

Financial Statements for the First Quarter 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 Quarter of Fiscal 2024 (for the three months ended June 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	%
1Q Fiscal 2024	622,217	(17.3)	(379,082)	—	(412,722)	—
1Q Fiscal 2023	752,318	(3.3)	98,288	1,014.7	63,898	97.0

(Note) Comprehensive Income for 1Q Fiscal 2024 (454,103) millions of Yen (—%) for 1Q Fiscal 2023 (137,433) millions of Yen (—%)

(2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1Q Fiscal 2024	96,770,891	3,985,339	4.1
Fiscal 2023	99,804,876	4,440,308	4.4

(Ref) Net Assets — Non-controlling Interests for 1Q Fiscal 2024 3,974,788 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

(Note) The details are reported in “4 Significant Changes in the Scope of Consolidation during the Period” (page 5).

(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 First Quarter of Fiscal 2024

(for the three months ended June 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	%
1Q Fiscal 2024	616,263	(18.0)	(379,629)	—	(412,246)	—
1Q Fiscal 2023	751,402	(3.8)	105,773	627.7	74,466	84.0

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
1Q Fiscal 2024	93,244,053	3,687,451	4.0
Fiscal 2023	96,416,713	4,211,533	4.4

(Ref) Net Assets for 1Q Fiscal 2024 3,687,451 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).

※ Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm : Yes (voluntary)

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Attached Documents
1 Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2023 (As of March 31, 2024)	First Quarter of Fiscal 2024 (As of June 30, 2024)
(Assets)		
Loans and Bills Discounted	17,599,257	18,394,232
Foreign Exchange Assets	281,371	253,594
Securities	43,800,270	42,813,123
Money Held in Trust	10,649,769	10,034,501
Trading Assets	4,484	15,631
Monetary Claims Bought	265,376	282,541
Receivables under Resale Agreements	312	296
Cash and Due from Banks	21,255,954	18,195,657
Other Assets	2,583,989	3,315,146
Tangible Fixed Assets	129,549	128,075
Intangible Fixed Assets	54,228	54,865
Net Defined Benefit Asset	41,456	42,324
Deferred Tax Assets	3,731	3,015
Deferred Tax Assets for Land Revaluation	1,600	-
Customers' Liabilities for Acceptances and Guarantees	3,258,947	3,361,593
Reserve for Possible Loan Losses	(125,424)	(123,707)
Total Assets	99,804,876	96,770,891
(Liabilities)		
Deposits	62,858,656	60,233,845
Negotiable Certificates of Deposit	2,382,251	2,179,289
Debentures	379,548	403,857
Trading Liabilities	3,429	4,970
Borrowed Money	4,193,358	4,105,829
Call Money and Bills Sold	2,428,813	501,200
Payables under Repurchase Agreements	13,215,460	12,054,119
Foreign Exchange Liabilities	-	27
Short-term Entrusted Funds	1,548,844	3,872,620
Other Liabilities	5,077,622	5,973,064
Reserve for Bonus Payments	7,630	4,235
Net Defined Benefit Liability	2,407	2,476
Reserve for Directors' Retirement Benefits	1,268	1,176
Deferred Tax Liabilities	6,328	86,595
Deferred Tax Liabilities for Land Revaluation	-	646
Acceptances and Guarantees	3,258,947	3,361,593
Total Liabilities	95,364,567	92,785,551
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	23,399	23,399
Retained Earnings	2,154,228	1,741,505
Total Owners' Equity	6,217,826	5,805,103
Net Unrealized Gains (Losses) on Other Securities	(1,813,317)	(1,845,185)
Net Deferred Gains (Losses) on Hedging Instruments	(6,504)	(15,201)
Revaluation Reserve for Land	(2,099)	(4,346)
Foreign Currency Transaction Adjustments	1,767	4,495
Remeasurements of Defined Benefit Plans	31,519	29,922
Total Accumulated Other Comprehensive Income	(1,788,633)	(1,830,315)
Non-controlling Interests	11,115	10,551
Total Net Assets	4,440,308	3,985,339
Total Liabilities and Net Assets	99,804,876	96,770,891

(2) Consolidated Statements of Operations and Comprehensive Income

Consolidated Statement of Operations

(Millions of Yen)

