

Message from the Management



Akira Banzai
Chairman of
the Supervisory Committee

Yoshio Kono
President and Chief Executive Officer

First, we would like to sincerely thank all our stakeholders for their support and cooperation with The Norinchukin Bank in its day-to-day operations.

This disclosure report contains details of the business performance for fiscal 2013, as well as a summary of the general situation at JA Bank, JF Marine Bank and JForest Group. Please have a look.

The Basic Role of The Norinchukin Bank as the Central Organization for Cooperatives

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

Moreover, the Bank provides various services for supporting the cooperative banking business of JA and JF, including the planning and implementation of policies, development of human resources, and provision of business infrastructure. The Bank also provides operational guidance for the cooperative banking business based on relevant rules and regulations, and is working to build a safety net for the JA Bank and JF Marine Bank Systems. The Bank continues to work to improve

trust in its cooperative banking business, while playing the important role of strengthening and expanding the cooperative banking business.

Business Performance in Fiscal 2013

In fiscal 2013, the first year of the Medium-Term Management Plan (FY2013 to 2015) towards becoming the “leading bank that supports the agricultural, fisheries and forestry industries, food production and consumption, and the daily lives of local communities,” the Bank gradually implemented a series of initiatives in line with the following four policies.

1. Proactive efforts on new initiatives contributing to the development of the agricultural, fisheries and forestry industries, food production/consumption, and revitalization of local communities
2. Planning and implementation of further initiatives for strengthening and expanding the cooperative banking business
3. Strengthening of profitability through appropriate risk management
4. Building up of organizational strengths through strategic use and enhancement of management resources

For “Proactive efforts on new initiatives contributing to the development of the agricultural, fisheries and forestry industries, food production/consumption, and revitalization of local communities,” we engaged in efforts to reconstruct disaster affected areas to strengthen our ability to cater to leaders supporting the sustainable development of the agricultural, fisheries and forestry industries, to enhance the profitability of these industries, and to revitalize local communities through the agricultural, fisheries and forestry industries. Furthermore, in March of this year, we set up the Fund for Future Agricultural, Fisheries and Forestry Industries, supporting proactive initiatives by agricultural, fishery and forestry workers in local communities.

For “Planning and implementation of further initia-

tives for strengthening and expanding the cooperative banking business,” we planned and implemented initiatives that contribute to the reconstruction and expansion of the user base, built further frameworks to enhance business management arrangements and management foundation, built and operated business infrastructures which support the implementation of business strategies, and reinforced initiatives for the development of cooperative banking-related human resources who can put business strategies into practice.

For “Strengthening of profitability through appropriate risk management,” we engaged in flexible and strategic asset allocation, secured a solid earnings base through stable funding, pursued new investment opportunities to enhance profitability, strengthened corporate lending, and implemented risk management that contributes to enhanced competitiveness.

For “Building up of organizational strengths through strategic use and enhancement of management resources,” we engaged in the cultivation of human resources, the appropriate allocation of management resources, and the strengthening of compliance and business management systems. Regarding financial management, we worked to strengthen our financial condition and achieve our earnings targets under appropriate risk management. As a result, the Bank achieved a consolidated ordinary profit of ¥190.3 billion, and was able to maintain consolidated capital ratios at a high level, with a Common Equity Tier 1 Capital Ratio of 17.43%, a Tier 1 Capital Ratio of 17.56%, and a Total Capital Ratio of 25.24%.

July 2014



Akira Banzai
Chairman of the Supervisory Committee

Future Business Management Policies

In fiscal 2014, the intermediate year in the Medium-Term Management Plan, which was formulated with a vision for the 100th anniversary, we will make further efforts for enhanced profitability and organizational strength. In addition, we will proactively work on efforts that will contribute to the development of the agricultural, fisheries and forestry industries, which are expected to become Japan’s growth industries; the sustainable development of local communities, which includes the reconstruction of the disaster-affected areas; and the future strengthening of the cooperative banking business, which includes the development of human resources. We will strive to become a “leading bank that supports the agricultural, fisheries and forestry industries, food production and consumption, and the daily lives of local communities.”

In Conclusion

The bank celebrated its 90th anniversary in December of last year. JA Bank, JF Marine Bank, JForest Group and the Bank will continue to perform their roles and functions with the goal of becoming financial institutions and organizations that win the confidence of their customers and contribute to the advancement of the agricultural, fisheries and forestry industries and their rural communities.

Finally, we would like to ask you all for your continued support for JA Bank, JF Marine Bank, JForest Group and The Norinchukin Bank.



Yoshio Kono
President and Chief Executive Officer

Fiscal 2013 Results and Outline of the Medium-Term Management Plan

Financial Results and Capital Adequacy in Fiscal 2013

In fiscal 2013, the Bank achieved Ordinary Profit of ¥190.3 billion and Net Income of ¥155.7 billion (both on a consolidated basis), achieving its target levels (about ¥100 billion), and increased its earnings from the previous year.

The Bank's capital adequacy ratios on a consolidated basis were maintained at a high level even after the application of Basel III, with a Common Equity Tier 1 Capital Ratio of 17.43%, a Tier 1 Capital Ratio of 17.56% and a Total Capital Ratio of 25.24%.

Summary of Earnings

(Billions of yen)

	FY2011	FY2012	FY2013
Ordinary Profit	75.6	102.7	190.3
Net Income	70.5	119.8	155.7
Net Assets	4,838.9	5,767.2	5,976.5
Common Equity Tier 1 Capital Ratio*	—	16.01%	17.43%
Tier 1 Capital Ratio*	18.25%	16.13%	17.56%
Capital Ratio*	24.67%	23.56%	25.24%

*Figures based on the Basel III standards for FY2012 onward (the capital adequacy ratio is the total capital adequacy ratio)

Outline of the Medium-Term Management Plan

The Bank operates its business based on the Medium-Term Management Plan, which covers the three-year period from fiscal 2013 to fiscal 2015.

