,016	—	—
Money Held in Trust			
Other Money Held in Trust	8,590,336	1,984,353	2,061
Securities			
Other Securities			
Stocks	744,327	—	—
Bonds	6,967,074	1,356,197	—
Japanese Government Bonds	6,967,074	—	—
Municipal Government Bonds	—	153,990	—
Corporate Bonds	—	1,202,206	—
Other	15,608,979	9,565,576	57,992
Foreign Bonds	15,138,986	3,115,927	25,317
Foreign Stocks	20,351	—	—
Investment Trust	449,640	6,449,648	32,674
<b>Total Assets</b>	<b>¥31,912,734</b>	<b>¥13,031,648</b>	<b>¥60,728</b>
Derivative Instruments			
Related to Currencies	¥ —	¥ (837,245)	¥ —
Related to Interest Rates	—	(363,915)	—
Related to Bonds	12	—	—
<b>Total Derivative Instruments</b>	<b>¥ 12</b>	<b>¥(1,201,161)</b>	<b>¥ —</b>

Financial assets and liabilities whose fair values are not equal to consolidated balance sheet amounts are as follows.

As of September 30, 2021	Millions of Yen			Millions of U.S. Dollars		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Monetary Claims Bought	¥ —	¥ 127,150	¥ 20,920	\$ —	\$ 1,135	\$ 186
Money Held in Trust						
Other Money Held in Trust	—	662	56,986	—	5	509
Securities						
Held-to-Maturity Debt Securities						
Japanese Government Bonds	498,596	939,465	—	4,454	8,393	—
Corporate Bonds	—	101,333	—	—	905	—
Foreign Bonds	—	7,055,053	134,452	—	63,030	1,201
Loans and Bills Discounted	—	—	22,407,089	—	—	200,188
<b>Total Assets</b>	<b>¥498,596</b>	<b>¥ 8,223,663</b>	<b>¥22,619,449</b>	<b>\$4,454</b>	<b>\$ 73,471</b>	<b>\$202,085</b>
Deposits	¥ —	¥66,128,013	¥ —	\$ —	\$590,797	\$ —
Debentures	—	407,366	—	—	3,639	—
Borrowed Money	—	4,891,121	—	—	43,698	—
<b>Total Liabilities</b>	<b>¥ —</b>	<b>¥71,426,502</b>	<b>¥ —</b>	<b>\$ —</b>	<b>\$638,135</b>	<b>\$ —</b>

As of March 31, 2021	Millions of Yen		
	Level 1	Level 2	Level 3
Monetary Claims Bought	¥ —	¥ 151,946	¥ 24,840
Money Held in Trust			
Other Money Held in Trust	—	381	65,883
Securities			
Held-to-Maturity Debt Securities			
Japanese Government Bonds	493,520	2,670,296	—
Corporate Bonds	—	101,157	—
Foreign Bonds	—	9,443,305	135,118
Loans and Bills Discounted	—	—	22,016,167
<b>Total Assets</b>	<b>¥493,520</b>	<b>¥12,367,087</b>	<b>¥22,242,009</b>
Deposits	¥ —	¥65,652,219	¥ —
Debentures	—	355,756	—
Borrowed Money	—	5,092,464	—
<b>Total Liabilities</b>	<b>¥ —</b>	<b>¥71,100,440</b>	<b>¥ —</b>

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

### **Assets**

#### **Monetary Claims Bought**

Monetary Claims Bought are valued and classified according to the same methods described in “Loans and Bills Discounted” and “Securities” below.

#### **Trading Assets**

Trading Securities are valued and classified according to the same methods described in “Securities” below.

#### **Money Held in Trust**

Loans and Bills Discounted and Securities included in Money Held in Trust are valued and classified according to the same methods described in “Loans and Bills Discounted” and “Securities” below.

Relevant notes concerning the fair value of Money Held in Trust of each classification are described in section 17. Fair Value of Money Held in Trust.

### **Securities**

When unadjusted quoted prices are available in an active market, such securities are classified into Level 1 of the fair value hierarchy. Examples of Level 1 securities include listed equities and government bonds.

When quoted prices are available but not traded actively, such securities are classified into Level 2 of the fair value hierarchy. Level 2 securities mainly include municipal bonds and corporate bonds. When quoted prices are not available, the Bank and its subsidiaries generally estimate fair values by using prices obtained from independent pricing vendors, or by using valuation technique such as Discount Cash Flow method. As for valuation, the Bank and its subsidiaries maximize the use of observable inputs. Inputs include default rates, recovery rates, prepayment rates and discount rates. Where significant inputs adopted to the fair value measurements for securities are unobservable, such securities are classified into Level 3 of the fair value hierarchy.

