

Selected Financial Information

For the Six Months Ended September 30, 2021

November 12, 2021



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【Consolidated subsidiaries, etc.】

Consolidated subsidiaries	4 companies (Principal companies: JAPAN POST BANK LOAN CENTER Co., Ltd. Japan Post Investment Corporation)	Affiliates accounted for by the equity method	ATM Japan Business Service, Ltd. JP Asset Management Co., Ltd.
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Note: All Japanese yen figures in the financial statements of JAPAN POST BANK Co., Ltd. (the “Bank”) and its consolidated subsidiaries (the “Group”) have been rounded down. Accordingly, the total of each account may not be equal to the combined total of individual items.

Financial Highlights

1. Results of Operations

Consolidated

■ Net income attributable to owners of parent increased by ¥111.0 bn year on year to ¥235.3 bn.

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2020 (A)	September 30, 2021 (B)	
	(¥bn, %)		
Consolidated gross operating profit	670.3	769.1	98.8
Net interest income	421.1	666.8	245.7
Net fees and commissions	64.4	63.6	(0.8)
Net other operating income (loss)	184.7	38.6	(146.0)
Gains (losses) on foreign exchanges	172.1	63.7	(108.4)
Gains (losses) on bonds	12.6	(25.2)	(37.9)
General and administrative expenses (*)	504.7	501.1	(3.6)
Provision for general reserve for possible loan losses	—	(0.0)	(0.0)
Consolidated net operating profit	165.5	268.0	102.4
Non-recurring gains (losses)	6.4	57.5	51.1
Net ordinary income	172.0	325.6	153.5
Net income attributable to owners of parent	124.2	235.3	111.0
【Reference**】			
ROE (based on shareholders' equity)	2.73%	5.06%	2.33 %
OHR (basis including gains (losses) on money held in trust)	75.14%	60.81%	(14.32)%

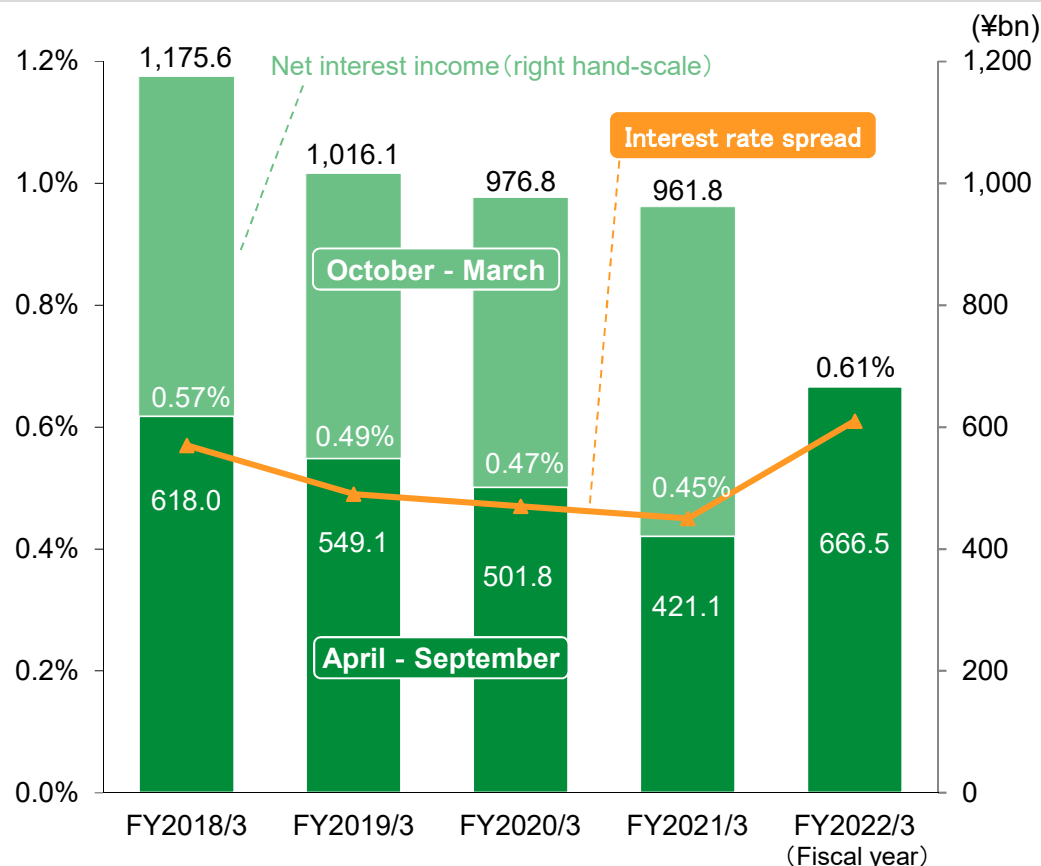
- Consolidated gross operating profit for the six months ended September 30, 2021 increased by ¥98.8 bn year on year to ¥769.1 bn.
Net interest income increased by ¥245.7 bn year on year, mainly due to the stability of financial markets and an increase in distributions from private equity funds.
Net fees and commissions decreased by ¥0.8 bn year on year.
Net other operating income decreased by ¥146.0 bn year on year, mainly due to reductions in redemption gains on foreign bonds.
- General and administrative expenses decreased by ¥3.6 bn year on year to ¥501.1 bn.
- Consolidated net operating profit increased by ¥102.4 bn year on year to ¥268.0 bn.
- Net ordinary income increased by ¥153.5 bn year on year to ¥325.6 bn, which equated to 91.7% of the original full-year earnings forecast of ¥355.0 bn.
- Net income attributable to owners of parent equated to 90.5% of the original full-year earnings forecast of ¥260.0 bn.
(Please refer to page 13 about Revisions of Earnings Forecasts)

* General and administrative expenses exclude non-recurring losses.
 ** Calculation for financial targets in the Medium-term Management Plan (FY2022/3 – FY2026/3)
 ROE = net income attributable to owners of parent / [(sum of total net assets at the beginning and the end of the period) / 2] x 100
 OHR = general and administrative expenses / (net interest income, etc. + net fees and commissions) x 100
 Net interest income, etc. = Interest income - interest expenses (including gains (losses) on sales, etc.)

2. Trend of Net Interest Income and Interest Rate Spread

Non-consolidated

- Net interest income increased by ¥245.4 bn year on year to ¥666.5 bn and interest rate spread was 0.61% for the six months ended September 30, 2021.
- Interest on foreign securities increased mainly due to an increase in income related to foreign bonds investment trusts and private equity funds.



Domestic		For the six months ended		Increase
		September 30,	September 30,	(Decrease)
		2020 (A)	2021 (B)	(B) - (A)
Net interest income		274.3	237.3	(36.9)
Interest income		308.8	262.2	(46.5)
Interest on Japanese government bonds		191.2	159.2	(31.9)
Interest expenses		34.5	24.9	(9.5)
Overseas		For the six months ended		Increase
		September 30,	September 30,	(Decrease)
		2020 (A)	2021 (B)	(B) - (A)
Net interest income		146.7	429.2	282.4
Interest income		307.0	573.2	266.2
Interest on foreign securities		306.7	573.0	266.3
Interest expenses		160.2	144.0	(16.2)
Total		For the six months ended		Increase
		September 30,	September 30,	(Decrease)
		2020 (A)	2021 (B)	(B) - (A)
Net interest income		421.1	666.5	245.4
Interest income		542.1	770.3	228.1
Interest expenses		121.0	103.7	(17.2)

- Notes: 1. "Domestic" represents yen-denominated transactions while "overseas" represents foreign currency-denominated transactions (except that yen-denominated transactions with non-residents of Japan are included in "overseas").
2. For a part of interest income and expenses, transactions between "domestic" and "overseas" are offset to calculate totals. As a result, the total of each account may not be equal to the combined total of "domestic" and "overseas" of each item.
3. Interest rate spreads of FY2018/3 - FY2021/3 are the figures for the relevant fiscal years, while interest rate spread of FY2022/3 is the figure for the six months ended September 30, 2021.

