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## Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]



July 28, 2023

Company name: SBI Sumishin Net Bank, Ltd.

Listing: Tokyo Stock Exchange

Securities code: 7163

URL: <https://www.netbk.co.jp/contents/company/en/>

Representative: Noriaki Maruyama, President and CEO

Contact: Tomokazu Yokoi, Director and Managing Executive Officer, General Manager of Corporate Division

Phone: +81-3-6779-5496

Scheduled date of filing quarterly securities report: August 4, 2023

Scheduled date of commencing dividend payments: –

Specified transaction account: None

Supplementary briefing material on financial results: Available

Financial results briefing session: None

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit (loss)		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2023	25,963	13.6	8,001	10.2	6,581	33.8
June 30, 2022	22,854	18.3	7,260	28.6	4,919	(5.1)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥6,330 million [258.5%]

Three months ended June 30, 2022: ¥1,766 million [(67.8)%]

	Profit (loss) per share	Diluted profit per share
	Yen	Yen
Three months ended June 30, 2023	43.64	—
June 30, 2022	32.62	—

(Note) “Diluted profit per share” is not stated as there are no diluted shares.

### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2023	9,230,555	137,977	1.5
As of March 31, 2023	8,679,004	131,691	1.5

(Reference) Core capital: As of June 30, 2023: ¥137,926 million

As of March 31, 2023: ¥131,604 million

(Note) “Capital adequacy ratio” is calculated by dividing (net assets at the end of the period minus non-controlling interests at the end of the period) by assets at the end of the period.

The “capital adequacy ratio” is not the capital adequacy ratio stated in the Capital Adequacy Ratio Notification.

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 198.95
March 31, 2024	—				
Fiscal year ending March 31, 2024 (Forecast)		7.50	—	8.00	15.50

(Note) Revision of latest announced estimates for cash dividends per share of common stock: None  
For the fiscal year ended March 31, 2023, SBI Sumishin Net Bank, Ltd. (the “Company”) paid cash dividends of 198.95 yen per share using retained earnings for a total dividend of approximately 30,000 million yen, based on the resolution of the Extraordinary General Meeting of Shareholders held on January 18, 2023 (a written resolution based on Article 319, Paragraph 1 of the Companies Act of Japan), with the same date as the record date and January 20, 2023 as the effective date.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Ordinary profit (loss)		Profit (loss) attributable to owners of parent		Profit (loss) per share
	Million yen	%	Million yen	%	Yen
Full year	34,000	15.7	23,400	17.4	155.17

(Note) Revision of latest announced forecast of consolidated earnings: None

### \* Notes:

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023 (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Specific accounting treatments for the preparation of the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
  - 1) Changes in accounting policies due to revisions to accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Restatement: None
- (4) Number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):
    - As of June 30, 2023: 150,793,800
    - As of March 31, 2023: 150,793,800
  - 2) Total number of treasury shares at the end of the period:
    - As of June 30, 2023: —
    - As of March 31, 2023: —
  - 3) Average number of outstanding shares during the period:
    - Three months ended June 30, 2023: 150,793,800
    - Three months ended June 30, 2022: 150,793,800

\* These consolidated financial results for the three months ended June 30, 2023, are outside the scope of the quarterly review procedures to be performed by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecasts and other notes

The forward-looking statements contained in this document, including the financial results forecasts, are based on information currently available to the Company and certain assumptions deemed to be reasonable, and the Company does not promise achievement. Actual results may differ significantly from these forecasts due to a wide range of factors.

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SBI Sumishin Net Bank, Ltd. (7163)  
Consolidated Financial Results for the Three Months Ended June 30, 2023

1. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Cash and due from banks	1,100,449	1,374,660
Monetary claims bought	243,353	233,473
Money held in trust	13,657	13,657
Securities	558,769	563,137
Loans and bills discounted	6,594,878	6,876,749
Foreign exchanges	7,102	7,003
Other assets	125,881	127,108
Property, plant and equipment	3,790	3,654
Intangible assets	26,908	26,965
Deferred tax assets	7,231	6,770
Allowance for loan losses	(3,019)	(2,623)
<b>Assets</b>	<b>8,679,004</b>	<b>9,230,555</b>
<b>Liabilities</b>		
Deposits	7,975,420	8,582,785
Call money and bills sold	48,000	—
Cash collateral received for securities lent	145,885	136,049
Borrowed money	300,000	300,000
Foreign exchanges	1,533	2,940
Other liabilities	74,352	68,935
Provision for bonuses	510	202
Provision for retirement benefits	15	15
Provision for point card certificates	952	1,024
Provision for reimbursement of deposits	52	52
Reserves under special laws	9	9
Deferred tax liabilities	580	561
<b>Liabilities</b>	<b>8,547,313</b>	<b>9,092,578</b>
<b>Net assets</b>		
Share capital	31,000	31,000
Capital surplus	13,625	13,601
Retained earnings	98,723	105,304
Shareholders' equity	143,349	149,906
Valuation difference on available-for-sale securities	(11,409)	(12,631)
Deferred gains or losses on hedges	(335)	652
Accumulated other comprehensive income	(11,744)	(11,979)
Non-controlling interests	87	50
<b>Net assets</b>	<b>131,691</b>	<b>137,977</b>
<b>Liabilities and net assets</b>	<b>8,679,004</b>	<b>9,230,555</b>

SBI Sumishin Net Bank, Ltd. (7163)  
Consolidated Financial Results for the Three Months Ended June 30, 2023

(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Ordinary income	22,854	25,963
Interest income	11,198	12,952
Interest on loans and discounts	9,001	9,881
Interest and dividends on securities	1,632	2,470
Fees and commissions	9,663	11,012
Other ordinary income	1,845	1,917
Other income	146	81
Ordinary expenses	15,593	17,961
Interest expenses	1,328	2,404
Interest on deposits	681	2,405
Fees and commissions payments	6,160	7,300
Other ordinary expenses	192	84
General and administrative expenses	7,714	8,132
Other expenses	197	39
Ordinary profit (loss)	7,260	8,001
Extraordinary income	–	1,537
Gains on disposal of fixed assets	–	7
Gains on business transfer	–	1,529
Extraordinary losses	0	316
Losses on disposal of non-current assets	0	0
Impairment losses	–	175
Other	–	140
Profit (loss) before income taxes	7,260	9,222
Income taxes-current	2,165	2,111
Income taxes-deferred	173	545
Income taxes	2,339	2,657
Profit (loss)	4,920	6,565
Profit (loss) attributable to non-controlling interests	0	(15)
Profit (loss) attributable to owners of parent	4,919	6,581

SBI Sumishin Net Bank, Ltd. (7163)

Consolidated Financial Results for the Three Months Ended June 30, 2023

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit (loss)	4,920	6,565
Other comprehensive income	(3,154)	(235)
Valuation difference on available-for-sale securities, net of tax	(4,626)	(1,222)
Deferred gains or losses on hedges, net of tax	1,472	987
Comprehensive income	1,766	6,330
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,765	6,346
Comprehensive income attributable to non-controlling interests	0	(15)

(3) Notes to the Consolidated Financial Statements

(Notes on going concern assumptions)

Not applicable.

(Notes on significant changes in total shareholders' equity)

Not applicable.

# **Explanatory Material**

**For the Three Months Ended June 30, 2023**



SBI Sumishin Net Bank

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# 1. Profits and Losses

[Consolidated]

(millions of yen)

	Three months ended June 30, 2023 (A)	(A) - (B)	Three months ended June 30, 2022 (B)
Consolidated gross profit	16,093	1,066	15,026
Net interest income	10,548	678	9,870
Net fees and commissions	3,711	208	3,503
Net other operating income	1,832	179	1,652
Net gains (losses) on bonds	419	(63)	482
General and administrative expenses (-)	8,132	418	7,714
Total credit cost (-)	36	(144)	181
Net gains (losses) on stocks	—	(87)	87
Share of profit (loss) of entities accounted for using equity method	10	(6)	17
Others	67	42	24
Ordinary profit (loss)	8,001	740	7,260
Extraordinary gains (losses)	1,221	1,221	(0)
Profit (loss) before income taxes	9,222	1,962	7,260
Income taxes - current (-)	2,111	(54)	2,165
Income taxes - deferred (-)	545	372	173
Income taxes (-)	2,657	317	2,339
Profit (loss)	6,565	1,645	4,920
Profit (loss) attributable to owners of parent	6,581	1,661	4,919
Consolidated ordinary business profit	7,960	647	7,312

