



Fiscal 2018 Results Presentation

May 20, 2019



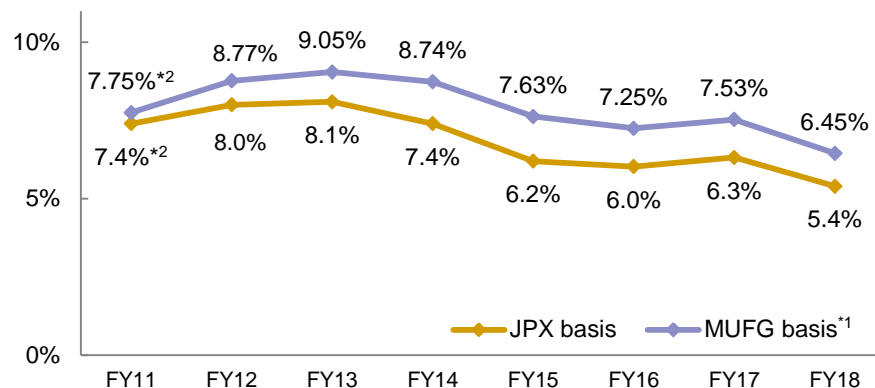
This document contains forward-looking statements in regard to forecasts, targets and plans of Mitsubishi UFJ Financial Group, Inc. (“MUFG”) and its group companies (collectively, “the group”). These forward-looking statements are based on information currently available to the group and are stated here 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, Integrated 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 this document was prepared in accordance with Japanese GAAP (which includes Japanese managerial accounting standards), unless otherwise stated. Japanese GAAP and U.S. GAAP, differ in certain important respects. You should consult your own professional advisers for a more complete understanding of the differences between U.S. GAAP and Japanese GAAP and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this document. This document is being released by MUFG outside of the United States and is not targeted at persons located in the United States.

Definitions of figures used in this document

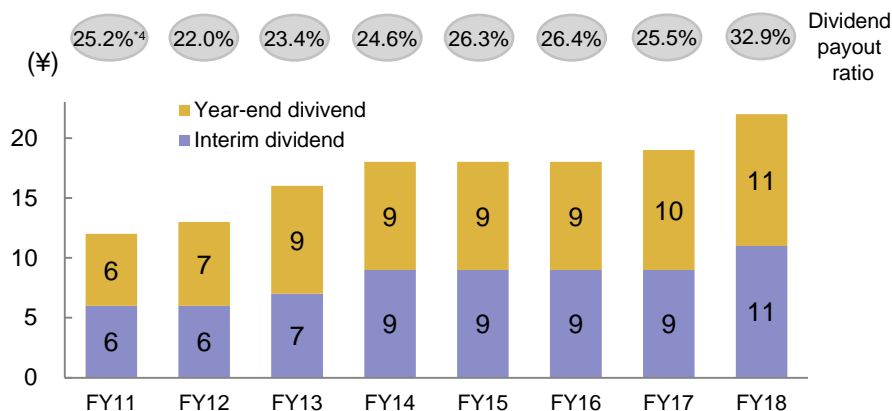
• Consolidated:	Mitsubishi UFJ Financial Group (consolidated)		
• Non-consolidated:	Simple sum of MUFG Bank (non-consolidated) and Mitsubishi UFJ Trust & Banking Corporation (non-consolidated)		
• the Bank (consolidated):	MUFG Bank (consolidated)		

• MUFG:	Mitsubishi UFJ Financial Group	• R&C:	Retail & Commercial Banking
• the Bank (BK):	MUFG Bank	• JCIB:	Japanese Corporate & Investment Banking
• the Trust Bank (TB):	Mitsubishi UFJ Trust & Banking Corporation	• GCIB:	Global Corporate & Investment Banking
• the Securities HD (SCHD):	Mitsubishi UFJ Securities Holdings	• GCB:	Global Commercial Banking
• MUMSS:	Mitsubishi UFJ Morgan Stanley Securities	• AM/IS:	Asset Management & Investor Services
• MSMS:	Morgan Stanley MUFG Securities		
• NICOS:	Mitsubishi UFJ NICOS		
• MUAH:	MUFG Americas Holdings Corporation		
• KS:	Bank of Ayudhya (Krungsri, KS)		
• Bank Danamon:	Bank Danamon Indonesia		
• CFSGAM:	Colonial First State Global Asset Management		

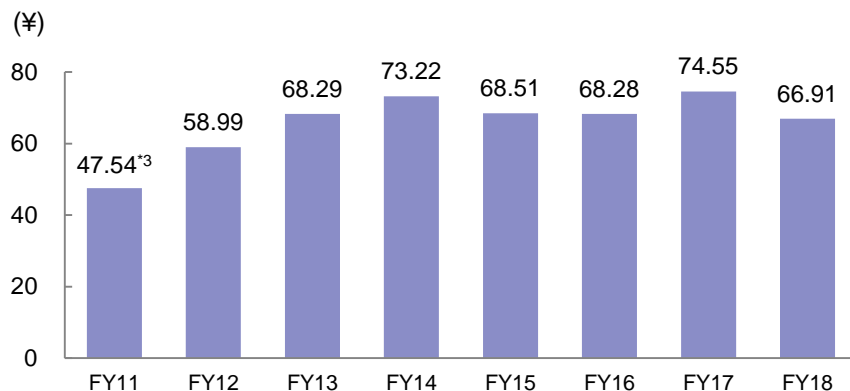
ROE



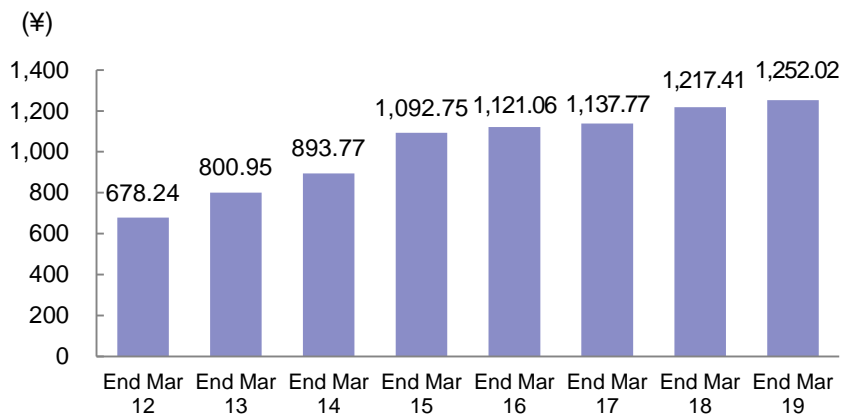
Dividend per share / Dividend payout ratio



EPS



BPS



Profits attributable to owners of parent

*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

	FY17 results	FY18 results	FY20 targets	Mid- to long- term targets
ROE	7.53%	6.45%	Approx. 7% - 8%	9% - 10%
Expense ratio	68.0%	71.0%	Below FY17 results	Approx. 60%
CET1 ratio (Finalized Basel III reforms basis*1)	11.7%	11.4%	Approx. 11%	

*1 Estimated CET1 ratio reflecting the RWA increase calculated on the finalized Basel III reforms basis

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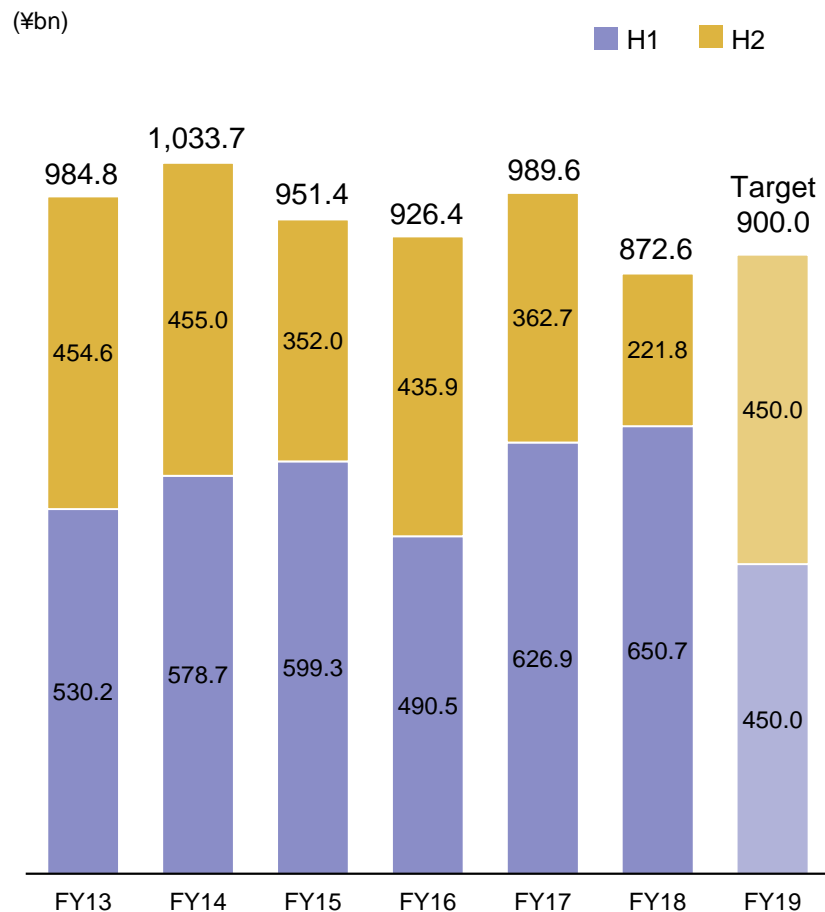
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Outline of FY2018 Results

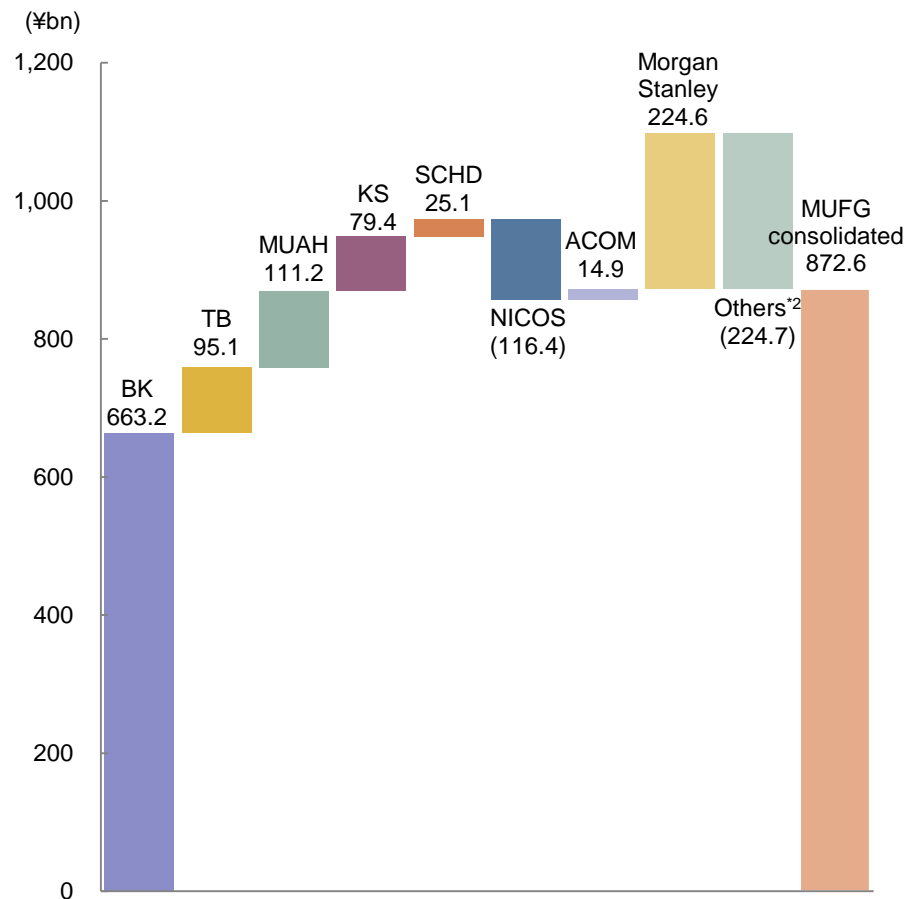
Outline of FY2018 results

(Consolidated)

History of profits attributable to owners of parent



Breakdown of FY18 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 Including cancellation of the amount of inter-group dividend receipt, net gains on sales of equity securities due to subsidiary's share repurchase and equity method income from other affiliate companies

Mitsubishi UFJ NICOS

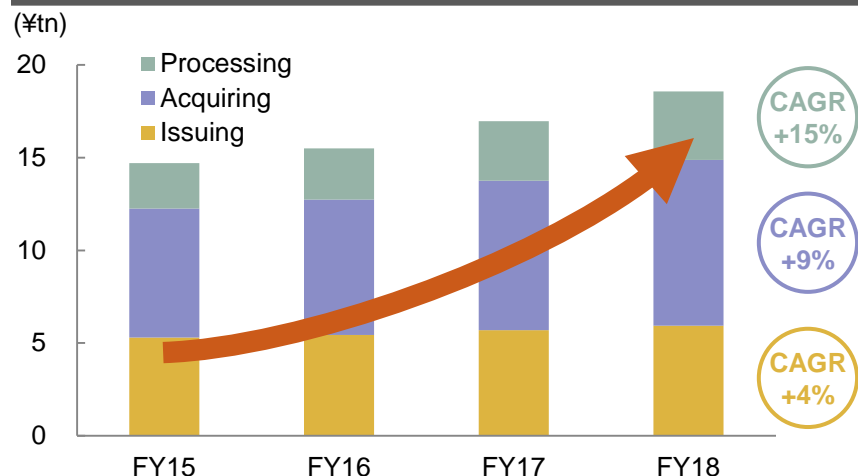
– Financial results of FY2018

Outline of FY18 results*1

(¥bn)	FY17	FY18	YoY
Operating revenues	288.8	299.4	10.6
Operating expenses	284.7	293.8	9.1
Operating profits	4.1	5.6	1.4
Other profits and losses	(11.7)	(161.1)	(149.4)
Total of income taxes current and income tax deferred	21.6	39.1	17.4
Profits attributable to owners of parent	14.0	(116.4)	(130.4)

- **Provision for losses on interest repayment (Approx. ¥13bn)**
→ Secured 2.2 years' worth of reimburse claims in FY18
- **Impairment losses on system integration-related assets (Approx. ¥94bn)**
→ Fundamental revision of system integration plan
- **Impairment losses on other fixed assets (Approx. ¥55bn)**
→ Due to the change of future cash flow forecast
→ Will decrease depreciation expenses from FY19 onward

Transaction volume



Fundamental revision of system integration plan

Causes for the revision

1. Complexity and difficulty greater than expected
2. Rapid changes in the payment business environment

NICOS's role and position as "core entity to support MUFG's payment business" remain unchanged

*1 Provision for losses on interest repayment is included in other profits and losses

Mitsubishi UFJ NICOS

– Fundamental revision of system integration plan

Consider building a new system for integration

- Strengthen project management by MUFG (the holding company)
- Increase staffs and establish a checking department for the project
- Aim to present the date when we complete to make the new system plan during the second half of FY19

Change in the competitive environment

EC market

Grow further

Government

Promote cashless society

User

Continue to prefer post payment

→ **Credit card's transaction volume will continue to increase**

Entry from other industries

EC, telecom retail, distribution

Diversification

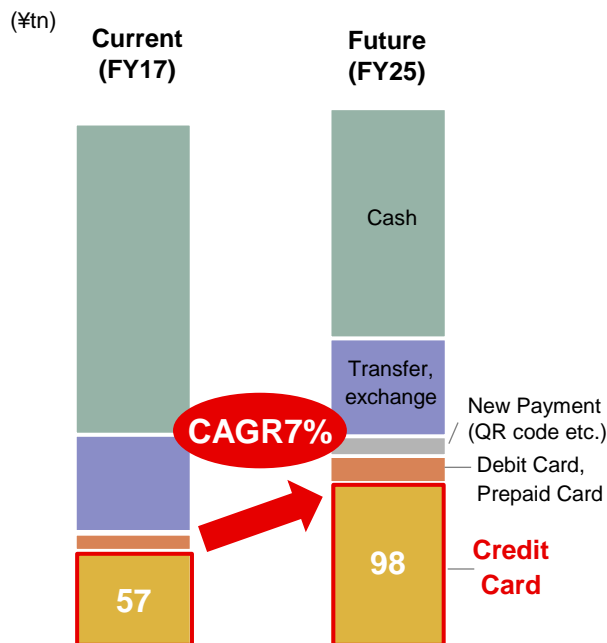
QR code payment
E-money

Large volume, micro payment

IoT payment

→ **Cost competitiveness will be essential**

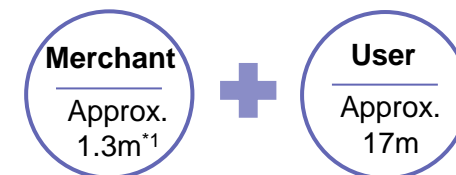
Forecast of payment market (B2C Transaction Volume)



Source: Our estimates based on various publications

NICOS's strengths

1. Solid network of customers



2. Comprehensive payment functions

	Transaction volume (¥tn)	Share*
Issuing	5.9	9%
Acquiring	8.9	13%
Processing	3.7	-

* NICOS's transaction share in the market

3. Utilize a wealth of knowledge in new payment business fields

4. MUFG's customer base

* 1 The total number of contracts with merchants by three brands (DC, NICOS, MUFG)

Income statement summary

(Consolidated)

(¥bn)	FY17	FY18	YoY
1 Gross profits (before credit costs for trust accounts)	3,854.2	3,725.7	(128.5)
2 Net interest income	1,906.8	1,922.7	15.9
3 Trust fees + Net fees and commissions	1,449.7	1,429.3	(20.3)
4 Net trading profits + Net other operating profits	497.6	373.6	(124.0)
5 Net gains (losses) on debt securities	6.7	29.9	23.2
6 G&A expenses	2,621.4	2,647.1	25.7
7 Net operating profits	1,232.8	1,078.5	(154.2)
8 Total credit costs *1	(46.1)	(5.8)	40.2
9 Net gains (losses) on equity securities	133.1	112.6	(20.5)
10 Net gains (losses) on sales of equity securities	140.1	125.9	(14.1)
11 Losses on write-down of equity securities	(7.0)	(13.3)	(6.3)
12 Profits (losses) from investments in affiliates	242.8	284.3	41.5
13 Other non-recurring gains (losses)	(100.3)	(121.7)	(21.3)
14 Ordinary profits	1,462.4	1,348.0	(114.3)
15 Net extraordinary gains (losses)	(53.0)	(202.7)	(149.6)
16 Total of income taxes-current and income taxes-deferred	(313.4)	(195.5)	117.8
17 Profits attributable to owners of parent	989.6	872.6	(116.9)
18 EPS (¥)	74.55	66.91	(7.64)

● Gross profits

- The decrease in gross profits was mainly due to decreases in net profits associated with global markets business, while net interest income from foreign currency-denominated loans and deposits increased

● G&A expenses

- G&A expenses increased due to an increase in expenses for overseas operations caused by the expansion of overseas business and for global financial regulatory compliance

● Total credit costs*1

- Total credit costs improved due to an increase in the reversal of allowance

● Profits from investments in affiliates

- Profits from investments in Morgan Stanley increased

● Net extraordinary losses

- Net extraordinary losses increased in impairment losses of fixed assets from system integration of NICOS

● Profits attributable to owners of parent

- As a result, profits attributable to owners of parent decreased ¥116.9 bn (Achieved 91.9% against FY18 target)

*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

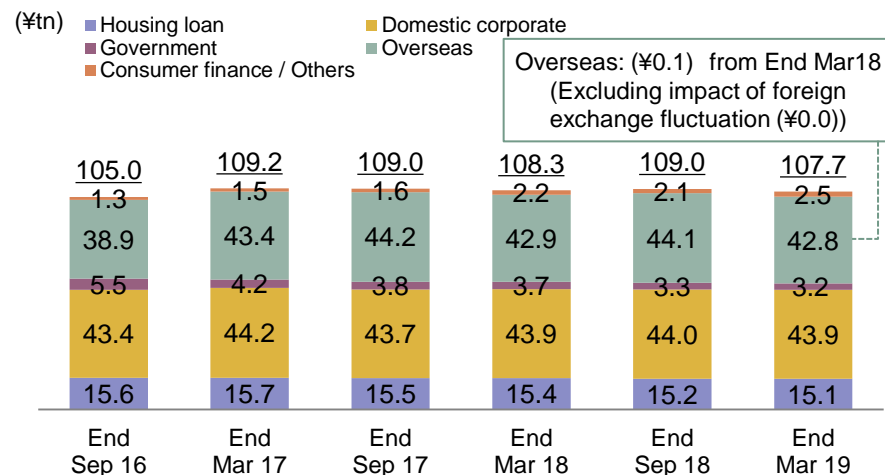
(Consolidated)

(¥bn)	End Mar 18	End Mar 19	Changes
1 Total assets	306,937.4	311,138.9	4,201.4
2 Loans (Banking + Trust accounts)	108,397.7	107,773.1	(624.5)
3 Loans (Banking accounts)	108,090.9	107,412.4	(678.5)
4 Housing loans ^{*1}	15,453.9	15,121.9	(332.0)
5 Domestic corporate loans ^{*1*2}	43,996.4	43,973.0	(23.3)
6 Overseas loans ^{*3}	42,949.3	42,844.9	(104.4)
7 Investment securities (Banking accounts)	59,266.1	64,262.4	4,996.2
8 Domestic equity securities	6,378.5	5,778.3	(600.2)
9 Japanese government bonds	23,551.3	22,643.0	(908.3)
10 Foreign bonds	18,569.3	2,2746.5	4,177.2
11 Total liabilities	289,642.3	293,877.2	4,234.8
12 Deposits	177,312.3	180,171.2	2,858.9
13 Individuals (Domestic branches) ^{*4}	75,302.5	77,010.9	1,708.3
14 Domestic corporates and others ^{*4}	63,134.6	63,030.4	(104.2)
15 Overseas and others ^{*3}	38,875.0	40,129.8	1,254.8
16 Total net assets	17,295.0	17,261.6	(33.3)
17 Net unrealized gains (losses) on available-for-sale securities	3,517.4	3,335.6	(181.7)

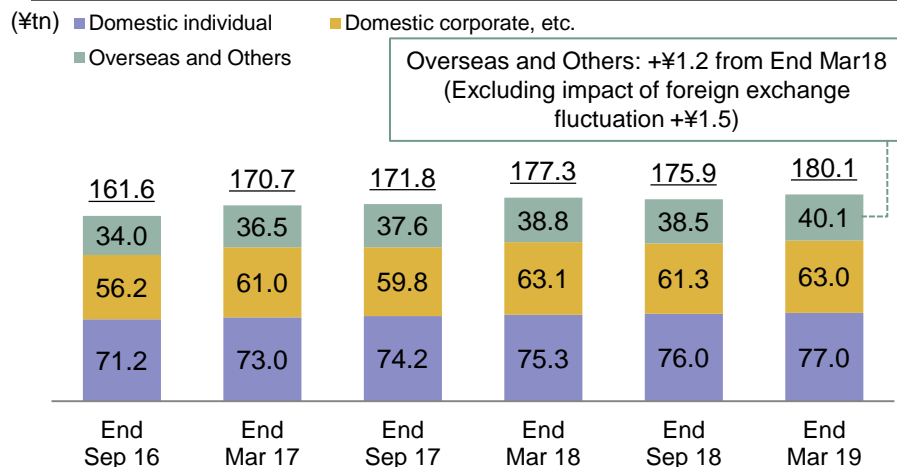
*1 Non-consolidated + trust accounts *2 Excluding loans to government and governmental institutions and including foreign currency denominated loans (Excluding impact of foreign exchange fluctuation: (¥0.2) tn from Mar 18)

*3 Loans booked in overseas branches, MUAH, Krungsri, the Bank (China), the Bank (Malaysia) and the Bank (Europe) *4 Non-Consolidated

Loans (Period end balance)

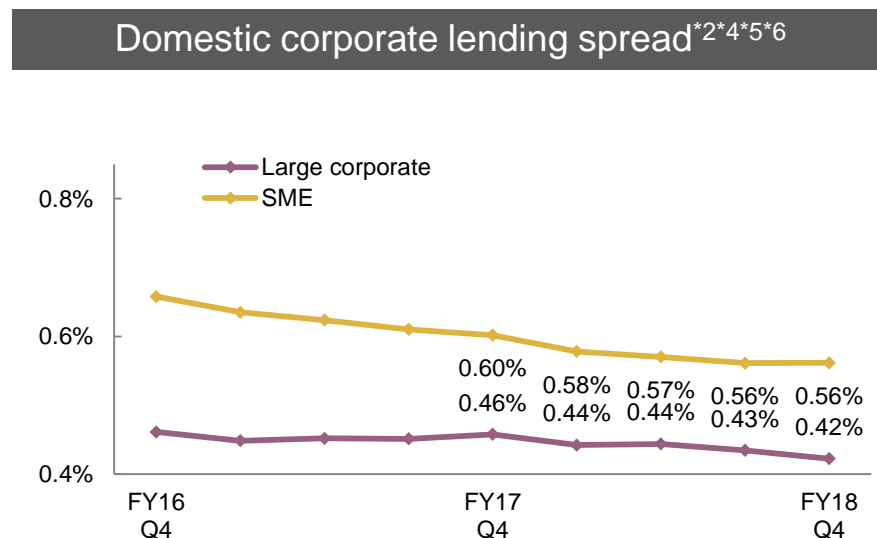
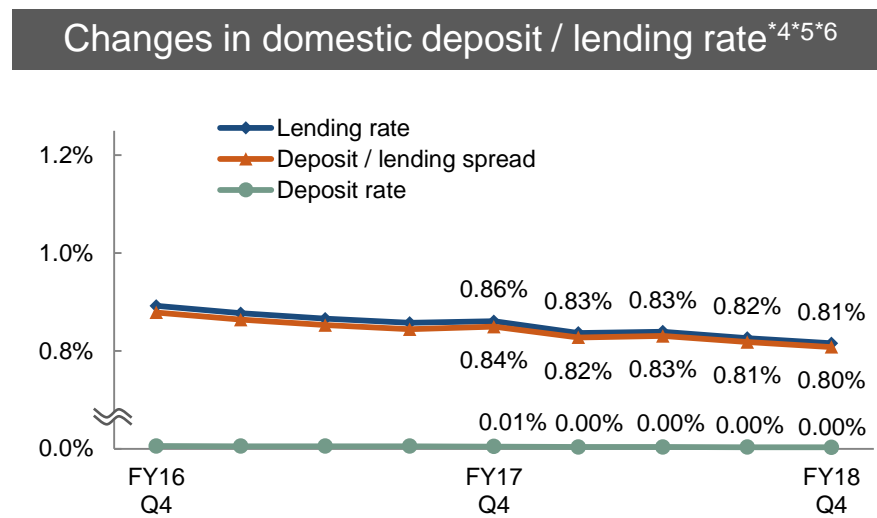
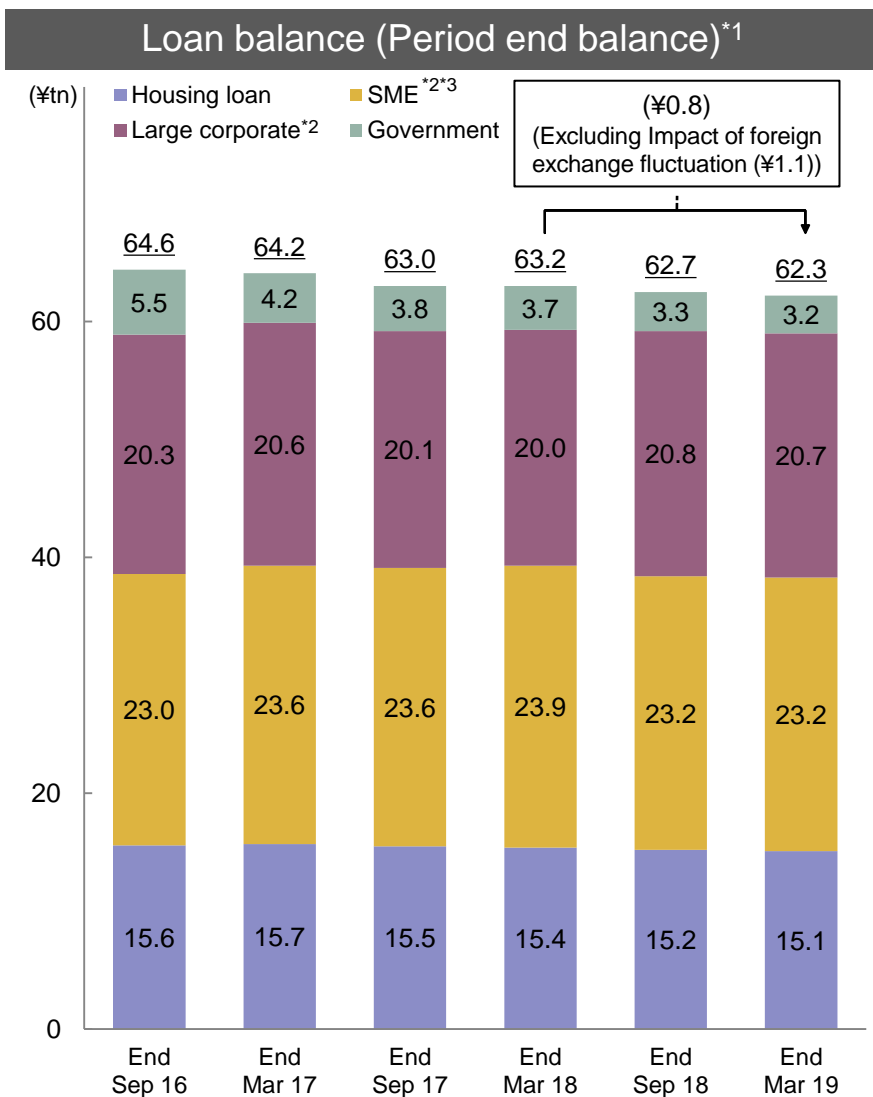


