The Norinchukin Bank

2003

ANNUAL REPORT

For the Year Ended March 31, 2003

Profile

The Norinchukin Bank (the "Bank") was established in 1923 as a quasi-governmental financial institution. Privatized in 1959, the Bank is one of Japan's largest and most distinguished banks.

The Bank is the central bank for Japanese agricultural, forestry, and fishery cooperative systems. Based on constant funds procurement from member cooperatives, the Bank carries out efficient and flexible asset management by investing in various financial products. This is carried out on a global scale. The profits from these activities are then continuously passed on to members.

The Bank has branches in the world's major financial centers, including New York, London, and Singapore. Coupled with its head office in Tokyo, this network enables 24-hour coverage of the global financial markets.

Contents

Forward-Looking Statements

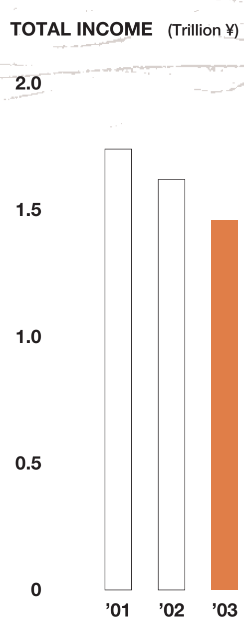
This material contains forward-looking statements pertaining to the businesses and prospects of the Bank. Such statements are based on our current expectations and are subject to the risks and uncertainties that may affect our businesses, which could cause actual results to differ materially from those currently anticipated.

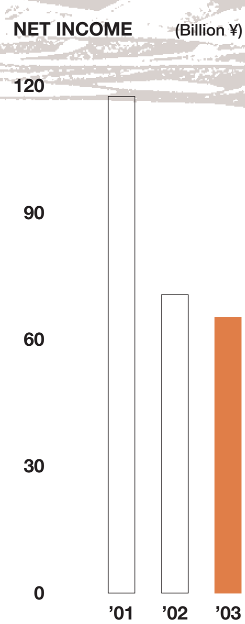
Consolidated Financial Highlights

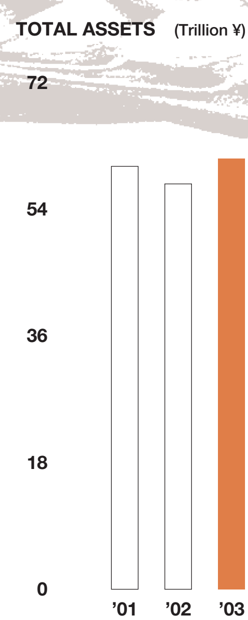
The Norinchukin Bank Group
As of March 31, 2003 and 2002

		Millions of Yen		Millions of U.S. Dollars (Note)
		2003	2002	**2003**
For the Year	Total Income	**¥ 1,463,483**	¥ 1,619,243	**$ 12,175**
	Total Expenses	**1,367,846**	1,528,462	**11,379**
	Income before Income Taxes	**95,637**	90,781	**795**
	Net Income	**65,447**	70,608	**544**
At Year-End	Cash and Due from Banks	**4,338,327**	3,907,483	**36,093**
	Securities	**28,623,408**	23,224,644	**238,132**
	Loans and Bills Discounted	**19,179,165**	23,985,896	**159,560**
	Total Assets	**61,265,449**	57,579,985	**509,696**
	Deposits	**40,421,665**	38,255,219	**336,287**
	Debentures	**5,790,783**	5,906,480	**48,176**
	Total Liabilities	**59,496,526**	55,696,422	**494,979**
	Paid-in Capital	**1,224,999**	1,124,999	**10,192**
	Total Shareholders' Equity	**1,767,120**	1,881,745	**14,702**
	Total Liabilities, Minority Interests and Shareholders' Equity	**61,265,449**	57,579,985	**506,696**
	BIS Capital Adequacy Ratio (%)	**9.87%**	10.02%	

Note: Yen amounts have been translated, for convenience only, at ¥120.20 to U.S.$1.00. Billion and trillion are used in the American sense of one thousand million and one million million, respectively.







A Message from the President

Hirofumi Ueno, *President & CEO*

Introduction

The Norinchukin Bank (the "Bank") is a nationwide financial institution based on the Japanese agricultural, forestry, and fishery cooperatives. Supported by constant funds procurement from members and other users through these organizations, the Bank carries out profitable, efficient, and flexible asset management by investing in financial products on a global scale. The Bank, in accordance with the commitment of the cooperative members, has continuously passed on the profits from these activities.

In addition, the Bank also provides the cooperative members with a variety of financial services, which include a common national system infrastructure and the development of financial products in the field of retail business.

In fiscal 2003, the year ending March 31, 2004, the Bank will celebrate the 80th anniversary since its establishment in 1923. I would like to take this opportunity to express my appreciation to all our cooperative members and business partners for their unyielding support over the years.

Performance of the Bank in Fiscal 2002

In fiscal 2002, financial institutions faced a difficult business environment. In Japan, long- and short-term interest rates fell further amid the deterioration of asset prices as a result of continuous sluggish economic conditions. Sharp declines in stock prices, both at home and abroad, resulted from economic uncertainty due to geopolitical risk factors, such as the outbreak of war in Iraq.

Under this environment, the Bank made efforts to ensure asset quality, while writing off and making provisions for non-performing loans based on strict self-assessment, and also worked to secure higher earnings by globally diversifying its investments. As a result, recurring profit was ¥98,463 million (US$819 million), an increase of ¥8,335 million on a year-on-year basis, while net income totaled ¥65,447 million (US$544 million).

The Bank's total assets at the fiscal year-end stood at ¥61,265 billion (US$509 billion). As a result of global diversification, foreign securities made up ¥16,271 billion (US$135 billion) of total investment securities, which amounted to ¥28,623 billion (US$238 billion).

Credit costs on a non-consolidated basis declined ¥53,130 million, to ¥55,071 million (US$458 million), from the previous fiscal year. Although ongoing write-offs, provisions, and the bulk sale of loans were carried out, a reversal of the general reserve for possible loan losses was seen as a result of a decline in non-performing loans, such as those under requirement of control.

The Bank took active measures to remove non-performing exposure from its balance sheet and was successful in eliminating ¥196,191 million (US$1,632 million) through direct write-offs and the recovery of a portion of its non-performing loans. As a result, the total balance of risk-managed loans as of March 31, 2003, was ¥655,503 million (US$5,453 million), which represented 3.4% of the Bank's total loan assets.

The consolidated capital adequacy ratio calculated according to BIS requirements declined 0.15 percentage point compared with the previous fiscal year-end, to 9.87%. This decline reflected a rise in risk-adjusted assets in conjunction with an increase in invested assets aimed at securing stable earnings over the medium term. The Bank's Tier I capital adequacy ratio, which is regarded as a measure of the quality of capital for financial institutions, was 6.47%.

Strengthening of the Bank's Capital

In fiscal 2002, the Bank carried out three measures to increase capital from qualitative and quantitative aspects, detailed as follows:

1. The Bank doubled common stock, the core component of Tier I capital, to ¥200 billion, from ¥100 billion.
2. The Bank established a ¥367 billion borrowing framework comprised of perpetual subordinated loans, which are classified as Upper Tier II capital, a higher quality of capital within Tier II. The Bank has already procured ¥183 billion, or half the amount available under the framework. The remaining amount can be withdrawn at any time, and there are plans to acquire this in due course.
3. The Bank refinanced ¥490 billion in subordinated loans with maturity taken out in fiscal 1997, classified as Tier II capital. The Bank added ¥31 billion to the refinanced amount, bringing the total to ¥521 billion.

Medium-Term Business Strategy

The Bank formulated a medium-term business strategy covering the period from October 2001 to March 2005. The goal of the strategy is to create mechanisms for securing stable profitability through the concept of selection and concentration on business activities and promoting unified business operations of the cooperative credit business. At the same time, the Bank will specifically address the following four issues as key concepts to further improve organizational and business efficiency as well as enhance profitability.

1. Realization of unified operations of the cooperative credit business
2. Restructuring to create a stronger cooperative credit business
3. Strengthening earnings by the enhancement of optimal risk management
4. Re-engineering overall operations

The following section details the Bank's progress in addressing these issues as of the end of fiscal 2002.

●Realization of Unified Operations of the Cooperative Credit Business

Sound Operation of the JA Banking System (refer to page 7)

The Bank has worked to provide high-quality, sophisticated financial services to members and other users and implement bankruptcy prevention measures within the JA Banking System. The Bank has addressed the former through the provision of a variety of financial services, including a common national system infrastructure for JA Bank members and the development of financial products tailored to meet the needs of members and other users in the field of retail banking. As for the latter, certain criteria to prevent the failure of operations by cooperative members were established by a consensus of cooperative members themselves led by the Bank. The Bank also monitors JA through the JA Bank System Headquarters, established within the Bank. In this way, the Bank is able to detect problems at an early stage, formulate a safety net in cooperation with the authorities, and implement necessary corrective measures.

●Restructuring to Create a Stronger Cooperative Credit Business

Realization of Consolidation of Shinnoren with the Bank

In fiscal 2002, two of the 46 Prefectural Credit Federations of Agricultural Cooperatives (Shinnoren) were consolidated with the Bank, and, in May 2003, the consolidation of another with the Bank was realized through acquisition of a part of its credit business. We have also reached agreement whereby the Bank and three other Shinnoren will consolidate during this fiscal year.

●Strengthening Earnings by the Enhancement of Optimal Risk Management

Realization of Stable Earnings through Globally Diversified Investment

The Bank carries out total asset allocation based on the concepts of optimal risk management and global diversification, thereby gaining profits from taking market and credit risk. At the same time, the Bank is progressing with the sophistication of management methods and infrastructure development in light of the new BIS regulations scheduled to go into effect in fiscal 2006.

● Re-engineering Overall Operations

Achieving Greater Selectivity and Focus

The Bank is moving forward with efforts to streamline and increase the efficiency of its operations by achieving greater selectivity and focus in its business portfolio. In line with this, the Bank is outsourcing some of its operations, re-examining the distribution of personnel, and consolidating branches.

A Trusted Financial Institution (Credit Ratings)

As of June 30, 2003, the Bank's long-term debt was rated A1 by Moody's Investors Service and A+ by Standard & Poor's. These are among the highest credit ratings for Japanese financial institutions and are a reflection of the Bank's stable cooperative funding bases, sound asset quality represented by its low ratio of non-performing loans, ample liquidity through cash positions and short-term market transactions, and solid capital base.

Conclusion

With the realization of the goals laid out in our medium-term business strategy, there will be a bright future for the Bank and its cooperative credit business. Therefore, I am committed to resolving such issues in the shortest possible time frame, actions that will also allow heightened emphasis on compliance. I am also confident that these efforts will not only enhance the corporate value of the Bank and its cooperative credit business but will also enable us to support the development of the agricultural, forestry, and fishery industries in Japan and contribute to society as a whole.

I am looking forward to your continued support in the years ahead.

August 2003

Hirofumi Ueno

Hirofumi Ueno
President and Chief Executive Officer

Norinchukin Bank and the JA Banking System

FRAMEWORK OF THE JA BANKING SYSTEM AND THE UNIQUE SAFETY NET FOR THE COOPERATIVE CREDIT BUSINESS

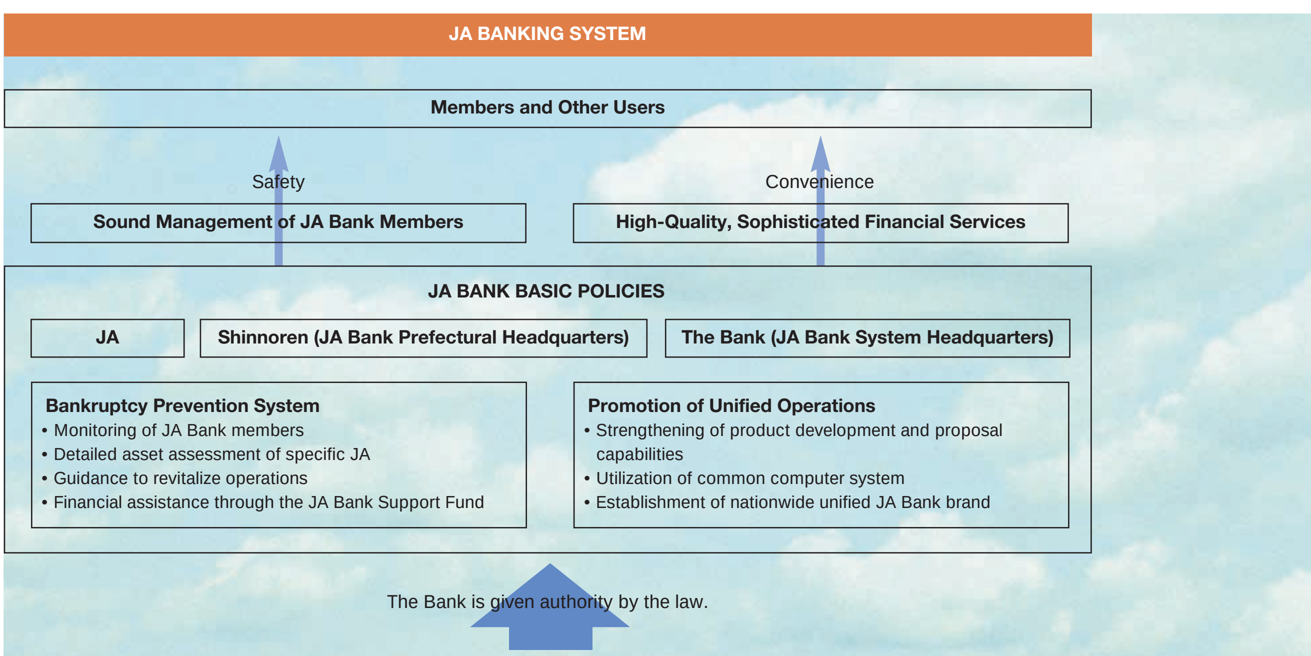
Function of the JA Banking System

The JA Bank is the generic name for the group comprising JA, Shinnoren, and the Bank (all of which are JA Bank members), which pursues unified operations to increase efficiency.

In January 2001, JA Bank members formulated "JA Bank Basic Policies" based on the relevant laws. The purpose of these policies is to create a sound cooperative credit business that is more trusted and utilized as a financial institution by its members and other users. These policies act as a code of conduct that has been established based on a consensus of JA Bank members. Based on these policies, JA Bank members will pursue more unified business operations in order to increase competitiveness and credibility (JA Banking System). To conduct operations of the JA Banking System, a JA Bank System Headquarters has been established within the Bank, and a JA Bank Prefectural Headquarters has been set up within each Shinnoren.

The JA Banking System rests on two pillars: the pursuit of unified operations to provide high-quality, sophisticated financial services to its members and other users and effective bankruptcy prevention measures aimed at ensuring the trustworthiness of JA Bank members.

As for the promotion of unified operations, the Bank is focusing on R&D of new products and marketing methods for customer satisfaction by introducing Customer Relationship Management. Information networks linking JA, Shinnoren, and the Bank were also created to enable these three entities to pursue product development and business operations in line with customers' needs.



The Bankruptcy Prevention System serves as a mechanism for detecting financial problems at a stage earlier than that stipulated by law. As a part of this, the JA Bank System Headquarters requires all members to submit financial documents pertaining to business management. It also conducts detailed assessment of assets in JA based on the relevant criteria. By doing so, JA Bank members are able to take the necessary steps, including the introduction of measures for revitalization, to rectify problems at an early stage.

Overview of the Unique Safety Net for the Cooperative Credit Business

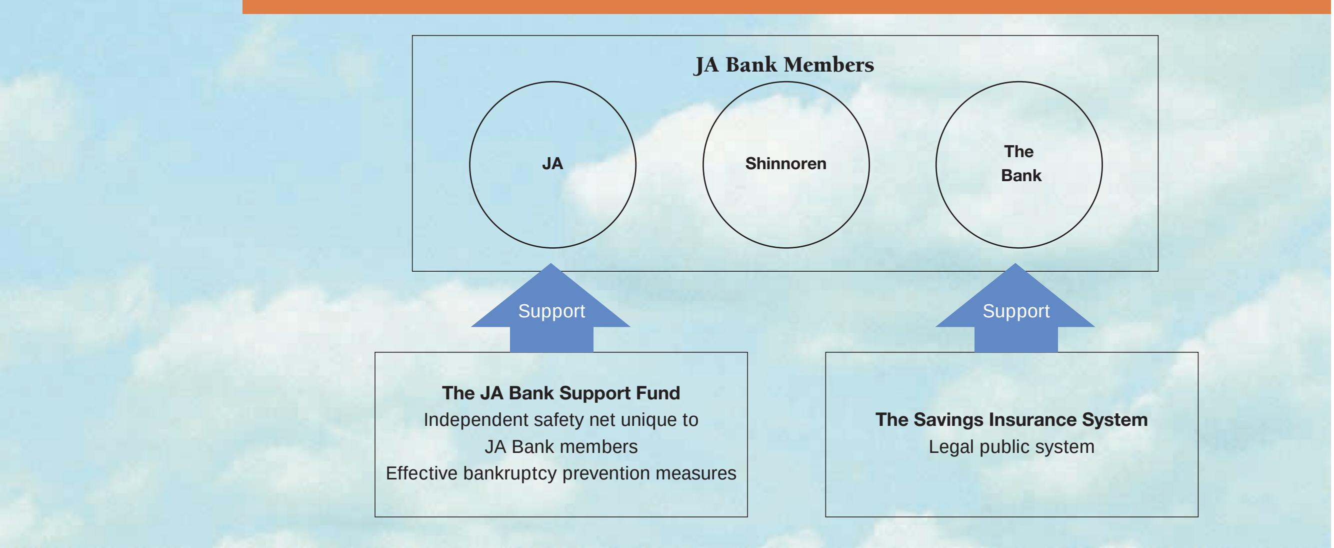
The safety net for JA Bank members is underpinned by two mechanisms. The first is an independent safety net undertaken by the cooperatives themselves, a feature not found in other banks. The second is the Savings Insurance System, a public system mandated by law.

The aforementioned Bankruptcy Prevention System, unique to JA Bank members, is the safety net operated independently by JA Bank members. Under this system, the JA Bank Support Committee implements support, including the injection of private capital, if necessary. In the unlikely event a JA faces severe financial difficulty, the JA Bank Support Fund set aside on a voluntary basis by JA Bank members is used in coordination with the Savings Insurance System.

With regard to Fishery Cooperatives (Gyokyo) credit business, a Bankruptcy Prevention System analogous to the JA Banking System has been created based on basic policies applicable to JF Marine Bank members (Gyokyo, Prefectural Credit Federations of Fishery Cooperatives (Shingyoren), and the Bank).

The Savings Insurance System derives its funding from insurance premiums paid yearly by JA, Gyokyo, Shinnoren, Shingyoren, and the Bank. This system protects depositors in the event a member of JA Bank or JF Marine Bank fails and is unable to return deposited funds to members and other users and is commensurate with the Deposit Insurance System for other banks.

SAFETY NET FOR JA BANK MEMBERS



Capital

The Bank's capital is composed of common stocks, including lower dividend rate stocks, and preferred stocks. Common stocks, amounting to ¥200 billion, are the most basic means of fund-raising for the Bank, and these are purchased by all of the shareholding member cooperatives. Lower dividend rate stocks are one type of common stock that are underwritten by certain members for specific purposes and are subject to special conditions whereby the equity dividend rate is lower than that of common stocks. As of the end of fiscal 2002, the balance of lower dividend stocks purchased by Shinnoren and Shingyoren stood at ¥1 trillion. Preferred stocks are equity funds purchased by non-members with no voting rights. In the past, the Bank issued a total of ¥50 billion in such stocks through a private offering.

Perpetual subordinated loans and subordinated loans with maturity in Tier II classification under BIS requirements and borrowed from cooperative members amounting to ¥705 billion serve to enhance the Bank's overall capital position.

In fiscal 2002, the Bank enhanced its equity capital as follows:

1. *A capital increase to double the amount of common stock outstanding to ¥200 billion, from ¥100 billion, was carried out.*
2. *¥183 billion in new capital was procured through perpetual subordinated loans, which are categorized as Upper Tier II, denoting a higher quality of capital within Tier II.*
3. *¥490 billion in subordinated loans with maturity from cooperative members, undertaken in fiscal 1997, was refinanced, adding ¥31 billion to the loan amount, bringing the total to ¥521 billion.*

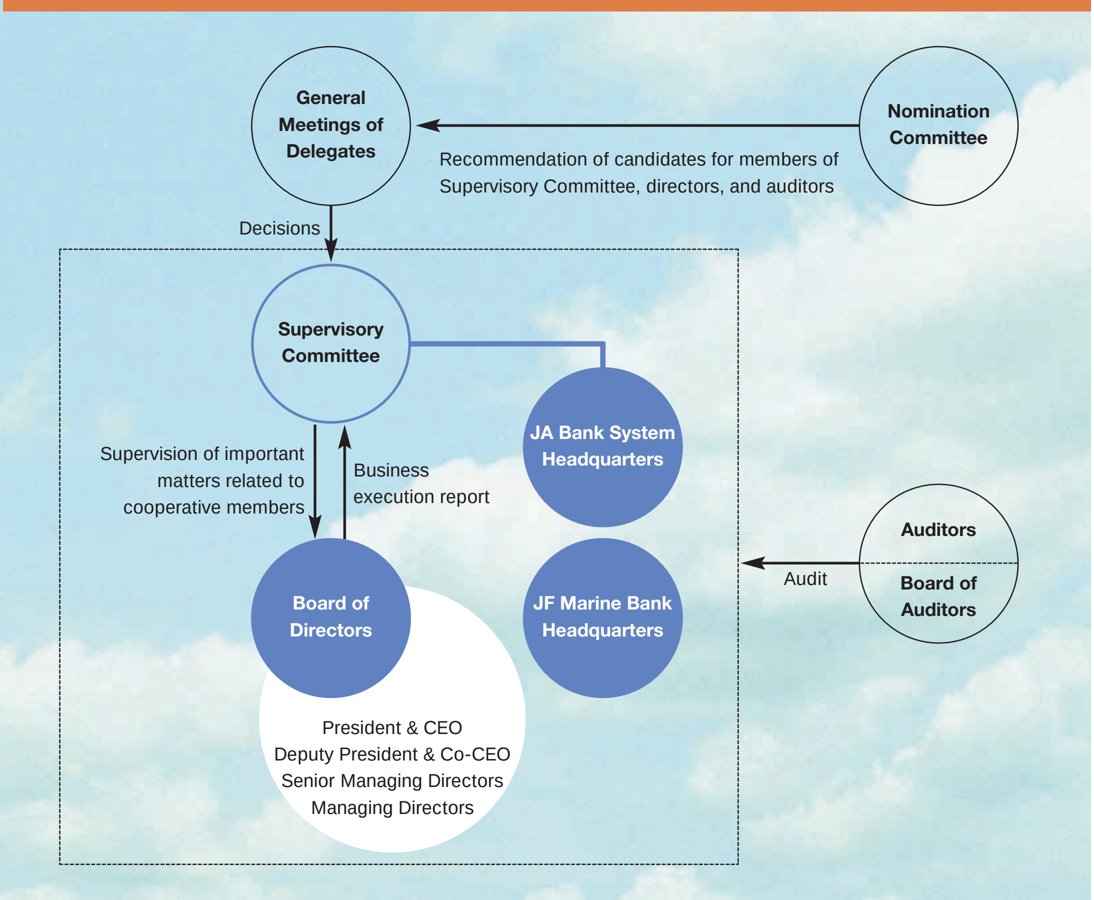
Funding

Funding for the Bank consists mainly of deposits and Norinchukin Bank debentures. Deposits differ from those of other banks in that they are primarily made up of funds from cooperative members. Specifically, deposits made by JA and Gyokyo members, who are directly involved in the primary industries, as well as local residents are entrusted to the Bank via Shinnoren and Shingyoren. Another characteristic is a high proportion of time deposits. These two qualities contribute to the long-term stability of the Bank's funding system.

