November 20, 2015

Financial Statements for the First Half of Fiscal 2015

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 : Shigeo Miyachi, General Manager of Financial Planning & Control Division

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

1 Consolidated Financial Results for the First Half of Fiscal 2015 (for the six months ended September 30, 2015)

(1) Consolidated Results of Operations

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

	Ordinary Income		Ordinary Profits		Profit Attributable to Owners of Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1H Fiscal 2015	706,816	1.1	263,383	(3.9)	215,280	1.2
1H Fiscal 2014	698,764	12.3	274,258	83.8	212,616	76.4

(Note) Comprehensive Income for 1H Fiscal 2015 (275,568) millions of Yen —% for 1H Fiscal 2014 523,797 millions of Yen —%

(2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1H Fiscal 2015	99,546,465	7,000,351	7.0
Fiscal 2014	94,549,729	7,308,134	7.7

(Ref) Net Assets – Non-controlling Interests for 1H Fiscal 2015 6,992,865 millions ofYen for Fiscal 2014 7,300,839 millions of Yen

(Note) Net Assets Ratio is computed by dividing (Net Assets — Non-controlling Interests) by Total Assets.
Net Assets Ratio above is not the one calculated 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).

※ Notes

(1) Changes in Significant Subsidiaries during the Period
(Changes in specified subsidiaries in accordance with changes in the scope of consolidation) : None

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

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

(Note) The details are reported in “Changes in Accounting Policies ” (page 14).

2 Non-consolidated Financial Results for the First Half of Fiscal 2015 (for the six months ended September 30, 2015)

(1) Non-consolidated Results of Operations

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

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1H Fiscal 2015	698,468	0.6	260,373	(5.2)	213,771	(0.2)
1H Fiscal 2014	694,111	13.4	274,700	91.3	214,212	84.9

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1H Fiscal 2015	98,550,141	6,924,652	7.0
Fiscal 2014	93,618,444	7,231,802	7.7

(Ref) Net Assets for 1H Fiscal 2015 6,924,652 millions of Yen for Fiscal 2014 7,231,802 millions of Yen

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

Net Assets Ratio above is not the one calculated 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).

Note on the implementation status of the Semi-annual Audit Procedure

This report is out of the scope of the external auditor's semi-annual audit procedure. The procedure of the semi-annual audit which is implemented on a voluntary basis on the consolidated and non-consolidated financial statements for the period was completed as of the disclosure date.

Qualitative Information

Qualitative information relating to the Financial Results for the First Half of Fiscal 2015

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

Looking back at the financial markets of the first half of fiscal 2015, in the developed countries, mainly the United States, a moderate economic recovery continued. Long term interest rates which rose globally at the beginning of the period, after the Chinese yuan devaluation, moved in downward trend due to growing concern over Chinese economy and FOMC's decision to keep interest rate unchanged. Stock prices globally declined under the influence of Greek situation and sudden drop in China and other emerging countries, though they moved up steadily at first. In exchange rate, the yen which had been weakening against U.S. dollar, subsequently turned strong toward the end of the period due to unchanged interest rate in the United States and downward revision of assessments of the policy interest rate.

Under such earning environments, 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 ¥263.5 billion, up ¥9.3 billion on a year-over-year basis.

The total credit costs were ¥1.9 billion in net earnings mainly from the reversal of the reserve due to the decline of loan loss reserve ratio.

As for securities investments, net gains/losses on sales were net gains of ¥11.8 billion, improved ¥21.9 billion on a year-over-year basis and the expenses of provisions and impairments for price-decline of securities and other reasons improved by ¥0.8 billion to ¥0.7 billion in net earnings on a year-over-year basis.

As a result, with all of the factors mentioned above, the Bank recorded ¥260.3 billion in Ordinary Profits, down ¥14.3 billion, and ¥213.7 billion in Net Income for the first half of fiscal 2015, down ¥0.4 billion on a year-over-year basis, respectively. The Bank's net operating profits stood at ¥213.2 billion.

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

Total Assets of the Bank at the end of the period increased by ¥4,931.6 billion to ¥98,550.1 billion from the previous fiscal year-end. Total Net Assets at the end of the period decreased by ¥307.1 billion to ¥6,924.6 billion from the previous fiscal year-end.

As to the balances of major accounts on the assets side, Loans and Bills Discounted at the end of the period decreased by ¥923.3 billion to ¥19,012.4 billion from the previous fiscal year-end, and Securities at the end of the period increased by ¥327.6 billion to ¥60,066.2 billion from the previous fiscal year-end. For those on the liabilities side, Deposits at the end of the period increased by ¥1,338.2 billion to ¥54,824.3 billion, and Debentures at the end of the period decreased by ¥189.8 billion to ¥3,374.4 billion from the previous fiscal year-end, respectively.

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

Consolidated Total Assets at the end of the period increased by ¥4,996.7 billion to ¥99,546.4 billion from the previous fiscal year-end. Consolidated Ordinary Profits for the period were ¥263.3 billion, down ¥10.8 billion on a year-over-year basis and consolidated Profit Attributable to Owners of Parent for the period was ¥215.2 billion, up ¥2.6 billion on a year-over-year basis.

(Note) All the amounts shown in this document are rounded down.

