INTERIM REPORT 2010

For the Six Months ended September 30, 2010

The Norinchukin Bank

Quality of life and an enduring source of nourishment

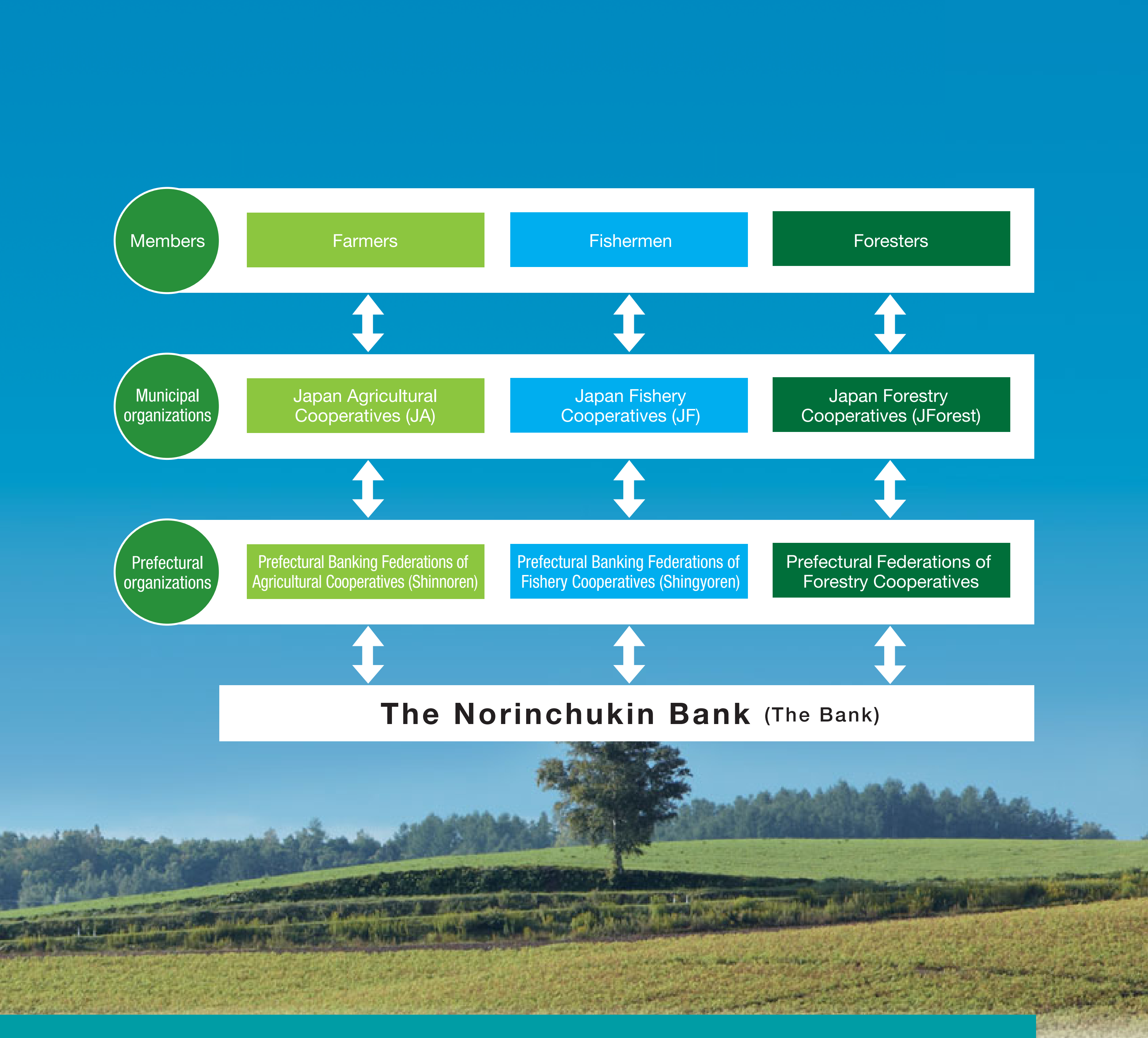
The Norinchukin Bank hopes that all people will be able to enjoy the benefits of nature's abundant offerings as well as the advantages of a comfortable life. Our mission is to fully support Japan's primary industries as the central bank for Japan's agricultural, forestry and fishery cooperative system. Through this support, the Bank aims to contribute to a better life for the people of Japan.

Supporting core farmers, who will be the backbone of the Japanese agricultural industry of tomorrow; reforesting lands to protect and preserve the natural environment and its resources; and, working to secure stable profits through global investments as one of Japan's leading institutional investors, are some of the major activities we undertake in fulfilling our mission.

The Norinchukin Bank is committed to continuing these activities to ensure prosperity for Japan's next generation.

Corporate Outline

Name	The Norinchukin Bank
Legal basis	The Norinchukin Bank Law (Law No. 93 of 2001)
Date of establishment	December 20, 1923
Chairman of the Supervisory Committee	Mamoru Moteki
President and Chief Executive Officer	Yoshio Kono
Paid-in capital	¥3,425.9 billion (US$ 40.8 billion) (As of September 30, 2010) *All capital is from private parties (members and investors in preferred securities).



Total assets (On a consolidated basis)
- ¥70,763.3 billion (US$ 844.4 billion) (As of September 30, 2010)

Capital adequacy ratio (On a consolidated basis)
- 21.74% (As of September 30, 2010) (Basel II standard)

Members
- Japan agricultural cooperatives (JA), Japan fishery cooperatives (JF), Japan forestry cooperatives (JForest), and related associations, as well as organizations that have invested in the Bank, including other agricultural, forestry, and fishery cooperatives (Number of shareholders: 3,952) (As of September 30, 2010)

Number of employees
- 3,229 (As of September 30, 2010)

Ratings

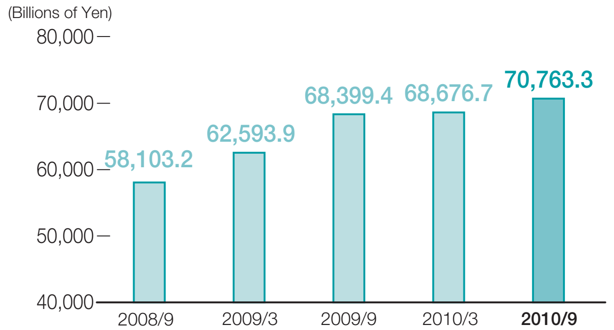
Ratings agency	Long-term debt	Short-term debt
Standard & Poor's	A+	A-1
Moody's Investors Service	Aa3	P-1

(As of September 30, 2010)

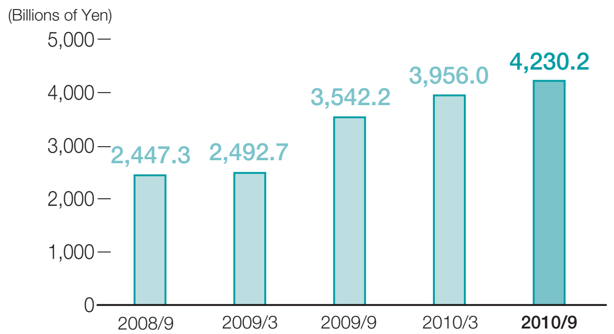
Forward-Looking Statements
This material contains forward-looking statements pertaining to the businesses and prospects of the Bank. These statements are based on our current expectations and are subject to the risks and uncertainties that may affect our businesses, which could cause actual results to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

Financial Highlights (Consolidated)

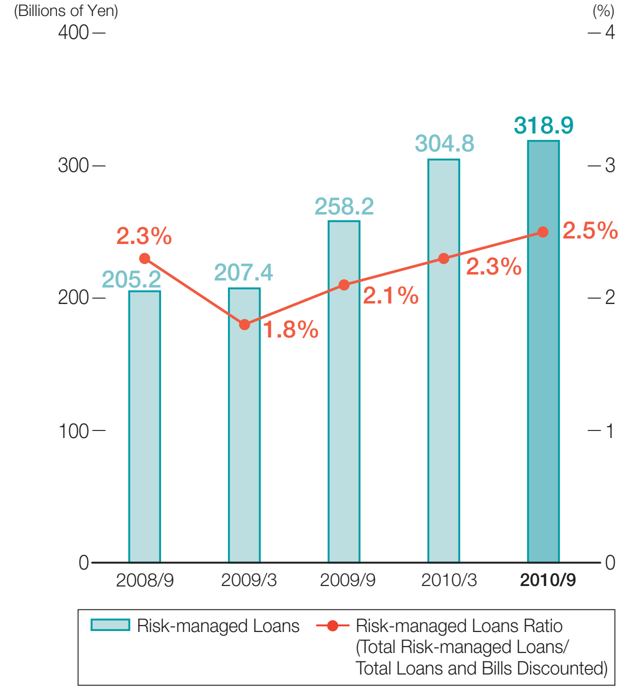
Total Assets



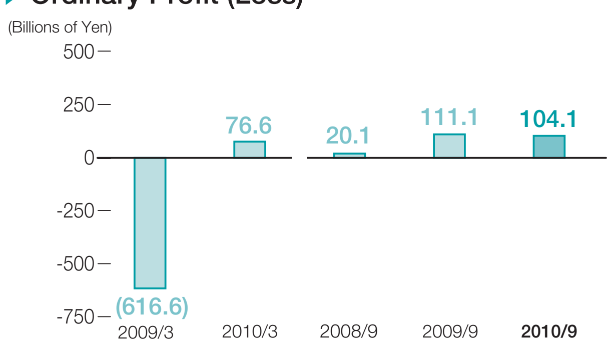
Net Assets



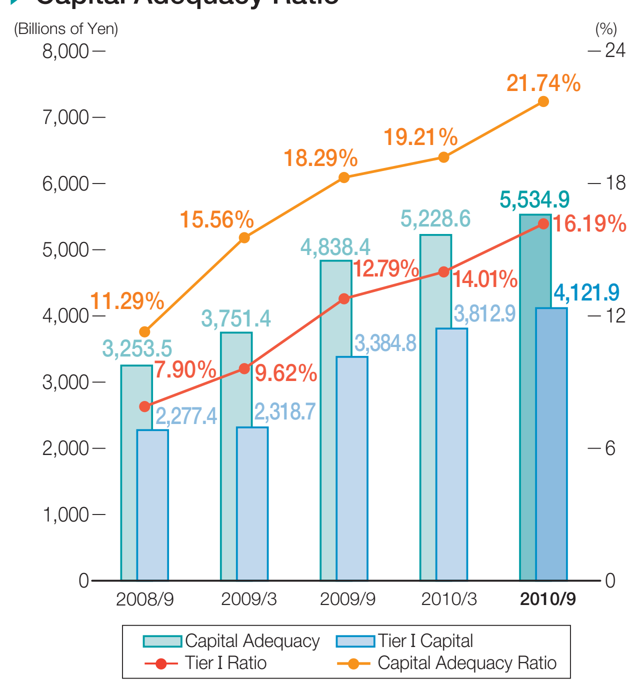
Risk-managed Loans



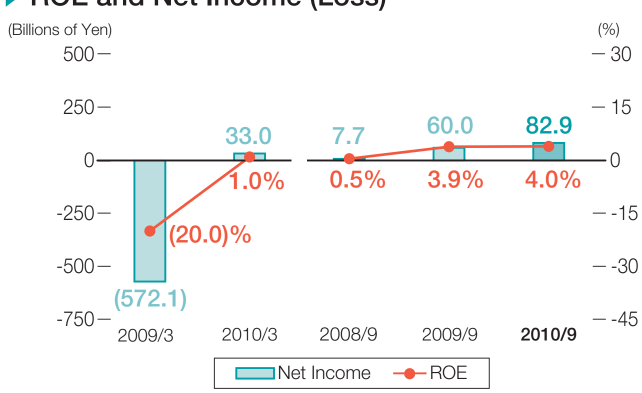
Ordinary Profit (Loss)



Capital Adequacy Ratio



ROE and Net Income (Loss)



Contents

Report on interim account settlement for the first half of fiscal 2010

Mamoru Moteki
Chairman
The Supervisory Committee

Yoshio Kono
President and Chief Executive Officer

In February 2009, the Bank formulated the Business Renewal Plan (fiscal 2009 through 2012) for the stable upgrading of its financial management and risk management methods and for further expanding its role as the central financial organization for cooperatives in Japan. Based on that Plan it has taken steps to enhance business operations.

In the first half of fiscal 2010, the global economy, though continuing to show signs of moderate economic recovery due to the effects of fiscal and financial stimulus policies in various countries and strong economic growth in emerging countries, was viewed with a growing sense of uncertainty at the onset of European financial problems that started in Greece. Coupled with those effects were the rapid appreciation of the yen and slower economic recovery in Japan. As a result, in financial markets in Japan and abroad, forecasts of rising interest rates were rolled back as interest rates further declined and stock prices in Japan tumbled.

In this economic and financial climate, we made a qualitative shift in our diversified global investments and further improved our finances while strictly managing risk based on our plan. As a result, in the first half of fiscal 2010, the Bank had ordinary profit of ¥104.1 billion (on a consolidated basis), largely in line with that of the corresponding year-earlier period. It also maintained a high capital adequacy ratio of 21.74% and a Tier I regulatory capital ratio of 16.19% (both on a consolidated basis).

The Bank is working steadily to strengthen its role as the central financial organizations for cooperatives by pursuing business strategies for the JA Bank, the JF Marine Bank, and Forestry Cooperatives (JForest), and other measures, and is improving its financial capabilities in the agricultural, forestry and fisheries industries. Progress has been favorable thus far in the second year of the Business Renewal Plan. This is entirely due to the support and cooperation of all of our members, for which we are deeply grateful.

With the financial problem in Europe and lagging employment recovery in the United States, there is no reason to be optimistic about the global economy. While we realize that financial markets in Japan and abroad face uncertainties, management and staff will continue to execute the plan to achieve the Bank's full-year ordinary profit target of ¥50 to ¥100 billion.

To contribute to the further development of the agricultural, forestry and fisheries industries, as well as local communities through close cooperation with our member cooperatives — that is our mission. To ensure that cooperative members and other customers maintain confidence in the cooperative banking system and continue to choose the JA Bank and JF Marine Bank, the Bank will continue to return stable profits to its members and further expand its role as the central financial organization for cooperative.

As we are fully committed to achieving this plan, we wish to thank you for your continued support and encouragement.

February 2011

Mamoru Moteki
Chairman
The Supervisory Committee

Yoshio Kono
President and Chief Executive Officer

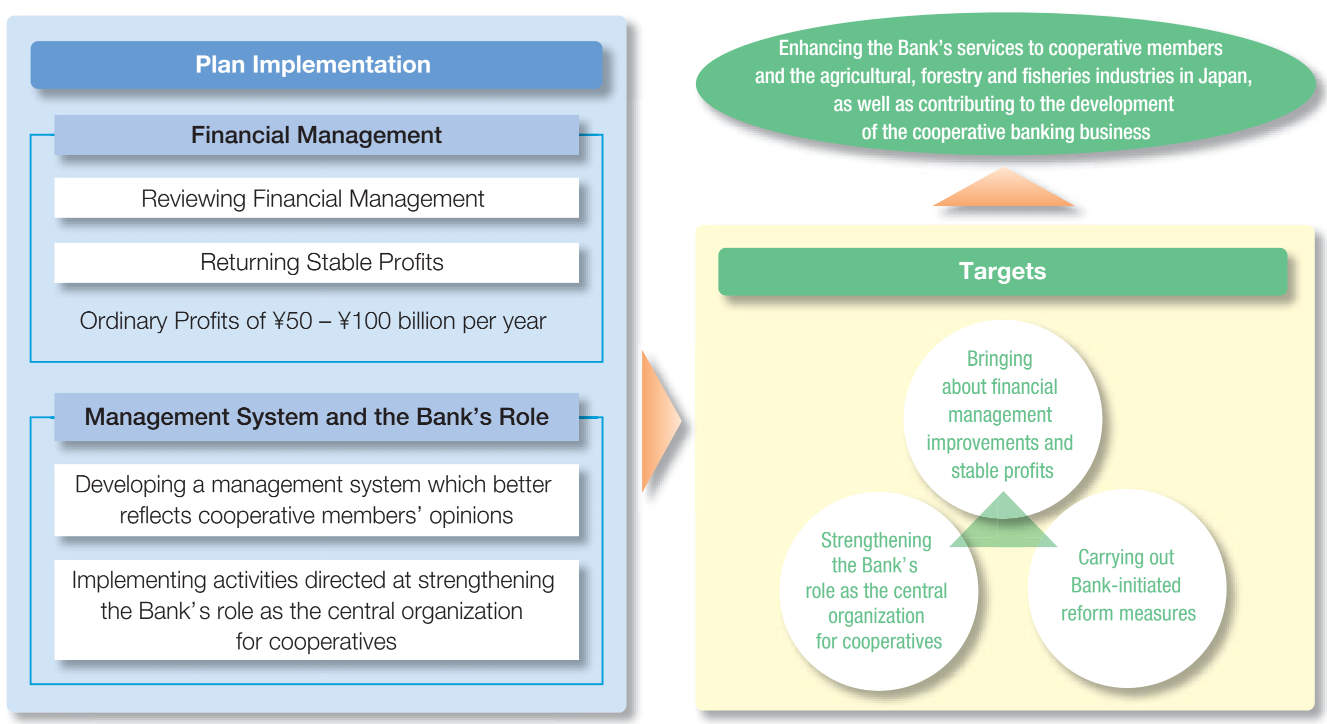
Business Renewal Plan

Objectives of the Business Renewal Plan

In fiscal 2009, the Bank initiated the four-year Business Renewal Plan with the goals of the stable upgrading of financial management and risk management methods and the further expansion of its role as the central financial organization for cooperatives in Japan. The Plan was instituted following losses incurred in fiscal 2008 due to the effects of the financial crisis and the realization of large capital increases through investments from its member cooperatives. However, the Plan's objective is the contribution to the further development of the agricultural, forestry and fisheries industries by consistently distributing earnings to its members and by carrying out its mission as the central organization for cooperatives in Japan.

With the base of funds and capital it has raised from its members, the Bank intends to manage its funds in a more stable manner, secure an ordinary profit of ¥50 to ¥100 billion (on a non-consolidated basis) — the earnings target for the period of the Plan — and return stable profits to its members. It also intends to further strengthen its capabilities as the central organization for cooperatives.

Business Renewal Plan (FY2009 – FY2012)



Stable Upgrading of Financial Management and Risk Management Methods

Summary up to First Half of Fiscal 2010 (Non-Consolidated Basis)

Under the Business Renewal Plan, we focused on attaining stable financial management and achieved in the first year of the Plan (fiscal 2009) ordinary profit of ¥71.6 billion, which is within the target level of ¥50 to ¥100 billion of ordinary profit contained in the Plan.

Amid continuing harsh economic conditions in Japan and abroad even in fiscal 2010, we achieved ordinary profit of ¥103.9 billion in the first half of fiscal 2010 by ensuring steady cash flows and reducing credit-related costs, and we are moving steadily ahead to achieve our full-year targets.

Moreover, unrealized losses on securities were ¥312.2 billion at the end of the first half of fiscal 2010 as losses steadily decreased after financial markets returned to equilibrium and interest rates declined.

As a result, we have maintained a capital adequacy ratio of 21.85% and a Tier I regulatory capital ratio of 16.09% for the first half of fiscal 2010. Moving forward, the Bank will maintain them at levels where stable financial management is possible, even during market turmoil.

Non-Consolidated Results Overview

(Billions of Yen)

	FY2008	FY2009	First Half of FY2010
Ordinary Profit (Loss)	(612.7)	71.6	103.9
Net Income (Loss)	(565.7)	29.5	83.4
Capital Adequacy Ratio [Tier I Ratio]	15.65% [9.61%]	19.26% [13.88%]	21.85% [16.09%]
Unrealized Losses/Gains on Other Securities	(2,092.8)	(605.8)	(312.2)

Efforts to Achieve Stable Earnings

In light of the turmoil in global financial markets in fiscal 2008, investment and lending were reviewed under the three themes of financial management, capital adequacy management and organizational reorientation. The Bank has implemented specific policies that include a stronger commitment to its asset management policies by its executives, a stronger credit risk examination framework and stricter monitoring of outsourcing asset management companies.

Financial Management Plan

- ***Qualitative reform of the Bank's approach to making globally diversified investments:***
  A shift from diversified investment based on a case-by-case matching of risk and return models, to a new model which takes into account the likelihood of market price fluctuations and the availability of market liquidity.
- ***Overhaul of risk management methods:***
  Having learned the lessons of overconfidence in our diversified investment model, we select only lower-risk credit assets based on a sophisticated and rigorous analysis of stress scenarios.

Capital Adequacy Management

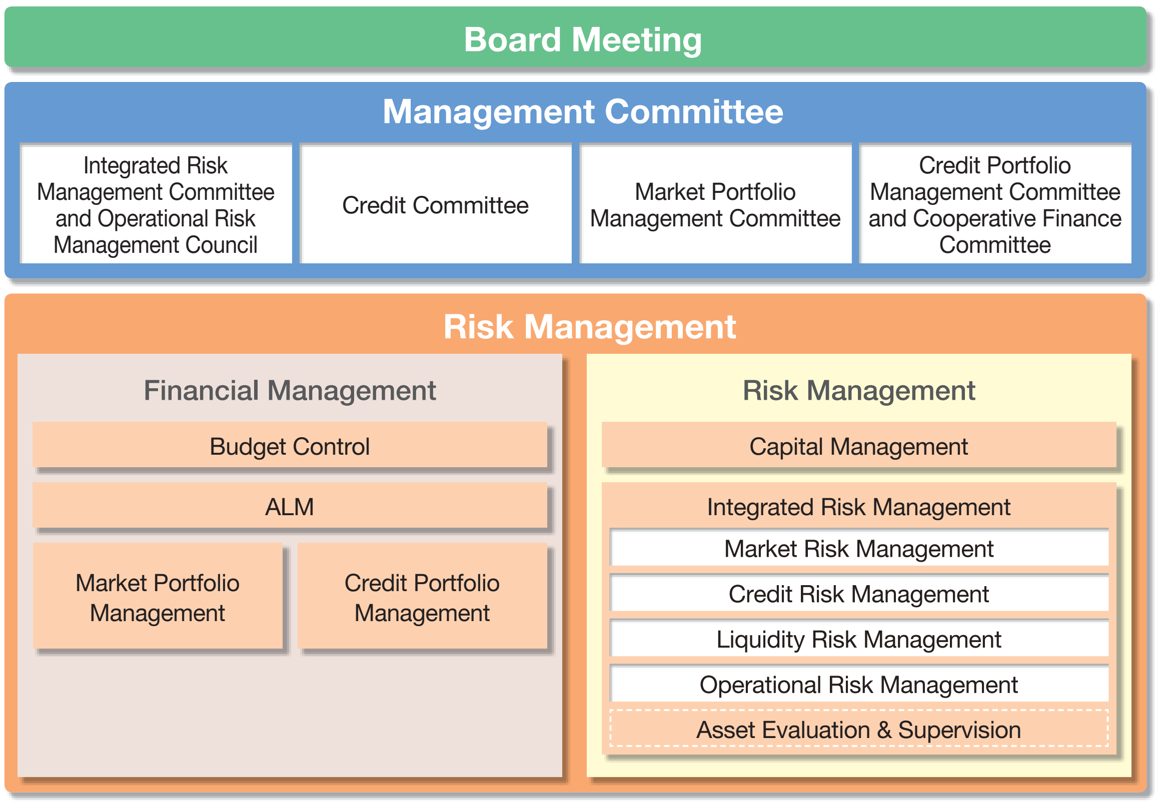
We maintain suitable capital adequacy levels while giving due consideration to safe financial management and the strengths of particular business models. We also maintain a high level of capital adequacy in anticipation of severe future stress and a tougher regulatory environment.

Organizational Reorientation

The Bank achieves qualitative reform of globally diversified investments and reform its systems in order to further improve its analysis and credit-screening capabilities.

Advanced Risk Management System

The Bank operates an "integrated risk management" which is a framework to manage risks in an integrated way with a central focus on economic capital management.



Board Meeting

- The board sets management objectives such as its medium-term management plans, annual operation plans, economic capital allocation and management, and budgets. It also decided on ICAAP (Internal Capital Adequacy Assessment Process)
- Based on feedbacks from internal and external audits, it controls the status of risk management system

Management Committee

- The Integrated Risk Management Committee determines important issues related to management of economic capital, regulatory capital and evaluation of fair value
- Based on the determinations, each relevant committee sets concrete portfolio management policies in the market and credit portfolio management committees

Risk Management

- For integrated risk management of market risk, credit risk, liquidity risk, and operational risk, the Bank sets up units to control individual risk and a unit to control these risks through an integrative approach in order to clarify roles and responsibilities
- In a combined form with integrated risk management, the Bank achieves a flexible financial management considering soundness and profitability through a careful examination of the balance among risks, profits, and capital in volatile markets and in changing economic and financial environments

Expanding Our Role as the Central Financial Organization for Cooperatives

Strengthening Our Role as the Central Financial Organization for Cooperatives

As the central organization for cooperatives in Japan, the Bank views the reorientation of the organization toward the interests of its members and its strengthened role as the central organization for cooperatives as major pillars of the Business Renewal Plan. We are committed to stronger planning and business management and better provision of financial services for agricultural, forestry and fisheries to raise the profile of the Bank by leveraging the brand recognition of the JA Bank and JF Marine Bank, of which the Bank itself is a member. We work to deepen our sense of unity with JA, JF, Shinnoren and Shingyoren. Since the commencement of the Business Renewal Plan, the Bank has implemented the following measures and policies.

Increasing Disclosure

We consider it our obligation to all our members and other stakeholders to explain, as and when appropriate, the financial position of the Bank and report on progress made with regard to the Bank's Business Renewal Plan. The Bank has been disclosing such information on a quarterly basis since 2009, and continue to expand opportunities to disclose information to our member cooperatives.

Strengthening the Exchange of Personnel

The Bank believes that all employees of the Bank, from executives on down, need to understand how business is done on the front lines of the cooperative banking business and to improve their work performance. Accordingly, it is necessary, as part of the Business Renewal Plan, to further strengthen the exchange of personnel with JA and Shinnoren. In practical terms, this means JA and Shinnoren accept employees from the Bank, who can learn from face-to-face retail business with customers in their localities, and incorporate such experiences into their planning and policy-making. At the same time, the Bank proactively accepts seconded staff and trainees from JA and Shinnoren.

