

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

(in million yen, in percentage)

| Basel III<br>Template<br>No.                                      | Items   | September 30,2017 |  | September 30,2016 |  |
|---|---|-------------------|--|-------------------|--|
|   |   |                   | Amounts excluded<br>under transitional<br>arrangements |                   | Amounts excluded<br>under transitional<br>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  | 12,606,700        |  | 12,003,217        |  |
| 1a  | of which: capital and capital surplus   | 3,454,620         |  | 3,566,146         |  |
| 2   | of which: retained earnings   | 9,785,282         |  | 8,965,050         |  |
| 1c  | of which: treasury stock (-)  | 513,312           |  | 405,538           |  |
| 26  | of which: national specific regulatory adjustments (earnings to be distributed) (-)   | 119,890           |  | 122,440           |  |
|   | of which: other than above  | -                 |  | -                 |  |
| 1b  | Subscription rights to common shares  | 254               |  | 6,405             |  |
| 3   | Accumulated other comprehensive income and other disclosed reserves   | 2,514,641         | 628,660  | 1,695,622         | 1,130,414  |
| 5   | Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)  | 173,524           |  | 144,662           |  |
|   | Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements  | 34,467            |  | 83,557            |  |
|   | of which: common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)  | 34,467            |  | 83,557            |  |
| 6   | Common Equity Tier 1 capital: instruments and reserves (A)  | 15,329,590        |  | 13,933,465        |  |
| <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)   | 862,209           | 215,552  | 635,076           | 423,384  |
| 8   | of which: goodwill (including those equivalent)   | 312,144           | 78,036   | 236,356           | 157,570  |
| 9   | of which: other intangibles other than goodwill and mortgage servicing rights   | 550,064           | 137,516  | 398,719           | 265,813  |
| 10  | Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)   | 842               | 210  | 802               | 535  |
| 11  | Deferred gains or losses on derivatives under hedge accounting  | 87,089            | 21,772   | 270,318           | 180,212  |
| 12  | Shortfall of eligible provisions to expected losses   | -                 | -  | -                 | -  |
| 13  | Securitisation gain on sale   | 11,575            | 2,893  | 8,479             | 5,652  |
| 14  | Gains and losses due to changes in own credit risk on fair valued liabilities   | 109               | 27   | 576               | 384  |
| 15  | Net defined benefit assets  | 373,201           | 93,300   | 174,374           | 116,249  |
| 16  | Investments in own shares (excluding those reported in the Net assets section)  | 15,116            | 3,779  | 4,374             | 2,916  |
| 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)  | 1,350,144         |  | 1,094,002         |  |
| <b>Common Equity Tier 1 capital (CET1)</b>                        |   |                   |  |                   |  |
| 29  | Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)   | 13,979,445        |  | 12,839,463        |  |

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

(in million yen, in percentage)

| Basel III Template No.                                   | Items  | September 30,2017   |  | September 30,2016 |  |  |
|--|--|---|--|-------------------|--|--|
|  |  |   | Amounts excluded under transitional arrangements |                   | Amounts excluded under transitional arrangements |  |
| <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 | 950,000  |                   | 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)   | 164,902   |  | 156,862           |  |  |
| 33+35  | Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments  | 702,189   |  | 837,523           |  |  |
| 33   | of which: instruments issued by bank holding companies and their special purpose vehicles  | 702,000   |  | 837,334           |  |  |
| 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   | 86,637  |  | 3,647             |  |  |
|  | of which: foreign currency translation adjustments   | 86,637  |  | 3,647             |  |  |
| 36   | Additional Tier 1 capital: instruments (D)   | 1,903,729   |  | 1,548,033         |  |  |
| <b>Additional Tier 1 capital: regulatory adjustments</b> |  |   |  |                   |  |  |
| 37   | Investments in own Additional Tier 1 instruments   | -   | -  | -                 | -  |  |
| 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)   | 263   | 65   | 11,875            | 7,917  |  |
|  | Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements  | 88,515  |  | 170,088           |  |  |
|  | of which: goodwill (net of related tax liability)  | 51,001  |  | 93,233            |  |  |
|  | of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)   | 34,620  |  | 71,202            |  |  |
|  | of which: securitisation gain on sale  | 2,893   |  | 5,652             |  |  |
| 42   | Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions   | -   |  | -                 |  |  |
| 43   | Additional Tier 1 capital: regulatory adjustments (E)  | 88,778  |  | 181,964           |  |  |
| <b>Additional Tier 1 capital</b>                         |  |   |  |                   |  |  |
| 44   | Additional Tier 1 capital ((D)-(E)) (F)  | 1,814,951   |  | 1,366,069         |  |  |
| <b>Tier 1 capital (T1 = CET1 + AT1)</b>                  |  |   |  |                   |  |  |
| 45   | Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)   | 15,794,397  |  | 14,205,532        |  |  |

