

Financial Statements for the First Half of Fiscal 2022

Name : **The Norinchukin Bank**

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

Name of the President: OKU Kazuto, President & Chief Executive Officer

The Person Responsible for Inquiries : CHIBA Yuji, 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 2022 (for the six months ended September 30, 2022)

(1) Consolidated Results of Operations (Accumulated Period)

(Percentage represents change from the same 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 2022	1,290,913	104.5	186,551	39.6	169,818	80.9
1H Fiscal 2021	631,258	6.6	133,666	53.8	93,880	43.3

(Note) Comprehensive Income for 1H Fiscal 2022 (1,706,514) millions of Yen (–%) for 1H Fiscal 2021 312,647 millions of Yen (63.1%)

(2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1H Fiscal 2022	101,392,526	5,497,196	5.4
Fiscal 2021	106,138,351	7,294,687	6.9

(Ref) Net Assets – Non-controlling Interests for 1H Fiscal 2022 5,487,352 millions of Yen for Fiscal 2021 7,284,694 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 8).

2. Non-consolidated Financial Results for the First Half of Fiscal 2022

(for the six months ended September 30, 2022)

(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	%
1H Fiscal 2022	1,281,430	107.2	183,197	44.5	170,955	89.5
1H Fiscal 2021	618,427	5.7	126,785	38.0	90,199	24.5

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1H Fiscal 2022	98,443,332	5,302,152	5.4
Fiscal 2021	103,366,368	7,144,559	6.9

(Ref) Net Assets for 1H Fiscal 2022 5,302,152 millions of Yen for Fiscal 2021 7,144,559 millions of Yen

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

※ This report is out of the scope of the external auditor's semi-annual audit procedure.

Consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2021 (As of March 31, 2022)	First Half of Fiscal 2022 (As of September 30, 2022)
(Assets)		
Loans and Bills Discounted	23,341,865	19,453,301
Foreign Exchange Assets	375,980	378,871
Securities	46,748,553	43,941,457
Money Held in Trust	10,867,985	11,812,598
Trading Assets	2,466	5,514
Monetary Claims Bought	387,819	354,530
Receivables under Resale Agreements	366	147
Cash and Due from Banks	18,140,525	18,006,074
Other Assets	3,178,992	3,111,127
Tangible Fixed Assets	151,442	134,580
Intangible Fixed Assets	52,174	51,514
Net Defined Benefit Asset	119,913	120,370
Deferred Tax Assets	4,315	458,180
Deferred Tax Assets for Land Revaluation	-	1,600
Customers' Liabilities for Acceptances and Guarantees	2,915,891	3,708,334
Reserve for Possible Loan Losses	(149,942)	(145,677)
Total Assets	106,138,351	101,392,526
(Liabilities)		
Deposits	64,009,893	63,591,974
Negotiable Certificates of Deposit	2,140,966	2,329,737
Debentures	360,280	469,406
Trading Liabilities	1,692	2,451
Borrowed Money	4,924,931	4,624,654
Call Money and Bills Sold	-	2,306,900
Payables under Repurchase Agreements	19,327,671	12,633,832
Foreign Exchange Liabilities	-	28
Short-term Entrusted Funds	684,692	1,119,179
Other Liabilities	4,150,052	5,078,650
Reserve for Bonus Payments	7,554	7,721
Net Defined Benefit Liability	21,742	21,396
Reserve for Directors' Retirement Benefits	1,043	1,062
Deferred Tax Liabilities	295,753	-
Deferred Tax Liabilities for Land Revaluation	1,499	-
Acceptances and Guarantees	2,915,891	3,708,334
Total Liabilities	98,843,664	95,895,329
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	23,399	23,399
Retained Earnings	2,236,608	2,324,285
Total Owners' Equity	6,300,206	6,387,883
Net Unrealized Gains (Losses) on Other Securities	758,987	(1,234,846)
Net Deferred Gains on Hedging Instruments	177,259	297,278
Revaluation Reserve for Land	5,970	(2,099)
Foreign Currency Transaction Adjustments	517	1,689
Remeasurements of Defined Benefit Plans	41,753	37,447
Total Accumulated Other Comprehensive Income	984,488	(900,531)
Non-controlling Interests	9,992	9,844
Total Net Assets	7,294,687	5,497,196
Total Liabilities and Net Assets	106,138,351	101,392,526

