

Basel III Information

Capital Ratio and Leverage Ratio Information (Consolidated)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

Regarding the calculation of the capital ratio and leverage ratio of Sumitomo Mitsui Financial Group, an external audit was performed by KPMG AZSA LLC pursuant to the Technical Practical Guidelines 4465 “Practical Guidelines on Agreed-Upon Procedures for the Capital Ratio and Leverage Ratio Calculation Framework.” The aforementioned external audit was not meant to provide a statement of opinions or conclusions on the capital ratio and leverage ratio themselves, or our internal control framework for calculating these ratios, but to present us a report on the results of the procedure performed within the scope agreed upon between the external auditor and us. It constitutes neither part of the audit of consolidated financial statements nor part of the audit of our internal control over financial reporting.

“Consolidated Capital Ratio and Leverage Ratio Information” was prepared principally based on the Notification, and the terms and details in the section may differ from those in other sections of this report.

■ Scope of Consolidation

1. Consolidated Capital Ratio Calculation

- Number of consolidated subsidiaries: 177
Please refer to “Principal Subsidiaries and Affiliates” on page 158 for their names and business outline.
- Scope of consolidated subsidiaries for calculation of the consolidated capital ratio is based on the scope of consolidated subsidiaries for preparing consolidated financial statements.
- There are no affiliates to which the proportionate consolidation method is applied.

2. Restrictions on Movement of Funds and Capital within Holding Company Group

There are no special restrictions on movement of funds and capital among us and its group companies.

3. Names of companies among subsidiaries of bank-holding companies (other financial institutions), with the Basel Capital Accord required amount, and total shortfall amount

Not applicable.

■ Capital Ratio Information (Consolidated)

The consolidated capital ratio is calculated using the method stipulated in “Standards for Bank Holding Company to Examine the Adequacy of Its Capital Based on Assets, Etc. Held by It and Its Subsidiaries Pursuant to Article 52-25 of the Banking Act” (Notification No. 20 issued by the Japanese Financial Services Agency in 2006; hereinafter referred to as “the Notification”).

In addition to the method stipulated in the Notification to calculate the consolidated capital ratio (referred to as “International Standard” in the Notification), we have adopted the Advanced Internal Ratings-Based (AIRB) approach for calculating credit risk-weighted asset amounts and the Advanced Measurement Approach (AMA) for calculating the operational risk equivalent amount.

■ CC1: Composition of regulatory capital

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b	c
		As of March 31, 2021	As of March 31, 2020	Reference to Template CC2
Common Equity Tier 1 capital: instruments and reserves (1)				
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,383,176	9,217,343	
1a	of which: capital and capital surplus	3,034,480	3,031,968	
2	of which: retained earnings	6,492,586	6,336,311	
1c	of which: treasury stock (-)	13,698	13,983	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	130,190	136,952	
	of which: other than the above	—	—	
1b	Stock acquisition rights to common shares	1,791	2,064	
3	Accumulated other comprehensive income and other disclosed reserves	2,313,051	1,365,673	(a)
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	1,145	1,155	
6	Common Equity Tier 1 capital: instruments and reserves (A)	11,699,164	10,586,236	
Common Equity Tier 1 capital: regulatory adjustments (2)				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	604,347	634,783	
8	of which: goodwill (including those equivalent)	183,861	237,333	
9	of which: other intangibles other than goodwill and mortgage servicing rights	420,485	397,450	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,314	3,390	
11	Net deferred gains or losses on hedges	18,771	84,324	
12	Shortfall of eligible provisions to expected losses	19,703	50,636	
13	Securitisation gain on sale	58,866	62,486	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	11,413	5,582	
15	Net defined benefit asset	392,500	160,200	
16	Investments in own shares (excluding those reported in the Net assets section)	6,137	3,567	
17	Reciprocal cross-holdings in common equity	—	—	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	21,337	—	
19+20+21	Amount exceeding the 10% threshold on specified items	—	—	
19	of which: significant investments in the common stock of financials	—	—	
20	of which: mortgage servicing rights	—	—	
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	
22	Amount exceeding the 15% threshold on specified items	—	—	
23	of which: significant investments in the common stock of financials	—	—	
24	of which: mortgage servicing rights	—	—	
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—	—	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	1,136,392	1,004,972	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	10,562,772	9,581,264	

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b	c	
		As of March 31, 2021	As of March 31, 2020	Reference to Template CC2	
Additional Tier 1 capital: instruments (3)					
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	—	
	31b	Stock acquisition rights to Additional Tier 1 instruments	—	—	
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	648,878	684,797	
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	
34-35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	13,836	9,400		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	—	—		
33	of which: instruments issued by bank holding companies and their special purpose vehicles	—	—		
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	—	—		
36	Additional Tier 1 capital: instruments (D)	662,714	694,198		
Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments	—	—		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	660	—		
40	Significant investments in the Additional Tier 1 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	25,525	25,525		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	—	—		
43	Additional Tier 1 capital: regulatory adjustments (E)	26,186	25,525		
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital ((D)-(E)) (F)	636,528	668,672		
Tier 1 capital (T1 = CET1 + AT1)					
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	11,199,300	10,249,936		
Tier 2 capital: instruments and provisions (4)					
46		Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	—	
		Stock acquisition rights to Tier 2 instruments	—	—	
		Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	861,798	961,464	
		Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group T2)	2,403	1,546		
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	203,428	358,491		
47	of which: instruments issued by bank holding companies and their special purpose vehicles	—	—		
49	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	203,428	358,491		
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	60,139	63,204		
50a	of which: general reserve for possible loan losses	60,139	63,204		
50b	of which: eligible provisions	—	—		
51	Tier 2 capital: instruments and provisions (H)	1,127,769	1,384,706		

(Millions of yen, except percentages)

Basel III Template No.	Items	a	b	c
		As of March 31, 2021	As of March 31, 2020	Reference to Template CC2
Tier 2 capital: regulatory adjustments (5)				
52	Investments in own Tier 2 instruments	0	0	
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	—	—	
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	4,585	—	
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	—	—	
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	33,213	82,643	
57	Tier 2 capital: regulatory adjustments (I)	37,798	82,643	
Tier 2 capital (T2)				
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,089,970	1,302,063	
Total capital (TC = T1 + T2)				
59	Total capital (TC = T1 + T2) ((G)+(J)) (K)	12,289,271	11,552,000	
Risk weighted assets (6)				
60	Total risk-weighted assets (RWA) (L)	66,008,023	61,599,066	
Capital ratios (consolidated) and buffers (7)				
61	Common Equity Tier 1 risk-weighted capital ratio (consolidated) ((C)/(L))	16.00%	15.55%	
62	Tier 1 risk-weighted capital ratio (consolidated) ((G)/(L))	16.96%	16.63%	
63	Total risk-weighted capital ratio (consolidated) ((K)/(L))	18.61%	18.75%	
64	CET1 specific buffer requirement	3.52%	3.52%	
65	of which: capital conservation buffer requirement	2.50%	2.50%	
66	of which: countercyclical buffer requirement	0.02%	0.02%	
67	of which: G-SIB/D-SIB additional requirement	1.00%	1.00%	
68	CET1 available after meeting the minimum capital requirements	10.61%	10.63%	
Regulatory adjustments (8)				
72	Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deduction (before risk weighting)	1,058,411	679,784	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	937,624	907,634	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	—	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	4,688	4,128	
Provisions included in Tier 2 capital: instruments and provisions (9)				
76	Provisions (general reserve for possible loan losses)	79,268	75,065	
77	Cap on inclusion of provisions (general reserve for possible loan losses)	60,139	63,204	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	—	—	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	299,809	274,040	
Capital instruments subject to transitional arrangements (10)				
82	Current cap on AT1 instruments subject to transitional arrangements	162,585	325,171	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	—	—	
84	Current cap on T2 instruments subject to transitional arrangements	203,428	406,856	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	56,412	—	

(Millions of yen)

Items	As of March 31, 2021	As of March 31, 2020
Required capital ((L) × 8%)	5,280,641	4,927,925

■ Overview of RWA (OV1)

(Millions of yen)

OV1: Overview of RWA		a	b	c	d
Basel III Template No.		RWA		Minimum capital requirements	
		As of March 31, 2021	As of March 31, 2020	As of March 31, 2021	As of March 31, 2020
1	Credit risk (CR) (excluding counterparty credit risk)	44,181,371	40,936,349	3,717,776	3,442,320
2	Of which: Standardised Approach (SA)	2,797,587	3,050,149	223,806	244,011
3	Of which: internal ratings-based (IRB) approach	38,180,552	34,877,672	3,237,710	2,957,626
	Of which: significant investments in commercial entities	–	–	–	–
	Of which: lease residual value	45,567	46,881	3,645	3,750
	Other assets	3,157,664	2,961,646	252,613	236,931
4	Counterparty credit risk (CCR)	4,822,842	5,382,967	392,354	437,131
5	Of which: standardised approach for counterparty credit risk (SA-CCR)	–	–	–	–
	Of which: current exposure method (CEM)	1,338,017	1,495,568	112,463	125,330
6	Of which: Expected Positive Exposure (EPE)	–	–	–	–
	Of which: Credit Valuation Adjustment (CVA)	2,549,322	3,067,315	203,945	245,385
	Of which: Central Counterparty (CCP)	119,017	213,245	9,521	17,059
	Others	816,484	606,838	66,423	49,356
7	Equity positions in banking book under market-based approach	1,084,489	789,942	91,964	66,987
8	Equity investments in funds – look-through approach	1,877,396	1,766,889	150,191	141,351
9	Equity investments in funds – mandate-based approach	–	–	–	–
	Equity investments in funds – simple approach (subject to 250% risk weight)	81,959	41,242	6,769	3,310
	Equity investments in funds – simple approach (subject to 400% risk weight)	356,365	375,427	29,955	31,730
10	Equity investments in funds – fall-back approach	88,989	59,012	7,119	4,720
11	Settlement risk	8	10	0	0
12	Securitisation exposures in banking book	1,250,740	1,153,950	100,059	92,316
13	Of which: securitisation IRB approach (SEC-IRBA) or internal assessment approach (IAA)	1,037,083	1,020,034	82,966	81,602
14	Of which: securitisation external ratings-based approach (SEC-ERBA)	196,459	118,792	15,716	9,503
15	Of which: securitisation standardised approach (SEC-SA)	–	–	–	–
	Of which: Risk weight (RW) 1250% is applied	17,198	15,123	1,375	1,209
16	Market risk	2,666,596	2,509,994	213,327	200,799
17	Of which: standardised approach (SA)	1,059,405	825,580	84,752	66,046
18	Of which: internal model approaches (IMA)	1,607,190	1,684,414	128,575	134,753
19	Operational risk	4,104,922	3,924,796	328,393	313,983
20	Of which: Basic Indicator Approach	897,054	839,490	71,764	67,159
21	Of which: Standardised Approach	–	–	–	–
22	Of which: Advanced Measurement Approach	3,207,868	3,085,305	256,629	246,824
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	2,355,212	2,279,392	199,683	193,271
	RWA subject to transitional arrangements	–	–	–	–
24	Floor adjustment	538,051	–	43,044	–
25	Total (after applying scaling factors)	66,008,023	61,599,066	5,280,641	4,927,925

■ Credit Quality of Assets

1. Overview of Criteria for Accounting Provisions and Write-Offs

(1) Policies and Methods of Provisions and Write-Offs

For “Policies and Methods of Provisions and Write-Offs,” please refer to pages 130 to 134 (Risk Management - 3. Credit Risk Management Methods - (1) Credit Risk Assessment and Quantification, (4) Self-Assessment, Write-Offs and Provisions, Non-Performing Loans Disclosure).

(2) Extent of the Number of Delinquency Days of “Past Due Loans of Three Months or More” that are Allowed Not to Classify Their Loan Category as “Doubtful Assets” or Below (or Not to Judge as Loans to Parties Classified as Potentially Bankrupt Borrowers or Below) and Reasons Thereof

At SMBC, as a core bank of SMBC Group, the delinquency period of past due loans of three months or more that are allowed not to classify loans as doubtful assets or below (or not to judge as loans to parties classified as potentially bankrupt borrowers or below) is generally less than six months, and they are loans to parties that are expected to improve business conditions. If there are any past due loans of six months or more, they shall be in principle classified as loans to potentially bankrupt borrowers or below.

(3) Definition of Loans Whose Loan Terms and Conditions were Restructured

At SMBC, as a core bank of SMBC Group, loans whose loan terms and conditions were restructured are defined as loans with interest rate reduction, deferred payment of interest, deferred repayment of principal amount, abandonment of loans, or other arrangements that are advantageous for the obligors, for the purpose of business rehabilitation or support for the obligors. Obligors with loans whose loan terms and conditions were restructured may not be classified as doubtful assets or below depending on the outlook for business conditions, financial statements and loan terms and conditions. If the borrower category deteriorates due to restructuring of loan terms and conditions, provisions will increase.

(4) Key Differences in Parameters of Credit Risks Used to Calculate Provisions and Capital Ratio, Respectively

SMBC, as a core bank of SMBC Group, uses Probability of Default and loan-loss ratio as parameters for calculation of provisions.

Probability of Default is calculated based on the actual performance in the past of the deterioration rate for one year from each borrower category to potentially bankrupt borrowers or below (regarding the deterioration rate to potentially bankrupt borrowers, the deterioration transition rates equivalent to three accumulated years from potentially bankrupt borrowers to virtually bankrupt borrowers or below are included). For the PD used to calculate the capital ratio, deterioration to substandard borrowers or below is defined as default, and assuming a long-term average value of the default rate, conservative estimation for some portfolios is conducted, which is the major difference from the Probability of Default used to calculate provisions.

Loan-loss ratio is calculated using the loan-loss amount including direct write-offs and indirect write-offs incurred during the year for each borrower category to the amount of initial existing exposure by borrower category.

For details of parameters used to calculate the capital ratio, please refer to pages 269 to 270 “3. Overview of Internal Rating System (2) Parameter Estimation and Its Validation System.”

2. Credit Quality of Assets (CR1)

(Millions of yen)

CR1: Credit quality of assets		As of March 31, 2021				As of March 31, 2020			
		a	b	c	d	a	b	c	d
Item No.		Gross carrying values of:		Allowances	Net values (a+b-c)	Gross carrying values of:		Allowances	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures			Defaulted exposures	Non-defaulted exposures		
On-balance sheet assets									
1	Loans	944,792	83,679,983	648,712	83,976,063	663,784	81,057,792	448,179	81,273,397
2	Securities (of which: debt securities)	5,479	29,020,789	—	29,026,269	4,949	21,417,801	—	21,422,751
3	Other on-balance sheet assets (of which: debt-based assets)	16,848	79,315,725	34,214	79,298,358	6,012	66,533,162	30,751	66,508,423
4	Subtotal (1+2+3)	967,121	192,016,498	682,927	192,300,692	674,747	169,008,756	478,930	169,204,572
Off-balance sheet assets									
5	Acceptances and guarantees, etc.	12,337	10,762,857	61,703	10,713,491	18,097	9,905,268	64,283	9,859,082
6	Commitments, etc.	17,508	26,507,378	76,735	26,448,151	9,587	21,216,668	65,341	21,160,914
7	Subtotal (5+6)	29,845	37,270,236	138,438	37,161,643	27,685	31,121,937	129,625	31,019,997
Total									
8	Total (4+7)	996,966	229,286,734	821,365	229,462,335	702,432	200,130,693	608,556	200,224,570

3. Changes in stock of defaulted loans and securities (of which: debt securities) (CR2)

(Millions of yen)

CR2: Changes in stock of defaulted loans and securities (of which: debt securities)		
Item No.		Amount
1	Stock of loans and securities (of which: debt securities) that were placed in defaulted status as of March 31, 2020	674,747
2		Amounts defaulted
3	Changes in loans and securities (of which: debt securities) by factors during the current interim period	Amounts returned to non-defaulted status
4		Amounts written off
5		Other changes
6	Stock of loans and securities (of which: debt securities) that were placed in defaulted status as of March 31, 2021 (1+2-3-4+5)	967,121

Note: The major factors for other changes are due to decreases in stock by collection and sale of receivables that were placed in defaulted status at the end of the previous fiscal year, and the increase in the right to reimbursement that had occurred since the end of the previous fiscal year.

(Millions of yen)

CR2: Changes in stock of defaulted loans and securities (of which: debt securities)		
Item No.		Amount
1	Stock of loans and securities (of which: debt securities) that were placed in defaulted status as of March 31, 2019	689,254
2		Amounts defaulted
3	Changes in loans and securities (of which: debt securities) by factors during the current interim period	Amounts returned to non-defaulted status
4		Amounts written off
5		Other changes
6	Stock of loans and securities (of which: debt securities) that were placed in defaulted status as of March 31, 2020 (1+2-3-4+5)	674,747

Note: The major factor for other changes is due to decreases in stock by collection and sale of receivables that were placed in defaulted status at the end of the previous fiscal year.

4. Term-End Balance of Exposures by Category and Their Breakdown by Major Type of Assets

(1) Exposure Balance by Type of Assets, Geographic Region and Industry

(Millions of yen)

Category	As of March 31, 2021				As of March 31, 2020			
	Loans, commitments and other off-balance sheet exposures except derivatives	Bonds	Others	Total	Loans, commitments and other off-balance sheet exposures except derivatives	Bonds	Others	Total
Domestic operations (excluding offshore banking accounts)	132,130,058	23,209,501	8,138,180	163,477,741	117,104,673	15,714,695	6,751,935	139,571,303
Manufacturing	11,366,981	201,036	2,297,789	13,865,807	10,305,832	261,335	1,611,649	12,178,818
Agriculture, forestry, fishery and mining	428,456	4,763	4,514	437,734	508,218	10,365	6,571	525,155
Construction	1,209,291	42,245	149,964	1,401,501	1,078,838	46,235	117,601	1,242,675
Transport, information, communications and utilities	6,943,550	212,562	527,807	7,683,920	6,337,831	195,824	451,513	6,985,169
Wholesale and retail	6,572,860	182,917	389,397	7,145,175	5,549,017	208,602	287,865	6,045,486
Financial and insurance	67,961,075	1,729,352	285,384	69,975,812	56,166,851	2,552,894	243,609	58,963,355
Real estate, goods rental and leasing	11,083,497	1,165,479	116,214	12,365,191	9,846,929	1,147,847	89,948	11,084,725
Services	5,045,274	301,343	88,134	5,434,752	4,448,552	366,545	74,114	4,889,212
Local municipal corporations	1,791,614	42,222	1,604	1,835,440	2,290,348	32,320	1,230	2,323,898
Other industries	19,727,456	19,327,577	4,277,370	43,332,404	20,572,251	10,892,725	3,867,830	35,332,807
Overseas operations and offshore banking accounts	55,695,599	5,816,767	1,761,303	63,273,670	52,288,064	5,708,881	1,556,566	59,553,513
Sovereigns	10,510,442	3,587,611	5,467	14,103,521	9,743,269	3,575,176	6,164	13,324,610
Financial institutions	6,673,662	1,378,171	396,449	8,448,283	6,413,387	1,154,322	373,929	7,941,639
C&I companies	31,769,533	686,424	—	32,455,958	29,954,809	832,400	—	30,787,210
Others	6,741,960	164,559	1,359,387	8,265,907	6,176,597	146,981	1,176,472	7,500,051
Total	187,825,657	29,026,269	9,899,484	226,751,411	169,392,737	21,423,577	8,308,502	199,124,817

Notes: 1. The above amounts are exposures after Credit Risk Mitigation (CRM).

2. The above amounts do not include "securitisation exposures" and "credit RWA under Article 145 of the Notification."

3. "Domestic operations" comprises the operations of us, its domestic consolidated banking subsidiaries (excluding overseas branches) and other domestic consolidated subsidiaries. "Overseas operations" comprises the operations of the overseas branches of domestic consolidated banking subsidiaries and overseas consolidated subsidiaries.

(2) Exposure Balance by Type of Assets and Residual Term

(Millions of yen)

Category	As of March 31, 2021				As of March 31, 2020			
	Loans, commitments and other off-balance sheet exposures except derivatives	Bonds	Others	Total	Loans, commitments and other off-balance sheet exposures except derivatives	Bonds	Others	Total
To 1 year	46,495,858	8,285,354	22,685	54,803,898	40,381,530	6,157,045	24,658	46,563,235
More than 1 year to 3 years	20,682,004	7,523,192	–	28,205,196	18,703,429	3,901,032	–	22,604,461
More than 3 years to 5 years	17,327,714	3,855,075	–	21,182,789	17,835,434	2,019,572	–	19,855,006
More than 5 years to 7 years	7,461,460	2,926,460	–	10,387,920	6,691,657	1,241,389	–	7,933,047
More than 7 years	23,593,743	6,436,185	–	30,029,929	23,518,615	8,104,537	–	31,623,153
No fixed maturity	72,264,877	–	9,876,799	82,141,676	62,262,070	–	8,283,843	70,545,913
Total	187,825,657	29,026,269	9,899,484	226,751,411	169,392,737	21,423,577	8,308,502	199,124,817

Notes: 1. The above amounts are exposures after CRM.

2. The above amounts do not include "securitisation exposures" and "credit RWA under Article 145 of the Notification."

3. "No fixed maturity" includes exposures not classified by residual term.

5. Amounts of Reserves and Write-offs Corresponding to the Term-End Balance of Obligors' Exposures Related to Loans Prescribed in the Provisions of Article 4, Paragraph 2 (Bankrupt and Quasi-Bankrupt Assets), Paragraph 3 (Doubtful Assets) or Paragraph 4 (Substandard Loans) of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of Financial Functions, as well as Breakdown by Each of the Following Categories

(1) By Geographic Region

(Billions of yen)

	Fiscal 2020			Fiscal 2019		
	Term-end balance	Term-end Reserves	Write-offs for the year	Term-end balance	Term-end Reserves	Write-offs for the year
Domestic operations (excluding offshore banking accounts)	841.5	253.3	81.7	713.9	218.0	91.9
Overseas operations and offshore banking accounts	452.7	157.1	26.8	215.9	107.2	27.0
Asia	145.4	58.2	15.9	68.1	41.3	20.3
North America	102.4	27.8	1.8	62.4	17.8	2.5
Other regions	204.9	71.1	9.1	85.4	48.1	4.1
Total	1,294.2	410.3	108.4	929.8	325.3	118.9

(2) By Industry

(Billions of yen)

	Fiscal 2020			Fiscal 2019		
	Term-end balance	Term-end Reserves	Write-offs for the year	Term-end balance	Term-end Reserves	Write-offs for the year
Domestic operations (excluding offshore banking accounts)	841.5	253.3	81.7	713.9	218.0	91.9
Manufacturing	77.5	30.7	3.4	57.0	18.9	0.6
Agriculture, forestry, fishery and mining	9.9	6.8	0.0	8.4	6.7	0.0
Construction	9.9	2.2	0.3	12.0	2.5	0.4
Transport, information, communications and utilities	34.1	15.9	0.5	44.0	20.8	0.9
Wholesale and retail	90.2	37.2	0.9	86.1	36.8	1.0
Financial and insurance	6.7	1.0	0.0	5.4	0.2	(0.3)
Real estate, goods rental and leasing	50.4	6.4	(4.0)	48.0	5.6	(0.8)
Services	155.0	47.4	5.9	72.5	21.0	0.5
Other industries	407.9	105.7	74.7	380.5	105.4	89.5
Overseas operations and offshore banking accounts	452.7	157.1	26.8	215.9	107.2	27.0
Financial institutions	15.6	4.6	0.0	1.9	0.2	0.0
C&I companies	326.3	127.2	10.9	127.7	76.0	16.3
Others	110.8	25.2	15.9	86.3	31.0	10.8
Total	1,294.2	410.3	108.4	929.8	325.3	118.9

Notes: 1. Term-end Reserves include partial direct write-offs (direct reduction).

