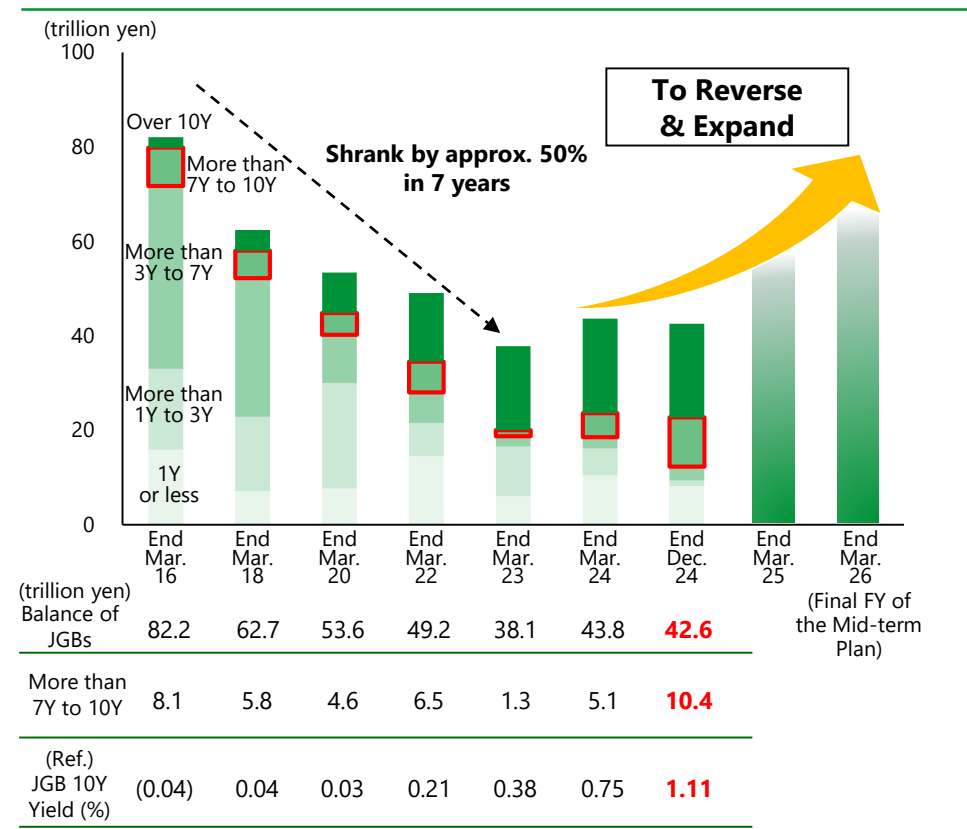


# Executive Summary (5) Restructuring of the Yen Interest Rate Portfolio

Seizing on the reversal of the trend in yen interest rates, the Bank is promoting an investment shift from due from banks, etc. to JGBs and is restructuring its yen interest rate portfolio.

The balance of JGBs, which had been decreasing under the low interest rate environment, expanded after bottoming out in FY2023. We plan to continue to grow this balance steadily.

