

Financial Summary

For the Three Months Ended June 30, 2021



Shinsei Bank, Limited
(Code 8303, TSE First Section)

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- The following document should be read in conjunction with the consolidated and nonconsolidated financial statements prepared in accordance with generally accepted accounting principles in Japan for banks. Except as otherwise indicated, the financial information in the following discussion is based on the consolidated financial statements. Financial and operational figures that are stated in multiples of ¥0.1 billion have been truncated. All percentages unless otherwise noted have been rounded to the nearest 0.1%.
- Quarterly information is available in the Quarterly Data Book.

Financial Highlights¹

(Billions of yen, except percentages)

Results of operations (Consolidated) [Page 3]	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Net interest income	30.7	31.5	-0.7	122.0
Noninterest income	25.3	23.1	2.1	99.8
Total revenue	56.0	54.7	1.3	221.9
General and administrative expenses	-38.1	-35.8	-2.2	-149.6
Net credit costs	-3.1	-11.0	7.9	-28.3
Income before income taxes	14.6	7.2	7.3	55.3
Profit attributable to owners of the parent	11.6	5.9	5.6	45.1

(Billions of yen)

Balance sheets (Consolidated) [Page 18]	Jun 30 2021	Mar 31 2021	Change (Amount)
Cash and due from banks	1,915.4	1,919.0	-3.5
Securities	957.6	929.7	27.9
Loans and bills discounted	5,209.5	5,233.6	-24.1
Total assets	10,715.8	10,740.1	-24.3
Deposits and negotiable certificates of deposit	6,540.4	6,571.3	-30.9
Total liabilities	9,777.5	9,809.4	-31.9
Total equity	938.3	930.7	7.5

Financial ratios (Consolidated) [Page 4, 17, 26]	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	FY2020 (12 months)
Net interest margin	2.32%	2.35%	2.28%
Expense-to-revenue ratio	68.0%	65.6%	67.4%

	Jun 30 2021	Mar 31 2021
Capital adequacy ratio (Basel III, domestic standard)	11.72%	11.39%
NPL ratio based on Financial Revitalization Law (nonconsolidated)	0.61%	0.64%

(Billions of yen)

Results of operations (Nonconsolidated) [Page 22]	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Net interest income	22.6	23.2	-0.5	108.5
Noninterest income	0.9	0.1	0.7	3.5
Total revenue	23.5	23.4	0.1	112.1
General and administrative expenses	-17.2	-16.9	-0.3	-69.7
Net credit costs	0.7	-4.1	4.9	-6.4
Net income	5.8	1.7	4.1	34.5

1. Represents results based on management accounting basis.

Financial Highlights

Net income attributable to owners of the parent for the first quarter of the current fiscal year was 11.6 billion yen, increased by 5.6 billion yen from the same period of the previous fiscal year. Total revenue increased due to an increase in fees and commissions and derivative-related income in Institutional Business, an increase in fees and commissions from the sales of asset management products in Retail Banking as well as revenues from UDC Finance Limited ("UDC"), which became a newly consolidated subsidiary in the previous fiscal year, despite lower interest income in consumer finance business. On the other hand, general and administrative expenses increased from the same period of the previous fiscal year mainly due to resumed business activities and consolidation of UDC. Net credit costs improved mainly due to the deterioration in borrowers' business conditions by the spread of the Novel Coronavirus as the first quarter of the previous fiscal year in Institutional Business was rarely recognized in the same period of the current fiscal year. In the Individual Business, the provision for the reserves for loan losses decreased mainly due to improved credit quality. As a result, net income attributable to owners of the parent slightly increased from the same period of the previous fiscal year.

Results of operations

Total revenue was 56.0 billion yen, increased by 1.3 billion yen from the same period of the previous fiscal year.

➤ Net interest income was 30.7 billion yen, decreased by 0.7 billion yen from 31.5 billion yen in the same period of the previous fiscal year. This was mainly due to a decrease in interest income affected by a decrease in the unsecured card loans balances.

➤ Noninterest income was 25.3 billion yen, increased by 2.1 billion yen from 23.1 billion yen in the same period of the previous fiscal year. This was due to an increase in fees and commissions in Structured Finance business and an increase in derivative-related incomes, an increase in fees and commissions from the sales of asset management products in Individual Business as well as revenues from UDC.

General and administrative expenses were 38.1 billion yen, increased by 2.2 billion yen from the same period of the previous fiscal year. This was mainly due to an increase in expenses related to expenses in consolidation of UDC and the business promotion such as advertising expenses. The expense to revenue ratio was stood at 68.0%.

Net credit costs were 3.1 billion yen (expense), decreased by 7.9 billion yen from the same period of the previous fiscal year. In the Institutional Business, net credit costs declined sharply, mainly due to the deterioration in business conditions of borrowers by the spread of the Novel Coronavirus as the first quarter of the previous fiscal year was rarely recognized in the same period of the current fiscal year. In addition, gains on recoveries of write-off receivables were recorded. As a result, OBP after net credit costs improved due to lower net credit costs in Institutional Business. In Individual Business, the provision for the reserves for loan losses decreased mainly due to improved credit quality.

Nonconsolidated net income was 5.8 billion yen, increased by 4.1 billion yen from the same period of the previous fiscal year, mainly due to the absence of the provision for the reserves for loan losses recorded in the previous fiscal year. Dividends received from subsidiaries in this first quarter amounted to 2.6 billion yen (2.6 billion yen from Showa Leasing).

Balance sheet

Total assets were 10,715.8 billion yen, decreased by 24.3 billion yen from the end of March 2021.

Loans and bills discounted were 5,209.5 billion yen, decreased by 24.1 billion yen from the end of March 2021, mainly due to a decrease in loans in Structured Finance business.

Deposits and negotiable certificates of deposit were 6,540.4 billion yen, decreased by 30.9 billion yen from the end of March 2021.

Financial ratios

Net interest margin declined to 2.32% from 2.35% in the same period of the previous fiscal year. This was mainly due to a decline in yields on loans caused by a decrease in loan balances in consumer finance business.

The core capital ratio under the Basel 3 domestic standards (grandfathering basis) was 11.72% at the end of June 2021, increased from 11.39% at the end of March 2021. This was due to an increase in core capital as a result of the steady accumulation of profits, as well as a decrease in risk assets of credit to corporate customers and market-related transactions.

The common equity Tier1 ratio under the Basel 3 international standards (excluding grandfathering basis) was 11.7%, increased from 11.3 % at the end of March 2021. Capital ratios continue to be maintained at ample levels.

The amount of nonperforming loans disclosed under the Financial Revitalization Law (nonconsolidated basis) was 32.0 billion yen, decreased by 2.3 billion yen from the end of March 2021. Nonperforming loan ratio was 0.61%, decreased from 0.64% at the end of March 2021, and it remains low.

Results of Operations (Consolidated) ¹*(Billions of yen)*

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Net interest income	30.7	31.5	-0.7	122.0
Noninterest income	25.3	23.1	2.1	99.8
Net fees and commissions	7.6	6.4	1.2	30.1
Net trading income	3.5	1.3	2.2	3.8
Net other business income	14.1	15.3	-1.2	65.8
Income on lease transactions and installment receivables	12.0	10.0	1.9	43.1
Total revenue	56.0	54.7	1.3	221.9
General and administrative expenses	-38.1	-35.8	-2.2	-149.6
Ordinary business profit	17.9	18.8	-0.8	72.2
Net credit costs	-3.1	-11.0	7.9	-28.3
Ordinary business profit after net credit costs	14.8	7.8	7.0	43.8
Amortization of goodwill and other intangible assets ²	-0.8	-0.6	-0.1	-2.7
Other gains	0.5	0.0	0.5	14.1
Income before income taxes	14.6	7.2	7.3	55.3
Income taxes	-2.8	-1.3	-1.4	-11.1
Profit attributable to noncontrolling interests	-0.2	0.0	-0.2	0.8
Profit attributable to owners of the parent	11.6	5.9	5.6	45.1

1.Represents results based on management accounting basis.

2.In our consolidated financial statements, amortization of goodwill and other intangible assets is recorded in general and administrative expenses.

Noninterest income in the table above is comprised of net fees and commissions, net trading income and net other business income.

Net fees and commissions is primarily comprised of fee income such as associated with banking business such as real estate finance and project finance, fee income from the sale of products such as mutual funds and insurance and fee income associated with the guarantee business and the payment business in consumer finance.

Net trading income is comprised of derivative related income from transactions with customers, as well as income from proprietary trading undertaken by the Bank.

Net other business income is comprised of income on lease transactions and installment receivables, gains and losses on monetary trusts primarily associated with credit trading of the Principal Transactions business and gains and losses on the sale of securities in Treasury operations.