Under the slogan “Challenge for a New Stage,” while we will make further efforts for enhanced profitability and organizational strength, we will proactively work on various efforts. These efforts include the development of the agricultural, fisheries and forestry industries,

which are expected to become Japan's growth industries; sustainable development of local communities, which includes the reconstruction of the disaster-affected areas; and strengthening of the cooperative banking business (JA Bank and JF Marine Bank), which includes the development of human resources. We will strive to become a “leading bank that supports the agricultural, fisheries and forestry industries, food production and consumption, and the daily lives of local communities.”

Future Vision for the 100th Anniversary (FY2023)

Leading Bank that Supports the Agricultural, Fisheries and Forestry Industries, Food Production and Consumption, and the Daily Lives of Local Communities

Positioning of the Medium-term Management Plan (FY2013 – 2015) → Period that determines “future visions”

Medium-Term Management Plan (FY2013 – FY2015)

Challenge new initiatives that contribute to the agricultural, fisheries and forestry industries, food production and consumption, and the daily lives of local communities

1 Proactive efforts on new initiatives contributing to the development of the agricultural, fisheries and forestry industries, food production/consumption, and revitalization of local communities

2 Planning and implementation of further initiatives for strengthening and expanding the cooperative banking business

Strengthening of profitability and organizational strength that leads to the enhanced competitiveness of the Bank and the cooperative system

3 Strengthening of profitability through appropriate risk management

4 Building up of organizational strengths through the strategic use and enhancement of management resources

Bank Initiatives

| Status of Reconstruction Support Efforts

■ Outline of the Restoration Support Program

To provide full and multifaceted assistance for the recovery and reconstruction of the agricultural, fisheries and forestry industries severely affected by the Great

East Japan Earthquake, the Bank established the Reconstruction Support Program in April 2011. The program has provided financial support to affected agricultural, fisheries and forestry industry workers as well as business and management support to affected members.

Outline of the Reconstruction Support Program

	Support recipients	Description
Financial Support Program	Agricultural, fisheries and forestry industry workers	Financial support (interest subsidies, reconstruction/recovery loans [low-interest loans] etc.)
Business & Management Support Program	Members	Business recovery (support for infrastructure recovery including branches, ATMs, terminals, etc.)
		Business support (support to strengthen members' business foundations.)

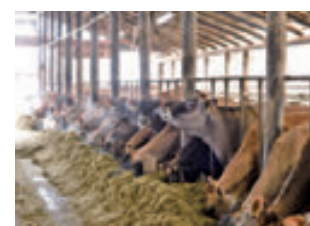
● Reconstruction Support for Producers and Communities

For the business reconstruction of disaster-affected farmers, fishermen and foresters, the Bank has provided long-term low-interest reconstruction loans (Tohoku Agricultural, Forestry, and Fishery Industries Support Loan) and reconstruction funding (Tohoku Agricultural, Forestry, and Fisheries Industries Support Fund) through its affiliate, the Agribusiness Investment & Consultation Co., Ltd., as well as assistance to formulate reconstruction plans.

The Bank has been involved in reconstruction projects in disaster-stricken areas since their conceptual stages and is lending various kinds of support for the reconstruction of local communities. Further, the Bank has offered a wide variety of financial assistance, for example, providing interest subsidies for disaster funds extended by JA Bank and JF Marine Bank to agricultural and fishery workers to help ease their interest burden. The Bank has also provided lease subsidies to agricultural workers who acquire farm machinery and horticultural facilities through leasing.



Hydroponic farming business of a reconstruction fund recipient



Cattle barn of a reconstruction fund recipient

In addition, the Bank has provided finely-tuned non-financial assistance, including the provision of subsidies to agricultural workers for the costs of materials and equipment to resume operations and to seaweed farmers for the costs of cardboard boxes for seaweed, donation of “sky tanks” (large fish containers used to carry marine products) to fish markets, and provision of subsidies to fishery workers in Fukushima for the costs of test operations. The Bank also engages in initiatives to expand the market for agricultural, fishery and forestry products of the disaster-stricken areas. For example, the Tohoku Reconstruction Support Business Conference held in Sendai-shi, Miyagi in February 2014 was joined by 49 seller groups, including JA Group and JF Group, as well as 65 buyers nationwide, including food processors and distributors, and 163 business negotiations were conducted.



Provision of subsidies to a fishery worker for the cost of purchasing ice



Donation of fish containers to a fish market



Tohoku Reconstruction Support Business Conference



Provision of subsidies to agricultural workers covering the equipment costs for resuming operations

(Millions of yen)

Product	Number of loans, etc.	Amount
Reconstruction Loan (Tohoku Agricultural, Forestry, and Fishery Industries Support Loan) (since December 2011)	Number of loans 68	Total loans outstanding 23,942
Reconstruction Fund (Tohoku Agricultural, Forestry, and Fisheries Industries Support Fund) (since February 2012)	Number of investments 16	Total investments outstanding 277
Lease subsidies (since July 2012)	Number of subsidies 543	Total lease amount 2,620

*Cumulative total as of March 31, 2014

● Reconstruction Support for Members and Customers

The Bank has supported JA (Japan Agricultural Cooperatives) and JF (Japan Fisheries Cooperatives) that underwent capital increases under the Framework for Special Post-Earthquake Support. To support their efforts to provide and maintain financial services, the Bank has offered guidance and advice based on its plan to help strengthen the cooperative banking business, for instance, by dispatching its staff.

