

Corrections in Annual Report 2019

The corrected items are in red and underlined.

Status of Main Business (P36)

■ Breakdown of Profits and Losses by Division [Before Correction]

		(Millions of yen)	
TYPE		FY2017	FY2018
Trust fees	Domestic operations	8,513	8,642
	International operations	418	400
	Total	8,932	9,042
Net interest income	Domestic operations	<u>1,882</u>	<u>2,851</u>
	International operations	<u>1,379</u>	<u>4,135</u>
	Total	3,262	6,986
Net fees and commissions	Domestic operations	1,929	1,243
	International operations	74	86
	Total	2,003	1,329
Net trading income (loss)	Domestic operations	-	-
	International operations	0	-
	Total	0	-
Net other operating income (loss)	Domestic operations	1,868	539
	International operations	902	(1,532)
	Total	2,771	(992)
Gross operating profits	Domestic operations	<u>14,193</u>	<u>13,276</u>
	International operations	<u>2,776</u>	<u>3,090</u>
	Total	16,969	16,367
Provision of general allowance for loan losses (deduction)		134	-
General and administrative expenses (excluding non-recurring expenses)		14,885	14,273
Net business profit		1,949	2,093
Non-recurring profit (loss)		(145)	2
Ordinary profits		1,804	2,096

(Note) Domestic operations are yen denominated transactions and international operations are foreign currency denominated transactions. Yen denominated transactions with non-residents and offshore accounts are included in international operations.

[After Correction]

		(Millions of yen)	
TYPE		FY2017	FY2018
Trust fees	Domestic operations	8,513	8,642
	International operations	418	400
	Total	8,932	9,042
Net interest income	Domestic operations	<u>1,960</u>	<u>2,924</u>
	International operations	<u>1,301</u>	<u>4,062</u>
	Total	3,262	6,986
Net fees and commissions	Domestic operations	1,929	1,243
	International operations	74	86
	Total	2,003	1,329
Net trading income (loss)	Domestic operations	-	-
	International operations	0	-
	Total	0	-
Net other operating income (loss)	Domestic operations	1,868	539
	International operations	902	(1,532)
	Total	2,771	(992)
Gross operating profits	Domestic operations	<u>14,271</u>	<u>13,349</u>
	International operations	<u>2,697</u>	<u>3,017</u>
	Total	16,969	16,367
Provision of general allowance for loan losses (deduction)		134	-
General and administrative expenses (excluding non-recurring expenses)		14,885	14,273
Net business profit		1,949	2,093
Non-recurring profit (loss)		(145)	2
Ordinary profits		1,804	2,096

(Note) Domestic operations are yen denominated transactions and international operations are foreign currency denominated transactions. Yen denominated transactions with non-residents and offshore accounts are included in international operations.

■ Breakdown of Net Interest Income
[Before Correction]

		(Millions of yen)	
TYPE		FY2017	FY2018
Breakdown of investment			
Domestic operations	Average balance	943,363	973,879 [27,347]
	Interest rates	5,532	4,771 [17]
	Yield	0.59%	0.49%
International operations	Average balance	260,142 [37,267]	284,501
	Interest rates	5,020 [18]	7,616
	Yield	1.93%	2.68%
Total	Average balance	1,166,238	1,231,033
	Interest rates	10,535	12,370
	Yield	0.90%	1.00%
Breakdown of funding			
Domestic operations	Average balance	1,032,774 [37,267]	1,059,671
	Interest rates	3,650 [18]	1,919
	Yield	0.35%	0.18%
International operations	Average balance	124,984	167,666 [27,347]
	Interest rates	3,641	3,481 [17]
	Yield	2.91%	2.08%
Total	Average balance	1,120,491	1,199,990
	Interest rates	7,273	5,384
	Yield	0.65%	0.45%
Profit margin			
Domestic operations		0.24%	0.31%
International operations		(0.98%)	0.60%
Total		0.25%	0.55%

(Note) 1. The figures in brackets ([]) are the average balance and interest (net) of fund transfers between domestic operations and international operations.

2. The average balance of foreign currency denominated transactions in international operations is calculated by the daily current method (whereby the T.T.M rate of the day is applied to the non-exchange transactions of the day).

3. The average balance and interest of fund transfers between domestic operations and international operations are off set against each other in the total number.

