Mitsubishi UFJ Financial Group

Financial Highlights under Japanese GAAP for Fiscal Year Ended March 31, 2013

May 15, 2013

Quality for You

This document contains forward-looking statements regarding estimations, forecasts, targets and plans in relation to the results of operations, financial conditions and other overall management of the company and/or the group as a whole (the "forward-looking statements"). The forward-looking statements are made based upon, among other things, the company's current estimations, perceptions and evaluations. In addition, in order for the company to adopt such estimations, forecasts, targets and plans regarding future events, certain assumptions have been made. Accordingly, due to various risks and uncertainties, the statements and assumptions are inherently not guarantees of future performance, may be considered differently from alternative perspectives and may result in material differences from the actual result. For the main factors that may affect the current forecasts, please see Consolidated Summary Report, Annual Securities Report, Disclosure Book, Annual Report, and other current disclosures that the company has announced.
The financial information included in this financial highlights is prepared and presented in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"). Differences exist between Japanese GAAP and the accounting principles generally accepted in the United States ("U.S. GAAP") in certain material respects. Such differences have resulted in the past, and are expected to continue to result for this period and future periods, in amounts for certain financial statement line items under U.S. GAAP to differ significantly from the amounts under Japanese GAAP. For example, differences in consolidation basis or accounting for business combinations, including but not limited to amortization and impairment of goodwill, could result in significant differences in our reported financial results between Japanese GAAP and U.S. GAAP. Readers should consult their own professional advisors for an understanding of the differences between Japanese GAAP and U.S. GAAP and how those differences might affect our reported financial results. We will publish U.S. GAAP financial results in a separate disclosure document when such information becomes available.

＜Definitions of figures used in this document>

Consolidated	: Mitsubishi UFJ Financial Group（Consolidated）
Non-consolidated	: Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without any adjustments)

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FY2012 financial result summary

【Consolidated /Non-consolidated】

Net income ¥852.6bn

- Net income excluding one-time effect of negative goodwill*1 increased by ¥161.9bn and achieved our target:¥670.0bn.
- EPS was ¥58.99.

Consolidated net operating profit(customer divisions)*2

- Consolidated net operating profit from customer divisions increased by ¥29.2bn, due to higher net business profits from Global Banking segment mainly supported by higher lending related income, partially offset by lower profits from Retail, Corporate Banking and Trust Assets segments.

Consolidated net income RORA and consolidated ROE

- Both ratios improved exclusive of one-time effect of negative goodwill*1.

Common Equity Tier1 ratio (full implementation) 11.1%

- Capital levels ahead of regulatory requirement.

〈Consolidated〉 (¥bn)

		FY11	FY12	Change
1	Gross profits	3,502.0	3,634.2	132.1
2	G&A expenses	1,994.5	2,095.0	100.4
3	Net business profits	1,507.4	1,539.2	31.7
4	Net income	981.3	852.6	(128.7)
5	Excluding one-time effect of negative goodwill*1	690.6	852.6	161.9
6	EPS(¥)	68.09	58.99	(9.10)
7	Excluding one-time effect of negative goodwill*1	47.54	58.99	11.45

〈Financial Targets〉

			FY11	FY12	FY14 (Targets)
8	Consolidated net operating profit (customer divisions)*2		1,036.0	1,065.1	20% increase from FY2011
9	Expenses ratio	Consolidated	56.9%	57.6%	Between 55-60%
10		Non-consolidated	50.4%	51.4%	Between 50-55%
11	Consolidated net income RORA*3*4		0.8%	0.95%	Approx. 0.9%
12	Consolidated ROE*3*5		7.75%	8.77%	Approx. 8.0%
13	Common Equity Tier1 ratio (full implementation)*4		Approx. 9.0%	11.1%	9.5% or above

*1 One-time effect of negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley
*2 Simple sum of consolidated operating results for the retail, corporate, global, and trust assets segments
*3 FY11 figures do not include one-time effect of negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley
*4 Calculated on the basis of regulations applied at the end of March,2019
*5 Net income－Equivalent of annual dividends on nonconvertible preferred stocks / {(Total shareholders' equity at the beginning of the period －Number of nonconvertible preferred stocks at the beginning of the period×Issue price+Foreign currency translation adjustments at the beginning of the period) +(Total shareholders' equity at the end of the period －Number of nonconvertible preferred stocks at the end of the period ×Issue price+Foreign currency translation adjustments at the end of the period)}÷2 ×100

Income statement summary

【Consolidated /Non-consolidated】

● Net business profits

- Net interest income decreased mainly due to tighter domestic deposit-loan margin, lower interest income in Global Markets segment and lower income from consumer-finance subsidiaries, partially offset by an increase in loan income in overseas. Gross profits, however, increased primarily due to increases in net fees and commissions, income from sales and trading and net gains on debt securities.
- G&A expenses increased mainly due to an increase in costs in strengthening overseas businesses.
- Net business profits increased second straight year, as a result.

● Total credit costs

- Total credit costs decreased mainly due to decreases in losses on loan write-offs and provision for specific allowance for credit losses.

● Net losses on equity securities

- Net losses on equity securities decreased due to a decrease in losses on sales of equity securities.

● Net income

- As a result, net income excluding one-time effect of negative goodwill[*1] increased by ¥161.9bn.
- Achieved our target :¥670.0bn.

*1 one-time effect of negative goodwill associated with the application of equity method accounting on our investment in Morgan Stanley

Income statement(¥bn)

〈Consolidated〉

		FY11	FY12	Change
1	Gross profits (before credit costs for trust accounts)	3,502.0	3,634.2	132.1
2	Net interest income	1,840.5	1,816.8	(23.6)
3	Trust fees+Net fees and commissions	1,061.1	1,137.3	76.2
4	Net trading profits +Net other business profits	600.2	679.9	79.6
5	Net gains (losses) on debt securities	270.3	336.7	66.3
6	G&A expenses	1,994.5	2,095.0	100.4
7	Net business profits	1,507.4	1,539.2	31.7
8	Total credit costs[*2]	(193.4)	(115.6)	77.8
9	Net gains (losses) on equity securities	(88.6)	(53.6)	35.0
10	Losses on write-down of equity securities	(79.2)	(87.3)	(8.1)
11	Profits (Losses) from investments in affiliates	377.5	52.0	(325.5)
12	Other non-recurring gains (losses)	(130.8)	(77.7)	53.1
13	Ordinary profits	1,471.9	1,344.1	(127.8)
14	Net extraordinary gains (losses)	(23.8)	9.6	33.4
15	Total of income taxes-current and income taxes-deferred	(376.4)	(395.7)	(19.2)
16	Net income	981.3	852.6	(128.7)
17	Excluding one-time effect of negative goodwill[*1]	690.6	852.6	161.9

