

Composition of Capital Disclosure (Consolidated)

The Norinchukin Bank

As of March 31, 2015

(millions of yen, %)

Basel III Template No.	Items	As of March 31, 2015	Amounts excluded under transitional arrangements	As of March 31, 2014	Amounts excluded under transitional arrangements
Common Equity Tier 1 Capital: instruments and reserves					
1a+2-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	4,899,516		4,570,577	
1a	of which: capital and capital surplus	3,400,930		3,400,930	
2	of which: retained earnings	1,576,096		1,236,359	
26	of which: cash dividends to be paid	77,510		66,712	
	of which: other than the above	-		-	
3	Accumulated other comprehensive income and other disclosed reserves	909,585	1,364,377	256,489	1,025,958
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		-	
	Total of items included in Common Equity Tier 1 capital: instruments and reserves under phase-out arrangements	2,454		3,120	
	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)	2,454		3,120	
6	Common Equity Tier 1 capital: instruments and reserves (A)	5,811,555		4,830,187	
Common Equity Tier 1 capital: regulatory adjustments					
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	12,437	18,655	7,049	28,199
8	of which: goodwill (net of related tax liability, including those equivalent)	6,216	9,324	3,347	13,388
9	of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	6,220	9,331	3,702	14,811
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-
11	Deferred gains or losses on derivatives under hedge accounting	△ 14,893	△ 22,339	△ 3,827	△ 15,310
12	Shortfall of eligible provisions to expected losses	15,829	23,744	3,903	15,612
13	Securitisation gain on sale	-	-	-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-	-
15	Net defined-benefit asset	9,409	14,114	2,193	8,775
16	Investments in own shares (excluding those reported in the Net assets section)	-	-	-	-
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 ("Other Financial Institutions"), net of eligible short positions, where the bank does not own more than 10% of the issued share	-	-	-	-
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)	22,783		9,319	
Common Equity Tier 1 capital (CET1)					
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,788,772		4,820,868	
Additional Tier 1 capital: instruments					
30	31a	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	49,000	
	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	-	-	
	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)	2,718		2,673	
33+35	Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	594		679	
33	of which: instruments issued by banks and their special purpose vehicles	594		679	
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	-		-	
	Total of items included in Additional Tier 1 capital: instruments under phase-out arrangements	14		△ 4	
	of which: amounts of counted in to base instruments of Additional Tier1 under phase-out arrangements that related other comprehensive income	14		△ 4	
36	Additional Tier 1 capital: instruments (D)	52,327		52,348	

Additional Tier 1 capital: regulatory adjustments					
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 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)	18,127	27,190	8,600	34,403
	Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements	11,872		7,806	
	of which: 50% of balance due to pay of eligible provisions	11,872		7,806	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-	
43	Additional Tier 1 capital: regulatory adjustments (E)	29,999		16,407	
Additional Tier 1 capital (AT1)					
44	Additional Tier 1 capital (AT1) ((D)-(E) (F))	22,327		35,941	
Tier 1 capital (T1=CET1+AT1)					
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F) (G))	5,811,100		4,856,809	
Tier 2 capital: instruments and provisions					
46	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		1,387,791	
	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)	229		192	
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	148,216		148,216	
47	of which: instruments issued by banks and their special purpose vehicles	148,216		148,216	
49	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	-		-	
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	7		19	
50a	of which: general allowance for possible loan losses	7		19	
50b	of which: eligible provisions	-		-	
	Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements	853,337		641,595	
	of which: amounts of counted in to base instruments of Additional Tier1 under phase-out arrangements that related other comprehensive income	853,337		641,595	
51	Tier 2 capital: instruments and provisions (H)	2,389,581		2,177,813	
Tier 2 capital: regulatory adjustments					
52	Investments in own Tier 2 instruments	-	-	-	-
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)	-	-	-	-
	Total of items included in Tier 2 capital: regulatory adjustments under phase-out arrangements	48,214		55,367	
	of which: intangibles assets other than mortgage servicing rights	9,324		13,388	
	of which: 50% of balance due to pay of eligible provisions	11,872		7,806	
	of which: significant investments in the additional Tier 1 capital of other financial institutions	27,017		34,172	
57	Tier 2 capital: regulatory adjustments (I)	48,214		55,367	
Tier 2 capital (T2)					
58	Tier 2 capital (T2) ((H)-(I) (J))	2,341,367		2,122,446	
Total capital (TC=T1+T2)					
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	8,152,467		6,979,256	
Risk weighted assets					
	Total of items included in risk weighted assets under phase-out arrangements	24,329		24,764	
	of which: intangibles assets other than mortgage servicing rights	9,331		14,811	
	of which: net defined-benefit asset	14,114		8,775	
	of which: significant investments in the Additional Tier 1 capital of Other Financial Institutions (net of eligible short positions)	883		1,178	
60	Risk weighted assets (L)	33,700,958		27,646,905	
Capital Ratio (consolidated)					
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	17.17%		17.43%	
62	Tier1 capital ratio (consolidated)((G)/(L))	17.24%		17.56%	
63	Total capital ratio (consolidated)((K)/(L))	24.19%		25.24%	
Regulatory Adjustments					
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	553,001		543,542	
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	55,679		51,927	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-		-	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	-		-	

Provisions included in Tier 2 capital: instruments and provisions				
76	Provisions (general reserve for possible loan losses)	7		19
77	Cap on inclusion of provisions (general reserve for possible loan losses)	105		127
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")	-		-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	179,205		149,587
Capital instruments subject to phase-out arrangements				
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	594		679
83	Amount excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	254		169
84	Current cap on Tier 2 instruments subject to phase-out arrangements	1,075,204		1,228,805
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-		-