

# Financial Statements for the First Half of Fiscal 2024

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 : HASHIMOTO Tetsuya, General Manager of Financial Planning & Control Division

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

## 1. Consolidated Financial Results for the First Half of Fiscal 2024 (for the six months ended September 30, 2024)

### (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	%
1H Fiscal 2024	1,086,348	(29.8)	(858,855)	—	(893,947)	—
1H Fiscal 2023	1,547,426	19.9	185,598	(0.5)	144,395	(15.0)

(Note) Comprehensive Income for 1H Fiscal 2024 127,236 millions of Yen (—%) for 1H Fiscal 2023 (904,499) millions of Yen (—%)

### (2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1H Fiscal 2024	91,724,355	5,302,744	5.8
Fiscal 2023	99,804,876	4,440,308	4.4

(Ref) Net Assets — Non-controlling Interests for 1H Fiscal 2024 5,291,845 millions of Yen for Fiscal 2023 4,429,192 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) Significant changes in the scope of consolidation during the Period : Yes

Newly included: 1 company (The Cooperative Servicing Co., Ltd.)

Excluded: None

### (2) 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 First Half of Fiscal 2024

(for the six months ended September 30, 2024)

(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	%
1H Fiscal 2024	1,053,174	(31.2)	(880,454)	—	(911,801)	—
1H Fiscal 2023	1,530,102	19.4	176,986	(3.4)	141,242	(17.4)

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1H Fiscal 2024	88,053,573	4,943,079	5.6
Fiscal 2023	96,416,713	4,211,533	4.4

(Ref) Net Assets for 1H Fiscal 2024 4,943,079 millions of Yen for Fiscal 2023 4,211,533 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 semi-annual audit procedure.

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Attached Documents  
1 Interim Consolidated Financial Statements  
(1) Consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2023 (As of March 31, 2024)	First Half of Fiscal 2024 (As of September 30, 2024)
<b>(Assets)</b>		
Loans and Bills Discounted	17,599,257	17,797,411
Foreign Exchange Assets	281,371	286,395
Securities	43,800,270	38,076,341
Money Held in Trust	10,649,769	8,534,736
Trading Assets	4,484	33,704
Monetary Claims Bought	265,376	271,601
Receivables under Resale Agreements	312	106
Cash and Due from Banks	21,255,954	20,941,595
Other Assets	2,583,989	2,291,476
Tangible Fixed Assets	129,549	126,614
Intangible Fixed Assets	54,228	61,565
Net Defined Benefit Asset	41,456	42,659
Deferred Tax Assets	3,731	3,555
Deferred Tax Assets for Land Revaluation	1,600	-
Customers' Liabilities for Acceptances and Guarantees	3,258,947	3,384,262
Reserve for Possible Loan Losses	(125,424)	(127,672)
<b>Total Assets</b>	<b>99,804,876</b>	<b>91,724,355</b>
<b>(Liabilities)</b>		
Deposits	62,858,656	58,923,704
Negotiable Certificates of Deposit	2,382,251	1,251,857
Debentures	379,548	358,224
Trading Liabilities	3,429	5,407
Borrowed Money	4,193,358	3,943,366
Call Money and Bills Sold	2,428,813	892,400
Payables under Repurchase Agreements	13,215,460	9,274,859
Foreign Exchange Liabilities	-	400
Short-term Entrusted Funds	1,548,844	3,685,145
Other Liabilities	5,077,622	4,620,449
Reserve for Bonus Payments	7,630	7,840
Net Defined Benefit Liability	2,407	2,505
Reserve for Directors' Retirement Benefits	1,268	1,232
Deferred Tax Liabilities	6,328	69,306
Deferred Tax Liabilities for Land Revaluation	-	646
Acceptances and Guarantees	3,258,947	3,384,262
<b>Total Liabilities</b>	<b>95,364,567</b>	<b>86,421,610</b>
<b>(Net Assets)</b>		
Paid-in Capital	4,040,198	4,776,257
Capital Surplus	23,399	23,399
Retained Earnings	2,154,228	1,260,280
<b>Total Owners' Equity</b>	<b>6,217,826</b>	<b>6,059,936</b>
Net Unrealized Gains (Losses) on Other Securities	(1,813,317)	(792,564)
Net Deferred Gains (Losses) on Hedging Instruments	(6,504)	(17,337)
Revaluation Reserve for Land	(2,099)	(4,346)
Foreign Currency Transaction Adjustments	1,767	17,854
Remeasurements of Defined Benefit Plans	31,519	28,302
<b>Total Accumulated Other Comprehensive Income</b>	<b>(1,788,633)</b>	<b>(768,091)</b>
Non-controlling Interests	11,115	10,899
<b>Total Net Assets</b>	<b>4,440,308</b>	<b>5,302,744</b>
<b>Total Liabilities and Net Assets</b>	<b>99,804,876</b>	<b>91,724,355</b>