〈Non-consolidated〉

		FY11	FY12	Change
18	Gross profits (before credit costs for trust accounts)	2,362.0	2,397.7	35.6
19	G&A expenses	1,191.0	1,233.9	42.8
20	Net business profits	1,171.0	1,163.8	(7.1)
21	Total credit costs[*2]	(134.5)	(65.3)	69.2
22	Ordinary profits	853.4	997.2	143.8
23	Net income	544.9	710.2	165.3

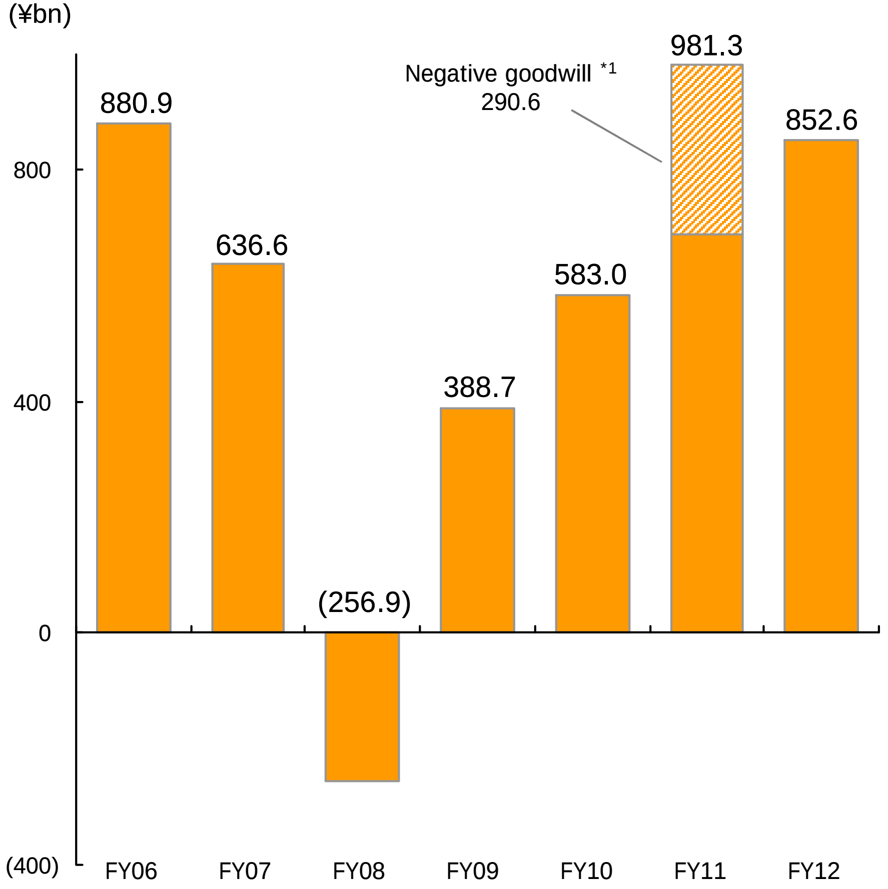
*2 Credit costs for trust accounts+Provision for general allowance for credit losses +Credit costs(included in non-recurring gains/losses) +Reversal of allowance for credit losses +Reversal of reserve for contingent losses included in credit costs+Gains on loans written-off.

Outline of net income

【Consolidated】

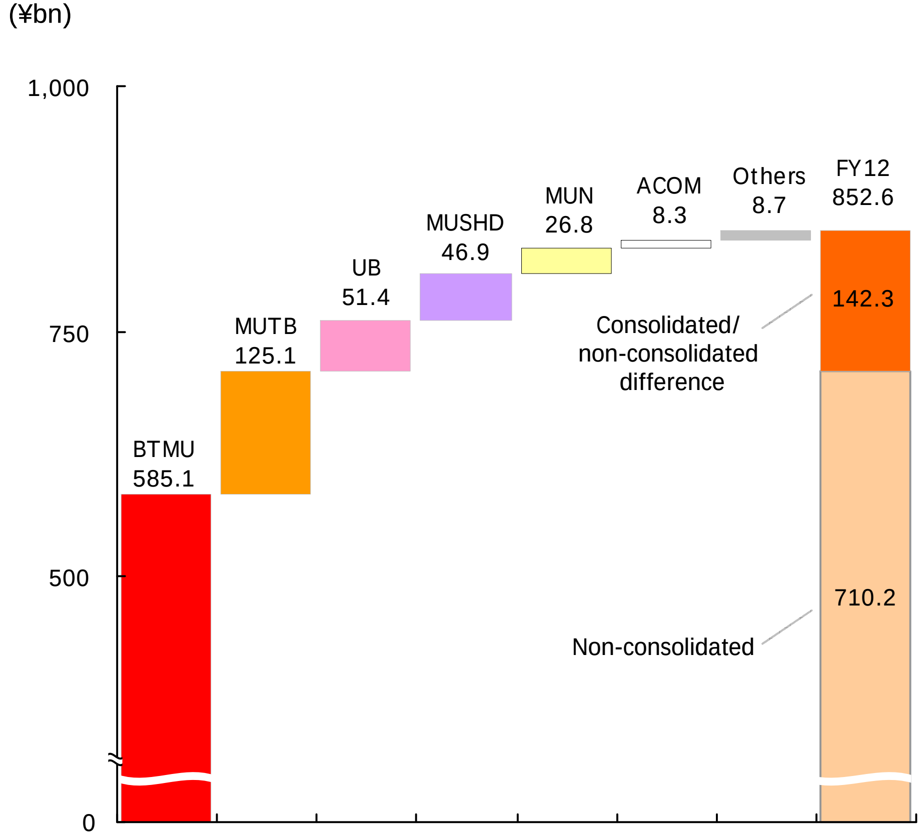
- Net income excluding one-time effect of negative goodwill*1 increased fourth straight year
- Solid performance of subsidiaries. Difference between consolidated and non-consolidated net income was ¥142.3bn.