2. "Domestic operations" comprises the operations of SMBC Group (excluding overseas branches) and domestic consolidated subsidiaries. "Overseas operations" comprises the operations of SMBC Group's overseas branches and overseas consolidated subsidiaries, and the term-end balances are calculated based on the obligor's domicile country.

6. Term-End Balance of Exposures by Past Due Periods

(Billions of yen)

Fiscal 2020				
Less than 1 month	1 month or more to less than 2 months	2 months or more to less than 3 months	3 months or more	Total
149.0	34.2	28.8	106.1	318.2

Notes: 1. Bankrupt and Quasi-Bankrupt Assets prescribed in Article 4, Paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of Financial Functions and doubtful assets prescribed in Paragraph 3 of the said Article are excluded.
2. Items that are not accompanied by deterioration of business conditions/cash flows are excluded.

(Billions of yen)

Fiscal 2019				
Less than 1 month	1 month or more to less than 2 months	2 months or more to less than 3 months	3 months or more	Total
160.4	60.4	37.5	81.0	339.5

Notes: 1. Bankrupt and Quasi-Bankrupt Assets prescribed in Article 4, Paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of Financial Functions and doubtful assets prescribed in Paragraph 3 of the said Article are excluded.
2. Items that are not accompanied by deterioration of business conditions/cash flows are excluded.

7. Term-End Balance of Exposures of Obligors Whose Loan Conditions were Restructured for Business Rehabilitation or Support; of Which Amounts of Increased Reserves for Such Exposures and Other Amounts due to the Restructuring of the Loan Conditions

(Billions of yen)

Fiscal 2020			Fiscal 2019		
Term-end balance	Of which: amounts of increased Reserves for such exposures due to the restructuring of the loan conditions	Of which: other amounts	Term-end balance	Of which: amounts of increased Reserves for such exposures due to the restructuring of the loan conditions	Of which: other amounts
418.9	418.9	0.0	248.2	248.2	0.0

Note: Bankrupt and Quasi-Bankrupt Assets prescribed in Article 4, Paragraph 2 of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of Financial Functions, doubtful assets prescribed in Paragraph 3 of the said Article, and loans past due three months or more prescribed in Paragraph 4 of the said Article are excluded.

■ Internal Ratings-Based (IRB) Approach

1. Background on Determining the Scope of Application of Internal Ratings-Based (IRB) Approach

When the criteria of materiality defined by us according to business characteristics and business conditions, etc. are met, in principle, the IRB approach is adopted by the unit of our asset class or by the unit of the affiliated group companies. In addition, for the asset class or group companies that meet the quantitative criteria specified by the authorities, the IRB approach is in principle adopted regardless of whether the criteria of materiality are met.

For adopting the IRB approach, the Advanced Internal Ratings-Based (AIRB) approach is in principle adopted. However, for group companies which were judged unnecessary or inappropriate to adopt the AIRB approach in light of the scale, business contents, etc., the Foundation Internal Ratings-Based (FIRB) approach is adopted.

2. Scope

We and the following consolidated subsidiaries have adopted the Advanced Internal Ratings-Based (AIRB) approach for exposures as of March 31, 2009.

(1) Domestic Operations

Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Card Company, Limited and SMBC Guarantee Co., Ltd., SMBC Trust Bank Ltd.

(2) Overseas Operations

SMBC Bank International plc, Sumitomo Mitsui Banking Corporation (China) Limited, Banco Sumitomo Mitsui Brasileiro S.A., JSC Sumitomo Mitsui Rus Bank, PT Bank Sumitomo Mitsui Indonesia, Sumitomo Mitsui Banking Corporation Malaysia Berhad, SMBC Leasing and Finance, Inc., SMBC Capital Markets, Inc., SMBC Nikko Capital Markets Limited, SMBC Derivative Products Limited and SMBC Capital Markets (Asia) Limited, SMBC Bank EU AG and PT Bank BTPN Tbk.

SMBC Finance Service Co., Ltd. has adopted the Foundation Internal Ratings-Based (FIRB) approach.

Note: Directly controlled SPCs and limited partnerships for investment of consolidated subsidiaries using the AIRB approach have also adopted the AIRB approach. Further, the AIRB approach is applied to equity exposures on a group basis, including equity exposures of consolidated subsidiaries applying the standardised approach.

3. Overview of Internal Rating System

(1) Rating Procedures

(A) Corporate Exposures

- “Corporate, sovereign and bank exposures” includes credits to domestic and overseas commercial/industrial (C&I) companies, individuals for business purposes (domestic only), sovereigns, public sector entities, and financial institutions. Business loans such as apartment construction loans are, in principle, included in “retail exposures.” However, credits of more than ¥100 million are treated as corporate exposures in accordance with the Notification.
- An obligor is assigned an obligor grade by first assigning a financial grade using a financial strength grading model and data obtained from the obligor’s financial statements. The financial grade is then adjusted taking into account the actual state of the obligor’s balance sheet and qualitative factors to derive the obligor grade (for details, please refer to “Credit Risk Assessment and Quantification” on pages 130 to 131). Different rating series are used for domestic and overseas obligors — J1 ~ J10 for domestic obligors and G1 ~ G10 for overseas obligors — as shown in the table following page due to differences in actual default rate levels and portfolios’ grade distribution. Different Probability of Default (PD) values are applied also.
- In addition to the above basic rating procedure which builds on the financial grade assigned at the beginning, in some cases, the obligor grade is assigned based on the parent company’s credit quality or credit ratings published by external rating agencies. The Japanese government, local authorities and other public sector entities with special basis for existence and unconventional financial statements are assigned obligor grades based on their attributes (for example, “local municipal corporations”), as the data on these obligors are not suitable for conventional grading models. Further, credits to individuals for business purposes and business loans are assigned obligor grades using grading models developed specifically for these exposures.
- PDs used for calculating credit risk-weighted assets are estimated based on the default experience for each grade and taking into account the possibility of estimation errors. In addition to internal data, external data are used to estimate and validate PDs. The definition of default is the definition stipulated in the Notification (an event that would lead to an exposure being classified as “substandard loans,” “doubtful assets” or “bankrupt and quasi-bankrupt assets” occurring to the obligor).
- Loss Given Defaults (LGDs) and exposure at default (EAD) used in the calculation of credit risk-weighted assets are estimated based on historical loss experience of credits in default, taking into account the possibility of estimation errors.

Obligor Grade

Domestic Corporate	Definition	Borrower Category
J1	Very high certainty of debt repayment	Normal Borrowers
J2	High certainty of debt repayment	
J3	Satisfactory certainty of debt repayment	
J4	Debt repayment is likely but this could change in cases of significant changes in economic trends or business environment depending on the situation	Borrowers Requiring Caution
J5	No problem with debt repayment over the short term, but not satisfactory over the mid to long term and the situation could change in cases of any changes in economic trends or business environment	
J6	Currently no problem with debt repayment, but it is highly likely that this could change in cases of significant changes in economic trends or business environment	
J7	Close monitoring is required due to problems in meeting loan terms and conditions, sluggish/unstable business, or financial problems	Substandard Borrowers
J7R	Borrowers Requiring Caution identified as Substandard Borrowers	
J8	Currently not bankrupt, but experiencing business difficulties, making insufficient progress in restructuring, and highly likely to go bankrupt	Potentially Bankrupt Borrowers
J9	Though not yet legally or formally bankrupt, has serious business difficulties and rehabilitation is unlikely; thus, effectively bankrupt	Virtually Bankrupt Borrowers
J10	Legally or formally bankrupt	Bankrupt Borrowers

Obligor Grade

Overseas Corporate	Definition	Borrower Category
G1	Very high certainty or high certainty of debt repayment	Normal Borrowers
G2	Satisfactory certainty of debt repayment	
G3	Debt repayment is likely but this could change in cases of significant changes in economic trends or business environment depending on the situation	
G4	Debt repayment is likely but this could change in cases of significant changes in economic trends or business environment	Borrowers Requiring Caution
G5	No problem with debt repayment over the short term, but not satisfactory over the mid to long term and the situation could change in cases of any changes in economic trends or business environment	
G6	Currently no problem with debt repayment, but it is highly likely that this could change in cases of significant changes in economic trends or business environment	
G7	Close monitoring is required due to problems in meeting loan terms and conditions, sluggish/unstable business, or financial problems	Substandard Borrowers
G7R	Borrowers Requiring Caution identified as Substandard Borrowers	
G8	Currently not bankrupt, but experiencing business difficulties, making insufficient progress in restructuring, and highly likely to go bankrupt	Potentially Bankrupt Borrowers
G9	Though not yet legally or formally bankrupt, has serious business difficulties and rehabilitation is unlikely; thus, effectively bankrupt	Virtually Bankrupt Borrowers
G10	Legally or formally bankrupt	Bankrupt Borrowers

- “Specialized lending” is sub-classified into “project finance,” “object finance,” “commodity finance,” “income-producing real estate” (IPRE) and “high-volatility commercial real estate” (HVCRE) in accordance with the Notification. Project finance is financing of a single project, such as a power plant or transportation infrastructure, and cash flows generated by the project are the primary source of repayment. Object finance includes aircraft finance and ship finance, and IPRE and HVCRE include real estate finance (a primary example is non-recourse real estate finance). There were no commodity finance exposures as of March 31, 2021.
- Each SL product is classified as either a facility assigned a PD grade and LGD grade or a facility assigned a grade based primarily on the expected loss ratio, both using grading models and qualitative assessment. The former has the same grading structure as that of corporate, and the latter has ten grade levels as with obligor grades but the definition of each grade differs from that of the obligor grade which is focused on PD.

For the credit risk-weighted asset amount for the SL category, the former facility is calculated in a manner similar to corporate exposures, while the latter facility is calculated by mapping the expected loss-based facility grades to the five categories (hereinafter the “slotting criteria”) of the Notification because it does not satisfy the requirements for PD application specified in the Notification.

(B) Retail Exposures

- “Residential mortgage exposures” includes mortgage loans to individuals and some real estate loans in which the property consists of both residential and commercial facilities such as a store or rental apartment units, but excludes apartment construction loans.
- Mortgage loans are rated as follows.

Mortgage loans are allocated to a portfolio segment with similar risk characteristics in terms of default risk determined using loan contract information, a borrower category under self-assessment in accordance with an exclusive grading model, and recovery risk at the time of default determined using Loan To Value (LTV) calculated based on the assessment value of collateral real estate. PDs and LGDs are estimated based on the default experience for each segment and taking into account the possibility of estimation errors.

Further, the portfolio is subdivided based on the lapse of years from the contract date, and the effectiveness of segmentation in terms of default risk and recovery risk is validated periodically.

Internal data are used to estimate and validate PDs and LGDs. The definition of default is the definition stipulated in the Notification.

- “Qualifying revolving retail exposures” includes card loans and credit card balances.
- Card loans and credit card balances are rated as follows.

Card loans and credit card balances are allocated to a portfolio segment with similar risk characteristics determined based, for card loans, on the credit quality of the loan guarantee company, credit limit, settlement account balance and payment history, and, for credit card balances, on repayment history and frequency of use.

PDs and LGDs used to calculate credit risk-weighted asset amounts are estimated based on the default experience for each segment and taking into account the possibility of estimation errors.

Further, the effectiveness of segmentation in terms of default risk and recovery risk is validated periodically.

Internal data are used to estimate and validate PDs and LGDs. The definition of default is the definition stipulated in the Notification.

- “Other retail exposures” includes business loans such as apartment construction loans and consumer loans such as My Car Loan.
- Business loans and consumer loans are rated as follows.

a. Business loans are allocated to a portfolio segment with similar risk characteristics in terms of default risk determined using loan contract information, a borrower category under self-assessment in accordance with an exclusive grading model, and recovery risk determined based on LTV for business loans.

PDs and LGDs are estimated based on the default experience for each segment and taking into account the possibility of estimation errors.

b. Rating procedures for consumer loans depends on whether the loan is collateralized. Collateralized consumer loans are allocated to a portfolio segment using the same standards as for mortgage loans of “Residential Mortgage Exposures.” Uncollateralized consumer loans are allocated to a portfolio segment based on account history. PDs and LGDs are estimated based on the default experience for each segment and taking into account the possibility of estimation errors.

Further, the effectiveness of segmentation in terms of default risk and recovery risk is validated periodically.

Internal data are used to estimate and validate PDs and LGDs. The definition of default is the definition stipulated in the Notification.

(C) Equity Exposures

When acquiring equities subject to the PD/LGD approach, issuers are assigned obligor grades using the same rules as those of general credits to C&I companies, sovereigns and financial institutions. The obligors are monitored (for details, please refer to page 131) and their grades are revised if necessary (credit risk-weighted asset amount is set to 1.5 times when they are not monitored individually). In the case there is no credit transaction with the issuer or it is difficult to obtain financial information, internal grades are assigned using ratings of external rating agencies if it is a qualifying investment.

In the case it is difficult to obtain financial information and it is not a qualifying investment, the simple risk weight method under the market-based approach is applied.

(2) Parameter Estimation and Its Validation System**A. PD**

This is defined as the probability that obligors could default over one year. PD is estimated as the expected value in the long term regardless of the business cycle using the default rate for each fiscal year based on the historical data for five consecutive fiscal years or more. In principle, the default rate for each fiscal year is measured by the initial number of target obligors as the denominator and the number of defaults occurred during the fiscal year as the numerator.

For assets and ratings applicable to LDP (LDP: Low Default Portfolio), conservative PD is estimated by creating virtual rating transition data based on Monte Carlo simulation and by using the floor value proposed under Basel Capital Accord.

The actual default rates in the past three periods are lower than PD estimate values applied for the respective periods for the most portfolios, because the long-term average value including the recession period is estimated, and also because the possibility of estimation errors is taken into account.

Validation consists of two systems: “backtesting” to retrospectively compare and validate the parameter estimated value and the actual value for the respective applicable period, and “pretesting” to validate before applying the parameter for the purpose of complementing the “backtesting.” The overview for each is as follows.

(a) Backtesting

This is to compare the estimated value with the actual value at least once a year, and to validate that the degree of divergence is within the statistically assumed range.

In case of hitting the predetermined excess criteria as a result of validation, reviews shall be taken including revising the estimation method or rating system.

(b) Pretesting

This is to compare and validate the estimated value to be applied and the historical value. In the case of hitting the predetermined excess criteria, the estimated value shall be conservatively corrected.

The purpose is to prevent underestimation by making adjustments, if necessary.

B. LGD

This is defined as the ratio of loss amounts after default to the amount of receivable at the time of default. LGD is estimated as a long-term average value calculated based on historical data over seven consecutive fiscal years (for retail, five fiscal years) or more. However, in the case where a high positive correlation with the default rate is observed, LGD shall be in principle the value taking into account the possibility that the loss rate of the recession period will exceed the long-term average value, and it is estimated mainly by one of the following methods.

- By taking into account the influence of the recession period on the interest rate to customers constituting the discount rate for calculating the economic loss to be used for estimation
- By taking into account the influence of the recession period by modeling the relationship between the loss ratio and economic and financial indicators, etc.

For the purpose of estimating LGD using economic loss based on requirement of Basel Capital Accord, discount rate is estimated using recovery cost. The averaged period from the time of default to the termination of recovery is used as discount period.

As for validation, backtesting and pretesting are conducted as in A. PD.

C. EAD

This is defined as the amount of exposure at the time of default. EAD is estimated as a long-term average value calculated based on the historical data over seven consecutive fiscal years (for retail, five fiscal years) or more. For estimation, the possibility that the default balance may exceed the latest balance is assumed and taken into account, and EAD is estimated by one of the following methods.

- By estimating the conversion factor that is the ratio of actually drawn amount to the amount associated with undrawn commitments one year before the time of default
- By estimating the conversion factor that is the ratio of the average outstandings of the default borrowers to the average outstandings of the non-default borrowers of the whole limit-type credit subject to the estimation
- By estimating an increased amount by comparing the initial outstandings with ones at the time of default and taking the average for each segment

As for validation, backtesting and pretesting are conducted as in A. PD.

4. Percentage of EAD by Asset Class by Type of Approach for Calculating Credit RWA to Total EAD

	As of March 31, 2021	As of March 31, 2020
IRB approach	95.47 %	94.70 %
Corporate exposures (Advanced Internal Ratings-Based (AIRB) approach)	83.96 %	82.44 %
Corporate exposures (Foundation Internal Ratings-Based (FIRB) approach)	0.26 %	0.24 %
Retail exposures	6.40 %	7.48 %
Equity exposures	2.20 %	1.76 %
Purchased receivables (AIRB approach)	0.92 %	0.94 %
Purchased receivables (FIRB approach)	0.00 %	0.00 %
Other assets, etc.	1.69 %	1.81 %
SA	4.52 %	5.29 %
Total	100.00 %	100.00 %

5. CR Exposures by Portfolio and PD (CR6)

(Millions of yen, %, the number of data in thousands, years)

CR6: IRB - CR exposures by portfolio and PD range		As of March 31, 2021											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre CCF (Credit Conversion Factor) and pre CRM	Average CCF (%)	EAD post CCF and post CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA amounts	RWA density (%)	EL	Eligible provisions
Sovereign exposures (AIRB approach)													
1	0.00 to <0.15	93,268,361	150,791	72.45	95,957,412	0.00	0.5	34.43	3.9	258,124	0.26	257	
2	0.15 to <0.25	446,355	21,531	45.45	451,045	0.17	0.1	33.94	1.9	124,596	27.62	262	
3	0.25 to <0.50	22,174	35	58.91	16,760	0.39	0.0	34.44	1.3	6,201	36.99	22	
4	0.50 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	134,636	14,986	38.90	71,659	1.12	0.0	29.15	2.2	41,293	57.62	243	
6	2.50 to <10.00	36,546	11,468	76.49	8,269	3.81	0.0	33.14	1.2	7,323	88.55	101	
7	10.00 to <100.00	18,838	17,530	50.18	17,025	13.66	0.0	35.00	2.2	30,324	178.10	814	
8	100.00 (Default)	8	—	—	8	100.00	0.0	34.08	1.0	4	53.00	2	
9	Subtotal	93,926,921	216,343	65.85	96,522,182	0.00	0.7	34.43	3.9	467,868	0.48	1,706	2,920
Sovereign exposures (FIRB approach)													
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—	—	—	—	—	—
Bank exposures (AIRB approach)													
1	0.00 to <0.15	5,002,208	1,133,305	84.79	6,240,006	0.03	0.6	31.76	2.2	924,113	14.80	744	
2	0.15 to <0.25	833,583	154,198	65.47	898,778	0.17	0.2	31.33	1.0	212,040	23.59	479	
3	0.25 to <0.50	69,332	32,385	47.21	82,408	0.33	0.0	31.10	1.2	30,743	37.30	87	
4	0.50 to <0.75	2,120	—	—	2,120	0.50	0.0	1.98	1.0	63	3.00	0	
5	0.75 to <2.50	606,762	139,349	36.82	558,579	1.29	0.6	34.99	0.7	370,549	66.33	2,533	
6	2.50 to <10.00	35,883	11,989	35.52	38,778	3.69	0.0	22.05	1.8	24,880	64.16	315	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	407	—	—	407	100.00	0.0	80.22	1.0	54	13.38	327	
9	Subtotal	6,550,298	1,471,229	76.99	7,821,079	0.16	1.6	31.88	2.0	1,562,446	19.97	4,488	7,126
Bank exposures (FIRB approach)													
1	0.00 to <0.15	68,457	—	—	68,457	0.03	0.0	45.00	5.0	24,208	35.36	9	
2	0.15 to <0.25	92	—	—	92	0.17	0.0	45.00	5.0	77	83.29	0	
3	0.25 to <0.50	173	—	—	173	0.26	0.0	45.00	5.0	174	100.37	0	
4	0.50 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	27,889	—	—	27,889	2.38	0.1	45.00	5.0	47,674	170.94	299	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	96,613	—	—	96,613	0.71	0.2	45.00	5.0	72,134	74.66	309	600
Corporate exposures (AIRB approach)													
1	0.00 to <0.15	28,717,710	14,884,680	52.55	40,816,263	0.05	6.8	35.24	2.4	7,210,073	17.66	8,113	
2	0.15 to <0.25	13,090,442	9,678,533	52.42	17,314,682	0.17	5.9	30.74	2.3	4,922,084	28.42	9,075	
3	0.25 to <0.50	4,981,891	2,451,453	51.51	5,632,759	0.31	3.1	28.74	2.2	1,947,120	34.56	5,072	
4	0.50 to <0.75	974,084	95,069	49.09	1,000,374	0.50	1.2	30.19	2.6	499,334	49.91	1,511	
5	0.75 to <2.50	5,796,372	2,759,749	51.53	5,063,495	1.37	3.8	28.29	2.8	3,439,508	67.92	19,715	
6	2.50 to <10.00	1,277,748	498,237	53.60	1,127,717	6.49	0.8	27.26	2.7	1,152,739	102.21	20,711	
7	10.00 to <100.00	847,335	223,040	54.09	903,116	18.29	0.3	29.38	3.2	1,410,474	156.17	55,901	
8	100.00 (Default)	509,335	39,814	100.00	487,015	100.00	0.3	48.02	2.3	180,354	37.03	233,871	
9	Subtotal	56,194,920	30,630,578	52.42	72,345,424	1.20	22.6	32.99	2.4	20,761,689	28.69	353,973	348,168

(Millions of yen, %, the number of data in thousands, years)

