

# FY2023 IR Presentation

May 17, 2024

Mitsubishi UFJ Financial Group, Inc.

- ✓ This is Kamezawa. Thank you for taking time out of your busy schedule today to attend this MUFG IR presentation.
- ✓ Since CFO Togawa explained the contents of the FY23 financial results at the recent web conference already, I would like to just touch on the financial results very briefly today and focus on the review of the previous medium-term business plan and the new three-year medium-term business plan starting this current fiscal year.
- ✓ Please proceed to page 6 of the material.

# Disclaimer

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## 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)	KS:	Bank of Ayudhya (Krungsri)
MUFG:	Mitsubishi UFJ Financial Group	Bank Danamon (BDI):	Bank Danamon Indonesia
the Bank (BK):	MUFG Bank	FSI:	First Sentier Investors
the Trust Bank (TB):	Mitsubishi UFJ Trust & Banking Corporation	DS:	Digital Service
the Securities HD (SCHD):	Mitsubishi UFJ Securities Holdings	R&C:	Retail & Commercial Banking
MUMSS:	Mitsubishi UFJ Morgan Stanley Securities	R&D:	Retail & Digital
MSMS:	Morgan Stanley MUFG Securities	CWM:	Commercial Banking & Wealth Management
MS:	Morgan Stanley	JCIB:	Japanese Corporate & Investment Banking
NICOS:	Mitsubishi UFJ NICOS	GCIB:	Global Corporate & Investment Banking
MUAH:	MUFG Americas Holdings Corporation	GCB:	Global Commercial Banking
MUB:	MUFG Union Bank	AM/IS:	Asset Management & Investor Services

## Key messages

### FY23 result / FY24 target / shareholder returns

- FY23 result      ••• ¥1,490.7bn in net profits\*<sup>1</sup>, **the historical high since MUFG establishment**
- FY24 target      ••• **¥1.5tn**, setting a new record in net profits
- Shareholder returns ••• Continue progressive dividends, FY24 DPS forecast is **¥50**, up by **¥9** compared to FY23  
Repurchase of own shares up to **¥100bn** was resolved

### Review of the previous medium-term business plan (MTBP)

- Financial results      ••• ROE was **8.5%, exceeding the target**
- Key strategies      ••• Achieving both improvement of the earning power and enhancement of the business resilience such as the sale of MUB and expense reduction, strategy for growth and structural reforms **significantly exceeded targets**

### Overview of the new MTBP

- Basic policy      ••• Positioned as **“three years to pursue and produce growth.”**  
We will serve our commitment to empowering a brighter future, producing economic and social value
- Financial targets      ••• ROE target is **Approx. 9%**. Aim to increase shareholders value further, achieving both steady profits growth and investments for future growth.
- Capital policy      ••• Basic policy is unchanged. Expanded the target range of CET1 ratio to **9.5%-10.5%** in order to improve the transparency of capital management.

\*1 Profits attributable to owners of parent

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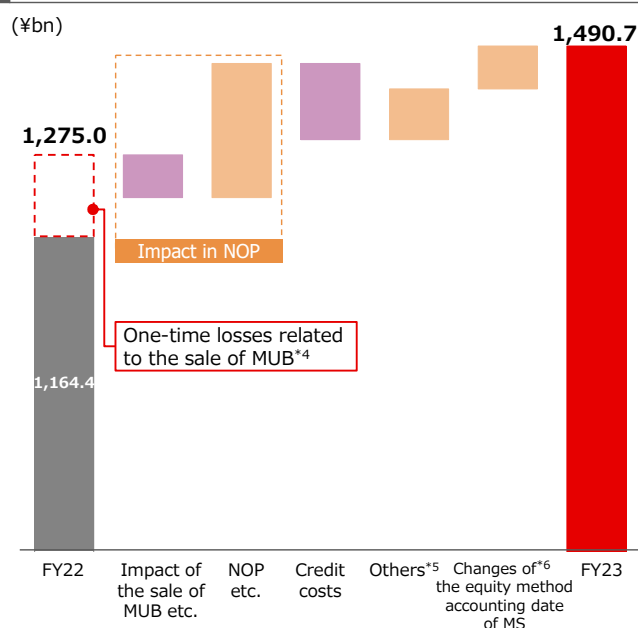
# FY23 Financial results

## FY23 financial results

– Growth of earning power resulted ¥1,490.7bn in net profits\*<sup>1</sup>, surpassing target.