List of Group Companies

(As of September 30, 2015)

Company Name	Address	Nature of Business	Date of Establishment	Capital Percentage of Voting Rights (%)
The Norinchukin Trust & Banking Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Trust & Banking	August 17, 1995	¥20,000 million 100.00
Norinchukin Value Investments Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Investment Advisory Services	October 2, 2014	¥400 million 100.00 (30.00)
Norinchukin Research Institute Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Research	March 25, 1986	¥300 million 100.00
Norinchukin Facilities Co., Ltd.	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo, Japan	Building Management & Facility Management	August 6, 1956	¥197 million 100.00
Nochu Business Support Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Provider of various administrative services for The Norinchukin Bank	August 18, 1998	¥100 million 100.00
Norinchukin Academy Co., Ltd.	12-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo, Japan	Training	May 25, 1981	¥20 million 100.00
Kyodo Housing Loan Co., Ltd.	15-3, Chuocho 1-chome, Meguro-ku, Tokyo, Japan	Mortgage Loans & Housing Loan Guarantee	August 10, 1979	¥10,500 million 92.12
Nochu Information System Co., Ltd.	2-3, Toyosu 3-chome, Koto-ku, Tokyo, Japan	System Development & Maintenance	May 29, 1981	¥100 million 90.00
Norinchukin-Zenkyoren Asset Management Co., Ltd.	7-9, Hirakawacho 2-chome, Chiyoda-ku, Tokyo, Japan	Asset Management & Investment Advice	September 28, 1993	¥3,420 million 50.91
Norinchukin Finance (Cayman) Limited	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	Issuances of Subordinated Bonds, Lending of Subordinated Loans	August 30, 2006	US $50,000 100.00
Ant Capital Partners Co., Ltd.	2-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	Private Equity Investments & Fund Management	October 23, 2000	¥3,086 million 39.61
The Cooperative Servicing Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Management and Collection of Non-Performing Loans	April 11, 2001	¥500 million 37.96
JA MITSUI LEASING, LTD.	10-2, Higashi-Gotanda 2-chome, Shinagawa-ku, Tokyo, Japan	Leasing Business	April 1, 2008	¥32,000 million 33.40
Daiichi Life Norinchukin Building Management Co., Ltd.	13-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo, Japan	Building Management	April 1, 1993	¥10 million 27.00
Gulf Japan Food Fund GP	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	Investments	July 29, 2015	— 20.10
JAML MRC Holding, Inc.	286 Madison Ave.,Suite 301, NewYork,NY,10017,USA	Investments	March 6, 2015	US $42million 20.00
The Agribusiness Investment & Consultation Co., Ltd.	1-12, Uchikanda 1-chome, Chiyoda-ku, Tokyo, Japan	Investment in Agricultural Corporations	October 24, 2002	¥4,070 million 19.97
Mitsubishi UFJ NICOS Co., Ltd.	14-1, Sotokanda 4-chome, Chiyoda-ku, Tokyo, Japan	Credit Card Business	June 7, 1951	¥109,312 million 15.01
Investment Limited Partnership for Renewable Energy in Agriculture, Forestry and Fisheries	13-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo, Japan	Investment in Renewable Energy Projects	April 30, 2014	¥121 million —
Daiichi Life Norinchukin Building Management Co., Ltd.	13-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo, Japan	Building Management	April 1, 1993	¥0 million 0.00

(Note) The percentage of voting rights in parentheses indirectly owned by The Norinchukin Bank.

Consolidated Financial Statements

Principles of Consolidated Financial Statements

1 Scope of Consolidation

(1) Consolidated subsidiaries 10 companies

Names of principal companies:

The Norinchukin Trust & Banking Co., Ltd.

Kyodo Housing Loan Co., Ltd.

(2) Unconsolidated subsidiaries 0 companies

2 Application of the Equity Method

(1) Affiliates which were accounted for by the equity method 8 companies

Names of principal companies:

JA MITSUI LEASING, LTD.

Mitsubishi UFJ NICOS Co., Ltd.

Newly established "JAML MRC Holding, Inc." and "Gulf Japan Food Fund GP" were included in the scope of application of the equity method from the first half of fiscal 2015.

Goodwill is amortized using the straight-line method over 20 years.

(2) Affiliates which were not accounted for by the equity method 1 company

Name of the company:

Daiichi Life Norinchukin Building Management Co., Ltd.

The equity method was not applied to the affiliate, since the impact of the affiliate on the consolidated financial statements was not material in terms of Net Income, Retained Earnings and Accumulated Other Comprehensive Income for the period.

3 The First Half of the Fiscal Year of Consolidated Subsidiaries

(1) The number of consolidated subsidiaries and their closing date of the first half of the fiscal year are as follows:

Closing date: September 30, 2015 Number of subsidiaries: 10

(2) Consolidated subsidiaries were consolidated based on their financial statements as of their respective closing dates.

Consolidated Financial Statements

Consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2014 (As of March 31, 2015)	First Half of Fiscal 2015 (As of September 30, 2015)
(Assets)		
Loans and Bills Discounted	20,038,143	19,116,471
Foreign Exchange Assets	202,946	175,656
Securities	59,723,905	60,051,746
Money Held in Trust	4,507,849	4,032,974
Trading Assets	10,099	8,111
Monetary Claims Bought	226,605	240,170
Call Loans and Bills Bought	569,902	531,542
Receivables under Resale Agreements	29,842	-
Receivables under Securities Borrowing Transactions	78,804	3,997
Cash and Due from Banks	7,297,692	13,419,037
Other Assets	881,872	907,551
Tangible Fixed Assets	110,386	108,755
Intangible Fixed Assets	20,947	19,970
Net Defined Benefit Asset	32,559	32,774
Deferred Tax Assets	2,014	2,055
Customers' Liabilities for Acceptances and Guarantees	936,504	1,009,824
Reserve for Possible Loan Losses	(118,132)	(112,747)
Reserve for Possible Investment Losses	(2,213)	(1,426)
Total Assets	94,549,729	99,546,465
(Liabilities)		
Deposits	53,474,106	54,813,370
Negotiable Certificates of Deposit	3,674,664	4,042,252
Debentures	3,552,811	3,363,431
Bonds	50,000	50,000
Trading Liabilities	6,717	6,879
Borrowed Money	2,441,513	2,534,790
Call Money and Bills Sold	475,000	448,598
Payables under Repurchase Agreements	17,707,639	20,723,250
Payables under Securities Lending Transactions	74,682	4,069
Foreign Exchange Liabilities	35	2
Short-term Entrusted Funds	2,612,780	3,440,017
Other Liabilities	1,348,589	1,422,900
Reserve for Bonus Payments	7,326	7,371
Net Defined Benefit Liability	16,349	16,099
Reserve for Directors' Retirement Benefits	1,064	1,023
Deferred Tax Liabilities	852,175	652,967
Deferred Tax Liabilities for Land Revaluation	9,633	9,263
Acceptances and Guarantees	936,504	1,009,824
Total Liabilities	87,241,595	92,546,113
(Net Assets)		
Paid-in Capital	3,425,909	3,471,460
Capital Surplus	25,020	25,020
Retained Earnings	1,576,096	1,714,830
Treasury Preferred Stock	(150)	(150)
Total Owners' Equity	5,026,876	5,211,161
Net Unrealized Gains on Other Securities	2,339,436	1,869,383
Net Deferred Losses on Hedging Instruments	(104,793)	(123,741)
Revaluation Reserve for Land	16,984	16,020
Foreign Currency Transaction Adjustments	23	24
Remeasurements of Defined Benefit Plans	22,311	20,015
Total Accumulated Other Comprehensive Income	2,273,963	1,781,703
Non-controlling Interests	7,294	7,486
Total Net Assets	7,308,134	7,000,351
Total Liabilities and Net Assets	94,549,729	99,546,465

