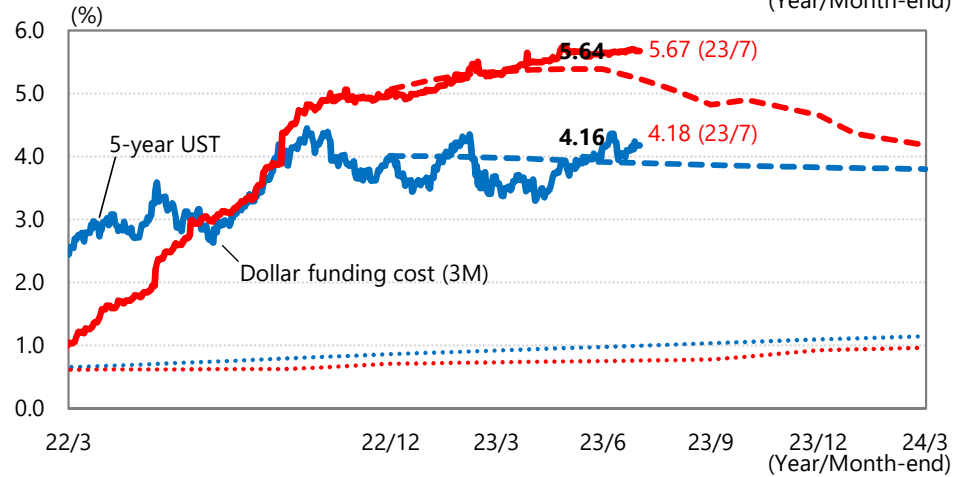
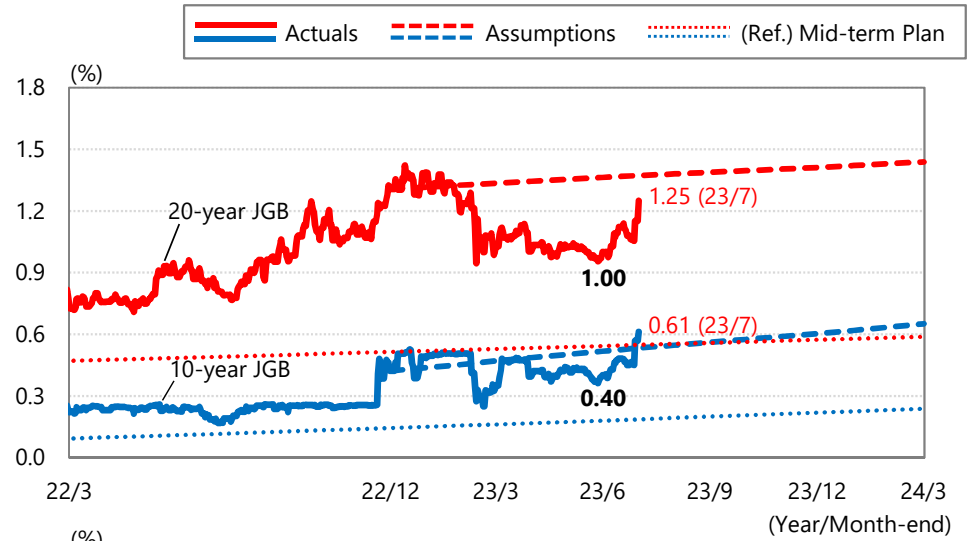


