



# IR Presentation

February 2015

This document contains forward-looking statements in regard to forecasts, targets and plans of Mitsubishi UFJ Financial Group, Inc. (“MUFG”) and its group companies (collectively, “the group”). These forward-looking statements are based on information currently available to the group and are stated here on the basis of the outlook at the time that this document was produced. In addition, in producing these statements certain assumptions (premises) have been utilized. These statements and assumptions (premises) are subjective and may prove to be incorrect and may not be realized in the future. Underlying such circumstances are a large number of risks and uncertainties. Please see other disclosure and public filings made or will be made by MUFG and the other companies comprising the group, including the latest kessantanshin, financial reports, Japanese securities reports and annual reports, for additional information regarding such risks and uncertainties. The group has no obligation or intent to update any forward-looking statements contained in this document

In addition, information on companies and other entities outside the group that is recorded in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by the group and cannot be guaranteed

The financial information used in “Outline of Financial Results” was prepared in accordance with accounting standards generally accepted in Japan, or Japanese GAAP

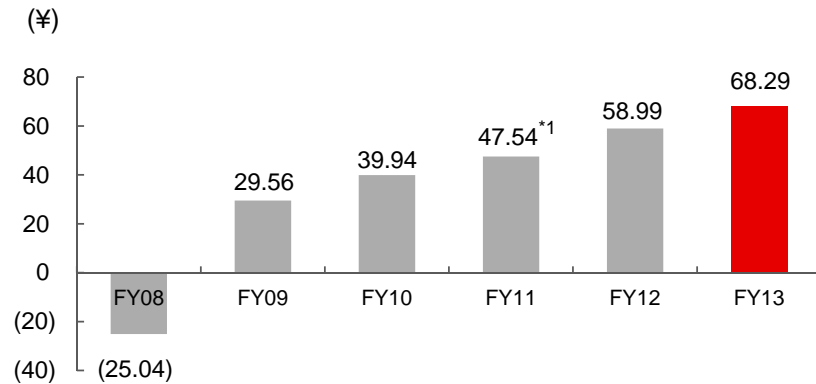
#### Definitions of figures used in this document

<b>Consolidated</b>	Mitsubishi UFJ Financial Group (consolidated)
<b>Non-consolidated</b>	Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without any adjustments)
<b>Commercial bank consolidated</b>	Bank of Tokyo-Mitsubishi UFJ (consolidated)

# Management index

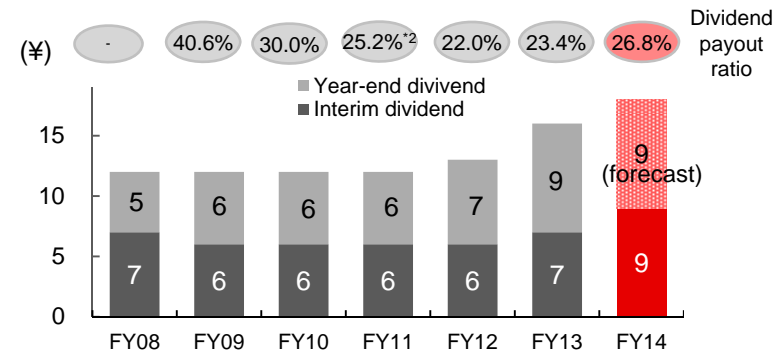
(Consolidated)

## EPS



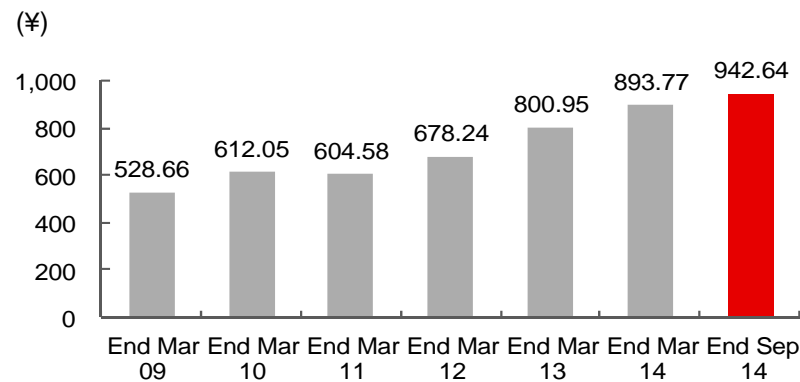
<sup>\*1</sup> ¥68.09 before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

## Dividend per share/Dividend payout ratio

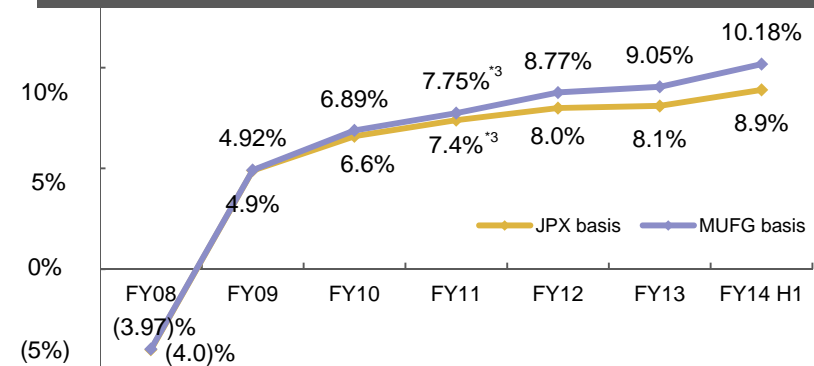


<sup>\*2</sup> 17.6% before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

## BPS



## ROE<sup>\*4</sup>



<sup>\*3</sup> 11.10%(MUFG basis), 10.6%(JPX basis) before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

<sup>\*4</sup> Net income - Equivalent of annual dividends on nonconvertible preferred stocks

$\left\{ \frac{(\text{Total shareholders' equity at the beginning of the period} - \text{Number of nonconvertible preferred stocks at the beginning of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the beginning of the period}) + (\text{Total shareholders' equity at the end of the period} - \text{Number of nonconvertible preferred stocks at the end of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the end of the period})}{2} \right\} \div \text{Number of shares outstanding at the end of the period} \times 100$



# Financial targets

- The medium-term business plan aims for pursuit of sustainable increase of profitability and efficient capital management

		FY11 results	FY13 results	FY14 targets
<b>Growth</b>	Consolidated net operating profit (customer segments) <sup>*1</sup>	¥1,044.8 bn	¥1,261.8 bn	20% increase from FY11
<b>Profitability</b>	Consolidated expense ratio	56.9%	60.9%	Between 55-60%
	(Non-consolidated)	50.4%	55.5%	Between 50-55%
	Consolidated net income RORA <sup>*2*3</sup>	0.8%	0.99%	Approx. 0.9%
	Consolidated ROE <sup>*2</sup>	7.75%	9.05%	Approx. 8%
<b>Financial Strength</b>	CET1 ratio (Full implementation) <sup>*3</sup>	Approx. 9%	11.1%	9.5% or above
			9.5% <sup>*4</sup>	

\*1 Simple sum of consolidated operating profits for Retail, Corporate, Global and Trust Assets segments

\*2 FY11 figures exclude negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

\*3 Calculated on the basis of regulations applied at end Mar 19

\*4 Excluding an effect of net unrealized gains

	Consolidated net operating profits by segment : FY11 results	FY13 results	FY14 targets(from FY11)
Retail	¥313.3 bn	¥334.4 bn	Up 15%
Corporate	¥431.2 bn	¥485.5 bn	Up 15%
Global	¥247.1 bn	¥377.0 bn	Up 35%
Trust Assets	¥53.2 bn	¥64.9 bn	Up 45%

# FY2014 financial targets

- FY14 consolidated net income target is unchanged at ¥950.0 bn

## <Earnings targets>

(Consolidated)	FY13		FY14		Progress
	Q1-3 (results)	Full year (results)	Q1-3 (results)	Full Year (targets)	
1 Ordinary profits	¥1,259.6 bn	¥1,694.8 bn	¥1,484.3 bn	¥1,670.0 bn	88%
2 Net income	¥785.4 bn	¥984.8 bn	¥ 926.9 bn	¥950.0 bn	97%
3 Total credit costs	¥40.7 bn	¥11.8 bn	¥ 30.9 bn	¥0.0 bn	-
(BTMU)					
4 Net business profits	¥617.3 bn	¥855.9 bn	¥715.0 bn	¥920.0 bn	77%
5 Ordinary profits	¥686.3 bn	¥1,002.1 bn	¥819.5 bn	¥960.0 bn	85%
6 Net income	¥424.0 bn	¥650.2 bn	¥539.4 bn	¥570.0 bn	94%
7 Total credit costs	¥ 47.4 bn	¥17.0 bn	¥ 78.3 bn	¥60.0 bn	-
(MUTB)					
8 Net business profits	¥119.7 bn	¥162.9 bn	¥132.2 bn	¥180.0 bn	73%
9 Ordinary profits	¥137.4 bn	¥195.0 bn	¥162.9 bn	¥185.0 bn	88%
10 Net income	¥95.5 bn	¥136.3 bn	¥108.6 bn	¥115.0 bn	94%
11 Total credit costs	¥ 18.3 bn	¥18.0 bn	¥ 14.4 bn	¥5.0 bn	-

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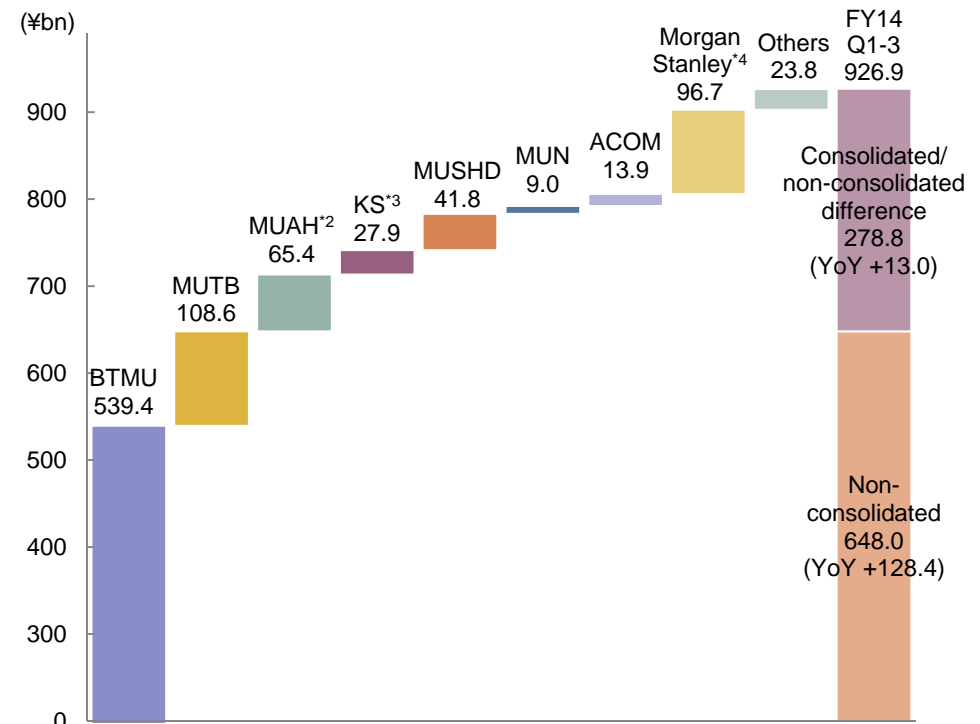
## Appendix

## Outline of FY2014 Q3 results

# FY2014 Q3 key points

- Net income for FY14 Q1-3 was ¥926.9 bn (Increased by ¥141.5 bn from FY13 Q1-3)
  - Progress level towards FY14 full-year target was 97.5%
  - Both net interest income and net fees & commissions increased by ¥194.7 bn and ¥91.2 bn from FY13 Q1-3
  - Thanks to PL consolidation of KS and progress of other overseas subsidiaries' income, consolidated / non-consolidated income difference was ¥278.8 bn, up ¥13.0 bn compared to FY13 Q1-3
- Progress of mid-term business plan
  - In domestic corporate business, lending volume increased from previous quarter and CIB business continuously expanded
  - Overseas loans grew by ¥0.8 tn from end Sep 14 on local currency basis, mainly due to an increase in Americas and Asia
  - Healthy trend of sales and trading business with a capture of customers' needs on the back of market volatility
- Completion of business integration in Thailand
  - Following completed integration with BTMU Bangkok branch and KS in Jan 2015, capital contribution ratio increased to 76.88%

## Breakdown of net income\*1



	FY13 Q1-3	FY14 Q1-3	Change	FY14 Target
Consolidated ROE*5	9.85%	10.68%	0.82%	Approx. 8%

\*1 The above figures take into consideration the percentage holding in each subsidiary and equity method investees (after-tax basis)

\*2 MUFG Americas Holdings Corporation

\*3 Bank of Ayudhya

\*4 Including losses on change in equity (¥33.2 bn)

\*5 Calculated as described below

$$\frac{\text{Net income} \times 4 \div 3 - \text{Equivalent of annual dividends on nonconvertible preferred stocks}}{[(\text{Total shareholders' equity at the beginning of the period} - \text{Number of nonconvertible preferred stocks at the beginning of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the beginning of the period}) + (\text{Total shareholders' equity at the end of the period} - \text{Number of nonconvertible preferred stocks at the end of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the end of the period})] \div 2} \times 100$$





# FY2014 Q3 summary (Income statement)

(Consolidated)

## ● Net business profit

- Gross profits increased mainly due to increases in net interest income from loan businesses in overseas and revenue from investment banking as well as a positive impact of the consolidation of KS(Bank of Ayudhya)
- G&A expenses increased mainly due to an increase in costs in overseas businesses as well as due to the consolidation of KS
- As a result, net business profits increased by ¥129.7 bn from the same period in the previous year to ¥1,218.3 bn

## ● Total credit costs

- Despite a negative impact of the consolidation of KS, due to a further improvement in total credit costs on non-consolidated basis, a net reversal of credit costs on consolidated basis continued to be posted

## ● Net gains (losses) on equity securities

- Net gains (losses) on equity securities increased mainly due to an increase in gains on sales of equity securities

## ● Net income

- As a result, net income increased by ¥141.5 bn from the same period in the previous year to ¥926.9 bn

(¥bn)	FY13	FY14 Q1-3	YoY
1 Gross profits (before credit costs for trust accounts)	3,753.4	3,112.6	337.9
2 Net interest income	1,878.6	1,588.7	194.7
3 Trust fees + Net fees and commissions	1,268.7	1,014.0	92.1
4 Net trading profits + Net other business profits	606.1	509.8	50.9
5 Net gains (losses) on debt securities	142.8	129.8	5.1
6 G&A expenses	2,289.3	1,894.2	208.2
7 Net business profits	1,464.1	1,218.3	129.7
8 Total credit costs*1	11.8	30.9	(9.8)
9 Net gains (losses) on equity securities	144.5	78.9	16.2
10 Net gains (losses) on sales of equity securities	157.5	82.6	9.5
11 Losses on write-down of equity securities	(12.9)	(3.6)	6.7
12 Profits (losses) from investments in affiliates	112.4	161.5	75.0
13 Other non-recurring gains (losses)	(38.2)	(5.4)	13.5
14 Ordinary profits	1,694.8	1,484.3	224.6
15 Net extraordinary gains (losses)	(151.7)	(73.5)	(46.0)
16 Total of income taxes-current and income taxes-deferred	(439.9)	(383.2)	(55.5)
17 Net income	984.8	926.9	141.5
18 EPS (¥)	68.29	65.50	10.66

\*1 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



# FY2014 Q3 summary (Income statement) supplementary explanation

(Consolidated)

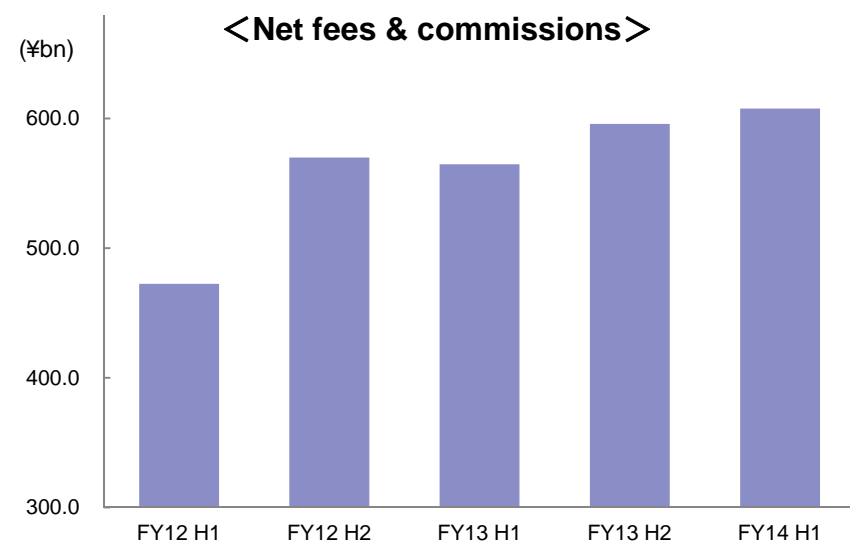
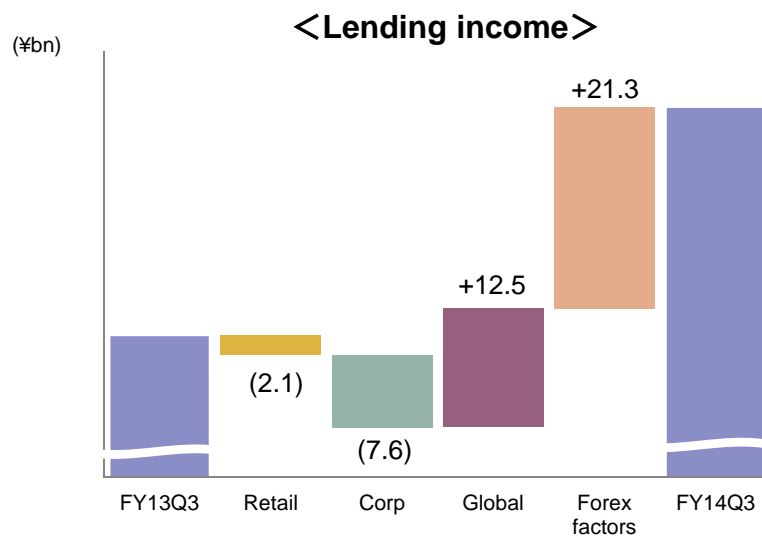
## Breakdown of net interest income\*1

	(¥bn)	YoY
1 Total		194.7
2 BTMU & MUTB		83.2
3   Lending income		24.1
4   Deposit income		(25.8)
5   Market income & others		87.7
6 Subsidiaries		111.5
7   MUN + ACOM		(1.4)
8   MUAH		35.1

## Breakdown of net fees & commissions\*1

	(¥bn)	YoY
1 Total		91.2
2 BTMU & MUTB		27.2
3   Investment products sales		6.3
4   Investment banking (domestic)*2		13.8
5 Subsidiaries		63.9
6   MUSHD		(19.3)
7   KS		36.8
8   MUAH		32.0
9   MUN + ACOM		12.8

\*1 managerial accounting basis



\*2 Structured finance, syndicated loan, derivative, etc.

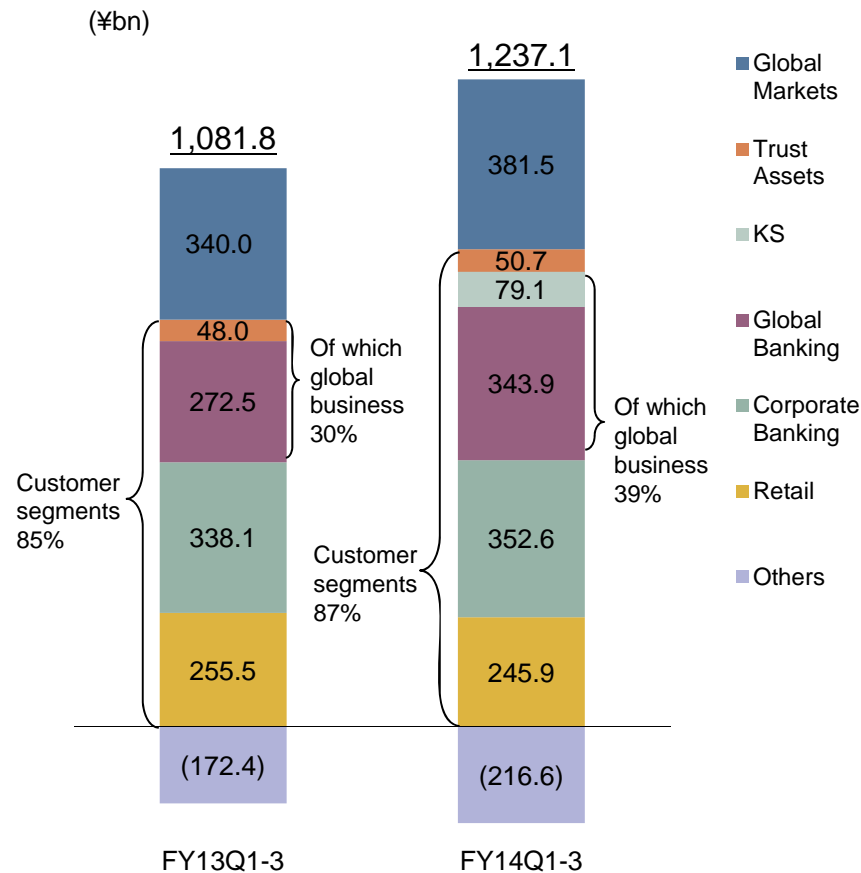


# Outline of results by business segment

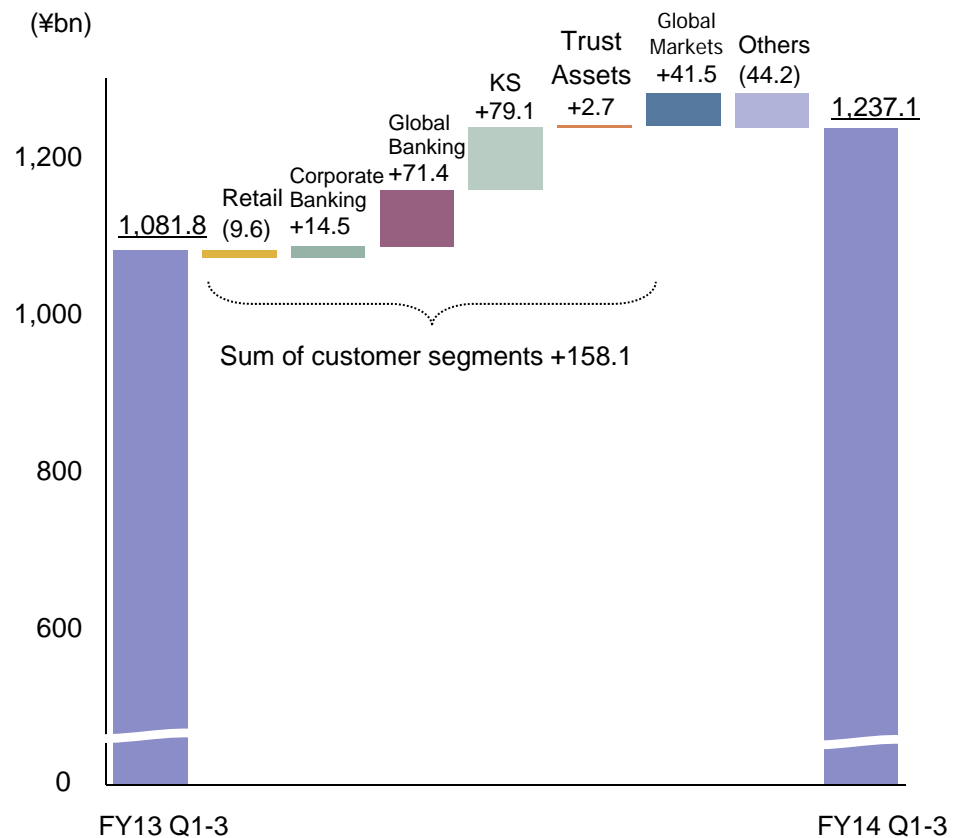
(Consolidated)