Interest-Earning Assets and Interest-Bearing Liabilities (Consolidated)

(Billions of yen, except percentages)

	Q1 FY2021 (3 months)			Q1 FY2020 (3 months)			FY2020 (12 months)		
	Average Balance	Interest	Yield/rate ¹ (%)	Average Balance	Interest	Yield/rate ¹ (%)	Average Balance	Interest	Yield/rate ¹ (%)
Interest-earning assets ⁴ :									
Loans and bills discounted	5,234.9	32.0	2.46	5,128.8	33.1	2.59	5,176.4	127.2	2.46
Lease receivables and leased investment assets / installment receivables ⁴	1,081.4	12.0	4.48	910.0	10.0	4.45	957.4	43.1	4.50
Securities	967.7	1.4	0.59	928.8	1.5	0.67	943.7	5.4	0.58
Other interest-earning assets ^{2, 3}	219.0	0.5	***	206.1	0.5	***	219.2	2.2	***
Interest-earning assets totals (A) ⁴	7,503.2	46.1	2.47	7,173.9	45.3	2.54	7,296.9	178.1	2.44
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	6,512.9	0.9	0.06	6,164.2	1.1	0.08	6,367.7	4.2	0.07
Borrowed money	1,030.6	0.5	0.23	939.5	0.8	0.34	951.4	2.7	0.29
Corporate bonds	374.7	0.8	0.92	165.5	0.1	0.26	232.4	1.2	0.52
Other interest-bearing liabilities ²	849.0	0.9	***	817.1	1.6	***	772.4	4.7	***
Interest-bearing liabilities totals (B)	8,767.3	3.3	0.15	8,086.5	3.7	0.18	8,324.0	13.0	0.16
Net interest margin (A)-(B) ⁴	-	42.8	2.32	-	41.6	2.35	-	165.1	2.29
Noninterest-bearing sources of funds:									
Noninterest-bearing (assets) liabilities, net	-2,190.6	-	-	-1,815.6	-	-	-1,939.9	-	-
Total equity excluding noncontrolling interests in subsidiaries ⁵	926.5	-	-	903.0	-	-	912.7	-	-
Total noninterest-bearing sources of funds (C)	-1,264.1	-	-	-912.5	-	-	-1,027.1	-	-
Sum of total expense on interest-bearing liabilities and noninterest-bearing sources of funds (D)=(B)+(C)	7,503.2	3.3	0.18	7,173.9	3.7	0.21	7,296.9	13.0	0.18
Interest income / yield on interest earning assets (A)-(D) ⁴	-	42.8	2.29	-	41.6	2.33	-	165.1	2.26
Reconciliation of total revenue on interest-earning									
Total revenue on interest-earning assets	7,503.2	46.1	2.47	7,173.9	45.3	2.54	7,296.9	178.1	2.44
Less: Income on lease transactions and installment receivables	1,081.4	12.0	4.48	910.0	10.0	4.45	957.4	43.1	4.50
Total interest income	6,421.7	34.0	2.13	6,263.9	35.2	2.26	6,339.4	135.0	2.13
Total interest expense	-	3.3	-	-	3.7	-	-	13.0	-
Net interest income	-	30.7	-	-	31.5	-	-	122.0	-

1. Percentages have been rounded from the third decimal place.

2. Other interest-earning assets and other interest-bearing liabilities include interest swaps.

3. Excludes average balance of noninterest-earning assets.

4. Includes lease transactions and installment receivables and related yields.

5. Represents a simple average of the balance at the end of the current period and the balance at the end of the previous period.

The line item "Interest income/yield on interest-earning assets" on the chart above includes revenues from net received interest, revenue earned on lease receivables and leased investment assets, and installment account receivables. However, while the Bank considers income on lease transactions and installment receivables to be a component of net interest income, Japanese GAAP does not include income on lease transactions and installment accounts receivables in net interest income (in accordance with Japanese GAAP, income on lease transactions and installment accounts receivables is reported in net other business income in our consolidated statements of operations).

Noninterest Income (Consolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Institutional Business	8.4	6.2	2.2	33.7
Corporate Business	0.3	0.6	-0.3	3.7
Structured Finance	1.5	1.2	0.3	8.3
Principal Transactions ¹	1.0	-0.0	1.1	0.3
Showa Leasing	3.4	3.8	-0.3	14.4
Markets	1.4	0.2	1.2	4.8
Other Global Markets	0.6	0.3	0.2	1.9
Individual Business	14.4	13.0	1.3	54.6
Retail Banking	1.4	0.5	0.9	3.5
Shinsei Financial ²	-0.0	0.0	-0.1	0.0
APLUS FINANCIAL	12.8	12.1	0.6	49.9
Other Individuals ¹	0.2	0.3	-0.0	1.1
Corporate/Other	2.4	3.8	-1.4	11.4
Overseas Business ¹	1.5	0.5	1.0	5.6
Treasury	0.6	3.2	-2.5	4.3
Other	0.1	0.0	0.1	1.4
Noninterest income	25.3	23.1	2.1	99.8

1.From the first quarter of fiscal year 2021, Shinsei Bank Group changed the attributable segments of its overseas consolidated subsidiaries and affiliates accounted for by the equity method, which had been engaged in the business promotion and administration under the Institutional Business and the Individual Business, to "Overseas Business," segment which was newly established under "Management Accounts/Other." In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified.

2.Income of Shinsei Financial, "Shinsei Bank Card Loan L," "Shinsei Bank Smart Card Loan Plus," "Shinsei Bank Smart Money Lending," and "Shinsei Bank Smart Card Loan Plus for Nissen" are combined on a management accounting basis.

General and Administrative Expenses (Consolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Personnel expenses	-15.4	-14.6	-0.7	-59.1
Nonpersonnel expenses	-22.7	-21.2	-1.4	-90.4
Premises expenses	-4.6	-4.7	0.1	-19.1
Technology and data processing expenses	-6.3	-5.9	-0.3	-25.3
Advertising expenses	-3.4	-2.4	-1.0	-11.3
Consumption, property taxes, etc.	-2.6	-2.6	-0.0	-11.1
Deposit insurance premium	-0.3	-0.3	0.0	-1.5
Other general and administrative expenses	-5.2	-5.1	-0.1	-21.9
General and administrative expenses	-38.1	-35.8	-2.2	-149.6

 Net Credit Costs (Consolidated) ¹

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Losses on write-off of loans/Losses on sale of loans	-0.5	-0.6	0.0	-2.1
Net provision of reserve for loan losses:	-4.9	-11.8	6.8	-33.4
Net provision of general reserve for loan losses	-2.5	-4.9	2.4	-17.8
Net provision of specific reserve for loan losses	-2.4	-6.8	4.4	-15.6
Other credit costs relating to leasing business	-0.0	-0.0	0.0	-0.2
Recoveries of written-off claims	2.4	1.4	0.9	7.4
Net credit costs	-3.1	-11.0	7.9	-28.3

1. Amounts of losses, net provision and costs are shown in minus. Amounts of recoveries and reversals are shown in plus.

Other Gains (Consolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Extraordinary income	-0.1	-0.1	0.0	10.9
Net gain on disposal of premises and equipment	-0.0	-0.0	-0.0	0.0
Other extraordinary income	-0.1	-0.1	0.0	10.8
Provisions of reserve for losses on interest repayment	-	-	-	0.3
Shinsei Financial	-	-	-	1.5
Shinsei Personal Loan	-	-	-	0.4
APLUS FINANCIAL	-	-	-	-1.6
Other	0.7	0.2	0.4	2.9
Other gains	0.5	0.0	0.5	14.1

Business Line Results (Consolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
<i>Institutional Business^{1 2:}</i>				
Net interest income	7.1	7.1	-0.0	28.3
Noninterest income	8.4	6.2	2.2	33.7
Total revenue	15.6	13.4	2.2	62.0
General and administrative expenses	-11.6	-11.2	-0.3	-45.4
Ordinary business profit	3.9	2.1	1.8	16.5
Net credit costs	0.9	-4.6	5.6	-6.5
Ordinary business profit after net credit costs	4.9	-2.5	7.4	10.0
<i>Individual Business^{1 2:}</i>				
Net interest income	22.9	25.6	-2.7	99.8
Noninterest income	14.4	13.0	1.3	54.6
Total revenue	37.3	38.7	-1.4	154.5
General and administrative expenses	-24.7	-24.1	-0.6	-99.9
Ordinary business profit	12.5	14.6	-2.0	54.5
Net credit costs	-4.3	-6.3	2.0	-21.7
Ordinary business profit after net credit costs	8.2	8.2	-0.0	32.8
<i>Corporate/Other^{1 2 3:}</i>				
Net interest income	0.6	-1.3	2.0	-6.1
Noninterest income	2.4	3.8	-1.4	11.4
Total revenue	3.0	2.5	0.5	5.3
General and administrative expenses	-1.6	-0.4	-1.2	-4.2
Ordinary business profit	1.4	2.0	-0.6	1.0
Net credit costs	0.2	-0.0	0.2	-0.1
Ordinary business profit after net credit costs	1.6	2.0	-0.4	0.9
<i>Total:</i>				
Net interest income	30.7	31.5	-0.7	122.0
Noninterest income	25.3	23.1	2.1	99.8
Total revenue	56.0	54.7	1.3	221.9
General and administrative expenses	-38.1	-35.8	-2.2	-149.6
Ordinary business profit	17.9	18.8	-0.8	72.2
Net credit costs	-3.1	-11.0	7.9	-28.3
Ordinary business profit after net credit costs	14.8	7.8	7.0	43.8

1. From the first quarter of fiscal year 2021, Shinsei Bank Group revises the method of calculating the amount allocated to each reportable segment for profits and losses related to financing operations. In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified to reflect the same calculation method.

2. From the first quarter of fiscal year 2021, Shinsei Bank Group changed the attributable segments of its overseas consolidated subsidiaries and affiliates accounted for by the equity method, which had been engaged in the business promotion and administration under the Institutional Business and the Individual Business, to "Overseas Business," segment which was newly established under "Management Accounts/Other." In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified.

3. "Corporate/Other" includes company-wide accounts which are not included in our reportable segments, allocation variance of indirect expense and elimination amount of inter-segment transactions.