Promotion of JA Bank Business Strategy

In April 2010, we initiated the three-year "JA Bank Medium-Term Management Strategy (fiscal 2010 through fiscal 2012) and have taken steps to become a bank that "contributes to agriculture and day-to-day prosperity, is the bank of choice, and continues to grow" as our basic objective.
(Please see page 12 for further details)

Promotion of JF Marine Bank Business Strategy

With the aim of becoming a trusted provider of financial services for coastal communities, the JF Marine Bank is securing deposits by boosting customer use of the cooperative while increasing customer convenience with the promotion of primary accounts for household budgets and reinforcing its financial services to the fisheries industry based on its "JF Marine Bank Medium-Term Business Promotion Policy (fiscal 2009 through fiscal 2011)."

To achieve sound and efficient business operations, we have taken steps to ensure the JF Marine Bank Safety System (Stable and Responsible JF Cooperative Banking Business System) so that cooperative members and customers can use the JF Marine Bank with peace of mind.

Japan Forestry Cooperative (JForest) Initiatives

With the goal of a stable supply of timber, forestry cooperatives have expanded the "Movement to Revitalize Forestlands, the Forestry Industry, and Rural Mountain Villages that support the Environment and our Livelihood" (fiscal 2006 through 2010). As part of the Jointly Managed Project, one of its business pillars, the Bank is providing aid for the introduction of a geographical information system (GIS) and global positioning system (GPS) to nurture and improve forestlands. Based on the government's "Forestland and Forestry Industry Regeneration Plan," the Bank has implemented "J-Planner Training" to develop Forestry Management

Planners in four blocs across the country in November and December 2010, and has promoted the consolidation of forestland management.

Efforts to Strengthen Financial Services that Support the Agricultural, Forestry and Fisheries Industries

As part of its support for the 6th industrialization of agricultural, forestry and fisheries workers and their communities, we have held business conferences and business matching events. We are also reviewing existing funds in order to respond to the future financial needs of workers in the agricultural, forestry and fisheries industries. Along with this, we have established a framework for fund donation, which is aimed at the development of agricultural corporations.

Business Conferences and Business Matching Events

As part of its support for the 6th industrialization of agricultural forestry and fishery workers and their communities, the JA Bank and the JF Marine Bank have held various business conferences and business matching events that take advantage of the strengths and unique characteristics of cooperatives.

The Central Union of Agricultural Cooperatives (JA Zenchu), the National Federation of Agricultural Cooperative Associations (JA Zen-Noh) and the JA Bank have held an annual National Agricultural and Livestock Producers' Business Conference. At the 4th JA Group National Agricultural and Livestock Producers Business Conference held at the Tokyo International Forum in March 2010, more than 200 organizations from across the nation exhibited. The National Federation of Fishery Cooperative Associations exhibit marked the first time that an organization from the marine products sector has participated. More than 4,000 visitors, including buyers, attended the event, and its scale is getting bigger each year. This fiscal year, we have undertaken new initiatives, including an exhibition at Asia Fruit Logistica, an international business conference held in Hong Kong in September 2010, and sponsored the Hokuriku Business Conference, a regional business conference connected with the JA and JF Groups held in October 2010.

Leveraging its distinction of being the nationwide organization for cooperatives, the Bank is conducting business matching between members, producers in the agricultural, forestry and fisheries industries, and enterprises. Contracts have been signed for various projects, including corporate participation in agricultural projects. These projects involve the opening of markets for agriculture and livestock as well as the effective utilization of idle land.

Establishment of Agri-Seed Fund for Development of Agricultural Corporations

As part of an effort to improve the appeal of agricultural loan products through the JA Bank Medium-Term Management Strategy (fiscal 2010 through fiscal 2012), we set up a new framework (called the Agri-Seed Fund) for providing capital for the development of agricultural corporations, which we began using in April 2010. The Agri-Seed Fund aims to assist in the development of agricultural corporations, which aspire to become large-scale farming corporations in local farming communities, through the provision of capital to those corporations that are technically competent, yet undercapitalized. Specifically, the Agribusiness Investment & Consultation Co., Ltd., a Bank-affiliated corporation, is backed by funds from the JA Bank Agri-Eco-Support Fund and invests in agricultural corporations based on referrals it receives from the JA Bank.

Specific Action Items (Framework) for the JA Bank Medium-Term Management Strategy (Fiscal 2010 – Fiscal 2012)

Contributing to the JA Bank members, customers, local communities, and society

Enhancing the JA Bank's role as the "Main Bank for the Agricultural Industry"

- Enhancing the JA Bank's services to support farmers' financial needs
- Strengthening the JA Bank's line up of agricultural financial products
- Promoting agricultural-commercial-industrial cooperation, and providing support to workers who are entering the agriculture business, as well as improving and revitalizing the farmers' business
- Disclosing the achievements made by the JA Bank as a whole

Enhancing the JA Bank's role as the "Main Bank for the Local Residents"

- Increasing the number of customers who use the JA Bank as the primary bank for managing their household budgets
  -Furthering promotion of package sales, conducting pinpoint marketing, and strengthening the JA Bank's efforts to obtain new customers
- Improving protections for, and the overall satisfaction of, the JA Bank customers
  -Making a substantial shift to IC cash cards, promoting a JA point system service across all of JA, and preventing misuse of the JA Bank's financial services

Contributing to both local communities and society

- Launching the JA Bank Agri-support Project
  -Strengthening the JA Bank's efforts in the Food & Farming Education Support Project, proceeding with investment projects, and launching a project to support workers who are entering the agricultural industry

Establishing various systems and infrastructure as well as launching projects which will permit the JA Bank to make significant contribution

Stabilizing the operations of and facilitating the use of functions provided by JASTEM

Establishing the prefectural joint operation system at a prefectural level

- Establishing a center function (agricultural finance, loan, pension, centralized administration) on a prefectural level
- Establishing an MBO system on a prefectural level
- Establishing a unified channel strategy (branches, ATMs), and a unified human resource strategy (sales systems, etc.) on a prefectural level

Preparing to unify the various products and administrations

Enhancing and streamlining business management

- Establishing and employing numerical management targets based on the unified policy
- Introducing and establishing an approach to comprehensive risk volume management

Addressing structural improvements

- NPL issues
- The issue of small-scale JAs which have not yet merged

Initiatives to secure financial soundness → Based on the premise of launching the JA Bank's medium-term management strategy

The JA Bank's goals (FY2012)

- Fostering closer relationships with agricultural corporations and large-scale farmers as well as increasing the number of JA Bank customers
- Raising the satisfaction among the JA Bank members (farmers) and customers
- Increasing the number of customers in the next two generations
- Increasing the number of customers, improving the JA Bank's share of the regional market, and promoting the use of the JA Bank
- Strengthening JA's and the JA Bank's regional reputations

Start of JA Bank Business to Encourage Employment in Agriculture

In fiscal 2010, we started the JA Bank Business to Encourage Employment in Agriculture (fiscal 2010 to 2012) as a business within the JA Bank Agri-Support Business, which is the CSR business of the JA Bank.

This business provides annual per capita aid of ¥120,000 for new agricultural applicants (trainees) (for up to two years), to core farmers who train them as future core farmers in Japan.

The JA Bank is contributing to the prosperity and development of local farming communities by encouraging new applicants to independently engage in agriculture.

Agricultural Finance by the JA Bank

Agricultural Loan Balance

The JA Bank responds to a variety of agricultural financing needs while providing farm management and livelihood support to farmers through Agricultural Modernization Loans and Japan Finance Corporation loans.

The balance of agricultural-related funds of the JA Bank as of March 31, 2010 stood at ¥2,413.2 billion (¥1,762.3 billion of this amount was loans to farmers) and the balance of loans in trust including those with Japan Finance Corporation came to ¥698.2 billion.

Agricultural Loan Balance by Type of Financing

(Billions of Yen)

	As of March 31, 2010
Proper agricultural loans	1,693.2
Agricultural institutional loans	719.9
Agricultural Modernization Loans	232.7
Other institutional loans	487.1
Total	2,413.2

Notes:
1. Proper agricultural loans are those loans from JA Bank funds other than institutional loans.
2. Agricultural institutional loans consist of, 1) those financed directly or indirectly by local public bodies, 2) those financed at low interest rates by JA Bank through interest subsidies by local public bodies, and 3) those directly financed by Japan Finance Corporation. Our focus here is on 1) and 2).
3. Other institutional loans are those financed by the Agricultural Management Improvement Promotion Fund (Super S Fund) and Agricultural Management Assistance Support Fund, etc.

Balance of Loans in Trust for Agricultural Financing

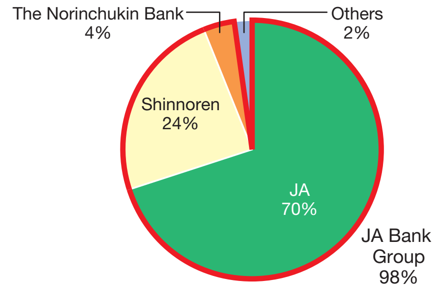
(Billions of Yen)

	As of March 31, 2010
Japan Finance Corporation	695.1
Other	3.0
Total	698.2

Share of Agricultural Loans

The JA Bank has the highest share of Agricultural Modernization Loans, which are major agricultural-related institutional loans, and Japan Finance Corporation loans.

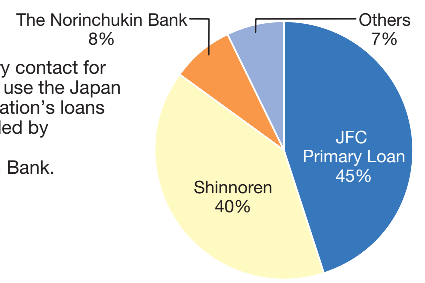
Outstanding Balance of the Agricultural Modernization Loan



As of December 31, 2009
Source: Ministry of Agriculture, Forestry and Fisheries of Japan

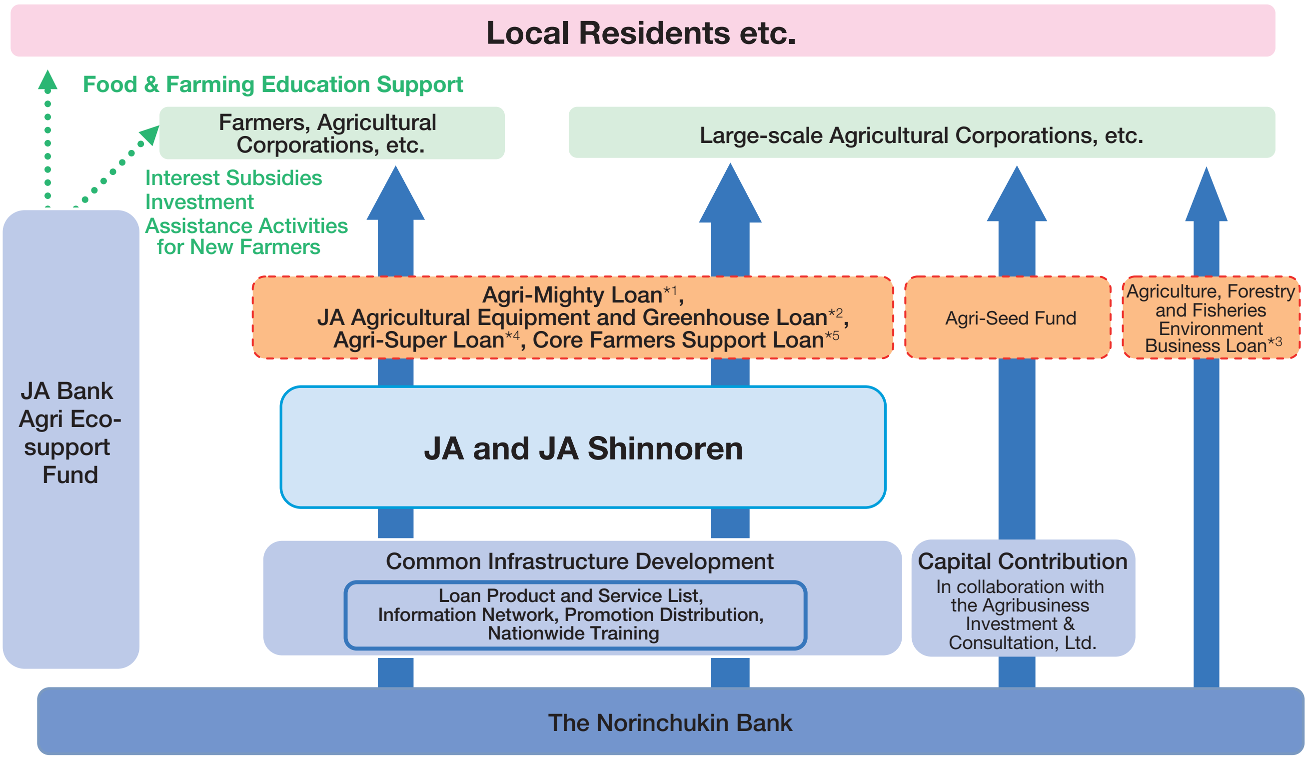
The Share of Lending Japan Finance Corporation's Agricultural Loans

JA is the primary contact for customers who use the Japan Finance Corporation's loans which are handled by Shinnoren and the Norinchukin Bank.



As of March 31, 2010
Source: "Annual Business Statistics" Agriculture, Forestry and Fisheries Businesses of the Japan Finance Corporation

The Group's Unified Support to Core Farmers



**1 Agri-Mighty Loan: For capital investment and working capital*
**2 JA Agricultural Equipment and Greenhouse Loan: For capital investment in production facilities*
**3 Agriculture, Forestry and Fisheries Environment Business Loan: For capital investment, working capital and other capital associated with production, processing and sales*
**4 Agri-Super Loan: For working capital for the managers of rice paddies and arable farms to support their incomes*
**5 Core Farmers Support Loan: For working capital for farmers who use the JA Bank's tax support program*

Financial Results for the First Half of Fiscal 2010 (Consolidated)

The Norinchukin Bank's ("the Bank") financial results on a consolidated basis as of September 30, 2010 include the results of 8 consolidated subsidiaries and 6 affiliates which are accounted for by the equity method.

The following is a summary of Financial Results for the First Half of Fiscal 2010.

Balance of Assets and Liabilities

Consolidated Total Assets increased by ¥2,086.6 billion from the previous fiscal year-end to ¥70,763.3 billion, and consolidated Total Net Assets increased by ¥274.1 billion from the previous fiscal year-end to ¥4,230.2 billion.

On the asset side, Loans and Bills Discounted decreased by ¥626.6 billion to ¥12,470.9 billion, and Securities increased by ¥2,050.2 billion from the previous fiscal year-end to ¥46,045.0 billion.

On the procurement side, Deposits increased by ¥456.9 billion to ¥39,558.5 billion, and Debentures decreased by ¥36.0 billion from the previous fiscal year-end to ¥5,569.7 billion.

Income

Consolidated Ordinary Profits*, were ¥104.1 billion, a ¥7.0 billion decline compared with consolidated Ordinary Profits* of ¥111.1 billion on a year-over-year basis. Consolidated Net Income was ¥82.9 billion, up ¥22.9 billion from consolidated Net Income of ¥60.0 billion on a year-over-year basis.

** Ordinary Profits represent Ordinary Income less Ordinary Expenses. Ordinary Income represents Total Income less certain special income, and Ordinary Expenses represent Total Expenses less certain special expenses.*

Capital Adequacy Ratio

The Bank's Consolidated Capital Adequacy Ratio (Basel II standard) was 21.74% as of September 30, 2010.

Key Management Indicators (Consolidated)

(Billions of Yen/Millions of U.S. Dollars (Note 1))

	First Half of Fiscal 2008	Fiscal 2008	First Half of Fiscal 2009	Fiscal 2009	**First Half of Fiscal 2010**	**First Half of Fiscal 2010**
Total Income	¥ 952.5	¥ 1,438.0	¥ 741.9	¥ 1,270.5	**¥ 591.2**	**$ 7,055**
Total Expenses	929.6	2,048.1	630.9	1,194.8	**474.3**	**5,661**
Net Income (Loss)	7.7	(572.1)	60.0	33.0	**82.9**	**990**
Total Net Assets	2,447.3	2,492.7	3,542.2	3,956.0	**4,230.2**	**50,480**
Total Assets	58,103.2	62,593.9	68,399.4	68,676.7	**70,763.3**	**844,431**
Capital Adequacy Ratio (%, BIS) (Note 2)	11.29	15.56	18.29	19.21	**21.74**	**21.74**

Notes: 1. U.S. dollars have been converted at the rate of ¥83.80 to U.S. $1, the effective rate of exchange on September 30, 2010.
2. The calculation of the Bank's Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No. 4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank) issued in 2006.

Financial Results for the First Half of Fiscal 2010 (Non-Consolidated)

Balance of Assets and Liabilities

Total Assets of the Bank at the end of the period increased by ¥2,024.6 billion to ¥70,495.0 billion from the previous fiscal year-end. Total Net Assets at the end of the period increased by ¥275.1 billion to ¥4,206.8 billion from the previous fiscal year-end.

On the asset side, Loans and Bills Discounted was ¥12,390.3 billion and Securities was ¥46,060.5 billion. On the procurement side, Deposits amounted to ¥39,565.7 billion and Debentures was ¥5,576.2 billion.

Income

During the first half of the fiscal year 2010, while the world economy, as a whole, could enjoy gradual recovery driven by robust economical growth of the emerging nations, the fiscal problems in Europe as well as the surge of Japanese Yen clouded the general business sentiment.

Despite harsh earnings environment, the Bank has accumulated interest income steadily under the conservative financial management, and interest income of the Bank summed up to ¥104.5 billion, up ¥44.6 billion on a year-over-year basis. The results of total credit cost improved by ¥118.5 billion to ¥11.9 billion in the reversal from the reserve on a year-over-year basis due to the stable business environment. As for the net results on securities business, net gains on sales decreased by ¥98.6 billion to ¥26.4 billion on a year-over-year basis while the impairment expenses against declining price of the holding securities increased by ¥25.9 billion to ¥68.2 billion on a year-over-year basis. As a result, with all of the factors mentioned above, the Bank records ¥103.9 billion in Ordinary Profits, down ¥8.1 billion on a year-over-year basis and ¥83.4 billion in Net Income, up ¥21.5 billion on a year-over-year basis. Both the Bank's net operating profits and the real net operating profits (before provision of general reserve for possible loan losses) stood at ¥38.8 billion.

Capital Adequacy Ratio

The Bank's Capital Adequacy Ratio (Basel II standard) was 21.85% as of September 30, 2010.

Key Management Indicators (Non-Consolidated)

(Billions of Yen/Millions of U.S. Dollars (Note 1))

	First Half of Fiscal 2008	Fiscal 2008	First Half of Fiscal 2009	Fiscal 2009	**First Half of Fiscal 2010**	**First Half of Fiscal 2010**
Total Income	¥ 947.4	¥ 1,426.7	¥ 734.9	¥ 1,259.4	**¥ 583.4**	**$ 6,963**
Total Expenses	921.8	2,030.7	622.9	1,189.0	**466.7**	**5,570**
Net Income (Loss)	10.4	(565.7)	61.8	29.5	**83.4**	**996**
Paid-in Capital	2,016.0	3,421.3	3,425.9	3,425.9	**3,425.9**	**40,882**
Total Net Assets	2,422.3	2,472.3	3,523.1	3,931.6	**4,206.8**	**50,201**
Total Assets	58,114.2	62,499.2	68,243.3	68,470.3	**70,495.0**	**841,230**
Deposits	38,311.8	37,501.5	38,214.6	39,108.7	**39,565.7**	**472,144**
Debentures	5,031.1	5,255.0	5,441.1	5,611.7	**5,576.2**	**66,542**
Loans and Bills Discounted	8,744.7	10,947.8	11,803.7	13,038.0	**12,390.3**	**147,857**
Securities	32,960.2	39,558.8	43,184.9	44,013.7	**46,060.5**	**549,648**
Capital Adequacy Ratio (%, BIS) (Note 2)	11.32	15.65	18.30	19.26	**21.85**	**21.85**

Notes: 1. U.S. dollars have been converted at the rate of ¥83.80 to U.S. $1, the effective rate of exchange on September 30, 2010.
2. The calculation of the Bank's Non-Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No. 4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank) issued in 2006.

The Bank's Performance Results (Non-Consolidated)

Deposits

The balance of Deposits at the end of the first-half period stood at ¥39,565.7 billion, an increase of ¥456.9 billion from the previous year-end.

Debentures

The balance of Debentures stood at ¥5,576.2 billion, a decrease of ¥35.5 billion from the previous year-end.

Loans and Bills Discounted

The balance of Loans and Bills Discounted stood at ¥12,390.3 billion, a decrease of ¥647.6 billion from the previous year-end.

Financing for Cooperative Organizations

The balance of loans and bills discounted totaled ¥496.1 billion, a decrease of ¥117.5 billion from the previous year-end. Of this amount, loans and bills discounted to agricultural organizations came to ¥162.8 billion, down ¥64.2 billion, while those to fishery organizations came to ¥22.8 billion and those to forestry organizations were ¥10.7 billion. Loans and bills discounted to other members as well as companies engaged in the agricultural, forestry and fishery businesses amounted to ¥299.7 billion.

Financing for Corporate Customers

The balance of loans and bills discounted to corporate customers stood at ¥3,144.0 billion, for a decline of ¥131.4 billion from the end of the previous fiscal year.

Other Loans

Other loans (including those to the government) came to ¥8,750.1 billion, a decrease of ¥398.7 billion over the previous fiscal year-end.

Securities

The balance of Securities holdings stood at ¥46,060.5 billion, an increase of ¥2,046.8 billion over the previous year-end. Unrealized losses on securities (including money held in trust) stood at ¥312.2 billion (prior to the application of tax-effect accounting).

Trading Accounts

A separate trading account has been established for transactions involving trading securities for short-term transactions, certificates of deposit (CDs) and derivatives aimed at securing short-term trading gains, and this trading account is clearly separated from the banking account. The balance of trading assets came to ¥24.0 billion, and trading liabilities came to ¥15.7 billion.

Consolidated Balance Sheets (Unaudited)

The Norinchukin Bank and Subsidiaries
As of September 30, 2010 and 2009, and March 31, 2010

	Millions of Yen			Millions of U.S. Dollars (Note 1)
	September 30		March 31	September 30
	2010	2009	2010	**2010**
Assets				
Cash and Due from Banks (Notes 12, 14 and 15)	**¥ 1,020,547**	¥ 1,443,361	¥2,195,337	**$ 12,178**
Call Loans and Bills Bought (Note 14)	**1,078,211**	1,535,386	1,336,137	**12,867**
Receivables under Securities Borrowing Transactions	**427,377**	821,491	—	**5,100**
Monetary Claims Bought (Notes 14 and 15)	**398,049**	581,443	490,182	**4,750**
Trading Assets (Note 14)	**24,046**	14,723	13,054	**287**
Money Held in Trust (Notes 4, 5, 14 and 16)	**7,999,279**	7,283,539	6,556,615	**95,457**
Securities (Notes 3, 5, 10, 14 and 15)	**46,045,009**	43,164,884	43,994,790	**549,463**
Loans and Bills Discounted (Notes 4, 5, 9 and 14)	**12,470,978**	11,876,853	13,097,635	**148,818**
Foreign Exchange Assets	**51,352**	48,560	12,925	**613**
Other Assets (Notes 5 and 14)	**703,031**	1,026,506	384,535	**8,389**
Tangible Fixed Assets (Note 13)	**140,159**	147,673	143,169	**1,673**
Intangible Fixed Assets	**53,812**	49,845	54,310	**642**
Deferred Tax Assets	**117,681**	244,349	204,530	**1,404**
Customers' Liabilities for Acceptances and Guarantees	**529,608**	460,324	502,932	**6,320**
Reserve for Possible Loan Losses (Note 14)	**(286,151)**	(299,469)	(303,340)	**(3,415)**
Reserve for Possible Investment Losses	**(9,663)**	—	(6,094)	**(115)**
Total Assets	**¥70,763,330**	¥68,399,475	¥68,676,723	**$844,431**
Liabilities and Net Assets				
Liabilities				
Deposits (Notes 6 and 14)	**¥39,558,573**	¥38,208,547	¥39,101,635	**$472,059**
Negotiable Certificates of Deposit (Note 14)	**672,377**	558,269	702,799	**8,024**
Debentures (Note 14)	**5,569,759**	5,437,668	5,605,767	**66,465**
Bonds (Note 7)	**250,165**	274,954	265,806	**2,985**
Call Money and Bills Sold (Notes 5 and 14)	**583,638**	684,000	948,151	**6,965**
Payables under Repurchase Agreements (Notes 5 and 14)	**8,533,702**	8,748,175	9,667,031	**101,834**
Payables under Securities Lending Transactions (Note 5)	**479,182**	154,075	98,543	**5,718**
Trading Liabilities (Note 14)	**15,738**	12,500	12,576	**188**
Borrowed Money (Notes 5, 8 and 14)	**1,805,407**	3,509,307	2,043,307	**21,544**
Foreign Exchange Liabilities	**0**	6	1	**0**
Short-term Entrusted Funds (Note 14)	**5,457,886**	4,777,871	4,277,171	**65,130**
Other Liabilities (Note 14)	**3,050,533**	2,006,485	1,469,168	**36,403**
Reserve for Bonus Payments	**4,465**	4,645	4,519	**53**
Reserve for Employees' Retirement Benefits	**2,777**	840	1,783	**33**
Reserve for Directors' Retirement Benefits	**854**	862	994	**10**
Deferred Tax Liabilities for Land Revaluation	**18,434**	18,701	18,439	**220**
Acceptances and Guarantees	**529,608**	460,324	502,932	**6,320**
Total Liabilities	**66,533,108**	64,857,236	64,720,631	**793,951**
Net Assets				
Paid-in Capital (Note 11)	**3,425,909**	3,425,909	3,425,909	**40,882**
Capital Surplus	**25,020**	25,020	25,020	**299**
Retained Earnings	**920,446**	863,861	837,448	**10,984**
Treasury Preferred Stock	**(150)**	(150)	(150)	**(2)**
Total Owners' Equity	**4,371,226**	4,314,641	4,288,228	**52,163**
Net Unrealized Losses on Other Securities, net of taxes	**(205,048)**	(869,581)	(406,850)	**(2,447)**
Net Deferred Gains on Hedging Instruments, net of taxes	**26,300**	58,895	36,923	**314**
Revaluation Reserve for Land, net of taxes	**31,957**	32,547	31,968	**381**
Foreign Currency Transaction Adjustments	**(38)**	(30)	(26)	**(0)**
Total Valuation and Translation Adjustments	**(146,828)**	(778,169)	(337,984)	**(1,752)**
Minority Interests	**5,823**	5,766	5,847	**69**
Total Net Assets	**4,230,221**	3,542,239	3,956,092	**50,480**
Total Liabilities and Net Assets	**¥70,763,330**	¥68,399,475	¥68,676,723	**$844,431**

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

Consolidated Statements of Operations (Unaudited)

The Norinchukin Bank and Subsidiaries
For the six months ended September 30, 2010 and 2009, and the fiscal year ended March 31, 2010

