

Financial Statements for the First Half of Fiscal 2023

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 2023 (for the six months ended September 30, 2023)

(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 2023	1,547,426	19.9	185,598	(0.5)	144,395	(15.0)
1H Fiscal 2022	1,290,913	104.5	186,551	39.6	169,818	80.9

(Note) Comprehensive Income for 1H Fiscal 2023 (904,499) millions of Yen –% for 1H Fiscal 2022 (1,706,514) millions of Yen –%

(2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1H Fiscal 2023	101,953,904	4,704,267	4.6
Fiscal 2022	94,504,944	5,673,542	6.0

(Ref) Net Assets – Non-controlling Interests for 1H Fiscal 2023 4,693,836 millions of Yen for Fiscal 2022 5,663,051 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 : None
- ② Changes in Accounting Policies other than ① above : None
- ③ Changes in Accounting Estimates : None
- ④ Restatements : None

2. Non-consolidated Financial Results for the First Half of Fiscal 2023

(for the six months ended September 30, 2023)

(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 2023	1,530,102	19.4	176,986	(3.4)	141,242	(17.4)
1H Fiscal 2022	1,281,430	107.2	183,197	44.5	170,955	89.5

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1H Fiscal 2023	98,691,688	4,480,157	4.5
Fiscal 2022	91,425,426	5,470,089	6.0

(Ref) Net Assets for 1H Fiscal 2023 4,480,157 millions of Yen for Fiscal 2022 5,470,089 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 2022 (As of March 31, 2023)	First Half of Fiscal 2023 (As of September 30, 2023)
(Assets)		
Loans and Bills Discounted	17,414,105	17,901,803
Foreign Exchange Assets	584,996	303,373
Securities	39,725,740	44,112,122
Money Held in Trust	8,419,368	10,559,850
Trading Assets	3,635	6,063
Monetary Claims Bought	321,441	292,508
Receivables under Resale Agreements	305,076	652,130
Cash and Due from Banks	22,430,679	21,367,443
Other Assets	1,608,236	2,705,382
Tangible Fixed Assets	134,914	129,121
Intangible Fixed Assets	51,669	52,526
Net Defined Benefit Asset	129,465	27,697
Deferred Tax Assets	307,942	686,937
Deferred Tax Assets for Land Revaluation	1,600	1,600
Customers' Liabilities for Acceptances and Guarantees	3,197,577	3,289,955
Reserve for Possible Loan Losses	(131,441)	(134,614)
Reserve for Possible Investment Losses	(61)	-
Total Assets	94,504,944	101,953,904
(Liabilities)		
Deposits	63,809,449	65,300,944
Negotiable Certificates of Deposit	2,296,478	2,237,359
Debentures	454,034	434,791
Trading Liabilities	2,786	5,141
Borrowed Money	3,988,241	3,835,229
Call Money and Bills Sold	390,000	1,655,000
Payables under Repurchase Agreements	10,613,476	14,026,979
Foreign Exchange Liabilities	28	31
Short-term Entrusted Funds	797,420	893,463
Other Liabilities	3,262,753	5,552,035
Reserve for Bonus Payments	7,693	7,688
Net Defined Benefit Liability	10,234	9,882
Reserve for Directors' Retirement Benefits	1,229	1,134
Acceptances and Guarantees	3,197,577	3,289,955
Total Liabilities	88,831,402	97,249,636
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	23,399	23,399
Retained Earnings	2,154,690	2,235,001
Total Owners' Equity	6,218,288	6,298,599
Net Unrealized Gains (Losses) on Other Securities	(678,339)	(1,825,143)
Net Deferred Gains on Hedging Instruments	77,079	201,360
Revaluation Reserve for Land	(2,099)	(2,099)
Foreign Currency Transaction Adjustments	1,451	1,787
Remeasurements of Defined Benefit Plans	46,671	19,330
Total Accumulated Other Comprehensive Income	(555,236)	(1,604,763)
Non-controlling Interests	10,490	10,430
Total Net Assets	5,673,542	4,704,267
Total Liabilities and Net Assets	94,504,944	101,953,904

Consolidated Statements of Operations and Comprehensive Income

(1) Consolidated Statement of Operations

(Millions of Yen)