	First Quarter of Fiscal 2023 (Three Months ended June 30, 2023)	First Quarter of Fiscal 2024 (Three Months ended June 30, 2024)
Ordinary Income	752,318	622,217
Interest Income	508,584	518,067
Interest on Loans and Bills Discounted	93,116	113,002
Interest and Dividends on Securities	388,696	368,604
Fees and Commissions	8,970	8,620
Trading Income	302	68
Other Operating Income	120,795	54,961
Other Ordinary Income	113,666	40,499
Ordinary Expenses	654,029	1,001,300
Interest Expenses	571,468	695,258
Interest on Deposits	69,095	74,491
Fees and Commissions	4,477	4,647
Trading Expenses	213	371
Other Operating Expenses	16,173	224,379
General and Administrative Expenses	43,874	47,828
Other Ordinary Expenses	17,822	28,814
Ordinary Profits (Losses)	98,288	(379,082)
Extraordinary Profits	2	1,855
Extraordinary Losses	57	547
Income (Loss) before Income Taxes	98,233	(377,774)
Income Taxes - Current	31,424	(103)
Income Taxes - Refund of Income Taxes	-	(59,807)
Income Taxes - Deferred	2,641	94,559
Total Income Taxes	34,066	34,649
Profit (Loss)	64,167	(412,423)
Profit Attributable to Non-controlling Interests	268	298
Profit (Loss) Attributable to Owners of Parent	63,898	(412,722)

Consolidated Statement of Comprehensive Income

(Millions of Yen)

	First Quarter of Fiscal 2023 (Three Months ended June 30, 2023)	First Quarter of Fiscal 2024 (Three Months ended June 30, 2024)
Profit (Loss)	64,167	(412,423)
Other Comprehensive Income	(201,600)	(41,679)
Net Unrealized Gains (Losses) on Other Securities	(201,858)	(31,950)
Net Deferred Gains (Losses) on Hedging Instruments	1,167	(8,866)
Revaluation Reserve for Land	-	(2,247)
Foreign Currency Transaction Adjustments	323	2,728
Remeasurements of Defined Benefit Plans	(2,368)	(1,596)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	1,135	252
Total Comprehensive Income	(137,433)	(454,103)
Attributable to:		
Owners of Parent	(137,713)	(454,404)
Non-controlling Interests	279	300

(3) Notes to Quarterly Consolidated Financial Statements

1 The Framework for Financial Reporting applied to Quarterly Consolidated Financial Statements

The quarterly consolidated financial statements, that is, the quarterly consolidated balance sheet, the quarterly consolidated statement of operations, the quarterly consolidated statement of comprehensive income, and these notes, have been prepared in accordance with Article 4, Paragraph 1 of the Accounting Standards for the Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc., as well as the accounting standards for quarterly financial statements generally recognized as fair and reasonable in our country (however, the omission of disclosures as prescribed in Article 4, Paragraph 2 of the Accounting Standards for the Preparation of Quarterly Financial Statements, etc. applies).

2 Notes on Going-Concern Assumption

Not applicable.

3 Notes on Significant Changes in Shareholders' Equity

Not applicable.

4 Significant Changes in the Scope of Consolidation during the Period : Yes

- (1) The Cooperative Servicing Co., Ltd. was newly included in the scope of consolidated subsidiaries during for the first quarter of fiscal 2024 due to acquisition of shares.
- (2) The Cooperative Servicing Co., Ltd. was excluded from the scope of application of the equity method during the first quarter of fiscal 2024 since it was newly included in the scope of consolidated subsidiaries.

5 Adoption of Specified Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements : None

6 Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements : None

7 Consolidated Statement of Cash Flows

The Bank has not prepared a consolidated statement of cash flows during the Period. Depreciation (including amortization related to intangible fixed assets except for goodwill) during the Period is ¥ 5,721 million.

