

# **Financial Summary**

**For the Three Months Ended June 30, 2022**



**Shinsei Bank, Limited**

<b>Contents</b>	<b>Page</b>
<b>1.Financial Highlights</b>	
Financial Highlights	1
<b>2.Consolidated Information</b>	
Results of Operations (Consolidated)	3
Interest-Earning Assets and Interest-Bearing Liabilities (Consolidated)	4
Noninterest Income (Consolidated)	5
General and Administrative Expenses (Consolidated)	6
Net Credit Costs (Consolidated)	6
Other Gains (Consolidated)	6
Business Line Results (Consolidated)	7
Segment Information	8
Institutional Business (Consolidated)	9
Individual Business (Consolidated)	11
Overseas Business/Treasury/Other (Consolidated)	13
Loans by Borrower Industry (Consolidated)	14
Securities Being Held to Maturity (Consolidated)	14
Securities Available for Sale (Consolidated)	15
Unrealized Gain(Loss)on Available-for-Sale Securities (Consolidated)	15
Deposits (Consolidated)	16
Financial Ratios (Consolidated)	16
Capital Adequacy Related Information (Consolidated)	17
Per Share Data (Consolidated)	17
Consolidated Balance Sheets (Unaudited)	18
Consolidated Statements of Income (Unaudited)	19
Composition of Capital Disclosure (Consolidated)	20
(Reference) Results of Operations (Consolidated)	21

<b>Contents</b>	<b>Page</b>
<b>3.Nonconsolidated Information</b>	
Results of Operations (Nonconsolidated)	22
Interest-Earning Assets and Interest-Bearing Liabilities (Nonconsolidated)	23
Margins (All, Domestic) (Nonconsolidated)	24
Gains (Losses) on Securities (Nonconsolidated)	24
Net Credit Costs (Nonconsolidated)	25
Loans by Borrower Industry (Nonconsolidated)	25
Claims Classified under the Financial Revitalization Law (Nonconsolidated)	26
Coverage Ratios for Nonperforming Claims Disclosed under the Financial Revitalization Law (Nonconsolidated)	26
Securities Being Held to Maturity (Nonconsolidated)	26
Securities Available for Sale (Nonconsolidated)	27
Unrealized Gain (Loss) on Available-for-Sale Securities (Nonconsolidated)	27
Capital Adequacy Related Information (Nonconsolidated)	28
Nonconsolidated Balance Sheets (Unaudited)	29
Nonconsolidated Statements of Income (Unaudited)	30
Composition of Capital Disclosure (Nonconsolidated)	31
(Reference) Results of Operations (Nonconsolidated)	32
(Reference) Interest-Earning Assets and Interest-Bearing Liabilities (Nonconsolidated)	33
<b>4.Earnings Forecast</b>	
Earnings Forecast	34

●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>

	<i>(Billions of yen, except percentages)</i>			
Results of operations (Consolidated) [Page 3]	<b>Q1 FY2022 (3 months)</b>	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Net interest income	<b>32.4</b>	30.7	1.7	125.6
Noninterest income	<b>10.2</b>	25.3	-15.1	91.8
Total revenue	<b>42.6</b>	56.0	-13.3	217.5
General and administrative expenses	<b>-38.3</b>	-38.1	-0.1	-155.4
Net credit costs	<b>-6.7</b>	-3.1	-3.5	-31.1
Income before income taxes	<b>-3.5</b>	14.6	-18.2	28.4
Profit attributable to owners of the parent	<b>-5.9</b>	11.6	-17.5	20.3

	<i>(Billions of yen)</i>		
Balance sheets (Consolidated) [Page 18]	<b>Jun 30 2022</b>	Mar 31 2022	Change (Amount)
Cash and due from banks	<b>1,949.4</b>	1,625.1	324.2
Securities	<b>714.2</b>	674.6	39.6
Loans and bills discounted	<b>5,417.3</b>	5,241.8	175.4
Total assets	<b>10,944.3</b>	10,311.4	632.8
Deposits and negotiable certificates of deposit	<b>7,210.5</b>	6,398.0	812.5
Total liabilities	<b>10,007.2</b>	9,387.1	620.1
Total equity	<b>937.0</b>	924.3	12.7

Financial ratios (Consolidated) [Page 4, 16]	<b>Q1 FY2022 (3 months)</b>	Q1 FY2021 (3 months)	FY2021 (12 months)
Net interest margin	<b>2.49%</b>	2.32%	2.35%
Expense-to-revenue ratio	<b>89.8%</b>	68.0%	71.5%

	<b>Jun 30 2022</b>	Mar 31 2022
Capital adequacy ratio (Basel III, domestic standard)	<b>11.33%</b>	11.72%
NPL ratio based on Financial Revitalization Law (nonconsolidated)	<b>0.49%</b>	0.66%

	<i>(Billions of yen)</i>			
Results of operations (Nonconsolidated) [Page 22]	<b>Q1 FY2022 (3 months)</b>	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Net interest income	<b>31.4</b>	22.6	8.7	121.7
Noninterest income	<b>3.1</b>	0.9	2.2	-7.5
Total revenue	<b>34.5</b>	23.5	10.9	114.2
General and administrative expenses	<b>-16.5</b>	-17.2	0.7	-72.0
Net credit costs	<b>-0.2</b>	0.7	-0.9	-8.8
Net income	<b>-0.1</b>	5.8	-6.0	30.3

1.Represents results based on management accounting basis.

## Financial Highlights

Profit attributable to owners of the parent for the first quarter of the current fiscal year was a loss of 5.9 billion yen, decreased by 17.5 billion yen from the same period of the previous fiscal year.

Total revenue decreased substantially compared to the same period of the previous fiscal year due to recording of a loss on devaluation of securities resulting from impairment accounting, despite an increase in derivative-related income in the Institutional Business and recording of dividends in the Overseas Business.

General and administrative expenses were almost unchanged from the same period of the previous fiscal year.

Net credit costs increased compared to the same period of the previous fiscal year mainly due to a net increase in the loan balance in the first quarter of the current fiscal year, while there was a net decrease in the same period of the previous fiscal year, and also due to a decrease in written-off receivables which resulted from the government's cash handout program in the same period of the previous fiscal year in the unsecured loan business in the Individual Business.

As a result, profit attributable to owners of the parent for the first quarter of the current fiscal year decreased from the same period of the previous fiscal year.

## Results of operations

Total revenue was 42.6 billion yen, decreased by 13.3 billion yen from the same period of the previous fiscal year.

➤ Net interest income was 32.4 billion yen, increased by 1.7 billion yen from 30.7 billion yen in the same period of the previous fiscal year. This was mainly due to the recording of dividends in the Overseas Business and an increase in interest income on assets such as loans resulting from an increase in overseas interest rates.

➤ Noninterest income was 10.2 billion yen, decreased by 15.1 billion yen from 25.3 billion yen in the same period of the previous fiscal year. This was due to recording of a loss on devaluation of securities resulting from impairment accounting for securities classified as "other securities", as the market value declined significantly at the quarter-end, despite an increase in derivative-related income in the Institutional Business.

General and administrative expenses were 38.3 billion yen, almost unchanged from the same period of the previous fiscal year. Expense to revenue ratio was 89.8%.

Net credit costs were 6.7 billion yen (expense), increased by 3.5 billion yen from the same period of the previous fiscal year. This was due to gain on recoveries of written-off receivables and the reversal of the provision for reserves for loan losses recorded in the same period of the previous fiscal year in the Institutional Business and the Overseas Business, and due to a net increase in the balance in the first quarter of the current fiscal year, while there was a net decrease in the same period of the previous fiscal year, and also due to a decrease in written-off receivables resulted from the government's cash handout program in the same period of the previous fiscal year in the unsecured card loan business in the Individual Business.

Nonconsolidated net income was a loss of 0.1 billion yen, decreased by 6.0 billion yen from the same period of the previous fiscal year, due to the recording of a loss on devaluation of securities resulting from impairment accounting as described above. Dividends received from subsidiaries for the first quarter of the current fiscal year was 10.0 billion yen (from Showa Leasing).

## Balance sheet

Total assets were 10,944.3 billion yen, increased by 632.8 billion yen from the end of March 2022.

Loans and bills discounted were 5,417.3 billion yen, increased by 175.4 billion yen from the end of March 2022.

Deposits and negotiable certificates of deposit were 7,210.5 billion yen, increased by 812.5 billion yen from the end of March 2022.

## Financial ratios

Net interest margin was 2.49%, increased from 2.32% in the same period of the previous fiscal year. This was due to a rise in the yield on investment in securities resulting from the recording of dividends on securities.