Assumptions for Earnings Forecasts

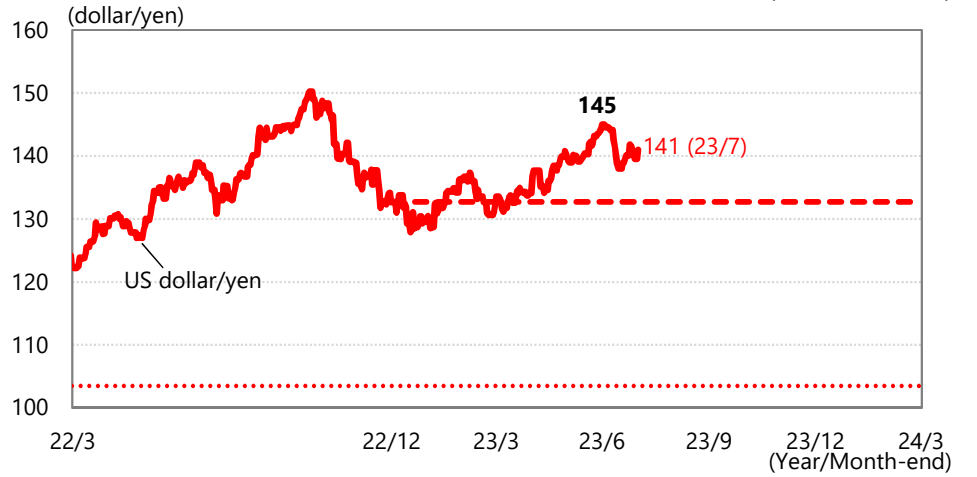
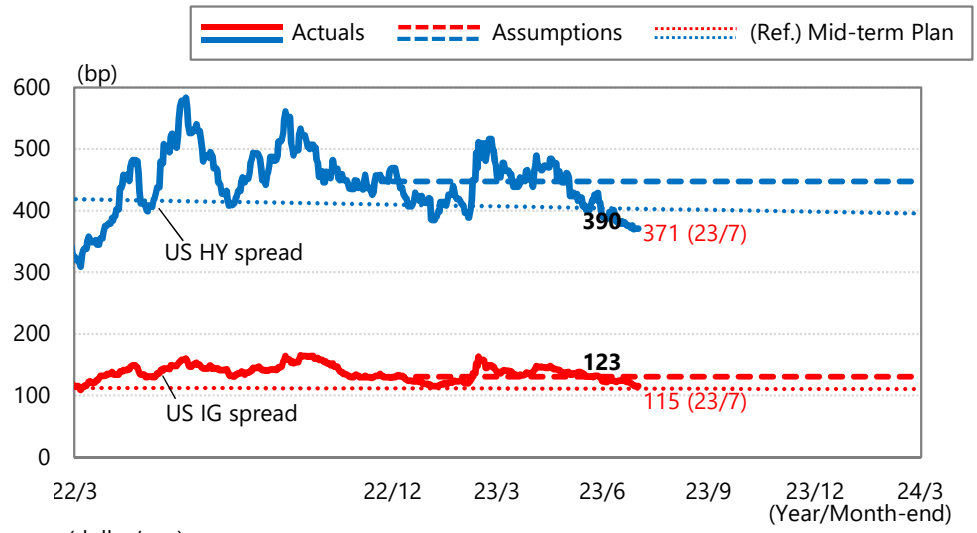
The assumptions for each risk factor are as follows:

- (1) Domestic and foreign interest rates will move in the line with the implied forward rates as of December 31, 2022.
- (2) Foreign credit spreads will continue at the average levels for December, 2022.
- (3) Foreign exchange will continue at the levels as of December 31, 2022.

