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Financial Summary for the 1st Quarter of Fiscal Year 2021



NORINCHUKIN

August 3, 2021

Income Statement Summary

【Consolidated】

(in JPY bn)

	FY2020 Apr-Jun	FY2021 Apr-Jun	Change
1 Ordinary Income	289.7	342.8	53.0
2 Interest Income	235.7	115.2	(120.4)
3 <Interest and Dividends on Securities>	204.4	88.3	(116.0)
4 <Interest on Loans and Bills Discounted>	27.2	23.2	(4.0)
5 Ordinary Expenses	256.9	281.8	24.8
6 Interest Expenses	190.1	127.5	(62.5)
7 <Expenses on Funding from Members>	77.7	72.6	(5.0)
8 General and Administrative Expenses	35.8	36.5	0.7
9 Ordinary Profits	32.8	61.0	28.1
10 Income before Income Taxes	32.6	60.9	28.2
11 Profit Attributable to Owners of Parent	30.8	47.1	16.2

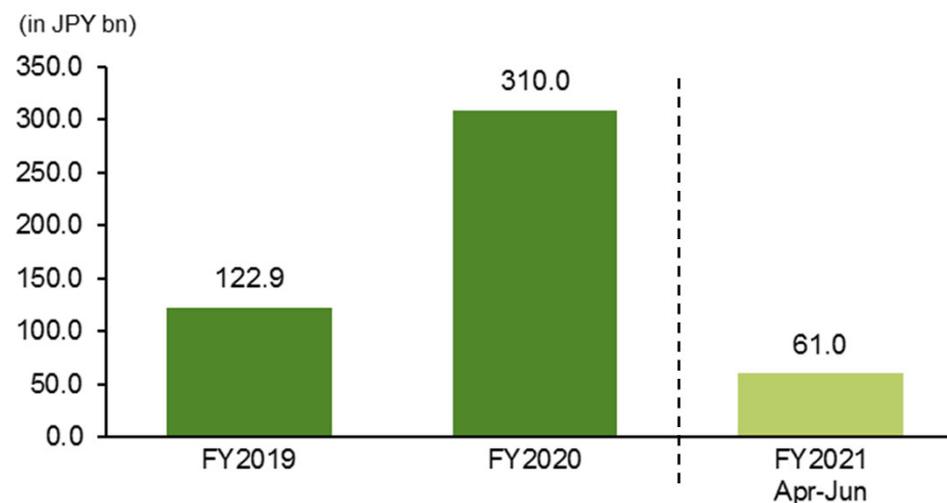
【Non-consolidated】

(in JPY bn)

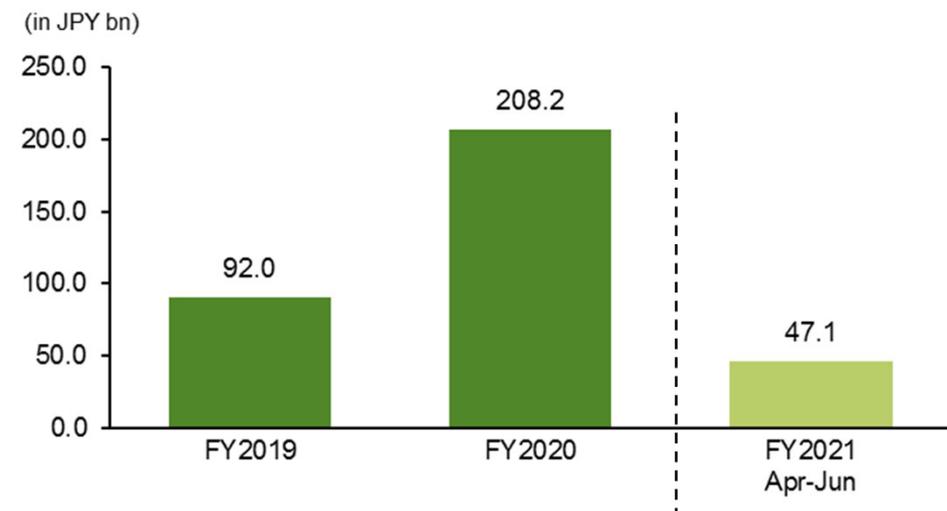
	FY2020 Apr-Jun	FY2021 Apr-Jun	Change
12 Ordinary Profits	40.8	59.9	19.0
13 Net Income	39.8	47.9	8.1
【Reference (Non-consolidated)】			
14 Net Gains/Losses on Sales of Securities	5.0	28.9	23.9
15 Credit Costs ^(Note)	6.4	(5.9)	(12.4)
16 Write-off of Securities	0.6	1.9	1.2