Consolidated Statements of Operations and Comprehensive Income

(1)Consolidated Statement of Operations

(Millions of Yen)

	First Half of Fiscal 2014 (Six Months ended September 30, 2014)	First Half of Fiscal 2015 (Six Months ended September 30, 2015)
Ordinary Income	**698,764**	**706,816**
Interest Income	523,947	584,320
Interest on Loans and Bills Discounted	34,044	32,361
Interest and Dividends on Securities	480,398	543,467
Fees and Commissions	11,170	13,032
Trading Income	196	109
Other Operating Income	43,745	36,061
Other Ordinary Income	119,704	73,292
Ordinary Expenses	**424,506**	**443,432**
Interest Expenses	289,870	338,331
Interest on Deposits	14,632	17,015
Fees and Commissions	6,807	7,366
Trading Expenses	−	128
Other Operating Expenses	62,696	23,579
General and Administrative Expenses	62,569	66,226
Other Ordinary Expenses	2,561	7,800
Ordinary Profits	**274,258**	**263,383**
Extraordinary Profits	**−**	**76**
Extraordinary Losses	**324**	**1,223**
Income before Income Taxes	**273,934**	**262,237**
Income Taxes - Current	**47,291**	**57,904**
Income Taxes - Deferred	**13,753**	**(11,414)**
Total Income Taxes	**61,045**	**46,489**
Profit	**212,889**	**215,747**
Profit Attributable to Non-controlling Interests	**272**	**467**
Profit Attributable to Owners of Parent	**212,616**	**215,280**

(2)Consolidated Statement of Comprehensive Income

(Millions of Yen)

	First Half of Fiscal 2014 (Six Months ended September 30, 2014)	First Half of Fiscal 2015 (Six Months ended September 30, 2015)
Profit	**212,889**	**215,747**
Other Comprehensive Income	**310,908**	**(491,316)**
Net Unrealized Gains (Losses) on Other Securities	335,095	(470,057)
Net Deferred Gains (Losses) on Hedging Instruments	(23,506)	(18,954)
Revaluation Reserve for Land	(17)	–
Foreign Currency Transaction Adjustments	11	(0)
Remeasurements of defined benefit plans	(929)	(2,290)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	255	(14)
Total Comprehensive Income	**523,797**	**(275,568)**
Attributable to:		
Owners of the Parent	523,515	(276,014)
Non-controlling Interests	282	446

Consolidated Statement of Capital Surplus and Retained Earnings

(Millions of Yen)

	First Half of Fiscal 2014 (Six Months ended September 30, 2014)	First Half of Fiscal 2015 (Six Months ended September 30, 2015)
(Capital Surplus)		
Balance at the Beginning of the Fiscal Year	**25,020**	**25,020**
Additions:	–	–
Deductions:	–	–
Balance at the End of the Period	**25,020**	**25,020**
(Retained Earnings)		
Balance at the Beginning of the Fiscal Year	**1,236,359**	**1,576,096**
Cumulative Effects of Changes in Accounting Policies	(4,455)	–
Restated Balance	**1,231,904**	**1,576,096**
Additions:	**212,800**	**216,244**
Net Income	212,616	215,280
Transfer from Revaluation Reserve for Land	183	964
Deductions:	**66,712**	**77,510**
Dividends	66,712	77,510
Balance at the End of the Period	**1,377,991**	**1,714,830**

Consolidated Statement of Cash Flows

(Millions of Yen)

