

Financial Statements for the 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 Fiscal 2022(for the fiscal year ended March 31, 2023)

(1) Consolidated Results of Operations

(Percentage represents change from previous fiscal year)

	Ordinary Income		Ordinary Profits		Profit Attributable to Owners of Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal 2022	2,177,556	75.3	40,436	(83.1)	50,994	(72.4)
Fiscal 2021	1,242,300	(8.6)	238,570	(23.0)	184,650	(11.3)

(Note) Comprehensive Income for Fiscal 2022 (1,479,399) millions of Yen $-$ % for Fiscal 2021 (551,654) millions of Yen $-$ %

	Net Assets Net Income Ratio		Total Assets Ordinary Profits Ratio		Ordinary Income Ordinary Profits Ratio	
		%		%		%
Fiscal 2022	0.8		0.0		1.9	
Fiscal 2021	2.4		0.2		19.2	

(Ref) Equity in Earnings of Affiliates for Fiscal 2022 12,695 millions of Yen for Fiscal 2021 5,932 millions of Yen

(2) Consolidated Financial Conditions

	Total Assets		Total Net Assets		Net Assets Ratio (Note)	
	Millions of Yen		Millions of Yen		%	
Fiscal 2022	94,504,944		5,673,542		6.0	
Fiscal 2021	106,138,351		7,294,687		6.9	

(Ref) Net Assets - Non-controlling Interests for Fiscal 2022 5,663,051 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).

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Fiscal Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal 2022	(5,743,389)	10,105,678	(141,746)	21,322,082
Fiscal 2021	(4,169,973)	2,252,814	(110,162)	17,099,172

※ Notes

(1) Changes in Significant Subsidiaries in the fiscal year

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

(2) 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 “Changes in Accounting Estimates” (page 11).

2. Non-consolidated Financial Results for the Fiscal 2022(for the fiscal year ended March 31, 2023)

(1) Non-consolidated Results of Operations

(Percentage represents change from previous fiscal year)

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal 2022	2,150,573	77.3	23,434	(89.3)	43,238	(75.0)
Fiscal 2021	1,212,812	(9.3)	219,080	(29.2)	172,693	(18.6)

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
Fiscal 2022	91,425,426	5,470,089	6.0
Fiscal 2021	103,366,368	7,144,559	6.9

(Ref) Net Assets for Fiscal 2022 5,470,089 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).

※ This report is out of the scope of the external auditor’s annual audit procedure.

Qualitative Information

1 Qualitative information relating to the Results of Operations

Across the global economy in the fiscal year ended March 31 2023, global inflation accelerated due to the heightened geopolitical risk with the deterioration of the situation in Ukraine in addition to the tightened supply-demand balance by the mitigation of the impact of COVID-19. As a result of the rapid, significant and consecutive interest rate hikes by overseas central banks, mainly in the US, inflation rates appeared to have peaked in the last half of the fiscal year, on the other hand, there has been concern that the inflation would remain high due to increased wages and demand for services.

In financial markets, both the stock markets and the bond markets significantly fell as the global inflation proceeded in the first half of the fiscal year. In the last half of the fiscal year, the economy entered into a recovery trend with expectations for the end of the monetary policy tightening, particularly in the US, however, the financial markets became highly volatile resulting from financial uncertainties mainly of US regional banks in this March as some parts of the financial system have been stressed by rapid monetary policy tightening. Long-term interest rates significantly rose mainly in US treasury markets due to the inflation and the consecutive policy interest rate hikes. The stock markets showed signs of an adjustment and became volatile. In the currency markets, Japanese yen depreciated in value against US dollar toward the end of the first half of the fiscal year due to the difference in the directions of the monetary policies between Japan and the US, and subsequently, Japanese yen appreciated slightly against US dollar.

Under such earnings environment, Consolidated Ordinary Profits were ¥40.4 billion, down ¥198.1 billion from the previous fiscal year and Profit Attributable to Owners of Parent was ¥50.9 billion, down ¥133.6 billion from the previous fiscal year.

Qualitative information relating to The Norinchukin Bank (“the Bank”) is as on the next page.

2 Qualitative information relating to the Financial Conditions

Consolidated Total Assets at the end of the fiscal year decreased by ¥11,633.4 billion to ¥94,504.9 billion from the previous fiscal year-end.