Additionally, in terms of the fair value hierarchy for Investment Trusts, the Bank does not apply the transitional measurement permitted by Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31 on 4th July 2019). It discloses the detail and others of the fair value hierarchy for the instrument in each level. Concretely, in addition to the factors mentioned above, probability of redemption or sale at net asset value are reflected on classification of the fair value hierarchy for Investment Trusts. Net asset value for certain Investment Trusts is adjusted by liquidity discount and such Investment Trust is classified into Level 3 of the fair value hierarchy.

### **Loans and Bills Discounted**

The fair value of Loans and Bills Discounted with floating rates approximates the book value since it is repriced reflecting market interest fluctuations within a short period, unless the creditworthiness of the debtors has changed significantly after execution. Accordingly, the book 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 main inputs include the default rates based on the current credit rating of the debtors, recovery rates, and other inputs. As for mortgages, the fair value is calculated according to the Discounted Cash Flow method. The main inputs include the default rates, recovery rates, prepayment rates and other inputs.

As for Loans and Bills Discounted to doubtful debtors and others, the fair value is calculated by the present value of expected future cash flows or the estimated recovery amount of collateral and guarantee.

With respect to Loans and Bills Discounted without stated maturity for which credit is extended up to the value of the collateral assets, the book value is deemed to approximate the fair value, taking into account expected maturities, interest rates and other terms. All of Loans and Bills Discounted are classified into Level 3 of the fair value hierarchy since significant inputs for the assets are unobservable.

**Liabilities****Deposits**

With respect to demand deposits, the amounts payable on demand as of the consolidated balance sheet date (the book value) are estimated at fair value. The fair value of time deposits with floating rates approximates the book 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 significantly. Accordingly, the fair value is deemed to be the book value. As for time deposits with fixed rates, the fair value is calculated according to the Discounted Cash Flow method, and these discount rates are the currently-applied deposit rates determined as interest rates similar to the market basis. Some contractual terms are short-term (1 year or less), and the fair value approximates the book value. Accordingly, the fair value is deemed to be the book value. All of the calculated fair values for deposits are classified into Level 2 of the fair value hierarchy.

**Debentures**

As for Debentures, the fair value is based on the quoted market price if available, or calculated according to the Discounted Cash Flow method. The main input of this method is the rate which would be applied if a similar debenture was issued. Debentures are classified into Level 2 of the fair value hierarchy considering the market liquidity for those.

**Borrowed Money**

The fair value of Borrowed Money with floating rates approximates the book 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 significantly. Accordingly, the book value is deemed to be the fair value. Therefore, Borrowed Money with floating rate is classified into Level 2 of the fair value hierarchy.

As for Borrowed Money with fixed rates, the fair value is calculated according to the Discounted Cash Flow method. The input of this method is the interest rate which would be applied to a similar borrowed money. Where unobservable inputs have a significant impact on the fair value for Borrowed Money with fixed rates, the instrument is classified into Level 3 of the fair value hierarchy. Where not, the instrument is classified into Level 2 of the fair value hierarchy. The fair value of the Borrowed Money within a year or less with fixed rates approximates the book value and then the fair value is deemed to be the book value. Such Borrowed Money is classified into Level 2 of the fair value hierarchy.

**Derivative Instruments**

When unadjusted quoted prices are available for Derivative instruments in an active market, such instruments are classified into Level 1 of the fair value hierarchy. Examples of these Derivative instruments include Bond Futures, Interest Rate Futures and others.

Where quoted market price is unavailable, the Bank estimates fair values for Derivative instruments by a discounted net present value method, an option pricing model and other methods as appropriate. Main inputs used by valuation methods mentioned above are interest rates, foreign currency exchange rates, volatility and other variables. Further, the fair value for derivative instruments such as Swap and others is reflected on the price adjustment based on credit risk of counter parties and the Bank itself. Where unobservable inputs are not adopted or their impact is not significant on the fair value for Derivative instruments, such derivative instruments are classified into Level 2 of the fair value hierarchy. Derivatives that are evaluated using valuation techniques with significant unobservable inputs are classified into Level 3 of the fair value hierarchy.