Net income history



*1 one-time effect of negative goodwill associated with the application of equity method accounting on our investment in Morgan Stanley

Breakdown of net income*2

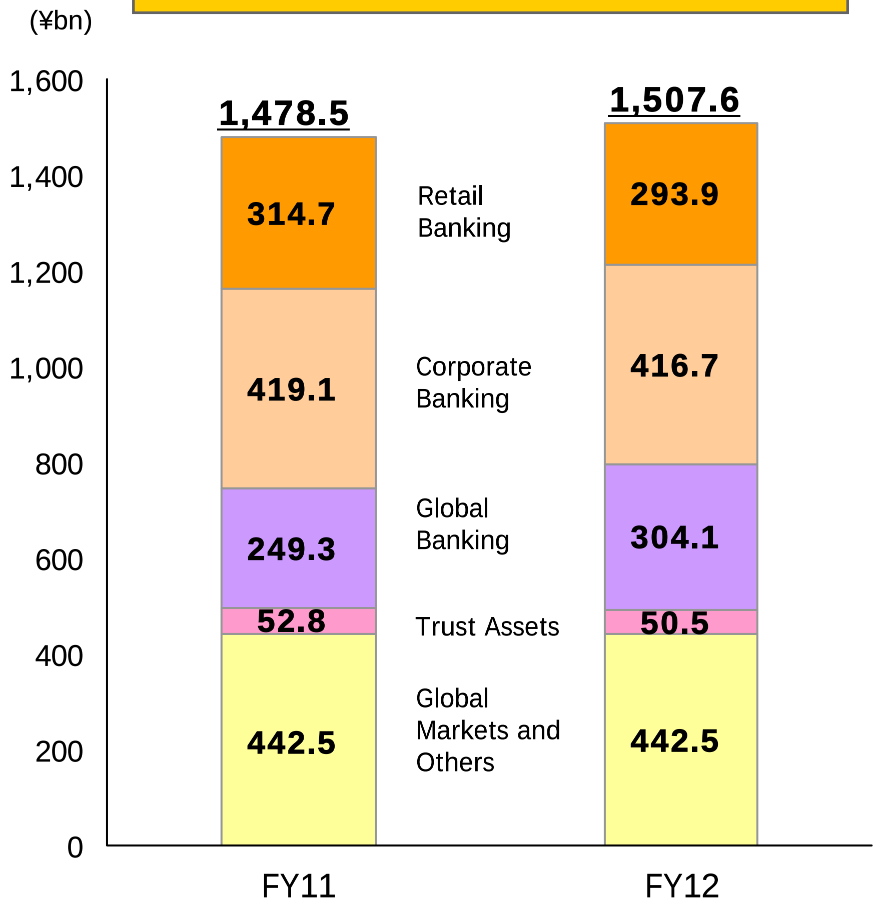


*2 The above figures take into consideration the percentage holding in each subsidiary (after-tax basis) .

Outline of results by business segment 【Consolidated】

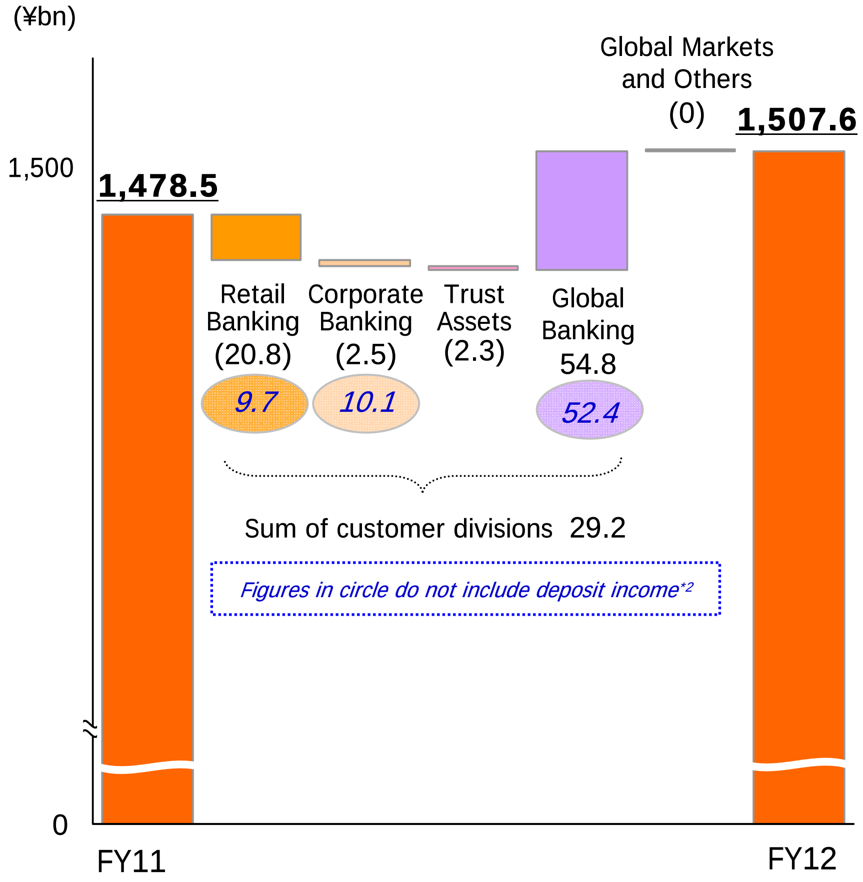
- Net operating profits from customer divisions increased by ¥29.2bn compared to FY11, due to higher net business profits from Global Banking segment mainly supported by higher lending related income, partially offset by lower profits from Retail, Corporate Banking and Trust Assets segments mainly due to tighter domestic deposit-loan margin(of ¥29.2bn, decrease in deposit income : ¥40.8bn, positive impact of change in foreign exchange rate : ¥45.0bn).

Net operating profits by segment*1



*1 Consolidated net business profits on a managerial accounting basis.

Breakdown of changes in net operating profits



*2 Deposit income (managerial accounting basis) is non-consolidated figures

Balance sheet summary

【Consolidated】

MUFG

● Loans

■ Increased from the end of March 2012 and the end of September 2012 mainly due to higher domestic corporate loans and overseas loans.

● Investment securities

■ Increased from the end of March 2012 and the end of September 2012 mainly due to increases in domestic equity securities, Japanese government bonds and foreign bonds.

● Deposits

■ Increased from the end of March 2012 and the end of September 2012 mainly due to higher individual, corporate and overseas & others deposits.

● Non performing loans (“NPLs”)

■ Increased from the end of March 2012 and the end of September 2012 . NPL ratio decreased from the end of September 2012 due to an increase in total loans.

● Net unrealized gains on securities available for sale

■ Improved from the end of March 2012 and the end of September 2012 mainly due to higher unrealized gains on domestic equity securities.