Total Assets of the Bank at the end of the fiscal year decreased by ¥11,940.9 billion to ¥91,425.4 billion from the previous fiscal year-end. Total Net Assets at the end of the fiscal year decreased by ¥1,674.4 billion to ¥5,470.0 billion from the previous fiscal year-end.

As to the balances of the major accounts on the assets side, Loans and Bills Discounted at the end of the fiscal year decreased by ¥6,052.9 billion to ¥16,902.5 billion from the previous fiscal year-end, and Securities at the end of the fiscal year decreased by ¥6,994.6 billion to ¥40,062.6 billion from the previous fiscal year-end. For those on the liabilities side, Deposits at the end of the fiscal year decreased by ¥187.5 billion to ¥63,832.3 billion, and Debentures at the end of the fiscal year increased by ¥91.2 billion to ¥455.0 billion from the previous fiscal year-end, respectively.

(Note) All the amounts shown in this document are rounded down.

(Ref) Summary of Performance (Non-Consolidated)

(100 millions of yen)

		Fiscal 2021 (Year ended March 31,2022) (A)	Fiscal 2022 (Year ended March 31,2023) (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	1	340	1,908	1,568
Net Interest Income	2	2,429	1,324	(1,105)
Net Fees and Commissions Income (Loss)	3	(99)	(114)	(14)
Net Trading Income (Loss)	4	1	2	1
Net Other Operating Income (Loss)	5	(1,990)	695	2,686
General and Administrative Expenses	6	(1,282)	(1,383)	(100)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) (※1)	7	(942)	524	1,467
Gains (Losses) on Bond-Related Transactions	8	(1,998)	97	2,095
Core Net Operating Profit (Loss) (※2)	9	1,055	427	(628)
Excluding Gains (Losses) from Redemption of Investment Trusts (※3)	10	2,087	(442)	(2,529)
Provision of General Reserve for Possible Loan Losses	11	-	-	-
Net Operating Profit (Loss) (※4)	12	(942)	524	1,467
Non-Recurring Gains (Losses)	13	3,133	(290)	(3,423)
Gains (Losses) on Stock-Related Transactions	14	1,314	630	(684)
Gains (Losses) on Money Held in Trust- Related Transactions	15	2,061	(933)	(2,995)
Gains on Reversal of Reserves for Possible Loan Losses, and Others	16	(176)	60	237
Other	17	(65)	(47)	18
Ordinary Profits	18	2,190	234	(1,956)
Credit-Related Costs (※5)	19	(176)	60	237

(※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 Profit (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)

		Fiscal 2021 (Year ended March 31,2022) (A)	Fiscal 2022 (Year ended March 31,2023) (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	20	2,401	974	(1,426)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses)	21	1,118	(408)	(1,527)
Net Operating Profit (Loss)	22	1,118	(408)	(1,527)
Core Net Operating Profit (Loss)	23	3,117	(505)	(3,623)
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	4,288	218	(4,070)

(※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”

Consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2021 (As of March 31,2022)	Fiscal 2022 (As of March 31,2023)
(Assets)		
Loans and Bills Discounted	23,341,865	17,414,105
Foreign Exchange Assets	375,980	584,996
Securities	46,748,553	39,725,740
Money Held in Trust	10,867,985	8,419,368
Trading Assets	2,466	3,635
Monetary Claims Bought	387,819	321,441
Receivables under Resale Agreements	366	305,076
Cash and Due from Banks	18,140,525	22,430,679
Other Assets	3,178,992	1,608,236
Tangible Fixed Assets	151,442	134,914
Buildings	31,596	33,191
Land	74,919	74,919
Lease Assets	18,242	15,124
Construction in Progress	5,250	5,125
Other Tangible Fixed Assets	21,434	6,552
Intangible Fixed Assets	52,174	51,669
Software	31,300	28,514
Lease Assets	8,896	7,196
Other Intangible Fixed Assets	11,977	15,958
Net Defined Benefit Asset	119,913	129,465
Deferred Tax Assets	4,315	307,942
Deferred Tax Assets for Land Revaluation	-	1,600
Customers' Liabilities for Acceptances and Guarantees	2,915,891	3,197,577
Reserve for Possible Loan Losses	(149,942)	(131,441)
Reserve for Possible Investment Losses	-	(61)
Total Assets	106,138,351	94,504,944
(Liabilities)		
Deposits	64,009,893	63,809,449
Negotiable Certificates of Deposit	2,140,966	2,296,478
Debentures	360,280	454,034
Trading Liabilities	1,692	2,786
Borrowed Money	4,924,931	3,988,241
Call Money and Bills Sold	-	390,000
Payables under Repurchase Agreements	19,327,671	10,613,476
Foreign Exchange Liabilities	-	28
Short-term Entrusted Funds	684,692	797,420
Other Liabilities	4,150,052	3,262,753
Reserve for Bonus Payments	7,554	7,693
Net Defined Benefit Liability	21,742	10,234
Reserve for Directors' Retirement Benefits	1,043	1,229
Deferred Tax Liabilities	295,753	-
Deferred Tax Liabilities for Land Revaluation	1,499	-
Acceptances and Guarantees	2,915,891	3,197,577
Total Liabilities	98,843,664	88,831,402
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	23,399	23,399
Retained Earnings	2,236,608	2,154,690
Total Owners' Equity	6,300,206	6,218,288
Net Unrealized Gains (Losses) on Other Securities	758,987	(678,339)
Net Deferred Gains (Losses) on Hedging Instruments	177,259	77,079
Revaluation Reserve for Land	5,970	(2,099)
Foreign Currency Transaction Adjustments	517	1,451
Remeasurements of Defined Benefit Plans	41,753	46,671
Total Accumulated Other Comprehensive Income	984,488	(555,236)
Non-controlling Interests	9,992	10,490
Total Net Assets	7,294,687	5,673,542
Total Liabilities and Net Assets	106,138,351	94,504,944

