

May 27, 2015

Press Release

Rabobank  
The Norinchukin Bank

## **Announcement of Strategic Alliance between Rabobank and The Norinchukin Bank**

Rabobank (Representative: Wiebe Draijer, Chairman of the Executive Board / Headquartered in Utrecht, the Netherlands) and The Norinchukin Bank (Representative: Yoshio Kono, President and Chief Executive Officer / Headquartered in Tokyo, Japan) announced that they have concluded a memorandum of understanding for a strategic alliance mainly in food and agriculture related financial business field.

Rabobank and The Norinchukin Bank, both as agricultural cooperative financial organisations, entered into strategic alliance in order to develop their relationship further along with their long-standing historical interactions.

In so doing, Rabobank and The Norinchukin Bank aim to strengthen their collaboration in food and agriculture related banking business globally, thus further fulfilling their roles and/or functions as cooperatives as expected by the society, while further demonstrating their roles and/or functions as leading banks that support food and agriculture related industries.

End

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## Reference

### <About Rabobank>

Rabobank is a Netherlands based, international financial services provider operating on the basis of cooperative principles with a predominant focus on providing all finance services in the domestic market. Internationally its focus is on food and agriculture. In line with its cooperative roots, Rabobank is a cooperative bank, comprised of independent local Rabobanks, plus their central organisation Rabobank Nederland and its (international) subsidiaries. The organisation has approximately 52,000 employees (48,254 fte) worldwide and operates in 40 countries.

Rabobank has high credit ratings, awarded by international rating agencies Standard & Poor's, Moody's, Fitch and DBRS. In terms of Tier I capital, the organisation is among the top 30 largest financial institutions in the world.

Name	Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.
Head Office	Utrecht, Netherlands
No. of outlets*	Operates in 40 countries, 547 domestic outlets
No. of employees*	Approximately 52,000 (FTE : 48,254)
Financials*	Net profit : 1,842 million Euro Total assets : 681,086 million Euro Net assets : 38,871 million Euro Total capital ratio : 21.3%
Credit Ratings	Standard & Poor's : A+ Moody's Investors Service : Aa2

\* As of 31<sup>st</sup> of December, 2014 (consolidated basis)

### <About The Norinchukin Bank>

As the national-level financial institution for agricultural, fishery and forestry cooperatives in Japan, the mission of The Norinchukin Bank ("the Bank") is to contribute to the development of the agriculture, fishery and forestry industries and to national economic prosperity by facilitating access to financial resources. With the capital provided by Japan Agricultural Cooperatives (JA), Japan Fisheries Cooperatives (JF), Japan Forestry Cooperatives (JForest), etc., as well as the stable funding base through customer deposits at JA Bank and JF Marine Bank, the Bank, to achieve its mission, lends funds to its members, agricultural, fishery and forestry workers, and companies related to the agricultural, fisheries and forestry industries. As the ultimate manager of these funds, the Bank also conducts various lending and investment activities in Japan and abroad, efficiently manages funds, and stably returns profits to its members.

Name	The Norinchukin Bank
Head Office	Tokyo, Japan
No. of outlets	Domestic: 37 (excl. branch annex) Overseas: 5
No. of employees	3,501
Financials*	Net profit : 411.3 billion yen Total assets : 94.5 trillion yen Net assets : 7.3 trillion yen Total capital ratio : 24.19%
Credit Ratings	Standard & Poor's : A+ Moody's Investors Service : A1

\* As of 31<sup>st</sup> of March, 2015 (consolidated basis)



