

System of JA Group's Credit Business

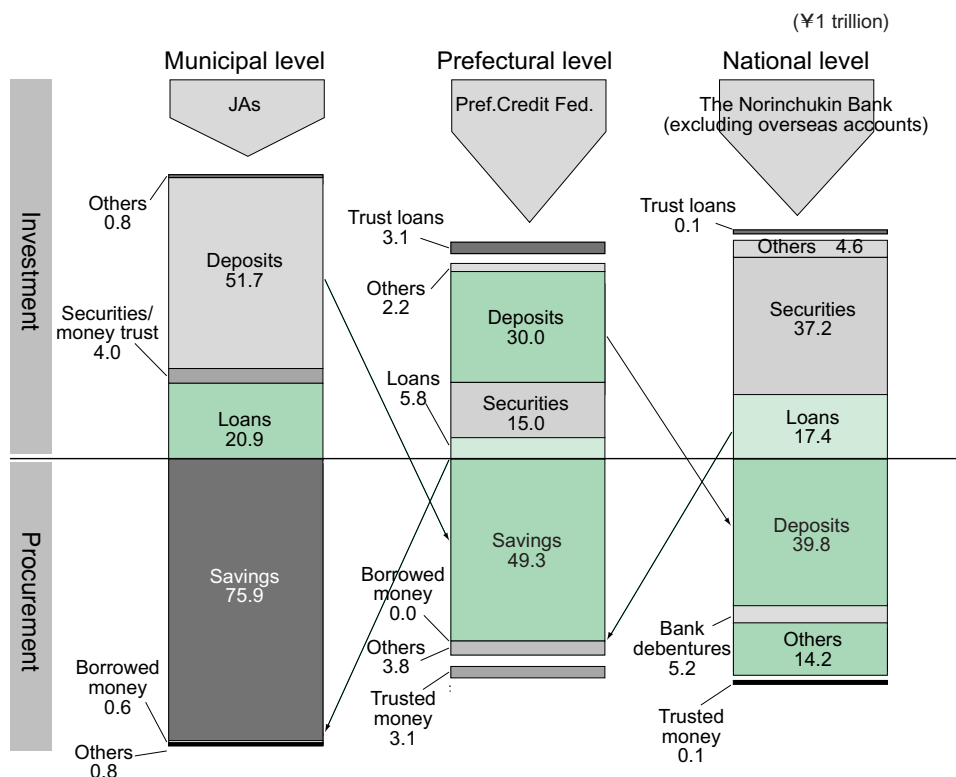
JA's credit business receives savings from members and other people in its territory, and provides them with various financial services, with those savings as its main business resources, including loans of funds necessary for their agricultural production and living, and investments in securities.

At the prefectural level, the prefectural credit federations of agricultural cooperatives are organized by JAs and other related organizations respectively in the prefecture. The prefectural credit federation implements its functions to coordinate financial businesses among its member JAs in the prefecture, receive deposits from JAs, extend loans to its members and others, invest securities and support JAs in their settlements of accounts, computer systems and business operations.

At the national level, the Central Co-operative Bank of Japan for Agriculture, Forestry and Fisheries (The Norinchukin Bank) is established by agricultural, forestry and fisheries cooperative organizations under the Norinchukin Bank Law.

The credit business activities of the JA Group are operated through the three-tiered organizational structure consisted of JAs, prefectural credit federations, and the Norinchukin Bank.

Financial Conditions of JA Group's Credit Business (as of March 31, 2004)



Source: The Norinchukin Bank