	First Half of Fiscal 2022 (Six Months ended September 30, 2022)	First Half of Fiscal 2023 (Six Months ended September 30, 2023)
Ordinary Income	1,290,913	1,547,426
Interest Income	621,633	1,020,278
Interest on Loans and Bills Discounted	85,059	197,062
Interest and Dividends on Securities	514,536	762,913
Fees and Commissions	15,404	17,237
Trading Income	253	387
Other Operating Income	432,572	280,110
Other Ordinary Income	221,048	229,411
Ordinary Expenses	1,104,362	1,361,827
Interest Expenses	468,405	1,220,940
Interest on Deposits	44,323	146,444
Fees and Commissions	9,712	9,840
Trading Expenses	24	561
Other Operating Expenses	411,867	24,704
General and Administrative Expenses	76,972	83,887
Other Ordinary Expenses	137,379	21,892
Ordinary Profits	186,551	185,598
Extraordinary Profits	24,238	50,945
Extraordinary Losses	812	208
Income before Income Taxes	209,977	236,335
Income Taxes - Current	71,877	65,735
Income Taxes - Deferred	(32,341)	25,582
Total Income Taxes	39,536	91,318
Profit	170,441	145,017
Profit Attributable to Non-controlling Interests	622	622
Profit Attributable to Owners of Parent	169,818	144,395

(2) Consolidated Statement of Comprehensive Income

(Millions of Yen)

	First Half of Fiscal 2022 (Six Months ended September 30, 2022)	First Half of Fiscal 2023 (Six Months ended September 30, 2023)
Profit	170,441	145,017
Other Comprehensive Income	(1,876,955)	(1,049,516)
Net Unrealized Gains (Losses) on Other Securities	(1,993,757)	(1,147,860)
Net Deferred Gains (Losses) on Hedging Instruments	119,995	123,948
Foreign Currency Transaction Adjustments	992	335
Remeasurements of Defined Benefit Plans	(4,322)	(27,337)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	135	1,396
Total Comprehensive Income	(1,706,514)	(904,499)
Attributable to:		
Owners of Parent	(1,707,130)	(905,131)
Non-controlling Interests	616	631

Consolidated Statement of Capital Surplus and Retained Earnings

(Millions of Yen)

	First Half of Fiscal 2022 (Six Months ended September 30, 2022)	First Half of Fiscal 2023 (Six Months ended September 30, 2023)
(Capital Surplus)		
Balance at the Beginning of the Fiscal Year	23,399	23,399
Additions:	-	-
Deductions:	-	-
Balance at the End of the Period	23,399	23,399
(Retained Earnings)		
Balance at the Beginning of the Fiscal Year	2,236,608	2,154,690
Additions:	177,888	144,395
Profit Attributable to Owners of Parent	169,818	144,395
Reversal of Revaluation Reserve for Land	8,069	-
Deductions:	90,211	64,083
Dividends	90,211	64,083
Balance at the End of the Period	2,324,285	2,235,001

Consolidated Statement of Cash Flows

(Millions of Yen)