Segment Information

Institutional Business	Focuses primarily on corporate, public and financial sector finance and advisory businesses.
Corporate Business	"Corporate Business" provides financial products and services, advisory services, health care finance and trust services to businesses and public corporations and financial institutions.
Structured Finance	"Structured Finance" provides real estate related nonrecourse and corporate finance, project finance, M&A related finance, and specialty finance.
Principal Transactions	"Principal Transactions" is engaged in the credit trading businesses, private equity, the provision of business succession and business switching and withdrawal support services.
Showa Leasing	"Showa Leasing" primarily provides leasing related financial products and services.
Markets	"Markets" is engaged in foreign exchange, derivatives, equity related and other capital markets transactions.
Other Global Markets	"Other Global Markets" consists of the profit and loss attributable to Shinsei Securities, asset management, wealth management and other products and services.
Individual Business:	Focuses on retail financial products and services.
Retail Banking	"Retail Banking" provides financial transactions and services to retail customers such as yen/foreign currency, structured deposits services, investment trust, brokerage service (through a partner institution), life and nonlife insurance (through partner institutions) and housing loans.
Shinsei Financial	"Shinsei Financial" provides consumer finance products and services and guarantee services (Shinsei Financial, Shinsei Bank Card Loan L, NOLOAN, Lake ALSA).
APLUS FINANCIAL	"APLUS FINANCIAL" provides installment sales credit, credit cards, financing and payment services.
Other Individuals	"Other Individuals" consists of profit and loss attributable to other subsidiaries of Individual Business.
Corporate/Other:	"Corporate/Other" includes accounts which are not included in "Institutional Business" and "Individual Business"
Overseas Business	"Overseas Business" consists of profit and loss attributable to overseas subsidiaries such as UDC Finance Limited(New Zealand) and EasyLend (Hong Kong) .
Treasury	"Treasury" undertakes ALM related operations and includes gains and losses from equity and subordinated debt financing activities.
Other	"Other" includes company-wide accounts which are not included in our reportable segments, allocation variance of indirect expense and elimination amount of inter-segment transactions.

Institutional Business (Consolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
<i>Corporate Business¹:</i>				
Net interest income	2.6	2.9	-0.2	11.1
Noninterest income	0.3	0.6	-0.3	3.7
Total revenue	3.0	3.6	-0.6	14.8
General and administrative expenses	-3.3	-3.2	-0.0	-12.9
Ordinary business profit	-0.3	0.3	-0.6	1.9
Net credit costs	0.2	-0.6	0.8	1.2
Ordinary business profit after net credit costs	-0.0	-0.2	0.1	3.1
<i>Structured Finance¹:</i>				
Net interest income	3.4	3.1	0.2	12.6
Noninterest income	1.5	1.2	0.3	8.3
Total revenue	4.9	4.3	0.6	21.0
General and administrative expenses	-2.8	-2.6	-0.2	-10.4
Ordinary business profit	2.1	1.7	0.3	10.5
Net credit costs	0.5	-2.9	3.5	-7.5
Ordinary business profit after net credit costs	2.6	-1.2	3.8	3.0
<i>Principal Transactions^{1 2}:</i>				
Net interest income	0.7	0.5	0.1	2.9
Noninterest income	1.0	-0.0	1.1	0.3
Total revenue	1.7	0.4	1.3	3.3
General and administrative expenses	-1.1	-1.0	-0.0	-4.2
Ordinary business profit	0.6	-0.5	1.2	-0.9
Net credit costs	-0.0	-0.3	0.2	-0.0
Ordinary business profit after net credit costs	0.6	-0.8	1.5	-0.9
<i>Showa Leasing¹:</i>				
Net interest income	0.0	0.0	-0.0	0.1
Noninterest income	3.4	3.8	-0.3	14.4
Total revenue	3.5	3.8	-0.3	14.5
General and administrative expenses	-2.8	-2.8	-0.0	-11.5
Ordinary business profit	0.6	1.0	-0.3	3.0
Net credit costs	0.1	-0.6	0.8	-0.1
Ordinary business profit after net credit costs	0.8	0.3	0.4	2.8

Institutional Business (Consolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
<i>Markets¹:</i>				
Net interest income	0.1	0.3	-0.1	1.0
Noninterest income	1.4	0.2	1.2	4.8
Total revenue	1.6	0.5	1.0	5.8
General and administrative expenses	-0.7	-0.8	0.0	-3.2
Ordinary business profit	0.8	-0.2	1.1	2.5
Net credit costs	-	-	-	-
Ordinary business profit after net credit costs	0.8	-0.2	1.1	2.5
<i>Other Global Markets¹:</i>				
Net interest income	0.1	0.1	-0.0	0.4
Noninterest income	0.6	0.3	0.2	1.9
Total revenue	0.7	0.5	0.2	2.4
General and administrative expenses	-0.7	-0.7	0.0	-2.9
Ordinary business profit	-0.0	-0.2	0.2	-0.5
Net credit costs	-0.0	-0.0	0.0	0.0
Ordinary business profit after net credit costs	-0.0	-0.2	0.2	-0.5
<i>Institutional Business^{1 2}:</i>				
Net interest income	7.1	7.1	-0.0	28.3
Noninterest income	8.4	6.2	2.2	33.7
Total revenue	15.6	13.4	2.2	62.0
General and administrative expenses	-11.6	-11.2	-0.3	-45.4
Ordinary business profit	3.9	2.1	1.8	16.5
Net credit costs	0.9	-4.6	5.6	-6.5
Ordinary business profit after net credit costs	4.9	-2.5	7.4	10.0

1.From the first quarter of fiscal year 2021, Shinsei Bank Group revises the method of calculating the amount allocated to each reportable segment for profits and losses related to financing operations. In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified to reflect the same calculation method.

2.From the first quarter of fiscal year 2021, Shinsei Bank Group changed the attributable segments of its overseas consolidated subsidiaries and affiliates accounted for by the equity method, which had been engaged in the business promotion and administration under the Institutional Business and the Individual Business, to "Overseas Business," segment which was newly established under "Management Accounts/Other." In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified.

Individual Business (Consolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
<i>Retail Banking¹:</i>				
Net interest income	4.9	6.0	-1.1	24.7
Loans	2.2	2.3	-0.1	9.1
Deposits	2.6	3.7	-1.0	15.5
Noninterest income	1.4	0.5	0.9	3.5
Asset Management Products	2.2	1.2	0.9	6.7
Other Fees (ATM, Fund Transfer, FX etc.)	-0.8	-0.7	-0.0	-3.1
Total revenue	6.3	6.5	-0.2	28.3
General and administrative expenses	-5.8	-5.9	0.1	-24.3
Ordinary business profit	0.5	0.6	-0.0	3.9
Net credit costs	-0.0	-0.2	0.2	-0.3
Ordinary business profit after net credit costs	0.5	0.3	0.1	3.6
<i>Shinsei Financial^{1 3}:</i>				
Net interest income	15.8	17.1	-1.2	65.9
Lake Business	14.7	15.7	-1.0	60.9
Noninterest income	-0.0	0.0	-0.1	0.0
Total revenue	15.8	17.1	-1.3	66.0
General and administrative expenses	-8.4	-8.1	-0.3	-34.6
Ordinary business profit	7.3	9.0	-1.6	31.3
Net credit costs	-1.2	-3.0	1.7	-9.6
Ordinary business profit after net credit costs	6.0	6.0	0.0	21.7
<i>APLUS FINANCIAL¹:</i>				
Net interest income	1.9	2.3	-0.3	8.5
Noninterest income	12.8	12.1	0.6	49.9
Total revenue	14.7	14.5	0.2	58.4
General and administrative expenses	-10.0	-9.5	-0.4	-38.9
Ordinary business profit	4.7	4.9	-0.1	19.5
Net credit costs	-3.2	-3.2	0.0	-12.5
Ordinary business profit after net credit costs	1.5	1.6	-0.1	6.9

Individual Business (Consolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
<i>Other Individuals^{1 2}:</i>				
Net interest income	0.1	0.1	-0.0	0.5
Noninterest income	0.2	0.3	-0.0	1.1
Total revenue	0.3	0.4	-0.1	1.7
General and administrative expenses	-0.5	-0.5	-0.0	-2.0
Ordinary business profit	-0.1	-0.0	-0.1	-0.3
Net credit costs	0.1	0.1	0.0	0.8
Ordinary business profit after net credit costs	0.0	0.1	-0.0	0.5
<i>Individual Business^{1 2}:</i>				
Net interest income	22.9	25.6	-2.7	99.8
Noninterest income	14.4	13.0	1.3	54.6
Total revenue	37.3	38.7	-1.4	154.5
General and administrative expenses	-24.7	-24.1	-0.6	-99.9
Ordinary business profit	12.5	14.6	-2.0	54.5
Net credit costs	-4.3	-6.3	2.0	-21.7
Ordinary business profit after net credit costs	8.2	8.2	-0.0	32.8

1. From the first quarter of fiscal year 2021, Shinsei Bank Group revises the method of calculating the amount allocated to each reportable segment for profits and losses related to financing operations. In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified to reflect the same calculation method.

2. From the first quarter of fiscal year 2021, Shinsei Bank Group changed the attributable segments of its overseas consolidated subsidiaries and affiliates accounted for by the equity method, which had been engaged in the business promotion and administration under the Institutional Business and the Individual Business, to "Overseas Business," segment which was newly established under "Management Accounts/Other." In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified.

3. Income of Shinsei Financial, "Shinsei Bank Card Loan L," "Shinsei Bank Smart Card Loan Plus," "Shinsei Bank Smart Money Lending," and "Shinsei Bank Smart Card Loan Plus for Nissen" are combined on a management accounting basis.