Consolidated (¥bn)	FY22	FY23			
	Results	Results	YoY	After adjustment of MUB* <sup>2</sup>	Changes from target
1 Gross profits	4,503.0	4,732.5	229.5	-	-
2 G&A expenses	2,908.7	2,888.7	(19.9)	-	-
3 Net operating profits	1,594.2	1,843.7	249.4	-	393.7
4 Total credit costs	(674.8)	(497.9)	176.9	(217.0)	(197.9)
5 Ordinary profits	1,020.7	2,127.9	1,107.2	372.1	277.9
6 Net profits	1,116.4	1,490.7	374.2	-	190.7

Factors for changes in net profits\*<sup>3</sup>



\*1 Profits attributable to owners of parent \*2 Adjusted reversal of valuation losses included in net extraordinary gains in FY22, out of valuation losses on assets held by MUB, etc. of ¥893.7bn (after tax). Total credit costs: ¥393.9bn, Ordinary profits: 735.0bn \*3 Breakdown is on a after tax basis

\*4 Valuation losses on assets held by MUB, etc. of ¥158.6 (after tax) included in FY22. \*5 Absence of one-time costs associated with U.S. pension buyouts ¥(78.1)bn (before tax) and loss on sale of shares of Chukyo Bank ¥(40.0)bn (before tax) \*6 For FY23, the closing date of MS's financial results when applying the equity method of accounting was changed from as of Dec 31, 2023 to Mar 31, 2024. As a result of this change, for FY23, MS's financial results for the 15-months period, including results for the quarter ended Mar 31, 2023, ¥84.1bn have been reflected in equity in earnings of equity method investees.

✓ In FY23, net profits or profits attributable to owners of parent, line 6, was 1,490.7 billion yen, a historical high since the establishment of MUFG. The impact of the sale of Union Bank was reversed in a single year, resulting in an increase of approximately 370 billion yen year on year. The main reason for this was a significant increase in NOP due to enhanced earning power, especially in the customer segments.

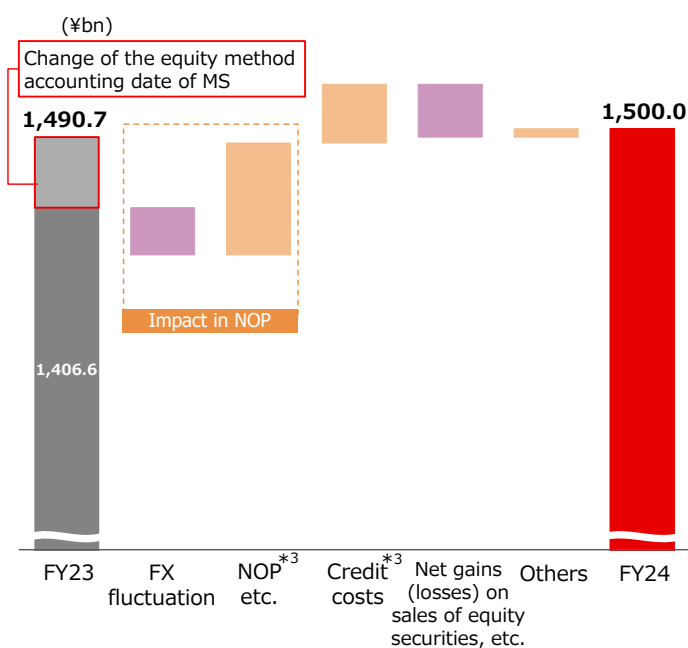
✓ Please turn to page 7, I will talk about the performance target for FY24.