	Balance sheet(¥bn)	Mar.13	Change from Mar.12	Change from Sep.12
1	Total assets	234,498.7	15,637.0	15,857.5
2	Loans(Banking+Trust accounts)	91,403.2	6,763.1	6,574.7
3	Loans(Banking accounts)	91,299.5	6,806.8	6,618.4
4	Housing loans*1	16,590.3	(275.6)	(101.3)
5	Domestic corporate loans*1	47,610.7	1,976.0	1,840.7
6	Overseas loans*2	25,437.5	4,944.6	4,760.5
7	Investment securities (banking accounts)	79,526.8	1,262.1	2,250.0
8	Domestic equity securities	4,722.7	506.1	998.0
9	Japanese government bonds	48,707.9	145.1	633.9
10	Foreign bonds	18,869.6	97.5	197.7
11	Total liabilities	220,979.0	13,793.2	14,204.7
12	Deposits	131,697.0	6,907.8	6,611.2
13	Individual deposits (Domestic branches)	67,342.8	1,498.4	861.6
14	Total net assets	13,519.6	1,843.8	1,652.7
15	FRL disclosed loans*1*3	1,696.8	114.7	45.7
16	NPL ratio*1	1.80%	0.02%	(0.07%)
17	Net unrealized gains (losses) on securities available for sale	1,885.1	1,053.0	1,185.5

*1 Non-consolidated+trust accounts
*2 Loans booked in overseas branches, UnionBanCal Corporation, BTMU(China) and BTMU(Holland)
*3 FRL=the Financial Reconstruction Law

Loans / deposits

【Consolidated】

●Loan balance ¥91.4tn
(up by ¥6.5tn from September 2012)

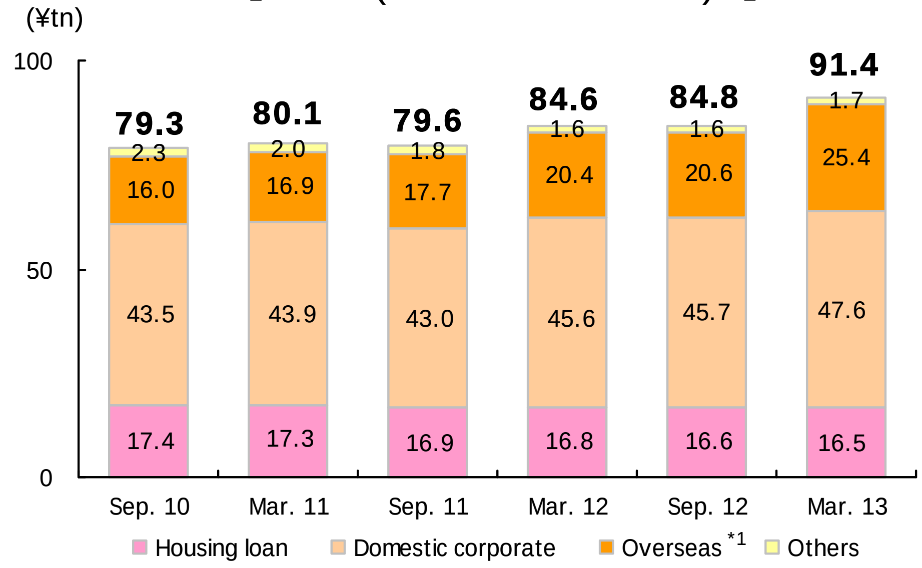
<Changes from September 2012>

■ Housing Loan	(¥0.1tn)
■ Domestic corporate	+¥1.8tn
■ Overseas*1	+¥4.7tn
Excluding impact of foreign currency exchange	+¥1.3tn

*1 Overseas branches + UnionBanCal Corporation +BTMU (China) +BTMU(Holland)

*2 Sum of banking and trust accounts

【Loans (Period end balance)*2】

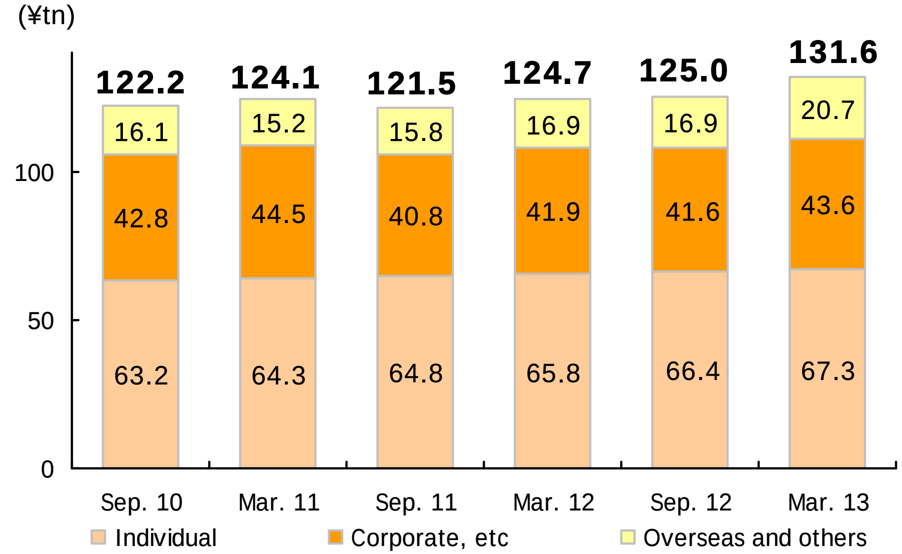


●Deposit balance ¥131.6tn
(up by ¥6.6tn from September 2012)

<Changes from September 2012 >

■ Individual	+¥0.8tn
■ Corporate, etc.	+¥2.0tn
■ Overseas and others	+¥3.7tn
Excluding impact of foreign currency exchange	+¥1.2tn