Corporate Governance

Under the Norinchukin Bank Law and the law related to the cooperatives, the Bank is able to provide the necessary guidance to JA Bank members to reorganize and strengthen the JA credit business as well as carry out its original duties as a financial institution. To fulfill this role, the Supervisory Committee is empowered to make decisions regarding the basic policies of the Bank, the reorganization and enhancement of the cooperative credit business, and important matters related to the agricultural, forestry, and fishery cooperatives, including specific action plans. Meanwhile, the Board of Directors is entrusted with the approval authority, and individual directors execute matters related to the financial duties conducted by the Bank. The Board of Directors supervises the business execution of the directors, with the objective of using mutual supervision to ensure appropriateness of the system. In addition to this mutual supervision, auditors also audit the execution of the Bank's business.

MANAGEMENT SYSTEM OF THE BANK (CORPORATE GOVERNANCE)

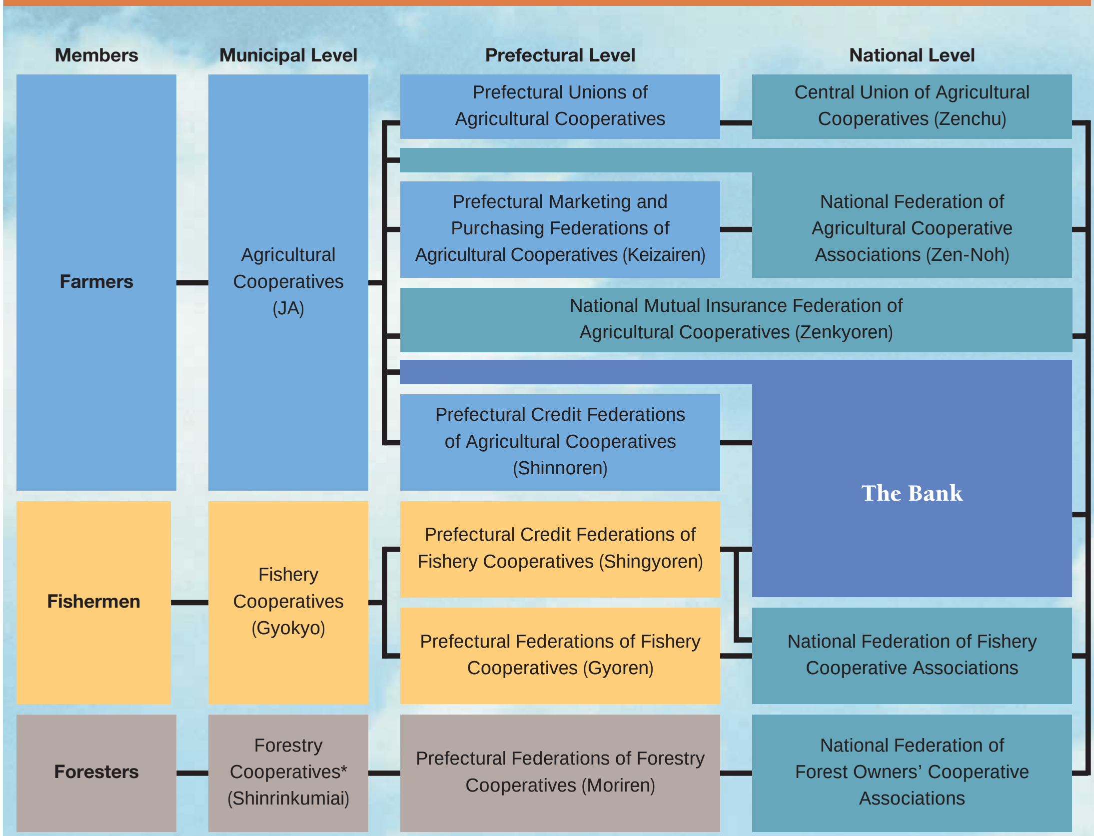


Outline of the Cooperative System

The cooperative system, as shown in the chart below, is a multi-tiered structure with a base comprising farmers, fishermen, and foresters organized into JA, Gyokyo, and the Forestry Cooperatives (Shinrinkumiai) at the municipal level. These cooperatives, in turn, form prefectural organizations, and the entire structure is capped by national-level organizations, including the Bank. Organizations at the prefectural and national levels perform specialized business functions, including consulting, sales and purchasing, financing, and mutual insurance services. (Shinrinkumiai and the Prefectural Federations of Forestry Cooperatives (Moriren) do not provide such financing functions.) The three levels of the cooperative system are closely linked through capital subscriptions, management, and business ties and occupy a major position within the Japanese economy.

The Bank serves as the central bank for the cooperatives, extending loans throughout the cooperative system and receiving the majority of its funding from the cooperatives as well as prefectural federations. The Bank acts as an intermediary, making adjustments in the supply and demand for funds within the cooperative system, returning profits to the system, and providing funds to other national-level federations in the system.

STRUCTURE OF THE AGRICULTURAL, FORESTRY, AND FISHERY COOPERATIVE SYSTEM



* *Forestry Cooperatives do not take deposits.*

Funding through the Cooperative System

The Bank's primary sources of funds are deposits, the majority of which are obtained from the cooperative system and the issuance of Norinchukin Bank debentures. Deposits of JA and Gyokyo are obtained from members of these cooperatives in primary-sector industries and from other residents of local communities. These deposits are entrusted to the Bank via Shinnoren and Shingyoren.

Deposits placed with JA and Gyokyo are lent to members for financing their business operations or as general-purpose loans. Of the remainder, in principle, two-thirds or more are entrusted to Shinnoren and Shingyoren at the prefectural level. These organizations extend loans to agricultural and fishery cooperative organizations, corporations related to the primary sector, and local governments within their own prefectures. One-half or more of the remaining funds are deposited with the Bank. This structure is supported by strong ties with the members of Shinnoren, JA, and other related partners.

The Bank is also one of the few financial institutions in Japan that can float bank debentures and raise funds from individual and institutional investors.

Use of Funds

The Bank's abundant funds, procured from the above-mentioned sources, are used intensively for loans and investment in securities. A portion of earnings is also distributed to the members of the cooperative credit system.

The Bank's clients for loans are classified mainly into three categories:

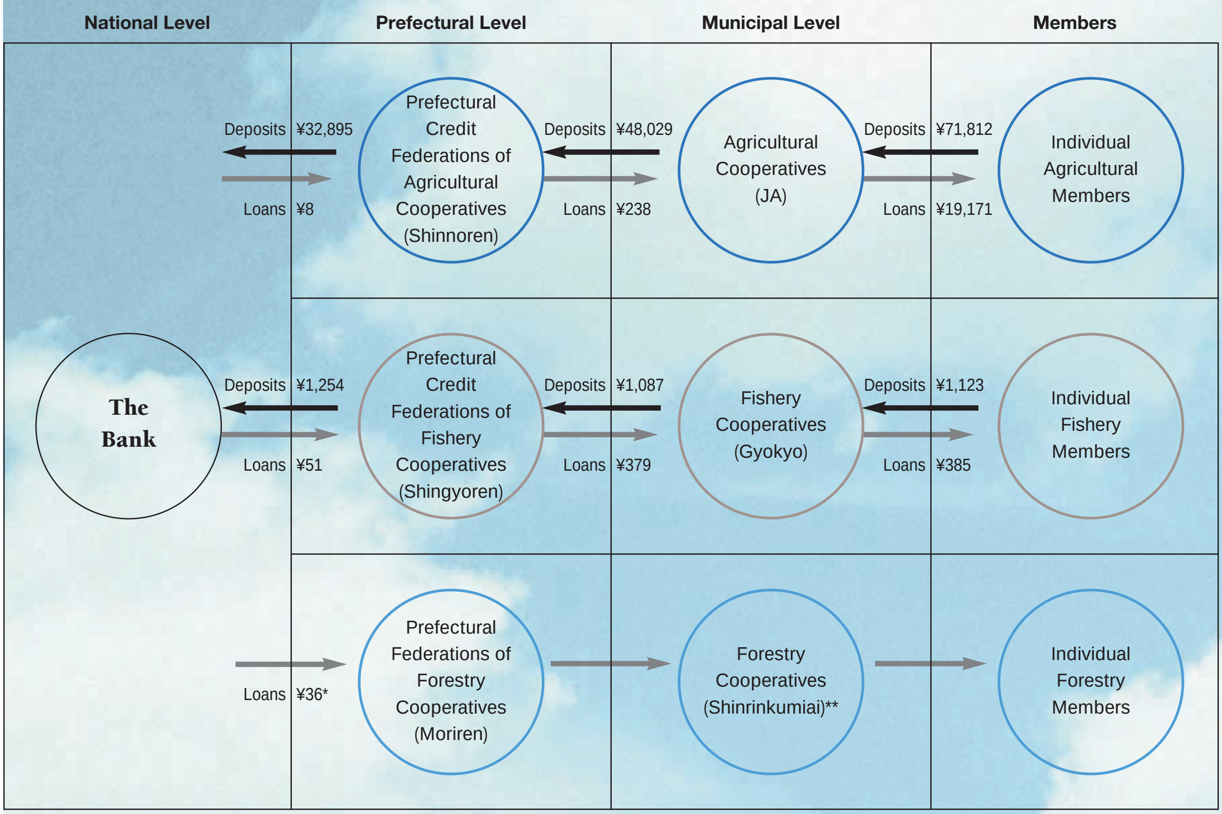
- *Cooperative organizations of the agricultural, forestry, and fishery cooperative system and entities engaged in agriculture, forestry, and fishing,*
- *Companies and organizations contributing to the development of the primary sector, and*
- *Government, local government, and other public institutions*

In particular, the Bank, since its establishment, has positioned loans to member organizations of the cooperative system, related corporations of those members, and entities in the primary sector as the basis of its activities. The Bank has provided a unique cooperative low-interest rate fund, called the Agriculture, Forestry, and Fishery Promotion Fund. The Bank has financially supported the development of primary-sector industries and cooperative organizations, with the aim of training the next generation who will participate in the agriculture, forestry, and fishery industries, and promoted the development of ecological agriculture. The Bank also provides financial resources to regional public-sector organizations and public corporations in order to build a stronger industrial base in local communities and raise the standard of living and well-being of local residents.

In addition, drawing on its ample financial resources and accumulated know-how, the Bank, as Japan's largest institutional investor, is an active participant in the securities and money markets, and particularly plays a leading role in short-term money markets. Besides these activities, the Bank has been expanding its overseas investments as well as supporting the development of the overseas operations of member organizations and primary-sector-related industries.

LOANS AND DEPOSITS WITH COOPERATIVE MEMBERS IN THE COOPERATIVE CREDIT SYSTEM (Billions of Yen)

(As of March 31, 2003)



** Loans to the national federation and to municipal-level cooperatives are included.*
*** Forestry Cooperatives do not take deposits.*

OVERALL FINANCIAL POSITION OF THE COOPERATIVE CREDIT SYSTEM (Billions of Yen)

(As of March 31, 2003)

	Deposits	Debentures	Borrowings	Cash and Due from Banks	Securities	Loans	Total Assets
JA	¥74,420	¥ —	¥534	¥51,129	¥ 3,586*	¥21,015	¥76,009
Gyokyo	1,178	—	246	1,066	14	406	1,476
Shinnoren	50,327	—	41	32,786	13,757*	5,415	54,319
Shingyoren	2,312	—	53	1,426	174*	785	2,538
The Bank	40,488	5,807	705	4,226	28,672	19,187	60,188

** Money held in trust is included.*

Flow of Funds through JA Cooperative System in Fiscal 2002

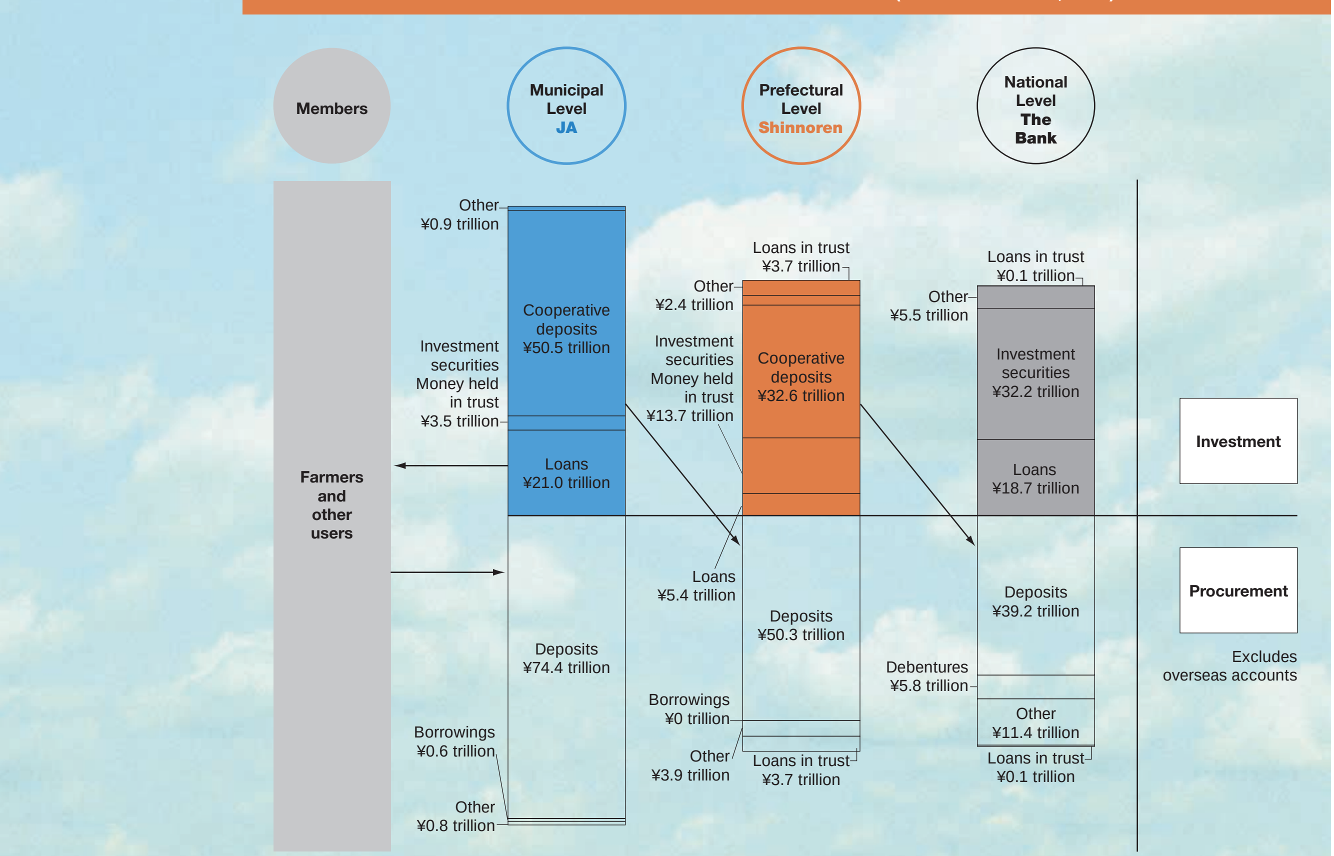
JA deposits, centered on deposits by individuals, rose 1.2% over the previous year to stand at ¥74,420 billion (US$619 billion) at the fiscal year-end. This increase was attributable to efforts to secure trust in the JA Banking System.

Total JA loans decreased 1.1% from a year earlier, to ¥21,015 billion (US$174 billion). However, recently, there has been a recovery in housing loans. Outstanding securities at the fiscal year-end held at the JA level declined 11.8% on a year-on-year basis, to ¥3,586 billion (US$29 billion).

In response to these trends at the JA level, deposits with Shinnoren rose. However, the overall balance of deposits with Shinnoren at the end of the fiscal year declined 0.3% from the previous year, to ¥50,327 billion (US$418 billion). This decline reflected the consolidation of two Shinnoren with the Bank and the resulting acceptance of JA deposits directly by the Bank. Loans from Shinnoren rose 1.1% from a year earlier, to ¥5,415 billion (US$45 billion), owing to an increase in loans to local government organizations. Securities held at the Shinnoren level at fiscal year-end were ¥13,757 billion (US$114 billion), representing an increase of 2.1% over the previous year-end.

As a result, the remaining funds ultimately deposited with the Bank through the JA cooperative credit system amounted to substantially more than ¥32 trillion.

FLOW OF FUNDS WITHIN JA CREDIT BUSINESS (AS OF MARCH 31, 2003)



Enhancement of the JA Organization

To deal with changes in the environment for agriculture, members, and JA, the JA Group (JA, Shinnoren, the Bank, and other related cooperatives) are progressing with the consolidation of individual JA organizations while also taking proactive steps to realign organizational structures and streamline business management at every level of operation and throughout every system and function within the JA structure. As a result, the number of JAs, which exceeded 3,000 as of March 31, 1991, declined to 944 as of April 1, 2003.

In June 1998, a policy entitled Basic Approach to the Reorganization of the Cooperative Credit Business Organization was established. In this report, the following four schemes were assumed as directions for the reorganization of the cooperative credit business:

(1) To realize two levels of organization through the integration of the Bank and Shinnoren,

(2) To realize one JA per prefecture by combining Shinnoren and JA in the same prefecture,

(3) To realize a more efficient and focused Shinnoren, and

(4) To realize interregional Shinnoren where Shinnoren of several different prefectures are integrated.

In response to the report, the specific implementations of this reorganization have been debated in each prefecture.

As a result of the discussions held to date, the consolidation with the Bank of seven of the 46 Shinnoren has been decided upon. Consolidation of two Shinnoren with the Bank was achieved through the acquisition of a part of the credit business in fiscal 2002, and, in fiscal 2003, further progress was made through the acquisition of a part of the credit business of another Shinnoren. In addition, specific deliberations are currently progressing with four Shinnoren, including the acquisition of related assets, liabilities, and business operations. Of these, contracts for consolidation during fiscal 2003 have been concluded with three.

The Bank continuously aims to create a cooperative credit business that lives up to the expectations of and proves worthy of the trust it receives from its members and other users. The Bank is committed to continuing to support the development of the functions and systems of JA and steadily working to streamline and increase the efficiency of its own operations.

Social Contributions

The Bank dedicates itself to preserve the natural environment in harmony with people and industry as well as to make towns more attractive for residents and visitors. For more than 30 years, the Bank has been hosting a nationwide flower campaign with the catchphrase "Green towns and flowers in windows."

Each year, the Bank makes contributions of flower seeds, bulbs, flowerbeds, and other gardening items to public facilities, including local public bodies, parks, and schools.

Moving forward, the Bank plans to contribute even further to the protection and preservation of nature and the environment as well as improve people's quality of life through events not merely limited to themes based on "flowers."

Ocean-Related Educational Activities

The oceans, often called the cradle of life, are not just home to various organisms and a supplier of precious foodstuffs in the form of marine products; they also play a vital role in the maintenance and safety of the global environment.

To sustain the wide-ranging functions of the oceans, it is essential to educate citizens on maintaining and nurturing marine resources and preserving marine environments. To this end, the Bank sponsors and collaborates with various public and non-profit organizations whose aim is to educate people about the oceans.

The Norinchukin Foundation, Inc.

The Bank created the Norinchukin Foundation, Inc., in 1994 to commemorate the 10th anniversary of the establishment of its New York Branch. The objectives of the Foundation are to preserve nature, educate children, and promote cultural activities to improve the quality of life in the states of New York, Connecticut, and New Jersey. Each year, the Foundation donates proceeds exclusively to non-profit organizations that are involved in charities and environmental, educational, or cultural activities.