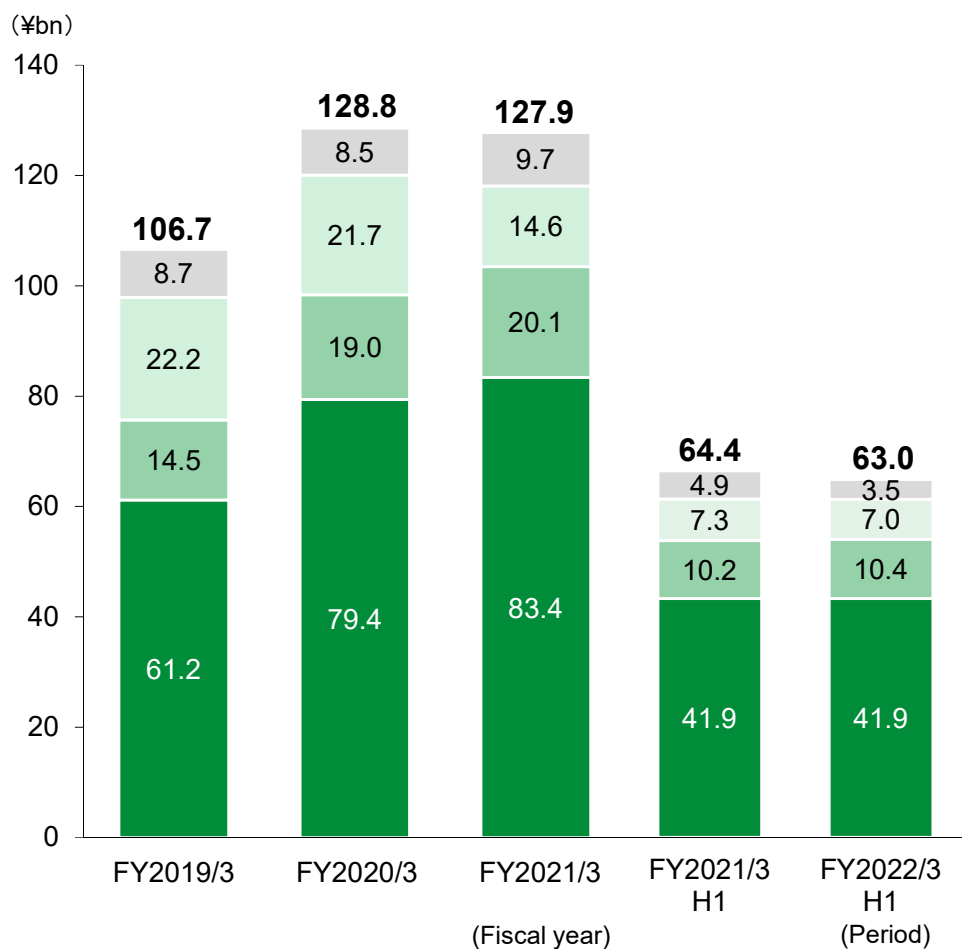
3. Net Fees and Commissions

Non-consolidated

■ Net fees and commissions for the six months ended September 30, 2021 decreased by ¥1.3 bn year on year to ¥63.0 bn.

Trend of Net Fees and Commissions

■ Exchange and settlement transactions ■ ATMs ■ Investment trusts ■ Others



Breakdown of Net Fees and Commissions

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2020 (A)	September 30, 2021 (B)	
Net fees and commissions relating to	64.4	63.0	(1.3)
Exchange and settlement transactions	41.9	41.9	0.0
ATMs	10.2	10.4	0.2
Investment trusts	7.3	7.0	(0.3)
Others	4.9	3.5	(1.3)

Results of Investment Trusts Sales (Contract Basis)

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2020 (A)	September 30, 2021 (B)	
Number of contracts (thousands)	1,729	2,095	366
Sales amount (billions of yen)	131.2	94.1	(37.1)

	As of September 30, 2020 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
	Number of investment trust accounts (thousands)	1,204	1,220
Net assets (billions of yen)	2,425.2	2,570.7	145.4

【Reference*】

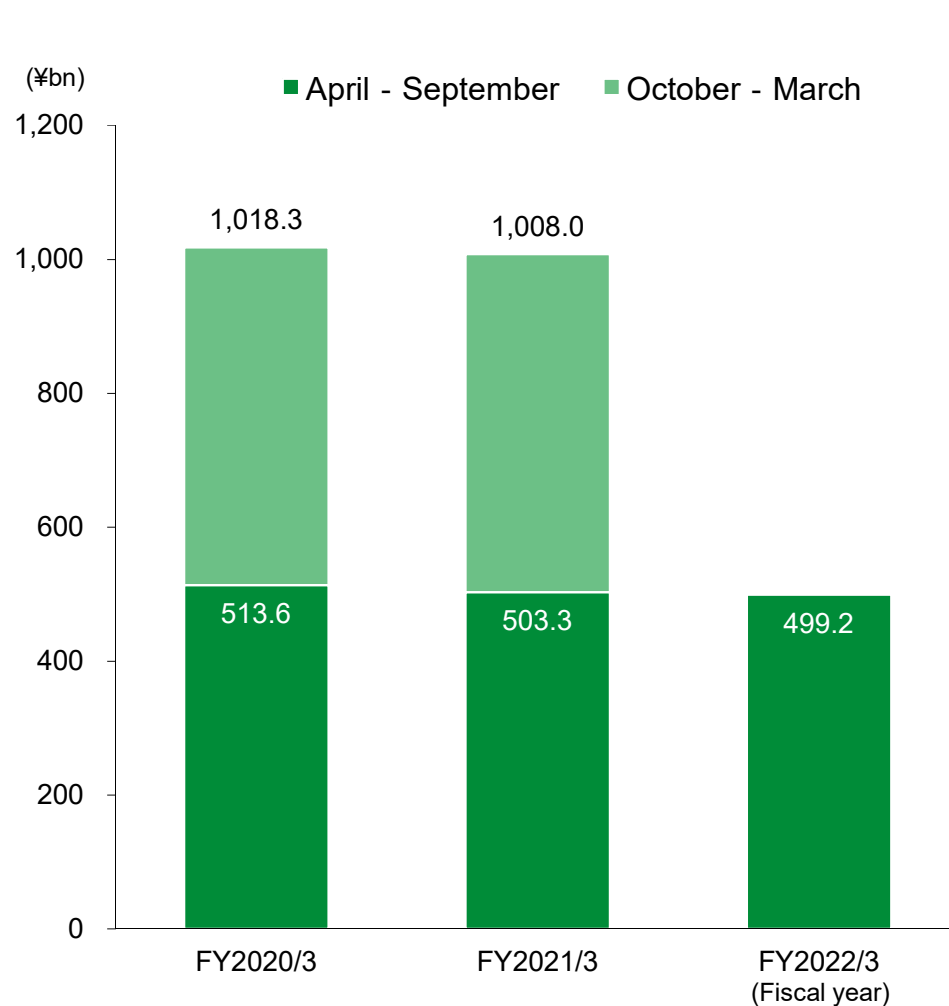
	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
	Number of accounts registered in the Bankbook app (ten thousands)	283	382
Number of Cumulate-type NISA Operation Accounts (ten thousands)	13	15	1

* KPIs for Medium-term Management Plan (FY2022/3 – FY2026/3)
 Number of accounts registered in the Bankbook app : 10 million accounts (FY2026/3)
 Number of Cumulate-type NISA Operation Accounts : 400 thousand accounts (FY2026/3)

4. Trend of General and Administrative Expenses

Non-consolidated

- General and administrative expenses for the six months ended September 30, 2021 decreased by ¥4.1 bn year on year to ¥499.2 bn.



	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2020 (A)	September 30, 2021 (B)	
Personnel expenses (*)	58.4	57.4	(1.0)
Salaries and allowances	47.9	47.0	(0.8)
Non-personnel expenses	418.0	412.0	(5.9)
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	187.2	181.7	(5.5)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network	118.7	118.5	(0.1)
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	28.7	27.6	(1.0)
Taxes and dues	26.7	29.7	2.9
Total	503.3	499.2	(4.1)

* Personnel expenses include non-recurring losses.

5. Financial Conditions

Non-consolidated

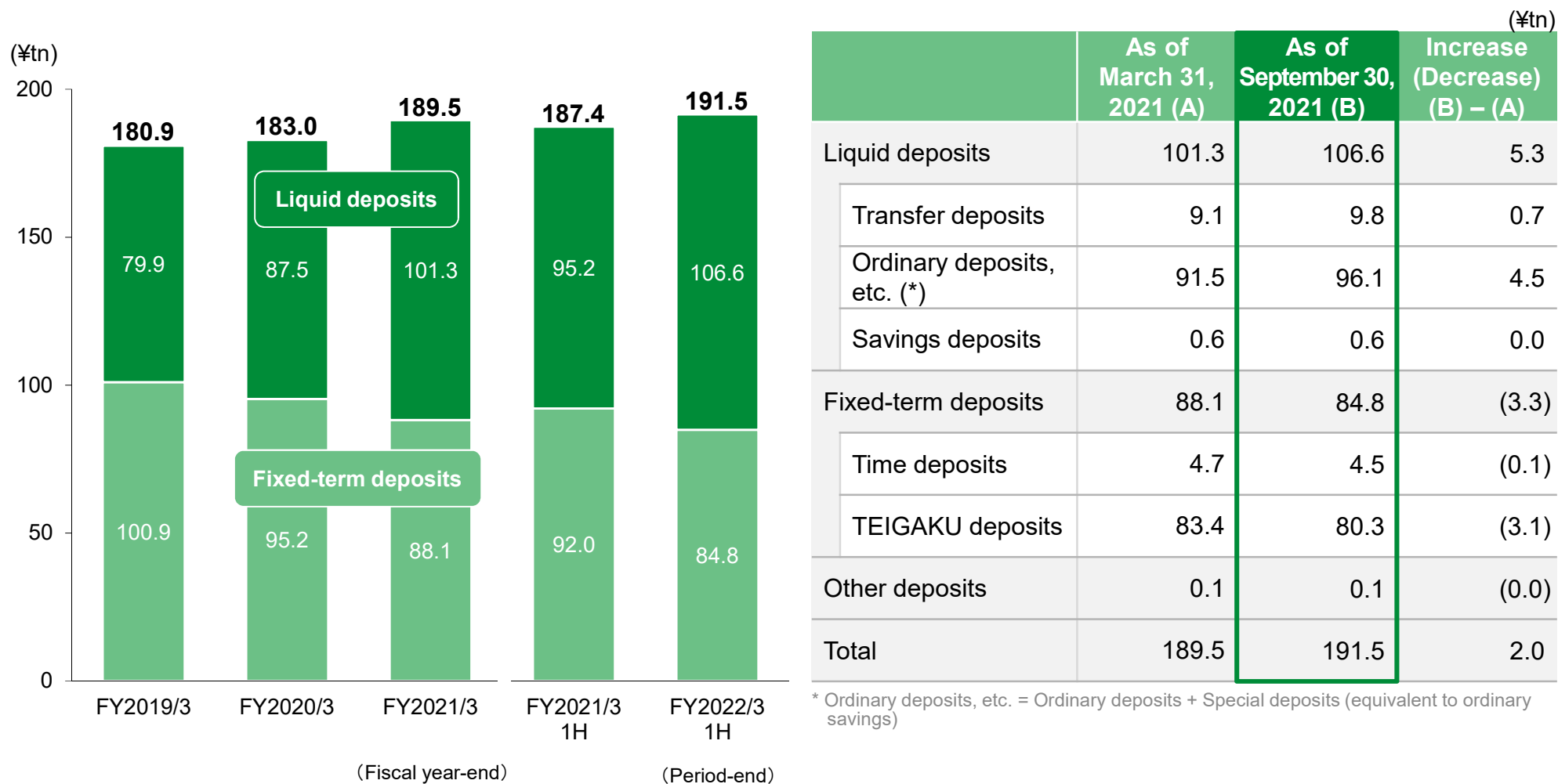
- Total assets increased by ¥3.4 tn from March 31, 2021, to ¥227.3 tn as of September 30, 2021.
- Securities increased by ¥1.8 tn from March 31, 2021, to ¥140.0 tn as of September 30, 2021.
- Total valuation and translation adjustments increased by ¥0.0 tn from March 31, 2021, to ¥2.1 tn as of September 30, 2021.