Relevant notes regarding the fair value of derivative instruments are described in section 18. Fair Value of Derivative Instruments.

(Note 2) The Fair value of Level 3 for financial instruments recorded at fair value on the consolidated balance sheet is as follows:

**Quantitative Information of Significant Unobservable Inputs about Level 3 Fair Value Measurements**

As of September 30, 2021

None

As of March 31, 2021

None

Table of a Reconciliation from Balance at the Beginning of the Fiscal Year to Balance at the End of the Period, and Unrealized Gain/Loss recorded as Profit/Loss in the Period is as follows

	Millions of Yen				Millions of U.S. Dollars			
	Balance at the Beginning of the Fiscal Year	Profit or Loss for the Current Period or Other Comprehensive Income		Net Amount of Purchase, Sale, Issuance and Settlement	Balance at the Beginning of the Fiscal Year	Profit or Loss for the Current Period or Other Comprehensive Income		Net Amount of Purchase, Sale, Issuance and Settlement
		Recorded in Profit or Loss	Recorded in Other Comprehensive Income (*1)			Recorded in Profit or Loss	Recorded in Other Comprehensive Income (*1)	
<b>As of September 30, 2021</b>								
Monetary Claims Bought	¥ 674	¥—	¥ (0)	¥ (50)	\$ 6	\$—	\$ (0)	\$ (0)
Money Held in Trust								
Other Money Held in Trust	2,061	—	191	(133)	18	—	1	(1)
Securities								
Other Securities								
Bonds	—	—	—	—	—	—	—	—
Corporate Bonds	—	—	—	—	—	—	—	—
Other	57,992	—	2,177	269	518	—	19	2
Foreign Bonds	25,317	—	(240)	(158)	226	—	(2)	(1)
Investment Trust	32,674	—	2,418	428	291	—	21	3
<b>Total Assets</b>	<b>¥60,728</b>	<b>¥—</b>	<b>¥2,368</b>	<b>¥ 86</b>	<b>\$542</b>	<b>\$—</b>	<b>\$21</b>	<b>\$ 0</b>

	Millions of Yen				Millions of U.S. Dollars			
	Transfers to Fair Value of Level 3	Transfers from Fair Value of Level 3 (*2)	Balance at the End of the Period	Unrealized Gain/Loss recorded as Profit/Loss during the Period for Financial Assets and Financial Liabilities held at the End of the Period	Transfers to Fair Value of Level 3	Transfers from Fair Value of Level 3 (*2)	Balance at the End of the Period	Unrealized Gain/Loss recorded as Profit/Loss during the Period for Financial Assets and Financial Liabilities held at the End of the Period
<b>As of September 30, 2021</b>								
Monetary Claims Bought	¥—	¥ —	¥ 623	¥—	\$—	\$—	\$ 5	\$—
Money Held in Trust								
Other Money Held in Trust	—	(570)	1,549	—	—	(5)	13	—
Securities								
Other Securities								
Bonds	—	—	—	—	—	—	—	—
Corporate Bonds	—	—	—	—	—	—	—	—
Other	—	—	60,440	—	—	—	539	—
Foreign Bonds	—	—	24,918	—	—	—	222	—
Investment Trust	—	—	35,521	—	—	—	317	—
<b>Total Assets</b>	<b>¥—</b>	<b>¥(570)</b>	<b>¥62,613</b>	<b>¥—</b>	<b>\$—</b>	<b>\$ (5)</b>	<b>\$559</b>	<b>\$—</b>

(\* ) 1. "Recorded in Other Comprehensive Income" is included Net Unrealized Gains (Losses) on Other Securities in Other Comprehensive Income of Consolidated Statement of Comprehensive Income.

2. These are transfers from the fair value of Level 3 to that of Level 2. This is primarily because credit spreads for similar financial instruments as observable inputs have become available. This transfer is implemented at the end of the period.