	Millions of Yen			Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Year ended March 31	Six Months ended September 30
	2010	2009	2010	**2010**
Income				
Interest Income:	**¥364,030**	¥383,245	¥ 719,196	**$4,344**
Interest on Loans and Bills Discounted	**46,428**	53,035	102,854	**554**
Interest and Dividends on Securities	**302,999**	310,641	566,640	**3,616**
Fees and Commissions	**9,879**	8,056	16,964	**118**
Trading Income	**274**	99	106	**3**
Other Operating Income	**79,257**	176,974	247,406	**946**
Other Income	**137,778**	173,597	286,886	**1,644**
Total Income	**591,220**	741,972	1,270,560	**7,055**
Expenses				
Interest Expenses:	**281,637**	355,740	648,014	**3,361**
Interest on Deposits	**29,839**	70,065	110,857	**356**
Fees and Commissions	**5,294**	6,863	10,745	**63**
Trading Expenses	**31**	719	776	**0**
Other Operating Expenses	**96,010**	84,280	173,725	**1,146**
General and Administrative Expenses	**54,203**	60,064	114,880	**647**
Other Expenses	**37,192**	123,250	246,754	**444**
Total Expenses	**474,370**	630,918	1,194,895	**5,661**
Income before Income Taxes and Minority Interests	**116,849**	111,053	75,664	**1,394**
Income Taxes — Current	**34,148**	18,374	6,477	**407**
Income Taxes — Deferred	**(288)**	32,575	36,000	**(3)**
Total Income Taxes	**33,859**	50,950	42,478	**404**
Income before Minority Interests	**82,989**	60,103	33,186	**990**
Minority Interests in Net Income	**3**	24	98	**0**
Net Income	**¥ 82,986**	¥ 60,078	¥ 33,087	**$ 990**

	Yen			U.S. Dollars (Note 1)
	Six Months ended September 30		Year ended March 31	Six Months ended September 30
	2010	2009	2010	**2010**
Net Income per Share	**¥19.49**	¥14.11	¥7.77	**$0.23**

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

Consolidated Statements of Capital Surplus and Retained Earnings (Unaudited)

The Norinchukin Bank and Subsidiaries
For the six months ended September 30, 2010 and 2009, and the fiscal year ended March 31, 2010

	Millions of Yen			Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Year ended March 31	Six Months ended September 30
	2010	2009	2010	**2010**
Capital Surplus				
Balance at the Beginning of the Fiscal Year	**¥ 25,020**	¥ 25,020	¥ 25,020	**$ 299**
Balance at the End of the Period	**25,020**	25,020	25,020	**299**
Retained Earnings				
Balance at the Beginning of the Fiscal Year	**837,448**	803,522	803,522	**9,994**
Additions:				
Net Income	**82,986**	60,078	33,087	**990**
Transfer from Revaluation Reserve for Land, net of taxes	**11**	260	838	**0**
Balance at the End of the Period	**¥920,446**	¥863,861	¥837,448	**$10,984**

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

Consolidated Statements of Cash Flows (Unaudited)

The Norinchukin Bank and Subsidiaries
For the six months ended September 30, 2010 and 2009, and the fiscal year ended March 31, 2010

	Millions of Yen			Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Year ended March 31	Six Months ended September 30
	2010	2009	2010	**2010**
Cash Flows from Operating Activities:				
Income before Income Taxes and Minority Interests	**¥ 116,849**	¥ 111,053	¥ 75,664	**$ 1,394**
Depreciation	**6,756**	4,555	10,031	**81**
Losses on Impairment of Fixed Assets	**144**	773	2,570	**2**
Equity in Losses (Earnings) of Affiliates	**(2,348)**	2,916	48,202	**(28)**
Net Increase (Decrease) in Reserve for Possible Loan Losses	**(17,188)**	98,124	101,995	**(205)**
Net Increase in Reserve for Possible Investment Losses	**3,569**	—	6,094	**43**
Net Increase (Decrease) in Reserve for Bonus Payments	**(54)**	37	(88)	**(1)**
Net Increase (Decrease) in Reserve for Employees' Retirement Benefits	**993**	(80)	862	**12**
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	**(139)**	23	155	**(2)**
Interest Income	**(364,030)**	(383,245)	(719,196)	**(4,344)**
Interest Expenses	**281,637**	355,740	648,014	**3,361**
Gains on Securities	**(12,748)**	(88,562)	(72,021)	**(152)**
Losses (Gains) on Money Held in Trust	**(19,373)**	(61,107)	6,195	**(231)**
Foreign Exchange Losses	**2,653,942**	1,957,405	1,490,696	**31,670**
Losses on Disposals of Fixed Assets	**175**	70	691	**2**
Net Decrease (Increase) in Trading Assets	**(10,992)**	10,119	11,787	**(131)**
Net Increase (Decrease) in Trading Liabilities	**3,162**	(1,225)	(1,149)	**38**
Net Decrease (Increase) in Loans and Bills Discounted	**626,657**	(854,161)	(2,074,942)	**7,478**
Net Increase in Deposits	**456,938**	715,728	1,608,816	**5,453**
Net Increase (Decrease) in Negotiable Certificates of Deposit	**(30,421)**	237,019	381,549	**(363)**
Net Increase (Decrease) in Debentures	**(36,007)**	185,603	353,701	**(430)**
Net Decrease in Borrowed Money (Excluding Subordinated Borrowed Money)	**(237,900)**	(2,148,200)	(3,614,200)	**(2,839)**
Net Decrease in Interest-bearing Due from Banks	**277,212**	745,460	719,856	**3,308**
Net Decrease (Increase) in Call Loans and Bills Bought and Other	**353,022**	(314,998)	(36,320)	**4,213**
Net Decrease (Increase) in Receivables under Securities Borrowing Transactions	**(427,377)**	(681,069)	140,422	**(5,100)**
Net Increase (Decrease) in Call Money and Bills Sold and Other	**(1,497,842)**	4,315,312	5,498,320	**(17,874)**
Net Increase in Short-term Entrusted Funds	**1,180,715**	700,416	199,716	**14,090**
Net Increase (Decrease) in Payables under Securities Lending Transactions	**380,639**	(376,201)	(431,733)	**4,542**
Net Decrease (Increase) in Foreign Exchanges Assets	**(38,427)**	33,142	68,777	**(459)**
Net Decrease in Foreign Exchanges Liabilities	**(0)**	(45)	(50)	**(0)**
Interest Received	**430,766**	383,918	732,242	**5,140**
Interest Paid	**(156,495)**	(243,325)	(691,449)	**(1,868)**
Other, Net	**(416,372)**	(363,390)	101,562	**(4,969)**
Subtotal	**3,505,463**	4,341,809	4,566,777	**41,831**
Income Taxes Refund (Paid)	**(3,593)**	2,710	(678)	**(43)**
Net Cash Provided by Operating Activities	**3,501,869**	4,344,519	4,566,098	**41,788**

	Millions of Yen			Millions of U.S. Dollars (Note 1)
	Six Months ended September 30		Year ended March 31	Six Months ended September 30
	2010	2009	2010	**2010**
Cash Flows from Investing Activities:				
Purchases of Securities	**(24,441,948)**	(18,603,630)	(34,389,377)	**(291,670)**
Proceeds from Sales of Securities	**1,414,182**	3,025,910	3,291,245	**16,876**
Proceeds from Redemption of Securities	**19,128,004**	11,710,254	26,992,585	**228,258**
Increase in Money Held in Trust	**(960,718)**	(1,902,689)	(2,309,489)	**(11,465)**
Decrease in Money Held in Trust	**464,049**	838,997	1,996,677	**5,538**
Purchases of Tangible Fixed Assets	**(799)**	(579)	(3,044)	**(10)**
Purchases of Intangible Fixed Assets	**(2,191)**	(12,096)	(18,631)	**(26)**
Proceeds from Sales of Tangible Fixed Assets	**—**	103	995	**—**
Proceeds from Sales of Intangible Fixed Assets	**—**	38	38	**—**
Net Cash Used in Investing Activities	**(4,399,420)**	(4,943,692)	(4,439,001)	**(52,499)**
Cash Flows from Financing Activities:				
Proceeds from Issuance of Subordinated Borrowed Money	**—**	9,950	9,950	**—**
Proceeds from Issuance of Stock	**—**	4,539	4,539	**—**
Dividends Paid to Minority Interests	**(9)**	(9)	(9)	**(0)**
Net Cash Provided by (Used in) Financing Activities	**(9)**	14,479	14,479	**(0)**
Net Increase (Decrease) in Cash and Cash Equivalents	**(897,560)**	(584,692)	141,576	**(10,711)**
Cash and Cash Equivalents at the Beginning of the Fiscal Year	**1,029,012**	887,436	887,436	**12,280**
Cash and Cash Equivalents at the End of the Period (Note 12)	**¥ 131,452**	¥ 302,743	¥ 1,029,012	**$ 1,569**

The accompanying notes are an integral part of the 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 conformity with accounting principles and practices generally accepted in Japan, that are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

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 ¥83.80=U.S.$1, the approximate rate of exchange prevailing on September 30, 2010, has been used for translation purposes. The inclusion of such amounts is not intended to imply that Japanese yen amounts 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 interim report.

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 and 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 September 30, 2010 and 2009 was 8 and 8, all of which were consolidated, respectively.

The major consolidated subsidiaries are as follows:

The Norinchukin Trust & Banking Co., Ltd.

Kyodo Housing Loan Co., Ltd.

The balance sheet date of the first half of fiscal year of all consolidated subsidiaries is September 30.

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 September 30, 2010 and 2009 was 7 and 6, 6 and 5 of which were accounted for by the equity method, respectively, while the remaining immaterial affiliate is carried at cost. Differences between the cost and the underlying net equity at fair value of investments in companies which are accounted for by the equity method have been amortized by the straight-line method over 20 years. However, immaterial goodwill and negative goodwill are charged or credited to income in the year of acquisition. The major affiliate accounted for by the equity method is as follows:

Mitsubishi UFJ NICOS Co., Ltd.

JA MITSUI LEASING, LTD.

(2) Transactions for Trading Purposes

Transactions for trading purposes are those seeking gains arising from short-term market movements or from the arbitrage opportunities in interest rates, foreign exchange rates and other market related indices. Such transactions are reported as Trading Assets or Trading Liabilities in the consolidated balance sheet on a trade date basis.

Gains and losses arising from transactions for trading purposes are recorded in Trading Income and Trading Expenses on the consolidated statements of operations.

Securities, monetary claims and certain other instruments held for trading purposes are valued at fair value prevailing at the end of the period. 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 period.

Trading Income and Trading Expenses include interest received and paid in the period, gains or losses resulting from any change in the fair value of securities and monetary claims from the end of the previous fiscal year and gains or losses of derivatives resulting from any change in the fair value, which is determined assuming they were settled at the end of the period, from the end of the previous fiscal year.

(3) Financial Instruments

a. Securities

Held-to-maturity debt securities are valued at amortized cost (straight-line method), as determined by the moving average method. Investments in affiliates that are not accounted for by the equity method are valued at cost, as determined by the moving average method. Other securities that have readily determinable fair value are valued at fair value, which is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date (the cost of securities sold is calculated primarily by the moving average method). Other securities which are extremely difficult to determine the fair value are valued at cost determined by the moving average method or are valued at amortized cost. Net Unrealized Gains or Losses on Other Securities, net of taxes, are reported separately in Net Assets. Securities included in Money Held in Trust are valued using the same methods described above.

b. Derivatives

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

c. Hedge Accounting

(a) Hedge of Interest Rate Risk

The Bank applies the deferred method of hedge accounting to hedge transactions to manage interest rate risk associated with various financial assets and liabilities, which is described in "Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks," issued by the Japanese Institute of Certified Public Accountants ("JICPA"), (JICPA Industry Audit Committee Report No. 24). Hedge effectiveness of a fair value hedge is assessed by identified groups of hedged items, such as loans and deposits, and the corresponding groups of hedging instruments, such as interest rate swaps within the same maturity bucket. Hedge effectiveness of a cash flow hedge is assessed based on the correlation of the interest rate risk indicators of the hedged items and that of the hedging instruments.

Deferred hedge gains or losses were recorded in the consolidated balance sheet as a result of applying the hedge accounting method described in "Tentative Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks" (JICPA Industry Audit Committee Report No. 15), to the macro hedges under which the Bank used derivatives to manage the overall interest rate risk arising from various financial assets and liabilities, such as loans and deposits. Such deferred hedge gains or losses are amortized into Interest Income or Interest Expenses as calculated based on the maturity and notional amount of the hedging instruments, beginning in the fiscal year ended March 31, 2004.

The unamortized balances of deferred hedge losses under the macro hedges, before deducting the tax effect, as of September 30, 2010 and 2009 were ¥358 million ($4 million) and ¥3,116 million, respectively.

(b) Hedge of Foreign Exchange Rate Risk

The Bank applies the deferred method of hedge accounting to the hedges to manage foreign exchange rate risk arising from various financial assets and liabilities denominated in foreign currencies, which is described in "Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25). Hedge effectiveness is assessed by reviewing whether the amount of the hedged items, such as financial monetary assets and liabilities denominated in foreign currencies, exceeds that of the hedging instruments, such as currency swap or foreign exchange swap transactions, entered into to mitigate the foreign exchange rate risk arising from the hedged items.

The deferred method or the fair value method of hedge accounting is applied to the portfolio hedges of foreign exchange rate risks associated with securities denominated in foreign currencies (other than debt securities), provided that (1) the securities denominated in foreign currencies are identified as hedged items in advance, and (2) foreign currency amounts of spot and forward liabilities exceeds those of the acquisition costs of the foreign currency securities designated as hedged items.

(c) Internal Derivative Transactions

Internal derivative transactions between trading accounts and banking accounts or inter-division transactions, which are designated as hedges, are not eliminated. The related gains and losses are recognized in the consolidated statements of operations or are deferred in the consolidated balance sheet in accordance with the hedge accounting rules, because the internal interest rate swap and currency swap transactions, that are designated as hedging instruments, are traded in a non discretionary manner and are appropriately and ultimately covered by third party transactions, which are conducted in accordance with the standards stipulated in the JICPA Industry Audit Committee Report No. 24 and No. 25.

For certain other assets or liabilities, the Bank applies the deferral method or the accrual method of hedge accounting, as specifically permitted for certain interest rate swaps. Under the deferral method, the recognition of income or expenses associated with a hedging instrument is deferred to the period when the income or expense arising from the hedged item is recognized.

A certain Bank's consolidated subsidiary applies the accrual method of hedge accounting, as specifically permitted for certain interest rate swaps.

(4) Tangible Fixed Assets (other than Lease Assets)

a. Depreciation

Depreciation of Tangible Fixed Assets of the Bank is calculated using the declining-balance method. However, depreciation on buildings acquired on or after April 1, 1998 (excluding annex facilities of buildings) is calculated using the straight-line method, and the applicable share of estimated annual depreciation cost for the period is recorded based on the following range of useful lives.

Buildings: 15 years to 50 years
Others: 5 years to 15 years

Depreciation of Tangible Fixed Assets of the consolidated subsidiaries is primarily calculated using the declining-balance method over their estimated economic useful lives.

b. Land Revaluation

In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes was revalued on March 31, 1998. Unrealized gains arising on revaluation, net of deferred tax, are disclosed as Revaluation Reserve for Land, net of taxes and included in Net Assets on the consolidated balance sheet. The related deferred tax liability is recorded as Deferred Tax Liabilities for Land Revaluation.

The land prices used for the revaluation were reasonably calculated based on third-party appraisals in accordance with Article 2-5 of the enforcement ordinance for the Law Concerning the Revaluation of Land.

(5) Intangible Fixed Assets (other than Lease Assets)

Depreciation of Intangible Fixed Assets is calculated using the straight-line method.

The costs of software developed or obtained for internal use are capitalized and amortized using the straight-line method over an estimated useful life of 5 years.

(6) Lease Assets

a. Depreciation

Depreciation of lease assets in Tangible Fixed Assets and Intangible Fixed Assets which are finance leases where the ownership of assets is not transferred to the lessees is calculated using the straight-line method over the lease term with zero residual value unless residual value is guaranteed by the corresponding lease contracts.

b. Accounting for Finance Leases

Finance leases where the ownership of assets is not transferred to the lessees, which commenced in fiscal years beginning prior to April 1, 2008, are accounted for by the same accounting method as for operating leases. Rental expenses and leases expenses under operating leases are charged to income when incurred.

(7) Foreign Currency Translation

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

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

(8) Reserve for Possible Loan Losses

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

a. Reserve for loans to debtors who are legally or substantially bankrupt under the Bankruptcy Law, Special Liquidation under the Company Law or other similar laws is provided based on the remaining book value 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 to borrowers who are legally or substantially bankrupt and that are secured by collateral or guarantees, the remaining book value of the loan, after the deduction of the amount of collateral or the execution of guarantees, is directly written off. Direct write-offs were ¥65,581 million ($783 million) and ¥68,432 million for the period ended September 30, 2010 and 2009, respectively.

b. Reserve for loans to debtors who are not currently bankrupt, but are likely to become bankrupt (“doubtful debtors”), is determined after taking into account a comprehensively evaluated repayment ability of debtors after deducting the amount expected to be collected through the disposal of collateral or the execution of guarantees.

c. Reserve for loans to debtors with restructured loans (see Note 4) is provided based on the Discounted Cash Flow method if the loan balance exceeds a specific amount and the future cash flows of the principal and interest of the loan can be reasonably estimated. Under the Discounted Cash Flow method, reserve is measured as the difference between the book value of the loan and its present value of expected future cash flows, discounted by the contractual interest rate before the terms of the loan were restructured.

d. Reserve for loans other than those indicated above, is provided primarily at the amount calculated using the default rates which the Bank has calculated based on actual defaults experienced in the past.

e. Specific reserve for loans to certain countries with financial difficulties 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. Reserves described above are determined based on the results of these self-assessments.

Reserve for Possible Loan Losses for receivables of the Bank's consolidated subsidiaries is provided at the amount determined as necessary using the past default ratio. Reserve for Possible Loan Losses for problem receivables of the Bank's consolidated subsidiaries is provided by taking into account their recoverability and an estimate of uncollectible amount.

(9) Reserve for Possible Investment Losses

Reserve for Possible Investment Losses represents an amount determined to be necessary to cover the estimated loss from the investments, taking into account the financial condition and other factors of the issuer of the securities.

(10) Reserve for Bonus Payments

Reserve for Bonus Payments represents estimated cost of payment of employees' bonuses attributable to the period.

(11) Reserve for Employees' Retirement Benefits

Reserve for Employees' Retirement Benefits, which is provided for the payment of employees' retirement benefits, is recorded as the required amount accrued at the end of the period, based on the estimated present value of projected benefit obligations ("PBO") and the estimated plan assets at the end of the fiscal year. In the case that plan assets exceed the amounts of the PBO adjusted by unrecognized prior service cost and actuarial differences, the excess portion is recorded as prepaid pension costs in Other Assets.

Unrecognized prior service cost is amortized over a certain period (10 years) within the employees' average remaining service period using the straight-line method beginning in the fiscal year which the difference had been incurred.

Unrecognized actuarial differences are amortized over a certain period (10 years) within the employees' average remaining service period using the declining-balance method beginning in the fiscal year after the difference had been incurred.

Some of the Bank's consolidated subsidiaries adopt the simplified method whereby the amount that would be payable at the point in which an employment contract of an eligible employee is terminated. Other alternative measures may be used without employing actuarial calculations in accordance with the Accounting Standard for Retirement Benefit to calculate PBO.

(12) Reserve for Directors' Retirement Benefits

Reserve for Directors' Retirement Benefits for the payments of retirement benefits for directors and corporate auditors is recognized as the required amount accrued at the end of the period.

(13) Consumption Taxes

Consumption tax and local consumption tax incurred on taxable transactions are excluded from these transaction amounts.

(14) Accounting for Income Taxes

Income Taxes-Current and Income Taxes-Deferred for the period are calculated based upon assumption that transfer to or reversal from Reserve for Tax Basis Adjustments of Fixed Assets is made at the end of the fiscal year.

(15) Scope of "Cash and Cash Equivalents" in the Consolidated Statements of Cash Flows

"Cash and Cash Equivalents" in the consolidated statements of cash flows represents cash and non-interest bearing due from banks in Cash and Due from Banks of the consolidated balance sheets.

Non-interest bearing due from banks includes due from Bank of Japan for which interest is paid on excess reserve balance based on a temporary measure introduced by Bank of Japan.

(16) Net Income per Share

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

The aggregate number of Lower Dividend Rate Stock and Preferred Stock is deducted from the denominator in the calculation of Net Income per Share.

3. Securities

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2010**	2009	**2010**
Japanese Government Bonds	**¥17,316,878**	¥14,935,483	**$206,645**
Municipal Government Bonds	**1,187**	760	**14**
Corporate Bonds	**165,878**	294,874	**1,980**
Stocks	**488,625**	577,917	**5,831**
Other	**28,072,439**	27,355,848	**334,993**
Foreign Bonds	**18,944,814**	19,799,453	**226,072**
Foreign Stocks	**56,480**	63,800	**674**
Investment Trusts	**8,365,325**	6,770,104	**99,825**
Other	**705,819**	722,489	**8,422**
Total	**¥46,045,009**	¥43,164,884	**$549,463**

4. Loans and Bills Discounted

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2010**	2009	**2010**
Loans on Deeds	**¥11,030,461**	¥10,241,196	**$131,628**
Loans on Bills	**121,321**	125,359	**1,448**
Overdrafts	**1,314,120**	1,503,435	**15,682**
Bills Discounted	**5,075**	6,862	**60**
Total	**¥12,470,978**	¥11,876,853	**$148,818**

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2010**	2009	**2010**
Loans to Borrowers under Bankruptcy Proceedings	**¥ 6,382**	¥ 10,926	**$ 76**
Delinquent Loans	**229,012**	178,569	**2,733**
Loans Past Due for Three Months or More	**183**	315	**2**
Restructured Loans	**83,365**	68,445	**995**
Total	**¥318,943**	¥258,256	**$3,806**

(1) Loans to borrowers under bankruptcy proceedings are loans whose interests accruals are suspended (excluding the parts written-off for possible loan losses, hereinafter referred to as "Non-accrual Loans") since the loans are determined to be uncollectible considering the period of time past due and other reasons, as stipulated in Article 96-1-3, 4 of Corporate Tax Law (Law No. 97, 1965).

(2) Delinquent loans are also non-accrual loans other than loans to borrowers under bankruptcy proceedings or loans whereby payments of interests are deferred in order to support the borrowers' rehabilitation.

In addition, as of September 30, 2010 and 2009, Money Held in Trust includes delinquent loans of ¥— and ¥41,527 million, respectively.

(3) Loans past due for three months or more are loans whose principal or interest is past-due for three months or more, other than loans to borrowers under bankruptcy proceedings and delinquent loans.

(4) Restructured loans are loans whereby its terms are modified in favor of the borrowers by reducing the interest rate, deferral of payments of interest or principal, waiving principal repayments, etc., in order to support the borrowers' rehabilitation and facilitate the collection of the loan.

5. Assets Pledged

Assets pledged as collateral comprise the following:

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2010**	2009	**2010**
Securities	**¥13,424,160**	¥12,255,895	**$160,193**
Loans and Bills Discounted	**6,779,127**	—	**80,897**

Liabilities related to the above pledged assets are as follows:

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2010**	2009	**2010**
Call Money and Bills Sold	**¥ 405,000**	¥ 455,000	**$ 4,833**
Payables under Repurchase Agreements	**8,533,702**	8,748,175	**101,834**
Payables under Securities Lending Transactions	**458,269**	120,772	**5,469**
Borrowed Money	**274,400**	1,983,300	**3,274**

In addition, as of September 30, 2010 and 2009, Securities (including transactions of Money Held in Trust) of ¥9,175,078 million ($109,488 million) and ¥9,833,683 million, respectively, and Loans and Bills Discounted of ¥— and ¥6,061,419 million, respectively, were pledged as collateral for settlement of exchange and derivative transactions or as margins of futures transactions.

As of September 30, 2010 and 2009, initial margins of futures transactions of ¥1,654 million ($20 million) and ¥1,554 million, cash collateral under financial derivatives transactions of ¥2,737 million ($33 million) and ¥—, and guarantee deposits of ¥5,769 million ($69 million) and ¥5,525 million were included in Other Assets, respectively.

6. Deposits

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2010**	2009	**2010**
Time Deposits	**¥33,918,735**	¥32,628,209	**$404,758**
Deposits at Notice	**77,666**	38,528	**927**
Ordinary Deposits	**721,177**	1,159,640	**8,606**
Current Deposits	**110,470**	105,781	**1,318**
Other Deposits	**4,730,522**	4,276,388	**56,450**
Total	**¥39,558,573**	¥38,208,547	**$472,059**

7. Bonds

Bonds were subordinated bonds of ¥250,165 million ($2,985 million) and ¥274,954 million as of September 30, 2010 and 2009, respectively.

8. Borrowed Money

Borrowed Money includes subordinated borrowings of ¥1,486,007 million ($17,733 million) and ¥1,486,007 million as of September 30, 2010 and 2009, respectively.

9. 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 ¥2,973,718 million ($35,486 million) and ¥2,500,772 million as of September 30, 2010 and 2009, respectively. The amount, which the Bank and its consolidated subsidiaries could cancel at any time without penalty, was ¥2,127,988 million ($25,394 million) and ¥1,571,288 million as of September 30, 2010 and 2009, respectively.

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 predefined policies and procedures and acts to secure loans as necessary.

10. Securities Loaned

Securities include securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) of ¥147,074 million ($1,755 million) and ¥— as of September 30, 2010 and 2009, respectively.

Securities borrowed under unsecured borrowing agreements (Saiken Taishaku Torihiki) and securities purchased under resale agreements and cash-collateralized borrowing agreements, which can be sold or re-pledged by the Bank, include securities re-pledged out of ¥21,974 million ($262 million) and ¥35,226 million as of September 30, 2010 and 2009, respectively, and securities held without re-pledge of ¥1,548,726 million ($18,481 million) and ¥1,722,062 million as of September 30, 2010 and 2009, respectively.

11. Paid-in Capital

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2010**	2009	**2010**
Common Stock	**¥3,400,909**	¥3,400,909	**$40,584**
Preferred Stock	**24,999**	24,999	**298**
Total	**¥3,425,909**	¥3,425,909	**$40,882**

The Common Stock account includes Lower Dividend Rate Stock with a total par value of ¥2,975,192 million ($35,503 million) and ¥2,975,192 million as of September 30, 2010 and 2009, respectively.

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.