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
	(¥bn)		
Assets	223,847.5	227,303.2	3,455.7
Cash and due from banks	60,768.0	61,037.8	269.7
Call loans	1,390.0	2,740.0	1,350.0
Receivables under resale agreements	9,721.3	9,704.9	(16.4)
Money held in trust	5,547.5	5,652.6	105.0
Securities	138,183.2	140,040.0	1,856.8
Loans	4,691.7	4,675.0	(16.6)
Liabilities	212,485.4	215,859.2	3,373.8
Deposits	189,593.4	191,597.9	2,004.5
Payables under repurchase agreements	14,886.4	15,270.6	384.2
Payables under securities lending transactions	1,504.5	1,315.7	(188.7)
Net assets	11,362.1	11,443.9	81.8
Total shareholders' equity	9,244.8	9,292.2	47.3
Total valuation and translation adjustments	2,117.2	2,151.7	34.4

6. Trend of Deposit Balance

Non-consolidated

■ Deposit balance as of September 30, 2021 was ¥191.5 tn.



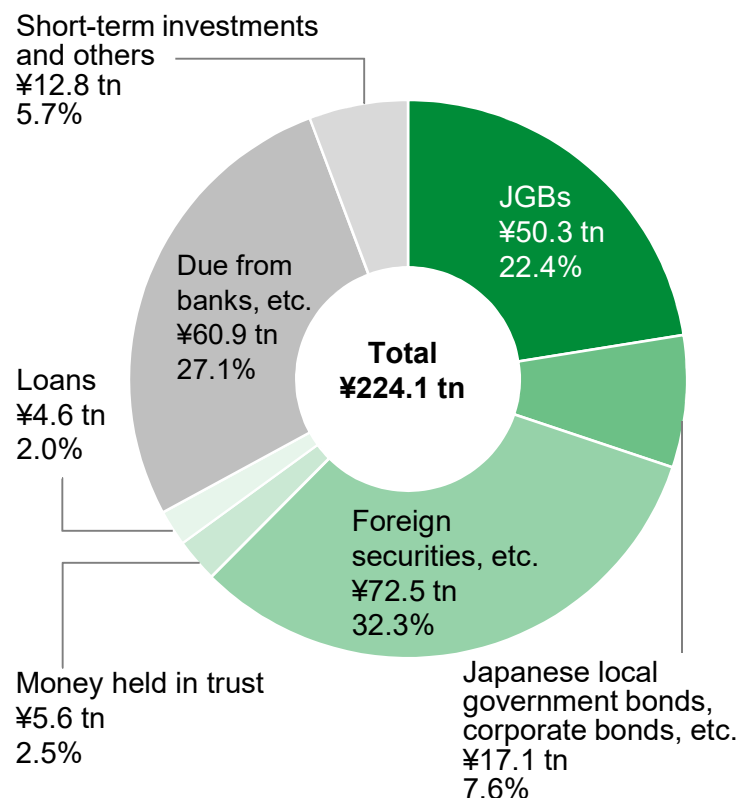
	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Liquid deposits	101.3	106.6	5.3
Transfer deposits	9.1	9.8	0.7
Ordinary deposits, etc. (*)	91.5	96.1	4.5
Savings deposits	0.6	0.6	0.0
Fixed-term deposits	88.1	84.8	(3.3)
Time deposits	4.7	4.5	(0.1)
TEIGAKU deposits	83.4	80.3	(3.1)
Other deposits	0.1	0.1	(0.0)
Total	189.5	191.5	2.0

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

7. Asset Management Status

Non-consolidated

- Included in investment assets as of September 30, 2021, JGBs were ¥50.3 tn and foreign securities, etc. were ¥72.5 tn.



Categories	As of March 31, 2021 (A)	%	As of September 30, 2021 (B)	%	Increase (Decrease) (B) – (A)
Securities	138,183.2	62.6	140,040.0	62.4	1,856.8
Japanese government bonds	50,493.4	22.8	50,398.5	22.4	(94.9)
Japanese local government bonds, corporate bonds, etc. (*)	16,522.5	7.4	17,130.4	7.6	607.9
Foreign securities, etc.	71,167.2	32.2	72,511.0	32.3	1,343.8
Foreign bonds	23,505.1	10.6	23,859.7	10.6	354.6
Investment trusts (**)	47,591.1	21.5	48,564.4	21.6	973.2
Money held in trust	5,547.5	2.5	5,652.6	2.5	105.0
Domestic stocks	2,261.7	1.0	2,092.8	0.9	(168.9)
Loans	4,691.7	2.1	4,675.0	2.0	(16.6)
Due from banks, etc. (***)	60,667.0	27.5	60,954.0	27.1	286.9
Short-term investments and others (****)	11,505.7	5.2	12,858.8	5.7	1,353.0
Total	220,595.4	100.0	224,180.6	100.0	3,585.2

- * “Japanese local government bonds, corporate bonds, etc.” consists of Japanese local government bonds, commercial paper, Japanese corporate bonds and Japanese stocks.
- ** Investment trusts are mainly invested in foreign bonds.
- *** “Due from banks, etc.” consists of negotiable certificates of deposit, Bank of Japan deposits and monetary claims bought.
- **** “Short-term investments and others” consists of call loans and receivables under resale agreements, etc.

8. Unrealized Gains (Losses) on Financial Instruments

Non-consolidated

- Net unrealized gains on financial instruments (available-for-sale) after taking into consideration of gains (losses) from hedge accounting were ¥3,097.3 bn as of September 30, 2021 (before application of tax effect accounting), increased by ¥48.5 bn from March 31, 2021.

	As of March 31, 2021 (A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Net unrealized gains (losses)
Held-to-maturity securities	25,178.0	238.1	25,597.1	189.3	(48.8)

	As of March 31, 2021 (A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)
	Amount on the balance sheet / Notional amount	Net unrealized gains (losses) / Net deferred gains (losses)	Amount on the balance sheet / Notional amount	Net unrealized gains (losses) / Net deferred gains (losses)	Net unrealized gains (losses) / Net deferred gains (losses)
Available-for-sale	118,940.5	3,586.8	120,496.5	3,741.9	155.1
Securities (a)	113,392.9	2,407.2	114,843.8	2,661.7	254.5
Japanese government bonds	29,917.0	542.7	31,416.6	563.5	20.7
Foreign bonds	23,505.1	1,031.3	22,752.4	1,127.6	96.2
Investment trusts (*)	47,591.1	776.2	48,564.4	916.6	140.4
Others	12,379.5	56.8	12,110.2	53.8	(3.0)
Effect of fair value hedge accounting (b)		(173.5)		(216.0)	(42.5)
Money held in trust (c)	5,547.5	1,353.1	5,652.6	1,296.2	(56.8)
Domestic stocks	2,261.7	1,363.4	2,092.8	1,292.4	(71.0)
Others	3,285.8	(10.2)	3,559.7	3.8	14.1
Derivatives for which deferred hedge accounting is applied (d)	16,210.0	(538.0)	16,308.2	(644.6)	(106.5)
Total (a) + (b) + (c) + (d)		3,048.8		3,097.3	48.5

