

Explanation on reconciliation between balance sheet items and regulatory capital elements (June 30, 2018)

1. Shareholders' equity

(1) Consolidated balance sheet (in million yen)

Consolidated balance sheet item	Amount	Remarks
Capital stock	2,141,513	
Capital surplus	1,196,752	
Retained earnings	10,245,686	
Treasury stock	(581,374)	
Total shareholders' equity	13,002,576	

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks
Directly issued qualifying common share capital plus related capital surplus and retained earnings	13,002,576	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))
of which: capital and capital surplus	3,338,265	
of which: retained earnings	10,245,686	
of which: treasury stock	(581,374)	
of which: other than above	-	
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards	-	Shareholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effectively bankruptcy

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2. Intangible fixed assets

(1) Consolidated balance sheet

Consolidated balance sheet item	Amount	Remarks
Intangible fixed assets	1,225,680	
Securities	55,874,733	
of which: goodwill attributable to equity-method investees	159,165	Goodwill attributable to equity-method investees

Income taxes related to above	273,205	Income taxes related to intangibles other than goodwill and mortgage servicing rights
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(2) Composition of capital

Composition of capital disclosure	Amount	Remarks
Goodwill (net of related tax liability, including those equivalent)	401,064	
Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	695,997	
Mortgage servicing rights	11,169	
Amount exceeding the 10% threshold on specified items	-	
Amount exceeding the 15% threshold on specified items	-	
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	11,169	

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3. Net defined benefit assets

(1) Consolidated balance sheet

Consolidated balance sheet item	Amount	Remarks
Net defined benefit assets	913,879	

Income taxes related to above	276,670	
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(2) Composition of capital

Composition of capital disclosure	Amount	Remarks
Net defined benefit assets	637,208	

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4. Deferred tax assets

(1) Consolidated balance sheet

Consolidated balance sheet item	Amount	Remarks
Deferred tax assets	94,557	
Deferred tax liabilities	843,977	
Deferred tax liabilities for land revaluation	116,639	

Tax effects on other intangible fixed assets	273,205	
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Tax effects on net defined benefit assets	276,670	
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Explanation on reconciliation between balance sheet items and regulatory capital elements (June 30, 2018)

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,867	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	96,465	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	-		21
Amount exceeding the 15% threshold on specified items	-		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	96,465		75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Consolidated balance sheet item	Amount	Remarks
Net deferred gains (losses) on hedging instruments	31,007	

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	6,218	Excluding those items whose valuation differences arising from hedged items are recognized as "Total accumulated other comprehensive income"	11

6. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

Consolidated balance sheet item	Amount	Remarks
Trading assets	15,503,412	Including trading account securities and derivatives for trading assets
Securities	55,874,733	
Loans and bills discounted	108,313,921	Including subordinated loans
Other assets	11,252,395	Including derivatives and investments in the capital
Trading liabilities	10,862,512	Including trading account securities sold and derivatives for trading-assets
Other liabilities	8,280,229	Including derivatives

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Investments in own capital instruments	34,936		
Common equity Tier 1 capital	9,678		16
Additional Tier 1 capital	12,314		37
Tier 2 capital	12,944		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	-		
Common equity Tier 1 capital	-		17
Additional Tier 1 capital	-		38
Tier 2 capital	-		53
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 10% threshold)	872,603		
Common equity Tier 1 capital	-		18
Additional Tier 1 capital	-		39
Tier 2 capital	-		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	872,603		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	1,080,828		
Amount exceeding the 10% threshold on specified items	-		19
Amount exceeding the 15% threshold on specified items	-		23
Additional Tier 1 capital	616		40
Tier 2 capital	737		55
Significant investments in the capital of financials that are below the thresholds for deduction (before risk weighting)	1,079,474		73

Explanation on reconciliation between balance sheet items and regulatory capital elements (June 30, 2018)

7. Non-controlling interests

(1) Consolidated balance sheet

Consolidated balance sheet item	Amount	Remarks
Non-controlling interests	1,277,262	

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	177,601	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	5
Qualifying Additional Tier1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	30-31ab-32
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	155,768	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	34-35
Qualifying Tier2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	46
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	77,870	After reflecting amounts eligible for inclusion (after non-controlling interest adjustments)	48-49

8. Other capital instruments

(1) Consolidated balance sheet

Consolidated balance sheet item	Amount	Remarks
Borrowed money	16,237,114	
Bonds payable	11,011,643	
Total	27,248,757	

(2) Composition of capital

Composition of capital disclosure	Amount	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	1,270,000		32
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	1,538,500		46

Notes:

- Items included in regulatory capital under transitional arrangements are excluded from this table.
- As of June 30, 2018, the regulatory scope of consolidation was the same as the accounting scope of consolidation.