Deposits (Period end balance)



Domestic loans

(Consolidated / Non-consolidated)



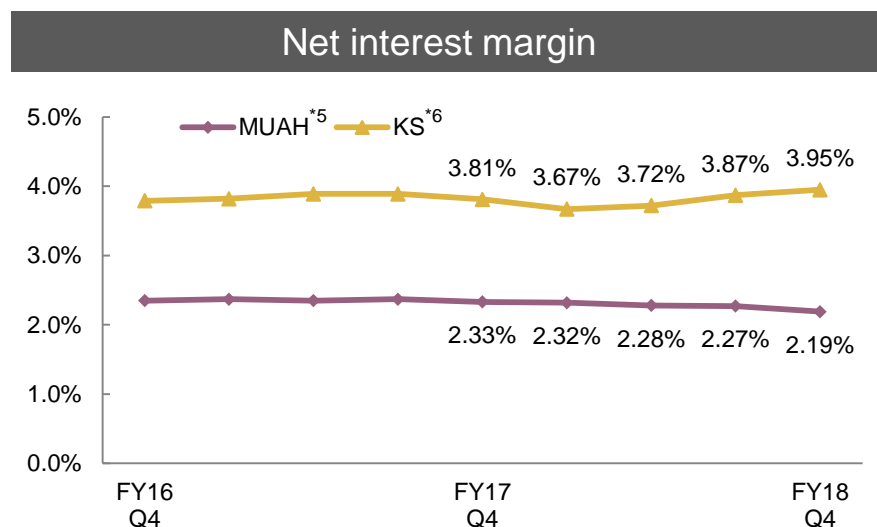
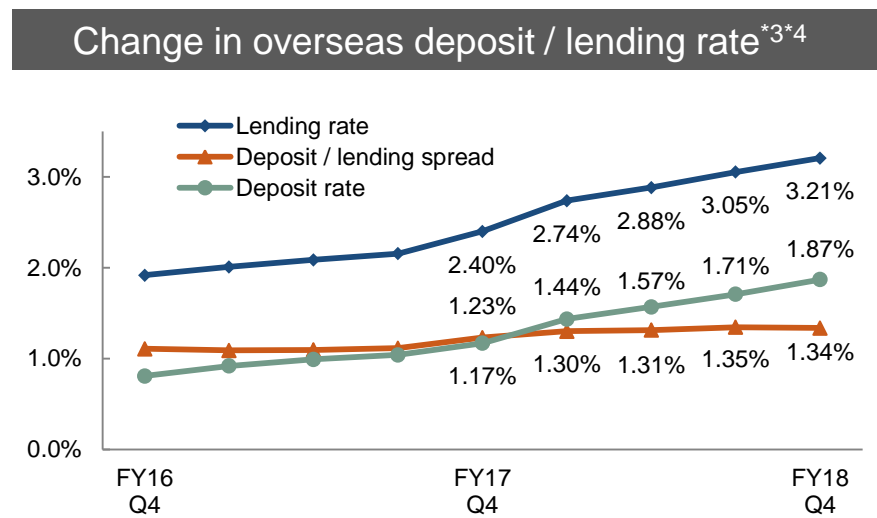
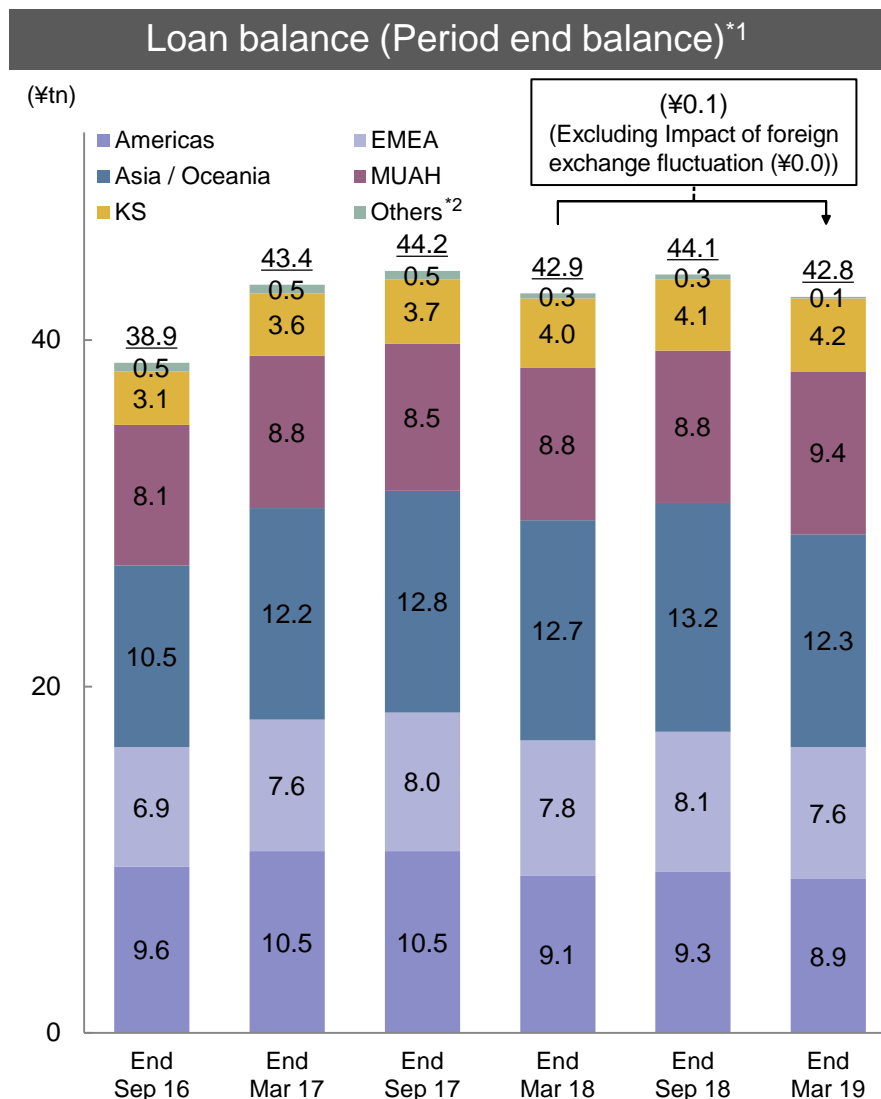
*1 Consolidated. Sum of banking and trust accounts *2 Including non-JPY loans

*3 Domestic loans to small / medium-sized companies and proprietors (excluding domestic consumer loans)

*4 Managerial accounting basis *5 Non-consolidated *6 Excluding lending to government etc.

Overseas loans

(Consolidated / Non-consolidated)



*¹ Consolidated *² Loans booked at offshore markets etc. *³ Non-consolidated *⁴ Managerial accounting basis

*⁵ Financial results as disclosed in MUAH's 10-K and 10-Q reports based on U.S. GAAP

*⁶ Financial results as disclosed in Krungsri's financial reports based on Thai GAAP

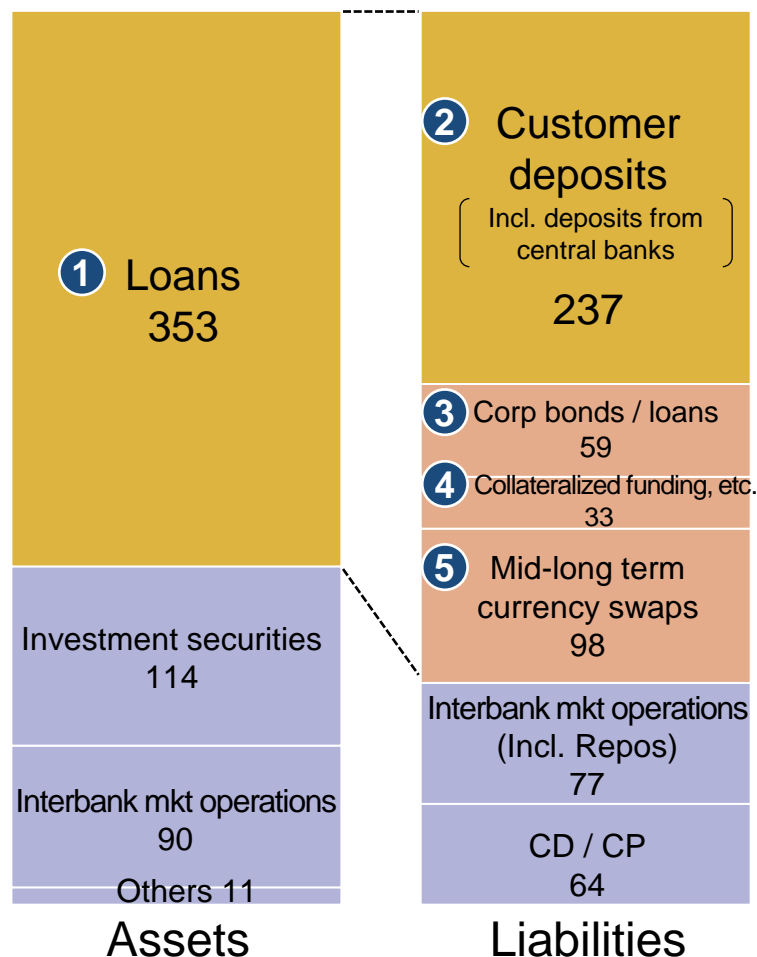
Non-JPY assets and funding

(the Bank consolidated)

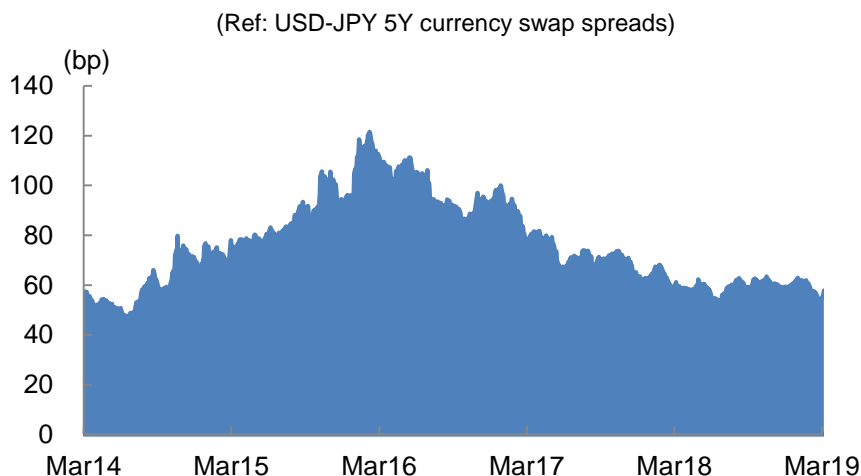
- Non-JPY loans① are stably funded by customer deposits② and medium-to long-term funding③④⑤

Non-JPY balance sheet (the Bank managerial basis excl. MUAH, KS)

As of end Mar 19 (US\$bn)



- Non-JPY loans are managed efficiently by reducing low-profitability assets
- Enhance product development and sales capabilities to increase customer deposits
- Corp bonds are mainly issued from HoldCo (MUFG) to ensure stable funding and TLAC requirement*1
→ **Average duration: 6.9 years**
- Cross-currency repos*2 (JGB utilizing), etc.
- Currency swaps are transacted mainly in medium-term durations



*1 See page 73-74 for details *2 Repurchase agreement in which denominated currency is different in cash transaction and security

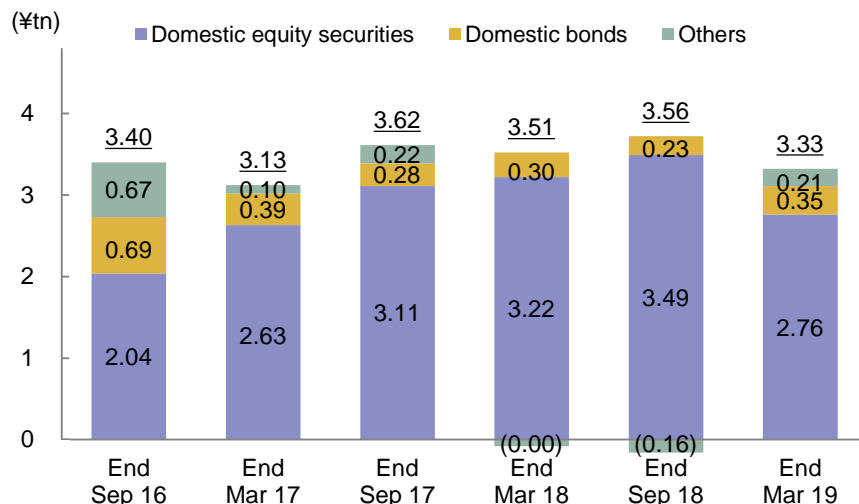
Investment securities

(Consolidated / Non-consolidated)

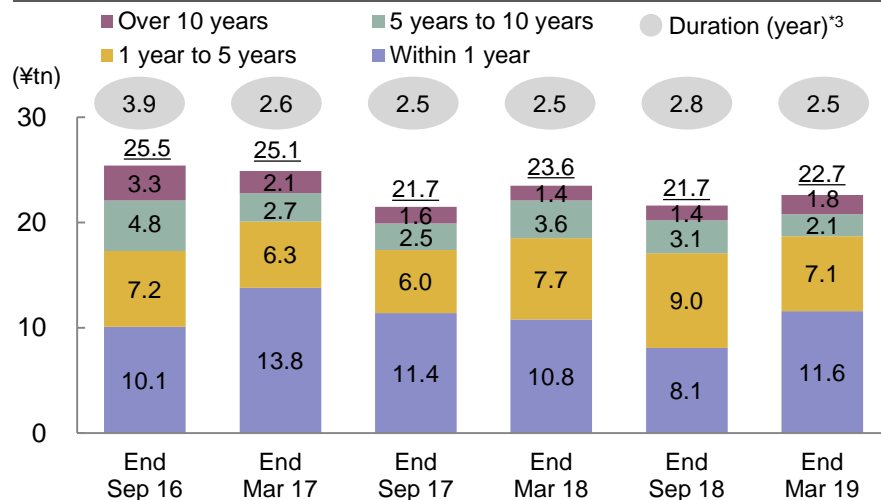
Securities available for sale with fair value*1

(¥bn)		Balance		Unrealized gains (losses)	
		End Mar 19	Changes from End Mar 18	End Mar 19	Changes from End Mar 18
1	Total	60,578.6	5,181.3	3,335.6	(181.7)
2	Domestic equity securities	4,953.3	(587.6)	2,764.3	(455.8)
3	Domestic bonds	27,261.2	280.5	357.4	51.9
4	Japanese government bonds	21,542.3	(908.2)	278.9	19.9
5	Others	28,364.0	5,488.4	213.8	222.1
6	Foreign equity securities	114.8	(219.6)	52.5	16.6
7	Foreign bonds	21,532.9	4,084.5	173.6	312.7
8	Others	6,716.2	1,623.4	(12.3)	(107.2)

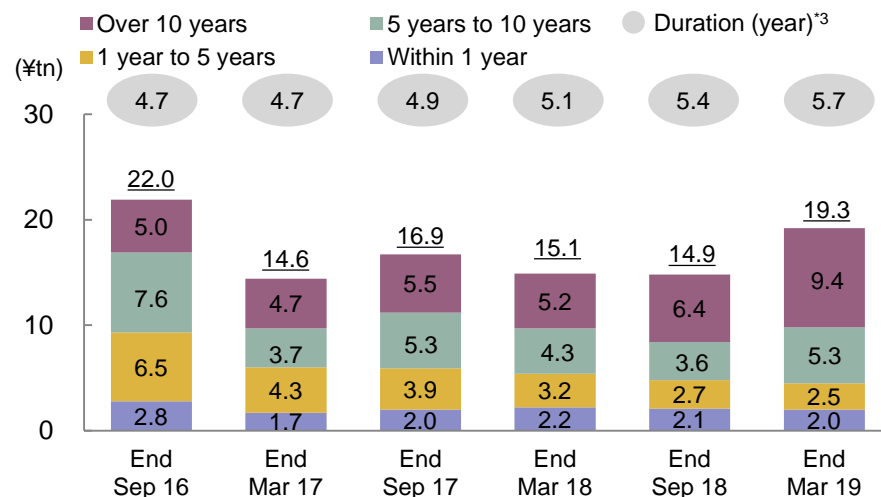
Unrealized gains (losses) on securities available for sale*1



Balance of JGBs*2



Balance of foreign bonds*2



*1 Consolidated

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

*3 Securities available for sale. Non-consolidated

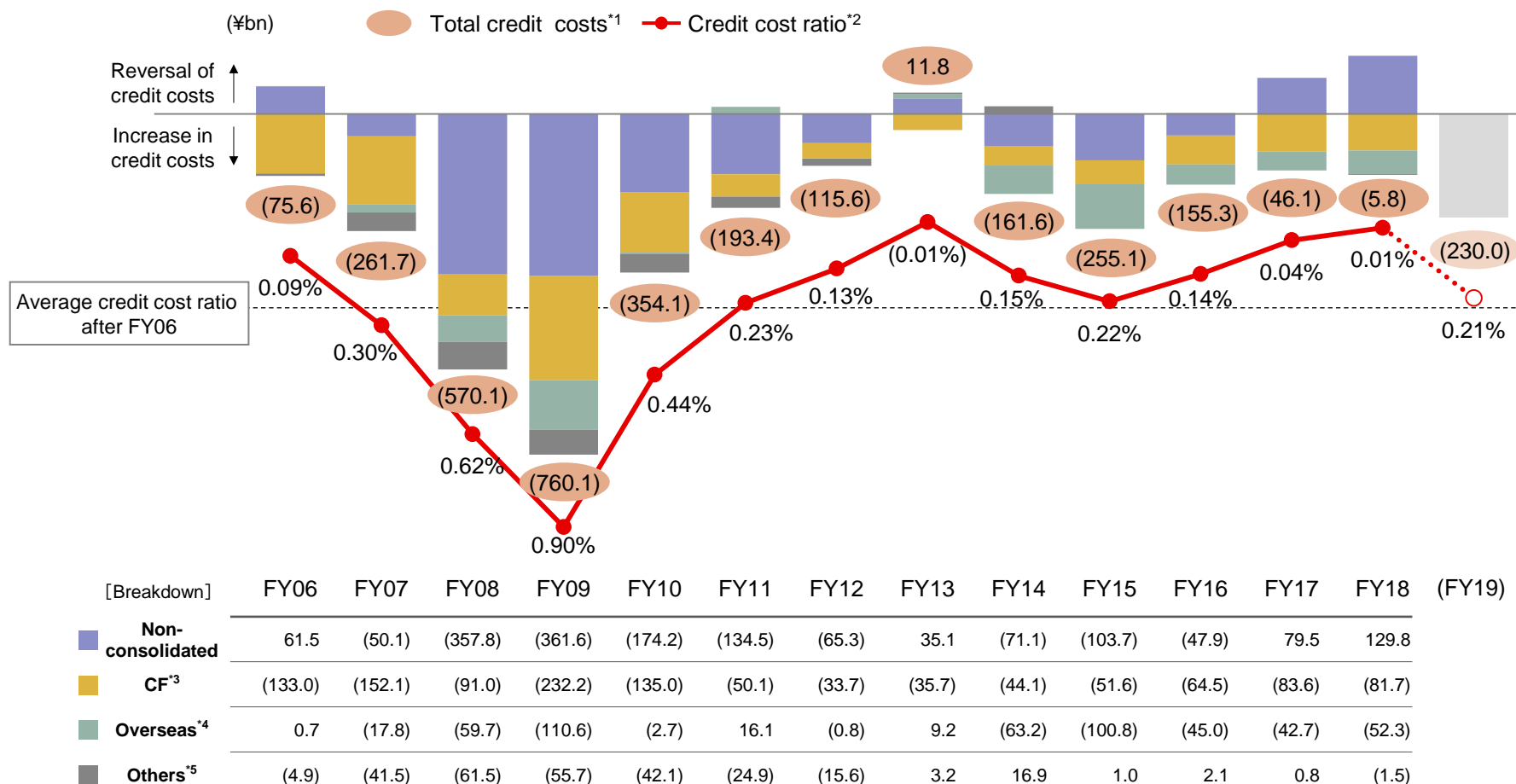
Asset quality

– Historical credit costs

(Consolidated)

- Credit costs for FY18 were ¥5.8 bn
- Total credit costs forecast for FY19 is ¥230.0 bn

Total credit costs / Credit cost ratio



*1 Including gains from write-off *2 Total credit costs / loan balance as of the end of each fiscal year

*3 Sum of NICOS and ACOM on a consolidated basis *4 Sum of overseas subsidiaries of the Bank and the Trust Bank

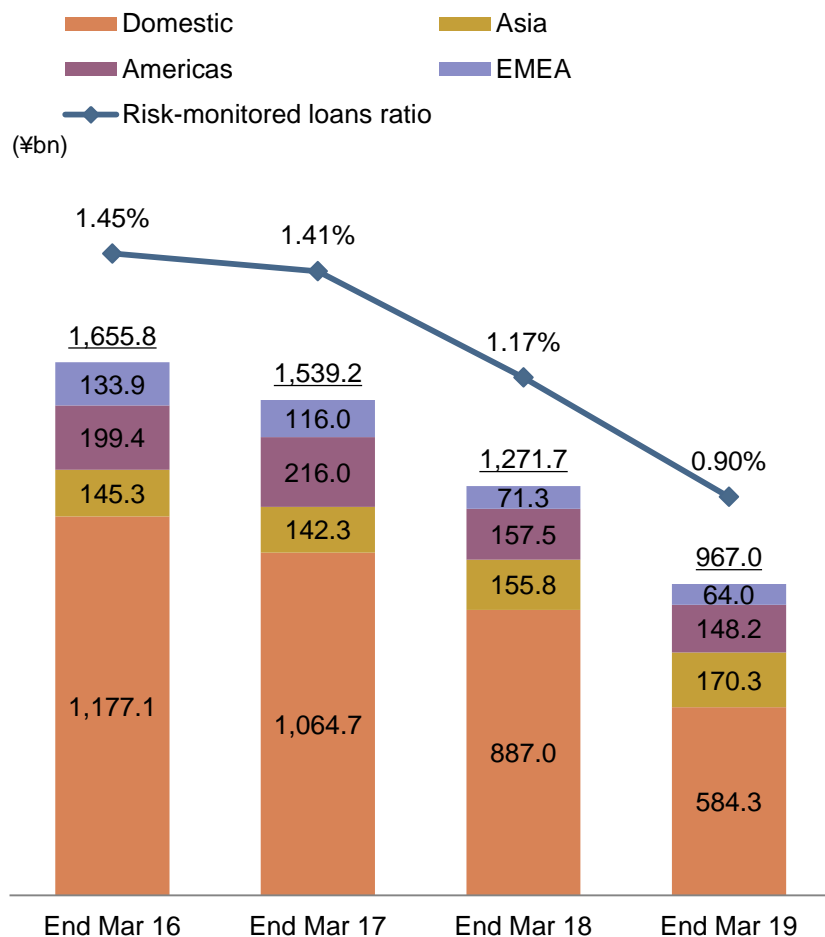
*5 Sum of other subsidiaries and affiliated companies, and consolidation adjustment

Asset quality

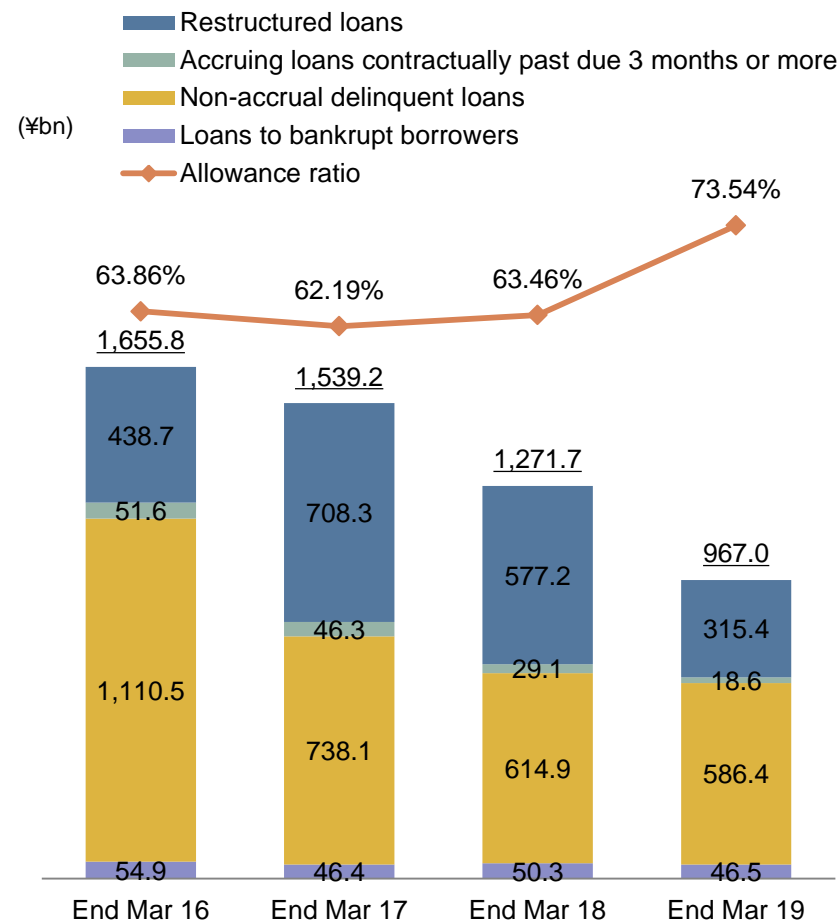
– Risk-monitored loans*1

(Consolidated)

By region*2 / ratio*3



By category / allowance ratio*4



*1 Risk-monitored loans based on Banking Act.

