

Financial Statements for the First Quarter of Fiscal 2013

Name : **The Norinchukin Bank**

(URL <http://www.nochubank.or.jp/>)

Name of the President: Yoshio Kono, President & Chief Executive Officer

The Person Responsible for Inquiries : Shinichiro Nakano, General Manager of Financial Planning & Control Division

(Note) Amounts less than one million Yen are rounded down.

1 Consolidated Financial Results for the First Quarter of Fiscal 2013 (for the three months ended June 30, 2013)

(1) Consolidated Results of Operations (Accumulated Period)

(Percentage represents change from the same period of the preceding year)

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1Q Fiscal 2013	358,363	18.1	133,153	43.4	102,762	20.7
1Q Fiscal 2012	303,452	(11.6)	92,824	(20.4)	85,166	(3.9)

(Note) Comprehensive Income for 1Q Fiscal 2013 (330,962) millions of Yen $-$ % for 1Q Fiscal 2012 18,729 millions of Yen (91.4%)

(2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1Q Fiscal 2013	84,118,105	5,385,294	6.4
Fiscal 2012	81,496,808	5,767,273	7.1

(Ref) Net Assets – Minority Interests for 1Q Fiscal 2013 5,378,870 millions of Yen for Fiscal 2012 5,760,912 millions of Yen

(Note) Net Assets Ratio is computed by dividing (Net Assets – Minority Interests) by Total Assets.

※ Notes

(1) Changes in Significant Subsidiaries during the Period

(Changes in specified subsidiaries in accordance with changes in the scope of consolidation) : None

(2) Adoption of Specified Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements

: None

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

- ① Changes in Accounting Policies due to revisions of Accounting Standards : None
- ② Changes in Accounting Policies other than ① above : None
- ③ Changes in Accounting Estimates : None
- ④ Restatements : None

2 Non-consolidated Financial Results for the First Quarter of Fiscal 2013 (for the three months ended June 30, 2013)

(1) Non-consolidated Results of Operations (Accumulated Period)

(Percentage represents change from the same period of the preceding year)

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1Q Fiscal 2013	353,497	18.2	131,107	41.4	101,332	18.6
1Q Fiscal 2012	299,096	(11.8)	92,710	(20.7)	85,415	(4.2)

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1Q Fiscal 2013	83,456,956	5,351,033	6.4
Fiscal 2012	80,861,096	5,734,984	7.1

(Ref) Net Assets for 1Q Fiscal 2013 5,351,033 millions of Yen for Fiscal 2012 5,734,984 millions of Yen

(Note) Net Assets Ratio is computed by dividing the Net Assets by the Total Assets.

Note on the implementation status of the Quarterly Review Procedure

This report is out of the scope of the external auditor's quarterly review procedure which is implemented on a voluntary basis on the consolidated financial statements for the period. The quarterly review process has not been completed yet, as of the disclosure date.

Qualitative Information and Financial Statements

1 Qualitative information relating to the Financial Results for the First Quarter of Fiscal 2013

(1) Qualitative information relating to the Non-consolidated Results of Operations

The Norinchukin Bank ("the Bank") has been managing operations to secure steady accumulation of interest income and the non-consolidated interest income of the Bank totaled to ¥104.3 billion, up ¥32.8 billion on a year-over-year basis.

The results of total credit cost were ¥0.7 billion in net earnings mainly from the reversal of the reserve due to the decrease of credit risk assets.

As for the results of securities investments, the net gains on sales increased by ¥11.1 billion to ¥22.9 billion on a year-over-year basis, and the expenses of provisions and impairments for price-decline of securities and other reasons improved by ¥6.0 billion to ¥0.2 billion in net earnings on a year-over-year basis.

As a result, with all of the factors mentioned above, the Bank recorded ¥131.1 billion in Ordinary Profits, up ¥38.3 billion and ¥101.3 billion in Net Income for the First Quarter of Fiscal 2013, up ¥15.9 billion on a year-over-year basis, respectively. The Bank's net operating profits stood at ¥93.8 billion.

(2) Qualitative information relating to the Non-consolidated Financial Conditions

Total Assets of the Bank at the end of the period increased by ¥2,595.8 billion to ¥83,456.9 billion from the previous fiscal year-end. Total Net Assets at the end of the period decreased by ¥383.9 billion to ¥5,351.0 billion from the previous fiscal year-end.

As to the balances of the major accounts on the assets side, Loans and Bills Discounted at the end of the period increased by ¥532.4 billion to ¥16,660.1 billion from the previous fiscal year-end. Securities at the end of the period decreased by ¥294.6 billion to ¥49,777.7 billion from the previous fiscal year-end. For those on the liabilities side, Deposits at the end of the period increased by ¥985.5 billion to ¥48,441.9 billion, and Debentures at the end of the period decreased by ¥166.4 billion to ¥4,452.7 billion from the previous fiscal year-end, respectively.

