

Consolidated Balance Sheets

The Norinchukin Bank and Subsidiaries
As of March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2012	2011	2012
Assets			
Cash and Due from Banks (Notes 30, 32 and 33)	¥ 1,687,337	¥ 1,837,633	\$ 20,540
Call Loans and Bills Bought (Note 32)	832,440	1,300,000	10,133
Receivables under Resale Agreements	44,987	—	548
Receivables under Securities Borrowing Transactions	492,481	232,694	5,995
Monetary Claims Bought (Notes 32 and 33)	222,980	292,406	2,714
Trading Assets (Notes 3, 32 and 33)	32,658	19,377	398
Money Held in Trust (Notes 5, 9, 32 and 34)	7,027,597	7,751,802	85,546
Securities (Notes 4, 9, 21, 32 and 33)	45,626,464	43,041,795	555,404
Loans and Bills Discounted (Notes 5, 9, 20 and 32)	14,738,276	14,082,755	179,407
Foreign Exchange Assets (Note 6)	44,797	309,746	545
Other Assets (Notes 7, 9 and 32)	971,610	371,593	11,827
Tangible Fixed Assets (Note 8)	119,055	130,908	1,449
Intangible Fixed Assets	43,563	52,905	530
Deferred Tax Assets (Note 18)	2,121	134,602	26
Customers' Liabilities for Acceptances and Guarantees (Note 19)	618,301	557,304	7,527
Reserve for Possible Loan Losses (Note 32)	(229,414)	(269,211)	(2,792)
Reserve for Possible Investment Losses	(12,374)	(12,432)	(151)
Total Assets	¥72,262,884	¥69,833,882	\$879,646
Liabilities and Net Assets			
Liabilities			
Deposits (Notes 10 and 32)	¥43,550,349	¥40,949,373	\$530,132
Negotiable Certificates of Deposit (Note 32)	1,882,426	768,118	22,915
Debentures (Notes 11 and 32)	5,117,872	5,416,360	62,299
Bonds (Note 12)	50,000	254,366	609
Call Money and Bills Sold (Notes 9 and 32)	524,922	473,664	6,390
Payables under Repurchase Agreements (Notes 9 and 32)	7,800,406	8,523,065	94,953
Payables under Securities Lending Transactions (Note 9)	10,654	833,229	130
Trading Liabilities (Notes 13 and 32)	10,595	11,724	129
Borrowed Money (Notes 9, 14 and 32)	1,814,807	1,866,007	22,091
Foreign Exchange Liabilities (Note 15)	10	0	0
Short-term Entrusted Funds (Note 32)	4,351,710	4,397,280	52,973
Other Liabilities (Notes 9, 16 and 32)	1,571,006	1,498,346	19,124
Reserve for Bonus Payments	6,474	4,417	79
Reserve for Employees' Retirement Benefits (Note 17)	6,188	3,754	75
Reserve for Directors' Retirement Benefits	1,018	989	12
Deferred Tax Liabilities (Note 18)	94,249	—	1,147
Deferred Tax Liabilities for Land Revaluation	12,932	16,041	157
Acceptances and Guarantees (Note 19)	618,301	557,304	7,527
Total Liabilities	67,423,926	65,574,044	820,742
Net Assets			
Paid-in Capital (Note 22)	3,425,909	3,425,909	41,703
Capital Surplus	25,020	25,020	305
Retained Earnings	1,024,914	972,337	12,476
Treasury Preferred Stock	(150)	(150)	(2)
Total Owners' Equity	4,475,694	4,423,117	54,482
Net Unrealized Gains (Losses) on Other Securities, net of taxes	373,302	(222,611)	4,544
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	(40,825)	26,783	(497)
Revaluation Reserve for Land, net of taxes	24,841	26,666	302
Foreign Currency Transaction Adjustments	(40)	(39)	(0)
Total Accumulated Other Comprehensive Income	357,277	(169,200)	4,349
Minority Interests	5,985	5,920	73
Total Net Assets	4,838,957	4,259,837	58,904
Total Liabilities and Net Assets	¥72,262,884	¥69,833,882	\$879,646

The accompanying notes are an integral part of the financial statements.

(2) Consolidated Statements of Comprehensive Income

The Norinchukin Bank and Subsidiaries
For the fiscal years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2012	2011	2012
Income before Minority Interests	¥ 70,566	¥129,679	\$ 859
Other Comprehensive Income	529,922	174,074	6,451
Net Unrealized Gains on Other Securities, net of taxes (Note 29)	595,754	184,585	7,252
Net Deferred Losses on Hedging Instruments, net of taxes (Note 29)	(67,551)	(10,149)	(822)
Revaluation Reserve for Land, net of taxes (Note 29)	1,609	—	20
Foreign Currency Transaction Adjustments (Note 29)	(1)	(13)	(0)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method (Note 29)	110	(347)	1
Total Comprehensive Income	600,488	¥303,754	7,310
Attributable to:			
Owners of the Parent	600,430	¥303,672	7,309
Minority Interests	¥ 58	¥ 81	\$ 1

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Capital Surplus and Retained Earnings

The Norinchukin Bank and Subsidiaries
For the fiscal years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2012	2011	2012
Capital Surplus			
Balance at the Beginning of the Fiscal Year	¥ 25,020	¥ 25,020	\$ 305
Balance at the End of the Fiscal Year	25,020	25,020	305
Retained Earnings			
Balance at the Beginning of the Fiscal Year	972,337	837,448	11,836
Additions:			
Net Income for the Fiscal Year	70,518	129,586	858
Transfer from Revaluation Reserve for Land, net of taxes	3,434	5,302	42
Deductions:			
Dividends	21,375	—	260
Balance at the End of the Fiscal Year	¥1,024,914	¥972,337	\$12,476

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Cash Flows

The Norinchukin Bank and Subsidiaries
For the fiscal years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2012	2011	2012
Cash Flows from Operating Activities:			
Income before Income Taxes and Minority Interests	¥ 74,200	¥ 124,657	\$ 903
Depreciation	19,999	14,714	244
Losses on Impairment of Fixed Assets	4,588	9,170	56
Gains on Negative Goodwill Incurred	(2,729)	—	(33)
Equity in Losses (Earnings) of Affiliates	(7,113)	12,875	(86)
Net Decrease in Reserve for Possible Loan Losses	(39,892)	(34,128)	(486)
Net Increase (Decrease) in Reserve for Possible Investment Losses	(57)	6,338	(1)
Net Increase (Decrease) in Reserve for Bonus Payments	1,837	(102)	22
Net Increase in Reserve for Employees' Retirement Benefits	2,288	1,970	28
Net Decrease in Reserve for Directors' Retirement Benefits	(32)	(4)	(0)
Interest Income	(597,750)	(665,029)	(7,276)
Interest Expenses	587,554	557,731	7,152
Losses (Gains) on Securities	48,044	(17,538)	585
Losses (Gains) on Money Held in Trust	3,428	(1,265)	42
Foreign Exchange Losses	314,547	2,764,234	3,829
Gains on Disposal of Fixed Assets	(404)	(1,960)	(5)
Net Increase in Trading Assets	(13,280)	(6,322)	(162)
Net Decrease in Trading Liabilities	(1,129)	(851)	(14)
Net Increase in Loans and Bills Discounted	(627,455)	(985,120)	(7,638)
Net Increase in Deposits	1,681,174	1,847,737	20,465
Net Increase in Negotiable Certificates of Deposit	1,114,307	65,318	13,564
Net Decrease in Debentures	(298,488)	(189,406)	(3,633)
Net Decrease in Borrowed Money (Excluding Subordinated Borrowed Money)	(51,200)	(177,300)	(623)
Net Decrease (Increase) in Interest-bearing Due from Banks	(380,356)	274,831	(4,630)
Net Decrease in Call Loans and Bills Bought and Other	494,066	240,982	6,014
Net Increase in Receivables under Securities Borrowing Transactions	(259,787)	(232,694)	(3,162)
Net Decrease in Call Money and Bills Sold and Other	(671,401)	(1,618,453)	(8,173)
Net Increase (Decrease) in Short-term Entrusted Funds	(45,569)	120,109	(555)
Net Increase (Decrease) in Payables under Securities Lending Transactions	(822,575)	734,686	(10,013)
Net Decrease (Increase) in Foreign Exchange Assets	264,949	(296,821)	3,225
Net Increase (Decrease) in Foreign Exchange Liabilities	10	(0)	0
Interest Received	626,006	744,141	7,620
Interest Paid	(597,543)	(580,049)	(7,274)
Other, Net	(343,774)	(30,860)	(4,185)
Subtotal	476,462	2,681,590	5,800
Income Taxes Paid	(3,933)	(6,350)	(48)
Net Cash Provided by Operating Activities	472,528	2,675,240	5,752

	Millions of Yen		Millions of U.S. Dollars (Note 1)
	2012	2011	2012
Cash Flows from Investing Activities:			
Purchases of Securities	(30,101,719)	(40,115,753)	(366,424)
Proceeds from Sales of Securities	833,008	3,871,282	10,140
Proceeds from Redemption of Securities	27,220,017	34,725,684	331,345
Increase in Money Held in Trust	(1,042,889)	(2,127,571)	(12,695)
Decrease in Money Held in Trust	1,410,795	896,001	17,173
Purchases of Tangible Fixed Assets	(2,552)	(8,339)	(31)
Purchases of Intangible Fixed Assets	(2,543)	(4,953)	(31)
Proceeds from Sales of Tangible Fixed Assets	5,038	5,601	61
Purchase of Stocks of Subsidiaries (Affecting the Scope of Consolidation)	(1,832)	—	(22)
Purchase of Stocks of Subsidiaries (Not Affecting the Scope of Consolidation)	(286)	—	(3)
Proceeds from Business Transfer	895,606	—	10,902
Net Cash Used in Investing Activities	(787,356)	(2,758,047)	(9,585)
Cash Flows from Financing Activities:			
Payments for Redemption of Subordinated Bonds	(195,026)	—	(2,374)
Dividends Paid	(21,375)	—	(260)
Dividends Paid to Minority Interests	—	(9)	—
Net Cash Used in Financing Activities	(216,402)	(9)	(2,634)
Net Decrease in Cash and Cash Equivalents	(531,230)	(82,816)	(6,467)
Cash and Cash Equivalents at the Beginning of the Fiscal Year	946,195	1,029,012	11,518
Cash and Cash Equivalents at the End of the Fiscal Year (Note 30)	¥ 414,965	¥ 946,195	\$ 5,051

The accompanying notes are an integral part of the financial statements.

Notes to the Consolidated Financial Statements

The Norinchukin Bank and Subsidiaries

1. Basis of Presentation

The consolidated financial statements have been prepared based on the accounting records maintained by The Norinchukin Bank (“the Bank”) and its consolidated subsidiaries in accordance with the provisions set forth in The Norinchukin Bank Law and in conformity with accounting principles and practices generally accepted in Japan, that are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

Certain items presented in the consolidated financial statements filed with the Ministry of Agriculture, Forestry and Fisheries of Japan have been reclassified for the convenience of readers.

The consolidated financial statements are intended only to present the consolidated financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in Japan.

Amounts in U.S. dollars are included solely for the convenience of readers. The exchange rate of ¥82.15=U.S.\$1, the approximate rate of exchange prevailing on March 31, 2012, has been used for translation purposes. The inclusion of such amounts is not intended to imply that Japanese yen amounts have been, or could be, readily converted, realized or settled in U.S. dollars at the aforementioned rate or at any other rate.

