

# Financial Statements for the First Quarter of Fiscal 2022

Name : **The Norinchukin Bank**

(URL <https://www.nochubank.or.jp/> )

Name of the President: OKU Kazuto, President & Chief Executive Officer

The Person Responsible for Inquiries : CHIBA Yuji, General Manager of Financial Planning & Control Division

(Note) Amounts less than one million Yen are rounded down.

## 1. Consolidated Financial Results for the First Quarter of Fiscal 2022 (for the three months ended June 30, 2022)

### (1) Consolidated Results of Operations (Accumulated Period)

(Percentage represents change from the same period of the preceding year)

	Ordinary Income		Ordinary Profits		Profit Attributable to Owners of Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1Q Fiscal 2022	777,665	126.8	8,817	(85.5)	32,431	(31.2)
1Q Fiscal 2021	342,861	18.3	61,001	85.9	47,116	52.8

(Note) Comprehensive Income for 1Q Fiscal 2022 (908,272)millions of Yen (−%) for 1Q Fiscal 2021 249,726 millions of Yen (63.3%)

### (2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1Q Fiscal 2022	99,164,617	6,295,439	6.3
Fiscal 2021	106,138,351	7,294,687	6.9

(Ref) Net Assets — Non-controlling Interests for 1Q Fiscal 2022 6,285,890 millions of Yen for Fiscal 2021 7,284,694 millions of Yen

(Note) Net Assets Ratio is computed by dividing (Net Assets — Non-controlling Interests) by Total Assets.

Net Assets Ratio above is not the one calculated 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).

## ※ Notes

### (1) Changes in Significant Subsidiaries during the Period

(Changes in specified subsidiaries in accordance with changes in the scope of consolidation) : None

### (2) Adoption of Specified Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements

: None

### (3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

① Changes in Accounting Policies due to revisions of Accounting Standards : Yes

② Changes in Accounting Policies other than ① above : None

③ Changes in Accounting Estimates : None

④ Restatements : None

(Note) The details are reported in “Matters Related to Summary Information (Notes)” (page 3).

2. Non-consolidated Financial Results for the First Quarter of Fiscal 2022

(for the three months ended June 30, 2022)

(1) Non-consolidated Results of Operations (Accumulated Period)

(Percentage represents change from the same period of the preceding year)

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1Q Fiscal 2022	781,464	131.0	14,534	(75.8)	40,467	(15.7)
1Q Fiscal 2021	338,366	17.4	59,942	46.6	47,986	20.3

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1Q Fiscal 2022	96,327,989	6,135,783	6.4
Fiscal 2021	103,366,368	7,144,559	6.9

(Ref) Net Assets for 1Q Fiscal 2022 6,135,783 millions of Yen for Fiscal 2021 7,144,559 millions of Yen

(Note) Net Assets Ratio is computed by dividing Net Assets by Total Assets.

Net Assets Ratio above is not the one calculated 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).

(Note) This report is out of the scope of the external auditor's quarterly review.

## ***Matters Related to Summary Information (Notes)***

### 1 Changes in Significant Subsidiaries during the Period

None

### 2 Adoption of Specified Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements

None

### 3 Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements of Quarterly Consolidated Financial Statements

(Changes in Accounting Policies)

(Adoption of Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Norinchukin Bank (“the Bank”) and its consolidated subsidiaries have adopted Implementation Guidance on Accounting Standard for Fair Value Measurement (The Accounting Standards Board of Japan (ASBJ) Guidance No.31, revised on 17th June 2021) at the beginning of the first quarter of this fiscal year.

As a result, the change had no impact on the consolidated financial statements in this period.

Quarterly Consolidated Financial Statements  
(1) Consolidated Balance Sheet

(Millions of Yen)