## Strategic Alliance Rabobank and The Norinchukin Bank

Jointly supporting and developing agriculture in Japan

May 27, 2015

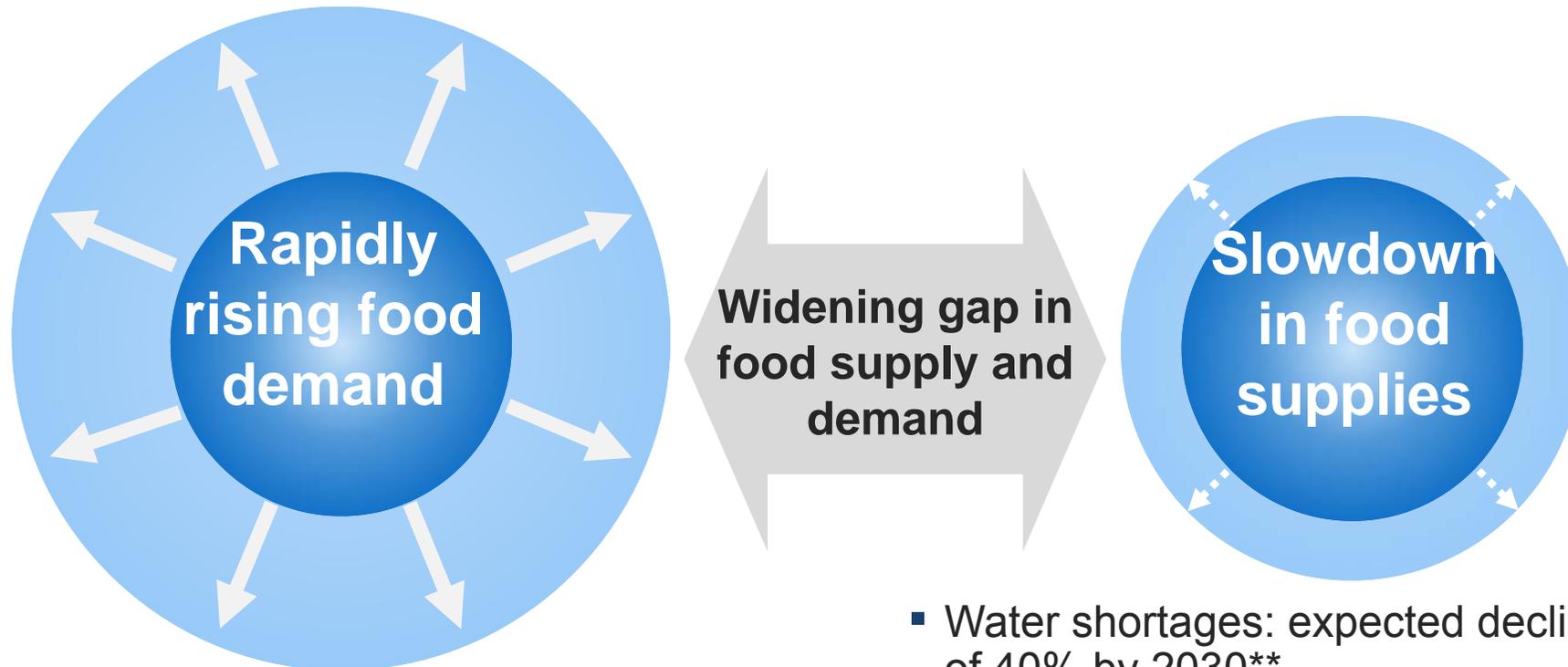


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# What is happening in the world right now



- Growing population: 7.2 billion in 2013 to a projected 9.6 billion in 2050\*
- Higher caloric intake and dietary changes

- Water shortages: expected decline of 40% by 2030\*\*
- Need for new land development
- Declining productivity due to climate change
- Gradual decline in productivity improvements
- Increasing energy costs



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\* United Nations World Population Prospects

\*\* United Nations World Water Development Report

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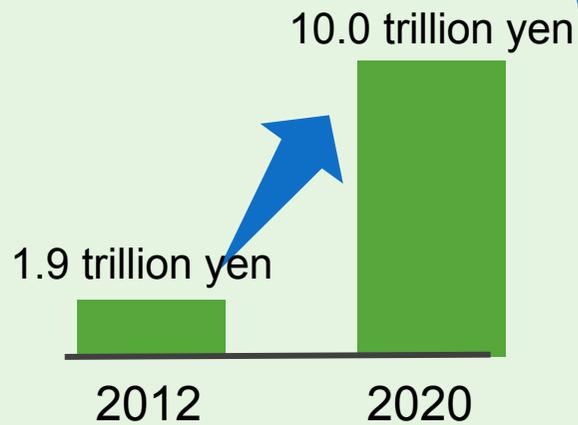
# Expectations for Japanese agriculture

