

Financial Statements for the Third 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 Third Quarter of Fiscal 2024 (for the nine months ended December 31, 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	%
3Q Fiscal 2024	1,561,076	(30.4)	(1,379,813)	—	(1,414,516)	—
3Q Fiscal 2023	2,242,960	27.5	153,267	(8.6)	97,078	(39.1)

(Note) Comprehensive Income for 3Q Fiscal 2024 (563,736) millions of Yen (—%) for 3Q Fiscal 2023 (242,476) millions of Yen (—%)

(2) Consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
3Q Fiscal 2024	88,161,803	4,611,777	5.2
Fiscal 2023	99,804,876	4,440,308	4.4

(Ref) Net Assets — Non-controlling Interests for 3Q Fiscal 2024 4,600,576 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) 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 2024
(for the nine months ended December 31, 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	%
3Q Fiscal 2024	1,527,412	(31.0)	(1,395,104)	—	(1,423,517)	—
3Q Fiscal 2023	2,213,004	27.6	136,915	(11.2)	89,103	(41.7)

(2) Non-consolidated Financial Conditions

	Total Assets	Total Net Assets	Net Assets Ratio (Note)
	Millions of Yen	Millions of Yen	%
3Q Fiscal 2024	84,455,018	4,344,219	5.1
Fiscal 2023	96,416,713	4,211,533	4.4

(Ref) Net Assets for 3Q Fiscal 2024 4,344,219 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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1 Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of Yen)

	Fiscal 2023 (As of March 31, 2024)	Third Quarter of Fiscal 2024 (As of December 31, 2024)
(Assets)		
Loans and Bills Discounted	17,599,257	18,148,237
Foreign Exchange Assets	281,371	294,106
Securities	43,800,270	35,605,024
Money Held in Trust	10,649,769	8,626,529
Trading Assets	4,484	11,029
Monetary Claims Bought	265,376	232,626
Receivables under Resale Agreements	312	26
Cash and Due from Banks	21,255,954	18,932,494
Other Assets	2,583,989	2,689,818
Tangible Fixed Assets	129,549	126,026
Intangible Fixed Assets	54,228	70,515
Net Defined Benefit Asset	41,456	43,380
Deferred Tax Assets	3,731	2,855
Deferred Tax Assets for Land Revaluation	1,600	-
Customers' Liabilities for Acceptances and Guarantees	3,258,947	3,506,054
Reserve for Possible Loan Losses	(125,424)	(126,922)
Total Assets	99,804,876	88,161,803
(Liabilities)		
Deposits	62,858,656	57,933,939
Negotiable Certificates of Deposit	2,382,251	1,718,101
Debentures	379,548	475,662
Trading Liabilities	3,429	5,462
Borrowed Money	4,193,358	3,986,530
Call Money and Bills Sold	2,428,813	561,200
Payables under Repurchase Agreements	13,215,460	6,205,611
Foreign Exchange Liabilities	-	32
Short-term Entrusted Funds	1,548,844	3,641,345
Other Liabilities	5,077,622	5,425,033
Reserve for Bonus Payments	7,630	4,088
Net Defined Benefit Liability	2,407	2,517
Reserve for Directors' Retirement Benefits	1,268	1,313
Deferred Tax Liabilities	6,328	82,608
Deferred Tax Liabilities for Land Revaluation	-	525
Acceptances and Guarantees	3,258,947	3,506,054
Total Liabilities	95,364,567	83,550,026
(Net Assets)		
Paid-in Capital	4,040,198	4,776,257
Capital Surplus	23,399	23,399
Retained Earnings	2,154,228	740,027
Total Owners' Equity	6,217,826	5,539,683
Net Unrealized Gains (Losses) on Other Securities	(1,813,317)	(881,345)
Net Deferred Gains (Losses) on Hedging Instruments	(6,504)	(83,856)
Revaluation Reserve for Land	(2,099)	(4,661)
Foreign Currency Transaction Adjustments	1,767	4,067
Remeasurements of Defined Benefit Plans	31,519	26,688
Total Accumulated Other Comprehensive Income	(1,788,633)	(939,107)
Non-controlling Interests	11,115	11,200
Total Net Assets	4,440,308	4,611,777
Total Liabilities and Net Assets	99,804,876	88,161,803

(2) Consolidated Statements of Operations and Comprehensive Income

Consolidated Statement of Operations

(Millions of Yen)

