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Report on interim account settlement for the first half of fiscal 2011



Akira Banzai

Chairman
The Supervisory Committee

Yoshio Kono

President and Chief Executive Officer

In light of the resumption of dividend payments in fiscal 2010 and the Bank's performance thus far, the Bank has brought its "Business Renewal Plan" formulated in February 2009 to an end. The Bank has since formulated a new "Medium-Term Management Plan" that covers the two-year period starting from fiscal 2011 and based on this it manages its business. Under its "Medium-Term Management Plan," the Bank will firmly maintain its two key pillars outlined in the Business Renewal Plan: 1) "stable return of profits" to its members, and 2) the expansion of its role as the central organization for cooperatives as well as financial institution for farmers, fishermen, and foresters. It will also place a priority on supporting the reconstruction effort in the aftermath of the Great East Japan Earthquake.

During the first half of fiscal 2011, the first quarter saw a modest recovery, but due to such factors as the deepening sovereign debt crisis in Europe and the uproar over the U.S. budget deficit, it became clear that the pace of recovery would slow down after the second quarter. As a result, financial markets came under intense downward pressure and the "flight to quality" caused long-term interest rates to fall, the value of the stock market to decline and the yen to grow even stronger.

Under these economic and financial conditions, based on our globally diversified investment portfolio, we took steps to properly manage risk and our investment portfolio while maintaining a prudent investment approach. As a result, in the first half of fiscal 2011, the Bank recorded ordinary profit of ¥158.3 billion (on a consolidated basis) and maintained a high capital adequacy ratio of 26.20% (a Tier I ratio of 20.15%, both on a consolidated basis).

Further, in response to earthquake disaster reconstruction, under our "Reconstruction Support Program," the Bank provided financial support consisting of financial and interest subsidies for members of the agricultural,

forestry and fisheries cooperatives, business and management support for infrastructure recovery of Japan agricultural cooperatives (JA), Japan fishery cooperatives (JF), and Japan forestry cooperatives (JForest), and for strengthening their business base, as well as personnel and other support to assist with these efforts. With regard to expanding its role as the central organization for cooperatives as well as financial institution for farmers, fishermen, and foresters, the Bank has been consistently working in every field to strengthen its financial services for members of the agricultural, forestry, and fisheries cooperatives and promote cooperation between agriculture, commerce, and industry. This is entirely due to the support and cooperation of all of our members, for which we are deeply grateful.

The future of the global economy is uncertain because of numerous risk factors including the European sovereign debt crisis, the economic policies of the United States and the reduction of its budget deficit, and the economic slowdown in emerging countries. Under these circumstances, executives and employees will continue to execute the Bank's plan to achieve its ordinary profit target of ¥50 to ¥100 billion (non-consolidated basis) for full fiscal 2011.

To contribute to the further development of the agricultural, forestry and fisheries industries, as well as local communities through close cooperation with our member cooperatives — that is our mission. To ensure that cooperative members and other customers maintain confidence in the cooperative banking system and continue to choose the JA Bank and JF Marine Bank, the Bank will continue to return stable profits to its members and further expand its role as the central organization for cooperatives.

Finally, we would like to ask our readers for their continued support for JA Bank, JF Marine Bank, the Forestry Cooperatives and the Norinchukin Bank.

February 2012



Akira Banzai

Chairman
The Supervisory Committee



Yoshio Kono

President and Chief Executive Officer

Overview of the Medium-Term Management Plan

In the first half of fiscal 2011, the Bank established a new medium-term management plan, which will guide business management during the two-year period beginning from fiscal 2011.

From fiscal 2009, based on its four-year Business Renewal Plan, the Bank worked to achieve stable financial management and further expanded its role as the central organization for cooperatives in Japan. However, in light of its resumption of dividend payments and success in expanding its role as the central organization for

cooperatives in Japan, the Bank brought its Business Renewal Plan to an end two years ahead of schedule, and established a new medium-term management plan.