Balance of JGBs\*

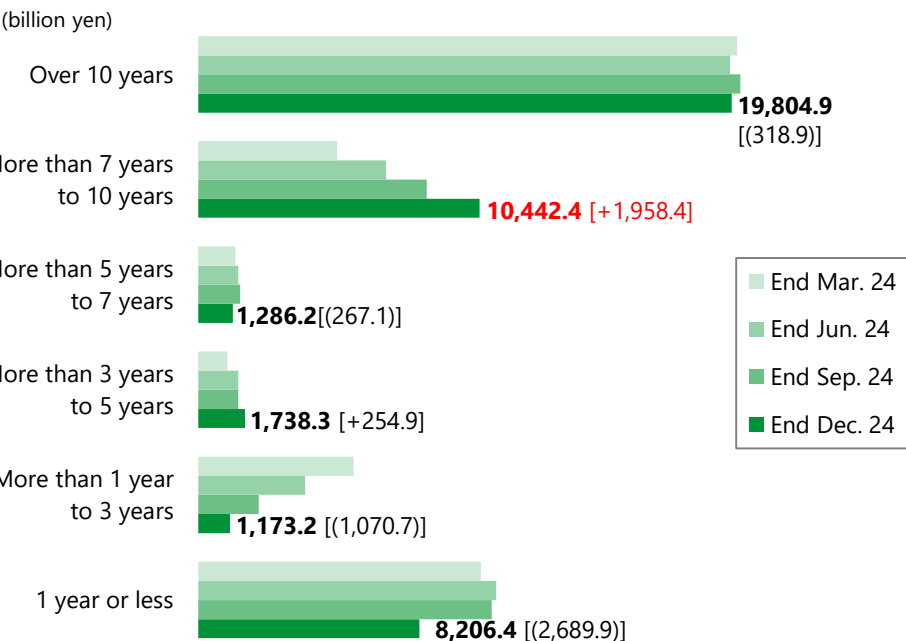


\* Except JGBs in money held in trust.

Balance of JGBs\* Based on the Remaining Time to Maturity (As of Dec. 31, 2024)

Note: Figures in [ ] represent changes from Sep. 30, 2024.

Balance of JGBs: JPY 42,651.8bn [JPY (2,133.4)bn]

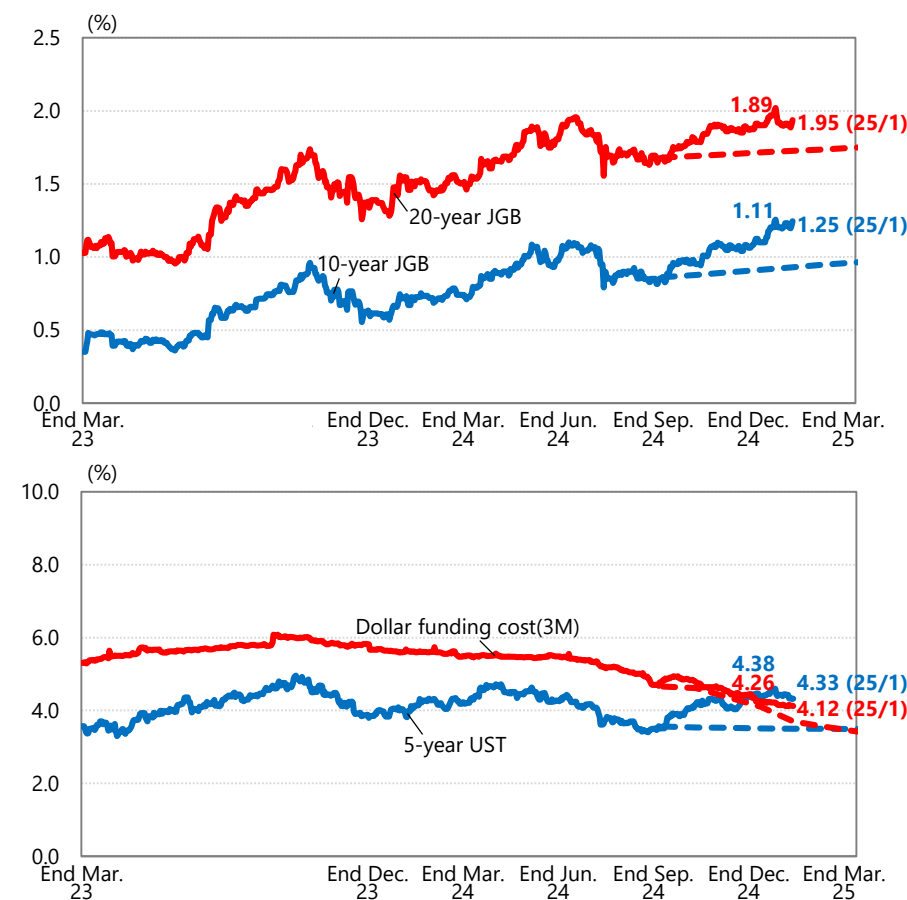


〈Balances based on the holding purpose〉  
Held-to-maturity: JPY 26,881.8bn [JPY +1,884.5bn]  
Available-for-sale: JPY 15,770.0bn [JPY (4,018.0)bn]