*2 Based on the locations of debtors

*3 Total risk-monitored loans / total loans and bills discounted (banking accounts as of period end)

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

● Common Equity Tier 1 ratio : 12.23%

- Excluding impact of net unrealized gains (losses) on available-for-sale-securities : 10.0%
- Finalized Basel III reforms basis^{*1} : 11.4%

● Risk weighted assets
(Up ¥3.62 tn from Mar 2018)

- Credit risk : +¥1.01 tn
- Market risk : +¥0.20 tn
- Operational risk : +¥0.87 tn
- Floor adjustment^{*2} : +¥1.53 tn

● Leverage ratio : 4.94%

● External TLAC ratio

- Risk weighted asset basis : 18.16%
- Total exposure basis : 7.90%

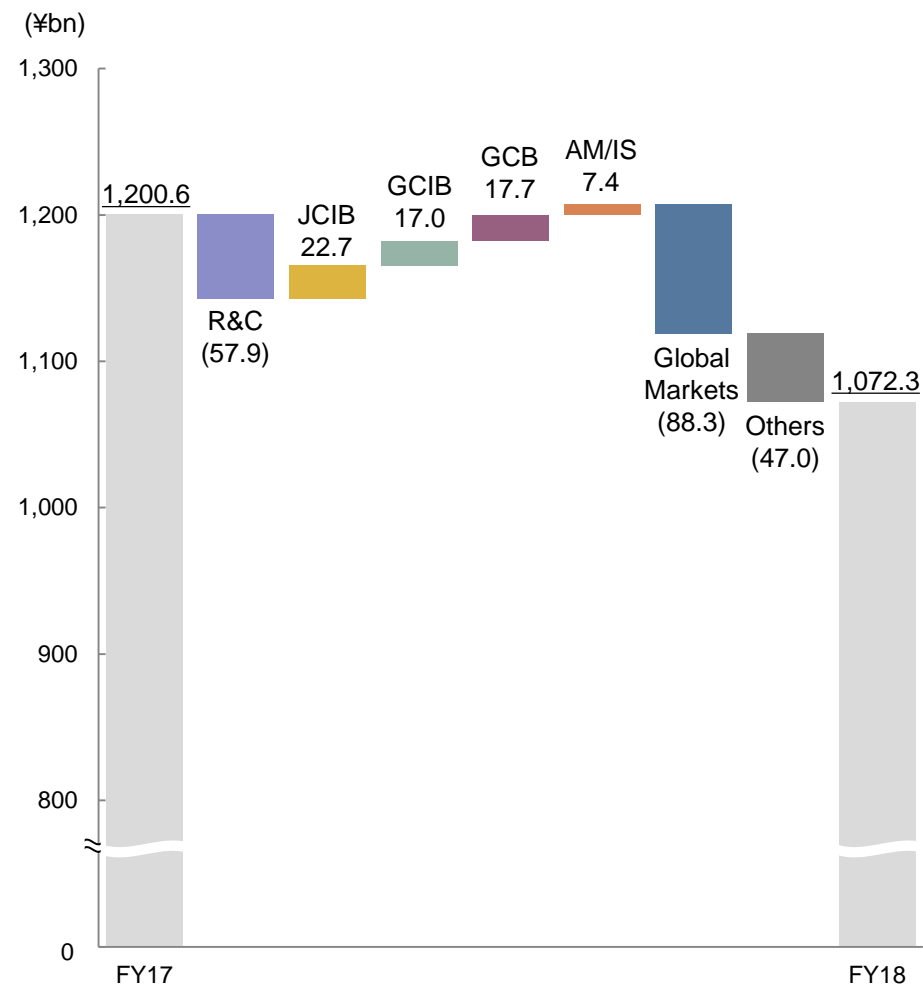
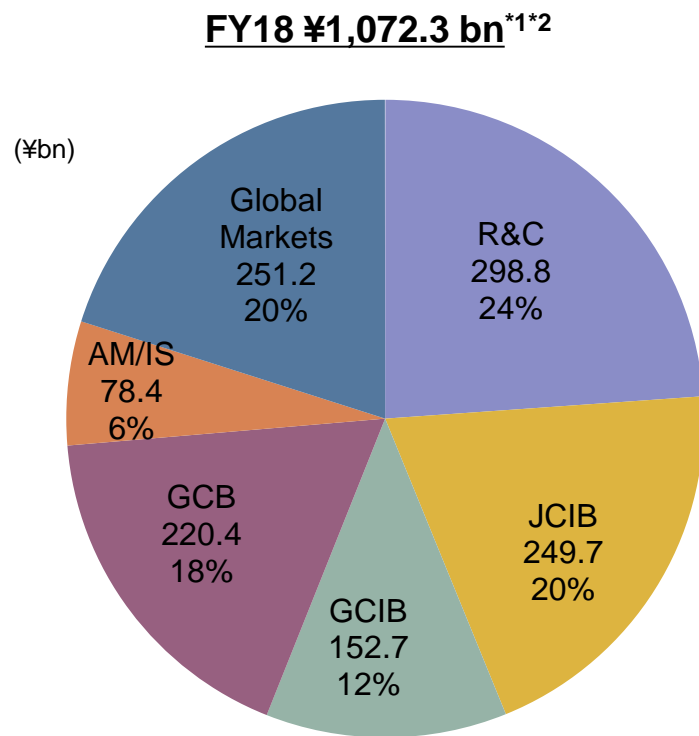
(¥bn)	End Mar 18	End Mar 19	Changes
1 Common Equity Tier 1 capital ratio	12.58%	12.23%	(0.35ppt)
2 Tier 1 capital ratio	14.32%	13.90%	(0.42ppt)
3 Total capital ratio	16.56%	16.03%	(0.53ppt)
4 Leverage ratio	5.01%	4.94%	(0.06ppt)
5 Common Equity Tier 1 capital	14,284.9	14,322.4	37.4
6 Retained earnings	10,064.6	10,640.6	576.0
7 Other comprehensive income	3,143.8	2,879.1	(264.7)
8 Regulatory adjustments	(1,786.1)	(1,897.3)	(111.1)
9 Additional Tier 1 capital	1,966.8	1,953.8	(12.9)
10 Preferred securities and subordinated debt	1,822.1	1,800.1	(22.0)
11 Tier 1 capital	16,251.7	16,276.3	24.5
12 Tier 2 capital	2,543.7	2,493.4	(50.2)
13 Subordinated debt	2,165.0	2,195.6	30.5
14 Total capital (Tier 1+Tier 2)	18,795.4	18,769.7	(25.6)
15 Risk weighted assets	113,463.6	117,091.1	3,627.5
16 Credit risk	89,823.1	90,843.0	1,019.9
17 Market risk	2,714.5	2,920.5	206.0
18 Operational risk	7,236.0	8,107.2	871.2
19 Floor adjustment	13,689.9	15,220.2	1,530.2
20 Total exposures	324,232.4	329,048.6	4,816.2

*1 Estimated CET1 ratio reflecting the RWA increase calculated on the finalized Basel III reforms basis

*2 Adjustments made for the difference between risk-weighted assets under Basel I and Basel III

Results by Business Group

Net operating profits by business group



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

*2 Including profits or losses from others

Results by business group

Business group		Net operating profits (¥bn)			Expense ratio		ROE*1	
		FY17	FY18	Change	FY17	FY18	FY17	FY18
Retail & Commercial Banking	R&C	356.7	298.8	(57.9)	77%	80%	9% (9%)	1%*2 (1%)
Japanese Corporate & Investment Banking	JCIB	227.0	249.7	22.7	57%	54%	10% (10%)	15% (15%)
Global Corporate & Investment Banking	GCIB	135.8	152.7	17.0	64%	62%	7% (7%)	9% (9%)
Global Commercial Banking	GCB	202.7	220.4	17.7	70%	69%	6% (8%)	7% (9%)
Asset Management & Investor Services	AM/IS	71.0	78.4	7.4	63%	61%	21% (23%)	8%*3 (10%)
Global Markets	Global Markets	339.5	251.2	(88.3)	40%	47%	7% (7%)	5% (5%)

*1 Calculated based on Risk Assets (R&C, JCIB, GCIB and GCB) or economic capital (AM/IS and Global Markets)
 (Managerial accounting basis. Net profit basis. Calculated excluding non-JPY mid- to long-term funding costs)
 Figures in parentheses exclude the impacts of investment related accounting factors (amortization of goodwill, etc.)

*2 ROE excluding the impact of impairment losses on fixed assets of NICOS is 6%

*3 ROE excluding the impact of losses on sales of Standard Life Aberdeen shares is 18%

Retail & Commercial Banking

FY18 results*1

(¥bn)	FY17	FY18	YoY
Gross profits	1,621.8	1,566.4	(55.4)
Loan interest income	213.4	199.2	(14.2)
Deposit interest income	144.1	158.1	14.0
Domestic and foreign settlement / forex	166.2	160.5	(5.7)
Derivatives, solutions	63.8	53.6	(10.2)
Real estate, corporate agency and inheritance	45.8	47.5	1.6
Investment product sales	299.0	226.8	(72.2)
Card settlement	298.5	310.0	11.4
Consumer finance	276.0	289.8	13.8
Overseas	36.4	45.4	9.0
Expenses	1,261.7	1,258.2	(3.6)
Expense ratio	78%	80%	3ppt
Net operating profits	360.1	308.2	(51.8)
ROE	9%	1%*2	(8ppt)

- **Loan interest income:** Decreased mainly due to a decline of domestic lending spread
- **Deposit interest income:** Grew due to an increase in non-JPY deposit margin
- **Investment product sales:** Decreased mainly due to customers' lower needs for investment products under unfavorable market condition
- **Card settlement / Consumer finance:** Increased due to an increase in transaction volume and balance

Loans / Deposits

(¥tn)	FY17	FY18	YoY
Ave. loan balance *3	32.4	32.0	(0.4)
Lending spread*4	0.76%	0.72%	(0.04ppt)
Ave. deposit balance	112.2	115.2	2.9

KPI

	FY17	FY18	YoY
Investment assets (¥tn)	41.0	41.2	0.2
Volume of card shopping (¥tn)*5	5.7	5.9	0.3
Balance of consumer loans (¥tn)*6	1.5	1.5	0.0
No. of entrusted testamentary trust	4,222	3,974	(248)
Pipeline related to corporate ownership succession (¥bn)*7	1,212.8	1,439.3	226.5

*1 Managerial accounting basis. Local currency basis. Gross profits, expenses and net operating profits include profits from overseas transactions with Japanese corporate customers and profits from business owner transactions which belong to JCIB. ROE is calculated based on net profits and excludes non-JPY mid- to long-term funding costs *2 ROE excluding the impact of impairment losses on fixed assets of NICOS is 6% *3 Excluding consumer loans *4 Excluding non-JPY mid- to long-term funding costs *5 For NICOS cardmembers *6 Total balance of personal card loans of the Bank, the Trust Bank and ACOM (excl. guarantee)
*7 Calculated based on the amount of treasury stock inherited (that is held by either family members or non-family members)

Japanese Corporate & Investment Banking

FY18 results*1

(¥bn)	FY17	FY18	YoY
Gross profits	543.9	570.6	26.8
Loan interest income	84.5	94.3	9.7
Deposit interest income	98.4	132.5	34.1
Domestic and foreign settlement / forex*2	82.6	82.1	(0.5)
Derivatives, solutions*2	100.1	83.6	(16.5)
Real estate, corporate agency	42.6	46.8	4.2
M&A, DCM, ECM*3	37.5	47.5	10.0
Non-interest income from overseas business	80.3	71.6	(8.7)
Expenses	302.3	300.3	(2.0)
Expense ratio	56%	53%	(3ppt)
Net operating profits	241.5	270.3	28.8
ROE	10%	15%	5ppt

- **Loan interest income:** Increased mainly due to an improvement of non-JPY lending spread
- **Deposit interest income:** Grew due to an increase in non-JPY deposit volume as well as non-JPY deposit margin
- **Derivatives, solutions, non-interest income from overseas business:** Decreased due to rebound of large-scale deals from the previous year
- **M&A, DCM, ECM:** Increased mainly due to large M&A and ECM deals

Loans / Deposits

(¥tn)	FY17	FY18	YoY
Ave. loan balance	40.1	39.1	(1.0)
Lending spread*4	0.48%	0.48%	0.00ppt
Ave. non-JPY loan balance*5	19.3	18.2	(1.1)
Non-JPY lending spread*4*5	0.61%	0.63%	0.02ppt
Ave. deposit balance	33.5	33.8	0.3
Ave. non-JPY deposit balance*5	13.1	13.8	0.7

KPI

	FY17	FY18	YoY
Transaction volume (\$bn)*6	1,091.4	1,138.4	47.0
No. of domestic settlement (mm)	174	177	3
M&A advisory League Table*7	#2	#1	-
DCM League Table*7	#1	#2	-
ECM League Table*7	#4	#5	-

*1 Managerial accounting basis. Local currency basis. Gross profits, expenses, and net operating profits include profits from business owner transactions which belong to R&C and profits from Japanese corporate customers served by MUAH and KS which belong to GCB. ROE is calculated based on net profits and excludes non-JPY mid- to long-term funding costs *2 Figures are domestic business only *3 Including real estate securitization etc. *4 Excluding non-JPY mid- to long-term funding costs *5 Sum of domestic and overseas loans and deposits *6 Domestic foreign exchange transaction amount related to trade, inward and outward investment, dividend, and services, etc. *7 Based on data of Thomson Reuters, etc., M&A advisory only counts Japanese corporates related deals. DCM includes both domestic and foreign bonds

Global Corporate & Investment Banking

FY18 results*1

(¥bn)	FY17	FY18	YoY
Gross profits	416.6	432.9	16.3
Loan interest income	155.6	172.2	16.6
Deposit interest income	41.2	47.1	5.9
Commission, forex, Derivatives	208.2	209.5	1.2
DCM, ECM	28.2	27.3	(0.9)
Profits from non-Japanese corporate customers located in Japan, etc.	20.3	19.7	(0.7)
Joint venture profits with Global Markets*2	17.4	15.4	(1.9)
Expenses	262.9	270.4	7.4
Expense ratio	63%	62%	(1ppt)
Net operating profits	153.7	162.6	8.9
ROE	7%	9%	2ppt

Acquisition of Aviation Finance business

MUFG Group will acquire Aviation Finance business from DVB Bank. This transaction is expected to be closed during FY19

⇒see page 68 for details

- **Loan interest income:** Increased due to a loan growth as well as a decline in non-JPY mid- to long-term funding costs
- **Deposit interest income:** Grew due to an increase in deposit margin
- **Commission, forex, Derivatives:** Increased in commission fees mainly due to large M&A deals

Loans / Deposits

(¥tn)	FY17	FY18	YoY
Ave. loan balance	23.3	24.1	0.8
Lending spread*3	1.08%	1.06%	(0.02ppt)
Ave. deposit balance	11.3	10.1	(1.2)

KPI

	FY17	FY18	YoY
Distribution amount*4 (¥tn)	19.6	22.8	3.2
Distribution ratio*5*6	46%	59%	13ppt
GSB*7 profits (¥bn)	83.0	90.2	7.2
ABS League Table (US)	#8	#10	-
Wallet share of syndicated loan and DCM (Non-IG*8)	0.90%	1.19%	0.29ppt

*1 Managerial accounting basis. Local currency basis. Gross profits, expenses and net operating profits include profits from non-Japanese large corporate customers of KS which belong to GCB and JCIB's non-Japanese corporate customers located in Japan, and Joint venture profits with Global Markets. ROE is calculated based on net profits and excludes non-JPY mid- to long-term funding costs *2 Including O&D profits through collaboration with Global Markets *3 Excluding non-JPY mid- to long-term funding costs *4 Distribution amount = Arrangement amount – Final hold amount (Syndicated loan, Project Finance, Securitization, Aviation Finance, etc.)

+ Securities' arrangement amount of DCM, ABS, etc.

*5 Distribution ratio = Distribution amount / Total amount of loans to global corporate customers *6 Provisional numbers

*7 Global Subsidiary Banking. Transactions with subsidiaries of global corporate multinational customers *8 Non-investment grade

Global Commercial Banking

FY18 results*1

(¥bn)	FY17	FY18	YoY
Gross profits	636.3	684.8	48.6
MUAH*2	349.2	365.8	16.6
KS*3	288.5	320.2	31.7
Expenses	443.7	472.8	29.1
(Expense ratio)	70%	69%	(1ppt)
MUAH*2	256.5	272.4	15.9
(Expense ratio)	74%	75%	1ppt
KS*3	152.2	163.5	11.3
(Expense ratio)	53%	51%	(2ppt)
Net operating profits	192.6	212.0	19.4
MUAH*2	92.7	93.4	0.8
KS*3	136.3	156.7	20.4
ROE	6%	7%	1ppt

- **MUAH:**
Gross profits grew due to an increase in interest income primarily from Regional Banking and other segments
Expenses increased largely due to higher salaries and employee benefits and transformation related and technology-oriented initiatives
- **KS:**
Gross profits increased due to robust loan growth driven mainly in retail segment
Expenses increased corresponding the steady growth in business volumes

Loans / Deposits

(¥tn)		FY17	FY18	YoY
MUAH*2	Ave. loan balance	6.7	7.4	0.6
	Ave. deposit balance	8.5	8.6	0.1
	NIM*4	2.81%	2.72%	(0.08ppt)
KS*3	Ave. loan balance	4.7	5.2	0.5
	Ave. deposit balance	3.8	4.5	0.7
	NIM*5	3.74%	3.81%	0.07ppt

Completed strategic investment in Bank Danamon

Indonesia's Bank Danamon became a consolidated subsidiary (Apr 2019)

⇒see page 47-48 for the company's overview

*1 Managerial accounting basis. Local currency basis. Gross profits, expenses and net operating profits include figures which belong to GCB only and not include figures which belong to other business groups. ROE is calculated based on net profits

*2 MUAH figures as reported in MUAH's 10-Q and 10-K excluding figures belonging to Trust/Securities subsidiaries, GCIB and Global Markets

*3 After GAAP adjustment. Excluding figures which belong to Global Markets *4 Excluding figures which belong to Global Markets *5 KS entity basis

Asset Management & Investor Services

FY18 results*1

(¥bn)	FY17	FY18	YoY
Gross profits	189.1	202.3	13.2
AM*2	45.8	46.8	1.0
IS*3	83.0	93.7	10.8
Pension	60.3	61.7	1.4
Expenses	118.1	124.2	6.1
Expense ratio	62%	61%	(1ppt)
Net operating profits	71.1	78.1	7.1
ROE	21%	8%*4	ppt

Strategic Acquisition of CFSGAM

Through this transaction with CBA*7, the Trust Bank will acquire 100% of the shares of major subsidiaries of CFSGAM Group from CFSGAM Holding Company, a wholly owned subsidiary of CBA (Share sale deed was signed on Oct 31, 2018)

⇒see page 71-72 for details

- **AM**: Sales of investment products targeting domestic corporate investors performed well
- **IS**: Grew mainly due to an enhancement of banking services including fund finance in the area of global IS
- **Pension**: Grew due to an increase in the DB pension balance

KPI

		FY17	FY18	YoY
AM	Investment products balance of corporate customers (¥tn)	6.01	9.35	3.34
	Alternative products balance (¥bn)*5	180.0	261.1	81.1
IS	Global IS balance (\$bn)	538.5	616.6	78.2
Pension	DB / Balance (¥tn)	11.2	11.3	0.1
	DC / Increase number of subscriber (thd)*6	90	195	105

*1 Managerial accounting basis. Local currency basis. ROE is calculated based on net profits *2 Asset Management *3 Investor Services

*4 ROE excluding the impact of losses on sales of Standard Life Aberdeen shares is 18%

*5 Balance of internally developed low-liquidity investment products, such as real estate-based products *6 Net increase of subscribers from FY17

*7 Commonwealth Bank of Australia

Global Markets

FY18 results*1

(¥bn)	FY17	FY18	YoY
Gross profits	639.4	556.2	(83.2)
Customer business	325.0	300.8	(24.2)
FIC & Equity	255.3	227.1	(28.3)
Corporates	119.9	113.9	(6.0)
Institutional investors	111.0	88.0	(23.0)
Asset Management	4.5	3.1	(1.3)
JV with GCIB*2	82.5	86.0	3.5
Treasury	324.8	265.1	(59.7)
Expenses	265.7	265.2	(0.6)
Expense ratio	42%	48%	6ppt
Net operating profits	373.7	291.1	(82.6)
Customer business	114.8	92.6	(22.1)
Treasury	273.7	212.3	(61.4)
ROE	7%	5%	(1ppt)

- **Corporates:** Decreased mainly due to a decline of derivative profits, although forex business performed well
- **Institutional investors:** Decreased on the back of inactive bond and equity market
- **Treasury:** Significantly decreased due to a decline of gains on JGB sales posted in FY17

KPI

	FY17	FY18	YoY
Derivative revenues from strategic fields (¥bn)*3	2.8	6.8	4.0
Client Value (YoY)*4	-	(11%)	-
Digitalization ratio of FX rate contracts*5	57%	71%	14ppt

*1 Managerial accounting basis. Local currency basis. Gross profits, net operating profits, and expenses includes Joint venture profits with GCIB. ROE is calculated based on net profits

*2 Profits including O&D profits through collaboration with GCIB

*3 Profits from new type of risk hedging (e.g. hedging against interest rate and forex risks in M&A transactions) and deals related to investment banking products

*4 Quasi sales & trading profits in institutional investors business *5 Internal transactions

FY2019 Financial Targets

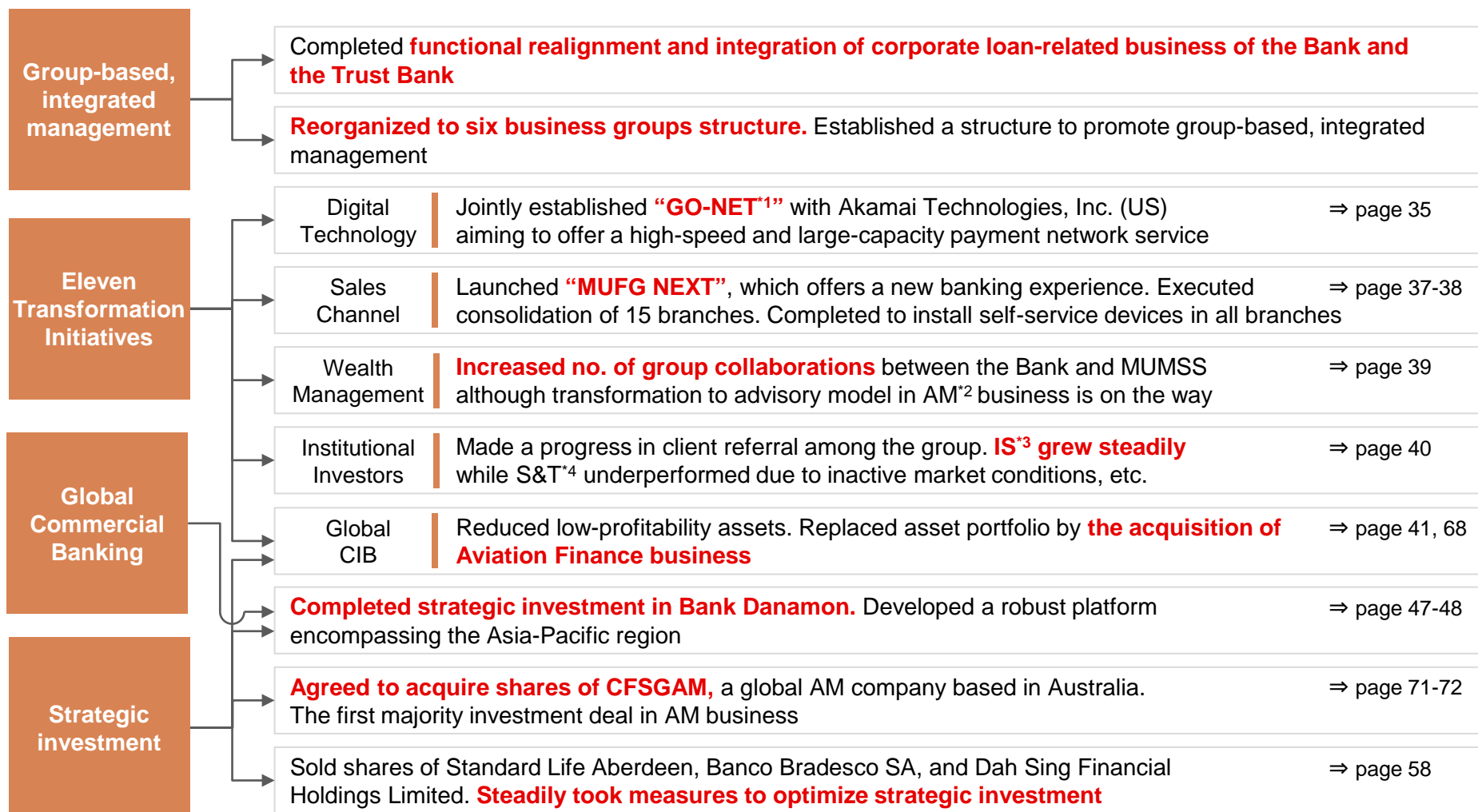
FY2019 financial targets

Consolidated (¥bn)		Results		Targets	
		FY18		FY19	
		Interim	Full year	Interim	Full year
1	Net operating profits before credit costs for trust accounts and provision for general allowance for credit losses	568.1	1,078.5	530.0	1,080.0
2	Total credit costs	117.9	(5.8)	(80.0)	(230.0)
3	Ordinary profits	885.9	1,348.0	680.0	1,280.0
4	Profits attributable to owners of parent	650.7	872.6	450.0	900.0

Progress of Medium-term Business Plan

Review of the first year of medium-term business plan

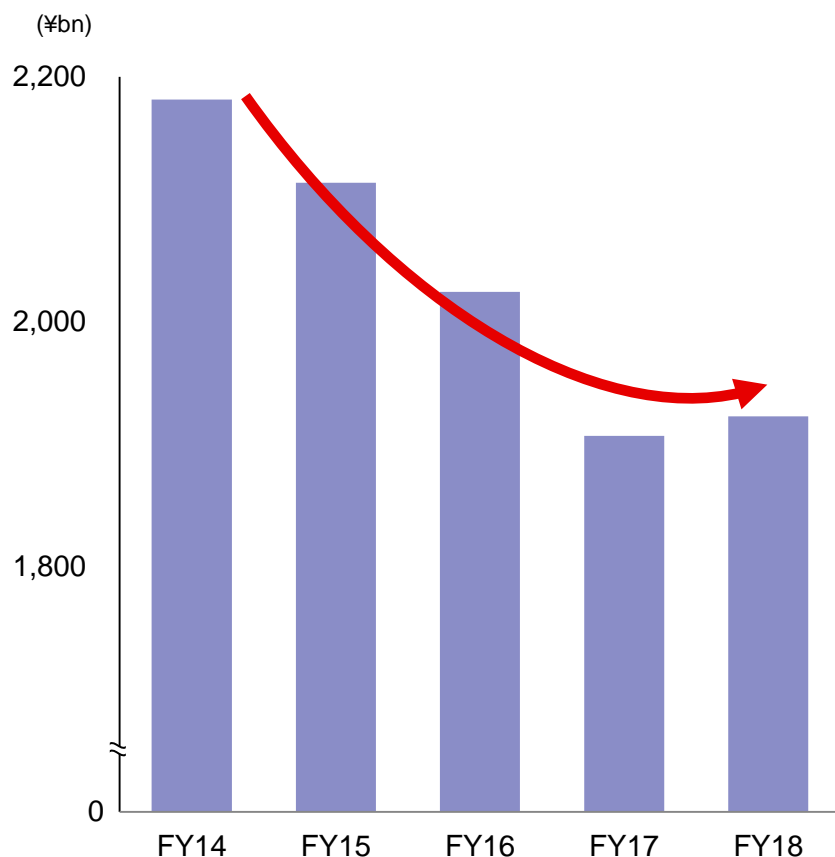
- The plan is progressing well as a whole