Domestic and Foreign Interest Rates / Dollar Funding Cost

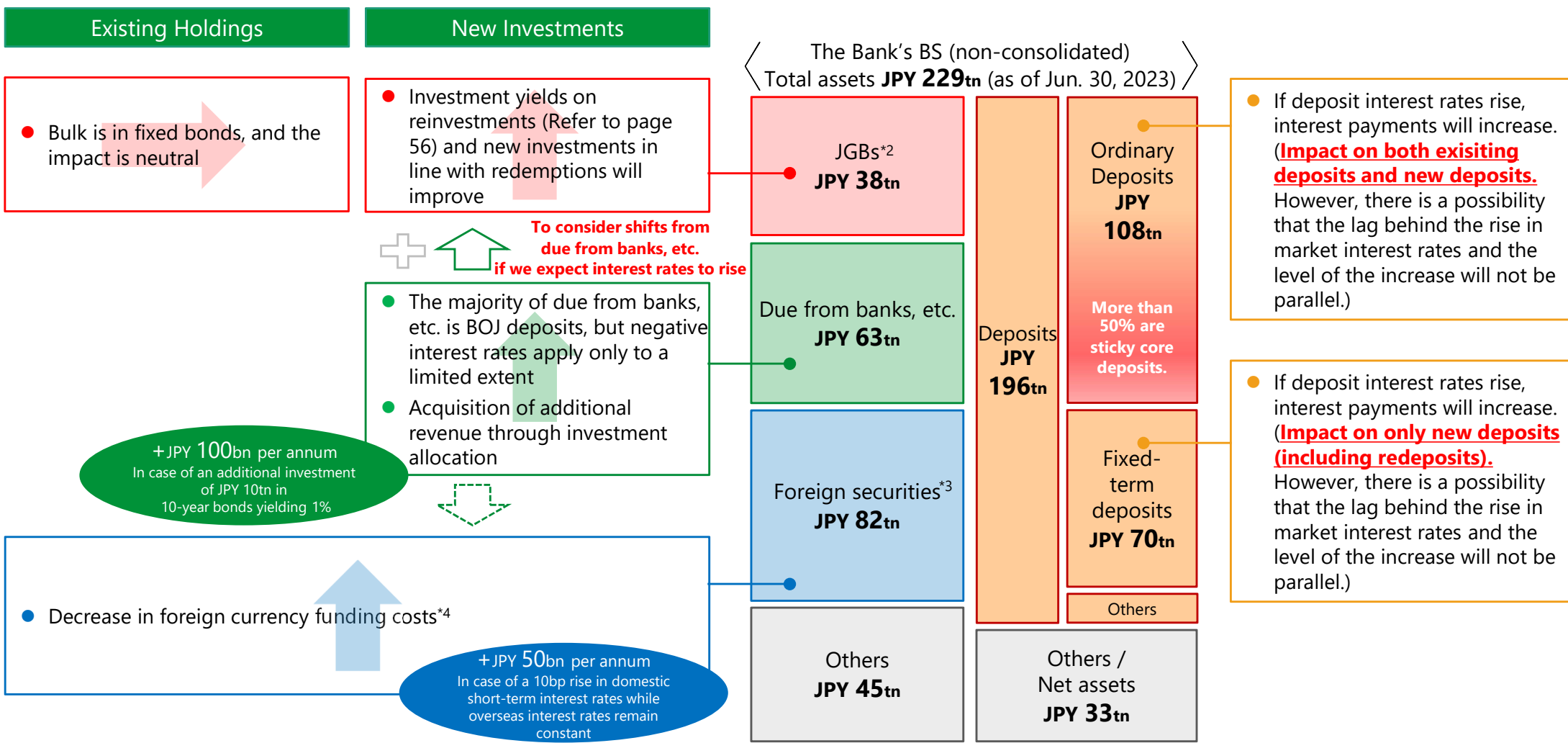


US IG and HY Spread / US Dollar/Yen



2nd Engine: Market Business (5) Impact of Rising Domestic Interest Rates on P/L

Projected Impact on P/L Due to Rising Domestic Interest Rates*1



*1 Theoretical impact on the Bank's P/L from potential movements of market environment. Actual impact may differ due to changes in market conditions and the Bank's ALM policy.
 *2 Includes Japanese government bonds in money held in trust.
 *3 Include real estate funds (debt) and direct lending funds in money held in trust.
 *4 Investment trusts raise capital within the fund, and foreign currency funding costs depend on differences in domestic and foreign interest rates.

2nd Engine: Market Business (6) Status of Credit Risk, etc.

Note:
 - -> Cash flow
 - -> Profit

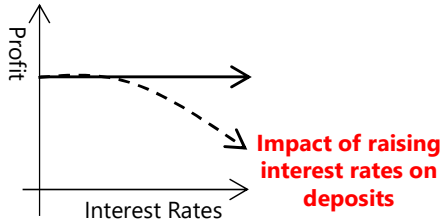
Yen interest rates risk

Credit risk
 *Mainly taking credit risks (Hedged interest rates: approx. 70-80% of foreign securities, Hedged foreign exchange: approx. 90%+ of foreign securities)

Foreign currency interest rates risk (Difference in long- and short-term interest rates)