Consolidated Statements of Operations and Comprehensive Income

(1) Consolidated Statement of Operations

(Millions of Yen)

	Fiscal 2021 (Year ended March 31, 2022)	Fiscal 2022 (Year ended March 31, 2023)
Ordinary Income	1,242,300	2,177,556
Interest Income	715,757	1,290,279
Interest on Loans and Bills Discounted	97,994	229,975
Interest and Dividends on Securities	601,800	991,826
Interest on Call Loans and Bills Bought	(793)	(8)
Interest on Receivables under Resale Agreements	(574)	988
Interest on Due from Banks	11,673	51,507
Other Interest Income	5,657	15,990
Fees and Commissions	28,964	30,797
Trading Income	104	302
Other Operating Income	100,106	556,949
Other Ordinary Income	397,367	299,227
Reversal of Reserve for Possible Loan Losses	-	230
Recoveries of Written-off Claims	395	504
Other Ordinary Income	396,971	298,491
Ordinary Expenses	1,003,729	2,137,119
Interest Expenses	514,517	1,352,753
Interest on Deposits	12,285	140,584
Interest on Negotiable Certificates of Deposit	3,010	59,572
Interest on Debentures	1,294	7,031
Interest on Borrowed Money	37,359	46,400
Interest on Call Money and Bills Sold	(0)	(583)
Interest on Payables under Repurchase Agreements	(27,402)	163,884
Other Interest Expenses	487,970	935,863
Fees and Commissions	15,330	17,001
Trading Expenses	-	61
Other Operating Expenses	294,393	482,232
General and Administrative Expenses	146,066	158,529
Other Ordinary Expenses	33,421	126,541
Provision of Reserve for Possible Loan Losses	17,151	-
Other Ordinary Expenses	16,270	126,541
Ordinary Profits	238,570	40,436
Extraordinary Profits	26,333	24,238
Gains on Disposal of Fixed Assets	26,333	24,238
Extraordinary Losses	1,363	1,334
Losses on Disposal of Fixed Assets	1,363	944
Losses on Impairment of Fixed Assets	-	261
Other Extraordinary Losses	-	129
Income before Income Taxes	263,540	63,340
Income Taxes - Current	4,946	26,147
Income Taxes - Deferred	73,319	(15,067)
Total Income Taxes	78,265	11,080
Profit	185,275	52,260
Profit Attributable to Non-controlling Interests	624	1,265
Profit Attributable to Owners of Parent	184,650	50,994

(2) Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Fiscal 2021 (Year ended March 31,2022)	Fiscal 2022 (Year ended March 31,2023)
Profit	185,275	52,260
Other Comprehensive Income	(736,929)	(1,531,659)
Net Unrealized Gains (Losses) on Other Securities	(1,188,833)	(1,436,607)
Net Deferred Gains (Losses) on Hedging Instruments	457,347	(100,152)
Revaluation Reserve for Land	2,247	-
Foreign Currency Transaction Adjustments	440	950
Remeasurements of Defined Benefit Plans	(7,623)	4,891
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	(506)	(740)
Total Comprehensive Income	(551,654)	(1,479,399)
Attributable to:		
Owners of Parent	(552,280)	(1,480,661)
Non-controlling Interests	626	1,262