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

### Consolidated Statement of Operations

(Millions of Yen)

	First Half of Fiscal 2023 (Six Months ended September 30, 2023)	First Half of Fiscal 2024 (Six Months ended September 30, 2024)
<b>Ordinary Income</b>	<b>1,547,426</b>	<b>1,086,348</b>
Interest Income	1,020,278	903,192
Interest on Loans and Bills Discounted	197,062	216,190
Interest and Dividends on Securities	762,913	586,054
Fees and Commissions	17,237	15,212
Trading Income	387	830
Other Operating Income	280,110	97,897
Other Ordinary Income	229,411	69,215
<b>Ordinary Expenses</b>	<b>1,361,827</b>	<b>1,945,203</b>
Interest Expenses	1,220,940	1,262,295
Interest on Deposits	146,444	138,734
Fees and Commissions	9,840	9,057
Trading Expenses	561	322
Other Operating Expenses	24,704	499,006
General and Administrative Expenses	83,887	90,281
Other Ordinary Expenses	21,892	84,240
<b>Ordinary Profits (Losses)</b>	<b>185,598</b>	<b>(858,855)</b>
<b>Extraordinary Profits</b>	<b>50,945</b>	<b>1,855</b>
<b>Extraordinary Losses</b>	<b>208</b>	<b>788</b>
<b>Income (Loss) before Income Taxes</b>	<b>236,335</b>	<b>(857,787)</b>
<b>Income Taxes - Current</b>	<b>65,735</b>	<b>3,909</b>
<b>Income Taxes - Refund of Income Taxes</b>	<b>-</b>	<b>(59,807)</b>
<b>Income Taxes - Deferred</b>	<b>25,582</b>	<b>91,404</b>
<b>Total Income Taxes</b>	<b>91,318</b>	<b>35,507</b>
<b>Profit (Loss)</b>	<b>145,017</b>	<b>(893,295)</b>
<b>Profit Attributable to Non-controlling Interests</b>	<b>622</b>	<b>652</b>
<b>Profit (Loss) Attributable to Owners of Parent</b>	<b>144,395</b>	<b>(893,947)</b>

## Consolidated Statement of Comprehensive Income

(Millions of Yen)

	First Half of Fiscal 2023 (Six Months ended September 30, 2023)	First Half of Fiscal 2024 (Six Months ended September 30, 2024)
<b>Profit (Loss)</b>	<b>145,017</b>	<b>(893,295)</b>
<b>Other Comprehensive Income</b>	<b>(1,049,516)</b>	<b>1,020,532</b>
Net Unrealized Gains (Losses) on Other Securities	(1,147,860)	1,021,779
Net Deferred Gains (Losses) on Hedging Instruments	123,948	(10,547)
Revaluation Reserve for Land	-	(2,247)
Foreign Currency Transaction Adjustments	335	16,086
Remeasurements of Defined Benefit Plans	(27,337)	(3,210)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	1,396	(1,328)
<b>Total Comprehensive Income</b>	<b>(904,499)</b>	<b>127,236</b>
Attributable to:		
Owners of Parent	(905,131)	126,594
Non-controlling Interests	631	642

### (3) Consolidated Statement of Capital Surplus and Retained Earnings

(Millions of Yen)

	First Half of Fiscal 2023 (Six Months ended September 30, 2023)	First Half of Fiscal 2024 (Six Months ended September 30, 2024)
<b>(Capital Surplus)</b>		
<b>Balance at the Beginning of the Fiscal Year</b>	<b>23,399</b>	<b>23,399</b>
<b>Additions:</b>	-	-
<b>Deductions:</b>	-	-
<b>Balance at the End of the Period</b>	<b>23,399</b>	<b>23,399</b>
<b>(Retained Earnings)</b>		
<b>Balance at the Beginning of the Fiscal Year</b>	<b>2,154,690</b>	<b>2,154,228</b>
<b>Additions:</b>	<b>144,395</b>	-
Profit Attributable to Owners of Parent	144,395	-
<b>Deductions:</b>	<b>64,083</b>	<b>893,947</b>
Loss Attributable to Owners of Parent	-	893,947
Dividends	64,083	-
<b>Balance at the End of the Period</b>	<b>2,235,001</b>	<b>1,260,280</b>

