

**Composition of Capital Disclosure (Mitsubishi UFJ Financial Group)**

(in million yen, in percentage)

Basel III Template No.	Items	June 30,2016		March 31,2016	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Common Equity Tier 1 capital: instruments and reserves (1)</b>					
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	11,824,467		11,731,690	
1a	of which: capital and capital surplus	3,566,842		3,567,150	
2	of which: retained earnings	8,665,256		8,587,578	
1c	of which: treasury stock (-)	407,632		298,922	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-		124,116	
	of which: other than above	-		-	
1b	Subscription rights to common shares	7,800		8,260	
3	Accumulated other comprehensive income and other disclosed reserves	2,020,109	1,346,739	2,161,298	1,440,865
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	155,593		165,272	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	82,269		73,806	
	of which: common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	82,269		73,806	
6	Common Equity Tier 1 capital: instruments and reserves (A)	14,090,241		14,140,327	
<b>Common Equity Tier 1 capital: regulatory adjustments (2)</b>					
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	674,788	449,859	672,281	448,187
8	of which: goodwill (including those equivalent)	267,506	178,337	254,221	169,480
9	of which: other intangibles other than goodwill and mortgage servicing rights	407,282	271,521	418,060	278,706
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,467	978	2,221	1,481
11	Deferred gains or losses on derivatives under hedge accounting	328,938	219,292	255,461	170,307
12	Shortfall of eligible provisions to expected losses	-	-	-	-
13	Securitisation gain on sale	8,429	5,619	8,378	5,585
14	Gains and losses due to changes in own credit risk on fair valued liabilities	570	380	661	441
15	Net defined benefit assets	169,229	112,819	155,779	103,853
16	Investments in own shares (excluding those reported in the Net assets section)	5,323	3,548	5,666	3,777
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)	1,188,746		1,100,451	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	12,901,494		13,039,875	

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<b>Additional Tier 1 capital: instruments (3)</b>						
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	550,000		550,000	
		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)	147,539		149,125		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	994,518		994,518		
33	of which: instruments issued by bank holding companies and their special purpose vehicles	994,360		994,364		
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	157		153		
	Total of items included in Additional Tier 1 capital: instruments subject to transitional arrangements	183,564		316,560		
	of which: foreign currency translation adjustments	183,564		316,560		
36	Additional Tier 1 capital: instruments (D)	1,875,621		2,010,204		
<b>Additional Tier 1 capital: regulatory adjustments</b>						
37	Investments in own Additional Tier 1 instruments	566	377	78	52	
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)	11,735	7,823	11,694	7,796	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	187,280		199,010		
	of which: goodwill (net of related tax liability, including those equivalent)	103,242		110,004		
	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	78,418		83,419		
	of which: securitisation gain on sale	5,619		5,585		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	199,582		210,782		
<b>Additional Tier 1 capital</b>						
44	Additional Tier 1 capital ((D)-(E)) (F)	1,676,039		1,799,421		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	14,577,533		14,839,297		

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Basel III Template No.	Items	June 30,2016		March 31,2016	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Tier 2 capital: instruments and provisions (4)</b>					
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	505,091		470,604	
	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)	71,267		73,147	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,589,984		1,589,984	
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)	1,589,984		1,589,984	
50	Total of general allowance for credit losses and eligible provisions included in Tier 2	391,205		377,404	
50a	of which: provision for general allowance for credit losses	206,737		208,640	
50b	of which: eligible provisions	184,467		168,764	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	666,900		672,557	
	of which: amounts equivalent to 45% of unrealized gains on other securities	631,338		633,833	
	of which: deferred gains or losses on derivatives under hedge accounting	(17,925)		(15,925)	
	of which: amounts equivalent to 45% of land revaluation excess	53,487		54,648	
51	Tier 2 capital: instruments and provisions (H)	3,224,448		3,183,698	
<b>Tier 2 capital: regulatory adjustments</b>					
52	Investments in own Tier 2 instruments	12,568	8,379	11,379	7,586
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)	341	227	1,671	1,114
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	82,803		68,125	
	of which: goodwill (net of related tax liability, including those equivalent)	75,095		59,476	
	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)	7,708		8,648	
57	Tier 2 capital: regulatory adjustments (I)	95,714		81,175	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	3,128,734		3,102,522	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	17,706,268		17,941,819	

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			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
<b>Risk weighted assets (5)</b>					
	Total of items included in risk weighted assets subject to transitional arrangements	312,026		305,153	
	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	193,102		195,287	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	978		1,481	
	of which: net defined benefit assets	112,819		103,853	
	of which: investments in own shares (excluding those reported in the Net assets section)	4,681		4,112	
	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)	444		419	
60	Risk weighted assets (L)	106,441,819		112,064,346	
<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	12.12%		11.63%	
62	Tier 1 capital ratio (consolidated)((G)/(L))	13.69%		13.24%	
63	Total capital ratio (consolidated)((K)/(L))	16.63%		16.01%	
<b>Regulatory adjustments (6)</b>					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	725,000		757,414	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	859,265		860,602	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	1,516		1,912	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	83,271		83,647	
<b>Provisions included in Tier 2 capital: instruments and provisions (7)</b>					
76	Provisions (general allowance for credit losses)	206,737		208,640	
77	Cap on inclusion of provisions (general allowance for credit losses)	285,684		308,672	
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")	184,467		168,764	
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	373,104		387,796	
<b>Capital instruments subject to transitional arrangements (8)</b>					
82	Current cap on AT1 instruments subject to phase out arrangements	994,518		994,518	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	199,434		230,248	
84	Current cap on T2 instruments subject to transitional arrangements	1,589,984		1,589,984	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	42,183		75,228	

※ 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 June, 2016 is 1,373,061 million yen.