

Financial Summary
for the 3rd Quarter of Fiscal Year 2016

February 7, 2017

農林中央金庫

The Norinchukin Bank

Income Statement Summary

【Consolidated】

(in JPY 100mn)

| | FY 2015 Apr-Dec | FY 2016 Apr-Dec | Change |
|--|--------------------|--------------------|--------|
| 1 Ordinary Income | 10,265 | 10,624 | 359 |
| 2 Interest Income | 8,261 | 8,351 | 90 |
| 3 <Interests on/Dividends from Securities> | 7,630 | 7,705 | 74 |
| 4 <Interests on Loans> | 487 | 466 | (21) |
| 5 Ordinary Expenses | 7,184 | 8,274 | 1,089 |
| 6 Interest Expenses | 5,252 | 6,337 | 1,084 |
| 7 <Expenses on Funding from Members> | 2,535 | 2,648 | 112 |
| 8 General and Administrative Expenses | 1,170 | 1,173 | 3 |
| 9 Ordinary Profits | 3,080 | 2,350 | (729) |
| 10 Income before Income Taxes | 3,068 | 2,401 | (666) |
| 11 Net Income | 2,475 | 1,890 | (585) |

【Non-consolidated】

(in JPY 100mn)

| | FY 2015 Apr-Dec | FY 2016 Apr-Dec | Change |
|---------------------|--------------------|--------------------|--------|
| 12 Ordinary Profits | 3,017 | 2,311 | (705) |
| 13 Net Income | 2,436 | 1,874 | (562) |

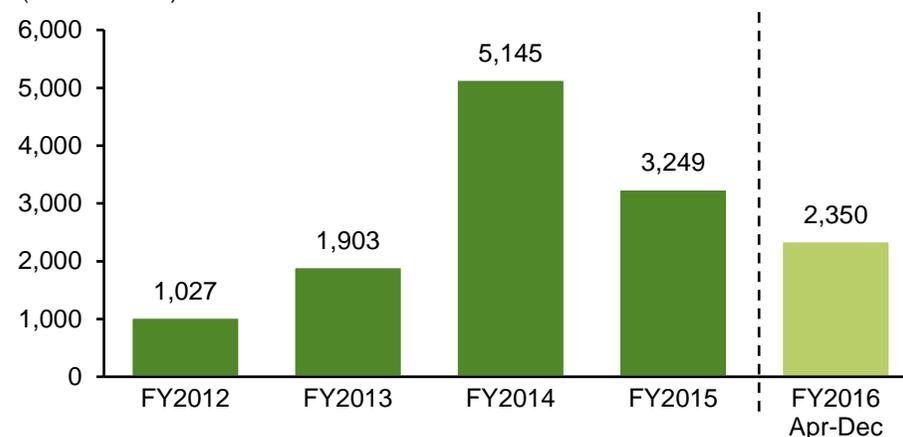
【Reference (Non-consolidated)】

| | | | |
|--|------|-------|-------|
| 14 Gains on Sale of Securities | 361 | 622 | 261 |
| 15 Losses on Sale of Securities | 191 | 0 | (190) |
| 16 Credit-related Expenses ^(Note) | (82) | (139) | (57) |
| 17 Disposal of Securities | 0 | 0 | (0) |

(Note) Negative numbers for credit-related expenses indicate reversals

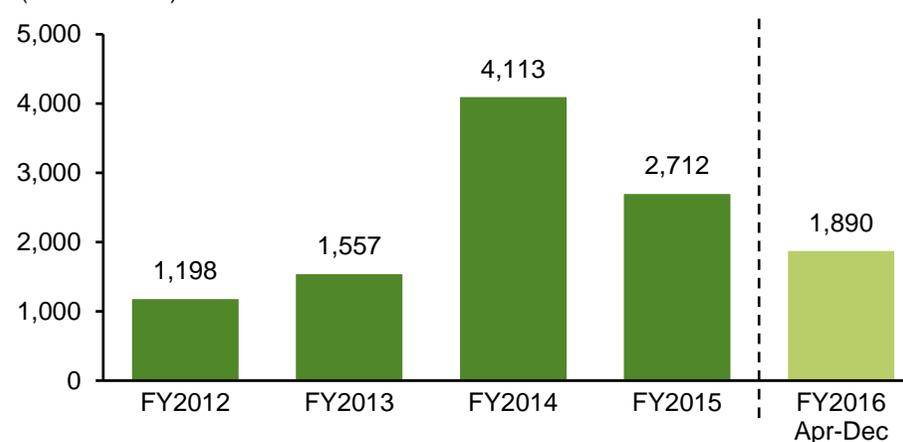
Ordinary Profits over Time (Consolidated)

