

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

(in million yen, in percentage)

Basel III Template No.	Items	March 31,2017		March 31,2016	
			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	12,197,725		11,731,690	
1a	of which: capital and capital surplus	3,553,600		3,567,150	
2	of which: retained earnings	9,278,546		8,587,578	
1c	of which: treasury stock (-)	513,260		298,922	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	121,160		124,116	
	of which: other than above	-		-	
1b	Subscription rights to common shares	391		8,260	
3	Accumulated other comprehensive income and other disclosed reserves	2,369,105	592,276	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)	184,791		165,272	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	25,168		73,806	
	of which: common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	25,168		73,806	
6	Common Equity Tier 1 capital: instruments and reserves (A)	14,777,181		14,140,327	
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)	900,077	225,019	672,281	448,187
8	of which: goodwill (including those equivalent)	343,008	85,752	254,221	169,480
9	of which: other intangibles other than goodwill and mortgage servicing rights	557,068	139,267	418,060	278,706
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	648	162	2,221	1,481
11	Deferred gains or losses on derivatives under hedge accounting	103,896	25,974	255,461	170,307
12	Shortfall of eligible provisions to expected losses	-	-	-	-
13	Securitisation gain on sale	11,440	2,860	8,378	5,585
14	Gains and losses due to changes in own credit risk on fair valued liabilities	1,363	340	661	441
15	Net defined benefit assets	330,171	82,542	155,779	103,853
16	Investments in own shares (excluding those reported in the Net assets section)	15,698	3,924	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)	1,363,296		1,100,451	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	13,413,885		13,039,875	

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				Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
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	948,100		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)	167,364		149,125	
33+35		Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	702,189		994,518	
33		of which: instruments issued by bank holding companies and their special purpose vehicles	702,000		994,364	
35		of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	189		153	
		Total of items included in Additional Tier 1 capital: instruments subject to transitional arrangements	111,667		316,560	
		of which: foreign currency translation adjustments	111,667		316,560	
36		Additional Tier 1 capital: instruments (D)	1,929,321		2,010,204	
Additional Tier 1 capital: regulatory adjustments						
37		Investments in own Additional Tier 1 instruments	1,592	398	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)	15,646	3,911	11,694	7,796
		Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	93,476		199,010	
		of which: goodwill (net of related tax liability)	52,457		110,004	
		of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	38,158		83,419	
		of which: securitisation gain on sale	2,860		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)	110,715		210,782	
Additional Tier 1 capital						
44		Additional Tier 1 capital ((D)-(E)) (F)	1,818,606		1,799,421	
Tier 1 capital (T1 = CET1 + AT1)						
45		Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	15,232,491		14,839,297	

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Basel III Template No.	Items	March 31,2017		March 31,2016	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
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	908,621		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)	73,772		73,147	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,223,987		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)	1,223,987		1,589,984	
50	Total of general allowance for credit losses and eligible provisions included in Tier 2	379,414		377,404	
50a	of which: provision for general allowance for credit losses	202,307		208,640	
50b	of which: eligible provisions	177,106		168,764	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	304,287		672,557	
	of which: amounts equivalent to 45% of unrealized gains on other securities	277,825		633,833	
	of which: deferred gains or losses on derivatives under hedge accounting	(376)		(15,925)	
	of which: amounts equivalent to 45% of land revaluation excess	26,838		54,648	
51	Tier 2 capital: instruments and provisions (H)	2,890,082		3,183,698	
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	8,374	2,093	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)	892	223	1,671	1,114
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	37,148		68,125	
	of which: goodwill (net of related tax liability, including those equivalent)	33,294		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)	3,854		8,648	
57	Tier 2 capital: regulatory adjustments (I)	46,415		81,175	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,843,667		3,102,522	
Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	18,076,158		17,941,819	

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			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to transitional arrangements	186,698		305,153	
	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	101,108		195,287	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	162		1,481	
	of which: net defined benefit assets	82,542		103,853	
	of which: investments in own shares (excluding those reported in the Net assets section)	2,643		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)	241		419	
60	Risk weighted assets (L)	113,986,399		112,064,346	
Capital ratio (consolidated)					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	11.76%		11.63%	
62	Tier 1 capital ratio (consolidated)((G)/(L))	13.36%		13.24%	
63	Total capital ratio (consolidated)((K)/(L))	15.85%		16.01%	
Regulatory adjustments (6)					
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	967,761		757,414	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	995,662		860,602	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	2,649		1,912	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	102,863		83,647	
Provisions included in Tier 2 capital: instruments and provisions (7)					
76	Provisions (general allowance for credit losses)	202,307		208,640	
77	Cap on inclusion of provisions (general allowance for credit losses)	304,564		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")	177,106		168,764	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	392,561		387,796	
Capital instruments subject to transitional arrangements (8)					
82	Current cap on AT1 instruments subject to phase out arrangements	828,765		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")	-		230,248	
84	Current cap on T2 instruments subject to transitional arrangements	1,324,987		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")	-		75,228	

※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 March, 2017 is 1,477,185 million yen.