(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 2021	Jun 2021	Change
1	Loans and Bills Discounted	22,102.5	21,810.9	(291.6)
2	Securities	48,093.8	47,218.0	(875.8)
3	Money Held in Trust	10,638.5	10,444.1	(194.4)
4	Cash and Due from Banks	20,066.9	20,372.0	305.0
5	Others	6,745.8	8,473.0	1,727.1
6	Total Assets	107,647.8	108,318.1	670.3
7	Deposits ^(Note)	66,529.9	67,743.1	1,213.2
8	Debentures	355.4	325.6	(29.7)
9	Payables under Repurchase Agreements	17,073.9	16,994.7	(79.1)
10	Others	15,732.9	15,154.9	(577.9)
11	Total Liabilities	99,692.2	100,218.5	526.3
12	Total Net Assets	7,955.5	8,099.6	144.0

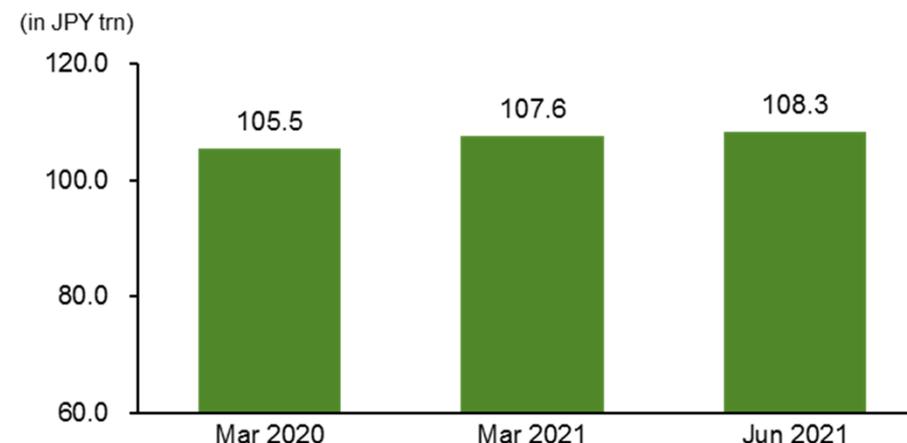
(Note) Deposits include deposits and entrusted funds (the majority are short-term funds received from members) for accounting purpose.

【Non-consolidated】

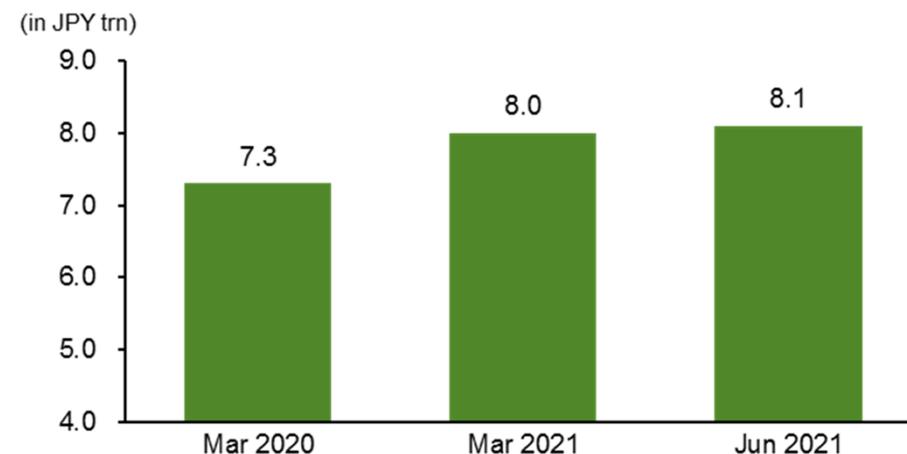
(in JPY bn)

