

Composition of Capital Disclosure (Mitsubishi UFJ Financial Group)

(in million yen, in percentage)

Items	September 30, 2014	Basel III	
		Amounts excluded under transitional arrangements	Template No.
Common Equity Tier 1 capital: instruments and reserves (1)			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	10,982,788		1a+2-1c-26
of which: capital and capital surplus	3,580,926		1a
of which: retained earnings	7,531,092		2
of which: treasury stock (-)	1,714		1c
of which: national specific regulatory adjustments (earnings to be distributed) (-)	127,515		26
of which: other than above	-		
Subscription rights to common shares	7,906		1b
Accumulated other comprehensive income and other disclosed reserves	448,640	1,794,560	3
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	151,013		5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	140,316		
of which: common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	140,316		
Common Equity Tier 1 capital: instruments and reserves (A)	11,730,666		6
Common Equity Tier 1 capital: regulatory adjustments (2)			
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	211,652	846,611	8+9
of which: goodwill (including those equivalent)	83,396	333,587	8
of which: other intangibles other than goodwill and mortgage servicing rights	128,255	513,023	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	471	1,884	10
Deferred gains or losses on derivatives under hedge accounting	21,437	85,750	11
Shortfall of eligible provisions to expected losses	-	-	12
Securitisation gain on sale	2,697	10,791	13
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	14
Net defined benefit assets	55,468	221,874	15
Investments in own shares (excluding those reported in the Net assets section)	3,122	12,488	16
Reciprocal cross-holdings in common equity	-	-	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-	18
Amount exceeding the 10% threshold on specified items	-	-	19+20+21
of which: significant investments in the common stock of financials	-	-	19
of which: mortgage servicing rights	-	-	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	21
Amount exceeding the 15% threshold on specified items	-	-	22
of which: significant investments in the common stock of financials	-	-	23
of which: mortgage servicing rights	-	-	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		27
Common Equity Tier 1 capital: regulatory adjustments (B)	294,850		28
Common Equity Tier 1 capital (CET1)			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	11,435,815		29

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Items	September 30, 2014	Amounts excluded under transitional arrangements	Basel III Template No.	
Additional Tier 1 capital: instruments (3)				
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards	-		31a	30
Subscription rights to Additional Tier 1 instruments	-		31b	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	-		32	
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-			
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	137,958		34-35	
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,326,024		33+35	
of which: instruments issued by bank holding companies and their special purpose vehicles	1,325,835		33	
of which: instruments issued by subsidiaries	188		35	
Total of items included in Additional Tier 1 capital: instruments subject to transitional arrangements	203,376			
of which: foreign currency translation adjustments	203,376			
Additional Tier 1 capital: instruments (D)	1,667,359		36	
Additional Tier 1 capital: regulatory adjustments				
Investments in own Additional Tier 1 instruments	-	-	37	
Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	38	
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	-	39	
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	57	230	40	
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	376,999			
of which: goodwill (net of related tax liability, including those equivalent)	213,252			
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	152,956			
of which: securitisation gain on sale	10,791			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42	
Additional Tier 1 capital: regulatory adjustments (E)	377,057		43	
Additional Tier 1 capital				
Additional Tier 1 capital ((D)-(E)) (F)	1,290,302		44	
Tier 1 capital (T1 = CET1 + AT1)				
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	12,726,118		45	

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Items	September 30, 2014	Amounts excluded under transitional arrangements	Basel III
			Template No.
Tier 2 capital: instruments and provisions (4)			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards	-		
Subscription rights to Tier 2 instruments	-		
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	49,300		46
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	65,347		48-49
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,990,698		47+49
of which: instruments issued by bank holding companies and their special purpose vehicles	-		47
of which: instruments issued by subsidiaries	1,990,698		49
Total of general allowance for credit losses and eligible provisions included in Tier 2	237,459		50
of which: provision for general allowance for credit losses	137,855		50a
of which: eligible provisions	99,604		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	1,098,267		
of which: amounts equivalent to 45% of unrealized gains on other securities	997,325		
of which: deferred gains or losses on derivatives under hedge accounting	(12,297)		
of which: amounts equivalent to 45% of land revaluation excess	113,240		
Tier 2 capital: instruments and provisions (H)	3,441,073		51
Tier 2 capital: regulatory adjustments			
Investments in own Tier 2 instruments	4,253	17,015	52
Reciprocal cross-holdings in Tier 2 instruments	-	-	53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	-	54
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	1,011	4,044	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	122,735		
of which: goodwill (net of related tax liability, including those equivalent)	120,335		
of which: significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	2,400		
Tier 2 capital: regulatory adjustments (I)	128,000		57
Tier 2 capital (T2)			
Tier 2 capital (T2) ((H)-(I)) (J)	3,313,073		58
Total capital (TC = T1 + T2)			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	16,039,191		59
Risk weighted assets (5)			
Total of items included in risk weighted assets subject to transitional arrangements	597,625		
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	360,067		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,884		
of which: net defined benefit assets	221,874		
of which: investments in own shares (excluding those reported in the Net assets section)	11,657		
of which: significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	2,141		
Risk weighted assets (L)	104,160,164		60
Capital ratio (consolidated)			
Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	10.97%		61
Tier 1 capital ratio (consolidated)((G)/(L))	12.21%		62
Total capital ratio (consolidated)((K)/(L))	15.39%		63

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Items	September 30, 2014	Basel III	
		Amounts excluded under transitional arrangements	Template No.
Regulatory adjustments (6)			
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	901,957		72
Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	721,947		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	380		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	22,254		75
Provisions included in Tier 2 capital: instruments and provisions (7)			
Provisions (general allowance for credit losses)	137,855		76
Cap on inclusion of provisions (general allowance for credit losses)	250,371		77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	99,604		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	381,668		79
Capital instruments subject to transitional arrangements (8)			
Current cap on AT1 instruments subject to phase out arrangements	1,326,024		82
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	4,457		83
Current cap on T2 instruments subject to transitional arrangements	2,119,979		84
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		85

※1 Capital instruments, approved by the commissioner of Japanese Financial Services Agency, subject to the provision to Paragraph 12 of Article 8 of the notification of Japanese Financial Services Agency No. 20, 2006, hereinafter referred to as the "FSA Consolidated Capital Adequacy Notification", are excluded from the calculation of figures stipulated in Paragraph 8 of Article 8, 9-1, and 10-1 of FSA Consolidated Capital Adequacy Notification, for 10 years from March 31, 2013 to March 30, 2023. The approved amount will decrease by 20% each year from March 31, 2019. The amount approved at the end of September, 2014 is 1,187,981 million yen.