Corporate/Other (Consolidated)¹

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
<i>Overseas Business^{1 2}:</i>				
Net interest income	1.2	0.0	1.2	0.5
Noninterest income	1.5	0.5	1.0	5.6
Total revenue	2.8	0.5	2.2	6.1
General and administrative expenses	-1.2	-0.1	-1.1	-2.4
Ordinary business profit	1.5	0.4	1.1	3.6
Net credit costs	0.2	-0.0	0.2	-0.1
Ordinary business profit after net credit costs	1.8	0.4	1.3	3.5
<i>Treasury¹:</i>				
Net interest income	-0.5	-1.3	0.7	-6.7
Noninterest income	0.6	3.2	-2.5	4.3
Total revenue	0.0	1.9	-1.8	-2.3
General and administrative expenses	-0.3	-0.3	0.0	-1.5
Ordinary business profit	-0.2	1.5	-1.7	-3.8
Net credit costs	-	-	-	-
Ordinary business profit after net credit costs	-0.2	1.5	-1.7	-3.8
<i>Other^{1 3}:</i>				
Net interest income	-0.0	0.0	-0.0	-0.0
Noninterest income	0.1	0.0	0.1	1.4
Total revenue	0.1	0.0	0.1	1.4
General and administrative expenses	-0.0	0.0	-0.1	-0.2
Ordinary business profit	0.0	0.0	0.0	1.2
Net credit costs	0.0	0.0	0.0	0.0
Ordinary business profit after net credit costs	0.0	0.0	0.0	1.2
<i>Corporate/Other^{1 2 3}:</i>				
Net interest income	0.6	-1.3	2.0	-6.1
Noninterest income	2.4	3.8	-1.4	11.4
Total revenue	3.0	2.5	0.5	5.3
General and administrative expenses	-1.6	-0.4	-1.2	-4.2
Ordinary business profit	1.4	2.0	-0.6	1.0
Net credit costs	0.2	-0.0	0.2	-0.1
Ordinary business profit after net credit costs	1.6	2.0	-0.4	0.9

1. From the first quarter of fiscal year 2021, Shinsei Bank Group revises the method of calculating the amount allocated to each reportable segment for profits and losses related to financing operations. In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified to reflect the same calculation method.

2. From the first quarter of fiscal year 2021, Shinsei Bank Group changed the attributable segments of its overseas consolidated subsidiaries and affiliates accounted for by the equity method, which had been engaged in the business promotion and administration under the Institutional Business and the Individual Business, to "Overseas Business," segment which was newly established under "Management Accounts/Other." In conjunction with this change, the results of each reportable segment for the previous fiscal year have been reclassified.

3. "Corporate/Other" includes company-wide accounts which are not included in our reportable segments, allocation variance of indirect expense and elimination amount of inter-segment transactions.

Loans by Borrower Industry (Consolidated)

(Billions of yen)

	Jun 30 2021	Mar 31 2021	Change (Amount)
Domestic offices (excluding Japan offshore market accounts):			
Manufacturing	203.1	201.7	1.4
Agriculture and forestry	0.0	0.0	-0.0
Fishery	0.0	0.0	-0.0
Mining, quarrying and gravel extraction	0.6	0.3	0.2
Construction	13.8	12.7	1.1
Electric power, gas, heat supply and water supply	400.3	380.1	20.2
Information and communications	40.3	42.4	-2.0
Transportation and postal service	178.5	184.8	-6.2
Wholesale and retail	98.2	100.4	-2.1
Finance and insurance	501.4	499.5	1.9
Real estate	691.5	706.2	-14.6
Services	383.5	377.4	6.1
Local government	51.3	63.9	-12.6
Others	2,192.7	2,214.8	-22.0
Loans to individual customers (Housing Loan, Unsecured Loan, Cashing by Credit Card, Housing Related Loan, etc.)	1,829.7	1,833.1	-3.3
Total domestic (A)	4,756.0	4,784.9	-28.8
Overseas offices (including Japan offshore market accounts):			
Governments	-	-	-
Financial institutions	28.2	32.1	-3.8
Others	425.1	416.5	8.6
Total overseas (B)	453.4	448.6	4.7
Total (A+B)	5,209.5	5,233.6	-24.1

Securities Being Held to Maturity (Consolidated)

(Billions of yen)

	Jun 30, 2021			Mar 31, 2021		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount						
Japanese national government bonds	155.2	156.1	0.8	185.5	186.1	0.6
Subtotal	155.2	156.1	0.8	185.5	186.1	0.6
Fair value does not exceed carrying amount						
Japanese national government bonds	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total	155.2	156.1	0.8	185.5	186.1	0.6

Securities Available for Sale (Consolidated)

(Billions of yen)

	Jun 30, 2021			Mar 31, 2021		
	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)
Carrying amount exceeds amortized/acquisition cost						
Equity securities	11.1	4.9	6.1	11.8	5.3	6.5
Domestic bonds	100.8	100.3	0.4	21.9	21.4	0.4
Japanese national government bonds	71.5	71.5	0.0	10.0	10.0	0.0
Japanese local government bonds	-	-	-	-	-	-
Japanese corporate bonds	29.2	28.8	0.4	11.8	11.3	0.4
Other	144.1	142.1	1.9	97.7	95.9	1.7
Foreign securities	126.6	125.1	1.5	77.7	76.3	1.4
Foreign currency denominated foreign corporate and government bonds	97.7	96.7	1.0	77.2	76.2	1.0
Yen-denominated foreign corporate and government bonds	27.3	27.3	0.0	-	-	-
Foreign equity securities and others	1.5	1.0	0.4	0.4	0.0	0.4
Other securities	0.4	0.1	0.2	0.1	0.1	0.0
Other monetary claims purchased	17.0	16.8	0.1	19.7	19.5	0.2
Subtotal	256.1	247.5	8.6	131.4	122.7	8.7
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	1.1	1.2	-0.1	1.2	1.4	-0.2
Domestic bonds	265.7	268.2	-2.5	314.3	317.5	-3.1
Japanese national government bonds	145.9	146.5	-0.5	154.3	155.3	-0.9
Japanese local government bonds	-	-	-	-	-	-
Japanese corporate bonds	119.8	121.7	-1.9	160.0	162.1	-2.1
Other	240.5	248.5	-8.0	262.8	267.2	-4.4
Foreign securities	240.5	248.5	-8.0	262.8	267.2	-4.4
Foreign currency denominated foreign corporate and government bonds	179.5	183.0	-3.4	187.7	191.9	-4.2
Yen-denominated foreign corporate and government bonds	42.0	42.2	-0.1	74.0	74.2	-0.2
Foreign equity securities and others	18.9	23.3	-4.4	0.9	1.0	-0.0
Other securities	0.0	0.0	-	-	-	-
Other monetary claims purchased	-	-	-	-	-	-
Subtotal	507.4	518.1	-10.6	578.4	586.2	-7.8
Total ^{1, 2}	763.6	765.6	-2.0	709.8	708.9	0.8

1.Includes a part of other monetary claims purchased in addition to securities available for sale. Total amounts of securities available for sale excluding such other monetary claims purchased as of Jun 30, 2021 and Mar 31, 2021 were ¥746.6 billion and ¥690.0 billion, respectively.

2.Securities whose consolidated balance sheet amounts are not measured at fair value are not included.

Unrealized Gain (Loss) on Available-for-Sale Securities (Consolidated)

(Billions of yen)

	Jun 30, 2021	Mar 31, 2021
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	-2.0	0.8
The Bank's interests in available-for-sale securities held by partnerships and other adjustments	0.4	0.5
Other monetary assets held in trust	-2.7	-2.7
(-) Deferred tax liabilities	0.4	0.4
Unrealized gain (loss) on available-for-sale securities before interest adjustments	-4.7	-1.8
(-) Noncontrolling interests	0.2	0.7
(+) The Bank's interests in unrealized gain (loss) on available-for-sale securities held by affiliates to which the equity method is applied	2.0	1.9
Unrealized gain (loss) on available-for-sale securities	-3.0	-0.5

Deposits (Consolidated)

(Billions of yen)

	Jun 30 2021	Mar 31 2021	Change (Amount)
Deposits	6,027.8	6,056.1	-28.3
Liquid (current, ordinary, notice) deposits	2,842.5	2,828.2	14.2
Time deposits ¹	2,652.0	2,646.8	5.1
Other	533.3	581.0	-47.7
Negotiable certificates of deposits (NCDs)	512.5	515.1	-2.6
Total	6,540.4	6,571.3	-30.9

1.Includes two-week maturity deposits

Financial Ratios (Consolidated)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	FY2020 (12 months)
Return on assets ¹	0.4% ³	0.2% ³	0.4%
Return on equity ²	5.0% ³	2.6% ³	4.9%
Expense-to-revenue ratio ^{4, 5}	68.0%	65.6%	67.4%

1.Return on assets:

$$\frac{\text{Profit (Losses) Attributable to Owners of the Parent}}{(\text{Total assets at the BOP} + \text{Total assets at the EOP})/2}$$

BOP: beginning of period
EOP: end of period

2.Return on equity (fully diluted):

$$\frac{\text{Profit (Losses) Attributable to Owners of the Parent}}{(\text{Total equity at the BOP} - \text{Share warrants at the BOP} - \text{Noncontrolling interests at the BOP}) + (\text{Total equity at the EOP} - \text{Share warrants at the EOP} - \text{Noncontrolling interests at the EOP})/2}$$

3.Annualized basis.

4.Management accounting basis.

5.Expense denotes general and administrative expenses.

Capital Adequacy Related Information (Consolidated)

<Basel 3, Domestic Standard 1>

(Billions of yen, except percentages)

	Jun 30 2021	Mar 31 2021	Change (Amount)
Core capital:instruments and reserves	953.1	941.3	11.7
Core capital:regulatory adjustments	-107.2	-107.4	0.2
Capital	845.8	833.9	11.9
Total amount of Risk-weighted assets	7,215.1	7,320.3	-105.2
Consolidated core capital adequacy ratio	11.72%	11.39%	

1.Calculated according to F-IRB.