		Mar 2021	Jun 2021	Change
13	Total Assets	105,238.1	105,817.8	579.7
14	Total Liabilities	97,412.0	97,855.3	443.3
15	Total Net Assets	7,826.0	7,962.4	136.4
16	Gains/Losses on Revaluation of Securities	2,683.9	2,979.6	295.7

Total Assets over Time (Consolidated)

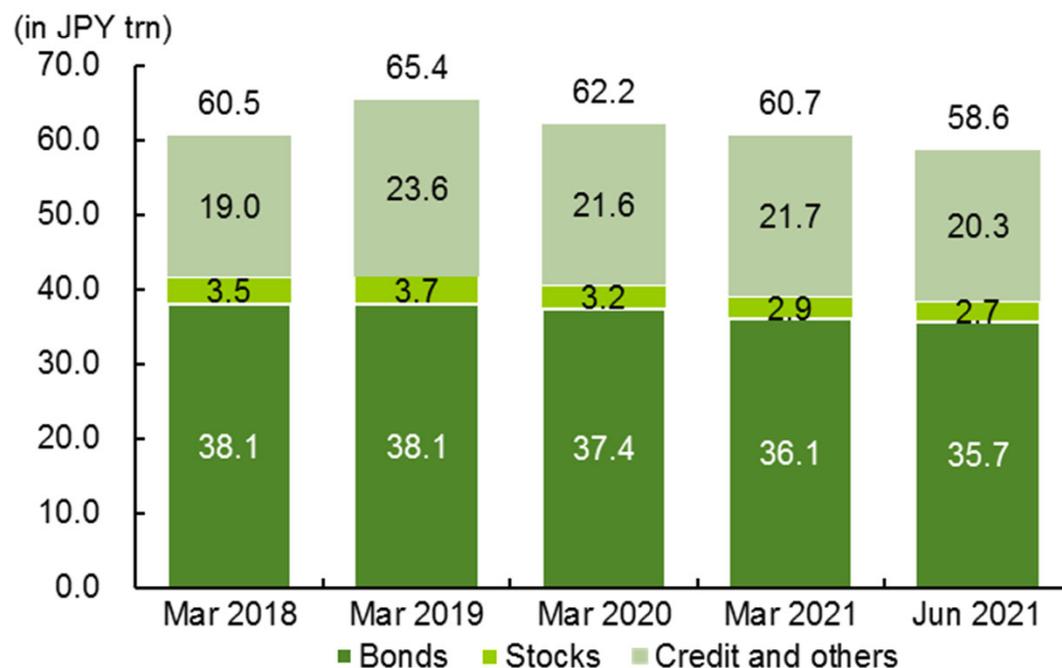


Net Assets over Time (Consolidated)