Milestones in the Bank's 80-Year History

1923
- The Bank established with government funds under special legislation as the central bank for Industrial Cooperatives

1938
- Gyokyo joins the Bank

1943
- Forestry Cooperatives (Shinrinkumiai) join the Bank
- The Bank's name officially changed to the Norinchukin Bank

1950
- The first Norinchukin Bank debentures issued

1959
- Redemption of the government's equity stake completed, thereby becoming a private bank

1974
- Foreign exchange operations begin

1977
- Investment and trading in foreign currency denominated bonds begin

1982
- A representative office opens in New York (the Bank's first overseas foothold)

1984
- The New York Representative Office upgraded to branch status

1985
- A representative office opens in London

1986
- Fiduciary services for corporate bonds begin
- Norinchukin International plc opens in London

1989
- The Bank's U.S. dollar denominated notes issued in the Euromarket

1990
- A representative office opens in Singapore

1991
- The London Representative Office upgraded to branch status

1993
- The Singapore Representative Office upgraded to branch status
- Norinchukin Securities Co., Ltd., established
- Norinchukin Investment Trust Management Co., Ltd., established

1995
- Preferred stocks issued, opening the way for capital increases through the participation of ordinary investors
- The Norinchukin Trust & Banking Co., Ltd., established

1996
- Operations of Norinchukin Asset Management Co., Ltd., begin
- Laws concerning the integration of the Bank and Shinnoren enacted

1998
- Issuance of ¥1 trillion in lower dividend rate stock to Shinnoren and Shingyoren and ¥0.5 trillion in subordinated loan transaction completed
- Substantial reorganization of the market risk investment sections, updating these to match global asset management styles
- Representative offices open in Hong Kong and Beijing

2000
- Norinchukin-Zenkyoren Asset Management Co., Ltd., formed through the reorganization of the former Norinchukin Asset Management Co., Ltd.

2001
- The Norinchukin Bank Law is revised
- The Law concerning the reorganization and strengthening of credit business by the Bank and specified cooperatives is revised.

2002
- The JA Banking System begins
- A capital increase of ¥100 billion in common stock is conducted, and ¥183 billion in funds is procured through the issuance of perpetual subordinated loans
- The consolidation of Shinnoren with the Bank begins

Business Outline

Global Asset Allocation

Basic Concept

The Bank places emphasis on total portfolio management based on the concept of globally diversified investment. To accomplish this, the Bank utilizes its strengths, namely (1) a stable yen procurement base provided by cooperative credit business, (2) abundant liquidity, and (3) efficient business management underpinned by fewer personnel and branches.

Characteristics of the Balance Sheet

The Bank's policy of globally diversified investment has resulted in significant changes in its balance sheet, as indicated by the following figures for foreign securities balances. As of March 31, 2003, on a consolidated basis, the Bank's total assets amounted to ¥61 trillion (US$509 billion), with investment securities accounting for ¥28 trillion (US$238 billion). Of the total amount of investment securities, foreign securities accounted for ¥16 trillion (US$135 billion).

The balance of foreign securities as of March 31, 2003, increased four times from ¥4 trillion (US$31 billion) at the end of March 1998.

Portfolio Management

The Bank seeks to diversify its investments to enable a total balance, stability of earnings, and risk diversification. To achieve this, investments in marketable credit risk related financial products, including asset-backed securities (ABS), are carried out. So-called alternative investments, which have a low correlation with bonds and stocks, are also being carried out.

The Bank's objective in managing its portfolio is to establish a flexible and stable financial structure. In order to realize this, the Bank seeks to optimize allocation through long-term investment by considering risk-return, yield differentials among financial products, correlations, and comprehensive diversification (e.g., financial products, countries, industries, and ratings). By doing so, optimal portfolio management in terms of strategic risk taking and risk control will be made possible.

Risk Management

The Bank carries out globally diversified investment while implementing appropriate risk management. To accomplish this, the Bank has established a risk management system that centers on three components. The first is accurate decision making utilizing committees, made up of management and general managers of divisions, that function across divisional boundaries. The Credit Risk Management Committee and the Market Risk Management Committee are the two main bodies. The second is fast and effective execution in accordance with policies decided by these committees. The third is to properly and independently monitor front-office execution and provide feedback on quantitative data for risk volumes so as to reflect these in decision making.

Regarding market transactions, the Market Risk Management Committee meets, in principle, once per month. Meetings are also held on an ad-hoc basis when necessary to formulate flexible measures to deal with market trends or other such factors, thereby enabling prompt decision making.

Front offices carry out the efficient execution of policies while continually monitoring market trends. These offices also propose new investment ideas to the Market Risk Management Committee.

The Risk Monitoring Division independently monitors whether the operations conducted by the front offices follow policies set by the Market Risk Management Committee and measures risk volume. The division reports its findings to this committee, which uses these results as the basis for ascertaining the current status and for considering future policies.

Regarding credit-related transactions, the Credit Committee is a venue for the deliberation of the basic framework of credit risk management. The framework entails the credit ceiling system by country, bank, and individual company, internal rating system, and self-assessment. The Credit Risk Management Committee debates specific policies for credit risk related transactions.

Foreign-Currency Procurement

Regarding the foreign currency needed to carry out globally diversified investment, the Bank has set up branches in New York, London, and Singapore based on its policy of having footholds in the world's major financial centers. By developing bank relations, these branches engage in the stable procurement of foreign currencies.

International Operations

Overseas branches focus on money market operations and loans and are continuing to develop their activities based on the nature of their respective markets. Especially in their respective money market operations, these branches play an extremely important role in raising stable flows of foreign currencies, which are essential for implementation of the Bank's overall strategy, globally diversified investments.

The New York Branch has expanded its business operations since its inception in 1984. In its money market operations, based in the mother market for U.S. dollars, and with its status as a member of the Fixed Income Clearing Corporation (FICC), the branch constantly procures dollar funds on favorable terms through repos and other transactions. In its lending operations, the Bank regards the United States as the largest market for credit investment for non-Japanese clients and is continuing to expand these types of investments while enhancing risk management systems. The branch also works closely with the Head Office in providing financial services to the U.S. subsidiaries of Japanese companies. Taking advantage of the Bank's higher credit rating, compared with other Japanese banks, the branch has shown steady results to date.

The London Branch was opened in 1991 and is the Bank's largest base for procuring foreign currencies. The branch provides steady flows of foreign currencies by enhancing its strong relations with various other financial institutions. It has also benefited from London's strategic position as the center of the European market and has delivered results by utilizing the abundant yen funds of the Head Office. The branch is working to selectively expand its credit investments for non-Japanese clients, targeting mainly borrowers in the unified Euromarket, while paying attention to the diversification of industries and other criteria. The branch also supports Japanese clients in developing their business operations in Europe.

The Singapore Branch started operations in 1993. In funding operations, like other branches, the branch plays an important role in the procurement of foreign currencies for the Bank, using the infrastructure of the financial centers of Asia and Oceania. In credit investments for non-Japanese clients, the branch targets Southeast Asia and Oceania while paying due attention to risk management. The branch also provides loans to Japanese-affiliated companies operating in surrounding Asian countries.

The three branches introduced a new front-office system in fiscal 2001 to further enhance their risk management systems.

Besides these branches, the Bank established representative offices in Hong Kong and Beijing in 1998. These offices are engaged in gathering information on business activities.

To enhance globally diversified investments, these overseas offices are continuing to play important roles as leading-edge centers for the procurement of foreign currencies, as well as credit investment, and the gathering of banking-related information.

Market Operations

Systems for Market Operations

The Bank is one of the largest financial institutions in Japan, while, at the same time, one of the leading global institutional investors. Financial assets that are managed in the financial markets, including securities and short-term money-market products, represent a large share of our total assets.

The market operations divisions are managed under a mutual checking system in which the front, middle, and back offices work independently. The front offices manage domestic and overseas assets as one portfolio and categorize these by asset type, such as bonds and equities, effectively.

Securities Investment

At the end of fiscal 2002, outstanding securities under the management of the Bank were ¥28,623 billion (US$238 billion), up 23.2%, or ¥5,398 billion, from the previous fiscal year-end.

Investment in bonds, a core management asset, accounts for a significant portion of the assets of the Bank due to the risk-return characteristics. When making investment decisions, the Bank gives full attention not only to interest rate risk but also to credit and liquidity risks. Global investments in various types of bonds, including government bonds and corporate bonds, are carried out.

In equity investments, the Bank takes correlation with other asset classes into consideration and manages its equity portfolio from a long-term perspective. The Bank also diversifies its portfolio by investing in global markets.

In recent years, the markets for asset-backed securities (ABS) and other marketable credit risk financial products have expanded. By implementing complete risk analyses, the Bank has been active in global credit investment. The Bank is also proceeding with so-called alternative investments that have a low correlation with stocks and bonds.

Short-Term Money Market Operations

As a major player, the Bank actively participates in global short-term money markets.

Under an environment of ultralow interest rates in Japan, the Bank works to efficiently control its available funds, principally obtained from the cooperative credit business, while at the same time giving full consideration to various types of risks. Domestically, the Bank is active in such interbank markets as the call market and in the repurchase agreement (repo) market. The Bank continually maintains a leading role in these markets and plays an important part in expanding their market functions.

Backed by its strong credit standing in foreign currency markets, the Bank conducts stable and effective transactions, including those necessary for globally diversified investment.

Meanwhile, the Bank accurately controls liquidity risk and settlement risk by assessing funding gaps through daily, weekly, monthly, and quarterly maturity ladders. In addition, the Bank takes part in Continuous Linked Settlement (CLS), a new system for foreign currency settlements. Starting in September 2002, the Head Office and all overseas branches participated as part of the first group to use this system, thereby contributing to a network necessary for managing settlements in U.S. dollars, Euros, and other major currencies.

Foreign-Exchange Transactions

As a market participant representing the cooperative credit business in foreign-exchange transactions, the Bank has organized an efficient and highly skilled dealing team able to accurately meet the needs of cooperatives and companies related to primary industries.

Trading Operations

In the trading of financial products, the Bank meets the needs of its clients through transactions in Japanese government bonds, CP, and derivatives. The Bank works to increase its dealing profits through various methods, such as arbitrage transactions and options, for each financial product.

Loans

As of March 31, 2003, the balance of loans and bills discounted in the consolidated statements of the Bank amounted to ¥19,179 billion (US$159 billion), accounting for less than one-third (31.3%) of total assets. This figure reflects a high weight of securities investment.

The cooperative credit business, which includes the Bank, plays a key role as the main bank for the primary sector. As a financial institution based in this sector, the Bank provides cooperative lending mainly to cooperative organizations and companies in the agriculture, forestry, and fisheries industries. However, the balance of cooperative lending at the end of fiscal 2002 amounted to ¥1,342 billion (US$11 billion), accounting for a relatively small 7.0% of the Bank's total loans. This is because cooperative lending is carried out mostly at the JA and Shinnoren levels and is only supplemented by the Bank.

The Bank's clients cover a wide range of industries, including companies that are directly associated with the primary sector, such as those involved in the processing of agricultural, forestry, and fisheries products, the manufacturing of materials required by the primary sector, and the distribution of these products. These also include companies that are engaged in public activities, such as local governments and other entities, including electric power and gas.

With the strong fund-raising capacities of the cooperative credit business and know-how cultivated as a world-class institutional investor, the Bank has been consistently responding to the financial needs of its clients. The Bank provides a variety of financial products: i.e., securitization of accounts receivables and real estate, non-recourse loans, syndicated loans, commitment line contracts, and fund-raising in domestic and international capital markets with corporate bonds and commercial paper (CP).

The Bank also provides the following financial services: proposals for measures to hedge interest rate risk using derivatives and the provision of information based on its position as the core entity of the cooperative credit business.

Capital Markets Business

In response to the increasingly diversified and global nature of the fund-raising needs of its clients, the Bank's group assists in raising funds from capital markets by acting as a commissioned bank for bond issues and provides strong support for clients through diversified business operations. These include assistance for IPOs and advice on bond floatation.

The Bank's group supports stable fund management by offering investment products from both domestic and overseas markets, primarily to members of the cooperative system.

In the domestic capital market, Norinchukin Securities Co., Ltd., assists clients in raising funds by offering, underwriting, and selling public and corporate bonds. The company also responds to the investment needs of the cooperative members and industrial corporations with a wide range of financial products in the secondary market.

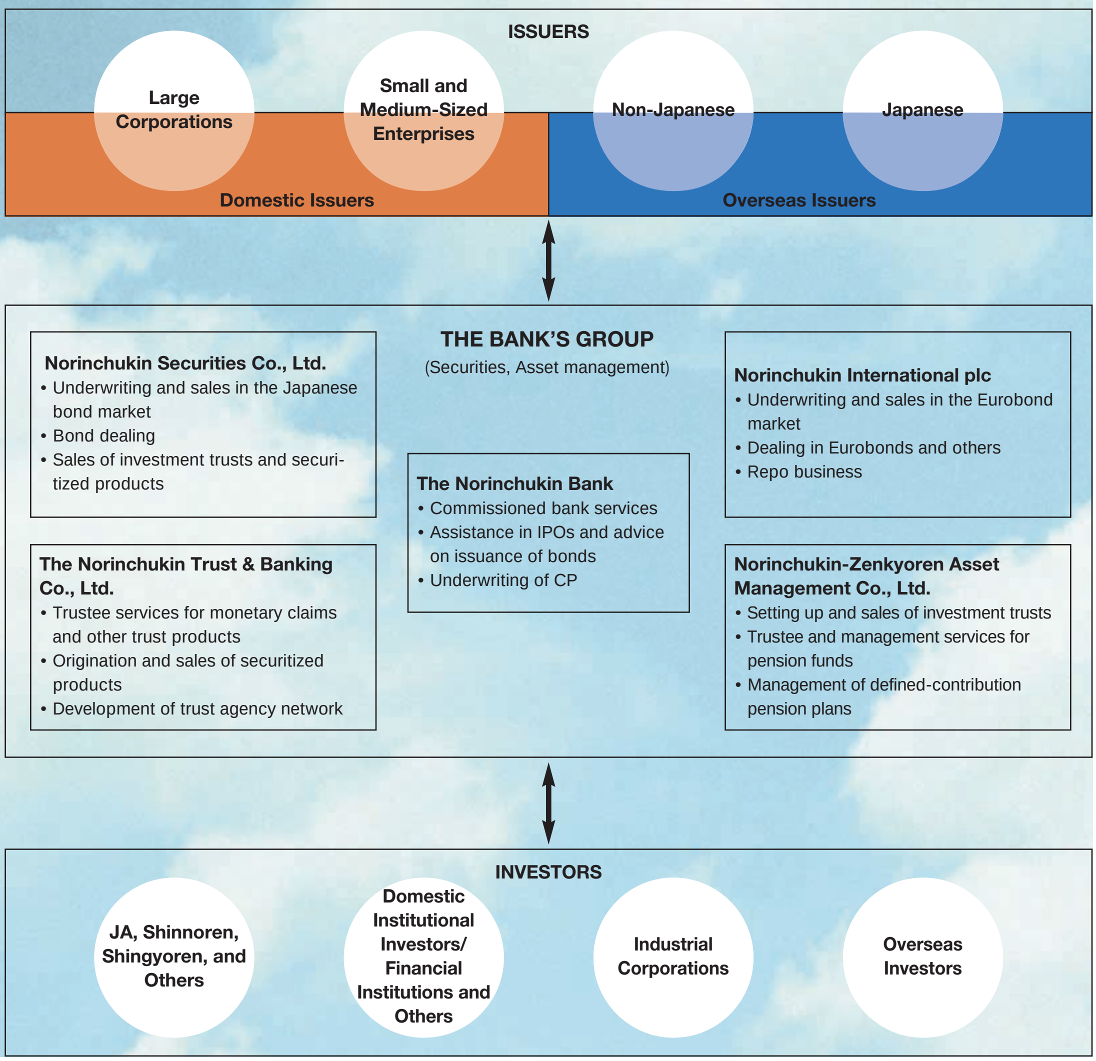
In overseas capital markets, Norinchukin International plc (NOIL), based in London, is primarily responsible for helping clients meet their fund-raising needs, while at the same time offering high-quality overseas investment products to cooperative members and clients. Norinchukin Securities and NOIL work closely together to expand their business activities.

Asset management support for cooperative members and clients is provided by Norinchukin-Zenkyoren Asset Management Co., Ltd. The company is responsible for managing the assets of the cooperative members and responds to a broad range of clients' asset-management needs through securities investment trusts and investment advisory business.

The Norinchukin Trust & Banking Co., Ltd., offers both administrative and management services for the members of the cooperative business and other clients, ranging from monetary assets to real estate. Specific services include fund trusts, securities trusts, securities investment trusts, monetary claims trusts, and land trusts.

By utilizing the management know-how and networks acquired from its experience as a leading institutional investor in the domestic and international markets, the Bank group provides sound capital market services to the members of the cooperative business as well as to other clients.

OUTLINE OF CAPITAL MARKETS BUSINESS OF THE BANK'S GROUP



Directors and Auditors

(As of July 1, 2003)

Members of Board of Directors (International & Market-Related Business)

Hirofumi Ueno
President & Chief Executive Officer

Iwao Ohtawa
Deputy President & Co-Chief Executive Officer

Kimikazu Noumi
Senior Managing Director

Shizuharu Kubono
Senior Managing Director

Yasuo Okada
Managing Director

Yoshinori Yasuda
Managing Director

BOARD OF DIRECTORS

President & Chief Executive Officer
Hirofumi Ueno

Deputy President & Co-Chief Executive Officer
Iwao Ohtawa

Senior Managing Directors
Kimikazu Noumi
Mutsuo Masuda
Shizuharu Kubono

Managing Directors
Junji Sato
Naoaki Yamazaki
Yoshio Kono
Yoshiyuki Hata
Takeshi Katayama
Yasuo Okada
Takashi Kato
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Yoshinori Yasuda

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Riuemon Segawa
Kazuyoshi Suzuki
Shouji Uemura
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Masamitsu Isshiki
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Yoshiaki Sato
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Hirofumi Ueno
Iwao Ohtawa

BOARD OF AUDITORS

Yasutada Sasaki
Kazuo Yamanaka
Kametaro Yoshioka
Masaoki Kojima
Yasuhiko Kishi

Financial Information

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Financial Review

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE FISCAL YEAR ENDED MARCH 31, 2003

Net interest income fell ¥30 billion over the previous fiscal year, to ¥124 billion (US$1,031 million), owing to a decline in interest income more than interest expenditure in conjunction with lower interest rates. Net income on securities and net income from fees and commissions were flat on a year-on-year basis.

General and administrative expenses rose ¥11 billion on a year-on-year basis, to ¥124 billion (US$1,031 million), due to system-development investment in preparation for the BIS new accord and enhancement of risk management. Credit costs declined ¥44 billion, to ¥71 billion (US$592 million). In spite of provisions in line with the strict self-assessment of its assets, the write-off of non-performing loans, and the bulk sale of loans, credit costs declined because of a reversal to the general reserve for possible loan losses as a result of a decline in borrowers under requirement of control.

As a result, on a consolidated basis, the Bank's net income in fiscal 2002 dropped ¥5 billion, to ¥65 billion (US$544 million).

Principal Statement of Income Items

	Millions of Yen		
Fiscal years ended March 31	**2003**	2002	Difference
Net Interest Income	**¥124,600**	¥155,185	¥(30,585)
Net Income on Securities	**155,455**	154,515	940
Net Income from Fees and Commissions	**15,599**	15,630	(31)
General and Administrative Expenses	**124,216**	112,838	11,378
Credit Costs	**71,200**	115,885	(44,685)
Transfer to Reserve for Possible Loan Losses	**64,155**	80,003	(15,848)
Write-off of Loans	**4,445**	34,062	(29,617)
Other	**2,598**	1,819	779
Other	**(4,601)**	(5,826)	1,225
Income before Income Taxes	**95,637**	90,781	4,856
Income Taxes	**29,332**	19,702	9,630
Current	**26,264**	41,353	(15,089)
Deferred	**3,068**	(21,651)	24,719
Net Income	**65,447**	70,608	(5,161)

REVIEW OF BALANCE SHEET ITEMS

Funding

Deposits, excluding negotiable certificates of deposit (NCDs), rose to ¥40,239 billion (US$334 billion), up ¥2,171 billion from the previous fiscal year-end, reflecting an increase in deposits by credit cooperatives. Two notable points regarding the characteristics of the Bank's deposits are (1) a high proportion of deposits are from credit cooperatives and (2) a high proportion consists of time deposits.

The deposits from cooperatives are allocated in compliance with applicable laws as follows:

•Two-thirds of the funds, after loans are deducted from deposits of JA and Gyokyo, are deposited with Shinnoren and Shingyoren.

•One-half of the funds, after loans are deducted from deposits at the Shinnoren and Shingyoren levels, are deposited with the Bank.

This system provides a stable source of funding for the Bank.

Breakdown of Deposits (On a Non-Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Organizations Which Have Capital Subscription in the Bank	**¥35,514**	¥34,244
Financial Institutions and Public Funds	**3,549**	2,702
Other	**1,174**	1,121
Total	**¥40,239**	¥38,068

Note: The above figures exclude NCDs.

Deposits by Category (On a Non-Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Time Deposits	**¥34,833**	¥33,282
Liquid Deposits	**1,816**	2,233
Other Deposits	**3,589**	2,552
Total	**¥40,239**	¥38,068

Note: The above figures exclude NCDs.

Securities

The balance of securities rose ¥5,399 billion over the previous year-end, to ¥28,623 billion (US$238 billion), reflecting progress in globally diversified investment. Within this amount, foreign securities rose ¥4,655 billion, to ¥16,271 billion (US$135 billion), while Japanese government bonds rose ¥1,080 billion, to ¥9,688 billion (US$80 billion).

Breakdown of Securities by Type (On a Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Japanese Government Bonds	**¥ 9,688**	¥ 8,608
Municipal Bonds	**413**	418
Corporate Bonds	**945**	1,049
Equities	**408**	500
Foreign Securities	**16,271**	11,616
Other	**895**	1,031
Total	**¥28,623**	¥23,224

Loans and Bills Discounted

Loans and bills discounted dropped ¥4,806 billion, to ¥19,179 billion (US$159 billion), owing mainly to a decline in short-term loans to government and public agencies, which the Bank regards as short-term money market investments. Risk-managed loans on a consolidated basis declined ¥144 billion, to ¥679 billion (US$5 billion), from the previous fiscal year-end, as a result of the recovery of portions of some loans, write-offs, and bulk sales. Consequently, risk-managed loans comprised 3.5% of total loan assets. The reserve for possible loan losses dropped ¥6 billion, to ¥361 billion (US$3 billion), in conjunction with the decline in risk-managed loans.

