

Composition of Capital Disclosure (Mitsubishi UFJ Financial Group)

(in million yen, in percentage)

Items	December 31,2013	Amounts excluded under transitional arrangements	Basel III
			Template No.
Common Equity Tier 1 capital: instruments and reserves (1)			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	10,757,024		1a+2-1c-26
of which: capital and capital surplus	3,924,735		1a
of which: retained earnings	6,833,977		2
of which: treasury stock (-)	1,688		1c
of which: national specific regulatory adjustments (earnings to be distributed) (-)	-		26
of which: other than above	-		
Subscription rights to common shares	8,636		1b
Accumulated other comprehensive income and other disclosed reserves	-	1,473,538	3
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	129,242		5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	214,906		
of which: common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	214,906		
Common Equity Tier 1 capital: instruments and reserves (A)	11,109,810		6
Common Equity Tier 1 capital: regulatory adjustments (2)			
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	-	1,375,663	8+9
of which: goodwill (including those equivalent)	-	944,228	8
of which: other intangibles other than goodwill and mortgage servicing rights	-	431,435	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	5,417	10
Deferred gains or losses on derivatives under hedge accounting	-	(12,680)	11
Shortfall of eligible provisions to expected losses	-	-	12
Securitisation gain on sale	-	13,364	13
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	14
Defined-benefit pension fund net assets (prepaid pension costs)	-	298,286	15
Investments in own shares (excluding those reported in the Net assets section)	-	18,465	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)	-		28
Common Equity Tier 1 capital (CET1)			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	11,109,810		29

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Items	December 31, 2013	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)	137,332		34-35	
Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,491,777		33+35	
of which: instruments issued by bank holding companies and their special purpose vehicles	1,491,612		33	
of which: instruments issued by subsidiaries	165		35	
Total of items included in Additional Tier 1 capital: instruments subject to transitional arrangements	135,236			
of which: foreign currency translation adjustments	135,236			
Additional Tier 1 capital: instruments (D)	1,764,347		36	
Additional Tier 1 capital: regulatory adjustments				
Investments in own Additional Tier 1 instruments	-	2,928	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)	-	9,480	40	
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	820,692			
of which: goodwill (net of related tax liability, including those equivalent)	780,652			
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	26,675			
of which: securitisation gain on sale	13,364			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42	
Additional Tier 1 capital: regulatory adjustments (E)	820,692		43	
Additional Tier 1 capital				
Additional Tier 1 capital ((D)-(E)) (F)	943,654		44	
Tier 1 capital (T1 = CET1 + AT1)				
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	12,053,465		45	

Composition of Capital Disclosure (Mitsubishi UFJ Financial Group)

(in million yen, in percentage)

Items	December 31, 2013	Basel III	
		Amounts excluded under transitional arrangements	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	-		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)	55,364		48-49
Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	2,260,461		47+49
of which: instruments issued by bank holding companies and their special purpose vehicles	-		47
of which: instruments issued by subsidiaries	2,260,461		49
Total of general allowance for credit losses and eligible provisions included in Tier 2	229,030		50
of which: provision for general allowance for credit losses	105,267		50a
of which: eligible provisions	123,762		50b
Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	1,004,300		
of which: amounts equivalent to 45% of unrealized gains on other securities	870,412		
of which: deferred gains or losses on derivatives under hedge accounting	(7,109)		
of which: amounts equivalent to 45% of land revaluation excess	140,997		
Tier 2 capital: instruments and provisions (H)	3,549,156		51
Tier 2 capital: regulatory adjustments			
Investments in own Tier 2 instruments	-	11,263	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)	-	6,183	55
Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	175,710		
of which: goodwill (net of related tax liability, including those equivalent)	163,575		
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)	12,134		
Tier 2 capital: regulatory adjustments (I)	175,710		57
Tier 2 capital (T2)			
Tier 2 capital (T2) ((H)-(I)) (J)	3,373,446		58
Total capital (TC = T1 + T2)			
Total capital (TC = T1 + T2) ((G) + (J)) (K)	15,426,911		59
Risk weighted assets (5)			
Total of items included in risk weighted assets subject to transitional arrangements	726,242		
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	404,760		
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	5,417		
of which: defined-benefit pension fund net assets (prepaid pension costs)	298,286		
of which: investments in own shares (excluding those reported in the Net assets section)	14,874		
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)	2,904		
Risk weighted assets (L)	99,479,467		60
Capital ratio (consolidated)			
Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	11.16%		61
Tier 1 capital ratio (consolidated)((G)/(L))	12.11%		62
Total capital ratio (consolidated)((K)/(L))	15.50%		63

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Items	December 31, 2013	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)	951,499		72
Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	676,528		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	171		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	202,753		75
Provisions included in Tier 2 capital: instruments and provisions (7)			
Provisions (general allowance for credit losses)	105,267		76
Cap on inclusion of provisions (general allowance for credit losses)	234,381		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")	123,762		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	378,894		79
Capital instruments subject to transitional arrangements (8)			
Current cap on AT1 instruments subject to phase out arrangements	1,491,777		82
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	215,417		83
Current cap on T2 instruments subject to transitional arrangements	2,384,976		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 December, 2013 is 1,093,158 million yen.