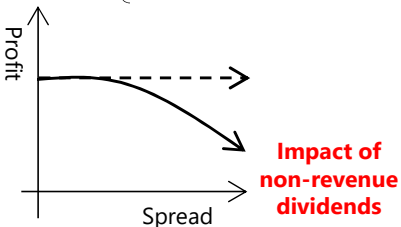
Existing Holdings

approx. **JPY 38tn** (Bulk is in fixed bonds)



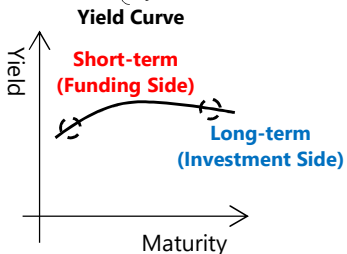
If deposit interest rates rise, interest payments will increase (Impact depends on deposit types). However, there is a possibility that the lag behind the rise in market interest rates and the level of the increase will not be parallel

approx. **JPY 66tn** (Of these, those impacted by non-revenue dividends: approx. **JPY 22tn**)



Non-revenue dividends are generated in some foreign bond investment trusts. However, return gains are generated upon cancellation or redemption

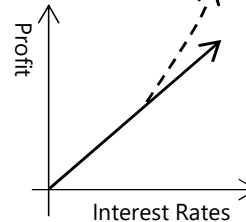
approx. **JPY 16tn** (Of these, those impacted by non-revenue dividends: approx. **JPY 7tn**)



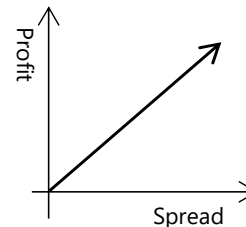
With the rise in short-term interest rates, the downturn in earnings caused by the increase in foreign currency funding costs is significant. Note that some foreign bond investment trusts generate non-revenue dividends associated with the rise in long-term interest rates.

New Investments

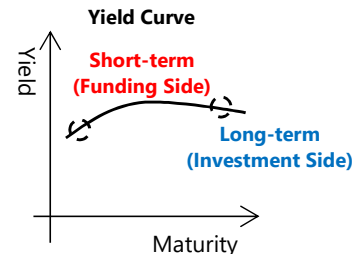
Impact of investment allocation



Considering shifts from due from banks, etc. in preparation for potential interest rate increases

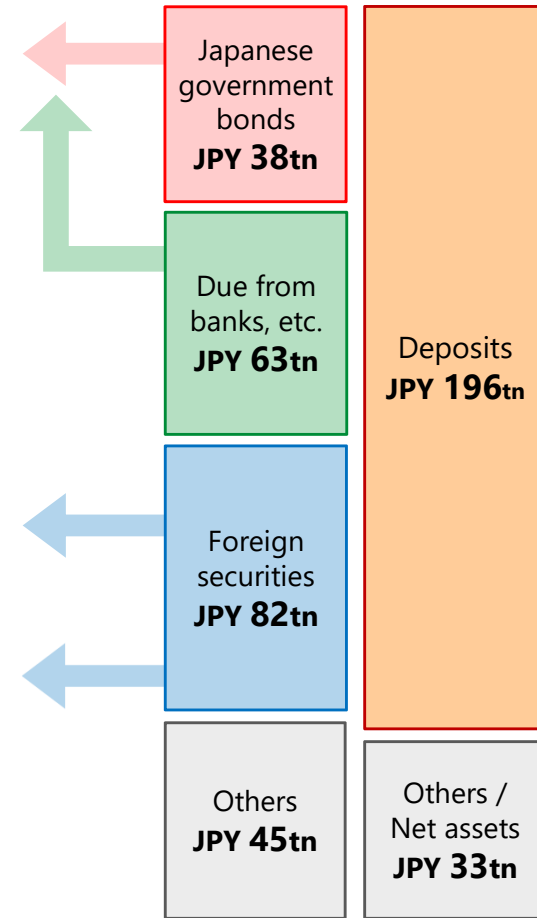


Non-revenue dividends are generated in the case that credit spreads widen following new investment



The impact on profits depends on the difference in long- and short-term interest rates

