

# Frequently Asked Questions



Below are the main frequently asked questions received by the Bank since the financial results briefing on November 19, 2018.

<b>Q1</b>	<b>How is the current situation and the future forecast on loans for asset building?</b>
<b>A1</b>	<p>As shown in the IR presentation, we decline doubtful applications as early as possible by adopting system which enables us to accept only applications with sufficient credibility. In addition, we emphasize profitability of property itself (business risk) in credit review, and also carefully consider borrowers' profile. Thus, credit risk maintains low.</p> <p>However, based on the recent real-estate market, we plan to work on these kinds of loans more carefully while revising earnings target flexibly.</p>
<b>Q2</b>	<b>What is your future policy on investing in securities?</b>
<b>A2</b>	<p>Recently risk factors, such as rise in US long-term interest rate, are growing, and we control balance of foreign bonds while paying attention to market condition. We plan to generate well-balanced earnings including not only interest and dividend on securities but also capital gains from flexibly buying and selling securities while carefully watching the market trends.</p> <p>During 13<sup>th</sup> Medium-term Business Plan, we promote "earnings-based" structural reform with the aim of realizing earnings structure which does not rely on market operations division. We do so by increasing earnings from deposits and loans and raising fee incomes in core business field, and working on growing business fields such as market credit investment in which earnings are recently increasing.</p>