

Composition of Capital Disclosure (Consolidated)

The Norinchukin Bank

As of December 31, 2014

(millions of yen, %)

Items		Amounts excluded under transitional arrangements	Basel III Template No.
Common Equity Tier 1 Capital: instruments and reserves			
Directly issued qualifying common share capital plus related capital surplus and retained earnings	4,881,123		1a+2-26
of which: capital and capital surplus	3,400,930		1a
of which: retained earnings	1,480,193		2
of which: cash dividends to be paid	-		26
of which: other than the above	-		
Accumulated other comprehensive income and other disclosed reserves	389,893	1,559,572	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	3,359		
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)	3,359		
Common Equity Tier 1 capital: instruments and reserves (A)	5,274,375		6
Common Equity Tier 1 capital: regulatory adjustments			
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	6,210	24,841	8+9
of which: goodwill (net of related tax liability, including those equivalent)	3,162	12,651	8
of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	3,047	12,189	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	△ 4,328	△ 17,312	11
Shortfall of eligible provisions to expected losses	5,366	21,466	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	2,175	8,700	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	-	-	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)	9,423		28
Common Equity Tier 1 capital (CET1)			
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,264,951		29

Additional Tier 1 capital: instruments			
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)	2,796		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	19		
of which: amounts of counted in to base instruments of Additional Tier1 under phase-out arrangements that related other comprehensive income	19		
Additional Tier 1 capital: instruments (D)	52,495		36
Additional Tier 1 capital: regulatory adjustments			
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)	8,513	34,054	40
Total of items included in Additional Tier 1 capital: regulatory adjustments under phase-out arrangements	10,733		
of which: 50% of balance due to pay of eligible provisions	10,733		
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		42
Additional Tier 1 capital: regulatory adjustments (E)	19,246		43
Additional Tier 1 capital (AT1)			
Additional Tier 1 capital (AT1) ((D)-(E)) (F)	33,248		44
Tier 1 capital (T1=CET1+AT1)			
Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	5,298,200		45
Tier 2 capital: instruments and provisions			
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	12		50
of which: general allowance for possible loan losses	12		50a
of which: eligible provisions	-		50b
Total of items included in Tier 2 capital: instruments and provisions under phase-out arrangements	976,086		
of which: amounts of counted in to base instruments of Additional Tier1 under phase-out arrangements that related other comprehensive income	976,086		
Tier 2 capital: instruments and provisions (H)	2,512,269		51

Tier 2 capital: regulatory adjustments			
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	57,208		
of which: intangibles assets other than mortgage servicing rights	12,651		
of which: 50% of balance due to pay of eligible provisions	10,733		
of which: significant investments in the additional Tier 1 capital of other financial institutions	33,823		
Tier 2 capital: regulatory adjustments (I)	57,208		57
Tier 2 capital (T2)			
Tier 2 capital (T2) ((H)-(I)) (J)	2,455,061		58
Total capital (TC=T1+T2)			
Total capital (TC=T1+T2) ((G) + (J)) (K)	7,753,261		59
Risk weighted assets			
Total of items included in risk weighted assets under phase-out arrangements	22,067		
of which: intangibles assets other than mortgage servicing rights	12,189		
of which: net defined-benefit asset	8,700		
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)	32,944,229		60
Capital Ratio (consolidated)			
Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	15.98%		61
Tier1 capital ratio (consolidated)((G)/(L))	16.08%		62
Total capital ratio (consolidated)((K)/(L))	23.53%		63
Regulatory Adjustments			
Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	578,395		72
Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	53,680		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
Provisions included in Tier 2 capital: instruments and provisions			
Provisions (general reserve for possible loan losses)	12		76
Cap on inclusion of provisions (general reserve for possible loan losses)	120		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	177,947		79
Capital instruments subject to phase-out arrangements			
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