The ratio of core capital under the Basel III domestic standards (grandfathering basis) was 11.33% at the end of June 2022, decreased from 11.72% at the end of March 2022. This was due to an increase in credit risk assets resulting from an increase in assets such as loans, in addition to a decrease in core capital resulting from a decrease in retained earnings.

The ratio of common equity Tier1 under the Basel III international standards (excluding grandfathering basis) was 11.3%, decreased from 11.6% at the end of March 2022. Capital ratios continue to be maintained at sufficient levels.

The amount of nonperforming loans disclosed under the Financial Revitalization Law (nonconsolidated basis) was 28.4 billion yen, decreased by 7.6 billion yen from the end of March 2022. Nonperforming loan ratio remained low at 0.49%, changed from 0.66% at the end of March 2022.

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

	<b>Q1 FY2022 (3 months)</b>	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Net interest income	<b>32.4</b>	30.7	1.7	125.6
Noninterest income	<b>10.2</b>	25.3	-15.1	91.8
Net fees and commissions	<b>8.3</b>	7.6	0.7	34.0
Net trading income	<b>3.9</b>	3.5	0.3	6.6
Net other business income	<b>-2.0</b>	14.1	-16.1	51.2
Income on lease transactions and installment receivables	<b>12.9</b>	12.0	0.8	49.9
Total revenue	<b>42.6</b>	56.0	-13.3	217.5
General and administrative expenses	<b>-38.3</b>	-38.1	-0.1	-155.4
Ordinary business profit	<b>4.3</b>	17.9	-13.5	62.1
Net credit costs	<b>-6.7</b>	-3.1	-3.5	-31.1
Ordinary business profit after net credit costs	<b>-2.3</b>	14.8	-17.1	31.0
Amortization of goodwill and other intangible assets <sup>2</sup>	<b>-0.8</b>	-0.8	-0.0	-3.2
Other gains	<b>-0.3</b>	0.5	-0.9	0.7
Income before income taxes	<b>-3.5</b>	14.6	-18.2	28.4
Income taxes	<b>-2.3</b>	-2.8	0.4	-8.1
Profit attributable to noncontrolling interests	<b>-0.0</b>	-0.2	0.2	0.0
Profit attributable to owners of the parent	<b>-5.9</b>	11.6	-17.5	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 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 FY2022 (3 months)			Q1 FY2021 (3 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	5,355.4	33.5	2.52	5,234.9	32.0	2.46	5,298.8	127.4	2.41
Lease receivables and leased investment assets / installment receivables <sup>4</sup>	1,197.1	12.9	4.34	1,081.4	12.0	4.48	1,126.7	49.9	4.43
Securities	695.3	3.0	1.74	967.7	1.4	0.59	947.0	9.2	0.98
Other interest-earning assets <sup>2,3</sup>	155.3	0.6	***	219.0	0.5	***	194.0	2.4	***
Interest-earning assets totals (A) <sup>4</sup>	7,403.2	50.1	2.72	7,503.2	46.1	2.47	7,566.7	189.2	2.50
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	6,536.0	1.0	0.07	6,512.9	0.9	0.06	6,511.3	3.5	0.06
Borrowed money	878.7	0.4	0.22	1,030.6	0.5	0.23	1,001.7	2.0	0.21
Corporate bonds	394.6	1.1	1.19	374.7	0.8	0.92	387.7	3.6	0.95
Other interest-bearing liabilities <sup>2</sup>	625.8	1.9	***	849.0	0.9	***	847.5	4.2	***
Interest-bearing liabilities totals (B)	8,435.2	4.7	0.22	8,767.3	3.3	0.15	8,748.3	13.5	0.16
Net interest margin (A)-(B) <sup>4</sup>	-	45.4	2.49	-	42.8	2.32	-	175.6	2.35
Noninterest-bearing sources of funds:									
Noninterest-bearing (assets) liabilities, net	-1,959.5	-	-	-2,190.6	-	-	-2,103.8	-	-
Total equity excluding noncontrolling interests in subsidiaries <sup>5</sup>	927.5	-	-	926.5	-	-	922.3	-	-
Total noninterest-bearing sources of funds (C)	-1,031.9	-	-	-1,264.1	-	-	-1,181.5	-	-
Sum of total expense on interest-bearing liabilities and noninterest-bearing sources of funds (D)=(B)+(C)	7,403.2	4.7	0.26	7,503.2	3.3	0.18	7,566.7	13.5	0.18
Interest income / yield on interest earning assets (A)-(D) <sup>4</sup>	-	45.4	2.46	-	42.8	2.29	-	175.6	2.32
Reconciliation of total revenue on interest-earning									
Total revenue on interest-earning assets	7,403.2	50.1	2.72	7,503.2	46.1	2.47	7,566.7	189.2	2.50
Less: Income on lease transactions and installment receivables	1,197.1	12.9	4.34	1,081.4	12.0	4.48	1,126.7	49.9	4.43
Total interest income	6,206.1	37.1	2.40	6,421.7	34.0	2.13	6,439.9	139.2	2.16
Total interest expense	-	4.7	-	-	3.3	-	-	13.5	-
Net interest income	-	32.4	-	-	30.7	-	-	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)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Institutional Business	10.2	8.4	1.8	36.2
Corporate Business <sup>1</sup>	1.7	0.1	1.5	3.4
Structured Finance <sup>1</sup>	1.9	1.7	0.1	8.0
Principal Transactions	0.0	1.0	-1.0	4.3
Showa Leasing	3.8	3.4	0.3	15.3
Markets <sup>1</sup>	2.5	1.4	1.1	3.0
Other Global Markets <sup>1</sup>	0.2	0.6	-0.3	2.0
Individual Business	15.1	14.4	0.6	60.9
Retail Banking	1.4	1.4	-0.0	6.6
Shinsei Financial <sup>2</sup>	-0.0	-0.0	0.0	-0.1
APLUS	13.4	12.7	0.6	51.5
Other Individual	0.3	0.3	-0.0	3.0
Overseas Business/Treasury/Other <sup>3</sup>	-15.1	2.4	-17.6	-5.3
Overseas Business	-14.2	1.5	-15.8	5.8
Treasury <sup>1</sup>	0.5	0.7	-0.1	-9.4
Other <sup>1</sup>	-1.5	0.1	-1.6	-1.7
<b>Noninterest income</b>	<b>10.2</b>	<b>25.3</b>	<b>-15.1</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 quarter of the previous fiscal year has been prepared based on the classification of reportable segments for the first quarter 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)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Personnel expenses	-15.5	-15.4	-0.1	-62.5
Nonpersonnel expenses	-22.7	-22.7	-0.0	-92.8
Premises expenses	-4.1	-4.6	0.4	-18.8
Technology and data processing expenses	-6.8	-6.3	-0.5	-26.3
Advertising expenses	-3.7	-3.4	-0.2	-13.1
Consumption, property taxes, etc.	-2.5	-2.6	0.1	-9.9
Deposit insurance premium	-0.1	-0.3	0.1	-1.5
Other general and administrative expenses	-5.2	-5.2	-0.0	-22.9
<b>General and administrative expenses</b>	<b>-38.3</b>	<b>-38.1</b>	<b>-0.1</b>	<b>-155.4</b>

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

(Billions of yen)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Losses on write-off of loans/Losses on sale of loans	-0.2	-0.5	0.3	-2.7
Net provision of reserve for loan losses:	-8.0	-4.9	-3.0	-37.2
Net provision of general reserve for loan losses	-6.6	-2.5	-4.1	-19.9
Net provision of specific reserve for loan losses	-1.3	-2.4	1.0	-17.2
Other credit costs relating to leasing business	-0.0	-0.0	-0.0	-0.2
Recoveries of written-off claims	1.6	2.4	-0.8	9.1
<b>Net credit costs</b>	<b>-6.7</b>	<b>-3.1</b>	<b>-3.5</b>	<b>-31.1</b>

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 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Extraordinary income	-0.8	-0.1	-0.7	0.1
Net gain on disposal of premises and equipment	-0.0	-0.0	-0.0	0.1
Other extraordinary income	-0.8	-0.1	-0.7	0.0
Provisions of reserve for losses on interest repayment	-	-	-	-1.1
Shinsei Financial	-	-	-	0.6
Shinsei Personal Loan	-	-	-	-0.4
APLUS	-	-	-	-1.4
Other	0.4	0.7	-0.2	1.6
<b>Other gains</b>	<b>-0.3</b>	<b>0.5</b>	<b>-0.9</b>	<b>0.7</b>