Stable financial functions are provided to JA Bank and JF Marine Bank users through the continuous provision

of consultation services (through a call center) at JA Bank and utilization of movable terminals at JF Marine Bank. In addition, the Bank has also conducted initiatives to restore customers' lives by supporting the Reconstruction Support Time Deposit and the Reconstruction Loan offered by JA Bank and JF Marine Bank and by appropriately responding to the "double-loan" problem and the collective relocation promotion project for disaster prevention. Furthermore, the Bank has donated benches, tables and play equipment made of local timber to local community spaces and indoor play facilities in Fukushima.

Officers and employees of the Bank's head office and branches, together with the staff dispatched to the disaster-stricken members, will continue our efforts for reconstruction from the Great East Japan Earthquake in an integrated manner, as well as in collaboration with administrative authorities and related organizations.



Consultation service (call center)



Mobile branch on a car equipped with movable terminals



Donation of benches and tables

■ Reconstruction Support Efforts by JA Group, JF Group and JForest Group

JA Group, JF Group and JForest Group have jointly launched a website to introduce their activities in helping the agricultural, fishery and forestry industries recover from the vast damage caused by the Great East Japan Earthquake and reconstruction initiatives, and to record these efforts into the future.

Website name: Record of Reconstruction Initiatives of Agricultural, Fisheries and Forestry Cooperatives (in Japanese only)

Agricultural, Fishery and Forestry Finance Initiatives

Initiatives toward Strengthening Agricultural, Fishery and Forestry Finance Functions

The Bank conducts initiatives to further exert its role as the central organization for agricultural, fisheries and forestry cooperatives, focusing on contribution to its members and the agricultural, fishery and forestry industries as a matter of the highest priority. The Medium-Term Management Plan starting from fiscal 2013 also positions “proactive efforts on new initiatives contributing to the development of the agricultural, fisheries and forestry industries, food production/consumption, and revitalization of local communities” as the highest priority issue among its four policies.

In June 2013, the Japanese Government approved the Japan Revitalization Strategy in a Cabinet Meeting to turn “agriculture, forestry and fishery into growth industries.” Then in December 2013, the Headquarters on Creating Dynamism through Agriculture, Forestry and Fishery Industries and Local Communities, established in the Office of the Prime Minister, decided on the Plan for the Creation of Vibrant Agricultural, Forestry and Fishery Industries and Local Communities focusing on the “expansion of domestic and international demand,” “increase of the added values of agricultural, fishery and forestry products,” “maintenance and fulfillment of multiple functions” and “strengthening of production sites.”

Under such environment, the Bank identified “support for leaders in the local agricultural, fishery and forestry industries,” “support for enhancing their business strength” and “support for the revitalization of local communities” as three areas to focus on to reinforce its agricultural, fishery and forestry finance functions, and is implementing various measures to achieve the Medium-Term Management Plan.

Initiatives to Support Leaders in the Local Agricultural, Forestry and Fishery Industries

As the main bank for the agricultural, fishery and forestry industries, the Bank financially supports the development of these industries and cooperative organizations in

Japan by providing funds to leaders in these industries.

Provision of Various Financial Tools (Loans and Investments)

Provision of Loans

We offer the Agriculture, Forestry, Fishery and Ecology Business Loan, which allows businesses in the agricultural, fishery and forestry industries access to funding that is not excessively dependent on collateral and guarantees to meet their wide range of needs for equipment and working capital required for the production, processing, distribution and sale of agricultural and marine products. There is also the Management Improvement Support Loan for businesses in these industries which make proactive efforts for business improvement. For agricultural corporations run by those expected to be agricultural leaders of tomorrow, we offer the Agricultural Corporation Development Loan (Agri-Seed Loan) and the Agricultural Corporation Support Loan for operating funds for agricultural production and the processing of farm products without collateral or guarantee in principle.

(Millions of yen)

Product	Number of loans	Total loans outstanding
Agriculture, Forestry, Fishery & Ecology Business Loan (since October 2009)	114	29,638
Agri-Seed Loan* (since December 2009)	33	294
Agricultural Corporation Support Loan* (since April 2013)	37	4,398

*Cumulative total as of March 31, 2014

In addition to direct financing as mentioned above, the Bank reduces interest burdens on agricultural workers, for example by providing subsidies to borrowers of JA Bank’s agricultural loans to cover up to one percent of the interest cost.

For the four years from fiscal 2009 to fiscal 2012, the Bank provided subsidies of ¥4.5 billion in total for

260,000 agricultural loans. In fiscal 2013, the Bank accepted applications for 90,000 loans worth ¥1.5 billion and is making payments of the subsidies in an orderly manner.

In December 2011, in order to encourage the acceleration of recovery and stabilization of management for producers affected by the Great East Japan Earthquake, the Bank established the Reconstruction Loan (Tohoku Agricultural, Forestry, and Fisheries Industries Support Loan) to reduce their principal and interest burdens for the time being, and in March 2014 the Bank established the 2014 Heavy Snow Relief Fund to support the resumption of farming operations of the agricultural corporations hit by the heavy snow in February 2014.

Enhancement of Capital Funding Schemes

Since 2010, as a framework to supply capital to agricultural corporations, the Bank, in collaboration with The Agribusiness Investment & Consultation, Ltd. and JA Bank Agri-Eco Support Fund, established the Agri-Seed Fund, which invests up to ¥10 million, in principle, for each corporation that is technically competent yet undercapitalized. The total number of investments has reached 100 and the agricultural corporations which have received investments have stably grown as core leaders of their areas and industries.