The Bank's shares in the consolidated financial statements are extremely high.

Consolidated Total Assets at the end of the period increased by ¥2,621.2 billion to ¥84,118.1 billion from the previous fiscal year-end. Consolidated Ordinary Profits for the period were ¥133.1 billion, up ¥40.3 billion on a year-over-year basis and consolidated Net Income for the period was ¥102.7 billion, up ¥17.5 billion on a year-over-year basis.

2 Other information

(1) Changes in Significant Subsidiaries during the Period

None

(2) Adoption of Specified Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements

None

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements of Quarterly Consolidated Financial Statements

None

3 Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of Yen)

	As of March 31, 2013	As of June 30, 2013
(Assets)		
Loans and Bills Discounted	16,224,595	16,756,267
Foreign Exchange Assets	268,750	218,393
Securities	50,045,795	49,753,577
Money Held in Trust	6,892,281	6,567,296
Trading Assets	36,602	8,814
Monetary Claims Bought	179,373	179,517
Call Loans and Bills Bought	1,527,128	759,146
Receivables under Securities Borrowing Transactions	-	551,043
Cash and Due from Banks	4,419,087	8,020,414
Other Assets	1,251,733	619,732
Tangible Fixed Assets	109,541	108,160
Intangible Fixed Assets	33,424	30,895
Deferred Tax Assets	2,119	1,820
Customers' Liabilities for Acceptances and Guarantees	688,399	721,543
Reserve for Possible Loan Losses	(175,959)	(173,524)
Reserve for Possible Investment Losses	(6,065)	(4,993)
Total Assets	81,496,808	84,118,105
(Liabilities)		
Deposits	47,442,849	48,434,802
Negotiable Certificates of Deposit	2,397,290	3,054,981
Debentures	4,606,940	4,440,205
Bonds	50,000	50,000
Trading Liabilities	10,139	7,816
Borrowed Money	1,779,106	2,042,865
Call Money and Bills Sold	452,214	636,437
Payables under Repurchase Agreements	12,349,745	12,281,435
Payables under Securities Lending Transactions	6,129	145,308
Foreign Exchange Liabilities	78	1
Short-term Entrusted Funds	4,235,124	5,120,270
Other Liabilities	1,286,866	1,511,929
Reserve for Bonus Payments	6,747	3,403
Reserve for Employees' Retirement Benefits	11,414	10,828
Reserve for Directors' Retirement Benefits	1,032	940
Deferred Tax Liabilities	395,295	259,876
Deferred Tax Liabilities for Land Revaluation	10,158	10,161
Acceptances and Guarantees	688,399	721,543
Total Liabilities	75,729,534	78,732,810
(Net Assets)		
Paid-in Capital	3,425,909	3,425,909
Capital Surplus	25,020	25,020
Retained Earnings	1,130,521	1,182,277
Treasury Preferred Stock	(150)	(150)
Total Owners' Equity	4,581,301	4,633,057
Net Unrealized Gains on Other Securities	1,267,652	757,854
Net Deferred Losses on Hedging Instruments	(105,743)	(29,748)
Revaluation Reserve for Land	17,723	17,720
Foreign Currency Transaction Adjustments	(20)	(13)
Total Accumulated Other Comprehensive Income	1,179,611	745,812
Minority Interests	6,361	6,424
Total Net Assets	5,767,273	5,385,294
Total Liabilities and Net Assets	81,496,808	84,118,105

(2) Consolidated Statements of Operations and Comprehensive Income

Consolidated Statement of Operations

(Millions of Yen)

	For the three months ended June 30, 2012	For the three months ended June 30, 2013
Ordinary Income	303,452	358,363
Interest Income	201,769	234,689
Interest on Loans and Bills Discounted	19,898	18,200
Interest and Dividends on Securities	179,652	211,660
Fees and Commissions	6,090	5,189
Trading Income	325	12
Other Operating Income	33,977	61,674
Other Ordinary Income	61,290	56,798
Ordinary Expenses	210,627	225,210
Interest Expenses	143,309	141,955
Interest on Deposits	8,516	8,613
Fees and Commissions	2,825	3,428
Trading Expenses	119	317
Other Operating Expenses	23,189	42,966
General and Administrative Expenses	35,836	30,974
Other Ordinary Expenses	5,347	5,567
Ordinary Profits	92,824	133,153
Extraordinary Profits	1,082	-
Extraordinary Losses	50	144
Income before Income Taxes and Minority Interests	93,856	133,008
Income Taxes - Current	6,055	468
Income Taxes - Deferred	2,672	29,710
Total Income Taxes	8,728	30,178
Income before Minority Interests	85,127	102,830
Minority Interests in Net Income (Loss)	(38)	67
Net Income	85,166	102,762

