

# **Financial Summary**

**For the First Half Ended September 30, 2022**



**Shinsei Bank, Limited**

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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 Highlights<sup>1</sup>

(Billions of yen, except percentages)

Results of operations (Consolidated) [Page 2]	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Net interest income	67.8	61.6	6.2	125.6
Noninterest income	51.5	49.0	2.4	91.8
Total revenue	119.4	110.6	8.7	217.5
General and administrative expenses	-77.9	-77.2	-0.6	-155.4
Net credit costs	-8.2	-6.5	-1.6	-31.1
Income before income taxes	30.5	27.4	3.1	28.4
Profit attributable to owners of the parent	24.8	23.2	1.6	20.3

(Billions of yen)

Balance sheets (Consolidated) [Page 17]	Sep 30 2022	Mar 31 2022	Change (Amount)
Cash and due from banks	2,519.7	1,625.1	894.5
Securities	1,634.2	674.6	959.6
Loans and bills discounted	5,765.1	5,241.8	523.3
Total assets	12,833.2	10,311.4	2,521.8
Deposits and negotiable certificates of deposit	9,076.5	6,398.0	2,678.4
Total liabilities	11,881.2	9,387.1	2,494.1
Total equity	952.0	924.3	27.7

Financial ratios (Consolidated) [Page 3, 15, 16, 25]	1H FY2022 (6 months)	1H FY2021 (6 months)	FY2021 (12 months)
Net interest margin	2.41%	2.33%	2.35%
Expense-to-revenue ratio	65.2%	69.8%	71.5%

	Sep 30 2022	Mar 31 2022
Capital adequacy ratio (Basel III, domestic standard)	11.21%	11.72%
Common equity Tier1 ratio (Basel III, international standard)	10.9%	11.6%
NPL ratio based on Financial Revitalization Law (nonconsolidated)	0.37%	0.66%

(Billions of yen)

Results of operations (Nonconsolidated) [Page 21]	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Net interest income	55.5	43.3	12.1	121.7
Noninterest income	4.2	0.4	3.8	-7.5
Total revenue	59.8	43.7	16.0	114.2
General and administrative expenses	-33.8	-35.6	1.8	-72.0
Net credit costs	6.0	2.4	3.6	-8.8
Net income	30.3	4.3	25.9	30.3

1.Represents results based on management accounting basis.

Results of Operations (Consolidated) <sup>1</sup>*(Billions of yen)*

	<b>1H FY2022 (6 months)</b>	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Net interest income	<b>67.8</b>	61.6	6.2	125.6
Noninterest income	<b>51.5</b>	49.0	2.4	91.8
Net fees and commissions	<b>18.4</b>	15.7	2.7	34.0
Net trading income	<b>6.1</b>	3.9	2.2	6.6
Net other business income	<b>26.9</b>	29.4	-2.5	51.2
Income on lease transactions and installment receivables	<b>26.3</b>	24.4	1.8	49.9
Total revenue	<b>119.4</b>	110.6	8.7	217.5
General and administrative expenses	<b>-77.9</b>	-77.2	-0.6	-155.4
Ordinary business profit	<b>41.5</b>	33.4	8.0	62.1
Net credit costs	<b>-8.2</b>	-6.5	-1.6	-31.1
Ordinary business profit after net credit costs	<b>33.2</b>	26.8	6.3	31.0
Amortization of goodwill and other intangible assets <sup>2</sup>	<b>-1.7</b>	-1.6	-0.1	-3.2
Other gains	<b>-1.0</b>	2.1	-3.1	0.7
Income before income taxes	<b>30.5</b>	27.4	3.1	28.4
Current income tax	<b>-3.8</b>	-4.9	1.0	-8.9
Deferred income tax	<b>-1.7</b>	0.7	-2.5	0.7
Profit attributable to noncontrolling interests	<b>-0.0</b>	-0.0	0.0	0.0
Profit attributable to owners of the parent	<b>24.8</b>	23.2	1.6	20.3

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 domestic real estate nonrecourse finance fee income, fee income such as servicing fees associated with specialty finance and principal transactions, fee income associated with the guarantee and other business in consumer finance and fee income from the sale of products such as mutual funds and insurance.

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)

	1H FY2022 (6 months)			1H FY2021 (6 months)			FY2021 (12 months)		
	Average Balance	Interest	Yield/rate <sup>1</sup> (%)	Average Balance	Interest	Yield/rate <sup>1</sup> (%)	Average Balance	Interest	Yield/rate <sup>1</sup> (%)
Interest-earning assets <sup>4</sup> :									
Loans and bills discounted	5,478.0	71.6	2.61	5,230.8	63.9	2.44	5,298.8	127.4	2.41
Lease receivables and leased investment assets / installment receivables <sup>4</sup>	1,203.5	26.3	4.36	1,090.0	24.4	4.48	1,126.7	49.9	4.43
Securities	953.6	9.2	1.93	927.4	2.9	0.63	947.0	9.2	0.98
Other interest-earning assets <sup>2, 3</sup>	275.6	1.2	***	209.3	1.1	***	194.0	2.4	***
Interest-earning assets totals (A) <sup>4</sup>	7,910.9	108.4	2.74	7,457.6	92.5	2.48	7,566.7	189.2	2.50
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	7,254.8	3.8	0.11	6,523.1	1.7	0.05	6,511.3	3.5	0.06
Borrowed money	742.5	0.9	0.26	1,001.6	1.0	0.22	1,001.7	2.0	0.21
Corporate bonds	390.4	2.6	1.37	374.1	1.7	0.91	387.7	3.6	0.95
Other interest-bearing liabilities <sup>2</sup>	482.4	6.7	***	844.8	1.9	***	847.5	4.2	***
Interest-bearing liabilities totals (B)	8,870.2	14.2	0.32	8,743.8	6.4	0.15	8,748.3	13.5	0.16
Net interest margin (A)-(B) <sup>4</sup>	-	94.2	2.41	-	86.0	2.33	-	175.6	2.35
Noninterest-bearing sources of funds:									
Noninterest-bearing (assets) liabilities, net	-1,894.1	-	-	-2,213.6	-	-	-2,103.8	-	-
Total equity excluding noncontrolling interests in subsidiaries <sup>5</sup>	934.9	-	-	927.4	-	-	922.3	-	-
Total noninterest-bearing sources of funds (C)	-959.2	-	-	-1,286.1	-	-	-1,181.5	-	-
Sum of total expense on interest-bearing liabilities and noninterest-bearing sources of funds (D)=(B)+(C)	7,910.9	14.2	0.36	7,457.6	6.4	0.17	7,566.7	13.5	0.18
Interest income / yield on interest earning assets (A)-(D) <sup>4</sup>	-	94.2	2.38	-	86.0	2.30	-	175.6	2.32
Reconciliation of total revenue on interest-earning									
Total revenue on interest-earning assets	7,910.9	108.4	2.74	7,457.6	92.5	2.48	7,566.7	189.2	2.50
Less: Income on lease transactions and installment receivables	1,203.5	26.3	4.36	1,090.0	24.4	4.48	1,126.7	49.9	4.43
Total interest income	6,707.4	82.1	2.44	6,367.6	68.0	2.13	6,439.9	139.2	2.16
Total interest expense	-	14.2	-	-	6.4	-	-	13.5	-
Net interest income	-	67.8	-	-	61.6	-	-	125.6	-

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)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Institutional Business	20.1	15.2	4.8	36.2
Corporate Business <sup>1</sup>	3.3	1.0	2.2	3.4
Structured Finance <sup>1</sup>	4.8	3.4	1.3	8.0
Principal Transactions	0.4	0.9	-0.4	4.3
Showa Leasing	7.7	7.7	-0.0	15.3
Markets <sup>1</sup>	3.2	0.8	2.4	3.0
Other Global Markets <sup>1</sup>	0.4	1.1	-0.7	2.0
Individual Business	30.5	29.3	1.2	60.9
Retail Banking	2.8	3.2	-0.4	6.6
Shinsei Financial <sup>2</sup>	-0.0	-0.1	0.0	-0.1
APLUS	26.7	25.3	1.3	51.5
Other Individuals	0.9	0.8	0.1	3.0
Overseas Business/Treasury/Other <sup>3</sup>	0.8	4.4	-3.5	-5.3
Overseas Business	3.0	3.0	-0.0	5.8
Treasury <sup>1</sup>	0.9	1.4	-0.4	-9.4
Other <sup>1</sup>	-3.1	0.0	-3.1	-1.7
<b>Noninterest income</b>	<b>51.5</b>	<b>49.0</b>	<b>2.4</b>	<b>91.8</b>

1.The "Corporate Business" segment in the "Institutional Business" includes the operations of the Group Business Strategy Division, which was formerly included in the "Others" segment, the operations of the Real Estate Business Division, which was formerly included in the "Structured Finance" segment, and the operations of the Wealth Management Division, which was formerly included in the "Other Global Markets" segment. The "Structured Finance" segment in the "Institutional Business" includes the business of the Healthcare Finance Division and Shinsei Trust & Banking, which were formerly included in the "Corporate Business" segment. The "Treasury" segment in the "Overseas Business/Treasury/Others" includes the operations of the Investment Business Division, which was formerly included in the "Markets" segment. Information on the amount of revenue and profit(loss) by reportable segment for the first half of the previous fiscal year has been prepared based on the classification of reportable segments for the first half of the current fiscal year.

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.