In June 2013, the Bank established the Support Fund for Business Entities of Agricultural Leaders to meet the

business expansion needs of agricultural corporations which plan on the utilization of abandoned farmland, farmland accumulation and the so-called sixth industrialization. The fund made three investments in the first year. (Millions of yen)

Product	Number of investments	Total investments outstanding
Agri-Seed Fund (since April 2010)	100	836
Support Fund for Business Entities of Agricultural Leaders (since June 2013)	3	68

*Cumulative total as of March 31, 2014

The Bank also offers the Reconstruction Fund (Tohoku Agricultural, Forestry, and Fisheries Industries Support Fund) for agricultural, forestry and fishery corporations affected by the Great East Japan Earthquake and the 2014 Heavy Snowfall Relief Fund for agricultural corporations hit by the heavy snow in 2014.



Bedding plant farm of an Agri-Seed Fund recipient



Fruit farm of an Agri-Seed Fund recipient

Types of Loans (As of March 31, 2014)

	General Loan		Policy-based Loans
Agriculture	Agri-Seed Loan Agricultural Corporation Support Loan Agriculture Promotion Fund	Agriculture, Forestry, Fishery & Ecology Business Loan Management Improvement Support Loan Tohoku Agricultural, Forestry, and Fishery Industries Support Loan	Agriculture Modernization Loan Agricultural Management Assistance Support Loan Agricultural Management Improvement Promotion Loan (New Super S Fund) Mountainous Region Revitalization Loan etc.
Fishery	Fisheries Development Fund		Fisheries Modernization Loan Fisheries Management Improvement Promotion Loan Mountainous Region Revitalization Loan etc.
Forestry	Forestry Development Fund		Forestry Development Promotion Loan Mountainous Region Revitalization Loan etc.

● Stronger Collaboration with the Japan Agricultural Corporations Association

In February 2014, the Bank entered into a comprehensive partnership agreement with the Japan Agricultural Corporations Association, a public interest incorporated association with about 1,800 pioneering agricultural corporation members nationwide. The partnership enables the association's members to more easily address issues they face, including their capital investments, management streamlining and value-adding to agricultural and livestock products, as well as provides a wide range of support for the creation of new customers and export of products by utilizing the Bank's network.

The agricultural industry will make efforts to vitalize the industry, food production and consumption and local communities in an integrated manner by sharing the management know-how of large-scale farm operators and utilizing JA Group's financial functions.

■ Support for Enhancing Business Capability

In order to strengthen the business capability and earning capacity of the agricultural, fishery and forestry industries, the Bank is making extensive efforts in supporting market expansion through business conferences and business matching services, supporting export expansion, adding value to products through the sixth industrialization of the agricultural, fishery and forestry industries, as well as collaboration beyond the boundaries of the cooperative system and industries, and fulfilling its diversified functions as a "bridge between the agricultural, fishery and forestry workers and the business community."

Business Conferences and Business Matching Initiatives

The Bank capitalizes on the characteristics of the cooperative system as a nationwide system to identify the business needs of cooperative organizations, agricultural, fishery and forestry workers and corporate clients, and provide business matching services and conferences to lead to constant business transactions among them.

In fiscal 2013, 117 contracts were signed as a result of the above initiatives, and 328 contracts have been concluded since the start of the initiatives in fiscal 2009.

In fiscal 2013, we held 11 nationwide and local business conferences, and they were highly rated by participated seller groups and buyer companies.



JA Group Business Conference on Domestic Agricultural and Livestock Products



JA Bank Shikoku Business Conference

Export Support Initiatives

In August 2013, the Bank, as part of its export support to its members and agricultural, fishery and forestry workers, ran a booth at Hong Kong Food Expo 2013, one of the largest food exhibitions in Asia, together with JA Zen-Noh (National Federation of Agricultural Cooperative Associations), JF Zengyoren (National Federation of Fishery Cooperative Associations) and the Japan Agricultural Corporations Association. Five JA organizations, one JF organization and five agricultural corporations participated in this event and had business negotiations with buyers from Hong Kong and other Asian countries. The Bank also provides information on matters such as overseas market trends and holds export seminars for individual consultations.



Export seminar



Hong Kong Food Expo 2013

Agriculture, Forestry and Fisheries Cooperative Fund (JA Sixth Industrialization Fund; JF Sixth Industrialization Fund; JForest Sixth Industrialization Fund)

JA Group, including the Bank, laid out a policy to exercise its comprehensive and organizational strength as a group in an integrated manner to promote the sixth industrialization of the agricultural, fishery and forestry industries.

In May 2013, the Agriculture, Forestry, and Fisheries Cooperative Fund (JA Sixth Industrialization Fund; JF Sixth Industrialization Fund; JForest Sixth Industrializa-

tion Fund), a sub-fund jointly capitalized by Agriculture, forestry and fisheries Fund corporation for Innovation, Value-chain and Expansion Japan (A-FIVE-J) and cooperative organizations, was established. Various financial, business and management support, along with support for the development of business plans, has been provided to agricultural, fishery and forestry businesses that are committed to the sixth industrialization, as well as entities constituted by JA and partner companies.

Since its establishment, decisions were made to make investments in five entities involved in the sixth industrialization, including those established through a joint venture founded by agricultural, fishery and forestry

workers and a partner company (as of May 31, 2014), the largest number of investments made among sub-funds nationwide. The Bank will continue to contribute to the further development of the local agricultural, fishery and forestry industries through the utilization of the fund.

