

## Composition of Capital Disclosure (Consolidated)

### The Norinchukin Bank

As of June 30, 2014

(millions of yen, %)

Items		Amounts excluded under transitional arrangements	Basel III Template No.
<b>Common Equity Tier 1 Capital: instruments and reserves</b>			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	4,676,119		1a+2-26
of which: capital and capital surplus	3,400,930		1a
of which: retained earnings	1,275,189		2
of which: cash dividends to be paid	-		26
of which: other than the above	-		
Accumulated other comprehensive income and other disclosed reserves	311,198	1,244,795	3
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		5
Total of items included in Common Equity Tier 1 capital: instruments and reserves under phase-out arrangements	3,165		
of which: minority interests and other items corresponding to common share capital issued by consolidated subsidiaries (amount allowed to be included in group Common Equity Tier 1)	3,165		
Common Equity Tier 1 capital: instruments and reserves (A)	4,990,484		6
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	6,765	27,060	8+9
of which: goodwill (net of related tax liability, including those equivalent)	3,270	13,081	8
of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	3,494	13,978	9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	10
Deferred gains or losses on derivatives under hedge accounting	▲ 5,645	▲ 22,582	11
Shortfall of eligible provisions to expected losses	2,524	10,099	12
Securitisation gain on sale	-	-	13
Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	14
Net defined-benefit asset	2,209	8,839	15
Investments in own shares (excluding those reported in the Net assets section)	-	-	16
Reciprocal cross-holdings in common equity	-	-	17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (“Other Financial Institutions”), net of eligible short positions, where the bank does not own more than 10% of the issued share capital	-	-	18
Amount exceeding the 10% threshold on specified items	-	-	19+20+21
of which: significant investments in the common stock of financials	-	-	19
of which: mortgage servicing rights	-	-	20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	21
Amount exceeding the 15% threshold on specified items	-	-	22
of which: significant investments in the common stock of financials	-	-	23
of which: mortgage servicing rights	-	-	24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-	25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		27
Common Equity Tier 1 capital: regulatory adjustments (B)	5,854		28
<b>Common Equity Tier 1 capital (CET1)</b>			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	4,984,630		29

<b>Additional Tier 1 capital: instruments</b>			
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and the breakdown	49,000		31a
Subscription rights to Additional Tier 1 instruments	-		31b
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	-		32
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	2,747		34-35
Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	679		33+35
of which: instruments issued by banks and their special purpose vehicles	679		33
of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	-		35
Total of items included in Additional Tier 1 capital: instruments under phase-out arrangements	▲ 7		
of which: amounts of counted in to base instruments of Additional Tier1 under phase-out arrangements that related other comprehensive income	▲ 7		
Additional Tier 1 capital: instruments (D)	52,420		36
<b>Additional Tier 1 capital: regulatory adjustments</b>			
Investments in own Additional Tier 1 instruments	-	-	37
Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	38
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 10% threshold)	-	-	39
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	8,164	32,658	40
Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements	5,049		
of which: 50% of balance due to pay of eligible provisions	5,049		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42
Additional Tier 1 capital: regulatory adjustments (E)	13,214		43
<b>Additional Tier 1 capital (AT1)</b>			
Additional Tier 1 capital (AT1) ((D)-(E)) (F)	39,205		44
<b>Tier 1 capital (T1=CET1+AT1)</b>			
Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	5,023,836		45
<b>Tier 2 capital: instruments and provisions</b>			
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards and its breakdown	-		
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	1,387,791		46
Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	-		
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	163		48-49
Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	148,216		47+49
of which: instruments issued by banks and their special purpose vehicles	148,216		47
of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	-		49
Total of general reserve for possible loan losses and eligible provisions included in Tier 2	22		50
of which: general allowance for possible loan losses	22		50a
of which: eligible provisions	-		50b
Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements	782,170		
of which: amounts of counted in to base instruments of Additional Tier1 under phase-out arrangements that related other comprehensive income	782,170		
Tier 2 capital: instruments and provisions (H)	2,318,364		51

<b>Tier 2 capital: regulatory adjustments</b>			
Investments in own Tier 2 instruments	-	-	52
Reciprocal cross-holdings in Tier 2 instruments	-	-	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 common share capital of the entity (amount above the 10% threshold)	-	-	54
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	55
Total of items included in Tier 2 capital: regulatory adjustments under phase-out arrangements	50,558		
of which: intangibles assets other than mortgage servicing rights	13,081		
of which: 50% of balance due to pay of eligible provisions	5,049		
of which: significant investments in the additional Tier 1 capital of other financial institutions	32,427		
Tier 2 capital: regulatory adjustments (I)	50,558		57
<b>Tier 2 capital (T2)</b>			
Tier 2 capital (T2) ((H)-(I)) (J)	2,267,805		58
<b>Total capital (TC=T1+T2)</b>			
Total capital (TC=T1+T2) ((G) + (J)) (K)	7,291,641		59
<b>Risk weighted assets</b>			
Total of items included in risk weighted assets under phase-out arrangements	23,995		
of which: intangibles assets other than mortgage servicing rights	13,978		
of which: net defined-benefit asset	8,839		
of which: significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	1,178		
Risk weighted assets (L)	27,324,700		60
<b>Capital Ratio (consolidated)</b>			
Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	18.24%		61
Tier1 capital ratio (consolidated)((G)/(L))	18.38%		62
Total capital ratio (consolidated)((K)/(L))	26.68%		63
<b>Regulatory Adjustments</b>			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	521,442		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	51,143		73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	-		75
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
Provisions (general reserve for possible loan losses)	22		76
Cap on inclusion of provisions (general reserve for possible loan losses)	154		77
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")	-		78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	146,412		79
<b>Capital instruments under phase-out arrangements</b>			
Current cap on Additional Tier 1 instruments under phase-out arrangements	679		82
Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	169		83
Current cap on Tier 2 instruments subject to phase-out arrangements	1,228,805		84
Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		85