	Third Quarter of Fiscal 2023 (Nine Months ended December 31, 2023)	Third Quarter of Fiscal 2024 (Nine Months ended December 31, 2024)
Ordinary Income	2,242,960	1,561,076
Interest Income	1,507,967	1,271,917
Interest on Loans and Bills Discounted	297,912	327,882
Interest and Dividends on Securities	1,131,419	786,346
Fees and Commissions	25,493	22,514
Trading Income	408	—
Other Operating Income	352,119	123,085
Other Ordinary Income	356,969	143,558
Ordinary Expenses	2,089,692	2,940,889
Interest Expenses	1,875,767	1,806,146
Interest on Deposits	219,044	204,839
Fees and Commissions	14,542	12,490
Trading Expenses	587	1,669
Other Operating Expenses	47,026	875,157
General and Administrative Expenses	125,258	136,861
Other Ordinary Expenses	26,508	108,564
Ordinary Profits (Losses)	153,267	(1,379,813)
Extraordinary Profits	51,471	5,623
Extraordinary Losses	347	860
Income (Loss) before Income Taxes	204,391	(1,375,049)
Income Taxes - Current	76,358	5,715
Income Taxes - Refund of Income Taxes	—	(59,807)
Income Taxes - Deferred	30,025	92,613
Total Income Taxes	106,384	38,521
Profit (Loss)	98,007	(1,413,571)
Profit Attributable to Non-controlling Interests	928	945
Profit (Loss) Attributable to Owners of Parent	97,078	(1,414,516)

Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Third Quarter of Fiscal 2023 (Nine Months ended December 31, 2023)	Third Quarter of Fiscal 2024 (Nine Months ended December 31, 2024)
Profit (Loss)	98,007	(1,413,571)
Other Comprehensive Income	(340,483)	849,834
Net Unrealized Gains (Losses) on Other Securities	(270,510)	933,330
Net Deferred Gains (Losses) on Hedging Instruments	(42,330)	(77,661)
Revaluation Reserve for Land	–	(2,247)
Foreign Currency Transaction Adjustments	315	2,300
Remeasurements of Defined Benefit Plans	(28,758)	(4,825)
Share of Other Comprehensive Income of Affiliates accounted for by the equity method	799	(1,062)
Total Comprehensive Income	(242,476)	(563,736)
Attributable to:		
Owners of Parent	(243,414)	(564,674)
Non-controlling Interests	937	938

(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

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 December 31, 2024.

4 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) for the nine months ended December 31, 2023 and 2024 is as follows.

	(Millions of yen)	
	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Depreciation	17,638	17,748

5 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)	Third Quarter of Fiscal 2024 (As of December 31, 2024)
(Assets)		
Loans and Bills Discounted	16,990,779	17,520,180
Foreign Exchange Assets	281,371	294,106
Securities	44,123,149	35,922,993
Money Held in Trust	10,647,983	8,624,199
Trading Assets	4,484	11,029
Monetary Claims Bought	265,376	232,626
Cash and Due from Banks	21,194,993	18,859,845
Other Assets	2,572,059	2,670,632
Tangible Fixed Assets	127,367	124,006
Intangible Fixed Assets	49,206	65,790
Prepaid Pension Cost	10,608	14,642
Deferred Tax Assets	41,387	-
Deferred Tax Assets for Land Revaluation	1,600	-
Customers' Liabilities for Acceptances and Guarantees	221,710	231,370
Reserve for Possible Loan Losses	(115,364)	(116,406)
Total Assets	96,416,713	84,455,018
(Liabilities)		
Deposits	62,851,942	57,918,745
Negotiable Certificates of Deposit	2,382,251	1,718,101
Debentures	379,548	475,662
Trading Liabilities	3,429	5,462
Borrowed Money	4,136,887	3,929,927
Call Money	2,428,800	561,200
Payables under Repurchase Agreements	13,211,510	6,175,064
Foreign Exchange Liabilities	-	32
Short-term Entrusted Funds	1,548,844	3,641,345
Other Liabilities	5,021,285	5,369,269
Reserve for Bonus Payments	5,537	2,774
Reserve for Retirement Benefits	12,471	7,902
Reserve for Directors' Retirement Benefits	960	975
Deferred Tax Liabilities	-	72,440
Deferred Tax Liabilities for Land Revaluation	-	525
Acceptances and Guarantees	221,710	231,370
Total Liabilities	92,205,180	80,110,799
(Net Assets)		
Paid-in Capital	4,040,198	4,776,257
Capital Surplus	25,020	25,020
Retained Earnings	2,063,727	640,525
Total Owners' Equity	6,128,947	5,441,803
Net Unrealized Gains (Losses) on Other Securities, net of taxes	(1,816,952)	(883,553)
Net Deferred Gains (Losses) on Hedging Instruments, net of taxes	(98,361)	(209,367)
Revaluation Reserve for Land, net of taxes	(2,099)	(4,661)
Total Valuation and Translation Adjustments	(1,917,413)	(1,097,583)
Total Net Assets	4,211,533	4,344,219
Total Liabilities and Net Assets	96,416,713	84,455,018

