

# Financial Statements for the Third Quarter of Fiscal 2023

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 Third Quarter of Fiscal 2023 (for the nine months ended December 31, 2023)

### (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	%
3Q Fiscal 2023	2,242,960	27.5	153,267	(8.6)	97,078	(39.1)
3Q Fiscal 2022	1,759,661	86.4	167,668	(24.1)	159,370	1.5

(Note) Comprehensive Income for 3Q Fiscal 2023 (242,476) millions of Yen (−%) for 3Q Fiscal 2022 (1,834,237) millions of Yen (−%)

### (2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
3Q Fiscal 2023	98,959,581	5,366,365	5.4
Fiscal 2022	94,504,944	5,673,542	6.0

(Ref) Net Assets – Non-controlling Interests for 3Q Fiscal 2023 5,355,553 millions of Yen for Fiscal 2022 5,663,051 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 : None
- ② Changes in Accounting Policies other than ① above : None
- ③ Changes in Accounting Estimates : None
- ④ Restatements : None

2. Non-consolidated Financial Results for the Third Quarter of Fiscal 2023

(for the nine months ended December 31, 2023)

(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	%
3Q Fiscal 2023	2,213,004	27.6	136,915	(11.2)	89,103	(41.7)
3Q Fiscal 2022	1,734,224	87.8	154,099	(26.1)	152,853	1.9

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
3Q Fiscal 2023	95,613,716	5,131,980	5.4
Fiscal 2022	91,425,426	5,470,089	6.0

(Ref) Net Assets for 3Q Fiscal 2023 5,131,980 millions of Yen for Fiscal 2022 5,470,089 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 quarterly review.

Quarterly Consolidated Financial Statements

Consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2022 (As of March 31, 2023)	Third Quarter of Fiscal 2023 (As of December 31, 2023)
(Assets)		
Loans and Bills Discounted	17,414,105	17,753,055
Foreign Exchange Assets	584,996	230,765
Securities	39,725,740	43,725,142
Money Held in Trust	8,419,368	10,309,633
Trading Assets	3,635	4,348
Monetary Claims Bought	321,441	276,728
Receivables under Resale Agreements	305,076	40,307
Cash and Due from Banks	22,430,679	20,720,141
Other Assets	1,608,236	2,082,844
Tangible Fixed Assets	134,914	127,933
Intangible Fixed Assets	51,669	53,673
Net Defined Benefit Asset	129,465	27,815
Deferred Tax Assets	307,942	409,402
Deferred Tax Assets for Land Revaluation	1,600	1,600
Customers' Liabilities for Acceptances and Guarantees	3,197,577	3,328,877
Reserve for Possible Loan Losses	(131,441)	(132,690)
Reserve for Possible Investment Losses	(61)	-
<b>Total Assets</b>	<b>94,504,944</b>	<b>98,959,581</b>
(Liabilities)		
Deposits	63,809,449	64,516,774
Negotiable Certificates of Deposit	2,296,478	2,229,550
Debentures	454,034	385,533
Trading Liabilities	2,786	3,326
Borrowed Money	3,988,241	3,804,445
Call Money and Bills Sold	390,000	411,004
Payables under Repurchase Agreements	10,613,476	12,707,641
Foreign Exchange Liabilities	28	22
Short-term Entrusted Funds	797,420	1,577,865
Other Liabilities	3,262,753	4,613,686
Reserve for Bonus Payments	7,693	3,922
Net Defined Benefit Liability	10,234	9,352
Reserve for Directors' Retirement Benefits	1,229	1,213
Acceptances and Guarantees	3,197,577	3,328,877
<b>Total Liabilities</b>	<b>88,831,402</b>	<b>93,593,215</b>
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	23,399	23,399
Retained Earnings	2,154,690	2,187,685
<b>Total Owners' Equity</b>	<b>6,218,288</b>	<b>6,251,283</b>
Net Unrealized Gains (Losses) on Other Securities	(678,339)	(948,077)
Net Deferred Gains (Losses) on Hedging Instruments	77,079	34,769
Revaluation Reserve for Land	(2,099)	(2,099)
Foreign Currency Transaction Adjustments	1,451	1,767
Remeasurements of Defined Benefit Plans	46,671	17,909
<b>Total Accumulated Other Comprehensive Income</b>	<b>(555,236)</b>	<b>(895,729)</b>
Non-controlling Interests	10,490	10,812
<b>Total Net Assets</b>	<b>5,673,542</b>	<b>5,366,365</b>
<b>Total Liabilities and Net Assets</b>	<b>94,504,944</b>	<b>98,959,581</b>

## Consolidated Statements of Operations and Comprehensive Income

### (1) Consolidated Statement of Operations

(Millions of Yen)