- Net operating profit in customer segments increased by ¥158.1 bn from FY13 Q1-3 due to increases in Corporate Banking, Global Banking and Trust Assets, as well as consolidation of KS
- Customer segments accounted for 87% of the total, of which global business accounted for 39%

Net operating profits by segment\*1



Breakdown of changes in net operating profits



10 \*1 Consolidated net business profits on a managerial accounting basis, Actual exchange rate basis

# FY2014 Q3 summary (Balance sheets)

(Consolidated)

## ● Loans

- Increased from end Mar 14 and end Sep 14 mainly due to increases in domestic corporate loans and overseas loans

## ● Investment securities

- Decreased from end Mar 14 mainly due to a decrease in Japanese government bonds. Increased from end Sep 14 mainly due to an increase in foreign bonds

## ● Deposits

- Increased from end Mar 14 and end Sep 14 mainly due to increases in domestic individual deposits and overseas deposits

## ● Non performing loans (“NPLs”)

- Decreased from end Mar 14 and end Sep 14 mainly due to a decrease in doubtful loans

## ● Net unrealized gains on securities available for sale

- Increased from end Mar 14 and end Sep 14 mainly due to increases in net unrealized gains on domestic equity securities, Japanese government bonds and foreign bonds

(¥bn)		End Dec 14	Change from end Mar 14	Change from end Sep 14
1	Total assets	279,178.2	21,046.2	14,720.0
2	Loans (banking + trust accounts)	107,957.6	5,919.0	5,285.8
3	Loans (banking accounts)	107,848.6	5,909.7	5,277.5
4	Housing loans <sup>*1</sup>	15,893.0	(454.6)	(84.5)
5	Domestic corporate loans <sup>*1*2</sup>	42,565.2	1,252.3	965.5
6	Overseas loans <sup>*3</sup>	39,183.9	5,276.9	3,593.1
7	Investment securities (banking accounts)	73,638.3	(877.2)	458.9
8	Domestic equity securities	5,857.0	858.8	340.7
9	Japanese government bonds	38,379.4	(2,270.4)	(1,383.7)
10	Foreign bonds	21,863.6	431.8	1,834.6
11	Total liabilities	262,860.9	19,841.8	13,745.7
12	Deposits	148,616.0	3,855.7	4,480.2
13	Individual deposits (domestic branches)	70,918.1	2,050.8	1,631.8
14	Total net assets	16,317.2	1,204.4	974.2
15	FRL disclosed loans <sup>*1*4</sup>	1,173.0	(245.1)	(36.9)
16	NPL ratio <sup>*1</sup>	1.10%	(0.30%)	(0.08%)
17	Net unrealized gains (losses) on securities available for sale	3,487.7	1,617.7	736.0

\*1 Non-consolidated + trust accounts

\*2 Excluding lending to government

\*3 Loans booked in overseas branches, MUAH, KS, BTMU (China) and BTMU (Holland)

\*4 FRL = the Financial Reconstruction Law



# Loans/Deposits

(Consolidated)

- Loan balance ¥107.9 tn  
(increased by ¥5.2 tn from Sep 14)

## <Breakdown of change>

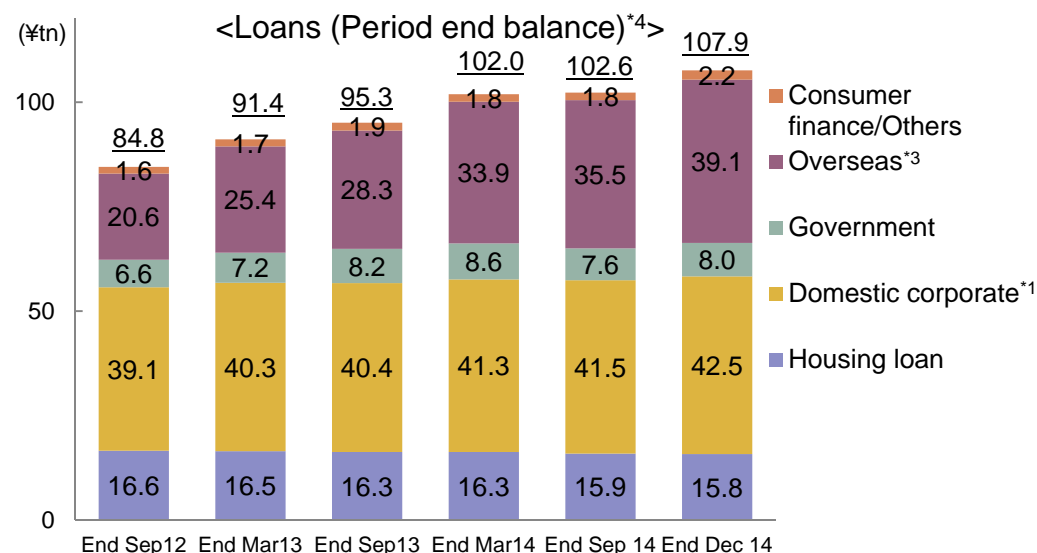
- Housing loan (¥0.0 tn)
- Domestic corporate\*<sup>1</sup> +¥0.9 tn
  - Large corporate & others\*<sup>2</sup> +¥0.6 tn
  - SME\*<sup>2</sup> +¥0.3 tn
- Overseas\*<sup>3</sup> +¥3.5 tn
  - Excluding impact of FX rate change +¥0.8 tn

\*1 Excluding lending to government

\*2 Figures for internal management purpose

\*3 Loans booked in overseas branches + MUAH + KS + BTMU (China) + BTMU (Holland)

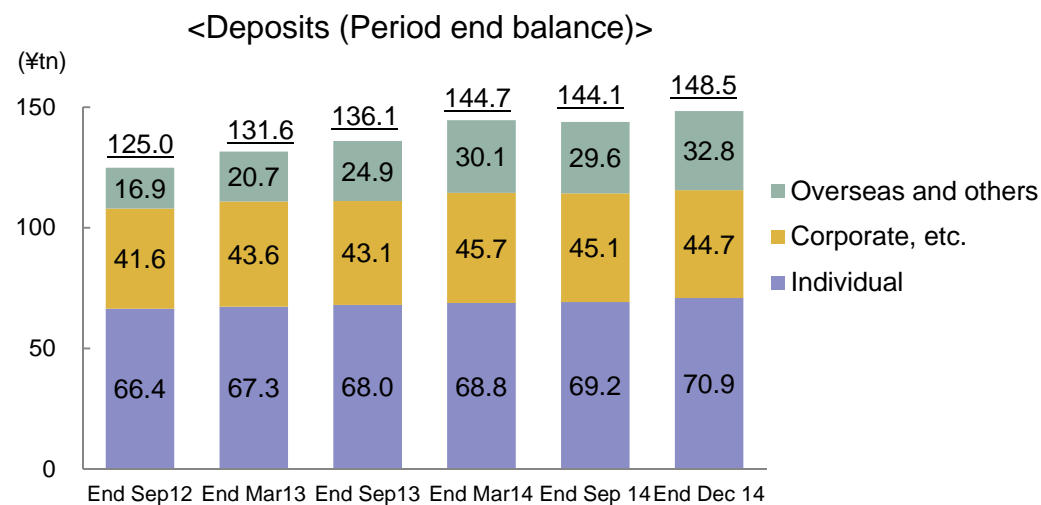
\*4 Sum of banking and trust accounts



- Deposit balance ¥148.5 tn  
(increased by ¥4.4 tn from Sep 14)

## <Breakdown of change>

- Individual +¥1.6 tn
- Corporate, etc. (¥0.3 tn)
- Overseas and others +¥3.1 tn
  - Excluding impact of FX rate change +¥0.8 tn

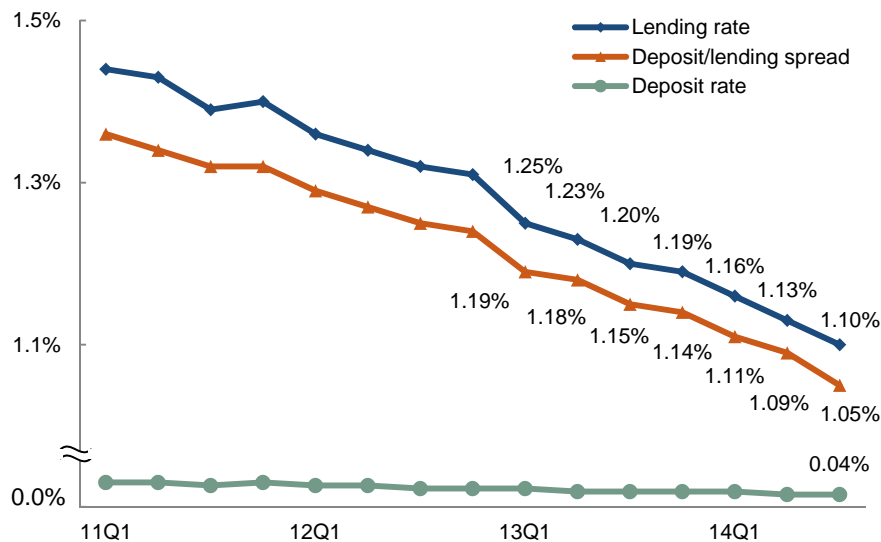


# Domestic deposit/lending rates

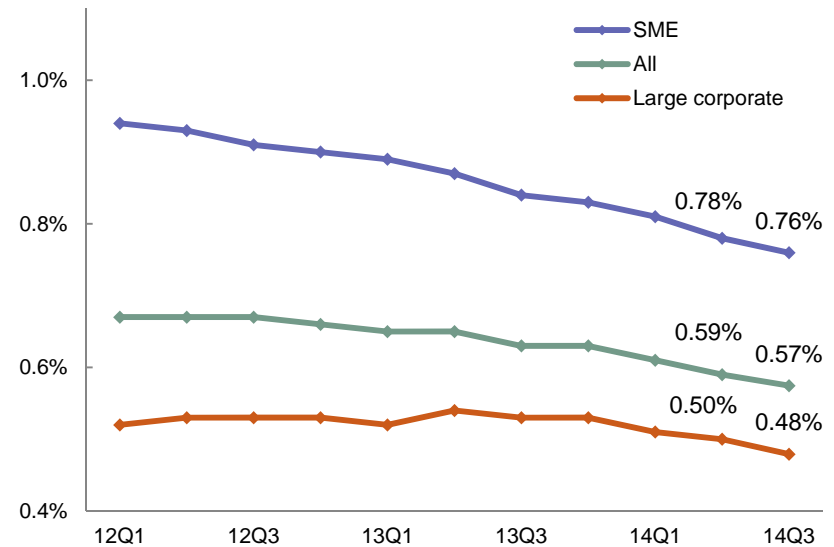
(Non-consolidated)

- Domestic deposit/lending spread excluding lending to government in FY14 Q3 declined by 3bp from FY14 Q2

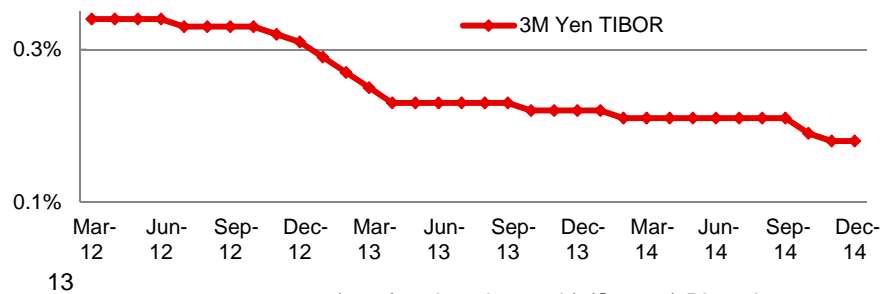
Changes in domestic deposit/lending rates  
(Excl. lending to government)



(Reference) Domestic corporate lending spread\*1  
(Excl. lending to government)

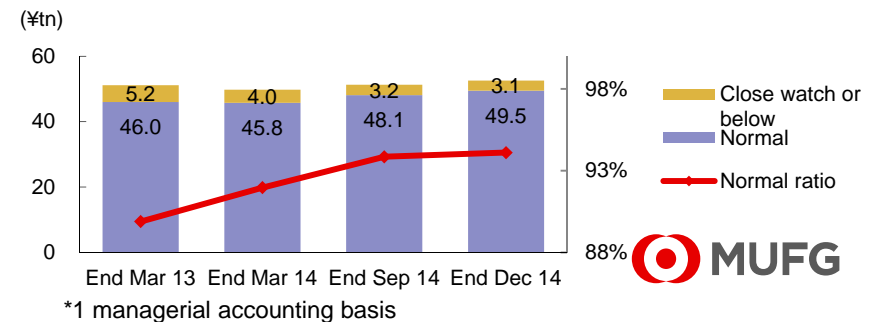


(Reference) Market interest rates



(as of end each month) (Source) Bloomberg

(Reference) Exposure by credit rating  
in domestic corporate\*1



\*1 managerial accounting basis

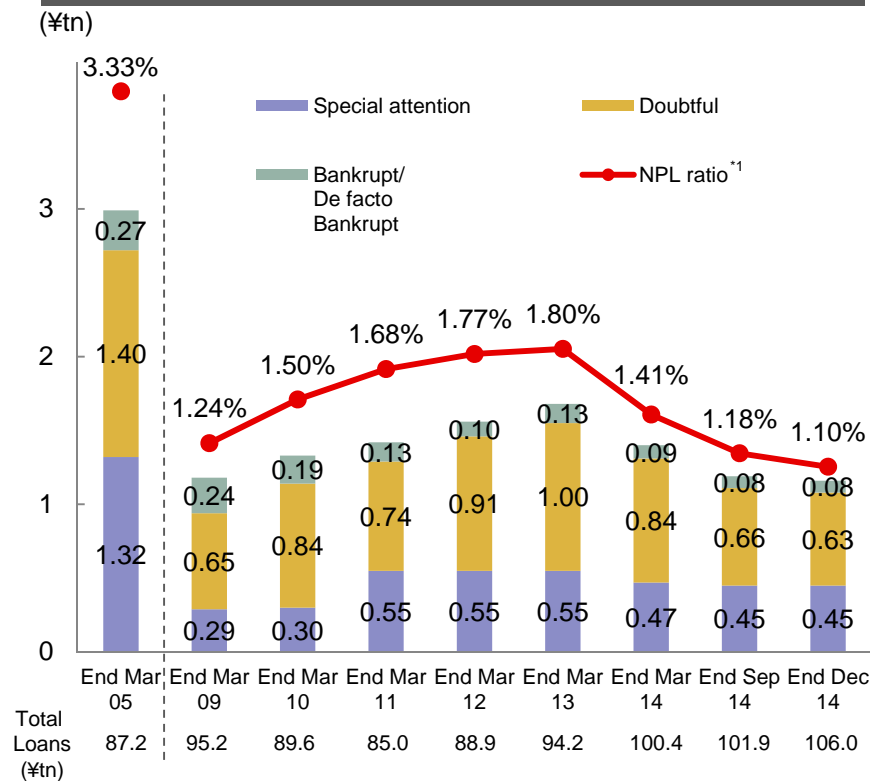


# Loan assets

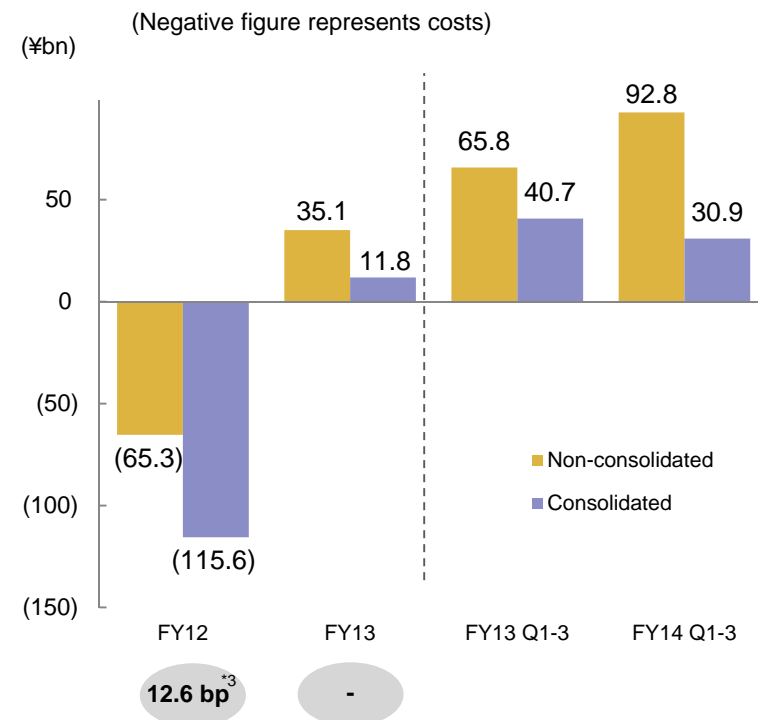
(Consolidated/Non-consolidated)

- NPL ratio declined 0.08 percentage points from end Sep 14 to 1.10% mainly due to a decrease in doubtful loans and an increase in total loans.
- Total credit costs posted a net reversal of ¥30.9 bn on consolidated basis (a net reversal of ¥92.8 bn on non-consolidated basis.)

## Balance of non performing loans (non-consolidated)



## Total credit costs<sup>\*2</sup>



\*2 Figures included gains on loans written-off

\*3 Total credit cost/lending(banking + trust accounts)

# Credit exposure to energy sector and Russia

(Consolidated)

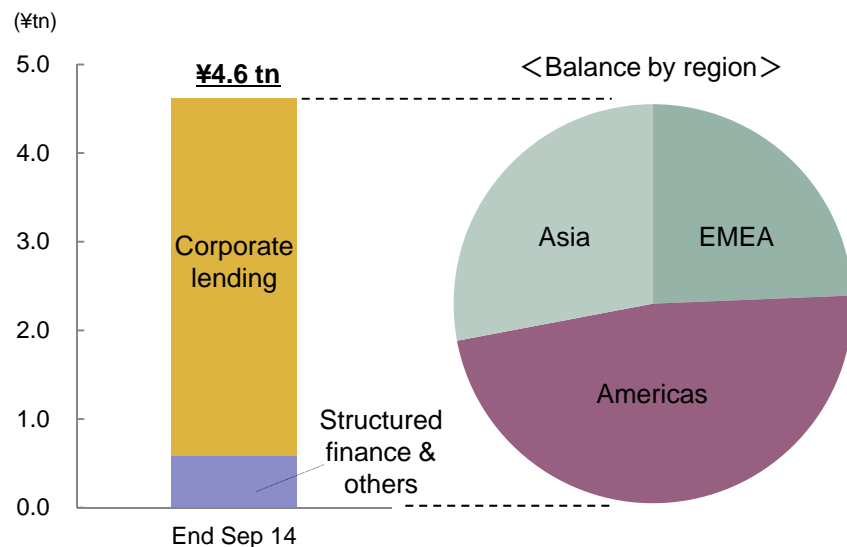
- Out of total credit exposure to energy sector as of end Sep 14, ¥4.6 tn was to oil & gas companies and projects engaged in exploration, field development and production
- Credit exposure to Russia lowered to US\$4.1 bn as of end Dec 14

## Credit exposure to energy sector

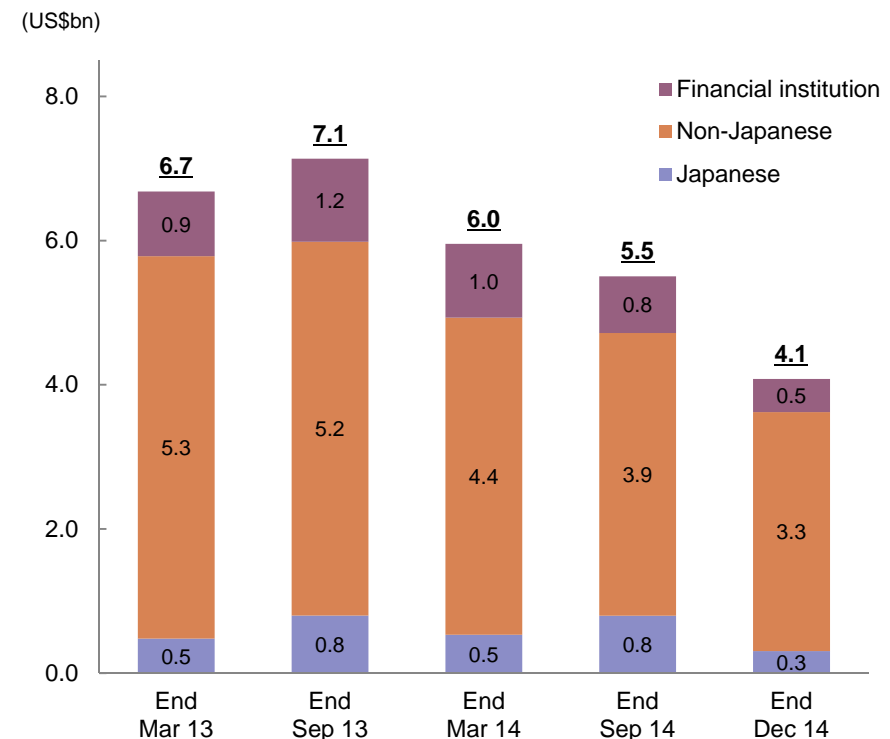
Credit exposure to oil & gas companies and projects engaged in exploration, field development and production



**¥4.6 tn as of end Sep 14**



## Credit exposure to Russia\*1



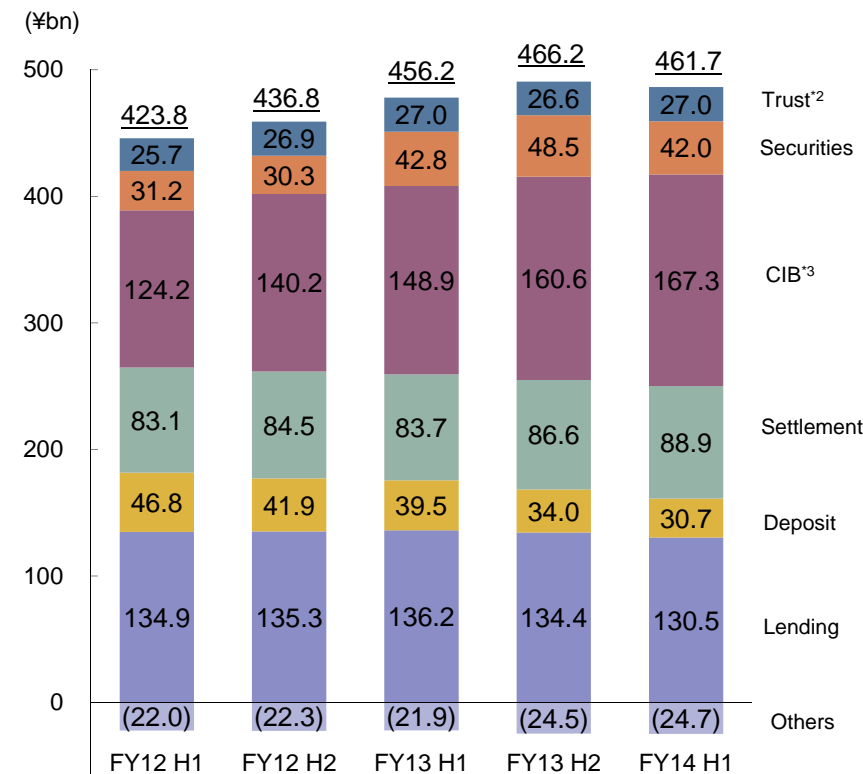
\*1 Loans outstanding aggregated for internal management purpose by the country in which the borrower is domiciled. (On shore loans in local currencies, loans with guarantees or collaterals are included.)