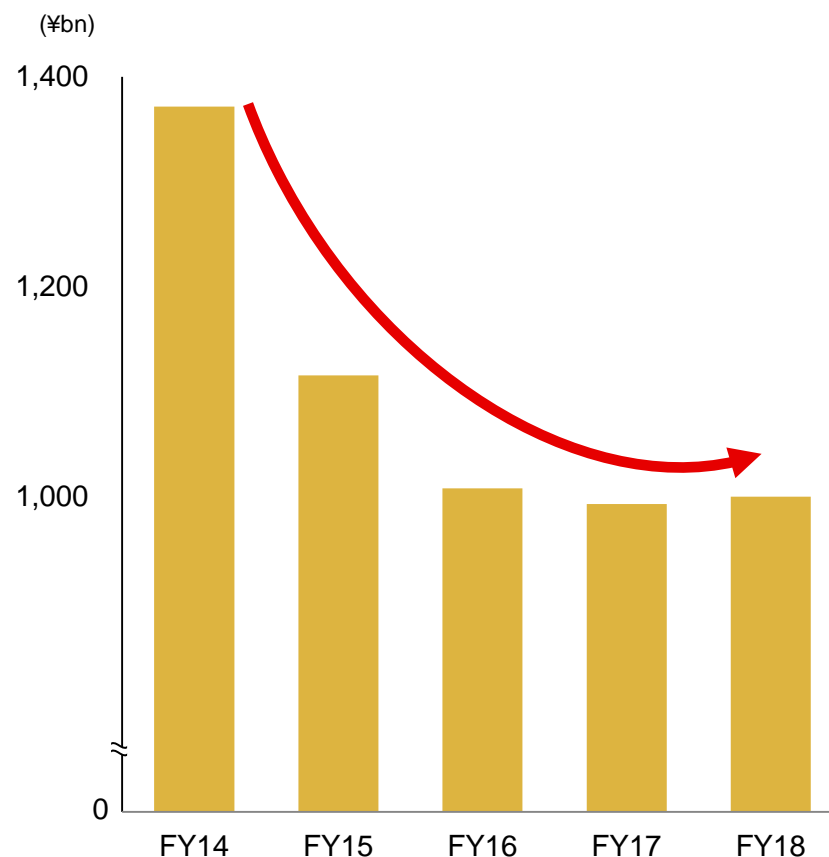
Changes in a downward trend

- The downward trend of net interest income and net operating profits from customer segments bottomed out respectively

Net interest income



Net operating profits from customer segments*1



*1 R&C, JCIB, GCIB, GCB, AM/IS

Eleven Transformation Initiatives^{*1}

- “Eleven Transformation Initiatives” have been outlined in the new medium-term business plan as specific initiatives to achieve the MUFG Re-Imagining Strategy
- MUFG promotes the initiatives with a joint collaboration by entities, business groups and corporate center



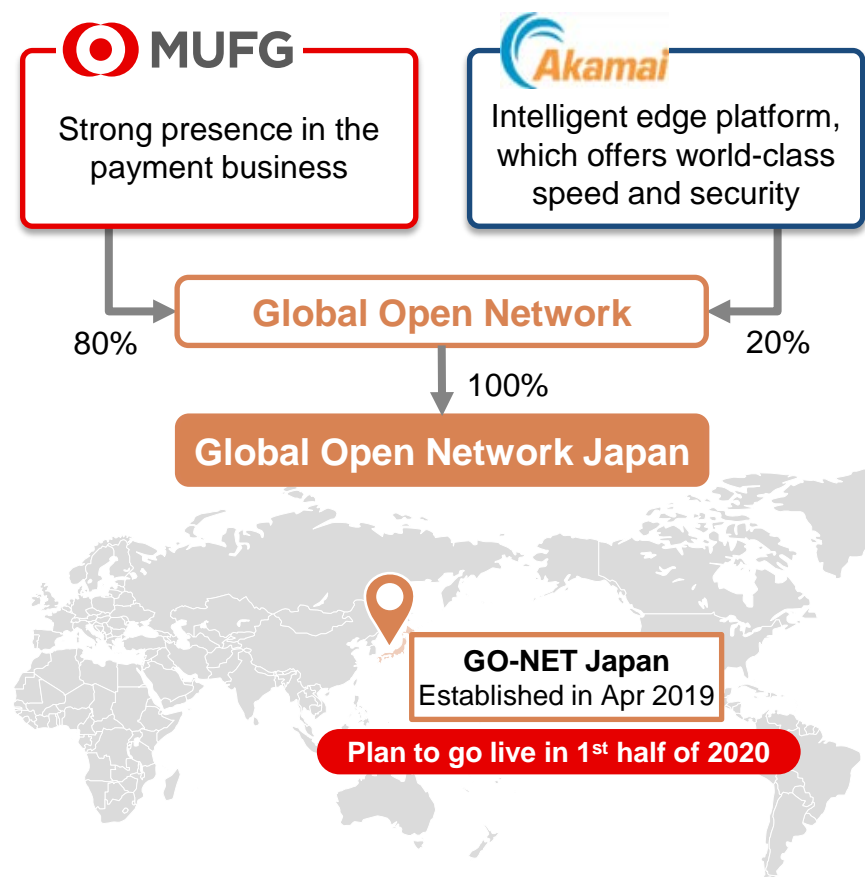
^{*1} Re-shown from page 28, Fiscal 2018 Interim Results Presentation

(1) Digital Technology

- Strengthened strategic alliance with Akamai Technologies, Inc. (Akamai). Accelerate preparations with the aim of providing services by the first half of 2020

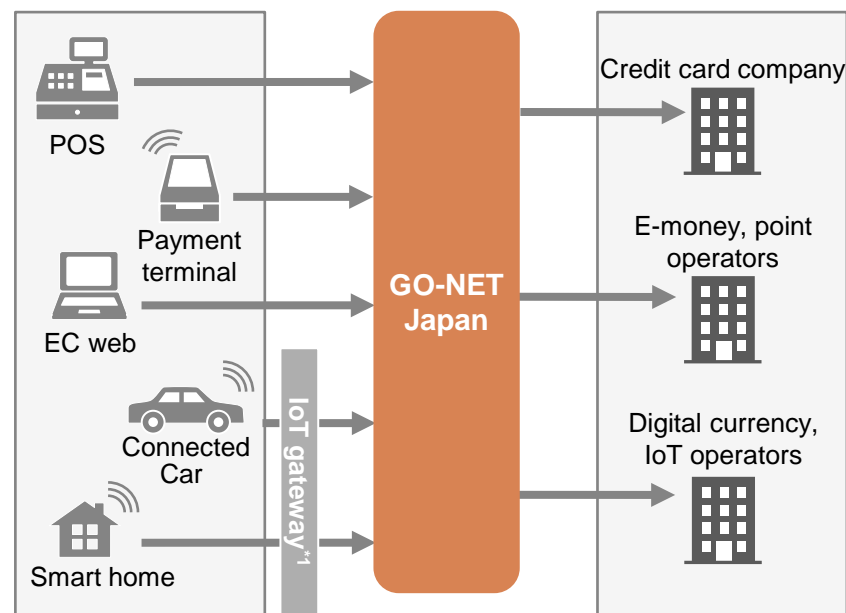
Preparation toward commercial use

- Established “Global Open Network Japan (GO-NET Japan)” as an operating company to provide an open payment network in Japan



Services of GO-NET Japan

- To provide an open payment network based on new blockchain technology capable of processing over a million transactions per second

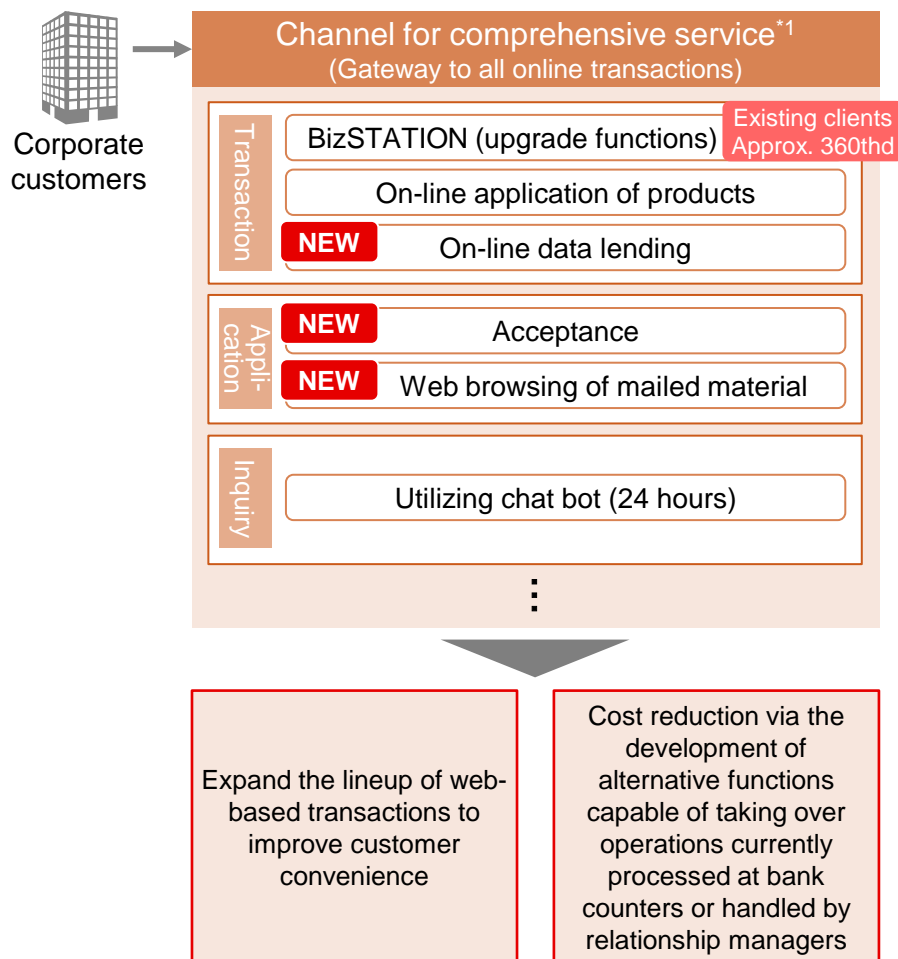


*1 Analyze and transform various data of IoT devices and transmit payment data

(1) Digital Technology

Expand web channels for corporate customers

- Build a new web channel that comprehensively handles all transactions with corporate customers



Established MUFG Innovation Partners

- In Jan 2019, group companies jointly invested to launch CVC*2 Fund with a total amount of ¥20 bn. Aim to step up collaboration with their investees in addition to pursue business synergies

MUFG Innovation Partners (MUIP)

Achieve open innovation beyond entities

Recruitment of external professionals

Over 5% investment as a dedicated subsidiary

Particular cases

1st

MUIP X Moneytree KK

- Invested in Moneytree KK, a provider of personal financial management services such as "Moneytree"
- Aims to realize further collaborations with group companies in addition to actual collaborations with NICOS and the Trust Bank

2nd

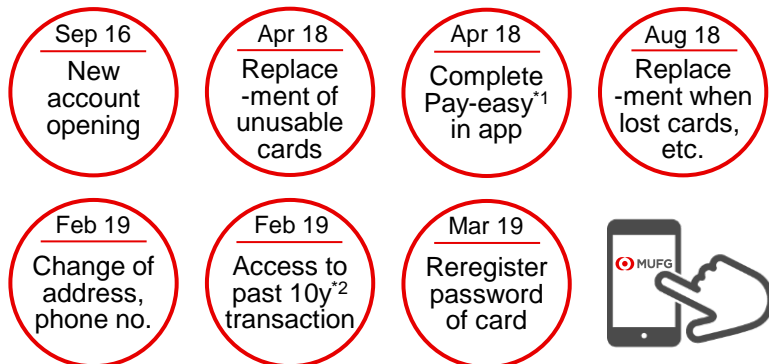
MUIP X Chainalysis, Inc.

- Invested in Chainalysis, Inc., a leading provider of cryptocurrency compliance solutions as the first investment in a foreign company
- With the investment, Chainalysis plans to expand its business in Asia-Pacific and to open an office in the region

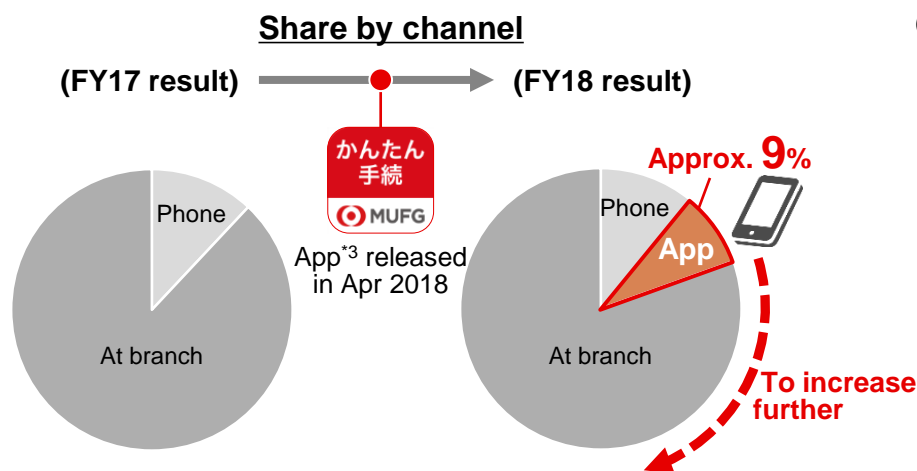
(2) Sales Channel

Expand digital channel

- Upgrading functions on smartphone app to accelerate shifting transactions from bank-counter to online



Example of replacement of unusable cards



Support transactions via IB^{*4}

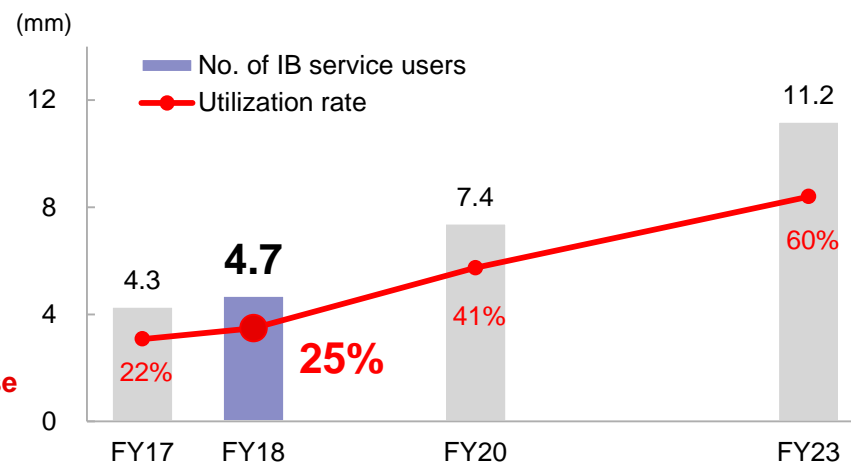
- Promote acquiring new customers as well as encourage existing IB users to activate their accounts

Place tablets for trial use

Provide lessons how to use IB



KPI No. of IB service users^{*5}, utilization rate^{*6}



^{*1} Services of the Japan Multi-payment Network Promotion Association that allows us to pay tax bills etc. via smartphone or ATM ^{*2} Past transactions up to 10 years
^{*3} App for various bank services ^{*4} Mitsubishi UFJ DIRECT: Internet banking for individual customers ^{*5} IB service users = users who log-in IB at least once in 6 months out of all active accounts (excl. accounts used for direct debit only) ^{*6} Utilization rate = IB service users / active accounts

(2) Sales Channel

Enhance efficiency at full-fledged branch^{*1}

- Keep improving functions of self-service devices and promote channel shift with confirming customer acceptability

STM^{*2}

Complete transactions of tax payment and domestic transfer by customer themselves



- 1 Insert payment slip etc. (Auto-read)
- 2 Check content and receive fund
- 3 Issue an official receipt (No need of a receipt stamp)



LINKS^{*3}

Expand handling business in sequence



Inheritance
Mortgage
Open an account
Deposit and others
⋮

Installed

To be installed

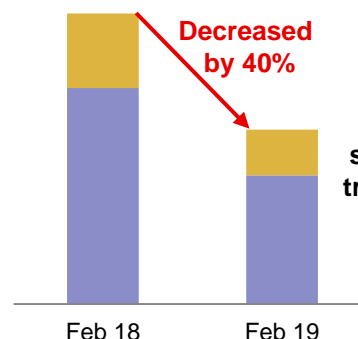
(FY18)

Completed to install in all branches

Example of Gakugeidaigaku-Ekimae Branch^{*4}

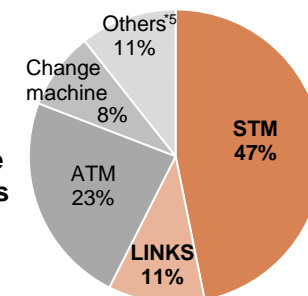
- Approx. 40% transactions at bank-counter were shifted to self-service transactions

- Applications and consultations
- Utilities, tax payments and domestic transfers



Shifted to self-service transactions

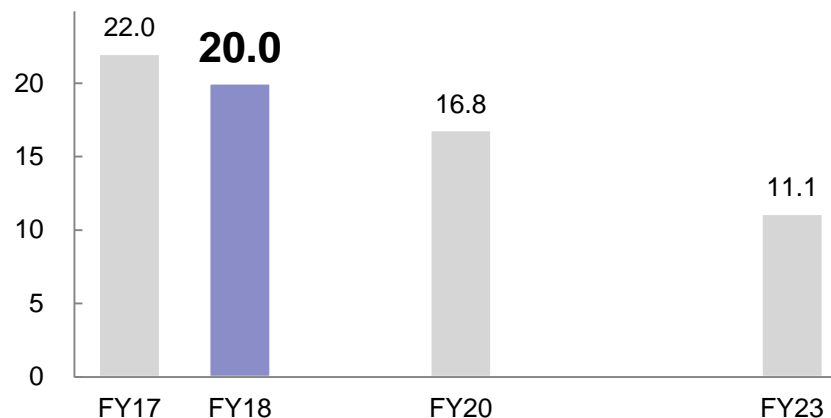
Breakdown of self-service transactions



KPI

No. of transactions at bank-counter

(mm)

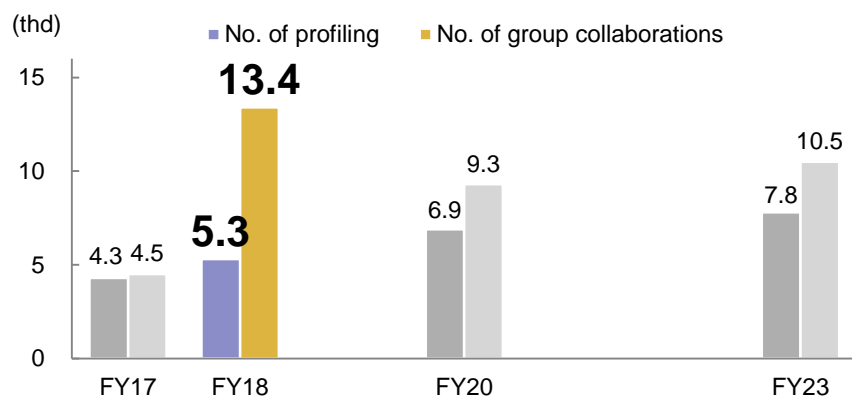


^{*1} A branch that handles all services including consulting service at bank counter by clerk ^{*2} Store Teller Machine (ATM equipped with functions to handle tax payment, utility bills payment and domestic transfer with a private request form) ^{*3} Low-counter Interaction on Knowledge Station (Terminal that connects to operational center via TV, which can handle consultation related mortgage, inheritance and etc.) ^{*4} First branch of "MUFG NEXT" (Reopened in Jan 19) ^{*5} Internet banking and etc.

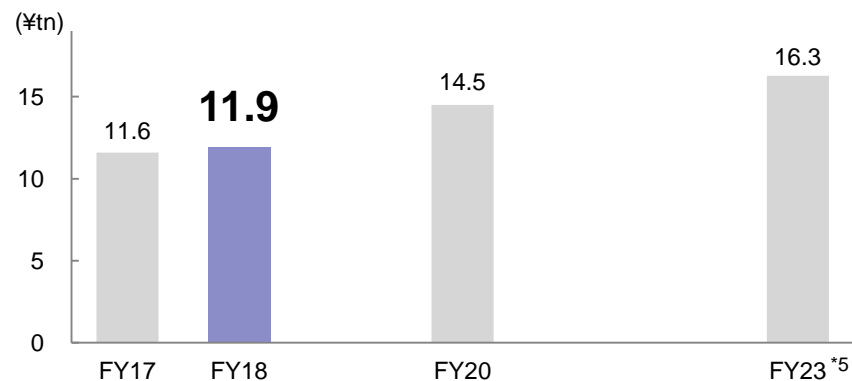
(3) Wealth Management

- Achieved a certain success in HE^{*1} business. No. of group collaborations rapidly increased
- Increased professionals and further strengthen customer referral, real estate and inheritance

KPI No. of profiling^{*2}, group collaborations^{*3}



KPI AuM of HE / SHE^{*4} customers

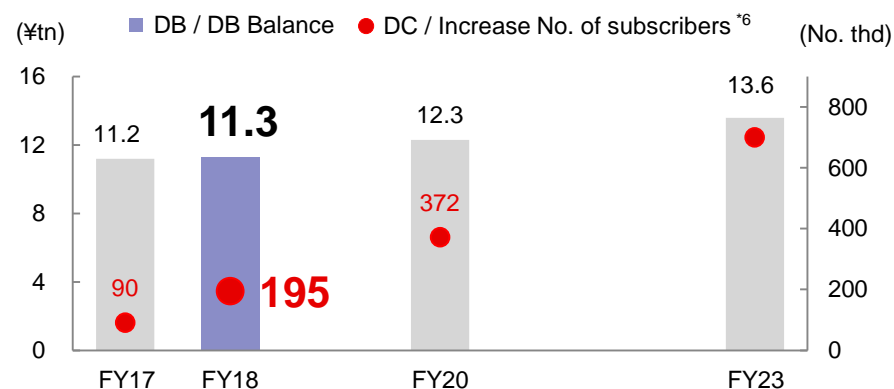


^{*1} High-End customers. Over ¥2 bn assets ^{*2} No. of testamentary trusts + wealth assessment etc. ^{*3} No. of customer referral from the Bank to MUMSS + collaboration between the Trust Bank and MUMSS etc. ^{*4} Semi-High-End customers. Over ¥0.3 bn assets ^{*5} Excluding changes in market prices ^{*6} Net increase of subscribers from 2017

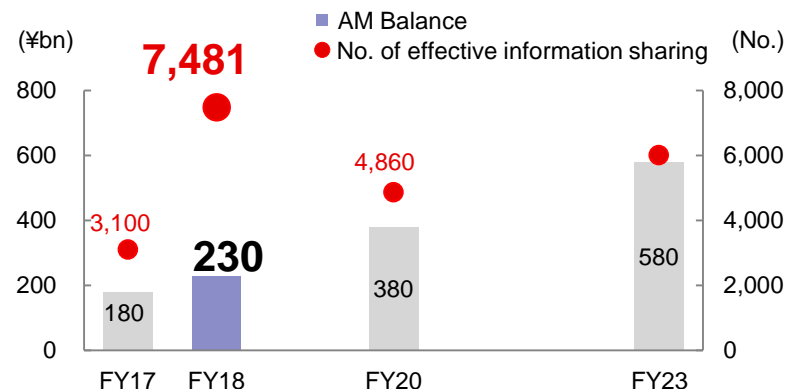
(4) New Model for Wholesale Banking in Japan (5) Real Estate

- No. of group collaborations dramatically increased as a result of functional realignment
- Improve quality of information shared and strengthen matching capability by increasing staffs in PO

KPI Pension



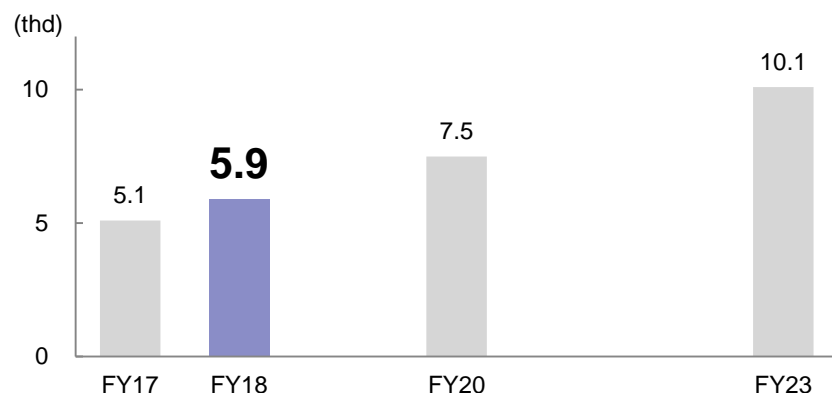
KPI Real Estate



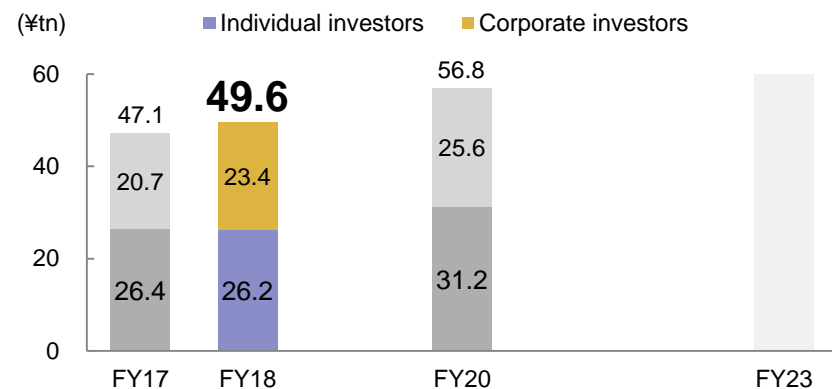
(6) Asset Management in Japan

- Successfully developed corporate customer base by introducing lower risk products such as Money Trust^{*1}
- Aim to increase investment assets by advancing the capability of product lineup

KPI (Corporate) No. of customers^{*2}



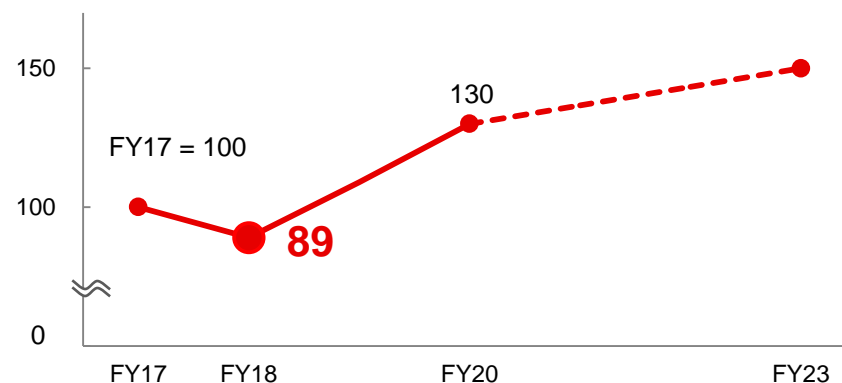
KPI (Individual / Corporate) Investment assets^{*3}



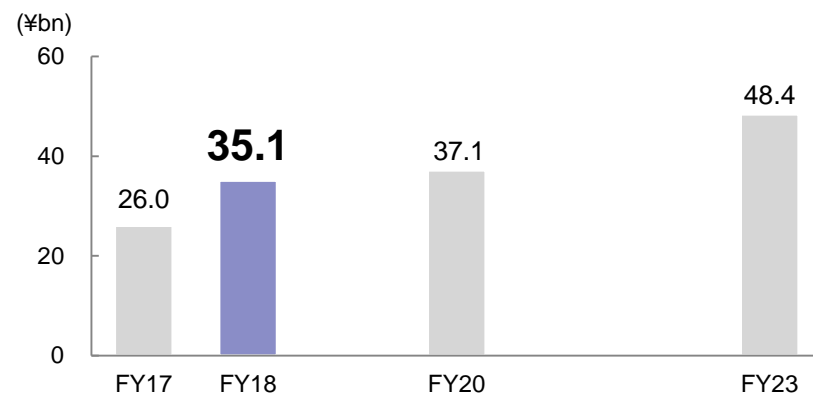
(7) Institutional Investors

- S&T^{*4}: Re-concentrate on business with strengths (forex etc.)
- IS^{*5}: Aim to expand banking services associated with fund administration