12. Cash Flows

The reconciliation of Cash and Due from Banks in the consolidated balance sheets to "Cash and Cash Equivalents" at the end of the period is as follows:

	Millions of Yen		Millions of U.S. Dollars
As of September 30	**2010**	2009	**2010**
Cash and Due from Banks	**¥1,020,547**	¥1,443,361	**$12,178**
Less: Interest-bearing Due from Banks	**(889,095)**	(1,140,617)	**(10,609)**
Cash and Cash Equivalents at the End of the Period	**¥ 131,452**	¥ 302,743	**$ 1,569**

13. Segment Information

For the Six Months Ended September 30, 2010

(1) Segment Information

Segment Information is not shown in this statement, since the banking business is the only reportable segment.

(Additional information)

The Bank and its consolidated subsidiaries have adopted the standard of "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008) from the period ended September 30, 2010.

(2) Related Information

a. Information about Services

	Millions of Yen			
Six Months ended September 30, 2010	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	**¥53,686**	**¥471,791**	**¥52,646**	**¥578,123**

	Millions of U.S. Dollars			
Six Months ended September 30, 2010	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	**$641**	**$5,630**	**$628**	**$6,899**

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

b. Information about Geographic Areas

(a) Ordinary Income

	Millions of Yen				
Six Months ended September 30, 2010	Japan	Americas	Europe	Others	Total
	¥565,965	**¥1,303**	**¥4,085**	**¥6,769**	**¥578,123**

	Millions of U.S. Dollars				
Six Months ended September 30, 2010	Japan	Americas	Europe	Others	Total
	$6,754	**$15**	**$49**	**$81**	**$6,899**

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.
3. Ordinary Income is categorized by countries or areas based on the location of the Bank's head office, branches and its consolidated subsidiaries.
4. Americas includes the United States of America and Cayman Islands. Europe includes the United Kingdom.

(b) Tangible Fixed Asset

	Millions of Yen				
As of September 30, 2010	Japan	Americas	Europe	Others	Total
	¥139,517	**¥368**	**¥184**	**¥88**	**¥140,159**

	Millions of U.S. Dollars				
As of September 30, 2010	Japan	Americas	Europe	Others	Total
	$1,665	**$5**	**$2**	**$1**	**$1,673**

c. Information about Major Customers

Six Months ended September 30, 2010	Name of Customer	Millions of Yen Ordinary Income	Millions of Yen Name of Related Segments
	U.S. Department of the Treasury	**¥61,763**	—

Six Months ended September 30, 2010	Name of Customer	Millions of U.S. Dollars Ordinary Income	Millions of U.S. Dollars Name of Related Segments
	U.S. Department of the Treasury	**$737**	—

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

(3) Information about Impairment Loss of Fixed Assets in Reportable Segments

Information about Impairment Loss of Fixed Assets in Reportable Segments is not shown in this statement, since the banking business is the only reportable segment.

For the Six Months Ended September 30, 2009

(1) Segment Information by Type of Businesses

Segment Information by Type of Businesses is not shown in this statement, since the business segments, other than the banking businesses, are immaterial.

(2) Segment Information by Geographic Areas

	Millions of Yen						
Six Months ended September 30, 2009	Japan	Americas	Europe	Asia	Total	Elimination	Consolidated
Ordinary Income							
(1) Ordinary Income from External Customers	¥714,332	¥ 2,145	¥11,892	¥12,747	¥741,118	¥ —	¥741,118
(2) Inter-segment Ordinary Income	22,965	31,764	29,405	22,439	106,574	(106,574)	—
Total	737,298	33,909	41,297	35,186	847,693	(106,574)	741,118
Ordinary Expenses	640,251	21,368	39,873	35,055	736,549	(106,574)	629,974
Ordinary Profits	¥ 97,047	¥12,540	¥ 1,424	¥ 131	¥111,143	¥ —	¥111,143

Notes: 1. Ordinary Income represents Total Income less certain special income, and Ordinary Expenses represent Total Expenses less certain special expenses.
2. Ordinary Profits represent Ordinary Income less Ordinary Expenses.
3. The Bank reports Ordinary Income and Ordinary Profits that corresponds to Sales and Operating Profits for non-financial companies, for the Bank's head office, branches and its consolidated subsidiaries according to the classification of geographic areas. The geographic classification is effected by geographical proximity, similarities in economic activities and inter-relationships among these activities.
4. Americas includes the United States of America and Cayman Islands. Europe includes the United Kingdom and Asia includes the Republic of Singapore.

(3) Ordinary Income from International Operations

	Ordinary Income from International Operations	Consolidated Ordinary Income	Ratio of Ordinary Income from International Operations over Consolidated Ordinary Income
Six Months ended September 30, 2009	Millions of Yen		Percentage
	¥527,719	¥741,118	71.2%

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income from International Operations is shown in place of Overseas Sales for non-financial companies.
3. Ordinary Income from International Operations comprises of 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 Bank 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 geographic areas has not been presented.

14. Financial Instruments

Disclosures Regarding the Fair Value of Financial Instruments and Other Items

"Consolidated Balance Sheet Amount," "Fair Value" and "Difference" as of September 30, 2010 are as follows:

Unlisted stocks and other financial instruments, the fair value of which is extremely difficult to determine, are excluded from the table below. (ref. Note 2)

	Millions of Yen			Millions of U.S. Dollars		
As of September 30, 2010	Consolidated Balance Sheet Amount	Fair Value	Difference	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks	**¥ 1,020,547**	**¥ 1,020,547**	**¥ —**	**$ 12,178**	**$ 12,178**	**$ —**
(2) Call Loans and Bills Bought	**1,078,211**	**1,078,211**	**—**	**12,867**	**12,867**	**—**
(3) Monetary Claims Bought (*1)	**347,164**	**347,218**	**54**	**4,143**	**4,143**	**0**
(4) Trading Assets (*2)						
Trading Securities	**7,807**	**7,807**	**—**	**93**	**93**	**—**
(5) Money Held in Trust (*1)						
Money Held in Trust for Trading Purpose	**6,641**	**6,641**	**—**	**79**	**79**	**—**
Other Money Held in Trust	**7,985,654**	**8,004,381**	**18,726**	**95,294**	**95,518**	**224**
(6) Securities						
Held-to-Maturity Debt Securities	**14,836,898**	**15,216,749**	**379,851**	**177,051**	**181,584**	**4,533**
Other Securities	**30,519,673**	**30,519,673**	**—**	**364,197**	**364,197**	**—**
(7) Loans and Bills Discounted	**12,470,978**			**148,818**		
Reserve for Possible Loan Losses (*1)	**(217,279)**			**(2,592)**		
	12,253,698	**12,317,184**	**63,485**	**146,226**	**146,983**	**757**
Total Assets	**¥68,056,297**	**¥68,518,414**	**¥462,117**	**$812,128**	**$817,642**	**$5,514**
(1) Deposits	**¥39,558,573**	**¥39,558,679**	**¥ 105**	**$472,059**	**$472,060**	**$ 1**
(2) Negotiable Certificates of Deposit	**672,377**	**672,377**	**—**	**8,024**	**8,024**	**—**
(3) Debentures	**5,569,759**	**5,672,360**	**102,600**	**66,465**	**67,689**	**1,224**
(4) Call Money and Bills Sold	**583,638**	**583,638**	**—**	**6,965**	**6,965**	**—**
(5) Payables under Repurchase Agreements	**8,533,702**	**8,533,702**	**—**	**101,834**	**101,834**	**—**
(6) Borrowed Money	**1,805,407**	**1,805,407**	**—**	**21,544**	**21,544**	**—**
(7) Short-term Entrusted Funds	**5,457,886**	**5,457,886**	**—**	**65,130**	**65,130**	**—**
Total Liabilities	**¥62,181,345**	**¥62,284,052**	**¥102,706**	**$742,021**	**$743,246**	**$1,225**
Derivative Instruments (*3)						
Transactions not Accounted for as Hedge Transactions	**¥ 1,387**	**¥ 1,387**	**¥ —**	**$ 17**	**$ 17**	**$ —**
Transactions Accounted for as Hedge Transactions	**236,329**	**236,329**	**—**	**2,820**	**2,820**	**—**
Total Derivative Instruments	**¥ 237,716**	**¥ 237,716**	**¥ —**	**$ 2,837**	**$ 2,837**	**$ —**

(*) 1. Monetary Claims Bought, Money Held in Trust and Loans and Bills Discounted are net of Reserve for Possible Loan Losses. Monetary Claims Bought and Money Held in Trust are presented by net on the consolidated balance sheet as the reserve amounts are immaterial.
2. Derivative Instruments are excluded from Trading Assets.
3. Derivative Instruments within Trading Assets, Trading Liabilities, Other Assets and Other Liabilities are shown by net position. Receivables and payables which arise from Derivative Instruments are shown on a net basis.

(Note 1) Calculation Methods for the Fair Value of Financial Instruments are as follows:

Assets

(1) Cash and Due from Banks

For Due from Banks without stated maturity, fair value approximates the carrying value. For Due from Banks with stated maturity, as the contractual terms are short-term (1 Year or Less), fair value approximates the carrying value. Concerning negotiable certificates of deposit, fair value is determined based on reasonably estimated amounts at the end of the period. The reasonably estimated amounts of negotiable certificates of deposit are calculated according to the Discounted Cash Flow method. The price-determining variable is the over-the-counter rate.

(2) Call Loans and Bills Bought

These contractual terms are short-term (1 Year or Less), and fair value approximates the carrying value.

(3) Monetary Claims Bought

Monetary Claims Bought are valued based on the quoted prices provided by brokers or venders.

(4) Trading Assets

Trading Securities are valued based on the closing price at the exchange or quoted price provided by the corresponding financial institutions.

(5) Money Held in Trust

Loans and Bills Discounted and Securities included in Money Held in Trust are valued according to the same methods described in (6) and (7) below.

Relevant notes concerning the fair value of Money Held in Trust of each classification are described in section 16. Fair Value of Money Held in Trust.

(6) Securities

Regarding the valuation of stocks, fair value is based on the closing price at the exchange. With respect to investment trusts, fair value is based on the net asset value ("NAV") published or the quoted prices provided by brokers or venders. As for bonds, fair value is based on the quoted market price if available, reasonably estimated amounts (using the Discounted Cash Flow method and other methods of valuation), or the quoted prices provided by brokers or venders.

As for corporate bonds issued through private offerings, the fair value is based on reasonably estimated amounts which are calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates based on each credit rating, recovery rates and other variables. The estimates for the valuations of some securitized products are calculated according to the prices calculated by the Discounted Cash Flow method, using variables such as default rates, recovery rates, pre-payment rates, discount rates and other variables, or the quoted prices provided by brokers or venders, or both.

Concerning floating-rate Japanese government bonds which are rarely traded in the current market, the Bank continues to determine that market prices are not deemed as fair value, and that the fair value of these bonds is based on reasonably estimated amounts at the end of the period, which are calculated according to the Discounted Cash Flow method. The price-determining variables include the yield of Japanese government bonds, swaption volatilities and other variables.

As for investments for "Partnership" and "Limited Partnership" ("Investments in Partnership and Others"), fair value is based on the share of NAV which is valued assets of "Partnership" or "Limited Partnership," if available.

Relevant notes about the fair value of securities of each classification are described in section 15. Fair Value of Securities.

(7) Loans and Bills Discounted

The carrying value of Loans and Bills Discounted with floating rates approximates the fair value since they are repriced reflecting market interest fluctuations within a short period, unless the creditworthiness of the debtors has been revised. Accordingly, the carrying value is deemed to be the fair value. As for Loans and Bills Discounted with fixed rates, the fair value is calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates based on each credit rating, recovery rates, and other variables. As for mortgages, the fair value is calculated according to the Discounted Cash Flow method. The price-determining variables include the default rates, recovery rates, pre-payment rates and other variables.

As for Loans and Bills Discounted to doubtful debtors and others, the reserves for those assets are provided by the amount not expected to be recovered based on the present value of expected future cash flows or the recovery amount of collateral and guarantee. Accordingly, the carrying values net of the reserve approximate the fair value.

As for Loans and Bills Discounted without stated maturity for which credit is extended up to the value of the collateral assets, the carrying value is deemed to approximate the fair value, taking into account expected maturity, interest rates and other terms.

Liabilities

(1) Deposits

With respect to demand deposits, the payment amounts required on the consolidated balance sheet date (the carrying value) are estimated at fair value. Time deposits are calculated according to the Discounted Cash Flow method, and these discount rates are the currently-applied deposit rates. Some contractual terms are short-term (1 Year or Less), and fair value approximates the carrying value.

(2) Negotiable Certificates of Deposit

These contractual terms are short-term (1 Year or Less), and fair value approximates the carrying value.

(3) Debentures

As for Debentures, fair value is based on the quoted market price if available, or calculated according to the Discounted Cash Flow method. The price-determining variable of this method is the rate which would be applied if a similar debenture was issued.

(4) Call Money and Bills Sold, (5) Payables under Repurchase Agreements, (7) Short-term Entrusted Funds

These contractual terms are short-term (1 Year or Less), and the fair value approximates the carrying value.

(6) Borrowed Money

The carrying value of Borrowed Money with floating rates approximates the fair value since it is repriced reflecting market interest rate fluctuations within a short period (1 Year or Less), unless the creditworthiness of the Bank and its consolidated subsidiaries has changed. Accordingly, the carrying value is deemed to be the fair value. Some contractual terms are short-term (1 Year or Less), and the fair value approximates the carrying value.

Derivative Instruments

Derivative instruments include interest rate-related derivative instruments (interest rate swaps and others) and currency-related derivative instruments (currency swaps and others). The fair value is based on the closing price at the exchange, a discounted net present value model, an option pricing model or other models as appropriate.

The accrual method of hedge accounting, as specifically permitted for certain interest rate swaps, is valued with the valuation of hedged items, so that the fair value is included in the fair value of Loans and Bills Discounted and other items.

Relevant notes regarding the fair value of derivative Instruments are described in section 17. Fair Value of Derivative Instruments.

(Note 2) The following table lists financial instruments, the fair value of which is extremely difficult to determine:
"Assets (6) Other Securities" of fair value of financial instruments exclude the transactions of the table below.

As of September 30, 2010	Millions of Yen	Millions of U.S. Dollars
Unlisted Stocks (*1) (*2)	**¥182,469**	**$2,178**
Bonds (*3)	**151,704**	**1,810**
Investments in Partnership and Others (*4)	**350,903**	**4,187**
Total	**¥685,077**	**$8,175**

(*) 1. Unlisted Stocks are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items," since they have no market prices and their fair value is extremely difficult to determine.
2. The amount of revaluation losses for Unlisted Stocks was ¥37 million ($0 million).
3. Out of Bonds (including foreign bonds), real estate backed bonds, which are extremely difficult to estimate cash flow and to determine fair value, are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items." With respect to doubtful bonds, the Bank has set aside Reserve for Possible Loan Losses of ¥51,048 million ($609 million) in accordance with the Bank's internal rules.
4. Out of Investments in Partnership and Others, certain "Partnership" or "Limited Partnership" whose fair value is extremely difficult to determine are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items."

15. Fair Value of Securities

For the Six Months Ended September 30, 2010

Held-to-Maturity Debt Securities

		Millions of Yen		
As of September 30, 2010	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
Transactions for Fair Value exceeded Consolidated Balance Sheet Amount	Japanese Government Bonds	**¥ 7,592,476**	**¥ 7,840,164**	**¥247,687**
	Municipal Government Bonds	—	—	—
	Corporate Bonds	—	—	—
	Other	**4,590,941**	**4,809,605**	**218,663**
	Foreign Bonds	**4,590,941**	**4,809,605**	**218,663**
	Sub total	**12,183,418**	**12,649,769**	**466,351**
Transactions for Fair Value not exceeded Consolidated Balance Sheet Amount	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
	Corporate Bonds	—	—	—
	Other	**2,653,479**	**2,566,979**	**(86,500)**
	Foreign Bonds	**2,653,479**	**2,566,979**	**(86,500)**
	Sub total	**2,653,479**	**2,566,979**	**(86,500)**
	Total	**¥14,836,898**	**¥15,216,749**	**¥379,851**

		Millions of U.S. Dollars		
As of September 30, 2010	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
Transactions for Fair Value exceeded Consolidated Balance Sheet Amount	Japanese Government Bonds	**$ 90,602**	**$ 93,558**	**$2,956**
	Municipal Government Bonds	—	—	—
	Corporate Bonds	—	—	—
	Other	**54,785**	**57,394**	**2,609**
	Foreign Bonds	**54,785**	**57,394**	**2,609**
	Sub total	**145,387**	**150,952**	**5,565**
Transactions for Fair Value not exceeded Consolidated Balance Sheet Amount	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
	Corporate Bonds	—	—	—
	Other	**31,664**	**30,632**	**(1,032)**
	Foreign Bonds	**31,664**	**30,632**	**(1,032)**
	Sub total	**31,664**	**30,632**	**(1,032)**
	Total	**$177,051**	**$181,584**	**$4,533**

Other Securities

As of September 30, 2010	Type	Consolidated Balance Sheet Amount (Millions of Yen)	Acquisition Cost (Millions of Yen)	Difference (Millions of Yen)
Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Stocks	¥ 204,209	¥ 134,477	¥ 69,732
	Bonds	4,474,725	4,460,361	14,364
	Japanese Government Bonds	4,413,931	4,399,829	14,102
	Municipal Government Bonds	1,176	1,126	49
	Corporate Bonds	59,617	59,405	211
	Other	14,208,024	13,705,345	502,679
	Foreign Bonds	9,663,143	9,410,880	252,262
	Foreign Stocks	—	—	—
	Investment Trusts	4,469,972	4,220,953	249,018
	Other	74,909	73,511	1,397
	Sub total	18,886,960	18,300,184	586,776
Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost	Stocks	132,762	149,536	(16,773)
	Bonds	5,416,522	5,418,859	(2,337)
	Japanese Government Bonds	5,310,470	5,310,930	(460)
	Municipal Government Bonds	11	11	(0)
	Corporate Bonds	106,040	107,917	(1,877)
	Other	6,461,141	7,407,823	(946,682)
	Foreign Bonds	1,885,765	2,087,169	(201,404)
	Foreign Stocks	25,663	29,476	(3,812)
	Investment Trusts	3,895,352	4,626,311	(730,958)
	Other	654,359	664,865	(10,506)
	Sub total	12,010,426	12,976,219	(965,793)
	Total	¥30,897,386	¥31,276,404	¥(379,017)

As of September 30, 2010	Type	Consolidated Balance Sheet Amount (Millions of U.S. Dollars)	Acquisition Cost (Millions of U.S. Dollars)	Difference (Millions of U.S. Dollars)
Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Stocks	$ 2,437	$ 1,605	$ 832
	Bonds	53,397	53,226	171
	Japanese Government Bonds	52,672	52,504	168
	Municipal Government Bonds	14	13	1
	Corporate Bonds	711	709	2
	Other	169,547	163,548	5,999
	Foreign Bonds	115,312	112,302	3,010
	Foreign Stocks	—	—	—
	Investment Trusts	53,341	50,369	2,972
	Other	894	877	17
	Sub total	225,381	218,379	7,002
Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost	Stocks	1,584	1,785	(201)
	Bonds	64,637	64,664	(27)
	Japanese Government Bonds	63,371	63,376	(5)
	Municipal Government Bonds	0	0	(0)
	Corporate Bonds	1,266	1,288	(22)
	Other	77,102	88,399	(11,297)
	Foreign Bonds	22,503	24,906	(2,403)
	Foreign Stocks	306	352	(46)
	Investment Trusts	46,484	55,207	(8,723)
	Other	7,809	7,934	(125)
	Sub total	143,323	154,848	(11,525)
	Total	$368,704	$373,227	$ (4,523)

Notes: 1. The above analysis of Other Securities includes Securities, negotiable certificates of deposit disclosed as Cash and Due from Banks and trust beneficiary interest in Monetary Claims Bought in the consolidated balance sheet.
2. Investment Trusts include Japanese trusts and foreign trusts.

Securities Recognized for Revaluation Loss

Certain securities (other than trading purposes) which have readily determinable fair values are revalued to their fair value, and the difference between the acquisition cost (and other) and the fair value is treated as a realized loss for the period ("revaluation loss"), if the fair value has significantly deteriorated from the acquisition cost (and other), and unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the period was ¥68,188 million ($814 million) (including ¥29,362 million ($350 million) on Stocks, ¥19,590 million ($234 million) on Foreign Bonds, ¥16,928 million ($202 million) on Investment Trusts and ¥2,307 million ($28 million) on Other).

The criteria for determining whether the securities' fair value has "significantly deteriorated" are outlined as follows:
Securities whose fair values are equal to or less than 50% of their acquisition costs (and other)
Securities whose fair values remain in between 50% and 70% of their acquisition costs (and other) for a certain period

For the Six Months Ended September 30, 2009

Held-to-Maturity Debt Securities that have Fair Value

	Millions of Yen				
	Consolidated Balance Sheet Amount	Fair Value	Net Unrealized Gain		
As of September 30, 2009			Net	Gross Gain	Gross Loss
Japanese Government Bonds	¥ 7,608,069	¥ 7,804,559	¥196,489	¥196,489	¥ —
Foreign Bonds	7,260,235	7,455,246	195,011	225,967	30,956
Total	¥14,868,305	¥15,259,806	¥391,501	¥422,457	¥30,956

Note: Fair value is based on reasonably estimated amounts, the quoted market price if available, or other reasonable value at the consolidated balance sheet date.

(Additional information)
As for floating-rate Japanese government bonds which are rarely transacted in the current market, the Bank continues to determine that market prices are not deemed as fair value, and that the fair value of these bonds is based on reasonably estimated amounts at the end of the period, which are calculated according to the Discounted Cash Flow method. The price-determining variables include the yield of Japanese government bonds, swaption volatilities and other variables.

Other Securities that have Fair Value

	Millions of Yen				
	Acquisition Cost	Consolidated Balance Sheet Amount	Net Unrealized Gain/Loss		
As of September 30, 2009			Net	Gross Gain	Gross Loss
Stocks	¥ 323,912	¥ 398,243	¥ 74,331	¥ 98,108	¥ 23,777
Bonds	7,491,352	7,489,895	(1,456)	794	2,251
Japanese Government Bonds	7,327,129	7,327,414	285	767	482
Municipal Government Bonds	199	200	0	0	0
Corporate Bonds	164,022	162,280	(1,742)	26	1,768
Other	20,273,243	19,254,538	(1,018,705)	217,994	1,236,699
Foreign Bonds	12,250,110	12,135,673	(114,436)	142,183	256,620
Foreign Stocks	33,273	31,915	(1,357)	420	1,778
Investment Trusts	7,670,762	6,770,104	(900,657)	75,131	975,789
Other	319,098	316,845	(2,252)	258	2,511
Total	¥28,088,508	¥27,142,677	¥ (945,830)	¥316,898	¥1,262,728

Notes: 1. The above analysis of Other Securities that have Fair Value includes Securities and negotiable certificates of deposit disclosed as Cash and Due from Banks in the consolidated balance sheet.
2. Investment Trusts include Japanese trusts and foreign trusts.
3. Consolidated Balance Sheet Amount is stated based on the closing fair value, which is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date. Some of foreign bonds, such as securitization products, are valued at reasonably estimated amounts at the end of the period.
4. Certain other securities which have readily determinable fair values are revalued to their fair value, and the difference between the acquisition cost and the fair value is treated as a realized loss for the period ("revaluation loss"), if the fair value has significantly deteriorated from the acquisition cost (including amortized cost), and unless a recovery in the fair value is deemed probable.
The amount of revaluation loss for the period was ¥38,883 million (including ¥154 million on Stocks and ¥38,729 million on Foreign Bonds).
The criteria for determining whether a securities' fair value has "significantly deteriorated" are outlined as follows:
Securities whose fair values are equal to or less than 50% of their acquisition costs
Securities whose fair values remain in between 50% and 70% of their acquisition costs for a certain period

Components and Consolidated Balance Sheet amount of Securities not stated at Fair Value

As of September 30, 2009	Millions of Yen
Other Securities	
Unlisted Stocks	¥ 91,431
Municipal Government Bonds	559
Corporate Bonds	132,593
Foreign Bonds	403,545
Unlisted Foreign Stocks	31,884
Other	447,974

Securities Reclassified to Held-to-Maturity

	Millions of Yen		
As of September 30, 2009	Fair Value	Consolidated Balance Sheet Amount	Net Unrealized Gains (Losses) on Other Securities, net of taxes
Japanese Government Bonds	¥7,791,333	¥7,595,003	¥148,123
Foreign Bonds	6,426,884	6,234,789	(306,439)

Note: "Tentative Solution on Reclassification of Debt Securities" (ASBJ Practical Issue Task Force ("PITF") No. 26, December 5, 2008) was released on December 5, 2008. The Bank has adopted the PITF from the fiscal year ended March 31, 2009, and reclassified certain debt securities from "Other Securities" to "Held-to-Maturity Debt Securities."
Floating-rate Japanese government bonds that had been previously classified as "Other Securities" were reclassified to "Held-to-Maturity Debt Securities" at ¥7,605,555 million on December 30, 2008, and some of foreign bonds that had been previously classified as "Other Securities" were reclassified to "Held-to-Maturity Debt Securities" at ¥4,248,330 million and ¥2,143,399 million on January 30, 2009 and March 31, 2009, respectively. The Bank decided to make these reclassifications, taking into account unexpected significant changes which occurred in the market and have continued for an extended period, such as extreme small volume and number of transactions and significantly widening offer-bid spread. Under these market conditions, these securities are difficult to sell at their fair value.

16. Fair Value of Money Held in Trust

For the Six Months Ended September 30, 2010

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

	Millions of Yen				
As of September 30, 2010	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost
Other Money Held in Trust	**¥7,992,637**	**¥7,823,125**	**¥169,512**	**¥196,903**	**¥27,390**

	Millions of U.S. Dollars				
As of September 30, 2010	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost
Other Money Held in Trust	**$95,378**	**$93,355**	**$2,023**	**$2,350**	**$327**

Note: "Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost" and "Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost" of "Net Unrealized Gain/Loss" is gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount.

For the Six Months Ended September 30, 2009

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

	Millions of Yen				
	Acquisition Cost	Consolidated Balance Sheet Amount	Net Unrealized Gain		
As of September 30, 2009			Net	Gross Gain	Gross Loss
Other Money Held in Trust	¥7,215,965	¥7,275,679	¥59,714	¥135,500	¥75,786

Note: Consolidated Balance Sheet Amount is stated based on the closing fair value, which is determined at the quoted market price if available, or other reasonable value at the consolidated balance sheet date.

17. Fair Value of Derivative Instruments

For the Six Months Ended September 30, 2010

(1) Derivative Instruments not accounted for as hedges

Regarding the derivative instruments which are not accounted for as hedge transactions, Contract Amount or Notional Amount, Fair Value and Unrealized Gain or Loss for each type of derivative transactions, respectively, at the end of the period, and Determination of fair value are as follows.