# Historical profits in corporate banking (domestic) (Consolidated/Non-consolidated)

- CIB business is expanding steadily which overwhelmed a decrease in gross profits from deposit and lending
- Contribution ratios of deposit and lending are decreasing

Gross profits\*1

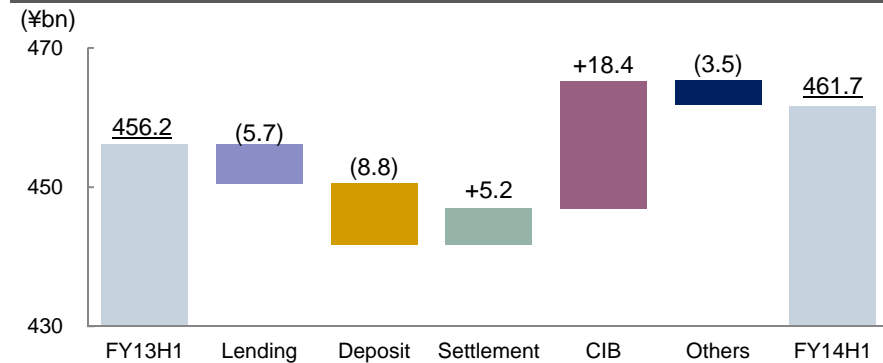


\*1 Local currency basis, managerial accounting basis

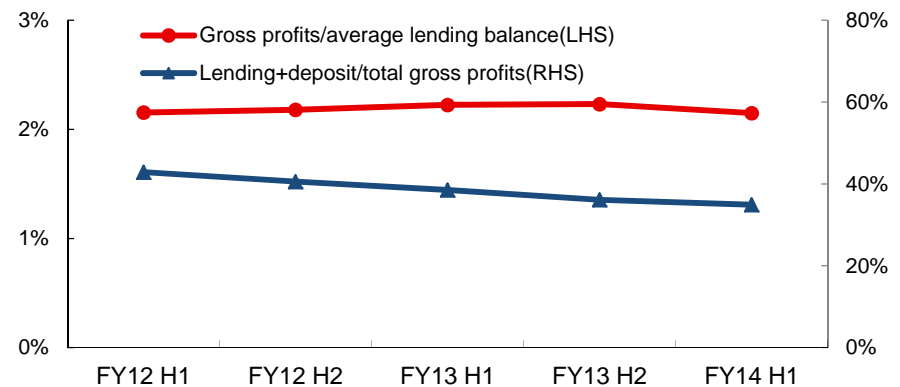
\*2 Real estate brokerage, transfer agency business, etc.

\*3 Structured finance, syndicated loan, derivatives, etc.

Profits in CIB\*1



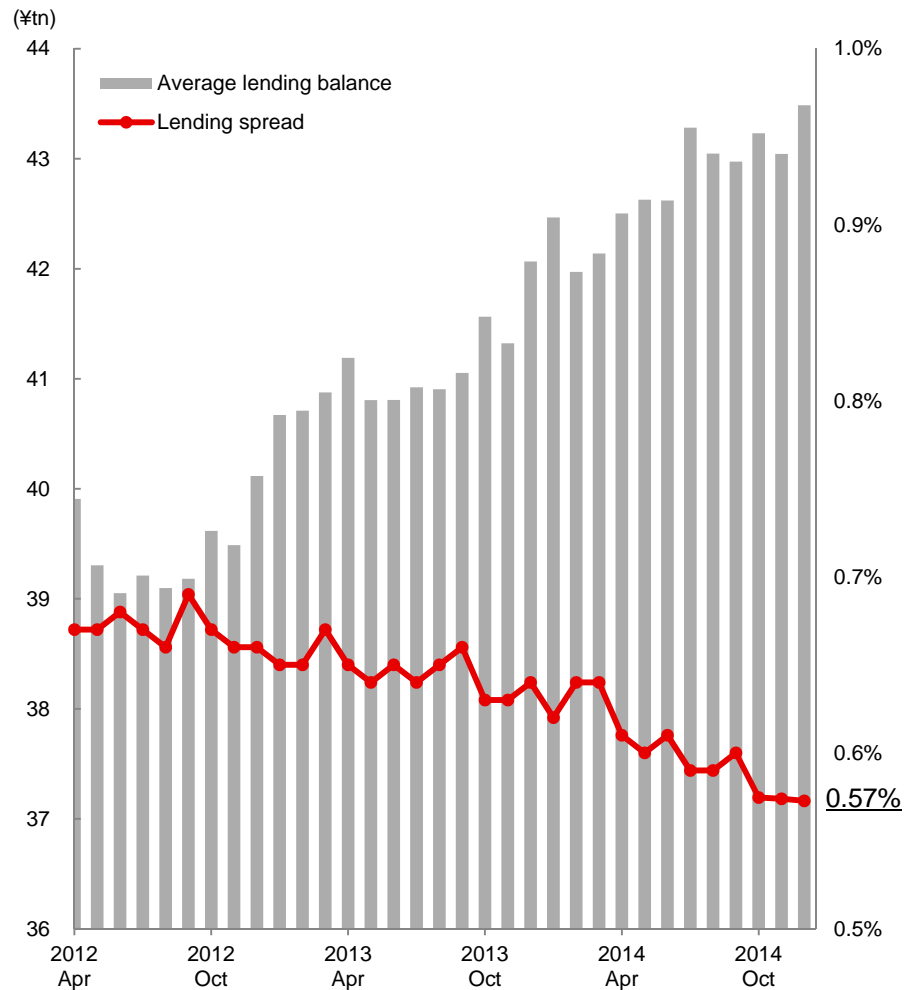
Gross profits/average lending balance  
Gross profits ratio in lending and deposit\*1



# Domestic and overseas lending

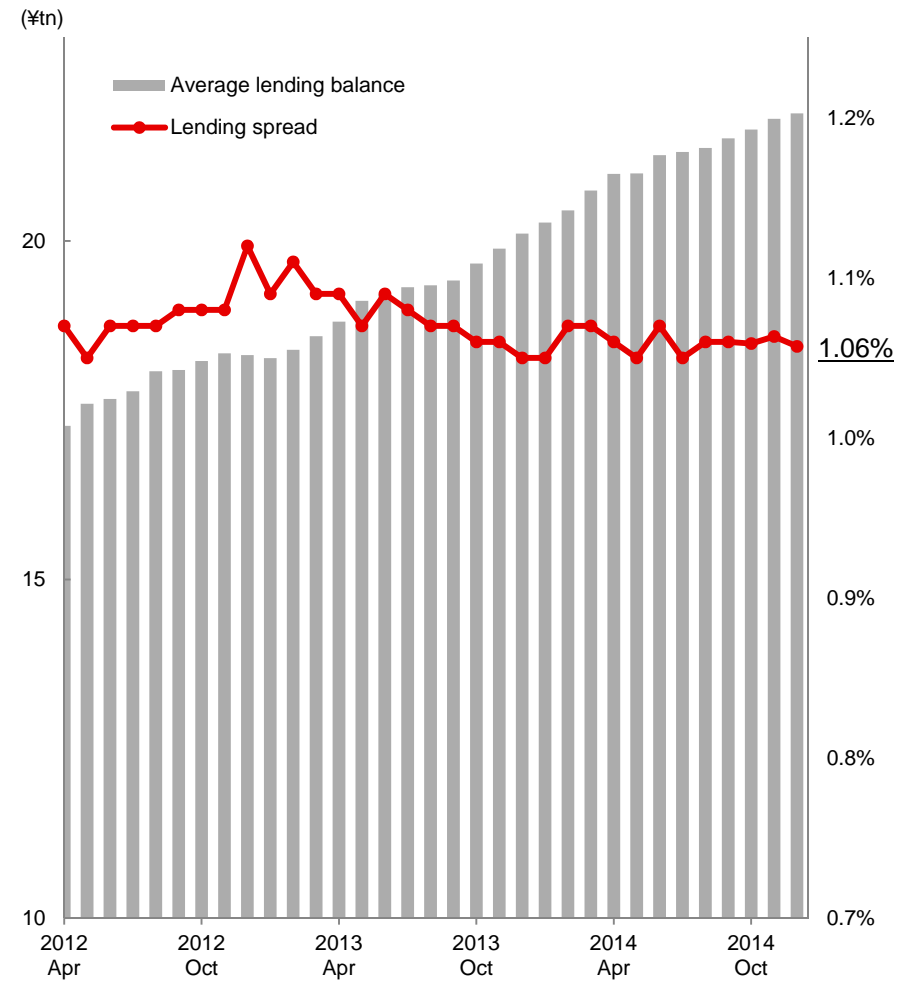
(Consolidated excl. MUAH,KS)

Domestic corporate lending/spread\*1



\*1 Excl. lending to government, managerial accounting basis

Overseas corporate lending/spread\*2  
(Excl. MUAH, KS)



\*2 Local currency basis, managerial accounting basis

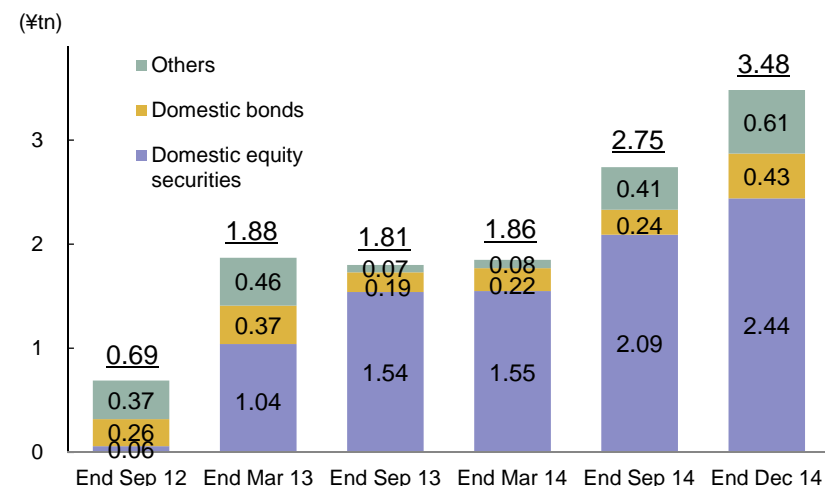
# Investment securities

(Consolidated/Non-consolidated)

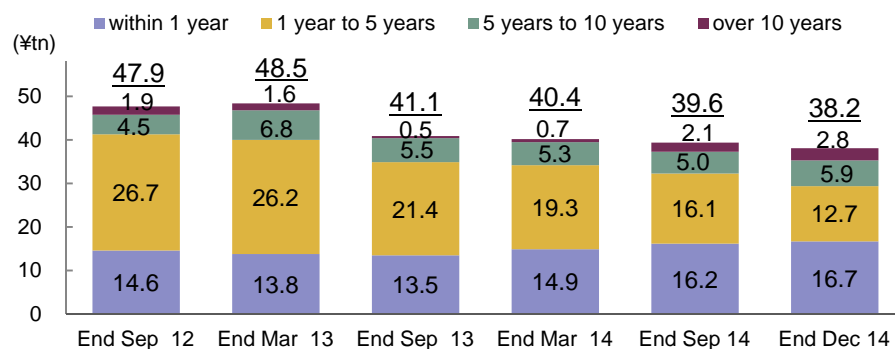
## Securities available for sale with fair value

		Balance		Unrealized gains (losses)	
		End Dec 14	Change from End Sep 14	End Dec 14	Change from End Sep 14
( ¥bn)					
1	Total	69,690.1	95.9	3,487.7	736.0
2	Domestic equity securities	5,244.1	339.4	2,441.3	350.6
3	Domestic bonds	39,792.4	(1,638.9)	431.6	184.9
4	Japanese government bonds	37,323.3	(1,624.4)	363.6	173.7
5	Others	24,653.6	1,395.4	614.7	200.4
6	Foreign equity securities	213.4	(4.2)	78.0	(8.7)
7	Foreign bonds	20,931.4	1,854.5	375.5	183.9
8	Others	3,508.7	(454.9)	161.1	25.2

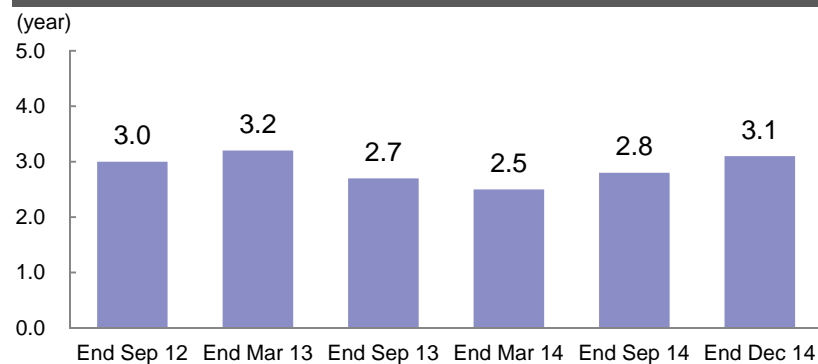
## Unrealized gains (losses) on securities available for sale



## Balance of JGBs by maturity<sup>\*1</sup>



## JGB Duration<sup>\*2</sup>



18 \*1 Securities available for sale and securities being held to maturity. Non-consolidated

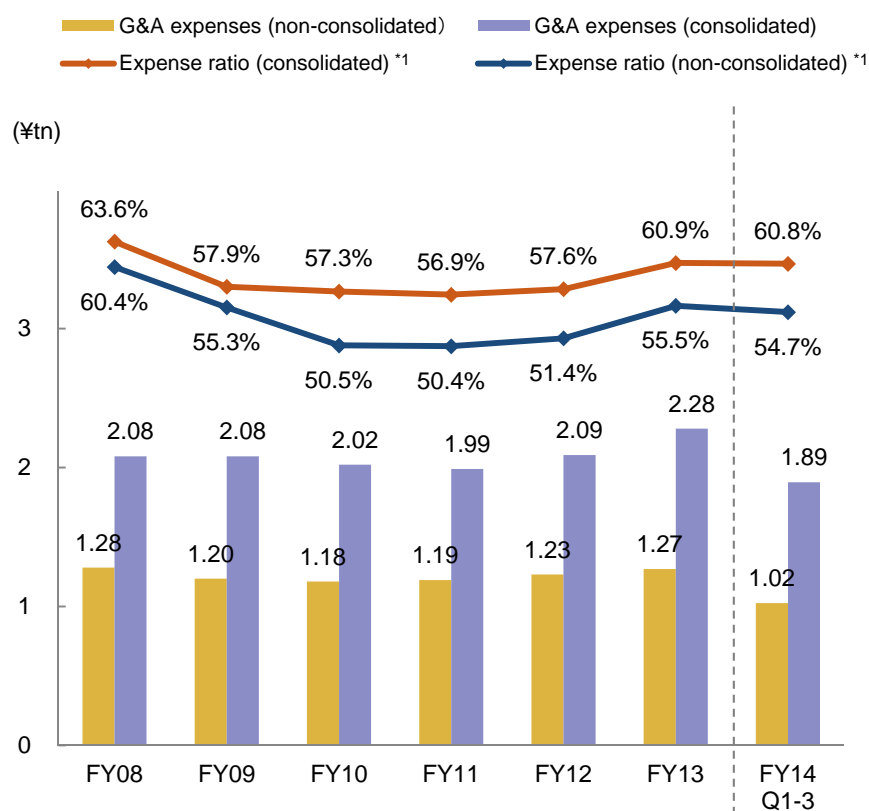
\*2 Securities available for sale. Non-consolidated

# Expenses/Equity holdings

(Consolidated/Non-consolidated)

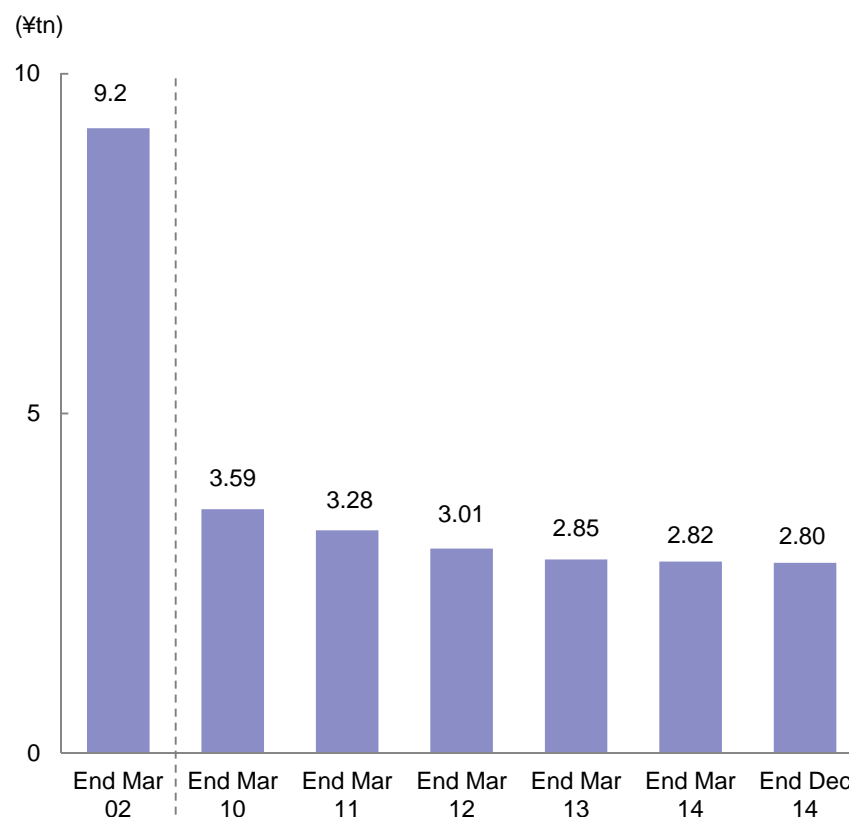
- Expense ratio was 60.8% and 54.7% in consolidated and non-consolidated basis respectively, which are to be controlled lower
- Continuously communicate with corporate customers to reduce equity holdings balance

## G&A expenses



\*1 Expense ratio = G&A expenses/gross profits (before credit costs for trust accounts)

## Reduction in equity holdings\*2



\*2 Acquisition price of domestic equity securities in the category of "other securities" with market value (consolidated)



# Capital

(Consolidated)

## ● Risk-adjusted capital ratio

(Full implementation<sup>\*1</sup>)

Common Equity Tier1 ratio : 11.6%

Excluding impact of net unrealized gains  
(losses) on securities available for sale : 9.5%

<sup>\*1</sup> Calculated on the basis of regulations to apply at end Mar 19

## ● Leverage ratio

Transitional basis (pro forma) : 4.4%

## ● Issued Tier2 Subordinated notes (MUFG, Jun 2014)

	Tier2 Subordinated Notes, No1 (with a loss absorbency clause upon entering into effectively bankruptcy)	Tier2 Subordinated Callable Notes, No2 (with a loss absorbency clause upon entering into effectively bankruptcy)
Amount	¥ 40 bn	¥10 bn
Tenor	10year	10year (NC5)
Coupon	0.94%	0.66% until Jun 2019 6M Libor +0.32% thereafter

	(¥bn)	End Sep 14	End Dec 14	Change
1	Common Equity Tier1 ratio	10.91%	10.68%	(0.23%)
2	Tier1 ratio	12.15%	12.03%	(0.11%)
3	Total capital ratio	15.31%	15.21%	(0.09%)
4	Common Equity Tier1 capital	11,435.8	11,856.5	420.7
5	Capital and stock surplus	3,580.9	3,580.9	0.0
6	Retained earnings	7,531.0	7,752.4	221.3
7	Additional Tier1 capital	1,290.3	1,501.5	211.2
8	Preferred stock and preferred securities	1,326.0	1,326.0	-
9	Foreign currency translation adjustments	203.3	429.7	226.3
10	Regulatory adjustment of goodwill (transitional arrangements)	(213.2)	(227.0)	(13.7)
11	Tier1 capital	12,726.1	13,358.0	631.9
12	Tier2 capital	3,313.0	3,527.7	214.6
13	Tier2 eligible capital subject to transitional arrangements	1,990.6	1,934.0	(56.6)
14	Tier2 eligible capital	49.3	49.4	0.1
15	Amounts equivalent to 45% of unrealized gains on other securities	997.3	1,254.9	257.6
16	Total capital (Tier1+Tier2)	16,039.1	16,885.8	846.6
17	Risk weighted asset	104,740.0	110,973.9	6,233.8
18	Credit risk	88,530.0	93,298.9	4,768.9
19	Market risk	2,835.9	2,373.2	(462.6)
20	Operational risk	6,072.6	6,168.5	95.9
21	Transitional floor	7,301.4	9,133.0	1,831.6