3.The "Corporate/Others" has been changed to the "Overseas Business/Treasury/Others."

## General and Administrative Expenses (Consolidated)

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Personnel expenses	-31.8	-31.3	-0.4	-62.5
Nonpersonnel expenses	-46.0	-45.8	-0.2	-92.8
Premises expenses	-8.4	-9.2	0.8	-18.8
Technology and data processing expenses	-14.1	-12.9	-1.1	-26.3
Advertising expenses	-7.5	-6.5	-1.0	-13.1
Consumption, property taxes, etc.	-4.7	-5.5	0.8	-9.9
Deposit insurance premium	-0.3	-0.7	0.3	-1.5
Other general and administrative expenses	-10.8	-10.8	-0.0	-22.9
General and administrative expenses	-77.9	-77.2	-0.6	-155.4

## Net Credit Costs (Consolidated) <sup>1</sup>

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Losses on write-off of loans/Losses on sale of loans	-0.7	-0.9	0.1	-2.7
Net provision of reserve for loan losses:	-10.7	-11.1	0.3	-37.2
Net provision of general reserve for loan losses	-11.4	-5.4	-5.9	-19.9
Net provision of specific reserve for loan losses	0.6	-5.7	6.3	-17.2
Other credit costs relating to leasing business	-0.0	-0.1	0.1	-0.2
Recoveries of written-off claims	3.3	5.6	-2.3	9.1
Net credit costs	-8.2	-6.5	-1.6	-31.1

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)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Extraordinary income	-1.0	1.3	-2.3	0.1
Net gain on disposal of premises and equipment	-0.0	0.4	-0.5	0.1
Other extraordinary income	-0.9	0.8	-1.7	0.0
Provisions of reserve for losses on interest repayment	-0.2	-0.0	-0.2	-1.1
Shinsei Financial	-0.2	0.1	-0.3	0.6
Shinsei Personal Loan	-0.0	-0.1	0.1	-0.4
APLUS	-	-	-	-1.4
Other	0.2	0.8	-0.6	1.6
Other gains	-1.0	2.1	-3.1	0.7

## Business Line Results (Consolidated)

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
<i>Institutional Business<sup>1</sup>:</i>				
Net interest income	18.5	14.1	4.4	30.8
Noninterest income	20.1	15.2	4.8	36.2
Total revenue	38.6	29.3	9.2	67.1
General and administrative expenses	-22.5	-23.6	1.1	-47.2
Ordinary business profit	16.1	5.7	10.4	19.8
Net credit costs	6.4	2.2	4.1	-8.7
Ordinary business profit after net credit costs	22.6	8.0	14.6	11.1
<i>Individual Business:</i>				
Net interest income	43.6	45.8	-2.1	90.1
Noninterest income	30.5	29.3	1.2	60.9
Total revenue	74.2	75.2	-0.9	151.1
General and administrative expenses	-51.2	-49.2	-1.9	-98.5
Ordinary business profit	23.0	25.9	-2.9	52.6
Net credit costs	-14.1	-9.4	-4.7	-22.4
Ordinary business profit after net credit costs	8.8	16.5	-7.6	30.1
<i>Overseas Business/Treasury/Other<sup>1 2 3</sup>:</i>				
Net interest income	5.6	1.5	4.0	4.6
Noninterest income	0.8	4.4	-3.5	-5.3
Total revenue	6.4	6.0	0.4	-0.7
General and administrative expenses	-4.1	-4.3	0.1	-9.6
Ordinary business profit	2.3	1.7	0.5	-10.3
Net credit costs	-0.5	0.6	-1.1	0.0
Ordinary business profit after net credit costs	1.7	2.3	-0.6	-10.3
<i>Total:</i>				
Net interest income	67.8	61.6	6.2	125.6
Noninterest income	51.5	49.0	2.4	91.8
Total revenue	119.4	110.6	8.7	217.5
General and administrative expenses	-77.9	-77.2	-0.6	-155.4
Ordinary business profit	41.5	33.4	8.0	62.1
Net credit costs	-8.2	-6.5	-1.6	-31.1
Ordinary business profit after net credit costs	33.2	26.8	6.3	31.0

1.The "Institutional Business" includes the operations of the Group Business Strategy Division, which was formerly included in the "Overseas Business/Treasury/Others" segment. The "Overseas Business/Treasury/Others" includes the operations of the Investment Business Division, which was formerly included in the "Institutional Business".

Information on the amount of revenue and profit(loss) by reportable segment for the first half of the previous fiscal year has been prepared based on the classification of reportable segments for the first half of the current fiscal year.

2.The "Corporate/Others" has been changed to the "Overseas Business/Treasury/Others."

3.Overseas Business/Treasury/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

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

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
<i>Corporate Business<sup>1</sup>:</i>				
Net interest income	6.1	5.7	0.3	12.5
Noninterest income	3.3	1.0	2.2	3.4
Total revenue	9.5	6.8	2.6	15.9
General and administrative expenses	-6.6	-7.3	0.7	-14.4
Ordinary business profit	2.9	-0.4	3.3	1.4
Net credit costs	-0.0	0.6	-0.7	0.3
Ordinary business profit after net credit costs	2.8	0.1	2.6	1.7
<i>Structured Finance<sup>1</sup>:</i>				
Net interest income	7.5	6.5	1.0	12.9
Noninterest income	4.8	3.4	1.3	8.0
Total revenue	12.3	9.9	2.3	21.0
General and administrative expenses	-5.6	-6.0	0.3	-11.9
Ordinary business profit	6.7	3.9	2.7	9.0
Net credit costs	6.3	1.7	4.6	-9.3
Ordinary business profit after net credit costs	13.0	5.6	7.4	-0.2
<i>Principal Transactions:</i>				
Net interest income	4.6	1.6	3.0	5.0
Noninterest income	0.4	0.9	-0.4	4.3
Total revenue	5.1	2.6	2.5	9.4
General and administrative expenses	-2.3	-2.2	-0.0	-4.7
Ordinary business profit	2.8	0.3	2.4	4.6
Net credit costs	-0.3	0.0	-0.3	0.2
Ordinary business profit after net credit costs	2.5	0.3	2.1	4.9
<i>Showa Leasing:</i>				
Net interest income	0.1	0.0	0.0	0.2
Noninterest income	7.7	7.7	-0.0	15.3
Total revenue	7.8	7.8	0.0	15.5
General and administrative expenses	-5.8	-5.7	-0.1	-11.5
Ordinary business profit	1.9	2.0	-0.0	4.0
Net credit costs	0.5	-0.0	0.5	-0.0
Ordinary business profit after net credit costs	2.4	2.0	0.4	4.0

## Institutional Business (Consolidated)

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
<i>Markets<sup>1</sup>:</i>				
Net interest income	0.0	0.0	-0.0	0.0
Noninterest income	3.2	0.8	2.4	3.0
Total revenue	3.3	0.8	2.4	3.1
General and administrative expenses	-1.0	-1.0	0.0	-2.1
Ordinary business profit	2.2	-0.2	2.4	0.9
Net credit costs	-	-	-	-
Ordinary business profit after net credit costs	2.2	-0.2	2.4	0.9
<i>Other Global Markets<sup>1</sup>:</i>				
Net interest income	0.0	0.0	-0.0	0.0
Noninterest income	0.4	1.1	-0.7	2.0
Total revenue	0.4	1.1	-0.7	2.0
General and administrative expenses	-0.9	-1.2	0.2	-2.3
Ordinary business profit	-0.5	-0.0	-0.4	-0.3
Net credit costs	-0.0	-	-0.0	-0.0
Ordinary business profit after net credit costs	-0.5	-0.0	-0.5	-0.3
<i>Institutional Business<sup>1</sup>:</i>				
Net interest income	18.5	14.1	4.4	30.8
Noninterest income	20.1	15.2	4.8	36.2
Total revenue	38.6	29.3	9.2	67.1
General and administrative expenses	-22.5	-23.6	1.1	-47.2
Ordinary business profit	16.1	5.7	10.4	19.8
Net credit costs	6.4	2.2	4.1	-8.7
Ordinary business profit after net credit costs	22.6	8.0	14.6	11.1

1.The "Corporate Business" segment in the "Institutional Business" includes the operations of the Group Business Strategy Division, which was formerly included in the "Others" segment, the operations of the Real Estate Business Division, which was formerly included in the "Structured Finance" segment, and the operations of the Wealth Management Division, which was formerly included in the "Other Global Markets" segment. The "Structured Finance" segment in the "Institutional Business" includes the business of the Healthcare Finance Division and Shinsei Trust& Banking, which were formerly included in the "Corporate Business" segment. The "Treasury" segment in the "Overseas Business/Treasury/Others" includes the operations of the Investment Business Division, which was formerly included in the "Markets" segment. Information on the amount of revenue and profit(loss) by reportable segment for the first half of the previous fiscal year has been prepared based on the classification of reportable segments for the first half of the current fiscal year.