CR6: IRB - CR exposures by portfolio and PD range		As of March 31, 2021											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre CCF and pre CRM	Average CCF (%)	EAD post CCF and post CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA amounts	RWA density (%)	EL	Eligible provisions
Corporate exposures (FIRB approach)													
1	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
8	100.00 (Default)	20	-	-	20	100.00	0.0	45.00	5.0	-	0.00	9	-
9	Subtotal	20	-	-	20	100.00	0.0	45.00	5.0	-	0.00	9	1
Mid-sized corporations and small-medium enterprises (SMEs) exposures (AIRB approach)													
1	0.00 to <0.15	728,039	86,667	72.55	793,130	0.07	1.2	25.33	2.7	113,332	14.28	154	-
2	0.15 to <0.25	1,273,519	84,455	62.11	1,262,908	0.16	4.9	28.90	3.4	327,703	25.94	609	-
3	0.25 to <0.50	1,231,816	49,066	50.16	1,139,199	0.29	6.4	30.08	3.8	427,466	37.52	1,038	-
4	0.50 to <0.75	638,272	21,012	66.88	574,904	0.51	4.2	27.66	3.3	235,037	40.88	830	-
5	0.75 to <2.50	2,416,025	186,112	60.06	1,783,969	1.65	31.6	29.49	3.5	1,092,710	61.25	8,670	-
6	2.50 to <10.00	453,117	199,108	48.36	180,245	8.39	1.4	22.02	2.6	130,416	72.35	3,140	-
7	10.00 to <100.00	160,332	1,814	61.58	98,537	27.56	2.7	38.14	2.2	172,427	174.98	10,355	-
8	100.00 (Default)	225,890	488	100.00	166,773	100.00	3.3	44.35	1.9	23,450	14.06	73,967	-
9	Subtotal	7,127,015	628,725	57.84	5,999,668	4.12	56.0	29.08	3.3	2,522,543	42.04	98,766	106,987
Mid-sized corporations and SMEs exposures (FIRB approach)													
1	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
9	Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Specialized lending (SL)													
1	0.00 to <0.15	2,130,687	124,311	45.48	2,134,877	0.04	0.3	21.54	3.6	240,271	11.25	208	-
2	0.15 to <0.25	1,994,922	592,329	55.01	2,229,294	0.17	0.4	22.71	4.0	596,870	26.77	861	-
3	0.25 to <0.50	1,715,575	836,440	50.69	1,567,125	0.35	0.3	24.10	4.0	612,190	39.06	1,277	-
4	0.50 to <0.75	102,482	-	-	102,482	0.50	0.0	28.70	3.3	51,575	50.32	147	-
5	0.75 to <2.50	1,371,360	351,892	58.63	1,302,402	1.25	0.2	26.04	3.7	875,598	67.22	4,691	-
6	2.50 to <10.00	254,560	61,879	72.89	209,667	3.69	0.0	45.05	3.8	332,215	158.44	3,485	-
7	10.00 to <100.00	126,542	1,541	45.48	79,542	16.16	0.0	30.66	3.9	130,436	163.98	3,933	-
8	100.00 (Default)	69,699	5,613	100.00	58,889	100.00	0.0	50.32	4.0	31,211	53.00	29,633	-
9	Subtotal	7,765,831	1,974,007	53.90	7,684,282	1.38	1.4	24.22	3.8	2,870,369	37.35	44,238	48,871
Equity exposures													
1	0.00 to <0.15	3,947,664	-	-	3,947,664	0.04	1.2	90.00	5.0	4,023,500	101.92	-	-
2	0.15 to <0.25	333,806	-	-	333,806	0.17	0.4	90.00	5.0	435,435	130.44	-	-
3	0.25 to <0.50	15,530	-	-	15,530	0.26	0.1	90.00	5.0	26,009	167.47	-	-
4	0.50 to <0.75	7,323	-	-	7,323	0.50	0.0	90.00	5.0	15,756	215.15	-	-
5	0.75 to <2.50	19,874	-	-	19,874	1.92	0.1	90.00	5.0	66,772	335.96	-	-
6	2.50 to <10.00	8,075	-	-	8,075	9.76	0.0	90.00	5.0	44,353	549.22	-	-
7	10.00 to <100.00	277	-	-	277	27.52	0.0	90.00	5.0	2,360	850.70	-	-
8	100.00 (Default)	455	-	-	455	100.00	0.0	90.00	5.0	5,128	1,125.00	-	-
9	Subtotal	4,333,008	-	-	4,333,008	0.09	2.1	90.00	5.0	4,619,317	106.60	-	-

(Millions of yen, %, the number of data in thousands, years)

CR6: IRB - CR exposures by portfolio and PD range		As of March 31, 2021											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre CCF and pre CRM	Average CCF (%)	EAD post CCF and post CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA amounts	RWA density (%)	EL	Eligible provisions
Purchased receivables (corporates) (the amount equivalent to default risks) (AIRB approach)													
1	0.00 to <0.15	996,889	73,310	99.23	1,057,665	0.06	6.6	35.82	1.1	132,099	12.48	276	
2	0.15 to <0.25	459,080	84,510	79.05	521,580	0.17	5.8	32.47	1.0	108,225	20.74	299	
3	0.25 to <0.50	176,851	43,243	99.78	217,450	0.32	5.3	36.12	1.0	73,098	33.61	255	
4	0.50 to <0.75	14,606	58,589	100.00	72,993	0.57	8.3	59.92	1.0	54,608	74.81	254	
5	0.75 to <2.50	95,732	92,125	99.06	186,099	1.45	16.9	46.39	1.0	154,387	82.95	1,242	
6	2.50 to <10.00	7,636	4,100	100.00	11,588	4.76	0.8	41.09	1.0	13,553	116.96	240	
7	10.00 to <100.00	2,242	1,123	100.00	3,349	27.98	0.2	45.14	1.0	5,651	168.70	504	
8	100.00 (Default)	5,122	165	100.00	5,218	100.00	0.1	66.44	1.0	698	13.38	3,467	
9	Subtotal	1,758,161	357,167	94.61	2,075,944	0.58	44.5	36.93	1.1	542,322	26.12	6,541	5,265
Purchased receivables (corporates) (the amount equivalent to dilution risks) (AIRB approach)													
1	0.00 to <0.15	608,244	2,069	45.48	609,185	0.06	0.0	33.25	1.0	69,998	11.49	140	
2	0.15 to <0.25	371,251	–	–	371,251	0.16	0.0	31.39	1.1	73,901	19.90	198	
3	0.25 to <0.50	218,544	–	–	218,544	0.26	0.0	29.92	1.0	59,943	27.42	173	
4	0.50 to <0.75	11,569	–	–	11,569	0.50	0.0	35.00	1.0	6,004	51.90	20	
5	0.75 to <2.50	45,106	31,600	45.48	59,477	0.83	0.0	29.70	1.1	27,055	45.48	147	
6	2.50 to <10.00	6,439	–	–	6,439	7.24	0.0	30.85	1.1	6,953	107.97	153	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	801	–	–	801	100.00	0.0	46.13	1.0	107	13.38	369	
9	Subtotal	1,261,957	33,669	45.48	1,277,270	0.26	0.2	31.99	1.0	243,964	19.10	1,203	1,427
Purchased receivables (corporates) (the amount equivalent to default risks) (FIRB approach)													
1	0.00 to <0.15	–	180	100.00	180	0.09	0.0	45.00	1.0	31	17.66	0	
2	0.15 to <0.25	–	342	100.00	342	0.21	0.0	45.00	1.0	95	27.91	0	
3	0.25 to <0.50	–	935	100.00	935	0.35	0.0	45.00	1.0	346	37.00	1	
4	0.50 to <0.75	–	2,212	100.00	2,212	0.59	0.0	45.00	1.0	1,091	49.33	5	
5	0.75 to <2.50	–	947	100.00	947	1.04	0.0	45.00	1.0	560	59.18	4	
6	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	109	–	–	107	100.00	0.0	45.00	1.0	–	0.00	48	
9	Subtotal	109	4,618	100.00	4,725	2.84	0.0	45.00	1.0	2,125	44.98	60	21
Purchased receivables (corporates) (the amount equivalent to dilution risks) (FIRB approach)													
1	0.00 to <0.15	100	–	–	100	0.11	0.0	45.00	1.0	20	19.97	0	
2	0.15 to <0.25	2	–	–	2	0.21	0.0	45.00	1.0	0	30.99	0	
3	0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
4	0.50 to <0.75	5	–	–	5	0.64	0.0	45.00	1.0	3	59.36	0	
5	0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
6	2.50 to <10.00	0	–	–	0	2.93	0.0	45.00	1.0	0	108.97	0	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
9	Subtotal	109	–	–	109	0.14	0.0	45.00	1.0	24	22.31	0	0
Purchased receivables (retail) (the amount equivalent to default risks)													
1	0.00 to <0.15	3,959	–	–	3,959	0.08	0.0	65.00	–	577	14.59	2	
2	0.15 to <0.25	1,751	–	–	1,751	0.21	0.0	65.00	–	476	27.20	2	
3	0.25 to <0.50	2,253	–	–	2,253	0.32	0.2	44.72	–	579	25.71	3	
4	0.50 to <0.75	719	–	–	719	0.59	0.0	64.61	–	366	50.94	2	
5	0.75 to <2.50	48	20	100.00	68	1.07	0.0	62.84	–	45	65.83	0	
6	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	4	–	–	4	100.00	0.0	80.22	–	0	13.38	3	
9	Subtotal	8,736	20	100.00	8,757	0.27	0.2	59.74	–	2,046	23.36	14	19

(Millions of yen, %, the number of data in thousands, years)

CR6: IRB - CR exposures by portfolio and PD range		As of March 31, 2021											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre CCF and pre CRM	Average CCF (%)	EAD post CCF and post CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA amounts	RWA density (%)	EL	Eligible provisions
Purchased receivables (retail) (the amount equivalent to dilution risks) (AIRB approach)													
1	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
2	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
9	Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Qualifying revolving retail exposures (QRRE)													
1	0.00 to <0.15	71,013	256,817	6.34	327,830	0.11	4,397.8	70.10		15,024	4.58	253	
2	0.15 to <0.25	298,701	435,336	16.82	734,038	0.19	4,772.7	71.64		54,528	7.42	1,016	
3	0.25 to <0.50	486,187	324,929	10.92	811,117	0.41	3,914.9	70.47		110,019	13.56	2,376	
4	0.50 to <0.75	-	-	-	-	-	-	-		-	-	-	
5	0.75 to <2.50	464,026	51,523	12.75	515,550	1.59	657.4	76.87		214,822	41.66	6,321	
6	2.50 to <10.00	741,706	143,600	6.48	885,306	4.33	1,479.0	76.71		737,649	83.32	29,284	
7	10.00 to <100.00	28,234	3,544	9.15	31,779	47.84	61.0	73.04		54,691	172.09	11,134	
8	100.00 (Default)	81,405	8,911	100.00	90,317	100.00	165.7	76.02		88,497	97.98	68,662	
9	Subtotal	2,171,276	1,224,664	36.06	3,395,940	4.63	15,448.7	73.46		1,275,232	37.55	119,049	119,546
Residential mortgage exposures													
1	0.00 to <0.15	-	-	-	44,851	0.05	5.1	38.18		11,108	24.76	8	
2	0.15 to <0.25	-	-	-	1,626	0.17	0.1	68.76		665	40.91	1	
3	0.25 to <0.50	7,212,404	7,069	100.00	7,220,374	0.30	443.8	24.91		975,827	13.51	5,417	
4	0.50 to <0.75	876,490	1,230	100.00	877,739	0.57	51.3	26.52		201,380	22.94	1,350	
5	0.75 to <2.50	882,164	2,199	100.00	840,275	0.95	67.0	32.41		338,671	40.30	2,718	
6	2.50 to <10.00	-	-	-	-	-	-	-		-	-	-	
7	10.00 to <100.00	25,900	970	100.00	23,562	23.42	2.3	27.70		35,561	150.92	1,504	
8	100.00 (Default)	93,433	53	100.00	93,487	100.00	7.0	23.93		19,928	21.31	22,373	
9	Subtotal	9,090,393	11,523	100.00	9,101,917	1.47	576.9	25.83		1,583,143	17.39	33,376	27,255
Other retail exposures													
1	0.00 to <0.15	1	3	100.00	5	0.11	0.0	69.31		0	18.43	0	
2	0.15 to <0.25	105,360	11	100.00	105,371	0.16	2.6	34.80		12,741	12.09	58	
3	0.25 to <0.50	308,406	214	100.00	308,620	0.37	9.3	35.63		66,362	21.50	412	
4	0.50 to <0.75	49,368	789	100.00	50,158	0.67	14.1	43.66		18,591	37.06	149	
5	0.75 to <2.50	835,722	495,234	96.23	1,330,957	1.30	2,238.1	53.25		774,807	58.21	9,452	
6	2.50 to <10.00	23,014	142,759	100.00	165,774	2.90	133.7	49.65		113,586	68.51	2,358	
7	10.00 to <100.00	11,860	4,353	100.00	16,214	23.45	34.9	54.27		19,282	118.91	2,056	
8	100.00 (Default)	47,246	735	100.00	47,981	100.00	93.1	56.21		91,996	191.73	26,974	
9	Subtotal	1,380,983	644,101	100.00	2,025,084	3.73	2,526.1	49.15		1,097,368	54.18	41,462	30,873
Total (all portfolios)		191,666,356	37,196,649	56.52	212,692,029	0.76	18,681.8	34.87	-	37,622,597	17.68	705,199	699,086

(Millions of yen, %, the number of data in thousands, years)

CR6: IRB - CR exposures by portfolio and PD range		As of March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre CCF (Credit Conversion Factor) and pre CRM	Average CCF (%)	EAD post CCF and post CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA amounts	RWA density (%)	EL	Eligible provisions
Sovereign exposures (AIRB approach)													
1	0.00 to <0.15	73,107,376	62,797	85.17	75,440,612	0.00	0.4	34.25	3.9	251,604	0.33	280	
2	0.15 to <0.25	364,083	25,813	46.84	362,167	0.18	0.0	33.11	1.9	101,209	27.94	221	
3	0.25 to <0.50	8,777	24	64.04	8,793	0.26	0.0	29.55	1.3	2,292	26.07	6	
4	0.50 to <0.75	2,315	2	50.00	202	0.52	0.0	25.14	2.7	88	43.83	0	
5	0.75 to <2.50	173,824	9,567	47.77	125,118	1.21	0.0	34.04	2.4	91,402	73.05	508	
6	2.50 to <10.00	88,158	47,907	62.45	51,705	3.98	0.0	34.76	2.9	60,597	117.19	713	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	8	–	–	8	100.00	0.0	34.03	1.2	4	53.50	2	
9	Subtotal	73,744,545	146,113	68.49	75,988,608	0.00	0.6	34.25	3.9	507,199	0.66	1,733	2,197
Sovereign exposures (FIRB approach)													
1	0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
2	0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
3	0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
4	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
5	0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
6	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
9	Subtotal	–	–	–	–	–	–	–	–	–	–	–	–
Bank exposures (AIRB approach)													
1	0.00 to <0.15	5,651,140	731,858	76.85	6,448,660	0.03	0.6	33.87	3.0	1,242,169	19.26	854	
2	0.15 to <0.25	789,579	217,139	70.74	923,343	0.18	0.2	30.22	1.1	226,102	24.48	507	
3	0.25 to <0.50	124,122	12,663	55.47	120,201	0.26	0.0	30.82	1.2	36,904	30.70	100	
4	0.50 to <0.75	24,809	5,329	33.79	26,610	0.51	0.0	29.74	1.2	10,717	40.27	41	
5	0.75 to <2.50	619,369	102,747	38.55	598,474	1.37	0.6	34.97	0.5	400,084	66.85	2,886	
6	2.50 to <10.00	34,969	4,309	35.93	29,881	3.96	0.0	33.64	0.7	27,172	90.93	398	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	356	–	–	356	100.00	0.0	80.91	1.0	48	13.63	288	
9	Subtotal	7,244,349	1,074,048	71.32	8,147,528	0.17	1.7	33.48	2.5	1,943,199	23.85	5,076	6,066
Bank exposures (FIRB approach)													
1	0.00 to <0.15	3,244	–	–	3,244	0.03	0.0	45.00	5.0	1,144	35.27	0	
2	0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
3	0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
4	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
5	0.75 to <2.50	402	–	–	402	2.46	0.0	45.00	5.0	745	185.32	4	
6	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
9	Subtotal	3,646	–	–	3,646	0.29	0.1	45.00	5.0	1,889	51.82	4	17
Corporate exposures (AIRB approach)													
1	0.00 to <0.15	26,480,029	13,468,788	54.73	38,059,248	0.05	7.2	34.71	2.5	6,979,472	18.33	7,836	
2	0.15 to <0.25	13,991,591	7,497,730	54.39	16,791,142	0.17	6.3	29.45	2.4	4,712,138	28.06	8,783	
3	0.25 to <0.50	3,520,031	1,005,418	53.48	3,828,262	0.26	2.8	28.70	2.6	1,297,994	33.90	2,910	
4	0.50 to <0.75	2,072,283	633,162	53.17	2,228,333	0.51	1.5	28.85	2.4	1,024,458	45.97	3,315	
5	0.75 to <2.50	5,502,117	2,209,416	53.77	4,719,039	1.38	4.4	27.19	3.0	3,111,257	65.92	17,700	
6	2.50 to <10.00	981,579	402,421	57.96	739,898	6.27	0.6	27.72	2.8	765,528	103.46	13,670	
7	10.00 to <100.00	236,679	57,965	60.46	231,537	17.02	0.2	25.42	2.5	296,210	127.93	10,092	
8	100.00 (Default)	202,742	17,927	100.00	209,837	100.00	0.2	48.74	2.4	69,976	33.34	102,288	
9	Subtotal	52,987,056	25,292,831	54.55	66,807,297	0.65	23.5	32.25	2.5	18,257,035	27.32	166,599	171,747

(Millions of yen, %, the number of data in thousands, years)

CR6: IRB - CR exposures by portfolio and PD range		As of March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre CCF and pre CRM	Average CCF (%)	EAD post CCF and post CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA amounts	RWA density (%)	EL	Eligible provisions
Corporate exposures (FIRB approach)													
1	0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
2	0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	–
3	0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	–
4	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
5	0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	–
6	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	–
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
8	100.00 (Default)	22	–	–	22	100.00	0.0	45.00	5.0	–	0.00	10	–
9	Subtotal	22	–	–	22	100.00	0.0	45.00	5.0	–	0.00	10	2
Mid-sized corporations and small-medium enterprises (SMEs) exposures (AIRB approach)													
1	0.00 to <0.15	904,104	79,495	48.18	944,136	0.08	1.2	31.99	3.1	197,069	20.87	258	–
2	0.15 to <0.25	1,292,354	105,264	62.35	1,304,229	0.17	5.1	30.47	3.6	373,474	28.63	676	–
3	0.25 to <0.50	1,152,104	20,996	64.18	1,121,417	0.30	6.7	31.89	3.8	447,563	39.91	1,111	–
4	0.50 to <0.75	737,848	40,185	50.15	677,027	0.53	4.7	28.77	3.4	295,384	43.62	1,045	–
5	0.75 to <2.50	2,659,505	152,942	57.68	2,120,242	1.63	34.0	31.84	3.4	1,369,629	64.59	11,033	–
6	2.50 to <10.00	351,444	136,821	48.57	169,064	8.36	1.3	22.27	2.7	124,179	73.45	3,010	–
7	10.00 to <100.00	139,976	944	47.46	73,800	27.22	3.1	46.87	1.6	153,071	207.41	9,423	–
8	100.00 (Default)	223,666	450	100.00	157,477	100.00	3.5	46.01	1.8	23,209	14.73	72,469	–
9	Subtotal	7,461,004	537,099	54.58	6,567,394	3.59	60.0	31.54	3.4	2,983,581	45.43	99,029	98,375
Mid-sized corporations and SMEs exposures (FIRB approach)													
1	0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
2	0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	–
3	0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	–
4	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
5	0.75 to <2.50	34	–	–	34	1.22	0.0	45.00	1.0	21	62.80	0	–
6	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	–
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
8	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
9	Subtotal	34	–	–	34	1.22	0.0	45.00	1.0	21	62.80	0	0
Specialized lending (SL)													
1	0.00 to <0.15	1,967,269	113,312	46.83	1,976,616	0.04	0.2	22.50	3.8	240,854	12.18	204	–
2	0.15 to <0.25	1,889,210	554,107	54.39	2,031,916	0.17	0.4	23.40	4.2	599,465	29.50	857	–
3	0.25 to <0.50	1,035,545	362,381	53.53	967,458	0.26	0.1	31.56	4.1	486,728	50.31	824	–
4	0.50 to <0.75	759,378	206,481	56.69	616,840	0.51	0.1	24.61	3.9	286,613	46.46	784	–
5	0.75 to <2.50	964,824	246,808	59.61	884,023	1.07	0.2	25.18	3.8	543,236	61.45	2,459	–
6	2.50 to <10.00	170,258	37,954	82.24	105,864	3.96	0.0	31.15	4.3	121,276	114.55	1,306	–
7	10.00 to <100.00	28,332	2,594	85.15	27,777	13.94	0.0	36.08	3.5	51,257	184.52	1,396	–
8	100.00 (Default)	52,406	6,757	100.00	49,604	100.00	0.0	59.44	3.6	26,538	53.50	29,485	–
9	Subtotal	6,867,224	1,530,397	55.73	6,660,101	1.16	1.3	25.11	4.0	2,355,971	35.37	37,319	41,098
Equity exposures													
1	0.00 to <0.15	2,901,486	–	–	2,901,486	0.04	1.3	90.00	5.0	2,968,167	102.29	–	–
2	0.15 to <0.25	220,234	–	–	220,234	0.17	0.4	90.00	5.0	291,234	132.23	–	–
3	0.25 to <0.50	14,685	–	–	14,685	0.26	0.1	90.00	5.0	24,440	166.43	–	–
4	0.50 to <0.75	4,211	–	–	4,211	0.51	0.0	90.00	5.0	9,029	214.39	–	–
5	0.75 to <2.50	16,123	–	–	16,123	2.17	0.1	90.00	5.0	56,577	350.90	–	–
6	2.50 to <10.00	1,962	–	–	1,962	9.88	0.0	90.00	5.0	10,782	549.53	–	–
7	10.00 to <100.00	21	–	–	21	27.27	0.0	90.00	5.0	179	836.00	–	–
8	100.00 (Default)	674	–	–	674	100.00	0.0	90.00	5.0	7,588	1,124.99	–	–
9	Subtotal	3,159,398	–	–	3,159,398	0.09	2.1	90.00	5.0	3,367,999	106.60	–	–

(Millions of yen, %, the number of data in thousands, years)