Contract Amount or Notional Amount does not show itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
As of September 30, 2010	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Interest Rate Futures:								
Sold	**¥ 4,169**	**¥ —**	**¥ (3)**	**¥ (3)**	**$ 50**	**$ —**	**$ (0)**	**$ (0)**
Purchased	**19,774**	**—**	**11**	**11**	**236**	**—**	**0**	**0**
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Forward Rate Agreements:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps:								
Rec.: Fix.-Pay.: Flt.	**456,330**	**361,256**	**16,198**	**16,198**	**5,445**	**4,311**	**193**	**193**
Rec.: Flt.-Pay.: Fix.	**433,569**	**345,379**	**(15,617)**	**(15,617)**	**5,174**	**4,121**	**(186)**	**(186)**
Rec.: Flt.-Pay.: Flt.	**51,800**	**23,500**	**13**	**13**	**618**	**280**	**0**	**0**
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	**¥ /**	**¥ /**	**¥ 603**	**¥ 603**	**$ /**	**$ /**	**$ 7**	**$ 7**

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial 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, an option pricing model or other models as appropriate.

Currency-Related Derivative Instruments

As of September 30, 2010	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Currency Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	$ —	$—	$ —	$ —
Purchased	—	—	—	—	—	—	—	—
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Currency Swaps	—	—	—	—	—	—	—	—
Forwards:								
Sold	**384,292**	**3,212**	**11,218**	**11,218**	**4,586**	**38**	**134**	**134**
Purchased	**469,749**	**3,203**	**(12,011)**	**(12,011)**	**5,606**	**38**	**(143)**	**(143)**
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	¥ /	¥ /	¥ (792)	¥ (792)	$ /	$ /	$ (9)	$ (9)

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

As of September 30, 2010	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Equity Price Index Futures:								
Sold	¥ —	¥ —	¥—	¥—	$—	$—	$—	$—
Purchased	—	—	—	—	—	—	—	—
Equity Price Index Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Equity Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Equity Price Index Swaps:								
Rec.: Stock Index	—	—	—	—	—	—	—	—
Pay.: Flt. Rate								
Rec.: Flt. Rate	—	—	—	—	—	—	—	—
Pay.: Stock Index								
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	**1,000**	**1,000**	—	—	**12**	**12**	—	—
Total	¥ /	¥ /	¥—	¥—	$ /	$ /	$—	$—

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at 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, an option pricing model or other models as appropriate.
3. Derivative instruments without a fair value included in "Over-the-counter Transactions, Other" are valued at cost.

Bond-Related Derivative Instruments

As of September 30, 2010	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Bond Futures:								
Sold	**¥ 9,971**	**¥—**	**¥ (81)**	**¥ (81)**	**$ 119**	**$—**	**$ (1)**	**$ (1)**
Purchased	**2,037**	**—**	**12**	**12**	**24**	**—**	**0**	**0**
Bond Futures Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Bond Options:								
Sold	**477,660**	**—**	**1,646**	**(367)**	**5,700**	**—**	**20**	**(4)**
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	**¥ /**	**¥ /**	**¥1,577**	**¥(435)**	**$ /**	**$ /**	**$19**	**$ (5)**

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.
2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on an option pricing model or other models as appropriate.

Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no commodities-related derivative instruments as of September 30, 2010.

Credit Derivative Instruments

As of September 30, 2010	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Over-the-counter Transactions								
Credit Default Swaps:								
Sold	**¥ —**	**¥ —**	**¥—**	**¥—**	**$ —**	**$ —**	**$—**	**$—**
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	**12,500**	**12,500**	**—**	**—**	**149**	**149**	**—**	**—**
Total	**¥ /**	**¥ /**	**¥—**	**¥—**	**$ /**	**$ /**	**$—**	**$—**

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations. As for derivative transactions which are listed on "Other" of "Over-the-counter Transactions," these transactions are excluded from the consolidated balance sheet and consolidated statement of operations, since there are no market prices and their fair value is extremely difficult to determine.
2. Determination of fair value:
Fair value is determined based on the discounted net present value model.
3. "Sold" and "Purchased" indicate assumption and transfer of credit risk, respectively.

(2) Derivative Instruments accounted for as hedges

Regarding the derivative instruments which are accounted for as hedge transactions, Contract Amount or Notional Amount, and Fair Value for each type of derivative transactions, respectively, at the end of the period, and Determination of fair value are as follows.

Contract Amount or Notional Amount does not show itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

As of September 30, 2010			Millions of Yen			Millions of U.S. Dollars		
Method of Hedges	Type of Derivative Instruments	Hedge Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferred Method	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures and Others	**¥774,180**	**¥500,000**	**¥13,900**	**$9,238**	**$5,967**	**$166**
	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Yen-denominated Securities and Others	**774,250**	**774,250**	**(5,705)**	**9,239**	**9,239**	**(68)**
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted and Others	**58,857**	**53,773**	Note 3	**702**	**642**	Note 3
Total			**¥ /**	**¥ /**	**¥ 8,194**	**$ /**	**$ /**	**$ 98**

Notes: 1. Primarily, the Bank applies the deferred method of hedge accounting which is described in "Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks," issued by the Japanese Institute of Certified Public Accountants ("JICPA"), (JICPA Industry Audit Committee Report No. 24).

2. Determination of fair value:
The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial 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, an option pricing model or other models as appropriate.

3. The accrual method of hedge accounting, as specifically permitted for certain interest rate swaps, is valued with the valuation of hedge items, so that the fair value is included in the fair value of Loans and Bills Discounted and other items (ref: 14. Financial Instruments "Disclosures Regarding the Fair Value of Financial Instruments and Other Items").

Currency-Related Derivative Instruments

As of September 30, 2010			Millions of Yen			Millions of U.S. Dollars		
Method of Hedges	Type of Derivative Instruments	Hedge Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferred Method	Currency Swaps	Foreign Currency Denominated Securities and Others	**¥8,875,528**	**¥1,837,813**	**¥154,924**	**$105,913**	**$21,931**	**$1,849**
	Forex Forward		**5,211,450**	**—**	**73,210**	**62,189**	**—**	**873**
Total			**¥ /**	**¥ /**	**¥228,134**	**$ /**	**$ /**	**$2,722**

Notes: 1. Primarily, the Bank applies the deferred method of hedge accounting which is described in "Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25).

2. Determination of fair value:
Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Stock-Related Derivative Instruments as of September 30, 2010.

Bond-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Bond-Related Derivative Instruments as of September 30, 2010.

For the Six Months Ended September 30, 2009

Interest Rate-Related Derivative Instruments

As of September 30, 2009	Millions of Yen Contract Amount or Notional Amount	Fair Value	Unrealized Gain
Exchange-traded Transactions:			
Interest Rate Futures	¥ 51,379	¥ 4	¥ 4
Interest Rate Options	—	—	—
Over-the-counter Transactions:			
Forward Rate Agreements	—	—	—
Interest Rate Swaps	1,244,879	191	191
Interest Rate Options	—	—	—
Other	—	—	—
Total	¥ /	¥195	¥195

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statements of operations. The above analysis excludes derivative instruments accounted for as hedges in accordance with "Accounting and Auditing Treatment relating to the Adoption of 'Accounting for Financial Instruments' for Banks" (JICPA Industry Audit Committee Report No. 24).

Currency-Related Derivative Instruments

As of September 30, 2009	Millions of Yen Contract Amount or Notional Amount	Fair Value	Unrealized Gain
Exchange-traded Transactions:			
Currency Futures	¥ —	¥ —	¥ —
Currency Options	—	—	—
Over-the-counter Transactions:			
Currency Swaps	—	—	—
Forwards	852,907	485	485
Currency Options	—	—	—
Other	—	—	—
Total	¥ /	¥485	¥485

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statements of operations. The above analysis excludes derivative instruments 1) accounted for as hedges in accordance with "Accounting and Auditing Treatment relating to Accounting for Foreign Currency Transactions in the Banking Industry" (JICPA Industry Audit Committee Report No. 25), or 2) designated to certain monetary receivables or payables denominated in foreign currencies and recorded on the consolidated balance sheet.

Stock-Related Derivative Instruments

As of September 30, 2009	Millions of Yen Contract Amount or Notional Amount	Fair Value	Unrealized Gain (Loss)
Exchange-traded Transactions:			
Equity Price Index Futures	¥ —	¥—	¥—
Equity Price Index Options	—	—	—
Over-the-counter Transactions:			
Equity Options	—	—	—
Equity Price Index Swaps	—	—	—
Other	1,000	—	—
Total	¥ /	¥—	¥—

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statements of operations. The above analysis excludes derivative instruments accounted for as hedges.
2. Derivative instruments without a fair value included in "Over-the-counter Transactions, Other" are valued at cost.

Bond-Related Derivative Instruments

	Millions of Yen		
As of September 30, 2009	Contract Amount or Notional Amount	Fair Value	Unrealized Loss
Exchange-traded Transactions:			
Bond Futures	¥7,891	¥(0)	¥(0)
Bond Futures Options	—	—	—
Over-the-counter Transactions:			
Bond Options	—	—	—
Other	—	—	—
Total	¥ /	¥(0)	¥(0)

Note: Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statements of operations. The above analysis excludes derivative instruments accounted for as hedges.

Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no commodities-related derivative instruments as of September 30, 2009.

Credit Derivative Instruments

The Bank and its consolidated subsidiaries held no credit derivative instruments as of September 30, 2009.

18. The Norinchukin Bank (Parent Company)

(a) Non-Consolidated Balance Sheets (Unaudited)

	Millions of Yen			Millions of U.S. Dollars
	September 30		March 31	September 30
	2010	2009	2010	**2010**
Assets				
Cash and Due from Banks	**¥ 1,011,422**	¥ 1,432,573	¥ 2,180,393	**$ 12,069**
Call Loans	**1,078,211**	1,535,386	1,336,137	**12,867**
Receivables under Securities Borrowing Transactions	**427,377**	821,491	—	**5,100**
Monetary Claims Bought	**398,049**	581,443	490,182	**4,750**
Trading Assets	**24,046**	14,723	13,054	**287**
Money Held in Trust	**7,998,132**	7,282,229	6,555,624	**95,443**
Securities	**46,060,546**	43,184,997	44,013,720	**549,648**
Loans and Bills Discounted	**12,390,389**	11,803,719	13,038,081	**147,857**
Foreign Exchange Assets	**51,352**	48,560	12,925	**613**
Other Assets	**699,887**	1,021,395	381,057	**8,352**
Tangible Fixed Assets	**138,195**	145,852	141,131	**1,649**
Intangible Fixed Assets	**52,617**	48,892	53,191	**628**
Deferred Tax Assets	**115,412**	241,380	202,355	**1,377**
Customers' Liabilities for Acceptances and Guarantees	**334,287**	372,007	354,512	**3,989**
Reserve for Possible Loan Losses	**(278,644)**	(291,165)	(295,778)	**(3,325)**
Reserve for Possible Investment Losses	**(6,199)**	(144)	(6,199)	**(74)**
Total Assets	**¥70,495,085**	¥68,243,344	¥68,470,391	**$841,230**
Liabilities and Net Assets				
Liabilities				
Deposits	**¥39,565,721**	¥38,214,641	¥39,108,744	**$472,144**
Negotiable Certificates of Deposit	**672,377**	558,269	702,799	**8,024**
Debentures	**5,576,231**	5,441,135	5,611,743	**66,542**
Call Money	**583,638**	684,000	948,151	**6,965**
Payables under Repurchase Agreements	**8,533,702**	8,748,175	9,667,031	**101,834**
Payables under Securities Lending Transactions	**479,182**	154,075	98,543	**5,718**
Trading Liabilities	**15,738**	12,500	12,576	**188**
Borrowed Money	**2,010,822**	3,744,582	2,284,402	**23,995**
Foreign Exchange Liabilities	**0**	6	1	**0**
Short-term Entrusted Funds	**5,457,886**	4,777,871	4,277,171	**65,130**
Other Liabilities	**3,034,129**	1,989,940	1,449,309	**36,207**
Reserve for Bonus Payments	**3,587**	3,585	3,621	**43**
Reserve for Employees' Retirement Benefits	**1,846**	—	899	**22**
Reserve for Directors' Retirement Benefits	**660**	677	764	**8**
Deferred Tax Liabilities for Land Revaluation	**18,434**	18,701	18,439	**220**
Acceptances and Guarantees	**334,287**	372,007	354,512	**3,989**
Total Liabilities	**66,288,249**	64,720,169	64,538,714	**791,029**
Net Assets				
Paid-in Capital	**3,425,909**	3,425,909	3,425,909	**40,882**
Capital Surplus	**25,020**	25,020	25,020	**299**
Retained Earnings	**901,936**	850,235	818,500	**10,763**
Total Owners' Equity	**4,352,866**	4,301,165	4,269,430	**51,944**
Net Unrealized Losses on Other Securities, net of taxes	**(204,434)**	(869,460)	(406,661)	**(2,440)**
Net Deferred Gains on Hedging Instruments, net of taxes	**26,445**	58,922	36,940	**316**
Revaluation Reserve for Land, net of taxes	**31,957**	32,547	31,968	**381**
Total Valuation and Translation Adjustments	**(146,031)**	(777,990)	(337,752)	**(1,743)**
Total Net Assets	**4,206,835**	3,523,174	3,931,677	**50,201**
Total Liabilities and Net Assets	**¥70,495,085**	¥68,243,344	¥68,470,391	**$841,230**

(b) Non-Consolidated Statements of Operations (Unaudited)

	Millions of Yen			Millions of U.S. Dollars
	Six Months ended September 30		Year ended March 31	Six Months ended September 30
	2010	2009	2010	**2010**
Income				
Interest Income:	**¥361,792**	¥380,884	¥ 714,561	**$4,317**
Interest on Loans and Bills Discounted	**44,307**	50,778	98,426	**529**
Interest and Dividends on Securities	**302,890**	310,542	566,443	**3,614**
Fees and Commissions	**7,762**	5,949	12,758	**93**
Trading Income	**274**	99	106	**3**
Other Operating Income	**78,244**	174,424	245,431	**934**
Other Income	**135,420**	173,594	286,543	**1,616**
Total Income	**583,495**	734,951	1,259,400	**6,963**
Expenses				
Interest Expenses:	**281,660**	355,681	647,953	**3,361**
Interest on Deposits	**29,841**	70,075	110,870	**356**
Fees and Commissions	**5,338**	5,974	11,546	**64**
Trading Expenses	**31**	719	776	**0**
Other Operating Expenses	**96,008**	84,272	173,669	**1,146**
General and Administrative Expenses	**50,612**	56,480	107,812	**604**
Other Expenses	**33,092**	119,846	247,250	**395**
Total Expenses	**466,744**	622,975	1,189,010	**5,570**
Income before Income Taxes	**116,750**	111,975	70,390	**1,393**
Income Taxes — Current	**33,464**	16,988	5,035	**399**
Income Taxes — Deferred	**(138)**	33,113	35,794	**(2)**
Total Income Taxes	**33,325**	50,101	40,829	**397**
Net Income	**¥ 83,425**	¥ 61,874	¥ 29,561	**$ 996**

■ Items for Quantitative Disclosure Related to Capital Adequacy Condition (Basel II Pillar III)

Capital adequacy conditions of the Bank in line with Basel II are described on the following pages.

Capital Adequacy

Contents of principal capital items are described as follows.

Items		Content of principal quantitative disclosure	Consolidated disclosure (Page)	Non-consolidated disclosure (Page)
Items related to composition of capital	Capital adequacy ratio	Detailed components of Tier I capital and Tier II capital	49	71
	Explanation of computation of capital adequacy ratio	Scope of consolidation	50	—
Items relating to capital adequacy		For the purpose of capital adequacy assessment, total amounts of regulatory required capital and details of principal exposure (credit risk exposure, market risk, operational risk, etc.) are disclosed.	51	73

Risk Exposures

This section describes detailed amounts of the Bank's various risks and exposures (including credit risk exposure, securitization exposure, market risk, equity exposure, Risk-weighted asset calculation for investment fund and interest rate risk), which form the basis for the computation of the capital adequacy ratio. This section also describes factors that affect the risk profiles, such as credit risk mitigation.

Items			Content of principal quantitative disclosure	Consolidated disclosure (Page)	Non-consolidated disclosure (Page)
Items related to credit risk	Credit risk exposure		Credit risk exposure (excluding securitization exposure and funds), details on the reserve for possible loan losses by region and industry	52	74
	Exposure subject to Internal Ratings-Based Approach (IRB)	Corporate, sovereign, and bank exposure	Details on PD, LGD, RW and EAD for corporate, sovereign, bank, and equity subject to the PD/LGD approach	56	78
		Retail exposure	Details on PD, LGD, RW and EAD	58	80
		Actual losses, etc., on exposure to corporate, sovereign, bank and retail	Actual losses, long-term comparison between estimated losses and actual losses	60	82
		Exposure to Specialized Lending subject to supervisory slotting criteria	Amount of exposure by RW	61	83
		Equity exposure subject to the simple risk-weighted method	Amount of exposure by RW	62	84
	Exposure subject to Standardized Approach		Amount of exposure by RW	62	84
Items related to credit risk mitigation			Coverage/application of collateral, guarantees, etc.	63	85
Items related to counterparty risk in derivative transactions			Derivative transaction activity	64	86
Items related to securitization exposure			Details on securitization exposure	65	87
Items related to market risk			VaR and amount of market risk in trading account	66	88
Items related to equity exposure			Details of equity exposure those directly held	67	89
Items related to exposure subject to risk-weighted asset calculation for investment fund			Risk-weighted assets for investment fund	69	91
Items related to interest rate risk			Interest rate risk for internal management purposes	70	92

1 CAPITAL ADEQUACY RATIO (CONSOLIDATED)

Consolidated Capital Adequacy Ratio (Basel capital adequacy standards) (Basel II)

Note: The Bank's capital adequacy ratio for the six months ended September 30, 2010 and 2009, was computed according to Basel II.

As of September 30

Items			Millions of yen 2010	Millions of yen 2009	Millions of U.S. dollars 2010
Tier I capital	Capital stock		**3,425,909**	3,425,909	**40,881**
	Included as non-cumulative, perpetual preferred stock		**24,999**	24,999	**298**
	Deposit for subscription to preferred stock		**—**	—	**—**
	Capital surplus		**25,020**	25,020	**298**
	Earned surplus		**920,446**	863,830	**10,983**
	Less: Amount corresponding to the decrease in capital due to merger of subsidiaries		**—**	—	**—**
	Less: Treasury stock		**150**	150	**1**
	Deposit for subscription to treasury stock		**—**	—	**—**
	Unrealized loss on other securities		**(207,598)**	(869,609)	**(2,477)**
	Foreign currency transaction adjustment		**(38)**	(30)	**0**
	Stock acquisition rights		**—**	—	**—**
	Minority interest of consolidated subsidiaries		**5,863**	5,794	**69**
	Including preferred securities issued by overseas special-purpose corporations		**—**	—	**—**
	Less: Amount corresponding to operating rights		**—**	—	**—**
	Less: Amount corresponding to consolidated adjustments		**—**	—	**—**
	Less: Intangible assets acquired via business combination		**—**	—	**—**
	Less: Goodwill and others		**—**	—	**—**
	Less: Amount corresponding to the increase in capital due to securitization transactions		**—**	—	**—**
	Less: Amount equivalent to 50% expected losses in excess of qualifying allowance		**47,490**	65,880	**566**
	Subtotal	(A)	**4,121,961**	3,384,885	**49,188**
	Including preferred securities with interest rate step-up clause		**—**	—	**—**
	(Ratio of the value of such preferred securities to Tier I capital)		**—**	—	**—**
Tier II capital	45% of unrealized gains on other securities		**—**	—	**—**
	45% of unrealized gains on land		**22,676**	23,061	**270**
	General reserve for possible loan losses		**22**	56	**0**
	Qualifying subordinated debt		**1,736,172**	1,760,961	**20,718**
	Included as perpetual subordinated bonds and loans		**1,486,007**	1,486,007	**17,732**
	Included as dated subordinated bonds, loans, and preferred stock		**250,165**	274,954	**2,985**
	Subtotal		**1,758,871**	1,784,079	**20,988**
	Tier II capital included as qualifying capital	(B)	**1,758,871**	1,784,079	**20,988**
Tier III capital	Short-term subordinated debt		**—**	—	**—**
	Including amount added to capital	(C)	**—**	—	**—**
Deductions	Deductions	(D)	**345,870**	330,497	**4,127**
Total Capital	(A)+(B)+(C)–(D)	(E)	**5,534,963**	4,838,467	**66,049**
Risk-weighted assets	Risk-weighted assets for credit risk	(F)	**23,258,758**	24,622,740	**277,550**
	Including on-balance sheet		**22,119,777**	22,946,099	**263,959**
	Including off-balance sheet		**1,138,980**	1,676,641	**13,591**
	Assets equivalent to market risk (H)/8%	(G)	**1,644,559**	1,037,501	**19,624**
	(For reference: actual market risk volume)	(H)	**131,564**	83,000	**1,569**
	Amount corresponding to operational risk (J)/8%	(I)	**553,334**	790,748	**6,603**
	(For reference: amount corresponding to operational risk)	(J)	**44,266**	63,259	**528**
	Total risk-weighted assets (F)+(G)+(I)	(K)	**25,456,652**	26,450,990	**303,778**
Basel II Capital Adequacy Ratio (Basel capital adequacy standards) = (E)/(K) × 100%			**21.74%**	18.29%	**21.74%**
Tier I ratio = (A)/(K) × 100%			**16.19%**	12.79%	**16.19%**
Consolidated required capital (K) × 8%			**2,036,532**	2,116,079	**24,302**

Notes: 1. The Bank's capital adequacy ratio was computed according to the stipulations outlined in Notification No. 4 of the 2006 Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries of Japan (Standard for Judging the Management Soundness of the Norinchukin Bank) (hereinafter, Notification Regarding Capital Adequacy). Note that the Bank adopts Foundation Internal Ratings-Based Approach (F-IRB) in computing risk-weighted assets for credit risk and the Standardized Approach (TSA) in computing the amount corresponding to operational risk.

2. Regarding the calculation of capital adequacy ratio, certain procedures were performed by Ernst & Young ShinNihon LLC pursuant to "Treatment of Inspection of Capital Ratio Calculation Framework Based on Agree-upon Procedures" (JICPA Industry Committee Report No. 30). It does not constitute a part of the audit on financial statements by law, but a review on agree-upon procedures on internal control of capital adequacy calculation. Accordingly, Ernst & Young ShinNihon LLC does not address any opinion as a result of the review.

3. The Tier II capital item "general reserve for possible loan losses" is limited to the amount corresponding to assets which is calculated according to a Standardized Approach in terms of risk-weighted assets for credit risk.

4. Those are items of Deductions: (1) the total amount of the value corresponding to intentional holdings of capital investments issued by other financial institutions, (2) holdings of instruments issued for raising capital, issued by affiliated corporations conducting financial service businesses, (3) 50% of the expected losses on exposure to corporate, sovereign and bank, and expected losses on retail exposure over the value of qualified reserves, (4) expected losses on equity exposure, and (5) securitization exposure subject to deduction from capital. (Notification Regarding Capital Adequacy, Article 8)

5. In computing risk-weighted assets for credit risk, the Bank has applied a scaling factor of 1.06 to the amount of risk-weighted assets for credit risk computed based on its Foundation Internal Ratings-Based Approach (F-IRB), as provided for in the Notification Regarding Capital Adequacy, Article 129.

2 EXPLANATION OF COMPUTATION OF THE CONSOLIDATED CAPITAL ADEQUACY RATIO

Companies with Less than the Regulatory Required Capital and the Amounts

Those companies whose capital is less than the regulatory required capital and the amounts of shortfall in capital among those companies that are subject to capital deduction as provided for in the Notification Regarding Capital Adequacy, Article 8-1-2 a and b.

None of the Bank's Group companies fall under this category.

2. Capital Adequacy (Consolidated)

(Minimum amount of regulatory required capital and breakdown for each risk category as required under Basel II)

Regulatory Required Capital

(Billions of yen)

Items	As of September 30, 2010		As of September 30, 2009	
	EAD	Regulatory Required Capital	EAD	Regulatory Required EAD
Amount of regulatory required capital for credit risk	**83,225**	**2,395**	81,591	2,506
Exposure subject to Internal Ratings-Based Approach	**83,186**	**2,395**	81,540	2,505
Corporate exposure (excluding Specialized Lending)	**5,165**	**399**	5,787	496
Corporate exposure (Specialized Lending)	**581**	**116**	770	136
Sovereign exposure	**38,342**	**0**	36,142	0
Bank exposure	**12,630**	**97**	14,063	110
Retail exposure	**619**	**27**	540	26
Retail exposure secured by residential properties	**578**	**22**	501	20
Qualifying revolving retail exposure	**—**	**—**	—	—
Other retail exposure	**40**	**5**	38	5
Securitization exposure	**4,499**	**308**	5,746	237
Equity portfolios	**689**	**135**	727	124
Equity portfolios subject to PD/LGD approaches	**91**	**14**	117	20
Equity portfolios subject to simple risk-weighted method	**27**	**9**	38	13
Equities under the internal models approach	**264**	**86**	199	59
Grandfathered equity exposure	**305**	**25**	370	31
Exposure subject to risk-weighted asset calculation for investment fund	**20,198**	**1,281**	17,163	1,336
Other debt purchased	**50**	**3**	39	1
Other exposures	**408**	**24**	559	35
Exposure subject to Standardized Approach	**39**	**0**	50	1
Assets subject to Standardized Approach on a non-consolidated basis	**2**	**0**	7	0
Assets subject to Standardized Approach in consolidated companies (excluding securitization exposure)	**37**	**0**	40	0
Assets subject to Standardized Approach in consolidated companies (securitization exposure)	**0**	**0**	2	0
Amount of regulatory required capital for market risk	**/**	**131**	/	83
Standardized Approach	**/**	**131**	/	82
Interest rate risk category	**/**	**—**	/	—
Equity risk category	**/**	**—**	/	—
Foreign exchange risk category	**/**	**131**	/	82
Commodity risk category	**/**	**—**	/	—
Option transactions	**/**	**—**	/	—
Internal models Approach	**/**	**0**	/	0
Amount of regulatory required capital for operational risk	**/**	**44**	/	63
Offsets on consolidation	**/**	**2,571**	/	2,652

Notes: 1. Regulatory required capital for credit risk = 8% of risk-weighted assets for credit risk + Expected losses + Deductions from capital

2. "Risk-weighted asset calculation for investment fund" is risk-weighted assets as calculated according to the method specified in Notification Regarding Capital Adequacy, Article 144.

3. Article 13 of the Notification Regarding Capital Adequacy contains a grand fathering provision for computing the amount of risk assets related to equity exposures that meet specified criteria.