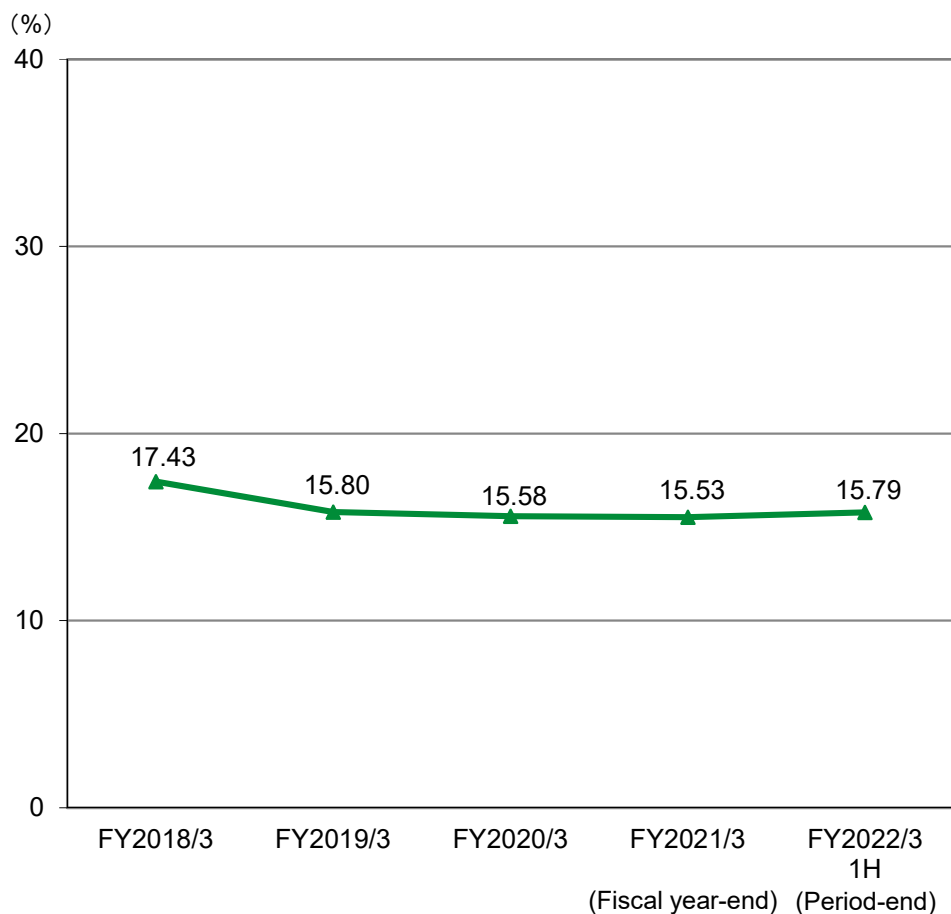
* Investment trusts are mainly invested in foreign bonds.

9. Trend of Capital Adequacy Ratio

Consolidated

■ Capital adequacy ratio (domestic standard) was 15.79% as of September 30, 2021.
 (Reference) Common Equity Tier1 capital ratio (international standard, estimate) was 17.85%.

【Domestic standard】



【Domestic standard】

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Total capital (a)	9,038.3	9,272.9	234.6
Total amount of risk-weighted assets (b)	58,166.8	58,716.7	549.9
Credit risk-weighted assets	55,614.8	56,130.2	515.4
Capital adequacy ratio (a) / (b)	15.53%	15.79%	0.25%

【(Reference) International standard, estimate*】

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Common Equity Tier1 capital ratio (CET1 ratio)	17.73%	17.85%	0.12%
Excluding unrealized gains on available-for-sale securities (**)	14.09%	14.26%	0.16%

* Calculation for some items are simplified.

** After taking into consideration of gains (losses) from hedge accounting.

(Reference) Portfolio Management Status

Non-consolidated

(¥bn)

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Yen interest rates assets	120,954.3	122,682.0	1,727.6
Short-term assets	66,942.3	69,032.8	2,090.5
Japanese government bonds and government guaranteed bonds	54,012.0	53,649.1	(362.8)
Risk assets	91,120.7	92,798.7	1,677.9
Japanese local government bonds	5,493.8	5,545.1	51.3
Japanese corporate bonds, etc.	7,534.2	7,506.5	(27.6)
Foreign securities, etc.	68,213.1	68,905.0	691.8
Loans	2,637.3	2,727.1	89.7
Stocks (money held in trust), etc.	2,976.8	2,683.3	(293.5)
Strategic investment areas	4,265.2	5,431.5	1,166.2

Notes: 1. Since these figures are calculated on management accounting basis, they are not equal to the figures for balance of each categories on page 8, and also the sum of “Yen interest rates assets” and “Risk assets” is not equal to the “Total” on page 8.

2. “Strategic investment areas” is Alternative assets (Private Equity Funds and Real Estate Funds (Equity), etc.), Real Estate Funds (Debt), Direct Lending Funds and Infrastructure Debt Funds, etc.

Revisions of Earnings Forecasts and Annual Dividends Forecast

1. Revisions of Earnings Forecasts

Consolidated

- In light of first half situation and recent market conditions, we revised the earnings forecasts (net income attributable to owners of parent) for the fiscal year ending March 31, 2022 upwards from ¥260.0 bn to ¥350.0 bn, because of such factors as an increase in net interest income, etc. compared to the original forecasts.
 - During the six-month period ended September 30, while foreign credit spreads were lower than expected, factors such as lower-than-anticipated foreign currency funding costs and higher-than-anticipated redemption gains on early redemption of bonds led to higher-than-expected dividends from foreign bond investment trusts held by the Bank through our investment operations. In addition, a steady increase in corporate value of some investee companies and progress in their sale has led to higher than expected dividends from private equity funds.

Revised Earnings Forecasts for the fiscal year ending March 31, 2022 (Consolidated) (¥bn)

	For the fiscal year			
	ended March 31, 2021	ending March 31, 2022		
	Actual	Original Forecasts (May 14, 2021) (A)	Revised Forecasts (November 12, 2021) (B)	Increase (Decrease) (B) – (A)
Net interest income, etc. (*)	1,270.1	1,240.0	1,355.0	115.0
Net fees and commissions	127.9	129.0	129.0	—
General and administrative expenses	1,009.3	1,015.0	1,005.0	(10.0)
Net ordinary income	394.2	355.0	485.0	130.0
Net income attributable to owners of parent	280.1	260.0	350.0	90.0

Assumptions for the Revised Earnings Forecasts (in the second half of the fiscal year ending March 31, 2022)

- ◆ Domestic and foreign interest rates will move in the line with the implied forward rates as of September 30, 2021.
- ◆ Foreign credit spreads will remain almost flat compared to the levels of first half of FY2022/3.
- ◆ Foreign exchange will continue at the same levels as of September 30, 2021.

Note: The above earnings forecasts are calculated based on information available at this point. Actual earnings may differ depending on various factors that may arise in the future.

* Net interest income, etc. = Interest income - Interest expenses (including gains (losses) on sales, etc.)

2. Revisions of Dividends Forecast, etc.

Consolidated

- Regarding annual dividends forecast for the fiscal year ending March 31, 2022, in light of the revised-upward earnings forecasts for the fiscal year ending March 31, 2022 and our dividend policy set forth in the Medium-term Management Plan, we have revised the annual dividends forecast to ¥47 per share, up by ¥7 from the previous forecast of ¥40 per share.
- We introduce a shareholder benefit program to express our gratitude to our shareholders for their daily support, to enhance the appeal of investing in the Bank's shares and thereby increase the number of our shareholders.

Actual Result and Forecast of Dividends

(¥bn, %)

	For the fiscal year		
	ended March 31, 2021	ending March 31, 2022	
	Actual	Previous Forecast (May 14, 2021)	Revised Forecast (November 12, 2021)
Dividend per share	¥50 (Annual ¥50)	¥40 (Annual ¥40)	¥47 (Annual ¥47)
Total dividend payment	187.4	149.9	176.2
Dividend payout ratio	66.9%	57.6%	50.3%

Note: The above dividends forecast is calculated based on information available at this point. Actual dividends may differ depending on various factors that may arise in the future.

(Reference) Shareholder return policies, etc. in the Medium-term Management Plan (Excerpt)

- Taking into consideration the balance between shareholder returns, financial soundness and growth investments, throughout the term of the Medium-term Management Plan (FY2022/3 through FY2026/3), the basic policy is to maintain a dividend payout ratio of approximately 50%.
- However, the target dividend payout ratio will be set between 50% and 60% while keeping in mind the stability and sustainability of dividends and we will target increases to dividends per share (DPS) compared to projected dividend levels for FY2022/3.
- We will also consider implementing additional shareholder return policies depending on future expansions in income, the repletteness of internal reserves and the status of regulatory trends, etc.

Introduction of a shareholder benefit program

- We aim to express our gratitude to our shareholders for their daily support, to enhance the appeal of investing in the Bank's shares and thereby increase the number of our shareholders.