Consolidated total required capital is ¥682.6 billion as at June 30, 2021, ¥691.6 billion as at March 31, 2021.

Per Share Data (Consolidated)

(Yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Common equity	4,321.33	3,936.18	385.15	4,283.92
Fully diluted equity	4,320.25	3,935.04	385.20	4,282.60
Basic EPS	53.88	25.64	28.24	202.16
Diluted EPS	53.86	25.63	28.23	202.10
For calculation of per share data (excluding treasury shares):				
Equity: Number of common shares	215,336,347	229,374,990		215,291,519
Fully diluted number of shares	215,390,192	229,441,309		215,357,838
EPS Number of common shares	215,316,314	230,528,651		223,134,412
Fully diluted number of shares	215,382,366	230,582,685		223,197,668

Consolidated Balance Sheets (Unaudited)

(Millions of yen)

	Jun 30 2021	Mar 31 2021	Change (Amount)
<<Assets>>			
Cash and due from banks	1,915,486	1,919,075	(3,588)
Call loans and bills bought	—	—	—
Receivables under securities borrowing transactions	—	—	—
Other monetary claims purchased	42,445	46,187	(3,742)
Trading assets	173,570	170,376	3,194
Monetary assets held in trust	397,205	393,949	3,255
Securities	957,678	929,717	27,960
Loans and bills discounted	5,209,504	5,233,605	(24,100)
Foreign exchanges	55,288	83,730	(28,441)
Lease receivables and leased investment assets	191,708	192,147	(439)
Other assets	1,152,408	1,154,474	(2,065)
Premises and equipment	62,441	63,878	(1,437)
Intangible assets	66,569	68,685	(2,116)
Goodwill	12,974	13,460	(485)
Assets for retirement benefits	19,694	19,482	212
Deferred tax assets	10,259	9,985	274
Customers' liabilities for acceptances and guarantees	571,880	567,777	4,103
Reserve for credit losses	(110,296)	(112,897)	2,601
Total assets	10,715,845	10,740,174	(24,328)
<<Liabilities>>			
Deposits	6,027,860	6,056,191	(28,331)
Negotiable certificates of deposit	512,540	515,140	(2,600)
Call money and bills sold	46,023	30,000	16,023
Payables under repurchase agreements	35,529	47,712	(12,182)
Payables under securities lending transactions	409,863	395,449	14,413
Trading liabilities	150,929	148,393	2,535
Borrowed money	987,845	1,026,679	(38,833)
Foreign exchanges	960	889	71
Short-term corporate bonds	229,700	218,800	10,900
Corporate bonds	373,566	367,534	6,031
Other liabilities	379,383	374,978	4,405
Accrued employees' bonuses	2,525	8,504	(5,978)
Accrued directors' bonuses	10	41	(30)
Liabilities for retirement benefits	8,057	8,084	(27)
Reserve for directors' retirement benefits	20	19	0
Reserve for reimbursement of deposits	351	391	(39)
Reserve for reimbursement of debentures	3,341	3,355	(13)
Reserve for losses on interest repayments	36,758	39,096	(2,337)
Deferred tax liabilities	355	393	(37)
Acceptances and guarantees	571,880	567,777	4,103
Total liabilities	9,777,503	9,809,431	(31,927)
<<Equity>>			
Common stock	512,204	512,204	—
Capital surplus	72,961	72,961	—
Retained earnings	440,768	431,623	9,145
Treasury stock, at cost	(81,381)	(81,464)	83
Total shareholders' equity	944,553	935,324	9,228
Unrealized gain (loss) on available-for-sale securities	(3,034)	(593)	(2,440)
Deferred gain (loss) on derivatives under hedge accounting	(15,235)	(16,799)	1,563
Foreign currency translation adjustments	(1,086)	(1,133)	47
Defined retirement benefit plans	5,342	5,495	(152)
Total accumulated other comprehensive income	(14,012)	(13,031)	(981)
Stock acquisition rights	132	149	(17)
Noncontrolling interests	7,668	8,300	(631)
Total equity	938,341	930,742	7,598
Total liabilities and equity	10,715,845	10,740,174	(24,328)

Consolidated Statements of Income (Unaudited)

(Millions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Ordinary income	92,387	89,953	2,434	374,247
Interest income	34,083	35,260	(1,177)	135,036
Interest on loans and bills discounted	32,052	33,157	(1,105)	127,299
Interest and dividends on securities	1,434	1,561	(126)	5,490
Other interest income	595	541	54	2,245
Fees and commissions income	13,976	12,760	1,216	56,140
Trading income	3,596	1,456	2,139	4,110
Other business income	35,273	37,095	(1,822)	155,300
Other ordinary income	5,457	3,379	2,077	23,659
Ordinary expenses	77,636	82,555	(4,918)	329,849
Interest expenses	3,325	3,713	(387)	13,000
Interest on deposits	877	1,158	(280)	4,159
Interest on borrowings	579	801	(222)	2,754
Interest on corporate bonds	858	107	751	1,219
Other interest expenses	1,009	1,645	(635)	4,868
Fees and commissions expenses	6,354	6,348	6	25,978
Trading losses	—	77	(77)	234
Other business expenses	22,527	22,946	(418)	99,792
General and administrative expenses	38,826	36,571	2,255	151,860
Amortization of goodwill	689	555	134	2,349
Amortization of intangible assets acquired in business combinations	114	86	27	383
Other general and administrative expenses	38,023	35,929	2,093	149,127
Other ordinary expenses	6,602	12,899	(6,296)	38,982
Provision of reserve for credit losses	4,953	11,816	(6,862)	33,467
Other	1,648	1,083	565	5,514
Ordinary profit	14,750	7,397	7,353	44,398
Extraordinary gains	0	0	(0)	12,075
Extraordinary losses	129	160	(30)	1,136
Income before income taxes	14,621	7,237	7,384	55,336
Income taxes (benefit)	2,807	1,369	1,438	11,113
Profit	11,813	5,867	5,945	44,223
Profit (loss) attributable to noncontrolling interests	210	(43)	254	(886)
Profit attributable to owners of the parent	11,602	5,911	5,691	45,109

Composition of Capital Disclosure(Consolidated)

Shinsei Bank and subsidiaries

Millions of yen (except percentages)

Items	Basel III (Domestic Standard) Jun 30 2021	Basel III (Domestic Standard) Mar 31 2021
	Core capital:instruments and reserves (1)	
Directly issued qualifying common share capital or preferred share capital	944,553	932,740
with a compulsory conversion clause plus related capital surplus and retained earnings		
of which:capital and capital surplus	585,165	585,165
of which:retained earnings	440,768	431,623
of which:treasury stock (-)	81,381	81,464
of which:earning to be distributed (-)	-	2,583
of which:other than above	-	-
Accumulated other comprehensive income (amount allowed to be included in Core capital)	4,256	4,361
of which:foreign currency translation adjustment	(1,086)	(1,133)
of which:amount related defined benefit	5,342	5,495
Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	84	101
Adjusted noncontrolling interests (amount allowed to be included in Core capital)	11	16
Total of reserves included in Core capital:instruments and reserves	1,810	1,482
of which:general reserve for loan losses included in Core capital	1,810	1,482
of which:eligible provision included in Core capital	-	-
Eligible noncumulative perpetual preferred shares subject to transitional arrangements (amount allowed to be included in Core capital:instruments and reserves)	-	-
Eligible capital instruments subject to transitional arrangements (amount allowed to be included in Core capital:instruments and reserves)	-	-
Capital instruments issued through measures for capital enhancement by public institutions (amount allowed to be included in Core capital:instruments and reserves)	-	-
Land revaluation excess after 55% discount (amount allowed to be included in Core capital:instruments and reserves)	-	-
Noncontrolling interests subject to transitional arrangements (amount allowed to be included in Core capital:instruments and reserves)	2,411	2,680
Core capital:instruments and reserves (A)	953,128	941,383
Core capital:regulatory adjustments (2)		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	52,178	53,873
of which:goodwill (including those equivalent)	14,994	15,557
of which:other intangibles other than goodwill and mortgage servicing rights	37,183	38,315
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	4,237	4,110
Shortfall of eligible provisions to expected losses	37,196	35,980
Gain on sale of securitization	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Net defined benefit asset	13,663	13,516
Investments in own shares (excluding those reported in the net assets section)	-	-
Reciprocal cross-holdings in common equity	-	-
Investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-
Amount exceeding the 10% threshold on specific items	-	-
of which:significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which:mortgage servicing rights	-	-
of which:deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Amount exceeding the 15% threshold on specific items	-	-
of which:significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which:mortgage servicing rights	-	-
of which:deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Core capital:regulatory adjustments (B)	107,276	107,480
Capital (consolidated)		
Capital (consolidated)((A)-(B))(C)	845,852	833,903
Risk-weighted assets, etc.		
Total amount of credit risk-weighted assets	6,742,121	6,750,532
of which:total amount included in risk-weighted assets by transitional arrangements	-	-
of which: significant investments in the common stock of Other Financial Institutions (net of eligible short positions)	-	-
of which:other than above	-	-
Market risk (derived by multiplying the capital requirement by 12.5)	87,911	184,772
Operational risk (derived by multiplying the capital requirement by 12.5)	385,088	385,088
Credit risk-weighted assets adjustments	-	-
Operational risk adjustments	-	-
Total amount of Risk-weighted assets (D)	7,215,121	7,320,393
Capital ratio (consolidated)		
Capital ratio (consolidated)((C)/(D))	11.72%	11.39%

(Reference) Results of Operations (Consolidated)

(Millions of yen)