## Individual Business (Consolidated)

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
<i>Retail banking:</i>				
Net interest income	8.7	9.8	-1.0	19.2
Loans	4.2	4.4	-0.1	8.7
Deposits	4.5	5.4	-0.8	10.4
Noninterest income	2.8	3.2	-0.4	6.6
Asset Management Products	4.2	4.5	-0.3	9.2
Other Fees (ATM, Fund Transfer, FX etc.)	-1.3	-1.2	-0.0	-2.6
Total revenue	11.6	13.1	-1.4	25.8
General and administrative expenses	-12.5	-11.8	-0.6	-23.9
Ordinary business profit	-0.8	1.2	-2.0	1.8
Net credit costs	0.0	-0.0	0.0	0.0
Ordinary business profit after net credit costs	-0.7	1.2	-2.0	1.9
<i>Shinsei Financial<sup>1</sup>:</i>				
Net interest income	30.8	31.7	-0.8	62.5
Lake Business	28.8	29.4	-0.5	58.1
Noninterest income	-0.0	-0.1	0.0	-0.1
Total revenue	30.7	31.5	-0.8	62.3
General and administrative expenses	-18.0	-16.9	-1.0	-34.5
Ordinary business profit	12.7	14.6	-1.8	27.8
Net credit costs	-7.3	-3.6	-3.7	-10.8
Ordinary business profit after net credit costs	5.3	11.0	-5.6	17.0
<i>APLUS:</i>				
Net interest income	3.5	3.6	-0.0	7.3
Noninterest income	26.7	25.3	1.3	51.5
Total revenue	30.3	29.0	1.3	58.8
General and administrative expenses	-19.3	-19.1	-0.2	-37.4
Ordinary business profit	10.9	9.9	1.0	21.4
Net credit costs	-7.0	-6.0	-1.0	-12.3
Ordinary business profit after net credit costs	3.9	3.8	0.0	9.0

## Individual Business (Consolidated)

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
<i>Other Individuals:</i>				
Net interest income	0.4	0.6	-0.1	1.0
Noninterest income	0.9	0.8	0.1	3.0
Total revenue	1.4	1.4	0.0	4.0
General and administrative expenses	-1.3	-1.2	-0.0	-2.6
Ordinary business profit	0.1	0.1	0.0	1.4
Net credit costs	0.2	0.2	0.0	0.6
Ordinary business profit after net credit costs	0.3	0.3	0.0	2.0
<i>Individual Business:</i>				
Net interest income	43.6	45.8	-2.1	90.1
Noninterest income	30.5	29.3	1.2	60.9
Total revenue	74.2	75.2	-0.9	151.1
General and administrative expenses	-51.2	-49.2	-1.9	-98.5
Ordinary business profit	23.0	25.9	-2.9	52.6
Net credit costs	-14.1	-9.4	-4.7	-22.4
Ordinary business profit after net credit costs	8.8	16.5	-7.6	30.1

1. 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.

Overseas Business/Treasury/Other (Consolidated)<sup>1</sup>

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
<i>Overseas Business:</i>				
Net interest income	3.6	2.5	1.1	5.7
Noninterest income	3.0	3.0	-0.0	5.8
Total revenue	6.6	5.5	1.1	11.5
General and administrative expenses	-3.2	-2.7	-0.4	-6.0
Ordinary business profit	3.4	2.7	0.6	5.4
Net credit costs	-0.5	0.5	-1.1	0.0
Ordinary business profit after net credit costs	2.8	3.3	-0.5	5.5
<i>Treasury<sup>2</sup>:</i>				
Net interest income	1.9	-0.9	2.9	-1.0
Noninterest income	0.9	1.4	-0.4	-9.4
Total revenue	2.9	0.4	2.4	-10.5
General and administrative expenses	-1.2	-1.1	-0.1	-2.2
Ordinary business profit	1.6	-0.6	2.3	-12.7
Net credit costs	—	—	—	—
Ordinary business profit after net credit costs	1.6	-0.6	2.3	-12.7
<i>Other<sup>2 3</sup>:</i>				
Net interest income	-0.0	-0.0	0.0	-0.0
Noninterest income	-3.1	0.0	-3.1	-1.7
Total revenue	-3.1	0.0	-3.1	-1.7
General and administrative expenses	0.3	-0.4	0.7	-1.3
Ordinary business profit	-2.7	-0.3	-2.3	-3.1
Net credit costs	-0.0	0.0	-0.0	0.0
Ordinary business profit after net credit costs	-2.7	-0.3	-2.4	-3.1
<i>Overseas Business/Treasury/Other<sup>1 2 3</sup>:</i>				
Net interest income	5.6	1.5	4.0	4.6
Noninterest income	0.8	4.4	-3.5	-5.3
Total revenue	6.4	6.0	0.4	-0.7
General and administrative expenses	-4.1	-4.3	0.1	-9.6
Ordinary business profit	2.3	1.7	0.5	-10.3
Net credit costs	-0.5	0.6	-1.1	0.0
Ordinary business profit after net credit costs	1.7	2.3	-0.6	-10.3

1.The "Corporate/Others" has been changed to the "Overseas Business/Treasury/Others."

2.The "Corporate Business" segment in the "Institutional Business" includes the operations of the Group Business Strategy Division, which was formerly included in the "Others" segment. The "Treasury" segment in the "Overseas Business/Treasury/Others" includes the operations of the Investment Business Division, which was formerly included in the "Markets" segment.

Information on the amount of revenue and profit(loss) by reportable segment for the first half of the previous fiscal year has been prepared based on the classification of reportable segments for the first half of the current fiscal year.

3."Overseas Business/Treasury/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)

	Sep 30 2022	Mar 31 2022	Change (Amount)
Domestic offices (excluding Japan offshore market accounts):			
Manufacturing	230.5	207.0	23.5
Agriculture and forestry	-	-	-
Fishery	-	-	-
Mining, quarrying and gravel extraction	0.6	0.3	0.2
Construction	20.3	13.8	6.4
Electric power, gas, heat supply and water supply	451.2	397.2	53.9
Information and communications	56.0	48.6	7.4
Transportation and postal service	167.3	170.5	-3.1
Wholesale and retail	98.7	95.6	3.1
Finance and insurance	582.0	465.4	116.6
Real estate	780.0	702.1	77.9
Services	453.9	388.2	65.6
Local government	49.5	52.3	-2.7
Others	2,415.0	2,250.0	165.0
Loans to individual customers (Housing Loan, Unsecured Loan, Cashing by Credit Card, Housing Related Loan, etc.)	1,781.1	1,795.4	-14.2
<b>Total domestic (A)</b>	<b>5,305.7</b>	<b>4,791.6</b>	<b>514.1</b>
Overseas offices (including Japan offshore market accounts):			
Governments	-	-	-
Financial institutions	18.1	22.8	-4.6
Others	441.2	427.3	13.8
<b>Total overseas (B)</b>	<b>459.3</b>	<b>450.1</b>	<b>9.1</b>
<b>Total (A+B)</b>	<b>5,765.1</b>	<b>5,241.8</b>	<b>523.3</b>

## Securities Being Held to Maturity (Consolidated)

(Billions of yen)

	Sep 30, 2022			Mar 31, 2022		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount						
Japanese national government bonds	19.9	20.0	0.0	45.0	45.1	0.0
Foreign Securities	10.1	10.1	0.0	-	-	-
Subtotal	30.1	30.1	0.0	45.0	45.1	0.0
Fair value does not exceed carrying amount						
Japanese national government bonds	84.9	84.0	-0.8	64.9	64.5	-0.4
Foreign Securities	92.5	91.0	-1.4	-	-	-
Subtotal	177.5	175.1	-2.3	64.9	64.5	-0.4
<b>Total</b>	<b>207.6</b>	<b>205.3</b>	<b>-2.3</b>	<b>109.9</b>	<b>109.6</b>	<b>-0.3</b>

## Securities Available for Sale (Consolidated)

(Billions of yen)

	Sep 30, 2022			Mar 31, 2022		
	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	9.6	4.7	4.9	8.3	4.5	3.7
Domestic bonds	388.1	388.1	0.0	8.8	8.8	0.0
Japanese national government bonds	383.3	383.2	0.0	1.0	1.0	0.0
Japanese local government bonds	-	-	-	1.1	1.1	0.0
Japanese corporate bonds	4.8	4.8	0.0	6.7	6.7	0.0
Other	28.7	28.1	0.6	71.5	70.6	0.9
Foreign securities	14.0	13.5	0.4	62.1	61.3	0.8
Foreign currency denominated foreign corporate and government bonds	7.0	6.9	0.0	31.2	31.0	0.2
Yen-denominated foreign corporate and government bonds	6.5	6.5	0.0	30.2	30.2	0.0
Foreign equity securities and others	0.4	0.0	0.4	0.6	0.0	0.5
Other securities	10.3	10.2	0.1	0.2	0.1	0.0
Other monetary claims purchased	4.4	4.3	0.0	9.1	9.0	0.0
Subtotal	426.6	421.0	5.5	88.8	84.0	4.8
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	0.7	0.8	-0.0	0.6	0.7	-0.0
Domestic bonds	509.3	512.5	-3.1	241.8	244.5	-2.6
Japanese national government bonds	365.4	365.9	-0.5	102.4	102.6	-0.1
Japanese local government bonds	2.1	2.2	-0.0	1.0	1.1	-0.0
Japanese corporate bonds	141.7	144.3	-2.6	138.2	140.8	-2.5
Other	428.2	457.5	-29.2	189.7	201.2	-11.4
Foreign securities	385.4	413.2	-27.7	189.5	200.9	-11.4
Foreign currency denominated foreign corporate and government bonds	332.1	344.2	-12.1	138.6	140.7	-2.0
Yen-denominated foreign corporate and government bonds	32.6	32.7	-0.0	32.6	32.7	-0.0
Foreign equity securities and others	20.7	36.2	-15.5	18.2	27.5	-9.2
Other securities	38.8	40.3	-1.5	0.2	0.2	-0.0
Other monetary claims purchased	3.9	3.9	-0.0	-	-	-
Subtotal	938.3	970.9	-32.5	432.2	446.4	-14.2
Total <sup>1, 2</sup>	1,364.9	1,391.9	-27.0	521.1	530.5	-9.4

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 Sep 30, 2022 and Mar 31, 2022 were ¥1,356.5 billion and ¥511.9 billion, respectively.