## (4) Consolidated Statement of Cash Flows

(Millions of Yen)

	First Half of Fiscal 2023 (Six Months ended September 30, 2023)	First Half of Fiscal 2024 (Six Months ended September 30, 2024)
<b>I Cash Flows from Operating Activities:</b>		
Income (Loss) before Income Taxes	236,335	(857,787)
Depreciation	12,291	12,087
Gain on bargain purchase	-	(1,855)
Losses (gains) on step acquisitions	-	704
Equity in Losses (Earnings) of Affiliates	(6,344)	(7,331)
Net Increase (Decrease) in Reserve for Possible Loan Losses	2,391	993
Net Increase (Decrease) in Reserve for Possible Investment Losses	(61)	-
Net Increase (Decrease) in Reserve for Bonus Payments	(4)	191
Net Decrease (Increase) in Net Defined Benefit Asset	101,767	(1,203)
Net Increase (Decrease) in Net Defined Benefit Liability	(351)	28
Net Increase (Decrease) in Reserve for Directors' Retirement Benefits	(94)	(44)
Interest Income	(1,020,278)	(903,192)
Interest Expenses	1,220,940	1,262,295
Losses (Gains) on Securities	(442,582)	418,080
Losses (Gains) on Money Held in Trust	(27,286)	82,173
Foreign Exchange Losses (Gains)	(3,780,979)	833,317
Losses (Gains) on Disposal of Fixed Assets	(3,813)	84
Losses (Gains) on Cancellation of Employee Retirement Benefit Trust	(46,922)	-
Net Decrease (Increase) in Trading Assets	(2,428)	(29,220)
Net Increase (Decrease) in Trading Liabilities	2,355	1,978
Net Decrease (Increase) in Loans and Bills Discounted	(408,954)	(131,792)
Net Increase (Decrease) in Deposits	1,491,014	(3,938,221)
Net Increase (Decrease) in Negotiable Certificates of Deposit	(59,119)	(1,130,394)
Net Increase (Decrease) in Debentures	(19,243)	(21,323)
Net Increase (Decrease) in Borrowed Money (Excluding Subordinated Borrowed Money)	(195,190)	455,940
Net Decrease (Increase) in Interest-bearing Due from Banks	370,734	(1,439,336)
Net Decrease (Increase) in Call Loans and Bills Bought and Other	(317,593)	(5,062)
Net Increase (Decrease) in Call Money and Bills Sold and Other	4,678,502	(5,481,585)
Net Increase (Decrease) in Short-term Entrusted Funds	96,043	2,136,301
Net Decrease (Increase) in Foreign Exchange Assets	281,623	(5,023)
Net Increase (Decrease) in Foreign Exchange Liabilities	2	400
Interest Received	941,815	930,921
Interest Paid	(1,035,929)	(1,131,158)
Other, Net	(440,578)	(227,624)
Subtotal	1,628,059	(9,176,661)
Income Taxes (Paid) Refunded	(10,061)	(36,488)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>1,617,998</b>	<b>(9,213,149)</b>
<b>II Cash Flows from Investing Activities:</b>		
Purchases of Securities	(10,473,490)	(6,585,096)
Proceeds from Sales of Securities	4,622,679	5,933,540
Proceeds from Redemption of Securities	4,250,072	5,904,731
Increase in Money Held in Trust	(812,446)	(362,085)
Decrease in Money Held in Trust	161,621	2,536,052
Purchases of Tangible Fixed Assets	(891)	(387)
Purchases of Intangible Fixed Assets	(6,876)	(10,703)
Proceeds from Sales of Tangible Fixed Assets	8,995	-
Payments for Asset Retirement Obligations	(97)	(37)
Proceeds of Stocks of Subsidiaries (Affecting the Scope of Consolidation)	-	1,907
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(2,250,433)</b>	<b>7,417,921</b>
<b>III Cash Flows from Financing Activities:</b>		
Repayments of Subordinated Borrowed Money	-	(716,968)
Proceeds from Issuance of Stock	-	736,058
Proceeds from Share Issuance to Non-controlling Shareholders	190	11
Dividends Paid	(64,083)	-
Dividends Paid to Non-controlling Interests	(881)	(870)
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(64,775)</b>	<b>18,231</b>
<b>IV Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>907</b>	<b>15,521</b>
<b>V Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(696,303)</b>	<b>(1,761,475)</b>
<b>VI Cash and Cash Equivalents at the Beginning of the Fiscal Year</b>	<b>21,322,082</b>	<b>19,527,951</b>
<b>VII Cash and Cash Equivalents at the End of the Period</b>	<b>20,625,779</b>	<b>17,766,476</b>



## (5) Notes to Interim Consolidated Financial Statements

Amounts less than one million yen are rounded down.