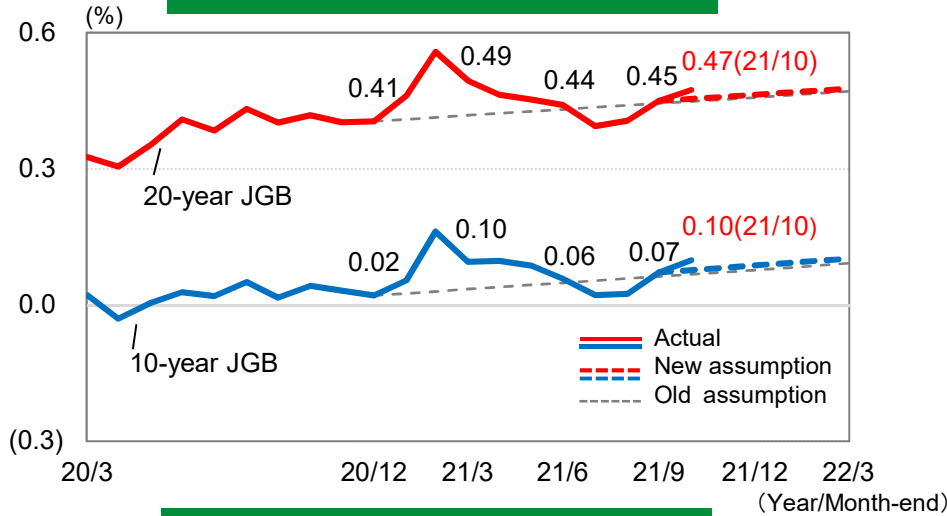
Applicable shareholders	Shareholders who hold at least 500 shares (five units) in the Bank as of March 31
Details of shareholder benefits	The original catalog in the Bank (equivalent to ¥3,000)
Timeframe	Scheduled at the end of June
Shareholder benefit program start date	The program will be launched for shareholders who hold at least 500 shares (five units) in the Bank as of March 31, 2022

(Reference) Assumptions for Earnings Forecasts (Revised)

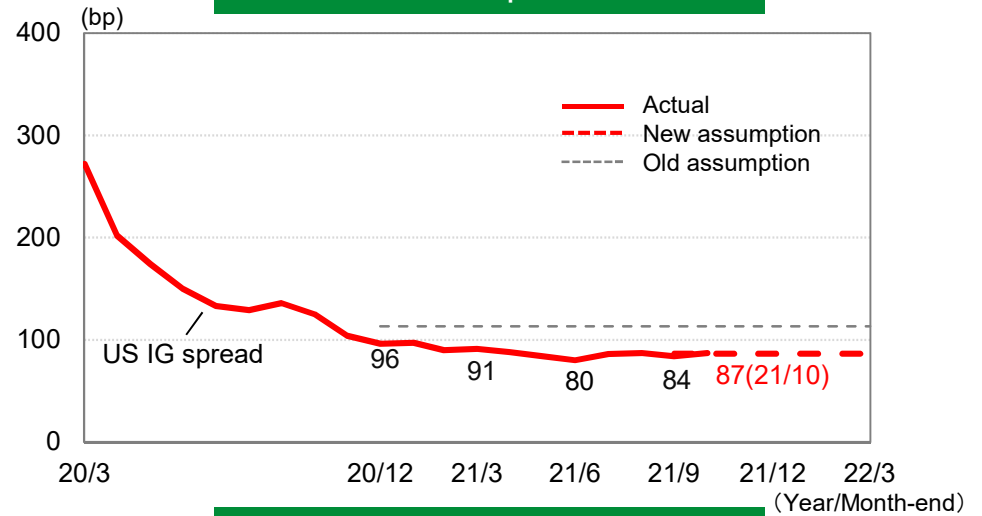
Consolidated

Assumptions

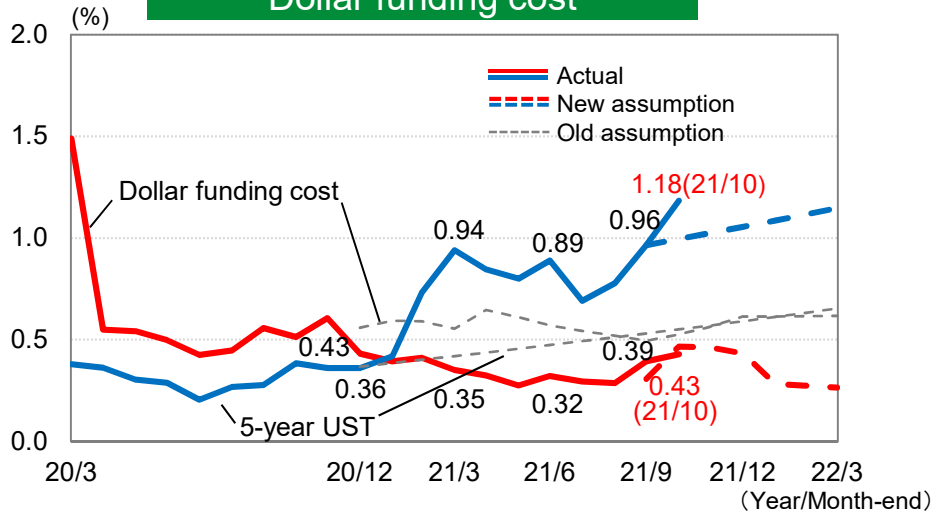
Yen interest rates



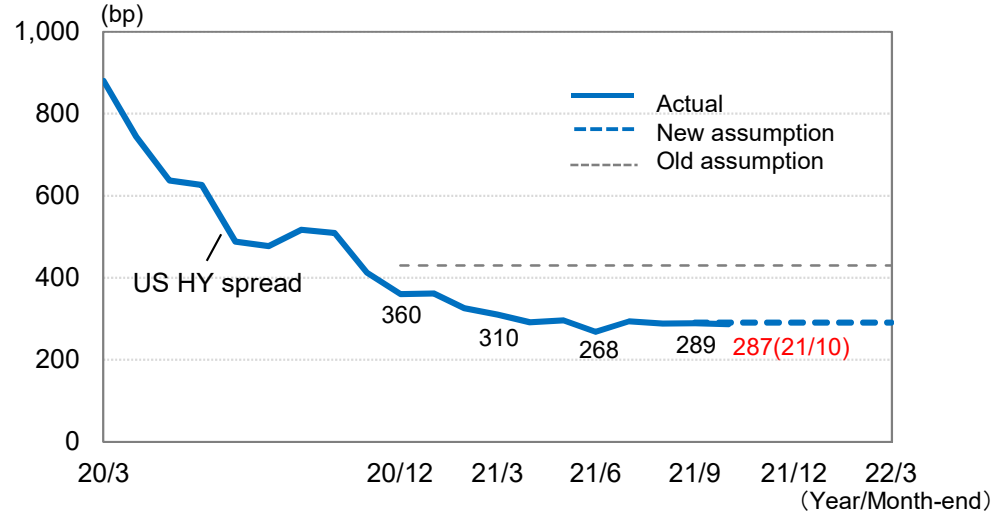
US IG spread



US interest rate
Dollar funding cost



US HY spread



(Reference) Progress of Medium-Term Management Plan

Non-consolidated
Consolidated

	Profitability	Efficiency	Soundness
<Consolidated>	result for the six months ended September 30, 2021 <FY2026/3 Target>	result for the six months ended September 30, 2021 <FY2026/3 Target>	result as of September 30, 2021 <FY2026/3 Target>
Financial Target Items	Consolidated Net income ¥235.3 bn ¥350.0 bn or greater	OHR <small>(basis including gains (losses) on money held in trust)</small> 60.81% 66% or less	Capital adequacy ratio <small>(domestic standard)</small> 15.79% approx.10% <small>(levels to be secured)</small>
	ROE* <small>(based on shareholders' equity)</small> 5.06% 3.6% or greater	General and administrative expenses ¥(3.5) bn (compared to FY2021/3 H1) ¥(55.0) bn (compared to FY2021/3)	CET1 Ratio <small>(international standard)</small> 14.26% approx.10%* <small>(excluding unrealized gains on available-for-sale securities)</small> <small>(levels to be secured)</small>
	※ based on annualized rate		※ based on full implementation of Basel III
	Investment	Retail	Regional Relationship
<Consolidated>	result as of September 30, 2021 <FY2026/3 Target>	result as of September 30, 2021 <FY2026/3 Target>	result as of September 30, 2021 <FY2026/3 Target>
Target KPIs	Balance of risk assets ¥92.7 tn (FY2021/3 ¥91.1 tn) approx. ¥110 tn	Number of accounts registered in the Bankbook app 3.82 million accounts (FY2021/3 2.83 million accounts) 10 million accounts	Regional vitalization fund participation cases 36 cases (FY2021/3 cumulatively 32 cases) cumulatively 50 cases
	Balance of strategic investment areas ¥5.4 tn (FY2021/3 ¥4.2 tn) approx. ¥10 tn	Number of Cumulate-type NISA Operation Accounts 150 thousand accounts (FY2021/3 130 thousand accounts) 400 thousand accounts	Number of financial institutions that have aggregated operational processes 4 financial institutions (FY2021/3 3 financial institutions) roughly 20 financial institutions
	Balance of ESG-themed investments ¥1.5 tn (FY2021/3 ¥1.2 tn) ¥2 tn		