	As of March 31, 2022	As of June 30, 2022
(Assets)		
Loans and Bills Discounted	23,341,865	21,764,921
Foreign Exchange Assets	375,980	361,618
Securities	46,748,553	42,774,174
Money Held in Trust	10,867,985	10,235,634
Trading Assets	2,466	2,341
Monetary Claims Bought	387,819	370,794
Receivables under Resale Agreements	366	144,626
Cash and Due from Banks	18,140,525	16,453,318
Other Assets	3,178,992	3,354,796
Tangible Fixed Assets	151,442	134,833
Intangible Fixed Assets	52,174	51,100
Net Defined Benefit Asset	119,913	120,143
Deferred Tax Assets	4,315	79,376
Deferred Tax Assets for Land Revaluation	–	1,600
Customers' Liabilities for Acceptances and Guarantees	2,915,891	3,436,275
Reserve for Possible Loan Losses	(149,942)	(120,939)
<b>Total Assets</b>	<b>106,138,351</b>	<b>99,164,617</b>
(Liabilities)		
Deposits	64,009,893	64,444,582
Negotiable Certificates of Deposit	2,140,966	2,462,410
Debentures	360,280	345,306
Trading Liabilities	1,692	1,548
Borrowed Money	4,924,931	4,842,187
Payables under Repurchase Agreements	19,327,671	12,305,469
Foreign Exchange Liabilities	–	0
Short-term Entrusted Funds	684,692	1,317,081
Other Liabilities	4,150,052	3,688,041
Reserve for Bonus Payments	7,554	4,092
Net Defined Benefit Liability	21,742	21,164
Reserve for Directors' Retirement Benefits	1,043	1,015
Deferred Tax Liabilities	295,753	–
Deferred Tax Liabilities for Land Revaluation	1,499	–
Acceptances and Guarantees	2,915,891	3,436,275
<b>Total Liabilities</b>	<b>98,843,664</b>	<b>92,869,178</b>
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	23,399	23,399
Retained Earnings	2,236,608	2,186,897
<b>Total Owners' Equity</b>	<b>6,300,206</b>	<b>6,250,495</b>
Net Unrealized Gains (Losses) on Other Securities	758,987	(436,398)
Net Deferred Gains on Hedging Instruments	177,259	432,661
Revaluation Reserve for Land	5,970	(2,099)
Foreign Currency Transaction Adjustments	517	1,619
Remeasurements of Defined Benefit Plans	41,753	39,611
<b>Total Accumulated Other Comprehensive Income</b>	<b>984,488</b>	<b>35,394</b>
Non-controlling Interests	9,992	9,549
<b>Total Net Assets</b>	<b>7,294,687</b>	<b>6,295,439</b>
<b>Total Liabilities and Net Assets</b>	<b>106,138,351</b>	<b>99,164,617</b>

## (2) Consolidated Statements of Operations and Comprehensive Income

### Consolidated Statement of Operations

(Millions of Yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
<b>Ordinary Income</b>	<b>342,861</b>	<b>777,665</b>
Interest Income	115,248	355,260
Interest on Loans and Bills Discounted	23,212	33,506
Interest and Dividends on Securities	88,368	313,909
Fees and Commissions	6,625	6,708
Trading Income	9	83
Other Operating Income	39,618	270,455
Other Ordinary Income	181,359	145,156
<b>Ordinary Expenses</b>	<b>281,859</b>	<b>768,848</b>
Interest Expenses	127,523	174,285
Interest on Deposits	2,972	11,233
Fees and Commissions	4,471	4,610
Trading Expenses	110	14
Other Operating Expenses	107,602	429,364
General and Administrative Expenses	36,560	37,961
Other Ordinary Expenses	5,591	122,611
<b>Ordinary Profits</b>	<b>61,001</b>	<b>8,817</b>
<b>Extraordinary Profits</b>	<b>-</b>	<b>24,238</b>
<b>Extraordinary Losses</b>	<b>31</b>	<b>799</b>
<b>Income before Income Taxes</b>	<b>60,970</b>	<b>32,256</b>
<b>Income Taxes - Current</b>	<b>183</b>	<b>11,843</b>
<b>Income Taxes - Deferred</b>	<b>13,030</b>	<b>(12,342)</b>
<b>Total Income Taxes</b>	<b>13,213</b>	<b>(498)</b>
<b>Profit</b>	<b>47,756</b>	<b>32,754</b>
<b>Profit Attributable to Non-controlling Interests</b>	<b>640</b>	<b>323</b>
<b>Profit Attributable to Owners of Parent</b>	<b>47,116</b>	<b>32,431</b>

