



# Fiscal 2017 Interim Results Presentation

November 21, 2017



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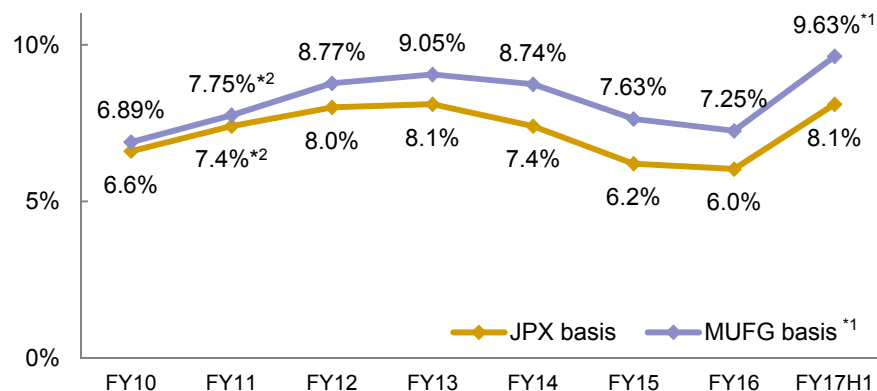
#### Definitions of figures used in this document

<b>Consolidated</b>	: Mitsubishi UFJ Financial Group (consolidated)
<b>Non-consolidated</b>	: Simple sum of Bank of Tokyo-Mitsubishi UFJ (non-consolidated) and Mitsubishi UFJ Trust & Banking Corporation (non-consolidated)
<b>Commercial Bank Consolidated</b>	: Bank of Tokyo-Mitsubishi UFJ (consolidated)

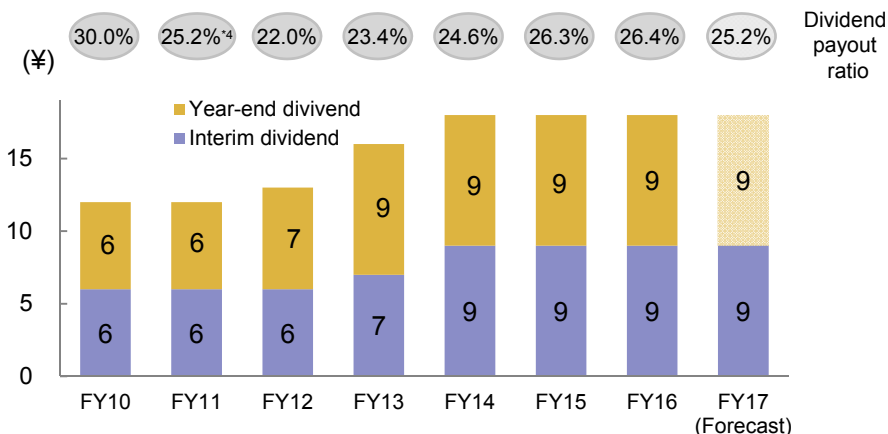
# Management index

(Consolidated)

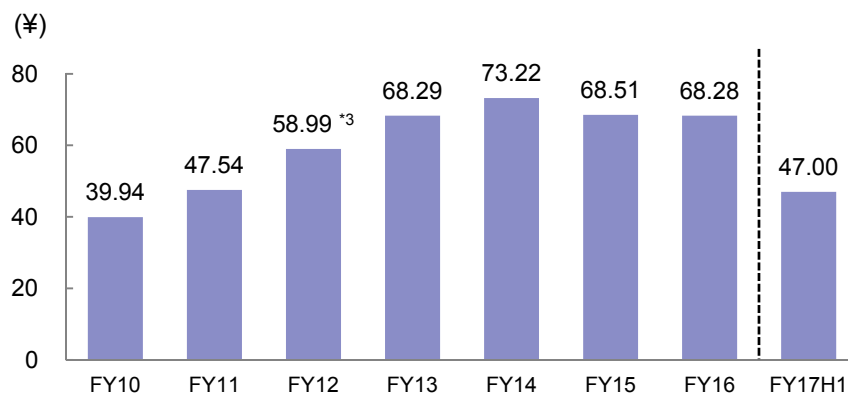
## ROE



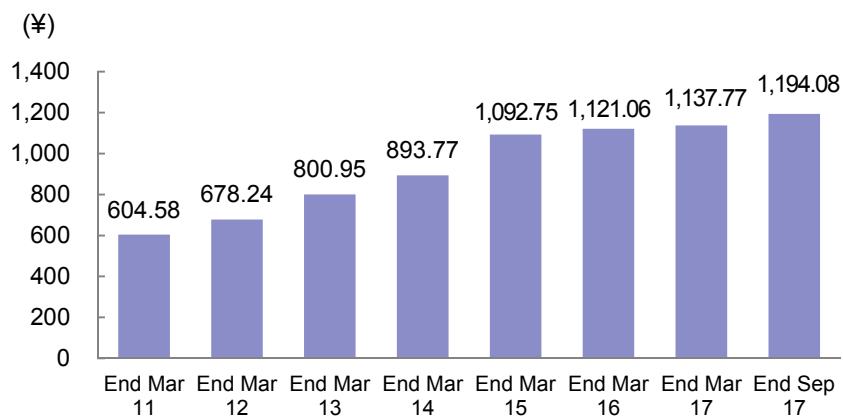
## Dividend per share / Dividend payout ratio



## EPS



## BPS



Profits attributable to owners of parent x 2

\*1  $\frac{\{(Total\ shareholders' \ equity \ at \ the \ beginning \ of \ the \ period \ + \ Foreign \ currency \ translation \ adjustments \ at \ the \ beginning \ of \ the \ period) \ + \ (Total \ shareholders' \ equity \ at \ the \ end \ of \ the \ period \ + \ Foreign \ currency \ translation \ adjustments \ at \ the \ end \ of \ the \ period)\}}{2} \times 100$

\*2 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

\*3 ¥68.09 before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

\*4 17.6% before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

## Financial targets of the current mid-term business plan

		FY14	FY17H1	FY17 Target
<b>Growth</b>	EPS (¥)	¥73.22	¥47.00	Increase 15% or more from FY14
<b>Profitability</b>	ROE	8.74%	9.63%	Between 8.5-9.0%
	Expense ratio	61.1%	65.1%	Approx. 60%
<b>Financial strength</b>	CET1 ratio (Full implementation)*1	12.2%	12.3%	9.5% or above
	(Excluding an impact of net unrealized gains (losses) on available-for-sale securities)		10.0%	

\*1 Calculated on the basis of regulations to be applied at end Mar 19

## FY2017 financial targets

- FY17 consolidated profits attributable to owners of parent target is held at ¥950.0 bn  
(¥bn)

[MUFG consolidated]		<Results>			<Financial target, etc>	
		FY16		FY17	FY17	
		Interim	Full year	Interim	Interim	Full year
1	Total credit costs	(57.6)	(155.3)	3.1	(70.0)	(80.0)
2	Ordinary profits	794.8	1,360.7	864.0	670.0	1,440.0
3	Profits attributable to owners of parent	490.5	926.4	626.9	440.0	950.0

(BTMU: for reference)

4	Net business profits before provision for general allowance for credit losses	417.0	666.9	337.9	300.0	580.0
5	Total credit costs	(4.7)	(25.4)	58.9	(20.0)	60.0
6	Ordinary profits	410.2	632.2	411.8	280.0	620.0
7	Net income	323.0	481.4	294.2	200.0	420.0

(MUTB: for reference)

8	Net business profits before credit costs for trust account and provision for general allowance for credit losses	92.7	181.4	104.3	95.0	160.0
9	Total credit costs	1.7	(22.5)	5.8	(5.0)	0.0
10	Ordinary profits	105.5	164.4	121.6	100.0	175.0
11	Net income	75.7	120.2	126.0	75.0	155.0

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## Outline of FY2017 Interim Results

# Key points of FY2017 Interim Results

(Consolidated)

## ● Profits attributable to owners of parent were ¥626.9 bn (increased ¥136.4 bn from FY16H1)

- Progress rate was 65.9% of ¥950.0 bn annual target
- While net operating profits decreased, profits attributable to owners of parent increased mainly due to an increase of net gains on equity securities and profits from investments in affiliates in addition to a net reversal of credit costs

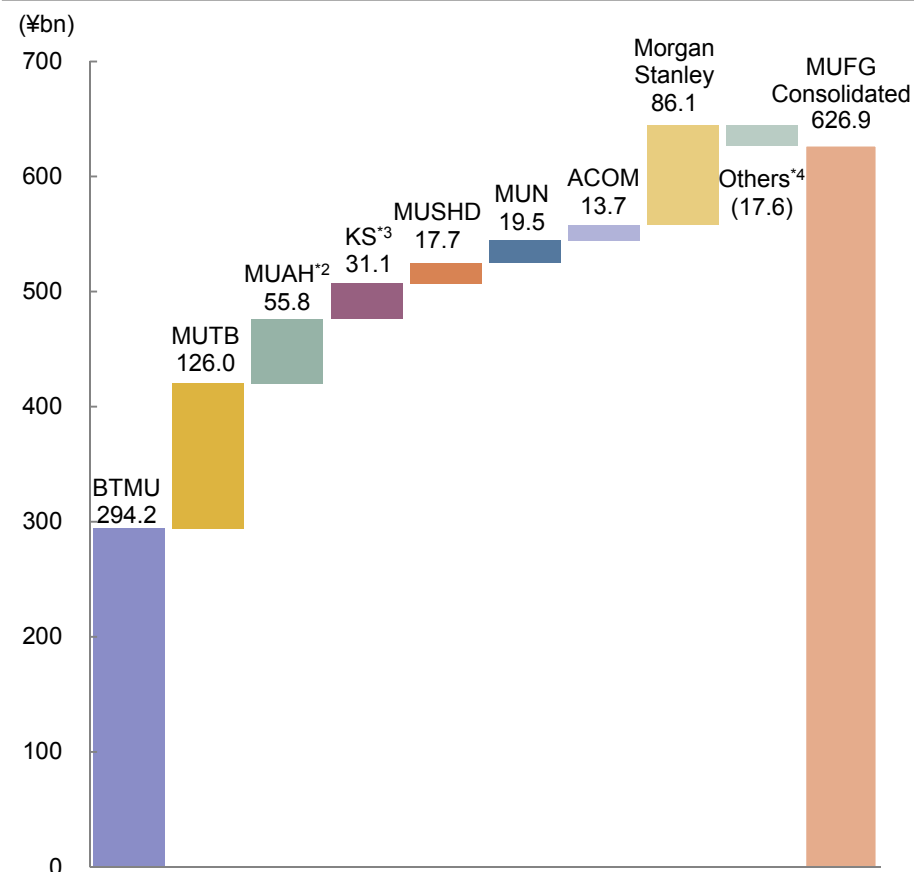
## ● Major Actions

- Announced “MUFG Re-Imagining Strategy - Building Anew at MUFG”
- Decided functional realignment of group management and rename of commercial bank name
- Made MUN a wholly owned subsidiary
- Established Japan Digital Design, Inc.
- Sold shares in CIMB Group Holdings Berhad

## ● Shareholder return and others

- FY17 interim dividend is ¥9 per common stock. FY17 dividend forecast is ¥18 per common stock
- Repurchased approx. ¥100.0 bn own shares (FY17H1). Resolved to repurchase up to ¥100.0 bn own shares (FY17H2)
- Established a policy regarding cancellation of own shares and cancelled a part of own shares accordingly
- Approx. ¥71.0 bn equities holdings were sold on acquisition costs basis
- Appointed two outside directors from Asia and North America

Breakdown of FY17 interim profits attributable to owners of parent\*1



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

\*2 MUFG Americas Holdings Corporation

\*3 Bank of Ayudhya (Krungsri)

\*4 Including cancellation of the amount of inter-group dividend receipt and equity method income from other affiliate companies



# Income statement summary

(Consolidated)

## ● Net operating profits

- Gross profits increased. While net interest income from domestic loans and deposits decreased, net interest income from loans and deposits in overseas and net trading profits increased, in addition to the depreciation of JPY against other currencies
- G&A expenses increased, reflecting higher expenses in overseas, in addition to the depreciation of JPY against other currencies
- Net operating profits decreased by ¥24.6 bn from FY16H1 to ¥700.7 bn

## ● Total credit costs\*1

- Reported net reversal of ¥3.1 bn mainly due to reversal of allowance for credit losses

## ● Net gains (losses) on equity securities

- Net gains on sales of equity securities increased mainly due to a decrease in losses on write-down of equity securities

## ● Profits (losses) from investments in affiliates

- Profits from investments in Morgan Stanley increased, as well as those from other affiliates increased

## ● Profits attributable to owners of parent

- As a result, profits attributable to owners of parent increased by ¥136.4 bn from FY16H1 to ¥626.9 bn

	(¥bn)	FY16H1	FY17H1	YoY
1	<b>Gross profits</b>	1,969.4	2,008.1	38.7
	<b>(Before credit costs for trust accounts)</b>			
2	Net interest income	975.0	973.6	(1.4)
3	Trust fees + Net fees and commissions	682.6	695.9	13.2
4	Net trading profits + Net other operating profits	311.6	338.5	26.9
5	Net gains (losses) on debt securities	92.6	84.7	(7.9)
6	G&A expenses	1,244.0	1,307.3	63.3
7	Depreciation	150.1	158.5	8.4
8	Net operating profits	725.4	700.7	(24.6)
9	Total credit costs*1	(57.6)	3.1	60.7
10	Net gains (losses) on equity securities	44.0	55.0	10.9
11	Net gains (losses) on sales of equity securities	55.4	56.1	0.6
12	Losses on write-down of equity securities	(11.4)	(1.0)	10.3
13	Profits (losses) from investments in affiliates	113.9	135.6	21.7
14	Other non-recurring gains (losses)	(30.8)	(30.5)	0.3
15	Ordinary profits	794.8	864.0	69.1
16	Net extraordinary gains (losses)	(56.4)	4.3	60.7
17	Total of income taxes-current and income taxes-deferred	(178.4)	(190.5)	(12.0)
18	Profits attributable to owners of parent	490.5	626.9	136.4
19	EPS (¥)	35.93	47.00	11.07

\*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

# Balance sheets summary

(Consolidated)

## ● Loans (Banking + Trust accounts)

- Decreased from the end of Mar 17 mainly due to a decrease in loans to domestic corporate and governmental institutions

## ● Investment securities

- Decreased from the end of Mar 17 mainly due to a decrease in Japanese government bonds, partially offset by an increase in foreign bonds

## ● Deposits

- Increased mainly due to an increase in individual deposits as well as overseas deposits

## ● Net unrealized gains on available-for-sale securities

- Net unrealized gains on available-for-sale securities increased mainly due to an increase in those of domestic equity securities, which was partially offset by a decrease in those of Japanese government bonds

	End Mar 17	End Sep 17	Change from End Mar 17
(¥bn)			
1 <b>Total assets</b>	303,297.4	305,468.8	2,171.3
2 <b>Loans (Banking + Trust accounts)</b>	109,209.4	109,040.7	(168.7)
3 <b>Loans (Banking accounts)</b>	109,005.2	108,773.4	(231.7)
4 <b>Provision for loan loss</b>	(957.3)	(841.9)	115.4
5 <b>Housing loans<sup>*1</sup></b>	15,720.2	15,520.5	(199.7)
6 <b>Domestic corporate loans<sup>*1*2</sup></b>	44,297.4	43,719.5	(577.8)
7 <b>Overseas loans<sup>*3</sup></b>	43,418.6	44,299.6	880.9
8 <b>Investment securities (Banking accounts)</b>	59,438.8	59,375.9	(62.9)
9 <b>Domestic equity securities</b>	5,980.9	6,401.5	420.6
10 <b>Japanese government bonds</b>	25,111.5	21,676.5	(3,434.9)
11 <b>Foreign bonds</b>	19,129.8	21,627.6	2,497.8
12 <b>Total liabilities</b>	286,639.0	288,189.4	1,550.4
13 <b>Deposits</b>	170,730.2	171,821.3	1,091.1
14 <b>Individuals<sup>*4</sup> (Domestic branches)</b>	73,093.3	74,291.0	1,197.7
15 <b>Corporations and others<sup>*4</sup></b>	61,050.3	59,841.1	(1,209.1)
16 <b>Overseas and others<sup>*4</sup></b>	20,696.5	21,815.1	1,118.5
17 <b>Total net assets</b>	16,658.3	17,279.3	620.9
18 <b>Net unrealized gains (losses) on available-for-sale securities</b>	3,139.0	3,621.5	482.5

\*1 Non-consolidated + trust accounts

\*2 Excluding loans to government and governmental institution

\*3 Loans booked in overseas branches, MUAH, KS, BTMU (China), BTMU (Malaysia) and MUFG Bank (Europe)

\*4 Non-consolidated

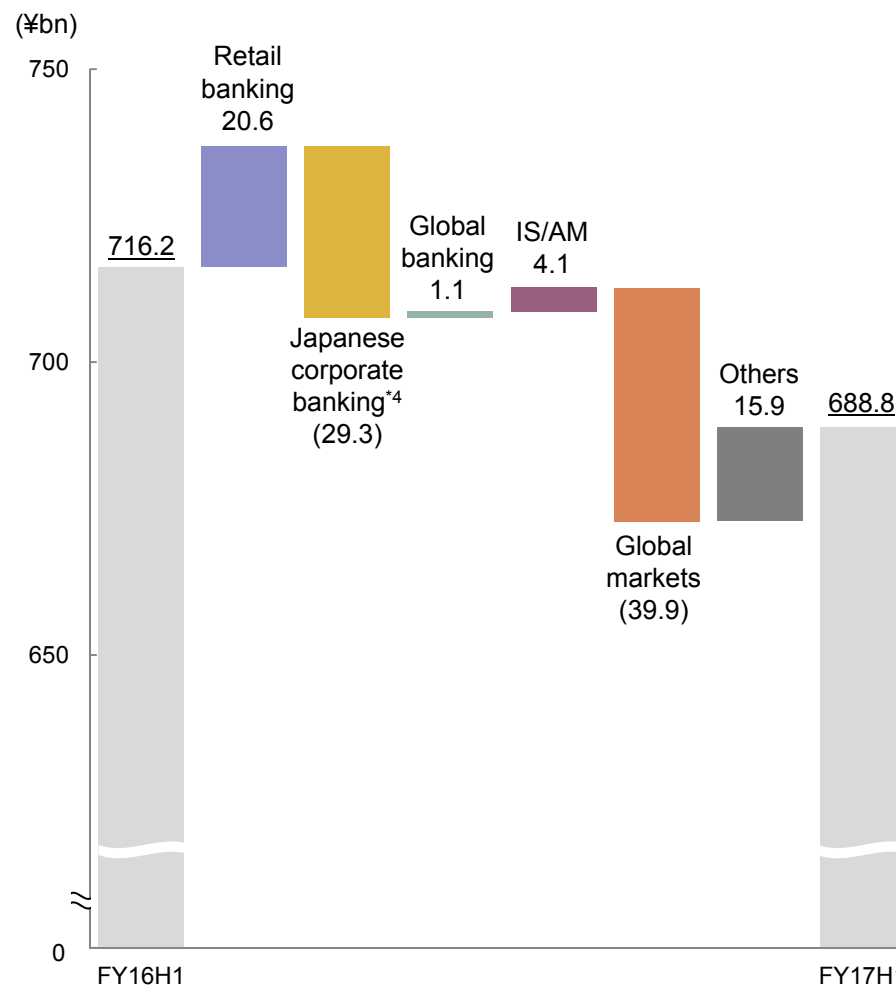
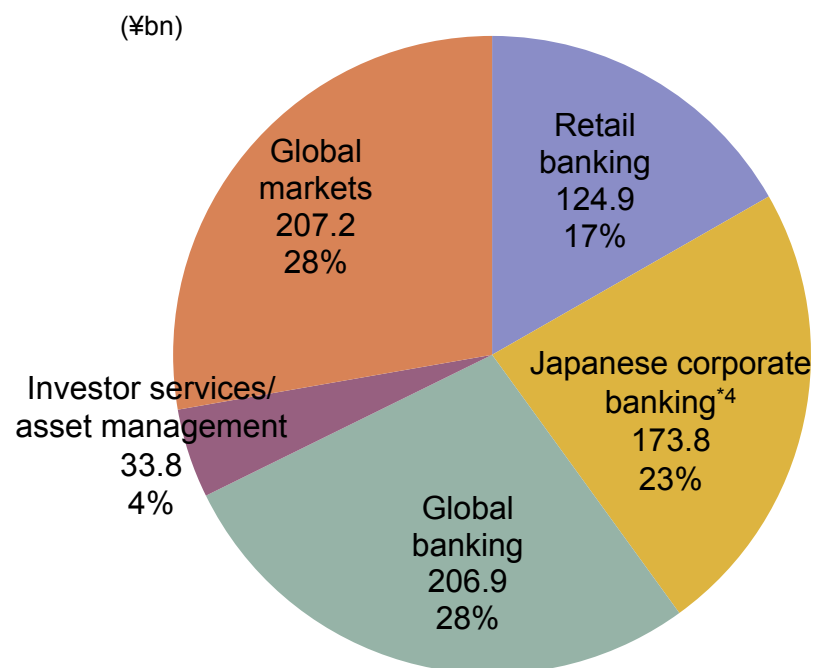
# Outline of results by business segment

(Consolidated)

## Net operating profits by segment\*1

**FY17H1 ¥688.8\*2 bn**

Global banking segment accounted for 38% of total customer segments\*3



\*1 All figures are in actual exchange rate and managerial accounting basis

\*2 Including profits or losses from others

\*3 Net operating profit of Global banking / net operating profit of all customer segments

\*4 Excluding overseas business with Japanese corporates

# Loans / Deposits

(Consolidated)

## ● Loan balance ¥109.0 tn\*<sup>1</sup> (decreased by ¥0.1 tn from Mar 17)

<Breakdown of Change>

- Housing Loan (¥0.1 tn)
- Domestic Corporate\*<sup>2</sup> (¥0.5 tn)  
Excl. Impact of foreign exchange fluctuation (¥0.6 tn)
- Government (¥0.3 tn)
- Overseas\*<sup>3</sup> +¥0.8 tn  
Excl. Impact of foreign exchange fluctuation +¥0.4 tn

\*1 Sum of banking and trust accounts

\*2 Excluding lending to government and governmental institutions, and including foreign currency denominated loans

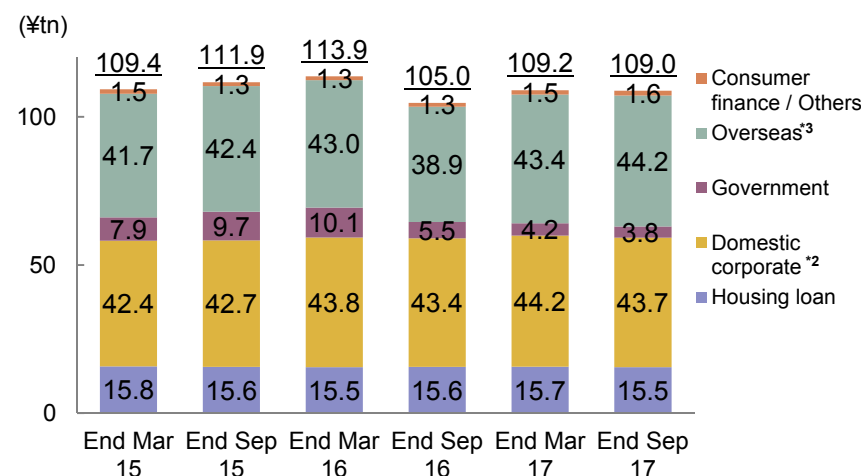
\*3 Loans booked in overseas branches, MUAH, KS, BTMU (China), BTMU (Malaysia) and MUFG Bank (Europe)

## ● Deposit balance ¥171.8 tn (increased by ¥1.0 tn from Mar 17)

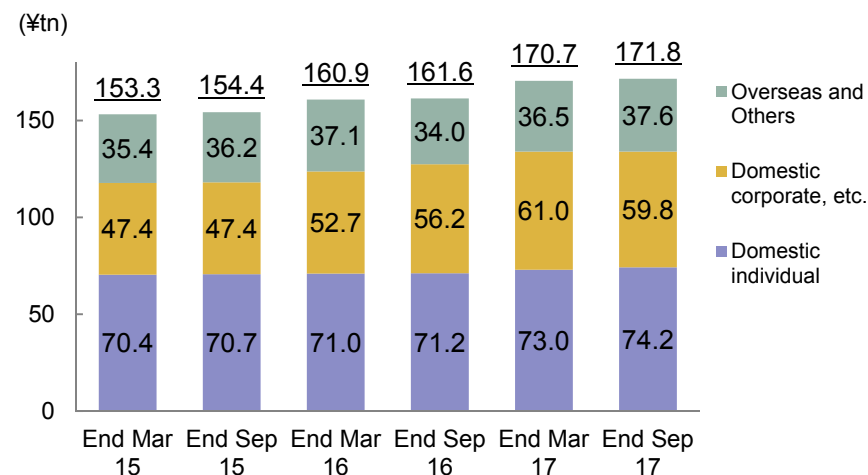
<Breakdown of Change>

- Domestic Individual +¥1.1 tn
- Domestic Corporate, etc. (¥1.2 tn)
- Overseas and Others +¥1.1 tn  
Excl. Impact of foreign exchange fluctuation +¥0.7 tn

### Loans (Period end balance)\*<sup>1</sup>



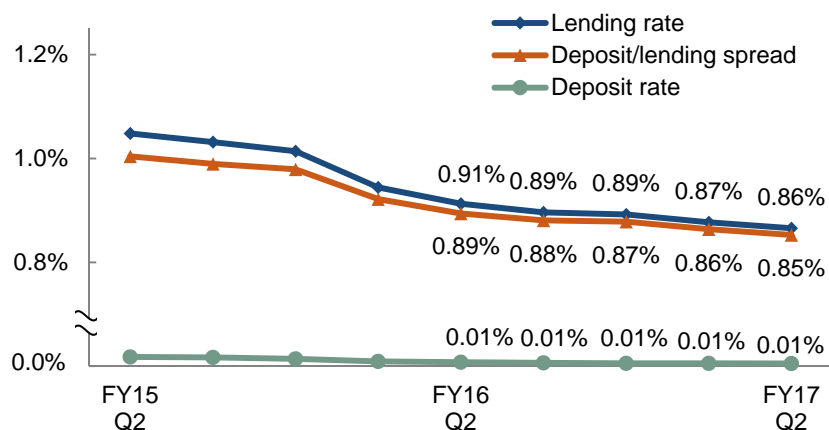
### Deposits (Period end balance)



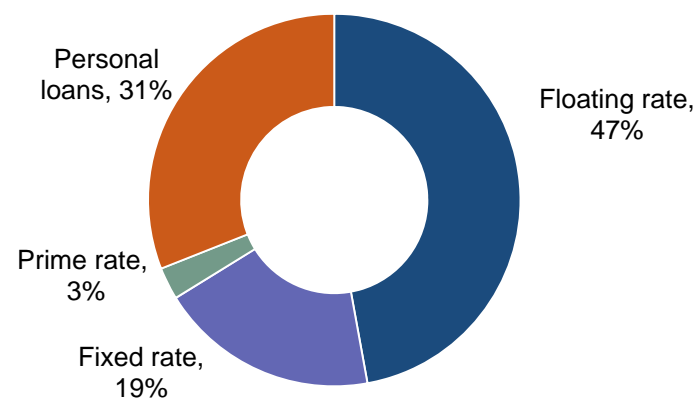
# Domestic deposit / lending rate

(Non-consolidated)

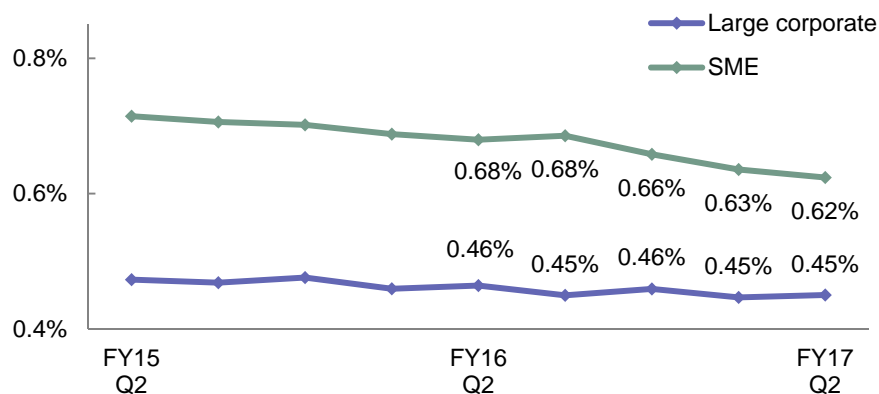
## Changes in domestic deposit/lending rate<sup>\*1</sup>



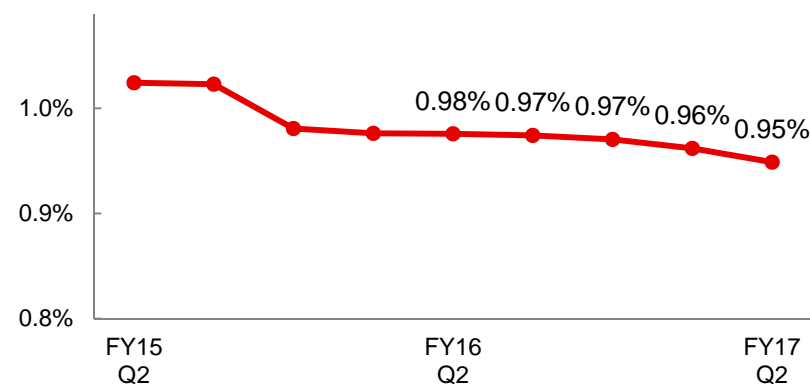
## Domestic JPY denominated lending<sup>\*1\*2\*3</sup>



## Domestic corporate lending spread<sup>\*1</sup>



## Ref. Overseas corporate lending spread<sup>\*4</sup>



\*1 Managerial accounting basis. Excluding lending to government etc.

\*2 As of end Sep 17

\*3 Excluding domestic non-JPY denominated lending etc.