Breakdown of Loans by Industry (On a Consolidated Basis)

	Billions of Yen (%)			
As of March 31	**2003**		2002	
Foods	**¥ 511**	**(2.7%)**	¥ 554	(2.3%)
Pulp and Paper	**224**	**(1.2)**	231	(1.0)
Chemicals	**383**	**(2.0)**	403	(1.7)
Other Manufacturing	**939**	**(4.9)**	971	(4.0)
Agriculture, Forestry and Fisheries	**172**	**(0.9)**	184	(0.8)
Construction	**212**	**(1.1)**	236	(1.0)
Electricity, Gas and Water	**248**	**(1.3)**	270	(1.1)
Transportation and Telecommunications	**922**	**(4.8)**	944	(3.9)
Wholesale, Retail and Restaurant	**1,994**	**(10.4)**	2,056	(8.6)
Services	**1,540**	**(8.0)**	1,579	(6.6)
Finance and Insurance	**6,875**	**(35.8)**	9,880	(41.2)
Other Non-Manufacturing	**5,153**	**(26.9)**	6,672	(27.8)
Total	**¥19,179**	**(100.0%)**	¥23,985	(100.0%)

Note: Due to the revision of the Japanese Industrial Table of Classification (applied October 1, 2002), the classifications for fiscal 2002 and fiscal 2003 are different. However, the difference is not significant.

Risk-Managed Loans (On a Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Loans to Borrowers under Bankruptcy Proceedings	**¥ 18**	¥ 24
Loans with Principal or Interest Payments More than Six Months in Arrears	**406**	357
Loans with Principal or Interest Payments More than Three Months in Arrears	**1**	1
Restructured Loans	**252**	439
Total	**¥679**	¥823

Risk-Managed Loans (On a Non-Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Loans to Borrowers under Bankruptcy Proceedings	**¥ 18**	¥ 23
Loans with Principal or Interest Payments More than Six Months in Arrears	**396**	345
Loans with Principal or Interest Payments More than Three Months in Arrears	**0**	0
Restructured Loans	**240**	423
Total	**¥655**	¥793

Notes: 1. Loans to Borrowers under Bankruptcy Proceedings are loans for which payment of principal or interest has not been received for a substantial period and, for this and other reasons, there are no prospects for recovery or repayment of the principal or interest, and thereby no interest has been accrued (excluding loans written off and hereinafter referred to as non-accrual loans), which are subject to the Implementation Ordinances for the Corporation Tax Law (Government Ordinance No. 97, 1965), items (i) through (v) of Article 96, Section 1, Part 3 or Part 4 of the same article. Loans with Principal or Interest Payments More than Six Months in Arrears are non-accrual loans other than Loans to Borrowers under Bankruptcy Proceedings and other loans for which interest payments have been rescheduled to assist the borrowers' restructuring (Restructured Loans).

2. Loans with Principal or Interest Payments More than Three Months in Arrears are defined as loans for which principal or interest has been in arrears for three months or more from the day following the contract payment date. They exclude Loans to Borrowers under Bankruptcy Proceedings and Loans with Principal or Interest Payments More than Six Months in Arrears.

3. Restructured Loans are those for which the terms and conditions of the original loan agreement are redrawn for the favor of the borrower, including reducing interest rates, rescheduling interest and principal payments or waiving claims on the borrower. Such loans exclude Loans to Borrowers under Bankruptcy Proceedings, Loans with Principal or Interest Payments More than Six Months in Arrears and Loans with Principal or Interest Payments More than Three Months in Arrears.

Disclosed Claims by the Financial Revitalization Law (On a Non-Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Claims on Obligors under Legal Bankruptcy Proceedings and Obligors Substantially in Bankruptcy	**¥ 22**	¥ 29
Claims on Obligors with Bankruptcy Imminent	**399**	339
Claims on Obligors under Close Observation	**244**	428
Total	**¥ 666**	¥ 797
Claims on Ordinary Obligors	**¥18,949**	¥23,818

Note: Under Article 6 of the Law Concerning Emergency Measures for Early Stabilization of Financial Functions (Law No. 132, 1998), banks are required to classify obligors regarding: Securities Lent, Loans and Bills Discounted, Foreign Exchange Assets, Unaccrued Interest and Suspense Payments of Other Assets and Customers' Liabilities for Acceptances and Guarantees, according to their financial conditions and management performance. The definition of the classifications is as follows:

Although the Bank is not subject to the provisions of this law, it classifies its obligors and discloses the value of claims on each obligor in accordance with the law.

(1) Claims on Obligors under Legal Bankruptcy Proceedings and Obligors Substantially in Bankruptcy

Claims on obligors who are bankrupt or in the process of bankruptcy, reorganization or similar financial restructuring procedures as well as those in a similar condition.

(2) Claims on Obligors with Bankruptcy Imminent

Claims on obligors who are not yet bankrupt but whose financial position and management performance are deteriorating. It is highly likely that the principal and interest will become uncollectible.

(3) Claims on Obligors under Close Observation

Claims in this category basically include Loans with Principal or Interest Payments More than Three Months in Arrears and Restructured Loans.

(4) Claims on Ordinary Obligors

Claims on obligors with no particular financial or operating problems and include all claims other than those under (1) through (3) above.

Reserve for Possible Loan Losses (On a Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Reserve for Possible Loan Losses	**¥361**	¥367

Reserve for Possible Loan Losses (On a Non-Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
General	**¥128**	¥174
Specific	**224**	195
Reserve for Losses on Specified Overseas Debts	**2**	5
Total	**¥355**	¥375

Shareholders' Equity

The Bank's capital adequacy ratio as of March 31, 2003, was 9.87% on a consolidated basis, down 0.15 percentage point, and 9.92% on a non-consolidated basis, down 0.30 percentage point from the previous fiscal year-end.

In fiscal 2002, the Bank increased its common stock, the most basic component of Tier I capital, by ¥100 billion. In addition, the Bank procured ¥183 billion in new funds in the form of perpetual subordinated loans, which is classified as Upper Tier II, the highest form of capital within Tier II. Moreover, the Bank increased its capital by refinancing subordinated loans with maturity received in fiscal 1997 to the value of ¥490 billion, adding ¥31 billion, bringing the total loan amount to ¥521 billion. Despite these measures to increase capital, the capital adequacy ratio fell because of a rise in risk-adjusted assets that accompanied an increase in investment assets aimed at procuring stable earnings over the medium term.

The most noteworthy feature of the Bank's capital structure is a high percentage of Tier I capital—the most basic component of capital, including paid-in capital and earned surplus—which is made possible through the strong support of the cooperative membership system. In Tier I capital, the Bank held ¥1,200 billion in common stock from credit cooperatives, of which ¥1,000 billion was in the form of lower dividend rate stock. Consequently, the Tier I capital ratio was 6.47% on a consolidated basis and 6.45% on a non-consolidated basis.

The capital adequacy ratio of the Bank, which has not accepted public funds, as calculated by BIS standards is as follows:

BIS Capital Adequacy Ratio (On a Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Shareholders' Equity:		
Tier I	**¥ 1,655**	¥ 1,691
Tier II	**886**	771
Amount to be Deducted*	**14**	1
Total	**¥ 2,527**	¥ 2,460
Risk-Adjusted Assets:		
On-Balance Sheet	**¥22,803**	¥22,170
Off-Balance Sheet	**742**	707
Assets Equivalent to Market Risk	**2,045**	1,673
Total	**¥25,591**	¥24,550
BIS Capital Adequacy Ratio:		
Tier I	**6.47%**	6.88%
Tier I + Tier II	**9.87%**	10.02%

Note: The capital adequacy ratio of the Bank is based on the computational formula specified in Directive No. 3, Criteria for Judging the Management Soundness of the Norinchukin Bank, issued in 2003 by the Financial Services Agency and Ministry of Agriculture, Forestry and Fisheries (hereinafter, the Directive). The Bank observes BIS capital adequacy requirements and has been in compliance with market risk regulations.

** This amount is equivalent to the investment stipulated in the Directive, Article 7, Clause 1, Section 2.*

BIS Capital Adequacy Ratio (On a Non-Consolidated Basis)

	Billions of Yen	
As of March 31	**2003**	2002
Shareholders' Equity:		
Tier I	**¥ 1,643**	¥ 1,670
Tier II	**885**	785
Amount to be Deducted	**0**	0
Total	**¥ 2,528**	¥ 2,455
Risk-Adjusted Assets:		
On-Balance Sheet	**¥22,743**	¥21,770
Off-Balance Sheet	**742**	607
Assets Equivalent to Market Risk	**1,979**	1,631
Total	**¥25,465**	¥24,009
BIS Capital Adequacy Ratio:		
Tier I	**6.45%**	6.95%
Tier I + Tier II	**9.92%**	10.22%

Note: *The capital adequacy ratio of the Bank is based on the computational formula specified in the Directive. The Bank observes BIS capital adequacy requirements and has been in compliance with market risk regulations.*

Risk Management

The business environment for financial institutions has changed drastically in recent years. Under this environment, prompted by the growing diversity of their operations, it is the requirement of such institutions to establish optimal risk management systems in order to perform their social responsibilities as they improve the soundness of their operations.

Cognizant of this fact, the Bank has established a Risk Management Basic Policy out of the necessity to optimize its risk management capabilities. This policy serves as the roadmap for the Bank's comprehensive risk management activities and clearly lays out fundamental risk management systems. Regarding the management of certain risks arising from operations, the Bank pursues individual risk management in accordance with individual guidelines based on risk type, all in conformance with the Basic Policy.

In addition, the Bank has structured its risk management systems, which are intended to effectively control credit risk, market risk, and various other risks in management operations focusing on the following three key objectives. The first is to make accurate decisions through committees comprised of management and the general managers of various divisions, i.e., the Credit Risk Management Committee, Market Risk Management Committee, and Credit Committee. The second is to carry out the Bank's business promptly and efficiently. The third is to properly and independently monitor front-office execution and provide feedback on quantitative data for risk volumes so as to reflect these in decision making.

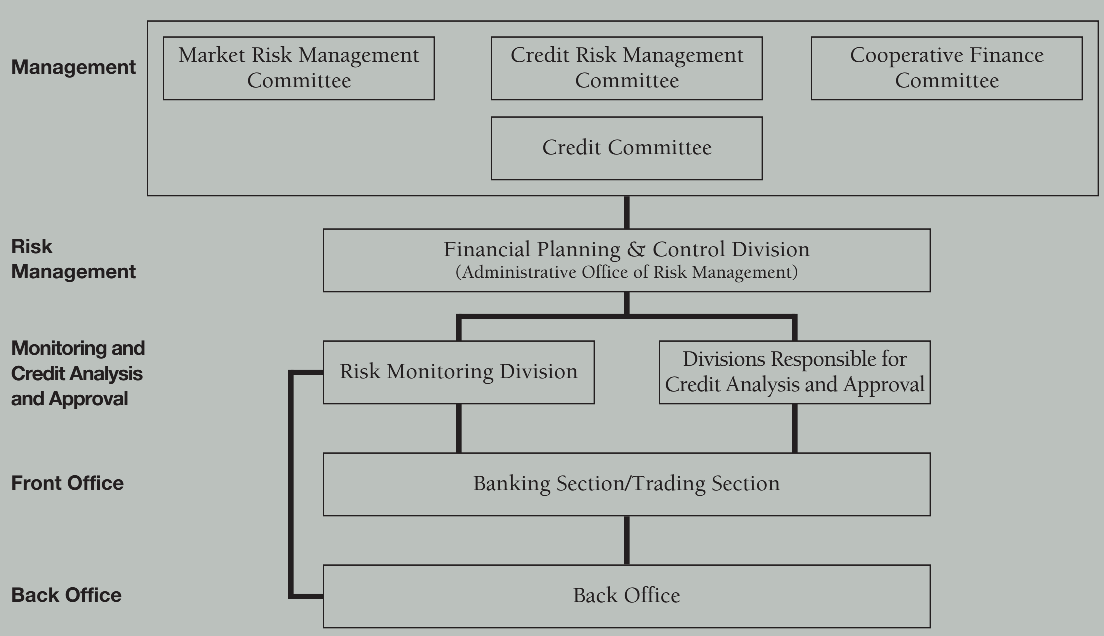
Looking forward, the Bank will place top priority on the sophistication of individual and integrated risk management, and continue to pursue the policy of substantially enhancing its risk management systems.

Overall risk management activities are verified and evaluated by the Internal Audit Division.

CREDIT RISK MANAGEMENT SYSTEM

The Bank defines credit risk related transactions as an important source of earnings in terms of strategy. For all credit risk assets, including loans, the Bank conducts credit risk analyses on individual transactions and manages its portfolio from an overall perspective to secure earnings that counterbalance the credit risk.

Risk Management System



Three committees are the center of the Bank's credit risk management system. The first of these, the Credit Committee, is a venue for the deliberation of the basic framework of credit risk management. The basic framework entails the credit ceiling system by country, bank, and individual company, internal rating system, and self-assessment. The Credit Committee reviews policies on the integrated management of credit risks in response to the basic framework and measures to be taken in the event of a contingency. The Credit Risk Management Committee debates specific policies for credit risk related transactions other than those related to cooperative lending. The Cooperative Finance Committee deliberates specific policies on credit risk related transactions for cooperative lending in order to fulfill the Bank's mission of providing effective and efficient financing.

The specific policies that are discussed by the Credit Risk Management Committee, the Cooperative Finance Committee, and the Market Risk Management Committee must follow the basic framework of credit risk management.

The Risk Monitoring Division, independent from the front offices, monitors the credit risk portfolio.

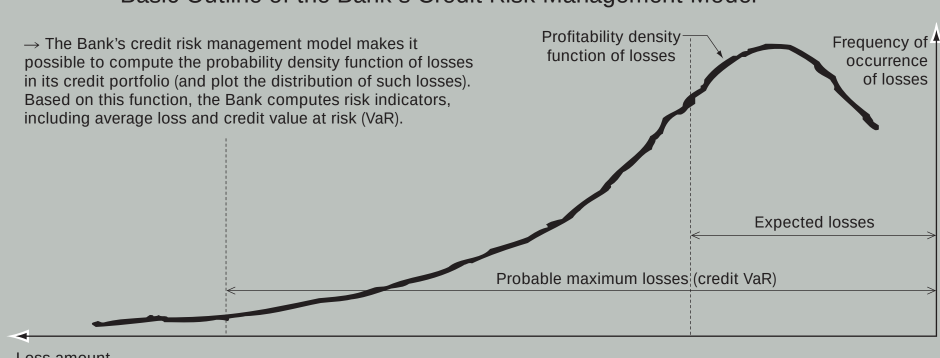
To conduct credit analyses on private corporations and public corporations, the Bank has established the Credit Risk Management Division, which is separated from the Corporate Business Management & Strategy Division. The division conducts industry-based credit analyses, making full use of the expertise the Bank has cultivated.

Specifically, to realize greater accuracy, each senior credit analyst in charge of a certain industry assesses each client and business through comparisons with competitors in the same business, a method that makes active use of industry research functions. With regard to credit for non-resident borrowers, the Bank has adopted a country ceiling system that takes into account risks that differ from those of domestic loans, such as analyses of political and social conditions of each country. In addition to a business-type-based credit analysis, a region-based senior credit analyst evaluates loan applications, thereby carrying out optimal risk management.

Markets for so-called products involving the securitization of assets, which are backed by account receivables, real estate, and other assets, have been expanding in recent years. Aside from credit risk analysis of individual borrowers, senior credit analysts specializing in the structure of investment products have been assigned and are focusing on a proper understanding of the risks associated with such products.

Under these credit analyses, the Bank conducts optimal credit risk management based on strict screening standards and its own methods for analyses of financial position and cash flow. By implementing a full training curriculum, the Bank seeks to better the credit risk management skills of credit analysts, who carry out primary credit analysis at business offices.

Basic Outline of the Bank's Credit Risk Management Model



While strengthening conventional credit analysis methods, the Bank also introduces management methods that examine the overall portfolio in order to attain an optimal portfolio. Specifically, the Bank sets credit limits based on its internal credit ratings and controls risk volume by observing corporate ceilings. It also aims at setting interest rates according to internal credit ratings and the collateralization of loans in order to counterbalance the credit risk.

As in the case of market risks, the Bank also promotes activities to use statistical methods to calculate the risk volume of credit risks and further enhances its risk management by using a management method based on risk-return.

MARKET RISK MANAGEMENT SYSTEM

The Bank defines market risk operations as an important source of income as well as a means to hedge risks. Interest rate and price fluctuation risks are properly controlled using comprehensive risk management systems in order to generate profits and stabilize financial positions.

To ensure the implementation of these management strategies, the Bank has created a mutual checking system where decision-making functions, execution, and monitoring are systematically separated and organized into independent units. These activities are carried out to realize appropriate risk management.

Looking forward, the Bank will work to further enhance its technical capabilities, including systems and the quantitative analysis of risk volume, thereby optimizing its risk management.

Asset-Liability Management

The optimal management of risks in banking operations is indispensable for the stability of financial institutions. The Bank began risk management at an early stage through asset-liability management (ALM) that places emphasis on a balance of maintaining financial soundness and strengthening profitability. Both static and dynamic interest rate sensitivities of cash flow are analyzed, and basis point values are calculated. Based on the analyses conducted from various angles, the Bank makes an effort to build a flexible financial structure that can respond promptly to changes in financial conditions.

Portfolio Management

In banking operations, the Bank places special emphasis on analyzing and managing market risk in view of the importance of its market portfolio for securities.

Important decisions on market transactions are made at the managerial level. The Market Risk Management Committee, composed of members of management as well as the general managers of related divisions, considers, discusses, and authorizes final decisions concerning specific policies related to market transactions. At the time of analysis, in addition to the examination of the investment environment, including market trends and the economic outlook, the Committee makes appropriate decisions taking ALM and the Bank's securities portfolio into adequate consideration. The Market Risk Management Committee meets, in principle, once per month. In addition, meetings are held on an ad-hoc basis when it is necessary to formulate flexible measures to deal with market trends or other such factors. In addition, management and general managers hold weekly meetings to share information to enable optimal decisions.

The front offices buy and sell securities and hedge risks based on policies set by the Market Risk Management Committee. These activities are efficiently executed while monitoring market trends to enable new proposals for investment strategies.

The Risk Monitoring Division measures whether the operations conducted by the front offices follow policies set by the Market Risk Management Committee. In addition to measuring the risk, the division is also responsible for monitoring transactions. Monitoring results, carried out on a daily basis, are reported to management.

The Bank has adopted an alarm system, called the "Check Point System," as a tool for risk management. This system requires the Market Risk Management Committee, including the management, to discuss actions when the risk volume in the overall portfolio reaches a certain level stipulated in the Bank's tolerant limits. An alarm is activated when the risk volume radically changes in the short term and exceeds a certain level. In such cases, it is obligatory that the Committee meets and discusses appropriate actions. This system enables the Bank to quickly and appropriately manage risks, and we are committed to establishing an even more optimal risk management system in the future.

Trading

Front offices carry out transactions within predetermined positions and loss limits in terms of risk-return to achieve profit targets in trading activities conducted for the purpose of realizing additional profits from short-term market fluctuations.

When positions or losses exceed predetermined limits, a warning is issued from the Risk Monitoring Division to the front offices, and, depending on the level of excess, measures are taken to normalize the situation, reduce the volume of transactions, or suspend transactions altogether.

METHODS FOR MEASURING RISK

Credit Risk

Credit risk refers to losses incurred by a lender, whose asset values (including off-balance sheet assets) lessen or disappear as a result of a deterioration in the financial conditions of its borrowers.

For credit risk associated with lending and corporate bond investment, the Bank manages such risk by examining how its credit exposure is distributed according to the credit standing of its borrowers and confirms that there are no excessive concentrations of risk in its assets. It is important for the Bank to ensure a return on its assets that counterbalances the risk and costs involved. With this in mind, the Bank monitors the overall distribution of its credit exposure and profitability, while setting credit limits based on internal credit ratings to structure an appropriate asset portfolio.

As with market risk, the Bank also addresses an econometric model of credit risk that incorporates statistical methods. Based on CreditMetrics™ developed by J.P. Morgan Chase & Co., the Bank has introduced a model that suits the Japanese economic structure and characteristics of its credit transactions. The Bank has also been organizing credit-related data, including the historical changes of credit ratings, default ratios, and percentages of debt collection. The Bank sought the distribution of loss frequency that could be obtained by simulations related to the current credit risk portfolio and calculated the risk volume of both the expected loss and the probable maximum loss. As the expected loss corresponds to the loss that can be expected on average each year, assuming the makeup of the portfolio remains constant, reserve provisions are made in this amount. The probable maximum loss is the loss that can be expected under the worst case scenario. Making use of these risk indicators, the Bank conducts integrated management of all its credit risk assets from a portfolio perspective and aims to enhance its overall performance.

External consultants have given quantitative and qualitative evaluations on these systems for measuring risk volume and have proven their effectiveness.

Together with these schemes, the Bank has been building an infrastructure related to credit risk management using sophisticated system technology, thereby further optimizing risk management.

As for off-balance sheet transactions, the Bank measures the following exposures on a daily basis:

- The current exposure, i.e., the cost to reconstruct the transactions in case the counterparty of the transaction declares default due to bankruptcy
- The potential exposure, i.e., the deemed additional amount corresponding to the increased risk of the current exposure in the future

As seen above, the Bank comprehensively manages credit risks for both on-balance and off-balance sheet transactions.

Banking

Balancing cash flows in line with interest rate fluctuations is important in banking operations. The Bank calculates the interest rate sensitivity of its assets and liabilities and measures cash flow fluctuations of assets and liabilities (as measured by the changes in interest margins or unrealized gains and losses in the case where the standard interest rate moves by one percentage point). This scheme is combined with scenario-based simulation methods to measure the impact of interest rate changes on cash flows in overall banking operations (accounts).

In addition, the Bank regularly carries out the measurement of the risk volume by taking account of price fluctuation risk involved with bonds, stocks, and foreign currency exchange. Furthermore, simulations under stress conditions are also performed for the overall banking account. These two processes determine the impact of market changes on the value of held assets.

Trading

The Bank measures the risk in its trading operations by employing such methods as basis point value (BPV), slope point value (SPV), option risk parameters, and VaR to monitor compliance with risk limits.

The precision of the internal model for measuring risk volumes is increased through the continual comparison of fluctuations in actual gains and losses with those projected by the model (back testing). At the same time, the Bank strives to further increase the sophistication of its measurement methods by employing new financial and information technologies.