## Business Line Results (Consolidated)

(Billions of yen)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
<i>Institutional Business<sup>1</sup>:</i>				
Net interest income	7.6	6.9	0.6	30.8
Noninterest income	10.2	8.4	1.8	36.2
Total revenue	17.8	15.4	2.4	67.1
General and administrative expenses	-11.1	-11.6	0.4	-47.2
Ordinary business profit	6.7	3.8	2.9	19.8
Net credit costs	0.1	0.9	-0.8	-8.7
Ordinary business profit after net credit costs	6.8	4.7	2.1	11.1
<i>Individual Business:</i>				
Net interest income	21.9	22.9	-0.9	90.1
Noninterest income	15.1	14.4	0.6	60.9
Total revenue	37.0	37.3	-0.3	151.1
General and administrative expenses	-25.3	-24.7	-0.5	-98.5
Ordinary business profit	11.6	12.5	-0.8	52.6
Net credit costs	-6.4	-4.3	-2.0	-22.4
Ordinary business profit after net credit costs	5.2	8.2	-2.9	30.1
<i>Overseas Business/Treasury/Other<sup>1 2 3</sup>:</i>				
Net interest income	2.9	0.8	2.0	4.6
Noninterest income	-15.1	2.4	-17.6	-5.3
Total revenue	-12.2	3.2	-15.5	-0.7
General and administrative expenses	-1.8	-1.7	-0.0	-9.6
Ordinary business profit	-14.1	1.5	-15.6	-10.3
Net credit costs	-0.4	0.2	-0.6	0.0
Ordinary business profit after net credit costs	-14.5	1.8	-16.3	-10.3
<i>Total:</i>				
Net interest income	32.4	30.7	1.7	125.6
Noninterest income	10.2	25.3	-15.1	91.8
Total revenue	42.6	56.0	-13.3	217.5
General and administrative expenses	-38.3	-38.1	-0.1	-155.4
Ordinary business profit	4.3	17.9	-13.5	62.1
Net credit costs	-6.7	-3.1	-3.5	-31.1
Ordinary business profit after net credit costs	-2.3	14.8	-17.1	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 quarter of the previous fiscal year has been prepared based on the classification of reportable segments for the first quarter 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, wealth management and collaboration with the SBI Group.
<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)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
<i>Corporate Business<sup>1</sup>:</i>				
Net interest income	2.7	2.9	-0.1	12.5
Noninterest income	1.7	0.1	1.5	3.4
Total revenue	4.5	3.1	1.4	15.9
General and administrative expenses	-3.2	-3.4	0.2	-14.4
Ordinary business profit	1.3	-0.3	1.6	1.4
Net credit costs	-0.1	0.1	-0.3	0.3
Ordinary business profit after net credit costs	1.1	-0.1	1.3	1.7
<i>Structured Finance<sup>1</sup>:</i>				
Net interest income	3.8	3.1	0.6	12.9
Noninterest income	1.9	1.7	0.1	8.0
Total revenue	5.7	4.9	0.8	21.0
General and administrative expenses	-2.8	-2.9	0.1	-11.9
Ordinary business profit	2.9	1.9	0.9	9.0
Net credit costs	0.0	0.5	-0.4	-9.3
Ordinary business profit after net credit costs	3.0	2.5	0.4	-0.2
<i>Principal Transactions:</i>				
Net interest income	0.8	0.7	0.1	5.0
Noninterest income	0.0	1.0	-1.0	4.3
Total revenue	0.8	1.7	-0.8	9.4
General and administrative expenses	-1.1	-1.1	-0.0	-4.7
Ordinary business profit	-0.2	0.6	-0.9	4.6
Net credit costs	-0.0	-0.0	0.0	0.2
Ordinary business profit after net credit costs	-0.2	0.6	-0.9	4.9
<i>Showa Leasing:</i>				
Net interest income	0.0	0.0	0.0	0.2
Noninterest income	3.8	3.4	0.3	15.3
Total revenue	3.8	3.5	0.3	15.5
General and administrative expenses	-2.8	-2.8	0.0	-11.5
Ordinary business profit	1.0	0.6	0.3	4.0
Net credit costs	0.2	0.1	0.0	-0.0
Ordinary business profit after net credit costs	1.2	0.8	0.3	4.0

## Institutional Business (Consolidated)

(Billions of yen)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 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	2.5	1.4	1.1	3.0
Total revenue	2.5	1.4	1.1	3.1
General and administrative expenses	-0.5	-0.5	0.0	-2.1
Ordinary business profit	2.0	0.8	1.1	0.9
Net credit costs	-	-	-	-
Ordinary business profit after net credit costs	2.0	0.8	1.1	0.9
<i>Other Global Markets<sup>1</sup>:</i>				
Net interest income	0.0	0.0	-0.0	0.0
Noninterest income	0.2	0.6	-0.3	2.0
Total revenue	0.2	0.6	-0.3	2.0
General and administrative expenses	-0.4	-0.5	0.0	-2.3
Ordinary business profit	-0.2	0.0	-0.2	-0.3
Net credit costs	-0.0	-	-0.0	-0.0
Ordinary business profit after net credit costs	-0.2	0.0	-0.3	-0.3
<i>Institutional Business<sup>1</sup>:</i>				
Net interest income	7.6	6.9	0.6	30.8
Noninterest income	10.2	8.4	1.8	36.2
Total revenue	17.8	15.4	2.4	67.1
General and administrative expenses	-11.1	-11.6	0.4	-47.2
Ordinary business profit	6.7	3.8	2.9	19.8
Net credit costs	0.1	0.9	-0.8	-8.7
Ordinary business profit after net credit costs	6.8	4.7	2.1	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 quarter of the previous fiscal year has been prepared based on the classification of reportable segments for the first quarter of the current fiscal year.

## Individual Business (Consolidated)

(Billions of yen)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
<i>Retail Banking:</i>				
Net interest income	4.5	4.9	-0.3	19.2
Loans	2.1	2.2	-0.0	8.7
Deposits	2.4	2.6	-0.2	10.4
Noninterest income	1.4	1.4	-0.0	6.6
Asset Management Products	1.9	2.2	-0.2	9.2
Other Fees (ATM, Fund Transfer, FX etc.)	-0.5	-0.8	0.2	-2.6
Total revenue	5.9	6.3	-0.3	25.8
General and administrative expenses	-6.0	-5.8	-0.2	-23.9
Ordinary business profit	-0.0	0.5	-0.5	1.8
Net credit costs	0.0	-0.0	0.0	0.0
Ordinary business profit after net credit costs	0.0	0.5	-0.5	1.9
<i>Shinsei Financial<sup>1</sup>:</i>				
Net interest income	15.3	15.8	-0.5	62.5
Lake Business	14.3	14.7	-0.3	58.1
Noninterest income	-0.0	-0.0	0.0	-0.1
Total revenue	15.3	15.8	-0.5	62.3
General and administrative expenses	-9.0	-8.4	-0.5	-34.5
Ordinary business profit	6.2	7.3	-1.0	27.8
Net credit costs	-3.5	-1.2	-2.2	-10.8
Ordinary business profit after net credit costs	2.7	6.0	-3.3	17.0
<i>APLUS:</i>				
Net interest income	1.7	1.9	-0.1	7.3
Noninterest income	13.4	12.7	0.6	51.5
Total revenue	15.1	14.6	0.5	58.9
General and administrative expenses	-9.6	-9.9	0.3	-37.4
Ordinary business profit	5.5	4.6	0.8	21.4
Net credit costs	-3.1	-3.0	-0.0	-12.3
Ordinary business profit after net credit costs	2.4	1.6	0.8	9.1

## Individual Business (Consolidated)

(Billions of yen)

