

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

(in million yen, in percentage)

Basel III Template No.	Items	June 30,2017		March 31,2017	
			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	12,386,142		12,197,725	
1a	of which: capital and capital surplus	3,553,625		3,553,600	
2	of which: retained earnings	9,446,625		9,278,546	
1c	of which: treasury stock (-)	614,109		513,260	
26	of which: national specific regulatory adjustments (earnings to be distributed) (-)	-		121,160	
	of which: other than above	-		-	
1b	Subscription rights to common shares	382		391	
3	Accumulated other comprehensive income and other disclosed reserves	2,353,074	588,268	2,369,105	592,276
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	162,280		184,791	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	34,493		25,168	
	of which: common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	34,493		25,168	
6	Common Equity Tier 1 capital: instruments and reserves (A)	14,936,373		14,777,181	
<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)	890,240	222,560	900,077	225,019
8	of which: goodwill (including those equivalent)	340,130	85,032	343,008	85,752
9	of which: other intangibles other than goodwill and mortgage servicing rights	550,109	137,527	557,068	139,267
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,150	287	648	162
11	Deferred gains or losses on derivatives under hedge accounting	86,211	21,552	103,896	25,974
12	Shortfall of eligible provisions to expected losses	-	-	-	-
13	Securitisation gain on sale	11,508	2,877	11,440	2,860
14	Gains and losses due to changes in own credit risk on fair valued liabilities	402	100	1,363	340
15	Net defined benefit assets	362,511	90,627	330,171	82,542
16	Investments in own shares (excluding those reported in the Net assets section)	15,443	3,860	15,698	3,924
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)	1,367,467		1,363,296	
<b>Common Equity Tier 1 capital (CET1)</b>					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	13,568,906		13,413,885	

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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	948,600		948,100	
		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)	160,924		167,364		
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments	702,189		702,189		
33	of which: instruments issued by bank holding companies and their special purpose vehicles	702,000		702,000		
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	189		189		
	Total of items included in Additional Tier 1 capital: instruments subject to transitional arrangements	81,594		111,667		
	of which: foreign currency translation adjustments	81,594		111,667		
36	Additional Tier 1 capital: instruments (D)	1,893,308		1,929,321		
<b>Additional Tier 1 capital: regulatory adjustments</b>						
37	Investments in own Additional Tier 1 instruments	1,153	288	1,592	398	
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)	15,640	3,910	15,646	3,911	
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements	90,970		93,476		
	of which: goodwill (net of related tax liability)	51,078		52,457		
	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	37,014		38,158		
	of which: securitisation gain on sale	2,877		2,860		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		
43	Additional Tier 1 capital: regulatory adjustments (E)	107,764		110,715		
<b>Additional Tier 1 capital</b>						
44	Additional Tier 1 capital ((D)-(E)) (F)	1,785,543		1,818,606		
<b>Tier 1 capital (T1 = CET1 + AT1)</b>						
45	Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	15,354,450		15,232,491		

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Basel III Template No.	Items	June 30,2017		March 31,2017	
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<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	907,180		908,621	
	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)	74,780		73,772	
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	1,184,551		1,223,987	
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)	1,184,551		1,223,987	
50	Total of general allowance for credit losses and eligible provisions included in Tier 2	340,939		379,414	
50a	of which: provision for general allowance for credit losses	201,253		202,307	
50b	of which: eligible provisions	139,686		177,106	
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	322,135		304,287	
	of which: amounts equivalent to 45% of unrealized gains on other securities	296,997		277,825	
	of which: deferred gains or losses on derivatives under hedge accounting	(1,672)		(376)	
	of which: amounts equivalent to 45% of land revaluation excess	26,810		26,838	
51	Tier 2 capital: instruments and provisions (H)	2,829,587		2,890,082	
<b>Tier 2 capital: regulatory adjustments</b>					
52	Investments in own Tier 2 instruments	6,611	1,652	8,374	2,093
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)	1,023	255	892	223
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements	37,808		37,148	
	of which: goodwill (net of related tax liability, including those equivalent)	33,954		33,294	
	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		3,854	
57	Tier 2 capital: regulatory adjustments (I)	45,443		46,415	
<b>Tier 2 capital (T2)</b>					
58	Tier 2 capital (T2) ((H)-(I)) (J)	2,784,144		2,843,667	
<b>Total capital (TC = T1 + T2)</b>					
59	Total capital (TC = T1 + T2) ((G) + (J)) (K)	18,138,594		18,076,158	

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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	194,738		186,698	
	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	100,512		101,108	
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	287		162	
	of which: net defined benefit assets	90,627		82,542	
	of which: investments in own shares (excluding those reported in the Net assets section)	3,090		2,643	
	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)	219		241	
60	Risk weighted assets (L)	113,799,565		113,986,399	
<b>Capital ratio (consolidated)</b>					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	11.92%		11.76%	
62	Tier 1 capital ratio (consolidated)((G)/(L))	13.49%		13.36%	
63	Total capital ratio (consolidated)((K)/(L))	15.93%		15.85%	
<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)	1,032,445		967,761	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	1,002,429		995,662	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	3,807		2,649	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	99,077		102,863	
<b>Provisions included in Tier 2 capital: instruments and provisions (7)</b>					
76	Provisions (general allowance for credit losses)	201,253		202,307	
77	Cap on inclusion of provisions (general allowance for credit losses)	283,980		304,564	
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")	139,686		177,106	
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	392,007		392,561	
<b>Capital instruments subject to transitional arrangements (8)</b>					
82	Current cap on AT1 instruments subject to phase out arrangements	828,765		828,765	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		-	
84	Current cap on T2 instruments subject to transitional arrangements	1,324,987		1,324,987	
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 June, 2017 is 1,440,980 million yen.