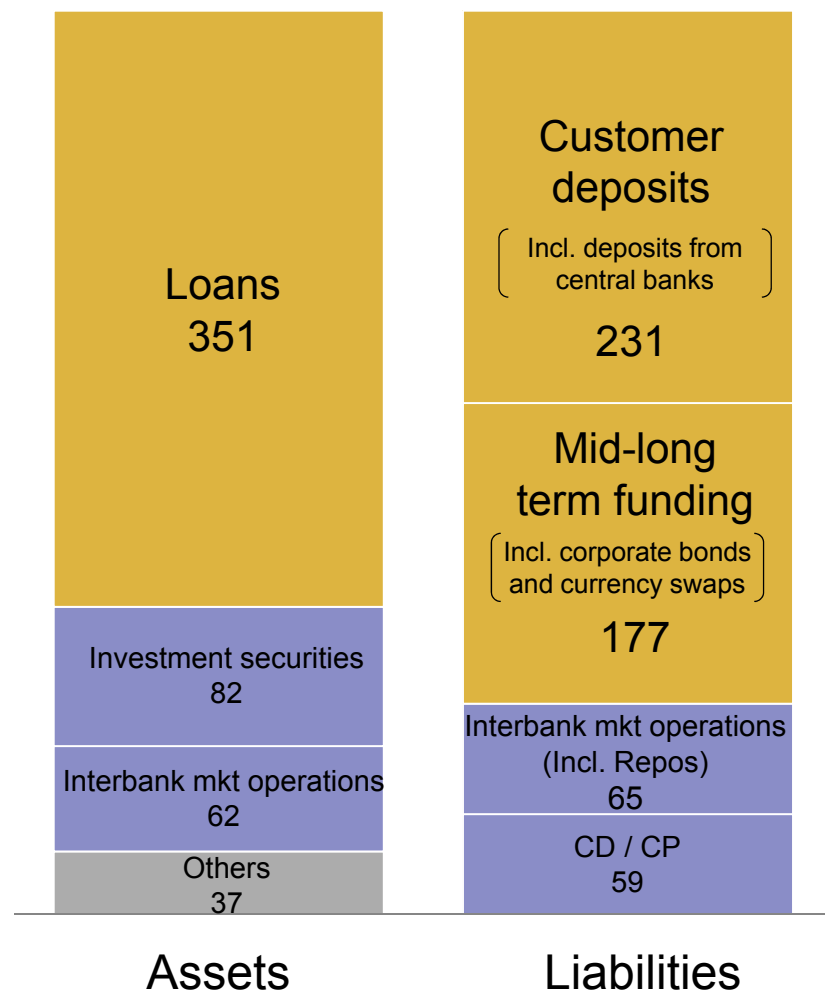
\*4 Excluding MUAH, KS

# Non-JPY assets and funding

(Commercial bank consolidated)

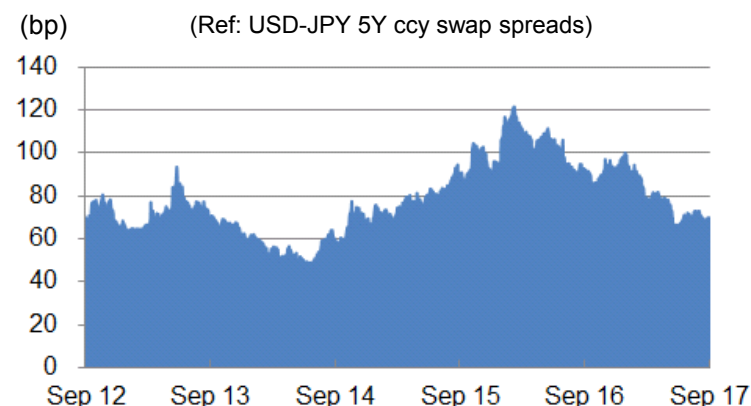
## Non-JPY balance sheet (BTMU managerial basis excl. MUAH, KS)

As of end Sep 17 (US\$ bn)



## Non-JPY funding in stable and efficient manner

- Customer deposits now cover 60-70% of non-JPY loans. To further increase deposits, we will enhance product development and sales capabilities
- With mid-long term funding through corporate bond issuances and currency swaps, all non-JPY loans are fully funded
  - Corp bonds are mainly issued from HoldCo (MUFG) to ensure stable funding and TLAC requirement (see page 73 – 74 for details)
  - Ccy swaps are transacted mainly in medium-term durations



- The SPC for holding non-JPY liquid assets was established as a buffer against the possibility of a severe funding situation due to temporary market stress

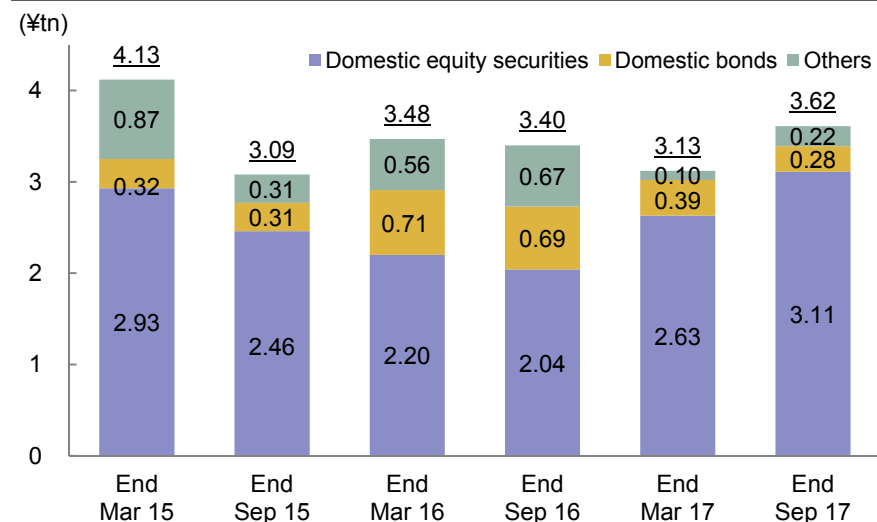
# Investment securities

(Consolidated / Non-consolidated)

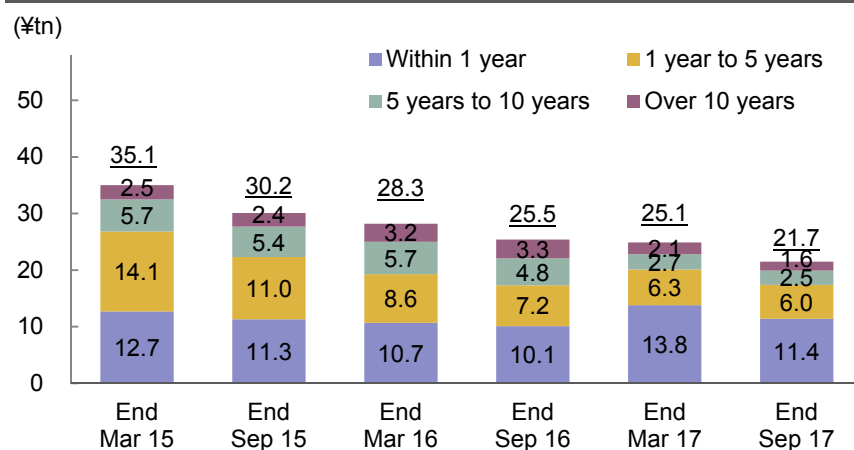
## Securities available for sale with fair value

		Balance		Unrealized gains (losses)	
		End Sep 17	Change from End Mar 17	End Sep 17	Change from End Mar 17
1	<b>Total</b>	54,768.2	(44.8)	3,621.5	482.5
2	<b>Domestic equity securities</b>	5,571.7	407.1	3,111.6	476.4
3	<b>Domestic bonds</b>	24,634.7	(3,054.1)	288.5	(110.5)
4	<b>Japanese government bonds</b>	20,575.6	(3,434.9)	246.2	(104.8)
5	<b>Others</b>	24,561.7	2,602.1	221.3	116.5
6	<b>Foreign equity securities</b>	246.8	64.0	79.7	29.9
7	<b>Foreign bonds</b>	20,441.0	2,523.6	36.1	44.6
8	<b>Others</b>	3,873.8	14.3	105.3	42.0

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

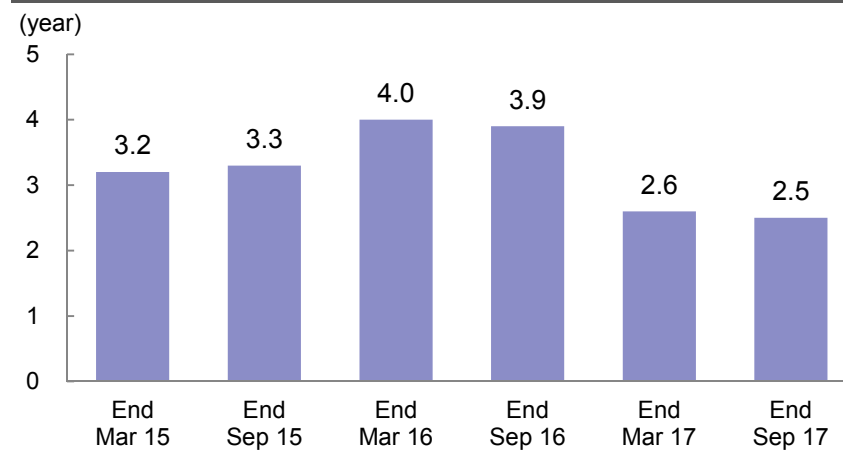


## Balance of JGBs by maturity<sup>\*1</sup>



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

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

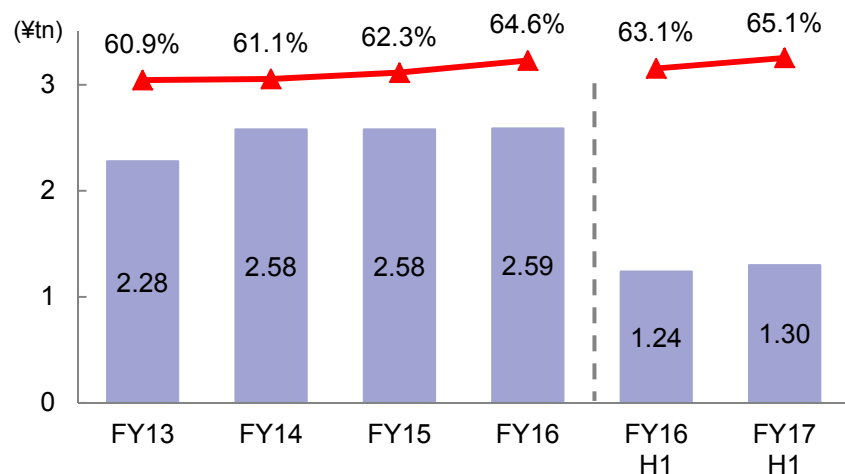


\*2 Securities available for sale. Non-consolidated

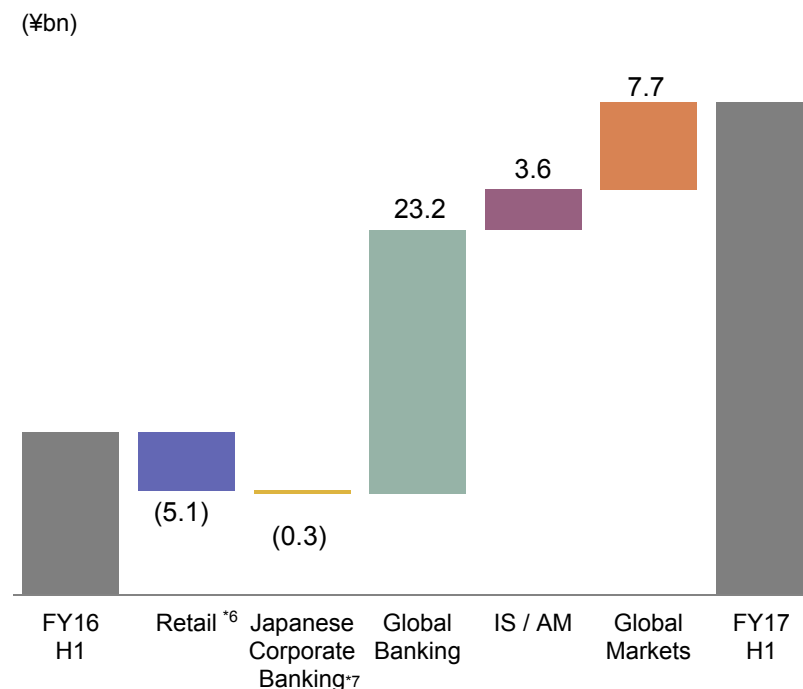
# Expense

(Consolidated)

## G&A expenses / expense ratio<sup>\*1</sup>



## Changes in expenses by business segment<sup>\*5</sup>



## Expenses in major group companies

		FY17 H1	YoY	Expense ratio
<b>BTMU + MUTB combined</b>	(¥bn)	667.2	12.4	60.1%
<b>MUAH (US GAAP)<sup>*2,3</sup></b>	(US\$mm)	2,419	143	70.3%
<b>KS (Thai GAAP)<sup>*2</sup></b>	(THBmm)	35,077	3,727	47.4%
<b>MUSHD consolidated</b>	(¥bn)	149.1	(11.7)	84.8%
<b>MUN<sup>*4</sup></b>	(¥bn)	126.4	1.9	90.7%
<b>ACOM<sup>*4</sup></b>	(¥bn)	44.7	1.0	36.4%

### <Major reasons of changes by business segment>

- Retail: Restrained personnel and non-personnel expense
- Global Banking: Expanded business volume and increased overseas regulatory cost
- IS / AM: Acquisition of fund administration subsidiaries
- Global Markets: System cost increase for regulatory compliance

<sup>\*1</sup> Expense ratio=G&A expense / gross profits (before credit cost for trust accounts)

<sup>\*2</sup> FY17Q1-3

<sup>\*3</sup> Includes expense associated with employees providing support services to BTMU

<sup>\*4</sup> Financial expense is excluded from gross profits. Expenses related to loan losses and others and repayment expense are excluded from expenses

<sup>\*5</sup> Local currency basis <sup>\*6</sup> Excl. intergroup intermediation charges <sup>\*7</sup> Excl. expenses associated with overseas Japanese Corporate Banking business



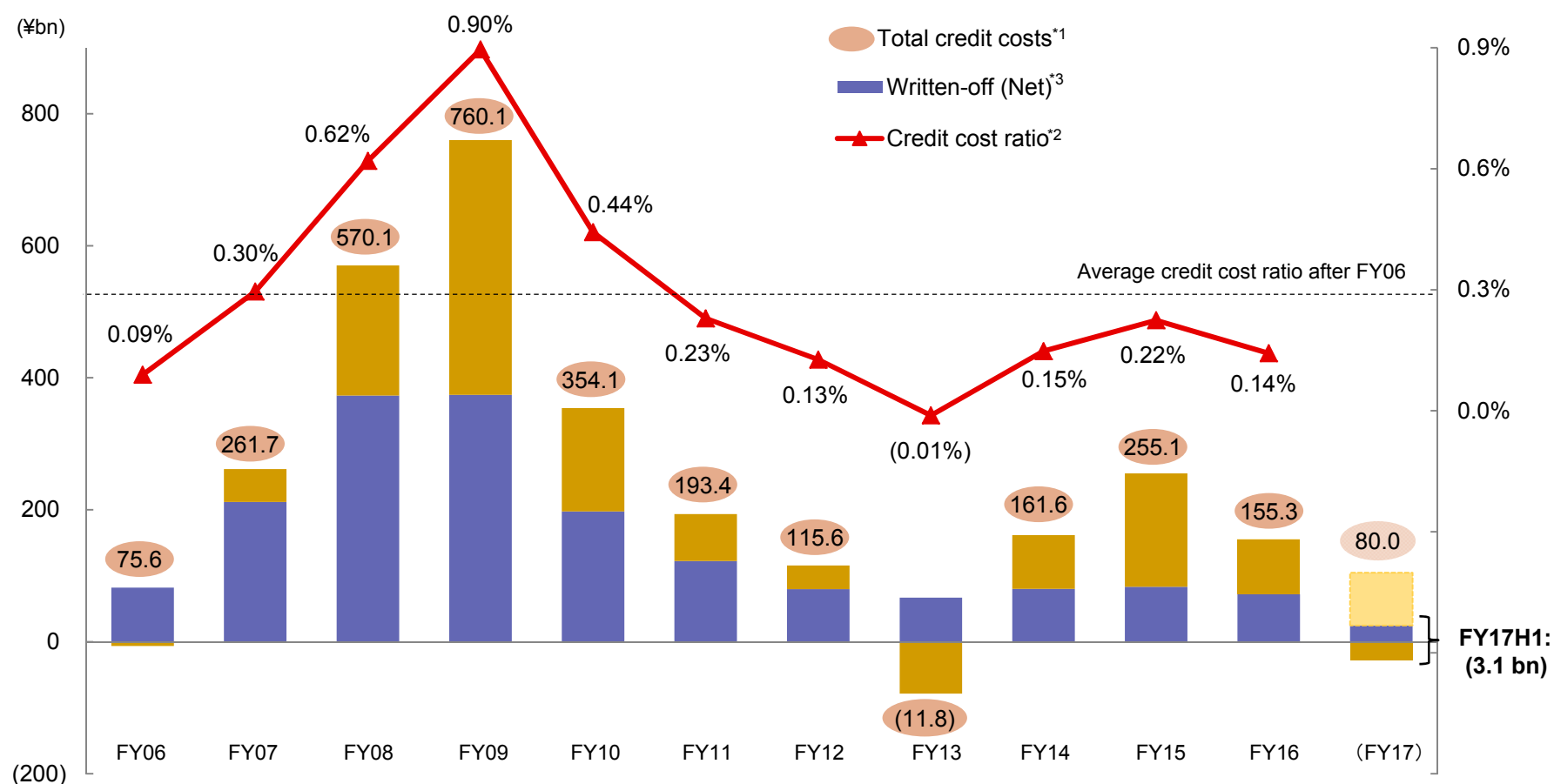
# Asset quality

## – Historical credit costs

(Consolidated)

- Credit costs for FY17H1 were net reversal of ¥3.1 bn
- Total credit costs forecast for FY17 has been lowered to ¥80.0 bn from ¥160.0 bn

Total credit costs<sup>\*1</sup> / Credit cost ratio<sup>\*2</sup>



\*1 Consolidated. Including gains from write-off. Negative figure represents profits

\*2 Total credit costs / loan balance as of the end of each fiscal year

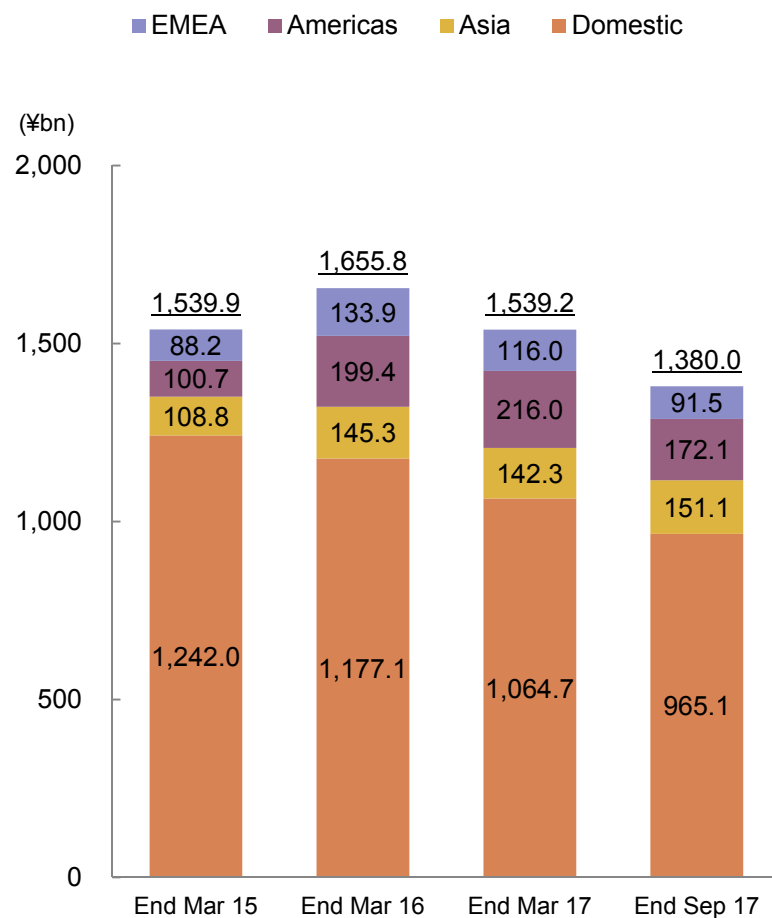
\*3 Net amount of write-off gains and write-offs

# Asset quality

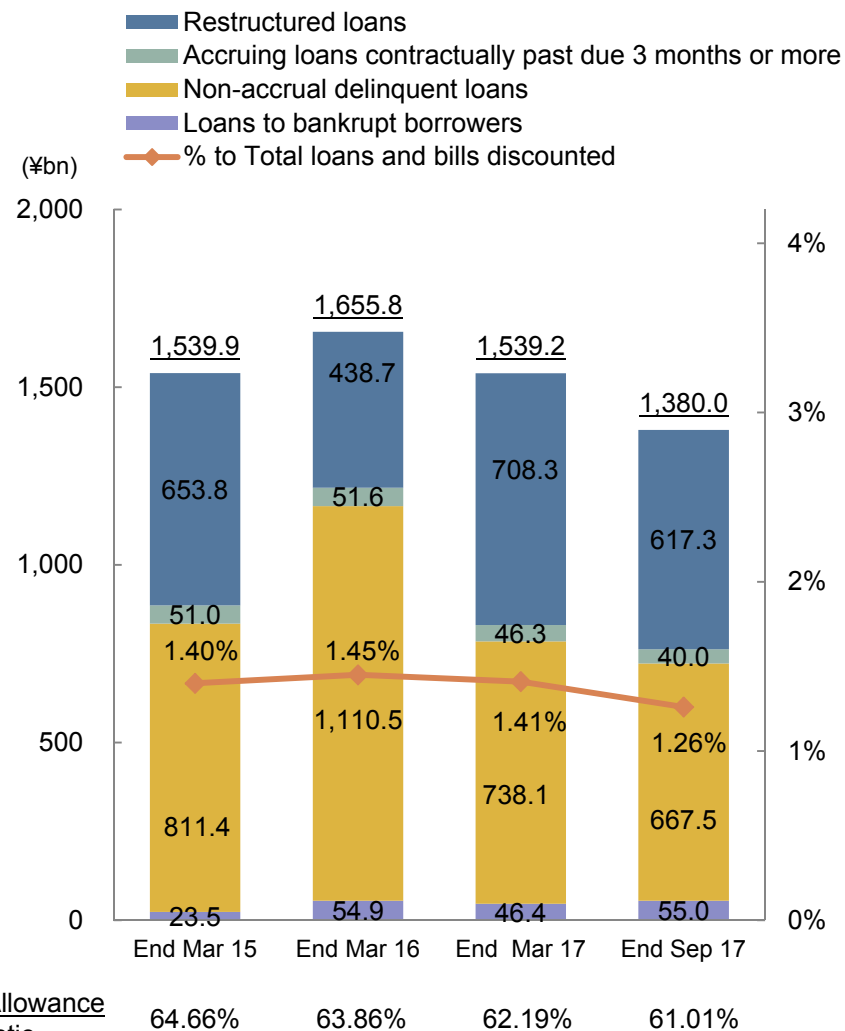
## – Non-performing loans\*1

(Consolidated)

Risk-monitored loans by region\*2



Risk-monitored loans / ratio\*3 / allowance ratio\*4



\*1 Risk-monitored loans based on Banking Act. Excluding direct write-off

\*2 Based on the locations of debtors

\*3 Total risk-monitored loans / total loans and bills discounted

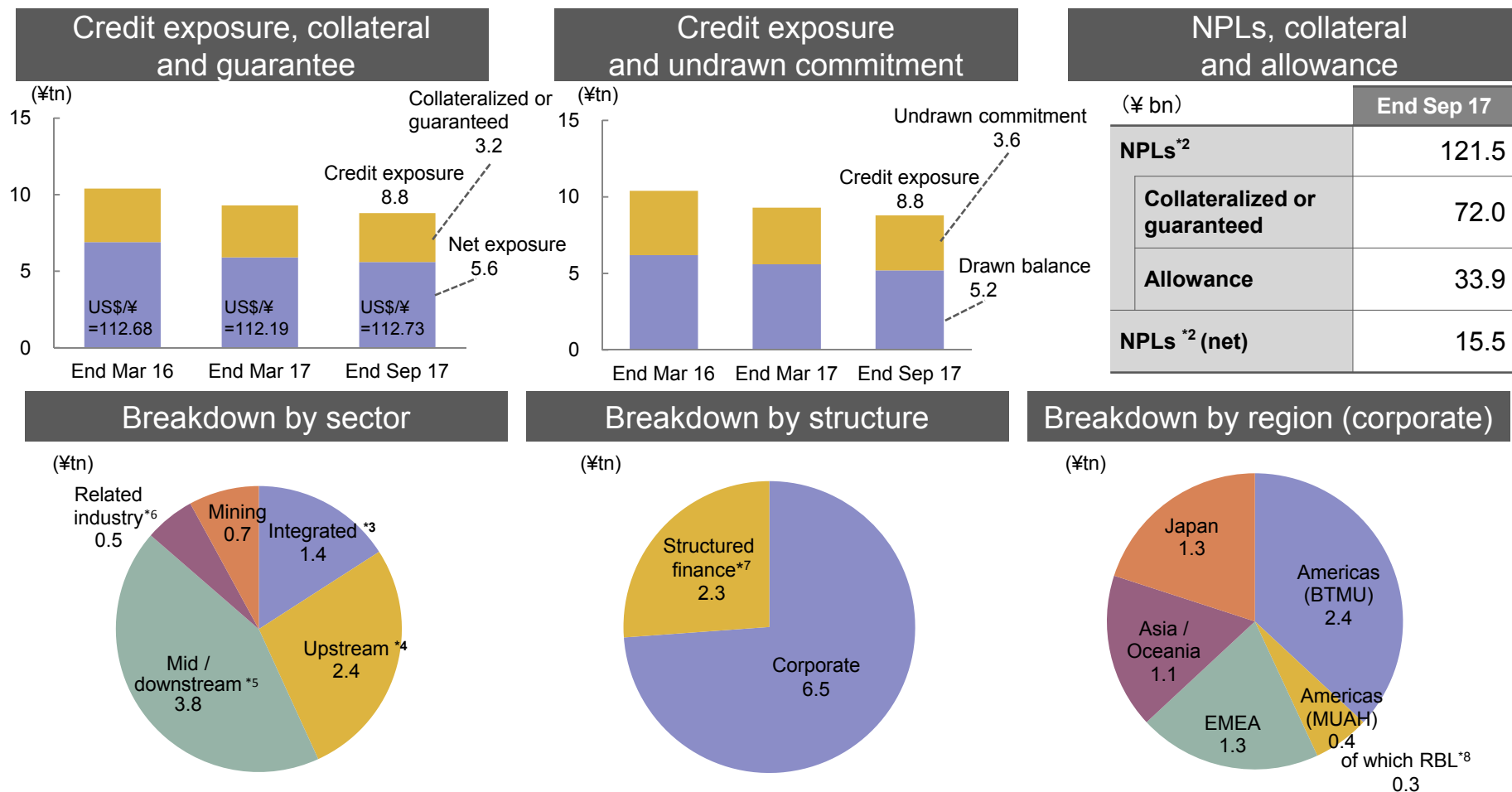
\*4 Allowance for credit losses / total risk-monitored loans

# Asset quality

## – Energy and mining portfolio

(Consolidated)

- Total credit exposure\*<sup>1</sup> in the energy related sector decreased to ¥8.8 tn. Net exposure was ¥5.6 tn
- NPLs\*<sup>2</sup> were ¥121.5 bn. About 90% were covered by collateral, guarantee or allowance. Net NPLs were ¥15.5 bn



\*1 Including undrawn commitment and excluding market exposure

\*2 NPLs are based on the relevant rules for risk-monitored loans under Japanese Banking Act, except for NPLs in overseas subsidiaries which are based on each subsidiary's internal criteria

\*3 Integrated business from upstream to downstream \*4 Exploration, development and production of oil and gas \*5 Storage, transportation, refinement, retail

\*6 Sales of mining machine to companies among upstream industry \*7 Project finance and trade finance

\*8 Reserve based lending where loans are collateralized by the values of borrower's reserve

Note: All figures are on managerial accounting basis, aggregating internal management figures of each subsidiary

# Capital

(Consolidated)

## ● Common Equity Tier 1 ratio

- Full implementation basis\*1 : 12.3%
- Excluding impact of net unrealized gains (losses) on available-for-sale-securities : 10.0%

## ● Risk weighted asset (Up ¥1.0 tn from Mar 17)

- Credit risk : (¥7.0 tn)
- Market risk : +¥0.2 tn
- Operational risk : +¥0.4 tn
- Transitional floor : +¥7.5 tn

## ● Leverage ratio

- Transitional basis : 4.92%

		End Mar 17	End Sep 17	Change from end Mar 17
(¥bn)				
1	Common Equity Tier 1 capital ratio	11.76%	12.14%	0.38ppt
2	Tier 1 capital ratio	13.36%	13.72%	0.36ppt
3	Total capital ratio	15.85%	16.33%	0.47ppt
4	Common Equity Tier 1 capital	13,413.8	13,979.4	565.5
5	Retained earnings	9,278.5	9,785.2	506.7
6	Other comprehensive income	2,369.1	2,514.6	145.5
7	Regulatory adjustments	(1,363.2)	(1,350.1)	13.1
8	Additional Tier 1 capital	1,818.6	1,814.9	(3.6)
9	Preferred securities and subordinated debt	1,650.2	1,652.1	1.9
10	Foreign currency translation adjustments	111.6	86.6	(25.0)
11	Tier 1 capital	15,232.4	15,794.3	561.9
12	Tier 2 capital	2,843.6	3,002.9	159.3
13	Subordinated debt	2,132.6	2,305.7	173.0
14	Amounts equivalent to 45% of unrealized gains on available-for-sale securities	277.8	318.0	40.2
15	Total capital (Tier 1+Tier 2)	18,076.1	18,797.3	721.2
16	Risk weighted assets	113,986.3	115,068.8	1,082.4
17	Credit risk	96,906.3	89,834.2	(7,072.1)
18	Market risk	2,135.7	2,338.1	202.4
19	Operational risk	6,734.5	7,181.8	447.2
20	Transitional floor	8,209.7	15,714.5	7,504.8

\*1 Calculated on the basis of regulations applied at the end of Mar 19

# Financial results of Mitsubishi UFJ Securities Holdings (MUSHD)

- Although operating results of domestic securities companies were sluggish due to intermittent rises in geopolitical risks and lower market volatility, overseas business enjoyed solid results in both primary and secondary business, causing consolidated revenues to increase year on year\*1
- Net profits decreased due to a decrease in the earnings of affiliates

## Results of MUSHD

(¥bn)	FY16H1	FY17H1	YoY	(Reference*1) FY17H1
1 <b>Net operating revenue*2</b>	185.0	175.7	(9.2)	208.1
2 <b>Commission received</b>	85.5	76.5	(9.0)	
3 <b>Equity brokerage</b>	17.9	19.5	1.6	
4 <b>Underwriting and secondary distribution</b>	23.3	11.5	(11.8)	
5 <b>Sales of investment trusts</b>	15.7	17.0	1.3	
6 <b>Other fees received</b>	28.5	28.3	(0.2)	
7 <b>Net trading income</b>	81.4	79.3	(2.1)	
8 <b>Stocks</b>	(11.6)	17.0	28.6	
9 <b>Bonds and other</b>	93.0	62.3	(30.7)	
10 <b>SG&amp;A expenses</b>	160.9	149.1	(11.7)	173.5
11 <b>Transaction expenses</b>	47.1	46.2	(0.8)	
12 <b>Operating income</b>	24.0	26.5	2.5	
13 <b>Non-operating income</b>	23.6	8.6	(15.0)	
14 <b>Equity in earnings of affiliates</b>	19.5	6.1	(13.3)	
15 <b>Ordinary income</b>	47.7	35.1	(12.5)	43.2
16 <b>Profits attributable to owners of parent</b>	27.1	17.7	(9.4)	22.6