2. Nonmarketable equity securities and others and investment in partnerships and others are not included.

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

(Billions of yen)

	Sep 30, 2022	Mar 31, 2022
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	-27.0	-9.4
The Bank's interests in available-for-sale securities held by partnerships and other adjustments	1.0	0.4
Other monetary assets held in trust	-2.0	-2.5
(-) Deferred tax liabilities	0.3	0.3
Unrealized gain (loss) on available-for-sale securities before interest adjustments	-28.4	-11.9
(-) Noncontrolling interests	0.0	0.0
(+) The Bank's interests in unrealized gain (loss) on available-for-sale securities held by affiliates to which the equity method is applied	-0.0	0.2
Unrealized gain (loss) on available-for-sale securities	-28.5	-11.6

## Deposits (Consolidated)

(Billions of yen)

	Sep 30 2022	Mar 31 2022	Change (Amount)
Deposits	7,114.5	5,771.0	1,343.4
Liquid (current, ordinary, notice) deposits	3,180.7	2,824.2	356.5
Time deposits <sup>1</sup>	3,287.6	2,450.9	836.6
Other	646.1	495.8	150.3
Negotiable certificates of deposits (NCDs)	1,961.9	627.0	1,334.9
<b>Total</b>	<b>9,076.5</b>	<b>6,398.0</b>	<b>2,678.4</b>

1.Includes two-week maturity deposits

## Financial Ratios (Consolidated)

	1H FY2022 (6 months)	1H FY2021 (6 months)	FY2021 (12 months)
Return on assets <sup>1</sup>	0.4% <sup>3</sup>	0.4% <sup>3</sup>	0.2%
Return on equity <sup>2</sup>	5.3% <sup>3</sup>	5.0% <sup>3</sup>	2.2%
Expense-to-revenue ratio <sup>4, 5</sup>	65.2%	69.8%	71.5%

1.Return on assets:

Profit (Losses) Attributable to Owners of the Parent

BOP: beginning of period

(Total assets at the BOP + Total assets at the EOP)/2

EOP: end of period

2.Return on equity (fully diluted):

Profit (Losses) Attributable to Owners of the Parent

((Total equity at the BOP - Share warrants at the BOP - Noncontrolling interests at the BOP) + (Total equity at the EOP - Share warrants at the EOP - 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 <sup>1</sup>>

(Billions of yen, except percentages)

	Sep 30 2022	Mar 31 2022	Change (Amount)
Core capital:instruments and reserves	982.4	947.2	35.1
Core capital:regulatory adjustments	-99.5	-95.9	-3.5
Capital	882.8	851.3	31.5
Total amount of Risk-weighted assets	7,870.0	7,262.6	607.4
Consolidated core capital adequacy ratio	11.21%	11.72%	

1.Calculated according to F-IRB.

Consolidated total required capital is ¥725.1 billion as of Sep 30, 2022, ¥673.9 billion as at March 31, 2022.

## Per Share Data (Consolidated)

(Yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Common equity	4,642.62	4,468.31	174.31	4,484.01
Fully diluted equity	4,642.62	4,466.89	175.73	4,484.01
Basic EPS	121.90	108.77	13.12	96.78
Diluted EPS <sup>(1)</sup>	121.90	108.73	13.16	96.75
For calculation of per share data (Does not include treasury shares):				
Equity: Number of common shares	204,119,088	208,641,080		205,232,236
Fully diluted number of shares	204,119,088	208,707,514		205,232,236
EPS: Number of common shares	204,228,806	213,587,220		210,631,453
Fully diluted number of shares	204,228,806	213,652,981		210,690,441

(1) For accounting purposes, if there are no latent shares, they are not disclosed, but from the perspective of comparability, they are listed in the table above.

## Interim Consolidated Balance Sheets

(Millions of yen)

	Sep 30 2022	Mar 31 2022	Change (Amount)
<b>&lt;&lt;Assets&gt;&gt;</b>			
Cash and due from banks	2,519,716	1,625,159	894,556
Call loans and bills bought	-	-	-
Receivables under securities borrowing transactions	-	-	-
Other monetary claims purchased	29,134	31,512	(2,378)
Trading assets	179,715	149,014	30,700
Monetary assets held in trust	348,142	388,177	(40,034)
Securities	1,634,245	674,609	959,636
Loans and bills discounted	5,765,119	5,241,817	523,301
Foreign exchanges	67,362	56,510	10,851
Installment receivables	997,746	947,406	50,339
Lease receivables and leased investment assets	187,543	190,859	(3,315)
Other assets	465,978	387,318	78,660
Premises and equipment	57,965	60,989	(3,023)
Intangible assets	61,076	62,604	(1,527)
Goodwill	10,996	11,007	(11)
Assets for retirement benefits	19,980	19,499	480
Deferred tax assets	6,405	10,725	(4,320)
Customers' liabilities for acceptances and guarantees	607,181	584,708	22,472
Reserve for credit losses	(114,028)	(119,466)	5,438
<b>Total assets</b>	<b>12,833,287</b>	<b>10,311,448</b>	<b>2,521,838</b>
<b>&lt;&lt;Liabilities&gt;&gt;</b>			
Deposits	7,114,528	5,771,056	1,343,471
Negotiable certificates of deposit	1,961,991	627,010	1,334,981
Call money and bills sold	10,482	3,654	6,827
Payables under repurchase agreements	35,396	9,567	25,828
Payables under securities lending transactions	354,567	237,530	117,037
Trading liabilities	159,853	134,068	25,785
Borrowed money	473,127	978,424	(505,297)
Foreign exchanges	1,470	1,905	(435)
Short-term corporate bonds	138,500	189,200	(50,700)
Corporate bonds	394,710	380,104	14,606
Other liabilities	579,006	416,356	162,650
Accrued employees' bonuses	5,086	9,977	(4,890)
Accrued directors' bonuses	5	39	(33)
Liabilities for retirement benefits	8,168	8,149	18
Reserve for directors' retirement benefits	6	23	(17)
Reserve for reimbursement of deposits	348	393	(45)
Reserve for reimbursement of debentures	2,550	2,853	(302)
Reserve for losses on interest repayments	33,440	31,635	1,805
Deferred tax liabilities	843	472	371
Acceptances and guarantees	607,181	584,708	22,472
<b>Total liabilities</b>	<b>11,881,267</b>	<b>9,387,131</b>	<b>2,494,135</b>
<b>&lt;&lt;Equity&gt;&gt;</b>			
Common stock	512,204	512,204	-
Capital surplus	72,963	72,961	2
Retained earnings	471,907	449,547	22,360
Treasury stock, at cost	(101,170)	(98,612)	(2,557)
<b>Total shareholders' equity</b>	<b>955,905</b>	<b>936,101</b>	<b>19,804</b>
Unrealized gain (loss) on available-for-sale securities	(28,500)	(11,667)	(16,833)
Deferred gain (loss) on derivatives under hedge accounting	(1,401)	(13,940)	12,539
Foreign currency translation adjustments	17,707	5,587	12,119
Defined retirement benefit plans	3,938	4,182	(244)
Total accumulated other comprehensive income	(8,256)	(15,836)	7,580
Stock acquisition rights	-	-	-
Noncontrolling interests	4,370	4,052	318
<b>Total equity</b>	<b>952,020</b>	<b>924,316</b>	<b>27,703</b>
<b>Total liabilities and equity</b>	<b>12,833,287</b>	<b>10,311,448</b>	<b>2,521,838</b>

## Interim Consolidated Statements of Income

(Millions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Ordinary income	201,660	182,563	19,097	373,328
Interest income	82,159	68,076	14,083	139,000
Interest on loans and bills discounted	71,625	63,949	7,675	127,493
Interest and dividends on securities	9,237	2,938	6,299	9,261
Other interest income	1,296	1,187	108	2,245
Fees and commissions income	31,280	28,578	2,701	59,398
Trading income	6,251	3,907	2,344	6,602
Other business income	74,747	71,723	3,023	147,040
Other ordinary income	7,220	10,276	(3,055)	21,285
Ordinary expenses	170,089	156,445	13,644	345,028
Interest expenses	14,268	6,471	7,796	13,324
Interest on deposits	3,783	1,675	2,107	3,424
Interest on borrowings	952	1,080	(127)	2,067
Interest on corporate bonds	2,688	1,715	973	3,674
Other interest expenses	6,844	2,000	4,843	4,159
Fees and commissions expenses	12,847	12,846	0	25,325
Trading losses	52	-	52	-
Other business expenses	50,736	44,959	5,777	103,755
General and administrative expenses	79,500	78,612	888	158,313
Amortization of goodwill	1,513	1,379	133	2,770
Amortization of intangible assets acquired in business combinations	215	228	(12)	459
Other general and administrative expenses	77,771	77,003	768	155,084
Other ordinary expenses	12,683	13,555	(872)	44,309
Provision of reserve for credit losses	10,779	11,131	(352)	37,271
Other	1,903	2,423	(520)	7,037
Ordinary profit	31,571	26,118	5,453	28,299
Extraordinary gains	10	1,616	(1,605)	1,616
Extraordinary losses	1,036	304	731	1,420
Income before income taxes	30,544	27,429	3,115	28,495
Income taxes (benefit):				
Income taxes (benefit) - current	3,854	4,937	(1,082)	8,921
Income taxes (benefit) - deferred	1,774	(787)	2,562	(770)
Total income taxes (benefit)	5,628	4,149	1,479	8,151
Profit	24,916	23,280	1,635	20,344
Profit (loss) attributable to noncontrolling interests	20	48	(27)	(40)
Profit attributable to owners of the parent	24,895	23,232	1,663	20,385