# Mitsubishi UFJ Securities Holdings (MUSHD)

- FY14 Q3 quarterly net operating income and net income reported positive growth in 2 consecutive quarters. FY14 Q3 quarterly ordinary income is higher than that in FY14 H1
- Both commission received and net trading income in FY14 Q3 also increased from previous quarter

## Results of MUSHD

(¥bn)		FY13	FY14 Q1-3	YoY
1	Net operating revenue*1	450.6	319.8	(22.2)
2	Commission received	242.5	167.4	(14.7)
3	To consignees	44.9	27.9	(9.3)
4	Underwriting, etc.	43.2	32.9	4.9
5	Offering, etc.	62.9	42.6	(5.9)
6	Other fees received	91.4	63.9	(4.3)
7	Net trading income	210.4	134.5	(26.5)
8	Stocks	64.6	40.9	(14.6)
9	Bonds, other	145.7	93.6	(11.8)
10	G&A expenses	316.7	248.4	16.6
11	Personnel expenses	133.3	102.2	5.0
12	Operating income	133.9	71.3	(38.9)
13	Non-operating income	29.3	15.7	(10.7)
14	Equity in earnings of affiliates	24.5	9.6	(13.8)
15	Ordinary income	163.3	87.1	(49.7)
16	Net income	97.7	41.8	(45.1)

\*1 Operating revenue minus financial expenses

## Commission received (MUSHD)

(¥bn)		FY13	FY14 Q1-3	YoY
1	To consignees	44.9	27.9	(9.3)
2	Stocks	44.0	26.6	(9.9)
3	Underwriting, etc.	43.2	32.9	4.9
4	Stocks	18.8	9.2	(2.0)
5	Bonds	24.3	23.6	7.0
6	Offering, etc.	62.9	42.6	(5.9)
7	Investment trust, etc.	61.8	41.1	(6.9)
8	Other fees received	91.4	63.9	(4.3)
9	Investment trust, etc.	53.7	39.6	(1.4)

## Results of MUMSS\*2

(¥bn)		FY13*3	FY14 Q1-3*4	YoY*3
1	Net operating revenue*1	349.9	250.0	(19.2)
2	G&A expenses	220.7	171.5	9.3
3	Operating income	129.1	78.5	(28.6)
4	Ordinary income	130.5	79.3	(28.9)
5	Net income	128.8	56.8	(59.2)

\*2 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

\*3 Simple total with Mitsubishi UFJ Morgan Stanley PB Securities

\*4 Consolidated with Mitsubishi UFJ Morgan Stanley PB Securities



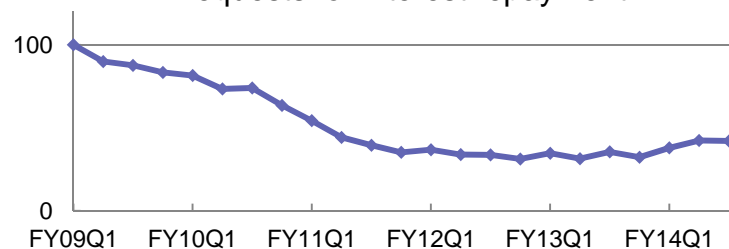
# Consumer finance

- MUN: Net income decreased due to struggling cashing and financing business, while shopping business increased
- ACOM: Successfully increased operating revenue due to good performance of financing and guarantee business.  
Net income slightly decreased due to increased provision for bad debts and loss on claims to interest repayment

## Results of MUN

(¥bn)	FY13	FY14 Q1-3	YoY	FY14 (plan)
1 Operating revenue	265.7	196.8	(1.2)	275.2
2 Card shopping	173.1	132.8	5.4	-
3 Card cashing	37.5	24.6	(4.2)	-
4 Finance	10.4	6.4	(1.6)	-
5 Operating expenses	246.4	187.3	1.8	257.9
6 G&A expenses	237.0	180.7	5.0	245.3
7 Credit related costs	9.4	6.6	(3.2)	12.5
8 Repayment expenses	0.0	0.0	0.0	-
9 Operating income	19.3	9.4	(3.1)	17.2
10 Ordinary income	19.8	9.8	(2.9)	18.0
11 Net income	25.0	10.6	(2.1)	17.3
12 Interest repayment*1	18.2	13.0	(0.6)	

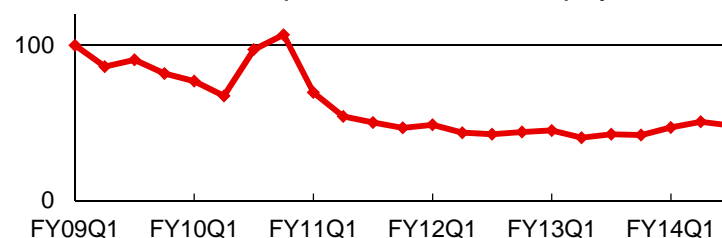
<Requests for interest repayment\*4>



## Results of ACOM

(¥bn)	FY13	FY14 Q1-3	YoY	FY14 (plan)
1 Operating revenue	202.2	162.5	11.5	208.8
2 Operating expenses	187.9	124.3	20.3	156.6
3 G&A expenses	79.1	59.4	2.0	86.6
4 Provision for bad debts	41.9	39.5	8.9	50.1
5 Provision for loss on interest repayment	45.4	10.6	10.6	-
6 Operating income	14.3	38.1	(8.7)	52.2
7 Net income	10.6	34.9	(8.3)	45.0
8 Guaranteed receivables (Non-consolidated)	752.1	829.6	182.7	818.5
9 Unsecured consumer loans (Non-consolidated)	713.1	728.4	23.3	741.8
10 Share of loans*2	33.5%	33.9%*3	0.7%*3	
11 Interest repayment*1	72.3	50.8	(4.3)	

<Requests for interest repayment\*4>



## Growth strategy



## Growth strategy

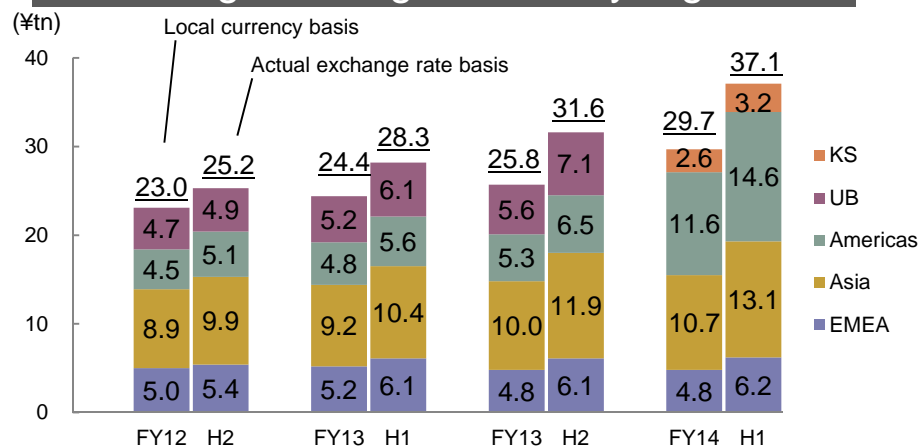
- Achieve sustainable growth, through businesses listed below as key earning drivers
  - Global strategy by regions including emerging markets ( Asia, Americas, EMEA )
  - Project finance
  - Sales & Trading
  - Global strategic alliance with Morgan Stanley
  - Domestic corporate business
  - Transaction banking business
  - Integrated corporate & retail business
  - Investment product sales
  - Consumer finance
  - Global asset management & administration

# Global strategy

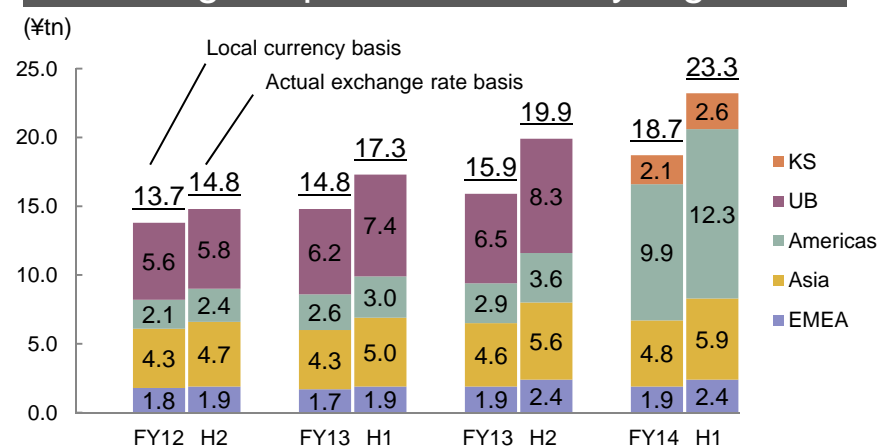
(Commercial bank consolidated)

- Americas and Asia account for largest portion of net operating profits
- Expanded our lending and customer deposits. In addition, the risk-monitored overseas loan ratio drops due to our strict credit controls
- Non-Japanese business accounted for 64% of gross profits (excluding MUAH and KS)

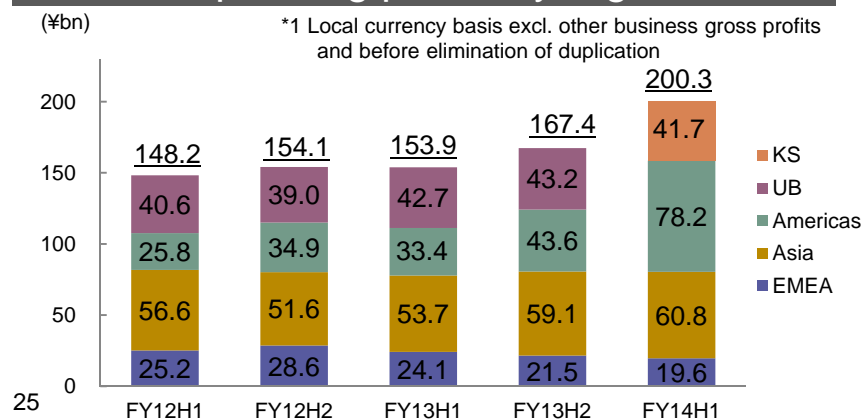
## Average lending balance by regions



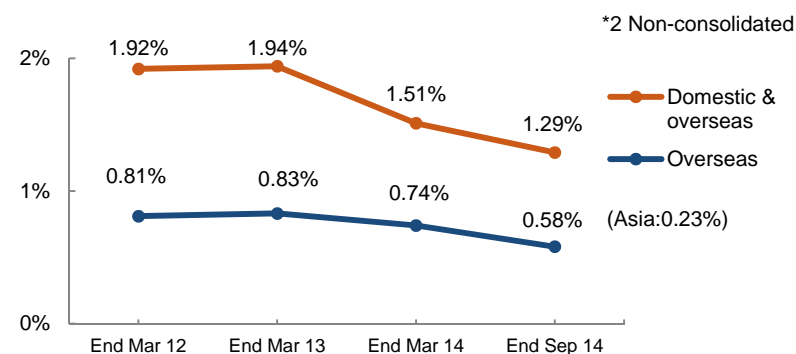
## Average deposits balance by regions



## Net operating profits by regions\*1



## Risk-monitored overseas loan ratio\*2

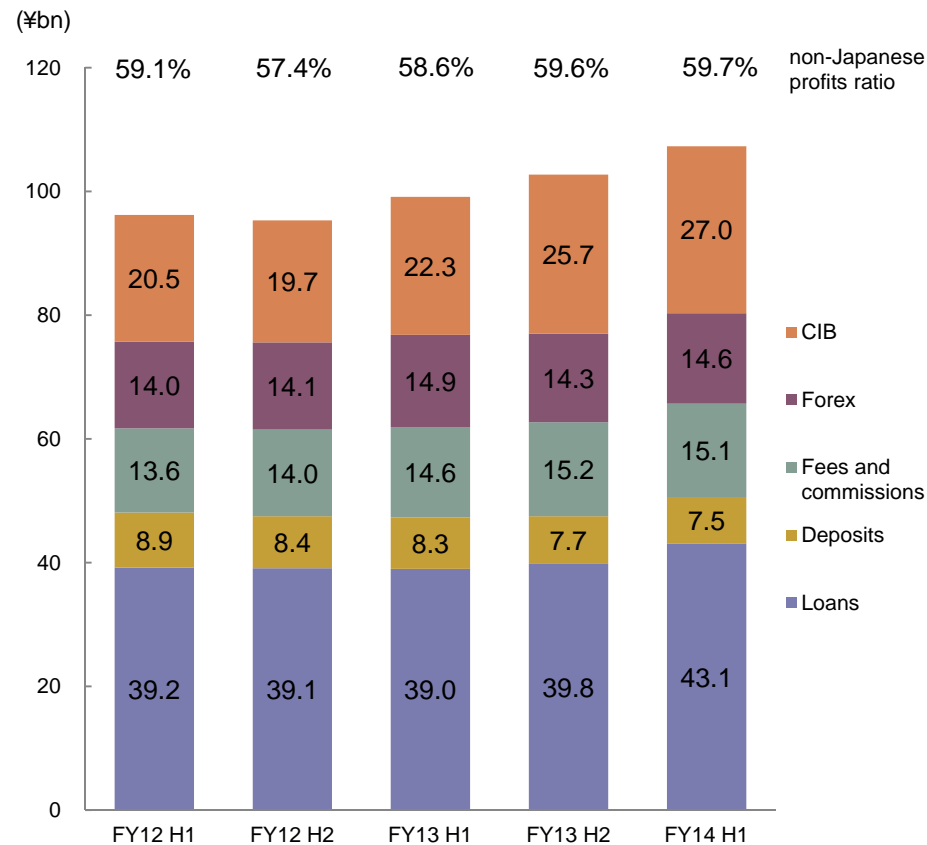


# Asia strategy(1)

(Commercial bank consolidated excl. KS)

- Gross profits increased driven by income from loans and CIB
- Accumulating high quality assets and strengthening cross selling
- Aim to secure position as a top foreign bank by improving business model to capture Asian growth

## Customer business gross profits\*1



26

\*1 Local currency basis

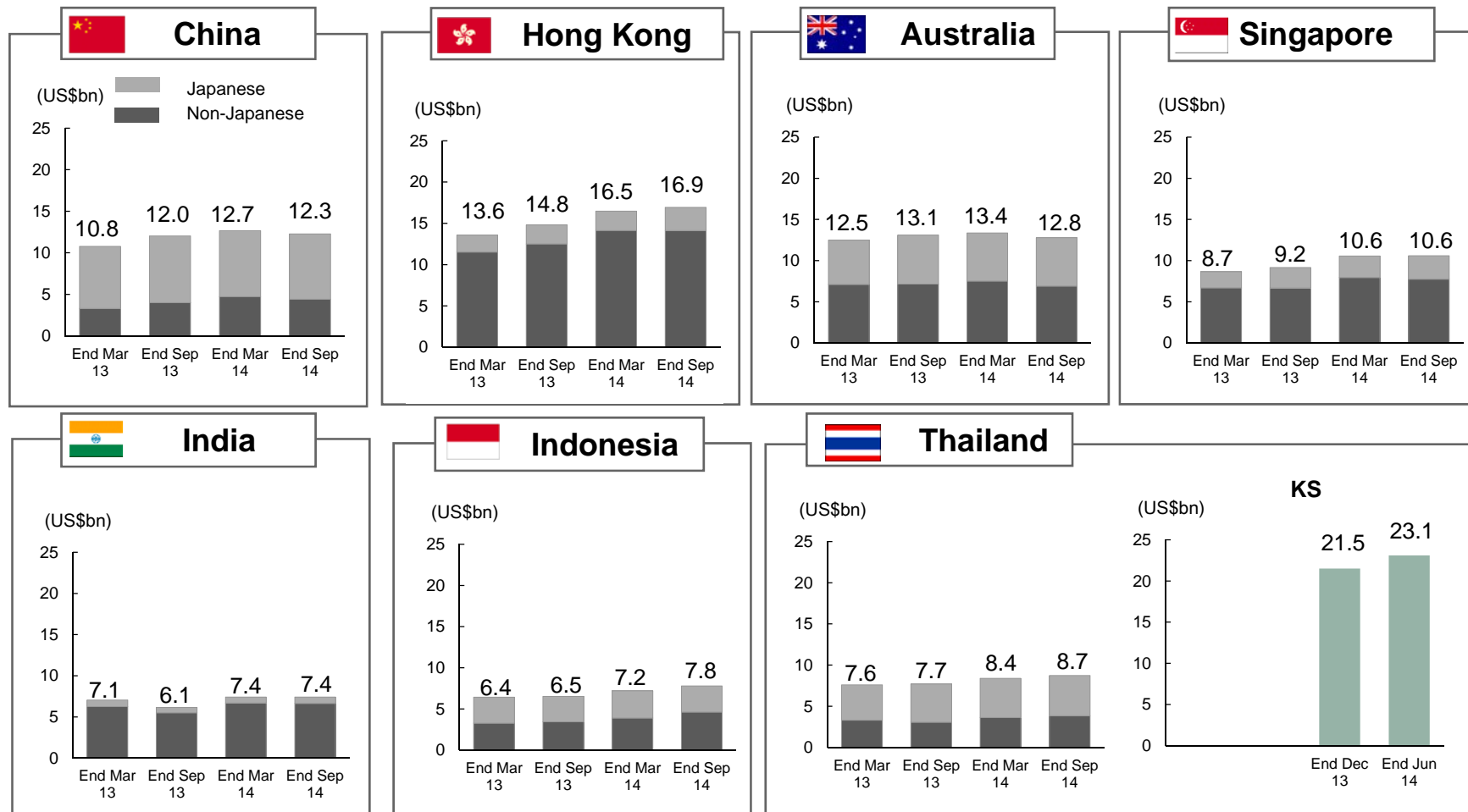
## Key points of Asia strategy

- **Strengthen sales through cross-entities and cross-region to expand products/services. Strengthen governance and risk management framework**
- **Organic growth**
  - Respond to Japanese company's needs by strengthening transaction banking capability
  - Support customers expanding into emerging regions by our local alliance network
  - Expand transactions with non-Japanese companies by strengthening solution ability
  - Strengthen local currency business including RMB related business
- **Non-organic growth**
  - Pursue investment and alliance opportunities
- **Two headquarters for Asia & Oceania**
  - One headquarter for East Asia (China, Hong Kong, etc.) and one for SE Asia, Oceania, etc. (in Singapore)
  - Regional marketing division in Singapore and a framework in China and Hong Kong to oversee and collaborate each other

# Asia strategy(2)

(Commercial bank consolidated)

- Aiming to increase lending balance through adopting strategy to the characteristics of each market



(Note) Counted by the nationality of each borrower for internal management purpose (excl. Financial institution)

## Asia strategy(3) -Bank of Ayudhya (Krungsri)

- Integration of KS and BTMU Bangkok branch was completed as scheduled on 5<sup>th</sup> Jan 2015, resulting in 76.88% stake held in KS
- Build comprehensive commercial banking platform including retail and SME banking in Asia
- The combination of MUFG and KS's customer base and product/service capabilities will bring in significant synergies

(¥bn)	FY12 <sup>*1</sup>	FY13 <sup>*1</sup>	FY14 <sup>*1</sup>	y-o-y
P/L				
Total operating income	224.6	250.6	259.6	+9.1
Operating expense	113.0	122.5	125.8	+3.3
Net income	53.7	43.5	52.0	+8.4
B/S				
Loan <sup>*2</sup>	3,046.1	3,462.7	3,716.8	+254.1
Deposit	2,521.9	2,804.1	3,073.8	+269.7
Total asset	3,934.1	4,329.2	4,456.3	+127.2
Total equity	416.5	446.1	483.2	+37.1

	FY12 <sup>*1</sup>	FY13 <sup>*1</sup>	FY14 <sup>*1</sup>	y-o-y
Key indicate				
NIM	4.3%	4.4%	4.3%	(0.1%)
CIR	50.3%	48.9%	48.5%	(0.4%)
NPL	2.3%	2.6%	2.7%	+0.1%
LDR	102.9%	104.4%	106.1%	+1.8%
ROA	1.5%	1.1%	1.2%	+0.1%
ROE	13.5%	10.1%	11.2%	+1.1%

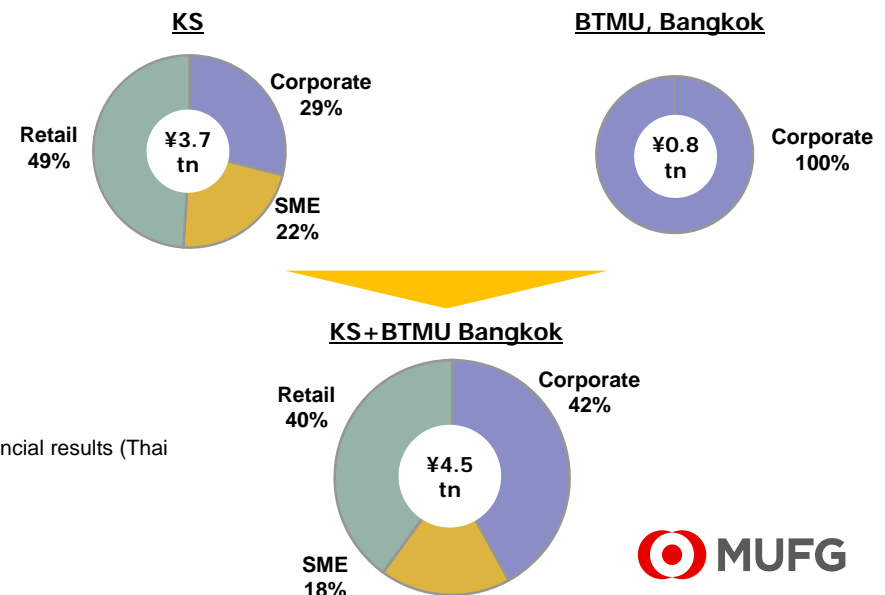
\*1 Fiscal year ending December. An exchange rate of THB1 = ¥3.67 was uniformly applied to financial results (Thai Accounting Standards) disclosed with the Stock Exchange of Thailand.