【Deposits (Period end balance)】

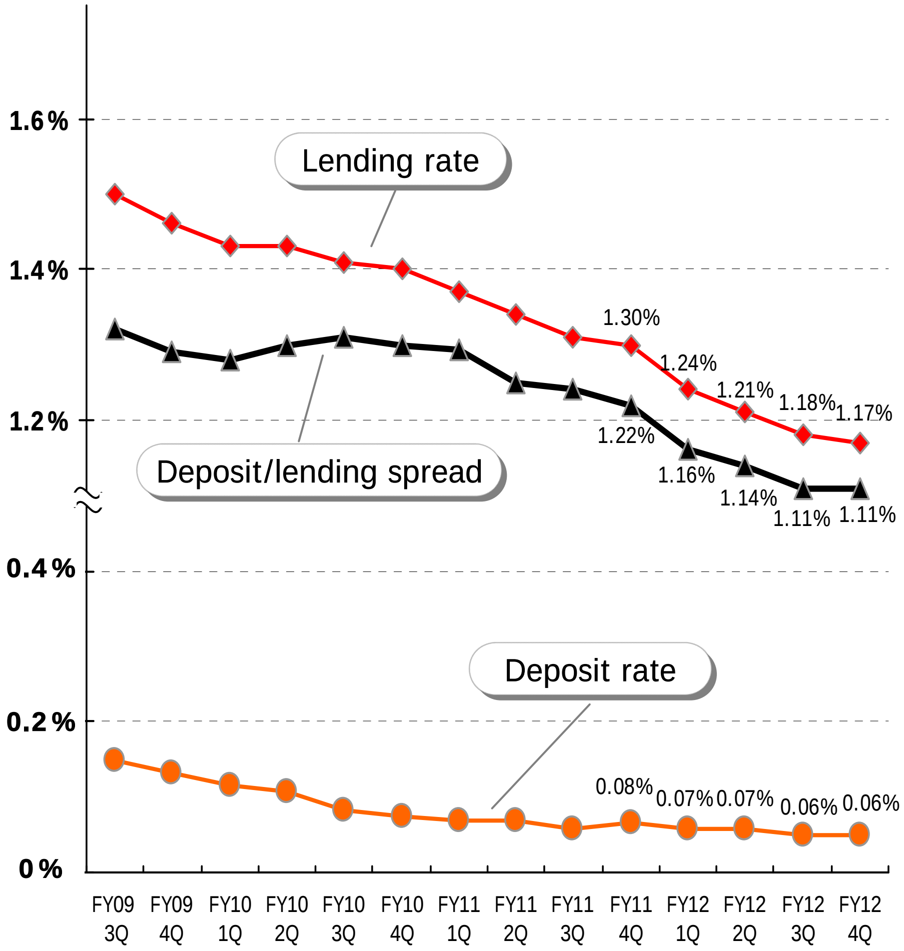


Domestic deposit / lending rates

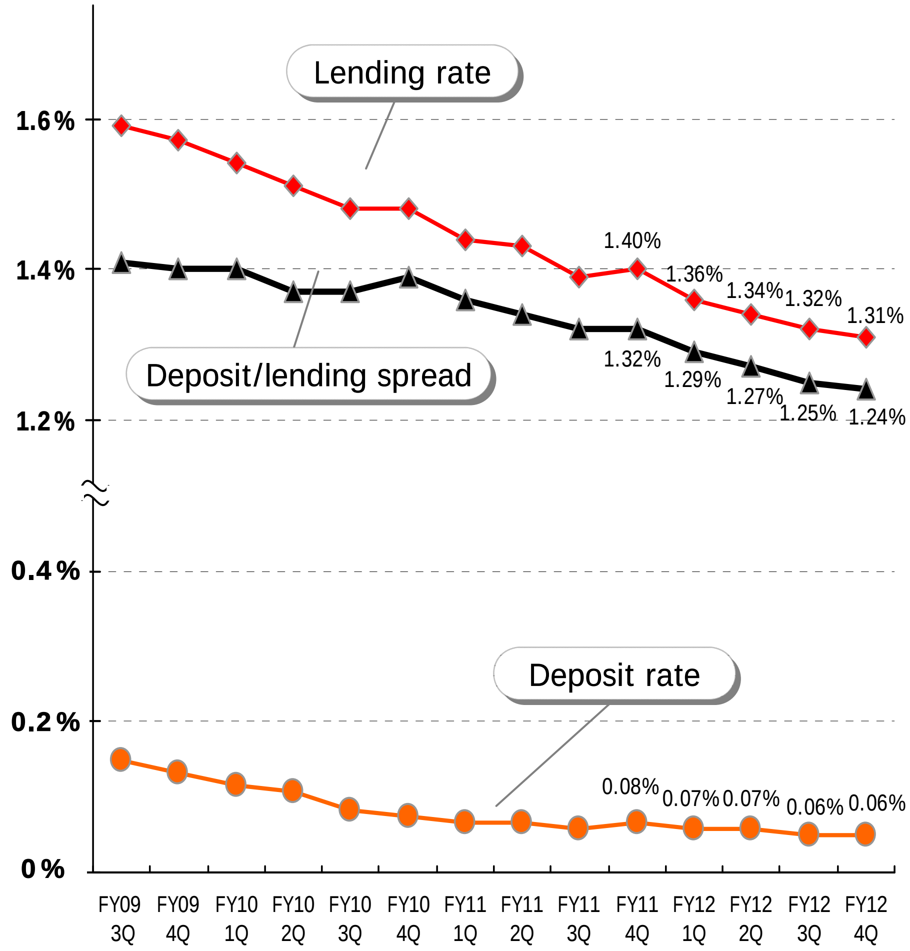
【Non-consolidated】

- Deposit/lending spread in FY12 4Q was 1.11%, remained unchanged from FY12 3Q

Changes in domestic deposit / lending rates



Changes in domestic deposit / lending rates (Excluding lending to Government)

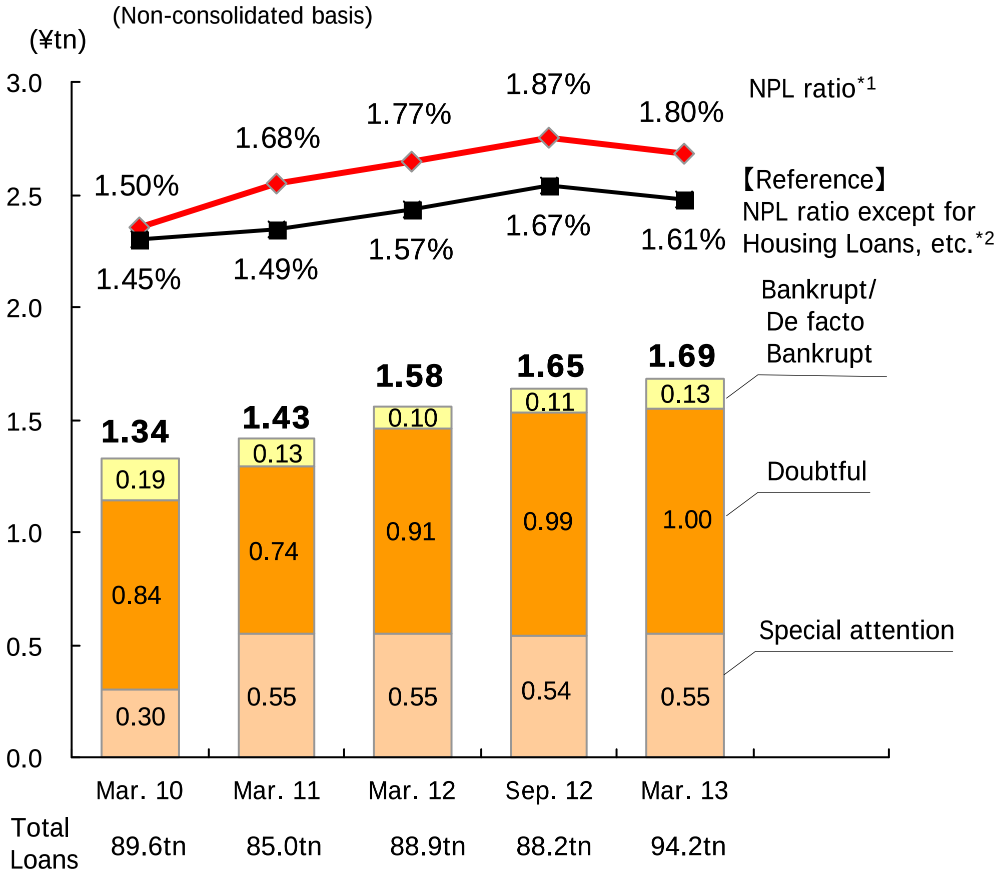


Loan assets

【Consolidated / Non-consolidated】

- **NPL ratio decreased 0.07% from the end of September 2012 to 1.80%.**
- **Total credit costs decreased to ¥65.3bn on non-consolidated basis, and to ¥115.6bn on consolidated basis compared with FY11**