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

(in million yen, in percentage)

| Basel III<br>Template<br>No.                          | Items  | September 30,2017 |  | September 30,2016 |  |
|---|--|-------------------|--|-------------------|--|
|   |  |                   | Amounts excluded<br>under transitional<br>arrangements |                   | Amounts excluded<br>under transitional<br>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   | 1,296,099         |  | 757,674           |  |
|   | 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)   | 75,413            |  | 70,893            |  |
| 47+49   | Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions  | 1,009,603         |  | 1,440,235         |  |
| 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)  | 1,009,603         |  | 1,440,235         |  |
| 50  | Total of general allowance for credit losses and eligible provisions included in Tier 2  | 335,305           |  | 366,377           |  |
| 50a   | of which: provision for general allowance for credit losses  | 205,051           |  | 185,084           |  |
| 50b   | of which: eligible provisions  | 130,253           |  | 181,293           |  |
|   | Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements   | 343,629           |  | 660,385           |  |
|   | of which: amounts equivalent to 45% of unrealized gains on other securities  | 318,061           |  | 621,968           |  |
|   | of which: deferred gains or losses on derivatives under hedge accounting   | (1,094)           |  | (15,397)          |  |
|   | of which: amounts equivalent to 45% of land revaluation excess   | 26,662            |  | 53,814            |  |
| 51  | Tier 2 capital: instruments and provisions (H)   | 3,060,050         |  | 3,295,565         |  |
| <b>Tier 2 capital: regulatory adjustments</b>         |  |                   |  |                   |  |
| 52  | Investments in own Tier 2 instruments  | 7,715             | 1,928  | 4,383             | 2,922  |
| 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)  | 22,316            | 5,579  | 297               | 198  |
|   | Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements   | 27,044            |  | 72,045            |  |
|   | of which: goodwill (net of related tax liability, including those equivalent)  | 27,035            |  | 64,337            |  |
|   | 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)  | 9                 |  | 7,708             |  |
| 57  | Tier 2 capital: regulatory adjustments (I)   | 57,076            |  | 76,726            |  |
| <b>Tier 2 capital (T2)</b>                            |  |                   |  |                   |  |
| 58  | Tier 2 capital (T2) ((H)-(I)) (J)  | 3,002,973         |  | 3,218,839         |  |
| <b>Total capital (TC = T1 + T2)</b>                   |  |                   |  |                   |  |
| 59  | Total capital (TC = T1 + T2) ((G) + (J)) (K)   | 18,797,370        |  | 17,424,372        |  |

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

(in million yen, in percentage)

| Basel III Template No.   | Items   | September 30,2017 |  | September 30,2016 |  |
|--|---|-------------------|--|-------------------|--|
|  |   |                   | 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  | 198,780           |  | 315,627           |  |
|  | of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)  | 102,895           |  | 194,611           |  |
|  | of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)   | 210               |  | 535               |  |
|  | of which: net defined benefit assets  | 93,300            |  | 116,249           |  |
|  | of which: investments in own shares (excluding those reported in the Net assets section)  | 2,139             |  | 3,741             |  |
|  | 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)       | 233               |  | 490               |  |
| 60   | Risk weighted assets (L)  | 115,068,833       |  | 105,206,221       |  |
| <b>Capital ratio (consolidated)</b>  |   |                   |  |                   |  |
| 61   | Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))   | 12.14%            |  | 12.20%            |  |
| 62   | Tier 1 capital ratio (consolidated)((G)/(L))  | 13.72%            |  | 13.50%            |  |
| 63   | Total capital ratio (consolidated)((K)/(L))   | 16.33%            |  | 16.56%            |  |
| <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)  | 1,029,360         |  | 719,948           |  |
| 73   | Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)   | 1,000,318         |  | 846,193           |  |
| 74   | Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)   | 5,412             |  | 1,304             |  |
| 75   | Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)  | 64,201            |  | 42,381            |  |
| <b>Provisions included in Tier 2 capital: instruments and provisions (7)</b> |   |                   |  |                   |  |
| 76   | Provisions (general allowance for credit losses)  | 205,051           |  | 185,084           |  |
| 77   | Cap on inclusion of provisions (general allowance for credit losses)  | 283,263           |  | 265,859           |  |
| 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") | 130,253           |  | 181,293           |  |
| 79   | Cap on inclusion of provisions in Tier 2 under internal ratings-based approach  | 370,111           |  | 364,509           |  |
| <b>Capital instruments subject to transitional arrangements (8)</b>          |   |                   |  |                   |  |
| 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")   | -                 |  | -                 |  |
| 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")  | -                 |  | -                 |  |

※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, 2017 is 1,468,281 million yen.