4. Under "The Standardized Approach (TSA)," which is a method for computing the amount corresponding to operational risk, the gross profit for one year is allocated among the business activities as specified in Appendix Table 1 of the Notification Regarding Capital Adequacy. The multiplier specified for each business activity classification is multiplied by the gross profit, and the average of the annual totals for the past three years is taken to be the amount corresponding to operational risk. (Notification Regarding Capital Adequacy, Article 282)

3. Credit Risk (Consolidated)

(Funds and securitization exposures are excluded.)

1 CREDIT RISK EXPOSURE

For the Six Months Ended September 30, 2010

Geographic Distribution of Exposure, Details in Significant Areas by Major Types of Credit Exposure

(Billions of yen)

Region	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	**14,931**	**17,967**	**54**	**1,463**	**34,417**	**306**
Asia except Japan	**54**	**26**	**4**	**833**	**919**	**—**
Europe	**12**	**3,954**	**125**	**2,965**	**7,059**	**0**
The Americas	**285**	**10,576**	**58**	**5,531**	**16,451**	**0**
Other areas	**21**	**730**	**2**	**407**	**1,162**	**—**
Amounts held by consolidated subsidiaries	**635**	**32**	**—**	**31**	**699**	**18**
Total	**15,941**	**33,288**	**246**	**11,234**	**60,710**	**325**

Industry Distribution of Exposure, Details by Major Types of Credit Exposure

(Billions of yen)

Industry	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	**2,247**	**251**	**1**	**0**	**2,500**	**60**	**0**
Agriculture	**46**	**0**	**—**	**0**	**46**	**7**	**0**
Forestry	**33**	**—**	**—**	**0**	**33**	**0**	**—**
Fishing	**28**	**—**	**—**	**0**	**28**	**21**	**0**
Mining	**5**	**0**	**—**	**0**	**6**	**—**	**—**
Construction	**131**	**9**	**—**	**0**	**140**	**5**	**0**
Utility	**133**	**14**	**0**	**0**	**148**	**1**	**—**
Information/telecommunications	**69**	**11**	**—**	**0**	**81**	**7**	**0**
Transportation	**644**	**57**	**4**	**0**	**706**	**4**	**0**
Wholesaling, retailing	**1,965**	**49**	**0**	**0**	**2,015**	**29**	**0**
Finance and insurance	**1,324**	**6,666**	**239**	**10,791**	**19,021**	**23**	**—**
Real estate	**509**	**260**	**—**	**0**	**770**	**129**	**—**
Services	**1,148**	**59**	**0**	**1**	**1,210**	**15**	**0**
Municipalities	**234**	**12**	**—**	**—**	**246**	**—**	**—**
Other	**6,781**	**25,862**	**—**	**407**	**33,051**	**0**	**—**
Amounts held by consolidated subsidiaries	**635**	**32**	**—**	**31**	**699**	**18**	**1**
Total	**15,941**	**33,288**	**246**	**11,234**	**60,710**	**325**	**3**

Note: "Others" within "Finance and insurance" includes repo-type transactions, call loans, and certain other items.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of yen)

Term to maturity	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	**11,581**	**10,973**	**115**	**10,694**	**33,364**
Over 1 year to 3 years	**1,689**	**5,735**	**111**	**55**	**7,591**
Over 3 years to 5 years	**1,335**	**3,910**	**8**	**1**	**5,255**
Over 5 years to 7 years	**385**	**1,400**	**2**	**—**	**1,788**
Over 7 years	**252**	**10,484**	**7**	**—**	**10,745**
No term to maturity	**61**	**752**	**—**	**451**	**1,264**
Amounts held by consolidated subsidiaries	**635**	**32**	**—**	**31**	**699**
Total	**15,941**	**33,288**	**246**	**11,234**	**60,710**

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position for the six months ended September 30, 2010.
2. The amounts of credit-risk exposure held by consolidated subsidiaries are less than 1% of consolidated risk exposure, so only the total amounts held by these subsidiaries are shown.
3. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥39.8 billion.
4. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

For the Six Months Ended September 30, 2009

Geographic Distribution of Exposure, Details in Significant Areas by Major Types of Credit Exposure

(Billions of yen)

Region	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	14,232	16,279	92	2,399	33,002	304
Asia except Japan	55	132	1	789	978	—
Europe	62	4,107	289	3,638	8,098	7
The Americas	236	10,274	144	5,936	16,591	6
Other areas	25	318	4	0	348	—
Amounts held by consolidated subsidiaries	558	30	—	35	624	17
Total	15,170	31,142	531	12,799	59,644	335

Industry Distribution of Exposure, Details by Major Types of Credit Exposure

(Billions of yen)

Industry	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	2,351	303	1	0	2,656	51	0
Agriculture	48	0	—	0	48	6	0
Forestry	37	—	—	—	37	1	—
Fishing	33	—	—	0	33	26	0
Mining	10	—	—	0	10	—	—
Construction	137	16	—	0	154	6	—
Utility	147	15	0	0	162	—	—
Information/telecommunications	96	29	—	0	125	20	—
Transportation	696	63	3	0	763	9	—
Wholesaling, retailing	1,465	59	0	0	1,525	29	0
Finance and insurance	1,371	6,350	526	12,197	20,445	20	—
Real estate	491	399	—	0	892	118	2
Services	1,359	47	0	1	1,409	26	0
Municipalities	298	27	—	0	326	—	—
Other	6,065	23,798	—	563	30,427	0	—
Amounts held by consolidated subsidiaries	558	30	—	35	624	17	2
Total	15,170	31,142	531	12,799	59,644	335	5

Note: "Others" within "Finance and insurance" includes repo-type transactions, call loans, and certain other items.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of yen)

Term to maturity	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	10,808	8,533	360	11,770	31,473
Over 1 year to 3 years	1,648	7,829	165	50	9,693
Over 3 years to 5 years	1,369	3,877	1	10	5,259
Over 5 years to 7 years	461	946	1	—	1,408
Over 7 years	297	9,200	3	—	9,501
No term to maturity	26	724	—	932	1,683
Amounts held by consolidated subsidiaries	558	30	—	35	624
Total	15,170	31,142	531	12,799	59,644

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position for the six months ended September 30, 2009.

2. The amounts of credit-risk exposure held by consolidated subsidiaries are less than 1% of consolidated risk exposure, so only the total amounts held by these subsidiaries are shown.

3. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥50.7 billion.

4. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

2 RESERVES FOR POSSIBLE LOAN LOSSES

Increase/Decrease in General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and the Specified Reserve for Loans to Countries with Financial Problems by Region

(Billions of yen)

Region	As of September 30, 2010	As of September 30, 2009	Increase/(decrease)
General reserve for possible loan losses	**68**	65	**3**
Specific reserve for possible loan losses	**137**	140	**(2)**
Japan	**137**	136	**1**
Asia except Japan	**—**	—	**—**
Europe	**—**	3	**(3)**
The Americas	**—**	1	**(1)**
Other areas	**—**	—	**—**
Amounts held by consolidated subsidiaries	**10**	12	**(1)**
Offsets on consolidation	**(3)**	(3)	**0**
Specified reserve for loans to countries with financial problems	**—**	—	**—**
Total	**213**	213	**0**

Increase/Decrease in General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and the Specified Reserve for Loans to Countries with Financial Problems by Industry

(Billions of yen)

Industry	As of September 30, 2010	As of September 30, 2009	Increase/(decrease)
General reserve for possible loan losses	**68**	65	**3**
Specific reserve for possible loan losses	**137**	140	**(2)**
Manufacturing	**19**	15	**3**
Agriculture	**5**	4	**1**
Forestry	**0**	0	**(0)**
Fishing	**10**	11	**(1)**
Mining	**—**	—	**—**
Construction	**0**	0	**0**
Utility	**1**	—	**1**
Information/telecommunications	**6**	18	**(12)**
Transportation	**3**	8	**(4)**
Wholesaling, retailing	**5**	4	**0**
Finance and insurance	**4**	10	**(6)**
Real estate	**69**	56	**13**
Services	**11**	8	**2**
Municipalities	**—**	—	**—**
Other	**—**	—	**—**
Others	**—**	—	**—**
Amount held by consolidated subsidiaries	**10**	12	**(1)**
Offsets on consolidation	**(3)**	(3)	**0**
Specified reserve for loans to countries with financial problems	**—**	—	**—**
Total	**213**	213	**0**

3 EXPOSURE SUBJECT TO THE INTERNAL RATINGS-BASED APPROACH

a. Corporate, Sovereign and Bank Exposure

For the Six Months Ended September 30, 2010

(Billions of yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average risk weight	EAD		
					EAD (on-balance sheet)	EAD (off-balance sheet)
Corporate Exposure	5.86%	44.76%	97%	5,165	4,445	720
1-1 to 4	0.18%	44.74%	38%	3,767	3,144	622
5 to 7	1.53%	44.81%	105%	722	669	53
8-1 to 8-2	19.41%	44.90%	355%	484	441	42
Subtotal	2.25%	44.77%	79%	4,974	4,256	718
8-3 to 10-2	100.00%	44.47%	558%	190	188	1
Sovereign Exposure	0.00%	44.99%	0%	38,342	35,471	2,870
1-1 to 4	0.00%	44.99%	0%	38,342	35,471	2,870
5 to 7	—	—	—	—	—	—
8-1 to 8-2	—	—	—	—	—	—
Subtotal	0.00%	44.99%	0%	38,342	35,471	2,870
8-3 to 10-2	—	—	—	—	—	—
Bank Exposure	0.05%	23.51%	10%	12,630	5,916	6,714
1-1 to 4	0.05%	23.48%	9%	12,611	5,903	6,707
5 to 7	1.29%	39.43%	112%	17	11	6
8-1 to 8-2	7.07%	45.00%	247%	1	1	0
Subtotal	0.05%	23.51%	10%	12,630	5,915	6,714
8-3 to 10-2	100.00%	45.00%	562%	0	0	0
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	1.40%	90.00%	193%	91	91	—
1-1 to 4	0.14%	90.00%	128%	73	73	—
5 to 7	4.44%	90.00%	413%	15	15	—
8-1 to 8-2	19.91%	90.00%	783%	2	2	—
Subtotal	1.39%	90.00%	193%	91	91	—
8-3 to 10-2	100.00%	90.00%	1,125%	0	0	—

Notes: 1. Weighted averages of PD, LGD and risk weights are computed based on EAD (including on-balance and off-balance items).
2. Risk weights are equivalent to 8% of the total of the amount of risk-weighted assets and expected loss, divided by EAD.
3. "Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach" does not take account of Rider No. 13 to the Notification Regarding Capital Adequacy (regarding provisional measures for equity exposure).

For the Six Months Ended September 30, 2009

(Billions of yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Corporate Exposure	6.33%	44.89%	107%	5,787	4,963	824
1-1 to 4	0.19%	45.00%	40%	3,953	3,259	694
5 to 7	2.53%	44.69%	127%	1,002	921	80
8-1 to 8-2	19.12%	44.63%	350%	616	569	46
Subtotal	2.71%	44.90%	90%	5,572	4,751	821
8-3 to 10-2	100.00%	44.68%	560%	215	212	3
Sovereign Exposure	0.00%	44.99%	0%	36,142	32,071	4,070
1-1 to 4	0.00%	44.99%	0%	36,142	32,071	4,070
5 to 7	7.78%	45.00%	211%	0	0	—
8-1 to 8-2	—	—	—	—	—	—
Subtotal	0.00%	44.99%	0%	36,142	32,071	4,070
8-3 to 10-2	—	—	—	—	—	—
Bank Exposure	0.06%	28.31%	10%	14,063	6,564	7,499
1-1 to 4	0.05%	28.29%	10%	14,040	6,549	7,491
5 to 7	3.04%	41.43%	154%	17	10	7
8-1 to 8-2	7.07%	26.55%	127%	4	4	0
Subtotal	0.06%	28.31%	10%	14,063	6,563	7,499
8-3 to 10-2	100.00%	45.00%	563%	0	0	0
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	1.55%	90.00%	217%	117	111	6
1-1 to 4	0.13%	90.00%	141%	87	87	—
5 to 7	4.13%	90.00%	398%	28	21	6
8-1 to 8-2	19.91%	90.00%	783%	2	2	—
Subtotal	1.54%	90.00%	217%	117	111	6
8-3 to 10-2	100.00%	90.00%	1,125%	0	0	—

Notes: 1. Weighted averages of PD, LGD and risk weights are computed based on EAD (including on-balance and off-balance items).
2. Risk weights are equivalent to 8% of the total of the amount of risk-weighted assets and expected loss, divided by EAD.
3. "Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach" does not take account of Rider No. 13 to the Notification Regarding Capital Adequacy (regarding provisional measures for equity exposure).

Relationship among Internal Rating, Self-Assessment, and Exposure Requiring Mandatory Disclosure under the Financial Revitalization Law

Internal rating	Self-assessments			Exposure requiring mandatory disclosure under the Financial Revitalization Law
	Debtor classification	Asset category	Definition of asset category	
1-1, 1-2, 2, 3, 4, 5, 6, 7	Standard	Category I	Debtors who are experiencing favorable operating conditions and having no particular financial difficulties. Internal ratings 1-1 to 4 are equivalent to investment grade of credit rating agencies.	Standard Loans
8-1, 8-2, 8-3	Substandard Other substandard debtors	II	Debtors requiring close monitoring going forward	Standard Loans
8-4	Debtors under requirement of control	II	Debtors requiring close monitoring going forward	Special attention
9	Doubtful	III	Debtors who are highly likely to fall into bankruptcy	Doubtful
10-1	Debtors in default	IV	Debtor who have effectively fallen into bankruptcy, although no facts have emerged to indicate legal or formal bankruptcy	Bankrupt or de facto bankrupt
10-2	Debtors in bankruptcy	IV	Debtors who are legally and formally bankrupt	Bankrupt or de facto bankrupt

b. Retail Exposure

For the Six Months Ended September 30, 2010

Details on PD, LGD, RW and EAD Assets

(Billions of yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average LGD default	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Retail exposure secured by residential properties	2.69%	47.78%	88.42%	80.55%	64%	853	410	443
Not default Not delinquent	0.44%	47.77%	/	/	38%	821	380	441
Not default Delinquent	27.52%	48.41%	/	/	449%	16	15	1
Not default Subtotal	0.98%	47.78%	/	/	46%	838	395	442
Default	100.00%	/	88.42%	80.55%	1,105%	14	14	0
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—	/	/	—	—	—	—
Not default Delinquent	—	—	/	/	—	—	—	—
Not default Subtotal	—	—	/	/	—	—	—	—
Default	—	/	—	—	—	—	—	—
Other retail exposure	8.12%	67.44%	106.86%	97.41%	167%	42	35	6
Not default Not delinquent	1.03%	67.44%	/	/	77%	38	32	6
Not default Delinquent	26.05%	67.38%	/	/	377%	0	0	0
Not default Subtotal	1.44%	67.44%	/	/	82%	39	32	6
Default	100.00%	/	106.86%	97.41%	1,336%	2	2	0
Total	2.95%	48.71%	91.41%	83.28%	69%	895	445	449
Not default Not delinquent	0.46%	48.65%	/	/	39%	860	412	448
Not default Delinquent	27.46%	49.11%	/	/	446%	17	16	1
Not default Subtotal	1.00%	48.66%	/	/	48%	877	428	449
Default	100.00%	/	91.41%	83.28%	1,143%	17	17	0

Notes: 1. Purchased retail receivables in investment funds using estimated parameters have been included in the amount subject to quantitative disclosure.
2. "Not default Delinquent" does not fall under the default definition in the Notification Regarding Capital Adequacy, but past-due.
3. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).
4. For defaulted exposure, the risk weights have been computed taking account of the unexpected losses on default (LGD default) and the expected losses on default (EL default).
5. As of September 30, 2010, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

For the Six Months Ended September 30, 2009

Details on PD, LGD, RW and EAD Assets

(Billions of yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average LGD default	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Retail exposure secured by residential properties	2.84%	46.09%	87.35%	80.24%	64%	812	451	360
Not default Not delinquent	0.40%	46.07%	/	/	35%	776	416	359
Not default Delinquent	23.94%	46.69%	/	/	409%	20	19	1
Not default Subtotal	1.01%	46.09%	/	/	45%	797	436	360
Default	100.00%	/	87.35%	80.24%	1,092%	15	14	0
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—	/	/	—	—	—	—
Not default Delinquent	—	—	/	/	—	—	—	—
Not default Subtotal	—	—	/	/	—	—	—	—
Default	—	/	—	—	—	—	—	—
Other retail exposure	9.56%	65.06%	104.76%	95.76%	179%	41	33	7
Not default Not delinquent	1.05%	65.12%	/	/	73%	37	29	7
Not default Delinquent	26.69%	62.60%	/	/	359%	0	0	0
Not default Subtotal	1.59%	65.06%	/	/	79%	38	30	7
Default	100.00%	/	104.76%	95.76%	1,310%	3	3	0
Total	3.17%	47.01%	90.53%	83.07%	70%	853	485	368
Not default Not delinquent	0.43%	46.95%	/	/	37%	813	446	367
Not default Delinquent	24.04%	47.29%	/	/	407%	21	20	1
Not default Subtotal	1.04%	46.96%	/	/	46%	835	466	368
Default	100.00%	/	90.53%	83.07%	1,132%	18	18	0

Notes: 1. Purchased retail receivables in investment funds using estimated parameters have been included in the amount subject to quantitative disclosure.
2. "Not default Delinquent" does not fall under the default definition in the Notification Regarding Capital Adequacy, but past-due.
3. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).
4. For defaulted exposure, the risk weights have been computed taking account of the unexpected losses on default (LGD default) and the expected losses on default (EL default).
5. As of September 30, 2009, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

c. Actual Losses on Exposure to Corporate, Sovereign, Bank, and Retail Exposure

Actual Losses for the Previous Period, Comparison with the Year before Last Results and Analysis of Causes

(Billions of yen)

Type of exposure	As of September 30, 2010	As of September 30, 2009	Increase/(decrease)
Corporate exposure	**5**	36	**(30)**
Sovereign exposure	**—**	—	**—**
Bank exposure	**—**	—	**—**
Equity exposure subject to PD/LGD approach	**—**	0	**(0)**
Retail exposure secured by residential properties	**0**	0	**(0)**
Qualifying revolving retail exposure	**—**	—	**—**
Other retail exposure	**0**	0	**(0)**

Note: Actual losses are defined as losses due to direct write-offs, partial direct write-offs, specific reserve for possible loan losses, general reserve for possible loan losses and loan sales of exposure that defaulted up to the end of the previous period.

Estimated Losses Depend on Historical Long-Term Results, Comparison with Actual Losses

(Billions of yen)

Type of exposure	As of September 30, 2010		As of September 30, 2009	
	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	**36**	**5**	27	36
Sovereign exposure	**0**	**—**	0	—
Bank exposure	**0**	**—**	0	—
Equity exposure subject to PD/LGD approach	**1**	**—**	0	0
Retail exposure secured by residential properties	**0**	**0**	0	0
Qualifying revolving retail exposure	**—**	**—**	—	—
Other retail exposure	**0**	**0**	0	0

(Billions of yen)

Type of exposure	As of March 31, 2010		As of March 31, 2009		As of March 31, 2008		As of March 31, 2007	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	55	43	46	25	29	7	27	18
Sovereign exposure	0	—	1	—	1	—	1	—
Bank exposure	0	—	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	1	0	0	0	1	0	0	0
Retail exposure secured by residential properties	1	0	1	0	1	0	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0	0	0

Notes: 1. Comparisons of estimated and actual long-term losses for 10 years accumulatively are scheduled to be disclosed from the year following the application of Basel II (the year ending March 31, 2007).
2. The scope of actual and estimated losses includes the following accounts on balance sheet: loans, foreign exchange, accrued interests in other assets, suspense payable and customers' liabilities for acceptances and guarantees, as well as securities without quoted market values, money trusts without quoted market values, and monetary claims purchased.
3. Estimated losses of each year are amount of expected losses.

Year-on-year comparison of actual losses and factor analysis of difference between estimated losses and actual losses

For the first half of fiscal 2010, the actual loss amounts have basically maintained at lower levels than the estimated losses at the beginning of the term for the fiscal years stated above.

d. Exposure to Specialized Lending Products Subject to Supervisory Slotting Criteria by RW

Amount of Specialized Lending Exposure Subject to Supervisory Slotting Criteria by RW

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Specialized Lending exposure subject to supervisory slotting criteria	**582**	770
Specialized Lending, excluding High-Volatility Commercial Real Estate (HVCRE)	**473**	601
Risk weight of 50%	**100**	83
Risk weight of 70%	**141**	310
Risk weight of 90%	**1**	5
Risk weight of 115%	**83**	1
Risk weight of 250%	**66**	92
Risk weight of 0% (default)	**79**	107
High-Volatility Commercial Real Estate (HVCRE)	**109**	169
Risk weight of 70%	**2**	69
Risk weight of 95%	**18**	—
Risk weight of 120%	**19**	—
Risk weight of 140%	**—**	10
Risk weight of 250%	**21**	89
Risk weight of 0% (default)	**48**	—

Notes: 1. "Specialized Lending" refers to loans for Project Finance (PF), Object Finance (OF), Commodity Finance (CF) and Income-Producing Real Estate (IPRE) (as defined in the Notification Regarding Capital Adequacy, Article 1-1-41).

2. "High-Volatility Commercial Real Estate (HVCRE)" refers to loans that are the financing of commercial real estate that exhibits a higher rate of loss volatility compared to other types of Specialized Lending, as specified in the Notification Regarding Capital Adequacy, Article 1-1-43.

3. "Specialized Lending exposure subject to supervisory slotting criteria" refers to the amounts of Specialized Lending, subject to the Bank's internal rating system, and have been allotted to the risk asset classifications given in the Notification Regarding Capital Adequacy, Article 130-3 and Article 130-5, after taking account of risk weights.

4. For risk weights, the Bank has applied the stipulations contained in the Notification Regarding Capital Adequacy, Article 130-3 and Article 130-5.

e. Equity Exposure Subject to the Simple Risk-Weighted Method of the Market-Based Approach by RW

Amount of Equity Exposure Subject to the Simple Risk-Weighted Method of the Market-Based Approach

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Equity exposure subject to the simple risk-weighted method of the market-based approach by RW	**27**	39
Risk weight of 300%	**—**	—
Risk weight of 400%	**27**	39

Note: The "simple risk-weighted method of the market-based approach by RW" is a method for computing the amount of risk-weighted assets of equity and other investments. Under this method, the market value of listed stocks is multiplied by a risk weight of 300%, and the estimated value of unlisted stocks is multiplied by a risk weight of 400% (Notification Regarding Capital Adequacy, Article 143-4).

4 EXPOSURE SUBJECT TO STANDARDIZED APPROACH BY RISK WEIGHT

Amount of Exposure Subject to Standardized Approach

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Exposure	Refer to ECAI	Exposure	Refer to ECAI
Exposure subject to Standardized Approach	**39**	**—**	50	—
Risk weight of 0%	**29**	**—**	30	—
Risk weight of 10%	**0**	**—**	—	—
Risk weight of 20%	**3**	**—**	3	—
Risk weight of 35%	**—**	**—**	—	—
Risk weight of 50%	**—**	**—**	—	—
Risk weight of 75%	**—**	**—**	—	—
Risk weight of 100%	**5**	**—**	15	1
Risk weight of 150%	**—**	**—**	—	—
Amount deducted from capital	**—**	**—**	—	—
Others	**0**	**—**	1	—

Notes: Others include investment funds which are measured credit risk assets by look-through approach and the assets which are more than 150% risk weight.

Amount of Exposure Subject to Credit Risk Mitigation Techniques (Eligible Financial Collateral, Other Eligible IRB Collateral, Guarantees, Credit Derivatives)

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Foundation Internal Ratings-Based Approach	**7,246**	5,356
Eligible financial collateral	**5,572**	4,414
Corporate exposure	**20**	11
Sovereign exposure	**3**	3
Bank exposure	**5,548**	4,398
Other eligible IRB collateral	**—**	—
Corporate exposure	**—**	—
Sovereign exposure	**—**	—
Bank exposure	**—**	—
Guarantees, Credit Derivatives	**1,673**	941
Corporate exposure	**125**	127
Sovereign exposure	**47**	13
Bank exposure	**1,501**	801
Retail exposure secured by residential properties	**—**	—
Qualifying revolving retail exposure	**—**	—
Other retail exposure	**—**	—
Standardized Approach	**—**	—
Eligible financial collateral	**—**	—
Guarantees, Credit Derivatives	**—**	—

Notes: 1. The amount of exposure for which credit risk mitigation techniques have been used is limited to the portion for which such effects have been taken into account.
2. Exposure subject to treatment as credit risk exposure is not included.

5. Counterparty Credit Risk in Derivative Transactions (Consolidated)

Methods Used for Calculating Amount of Credit Exposure

The current exposure method is adopted.

Breakdown of the Amount of Credit Exposure

(Billions of yen)

Classification		As of September 30, 2010	As of September 30, 2009
Total gross replacement costs (limited to items with a value of greater than zero)	(A)	**316**	553
Total gross add-ons	(B)	**242**	327
Gross credit exposure	(C) = (A)+(B)	**558**	881
Including, foreign exchange related		**502**	819
Including, interest rate related		**52**	59
Including, equity related		**2**	2
Including, credit derivatives		**—**	—
Including, transactions with a long settlement period		**0**	—
Reduction in credit exposure due to netting contracts	(D)	**109**	24
Amount of credit exposure before taking into account credit risk mitigation techniques due to collateral	(E) = (C)–(D)	**449**	857
Amount of collateral		**126**	—
Including eligible financial collateral		**126**	—
Amount of credit exposure after taking into account credit risk mitigation techniques due to collateral		**449**	857

Notes: 1. Derivatives transactions included in risk-weighted assets calculation for investment funds are not included.
2. Under the stipulations of the Notification Regarding Capital Adequacy, Article 56-1, the amount of credit exposure not computed has not been included.

Notional Principal Amount of Credit Derivatives Included in Computation of Credit Exposure

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
To buy protection	**—**	—
Including credit default swaps	**—**	—
To sell protection	**—**	—
Including credit default swaps	**—**	—
Notional principal amount of credit derivatives taking into consideration the effect of credit risk mitigation techniques	**—**	—

Notes: 1. Credit derivatives included in risk-weighted assets for investment funds have not been taken into consideration.
2. Under the stipulations of the Notification Regarding Capital Adequacy, Article 10 and Article 56, the amount of credit risk assets not computed has not been included.

6. Securitization Exposure (Consolidated)

Detail of Securitization Exposure Held as Originator

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Total amount of underlying assets	—	—
Amounts of securitization exposure	—	—
Increase in capital due to securitization transactions	—	—
Deducted from capital	—	—
Amounts of securitized exposure	—	—
Gains (losses) on sales of securitization transactions	—	—

As of September 30, 2010, the Bank has not been an originator for securitization exposure, having effects of credit risk mitigation.