## Consolidated Statement of Comprehensive Income

(Millions of Yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
<b>Profit</b>	<b>47,756</b>	<b>32,754</b>
<b>Other Comprehensive Income</b>	<b>201,969</b>	<b>(941,026)</b>
Net Unrealized Gains (Losses) on Other Securities	212,461	(1,195,227)
Net Deferred Gains (Losses) on Hedging Instruments	(9,469)	255,396
Revaluation Reserve for Land	2,247	-
Foreign Currency Transaction Adjustments	427	987
Remeasurements of Defined Benefit Plans	(2,540)	(2,149)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	(1,156)	(33)
<b>Total Comprehensive Income</b>	<b>249,726</b>	<b>(908,272)</b>
Attributable to:		
Owners of Parent	249,081	(908,593)
Non-controlling Interests	644	320

Quarterly Non-Consolidated Financial Statements  
(1) Non-consolidated Balance Sheet

(Millions of Yen)

As of March 31, 2022 As of June 30, 2022

	As of March 31, 2022	As of June 30, 2022
<b>(Assets)</b>		
Loans and Bills Discounted	22,955,497	21,345,213
Foreign Exchange Assets	375,980	361,618
Securities	47,057,256	43,094,829
Money Held in Trust	10,864,800	10,233,319
Trading Assets	2,466	2,341
Monetary Claims Bought	387,819	370,794
Receivables under Resale Agreements	-	144,390
Cash and Due from Banks	18,070,056	16,337,735
Other Assets	3,129,171	3,345,695
Tangible Fixed Assets	149,530	132,981
Intangible Fixed Assets	49,732	48,299
Prepaid Pension Cost	57,465	60,903
Deferred Tax Assets	-	105,305
Deferred Tax Assets for Land Revaluation	-	1,600
Customers' Liabilities for Acceptances and Guarantees	415,117	861,896
Reserve for Possible Loan Losses	(147,046)	(117,453)
Reserve for Possible Investment Losses	(1,481)	(1,481)
<b>Total Assets</b>	<b>103,366,368</b>	<b>96,327,989</b>
<b>(Liabilities)</b>		
Deposits	64,019,836	64,457,204
Negotiable Certificates of Deposit	2,140,966	2,462,410
Debentures	363,780	348,056
Trading Liabilities	1,692	1,548
Borrowed Money	4,868,429	4,785,683
Payables under Repurchase Agreements	19,327,671	12,305,469
Foreign Exchange Liabilities	-	0
Short-term Entrusted Funds	684,692	1,317,081
Other Liabilities	4,104,171	3,634,540
Reserve for Bonus Payments	5,665	2,899
Reserve for Retirement Benefits	15,031	14,655
Reserve for Directors' Retirement Benefits	730	757
Deferred Tax Liabilities	272,524	-
Deferred Tax Liabilities for Land Revaluation	1,499	-
Acceptances and Guarantees	415,117	861,896
<b>Total Liabilities</b>	<b>96,221,809</b>	<b>90,192,205</b>
<b>(Net Assets)</b>		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	25,020	25,020
Retained Earnings	2,157,550	2,115,876
<b>Total Owners' Equity</b>	<b>6,222,769</b>	<b>6,181,095</b>
Net Unrealized Gains (Losses) on Other Securities, net of taxes	756,155	(438,958)
Net Deferred Gains on Hedging Instruments, net of taxes	159,663	395,745
Revaluation Reserve for Land, net of taxes	5,970	(2,099)
<b>Total Valuation and Translation Adjustments</b>	<b>921,789</b>	<b>(45,312)</b>
<b>Total Net Assets</b>	<b>7,144,559</b>	<b>6,135,783</b>
<b>Total Liabilities and Net Assets</b>	<b>103,366,368</b>	<b>96,327,989</b>