\*2 Includes lease receivables

### Leadership position

As of End Nov 14		Rank	Share
Consumer	Personal loan	1	27%
	Credit card	1	15%
	Auto	2	18%
SME		5	7%
Large corporate		5	8%

### Sector breakdown of loan portfolio (end Dec 14)<sup>\*1</sup>



# Americas strategy(1)

- Integrated BTMU and UNBC business and established US holding company(MUAH) and US banking corporation(MUFG Union Bank) to unify BTMU's Americas business for centralization of management
- Maximize profit opportunities by combining BTMU and MUAH strengths

## BTMU-UNBC business integration aims

- Improve client services
  - Improve and enhance client services through integration
- Strengthen foreign currency funding ability
  - Strengthen US dollar funding ability on a global basis
- Response to US financial regulations
  - Strengthen governance and risk management to comply with US prudential regulations

## Deposit Balance Ranking in the U.S.

Rank	Name	Balance (US\$ bn)
9	TD Banks US Holding Company	196
10	State Street Corporation	182
11	SunTrust Banks, Inc.	130
12	BB&T Corporation	127
<b>13</b>	<b>MUFG Union Bank + BTMU</b>	<b>115</b>
19	UNBC	80
45	BTMU (Americas)	35

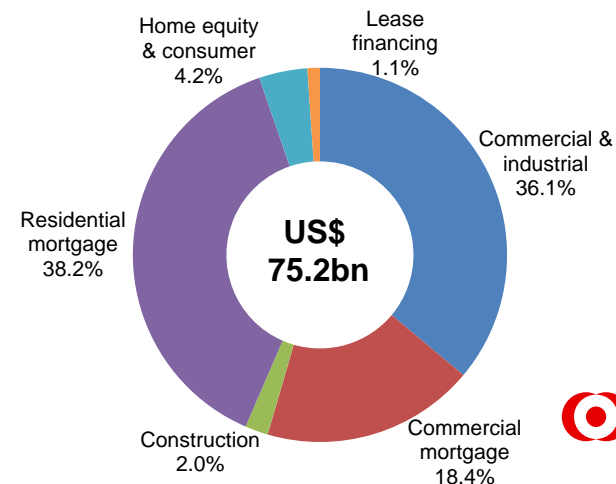
As of Dec 2013 (Source) SNL

## Strategic initiatives after integration

- Expansion of business initiatives by industry sector
- Expand fee businesses through cross selling
- Optimize the business mix
  - Effective utilization of business foundation nationwide, covering wholesale, middle & retail
  - Expand high margin businesses such as consumer loans
- Improve profitability and sophisticate risk management

## Loan Portfolio of MUFG UB

(Average balance in FY14 Q4)



## Americas strategy(2)

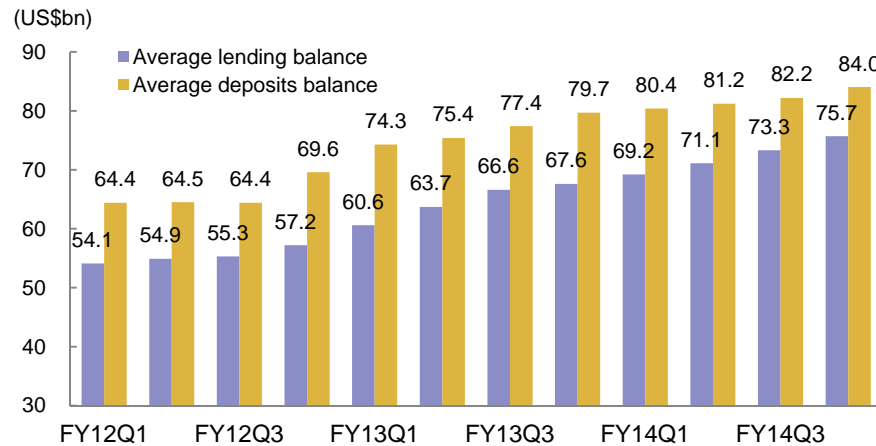
- Performed well despite lower interest rates and higher regulatory costs. Loans and deposits steadily increased
- MUAH's Capital Plan 2014, submitted in Jan 14, has been approved by Federal Reserve System (satisfying the CCAR and Dodd-Frank Act stress testing requirement)

### MUAH business performance

(US\$mm)	FY13	FY14				
		Q1	Q2	Q3	Q4	
Gross profits	3,592	864	965	1,095	1,061	3,985
Non-interest expenses	2,793	660	649	805	807	2,921
Net business profits	799	204	316	290	254	1,064
Provision for allowance for credit losses <sup>*1</sup>	(45)	(16)	9	(18)	9	(16)
Net income	667	175	249	246	155	825

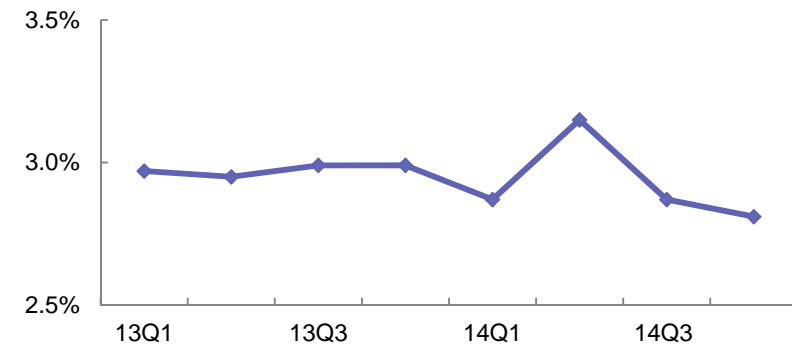
\*1 Negative figures stand for reversal

### MUAH average lending and deposits balance<sup>\*2</sup>

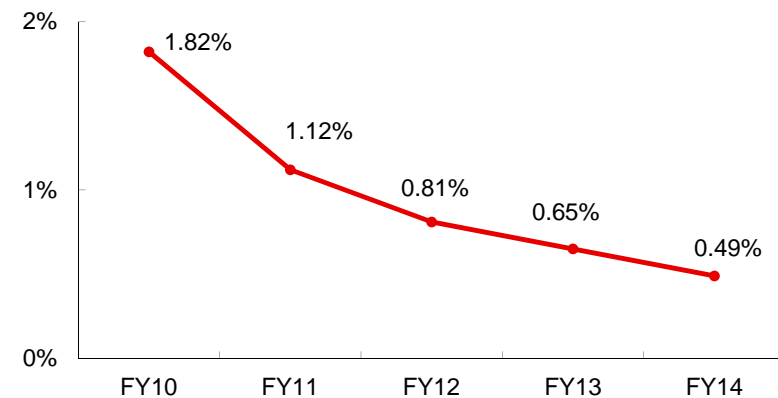


\*2 Effective of acquisition of Pacific Capital Bancorp was reflected from Dec 12.  
Commercial real estate finance firm from Deutsche Bank's subsidiary was from Jun 13

### MUAH net interest margin



### MUAH NPL ratio<sup>\*3</sup>



\*3 Excluding FDIC covered loans

# Global strategic alliance with Morgan Stanley

- Enhance strategic alliance by expanding scope of collaboration, fully leveraging BTMU customer base
- No.1 position in cross-border M&A advisory for transactions involving Japanese corporations for FY14 Apr-Dec
- Utilize MS' global expertise to further develop wealth management business in Japan

## Results of Morgan Stanley

(US\$mm)	FY13	FY14		
		Q3	Q4	
Net revenue	32,493	8,907	7,764	34,275
Net revenue (Excl.DVA)	33,174	8,692	7,541	33,624
Non-interest expenses	27,935	6,687	7,897	27,886
Income from continuing operations before taxes	4,558	2,220	(133)	6,389
Income from continuing operations before taxes (Excl.DVA)*1	5,239	2,005	(356)	5,738
Net income applicable to MS	2,932	1,693	1,040	6,137
Earnings applicable to MS common shareholders	2,655	1,629	920	5,818

\*1 Calculated by MUFG based on Morgan Stanley public data

M&A advisory (cross-border deals)			(Apr 14 - Dec 14)	
Rank	FA	#	Amount (¥bn)	Share (%)
1	<b>MUMSS</b>	<b>27</b>	<b>1,809.8</b>	<b>32.5</b>
2	Goldman Sachs	10	1,713.2	30.7
3	Citi	13	1,002.4	18.0
4	Nomura	24	694.0	12.4
5	Mizuho	35	664.8	11.9

Any Japanese involvement announced

(Source) Thomson Reuters

## Major collaborations around the globe

- Acquisition of Windsor by Ajinomoto
  - MUMSS acted as financial advisor for Ajinomoto in its approx. \$0.8 bn acquisition of Windsor Quality Holdings
- Global IPO by Recruit Holdings
  - MS/MSMS/MUMSS acted as JGC and Joint Bookrunner for both the domestic and international tranches for the approx. ¥213.8 bn initial public offering for Recruit Holdings
- Global IPO by Skylark
  - MS/MSMS/MUMSS acted as JGC and Joint Bookrunner for both the domestic and international tranches for the approx. ¥75.3 bn initial public offering for Skylark

Equity underwriting			(Apr 14 - Dec 14)	
Rank	Bookrunner	#	Amount (¥bn)	Share (%)
1	Nomura	118	1,050.5	36.9
2	Daiwa	107	415.5	14.6
3	SMBC Nikko	124	409.9	14.4
4	Mizuho	113	314.1	11.0
5	<b>MUMSS</b>	<b>71</b>	<b>267.1</b>	<b>9.4</b>

(Source) Thomson Reuters

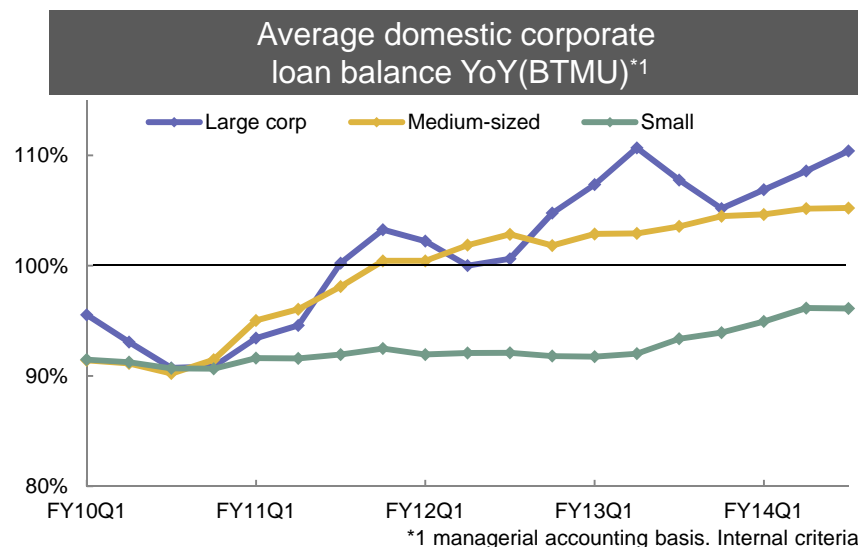




# Domestic corporate banking business(1)

- For attaining sustainable growth, enhance income from core business. Focus on lending operations
- Develop various initiatives to enhance sophistication of risk-return management

Initiative details	
Main initiatives	Outline
Strengthen M&A activity	<ul style="list-style-type: none"> <li>• Raise flexibility of certain PEF investment standards for LBO deals</li> <li>• Capture capital demand for M&amp;A finance by leveraging MS' global reach to further strengthen BTMU/MUMSS collaboration</li> </ul>
Enhance sophistication of risk-return management	<ul style="list-style-type: none"> <li>• <b>Business support initiative</b> <ul style="list-style-type: none"> <li>• Execute initiatives including lending for corporate customer to improve their earnings and corporate value</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Real estate fund</b> <ul style="list-style-type: none"> <li>• Strengthen real estate-related loan initiatives in light of current real estate market conditions</li> </ul> </li> </ul>
Establish new loan fund	<ul style="list-style-type: none"> <li>• <b>Capex fund, growth business fund</b> <ul style="list-style-type: none"> <li>• Provide financial support, in step with the Japan Revitalization Strategy, for long-term capex or promising business</li> </ul> </li> </ul>



Capex outlook by sector			
FY	2013	2014 (Outlook)	2015 (Outlook)
Private capex (¥tn)	68.2 4.9%	69.4 1.9%	71.7 3.2%
Manufacturing (¥tn)	17.8 0.9%	18.6 4.2%	19.3 3.9%
Non-manufacturing (¥tn)	50.3 6.5%	50.8 1.0%	52.4 3.0%

(Source)Compiled by BTMU Corporate Research Division  
 \* Percentage figure in each column shows yearly growth

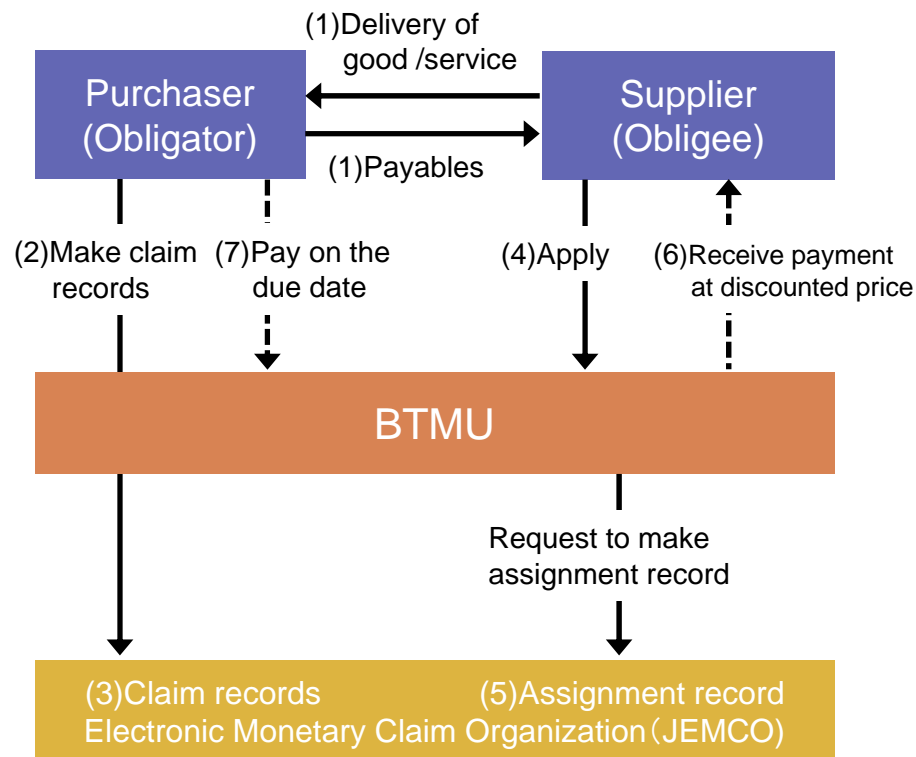


## Domestic corporate banking business(2) - Electronic bill settlement service

- Led the industry as a frontrunner in the electronic monetary claim business. Electronic bill settlement service enable a supplier to finance with the credit of the purchaser, and contribute to supplier SMEs for smooth funding

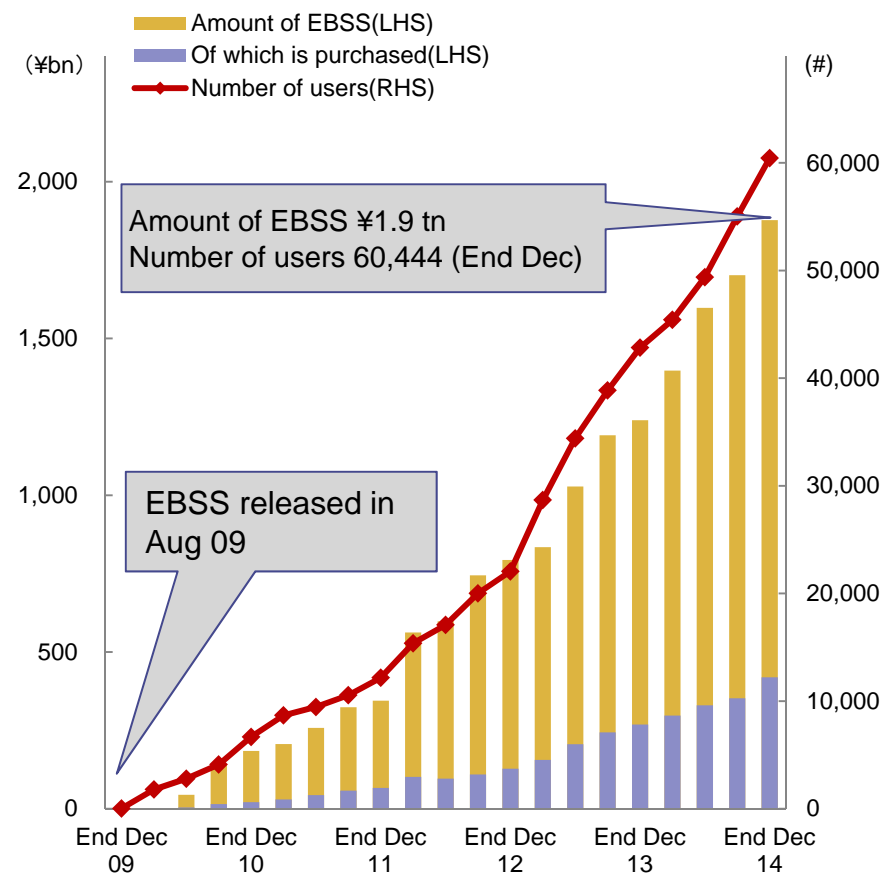
### EBSS Structure

Credit approval is not required for a supplier.  
It is based on purchaser's credit



\*In the case, a supplier use EBSS at BTMU

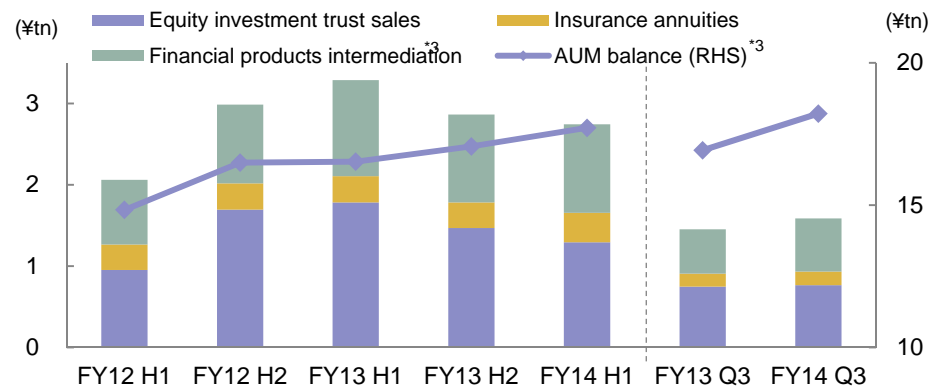
### Amount of EBSS



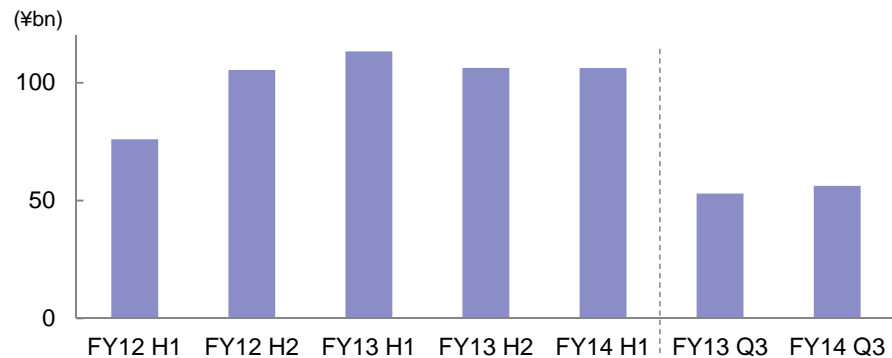
# Investment product sales(1)

- On the back of steady stock market and yen weakening, investment product sales amounts and earnings in FY14 Q3 gained compared to FY13 Q3
- For sustainable growth, emphasize the balance of the three elements of earnings base, business volume and income
- Number of NISA accounts increased steadily and activated account ratio marked 43% as of end Dec 14<sup>\*1</sup>. Balance of asset under management (AUM) expanded

Asset balance/Investment product sales<sup>\*2</sup>



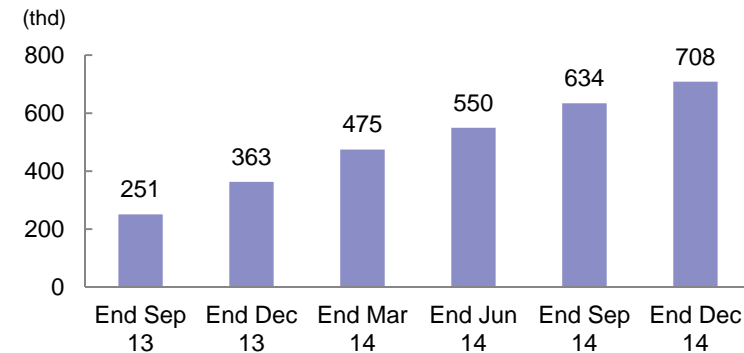
Income from investment products sales<sup>\*2\*3</sup>



<sup>\*1</sup> Ratio of the number of NISA account with transaction over the number of those opened following application

<sup>\*2</sup> Managerial account base <sup>\*3</sup> Includes MUMS PB securities

Number of NISA accounts applied



Emphasize the balance of the three elements of earnings base, business volume and income

## Widen customer base by leveraging NISA accounts

- Utilized mainly customer campaign to bolster the opening of accounts
- Expand product lineup for investment beginners
- Concentrated also on promoting the usage of existing accounts

## Enhance initiatives to expand the customer base

- Expansion of Promotion Center and new-customer developing teams (BTMU)
- Promotion of education fund gift trusts and substitute testamentary trusts (MUTB)
- Training young talent to enhance capabilities of personnel (MUSHD)