Details of Securitization Exposure Held as Investor by Exposure Type

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Amount of exposure	Deductions from capital	Amount of exposure	Deductions from capital
Total amount of securitization exposure	**4,499**	**188**	5,749	79
Individuals				
Asset-Backed Securities (ABS)	**2,046**	**0**	2,549	0
Residential Mortgage-Backed Securities (RMBS)	**488**	**39**	595	15
Real estate				
Commercial Mortgage-Backed Securities (CMBS)	**393**	**20**	565	6
Corporates				
Subtotal of CDOs (CLO, ABS-CDO, CBO)	**1,495**	**119**	1,978	49
Collateralized Loan Obligations (CLO)	**1,296**	**83**	1,706	33
Asset-Backed Securities CDOs (ABS-CDO)	**174**	**36**	201	15
Collateralized Bond Obligations (CBO)	**25**	**0**	70	—
Others	**75**	**8**	60	7

Note: "Deductions from capital" is equity exposure deducted from capital under Article 224 of the Notification Regarding Capital Adequacy.

Amount of Securitization Exposure Held as Investor and Regulatory Required Capital by Risk-Weighted Category

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Amount of exposure	Regulatory Required Capital	Amount of exposure	Regulatory Required Capital
Amount of securitization exposure	**4,499**	**308**	5,749	237
Risk weight: 20% or less	**3,581**	**26**	4,751	36
Risk weight: exceeding 20% to 50% or less	**321**	**9**	463	13
Risk weight: exceeding 50% to 100% or less	**167**	**11**	195	13
Risk weight: exceeding 100% to 250% or less	**96**	**19**	110	20
Risk weight: exceeding 250% to less than 1,250%	**144**	**53**	149	74
Deductions from capital	**188**	**188**	79	79

Risk-Weighted Assets Computed through Application of Appendix Article 15 of the Notification Regarding Capital Adequacy

Not applicable

Computation of the Market Risk Amount by the Internal Models Approach

■ VaR

(Millions of yen)

	For the six months ended September 30, 2010	**For the six months ended September 30, 2009**
Base date of computation	**2010. 9. 30**	2009. 9. 30
VaR (For the most recent 60 business days)		
Base date of computation	**137**	101
Maximum	**294**	716
Minimum	**49**	32
Average	**118**	244

■ Amounts of Market Risk

(Millions of yen)

		For the six months ended September 30, 2010	For the six months ended September 30, 2009
For the portion computed with the internal models approach (B)+(E)	(A)	**355**	733
Value at Risk (MAX (C, D))	(B)	**355**	733
Amount on base date of computation	(C)	**137**	101
Amount determined by multiplying (F) by the average for the most recent 60 business days	(D)	**355**	733
Additional amount at the time of measuring individual risk	(E)	**0**	0
(Multiplier)	(F)	**3.0**	3.0
(Times exceeding VaR in back testing)	(G)	**1**	1

Note: With regard to validation of the Bank's internal model, the amount of risk calculated by the model is compared with the volatilities in actual profit and loss on a daily basis (known as back testing). When discrepancies between the model's estimates and actual results due to the designs of the model go beyond a certain level, the Bank scrutinizes the relevant model factors and revises the model if necessary.

8. Equity Exposure (Consolidated)

(Includes items such as shares, excludes items in a trading account)

Amounts on the Balance Sheet and Market Value

(Billions of yen)

Classification	**As of September 30, 2010**		As of September 30, 2009	
	Amounts on the balance sheet	**Market value**	**Amounts on the balance sheet**	**Market value**
Equity exposure	**746**	**746**	728	728
Exposure to publicly traded equity	**602**	**602**	589	589
Exposure to privately held equity	**143**	**143**	139	139

Notes: 1. No stocks included in this table are fund-raising instruments of other financial institutions that the Bank holds deliberately as specified in the Notification Regarding Capital Adequacy, Article 8-1-1.
2. Regarding "market value," equities with quoted market values are evaluated at market, and those without market values are valued using the total amounts entered in the half-year consolidated balance sheet.

Amount of Gain (Loss) due to Sale or Write-Off

(Billions of yen)

Item	**For the six months ended September 30, 2010**			For the six months ended September 30, 2009		
	Gains from sale of equities, etc.	**Losses from sales of equities, etc.**	**Write-offs of equities, etc.**	**Gains from sale of equities, etc.**	**Losses from sales of equities, etc.**	**Write-offs of equities, etc.**
Equity exposure	**13**	**0**	**29**	12	0	3

Note: Amounts reflect relevant figures posted in the half-year consolidated income statements.

Amount of Valuation Gains (Losses)

(Billions of yen)

Item	**As of September 30, 2010**	As of September 30, 2009
Amount of valuation gains (losses) recognized on the balance sheet and not recognized in the statements of operations	**49**	80

Notes: 1. Exposure is to equity shares issued by both domestic and overseas companies.
2. No stocks included in this table are fund-raising instruments of other financial institutions that the Bank holds deliberately, as specified in the Notification Regarding Capital Adequacy, Article 8-1-1.

Unrealized Gains (Losses) Not Recognized on Consolidated Balance Sheets or Consolidated Statements of Income

Not applicable

Amount Included in Supplementary Capital (Tier II) Under Stipulations of the Notification Regarding Capital Adequacy, Article 6-1-1

(Billions of yen)

Item	As of September 30, 2010	As of September 30, 2009
Amount included in supplementary capital under the stipulations of the Notification Regarding Capital Adequacy, Article 6-1-1	**—**	—

Note: "Amount included in supplementary capital under the stipulations of the Notification Regarding Capital Adequacy, Article 6-1-1" is 45% of the total value of exposure to equity and other investments (excluding equities, etc., that are fund-raising instruments of other financial institutions that the Bank holds deliberately, as specified in the Notification Regarding Capital Adequacy, Article 8-1-1) classified under other securities at market value, minus the total book value of these securities.

Equity Exposure Subject to Treatment Under the Notification Regarding Capital Adequacy, Appendix Article 13

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
	Amounts on the balance sheets	Amounts on the balance sheets
Equity exposure subject to treatment under the Notification Regarding Capital Adequacy, Appendix Article 13	**318**	371
Corporate	**307**	358
Bank	**5**	7
Sovereign	**5**	5

Note: Appendix Article 13 of the Notification Regarding Capital Adequacy specifies provisional methods for calculating the value of credit risk assets in exposure to equity and other investments that meets certain specified standards.

Amount of Exposure Subject to Risk-Weighted Asset Calculation for Investment Fund

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Exposure	(For reference) Weighted-average risk weight	Exposure	(For reference) Weighted-average risk weight
Look-through approach	**15,299**	**52%**	13,304	66%
Majority approach	**478**	**310%**	486	348%
Mandate approach	**—**	**—**	—	—
Market-based approach	**1,533**	**251%**	1,604	247%
Others (simple approach)	**259**	**469%**	245	468%
Total	**17,570**	**79%**	15,640	97%

Notes: 1. The "Look-through approach" is a method for computing the risk-weighted assets in fund by totaling the amount of risk-weighted assets for credit risk in individual asset categories. (Please refer to Notification Regarding Capital Adequacy, Article 144-1.)

2. The "Majority approach" is a method for computing the risk-weighted assets in fund by applying risk weight to the fund as well as equity exposure when the exposure of equity, in terms of value, is major in a fund. (Please refer to the Notification Regarding Capital Adequacy, Article 144-2.)

3. The "Mandate approach" is a method for computing the risk-weighted assets in fund where only the investment mandate of the fund is known. The risk-weighted assets are computed as follows; It is assumed that the fund first invests, to the maximum extent allowed under its mandate, in the asset classes attracting the highest capital requirement, and then continues making investments in descending order until the maximum total investment level is reached. (Please refer to the Notification Regarding Capital Adequacy, Article 144-3.)

4. The "Market-based approach" is a method for computing the credit risk of exposure regarded as credit risk assets using the Bank's internal model (which is a value-at-risk (VaR) model based on the historical simulation method). (Please refer to the Notification Regarding Capital Adequacy, Article 144-4.)

5. The "Others (simple approach)" is a method for computing the risk-weighted assets in fund by applying risk weight of 400%, when it is judged the probability that the weighted-average risk weight will be less than 400%. In all other cases, risk weight of 1,250% is applied to funds. (Please refer to the Notification Regarding Capital Adequacy, Article 144-5.)

6. (For reference) Weighted-average risk weight = {Total risk-weighted assets + (Expected losses + Deductions from capital) / 8%} / EAD

10. Interest-Rate Risk (Consolidated)

(Interest-rate risk (excluding trading account) is the gain or loss from interest-rate shocks or the increase or decrease in economic value used for internal management purposes.)

Interest-Rate Risk Volume Computed with the Internal Model in Core Business Accounts (The Banking Accounts)

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Interest-rate risk	**1,573**	1,148
Yen interest-rate risk	**32**	(70)
U.S. dollar interest-rate risk	**1,427**	1,074
Euro interest-rate risk	**112**	139
Interest-rate risk in other currencies	**1**	4

Notes: 1. In the banking book, the Bank's internal rule applies one year holding period and five years historical observation period as criteria for interest-rate risk volatility measurements. The Bank calculates the declines in economic value on a monthly basis by taking the first and 99th percentile risk measure.

2. Interest-rate risk in consolidated subsidiaries is limited in view of the size of their assets, so the interest-rate risk volume for the Bank on a non-consolidated basis is shown here.

3. Regarding core deposits, since the balances of deposits, etc., without maturity dates are limited, the Bank does not currently measure their risk volume. In addition, regarding repayments of mortgage-backed securities and callable securities before maturity, risk volume is measured after taking account of negative convexity and option vega due to call conditions and other factors.

1 CAPITAL ADEQUACY RATIO (NON-CONSOLIDATED)

Non-Consolidated Capital Adequacy Ratio (Basel capital adequacy standards) (Basel II)

Note: The Bank's capital adequacy ratio for the six months ended September 30, 2010 and 2009, was computed according to Basel II.

As of September 30

Items			Millions of yen		Millions of U.S. dollars
			2010	2009	**2010**
Tier I capital	Capital stock		**3,425,909**	3,425,909	**40,881**
	Included as non-cumulative, perpetual preferred stock		**24,999**	24,999	**298**
	Deposit for subscription to preferred stock		**—**	—	**—**
	Capital surplus		**25,020**	25,020	**298**
	Earned surplus		**902,915**	851,046	**10,774**
	Less: Amount corresponding to the decrease in capital due to merger of subsidiaries		**—**	—	**—**
	Less: Treasury stock		**—**	—	**—**
	Deposit for subscription to treasury stock		**—**	—	**—**
	Unrealized loss on other securities		**(206,945)**	(869,460)	**(2,469)**
	Foreign currency transaction adjustment		**(38)**	(30)	**0**
	Stock acquisition rights		**—**	—	**—**
	Less: Amount corresponding to operating rights		**—**	—	**—**
	Less: Goodwill and others		**—**	—	**—**
	Less: Amount corresponding to the increase in capital due to securitization transactions		**—**	—	**—**
	Less: Amount equivalent to 50% expected losses in excess of qualifying allowance		**46,013**	64,723	**549**
	Subtotal	(A)	**4,100,847**	3,367,763	**48,936**
	Including preferred securities with interest rate step-up clause		**—**	—	**—**
	(Ratio of the value of such preferred securities to Tier I capital)		**—**	—	**—**
Tier II capital	45% of unrealized gains on other securities		**—**	—	**—**
	45% of unrealized gains on land		**22,676**	23,061	**270**
	General reserve for possible loan losses		**7**	24	**0**
	Qualifying subordinated debt		**1,736,172**	1,760,961	**20,718**
	Included as perpetual subordinated bonds and loans		**1,486,007**	1,486,007	**17,732**
	Included as dated subordinated bonds, loans, and preferred stock		**250,165**	274,954	**2,985**
	Subtotal		**1,758,856**	1,784,048	**20,988**
	Tier II capital included as qualifying capital	(B)	**1,758,856**	1,784,048	**20,988**
Tier III capital	Short-term subordinated debt		**—**	—	**—**
	Including amount added to capital	(C)	**—**	—	**—**
Deductions	Deductions	(D)	**292,013**	320,986	**3,484**
Total Capital	(A)+(B)+(C)–(D)	(E)	**5,567,690**	4,830,825	**66,440**
Risk-weighted assets	Risk-weighted assets for credit risk	(F)	**23,298,072**	24,588,671	**278,019**
	Including on-balance sheet		**22,264,505**	22,990,833	**265,686**
	Including off-balance sheet		**1,033,566**	1,597,837	**12,333**
	Assets equivalent to market risk (H)/8%	(G)	**1,644,559**	1,037,501	**19,624**
	(For reference: actual market risk volume)	(H)	**131,564**	83,000	**1,569**
	Amount corresponding to operational risk (J)/8%	(I)	**528,504**	764,948	**6,306**
	(For reference: amount corresponding to operational risk)	(J)	**42,280**	61,195	**504**
	Total risk-weighted assets (F)+(G)+(I)	(K)	**25,471,136**	26,391,120	**303,951**
Basel II Capital Adequacy Ratio (Basel capital adequacy standards) = (E)/(K) × 100%			**21.85%**	18.30%	**21.85%**
Tier I ratio = (A)/(K) × 100%			**16.09%**	12.76%	**16.09%**
Non-Consolidated required capital (K) × 8%			**2,037,690**	2,111,289	**24,316**

Notes: 1. The Bank's capital adequacy ratio was computed according to the stipulations outlined in Notification No. 4 of the 2006 Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries of Japan (Standard for Judging the Management Soundness of the Norinchukin Bank) (hereinafter, Notification Regarding Capital Adequacy). Note that the Bank adopts Foundation Internal Ratings-Based Approach (F-IRB) in computing risk-weighted assets for credit risk and the Standardized Approach (TSA) in computing the amount corresponding to operational risk.

2. Regarding the calculation of capital adequacy ratio, certain procedures were performed by Ernst & Young ShinNihon LLC pursuant to "Treatment of Inspection of Capital Ratio Calculation Framework Based on Agree-upon Procedures" (JICPA Industry Committee Report No. 30). It does not constitute a part of the audit on financial statements by law, but a review on agree-upon procedures on internal control of capital adequacy calculation. Accordingly, Ernst & Young ShinNihon LLC does not address any opinion as a result of the review.

3. The Tier II capital item "general reserve for possible loan losses" is limited to the amount corresponding to assets which is calculated according to a Standardized Approach in terms of risk-weighted assets for credit risk.

4. Those are items of Deductions: (1) the total amount of the value corresponding to intentional holdings of capital investments issued by other financial institutions, (2) 50% of the expected losses on exposure to corporate, sovereign and bank, and expected losses on retail exposure over the value of qualified reserves, (3) expected losses on equity exposure, and (4) securitization exposure subject to deduction from capital. (Notification Regarding Capital Adequacy, Article 20)

5. In computing risk-weighted assets for credit risk, the Bank has applied a scaling factor of 1.06 to the amount of risk-weighted assets for credit risk computed based on its Foundation Internal Ratings-Based Approach (F-IRB), as provided for in the Notification Regarding Capital Adequacy, Article 129.

2. Capital Adequacy (Non-Consolidated)

(Minimum amount of regulatory required capital and breakdown for each risk category as required under Basel II)

Regulatory Required Capital

(Billions of yen)

Items	As of September 30, 2010		As of September 30, 2009	
	EAD	Regulatory Required Capital	EAD	Regulatory Required EAD
Amount of regulatory required capital for credit risk	**82,753**	**2,388**	81,156	2,493
Exposure subject to Internal Ratings-Based Approach	**82,750**	**2,388**	81,148	2,492
Corporate exposure (excluding Specialized Lending)	**5,251**	**400**	5,884	498
Corporate exposure (Specialized Lending)	**581**	**116**	770	136
Sovereign exposure	**38,341**	**0**	36,141	0
Bank exposure	**12,630**	**97**	14,063	110
Retail exposure	**5**	**2**	6	2
Retail exposure secured by residential properties	**—**	**—**	—	—
Qualifying revolving retail exposure	**—**	**—**	—	—
Other retail exposure	**5**	**2**	6	2
Securitization exposure	**4,499**	**308**	5,746	237
Equity portfolios	**786**	**153**	778	134
Equity portfolios subject to PD/LGD approaches	**152**	**28**	143	28
Equity portfolios subject to simple risk-weighted method	**27**	**9**	38	13
Equities under the internal models approach	**264**	**86**	199	59
Grandfathered equity exposure	**342**	**29**	395	33
Exposure subject to risk-weighted asset calculation for investment fund	**20,197**	**1,281**	17,162	1,336
Other debt purchased	**50**	**3**	39	1
Other exposures	**405**	**24**	555	34
Exposure subject to Standardized Approach	**2**	**0**	7	0
Overdrafts	**0**	**0**	0	0
Prepaid expenses	**1**	**0**	3	0
Suspense payments	**1**	**0**	4	0
Other	**—**	**—**	—	—
Amount of regulatory required capital for market risk	**/**	**131**	/	83
Standardized Approach	**/**	**131**	/	82
Interest rate risk category	**/**	**—**	/	—
Equity risk category	**/**	**—**	/	—
Foreign exchange risk category	**/**	**131**	/	82
Commodity risk category	**/**	**—**	/	—
Option transactions	**/**	**—**	/	—
Internal models Approach	**/**	**0**	/	0
Amount of regulatory required capital for operational risk	**/**	**42**	/	61
Offsets on consolidation	**/**	**2,562**	/	2,637

Notes: 1. Regulatory required capital for credit risk = 8% of risk-weighted assets for credit risk + Expected losses + Deductions from capital

2. "Risk-weighted asset calculation for investment fund" is risk-weighted assets as calculated according to the method specified in Notification Regarding Capital Adequacy, Article 144.

3. Article 13 of the Notification Regarding Capital Adequacy contains a grand fathering provision for computing the amount of risk assets related to equity exposures that meet specified criteria.

4. Under "The Standardized Approach (TSA)," which is a method for computing the amount corresponding to operational risk, the gross profit for one year is allocated among the business activities as specified in Appendix Table 1 of the Notification Regarding Capital Adequacy. The multiplier specified for each business activity classification is multiplied by the gross profit, and the average of the annual totals for the past three years is taken to be the amount corresponding to operational risk. (Notification Regarding Capital Adequacy, Article 282)

(Funds and securitization exposures are excluded.)

1 CREDIT RISK EXPOSURE

For the Six Months Ended September 30, 2010

Geographic Distribution of Exposure, Details in Significant Areas by Major Types of Credit Exposure

(Billions of yen)

Region	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	**14,931**	**17,967**	**54**	**1,463**	**34,417**	**306**
Asia except Japan	**54**	**26**	**4**	**833**	**919**	**—**
Europe	**12**	**3,954**	**125**	**2,965**	**7,059**	**0**
The Americas	**285**	**10,576**	**58**	**5,531**	**16,451**	**0**
Other areas	**21**	**730**	**2**	**407**	**1,162**	**—**
Total	**15,305**	**33,256**	**246**	**11,202**	**60,010**	**307**

Industry Distribution of Exposure, Details by Major Types of Credit Exposure

(Billions of yen)

Industry	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	**2,247**	**251**	**1**	**0**	**2,500**	**60**	**0**
Agriculture	**46**	**0**	**—**	**0**	**46**	**7**	**0**
Forestry	**33**	**—**	**—**	**0**	**33**	**0**	**—**
Fishing	**28**	**—**	**—**	**0**	**28**	**21**	**0**
Mining	**5**	**0**	**—**	**0**	**6**	**—**	**—**
Construction	**131**	**9**	**—**	**0**	**140**	**5**	**0**
Utility	**133**	**14**	**0**	**0**	**148**	**1**	**—**
Information/telecommunications	**69**	**11**	**—**	**0**	**81**	**7**	**0**
Transportation	**644**	**57**	**4**	**0**	**706**	**4**	**0**
Wholesaling, retailing	**1,965**	**49**	**0**	**0**	**2,015**	**29**	**0**
Finance and insurance	**1,324**	**6,666**	**239**	**10,791**	**19,021**	**23**	**—**
Real estate	**509**	**260**	**—**	**0**	**770**	**129**	**—**
Services	**1,148**	**59**	**0**	**1**	**1,210**	**15**	**0**
Municipalities	**234**	**12**	**—**	**—**	**246**	**—**	**—**
Other	**6,781**	**25,862**	**—**	**407**	**33,051**	**0**	**—**
Total	**15,305**	**33,256**	**246**	**11,202**	**60,010**	**307**	**1**

Note: "Others" within "Finance and insurance" includes repo-type transactions, call loans, and certain other items.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of yen)

Term to maturity	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	**11,581**	**10,973**	**115**	**10,694**	**33,364**
Over 1 year to 3 years	**1,689**	**5,735**	**111**	**55**	**7,591**
Over 3 years to 5 years	**1,335**	**3,910**	**8**	**1**	**5,255**
Over 5 years to 7 years	**385**	**1,400**	**2**	**—**	**1,788**
Over 7 years	**252**	**10,484**	**7**	**—**	**10,745**
No term to maturity	**61**	**752**	**—**	**451**	**1,264**
Total	**15,305**	**33,256**	**246**	**11,202**	**60,010**

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position for the six months ended September 30, 2010.
2. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥2.2 billion.
3. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

For the Six Months Ended September 30, 2009

Geographic Distribution of Exposure, Details in Significant Areas by Major Types of Credit Exposure

(Billions of yen)

Region	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure
Japan	14,232	16,279	92	2,399	33,002	304
Asia except Japan	55	132	1	789	978	—
Europe	62	4,107	289	3,638	8,098	7
The Americas	236	10,274	144	5,936	16,591	6
Other areas	25	318	4	0	348	—
Total	14,611	31,111	531	12,763	59,019	317

Industry Distribution of Exposure, Details by Major Types of Credit Exposure

(Billions of yen)

Industry	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure	Default exposure	Write-off of loans (amounts of partial direct write-off)
Manufacturing	2,351	303	1	0	2,656	51	0
Agriculture	48	0	—	0	48	6	0
Forestry	37	—	—	—	37	1	—
Fishing	33	—	—	0	33	26	0
Mining	10	—	—	0	10	—	—
Construction	137	16	—	0	154	6	—
Utility	147	15	0	0	162	—	—
Information/telecommunications	96	29	—	0	125	20	—
Transportation	696	63	3	0	763	9	—
Wholesaling, retailing	1,465	59	0	0	1,525	29	0
Finance and insurance	1,371	6,350	526	12,197	20,445	20	—
Real estate	491	399	—	0	892	118	2
Services	1,359	47	0	1	1,409	26	0
Municipalities	298	27	—	0	326	—	—
Other	6,065	23,798	—	563	30,427	0	—
Total	14,611	31,111	531	12,763	59,019	317	3

Note: "Others" within "Finance and insurance" includes repo-type transactions, call loans, and certain other items.

Residual Contractual Maturity Breakdown of Credit Risk Exposure

(Billions of yen)

Term to maturity	Loans, commitments, off-balance sheet exposure	Securities	Derivatives	Others	Total credit risk exposure
In 1 year	10,808	8,533	360	11,770	31,473
Over 1 year to 3 years	1,648	7,829	165	50	9,693
Over 3 years to 5 years	1,369	3,877	1	10	5,259
Over 5 years to 7 years	461	946	1	—	1,408
Over 7 years	297	9,200	3	—	9,501
No term to maturity	26	724	—	932	1,683
Total	14,611	31,111	531	12,763	59,019

Notes: 1. The amount of credit exposure at the end of the period does not substantially differ from the average-risk position for the six months ended September 30, 2009.
2. Within credit risk exposure, credit risk exposure subject to the Standardized Approach was ¥7.7 billion.
3. Default exposure is classified in the Bank's self-assessment as being under "Debtor Under Requirement of Control."

2 RESERVES FOR POSSIBLE LOAN LOSSES

Increase/Decrease in General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and the Specified Reserve for Loans to Countries with Financial Problems by Region

(Billions of yen)

Region	As of September 30, 2010	As of September 30, 2009	Increase/(decrease)
General reserve for possible loan losses	**68**	65	**3**
Specific reserve for possible loan losses	**137**	140	**(2)**
Japan	**137**	136	**1**
Asia except Japan	**—**	—	**—**
Europe	**—**	3	**(3)**
The Americas	**—**	1	**(1)**
Other areas	**—**	—	**—**
Specified reserve for loans to countries with financial problems	**—**	—	**—**
Total	**206**	205	**0**

Increase/Decrease in General Reserve for Possible Loan Losses, Specific Reserve for Possible Loan Losses and the Specified Reserve for Loans to Countries with Financial Problems by Industry

(Billions of yen)

Industry	As of September 30, 2010	As of September 30, 2009	Increase/(decrease)
General reserve for possible loan losses	**68**	65	**3**
Specific reserve for possible loan losses	**137**	140	**(2)**
Manufacturing	**19**	15	**3**
Agriculture	**5**	4	**1**
Forestry	**0**	0	**(0)**
Fishing	**10**	11	**(1)**
Mining	**—**	—	**—**
Construction	**0**	0	**0**
Utility	**1**	—	**1**
Information/telecommunications	**6**	18	**(12)**
Transportation	**3**	8	**(4)**
Wholesaling, retailing	**5**	4	**0**
Finance and insurance	**4**	10	**(6)**
Real estate	**69**	56	**13**
Services	**11**	8	**2**
Municipalities	**—**	—	**—**
Other	**—**	—	**—**
Others	**—**	—	**—**
Specified reserve for loans to countries with financial problems	**—**	—	**—**
Total	**206**	205	**0**

3 EXPOSURE SUBJECT TO THE INTERNAL RATINGS-BASED APPROACH

a. Corporate, Sovereign and Bank Exposure

For the Six Months Ended September 30, 2010

(Billions of yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Corporate Exposure	5.50%	44.76%	95%	5,251	4,531	720
1-1 to 4	0.18%	44.74%	38%	3,767	3,144	622
5 to 7	1.56%	44.83%	105%	826	773	53
8-1 to 8-2	19.41%	44.90%	355%	481	439	42
Subtotal	2.23%	44.77%	79%	5,076	4,357	718
8-3 to 10-2	100.00%	44.43%	558%	175	174	1
Sovereign Exposure	0.00%	44.99%	0%	38,341	35,470	2,870
1-1 to 4	0.00%	44.99%	0%	38,341	35,470	2,870
5 to 7	—	—	—	—	—	—
8-1 to 8-2	—	—	—	—	—	—
Subtotal	0.00%	44.99%	0%	38,341	35,470	2,870
8-3 to 10-2	—	—	—	—	—	—
Bank Exposure	0.05%	23.51%	10%	12,630	5,915	6,714
1-1 to 4	0.05%	23.48%	9%	12,610	5,903	6,707
5 to 7	1.29%	39.43%	112%	17	11	6
8-1 to 8-2	7.07%	45.00%	247%	1	1	0
Subtotal	0.05%	23.51%	10%	12,630	5,915	6,714
8-3 to 10-2	100.00%	45.00%	562%	0	0	0
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	1.87%	90.00%	238%	152	152	—
1-1 to 4	0.14%	90.00%	128%	73	73	—
5 to 7	2.19%	90.00%	319%	75	75	—
8-1 to 8-2	19.91%	90.00%	783%	2	2	—
Subtotal	1.54%	90.00%	235%	151	151	—
8-3 to 10-2	100.00%	90.00%	1,125%	0	0	—

Notes: 1. Weighted averages of PD, LGD and risk weights are computed based on EAD (including on-balance and off-balance items).
2. Risk weights are equivalent to 8% of the total of the amount of risk-weighted assets and expected loss, divided by EAD.
3. "Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach" does not take account of Rider No. 13 to the Notification Regarding Capital Adequacy (regarding provisional measures for equity exposure).

