

Composition of Capital Disclosure (Non-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	
Common Equity Tier 1 Capital: instruments and reserves				
1a+2-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	5,392,083	5,308,106	
1a	of which: capital and capital surplus	3,455,509	3,455,509	
2	of which: retained earnings	1,936,574	1,923,097	
26	of which: cash dividends to be paid	-	70,500	
	of which: other than the above	-	-	
3	Valuation and translation adjustments and other disclosed reserves	1,161,097	1,225,668	
6	Common Equity Tier 1 capital: instruments and reserves (A)	6,553,181	6,533,774	
Common Equity Tier 1 capital: regulatory adjustments				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	29,398	28,931	
8	of which: goodwill (net of related tax liability, including those equivalent)	-	-	
9	of which: other intangible assets other than goodwill and mortgage servicing rights (net of related tax liability)	29,398	28,931	
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	114,359	88,989	
12	Shortfall of eligible provisions to expected losses	17,596	14,701	
13	Securitisation gain on sale	-	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	
15	Defined-benefit pension fund net assets (prepaid pension costs)	16,477	15,043	
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)	177,832	147,666	
Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	6,375,349	6,386,108	
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	49,999	49,999
	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	-	-
33+35	Eligible Tier 1 capital instruments under phase-out arrangements included in Additional Tier 1 capital: instruments	-	-	
36	Additional Tier 1 capital: instruments (D)	49,999	49,999	
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)	39,041	39,041	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	
43	Additional Tier 1 capital: regulatory adjustments (E)	39,041	39,041	
Additional Tier 1 capital (AT1)				
44	Additional Tier 1 capital (AT1) ((D)-(E)) (F)	10,958	10,958	
45	Tier 1 capital (T1=CET1+AT1) ((C)+(F)) (G)	6,386,307	6,397,066	

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Basel III Template No.	Items	As of June 30, 2018	As of March 31, 2018
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	-	-
	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	-	-
47+49	Eligible Tier 2 capital instruments under phase-out arrangements included in Tier 2: instruments and provisions	97,816	97,816
50	Total of general reserve for possible loan losses and eligible provisions included in Tier 2	25	30
50a	of which: general reserve for possible loan losses	25	30
50b	of which: eligible provisions	-	-
51	Tier 2 capital: instruments and provisions (H)	1,513,321	1,513,326
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 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)	-	-
Tier 2 capital (T2)			
58	Tier 2 capital (T2) ((H)-(I))(J)	1,513,321	1,513,326
Total capital (TC=T1+T2) ((G) + (J)) (K)			
59	Total capital (TC=T1+T2) ((G) + (J)) (K)	7,899,628	7,910,393
Risk weighted assets			
60	Risk weighted assets (L)	34,766,789	33,259,570
Capital Ratio (non-consolidated)			
61	Common Equity Tier 1 capital ratio (non-consolidated) ((C)/(L))	18.33%	19.20%
62	Tier 1 capital ratio (non-consolidated)((G)/(L))	18.36%	19.23%
63	Total capital ratio (non-consolidated)((K)/(L))	22.72%	23.78%
Regulatory Adjustments			
72	Non-significant Investments in the capital of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	198,171	314,254
73	Significant investments in the common stock of Other Financial Institutions that are below the thresholds for deduction (before risk weighting)	17,129	18,489
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)	25	30
77	Cap on inclusion of provisions (general reserve for possible loan losses)	335	374
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	194,650	186,541
Capital instruments under phase-out arrangements			
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")	-	-