	Millions of Yen			
	Balance at the Beginning of the Fiscal Year	Profit or Loss for the Current Period or Other Comprehensive Income		Net Amount of Purchase, Sale, Issuance and Settlement
		Recorded in Profit or Loss	Recorded in Other Comprehensive Income (*1)	
As of March 31, 2021				
Monetary Claims Bought	¥ 777	¥—	¥ (2)	¥ (101)
Money Held in Trust				
Other Money Held in Trust	2,215	—	(512)	358
Securities				
Other Securities				
Bonds	1,409	—	90	(252)
Corporate Bonds	1,409	—	90	(252)
Other	63,978	—	1,733	(7,720)
Foreign Bonds	24,189	—	(31)	1,159
Investment Trust	39,789	—	1,764	(8,879)
Total Assets	¥68,382	¥—	¥1,309	¥(7,714)

	Millions of Yen			
	Transfers to Fair Value of Level 3	Transfers from Fair Value of Level 3 (*2)	Balance at the End of the Period	Unrealized Gain/Loss recorded as Profit/Loss during the Period for Financial Assets and Financial Liabilities held at the End of the Period
As of March 31, 2021				
Monetary Claims Bought	¥—	¥ —	¥ 674	¥—
Money Held in Trust				
Other Money Held in Trust	—	—	2,061	—
Securities				
Other Securities				
Bonds	—	(1,247)	—	—
Corporate Bonds	—	(1,247)	—	—
Other	—	—	57,992	—
Foreign Bonds	—	—	25,317	—
Investment Trust	—	—	32,674	—
Total Assets	¥—	¥(1,247)	¥60,728	¥—

(\*1) 1. "Recorded in Other Comprehensive Income" is included Net Unrealized Gains (Losses) on Other Securities in Other Comprehensive Income of Consolidated Statement of Comprehensive Income.

2. These are transfers from the fair value of Level 3 to that of Level 2. This is primarily because credit spreads for similar financial instruments as observable inputs have become available. This transfer is implemented at the end of the period.

### Explanation of Market Value Evaluation Process

Supervisory Department for Fair Value Measurement in the Bank establishes guidelines and procedures for fair value and Fair Value Measurement Department calculates fair value in compliance with these guidelines and procedures. Assessment Department, which is independent from Fair Value Measurement Department verifies appropriateness of the calculation result of fair value, and the result of the verification is reported in the Risk Management Committee. Thus, the Bank confirms the appropriateness of guidelines and procedures for fair value measurement.

Moreover, as for fair value measurement, the Bank adopts pricing models which the most properly reflect on types, characteristics, and risks for individual financial instrument. Where market values obtained from independent pricing vendors are used, the Bank verifies the validity of the vendors' market values by means of appropriate approaches such as assessment of pricing models and inputs which the vendors adopt, comparison with fair values of similar financial instruments and others.

## Explanation of an Impact on Fair Value in the Case of Changing Significant Unobservable Inputs

As of September 30, 2021

None

As of March 31, 2021

None

## 16. Fair Value of Securities

## Held-to-Maturity Debt Securities

	Type	Millions of Yen			Millions of U.S. Dollars		
		Consolidated Balance Sheet Amount	Fair Value	Difference	Consolidated Balance Sheet Amount	Fair Value	Difference
<b>As of September 30, 2021</b>							
Transactions for Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government						
	Bonds	¥ 929,117	¥ 939,465	¥10,347	\$ 8,300	\$ 8,393	\$ 92
	Municipal Government						
	Bonds	—	—	—	—	—	—
	Corporate Bonds	100,832	101,333	500	900	905	4
	Other	6,152,273	6,190,215	37,941	54,965	55,304	338
	Foreign Bonds	6,082,905	6,120,795	37,890	54,345	54,684	338
	Other	69,368	69,419	50	619	620	0
	Subtotal	7,182,223	7,231,013	48,790	64,167	64,602	435
	Transactions for Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government					
Bonds		499,623	498,596	(1,027)	4,463	4,454	(9)
Municipal Government							
Bonds		—	—	—	—	—	—
Corporate Bonds		—	—	—	—	—	—
Other		1,148,962	1,147,361	(1,601)	10,265	10,250	(14)
Foreign Bonds		1,070,227	1,068,710	(1,517)	9,561	9,548	(13)
Other		78,735	78,651	(83)	703	702	(0)
Subtotal		1,648,586	1,645,957	(2,628)	14,728	14,705	(23)
Total		¥8,830,809	¥8,876,970	¥46,161	\$78,895	\$79,308	\$412

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.