**“Increase farmers’ income”, “Increase agricultural productivity”,  
and “Vitalize local communities”\***

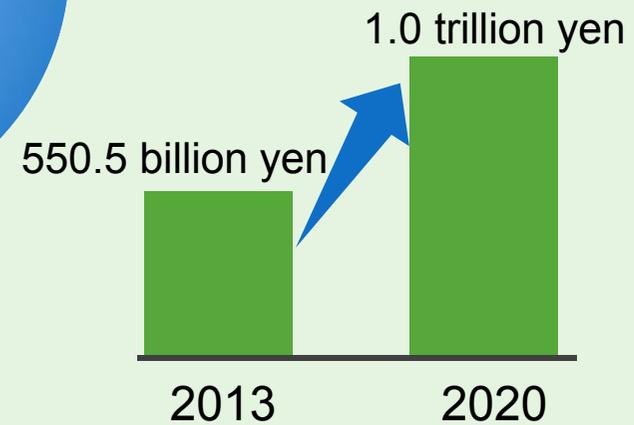
- To realize sustainable agriculture and affluent and comfortable community lives -

**By industrializing Japanese agriculture towards a growing industry**

**Market size of the sixth industrialization\*\***



**Expand exports of agricultural products and other food items\*\***



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\* Self Reform of JA Group

\*\* Japan Revitalization Strategy - JAPAN is BACK -

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# The strategic alliance's aspirations

**Rabobank**

**Meet the world's  
food demand and  
support the shift  
of Japanese  
agriculture to  
becoming a  
growth industry**

**The Norinchukin Bank**

**Rabobank and The Norinchukin Bank have  
taken one step further to formalize their  
long-standing relationship  
into a strategic alliance**



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# Overview of the organizations

## Rabobank

- **Leading customer-centric cooperative bank in The Netherlands and leading food and agriculture (F&A) bank in the world**
- **Founded by farmers over 110 years ago**
- **Serving 9 million customers in 40 countries with about 52,000 employees**
- **85% market share in the F&A market in the Netherlands, the world's 2<sup>nd</sup> largest exporter of F&A products**
- **Cooperative financial institution just as The Norinchukin Bank**
- **A bank with vast business development activities in the agricultural, forestry and fishery industries, food production and consumption, and local communities**
- **Operates the JA Bank network, which has over 8,000 branches and total deposits of more than JPY 90 trillion**
- **Part of the JA Bank Group, which promotes more than 60% of Japan's agricultural loans \***

## The Norinchukin Bank



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\*MAFF 「Statistics on Agriculture, Forestry and Fisheries」, BOJ 「Loans and Bills Discounted and New Loans for Fixed Investment by Sector (by Type of Industries)」, Japan Finance Corporation 「Annual business statistics」, Norinchukin Research Institute 「Financial statistics of agriculture, forestry and fisheries in Japan」・「NRI reports」

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# Rabobank: leading global F&A bank



Unleashing the Potential of Global F&A

A Call for Innovation and Leadership



Partnership FAO & Rabobank Foundation in Africa



Rabo Foundation 25 countries  
Rabo Development 16 countries



Rabo Development Financial inclusion for 7.5 mln people including 2 mln farmers

Food & Agribusiness Research and Advisory  
 Rabobank  
 ラボバンク・インダストリー・メッセ 2014 年 10 月  
**日本とオランダにおける農業**  
 全く異なる状況にありながら、同様の課題に直面している両国の農業セクター  
 日本とオランダ両国の農業セクターは、世界の他の国々と比較して、高水準の1ヘクタール当たり生産高を達成しています。両国はいずれも、高水準の1ヘクタール当たり生産高を見込めるセクターにフォーカスしていますが、日本は高い支持価格に部分的に依存しているのに対して、オランダは主に高生産性と高効率性に依存しています。従って、両国は、農業構造、農業政策といった異なる点があるものの、農業の発展の観点から共通の課題を抱えています。両国に共通する課題を

