

***Financial Summary  
for the 3rd Quarter of Fiscal Year 2017***

**February 6, 2018**



**NORINCHUKIN**

# Income Statement Summary

【Consolidated】		(in JPY bn)		
	FY 2016 Apr-Dec	FY 2017 Apr-Dec	Change	
1	Ordinary Income	1,062.4	1,100.9	38.4
2	Interest Income	835.1	861.2	26.1
3	<Interests on/Dividends from Securities>	770.5	788.7	18.1
4	<Interests on Loans>	46.6	58.6	11.9
5	Ordinary Expenses	827.4	933.7	106.2
6	Interest Expenses	633.7	758.0	124.2
7	<Expenses on Funding from Members>	264.8	254.8	(9.9)
8	General and Administrative Expenses	117.3	118.3	0.9
9	Ordinary Profits	235.0	167.2	(67.8)
10	Income before Income Taxes	240.1	180.1	(59.9)
11	Net Income	189.0	133.1	(55.8)

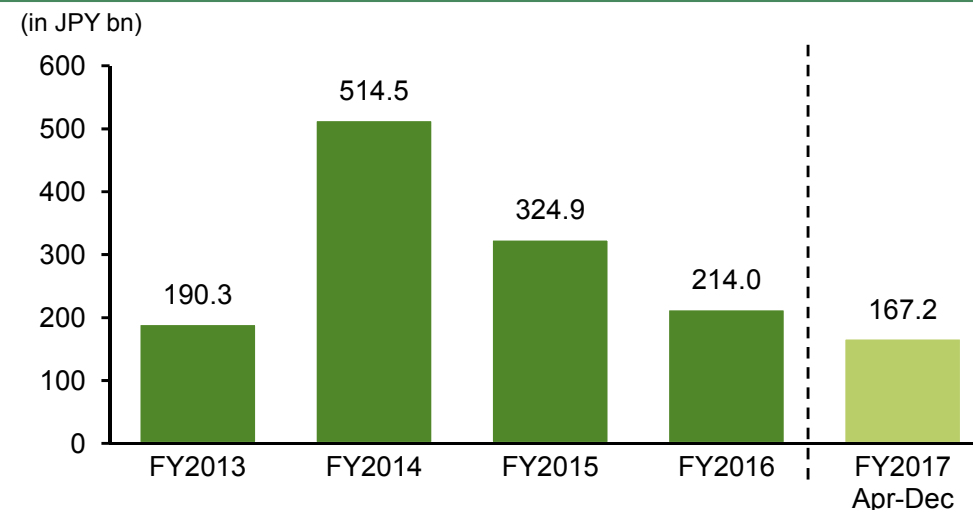
【Non-consolidated】		(in JPY bn)		
	FY 2016 Apr-Dec	FY 2017 Apr-Dec	Change	
12	Ordinary Profits	231.1	158.9	(72.2)
13	Net Income	187.4	118.2	(69.2)

## 【Reference (Non-consolidated)】

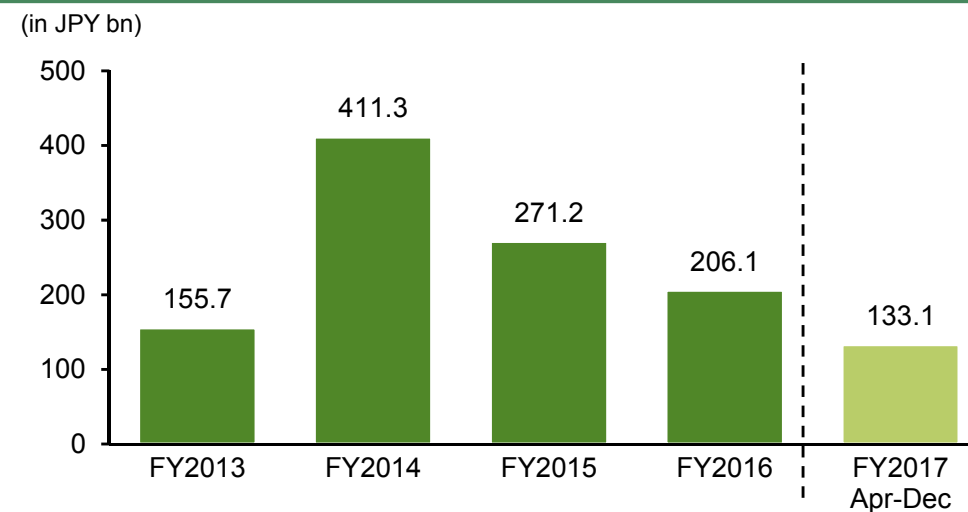
14	Gains on Sale of Securities	62.2	43.8	(18.4)
15	Losses on Sale of Securities	0.0	2.5	2.4
16	Credit-related Expenses <sup>(Note)</sup>	(13.9)	2.1	16.1
17	Disposal of Securities	0.0	1.1	1.1