## Results of MUMSS\*3

(¥bn)	FY16H1	FY17H1	YoY
1 <b>Net operating revenue*2</b>	135.2	136.6	1.3
2 <b>SG&amp;A expenses</b>	115.6	120.1	4.5
3 <b>Operating income</b>	19.6	16.4	(3.1)
4 <b>Ordinary income</b>	20.2	17.1	(3.0)
5 <b>Profits attributable to owners of parent</b>	12.7	11.0	(1.6)

## Net operating revenue of domestic securities firms (FY17H1)

Rank	Security firm(s)	Amount (¥bn)
1	Nomura Securities	295.6
2	<b>MUMSS*3 (incl. MUMSPB) + MSMS + kabu.com</b>	<b>186.4*4</b>
3	SMBC Nikko Securities	159.0
4	Daiwa Securities	152.1
5	Mizuho Securities	126.3

(Source: Company disclosure)

\*1 Figures represent the simple aggregation of consolidated results with operating results of MUFG Securities Americas, which was excluded from the scope of consolidation in the second half of FY16

\*2 Operating revenue minus financial expenses

\*3 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (MUMSS) with Mitsubishi UFJ Morgan Stanley PB Securities Co., Ltd. (MUMSPB) consolidated

\*4 Simple total of MUMSS, Morgan Stanley MUFG Securities Co., Ltd. (MSMS) and kabu.com Securities Co., Ltd

MSMS is one of the securities joint ventures between MUFG and Morgan Stanley in Japan and is an associated company of MUSHD accounted for by using the equity-method

# Financial results of MUN / ACOM

- MUN: Net profits increased due to an increase of deferred tax asset, while operating profit was almost flat due to the system integration cost as well as increase of variable expense
- ACOM: Guarantee business as well as loan and credit card business have steadily expanded.  
No. of requests for interest repayment decreased by around 40% yoy

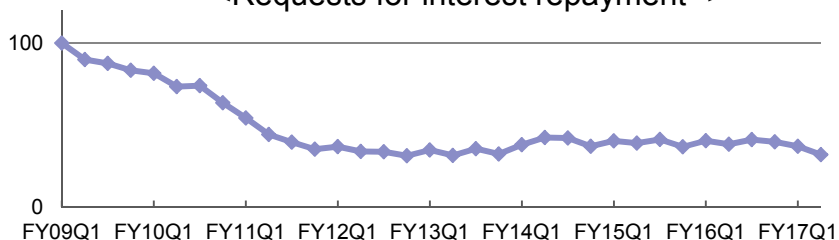
## Results of MUN

(¥bn)		FY16H1	FY17H1	YoY
1	Operating revenue	134.2	141.1	6.8
2	Card shopping	92.1	97.4	5.3
3	Card cashing	12.6	11.4	(1.2)
4	Loan revenue	2.7	2.3	(0.4)
5	Operating expenses	133.1	139.7	6.6
6	G&A expenses	126.5	128.2	1.6
7	Credit related costs	6.5	11.4	4.9
8	Provision for loss on interest repayment	-	-	-
9	Operating profit	1.1	1.4	0.2
10	Ordinary profit	1.2	1.3	0.1
11	Profits attributable to owners of parent	1.1	22.9	21.8
12	Interest repayment*1	10.2	8.5	(1.6)

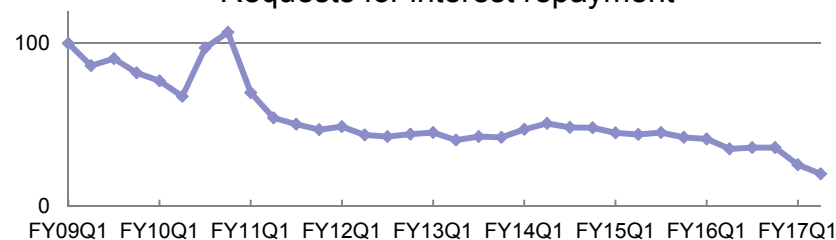
## Results of ACOM

(¥bn)		FY16H1	FY17H1	YoY
1	Operating revenue	121.0	128.9	7.9
2	Operating expenses	82.7	90.6	7.8
3	G&A expenses	43.7	44.7	1.0
4	Provision for bad debts	31.9	39.6	7.7
5	Provision for loss on interest repayment	-	-	-
6	Operating profit	38.2	38.3	0.1
7	Profits attributable to owners of parent	35.9	34.4	(1.4)
9	Guaranteed receivables	1,058.8	1,183.8	125.0
10	Unsecured consumer loans (Non-consolidated)	770.9	788.6	17.7
11	Share of loans*3	33.0%	32.8%	-
12	Interest repayment*1	35.2	32.7	(2.5)

<Requests for interest repayment\*2>



<Requests for interest repayment\*2>



\*1 Including waiver of repayment

\*2 Requests for interest repayment in FY09Q1 = 100

\*3 Share of the receivables outstanding excluding housing loans (non-consolidated) in consumer finance industry

# Financial results of MUAH / Krungsri

- MUAH: Net income was \$756 mm, up \$100 mm compared with FY16Q1-3, due to an increase in NII driven by an increase in NIM and a reversal of provision for credit losses
- Krungsri: Increase in non-interest income as well as increase in NII driven by a growth of loans outstanding contributed to increase in net profit

## Results of MUAH<sup>\*1\*2</sup>

<P/L> (US\$mm)		FY16 Q1-3	FY17 Q1-3	YoY
1	Net interest income	2,251	2,405	154
2	Interest income	2,749	3,093	344
3	Interest expense	498	688	190
4	Total non-interest income	1,609	1,492	(117)
5	Trading account activities	93	(10)	(103)
6	Investment banking and syndication fees	253	288	35
7	Fees from affiliates <sup>*3</sup>	692	639	(53)
8	Total revenue	3,860	3,897	37
9	Non-interest expense <sup>*4</sup>	2,826	2,945	119
10	Pre-tax, pre-provision income	1,034	952	(82)
11	Provision for loan losses	196	(34)	(230)
12	Net income attributable to MUAH	656	756	100
13	NIM	2.19%	2.36%	0.17ppt

<BS> (US\$mm)		End Dec16	End Sep 17	Change
14	Loans	77,551	78,829	1,278
15	Deposit	86,947	85,349	(1,598)
16	Total equity	17,386	18,579	1,193
17	Total asset	148,144	154,852	6,708
18	NPL ratio	0.89 %	0.59%	(0.30ppt)
19	NPL coverage ratio	92.69%	116.45%	23.76ppt

## Results of Krungsri<sup>\*5</sup>

<P/L> (THBmm)		FY16 Q1-3	FY17 Q1-3	YoY
1	Net interest income	45,825	50,767	4,942
2	Interest income	63,435	70,160	6,725
3	Interest expense	17,610	19,393	1,783
4	Net fees and services income	13,453	14,345	892
5	Fees and services income	17,808	19,132	1,324
6	Fees and services expense	4,355	4,787	432
7	Non-interest and non fees income	8,697	8,964	267
8	Other operating expense	31,350	35,077	3,727
9	Pre-provision operating profit	36,625	38,999	2,374
10	Impairment loss of loans and debt securities	15,944	16,860	916
11	Net profit attribute to owners of the bank	16,248	17,530	1,282
12	NIM	3.76%	3.82%	0.06ppt

<BS> (THBmm)		End Dec 16	End Sep 17	Change
13	Loans	1,506,222	1,561,340	55,118
14	Deposit	1,108,288	1,197,283	88,995
15	Total equity	208,768	220,023	11,255
16	Total asset	1,883,188	1,958,170	74,982
17	NPL ratio	2.21%	2.16%	(0.05ppt)
18	NPL coverage ratio	143.3%	149.4%	6.10ppt

\*1 Financial results as disclosed in MUAH's statutory report based on U.S. GAAP

\*2 Figures have been revised to include the results of the transferred IHC entities, such as MUSA (MUFG Securities Americas)

\*3 Represents income resulting from the business integration of BTMU & MUB

\*4 Includes expense associated with employees providing support services to BTMU

\*5 Financial results as disclosed in Krungsri's financial report based on Thai GAAP

# Financial results of Morgan Stanley and major collaborations

- FY17 Q1-3 income before taxes increased YoY due to strong results in all businesses as well as cost control
- Leveraging the MUFG-MS alliance, the Joint Venture acted as Bookrunner for both the domestic and international tranches in all of 13 large global IPOs\*<sup>1</sup> by Japanese companies since 2010

## Morgan Stanley Financial results\*<sup>2</sup>

(US\$mm)		FY16 Q1-3	FY17	
			Q1-3	YoY
1	Net revenue	25,610	28,445	2,835
2	Non-interest expenses	19,008	20,513	1,505
3	Income from continuing operations before taxes	6,602	7,932	1,330
4	Net income applicable to MS	4,313	5,468	1,155
5	Earnings applicable to MS common Shareholders	3,999	5,115	1,116
6	ROE	7.7%	9.8%	2.1ppt

## Major collaborations

- Acquisition of Joy Global by Komatsu
  - MUMSS acted as FA to Komatsu Ltd. in its approx. \$3.7 bn acquisition of Joy Global
- Global IPO by Kyushu Railway Company
  - MUMSS acted as Joint Global Coordinator and MUMSS/MS acted as Joint Bookrunner for both the domestic and international tranches in JR Kyushu's approx. JPY 416 bn global IPO
- Global Follow-on Offering by Renesas Electronics
  - MS acted as Lead-left Joint Global Coordinator and MUMSS/MS acted as Joint Bookrunner for both the domestic and international tranches in Renesas' approx. JPY 349 bn global follow-on equity offering
- Pre-IPO refinance and IPO by Pirelli
  - MUFG acted as an underwriter for the EUR4.2bn refinance of credit lines, and MS acted as a joint global coordinator for EUR6.5bn IPO, of Pirelli

M&A Advisory		(Apr 17- Sep 17)		
Rank	Financial Advisor	# of Deals	AMT ( ¥ bn)	Share (%)
1	Nomura	55	4,055.6	40.6
2	Goldman Sachs	16	3,073.3	30.8
3	<b>MUMSS</b>	<b>22</b>	<b>2,977.9</b>	<b>29.8</b>
4	SMFG	100	920.3	9.2
5	BoA Merrill Lynch	10	825.0	8.3

Any Japanese involvement announced

(Source) Thomson Reuters

Equity Underwriting		(Apr 17- Sep 17)		
Rank	Bookrunner	# of Deals	AMT ( ¥ bn)	Share (%)
1	Nomura	47	691.8	26.5
2	Daiwa	38	651.7	25.0
3	<b>MUMSS</b>	<b>30</b>	<b>306.0</b>	<b>11.7</b>
4	SMBC Nikko	57	248.8	9.5
5	Goldman Sachs	8	179.9	6.9

(Source) Thomson Reuters

\*<sup>1</sup> Over ¥ 50bn, excluding J-REIT deals

\*<sup>2</sup> Based on U.S. GAAP



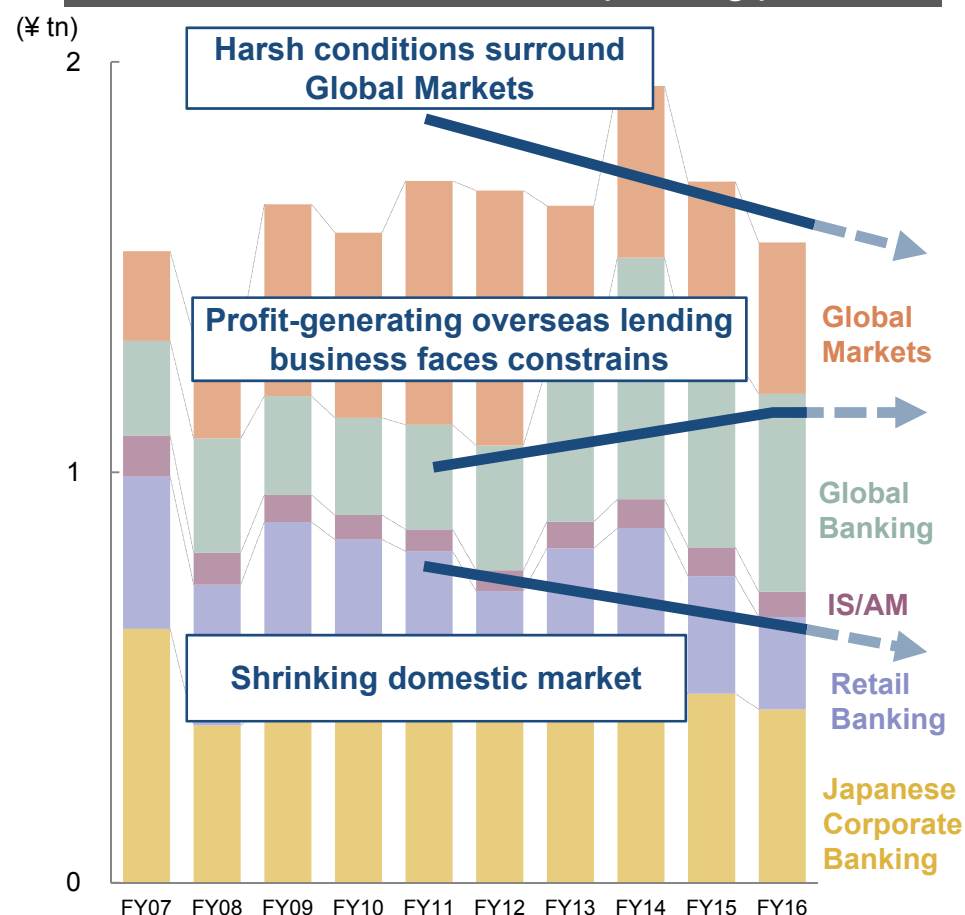
## MUFG Re-Imagining Strategy – Building Anew at MUFG

# MUFG Re-Imagining Strategy – Building Anew at MUFG

## - Environment recognition

- Over the 10 years since the establishment of MUFG, domestic operating profits (Japanese Corporate and Retail Banking) have decreased by approx. 30%. The growth of Global Markets and Global Banking will be constrained
- MUFG Re-Imagining Strategy will begin yielding positive effects mainly from FY21 onwards

### Trend and outlook of net operating profits



### Factors constraining our growth

Non-JPY funding

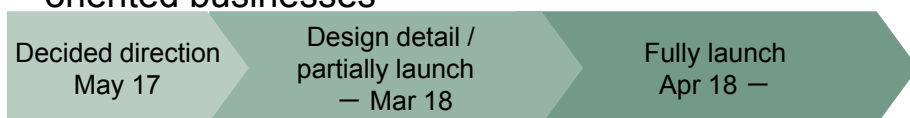
Constraints on RWA/Capital

Ongoing ultra low interest environment in Japan

# MUFG Re-Imagining Strategy – Building Anew at MUFG

## - Overall picture<sup>\*1</sup>

- Provide customers, employees, shareholders, and all stake holders with the best value through an integrated group-based management approach that is simple, speedy and transparent
- Also aim to achieve sustainable growth and contribute to the betterment of society by developing solutions-oriented businesses



Net operating profits  
¥300 bn

=

Gross profits  
¥180 bn

+

Cost reduction  
¥120 bn

(note) Figures are rough estimation in FY23

### 1. Strengthening our management approach based on customer- and business-based segments

- (1) Further Wealth Management strategy Page 28-30
- (2) Reinforce business with large companies with group-unified service and global platform
- (3) Accelerate Asset Management business
- (4) Enhance Payment Platform

### 2. Business transformation through the use of digital technology

- (1) Improve customer convenience Page 31-37
- (2) Business process reengineering
- (3) Reform customer interface channels domestically and globally

### 3. Initiatives to improve productivity

- (1) Strategically review portfolio of existing investment in affiliates Page 38
- (2) Optimizing human resource allocation on a group-basis
- (3) Working-Style reforms(increase time to face customers)

### 4. Reorganization of MUFG group management structure

- (1) Integrate corporate loan-related business of BTMU and MUTB Page 29
  - Establish the most suitable formation to service our corporate clients as one group
  - Clarify the mission and responsibility of each group member
- (2) Strengthen AM and IS businesses - New trust banking model
  - Accelerate AM and IS businesses as growth area for group
  - Make MUKAM a wholly owned subsidiary of MUTB
- (3) Review customer segmentation Page 39
  - Integrate Japanese retail banking and SME segments
  - Reorganize Japanese large corporate and global corporate segments respectively, each of which is managed globally across geographical boundaries
- (4) Establish the framework to promote our digital strategy
  - Appoint a Chief Digital Transformation Officer(CDTO)
  - Establish Digital Transformation Division
- (5) Reinforce retail payment business
  - Make MUN a wholly owned company of MUFG
- (6) Rename the commercial bank as “MUFG Bank”

\*1 Re-shown from page 34, Fiscal 2016 Results Presentation

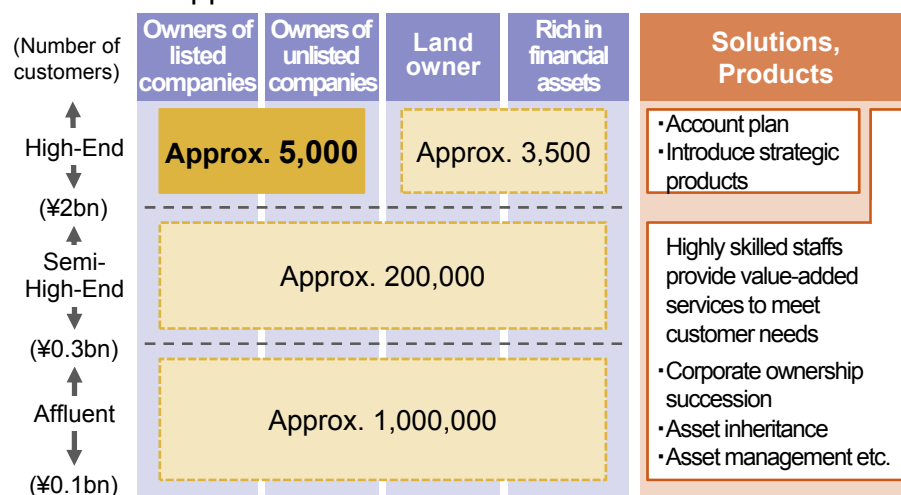
# MUFG Re-Imagining Strategy - Building Anew at MUFG

- Strengthening our management approach based on customer- and business-based segments

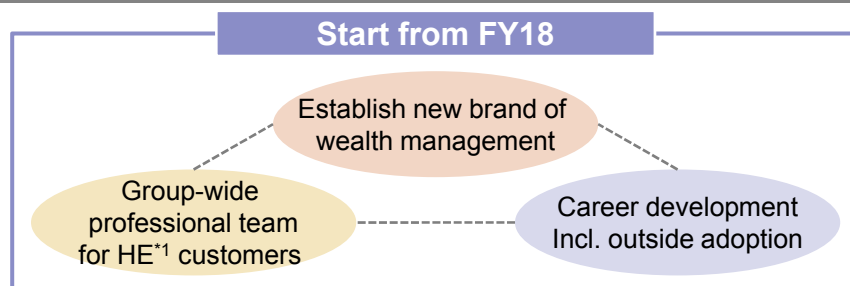
## Wealth management strategy

### Segment approach

- Maximize value delivered to customers and optimize our solutions by employing profiling and drawing on the strengths of Group companies
- Better utilize our client base to boost transactions with high-end business owners while stepping up a segment-based approach to further enhance customer relations

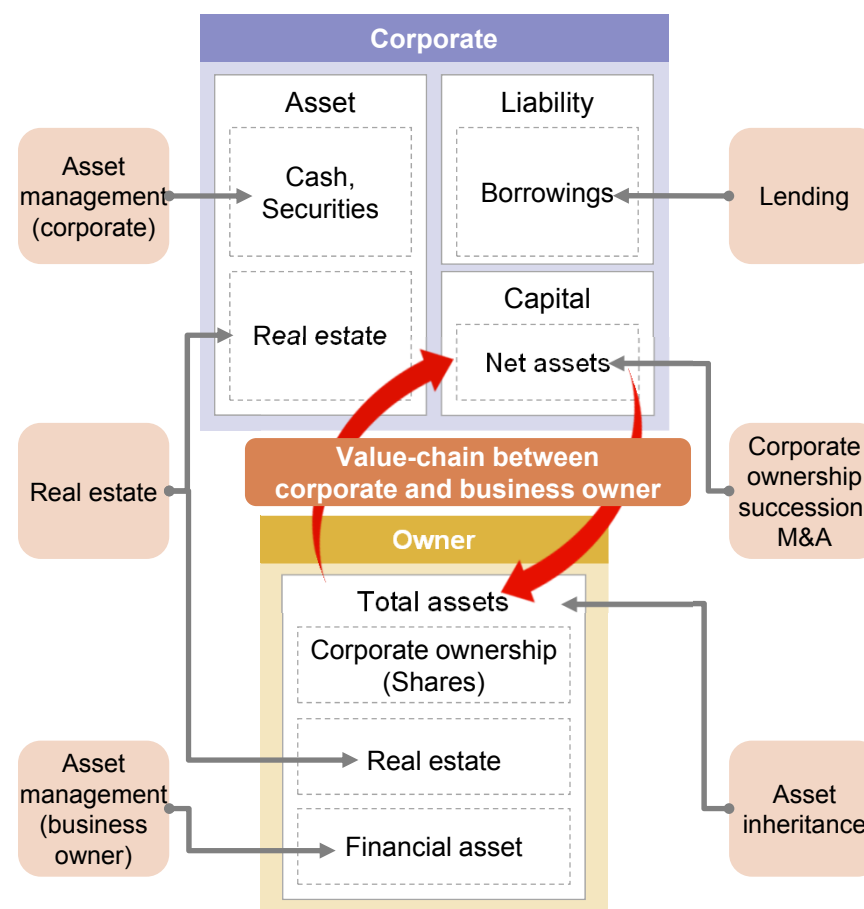


### Framework for promoting Wealth management business



### Integrated approach to corporate and owner

- Bring together domestic retail and corporate banking operations to facilitate the above approach



\*1 HE: High-End

# MUFG Re-Imagining Strategy - Building Anew at MUFG

- Strengthening our management approach based on customer- and business-based segments

## Strengthen the framework to promote businesses with large corporate customers

### Integrate corporate loan-related business of BTMU and MUTB

- Strengthen our Group management based on customer- and business-based segment to provide comprehensive financial services seamlessly
- Consolidate the Group's contact point with customers, with greater management resources being allocated to Product Offices (PO) which boast strength

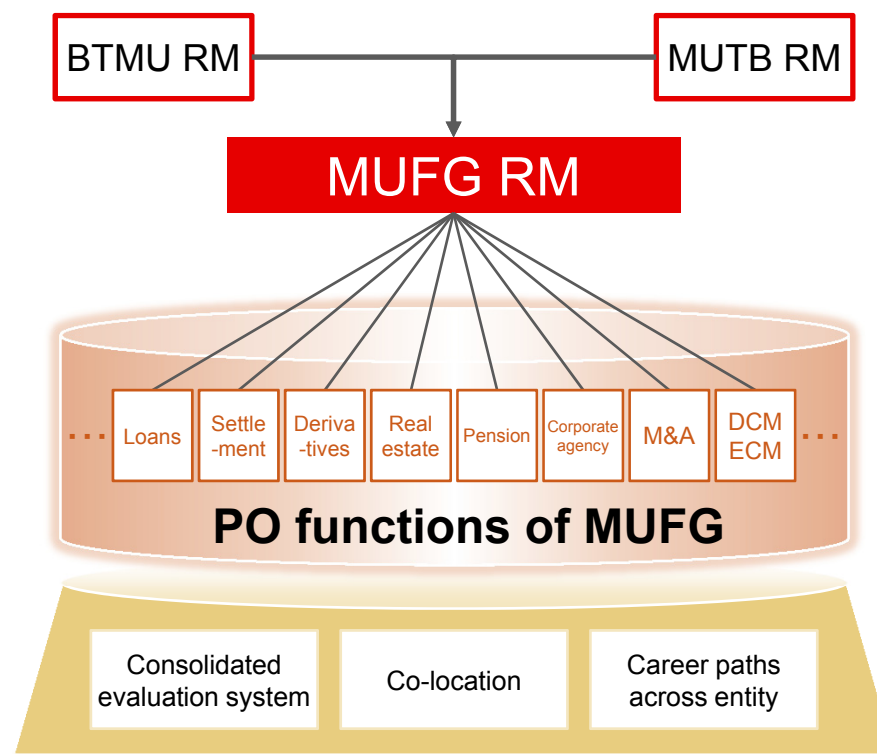
### 【Progress of the project】

Method of the transfers	Domestic: Corporate split Overseas: Business transfers Entered into an agreement related to the transfers
Subjects to be transferred	Approx. ¥12 tn (Approx. 2,600 customers) Started explanation with regard to the transfers to our customers at home and abroad. To be completed by the end of the year
Staff transfer	Completed prior notification of staff transfer Will start handover process from Dec 2017
Location	100 RMs and 630 POs of MUTB will move from MUTB and co-locate with BTMU staff

Effective on April 16th

### Integrated management of MUFG Japanese Corporate Business

- RMs are evaluated based on consolidated profits as MUFG RMs (neutral by entity and product)
- Develop a framework capable of providing services that genuinely meet customer needs through the full use of MUFG PO functions



# MUFG Re-Imagining Strategy - Building Anew at MUFG

- Strengthening our management approach based on customer- and business-based segments

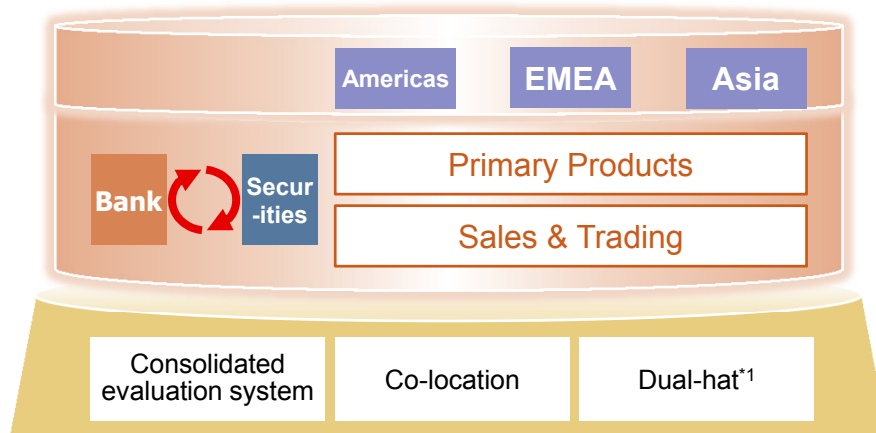
## Business-based approach for overseas business

- Shift our global business management from a region-based approach managed by “Global Banking Business Unit” to a business-based global segment approach
- Strengthen our capabilities to respond to the needs of our customers via integrated operation in primary business between banking and securities business in Americas, EMEA and Asia

## Business-based approach beyond boundary of regions

	Japan	EMEA	Asia	KS	Americas
Large Japanese Corporate	Primary office in Japan takes initiatives				
Large Global Corporate (Non-Japanese)	Globally integrated business operation				

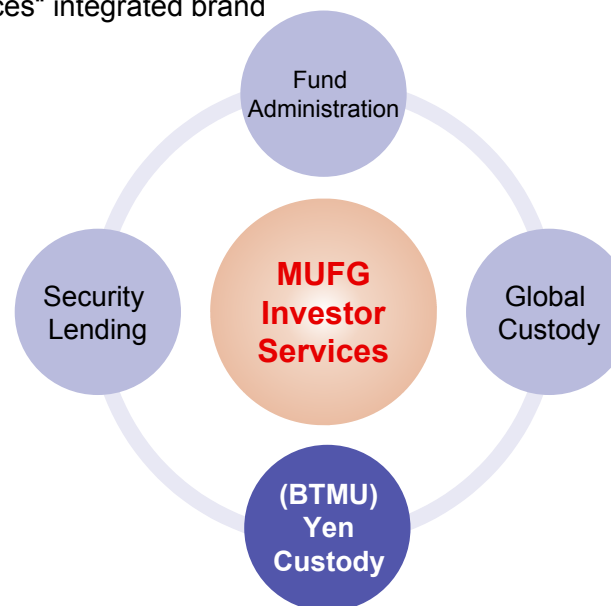
## Example of the integrated operation between banking and securities business



\*1 Hold posts in bank and securities concurrently

## Integrated operation in IS business

- Integrate BTMU's Yen custody business into the IS business under IS/AM Business Unit; Enhance the IS business through the integrated management of relevant Group operations
- Pursue the strategic synergy by utilizing the "MUFG Investor Services" integrated brand



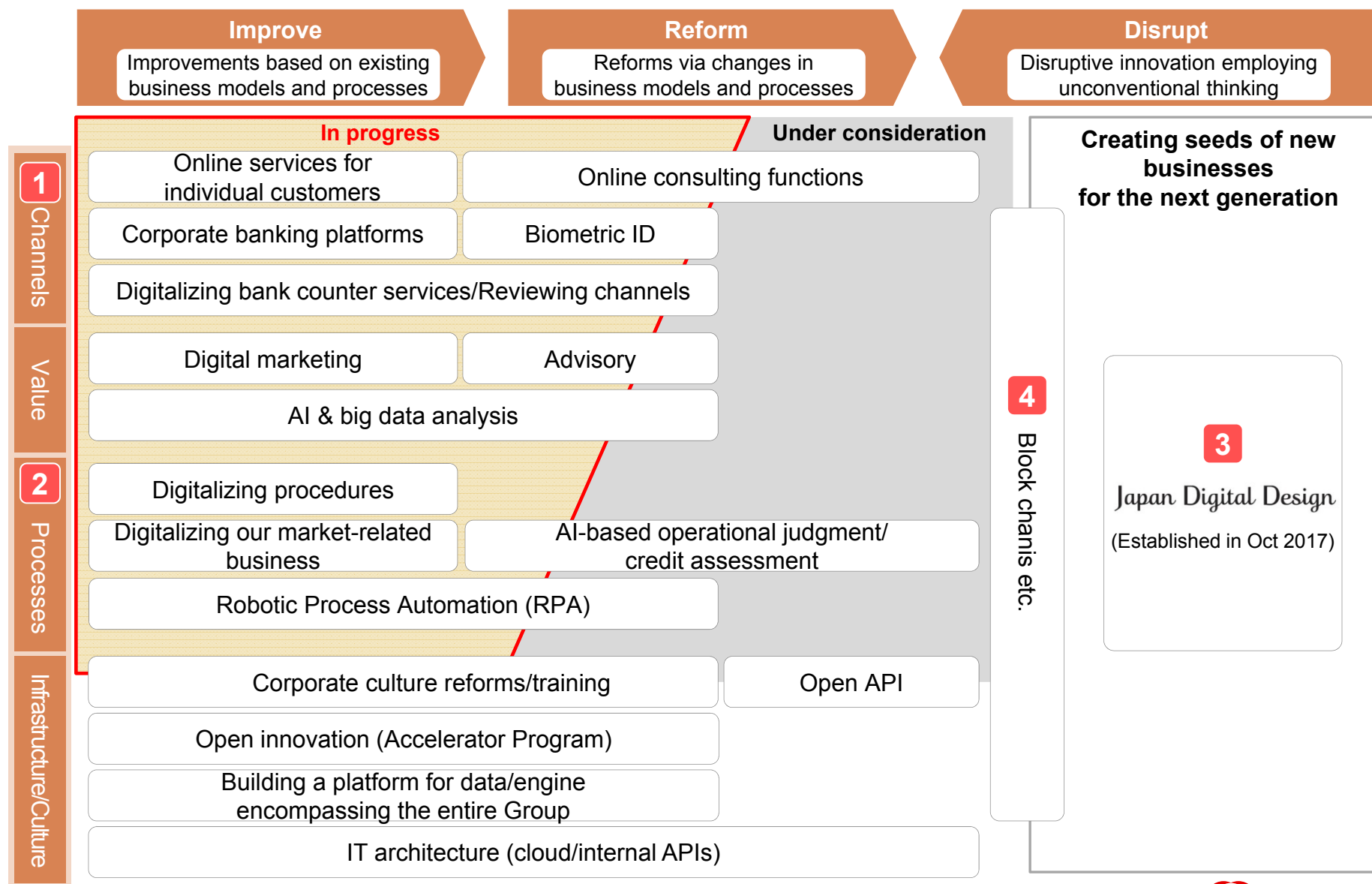
## Integrated operation under IS/AM Business Unit