(in JPY 100mn)



Net Income over Time (Consolidated)

(in JPY 100mn)



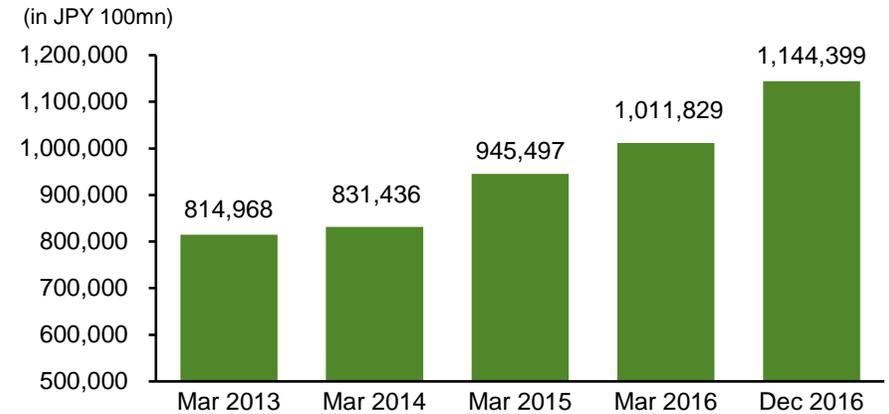
Balance Sheet Summary

| 【Consolidated】 | | (in JPY 100mn) | | |
|----------------|--------------------------------------|------------------|------------------|----------------|
| | | Mar 2016 | Dec 2016 | Change |
| 1 | Loans and Bills Discounted | 180,221 | 123,819 | (56,402) |
| 2 | Securities | 583,063 | 641,687 | 58,623 |
| 3 | Money Held in Trust | 49,229 | 82,868 | 33,639 |
| 4 | Cash and Due from Banks | 150,579 | 250,606 | 100,027 |
| 5 | Others | 48,734 | 45,417 | (3,317) |
| 6 | Total Assets | 1,011,829 | 1,144,399 | 132,570 |
| 7 | Deposits ^(Note) | 602,211 | 659,375 | 57,164 |
| 8 | Debentures | 31,220 | 25,905 | (5,315) |
| 9 | Payables under Repurchase Agreements | 184,882 | 228,955 | 44,073 |
| 10 | Others | 121,647 | 159,665 | 38,017 |
| 11 | Total Liabilities | 939,961 | 1,073,901 | 133,940 |
| 12 | Total Net Assets | 71,867 | 70,497 | (1,370) |

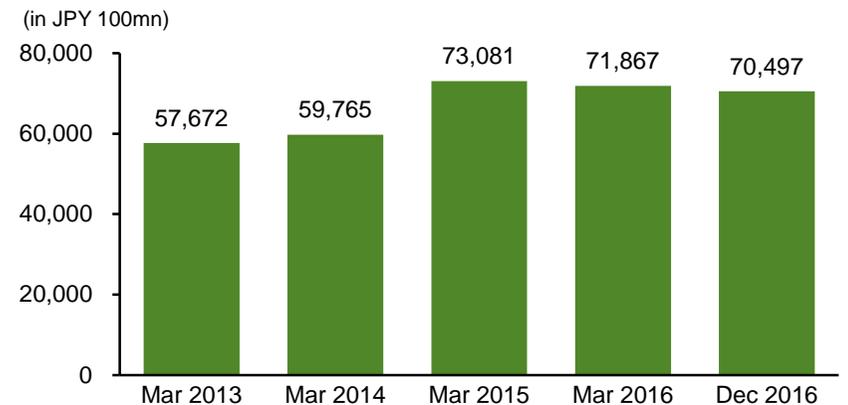
(Note) Deposits include deposits and entrusted funds (the majority are short-term funds received from members) for accounting purpose.