## FY24 target

– FY24 target for net profits is ¥1.5tn

	FY23 Results	FY24 Target	YoY
Consolidated (¥bn)			
1 Net operating profits	1,843.7	1,950.0	106.3
2 Total credit costs	(497.9)	(400.0)	97.9
3 Ordinary profits	2,127.9	2,150.0	128.2 <sup>*1</sup>
4 Net profits	1,490.7	1,500.0	93.4 <sup>*1</sup>

Factors for changes in net profits<sup>\*2</sup>



<sup>\*1</sup> YoY excluding the impact of change of the equity method accounting date of MS (Ordinary profits: ¥106.1bn, Net profits: ¥84.1). <sup>\*2</sup> Breakdown is on a after-tax basis  
<sup>\*3</sup> Including the impact of change of the consolidated closing period for KS. Starting from FY24, the consolidated closing period for KS will be changed from Jan-Dec to Apr-Mar, aligning with MUFG's fiscal year. As a result of this change, FY24 financial results are expected to include earnings for a 15-month period, incorporating KS's financial results for the quarter ended Mar 31, 2024. The impact of this change on GCB business group is estimated to be approx. ¥20.0bn in profits attributable to owners of parent, based on KS's financial results for the quarter ended Mar 31, 2024, after tax and attributable to MUFG. This estimate is subject to change in line with FX rate, among other factors

- ✓ We have set a target of 1.5 trillion yen for profits attributable to owners of parent. The negative impact of yen appreciation in FY24 will be offset mainly by increasing NOP.
- ✓ Please turn to page 9.