Note 1: Consolidated gross profit = (Interest income - (Interest expenses - Money held in trust expenses))

+ (Fees and commissions - Fees and commissions payments)

+ (Other ordinary income - Other ordinary expenses)

Note 2: Consolidated ordinary business profit = Non-consolidated banking profit + Subsidiary gross profit

- Subsidiary general and administrative expenses - Internal transactions

## Profits and Losses by Segment

Digital Banking Business

(millions of yen)

	Three months ended June 30, 2023 (A)	(A) - (B)	Three months ended June 30, 2022 (B)
Gross profit	14,633	372	14,261
Expenses, etc. (-)	7,313	223	7,090
Ordinary profit (loss)	7,319	148	7,171

BaaS Business

(millions of yen)

	Three months ended June 30, 2023 (A)	(A) - (B)	Three months ended June 30, 2022 (B)
Gross profit	1,745	827	917
Expenses, etc. (-)	1,020	209	811
Ordinary profit (loss)	725	618	106

THEMIX Business

(millions of yen)

	Three months ended June 30, 2023 (A)	(A) - (B)	Three months ended June 30, 2022 (B)
Gross profit	17	17	—
Expenses, etc. (-)	76	76	—
Ordinary profit (loss)	(58)	(58)	—

Note 1: Expenses, etc., include total credit cost and net gains on stocks, which are reported under the Digital Banking Business.

Note 2: From the three months ended June 30, 2023, non-financial businesses, such as advertising businesses, which were previously included in the "BaaS Business," are disclosed as a separate segment, the "THEMIX Business."

**[Non-consolidated]**

(millions of yen)

		Three months ended June 30, 2023 (A)	(A) - (B)	Three months ended June 30, 2022 (B)
Gross banking profit		15,282	1,247	14,035
Net interest income		10,477	643	9,834
Net fees and commissions		3,086	360	2,725
Net other operating income		1,718	243	1,475
Net gains (losses) on bonds		419	(63)	482
Expenses (excluding non-recurring losses)	(-)	7,466	572	6,893
Personnel expenses	(-)	1,301	69	1,231
Non-personnel expenses	(-)	5,775	422	5,353
Taxes	(-)	388	80	308
Ordinary business profit		7,816	675	7,141
Provisions for general reserve for possible loan losses (1)	(-)	—	(46)	46
Banking profit		7,816	721	7,095
Non-recurring gains (losses)		(384)	(433)	49
Credit costs (2)	(-)	(70)	(110)	39
Net gains (losses) on stocks		(486)	(574)	87
Other non-recurring gains (losses)		32	31	1
Ordinary profit (loss)		7,432	288	7,144
Extraordinary gains (losses)		(4)	(4)	(0)
Profit (loss) before income taxes		7,427	283	7,143
Income taxes - current	(-)	1,621	(428)	2,050
Income taxes - deferred	(-)	480	297	182
Income taxes	(-)	2,102	(131)	2,233
Profit (loss)		5,325	414	4,910
Total credit cost ((1) + (2))	(-)	(70)	(156)	86
OHR	(*)	48.8%	(0.2)%	49.1%

\*OHR = Expenses / Gross banking profit

## 2. Domestic Interest Spread

[Non-consolidated]

(%)

		Three months ended June 30, 2023 (A)		Three months ended June 30, 2022 (B)
			(A) - (B)	
Yield on interest earning assets	(A)	0.53	(0.03)	0.57
Interest earned on loans and bills discounted	(C)	0.59	(0.06)	0.65
Interest earned on securities		0.43	0.04	0.38
Total cost of funding (including expenses)	(B)	0.36	(0.00)	0.37
Cost of interest bearing liabilities		0.02	(0.01)	0.03
Interest paid on deposits, etc.	(D)	0.02	0.00	0.01
Expense ratio		0.35	(0.02)	0.38
Overall interest spread	(A) - (B)	0.17	(0.02)	0.20
Interest spread	(C) - (D)	0.56	(0.06)	0.63

## 3. Net Gains (Losses) on Securities

[Non-consolidated]

(millions of yen)

	Three months ended June 30, 2023 (A)		Three months ended June 30, 2022 (B)
		(A) - (B)	
Net gains (losses) on bonds	419	(63)	482
Net gains (losses) on stocks	(486)	(574)	87