Consolidated Statements of Operations and Comprehensive Income

(1) Consolidated Statement of Operations

(Millions of Yen)

	First Half of Fiscal 2021 (Six Months ended September 30, 2021)	First Half of Fiscal 2022 (Six Months ended September 30, 2022)
Ordinary Income	631,258	1,290,913
Interest Income	289,330	621,633
Interest on Loans and Bills Discounted	46,492	85,059
Interest and Dividends on Securities	235,484	514,536
Fees and Commissions	13,974	15,404
Trading Income	-	253
Other Operating Income	56,732	432,572
Other Ordinary Income	271,221	221,048
Ordinary Expenses	497,592	1,104,362
Interest Expenses	256,284	468,405
Interest on Deposits	5,258	44,323
Fees and Commissions	6,449	9,712
Trading Expenses	54	24
Other Operating Expenses	154,183	411,867
General and Administrative Expenses	72,059	76,972
Other Ordinary Expenses	8,560	137,379
Ordinary Profits	133,666	186,551
Extraordinary Profits	584	24,238
Extraordinary Losses	107	812
Income before Income Taxes	134,142	209,977
Income Taxes - Current	(3,251)	71,877
Income Taxes - Deferred	43,058	(32,341)
Total Income Taxes	39,806	39,536
Profit	94,335	170,441
Profit Attributable to Non-controlling Interests	455	622
Profit Attributable to Owners of Parent	93,880	169,818

(2) Consolidated Statement of Comprehensive Income

(Millions of Yen)

	First Half of Fiscal 2021 (Six Months ended September 30, 2021)	First Half of Fiscal 2022 (Six Months ended September 30, 2022)
Profit	94,335	170,441
Other Comprehensive Income	218,311	(1,876,955)
Net Unrealized Gains (Losses) on Other Securities	170,215	(1,993,757)
Net Deferred Gains (Losses) on Hedging Instruments	50,660	119,995
Revaluation Reserve for Land	2,247	-
Foreign Currency Transaction Adjustments	338	992
Remeasurements of Defined Benefit Plans	(5,109)	(4,322)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	(39)	135
Total Comprehensive Income	312,647	(1,706,514)
Attributable to:		
Owners of Parent	312,189	(1,707,130)
Non-controlling Interests	458	616

Consolidated Statement of Capital Surplus and Retained Earnings

(Millions of Yen)

	First Half of Fiscal 2021 (Six Months ended September 30, 2021)	First Half of Fiscal 2022 (Six Months ended September 30, 2022)
(Capital Surplus)		
Balance at the Beginning of the Fiscal Year	24,993	23,399
Additions:	-	-
Deductions:	1,594	-
Change in Ownership Interest of Parent due to Transactions with Non-controlling Interests	1,594	-
Balance at the End of the Period	23,399	23,399
(Retained Earnings)		
Balance at the Beginning of the Fiscal Year	2,146,592	2,236,608
Additions:	95,901	177,888
Profit Attributable to Owners of Parent	93,880	169,818
Reversal of Revaluation Reserve for Land	2,020	8,069
Deductions:	105,223	90,211
Dividends	105,223	90,211
Balance at the End of the Period	2,137,269	2,324,285

Consolidated Statement of Cash Flows

(Millions of Yen)