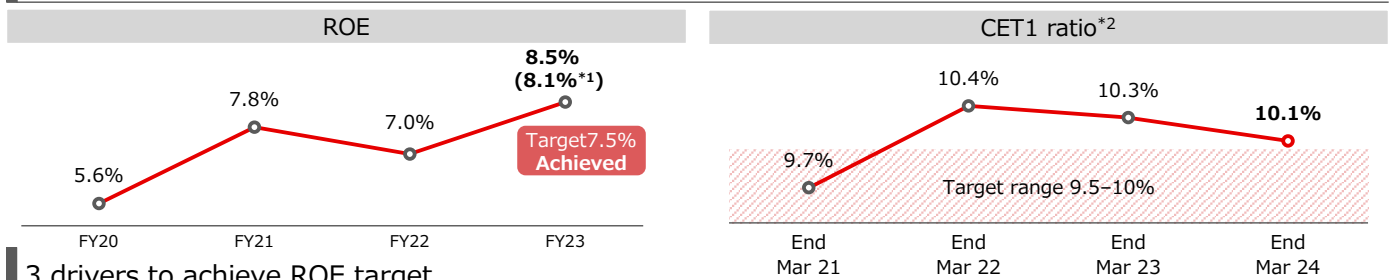
Review of previous MTBP



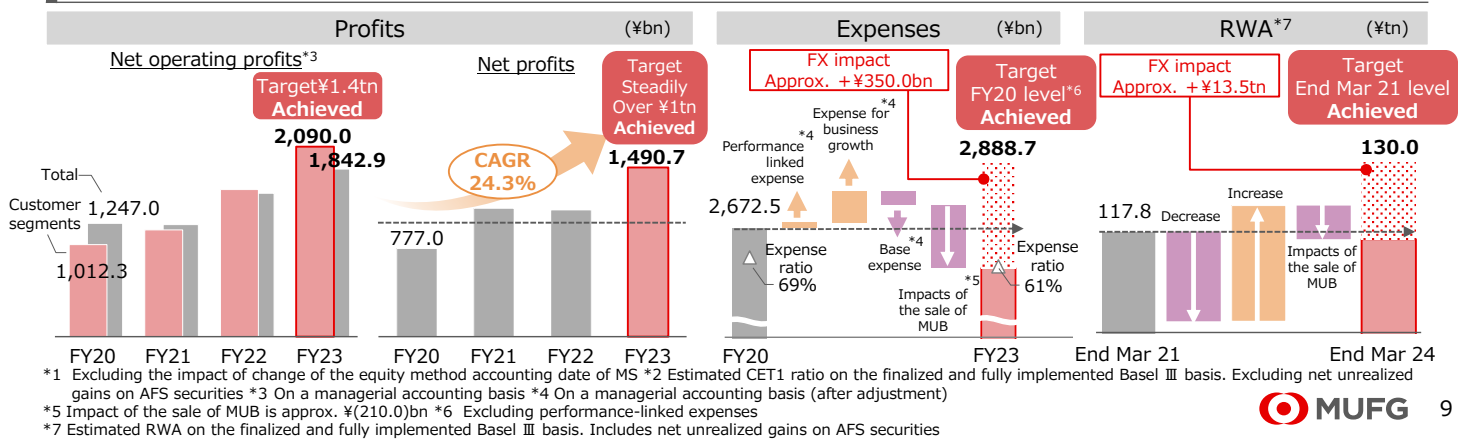
## Financial results

– Earning power has significantly improved, achieving the ROE target.  
The CET1 ratio has been managed stably

Target for ROE / Capital management



3 drivers to achieve ROE target



\*1 Excluding the impact of change of the equity method accounting date of MS \*2 Estimated CET1 ratio on the finalized and fully implemented Basel III basis. Excluding net unrealized gains on AFS securities \*3 On a managerial accounting basis \*4 On a managerial accounting basis (after adjustment)  
\*5 Impact of the sale of MUB is approx. ¥(210.0)bn \*6 Excluding performance-linked expenses  
\*7 Estimated RWA on the finalized and fully implemented Basel III basis. Includes net unrealized gains on AFS securities

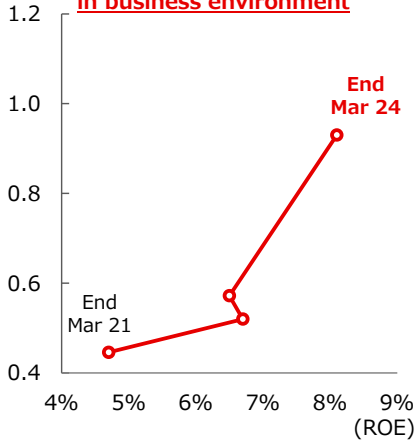
- ✓ This page is a review of the financial results of the previous medium-term business plan.
- ✓ Over the three-year period, our operation had focused on the ROE with profits, expenses, and risk-weighted assets as the three drivers in order to secure achievement of our ROE target of 7.5%. Profits, bottom left, that is profits attributable to owners of parent, exceeded 1 trillion yen three years in a row, reaching 1,490.7 billion yen in FY23, far exceeding the target, as a result of steady completion of our growth strategy and growth in NOP in the customer segment. Considering that the profit for FY20 was 777 billion yen, this means that we have achieved profit growth of over 700 billion yen in three years.
- ✓ Expenses, bottom center, excluding the impact of foreign exchange, was controlled below the FY20 level, as originally targeted. Resources generated through structural reforms, including the sale of Union Bank, and control of base expense were redirected to growth areas both in Japan and overseas, leading to expansion of businesses.
- ✓ Risk-weighted assets, shown bottom right, were controlled to the equivalent level of that of end of FY20, excluding the impact of foreign exchange rates. Considering the fact that we were able to significantly increase profits, we believe that we were able to thoroughly manage our operations with a focus on risk return.