### Notes to Accounting Policies

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

### Notes to Consolidated Financial Statements

(Notes on Going-Concern Assumption)

None.

### Notes on Significant Changes in Shareholders' Equity

The Bank announces that it has completed the transaction of redeeming 716,968 millions of Yen of its perpetual subordinated loans (AT1 capital) and issuing 736,058 millions of Yen of its lower-dividend rate stocks (CET1 capital) on September 30, 2024, as previously announced on August 1st.

As a result, Paid-in Capital has increased by 736,058 millions of Yen, as of September 30, 2024.

(Securities)

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

1. Held-to-Maturity Debt Securities (as of September 30, 2024)

(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	-	-	-
	Municipal Government Bonds	-	-	-
	Corporate Bonds	-	-	-
	Other	8,361,206	8,398,416	37,209
	Foreign Bonds	8,304,907	8,342,054	37,147
	Other	56,299	56,361	61
	Subtotal	8,361,206	8,398,416	37,209
Held-to-Maturity Debt Securities Whose Fair Value not exceeding Consolidated Balance Sheet Amount	Japanese Government Bonds	2,936,622	2,584,677	(351,945)
	Municipal Government Bonds	-	-	-
	Corporate Bonds	100,000	98,661	(1,339)
	Other	2,107,265	2,091,559	(15,705)
	Foreign Bonds	2,000,142	1,984,824	(15,318)
	Other	107,123	106,735	(387)
	Subtotal	5,143,888	4,774,897	(368,990)
Total		13,505,094	13,173,314	(331,780)

## 2. Other Securities (as of September 30, 2024)

(Millions of Yen)

	Type	Consolidated Balance Sheet Amount	Acquisition Cost	Difference
Other Securities Whose Consolidated Balance Sheet Amount exceeding Acquisition Cost	Stocks	548,471	182,002	366,468
	Bonds	830,825	827,456	3,368
	Japanese Government Bonds	829,781	826,414	3,367
	Municipal Government Bonds	20	19	0
	Corporate Bonds	1,023	1,022	0
	Other	3,487,042	3,119,161	367,880
	Foreign Bonds	1,742,298	1,711,629	30,669
	Foreign Stocks	42,327	22,941	19,386
	Investment Trusts	1,635,886	1,318,097	317,789
	Other	66,529	66,493	35
	Subtotal	4,866,338	4,128,620	737,718
Other Securities Whose Consolidated Balance Sheet Amount not exceeding Acquisition Cost	Stocks	9,789	10,545	(756)
	Bonds	5,852,353	6,174,237	(321,883)
	Japanese Government Bonds	5,167,313	5,456,641	(289,328)
	Municipal Government Bonds	138,599	145,980	(7,380)
	Corporate Bonds	546,440	571,615	(25,174)
	Other	12,987,766	13,914,621	(926,855)
	Foreign Bonds	9,358,739	10,046,453	(687,713)
	Foreign Stocks	-	-	-
	Investment Trusts	3,573,094	3,812,000	(238,906)
	Other	55,932	56,168	(235)
	Subtotal	18,849,909	20,099,404	(1,249,495)
Total		23,716,248	24,228,025	(511,777)

## 3. 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 period (“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 ¥6,679 million, including ¥2,699 million on Bonds (Corporate Bonds) and ¥3,979 million on Investment Trusts.

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. Held-to-Maturity Money Held in Trust (as of September 30, 2024)

(Millions of Yen)

	Consolidated Balance Sheet Amount	Fair Value	Difference	Held-to-Maturity Money Held in Trust Whose Fair Value exceeding Consolidated Balance Sheet Amount	Held-to-Maturity Money Held in Trust Whose Fair Value not exceeding Consolidated Balance Sheet Amount
Held-to-Maturity Money Held in Trust	1	1	-	-	-

(Note)

"Held-to-Maturity Money Held in Trust Whose Fair Value exceeding Consolidated Balance Sheet Amount" and "Held-to-Maturity Money Held in Trust Whose Fair Value not exceeding Consolidated Balance Sheet Amount" are gross valuation of the difference between the consolidated balance sheet amount and the fair value presented in "Difference."