Operational streamlining via the across-the-board utilization of personnel, expertise and IT systems

Provide comprehensive IS services to an ever broader client base

# MUFG Re-Imagining Strategy – Building Anew at MUFG

- Business transformation through the use of digital technology (Strategic overviews)

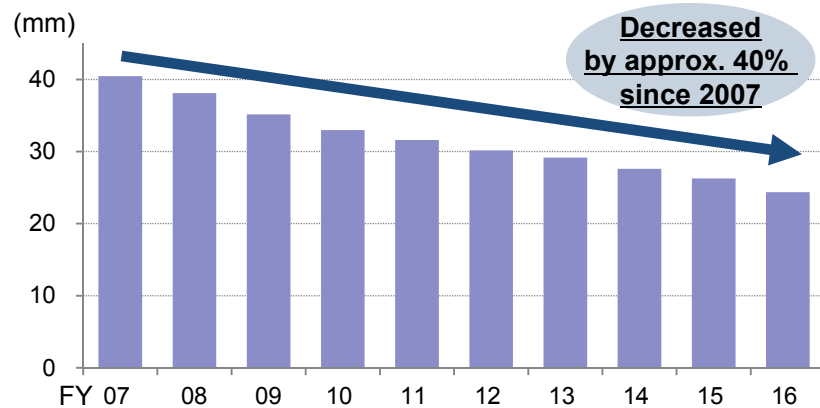


# MUFG Re-Imagining Strategy – Building Anew at MUFG

## - Business transformation through the use of digital technology (Channels 1)

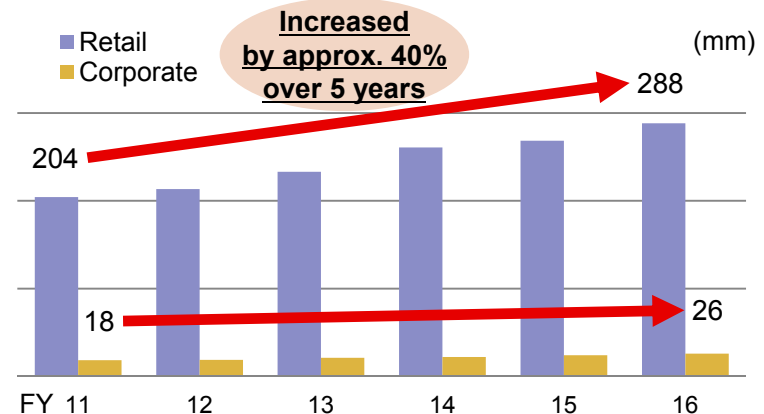
- The number of customers who visit bank branches has decreased by approx. 40% since 2007, while the number of customers who use online and mobile banking has continued to grow
- Enhance UI/UX<sup>\*1</sup> of digital channels (eliminate needs to visit branches); at the same time, enhance quality and efficiency of physical channels (branches)

The number of customers visiting bank branches



Shift to online and mobile banking

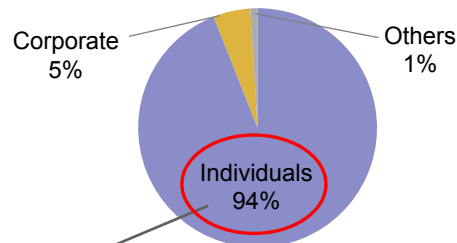
The utilization of online and mobile banking



The current status at bank counter and our direction to change the status

### Bank-counter for application and consultation services

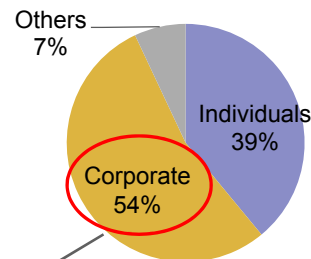
Individual customers who mainly submit various applications, account for more than 90%



"I want to avoid a mistake and complete transactions at once"

### Bank-counter for utilities, tax, domestic payment services

Corporate customers account for more than 50%



"I visit bank branch for tax payments, while using online banking as well"

Upgrade digital channels

⇒Page 33

Enhance the quality and efficiency of physical channels (branches)

⇒Page 34

\*1 User Interface / User Experience



# MUFG Re-Imagining Strategy – Building Anew at MUFG

## - Business transformation through the use of digital technology (Channels 1)

- Enhance UI/UX and reinforce our services and functions, thereby creating leading services provided via online and mobile channels and chosen by customers by FY23
- Expand the scope of transactions completed via mobile alone, successively introducing features that offer services that had previously been handled only at branches, such as accepting applications and consultation

### Upgrade digital channels for retail customers

#### Desirable UX

Quick access to desired information

Easily complete transactions via smartphone

Log-in procedures are frictionless

No need to have bankbooks or seals close at hand

Web-based interface for casual consultation

#### Step 1

#### Step 2

#### Improve UI/UX

Approx. 78%<sup>\*2</sup>

# of transactions via mobile

Approx. 95%

Improve usability



app browser

Smart speaker<sup>\*1</sup>

The Bank of Tokyo Mitsubishi UFJ  
Voice Banking for Alexa β



Fulfill One to One



Biometric identification



#### Upgrade functions

Documents upload function

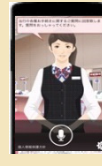


App for various applications



Card replacement

Interactive app for FAQs



Utilizing AI

Introduce features offering services that can be handled only at branches

Report of the loss (replacement)

Change of address

Switch to account without bankbooks and seals

Re-register passcode for card

Complete transactions via tablet (image)



Contact Center



Group companies providing services only via mobile channels

**kabu.com Securities**  
**Jibun Bank**

**Create industry-leading digital channels in Japan**

#### Strengthen promotion

TV commercial, ad at branches, push notification, web ad, banner

#### Case study of BTMU

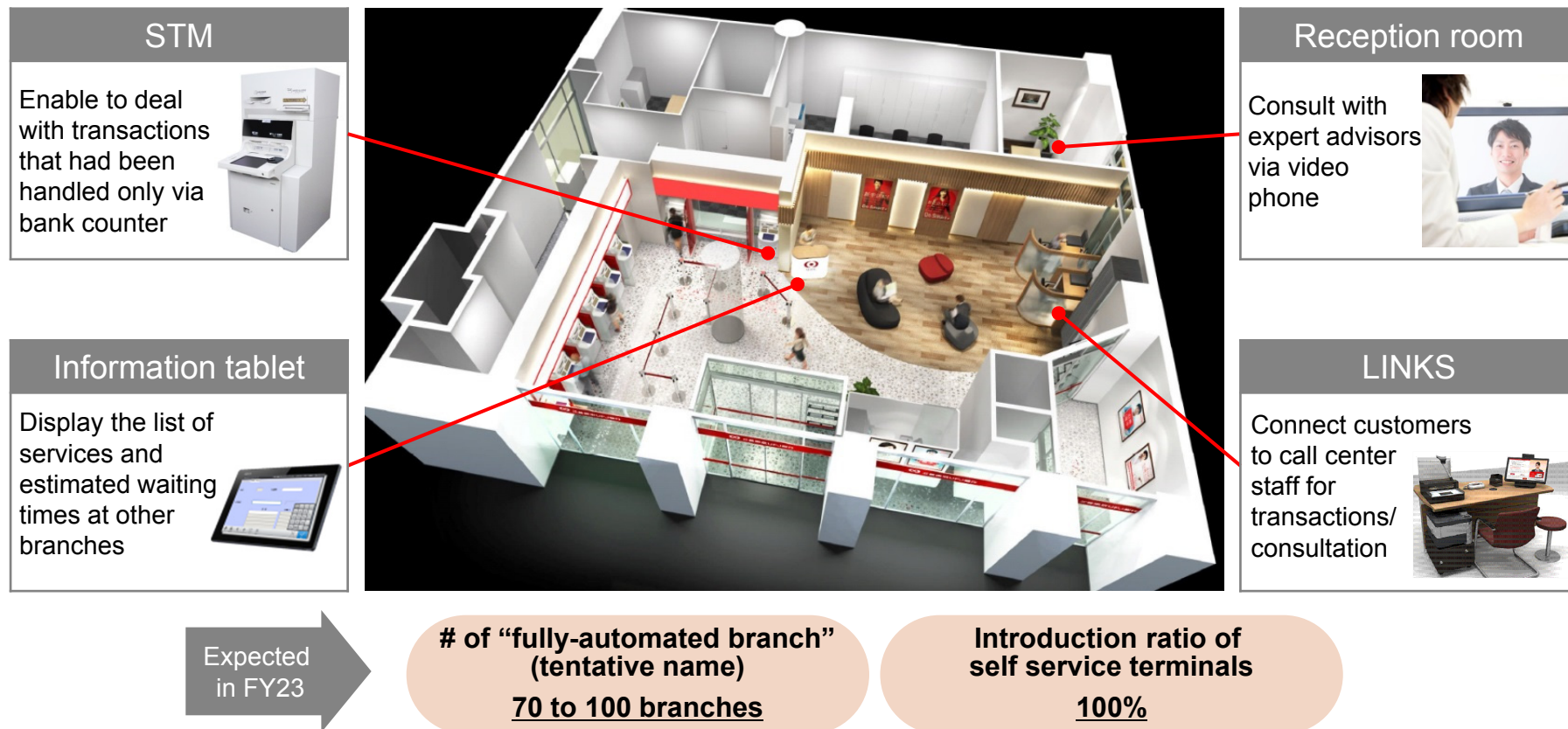
<sup>\*1</sup> From Nov 15<sup>th</sup>, 2017, subsidiaries of MUFG started to provide services employing "Amazon Alexa" provided by Amazon <sup>\*2</sup> FY17H1

# MUFG Re-Imagining Strategy – Building Anew at MUFG

## - Business transformation through the use of digital technology (Channels 1)

- Of 516 branches\*<sup>1</sup> nationwide, 70 to 100 branches will be transformed into “fully-automated branch (tentative name)”, enhancing the efficiency of bank branch operations
- Successively introduce self service terminals (STM\*<sup>2</sup>, LINKS\*<sup>3</sup> and etc.), and aim to introduce them at all branches by FY23

### Enhance the quality and efficiency of physical channels (branches)



\*1 As of end Sep 17, excluding the number of branch-in-branch and virtual branches from the total number of domestic head office, branches and sub-branches of BTMU

\*2 STM: Store Teller Machine (ATM equipped with functions to handle tax payment, utility bills payment and domestic payment with a private request form)

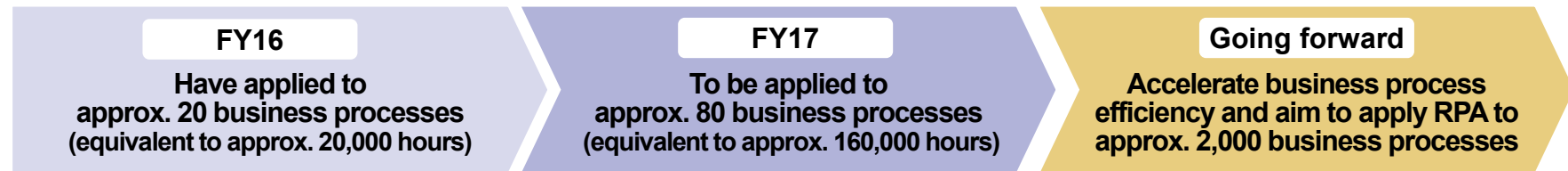
\*3 LINKS: Low-counter Interaction on Knowledge Station (New terminal that connects to operational center via TV, which can handle consultation related to mortgage, inheritance and etc.)

# MUFG Re-Imagining Strategy – Building Anew at MUFG

## - Business transformation through the use of digital technology (Business process 2)

- Accelerate to enhance business process efficiency by utilizing robotics

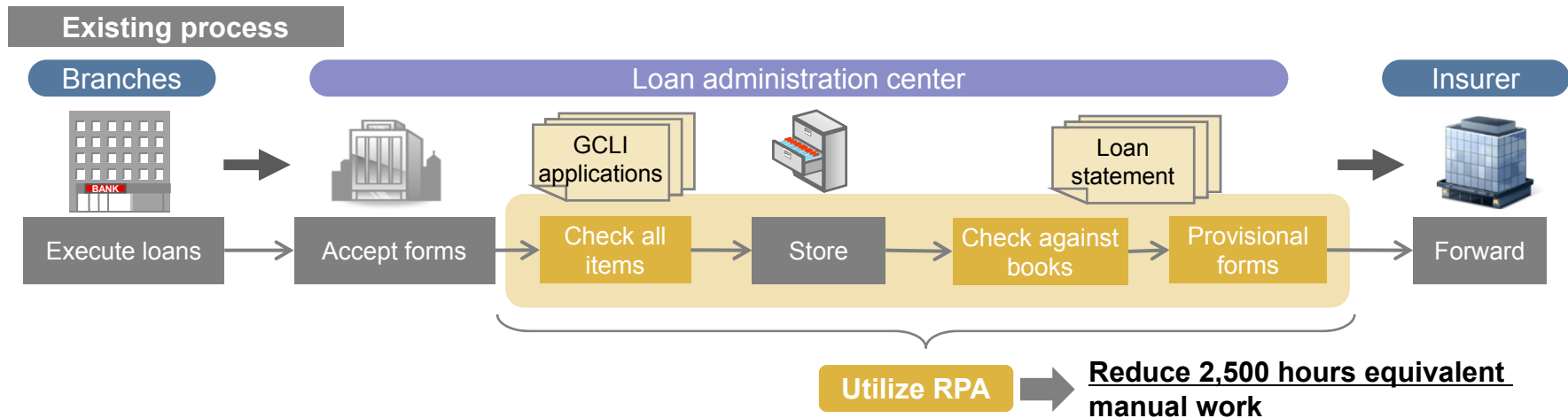
### Application of RPA (Robotics Process Automation)



#### Examples of the utilization of RPA

- Documentation check for residual mortgage loan applications
- Announcement of agenda items for Annual General Meetings of Shareholders
- Operations related to interbank settlement
- Automate operations related to overseas remittance
- Further enhance settlement data analysis

### An example: Business process of checking mortgage group credit life insurance application forms

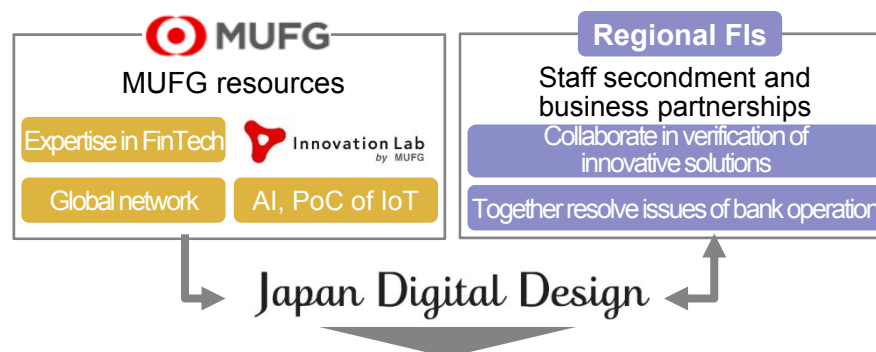


# MUFG Re-Imagining Strategy – Building Anew at MUFG

- Business transformation through the use of digital technology (Japan Digital Design 3)

## Summary

<b>Legal name</b>	Japan Digital Design, Inc.
<b>Date of establishment</b>	Oct 2, 2017
<b>Capital</b>	JPY 3 billion
<b>Shareholders</b>	Wholly-owned subsidiary of MUFG



## Address social issues and thus contribute to the Japanese economy

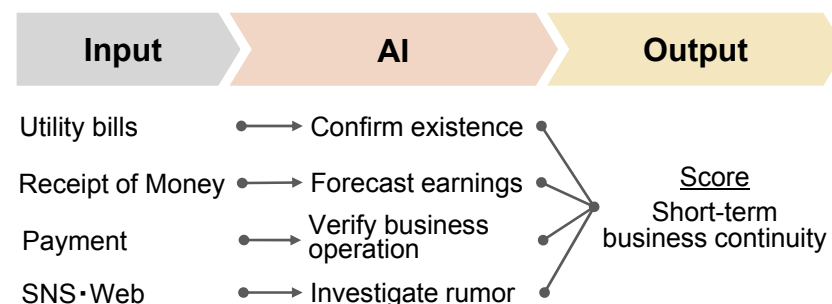
Share fruits of operational reforms  
Enhance productivity of the entire banking industry

Achieve both flexibility and scalability  
Swiftly establish a de facto standard

## Business under consideration

### AI factoring

- Analyze corporate accounts by utilizing AI's deep learning to provide scores of short-term continuity of their business



- Aim to provide a scoring service to MUFG, regional FIs and other sectors in the future

### Phase 1:

MUFG

### Phase 2:

Regional FIs

### Phase 3:

Expand scope to other sectors such as accounting or logistics

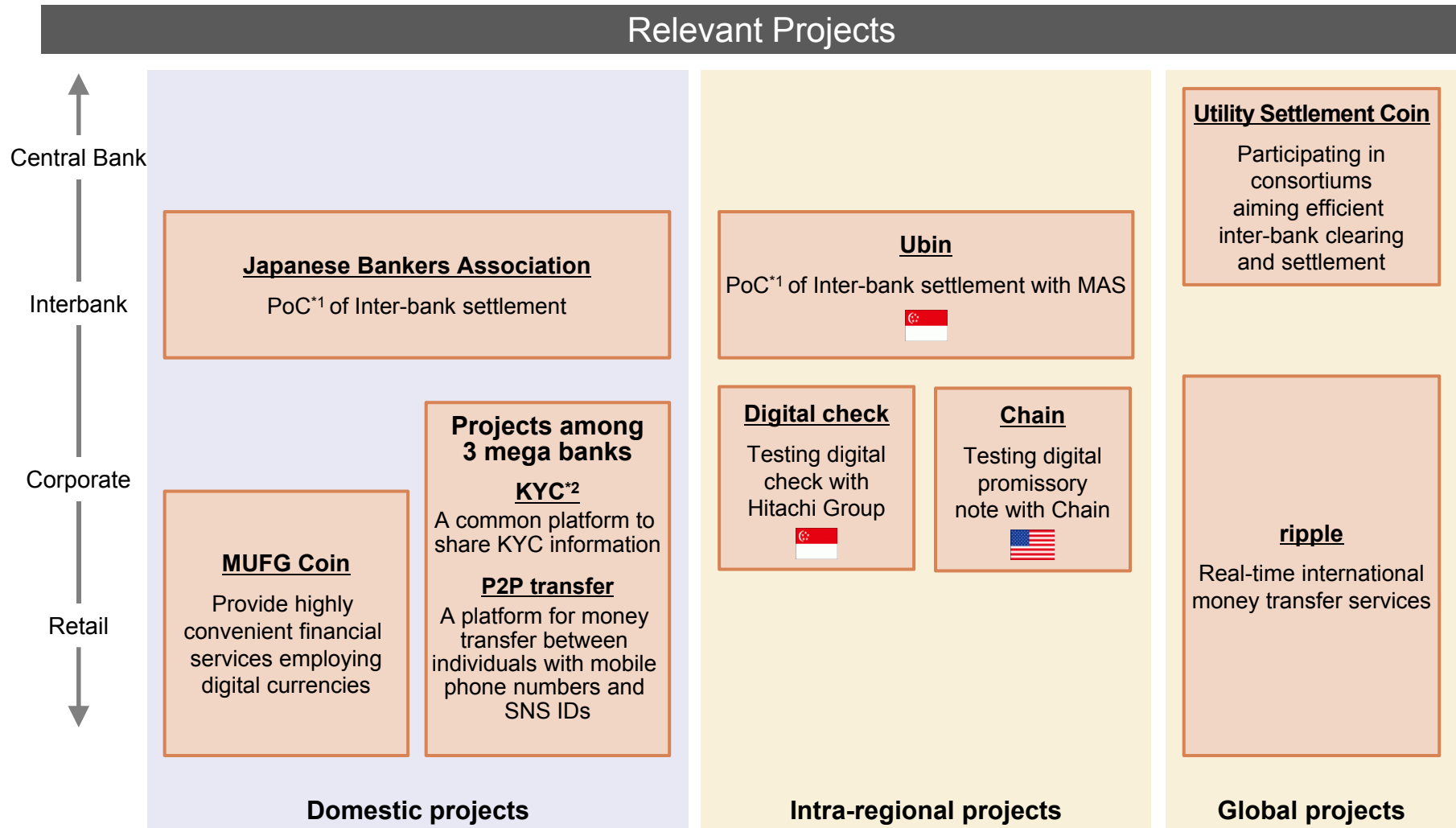
## Regional financial institutions to sign the business collaboration agreement

The Aomori Bank, Ltd.	The Bank of Iwate, Ltd.	The San-in Gondo Bank, Ltd.	The Joyo Bank, Ltd.	The Tottori Bank, Ltd.	The Hiroshima Bank, Ltd.	The Yamagata Bank, Ltd.
The Akita Bank, Ltd.	THE OITA BANK, LTD.	The Shiga Bank, Ltd.	The Daishi Bank, Ltd.	The Nanto Bank, Ltd.	The Fukui Bank, Ltd.	Yamaguchi Financial Group, Inc.
The Awa Bank, Ltd.	The Bank of Okinawa, Ltd.	The Shizuoka Bank, Ltd.	The Chiba Bank, Ltd.	The Hachijuni Bank, Ltd.	Fukuoka Financial Group, Inc.	The Yamanashi Chuo Bank, Ltd.
The Senshu Ikeda Bank, Ltd.	The Kagoshima Bank, Ltd.	The 77 Bank, Ltd.	The Chugoku Bank, Ltd.	The Hyakugo Bank, Ltd.	The Hokkaido Bank, Ltd.	Bank of The Ryukyus, Ltd.
The Iyo Bank, Ltd.	The Kiyo Bank, Ltd.	The Juroku Bank, Ltd.	The Tokyo Tomin Bank, Limited	The Hyakujushi Bank, Ltd.	The Musashino Bank, Ltd.	

# MUFG Re-Imagining Strategy – Building Anew at MUFG

- Business transformation through the use of digital technology (Blockchain etc. 4)

- Participate in a variety of PoC<sup>\*1</sup> at home and abroad with the aim of contributing to advances in financial services, mainly in the field of settlement services utilizing blockchain technology and etc.



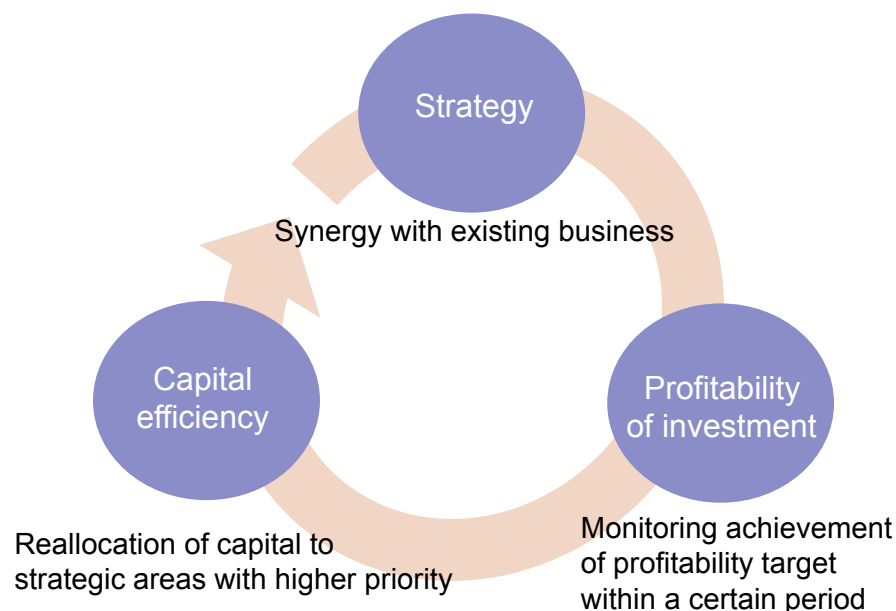
<sup>\*1</sup> Proof of Concept    <sup>\*2</sup> Know Your Customer

# MUFG Re-Imagining Strategy – Building Anew at MUFG

## - Initiative to improve productivity

### Optimize strategic investment

- Optimize capital management in the face of tightened international financial regulation and changes in business environment
- Conduct a review of existing strategic investment from viewpoint of strategy, capital efficiency and profitability of investment



### Disciplined capital management

- Conduct a comprehensive review periodically

### Particular case

- Sold entire stake of CIMB Group Holdings Berhad shares in September 2017
- Nothing changes in the status of CIMB as one of MUFG's important strategic partners/alliances in Malaysia

### Outline



Number of shares sold	412,506,345 shares (equivalent to 4.6% stake)
Date of sale	September 20, 2017
Sale price	Approx. 68 billion yen

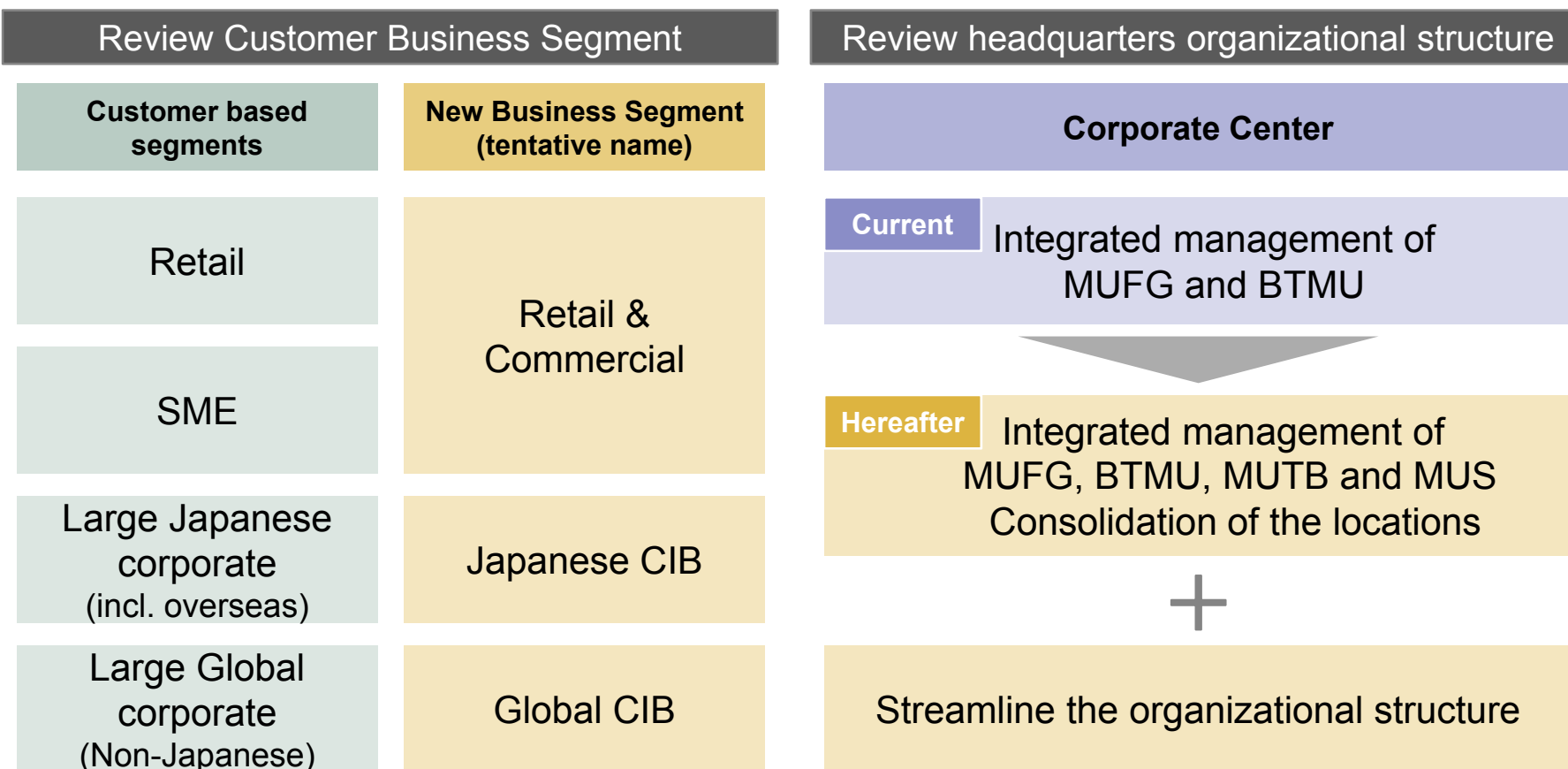
Further considering optimization of strategic investment



# MUFG Re-Imagining Strategy – Building Anew at MUFG

## - Reorganization of MUFG group management

- Review current customer segments of Retail Banking, Japanese Corporate Banking and Global Banking and restructure them into Retail & Commercial, Japanese CIB and Global CIB (tentative name)
- Manage Corporate Center of MUFG, BTMU, MUTB and MUS in an integrated manner, streamlining their organization and consolidating their locations

