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Financial Summary for the 3rd Quarter of Fiscal Year 2023



NORINCHUKIN

February 7, 2024

Income Statement Summary

[Consolidated]

(in JPY bn)

	FY2022 Apr-Dec	FY2023 Apr-Dec	Change
1 Ordinary Income	1,759.6	2,242.9	483.2
2 Interest Income	966.2	1,507.9	541.7
3 <Interest and Dividends on Securities>	768.7	1,131.4	362.6
4 <Interest on Loans and Bills Discounted>	151.8	297.9	146.0
5 Ordinary Expenses	1,591.9	2,089.6	497.6
6 Interest Expenses	889.5	1,875.7	986.2
7 <Expenses on Funding from Members>	196.2	193.0	(3.2)
8 General and Administrative Expenses	117.0	125.2	8.2
9 Ordinary Profits	167.6	153.2	(14.4)
10 Income before Income Taxes	190.8	204.3	13.5
11 Profit Attributable to Owners of Parent	159.3	97.0	(62.2)

[Non-consolidated]

(in JPY bn)

	FY2022 Apr-Dec	FY2023 Apr-Dec	Change
12 Ordinary Profits	154.0	136.9	(17.1)
13 Net Income	152.8	89.1	(63.7)

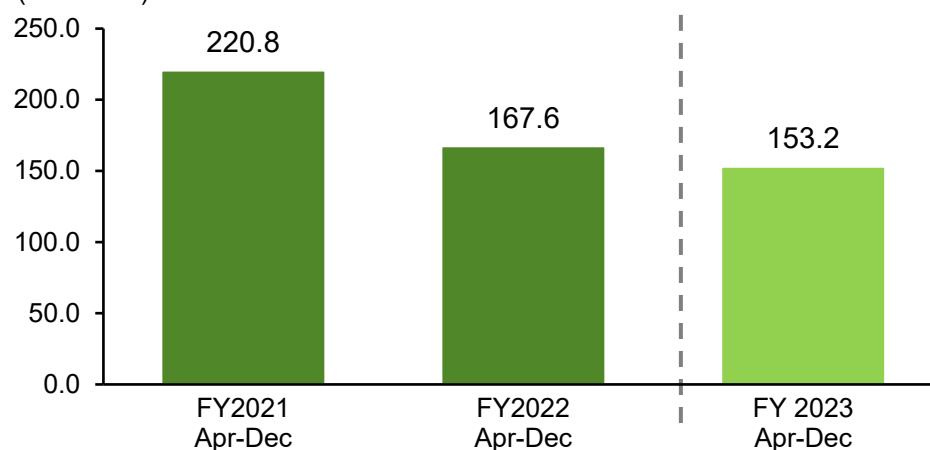
[Reference (Non-consolidated)]

14 Net Gains/Losses on Sales of Securities	45.8	429.8	384.0
15 Net Gains (Losses) from Redemption of Investment Trusts and from Sales of Assets included in Money Held in Trust	(28.9)	138.7	167.7
16 Credit Costs ^(Note)	5.8	4.6	(1.2)
17 Write-off of Securities ^(Note)	0.0	2.4	2.4

(Note) Negative numbers for credit-related expenses indicate reversals

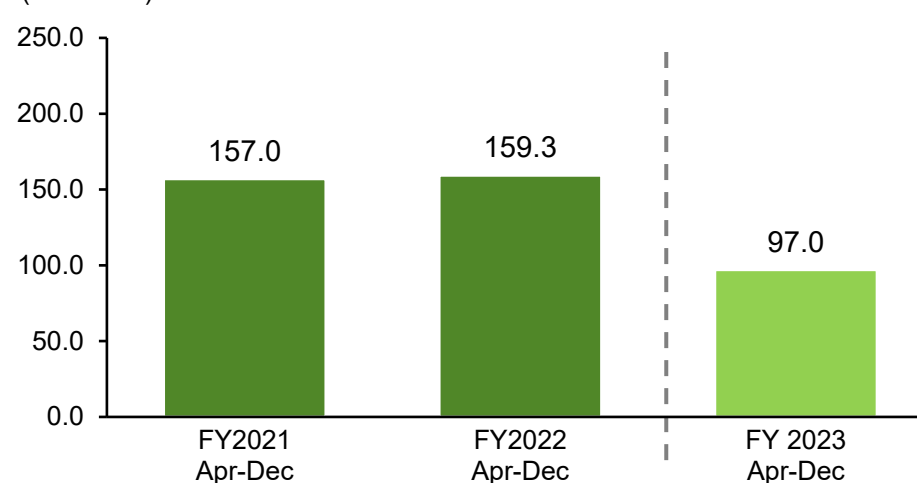
Ordinary Profits over Time (Consolidated)