Consolidated Statement of Capital Surplus and Retained Earnings

(Millions of Yen)

	Fiscal 2021 (Year ended March 31,2022)	Fiscal 2022 (Year ended March 31,2023)
(Capital Surplus)		
Balance at the Beginning of the Fiscal Year	24,993	23,399
Additions:	-	-
Deductions:	1,594	-
Change in Ownership Interest of Parent due to Transactions with Non-controlling Interests	1,594	-
Balance at the End of the Fiscal Year	23,399	23,399
(Retained Earnings)		
Balance at the Beginning of the Fiscal Year	2,146,592	2,236,608
Additions:	195,239	59,063
Profit Attributable to Owners of Parent	184,650	50,994
Reversal of Revaluation Reserve for Land	10,589	8,069
Deductions:	105,223	140,981
Dividends	105,223	90,211
Redemption of Treasury Preferred Stock	-	50,770
Balance at the End of the Fiscal Year	2,236,608	2,154,690

Consolidated Statement of Cash Flows

(Millions of Yen)

	Fiscal 2021 (Year ended March 31,2022)	Fiscal 2022 (Year ended March 31,2023)
I Cash Flows from Operating Activities:		
Income before Income Taxes	263,540	63,340
Depreciation	23,159	24,831
Losses on Impairment of Fixed Assets	-	261
Equity in Losses (Earnings) of Affiliates	(5,932)	(12,695)
Net Increase (Decrease) in Reserve for Possible Loan Losses	14,616	(18,795)
Net Increase (Decrease) in Reserve for Possible Investment Losses	(270)	61
Net Increase (Decrease) in Reserve for Bonus Payments	2	139
Net Decrease (Increase) in Net Defined Benefit Asset	(7,762)	(9,551)
Net Increase (Decrease) in Net Defined Benefit Liability	(7,743)	(11,508)
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	(416)	185
Interest Income	(715,757)	(1,290,279)
Interest Expenses	514,517	1,352,753
Losses (Gains) on Securities	140,051	(225,353)
Losses (Gains) on Money Held in Trust	10,479	95,336
Foreign Exchange Losses (Gains)	(3,230,110)	(2,745,815)
Losses (Gains) on Disposal of Fixed Assets	(24,969)	(23,294)
Net Decrease (Increase) in Trading Assets	4,843	(1,168)
Net Increase (Decrease) in Trading Liabilities	(3,445)	1,094
Net Decrease (Increase) in Loans and Bills Discounted	(1,200,828)	5,956,338
Net Increase (Decrease) in Deposits	(1,642,269)	(200,443)
Net Increase (Decrease) in Negotiable Certificates of Deposit	(959,293)	155,512
Net Increase (Decrease) in Debentures	4,801	93,754
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	(189,053)	(928,069)
Net Decrease (Increase) in Interest-bearing Due from Banks	(89,033)	(64,198)
Net Decrease (Increase) in Call Loans and Bills Bought and Other	524,588	(239,476)
Net Increase (Decrease) in Call Money and Bills Sold and Other	2,253,744	(8,324,194)
Net Increase (Decrease) in Short-term Entrusted Funds	(193,050)	112,727
Net Decrease (Increase) in Foreign Exchange Assets	(85,963)	(209,015)
Net Increase (Decrease) in Foreign Exchange Liabilities	(0)	28
Interest Received	659,205	1,228,320
Interest Paid	(512,767)	(1,304,816)
Other, Net	528,903	803,858
Subtotal	(3,926,213)	(5,720,135)
Income Taxes Paid	(243,760)	(23,254)
Net Cash Provided by (Used in) Operating Activities	(4,169,973)	(5,743,389)
II Cash Flows from Investing Activities:		
Purchases of Securities	(14,541,719)	(10,910,221)
Proceeds from Sales of Securities	7,221,548	13,755,693
Proceeds from Redemption of Securities	9,734,315	4,897,656
Increase in Money Held in Trust	(1,194,665)	(787,925)
Decrease in Money Held in Trust	1,005,215	3,127,897
Purchases of Tangible Fixed Assets	(4,012)	(2,016)
Purchases of Intangible Fixed Assets	(9,067)	(14,205)
Proceeds from Sales of Tangible Fixed Assets	41,200	38,800
Net Cash Provided by (Used in) Investing Activities	2,252,814	10,105,678
III Cash Flows from Financing Activities:		
Repayments of Subordinated Borrowed Money	(923)	-
Purchase of Treasury Preferred Stock	-	(50,770)
Proceeds from Share Issuance to Non-controlling Shareholders	60	-
Purchase of Treasury Shares of Subsidiaries	(3,605)	-
Dividends Paid	(105,223)	(90,211)
Dividends Paid to Non-controlling Interests	(470)	(764)
Net Cash Provided by (Used in) Financing Activities	(110,162)	(141,746)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	4,699	2,368
V Net Increase (Decrease) in Cash and Cash Equivalents	(2,022,621)	4,222,910
VI Cash and Cash Equivalents at the Beginning of the Fiscal Year	19,121,793	17,099,172
VII Cash and Cash Equivalents at the End of the Fiscal Year	17,099,172	21,322,082