	First Half of Fiscal 2022 (Six Months ended September 30, 2022)	First Half of Fiscal 2023 (Six Months ended September 30, 2023)
I Cash Flows from Operating Activities:		
Income before Income Taxes	209,977	236,335
Depreciation	12,106	12,291
Equity in Losses (Earnings) of Affiliates	(7,128)	(6,344)
Net Increase (Decrease) in Reserve for Possible Loan Losses	(4,625)	2,391
Net Increase (Decrease) in Reserve for Possible Investment Losses	-	(61)
Net Increase (Decrease) in Reserve for Bonus Payments	167	(4)
Net Decrease (Increase) in Net Defined Benefit Asset	(456)	101,767
Net Increase (Decrease) in Net Defined Benefit Liability	(345)	(351)
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	18	(94)
Interest Income	(621,633)	(1,020,278)
Interest Expenses	468,405	1,220,940
Losses (Gains) on Securities	(147,866)	(442,582)
Losses (Gains) on Money Held in Trust	77,295	(27,286)
Foreign Exchange Losses (Gains)	(4,641,092)	(3,780,979)
Losses (Gains) on Disposal of Fixed Assets	(23,425)	(3,813)
Losses (Gains) on Cancellation of Employee Retirement Benefit Trust	-	(46,922)
Net Decrease (Increase) in Trading Assets	(3,047)	(2,428)
Net Increase (Decrease) in Trading Liabilities	759	2,355
Net Decrease (Increase) in Loans and Bills Discounted	3,942,211	(408,954)
Net Increase (Decrease) in Deposits	(417,918)	1,491,014
Net Increase (Decrease) in Negotiable Certificates of Deposit	188,771	(59,119)
Net Increase (Decrease) in Debentures	109,125	(19,243)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	(307,823)	(195,190)
Net Decrease (Increase) in Interest-bearing Due from Banks	(90,235)	370,734
Net Decrease (Increase) in Call Loans and Bills Bought and Other	34,384	(317,593)
Net Increase (Decrease) in Call Money and Bills Sold and Other	(4,386,938)	4,678,502
Net Increase (Decrease) in Short-term Entrusted Funds	434,486	96,043
Net Decrease (Increase) in Foreign Exchange Assets	(2,890)	281,623
Net Increase (Decrease) in Foreign Exchange Liabilities	28	2
Interest Received	589,901	941,815
Interest Paid	(300,183)	(1,035,929)
Other, Net	449,848	(440,578)
Subtotal	(4,438,126)	1,628,059
Income Taxes (Paid) Refunded	(13,675)	(10,061)
Net Cash Provided by (Used in) Operating Activities	(4,451,801)	1,617,998
II Cash Flows from Investing Activities:		
Purchases of Securities	(8,597,982)	(10,473,490)
Proceeds from Sales of Securities	9,924,439	4,622,679
Proceeds from Redemption of Securities	3,011,766	4,250,072
Increase in Money Held in Trust	(550,984)	(812,446)
Decrease in Money Held in Trust	490,407	161,621
Purchases of Tangible Fixed Assets	(562)	(891)
Purchases of Intangible Fixed Assets	(6,134)	(6,876)
Proceeds from Sales of Tangible Fixed Assets	38,800	8,995
Payments for Asset Retirement Obligations	-	(97)
Net Cash Provided by (Used in) Investing Activities	4,309,749	(2,250,433)
III Cash Flows from Financing Activities:		
Proceeds from Share Issuance to Non-controlling Shareholders	-	190
Dividends Paid	(90,211)	(64,083)
Dividends Paid to Non-controlling Interests	(764)	(881)
Net Cash Provided by (Used in) Financing Activities	(90,975)	(64,775)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	4,516	907
V Net Increase (Decrease) in Cash and Cash Equivalents	(228,510)	(696,303)
VI Cash and Cash Equivalents at the Beginning of the Fiscal Year	17,099,172	21,322,082
VII Cash and Cash Equivalents at the End of the Period	16,870,661	20,625,779

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.

(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, 2023)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
Held-to-Maturity Debt Securities Whose Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	-	-	-
	Municipal Government Bonds	-	-	-
	Corporate Bonds	143	144	0
	Other	3,291,626	3,314,495	22,868
	Foreign Bonds	3,227,375	3,250,162	22,786
	Other	64,251	64,332	81
	Subtotal	3,291,770	3,314,639	22,868
Held-to-Maturity Debt Securities Whose Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	2,937,265	2,646,017	(291,248)
	Municipal Government Bonds	-	-	-
	Corporate Bonds	100,000	98,829	(1,171)
	Other	8,456,345	8,403,428	(52,917)
	Foreign Bonds	8,351,193	8,298,513	(52,679)
	Other	105,152	104,914	(238)
	Subtotal	11,493,611	11,148,274	(345,336)
Total		14,785,382	14,462,914	(322,467)

2. Other Securities (as of September 30, 2023)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Other Securities Whose Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	630,680	217,988	412,692
	Bonds	92,930	92,621	309
	Japanese Government Bonds	10,341	10,034	306
	Municipal Government Bonds	225	224	1
	Corporate Bonds	82,364	82,362	2
	Other	2,824,973	2,288,064	536,908
	Foreign Bonds	570,097	567,755	2,342
	Foreign Stocks	23,458	9,349	14,108
	Investment Trusts	2,166,803	1,646,912	519,890
	Other	64,614	64,047	567
	Subtotal	3,548,585	2,598,674	949,910
Other Securities Whose Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	6,589	7,082	(493)
	Bonds	4,910,595	5,208,405	(297,810)
	Japanese Government Bonds	4,059,317	4,324,848	(265,530)
	Municipal Government Bonds	144,312	151,922	(7,609)
	Corporate Bonds	706,964	731,634	(24,670)
	Other	19,936,497	22,188,167	(2,251,669)
	Foreign Bonds	16,119,077	17,896,315	(1,777,237)
	Foreign Stocks	10,006	13,376	(3,369)
	Investment Trusts	3,733,963	4,204,983	(471,019)
	Other	73,448	73,492	(43)
	Subtotal	24,853,682	27,403,655	(2,549,973)
Total		28,402,267	30,002,330	(1,600,062)