2. Other Money Held in Trust (Money Held in Trust other than that for trading purposes or held-to-maturity) (as of September 30, 2024)

(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	8,491,883	8,918,989	(427,106)	5,096	432,202

(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 period was ¥226.98 (Non-controlling Interests and the residual assets for the holders of lower dividend rate stocks are deducted from the numerator, and the aggregate number of lower dividend rate stocks is deducted from the denominator respectively in the calculation of Net Assets per Share.)

Loss Attributable to Owners of Parent per Share for the period was ¥(209.98) (The aggregate number of lower dividend rate stocks is deducted from the denominator in the calculation of Loss Attributable to Owners of Parent per Share.)

(Significant Subsequent Events)

None.

## Reference Documents

## 1 Interim Non-consolidated Financial Statements

## (1) Non-consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2023 (As of March 31, 2024)	First Half of Fiscal 2024 (As of September 30, 2024)
<b>(Assets)</b>		
Loans and Bills Discounted	16,990,779	17,127,609
Foreign Exchange Assets	281,371	286,395
Securities	44,123,149	38,374,123
Money Held in Trust	10,647,983	8,533,445
Trading Assets	4,484	33,704
Monetary Claims Bought	265,376	271,601
Cash and Due from Banks	21,194,993	20,858,113
Other Assets	2,572,059	2,277,196
Tangible Fixed Assets	127,367	124,501
Intangible Fixed Assets	49,206	56,581
Prepaid Pension Cost	10,608	13,421
Deferred Tax Assets	41,387	-
Deferred Tax Assets for Land Revaluation	1,600	-
Customers' Liabilities for Acceptances and Guarantees	221,710	214,048
Reserve for Possible Loan Losses	(115,364)	(117,169)
<b>Total Assets</b>	<b>96,416,713</b>	<b>88,053,573</b>
<b>(Liabilities)</b>		
Deposits	62,851,942	58,908,129
Negotiable Certificates of Deposit	2,382,251	1,251,857
Debentures	379,548	358,224
Trading Liabilities	3,429	5,407
Borrowed Money	4,136,887	3,886,856
Call Money	2,428,800	892,400
Payables under Repurchase Agreements	13,211,510	9,259,955
Foreign Exchange Liabilities	-	400
Short-term Entrusted Funds	1,548,844	3,685,145
Other Liabilities	5,021,285	4,572,679
Reserve for Bonus Payments	5,537	5,668
Reserve for Retirement Benefits	12,471	9,636
Reserve for Directors' Retirement Benefits	960	918
Deferred Tax Liabilities	-	58,519
Deferred Tax Liabilities for Land Revaluation	-	646
Acceptances and Guarantees	221,710	214,048
<b>Total Liabilities</b>	<b>92,205,180</b>	<b>83,110,493</b>
<b>(Net Assets)</b>		
<b>Paid-in Capital</b>	<b>4,040,198</b>	<b>4,776,257</b>
Common Stock	4,015,198	4,751,257
(including Lower Dividend Rate Stock)	3,589,481	4,325,539
Other Stock	24,999	24,999
<b>Capital Surplus</b>	<b>25,020</b>	<b>25,020</b>
Capital Surplus Reserve	24,999	24,999
Other Capital Surplus	20	20
Reserve for Revaluation	20	20
<b>Retained Earnings</b>	<b>2,063,727</b>	<b>1,151,926</b>
Legal Reserves	863,166	875,166
Voluntary Reserves	1,200,561	276,760
Special Reserves	398,783	398,783
General Reserves	503,612	503,612
AFF Industries, Community and Environment Reserve Fund	36,541	33,604
Reserve for Tax Basis Adjustments of Fixed Assets	29,566	26,482
Others	7	7
Unappropriated Retained Earnings (Undisposed Losses)	232,051	(685,729)
Net Income (Loss)	59,934	(911,801)
<b>Total Owners' Equity</b>	<b>6,128,947</b>	<b>5,953,203</b>
<b>Net Unrealized Gains (Losses) on Other Securities, net of taxes</b>	<b>(1,816,952)</b>	<b>(795,123)</b>
<b>Net Deferred Gains (Losses) on Hedging Instruments, net of taxes</b>	<b>(98,361)</b>	<b>(210,654)</b>
<b>Revaluation Reserve for Land, net of taxes</b>	<b>(2,099)</b>	<b>(4,346)</b>
<b>Total Valuation and Translation Adjustments</b>	<b>(1,917,413)</b>	<b>(1,010,124)</b>
<b>Total Net Assets</b>	<b>4,211,533</b>	<b>4,943,079</b>
<b>Total Liabilities and Net Assets</b>	<b>96,416,713</b>	<b>88,053,573</b>