Amounts less than one million yen are rounded down.

Notes to Consolidated Financial Statements

(Notes to Accounting Policies)

Consolidated Financial Statements are under Japanese GAAP (Generally Accepted Accounting Policies).

(Notes on Going-Concern Assumption)

None.

(Change in Accounting Policies)

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

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 fiscal year.

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

(Securities)

Information relating to Securities is provided as below. The Securities include Trading Securities in Trading Assets, negotiable certificates of deposit in Cash and Due from Banks and trust beneficiary interest in Monetary Claims Bought.

1. Trading Securities (as of March 31, 2023)

(Millions of Yen)

	Unrealized Gains (Losses) included in the Income for the fiscal year
Trading Securities	-

2. Held-to-Maturity Debt Securities (as of March 31, 2023)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Fair Value	Difference
Held-to-Maturity Debt Securities Whose Fair Value exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	16,010	16,496	485
	Municipal Government Bonds	-	-	-
	Corporate Bonds	300	301	0
	Other	1,799,549	1,816,855	17,305
	Foreign Bonds	1,734,008	1,751,235	17,227
	Other	65,541	65,620	78
	Subtotal	1,815,861	1,833,653	17,791
Held-to-Maturity Debt Securities Whose Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	2,937,586	2,816,409	(121,177)
	Municipal Government Bonds	-	-	-
	Corporate Bonds	100,000	98,971	(1,029)
	Other	8,101,046	7,988,506	(112,539)
	Foreign Bonds	7,973,525	7,861,485	(112,039)
	Other	127,520	127,020	(500)
	Subtotal	11,138,632	10,903,886	(234,746)
Total		12,954,494	12,737,539	(216,954)

3. Other Securities (as of March 31, 2023)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Other Securities Whose Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	624,043	233,584	390,459
	Bonds	184,564	178,273	6,291
	Japanese Government Bonds	98,832	92,551	6,280
	Municipal Government Bonds	2,328	2,326	1
	Corporate Bonds	83,403	83,395	8
	Other	3,527,404	2,948,012	579,391
	Foreign Bonds	542,630	512,491	30,138
	Foreign Stocks	19,231	8,618	10,612
	Investment Trusts	2,906,576	2,368,188	538,387
	Other	58,965	58,713	252
	Subtotal	4,336,011	3,359,870	976,141
Other Securities Whose Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	12,402	13,875	(1,472)
	Bonds	4,893,733	5,051,281	(157,547)
	Japanese Government Bonds	3,880,704	4,016,605	(135,901)
	Municipal Government Bonds	147,353	152,944	(5,590)
	Corporate Bonds	865,675	881,731	(16,056)
	Other	16,425,141	17,911,522	(1,486,380)
	Foreign Bonds	11,543,764	12,698,428	(1,154,664)
	Foreign Stocks	10,837	13,376	(2,538)
	Investment Trusts	4,787,782	5,116,700	(328,917)
	Other	82,757	83,017	(260)
	Subtotal	21,331,278	22,976,679	(1,645,401)
Total		25,667,290	26,336,550	(669,260)

4. Held-to-Maturity Debt Securities Sold during the fiscal year ended March 31, 2023

The Bank and its consolidated subsidiaries sold no held-to-maturity debt securities.