Moreover, the validity of the model developed by the Bank has been proven by objective quantitative and qualitative audits conducted by an outside audit corporation using market risk volume and required capital calculations as stipulated by the BIS at the end of March 1998.

OTHER RISK MANAGEMENT SYSTEMS

The Bank's management of liquidity risk is based on its stable funding capabilities and its holdings of assets with high liquidity. The Bank implements policies for yen and foreign currencies, respectively, to take all possible measures depending on financial conditions, in accordance with the procedures stipulated in its Liquidity Risk Management Guidelines.

Other than the above, there are a number of other inherent risks that may have a major impact on management, such as settlement risk, legal risk, and operational risks in financial transactions. Necessary management in line with each type of risk property is based on methods and approaches stipulated in the Risk Management Basic Policy. The Bank is committed to further explore this area to take further steps to strengthen risk management systems.

Internal Audit Systems

The Bank established the Internal Audit Division, which is responsible for verifying and evaluating management and operations of overall managerial activities in terms of appropriateness and effectiveness of internal controls. Based on the division's reports on these verifications and evaluations, the Bank improves the appropriateness of its business operations.

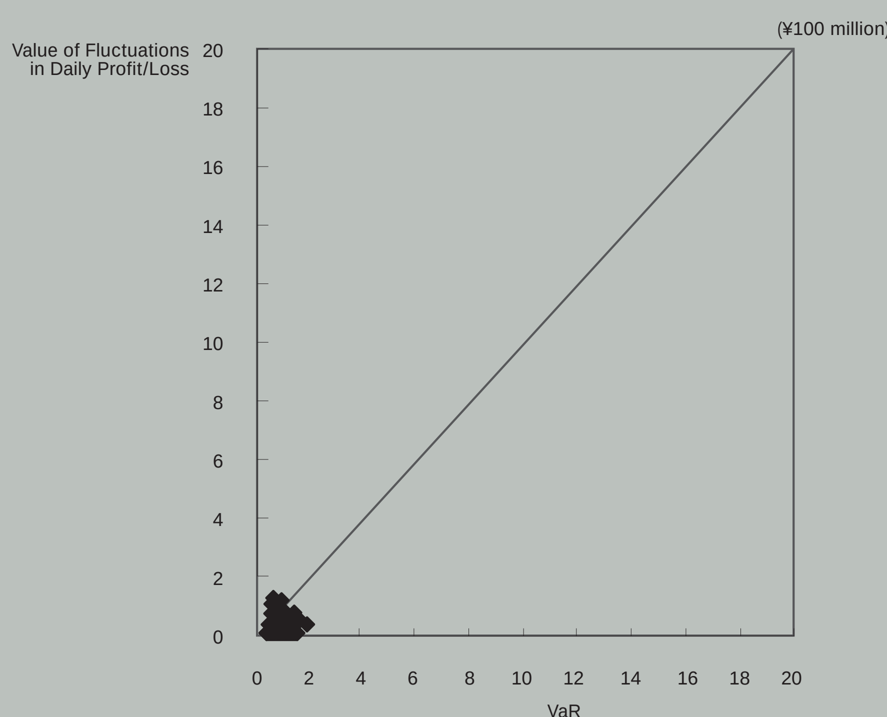
These internal audits are conducted not only in each one of the Bank's divisions or branches but also in consolidated subsidiaries. To implement highly efficient and effective internal audits, the Internal Audit Division may decide on the frequency and depth of the internal audit depending on the subject and the types and levels of risk involved.

These internal audits particularly examine compliance with laws, the current status and challenges related to risk management, the execution system and status of operations, the condition of systems, and the clerical processing status. Along with these activities, the Internal Audit Division is working to enhance its specialist capabilities.

Changes of Interest Rate VaR (1 day) of the Trading Division

	VaR (¥100 Million)
June 28, 2002	¥0.9
September 30, 2002	1.2
December 30, 2002	0.8
March 31, 2003	1.0

Results of Back Testing (Trading Divisions, Interest Rate VaR (1 day))



From April 1, 2002, to March 31, 2003 (consisting of 246 business days), the negative value of fluctuations in daily profit and loss exceeded VaR (1-day holding period) three times, as shown in the diagram above. The model has been proven valid within the specified probability range (one-tailed confidence interval of 99%).

BASIC POLICIES AND OPERATING PROCEDURES FOR COMPLIANCE

To fulfill its fundamental mission and responsibility to society, the Bank makes unremitting efforts to ensure total compliance with ordinances and maintains a high level of transparency in its operations through disclosure and accountability. These efforts are based on the principle of self-reliance.

The Bank's compliance arrangements are mainly managed by the Compliance Committee, the department in charge of compliance (the Compliance Department of the Legal Division), and personnel in charge of compliance assigned to each division or branch.

The Compliance Committee (chaired by the Deputy President & Co-CEO) deliberates on basic matters related to the compliance of the Bank. The matters deliberated at the Compliance Committee are discussed and approved by the Board of Directors.

The Compliance Department, which was established in October 2000, acts as the secretariat for the Compliance Committee, contacts and consults with personnel in charge of compliance at each division or branch, and carries out education and training within the Bank. The Bank formulates the "Compliance Program," specific action plans to realize compliance, including promotional and educational activities through the development of and training for compliance arrangements. The Bank annually reviews the program to enable more-systematic compliance activities that are an integral part of the Bank's operations.

To provide a manual for implementing the *Ethical Charter* and the *Code of Conduct* in daily business, the Bank enacted the *Code of Conduct for the Bank's Management and Staff,* the contents of which were disseminated within the Bank. In addition, the *Comments on Ordinances to Be Observed by the Bank's Management and Staff* and the *Summary of the Bank's Compliance Arrangements* were organized and included in the *Compliance Manual*. This manual was also distributed to all members of the management and staff.

The Bank, as a financial institution always trusted and respected by its members and other users, will continue to further enhance its compliance activities in the future.

Consolidated Balance Sheets
As of March 31, 2003 and 2002

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars (Note 1) 2003
Assets			
Cash and Due from Banks	¥ 4,338,327	¥ 3,907,483	$ 36,093
Call Loans and Bills Purchased	638,034	411,236	5,308
Receivables under Resale Agreements	23,158	42,106	193
Collateral Deposited under Securities Borrowed	966,513	-	8,041
Commercial Paper and Other Debt Purchased	453,549	477,849	3,773
Trading Assets (Note 3)	1,920,454	1,374,769	15,977
Money Held in Trust	3,964,704	2,403,131	32,984
Securities (Note 4)	28,623,408	23,224,644	238,132
Loans and Bills Discounted (Note 5)	19,179,165	23,985,896	159,560
Foreign Exchange Assets (Note 6)	21,299	19,460	177
Other Assets (Note 7)	690,233	1,434,038	5,743
Premises and Equipment (Note 8)	215,184	222,803	1,790
Deferred Debenture Discounts	242	457	2
Deferred Tax Assets	204,819	108,855	1,704
Customers' Liabilities for Acceptances and Guarantees	388,345	335,001	3,231
Reserve for Possible Loan Losses	(361,993)	(367,748)	(3,012)
Total Assets	¥ 61,265,449	¥ 57,579,985	$ 509,696

The accompanying notes are an integral part of the financial statements.

Consolidated Balance Sheets
As of March 31, 2003 and 2002

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars (Note 1) 2003
Liabilities, Minority Interests and Shareholders' Equity			
Liabilities			
Deposits (Note 10)	¥ 40,421,665	¥ 38,255,219	$ 336,287
Debentures (Note 11)	5,790,783	5,906,480	48,176
Call Money and Bills Sold	4,314,140	3,359,646	35,891
Payables under Repurchase Agreements	4,282,230	3,135,033	35,626
Collateral Received under Securities Lent	952,058	-	7,921
Trading Liabilities (Note 12)	449,060	213,298	3,736
Borrowings (Note 13)	699,273	871,438	5,818
Foreign Exchange Liabilities (Note 14)	7,792	2,323	65
Other Liabilities (Note 15)	2,145,286	3,554,970	17,846
Group Mutual Aid Reserve	-	18,832	-
Reserve for Bonus Payments	4,092	-	34
Reserve for Retirement Benefits (Note 16)	8,129	9,380	68
Other Reserves	5	8	0
Deferred Tax Liabilities Relating to Land Revaluation	33,662	34,788	280
Acceptances and Guarantees (Note 17)	388,345	335,001	3,231
Total Liabilities	59,496,526	55,696,422	494,979
Minority Interests			
Minority Interests	1,801	1,816	15
Shareholders' Equity			
Paid-in Capital (Note 20)	1,224,999	1,124,999	10,192
Capital Surplus	25,020	25,020	208
Retained Earnings	608,766	573,017	5,065
Land Revaluation Reserve	80,024	82,700	666
Net Unrealized Gains (Losses) on Securities, net of taxes	(171,006)	76,772	(1,423)
Foreign Currency Translation Adjustments	(683)	(764)	(6)
Total Shareholders' Equity	1,767,120	1,881,745	14,702
Total Liabilities, Minority Interests and Shareholders' Equity	¥ 61,265,449	¥ 57,579,985	$ 509,696

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Operations
For the fiscal years ended March 31, 2003 and 2002

	Millions of Yen				Millions of U.S. Dollars (Note 1)	
		2003		2002		2003
Income						
Interest and Dividend Income:						
Interest on Loans and Bills Discounted	¥	162,036	¥	207,012	$	1,348
Interest on and Dividends from Securities		585,566		681,464		4,872
Other Interest Income (Note21)		66,308		135,162		552
Fees and Commissions		23,981		23,366		200
Trading Revenue (Note 22)		1,959		1,212		16
Other Operating Income (Note 23)		481,177		459,044		4,003
Other Income (Note 24)		142,452		111,981		1,184
Total Income		1,463,483		1,619,244		12,175
Expenses						
Interest Expenses:						
Interest on Deposits		64,829		132,164		539
Interest on Debentures		55,940		67,061		465
Amortization of Discounts on Debentures		652		2,739		5
Interest on Borrowings		10,587		10,223		88
Other Interest Expenses (Note 25)		557,301		656,266		4,636
Fees and Commissions		8,382		7,736		70
Trading Losses (Note 26)		548		760		5
Other Operating Expenses (Note 27)		312,067		290,699		2,596
General and Administrative Expenses		124,216		112,838		1,033
Other Expenses (Note 28)		233,319		247,973		1,942
Total Expenses		1,367,846		1,528,463		11,379
Income before Income Taxes and Minority Interests		95,637		90,781		796
Income Taxes:						
Current		26,264		41,353		219
Deferred		3,068		(21,651)		26
Minority Interests in Net Income		856		470		7
Net Income	¥	65,447	¥	70,608	$	544

	Yen				U.S. Dollars (Note 1)	
		2003		2002		2003
Net Income per Share	¥	41.22	¥	60.28	$	0.34

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Capital Surplus and Retained Earnings
For the fiscal years ended March 31, 2003 and 2002

	Millions of Yen				Millions of U.S. Dollars (Note 1)	
	2003		2002		2003	
Capital Surplus						
Balance at the Beginning of the Year	¥	25,020	¥	25,020	$	208
Balance at the End of the Year	¥	25,020	¥	25,020	$	208
Retained Earnings						
Balance at the Beginning of the Year	¥	573,017	¥	532,938	$	4,768
Additions:						
Net Income for the Year		65,447		70,608		544
Transfer from Land Revaluation Reserve		2,675		1,163		22
Deductions:						
Dividends		32,374		31,691		269
Balance at the End of the Year	¥	608,766	¥	573,017	$	5,065

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Cash Flows
For the fiscal years ended March 31, 2003 and 2002

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2003	2002	2003
Cash Flows from Operating Activities:			
Income before Income Taxes and Minority Interests	¥ 95,637	¥ 90,781	$ 796
Depreciation of Premises and Equipment	7,381	7,813	61
Depreciation of Leased Assets	192,360	192,173	1,600
Share of Earnings of Affiliates	(150)	(95)	(1)
(Decrease)Increase in Reserve for Possible Loan Losses	(5,100)	48,826	(42)
Decrease in Group Mutual Aid Reserve	(18,832)	(16,773)	(157)
Increase in Reserve for Bonus Payments	4,501	-	37
Decrease in Reserves under Special Laws	(2)	(1)	(0)
Increase in Reserve for Retirement Benefits	672	758	6
Interest Income	(813,911)	(1,023,640)	(6,771)
Interest Expenses	689,311	868,455	5,735
Gains on Securities	(116,338)	(98,906)	(968)
Losses on Money Held in Trust	92,001	16,399	765
Foreign Exchange Losses (Gains)	810,654	(739,946)	6,744
Losses on Sales of Premises and Equipment	3,658	589	30
Gains on Sales of Leased Assets	(1,673)	(2,675)	(14)
Net (Increase) Decrease in Trading Assets	(545,685)	902,772	(4,540)
Net Increase (Decrease) in Trading Liabilities	235,761	(10,263)	1,961
Net Decrease (Increase) in Loans and Bills Discounted	5,034,117	(1,179,991)	41,881
Net Increase in Deposits	2,204,790	2,050,936	18,343
Net Decrease in Negotiable Certificates of Deposit	(39,311)	(374, 907)	(327)
Net Decrease in Debentures	(115,697)	(628,649)	(963)
Net Increase (Decrease) in Borrowings (Excluding Subordinated Borrowings)	9,667	(32,237)	80
Net (Increase) Decrease in Interest-bearing Due from Banks	(310,245)	1,798,128	(2,581)
Net (Increase) Decrease in Call Loans and Bills Purchased and Other	(183,547)	324,461	(1,527)
Net (Increase) Decrease in Collateral Deposited under Securities Borrowed	(768,732)	68,486	(6,395)
Net Increase in Call Money and Bills Sold and Other	2,101,692	2,479,336	17,485
Net Increase(Decrease) in Short-term Entrusted Fund	260,350	(2,741,493)	2,166
Net Decrease in Collateral Received under Securities Lent	(437,096)	(428,451)	(3,636)
Net Increase in Foreign Exchanges Assets	(1,839)	(2,844)	(15)
Net Increase in Foreign Exchanges Liabilities	5,469	233	46
Interest Received	866,509	1,140,293	7,209
Interest Paid	(689,355)	(964,911)	(5,735)
Other-Net	(318,822)	(945,452)	(2,653)
Subtotal	8,248,194	799,206	68,620
Income Taxes	(47,633)	(4,490)	(396)
Net Cash Provided by Operating Activities	¥ 8,200,560	¥ 794,716	$ 68,224

Consolidated Statements of Cash Flows
For the fiscal years ended March 31, 2003 and 2002

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2003	2002	2003
Cash Flows from Investing Activities:			
Purchases of Securities	¥ (13,940,671)	¥ (8,910,198)	$ (115,979)
Proceeds from Sales of Securities	4,993,917	4,831,042	41,547
Proceeds from Redemption of Securities	2,656,314	3,802,648	22,099
Increase in Money Held in Trust	(2,567,423)	(1,564,450)	(21,360)
Decrease in Money Held in Trust	704,396	1,260,547	5,860
Purchases of Premises and Equipment	(25,067)	(12,401)	(209)
Proceeds from Sales of Premises and Equipment	9,177	2,198	77
Purchases of Leased Assets	(215,363)	(226,161)	(1,792)
Proceeds from Sales of Leased Assets	22,937	11,085	191
Purchases of Stocks of Subsidiaries (effecting changes in the scope of consolidation)	-	(60)	-
Proceeds from Sales of Stocks of Subsidiaries (effecting changes in the scope of consolidation)	(54)	-	(0)
Purchases of Stocks of Subsidiaries (not effecting changes in the scope of consolidation)	(14)	-	(0)
Net Cash Used in Investing Activities	¥ (8,361,852)	¥ (805,749)	$ (69,566)
Cash Flows from Financing Activities:			
Proceeds from Issuance of Subordinated Borrowings	¥ 214,989	¥ -	$ 1,788
Capital Contribution	100,000	-	832
Dividends Paid	(32,374)	(31,691)	(269)
Net Cash Provided by (Used in) Financing Activities	¥ 282,614	¥ (31,691)	$ 2,351
Effect of Exchange Rate Changes on Cash and Cash Equivalents	¥ 77	¥ 28	$ 1
Net Increase (Decrease) in Cash and Cash Equivalents	121,399	(42,696)	1,010
Cash and Cash Equivalents at the Beginning of the Year	252,465	295,161	2,100
Cash and Cash Equivalents at the End of the Year	¥ 373,865	¥ 252,465	$ 3,110

The accompanying notes are an integral part of the financial statements.

Notes to the Consolidated Financial Statements

1. Basis of Presentation

The consolidated financial statements have been prepared based on the accounting records maintained by The Norinchukin Bank ("the Bank") and its consolidated subsidiaries in accordance with the provisions set forth in The Norinchukin Bank Law and in conformity with accounting principles and practices generally accepted in Japan, that are different in certain respects from the application and disclosure requirements of International Accounting Standards.

Certain items presented in the consolidated financial statements filed with the Ministry of Agriculture, Forestry and Fisheries of Japan have been reclassified for the convenience of readers.

The consolidated financial statements are intended only to present the consolidated financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in Japan.

Amounts in U.S. dollars are included solely for the convenience of readers. The exchange rate of ¥120.20=U.S.$1, the approximate rate of exchange prevailing on March 31, 2003, has been used for translation purposes. The inclusion of such amounts is not intended to imply that Japanese yen have been or could be readily converted, realized or settled in U.S. dollars at the aforementioned rate or at any other rate.

The yen figures disclosed in the consolidated financial statements are expressed in millions of yen and have been rounded down. Consequently, differences may exist between the sum of rounded figures and the totals listed in the annual report.

Certain amounts in prior periods have been reclassified to conform to the current presentation.

2. Summary of Significant Accounting Policies

(1) Principles of Consolidation

Scope of Consolidation

Subsidiaries

Subsidiaries are, in general, the companies in which the Bank 1) holds, directly and/or indirectly, more than 50% of the voting shares; 2) holds, directly and/or indirectly, 40% or more of the voting shares and, at the same time, exercises effective control over the decision-making body by directing business policy, deciding on financial and operating policies; or 3) holds more than 50% of the voting shares together with those entities that would vote or agree to vote with the Bank due to their close relationship with the Bank through sharing of personnel, provision of finance and technology and other relationships and, at the same time, has effective control over the decision-making body, unless evidence exists which shows that the Bank does not have such control.

The number of subsidiaries as of March 31, 2003 was twelve. All subsidiaries are consolidated. In this fiscal year, Kyodo Leasing Co., Ltd. was excluded from the scope of consolidation as a result of disposal of the Bank's investment in March 31, 2003. However, for the purpose of disclosure, the statement of operations of Kyodo Leasing Co., Ltd. has been consolidated in the Consolidated Statements of Operations. The major consolidated subsidiaries are as follows:

Norinchukin Securities Co., Ltd.
The Norinchukin Trust & Banking Co., Ltd.
Norinchukin International plc

Affiliates

Affiliates are, in general, the companies other than subsidiaries in which the Bank 1) holds, directly and/or indirectly, 20% or more of the voting shares; 2) holds, directly and/or indirectly, 15% or more of the voting shares and also is able to influence the decision-making body through sharing of personnel, provision of finance and technology, and other relationships; or 3) holds more than 20% of the voting shares together with those entities that would vote or agree to vote with the Bank due to their close relationship with the Bank through sharing of personnel, provision of finance and technology and other relationships and, at the same time, is able to influence the decision-making body in a material degree, unless evidence exists which shows that the Bank does not have such influence.

The number of affiliates as of March 31, 2003 was five, of which, four are accounted for under the equity method. Following the Bank's disposal of its investment, at March 31,2003, Kyodo Leasing Co., Ltd. was newly accounted for under the equity method. The remaining immaterial affiliate is carried at cost. The major affiliates accounted for under the equity method are as follows:

Norinchukin-Zenkyoren Asset Management Co., Ltd.
Kyodo Leasing Co., Ltd.

Any difference between the fair value of net assets acquired and acquisition cost is charged or credited to income in the year of acquisition.

The consolidated financial statements include the accounts of the Bank and its subsidiaries, after the elimination of all significant intercompany transactions, balances, and unrealized gains and losses.

The financial statements of a consolidated subsidiary, whose fiscal year-end is December 31, are included in the consolidated financial statements on the basis of its respective fiscal year after making appropriate adjustments for significant transactions during the period from its fiscal year-end to the date of the Bank's fiscal year-end.

All other subsidiaries' fiscal year-ends are March 31.

(2) Transactions for Trading Purposes

Transactions that are influenced by short-term fluctuations in market and other indicators, such as interest rates, foreign exchange rates and securities markets and transactions such as those that are undertaken to take advantage of inter-market and other differences (hereinafter referred to as "Transactions for Trading Purposes") are recorded as Trading Assets and Trading Liabilities in the Consolidated Balance Sheet on a trade date basis.

Gains and losses arising from Transactions for Trading Purposes are recorded on a trade date basis.

Securities, monetary claims and certain other items held for trading purposes are valued at the market price prevailing at the end of the fiscal year. Derivatives held for trading purposes, such as swaps, futures and options, are valued on the assumption that they were settled at the end of the fiscal year.

Trading Revenue and Trading Losses include interest received and paid during the fiscal year, gains or losses resulting from any change in the value of securities and monetary claims between the end of the previous fiscal year and the end of this fiscal year, and gains or losses resulting from any change in the value of derivatives between the end of the previous fiscal year and the end of this fiscal year, assuming they were settled at the end of the fiscal year.

(3) Financial Instruments

(a) Securities

Held-to-maturity debt securities are valued at amortized cost, as determined by the moving average method. Other securities that have a market quotation are valued at the market price prevailing at the end of the fiscal year (the attributable cost of securities sold is determined by the moving average method). Other securities without a market quotation are valued at cost as determined by the moving average method or are valued at amortized cost. Investments in affiliates that are not accounted for under the equity method are valued at cost, as determined by the moving average method. The value of money held in trust, primarily held for the purpose of investing in securities, was calculated by valuing the underlying securities held using the same methods employed to value Securities directly held by the Bank.

The net unrealized gain or loss on other securities and other money held in trust is reported separately in Shareholders' Equity, on a net-of-tax basis.