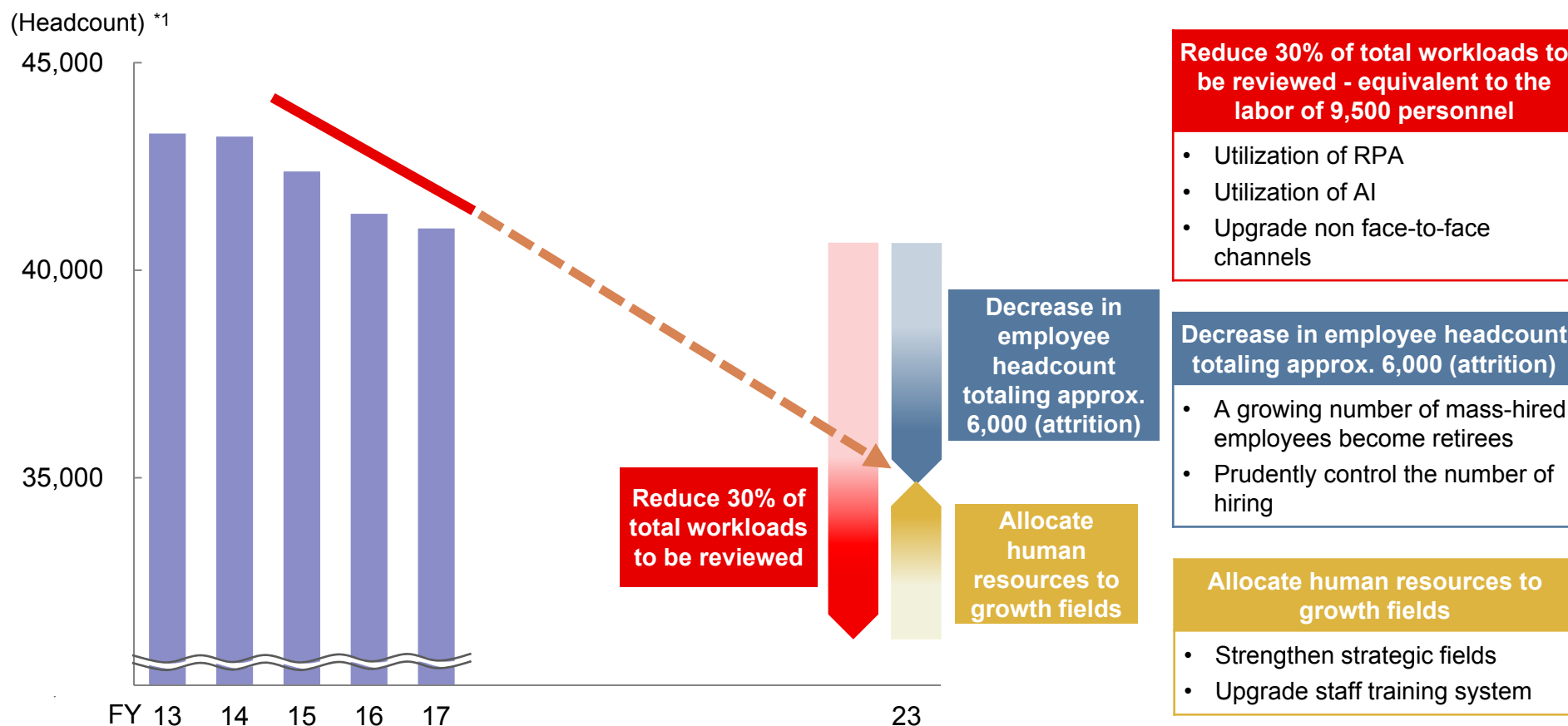


# MUFG Re-Imagining Strategy

## - Positive effects of reduction in workloads

- Reduce 30% of total workloads to be reviewed (BTMU non-consolidated) by FY23 via business process reengineering under the MUFG Re-Imagining Strategy
- Expect a decrease in employee headcount totaling approx. 6,000 (attrition) by FY23
- Allocate human resources to growth fields by upgrading staff training system

### Staffing Plan based on estimated reduction in workloads (BTMU non-consolidated)



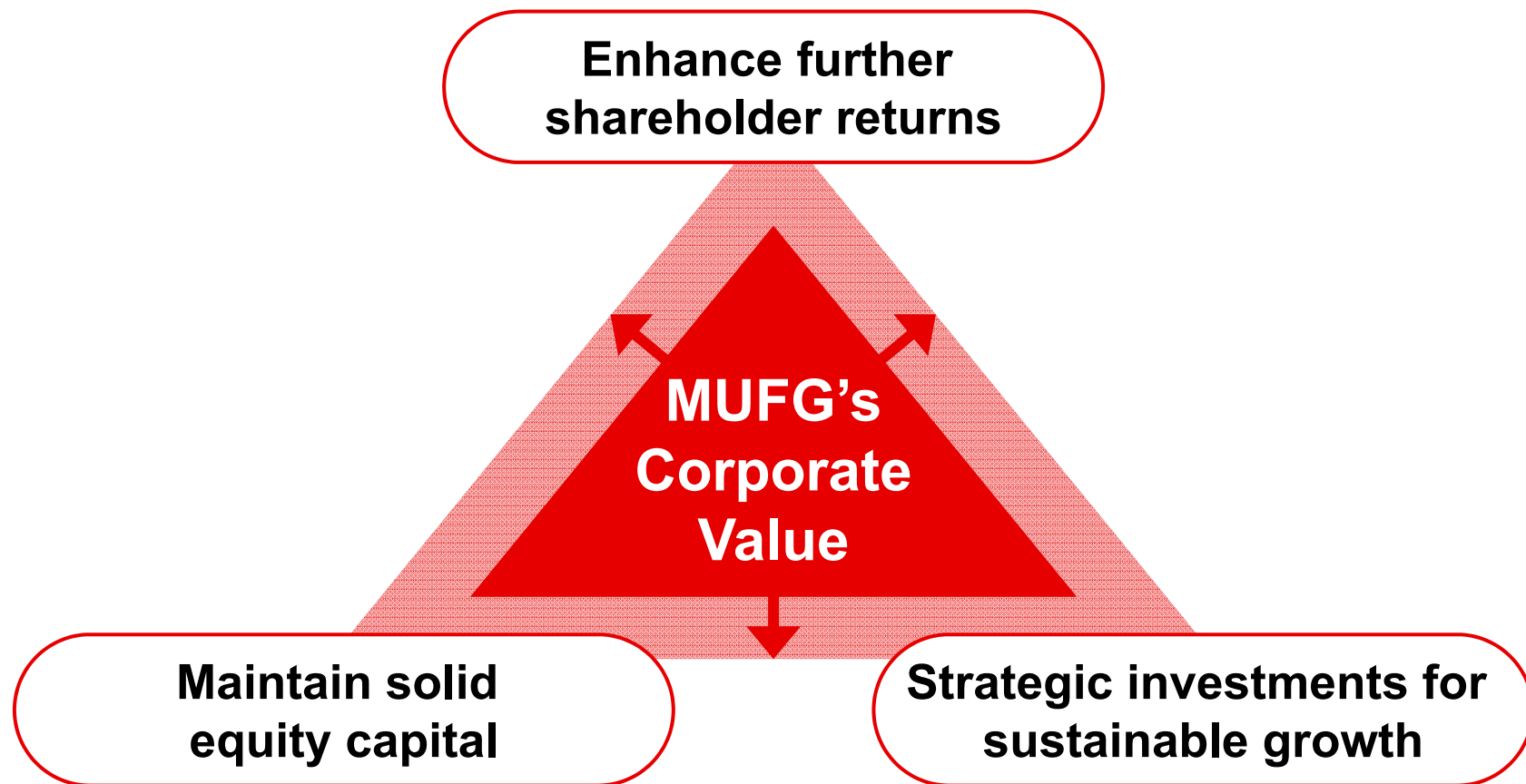
\*1 The figure includes BTMU domestic bank staff, part-time and contract staff as well as temporary staff but excludes overseas staff hired locally



## Capital Policy

## Capital policy

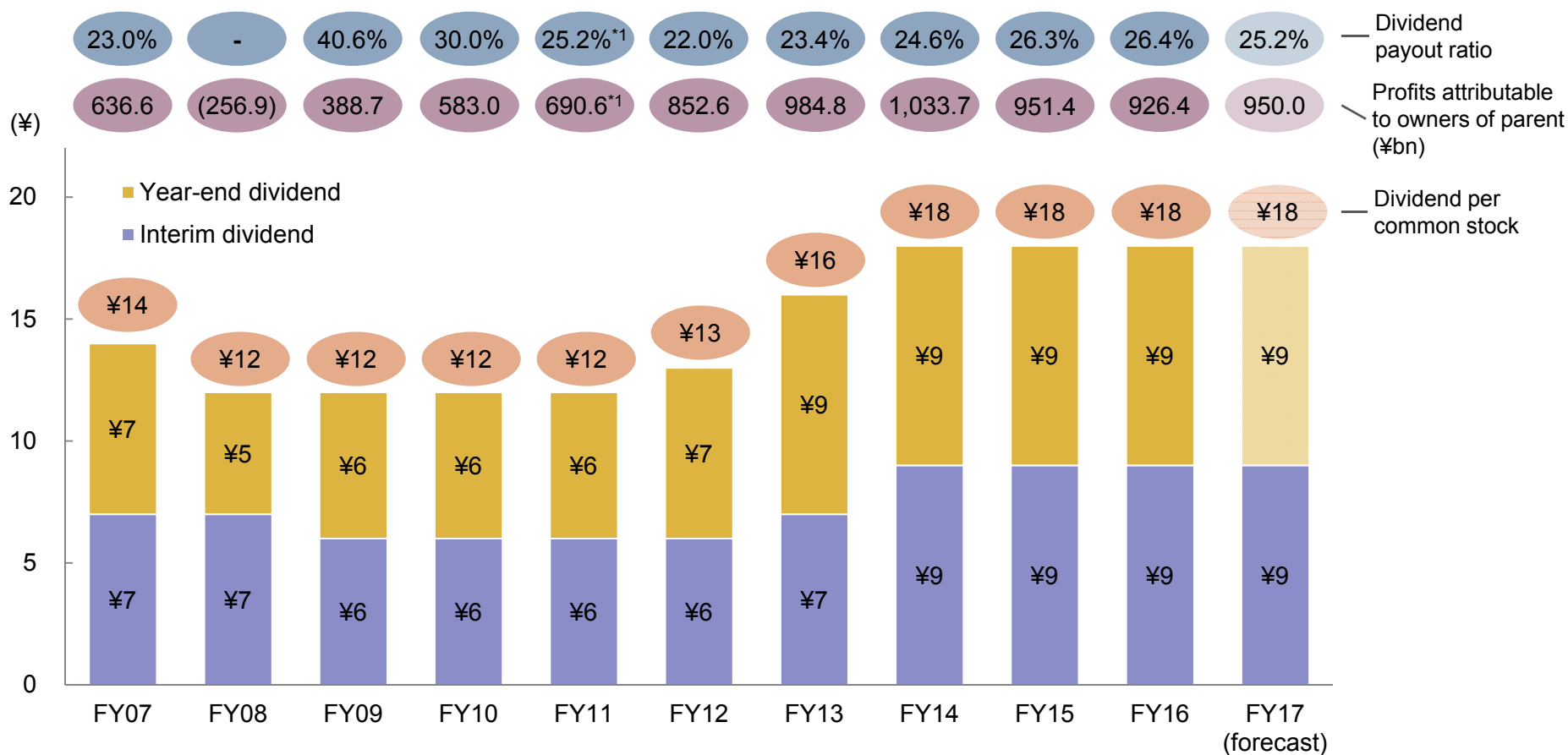
- Enhance further shareholder returns and make strategic investment for sustainable growth while maintaining solid equity capital



# Dividend forecast

- FY17 Interim dividend is ¥9 per common stock. FY17 dividend forecast is ¥18 per common stock

## Result and forecast of dividend



\*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

## Outline of repurchase and cancellation of own shares

- Resolved to repurchase and cancel own shares in order to enhance shareholder returns, improve capital efficiency and conduct capital management flexibly

### Outline of repurchase and cancellation of own shares

	FY14	FY15	FY16	FY17H1	FY17H2
<b>Type of shares repurchased</b>	Ordinary shares of MUFG	Ordinary shares of MUFG	Ordinary shares of MUFG	Ordinary shares of MUFG	Ordinary shares of MUFG
<b>Aggregate amount of repurchase price</b>	Approx. ¥100.0 bn	Approx. ¥200.0 bn (Approx. ¥100.0 bn each on two occasions)	Approx. ¥200.0 bn (Approx. ¥100.0 bn each on two occasions)	Approx. ¥100.0 bn	Up to ¥100.0 bn
<b>Aggregate number of shares repurchased</b>	Approx. 148.59 mm shares	Approx. 232.85 mm shares	Approx. 332.85 mm shares	Approx. 141.15 mm shares (All of the shares have been cancelled)	Up to 200 mm shares <b>(All of the shares to be cancelled)</b>

(Ref) As of October 31, 2017

Total number of issued shares (excluding own shares): 13,321,130,842 shares

Number of own shares held by MUFG: 706,564,078 shares

(Ref)	FY14	FY15	FY16	FY17*1
<b>Total payout ratio</b>	34.2%	47.2%	47.9%	46.3%

### Cancellation of own shares

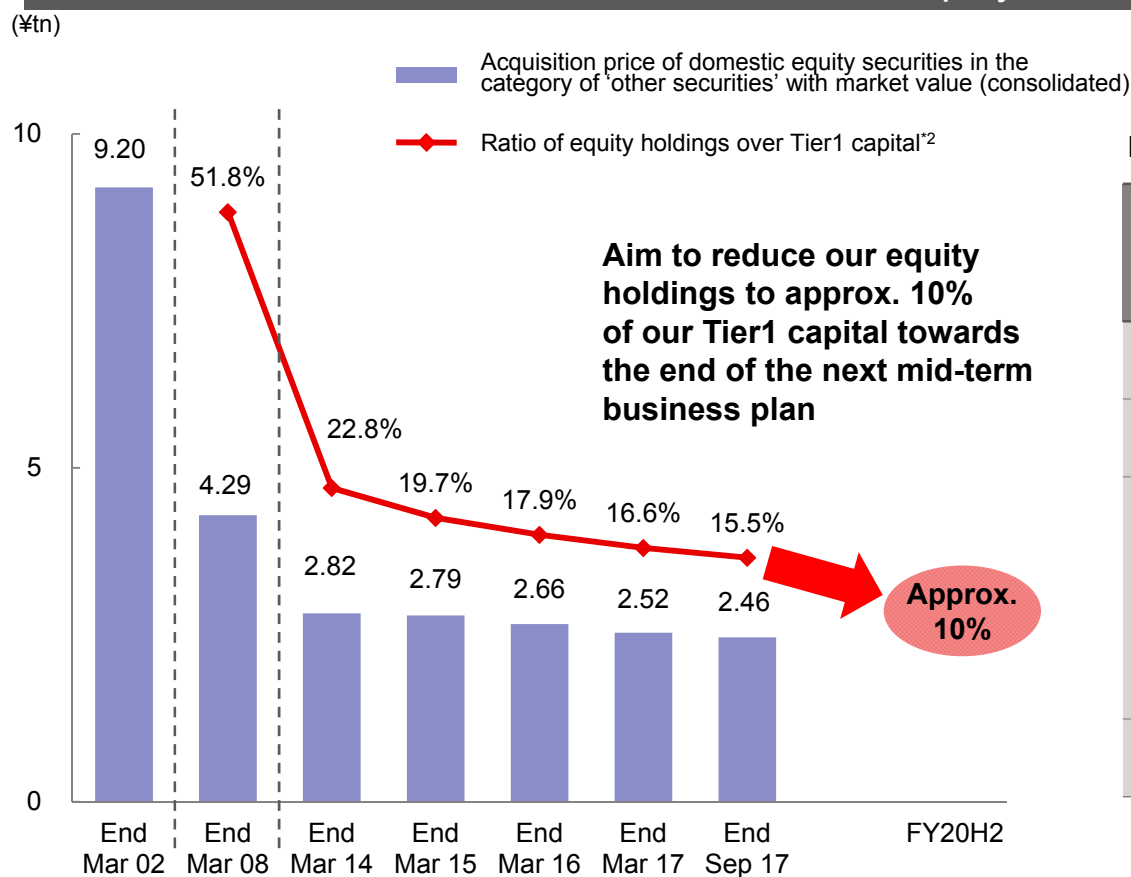
**Retain own shares of approx. 5% of the total number of issued shares at maximum and cancel the shares exceeding the threshold**

\*1 Based on the estimation assuming the denominator to be ¥950.0 bn, which is our financial target

# Reduction of equity holdings

- Our basic policy is to reduce the amount of equity holdings considering the risk, capital efficiency and international financial regulations
- Approx. ¥71 bn<sup>\*1</sup> equities were sold in FY17H1

## Reduction of equity holdings



## Ref. Approx. selling amount of equity holdings

	Selling amount	Acquisition cost basis	Net gains (losses)
FY15	¥211 bn	¥117 bn	¥94 bn
FY16	¥267 bn	¥149 bn	¥118 bn
Q1	¥49 bn	¥29 bn	¥20 bn
Q2	¥69 bn	¥42 bn	¥27 bn
FY17 H1	¥118 bn	¥71 bn	¥47 bn
Total	¥596 bn	¥337 bn	¥ 259 bn

\*1 Sum of BTMU and MUTB

\*2 Under Basel 2 basis until end Mar 12 (consolidated)

# RWA/Capital management based on international financial regulation

- Improve profitability while putting greater emphasis on capital efficiency and controlling RWA appropriately in order to continue sustainable growth even under the capital constraints resulting from tightened financial regulations

## Capital constraints due to regulations

### Revision of Basel regulation

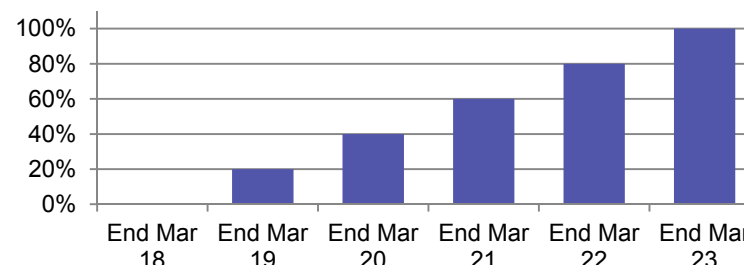
- Balance of RWAs will be increased gradually due to the revision
- Capital management in anticipation of the full enforcement of the revised rule

### TLAC requirements

- TLAC bonds issuance is progressing at a steady pace in the lead up to the introduction of TLAC regulation (Page 74 – 75)
- The cost of funding and required funding amount will increase in step with a rise in RWA

### Start capital deduction for investment in MS

- The size of the deduction in capital will increase by stages due to the termination of exceptional treatment
- CET1 ratio will decrease by 0.8%\*1 when the full amount is no longer subject to the exemption



## Our next medium-term business plan will put greater emphasis on capital efficiency

Improve profitability by strengthening non-interest business and enhancing profitability management

Optimize strategic investment in line with business strategy

Secure an allowance in RWA and non-JPY funding by promoting O&D

\*1 Net impact on CET1 ratio completely without the exceptional treatment of double gearing (approx. ¥1.5tn at the end of Sep 17)

# Corporate Governance

# Corporate governance

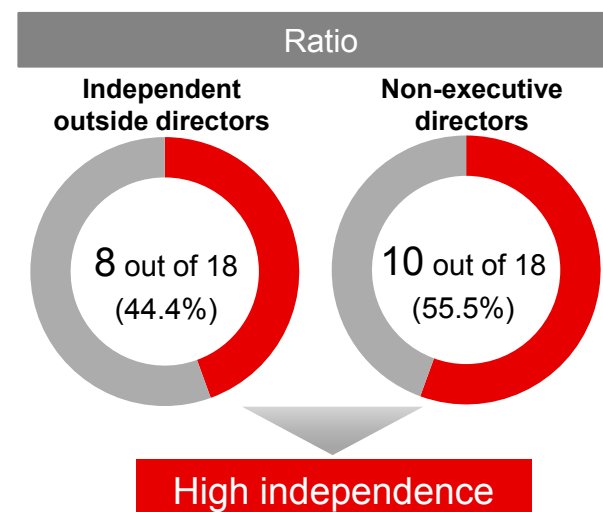
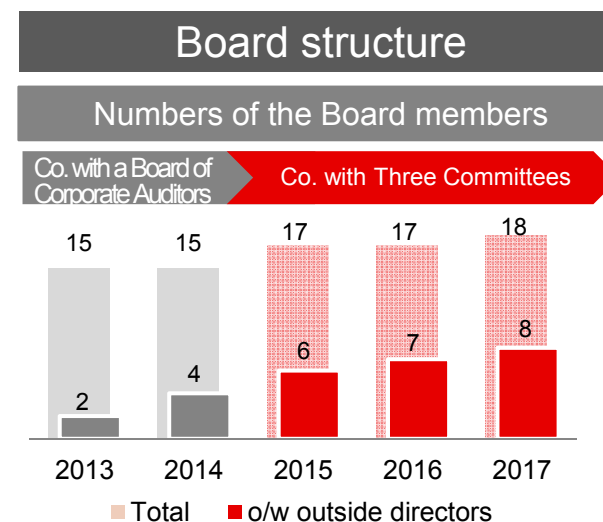
## - Strengthening oversight function by outside directors

- Considering outside directors' areas of specialty and the diversity of their backgrounds, increased the number of outside directors from Jun 17

Outside directors						
Name		Current position and responsibilities at the Company	Expertise			
			Business Admin.	Finance	Accounting	Law
1	<b>Hiroshi Kawakami</b> Reelected Independent	Outside director Nominating, Compensation, Audit	●	-	-	-
2	<b>Yuko Kawamoto</b> Reelected Independent	Outside director Nominating, Compensation, Risk (Chair)	-	●	-	-
3	<b>Haruka Matsuyama</b> Reelected Independent	Outside director Nominating, Compensation (Chair)	-	-	-	●
4	<b>Toby S. Myerson</b> Newly elected Independent	Outside director	-	-	-	●
5	<b>Tsutomu Okuda</b> Reelected Independent	Outside director Nominating (Chair), Compensation, Risk	●	-	-	-
6	<b>Yukihiro Sato</b> Reelected Independent	Outside director Audit	●	-	●	-
7	<b>Tarisa Watanagase</b> Newly elected Independent	Outside director	-	●	-	-
8	<b>Akira Yamate</b> Reelected Independent	Outside director Audit (Chair)	-	-	●	-

Nominating: Nominating and Governance Committee member  
Compensation: Compensation Committee member

Audit: Audit Committee member  
Risk: Risk Committee member



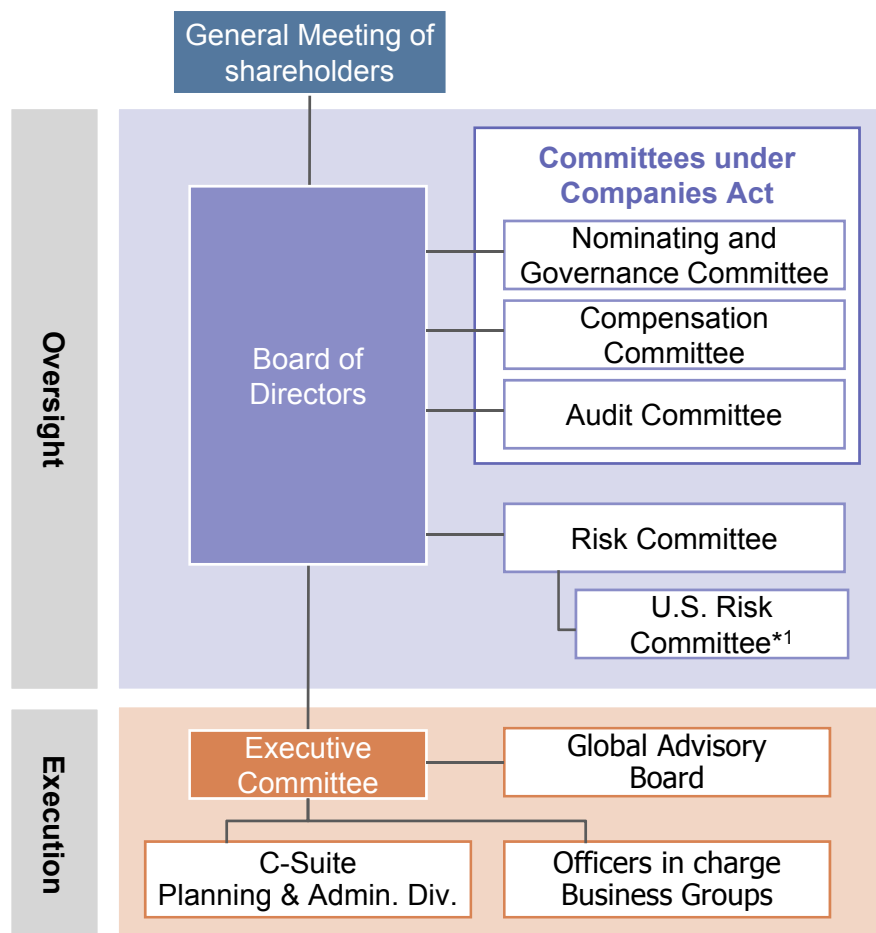


# Corporate governance

## - Structure

- All committees under the Board of Directors are chaired by outside directors
- To ensure stable management succession, the Nominating and Governance committee takes measures to enhance top management appointing process

### MUFG governance structure



### Chairpersons of committees under the Board of Directors

Nominating and Governance Committee	Tsutomu Okuda	MUFG outside director
Compensation Committee	Haruka Matsuyama	MUFG outside director
Audit Committee	Akira Yamate	MUFG outside director
Risk Committee	Yuko Kawamoto	MUFG outside director
U.S. Risk Committee	Christine Garvey	MUFG outside director

### Main activities of Nominating and Governance Committee

- Identifies ideal traits for key managerial positions and formulates standards to evaluate them, with outside directors taking initiative
- Appoints top management leaders; to this end:
  - ✓ Conducts face-to-face interviews with multiple candidates screened by the execution team via a 360-degree evaluation, with the aim of securing accountability
  - ✓ To ensure stable management succession, identifies the most promising candidates at earlier stages in their careers, with outstanding individuals being referred to outside directors, who, in turn, provide the execution team with advice on how they should be trained
- The “Advisor” System: In light of transparency, discussions for reviewing current role are ongoing to redefine its responsibility

\*1 Established to comply with U.S. Enhanced Prudential Standard

# Corporate governance

## - Strengthening the function of the Board of Directors

- MUFG takes measures to strengthen the function of the Board of Directors (“the BoD”), such as Independent Outside Directors Meetings and reviewing agendas of the BoD meetings, leading to more substantial and intensive discussion
- Introduced a framework to regularly evaluate the BoD’s working practices

### Strengthening the function of the BoD

#### Improvement of the BoD meeting

- Focus more on crucial issues by reviewing / optimizing agendas

	Before (FY14 <sup>*1</sup> )	After (FY16 <sup>*2</sup> )
Number of meetings held	14	7
Number of agenda items	210	Approx. 80
Avg. duration of regular BoD meetings	2.5 hours	5 hours
Volume of pages included in meeting materials (annual total)	Approx. 1,200	Approx. 300

#### Independent Outside Directors Meetings

- BoD meetings are followed by Independent Outside Directors Meetings attended only by outside directors where the operations of the BoD and committees are deliberated
- Conclusions are reported to the chairperson and the president by a lead independent outside director

#### Evaluation framework for the BoD’s operations

- Improving the BoD’s operations in the PDCA cycle

Interviews with directors and reporting by external consultants

Deliberation by the Nominating and Governance Committee

Deliberation by the BoD

#### Activities of outside directors

- In addition to the BoD meetings and statutory committee meetings, the following meetings are held to discuss MUFG’s strategies and challenges going forward

Activities	Contents
Strategic Off-site Meeting	<b>Incorporating outside directors’ perspectives</b> <ul style="list-style-type: none"> <li>• Outside directors and Group executives meet on holidays to intensively discuss such themes as “MUFG Re-Imagining Strategy” and “Global human resource strategies”</li> </ul>
Discussions with MUAH outside directors	<b>Stepping up information gathering</b> <ul style="list-style-type: none"> <li>• MUAH outside directors, who are well-versed in policies of U.S. authorities, bring their input into discussions on corporate governance</li> </ul>
MUFG Investors Day	<b>Face-to-face dialogue with institutional investors</b> <ul style="list-style-type: none"> <li>• Outside director Tsutomu Okuda<sup>*3</sup> gives a presentation and leads Q&amp;A sessions on MUFG’s corporate governance</li> </ul>
MUFG Management Meeting	<b>Communication with execution team members</b> <ul style="list-style-type: none"> <li>• All Group directors and executives meet and discuss Group policies and the challenges</li> <li>• Outside directors give presentations to bring their insights</li> </ul>

<sup>\*1</sup> Jun 14 to Mar 15

<sup>\*2</sup> Jun 16 to Mar 17

<sup>\*3</sup> Lead independent outside director,  
Chairperson of the Nominating and Governance Committee

# Corporate governance

## - Performance-based stock compensation plan for executives

- Performance-based stock compensation plan in order to incentivize group-wide management that focuses more on the mid- to long-term improvement of financial results and stock price
- Transit from existing stock compensation type stock option (issued 9 times) to the stock compensation plan using a trust structure

Outline			Concept	
	Linked contents			
	Indices			
Linked to financial results (Performance share plan)	<b>Linked to mid- to long-term improvement of financial results</b> ■ EPS growth ratio	Delivered to all directors when mid-term business plan ends	<ul style="list-style-type: none"> <li>• Designed based on performance share plans and restricted stock plans in the U.S.</li> <li>• Corresponding to the principle of Japan's Corporate Governance Code "incentives such that it reflects mid- to long-term business results and potential risks, as well as promotes healthy entrepreneurship"</li> <li>• MUFG shares, acquired and managed by trustee in advance, are to be delivered in accordance with the rank and the financial achievements</li> <li>• The way to measure financial achievements is as follows</li> </ul>	
	<b>Linked to single year improvement of financial results</b> Growth of indices below are considered 1) Consolidated net business profit 2) Consolidated net income 3) Market capitalization			
Fixed (Restricted stock plan)	■ Shares are to be delivered in accordance with the rank	Delivered to retiring directors	Linked to mid- to long-term improvement of financial results	<ul style="list-style-type: none"> <li>• <b><u>EPS growth ratio</u></b>, one of financial targets in MUFG mid-term business plan</li> </ul>
			Linked to single year improvement of financial results	<ul style="list-style-type: none"> <li>• 1) <b><u>Consolidated net business profit</u></b>, 2) <b><u>Consolidated net income</u></b> and 3) <b><u>Market capitalization</u></b></li> <li>• Considering both market environment and competitors, evaluated by achievement level compared with peer banks</li> </ul>