	First Half of Fiscal 2014 (Six Months ended September 30, 2014)	First Half of Fiscal 2015 (Six Months ended September 30, 2015)
Ⅰ Cash Flows from Operating Activities:		
Income before Income Taxes	273,934	262,237
Depreciation	10,242	9,290
Losses on Impairment of Fixed Assets	167	113
Equity in Losses (Earnings) of Affiliates	(4,988)	(5,271)
Net Increase (Decrease) in Reserve for Possible Loan Losses	(17,545)	(5,385)
Net Increase (Decrease) in Reserve for Possible Investment Losses	(66)	(787)
Net Increase (Decrease) in Reserve for Bonus Payments	109	44
Net Decrease (Increase) in Net Defined Benefit Asset	(229)	(214)
Net Increase (Decrease) in Net Defined Benefit Liability	(489)	(249)
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	(186)	(41)
Interest Income	(523,947)	(584,320)
Interest Expenses	289,870	338,331
Losses (Gains) on Securities	(301)	(32,576)
Losses (Gains) on Money Held in Trust	(38,147)	(16,066)
Foreign Exchange Losses (Gains)	(1,589,498)	(233,962)
Losses (Gains) on Disposals of Fixed Assets	156	1,032
Net Decrease (Increase) in Trading Assets	5,891	1,988
Net Increase (Decrease) in Trading Liabilities	210	162
Net Decrease (Increase) in Loans and Bills Discounted	(1,635,412)	922,558
Net Increase (Decrease) in Deposits	1,769,535	1,339,157
Net Increase (Decrease) in Negotiable Certificates of Deposit	549,554	367,587
Net Increase (Decrease) in Debentures	(225,941)	(189,380)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	18,761	70,501
Net Decrease (Increase) in Interest-bearing Due from Banks	42,650	(242,849)
Net Decrease (Increase) in Call Loans and Bills Bought and Other	(115,965)	54,644
Net Decrease (Increase) in Receivable under Securities Borrowing Transactions	(215,899)	74,807
Net Increase (Decrease) in Call Money and Bills Sold and Other	3,236,720	2,989,209
Net Increase (Decrease) in Short-term Entrusted Funds	647,208	827,236
Net Increase (Decrease) in Payables under Securities Lending Transactions	83,451	(70,612)
Net Decrease (Increase) in Foreign Exchange Assets	(17,118)	27,289
Net Increase (Decrease) in Foreign Exchange Liabilities	36	(32)
Interest Received	549,790	590,460
Interest Paid	(143,269)	(177,137)
Other, Net	(15,941)	(82,924)
Subtotal	2,933,341	6,234,842
Income Taxes Paid	(2,437)	(91,034)
Net Cash Provided by (Used in) Operating Activities	**2,930,904**	**6,143,808**
Ⅱ Cash Flows from Investing Activities:		
Purchases of Securities	(4,442,625)	(3,704,003)
Proceeds from Sales of Securities	1,136,109	111,710
Proceeds from Redemption of Securities	3,718,359	2,888,870
Increase in Money Held in Trust	(24,580)	(19,159)
Decrease in Money Held in Trust	390,083	472,907
Purchases of Tangible Fixed Assets	(3,399)	(2,614)
Purchases of Intangible Fixed Assets	(5,150)	(3,253)
Proceeds from Sales of Tangible Fixed Assets	2,327	443
Proceeds from Sales of Intangible Fixed Assets	7	-
Payments for Transfer of Business	-	(780)
Net Cash Provided by (Used in) Investing Activities	**771,131**	**(255,880)**
Ⅲ Cash Flows from Financing Activities:		
Proceeds from Issuance of Subordinated Borrowed Money	-	22,775
Proceeds from Issuance of Stock	-	45,551
Dividends Paid	(66,712)	(77,510)
Dividends Paid to Non-controlling Shareholders	(164)	(253)
Net Cash Provided by (Used in) Financing Activities	**(66,877)**	**(9,438)**
Ⅳ Net Increase (Decrease) in Cash and Cash Equivalents	**3,635,157**	**5,878,489**
Ⅴ Cash and Cash Equivalents at the Beginning of the Fiscal Year	**4,667,602**	**6,202,122**
Ⅵ Cash and Cash Equivalents at the End of the Period	**8,302,759**	**12,080,612**

Notes to Consolidated Financial Statements

Amounts less than one million yen are rounded down.

Accounting Policies

(1) Trading Assets / Liabilities and Trading Income / Expenses

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 statement 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.

(2) Securities

a. 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. In principle, other securities 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.

b. Securities included in Money Held in Trust are valued using the same methods described in (1) and (2) a. above.

(3) Derivatives

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

(4) Depreciation

a. Tangible Fixed Assets (other than Lease Assets)

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. 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 over an estimated useful life of 5 years.

c. Lease Assets

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.

(5) Reserve for Possible Loan Losses

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 disposals of collateral or the execution of guarantees. 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 disposals of collateral or the execution of guarantees.

Reserve for loans to debtors with restructured loans (see Note 5. to Consolidated Balance Sheet below) 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.

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. 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.

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 ¥16,932 million at the end of the period.

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.

(6) 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.

(7) Reserve for Bonus Payments

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

(8) 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.

(9) Accounting Method for Retirement Benefits

In calculating retirement benefit obligations, the benefit formula basis is used for attributing expected retirement benefits to periods through September 30, 2015.

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 in which the difference has arisen.

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 has arisen.

Some of the Bank's consolidated subsidiaries, in calculating Net Defined Benefit Liability and retirement benefit cost, adopt the simplified method whereby the retirement benefit obligations are calculated at an amount that would be paid if all eligible employees voluntarily retired at the consolidated balance sheet date.

(10) 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.

(11) Hedge Accounting

a. Hedge of Interest Rate Risk

The Bank applies the deferral method of hedge accounting to the 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, issued on February 13, 2002). 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.

b. Hedge of Foreign Exchange Rate Risk

The Bank applies the deferral method of hedge accounting to the hedge transactions 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, issued on July 29, 2002). 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 deferral 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 statement 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.

(12) Scope of "Cash and Cash Equivalents" in 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 on the consolidated balance sheets.

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

(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 reversal from or transfer to Reserve for Tax Basis Adjustments of Fixed Assets by the disposal of Retained Earnings is made at the end of the fiscal year.

(Changes in Accounting Policies)

Adoption of "Accounting Standard for Business Combinations"

Effective from the beginning of the first half of fiscal 2015, the Bank has adopted the "Revised Accounting Standard for Business Combinations" (Accounting Standards Board of Japan ("ASBJ") Statement No.21, issued on September 13, 2013, hereinafter, the "Accounting Standard for Business Combinations"), "Revised Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No.22, issued on September 13, 2013, hereinafter, the

“Accounting Standard for Consolidation”) and “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No.7, issued on September 13, 2013, hereinafter, the “Accounting Standard for Business Divestitures”).

In applying these revised accounting standards, the accounting method was changed to record differences arising from changes in ownership interest in subsidiaries over which the Bank continues to control as Capital Surplus, and acquisition-related costs are recognized as expenses for the fiscal year in which incurred. Regarding a business combination occurring after the beginning of the first half of fiscal 2015, provisional amounts were retrospectively adjusted to reflect completion of the accounting for a business combination in the consolidated financial statements of the fiscal year in which the business combination occurred. In addition, the definition of Net Income was changed to include “Profit Attributable to Non-controlling Interest” and “Minority Interests” was renamed “Non-controlling Interests”. To reflect these changes in presentation, the consolidated financial statements and consolidated financial statements in the previous fiscal year have been reclassified.