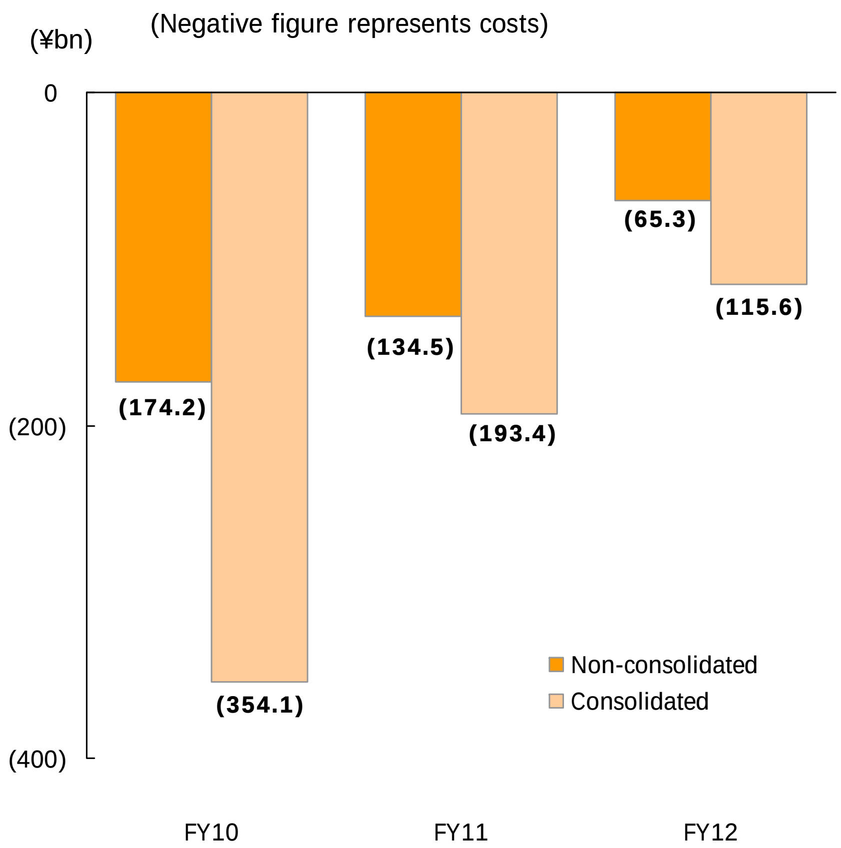
Balance of FRL disclosed loans



*1 Non performing loans ÷ Total loans

*2 Excluding restructured loans, etc. of Housing Loans guaranteed by MUFG credit guarantee companies

Total credit costs



Investment securities

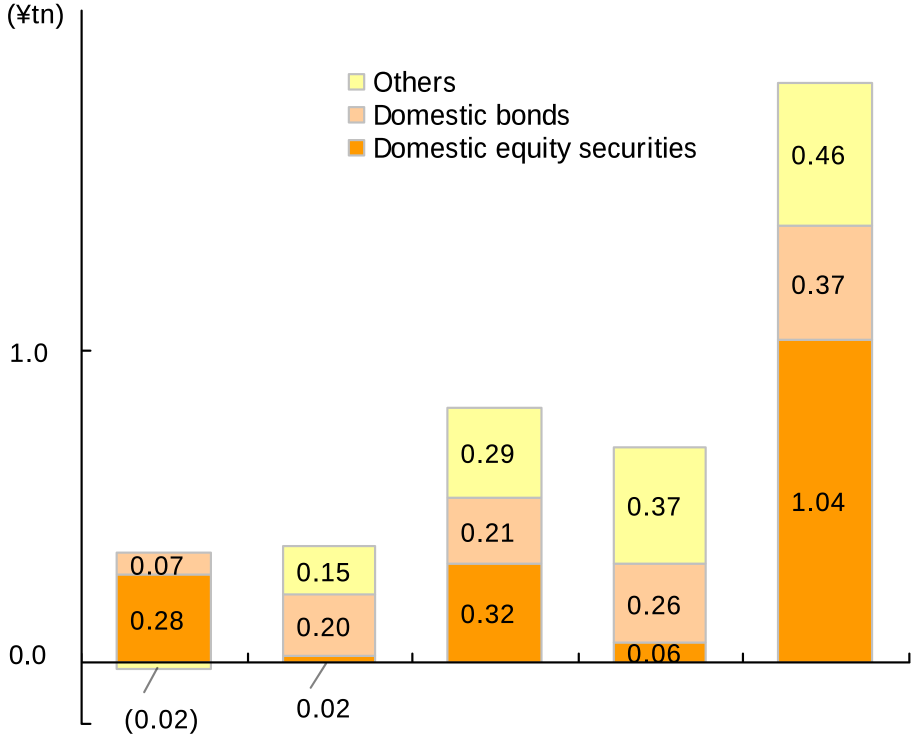
【Consolidated】

- **Total unrealized gains on securities available for sale improved by ¥1,185.5bn from the end of September 2012 mainly due to an increase in gains on domestic and foreign equity securities, reflecting strong domestic and foreign equity markets towards the end of March 2013.**

Breakdown of securities available for sale with fair value

	(¥bn)	Balance		Unrealized gains(losses)	
		Mar.13	Change from Sep.12	Mar.13	Change from Sep.12
1	Total	77,091.8	2,997.7	1,885.1	1,185.5
2	Domestic equity securities	3,896.5	1,026.2	1,046.0	984.4
3	Domestic bonds	51,473.0	610.8	371.5	107.5
4	Government bonds	48,477.9	933.9	303.1	102.1
5	Others	21,722.2	1,360.5	467.5	93.4
6	Foreign equity securities	209.1	58.8	94.6	62.7
7	Foreign bonds	18,381.4	420.8	305.2	(25.2)
8	Others	3,131.6	880.9	67.7	55.9