The yen figures disclosed in the consolidated financial statements are expressed in millions of yen and have been rounded down. Consequently, differences may exist between the sum of rounded figures and the totals listed in the annual report.

2. Summary of Significant Accounting Policies

Change in Presentation of the Consolidated Statements of Operations

As the addendum format of “Ordinance for Enforcement of The Norinchukin Bank Law” (Cabinet Office and Ministry of Agriculture, Forestry and Fisheries Ordinance No. 16 of 2001) was revised by “Order Partially Revising Ordinance for Enforcement of The Norinchukin Bank Law” (Cabinet Office and Ministry of Agriculture, Forestry and Fisheries Ordinance No. 1, March 25, 2011), “Income before Minority Interests” has been presented from the fiscal year ended March 31, 2011.

Additional Information

The Bank and its consolidated subsidiaries adopted the Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No. 24, December 4, 2009) and the Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No. 24, December 4, 2009) for accounting changes and corrections of prior period errors made after the beginning of the fiscal year 2011.

The Bank has adopted “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No. 25, June 30, 2010) from the fiscal year ended March 31, 2011.

(1) Principles of Consolidation

Scope of Consolidation

Subsidiaries

Subsidiaries are, in general, the companies in which the Bank 1) holds, directly and/or indirectly, more than 50% of the voting shares; 2) holds, directly and/or indirectly, 40% or more of the voting shares and, at the same time, exercises effective control over the decision-making body by directing business policy and deciding on financial and operating policies; or 3) holds more than 50% of the voting shares together with those entities that would vote or agree to vote with the Bank due to their close relationship with the Bank through sharing of personnel, provision of finance and technology and other relationships and, at the same time, has effective control over the decision-making body, unless evidence exists which shows that the Bank does not have such control.

The number of subsidiaries as of March 31, 2012 and 2011 was 9 and 8, respectively, all of which were consolidated.

The major consolidated subsidiaries are as follows:

The Norinchukin Trust & Banking Co., Ltd.

Kyodo Housing Loan Co., Ltd.

The date of the fiscal year-end of all consolidated subsidiaries is March 31.

Eiraku Co., Ltd. was consolidated from the fiscal year 2011 due to the acquisition of its shares.

Affiliates

Affiliates are, in general, the companies, other than subsidiaries, in which the Bank 1) holds, directly and/or indirectly, 20% or more of the voting shares; 2) holds, directly and/or indirectly, 15% or more of the voting shares and also is able to influence the decision-making body through sharing of personnel, provision of finance and technology, and other relationships; or 3) holds more than 20% of the voting shares together with those entities that would vote or agree to vote with the Bank due to their close relationship with the Bank through sharing of personnel, provision of finance and technology and other relationships and, at the same time, is able to influence the decision-making body in a material degree, unless evidence exists which shows that the Bank does not have such influence.

The number of affiliates as of March 31, 2012 and 2011 was 6 and 7, respectively, out of which 5 and 6 were accounted for by the equity method, respectively, while the remaining immaterial affiliate is carried at cost. Differences between the cost and the underlying net equity at fair value of investments in companies which are accounted for by the equity method have been amortized by the straight-line method over 20 years except for immaterial goodwill which are charged to income in the year of acquisition. Negative goodwill is credited to income in the year of acquisition. The major affiliates accounted for by the equity method are as follows:

Mitsubishi UFJ NICOS Co., Ltd.

JA MITSUI LEASING, LTD.

Private Equity Fund Research and Investments Co., Ltd. is no longer accounted for by the equity method from the fiscal year 2011 due to the sale of its shares.

(2) Transactions for Trading Purposes

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 statements of operations.

Securities, monetary claims and certain other instruments held for trading purposes are valued at fair value prevailing at the end of the fiscal year. 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 consolidated balance sheet date.

Trading Income and Trading Expenses include interest received and paid in the fiscal year, 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 fiscal year, from the end of the previous fiscal year.

(3) Financial Instruments

a. Securities

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. Other securities that have readily determinable fair value 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.

Securities included in Money Held in Trust are valued using the same methods described in (2) and (3) a. above.

b. Derivatives

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

c. 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). 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.

Deferred hedge gains or losses were recorded in the consolidated balance sheet as a result of applying the hedge accounting method described in “Tentative Accounting and Auditing Treatment relating to the Adoption of ‘Accounting for Financial Instruments’ for Banks” (JICPA Industry Audit Committee Report No. 15), to the macro hedges under which the Bank used derivatives to manage the overall interest rate risk arising from various financial assets and liabilities, such as loans and deposits. Such deferred hedge gains or losses are amortized into Interest Income or Interest Expenses as calculated based on the maturity and notional amount of the hedging instruments, beginning in the fiscal year ended March 31, 2004.

The unamortized balances of deferred hedge losses under the macro hedges, before deducting the tax effect, as of March 31, 2012 and 2011 were ¥— and ¥105 million, respectively.

(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). 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 statements 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.

A certain Bank’s consolidated subsidiary applies the accrual method of hedge accounting, as specifically permitted for certain interest rate swaps.

(4) Tangible Fixed Assets (other than Lease Assets)

a. Depreciation

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.

The useful lives of major Tangible Fixed Assets are as follows:

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. Land Revaluation

In accordance with the Law Concerning the Revaluation of Land, effective as of March 31, 1998, land used for business purposes was revalued on March 31, 1998. 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.

The land prices used for the revaluation were reasonably calculated based on third-party appraisals in accordance with Article 2-5 of the enforcement ordinance for the Law Concerning the Revaluation of Land.

(5) 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 using the straight-line method over an estimated useful life of 5 years.

(6) Lease Assets

a. Depreciation

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.

b. Accounting for Finance Leases

Finance leases where the ownership of assets is not transferred to the lessees, which commenced in fiscal years beginning prior to April 1, 2008, are accounted for by the same accounting method as for operating leases. Rental expenses and lease expenses under operating leases are charged to income when incurred.

(7) Debentures

All the debenture issuance costs are charged to income when incurred.

(8) 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.

(9) Reserve for Possible Loan Losses

Reserve for Possible Loan Losses of the Bank is computed as follows:

- a. 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 disposal of collateral or the execution of guarantees.

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 ¥63,829 million (\$777 million) and ¥46,050 million for the fiscal years ended March 31, 2012 and 2011, respectively.

- b. 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 disposal of collateral or the execution of guarantees.
- c. Reserve for loans to debtors with restructured loans (see Note 5) 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.
- d. 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.
- e. 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.

The effects of the Great East Japan Earthquake were taken into account in the self-assessment as long as the reasonable judgments of the debtors’ status could be possibly made. The reasonably estimated amounts of the effects are reflected in the financial statements of the fiscal year ended March 31, 2011.

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.

Some of the Bank’s consolidated subsidiaries provided reserve at the amount determined using the information available at the end of the fiscal year ended March 31, 2011 with respect to the debtors whose accurate status was difficult to confirm due to the Great East Japan Earthquake.

(10) 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.

(11) Reserve for Bonus Payments

Reserve for Bonus Payments represents estimated cost of payment of employees’ bonuses attributable to the fiscal year.

(12) Reserve for Employees’ Retirement Benefits

Reserve for Employees’ Retirement Benefits, which is provided for the payment of employees’ retirement benefits, is recorded as the required amount accrued at the end of the fiscal year, based on the estimated present value of projected benefit obligations (“PBO”) and the estimated plan assets at the end of the fiscal year. In the case that plan assets exceed the amounts of the PBO adjusted by unrecognized prior service cost and actuarial differences, the excess portion is recorded as prepaid pension costs in Other Assets.

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 had been incurred.

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 had been incurred.

Some of the Bank’s consolidated subsidiaries adopt the simplified method whereby the reserve is provided at the amount that would be paid if all eligible employees voluntarily retired at the consolidated balance sheet date.

(13) 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 fiscal year.

(14) Consumption Taxes

Consumption tax and local consumption tax incurred on taxable transactions are excluded from these transaction amounts.

(15) Scope of "Cash and Cash Equivalents" in the 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 Bank of Japan for which interest is paid on excess reserve balance based on a temporary measure introduced by Bank of Japan.

(16) Net Income per Share

Net Income per Share is computed based upon the weighted average number of shares outstanding during the fiscal year.

The total dividends for Lower Dividend Rate Stocks and Preferred Stocks and the total Special Dividends are deducted from the numerator, the aggregate number of Lower Dividend Rate Stock and Preferred Stock is deducted from the denominator, respectively, in the calculation of Net Income per Share.

3. Trading Assets

	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
As of March 31			
Trading Securities	¥21,425	¥ 7,206	\$261
Derivatives of Trading Securities	1	—	0
Derivatives of Securities Related to Trading Transactions	—	—	—
Trading-related Financial Derivatives	11,231	12,170	137
Total	¥32,658	¥19,377	\$398

4. Securities

	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
As of March 31			
Japanese Government Bonds	¥17,541,008	¥15,276,015	\$213,524
Municipal Government Bonds	1,874	1,489	23
Corporate Bonds	97,844	104,505	1,191
Stocks	504,161	498,299	6,137
Other	27,481,576	27,161,484	334,529
Foreign Bonds	17,698,881	17,964,916	215,446
Foreign Stocks	48,101	55,583	586
Investment Trusts	9,160,667	8,481,284	111,511
Other	573,924	659,699	6,986
Total	¥45,626,464	¥43,041,795	\$555,404

The maturity profile of securities is as follows:

	Millions of Yen				
	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
As of March 31, 2012					
Bonds	¥ 7,013,684	¥ 539,573	¥ 9,343,698	¥ 743,770	¥ —
Japanese Government Bonds	6,985,821	478,626	9,342,968	733,592	—
Municipal Government Bonds	58	1,052	730	33	—
Corporate Bonds	27,804	59,894	—	10,144	—
Stocks	—	—	—	—	504,161
Other	3,207,981	11,317,099	2,792,113	1,538,646	8,625,735
Foreign Bonds	3,163,529	10,989,124	2,535,514	1,010,712	—
Foreign Stocks	—	—	—	—	48,101
Investment Trusts	25,514	81,336	950	507,488	8,545,377
Other	18,936	246,638	255,649	20,444	32,255
Total	¥10,221,665	¥11,856,673	¥12,135,812	¥2,282,417	¥9,129,896

	Millions of Yen				
	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
As of March 31, 2011					
Bonds	¥6,858,263	¥ 103,030	¥5,668,012	¥2,752,704	¥ —
Japanese Government Bonds	6,855,457	17,200	5,662,417	2,740,939	—
Municipal Government Bonds	28	660	556	244	—
Corporate Bonds	2,777	85,169	5,038	11,519	—
Stocks	—	—	—	—	498,299
Other	1,400,260	12,077,862	3,430,173	2,348,178	7,905,010
Foreign Bonds	1,360,520	11,683,349	3,182,839	1,738,207	—
Foreign Stocks	—	—	—	—	55,583
Investment Trusts	25,373	134,817	978	503,036	7,817,078
Other	14,366	259,694	246,355	106,935	32,347
Total	¥8,258,523	¥12,180,892	¥9,098,186	¥5,100,882	¥8,403,309

	Millions of U.S. Dollars				
	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years to 10 Years	Over 10 Years	With no maturity date
As of March 31, 2012					
Bonds	\$ 85,377	\$ 6,568	\$113,739	\$ 9,054	\$ —
Japanese Government Bonds	85,038	5,826	113,730	8,930	—
Municipal Government Bonds	1	13	9	0	—
Corporate Bonds	338	729	—	124	—
Stocks	—	—	—	—	6,137
Other	39,050	137,762	33,988	18,729	105,000
Foreign Bonds	38,509	133,769	30,865	12,303	—
Foreign Stocks	—	—	—	—	586
Investment Trusts	311	990	11	6,177	104,022
Other	230	3,003	3,112	249	392
Total	\$124,427	\$144,330	\$147,727	\$27,783	\$111,137

Notes: 1. The above amount is based on the consolidated balance sheet amount at the end of the fiscal year.