## (2) Non-consolidated Statement of Operations

(Millions of Yen)

	First Half of Fiscal 2023 (Six Months ended September 30, 2023)	First Half of Fiscal 2024 (Six Months ended September 30, 2024)
<b>Ordinary Income</b>	<b>1,530,102</b>	<b>1,053,174</b>
Interest Income	1,023,733	897,941
Interest on Loans and Bills Discounted	171,363	185,000
Interest and Dividends on Securities	793,752	613,634
Fees and Commissions	8,611	6,035
Trading Income	387	830
Other Operating Income	274,677	86,752
Other Ordinary Income	222,692	61,614
<b>Ordinary Expenses</b>	<b>1,353,116</b>	<b>1,933,628</b>
Interest Expenses	1,220,734	1,261,282
Interest on Deposits	146,307	137,977
Fees and Commissions	13,534	9,883
Trading Expenses	561	322
Other Operating Expenses	24,266	498,286
General and Administrative Expenses	73,381	79,075
Other Ordinary Expenses	20,638	84,779
<b>Ordinary Profits (Losses)</b>	<b>176,986</b>	<b>(880,454)</b>
<b>Extraordinary Profits</b>	<b>50,945</b>	<b>-</b>
<b>Extraordinary Losses</b>	<b>205</b>	<b>82</b>
<b>Income (Loss) before Income Taxes</b>	<b>227,726</b>	<b>(880,536)</b>
<b>Income Taxes - Current</b>	<b>61,691</b>	<b>(681)</b>
<b>Income Taxes - Refund of Income Taxes</b>	<b>-</b>	<b>(59,807)</b>
<b>Income Taxes - Deferred</b>	<b>24,791</b>	<b>91,754</b>
<b>Total Income Taxes</b>	<b>86,483</b>	<b>31,265</b>
<b>Net Income (Loss)</b>	<b>141,242</b>	<b>(911,801)</b>
<b>Unappropriated Retained Earnings Brought Forward</b>	<b>172,117</b>	<b>226,072</b>
<b>Unappropriated Retained Earnings (Undisposed Losses)</b>	<b>313,359</b>	<b>(685,729)</b>

## 2 Summary of Performance (Non-consolidated)

(100 millions of yen)

		First Half of Fiscal 2023 (A)	First Half of Fiscal 2024 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	1	2,017	(6,218)	(8,235)
Net Interest Income (Loss)	2	(436)	(2,069)	(1,633)
Net Fees and Commissions Income (Loss)	3	(49)	(38)	10
Net Trading Income (Loss)	4	(1)	5	6
Net Other Operating Income (Loss)	5	2,504	(4,115)	(6,619)
General and Administrative Expenses	6	(733)	(790)	(56)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) (※1)	7	1,283	(7,009)	(8,292)
Gains (Losses) on Bond-Related Transactions	8	2,291	(4,158)	(6,450)
Core Net Operating Profit (Loss) (※2)	9	(1,008)	(2,851)	(1,842)
Excluding Gains (Losses) from Redemption of Investment Trusts (※3)	10	(1,955)	(2,663)	(707)
Provision of General Reserve for Possible Loan Losses	11	-	-	-
Net Operating Profit (Loss) (※4)	12	1,283	(7,009)	(8,292)
Non-Recurring Gains (Losses)	13	486	(1,795)	(2,281)
Gains (Losses) on Stock-Related Transactions	14	965	62	(902)
Gains (Losses) on Money Held in Trust- Related Transactions	15	(308)	(1,683)	(1,374)
Gains on Reversal of Reserves for Possible Loan Losses, and Others	16	(66)	(87)	(21)
Other	17	(104)	(86)	17
Ordinary Profits (Losses)	18	1,769	(8,804)	(10,574)
Credit-Related Costs (※5)	19	(66)	(87)	(21)

(※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)

		First Half of Fiscal 2023 (A)	First Half of Fiscal 2024 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	20	1,708	(7,901)	(9,610)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses)	21	974	(8,692)	(9,667)
Net Operating Profit (Loss)	22	974	(8,692)	(9,667)
Core Net Operating Profit (Loss)	23	(1,316)	(4,534)	(3,217)
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	(2,301)	(3,139)	(837)

(※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”