CR6: IRB - CR exposures by portfolio and PD range		As of March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre CCF and pre CRM	Average CCF (%)	EAD post CCF and post CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA amounts	RWA density (%)	EL	Eligible provisions
Purchased receivables (corporates) (the amount equivalent to default risks) (AIRB approach)													
1	0.00 to <0.15	961,910	69,391	100.00	1,021,314	0.06	7.0	36.30	1.1	126,585	12.39	296	
2	0.15 to <0.25	360,408	100,052	71.87	429,775	0.18	5.8	32.66	1.0	91,947	21.39	260	
3	0.25 to <0.50	70,529	78,200	73.31	126,645	0.29	5.3	42.04	1.0	47,379	37.41	162	
4	0.50 to <0.75	35,734	66,823	88.28	94,139	0.57	8.1	50.13	1.0	59,487	63.19	276	
5	0.75 to <2.50	84,464	87,620	97.75	168,937	1.48	16.4	47.10	1.1	142,943	84.61	1,187	
6	2.50 to <10.00	4,638	4,069	100.00	8,706	5.14	0.8	44.77	1.0	11,398	130.92	209	
7	10.00 to <100.00	193	1,424	100.00	1,618	63.51	0.2	61.47	1.0	2,458	151.88	626	
8	100.00 (Default)	2,688	220	100.00	2,896	100.00	0.1	78.66	1.0	394	13.63	2,279	
9	Subtotal	1,520,568	407,803	85.57	1,854,035	0.49	44.0	37.66	1.1	482,595	26.02	5,298	3,825
Purchased receivables (corporates) (the amount equivalent to dilution risks) (AIRB approach)													
1	0.00 to <0.15	617,365	–	–	617,365	0.06	0.0	33.48	1.0	69,229	11.21	137	
2	0.15 to <0.25	201,714	106,680	46.72	251,556	0.17	0.0	29.97	1.1	48,777	19.39	132	
3	0.25 to <0.50	65,593	–	–	65,593	0.26	0.0	33.40	1.0	18,485	28.18	57	
4	0.50 to <0.75	37,151	–	–	37,151	0.51	0.0	31.81	1.0	17,297	46.56	60	
5	0.75 to <2.50	64,699	–	–	64,699	0.89	0.0	31.36	1.0	31,463	48.63	184	
6	2.50 to <10.00	3,727	–	–	3,727	3.96	0.0	25.02	1.0	2,506	67.24	36	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	1,057	–	–	1,057	100.00	0.0	46.64	1.0	144	13.63	493	
9	Subtotal	991,308	106,680	46.72	1,041,149	0.28	0.2	32.42	1.0	187,903	18.04	1,102	772
Purchased receivables (corporates) (the amount equivalent to default risks) (FIRB approach)													
1	0.00 to <0.15	0	385	100.00	385	0.07	0.0	45.00	1.0	56	14.54	0	
2	0.15 to <0.25	–	234	100.00	234	0.22	0.0	45.00	1.0	67	28.66	0	
3	0.25 to <0.50	–	1,365	100.00	1,365	0.36	0.0	45.00	1.0	516	37.82	2	
4	0.50 to <0.75	–	3,172	100.00	3,172	0.62	0.1	45.00	1.0	1,600	50.46	8	
5	0.75 to <2.50	–	2,198	100.00	2,198	1.14	0.1	45.00	1.0	1,351	61.45	11	
6	2.50 to <10.00	–	28	100.00	28	2.96	0.0	45.00	1.2	24	85.89	0	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	37	–	–	36	100.00	0.0	45.00	1.0	–	0.00	16	
9	Subtotal	37	7,384	100.00	7,420	1.17	0.3	45.00	1.0	3,615	48.72	39	29
Purchased receivables (corporates) (the amount equivalent to dilution risks) (FIRB approach)													
1	0.00 to <0.15	10	–	–	10	0.11	0.0	45.00	1.0	2	21.22	0	
2	0.15 to <0.25	20	–	–	20	0.22	0.0	45.00	1.0	6	31.94	0	
3	0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
4	0.50 to <0.75	1	–	–	1	0.58	0.0	45.00	1.0	0	56.66	0	
5	0.75 to <2.50	4	–	–	4	0.92	0.0	45.00	1.0	3	70.61	0	
6	2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
9	Subtotal	36	–	–	36	0.29	0.0	45.00	1.0	12	34.73	0	0
Purchased receivables (retail) (the amount equivalent to default risks)													
1	0.00 to <0.15	4,967	–	–	4,967	0.09	0.4	65.00	–	764	15.39	3	
2	0.15 to <0.25	2,033	–	–	2,033	0.22	0.2	65.00	–	570	28.07	2	
3	0.25 to <0.50	2,402	–	–	2,402	0.32	0.4	39.60	–	546	22.72	3	
4	0.50 to <0.75	692	–	–	692	0.60	0.1	64.58	–	357	51.58	2	
5	0.75 to <2.50	58	20	100.00	79	1.09	0.0	63.02	–	52	66.50	0	
6	2.50 to <10.00	57	0	100.00	57	2.96	0.0	65.00	–	51	90.51	1	
7	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
8	100.00 (Default)	0	–	–	0	100.00	0.0	80.91	–	0	13.63	0	
9	Subtotal	10,213	20	100.00	10,234	0.23	1.3	58.99	–	2,343	22.90	14	17

(Millions of yen, %, the number of data in thousands, years)

CR6: IRB - CR exposures by portfolio and PD range		As of March 31, 2020											
Item No.	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		On-balance sheet gross exposures	Off-balance sheet exposures pre CCF and pre CRM	Average CCF (%)	EAD post CCF and post CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA amounts	RWA density (%)	EL	Eligible provisions
Purchased receivables (retail) (the amount equivalent to dilution risks) (AIRB approach)													
1	0.00 to <0.15	17	—	—	17	0.03	0.0	45.00	5.0	4	25.88	0	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.50	—	—	—	—	—	—	—	—	—	—	—	
4	0.50 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Subtotal	17	—	—	17	0.03	0.0	45.00	5.0	4	25.88	0	0
Qualifying revolving retail exposures (QRRE)													
1	0.00 to <0.15	60,714	248,831	7.92	309,546	0.08	4,222.3	70.64		11,621	3.75	188	
2	0.15 to <0.25	264,550	422,264	19.22	686,815	0.19	4,582.4	71.93		51,375	7.48	958	
3	0.25 to <0.50	289,571	301,796	11.68	591,367	0.39	3,952.4	68.50		75,125	12.70	1,605	
4	0.50 to <0.75	179,072	23,273	7.58	202,345	0.50	302.0	73.98		33,683	16.64	756	
5	0.75 to <2.50	526,965	52,156	15.68	579,121	1.64	609.3	77.29		249,060	43.00	7,390	
6	2.50 to <10.00	810,722	157,905	6.88	968,628	4.47	1,602.6	76.51		822,217	84.88	33,015	
7	10.00 to <100.00	36,656	4,336	9.39	40,993	48.76	78.0	73.22		70,595	172.21	14,628	
8	100.00 (Default)	78,426	7,810	100.00	86,237	100.00	153.4	76.77		83,217	96.49	66,208	
9	Subtotal	2,246,680	1,218,375	35.16	3,465,055	4.73	15,502.8	73.66		1,396,896	40.31	124,751	105,920
Residential mortgage exposures													
1	0.00 to <0.15	—	—	—	54,563	0.05	5.9	39.66		13,312	24.39	11	
2	0.15 to <0.25	—	—	—	2,176	0.17	0.2	72.39		881	40.49	2	
3	0.25 to <0.50	7,265,643	8,671	100.00	7,275,348	0.29	451.6	25.79		995,548	13.68	5,480	
4	0.50 to <0.75	925,652	1,487	100.00	927,140	0.59	53.1	27.55		223,565	24.11	1,507	
5	0.75 to <2.50	974,717	2,654	100.00	923,454	0.97	72.3	33.59		391,466	42.39	3,164	
6	2.50 to <10.00	—	—	—	—	—	—	—		—	—	—	
7	10.00 to <100.00	27,202	1,163	100.00	24,509	23.16	2.4	29.18		39,311	160.39	1,639	
8	100.00 (Default)	85,079	54	100.00	85,134	100.00	6.7	28.18		22,329	26.22	23,995	
9	Subtotal	9,278,297	14,032	100.00	9,292,329	1.36	592.5	26.87		1,686,415	18.14	35,800	25,981
Other retail exposures													
1	0.00 to <0.15	3	3	5.13	7	0.08	0.0	69.84		1	14.69	0	
2	0.15 to <0.25	106,023	11	100.00	106,035	0.17	2.5	35.00		13,447	12.68	63	
3	0.25 to <0.50	331,489	276	100.00	331,766	0.38	9.9	36.03		73,844	22.25	465	
4	0.50 to <0.75	44,133	1,004	100.00	45,138	0.67	2.0	36.40		13,921	30.84	111	
5	0.75 to <2.50	916,516	502,743	96.14	1,419,260	1.36	2,437.7	53.67		842,931	59.39	10,509	
6	2.50 to <10.00	28,280	142,045	100.00	170,326	3.05	138.3	49.52		117,267	68.84	2,539	
7	10.00 to <100.00	13,619	5,303	100.00	18,922	24.87	40.2	54.42		23,011	121.60	2,552	
8	100.00 (Default)	51,065	889	100.00	51,954	100.00	92.9	56.69		94,290	181.48	29,453	
9	Subtotal	1,491,132	652,277	100.00	2,143,410	3.87	2,724.0	49.40		1,178,714	54.99	45,694	27,972
Total (all portfolios)		167,005,575	30,987,064	58.54	185,147,723	0.62	18,955.0	34.59	—	34,355,402	18.55	522,475	484,023

6. Effect on Credit RWA of Credit Derivatives Used as CRM Techniques (CR7)

(Millions of yen)

CR7: IRB – Effect on credit RWA of credit derivatives used as CRM techniques		As of March 31, 2021		As of March 31, 2020	
Item No.	Portfolio	a	b	a	b
		Pre-credit derivatives credit RWA	Actual credit RWA	Pre-credit derivatives credit RWA	Actual credit RWA
1	Sovereign exposures - FIRB	—	—	—	—
2	Sovereign exposures - AIRB	365,913	365,913	435,987	435,987
3	Bank exposures - FIRB	72,134	72,134	1,889	1,889
4	Bank exposures - AIRB	1,526,416	1,526,416	1,907,175	1,907,175
5	Corporate exposures (excluding SL) - FIRB	—	—	21	21
6	Corporate exposures (excluding SL) - AIRB	23,306,205	23,305,349	21,249,845	21,249,140
7	SL - FIRB	565,295	565,295	531,575	531,575
8	SL - AIRB	2,979,896	2,979,896	2,445,379	2,445,379
9	Retail - QRRE	1,275,232	1,275,232	1,396,896	1,396,896
10	Retail - Residential mortgage exposures	1,583,143	1,583,143	1,686,415	1,686,415
11	Retail - Other retail exposures	1,097,368	1,097,368	1,178,714	1,178,714
12	Equity - FIRB	—	—	—	—
13	Equity - AIRB	5,703,807	5,703,807	4,157,942	4,157,942
14	Purchased receivables - FIRB	2,150	2,150	3,628	3,628
15	Purchased receivables - AIRB	788,332	788,332	672,847	672,847
16	Total	39,265,897	39,265,042	35,668,320	35,667,615

7. RWA flow statements of credit risk exposures under IRB approach (CR8)

(One hundred billions of yen)

CR8: RWA flow statements of credit risk exposures under IRB approach			
Item No.		RWA amounts	
1	RWA as of March 31, 2020	356	
2	Breakdown of variations in the credit risk-weighted assets	Asset size	25
3		Asset quality	4
4		Model updates	—
5		Methodology and policy	—
6		Acquisitions and disposals	—
7		Foreign exchange movements	5
8		Other	—
9	RWA as of March 31, 2021	392	

(One hundred billions of yen)

CR8: RWA flow statements of credit risk exposures under IRB approach			
Item No.		RWA amounts	
1	RWA as of March 31, 2019	345	
2	Breakdown of variations in the credit risk-weighted assets	Asset size	15
3		Asset quality	(1)
4		Model updates	—
5		Methodology and policy	—
6		Acquisitions and disposals	—
7		Foreign exchange movements	(4)
8		Other	—
9	RWA as of March 31, 2020	356	

8. Backtesting of Probability of Default (PD) per Portfolio (CR9)

(% , the number of data)

CR9: IRB - Backtesting of PD per portfolio													
a	b	c					d	e	f		g	h	i
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Number of defaulted obligors in the year	Of which: number of new defaulted obligors in the year	Average historical annual default rate (5 years)
		S&P	Moody's	Fitch	R&I	JCR			As of March 31, 2020	As of March 31, 2019			
Corporates	0.00 to < 0.05	AAA~A+	Aaa~A1	AAA~A+	AAA~AA-	AAA~AA-	0.00%	0.02%	412	412	0	0	0.02%
	0.05 to < 0.10	A~A-	A2~A3	A~A-	A+~BBB-	A+~BBB-	0.06%	0.06%	5,801	5,801	2	0	0.04%
	0.10 to < 0.50	BBB+~BB+	Baa1~Ba1	BBB+~BB+	to BB+	to BB+	0.21%	0.23%	13,857	13,856	11	1	0.09%
	0.50 to < 2.50	BB~B	Ba2~B2	BB~B	to BB+	to BB+	1.13%	1.38%	25,570	25,569	97	1	0.26%
	2.50 to < 100.00	to B-	to B3	to B-	to BB+	to BB+	6.05%	6.88%	12,680	12,678	787	2	5.92%
Qualifying revolving retail	0.00 to < 0.05						—	—	—	—	—	—	—
	0.05 to < 0.10						0.08%	0.08%	5,218,666	4,962,040	5,581	2,255	0.08%
	0.10 to < 0.50						0.32%	0.33%	5,826,418	5,685,660	11,925	2,633	0.17%
	0.50 to < 2.50						1.09%	0.65%	4,240,039	3,934,748	16,191	1,868	0.34%
	2.50 to < 100.00						6.57%	7.19%	1,670,451	1,645,903	84,159	2,421	4.77%
Residential mortgage	0.00 to < 0.05						—	—	—	—	—	—	—
	0.05 to < 0.10						—	—	—	—	—	—	—
	0.10 to < 0.50						0.29%	0.29%	648,798	662,016	630	—	0.10%
	0.50 to < 2.50						0.80%	0.83%	158,599	165,706	479	0	0.37%
	2.50 to < 100.00						23.89%	25.64%	2,310	2,565	212	0	9.41%
Other retail	0.00 to < 0.05						—	—	—	—	—	—	—
	0.05 to < 0.10						—	—	—	—	—	—	—
	0.10 to < 0.50						0.34%	0.35%	14,056	16,346	13	—	0.14%
	0.50 to < 2.50						1.37%	1.40%	2,469,904	2,472,081	12,029	2,323	0.50%
	2.50 to < 100.00						5.71%	8.90%	187,175	187,383	8,881	344	3.04%

- Notes: 1. IRB model presented in this table covers all models used within the scope of regulatory consolidation.
2. Applicable portfolios of each IRB model take into account the portfolio classification under Basel Capital Accord. "Corporates" include "Sovereign," "Banks," "Specialized lending," "Equity (PD/LGD approach)" and "Purchased receivables (corporates)," and "Residential mortgage" and "Other retail" include "Purchased receivables (retail)." Therefore, the same classifications are used in this table.
3. A maximum of ten categories of obligor rating in the internal rating system are consolidated into five categories as PD categories.
4. For the external ratings associated with, external ratings equivalent to the PD of non-Japanese companies mainly are listed in the columns of S&P, Moody's, and Fitch, and external ratings equivalent to the PD of Japanese companies mainly are listed in the columns of R&I and JCR.
5. The number of obligors of "Qualifying revolving retail," "Residential mortgage" and "Other retail" states the number of receivables.
6. The proportion of credit risk-weighted assets subject to the IRB approach is that "Corporates" accounts for 86.31 percent, "Qualifying revolving retail" accounts for 4.01 percent, "Residential mortgage" accounts for 4.79 percent, and "Other retail" accounts for 3.38 percent.

9. SL (Slotting Criteria Approach) and Equity Exposures (Market-Based Approach, etc.) (CR10)

(Millions of yen, except percentages)

CR10: IRB - SL (slotting criteria approach) and equity exposures (market-based approach, etc.)		As of March 31, 2021									
a	b	c	d	e	f	g	h	i	j	k	l
SL (slotting criteria approach)											
Other than high-volatility commercial real estate (HVCRE)											
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW	Exposure amount (EAD)					Credit RWA amount	Expected losses
					PF	OF	CF	IPRE	Total		
Strong	Less than 2.5 years	9,576	32,937	50%	39,911	—	—	—	39,911	19,955	—
	Equal to or more than 2.5 years	8,124	8,962	70%	6,762	5,437	—	—	12,200	8,540	48
Good	Less than 2.5 years	1,994	3,300	70%	3,495	—	—	—	3,495	2,446	13
	Equal to or more than 2.5 years	74,915	16,862	90%	82,584	—	—	—	82,584	74,326	660
Satisfactory		8,156	—	115%	8,156	—	—	—	8,156	9,380	228
Weak		2,080	146	250%	2,146	—	—	—	2,146	5,367	171
Default		3,177	—	—	3,177	0	—	—	3,177	—	1,588
Total		108,025	62,208	—	146,235	5,437	—	—	151,672	120,016	2,712
HVCRE											
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW					Exposure amount (EAD)	Credit RWA amount	Expected losses
Strong	Less than 2.5 years	3,079	3,960	70%					4,880	3,416	19
	Equal to or more than 2.5 years	4,878	1,927	95%					5,755	5,467	23
Good	Less than 2.5 years	56,153	18,154	95%					64,410	61,189	257
	Equal to or more than 2.5 years	121,421	26,743	120%					135,028	162,033	540
Satisfactory		131,855	25,821	140%					147,022	205,831	4,116
Weak		—	—	250%					—	—	—
Default		—	—	—					—	—	—
Total		317,387	76,607	—					357,096	437,938	4,956
Equity exposures (market-based approach, etc.)											
Equity exposures subject to market-based approach											
Categories		On-balance sheet amount	Off-balance sheet amount	RW					Exposure amount (EAD)	Credit RWA amount	
Simple risk weight method –listed shares		49,159	—	300%					49,159	147,478	
Simple risk weight method –unlisted shares		66,877	11,161	400%					71,953	287,813	
Internal models approach		423,327	131,001	117%					554,328	649,197	
Total		539,364	142,163	—					675,441	1,084,489	
Equity exposures subject to 100% risk weight											
Equity exposures subject to 100% risk weight pursuant to the provisions of Article 166, Paragraph 1 of the Notification No. 19 issued by the Japan Financial Service Agency in 2006		—	—	100%					—	—	

(Millions of yen, except percentages)

CR10: IRB - SL (slotting criteria approach) and equity exposures (market-based approach, etc.)		As of March 31, 2020									
a	b	c	d	e	f	g	h	i	j	k	l
SL (slotting criteria approach)											
Other than high-volatility commercial real estate (HVCRE)											
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW	Exposure amount (EAD)					Credit RWA amount	Expected losses
					PF	OF	CF	IPRE	Total		
Strong	Less than 2.5 years	12,423	29,415	50%	41,023	—	—	—	41,023	20,511	—
	Equal to or more than 2.5 years	29,086	30,793	70%	40,443	3,029	—	—	43,472	30,431	173
Good	Less than 2.5 years	3,695	—	70%	3,695	—	—	—	3,695	2,586	14
	Equal to or more than 2.5 years	51,217	5,440	90%	53,759	—	—	—	53,759	48,383	430
Satisfactory		3,615	324	115%	3,792	—	—	—	3,792	4,361	106
Weak		—	—	250%	—	—	—	—	—	—	—
Default		3,137	—	—	3,131	6	—	—	3,137	—	1,568
Total		103,175	65,973	—	145,845	3,035	—	—	148,881	106,274	2,293
HVCRE											
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	RW				Exposure amount (EAD)	Credit RWA amount	Expected losses	
Strong	Less than 2.5 years	4,348	3,237	70%				5,861	4,102	23	
	Equal to or more than 2.5 years	4,248	4,857	95%				6,517	6,191	26	
Good	Less than 2.5 years	28,634	34,120	95%				44,809	42,569	179	
	Equal to or more than 2.5 years	169,829	31,437	120%				187,353	224,824	749	
Satisfactory		92,083	14,357	140%				98,791	138,307	2,766	
Weak		—	—	250%				—	—	—	
Default		—	—	—				—	—	—	
Total		299,142	88,010	—				343,332	415,995	3,744	
Equity exposures (market-based approach, etc.)											
Equity exposures subject to market-based approach											
Categories		On-balance sheet amount	Off-balance sheet amount	RW				Exposure amount (EAD)	Credit RWA amount		
Simple risk weight method –listed shares		27,836	—	300%				27,836	83,509		
Simple risk weight method –unlisted shares		57,885	11,804	400%				63,400	253,603		
Internal models approach		206,555	52,987	174%				259,543	452,830		
Total		292,277	64,792	—				350,780	789,942		
Equity exposures subject to 100% risk weight											
Equity exposures subject to 100% risk weight pursuant to the provisions of Article 166, Paragraph 1 of the Notification No. 19 issued by the Japan Financial Service Agency in 2006		—	—	100%				—	—		

10. Credit Risk-Weighted Assets under Article 145 of the Notification

Exposures under Article 145 of the Notification include investments to funds. In the case of such exposures, in principle, each underlying asset of the fund is assigned an obligor grade to calculate the asset's credit risk-weighted asset amount and the amounts are totaled to derive the credit risk-weighted asset amount of the fund. When it is difficult to calculate the credit risk-weighted asset amount of individual underlying assets, the weighted average of the risk weight of individual underlying assets is calculated, where risk weight of 250%/400% is applied if the result of such calculation proved to be 250%/400% or less, while 1,250% is applied otherwise.

(Millions of yen)

Calculation method	As of March 31, 2021	As of March 31, 2020
Look-through approach	1,696,974	964,706
Mandate-based approach	—	—
Simple approach (subject to 250% risk weight)	32,783	16,497
Simple approach (subject to 400% risk weight)	89,091	93,856
Fall-back approach	7,119	4,720

■ Standardised Approach

1. Scope

The following consolidated subsidiaries have adopted the standardised approach for exposures as of March 31, 2021 (i.e. consolidated subsidiaries not listed in the “Internal Ratings-Based (IRB) Approach: 1. Scope” on page ●●●).

(1) Consolidated Subsidiaries Planning to Adopt Phased Rollout of the AIRB Approach

SMBC Consumer Finance Co., Ltd. and SMBC Nikko Securities Inc.