Unrealized gains on securities available for sale



	Mar. 11	Sep. 11	Mar. 12	Sep. 12	Mar. 13
Total unrealized gains	0.32tn	0.39tn	0.83tn	0.69tn	1.88tn
TOPIX:	869.38	761.17	854.35	737.42	1,034.71
JGB(10yrs):	1.26%	1.02%	0.99%	0.77%	0.56%

Capital

● Risk-adjusted capital ratio（Basel 3）

■Common Equity Tier1 ratio : 11.70%

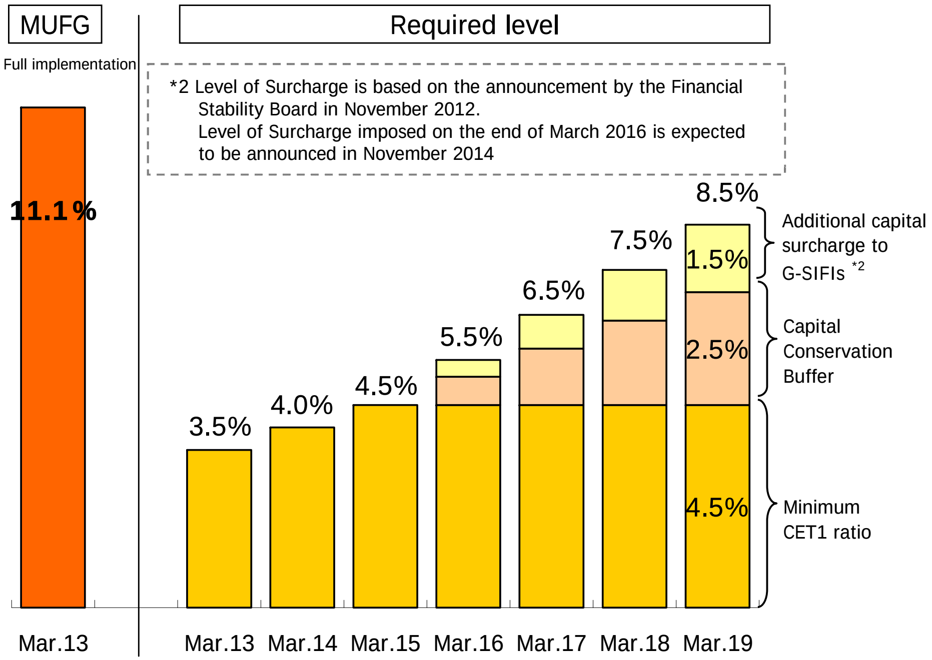
■Tier1 ratio : 12.74%

■Total capital ratio : 16.68%

（Full implementation*1）
Common Equity Tier1 ratio : 11.1%

*1 Calculated on the basis of regulations applied at the end of March,2019

Common Equity Tier1(CET1) ratio of Basel 3 regulations



	(¥bn)	Mar.13
1	Common Equity Tier1 ratio	11.70%
2	Tier1 ratio	12.74%
3	Total capital ratio	16.68%
4	Common Equity Tier 1 capital	10,300.5
5	Capital and stock surplus	3,922.3
6	Retained earnings	6,267.9
7	Additional Tier 1 capital	914.2
8	Preferred stock and Preferred securities	1,491.7
9	Tier 1 capital	11,214.8
10	Tier 2 capital	3,459.1
11	Subordinated debt	2,384.9
12	Total capital（Tier1＋Tier2）	14,673.9
13	Risk-adjusted assets	87,968.6
14	Credit risk	79,124.0
15	Market risk	2,486.8
16	Operational risk	5,284.8
17	Transitional floor	403.0

FY2013 targets

【Consolidated / Stand-alone】

●FY2013 net income targets are ¥760.0bn

【Earnings targets】

〔Consolidated〕

		FY 2013		FY 2012	
		Interim	Full Year	Interim (results)	Full Year (results)
1	Ordinary profits	¥610.0 bn	¥1,270.0 bn	¥570.0 bn	¥1,344.1 bn
2	Net income	¥360.0 bn	¥760.0 bn	¥290.4 bn	¥852.6 bn
3	Total credit costs	(¥70.0 bn)	(¥150.0 bn)	(¥62.2 bn)	(¥115.6 bn)

〔Stand-alone〕

(Bank of Tokyo-Mitsubishi UFJ)

		FY 2013 Interim	FY 2013 Full Year	FY 2012 Interim (results)	FY 2012 Full Year (results)
4	Net business profits	¥400.0 bn	¥860.0 bn	¥569.6 bn	¥1,001.5 bn
5	Ordinary profits	¥340.0 bn	¥740.0 bn	¥326.4 bn	¥860.9 bn
6	Net income	¥215.0 bn	¥460.0 bn	¥171.4 bn	¥585.1 bn
7	Total credit costs	(¥40.0 bn)	(¥80.0 bn)	(¥26.8 bn)	(¥56.6 bn)

(Mitsubishi UFJ Trust and Banking Corporation)

		FY 2013 Interim	FY 2013 Full Year	FY 2012 Interim (results)	FY 2012 Full Year (results)
8	Net business profits	¥70.0 bn	¥160.0 bn	¥79.8 bn	¥162.2 bn
9	Ordinary profits	¥60.0 bn	¥135.0 bn	¥46.8 bn	¥136.2 bn
10	Net income	¥40.0 bn	¥85.0 bn	¥39.7 bn	¥125.1 bn
11	Total credit costs	(¥5.0 bn)	(¥10.0 bn)	(¥1.7 bn)	(¥8.6 bn)

