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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

Progress in Initiatives under the Business Renewal Plan

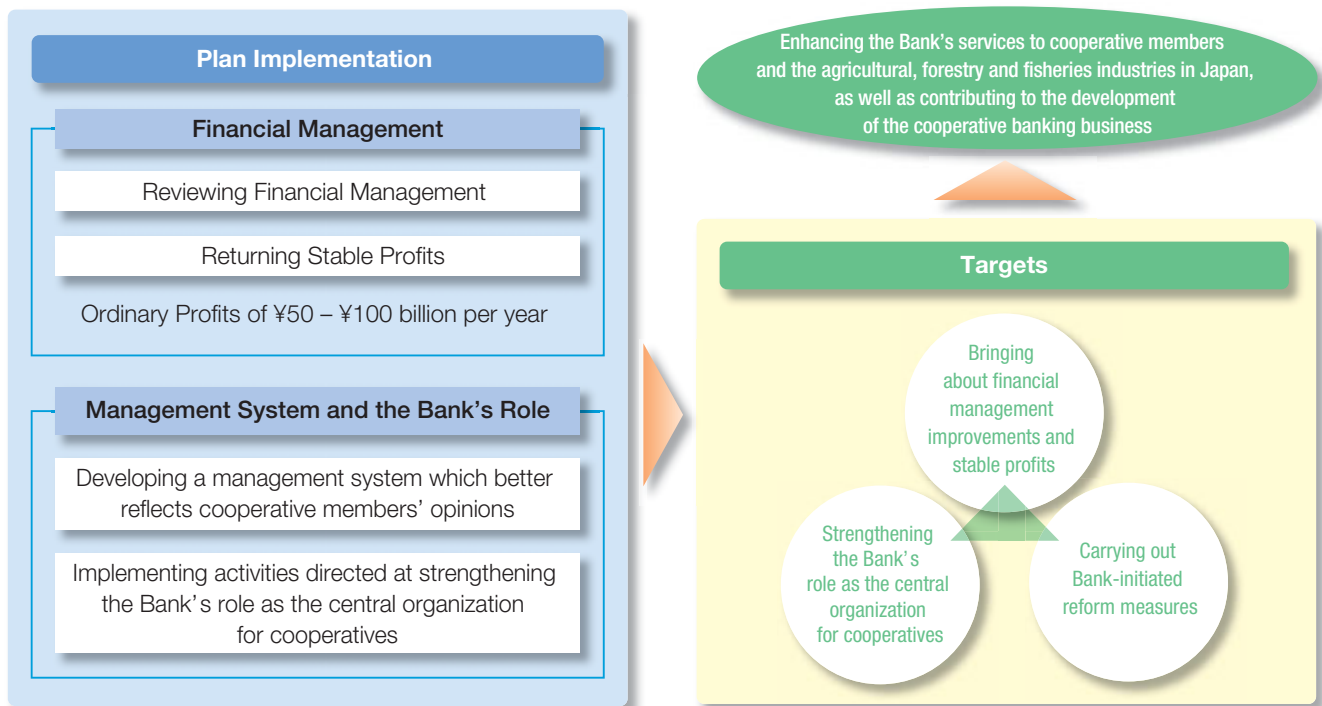
Business Renewal Plan

◆ 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	15.65%	19.26%	21.85%
[Tier I Ratio]	[9.61%]	[13.88%]	[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

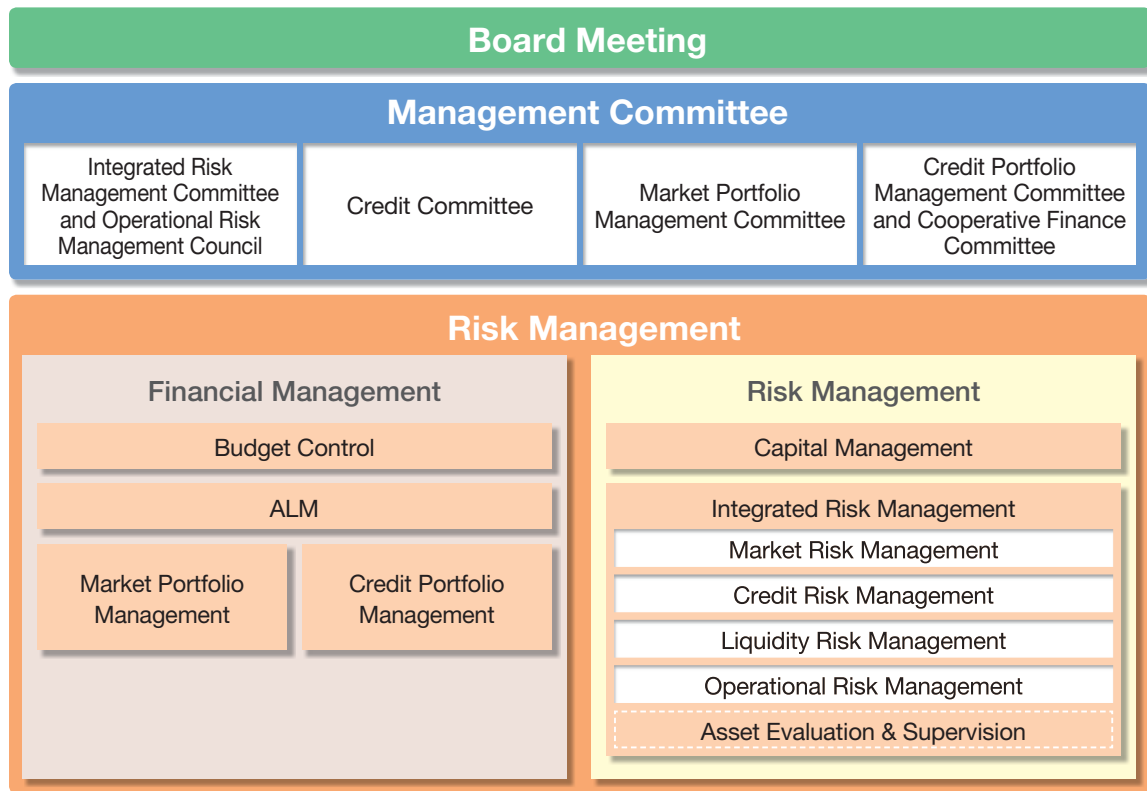
We maintain suitable capital adequacy levels while giving due consideration to safe financial management and the strengths of particular business models. We also maintain a high level of capital adequacy in anticipation of severe future stress and a tougher regulatory environment.