Under the medium-term management plan, the Bank will take steps to achieve stable financial management and further expand its role as the central organization for cooperatives while placing a priority on supporting the reconstruction efforts in areas affected by the Great East Japan Earthquake.

● Non-Consolidated Results Overview ●

In the first half of fiscal 2011 (non-consolidated), the Bank maintained its capital adequacy ratio at an internationally high level following stable profits and an increase in net assets due to a decrease in unrealized losses on securities.

(Billions of Yen)

	FY2009	FY2010	First Half of FY2011
Ordinary Profit	71.6	117.3	161.0
Net Income	29.5	144.3	124.2
Net assets	3,931.6	4,250.4	4,402.6
Capital Adequacy Ratio	19.26%	22.76%	26.38%
Tier I Ratio	13.88%	16.80%	20.15%
Net Unrealized Gains (Losses) on Securities	(605.8)	(342.9)	(179.5)

The Medium-Term Management Plan (Fiscal 2011 through Fiscal 2012)

Role as the Central Organization for Cooperatives as well as Financial Institution for Farmers, Fishermen, and Foresters

1. Reconstruction support program (financial support program, business & management support program)
2. Shared member efforts (business support, human resource improvement and training, emissions trading)
3. JA Bank (JA Bank medium-term strategies implementation: Main bank for the agricultural industry and for the local residents)
4. JF Marine Bank (Financial services for fishery industry, JF Marine Bank Safety System)
5. Forestry business (Forest restoration)

Financial Management/Risk Management/Basic Policies

1. "Stable return of profits to its members" is managements' highest priority, and (non-consolidated) ordinary income of ¥50.0 to ¥100.0 billion per year
2. Effective risk management and portfolio management on a continuous basis
3. Take on new high-quality investment opportunities in new fields based on a globally-diversified investment portfolio
4. Maintain a capital adequacy ratio of around 20%

Under its new medium-term management plan, the Bank is constantly working to achieve stable financial management. At the same time, taking into full account the post-earthquake effects on the business environment, uncertainty about the future of the global economy, and other factors, we will continue toward our ordinary profit target of ¥50 billion to ¥100 billion (on a non-consolidated basis) and "stable return of profits" to members.

Outline of the Reconstruction Support Program

Outline of the Reconstruction Support Program

In light of the tremendous damage that the Great East Japan Earthquake caused to agricultural, forestry and fisheries workers and to JA (agricultural), JF (fisheries), and JForest (forestry), the Bank established the “Reconstruction Support Program,” which has as its goal full and multifaceted assistance for the recovery

and reconstruction of the agricultural, forestry and fisheries industries. The program will be implemented over an approximately four-year period based on the following two pillars, and its scale over that period will be ¥1 trillion (in low-interest loans, etc.), with the Bank providing ¥30 billion in assistance.

1. Financial support program to agricultural, forestry and fisheries workers

The financial support program envisions three stages, 1) emergency, 2) transition, and 3) recovery and reconstruction, with appropriate financial support provided to each.

As an emergency response immediately after the earthquake disaster, we have already taken measures to extend loan deadlines in order to facilitate smooth cash management for agricultural, forestry and fisheries cooperatives affected by the disaster. Subsequently, in April 2011, the Bank set up a system that subsidizes interest payments (maximum: 0.5%, period: in principle, three years) for borrowers, which contains a total of ¥300 billion in funds supplied by the JA Bank (¥250 billion) and JF Marine Bank (¥50 billion). The system, in conjunction with interest

subsidies from the government and the JA and JF Group, seeks to offset and reduce the interest expenses of borrowers with interest subsidies provided by the Bank to be used to pay off loans from JA, JF and Shingyoren. As of September 30, 2011, interest subsidies for a total of 1,627 loans had been provided.

In addition, to facilitating the flow of funds to the agricultural and fisheries industries, the system also accommodates low-interest loans, refinancing, etc. for food-related businesses, which are closely linked to producer, producer groups and primary industries.

As a response to recovery and reconstruction, we are examining the possibility of long-term loan support.