Consolidated Statement of Comprehensive Income

(Millions of Yen)

	For the three months ended June 30, 2012	For the three months ended June 30, 2013
Income before Minority Interests	85,127	102,830
Other Comprehensive Income	(66,398)	(433,792)
Net Unrealized Gains (Losses) on Other Securities	(29,248)	(510,091)
Net Deferred Gains (Losses) on Hedging Instruments	(36,860)	75,797
Revaluation Reserve for Land	-	(3)
Foreign Currency Transaction Adjustments	(4)	7
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	(284)	496
Total Comprehensive Income	18,729	(330,962)
Attributable to:		
Owners of the Parent	18,785	(331,035)
Minority Interests	(56)	72

4 Quarterly Non-Consolidated Financial Statements

(1) Non-consolidated Balance Sheet

(Millions of Yen)

	As of March 31, 2013	As of June 30, 2013
(Assets)		
Loans and Bills Discounted	16,127,677	16,660,147
Foreign Exchange Assets	268,750	218,393
Securities	50,072,352	49,777,734
Money Held in Trust	6,891,232	6,566,306
Trading Assets	36,602	8,814
Monetary Claims Bought	179,373	179,517
Call Loans	1,527,128	759,146
Receivables under Securities Borrowing Transactions	–	551,043
Cash and Due from Banks	4,403,890	8,005,622
Other Assets	1,248,265	616,205
Tangible Fixed Assets	107,435	106,080
Intangible Fixed Assets	32,187	29,629
Customers' Liabilities for Acceptances and Guarantees	142,169	151,533
Reserve for Possible Loan Losses	(170,847)	(168,779)
Reserve for Possible Investment Losses	(5,120)	(4,439)
Total Assets	80,861,096	83,456,956
(Liabilities)		
Deposits	47,456,419	48,441,927
Negotiable Certificates of Deposit	2,397,290	3,054,981
Debentures	4,619,200	4,452,715
Trading Liabilities	10,139	7,816
Borrowed Money	1,772,106	2,037,865
Call Money	452,214	636,437
Payables under Repurchase Agreements	12,349,745	12,281,435
Payables under Securities Lending Transactions	6,129	145,308
Foreign Exchange Liabilities	78	1
Short-term Entrusted Funds	4,235,124	5,120,270
Other Liabilities	1,263,850	1,492,773
Reserve for Bonus Payments	5,382	2,665
Reserve for Retirement Benefits	10,084	9,495
Reserve for Directors' Retirement Benefits	722	657
Deferred Tax Liabilities	395,295	259,876
Deferred Tax Liabilities for Land Revaluation	10,158	10,161
Acceptances and Guarantees	142,169	151,533
Total Liabilities	75,126,111	78,105,923
(Net Assets)		
Paid-in Capital	3,425,909	3,425,909
Capital Surplus	25,020	25,020
Retained Earnings	1,104,386	1,154,712
Total Owners' Equity	4,555,316	4,605,643
Net Unrealized Gains on Other Securities, net of taxes	1,267,564	757,492
Net Deferred Losses on Hedging Instruments, net of taxes	(105,620)	(29,823)
Revaluation Reserve for Land, net of taxes	17,723	17,720
Total Valuation and Translation Adjustments	1,179,667	745,389
Total Net Assets	5,734,984	5,351,033
Total Liabilities and Net Assets	80,861,096	83,456,956

(2) Non-consolidated Statement of Operations

(Millions of Yen)

	For the three months ended June 30, 2012	For the three months ended June 30, 2013
Ordinary Income	299,096	353,497
Interest Income	201,742	235,180
Interest on Loans and Bills Discounted	18,925	17,255
Interest and Dividends on Securities	180,602	213,098
Fees and Commissions	3,092	3,244
Trading Income	325	12
Other Operating Income	33,539	61,201
Other Ordinary Income	60,396	53,859
Ordinary Expenses	206,385	222,390
Interest Expenses	143,295	141,943
Interest on Deposits	8,516	8,613
Fees and Commissions	2,568	3,032
Trading Expenses	119	317
Other Operating Expenses	23,188	42,959
General and Administrative Expenses	31,978	28,653
Other Ordinary Expenses	5,235	5,484
Ordinary Profits	92,710	131,107
Extraordinary Profits	1,078	-
Extraordinary Losses	50	144
Income before Income Taxes	93,738	130,962
Income Taxes - Current	5,811	229
Income Taxes - Deferred	2,511	29,399
Total Income Taxes	8,322	29,629
Net Income	85,415	101,332