(2) Consolidated Subsidiaries Planning to Adopt Phased Rollout of the FIRB Approach

Currently, there are no subsidiaries applicable.

(3) Other Consolidated Subsidiaries

These are consolidated subsidiaries judged not to be significant in terms of credit risk management based on the type of business, scale, and other factors. These subsidiaries will adopt the standardised approach on a permanent basis.

2. Credit Risk-Weighted Asset Calculation Methodology

A 100% risk weight is applied to claims on corporates in accordance with Article 45 of the Notification, and risk weights corresponding to country risk scores published by the Organization for Economic Co-operation and Development (OECD) are applied to claims on sovereigns and financial institutions.

3. CR Exposure and Credit Risk Mitigation (CRM) Effects (CR4)

(Millions of yen, except percentages)

CR4: SA – CR exposure and CRM effects		As of March 31, 2021					
Item No.	Asset classes	Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		Credit RWA amount	RWA density
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1	Cash	31,032	—	31,032	—	0	0.00%
2	Government of Japan and Bank of Japan (BOJ)	2,771,041	—	2,771,041	—	0	0.00%
3	Foreign central governments and foreign central banks	1,875,106	—	1,875,106	—	2,161	0.11%
4	Bank for International Settlements, etc.	9	—	9	—	0	0.00%
5	Local governments of Japan	1,604	—	1,604	—	0	0.00%
6	Foreign non-central government public sector entities (PSEs)	4,274	—	4,274	—	854	20.00%
7	Multilateral development banks (MDBs)	1,375	—	1,375	—	0	0.00%
8	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—
9	Government-affiliated agencies of Japan	78,631	—	78,631	—	7,863	10.00%
10	The three local public corporations	—	—	—	—	—	—
11	Banks entities and financial instruments business operators engaged in Type I Financial Instruments Business	1,422,775	—	1,422,775	—	298,511	20.98%
12	Corporates	678,456	262,402	678,451	85,517	774,828	101.42%
13	SMEs and retail	1,347,524	926,509	1,347,524	627,596	1,481,341	75.00%
14	Residential mortgage loans	164,457	—	164,457	—	57,560	35.00%
15	Real estate acquisition activities	—	—	—	—	—	—
16	Past due loans (three months or more), etc. (excluding residential mortgage loans)	124,230	377	124,095	377	174,384	140.09%
17	Past due loans (three months or more) (residential mortgage loans)	87	—	87	—	81	93.24%
18	Bills in the course of collection	—	—	—	—	—	—
19	Guaranteed by credit guarantee associations, etc.	—	—	—	—	—	—
20	Guaranteed by Regional Economy Vitalization Corporation of Japan (REVIC), etc.	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)	—	—	—	—	—	—
22	Total	8,500,607	1,189,289	8,500,467	713,492	2,797,587	30.36%

(Millions of yen, except percentages)

CR4: SA – CR exposure and CRM effects		As of March 31, 2020					
Item No.	Asset classes	a	b	c	d	e	f
		Exposures pre-CCF and pre-CRM On-balance sheet amount	Off-balance sheet amount	Exposures post-CCF and post-CRM On-balance sheet amount	Off-balance sheet amount	Credit RWA amount	RWA density
1	Cash	30,832	—	30,832	—	0	0.00%
2	Government of Japan and Bank of Japan (BOJ)	2,753,060	—	2,753,060	—	0	0.00%
3	Foreign central governments and foreign central banks	2,000,186	—	2,000,186	—	2,629	0.13%
4	Bank for International Settlements, etc.	8	—	8	—	0	0.00%
5	Local governments of Japan	1,230	—	1,230	—	0	0.00%
6	Foreign non-central government public sector entities (PSEs)	5,313	—	5,313	—	1,062	20.00%
7	Multilateral development banks (MDBs)	1,265	—	1,265	—	0	0.00%
8	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—
9	Government- affiliated agencies of Japan	44,459	—	44,459	—	4,445	10.00%
10	The three local public corporations	—	—	—	—	—	—
11	Banks entities and financial instruments business operators engaged in Type I Financial Instruments Business	1,227,664	—	1,227,664	—	252,457	20.56%
12	Corporates	885,549	233,441	885,191	101,868	1,002,704	101.58%
13	SMEs and retail	1,393,641	971,198	1,393,641	714,347	1,580,991	75.00%
14	Residential mortgage loans	134,933	—	134,933	—	47,226	35.00%
15	Real estate acquisition activities	—	—	—	—	—	—
16	Past due loans (three months or more), etc. (excluding residential mortgage loans)	111,258	830	111,126	830	157,361	140.55%
17	Past due loans (three months or more) (residential mortgage loans)	59	—	59	—	59	100.00%
18	Bills in the course of collection	—	—	—	—	—	—
19	Guaranteed by credit guarantee associations, etc.	—	—	—	—	—	—
20	Guaranteed by Regional Economy Vitalization Corporation of Japan (REVIC), etc.	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)	1,209	—	1,209	—	1,209	100.00%
22	Total	8,590,673	1,205,469	8,590,184	817,045	3,050,149	32.42%

4. CR Exposures by Asset Classes and Risk Weights (CR5)

(Millions of yen)

CR5: SA – CR exposures by asset classes and risk weights		As of March 31, 2021										
Item No.	Asset classes	a	b	c	d	e	f	g	h	i	j	k
		CR exposure amounts (post-CCF and CRM)										
	Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	1250%	Total
1	Cash	31,032	–	–	–	–	–	–	–	–	–	31,032
2	Government of Japan and BOJ	2,771,041	–	–	–	–	–	–	–	–	–	2,771,041
3	Foreign central governments and foreign central banks	1,870,784	–	–	–	4,322	–	–	–	–	–	1,875,106
4	Bank for International Settlements, etc.	9	–	–	–	–	–	–	–	–	–	9
5	Local governments of Japan	1,604	–	–	–	–	–	–	–	–	–	1,604
6	Foreign non-central government PSEs	–	–	4,274	–	–	–	–	–	–	–	4,274
7	MDBs	1,375	–	–	–	–	–	–	–	–	–	1,375
8	JFM	–	–	–	–	–	–	–	–	–	–	–
9	Government- affiliated agencies of Japan	–	78,631	–	–	–	–	–	–	–	–	78,631
10	The three local public corporations	–	–	–	–	–	–	–	–	–	–	–
11	Banks and financial instruments business operators engaged in Type I Financial Instruments Business	–	–	1,379,937	–	40,627	–	2,210	–	–	–	1,422,775
12	Corporates	5,670	–	4,641	–	–	–	753,656	–	–	–	763,969
13	SMEs and retail	–	–	–	–	–	1,975,121	–	–	–	–	1,975,121
14	Residential mortgage loans	–	–	–	164,457	–	–	–	–	–	–	164,457
15	Real estate acquisition activities	–	–	–	–	–	–	–	–	–	–	–
16	Past due loans (three months or more), etc. (excluding residential mortgage loans)	52	–	–	–	6,476	–	11,538	106,405	–	–	124,473
17	Past due loans (three months or more) (residential mortgage loans)	–	–	–	–	11	–	75	–	–	–	87
18	Bills in the course of collection	–	–	–	–	–	–	–	–	–	–	–
19	Guaranteed by credit guarantee associations, etc.	–	–	–	–	–	–	–	–	–	–	–
20	Guaranteed by REVIC of Japan, etc.	–	–	–	–	–	–	–	–	–	–	–
21	Investments, etc. (excluding significant investments)	–	–	–	–	–	–	–	–	–	–	–
22	Total	4,681,570	78,631	1,388,853	164,457	51,437	1,975,121	767,481	106,405	–	–	9,213,959

(Millions of yen)

CR5: SA – CR exposures by asset classes and risk weights		As of March 31, 2020										
Item No.	Asset classes	a	b	c	d	e	f	g	h	i	j	k
		CR exposure amounts (post-CCF and CRM)										
Risk weight		0%	10%	20%	35%	50%	75%	100%	150%	250%	1250%	Total
1	Cash	30,832	–	–	–	–	–	–	–	–	–	30,832
2	Government of Japan and BOJ	2,753,060	–	–	–	–	–	–	–	–	–	2,753,060
3	Foreign central governments and foreign central banks	1,994,927	–	–	–	5,259	–	–	–	–	–	2,000,186
4	Bank for International Settlements, etc.	8	–	–	–	–	–	–	–	–	–	8
5	Local governments of Japan	1,230	–	–	–	–	–	–	–	–	–	1,230
6	Foreign non-central government PSEs	–	–	5,313	–	–	–	–	–	–	–	5,313
7	MDBs	1,265	–	–	–	–	–	–	–	–	–	1,265
8	JFM	–	–	–	–	–	–	–	–	–	–	–
9	Government- affiliated agencies of Japan	–	44,459	–	–	–	–	–	–	–	–	44,459
10	The three local public corporations	–	–	–	–	–	–	–	–	–	–	–
11	Banks and financial instruments business operators engaged in Type I Financial Instruments Business	–	–	1,208,548	–	16,736	–	2,379	–	–	–	1,227,664
12	Corporates	4,834	–	6,358	–	–	–	975,867	–	–	–	987,060
13	SMEs and retail	–	–	–	–	–	2,107,989	–	–	–	–	2,107,989
14	Residential mortgage loans	–	–	–	134,933	–	–	–	–	–	–	134,933
15	Real estate acquisition activities	–	–	–	–	–	–	–	–	–	–	–
16	Past due loans (three months or more), etc. (excluding residential mortgage loans)	–	–	–	–	6,719	–	7,706	97,530	–	–	111,956
17	Past due loans (three months or more) (residential mortgage loans)	–	–	–	–	–	–	59	–	–	–	59
18	Bills in the course of collection	–	–	–	–	–	–	–	–	–	–	–
19	Guaranteed by credit guarantee associations, etc.	–	–	–	–	–	–	–	–	–	–	–
20	Guaranteed by REVIC of Japan, etc.	–	–	–	–	–	–	–	–	–	–	–
21	Investments, etc. (excluding significant investments)	–	–	–	–	–	–	1,209	–	–	–	1,209
22	Total	4,786,159	44,459	1,220,220	134,933	28,715	2,107,989	987,222	97,530	–	–	9,407,230

Note: As the sum of the respective risk weight of the original obligor and the original obligee are applied for the risk weight for loan participation transactions by a bank adopting the SA, the credit RWA amount calculated by summing up the exposure amount multiplied by the corresponding risk weights in the above table does not match with the credit RWA amount shown in column e of CR4 (SA-CR exposure and CRM effects).

■ Credit Risk Mitigation (CRM) Techniques

1. Overview of Risk Characteristics, Risk Management Policy, Risk Management Procedures and Risk Management System

In calculating credit risk-weighted asset amounts, We take into account credit risk mitigation (CRM) techniques. Specifically, amounts are adjusted for eligible financial or real estate collateral, guarantees, and credit derivatives. The methods and scope of these adjustments and methods of management are as follows.

(1) Scope and Management

A. Collateral (Eligible Financial or Real Estate Collateral)

SMBC designates deposits and securities as eligible financial collateral, and land and buildings as eligible real estate collateral.

Real estate collateral is evaluated by taking into account its fair value, appraisal value, and current condition, as well as our lien position. Real estate collateral must maintain sufficient collateral value in the event security rights must be exercised due to delinquency. However, during the period from acquiring the rights to exercising the rights, the property may deteriorate or suffer damage from earthquakes or other natural disasters, or there may be changes in the lien position due to, for example, attachment or establishment of liens by a third party. Therefore, the regular monitoring of collateral is implemented according to the type of property and the type of security interest.

B. Guarantees and Credit Derivatives

Guarantors are sovereigns, municipal corporations, credit guarantee corporations and other public entities, financial institutions, and C&I companies. Counterparties to credit derivative transactions are mostly domestic and overseas banks and securities companies.

Credit risk-weighted asset amounts are calculated taking into account credit risk mitigation of guarantees and credit derivatives acquired from entities with sufficient ability to provide protection such as sovereigns, municipal corporations and other public sector entities of comparable credit quality, and financial institutions and C&I companies with sufficient credit ratings.

(2) Concentration of Credit Risk and Market Risk under Credit Risk Mitigation Techniques

There is a framework in place for controlling concentration of risk in obligors with large exposures which includes large exposure limit lines, risk concentration monitoring, and reporting to the Credit Risk Committee (please refer to pages 129 to 134). Further, exposures to these obligors are monitored on a group basis, taking into account risk concentration in their parent companies in cases that exposures to the obligors are guaranteed by the parent companies for risk mitigation.

In addition, when marketable financial products (for example, credit derivatives) are used as credit risk mitigants, market risk generated by these products is controlled by setting upper limits.

As credit risk mitigation techniques, eligible real estate collateral and guarantees have shown a certain effect.

2. Credit Risk Mitigation Techniques (CR3)

(Millions of yen)

CR3: CRM techniques		As of March 31, 2021				
Item No.		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	55,523,541	28,452,522	13,099,004	9,557,207	10,481
2	Securities (of which: Debt securities)	28,365,424	660,845	208,401	30,207	—
3	Other on-balance sheet assets (of which: debt-based assets)	78,972,198	326,160	6,340	291,239	—
4	Total (1+2+3)	162,861,164	29,439,528	13,313,746	9,878,654	10,481
5	Of which: defaulted	733,147	233,973	111,908	11,578	—

(Millions of yen)

CR3: CRM techniques		As of March 31, 2020				
Item No.		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	53,633,492	27,639,904	12,939,469	9,007,125	24,590
2	Securities (of which: Debt securities)	20,595,740	827,011	239,656	33,890	—
3	Other on-balance sheet assets (of which: debt-based assets)	66,211,425	296,998	4,793	257,250	—
4	Total (1+2+3)	140,440,658	28,763,914	13,183,919	9,298,265	24,590
5	Of which: defaulted	527,485	147,261	79,156	9,453	—

Counterparty Credit Risk

1. Overview of Risk Characteristics

Counterparty credit risk is actualized when counterparties become default in a condition where derivative transactions, etc. have a positive value, and risks fluctuate according to the credit quality of counterparties and related market indicators.

2. Risk Management Policy and Procedures

(1) Risk Management Policy

For counterparty credit risks, credit limits are set according to the frameworks of credit management in each SMBC Group company. For transactions with CCP, credit risks are managed after validating the financial base and the default management process, etc.

(2) Policy on Collateral Security and Impact of Deterioration of Our Credit Quality

Collateralized derivative is a CRM technique in which collateral is delivered or received regularly in accordance with replacement cost.

The Group conducts collateralized derivative transactions as necessary, thereby reducing credit risk. In the event our credit quality deteriorates, however, the counterparty may demand additional collateral, but its impact is deemed to be insignificant.

(3) Netting

Netting is another CRM technique, and “close-out netting” is the main type of netting. In close-out netting, when a default event, such as bankruptcy, occurs to the counterparty, all claims against, and obligations to, the counterparty, regardless of maturity and currency, are netted out to create a single claim or obligation. Close-out netting is applied to foreign exchange and swap transactions covered under a master agreement with a net-out clause or other means of securing legal effectiveness, and the effect of CRM is taken into account only for such claims and obligations.

3. Amount of Counter Party Credit Risk (CCR) Exposure by Approach (CCR1)

(Millions of yen)

CCR1: Amount of CCR exposure by approach		As of March 31, 2021					
Item No.		a	b	c	d	e	f
		Replacement cost	PFE	Effective EPE (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR	—	—		1.4	—	—
	CEM	2,000,998	2,518,276			4,519,274	1,338,017
2	Expected exposure method (IMM)			—	—	—	—
3	Simple approach for CRM					—	—
4	Comprehensive approach for CRM					5,917,735	816,484
5	Exposure fluctuation estimation model					—	—
6	Total						2,154,502

(Millions of yen)

CCR1: Amount of CCR exposure by approach		As of March 31, 2020					
Item No.		a	b	c	d	e	f
		Replacement cost	PFE	Effective EPE (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR	—	—		1.4	—	—
	CEM	2,310,569	2,548,104			4,858,674	1,495,568
2	Expected exposure method (IMM)			—	—	—	—
3	Simple approach for CRM					—	—
4	Comprehensive approach for CRM					8,303,441	606,838
5	Exposure fluctuation estimation model					—	—
6	Total						2,102,407

4. CVA Capital Charge (CCR2)

(Millions of yen)

CCR2: CVA risk capital charge		As of March 31, 2021		As of March 31, 2020	
		a	b	a	b
Item No.		EAD post-CRM	RWA (Amount calculated by dividing CVA capital charge by 8%)	EAD post-CRM	RWA (Amount calculated by dividing CVA capital charge by 8%)
1	Total portfolios subject to the advanced CVA capital charge	—	—	—	—
2	(i) VaR component (including the 3×multiplier)	—	—	—	—
3	(ii) Stressed VaR component (including the 3×multiplier)	—	—	—	—
4	Total portfolios subject to the standardised CVA capital charge	4,048,992	2,549,322	4,375,111	3,067,315
5	Total subject to the CVA capital charge	4,048,992	2,549,322	4,375,111	3,067,315

5. CCR Exposures by Regulatory Portfolio and Risk Weights (CCR3)

(Millions of yen)

CCR3: CCR exposures by regulatory portfolio and risk weights		As of March 31, 2021								
		a	b	c	d	e	f	g	h	i
Item No.	Regulatory portfolio	Credit equivalent amounts (post-CRM)								
		Risk weight	0%	10%	20%	50%	75%	100%	150%	Others
1	Government of Japan and BOJ	62,340	—	—	—	—	—	—	—	62,340
2	Foreign central governments and foreign central banks	—	—	—	—	—	—	—	—	—
3	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—
4	Local governments of Japan	1,351	—	—	—	—	—	—	—	1,351
5	Foreign non-central government PSEs	—	—	—	—	—	—	—	—	—
6	MDBs	—	—	—	—	—	—	—	—	—
7	JFM	—	—	—	—	—	—	—	—	—
8	Government- affiliated agencies of Japan	—	—	—	—	—	—	—	—	—
9	The three local public corporations	—	—	—	—	—	—	—	—	—
10	Banks and financial instruments business operators engaged in Type I Financial Instruments Business	—	—	775,572	—	—	371	—	—	775,944
11	Corporates	—	—	—	—	—	494,158	—	—	494,158
12	SMEs and retail	—	—	—	—	78,226	—	—	—	78,226
13	Other than the above	—	—	—	—	—	86,322	—	—	86,322
14	Total	63,692	—	775,572	—	78,226	580,852	—	—	1,498,343

(Millions of yen)

CCR3: CCR exposures by regulatory portfolio and risk weights		As of March 31, 2020								
Item No.	Regulatory portfolio	a	b	c	d	e	f	g	h	i
		Credit equivalent amounts (post-CRM)								
	Risk weight	0%	10%	20%	50%	75%	100%	150%	Others	Total
1	Government of Japan and BOJ	47,709	—	—	—	—	—	—	—	47,709
2	Foreign central governments and foreign central banks	—	—	—	—	—	—	0	—	0
3	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—
4	Local governments of Japan	3,087	—	—	—	—	—	—	—	3,087
5	Foreign non-central government PSEs	—	—	—	—	—	—	—	—	—
6	MDBs	—	—	—	—	—	—	—	—	—
7	JFM	—	—	—	—	—	—	—	—	—
8	Government- affiliated agencies of Japan	—	—	—	—	—	—	—	—	—
9	The three local public corporations	—	—	—	—	—	—	—	—	—
10	Banks and financial instruments business operators engaged in Type I Financial Instruments Business	—	—	476,777	517	—	—	—	—	477,295
11	Corporates	—	—	—	—	—	567,305	—	—	567,305
12	SMEs and retail	—	—	—	—	58,587	—	—	—	58,587
13	Other than the above	—	—	—	—	—	42,630	—	—	42,630
14	Total	50,797	—	476,777	517	58,587	609,936	0	—	1,196,616

6. IRB Approach – CCR Exposures by Portfolio and PD Scale (CCR4)

(Millions of yen, %, the number of data in thousands, years)

CCR4: IRB - CCR exposures by portfolio and PD scale		As of March 31, 2021						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA	RWA density (%)
Sovereign exposures (AIRB approach)								
1	0.00 to <0.15	256,208	0.00	0.5	12.72	1.6	659	0.25
2	0.15 to <0.25	132,717	0.16	0.0	34.83	0.0	23,971	18.06
3	0.25 to <0.50	0	0.26	0.0	35.00	1.0	0	27.63
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	247	0.81	0.0	28.22	1.6	114	46.32
6	2.50 to <10.00	122	3.69	0.0	35.00	1.0	112	91.73
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	389,296	0.05	0.6	20.27	1.1	24,858	6.38
Sovereign exposures (FIRB approach)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Bank exposures (AIRB approach)								
1	0.00 to <0.15	4,445,260	0.03	16.3	15.76	1.2	289,217	6.50
2	0.15 to <0.25	1,108,808	0.16	4.0	20.24	1.1	218,044	19.66
3	0.25 to <0.50	274	0.40	0.0	36.08	1.0	135	49.39
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	45,365	0.86	0.2	5.59	0.0	5,033	11.09
6	2.50 to <10.00	81	3.69	0.0	35.00	1.0	90	111.24
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	5,599,790	0.07	20.7	16.57	1.2	512,521	9.15
Bank exposures (FIRB approach)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—

(Millions of yen, %, the number of data in thousands, years)

CCR4: IRB - CCR exposures by portfolio and PD scale		As of March 31, 2021						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA	RWA density (%)
Corporate exposures (AIRB approach)								
1	0.00 to <0.15	1,383,507	0.04	46.2	24.72	1.8	160,855	11.62
2	0.15 to <0.25	691,993	0.16	24.4	30.04	3.1	235,911	34.09
3	0.25 to <0.50	110,958	0.31	7.7	33.81	3.4	56,092	50.55
4	0.50 to <0.75	6,784	0.50	2.6	33.15	3.1	3,971	58.54
5	0.75 to <2.50	96,025	1.18	3.8	34.32	2.6	76,092	79.24
6	2.50 to <10.00	13,179	5.52	0.5	33.04	2.5	15,104	114.60
7	10.00 to <100.00	3,538	15.05	0.1	32.21	2.4	5,482	154.93
8	100.00 (Default)	2,455	100.00	0.0	35.53	1.7	1,214	49.46
9	Subtotal	2,308,443	0.30	85.5	27.25	2.3	554,725	24.03
Corporate exposures (FIRB approach)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Mid-sized corporations and SMEs exposures (AIRB approach)								
1	0.00 to <0.15	5,600	0.08	3.1	32.76	2.3	1,018	18.19
2	0.15 to <0.25	8,212	0.16	3.3	35.00	3.2	2,693	32.79
3	0.25 to <0.50	5,309	0.26	2.4	35.00	3.8	2,314	43.59
4	0.50 to <0.75	4,873	0.50	2.1	34.10	3.3	2,849	58.47
5	0.75 to <2.50	9,620	1.26	3.8	35.53	3.8	7,312	76.00
6	2.50 to <10.00	557	9.58	0.1	33.98	4.2	716	128.43
7	10.00 to <100.00	34	27.52	0.0	35.00	4.6	70	203.17
8	100.00 (Default)	261	100.00	0.0	61.07	4.7	35	13.38
9	Subtotal	34,470	1.46	15.2	34.84	3.4	17,011	49.35
Mid-sized corporations and SMEs exposures (FIRB approach)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—