## 4. Capital Adequacy Ratios (domestic standard)

### [Consolidated]

(billions of yen, %)

	As of June 30, 2023	(A) - (B)	As of March 31, 2023
	(A)		(B)
(1) Capital adequacy ratio (2) / (3)	9.01	0.06	8.95
(2) Amount of core capital	131.9	5.7	126.1
(3) Amount of risk-weighted assets	1,463.2	54.6	1,408.6
(4) Total required capital	58.5	2.1	56.3

### [Non-consolidated]

(billions of yen, %)

	As of June 30, 2023	(A) - (B)	As of March 31, 2023
	(A)		(B)
(1) Capital adequacy ratio (2) / (3)	8.95	0.00	8.95
(2) Amount of core capital	132.2	4.8	127.4
(3) Amount of risk-weighted assets	1,477.9	54.8	1,423.1
(4) Total required capital	59.1	2.1	56.9

## 5. ROE

### [Consolidated]

(%)

	Three months ended	(A) - (B)	Three months ended
	June 30, 2023 (A)		June 30, 2022 (B)
ROE	19.5	6.0	13.4
ROE (excluding the effects of business transfer)	16.4	2.9	

Note 1: ROE formula

$$\frac{\text{Profit (loss) attributable to owners of parent}}{(\text{Total core capital at the beginning of the period} + \text{Total core capital at the end of the period}) / 2} \times 100 \times \frac{365}{\text{Number of days during the period}}$$

Note 2: Total core capital = Total net assets - Non-controlling interests

Note 3: ROE (excluding the effects of business transfer) is calculated based on the profit (loss) attributable to owners of parent

(with the effective tax rate of 30.62%), which is calculated by deducting "extraordinary income from sales of the guarantee business in a subsidiary (1,529 million yen)" recorded in the three months ended June 30, 2023.

## 6. KPI

### (1) Disbursements of Mortgages

[Consolidated]

(billions of yen)

	Three months ended June 30, 2023 (A)	(A) - (B)	Three months ended June 30, 2022 (B)
Disbursements of mortgages	348.6	(5.4)	354.1
Original	326.8	11.8	315.0
Bank agencies	190.4	23.8	166.5
Flat 35	21.8	(17.2)	39.0

(Note) Original: Original represents the total disbursements of mortgages sold by the Company, mortgages sold by the Company as a bank agency of

Sumitomo Mitsui Trust Bank, Limited, mortgages sold by bank agencies with the Company as the affiliated bank, and mortgages originated by Yuryo Loan, Ltd.

Flat35: Flat 35 is sold by the Company and Yuryo Loan, Ltd.

### (2) Number of Accounts

[Non-consolidated]

(millions of accounts)

	As of June 30, 2023 (A)	(A) - (B)	As of March 31, 2023 (B)
Number of accounts	6.35	0.20	6.14
Digital Banking Business	5.40	0.07	5.32
BaaS Business	0.95	0.13	0.81

### (3) Number of BaaS Business Partners

(number of companies)

	As of June 30, 2023 (A)	(A) - (B)	As of March 31, 2023 (B)
Number of BaaS business partners	12	2	10

## 7. Deposits and Loans

### (1) Deposits and Loans

[Non-consolidated]

(billions of yen)

	As of June 30, 2023		As of March 31, 2023 (B)
	(A)	(A) - (B)	
Deposits (Ending balance)	8,587.0	609.3	7,977.7
Deposits (Average balance)	8,335.7	688.1	7,647.5
Loans (Ending balance)	6,882.2	275.6	6,606.5
Loans (Average balance)	6,703.4	667.8	6,035.6

### (2) Breakdown of Domestic Loans and Ratio of Loans of Small to Mid-Sized Enterprises

[Non-consolidated]

(billions of yen)

		As of June 30, 2023		As of March 31, 2023 (B)
		(A)	(A) - (B)	
Domestic loans (excluding governments)	(A)	6,030.7	257.5	5,773.2
Large enterprises		75.6	2.7	72.9
Mid-sized enterprises		—	—	—
Small to mid-sized enterprises	(B)	5,955.0	254.7	5,700.2
Small to mid-sized enterprises		28.6	(7.4)	36.0
Individuals		5,926.4	262.2	5,664.1

Ratio of loans to small to mid-sized enterprises	(B) / (A)	98.7%	0.0%	98.7%
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### (3) Loans to Individual