Rabobank F&A Research >80 researchers across 20 countries covering entire F&A value chain



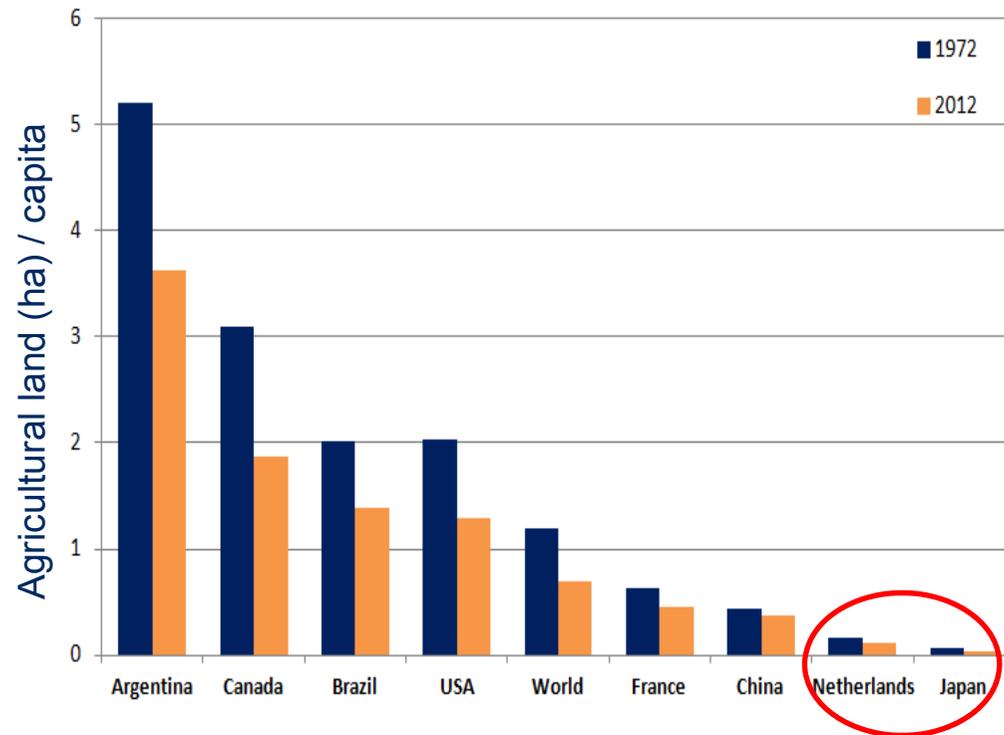
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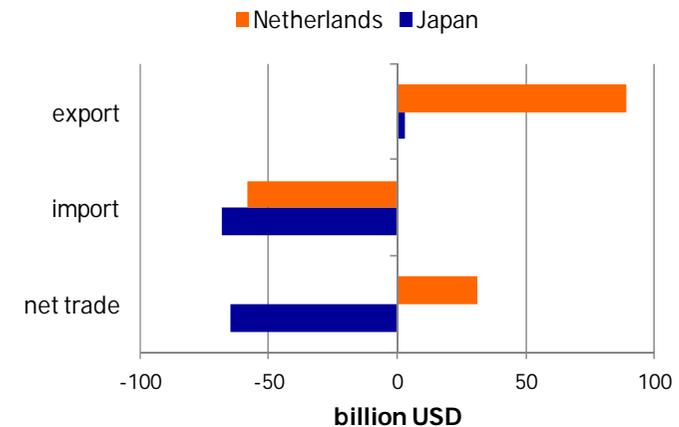
# Strengths of Dutch agriculture