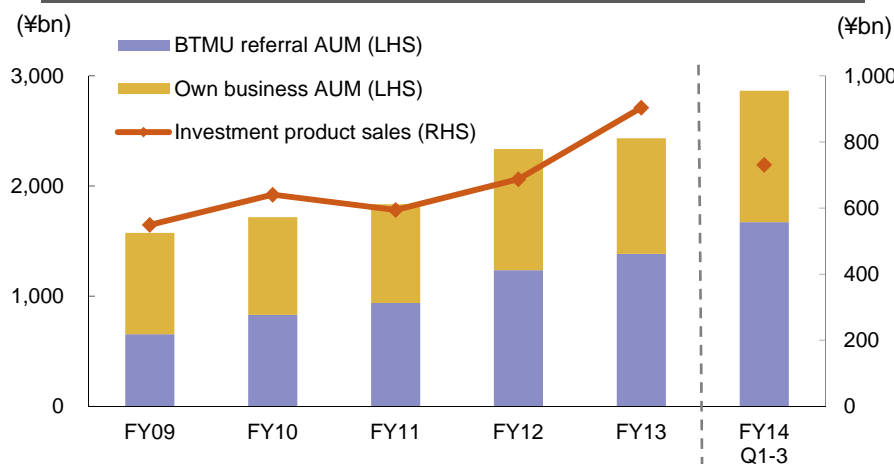
## Expand product lineup to increase customer base & asset under management



## Investment product sales(2) - PB business

- AUM was ¥2,864.4 bn increased by ¥392.1 bn from end Dec 13 (+16%)
- Record revenue ¥30.1 bn in FY14 Q1-3 with ¥2.1 bn YoY growth

MUMS PB Securities  
AUM and Investment Product Sales



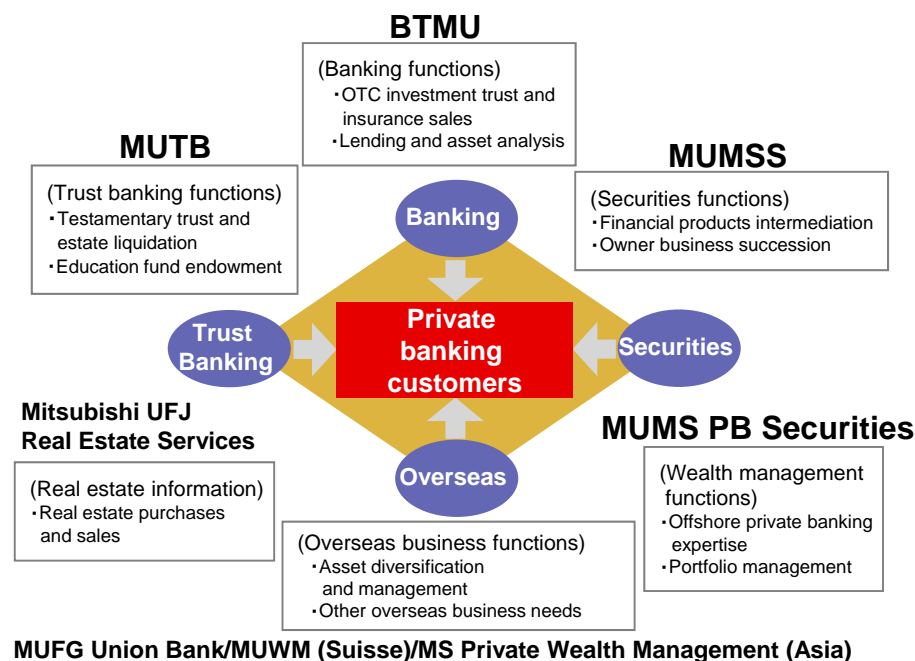
Mitsubishi UFJ Morgan Stanley PB Securities

	(¥bn)	FY13	FY14 Q1-3	YoY
1	Net operating revenue	36.9	30.1	+2.1
2	G&A expenses	23.7	19.6	+1.7
3	Referral fee to BTMU	7.9	6.6	+0.6
4	Operating income	13.2	10.5	+0.3
5	Ordinary income	13.0	10.6	+0.3
6	Net income	7.9	6.7	+0.4

35

### Measures for enhancing group collaboration

- Strengthen global asset management services for Japanese private banking customers
- Strengthen responsiveness to inheritance and real estate needs with BTMU and MUTB collaboration
- Pursue synergies leveraging personnel exchanges between MUMS PB Securities and other MUFG companies



# Merger of MUAM and KAM

- The merger of MUAM, Mitsubishi UFJ Asset Management, and KAM, KOKUSAI Asset Management, is targeted to be concluded on Jul 15

## Aims of the merger

- The new company will,
  - ✓ make use of the strength of both MUAM and KAM to create structure that can satisfy customers by providing higher quality and value-added asset management services, and
  - ✓ enhance its services by combining MUAM and KAM's accumulated know-how to enhance its product line-up
- MUFG will seek to realize synergistic effects between the new company's products and services, the Group's business base and investment infrastructure and resources, solidifying its top class position in the asset management business.

## Ranking for publicly-offered equity investment trusts management balance (end Dec 14)

#	Company name	Asset management balance (¥ tn)
1	Nomura Asset Management	15.0
2	Daiwa Asset Management	10.7
-	<b>MUAM + KAM</b>	<b>8.4</b>
3	Nikko Asset Management	7.3
4	MUAM	5.4
8	KAM	3.0

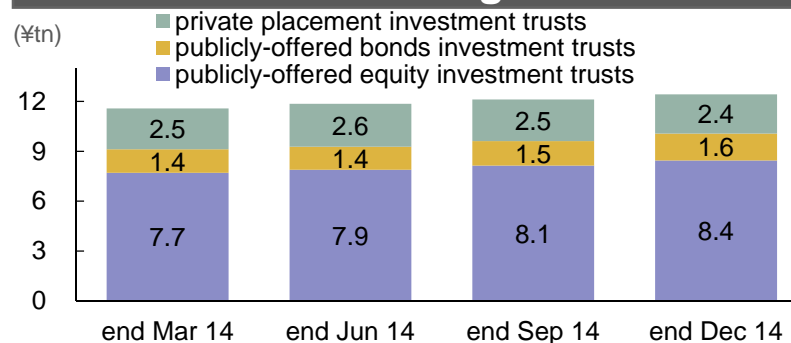
(¥ bn)

Mitsubishi UFJ AM		FY13	FY14Q1-3	y o y
1	Operating revenue	53.6	42.8	2.8
2	Operating expenses	44.1	34.6	1.6
3	Operating income	9.5	8.2	1.1
4	Net income	6.7	5.9	1.3

(¥ bn)

KOKUSAI AM		FY13	FY14Q1-3	y o y
1	Operating revenue	36.8	26.6	(1.5)
2	Operating expenses	28.5	20.9	(0.5)
3	Operating income	8.2	5.6	(1.0)
4	Net income	5.8	3.8	(0.8)

## Investment trust management balance\*1



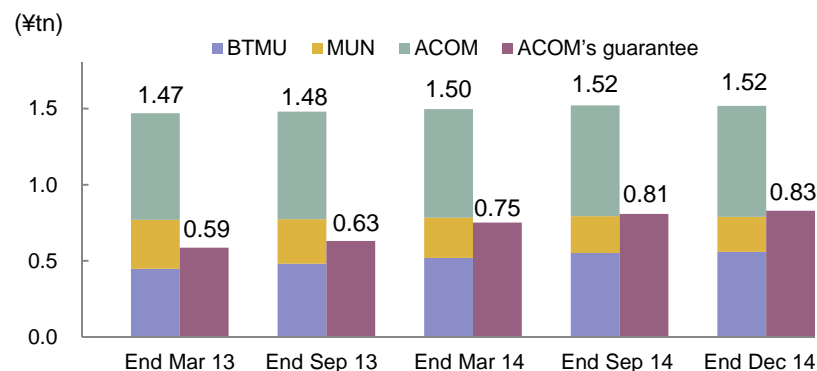
\*1 MUAM+KAM



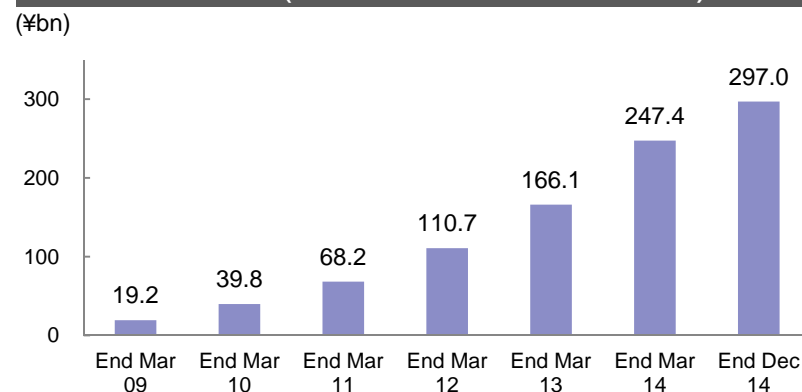
# Consumer finance

- Both unsecured loan balance and guarantee balance increased in ACOM.
- BTMU BANQUIC showed consistent growth in its balance, which marked more than ¥300.0 bn in Jan 15

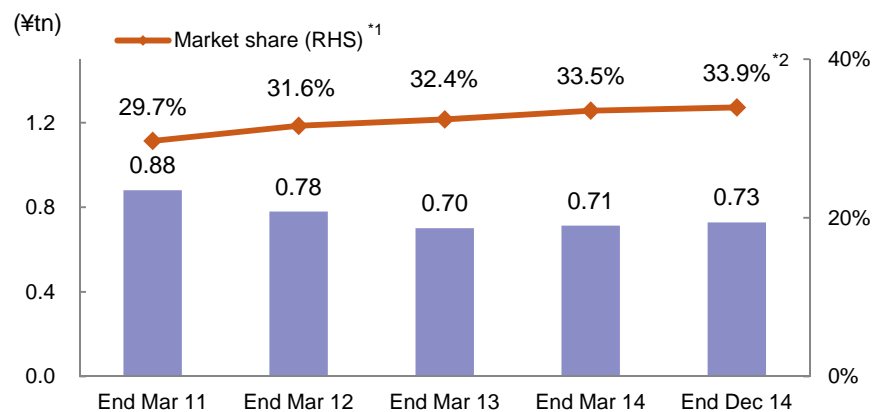
## Balance of unsecured loan, guarantee



## BTMU (balance of BANQUIC)



## ACOM (balance of unsecured consumer loan)

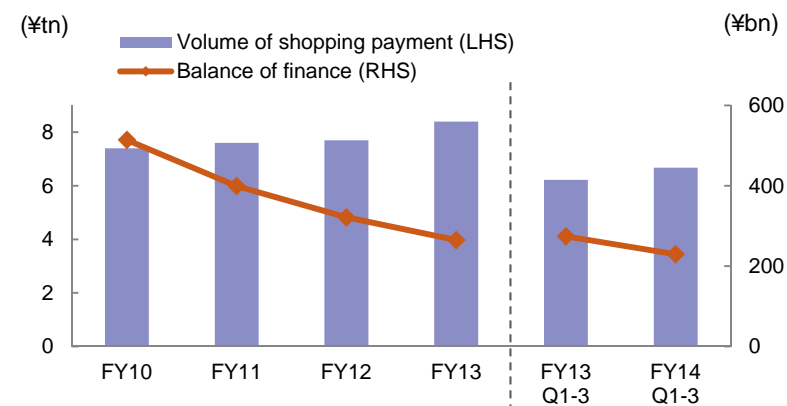


\*1 Unsecured consumer loan of ACOM/total unsecured consumer loan by consumer finance companies (Source) Japan Financial Service Association

\*2 Figures at end Nov 14

## MUN

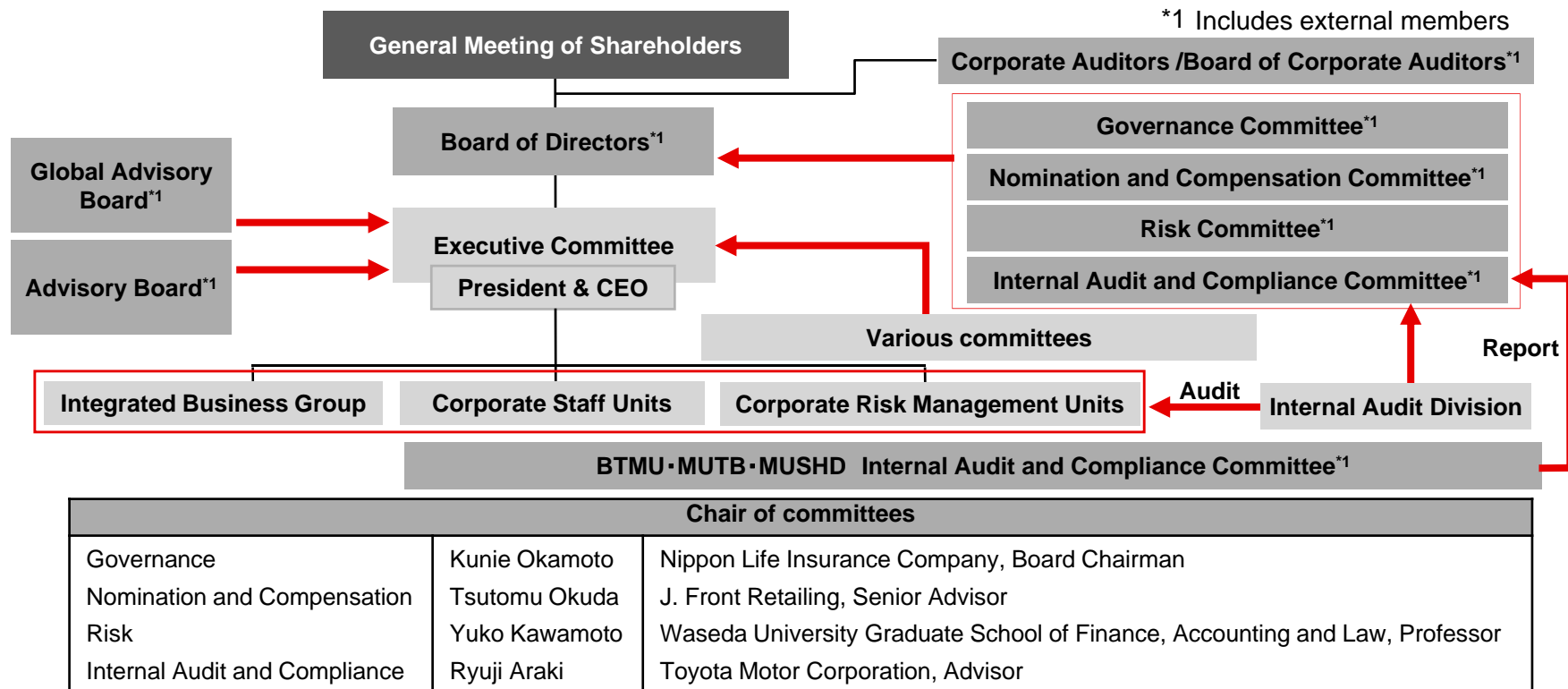
### (volume of shopping payment and balance of finance)



# Governance

# Enhancement of corporate governance

- One third of 15 directors, and 40% of 20 directors and corporate auditors are independent members outside the group
- The chairs of “Governance Committee”, “Nomination and Compensation Committee”, “Risk Committee” and “Internal Audit and Compliance Committee” are independent directors to check properly with an independent view
- Assessment of board meeting by external consultants in order to enhance governance and function of board meeting
- In Governance committee , Corporate Governance guideline is discussed to be formulated

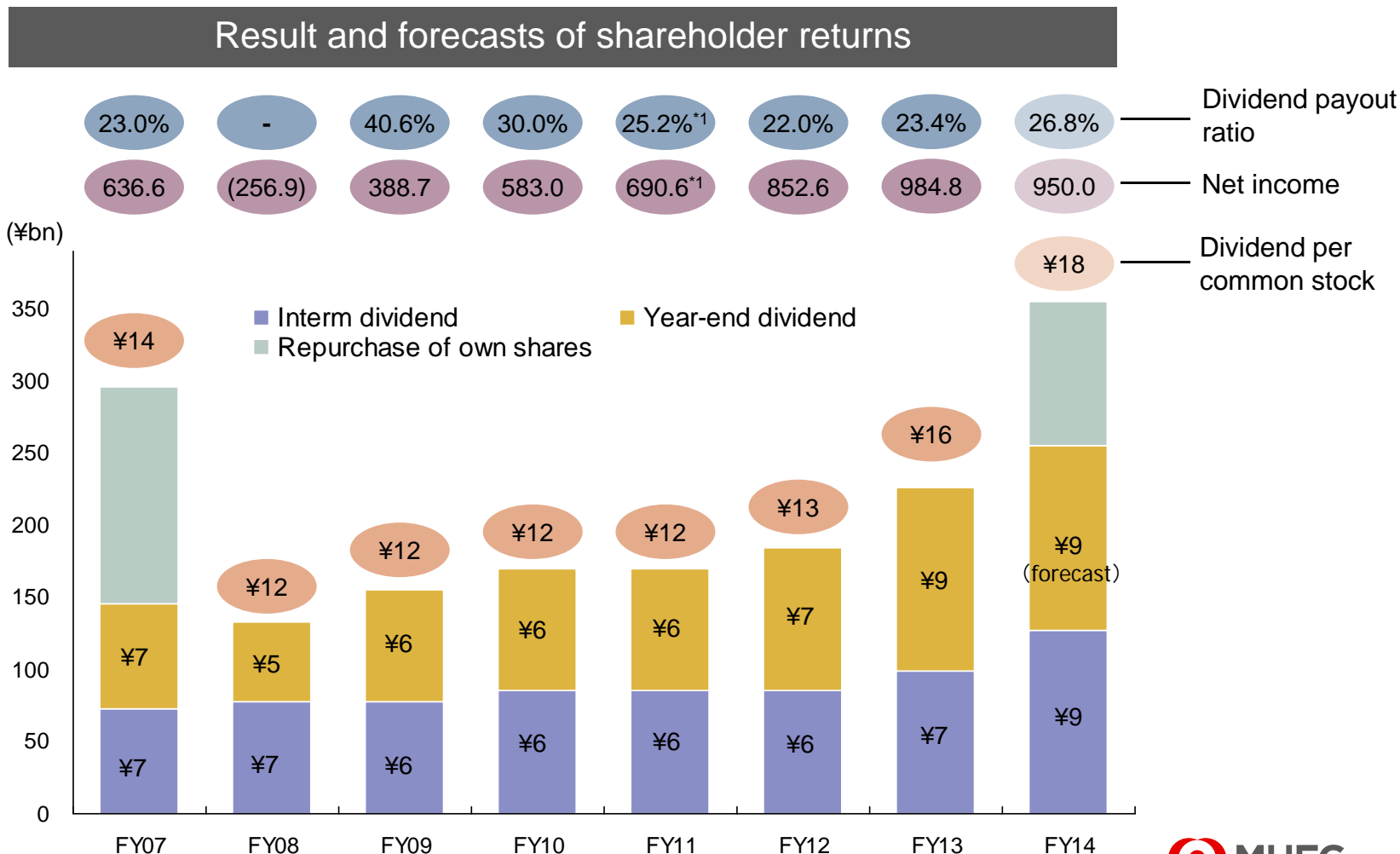




## Capital policy

# Shareholder returns

- FY14 dividend forecast revised from ¥16 to ¥18 per common stock
- Policy of steady increase in dividends per share through sustainable strengthening of profitability



## Repurchase of own shares

- Completed repurchase of approx. ¥100.0 bn of own shares in order to enable enhancement of shareholder returns, improvement of capital efficiency and implementation of flexible capital policies

### Result of repurchase of own share

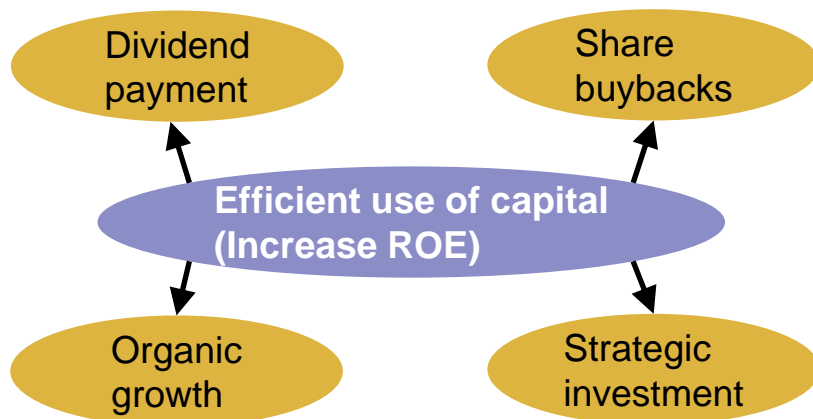
Type of shares repurchased	Ordinary shares of MUFG
Total value of shares repurchased	Approx. ¥100.0 bn
Total number of shares repurchased	148 mil shares
Repurchase period	From November 17, 2014 to December 18, 2014

(Reference) Total number of shares issued, excluding own shares : 14,019,881,184 shares  
 Number of own shares : 148,852,636 shares  
 (as of December 31, 2014)

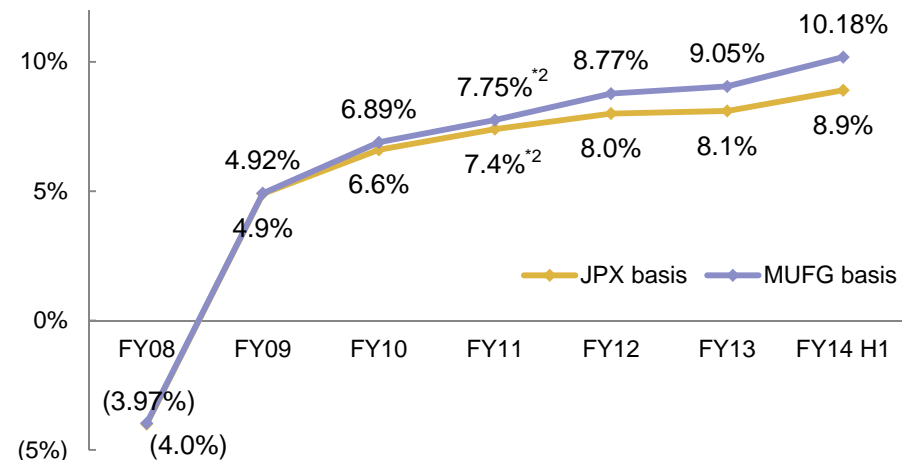
# Efficient use of capital

## Approach to use of capital

- Management that stresses on capital efficiency
  - Increase ROE
  - Awareness to the volatility of global financial markets, and reform of global financial regulation
- CET1 ratio<sup>\*1</sup> was 9.5% as of end Dec 14, excluding effects of net unrealized gains on marketable securities
- Consider share buybacks, taking into account the capital necessary for future growth
- In terms of strategic investment, keep highly qualified investment criteria



## Consolidated ROE<sup>\*3</sup>



<sup>\*1</sup> Full implementation basis. Calculated on the basis of regulations to apply at end Mar 19