For the Six Months Ended September 30, 2009

(Billions of yen)

Ratings	Weighted-average PD	Weighted-average LGD	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Corporate Exposure	6.01%	44.89%	106%	5,884	5,059	824
1-1 to 4	0.19%	45.00%	40%	3,954	3,260	694
5 to 7	2.44%	44.72%	125%	1,115	1,035	80
8-1 to 8-2	19.11%	44.63%	350%	612	565	46
Subtotal	2.67%	44.90%	90%	5,682	4,861	821
8-3 to 10-2	100.00%	44.65%	559%	201	198	3
Sovereign Exposure	0.00%	44.99%	0%	36,141	32,071	4,070
1-1 to 4	0.00%	44.99%	0%	36,141	32,070	4,070
5 to 7	7.78%	45.00%	211%	0	0	—
8-1 to 8-2	—	—	—	—	—	—
Subtotal	0.00%	44.99%	0%	36,141	32,071	4,070
8-3 to 10-2	—	—	—	—	—	—
Bank Exposure	0.06%	28.31%	10%	14,063	6,563	7,499
1-1 to 4	0.05%	28.29%	10%	14,040	6,548	7,491
5 to 7	3.04%	41.43%	154%	17	10	7
8-1 to 8-2	7.07%	26.55%	127%	4	4	0
Subtotal	0.06%	28.31%	10%	14,062	6,563	7,499
8-3 to 10-2	100.00%	45.00%	562%	0	0	0
Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach	2.18%	90.00%	247%	143	137	6
1-1 to 4	0.13%	90.00%	141%	87	87	—
5 to 7	3.53%	90.00%	381%	53	46	6
8-1 to 8-2	19.91%	90.00%	783%	3	3	—
Subtotal	1.83%	90.00%	244%	143	136	6
8-3 to 10-2	100.00%	90.00%	1,125%	0	0	—

Notes: 1. Weighted averages of PD, LGD and risk weights are computed based on EAD (including on-balance and off-balance items).
2. Risk weights are equivalent to 8% of the total of the amount of risk-weighted assets and expected loss, divided by EAD.
3. "Equity Exposure for Credit Risk Using Internal Ratings: PD/LGD Approach" does not take account of Rider No. 13 to the Notification Regarding Capital Adequacy (regarding provisional measures for equity exposure).

b. Retail Exposure

For the Six Months Ended September 30, 2010

Details on PD, LGD, RW and EAD Assets

(Billions of yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average LGD default	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Retail exposure secured by residential properties	**6.27%**	**44.01%**	**85.32%**	**77.68%**	**103%**	**273**	**273**	**—**
Not default Not delinquent	**0.54%**	**43.99%**	/	/	**39%**	**248**	**248**	**—**
Not default Delinquent	**28.23%**	**44.36%**	/	/	**416%**	**12**	**12**	**—**
Not default Subtotal	**1.89%**	**44.01%**	/	/	**58%**	**261**	**261**	**—**
Default	**100.00%**	/	**85.32%**	**77.68%**	**1,067%**	**12**	**12**	**—**
Qualifying revolving retail exposure	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Not default Not delinquent	**—**	**—**	/	/	**—**	**—**	**—**	**—**
Not default Delinquent	**—**	**—**	/	/	**—**	**—**	**—**	**—**
Not default Subtotal	**—**	**—**	/	/	**—**	**—**	**—**	**—**
Default	**—**	/	**—**	**—**	**—**	**—**	**—**	**—**
Other retail exposure	**24.45%**	**82.62%**	**106.05%**	**97.55%**	**392%**	**7**	**3**	**4**
Not default Not delinquent	**1.69%**	**82.78%**	/	/	**111%**	**5**	**1**	**3**
Not default Delinquent	**27.91%**	**76.96%**	/	/	**423%**	**0**	**0**	**0**
Not default Subtotal	**2.38%**	**82.62%**	/	/	**119%**	**6**	**2**	**4**
Default	**100.00%**	/	**106.05%**	**97.55%**	**1,326%**	**1**	**1**	**0**
Total	**6.78%**	**45.09%**	**87.94%**	**80.19%**	**111%**	**281**	**277**	**4**
Not default Not delinquent	**0.56%**	**44.89%**	/	/	**41%**	**254**	**250**	**3**
Not default Delinquent	**28.23%**	**44.76%**	/	/	**416%**	**12**	**12**	**0**
Not default Subtotal	**1.90%**	**44.89%**	/	/	**59%**	**267**	**263**	**4**
Default	**100.00%**	/	**87.94%**	**80.19%**	**1,099%**	**13**	**13**	**0**

Notes: 1. As of September 30, 2010, most of the retail exposures are purchased retail receivables in investment funds. Those using estimated parameters have been included in the amount subject to quantitative disclosure.

2. "Not default Delinquent" does not fall under the default definition in the Notification Regarding Capital Adequacy, but past-due.

3. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).

4. For defaulted exposure, the risk weights have been computed taking account of the unexpected losses on default (LGD default) and the expected losses on default (EL default).

5. As of September 30, 2010, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

For the Six Months Ended September 30, 2009

Details on PD, LGD, RW and EAD Assets

(Billions of yen)

Type of exposure	Weighted-average PD	Weighted-average LGD	Weighted-average LGD default	Weighted-average EL default	Weighted-average risk weight	EAD	EAD (on-balance sheet)	EAD (off-balance sheet)
Retail exposure secured by residential properties	5.54%	41.81%	83.81%	77.31%	87%	309	309	—
Not default Not delinquent	0.40%	41.83%	/	/	30%	281	281	—
Not default Delinquent	23.32%	41.33%	/	/	355%	15	15	—
Not default Subtotal	1.60%	41.81%	/	/	47%	297	297	—
Default	100.00%	/	83.81%	77.31%	1,048%	12	12	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—
Not default Not delinquent	—	—	/	/	—	—	—	—
Not default Delinquent	—	—	/	/	—	—	—	—
Not default Subtotal	—	—	/	/	—	—	—	—
Default	—	/	—	—	—	—	—	—
Other retail exposure	25.59%	80.95%	103.39%	95.59%	388%	9	4	4
Not default Not delinquent	1.52%	81.01%	/	/	95%	7	2	4
Not default Delinquent	29.29%	77.32%	/	/	433%	0	0	0
Not default Subtotal	1.94%	80.95%	/	/	100%	7	2	4
Default	100.00%	/	103.39%	95.59%	1,292%	2	2	0
Total	6.14%	42.97%	86.85%	80.14%	96%	319	314	4
Not default Not delinquent	0.42%	42.79%	/	/	31%	288	284	4
Not default Delinquent	23.36%	41.59%	/	/	356%	15	15	0
Not default Subtotal	1.60%	42.73%	/	/	48%	304	299	4
Default	100.00%	/	86.85%	80.14%	1,086%	14	14	0

Notes: 1. As of September 30, 2009, most of the retail exposures are purchased retail receivables in investment funds. Those using estimated parameters have been included in the amount subject to quantitative disclosure.
2. "Not default Delinquent" does not fall under the default definition in the Notification Regarding Capital Adequacy, but past-due.
3. Risk weights are equivalent to the total of the risk-weighted assets and the amount of dividing the expected loss by 8%, then dividing the result by exposure at default (EAD).
4. For defaulted exposure, the risk weights have been computed taking account of the unexpected losses on default (LGD default) and the expected losses on default (EL default).
5. As of September 30, 2009, the Bank held no Qualifying revolving retail exposure for which net withdrawals of commitments had occurred.

c. Actual Losses on Exposure to Corporate, Sovereign, Bank, and Retail Exposure

Actual Losses for the Previous Period, Comparison with the Year before Last Results and Analysis of Causes

(Billions of yen)

Type of exposure	As of September 30, 2010	As of September 30, 2009	Increase/(decrease)
Corporate exposure	**5**	36	**(30)**
Sovereign exposure	**—**	—	**—**
Bank exposure	**—**	—	**—**
Equity exposure subject to PD/LGD approach	**—**	0	**(0)**
Retail exposure secured by residential properties	**—**	—	**—**
Qualifying revolving retail exposure	**—**	—	**—**
Other retail exposure	**0**	0	**(0)**

Note: Actual losses are defined as losses due to direct write-offs, partial direct write-offs, specific reserve for possible loan losses, general reserve for possible loan losses and loan sales of exposure that defaulted up to the end of the previous period.

Estimated Losses Depend on Historical Long-Term Results, Comparison with Actual Losses

(Billions of yen)

Type of exposure	As of September 30, 2010		As of September 30, 2009	
	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	**36**	**5**	27	36
Sovereign exposure	**0**	**—**	0	—
Bank exposure	**0**	**—**	0	—
Equity exposure subject to PD/LGD approach	**1**	**—**	0	0
Retail exposure secured by residential properties	**—**	**—**	—	—
Qualifying revolving retail exposure	**—**	**—**	—	—
Other retail exposure	**0**	**0**	0	0

(Billions of yen)

Type of exposure	As of March 31, 2010		As of March 31, 2009		As of March 31, 2008		As of March 31, 2007	
	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses	Estimated losses	Actual losses
Corporate exposure	55	42	45	23	28	6	27	18
Sovereign exposure	0	—	1	—	1	—	1	—
Bank exposure	0	—	0	—	0	—	0	—
Equity exposure subject to PD/LGD approach	1	0	0	0	1	0	0	0
Retail exposure secured by residential properties	—	—	—	—	—	—	—	—
Qualifying revolving retail exposure	—	—	—	—	—	—	—	—
Other retail exposure	0	0	0	0	0	0	0	0

Notes: 1. Comparisons of estimated and actual long-term losses for 10 years accumulatively are scheduled to be disclosed from the year following the application of Basel II (the year ending March 31, 2007).
2. The scope of actual and estimated losses includes the following accounts on balance sheet: loans, foreign exchange, accrued interests in other assets, suspense payable and customers' liabilities for acceptances and guarantees, as well as securities without quoted market values, money trusts without quoted market values, and monetary claims purchased.
3. Estimated losses of each year are amount of expected losses.

Year-on-year comparison of actual losses and factor analysis of difference between estimated losses and actual losses

For the first half of fiscal 2010, the actual loss amounts have basically maintained at lower levels than the estimated losses at the beginning of the term for the fiscal years stated above.

d. Exposure to Specialized Lending Products Subject to Supervisory Slotting Criteria by RW

Amount of Specialized Lending Exposure Subject to Supervisory Slotting Criteria by RW

(Billions of yen)

Classification	**As of September 30, 2010**	As of September 30, 2009
Specialized Lending exposure subject to supervisory slotting criteria	**582**	770
Specialized Lending, excluding High-Volatility Commercial Real Estate (HVCRE)	**473**	601
Risk weight of 50%	**100**	83
Risk weight of 70%	**141**	310
Risk weight of 90%	**1**	5
Risk weight of 115%	**83**	1
Risk weight of 250%	**66**	92
Risk weight of 0% (default)	**79**	107
High-Volatility Commercial Real Estate (HVCRE)	**109**	169
Risk weight of 70%	**2**	69
Risk weight of 95%	**18**	—
Risk weight of 120%	**19**	—
Risk weight of 140%	**—**	10
Risk weight of 250%	**21**	89
Risk weight of 0% (default)	**48**	—

Notes: 1. "Specialized Lending" refers to loans for Project Finance (PF), Object Finance (OF), Commodity Finance (CF) and Income-Producing Real Estate (IPRE) (as defined in the Notification Regarding Capital Adequacy, Article 1-1-41).

2. "High-Volatility Commercial Real Estate (HVCRE)" refers to loans that are the financing of commercial real estate that exhibits a higher rate of loss volatility compared to other types of Specialized Lending, as specified in the Notification Regarding Capital Adequacy, Article 1-1-43.

3. "Specialized Lending exposure subject to supervisory slotting criteria" refers to the amounts of Specialized Lending, subject to the Bank's internal rating system, and have been allotted to the risk asset classifications given in the Notification Regarding Capital Adequacy, Article 130-3 and Article 130-5, after taking account of risk weights.

4. For risk weights, the Bank has applied the stipulations contained in the Notification Regarding Capital Adequacy, Article 130-3 and Article 130-5.

e. Equity Exposure Subject to the Simple Risk-Weighted Method of the Market-Based Approach by RW

Amount of Equity Exposure Subject to the Simple Risk-Weighted Method of the Market-Based Approach

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Equity exposure subject to the simple risk-weighted method of the market-based approach by RW	**27**	39
Risk weight of 300%	**—**	—
Risk weight of 400%	**27**	39

Note: The "simple risk-weighted method of the market-based approach by RW" is a method for computing the amount of risk-weighted assets of equity and other investments. Under this method, the market value of listed stocks is multiplied by a risk weight of 300%, and the estimated value of unlisted stocks is multiplied by a risk weight of 400% (Notification Regarding Capital Adequacy, Article 143-4).

4 EXPOSURE SUBJECT TO STANDARDIZED APPROACH BY RISK WEIGHT

Amount of Exposure Subject to Standardized Approach

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Exposure	Refer to ECAI	Exposure	Refer to ECAI
Exposure subject to Standardized Approach	**2**	**—**	7	—
Risk weight of 0%	**—**	**—**	—	—
Risk weight of 10%	**—**	**—**	—	—
Risk weight of 20%	**—**	**—**	—	—
Risk weight of 35%	**—**	**—**	—	—
Risk weight of 50%	**—**	**—**	—	—
Risk weight of 75%	**—**	**—**	—	—
Risk weight of 100%	**2**	**—**	7	—
Risk weight of 150%	**—**	**—**	—	—
Amount deducted from capital	**—**	**—**	—	—
Others	**—**	**—**	—	—

4. Methods of Credit Risk Mitigation Techniques (Non-Consolidated)

Amount of Exposure Subject to Credit Risk Mitigation Techniques (Eligible Financial Collateral, Other Eligible IRB Collateral, Guarantees, Credit Derivatives)

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Foundation Internal Ratings-Based Approach	**7,246**	5,356
Eligible financial collateral	**5,572**	4,414
Corporate exposure	**20**	11
Sovereign exposure	**3**	3
Bank exposure	**5,548**	4,398
Other eligible IRB collateral	**—**	—
Corporate exposure	**—**	—
Sovereign exposure	**—**	—
Bank exposure	**—**	—
Guarantees, Credit Derivatives	**1,673**	941
Corporate exposure	**125**	127
Sovereign exposure	**47**	13
Bank exposure	**1,501**	801
Retail exposure secured by residential properties	**—**	—
Qualifying revolving retail exposure	**—**	—
Other retail exposure	**—**	—
Standardized Approach	**—**	—
Eligible financial collateral	**—**	—
Guarantees, Credit Derivatives	**—**	—

Notes: 1. The amount of exposure for which credit risk mitigation techniques have been used is limited to the portion for which such effects have been taken into account.
2. Exposure subject to treatment as credit risk exposure is not included.

5. Counterparty Credit Risk in Derivative Transactions (Non-Consolidated)

Methods Used for Calculating Amount of Credit Exposure

The current exposure method is adopted.

Breakdown of the Amount of Credit Exposure

(Billions of yen)

Classification		As of September 30, 2010	As of September 30, 2009
Total gross replacement costs (limited to items with a value of greater than zero)	(A)	**316**	553
Total gross add-ons	(B)	**242**	327
Gross credit exposure	(C) = (A)+(B)	**558**	881
Including, foreign exchange related		**502**	819
Including, interest rate related		**52**	59
Including, equity related		**2**	2
Including, credit derivatives		**—**	—
Including, transactions with a long settlement period		**0**	—
Reduction in credit exposure due to netting contracts	(D)	**109**	24
Amount of credit exposure before taking into account credit risk mitigation techniques due to collateral	(E) = (C)–(D)	**449**	857
Amount of collateral		**126**	—
Including eligible financial collateral		**126**	—
Amount of credit exposure after taking into account credit risk mitigation techniques due to collateral		**449**	857

Notes: 1. Derivatives transactions included in risk-weighted assets calculation for investment funds are not included.
2. Under the stipulations of the Notification Regarding Capital Adequacy, Article 56-1, the amount of credit exposure not computed has not been included.

Notional Principal Amount of Credit Derivatives Included in Computation of Credit Exposure

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
To buy protection	**—**	—
Including credit default swaps	**—**	—
To sell protection	**—**	—
Including credit default swaps	**—**	—
Notional principal amount of credit derivatives taking into consideration the effect of credit risk mitigation techniques	**—**	—

Notes: 1. Credit derivatives included in risk-weighted assets for investment funds have not been taken into consideration.
2. Under the stipulations of the Notification Regarding Capital Adequacy, Article 21-2 and Article 21-3, the amount of credit risk assets not computed has not been included.

6. Securitization Exposure (Non-Consolidated)

Detail of Securitization Exposure Held as Originator

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Total amount of underlying assets	—	—
Amounts of securitization exposure	—	—
Increase in capital due to securitization transactions	—	—
Deducted from capital	—	—
Amounts of securitized exposure	—	—
Gains (losses) on sales of securitization transactions	—	—

As of September 30, 2010, the Bank has not been an originator for securitization exposure, having effects of credit risk mitigation.

Details of Securitization Exposure Held as Investor by Exposure Type

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Amount of exposure	Deductions from capital	Amount of exposure	Deductions from capital
Total amount of securitization exposure	**4,499**	**188**	5,747	79
Individuals				
Asset-Backed Securities (ABS)	**2,046**	**0**	2,549	0
Residential Mortgage-Backed Securities (RMBS)	**488**	**39**	595	15
Real estate				
Commercial Mortgage-Backed Securities (CMBS)	**393**	**20**	563	6
Corporates				
Subtotal of CDOs (CLO, ABS-CDO, CBO)	**1,495**	**119**	1,978	49
Collateralized Loan Obligations (CLO)	**1,296**	**83**	1,706	33
Asset-Backed Securities CDOs (ABS-CDO)	**174**	**36**	201	15
Collateralized Bond Obligations (CBO)	**25**	**0**	70	—
Others	**75**	**8**	60	7

Note: "Deductions from capital" is equity exposure deducted from capital under Article 224 of the Notification Regarding Capital Adequacy.

Amount of Securitization Exposure Held as Investor and Regulatory Required Capital by Risk-Weighted Category

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Amount of exposure	Regulatory Required Capital	Amount of exposure	Regulatory Required Capital
Amount of securitization exposure	**4,499**	**308**	5,747	237
Risk weight: 20% or less	**3,581**	**26**	4,751	36
Risk weight: exceeding 20% to 50% or less	**321**	**9**	463	13
Risk weight: exceeding 50% to 100% or less	**167**	**11**	193	13
Risk weight: exceeding 100% to 250% or less	**96**	**19**	110	20
Risk weight: exceeding 250% to less than 1,250%	**144**	**53**	149	74
Deductions from capital	**188**	**188**	79	79

Risk-Weighted Assets Computed through Application of Appendix Article 15 of the Notification Regarding Capital Adequacy

Not applicable

7. Market Risk (Non-Consolidated)

Computation of the Market Risk Amount by the Internal Models Approach

■ VaR

(Millions of yen)

	For the six months ended September 30, 2010	For the six months ended September 30, 2009
Base date of computation	**2010. 9. 30**	2009. 9. 30
VaR (For the most recent 60 business days)		
Base date of computation	**137**	101
Maximum	**294**	716
Minimum	**49**	32
Average	**118**	244

■ Amounts of Market Risk

(Millions of yen)

		For the six months ended September 30, 2010	For the six months ended September 30, 2009
For the portion computed with the internal models approach (B)+(E)	(A)	**355**	733
Value at Risk (MAX (C, D))	(B)	**355**	733
Amount on base date of computation	(C)	**137**	101
Amount determined by multiplying (F) by the average for the most recent 60 business days	(D)	**355**	733
Additional amount at the time of measuring individual risk	(E)	**0**	0
(Multiplier)	(F)	**3.0**	3.0
(Times exceeding VaR in back testing)	(G)	**1**	1

8. Equity Exposure (Non-Consolidated)

(Includes items such as shares, excludes items in a trading account)

Amounts on the Balance Sheet and Market Value

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Amounts on the balance sheet	Market value	Amounts on the balance sheet	Market value
Equity exposure	**786**	**786**	771	771
Exposure to publicly traded equity	**602**	**602**	589	589
Exposure to privately held equity	**183**	**183**	182	182

Notes: 1. No stocks included in this table are fund-raising instruments of other financial institutions that the Bank holds deliberately as specified in the Notification Regarding Capital Adequacy, Article 20-1-1.
2. Regarding "market value," equities with quoted market values are evaluated at market, and those without market values are valued using the total amounts entered in the half-year balance sheet.

Amount of Gain (Loss) due to Sale or Write-Off

(Billions of yen)

Item	For the six months ended September 30, 2010			For the six months ended September 30, 2009		
	Gains from sale of equities, etc.	Losses from sales of equities, etc.	Write-offs of equities, etc.	Gains from sale of equities, etc.	Losses from sales of equities, etc.	Write-offs of equities, etc.
Equity exposure	**13**	**0**	**29**	12	0	3

Note: Amounts reflect relevant figures posted in the half-year income statements.

Amount of Valuation Gains (Losses)

(Billions of yen)

Item	As of September 30, 2010	As of September 30, 2009
Amount of valuation gains (losses) recognized on the balance sheet and not recognized in the statements of operations	**49**	80

Notes: 1. Exposure is to equity shares issued by both domestic and overseas companies.
2. No stocks included in this table are fund-raising instruments of other financial institutions that the Bank holds deliberately, as specified in the Notification Regarding Capital Adequacy, Article 20-1-1.

Unrealized Gains (Losses) Not Recognized on Non-Consolidated Balance Sheets or Non-Consolidated Statements of Income

Not applicable

Amount Included in Supplementary Capital (Tier II) Under Stipulations of the Notification Regarding Capital Adequacy, Article 18-1-1

(Billions of yen)

Item	**As of September 30, 2010**	As of September 30, 2009
Amount included in supplementary capital under the stipulations of the Notification Regarding Capital Adequacy, Article 18-1-1	**—**	—

Note: "Amount included in supplementary capital under the stipulations of the Notification Regarding Capital Adequacy, Article 18-1-1" is 45% of the total value of exposure to equity and other investments (excluding equities, etc., that are fund-raising instruments of other financial institutions that the Bank holds deliberately, as specified in the Notification Regarding Capital Adequacy, Article 20-1-1) classified under other securities at market value, minus the total book value of these securities.

Equity Exposure Subject to Treatment Under the Notification Regarding Capital Adequacy, Appendix Article 13

(Billions of yen)

Classification	**As of September 30, 2010**	As of September 30, 2009
	Amounts on the balance sheets	**Amounts on the balance sheets**
Equity exposure subject to treatment under the Notification Regarding Capital Adequacy, Appendix Article 13	**342**	395
Corporate	**311**	362
Bank	**25**	27
Sovereign	**5**	5

Note: Appendix Article 13 of the Notification Regarding Capital Adequacy specifies provisional methods for calculating the value of credit risk assets in exposure to equity and other investments that meets certain specified standards.

Amount of Exposure Subject to Risk-Weighted Asset Calculation for Investment Fund

(Billions of yen)

Classification	As of September 30, 2010		As of September 30, 2009	
	Exposure	(For reference) Weighted-average risk weight	Exposure	(For reference) Weighted-average risk weight
Look-through approach	**15,298**	**52%**	13,303	66%
Majority approach	**478**	**310%**	486	348%
Mandate approach	**—**	**—**	—	—
Market-based approach	**1,533**	**251%**	1,604	247%
Others (simple approach)	**259**	**469%**	244	468%
Total	**17,569**	**79%**	15,639	97%

Notes: 1. The "Look-through approach" is a method for computing the risk-weighted assets in fund by totaling the amount of risk-weighted assets for credit risk in individual asset categories. (Please refer to Notification Regarding Capital Adequacy, Article 144-1.)

2. The "Majority approach" is a method for computing the risk-weighted assets in fund by applying risk weight to the fund as well as equity exposure when the exposure of equity, in terms of value, is major in a fund. (Please refer to the Notification Regarding Capital Adequacy, Article 144-2.)

3. The "Mandate approach" is a method for computing the risk-weighted assets in fund where only the investment mandate of the fund is known. The risk-weighted assets are computed as follows; It is assumed that the fund first invests, to the maximum extent allowed under its mandate, in the asset classes attracting the highest capital requirement, and then continues making investments in descending order until the maximum total investment level is reached. (Please refer to the Notification Regarding Capital Adequacy, Article 144-3.)

4. The "Market-based approach" is a method for computing the credit risk of exposure regarded as credit risk assets using the Bank's internal model (which is a value-at-risk (VaR) model based on the historical simulation method). (Please refer to the Notification Regarding Capital Adequacy, Article 144-4.)

5. The "Others (simple approach)" is a method for computing the risk-weighted assets in fund by applying risk weight of 400%, when it is judged the probability that the weighted-average risk weight will be less than 400%. In all other cases, risk weight of 1,250% is applied to funds. (Please refer to the Notification Regarding Capital Adequacy, Article 144-5.)

6. (For reference) Weighted-average risk weight = {Total risk-weighted assets + (Expected losses + Deductions from capital) / 8%} / EAD

10. Interest-Rate Risk (Non-Consolidated)

(Interest-rate risk (excluding trading account) is the gain or loss from interest-rate shocks or the increase or decrease in economic value used for internal management purposes.)

Interest-Rate Risk Volume Computed with the Internal Model in Core Business Accounts (The Banking Accounts)

(Billions of yen)

Classification	As of September 30, 2010	As of September 30, 2009
Interest-rate risk	**1,573**	1,148
Yen interest-rate risk	**32**	(70)
U.S. dollar interest-rate risk	**1,427**	1,074
Euro interest-rate risk	**112**	139
Interest-rate risk in other currencies	**1**	4

Note: Regarding core deposits, since the balances of deposits, etc., without maturity dates are limited, the Bank does not currently measure their risk volume. In addition, regarding repayments of mortgage-backed securities and callable securities before maturity, risk volume is measured after taking account of negative convexity and option vega due to call conditions and other factors.

The Norinchukin Bank