| 【Non-consolidated】 | | (in JPY 100mn) | | |
|--------------------|---|------------------|------------------|----------------|
| | | Mar 2016 | Dec 2016 | Change |
| 13 | Total Assets | 1,001,300 | 1,132,428 | 131,127 |
| 14 | Total Liabilities | 929,964 | 1,062,487 | 132,523 |
| 15 | Total Net Assets | 71,336 | 69,941 | (1,395) |
| 16 | Gains/Losses on Revaluation of Securities | 29,230 | 22,334 | (6,895) |

Total Assets over Time (Consolidated)

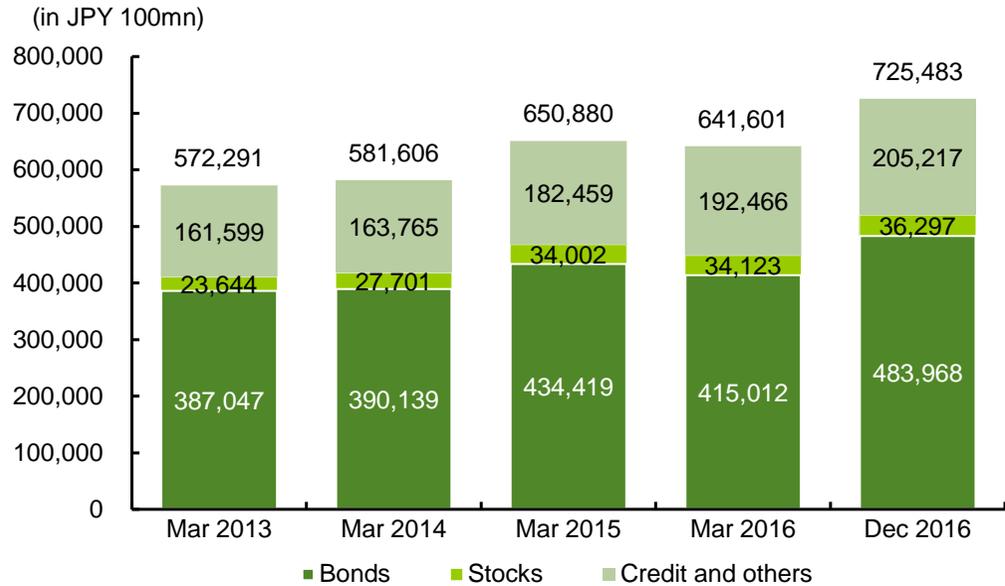


Net Assets over Time (Consolidated)

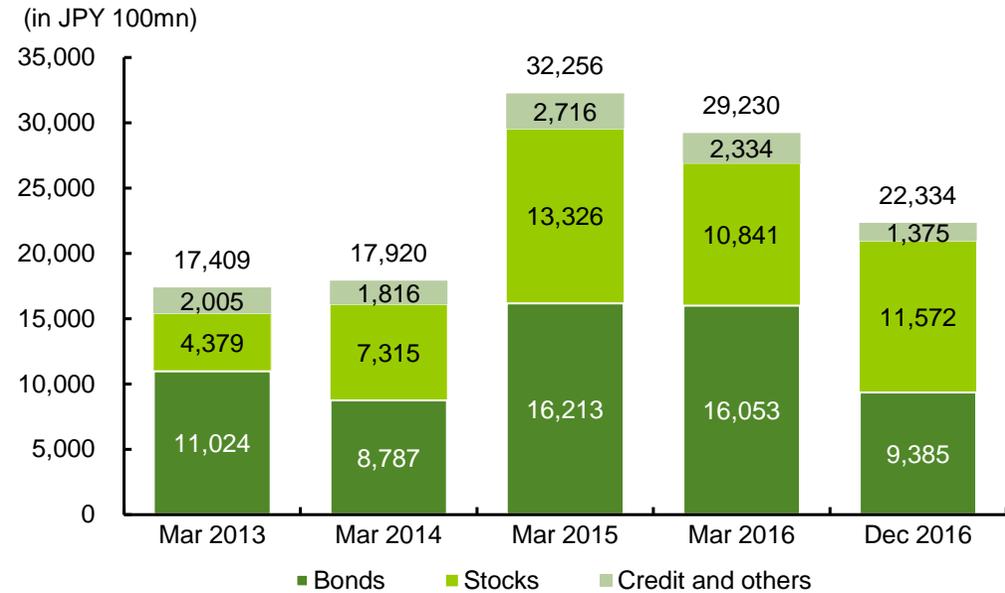


Market Investment Portfolio (Non-consolidated)