2. Investment Trusts include Japanese trusts and foreign trusts.

5. Loans and Bills Discounted

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Loans on Deeds	¥13,156,036	¥12,581,210	\$160,146
Loans on Bills	232,534	143,204	2,831
Overdrafts	1,344,308	1,352,753	16,364
Bills Discounted	5,397	5,587	66
Total	¥14,738,276	¥14,082,755	\$179,407

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Loans to Borrowers under Bankruptcy Proceedings	¥ 1,102	¥ 3,216	\$ 14
Delinquent Loans	197,354	245,670	2,402
Loans Past Due for Three Months or More	42	111	1
Restructured Loans	71,496	62,000	870
Total	¥269,995	¥310,997	\$3,287

(1) 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 Corporate Tax Law (Law No. 97, 1965) on which interest is placed on a 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.

(2) 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.

(3) 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.

(4) 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.

In addition, as of March 31, 2012 and 2011, Money Held in Trust includes restructured loans of ¥— and ¥3 million, respectively.

6. Foreign Exchange Assets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Foreign Bills Bought	¥ —	¥ —	\$ —
Due from Foreign Banks	44,797	309,746	545
Total	¥44,797	¥309,746	\$545

7. Other Assets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Prepaid Expenses	¥ 645	¥ 554	\$ 8
Accrued Income	104,711	119,356	1,274
Financial Derivatives	40,073	49,256	488
Other	826,180	202,426	10,057
Total	¥971,610	¥371,593	\$11,827

8. Tangible Fixed Assets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Land	¥ 63,104	¥ 67,442	\$ 768
Buildings	35,396	40,491	431
Equipment	6,792	8,343	83
Lease Assets	13,158	14,430	160
Other	604	201	7
Total Net Book Value	119,055	130,908	1,449
Accumulated Depreciation Deducted	¥104,608	¥101,613	\$1,273

9. Assets Pledged

Assets pledged as collateral comprise the following:

	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
As of March 31			
Securities	¥10,617,645	¥13,218,581	\$129,247
Loans and Bills Discounted	7,821,553	7,556,911	95,211

Liabilities secured by the above assets are as follows:

	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
As of March 31			
Call Money and Bills Sold	¥ 455,000	¥ 425,000	\$ 5,539
Payables under Repurchase Agreements	7,755,429	8,523,065	94,406
Payables under Securities Lending Transactions	4,633	804,888	56
Borrowed Money	283,800	335,000	3,455
Other Liabilities	—	21,150	—

In addition, as of March 31, 2012 and 2011, Securities (including transactions of Money Held in Trust) of ¥7,217,404 million (\$87,856 million) and ¥7,831,309 million, respectively, were pledged as collateral for settlement of exchange and derivative transactions or as margins of futures transactions.

As of March 31, 2012 and 2011, initial margins of futures transactions of ¥1,949 million (\$24 million) and ¥1,631 million, respectively, cash collateral under financial derivative transactions of ¥759,895 million (\$9,250 million) and ¥953 million, respectively, and guarantee deposits of ¥6,033 million (\$73 million) and ¥6,336 million, respectively, were included in Other Assets.

10. Deposits

	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
As of March 31			
Time Deposits	¥36,683,500	¥34,495,148	\$446,543
Deposits at Notice	84,318	52,668	1,026
Ordinary Deposits	1,065,109	990,567	12,966
Current Deposits	131,389	105,039	1,599
Other Deposits	5,586,032	5,305,950	67,998
Total	¥43,550,349	¥40,949,373	\$530,132

11. Debentures

	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
As of March 31			
One-year Discount Debentures	¥ —	¥ —	\$ —
Long-term Coupon Debentures	5,117,872	5,416,360	62,299
Total	¥5,117,872	¥5,416,360	\$62,299

12. Bonds

Bonds were subordinated bonds of ¥50,000 million (\$609 million) and ¥254,366 million as of March 31, 2012 and 2011, respectively.

13. Trading Liabilities

As of March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Derivatives of Trading Securities	¥ —	¥ 12	\$ —
Derivatives of Securities Related to Trading Transactions	13	0	0
Trading-related Financial Derivatives	10,581	11,710	129
Total	¥10,595	¥11,724	\$129

14. Borrowed Money

Borrowed Money includes subordinated borrowings of ¥1,486,007 million (\$18,089 million) and ¥1,486,007 million as of March 31, 2012 and 2011, respectively.

15. Foreign Exchange Liabilities

As of March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Foreign Bills Sold	¥—	¥—	\$—
Foreign Bills Payable	10	0	0
Due to Foreign Banks	—	—	—
Total	¥10	¥ 0	\$ 0

16. Other Liabilities

As of March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Accrued Expenses	¥ 52,829	¥ 62,595	\$ 643
Income Taxes Payable	796	492	10
Unearned Income	1,159	1,353	14
Derivatives Other Than for Trading	698,326	193,667	8,501
Accounts Payable for Securities Purchased	715,536	1,031,865	8,710
Other	102,358	208,371	1,246
Total	¥1,571,006	¥1,498,346	\$19,124

17. Retirement Benefit Plans

The Bank and its consolidated subsidiaries fund a defined benefit pension plan and, in addition, have a lump-sum payment pension plan. Additional retirement benefits are paid to employees in certain cases. To fund the lump-sum payment pension plan, the Bank has established a retirement benefit trust.

The reserve for retirement benefits as of March 31, 2012 and 2011, are as follows:

As of March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Projected Benefit Obligations	¥(103,363)	¥(88,780)	\$(1,258)
Plan Assets	67,647	68,149	824
Unfunded Retirement Benefit Obligations	(35,715)	(20,630)	(434)
Unrecognized Actuarial Differences	28,359	16,253	345
Unrecognized Prior Service Cost	1,168	1,327	14
Net Amounts Reported in the Consolidated Balance Sheets	(6,188)	(3,049)	(75)
Prepaid Pension Cost	—	704	—
Reserve for Employees' Retirement Benefits	¥ (6,188)	¥ (3,754)	\$ (75)

Note: Some of the Bank's consolidated subsidiaries adopt the simplified method whereby the amount that would be payable if the eligible employees voluntarily terminate the employment and certain other alternative measures may be used without employing actuarial calculations in accordance with the Accounting Standard for Retirement Benefit to calculate PBO.

Assumptions used in the above calculation are as follows:

As of or for the fiscal years ended March 31	2012	2011
Discount Rate	1.2%	2.0%
Expected Rate of Return on Plan Assets	3.0%	3.0%
Method of Attributing the Projected Benefits to Periods of Service	Straight-line Basis	Straight-line Basis
Amortization of Unrecognized Actuarial Differences	10 years	10 years
Amortization of Unrecognized Prior Service Cost	10 years	10 years

18. Accounting for Income Taxes

Components of deferred tax assets and liabilities are as follows:

As of March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Deferred Tax Assets:			
Reserve for Possible Loan Losses	¥ 50,770	¥ 65,335	\$ 618
Write-off of Loans	9,528	4,151	116
Losses on Revaluation of Securities	95,451	122,496	1,162
Reserve for Employees' Retirement Benefits	8,988	8,912	109
Depreciation Expense	478	707	6
Net Operating Losses Carried Forward	6,851	6,389	83
Unrealized Losses on Other Securities	14	103,372	0
Deferred Losses on Hedging Instruments	22,983	2,718	280
Unrealized Losses on Reclassification	42,394	76,651	516
Other	64,853	80,187	790
Subtotal	302,313	470,923	3,680
Valuation Allowance	(165,867)	(200,987)	(2,019)
Total Deferred Tax Assets	136,445	269,936	1,661
Deferred Tax Liabilities:			
Gain from Contribution of Securities to Employee Retirement Benefit Trust	(4,959)	(5,577)	(60)
Unrealized Gains on Other Securities	(126,443)	(47)	(1,539)
Deferred Gains on Hedging Instruments	(7,392)	(14,839)	(90)
Unrealized Gains on Reclassification	(46,379)	(58,627)	(565)
Other	(43,398)	(56,242)	(528)
Total Deferred Tax Liabilities	(228,573)	(135,333)	(2,782)
Net Deferred Tax Assets (Liabilities)	¥ (92,128)	¥134,602	\$(1,121)

19. Acceptances and Guarantees

As of March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Acceptance of Bills of Exchange	¥ —	¥ —	\$ —
Letters of Credit	174	578	2
Guarantees	618,126	556,726	7,525
Total	¥618,301	¥557,304	\$7,527

All contingent liabilities arising in connection with customers' foreign trade and other transactions are classified under Acceptances and Guarantees. As a contra account, Customers' Liabilities for Acceptances and Guarantees, is classified as an asset representing the Bank's right of indemnity from customers.

20. Commitments to Overdrafts and Loans

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 ¥2,658,983 million (\$32,367 million) and ¥2,545,039 million as of March 31, 2012 and 2011, respectively. The amount of the undrawn commitments, which the Bank and its consolidated subsidiaries could cancel at any time without cause, was ¥1,843,793 million (\$22,444 million) and ¥1,715,544 million as of March 31, 2012 and 2011, respectively.

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.

21. Securities Loaned

Securities include securities loaned under unsecured lending agreements (Saiken Taishaku Torihiki) of ¥129,823 million (\$1,580 million) and ¥139,814 million as of March 31, 2012 and 2011, respectively.

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 re-pledged of ¥50,151 million (\$610 million) and ¥29,671 million as of March 31, 2012 and 2011, respectively, and securities held without re-pledge of ¥1,361,956 million (\$16,579 million) and ¥1,065,101 million as of March 31, 2012 and 2011, respectively. No such securities are re-loaned to the third parties.

22. Paid-in Capital

As of March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Common Stock	¥3,400,909	¥3,400,909	\$41,399
Preferred Stock	24,999	24,999	304
Total	¥3,425,909	¥3,425,909	\$41,703

The Common Stock account includes Lower Dividend Rate Stock with a total par value of ¥2,975,192 million (\$36,217 million) and ¥2,975,192 million as of March 31, 2012 and 2011, respectively.

Lower Dividend Rate Stock is similar to regular common stock but has been issued on the condition that the dividend yield will be set below that relating to common stock.