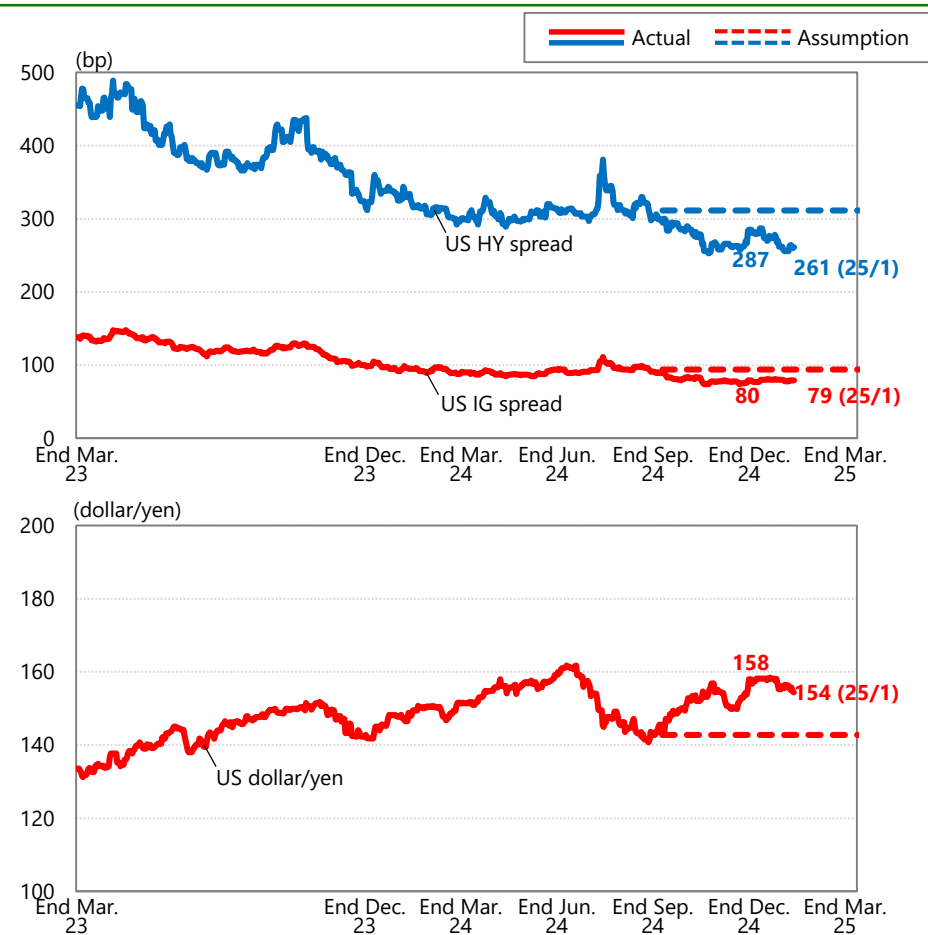
# Assumptions for Earnings Forecasts (Revised)

Domestic and foreign interest rates are projected to trend in line with implied forward rates as of September 30, 2024. Foreign credit spreads and foreign exchange rates are expected to remain largely stable around the levels on September 30, 2024. Additional policy interest rate hikes by BOJ are not factored into our plan in FY2024 H2.