# Appendix

# Appendix

**1. Historical outlook by business segment**

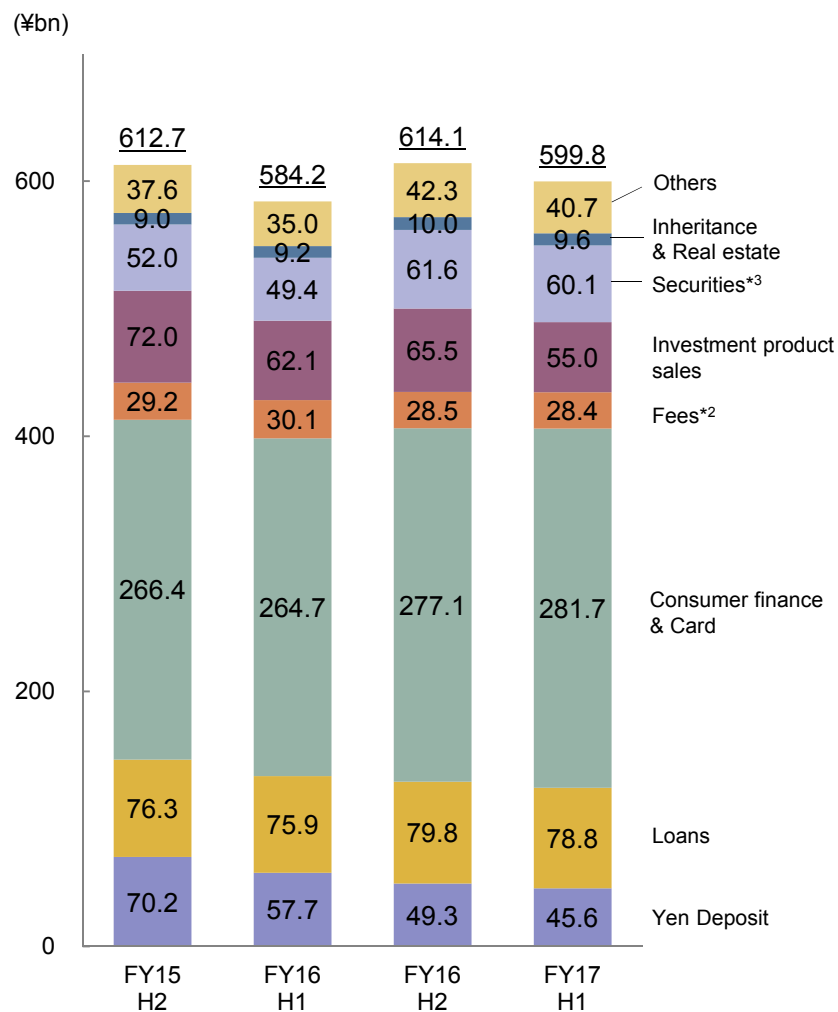
**2. Growth strategy**

**3. TLAC requirement**

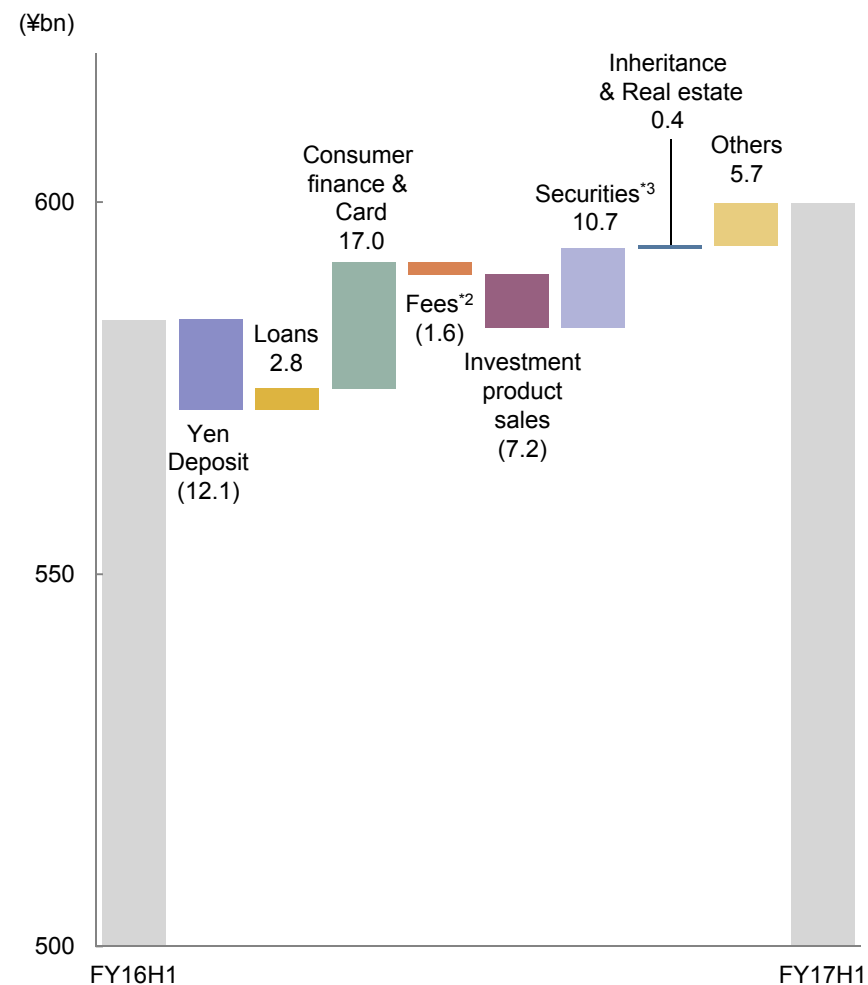
# Appendix: Historical outlook in Retail Banking

(Consolidated)

## Gross profits\*1



## Change in gross profits\*1



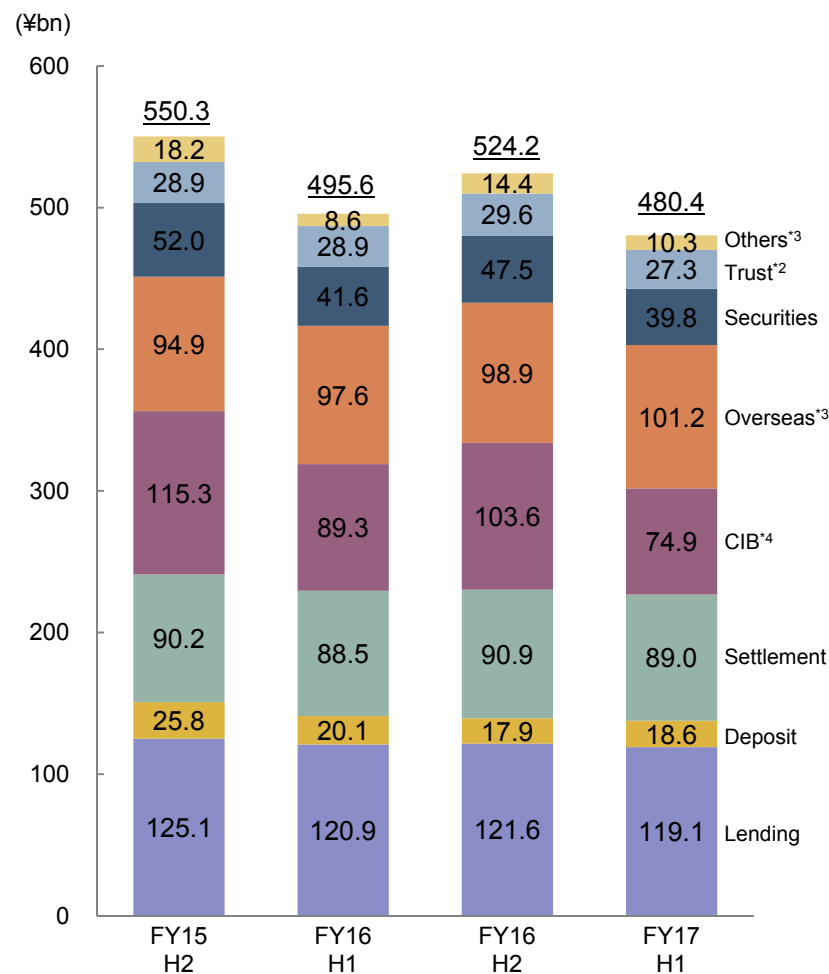
\*1 All figures are in actual exchange rate and managerial accounting basis

\*2 Transfer, ATM, etc.

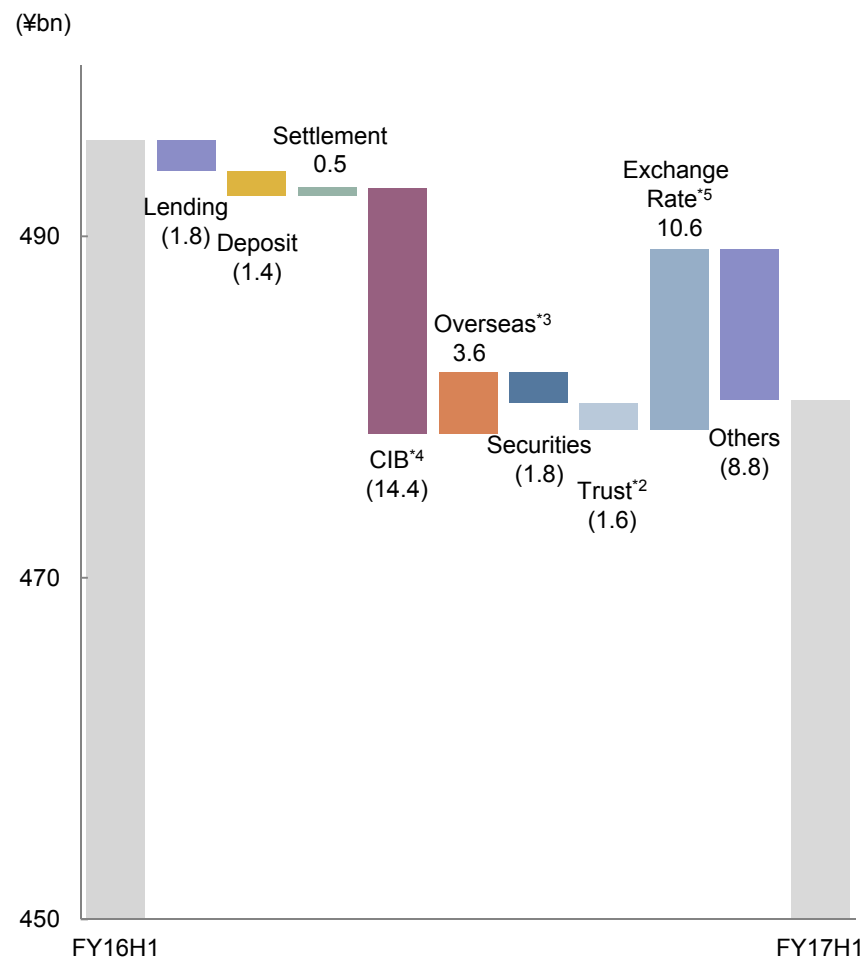
\*3 Fees from stock / bond sales, etc.

# Appendix: Historical outlook in Japanese Corporate Banking (Consolidated)

Gross profits\*<sup>1</sup>



Change in gross profits\*<sup>1</sup>



\*1 All figures except for overseas are in actual exchange rate and managerial accounting basis

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

\*3 Local currency basis. Difference with actual exchange rate is included in "Others"

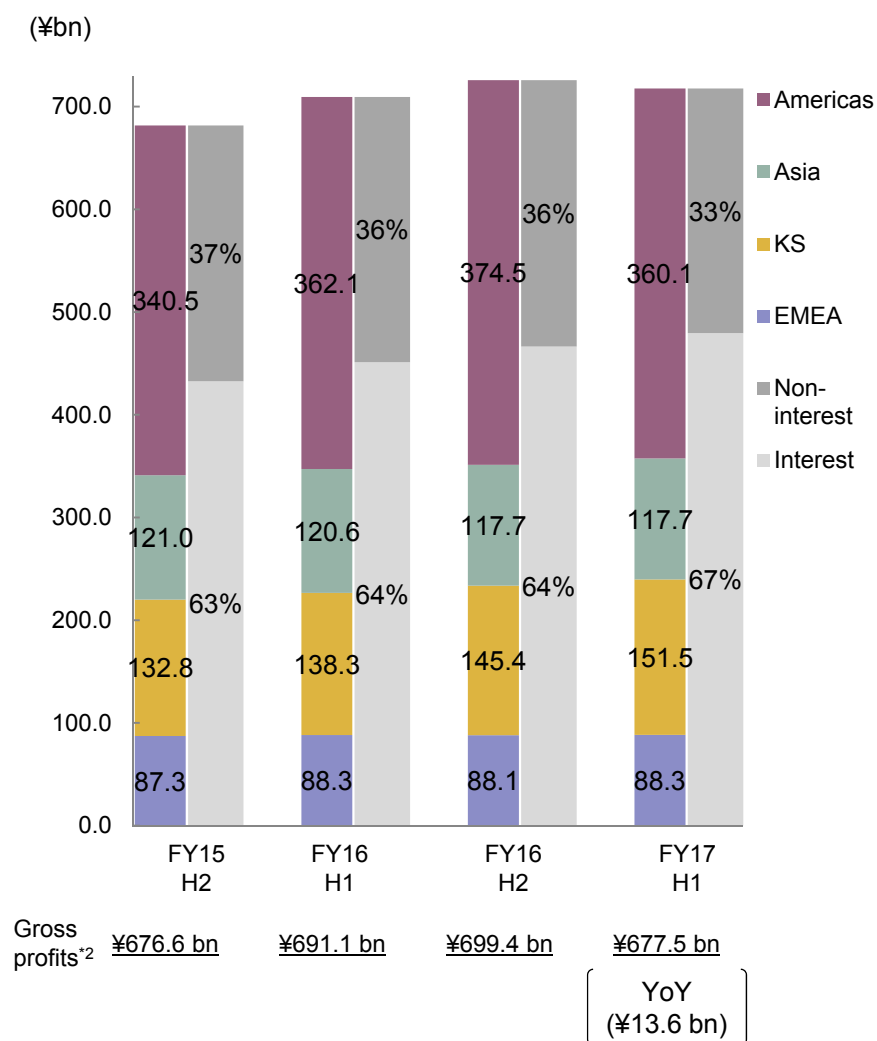
\*4 Structured finance, syndicated loan, derivatives, etc.

\*5 Exchange rate impact caused by overseas business with Japanese corporates

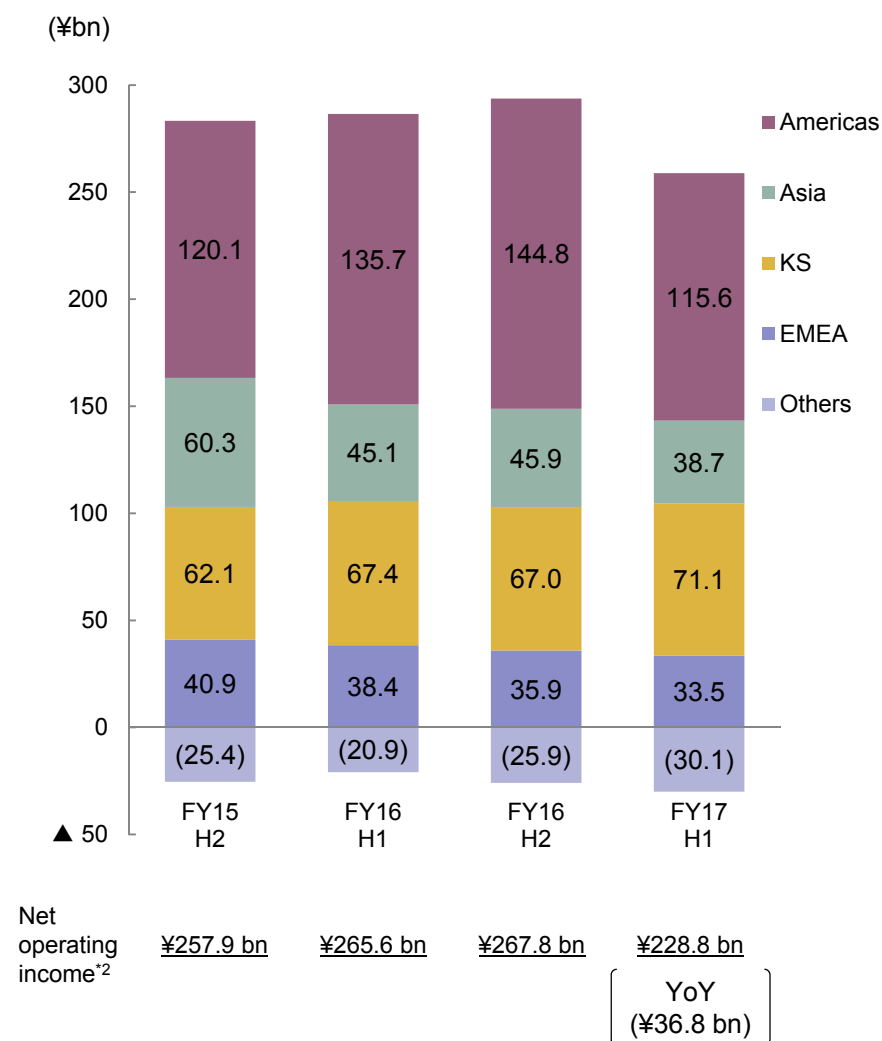
# Appendix: Historical outlook in Global Banking – Gross profits & operating income by region

(Consolidated)

Gross profits by region\*1



Operating income by region\*1



\*1 Local currency basis. Each breakdown is before elimination of duplication, and excludes other gross profits

\*2 After adjustment of duplication between regions

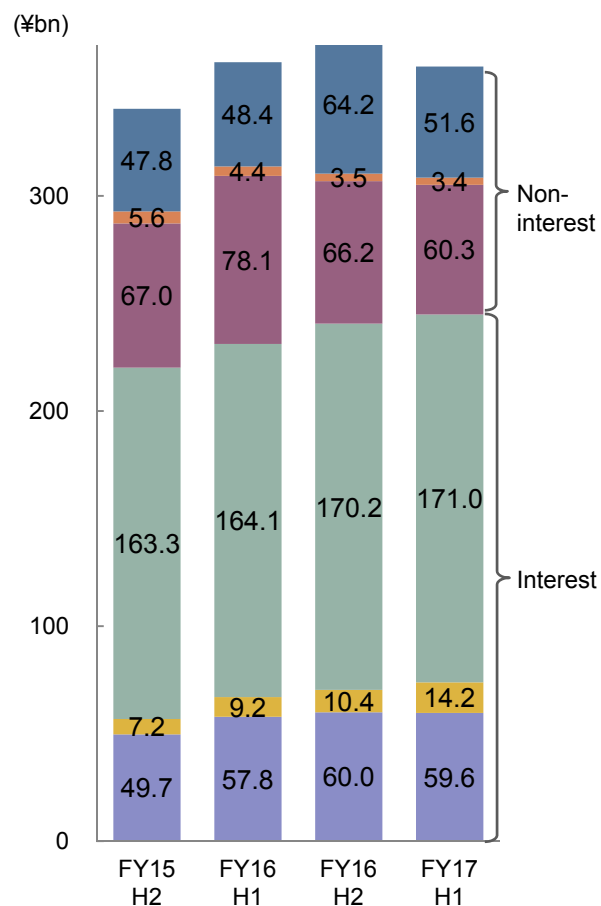


# Appendix: Historical outlook in Global Banking – Breakdown of gross profits

(Consolidated)

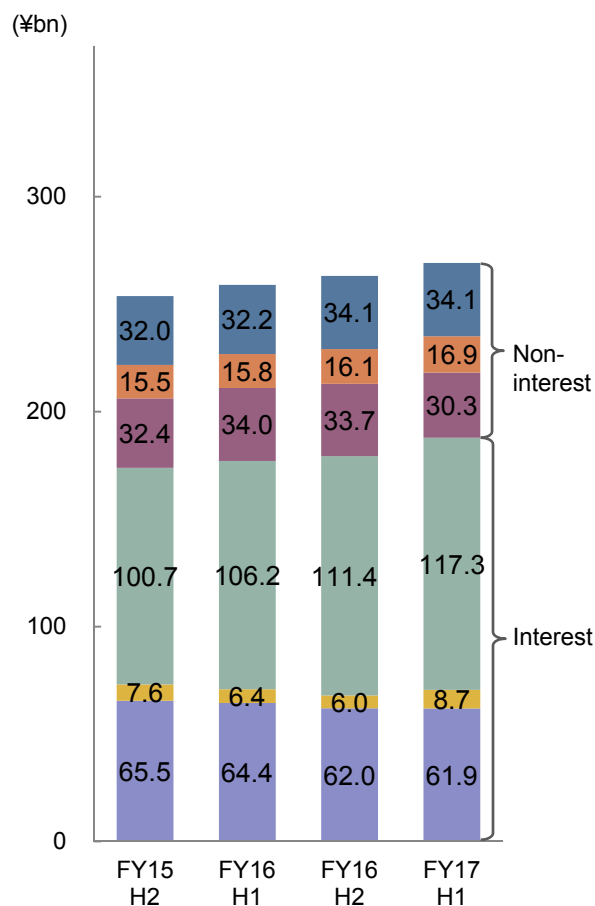
## Americas\*<sup>1</sup>

Non-interest (MUAH)    Forex  
Fees & Derivatives    Interest (MUAH)  
Deposits    Loans



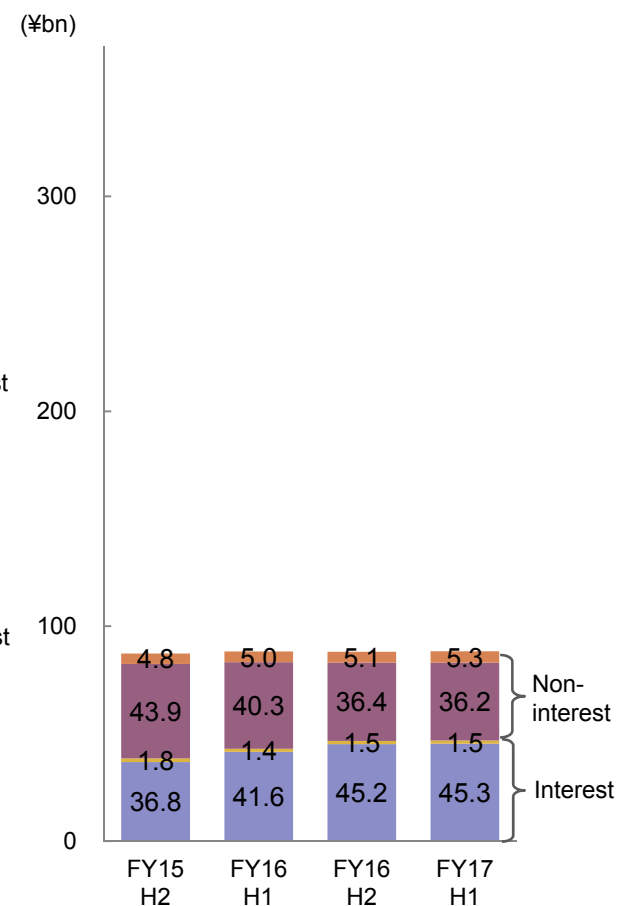
## Asia\*<sup>1</sup>

Non-interest (KS)    Forex  
Fees & Derivatives    Interest (KS)  
Deposits    Loans



## EMEA\*<sup>1</sup>

Loans    Deposits  
Fees & Derivatives    Forex



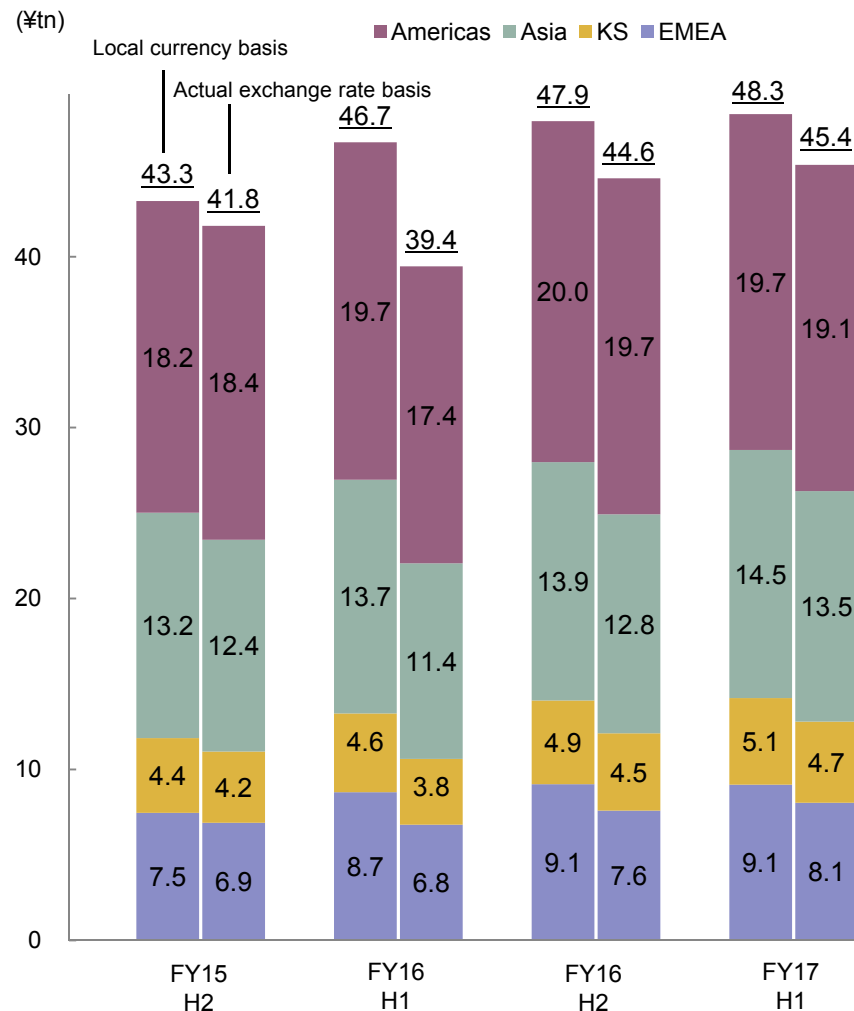
\*1 Local currency basis. Each breakdown is before elimination of duplication and excludes other gross profits

# Appendix: Historical outlook in Global Banking

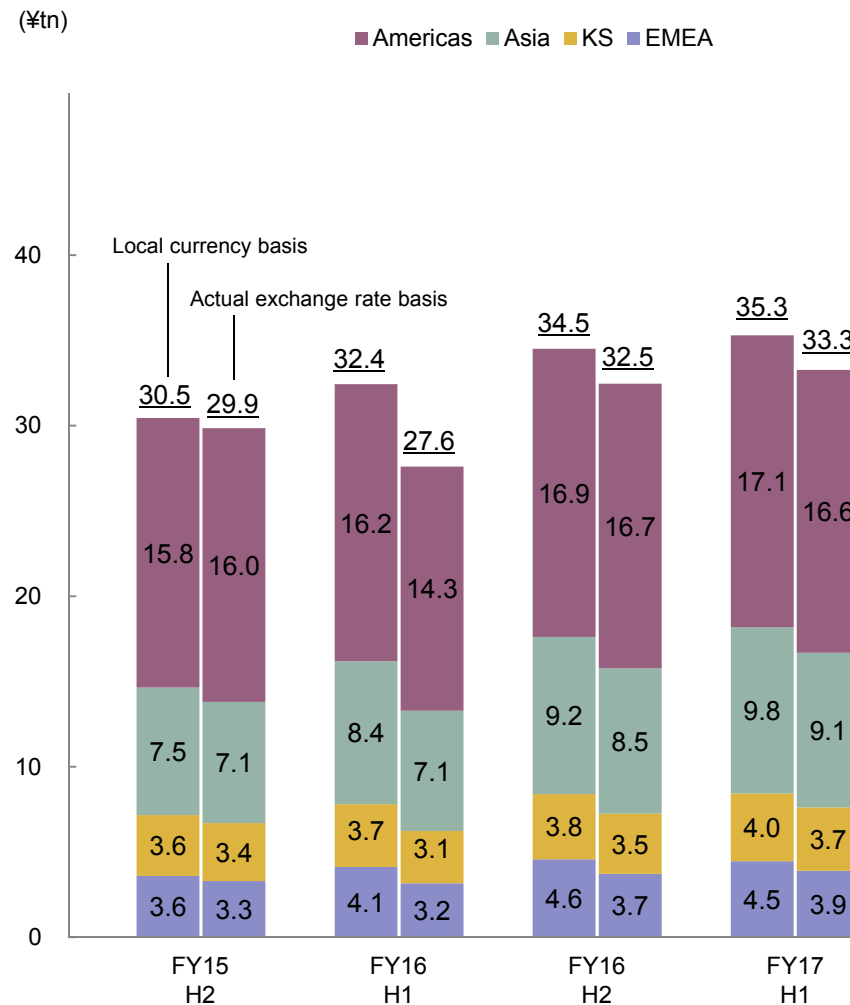
## – Loans and deposits by region

(Consolidated)

Average loan balance by region

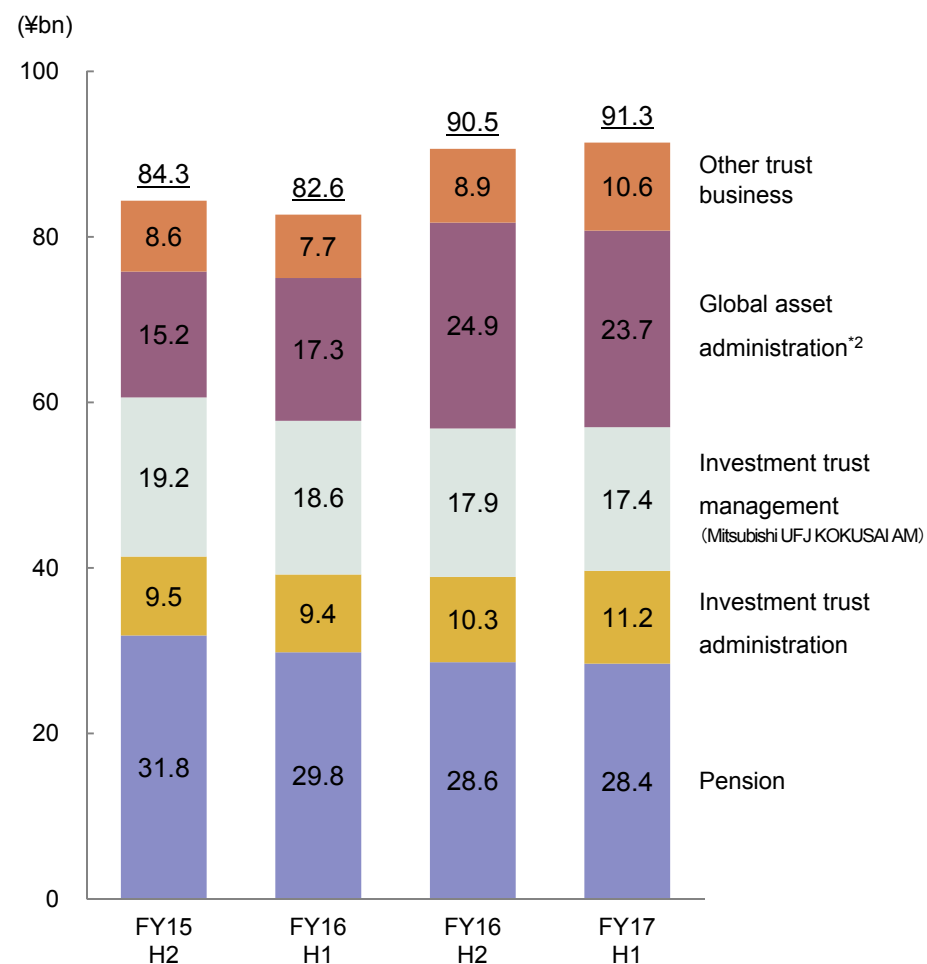


Average deposit balance by region

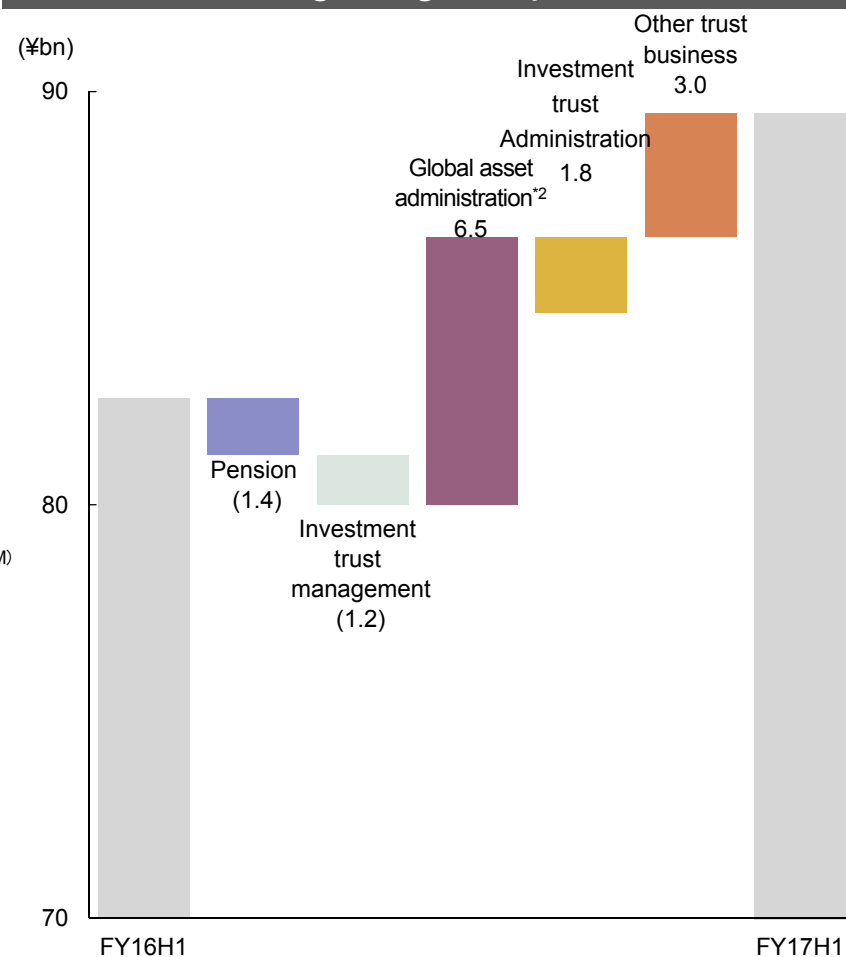


# Appendix: Historical outlook in investor services / asset management (Consolidated)

## Consolidated gross profits\*1



## Change in gross profits\*1



\*1 All figures are on actual exchange rate and managerial accounting basis. Profits of the Master Trust Bank of Japan, Ltd (MTBJ) are split into each business section

\*2 Services provided under the "MUFG Investor Services" brand, custody and fund administration services, etc.