	Third Quarter of Fiscal 2022 (Nine Months ended December 31, 2022)	Third Quarter of Fiscal 2023 (Nine Months ended December 31, 2023)
<b>Ordinary Income</b>	<b>1,759,661</b>	<b>2,242,960</b>
Interest Income	966,239	1,507,967
Interest on Loans and Bills Discounted	151,882	297,912
Interest and Dividends on Securities	768,773	1,131,419
Fees and Commissions	24,811	25,493
Trading Income	365	408
Other Operating Income	484,755	352,119
Other Ordinary Income	283,489	356,969
<b>Ordinary Expenses</b>	<b>1,591,993</b>	<b>2,089,692</b>
Interest Expenses	889,519	1,875,767
Interest on Deposits	89,906	219,044
Fees and Commissions	13,263	14,542
Trading Expenses	90	587
Other Operating Expenses	437,751	47,026
General and Administrative Expenses	117,022	125,258
Other Ordinary Expenses	134,346	26,508
<b>Ordinary Profits</b>	<b>167,668</b>	<b>153,267</b>
<b>Extraordinary Profits</b>	<b>24,238</b>	<b>51,471</b>
<b>Extraordinary Losses</b>	<b>1,033</b>	<b>347</b>
<b>Income before Income Taxes</b>	<b>190,873</b>	<b>204,391</b>
<b>Income Taxes - Current</b>	<b>52,295</b>	<b>76,358</b>
<b>Income Taxes - Deferred</b>	<b>(21,766)</b>	<b>30,025</b>
<b>Total Income Taxes</b>	<b>30,528</b>	<b>106,384</b>
<b>Profit</b>	<b>160,344</b>	<b>98,007</b>
<b>Profit Attributable to Non-controlling Interests</b>	<b>974</b>	<b>928</b>
<b>Profit Attributable to Owners of Parent</b>	<b>159,370</b>	<b>97,078</b>

## (2) Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Third Quarter of Fiscal 2022 (Nine Months ended December 31, 2022)	Third Quarter of Fiscal 2023 (Nine Months ended December 31, 2023)
<b>Profit</b>	<b>160,344</b>	<b>98,007</b>
<b>Other Comprehensive Income</b>	<b>(1,994,582)</b>	<b>(340,483)</b>
Net Unrealized Gains (Losses) on Other Securities	(1,947,705)	(270,510)
Net Deferred Gains (Losses) on Hedging Instruments	(41,319)	(42,330)
Foreign Currency Transaction Adjustments	950	315
Remeasurements of Defined Benefit Plans	(6,495)	(28,758)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	(11)	799
<b>Total Comprehensive Income</b>	<b>(1,834,237)</b>	<b>(242,476)</b>
Attributable to:		
Owners of Parent	(1,835,207)	(243,414)
Non-controlling Interests	969	937

Quarterly Non-Consolidated Financial Statements

Non-consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2022 (As of March 31, 2023)	Third Quarter of Fiscal 2023 (As of December 31, 2023)
<b>(Assets)</b>		
Loans and Bills Discounted	16,902,539	17,132,067
Foreign Exchange Assets	584,996	230,765
Securities	40,062,645	44,036,589
Money Held in Trust	8,417,071	10,307,654
Trading Assets	3,635	4,348
Monetary Claims Bought	321,441	276,728
Receivables under Resale Agreements	304,742	40,146
Cash and Due from Banks	22,348,159	20,655,973
Other Assets	1,597,511	2,065,674
Tangible Fixed Assets	132,538	125,697
Intangible Fixed Assets	47,649	49,077
Prepaid Pension Cost	71,996	8,647
Deferred Tax Assets	343,817	454,733
Deferred Tax Assets for Land Revaluation	1,600	1,600
Customers' Liabilities for Acceptances and Guarantees	409,059	345,735
Reserve for Possible Loan Losses	(122,496)	(121,597)
Reserve for Possible Investment Losses	(1,481)	(125)
<b>Total Assets</b>	<b>91,425,426</b>	<b>95,613,716</b>
<b>(Liabilities)</b>		
Deposits	63,832,307	64,501,143
Negotiable Certificates of Deposit	2,296,478	2,229,550
Debentures	455,034	385,783
Trading Liabilities	2,786	3,326
Borrowed Money	3,931,746	3,747,817
Call Money	390,000	411,000
Payables under Repurchase Agreements	10,613,476	12,703,657
Foreign Exchange Liabilities	28	22
Short-term Entrusted Funds	797,420	1,577,865
Other Liabilities	3,205,231	4,559,536
Reserve for Bonus Payments	5,719	2,719
Reserve for Retirement Benefits	15,150	12,675
Reserve for Directors' Retirement Benefits	898	904
Acceptances and Guarantees	409,059	345,735
<b>Total Liabilities</b>	<b>85,955,337</b>	<b>90,481,736</b>
<b>(Net Assets)</b>		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	25,020	25,020
Retained Earnings	2,067,877	2,092,897
<b>Total Owners' Equity</b>	<b>6,133,096</b>	<b>6,158,116</b>
Net Unrealized Gains (Losses) on Other Securities, net of taxes	(680,481)	(951,018)
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	19,573	(73,018)
Revaluation Reserve for Land, net of taxes	(2,099)	(2,099)
<b>Total Valuation and Translation Adjustments</b>	<b>(663,007)</b>	<b>(1,026,136)</b>
<b>Total Net Assets</b>	<b>5,470,089</b>	<b>5,131,980</b>
<b>Total Liabilities and Net Assets</b>	<b>91,425,426</b>	<b>95,613,716</b>