*The Netherlands, like Japan, is one of the most land-scarce countries but is a highly productive and world nr 2 F&A\* exporter*



(Source: FAO online Statistical database)

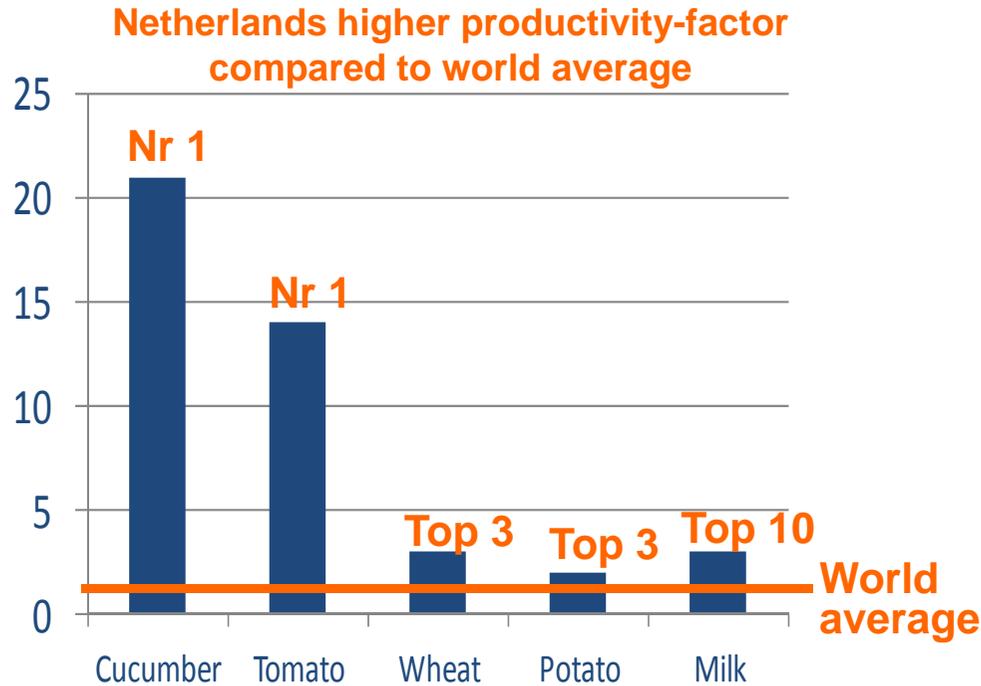
The Netherlands is world's nr 2 F&A\* exporter



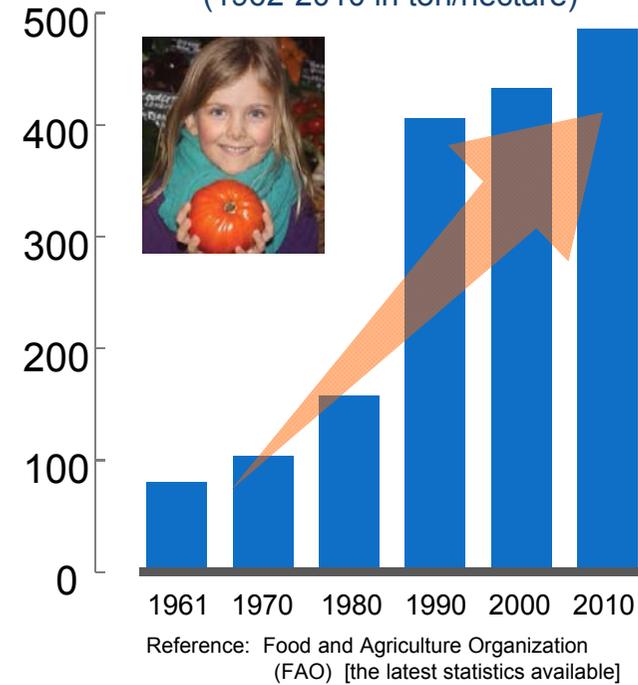
(\* F&A = Food & Agribusiness)



