

Composition of Capital Disclosure (Consolidated)

The Norinchukin Bank

As of June 30, 2018

(millions of yen, %)

Basel III Template No.	Items	As of June 30, 2018	As of March 31, 2018	
<b>Common Equity Tier 1 Capital: instruments and reserves</b>				
1a+2-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	5,455,043	5,373,368	
1a	of which: capital and capital surplus	3,455,509	3,455,509	
2	of which: retained earnings	1,999,533	1,988,359	
26	of which: cash dividends to be paid	-	70,500	
	of which: other than the above	-	-	
3	Accumulated other comprehensive income and other disclosed reserves	1,177,308	1,242,763	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-	
6	Common Equity Tier 1 capital: instruments and reserves (A)	6,632,351	6,616,132	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	37,497	37,007	
8	of which: goodwill (net of related tax liability, including those equivalent)	4,746	4,638	
9	of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	32,750	32,368	
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	114,402	89,100	
12	Shortfall of eligible provisions to expected losses	24,380	21,227	
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	38,211	37,938	
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)	214,493	185,274	
<b>Common Equity Tier 1 capital (CET1)</b>				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,417,858	6,430,858	
<b>Additional Tier 1 capital: instruments</b>				
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	49,973	49,973
	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)	3,606	3,543	
33+35	Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	-	-	
33	of which: instruments issued by banks and their special purpose vehicles	-	-	
35	of which: instruments issued by subsidiaries (excluding banks' special purpose vehicles)	-	-	
36	Additional Tier 1 capital: instruments (D)	53,580	53,517	
<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 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)	50,016	51,754	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)	50,016	51,754	
<b>Additional Tier 1 capital (AT1)</b>				
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	3,563	1,763	

Composition of Capital Disclosure (Consolidated)

The Norinchukin Bank

As of June 30, 2018

(millions of yen, %)

Basel III Template No.	Items	As of June 30, 2018	As of March 31, 2018
<b>Tier 1 capital (T1=CET1+AT1)</b>			
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	6,421,421	6,432,621
<b>Tier 2 capital: instruments and provisions</b>			
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	1,415,480	1,415,480
	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)	132	121
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	97,816	97,816
47	of which: instruments issued by banks and their special purpose vehicles	97,816	97,816
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	107	72
50a	of which: general reserve for possible loan losses	107	72
50b	of which: eligible provisions	-	-
51	Tier 2 capital: instruments and provisions (H)	1,513,536	1,513,489
<b>Tier 2 capital: regulatory adjustments</b>			
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)	-	-
57	Tier 2 capital: regulatory adjustments (I)	-	-
<b>Tier 2 capital (T2)</b>			
58	Tier 2 capital (T2) ((H)-(I)) (J)	1,513,536	1,513,489
<b>Total capital (TC=T1+T2)</b>			
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	7,934,957	7,946,110
<b>Risk weighted assets</b>			
60	Risk weighted assets (L)	35,357,539	33,810,329
<b>Capital Ratio (consolidated)</b>			
61	Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	18.15%	19.02%
62	Tier1 capital ratio (consolidated)((G)/(L))	18.16%	19.02%
63	Total capital ratio (consolidated)((K)/(L))	22.44%	23.50%
<b>Regulatory Adjustments</b>			
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	199,420	315,503
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	23,193	24,445
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)	-	-
<b>Provisions included in Tier 2 capital: instruments and provisions</b>			
76	Provisions (general reserve for possible loan losses)	107	72
77	Cap on inclusion of provisions (general reserve for possible loan losses)	1,435	892
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	197,499	189,429
<b>Capital instruments under phase-out arrangements</b>			
82	Current cap on Additional Tier 1 instruments under phase-out arrangements	-	-
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")	-	-
84	Current cap on Tier 2 instruments under phase-out arrangements	614,402	614,402
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	-