(b) Derivatives

Derivative transactions (other than transactions for trading purposes) are held at fair value.

(c) Hedge Accounting

The Bank utilizes a macro hedging methodology using derivatives to manage the overall interest rate risk arising on various financial assets and liabilities held, such as loans and deposits. This macro hedging methodology is the risk management method known as the "Risk Adjusted Approach" described in the "Tentative Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks"(JICPA Industry Audit Committee Report No.15), under which the deferral method of hedge accounting is applied on the basis of the temporary treatment described in the "Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks" (JICPA Industry Audit Committee Report No.24).Hedge effectiveness is assessed by checking (1) whether the total market risk arising on derivative instruments used for hedging purposes is within the established risk limit as set out in the risk management policy and (2) whether interest rate risk from hedged items has been mitigated.

The fair value method of hedge accounting as a comprehensive hedging methodology is applied to hedges of foreign currency risk arising from securities denominated in foreign currency (other than debt securities), provided that (1) the securities denominated in foreign currency are identified as hedged items in advance and (2) spot and forward liabilities that exceed acquisition costs of the foreign currency securities designated as hedged items exist on a foreign currency basis.

For certain other assets or liabilities, the Bank applies the deferral method or the accrual method specifically allowed for certain interest rate swaps. Under the deferral method, the recognition of income or expenses arising on a hedging instrument is deferred to when the income or expenses arising on the hedged item is recognized.

The Bank's consolidated subsidiaries do not adopt hedge accounting.

(4) Premises and Equipment

Depreciation of premises and equipment of the Bank is calculated using the reducing-balance method (however, depreciation on buildings acquired after April 1, 1998 (excluding annex facilities of buildings) is calculated using the straight-line method).

The useful lives of premises and equipment are as follows:

Buildings: 15〜50 years

Equipment: 4〜15 years

Depreciation of premises and equipment of the consolidated subsidiaries is calculated using primarily the reducing-balance method over the estimated economic useful lives of premises and equipment.

In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes has been revalued as of March 31, 1998. The unrealized gain arising on revaluation, net of deferred tax was disclosed as Land Revaluation Reserve and included in Shareholders' Equity on the Consolidated Balance Sheet. The related deferred tax liability is included in Liabilities as Deferred Tax Liabilities Relating to Land Revaluation.

The land price used for the revaluation was determined based on third-party appraisals in accordance with Article 2-5 of the enforcement ordinance for the Law Concerning the Revaluation of Land.

The difference (unrealized loss) between the book value of land after the revaluation undertaken in accordance with Article 10 of the Law Concerning the Revaluation of Land and the fair value was ¥30,414 million and ¥29,740 million as of March 31, 2003 and March 31, 2002, respectively.

(5) Software

The cost of computer software developed or obtained for internal use is capitalized and amortized using the straight-line method over its estimated useful life of 5 years.

(6) Debentures

Discounts on debentures are amortized over the life of the debenture. Debenture expenses are charged to income as incurred.

(7) Foreign Currency Translation

Assets/liabilities denominated in foreign currency and accounts of overseas branches in the Bank are translated into Japanese yen primarily using the exchange rates in effect at the consolidated balance sheet date.

Up to the previous fiscal year, the Bank had followed Accounting Standards relating to Foreign Currency Transactions for Banks in accordance with the "Tentative Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 20). However, from this fiscal year the Bank has adopted the "Tentative Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25). As a result of adopting this treatment, foreign currency differences arising from futures currency transactions are recognized on the Consolidated Balance Sheet on a gross basis. Consequently, other assets in Other Assets and other liabilities in Other Liabilities have increased by ¥12,023 million, respectively as compared with the amount that would have been disclosed if the basis of presentation had not been changed.

On the basis of the temporary treatment described in the JICPA Industry Audit Committee Report No. 25, regarding foreign currency swaps relating to funding transactions, the swap nominal amounts are translated into yen using the exchange rates in effect at the consolidated balance sheet date and are disclosed in the Consolidated Balance Sheet on a net basis. Premiums or discounts reflecting interest rate differentials between the two currencies are charged to or credited to the Consolidated Statement of Income on an accruals basis over the period from the spot transaction's settlement date to the forward transaction's settlement date, and disclosed as accrued income or accrued expenses on the Consolidated Balance Sheet included in Other Assets and Other Liabilities.

Such foreign currency swaps are entered into for the purpose of funding or investment, where (1) the nominal amounts of funding or investment are equal to the amounts of foreign exchange purchased or sold as spot transactions and (2) future payments or proceeds from investment or funding respectively, together with the contractual interest payment or receipt denominated in foreign currency, are equal to the amounts of foreign exchange sold or purchased forward.

Assets/liabilities denominated in foreign currency of consolidated subsidiaries are translated into Japanese yen using the respective exchange rates in effect at the balance sheet date.

(8) Reserve for Possible Loan Losses

The Reserve for Possible Loan Losses of the Bank is computed as follows:

a. The reserve for loans to debtors that are legally or substantially bankrupt is provided based on the remaining amount of the loans after the direct write-off described below and the deduction of the amount expected to be collected through the disposal of collateral or the execution of guarantees. With respect to loans secured with collateral or guarantees to borrowers who are legally or substantially in bankruptcy, the remaining amount of the loan after the deduction of the amount of collateral or the execution of guarantees is directly written off. The amount of such direct write-offs was ¥69,839 million for the fiscal year ended March 31, 2003.

b. The reserve for loans to debtors who are not currently bankrupt, but are likely to become bankrupt, is provided based on the amount necessary, taking into account the overall solvency assessment of the debtor and after deducting the amount expected to be collected through the disposal of collateral or the execution of guarantees.

c. The reserve for loans other than the above is provided primarily based on the default rate which the Bank has calculated based on actual defaults experienced in the past.

d. The specific reserve for loans to countries with financial problems is provided based on the expected amount of losses taking into account the political, economic and other conditions in each country.

All claims are assessed by the Business Units based on the Bank's internal rules for the self-assessment of asset quality. The Asset Audit Department, which is independent from the Business Units, audits these self-assessments. The reserves described above are determined based upon the results of these audits.

The Reserve for Possible Loan Losses determined by the Bank's consolidated subsidiaries is computed primarily in the same manner employed by the Bank.

(9) Reserve for Bonus Payments

Reserve for Bonus Payments represents estimated payment of bonuses attributable to employees in relation to the current fiscal year.

Up to the previous fiscal year, liabilities for fixed bonus payments to employees had been disclosed in accrued expenses included in Other Liabilities. However, the actual payment of bonuses to employees has not been fixed for this fiscal year, and so is disclosed as Reserve for Bonus Payments. The effect of this change is to decrease Accrued Expenses by ¥4,092 million and increase Reserve for Bonus Payments by ¥4,092 million.

(10) Reserve for Retirement Benefits

The Reserve for Retirement Benefits, which is provided for the payment of employees' retirement benefits, represents the estimated present value of projected benefit obligations in excess of the fair value of the plan assets taking into account adjustments for unrecognized prior year service costs and unrecognized actuarial differences at the end of the fiscal year.

Any change in plan benefits that impacts the benefit plan is charged to income in the year of change. Any actuarial differences are amortized over 10 years beginning one fiscal year after the year when the difference is identified.

(11) Accounting for Finance Leases

Accounting for finance leases where the ownership of assets is not transferred to the lessee is consistent with the same accounting principles as for operating leases. Rental expenses under operating leases are charged to income.

(12) Consumption Taxes

Consumption tax and local consumption tax incurred by the Bank and its consolidated subsidiaries are excluded from transaction amounts.

(13) Income Taxes

The income taxes of the Bank comprise corporate income taxes, local inhabitant taxes and enterprise taxes. Deferred income taxes are provided for in respect of temporary differences between the tax and accounting basis of recording assets and liabilities in the financial statements.

(14) Scope of Cash and Cash Equivalents in the Consolidated Statement of Cash Flows

In the Consolidated Statement of Cash Flows, Cash and Cash Equivalents comprise cash and non-interest-bearing due from banks, included in Cash and Due from Banks on the Consolidated Balance Sheet.

(15) Net Income per Share

Net Income per Share is computed based upon the weighted average number of shares outstanding during the fiscal year.

The total dividend for Lower Dividend Rate Stock and Preferred Stock is deducted from the numerator and the aggregate number of these stocks is deducted from the denominator in the calculation of net income per share.

3. Trading Assets

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Trading Securities	¥ 859,136	¥ 392,016	$ 7,148
Derivatives of Trading Securities	11	10	0
Derivatives of Securities Related to Trading Transactions	22	-	0
Trading-related Financial Derivatives	96,866	81,094	806
Other Trading Assets	964,417	901,647	8,023
Total	¥ 1,920,454	¥ 1,374,769	$ 15,977

4. Securities

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Japanese Government Bonds	¥ 9,688,494	¥ 8,608,561	$ 80,603
Municipal Government Bonds	413,613	418,834	3,441
Corporate Bonds	945,409	1,049,363	7,865
Stocks	408,077	500,195	3,395
Other	17,167,812	12,647,688	142,828
Total	¥ 28,623,408	¥ 23,224,644	$ 238,132

The maturity profile of other securities with stated maturities and held-to-maturity debt securities is as follows:

	Millions of Yen			
As of March 31,2003	1 Year or Less	Over 1Year ~ 5 Years	Over 5 Years ~ 10 Years	Over 10 Years
Bonds	¥ 944,672	¥ 2,997,809	¥ 4,305,550	¥ 2,799,484
Japanese Government Bonds	583,908	2,192,776	4,136,033	2,775,774
Municipal Government Bonds	95,239	306,478	10,865	1,030
Corporate Bonds	265,524	498,554	158,651	22,680
Other	190,588	2,392,882	5,724,149	2,750,279
Total	¥ 1,135,260	¥ 5,390,691	¥ 10,029,699	¥ 5,549,764

	Millions of U.S. Dollars			
As of March 31,2003	1 Year or Less	Over 1Year ~ 5 Years	Over 5 Years ~ 10 Years	Over 10 Years
Bonds	$ 7,859	$ 24,940	$ 35,820	$ 23,290
Japanese Government Bonds	4,858	18,243	34,410	23,093
Municipal Government Bonds	792	2,550	90	9
Corporate Bonds	2,209	4,147	1,320	188
Other	1,586	19,908	47,622	22,881
Total	$ 9,445	$ 44,848	$ 83,442	$ 46,171

5. Loans and Bills Discounted

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Loans on Deeds	¥ 15,240,000	¥ 11,825,794	$ 126,789
Promissory Notes	935,296	9,085,594	7,781
Overdrafts	2,948,068	2,995,699	24,526
Bills Discounted	55,799	78,807	464
Total	¥ 19,179,165	¥ 23,985,896	$ 159,560

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Loans to Borrowers under Bankruptcy Proceedings	¥ 18,865	¥ 24,568	$ 157
Loans with Principal or Interest Payments More Than Six Months in Arrears	406,141	357,239	3,379
Loans with Principal or Interest Payments More Than Three Months in Arrears	1,907	1,859	16
Restructured Loans	252,680	439,410	2,102
Total	¥ 679,595	¥ 823,078	$ 5,654

(1) The Bank does not accrue interest on "Loans to Borrowers under Bankruptcy Proceedings" and "Loans with Principal or Interest Payments More Than Six Months in Arrears".

(2) "Loans with Principal or Interest Payments More Than Three Months in Arrears" are loans which are past-due by 3 months or more other than "Loans to Borrowers under Bankruptcy Proceedings" and "Loans with Principal or Interest Payments More Than Six Months in Arrears".

(3) "Restructured Loans" are loans whereby, in order to support the borrowers' rehabilitation and facilitate the collection of the loan, the terms of the loans are restructured in favor of the borrowers by reducing the interest rate, suspending payments of interest or principal, waiving principal repayments, etc.

6. Foreign Exchange Assets

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Foreign Bills Purchased	¥ 4,473	¥ 2,687	$ 37
Foreign Bills Receivable	10,630	12,436	88
Due from Foreign Banks	6,195	4,335	52
Total	¥ 21,299	¥ 19,460	$ 177

7. Other Assets

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Prepaid Expenses	¥ 1,314	¥ 5,918	$ 11
Accrued Income	195,068	192,191	1,623
Financial Derivatives	74,840	110,548	623
Deferred Hedge Losses	181,013	76,588	1,506
Collateral Deposited under Securities Borrowed	-	197,781	-
Leased Assets	-	582,496	-
Other	237,996	268,513	1,980
Total	¥ 690,233	¥ 1,434,038	$ 5,743

Note: Collateral Deposited under Securities Borrowed previously included in Other Assets are now disclosed separately in the Consolidated Balance Sheet from this fiscal year.

8. Premises and Equipment

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Land	¥ 143,032	¥ 148,088	$ 1,190
Buildings	47,736	49,769	397
Equipment	7,898	14,199	66
Other	16,516	10,746	137
Total Net Book Value	¥ 215,184	¥ 222,803	$ 1,790
Accumulated Depreciation Deducted	¥ 96,670	¥ 101,434	$ 804

9. Assets Pledged

Assets pledged as collateral comprise the following:

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Trading Assets	¥ 972,815	¥ 650,929	$ 8,093
Securities	4,363,475	3,919,445	36,302
Other Assets	-	139,408	-

Liabilities related to the above pledged assets are as follows:

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Call Money and Bills Sold	¥ 357,200	¥ 182,600	$ 2,972
Payables under Repurchase Agreements	3,981,059	3,135,033	33,120
Collateral Received under Securities Lent	771,864	-	6,421
Borrowings	-	102,041	-
Other Liabilities	-	1,292,757	-

In addition, Securities totaling ¥2,479,033 million and ¥4,150,444 million as of March 31,2003 and March 31,2002,respectively, and Loans and Bills Discounted totaling ¥7,473,801 million as of March 31, 2003 were pledged as collateral for settlement of exchange and derivative transactions or as variation margin for futures transactions.

In addition, Securities totaling ¥431,015 million as of March 31, 2003, was pledged as collateral for third party borrowings from financial institutions.

10. Deposits

	Millions of Yen				Millions of U.S. Dollars	
As of March 31		2003		2002		2003
Time Deposits	¥	34,833,836	¥	33,282,481	$	289,799
Notice Deposits		131,457		181,119		1,094
Ordinary Deposits		1,545,724		1,883,072		12,860
Current Deposits		135,057		166,203		1,124
Negotiable Certificates of Deposit		249,368		288,680		2,075
Other Deposits		3,526,220		2,453,662		29,335
Total	¥	40,421,665	¥	38,255,219	$	336,287

11. Debentures

	Millions of Yen				Millions of U.S. Dollars	
As of March 31		2003		2002		2003
One-year Discount Debentures	¥	696,496	¥	872,749	$	5,794
Long-term Coupon Debentures		5,094,286		5,033,730		42,382
Total	¥	5,790,783	¥	5,906,480	$	48,176

12. Trading Liabilities

	Millions of Yen				Millions of U.S. Dollars	
As of March 31		2003		2002		2003
Trading Securities Oversold	¥	349,112	¥	130,887	$	2,904
Derivatives of Trading Securities		0		39		0
Derivatives of Securities Related to Trading Transactions		23		7		0
Trading- related Financial Derivatives		99,923		82,364		832
Total	¥	449,060	¥	213,298	$	3,736

13. Borrowings

Borrowings include subordinated loans of ¥705,132 million and ¥490,143 million as of March 31,2003 and March 31,2002,respectively.

14. Foreign Exchange Liabilities

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Foreign Bills Sold	¥ 3	¥ 5	$ 0
Foreign Bills Payable	-	216	-
Due to Foreign Banks	7,789	2,101	65
Total	¥ 7,792	¥ 2,323	$ 65

15. Other Liabilities

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Advances Received for Food Account	¥ 820	¥ 1,286	$ 7
Short-term Entrusted Funds	1,509,599	1,249,248	12,559
Accrued Expenses	106,886	108,409	889
Income Taxes Payable	28,695	49,461	239
Unearned Income	4,668	24,239	39
Financial Derivatives	103,503	167,357	861
Deferred Hedge Gains	43,206	71,367	359
Collateral Received under Securities Lent	-	1,389,154	-
Other	347,907	494,445	2,893
Total	¥ 2,145,286	¥ 3,554,970	$ 17,846

Note: Collateral Received under Securities Lent previously included in Other Liabilities are now disclosed separately in the Consolidated Balance Sheet from this fiscal year.

16. Retirement Benefit Plans

The Bank is funding a defined benefit pension plan and in addition has a lump-sum payment pension plan. Additional retirement benefits are paid to employees in certain cases. To fund the lump-sum payment pension plan the Bank has established a retirement benefit trust.

The reserve for retirement benefits as of March 31, 2003 is analyzed as follows:

As of March 31,2003	Millions of Yen	Millions of U.S. Dollars
Projected Benefit Obligations	¥ (69,369)	$ (577)
Plan Assets	43,059	358
Unfunded Retirement Benefit Obligations	(26,309)	(219)
Unrecognized Transition Amount	-	-
Unrecognized Prior Service Cost	-	-
Unrecognized Actuarial Differences	19,140	159
Net Amounts Reported in the Balance Sheet	(7,168)	(60)
Prepaid Pension Cost	961	8
Reserve for Retirement Benefits	¥ (8,129)	$ (68)

Note: Certain consolidated subsidiaries adopt the simplified method to calculate projected benefit obligations.

Assumptions used in the above calculation are as follows:

Discount Rate	2.5%
Expected Rate of Return on Plan Assets	3.5%
Method of Attributing the Projected Benefits to Periods of Service	Straight-line Basis
Amortization of Unrecognized Prior Service Cost	Year incurred
Amortization of Transition Amount	Year incurred
Amortization of Unrecognized Actuarial Differences	10 years

17. Acceptances and Guarantees

	Millions of Yen		Millions of U.S. Dollars
As of March 31	2003	2002	2003
Acceptance of Bills of Exchange	¥ 20	¥ 20	$ 0
Letters of Credit	36,600	28,361	305
Guarantees	351,723	306,619	2,926
Total	¥ 388,345	¥ 335,001	$ 3,231

All contingent liabilities arising in connection with customers' foreign trade and other transactions are classified under Acceptances and Guarantees. A contra account, Customers' Liabilities for Acceptances and Guarantees, is classified as an asset representing the Bank's right of indemnity from customers.

18. Commitments to Overdrafts and Loans

Commitments related to overdrafts and loans represent agreements to extend overdrafts or loans up to a pre-agreed amount at the customer's request as long as no violation of the conditions stipulated in the commitment agreement exists. The amount of undrawn commitments in relation to such agreements is ¥3,539,033 million. The amount, which the Bank and its consolidated subsidiaries could cancel at any time without penalty, is ¥2,005,714 million.

The amount of undrawn commitments does not necessarily affect the future cash flow of the Bank and its consolidated subsidiaries because the majority of such agreements are terminated without being exercised. Most of these agreements have provisions which stipulate that the Bank and its consolidated subsidiaries may not extend the loan or may decrease the commitment when there are certain changes in the financial condition of the borrower, certain issues relating to collateral and other reasons. At the time of extending loans to customers, the Bank and its consolidated subsidiaries are able to request collateral in the form of premises or securities as necessary. After extending loans, the Bank periodically checks the financial condition of its customers based on its internal rules and acts to secure loans as necessary.

19. Securities Lent

Securities Lent under unsecured lending agreements (Saiken Taishaku Torihiki) totaling ¥666,659 million, are included in Japanese Government Bonds and Other in Securities.

Securities Borrowed under unsecured borrowing agreements (Saiken Taishaku Torihiki) and Securities Received under resale agreements and cash-collateralized borrowing agreements that can be sold or repledged by the Bank, securities repledged out and securities held were ¥686,331 million and ¥1,739,006 million respectively and no securities were lent as of March 31, 2003.

20. Paid-in Capital

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Common Stock	¥ 1,200,000	¥ 1,100,000	$ 9,984
Preferred Stock	24,999	24,999	208
Total	¥ 1,224,999	¥ 1,124,999	$ 10,192

The Common Stock account includes Lower Dividend Rate Stock with a total par value of 1,000,000 million.

Lower Dividend Rate Stock is similar to regular common stock but has been issued on the condition that the dividend yield will be set below that relating to common stock.

21. Other Interest Income

Fiscal year ended March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Call Loans and Bills Purchased	¥ 908	¥ 2,238	$ 8
Receivables under Resale Agreements	3,474	5,006	29
Collateral Deposited under Securities Borrowed	162	-	1
Cash and Due from Banks	50,751	100,883	422
Other	11,010	27,033	92
Total	¥ 66,308	¥ 135,162	$ 552

Note: Collateral Deposited under Securities Borrowed included in Other Interest Income was previously disclosed in Other in Other Interest Income.

22. Trading Revenue

Fiscal year ended March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Revenue from Trading Securities and Derivatives	¥ 283	¥ -	$ 2
Revenue from Securities and Derivatives Related to Trading Transactions	96	-	1
Revenue from Trading-related Financial Derivatives	-	86	-
Other Trading Revenue	1,579	1,125	13
Total	¥ 1,959	¥ 1,212	$ 16

23. Other Operating Income

		Millions of Yen			Millions of U.S. Dollars
Fiscal year ended March 31		2003		2002		2003
Gains on Foreign Exchange Transactions	¥	376	¥	1,054	$	3
Gains on Sales of Bonds		225,877		225,026		1,879
Gains on Redemption of Bonds		3,040		773		25
Other		251,883		232,190		2,096
Total	¥	481,177	¥	459,044	$	4,003

24. Other Income

		Millions of Yen				Millions of U.S. Dollars
Fiscal year ended March 31		2003		2002		2003
Gains on Sales of Stocks and Other Securities	¥	16,292	¥	46,684	$	135
Gains on Money Held in Trust		112,584		62,152		937
Amortization of Goodwill		6		-		0
Share of Earnings of Affiliates		150		90		1
Gains on Sales of Premises and Equipment		5		112		0
Recoveries of Claims Written-off		2,185		1,250		18
Other		11,228		1,689		93
Total	¥	142,452	¥	111,981	$	1,184

25. Other Interest Expenses

		Millions of Yen				Millions of U.S. Dollars
Fiscal year ended March 31		2003		2002		2003
Call Money and Bills Sold	¥	1,634	¥	2,731	$	14
Payables under Repurchase Agreements		47,920		71,584		399
Collateral Received under Securities Lent		391		-		3
Other		507,355		581,950		4,220
Total	¥	557,301	¥	656,266	$	4,636

Note: Collateral Received under Securities Lent included in Other Interest Expenses was previously disclosed in Other in Other Interest Expenses.