(Millions of yen, %, the number of data in thousands, years)

CCR4: IRB - CCR exposures by portfolio and PD scale		As of March 31, 2021						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of counterparties	Average LGD (%)	Average maturity	Credit RWA	RWA density (%)
SL								
1	0.00 to <0.15	102,061	0.04	0.2	18.56	4.7	16,040	15.71
2	0.15 to <0.25	268,332	0.16	0.6	23.14	4.7	83,945	31.28
3	0.25 to <0.50	125,445	0.35	1.3	23.15	4.6	51,660	41.18
4	0.50 to <0.75	294	0.50	0.0	35.00	2.4	157	53.41
5	0.75 to <2.50	90,688	1.07	0.3	26.83	4.7	65,695	72.44
6	2.50 to <10.00	16,063	3.69	0.0	46.53	4.8	27,549	171.49
7	10.00 to <100.00	2,899	18.08	0.0	32.47	4.8	5,234	180.53
8	100.00 (Default)	880	100.00	0.0	52.23	4.0	466	53.00
9	Subtotal	606,665	0.64	2.6	23.64	4.7	250,749	41.33
Equity exposures								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Other retail exposures								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Total (sum of portfolios)		8,938,666	0.17	124.8	20.04	1.7	1,359,865	15.21

(Millions of yen, %, the number of data in thousands, years)

CCR4: IRB - CCR exposures by portfolio and PD scale		As of March 31, 2020						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA	RWA density (%)
Sovereign exposures (AIRB approach)								
1	0.00 to <0.15	3,766,191	0.00	0.8	2.26	0.2	4,622	0.12
2	0.15 to <0.25	83,118	0.17	0.0	34.46	0.0	15,177	18.26
3	0.25 to <0.50	10	0.26	0.0	35.00	1.0	2	28.13
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	2,621	2.13	0.0	34.56	1.4	2,050	78.21
6	2.50 to <10.00	106	3.96	0.0	34.93	1.0	100	93.90
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	3,852,047	0.00	0.9	2.97	0.2	21,952	0.56
Sovereign exposures (FIRB approach)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Bank exposures (AIRB approach)								
1	0.00 to <0.15	4,198,535	0.03	16.4	17.95	1.2	291,980	6.95
2	0.15 to <0.25	1,140,827	0.17	5.2	15.96	1.1	199,153	17.45
3	0.25 to <0.50	548	0.27	0.0	31.45	1.0	139	25.42
4	0.50 to <0.75	27	0.52	0.0	35.00	1.0	14	54.14
5	0.75 to <2.50	43,182	0.91	0.1	6.92	0.1	5,816	13.47
6	2.50 to <10.00	192,366	3.96	0.0	0.18	0.0	1,176	0.61
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	5,575,486	0.20	21.9	16.84	1.1	498,281	8.93
Bank exposures (FIRB approach)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—

(Millions of yen, %, the number of data in thousands, years)

CCR4: IRB - CCR exposures by portfolio and PD scale		As of March 31, 2020						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	Credit RWA	RWA density (%)
Corporate exposures (AIRB approach)								
1	0.00 to <0.15	894,668	0.05	47.9	29.74	2.4	140,730	15.72
2	0.15 to <0.25	624,623	0.17	27.4	31.09	3.2	218,903	35.04
3	0.25 to <0.50	107,002	0.26	8.1	35.19	2.6	49,169	45.95
4	0.50 to <0.75	27,357	0.51	4.3	34.39	2.7	15,810	57.79
5	0.75 to <2.50	67,808	1.49	4.4	33.15	3.0	57,217	84.38
6	2.50 to <10.00	3,036	7.47	0.6	34.35	2.3	3,951	130.13
7	10.00 to <100.00	879	23.45	0.0	34.78	1.2	1,540	175.22
8	100.00 (Default)	1,670	100.00	0.0	36.99	2.9	716	42.92
9	Subtotal	1,727,046	0.29	93.1	30.79	2.8	488,040	28.25
Corporate exposures (FIRB approach)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Mid-sized corporations and SMEs exposures (AIRB approach)								
1	0.00 to <0.15	7,003	0.08	3.8	33.25	2.9	1,474	21.04
2	0.15 to <0.25	10,873	0.17	7.0	33.56	3.5	3,484	32.04
3	0.25 to <0.50	7,257	0.26	2.9	35.00	3.6	3,054	42.08
4	0.50 to <0.75	6,391	0.51	3.0	34.26	3.8	3,880	60.71
5	0.75 to <2.50	10,469	1.35	6.3	34.92	3.9	7,976	76.19
6	2.50 to <10.00	336	9.88	0.2	35.00	3.1	423	125.85
7	10.00 to <100.00	5	27.27	0.0	35.00	1.0	8	161.01
8	100.00 (Default)	314	100.00	0.1	46.58	4.5	42	13.63
9	Subtotal	42,651	1.32	23.6	34.30	3.6	20,345	47.70
Mid-sized corporations and SMEs exposures (FIRB approach)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—

(Millions of yen, %, the number of data in thousands, years)

CCR4: IRB - CCR exposures by portfolio and PD scale		As of March 31, 2020						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD (%)	Number of counterparties	Average LGD (%)	Average maturity	Credit RWA	RWA density (%)
SL								
1	0.00 to <0.15	122,515	0.05	0.2	17.82	4.7	19,606	16.00
2	0.15 to <0.25	350,757	0.18	0.4	25.82	4.8	127,049	36.22
3	0.25 to <0.50	108,267	0.26	0.6	23.94	4.8	43,497	40.17
4	0.50 to <0.75	51,454	0.51	0.9	20.38	4.5	22,066	42.88
5	0.75 to <2.50	123,915	1.16	0.2	28.34	4.8	96,927	78.22
6	2.50 to <10.00	6,796	3.96	0.0	39.33	4.8	10,021	147.43
7	10.00 to <100.00	1,825	13.44	0.0	37.70	4.7	3,664	200.75
8	100.00 (Default)	2,734	100.00	0.0	69.53	4.7	1,462	53.50
9	Subtotal	768,266	0.77	2.5	24.62	4.8	324,295	42.21
Equity exposures								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Other retail exposures								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Subtotal	—	—	—	—	—	—	—
Total (sum of portfolios)		11,965,498	0.19	142.2	14.95	1.3	1,352,915	11.30

7. Composition of Collateral for CCR Exposure (CCR5)

(Millions of yen)

CCR5: Composition of collateral for CCR exposure		As of March 31, 2021					
Item No.		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	16,854	87,298	—	358,701	9,042,051	8,645,485
2	Cash (other currencies)	215	257,121	—	349,974	5,202,826	2,647,483
3	Domestic sovereign debt	823	59,606	—	1,485	5,651,684	9,717,411
4	Other sovereign debt	2,881	25,455	—	—	2,533,717	4,777,376
5	Government agency debt	158	—	—	—	886,555	17,785
6	Corporate bonds	5,754	—	—	—	34,768	116,907
7	Equity securities	8,338	—	—	—	2,362,824	1,521,407
8	Other collateral	—	—	—	—	4,007	—
9	Total	35,025	429,482	—	710,160	25,718,437	27,443,857

(Millions of yen)

CCR5: Composition of collateral for CCR exposure		As of March 31, 2020					
Item No.		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in securities financing transactions (SFTs)	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	27,859	94,109	—	307,476	6,184,166	11,145,743
2	Cash (other currencies)	666	345,002	—	493,507	4,009,606	2,612,553
3	Domestic sovereign debt	860	6,350	—	4,485	8,495,144	6,787,322
4	Other sovereign debt	7,461	—	—	—	2,726,571	3,787,074
5	Government agency debt	9	—	—	—	1,129,593	—
6	Corporate bonds	5,216	—	—	—	80,559	112,253
7	Equity securities	11,446	—	—	—	1,799,917	931,679
8	Other collateral	—	—	—	—	16,921	—
9	Total	53,519	445,462	—	805,469	24,442,481	25,376,627

8. Credit Derivative Transaction Exposures (CCR6)

(Millions of yen)

CCR6: Credit derivative transaction exposures		As of March 31, 2021		As of March 31, 2020	
Item No.		a	b	a	b
		Protection bought	Protection sold	Protection bought	Protection sold
Notionals					
1	Single-name credit default swaps	453,769	531,395	475,205	525,596
2	Index credit default swaps	821,478	621,974	396,299	320,438
3	Total return swaps	—	—	—	—
4	Credit options	105,174	—	62,565	54,405
5	Other credit derivatives	—	—	—	—
6	Total notionals	1,380,422	1,153,370	934,070	900,439
Fair values					
7	Positive fair value (asset)	3,813	152,902	16,305	13,898
8	Negative fair value (liability)	332,159	6,488	139,824	44,430

9. RWA flow statements of CCR exposures under the Expected exposure method (IMM) (CCR7)

Not applicable.

10. Exposures to Central Counterparties (CCR8)

(Millions of yen)

CCR8: Exposures to central counterparties (CCP)		As of March 31, 2021		As of March 31, 2020	
		a	b	a	b
Item No.		EAD to CCP (post-CRM)	RWA	EAD to CCP (post-CRM)	RWA
1	Exposures to qualifying central counterparties (QCCPs) (total)		111,390		203,061
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,188,649	43,774	6,775,421	135,509
3	(i) OTC derivatives	1,718,412	34,368	6,166,396	123,328
4	(ii) Exchange-traded derivatives	452,403	9,048	536,455	10,729
5	(iii) SFTs	17,832	356	72,569	1,451
6	(iv) Netting sets where cross-product netting has been approved	—	—	—	—
7	Segregated initial margin	—	—	—	—
8	Non-segregated initial margin	286,248	5,725	303,373	6,068
9	Pre-funded default fund contributions	186,017	61,890	174,687	61,482
10	Unfunded default fund contributions	—	—	—	—
11	Exposures to non-QCCPs (total)		7,627		10,183
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	9,696	7,626	9,527	9,089
13	(i) OTC derivatives	5,059	5,059	7,295	7,295
14	(ii) Exchange-traded derivatives	4,637	2,567	2,232	1,794
15	(iii) SFTs	—	—	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—	—	—
17	Segregated initial margin	—	—	—	—
18	Non-segregated initial margin	0	0	5,468	1,093
19	Pre-funded default fund contributions	—	—	—	—
20	Unfunded default fund contributions	—	—	—	—

■ Securitisation Transactions

1. Overview of Risk Characteristics

Securitisation exposures have, in addition to credit risk and market risk, the following intrinsic risks, which are properly managed based on the nature of each risk.

(1) Dilution Risk

Means the risk of a decrease in purchased receivables due to cancellation or termination of the original contract for the purchased receivables, or netting of debts between the original obligor and the original obligee.

(2) Servicer Risk

A. Commingling Risk

Means the risk of uncollectible funds, which should be collected from the underlying assets, due to the bankruptcy of the servicer before the delivery of the funds collected from the obligor of the receivables.

B. Performance Risk

Means the risk of difficulty in maintenance and collection due to the servicer's failure to properly and accurately perform its clerical duties and procedures.

(3) Liquidity Risk

Means the risk that cash flows related to the underlying assets may be insufficient for paying the principal and interest of the securitisation exposure due to a timing mismatch between the securitisation conduit's receipt of the cash flows related to the underlying assets and payment of the securitisation exposure of the principal and interest, etc.

(4) Fraud Risk

Means the risk of a decrease in or complete loss of the receivables subject to collection due to a fraud, prejudicial or other malicious act by a customer or a third-party obligor.

2. Overview of Risk Management Policy and Procedures

Definition of securitisation exposure has been clarified in order to properly identify, measure, evaluate and report risks, and a risk management department, independent of business units, has been established to centrally manage risks from recognizing securitisation exposures to measuring, evaluating and reporting risks.

Securitisation transactions are subject to the following policies.

- Undertake those which allow separate assessment of underlying short-term assets by making credit decisions on individual underlying assets.
- Undertake those which cover short-term receivables, etc., by creating a framework mainly to estimate the default rate of the underlying assets based on the historical loan-loss ratio and ensure that they have sufficient subordination.
- Undertake others such as those requiring special management by implementing additional management, such as an analysis of the market environment. Particularly, with respect to securitisation transactions backed by retail loans whose creditworthiness is relatively inferior, such as subprime loans in the U.S., the Group deals only with transactions that are sufficiently structured by taking into account not only the above policies, but others such as the underlying asset selection criteria of the originator and the average life.

The Group shall basically not conduct resecuritisation transactions.

Its policy is to conduct securitisation transactions by verifying effectiveness in mitigating credit risk through the use of the asset transfer type or synthetic type securitisation transactions covering domestic and foreign exposures and using them as underlying exposures if securitisation transactions are used as an approach for credit risk mitigation.

The Group takes one of the following positions for securitisation transactions.

- Originator (a direct or indirect originator of underlying assets or a sponsor of an ABCP conduit or a similar program that acquires exposures from third-party entities)
- Investor
- Others (for example, provider of swap for preventing a mismatch between the dividend on trust beneficiary rights and cash flows generated by underlying assets on which the rights are issued)

3. Name of Securitisation Conduit and Whether or Not It Possesses Securitisation Exposure Related to Securitisation Transactions, as well as Names of Subsidiaries and Affiliated Companies of us Which Hold Securitisation Exposures Related to Securitisation Transactions Conducted by us and we Engage in the Management of the Company or Provides Advice

In order to undertake securitisation transactions related to third-party assets, the Group mainly uses a special purpose company (SPC) as a securitisation conduit.

- Manhattan Asset Funding Company LLC
- Chelsea Capital Corporation
- Forest Corporation
- Spur Funding Corporation
- Deccan Funding GK
- Taeguk Funding Designated Activity Company

Excluding consolidated subsidiaries, subsidiaries or affiliated companies holding securitisation exposures related to the security transactions conducted by the Holding Company Group are as follows:

- The Japan Net Bank, Limited

4. Name of Securitisation Conduit that Provides Non-Contractual Credit Enhancement, etc. and Impacts on Capital by Such Non-Contractual Credit Enhancement, etc. for Each Securitisation Conduit

Not applicable.

5. Accounting Policy on Securitisation Transactions

The recognition of the generation and extinguishment of financial assets and financial liabilities associated with securitisation transactions and the valuation and accounting treatment thereof are mainly governed by the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10).

6. Names of Qualifying External Ratings Agencies

In order to calculate the amount of credit risk weighted asset for securitisation exposure with the external ratings-based approach or the standardised approach, or to calculate the amount of market risk associated with specific risk, the risk weights are determined by mapping the ratings of qualifying rating agencies to the risk weights stipulated in the Notification. The qualifying rating agencies are Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service, Inc. (Moody's), S&P Global Ratings (S&P), and Fitch Ratings Ltd. (Fitch).

When more than one rating is available for an exposure, the second smallest risk weight is used, in accordance with the Notification.

7. Securitisation Exposures in the Banking Book (SEC1)

(Millions of yen)

SEC1: Securitisation exposures in the banking book		As of March 31, 2021								
Item No.	Type of underlying asset	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Bank acts as investor		
		Traditional	Synthetic	Subtotal	Traditional	Synthetic	Subtotal	Traditional	Synthetic	Subtotal
1	Retail (total) - of which	454,827	—	454,827	668,338	—	668,338	1,073,067	—	1,073,067
2	Residential mortgage	454,827	—	454,827	—	—	—	304,346	—	304,346
3	Credit card	—	—	—	6,195	—	6,195	350,459	—	350,459
4	Other retail exposures	—	—	—	662,143	—	662,143	418,260	—	418,260
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) - of which	116,141	6	116,147	678,730	—	678,730	1,275,442	188,732	1,464,175
7	Loans to corporates	116,141	6	116,147	53,642	—	53,642	1,068,923	—	1,068,923
8	Commercial mortgage	—	—	—	—	—	—	1,375	—	1,375
9	Lease and receivables	—	—	—	611,784	—	611,784	115,246	—	115,246
10	Other wholesale	—	—	—	13,303	—	13,303	89,896	188,732	278,629
11	Re-securitisation	—	—	—	—	—	—	—	—	—

(Millions of yen)

SEC1: Securitisation exposures in the banking book		As of March 31, 2020								
Item No.	Type of underlying asset	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Bank acts as investor		
		Traditional	Synthetic	Subtotal	Traditional	Synthetic	Subtotal	Traditional	Synthetic	Subtotal
1	Retail (total) - of which	451,033	—	451,033	679,152	—	679,152	834,688	—	834,688
2	Residential mortgage	451,033	—	451,033	—	—	—	136,222	—	136,222
3	Credit card	—	—	—	9,626	—	9,626	298,797	—	298,797
4	Other retail exposures	—	—	—	669,526	—	669,526	399,668	—	399,668
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) - of which	70,622	8	70,630	799,756	—	799,756	1,093,399	201,724	1,295,123
7	Loans to corporates	70,622	8	70,630	23,185	—	23,185	939,675	—	939,675
8	Commercial mortgage	—	—	—	—	—	—	1,209	—	1,209
9	Lease and receivables	—	—	—	771,071	—	771,071	73,746	16,230	89,976
10	Other wholesale	—	—	—	5,500	—	5,500	78,767	185,493	264,261
11	Re-securitisation	—	—	—	—	—	—	—	—	—

8. Securitisation Exposures in the Trading Book (SEC2)

(Millions of yen)

SEC2: Securitisation exposures in the trading book		As of March 31, 2021								
Item No.	Type of underlying asset	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Bank acts as investor		
		Traditional	Synthetic	Subtotal	Traditional	Synthetic	Subtotal	Traditional	Synthetic	Subtotal
1	Retail (total) - of which	—	—	—	—	—	—	14,249	—	14,249
2	Residential mortgage	—	—	—	—	—	—	3,721	—	3,721
3	Credit card	—	—	—	—	—	—	—	—	—
4	Other retail exposures	—	—	—	—	—	—	10,527	—	10,527
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) - of which	—	—	—	—	—	—	7,176	—	7,176
7	Loans to corporates	—	—	—	—	—	—	2,442	—	2,442
8	Commercial mortgage	—	—	—	—	—	—	1,276	—	1,276
9	Lease and receivables	—	—	—	—	—	—	3,457	—	3,457
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

(Millions of yen)

SEC2: Securitisation exposures in the trading book		As of March 31, 2020								
Item No.	Type of underlying asset	a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Bank acts as investor		
		Traditional	Synthetic	Subtotal	Traditional	Synthetic	Subtotal	Traditional	Synthetic	Subtotal
1	Retail (total) - of which	—	—	—	—	—	—	10,452	—	10,452
2	Residential mortgage	—	—	—	—	—	—	—	—	—
3	Credit card	—	—	—	—	—	—	—	—	—
4	Other retail exposures	—	—	—	—	—	—	10,452	—	10,452
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) - of which	—	—	—	—	—	—	3,632	—	3,632
7	Loans to corporates	—	—	—	—	—	—	—	—	—
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	—	—	—	—	—	—	3,632	—	3,632
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

9. Securitisation Exposures in the Banking Book and Associated Regulatory Capital Requirements
(Bank Acting as Originator or as Sponsor) (SEC3)

(Millions of yen)

SEC3: Securitisation exposures in the banking book and associated capital regulatory requirements (bank acting as originator or sponsor) (1/2)		As of March 31, 2021							
		a	b	c	d	e	f	g	h
Item No.		Total	Traditional securitisation (subtotal)	Securitisation		Wholesale	Re-securitisation	Senior	Non-senior
				Retail underlying					
Exposure values (by RW bands)									
1	≤20% RW	1,084,648	1,084,648	1,084,648	501,697	582,951	—	—	—
2	>20% to 50% RW	412,913	412,913	412,913	353,846	59,067	—	—	—
3	>50% to 100% RW	262,353	262,353	262,353	192,067	70,286	—	—	—
4	>100% to <1250% RW	157,720	157,720	157,720	75,555	82,165	—	—	—
5	1250% RW	407	400	400	—	400	—	—	—
Exposure values (by regulatory approach)									
6	SEC-IRBA or IAA	1,750,187	1,750,180	1,750,180	1,010,664	739,516	—	—	—
7	SEC-ERBA	167,856	167,856	167,856	112,501	55,355	—	—	—
8	SEC-SA	—	—	—	—	—	—	—	—
9	1250% RW	—	—	—	—	—	—	—	—
Credit RWA amounts (by regulatory approach)									
10	SEC-IRBA or IAA	737,253	737,166	737,166	409,937	327,228	—	—	—
11	SEC-ERBA	38,746	38,746	38,746	22,500	16,246	—	—	—
12	SEC-SA	—	—	—	—	—	—	—	—
13	1250% RW	—	—	—	—	—	—	—	—
Capital charge after cap (by regulatory approach)									
14	SEC-IRBA or IAA	58,980	58,973	58,973	32,795	26,178	—	—	—
15	SEC-ERBA	3,099	3,099	3,099	1,800	1,299	—	—	—
16	SEC-SA	—	—	—	—	—	—	—	—
17	1250% RW	—	—	—	—	—	—	—	—

(Millions of yen)

SEC3: Securitisation exposures in the banking book and associated regulatory capital requirements (bank acting as originator or sponsor) (2/2)		As of March 31, 2021							
		i	j	k	l	m	n	o	
Item No.		Synthetic securitisation (subtotal)			Re-securitisation		Senior	Non-senior	
		Securitisation	Retail underlying	Wholesale					
Exposure values (by RW bands)									
1	≤20% RW	—	—	—	—	—	—	—	
2	>20% to 50% RW	—	—	—	—	—	—	—	
3	>50% to 100% RW	—	—	—	—	—	—	—	
4	>100% to <1250% RW	—	—	—	—	—	—	—	
5	1250% RW	6	6	—	6	—	—	—	
Exposure values (by regulatory approach)									
6	SEC-IRBA or IAA	6	6	—	6	—	—	—	
7	SEC-ERBA	—	—	—	—	—	—	—	
8	SEC-SA	—	—	—	—	—	—	—	
9	1250% RW	—	—	—	—	—	—	—	
Credit RWA amounts (by regulatory approach)									
10	SEC-IRBA or IAA	86	86	—	86	—	—	—	
11	SEC-ERBA	—	—	—	—	—	—	—	
12	SEC-SA	—	—	—	—	—	—	—	
13	1250% RW	—	—	—	—	—	—	—	
Capital requirement values (by regulatory approach)									
14	SEC-IRBA or IAA	6	6	—	6	—	—	—	
15	SEC-ERBA	—	—	—	—	—	—	—	
16	SEC-SA	—	—	—	—	—	—	—	
17	1250% RW	—	—	—	—	—	—	—	