	<b>Q1 FY2022 (3 months)</b>	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
<i>Other Individuals:</i>				
Net interest income	<b>0.2</b>	0.2	0.0	0.9
Noninterest income	<b>0.3</b>	0.3	-0.0	3.0
Total revenue	<b>0.5</b>	0.5	0.0	4.0
General and administrative expenses	<b>-0.6</b>	-0.5	-0.0	-2.5
Ordinary business profit	<b>-0.1</b>	-0.0	-0.0	1.4
Net credit costs	<b>0.1</b>	0.0	0.1	0.5
Ordinary business profit after net credit costs	<b>0.0</b>	-0.0	0.0	2.0
<i>Individual Business:</i>				
Net interest income	<b>21.9</b>	22.9	-0.9	90.1
Noninterest income	<b>15.1</b>	14.4	0.6	60.9
Total revenue	<b>37.0</b>	37.3	-0.3	151.1
General and administrative expenses	<b>-25.3</b>	-24.7	-0.5	-98.5
Ordinary business profit	<b>11.6</b>	12.5	-0.8	52.6
Net credit costs	<b>-6.4</b>	-4.3	-2.0	-22.4
Ordinary business profit after net credit costs	<b>5.2</b>	8.2	-2.9	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)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
<i>Overseas Business:</i>				
Net interest income	2.1	1.2	0.8	5.7
Noninterest income	-14.2	1.5	-15.8	5.8
Total revenue	-12.1	2.8	-14.9	11.5
General and administrative expenses	-1.5	-1.2	-0.2	-6.0
Ordinary business profit	-13.6	1.5	-15.2	5.4
Net credit costs	-0.4	0.2	-0.6	0.0
Ordinary business profit after net credit costs	-14.1	1.8	-15.9	5.5
<i>Treasury<sup>2</sup>:</i>				
Net interest income	0.7	-0.4	1.2	-1.0
Noninterest income	0.5	0.7	-0.1	-9.4
Total revenue	1.3	0.2	1.0	-10.5
General and administrative expenses	-0.6	-0.5	-0.0	-2.2
Ordinary business profit	0.7	-0.2	1.0	-12.7
Net credit costs	-	-	-	-
Ordinary business profit after net credit costs	0.7	-0.2	1.0	-12.7
<i>Other<sup>2 3</sup>:</i>				
Net interest income	-0.0	-0.0	-0.0	-0.0
Noninterest income	-1.5	0.1	-1.6	-1.7
Total revenue	-1.5	0.1	-1.6	-1.7
General and administrative expenses	0.3	0.0	0.2	-1.3
Ordinary business profit	-1.1	0.2	-1.3	-3.1
Net credit costs	0.0	0.0	-0.0	0.0
Ordinary business profit after net credit costs	-1.1	0.2	-1.3	-3.1
<i>Overseas Business/Treasury/Other<sup>1 2 3</sup>:</i>				
Net interest income	2.9	0.8	2.0	4.6
Noninterest income	-15.1	2.4	-17.6	-5.3
Total revenue	-12.2	3.2	-15.5	-0.7
General and administrative expenses	-1.8	-1.7	-0.0	-9.6
Ordinary business profit	-14.1	1.5	-15.6	-10.3
Net credit costs	-0.4	0.2	-0.6	0.0
Ordinary business profit after net credit costs	-14.5	1.8	-16.3	-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 quarter of the previous fiscal year has been prepared based on the classification of reportable segments for the first quarter 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)

	Jun 30 2022	Mar 31 2022	Change (Amount)
Domestic offices (excluding Japan offshore market accounts):			
Manufacturing	209.4	207.0	2.3
Agriculture and forestry	-	-	-
Fishery	-	-	-
Mining, quarrying and gravel extraction	0.6	0.3	0.2
Construction	15.8	13.8	1.9
Electric power, gas, heat supply and water supply	408.0	397.2	10.7
Information and communications	47.0	48.6	-1.6
Transportation and postal service	171.8	170.5	1.3
Wholesale and retail	91.5	95.6	-4.0
Finance and insurance	481.3	465.4	15.9
Real estate	719.4	702.1	17.2
Services	410.3	388.2	22.0
Local government	50.9	52.3	-1.3
Others	2,347.7	2,250.0	97.6
Loans to individual customers (Housing Loan, Unsecured Loan, Cashing by Credit Card, Housing Related Loan, etc.)	1,788.6	1,795.4	-6.8
<b>Total domestic (A)</b>	<b>4,954.1</b>	<b>4,791.6</b>	<b>162.5</b>
Overseas offices (including Japan offshore market accounts):			
Governments	-	-	-
Financial institutions	18.7	22.8	-4.0
Others	444.3	427.3	17.0
<b>Total overseas (B)</b>	<b>463.1</b>	<b>450.1</b>	<b>12.9</b>
<b>Total (A+B)</b>	<b>5,417.3</b>	<b>5,241.8</b>	<b>175.4</b>

## Securities Being Held to Maturity (Consolidated)

(Billions of yen)

	Jun 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	29.9	30.0	0.0	45.0	45.1	0.0
Foreign Securities	-	-	-	-	-	-
Subtotal	29.9	30.0	0.0	45.0	45.1	0.0
Fair value does not exceed carrying amount						
Japanese national government bonds	74.9	74.1	-0.7	64.9	64.5	-0.4
Foreign Securities	20.4	20.4	-0.0	-	-	-
Subtotal	95.4	94.6	-0.8	64.9	64.5	-0.4
<b>Total</b>	<b>125.4</b>	<b>124.6</b>	<b>-0.7</b>	<b>109.9</b>	<b>109.6</b>	<b>-0.3</b>

## Securities Available for Sale (Consolidated)

(Billions of yen)

	Jun 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	9.5	4.7	4.7	8.3	4.5	3.7
Domestic bonds	55.5	55.3	0.1	8.8	8.8	0.0
Japanese national government bonds	48.9	48.8	0.1	1.0	1.0	0.0
Japanese local government bonds	1.1	1.1	0.0	1.1	1.1	0.0
Japanese corporate bonds	5.5	5.4	0.0	6.7	6.7	0.0
Other	27.5	26.8	0.7	71.5	70.6	0.9
Foreign securities	20.5	19.9	0.6	62.1	61.3	0.8
Foreign currency denominated foreign corporate and government bonds	13.4	13.3	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	0.5	0.0	0.5	0.6	0.0	0.5
Other securities	0.3	0.1	0.1	0.2	0.1	0.0
Other monetary claims purchased	6.7	6.6	0.0	9.1	9.0	0.0
Subtotal	92.6	87.0	5.6	88.8	84.0	4.8
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	0.5	0.5	-0.0	0.6	0.7	-0.0
Domestic bonds	182.7	185.5	-2.8	241.8	244.5	-2.6
Japanese national government bonds	44.9	45.1	-0.1	102.4	102.6	-0.1
Japanese local government bonds	1.0	1.1	-0.0	1.0	1.1	-0.0
Japanese corporate bonds	136.6	139.3	-2.6	138.2	140.8	-2.5
Other	252.0	258.8	-6.7	189.7	201.2	-11.4
Foreign securities	251.7	258.4	-6.7	189.5	200.9	-11.4
Foreign currency denominated foreign corporate and government bonds	202.5	209.0	-6.5	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	16.6	16.7	-0.1	18.2	27.5	-9.2
Other securities	0.3	0.3	-0.0	0.2	0.2	-0.0
Other monetary claims purchased	-	-	-	-	-	-
Subtotal	435.3	444.9	-9.5	432.2	446.4	-14.2
Total <sup>1, 2</sup>	528.0	531.9	-3.8	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 Jun 30, 2022 and Mar 31, 2022 were ¥521.3 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)

	Jun 30, 2022	Mar 31, 2022
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	-3.8	-9.4
The Bank's interests in available-for-sale securities held by partnerships and other adjustments	0.4	0.4
Other monetary assets held in trust	-2.1	-2.5
(-) Deferred tax liabilities	0.3	0.3
Unrealized gain (loss) on available-for-sale securities before interest adjustments	-5.9	-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	0.3	0.2
Unrealized gain (loss) on available-for-sale securities	-5.6	-11.6

## Deposits (Consolidated)

(Billions of yen)

	Jun 30 2022	Mar 31 2022	Change (Amount)
Deposits	6,215.2	5,771.0	444.2
Liquid (current, ordinary, notice) deposits	2,893.6	2,824.2	69.4
Time deposits <sup>1</sup>	2,696.2	2,450.9	245.3
Other	625.3	495.8	129.4
Negotiable certificates of deposits (NCDs)	995.3	627.0	368.2
<b>Total</b>	<b>7,210.5</b>	<b>6,398.0</b>	<b>812.5</b>

1.Includes two-week maturity deposits

## Financial Ratios (Consolidated)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	FY2021 (12 months)
Return on assets <sup>1</sup>	-0.2% <sup>3</sup>	0.4% <sup>3</sup>	0.2%
Return on equity <sup>2</sup>	-2.6% <sup>3</sup>	5.0% <sup>3</sup>	2.2%
Expense-to-revenue ratio <sup>4, 5</sup>	89.8%	68.0%	71.5%

1.Return on assets:

Profit (Losses) Attributable to Owners of the Parent  
 (Total assets at the BOP + Total assets at the EOP)/2

BOP: beginning of period  
 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)

	Jun 30 2022	Mar 31 2022	Change (Amount)
Core capital:instruments and reserves	947.1	947.2	-0.1
Core capital:regulatory adjustments	-99.9	-95.9	-4.0
Capital	847.1	851.3	-4.1
Total amount of Risk-weighted assets	7,475.3	7,262.6	212.7
Consolidated core capital adequacy ratio	11.33%	11.72%	

1.Calculated according to F-IRB.