# Appendix

1. Historical outlook by business segment

2. Growth strategy

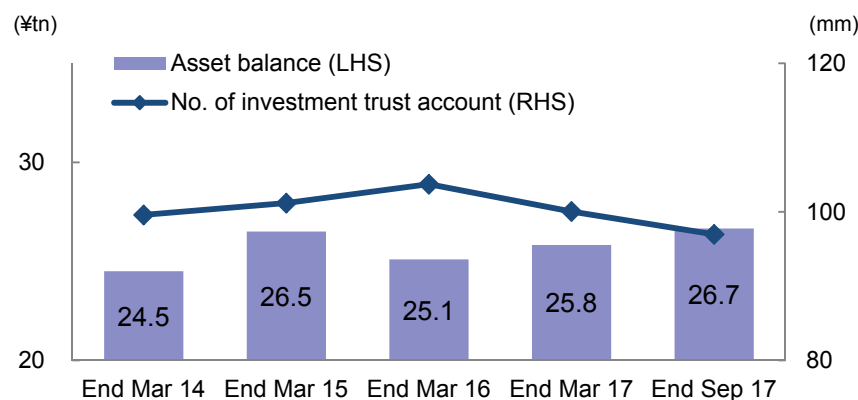
3. TLAC requirement

## Appendix: Support wealth accumulation and stimulation of consumption for individual clients

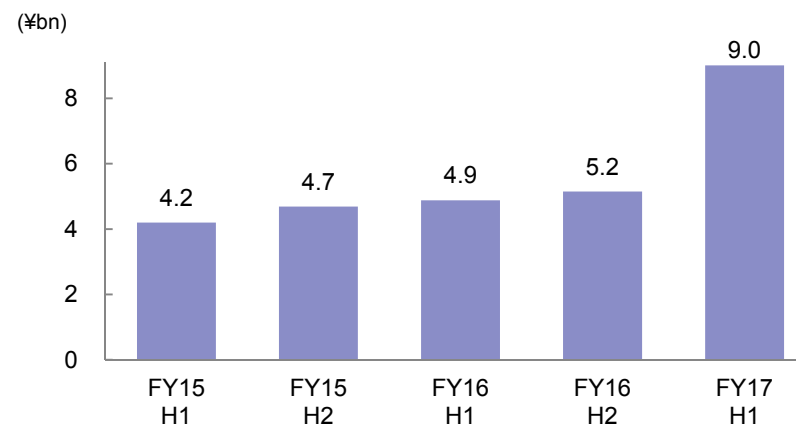
### – Promotion of shifts from savings to stable asset building

- Reach out to demography with stable wealth accumulation needs by enforcing a customer-first undertakings
- Largely increased volume of transfer to investment trust reserve account. From Nov 2017, BTMU began promoting “MUFG Fund Wrap” at all branches. Continue to make progress on enhancing revenue from stock balance

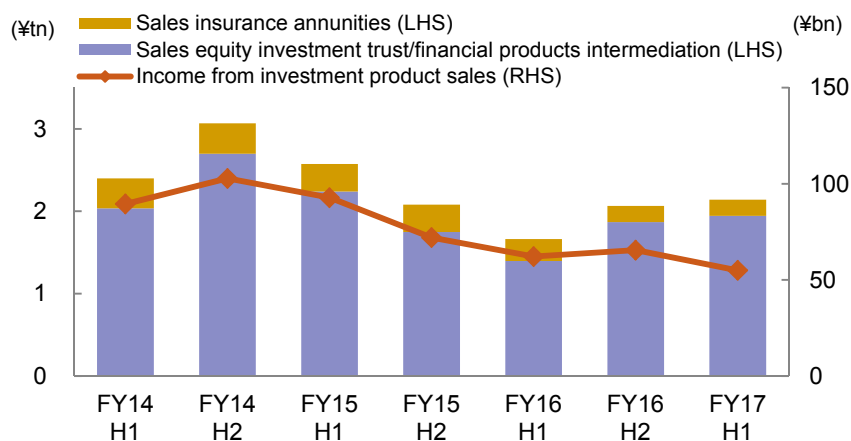
Asset balance\*<sup>1</sup> / no. of investment trust account\*<sup>2</sup>



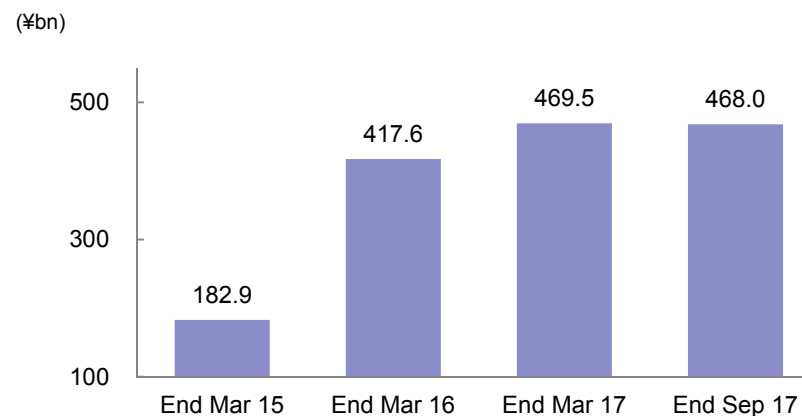
Volume of transfer to investment trust reserve account



Investment products sales / income\*<sup>1\*3</sup>



Wrap product balance (Incl. wrap fund)\*<sup>1</sup>



\*1 Managerial accounting basis

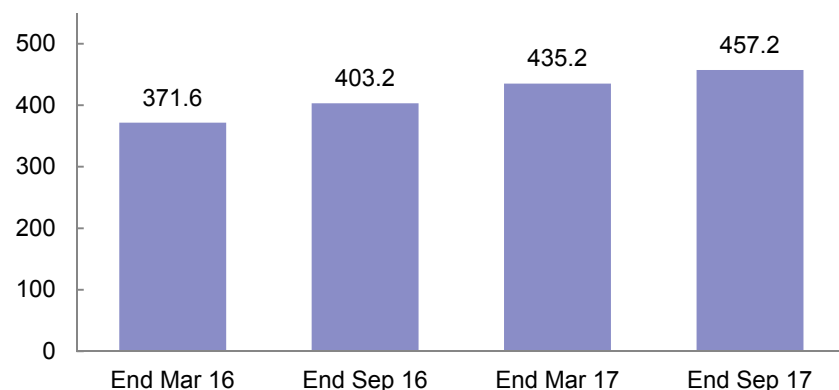
\*2 Excl. investment trust account without balance

\*3 BTMU + MUTB + MUMSS (excl. PB Securities)

## Appendix: Support wealth accumulation and stimulation of consumption for individual clients – Consumer finance / payments

### Balance of BANQUIC (BTMU)\*1

(¥bn)



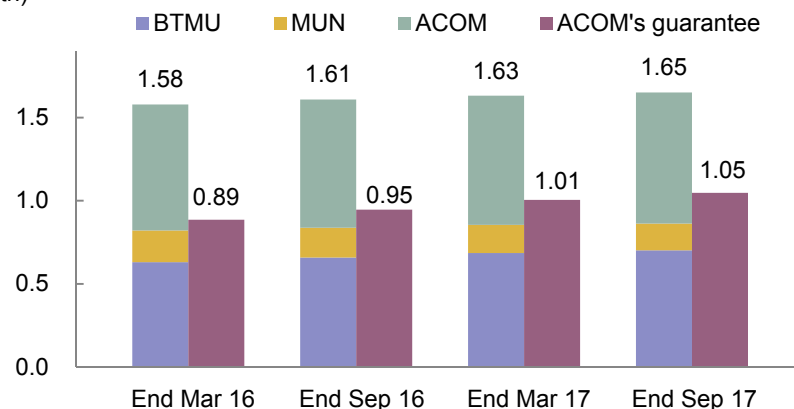
### Contributing to the healthy consumer finance market

- Taking related regulations/requirements into account, contributed to the development of healthy bank card loan market

Approaches	
Credit assessment structure	<ul style="list-style-type: none"> <li>• From more than ¥2.0 mm to more than ¥0.5 mm</li> <li>• Upgrade our credit assessment model by, for example, better utilizing transaction information</li> </ul>
Advertising policy	<ul style="list-style-type: none"> <li>• Manage with consideration such as <ul style="list-style-type: none"> <li>✓ Stop broadcasting TV ad for the time being</li> <li>✓ Refrain from presenting standards for annual income certificate submission</li> </ul> </li> </ul>

### Balance of unsecured loan, guarantee\*1

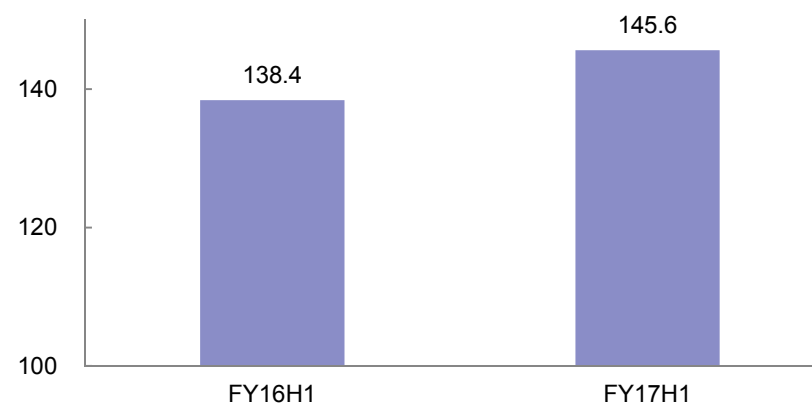
(¥tn)



\*1 Managerial accounting basis

### Profits in card business (MUFG)\*1

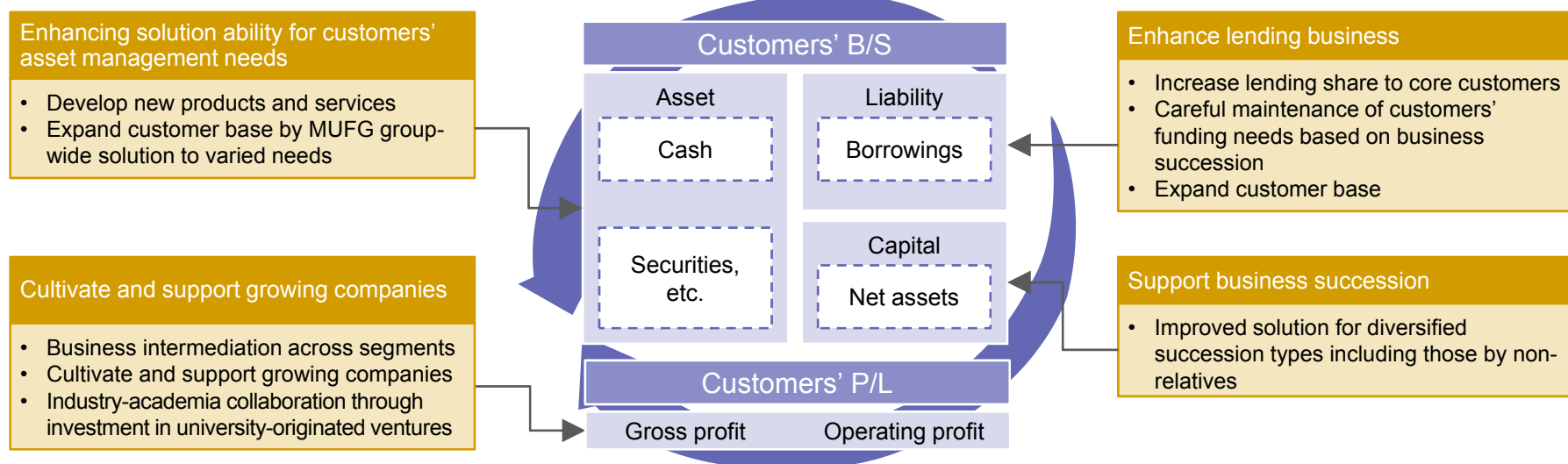
(¥bn)



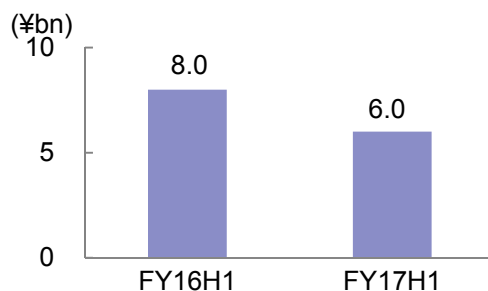
## Appendix: Contribute to growth of SMEs

- Enhance core businesses (lending and exchange, etc.) considering they are the sources of competitiveness for the commercial banking model
- Strengthen and expand fee businesses fully leveraging MUFG's group-wide solution capabilities

Contribute to customers' growth by responding to the needs not only on their liability but also on asset, capital, and gross profit, etc.



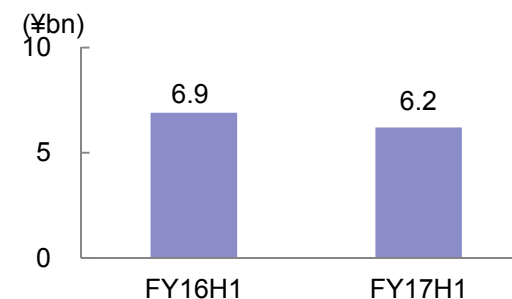
Profits from AM business\*1



Average lending balance (domestic)\*1\*2



Profits from inheritance / M&A related business (BTMU)\*1



\*1 All figures on a managerial accounting basis

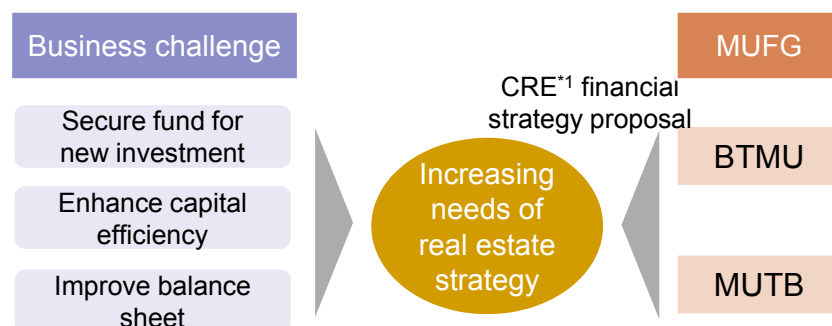
\*2 In BTMU domestic branches or offices for SMEs

## Appendix: Reform global CIB business model – Japanese large corporate

- Increase our knowledge and MUFG's group-wide business solution capabilities for diversified operational environment and business issues of each customers

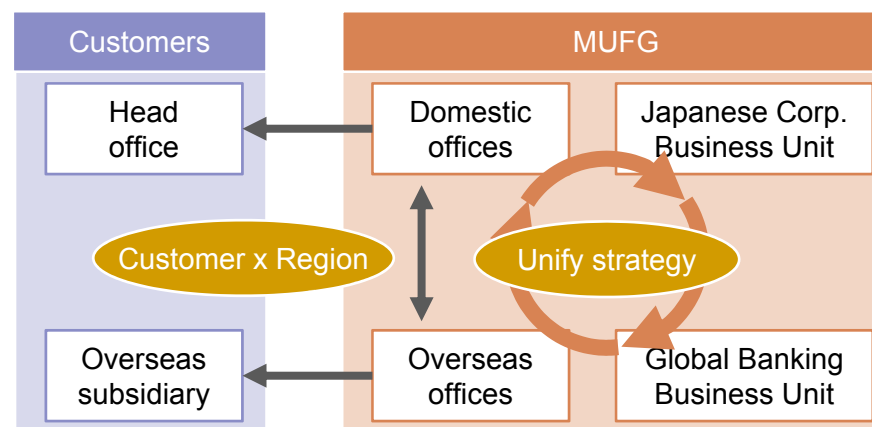
### Promote deal-creating business model

#### Example: CRE<sup>\*1</sup> financial strategy proposal



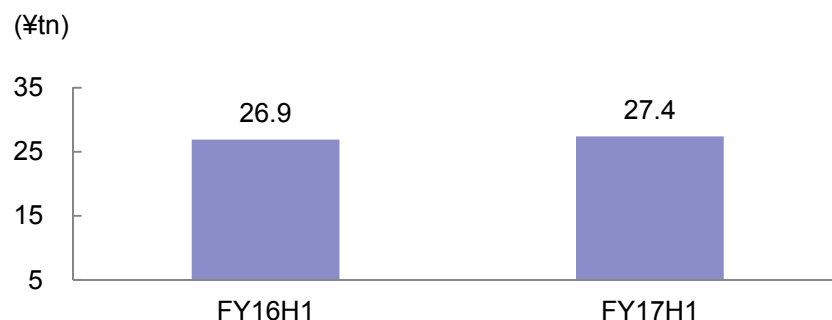
- Provide solutions to customers leveraging BTMU/MUTB's strength

### Expand overseas business with global co-operating structure



- Promote PMI (post merger integration) transactions by providing solutions to overseas acquired company

### Average lending (Global, BTMU)<sup>\*2\*3</sup>

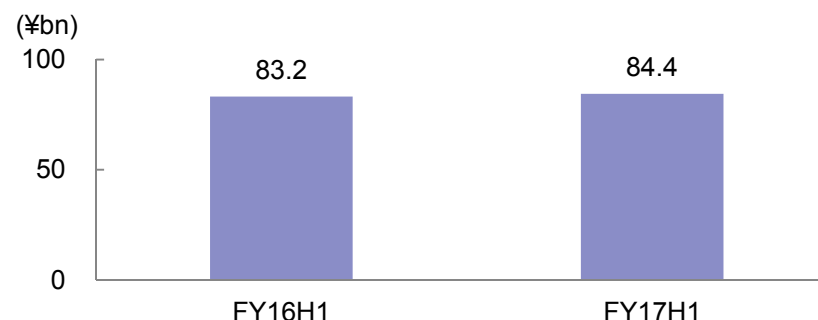


\*1 Corporate Real Estate

\*2 All figures are in managerial accounting basis

\*3 Avg. lending balance to Japanese corporate of BTMU branches or offices for large corporate business on a global basis

### Overseas profits from Japanese corporate (BTMU)<sup>\*2</sup>



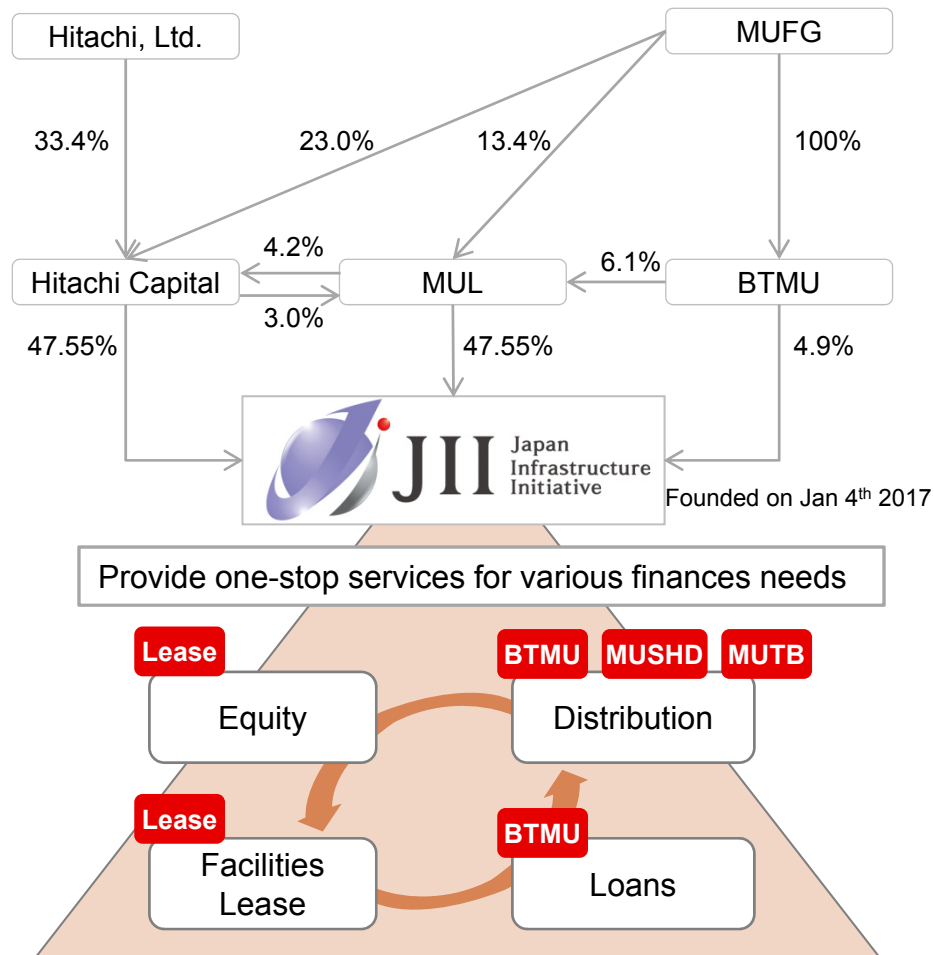


## Appendix: Reform global CIB business model

### – Japan Infrastructure Initiative invested in UK rail infrastructure

- Japan Infrastructure Initiative ('JII'), established via a business alliance between MUL, Hitachi Capital, MUFG, BTMU and Hitachi to serve as an open financial platform, executed its first investment in rail infrastructure in the United Kingdom

#### Services provided by the Financial Platform



#### Investment in UK Rail Infrastructure

- JII invested £75 million in High Speed 1 (HS1), a U.K. rail infrastructure, making its first investment in September 2017
- HS1 handles core infrastructure business based on a concession agreement with U.K. Department for Transport, operating and maintaining a high-speed railway line spanning 109 km from London to the entrance of Channel Tunnel as well as four key stations along the line

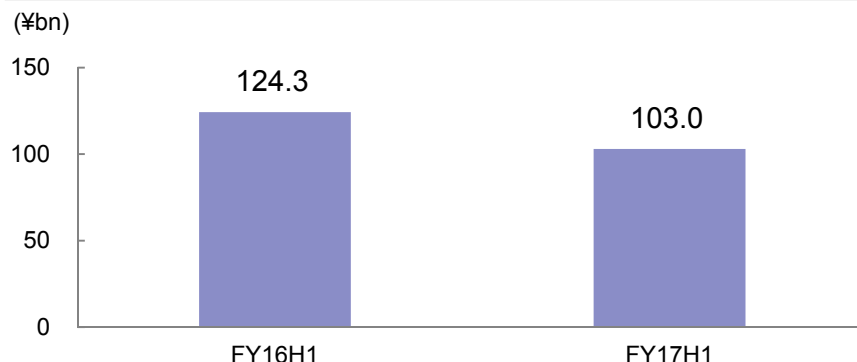


# Appendix: Reform global CIB business model

## – Global corporate

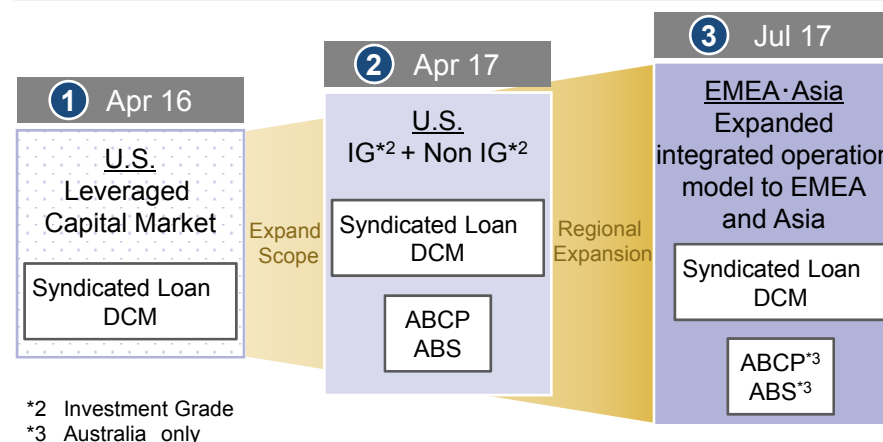
- Strengthen business with global corporates by developing global coverage model and expanding integrated operation between banking and securities business

### Non-interest profits (Global corporates)\*1



\*1 Managerial account basis. Local currency basis. Including fees, FX and derivatives. Excluding KS and MUAH

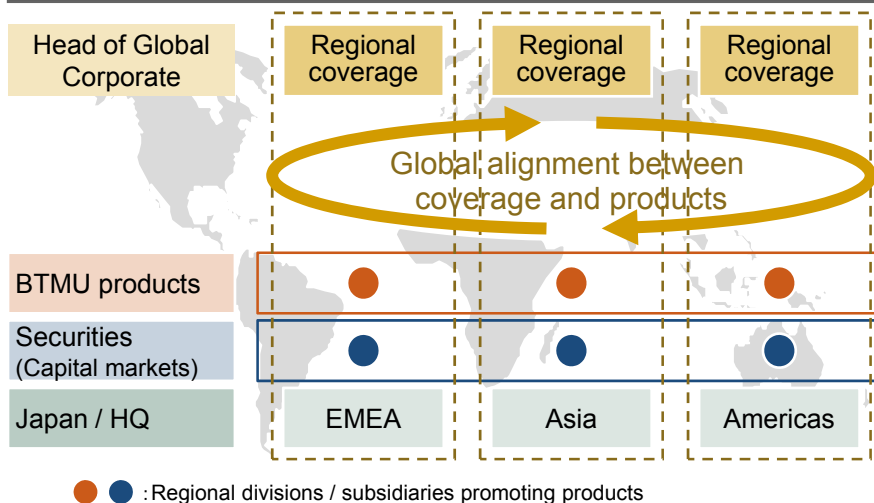
### Integrated operation in primary business



\*2 Investment Grade

\*3 Australia only

### Global coverage model



● ● : Regional divisions / subsidiaries promoting products

### Case studies

#### CSRA's Re-price and Upsize of Term Loan B



- MUFG supported CSRA's Term Loan B\*4 Re-price as a Sole Bookrunner
- MUFG demonstrated a strong distribution capability

#### LSE's acquisition of Citi's fixed income analytics and index



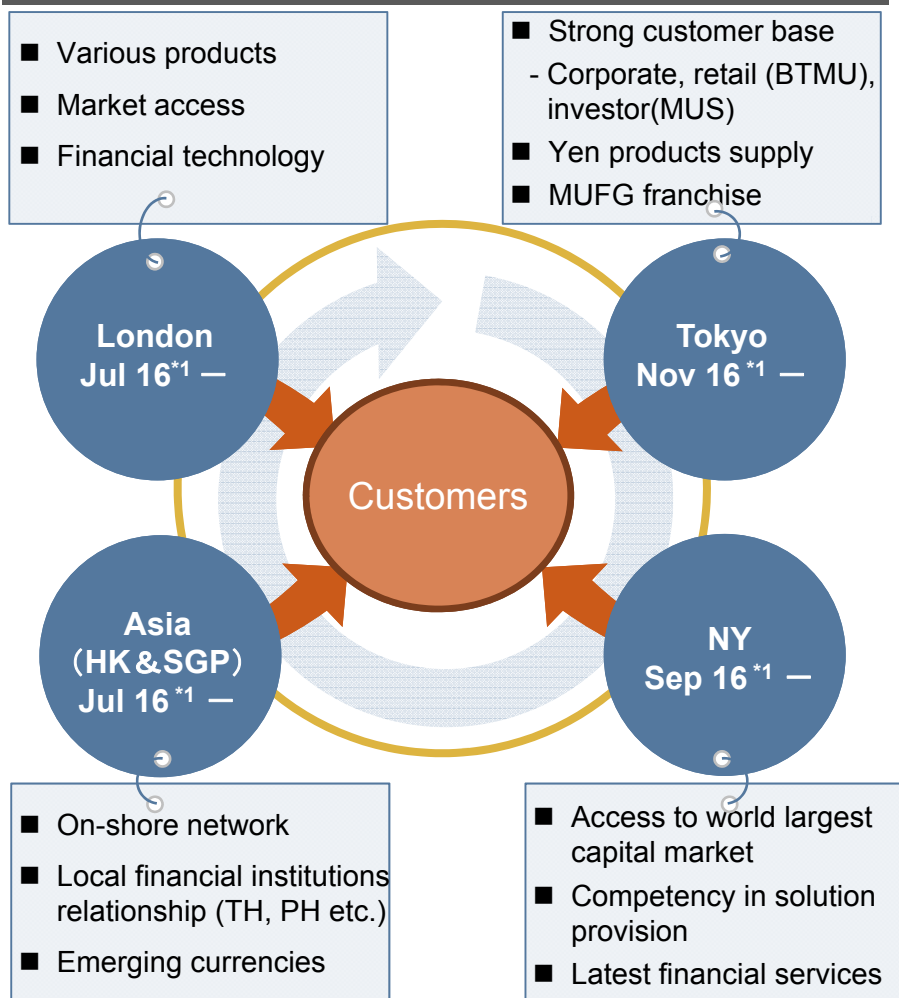
- MUFG supported LSE's acquisition with bridge finance (Sole Co-ordinator & MLA) and bond issuance (Active Bookrunner)