# Initiatives to increase shareholder value (1)

– Significantly improved ROE and increased shareholder value through three drivers

## PBR·ROE trends\*1

(PBR) **PBR close to 1.0X by steady ROE improvement and changes in business environment**



**PBR = PER × ROE**

## Results of the initiatives

### ROE significantly improved

<b>Improvement in RORA</b> ① Net profits ② RWAs		×	<b>Capital management with the target range of CET1 capital ratio</b> ② RWAs ③ Shareholders' equity	
① Strategy for growth Result Approx. ¥640.0bn (vs target +Approx. ¥490bn) NOP in customer segments FY20 ¥1,012.3bn → FY23 ¥2,090.0bn	① ② Structural reforms Result Approx. ¥340.0bn (vs target +Approx. ¥240bn) Expense ratio FY20 69% → FY23 61%		② ③ Capital management Dividend : ¥1.2tn Share repurchase : ¥1tn Equity holdings Sold ¥539.0bn*2	
The sale of MUB Customer segments*3 (100.0bn) Cost reduction impact*3 (210bn)		Reduced RWA ⇒partially allocated to share repurchase		

**Strategic investments for future sustainable growth (next page)**

\*1 ROE is Japan Exchange Group basis \*2 Acquisition cost basis, sum of the Bank and the Trust Bank  
 \*3 Impacts in FY23 compared to FY20

✓ Page 10 shows our efforts and major achievements to increase shareholder value. Over the past three years we have worked hard on our growth strategy, structural reforms and capital management raising ROE, resulting in a PB ratio near one time. In addition, we have taken steps for future growth.

✓ Please continue to the next page.

## Initiatives to increase shareholder value (2)

– Corporate transformation has made significant progress under our Purpose. Completed the sale of MUB, while made over ¥700bn of strategic investments for sustainable growth

Newly defined purpose and established MUFG Way



Strategic investments for future sustainable growth

Initiatives of corporate transformation

### Digital transformation

- Expansion of online channels and optimization of branch network
- New products & services, e.g. BaaS, etc.

### Contribution to address environmental and social issues

- Carbon neutrality declaration Ref. P.23
- Issuance of MUFG Transition Whitepaper

### Transformation of corporate culture

- Implementation of engagement Ref. P.24
- Ratio of women in management increased to 22.4%
- Developed our employees' willingness to take on new challenges

### Divestment

Completed the sale to U.S. Bancorp
2022
UnionBank
Approx. ¥2.1tn
2022
中京銀行
Approx. ¥10bn

### Strategic Investment

Asia	Digital related	Global AM/IS
2024	2023	2024
MANDALA Approx. ¥66bn	HOME CREDIT Approx. ¥87bn	LINK GROUP Approx. ¥110bn <sup>3</sup>
2023	2023	2023
Capital Nomura Securities* <sup>1</sup> Approx. ¥21bn	DMI FINANCE Approx. ¥32bn	ALBACORE Approx. ¥50bn <sup>4</sup>
2023	2022	2022
MUIP Garuda Fund Approx. ¥13bn	WealthNavi Approx. ¥16bn	Kanmu Approx. ¥14bn
2022	2022	2022
MUFG Ganesha Fund Approx. ¥37bn	Akulaku Approx. ¥26bn	MARS Approx. ¥233bn <sup>2</sup>