Consolidated total required capital is ¥694.3 billion as at June 30, 2022, ¥673.9 billion as at March 31, 2022.

## Per Share Data (Consolidated)

(Yen)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Common equity	4,571.14	4,321.33	249.81	4,484.01
Fully diluted equity	4,571.14	4,320.25	250.89	4,484.01
Basic EPS	-29.28	53.88	-83.16	96.78
Diluted EPS <sub>(1)</sub>	-29.28	53.86	-83.15	96.75
For calculation of per share data (excluding treasury shares):				
Equity: Number of common shares	204,101,350	215,336,347		205,232,236
Fully diluted number of shares	204,101,350	215,390,192		205,232,236
EPS Number of common shares	204,343,834	215,316,314		210,631,453
Fully diluted number of shares	204,343,834	215,382,366		210,690,441

(1) For accounting purposes, if there are no potential shares that have a diluting effect, we will not disclose them, but from the perspective of comparability, they are listed in the above table.

## Consolidated Balance Sheets (Unaudited)

(Millions of yen)

	Jun 30 2022	Mar 31 2022	Change (Amount)
<<Assets>>			
Cash and due from banks	1,949,418	1,625,159	324,258
Call loans and bills bought	-	-	-
Receivables under securities borrowing transactions	-	-	-
Other monetary claims purchased	28,931	31,512	(2,581)
Trading assets	159,428	149,014	10,414
Monetary assets held in trust	375,230	388,177	(12,946)
Securities	714,291	674,609	39,682
Loans and bills discounted	5,417,304	5,241,817	175,486
Foreign exchanges	56,587	56,510	77
Installment receivables	978,393	947,406	30,986
Lease receivables and leased investment assets	191,450	190,859	590
Other assets	443,302	387,318	55,983
Premises and equipment	59,730	60,989	(1,259)
Intangible assets	62,098	62,604	(505)
Goodwill	11,909	11,007	901
Assets for retirement benefits	19,743	19,499	243
Deferred tax assets	8,640	10,725	(2,085)
Customers' liabilities for acceptances and guarantees	597,736	584,708	13,027
Reserve for credit losses	(117,958)	(119,466)	1,507
<b>Total assets</b>	<b>10,944,329</b>	<b>10,311,448</b>	<b>632,880</b>
<<Liabilities>>			
Deposits	6,215,280	5,771,056	444,223
Negotiable certificates of deposit	995,306	627,010	368,296
Call money and bills sold	1,363	3,654	(2,290)
Payables under repurchase agreements	-	9,567	(9,567)
Payables under securities lending transactions	248,351	237,530	10,821
Trading liabilities	145,197	134,068	11,129
Borrowed money	782,171	978,424	(196,253)
Foreign exchanges	1,111	1,905	(794)
Short-term corporate bonds	94,500	189,200	(94,700)
Corporate bonds	394,113	380,104	14,009
Other liabilities	481,939	416,356	65,583
Accrued employees' bonuses	2,589	9,977	(7,387)
Accrued directors' bonuses	5	39	(33)
Liabilities for retirement benefits	8,199	8,149	50
Reserve for directors' retirement benefits	5	23	(18)
Reserve for reimbursement of deposits	361	393	(31)
Reserve for reimbursement of debentures	2,730	2,853	(122)
Reserve for losses on interest repayments	35,384	31,635	3,749
Deferred tax liabilities	930	472	458
Acceptances and guarantees	597,736	584,708	13,027
<b>Total liabilities</b>	<b>10,007,281</b>	<b>9,387,131</b>	<b>620,149</b>
<<Equity>>			
Common stock	512,204	512,204	-
Capital surplus	72,961	72,961	-
Retained earnings	441,101	449,547	(8,446)
Treasury stock, at cost	(101,202)	(98,612)	(2,590)
<b>Total shareholders' equity</b>	<b>925,064</b>	<b>936,101</b>	<b>(11,036)</b>
Unrealized gain (loss) on available- for-sale securities	(5,668)	(11,667)	5,998
Deferred gain (loss) on derivatives under hedge accounting	(4,044)	(13,940)	9,896
Foreign currency translation adjustments	13,567	5,587	7,979
Defined retirement benefit plans	4,058	4,182	(124)
Total accumulated other comprehensive income	7,912	(15,836)	23,749
Stock acquisition rights	-	-	-
Noncontrolling interests	4,070	4,052	18
<b>Total equity</b>	<b>937,047</b>	<b>924,316</b>	<b>12,731</b>
<b>Total liabilities and equity</b>	<b>10,944,329</b>	<b>10,311,448</b>	<b>632,880</b>

## Consolidated Statements of Income (Unaudited)

(Millions of yen)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Ordinary income	<b>95,810</b>	92,387	3,423	373,328
Interest income	<b>37,194</b>	34,083	3,111	139,000
Interest on loans and bills discounted	<b>33,580</b>	32,052	1,528	127,493
Interest and dividends on securities	<b>3,007</b>	1,434	1,572	9,261
Other interest income	<b>606</b>	595	10	2,245
Fees and commissions income	<b>14,693</b>	13,976	716	59,398
Trading income	<b>3,983</b>	3,596	386	6,602
Other business income	<b>35,778</b>	35,273	505	147,040
Other ordinary income	<b>4,160</b>	5,457	(1,297)	21,285
Ordinary expenses	<b>98,537</b>	77,636	20,900	345,028
Interest expenses	<b>4,707</b>	3,325	1,382	13,324
Interest on deposits	<b>1,068</b>	877	190	3,424
Interest on borrowings	<b>478</b>	579	(101)	2,067
Interest on corporate bonds	<b>1,171</b>	858	312	3,674
Other interest expenses	<b>1,989</b>	1,009	979	4,159
Fees and commissions expenses	<b>6,359</b>	6,354	5	25,325
Trading losses	<b>43</b>	-	43	-
Other business expenses	<b>23,172</b>	22,527	644	103,755
General and administrative expenses	<b>39,111</b>	38,826	284	158,313
Amortization of goodwill	<b>753</b>	689	64	2,770
Amortization of intangible assets acquired in business combinations	<b>107</b>	114	(6)	459
Other general and administrative expenses	<b>38,249</b>	38,023	226	155,084
Other ordinary expenses	<b>25,142</b>	6,602	18,539	44,309
Provision of reserve for credit losses	<b>8,051</b>	4,953	3,097	37,271
Other	<b>17,090</b>	1,648	15,442	7,037
Ordinary profit (loss)	<b>(2,726)</b>	14,750	(17,477)	28,299
Extraordinary gains	<b>1</b>	0	1	1,616
Extraordinary losses	<b>868</b>	129	738	1,420
Income (loss) before income taxes	<b>(3,592)</b>	14,621	(18,213)	28,495
Income taxes (benefit)	<b>2,388</b>	2,807	(419)	8,151
Profit (loss)	<b>(5,980)</b>	11,813	(17,794)	20,344
Profit (loss) attributable to noncontrolling interests	<b>3</b>	210	(207)	(40)
Profit (loss) attributable to owners of the parent	<b>(5,983)</b>	11,602	(17,586)	20,385

## Composition of Capital Disclosure(Consolidated)

Shinsei Bank and subsidiaries

Millions of yen (except percentages)

Items	Basel III (Domestic Standard) Jun 30 2022	Basel III (Domestic Standard) Mar 31 2022
	<b>Core capital:instruments and reserves (1)</b>	
Directly issued qualifying common share capital or preferred share capital	925,064	933,638
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	441,101	449,547
of which:treasury stock (-)	101,202	98,612
of which:earning to be distributed (-)	-	2,462
of which:other than above	-	-
Accumulated other comprehensive income (amount allowed to be included in Core capital)	17,625	9,770
of which:foreign currency translation adjustment	13,567	5,587
of which:amount related defined benefit	4,058	4,182
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	3,659	3,076
of which:general reserve for loan losses included in Core capital	3,659	3,076
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)	814	810
<b>Core capital:instruments and reserves (A)</b>	<b>947,163</b>	<b>947,296</b>
<b>Core capital:regulatory adjustments (2)</b>		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	48,831	48,778
of which:goodwill (including those equivalent)	14,009	12,980
of which:other intangibles other than goodwill and mortgage servicing rights	34,821	35,798
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,962	4,297
Shortfall of eligible provisions to expected losses	33,500	29,372
Gain on sale of securitization	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Net defined benefit asset	13,697	13,529
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>99,992</b>	<b>95,977</b>
<b>Capital (consolidated)</b>		
Capital (consolidated)((A)-(B))(C)	847,170	851,318
<b>Risk-weighted assets, etc.</b>		
Total amount of credit risk-weighted assets	6,994,761	6,788,975
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)	95,641	88,657
Operational risk (derived by multiplying the capital requirement by 12.5)	384,967	384,967
Credit risk-weighted assets adjustments	-	-
Operational risk adjustments	-	-
<b>Total amount of Risk-weighted assets (D)</b>	<b>7,475,369</b>	<b>7,262,600</b>
<b>Capital ratio (consolidated)</b>		
Capital ratio (consolidated)((C)/(D))	11.33%	11.72%