(Millions of yen)

SEC3: Securitisation exposures in the banking book and associated capital regulatory requirements (bank acting as originator or sponsor) (1/2)		As of March 31, 2020							
		a	b	c	d	e	f	g	h
Item No.		Total	Traditional securitisation (subtotal)	Securitisation	Retail underlying		Re-securitisation	Senior	Non-senior
						Wholesale			
Exposure values (by RW bands)									
1	≤20% RW	1,147,761	1,147,761	1,147,761	592,259	555,502	—	—	—
2	>20% to 50% RW	446,464	446,464	446,464	298,427	148,037	—	—	—
3	>50% to 100% RW	216,223	216,223	216,223	115,753	100,470	—	—	—
4	>100% to <1250% RW	189,745	189,745	189,745	123,745	66,000	—	—	—
5	1250% RW	377	368	368	—	368	—	—	—
Exposure values (by regulatory approach)									
6	SEC-IRBA or IAA	1,868,291	1,868,282	1,868,282	1,030,546	837,736	—	—	—
7	SEC-ERBA	132,281	132,281	132,281	99,638	32,643	—	—	—
8	SEC-SA	—	—	—	—	—	—	—	—
9	1250% RW	—	—	—	—	—	—	—	—
Credit RWA amounts (by regulatory approach)									
10	SEC-IRBA or IAA	726,531	726,425	726,425	401,497	324,928	—	—	—
11	SEC-ERBA	29,508	29,508	29,508	19,927	9,580	—	—	—
12	SEC-SA	—	—	—	—	—	—	—	—
13	1250% RW	—	—	—	—	—	—	—	—
Capital charge after cap (by regulatory approach)									
14	SEC-IRBA or IAA	58,122	58,114	58,114	32,119	25,994	—	—	—
15	SEC-ERBA	2,360	2,360	2,360	1,594	766	—	—	—
16	SEC-SA	—	—	—	—	—	—	—	—
17	1250% RW	—	—	—	—	—	—	—	—

(Millions of yen)

SEC3: Securitisation exposures in the banking book and associated regulatory capital requirements (bank acting as originator or sponsor) (2/2)		As of March 31, 2020							
		i	j	k	l	m	n	o	
Item No.		Synthetic securitisation (subtotal)	Securitisation	Retail underlying	Wholesale	Re-securitisation	Senior	Non-senior	
		Exposure values (by RW bands)							
1	≤20% RW	—	—	—	—	—	—	—	
2	>20% to 50% RW	—	—	—	—	—	—	—	
3	>50% to 100% RW	—	—	—	—	—	—	—	
4	>100% to <1250% RW	—	—	—	—	—	—	—	
5	1250% RW	8	8	—	8	—	—	—	
Exposure values (by regulatory approach)									
6	SEC-IRBA or IAA	8	8	—	8	—	—	—	
7	SEC-ERBA	—	—	—	—	—	—	—	
8	SEC-SA	—	—	—	—	—	—	—	
9	1250% RW	—	—	—	—	—	—	—	
Credit RWA amounts (by regulatory approach)									
10	SEC-IRBA or IAA	105	105	—	105	—	—	—	
11	SEC-ERBA	—	—	—	—	—	—	—	
12	SEC-SA	—	—	—	—	—	—	—	
13	1250% RW	—	—	—	—	—	—	—	
Capital requirement values (by regulatory approach)									
14	SEC-IRBA or IAA	8	8	—	8	—	—	—	
15	SEC-ERBA	—	—	—	—	—	—	—	
16	SEC-SA	—	—	—	—	—	—	—	
17	1250% RW	—	—	—	—	—	—	—	

10. Securitisation Exposures in the Banking Book Associated Capital Requirements
(Bank Acting as Investor) (SEC4)

(Millions of yen)

SEC4: Securitisation exposures in the banking book and associated capital requirements (bank acting as investor) (1/2)		As of March 31, 2021							
		a	b	c	d	e	f	g	h
Item No.		Total	Traditional securitisation (subtotal)	Securitisation	Retail underlying		Re-securitisation	Senior	Non-senior
					Wholesale				
Exposure values (by RW bands)									
1	≤20% RW	2,411,477	2,222,744	2,222,744	1,010,821	1,211,923	—	—	—
2	>20% to 50% RW	51,886	51,886	51,886	51,886	—	—	—	—
3	>50% to 100% RW	59,043	59,043	59,043	5,754	53,288	—	—	—
4	>100% to <1250% RW	13,459	13,459	13,459	4,605	8,854	—	—	—
5	1250% RW	1,375	1,375	1,375	—	1,375	—	—	—
Exposure values (by regulatory approach)									
6	SEC-IRBA or IAA	1,902,528	1,713,796	1,713,796	618,197	1,095,598	—	—	—
7	SEC-ERBA	633,337	633,337	633,337	454,870	178,467	—	—	—
8	SEC-SA	—	—	—	—	—	—	—	—
9	1250% RW	1,375	1,375	1,375	—	1,375	—	—	—
Credit RWA amounts (by regulatory approach)									
10	SEC-IRBA or IAA	299,830	281,456	281,456	109,849	171,606	—	—	—
11	SEC-ERBA	157,712	157,712	157,712	91,909	65,803	—	—	—
12	SEC-SA	—	—	—	—	—	—	—	—
13	1250% RW	17,198	17,198	17,198	—	17,198	—	—	—
Capital charge after cap (by regulatory approach)									
14	SEC-IRBA or IAA	23,986	22,516	22,516	8,787	13,728	—	—	—
15	SEC-ERBA	12,616	12,616	12,616	7,352	5,264	—	—	—
16	SEC-SA	—	—	—	—	—	—	—	—
17	1250% RW	1,375	1,375	1,375	—	1,375	—	—	—

(Millions of yen)

SEC4: Securitisation exposures in the banking book and associated capital requirements (bank acting as investor) (2/2)		As of March 31, 2021						
		i	j	k	l	m	n	o
Item No.		Synthetic securitisation (subtotal)	Securitisation	Retail underlying		Re-securitisation	Senior	Non-senior
				Wholesale				
Exposure values (by RW bands)								
1	≤20% RW	188,732	188,732	—	188,732	—	—	—
2	>20% to 50% RW	—	—	—	—	—	—	—
3	>50% to 100% RW	—	—	—	—	—	—	—
4	>100% to <1250% RW	—	—	—	—	—	—	—
5	1250% RW	—	—	—	—	—	—	—
Exposure values (by regulatory approach)								
6	SEC-IRBA or IAA	188,732	188,732	—	188,732	—	—	—
7	SEC-ERBA	—	—	—	—	—	—	—
8	SEC-SA	—	—	—	—	—	—	—
9	1250% RW	—	—	—	—	—	—	—
Credit RWA amounts (by regulatory approach)								
10	SEC-IRBA or IAA	18,373	18,373	—	18,373	—	—	—
11	SEC-ERBA	—	—	—	—	—	—	—
12	SEC-SA	—	—	—	—	—	—	—
13	1250% RW	—	—	—	—	—	—	—
Capital charge after cap (by regulatory approach)								
14	SEC-IRBA or IAA	1,469	1,469	—	1,469	—	—	—
15	SEC-ERBA	—	—	—	—	—	—	—
16	SEC-SA	—	—	—	—	—	—	—
17	1250% RW	—	—	—	—	—	—	—

(Millions of yen)

SEC4: Securitisation exposures in the banking book and associated capital requirements (bank acting as investor) (1/2)		As of March 31, 2020							
		a	b	c	d	e	f	g	h
Item No.		Total	Traditional securitisation (subtotal)	Securitisation	Retail underlying	Wholesale	Re-securitisation	Senior	Non-senior
Exposure values (by RW bands)									
1	≤20% RW	1,896,821	1,798,983	1,798,983	733,671	1,065,312	—	—	—
2	>20% to 50% RW	200,079	96,193	96,193	96,193	—	—	—	—
3	>50% to 100% RW	22,376	22,376	22,376	—	22,376	—	—	—
4	>100% to <1250% RW	9,324	9,324	9,324	4,824	4,500	—	—	—
5	1250% RW	1,209	1,209	1,209	—	1,209	—	—	—
Exposure values (by regulatory approach)									
6	SEC-IRBA or IAA	1,789,399	1,587,675	1,587,675	599,916	987,758	—	—	—
7	SEC-ERBA	339,202	339,202	339,202	234,771	104,430	—	—	—
8	SEC-SA	—	—	—	—	—	—	—	—
9	1250% RW	1,209	1,209	1,209	—	1,209	—	—	—
Credit RWA amounts (by regulatory approach)									
10	SEC-IRBA or IAA	293,503	244,769	244,769	96,054	148,714	—	—	—
11	SEC-ERBA	89,283	89,283	89,283	51,986	37,297	—	—	—
12	SEC-SA	—	—	—	—	—	—	—	—
13	1250% RW	15,123	15,123	15,123	—	15,123	—	—	—
Capital charge after cap (by regulatory approach)									
14	SEC-IRBA or IAA	23,480	19,581	19,581	7,684	11,897	—	—	—
15	SEC-ERBA	7,142	7,142	7,142	4,158	2,983	—	—	—
16	SEC-SA	—	—	—	—	—	—	—	—
17	1250% RW	1,209	1,209	1,209	—	1,209	—	—	—

(Millions of yen)

SEC4: Securitisation exposures in the banking book and associated capital requirements (bank acting as investor) (2/2)		As of March 31, 2020						
		i	j	k	l	m	n	o
Item No.		Synthetic securitisation (subtotal)	Securitisation	Retail underlying		Re-securitisation	Senior	Non-senior
				Wholesale				
Exposure values (by RW bands)								
1	≤20% RW	97,838	97,838	—	97,838	—	—	—
2	>20% to 50% RW	103,886	103,886	—	103,886	—	—	—
3	>50% to 100% RW	—	—	—	—	—	—	—
4	>100% to <1250% RW	—	—	—	—	—	—	—
5	1250% RW	—	—	—	—	—	—	—
Exposure values (by regulatory approach)								
6	SEC-IRBA or IAA	201,724	201,724	—	201,724	—	—	—
7	SEC-ERBA	—	—	—	—	—	—	—
8	SEC-SA	—	—	—	—	—	—	—
9	1250% RW	—	—	—	—	—	—	—
Credit RWA amounts (by regulatory approach)								
10	SEC-IRBA or IAA	48,734	48,734	—	48,734	—	—	—
11	SEC-ERBA	—	—	—	—	—	—	—
12	SEC-SA	—	—	—	—	—	—	—
13	1250% RW	—	—	—	—	—	—	—
Capital charge after cap (by regulatory approach)								
14	SEC-IRBA or IAA	3,898	3,898	—	3,898	—	—	—
15	SEC-ERBA	—	—	—	—	—	—	—
16	SEC-SA	—	—	—	—	—	—	—
17	1250% RW	—	—	—	—	—	—	—

■ Equity Exposures

1. Overview of Risk Management Policy and Procedures

Securities in the banking book are properly managed, for example, by setting upper limits on the allowable amount of risk under the market or credit risk management framework selected according to their holding purpose and risk characteristics.

For securities held as “available-for-sale securities,” the upper limits are also set in terms of price fluctuation risk and default risk.

In addition, regarding stocks of subsidiaries, assets and liabilities of subsidiaries are categorized into corresponding risk categories and risk-managed on a consolidated basis, in light of the upper limits set for each risk.

As for stocks of affiliates, risks related to gains and losses from investments are managed with the upper limits.

The limits are established within the maximum amount of overall risk capital, taking into account the financial and business situations of SMBC Group.

2. Valuation of Securities and Other Significant Accounting Policies

Stocks of non-consolidated subsidiaries and affiliates not accounted for by the equity method are carried at amortized cost using the moving-average method. Available-for-sale securities with market prices (including foreign stocks) are carried at their average market prices during the final month of the fiscal year. Securities other than these securities are carried at their market prices at the end of the fiscal year under review (cost of securities sold is calculated using primarily the moving-average method), and those with no available market prices are carried at cost using the moving-average method.

Net unrealized gains (losses) on available-for-sale securities and net of income taxes are reported as a component of “net assets.”

Market Risk

1. Scope

The following approaches are used to calculate market risk equivalent amounts.

(1) Internal Models Method

General market risk of SMBC, SMBC Bank International plc, SMBC Bank EU AG, Sumitomo Mitsui Banking Corporation (China) Limited, SMBC Capital Markets, Inc., SMBC Nikko Capital Markets Limited, SMBC Derivative Products Limited, and SMBC Capital Markets (Asia) Limited

(2) Standardized Measurement Method

- Specific risk
- General market risk of consolidated subsidiaries other than SMBC, SMBC Bank International plc, SMBC Bank EU AG, Sumitomo Mitsui Banking Corporation (China) Limited, SMBC Capital Markets, Inc., SMBC Nikko Capital Markets Limited, SMBC Derivative Products Limited, and SMBC Capital Markets (Asia) Limited
- A portion of general market risk of SMBC

2. Market Risk under standardised approach (MR1)

(Millions of yen)

MR1: Market risk under standardised approach		As of March 31, 2021	As of March 31, 2020
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)	RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	458,241	384,544
2	Equity risk (general and specific)	290,936	256,899
3	Foreign exchange risk	72,054	20,788
4	Commodity risk	192	7
	Options		
5	Simplified approach	—	—
6	Delta-plus method	185,810	159,857
7	Scenario approach	—	—
8	Specific risk related to securitisation exposures	52,170	3,483
9	Total	1,059,405	825,580

3. RWA flow statements of market risk exposures under an IMA (MR2)

(Billions of yen)

MR2: RWA flow statements of market risk exposures under an IMA		As of March 31, 2021						
Item No.		a	b	c	d	e	f	
		VaR	Stressed VaR	IRC	CRM	Other	Total RWA	
1a	RWA as of March 31, 2020	488	1,195	—	—	—	1,684	
1b	Ratio of 1a / 1c	2.3	3.1	—	—	—	2.8	
1c	RWA at end of March 31, 2020	204	384	—	—	—	589	
2	Movement in risk levels	(43)	26	—	—	—	(16)	
3	Breakdown of variations in the market risk-weighted assets	Model updates/changes	—	—	—	—	—	
4		Methodology and policy	—	—	—	—	—	
5		Acquisitions and disposals	—	—	—	—	—	
6		Foreign exchange movements	2	24	—	—	—	26
7		Other	(33)	—	—	—	—	(33)
8a	RWA at end of March 31, 2021	130	434	—	—	—	564	
8b	Ratio of 8c / 8a	3.0	2.7	—	—	—	2.8	
8c	RWA as of March 31, 2021	390	1,216	—	—	—	1,607	

(Billions of yen)

MR2: RWA flow statements of market risk exposures under an IMA			As of March 31, 2020					
Item No.			a	b	c	d	e	f
			VaR	Stressed VaR	IRC	CRM	Other	Total RWA
1a	RWA as of March 31, 2019		465	1,105	—	—		1,571
1b	Ratio of 1a / 1c		2.8	3.0	—	—		3.0
1c	RWA at end of March 31, 2019		161	361	—	—		522
2	Breakdown of variations in the market risk-weighted assets	Movement in risk levels	68	53	—	—		121
3		Model updates/changes	—	—	—	—		—
4		Methodology and policy	—	—	—	—		—
5		Acquisitions and disposals	—	—	—	—		—
6		Foreign exchange movements	(11)	(30)	—	—		(42)
7		Other	(13)	—	—	—		(13)
8a	RWA at end of March 31, 2020		204	384	—	—		589
8b	Ratio of 8c / 8a		2.3	3.1	—	—		2.8
8c	RWA as of March 31, 2020		488	1,195	—	—		1,684

4. IMA values for trading portfolios (MR3)

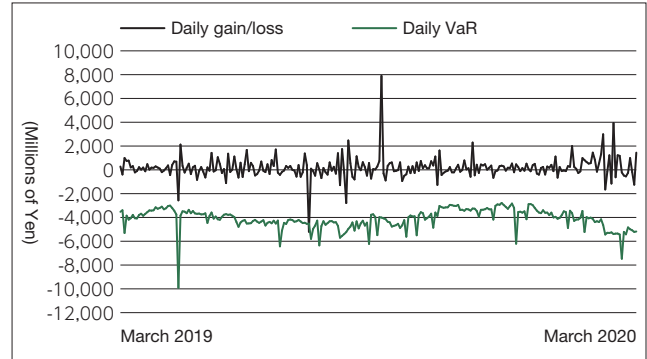
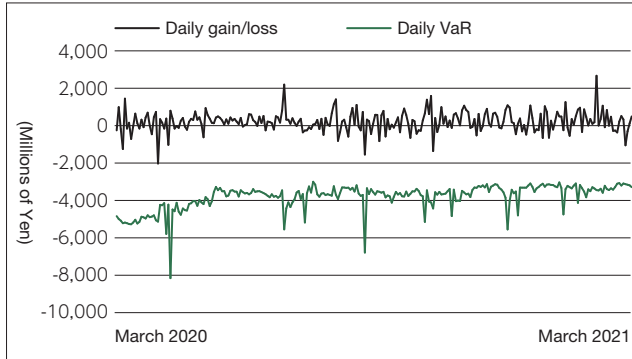
(Millions of yen)

MR3: IMA values for trading portfolios			Fiscal 2020	Fiscal 2019
Item No.				
	VaR (holding period of 10 business days, one-sided confidence level of 99%)			
1	Maximum value		16,686	18,358
2	Average value		11,590	12,618
3	Minimum value		9,237	8,806
4	Period end		10,406	16,397
	Stressed VaR (holding period of 10 business days, one-sided confidence level of 99%)			
5	Maximum value		39,801	42,390
6	Average value		30,000	30,302
7	Minimum value		23,261	22,261
8	Period end		34,774	30,736
	Incremental risk value (one-sided confidence level of 99.9%)			
9	Maximum value		—	—
10	Average value		—	—
11	Minimum value		—	—
12	Period end		—	—
	Comprehensive risk value (one-sided confidence level of 99.9%)			
13	Maximum value		—	—
14	Average value		—	—
15	Minimum value		—	—
16	Period end		—	—
17	Floor (modified standardized measurement method)		—	—

Note: The VaR and the stressed VaR are calculated using the historical simulation method. Specifically, they are calculated on a daily basis, assuming a one-sided confidence level of 99.0% and a one-day holding period, based on profit and loss simulation on a scenario-specific basis generated from historical data (the full valuation method, in principle), and they are adjusted to a 10-day holding period using the square root of time method. Under this method, the VaR and the stressed VaR use observation periods of four years immediately preceding, and 12 months including the stress period, respectively.

5. Backtesting results by the internal models approach (MR4)

The status of backtesting of trading for Fiscal 2020 and 2019 is as follows. “Daily gain/loss” represents the actual gain/loss incurred, and “Daily VaR” represents the daily VaR calculated using the risk measurement model with a one-day holding period. In the past 250 business days, the number of times loss exceeded VaR was 0, and the VaR model (one-sided confidence level of 99.0%) is considered to have sufficient accuracy.



■ Interest Rate Risk in the Banking Book

1. Overview of Risk Management Policy and Procedures

Interest rate risk in the banking book is the risk to the present value of a bank's assets and liabilities and/or the future earnings (interest income) from the rate-sensitive instruments when interest rates change. SMBC Group recognizes interest rate risk as a significant risk and manages it in an integrated manner, together with other market risks (equity position risk, etc.) (For details, please refer to pages 134 to 135).

Interest rate risk management is conducted using basis point value (BPV) as a measure of the risk, which denotes the change of present value given a basis point rise in the interest rate. Appropriate limits on BPVs are set for each significant subsidiary including SMBC according to its capital and business plan, and BPVs are monitored daily for risk management. BPVs are managed not only by changing the balance and term structures of assets and liabilities, but also by using hedging instruments such as interest rate swaps and futures.

2. Calculation Method of Interest Rate Risk

Interest rate risk in the banking book is measured based on the future cash flows of the bank's assets and liabilities. Especially, the method of recognizing the dates for maturity of demand deposits (current accounts and ordinary deposit accounts that can be withdrawn at any time) and the method of estimating the time of cancellation prior to maturity of time deposits and mortgage loans affect the risk significantly. Key assumptions for measuring interest rate risk of such instruments are as follows.

Method of recognizing the maturity of demand deposits

The amount of the bank's core deposits is identified as the amount of demand deposits expected to be left with the bank after 5 years (with 50% of the lowest balance during the past 5 years as the upper limit). The maturity of the core deposits is regarded to be 5 years (2.5 years on average). The maturity of the bank's demand deposits are recognized with 5 years as the maximum term (the average is 0.7 year).

Method of estimating the time of cancellation prior to maturity of time deposits and mortgage loans

Cash flows of mortgage loans tend to be different from the initial scheduled ones, as customers may exercise their prepayment options to redeem early in a bonus month or as time passes. Similarly, fixed-term deposits may be canceled prior to maturity. For such instruments, interest rate risk is managed by using statistical models to estimate cash flows for each instrument, considering the seasonality, elapsed years, interest rate levels at the effective time, etc. These models are validated and reviewed regularly.

3. Interest Rate Risk

Table IRRBB1 shows changes in economic value of equity (Δ EVE) and net interest income (Δ NII) in the banking book, simulated based on a set of prescribed interest rate shock scenarios.

As stipulated under the Pillar 2 of Basel Framework (Supervisory Review Process), in order to identify banks that may have taken too large interest rate risk, the Japan FSA applies "materiality test" as comparing the bank's Δ EVE with 15% of its Tier 1 capital, under a set of prescribed interest rate shock scenarios. The measurement result of SMBC Group's Δ EVE shows that the economic value of equity declines when interest rates rise and the maximum change amount is under the prescribed parallel shock up scenario. SMBC Groups' Δ EVE is not larger than 15% of our Tier 1 capital.

As for Δ NII, net interest income declines under the prescribed parallel shock down scenario and increased under the parallel shock up scenario. Due to the assumption of zero floor on the interest rate of customer's deposits in JPY, which limits reduction of the funding cost when interest rate down, the change amount is larger under the parallel shock down scenario.

The measurement scope, the definition of each figure and the calculation assumption are as follows.

Scope

The consolidated subsidiaries of SMBC

- Δ EVE is calculated by simple aggregation of the decrease in economic value for all currencies.
- Δ NII is calculated by simple aggregation of the change amount of interest income for each currency in which the total amount of interest rate-sensitive assets and liabilities is 5% or more of the total.