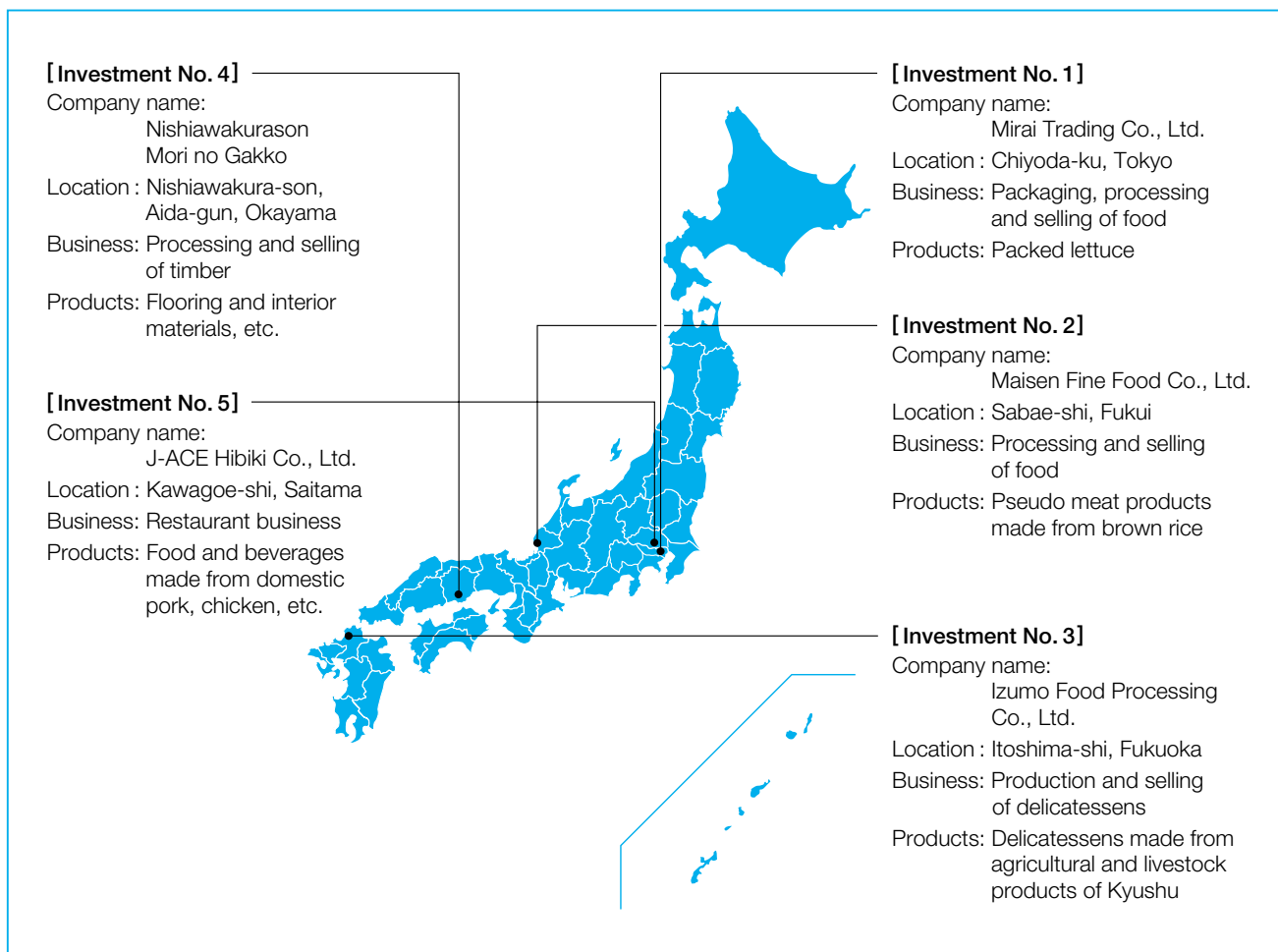


Timber processing/selling business of a fund recipient



A fund recipient's production/sales business using agricultural and livestock products in Kyushu

Overview of Investments Made by the Agricultural, Forestry and Fisheries Cooperative Fund



(As of May 31, 2014)

Business Conferences Held in Fiscal 2013

Venue	Date	Name	Number of sellers	Number of buyers	Number of meetings
Tokyo	April 2013	JA Bank Nagano Agricultural and Livestock Producers' Business Conference	4	7	28
Fukuoka	June 2013	2nd JA Group/JF Group Kyushu Business Conference	61	55	371
Akita	October 2013	JA Group Akita Business Matching Meeting	14	11	43
Koriyama	November 2013	Oishii (Delicious) Fukushima Food Business Conference 2013	41	44	94
Osaka	November 2013	JA/JF Group Kinki Business Conference	23	19	80
Tokyo	January 2014	JA Bank Shikoku Business Conference	51	69	371
Shizuoka	January 2014	Fujinokuni Food Development Exhibition 2014*	191	1,233 (visitors)	— (exhibition style)
Utsunomiya	January 2014	Tochigi Food and Agriculture Exhibition and Business Conference 2014*	182	2,000 (visitors)	— (exhibition style)
Hiroshima	February 2014	JA Bank Hiroshima Food and Agriculture Matching Fair	20	205 (visitors)	— (exhibition style)
Sendai	February 2014	Tohoku Reconstruction Support Business Conference Sponsored by JA Group	49	58	163
Tokyo	March 2014	JA Group National Agricultural and Livestock Producers' Business Conference	171	4,318 (visitors)	— (exhibition style)

*Business conferences organized in collaboration with administrative bodies; the Bank cooperated in inviting the sellers/buyers

Establishment of a Study Group for the “Enhanced Competitiveness of Food and Agriculture Business”

Three parties – the Bank, JA Zen-Noh and Mizuho Bank – established the Study Group for the Enhanced Competitiveness of Food and Agriculture Business in August 2013 to create a framework to examine the possibility for future collaboration, including the “sixth industrialization” and export toward the strengthening of the competitiveness of Japanese agriculture and food related industries. Under subjects such as the improvement of producers' income, promotion of local agricultural production and a return to the use of domestic agricultural and livestock products from imports, the study group will

be exploring concrete measures for adding value to agricultural and livestock products and creating value chains in partnership with food-related industries, through collaboration among the three parties.