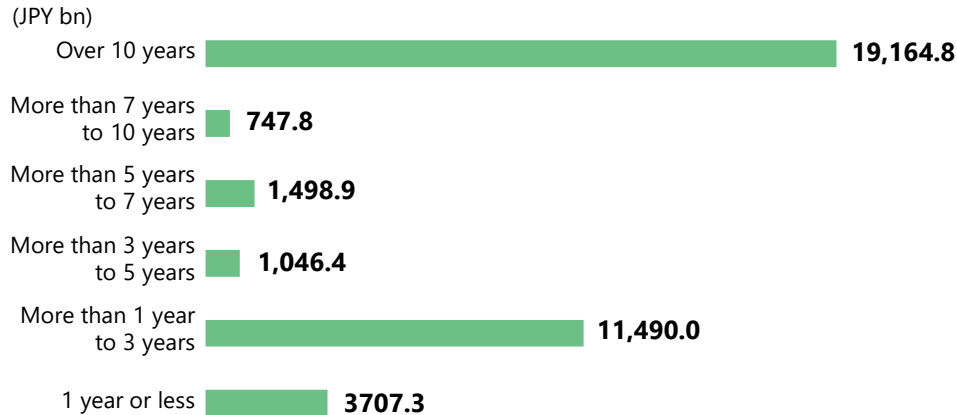
The Bank's BS (non-consolidated)
 Total assets **JPY 229tn**
 (as of Jun. 30, 2023)



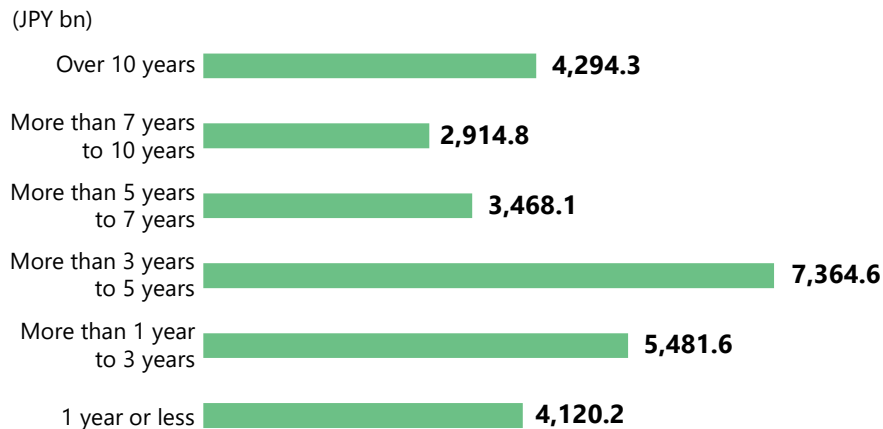
2nd Engine: Market Business (7) Balances of Securities Based on the Remaining Time to Maturity, etc.

Balances Based on the Remaining Time to Maturity (Ending Balance Basis, As of June 30, 2023)

Balance of Japanese government bonds: JPY 37,655.5bn
(Held-to-maturity: JPY 14,534.3bn, Available-for-sale: JPY 23,121.2bn)



Balance of Foreign bonds: JPY 27,643.9bn
(Held-to-maturity: JPY 4,609.3bn, Available-for-sale: JPY 23,034.6bn)



Balances (Based on Average Balances, FY2024/3 Q1)

Balance of Japanese government bonds and Foreign securities, etc.

(JPY bn)

	FY2024/3 Q1	
	Average Balance	(Ref.) Ending Balance
Japanese government bonds	39,483.7	37,655.5
Foreign securities, etc.	81,153.5	80,600.9
Foreign bonds	28,621.9	27,643.9
Investment trusts	52,428.4	52,842.0

Balance of Deposits

(JPY tn)

	FY2024/3 Q1	
	Average Balance	(Ref.) Ending Balance
Liquid deposits	120.7	122.3
Transfer deposits	12.8	13.0
Ordinary deposits, etc.*	107.0	108.4
Savings deposits	0.7	0.7
Fixed-term deposits	74.3	73.5
Time deposits	3.2	3.2
TEIGAKU deposits	71.1	70.3
Other deposits	0.2	0.1
Total	195.3	196.0

* Ordinary deposits, etc. = Ordinary deposits + Special deposits (equivalent to ordinary savings)