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.

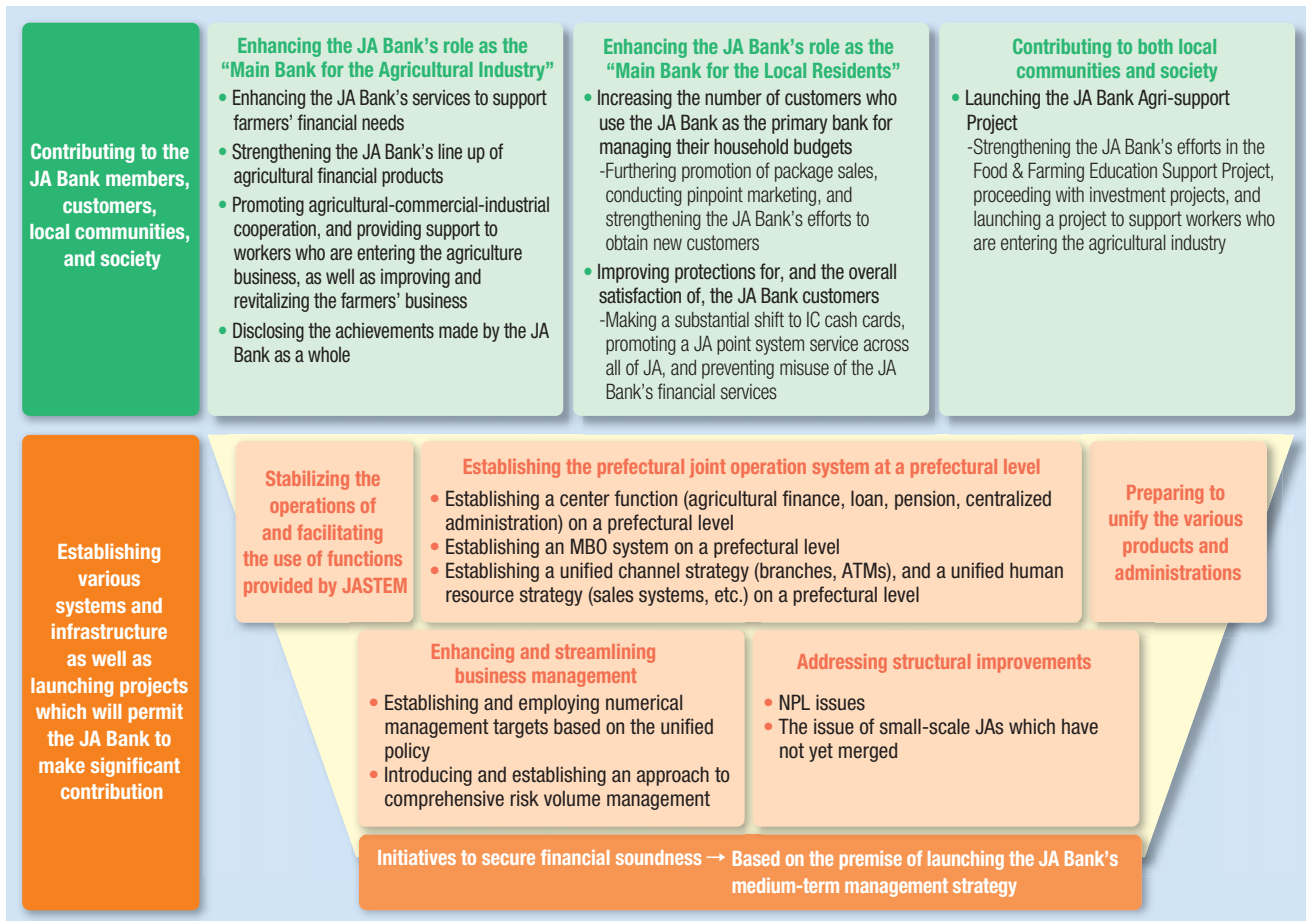
Leveraging its distinction of being the nationwide organization for cooperatives, the Bank is conducting business matching between members, producers in the agricultural, forestry and fisheries industries, and enterprises. Contracts have been signed for various projects, including corporate participation 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)