Market Investment Portfolio over Time



Net Unrealized Gains and Losses over Time



Investments in Securitized Products (Non-consolidated)

1 Investment in Securitized Products (Notes 1 & 2)

(JPY in 100mn)

| | AAA | AA | A | BBB | Below BBB | Total | Change from Mar 2016 | Unrealized Gains /Losses | Change from Mar 2016 |
|----------------|--------|-----|-----|-----|--------------|--------|----------------------------|--------------------------------|----------------------------|
| 1 ABS | 10,477 | 52 | - | 79 | - | 10,609 | 3,984 | ▲ 18 | 4 |
| 2 RMBS | 23,512 | 224 | 90 | 64 | - | 23,891 | 4,870 | 20 | 4 |
| 3 CMBS | 683 | - | - | - | - | 683 | 28 | ▲ 132 | 1 |
| 4 CDO (Note 3) | 31,457 | 149 | 78 | - | 0 | 31,685 | 10,318 | ▲ 12 | 68 |
| 5 Others | - | - | - | - | 3 | 3 | ▲ 14 | - | - |
| 6 Total | 66,131 | 425 | 168 | 144 | 3 | 66,873 | 19,187 | ▲ 142 | 78 |

Exposures by Currency

(JPY in 100mn)

| | | Change from Mar 2016 | Unrealized Gains /Losses | Change from Mar 2016 |
|---------|--------|----------------------------|--------------------------------|----------------------------|
| 1 USD | 40,689 | 10,479 | ▲ 149 | 69 |
| 2 EUR | 12,224 | 2,064 | 15 | 4 |
| 3 GBP | 7,892 | 5,098 | - | - |
| 4 AUD | 4,242 | 1,780 | - | - |
| 5 JPY | 1,824 | ▲ 236 | ▲ 8 | 5 |
| 6 Total | 66,873 | 19,187 | ▲ 142 | 78 |

2 Investment in Bonds Issued by US Housing-related GSEs (Note 4)

(JPY in 100mn)

| | Exposures | Change from Mar 2016 | Unrealized Gains /Losses | Change from Mar 2016 |
|-------------------------|-----------|----------------------------|--------------------------------|----------------------------|
| 1 Agency Mortgage Bonds | 15,943 | 2,927 | 58 | ▲ 489 |
| 2 Agency Bonds | - | ▲ 7,480 | - | ▲ 10 |
| 3 Total | 15,943 | ▲ 4,553 | 58 | ▲ 499 |

3 Others

The Bank does not own any products related to ABCP, SIV, nor leveraged loans in its trading account and is not involved in any unconsolidated off-balance sheet transactions related to them as well as it has not originated, underwritten nor traded those products.

In addition, the Bank does not have a balance on loans internally defined as those used mainly for LBOs nor a balance on monoline wrapped financial instruments.

(Note 1) Securitized products are internally defined based on the definition under the Basel capital framework. Does not include mortgage-backed securities related to US government sponsored entities.

(Note 2) The Bank does not have any exposure to sub-prime related RMBS or CDO in its investments in securitized products.

(Note 3) Includes re-securitized products (i. e. products containing at least one securitized product as an underlying asset) under the Basel capital framework totaling JPY67.7bn.

The Bank has little exposure (less than JPY0.1bn) to re-securitized products such as ABS-CDO, and CDO of CDO's.

(Note 4) The Bank has JPY4380.0bn of mortgage-backed security bonds issued and guaranteed by Ginnie Mae, a US government-owned corporation.

As of Dec 31, 2016, non-consolidated basis

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