■ Initiatives to Support Revitalization of Local Communities

As initiatives to contribute to the revitalization of local economies and the creation of a recycling-based society, the Bank supports renewable energy businesses and projects which encourage food and agricultural education that help deepen the understanding of the primary industries.

● Initiatives for Renewable Energy Projects

JA Group aims, by advancing the community-driven development of renewable energy supply, to promote sustainable local agriculture, revitalize farming, fishing and mountain villages, and establish a recycling-based society. Based on JA Group's policies, JA Bank provides consultation and proper funding by utilizing financing and investment tools for locally-led renewable energy projects from the perspective of revitalizing local communities, securing local jobs, utilizing idle land and maintaining local communities.

With the objective of revitalizing farming, fishing and mountain villages, the Ministry of Agriculture, Forestry and Fisheries implemented the Act for Promotion of Power Generation of Renewable Energy Electricity to take Harmony with Sound Development of Agriculture and Forest in May 2014 to promote the adoption of renewable energy, subject to consensus formation at, for example, a consultative meeting organized by local interested parties.

With an awareness of coordination with such administrative activities, JA Group has a policy to proactively engage in renewable energy projects which will result in the revitalization of local communities in harmony with the agricultural, fishery and forestry industries representing local communities and farmers. The Bank, together with JA Zenkyoren (National Mutual Insurance Federation of Agricultural Cooperatives), established a fund and set up a structure to provide financial assistance to community-led renewable energy projects.

The Bank aims to continue providing not only financial but other support required for commercialization to members of cooperatives and local residents for the renewable energy projects which contribute to the promotion of the agricultural, fishery and forestry industries and revitalization of local communities.

● Initiatives for Food and Farming Education Projects

The Bank provides subsidies for "food and farming education" projects that aim to deepen children's understanding of agriculture and food and to contribute to the development of local communities. We donate study materials for agriculture and food education, support initiatives to incorporate local agricultural products into school lunch menus, and organize cooking classes from the perspective of local production for local consumption. In fiscal 2013, we donated 1.39 million books to primary schools nationwide and provided subsidies of ¥455 million to local food and agricultural education activities.

● Environmental Finance Initiatives

The Bank introduced the Agricultural, Forestry, Fishery and Ecology Rating System in 2010 to evaluate its members and companies which practice pro-environmental activities. The Bank added its own evaluation items to those of the system, including initiatives for environmentally sound agricultural, fishery and forestry industries and for the sixth industrialization. In fiscal 2013, loans totaling ¥520 million were extended based on this system.

In March 2012, the Bank began acting as a broker of domestic emission credits (J-VER). The J-VER System is the domestic emission trading scheme operated by the government. By acting as a broker of J-VER trading derived from the agricultural, fishery and forestry industries, we aim to support initiatives for environmentally-responsible agricultural and forestry operations such as forest improvement and environmental measures of companies.

In fiscal 2013, we conducted carbon offset using J-VER set up by forestry cooperatives at events sponsored by the Bank.

Events where carbon offset was conducted	Carbon offsets equivalent to reduction in greenhouse gas emissions	Emission credit originators
The 45th All-Japan University Ekiden Championship (November 3, 2013)	49t in total	JForest Kamaishi (Iwate), Mita Norin Co., Ltd. (Iwate), JForest Tsunan-machi (Niigata)
The 4th Farmers& Kids Festa 2013 (November 9 and 10, 2013)	10t in total	JForest Higashi-Shirakawa-mura (Gifu), JForest Kashimo (Gifu)

■ Finance Facilitation Initiatives

● Policies on Finance Facilitation

As the financial institution founded on agricultural, fishery and forestry cooperatives, the Bank considers one of its most important roles is to provide necessary funds smoothly to its customers engaging in agricultural, fishery and forestry operations and SMEs, and conducts initiatives under basic policies for finance facilitation, including the flexible handling of loan applications from customers, making changes to financing conditions in response to customers' request for the reduction of debt repayment burdens, proactive response to management consultation from customers, and support for their initiatives for management improvement.

In addition, in order to proceed with these initiatives properly, the Bank has developed a structure through the establishment of the Financing Facilitation Management Committee chaired by the governing director and the Financing Facilitation Department as a specialized unit, assignment of a financing facilitator at each branch who can collaborate with the Financing Facilitation Department, and creation of a customer service counter to respond to complaints and consultations from customers.