23. Trading Income

Fiscal years ended March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Income from Trading Securities and Derivatives	¥590	¥ —	\$ 7
Income from Securities and Derivatives Related to Trading Transactions	9	—	0
Income from Trading-related Financial Derivatives	154	194	2
Other	—	—	—
Total	¥753	¥194	\$ 9

24. Other Operating Income

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Gains on Foreign Exchange Transactions	¥ —	¥ —	\$ —
Gains on Sales of Bonds	24,919	69,902	303
Gains on Redemption of Bonds	16,557	28,499	202
Gains on Financial Derivatives	—	21,276	—
Other	45,160	45,014	550
Total	¥86,637	¥164,692	\$1,055

25. Other Income

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Gains on Sales of Stocks and Other Securities	¥ 14,318	¥ 23,639	\$ 174
Gains on Money Held in Trust	211,387	205,109	2,573
Equity in Earnings of Affiliates	7,113	—	86
Gains on Disposals of Fixed Assets	1,865	2,484	23
Recoveries of Written-off Claims	2,962	1,533	36
Reversal of Reserve for Possible Loan Losses	6,787	25,615	83
Gains on Negative Goodwill Incurred	2,729	—	33
Other	1,943	3,955	24
Total	¥249,108	¥262,337	\$3,032

26. Trading Expenses

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Expenses on Trading Securities and Derivatives	¥—	¥ 65	\$—
Expenses on Securities and Derivatives Related to Trading Transactions	—	94	—
Expenses on Trading-related Financial Derivatives	—	—	—
Total	¥—	¥160	\$—

27. Other Operating Expenses

Fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Amortization of Debenture Issuance Costs	¥ 466	¥ 471	\$ 6
Losses on Foreign Exchange Transactions	4,486	657	55
Losses on Sales of Bonds	28,908	178,810	352
Losses on Redemption of Bonds	136	4,593	2
Losses on Revaluation of Bonds	1,969	10,390	24
Losses on Financial Derivatives	12,992	—	158
Other	47,203	52,560	574
Total	¥96,164	¥247,483	\$1,171

28. Other Expenses

Fiscal years ended March 31	Millions of Yen		Millions of U.S.
	2012	2011	Dollars 2012
Write-off of Loans	¥ 1,783	¥ 1,908	\$ 22
Provision of Reserve for Possible Loan Losses	—	—	—
Losses on Sales of Stocks and Other Securities	21,179	120	258
Losses on Revaluation of Stocks and Other Securities	15,243	10,902	185
Losses on Money Held in Trust	11,794	6,001	143
Equity in Losses of Affiliates	—	12,875	—
Losses on Disposals of Fixed Assets	1,461	523	18
Provision of Reserve for Possible Investment Losses	—	6,338	—
Other	12,699	22,129	155
Total	¥64,162	¥60,799	\$781

29. Other Comprehensive Income

Reclassification adjustments and income tax effects on the Other Comprehensive Income are as follows:

Fiscal year ended March 31, 2012	Millions of Yen	Millions of U.S.
		Dollars
Net Unrealized Gains on Other Securities, net of taxes:		
Gains arising during the fiscal year	¥740,113	\$ 9,009
Reclassification adjustments to profit or loss	107,189	1,305
Amounts before income tax effects	847,303	10,314
Income tax effects	(251,548)	(3,062)
Total	595,754	7,252
Net Deferred Losses on Hedging Instruments, net of taxes:		
Losses arising during the fiscal year	(177,707)	(2,163)
Reclassification adjustments to profit or loss	82,443	1,004
Amounts before income tax effects	(95,263)	(1,159)
Income tax effects	27,711	337
Total	(67,551)	(822)
Revaluation Reserve for Land, net of taxes:		
Gains (Losses) arising during the fiscal year	—	—
Reclassification adjustments to profit or loss	—	—
Amounts before income tax effects	—	—
Income tax effects	1,609	20
Total	1,609	20
Foreign Currency Transaction Adjustments:		
Losses arising during the fiscal year	(1)	(0)
Reclassification Adjustments to profit or loss	—	—
Amounts before income tax effects	(1)	(0)
Income tax effects	—	—
Total	(1)	(0)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method:		
Losses during the fiscal year	(31)	(0)
Reclassification Adjustments to profit or loss	142	1
Total	110	1
Total Other Comprehensive Income	¥529,922	\$ 6,451

30. Cash Flows

(1) The reconciliation of Cash and Due from Banks in the consolidated balance sheets to “Cash and Cash Equivalents” at the end of the fiscal year

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Cash and Due from Banks	¥1,687,337	¥1,837,633	\$20,540
Less: Interest-bearing Due from Banks	(1,272,371)	(891,437)	(15,489)
Cash and Cash Equivalents at the End of the Fiscal Year	¥ 414,965	¥ 946,195	\$ 5,051

(2) The major assets and liabilities increased due to the business transfer

The major assets and liabilities which increased due to the business transfer from Gunma Prefectural Credit Federations of Agricultural Cooperatives were Loans and Bills Discounted of ¥28,066 million (\$342 million) and Deposits of ¥923,591 million (\$11,243 million), respectively.

31. Segment Information

Fiscal year ended March 31, 2012

(1) Segment Information

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

(2) Related Information

a. Information about Services

Fiscal year ended March 31, 2012	Millions of Yen			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	¥98,069	¥770,466	¥79,517	¥948,053

Fiscal year ended March 31, 2012	Millions of U.S. Dollars			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	\$1,194	\$9,379	\$968	\$11,541

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

b. Information about Geographic Areas

(a) Ordinary Income

Fiscal year ended March 31, 2012	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥924,745	¥4,128	¥8,640	¥10,539	¥948,053

Fiscal year ended March 31, 2012	Millions of U.S. Dollars				
	Japan	Americas	Europe	Others	Total
	\$11,257	\$50	\$105	\$129	\$11,541

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.
3. Ordinary Income is categorized by countries or areas based on the location of the Bank's head office, branches and its consolidated subsidiaries.
4. Americas includes the United States of America and Cayman Islands. Europe includes the United Kingdom.

(b) Tangible Fixed Asset

As of March 31, 2012	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥118,494	¥292	¥170	¥98	¥119,055

As of March 31, 2012	Millions of U.S. Dollars				
	Japan	Americas	Europe	Others	Total
	\$1,442	\$4	\$2	\$1	\$1,449

c. Information about Major Customers

Fiscal year ended March 31, 2012	Name of Customer	Millions of Yen	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	¥107,761	—

Fiscal year ended March 31, 2012	Name of Customer	Millions of U.S. Dollars	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	\$1,312	—

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

(3) Information about Impairment Loss of Fixed Assets in Reportable Segments

Information about Impairment Loss of Fixed Assets in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

(4) Information about Amortization and Unamortized Balance of Goodwill in Reportable Segments

None

(5) Information about Gain on Recognition of Negative Goodwill in Reportable Segments

Information about Gain on Recognition of Negative Goodwill in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

Fiscal year ended March 31, 2011

(1) Segment Information

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

(Additional information)

The Bank and its consolidated subsidiaries have adopted the standard of “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17, March 27, 2009) and “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, March 21, 2008) from the fiscal year ended March 31, 2011.

(2) Related Information

a. Information about Services

Fiscal year ended March 31, 2011	Millions of Yen			
	Loan Business	Securities Investment Business	Others	Total
Ordinary Income from External Customers	¥103,139	¥898,026	¥80,640	¥1,081,805

Notes: 1. Ordinary Income represents Total Income less certain special income.
2. Ordinary Income is shown in place of Sales for non-financial companies.

b. Information about Geographic Areas

(a) Ordinary Income

Fiscal year ended March 31, 2011	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥1,058,570	¥2,706	¥7,710	¥12,819	¥1,081,805

Notes: 1. Ordinary Income represents Total Income less certain special income.
 2. Ordinary Income is shown in place of Sales for non-financial companies.
 3. Ordinary Income is categorized by countries or areas based on the location of the Bank's head office, branches and its consolidated subsidiaries.
 4. Americas includes the United States of America and Cayman Islands. Europe includes the United Kingdom.

(b) Tangible Fixed Asset

As of March 31, 2011	Millions of Yen				
	Japan	Americas	Europe	Others	Total
	¥130,296	¥342	¥178	¥91	¥130,908

c. Information about Major Customers

Fiscal year ended March 31, 2011	Name of Customer	Millions of Yen	
		Ordinary Income	Name of Related Segments
	U.S. Department of the Treasury	¥125,800	—

Notes: 1. Ordinary Income represents Total Income less certain special income.
 2. Ordinary Income is shown in place of Sales for non-financial companies.

(3) Information about Impairment Loss of Fixed Assets in Reportable Segments

Information about Impairment Loss of Fixed Assets in Reportable Segments is not shown in these statements, since the banking business is the only reportable segment.

(4) Information about Amortization and Unamortized Balance of Goodwill in Reportable Segments

None

(5) Information about Gain on Recognition of Negative Goodwill in Reportable Segments

None

32. Financial Instruments

(1) Particulars of Financial Instruments

a. Policy on Financial Instruments

The Bank is a financial institution which takes as its foundation the Japanese agricultural, forestry, and fisheries industry cooperatives. The Bank mainly raises procurement funds from its cooperative members' deposits (mainly 1 year), issuance of debentures (term 5 years), various financial markets, and invests these funds mainly in loans and securities. The Bank oversees the management of its securities based on the fundamental concept "globally diversified investment." In terms of geographical area, the Bank invests in Japan, the United States, Europe, and other regions. The Bank classifies its assets as bonds, equities, credit assets, and alternative investments, depending on the investment allocation. The Bank possesses various financial assets and liabilities, and its integrated risk management framework is conducted in concert with its financial management framework (asset and liability management ("ALM"), market portfolio management, credit portfolio management and others). In addition, these include derivative instruments. It is also important to note that in the management of foreign currency assets, the Bank takes steps to limit the foreign exchange rate risk in most of these investments by employing various tools, such as cross-currency swaps.

Some of the Bank's consolidated subsidiaries conduct banking business, mortgage loan business and other business.

b. Contents and Risk of Financial Instruments

The main financial assets of the Bank and its consolidated subsidiaries consist of Loans and Bills Discounted, Securities and Money Held in Trust.

Loans and Bills Discounted are exposed to credit risk. Securities and Money Held in Trust mainly consist of bonds, equities, credit and alternative assets, which are held for held-to-maturity, available for sale, and trading purpose. These securities are exposed to the market risk arising from interest rates, currency exchange rates and price fluctuations, as well as the credit risk and liquidity risk.

The main financial liabilities of the Bank consist of Deposits from members, Debentures, Borrowed Money, Call Money and Payables under Repurchase Agreements. These financial liabilities are exposed to market risk arising from interest rates and currency exchange rates. Procurement fund from the financial markets is exposed to liquidity risk arising from market crashes and other forms of liquidity risk.

Derivative instruments include the transactions accounted for as hedge transactions, as part of our ALM. A portion of interest-related derivative instruments and currency-related derivative instruments are not accounted for as hedge transactions, and are exposed to the market risk arising from interest rates and currency exchange rates.

Ref: Summary of Significant Accounting Policies (3) Financial Instruments c. Hedge Accounting for hedge item and hedge instruments related to hedge accounting, hedge policy and hedge effectiveness

c. Risk Management for Financial Instruments

(a) Integrated Risk Management

The Bank has established its “Basic Policies for Risk Management,” which specifies a core risk management framework that quantifies and manages the Bank’s risk comprehensively in comparison with its capital, the Bank’s financial strength. To implement integrated risk management, the Bank has established the Risk Management Committee. The Committee also ensures that the total amount of risk undertaken is kept within the Bank’s financial strength. The Bank has also established a number of committees which are categorized according to the type of risk they handle, e.g. the Market Portfolio Management Committee (market risk, liquidity risk), the Credit Portfolio Management Committee (credit risk), and Other, to enable the top management to discuss risk management policies, including planned risk-taking. The framework also requires the integrated risk management situation to be regularly reported to the Board of Directors.

The Bank’s consolidated subsidiaries have managed to align each risk management framework in accordance with the Bank’s “Management and Operation Policy for Group Companies,” taking account of the Bank’s “Basic Policies for Risk Management” as well as the nature of its own business activities and the risk profile.