Financial Data

1. Summarized Balance Sheets

Non-consolidated

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Total assets	223,847,547	227,303,269	3,455,721
Cash and due from banks	60,768,034	61,037,810	269,776
Call loans	1,390,000	2,740,000	1,350,000
Receivables under resale agreements	9,721,360	9,704,937	(16,423)
Monetary claims bought	362,212	383,906	21,693
Trading account securities	13	0	(13)
Money held in trust	5,547,574	5,652,627	105,053
Securities	138,183,264	140,040,090	1,856,825
Loans	4,691,723	4,675,069	(16,654)
Foreign exchanges	80,847	89,987	9,140
Other assets	2,857,518	2,731,260	(126,258)
Tangible fixed assets	197,940	198,692	752
Intangible fixed assets	47,992	49,918	1,926
Reserve for possible loan losses	(935)	(1,033)	(97)

(Millions of yen)

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Total liabilities and net assets	223,847,547	227,303,269	3,455,721
Total liabilities	212,485,414	215,859,299	3,373,884
Deposits	189,593,469	191,597,989	2,004,520
Payables under repurchase agreements	14,886,481	15,270,695	384,214
Payables under securities lending transactions	1,504,543	1,315,749	(188,794)
Borrowed money	3,917,500	4,774,100	856,600
Foreign exchanges	514	431	(82)
Other liabilities	1,535,953	1,825,101	289,147
Reserve for bonuses	7,408	7,068	(339)
Reserve for employees' retirement benefits	141,740	142,716	976
Reserve for employee stock ownership plan trust	535	258	(277)
Reserve for management board benefit trust	303	291	(12)
Reserve for reimbursement of deposits	73,830	71,756	(2,073)
Deferred tax liabilities	823,134	853,140	30,006
Total net assets	11,362,133	11,443,969	81,836
Capital stock	3,500,000	3,500,000	–
Capital surplus	4,296,285	3,500,000	(796,285)
Retained earnings	2,749,408	2,293,125	(456,283)
Treasury stock	(1,300,844)	(910)	1,299,933
Total shareholders' equity	9,244,849	9,292,214	47,364
Net unrealized gains (losses) on available-for-sale securities	2,487,770	2,596,659	108,888
Net deferred gains (losses) on hedges	(370,486)	(444,903)	(74,416)
Total valuation and translation adjustments	2,117,283	2,151,755	34,472

2. Income Analysis

Non-consolidated

	For the six months ended		(B) – (A)
	September 30, 2020 (A)	September 30, 2021 (B)	
Gross operating profit	670,304	768,316	98,012
Net interest income	421,118	666,560	245,441
Net fees and commissions	64,480	63,081	(1,399)
Net other operating income (loss)	184,705	38,675	(146,030)
Gains (losses) on foreign exchanges	172,187	63,772	(108,414)
Gains (losses) on bonds	12,680	(25,270)	(37,950)
General and administrative expenses	(504,336)	(500,146)	4,190
Personnel expenses	(59,480)	(58,339)	1,141
Non-personnel expenses	(418,069)	(412,098)	5,971
Taxes and dues	(26,787)	(29,709)	(2,921)
Operating profit (before provision for general reserve for possible loan losses)	165,967	268,170	102,202
Core net operating profit	153,287	293,440	140,153
Excluding gains (losses) on cancellation of investment trusts	147,700	220,139	72,439
Provision for general reserve for possible loan losses	–	6	6
Net operating profit	165,967	268,176	102,209
Non-recurring gains (losses)	5,876	57,395	51,518
Gains (losses) related to stocks	(2,219)	(155,316)	(153,097)
Gains (losses) on money held in trust	7,592	212,043	204,450
Net ordinary income	171,844	325,572	153,727

(Millions of yen)

	For the six months ended		(B) – (A)
	September 30, 2020 (A)	September 30, 2021 (B)	
Extraordinary income (loss)	(218)	5,228	5,446
Gains (losses) on sales and disposals of fixed assets	(218)	5,240	5,459
Losses on impairment of fixed assets	–	(12)	(12)
Income before income taxes	171,626	330,800	159,174
Income taxes – current	(54,697)	(81,729)	(27,032)
Income taxes – deferred	6,999	(14,168)	(21,167)
Total income taxes	(47,697)	(95,898)	(48,200)
Net income	123,928	234,901	110,973
Gains (losses) on money held in trust	7,592	212,043	204,450
Dividends and interest income	36,958	48,719	11,760
Gains (losses) on sales of stocks	5,558	171,093	165,535
Impairment losses	(23,564)	(592)	22,972
Withholding income tax, etc.	(11,359)	(7,177)	4,182
Credit-related expenses	(18)	5	23
Provision for general reserve for possible loan losses	(18)	5	23

- Notes: 1. General and administrative expenses exclude non-recurring losses related to retirement benefit costs (¥920 million and ¥1,002 million recorded as profits for the six months ended September 30, 2021 and 2020, respectively).
2. Core net operating profit = Operating profit (before provision for general reserve for possible loan losses) - Gains (losses) on bonds
3. Credit-related expenses are those expenses related to problem assets disclosed under the Financial Reconstruction Act.
4. Numbers in parenthesis indicate the amount of loss, expense or decrease.

3. Interest Rate Spread

Non-consolidated

	For the six months ended		Increase (Decrease) (B) – (A)
	September 30, 2020 (A)	September 30, 2021 (B)	
Yield on interest-earning assets (a)	0.51%	0.71%	0.19%
Total cost of funding (including general and administrative expenses) (b)	0.61	0.57	(0.04)
Interest rate on interest-bearing liabilities (c)	0.11	0.09	(0.02)
Overall interest rate spread (a) - (b)	(0.09)	0.13	0.23
Interest rate spread (a) - (c)	0.39	0.61	0.21

Note: All numbers are annualized.

4. Average Balance, Interest, and Earnings Yield of Interest-Earning Assets and Interest-Bearing Liabilities

Non-consolidated

(1) Domestic

(Millions of yen, %)

	For the six months ended						Increase (Decrease) (B) – (A)
	September 30, 2020 (A)			September 30, 2021 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	202,473,730	308,862	0.30%	210,264,412	262,290	0.24%	(0.05)%
Loans	6,520,493	5,024	0.15	4,646,437	5,112	0.21	0.06
Securities	71,216,281	216,354	0.60	69,456,376	178,564	0.51	(0.09)
Due from banks, etc.	54,096,198	15,507	0.05	60,224,561	15,305	0.05	(0.00)
Interest-bearing liabilities	195,336,889	34,523	0.03	203,417,608	24,942	0.02	(0.01)
Deposits	186,556,941	21,797	0.02	191,549,454	12,205	0.01	(0.01)
Payables under securities lending transactions	198,722	99	0.09	33,851	16	0.09	0.00

(2) Overseas

(Millions of yen, %)

	For the six months ended						Increase (Decrease) (B) – (A)
	September 30, 2020 (A)			September 30, 2021 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	66,483,670	307,066	0.92%	69,915,385	573,271	1.63%	0.71%
Loans	21,964	58	0.53	25,571	67	0.52	(0.00)
Securities	66,309,043	306,779	0.92	69,757,315	573,096	1.63	0.71
Due from banks, etc.	—	—	—	—	—	—	—
Interest-bearing liabilities	66,858,552	160,286	0.47	69,537,383	144,058	0.41	(0.06)
Payables under securities lending transactions	1,593,878	4,777	0.59	1,463,700	1,184	0.16	(0.43)

4. Average Balance, Interest, and Earnings Yield of Interest-Earning Assets and Interest-Bearing Liabilities

Non-consolidated

(3) Total

(Millions of yen, %)

	For the six months ended						Increase (Decrease) (B) – (A)
	September 30, 2020 (A)			September 30, 2021 (B)			
	Average balance	Interest	Earnings yield	Average balance	Interest	Earnings yield	Earnings yield
Interest-earning assets	208,470,432	542,152	0.51%	215,722,363	770,310	0.71	0.19%
Loans	6,542,458	5,083	0.15	4,672,009	5,179	0.22	0.06
Securities	137,525,324	523,133	0.75	139,213,692	751,660	1.07	0.31
Due from banks, etc.	54,096,198	15,507	0.05	60,224,561	15,305	0.05	(0.00)
Interest-bearing liabilities	201,708,472	121,033	0.11	208,497,556	103,749	0.09	(0.02)
Deposits	186,556,941	21,797	0.02	191,549,454	12,205	0.01	(0.01)
Payables under securities lending transactions	1,792,600	4,877	0.54	1,497,552	1,201	0.16	(0.38)

- Notes: 1. “Domestic” represents yen-denominated transactions while “overseas” represents foreign currency-denominated transactions (except that yen-denominated transactions with non-residents of Japan are included in “overseas”).
2. Income and expenses for money held in trust are included in “other ordinary income” and “other ordinary expenses”, respectively. Accordingly, the average balance of money held in trust (six months ended September 30, 2021, ¥4,106,487 million; six months ended September 30, 2020, ¥3,809,231 million) is excluded from interest-earning assets, and the average balance corresponding to money held in trust (six months ended September 30, 2021, ¥4,106,487 million; six months ended September 30, 2020, ¥3,809,231 million) and the corresponding interest (six months ended September 30, 2021, ¥4,157 million; six months ended September 30, 2020, ¥4,646 million) are excluded from interest-bearing liabilities.
3. For investment trusts, the distribution of profits, which was deducted from the book value as the repayment of principal, was ¥732 million for the six months ended September 30, 2021 (¥65,367 million for the six months ended September 30, 2020).
4. Average balance and interest on transactions between “domestic” and “overseas” are offset to calculate totals.
5. “Due from banks, etc.” consists of negotiable certificates of deposit, Bank of Japan deposits, call loans and monetary claims bought.
6. Earnings yield is annualized.