## (2) Non-consolidated Statement of Operations

(Millions of Yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
<b>Ordinary Income</b>	<b>338,366</b>	<b>781,464</b>
Interest Income	119,434	369,660
Interest on Loans and Bills Discounted	18,900	27,380
Interest and Dividends on Securities	96,663	334,404
Fees and Commissions	2,694	2,893
Trading Income	9	83
Other Operating Income	38,316	268,991
Other Ordinary Income	177,912	139,834
<b>Ordinary Expenses</b>	<b>278,424</b>	<b>766,930</b>
Interest Expenses	127,719	174,920
Interest on Deposits	2,853	11,230
Fees and Commissions	5,905	7,239
Trading Expenses	110	14
Other Operating Expenses	107,332	428,987
General and Administrative Expenses	31,823	33,276
Other Ordinary Expenses	5,533	122,490
<b>Ordinary Profits</b>	<b>59,942</b>	<b>14,534</b>
<b>Extraordinary Profits</b>	<b>-</b>	<b>24,238</b>
<b>Extraordinary Losses</b>	<b>30</b>	<b>798</b>
<b>Income before Income Taxes</b>	<b>59,911</b>	<b>37,974</b>
<b>Income Taxes - Current</b>	<b>(1,046)</b>	<b>10,184</b>
<b>Income Taxes - Deferred</b>	<b>12,971</b>	<b>(12,677)</b>
<b>Total Income Taxes</b>	<b>11,924</b>	<b>(2,493)</b>
<b>Net Income</b>	<b>47,986</b>	<b>40,467</b>

**(Ref) Summary of Performance (Non-Consolidated)**

(100 millions of yen)

		First Quarter of Fiscal 2021 (A)	First Quarter of Fiscal 2022 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	1	(704)	511	1,215
Net Interest Income	2	18	2,154	2,135
Net Fees and Commissions Income (Loss)	3	(32)	(43)	(11)
Net Trading Income (Loss)	4	(1)	0	1
Net Other Operating Income (Loss)	5	(690)	(1,599)	(909)
General and Administrative Expenses	6	(318)	(332)	(14)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) (※1)	7	(1,022)	178	1,201
Gains (Losses) on Bond-Related Transactions	8	(640)	(961)	(320)
Core Net Operating Profit (Loss) (※2)	9	(381)	1,140	1,522
Excluding Gains (Losses) from Redemption of Investment Trusts (※3)	10	407	79	(328)
Provision of General Reserve for Possible Loan Losses	11	-	(35)	(35)
Net Operating Profit (Loss) (※4)	12	(1,022)	143	1,165
Non-Recurring Gains (Losses)	13	1,621	2	(1,619)
Gains (Losses) on Stock-Related Transactions	14	911	561	(349)
Gains (Losses) on Money Held in Trust- Related Transactions	15	683	(561)	(1,245)
Gains on Reversal of Reserves for Possible Loan Losses, and Others	16	59	39	(20)
Other	17	(33)	(37)	(4)
Ordinary Profits	18	599	145	(454)
Credit-Related Costs (※5)	19	59	4	(55)

(※1) Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) [7] = Gross Operating Profit (Loss) [1] + General and Administrative Expenses [6]

(※2) Core Net Operating Profit (Loss) [9] = Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) [7] - Gains (Losses) on Bond-Related Transactions [8]

(※3) “Excluding Gains (Losses) from Redemption of Investment Trusts”[10] = Core Net Operating Profit (Loss) [9] - “Gains (Losses) from Redemption of Investment Trusts”

(※4) Net Operating Profits (Loss) [12] = Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) [7] + Provision of General Reserve for Possible Loan Losses [11]

(※5) Credit-Related Costs [19] = Provision of General Reserve for Possible Loan Losses[11] + Gains on Reversal of Reserves for Possible Loan Losses, and Others [16]

### Net Operating Profit (Loss) including Gains (Losses) on Money Held in Trust-Related Transactions

The Bank invests in securities utilizing Money Held in Trust on a large scale. Therefore, the Bank discloses gross operating profit (loss) and net operating profit (loss) below including gains (losses) on Money Held in Trust-related transactions, which are substantially the same as investment in securities.

(100 millions of yen)

		First Quarter of Fiscal 2021 (A)	First Quarter of Fiscal 2022 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	20	(20)	(50)	(29)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses)	21	(338)	(382)	(44)
Net Operating Profit (Loss)	22	(338)	(418)	(79)
Core Net Operating Profit (Loss)	23	301	578	276
Core Net Operating Profit (Loss) (Excluding Gains (Losses) from Redemption of Investment Trusts and from Sales of Assets included in Money Held in Trust) (※6)	24	1,056	685	(370)

(※6) Core Net Operating Profit (Loss) (Excluding Gains (Losses) from Redemption of Investment Trusts and from Sales of Assets included in Money Held in Trust) [24] = Core Net Operating Profit (Loss) [23] - “Gains (Losses) from Redemption of Investment Trusts and from Sales of Assets included in Money Held in Trust”