2. Business & management support program for member organizations

The Bank plans to offer assistance to branches that need to restore their businesses in collaboration with relevant groups including the Central Union of Agricultural Co-operatives, as well as support to restore infrastructure, such as ATM terminals, and to strengthen their business foundations.

To assist JA Bank and JF Marine Bank customers, the Bank set up a center for disaster victims in collaboration with the JA Group and JF Group in each prefecture so that disaster victims who had lost their savings certificates, passbooks, registered seals, cash card or other identification could withdraw their deposits after verification of their identities. Specifically, we set up a system for providing flexible services to our customers who, in many cases, had to temporarily leave their homes, and enabled them to withdraw a certain amount of cash at places other than their JA Bank or JF Marine Bank branches.

The Bank provides prompt business restoration support that includes provision of financial support and physical supplies such as fixtures and equipment of JA Banks and JF Marine Banks whose branches and ATMs were devastated by the earthquake.

Further, in light of the revised Reorganization and Strengthening Law (the law related to the reorganization and strengthening of the Cooperative Banking Business by the Bank and specified agricultural and fishery cooperative organizations) passed by the Diet in July 2011, the basic policies of the JA Bank and the JF Marine Bank were revised and a framework that enables devastated JA (agricultural) and JF (fisheries) to increase their capital using the financial resources of the Savings Insurance System for Agricultural and Fishery Cooperatives was established in order to maintain and strengthen their financial functions in disaster-stricken areas.

Outline of the Reconstruction Support Program

Description	Support recipients	JA Bank/JF Marine Bank/Forestry Cooperatives
Financial support program	Agricultural, forestry and fishery cooperatives	Financial support (interest subsidies, reconstruction/recovery loans [low-interest loans], etc.)
Business & management support program	Member organizations	Business recovery (support for infrastructure recovery including branches, ATMs, terminals, etc.)
		Business measures (support to strengthen members' business foundations)