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

## Ordinary Profits over Time (Consolidated)



## Net Income over Time (Consolidated)



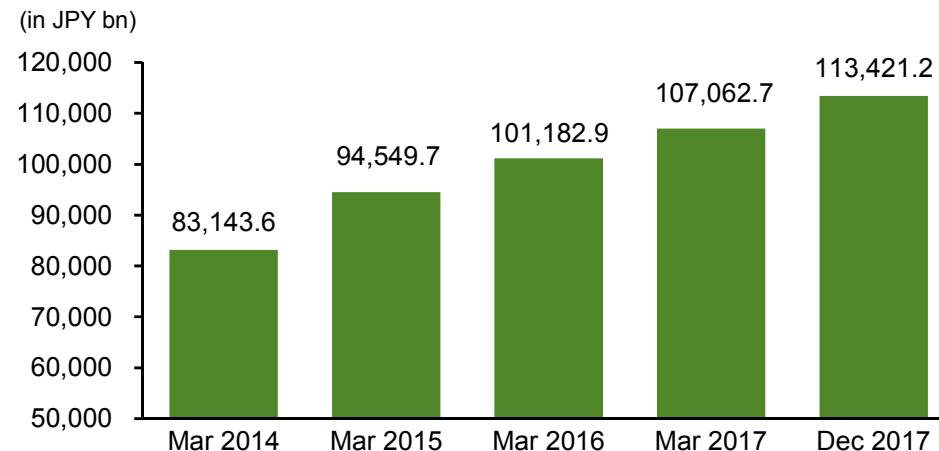
# Balance Sheet Summary

【Consolidated】		(in JPY bn)		
		Mar 2017	Dec 2017	Change
1	Loans and Bills Discounted	12,058.2	11,925.8	(132.4)
2	Securities	62,079.0	59,359.7	(2,719.2)
3	Money Held in Trust	6,983.6	8,439.1	1,455.5
4	Cash and Due from Banks	22,939.0	28,401.8	5,462.7
5	Others	3,002.6	5,294.6	2,292.0
6	<b>Total Assets</b>	<b>107,062.7</b>	<b>113,421.2</b>	<b>6,358.5</b>
7	Deposits <sup>(Note)</sup>	63,143.6	68,487.9	5,344.3
8	Debentures	2,412.8	1,929.2	(483.5)
9	Payables under Repurchase Agreements	19,645.0	19,802.3	157.3
10	Others	14,852.4	15,991.8	1,139.3
11	<b>Total Liabilities</b>	<b>100,053.9</b>	<b>106,211.3</b>	<b>6,157.3</b>
12	<b>Total Net Assets</b>	<b>7,008.8</b>	<b>7,209.9</b>	<b>201.1</b>