\*4 A type of leveraged loans purchased mainly by Institutional Investors

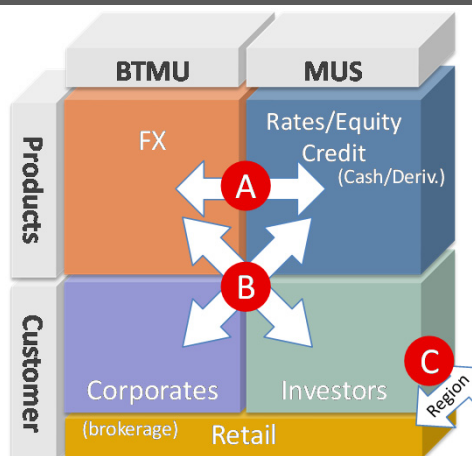
## Appendix: Evolve sales and trading operations

- Despite of the healthy performance in EMEA, FY17H1 profit decreased on a YoY basis mainly due to sluggish domestic bond market
- Move toward operational phase. Develop inbound/outbound business through globally integrated operations

### MUFG One Global Platform

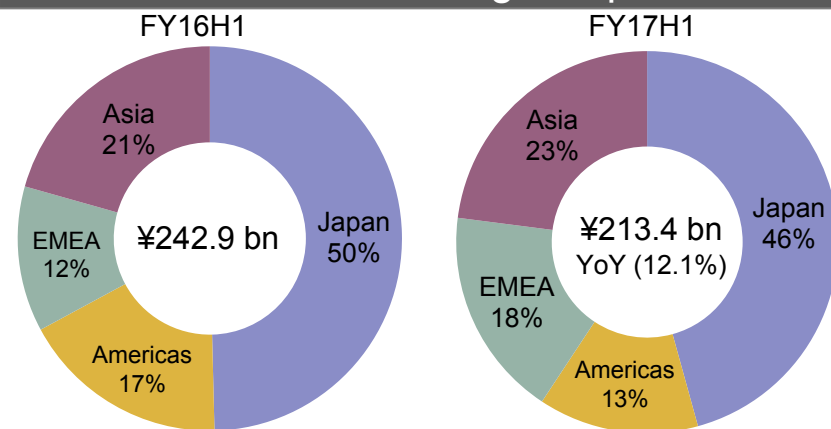


### Enhancing synergy between BTMU & MUS



- A** Cross Product X
- B** Cross Entity X
- C** Cross Region

### Consolidated S&T gross profits<sup>\*2</sup>



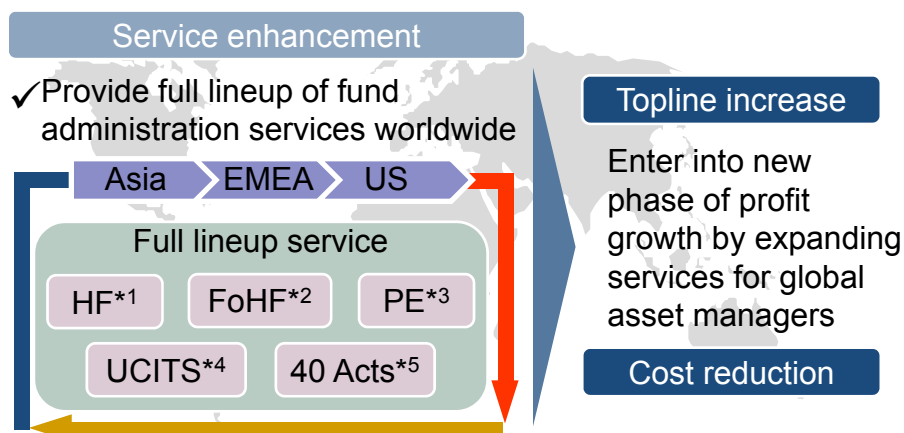
<sup>\*1</sup> Integrated operations started in each region on the date shown

<sup>\*2</sup> Consolidated S&T gross profits of BTMU / MUTB / MUSHD.  
Local currency basis

## Appendix: Develop global asset management and investor services operations

- Global IS : Provide a full lineup of fund administration services for global investment managers and enter into new phase of profit growth
- Global AM : Consider new inorganic investments. Accelerate the index business and expand the distribution channels

### Global IS to enter into new phase of profit growth



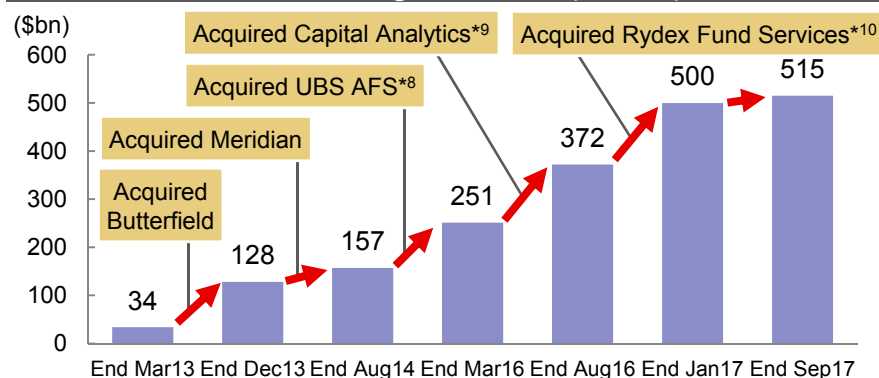
### Affiliation and collaboration of global AM

Affiliates with stake holding	AuM*11 capital ratio	Products
<b>Standard Life Aberdeen</b> *12	¥88 tn*13 6%	Equity / Bond (Global, Emerging, Asia), Real estate, etc.
<b>AMPCAPITAL</b>	¥15 tn 15%	Equity / Bond (Australia, Global), Infrastructure, Real estate
<b>申万菱信基金</b> SWS MU FUND MANAGEMENT	¥1 tn 33%	Equity / Bond (China)

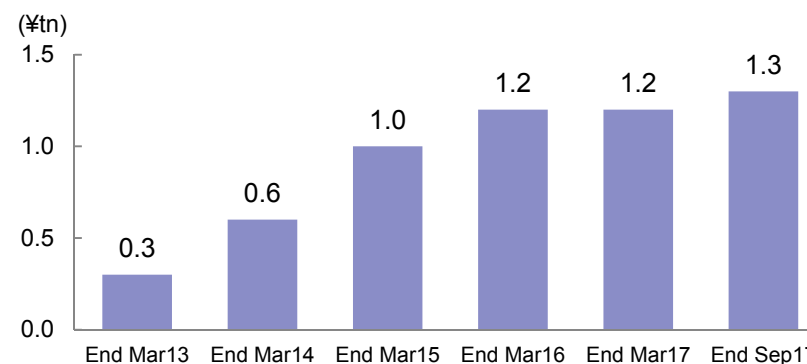
(As of end Jun 17)

Index business collaboration	<b>STOXX</b>	Jointly develop smart-β indices to enhance investment product sales and provide to asset managers
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### Balance of global IS\*6 (AuA\*7)



### Balance of AuM from overseas investors (MUTB)



\*1 Hedge fund \*2 Fund of Hedge Funds \*3 Private equity \*4 Investment funds established and managed under the EU regulations \*5 Mutual fund based on the 1940 Investment Company Act \*6 Sum of HF/PE/Investment funds (40Act etc) administration \*7 Asset under Administration \*8 Alternative Fund Services

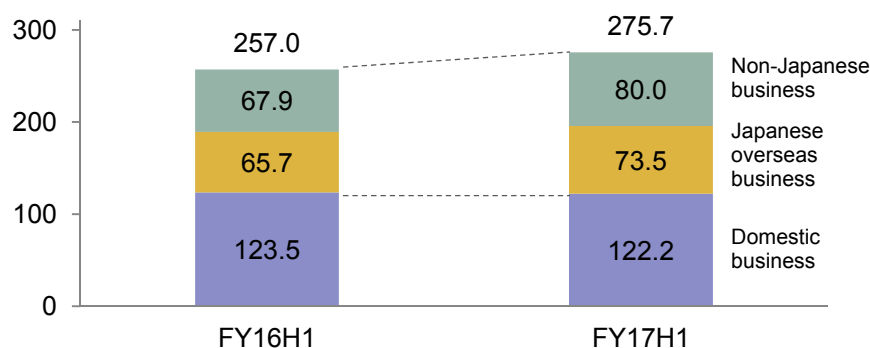
\*9 Current MUFG Capital Analytics, LLC \*10 Current MUFG Investor Services(US), LLC \*11 Asset under Management \*12 Aberdeen Asset Management  
 Plc merged with Standard Life Plc on Aug 14, 2017 \*13 The figure for Standard Life Aberdeen's AuM is the sum of assets managed by Aberdeen Asset Management Plc (End Mar 17) and Standard Life Plc (End Jun 17)

## Appendix: Further reinforce transaction banking business

- Transaction banking gross profit is steadily growing driven by overseas business growth
- The increase in non-JPY deposits far exceeded the initial plan. We are also seeing steady growth in such basic client base indicators as the domestic settlement numbers and overseas trade finance balance

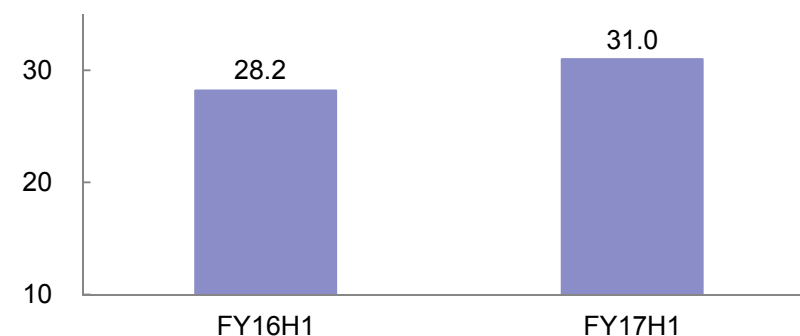
Transaction banking gross profit\*1

(¥bn)



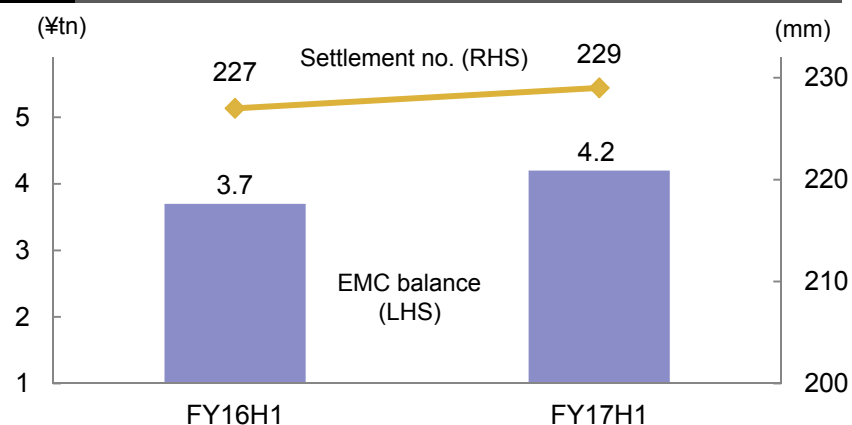
Over-seas  
(¥tn)

Avg. balance of non-JPY deposits\*1



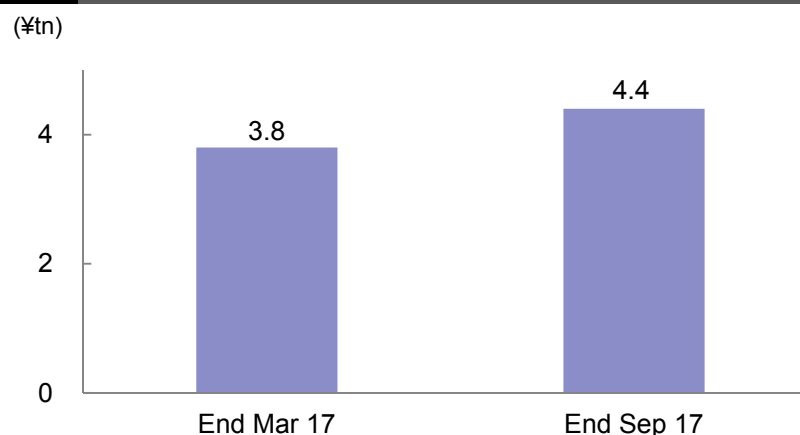
Domestic EMC\*2 balance • settlement no\*1

(¥tn)



Over-seas  
(¥tn)

Trade finance\*3 balance\*1



\*1 Figures are on a managerial accounting basis and local currency basis

\*2 EMC: Electronic Monetary Claim

\*3 Trade finance: Import / export LC and documentary collections, transactions under FI trade credit limits, open account trade finance, stand-by LC, bank guarantee

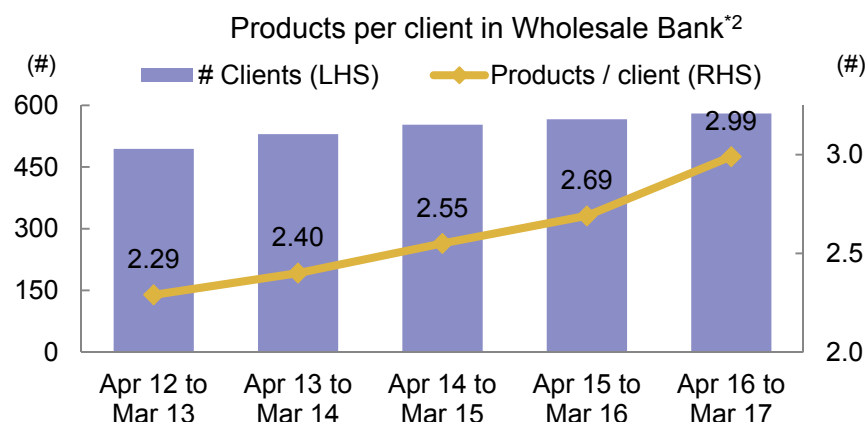
## Appendix: Strengthen commercial banking platforms in Asia and the United States – U.S. Business

- Focus on increasing fee income/deposit and cost management to improve profitability and generate sustainable growth

### Consolidated results of Americas\*1

	(¥bn)	FY16 H1	FY17	
			H1	YoY
1 <b>Gross Profits</b>		346.9	333.5	(13.3)
2 <b>Interest Income</b>		231.2	244.8	13.7
3 <b>Non- Interest Income</b>		115.7	88.7	(27.0)
4 <b>Operating Income</b>		131.3	109.2	(22.1)
5 <b>Average Lending Balance (tn)</b>		19.7	19.7	(0.1)
6 <b>Average Deposit Balance (tn)</b>		16.2	17.1	0.9

### Client solutions

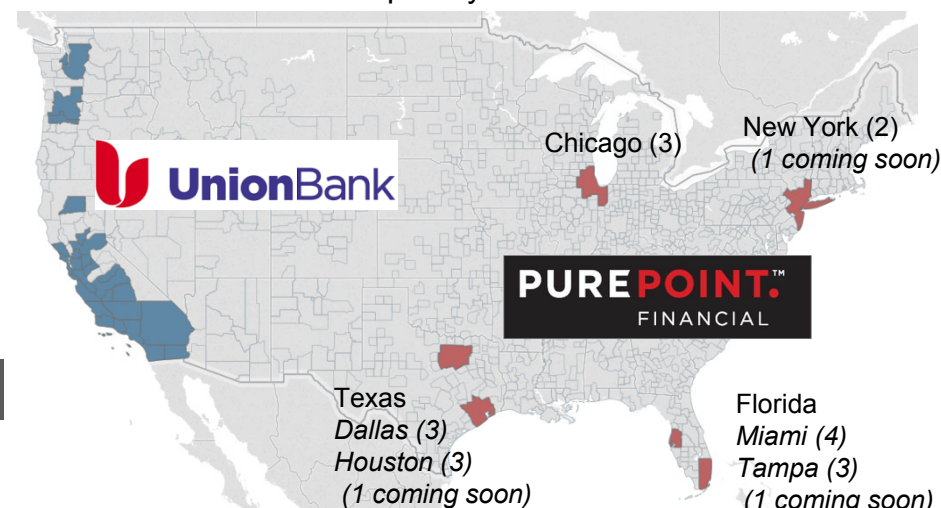


\*1 Managerial accounting basis. Local currency basis. Business operations in the U.S., Canada and Latin America belonging to BTMU Global Banking Group

\*2 U.S. Wholesale Banking clients that have been covered for the entire analysis period. Deposit-only clients removed

### Gathering deposits

- 18 locations open in 6 different markets and expect to have 22 locations open by end of FY17



### Relocation of certain support functions to Arizona

- U.S. workforce primarily domiciled in higher cost metro areas (NY, LA, SF)
- Part of back office operations and support functions have been transferred to Phoenix, Arizona
- Headcount in Phoenix is approx. 750 and expected to increase in the future



## Appendix: Strengthen commercial banking platforms in Asia and the United States – Krungsri

- Support Thai corporate customers in their overseas expansion leveraging MUFG's global networks and capabilities
- Due to Krungsri's contribution to the Thai banking system and overall economy, the Bank was among the five leading domestic banks enlisted by the BOT as Domestic Systemically Important Banks (D-SIBs) (Sep 25th)

### Strategic objectives\*<sup>1</sup>

(THB bn)	FY16 (End Dec 16)	FY17 Q3 (End Sep 17)	Change
<b>Lending balance*<sup>2</sup></b>	1,448.9	1,496.2	47.3
<b>Non-interest income</b>	29.5	23.3	1.2* <sup>3</sup>
<b>CASA balance</b>	583.9	569.8	(14.1)

\*1 All figures are based on Thai GAAP \*2 Loans to customers net of deferred revenue

\*3 Year on Year

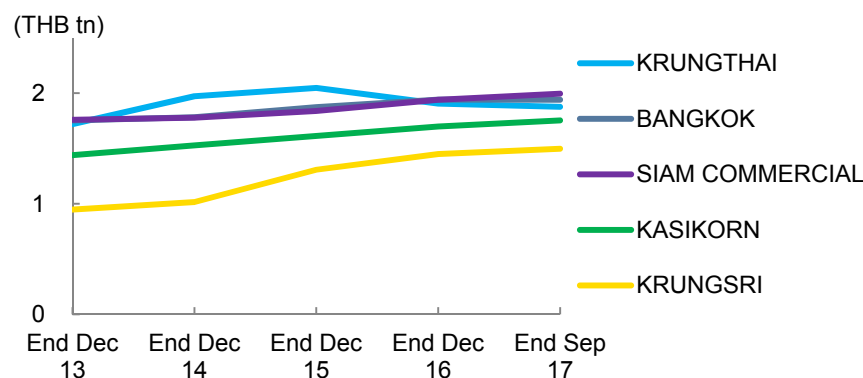
### Major synergy transactions

#### Supported Siam City Cement's regional expansion

- Siam City Cement acquired LafargeHolcim's assets in Sri Lanka and Vietnam
- MUFG provided financial solutions including \$1.1bn M&A finance with a strong collaboration



### Lending balance comparison\*<sup>4</sup>

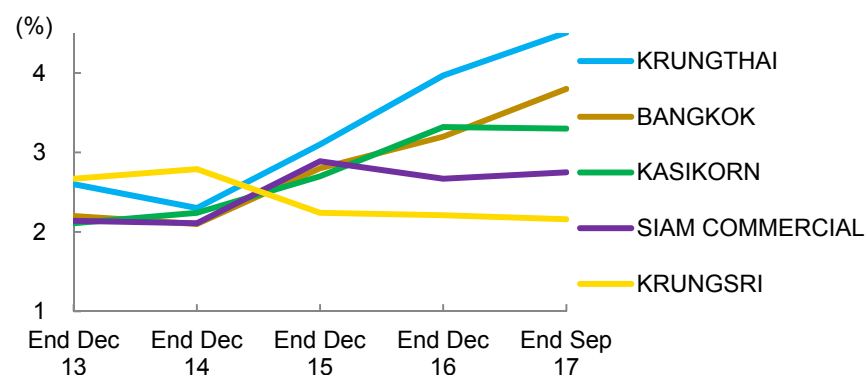


(Source) Bloomberg, Company data

\*4 Lending balance is sum of loans

BTMU Bangkok branch was integrated to KS with total loan of THB 232.7 bn in Jan 15

### NPL ratio comparison



# Appendix

1. Historical outlook by business segment

2. Growth strategy

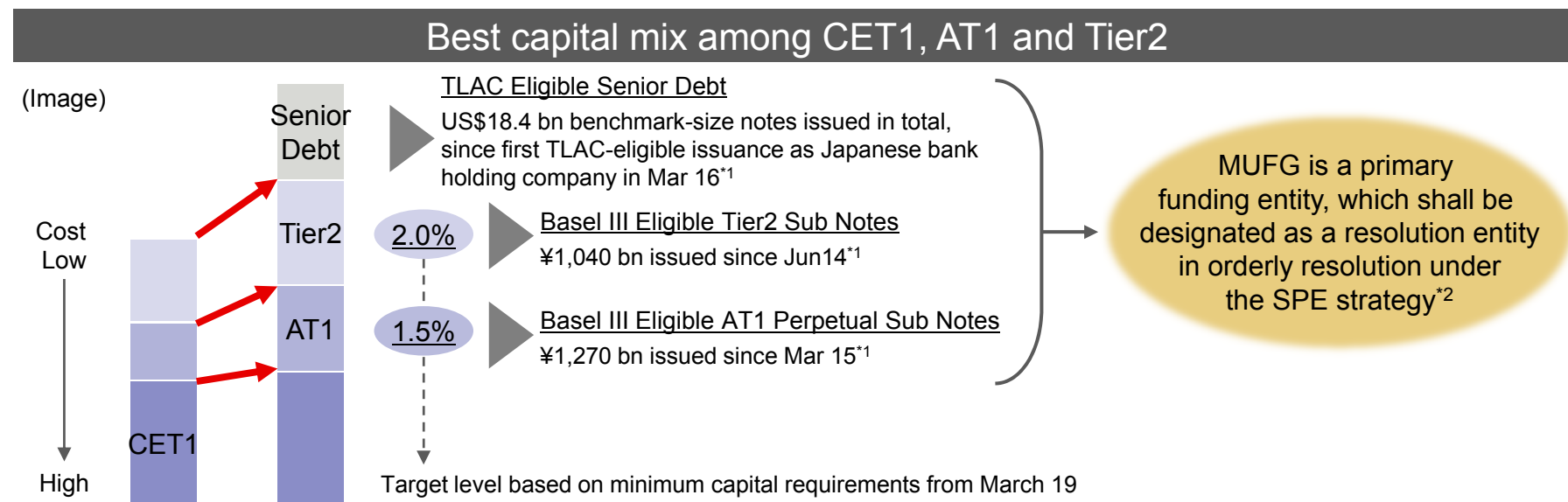
3. TLAC requirement



## Appendix: TLAC requirement

### – The best capital mix

- Capital management with utilization of AT1 / Tier 2 and controlling CET1 at necessary and sufficient level. Aiming for the right balance between capital efficiency and capital adequacy in qualitative and quantitative aspects



#### Ref. estimated TLAC ratio<sup>\*3</sup>

As of end Sep 17	16.8%
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(Note) TLAC ratio estimation is calculated as follows, which is based on our total capital ratio as of end Mar 17

TLAC Ratio = Total capital ratio (16.33%) — Capital conservation buffer (2.5%) — G-SIB surcharge (1.5%) + Contribution of Deposit Insurance Fund Reserve (2.5%) + TLAC eligible debt (1.85%) — Other adjustments, etc.

#### Ref. minimum TLAC requirement

	from Mar 19	from Mar 22
<b>TLAC requirement</b>	16.0%	18.0%

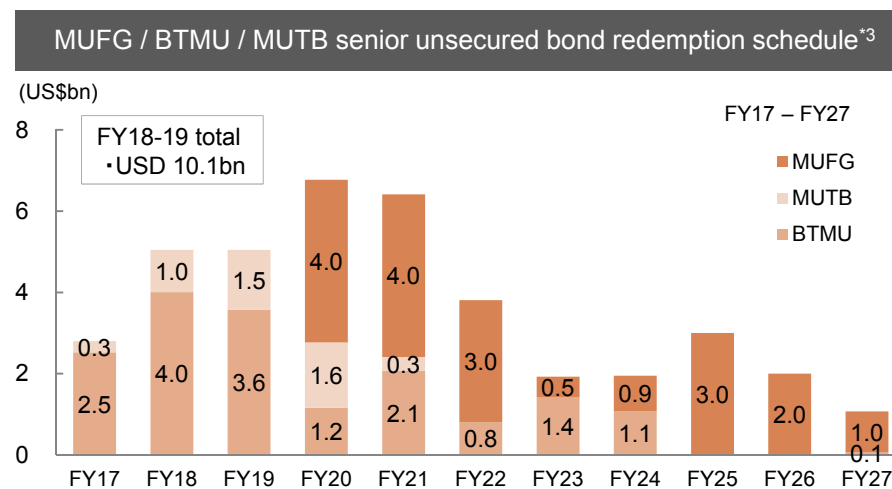
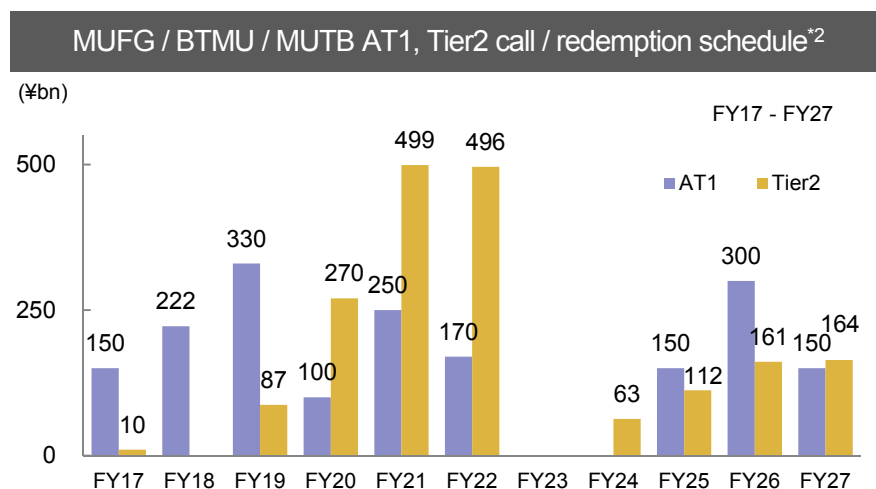
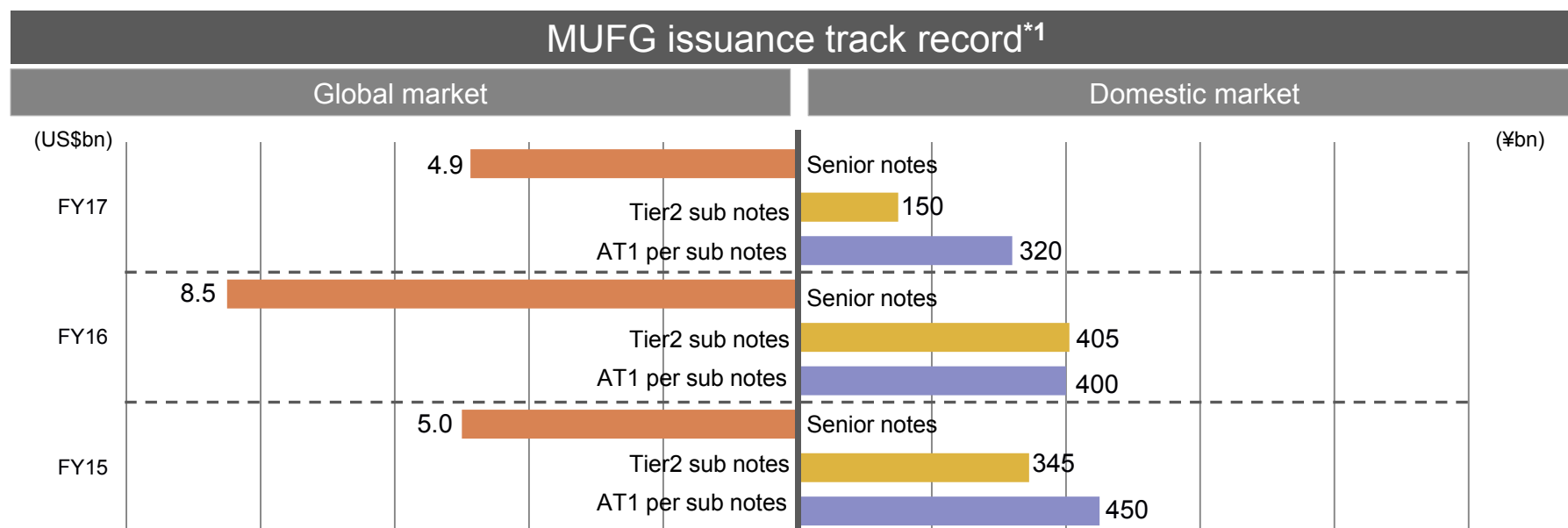
<sup>\*1</sup> Accumulated amount as of end Oct 17. TLAC Eligible Senior Debt are converted into US\$ with actual exchange rates as of end Oct 17

<sup>\*2</sup> Single Point of Entry strategy: to resolve a financial group at the level of its ultimate parent, rather than the operating companies at subsidiary level in financial difficulty by the single national financial authority

<sup>\*3</sup> Figure contains 2.5% portion of RWA, which is expected to be counted as TLAC after Mar 19 based on the prospect that the relevant authorities agree that the Japanese Deposit Insurance Fund Reserves satisfy as credible ex-ante commitments specified in TLAC Term Sheet. This will add another 1.0% of RWA after Mar 22, which will increase the estimated TLAC ratio by 1.0%. Since TLAC requirements in Japan have not yet been finalized, actual TLAC ratio may be different from our estimation

# Appendix: TLAC requirement

– MUFG issuance track record in both domestic and global markets and redemption schedule



\*1 Total of public issuance

\*2 Figures are as of end Oct 17 assuming that all callable notes are to be redeemed on its first callable date. AT1 and Tier2 contain Basel II Tier1 preferred securities and Basel II Tier2 sub notes respectively

\*3 Figures are all converted into US\$ with actual exchange rates as of end Oct 17. Excluding structured bond and notes issued by overseas branches and subsidiaries