## Composition of Capital Disclosure(Consolidated)

Shinsei Bank and subsidiaries

Millions of yen (except percentages)

Items	Basel III (Domestic Standard) Sep 30 2022	Basel III (Domestic Standard) June 30 2022
	<b>Core capital:instruments and reserves (1)</b>	
Directly issued qualifying common share capital or preferred share capital		
with a compulsory conversion clause plus related capital surplus and retained earnings	<b>955,905</b>	925,064
of which:capital and capital surplus	<b>585,168</b>	585,165
of which:retained earnings	<b>471,907</b>	441,101
of which:treasury stock (-)	<b>101,170</b>	101,202
of which:earning to be distributed (-)	-	-
of which:other than above	-	-
Accumulated other comprehensive income (amount allowed to be included in Core capital)	<b>21,645</b>	17,625
of which:foreign currency translation adjustment	<b>17,707</b>	13,567
of which:amount related defined benefit	<b>3,938</b>	4,058
Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	-	-
Adjusted noncontrolling interests (amount allowed to be included in Core capital)	-	-
Total of reserves included in Core capital:instruments and reserves	<b>3,993</b>	3,659
of which:general reserve for loan losses included in Core capital	<b>3,993</b>	3,659
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)	<b>874</b>	814
<b>Core capital:instrumes and reserves (A)</b>	<b>982,419</b>	947,163
<b>Core capital:regulatory adjustments (2)</b>		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	<b>47,815</b>	48,831
of which:goodwill (including those equivalent)	<b>13,069</b>	14,009
of which:other intangibles other than goodwill and mortgage servicing rights	<b>34,745</b>	34,821
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	<b>3,375</b>	3,962
Shortfall of eligible provisions to expected losses	<b>34,501</b>	33,500
Gain on sale of securitization	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Net defined benefit asset	<b>13,862</b>	13,697
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)	-	-
<b>Core capital:regulatory adjustments (B)</b>	<b>99,554</b>	99,992
<b>Capital (consolidated)</b>		
Capital (consolidated)((A)-(B))(C)	<b>882,864</b>	847,170
<b>Risk-weighted assets, etc.</b>		
Total amount of credit risk-weighted assets	<b>7,377,437</b>	6,994,761
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)	<b>103,827</b>	95,641
Operational risk (derived by multiplying the capital requirement by 12.5)	<b>388,788</b>	384,967
Credit risk-weighted assets adjustments	-	-
Operational risk adjustments	-	-
<b>Total amount of Risk-weighted assets (D)</b>	<b>7,870,054</b>	7,475,369
<b>Capital ratio (consolidated)</b>		
Capital ratio (consolidated)((C)/(D))	<b>11.21%</b>	11.33%

## (Reference) Results of Operations (Consolidated)

(Millions of yen)

	1H FY2022 (6 months) (A)	1H FY2021 (6 months) (B)	Change (A)-(B)
Gross Business Profit	118,241	109,858	8,382
(excluding Gains on Monetary Assets Held in Trust)	116,568	108,169	8,398
Net Interest Income	67,891	61,604	6,286
Net Fees and Commissions	18,434	15,733	2,701
Net Trading Income	6,199	3,907	2,291
Net Other Business Income	25,716	28,612	(2,896)
Gains on Monetary Assets Held in Trust	1,673	1,689	(16)
Gains related to Bonds	198	1,518	(1,320)
General and Administrative Expenses	79,651	78,843	807
Personnel Expenses	31,826	31,396	429
Nonpersonnel Expenses	43,120	41,940	1,179
Amortization of Goodwill and Intangible Assets	1,728	1,608	120
Taxes	4,705	5,506	(801)
Net Business Profit	38,589	31,014	7,574
Credit Costs	8,243	6,546	1,696
Gains on Stock Transactions	954	582	371
Equity in Net Income (Loss) of Affiliates	255	236	18
Other	15	830	(814)
Ordinary Profit	31,571	26,118	5,453
Extraordinary Gains	(1,026)	1,311	(2,337)
Gains from Sales of Fixed Assets and Impairment losses	(774)	265	(1,039)
Income before Income Taxes	30,544	27,429	3,115
Income Taxes - Current	3,854	4,937	(1,082)
Income Taxes - Deferred	1,774	(787)	2,562
Profit Attributable to Noncontrolling Interests	20	48	(27)
Profit Attributable to Owners of the Parents	24,895	23,232	1,663

## Note

1. 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.

2. Net Business Profit = Gross Business Profit - General and Administrative Expenses.

3. Details of credit cost is available at "Net Credit Cost (Consolidated)" of Financial Summary.

## Results of Operations (Nonconsolidated)

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Net interest income <sup>1</sup>	55.5	43.3	12.1	121.7
Noninterest income	4.2	0.4	3.8	-7.5
Net fees and commissions <sup>2</sup>	-0.9	-2.7	1.8	-2.9
Net trading income	6.5	2.5	4.0	4.6
Net other business income	-1.3	0.5	-1.9	-9.2
Total revenue <sup>2</sup>	59.8	43.7	16.0	114.2
Personnel expenses	-13.8	-13.9	0.1	-27.3
Nonpersonnel expenses	-17.5	-18.8	1.2	-39.2
Taxes	-2.4	-2.8	0.4	-5.4
General and administrative expenses	-33.8	-35.6	1.8	-72.0
Net business profit <sup>2</sup>	25.9	8.0	17.9	42.2
Other gains				
Gains on the sales of equities	0.5	0.0	0.4	2.8
Net provision of reserve for credit losses	6.0	0.7	5.2	-9.1
Losses on write-off of loans	-0.0	-0.2	0.2	-1.6
Recoveries of written-off claims	0.1	1.9	-1.8	2.0
Expenses for employees' retirement benefits	0.1	0.2	-0.0	0.4
Others	0.0	0.2	-0.1	0.1
Net ordinary income	32.8	10.9	21.8	36.8
Extra ordinary profit				
Gains from sales of fixed assets and impairment losses	-0.0	-0.1	0.0	-0.3
Others	-2.4	-0.1	-2.2	0.1
Income before income taxes	30.2	10.6	19.6	36.6
Income taxes - Current	-1.0	-2.4	1.4	-1.1
Income taxes - Deferred	1.1	-3.7	4.9	-5.1
Net income	30.3	4.3	25.9	30.3

1.Dividends received from subsidiaries in 1HFY2022 amounted to ¥10.0 billion (from Showa Leasing).

2.Includes income from monetary assets held in trust of ¥1.1 billion in 1HFY2022, ¥1.1 billion in 1HFY2021 and ¥2.4 billion in FY2021.

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 non-consolidated 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)

	1H FY2022 (6 months)			1H FY2021 (6 months)			FY2021 (12 months)		
	Average balance	Interest	Yield/rate <sup>1</sup> (%)	Average balance	Interest	Yield/rate <sup>1</sup> (%)	Average balance	Interest	Yield/rate <sup>1</sup> (%)
Interest-earning assets:									
Loans and bills discounted	<b>5,602.6</b>	<b>46.5</b>	<b>1.65</b>	5,135.5	39.5	1.53	5,164.5	78.4	1.51
Securities	<b>1,364.6</b>	<b>19.6</b>	<b>2.87</b>	1,351.0	6.8	1.01	1,350.9	49.8	3.69
Other interest-earning assets <sup>2,3</sup>	<b>330.3</b>	<b>0.9</b>	<b>***</b>	104.5	0.9	***	101.4	1.7	***
<b>Total interest-earning assets<sup>4</sup></b>	<b>7,297.6</b>	<b>67.1</b>	<b>1.83</b>	6,591.2	47.3	1.43	6,616.9	130.0	1.96
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	<b>7,391.9</b>	<b>3.8</b>	<b>0.10</b>	6,681.6	1.7	0.05	6,625.8	3.5	0.05
Borrowed money	<b>374.9</b>	<b>0.0</b>	<b>0.03</b>	525.4	0.0	0.00	523.3	0.0	0.00
Corporate bonds	<b>170.0</b>	<b>0.2</b>	<b>0.25</b>	180.0	0.2	0.24	175.7	0.4	0.25
Other interest-bearing liabilities <sup>2</sup>	<b>363.0</b>	<b>7.5</b>	<b>***</b>	614.6	2.0	***	622.3	4.3	***
<b>Total interest-bearing liabilities<sup>4</sup></b>	<b>8,299.8</b>	<b>11.6</b>	<b>0.28</b>	8,001.7	4.0	0.10	7,947.3	8.4	0.10
<b>Net interest income/yield on interest-earning assets</b>	<b>7,297.6</b>	<b>55.4</b>	<b>1.51</b>	6,591.2	43.2	1.30	6,616.9	121.6	1.83