	First Half of Fiscal 2021 (Six Months ended September 30, 2021)	First Half of Fiscal 2022 (Six Months ended September 30, 2022)
I Cash Flows from Operating Activities:		
Income before Income Taxes	134,142	209,977
Depreciation	11,549	12,106
Equity in Losses (Earnings) of Affiliates	(4,020)	(7,128)
Net Increase (Decrease) in Reserve for Possible Loan Losses	(15,731)	(4,625)
Net Increase (Decrease) in Reserve for Possible Investment Losses	(87)	-
Net Increase (Decrease) in Reserve for Bonus Payments	13	167
Net Decrease (Increase) in Net Defined Benefit Asset	(370)	(456)
Net Increase (Decrease) in Net Defined Benefit Liability	(337)	(345)
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	(548)	18
Interest Income	(289,330)	(621,633)
Interest Expenses	256,284	468,405
Losses (Gains) on Securities	72,101	(147,866)
Losses (Gains) on Money Held in Trust	(33,002)	77,295
Foreign Exchange Losses (Gains)	(192,903)	(4,641,092)
Losses (Gains) on Disposal of Fixed Assets	(476)	(23,425)
Net Decrease (Increase) in Trading Assets	319	(3,047)
Net Increase (Decrease) in Trading Liabilities	(824)	759
Net Decrease (Increase) in Loans and Bills Discounted	(382,007)	3,942,211
Net Increase (Decrease) in Deposits	475,808	(417,918)
Net Increase (Decrease) in Negotiable Certificates of Deposit	(624,931)	188,771
Net Increase (Decrease) in Debentures	52,375	109,125
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	(190,106)	(307,823)
Net Decrease (Increase) in Interest-bearing Due from Banks	338,950	(90,235)
Net Decrease (Increase) in Call Loans and Bills Bought and Other	(1,529,001)	34,384
Net Increase (Decrease) in Call Money and Bills Sold and Other	995,599	(4,386,938)
Net Increase (Decrease) in Short-term Entrusted Funds	749,404	434,486
Net Decrease (Increase) in Foreign Exchange Assets	27,724	(2,890)
Net Increase (Decrease) in Foreign Exchange Liabilities	13	28
Interest Received	284,690	589,901
Interest Paid	(105,560)	(300,183)
Other, Net	(6,186)	449,848
Subtotal	23,551	(4,438,126)
Income Taxes (Paid) Refunded	(234,995)	(13,675)
Net Cash Provided by (Used in) Operating Activities	(211,444)	(4,451,801)
II Cash Flows from Investing Activities:		
Purchases of Securities	(6,425,729)	(8,597,982)
Proceeds from Sales of Securities	3,545,509	9,924,439
Proceeds from Redemption of Securities	6,782,099	3,011,766
Increase in Money Held in Trust	(276,722)	(550,984)
Decrease in Money Held in Trust	373,040	490,407
Purchases of Tangible Fixed Assets	(2,038)	(562)
Purchases of Intangible Fixed Assets	(4,615)	(6,134)
Proceeds from Sales of Tangible Fixed Assets	0	38,800
Net Cash Provided by (Used in) Investing Activities	3,991,542	4,309,749
III Cash Flows from Financing Activities:		
Proceeds from Share Issuance to Non-controlling Shareholders	60	-
Purchase of Treasury Shares of Subsidiaries	(3,605)	-
Dividends Paid	(105,223)	(90,211)
Dividends Paid to Non-controlling Interests	(470)	(764)
Net Cash Provided by (Used in) Financing Activities	(109,239)	(90,975)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	1,897	4,516
V Net Increase (Decrease) in Cash and Cash Equivalents	3,672,756	(228,510)
VI Cash and Cash Equivalents at the Beginning of the Fiscal Year	19,121,793	17,099,172
VII Cash and Cash Equivalents at the End of the Period	22,794,550	16,870,661

Amounts less than one million yen are rounded down.

Notes to Accounting Policies

Consolidated Financial Statements are under Japanese GAAP (Generally Accepted Accounting Policies).