(in JPY bn)



Profit Attributable to Owners of Parent over Time

(in JPY bn)



Balance Sheet Summary

[Consolidated]

(in JPY bn)

		Mar 2023	Sep 2023	Change
1	Loans and Bills Discounted	17,414.1	17,753.0	338.9
2	Securities	39,725.7	43,725.1	3,999.4
3	Money Held in Trust	8,419.3	10,309.6	1,890.2
4	Cash and Due from Banks	22,430.6	20,720.1	(1,710.5)
5	Others	6,515.0	6,451.6	(63.4)
6	Total Assets	94,504.9	98,959.5	4,454.6
7	Deposits ^(Note)	64,606.8	66,094.6	1,487.7
8	Debentures	454.0	385.5	(68.5)
9	Payables under Repurchase Agreements	10,613.4	12,707.6	2,094.1
10	Others	13,157.0	14,405.4	1,248.3
11	Total Liabilities	88,831.4	93,593.2	4,761.8
12	Total Net Assets	5,673.5	5,366.3	(307.1)

(Note) Deposits include deposits and entrusted funds (the majority are short-term funds received from members) for accounting purpose.

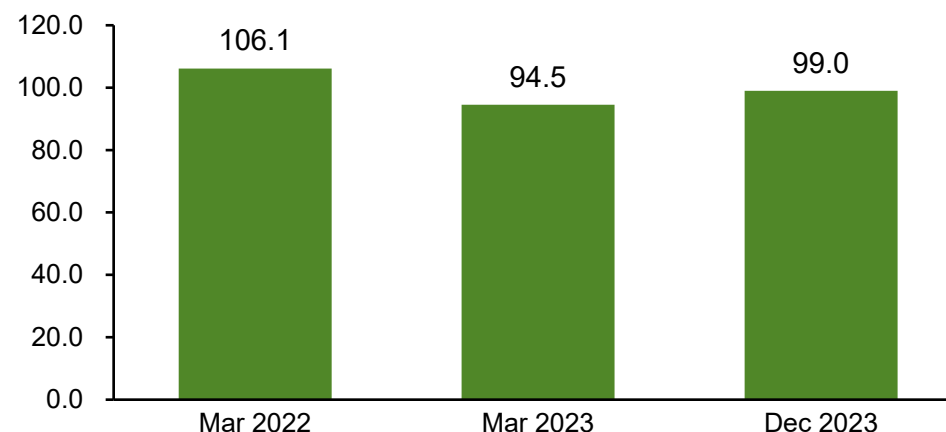
[Non-consolidated]

(in JPY bn)

		Mar 2023	Sep 2023	Change
13	Total Assets	91,425.4	95,613.7	4,188.2
14	Total Liabilities	85,955.3	90,481.7	4,526.3
15	Total Net Assets	5,470.0	5,131.9	(338.1)
16	Gains/Losses on Revaluation of Securities	(946.2)	(1,320.7)	(374.5)

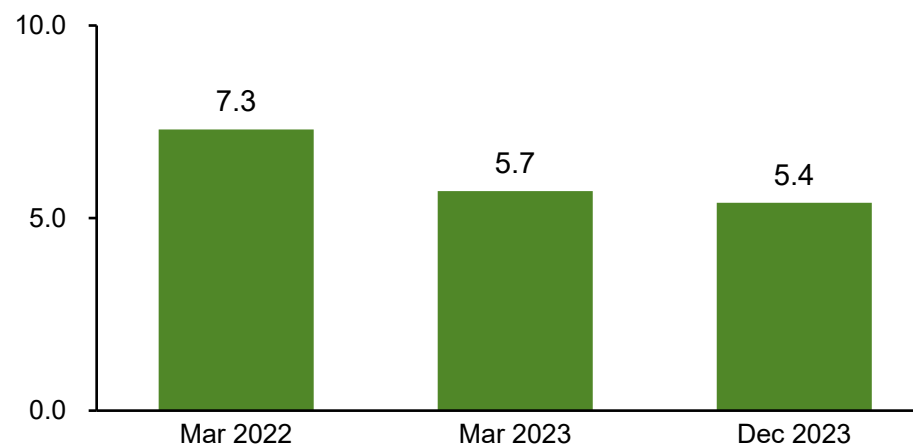
Total Assets over Time (Consolidated)