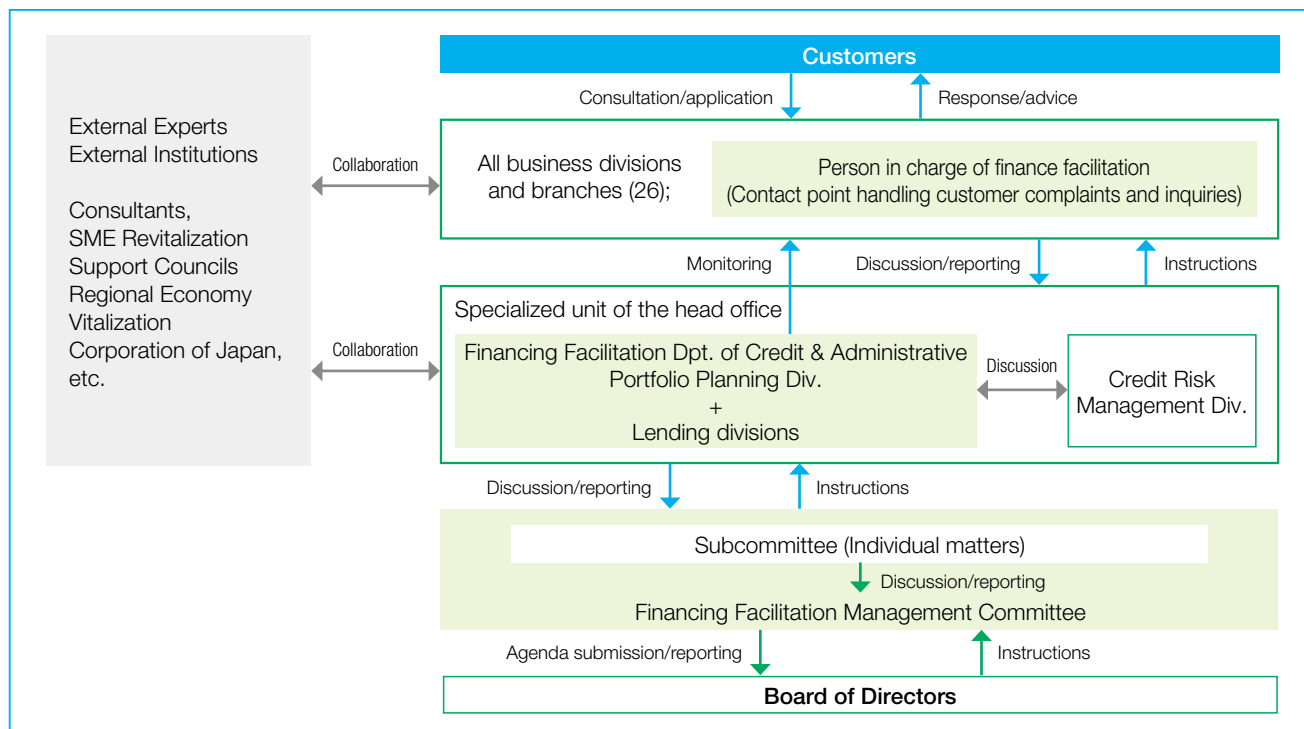
● Management Support Initiatives for Customers

The Bank focuses on providing services to customers who need support for management improvement and business reconstruction with due consideration to the impact on their local communities and other factors. Divisions and branches that handle customer transactions, together with a specialized unit of the head office, assist with the customers' efforts in the development and execution of plans, and review their progress and revise them as appropriate. We also collaborate with external parties, including consulting firms, Small- and Medium-size Enterprise Revitalization Support Councils (SMERSCs) and the Regional Economy Vitalization Corporation of Japan (REVIC) as the need arises, using various tools to achieve the best solution.

● Policy to Address the Guidelines regarding Personal Guarantee

The Bank has developed a structure based on the Guidelines regarding Personal Guarantees published in December 2013. We will continue efforts to address the issue of personal guarantees by business owners in good faith based on these Guidelines.

Finance Facilitation System



Establishment of the Fund for Future Agricultural, Fisheries and Forestry Industries

In March 2014, the Bank established the Fund for Future Agricultural, Fisheries and Forestry Industries to contribute to the “agricultural, fishery and forestry industries,” “food production and consumption” and “local communities,” and provided funding of ¥20 billion.

The fund will promote projects with the three goals as shown to the right and support ingenious efforts by agricultural, fishery and forestry workers.

As a member of JA (Japan Agricultural Cooperatives), JF (Japan Fishery Cooperatives) and JForest (Japan Forestry Cooperatives) Groups, the Bank will make full efforts to solve issues of the agricultural, fishery and forestry industries, pursue these industries’ “future” and “possibilities” and make progress together with local communities.

- (1) Support for leaders who support the sustainable development of the agricultural, fisheries and forestry industries
- (2) Support for efforts to enhance the profitability of the agricultural, fisheries and forestry industries
- (3) Support for efforts to revitalize local communities centering on the agricultural, fisheries and forestry industries

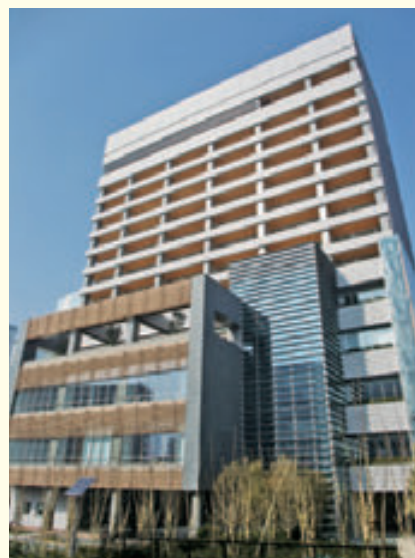


Completion of Norinchukin Bank Shinagawa Training Center

In February 2014, to commemorate the Bank’s 90th anniversary, the Norinchukin Bank Shinagawa Training Center was completed. The Shinagawa Training Center was constructed given the necessity to enhance and strengthen training for the Bank and cooperative organizations in addition to the deterioration and capacity shortage of the existing Koganei Training Center.