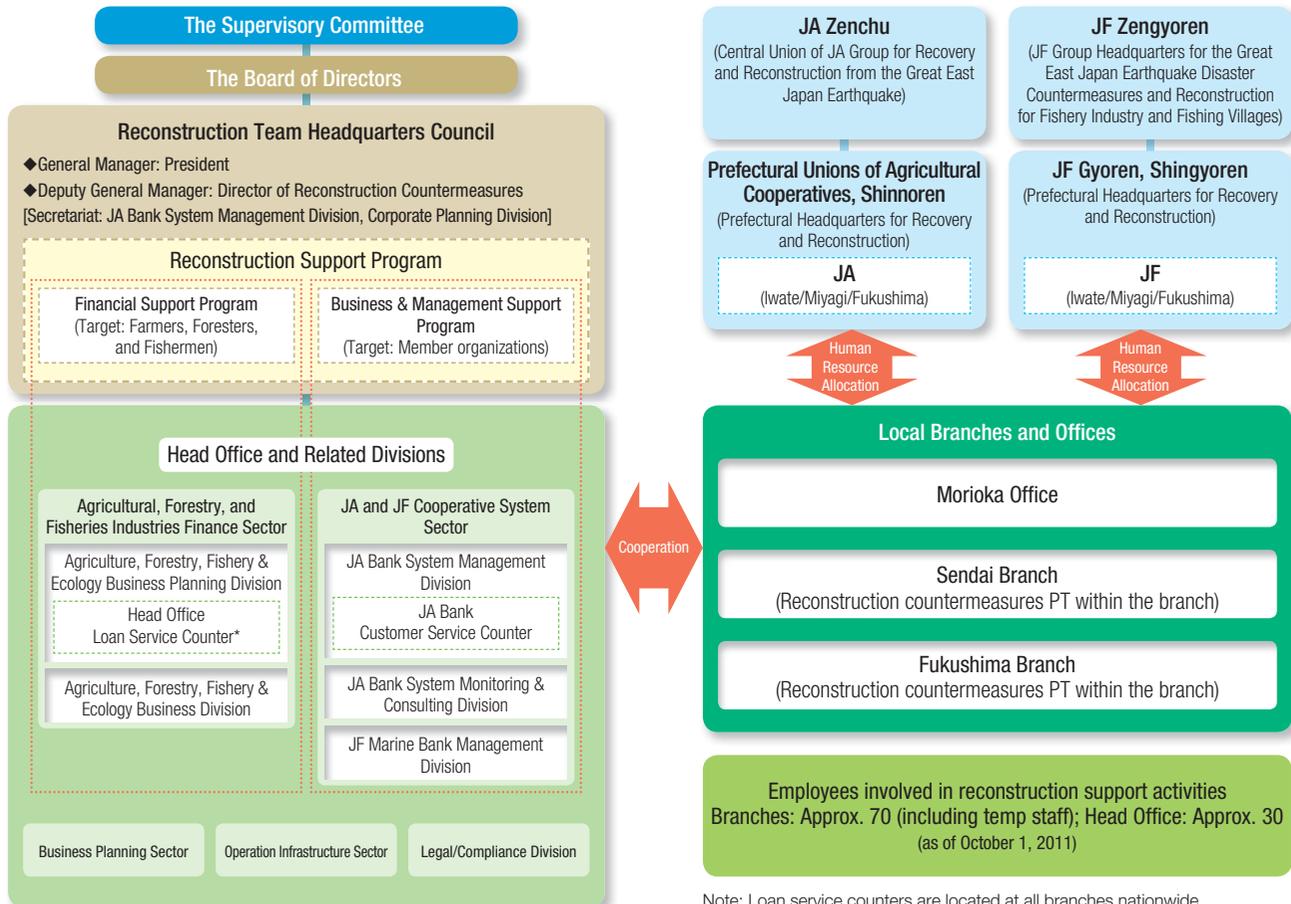
Reconstruction Support System

The Bank has positioned reconstruction support related to the Great East Japan Earthquake as its most important business issue. Immediately after the earthquake disaster, the Bank took measures needed to support recovery and reconstruction, which included the establishment of a disaster countermeasures office immediately after the earthquake, analysis of the extent of damages and the operational status of its system, as well as implementation of emergency financial support, and the sending of people to the disaster areas. Further, in June 2011, the Bank established a Reconstruction Team Headquarters Council, with the president serving as its general manager. Under the leadership of a director assigned to supervise reconstruction measures, the head office and branches

have made a concerted effort to support reconstruction.

In the meantime, the Bank has established a support team of 100 staff members, (as of October 1, 2011), with 70 working in the disaster area and 30 at the head office, including personnel sent to help out at local organizations such as other national federations and local countermeasure offices. Through this system, the Bank provides various types of support to the devastated JA (Japan Agricultural Cooperatives) and JF (Japan Fishery Cooperatives) including support for reinforcing teller services and business infrastructure as well as for introducing Individual Debtor Guidelines for Out-of-Court Workouts.

>>> Reconstruction Support System



◆ **Reconstruction Support Initiatives of the JA Group, JF Group and JForest Group**

The JA Group, JF Group and JForest Group are working together to create the following website in order to introduce the reader to their support and reconstruction initiatives to deal with the immense damage to agricultural, forestry and fishery industries in the aftermath of the Great East Japan Earthquake and the Fukushima Daiichi Nuclear Power Plant disaster, and to maintain a record into the future.

- Website name: Record of Initiatives to Reconstruct Agricultural, Forestry and Fishery Cooperatives — Great East Japan Earthquake Achieve (to be continuously updated)
- URL: <http://www.quake-coop-japan.org>
- Scheduled start: Early part of March 2012

Expanding our Role as the Central Organization for Cooperatives

● **Initiatives to Strengthen the Role as Fund Provider to the Cooperatives** ●

Initiatives for the Sixth Industrialization

To support the sixth industrialization of agricultural, forestry and fisheries communities, the JA Bank and JF Marine Bank organized business conferences, providing export assistance and business-matching to support the business diversification of its cooperative members. In the first half of fiscal 2011, business meetings and seminars were held for agricultural corporations under Bank sponsorship and in collaboration with the Agricultural Administration Office. As business conferences that leverage the strengths and advantages of the cooperative system, beginning from 2010, we held local business conferences in collaboration with JA and JF groups in each region and also held the Kyushu Business Conference and the Hokuriku Business Conference in October and November 2011, respectively, which provided a platform for meetings of cooperative members, agricultural, forestry and fisheries workers and companies.