KPI Client value^{*6}



KPI Operating income from IS business



^{*1} Joint-management specified money trust (Investment product backed by corporate loans etc.) ^{*2} Number of corporate customers with investment products

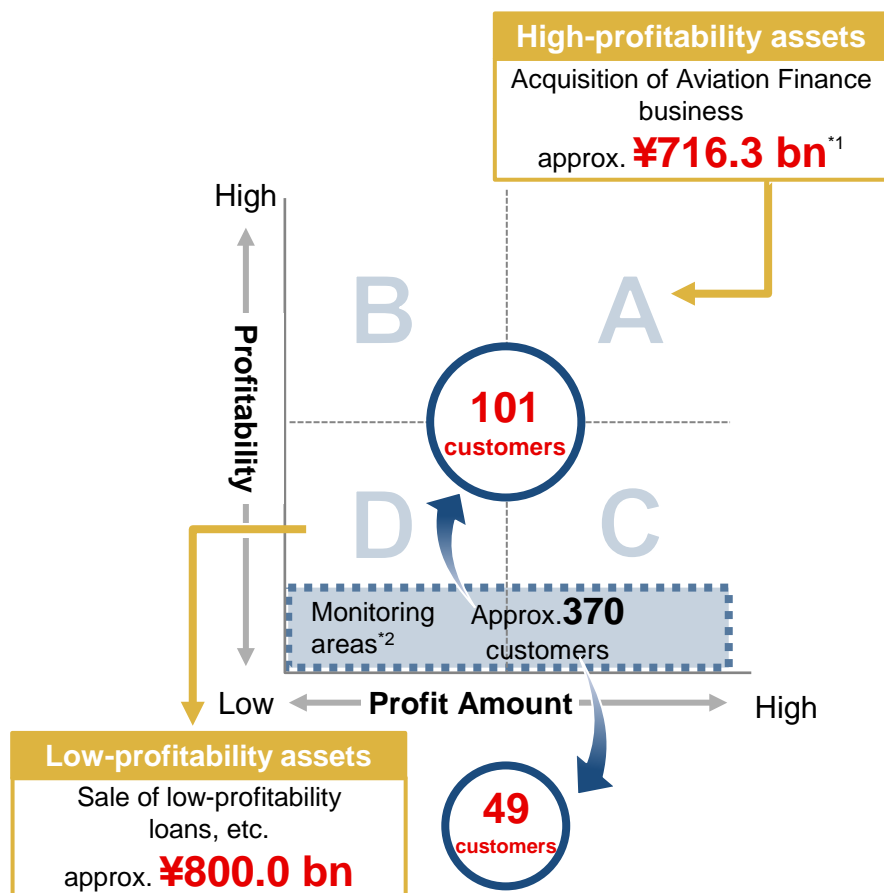
^{*3} Reflecting changes in market prices ^{*4} Sales & Trading ^{*5} Investor Services

^{*6} Quasi sales & trading profits in institutional investors business. Indexation using in FY17 as 100 (annualized)

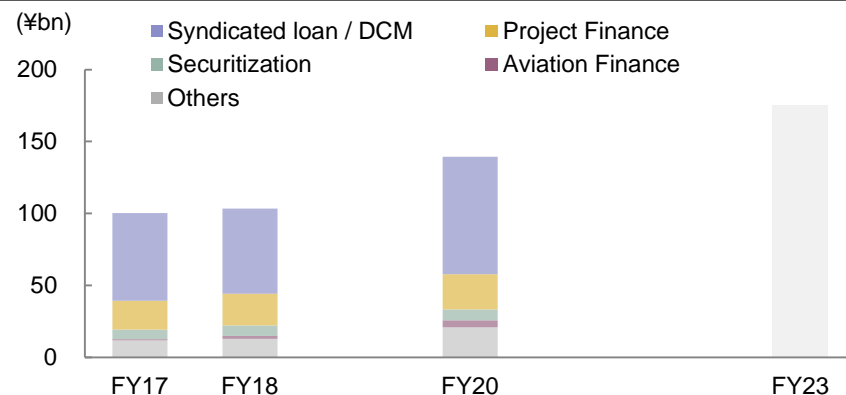
(8) Global CIB

- Accelerate portfolio recycle through a reduction of low-profitability assets and acquisition of Aviation Finance business. Reduced the number of low-profitability customers by approx. 40%
- Improve product enhancement and O&D

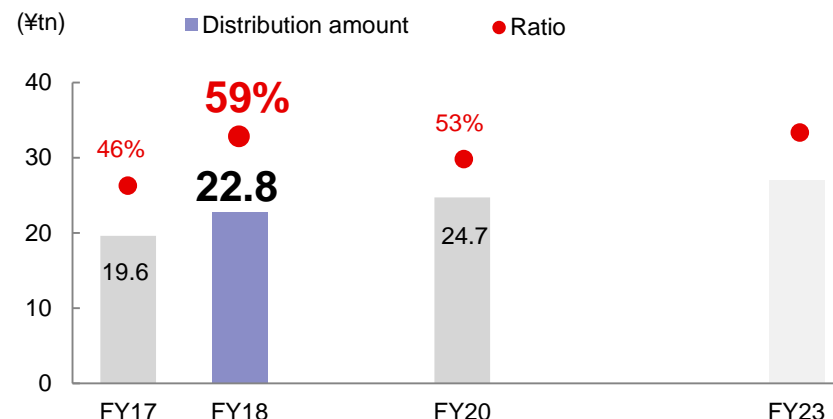
Global portfolio recycle



Fee income by product^{*3}



KPI Distribution amount / the ratio^{*4*5}



^{*1} Amount of client lending portfolio is approx. €5.6 bn as end of Jun 2018. ¥716.3 bn is calculated by €1=¥127.91

^{*2} A group of customers with low profitability below our profitability threshold ^{*3} Estimated impact on net operating profits

^{*4} Distribution amount = Arrangement amount – Final hold amount (Syndicated loan, Project Finance, Securitization, Aviation Finance, etc.)

+ Securities' arrangement amount of DCM, ABS, etc.

Distribution ratio = Distribution amount / Total amount of loans to global corporate customers ^{*5} FY18 Distribution ratio is provisional numbers

Global Commercial Banking

MUFG Americas Holdings Corporation (MUAH)

Financial results of MUAH*1

<P/L> (US\$mm)	FY17	FY18	
			YoY
1 Net interest income	3,204	3,307	103
2 Total non-interest income*2	2,010	2,177	167
3 Trading account activities	(5)	(24)	(19)
4 Investment banking and syndication fees	369	355	(14)
5 Fees from affiliates*3	866	1,213	347
6 Total revenue	5,214	5,484	270
7 Non-interest expenses*4	3,984	4,277	293
8 Salaries and employee benefits	2,495	2,616	121
9 Pre-tax, pre-provision income	1,230	1,207	(23)
10 Provision for credit losses	(103)	106	209
11 Income tax expense	299	52	(247)
12 Net income attributable to MUAH	1,077	1,073	(4)
13 NIM	2.33%	2.26%	(0.07ppt)

<BS> (US\$mm)	End Dec 17	End Dec 18	
			Change
14 Loans	80,014	86,507	6,493
15 Deposit	84,787	90,979	6,192
16 Total equity	18,255	16,508	(1,747)
17 Total asset	154,550	168,100	13,550
18 NPL ratio	0.58%	0.49%	(0.09ppt)
19 NPL coverage ratio	102.37%	112.50%	10.13ppt

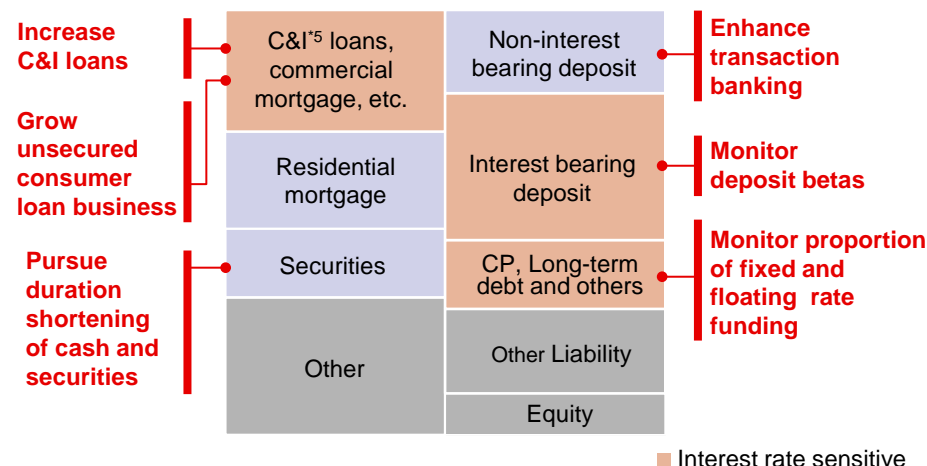
*1 MUAH's December 31, 2018 10-K reports based on U.S. GAAP

*2 Figure for FY18 includes the losses on certain renewable energy investments of \$164 mm as a result of Tax Cuts and Jobs Act of 2017

*3 Represents income resulting from the business integration of MUFG Bank & MUFG Union Bank, N.A.

*4 Including expense associated with employees providing support services to MUFG Bank *5 Commercial & industrial

Asset mix for a more efficient balance sheet

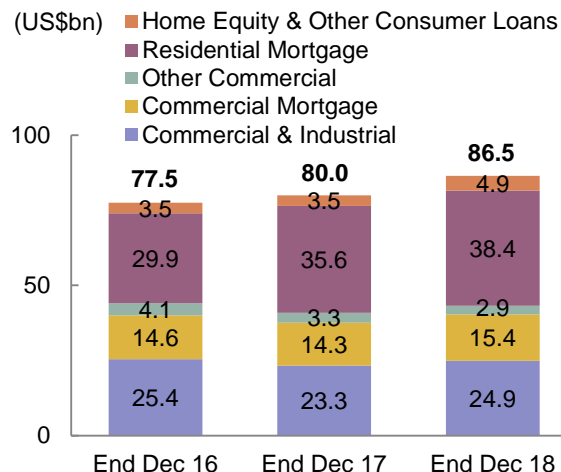


Initiatives to improve efficiency of Americas

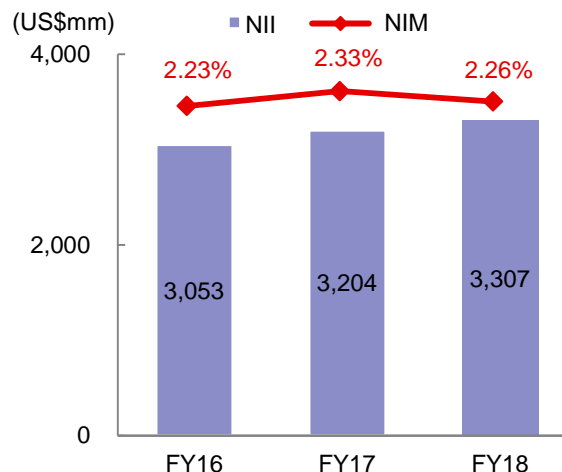
- Streamline operations and improve productivity through the use of cloud service and establishment of agile development team among others
- Improve mid-long term productivity via the core banking transformation and the revisit of operation process
- Redistribute part of workforce to a lower cost location and strong labor supply (Phoenix, AZ)
- Reduction in professional and outside service expenses

(Reference) Key figures*¹ of MUAH

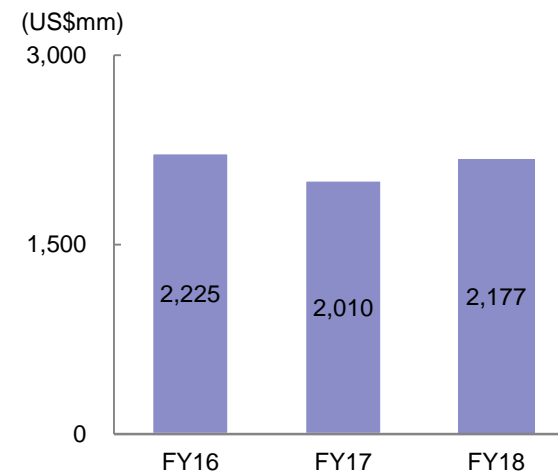
Lending balance



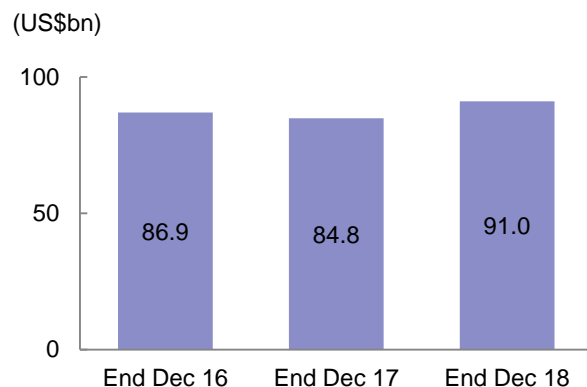
Net interest income



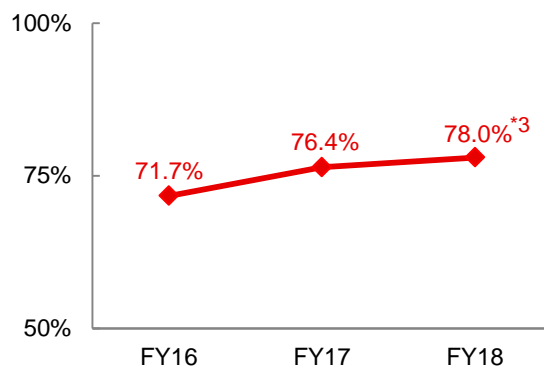
Non-interest income



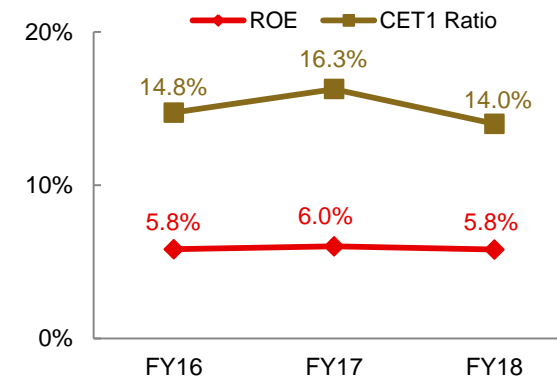
Deposit balance



Cost to income ratio*²



ROE / CET1 ratio*⁴



*¹ Financial results as disclosed in MUAH's 10-K report based on U.S. GAAP *² Efficiency ratio

*³ The adjusted efficiency ratio is a non-GAAP financial measure. Management believes adjusting the efficiency ratio for the fees (US\$1,129 mm) and costs (US\$1,001 mm) associated with the provision of services to MUFG Bank, Ltd. branches in the U.S. enhances the comparability of MUAH's efficiency ratio when compared with other financial institutions. Management believes adjusting revenue for the impact of the TCJA (negative revenue US\$164 mm) enhances comparability between periods. Adjusted Efficiency Ratio for FY18 is 72.47%

*⁴ U.S. Basel III standardized approach; fully phased-in MUAH is working on capital optimization and paid a US\$500 mm dividend in 2017 to MUFG and MUFG Bank, Ltd. and recently repurchased approximately US\$2.5 bn of its outstanding common stock from MUFG and MUFG Bank, Ltd. in 2018

Financial results*1

<P/L> (THB mm)	FY17	FY18	
			YoY
1 Net Interest Income	68,535	75,328	6,793
2 Net Fees and Services Income	19,675	21,248	1,573
3 Non-interest and Non Fees Income	12,270	13,003	733
4 Total Income	100,480	109,579	9,099
5 Other Operating Expenses	48,210	51,741	3,531
6 Employee Expenses	24,438	26,287	1,849
7 Pre-provision Operating Profit	52,270	57,838	5,568
8 Impairment Loss of Loans and Debt Securities	22,970	26,180	3,210
9 Net Profit Attribute to Owners of the bank	23,209	24,813	1,604
10 NIM	3.74%	3.81%	0.07ppt

<BS> (THB mm)	End Dec 17	End Dec 18	
			Change
11 Loans	1,619,358	1,749,254	129,896
12 Deposit	1,319,229	1,426,348	107,119
13 Total Equity	225,987	243,718	17,731
14 Total Asset	2,088,772	2,173,622	84,850
15 NPL Ratio	2.05%	2.08%	0.03ppt
16 NPL Coverage Ratio	148.4%	160.8%	12.4ppt

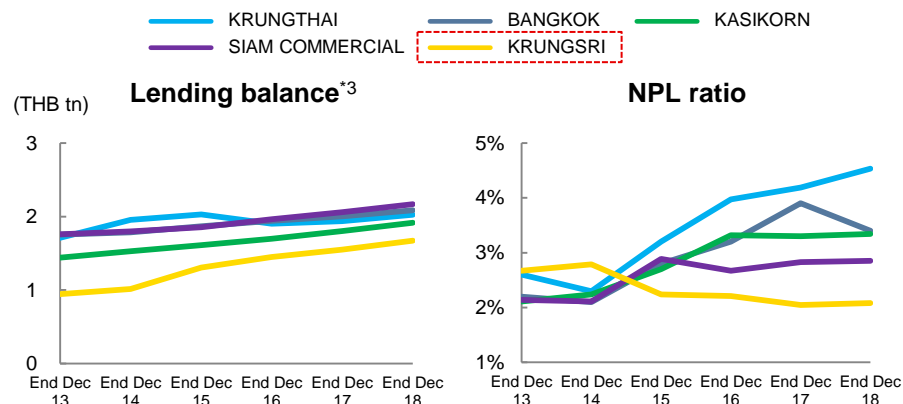
Strategic direction

Segment	Position		Key Strategies
	Current		
JPC / MNC*2	#1	→	Promote deposit & investment banking business
Thai Corp	#5	→	Explore new market / enhance fee business
SME	#5	→	Focus on working capital solution, and grow non-interest income and CASA*4
Retail	#5	→	Improve Krungsri brand consideration and advisory capability
Consumer Finance	#1	→	Maintain and enhance #1 position

Accelerate digital /
Improve productivity

Maintain high asset quality

Peer comparison



(Source) Bloomberg, Company data

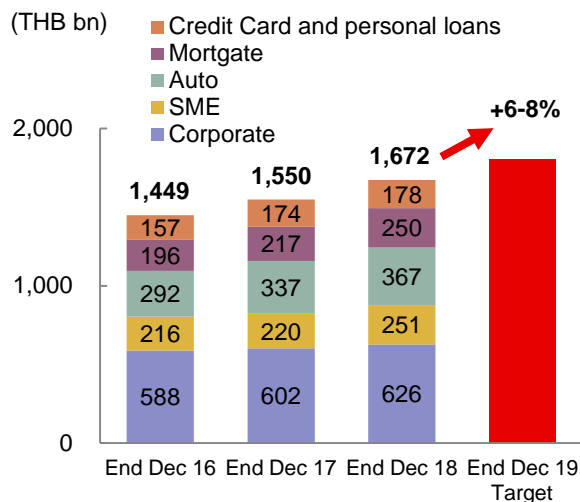
*1 Financial results as disclosed in Krungsri's financial report based on Thai GAAP *2 Multinational Corporation

*3 Lending balance is sum of loans. The Bank Bangkok branch was integrated to KS with total loan of THB 232.7bn in Jan 15

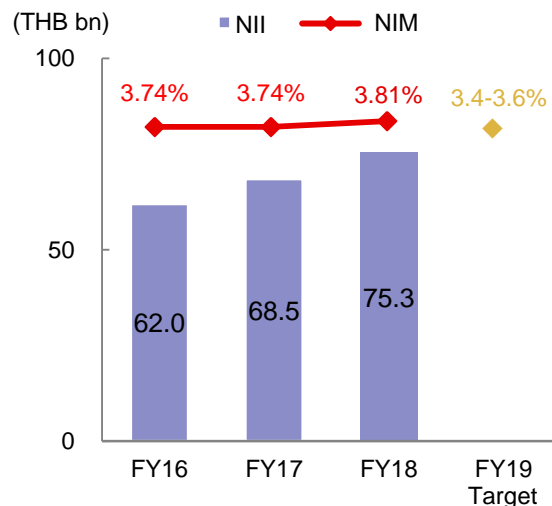
*4 Current Account and Savings Account

(Reference) Key figures of Krungsri

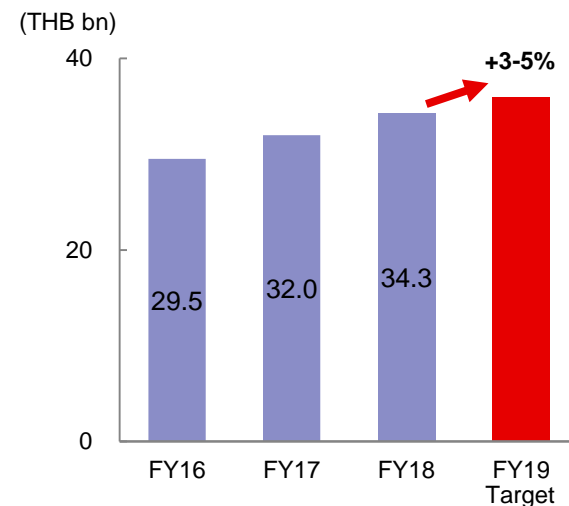
Lending balance



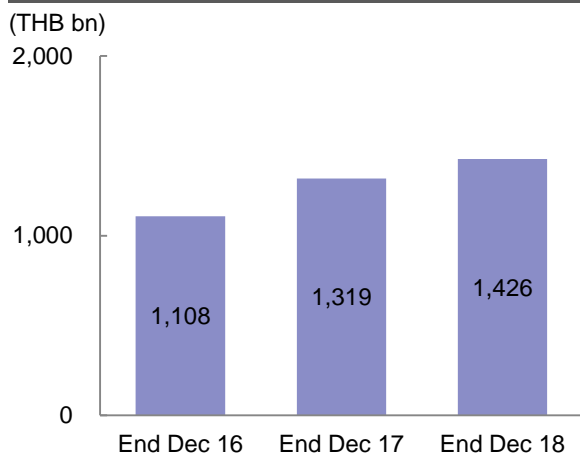
Net interest income



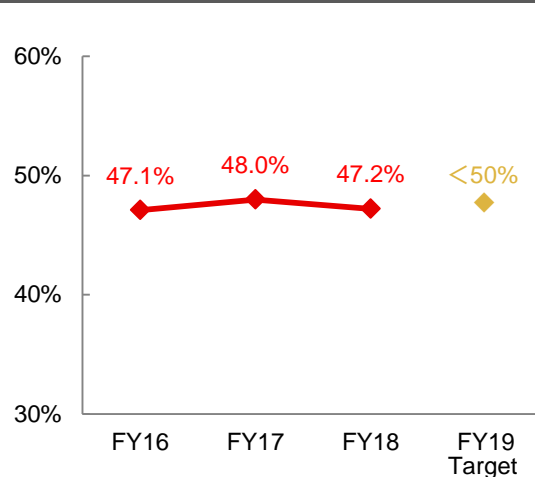
Non-interest income



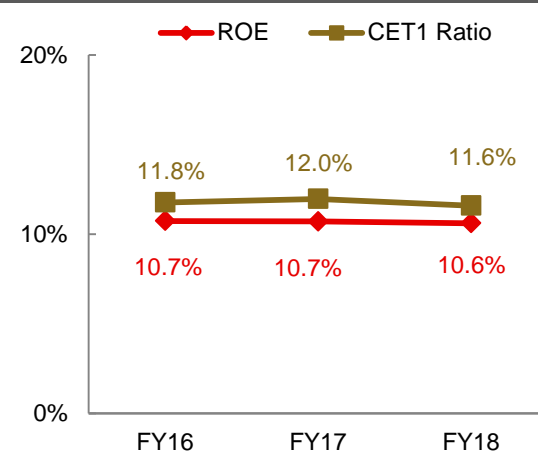
Deposit balance



Cost to Income ratio



ROE·CET1 ratio



Bank Danamon

Financial results*1

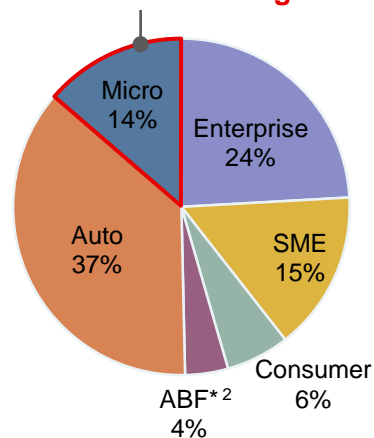
<P/L> (IDR bn)	FY17	FY18	
			YoY
1 Net Interest Income	14,170	14,434	264
2 Non Interest Income	3,489	3,277	(212)
3 Total Operating Income	17,659	17,711	52
4 Operating Expenses	8,646	8,647	1
5 Pre-provision Operating Profit	9,014	9,065	51
6 Cost of Credit	3,466	3,267	(199)
7 Operating Profit	5,548	5,797	249
8 Net Profit after Tax	3,682	3,922	240
9 NIM	9.26%	8.94%	(0.32ppt)

<BS> (IDR bn)	End Dec 17	End Dec 17	
			Change
10 Loans	129,724	139,497	9,773
11 Deposit	104,645	110,558	5,913
12 Total Equity	38,660	41,311	2,651
13 Total Asset	178,257	186,762	8,505
14 NPL Ratio	2.76%	2.74%	(0.02ppt)
15 NPL Coverage Ratio	119.2%	120.2%	1.0ppt

Historical loan portfolio

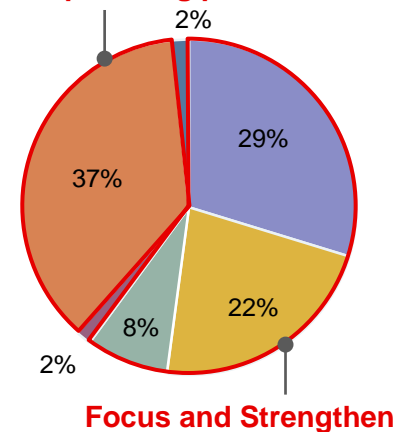
End Dec 2014

Under restructuring



End Dec 2018

Keep leading position



Focus and Strengthen

Peer comparison*3

	Bank Danamon	Average of Mid-sized Banks
ROE	10.6%	7.9%
Efficiency ratio	48.8%	53.6%
NIM	8.9%	4.8%
NPL gross	2.7%	3.3%

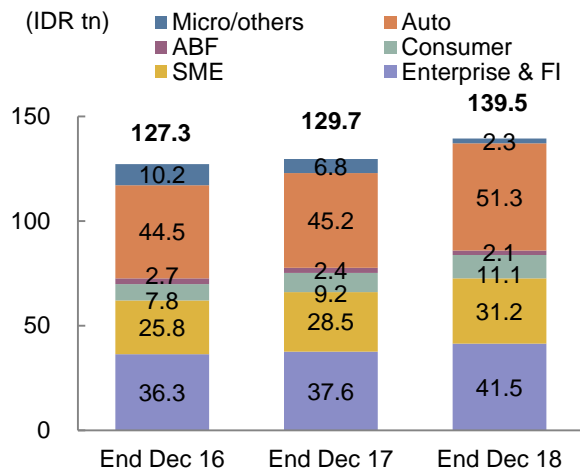
(Source) Company disclosure, SNL Financial

*1 Financial results as disclosed in Bank Danamon's financial report based on Indonesian GAAP *2 Asset Based Financing. Loan secured by collateral (assets)