5. Other Securities Sold during the fiscal year ended March 31, 2023

(Millions of Yen)

Type	Sales Proceeds	Gains on Sales	Losses on Sales
Stocks	61,504	40,741	928
Bonds	2,079,068	24,770	9,422
Japanese Government Bonds	2,079,068	24,770	9,422
Municipal Government Bonds	-	-	-
Corporate Bonds	-	-	-
Other	11,064,536	449,643	431,856
Foreign Bonds	10,900,563	413,281	424,358
Foreign Stocks	16	0	-
Investment Trusts	157,036	33,962	7,495
Other	6,919	2,398	3
Total	13,205,109	515,155	442,207

6. Securities Recognized for Revaluation Loss

Securities other than those for trading purposes (except Stocks and others with no market prices and Investments in Partnership) are revalued to their fair value, and the difference between the book value and the fair value is treated as a realized loss for the fiscal year ended March 31, 2023 (“revaluation loss”), if the fair value has significantly deteriorated from the book value unless a recovery in the fair value is deemed probable.

The amount of revaluation loss for the period was nil.

The criteria for determining whether the securities’ fair value has “significantly deteriorated” are outlined as follows:

Securities whose fair values are equal to or less than 50% of their book value

Securities whose fair values remain between 50% (exclusive) and 70% (inclusive) of their book value for a certain period

(Money Held in Trust)

1. Money Held in Trust for Trading Purposes (as of March 31, 2023)

(Millions of Yen)

	Consolidated Balance Sheet Amount	Unrealized Gains (Losses) included in the Income for the fiscal year
Money Held in Trust for Trading Purposes	40,034	-

2. Held-to-Maturity Money Held in Trust (as of March 31, 2023)

The Bank and its consolidated subsidiaries held no held-to-maturity money held in trust.

3. Other Money Held in Trust (Money Held in Trust other than that for trading purposes or held-to-maturity) (as of March 31, 2023)

(Millions of Yen)

	Consolidated Balance Sheet Amount	Acquisition Cost	Difference	Other Money Held in Trust Whose Consolidated Balance Sheet Amount exceeding Acquisition Cost	Other Money Held in Trust Whose Consolidated Balance Sheet Amount not exceeding Acquisition Cost
Other Money Held in Trust	8,379,333	8,972,948	(593,615)	13,419	607,034

(Note)

“Other Money Held in Trust Whose Consolidated Balance Sheet Amount exceeding Acquisition Cost” and “Other Money Held in Trust Whose Consolidated Balance Sheet Amount not exceeding Acquisition Cost” are gross valuation of the difference between the acquisition cost and the consolidated balance sheet amount presented in “Difference.”

(Segment Information)

Segment Information is not shown in these statements, since the banking business is the only reportable segment.

(Per Share Information)

Net Assets per Share at the end of the fiscal year was ¥475.02 (Non-controlling Interests, the residual assets for the holders of lower dividend rate stocks, the total dividends on lower dividend rate stocks, and the total special dividends are deducted from the numerator, and the number of lower dividend rate stocks is deducted from the denominator respectively in the calculation of Net Assets per Share.)

Profit Attributable to Owners of Parent per Share for the fiscal year was ¥(0.25) (The total dividends for lower dividend rate stocks and the total special dividends, and redemption difference of preferred stocks are deducted from the numerator, the aggregate number of lower dividend rate stocks and preferred stocks is deducted from the denominator respectively in the calculation of Profit Attributable to Owners of Parent per Share.)

(Significant Subsequent Events)

None.

Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2021 (As of March 31, 2022)	Fiscal 2022 (As of March 31, 2023)
(Assets)		
Loans and Bills Discounted	22,955,497	16,902,539
Loans on Deeds	21,215,264	15,010,095
Loans on Bills	401,960	486,753
Overdrafts	1,336,469	1,404,197
Bills Discounted	1,803	1,492
Foreign Exchange Assets	375,980	584,996
Due from Foreign Banks	375,980	584,996
Securities	47,057,256	40,062,645
Japanese Government Bonds	7,992,279	6,928,235
Municipal Government Bonds	142,570	142,882
Corporate Bonds	1,178,570	1,049,380
Stocks	829,998	808,684
Other Securities	36,913,837	31,133,462
Money Held in Trust	10,864,800	8,417,071
Trading Assets	2,466	3,635
Trading Securities	4	20
Derivatives of Securities Related to Trading Transactions	-	0
Trading-related Financial Derivatives	2,462	3,613
Monetary Claims Bought	387,819	321,441
Receivables under Resale Agreements	-	304,742
Cash and Due from Banks	18,070,056	22,348,159
Cash	64,994	46,981
Due from Banks	18,005,062	22,301,178
Other Assets	3,129,171	1,597,511
Domestic Exchange Settlement Account, Debit	11	5
Prepaid Expenses	1,063	1,602
Accrued Income	128,520	179,411
Initial Margins of Futures Markets	87,622	119,438
Variation Margins of Futures Markets	-	0
Derivatives other than for Trading	343,244	280,528
Cash Collateral Paid for Financial Instruments	1,511,691	155,671
Others	1,057,017	860,851
Tangible Fixed Assets	149,530	132,538
Buildings	30,959	32,057
Land	74,919	74,919
Lease Assets	17,436	14,449
Construction in Progress	5,131	5,122
Other Tangible Fixed Assets	21,083	5,990
Intangible Fixed Assets	49,732	47,649
Software	29,717	26,605
Lease Assets	8,896	7,196
Other Intangible Fixed Assets	11,118	13,847
Prepaid Pension Cost	57,465	71,996
Deferred Tax Assets	-	343,817
Deferred Tax Assets for Land Revaluation	-	1,600
Customers' Liabilities for Acceptances and Guarantees	415,117	409,059
Reserve for Possible Loan Losses	(147,046)	(122,496)
Reserve for Possible Investment Losses	(1,481)	(1,481)
Total Assets	103,366,368	91,425,426

(Millions of Yen)

	Fiscal 2021 (As of March 31, 2022)	Fiscal 2022 (As of March 31, 2023)
(Liabilities)		
Deposits	64,019,836	63,832,307
Time Deposits	55,692,985	54,141,353
Deposits at Notice	10,629	8,708
Ordinary Deposits	3,298,602	4,806,322
Current Deposits	101,915	70,366
Other Deposits	4,915,703	4,805,556
Negotiable Certificates of Deposit	2,140,966	2,296,478
Debentures	363,780	455,034
Debentures Issued	363,780	455,034
Trading Liabilities	1,692	2,786
Derivatives of Securities Related to Trading Transactions	-	1
Trading-related Financial Derivatives	1,692	2,784
Borrowed Money	4,868,429	3,931,746
Borrowings	4,868,429	3,931,746
Call Money	-	390,000
Payables under Repurchase Agreements	19,327,671	10,613,476
Foreign Exchange Liabilities	-	28
Foreign Bills Payable	-	28
Short-term Entrusted Funds	684,692	797,420
Other Liabilities	4,104,171	3,205,231
Domestic Exchange Settlement Account, Credit	87	385
Accrued Expenses	39,473	87,236
Income Taxes Payable	439	3,244
Unearned Income	2,016	772
Derivatives other than for Trading	1,379,646	524,345
Cash Collateral Received for Financial Instruments	72,928	206,399
Lease Liabilities	15,853	11,987
Asset Retirement Obligations	-	5,404
Accounts Payable for Securities Purchased	2,566,597	2,312,011
Others	27,130	53,441
Reserve for Bonus Payments	5,665	5,719
Reserve for Retirement Benefits	15,031	15,150
Reserve for Directors' Retirement Benefits	730	898
Deferred Tax Liabilities	272,524	-
Deferred Tax Liabilities for Land Revaluation	1,499	-
Acceptances and Guarantees	415,117	409,059
Total Liabilities	96,221,809	85,955,337
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Common Stock	4,015,198	4,015,198
(including Lower Dividend Rate Stock)	3,589,481	3,589,481
Preferred Stock	24,999	-
Other Stock	-	24,999
Capital Surplus	25,020	25,020
Capital Surplus Reserve	24,999	24,999
Other Capital Surplus	20	20
Reserve for Revaluation	20	20
Retained Earnings	2,157,550	2,067,877
Legal Reserves	816,166	852,866
Voluntary Reserves	1,341,384	1,215,011
Special Reserves	373,771	398,783
General Reserves	559,403	503,612
Reserve for Redemption of Preferred Stock	-	5,021
AFF Industries, Community and Environment Reserve Fund	10,000	12,190
Reserves for Tax Basis Adjustments of Fixed Assets	6,799	29,651
Others	7	7
Unappropriated Retained Earnings	391,403	265,745
Net Income	172,693	43,238
Total Owners' Equity	6,222,769	6,133,096
Net Unrealized Gains (Losses) on Other Securities, net of taxes	756,155	(680,481)
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	159,663	19,573
Revaluation Reserve for Land, net of taxes	5,970	(2,099)
Total Valuation and Translation Adjustments	921,789	(663,007)
Total Net Assets	7,144,559	5,470,089
Total Liabilities and Net Assets	103,366,368	91,425,426