Expansion of Financial Services for Agricultural, Forestry and Fisheries Industries

The Agri-Seed Fund, set up by the Bank in fiscal 2010, which has as its goal the development of core farmers in local farming communities, is a new framework for supplying capital to agricultural corporations including farming corporations that are technically competent but undercapitalized. In the first half of fiscal 2011, the fund assisted 10 agricultural corporations at a total of ¥86 million.

The “Agricultural, Forestry and Fisheries Environmental Rating System,” introduced in December 2010, grants preferential interest rates on loans depending on rating following an appraisal and evaluation of borrowers’ environmental initiatives. In the first half of fiscal 2011, 12 loans (totaling ¥4.5 billion) at preferential interest rates were granted based on this system.

● **Human Resource Training and Development Initiatives** ●

We are exchanging more personnel with JA and Shinnoren to foster understanding among executives and employees on how business is carried out at the actual workplace of the cooperatives, and to incorporate such insights into planning and policymaking. In addition, we regularly arranged lectures and study sessions for all executives and employees by inviting speakers from industries which are closely linked to the workers

in primary industries, farmers, foresters, and fisherman. In July 2011, we established the Cooperative System Human Resource Development Division, and in order to train and develop all human resources — both the executives and the employees — of the entire cooperative groups, we have started discussions to review our existing training programs and establish a more in-depth training and education system.

● The Promotion of JA Bank Business Strategies

Under its “JA Bank Medium-Term Strategies” (fiscal 2010 through fiscal 2012), the JA Bank has taken a number of measures during the first half of fiscal 2011 in order to achieve its basic goal of becoming “The JA Bank which contributes to both agricultural industry and people’s daily lives, as well as one which is chosen by the people, and then continues to grow.”

In the first half of fiscal 2011, the JA Bank finished building centralized agricultural financial centers in each prefecture to strengthen its role as the main bank for the agricultural industry, and it is jointly working with JA, Shinnoren, and the Norinchukin Bank, on strengthening its relations with farmers who will play an important role in the local agriculture in the future.

At the same time, to strengthen its role as the main bank for the local residents, the JA Bank worked to

achieve its numerical management targets for individual deposits, annuities, JA Cards, mortgage loans, and others. Moreover, the JA Bank promoted salary remittance accounts to corporate customers, one of the priority measures of the medium-term strategies, and the shift from magnetic cash cards (mainly JA cards with credit card functions) to IC cash cards under its policy of issuing these cards free of charge.

In addition, migration to the next-generation JASTEM System, a centralized, nationwide online transaction processing system operated by the JA Bank, was fully completed in all prefectures in May 2011. With this, the Bank has established the Next Generation JASTEM System Planning Division and has begun reviewing the basic concept for a new JASTEM System for the future.

● Specific Action Items (Framework) for the JA Bank Medium-Term Strategies (FY2010-FY2012)



The JA Bank's Goals (FY2012)

- Fostering closer relationships with agricultural corporations and large-scale farmers as well as increasing the number of JA Bank customers
- Raising the satisfaction among the JA Bank members (farmers) and customers
- Increasing the number of customers in the next two generations
- Increasing the number of customers, improving the JA Bank's share of the regional market, and promoting the use of the JA Bank
- Strengthening JA's and the JA Bank's regional reputations

Agricultural Finance by the JA Bank

The JA Bank responds to a variety of agricultural financing needs while providing farm management and livelihood support to farmers through Agricultural Modernization Loans and Japan Finance Corporation loans. The balance of agricultural-related funds of the JA Bank as of March 31, 2011 stood at ¥2,196.3 billion (¥1,645.1 billion of this amount was loans to farmers) and the balance of loans entrusted by Japan Finance Corporation, and others came to ¥652.3 billion.