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

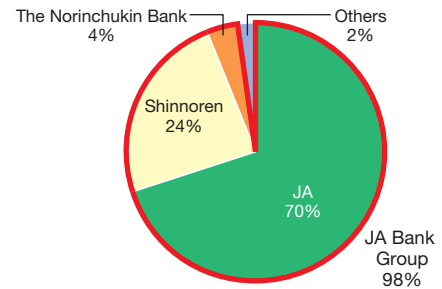
(Billions of Yen)

	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.

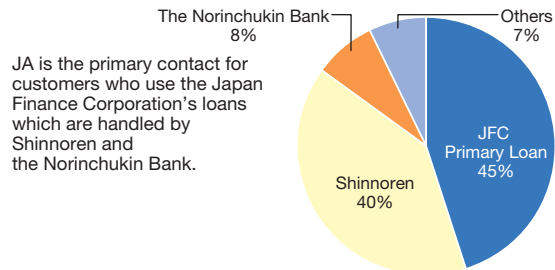
Outstanding Balance of the Agricultural Modernization Loan



As of December 31, 2009

Source: Ministry of Agriculture, Forestry and Fisheries of Japan

The Share of Lending Japan Finance Corporation's Agricultural Loans

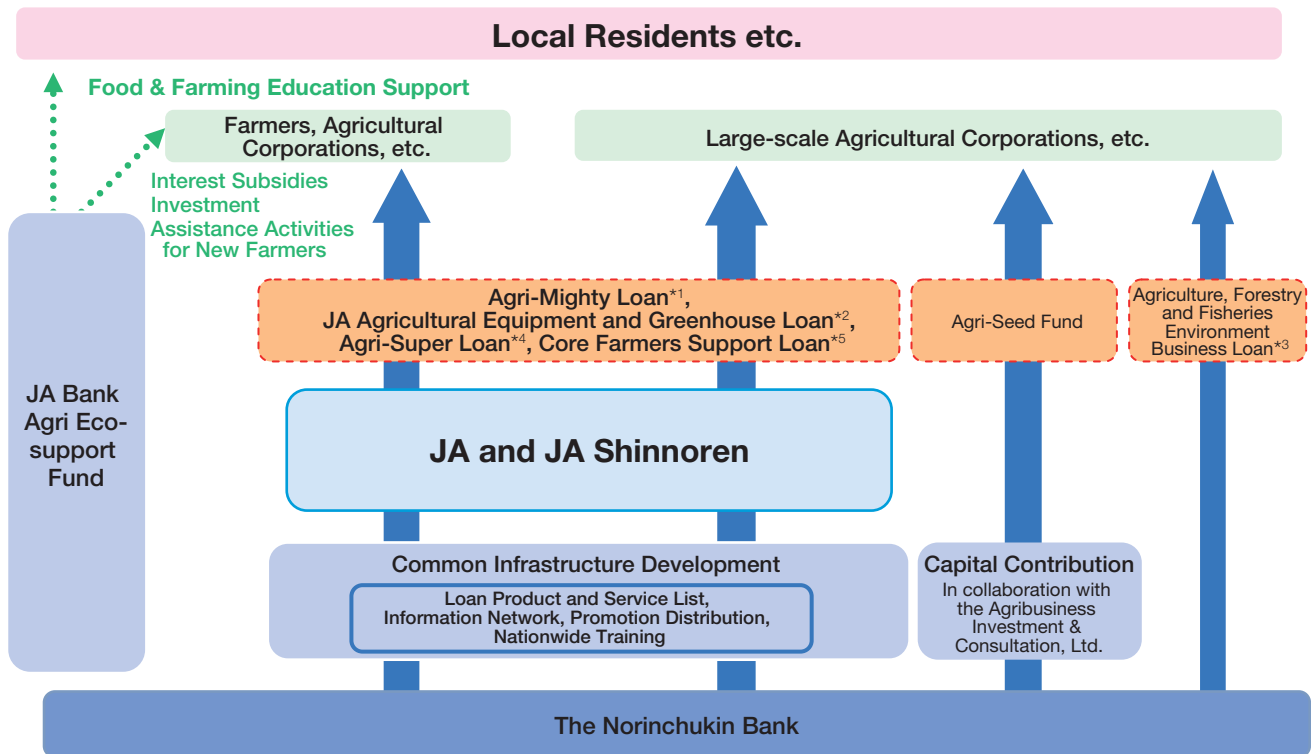


As of March 31, 2010

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

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

► 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 Review (Consolidated & Non-Consolidated)

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.