[After Correction]

		(Millions of yen)	
TYPE		FY2017	FY2018
Breakdown of investment			
Domestic operations	Average balance	1,042,213 [98,850]	1,090,388 [143,855]
	Interest rates	5,592 [60]	4,844 [89]
	Yield	0.54%	0.44%
International operations	Average balance	222,874	284,501
	Interest rates	5,002	7,616
	Yield	2.24%	2.68%
Total	Average balance	1,166,238	1,231,033
	Interest rates	10,535	12,370
	Yield	0.90%	1.00%
Breakdown of funding			
Domestic operations	Average balance	995,506	1,059,671
	Interest rates	3,631	1,919
	Yield	0.36%	0.18%
International operations	Average balance	223,835 [98,850]	284,174 [143,855]
	Interest rates	3,701 [60]	3,554 [89]
	Yield	1.65%	1.25%
Total	Average balance	1,120,491	1,199,990
	Interest rates	7,273	5,384
	Yield	0.65%	0.45%
Profit margin			
Domestic operations		0.18%	0.26%
International operations		0.59%	1.43%
Total		0.25%	0.55%

(Note) 1. The figures in brackets ([]) are the average balance and interest (net) of fund transfers between domestic operations and international operations.

2. The average balance of foreign currency denominated transactions in international operations is calculated by the daily current method (whereby the T.T.M rate of the day is applied to the non-exchange transactions of the day).

3. The average balance and interest of fund transfers between domestic operations and international operations are off set against each other in the total number.

■ Changes in Interest Income and Interest Expenses (P.37)

[Before Correction]

		(Millions of yen)	
		FY2017	FY2018
Interest income			
Domestic operations (decrease)	Change due to balance	(1,463)	149
	Change due to interest rates	952	(910)
	Net change	(511)	(761)
International operations (decrease)	Change due to balance	43	652
	Change due to interest rates	722	1,943
	Net change	766	2,595
Subtotal		255	1,834
Interest expenses			
Domestic operations (decrease)	Change due to balance	(486)	48
	Change due to interest rates	2,060	(1,779)
	Net change	1,573	(1,730)
International operations (decrease)	Change due to balance	637	886
	Change due to interest rates	26	(1,045)
	Net change	663	(159)
Subtotal		2,237	(1,890)
Total		(1,982)	3,724

(Note) Regarding the reasons for change in the balance and the interest rates, when there is an overlap between the two, it is included in the reasons for "change due to balance".

Management Indices (P58)

■ Overall Profit Margin

[Before Correction]

		(%)	
		FY2017	FY2018
Yield on investments	Domestic operations	0.59	0.49
	International operations	1.93	2.68
	Total	0.90	1.00
Funding cost	Domestic operations	1.69	1.43
	International operations	3.75	2.72
	Total	1.98	1.64
Overall profit margin	Domestic operations	(1.10)	(0.94)
	International operations	(1.82)	(0.04)
	Total	(1.08)	(0.64)

■ Gross Operating Profit Ratio

[Before Correction]

		(%)	
		FY2017	FY2018
Gross operating profit ratio	Domestic operations	1.50	1.36
	International operations	1.06	1.08
	Total	1.45	1.32

[After Correction]

		(Millions of yen)	
		FY2017	FY2018
Interest income			
Domestic operations (decrease)	Change due to balance	(1,453)	214
	Change due to interest rates	951	(962)
	Net change	(502)	(748)
International operations (decrease)	Change due to balance	(42)	1,649
	Change due to interest rates	807	964
	Net change	764	2,614
Subtotal		262	1,865
Interest expenses			
Domestic operations (decrease)	Change due to balance	(501)	116
	Change due to interest rates	2,073	(1,828)
	Net change	1,571	(1,712)
International operations (decrease)	Change due to balance	(41)	754
	Change due to interest rates	714	(901)
	Net change	673	(146)
Subtotal		2,244	(1,858)
Total		(1,982)	3,724

(Note) Regarding the reasons for change in the balance and the interest rates, when there is an overlap between the two, it is included in the reasons for "change due to balance".

[After Correction]

		(%)	
		FY2017	FY2018
Yield on investments	Domestic operations	0.54	0.44
	International operations	2.24	2.68
	Total	0.90	1.00
Funding cost	Domestic operations	1.75	1.43
	International operations	2.12	1.63
	Total	1.98	1.64
Overall profit margin	Domestic operations	(1.21)	(0.99)
	International operations	0.12	1.05
	Total	(1.08)	(0.64)

[After Correction]

		(%)	
		FY2017	FY2018
Gross operating profit ratio	Domestic operations	1.36	1.22
	International operations	1.21	1.06
	Total	1.45	1.32