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)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change	FY2021 (12 months)
Yield on interest earning assets (A)	1.83	1.43	0.40	1.96
Total cost of funding (B)	1.12	1.02	0.10	1.03
Cost of interest bearing liabilities (C)	0.28	0.10	0.18	0.10
Overall interest margin (A)-(B)	0.71	0.41	0.30	0.93
Net interest margin (A)-(C)	1.55	1.33	0.22	1.86

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

(Domestic)<sup>1</sup>

(Percentages)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change	FY2021 (12 months)
Yield on interest earning assets (A)	1.41	1.31	0.10	1.82
Interest earned on loans and bills discounted	1.37	1.51	-0.14	1.48
Interest earned on securities	3.12	1.16	1.96	5.00
Total cost of funding (B) <sup>2</sup>	0.95	1.04	-0.09	1.04
Cost of interest bearing liabilities (C)	0.06	0.05	0.01	0.05
Interest paid on deposits <sup>3</sup>	0.04	0.04	0.00	0.04
Overall interest margin (A)-(B)	0.46	0.27	0.19	0.78
Net interest margin (A)-(C)	1.35	1.26	0.09	1.77

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)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change	FY2021 (12 months)
Gains (losses) on bonds	0.1	1.5	-1.3	-10.2
Gains on sales	0.4	1.1	-0.7	1.5
Gains on redemption	-	0.4	-0.4	0.4
Losses on sales	-0.2	-0.0	-0.1	-12.1
Losses on redemption	-	-	-	-
Losses on devaluation	-	-	-	-
Gains (losses) on stocks	0.5	0.0	0.4	2.8
Gains on sales	0.5	0.7	-0.2	4.0
Losses on sales	-	-0.0	0.0	-0.2
Losses on devaluation	-0.0	-0.7	0.7	-1.0

Net Credit Costs (Nonconsolidated) <sup>1</sup>

(Billions of yen)

	1H FY2022 (6 months)	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Losses on write-off of loans/Losses on sale of loans	-0.0	-0.2	0.2	-1.6
Net provision of reserve for loan losses	6.0	0.7	5.2	-9.1
Net provision of general reserve for loan losses	0.3	1.6	-1.2	-1.8
Net provision of specific reserve for loan losses	5.6	-0.8	6.4	-7.3
Net Provision of Reserve for Loan Losses to Restructuring Countries	-	-	-	-
Recoveries of written-off claims	0.1	1.9	-1.8	2.0
<b>Net credit costs</b>	<b>6.0</b>	<b>2.4</b>	<b>3.6</b>	<b>-8.8</b>

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)

	Sep 30 2022	Mar 31 2022	Change (Amount)
Domestic (excluding Japan offshore market accounts):			
Manufacturing	228.5	205.0	23.5
Agriculture and forestry	-	-	-
Fishery	-	-	-
Mining, quarrying and gravel extraction	0.6	0.3	0.2
Construction	18.8	12.3	6.5
Electric power, gas, heat supply and water supply	447.2	393.4	53.8
Information and communications	56.0	48.6	7.4
Transportation and postal service	146.5	152.8	-6.3
Wholesale and retail	93.1	90.1	3.0
Finance and insurance	1,342.8	1,079.0	263.8
Real estate	766.1	690.0	76.1
Services	522.5	454.8	67.7
Local government	49.5	52.3	-2.7
Individuals	1,288.0	1,306.7	-18.7
Overseas yen loans and overseas loans booked domestically	711.4	500.1	211.2
<b>Total domestic</b>	<b>5,671.7</b>	<b>4,985.8</b>	<b>685.8</b>
Overseas (including Japan offshore market accounts):			
Governments	-	-	-
Financial institutions	18.0	22.7	-4.7
Others	258.4	270.9	-12.5
<b>Total overseas</b>	<b>276.5</b>	<b>293.7</b>	<b>-17.2</b>
<b>Total</b>	<b>5,948.3</b>	<b>5,279.6</b>	<b>668.6</b>

Claims Classified under the JBA and the Financial Revitalization Law (Nonconsolidated)<sup>1</sup>

(Billions of yen)

	Sep 30 2022	Mar 31 2022	Change (Amount)
Claims against bankrupt and quasi-bankrupt obligors	1.6	1.6	-0.0
Doubtful claims	13.2	30.2	-16.9
Substandard claims	7.7	4.3	3.4
<b>Total (A)</b>	<b>22.5</b>	<b>36.1</b>	<b>-13.5</b>
Coverage ratio	72.4%	87.8%	
Total claims (B)	6,076.3	5,387.8	688.4
Loans and bills discounted	5,948.3	5,279.6	668.6
Others	128.0	108.2	19.7
Ratio to total claims (A/B X 100) (%) <sup>2</sup>	0.37%	0.66%	
(Ref. 1) Amount of write-off	8.6	9.9	-1.3
(Ref. 2) Below need caution level	138.4	133.7	4.7

1.The figures that are stated in multiples of 0.1 billion yen have been rounded off.

2.Ratio to total claims is presented discarding the third decimal point and below.

 Coverage Ratios for Nonperforming Claims Disclosed under the Financial Revitalization Law (Nonconsolidated)<sup>1</sup>

(Billions of yen, except percentages)

	Sep 30, 2022					Mar 31, 2022				
	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	1.6	1.6	0.5	1.0	100.0%	1.6	1.6	0.6	1.0	100.0%
Doubtful claims	13.2	10.0	4.4	5.6	75.8%	30.2	26.8	13.8	13.0	88.9%
Substandard claims	7.7	4.7	2.2	2.5	60.9%	4.3	3.2	0.4	2.8	75.3%
<b>Total</b>	<b>22.5</b>	<b>16.3</b>	<b>7.1</b>	<b>9.2</b>	<b>72.4%</b>	<b>36.1</b>	<b>31.7</b>	<b>14.8</b>	<b>16.8</b>	<b>87.8%</b>

1.The figures that are stated in multiples of 0.1 billion yen have been rounded off.

## Housing Loans (Nonconsolidated)

(Billions of yen)

	Sep 30 2022	Mar 31 2022	Change (Amount)
Housing loans	1,101.4	1,113.7	-12.3

## Securities Being Held to Maturity (Nonconsolidated)

(Billions of yen)

	Sep 30, 2022			Mar 31, 2022		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
Fair value exceeds carrying amount						
Japanese national government bonds	19.9	20.0	0.0	45.0	45.1	0.0
Foreign Securities	10.1	10.1	0.0	-	-	-
Subtotal	30.1	30.1	0.0	45.0	45.1	0.0
Fair value does not exceed carrying amount						
Japanese national government bonds	84.9	84.0	-0.8	64.9	64.5	-0.4
Foreign Securities	92.5	91.0	-1.4	-	-	-
Subtotal	177.5	175.1	-2.3	64.9	64.5	-0.4
<b>Total</b>	<b>207.6</b>	<b>205.3</b>	<b>-2.3</b>	<b>109.9</b>	<b>109.6</b>	<b>-0.3</b>

## Securities Available for Sale (Nonconsolidated)

(Billions of yen)

	Sep 30, 2022			Mar 31, 2022		
	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	7.9	4.1	3.7	6.4	3.9	2.4
Domestic bonds	387.1	387.1	0.0	7.8	7.8	0.0
Japanese national government bonds	382.3	382.2	0.0	-	-	-
Japanese local government bonds	-	-	-	1.1	1.1	0.0
Japanese corporate bonds	4.8	4.8	0.0	6.7	6.7	0.0
Other	28.7	28.1	0.6	71.5	70.6	0.9
Foreign securities	14.0	13.5	0.4	62.1	61.3	0.8
Foreign currency denominated foreign corporate and government bonds	7.0	6.9	0.0	31.2	31.0	0.2
Yen-denominated foreign corporate and government bonds	6.5	6.5	0.0	30.2	30.2	0.0
Foreign equity securities and others	0.4	0.0	0.4	0.6	0.0	0.5
Other securities	10.3	10.2	0.1	0.2	0.1	0.0
Other monetary claims purchased	4.4	4.3	0.0	9.1	9.0	0.0
Subtotal	423.8	419.4	4.3	85.9	82.4	3.4
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	0.5	0.6	-0.0	0.5	0.6	-0.1
Domestic bonds	509.3	512.5	-3.1	241.8	244.5	-2.6
Japanese national government bonds	365.4	365.9	-0.5	102.4	102.6	-0.1
Japanese local government bonds	2.1	2.2	-0.0	1.0	1.1	-0.0
Japanese corporate bonds	141.7	144.3	-2.6	138.2	140.8	-2.5
Other	428.2	457.5	-29.2	189.7	201.2	-11.4
Foreign securities	385.4	413.2	-27.7	189.5	200.9	-11.4
Foreign currency denominated foreign corporate and government bonds	332.1	344.2	-12.1	138.6	140.7	-2.0
Yen-denominated foreign corporate and government bonds	32.6	32.7	-0.0	32.6	32.7	-0.0
Foreign equity securities and others	20.7	36.2	-15.5	18.2	27.5	-9.2
Other securities	38.7	40.2	-1.5	0.2	0.2	-0.0
Other monetary claims purchased	3.9	3.9	-0.0	-	-	-
Subtotal	938.1	970.7	-32.5	432.2	446.4	-14.2
Total <sup>1, 2</sup>	1,362.0	1,390.2	-28.1	518.1	528.9	-10.7

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

2. Nonmarketable equity securities and others and investment in partnerships and others are not included.

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

(Billions of yen)

	Sep 30, 2022	Mar 31, 2022
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	-28.1	-10.7
Interests in available-for-sale securities held by partnerships	0.7	0.6
Other monetary assets held in trust	-2.1	-2.5
(-) Deferred tax liabilities	-	-
Unrealized gain (loss) on available-for-sale securities	-29.4	-12.6

## Capital Adequacy Related Information (Nonconsolidated)

<Basel 3, Domestic Standard<sup>1</sup>>

(Billions of yen, except percentages)

	<b>Sep 30 2022</b>	Mar 31 2022	Change (Amount)
Core capital: instruments and reserves	<b>917.3</b>	889.5	27.7
Core capital: regulatory adjustments	<b>-38.0</b>	-33.5	-4.4
Capital	<b>879.2</b>	855.9	23.3
Total amount of Risk-weighted assets	<b>6,738.2</b>	6,204.6	533.6
Core capital adequacy ratio	<b>13.04%</b>	13.79%	

1. Calculated according to F-IRB.

Nonconsolidated total required capital is ¥577.0 billion as at Sep 30, 2022 and ¥529.9 billion as at March 31, 2022.