(b) Credit Risk Management

The Bank has established its “Policies and Procedures for Credit Risk Management” and other rules for credit risk, and manages to align the credit risk management framework with the Bank’s internal rating, credit risk analysis, credit ceiling, credit management and others.

As for the credit risk assets, which consist of loans and various products for the item, area and business, the Bank comprehensively manages credit risk on an entire credit portfolio basis as well as an individual credit basis for whole credit risk assets.

The Bank’s credit risk management framework is comprised of several committees (Including the Risk Management Committee, the Credit Portfolio Management Committee and other committees), which determine the credit risk management framework as well as credit investment policy. Front sections execute loan transactions and credit investments in accordance with the credit policy and within the credit limits approved by the committees. Middle sections, which are segregated from the front sections, monitor changes in the credit risk portfolio and report them to the committees. Those reports are used for upgrading the risk management framework and for future credit investment planning.

The Bank performs specialized analysis for all outstanding credit according to borrower type, such as cooperatives, corporates, public entities, financial institutions, overseas borrowers and securitized products.

The Internal Audit Division periodically oversees and audits credit risk management, and reports to the Board of Directors.

To mitigate credit over-concentration risk, the Bank has established credit ceiling systems. Total credit exposure for each ceiling category is monitored on a regular basis and controlled to avoid any over-concentration on credit exposure.

(c) Market Risk Management

The Bank has established its “Policies and Procedures for Market Risk Management” and other rules for market risk, and align its market risk management framework with other relevant frameworks, policies and procedures. Specifically, the risk balance of the market

portfolio is managed by analyzing and understanding market portfolio conditions based on the degree of market risk measured by the middle sections, including the amount of aggregate risk, risk indicators such as Value at Risk (VaR) and Basis Point Value, and correlation among asset classes. The Bank also analyzes and takes into account its financial position, based on the outlook for economic and financial conditions supported by research into macro-economic factors and the financial markets, simulations of earnings, unrealized gains and losses of the portfolio and the capital adequacy ratio. In principle, market risk measurements cover all financial assets and liabilities in the Bank's portfolio and make use of the Internal Model for the calculation of VaR. Through the investment execution process, the Bank ensures the segregation of duties among divisions in charge for decisions (planning) on allocation policy, execution of individual transactions, and monitoring of risk positions. The Market Portfolio Management Committee sets market portfolio allocation policy, the front sections execute the transactions in accordance with allocation policy, and the middle sections conduct monitoring. From a risk management perspective, the front sections executing trades for the trading accounts are explicitly separated from the front sections executing trades for the banking accounts. Targets for profits, and position and loss limits are revised semi-annually. Progress in achieving profit targets within approved limits is monitored on a daily basis. When positions or losses exceed approved limits, the middle sections alert the front sections to take appropriate action, which includes preparing corrective measures, reducing trading volumes, or suspending trading altogether.

The Bank adopts the variance-covariance method to measure the VaR of the trading securities within Trading Assets and certain interest-related, bond-related or other derivative transactions within Derivative Instruments, which are accounted for as trading operations. The market risk (the estimate of the potential loss) of the Bank's trading operations as of March 31, 2012 and 2011 summed up to ¥24 million (\$0 million) and ¥26 million respectively in total under the variance-covariance method with the holding period of one business day, a 99% confidence interval, and the observation period of 1,000 business days.

The Bank also performs a back-testing to compare the model-measured VaR with the actual profits and losses. From the back test for the fiscal years 2011 and 2010 actual results, the Bank had only one exception for each fiscal year where the actual loss exceeded VaR and concludes that the adopted measurement method provides a sufficient accuracy of the market risk measurement. VaR, however, is designed to measure the market risk under the certain occurrence probability hypothesis based on the statistical calculation of the historical market movements. Therefore, VaR may not cover the risks in extremely volatile market conditions.

In order to measure the VaR of the financial assets and liabilities from the banking operations (the operations other than trading operations), the Bank adopts the historical simulation method. The market risk (the estimate of the potential net loss) of the Bank and its consolidated subsidiaries from the banking operations totaled ¥2,278,254 million (\$27,733 million) and ¥2,020,554 million as of March 31, 2012 and 2011, respectively, under the historical simulation method with holding period of 1 year, a 99.5% confidence interval, and the observation period from fiscal year 1995 to recent day. Since the Bank adopts mid- to long-term investment policies, as to the impact of the short-term market volatilities, the variance-covariance method VaR and others are separately calculated while market risks are basically measured using the historical simulation method VaR as mentioned above.

The Bank also performs a back-testing to compare the model-measured VaR with the actual profits and losses. VaR, is designed to measure the market risk under the certain occurrence probability hypothesis based on the statistical calculation of the historical market movements. Therefore, VaR may not cover risks in extremely volatile market conditions.

(d) Liquidity Risk Management

The Bank manages liquidity risk in accordance with its "Policies and Procedures for Liquidity Risk Management." Considering the profiles of the Bank's ALM together with the relatively less liquid assets that it holds, the Bank takes initiatives to diversify and enhance the varieties of funding instruments, placing an emphasis on the stability of cash flows. Cash flow management is conducted on an aggregate basis by the head office, for each currency, funding instrument and funding operation center. The cash flow management plan is approved by the Market Portfolio Management Committee.

d. Supplementary Explanations for the Fair Value of Financial Instruments and Other Items

The fair value of financial instruments is based on the quoted market price or a reasonably estimated amount, if the quoted market price is not available. As the reasonably estimated amounts are calculated based on certain assumptions, these estimates could be significantly affected by different assumptions.

(2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items

“Consolidated Balance Sheet Amount,” “Fair Value” and “Difference” as of March 31, 2012 and 2011 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			Millions of U.S. Dollars		
	Consolidated Balance Sheet Amount	Fair Value	Difference	Consolidated Balance Sheet Amount	Fair Value	Difference
As of March 31, 2012						
(1) Cash and Due from Banks	¥ 1,687,337	¥ 1,687,337	¥ —	\$ 20,540	\$ 20,540	\$ —
(2) Call Loans and Bills Bought	832,440	832,440	—	10,133	10,133	—
(3) Monetary Claims Bought (*1)	221,643	221,657	14	2,698	2,698	0
(4) Trading Assets (*2)						
Trading Securities	21,425	21,425	—	261	261	—
(5) Money Held in Trust (*1)						
Money Held in Trust for Trading Purpose	25,546	25,546	—	311	311	—
Other Money Held in Trust	6,999,992	7,013,133	13,140	85,210	85,370	160
(6) Securities						
Held-to-Maturity Debt Securities	15,819,186	16,150,261	331,074	192,565	196,595	4,030
Other Securities	29,201,854	29,201,854	—	355,470	355,470	—
(7) Loans and Bills Discounted	14,738,276			179,407		
Reserve for Possible Loan Losses (*1)	(175,093)			(2,132)		
	14,563,183	14,606,572	43,389	177,275	177,803	528
Total Assets	¥69,372,610	¥69,760,229	¥387,618	\$844,463	\$849,181	\$4,718
(1) Deposits	¥43,550,349	¥43,550,422	¥ 72	\$530,132	\$530,133	\$ 1
(2) Negotiable Certificates of Deposit	1,882,426	1,882,426	—	22,915	22,915	—
(3) Debentures	5,117,872	5,170,488	52,616	62,299	62,939	640
(4) Call Money and Bills Sold	524,922	524,922	—	6,390	6,390	—
(5) Payables under Repurchase Agreements	7,800,406	7,800,406	—	94,953	94,953	—
(6) Borrowed Money	1,814,807	1,814,807	—	22,091	22,091	—
(7) Short-term Entrusted Funds	4,351,710	4,351,710	—	52,973	52,973	—
Total Liabilities	¥65,042,494	¥65,095,183	¥ 52,688	\$791,753	\$792,394	\$ 641
Derivative Instruments (*3)						
Transactions not Accounted for as Hedge Transactions	¥ 1,562	¥ 1,562	¥ —	\$ 19	\$ 19	\$ —
Transactions Accounted for as Hedge Transactions	(660,160)	(660,160)	—	(8,036)	(8,036)	—
Total Derivative Instruments	¥ (658,598)	¥ (658,598)	¥ —	\$ (8,017)	\$ (8,017)	\$ —

(*1) Monetary Claims Bought, Money Held in Trust and Loans and Bills Discounted are net of Reserve for Possible Loan Losses. Monetary Claims Bought and Money Held in Trust are 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.

As of March 31, 2011	Millions of Yen		
	Consolidated Balance Sheet Amount	Fair Value	Difference
(1) Cash and Due from Banks	¥ 1,837,633	¥ 1,837,633	¥ —
(2) Call Loans and Bills Bought	1,300,000	1,300,000	—
(3) Monetary Claims Bought (*1)	290,776	290,800	23
(4) Trading Assets (*2)			
Trading Securities	7,206	7,206	—
(5) Money Held in Trust (*1)			
Money Held in Trust for Trading Purpose	38,450	38,450	—
Other Money Held in Trust	7,708,182	7,725,649	17,467
(6) Securities			
Held-to-Maturity Debt Securities	14,886,555	15,292,334	405,779
Other Securities	27,501,141	27,501,141	—
(7) Loans and Bills Discounted	14,082,755		
Reserve for Possible Loan Losses (*1)	(211,609)		
	13,871,146	13,924,464	53,317
Total Assets	¥67,441,091	¥67,917,680	¥476,589
(1) Deposits	¥40,949,373	¥40,949,411	¥ 38
(2) Negotiable Certificates of Deposit	768,118	768,118	—
(3) Debentures	5,416,360	5,481,245	64,884
(4) Call Money and Bills Sold	473,664	473,664	—
(5) Payables under Repurchase Agreements	8,523,065	8,523,065	—
(6) Borrowed Money	1,866,007	1,866,007	—
(7) Short-term Entrusted Funds	4,397,280	4,397,280	—
Total Liabilities	¥62,393,870	¥62,458,793	¥ 64,923
Derivative Instruments (*3)			
Transactions not Accounted for as Hedge			
Transactions	¥ (1,248)	¥ (1,248)	¥ —
Transactions Accounted for as Hedge			
Transactions	(143,698)	(143,698)	—
Total Derivative Instruments	¥ (144,946)	¥ (144,946)	¥ —

(*1) 1. Monetary Claims Bought, Money Held in Trust and Loans and Bills Discounted are net of Reserve for Possible Loan Losses. Monetary Claims Bought and Money Held in Trust are 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) 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 fiscal year. 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.

(2) Call Loans and Bills Bought

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

(3) Monetary Claims Bought

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

(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) 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 (6) and (7) below.

Relevant notes concerning the fair value of Money Held in Trust of each classification are described in section 34. Fair Value of Money Held in Trust.

(6) 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 fiscal year, 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 section 33. Fair Value of Securities.

(7) 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.

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. Time deposits 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) Call Money and Bills Sold, (5) 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.

(6) 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. Some 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 hedge items, so that the fair value is included in the fair value of Loans and Bills Discounted and other items.

Relevant notes regarding the fair value of Derivative Instruments are described in section 35. Fair Value of Derivative Instruments.

(Note 2) The following table lists financial instruments, the fair value of which is extremely difficult to determine:

“Assets (6) Other Securities” of fair value of financial instruments exclude the transactions of the table below.

As of March 31, 2012	Millions of Yen	Millions of U.S. Dollars
Unlisted Stocks and Others (*1) (*2)	¥224,684	\$2,735
Bonds (*3)	96,295	1,172
Investments in Partnership and Others (*4)	281,265	3,424
Total	¥602,245	\$7,331

(*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 fiscal year ended March 31, 2012 was ¥524 million (\$6 million) on Unlisted Stocks.