## Non-consolidated Statement of Operations

(Millions of Yen)

	Third Quarter of Fiscal 2022 (Nine Months ended December 31, 2022)	Third Quarter of Fiscal 2023 (Nine Months ended December 31, 2023)
<b>Ordinary Income</b>	<b>1,734,224</b>	<b>2,213,004</b>
Interest Income	971,336	1,507,979
Interest on Loans and Bills Discounted	128,350	257,150
Interest and Dividends on Securities	797,432	1,174,643
Fees and Commissions	11,913	11,537
Trading Income	365	408
Other Operating Income	478,608	343,756
Other Ordinary Income	272,000	349,322
<b>Ordinary Expenses</b>	<b>1,580,125</b>	<b>2,076,088</b>
Interest Expenses	891,307	1,875,225
Interest on Deposits	89,904	218,601
Fees and Commissions	20,749	19,363
Trading Expenses	90	587
Other Operating Expenses	437,225	46,359
General and Administrative Expenses	102,567	109,405
Other Ordinary Expenses	128,184	25,146
<b>Ordinary Profits</b>	<b>154,099</b>	<b>136,915</b>
<b>Extraordinary Profits</b>	<b>24,238</b>	<b>51,471</b>
<b>Extraordinary Losses</b>	<b>1,031</b>	<b>344</b>
<b>Income before Income Taxes</b>	<b>177,306</b>	<b>188,042</b>
<b>Income Taxes - Current</b>	<b>46,595</b>	<b>70,295</b>
<b>Income Taxes - Deferred</b>	<b>(22,143)</b>	<b>28,643</b>
<b>Total Income Taxes</b>	<b>24,452</b>	<b>98,938</b>
<b>Net Income</b>	<b>152,853</b>	<b>89,103</b>

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

(100 millions of yen)

		Third Quarter of Fiscal 2022 (A)	Third Quarter of Fiscal 2023 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	1	2,412	1,656	(756)
Net Interest Income (Loss)	2	2,084	(1,237)	(3,322)
Net Fees and Commissions Income (Loss)	3	(88)	(78)	10
Net Trading Income (Loss)	4	2	(1)	(4)
Net Other Operating Income (Loss)	5	413	2,973	2,560
General and Administrative Expenses	6	(1,025)	(1,094)	(68)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) (※1)	7	1,387	562	(825)
Gains (Losses) on Bond-Related Transactions	8	(166)	2,649	2,815
Core Net Operating Profit (Loss) (※2)	9	1,553	(2,087)	(3,640)
Excluding Gains (Losses) from Redemption of Investment Trusts (※3)	10	623	(3,400)	(4,024)
Provision of General Reserve for Possible Loan Losses	11	(63)	-	63
Net Operating Profit (Loss) (※4)	12	1,323	562	(761)
Non-Recurring Gains (Losses)	13	217	806	589
Gains (Losses) on Stock-Related Transactions	14	624	1,570	946
Gains (Losses) on Money Held in Trust- Related Transactions	15	(388)	(601)	(212)
Gains on Reversal of Reserves for Possible Loan Losses, and Others	16	4	(46)	(51)
Other	17	(23)	(115)	(92)
Ordinary Profits	18	1,540	1,369	(171)
Credit-Related Costs (※5)	19	(58)	(46)	12

(※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)

		Third Quarter of Fiscal 2022 (A)	Third Quarter of Fiscal 2023 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	20	2,024	1,054	(969)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses)	21	998	(39)	(1,037)
Net Operating Profit (Loss)	22	935	(39)	(974)
Core Net Operating Profit (Loss)	23	1,164	(2,688)	(3,853)
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	1,454	(4,075)	(5,530)

(※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”