	Type	Millions of Yen		
		Consolidated Balance Sheet Amount	Fair Value	Difference
<b>As of March 31, 2021</b>				
Transactions for Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government			
	Bonds	¥ 2,645,562	¥ 2,670,296	¥ 24,733
	Municipal Government			
	Bonds	—	—	—
	Corporate Bonds	101,113	101,157	44
	Other	6,552,479	6,598,745	46,266
	Foreign Bonds	6,466,477	6,512,642	46,165
	Other	86,001	86,102	101
	Subtotal	9,299,155	9,370,199	71,044
	Transactions for Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government		
Bonds		499,613	493,520	(6,093)
Municipal Government				
Bonds		—	—	—
Corporate Bonds		—	—	—
Other		3,164,118	3,156,465	(7,652)
Foreign Bonds		3,073,398	3,065,781	(7,616)
Other		90,719	90,684	(35)
Subtotal		3,663,731	3,649,985	(13,745)
Total		¥12,962,886	¥13,020,185	¥ 57,298

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

	Type	Millions of Yen			Millions of U.S. Dollars		
		Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
<b>As of September 30, 2021</b>							
	Stocks	¥ 712,878	¥ 237,617	¥ 475,260	\$ 6,368	\$ 2,122	\$ 4,246
	Bonds	5,983,191	5,892,428	90,762	53,454	52,643	810
	Japanese Government						
	Bonds	5,625,855	5,536,024	89,830	50,262	49,459	802
	Municipal Government						
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Bonds	43,349	43,334	15	387	387	0
	Corporate Bonds	313,987	313,069	917	2,805	2,797	8
	Other	19,916,199	18,146,446	1,769,752	177,934	162,123	15,811
	Foreign Bonds	14,996,912	14,080,943	915,968	133,984	125,801	8,183
	Foreign Stocks	19,704	7,686	12,018	176	68	107
	Investment Trusts	4,749,588	3,908,258	841,330	42,433	34,916	7,516
	Other	149,993	149,557	436	1,340	1,336	3
	Subtotal	26,612,269	24,276,492	2,335,776	237,758	216,889	20,868
	Stocks	13,575	16,013	(2,438)	121	143	(21)
	Bonds	2,517,054	2,542,275	(25,220)	22,487	22,713	(225)
	Japanese Government						
	Bonds	1,499,172	1,522,334	(23,161)	13,393	13,600	(206)
	Municipal Government						
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Bonds	113,441	114,407	(966)	1,013	1,022	(8)
	Corporate Bonds	904,440	905,532	(1,092)	8,080	8,090	(9)
	Other	5,464,708	5,571,126	(106,417)	48,822	49,773	(950)
	Foreign Bonds	3,375,838	3,429,167	(53,329)	30,160	30,636	(476)
	Foreign Stocks	—	—	—	—	—	—
	Investment Trusts	2,083,273	2,136,361	(53,088)	18,612	19,086	(474)
	Other	5,596	5,596	(0)	49	49	(0)
	Subtotal	7,995,338	8,129,415	(134,077)	71,431	72,629	(1,197)
	Total	¥34,607,607	¥32,405,908	¥2,201,699	\$309,189	\$289,519	\$19,670

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.

		Millions of Yen		
As of March 31, 2021	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
	Stocks	¥ 729,825	¥ 247,130	¥ 482,694
	Bonds	3,069,931	2,935,371	134,560
	Japanese Government Bonds	2,919,990	2,785,565	134,424
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Municipal Government Bonds	45,364	45,336	27
	Corporate Bonds	104,577	104,470	107
	Other	18,269,308	16,375,128	1,894,180
	Foreign Bonds	13,297,229	12,309,926	987,303
	Foreign Stocks	20,351	7,682	12,669
	Investment Trusts	4,818,888	3,924,913	893,974
	Other	132,839	132,605	233
	Subtotal	22,069,066	19,557,630	2,511,435
	Stocks	14,502	17,700	(3,198)
	Bonds	5,253,339	5,298,601	(45,261)
	Japanese Government Bonds	4,047,084	4,087,890	(40,805)
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Municipal Government Bonds	108,626	110,229	(1,602)
	Corporate Bonds	1,097,628	1,100,482	(2,853)
	Other	7,101,613	7,476,432	(374,819)
	Foreign Bonds	4,983,002	5,205,465	(222,462)
	Foreign Stocks	—	—	—
	Investment Trusts	2,113,075	2,265,432	(152,356)
	Other	5,535	5,535	(0)
	Subtotal	12,369,455	12,792,735	(423,279)
	Total	¥34,438,521	¥32,350,365	¥2,088,156

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 (except Stocks and others with no market prices and Investments in Partnership) are revalued to their fair value, and the difference between the book value and the fair value is treated as a realized loss for the six months ended September 30, 2021 and the fiscal year ended March 31, 2021 (“revaluation loss”), if the fair value has significantly deteriorated from the book value unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the six months ended September 30, 2021 was ¥1,998 million (\$17 million), including ¥1,989 million (\$17 million) on Stocks and ¥8 million (\$0 million) on Investment Trusts.