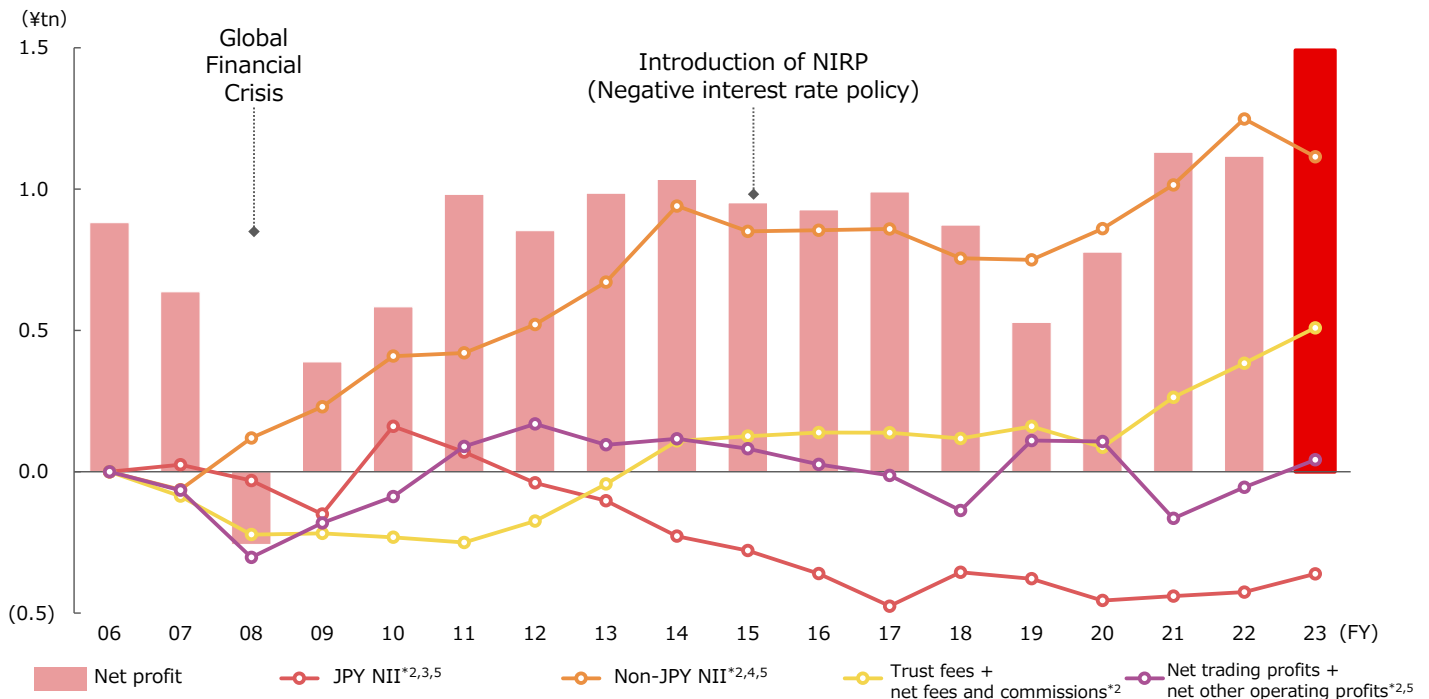
Total over ¥700bn

\*1 Rebranded to Krungsri Capital Securities \*2 Total amount of Mars Growth Capital(approx. ¥166bn) and Mars Equity Fund(approx. ¥67bn)  
 \*3 Investment amount AUD 1.11 billion in Japanese yen at the end of April 2024 exchange rate \*4 Initial investment amount EUR 300 million in Japanese yen at the end of April 2024 exchange rate

- ✓ Under our purpose, Committed to Empowering a Brighter Future, and with the initiatives of corporate transformation, we are making significant progress and gaining a firmer grasp in each area. I will discuss the details later along with the future initiatives.
- ✓ As you can see on the right, we also use capital for future growth. While we completed the sale of Union Bank to U.S. Bancorp, over the past three years, we have made more than 700 billion yen in strategic investments in our focus areas of Asia, digital and AM/IS to expand our business portfolio for future sustainable growth.