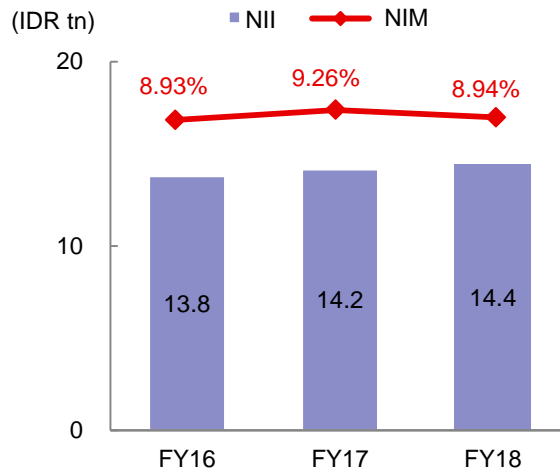
*3 Applied on average of mid-sized banks (except Bank Danamon: CIMB Niaga, Panin, Maybank (Indonesia), Permata)

(Reference) Key figures of Bank Danamon

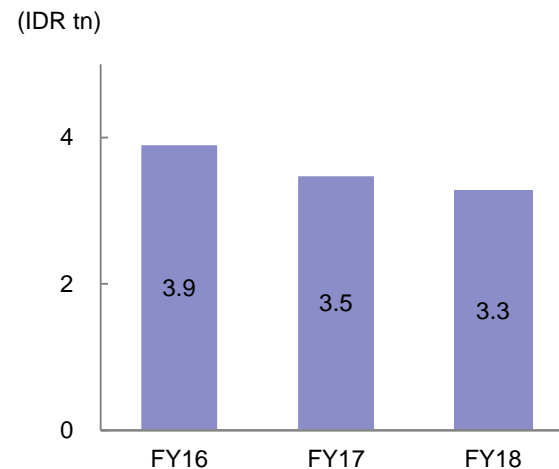
Lending balance



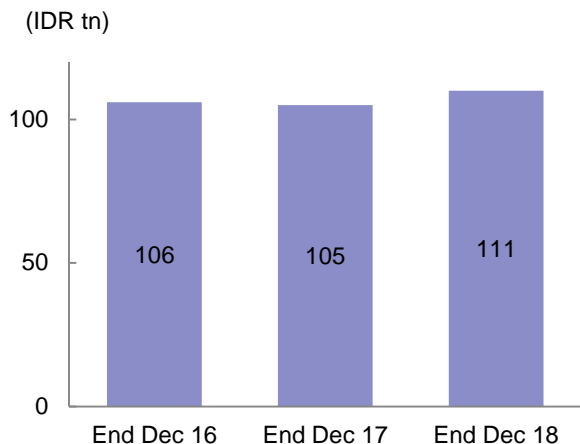
Net interest income



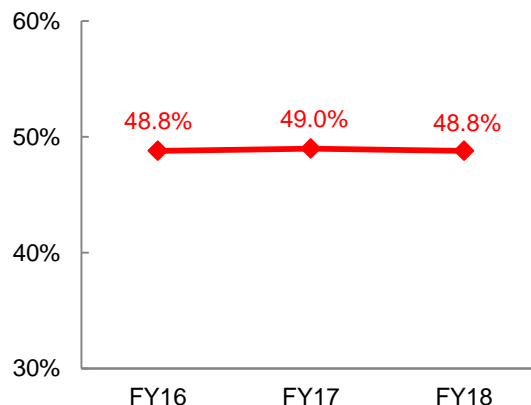
Non-interest income



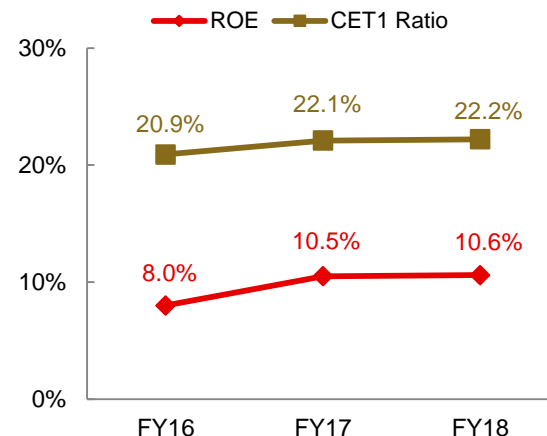
Deposit balance



Cost to income ratio



ROE / CET1 ratio

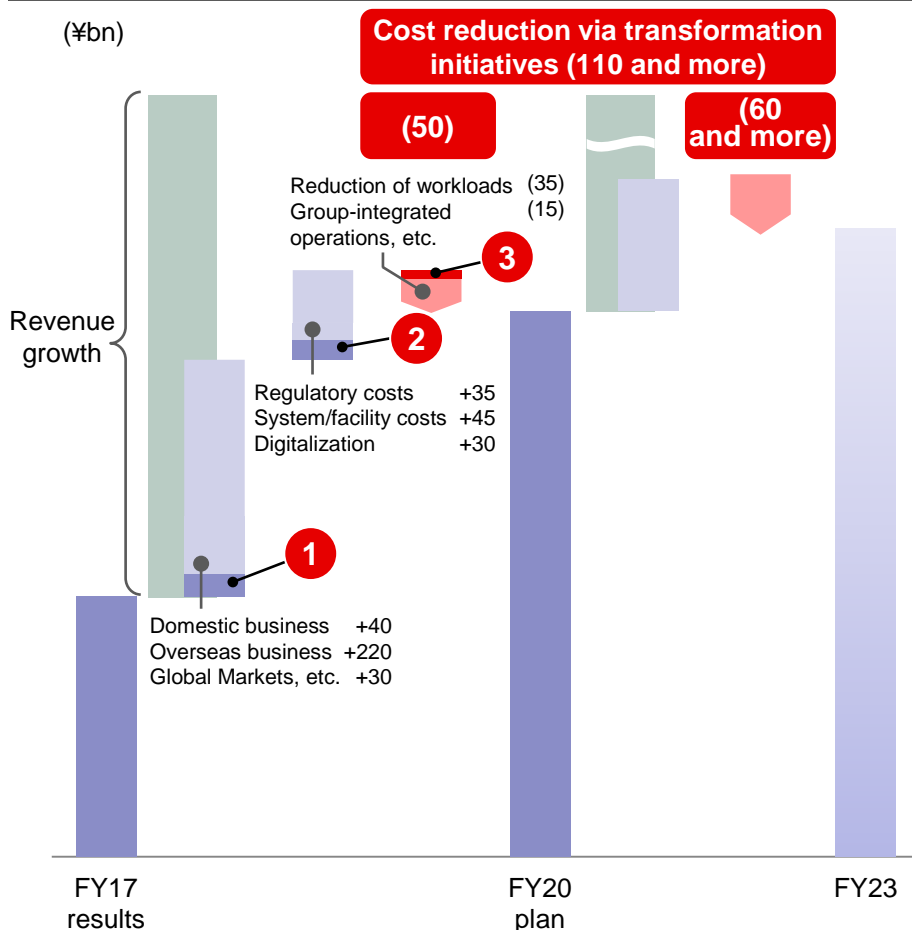


Expense

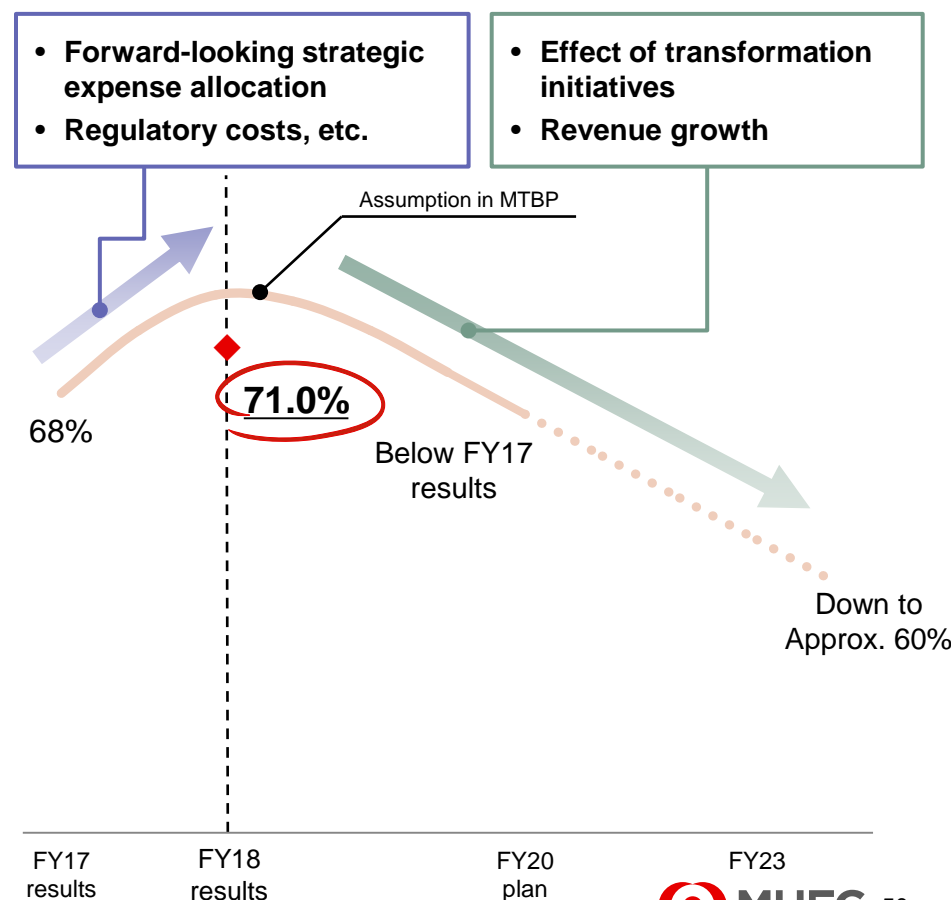
Progress during FY2018

- Expense increased in growth areas such as GCB, consumer finance and wealth management as well as the areas in regulatory compliance and facility. Steadily making progress in digital investment
- With making efforts to reduce domestic and overseas costs, cost reduction is gradually realized via transformation initiatives such as reduction of workloads. FY18 expense ratio was below the original assumption in MTBP*1

Changes in expenses



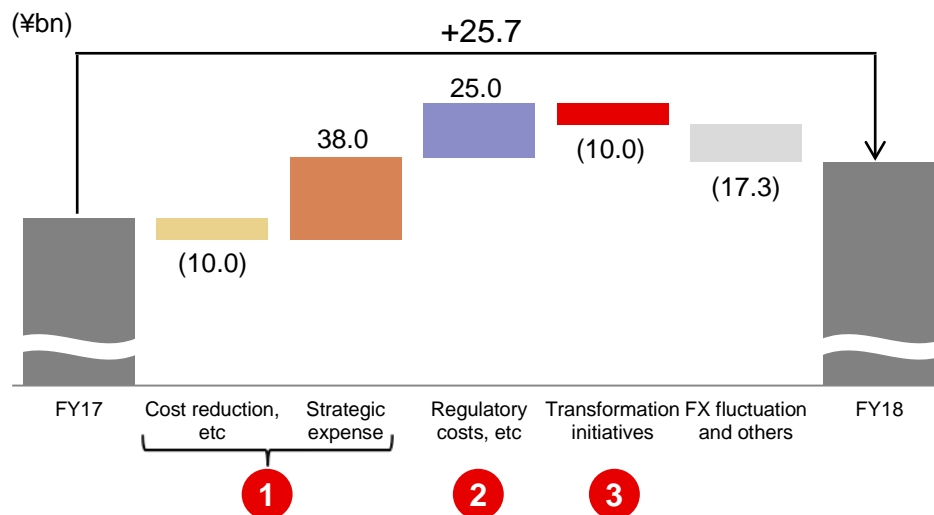
Expense ratio



*1 Medium-Term Business Plan

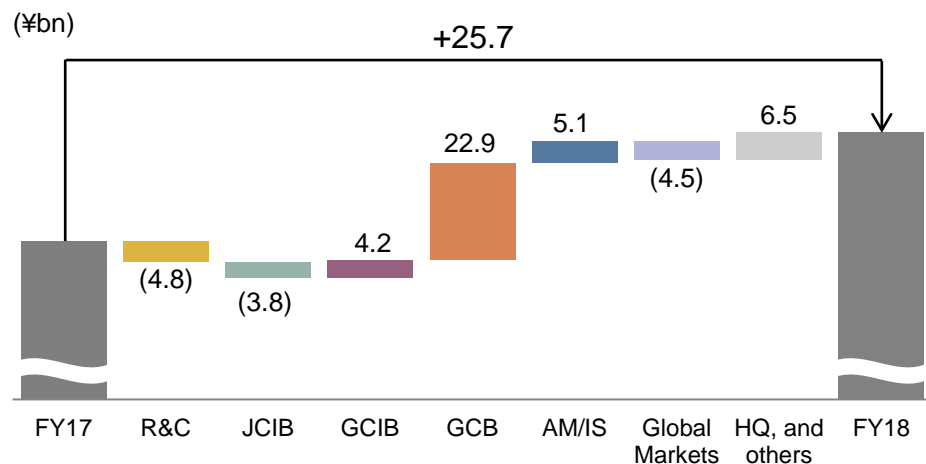
Factors of increase and decrease

By measures



- Reduced expenses mainly in domestic personnel expenses and amortization expenses
 - Steadily allocated necessary expenses to promote growth strategies
- Overseas regulatory costs increased
 - Facility costs increased due to completion of constructing large buildings in Japan
- Reduced workloads through digital related initiatives
 - Achieved cost reductions by initiating group-integrated operations

By business group



R&C

JCIB

- Offset an increase in expenses, associated with consumer finance due to business expansion and strategic investment in wealth management business, by reducing other expenses

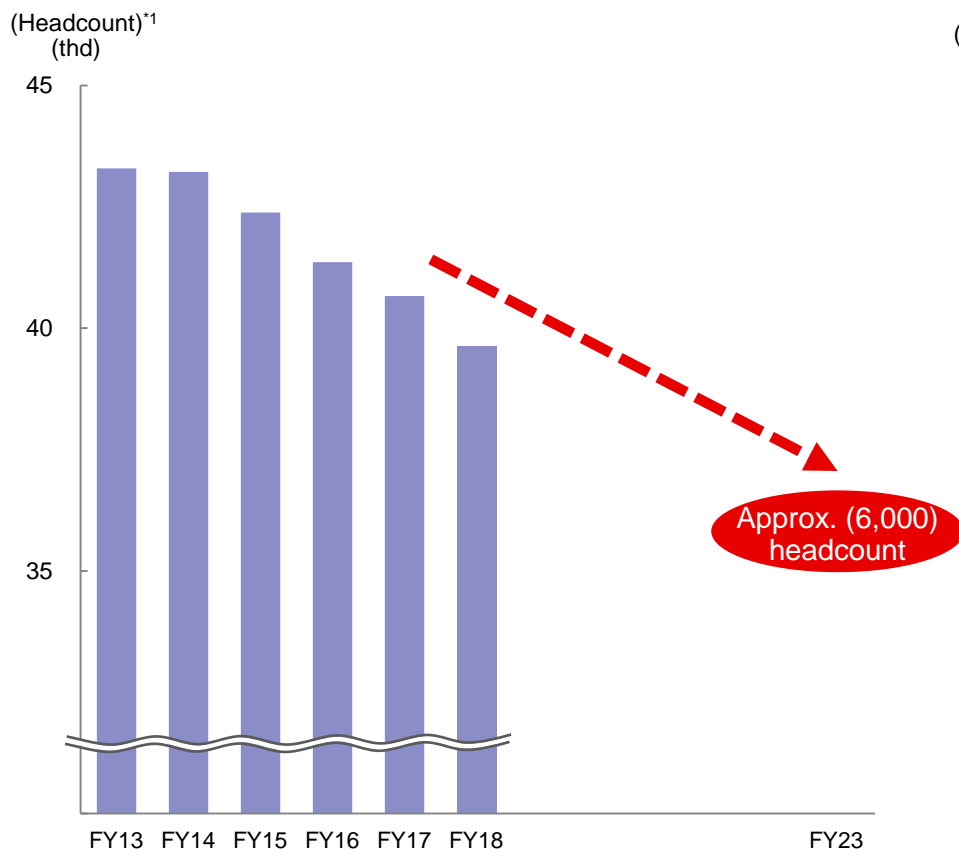
GCB

- Increased personnel expenses such as bonus payments associated with business expansion
- Increased system related expenses

Headcount, branches

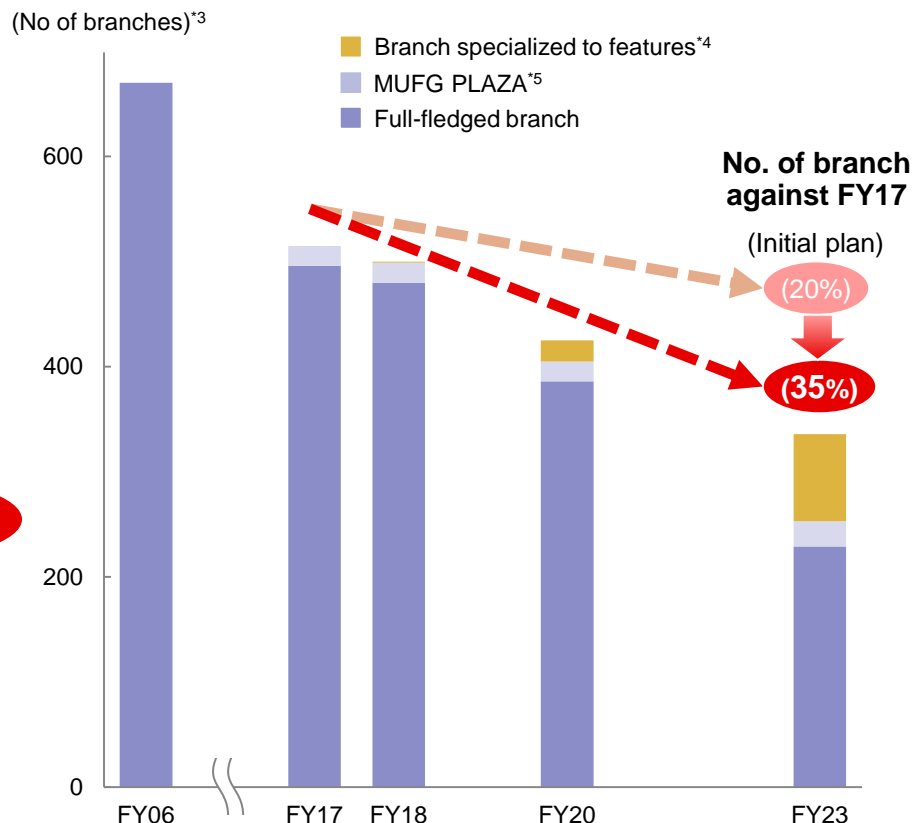
Forecast of employees headcount

- Reduce workloads equivalent to the labor of over 10,000 personnel by FY23, which is increased from 9,500
- Expect a decrease in employee headcount totaling approx. 6,000 compared to FY17 (attrition)



Forecast of number of branches

- Accelerate the reduction of no. of total branches by FY23 from 20% (initial plan) to 35%
- Halve the no. of full-fledged branches*²
- Mainly deploy a consulting office as a branch specialized to features



*¹ The figure includes MUFG Bank's domestic bank staff, part-time and contract staff as well as temporary staff but excludes overseas staff hired locally. The figure also includes employees of other companies seconded to MUFG Bank but excludes employees temporarily transferred to other companies

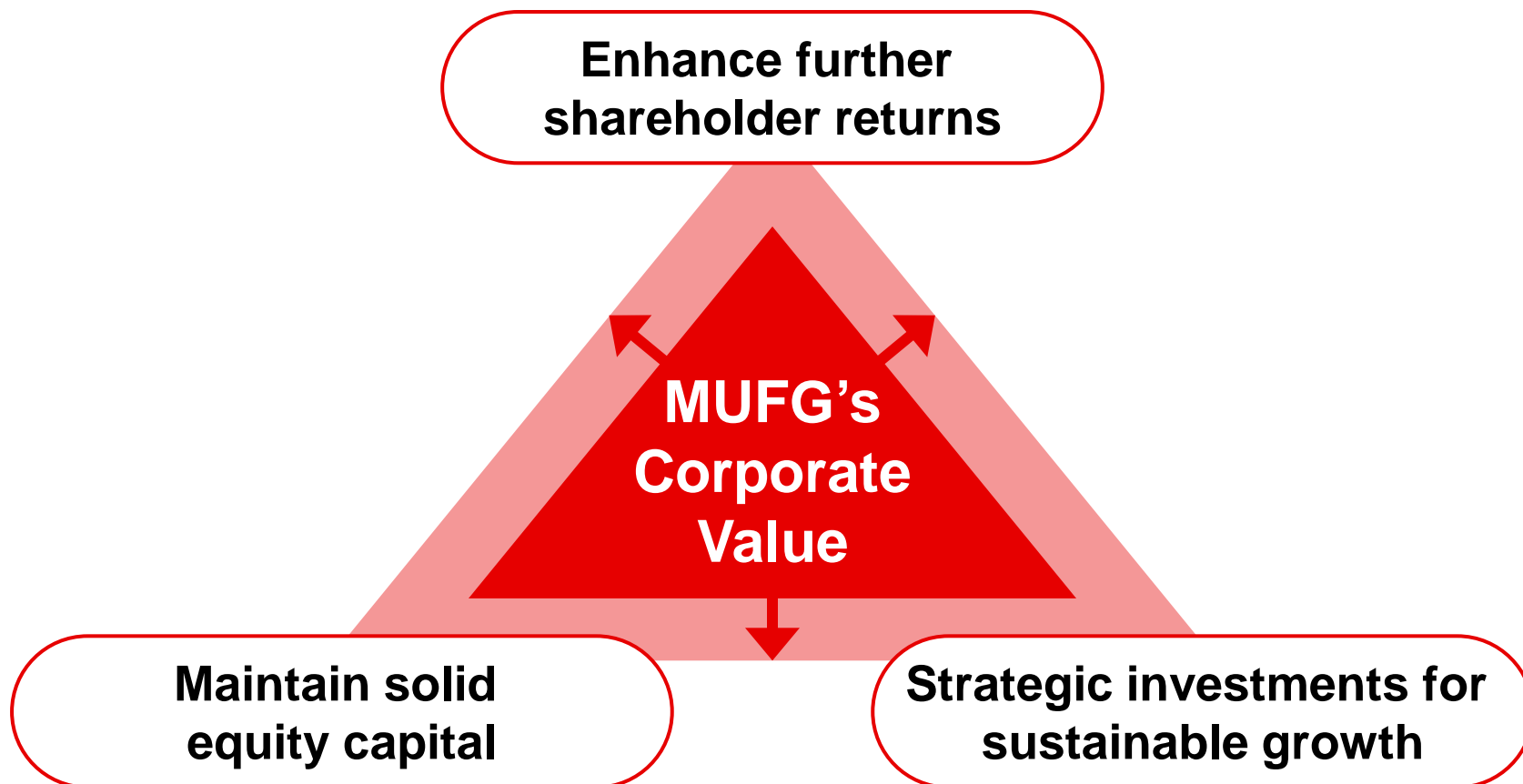
*² A branch that handles all services including consulting service at bank counter by clerk *³ MUFG Bank non-consolidated basis

*⁴ MUFG NEXT and consulting office *⁵ Group co-located branch

Capital Policy

Capital policy

- Our capital policy calls for striking an appropriate balance from three perspectives: solid equity capital maintenance, strategic investments for sustainable growth, and the further enhancement of shareholder returns



Basic policies for shareholder returns

Basic policies for shareholder returns

MUFG continuously seeks to improve shareholder returns, focusing on dividends in the pursuit of an optimal balance with solid equity capital and strategic investment for growth

Dividends

MUFG aims for a **stable and sustainable increase** in dividends per share through profit growth, **with a dividend payout ratio target of 40%**



Target a dividend payout ratio of 40% by the end of FY2023

Share Repurchase

MUFG plans to **flexibly repurchase** its own shares, as part of its shareholder return strategies, in order to improve capital efficiency



Consider (1) Performance progress / forecast and capital situation,
(2) Strategic investment opportunities (3) Market environment including share price



Confirm if MUFG's capital level remains stable as required to secure
"A" or higher credit rating

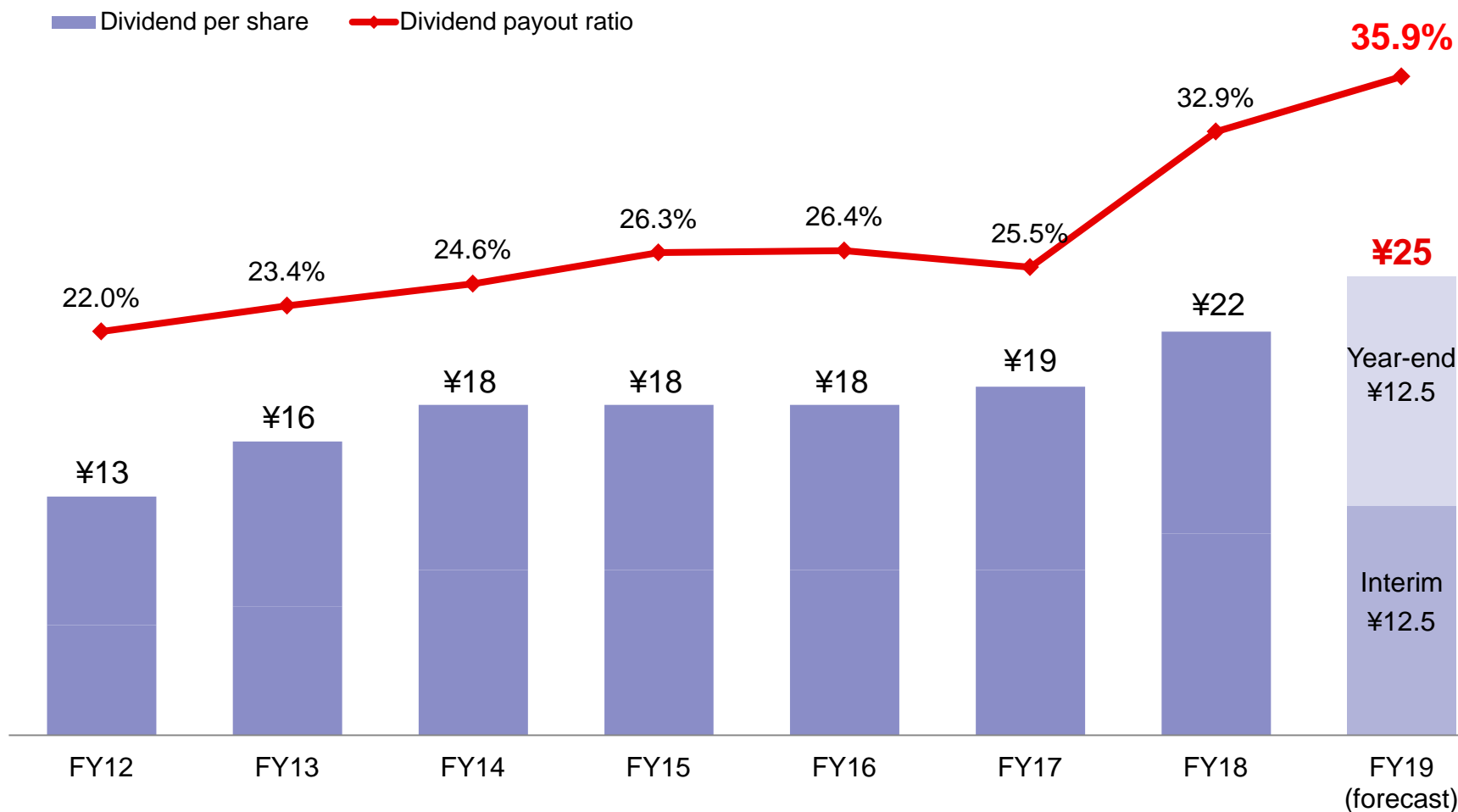
Share Cancellation

In principle, MUFG plans to hold a maximum of **approximately 5% of the total number of issued shares**, and cancel shares that exceed this amount