Notes to Consolidated Financial Statements

(Notes on Going-Concern Assumption)

None.

(Change in Accounting Policies)

(Adoption of Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Norinchukin Bank (“the Bank”) and its consolidated subsidiaries have adopted Implementation Guidance on Accounting Standard for Fair Value Measurement (The Accounting Standards Board of Japan (ASBJ) Guidance No.31, revised on 17th June 2021) at the beginning of the first half of this fiscal year.

As a result, the change had no impact on the consolidated financial statements in this period.

(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, 2022)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
Transactions for Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	188,103	191,162	3,058
	Municipal Government Bonds	-	-	-
	Corporate Bonds	469	470	1
	Other	1,362,424	1,379,094	16,670
	Foreign Bonds	1,245,928	1,261,718	15,789
	Other	116,495	117,376	880
	Subtotal	1,550,997	1,570,727	19,729
Transactions for Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	2,898,385	2,779,411	(118,974)
	Municipal Government Bonds	-	-	-
	Corporate Bonds	100,000	99,235	(765)
	Other	8,746,060	8,542,832	(203,228)
	Foreign Bonds	8,643,415	8,440,421	(202,994)
	Other	102,645	102,411	(234)
	Subtotal	11,744,445	11,421,478	(322,967)
Total		13,295,443	12,992,205	(303,237)

2. Other Securities (as of September 30, 2022)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	611,457	229,833	381,624
	Bonds	806,208	769,181	37,026
	Japanese Government Bonds	775,552	738,552	37,000
	Municipal Government Bonds	7,232	7,229	2
	Corporate Bonds	23,423	23,400	23
	Other	3,781,205	3,076,872	704,333
	Foreign Bonds	2,153,571	1,989,577	163,993
	Foreign Stocks	15,112	8,419	6,692
	Investment Trusts	1,503,983	972,374	531,608
	Other	108,538	106,499	2,038
	Subtotal	5,198,871	4,075,886	1,122,984
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	17,534	20,113	(2,578)
	Bonds	6,098,913	6,377,169	(278,256)
	Japanese Government Bonds	4,982,452	5,243,677	(261,225)
	Municipal Government Bonds	149,789	154,265	(4,475)
	Corporate Bonds	966,671	979,226	(12,554)
	Other	18,220,536	20,166,367	(1,945,830)
	Foreign Bonds	12,178,741	13,547,797	(1,369,055)
	Foreign Stocks	10,431	13,376	(2,945)
	Investment Trusts	5,990,044	6,563,842	(573,797)
	Other	41,318	41,351	(32)
	Subtotal	24,336,984	26,563,650	(2,226,665)
Total		29,535,856	30,639,536	(1,103,680)

3. Securities Recognized for Revaluation Loss

Securities other than those for trading purposes (except Stocks and others with no market prices and Investments in Partnership) are revalued to their fair value, and the difference between the book value and the fair value is treated as a realized loss for the period (“revaluation loss”), if the fair value has significantly deteriorated from the book value unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the period was ¥425 million, including ¥425 million on Stocks.

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 book value

Securities whose fair values remain between 50% (exclusive) and 70% (inclusive) of their book value for a certain period

(Money Held in Trust)

1. Held-to-Maturity Money Held in Trust (as of September 30, 2022)

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, 2022)

				(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	11,770,953	12,720,085	(949,132)	16,553	965,686

(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.”

(Segment Information)

Segment Information is not shown in these statements, since the banking business is the only reportable segment.

(Per Share Information)

Net Assets per Share at the end of the period was ¥440.03 (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 ¥39.88 (The aggregate number of lower dividend rate stocks and preferred stocks is deducted from the denominator in the calculation of Profit Attributable to Owners of Parent per Share.)

(Significant Subsequent Events)

None.

Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2021 (As of March 31, 2022)	First Half of Fiscal 2022 (As of September 30, 2022)
(Assets)		
Loans and Bills Discounted	22,955,497	18,948,033
Foreign Exchange Assets	375,980	378,871
Securities	47,057,256	44,262,687
Money Held in Trust	10,864,800	11,809,743
Trading Assets	2,466	5,514
Monetary Claims Bought	387,819	354,530
Cash and Due from Banks	18,070,056	17,925,767
Other Assets	3,129,171	3,099,888
Tangible Fixed Assets	149,530	132,529
Intangible Fixed Assets	49,732	48,617
Prepaid Pension Cost	57,465	64,372
Deferred Tax Assets	-	494,833
Deferred Tax Assets for Land Revaluation	-	1,600
Customers' Liabilities for Acceptances and Guarantees	415,117	1,057,325
Reserve for Possible Loan Losses	(147,046)	(139,501)
Reserve for Possible Investment Losses	(1,481)	(1,481)
Total Assets	103,366,368	98,443,332
(Liabilities)		
Deposits	64,019,836	63,604,371
Negotiable Certificates of Deposit	2,140,966	2,329,737
Debentures	363,780	470,906
Trading Liabilities	1,692	2,451
Borrowed Money	4,868,429	4,568,154
Call Money	-	2,306,900
Payables under Repurchase Agreements	19,327,671	12,633,832
Foreign Exchange Liabilities	-	28
Short-term Entrusted Funds	684,692	1,119,179
Other Liabilities	4,104,171	5,026,663
Reserve for Bonus Payments	5,665	5,751
Reserve for Retirement Benefits	15,031	15,092
Reserve for Directors' Retirement Benefits	730	786
Deferred Tax Liabilities	272,524	-
Deferred Tax Liabilities for Land Revaluation	1,499	-
Acceptances and Guarantees	415,117	1,057,325
Total Liabilities	96,221,809	93,141,179
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Common Stock	4,015,198	4,015,198
(including Lower Dividend Rate Stock)	3,589,481	3,589,481
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	2,157,550	2,246,363
Legal Reserves	816,166	852,866
Voluntary Reserves	1,341,384	1,393,497
Special Reserves	373,771	398,783
General Reserves	559,403	503,612
Reserve for Redemption of Preferred Stock	-	55,791
AFF Industries, Community and Environment Reserve Fund	10,000	12,190
Reserve for Tax Basis Adjustments of Fixed Assets	6,799	29,651
Others	7	7
Unappropriated Retained Earnings	391,403	393,461
Total Owners' Equity	6,222,769	6,311,583
Net Unrealized Gains (Losses) on Other Securities, net of taxes	756,155	(1,237,154)
Net Deferred Gains on Hedging Instruments, net of taxes	159,663	229,824
Revaluation Reserve for Land, net of taxes	5,970	(2,099)
Total Valuation and Translation Adjustments	921,789	(1,009,430)
Total Net Assets	7,144,559	5,302,152
Total Liabilities and Net Assets	103,366,368	98,443,332

Non-consolidated Statement of Operations

(Millions of Yen)

	First Half of Fiscal 2021 (Six Months ended September 30, 2021)	First Half of Fiscal 2022 (Six Months ended September 30, 2022)
Ordinary Income	618,427	1,281,430
Interest Income	293,080	630,503
Interest on Loans and Bills Discounted	37,353	71,087
Interest and Dividends on Securities	248,053	537,341
Fees and Commissions	5,287	7,212
Trading Income	-	253
Other Operating Income	54,080	429,540
Other Ordinary Income	265,978	213,920
Ordinary Expenses	491,641	1,098,232
Interest Expenses	256,926	469,659
Interest on Deposits	5,142	44,317
Fees and Commissions	10,165	14,878
Trading Expenses	54	24
Other Operating Expenses	153,775	411,518
General and Administrative Expenses	62,277	67,713
Other Ordinary Expenses	8,441	134,437
Ordinary Profits	126,785	183,197
Extraordinary Profits	584	24,238
Extraordinary Losses	107	811
Income before Income Taxes	127,262	206,624
Income Taxes - Current	(6,442)	67,995
Income Taxes - Deferred	43,505	(32,325)
Total Income Taxes	37,062	35,669
Net Income	90,199	170,955
Unappropriated Retained Earnings Brought Forward	208,120	214,437
Reversal of Revaluation Reserve for Land	2,020	8,069
Unappropriated Retained Earnings	300,341	393,461