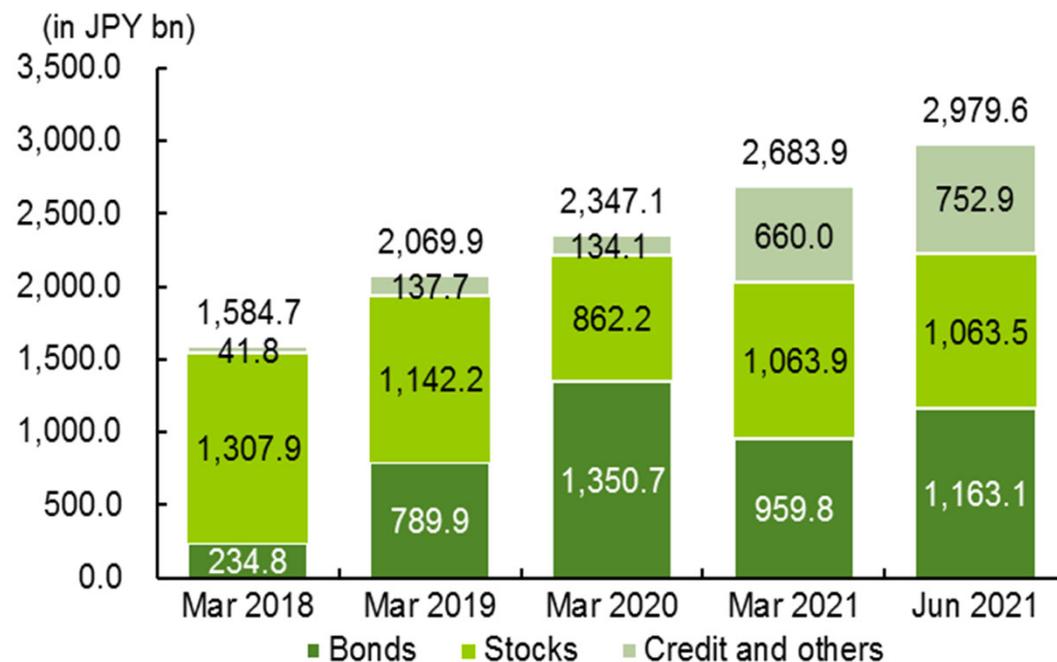


Market Investment Portfolio (Non-consolidated)

Market Investment Portfolio over Time



Net Unrealized Gains and Losses over Time

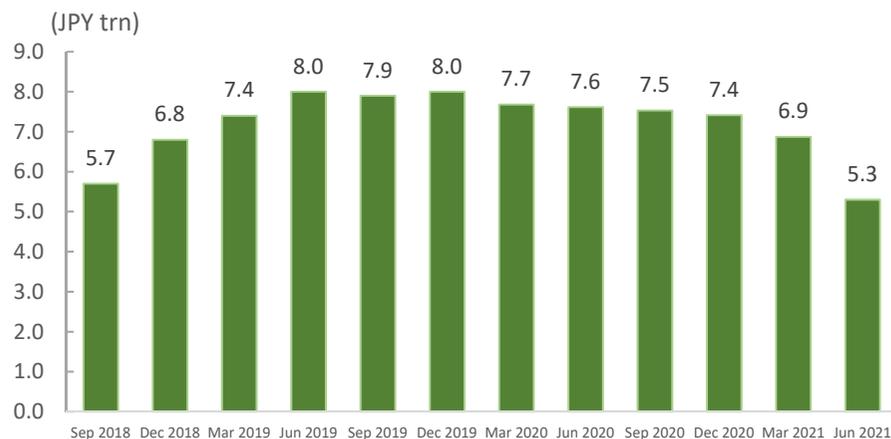


Appendix

Bank's Investment in CLOs

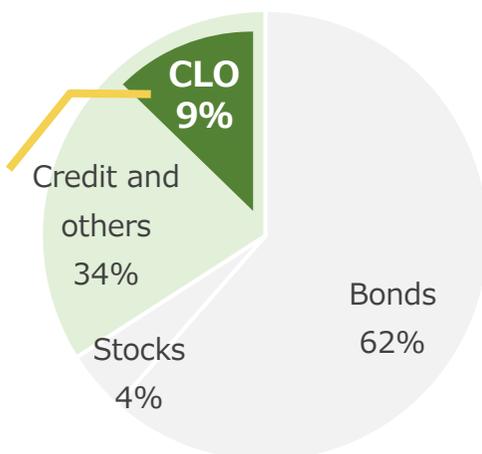
- The Bank applies a consistent approach to robust due diligence and disciplined risk management in CLO investments

Bank's CLO Holdings over Time



Market Investment Portfolio

- 9% of investment portfolio
- Only triple-A rated and held-to-maturity securities



Due Diligence and Risk Management

Investment Guidelines

- Solely on the most senior, triple-A rated tranche
- Strict requirements on stipulations and underlying assets
- Bank-original, rigorous stress-test scenarios

Investment Process

- Credit review process on each transaction by the Credit Risk Management Division in addition to the analysis by the investment team

Managers

- Collateral managers only with good track-records and disciplined investment style

Monitoring

- Periodical review on the compliance status of tests and underlying asset quality
- Frequent communication with the managers

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