The amount of revaluation loss for the fiscal year ended March 31, 2021 was ¥12,986 million, including ¥872 million on Stocks and ¥12,113 million on Investment Trusts.

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 book value

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

## 17. 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				
	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
<b>As of September 30, 2021</b>					
Other Money Held in Trust	¥9,933,627	¥9,462,586	¥471,041	¥476,936	¥5,895

	Millions of U.S. Dollars				
	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
<b>As of September 30, 2021</b>					
Other Money Held in Trust	\$88,748	\$84,540	\$4,208	\$4,261	\$52

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				
	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
<b>As of March 31, 2021</b>					
Other Money Held in Trust	¥10,638,598	¥10,192,091	¥446,506	¥470,534	¥24,028

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."

## 18. 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
	Total	Over 1 Year			Total	Over 1 Year		
<b>As of September 30, 2021</b>								
Exchange-traded Transactions								
Interest Rate Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Forward Rate Agreements:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps:								
Rec.: Fix.-Pay.: Flt.	461,545	147,280	5,237	5,237	4,123	1,315	46	46
Rec.: Flt.-Pay.: Fix.	462,194	147,930	(4,079)	(4,079)	4,129	1,321	(36)	(36)
Rec.: Flt.-Pay.: Flt.	—	—	—	—	—	—	—	—
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
<b>Total</b>	<b>¥ /</b>	<b>¥ /</b>	<b>¥ 1,158</b>	<b>¥ 1,158</b>	<b>\$ /</b>	<b>\$ /</b>	<b>\$ 10</b>	<b>\$ 10</b>

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

	Millions of Yen			
	Contract Amount or Notional Amount		Fair Value	Unrealized Gain/Loss
	Total	Over 1 Year		
<b>As of March 31, 2021</b>				
Exchange-traded Transactions				
Interest Rate Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Interest Rate Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Forward Rate Agreements:				
Sold	—	—	—	—
Purchased	—	—	—	—
Interest Rate Swaps:				
Rec.: Fix.-Pay.: Flt.	340,741	319,401	3,147	3,147
Rec.: Flt.-Pay.: Fix.	208,886	187,545	(2,875)	(2,875)
Rec.: Flt.-Pay.: Flt.	—	—	—	—
Interest Rate Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
<b>Total</b>	<b>¥ /</b>	<b>¥ /</b>	<b>¥ 272</b>	<b>¥ 272</b>

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

### 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
	Total	Over 1 Year			Total	Over 1 Year		
<b>As of September 30, 2021</b>								
Exchange-traded Transactions								
Currency Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Currency Swaps								
Sold	—	—	—	—	—	—	—	—
Forwards:								
Sold	298,529	7,018	(3,354)	(3,354)	2,667	62	(29)	(29)
Purchased	484,880	7,018	4,297	4,297	4,331	62	38	38
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
<b>Total</b>	<b>¥ /</b>	<b>¥ /</b>	<b>¥ 942</b>	<b>¥ 942</b>	<b>\$ /</b>	<b>\$ /</b>	<b>\$ 8</b>	<b>\$ 8</b>

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

	Millions of Yen			
	Contract Amount or Notional Amount		Fair Value	Unrealized Gain/Loss
	Total	Over 1 Year		
As of March 31, 2021				
Exchange-traded Transactions				
Currency Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Currency Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Currency Swaps	—	—	—	—
Forwards:				
Sold	324,940	3,061	(7,808)	(7,808)
Purchased	648,843	3,066	5,388	5,388
Currency Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
<b>Total</b>	<b>¥ /</b>	<b>¥ /</b>	<b>¥(2,419)</b>	<b>¥(2,419)</b>

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

### Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Stock-Related Derivative Instruments as of September 30, 2021 and March 31, 2021.

