

Message from the Management



We would like to sincerely thank all our stakeholders for being the partners and supporting the operations of The Norinchukin Bank (“the Bank”).

We have published this Interim Report to provide an overview of our financial results for the first half of fiscal 2024.

In the financial markets during the first half of fiscal 2024, central banks have cut interest rates in response to the decelerating pace of inflation, particularly in the United States and Europe. Long-term interest rates declined overseas amid expectations of further rate cuts, but also faced upward pressure due to concerns that inflation would resume after the US presidential election. In the stock market, prices remained firm against the backdrop of strong corporate earnings. In the foreign exchange market, the yen appreciated in response to differing monetary policy stances in Japan and overseas.

Faced with volatile and uncertain market conditions, the Bank has progressed the sales of low-yielding assets and other measures to improve its portfolio with the aim of strengthening its medium-to-long-term profitability, while maintaining its financial management with a priority on soundness. As a result, consolidated ordinary profit for the first half of fiscal

2024 was ¥858.8 billion, and profit attributable to owners of the parent for the period was ¥893.9 billion.

The Bank deeply acknowledges that concerns or anxieties have arisen among our members and stakeholders due to the financial results, and is fully committed to achieving stable profits from fiscal 2025 onwards, and to establishing an even more robust profitability base (please see page 5 of this report for the action plan and its progress during fiscal 2024).

Regarding the Bank’s capital position, the capital enhancement measures progressed successfully during this period, thanks to the strong conviction and trust our members have in the Bank. As a result, our consolidated capital adequacy ratios were 20.17% for Common Equity Tier 1 Capital, 22.26% for Tier 1 Capital, and 22.35% for Total Capital.

While prioritizing financial improvement, we will ensure that our business operations support our defining mission to develop the agriculture, fishery and forestry (“AFF”) industries, which is rooted from our purpose. From the current fiscal year, we have directed our business operations in accordance with our “Medium-Term Vision”, which establishes five visions for the Bank for 2030. We will take steady initiatives to achieve this vision in collaboration with the cooperative groups. The tough business environment in the AFF industries remains impacted by escalating materials costs amid the depreciating yen and global inflation, as well as irregular global climate and repeated rainfall-driven flooding in Japan. As a financial institution centered on the AFF industries and focused on the local community, our mission is to provide maximum ongoing support to the AFF industries and all related stakeholders affected by these issues.

Finally, the Bank, in cooperation with JA Bank, JF Marine Bank, and the JForest Group, will maintain its efforts to be a trusted financial institution and organization that can fulfill roles and functions that only a cooperative can handle. We will also continue, with an eye to addressing environmental and social issues, to promote initiatives that foster the development of the AFF industries and the communities in which these industries are active. We ask for your continued support.

January 2025

The Norinchukin Bank
Chairman of the Supervisory Committee

YAMANO Toru

The Norinchukin Bank
President and Chief Executive Officer

OKU Kazuto