26. Trading Losses

		Millions of Yen				Millions of U.S. Dollars
Fiscal year ended March 31		2003		2002		2003
Losses on Trading Securities and Derivatives	¥	-	¥	638	$	-
Losses on Securities and Derivatives Related to Trading Transactions		-		121		-
Losses on Trading-related Financial Derivatives		548		-		5
Total	¥	548	¥	760	$	5

27. Other Operating Expenses

Fiscal year ended March 31	Millions of Yen 2003	2002	Millions of U.S. Dollars 2003
Amortization of Debenture Issuance Costs	¥ 305	¥ 521	$ 3
Losses on Sales of Bonds	9,519	60,283	79
Losses on Redemption of Bonds	5	44	0
Losses on Revaluation of Bonds	33,897	16,122	282
Losses on Financial Derivatives	14,930	1,288	124
Other Operating Expenses	253,409	212,437	2,108
Total	¥ 312,067	¥ 290,699	$ 2,596

28. Other Expenses

Fiscal year ended March 31	Millions of Yen 2003	2002	Millions of U.S. Dollars 2003
Transfer to Reserve for Possible Loan Losses	¥ 64,155	¥ 80,003	$ 534
Transfer to Group Mutual Aid Reserve	-	15,001	-
Write-off of Loans	4,445	34,062	37
Losses on Sales of Stocks and Other Securities	36,934	31,381	307
Losses on Revaluation of Stocks and Other Securities	9,433	10,138	78
Losses on Money Held in Trust	91,584	67,796	762
Losses on Disposals of Premises and Equipment	3,664	701	31
Other	23,100	8,887	193
Total	¥ 233,319	¥ 247,973	$ 1,942

29. Cash Flows

(1) The reconciliation of Cash and Due from Banks in the Consolidated Balance Sheets to Cash and Cash Equivalents at the end of year is as follows:

As of March 31	Millions of Yen 2003	2002	Millions of U.S. Dollars 2003
Cash and Due from Banks	¥ 4,338,327	¥ 3,907,483	$ 36,093
Less: Interest-bearing Due from Banks	(3,964,461)	(3,655,017)	(32,983)
Cash and Cash Equivalents at the End of the Year	¥ 373,865	¥ 252,465	$ 3,110

(2) The assets and liabilities of Kyodo Leasing Co., Ltd. excluded from the scope of consolidation are as follows:

	Millions of Yen	Millions of U.S. Dollars
Assets	¥ 684,033	$ 5,691
(of which Other Assets comprise)	(663,529)	(5,520)
Liabilities	670,580	5,579
(of which Borrowings comprise)	(625,322)	(5,202)

30. Segment Information

(a) Segment Information by Type of Business

Fiscal year ended March 31, 2003	Banking Business	Leasing	Other	Total	Elimination and Corporate Assets	Consolidated
	Millions of Yen					
I .Ordinary Income						
(1)Ordinary Income from Third-parties	¥ 1,196,076	¥ 241,023	¥ 24,177	¥ 1,461,277	¥ -	¥ 1,461,277
(2)Inter-segment Ordinary Income	5,510	3,066	19,189	27,767	(27,767)	-
Total	1,201,587	244,090	43,367	1,489,044	(27,767)	1,461,277
Ordinary Expenses	1,094,155	242,489	38,646	1,375,291	(12,477)	1,362,814
Ordinary Profit (Loss)	¥ 107,431	¥ 1,601	¥ 4,720	¥ 113,753	¥ (15,290)	¥ 98,463
II .Assets	¥ 60,188,161	¥ -	¥ 1,735,969	¥ 61,924,130	¥ (658,680)	¥61,265,449
Depreciation	6,906	-	426	7,332	-	7,332
Capital Expenditure	13,758	-	671	14,430	-	14,430

Fiscal year ended March 31, 2002	Banking Business	Leasing	Other	Total	Elimination and Corporate Assets	Consolidated
	Millions of Yen					
I .Ordinary Income						
(1)Ordinary Income from Third-parties	¥ 1,355,998	¥ 233,059	¥ 28,806	¥ 1,617,864	¥ -	¥ 1,617,864
(2)Inter-segment Ordinary Income	8,736	2,932	14,471	26,139	(26,139)	-
Total	1,364,734	235,992	43,277	1,644,004	(26,139)	1,617,864
Ordinary Expenses	1,281,554	236,010	37,864	1,555,429	(27,693)	1,527,736
Ordinary Profit (Loss)	¥ 83,180	¥ (18)	¥ 5,412	¥ 88,574	¥ 1,553	¥ 90,128
II .Assets	¥ 56,527,488	¥ 677,006	¥ 1,593,805	¥ 58,798,300	¥ (1,218,314)	¥57,579,985
Depreciation	7,353	192,216	417	199,987	-	199,987
Capital Expenditure	9,088	226,658	232	235,979	-	235,979

Fiscal year ended March 31, 2003	Millions of U.S. Dollars					
	Banking Business	Leasing	Other	Total	Elimination and Corporate Assets	Consolidated
Ⅰ.Ordinary Income						
(1)Ordinary Income from Third-parties	$ 9,951	$ 2,005	$ 201	$ 12,157	$ -	$ 12,157
(2)Inter-segment Ordinary Income	46	25	160	231	(231)	-
Total	9,997	2,030	361	12,388	(231)	12,157
Ordinary Expenses	9,103	2,017	322	11,442	(104)	11,338
Ordinary Profit (Loss)	$ 894	$ 13	$ 39	$ 946	$ (127)	$ 819
Ⅱ.Assets	$ 500,734	$ -	$ 14,442	$ 515,176	$ (5,480)	$ 509,696
Depreciation	57	-	4	61	-	61
Capital Expenditure	114	-	6	120	-	120

Notes: 1.Ordinary Income represents Total Income less certain special income.

2. Ordinary Expenses represents Total Expenses less certain special expenses.

3. The Bank and its consolidated subsidiaries have organized their principal operations into "Banking Business", "Leasing", and "Other". "Other" represents securities, trust banking, non-bank and credit card businesses.

4. In the current fiscal year, Kyodo Leasing Co., Ltd. became an affiliate following the Bank's disposal of its investment. Consequently, the statement of operations of Kyodo Leasing Co., Ltd. was consolidated, while its Assets, Depreciation and Capital Expenditure were not included in above items.

(b)Segment Information by Location

Fiscal year ended March 31, 2003	Millions of Yen						
	Japan	The Americas	Europe	Asia	Total	Elimination and Corporate Assets	Consolidated
Ⅰ.Ordinary Income							
(1)Ordinary Income from Third-parties	¥ 1,372,233	¥ 10,691	¥ 50,414	¥ 27,938	¥ 1,461,277	¥ -	¥ 1,461,277
(2)Inter-segment Ordinary Income	26,657	20,974	133,270	94,155	275,058	(275,058)	-
Total	1,398,890	31,666	183,684	122,094	1,736,335	(275,058)	1,461,277
Ordinary Expenses	1,307,958	28,160	182,455	120,641	1,639,216	(276,401)	1,362,814
Ordinary Profit (Loss)	¥ 90,932	¥ 3,506	¥ 1,228	¥ 1,452	¥ 97,119	¥ 1,343	¥ 98,463
Ⅱ.Assets	¥ 71,071,339	¥ 2,237,052	¥ 8,244,869	¥ 7,386,724	¥ 88,939,985	¥ (27,674,536)	¥ 61,265,449

Fiscal year ended March 31, 2002	Japan	The Americas	Europe	Asia	Total	Elimination and Corporate Assets	Consolidated
	Millions of Yen						
I .Ordinary Income							
(1)Ordinary Income from Third-parties	¥ 1,485,818	¥ 18,073	¥ 70,678	¥ 43,293	¥ 1,617,864	¥ -	¥ 1,617,864
(2)Inter-segment Ordinary Income	57,492	45,398	207,531	133,899	444,323	(444,323)	-
Total	1,543,311	63,472	278,210	177,193	2,062,187	(444,323)	1,617,864
Ordinary Expenses	1,442,391	55,741	281,294	173,740	1,953,167	(425,431)	1,527,736
Ordinary Profit (Loss)	¥ 100,919	¥ 7,731	¥ (3,084)	¥ 3,453	¥ 109,019	¥ (18,891)	¥ 90,128
II .Assets	¥ 64,056,117	¥ 1,674,195	¥ 7,290,351	¥ 4,313,316	¥ 77,333,981	¥ (19,753,995)	¥ 57,579,985

Fiscal year ended March 31, 2003	Japan	The Americas	Europe	Asia	Total	Elimination and Corporate Assets	Consolidated
	Millions of U.S. Dollars						
I .Ordinary Income							
(1)Ordinary Income from Third-parties	$ 11,416	$ 89	$ 419	$ 233	$ 12,157	$ -	$ 12,157
(2)Inter-segment Ordinary Income	222	174	1,109	783	2,288	(2,288)	-
Total	11,638	263	1,528	1,016	14,445	(2,288)	12,157
Ordinary Expenses	10,881	234	1,518	1,004	13,637	(2,299)	11,338
Ordinary Profit (Loss)	$ 757	$ 29	$ 10	$ 12	$ 808	$ 11	$ 819
II .Assets	$ 591,275	$ 18,611	$ 68,593	$ 61,454	$ 739,933	$ (230,237)	$ 509,696

Notes: 1.Ordinary Income represents Total Income less certain special income.

2. Ordinary Expenses represents Total Expenses less certain special expenses.

3. The Bank reported "Ordinary Income" and "Ordinary Profit (Loss)" that corresponds to Sales and Operating Profit for non-financial companies, for the Bank's head office, branches and the consolidated subsidiaries according to the classification of country or region. The geographic classification was effected by geographical proximity, similarities in economic activities and inter-relationships among these activities.

4. "The Americas" includes the United States. "Europe" includes the United Kingdom and "Asia" includes Singapore.

(c)Ordinary Income from International Operations

Fiscal years ended March 31	Ordinary Income from International Operations	Consolidated Ordinary Income	Ratio of Ordinary Income from International Operations over Consolidated Ordinary Income
	Millions of Yen		Percentage
2003	¥ 808,558	¥ 1,461,277	55.3%
2002	1,052,332	1,617,864	65.0%
	Millions of U.S. Dollars		Percentage
2003	$ 6,727	$ 12,157	55.3%

Notes: 1.Ordinary Income represents Total Income less certain special income.
2. Ordinary Expenses represents Total Expenses less certain special expenses.
3. "Ordinary Income from International Operations" is shown in place of Overseas Sales for non-financial companies.
4. "Ordinary Income from International Operations" comprises foreign currency transactions, yen-denominated trade bills, yen-denominated transactions with non-Japanese residents, transactions in the offshore market in Japan, transactions by overseas branches of the parent and transactions by overseas consolidated subsidiaries (excluding Inter-segment Ordinary Income between consolidated entities). The composition of this substantial volume of transactions is not broken down by counter-party. Therefore, segment information by country and region has not been presented.

31. Fair Value of Securities

For the Fiscal Year Ended March 31, 2003

Trading Securities

	Millions of Yen		Millions of U.S. Dollars	
March 31,2003	Carrying Value	Unrealized Loss Recognized as expenses	Carrying Value	Unrealized Loss Recognized as expenses
Trading Securities	¥1,837,467	¥ (811)	$15,287	$ (7)

Note: The above analysis of Trading Securities includes Trading Securities, Negotiable Certificates of Deposit and Commercial Paper disclosed as "Trading Assets" in the Consolidated Balance Sheet.

Held-to-maturity Debt Securities that have a Fair Value

	Millions of Yen				
	Carrying Value	Fair Value	Net Unrealized Gain		
March 31,2003				Gain	Loss
Japanese Government Bonds	¥12,314	¥12,422	¥108	¥108	¥0
Total	¥12,314	¥12,422	¥108	¥108	¥0

	Millions of U.S. Dollars				
	Carrying Value	Fair Value	Net Unrealized Gain		
March 31,2003				Gain	Loss
Japanese Government Bonds	$102	$103	$1	$1	$0
Total	$102	$103	$1	$1	$0

Note: Fair value is based on fair prices at the end of the fiscal year ended March 31, 2003.

Other Securities held at Fair Value

	Millions of Yen				
	Acquisition	Carrying	Net Unrealized Gain/Loss		
March 31,2003	Cost	Value		Gain	Loss
Stocks	¥ 342,373	¥ 368,041	¥ 25,667	¥ 62,005	¥ 36,337
Bonds	10,785,999	11,011,036	225,036	263,493	38,456
Japanese Government Bonds	9,478,626	9,676,179	197,553	233,525	35,972
Municipal Government Bonds	404,190	413,613	9,423	10,462	1,039
Corporate Bonds	903,182	921,243	18,060	19,505	1,445
Other	17,513,520	17,071,215	(442,304)	715,086	1,157,391
Total	¥28,641,893	¥28,450,293	¥ (191,599)	¥1,040,586	¥ 1,232,186

	Millions of U.S. Dollars				
	Acquisition	Carrying	Net Unrealized Gain/Loss		
March 31,2003	Cost	Value		Gain	Loss
Stocks	$ 2,848	$ 3,062	$ 214	$ 516	$ 302
Bonds	89,734	91,606	1,872	2,192	320
Japanese Government Bonds	78,857	80,501	1,644	1,943	299
Municipal Government Bonds	3,363	3,441	78	87	9
Corporate Bonds	7,514	7,664	150	162	12
Other	145,703	142,023	(3,680)	5,949	9,629
Total	$238,285	$236,691	$(1,594)	$8,657	$10,251

Note: 1.The above analysis of Other Securities held at fair value includes "Securities", Negotiable Certificates of Deposit disclosed as "Cash and Due from Banks", and Commercial Paper disclosed as "Commercial Paper and Other Debt Purchased" in the Consolidated Balance Sheet.

2.Carrying values of securities held on the Consolidated Balance Sheet are stated based on the quoted market price at the end of the fiscal year ended March 31, 2003.

Other Securities Sold during the Fiscal Year

	Millions of Yen			Millions of U.S. Dollars		
	Sales	Gains on	Losses on	Sales	Gains on	Losses on
March 31,2003	Proceeds	Sales	Sales	Proceeds	Sales	Sales
Other Securities	¥5,022,418	¥242,203	¥46,454	$41,784	$2,015	$386

Carrying Value of Securities without a Fair Value

March 31,2003	Millions of Yen	Millions of U.S. Dollars
Other Securities		
Unlisted Stocks (excluding Over-the-counter Stocks)	¥ 40,927	$ 340
Foreign Securities	71,560	595
Other	43,344	361

For the Fiscal Year Ended March 31, 2002

Trading Securities

	Millions of Yen		Millions of U.S. Dollars	
March 31,2002	Carrying Value	Unrealized Loss Recognized as expenses	Carrying Value	Unrealized Loss Recognized as expenses
Trading Securities	¥1,306,115	¥(331)	$9,802	$(2)

Note: The above analysis of Trading Securities includes Trading Securities, Negotiable Certificates of Deposit and Commercial Paper disclosed as "Trading Assets" in the Consolidated Balance Sheet.

Held-to-maturity Debt Securities that have a Fair Value

	Millions of Yen				
	Carrying Value	Fair Value	Net Unrealized Gain		
March 31,2002				Gain	Loss
Japanese Government Bonds	¥8,183	¥8,346	¥163	¥163	¥-
Total	¥8,183	¥8,346	¥163	¥163	¥-

	Millions of U.S. Dollars				
	Carrying Value	Fair Value	Net Unrealized Gain		
March 31,2002				Gain	Loss
Japanese Government Bonds	$61	$63	$2	$2	$-
Total	$61	$63	$2	$2	$-

Note: Fair value is based on fair prices at the end of the fiscal year ended March 31, 2002.

Other Securities held at Fair Value

	Millions of Yen				
	Acquisition	Carrying	Net Unrealized Gain/Loss		
March 31,2002	Cost	Value		Gain	Loss
Stocks	¥ 375,179	¥ 484,918	¥ 109,739	¥ 126,499	¥ 16,759
Bonds	9,836,413	10,030,796	194,383	198,070	3,686
Japanese Government Bonds	8,442,712	8,600,378	157,665	158,304	638
Municipal Government Bonds	404,538	417,930	13,391	13,563	172
Corporate Bonds	989,161	1,012,488	23,326	26,202	2,875
Other	12,815,908	12,658,903	(157,004)	431,481	588,485
Total	¥23,027,500	¥23,174,618	¥ 147,119	¥ 756,051	¥608,932

March 31,2002	Millions of U.S. Dollars				
	Acquisition Cost	Carrying Value	Net Unrealized Gain/Loss		
				Gain	Loss
Stocks	$ 2,816	$ 3,639	$ 823	$ 949	$ 126
Bonds	73,819	75,278	1,459	1,487	28
Japanese Government Bonds	63,360	64,543	1,183	1,188	5
Municipal Government Bonds	3,036	3,136	100	102	2
Corporate Bonds	7,423	7,599	176	197	21
Other	96,179	95,001	(1,178)	3,238	4,416
Total	$172,814	$173,918	$1,104	$5,674	$4,570

Note: 1.The above analysis of Other Securities held at fair value includes "Securities", Negotiable Certificates of Deposit disclosed as "Cash and Due from Banks", and Commercial Paper disclosed as "Commercial Paper and Other Debt Purchased" in the Consolidated Balance Sheet.

2.Carrying values of securities held on the Consolidated Balance Sheet are stated based on the quoted market price at the end of the fiscal year ended March 31, 2002.

Other Securities Sold during the Fiscal Year

March 31,2002	Millions of Yen			Millions of U.S. Dollars		
	Sales Proceeds	Gains on Sales	Losses on Sales	Sales Proceeds	Gains on Sales	Losses on Sales
Other Securities	¥4,969,631	¥271,711	¥91,664	$37,296	$2,039	$688

Carrying Value of Securities without a Fair Value

March 31,2002	Millions of Yen	Millions of U.S. Dollars
Other Securities		
Unlisted Stocks (excluding Over-the-counter Stocks)	¥ 12,846	$ 96
Foreign Securities	71,723	538
Other	531,936	3,992

32. Fair Value of Money Held in Trust

For the Fiscal Year Ended March 31, 2003

Money Held in Trust for Trading Purpose

March 31,2003	Millions of Yen		Millions of U.S. Dollars	
	Carrying Value	Unrealized Loss Recognized as expenses	Carrying Value	Unrealized Loss Recognized as expenses
Money Held in Trust for Trading Purpose	¥20,000	¥(0)	$166	$(0)

Other Money Held in Trust (Money Held in Trust other than that for trading purpose or held to maturity)

	Millions of Yen				
	Acquisition	Carrying	Net Unrealized Loss		
March 31, 2003	Cost	Value		Gain	Loss
Other Money Held in Trust	¥3,996,158	¥3,944,704	¥(51,453)	¥61,759	¥113,213

	Millions of U.S. Dollars				
	Acquisition	Carrying	Net Unrealized Loss		
March 31, 2003	Cost	Value		Gain	Loss
Other Money Held in Trust	$33,246	$32,818	$(428)	$514	$942

Note: Carrying values of other money held in trust disclosed on the Consolidated Balance Sheet are based on the quoted market price of the underlying assets as at the end of the fiscal year ended March 31, 2003.

For the Fiscal Year Ended March 31, 2002

Other Money Held in Trust (Money Held in Trust other than that for trading purpose or held to maturity)

	Millions of Yen				
	Acquisition	Carrying	Net Unrealized Loss		
March 31, 2002	Cost	Value		Gain	Loss
Other Money Held in Trust	¥2,441,137	¥2,403,131	¥(38,005)	¥41,973	¥79,978

	Millions of U.S. Dollars				
	Acquisition	Carrying	Net Unrealized Loss		
March 31, 2002	Cost	Value		Gain	Loss
Other Money Held in Trust	$18,320	$18,035	$(285)	$315	$600

Note: Carrying values of other money held in trust disclosed on the Consolidated Balance Sheet are based on the quoted market price of the underlying assets as at the end of the fiscal year ended March 31, 2002.

33. Fair Value of Derivative Instruments

For the Fiscal Year Ended March 31, 2003

Interest Rate-Related Derivative Instruments

March 31,2003			Millions of Yen: Contract Amount or Notional Amount	Over 1Year	Fair Value	Unrealized Gain /Loss
Exchange-traded Transactions	Interest Rate Futures	Sold	¥ 47,631	¥ -	¥ (171)	¥ (171)
		Purchased	14,465	-	307	307
	Interest Rate Options	Sold	-	-	-	-
		Purchased	-	-	-	-
Over-the-counter Transactions	Forward Rate Agreements	Sold	-	-	-	-
		Purchased	-	-	-	-
	Interest Rate Swaps	Rec.:Fix.-Pay.: Flt.	8,701,064	3,795,796	148,996	148,996
		Rec.:Flt.-Pay.: Fix.	2,998,189	2,492,587	(156,048)	(156,048)
		Rec.:Flt.-Pay.: Flt.	23,200	20,000	40	40
	Interest Rate Options	Sold	15,000	15,000	(810)	(810)
		Purchased	63,000	63,000	2,290	2,290
	Other	Sold	66,900	55,300	(1)	(1)
		Purchased	57,500	56,000	(9)	(9)
Total			¥ /	¥ /	¥ (5,408)	¥ (5,408)

March 31,2003			Millions of U.S. Dollars: Contract Amount or Notional Amount	Over 1Year	Fair Value	Unrealized Gain /Loss
Exchange-traded Transactions	Interest Rate Futures	Sold	$ 396	$ -	$ (2)	$ (2)
		Purchased	120	-	3	3
	Interest Rate Options	Sold	-	-	-	-
		Purchased	-	-	-	-
Over-the-counter Transactions	Forward Rate Agreements	Sold	-	-	-	-
		Purchased	-	-	-	-
	Interest Rate Swaps	Rec.:Fix.-Pay.: Flt.	72,388	31,579	1,240	1,240
		Rec.:Flt.-Pay.: Fix.	24,943	20,737	(1,298)	(1,298)
		Rec.:Flt.-Pay.: Flt.	193	166	0	0
	Interest Rate Options	Sold	125	125	(7)	(7)
		Purchased	524	524	19	19
	Other	Sold	557	460	(0)	(0)
		Purchased	478	466	(0)	(0)
Total			$ /	$ /	$ (45)	$ (45)

Note: 1.Derivative instruments are revalued to fair value. Changes in fair value are included in the Consolidated Statement of Operations. The above analysis excludes derivative instruments accounted for as hedges.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo International Financial Futures Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, option pricing model or other models as appropriate.