(in JPY trn)



Net Assets over Time (Consolidated)

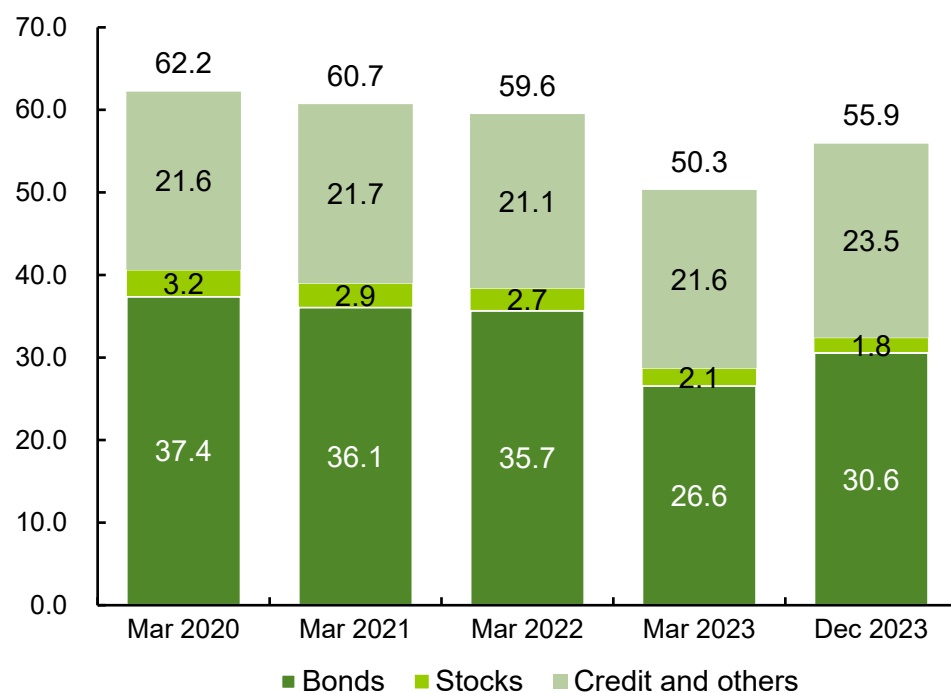
(in JPY trn)



Market Investment Portfolio (Non-consolidated)

Market Investment Portfolio over Time

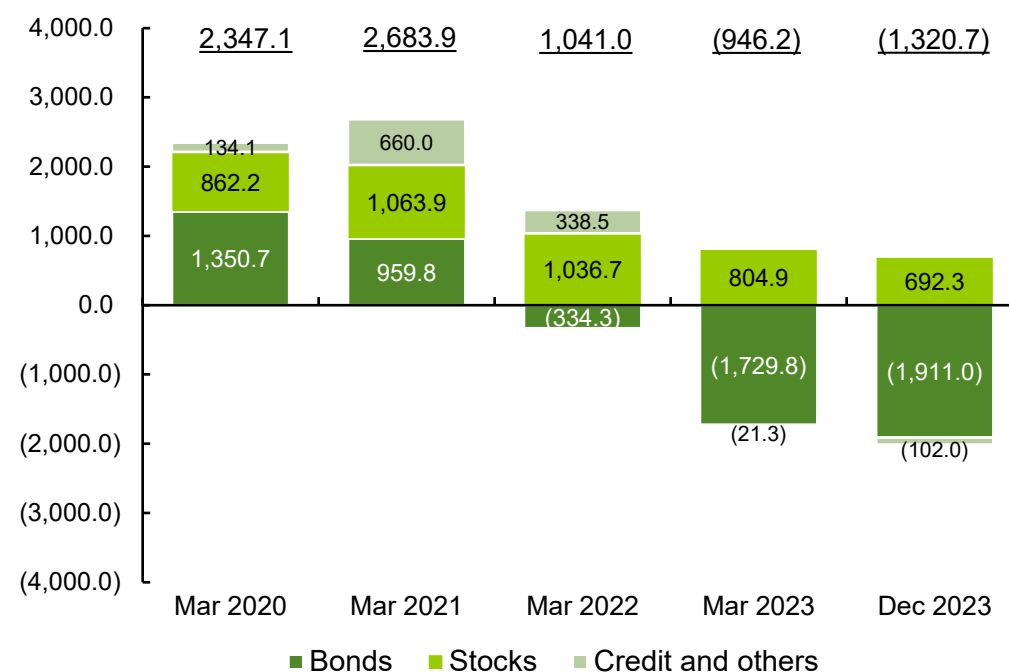
(in JPY trn)