(2) Non-consolidated Statement of Operations

(Millions of Yen)

	Third Quarter of Fiscal 2023 (Nine Months ended December 31, 2023)	Third Quarter of Fiscal 2024 (Nine Months ended December 31, 2024)
Ordinary Income	2,213,004	1,527,412
Interest Income	1,507,979	1,265,122
Interest on Loans and Bills Discounted	257,150	285,413
Interest and Dividends on Securities	1,174,643	824,212
Fees and Commissions	11,537	9,512
Trading Income	408	-
Other Operating Income	343,756	120,157
Other Ordinary Income	349,322	132,619
Ordinary Expenses	2,076,088	2,922,517
Interest Expenses	1,875,225	1,804,605
Interest on Deposits	218,601	203,812
Fees and Commissions	19,363	14,228
Trading Expenses	587	1,669
Other Operating Expenses	46,359	874,280
General and Administrative Expenses	109,405	119,821
Other Ordinary Expenses	25,146	107,912
Ordinary Profits (Losses)	136,915	(1,395,104)
Extraordinary Profits	51,471	3,767
Extraordinary Losses	344	152
Income (Loss) before Income Taxes	188,042	(1,391,489)
Income Taxes - Current	70,295	(483)
Income Taxes - Refund of Income Taxes	-	(59,807)
Income Taxes - Deferred	28,643	92,318
Total Income Taxes	98,938	32,028
Net Income (Loss)	89,103	(1,423,517)

2 Summary of Performance (Non-consolidated)

(100 millions of yen)

		Third Quarter of Fiscal 2023 (A)	Third Quarter of Fiscal 2024 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	1	1,656	(10,838)	(12,494)
Net Interest Income (Loss)	2	(1,237)	(3,233)	(1,995)
Net Fees and Commissions Income (Loss)	3	(78)	(47)	31
Net Trading Income (Loss)	4	(1)	(16)	(14)
Net Other Operating Income (Loss)	5	2,973	(7,541)	(10,515)
General and Administrative Expenses	6	(1,094)	(1,198)	(104)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses) (※1)	7	562	(12,036)	(12,599)
Gains (Losses) on Bond-Related Transactions	8	2,649	(7,721)	(10,370)
Core Net Operating Profit (Loss) (※2)	9	(2,087)	(4,315)	(2,228)
Excluding Gains (Losses) from Redemption of Investment Trusts (※3)	10	(3,400)	(3,233)	167
Provision of General Reserve for Possible Loan Losses	11	-	(6)	(6)
Net Operating Profit (Loss) (※4)	12	562	(12,043)	(12,605)
Non-Recurring Gains (Losses)	13	806	(1,907)	(2,714)
Gains (Losses) on Stock-Related Transactions	14	1,570	459	(1,111)
Gains (Losses) on Money Held in Trust- Related Transactions	15	(601)	(2,100)	(1,499)
Gains on Reversal of Reserves for Possible Loan Losses, and Others	16	(46)	(124)	(77)
Other	17	(115)	(141)	(25)
Ordinary Profits (Losses)	18	1,369	(13,951)	(15,320)
Credit-Related Costs (※5)	19	(46)	(130)	(84)

(※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 2023 (A)	Third Quarter of Fiscal 2024 (B)	Difference (B)-(A)
Gross Operating Profit (Loss)	20	1,054	(12,939)	(13,994)
Operating Profit (Loss) (before Provision of General Reserve for Possible Loan Losses)	21	(39)	(14,137)	(14,098)
Net Operating Profit (Loss)	22	(39)	(14,144)	(14,105)
Core Net Operating Profit (Loss)	23	(2,688)	(6,416)	(3,727)
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	(4,075)	(3,780)	295

(※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”