## Historical trend of net profit and components of gross profit since MUFG establishment

– Net profit recorded historical high in FY23, flexibly responding to environmental changes and increasing non-JPY NII\*<sup>1</sup> and commission fees despite of weak JPY NII

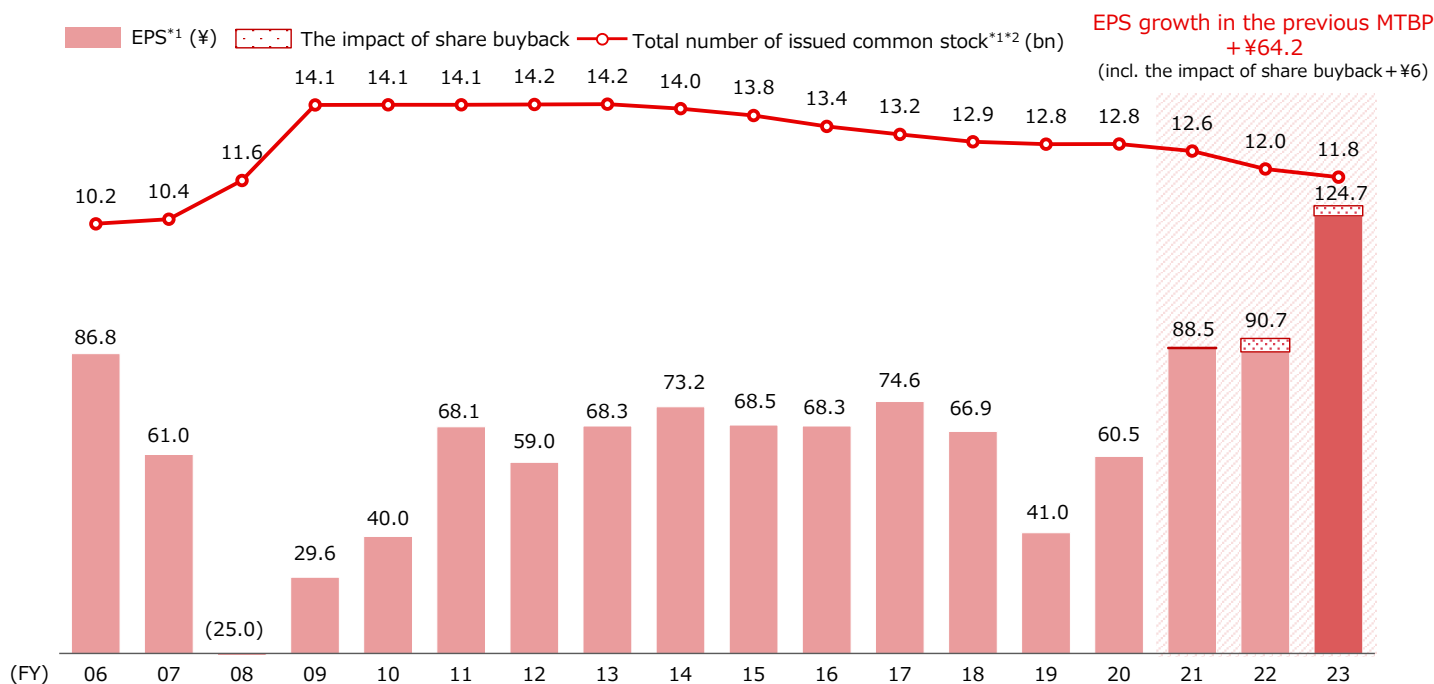


\*1 Net interest income \*2 Managerial accounting basis. Changes from FY06 level \*3 Sum of NII from domestic operations of the Bank, the Trust Bank, NICOS, Acom. Excl. dividend income from the Bank's and the Trust Bank's subsidiaries \*4 Sum of NII from overseas operations of the Bank, the Trust Bank, MUAH, KS, BDI. Excl. dividend income from the Bank's and the Trust Bank's subsidiaries \*5 Adjusted the gains on investment trust cancellation in FY22 and FY23

- ✓ Page 12, shows the historical trend of profits attributable to owners of parent and its components. You can see how we have improved our earning power by diversifying our business portfolio, while flexibly responding to changes in the environment.
- ✓ While the yen-denominated net interest income, the red-line graph, remained low due to the extremely low interest rate environment, foreign currency-denominated net interest income, the orange line graph, and net fees and commissions, the yellow line graph, grew substantially, and profits attributable to owners of parent, the bar graph, reached a record high.