Dividend forecast

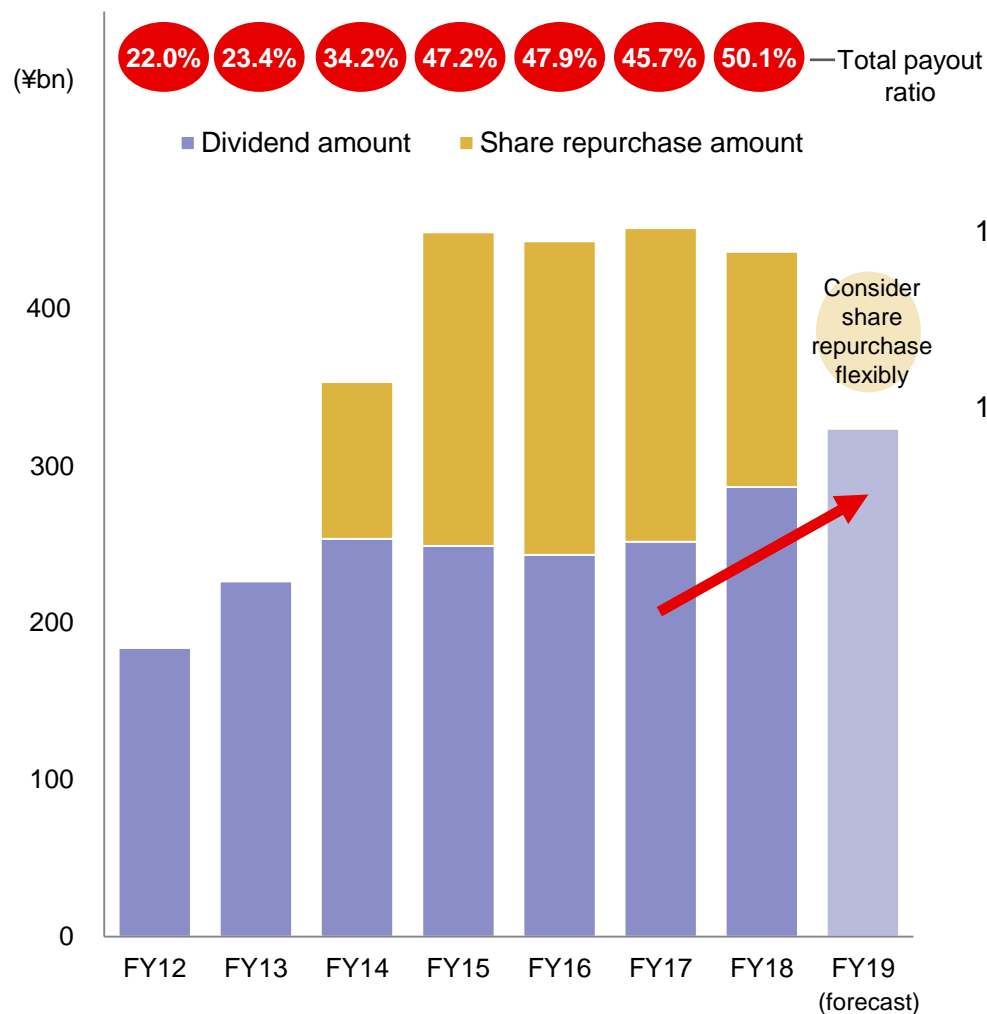
- Dividend per common stock for FY18 is ¥22
- FY19 dividend forecast is ¥25 per common stock, up by ¥3 compared to FY18

Results and forecasts of dividend per common stock

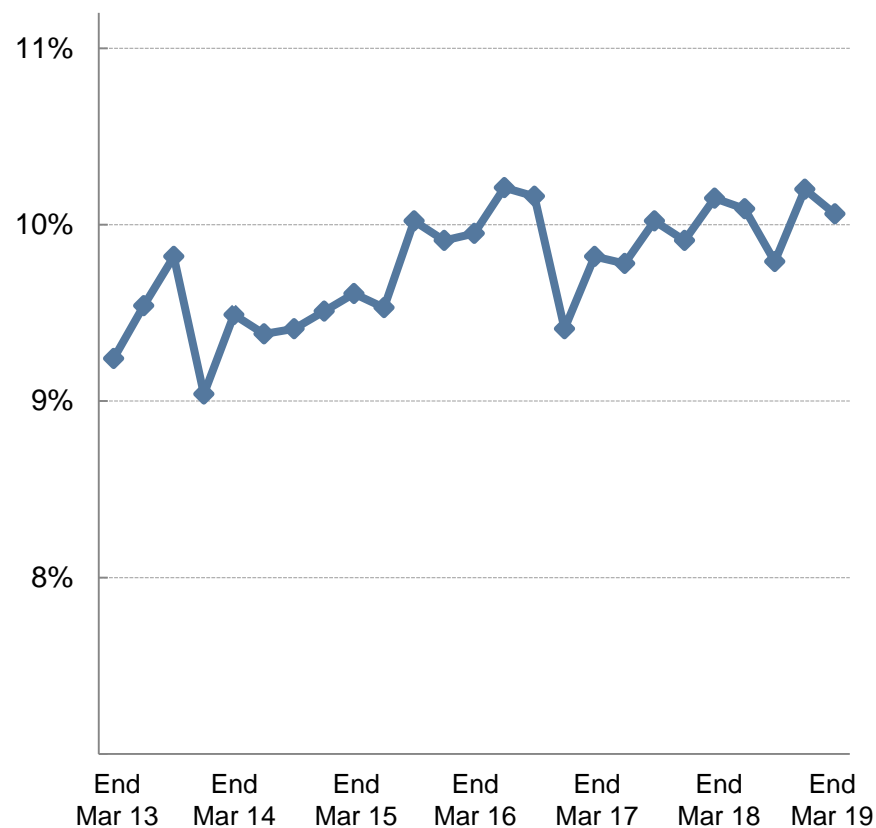


Total payout

Total payout



Trend of CET1 ratio*1



*1 Excluding impact of net unrealized gains (losses) on available-for-sale-securities

Optimize strategic investment

- Conduct a review of existing strategic investment from viewpoint of strategy, capital efficiency and profitability of investment
- Since 2017, MUFG sold all or part of the shares as stated below after careful consideration based on changes in the business environment
- Nothing changes in their status as one of MUFG's important strategic partners / alliances



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



Number of shares sold	148,627,983 ordinary shares (equivalent to 6.0% stake)
Date of sale	February 15, 2019
Sale price	Approx. ¥49 bn



Number of shares sold	41,718,620 ordinary shares (equivalent to 1.25% stake)
Date of sale	April 6, 2018
Sale price	Approx. ¥45 bn

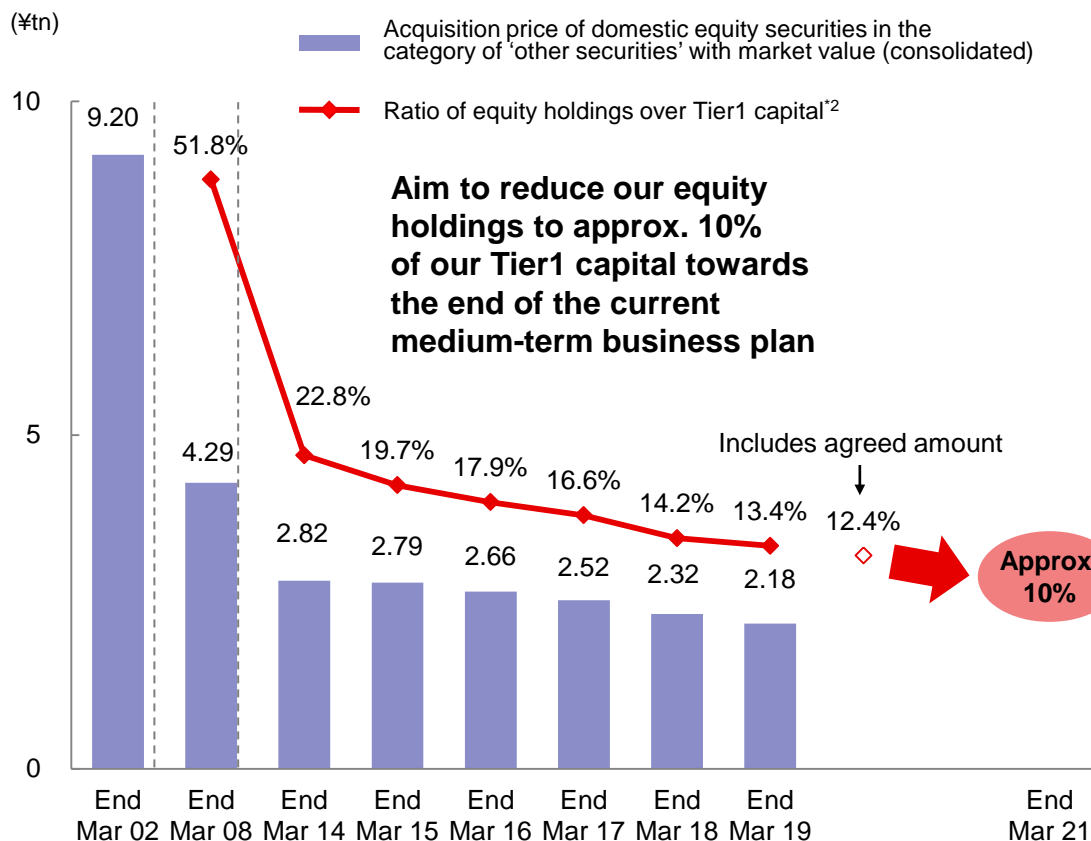


Number of shares sold	15,500,000 ordinary shares (equivalent to 4.6% stake)
Date of sale	March 28, 2019
Sale price	Approx. ¥8 bn

Reduction of equity holdings

- Accelerate reduction of equity holdings considering the risk, capital efficiency and international financial regulations
- Approx. ¥127 bn*¹ equities were sold in FY18

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
FY17	¥318 bn	¥201 bn	¥117 bn
FY18	¥242 bn	¥127 bn	¥115 bn
Total	¥1,038 bn	¥594 bn	¥444 bn
Agreed amount	-	¥164 bn	-

*1 Sum of the Bank and the Trust Bank. Acquisition cost basis

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

Environment, Social and Governance

New Sustainable Finance Goals

Achievement to date

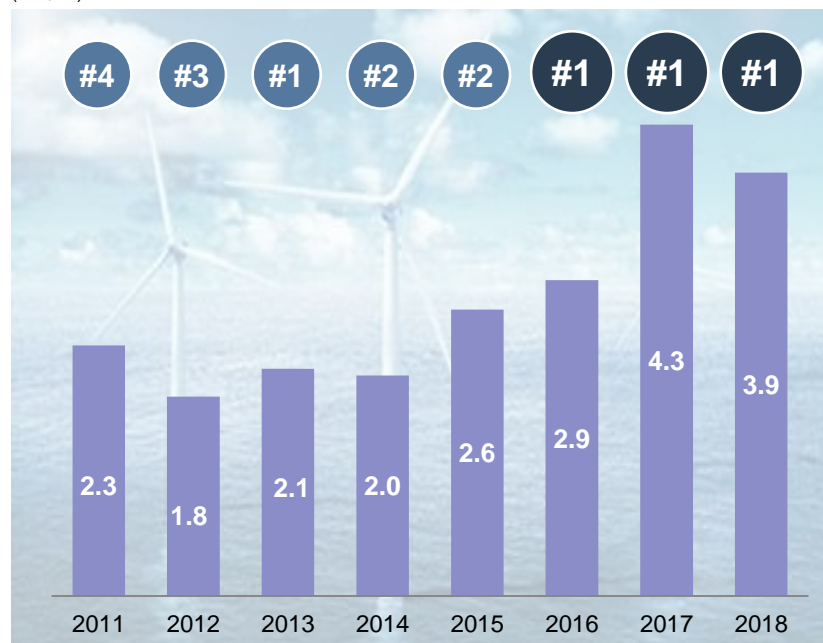
MUFG ranked Global No.1
for the third straight year as a finance
arranger to renewable energy projects

Future endeavor

MUFG sets a new Sustainable Finance
Goals of ¥20 tn in total by FY2030
(of which, ¥8 tn for the area of
environmental finance)

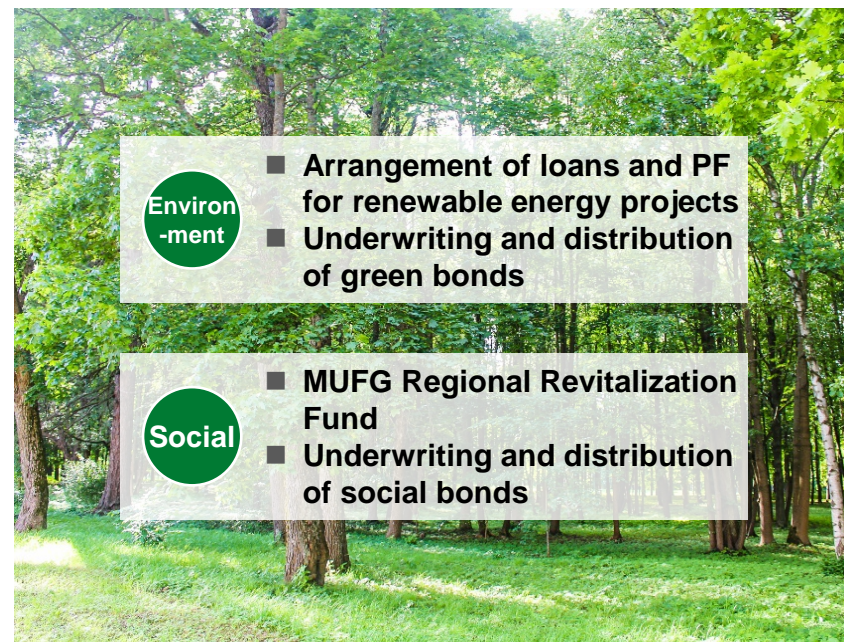
MUFG's ranking as a finance arranger*1

(US\$bn)



(Source) Bloomberg New Energy Finance ASSET FINANCE / Lead arrangers LEAGUE TABLE

Examples of Sustainable Finance



*1 Results of Project Finance, etc. in the renewable energy sector

Revision of the MUFG Environmental and Social Policy Framework

Revision	
<div>Revision</div> <p>Coal fired power generation sector</p>	<p>MUFG <u>will not provide financing</u> to new coal fired power generation projects</p> <ul style="list-style-type: none"> • Exceptions may be considered where we will take into consideration the energy policies and circumstances of the host countries, international standards such as the OECD Arrangement on Officially Supported Export Credits, and the use of other available technologies when deciding whether to provide financing • We also support the adoption of advanced technologies for high efficiency power generation and Carbon Dioxide Capture and Storage (CCS) technologies which contribute to a reduction in the emission of greenhouse gases
<div>Revision</div> <p>Restricted Transactions</p>	<p><u>Forestry, palm oil and mining (coal)</u> will be newly added to “Restricted Transactions”</p> <ul style="list-style-type: none"> • When considering transactions, we assess the status of such client’s consideration for environmental and social impacts. We request our clients to certify the relevant operations according to internationally recognized certification organizations or submit action plans to achieve certification when relevant operations are not certified • We will not provide any financing to coal mining projects using the mountaintop removal (MTR) method
<div>New</div> <p>Asset management business</p>	<p>In its asset management business, MUFG has <u>established a separate policy</u> concerning environmental and social initiatives</p> <ul style="list-style-type: none"> • The policy was prepared in accordance with the six principles of the Principles for Responsible Investment (PRI), based on our fiduciary duty to clients who entrust their capital to us <ul style="list-style-type: none"> - Incorporate ESG issues into our operational process (promoting investments in highly evaluated companies and restricting investments in companies which are involved in the manufacturing and distribution of inhuman weapons and etc.) - Through dialogues concerning ESG issues with our portfolio companies, we encourage the sustainable growth of the companies and improve our investment performance

Utilize insights offered by outside directors

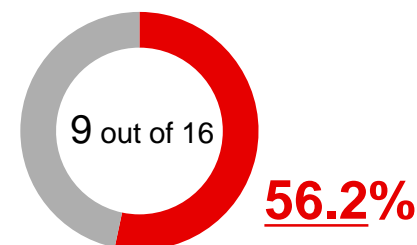
- Diversified director composition from various perspectives such as expertise, regionality and gender
- The Nominating and Governance Committee conducted intensive deliberation based on the succession plan, and elected the CEO

Outside directors (candidates for AGM in Jun 2019)

Candidate's Name		Current position and responsibilities at the Company*1	Other Public Co. Boards (#)	Expertise				
				Business Admin.	Finance	Accounting	Law	
1	Mariko Fujii	Newly elected Outside Independent	1	-	●	-	-	
2	Kaoru Kato	Newly elected Outside Independent	0	●	-	-	-	
3	Haruka Matsuyama	Reelected Outside Independent	3	-	-	-	●	Director Nominating Compensation (Chairperson)
4	Toby S. Myerson	Reelected Outside Independent	0	-	-	-	●	Director Risk
5	Hirofumi Nomoto	Newly elected Outside Independent	4	●	-	-	-	
6	Tsutomu Okuda	Reelected Outside Independent	0	●	-	-	-	Director Nominating (Chairperson) Compensation
7	Yasushi Shingai	Reelected Outside Independent	2	●	-	●	-	Director Audit Risk
8	Tarisa Watanagase	Reelected Outside Independent	1	-	●	-	-	Director Risk
9	Akira Yamate	Reelected Outside Independent	1	-	-	●	-	Director Audit (Chairperson)

Planned for June 27, 2019

Ratio: Independent outside directors



Committees under the Board of Directors

Committee	Chairperson*1	No. of meetings (FY18)
Nominating and Governance	Tsutomu Okuda (outside)	13
Compensation	Haruka Matsuyama (outside)	7
Audit	Akira Yamate (outside)	17
Risk	Yuko Kawamoto (outside)	4

CEO selection process

- Deliberated from last August. Determined over thorough discussions of seven times
- Carefully consider the necessity of CEO succession and the internal and external circumstances of the company
- Select from multiple candidates based on predetermined eligibility requirements

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

Audit: Audit Committee member
Risk: Risk Committee member

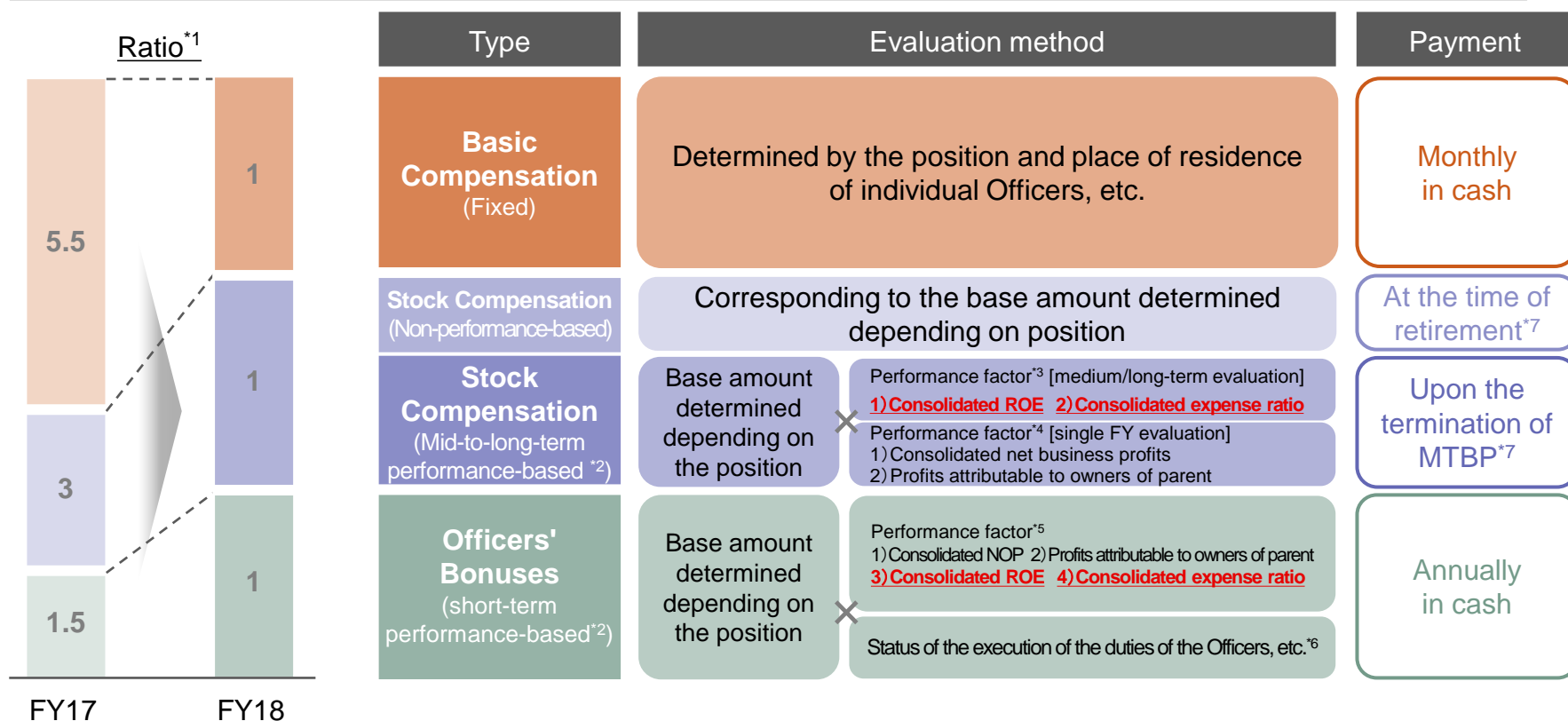
*1 As of April 30, 2019

Compensation policy for individual officers, etc.

- Add ROE and expense ratio as performance factor of compensation for individual directors, corporate executive officers and executive officers (“Officers, etc.”), considering MUFG’s management issues
- Increase the proportion of performance-based compensation from FY18 with the aim of better harmonizing with shareholders’ interests

< Philosophy and objective > From “Policy on Decisions on the Contents of Compensation for Individual Officers, etc.”

- Prevent excessive risk-taking and raise motivation of Officers, etc., to contribute not only to the short-term but also to the medium- to long-term improvement of financial results, thereby enabling sustainable growth and the medium- to long-term enhancement of the enterprise value of the Group
- This policy has been prescribed in accordance with the business performance and financial soundness of the Group and applicable Japanese and overseas regulations regarding compensation of officers and is designed to ensure high objectivity and transparency in the determination process of compensation for officers



*1 As for the case of the president of MUFG *2 Range: 0-150% *3 Rate of attainment of targets of the indicators in the MTBP *4 Comparison of the rate of increase in the indicators from the previous fiscal year with that of competitors *5 Rate of increase/decrease of the indicators from the previous fiscal year and the rate of attainment of targets of these indicators *6 Determined exclusively by independent outside directors at the Compensation Committee

*7 Subject to claw-back clause, etc.

Appendix

Appendix: Plan by business group*1

Business group		Net operating profits (¥bn)			Expense ratio		ROE*2	
		FY17 results	FY20 targets	Change	FY17 results	FY20 targets	FY17 results	FY20 targets
Retail & Commercial Banking	R&C	350	350	+0 (+0%)	78%	79%	9% (9%)	9% (9%)
Japanese Corporate & Investment Banking	JCIB	220	260	+40 (+20%)	58%	54%	10% (10%)	10% (11%)
Global Corporate & Investment Banking	GCIB	120	200	+80 (+65%)	67%	58%	7% (7%)	8% (8%)
Global Commercial Banking	GCB	190	320	+130 (+65%)	70%	66%	6% (8%)	8% (10%)
Asset Management & Investor Services	AM/IS	70	80	+10 (+15%)	63%	63%	21% (23%)	19% (20%)
Global Markets	Global Markets	390	490	+100 (+25%)	36%	35%	7% (7%)	9% (9%)

*1 Re-shown from page 25, Fiscal 2017 Results Presentation

*2 Managerial accounting basis. Calculated based on Risk Assets (R&C, JCIB, GCIB and GCB) or economic capital (AM/IS and Global Markets)

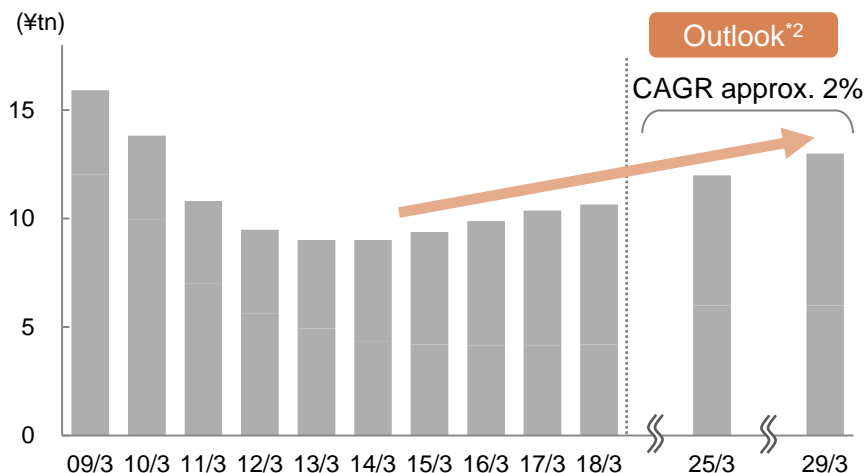
Calculated excluding mid- to long-term foreign currency funding costs

Figures in parentheses exclude the impacts of investment related accounting factors (amortization of goodwill, etc.)