The new center is not only used as the core platform for human resource development at the Bank and cooperative organizations, but also as the school building of the Japan Institute of Agricultural Management to serve as a place of learning for students who will be responsible for the agricultural management in the future.

Upon completion of the Shinagawa Training Center, the existing Koganei Training Center was closed at the end of March 2014. As the Koganei Training Center is located within the Suzuki archaeological site, where we can learn about peoples’ lives in the late Stone Age, part of the site and building were donated to Kodaira-shi. The site will be developed as a park so that it can be designated as a historically significant site by the government.



Norinchukin Bank Shinagawa Training Center



Ceremony for donation of Koganei Training Center site to Kodaira-shi



Lecture held at Japan Institute of Agricultural Management

CSR Initiatives

As the financial institution founded on the platform of agricultural, fishery and forestry cooperatives as well as an institution engaging in global investment and loan activities, the Bank has a basic policy on its CSR (corporate social responsibility) activities to gain the trust of various stakeholders and contribute to the sustainable development of economy and society.

The Norinchukin Group engages in CSR activities

based on the following three policies: (1) contribution to members; (2) contribution to the advancement of the agricultural, fishery and forestry industries; and (3) contribution to the community at large.

In fiscal 2008, the Bank established the CSR Committee and a division dedicated to CSR to enhance the structure for our initiatives, and since then the Bank has issued a CSR report every year and actively engaged in CSR activities.

Major Achievements in Social/Environmental Contribution Activities (Fiscal 2013)

Contribution to the Agricultural Industry

JA Bank Agri-Support Project

- Interest subsidy scheme for JA's agriculture-related loans (subsidies totaling ¥1.3 billion provided for 80,000 loans)
- Support for business entities in the agriculture and environmental sectors (investments totaling ¥1.2 billion made to 28 companies through funds)
- Support to encourage acceptance of potential new farmers (subsidies totaling ¥50 million provided to 530 farmers and JA that accepted new farmers)
- Production and donation of study materials for food and agriculture education (about 1.39 million books donated to primary schools nationwide and Japanese schools overseas)
- Support for food and agriculture education activities (subsidies totaling ¥500 million provided for 2,000 activities)



Textbook of food and farming education

Contribution to Local Communities and Society

Nationwide deployment of the "Hana Ippai Campaign (flower planting campaign)"

Donation of tulip bulbs and flower seeds to local authorities, schools, social welfare councils, etc. (through 40 departments, branches and offices nationwide)

Participation in environmental beautification campaigns, donations to environmental beautification groups and events, etc.

Sponsorship of regional development activities organized by local authorities, cooperative organizations, etc.

Special sponsorship of the All-Japan University Ekiden Championship

Social Welfare and Monetary Donation Activities

- Cooperation in fund raising and monetary donations for Great East Japan Earthquake victims and the Japanese Red Cross Society
- Calls for blood donation on the streets, donation of security buzzers and schoolbag covers to primary school children, etc.

Initiatives outside Japan

- Donation to cultural and art facilities through the Norinchukin Fund (New York)
- Sponsorship of events introducing Japanese food (London)
- Donation of study materials for food and agricultural education to Japanese schools (London)
- Acceptance of Chinese trainees for practical training (Beijing), etc.



Planted Flowerbeds (Sapporo Branch)



Cleaning volunteers (Wakayama Office)



All-Japan University Ekiden Championship

Contribution to the Fishery Industry

Interest subsidy scheme for JF Marine Bank's fishery-related loans

Support for JF Group's environmental conservation activities, resource-managed fisheries, etc.

- Distribution of waste disposal bags to support beach cleaning activities (150,000 bags)
- Distribution of pressed seaweed bookmarks for environmental protection studies (180,000 bookmarks)
- Offering of "eco-friendly chopsticks" made from timber from forest thinning for food and agriculture education activities, etc.

Sponsorship of the "Zenkoku Yutakana Umizukuri Taikai (National Convention on Actions towards Resource-Rich Seas)"

Sponsorship of the "Zenkoku Uminoko Art Exhibition (National Children's Art Exhibition on Sea)" and networking events for young and female fishery workers



Garbage bag for beach cleaning

Contribution to the Forest Industry

Provision of subsidies to seven projects through the Norinchukin 80th Anniversary Forest Rejuvenation Fund, a trust fund

Support for initiatives to consolidate forest management projects

- Provision of subsidies for the costs of purchasing and leasing GIS (geographic information system) and GPS (global positioning system) for identifying boundaries (25 JForest)



Environmental and Natural Protection Activities

Cooperation in global warming prevention and biodiversity preservation activities

- Promotion of the use of timber from forest thinning
- Donation of wood pellet stoves, wood benches, flowerbeds, study desks, etc.
- Cooperation in activities of the Wild Bird Society of Japan

Activities for reducing environmental burden

- Energy-saving measures
- Promotion of paperless society, resource recycling and purchasing of products conforming to the Act on Promoting Green Purchasing
- Signing of the Principles for Financial Action towards a Sustainable Society (the Principles for Financial Action for the 21st Century), etc.



Donation of wood products (Osaka Branch)

Education and Training Support Activities

Development of future industry leaders

- Support for AgriFuture Japan's farm worker development activities (Japan Institute of Agricultural Management opened in April 2013)

Establishment of endowed lectures at universities

- Establishment of endowed lectures at and dispatch of lecturers to six universities (Tokyo, Waseda, Keio, Tokyo University of Science, Hitotsubashi and Kyoto), participation in symposiums, etc.



Endowed lecture at university