### 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
	Total	Over 1 Year			Total	Over 1 Year		
As of September 30, 2021								
Exchange-traded Transactions								
Bond Futures:								
Sold	¥253,073	¥—	¥2,646	¥2,646	\$2,261	\$—	\$23	\$23
Purchased	3,064	—	(5)	(5)	27	—	(0)	(0)
Bond Futures Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Bond Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
<b>Total</b>	<b>¥ /</b>	<b>¥ /</b>	<b>¥2,640</b>	<b>¥2,640</b>	<b>\$ /</b>	<b>\$ /</b>	<b>\$23</b>	<b>\$23</b>

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

	Millions of Yen			
	Contract Amount or Notional Amount		Fair Value	Unrealized Gain/Loss
	Total	Over 1 Year		
As of March 31, 2021				
Exchange-traded Transactions				
Bond Futures:				
Sold	¥2,838	¥—	¥ 36	¥ 36
Purchased	3,531	—	(23)	(23)
Bond Futures Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Bond Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
<b>Total</b>	<b>¥ /</b>	<b>¥ /</b>	<b>¥ 12</b>	<b>¥ 12</b>

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

### Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Commodities-Related Derivative Instruments as of September 30, 2021 and March 31, 2021.

### Credit Derivative Instruments

The Bank and its consolidated subsidiaries held no Credit Derivative Instruments as of September 30, 2021 and March 31, 2021.

### (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, 2021			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	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures	¥ 260,000	¥ 140,000	¥ 450	\$ 2,322	\$ 1,250	\$ 4
	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Yen-denominated Securities, Deposits and Others	7,712,131	7,208,646	(292,064)	68,901	64,403	(2,609)
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted, Yen-denominated Securities and Others	369,843	283,245	Note 2	3,304	2,530	Note 2
<b>Total</b>			<b>¥ /</b>	<b>¥ /</b>	<b>¥(291,613)</b>	<b>\$ /</b>	<b>\$ /</b>	<b>\$(2,605)</b>

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 Committee Practical Guideline No. 24, issued on October 8, 2020).

2. The fair value of certain interest rate swaps which the accrual method of hedge accounting is applied, as specifically permitted for certain interest rate swaps, is not included in the table above as the hedging instruments are accounted for together with the Loans and Bills Discounted and other items (ref: 15. Financial Instruments "Disclosures Regarding the Fair Value of Financial Instruments and Other Items").

As of March 31, 2021		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	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures	¥ 320,000	¥ 200,000	¥ 756
	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Yen-denominated Securities, Deposits and Others	8,059,185	7,312,908	(364,943)
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted, Yen-denominated Securities and Others	341,338	283,515	Note 2
Total			¥ /	¥ /	¥(364,187)

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 Committee Practical Guideline No. 24, issued on October 8, 2020).

2. The fair value of certain interest rate swaps which the accrual method of hedge accounting is applied, as specifically permitted for certain interest rate swaps, is not included in the table above as the hedging instruments are accounted for together with the Loans and Bills Discounted and other items (ref: 15. Financial Instruments "Disclosures Regarding the Fair Value of Financial Instruments and Other Items").

### Currency-Related Derivative Instruments

As of September 30, 2021		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	¥14,165,392	¥9,342,764	¥(316,131)	\$126,555	\$83,469	\$(2,824)
	Forex Forward		1,956,391	—	(13,030)	17,478	—	(116)
Total			¥ /	¥ /	¥(329,161)	\$ /	\$ /	\$(2,940)

Note: 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 Committee Practical Guideline No. 25, issued on October 8, 2020).

As of March 31, 2021		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	¥15,826,273	¥9,964,047	¥(773,815)
	Forex Forward		2,216,719	—	(61,010)
Total			¥ /	¥ /	¥(834,826)

Note: 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 Committee Practical Guideline No. 25, issued on October 8, 2020).

### Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Stock-Related Derivative Instruments as of September 30, 2021 and March 31, 2021.

### Bond-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Bond-Related Derivative Instruments as of September 30, 2021 and March 31, 2021.