## Interim Nonconsolidated Balance Sheets (Unaudited)

(Millions of yen)

	Sep 30 2022	Mar 31 2022	Change (Amount)
<b>&lt;&lt;Assets&gt;&gt;</b>			
Cash and due from banks	2,390,673	1,514,510	876,162
Other monetary claims purchased	14,287	15,225	(938)
Trading assets	178,935	148,385	30,550
Monetary assets held in trust	263,499	299,893	(36,394)
Securities	2,059,124	1,104,839	954,284
Loans and bills discounted	5,948,313	5,279,626	668,687
Foreign exchanges	67,362	56,510	10,851
Other assets	351,354	281,119	70,234
Other	351,354	281,119	70,234
Premises and equipment	9,206	10,149	(943)
Intangible assets	22,414	23,040	(625)
Prepaid pension cost	9,782	9,195	587
Deferred tax assets	402	546	(143)
Customers' liabilities for acceptances and guarantees	30,276	22,003	8,272
Reserve for credit losses	(28,298)	(38,149)	9,850
<b>Total assets</b>	<b>11,317,335</b>	<b>8,726,897</b>	<b>2,590,437</b>
<b>&lt;&lt;Liabilities&gt;&gt;</b>			
Deposits	7,329,097	5,955,038	1,374,059
Negotiable certificates of deposit	1,961,991	627,010	1,334,981
Call money	10,482	3,654	6,827
Payables under repurchase agreements	35,396	9,567	25,828
Payables under securities lending transactions	354,567	237,530	117,037
Trading liabilities	157,158	128,032	29,125
Borrowed money	65,653	546,635	(480,981)
Foreign exchanges	1,470	1,905	(435)
Corporate bonds	170,000	170,000	-
Other liabilities	332,872	164,006	168,866
Income taxes payable	1,525	1,468	57
Asset retirement obligations	6,692	7,201	(508)
Other	324,653	155,336	169,317
Accrued employees' bonuses	2,607	4,909	(2,301)
Reserve for reimbursement of deposits	348	393	(45)
Reserve for reimbursement of debentures	2,550	2,853	(302)
Acceptances and guarantees	30,276	22,003	8,272
<b>Total liabilities</b>	<b>10,454,474</b>	<b>7,873,541</b>	<b>2,580,933</b>
<b>&lt;&lt;Equity&gt;&gt;</b>			
Common stock	512,204	512,204	-
Capital surplus	79,468	79,465	2
Additional paid-in capital	79,465	79,465	-
Other capital surplus	2	-	2
Retained earnings	426,803	398,941	27,861
Legal reserve	17,205	16,712	492
Other retained earnings	409,598	382,229	27,369
Unappropriated retained earnings	409,598	382,229	27,369
Treasury stock, at cost	(101,170)	(98,612)	(2,557)
<b>Total shareholders' equity</b>	<b>917,305</b>	<b>891,999</b>	<b>25,306</b>
Unrealized gain (loss) on available-for-sale securities	(29,483)	(12,667)	(16,816)
Deferred gain (loss) on derivatives under hedge accounting	(24,961)	(25,976)	1,014
<b>Total net unrealized gain (loss) and translation adjustments</b>	<b>(54,445)</b>	<b>(38,643)</b>	<b>(15,801)</b>
<b>Total equity</b>	<b>862,860</b>	<b>853,356</b>	<b>9,504</b>
<b>Total liabilities and equity</b>	<b>11,317,335</b>	<b>8,726,897</b>	<b>2,590,437</b>

## Interim Nonconsolidated Statements of Income (Unaudited)

(Millions of yen)

	<b>1H FY2022 (6 months)</b>	1H FY2021 (6 months)	Change (Amount)	FY2021 (12 months)
Ordinary income	<b>90,774</b>	64,753	26,020	165,589
Interest income	<b>67,100</b>	47,310	19,790	130,092
Interest on loans and bills discounted	<b>46,514</b>	39,513	7,000	78,480
Interest and dividends on securities	<b>19,646</b>	6,880	12,766	49,852
Other interest income	<b>939</b>	916	23	1,759
Fees and commissions income	<b>8,047</b>	7,548	498	16,881
Trading income	<b>6,625</b>	2,558	4,067	4,660
Other business income	<b>476</b>	2,136	(1,659)	4,664
Other ordinary income	<b>8,524</b>	5,200	3,324	9,290
Ordinary expenses	<b>57,923</b>	53,766	4,157	128,777
Interest expenses	<b>11,693</b>	4,087	7,606	8,470
Interest on deposits	<b>3,786</b>	1,678	2,108	3,430
Interest on corporate bonds	<b>216</b>	223	(6)	440
Other interest expenses	<b>7,689</b>	2,185	5,504	4,599
Fees and commissions expenses	<b>10,085</b>	11,419	(1,334)	22,289
Trading losses	<b>52</b>	-	52	-
Other business expenses	<b>1,846</b>	1,579	267	13,909
General and administrative expenses	<b>33,647</b>	35,447	(1,800)	71,663
Other ordinary expenses	<b>598</b>	1,232	(634)	12,444
Ordinary profit	<b>32,850</b>	10,987	21,862	36,811
Extraordinary gains	<b>37</b>	0	37	1,629
Extraordinary losses	<b>2,603</b>	339	2,263	1,754
Income before income taxes	<b>30,284</b>	10,648	19,636	36,686
Income taxes (benefit):				
Income taxes (benefit) - current	<b>1,067</b>	2,485	(1,417)	1,103
Income taxes (benefit) - deferred	<b>(1,107)</b>	3,794	(4,902)	5,195
Total income taxes (benefit)	<b>(40)</b>	6,279	(6,320)	6,299
Net income	<b>30,324</b>	4,368	25,956	30,387

## Composition of Capital Disclosure (Nonconsolidated)

Shinsei Bank

Millions of yen (except percentages)

Items	Basel III (Domestic Standard) Sep 30 2022	Basel III (Domestic Standard) June 30 2022
	<b>Core capital:instruments and reserves (1)</b>	
Directly issued qualifying common share capital or preferred share capital		
with a compulsory conversion clause plus related capital surplus and retained earnings	<b>917,305</b>	886,831
of which:capital and capital surplus	<b>591,672</b>	591,670
of which:retained earnings	<b>426,803</b>	396,363
of which:treasury stock (-)	<b>101,170</b>	101,202
of which:earning to be distributed (-)	-	-
of which:other than above	-	-
Stock acquisition right to common shares and preferred shares with a compulsory conversion clause	-	-
Total of reserves included in Core capital:instruments and reserves	<b>10</b>	8
of which:general reserve for loan losses included in Core capital	<b>10</b>	8
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)	-	-
<b>Core capital:instruments and reserves (A)</b>	<b>917,316</b>	886,840
<b>Core capital:regulatory adjustments (2)</b>		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	<b>15,619</b>	15,634
of which:goodwill (including those equivalent)	<b>223</b>	240
of which:other intangibles other than goodwill and mortgage servicing rights	<b>15,396</b>	15,394
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	<b>1,546</b>	1,213
Shortfall of eligible provisions to expected losses	<b>14,093</b>	11,378
Gain on sale of securitization	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Prepaid pension cost	<b>6,787</b>	6,581
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)	-	-
<b>Core capital:regulatory adjustments (B)</b>	<b>38,047</b>	34,808
<b>Capital (nonconsolidated)</b>		
Capital (nonconsolidated)((A)-(B))(C)	<b>879,269</b>	852,031
<b>Risk-weighted assets, etc.</b>		
Total amount of credit risk-weighted assets	<b>6,444,602</b>	6,100,670
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)	<b>85,568</b>	91,313
Operational risk (derived by multiplying the capital requirement by 12.5)	<b>208,092</b>	203,272
Credit risk-weighted assets adjustments	-	-
Operational risk adjustments	-	-
<b>Total amount of Risk-weighted assets (D)</b>	<b>6,738,263</b>	6,395,256
<b>Capital ratio (nonconsolidated)</b>		
Capital ratio (nonconsolidated)((C)/(D))	<b>13.04%</b>	13.32%

## (Reference) Results of Operations (Nonconsolidated)

(Millions of yen)