[Non-consolidated]

(billions of yen)

	As of June 30, 2023		As of March 31, 2023 (B)
	(A)	(A) - (B)	
Total	5,926.4	262.2	5,664.1
Mortgage loans	5,543.2	247.2	5,295.9
Others	383.2	14.9	368.2

## 8. Disclosure of Claims Classified under the Financial Revitalization Act

[Consolidated]

(millions of yen)

	As of June 30, 2023		As of March 31, 2023 (B)
	(A)	(A) - (B)	
Bankrupt or substantially bankrupt	2,593	148	2,445
Doubtful	821	(9)	831
Restructured	686	(17)	704
Total	4,102	121	3,981

Total normal claims	6,874,388	281,789	6,592,599
Total balance of claims, including normal claims	6,878,490	281,910	6,596,580
NPL ratio	0.05%	(0.00)%	0.06%

Note: Total balance of claims, including normal claims, are loans, foreign exchanges, and accrued interest and suspense payments within Other assets.

## 9. Coverage Ratio of Claims Classified under the Financial Revitalization Act

[Consolidated]

(millions of yen)

	As of June 30, 2023		As of March 31, 2023 (B)
	(A)	(A) - (B)	
Coverage amount (A)	3,875	146	3,729
Reserve for possible loan losses	781	107	673
Collateral and guarantees	3,094	38	3,056
Claims classified under the Financial Revitalization Act (B)	4,102	121	3,981

Coverage ratio (A) / (B)	94.47%	0.79%	93.68%
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(Reference) Self-assessment (Borrower classification)

[Consolidated]

(millions of yen)

	As of June 30, 2023		As of March 31, 2023 (B)
	(A)	(A) - (B)	
Bankrupt borrowers (A)	466	54	411
Substantially bankrupt borrowers (B)	2,127	93	2,033
Potentially bankrupt borrowers (C)	821	(9)	831
Borrowers requiring caution (D)	3,206	(200)	3,407
Borrowers under requirement of control	687	(17)	705
Other borrowers requiring caution	2,519	(182)	2,702
Normal borrowers (E)	6,871,868	281,972	6,589,896
Total balance of claims, including normal claims (A) + (B) + (C) + (D) + (E)	6,878,490	281,910	6,596,580

Note: Total balance of claims, including normal claims, are loans, foreign exchanges, and accrued interest and suspense payments within Other assets.

## 10. Reserve for Possible Loan Losses

### [Consolidated]

(millions of yen)

	As of June 30, 2023		As of March 31, 2023
	(A)	(A) - (B)	(B)
Allowance for loan losses	2,623	(395)	3,019
General reserve for possible loan losses	1,850	(475)	2,326
Specific reserves for possible loan losses	772	79	692

### [Non-consolidated]

(millions of yen)

	As of June 30, 2023		As of March 31, 2023
	(A)	(A) - (B)	(B)
Allowance for loan losses	2,533	(71)	2,604
General reserve for possible loan losses	1,870	(151)	2,021
Specific reserves for possible loan losses	663	80	583

## 11. Loans by Industry

### [Non-consolidated]

(millions of yen, %)

	As of June 30, 2023		As of March 31, 2023	
	Loans receivable	Ratio	Loans receivable	Ratio
Individuals	5,926,424	86.11	5,664,193	85.74
Financial institutions	102,733	1.49	107,320	1.62
Government of Japan	851,542	12.38	833,393	12.61
Others	1,547	0.02	1,686	0.03
Total	6,882,246	100.00	6,606,594	100.00



## 12. Unrealized Gains (Losses) on Securities

### [Consolidated]

(billions of yen)

	As of June 30, 2023			As of March 31, 2023	
	Amount on the consolidated balance sheet	Unrealized gains/losses (A)	(A) - (B)	Amount on the consolidated balance sheet	Unrealized gains/losses (B)
Securities	653.2	(18.2)	(1.7)	658.1	(16.4)
Held-to-maturity debt securities	—	—	—	—	—
Available-for-sale securities	653.2	(18.2)	(1.7)	658.1	(16.4)
Stocks	0.0	—	—	0.0	—
Bonds	229.3	(7.3)	0.7	240.5	(8.0)
Japanese government bonds	139.9	(5.4)	0.5	149.8	(5.9)
Others	423.8	(10.9)	(2.4)	417.6	(8.4)
Foreign bonds	332.7	(10.0)	(2.6)	317.2	(7.3)

Note: The above table includes beneficial interests in trusts within "Monetary claims bought" in addition to "Securities."

