

Financial Statements for the First Quarter of Fiscal 2010

Name : **The Norinchukin Bank**

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

Name of the President: Yoshio Kono, President & Chief Executive Officer

The Person Responsible for Inquiries : Noritsugu Satoh, General Manager of Financial Planning & Control Division

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

Non-consolidated Financial Results for the First Quarter of Fiscal 2010 (for the period ended June 30, 2010)

1 Non-consolidated Results of Operations

(Percentage represents change from the previous period)

	Ordinary Income		Ordinary Profits		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1Q Fiscal 2010	277,879	(23.7)	62,253	(21.2)	65,290	13.6
1Q Fiscal 2009	364,243	(20.7)	78,980	331.2	57,491	478.6

2 Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note 1)
	Millions of Yen	Millions of Yen	%
1Q Fiscal 2010	70,542,119	3,986,792	5.7
Fiscal 2009	68,470,391	3,931,677	5.7

(Ref) Net Assets for 1Q Fiscal 2010 3,986,792 millions of Yen for Fiscal 2009 3,931,677 millions of Yen

(Note 1) Net Assets Ratio is computed by dividing the Net Assets by the Total Assets.

(Note 2) Non-Consolidated BIS Capital Adequacy Ratio will be disclosed separately in late August of 2010.

3 Others (Please refer to page 2 “Qualitative Information and Financial Statements” 2 Other information for details.)

(1) Adoption of Simplified Accounting Methods and Specified Accounting Methods for the Preparation of Quarterly Non-consolidated Financial Statements : Yes

(Note) This item shows whether there is adoption of simplified accounting methods and specified accounting methods for the preparation of quarterly non-consolidated financial statements or not.

(2) Changes in Accounting Principles, Methods or Presentations of Quarterly Non-consolidated Financial Statements

① Changes due to revisions of Accounting Standards : No

② Changes other than ① above : No

(Note) This item shows whether there are changes in accounting principle, methods and presentations for the preparation of quarterly non-consolidated financial statements or not.

Note on the implementation status of the Quarterly Review Procedure

This report is disclosed on the non-consolidated basis only. At the time of this disclosure, the procedure of the quarterly review which is arbitrarily executed for the quarterly consolidated financial statements from this period has not been completed yet.

Qualitative Information and Financial Statements

1 Qualitative information related to the Financial Results for the First Quarter of Fiscal 2010

(1) Qualitative information related to the Non-consolidated Results of Operations

The Norinchukin Bank (“the Bank”) accumulated interest income steadily despite the financial environment were negatively affected by the European financial problems, and net interest of the Bank were ¥38.1 billion, up ¥41.1 billion from the previous period.

The total credit cost amounted to net earnings of ¥18.5 billion by the reversal of previous term provision, due mainly to the decrease of credit risk assets.

As for net profit/loss on securities, net gains on sales were decreased by ¥56.5 billion to ¥31.3 billion from the previous period, meanwhile expenses for holding securities were increased by ¥2.0 billion to ¥29.3 billion from the previous period.

As a result of the factors mentioned above, the Bank’s Ordinary Profits were ¥62.2 billion, down ¥16.7 billion from the previous period and Net Income was ¥65.2 billion, up ¥7.7 billion from the previous period. The Bank’s net operating profits were ¥28.4 billion.

(2) Qualitative information related to the Non-consolidated Financial Conditions

Total Assets of the Bank at the end of the period increased by ¥2,071.7 billion to ¥70,542.1 billion from the previous fiscal year-end. Total Net Assets at the end of the period increased by ¥55.1 billion to ¥3,986.7 billion from the previous fiscal year-end.

On the asset side, Loans and Bills Discounted at the end of the period decreased by ¥382.3 billion to ¥12,655.7 billion from the previous fiscal year-end, and Securities at the end of the period increased by ¥1,652.6 billion to 45,666.3 billion from the previous fiscal year-end. On the procurement side, Deposits at the end of the period increased by ¥175.2 billion to ¥39,284.0 billion from the previous fiscal year-end, and Debentures at the end of the period decreased by ¥12.7 billion to ¥5,598.9 billion from the previous fiscal year-end.

2 Other information

(1) Adopted Simplified Accounting Methods and Specified Accounting Methods for the Preparation of Quarterly Non-consolidated Financial Statements

(Simplified Accounting Methods)

① Depreciation

As for the Tangible Fixed Assets that are depreciated by the declining-balance method, the depreciation cost is calculated by the applicable share of estimated annual cost for the period.