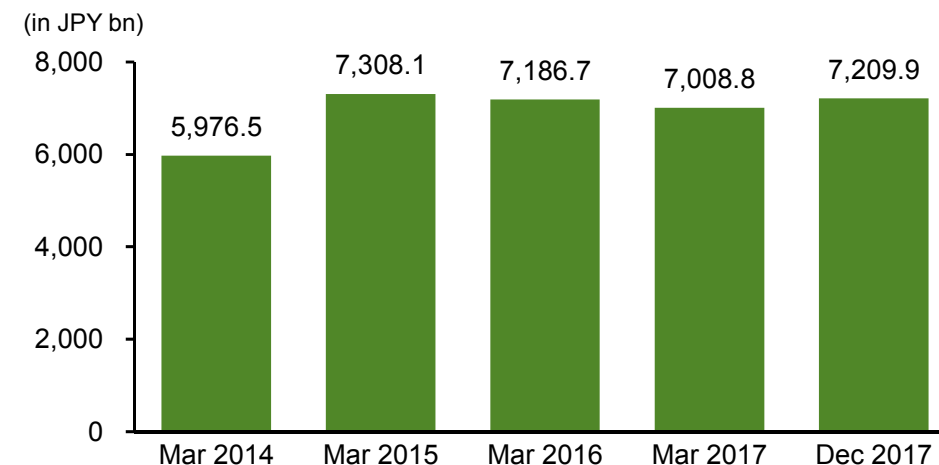
(Note) Deposits include deposits and entrusted funds (the majority are short-term funds received from members) for accounting purpose.

【Non-consolidated】		(in JPY bn)		
		Mar 2017	Dec 2017	Change
13	<b>Total Assets</b>	<b>105,812.4</b>	<b>111,975.0</b>	<b>6,162.5</b>
14	<b>Total Liabilities</b>	<b>98,873.3</b>	<b>104,849.5</b>	<b>5,976.1</b>
15	<b>Total Net Assets</b>	<b>6,939.0</b>	<b>7,125.4</b>	<b>186.4</b>
16	Gains/Losses on Revaluation of Securities	2,182.0	2,353.0	170.9