(Ref) Summary of Performance (Non-Consolidated)

(100 millions of yen)

		First Half of Fiscal 2021 (A)	First Half of Fiscal 2022 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	1	(478)	2,340	2,818
Net Interest Income	2	567	2,234	1,666
Net Fees and Commissions Income (Loss)	3	(48)	(76)	(27)
Net Trading Income (Loss)	4	(0)	2	2
Net Other Operating Income (Loss)	5	(996)	180	1,177
General and Administrative Expenses	6	(622)	(677)	(54)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) (※1)	7	(1,101)	1,662	2,764
Gains (Losses) on Bond-Related Transactions	8	(953)	(277)	675
Core Net Operating Profit (Loss) (※2)	9	(148)	1,940	2,088
Excluding Gains (Losses) from Redemption of Investment Trusts (※3)	10	643	1,114	471
Provision of General Reserve for Possible Loan Losses	11	-	(65)	(65)
Net Operating Profit (Loss) (※4)	12	(1,101)	1,597	2,698
Non-Recurring Gains (Losses)	13	2,369	234	(2,134)
Gains (Losses) on Stock-Related Transactions	14	1,045	579	(466)
Gains (Losses) on Money Held in Trust- Related Transactions	15	1,233	(356)	(1,590)
Gains on Reversal of Reserves for Possible Loan Losses, and Others	16	135	18	(117)
Other	17	(46)	(7)	38
Ordinary Profits	18	1,267	1,831	564
Credit-Related Costs (※5)	19	135	(47)	(182)

(※1) Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) [7] = Gross Operating Profit (Loss) [1] + General and Administrative Expenses [6]

(※2) Core Net Operating Profit (Loss) [9] = Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) [7] - Gains (Losses) on Bond-Related Transactions [8]

(※3) “Excluding Gains (Losses) from Redemption of Investment Trusts”[10] = Core Net Operating Profit (Loss) [9] - “Gains (Losses) from Redemption of Investment Trusts”

(※4) Net Operating Profits (Loss) [12] = Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) [7] + Provision of General Reserve for Possible Loan Losses [11]

(※5) Credit-Related Costs [19] = Provision of General Reserve for Possible Loan Losses[11] + Gains on Reversal of Reserves for Possible Loan Losses, and Others [16]

Net Operating Profit (Loss) including Gains (Losses) on Money Held in Trust-Related Transactions

The Bank invests in securities utilizing Money Held in Trust on a large scale. Therefore, the Bank discloses gross operating profit (loss) and net operating profit (loss) below including gains (losses) on Money Held in Trust-related transactions, which are substantially the same as investment in securities.

(100 millions of yen)

		First Half of Fiscal 2021 (A)	First Half of Fiscal 2022 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	20	755	1,983	1,228
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses)	21	132	1,306	1,174
Net Operating Profit (Loss)	22	132	1,241	1,108
Core Net Operating Profit (Loss)	23	1,085	1,584	498
Core Net Operating Profit (Loss) (Excluding Gains (Losses) from Redemption of Investment Trusts and from Sales of Assets included in Money Held in Trust) (※6)	24	1,836	1,951	114

(※6) Core Net Operating Profit (Loss) (Excluding Gains (Losses) from Redemption of Investment Trusts and from Sales of Assets included in Money Held in Trust) [24] = Core Net Operating Profit (Loss) [23] - “Gains (Losses) from Redemption of Investment Trusts and from Sales of Assets included in Money Held in Trust”