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 ¥16 million, including ¥16 million on Other (Investment Trusts).

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, 2023)

(Millions of Yen)					
	Consolidated Balance Sheet Amount	Fair Value	Difference	Held-to-Maturity Money Held in Trust Whose Fair Value exceeding Consolidated Balance Sheet Amount	Held-to-Maturity Money Held in Trust Whose Fair Value not exceeding Consolidated Balance Sheet Amount
Held-to-Maturity Money Held in Trust	1	1	-	-	-

(Note)

"Held-to-Maturity Money Held in Trust Whose Fair Value exceeding Consolidated Balance Sheet Amount" and "Held-to-Maturity Money Held in Trust Whose Fair Value not exceeding Consolidated Balance Sheet Amount" are gross valuation of the difference between the consolidated balance sheet amount and the fair value presented in "Difference."

2. Other Money Held in Trust (Money Held in Trust other than that for trading purposes or held-to-maturity) (as of September 30, 2023)

(Millions of Yen)					
	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Other Money Held in Trust Whose Consolidated Balance Sheet Amount exceeding Acquisition Cost	Other Money Held in Trust Whose Consolidated Balance Sheet Amount not exceeding Acquisition Cost
Other Money Held in Trust	10,515,535	11,589,856	(1,074,320)	10,510	(1,084,831)

(Note)

"Other Money Held in Trust Whose Consolidated Balance Sheet Amount exceeding Acquisition Cost" and "Other Money Held in Trust Whose 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 ¥259.41 (Non-controlling Interests and the residual assets for the

holders of lower dividend rate stocks are deducted from the numerator, and the aggregate number of lower dividend rate 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 ¥33.91 (The aggregate number of lower dividend rate 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 2022 (As of March 31, 2023)	First Half of Fiscal 2023 (As of September 30, 2023)
(Assets)		
Loans and Bills Discounted	16,902,539	17,318,370
Foreign Exchange Assets	584,996	282,678
Securities	40,062,645	44,431,930
Money Held in Trust	8,417,071	10,557,219
Trading Assets	3,635	6,063
Monetary Claims Bought	321,441	292,508
Receivables under Resale Agreements	304,742	652,022
Cash and Due from Banks	22,348,159	21,298,497
Other Assets	1,597,511	2,692,288
Tangible Fixed Assets	132,538	126,818
Intangible Fixed Assets	47,649	48,218
Prepaid Pension Cost	71,996	7,415
Deferred Tax Assets	343,817	729,500
Deferred Tax Assets for Land Revaluation	1,600	1,600
Customers' Liabilities for Acceptances and Guarantees	409,059	371,867
Reserve for Possible Loan Losses	(122,496)	(123,831)
Reserve for Possible Investment Losses	(1,481)	(1,481)
Total Assets	91,425,426	98,691,688
(Liabilities)		
Deposits	63,832,307	65,289,119
Negotiable Certificates of Deposit	2,296,478	2,237,359
Debentures	455,034	435,291
Trading Liabilities	2,786	5,141
Borrowed Money	3,931,746	3,778,733
Call Money	390,000	1,655,000
Payables under Repurchase Agreements	10,613,476	14,026,979
Foreign Exchange Liabilities	28	31
Short-term Entrusted Funds	797,420	893,463
Other Liabilities	3,205,231	5,498,046
Reserve for Bonus Payments	5,719	5,580
Reserve for Retirement Benefits	15,150	14,068
Reserve for Directors' Retirement Benefits	898	848
Acceptances and Guarantees	409,059	371,867
Total Liabilities	85,955,337	94,211,530
(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
Other 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	2,067,877	2,145,036
Legal Reserves	852,866	863,166
Voluntary Reserves	1,215,011	1,281,870
Special Reserves	398,783	398,783
General Reserves	503,612	503,612
Reserve for Redemption of Preferred Stock	5,021	-
AFF Industries, Community and Environment Reserve Fund	12,190	36,541
Reserve for Tax Basis Adjustments of Fixed Assets	29,651	29,566
Others	7	7
Unappropriated Retained Earnings	265,745	313,359
Net Income	43,238	141,242
Total Owners' Equity	6,133,096	6,210,255
Net Unrealized Gains (Losses) on Other Securities, net of taxes	(680,481)	(1,828,350)
Net Deferred Gains on Hedging Instruments, net of taxes	19,573	100,352
Revaluation Reserve for Land, net of taxes	(2,099)	(2,099)
Total Valuation and Translation Adjustments	(663,007)	(1,730,097)
Total Net Assets	5,470,089	4,480,157
Total Liabilities and Net Assets	91,425,426	98,691,688