Concerning the application of the Accounting Standard for Business Combinations and others, based on the provisional treatment set forth in Paragraph 58-2(4) of the Accounting Standard for Business Combinations, in Paragraph 44-5(4) of the Accounting Standard for Consolidation and in Paragraph 57-4(4) of the Accounting Standard for Business Divestitures, these changes are effective from the beginning of the first half of fiscal 2015.

These changes have no impact on the consolidated financial statements for the first half of fiscal 2015 except for the changes in presentation.

(Notes to Consolidated Balance Sheet)

1. Stocks and investments in affiliates ¥120,286 million

2. Securities include securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) of ¥566,835 million as of September 30, 2015.

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 held without re-pledge of ¥785,447 million as of September 30, 2015. No such securities are re-pledged or re-loaned to the third parties.

3. Loans and Bills Discounted include loans to borrowers under bankruptcy proceedings of ¥423 million and delinquent loans of ¥119,300 million.

Loans to borrowers under bankruptcy proceedings are loans (excluding the parts written-off for possible loan losses) stipulated in Article 96-1-3, 4 of Order for Enforcement of the Corporation Tax Act (Cabinet Order No.97, 1965) on which interest is placed on an no-accrual status (hereinafter referred to as “Non-accrual Loans”) since the loan principals and/or their pertaining interests are determined to be uncollectible considering the period of time past due and other reasons.

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.

4. Loans and Bills Discounted include those past due for three months or more of ¥165 million.

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.

5. Loans and Bills Discounted include restructured loans of ¥16,771 million.

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, except for the loans pertaining to 3 and 4 above.

6. The total amount of loans to borrowers under bankruptcy proceedings, delinquent loans, loans past-due for three months or more and restructured loans was ¥136,660 million.

The amounts of loans indicated in 3. to 6. above are amounts before deducting the reserves for possible loan losses.

7. Bills Discounted are treated as finance transactions based on the Japanese Institute of Certified Public Accountants ("JICPA") Industry Audit Committee Report No.24 (February 13, 2002). Based on the Report, the Bank has the right to appropriate freely deposited banker's acceptances, commercial notes, documentary bills, and purchased foreign exchange through sales or collateralization. The face value of the total Bills Discounted was ¥2,653 million.

8. Assets pledged as collateral consist of the followings:

Assets Pledged

Loans and Bills Discounted	¥10,515,447 million
Securities	¥23,055,628 million

Liabilities secured by the above assets are as follows:

Borrowed Money	¥916,855 million
Call Money	¥225,000 million
Payables under Repurchase Agreements	¥20,723,250 million
Payables under Securities Lending Transactions	¥4,069 million

In addition, Securities (including transactions of Money Held in Trust) of ¥6,930,976 million were pledged as collateral for settlement of exchange and derivative transactions or as margins of futures transactions.

Initial margins of futures markets of ¥1,017 million, cash collateral paid for financial instruments of ¥271,501 million and guarantee deposits of ¥16,729 million were included in Other Assets.

9. Commitments related to overdrafts and loans represent agreements to extend overdrafts or loans up to the 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 was ¥3,385,103 million as of September 30, 2015. The amount of undrawn commitments, which the Bank and its consolidated subsidiaries could cancel at any time without cause, was ¥2,233,293 million as of September 30, 2015.

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 overall financial conditions, 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. In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes was revaluated. Unrealized gains arising from 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.

Date of Revaluation	March 31, 1998
Revaluation Method	Reasonably calculated in accordance with the Appraisal methods stipulated in Article 2-5 of the enforcement ordinance for the Law Concerning the Revaluation of Land (No.119 effective as of March 31, 1998)

11. Accumulated Depreciation Deducted from Tangible Fixed Assets ¥94,955 million

12. Borrowed Money includes subordinated borrowings of ¥1,508,782 million which have a special agreement that requires the fulfillment of the payment obligations of such borrowing to be subordinated to other general liabilities. Above subordinated borrowing includes ¥1,410,566 million qualifying Tier 2 capital stipulated 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.

13. Bonds are subordinated bonds of ¥50,000 million.

14. The amount of guaranteed obligations for corporate bonds acquired through private offerings (as in Article 2-3 Financial Instruments and Exchange Law) among those classified as corporate bonds in Securities was ¥3,300 million.

(Note to Consolidated Statement of Operations)

Other Ordinary Income includes Reversal of Reserve for Possible Loan Losses of ¥3,172 million, Gains on Sales of Stocks of ¥3,394 million and Gains on Money Held in Trust of ¥59,645 million.

(Notes to Consolidated Statement of Cash Flows)

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

Cash and Due from Banks	¥13,419,037 million
Less: Interest-bearing Due from Banks	¥(1,338,425)million
Cash and Cash Equivalents at the end of the period	¥12,080,612 million

(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, 2015 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)

	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Loans and Bills Discounted	19,116,471		
Reserve for Possible Loan Losses(※1)	(109,302)		
	19,007,169	19,031,060	23,891
(2) Securities			
Held-to-Maturity Debt Securities	18,221,226	18,345,694	124,467
Other Securities	41,246,834	41,246,834	—
(3) Money Held in Trust(※1)			
Money Held in Trust for Trading Purposes	6,399	6,399	—
Other Money Held in Trust	4,026,228	4,035,033	8,805
(4) Trading Assets(※2)			
Trading Securities	516	516	—
(5) Monetary Claims Bought	240,170	240,397	226
(6) Call Loans and Bills Bought	531,542	531,542	—
(7) Cash and Due from Banks	13,419,037	13,419,037	—
Total Assets	96,699,124	96,856,516	157,391
(1) Deposits	54,813,370	54,813,378	7
(2) Negotiable Certificates of Deposit	4,042,252	4,042,252	—
(3) Debentures	3,363,431	3,372,618	9,186
(4) Borrowed Money	2,534,790	2,534,790	—
(5) Call Money and Bills Sold	448,598	448,598	—
(6) Payables under Repurchase Agreements	20,723,250	20,723,250	—
(7) Short-term Entrusted Funds	3,440,017	3,440,017	—
Total Liabilities	89,365,711	89,374,905	9,194
Derivative Instruments (※3)			
Transactions not Accounted for as Hedge Transactions	(7,897)	(7,897)	—
Transactions Accounted for as Hedge Transactions	(21,844)	(21,844)	—
Total Derivative Instruments	(29,742)	(29,742)	—

(※) 1 Loans and Bills Discounted and Money Held in Trust are net of Reserve for Possible Loan Losses. Money Held in Trust is 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) 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 maturities, interest rates and other terms.