② Reserve for Possible Lone Losses

Except for the claims on “Debtors in bankruptcy” and “Debtors in default”, and claims on “Doubtful debtors” for which reserve are provided in specific amounts, Reserve for Possible Loan Losses is provided based on the expected default ratio used for the previous year-end.

③ Taxes

Income taxes are calculated based on the same method as the year-end. However, immaterial adjustment items and immaterial tax-deducted items are not applied.

④ Collectability of Deferred Tax Assets

The collectability of deferred tax assets is determined based on the earnings estimates and tax planning used in the previous year-end because drastic change of temporary differences were not recognized since previous year-end.

(Specified Accounting Methods for the Preparation of Quarterly Non-consolidated Financial Statements)

None

(2) Changes in Accounting Principles, Methods or Presentations of Quarterly Non-consolidated Financial Statements

None

3 Quarterly Non-Consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Millions of Yen)

	As of June 30, 2010	As of March 31, 2010 (Condensed)
(Assets)		
Loans and Bills Discounted	12,655,736	13,038,081
Foreign Exchange Assets	57,509	12,925
Securities	45,666,367	44,013,720
Money Held in Trust	6,674,962	6,555,624
Trading Assets	17,049	13,054
Monetary Claims Bought	445,394	490,182
Call Loans	1,020,128	1,336,137
Receivables under Securities Borrowing Transactions	1,568,924	-
Cash and Due from Banks	1,125,135	2,180,393
Other Assets	852,705	381,057
Tangible Fixed Assets	139,439	141,131
Intangible Fixed Assets	53,052	53,191
Deferred Tax Assets	206,767	202,355
Customers' Liabilities for Acceptances and Guarantees	340,808	354,512
Reserve for Possible Loan Losses	(275,663)	(295,778)
Reserve for Possible Investment Losses	(6,199)	(6,199)
Total Assets	70,542,119	68,470,391
(Liabilities)		
Deposits	39,284,019	39,108,744
Negotiable Certificates of Deposit	603,529	702,799
Debentures	5,598,980	5,611,743
Trading Liabilities	14,528	12,576
Borrowed Money	1,897,772	2,284,402
Call Money	768,569	948,151
Payables under Repurchase Agreements	8,696,148	9,667,031
Payables under Securities Lending Transactions	78,158	98,543
Foreign Exchange Liabilities	0	1
Short-term Entrusted Funds	6,358,902	4,277,171
Other Liabilities	2,892,055	1,449,309
Reserve for Bonus Payments	1,789	3,621
Reserve for Retirement Benefits	1,008	899
Reserve for Directors' Retirement Benefits	620	764
Deferred Tax Liabilities for Land Revaluation	18,434	18,439
Acceptances and Guarantees	340,808	354,512
Total Liabilities	66,555,327	64,538,714
(Net Assets)		
Paid-in Capital	3,425,909	3,425,909
Capital Surplus	25,020	25,020
Retained Earnings	883,801	818,500
Total Owners' Equity	4,334,731	4,269,430
Net Unrealized Losses on Other Securities, net of taxes	(414,747)	(406,661)
Net Deferred Gains on Hedging Instruments, net of taxes	34,850	36,940
Revaluation Reserve for Land, net of taxes	31,957	31,968
Total Valuation and Translation Adjustments	(347,939)	(337,752)
Total Net Assets	3,986,792	3,931,677
Total Liabilities and Net Assets	70,542,119	68,470,391

(2) Non-consolidated Statements of Operations

(Millions of Yen)

	For the three months ended June 30, 2009	For the three months ended June 30, 2010
Ordinary Income	364,243	277,879
Interest Income	169,030	164,341
Interest on Loans and Bills Discounted	26,522	22,289
Interest and Dividends on Securities	134,752	131,670
Fees and Commissions	3,144	4,269
Trading Income	91	120
Other Operating Income	112,135	41,664
Other Ordinary Income	79,842	67,485
Ordinary Expenses	285,262	215,626
Interest Expenses	189,280	138,685
Interest on Deposits	42,243	15,933
Fees and Commissions	3,399	2,782
Trading Expenses	507	7
Other Operating Expenses	43,060	26,552
General and Administrative Expenses	30,726	26,434
Other Ordinary Expenses	18,288	21,163
Ordinary Profits	78,980	62,253
Extraordinary Profits	444	19,141
Extraordinary Losses	837	178
Income before Income Taxes	78,587	81,217
Income Taxes - Current	21	16,329
Income Taxes - Deferred	21,073	(402)
Total Income Taxes	21,095	15,926
Net Income	57,491	65,290