3. Out of Bonds (including foreign bonds), real estate backed bonds, which are extremely difficult to estimate cash flow and to determine fair value, are excluded from “Disclosures Regarding the Fair Value of Financial Instruments and Other Items.” With respect to doubtful bonds, the Bank has set aside Reserve for Possible Loan Losses of ¥42,499 million (\$517 million), in accordance with the Bank’s internal rules.

4. 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.”

As of March 31, 2011	Millions of Yen
Unlisted Stocks (*1) (*2)	¥180,315
Bonds (*2) (*3)	127,375
Investments in Partnership and Others (*4)	343,109
Total	¥650,800

(*1) Unlisted Stocks 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 fiscal year ended March 31, 2011 was ¥2,498 million on Unlisted Stocks and ¥346 million on Bonds.

3. Out of Bonds (including foreign bonds), real estate backed bonds, which are extremely difficult to estimate cash flow and to determine fair value, are excluded from “Disclosures Regarding the Fair Value of Financial Instruments and Other Items.” With respect to doubtful bonds, the Bank has set aside Reserve for Possible Loan Losses of ¥42,049 million, in accordance with the Bank’s internal rules.

4. 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.”

(Note 3) The redemption schedule of money claims and securities with stated maturities after the consolidated balance sheet date is as follows:

	Millions of Yen					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
As of March 31, 2012						
Due from Banks (*1)	¥ 1,550,737	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	832,440	—	—	—	—	—
Monetary Claims Bought	13,661	7,703	16,357	—	4,000	184,724
Securities						
Held-to-Maturity Debt Securities	2,159,050	2,987,946	2,120,237	2,358,936	5,779,668	480,794
Other Securities held that have Maturity	8,096,709	4,925,885	1,694,201	867,925	2,904,769	1,473,886
Loans and Bills Discounted (*2)	11,378,860	2,304,301	363,465	300,449	93,928	98,719
Total	¥24,031,459	¥10,225,836	¥4,194,261	¥3,527,311	¥8,782,366	¥2,238,124

	Millions of U.S. Dollars					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
As of March 31, 2012						
Due from Banks (*1)	\$ 18,877	\$ —	\$ —	\$ —	\$ —	\$ —
Call Loans and Bills Bought	10,133	—	—	—	—	—
Monetary Claims Bought	166	94	199	—	49	2,248
Securities						
Held-to-Maturity Debt Securities	26,282	36,372	25,809	28,715	70,355	5,853
Other Securities held that have Maturity	98,560	59,962	20,623	10,565	35,359	17,941
Loans and Bills Discounted (*2)	138,513	28,050	4,425	3,657	1,143	1,202
Total	\$292,531	\$124,478	\$51,056	\$42,937	\$106,906	\$27,244

(*1) Demand deposits within Due from Banks are included in the entry for "1 Year or Less."

2. Debtors in bankruptcy, debtors in default, loans to doubtful debtors and others of ¥198,551 million (\$2,417 million) within Loans and Bills Discounted, for which the redemption date cannot be estimated, are excluded from the table above.

	Millions of Yen					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
As of March 31, 2011						
Due from Banks (*1)	¥ 1,733,912	¥ —	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	1,300,000	—	—	—	—	—
Monetary Claims Bought	—	37,299	16,698	11,581	—	231,519
Securities						
Held-to-Maturity Debt Securities	668,020	3,250,598	2,506,213	1,099,540	4,813,576	2,700,205
Other Securities held that have Maturity	8,935,951	4,309,796	1,463,944	979,056	2,424,955	1,314,895
Loans and Bills Discounted (*2)	10,523,189	1,987,363	842,149	203,668	169,228	108,543
Total	¥23,161,073	¥9,585,056	¥4,829,005	¥2,293,847	¥7,407,761	¥4,355,163

(*1) Demand deposits within Due from Banks are included in the entry for "1 Year or Less."

2. Debtors in bankruptcy, debtors in default, loans to doubtful debtors and others of ¥248,612 million within Loans and Bills Discounted, for which the redemption date cannot be estimated, are excluded from the table above.

(Note 4) The redemption schedule of Borrowed Money and other Interest-bearing liabilities after the consolidated balance sheet date is as follows:

As of March 31, 2012	Millions of Yen					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Deposits (*1)	¥43,516,029	¥ 30,701	¥ 3,619	¥—	¥—	¥ —
Negotiable Certificates of Deposit	1,882,426	—	—	—	—	—
Debentures	1,280,873	2,166,794	1,670,198	5	—	—
Call Money and Bills Sold	524,922	—	—	—	—	—
Payables under Repurchase Agreements	7,800,406	—	—	—	—	—
Borrowed Money (*2)	328,800	—	—	—	—	1,486,007
Short-term Entrusted Funds	4,351,710	—	—	—	—	—
Total	¥59,685,168	¥2,197,495	¥1,673,817	¥ 5	¥—	¥1,486,007

As of March 31, 2012	Millions of U.S. Dollars					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Deposits (*1)	\$529,714	\$ 374	\$ 44	\$—	\$—	\$ —
Negotiable Certificates of Deposit	22,915	—	—	—	—	—
Debentures	15,592	26,376	20,331	0	—	—
Call Money and Bills Sold	6,390	—	—	—	—	—
Payables under Repurchase Agreements	94,953	—	—	—	—	—
Borrowed Money (*2)	4,002	—	—	—	—	18,089
Short-term Entrusted Funds	52,973	—	—	—	—	—
Total	\$726,539	\$26,750	\$20,375	\$ 0	\$—	\$18,089

(*1) 1. Demand deposits within Deposits are included in the entry for "1 Year or Less."

2. Subordinated borrowings within Borrowed Money are included in the entry for "Over 10 Years."

As of March 31, 2011	Millions of Yen					
	1 Year or Less	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years
Deposits (*1)	¥40,913,812	¥ 30,928	¥ 4,632	¥—	¥—	¥ —
Negotiable Certificates of Deposit	768,118	—	—	—	—	—
Debentures	1,131,919	2,501,055	1,783,373	11	—	—
Call Money and Bills Sold	473,664	—	—	—	—	—
Payables under Repurchase Agreements	8,523,065	—	—	—	—	—
Borrowed Money (*2)	380,000	—	—	—	—	1,486,007
Short-term Entrusted Funds	4,397,280	—	—	—	—	—
Total	¥56,587,861	¥2,531,984	¥1,788,006	¥11	¥—	¥1,486,007

(*1) 1. Demand deposits within Deposits are included in the entry for "1 Year or Less."

2. Subordinated borrowings within Borrowed Money are included in the entry for "Over 10 Years."

33. Fair Value of Securities

Trading Securities

As of March 31, 2012	Millions of Yen	Millions of U.S. Dollars
	Unrealized Gain Recognized as Income	Unrealized Gain Recognized as Income
Trading Securities	¥20	\$0

Note: The above analysis of Trading Securities includes Trading Securities disclosed as Trading Assets in the consolidated balance sheet.

As of March 31, 2011	Millions of Yen
	Unrealized Gain Recognized as Income
Trading Securities	¥6

Note: The above analysis of Trading Securities includes Trading Securities disclosed as Trading Assets in the consolidated balance sheet.

Held-to-Maturity Debt Securities

		Millions of Yen		
As of March 31, 2012	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
	Japanese Government Bonds	¥ 7,572,633	¥ 7,794,668	¥222,035
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value exceeding	Other	6,824,875	6,955,238	130,362
Consolidated Balance Sheet Amount	Foreign Bonds	6,817,385	6,947,735	130,349
	Other	7,490	7,503	13
	Sub total	14,397,509	14,749,907	352,398
	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value not exceeding	Other	1,435,547	1,414,237	(21,310)
Consolidated Balance Sheet Amount	Foreign Bonds	1,429,167	1,407,857	(21,310)
	Other	6,379	6,379	—
	Sub total	1,435,547	1,414,237	(21,310)
	Total	¥15,833,056	¥16,164,144	¥331,088

		Millions of U.S. Dollars		
As of March 31, 2012	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
	Japanese Government Bonds	\$ 92,181	\$ 94,884	\$2,703
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value exceeding	Other	83,078	84,665	1,587
Consolidated Balance Sheet Amount	Foreign Bonds	82,987	84,574	1,587
	Other	91	91	0
	Sub total	175,259	179,549	4,290
	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value not exceeding	Other	17,474	17,215	(259)
Consolidated Balance Sheet Amount	Foreign Bonds	17,397	17,138	(259)
	Other	77	77	—
	Sub total	17,474	17,215	(259)
	Total	\$192,733	\$196,764	\$4,031

Note: The above analysis of Held-to-Maturity Debt Securities includes Securities and trust beneficiary interests in Monetary Claims Bought in the consolidated balance sheet.

		Millions of Yen		
As of March 31, 2011	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
	Japanese Government Bonds	¥ 7,585,693	¥ 7,859,500	¥273,806
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value exceeding	Other	4,799,722	4,980,400	180,677
Consolidated Balance Sheet Amount	Foreign Bonds	4,799,722	4,980,400	180,677
	Other	—	—	—
	Sub total	12,385,416	12,839,900	454,484
	Japanese Government Bonds	—	—	—
	Municipal Government Bonds	—	—	—
Transactions for	Corporate Bonds	—	—	—
Fair Value not exceeding	Other	2,501,838	2,453,134	(48,704)
Consolidated Balance Sheet Amount	Foreign Bonds	2,501,138	2,452,434	(48,704)
	Other	700	700	—
	Sub total	2,501,838	2,453,134	(48,704)
	Total	¥14,887,255	¥15,293,034	¥405,779

Note: The above analysis of Held-to-Maturity Debt Securities includes Securities and trust beneficiary interests in Monetary Claims Bought in the consolidated balance sheet.

Other Securities

		Millions of Yen		
As of March 31, 2012	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	¥ 253,885	¥ 169,963	¥ 83,922
	Bonds	3,771,111	3,713,486	57,624
	Japanese Government Bonds	3,760,604	3,703,059	57,544
	Municipal Government Bonds	1,682	1,635	46
	Corporate Bonds	8,824	8,790	33
	Other	14,635,563	14,002,992	632,571
	Foreign Bonds	8,209,604	7,932,534	277,069
	Foreign Stocks	9,492	8,954	537
	Investment Trusts	6,369,212	6,018,096	351,115
	Other	47,255	43,407	3,847
	Sub total	18,660,561	17,886,442	774,118
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	77,631	90,341	(12,709)
	Bonds	6,296,826	6,298,518	(1,692)
	Japanese Government Bonds	6,207,771	6,208,411	(640)
	Municipal Government Bonds	191	192	(0)
	Corporate Bonds	88,863	89,914	(1,051)
	Other	4,388,636	4,938,986	(550,349)
	Foreign Bonds	1,146,585	1,255,804	(109,219)
	Foreign Stocks	6,498	6,498	—
	Investment Trusts	2,771,525	3,208,307	(436,782)
	Other	464,027	468,376	(4,348)
	Sub total	10,763,095	11,327,846	(564,751)
	Total	¥29,423,656	¥29,214,289	¥209,367

		Millions of U.S. Dollars		
As of March 31, 2012	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	\$ 3,090	\$ 2,069	\$1,021
	Bonds	45,905	45,204	701
	Japanese Government Bonds	45,777	45,077	700
	Municipal Government Bonds	21	20	1
	Corporate Bonds	107	107	0
	Other	178,157	170,456	7,701
	Foreign Bonds	99,934	96,562	3,372
	Foreign Stocks	116	109	7
	Investment Trusts	77,532	73,257	4,275
	Other	575	528	47
	Sub total	227,152	217,729	9,423
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	945	1,100	(155)
	Bonds	76,651	76,671	(20)
	Japanese Government Bonds	75,567	75,574	(7)
	Municipal Government Bonds	2	2	(0)
	Corporate Bonds	1,082	1,095	(13)
	Other	53,422	60,121	(6,699)
	Foreign Bonds	13,957	15,287	(1,330)
	Foreign Stocks	79	79	—
	Investment Trusts	33,737	39,054	(5,317)
	Other	5,649	5,701	(52)
	Sub total	131,018	137,892	(6,874)
	Total	\$358,170	\$355,621	\$2,549

Notes: 1. The above analysis of Other Securities includes Securities, negotiable certificates of deposit disclosed as Cash and Due from Banks and trust beneficiary interests in Monetary Claims Bought in the consolidated balance sheet.
2. Investment Trusts include Japanese trusts and foreign trusts.