## (Reference) Results of Operations (Consolidated)

(Millions of yen)

	Q1 FY2022 (3 months) (A)	Q1 FY2021 (3 months) (B)	Change (A)-(B)
Gross Business Profit	58,241	55,546	2,695
(excluding Gains on Monetary Assets Held in Trust)	57,406	54,728	2,677
Net Interest Income	32,486	30,757	1,729
Net Fees and Commissions	8,333	7,622	710
Net Trading Income	3,940	3,596	343
Net Other Business Income	13,480	13,569	(88)
Gains on Monetary Assets Held in Trust	835	817	17
Gains related to Bonds	6	675	(669)
General and Administrative Expenses	39,200	38,945	255
Personnel Expenses	15,596	15,401	194
Nonpersonnel Expenses	21,091	20,851	240
Amortization of Goodwill and Intangible Assets	861	803	57
Taxes	2,512	2,693	(180)
Net Business Profit	19,041	16,601	2,440
Credit Costs	6,706	3,114	3,592
Gains on Stock Transactions	(16,470)	48	(16,518)
Equity in Net Income (Loss) of Affiliates	928	486	442
Other	480	729	(248)
Ordinary Profit	(2,726)	14,750	(17,477)
Extraordinary Gains	(866)	(129)	(736)
Gains from Sales of Fixed Assets and Impairment losses	(629)	(127)	(501)
Income before Income Taxes	(3,592)	14,621	(18,213)
Income taxes	2,388	2,807	(419)
Profit Attributable to Noncontrolling Interests	3	210	(207)
Profit Attributable to Owners of the Parents	(5,983)	11,602	(17,586)

## 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)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Net interest income	31.4	22.6	8.7	121.7
Noninterest income	3.1	0.9	2.2	-7.5
Net fees and commissions <sup>1</sup>	-1.1	-1.6	0.4	-2.9
Net trading income	4.0	2.8	1.1	4.6
Net other business income	0.2	-0.2	0.5	-9.2
Total revenue <sup>1</sup>	34.5	23.5	10.9	114.2
Personnel expenses	-6.7	-6.8	0.0	-27.3
Nonpersonnel expenses	-8.4	-9.0	0.6	-39.2
Taxes	-1.3	-1.3	0.0	-5.4
General and administrative expenses	-16.5	-17.2	0.7	-72.0
Net business profit <sup>1</sup>	18.0	6.3	11.6	42.2
Other gains				
Gains on the sales of equities	-16.4	-0.5	-15.9	2.8
Net provision of reserve for credit losses	-0.2	0.6	-0.8	-9.1
Losses on write-off of loans	-0.0	-0.2	0.2	-1.6
Recoveries of written-off claims	0.0	0.3	-0.3	2.0
Expenses for employees' retirement benefits	0.1	0.1	-0.0	0.4
Others	0.1	0.3	-0.1	0.1
Net ordinary income	1.6	7.0	-5.4	36.8
Extra ordinary profit				
Gains from sales of fixed assets and impairment losses	-0.0	-0.0	-0.0	-0.3
Others	-1.7	-0.0	-1.6	0.1
Income before income taxes	-0.1	6.9	-7.0	36.6
Income taxes	-0.0	-1.0	1.0	-6.2
Net income	-0.1	5.8	-6.0	30.3

1. Includes income from monetary assets held in trust of ¥0.5 billion in Q1FY2022, ¥0.5 billion in Q1FY2021 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 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 FY2022 (3 months)			Q1 FY2021 (3 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	5,429.7	21.1	1.56	5,121.7	19.9	1.56	5,164.5	78.4	1.51
Securities	1,116.0	13.2	4.76	1,387.7	4.3	1.25	1,350.9	49.8	3.69
Other interest-earning assets <sup>2,3</sup>	187.3	0.4	***	113.6	0.4	***	101.4	1.7	***
<b>Total interest-earning assets<sup>4</sup></b>	<b>6,733.1</b>	<b>34.8</b>	<b>2.07</b>	<b>6,623.1</b>	<b>24.7</b>	<b>1.49</b>	<b>6,616.9</b>	<b>130.0</b>	<b>1.96</b>
Interest-bearing liabilities:									
Deposits, including negotiable certificates of deposit	6,674.9	1.1	0.06	6,672.2	0.9	0.05	6,625.8	3.5	0.05
Borrowed money	475.9	0.0	0.02	532.2	0.0	0.01	523.3	0.0	0.00
Corporate bonds	170.0	0.1	0.25	180.0	0.1	0.24	175.7	0.4	0.25
Other interest-bearing liabilities <sup>2</sup>	489.0	2.2	***	615.3	1.0	***	622.3	4.3	***
<b>Total interest-bearing liabilities<sup>4</sup></b>	<b>7,810.0</b>	<b>3.5</b>	<b>0.17</b>	<b>7,999.8</b>	<b>2.1</b>	<b>0.10</b>	<b>7,947.3</b>	<b>8.4</b>	<b>0.10</b>
<b>Net interest income/yield on interest-earning assets</b>	<b>6,733.1</b>	<b>31.3</b>	<b>1.86</b>	<b>6,623.1</b>	<b>22.6</b>	<b>1.37</b>	<b>6,616.9</b>	<b>121.6</b>	<b>1.83</b>

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 FY2022 (3 months)	Q1 FY2021 (3 months)	Change	FY2021 (12 months)
Yield on interest earning assets (A)	2.07	1.49	0.58	1.96
Total cost of funding (B)	1.05	0.99	0.06	1.03
Cost of interest bearing liabilities (C)	0.18	0.10	0.08	0.10
Overall interest margin (A)-(B)	1.02	0.50	0.52	0.93
Net interest margin (A)-(C)	1.89	1.39	0.50	1.86

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

(Domestic)<sup>1</sup>

(Percentages)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change	FY2021 (12 months)
Yield on interest earning assets (A)	1.77	1.39	0.38	1.82
Interest earned on loans and bills discounted	1.40	1.54	-0.14	1.48
Interest earned on securities	6.02	1.57	4.45	5.00
Total cost of funding (B) <sup>2</sup>	0.97	1.01	-0.04	1.04
Cost of interest bearing liabilities (C)	0.05	0.06	-0.01	0.05
Interest paid on deposits <sup>3</sup>	0.03	0.04	-0.01	0.04
Overall interest margin (A)-(B)	0.80	0.38	0.42	0.78
Net interest margin (A)-(C)	1.72	1.33	0.39	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)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 months)	Change	FY2021 (12 months)
Gains (losses) on bonds	0.0	0.6	-0.6	-10.2
Gains on sales	0.0	0.5	-0.5	1.5
Gains on redemption	-	0.1	-0.1	0.4
Losses on sales	-0.0	-0.0	0.0	-12.1
Losses on redemption	-	-	-	-
Losses on devaluation	-	-	-	-
Gains (losses) on stocks	-16.4	-0.5	-15.9	2.8
Gains on sales	0.2	0.2	-0.0	4.0
Losses on sales	-	-	-	-0.2
Losses on devaluation	-16.6	-0.7	-15.9	-1.0

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

(Billions of yen)

	Q1 FY2022 (3 months)	Q1 FY2021 (3 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	-0.2	0.6	-0.8	-9.1
Net provision of general reserve for loan losses	-0.9	0.6	-1.6	-1.8
Net provision of specific reserve for loan losses	0.7	-0.0	0.7	-7.3
Net Provision of Reserve for Loan Losses to Restructuring Countries	-	-	-	-
Recoveries of written-off claims	0.0	0.3	-0.3	2.0
<b>Net credit costs</b>	<b>-0.2</b>	<b>0.7</b>	<b>-0.9</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)