**19. The Norinchukin Bank (Parent Company)****(1) Non-consolidated Balance Sheet (Unaudited)**

	Millions of Yen		Millions of U.S. Dollars
	September 30	March 31	September 30
	2021	2021	2021
<b>Assets</b>			
Cash and Due from Banks	¥ 23,251,918	¥ 19,820,208	\$207,736
Call Loans	1,750,000	60,890	15,634
Receivables under Resale Agreements	399,531	547,931	3,569
Monetary Claims Bought	291,382	302,918	2,603
Trading Assets	6,991	7,310	62
Money Held in Trust	9,931,073	10,637,717	88,725
Securities	44,597,627	48,491,498	398,442
Loans and Bills Discounted	22,146,122	21,824,004	197,856
Foreign Exchange Assets	262,293	271,190	2,343
Other Assets	2,355,296	2,877,505	21,042
Tangible Fixed Assets	164,616	164,657	1,470
Intangible Fixed Assets	52,101	54,299	465
Prepaid Pension Cost	49,294	41,641	440
Customers' Liabilities for Acceptances and Guarantees	400,171	269,647	3,575
Reserve for Possible Loan Losses	(116,750)	(131,577)	(1,043)
Reserve for Possible Investment Losses	(1,729)	(1,730)	(15)
<b>Total Assets</b>	<b>¥105,539,941</b>	<b>¥105,238,114</b>	<b>\$942,910</b>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Deposits	¥ 66,140,478	¥ 65,675,444	\$590,909
Negotiable Certificates of Deposit	2,475,328	3,100,259	22,114
Debentures	413,354	361,479	3,692
Payables under Repurchase Agreements	18,069,526	17,073,926	161,435
Trading Liabilities	4,313	5,137	38
Borrowed Money	4,834,621	5,035,964	43,193
Foreign Exchange Liabilities	13	0	0
Short-term Entrusted Funds	1,627,147	877,743	14,537
Other Liabilities	2,911,760	4,491,742	26,014
Reserve for Bonus Payments	5,698	5,901	50
Reserve for Retirement Benefits	25,182	25,394	224
Reserve for Directors' Retirement Benefits	618	1,015	5
Deferred Tax Liabilities	606,434	479,825	5,417
Deferred Tax Liabilities for Land Revaluation	4,790	8,607	42
Acceptances and Guarantees	400,171	269,647	3,575
<b>Total Liabilities</b>	<b>97,519,439</b>	<b>97,412,087</b>	<b>871,253</b>
<b>Net Assets</b>			
Paid-in Capital	4,040,198	4,040,198	36,095
Capital Surplus	25,020	25,020	223
Retained Earnings	2,066,488	2,079,491	18,462
<b>Total Owners' Equity</b>	<b>6,131,707</b>	<b>6,144,710</b>	<b>54,781</b>
Net Unrealized Gains on Other Securities, net of taxes	2,115,157	1,944,952	18,897
Net Deferred Losses on Hedging Instruments, net of taxes	(240,902)	(277,948)	(2,152)
Revaluation Reserve for Land, net of taxes	14,538	14,312	129
<b>Total Valuation and Translation Adjustments</b>	<b>1,888,793</b>	<b>1,681,316</b>	<b>16,874</b>
<b>Total Net Assets</b>	<b>8,020,501</b>	<b>7,826,026</b>	<b>71,656</b>
<b>Total Liabilities and Net Assets</b>	<b>¥105,539,941</b>	<b>¥105,238,114</b>	<b>\$942,910</b>

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

For the six months ended September 30	Millions of Yen		Millions of U.S. Dollars
	2021	2020	2021
<b>Income</b>			
Interest Income:	¥293,080	¥ 436,553	\$2,618
Interest on Loans and Bills Discounted	37,353	44,423	333
Interest and Dividends on Securities	248,053	383,987	2,216
Fees and Commissions	5,287	7,798	47
Trading Income	—	323	—
Other Operating Income	54,080	36,732	483
Other Income	266,562	103,929	2,381
<b>Total Income</b>	<b>619,011</b>	<b>585,337</b>	<b>5,530</b>
<b>Expenses</b>			
Interest Expenses:	256,926	342,274	2,295
Interest on Deposits	5,142	20,219	45
Fees and Commissions	10,165	8,478	90
Trading Expenses	54	1	0
Other Operating Expenses	153,775	28,603	1,373
General and Administrative Expenses	62,277	63,078	556
Other Expenses	8,548	51,217	76
<b>Total Expenses</b>	<b>491,748</b>	<b>493,653</b>	<b>4,393</b>
<b>Income before Income Taxes</b>	<b>127,262</b>	<b>91,683</b>	<b>1,136</b>
Income Taxes — Current	(6,442)	178,645	(57)
Income Taxes — Deferred	43,505	(159,434)	388
<b>Total Income Taxes</b>	<b>37,062</b>	<b>19,211</b>	<b>331</b>
<b>Net Income</b>	<b>¥ 90,199</b>	<b>¥ 72,471</b>	<b>\$ 805</b>