	1H FY2022 (6 months) (A)	1H FY2021 (6 months) (B)	Change (A)-(B)
Gross Business Profit	<b>59,804</b>	43,718	16,086
(excluding Gains on Monetary Assets Held in Trust)	<b>58,669</b>	42,554	16,114
Net Interest Income	<b>55,504</b>	43,310	12,194
Net Fees and Commissions	<b>(901)</b>	(2,706)	1,804
Gains on Monetary Assets Held in Trust	<b>1,135</b>	1,163	(27)
Net Trading Income	<b>6,572</b>	2,558	4,014
Net Other Business Income	<b>(1,371)</b>	556	(1,927)
Gains related to Bonds	<b>198</b>	1,518	(1,320)
General and Administrative Expenses	<b>33,822</b>	35,686	(1,864)
Personnel Expenses	<b>13,816</b>	13,973	(156)
Nonpersonnel Expenses	<b>17,562</b>	18,845	(1,283)
Amortization of Goodwill	<b>32</b>	82	(50)
Taxes	<b>2,443</b>	2,867	(424)
Net Operating Profit before Provision of General Reserve for Loan Losses	<b>24,847</b>	6,868	17,979
Provision of General Reserve for Loan Losses (1)	-	-	-
Net Operating Profit	<b>24,847</b>	6,868	17,979
Net Business Profit	<b>25,982</b>	8,031	17,951
Non-Recurring Gains	<b>6,965</b>	3,043	3,921
Gains related to Stocks	<b>508</b>	10	498
Credit Costs (2)	<b>(6,092)</b>	(2,437)	(3,654)
Losses on Write-Off of Loans	<b>8</b>	269	(260)
Provision of Specific Reserve for Loan Losses	-	-	-
Provision of Reserve for Loan Losses to Restructuring Countries	-	-	-
Recoveries of Written-off Claims	<b>(100)</b>	(1,910)	1,810
Reversal of Reserve for Loan Losses	<b>(6,000)</b>	(796)	(5,204)
Losses on Sale of Loans	-	-	-
Other	<b>365</b>	595	(230)
Ordinary Profit	<b>32,850</b>	10,987	21,862
Extraordinary Gains	<b>(2,566)</b>	(339)	(2,226)
Gains from Sales of Fixed Assets and Impairment losses	<b>(85)</b>	(152)	66
Income before Income Taxes	<b>30,284</b>	10,648	19,636
Income Taxes - Current	<b>1,067</b>	2,485	(1,417)
Income Taxes - Deferred	<b>(1,107)</b>	3,794	(4,902)
Net Income	<b>30,324</b>	4,368	25,956

## (Reference)

Core Net Operating Profit	<b>24,648</b>	5,349	19,299
(excluding Gains on Cancellation of Investment Trusts)	<b>24,648</b>	5,349	19,299
Net Credit Costs (1)+ (2)	<b>(6,092)</b>	(2,437)	(3,654)

## 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 in 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]	1H FY2022 (6 months)			1H FY2021 (6 months)			FY2021 (12 months)		
	Average balance	Interest	Yield/rate <sup>1</sup> (%)	Average balance	Interest	Yield/rate <sup>1</sup> (%)	Average balance	Interest	Yield/rate <sup>1</sup> (%)
Interest-earning assets:	<b>7,297,698</b>	<b>67,100</b>	<b>1.83</b>	6,591,206	47,310	1.43	6,616,943	130,092	1.96
Loans and bills discounted	<b>5,602,625</b>	<b>46,514</b>	<b>1.65</b>	5,135,575	39,513	1.53	5,164,553	78,480	1.51
Securities	<b>1,364,680</b>	<b>19,646</b>	<b>2.87</b>	1,351,070	6,880	1.01	1,350,903	49,852	3.69
Interest-bearing liabilities:	<b>8,299,882</b>	<b>11,693</b>	<b>0.28</b>	8,001,751	4,087	0.10	7,947,314	8,470	0.10
Deposits, including negotiable certificates of deposit	<b>7,391,951</b>	<b>3,890</b>	<b>0.10</b>	6,681,645	1,765	0.05	6,625,882	3,595	0.05
Borrowed money	<b>374,908</b>	<b>71</b>	<b>0.03</b>	525,467	9	0.00	523,330	38	0.00
Corporate bonds	<b>170,000</b>	<b>216</b>	<b>0.25</b>	180,000	223	0.24	175,726	440	0.25
Net interest income/yield on interest-earning assets	<b>7,297,698</b>	<b>55,407</b>	<b>1.51</b>	6,591,206	43,222	1.30	6,616,943	121,622	1.83

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.

[Domestic]

Interest-earning assets:	<b>6,570,882</b>	<b>46,544</b>	<b>1.41</b>	5,861,550	38,579	1.31	6,011,315	109,490	1.82
Loans and bills discounted	<b>4,564,651</b>	<b>31,447</b>	<b>1.37</b>	4,270,649	32,357	1.51	4,284,725	63,595	1.48
Securities	<b>892,947</b>	<b>14,004</b>	<b>3.12</b>	870,041	5,087	1.16	872,119	43,607	5.00
Interest-bearing liabilities:	<b>7,626,032</b>	<b>2,478</b>	<b>0.06</b>	7,239,311	2,137	0.05	7,309,844	4,326	0.05
Deposits, including negotiable certificates of deposit	<b>6,725,563</b>	<b>1,499</b>	<b>0.04</b>	6,048,312	1,280	0.04	6,010,144	2,599	0.04
Borrowed money	<b>374,908</b>	<b>56</b>	<b>0.02</b>	518,766	2	0.00	523,330	22	0.00
Corporate bonds	<b>170,000</b>	<b>216</b>	<b>0.25</b>	180,000	223	0.24	175,726	440	0.25
Net interest income/yield on interest-earning assets	<b>6,570,882</b>	<b>44,065</b>	<b>1.33</b>	5,861,550	36,441	1.23	6,011,315	105,164	1.74

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

Earnings Forecasts<sup>1</sup>*(Billions of yen)*

(Consolidated)	<b>FY2022 Forecast</b>	FY2021 Actual
Profit attributable to owners of the parent	<b>35.0</b>	20.3
<hr/>		
(Nonconsolidated)	<b>FY 2022 Forecast</b>	FY2021 Actual
Net business profit	<b>40.0</b>	42.2
Net income	<b>36.0</b>	30.3
Dividends (per share in yen): Common stock	<b>yet to be determined</b>	12.0

<sup>1</sup>Above 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.

1. Nonperforming loan ratio (Financial Revitalization Law Standard) (%)

	Sep 30, 2020	Mar 31, 2021	Sep 30, 2021	Mar 31, 2022	Sep 30, 2022
Nonconsolidated	0.64	0.64	0.61	0.66	0.37
Consolidated	1.99	2.10	2.15	2.21	1.89

2. Equity holdings (domestic) (Nonconsolidated)

(1) Equity held

(Billions of yen)

	Book value		Net unrealized gain (loss)
		Subsidiaries' shares	
Sep.30, 2021	355.1	341.5	4.8
Mar.31, 2022	352.6	341.7	2.3
Sep.30, 2022	362.7	341.6	3.6

(2) Impairment

(Billions of yen)

	Equity related profits and losses (net of three accounts)	
		Impairment amount
1HFY2021	0.0	0.7
FY2021	2.8	1.0
1HFY2022	0.5	0.0

1.Other extraordinary losses for 1HFY2021 contains ¥ 0.1 billion in mark-down of subsidiaries' equity.

2.Other extraordinary losses for FY2021 contains ¥ 1.4 billion in mark-down of subsidiaries' equity.

3.Other extraordinary losses for 1HFY2022 contains ¥ 2.5 billion in mark-down of subsidiaries' equity.

(3) Break-even level of profit and loss of equities held (domestic) (theoretical figure)

Nikkei Stock Average	approximately	¥15,000
TOPIX	approximately	1,000

3. Loans to SMEs (% shows changes from the previous period) (Nonconsolidated)

(Billions of yen, except percentage)

	Results	% Change	Ratio to total loan balance (%)
Sep 30, 2021	3,139.7	-2.27	64.96
Mar 31, 2022	3,506.3	11.68	70.33
Sep 30, 2022	3,760.9	7.26	66.31

1.The figures do not include Overseas and Japan Offshore Market Accounts.

2.Small- and medium-sized enterprises in this table refer to companies with ¥ 300 million or less in capital (¥ 100 million for wholesale and ¥ 50 million for retail and services) as well as companies or individuals with 300 employees or fewer (100 for wholesale and services and 50 for retail).

3.Revitalization Law (actual net increase/decrease excluding impact loan) unachieved actual results of + ¥ 0.0 billion for FY2021 compared to the plan of + ¥ 1.0 billion.

4. Sales performance of investment trusts and insurance (Nonconsolidated)

a. Investment trust sales performance and commission

(Billions of yen)

	Handling commission for sales of investment trusts		Amount of sales during the period
		Upfront fees from investment trusts	
1HFY2021	1.0	0.2	60.1
FY2021	1.6	0.3	88.1
1HFY2022	—	—	—

1.Handling commission for sales of investment trusts and amount of sales for FY2021 were recorded for April 2021 to December 2021 period. From January 2022, the handling commission and the amount of sales have been zero due to the transfer of accounts to Monex, Inc.

b. Insurance sales performance and commission

(Billions of yen)

	Handling commission for sales of insurance		Amount of sales during the period
		Upfront fees from insurance	
1HFY2021	0.7	0.7	19.6
FY2021	1.5	1.5	36.7
1HFY2022	0.6	0.6	5.9