Net Unrealized Gains and Losses over Time

(in JPY bn)

※ Underlined numbers indicate total unrealized gains and losses

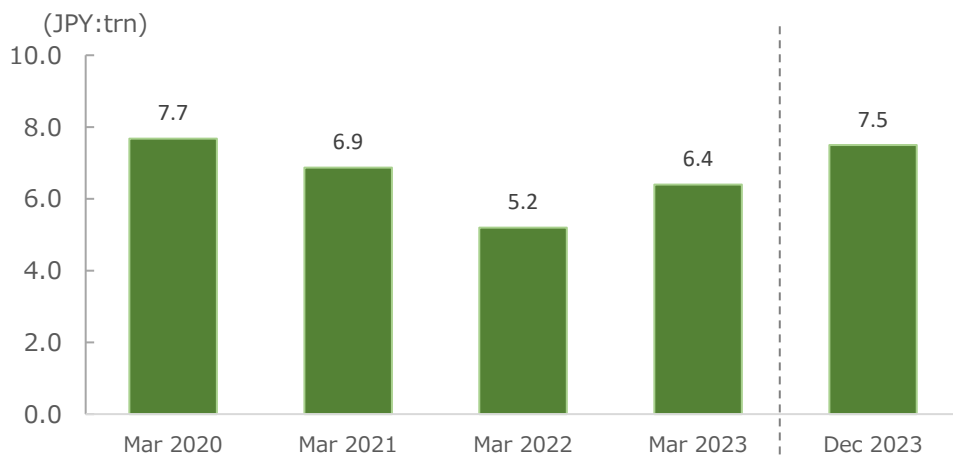


Appendix

The Bank's Investment in CLOs

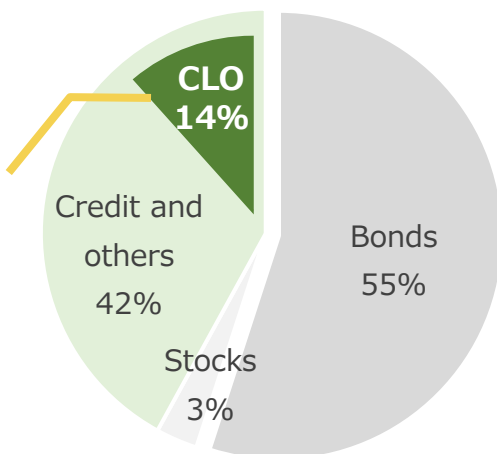
- The Bank applies a consistent approach to robust due diligence and disciplined risk management in CLO investments

The Bank's CLO Holdings over Time



Market Investment Portfolio

- 14% of investment portfolio
- Only triple-A rated and held-to-maturity securities



Due Diligence and Risk Management

Investment Guidelines

- Solely on the most senior, triple-A rated tranche
- Strict requirements on stipulations and underlying assets
- Bank-original, rigorous stress-test scenarios

Investment Process

- Credit review process on each transaction by the Credit Risk Management Division in addition to the analysis by the investment team

Managers

- Collateral managers only with good track-records and disciplined investment style

Monitoring

- Periodical review on the compliance status of tests and underlying asset quality
- Frequent communication with the managers

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