## Total Assets over Time (Consolidated)

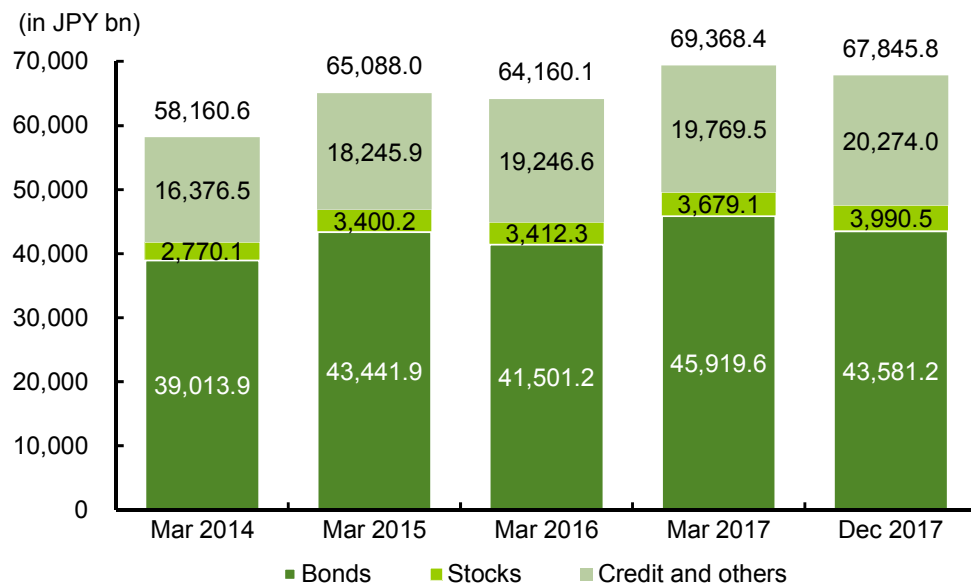


## Net Assets over Time (Consolidated)

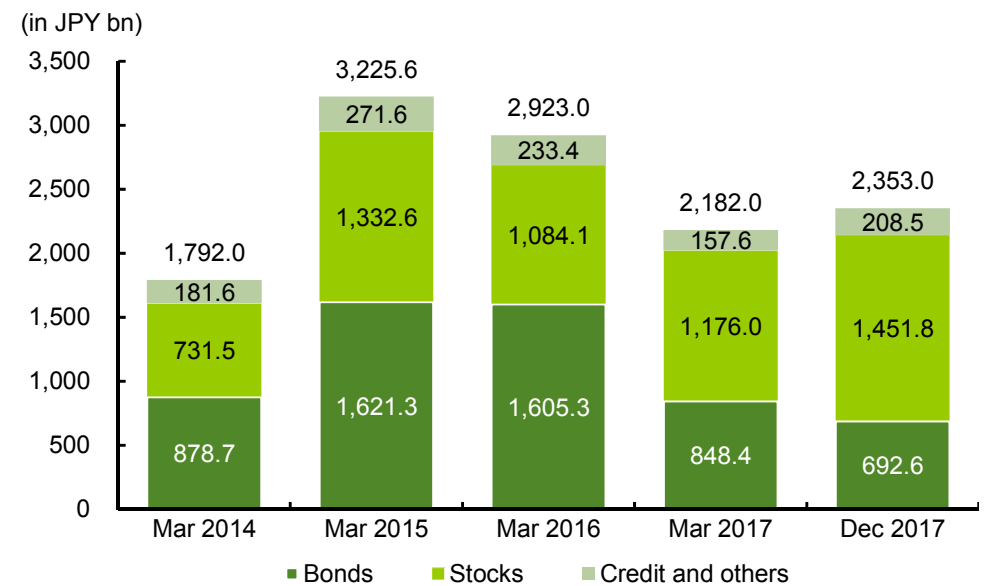


# Market Investment Portfolio (Non-consolidated)

## 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 bn)								
		AAA	AA	A	BBB	Below BBB	Total	Change from Mar 2017	Unrealized Gains /Losses	Change from Mar 2017
1	ABS	1,018.7	-	-	-	-	1,018.7	▲52.9	▲0.1	1.4
2	RMBS	2,377.2	27.2	5.6	1.1	-	2,411.3	75.1	3.6	3.5
3	CMBS	67.1	-	-	-	-	67.1	1.1	▲12.0	0.5
4	CDO (Note 3)	3,990.2	-	-	-	0.0	3,990.2	951.3	0.5	0.9
5	Others	-	-	-	-	-	-	▲0.2	-	-
6	<b>Total</b>	<b>7,453.4</b>	<b>27.2</b>	<b>5.6</b>	<b>1.1</b>	<b>0.0</b>	<b>7,487.4</b>	<b>974.4</b>	<b>▲8.0</b>	<b>6.4</b>

## Exposures by Currency

		(JPY in bn)			
			Change from Mar 2017	Unrealized Gains /Losses	Change from Mar 2017
1	USD	4,349.3	502.1	▲11.6	1.8
2	EUR	1,324.7	146.7	4.2	4.4
3	GBP	645.7	▲82.0	-	-
4	AUD	951.3	405.1	-	-
5	JPY	216.2	2.5	▲0.6	0.1
6	<b>Total</b>	<b>7,487.4</b>	<b>974.4</b>	<b>▲8.0</b>	<b>6.4</b>

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

		(JPY in bn)			
		Exposures	Change from Mar 2017	Unrealized Gains /Losses	Change from Mar 2017
1	Agency Mortgage Bonds	1,650.8	129.5	18.7	▲5.7
2	Agency Bonds	-	-	-	-
3	<b>Total</b>	<b>1,650.8</b>	<b>129.5</b>	<b>18.7</b>	<b>▲5.7</b>

## 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 JPY3.0bn.

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 JPY5,679.3bn of mortgage-backed security bonds issued and guaranteed by Government National Mortgage Association and has JPY58.9bn of counterparty exposure of securities financing transactions with Federal Home Loan Mortgage Corporation.

As of Dec 31, 2017, non-consolidated basis

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