	Q1 FY2021 (3 months) (A)	Q1 FY2020 (3 months) (B)	Change (A)-(B)
Gross Business Profit	55,546	54,464	1,081
(excluding Gains on Monetary Assets Held in Trust)	54,728	53,559	1,169
Net Interest Income	30,757	31,547	(789)
Net Fees and Commissions	7,622	6,412	1,209
Net Trading Income	3,596	1,379	2,217
Net Other Business Income	13,569	15,125	(1,555)
Gains on Monetary Assets Held in Trust	817	905	(87)
Gains related to Bonds	675	2,380	(1,705)
General and Administrative Expenses	38,945	36,524	2,420
Personnel Expenses	15,401	14,614	786
Nonpersonnel Expenses	20,851	19,279	1,571
Amortization of Goodwill and Intangible Assets	803	641	162
Taxes	2,693	2,630	62
Net Business Profit	16,601	17,940	(1,338)
Credit Costs	3,114	11,015	(7,901)
Gains on Stock Transactions	48	(224)	272
Equity in Net Income (Loss) of Affiliates	486	465	21
Other	729	232	496
Ordinary Profit	14,750	7,397	7,353
Extraordinary Gains	(129)	(160)	30
Gains from Sales of Fixed Assets and Impairment losses	(127)	(158)	30
Income before Income Taxes	14,621	7,237	7,384
Income taxes	2,807	1,369	1,438
Profit Attributable to Noncontrolling Interests	210	(43)	254
Profit Attributable to Owners of the Parents	11,602	5,911	5,691

Note

- Gross Business Profit = (Net Interest Income + Expenses for Monetary Assets Held in Trust) + Net Fees and Commissions + Net Other Business Income + Gains on Monetary Assets Held on Trust
Gains on Monetary Assets Held in Trust are deemed as revenue from core businesses.
- Net Business Profit = Gross Business Profit - General and Administrative Expenses.
- Details of credit cost is available at "Net Credit Cost (Consolidated)" of Financial Summary.

Results of Operations (Nonconsolidated)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Net interest income	22.6	23.2	-0.5	108.5
Noninterest income	0.9	0.1	0.7	3.5
Net fees and commissions ¹	-1.6	-2.9	1.2	-6.8
Net trading income	2.8	1.1	1.6	1.9
Net other business income	-0.2	1.9	-2.2	8.3
Total revenue ¹	23.5	23.4	0.1	112.1
Personnel expenses	-6.8	-6.7	-0.1	-26.6
Nonpersonnel expenses	-9.0	-8.9	-0.1	-37.6
Taxes	-1.3	-1.2	-0.0	-5.4
General and administrative expenses	-17.2	-16.9	-0.3	-69.7
Net business profit ¹	6.3	6.4	-0.1	42.3
Other gains				
Gains on the sales of equities	-0.5	-0.0	-0.4	0.7
Net provision of reserve for credit losses	0.6	-3.6	4.2	-5.7
Losses on write-off of loans	-0.2	-0.5	0.3	-1.4
Recoveries of written-off claims	0.3	0.0	0.3	0.6
Expenses for employees' retirement benefits	0.1	-0.0	0.1	0.5
Others	0.3	0.0	0.3	-0.0
Net ordinary income	7.0	2.3	4.7	37.1
Extra ordinary profit				
Gains from sales of fixed assets and impairment losses	-0.0	-0.1	0.1	-0.7
Others	-0.0	-0.1	0.0	-1.8
Income before income taxes	6.9	2.0	4.9	34.5
Income taxes	-1.0	-0.2	-0.8	-0.0
Net income	5.8	1.7	4.1	34.5

¹.Includes income from monetary assets held in trust of ¥0.5 billion in Q1FY2021, ¥0.6 billion in Q1FY2020 and ¥2.4 billion in FY2020.

Gains and losses on sales and impairments of equities are, reflecting their natures, recorded as other business income (loss) in the consolidated financial results. However, in the nonconsolidated financial results as shown in the above chart, they are included in other gains (losses) in accordance with the reporting format of the Revitalization Plan.

Interest-Earning Assets and Interest-Bearing Liabilities (Nonconsolidated)

(Billions of yen, except percentages)

	Q1 FY2021 (3 months)			Q1 FY2020 (3 months)			FY2020 (12 months)		
	Average balance	Interest	Yield/rate ¹ (%)	Average balance	Interest	Yield/rate ¹ (%)	Average balance	Interest	Yield/rate ¹ (%)
Interest-earning assets:									
Loans and bills discounted	5,121.7	19.9	1.56	5,052.8	22.2	1.76	5,069.4	83.7	1.65
Securities	1,387.7	4.3	1.25	1,250.4	3.4	1.10	1,269.6	32.8	2.58
Other interest-earning assets ^{2, 3}	113.6	0.4	***	131.0	0.4	***	115.4	1.7	***
Total interest-earning assets	6,623.1	24.7	1.49	6,434.2	26.1	1.63	6,454.5	118.2	1.83
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	6,672.2	0.9	0.05	6,232.7	1.1	0.07	6,408.6	4.2	0.06
Borrowed money	532.2	0.0	0.01	405.8	0.1	0.16	428.0	0.3	0.08
Corporate bonds	180.0	0.1	0.24	116.4	0.0	0.22	157.5	0.3	0.24
Other interest-bearing liabilities ²	615.3	1.0	***	639.0	1.5	***	562.4	4.8	***
Total interest-bearing liabilities	7,999.8	2.1	0.10	7,394.1	2.9	0.16	7,556.7	9.8	0.13
Net interest income/yield on interest-earning assets	6,623.1	22.6	1.37	6,434.2	23.1	1.44	6,454.5	108.3	1.67

1. Percentages have been truncated from the third decimal place.

2. Other interest-earning assets and other interest-bearing liabilities include interest rate swaps.

3. Excludes average balance of noninterest-earning assets.

4. Interest from interest-earning assets means interest income on statements of income and interest from interest-bearing liabilities indicates interest expenses on statements of income.

Margins (All, Domestic) (Nonconsolidated)

(All)

(Percentages)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change	FY2020 (12 months)
Yield on interest earning assets (A)	1.49	1.63	-0.14	1.83
Total cost of funding (B)	0.99	1.11	-0.12	1.08
Cost of interest bearing liabilities (C)	0.10	0.16	-0.06	0.13
Overall interest margin (A)-(B)	0.50	0.52	-0.02	0.75
Net interest margin (A)-(C)	1.39	1.47	-0.08	1.70

Total cost of funding includes expenses as a part of funding costs

(Domestic)¹

(Percentages)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change	FY2020 (12 months)
Yield on interest earning assets (A)	1.39	1.48	-0.09	1.75
Interest earned on loans and bills discounted	1.54	1.68	-0.14	1.61
Interest earned on securities	1.57	1.10	0.47	3.32
Total cost of funding (B) ²	1.01	1.07	-0.06	1.07
Cost of interest bearing liabilities (C)	0.06	0.04	0.02	0.05
Interest paid on deposits ³	0.04	0.02	0.02	0.03
Overall interest margin (A)-(B)	0.38	0.41	-0.03	0.68
Net interest margin (A)-(C)	1.33	1.44	-0.11	1.70

1.Domestic includes transactions denominated in Japanese yen for residents in Japan (excluding Japan offshore market accounts).

2.Total cost of funding includes expenses as a part of funding costs.

3.Deposits include Negotiable certificates of deposits (NCDs).

Gains (Losses) on Securities (Nonconsolidated)

(All)

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change	FY2020 (12 months)
Gains (losses) on bonds	0.6	2.3	-1.7	2.9
Gains on sales	0.5	2.7	-2.1	4.5
Gains on redemption	0.1	-	0.1	0.0
Losses on sales	-0.0	-0.2	0.2	-1.4
Losses on redemption	-	-	-	-
Losses on devaluation	-	-0.0	0.0	-0.1
Gains (losses) on stocks	-0.5	-0.0	-0.4	0.7
Gains on sales	0.2	0.0	0.2	0.9
Losses on sales	-	-	-	-0.0
Losses on devaluation	-0.7	-0.0	-0.7	-0.2

Net Credit Costs (Nonconsolidated) ¹

(Billions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Losses on write-off of loans/Losses on sale of loans	-0.2	-0.5	0.3	-1.4
Net provision of reserve for loan losses	0.6	-3.6	4.2	-5.7
Net provision of general reserve for loan losses	0.6	-1.5	2.2	1.5
Net provision of specific reserve for loan losses	-0.0	-2.0	2.0	-7.2
Net Provision of Reserve for Loan Losses to Restructuring Countries	-	-	-	-
Recoveries of written-off claims	0.3	0.0	0.3	0.6
Net credit costs	0.7	-4.1	4.9	-6.4

1.Amounts of losses, net provision and costs are shown in minus. Amounts of recoveries and reversals are shown in plus.