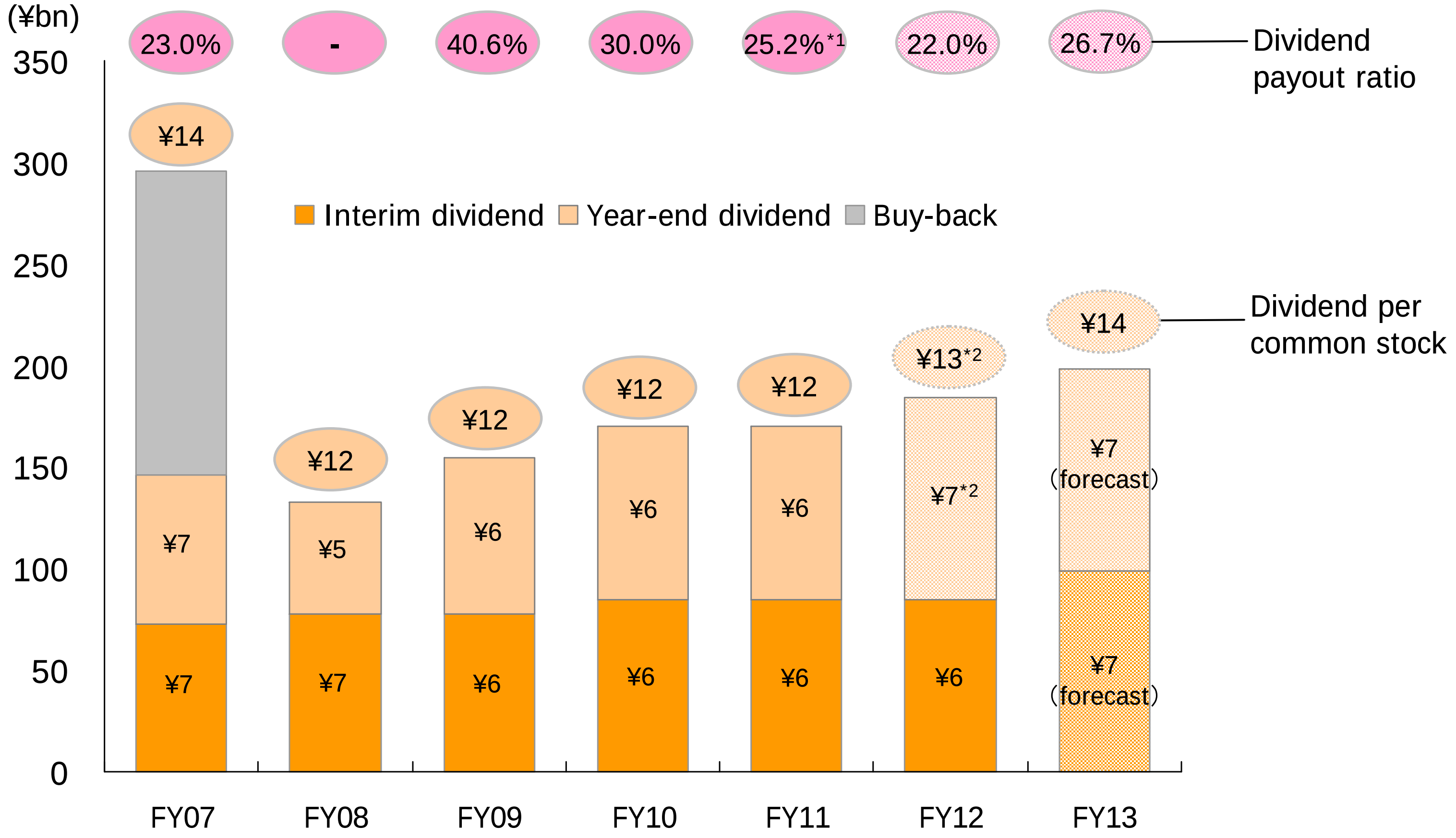
Dividend forecasts

【Consolidated】

MUFG

- FY12 dividend is ¥13 per common stock, an increase ¥1 from FY11
- FY13 dividend forecasts are ¥14 per common stock, an increase ¥1 from FY12

Results of shareholder returns / Dividend forecasts



*1 FY11 figures do not include one-time effect of negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

*2 The year-end dividend for the FY2012 is based on the assumption that it will be approved at the General Meeting of Shareholders to be held on June 27, 2013

(Reference) Income statement supplementary explanation 【Consolidated】

Breakdown of net interest income (Managerial accounting base)

	(¥bn)	y-o-y	
1	Total	(23.6)	
2	Non-consolidated	(34.6)	Down due to decreases in Yen deposits income and market income & others, partially offset by an increase in lending income
3	Lending income	33.4	Declines in Retail and Corporate segments(-22.1) were more than offset by Global segment(+55.9)
4	Deposits income	(40.8)	Decreased in Retail and Corporate segment due to lower market interest rates, partially offset by an increase in Global segment(+2.4)
5	Market income & others	(27.2)	Down mainly due to effects of lower market interest rates on yen-denominated ALM
6	Subsidiaries	10.9	Good performance in UNBC and other subsidiaries in overseas. However, down in consumer finance subsidiaries
7	MUN/ACOM	(30.8)	Loan balance declined due to continued effects of the regulation of total lending limit
8	UNBC	29.1	Up due to an increase in residential mortgage and commercial and industrial lending

Breakdown of net fees & commissions (Managerial accounting base)

	(¥bn)	y-o-y	
1	Total	78.0	
2	Non-consolidated	41.4	Good performance in investment banking business in domestic and overseas. Investment products sales also good
3	Investment products sales	18.9	Investment trust sales income increased, and income from financial products intermediation continued to perform well
4	Investment banking (domestic)	11.8	Strong performance in the syndicated loan and structured finance businesses
5	Overseas commissions	18.9	Strong performance in the structured finance and trade finance businesses
6	Others	(8.1)	Down due to a decrease in guarantee commission of private notes, etc
7	Subsidiaries	36.5	Up mainly due to an increase in fee income at MUSHD resulting from strong equity markets

(Reference) Exposures in European peripheral countries

● **Exposures to European peripheral countries in BTMU consolidated were limited compared to the size of its consolidated total assets.**

Exposures (BTMU consolidated)

	Sep. 12	Mar. 13
Spain	Approx.$5.2 bn	Approx.$4.7 bn
Italy	Approx.$6.1 bn	Approx.$5.8 bn
Ireland	Approx.$0.2 bn	Approx.$0.1 bn
Portugal	Approx.$0.6 bn	Approx.$0.5 bn
Greece	Approx.$0.2 bn	Approx.$0.0 bn
Total	Approx.$12.2 bn	Approx.$11.1 bn

Balance of sovereign bonds (MUFG)

	Sep. 12	Mar. 13
Spain	Approx.$0.1 bn	Approx.$0.1 bn
Italy	Approx.$1.5 bn	Approx.$1.7 bn
Ireland	—	Approx.$0.0 bn
Portugal	Approx.$0.0 bn	—
Greece	—	—
Total	Approx.$1.6 bn	Approx.$1.7 bn

Limited exposures

● Exposures (BTMU consolidated)

- No exposures to sovereign borrowers.
- More than 90% of exposures were to industrial corporations and structured finance.
- Exposures to Spain and Italy were mainly for infrastructure, such as electricity, gas and telecommunications, etc.
- Limited exposures to financial institutions.
- Exposures net of CDS hedge were approx. $10.1bn.

● Balance of sovereign bonds (MUFG)

- No Greek or Portugal government bonds.
- Held-to-Maturity accounting has been used for most of Italian government bonds which will be redeemed in approximately 1.5years.