### [Non-consolidated]

(billions of yen)

	As of June 30, 2023			As of March 31, 2023	
	Amount on the consolidated balance sheet	Unrealized gains/losses (A)	(A) - (B)	Amount on the consolidated balance sheet	Unrealized gains/losses (B)
Securities	662.8	(18.2)	(1.7)	668.1	(16.4)
Held-to-maturity debt securities	—	—	—	—	—
Stocks of subsidiaries and affiliates	9.5	—	—	10.0	—
Available-for-sale securities	653.2	(18.2)	(1.7)	658.1	(16.4)
Stocks	0.0	—	—	0.0	—
Bonds	229.3	(7.3)	0.7	240.5	(8.0)
Japanese government bonds	139.9	(5.4)	0.5	149.8	(5.9)
Others	423.8	(10.9)	(2.4)	417.6	(8.4)
Foreign bonds	332.7	(10.0)	(2.6)	317.2	(7.3)

Note: The above table includes beneficial interests in trusts within "Monetary claims bought" in addition to "Securities."

## 13. Derivatives

### (1) Derivatives for which hedge accounting is not applied

[Non-consolidated]

(billions of yen)

			As of June 30, 2023			As of March 31, 2023		
			Contract amount, etc.	Fair value	Unrealized gains/losses	Contract amount, etc.	Fair value	Unrealized gains/losses
Interest rate-related			—	(0.0)	3.3	—	(0.0)	3.0
Interest rate options	sold		229.9	(4.8)	(1.4)	215.2	(5.4)	(2.3)
	bought		229.4	4.8	4.8	214.7	5.4	5.4
Currency-related			—	0.4	0.4	—	0.4	0.4
Foreign exchange forward contracts	sold		712.6	(0.6)	(0.6)	814.3	(1.0)	(1.0)
	bought		808.0	1.0	1.0	941.9	1.5	1.5
Currency options	sold		1.7	(0.0)	(0.0)	0.8	(0.0)	0.0
	bought		1.7	0.0	0.0	0.8	0.0	0.0

Note: The above transactions are stated at fair value, and unrealized gains (losses) are recorded in the consolidated statements of income.

### (2) Derivatives for which hedge accounting is applied

[Non-consolidated]

(billions of yen)

		As of June 30, 2023			As of March 31, 2023		
		Contract amount, etc.	Portion of contract amount, etc., exceeding 1 year	Fair value	Contract amount, etc.	Portion of contract amount, etc., exceeding 1 year	Fair value
Interest rate-related		—	—	1.1	—	—	(0.3)
Interest rate swaps (Receive floating rate, pay fixed rate)	Loans, available-for-sale securities (bonds)	129.1	113.8	1.1	137.1	120.3	(0.3)

Note: The deferral method is applied in accordance with "Treatment of Accounting and Auditing Concerning Application of Accounting Standard for Financial Instruments in Banking Industry" (JICPA Industry Auditing Committee Report No. 24 (February 13, 2002)).

## 14. Deferred Tax Assets and Liabilities

### [Consolidated]

(millions of yen)

	As of June 30, 2023	As of March 31, 2023
Net deferred tax assets (liabilities)	6,208	6,651

### [Non-consolidated]

(millions of yen)

	As of June 30, 2023	As of March 31, 2023
Net unrealized losses on available-for-sale securities	5,654	5,227
Net deferred losses on hedges	815	890
Allowance for loan losses	543	579
Loss on devaluation of stocks of subsidiaries and associates	247	98
Reserve for point card certificates	310	291
Accrued enterprise tax	108	352
Reserve for bonuses	41	130
Other	315	446
Subtotal deferred tax assets (A)	8,036	8,016
Subtotal valuation allowance (B)	(247)	(98)
Total deferred tax assets (A) + (B) (C)	7,789	7,917
Valuation difference on available-for-sale securities	(80)	(191)
Net deferred gains on hedges	(1,103)	(742)
Total deferred tax liabilities (D)	(1,183)	(934)
Net deferred tax assets (liabilities) (C) + (D)	6,606	6,983