8 Segment Information

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

Reference Documents

1 Quarterly Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2023 (As of March 31, 2024)	First Quarter of Fiscal 2024 (As of June 30, 2024)
(Assets)		
Loans and Bills Discounted	16,990,779	17,760,498
Foreign Exchange Assets	281,371	253,594
Securities	44,123,149	43,126,864
Money Held in Trust	10,647,983	10,032,912
Trading Assets	4,484	15,631
Monetary Claims Bought	265,376	282,541
Cash and Due from Banks	21,194,993	18,127,345
Other Assets	2,572,059	3,303,327
Tangible Fixed Assets	127,367	125,895
Intangible Fixed Assets	49,206	49,941
Prepaid Pension Cost	10,608	11,953
Deferred Tax Assets	41,387	-
Deferred Tax Assets for Land Revaluation	1,600	-
Customers' Liabilities for Acceptances and Guarantees	221,710	266,239
Reserve for Possible Loan Losses	(115,364)	(112,691)
Total Assets	96,416,713	93,244,053
(Liabilities)		
Deposits	62,851,942	60,214,035
Negotiable Certificates of Deposit	2,382,251	2,179,289
Debentures	379,548	403,857
Trading Liabilities	3,429	4,970
Borrowed Money	4,136,887	4,049,465
Call Money	2,428,800	501,200
Payables under Repurchase Agreements	13,211,510	12,049,953
Foreign Exchange Liabilities	-	27
Short-term Entrusted Funds	1,548,844	3,872,620
Other Liabilities	5,021,285	5,924,602
Reserve for Bonus Payments	5,537	2,904
Reserve for Retirement Benefits	12,471	10,738
Reserve for Directors' Retirement Benefits	960	862
Deferred Tax Liabilities	-	75,188
Deferred Tax Liabilities for Land Revaluation	-	646
Acceptances and Guarantees	221,710	266,239
Total Liabilities	92,205,180	89,556,601
(Net Assets)		
Paid-in Capital	4,040,198	4,040,198
Capital Surplus	25,020	25,020
Retained Earnings	2,063,727	1,651,481
Total Owners' Equity	6,128,947	5,716,700
Net Unrealized Gains (Losses) on Other Securities, net of taxes	(1,816,952)	(1,848,882)
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	(98,361)	(176,020)
Revaluation Reserve for Land, net of taxes	(2,099)	(4,346)
Total Valuation and Translation Adjustments	(1,917,413)	(2,029,248)
Total Net Assets	4,211,533	3,687,451
Total Liabilities and Net Assets	96,416,713	93,244,053

(2) Non-consolidated Statement of Operations

(Millions of Yen)

	First Quarter of Fiscal 2023 (Three Months ended June 30, 2023)	First Quarter of Fiscal 2024 (Three Months ended June 30, 2024)
Ordinary Income	751,402	616,263
Interest Income	518,083	523,247
Interest on Loans and Bills Discounted	81,193	98,217
Interest and Dividends on Securities	410,893	389,498
Fees and Commissions	4,520	3,251
Trading Income	302	68
Other Operating Income	120,055	54,107
Other Ordinary Income	108,441	35,587
Ordinary Expenses	645,629	995,892
Interest Expenses	571,407	694,791
Interest on Deposits	69,070	74,144
Fees and Commissions	6,340	5,721
Trading Expenses	213	371
Other Operating Expenses	11,803	224,134
General and Administrative Expenses	38,862	42,453
Other Ordinary Expenses	17,002	28,420
Ordinary Profits (Losses)	105,773	(379,629)
Extraordinary Profits	2	-
Extraordinary Losses	54	32
Income (Loss) before Income Taxes	105,721	(379,661)
Income Taxes - Current	29,718	(2,035)
Income Taxes - Refund of Income Taxes	-	(59,807)
Income Taxes - Deferred	1,536	94,427
Total Income Taxes	31,254	32,585
Net Income (Loss)	74,466	(412,246)

2 Summary of Performance (Non-consolidated)

(100 millions of yen)

		First Quarter of Fiscal 2023 (A)	Fisrt Quarter of Fiscal 2024 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	1	1,238	(2,510)	(3,749)
Net Interest Income (Loss)	2	173	(782)	(956)
Net Fees and Commissions Income (Loss)	3	(18)	(24)	(6)
Net Trading Income (Loss)	4	0	(3)	(3)
Net Other Operating Income (Loss)	5	1,082	(1,700)	(2,782)
General and Administrative Expenses	6	(388)	(424)	(35)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) (※1)	7	850	(2,934)	(3,785)
Gains (Losses) on Bond-Related Transactions	8	968	(1,813)	(2,782)
Core Net Operating Profit (Loss) (※2)	9	(118)	(1,121)	(1,003)
Excluding Gains (Losses) from Redemption of Investment Trusts (※3)	10	(715)	(1,322)	(606)
Provision of General Reserve for Possible Loan Losses	11	-	(38)	(38)
Net Operating Profit (Loss) (※4)	12	850	(2,973)	(3,823)
Non-Recurring Gains (Losses)	13	207	(823)	(1,030)
Gains (Losses) on Stock-Related Transactions	14	453	0	(452)
Gains (Losses) on Money Held in Trust- Related Transactions	15	(90)	(768)	(677)
Gains on Reversal of Reserves for Possible Loan Losses, and Others	16	(65)	18	83
Other	17	(89)	(73)	15
Ordinary Profits (Losses)	18	1,057	(3,796)	(4,854)
Credit-Related Costs (※5)	19	(65)	(20)	45

(※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 Quarter of Fiscal 2023 (A)	First Quarter of Fiscal 2024 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	20	1,147	(3,278)	(4,426)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses)	21	759	(3,703)	(4,462)
Net Operating Profit (Loss)	22	759	(3,741)	(4,500)
Core Net Operating Profit (Loss)	23	(209)	(1,889)	(1,680)
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	(836)	(1,563)	(727)

(※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”