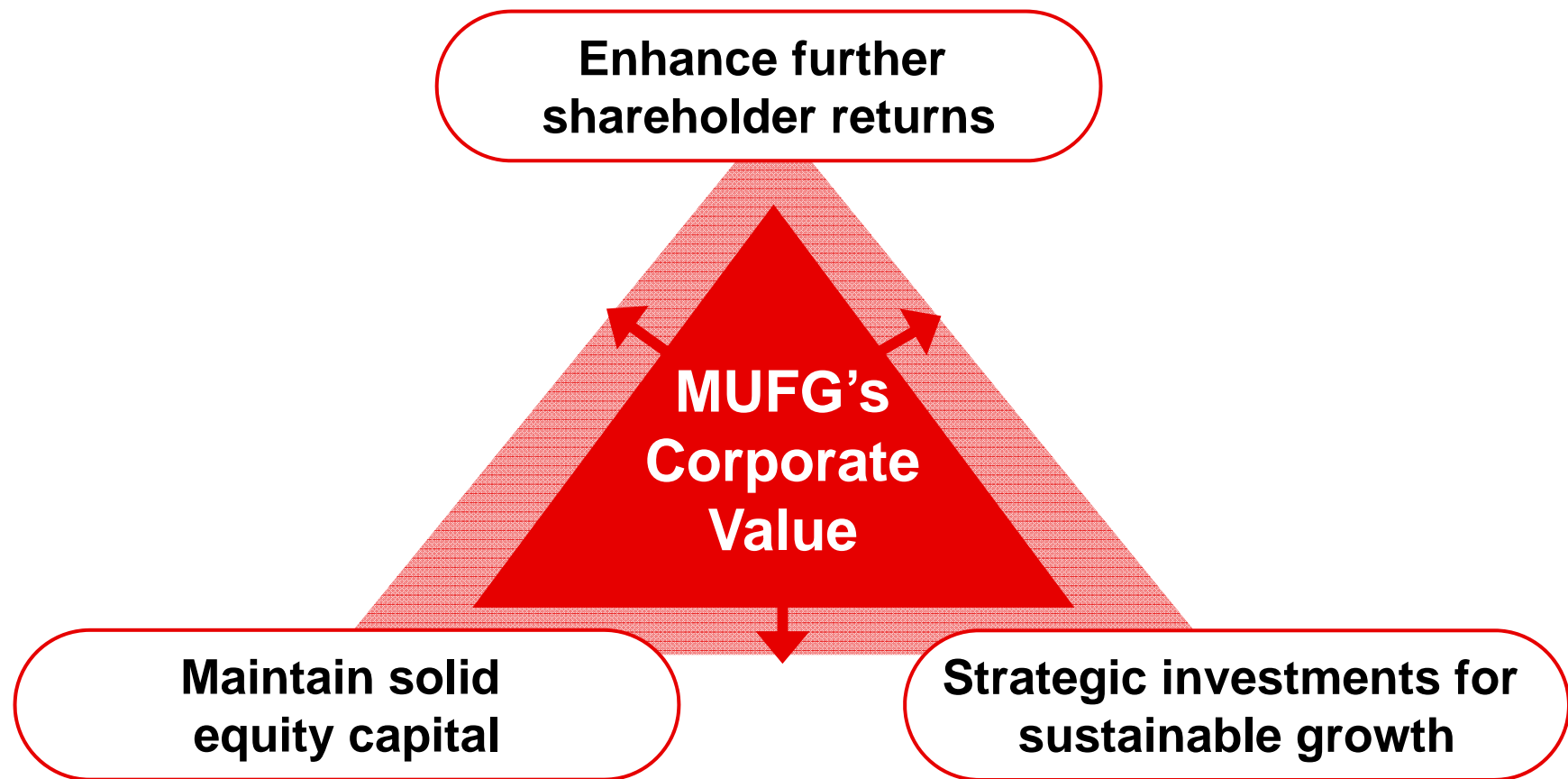
<sup>\*2</sup> 11.10%(MUFG basis), 10.6%(JPX basis) before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

<sup>\*3</sup> Net income - Equivalent of annual dividends on nonconvertible preferred stocks

$$\frac{\{(\text{Total shareholders' equity at the beginning of the period} - \text{Number of nonconvertible preferred stocks at the beginning of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the beginning of the period}) + (\text{Total shareholders' equity at the end of the period} - \text{Number of nonconvertible preferred stocks at the end of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the end of the period})\}}{2} \times 100$$

## Capital policy

- Enhance further shareholder returns and make strategic investment for sustainable growth while maintaining solid equity capital



## Our vision

### —Be the world's most trusted financial group—

#### **1. Work together to exceed the expectations of our customers**

Strive to understand and respond to the diversified needs of our customers.

Maintain and expect the highest levels of professionalism and expertise, supported by our consolidated strength

#### **2. Provide reliable and constant support to our customers**

Give the highest priority to protecting the interests of our customers.

Promote healthy, sustainable economic growth.

Maintain a robust organization that is effective, professional, and responsive

#### **3. Expand and strengthen our global presence**

Leverage our strengths and capabilities to attract a loyal global customer base.

Adapt rapidly to changes in the global economy and their impact on the needs of our customers

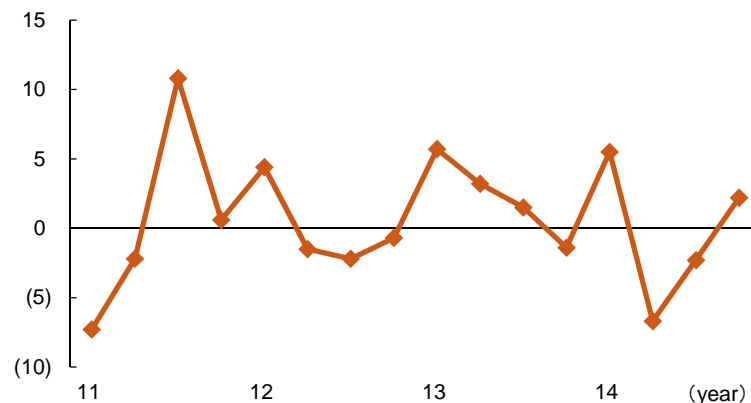
## Quality for You

# Appendix

# Appendix: Economic environment in Japan

## Growth rate of real GDP

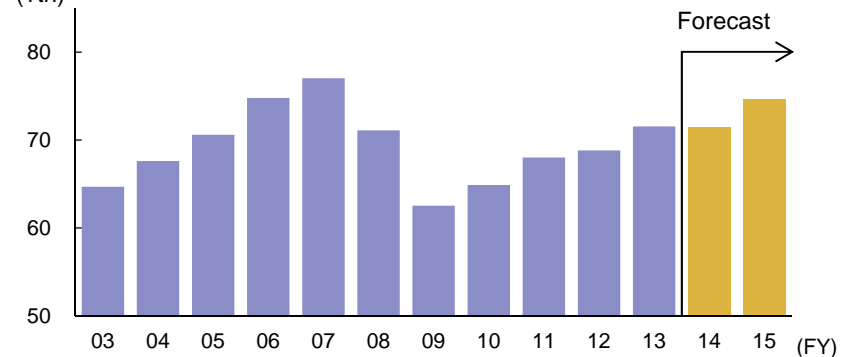
(%(annual rate, QoQ))



(Source) Compiled by BTMU Economic research office from Cabinet Office data

## CAPEX (Real GDP base<sup>\*2</sup>, Forecast)

(¥tn)

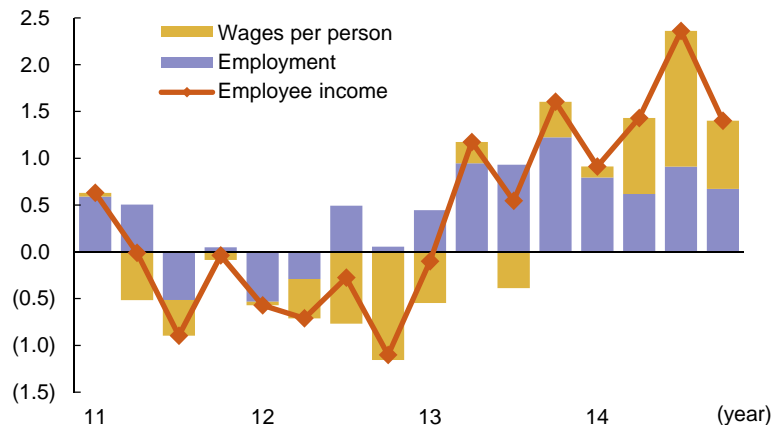


<sup>\*2</sup> Based on 2005 prices

(Source) Compiled by BTMU Economic Research Office from Cabinet Office data

## Employee income<sup>\*1</sup>

(%, YoY)

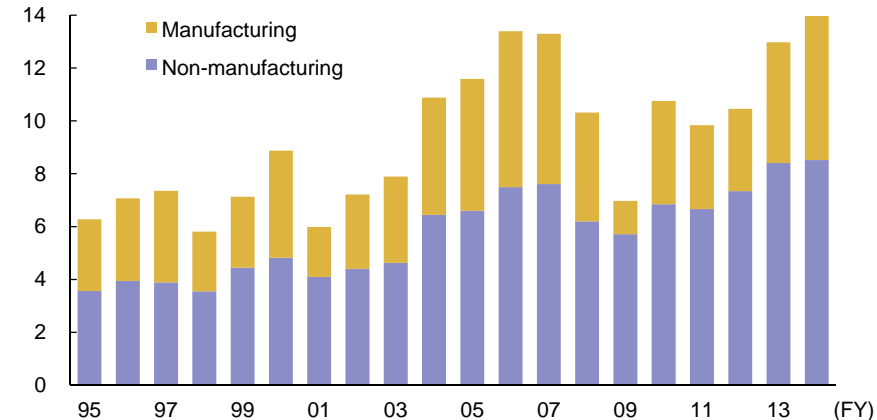


<sup>\*1</sup> Employee income is the number of employees multiplied by wages per person

47 (Source) Compiled by BTMU Economic Research Office based on MIC and MHLW data

## Ordinary profits of non-financial (Jul-Sep)

(¥tn)



(Source) Compiled by BTMU Economic Research Office based on MOF data

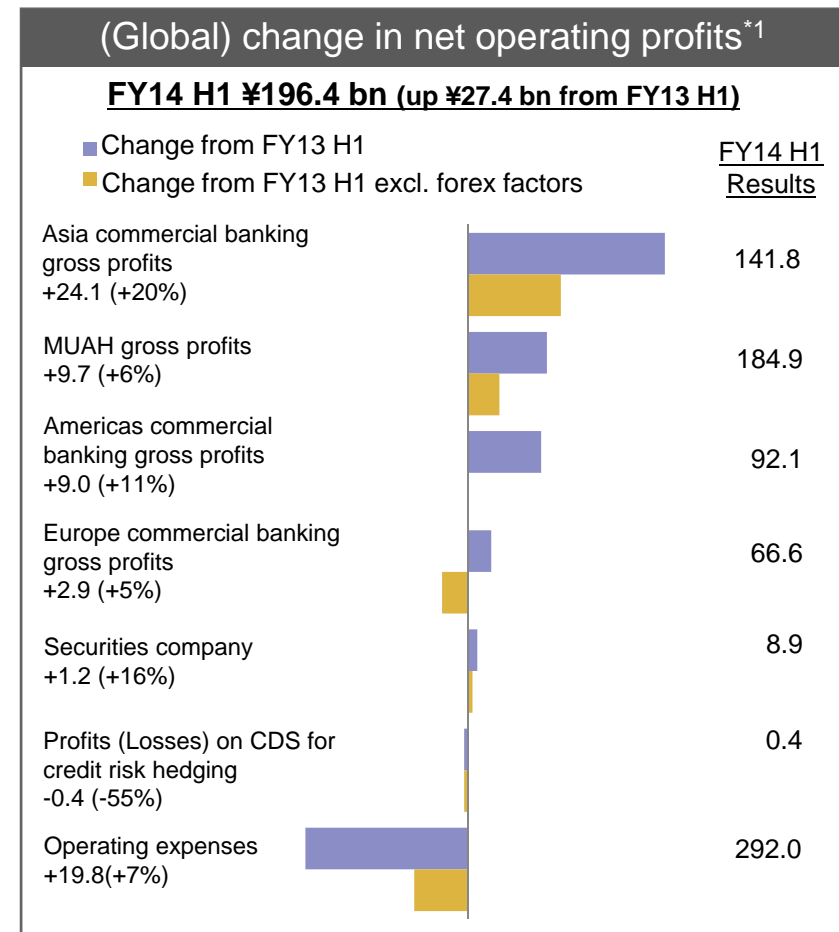
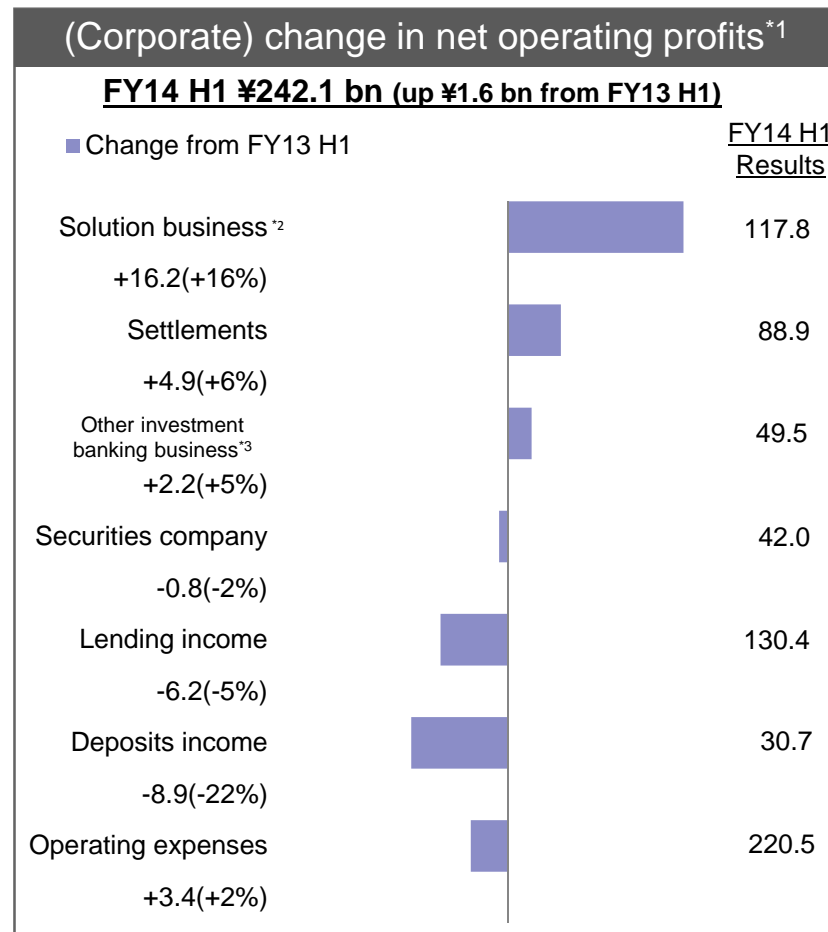




# Appendix: Corporate & Global

(Consolidated)

- Corporate: Income from solutions business expanded largely, while lending & deposit income declined
- Global: Earnings increased driven by Asian and American business



48 <sup>\*1</sup> Actual exchange rate basis  
<sup>\*2</sup> Structured finance, asset finance and syndicated loans  
<sup>\*3</sup> Customer derivatives, underwriting, etc.

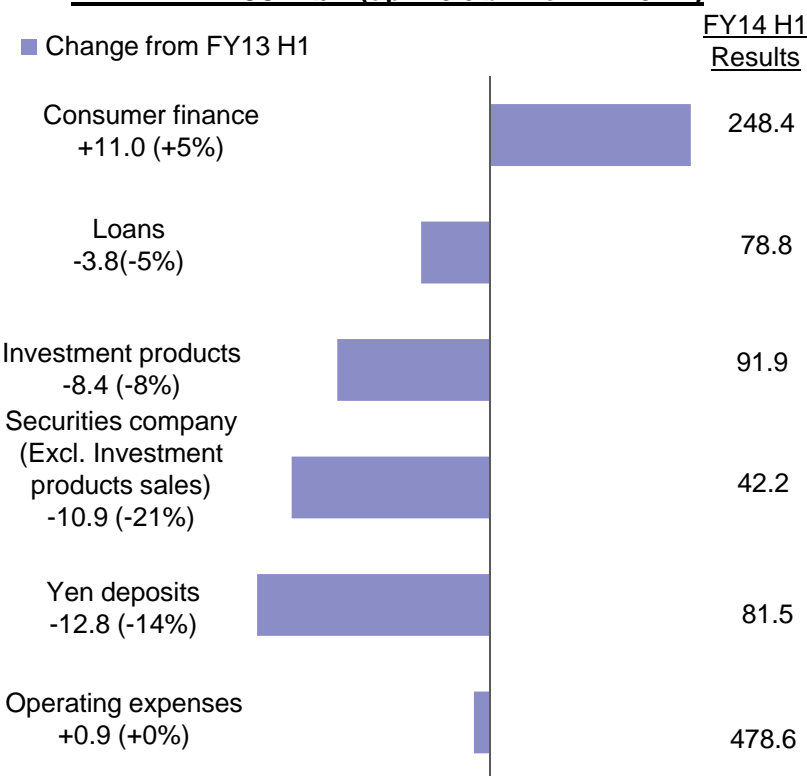
## Appendix: Retail & Trust Assets

(Consolidated)

- Retail: Consumer finance performed well, while yen deposits and investment products sales struggling
- Trust Assets: Increased profit in global asset administration, investment trust administration and pension businesses due to expanded trusted customers' asset. ¥0.8 bn progress in FY14 H1 total net operating profit from FY13 H1 in spite of increased operating expenses following acquisition of fund administration company

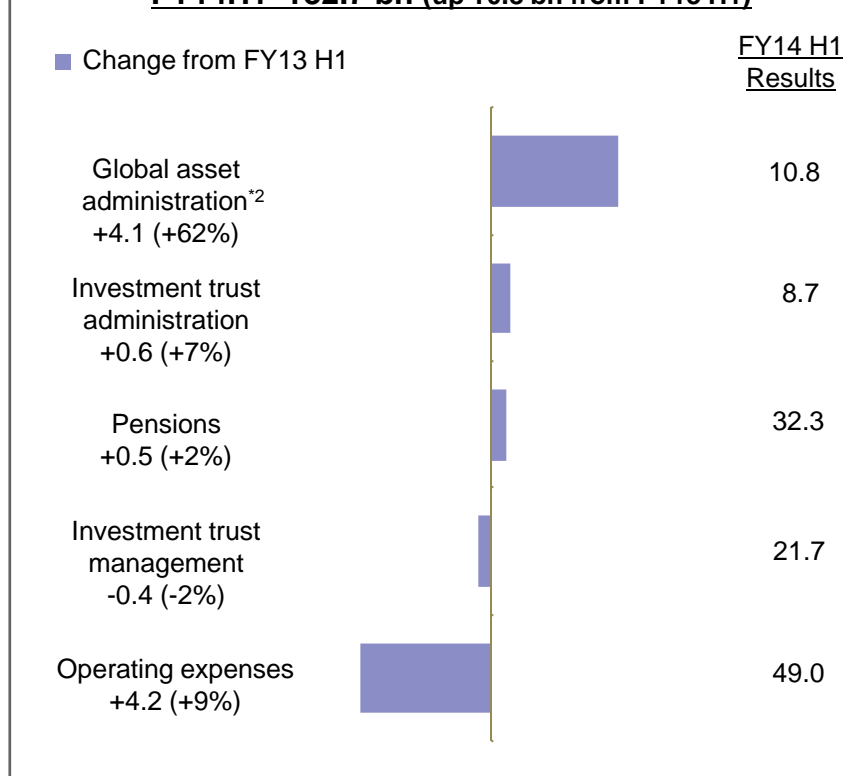
### (Retail) change in net operating profits\*<sup>1</sup>

**FY14H1 ¥158.1 bn (up ¥15.6 bn from FY13 H1)**



### (Trust Assets) change in net operating profits\*<sup>1</sup>

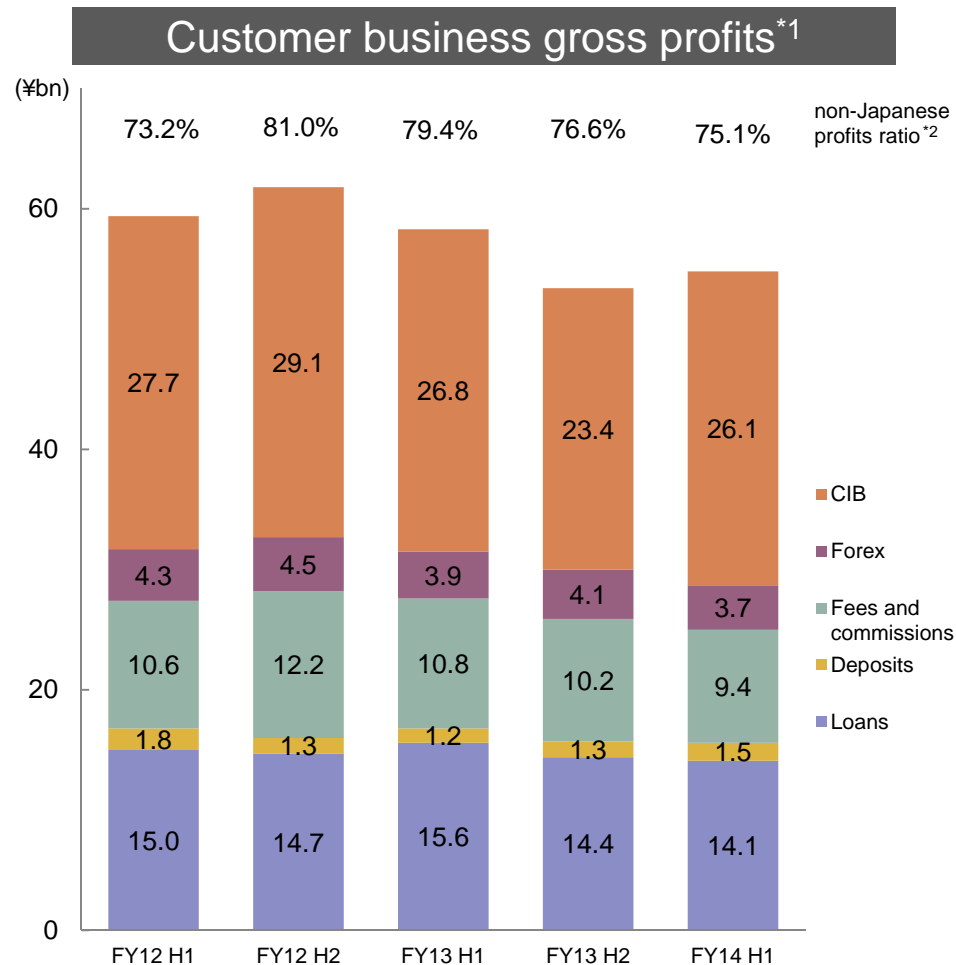
**FY14H1 ¥32.7 bn (up ¥0.8 bn from FY13 H1)**