	Jun 30 2022	Mar 31 2022	Change (Amount)
Domestic (excluding Japan offshore market accounts):			
Manufacturing	207.3	205.0	2.3
Agriculture and forestry	-	-	-
Fishery	-	-	-
Mining, quarrying and gravel extraction	0.6	0.3	0.2
Construction	14.2	12.3	1.9
Electric power, gas, heat supply and water supply	404.0	393.4	10.6
Information and communications	47.0	48.6	-1.6
Transportation and postal service	152.5	152.8	-0.3
Wholesale and retail	86.0	90.1	-4.0
Finance and insurance	1,252.3	1,079.0	173.3
Real estate	706.7	690.0	16.7
Services	471.1	454.8	16.3
Local government	50.9	52.3	-1.3
Individuals	1,294.6	1,306.7	-12.0
Overseas yen loans and overseas loans booked domestically	613.5	500.1	113.4
<b>Total domestic</b>	<b>5,301.5</b>	<b>4,985.8</b>	<b>315.6</b>
Overseas (including Japan offshore market accounts):			
Governments	-	-	-
Financial institutions	18.6	22.7	-4.0
Others	270.2	270.9	-0.6
<b>Total overseas</b>	<b>288.9</b>	<b>293.7</b>	<b>-4.7</b>
<b>Total</b>	<b>5,590.5</b>	<b>5,279.6</b>	<b>310.8</b>

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

(Billions of yen)

	Jun 30 2022	Mar 31 2022	Change (Amount)
Claims against bankrupt and quasi-bankrupt obligors	1.5	1.6	-0.0
Doubtful claims	21.2	30.2	-8.9
Substandard claims	5.7	4.3	1.4
Total (A)	28.4	36.1	-7.6
Coverage ratio	82.1%	87.8%	
Total claims (B)	5,713.7	5,387.8	325.9
Loans and bills discounted	5,590.5	5,279.6	310.8
Others	123.2	108.2	15.0
Ratio to total claims (A/B X 100) (%) <sup>2</sup>	0.49%	0.66%	
(Ref. 1) Amount of write-off	9.9	9.9	-0.0
(Ref. 2) Below need caution level	130.2	133.7	-3.4

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)

	Jun 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	1.5	1.5	0.6	1.0	100.0%	1.6	1.6	0.6	1.0	100.0%
Doubtful claims	21.2	17.9	9.4	8.5	84.7%	30.2	26.8	13.8	13.0	88.9%
Substandard claims	5.7	3.9	1.3	2.6	67.7%	4.3	3.2	0.4	2.8	75.3%
Total	28.4	23.3	11.3	12.0	82.1%	36.1	31.7	14.8	16.8	87.8%

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

## Securities Being Held to Maturity (Nonconsolidated)

(Billions of yen)

	Jun 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	29.9	30.0	0.0	45.0	45.1	0.0
Foreign Securities	-	-	-	-	-	-
Subtotal	29.9	30.0	0.0	45.0	45.1	0.0
Fair value does not exceed carrying amount						
Japanese national government bonds	74.9	74.1	-0.7	64.9	64.5	-0.4
Foreign Securities	20.4	20.4	-0.0	-	-	-
Subtotal	95.4	94.6	-0.8	64.9	64.5	-0.4
Total	125.4	124.6	-0.7	109.9	109.6	-0.3

## Securities Available for Sale (Nonconsolidated)

(Billions of yen)

	Jun 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	4.2	3.6	6.4	3.9	2.4
Domestic bonds	54.5	54.3	0.1	7.8	7.8	0.0
Japanese national government bonds	47.9	47.8	0.1	-	-	-
Japanese local government bonds	1.1	1.1	0.0	1.1	1.1	0.0
Japanese corporate bonds	5.5	5.4	0.0	6.7	6.7	0.0
Other	27.5	26.8	0.7	71.5	70.6	0.9
Foreign securities	20.5	19.9	0.6	62.1	61.3	0.8
Foreign currency denominated foreign corporate and government bonds	13.4	13.3	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	0.5	0.0	0.5	0.6	0.0	0.5
Other securities	0.3	0.1	0.1	0.2	0.1	0.0
Other monetary claims purchased	6.7	6.6	0.0	9.1	9.0	0.0
Subtotal	90.0	85.4	4.5	85.9	82.4	3.4
Carrying amount does not exceed amortized/acquisition cost						
Equity securities	0.4	0.4	-0.0	0.5	0.6	-0.1
Domestic bonds	182.7	185.5	-2.8	241.8	244.5	-2.6
Japanese national government bonds	44.9	45.1	-0.1	102.4	102.6	-0.1
Japanese local government bonds	1.0	1.1	-0.0	1.0	1.1	-0.0
Japanese corporate bonds	136.6	139.3	-2.6	138.2	140.8	-2.5
Other	252.0	258.7	-6.7	189.7	201.2	-11.4
Foreign securities	251.7	258.4	-6.7	189.5	200.9	-11.4
Foreign currency denominated foreign corporate and government bonds	202.5	209.0	-6.5	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	16.6	16.7	-0.1	18.2	27.5	-9.2
Other securities	0.2	0.2	-0.0	0.2	0.2	-0.0
Other monetary claims purchased	-	-	-	-	-	-
Subtotal	435.2	444.8	-9.5	432.2	446.4	-14.2
Total <sup>1, 2</sup>	525.3	530.2	-4.9	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)

	Jun 30, 2022	Mar 31, 2022
Unrealized gain (loss) before deferred tax on:		
Available-for-sale securities	-4.9	-10.7
Interests in available-for-sale securities held by partnerships	0.5	0.6
Other monetary assets held in trust	-2.1	-2.5
(-) Deferred tax liabilities	-	-
Unrealized gain (loss) on available-for-sale securities	-6.5	-12.6

## Capital Adequacy Related Information (Nonconsolidated)

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

*(Billions of yen, except percentages)*

	<b>Jun 30 2022</b>	Mar 31 2022	Change (Amount)
Core capital: instruments and reserves	<b>886.8</b>	889.5	-2.7
Core capital: regulatory adjustments	<b>-34.8</b>	-33.5	-1.2
Capital	<b>852.0</b>	855.9	-3.9
Total amount of Risk-weighted assets	<b>6,395.2</b>	6,204.6	190.6
Core capital adequacy ratio	<b>13.32%</b>	13.79%	

1. Calculated according to F-IRB.

Nonconsolidated total required capital is ¥546.4 billion as at June 30, 2022 and ¥529.9 billion as at March 31, 2022.

## Nonconsolidated Balance Sheets (Unaudited)

(Millions of yen)

	Jun 30 2022	Mar 31 2022	Change (Amount)
<b>&lt;&lt;Assets&gt;&gt;</b>			
Cash and due from banks	1,848,929	1,514,510	334,418
Other monetary claims purchased	12,717	15,225	(2,508)
Trading assets	158,722	148,385	10,337
Monetary assets held in trust	288,668	299,893	(11,224)
Securities	1,140,112	1,104,839	35,272
Loans and bills discounted	5,590,515	5,279,626	310,889
Foreign exchanges	56,587	56,510	77
Other assets	327,063	281,119	45,943
Other	327,063	281,119	45,943
Premises and equipment	9,475	10,149	(673)
Intangible assets	22,428	23,040	(611)
Prepaid pension cost	9,486	9,195	291
Deferred tax assets	—	546	(546)
Customers' liabilities for acceptances and guarantees	33,255	22,003	11,251
Reserve for credit losses	(34,702)	(38,149)	3,446
<b>Total assets</b>	<b>9,463,260</b>	<b>8,726,897</b>	<b>736,362</b>
<b>&lt;&lt;Liabilities&gt;&gt;</b>			
Deposits	6,398,158	5,955,038	443,120
Negotiable certificates of deposit	995,306	627,010	368,296
Call money	1,363	3,654	(2,290)
Payables under repurchase agreements	—	9,567	(9,567)
Payables under securities lending transactions	248,351	237,530	10,821
Trading liabilities	139,088	128,032	11,056
Borrowed money	369,054	546,635	(177,581)
Foreign exchanges	1,111	1,905	(794)
Corporate bonds	170,000	170,000	—
Other liabilities	247,759	164,006	83,753
Income taxes payable	455	1,468	(1,013)
Asset retirement obligations	6,675	7,201	(525)
Other	240,629	155,336	85,292
Accrued employees' bonuses	1,315	4,909	(3,593)
Reserve for reimbursement of deposits	361	393	(31)
Reserve for reimbursement of debentures	2,730	2,853	(122)
Deferred tax liabilities	489	—	489
Acceptances and guarantees	33,255	22,003	11,251
<b>Total liabilities</b>	<b>8,608,348</b>	<b>7,873,541</b>	<b>734,807</b>
<b>&lt;&lt;Equity&gt;&gt;</b>			
Common stock	512,204	512,204	—
Capital surplus	79,465	79,465	—
Additional paid-in capital	79,465	79,465	—
Retained earnings	396,363	398,941	(2,577)
Legal reserve	17,205	16,712	492
Other retained earnings	379,158	382,229	(3,070)
Unappropriated retained earnings	379,158	382,229	(3,070)
Treasury stock, at cost	(101,202)	(98,612)	(2,590)
<b>Total shareholders' equity</b>	<b>886,831</b>	<b>891,999</b>	<b>(5,168)</b>
Unrealized gain (loss) on available-for-sale securities	(6,550)	(12,667)	6,116
Deferred gain (loss) on derivatives under hedge accounting	(25,369)	(25,976)	606
<b>Total net unrealized gain (loss) and translation adjustments</b>	<b>(31,920)</b>	<b>(38,643)</b>	<b>6,723</b>
Stock acquisition rights	—	—	—
<b>Total equity</b>	<b>854,911</b>	<b>853,356</b>	<b>1,554</b>
<b>Total liabilities and equity</b>	<b>9,463,260</b>	<b>8,726,897</b>	<b>736,362</b>