Agricultural Loan Balance by Type of Financing

(Billions of Yen)

As of March 31, 2011	
Proper agricultural loans	1,517.9
Agricultural institutional loans	678.4
Agricultural Modernization Loans	205.8
Other institutional loans	472.6
Total	2,196.3

Balance of Loans in Trust for Agricultural Financing

(Billions of Yen)

As of March 31, 2011	
Japan Finance Corporation	650.6
Other	1.6
Total	652.3

Notes:

1. Proper agricultural loans are those loans from JA Bank funds other than institutional loans.
2. Agricultural institutional loans consist of, 1) those financed directly or indirectly by local public bodies, 2) those financed at low interest rates by JA Bank through interest subsidies by local public bodies.
3. Other institutional loans are those financed by the Agricultural Management Improvement Promotion Fund (Super S Fund) and Agricultural Management Assistance Support Fund, etc.

The Promotion of JF Marine Bank Business Strategies

Based on the JF Marine Bank Medium-Term Business Promotion Policy (fiscal years 2009-2011), the JF Marine Bank has been working on maintaining and enhancing its ability to drive projects forwards so as to ultimately become a “reliable financial service provider for the fishing community.”

In the first half of fiscal 2011, the JF Marine Bank trained financial service consultants for the fishing community and upgraded their capabilities with the aim of improving their know-how on fisheries finance and enhancing information exchange among prefectures.

The Bank continued providing interest subsidies for the Fisheries Modernization Fund, a low-interest loan program for fishermen and facilitated the use of IC cash cards by partially subsidizing part of commission fees for cash card-issuance.

To achieve sound and efficient business operations that will enable the JF Marine Bank to provide reliable services to its cooperative members and customers, the Bank has moved steadily forward with establishing a solid JF Marine Bank Safety System (Stable and Responsible JF Cooperative Banking Business System).

Initiatives at Forestry Cooperative

Forestry cooperatives have spread the “Movement to Expand the Use of Domestic Lumber and Revitalize Forestlands and the Forestry Industry” (fiscal years 2011-2015) to establish a sustainable low-cost forest industry. The Bank has provided subsidies to help offset the cost of introducing the Geographic Information System (GIS) and Global Positioning System (GPS)

for forest improvement and has held training sessions for obtaining practical training in Forest Information Management. The Bank also supports efforts to streamline forestry operations by providing loans to forestry cooperatives for the introduction of high-performance equipment.

Working Toward Stable Financial Management and Constant Improvement of Risk Management Methods

In its medium-term management plan, the Bank continues to view “stable return of profits” to members as its most important financial management issue. While maintaining a prudent investment stance based on a globally diversified investment portfolio, the Bank looks for new good investment opportunities and fields and

has set its sights on achieving ordinary profit of ¥50 to ¥100 billion (non-consolidated basis) and maintaining a capital adequacy ratio of around 20%.

Further, the Bank will continue to carry out an effective risk management system and portfolio management and constantly improve its risk management methods.

Advanced Risk Management System

The Bank operates an “integrated risk management” which is a framework to manage risks in an integrated way with a central focus on economic capital management.





■ Financial Results for the First Half of Fiscal 2011 (Consolidated)

The Norinchukin Bank's ("the Bank") financial results on a consolidated basis as of September 30, 2011 include those of 9 consolidated subsidiaries, one added from the previous fiscal year-end, and 5 affiliates, one less from the previous fiscal year-end, which are accounted for by the equity method.

The following is a summary of Financial Results for the First Half of Fiscal 2011.

◆ Balance of Assets and Liabilities

Consolidated Total Assets increased by ¥216.5 billion from the previous fiscal year-end to ¥70,050.4 billion, and consolidated Total Net Assets increased by ¥151.8 billion from the previous fiscal year-end to ¥4,411.7 billion.