# The Netherlands in Champions League global F&A productivity, efficiency and sustainability



**Trend in Dutch tomato yields (1962-2010 in ton/hectare)**



Tomato example:

- NL 14x higher productivity per m<sup>2</sup>
- NL almost 95% less water used per kg



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# Rabobank: Banking for Food Access to Finance, Knowledge and Networks

Rabobank Industry Note - October 2014

## Agriculture in Japan and the Netherlands

*Worlds Apart, but Faced with Similar Challenges*



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# F20

**AUSTRALIA 2014**

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### 日本とオランダにおける農業

農業は、日本とオランダの両国にとって重要な産業であり、両国はそれぞれ異なる農業環境と課題に直面しています。本レポートでは、両国の農業の現状と将来の展望について詳しく紹介します。

日本は、国土の狭小さと高齢化が進む農村部を背景に、農業の持続可能性を確保するための取り組みを行っています。一方、オランダは、限られた国土で高い生産性を達成するための技術革新と効率化に注力しています。

両国は、気候変動や資源不足などのグローバルな課題に共通して直面しており、国際的な連携と協力を促進することが求められています。



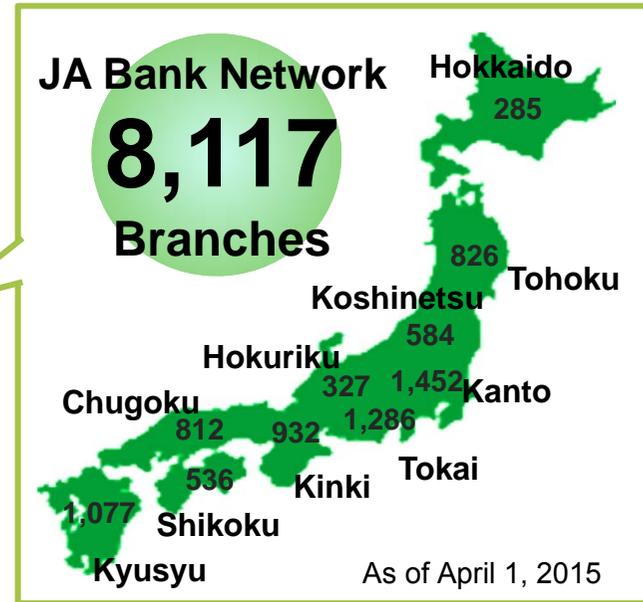
**THE FUTURE OF FARMING**  
The Role of the Rural Entrepreneur



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# The Norinchukin Bank: a central organization for Japan Agricultural Cooperatives

## JA Bank



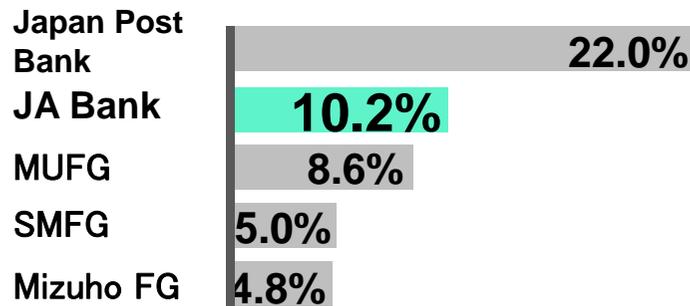
### JA Bank Deposits/Savings amount (Total)

(as of March 31, 2015: Preliminary basis)

**93.7**  
trillion yen

### Proportion of Japanese Deposits & Savings (Retail)

(100% = JPY 809 trillion; as of September 30, 2014)



- Robust network serving JA members and F&A-related clients
- Proactive business commitment to domestic agricultural finance
- Solid financial base