(2) 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 following "Securities."

(3) 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 (1) and (2) above.

Relevant notes concerning the fair value of Money Held in Trust of each classification are described in following "Money Held in Trust."

(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) Monetary Claims Bought

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

(6) Call Loans and Bills Bought

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

(7) 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, etc.

Liabilities

(1) Deposits

With respect to demand deposits, the amounts payable on demand as of the consolidated balance sheet date (the carrying value) are estimated at fair value. The carrying value of Time Deposits 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. As for Time Deposits with fixed rates, 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) 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. As for Borrowed Money with fixed rates, the fair value is calculated according to the Discounted Cash Flow method. The price-determining variable of this method is the rate which would be applied to a similar Borrowed Money. The fair value of the Borrowed Money with a short-term (1 year or less), approximates the carrying value.

(5) Call Money and Bills Sold, (6) 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.

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.

(Note 2) The following table lists Consolidated Balance Sheet Amount of financial instruments, the fair value of which is extremely difficult to determine:
"Assets (2) Other Securities" in Disclosures Regarding the Fair Value of Financial Instruments and Other Items excludes these financial instruments.

(Millions of Yen)

Instruments	Consolidated Balance Sheet Amount
Unlisted Stocks and Others (※1)(※2)	304,726
Investments in Partnership and Others (※3)	278,957
Total	583,684

(※) 1 Unlisted Stocks and Others are excluded from "Disclosures Regarding the Fair Value of Financial Instruments and Other Items," since there are no market prices and their fair value is extremely difficult to determine.

2 The amount of revaluation losses for the period was ¥18 million on Unlisted Stocks and Others.

3 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."

(Securities)

Information relating to Securities is provided as below. The Securities include negotiable certificates of deposit in Cash and Due from Banks and trust beneficiary interest in Monetary Claims Bought.

1. Held-to-Maturity Debt Securities (as of September 30, 2015)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
Transactions for Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	4,062,917	4,075,800	12,882
	Municipal Government Bonds	—	—	—
	Corporate Bonds	6,147	6,199	52
	Other	7,422,745	7,569,275	146,529
	Sub total	11,491,810	11,651,275	159,464
Transactions for Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	3,468,779	3,456,770	(12,008)
	Municipal Government Bonds	—	—	—
	Corporate Bonds	—	—	—
	Other	3,356,399	3,333,637	(22,762)
	Sub total	6,825,178	6,790,408	(34,770)
Total		18,316,989	18,441,683	124,694

2. Other Securities (as of September 30, 2015)

(Millions of Yen)

	Type	Consolidated Balance Sheet	Acquisition Cost	Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	664,143	271,671	392,471
	Bonds	5,787,909	5,547,636	240,273
	Japanese Government Bonds	5,746,545	5,506,305	240,239
	Municipal Government Bonds	243	230	12
	Corporate Bonds	41,120	41,100	20
	Other	29,917,723	28,154,956	1,762,767
	Sub total	36,369,776	33,974,264	2,395,512
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	11,539	14,072	(2,532)
	Bonds	6,623	6,628	(4)
	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
	Corporate Bonds	6,623	6,628	(4)
	Other	5,039,287	5,157,780	(118,492)
	Sub total	5,057,451	5,178,481	(121,030)
Total		41,427,228	39,152,745	2,274,482

3. Securities Recognized for Revaluation Loss

Securities other than those for trading purposes and those whose fair value is difficult to determine, 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 nil.

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 between 50% (exclusive) and 70% (inclusive) of their acquisition costs (and other) for a certain period

(Money Held in Trust)

1. Held-to-Maturity Money Held in Trust (as of September 30, 2015)

The Bank and its consolidated subsidiaries held no held-to-maturity money held in trust.

2. Other Money Held in Trust (Money Held in Trust other than that for trading purposes or held-to-maturity) (as of September 30, 2015)

(Millions of Yen)

	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost
Other Money Held in Trust	4,026,574	3,772,412	254,162	254,830	668

(Note)

"Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost" and "Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost" are gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount presented in "Difference".

(Per share Information)

Net Assets per Share at the end of the period was ¥921.00 (Non-controlling Interests and the residual assets for the holders of lower dividend rate stocks and preferred stocks are deducted from the numerator, and the aggregate number of lower dividend rate stocks and preferred stocks is deducted from the denominator respectively in the calculation of Net Assets per Share.)

Profit Attributable to Owners of Parent per Share for the period was ¥50.56 (The aggregate number of lower dividend rate stock and preferred stock is deducted from the denominator in the calculation of Net Income per Share.)

Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2014 (As of March 31, 2015)	First Half of Fiscal 2015 (As of September 30, 2015)
(Assets)		
Loans and Bills Discounted	19,935,726	19,012,412
Foreign Exchange Assets	202,946	175,656
Securities	59,738,559	60,066,221
Money Held in Trust	4,506,018	4,032,110
Trading Assets	10,099	8,111
Monetary Claims Bought	226,605	240,170
Call Loans and Bills Bought	569,902	531,542
Receivables under Resale Agreements	29,842	−
Receivables under Securities Borrowing Transactions	78,804	3,997
Cash and Due from Banks	7,278,611	13,400,649
Other Assets	877,757	903,149
Tangible Fixed Assets	108,474	106,855
Intangible Fixed Assets	19,443	18,296
Prepaid Pension Cost	1,698	5,083
Customers' Liabilities for Acceptances and Guarantees	151,587	157,539
Reserve for Possible Loan Losses	(114,920)	(109,718)
Reserve for Possible Investment Losses	(2,714)	(1,937)
Total Assets	93,618,444	98,550,141
(Liabilities)		
Deposits	53,486,188	54,824,399
Negotiable Certificates of Deposit	3,674,664	4,042,252
Debentures	3,564,315	3,374,433
Trading Liabilities	6,717	6,879
Borrowed Money	2,436,513	2,529,790
Call Money	475,000	448,598
Payables under Repurchase Agreements	17,707,639	20,723,250
Payables under Securities Lending Transactions	74,682	4,069
Foreign Exchange Liabilities	35	2
Short-term Entrusted Funds	2,612,780	3,440,017
Other Liabilities	1,321,639	1,398,438
Reserve for Bonus Payments	5,917	5,902
Reserve for Retirement Benefits	14,947	14,631
Reserve for Directors' Retirement Benefits	766	737
Deferred Tax Liabilities	843,611	645,283
Deferred Tax Liabilities for Land Revaluation	9,633	9,263
Acceptances and Guarantees	151,587	157,539
Total Liabilities	86,386,642	91,625,489
(Net Assets)		
Paid-in Capital	3,425,909	3,471,460
Common Stock	3,400,909	3,446,460
(including Lower Dividend Rate Stock)	2,975,192	3,020,743
Preferred Stock	24,999	24,999
Capital Surplus	25,020	25,020
Capital Surplus Reserve	24,999	24,999
Other Capital Surplus	20	20
Retained Earnings	1,530,683	1,667,909
Legal Reserves	532,966	613,866
Voluntary Reserves	997,717	1,054,043
Special Reserves	100,900	181,800
General Reserves	424,403	559,403
Reserve for Tax Basis Adjustments of Fixed Assets	7,523	7,139
Others	7	7
Unappropriated Retained Earnings	464,883	305,692
Total Owners' Equity	4,981,614	5,164,390
Net Unrealized Gains on Other Securities, net of taxes	2,338,046	1,868,038
Net Deferred Losses on Hedging Instruments, net of taxes	(104,843)	(123,797)
Revaluation Reserve for Land, net of taxes	16,984	16,020
Total Valuation and Translation Adjustments	2,250,187	1,760,261
Total Net Assets	7,231,802	6,924,652
Total Liabilities and Net Assets	93,618,444	98,550,141

Non-consolidated Statement of Operations

(Millions of Yen)

	First Half of Fiscal 2014 (Six Months ended September 30, 2014)	First Half of Fiscal 2015 (Six Months ended September 30, 2015)
Ordinary Income	**694,111**	**698,468**
Interest Income	529,998	588,174
Interest on Loans and Bills Discounted	32,229	30,637
Interest and Dividends on Securities	488,268	549,051
Fees and Commissions	6,155	6,611
Trading Income	196	109
Other Operating Income	42,681	35,001
Other Ordinary Income	115,080	68,571
Ordinary Expenses	**419,410**	**438,095**
Interest Expenses	289,844	338,299
Interest on Deposits	14,633	17,016
Fees and Commissions	5,830	6,303
Trading Expenses	−	128
Other Operating Expenses	62,684	23,579
General and Administrative Expenses	58,640	62,046
Other Ordinary Expenses	2,411	7,738
Ordinary Profits	**274,700**	**260,373**
Extraordinary Profits	**−**	**76**
Extraordinary Losses	**320**	**1,215**
Income before Income Taxes	**274,380**	**259,234**
Income Taxes - Current	**46,411**	**56,860**
Income Taxes - Deferred	**13,756**	**(11,397)**
Total Income Taxes	**60,168**	**45,462**
Net Income	**214,212**	**213,771**
Unappropriated Retained Earnings Brought Forward	**65,181**	**90,956**
Cumulative Effects of Changes in Accounting Policies	**(4,453)**	**−**
Restated Balance	**60,728**	**90,956**
Transfer from Land Revaluation Reserve	**183**	**964**
Unappropriated Retained Earnings	**275,123**	**305,692**

Notes to Non-Consolidated Financial Statements

Amounts less than one million yen are rounded down.

(Significant Accounting Policies)

The bank's shares in the consolidated financial statements are very high and "Significant Accounting Policies" are generally the same as "Accounting Policies" stated in "Notes to Consolidated Financial Statements," except for the treatment of unrecognized actuarial differences and unrecognized prior service cost.

(Changes in Accounting Policies)

Adoption of "Revised Accounting Standard for Business Combinations" and others

Effective from the beginning of the first half of fiscal 2015, the Bank has adopted the "Revised Accounting Standard for Business Combinations" (Accounting Standards Board of Japan ("ASBJ") Statement No.21, issued on September 13, 2013, hereinafter, the "Accounting Standard for Business Combinations") , "Revised Accounting Standard for Business Divestitures" (ASBJ Statement No.7, issued on September 13, 2013, hereinafter, the "Accounting Standard for Business Divestitures") and others.

In applying these revised accounting standards, the accounting method was changed to acquisition-related costs being recognized as expenses for the fiscal year in which incurred. Regarding a business combination occurring after the beginning of the first half of fiscal 2015, provisional amounts were retrospectively adjusted to reflect completion of the accounting for a business combination in the financial statements of the fiscal year in which the business combination occurred.

Concerning the application of the Accounting Standard for Business Combinations and others, based on the provisional treatment set forth in Paragraph 58-2(4) of the Accounting Standard for Business Combinations and in Paragraph 57-4(4) of the Accounting Standard for Business Divestiture, these changes are effective from the beginning of the first half of fiscal 2015.

These changes have no impact on the financial statements for the first half of fiscal 2015.

(Notes to Non-consolidated Balance Sheet)

1. Stocks and investments in subsidiaries and affiliates ¥153,954 million

2. Securities include securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) of ¥566,835 million as of September 30, 2015.

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 held without re-pledge of ¥785,447 million as of September 30, 2015. No such securities are re-pledged or re-loaned to the third parties.

3. Loans and Bills Discounted include loans to borrowers under bankruptcy proceedings of ¥247 million and delinquent loans of ¥115,644 million.