As of March 31, 2011	Type	Millions of Yen		
		Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Transactions for Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	¥ 255,131	¥ 181,032	¥ 74,098
	Bonds	2,001,782	1,997,067	4,715
	Japanese Government Bonds	1,989,405	1,985,029	4,375
	Municipal Government Bonds	984	950	34
	Corporate Bonds	11,393	11,087	305
	Other	10,292,582	9,884,213	408,369
	Foreign Bonds	6,077,348	5,951,594	125,754
	Foreign Stocks	9,574	9,063	511
	Investment Trusts	4,144,863	3,865,416	279,446
	Other	60,796	58,139	2,657
	Sub total	12,549,496	12,062,313	487,183
Transactions for Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	91,572	123,312	(31,740)
	Bonds	5,794,182	5,797,440	(3,257)
	Japanese Government Bonds	5,700,917	5,702,257	(1,340)
	Municipal Government Bonds	505	511	(6)
	Corporate Bonds	92,760	94,671	(1,910)
	Other	9,371,949	10,229,044	(857,095)
	Foreign Bonds	4,459,681	4,699,018	(239,336)
	Foreign Stocks	17,290	20,946	(3,655)
	Investment Trusts	4,336,421	4,944,974	(608,552)
	Other	558,554	564,106	(5,551)
	Sub total	15,257,704	16,149,797	(892,093)
	Total	¥27,807,201	¥28,212,110	¥(404,909)

Notes: 1. The above analysis of Other Securities includes Securities, negotiable certificates of deposit disclosed as Cash and Due from Banks and trust beneficiary interests in Monetary Claims Bought in the consolidated balance sheet.
2. Investment Trusts include Japanese trusts and foreign trusts.

Held-to-Maturity Debt Securities Sold during the Fiscal Year

The Bank and its consolidated subsidiaries sold no held-to-maturity debt securities for the fiscal years ended March 31, 2012 and 2011.

Other Securities Sold during the Fiscal Year

Fiscal year ended March 31, 2012	Millions of Yen			Millions of U.S. Dollars		
	Sales Proceeds	Gains on Sales	Losses on Sales	Sales Proceeds	Gains on Sales	Losses on Sales
Stocks	¥ 26,313	¥ 3,847	¥21,198	\$ 320	\$ 47	\$258
Bonds	203,351	3,506	—	2,475	43	—
Japanese Government Bonds	203,351	3,506	—	2,475	43	—
Municipal Government Bonds	—	—	—	—	—	—
Corporate Bonds	—	—	—	—	—	—
Other	569,589	29,740	23,851	6,934	362	290
Foreign Bonds	531,022	17,464	23,848	6,464	212	290
Foreign Stocks	614	2	2	8	0	0
Investment Trusts	32,323	10,491	—	393	128	—
Other	5,629	1,782	—	69	22	—
Total	¥799,254	¥37,094	¥45,050	\$9,729	\$452	\$548

Note: Investment Trusts include Japanese trusts and foreign trusts.

Fiscal year ended March 31, 2011	Millions of Yen		
	Sales Proceeds	Gains on Sales	Losses on Sales
Stocks	¥ 24,605	¥12,326	¥ 37
Bonds	519,890	—	10,183
Japanese Government Bonds	456,382	—	10,183
Municipal Government Bonds	—	—	—
Corporate Bonds	63,507	—	—
Other	3,361,636	46,917	166,672
Foreign Bonds	3,279,004	19,712	166,590
Foreign Stocks	12,954	4,429	82
Investment Trusts	46,773	6,881	—
Other	22,905	15,892	—
Total	¥3,906,132	¥59,243	¥176,892

Note: Investment Trusts include Japanese trusts and foreign trusts.

Securities Recognized for Revaluation Loss

Certain securities (other than trading purposes) which have readily determinable fair values 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 fiscal years 2011 and 2010 (“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 fiscal year ended March 31, 2012 was ¥18,906 million (\$230 million) including ¥1,655 million (\$20 million) on Stocks, ¥1,066 million (\$13 million) on Bonds (Corporate Bonds), ¥903 million (\$11 million) on Foreign Bonds, ¥13,063 million (\$159 million) on Foreign Stocks and ¥2,217 million (\$27 million) on Other.

The amount of revaluation loss for the fiscal year ended March 31, 2011 was ¥28,940 million including ¥8,404 million on Stocks, ¥1,700 million on Foreign Bonds, ¥8,343 million on Investment Trusts and ¥10,493 million on Other.

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

34. Fair Value of Money Held in Trust

Money Held in Trust for Trading Purpose

As of March 31, 2012	Millions of Yen		Millions of U.S. Dollars	
	Consolidated Balance Sheet Amount	Unrealized Gain Recognized as Income	Consolidated Balance Sheet Amount	Unrealized Gain Recognized as Income
Money Held in Trust for Trading Purpose	¥25,546	¥557	\$311	\$7

As of March 31, 2011	Millions of Yen	
	Consolidated Balance Sheet Amount	Unrealized Loss Recognized as Expenses
Money Held in Trust for Trading Purpose	¥38,450	¥(122)

Other Money Held in Trust (Money Held in Trust other than that for trading purpose or held to maturity)

As of March 31, 2012	Millions of Yen				
	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost
Other Money Held in Trust	¥7,002,051	¥6,721,400	¥280,650	¥287,011	¥6,361

Millions of U.S. Dollars

	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost
As of March 31, 2012					
Other Money Held in Trust	\$85,235	\$81,819	\$3,416	\$3,494	\$78

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

Millions of Yen

	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Transactions for Consolidated Balance Sheet Amount exceeded Acquisition Cost	Transactions for Consolidated Balance Sheet Amount not exceeded Acquisition Cost
As of March 31, 2011					
Other Money Held in Trust	¥7,713,352	¥7,593,372	¥119,979	¥144,015	¥24,035

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

35. Fair Value of Derivative Instruments

(1) Derivative Instruments not accounted for as hedges

Regarding the derivative instruments which are not accounted for as hedge transactions, Contract Amount or Notional Amount, Fair Value and Unrealized Gain or Loss for each type of derivative transactions, respectively, at the end of the consolidated balance sheet date, and determination of fair value are as follows.

Contract Amount or Notional Amount does not show by itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2012								
Exchange-traded Transactions								
Interest Rate Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Forward Rate Agreements:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Interest Rate Swaps:								
Rec.: Fix.-Pay.: Flt.	320,011	242,639	11,194	11,194	3,895	2,954	136	136
Rec.: Flt.-Pay.: Fix.	307,520	238,705	(10,542)	(10,542)	3,743	2,906	(128)	(128)
Rec.: Flt.-Pay.: Flt.	23,500	11,000	15	15	286	134	0	0
Interest Rate Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	¥ /	¥ /	¥ 667	¥ 667	\$ /	\$ /	\$ 8	\$ 8

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

As of March 31, 2011	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions				
Interest Rate Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Interest Rate Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Forward Rate Agreements:				
Sold	—	—	—	—
Purchased	—	—	—	—
Interest Rate Swaps:				
Rec.: Fix.-Pay.: Ft.	411,344	343,902	11,502	11,502
Rec.: Ft.-Pay.: Fix.	580,657	493,871	(12,959)	(12,959)
Rec.: Ft.-Pay.: Ft.	41,800	23,500	42	42
Interest Rate Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥(1,414)	¥(1,414)

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

Currency-Related Derivative Instruments

As of March 31, 2012	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Currency Futures:								
Sold	¥ —	¥ —	¥ —	¥ —	\$ —	\$ —	\$ —	\$ —
Purchased	—	—	—	—	—	—	—	—
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Currency Swaps								
Sold	—	—	—	—	—	—	—	—
Forwards:								
Sold	185,874	1,951	(1,682)	(1,682)	2,263	24	(20)	(20)
Purchased	249,756	1,951	2,588	2,588	3,040	24	31	31
Currency Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	¥ /	¥ /	¥ 906	¥ 906	\$ /	\$ /	\$11	\$11

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

As of March 31, 2011	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions				
Currency Futures:				
Sold	¥ —	¥ —	¥ —	¥ —
Purchased	—	—	—	—
Currency Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Currency Swaps				
	—	—	—	—
Forwards:				
Sold	457,333	2,213	(1,880)	(1,880)
Purchased	512,527	2,213	2,060	2,060
Currency Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥ 179	¥ 179

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

As of March 31, 2012	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
Exchange-traded Transactions								
Equity Price Index Futures:								
Sold	¥ —	¥ —	¥—	¥—	\$—	\$—	\$—	\$—
Purchased	—	—	—	—	—	—	—	—
Equity Price Index Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Equity Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Equity Price Index Swaps:								
Rec.: Stock Index	—	—	—	—	—	—	—	—
Pay.: Flt. Rate	—	—	—	—	—	—	—	—
Rec.: Flt. Rate	—	—	—	—	—	—	—	—
Pay.: Stock Index	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	1,000	1,000	—	—	12	12	—	—
Total	¥ /	¥ /	¥—	¥—	\$ /	\$ /	\$—	\$—

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

3. Derivative instruments without a fair value included in "Over-the-counter Transactions, Other" are valued at cost.

	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2011				
Exchange-traded Transactions				
Equity Price Index Futures:				
Sold	¥ —	¥ —	¥—	¥—
Purchased	—	—	—	—
Equity Price Index Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Equity Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Equity Price Index Swaps:				
Rec.: Stock Index	—	—	—	—
Pay.: Flt. Rate	—	—	—	—
Rec.: Flt. Rate	—	—	—	—
Pay.: Stock Index	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	1,000	1,000	—	—
Total	¥ /	¥ /	¥—	¥—

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

3. Derivative instruments without a fair value included in "Over-the-counter Transactions, Other" are valued at cost.

Bond-Related Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2012								
Exchange-traded Transactions								
Bond Futures:								
Sold	¥7,237	¥—	¥(11)	¥(11)	\$88	\$—	\$(0)	\$(0)
Purchased	—	—	—	—	—	—	—	—
Bond Futures Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Over-the-counter Transactions								
Bond Options:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	—	—	—	—	—	—	—	—
Total	¥ /	¥ /	¥(11)	¥(11)	\$ /	\$ /	\$(0)	\$(0)

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on an option pricing model or other models as appropriate.

	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2011				
Exchange-traded Transactions				
Bond Futures:				
Sold	¥3,569	¥—	¥(13)	¥(13)
Purchased	—	—	—	—
Bond Futures Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Over-the-counter Transactions				
Bond Options:				
Sold	—	—	—	—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	—	—	—	—
Total	¥ /	¥ /	¥(13)	¥(13)

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations.