## Nonconsolidated Statements of Income (Unaudited)

(Millions of yen)

	<b>Q1 FY2022</b> <b>(3 months)</b>	Q1 FY2021 (3 months)	Change (Amount)	FY2021 (12 months)
Ordinary income	<b>44,268</b>	34,410	9,857	165,589
Interest income	<b>34,873</b>	24,747	10,125	130,092
Interest on loans and bills discounted	<b>21,179</b>	19,943	1,235	78,480
Interest and dividends on securities	<b>13,247</b>	4,340	8,906	49,852
Other interest income	<b>445</b>	462	(16)	1,759
Fees and commissions income	<b>3,346</b>	3,568	(222)	16,881
Trading income	<b>4,074</b>	2,856	1,217	4,660
Other business income	<b>903</b>	939	(35)	4,664
Other ordinary income	<b>1,070</b>	2,299	(1,228)	9,290
Ordinary expenses	<b>42,638</b>	27,334	15,303	128,777
Interest expenses	<b>3,501</b>	2,114	1,386	8,470
Interest on deposits	<b>1,069</b>	878	191	3,430
Interest on corporate bonds	<b>108</b>	111	(3)	440
Other interest expenses	<b>2,322</b>	1,123	1,199	4,599
Fees and commissions expenses	<b>5,049</b>	5,755	(705)	22,289
Trading losses	<b>43</b>	—	43	—
Other business expenses	<b>633</b>	1,231	(597)	13,909
General and administrative expenses	<b>16,433</b>	17,136	(703)	71,663
Other ordinary expenses	<b>16,977</b>	1,097	15,879	12,444
Ordinary profit	<b>1,629</b>	7,075	(5,445)	36,811
Extraordinary gains	<b>0</b>	0	0	1,629
Extraordinary losses	<b>1,736</b>	100	1,635	1,754
Income (loss) before income taxes	<b>(105)</b>	6,974	(7,080)	36,686
Income taxes (benefit)	<b>9</b>	1,083	(1,074)	6,299
Net income (loss)	<b>(115)</b>	5,891	(6,006)	30,387

## Composition of Capital Disclosure (Nonconsolidated)

Shinsei Bank

Millions of yen (except percentages)

Items	Basel III (Domestic Standard) Jun 30 2022	Basel III (Domestic Standard) Mar 31 2022
	<b>Core capital:instruments and reserves (1)</b>	
Directly issued qualifying common share capital or preferred share capital	886,831	889,536
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	396,363	398,941
of which:treasury stock (-)	101,202	98,612
of which:earning to be distributed (-)	-	2,462
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	8	8
of which:general reserve for loan losses included in Core capital	8	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>886,840</b>	<b>889,545</b>
<b>Core capital:regulatory adjustments (2)</b>		
Total amount of intangible assets (excluding those relating to mortgage servicing rights)	15,634	16,063
of which:goodwill (including those equivalent)	240	256
of which:other intangibles other than goodwill and mortgage servicing rights	15,394	15,807
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,213	1,195
Shortfall of eligible provisions to expected losses	11,378	9,943
Gain on sale of securitization	-	-
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Prepaid pension cost	6,581	6,379
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>34,808</b>	<b>33,582</b>
<b>Capital (nonconsolidated)</b>		
Capital (nonconsolidated)((A)-(B))(C)	852,031	855,963
<b>Risk-weighted assets, etc.</b>		
Total amount of credit risk-weighted assets	6,100,670	5,928,495
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)	91,313	72,865
Operational risk (derived by multiplying the capital requirement by 12.5)	203,272	203,272
Credit risk-weighted assets adjustments	-	-
Operational risk adjustments	-	-
<b>Total amount of Risk-weighted assets (D)</b>	<b>6,395,256</b>	<b>6,204,633</b>
<b>Capital ratio (nonconsolidated)</b>		
Capital ratio (nonconsolidated)((C)/(D))	13.32%	13.79%

## (Reference) Results of Operations (Nonconsolidated)

(Millions of yen)

	Q1 FY2022 (3 months) (A)	Q1 FY2021 (3 months) (B)	Change (A)-(B)
Gross Business Profit	34,562	23,599	10,962
(excluding Gains on Monetary Assets Held in Trust)	34,009	23,055	10,954
Net Interest Income	31,412	22,678	8,733
Net Fees and Commissions	(1,149)	(1,642)	492
Gains on Monetary Assets Held in Trust	552	543	8
Net Trading Income	4,030	2,856	1,174
Net Other Business Income	269	(292)	562
Gains related to Bonds	6	675	(669)
General and Administrative Expenses	16,538	17,259	(720)
Personnel Expenses	6,760	6,837	(77)
Nonpersonnel Expenses	8,465	9,080	(614)
Amortization of Goodwill	16	41	(24)
Taxes	1,311	1,340	(28)
Net Operating Profit before Provision of General Reserve for Loan Losses	17,471	5,796	11,675
Provision of General Reserve for Loan Losses (1)	956	-	956
Net Operating Profit	16,515	5,796	10,718
Net Business Profit	18,024	6,340	11,683
Non-Recurring Gains	(15,398)	779	(16,178)
Gains related to Stocks	(16,476)	(514)	(15,962)
Credit Costs (2)	(743)	(754)	11
Losses on Write-Off of Loans	0	268	(268)
Provision of Specific Reserve for Loan Losses	(731)	-	(731)
Provision of Reserve for Loan Losses to Restructuring Countries	-	-	-
Recoveries of Written-off Claims	(12)	(380)	367
Reversal of Reserve for Loan Losses	-	(643)	643
Losses on Sale of Loans	-	-	-
Other	335	539	(203)
Ordinary Profit	1,629	7,075	(5,445)
Extraordinary Gains	(1,735)	(100)	(1,635)
Gains from Sales of Fixed Assets and Impairment losses	(16)	(13)	(3)
Income before Income Taxes	(105)	6,974	(7,080)
Income Taxes	9	1,083	(1,074)
Net Income	(115)	5,891	(6,006)

## (Reference)

Core Net Operating Profit	17,465	5,121	12,344
(excluding Gains on Cancellation of Investment Trusts)	17,465	5,121	12,344
Net Credit Costs (1)+ (2)	213	(754)	968

## 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]	Q1 FY2022 (3 months)			Q1 FY2021 (3 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>6,733,156</b>	<b>34,873</b>	<b>2.07</b>	6,623,190	24,747	1.49	6,616,943	130,092	1.96
Loans and bills discounted	<b>5,429,756</b>	<b>21,179</b>	<b>1.56</b>	5,121,743	19,943	1.56	5,164,553	78,480	1.51
Securities	<b>1,116,023</b>	<b>13,247</b>	<b>4.76</b>	1,387,776	4,340	1.25	1,350,903	49,852	3.69
Interest-bearing liabilities:	<b>7,810,011</b>	<b>3,501</b>	<b>0.17</b>	7,999,817	2,114	0.10	7,947,314	8,470	0.10
Deposits, including negotiable certificates of deposit	<b>6,674,998</b>	<b>1,100</b>	<b>0.06</b>	6,672,217	921	0.05	6,625,882	3,595	0.05
Borrowed money	<b>475,982</b>	<b>32</b>	<b>0.02</b>	532,237	20	0.01	523,330	38	0.00
Corporate bonds	<b>170,000</b>	<b>108</b>	<b>0.25</b>	180,000	111	0.24	175,726	440	0.25
Net interest income/yield on interest-earning assets	<b>6,733,156</b>	<b>31,371</b>	<b>1.86</b>	6,623,190	22,633	1.37	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.

## 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

  

(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.