## Appendix: EMEA strategy

(Commercial bank consolidated)

- Expand businesses by scrutinizing favorable opportunities and risks, examining such issues as the European debt crisis and the situation in Ukraine. Strengthen local functions and network



### Key points of EMEA strategy

- Expand businesses by scrutinizing favorable opportunities and risks, examining such issues as the European debt crisis and the situation in Ukraine
  - Region: Strengthen marketing as well as risk management in emerging countries and regions, including Turkey, Middle East, Africa, etc. in addition to core Europe
  - Respond appropriately while monitoring the situation in Russia and Ukraine
  - Customers: Major non-Japanese corporations, local entities of Japanese corporations
  - Operations: CIB (project finance, syndicated loans, DCM in cooperation between BTMU and securities subsidiaries, etc.), transaction banking
- Strengthen management functions such as governance and risk control to support growth and business expansion in the EMEA

\*1 Local currency basis \*2 Incl. Middle East

## Appendix: Project finance

(Commercial bank consolidated)

- No1 position in global ranking in 3 consecutive years
- Remaining at competitive position in each region, No1 in Americas and No3 in both EMEA and Asia Pacific
- Maintain current advantage in Americas by better service through an integration between BTMU and UNBC
- Maintain leading status by obtaining major projects mainly in power or infrastructure

### Global presence

<Global project finance league table (Jan-Dec 14)>

Rank	Mandated Arrangers	Origination Volumes (US\$ bn)	#	Rank Jan-Dec 13
1	<b>MUFG</b>	<b>16.23</b>	<b>139</b>	<b>1</b>
2	SMBC	13.45	112	4
3	Mizuho Financial	9.85	80	5
4	BNP Paribas	9.00	73	18
5	Credit Agricole	8.05	80	7

<By region>

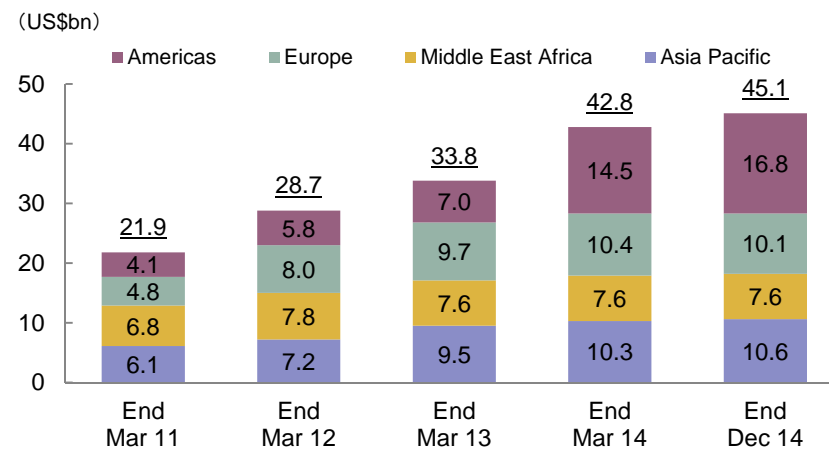
	Jan-Dec 13			Jan-Dec 14	
	Rank	Share		Rank	Share
Americas	1	9.3%	→	1	8.4%
EMEA	3	3.9%	→	3	3.9%
Asia Pacific	3	5.0%	→	3	6.1%

(Source) Project Finance International

### Strategies to strengthen the business

- Global approach: strengthening our platform in power and infrastructure sector
- Domestic approach: enhancing our supports in relation to Japanese companies' project finance related to PFI, renewable energy and thermal IPP, etc. and infrastructure exports to Asia

### Project finance loan portfolio<sup>\*1</sup>



<sup>\*1</sup> Commercial bank consolidated excl. KS  
MUAH included in Mar 14 and after

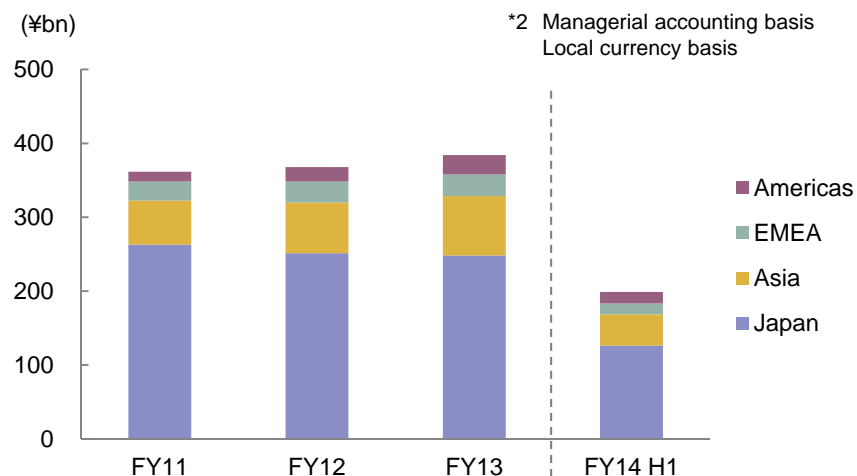


# Appendix: Transaction banking business

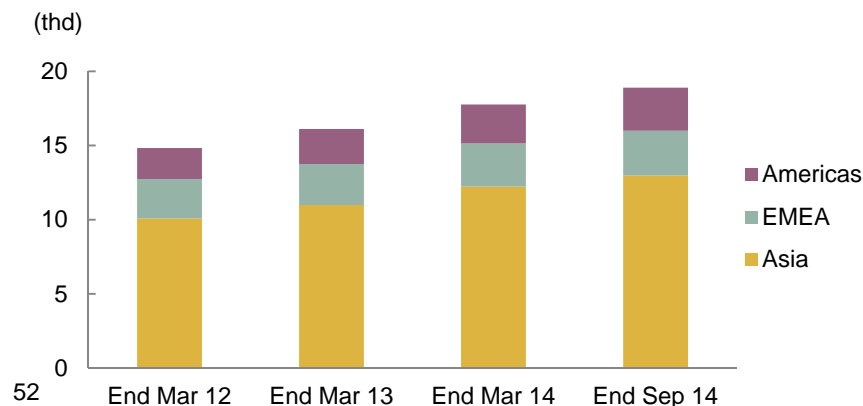
(Commercial bank consolidated)

- Transaction banking business\*<sup>1</sup> gross profits increased steadily in overseas operations\*<sup>2</sup>
- Strengthening approach to capture global commercial flow and expanding products/services

## Gross profits (Excl. MUAH, KS)\*<sup>2</sup>



## Overseas CMS contracts (Excl. MUAH, KS)



## Strategies to strengthen the business

- Develop a business targeting the entire supply chain on a global base
  - Make the greatest possible use of overseas network, the best among Japanese banks, and our strong Japanese customer base to effectively provide solutions combining trade finance and cash management
- Substantially increase system investment and development personnel, expand lineup of strategic products and services
  - Expand functionality of settlement-related systems products such as BizSTATION and GCMS Plus. Also bolster leading-edge products and services, such as electric trade operation management (TSU\*<sup>3</sup>) and centralized payment operation management system (GPH\*<sup>4</sup>), ahead of competitors
- Further strengthen non-Japanese customers' business
  - Strengthen business development with non-Japanese corporations centered on capturing trade flows related to natural resource business

\*<sup>1</sup> Collectively refers to services capturing commercial flows of customers such as deposits, settlements and trade finance

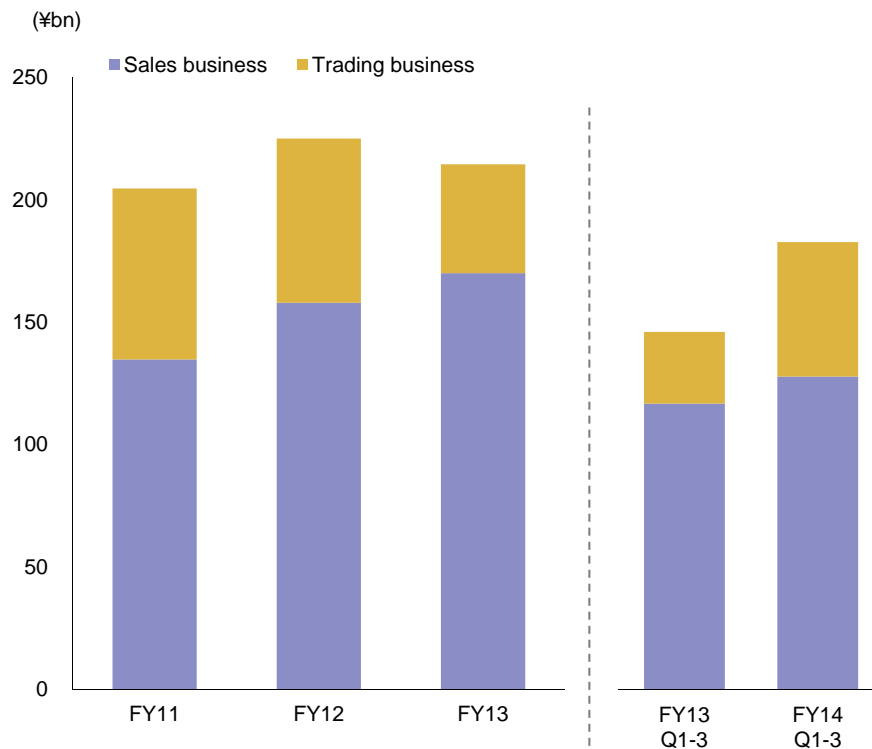
\*<sup>3</sup> TSU: Trade Services Utility \*<sup>4</sup> GPH: Global Payment Hub

## Appendix: Sales & Trading business

(Commercial bank consolidated)

- Healthy trend of sales and trading business with a capture of customers' needs on the back of market volatility
- Making collaborative work by sales and trading business towards enhancement of product lineup and its pricing capability to fulfill the customers' needs
- Cover diversifying customers' needs with more active tie-up between BTMU and MUSHD

**Gross profits**  
(BTMU consolidated, excl. MUAH, KS)\*1



\*1 Sum of customer business divisions and global market division

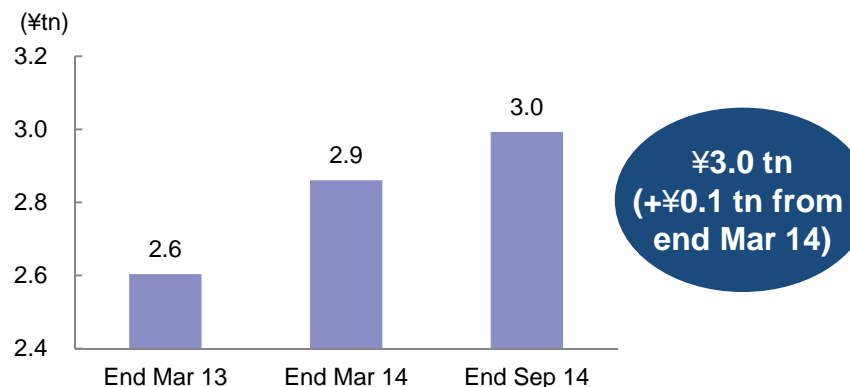
### Strategies to strengthen the business

- Strengthen investment business
  - Steady approach to customers' investment needs with more collaboration between BTMU and MUSHD
- Collaboration among global network
  - Steady approach to customers' needs of cross-boarder business and event finance
- Collaboration among integrated business groups
  - Expansion of emerging currency related business (Enlarged RMB related products coverage, enhanced Latin-America business and increased product providing capability)
  - Progress in interbank market business
- Collaboration between MUFG entities
  - Enhanced research capability with collaboration between BTMU and MUSHD
- Prudent internal control framework
  - Solid compliance standard in Global Markets operations
  - Enhancement of compliance with global regulatory requirements

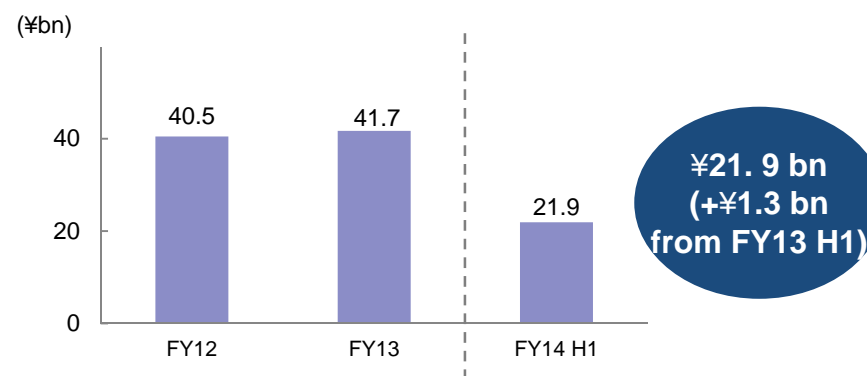
## Appendix: Integrated corporate & retail business (Commercial bank consolidated)

- Expanded the sales platform for business owners by providing value-added solution in succession of business or asset. Strengthened collaboration with group securities companies to grow businesses
- Providing prompt service along with life cycle in the business with corporate employee
- One-stop offices unifying the corporate and retail business are scheduled for increase up to 100 locations

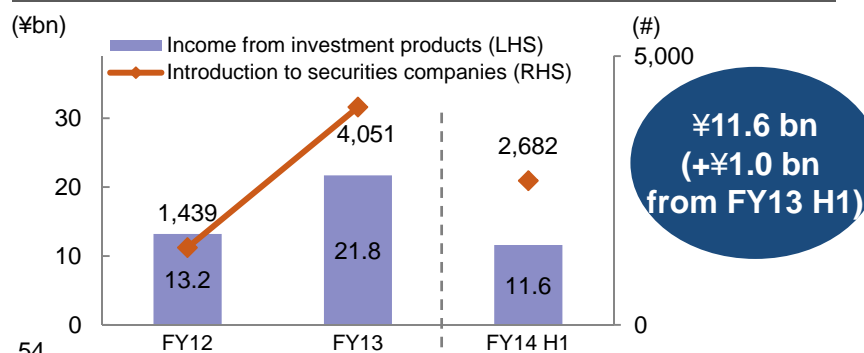
### Business owners assets under management



### Income from the business with corporate employee

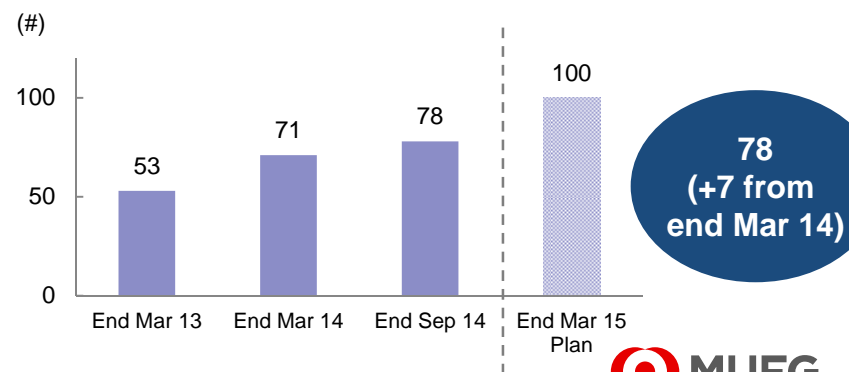


### Income from investment products (business Owner) / Introduction to securities companies\*1



\*1 Introduction to securities companies = MUMSS+MUMSPB

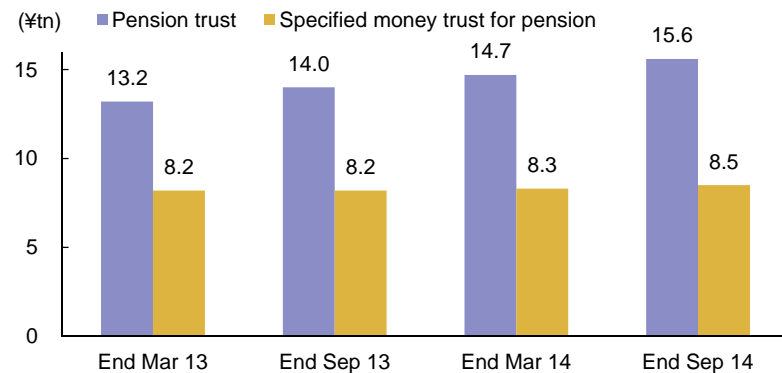
### Integrated offices (one-stop sales locations)



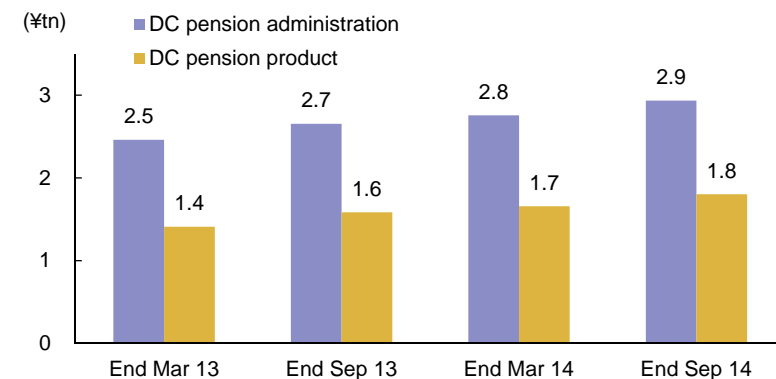
# Appendix: Domestic and global asset management & administration

- Pension: Focusing on expansion of customer base by extending BTMU/MUTB cooperation and enhancement of total consulting services for customers about operations, regulations and accounting
- Investment trust: Provide product lineups for customers' mid-long term asset building and increase customer asset balance through strong support for sales institutions
- Global operations: Accelerate our business capability towards diversifying customers' needs of asset management and administration with investee and business tie-up companies

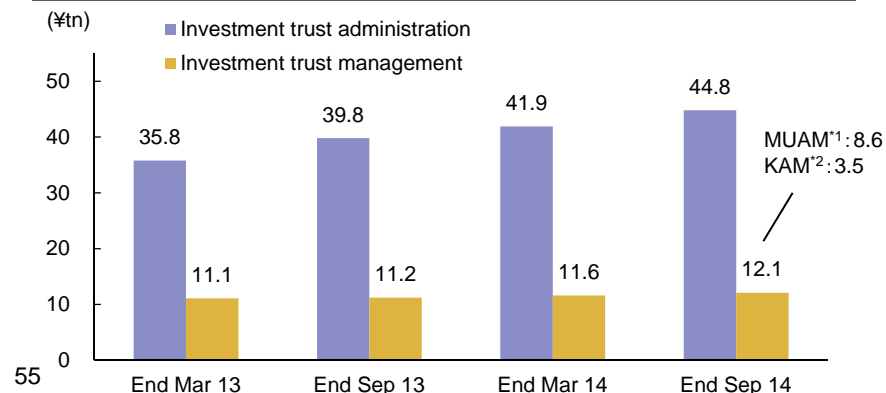
## Pension balance



## DC pension product and administration asset balance



## Investment trust management and administration balance



\*1 MUAM: Mitsubishi UFJ Asset Management \*2 KAM: KOKUSAI Asset Management

## Global development

- Completed acquisition of Butterfield Fulcrum Group in Sep 13 (Currently Mitsubishi UFJ Fund Services)
- Following the acquisition, the new business brand “MUFG Investor Services” has been launched and started providing customers with “One-Stop” asset management services covering fund administration, custody and security lending. Accelerate our business capability towards diversifying global customers' needs
- Mitsubishi UFJ Fund Services acquired Meridian Holdings Limited, fund administration service company, in May 14, aiming to enhance competitiveness and scale expansion in global fund administration market which expects high growth amid the global stream of strengthening financial regulations





## Appendix: Non-JPY debt issue

(Commercial bank (excl. MUAH, KS))

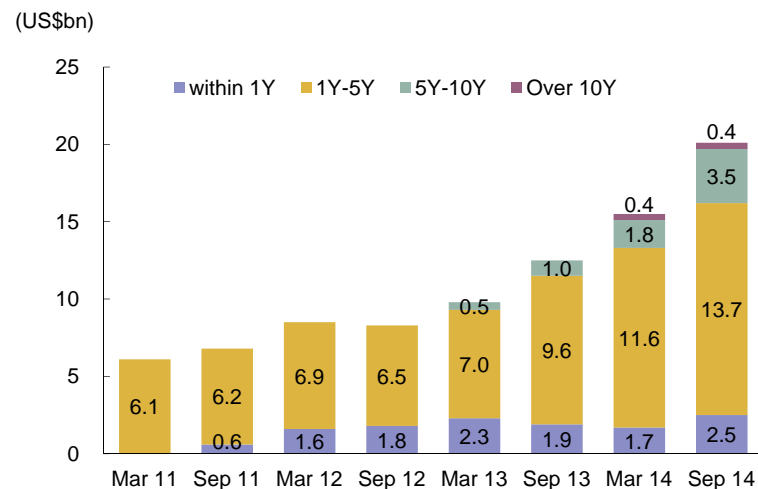
### Topics on non-JPY debt issue (after Apr 14)

- Continuous non-JPY senior debt issues to global institutional investors' market
  - Total US\$4.5 bn global bond issued in 144A/Reg S format by BTMU (Sep 14)
- AU\$600 mm TCD\* issued by BTMU Sydney branch (Sep 14)
  - \*TCD : Transferable Certificates of Deposits
- RMB1 bn off-shore bond issued by BTMU China (May 14)
- US\$25 mm Islamic bond issued by BTMU Malaysia (Sep 14)

### List of recent issues (after Apr 14)

Issuer	Term	Issue amount	Coupon	Remarks
BTMU (China), Ltd.	3Y	RMB1,000 mm	3.050%	Off-shore RMB bond
BTMU, Ltd.	3Y	US\$300 mm	US\$ 3mL +31bp	Global bond
BTMU, Ltd.	3Y	US\$1,200 mm	1.450%	Global bond
BTMU, Ltd.	5Y	US\$1,250 mm	2.350%	Global bond
BTMU, Ltd.	7Y	US\$750 mm	2.850%	Global bond
BTMU, Ltd.	10Y	US\$1,000 mm	3.250%	Global bond
BTMU, Ltd. Sydney branch	4Y	AU\$600 mm	AU\$ 3m BBSW+83bp	Transferable CD
BTMU (Malaysia) Berhad	1Y	US\$25 mm	1.295%	Islamic bond

### Issue balance by duration



### Issue balance by currency