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# Strategic alliance goals

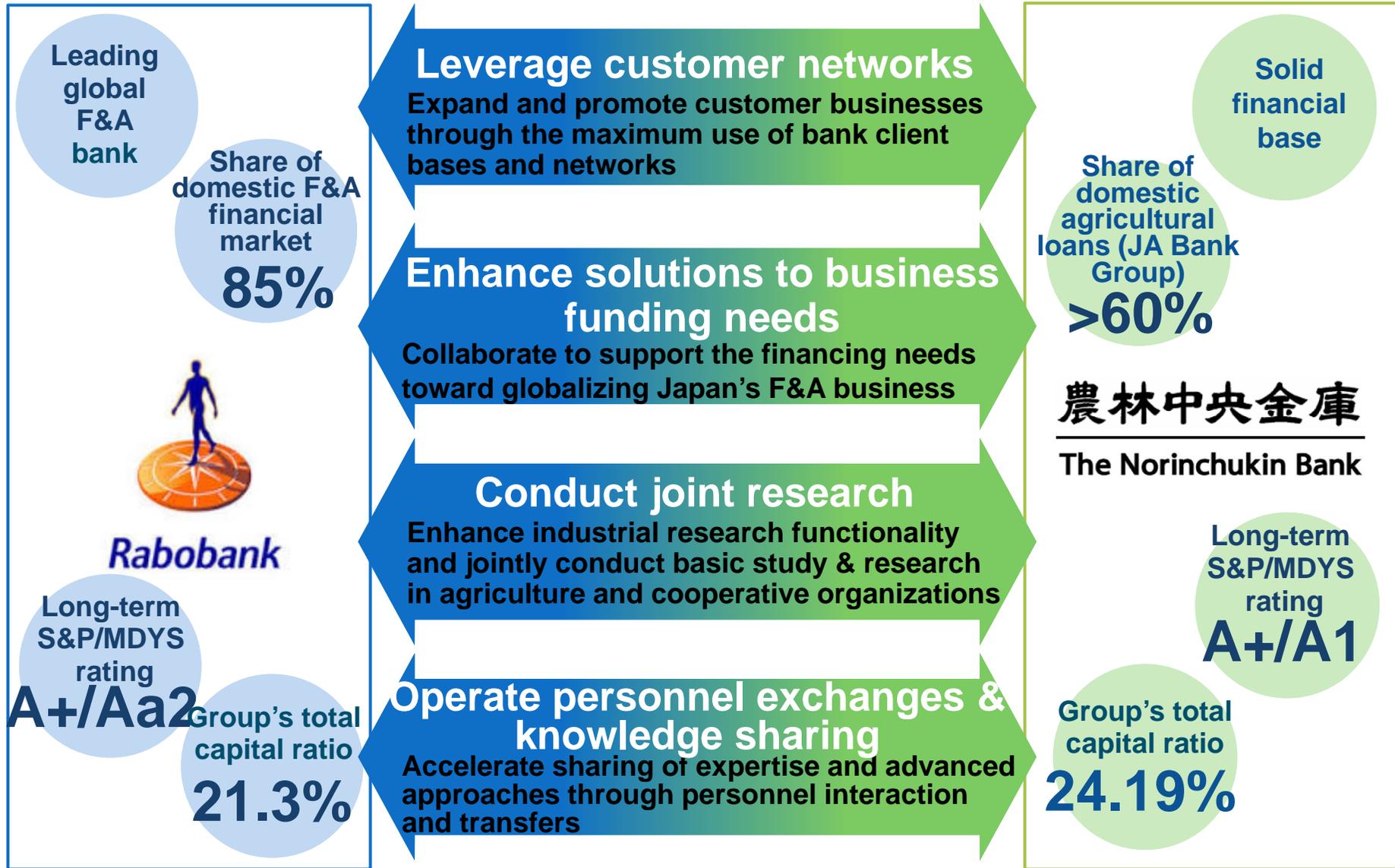


**Contribute to the value creation for people in local communities, as well as for consumers, by industrializing Japanese agriculture towards a growing industry**

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# Specific alliance activities



※2014 Annual Report

※2014 Annual Report