Non-consolidated Statement of Operations

(Millions of Yen)

	First Half of Fiscal 2022 (Six Months ended September 30, 2022)	First Half of Fiscal 2023 (Six Months ended September 30, 2023)
Ordinary Income	1,281,430	1,530,102
Interest Income	630,503	1,023,733
Interest on Loans and Bills Discounted	71,087	171,363
Interest and Dividends on Securities	537,341	793,752
Fees and Commissions	7,212	8,611
Trading Income	253	387
Other Operating Income	429,540	274,677
Other Ordinary Income	213,920	222,692
Ordinary Expenses	1,098,232	1,353,116
Interest Expenses	469,659	1,220,734
Interest on Deposits	44,317	146,307
Fees and Commissions	14,878	13,534
Trading Expenses	24	561
Other Operating Expenses	411,518	24,266
General and Administrative Expenses	67,713	73,381
Other Ordinary Expenses	134,437	20,638
Ordinary Profits	183,197	176,986
Extraordinary Profits	24,238	50,945
Extraordinary Losses	811	205
Income before Income Taxes	206,624	227,726
Income Taxes - Current	67,995	61,691
Income Taxes - Deferred	(32,325)	24,791
Total Income Taxes	35,669	86,483
Net Income	170,955	141,242
Unappropriated Retained Earnings Brought Forward	214,437	172,117
Reversal of Revaluation Reserve for Land	8,069	-
Unappropriated Retained Earnings	393,461	313,359

(Ref) Summary of Performance (Non-Consolidated)

(100 millions of yen)

		First Half of Fiscal 2022 (A)	First Half of Fiscal 2023 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	1	2,340	2,017	(323)
Net Interest Income (Loss)	2	2,234	(436)	(2,670)
Net Fees and Commissions Income (Loss)	3	(76)	(49)	27
Net Trading Income (Loss)	4	2	(1)	(4)
Net Other Operating Income (Loss)	5	180	2,504	2,323
General and Administrative Expenses	6	(677)	(733)	(56)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) (※1)	7	1,662	1,283	(379)
Gains (Losses) on Bond-Related Transactions	8	(277)	2,291	2,569
Core Net Operating Profit (Loss) (※2)	9	1,940	(1,008)	(2,949)
Excluding Gains (Losses) from Redemption of Investment Trusts (※3)	10	1,114	(1,955)	(3,070)
Provision of General Reserve for Possible Loan Losses	11	(65)	-	65
Net Operating Profit (Loss) (※4)	12	1,597	1,283	(314)
Non-Recurring Gains (Losses)	13	234	486	252
Gains (Losses) on Stock-Related Transactions	14	579	965	385
Gains (Losses) on Money Held in Trust- Related Transactions	15	(356)	(308)	47
Gains on Reversal of Reserves for Possible Loan Losses, and Others	16	18	(66)	(84)
Other	17	(7)	(104)	(96)
Ordinary Profits	18	1,831	1,769	(62)
Credit-Related Costs (※5)	19	(47)	(66)	(19)

(※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 Profit (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 2022 (A)	First Half of Fiscal 2023 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	20	1,983	1,708	(275)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses)	21	1,306	974	(331)
Net Operating Profit (Loss)	22	1,241	974	(266)
Core Net Operating Profit (Loss)	23	1,584	(1,316)	(2,901)
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	1,951	(2,301)	(4,252)

(※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”