Non-consolidated Statement of Operations

(Millions of Yen)

	Fiscal 2021 (Year ended March 31, 2022)	Fiscal 2022 (Year ended March 31, 2023)
Ordinary Income	1,212,812	2,150,573
Interest Income	716,343	1,292,580
Interest on Loans and Bills Discounted	76,401	198,104
Interest and Dividends on Securities	623,465	1,026,165
Interest on Call Loans	(724)	(6)
Interest on Receivables under Resale Agreements	(574)	988
Interest on Due from Banks	12,114	51,337
Other Interest Income	5,660	15,991
Fees and Commissions	11,960	15,013
Exchange Fees	908	866
Other Commissions Receivable	11,051	14,146
Trading Income	104	302
Income from Trading Securities and Derivatives	11	-
Income from Securities and Derivatives Related to Trading Transactions	47	-
Income from Trading-related Financial Derivatives	45	302
Other Operating Income	94,335	551,107
Gains on Foreign Exchange Transactions	-	2,627
Gains on Sales of Bonds	39,356	443,506
Gains on Financial Derivatives	9,352	60,368
Other Operating Income	45,627	44,605
Other Ordinary Income	390,068	291,568
Reversal of Reserve for Possible Loan Losses	-	6,041
Recoveries from Written-off Claims	209	504
Gains on Sales of Stocks and Other Securities	133,895	70,974
Gains on Money Held in Trust	253,747	211,230
Others	2,216	2,817
Ordinary Expenses	993,732	2,127,138
Interest Expenses	516,191	1,355,070
Interest on Deposits	12,167	140,587
Interest on Negotiable Certificates of Deposit	3,010	59,561
Interest on Debentures	1,294	7,031
Interest on Borrowed Money	37,222	46,279
Interest on Call Money	(0)	(569)
Interest on Payables under Repurchase Agreements	(25,467)	166,321
Interest on Interest Rate Swap	186,467	509,658
Other Interest Expenses	301,496	426,200
Fees and Commissions	21,933	26,415
Exchange Fees	874	885
Other Commissions	21,058	25,530
Trading Expenses	-	61
Expenses on Trading Securities and Derivatives	-	45
Expenses on Securities and Derivatives Related to Trading Transactions	-	16
Other Operating Expenses	293,429	481,531
Amortization of Debenture Issuance Costs	933	1,339
Losses on Foreign Exchange Transactions	9,195	-
Losses on Sales of Bonds	238,612	433,787
Losses on Revaluation of Bonds	595	-
Other Operating Expenses	44,093	46,405
General and Administrative Expenses	128,272	138,355
Other Ordinary Expenses	33,905	125,703
Provision of Reserve for Possible Loan Losses	17,689	-
Write-off of Loans	10	9
Losses on Sales of Stocks and Other Securities	99	7,937
Losses on Revaluation of Stocks and Other Securities	2,332	-
Losses on Money Held in Trust	4,774	109,679
Others	8,998	8,076
Ordinary Profits	219,080	23,434
Extraordinary Profits	26,333	24,238
Gains on Disposal of Fixed Assets	26,333	24,238
Extraordinary Losses	1,021	1,333
Losses on Disposal of Fixed Assets	1,021	916
Losses on Impairment of Fixed Assets	-	261
Other Extraordinary Losses	-	155
Income before Income Taxes	244,392	46,339
Income Taxes - Current	(2,132)	18,070
Income Taxes - Deferred	73,830	(14,970)
Total Income Taxes	71,698	3,100
Net Income	172,693	43,238
Unappropriated Retained Earnings Brought Forward	208,120	214,437
Reversal of Revaluation Reserve for Land	10,589	8,069
Reversal of Reserve for Redemption of Preferred Stock	-	50,770
Redemption of Treasury Preferred Stock	-	(50,770)
Unappropriated Retained Earnings at the End of the Year	391,403	265,745