Loans to borrowers under bankruptcy proceedings are loans (excluding the parts written-off for possible loan losses) stipulated in Article 96-1-3, 4 of Order for Enforcement of the Corporation Tax Act (Cabinet Order No.97, 1965) on which interest is placed on an no-accrual status (hereinafter referred to as "Non-accrual Loans") since the loan principals and/or their pertaining interests are determined to be uncollectible considering the period of time past due and other reasons.

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.

4. Loans and Bills Discounted include those past-due for three months or more of ¥ –.

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.

5. Loans and Bills Discounted include restructured loans of ¥14,995 million.

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 , except for the loans pertaining to 3 and 4 above.

6. The total amount of loans to borrowers under bankruptcy proceedings, delinquent loans, loans past due for three months or more and restructured loans was ¥130,887 million.

The amounts of loans indicated in 3. to 6. above are amounts before deducting the reserves for possible loan losses.

7. Bills Discounted are treated as finance transactions based on the Japanese Institute of Certified Public Accountants ("JICPA") Industry Audit Committee Report No.24 (February 13, 2002). Based on the Report, the Bank has the right to appropriate freely deposited banker's acceptances, commercial notes, documentary bills, and purchased foreign exchange, etc. , through sales or collateralization. The face value of the total Bills Discounted was ¥2,653 million.

8. Assets pledged as collateral consist of the followings:

Assets Pledged

Loans and Bills Discounted	¥10,515,447 million
Securities	¥23,038,522 million

Liabilities secured by the above assets are as follows:

Borrowed Money	¥916,855 million
Call Money	¥225,000 million
Payables under Repurchase Agreements	¥20,723,250 million
Payables under Securities Lending Transactions	¥4,069 million

In addition, Securities (including transactions of Money Held in Trust) of ¥6,913,870 million were pledged as collateral for settlement of exchange and derivative transactions or as margins of futures transactions.

Initial margins of futures markets of ¥1,017 million, cash collateral paid for financial instruments of ¥271,501 million, and guarantee deposits of ¥16,468 million were included in Other Assets.

9. Commitments related to overdrafts and loans represent agreements to extend overdrafts or loans up to the 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 was ¥3,728,203 million as of September 30, 2015. The amount of undrawn commitments, which the Bank could cancel at any time without cause, was ¥2,576,393 million as of September 30, 2015.

The amount of undrawn commitments does not necessarily affect the future cash flow of the Bank because the majority of such agreements are terminated without being exercised. Most of these agreements have provisions which stipulate that the Bank may not extend the loan or may decrease the commitment when there are certain changes in the overall financial conditions, certain issues relating to collateral and other reasons. At the time of extending loans to customers, the Bank is 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. In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes was revaluated. Unrealized gains arising from revaluation, net of deferred tax, are disclosed as Revaluation Reserve for Land, net of taxes and included in Net Assets on the non-consolidated balance sheet. The related deferred tax liability is recorded as Deferred Tax Liabilities for Land Revaluation.

Date of Revaluation	March 31, 1998
Revaluation Method	Reasonably calculated in accordance with the Appraisal methods stipulated in Article 2-5 of the enforcement ordinance for the Law Concerning the Revaluation of Land (No.119 effective as of March 31, 1998)

11. Accumulated Depreciation Deducted from Tangible Fixed Assets ¥93,256 million

12. Borrowed Money includes subordinated borrowings of ¥1,558,782 million which have a special agreement that requires the fulfillment of the payment obligations of such borrowing to be subordinated to other general liabilities. Above subordinated borrowing includes ¥1,410,566 million qualifying Tier 2 capital stipulated 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.

13. The amount of guaranteed obligations for corporate bonds acquired through private offerings (as in Article 2-3 Financial Instruments and Exchange Law) among those classified as corporate bonds in Securities was ¥3,300 million.

(Notes to Non-consolidated Statement of Operations)
Other Ordinary Income includes Gains on Money Held in Trust of ¥59,642 million.

(Securities)
Stock of subsidiaries and affiliates (as of September 30, 2015)
The Bank held no stocks and investments of subsidiaries and affiliates, the fair value of which is readily determinable.
The following table lists stocks and investments of subsidiaries and affiliates, the fair value of which is extremely difficult to determine：

(Millions of Yen)

	Non-consolidated Balance Sheet Amount
Stocks of Subsidiaries	45,850
Stocks and Investments of Affiliates	108,104
Total	153,954

Above transactions are excluded from “Stock of subsidiaries and affiliates,” since there are no market prices and their fair value is extremely difficult to determine.

(Accounting for Income Taxes)

The major components of deferred tax assets and liabilities as of September 30, 2015 were as follows:

Deferred Tax Assets	
Reserve for Possible Loan Losses	¥25,152 million
Write-off of Loans	2,281 million
Losses on Revaluation of Securities	50,959 million
Reserve for Employees' Retirement Benefits	10,190 million
Depreciation of Fixed Assets	80 million
Deferred Losses on Hedging Instruments	64,766 million
Unrealized Losses on Reclassification	13,406 million
Other	64,316 million
Subtotal	231,153 million
Valuation Allowance	(88,107) million
Total Deferred Tax Assets	¥143,045 million
Deferred Tax Liabilities	
Gains from Contribution of Securities to Employee Retirement Benefit Trust	¥(4,968) million
Net Unrealized Gains on Other Securities	(694,471) million
Deferred Gains on Hedging Instruments	(17,217) million
Unrealized Gains on Reclassification	(26,436) million
Other	(45,235) million
Total Deferred Tax Liabilities	(788,329) million
Net Deferred Tax Liabilities	¥(645,283) million

(Per share Information)

Net Assets per Share at the end of the period was ¥905.15 (The residual assets for the holders of lower dividend rate stocks and preferred stocks are deducted from the numerator, and the aggregate number of lower dividend rate stocks and preferred stocks is deducted from the denominator respectively in the calculation of Net Assets per Share.)

Net Income per Share for the period was ¥50.21 (The aggregate number of lower dividend rate stock and preferred stock is deducted from the denominator in the calculation of Net Income per Share.)