On the assets side, Loans and Bills Discounted increased by ¥751.5 billion to ¥14,834.2 billion, and Securities decreased by ¥3,522.8 billion to ¥39,518.9 billion from the previous fiscal year-end, respectively.

On the liabilities side, Deposits increased by ¥847.7 billion to ¥41,797.1 billion, and Debentures decreased by ¥175.4 billion to ¥5,240.8 billion from the previous fiscal year-end, respectively.

◆ Income

Consolidated Ordinary Profits*, were ¥158.3 billion, up ¥54.1 billion on a year-over-year basis, and consolidated Net Income was ¥123.9 billion, up ¥40.9 billion on a year-over-year basis.

* Ordinary Profits represent Ordinary Income less Ordinary Expenses. Ordinary Income represents Total Income less certain special income, and Ordinary Expenses represent Total Expenses less certain special expenses.

◆ Capital Adequacy Ratio

The Bank's Consolidated Capital Adequacy Ratio (Basel II standard) was 26.20% as of September 30, 2011.

▶ Key Management Indicators (Consolidated)

(Billions of Yen/Millions of U.S. Dollars (Note 1))

	First Half of Fiscal 2009	Fiscal 2009	First Half of Fiscal 2010	Fiscal 2010	First Half of Fiscal 2011	First Half of Fiscal 2011
Total Income	¥ 741.9	¥ 1,270.5	¥ 591.2	¥ 1,111.4	¥ 620.4	\$ 8,100
Total Expenses	630.9	1,194.8	474.3	986.7	459.7	6,002
Net Income	60.0	33.0	82.9	129.5	123.9	1,618
Total Comprehensive Income	—	—	274.1	303.7	172.6	2,254
Total Net Assets	3,542.2	3,956.0	4,230.2	4,259.8	4,411.7	57,594
Total Assets	68,399.4	68,676.7	70,763.3	69,833.8	70,050.4	914,497
Capital Adequacy Ratio (% , BIS) (Note 2)	18.29	19.21	21.74	22.67	26.20	26.20

Notes: 1. U.S. dollars have been converted at the rate of ¥76.60 to U.S. \$1, the effective rate of exchange at September 30, 2011.

2. The calculation of the Bank's Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No. 4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank) issued in 2006.

3. The comprehensive income for the accounting period of the first half of Fiscal 2011 was calculated and retroactively presented pursuant to Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No.25, June 30, 2010).

■ Financial Results for the First Half of Fiscal 2011 (Non-Consolidated)

◇ Balance of Assets and Liabilities

Total Assets of the Bank at the end of the period decreased by ¥8.3 billion to ¥69,543.6 billion from the previous fiscal year-end. Total Net Assets at the end of the period increased by ¥152.2 billion to ¥4,402.6 billion from the previous fiscal year-end.

On the assets side, Loans and Bills Discounted was ¥14,760.5 billion and Securities was ¥39,539.8 billion. On the liabilities side, Deposits amounted to ¥41,806.7 billion and Debentures was ¥5,246.6 billion.

◇ Income

The business environments during the period have been volatile with many uncertainties due to the events such as the Greece's financial crisis, U.S. debt ceiling crisis and the prospect of global economic slowdown. Especially after July, the long-term interest rates in U.S. and Europe started falling, and the global stock prices plunged. In the foreign exchange market, the yen continued to rise as a result of the market sentiment to avoid more risky assets. The yen ultimately hit the record high since the end of the Second World War, in late August.

Despite harsh earnings environment, the Bank has accumulated interest income steadily under the conservative financial management, and interest income of the Bank summed up to ¥158.8 billion, up ¥54.2 billion on a year-over-year basis. With respect to credit cost, ¥25.7 billion in profit was recorded due to the reversal of reserve, since fewer assets were required to be covered by the reserve. As for the net results on securities business, net losses on sales decreased by ¥34.6 billion to ¥8.1 billion on a year-over-year basis while the loss on revaluation of portfolio securities decreased by ¥30.0 billion to ¥38.2 billion on a year-over-year basis.

