

Composition of Capital Disclosure (Mitsubishi UFJ Financial Group)

(in million yen, in percentage)

Basel III Template No.	Items	September 30,2015		September 30,2014	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
Common Equity Tier 1 capital: instruments and reserves (1)					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	11,601,746		10,982,788	
1a	of which: capital and capital surplus	3,567,827		3,580,926	
2	of which: retained earnings	8,358,034		7,531,092	
1c	of which: treasury stock (-)	198,903		1,714	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	125,212		127,515	
	of which: other than above	-		-	
1b	Subscription rights to common shares	7,782		7,906	
3	Accumulated other comprehensive income and other disclosed reserves	1,356,272	2,034,408	448,640	1,794,560
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	178,124		151,013	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	121,354		140,316	
	of which: common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	121,354		140,316	
6	Common Equity Tier 1 capital: instruments and reserves (A)	13,265,279		11,730,666	
Common Equity Tier 1 capital: regulatory adjustments (2)					
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	452,729	679,094	211,652	846,611
8	of which: goodwill (including those equivalent)	175,845	263,768	83,396	333,587
9	of which: other intangibles other than goodwill and mortgage servicing rights	276,884	415,326	128,255	513,023
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,939	2,909	471	1,884
11	Deferred gains or losses on derivatives under hedge accounting	78,354	117,531	21,437	85,750
12	Shortfall of eligible provisions to expected losses	-	-	-	-
13	Securitisation gain on sale	5,519	8,278	2,697	10,791
14	Gains and losses due to changes in own credit risk on fair valued liabilities	602	903	-	-
15	Net defined benefit assets	148,926	223,389	55,468	221,874
16	Investments in own shares (excluding those reported in the Net assets section)	5,276	7,914	3,122	12,488
17	Reciprocal cross-holdings in common equity	-	-	-	-
18	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)	-	-	-	-
19+20+21	Amount exceeding the 10% threshold on specified items	-	-	-	-
19	of which: significant investments in the common stock of financials	-	-	-	-
20	of which: mortgage servicing rights	-	-	-	-
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
22	Amount exceeding the 15% threshold on specified items	-	-	-	-
23	of which: significant investments in the common stock of financials	-	-	-	-
24	of which: mortgage servicing rights	-	-	-	-
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		-	
28	Common Equity Tier 1 capital: regulatory adjustments (B)	693,348		294,850	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	12,571,931		11,435,815	

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Additional Tier 1 capital: instruments (3)						
30	31a	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards	-		-	
	31b	Subscription rights to Additional Tier 1 instruments	-		-	
	32	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	100,000		-	
		Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		-	
34-35		Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	153,279		137,958	
33+35		Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	1,160,271		1,326,024	
33		of which: instruments issued by bank holding companies and their special purpose vehicles	1,160,097		1,325,835	
35		of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	173		188	
		Total of items included in Additional Tier 1 capital: instruments subject to transitional arrangements	588,493		203,376	
		of which: foreign currency translation adjustments	588,493		203,376	
36		Additional Tier 1 capital: instruments (D)	2,002,044		1,667,359	
Additional Tier 1 capital: regulatory adjustments						
37		Investments in own Additional Tier 1 instruments	339	508	-	-
38		Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	-	-
39		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)	-	-	-	-
40		Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	135	203	57	230
		Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	319,321		376,999	
		of which: goodwill (net of related tax liability, including those equivalent)	177,002		213,252	
		of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	134,040		152,956	
		of which: securitisation gain on sale	8,278		10,791	
42		Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43		Additional Tier 1 capital: regulatory adjustments (E)	319,796		377,057	
Additional Tier 1 capital						
44		Additional Tier 1 capital ((D)-(E)) (F)	1,682,247		1,290,302	
Tier 1 capital (T1 = CET1 + AT1)						
45		Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	14,254,178		12,726,118	

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Basel III Template No.		Items	September 30,2015		September 30,2014	
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Tier 2 capital: instruments and provisions (4)						
46	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		272,270		49,300	
	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities		-		-	
48-49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		68,438		65,347	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions		1,838,165		1,990,698	
47	of which: instruments issued by bank holding companies and their special purpose vehicles		-		-	
49	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)		1,838,165		1,990,698	
50	Total of general allowance for credit losses and eligible provisions included in Tier 2		318,925		237,459	
50a	of which: provision for general allowance for credit losses		187,950		137,855	
50b	of which: eligible provisions		130,975		99,604	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements		904,205		1,098,267	
	of which: amounts equivalent to 45% of unrealized gains on other securities		838,381		997,325	
	of which: deferred gains or losses on derivatives under hedge accounting		(17,943)		(12,297)	
	of which: amounts equivalent to 45% of land revaluation excess		83,768		113,240	
51	Tier 2 capital: instruments and provisions (H)		3,402,006		3,441,073	
Tier 2 capital: regulatory adjustments						
52	Investments in own Tier 2 instruments		3,722	5,583	4,253	17,015
53	Reciprocal cross-holdings in Tier 2 instruments		-	-	-	-
54	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)		-	-	-	-
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		1,198	1,797	1,011	4,044
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements		88,385		122,735	
	of which: goodwill (net of related tax liability, including those equivalent)		86,765		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)		1,620		2,400	
57	Tier 2 capital: regulatory adjustments (I)		93,306		128,000	
Tier 2 capital (T2)						
58	Tier 2 capital (T2) ((H)-(I)) (J)		3,308,699		3,313,073	
Total capital (TC = T1 + T2)						
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)		17,562,878		16,039,191	

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Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to transitional arrangements	517,468		597,625	
	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	281,285		360,067	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,909		1,884	
	of which: net defined benefit assets	223,389		221,874	
	of which: investments in own shares (excluding those reported in the Net assets section)	9,323		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)	559		2,141	
60	Risk weighted assets (L)	111,939,313		104,160,164	
Capital ratio (consolidated)					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	11.23%		10.97%	
62	Tier 1 capital ratio (consolidated)((G)/(L))	12.73%		12.21%	
63	Total capital ratio (consolidated)((K)/(L))	15.68%		15.39%	
Regulatory adjustments (6)					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	893,759		901,957	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	873,362		721,947	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	1,245		380	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	45,810		22,254	
Provisions included in Tier 2 capital: instruments and provisions (7)					
76	Provisions (general allowance for credit losses)	187,950		137,855	
77	Cap on inclusion of provisions (general allowance for credit losses)	310,204		250,371	
78	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")	130,975		99,604	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	387,517		381,668	
Capital instruments subject to transitional arrangements (8)					
82	Current cap on AT1 instruments subject to phase out arrangements	1,160,271		1,326,024	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	103,078		4,457	
84	Current cap on T2 instruments subject to transitional arrangements	1,854,981		2,119,979	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		-	

※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, 2015 is 1,457,900 million yen.

※2 There may be restatements in the consolidated capital ratios, due to possible amendments of certain figures used for the calculation of the floor adjustment, which forms part of the risk-weighted assets.