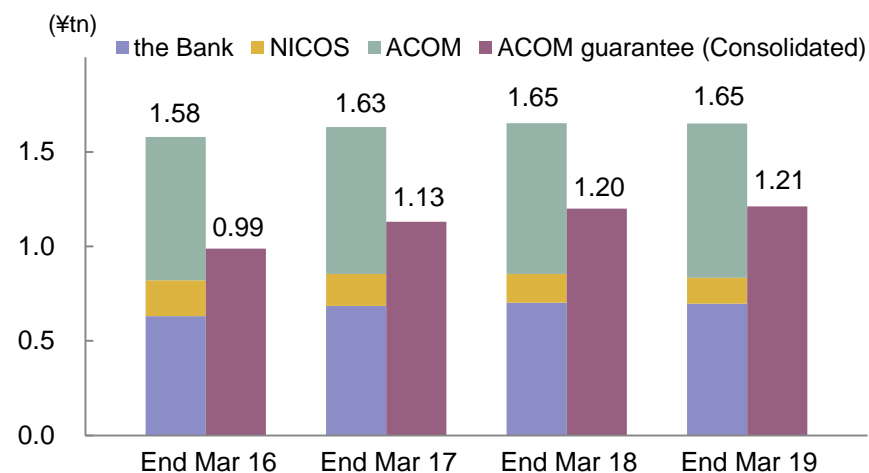
Note: FY17 results are provisional numbers

Appendix: Consumer finance

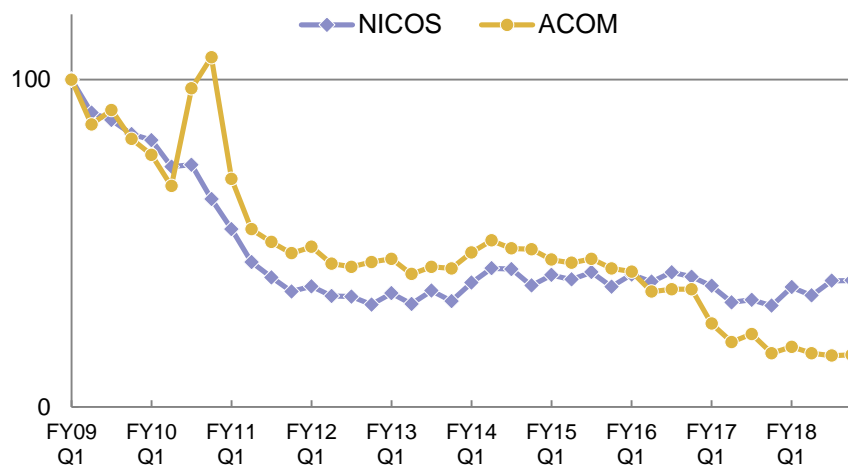
Estimate of domestic personal card loan market*1



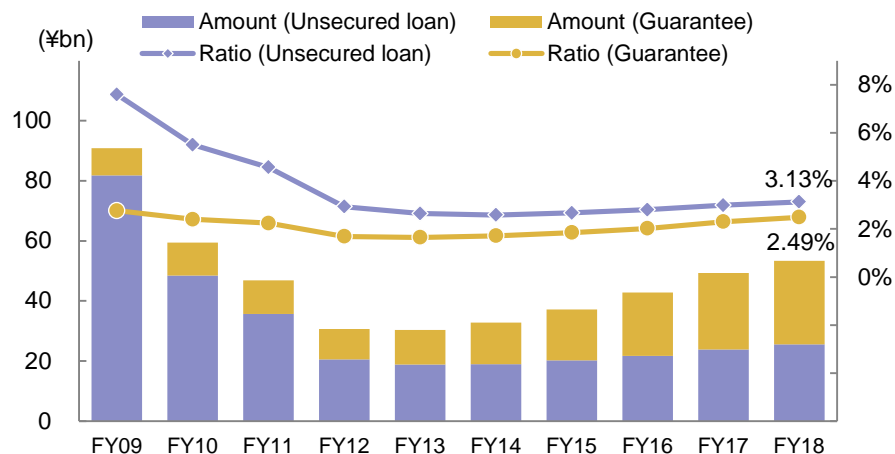
Balance of unsecured loan, guarantee*3



No. of requests for interest repayment*4



(Ref.) ACOM's amount and ratio of bad debt expenses*5



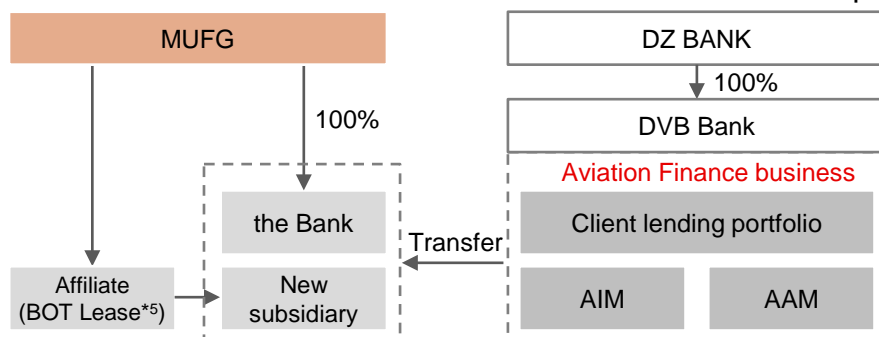
*1 Total of receivables outstanding (including loan on deeds) in statistics by Japan Financial Services Association and the volume of personal card loans provided by domestic banks and credit unions in statistics by Bank of Japan *2 Estimated figure *3 Managerial accounting basis

*4 Requests for interest repayment in FY09Q1 = 100 *5 ACOM non-consolidated

Appendix: Acquisition of Aviation Finance business

Transaction overview

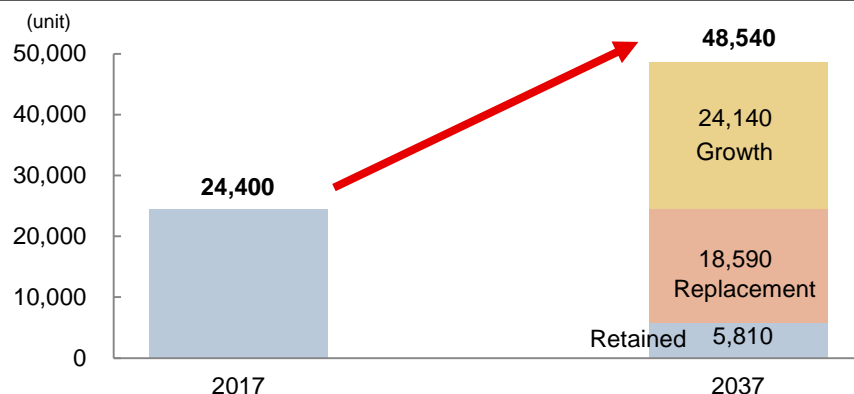
- MUFG Group will acquire Aviation Finance business from DVB Bank^{*1}. This transaction is expected to be closed during FY19
- Client lending portfolio (total: approx. €5.6 billion^{*2}) and AIM^{*3} / AAM^{*4} business will be transferred to MUFG Group



Strategic rationale of the acquisition

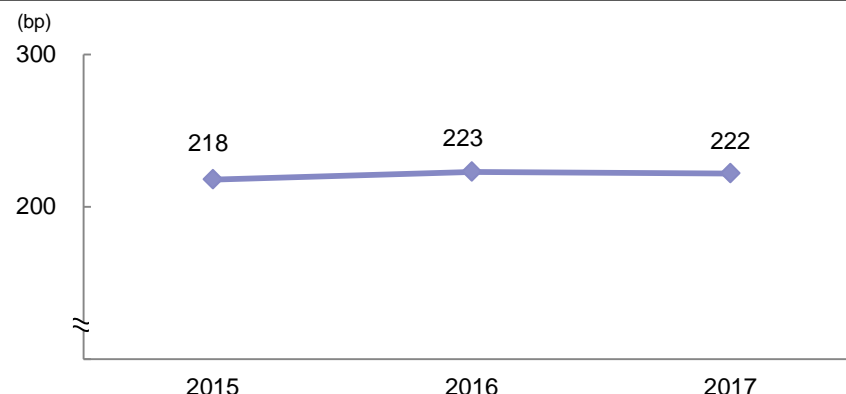
GCIB's key initiatives	Expected results
Portfolio recycle	<ul style="list-style-type: none"> Improve lending returns and transaction profitability by allocating RWA capacity to growth areas with higher profit potential
Product enhancement	<ul style="list-style-type: none"> Enhance disciplined risk-taking capability backed by collateral value evaluation and realization expertise Develop Aviation Finance as a third pillar next to Project Finance and Securitization
O&D, OtoD	<ul style="list-style-type: none"> Expand an asset class aligned with institutional investor interests

Demand in the commercial aircraft market



(Source) Boeing: 2018 Commercial Market Outlook

Average lending margin of new transaction



(Source) DVB Bank's Annual Report

^{*1} DVB Bank, headquartered in Germany and wholly owned by DZ BANK, specializes on structured finance for the international Transportation Finance business

^{*2} Approx. 716.3 billion, calculated by €1=¥127.91, as end of Jun 2018 ^{*3} Aviation Investment Management: investment advisory services and etc.

^{*4} Aviation Asset Management: aircraft remarketing, lease and technical management and etc.

^{*5} BOT Lease is an equity method affiliate of MUFG under J-GAAP with strong capability of administrative agent business

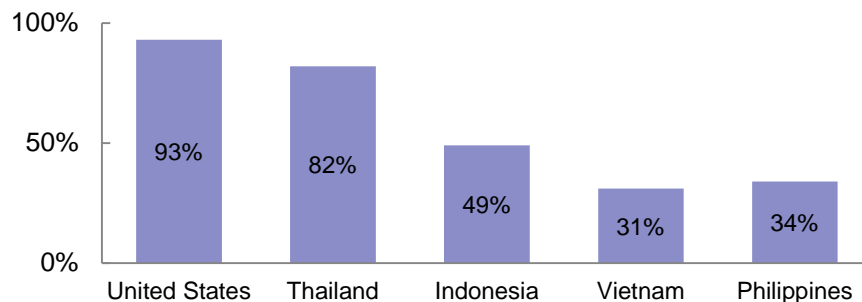
Appendix: Global Commercial Banking (GCB)

- The network of MUFG's partner banks serves an extensive, multi-national market with total population of 850 mm. With rapidly growing GDPs, these countries boast robust potential demand for banking services
- Enhance partner banks' presences in their respective countries by exchanging business development know-how among partner banks and MUFG

Population and GDP

	United States	Thailand	Indonesia	Vietnam	Philippines
Population (mm)	323.1	69.0	264.0	95.5	104.9
Median age	37.6	37.8	28.0	30.4	24.1
Nominal GDP (US\$bn)	19,485.4	455.3	1,015.2	220.3	313.5
GDP per capita (US\$)	60,055	6,595	3,847	2,342	2,989

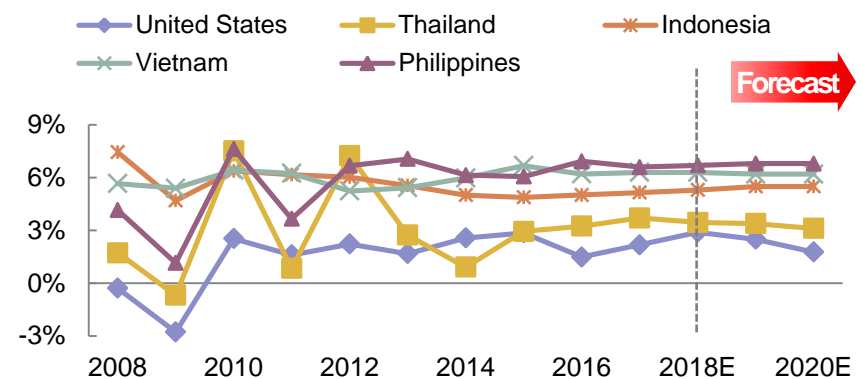
Bank account penetration*1



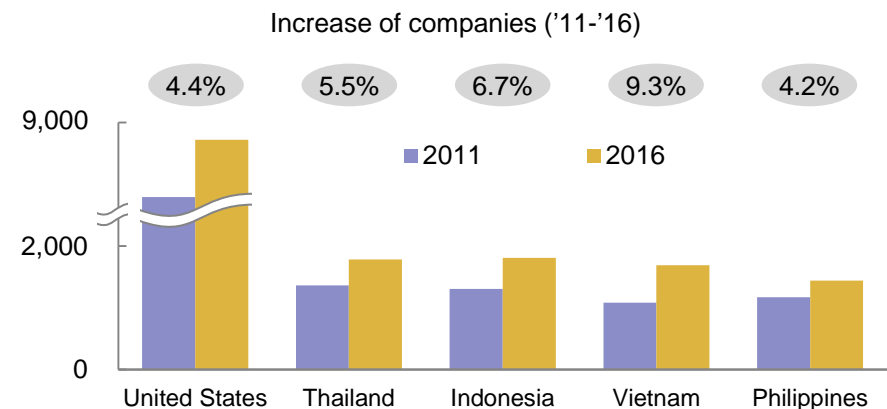
(Source) The Ministry of Foreign Affairs of Japan, IMF, United Nations, World Bank

*1 World Bank data: Share with an account in 2017

Growth of real GDP








Japanese companies' market entry (by country)

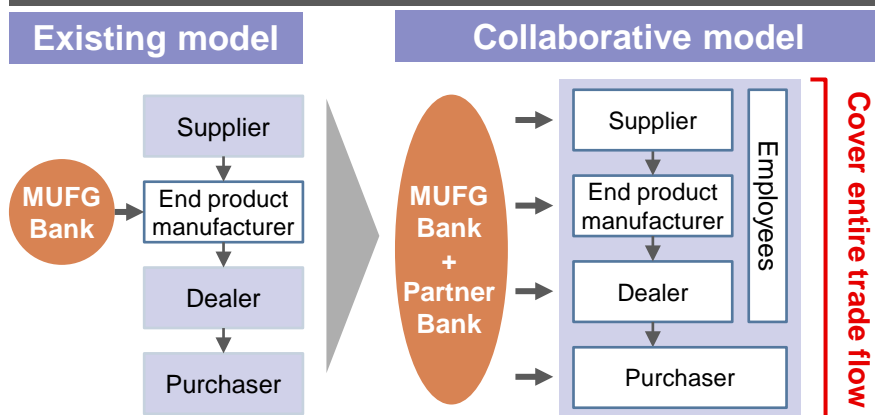


Appendix: Global Commercial Banking (GCB)

- Evolve from “Investing” to “Managing”. Establish a new business group after due consideration to the scale and growth potential of retail and local corporate / SME banking business in ASEAN and the US
- Ensure that best practices are shared among all partner banks and MUFG, thereby mutually enhancing corporate value and creating synergy

Partner Banks			
Partner Bank		Voting Right ^{*1}	Ranking ^{*2}
United States	 UnionBank [*]	100%	#11
Thailand	 <small>A member of MUFG, a global financial group</small>	76.8%	#5
Indonesia		94.1%	#5
Vietnam	 <small>Nâng giá trị cuộc sống</small>	19.7%	#2
Philippines		20.0%	#7

Create synergy



Sharing of best practices

Raise the values of Partner Banks

- 1 Digital transformation
- 2 Consumer finance
- 3 Supply chain finance
- 4 Channel strategy
- 5 AM, IS, Wealth Management

Enhance risk management & compliance

- 1 Consumer finance risk management
- 2 Share expertise on credit, market, and operational risk management
- 3 Take action to address the cyber security
- 4 Establish the framework for compliance

(source) SNL, Central Bank of the Philippines, Bloomberg, Company data, loan outstanding of MUFG Bank's branches = managerial accounting figures within the Bank

^{*1} End of Dec 2018. Voting right for Bank Danamon was as of May 1st, 2019

^{*2} Each Partner Bank's total assets + loan outstanding of MUFG Bank's branches in the countries. Ranking among D-SIBs for Thailand (End of Dec 2018)

Appendix: Strategic acquisition of Colonial First State Global Asset Management

Transaction overview

Acquisition value

Approx. A\$4.0 bn
(approx. ¥328.0 bn*¹)

Schedule

Mid-2019: Closing of the transaction
(subject to approvals from relevant authorities and fulfillment of terms and conditions)

Asia / Oceania AuM ranking*²

(US\$bn)

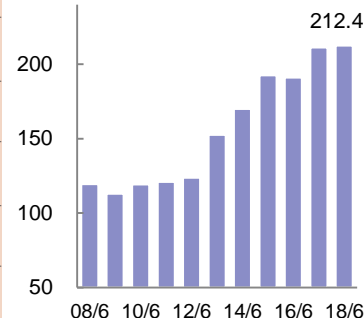
#	Asset Manager	H.O.	AuM
	MUFG + CFSGAM	Japan	828.5
1	Sumitomo Mitsui Trust Holdings	Japan	791.5
2	Nippon Life Insurance	Japan	701.4
3	MUFG	Japan	663.8
4	Asset Management One	Japan	520.4
5	Nomura Asset Management	Japan	371.2
6	Macquarie Group	Australia	368.9
10	CFSGAM* ³	Australia	164.8

(Source) The P&I / Willis Towers Watson World 500: World's largest money managers. End of Dec 2017

*1 A\$1=¥82 *2 US\$1=A\$1.28 *3 End of Dec 2017 *4 End of Jun 2018

Financial highlights of CFSGAM

(A\$mm)	FY16/6	FY17/6	FY18/6	Historical AuM (2008-2018)
Revenue	882	864	988	(A\$bn)
Operating expenses	608	577	645	
Operating profits	273	287	343	
Operating margin	31%	33%	35%	
EBITDA	282	295	322	
EBITDA margin	32%	34%	33%	

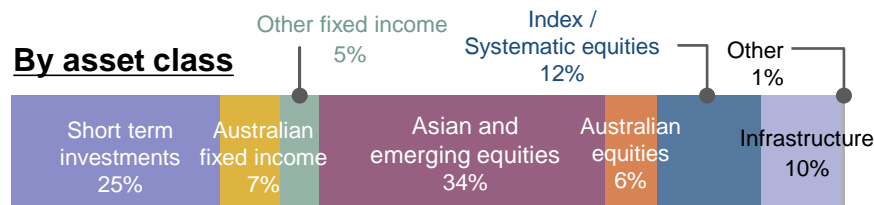


AuM breakdown*⁴

By region

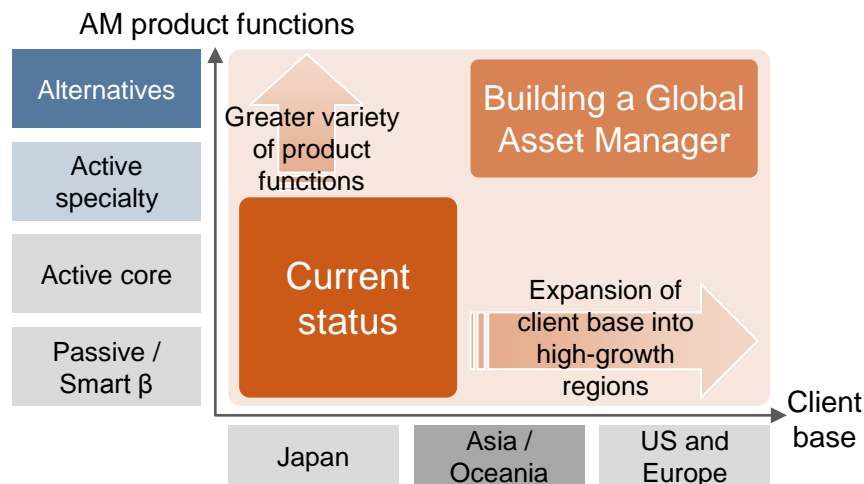


By asset class



Appendix: Strategic acquisition of Colonial First State Global Asset Management

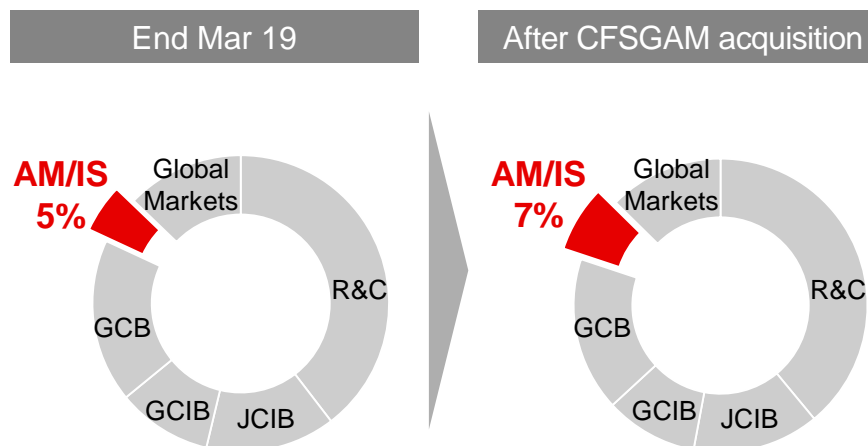
Upgrading AM business



Strategic rationale of CFSGAM acquisition



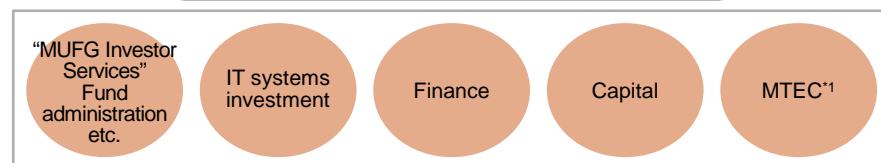
Contribution to MUFG's gross profits



One-Brand in domestic market / Multi-boutique in overseas



Wide range of support from MUFG



*1 Mitsubishi UFJ Trust Investment TEChnology Institute, a quant-specialized technology institute in Japan

Appendix: TLAC requirement

– The best capital mix and external TLAC ratio

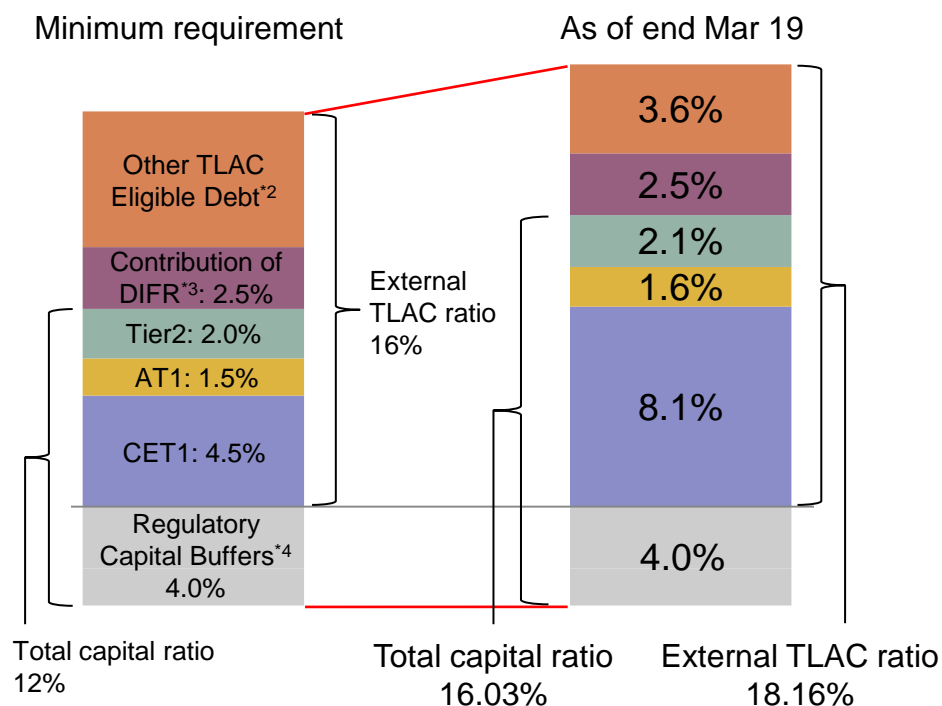
- Aiming for optimal balance between capital efficiency and capital adequacy in qualitative and quantitative aspects
 - Control necessary and sufficient level of capital with utilization of AT1 / Tier2
 - Maintain sustainable external TLAC ratio for the long term by raising external TLAC eligible senior debt

Actual external TLAC ratio and minimum requirement

	As of end Mar 19	Minimum requirement	
		From end Mar 19	From end Mar 22
Risk weighted asset basis	18.16%	16.0%	18.0%
Total exposure basis	7.90%	6.0%	6.75%

MUFG is the primary funding entity, which is designated as the resolution entity in Japan by FSA

MUFG's RWA^{*1} based external TLAC ratio



*1 Risk weighted asset

*2 Including adjustment of difference between calculation method of total capital ratio and external TLAC ratio and adjustment of amount of other TLAC eligible liabilities owned by the issuer's group, etc.

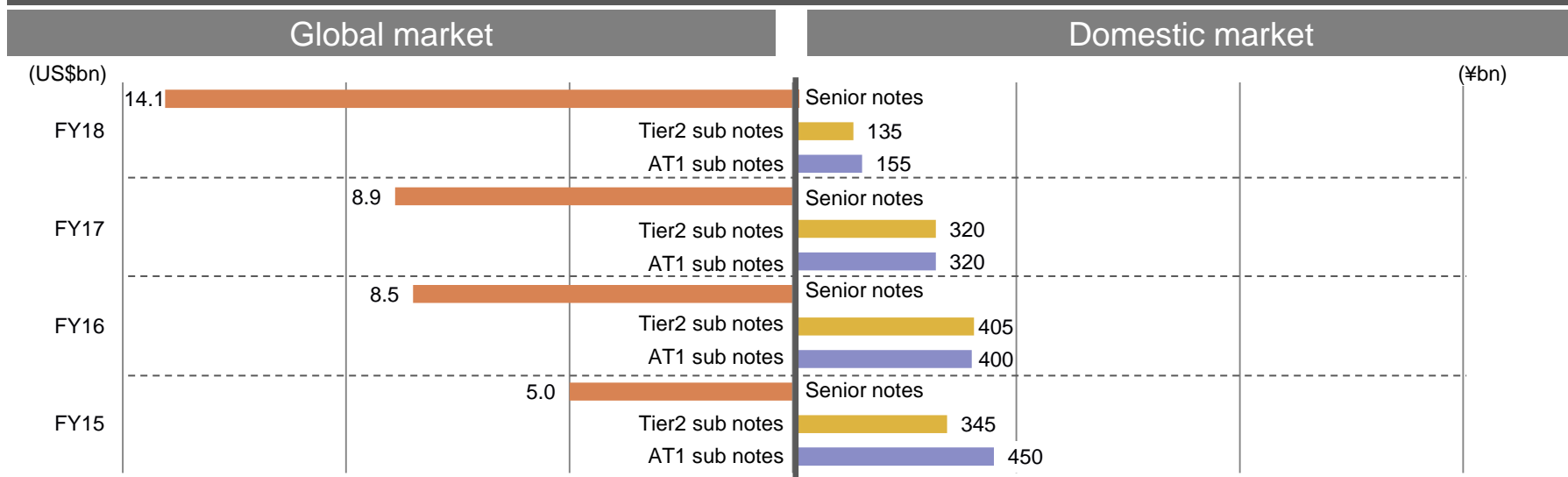
*3 Contribution of Deposit Insurance Fund Reserves : Japanese Deposit Insurance Fund Reserves fulfill the requirements for ex-ante commitments to recapitalize a G-SIB in resolution set out in the FSB's TLAC termsheet (Can include 2.5% and 3.5% of RWAs from end Mar 2019 to Mar 2022 and after end Mar 2022, respectively, in external TLAC ratio)

*4 CET1 Buffer applicable to MUFG: G-SIB Surcharge:1.5%, Capital Conservation Buffer:2.5%, and Counter-cyclical Buffer:0.04%

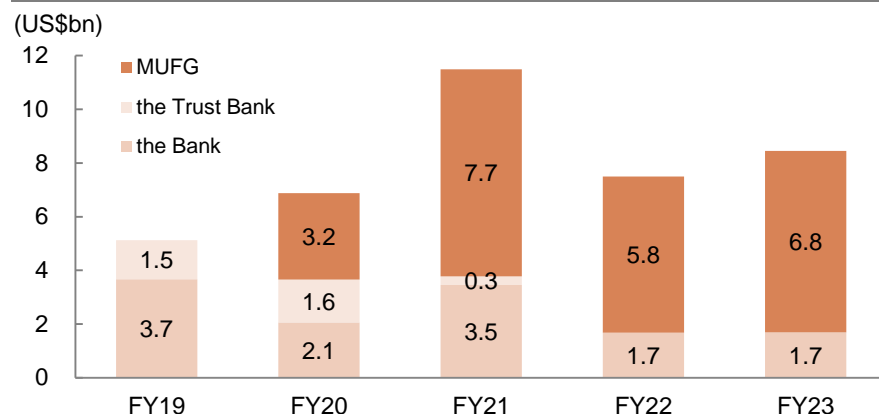
Appendix: TLAC requirement

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

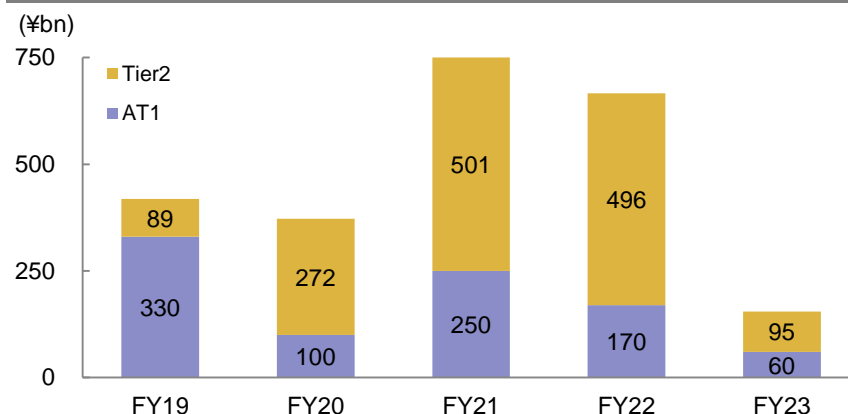
MUFG issuance track record*1



Senior unsecured bond redemption schedule*2



AT1, Tier2 bond call / redemption schedule*3



*1 Total of public issuance, as of end Mar 19. TLAC Eligible Senior Debt are converted into US\$ with actual exchange rates as of end Mar 19

*2 Annual figures assuming that all callable notes are to be redeemed on its first callable date. All figures are converted into US\$ with actual exchange rates as of end Mar 19. Excluding structured bond and notes issued by overseas branches and subsidiaries

*3 Annual figures 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 issued by the Bank and the Trust Bank respectively