Currency-Related Derivative Instruments

March 31,2003		Millions of Yen			
		Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain
Over-the-counter Transactions	Currency Swaps	¥84,600	¥76,435	¥1,625	¥1,625
Total		¥ /	¥ /	¥1,625	¥1,625

March 31,2003		Millions of U.S. Dollars			
		Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain
Over-the-counter Transactions	Currency Swaps	$704	$636	$14	$14
Total		$ /	$ /	$14	$14

Note: 1.Derivative instruments are revalued to fair value. Changes in fair value are included in the Consolidated Statement of Operations. The above analysis excludes derivative instruments accounted for as hedges (see Note 3 below).

2.Determination of fair value:

Fair value is determined based on the discounted net present value of currency-related derivative instruments.

3.Currency swaps accounted for under the accrual method are excluded from the above analysis.

The Bank and its consolidated subsidiaries held no currency swaps which are accounted for under the accrual method on the basis of the temporary treatment described in the "Tentative Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Audit Committee Report No. 25), for the fiscal year ended March 31, 2003.

The above analysis excludes foreign exchange forward contracts and currency options, which are 1) revalued at the exchange rates prevailing at the end of the fiscal year ended March 31, 2003 and changes in fair value which are included in the Consolidated Statement of Operations, and 2) designated to receivables or payables denominated in foreign currency and recorded on the Consolidated Balance Sheet, or eliminated for consolidation purposes.

The above mentioned transactions related to currency derivatives are as follows:

March 31,2003			Millions of Yen	Millions of U.S. Dollars
			Contract Amount or Notional Amount	Contract Amount or Notional Amount
Over-the-counter Transactions	Forwards	Sold	¥1,003,555	$8,349
		Purchased	912,892	7,595
	Currency Options	Sold	26,584	221
		Purchased	25,218	210

Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no stock-related derivative instruments during the fiscal year ended March 31, 2003.

Bond-Related Derivative Instruments

			Millions of Yen			
			Contract Amount or Notional Amount		Fair Value	Unrealized Gain /Loss
March 31,2003				Over 1Year		
Exchange-traded Transactions	Bond Futures	Sold	¥16,400	¥-	¥(22)	¥(22)
		Purchased	3,582	-	10	10
	Bond Futures Options	Sold	-	-	-	-
		Purchased	6	-	(0)	(0)
Over-the-counter Transactions	Bond Options	Sold	-	-	-	-
		Purchased	3	-	0	0
Total			¥ /	¥/	¥(11)	¥(11)

			Millions of U.S. Dollars			
			Contract Amount or Notional Amount		Fair Value	Unrealized Gain /Loss
March 31,2003				Over 1Year		
Exchange-traded Transactions	Bond Futures	Sold	$136	$-	$(0)	$(0)
		Purchased	30	-	0	0
	Bond Futures Options	Sold	-	-	-	-
		Purchased	0	-	(0)	(0)
Over-the-counter Transactions	Bond Options	Sold	-	-	-	-
		Purchased	0	-	0	0
Total			$ /	$ /	$(0)	$(0)

Note: 1.Derivative instruments are revalued to fair value. Changes in fair value are included in the Consolidated Statement of Operations. The above analysis excludes derivative instruments accounted for as hedges.

2.Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, option pricing model or other models as appropriate.

Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no commodities-related derivative instruments during the fiscal year ended March 31, 2003.

Credit Derivative Instruments

The Bank and its consolidated subsidiaries held no credit derivative instruments during the fiscal year ended March 31, 2003.

For the Fiscal Year Ended March 31, 2002

Interest Rate-Related Derivative Instruments

March 31,2002			Millions of Yen			
			Contract Amount or Notional Amount		Fair Value	Unrealized Gain /Loss
				Over 1Year		
Exchange-traded Transactions	Interest Rate Futures	Sold	¥ 266,447	¥ -	¥240	¥240
		Purchased	196,636	-	(34)	(34)
	Interest Rate Options	Sold	-	-	-	-
		Purchased	41	-	42	42
Over-the-counter Transactions	Forward Rate Agreements	Sold	-	-	-	-
		Purchased	-	-	-	-
	Interest Rate Swaps	Rec.:Fix.-Pay.: Flt.	7,425,814	5,127,178	148,069	148,069
		Rec.:Flt.-Pay.: Fix.	3,501,976	2,616,641	(158,498)	(158,498)
		Rec.:Flt.-Pay.: Flt.	131,600	31,600	178	178
	Interest Rate Options	Sold	24,000	15,000	(1,220)	(1,220)
		Purchased	78,000	78,000	2,316	2,245
	Other	Sold	214,400	66,900	(36)	398
		Purchased	184,325	47,500	(11)	(321)
Total			¥ /	¥ /	¥(8,953)	¥(8,899)

March 31,2002			Millions of U.S. Dollars			
			Contract Amount or Notional Amount		Fair Value	Unrealized Gain /Loss
				Over 1Year		
Exchange-traded Transactions	Interest Rate Futures	Sold	$ 2,000	$ -	$ 2	$ 2
		Purchased	1,476	-	(0)	(0)
	Interest Rate Options	Sold	-	-	-	-
		Purchased	0	-	0	0
Over-the-counter Transactions	Forward Rate Agreements	Sold	-	-	-	-
		Purchased	-	-	-	-
	Interest Rate Swaps	Rec.:Fix.-Pay.: Flt.	55,728	38,478	1,111	1,111
		Rec.:Flt.-Pay.: Fix.	26,281	19,637	(1,189)	(1,189)
		Rec.:Flt.-Pay.: Flt.	988	237	1	1
	Interest Rate Options	Sold	180	113	(9)	(9)
		Purchased	585	585	17	17
	Other	Sold	1,609	502	(0)	3
		Purchased	1,383	356	(0)	(3)
Total			$ /	$ /	$ (67)	$ (67)

Note: 1.Derivative instruments are revalued to fair value. Changes in fair value are included in the Consolidated Statement of Operations. The above analysis excludes derivative instruments accounted for as hedges.

2.Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo International Financial Futures Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, option pricing model or other models as appropriate.

Currency-Related Derivative Instruments

March 31,2002		Millions of Yen: Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain
Over-the-counter Transactions	Currency Swaps	¥89,202	¥81,861	¥2,626	¥2,626
Total		¥ /	¥ /	¥2,626	¥2,626

March 31,2002		Millions of U.S. Dollars: Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain
Over-the-counter Transactions	Currency Swaps	$669	$614	$20	$20
Total		$ /	$ /	$20	$20

Note: 1.Derivative instruments are revalued to fair value. Changes in fair value are included in the Consolidated Statement of Operations. The above analysis excludes derivative instruments accounted for as hedges (see Note 3 below).

2.Determination of fair value:

Fair value is determined based on the discounted net present value of currency-related derivative instruments.

3.Currency swaps accounted for under the accrual method are excluded from the above analysis.

The Bank and its consolidated subsidiaries held no currency swaps accounted for under the accrual method, as allowed by the "Tentative Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in Banking Industry" (JICPA Industry Audit Committee Report No. 20), for the fiscal year ended March 31, 2002.

The above analysis excludes foreign exchange forward contracts and currency options, which are 1) revalued at the exchange rates prevailing at the end of the fiscal year ended March 31, 2002 and changes in fair value which are included in the Consolidated Statement of Operations, and 2) designated to receivables or payables denominated in foreign currency and recorded on the Consolidated Balance Sheet, or eliminated for consolidation purposes.

The above mentioned transactions related to currency derivatives are as follows:

March 31,2002			Millions of Yen: Contract Amount or Notional Amount	Millions of U.S. Dollars: Contract Amount or Notional Amount
Over-the-counter Transactions	Forwards	Sold	¥841,929	$6,318
		Purchased	944,174	7,086
	Currency Options	Sold	29,430	221
		Purchased	35,030	263

Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no stock-related derivative instruments during the fiscal year ended March 31, 2002.

Bond-Related Derivative Instruments

			Millions of Yen			
March 31,2002			Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain /Loss
Exchange-traded Transactions	Bond Futures	Sold	¥32,373	¥-	¥(47)	¥(47)
		Purchased	4,134	-	4	4
Total			¥ /	¥ /	¥(42)	¥(42)

			Millions of U.S. Dollars			
March 31,2002			Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain /Loss
Exchange-traded Transactions	Bond Futures	Sold	$243	$-	$(0)	$(0)
		Purchased	31	-	0	0
Total			$ /	$ /	$(0)	$(0)

Note: 1.Derivative instruments are revalued to fair value. Changes in fair value are included in the Consolidated Statement of Operations. The above analysis excludes derivative instruments accounted for as hedges.

2.Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, option pricing model or other models as appropriate.

Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no commodities-related derivative instruments during the fiscal year ended March 31, 2002.

Credit Derivative Instruments

The Bank and its consolidated subsidiaries held no credit derivative instruments during the fiscal year ended March 31, 2002.

34. The Norinchukin Bank (Parent Company)

(a) Non-consolidated Balance Sheets

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Assets			
Cash and Due from Banks	¥ 4,226,810	¥ 3,842,267	$ 35,165
Call Loans and Bills Purchased	590,334	408,236	4,911
Collateral Deposited under Securities Borrowed	776,641	-	6,461
Commercial Paper and Other Debt Purchased	451,899	477,849	3,760
Trading Assets	1,167,852	1,017,604	9,716
Money Held in Trust	3,964,704	2,399,565	32,984
Securities	28,672,259	23,276,883	238,538
Loans and Bills Discounted	19,187,459	24,233,156	159,629
Foreign Exchange Assets	21,299	19,460	177
Other Assets	680,733	572,780	5,664
Premises and Equipment	211,972	211,228	1,763
Deferred Debenture Discounts	242	457	2
Deferred Tax Assets	202,955	106,817	1,688
Customers' Liabilities for Acceptances and Guarantees	388,843	336,815	3,235
Reserve for Possible Loan Losses	(355,848)	(375,633)	(2,960)
Total Assets	¥ 60,188,161	¥ 56,527,488	$ 500,733

As of March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Liabilities and Shareholders' Equity			
Liabilities			
Deposits	¥ 40,488,537	¥ 38,357,527	$ 336,843
Debentures	5,807,159	5,946,139	48,312
Call Money and Bills Sold	4,194,140	3,359,646	34,893
Payables under Repurchase Agreements	3,864,098	2,937,023	32,147
Collateral Received under Securities Lent	718,376	-	5,977
Trading Liabilities	99,315	81,624	826
Borrowings	705,206	493,249	5,867
Foreign Exchange Liabilities	7,792	2,323	65
Other Liabilities	2,114,087	3,090,570	17,588
Group Mutual Aid Reserve	-	18,832	-
Reserve for Bonus Payments	3,430	-	29
Reserve for Retirement Benefits	7,410	7,009	62
Deferred Tax Liabilities Relating to Land Revaluation	33,662	34,788	280
Acceptances and Guarantees	388,843	336,815	3,235
Total Liabilities	58,432,061	54,665,550	486,124
Shareholders' Equity			
Paid-in Capital	1,224,999	-	10,191
Capital Surplus	25,020	-	208
Retained Earnings:			
Legal Reserve	192,966	-	1,605
Voluntary Reserves	292,353	-	2,432
Unappropriated Retained Earnings	111,768	-	930
Land Revaluation Reserve	80,024	-	666
Net Unrealized Losses on Securities, net of taxes	(171,034)	-	(1,423)
Total Shareholders' Equity	1,756,099	-	14,609
Shareholders' Equity			
Paid-in Capital	-	1,124,999	-
Legal Reserves	-	204,386	-
Land Revaluation Reserve	-	82,700	-
Retained Earnings:			
Voluntary Reserves	-	278,063	-
Unappropriated Retained Earnings	-	95,085	-
Net Unrealized Gains on Securities, net of taxes	-	76,702	-
Total Shareholders' Equity	-	1,861,937	-
Total Liabilities and Shareholders' Equity	¥ 60,188,161	¥ 56,527,488	$ 500,733

Note: In accordance with the revision of The Norinchukin Bank Law, Stockholder's Equity in the Non-consolidated Balance Sheets is presented in the revised formats.

(b) Non-consolidated Statements of Operations

Fiscal year ended March 31	Millions of Yen 2003	Millions of Yen 2002	Millions of U.S. Dollars 2003
Income			
Interest and Dividend Income:			
Interest on Loans and Bills Discounted	¥ 157,368	¥ 201,913	$ 1,309
Interest on and Dividends from Securities	583,813	680,154	4,857
Other Interest Income	63,254	130,313	526
Fees and Commissions	15,327	13,736	128
Trading Revenue	2,413	1,458	20
Other Operating Income	239,065	226,601	1,989
Other Income	142,192	111,578	1,183
Total Income	1,203,435	1,365,755	10,012
Expenses			
Interest Expenses:			
Interest on Deposits	68,631	135,117	571
Interest on Debentures	56,135	67,357	467
Amortization of Discounts on Debentures	652	2,739	5
Interest on Borrowings	4,846	4,371	40
Other Interest Expenses	550,319	648,395	4,578
Fees and Commissions	7,407	6,960	62
Trading Losses	615	121	5
Other Operating Expenses	87,481	79,101	728
General and Administrative Expenses	111,169	98,745	925
Other Expenses	210,545	239,340	1,752
Total Expenses	1,097,804	1,282,250	9,133
Income before Income Taxes	105,630	83,504	879
Income Taxes:			
Current	24,409	39,691	203
Deferred	6,948	(22,907)	58
Net Income	¥ 74,273	¥ 66,720	$ 618

	Yen 2003	Yen 2002	U.S. Dollars 2003
Net Income per Share	¥ 47.82	¥ 56.39	$ 0.40

35. Appropriation of Retained Earnings

The following dividends were approved at the shareholders' meeting held on June 26,2003.

	Millions of Yen	Millions of U.S. Dollars
Cash Dividends:		
Special Dividends	¥ 17,376	$ 145
Dividends on Common Stock (at the rate of 4% of the ¥ 100 face value, or ¥ 4.00 per share)	5,347	44
Dividends on Lower Dividend Rate Stock (at the rate of 1% of the ¥ 100 face value, or ¥ 1.00 per share)	10,000	83
Dividends on Preferred Stock (at the rate of 14% of the ¥ 100 face value, or ¥ 14.00 per share)	334	3

ChuoAoyama Audit Corporation

PRICEWATERHOUSECOOPERS

Kasumigaseki Bldg. 32nd Floor
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Tokyo 100-6088, Japan

Report of Independent Auditors

To the Board of Directors of
The Norinchukin Bank

We have audited the accompanying consolidated balance sheets of The Norinchukin Bank and its subsidiaries as of March 31, 2003 and 2002, and the related consolidated statements of operations, capital surplus and retained earnings, and cash flows for the years then ended, all expressed in Japanese Yen. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards, procedures and practices generally accepted and applied in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Norinchukin Bank and its subsidiaries as of March 31, 2003 and 2002, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles and practices generally accepted in Japan (see Note 1).

The amounts expressed in U.S. dollars, which are provided solely for the convenience of the reader, have been translated on the basis set forth in Note 1 to the accompanying consolidated financial statements.

ChuoAoyama Audit Corporation

ChuoAoyama Audit Corporation
Tokyo, Japan
May 16, 2003

Organization

(As of August 1, 2003)

- Council of Delegates
- Supervisory Committee
  - JA Bank System Headquarters
  - JF Marine Bank Headquarters
- Board of Directors
  - President & CEO
    Deputy President & Co-CEO
    Senior Managing Directors
    Managing Directors
- Auditors
  Board of Auditors

- Secretariat
- Office of the Corporate Auditors
- Coordination Div.
- Public Relations Div.
- Legal Div.
  - Compliance Dept.
- Internal Audit Div.
  - Asset Audit Dept.
- Personnel Div.
  - Career Development Dept.
- Corporate Planning Div.
  - Business Development Dept.
  - Branch Administration Dept.
  - International Business Management Dept.
  - Subsidiaries & Affiliates Management Dept.
- Financial Planning & Control Div.
- Cooperative Financial System Enhancement Project Div.
- Systems Planning Div.
- Credit Risk Management Div. II
  - Credit Products Management Dept.
- Procedures and Operations Administration Div.
  - Cooperative Finance Procedures & Operations Planning Dept.
  - Operations Center
- Premises Div.
- Cooperative Credit System Reorganization Div.
  - Cooperative Rationalization & Reintegration Dept.
- Cooperative Finance Management Div.
- JA Bank System Monitoring & Advisory Div.
  - Cooperative Finance Advisory Dept.
- JA Bank System Planning & Implementation Div.
  - Retail Loan Planning Dept.
- Cooperative Finance Planning & Development Div.
- Personal Asset Management Div.
  - Defined Contribution Pension Dept.
- Agriculture Div.
- Fisheries Div.
  - JF Marine Bank Monitoring & Advisory Dept.
- Forestry Div.
- Fixed Income Investment Div.
- Equity Investment Div.
- Credit & Alternative Investment Div.
- Treasury & Forex Div.
- Securities Business Div.
  - Cooperative Securities Business Coordination Dept.
- Risk Monitoring Div.
- Operations Planning & Solutions Div.
- Treasury & Securities Operations Div.
- Corporate Business Management & Strategy Div.
  - Corporate Business Planning & Promotion Dept.
- Corporate Business Div. I
- Corporate Business Div. II
- Corporate Business Div. III
- Corporate Business Div. IV
- Corporate Business Div. V
- Corporate Business Div. VI
- Corporate Business Div. VII
- Corporate Business Div. VIII
- Cooperative Finance & Administration (Kanto Area) Div.
- Head Office Business Service Div.
- Otemachi Business Service Div.
- Foreign Business Div.

The Credit Risk Management Division I will be established on September 1, 2003. The Agriculture Division and the Forestry Division will be combined on September 1, 2003.

Network

(As of August 1, 2003)

Overseas Branches

New York Branch
Fumiaki Ono, *General Manager*

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London Branch
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Overseas Subsidiary

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Kenichi Hara, *President*

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Naoyuki Kuribayashi,
President

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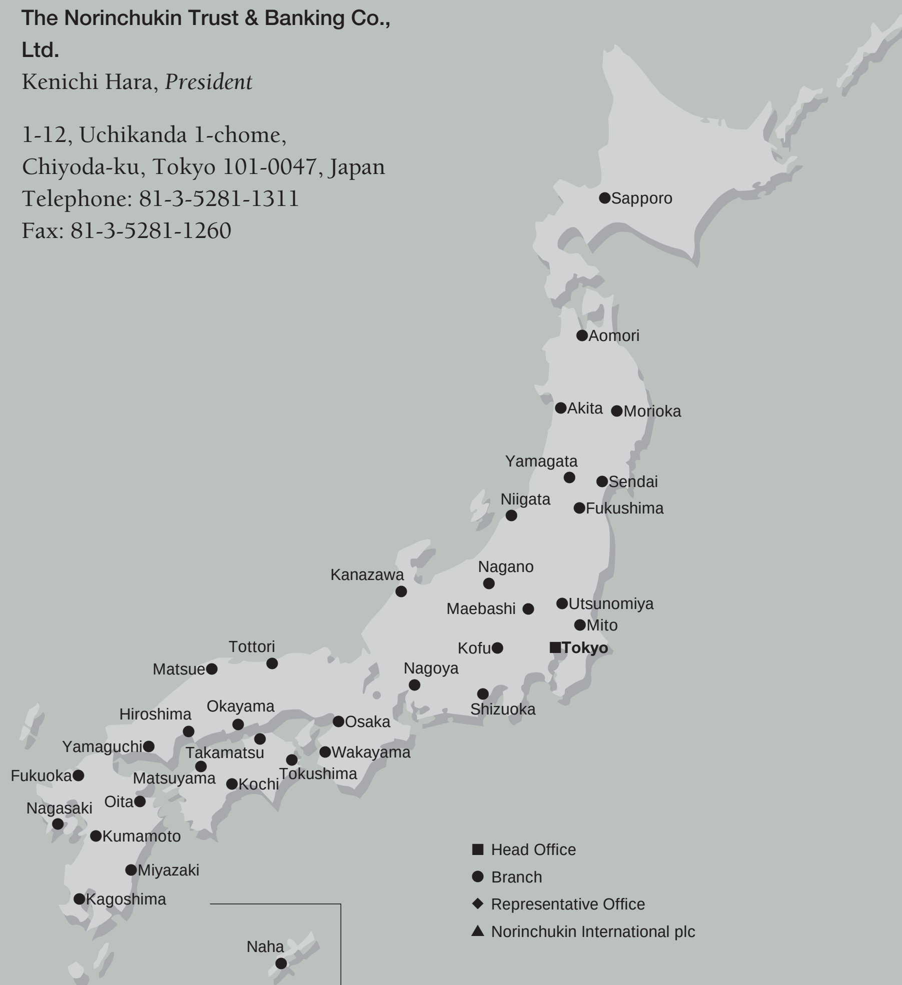

Corporate Data

(As of August 1, 2003)

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Telex: J23918, J23919, J33573
SWIFT: NOCUJPJT

Paid-in Capital*

¥1,224,999 million

Independent Certified Public Accountants

ChuoAoyama Audit Corporation

Date of Establishment

December 20, 1923

Number of Employees*

2,764

Branches in Japan

34

Overseas Network

Branches: 3
Representative Offices: 2
Subsidiary: 1

Number of Shareholders*

5,337

Principal Shareholders

Agricultural Cooperatives and Federations
Forestry Cooperatives and Federations
Fishery Cooperatives and Federations
Other Related Organizations

*As of March 31, 2003

The Norinchukin Bank
13-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-8420, Japan

Printed in Japan