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at Tokyo Stock Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on an option pricing model or other models as appropriate.

Commodities-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no commodities-related derivative instruments as of March 31, 2012 and 2011.

Credit Derivative Instruments

	Millions of Yen				Millions of U.S. Dollars			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2012								
Over-the-counter Transactions								
Credit Default Swaps:								
Sold	¥ —	¥ —	¥—	¥—	\$ —	\$ —	\$—	\$—
Purchased	—	—	—	—	—	—	—	—
Other:								
Sold	—	—	—	—	—	—	—	—
Purchased	12,500	12,500	—	—	152	152	—	—
Total	¥ /	¥ /	¥—	¥—	\$ /	\$ /	\$—	\$—

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations. As for derivative transactions which are listed on "Other" of "Over-the-counter Transactions," the fair value and unrealized gain/loss are excluded from the consolidated balance sheet and the consolidated statement of operations, since there are no market prices and their fair value is extremely difficult to determine.

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

3. "Sold" and "Purchased" indicate assumption and transfer of credit risk, respectively.

	Millions of Yen			
	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Unrealized Gain/Loss
As of March 31, 2011				
Over-the-counter Transactions				
Credit Default Swaps:				
Sold	¥ —	¥ —	¥—	¥—
Purchased	—	—	—	—
Other:				
Sold	—	—	—	—
Purchased	12,500	12,500	—	—
Total	¥ /	¥ /	¥—	¥—

Notes: 1. Derivative instruments are revalued to fair value. Changes in fair value are included in the consolidated statement of operations. As for derivative transactions which are listed on "Other" of "Over-the-counter Transactions," the fair value and unrealized gain/loss are excluded from the consolidated balance sheet and the consolidated statement of operations, since there are no market prices and their fair value is extremely difficult to determine.

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

3. "Sold" and "Purchased" indicate assumption and transfer of credit risk, respectively.

(2) Derivative Instruments accounted for as hedges

Regarding the derivative instruments which are accounted for as hedge transactions, Contract Amount or Notional Amount, and Fair Value for each type of derivative transactions, respectively, at the end of the consolidated balance sheet date, and determination of fair value are as follows.

Contract Amount or Notional Amount does not show itself market risk of derivative instruments.

Interest Rate-Related Derivative Instruments

As of March 31, 2012		Millions of Yen			Millions of U.S. Dollars			
Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferral Method	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures	¥1,540,000	¥1,390,000	¥ 10,407	\$18,746	\$16,920	\$ 127
	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Yen-denominated Securities, Deposits and Others	3,054,338	3,054,338	(69,306)	37,180	37,180	(844)
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted, Yen-denominated Securities and Others	135,428	134,360	Note3	1,649	1,636	Note3
Total			¥ /	¥ /	¥(58,898)	\$ /	\$ /	\$(717)

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting 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).

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

3. 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 (ref: 32. Financial Instruments (2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items).

As of March 31, 2011

Millions of Yen

Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferral Method	Interest Rate Swaps (Rec.: Fix.-Pay.: Flt.)	Debentures and Others	¥1,077,570	¥960,000	¥12,957
	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Yen-denominated Securities, Deposits and Others	565,486	565,486	19,928
The Accrual Method	Interest Rate Swaps (Rec.: Flt.-Pay.: Fix.)	Loans and Bills Discounted, Yen-denominated Securities and Others	116,303	110,958	Note 3
Total			¥ /	¥ /	¥32,886

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting 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).

2. Determination of fair value:

The fair value of exchange-traded derivative instruments is based on closing prices at the Tokyo Financial Exchange or other relevant exchanges. The fair value of over-the-counter traded derivative instruments is determined based on a discounted net present value model, an option pricing model or other models as appropriate.

3. 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 (Ref: 32. Financial Instruments (2) Disclosures Regarding the Fair Value of Financial Instruments and Other Items).

Currency-Related Derivative Instruments

As of March 31, 2012

Millions of Yen

Millions of U.S. Dollars

Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferral Method	Currency Swaps	Foreign Currency Denominated Securities and Others	¥9,252,230	¥1,496,653	¥(418,920)	\$112,626	\$18,219	\$(5,099)
	Forex Forward		4,273,708	—	(182,341)	52,023	—	(2,220)
Total			¥ /	¥ /	¥(601,262)	\$ /	\$ /	\$(7,319)

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting 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).

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

As of March 31, 2011

Millions of Yen

Method of Hedges	Type of Derivative Instruments	Hedged Items	Contract Amount or Notional Amount	Over 1 Year	Fair Value
The Deferral Method	Currency Swaps	Foreign Currency Denominated Securities and Others	¥8,720,987	¥2,793,101	¥(116,514)
	Forex Forward		4,855,294	—	(60,070)
Total			¥ /	¥ /	¥(176,584)

Notes: 1. Primarily, the Bank applies the deferral method of hedge accounting 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).

2. Determination of fair value:

Fair value is determined based on the discounted net present value model.

Stock-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Stock-Related Derivative Instruments as of March 31, 2012 and 2011.

Bond-Related Derivative Instruments

The Bank and its consolidated subsidiaries held no Bond-Related Derivative Instruments as of March 31, 2012 and 2011.

36. The Norinchukin Bank (Parent Company)

(1) Non-consolidated Balance Sheets

As of March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Assets			
Cash and Due from Banks	¥ 1,672,889	¥ 1,828,040	\$ 20,364
Call Loans	832,440	1,300,000	10,133
Receivables under Resale Agreements	44,987	—	548
Receivables under Securities Borrowing Transactions	492,481	232,694	5,995
Monetary Claims Bought	222,980	292,406	2,714
Trading Assets	32,658	19,377	398
Money Held in Trust	7,026,907	7,751,046	85,537
Securities	45,655,404	43,070,056	555,756
Loans and Bills Discounted	14,655,723	14,002,397	178,402
Foreign Exchange Assets	44,797	309,746	545
Other Assets	968,159	367,682	11,785
Tangible Fixed Assets	116,866	128,783	1,423
Intangible Fixed Assets	42,133	51,612	513
Deferred Tax Assets	—	132,456	—
Customers' Liabilities for Acceptances and Guarantees	140,502	336,442	1,710
Reserve for Possible Loan Losses	(221,671)	(261,701)	(2,698)
Reserve for Possible Investment Losses	(8,065)	(9,072)	(98)
Total Assets	¥71,719,196	¥69,551,969	\$873,027
Liabilities and Net Assets			
Liabilities			
Deposits	¥43,563,186	¥40,957,047	\$530,288
Negotiable Certificates of Deposit	1,882,426	768,118	22,915
Debentures	5,125,655	5,421,664	62,394
Call Money	524,922	473,664	6,390
Payables under Repurchase Agreements	7,800,406	8,523,065	94,953
Payables under Securities Lending Transactions	10,654	833,229	130
Trading Liabilities	10,595	11,724	129
Borrowed Money	1,819,807	2,075,605	22,152
Foreign Exchange Liabilities	10	0	0
Short-term Entrusted Funds	4,351,710	4,397,280	52,973
Other Liabilities	1,550,927	1,480,545	18,879
Reserve for Bonus Payments	5,129	3,597	63
Reserve for Retirement Benefits	4,945	2,776	60
Reserve for Directors' Retirement Benefits	704	748	9
Deferred Tax Liabilities	94,249	—	1,147
Deferred Tax Liabilities for Land Revaluation	12,932	16,041	157
Acceptances and Guarantees	140,502	336,442	1,710
Total Liabilities	66,898,765	65,301,553	814,349
Net Assets			
Paid-in Capital	3,425,909	3,425,909	41,703
Capital Surplus	25,020	25,020	305
Retained Earnings	1,011,806	968,106	12,316
Total Owners' Equity	4,462,736	4,419,036	54,324
Net Unrealized Gains (Losses) on Other Securities, net of taxes	373,612	(222,078)	4,548
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	(40,760)	26,790	(496)
Revaluation Reserve for Land, net of taxes	24,841	26,666	302
Total Valuation and Translation Adjustments	357,693	(168,620)	4,354
Total Net Assets	4,820,430	4,250,415	58,678
Total Liabilities and Net Assets	¥71,719,196	¥69,551,969	\$873,027

(2) Non-consolidated Statements of Operations

For the fiscal years ended March 31	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Income			
Interest Income:	¥594,671	¥ 660,629	\$ 7,239
Interest on Loans and Bills Discounted	81,856	85,855	996
Interest and Dividends on Securities	496,906	562,214	6,049
Interest on Call Loans	1,668	2,440	20
Interest on Receivables under Resale Agreements	7	104	0
Interest on Receivables under Securities			
Borrowing Transactions	540	927	7
Interest on Due from Banks	5,384	2,469	66
Other Interest Income	8,307	6,618	101
Fees and Commissions	12,693	14,780	155
Trading Income	753	194	9
Other Operating Income	84,785	162,768	1,032
Other Income	242,029	263,407	2,946
Total Income	934,934	1,101,780	11,381
Expenses			
Interest Expenses:	587,538	557,758	7,152
Interest on Deposits	41,706	53,365	508
Interest on Negotiable Certificates of Deposit	3,680	2,567	45
Interest on Debentures	59,183	67,706	720
Interest on Borrowed Money	85,891	92,957	1,046
Interest on Call Money	453	522	5
Interest on Payables under Repurchase Agreements	15,233	22,616	185
Interest on Payables under Securities Lending			
Transactions	8	156	0
Other Interest Expenses	381,380	317,865	4,643
Fees and Commissions	11,082	10,442	135
Trading Expenses	—	160	—
Other Operating Expenses	95,947	247,519	1,168
General and Administrative Expenses	112,054	102,992	1,364
Other Expenses	64,075	44,459	780
Total Expenses	870,698	963,332	10,599
Income before Income Taxes	64,236	138,448	782
Income Taxes — Current	1,203	322	15
Income Taxes — Deferred	1,391	(6,177)	17
Total Income Taxes	2,594	(5,855)	32
Net Income	¥ 61,641	¥ 144,303	\$ 750

	Yen		U.S. Dollars
	2012	2011	2012
Net Income per Share	¥12.45	¥31.87	\$0.15

37. Appropriation of Retained Earnings

The following dividends were approved at the Council of Delegates held on June 27, 2012.

	Millions of Yen		Millions of U.S. Dollars
	2012	2011	2012
Cash Dividends			
Special Dividends	¥ 4,626		\$ 56
Dividends on Common Stock (at the rate of 3% of the ¥100 face value, or ¥3.00 per share)	12,771		155
Dividends on Lower Dividend Rate Stock (at the rate of 0.1% of the ¥100 face value, or ¥0.10 per share)	2,975		36
Dividends on Preferred Stock (at the rate of 18% of the ¥100 face value, or ¥18.00 per share)	1,004		12



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Independent Auditor's Report

The Board of Directors
 The Norinchukin Bank

We have audited the accompanying consolidated financial statements of The Norinchukin Bank and its consolidated subsidiaries, which comprise the consolidated balance sheets as at March 31, 2012 and 2011, and the consolidated statements of operations, comprehensive income, capital surplus and retained earnings, and cash flows for the years then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Norinchukin Bank and its consolidated subsidiaries as at March 31, 2012 and 2011, and their consolidated financial performance and cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Convenience Translation

We have reviewed the translation of these consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying consolidated financial statements have been properly translated on the basis described in Note 1.

Ernst & Young Shin Nihon LLC

June 27, 2012