5. Asset Management Status

Non-consolidated

(Millions of yen, %)

	As of March 31, 2021 (A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Due from banks, etc.	60,667,097	27.50	60,954,073	27.18	286,976
Call loans	1,390,000	0.63	2,740,000	1.22	1,350,000
Receivables under resale agreements	9,721,360	4.40	9,704,937	4.32	(16,423)
Money held in trust	5,547,574	2.51	5,652,627	2.52	105,053
Domestic stocks	2,261,772	1.02	2,092,830	0.93	(168,941)
Domestic bonds	1,545,190	0.70	1,355,327	0.60	(189,863)
Securities	138,183,264	62.64	140,040,090	62.46	1,856,825
Japanese government bonds	50,493,477	22.88	50,398,546	22.48	(94,930)
Japanese local government bonds	5,493,814	2.49	5,545,138	2.47	51,323
Commercial paper	1,869,535	0.84	2,442,550	1.08	573,015
Japanese corporate bonds	9,145,414	4.14	9,121,508	4.06	(23,905)
Japanese stocks	13,755	0.00	21,278	0.00	7,522
Other securities	71,167,266	32.26	72,511,067	32.34	1,343,800
Foreign bonds	23,505,116	10.65	23,859,779	10.64	354,663
Investment trusts	47,591,186	21.57	48,564,480	21.66	973,293
Loans	4,691,723	2.12	4,675,069	2.08	(16,654)
Others	394,410	0.17	413,885	0.18	19,474
Total	220,595,431	100.00	224,180,684	100.00	3,585,252

Notes: 1. "Due from banks, etc." consists of negotiable certificates of deposit, Bank of Japan deposits and monetary claims bought.

2. Investment trusts are mainly invested in foreign bonds.

6. Unrealized Gains (Losses) on Financial Instruments

Non-consolidated

(1) Held-to-maturity Securities

(Millions of yen)

	As of March 31, 2021 (A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)	
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)
Japanese government bonds	20,576,382	230,680	18,981,861	180,239	(1,594,521)	(50,440)
Japanese local government bonds	1,891,261	1,605	2,329,259	2,894	437,998	1,289
Japanese corporate bonds	2,710,435	5,892	3,178,708	7,915	468,273	2,022
Others	–	–	1,107,329	(1,705)	1,107,329	(1,705)
Foreign bonds	–	–	1,107,329	(1,705)	1,107,329	(1,705)
Total	25,178,079	238,178	25,597,159	189,343	419,080	(48,834)

Note: Net unrealized gains (losses) shown above are calculated by deducting the amount on the balance sheet from the fair value.

(2) Available-for-sale Securities

(Millions of yen)

	As of March 31, 2021 (A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)	
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)
Japanese stocks	10,505	–	18,028	–	7,522	–
Bonds	41,824,162	597,822	43,017,913	615,631	1,193,751	17,808
Japanese government bonds	29,917,094	542,798	31,416,685	563,590	1,499,590	20,792
Japanese local government bonds	3,602,553	17,172	3,215,878	13,574	(386,675)	(3,598)
Commercial paper	1,869,535	–	2,442,550	–	573,015	–
Japanese corporate bonds	6,434,978	37,850	5,942,799	38,465	(492,179)	614
Others	71,558,269	1,809,429	71,807,953	2,046,126	249,684	236,696
Foreign bonds	23,505,116	1,031,399	22,752,450	1,127,693	(752,665)	96,294
Investment trusts	47,591,186	776,215	48,564,480	916,653	973,293	140,437
Total	113,392,936	2,407,252	114,843,894	2,661,757	1,450,958	254,505

Notes: 1. Securities shown above include “securities,” negotiable certificates of deposit, which is recorded under “cash and due from banks,” and “monetary claims bought.”

2. Net unrealized gains (losses) shown above are calculated by deducting the acquisition cost from the amount on the balance sheet.

3. Of net unrealized gains (losses) shown above, ¥216,070 million and ¥173,512 million profits were included in the statement of income for the six months ended September 30, 2021 and the fiscal year ended March 31, 2021, respectively, because of the application of fair value hedge accounting.

4. Investment trusts are mainly invested in foreign bonds.

5. No impairment losses were recognized for the six months ended September 30, 2021 and the fiscal year ended March 31, 2021, respectively.

6. Unrealized Gains (Losses) on Financial Instruments

Non-consolidated

(3) Money Held in Trust Classified as Available-for-sale

(Millions of yen)

	As of March 31, 2021 (A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)	
	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)	Amount on the balance sheet	Net unrealized gains (losses)
Money held in trust classified as available-for-sale	5,547,574	1,353,124	5,652,627	1,296,298	105,053	(56,826)
Domestic stocks	2,261,772	1,363,424	2,092,830	1,292,415	(168,941)	(71,009)
Domestic bonds	1,545,190	(11,689)	1,355,327	(2,403)	(189,863)	9,285

Notes: 1. Net unrealized gains (losses) shown above are calculated by deducting the acquisition cost from the amount on the balance sheet.

2. Impairment losses for the six months ended September 30, 2021 and the fiscal year ended March 31, 2021 amounted to ¥592 million and ¥5,528 million, respectively.

(4) Derivatives under Hedge Accounting (Deferred Hedge Accounting)

(Millions of yen)

	As of March 31, 2021 (A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)	
	Notional amount	Net deferred gains (losses)	Notional amount	Net deferred gains (losses)	Notional amount	Net deferred gains (losses)
Interest rate swaps	8,136,647	(175,043)	7,855,032	(226,685)	(281,615)	(51,642)
Currency swaps	8,073,418	(363,009)	8,453,183	(417,961)	379,764	(54,951)
Foreign exchange forward contracts	—	—	—	—	—	—
Total	16,210,065	(538,052)	16,308,215	(644,646)	98,149	(106,593)

Notes: 1. Net deferred gains (losses) are those before application of tax effect accounting.

2. Hedged instruments are mainly available-for-sale securities.

Total (2) + (3) + (4)

(Millions of yen)

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Total net unrealized gains (losses)	3,048,811	3,097,338	48,527

Note: Total net unrealized gains (losses) exclude gains (losses) which are included in the statements of income because of the application of fair value hedge accounting.

7. General and Administrative Expenses

Non-consolidated

(Millions of yen, %)

	For the six months ended				Increase (Decrease) (B) – (A)
	September 30, 2020 (A)		September 30, 2021 (B)		
	Amount	%	Amount	%	Amount
Personnel expenses	58,478	11.61	57,418	11.50	(1,059)
Salaries and allowances	47,959	9.52	47,090	9.43	(869)
Others	10,518	2.08	10,328	2.06	(189)
Non-personnel expenses	418,069	83.05	412,098	82.54	(5,971)
Commissions on bank agency services, etc. paid to JAPAN POST Co., Ltd.	187,238	37.19	181,737	36.40	(5,501)
Contributions paid to the Organization for Postal Savings, Postal Life Insurance and Post Office Network (*)	118,719	23.58	118,520	23.74	(199)
Deposit insurance expenses paid to Deposit Insurance Corporation of Japan	28,718	5.70	27,690	5.54	(1,027)
Rent for land, buildings and others	5,799	1.15	5,511	1.10	(287)
Expenses on consigned businesses	32,468	6.45	32,171	6.44	(297)
Depreciation and amortization	17,330	3.44	18,700	3.74	1,369
Communication and transportation expenses	7,474	1.48	7,013	1.40	(460)
Maintenance expenses	6,377	1.26	7,294	1.46	916
IT expenses	5,820	1.15	5,947	1.19	127
Others	8,121	1.61	7,509	1.50	(611)
Taxes and dues	26,787	5.32	29,709	5.95	2,921
Total	503,334	100.00	499,225	100.00	(4,108)

* The Bank makes payments of contributions to the Organization for Postal Savings, Postal Life Insurance and Post Office Network in accordance with Article 18-3 of the Act on Organization for Postal Savings, Postal Life Insurance and Post Office Network.

8. Loans

Non-consolidated

(Millions of yen, %)

	As of March 31, 2021 (A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Domestic (excluding Japan Offshore Market accounts)	4,666,152	100.00	4,649,497	100.00	(16,654)
Agriculture, forestry, fisheries, and mining	—	—	—	—	—
Manufacturing	81,669	1.75	81,575	1.75	(93)
Utilities, information/communications, and transportation	137,714	2.95	126,750	2.72	(10,964)
Wholesale and retail	34,255	0.73	18,861	0.40	(15,393)
Finance and insurance	739,510	15.84	702,401	15.10	(37,108)
Construction and real estate	63,184	1.35	76,510	1.64	13,325
Services and goods rental/leasing	84,214	1.80	87,546	1.88	3,332
Central and local governments	3,428,219	73.46	3,465,628	74.53	37,408
Others	97,383	2.08	90,223	1.94	(7,160)
Overseas and Japan Offshore Market accounts	25,571	100.00	25,571	100.00	—
Governments	—	—	—	—	—
Others	25,571	100.00	25,571	100.00	—
Total	4,691,723		4,675,069		(16,654)

Notes: 1. “Domestic” represents loans to residents of Japan, while “overseas” represents loans to non-residents of Japan.