As a result, with all of the factors mentioned above, the Bank recorded ¥161.0 billion in Ordinary Profits, up ¥57.0 billion on a year-over-year basis and ¥124.2 billion in Net Income, up ¥40.8 billion on a year-over-year basis. The Bank's net operating profits stood at ¥85.8 billion.

◇ Capital Adequacy Ratio

The Bank's Capital Adequacy Ratio (Basel II standard) was 26.38% as of September 30, 2011.

► Key Management Indicators (Non-Consolidated)

(Billions of Yen/Millions of U.S. Dollars (Note 1))

	First Half of Fiscal 2009	Fiscal 2009	First Half of Fiscal 2010	Fiscal 2010	First Half of Fiscal 2011	First Half of Fiscal 2011
Total Income	¥ 734.9	¥ 1,259.4	¥ 583.4	¥ 1,101.7	¥ 614.8	\$ 8,027
Total Expenses	622.9	1,189.0	466.7	963.3	453.8	5,925
Net Income	61.8	29.5	83.4	144.3	124.2	1,622
Paid-in Capital	3,425.9	3,425.9	3,425.9	3,425.9	3,425.9	44,725
Total Net Assets	3,523.1	3,931.6	4,206.8	4,250.4	4,402.6	57,476
Total Assets	68,243.3	68,470.3	70,495.0	69,551.9	69,543.6	907,880
Deposits	38,214.6	39,108.7	39,565.7	40,957.0	41,806.7	545,780
Debentures	5,441.1	5,611.7	5,576.2	5,421.6	5,246.6	68,494
Loans and Bills Discounted	11,803.7	13,038.0	12,390.3	14,002.3	14,760.5	192,696
Securities	43,184.9	44,013.7	46,060.5	43,070.0	39,539.8	516,187
Capital Adequacy Ratio (% , BIS) (Note 2)	18.30	19.26	21.85	22.76	26.38	26.38

Notes: 1. U.S. dollars have been converted at the rate of ¥76.60 to U.S. \$1, the effective rate of exchange on September 30, 2011.

2. The calculation of the Bank's Non-Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No. 4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank) issued in 2006.

■ The Bank's Performance Results (Non-Consolidated)

◻ Deposits

The balance of Deposits at the end of the first-half period stood at ¥41,806.7 billion, an increase of ¥849.7 billion from the previous year-end.

◻ Debentures

The balance of Debentures stood at ¥5,246.6 billion, a decrease of ¥174.9 billion from the previous year-end.

◻ Loans and Bills Discounted

The balance of Loans and Bills Discounted stood at ¥14,760.5 billion, an increase of ¥758.1 billion from the previous year-end.

Financing for Cooperative Organizations

The balance of loans and bills discounted stood at ¥471.4 billion, a decrease of ¥37.2 billion from the previous year-end. Of this amount, loans and bills discounted to agricultural organizations came to ¥174.4 billion, an increase of ¥9.7 billion, while those to fishery organizations came to ¥21.5 billion, and those to forestry organizations stood at ¥11.2 billion. Loans and bills discounted to other members as well as companies engaged in the agricultural, forestry and fisheries business amounted to ¥264.2 billion.

Financing for Corporate Customers

The balance of loans and bills discounted to corporate customers stood at ¥3,147.7 billion, a decrease of ¥92.3 billion from the previous year-end.

Other Loans

Other loans (including those to the government) stood at ¥11,141.3 billion, an increase of ¥887.6 billion over the previous fiscal year-end.

◻ Securities

The balance of Securities holdings stood at ¥39,539.8 billion, a decrease of ¥3,530.1 billion over the previous fiscal year-end. Unrealized losses on securities (including money held in trust) stood at ¥179.5 billion (prior to the application of tax-effect accounting).

◻ Trading Accounts

A separate trading account has been established for transactions involving trading securities for short-term transactions, certificates of deposit (CDs) and derivatives aimed at securing short-term trading gains, and this trading account is clearly separated from the banking account. The balance of trading assets came to ¥33.0 billion, and trading liabilities came to ¥12.4 billion.