## Domestic and Foreign Interest Rates / Dollar Funding Cost



## US IG and HY Spreads / US Dollar-Yen Rate

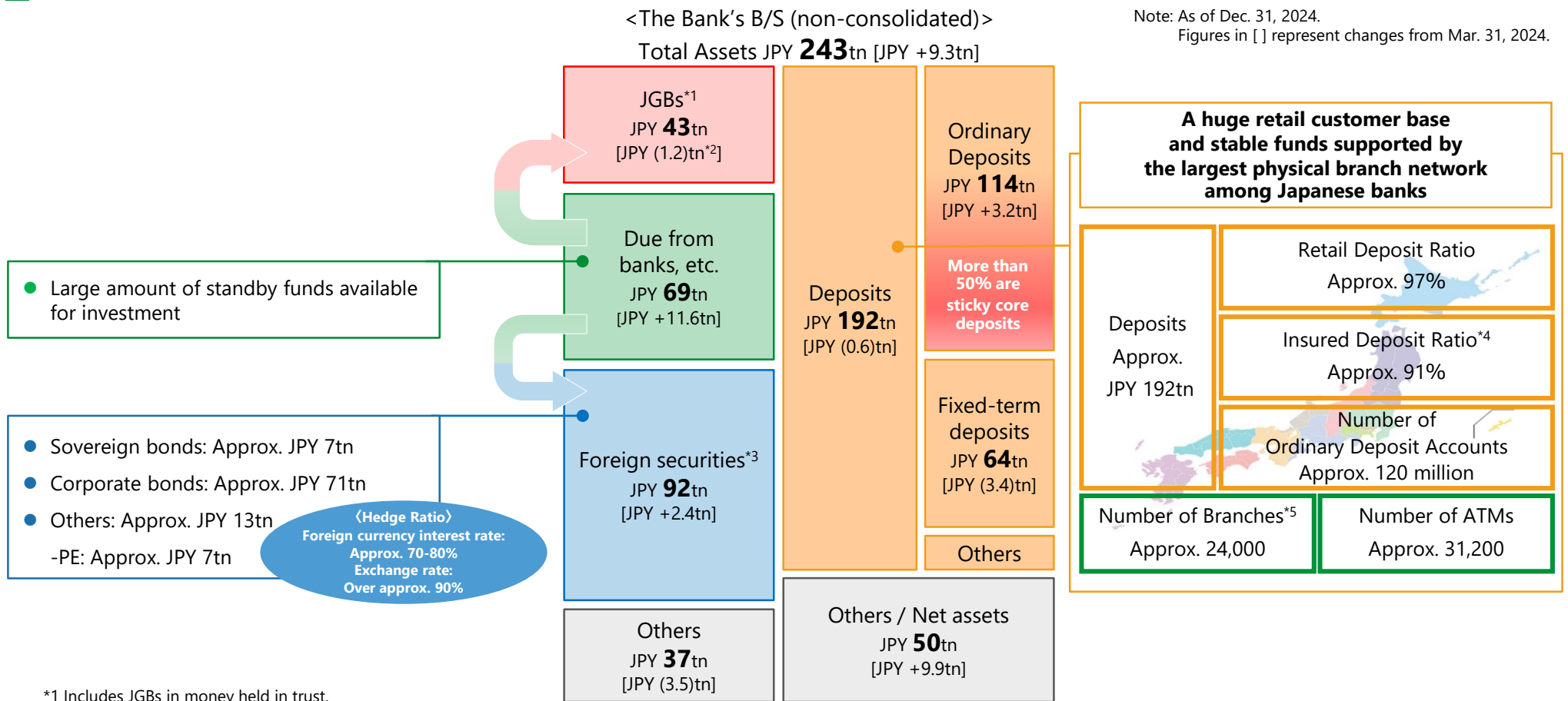


Market Business

(3) ALM Policy

We maintain and sustain a stable funding base and balance of deposits, particularly retail deposits.

We pursue an optimal investment portfolio that combines yen interest assets (JGBs, due from banks, etc.) and risk assets (foreign securities, etc.) while strengthening risk management.



\*1 Includes JGBs in money held in trust.

\*2 The decrease in balance of JGBs from Mar. 31, 2024 is due to the redemption and sales of JGBs outweighing the amount of new investment for the nine months ended Dec. 31, 2024.

\*3 Includes real estate funds, direct lending funds and infrastructure debt funds in money held in trust.

\*4 Deposits that meet the requirement under the Deposit Insurance System in the Deposit Insurance Act divided by total deposits.

\*5 Includes post offices.