Loans by Borrower Industry (Nonconsolidated)

(Billions of yen)

	Jun 30 2021	Mar 31 2021	Change (Amount)
Domestic (excluding Japan offshore market accounts):			
Manufacturing	199.4	197.9	1.4
Agriculture and forestry	-	-	-
Fishery	0.0	0.0	-0.0
Mining, quarrying and gravel extraction	0.6	0.3	0.2
Construction	12.0	10.8	1.2
Electric power, gas, heat supply and water supply	394.8	375.0	19.8
Information and communications	40.2	42.3	-2.0
Transportation and postal service	159.6	164.2	-4.6
Wholesale and retail	91.4	94.0	-2.5
Finance and insurance	1,055.5	1,006.0	49.5
Real estate	680.1	695.5	-15.4
Services	398.6	426.6	-28.0
Local government	51.3	63.9	-12.6
Individuals	1,334.8	1,347.6	-12.8
Overseas yen loans and overseas loans booked domestically	405.0	418.4	-13.4
Total domestic	4,824.0	4,843.5	-19.4
Overseas (including Japan offshore market accounts):			
Governments	-	-	-
Financial institutions	28.1	32.0	-3.8
Others	286.4	285.3	1.1
Total overseas	314.6	317.4	-2.7
Total	5,138.6	5,160.9	-22.2

Claims Classified under the Financial Revitalization Law (Nonconsolidated)

(Billions of yen)

	Jun 30 2021	Mar 31 2021	Change (Amount)
Claims against bankrupt and quasi-bankrupt obligors	3.5	4.9	-1.4
Doubtful claims	20.6	23.3	-2.7
Substandard claims	7.9	6.2	1.7
Total (A)	32.0	34.4	-2.3
Coverage ratio	90.4%	91.8%	
Total claims (B)	5,245.7	5,294.5	-48.8
Loans and bills discounted	5,138.6	5,160.9	-22.2
Others	107.0	133.6	-26.5
Ratio to total claims (A/B X 100) (%) ¹	0.61%	0.64%	
(Ref. 1) Amount of write-off	6.7	4.7	1.9
(Ref. 2) Below need caution level	126.0	149.5	-23.4

Coverage Ratios for Nonperforming Claims Disclosed under the Financial Revitalization Law (Nonconsolidated)

(Billions of yen, except percentages)

	Jun 30, 2021					Mar 31, 2021				
	Amounts of coverage					Amounts of coverage				
	Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio	Amounts of claims	Total	Reserve for loan losses	Collateral and guarantees	Coverage ratio
	(a)	(b)			(b)/(a)	(a)	(b)			(b)/(a)
Claims against bankrupt and quasi-bankrupt	3.5	3.5	0.6	2.8	100.0%	4.9	4.9	0.7	4.2	100.0%
Doubtful claims	20.6	20.2	10.4	9.7	98.0%	23.3	22.6	12.5	10.1	96.9%
Substandard claims	7.9	5.3	1.3	4.0	66.6%	6.2	4.1	0.8	3.3	66.0%
Total	32.0	29.0	12.3	16.6	90.4%	34.4	31.6	14.0	17.6	91.8%

Securities Being Held to Maturity (Nonconsolidated)

(Billions of yen)

	Jun 30, 2021			Mar 31, 2021		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount						
Japanese national government bonds	155.2	156.1	0.8	185.5	186.1	0.6
Subtotal	155.2	156.1	0.8	185.5	186.1	0.6
Fair value does not exceed carrying amount						
Japanese national government bonds	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total	155.2	156.1	0.8	185.5	186.1	0.6

Securities Available for Sale (Nonconsolidated)

(Billions of yen)

	Jun 30, 2021			Mar 31, 2021		
	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)	Carrying amount (Fair value)	Amortized/ Acquisition cost	Unrealized gain (loss)
Carrying amount exceeds amortized/acquisition cost						
Equity securities	8.3	4.1	4.2	8.1	4.2	3.8
Domestic bonds	99.8	99.3	0.4	20.8	20.4	0.4
Japanese national government bonds	70.5	70.5	0.0	9.0	9.0	0.0
Japanese local government bonds	-	-	-	-	-	-
Japanese corporate bonds	29.2	28.8	0.4	11.8	11.3	0.4
Other	144.1	142.1	1.9	97.7	95.9	1.7
Foreign securities	126.6	125.1	1.5	77.7	76.3	1.4
Foreign currency denominated foreign corporate and government bonds	97.7	96.7	1.0	77.2	76.2	1.0
Yen-denominated foreign corporate and government bonds	27.3	27.3	0.0	-	-	-
Foreign equity securities and others	1.5	1.0	0.4	0.4	0.0	0.4
Other securities	0.4	0.1	0.2	0.1	0.1	0.0
Other monetary claims purchased	17.0	16.8	0.1	19.7	19.5	0.2
Subtotal	252.3	245.7	6.6	126.7	120.6	6.0
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	0.7	0.7	-0.0	0.7	0.9	-0.2
Domestic bonds	265.7	268.2	-2.5	314.3	317.5	-3.1
Japanese national government bonds	145.9	146.5	-0.5	154.3	155.3	-0.9
Japanese local government bonds	-	-	-	-	-	-
Japanese corporate bonds	119.8	121.7	-1.9	160.0	162.1	-2.1
Other	240.5	248.5	-8.0	262.8	267.2	-4.4
Foreign securities	240.5	248.5	-8.0	262.8	267.2	-4.4
Foreign currency denominated foreign corporate and government bonds	179.5	183.0	-3.4	187.7	191.9	-4.2
Yen-denominated foreign corporate and government bonds	42.0	42.2	-0.1	74.0	74.2	-0.2
Foreign equity securities and others	18.9	23.3	-4.4	0.9	1.0	-0.0
Other securities	0.0	0.0	-	-	-	-
Other monetary claims purchased	-	-	-	-	-	-
Subtotal	507.0	517.6	-10.5	577.9	585.7	-7.8
Total ^{1, 2}	759.4	763.3	-3.8	704.7	706.4	-1.7

1.Includes a part of other monetary claims purchased in addition to securities available for sale.

2.Securities whose balance sheet amounts are not measured at fair value are not included.

Unrealized Gain (Loss) on Available-for-Sale Securities (Nonconsolidated)

(Billions of yen)

	Jun 30, 2021	Mar 31, 2021
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	-3.8	-1.7
Interests in available-for-sale securities held by partnerships	2.5	2.7
Other monetary assets held in trust	-2.7	-2.7
(-) Deferred tax liabilities	-	-
Unrealized gain (loss) on available-for-sale securities	-4.0	-1.7

Capital Adequacy Related Information (Nonconsolidated)

<Basel 3, Domestic Standard¹>

(Billions of yen, except percentages)

	Jun 30 2021	Mar 31 2021	Change (Amount)
Core capital: instruments and reserves	884.8	878.4	6.4
Core capital: regulatory adjustments	-40.9	-42.6	1.6
Capital	843.8	835.8	8.0
Total amount of Risk-weighted assets	6,196.6	6,299.5	-102.9
Core capital adequacy ratio	13.61%	13.26%	

1. Calculated according to F-IRB.

Nonconsolidated total required capital is ¥536.6 billion as at June 30, 2021 and ¥546.5 billion as at March 31, 2021.

Nonconsolidated Balance Sheets (Unaudited)

(Millions of yen)

	Jun 30 2021	Mar 31 2021	Change (Amount)
<<Assets>>			
Cash and due from banks	1,845,192	1,765,612	79,580
Other monetary claims purchased	23,488	26,392	(2,903)
Trading assets	167,526	164,194	3,331
Monetary assets held in trust	293,165	286,427	6,738
Securities	1,381,111	1,352,522	28,589
Loans and bills discounted	5,138,697	5,160,932	(22,235)
Foreign exchanges	55,288	83,730	(28,441)
Other assets	199,048	218,898	(19,849)
Other	199,048	218,898	(19,849)
Premises and equipment	10,566	10,947	(380)
Intangible assets	23,548	24,376	(828)
Prepaid pension cost	8,364	8,060	304
Deferred tax assets	5,403	5,269	133
Customers' liabilities for acceptances and guarantees	20,878	19,885	993
Reserve for credit losses	(33,585)	(36,358)	2,773
Total assets	9,138,695	9,090,890	47,805
<<Liabilities>>			
Deposits	6,260,082	6,212,834	47,248
Negotiable certificates of deposit	512,540	515,140	(2,600)
Call money	46,023	30,000	16,023
Payables under repurchase agreements	35,529	47,712	(12,182)
Payables under securities lending transactions	404,824	390,404	14,419
Trading liabilities	145,522	142,966	2,556
Borrowed money	523,148	534,810	(11,662)
Foreign exchanges	960	23,029	(22,068)
Corporate bonds	180,000	180,000	—
Other liabilities	145,636	127,831	17,805
Income taxes payable	456	—	456
Lease obligations	4	6	(1)
Asset retirement obligations	7,260	7,242	18
Other	137,915	120,582	17,332
Accrued employees' bonuses	1,278	4,684	(3,406)
Reserve for reimbursement of deposits	351	391	(39)
Reserve for reimbursement of debentures	3,341	3,355	(13)
Acceptances and guarantees	20,878	19,885	993
Total liabilities	8,280,118	8,233,044	47,073
<<Equity>>			
Common stock	512,204	512,204	—
Capital surplus	79,465	79,465	—
Additional paid-in capital	79,465	79,465	—
Retained earnings	374,471	370,688	3,782
Legal reserve	16,712	16,195	516
Other retained earnings	357,758	354,492	3,266
Unappropriated retained earnings	357,758	354,492	3,266
Treasury stock, at cost	(81,381)	(81,464)	83
Total shareholders' equity	884,760	880,893	3,866
Unrealized gain (loss) on available-for-sale securities	(4,079)	(1,717)	(2,361)
Deferred gain (loss) on derivatives under hedge accounting	(22,188)	(21,432)	(755)
Total net unrealized gain (loss) and translation adjustments	(26,267)	(23,150)	(3,117)
Stock acquisition rights	84	101	(17)
Total equity	858,576	857,845	731
Total liabilities and equity	9,138,695	9,090,890	47,805

Nonconsolidated Statements of Income (Unaudited)

(Millions of yen)