Definition of Each Figure and Calculation Assumption

- Δ EVE

Decrease in economic value (EVE, Economic Value on Equity) against interest rate shock (excluding the credit spread).

- Δ NII

Decrease in 1 year interest income (NII, Net Interest Income) under each the interest rate shock. It is calculated under the constant balance sheet, which means that the balance sheet does not change through a year. In each simulation, we do not allow negative interest rate for domestic yen deposits and loans in any scenario.

(Millions of yen)

IRRBB1: Interest rate risk		a	b	c	d
		Δ EVE		Δ NII	
Item No.		As of March 31, 2021	As of March 31, 2020	As of March 31, 2021	As of March 31, 2020
1	Parallel up	908,983	982,050	(305,420)	(242,555)
2	Parallel down	0	0	495,300	414,974
3	Steeper	279,058	284,902		
4	Flattener	136,981	164,009		
5	Short rate up	339,633	329,587		
6	Short rate down	5,267	6,598		
7	Maximum	908,983	982,050	495,300	414,974
		e		f	
		As of March 31, 2021		As of March 31, 2020	
8	Tier 1 capital	11,199,300		10,249,936	

Note: Interest rate shocks of deposits with central banks is considered to be the same with the standardized interest rate shocks when calculating Δ NII.

■ Operational Risk

1. Operational Risk Equivalent Amount Calculation Methodology

Sumitomo Mitsui Financial Group adopted the Advanced Measurement Approach (AMA) for exposures as of March 31, 2008. The following consolidated subsidiaries have also adopted the AMA, and the remaining consolidated subsidiaries have adopted the Basic Indicator Approach (BIA).

Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Card Company, Limited, The Japan Research Institute, Limited, SMBC Finance Service Co., Ltd., SMBC Guarantee Co., Ltd., SMBC Operation Service Co., Ltd., SMBC Green Service Co., Ltd., SMBC Bank International plc, Sumitomo Mitsui Banking Corporation (China) Limited, SMBC Nikko Securities Inc., and SMBC Consumer Finance Co., Ltd.

2. Outline of the AMA

For the “Outline of the AMA,” please refer to pages 137 to 139.

3. Usage of Insurance to Mitigate Risk

Sumitomo Mitsui Financial Group had not taken measures to mitigate operational risk through insurance coverage for exposures.

■ CC2: Reconciliation of regulatory capital to balance sheet

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(Millions of yen)

Items	a		b	c
	Consolidated balance sheet as in published financial statements			
	As of March 31, 2021	As of March 31, 2020	Reference to Template CC1	Reference to appended table
(Assets)				
Cash and due from banks	72,568,875	61,768,573		
Call loans and bills bought	2,553,463	896,739		
Receivables under resale agreements	5,565,119	8,753,816		
Receivables under securities borrowing transactions	5,827,448	5,005,103		
Monetary claims bought	4,665,244	4,559,429		
Trading assets	6,609,195	7,361,253		7-a
Money held in trust	309	353		
Securities	36,549,043	27,128,751		3-b,7-b
Loans and bills discounted	85,132,738	82,517,609		7-c
Foreign exchanges	2,173,189	2,063,284		
Lease receivables and investment assets	236,392	219,733		
Other assets	8,590,785	8,298,393		7-d
Tangible fixed assets	1,458,991	1,450,323		
Intangible fixed assets	738,759	753,579		3-a
Net defined benefit asset	565,534	230,573		4
Deferred tax assets	29,840	26,314		5-a
Customers' liabilities for acceptances and guarantees	9,978,396	9,308,882		
Reserve for possible loan losses	(659,017)	(479,197)		
Total assets	242,584,308	219,863,518		
(Liabilities)				
Deposits	142,026,156	127,042,217		
Negotiable certificates of deposit	12,570,617	10,180,435		
Call money and bills sold	1,368,515	3,740,539		
Payables under repurchase agreements	15,921,103	13,237,913		
Payables under securities lending transactions	2,421,353	2,385,607		
Commercial paper	1,686,404	1,409,249		
Trading liabilities	5,357,649	6,084,528		7-e
Borrowed money	17,679,690	15,210,894		9-a
Foreign exchanges	1,113,037	1,461,308		
Short-term bonds	585,000	379,000		
Bonds	9,043,031	9,235,639		9-b
Due to trust account	2,321,223	1,811,355		
Other liabilities	7,741,638	7,011,967		7-f
Reserve for employee bonuses	89,522	73,868		
Reserve for executive bonuses	4,408	3,362		
Net defined benefit liability	35,334	35,777		
Reserve for executive retirement benefits	1,081	1,270		
Reserve for point service program	24,655	26,576		
Reserve for reimbursement of deposits	9,982	4,687		
Reserve for losses on interest repayment	140,758	142,890		
Reserves under the special laws	3,902	3,145		
Deferred tax liabilities	532,193	257,384		5-b
Deferred tax liabilities for land revaluation	29,603	30,111		5-c
Acceptances and guarantees	9,978,396	9,308,882		
Total liabilities	230,685,262	209,078,615		
(Net assets)				
Capital stock	2,341,274	2,339,964		1-a
Capital surplus	693,205	692,003		1-b
Retained earnings	6,492,586	6,336,311		1-c
Treasury stock	(13,698)	(13,983)		1-d
Total stockholders' equity	9,513,367	9,354,296		
Net unrealized gains or losses on other securities	2,094,605	1,371,407		
Net deferred gains or losses on hedges	14,723	82,257		6
Land revaluation excess	36,251	36,878		
Foreign currency translation adjustments	40,390	(32,839)		
Accumulated remeasurements of defined benefit plans	127,080	(92,030)		
Total accumulated other comprehensive income	2,313,051	1,365,673	(a)	
Stock acquisition rights	1,791	2,064		2,8-a
Non-controlling interests	70,836	62,869		8-b
Total net assets	11,899,046	10,784,903		
Total liabilities and net assets	242,584,308	219,863,518		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appended Table)

1. Stockholders' equity

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Capital stock	2,341,274	2,339,964		1-a
Capital surplus	693,205	692,003		1-b
Retained earnings	6,492,586	6,336,311		1-c
Treasury stock	(13,698)	(13,983)		1-d
Total stockholders' equity	9,513,367	9,354,296		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	9,513,367	9,354,296	Stockholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,034,480	3,031,968		1a
of which: retained earnings	6,492,586	6,336,311		2
of which: treasury stock (-)	13,698	13,983		1c
of which: other than the above	—	—		
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	—	—	Stockholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effectively bankruptcy	31a

2. Stock acquisition rights

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Stock acquisition rights	1,791	2,064		2
of which: Stock acquisition rights issued by bank holding company	1,791	2,064		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Stock acquisition rights to common shares	1,791	2,064		1b
Stock acquisition rights to Additional Tier 1 instruments	—	—		31b
Stock acquisition rights to Tier 2 instruments	—	—		46

3. Intangible fixed assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Intangible fixed assets	738,759	753,579		3-a
Securities	36,549,043	27,128,751		3-b
of which: goodwill attributable to equity-method investees	41,793	49,139		
Income taxes related to above	176,205	167,935		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Goodwill (including those equivalent)	183,861	237,333		8
Other intangibles other than goodwill and mortgage servicing rights	420,485	397,450	Software and other	9
Mortgage servicing rights	—	—		
Amount exceeding the 10% threshold on specified items	—	—		20
Amount exceeding the 15% threshold on specified items	—	—		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	—	—		74

4. Net defined benefit asset

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Net defined benefit asset	565,534	230,573		4
Income taxes related to above	173,033	70,372		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Net defined benefit asset	392,500	160,200		15

5. Deferred tax assets

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Deferred tax assets	29,840	26,314		5-a
Deferred tax liabilities	532,193	257,384		5-b
Deferred tax liabilities for land revaluation	29,603	30,111		5-c
Tax effects on intangible fixed assets	176,205	167,935		
Tax effects on net defined benefit asset	173,033	70,372		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	3,314	3,390	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets arising from temporary differences (net of related tax liability)	4,688	4,128	This item does not agree with the amount reported on the consolidated balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	—	—		21
Amount exceeding the 15% threshold on specified items	—	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	4,688	4,128		75

6. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Net deferred gains or losses on hedges	14,723	82,257		6

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Net deferred gains or losses on hedges	18,771	84,324	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

7. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Trading assets	6,609,195	7,361,253	Including trading account securities and derivatives for trading assets	7-a
Securities	36,549,043	27,128,751		7-b
Loans and bills discounted	85,132,738	82,517,609	Including subordinated loans	7-c
Other assets	8,590,785	8,298,393	Including derivatives	7-d
Trading liabilities	5,357,649	6,084,528	Including trading account securities sold and derivatives for trading liabilities	7-e
Other liabilities	7,741,638	7,011,967	Including derivatives	7-f

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Investments in own capital instruments	6,137	3,567		
Common Equity Tier 1 capital	6,137	3,567		16
Additional Tier 1 capital	—	—		37
Tier 2 capital	0	0		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	—	—		
Common Equity Tier 1 capital	—	—		17
Additional Tier 1 capital	—	—		38
Tier 2 capital and other external TLAC liabilities	—	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	1,084,994	679,784		
Common Equity Tier 1 capital	21,337	—		18
Additional Tier 1 capital	660	—		39
Tier 2 capital and other external TLAC liabilities	4,585	—		54
Non-significant investments in the capital and other TLAC liabilities of other financials that are below the thresholds for deductions (before risk weighting)	1,058,411	679,784		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	996,363	1,015,803		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	25,525	25,525		40
Tier 2 capital and other external TLAC liabilities	33,213	82,643		55
Significant investments in the common stock of other financials that are below the thresholds for deductions (before risk weighting)	937,624	907,634		73

8. Non-controlling interests

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Stock acquisition rights	1,791	2,064		8-a
Non-controlling interests	70,836	62,869		8-b

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Amount allowed in group CET1	1,145	1,155	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	30-31ab-32
Amount allowed in group AT1	13,836	9,400	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	34-35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	46
Amount allowed in group T2	2,403	1,546	After reflecting amounts eligible for inclusion (Non-Controlling Interest after adjustments)	48-49

9. Other capital instruments

(1) Consolidated balance sheet

(Millions of yen)

Consolidated balance sheet items	As of March 31, 2021	As of March 31, 2020	Remarks	Ref. No.
Borrowed money	17,679,690	15,210,894		9-a
Bonds	9,043,031	9,235,639		9-b
Total	26,722,722	24,446,534		

(2) Composition of capital

(Millions of yen)

Composition of capital disclosure	As of March 31, 2021	As of March 31, 2020	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	648,878	684,797		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	861,798	961,464		46

■ Linkages between Regulatory Exposure Amounts and Carrying Values in Consolidated Financial Statements Differences between Regulatory Exposure Amounts and Carrying Values in Consolidated Financial Statements and Explanations of the Factors

1. Differences between Accounting and Regulatory Scopes of Consolidation and Mapping of Consolidated Financial Statement Categories with Regulatory Risk Categories (LI1)

(Millions of yen)

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of consolidated financial statement categories with regulatory risk categories	As of March 31, 2021						
	a	b	c	d	e	f	g
	Carrying values as reported in published Consolidated financial statement	Carrying values under scope of regulatory consolidation	CR (excluding amounts relevant to d and e)	Carrying values of items:			
CCR				Securitisation (excluding amounts relevant to f)	Market risk		
Assets							
Cash and due from banks	72,568,875	72,568,875	72,568,875	—	—	—	—
Call loans and bills bought	2,553,463	2,553,463	2,553,463	—	—	—	—
Receivables under resale agreements	5,565,119	5,565,119	—	5,565,119	—	—	—
Receivables under securities borrowing transactions	5,827,448	5,827,448	—	5,827,448	—	—	—
Monetary claims bought	4,665,244	4,665,244	2,658,539	—	2,006,704	—	—
Trading assets	6,609,195	6,609,195	—	3,493,814	—	6,609,195	30,211
Money held in trust	309	309	309	—	—	—	—
Securities	36,549,043	36,549,043	35,605,063	—	876,660	—	67,319
Loans and bills discounted	85,132,738	85,132,738	84,381,054	—	718,470	—	33,213
Foreign exchanges	2,173,189	2,173,189	2,173,189	—	—	—	—
Lease receivables and investment assets	236,392	236,392	236,392	—	—	—	—
Other assets	8,590,785	8,590,785	4,212,861	3,278,025	5,565	—	1,094,332
Tangible fixed assets	1,458,991	1,458,991	1,458,991	—	—	—	—
Intangible fixed assets	738,759	738,759	176,205	—	—	—	562,553
Net defined benefit asset	565,534	565,534	173,033	—	—	—	392,500
Deferred tax assets	29,840	29,840	7,948	—	—	—	21,892
Customers' liabilities for acceptances and guarantees	9,978,396	9,978,396	9,789,365	—	189,030	—	—
Reserve for possible loan losses	(659,017)	(659,017)	(659,017)	—	—	—	—
Total assets	242,584,308	242,584,308	215,336,276	18,164,407	3,796,431	6,609,195	2,202,023
Liabilities							
Deposits	142,026,156	142,026,156	3,082	—	—	—	142,023,073
Negotiable certificates of deposit	12,570,617	12,570,617	—	—	—	—	12,570,617
Call money and bills sold	1,368,515	1,368,515	—	—	—	—	1,368,515
Payables under repurchase agreements	15,921,103	15,921,103	—	12,010,868	—	—	3,910,234
Payables under securities lending transactions	2,421,353	2,421,353	—	1,598,163	—	—	823,190
Commercial paper	1,686,404	1,686,404	—	—	—	—	1,686,404
Trading liabilities	5,357,649	5,357,649	—	3,281,080	—	5,357,649	85,885
Borrowed money	17,679,690	17,679,690	—	—	—	—	17,679,690
Foreign exchanges	1,113,037	1,113,037	—	—	—	—	1,113,037
Short-term bonds	585,000	585,000	—	—	—	—	585,000
Bonds	9,043,031	9,043,031	—	—	—	—	9,043,031
Due to trust account	2,321,223	2,321,223	—	—	—	—	2,321,223
Other liabilities	7,741,638	7,741,638	—	1,800,109	955	—	5,940,572
Reserve for employee bonuses	89,522	89,522	—	—	—	—	89,522
Reserve for executive bonuses	4,408	4,408	—	—	—	—	4,408
Net defined benefit liability	35,334	35,334	—	—	—	—	35,334
Reserve for executive retirement benefits	1,081	1,081	—	—	—	—	1,081
Reserve for point service program	24,655	24,655	—	—	—	—	24,655
Reserve for reimbursement of deposits	9,982	9,982	—	—	—	—	9,982
Reserve for losses on interest repayment	140,758	140,758	—	—	—	—	140,758
Reserve under the special laws	3,902	3,902	—	—	—	—	3,902
Deferred tax liabilities	532,193	532,193	—	—	—	—	532,193
Deferred tax liabilities for land revaluation	29,603	29,603	—	—	—	—	29,603
Acceptances and guarantees	9,978,396	9,978,396	—	—	—	—	9,978,396
Total liabilities	230,685,262	230,685,262	3,082	18,690,222	955	5,357,649	210,000,317

(Millions of yen)

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of consolidated financial statement categories with regulatory risk categories	As of March 31, 2020						
	a	b	c	d	e	f	g
	Carrying values as reported in published Consolidated financial statement	Carrying values under scope of regulatory consolidation	Carrying values of items:				
CR (excluding amounts relevant to d and e)			CCR	Securitisation (excluding amounts relevant to f)	Market risk		
Assets							
Cash and due from banks	61,768,573	61,768,573	61,768,573	—	—	—	—
Call loans and bills bought	896,739	896,739	896,739	—	—	—	—
Receivables under resale agreements	8,753,816	8,753,816	—	8,753,816	—	—	—
Receivables under securities borrowing transactions	5,005,103	5,005,103	—	5,005,103	—	—	—
Monetary claims bought	4,559,429	4,559,429	2,416,719	—	2,142,709	—	—
Trading assets	7,361,253	7,361,253	—	4,608,371	—	7,361,253	104,292
Money held in trust	353	353	353	—	—	—	—
Securities	27,128,751	27,128,751	26,527,867	—	526,218	—	74,665
Loans and bills discounted	82,517,609	82,517,609	81,549,423	40,000	845,543	—	82,643
Foreign exchanges	2,063,284	2,063,284	2,063,284	—	—	—	—
Lease receivables and investment assets	219,733	219,733	219,733	—	—	—	—
Other assets	8,298,393	8,298,393	3,938,793	3,338,159	2,005	—	1,019,434
Tangible fixed assets	1,450,323	1,450,323	1,450,323	—	—	—	—
Intangible fixed assets	753,579	753,579	167,935	—	—	—	585,644
Net defined benefit asset	230,573	230,573	70,372	—	—	—	160,200
Deferred tax assets	26,314	26,314	9,150	—	—	—	17,164
Customers' liabilities for acceptances and guarantees	9,308,882	9,308,882	9,122,875	—	186,007	—	—
Reserve for possible loan losses	(479,197)	(479,197)	(479,197)	—	—	—	—
Total assets	219,863,518	219,863,518	189,722,949	21,745,451	3,702,484	7,361,253	2,044,044
Liabilities							
Deposits	127,042,217	127,042,217	3,437	—	—	—	127,038,780
Negotiable certificates of deposit	10,180,435	10,180,435	—	—	—	—	10,180,435
Call money and bills sold	3,740,539	3,740,539	—	—	—	—	3,740,539
Payables under repurchase agreements	13,237,913	13,237,913	—	8,112,816	—	—	5,125,096
Payables under securities lending transactions	2,385,607	2,385,607	—	1,211,329	—	—	1,174,277
Commercial paper	1,409,249	1,409,249	—	—	—	—	1,409,249
Trading liabilities	6,084,528	6,084,528	—	4,072,052	—	6,084,528	94,723
Borrowed money	15,210,894	15,210,894	—	—	—	—	15,210,894
Foreign exchanges	1,461,308	1,461,308	—	—	—	—	1,461,308
Short-term bonds	379,000	379,000	—	—	—	—	379,000
Bonds	9,235,639	9,235,639	—	—	—	—	9,235,639
Due to trust account	1,811,355	1,811,355	—	—	—	—	1,811,355
Other liabilities	7,011,967	7,011,967	—	2,177,365	8,538	—	4,826,063
Reserve for employee bonuses	73,868	73,868	—	—	—	—	73,868
Reserve for executive bonuses	3,362	3,362	—	—	—	—	3,362
Net defined benefit liability	35,777	35,777	—	—	—	—	35,777
Reserve for executive retirement benefits	1,270	1,270	—	—	—	—	1,270
Reserve for point service program	26,576	26,576	—	—	—	—	26,576
Reserve for reimbursement of deposits	4,687	4,687	—	—	—	—	4,687
Reserve for losses on interest repayment	142,890	142,890	—	—	—	—	142,890
Reserve under the special laws	3,145	3,145	—	—	—	—	3,145
Deferred tax liabilities	257,384	257,384	—	—	—	—	257,384
Deferred tax liabilities for land revaluation	30,111	30,111	—	—	—	—	30,111
Acceptances and guarantees	9,308,882	9,308,882	—	—	—	—	9,308,882
Total liabilities	209,078,615	209,078,615	3,437	15,573,564	8,538	6,084,528	191,575,322

- Notes: 1. Transactions in the trading book including derivative transactions extend over multiple risk categories, since they are subject to both market risks and counterparty credit risks.
2. Account titles including monetary claims boughts are subject to securitisation products if they have a characteristic of securitisation products, otherwise they are subject to CR, therefore, they extend over multiple risk categories.
3. Foreign exchange risk and commodities risk in the banking book are not included in column f "Market risk," since it is difficult to link them with account titles.

2. Main Sources of Differences between Regulatory Exposure Amounts and Carrying Values in Consolidated Financial Statements (L12)

(Millions of yen)

L12: Main sources of differences between regulatory exposure amounts and carrying values in consolidated financial statements amounts		As of March 31, 2021				
		a	b	c	d	e
Item No.		Total	Items subject to:			
			CR (excluding amounts relevant to c and d)	CCR	Securitisation (excluding amounts relevant to e)	Market risk
1	Asset carrying value amount under scope of regulatory consolidation	240,382,285	215,336,276	18,164,407	3,796,431	6,609,195
2	Liabilities carrying value amount under scope of regulatory consolidation	20,684,944	3,082	18,690,222	955	5,357,649
3	Total net amount under regulatory scope of consolidation	219,697,340	215,333,193	(525,814)	3,795,475	1,251,545
4	Off-balance sheet amounts	18,476,123	11,628,977 (Note 1)	6,197,703	649,442	—
5	Differences due to consideration of provisions and write-offs	778,700	778,700 (Note 2)	—	—	—
6	Differences due to derivative transactions	5,840,315	—	5,672,887 (Note 3)	10,368	—
7	Differences due to SFTs	1,745,970	—	1,745,970	—	—
8	Other differences	836,309	819,434	16,875	—	—
9	Regulatory exposure amounts	247,374,760	228,560,305	13,107,622	4,455,286	1,251,545

(Millions of yen)

L12: Main sources of differences between regulatory exposure amounts and carrying values in consolidated financial statements amounts		As of March 31, 2020				
		a	b	c	d	e
Item No.		Total	Items subject to:			
			CR (excluding amounts relevant to c and d)	CCR	Securitisation (excluding amounts relevant to e)	Market risk
1	Asset carrying value amount under scope of regulatory consolidation	217,819,474	189,722,949	21,745,451	3,702,484	7,361,253
2	Liabilities carrying value amount under scope of regulatory consolidation	17,503,293	3,437	15,573,564	8,538	6,084,528
3	Total net amount under regulatory scope of consolidation	200,316,180	189,719,512	6,171,886	3,693,945	1,276,725
4	Off-balance sheet amounts	15,235,348	9,557,920 (Note 1)	5,260,135	417,293	—
5	Differences due to consideration of provisions and write-offs	572,470	572,470 (Note 2)	—	—	—
6	Differences due to derivative transactions	10,716,035	—	10,454,983 (Note 3)	19,147	—
7	Differences due to SFTs	(1,455,998)	—	(1,445,998)	—	—
8	Other differences	654,840	351,268	(10,412)	—	—
9	Regulatory exposure amounts	226,038,877	200,201,172	20,430,594	4,130,385	1,276,725

Notes: 1. This mainly comprises exposures due to commitment lines.

2. This mainly comprises assets subject to the IRB approach added with specific reserve and partial direct write-offs.

3. This mainly comprises the aggregation of the addition of derivative liabilities and regulatory add-on amounts, and the deduction of regulatory netting effect.