2. Of “Finance and insurance,” loans to the Organization for Postal Savings, Postal Life Insurance and Post Office Network, were ¥293,345 million and ¥340,563 million as of September 30, 2021 and March 31, 2021, respectively.

3. “Others” in “Domestic” represents loans to individuals.

9. Balances by Type of Deposit

Non-consolidated

(Millions of yen, %)

	As of March 31, 2021(A)		As of September 30, 2021 (B)		Increase (Decrease) (B) – (A)
	Amount	%	Amount	%	Amount
Liquid deposits	101,309,018	53.43	106,640,928	55.65	5,331,909
Transfer deposits	9,150,117	4.82	9,857,508	5.14	707,391
Ordinary deposits, etc.	91,546,309	48.28	96,128,369	50.17	4,582,059
Savings deposits	612,591	0.32	655,050	0.34	42,458
Fixed-term deposits	88,145,649	46.49	84,840,539	44.28	(3,305,109)
Time deposits	4,709,291	2.48	4,532,955	2.36	(176,335)
TEIGAKU deposits	83,436,358	44.00	80,307,584	41.91	(3,128,773)
Other deposits	138,801	0.07	116,521	0.06	(22,280)
Subtotal	189,593,469	100.00	191,597,989	100.00	2,004,520
Negotiable certificates of deposit	—	—	—	—	—
Total	189,593,469	100.00	191,597,989	100.00	2,004,520
Deposits including accrued interest	189,794,415		191,740,333		1,945,917

Notes: 1. Ordinary deposits, etc. = Ordinary deposits + Special deposits (equivalent to ordinary savings)

2. Special deposits (equivalent to ordinary savings) are the portion of deposits received from the Organization for Postal Savings, Postal Life Insurance and Post Office Network, corresponding to savings for time savings, TEIGAKU savings, installment savings, savings for housing installments, and education installment savings that had reached full term and were passed on to the organization by Japan Post Corporation.

3. TEIGAKU deposits are a kind of 10-year-maturity time deposits unique to the Bank. The key feature is that depositors have the option to withdraw money anytime six months after the initial deposit. The interest rates on such deposits rise every six months in a staircase pattern, with duration of up to three years. After three years, the interest is compounded using fixed interest rates until the maturity of 10 years.

10. Deferred Tax Assets/Liabilities

Non-consolidated

(Millions of yen)

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Deferred tax assets	281,471	302,236	20,764
Reserve for possible loan losses	0	0	(0)
Reserve for employees' retirement benefits	43,407	43,706	299
Accrued enterprise taxes	5,024	4,593	(430)
Net deferred losses on hedges	167,565	199,742	32,176
Reserve for reimbursement of deposits	22,610	21,975	(634)
Depreciation	7,761	7,138	(622)
Unrealized losses of money held in trust	3,123	2,805	(317)
Others	31,978	22,273	(9,704)
Deferred tax liabilities	(1,104,605)	(1,155,377)	(50,771)
Net unrealized gains on available-for-sale securities	(1,098,194)	(1,146,262)	(48,067)
Others	(6,411)	(9,114)	(2,703)
Net deferred tax assets (liabilities)	(823,134)	(853,140)	(30,006)

11. Problem Assets Disclosed under the Financial Reconstruction Act

Non-consolidated

(Millions of yen, %)

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Loans to borrowers classified as bankrupt or quasi-bankrupt	–	–	–
Loans to borrowers classified as doubtful	–	–	–
Loans requiring close monitoring	–	–	–
Subtotal (a)	–	–	–
Loans to borrowers classified as normal	4,774,980	4,767,274	(7,706)
Total (b)	4,774,980	4,767,274	(7,706)
Non-performing loan ratio (a) / (b)	–	–	–

12. Reserve for Possible Loan Losses

Non-consolidated

(Millions of yen)

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Total	935	1,033	97
General reserve for possible loan losses	280	273	(6)
Specific reserve for possible loan losses	655	759	104

13. Capital

Non-consolidated
Consolidated

(1) Capital Adequacy Ratio (Non-consolidated, Domestic Standard)

(Millions of yen, %)

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Core Capital: instruments and reserves (a)	9,057,656	9,292,488	234,832
Core Capital: regulatory adjustments (b)	33,294	34,631	1,336
Total capital (a) - (b) = (c)	9,024,361	9,257,857	233,495
Total amount of risk-weighted assets (d)	58,157,118	58,708,933	551,814
Credit risk-weighted assets	55,604,917	56,122,440	517,523
Market risk equivalent / 8%	—	—	—
Operational risk equivalent / 8%	2,552,200	2,586,492	34,291
Capital adequacy ratio (c) / (d)	15.51%	15.76%	0.25%

(2) Capital Adequacy Ratio (Consolidated, Domestic Standard)

(Millions of yen, %)

	As of March 31, 2021 (A)	As of September 30, 2021 (B)	Increase (Decrease) (B) – (A)
Core Capital: instruments and reserves (a)	9,071,821	9,307,790	235,969
Core Capital: regulatory adjustments (b)	33,498	34,842	1,343
Total capital (a) - (b) = (c)	9,038,322	9,272,947	234,625
Total amount of risk-weighted assets (d)	58,166,845	58,716,789	549,944
Credit risk-weighted assets	55,614,821	56,130,282	515,460
Market risk equivalent / 8%	—	—	—
Operational risk equivalent / 8%	2,552,023	2,586,507	34,484
Capital adequacy ratio (consolidated) (c) / (d)	15.53%	15.79%	0.25%

(Reference) Securitized Products Exposure

Non-consolidated

As of March 31, 2021 and September 30, 2021, the Bank held the following securitized products and others.

The Bank's holdings of securitized products and others were limited to securitization exposure as final investor. The Bank has never originated any securitized products and thus has no exposure as an originator and no exposure to special purpose entities (SPEs) that should be consolidated.

(1) Securitized products

(Millions of yen)

Region		As of March 31, 2021			As of September 30, 2021		
		Acquisition cost	Net unrealized gains (losses)	Credit ratings	Acquisition cost	Net unrealized gains (losses)	Credit ratings
Domestic	Residential mortgage-backed securities (RMBS)	1,354,370	19,045	AAA	1,339,320	19,286	AAA
	Held-to-maturity	282,293	(1,561)	AAA	311,576	185	AAA
	Collateralized loan obligations (CLO)	—	—	—	—	—	—
	Other securitized products	225,448	33	AAA	225,345	(61)	AAA
	Commercial mortgage-backed securities (CMBS)	—	—	—	—	—	—
	Collateralized debt obligations (CDO)	870	28	AAA	797	23	AAA
	Subtotal	1,580,689	19,106		1,565,463	19,248	
Overseas	Residential mortgage-backed securities (RMBS)	54,999	3,897	AAA	45,152	832	AAA
	Collateralized loan obligations (CLO)	2,036,348	36,013	AAA	1,958,482	54,384	AAA
	Held-to-maturity	—	—	—	477,637	11,050	AAA
	Subtotal	2,091,347	39,911		2,003,635	55,216	
Total		3,672,037	59,017		3,569,098	74,464	

Notes: 1. The underlying assets provided are only those from multiple debtors comprising securitized products.

2. The above table does not include securitized products that might be included in investment trusts. The same shall apply hereinafter.

3. Net unrealized gains (losses) do not reflect the effect of foreign exchange hedging. No hedging activities against credit risks were made.

4. Other securitized products are securitized products of which underlying assets are mainly auto loan claims.

5. "Overseas" does not include U.S. government sponsored enterprises, etc. (GSEs) related products.

6. The overseas collateralized loan obligations (CLO) are only those in the United States. Net unrealized gains (losses) including foreign exchange hedging on the overseas CLO (available-for-sale) in the application of fair value hedge accounting were ¥1,036 million as of September 30, 2021, compared with ¥1,916 million as of March 31, 2021 (reference value calculated on management accounting basis). Net unrealized gains (losses) of held-to-maturity contain foreign exchange gains (losses) which are included in the statements of income.

(2) Structured investment vehicles (SIVs)

There were no investments in SIVs.

(3) Leveraged loans

There were no outstanding leveraged loans.

(4) Monoline insurer related products

There were no monoline insurer related exposures. In addition, the Bank has not extended credit to or executed credit derivative transactions with any monoline insurers.

This presentation contains forward-looking statements including forecasts, targets and plans of the Group. These statements are based on estimates at the time in light of the information currently available to the Bank. The statements and assumptions may prove to be incorrect and may not be realized in the future.

Any uncertainties, risks and other factors that may cause such a situation to arise include, but are not limited to, risks related to the effectiveness of risk management policies and procedures; risks related to business strategy and management planning such as market risk, market liquidity risk, credit risk and operational risk; risks related to the expansion of the scope of operations; risks related to the business environment; situation of the spread of COVID-19; and other various risks. Please also see the Securities Report and the latest quarterly financial report for material facts that the Bank recognizes as potentially affecting the Group's actual results, performance or financial position. The Group's actual results, performance or financial position may be materially different from those expressed or implied by such forward-looking statements.

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