	Q1 FY2021 (3 months)	Q1 FY2020 (3 months)	Change (Amount)	FY2020 (12 months)
Ordinary income	34,410	34,405	5	152,988
Interest income	24,747	26,170	(1,423)	118,255
Interest on loans and bills discounted	19,943	22,294	(2,350)	83,708
Interest and dividends on securities	4,340	3,446	894	32,800
Other interest income	462	429	33	1,747
Fees and commissions income	3,568	2,818	749	15,430
Trading income	2,856	1,236	1,620	2,212
Other business income	939	3,325	(2,386)	12,530
Other ordinary income	2,299	853	1,445	4,558
Ordinary expenses	27,334	32,095	(4,760)	115,834
Interest expenses	2,114	2,987	(873)	9,866
Interest on deposits	878	1,159	(280)	4,163
Interest on corporate bonds	111	66	44	387
Other interest expenses	1,123	1,761	(637)	5,315
Fees and commissions expenses	5,755	6,344	(589)	24,644
Trading losses	—	77	(77)	234
Other business expenses	1,231	1,384	(153)	4,158
General and administrative expenses	17,136	16,961	175	69,161
Other ordinary expenses	1,097	4,339	(3,242)	7,769
Ordinary profit	7,075	2,309	4,765	37,154
Extraordinary gains	0	0	(0)	32
Extraordinary losses	100	297	(197)	2,654
Income before income taxes	6,974	2,012	4,962	34,532
Income taxes (benefit)	1,083	281	801	26
Net income	5,891	1,730	4,161	34,506

Composition of Capital Disclosure (Nonconsolidated)

Shinsei Bank

Millions of yen (except percentages)

Items	Basel III (Domestic Standard) Jun 30 2021	Basel III (Domestic Standard) Mar 31 2021
Core capital:instruments and reserves (1)		
Directly issued qualifying common share capital or preferred share capital	884,760	878,310
with a compulsory conversion clause plus related capital surplus and retained earnings		
of which:capital and capital surplus	591,670	591,670
of which:retained earnings	374,471	370,688
of which:treasury stock (-)	81,381	81,464
of which:earning to be distributed (-)	-	2,583
of which:other than above	-	-
Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	84	101
Total of reserves included in Core capital:instruments and reserves	12	15
of which:general reserve for loan losses included in Core capital	12	15
of which:eligible provision included in Core capital	-	-
Eligible noncumulative perpetual preferred shares subject to transitional arrangements (amount allowed to be included in Core capital:instruments and reserves)	-	-
Eligible capital instruments subject to transitional arrangements (amount allowed to be included in Core capital:instruments and reserves)	-	-
Capital instruments issued through measures for capital enhancement by public institutions (amount allowed to be included in Core capital:instruments and reserves)	-	-
Land revaluation excess after 55% discount (amount allowed to be included in Core capital:instruments and reserves)	-	-
Core capital:instruments and reserves (A)	884,857	878,428
Core capital:regulatory adjustments (2)		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	16,438	17,026
of which:goodwill (including those equivalent)	330	372
of which:other intangibles other than goodwill and mortgage servicing rights	16,108	16,654
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,648	2,601
Shortfall of eligible provisions to expected losses	16,089	17,406
Gain on sale of securitization	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Prepaid pension cost	5,803	5,592
Investments in own shares (excluding those reported in the net assets section)	-	-
Reciprocal cross-holdings in common equity	-	-
Investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-
Amount exceeding the 10% threshold on specific items	-	-
of which:significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which:mortgage servicing rights	-	-
of which:deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Amount exceeding the 15% threshold on specific items	-	-
of which:significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which:mortgage servicing rights	-	-
of which:deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Core capital:regulatory adjustments (B)	40,979	42,625
Capital (nonconsolidated)		
Capital (nonconsolidated)((A)-(B))(C)	843,877	835,802
Risk-weighted assets, etc.		
Total amount of credit risk-weighted assets	5,929,840	5,932,880
of which:total amount included in risk-weighted assets by transitional arrangements	-	-
of which:significant investments in the common stock of other Financial Institutions (net of eligible short positions)	-	-
of which:other than above	-	-
Market risk (derived by multiplying the capital requirement by 12.5)	75,318	175,214
Operational risk (derived by multiplying the capital requirement by 12.5)	191,455	191,455
Credit risk-weighted assets adjustments	-	-
Operational risk adjustments	-	-
Total amount of Risk-weighted assets (D)	6,196,615	6,299,550
Capital ratio (nonconsolidated)		
Capital ratio (nonconsolidated)((C)/(D))	13.61%	13.26%

(Reference) Results of Operations (Nonconsolidated)

(Millions of yen)

	Q1 FY2021 (3 months) (A)	Q1 FY2020 (3 months) (B)	Change (A)-(B)
Gross Business Profit	23,599	23,412	186
(excluding Gains on Monetary Assets Held in Trust)	23,055	22,791	264
Net Interest Income	22,678	23,217	(539)
Net Fees and Commissions	(1,642)	(2,903)	1,260
Gains on Monetary Assets Held in Trust	543	621	(78)
Net Trading Income	2,856	1,158	1,697
Net Other Business Income	(292)	1,940	(2,232)
Gains related to Bonds	675	2,380	(1,705)
General and Administrative Expenses	17,259	16,923	335
Personnel Expenses	6,837	6,715	121
Nonpersonnel Expenses	9,080	8,920	159
Amortization of Goodwill	41	41	-
Taxes	1,340	1,287	53
Net Operating Profit before Provision of General Reserve for Loan Losses	5,796	5,867	(70)
Provision of General Reserve for Loan Losses (1)	-	1,590	(1,590)
Net Operating Profit	5,796	4,276	1,520
Net Business Profit	6,340	6,489	(148)
Non-Recurring Gains	779	(2,554)	3,334
Gains related to Stocks	(514)	(36)	(477)
Credit Costs (2)	(754)	2,570	(3,325)
Losses on Write-Off of Loans	268	588	(319)
Provision of Specific Reserve for Loan Losses	-	2,042	(2,042)
Provision of Reserve for Loan Losses to Restructuring Countries	-	-	-
Recoveries of Written-off Claims	(380)	(60)	(319)
Reversal of Reserve for Loan Losses	(643)	-	(643)
Losses on Sale of Loans	-	-	-
Other	539	52	486
Ordinary Profit	7,075	2,309	4,765
Extraordinary Gains	(100)	(297)	197
Gains from Sales of Fixed Assets and Impairment losses	(13)	(158)	145
Income before Income Taxes	6,974	2,012	4,962
Income Taxes	1,083	281	801
Net Income	5,891	1,730	4,161

(Reference)

Core Net Operating Profit	5,121	3,486	1,634
(excluding Gains on Cancellation of Investment Trusts)	5,121	3,486	1,634
Net Credit Costs (1)+ (2)	(754)	4,161	(4,916)

Note

- Gross Business Profit = (Net Interest Income + Expenses for Monetary Assets Held in Trust) + Net Fees and Commissions + Net Other Business Income + Gains on Monetary Assets Held on Trust
Gains on Monetary Assets Held in Trust are deemed as revenue from core businesses.
- Core Net Operating Profit = Net Operating Profit + Provision of General Reserve for Loan Losses - Gains related to Bonds.
- Net Operating Profit = Gross Business Profit (excluding Gains on Monetary Assets Held in Trust) - General and Administrative Expenses - Provision of General Reserve for Loan Losses.
- Net Business Profit = Gross Business Profit - General and Administrative Expenses.
- Expenses for Monetary Assets Held in Trust are funding costs to acquire Monetary Assets Held in Trust and are excluded from operating expenses because Gains on Monetary Assets Held in Trust are recorded in Non-Recurring Gains.
- Non-Recurring Gains means Other ordinary income and expenses in Statements of Income, excluding Provision of General Reserve for Loan Losses and adding non-recurring expenses included in retirement benefit cost, etc. In this table, non-recurring gains excludes Gains on Monetary Assets Held in Trust.

(Reference) Interest-Earning Assets and Interest-Bearing Liabilities (Nonconsolidated)

(Millions of yen, %)

[All]	Q1 FY2021 (3 months)			Q1 FY2020 (3 months)			FY2020 (12 months)		
	Average balance	Interest	Yield/rate ¹ (%)	Average balance	Interest	Yield/rate ¹ (%)	Average balance	Interest	Yield/rate ¹ (%)
Interest-earning assets:	6,623,190	24,747	1.49	6,434,278	26,170	1.63	6,454,548	118,255	1.83
Loans and bills discounted	5,121,743	19,943	1.56	5,052,839	22,294	1.76	5,069,449	83,708	1.65
Securities	1,387,776	4,340	1.25	1,250,427	3,446	1.10	1,269,688	32,800	2.58
Interest-bearing liabilities:	7,999,817	2,114	0.10	7,394,117	2,987	0.16	7,556,754	9,866	0.13
Deposits, including negotiable certificates of deposit	6,672,217	921	0.05	6,232,794	1,185	0.07	6,408,632	4,276	0.06
Borrowed money	532,237	20	0.01	405,865	165	0.16	428,096	367	0.08
Corporate bonds	180,000	111	0.24	116,428	66	0.22	157,564	387	0.24
Net interest income/yield on interest-earning assets	6,623,190	22,633	1.37	6,434,278	23,183	1.44	6,454,548	108,389	1.67

1. Percentages have been truncated from the third decimal place.

2. Interest from interest-earning assets means interest income on statements of income and interest from interest-bearing liabilities indicates interest expenses on statements of income.

Earnings Forecasts¹*(Billions of yen)*

(Consolidated)	FY2021 Forecast	FY2020 Actual
Profit attributable to owners of the parent	40.0	45.1
<hr/>		
(Nonconsolidated)	FY 2021 Forecast	FY2020 Actual
Net business profit	39.0	42.3
Net income	28.5	34.5
Dividends (per share in yen): Common stock	yet to be determined	12.0

¹Above forecasts are based on current assumptions of future events and trends, which may be incorrect.
Actual results may differ materially from those in the statements as a result of various factors.