## Trend of EPS and total number of issued common stock

– As a result of profit growth and disciplined capital management, EPS grew in the previous MTBP and recorded historical high since MUFG establishment.

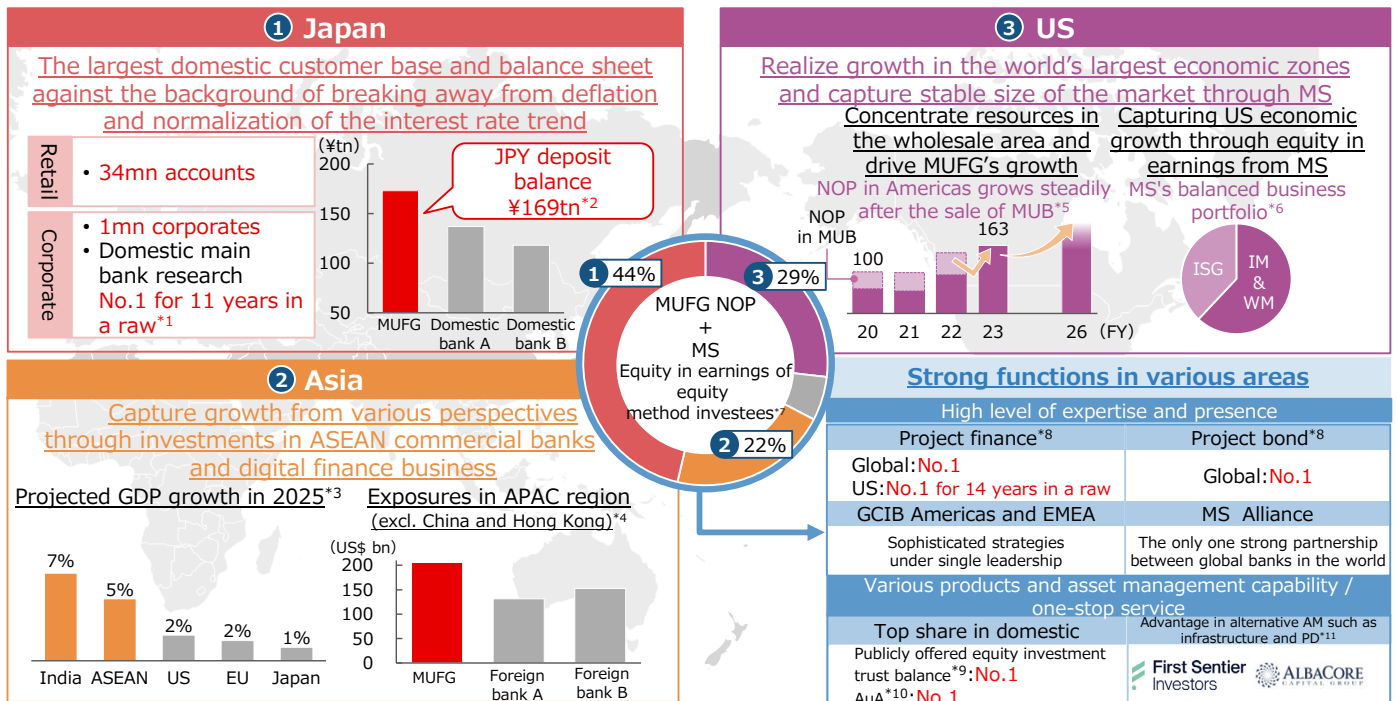


\*1 Numbers in FY06 take into account the stock split implemented in FY07 \*2 excluding treasury shares

- ✓ Page 13 shows trend of EPS and total number of issued common stock.
- ✓ In addition to steady profit growth, EPS grew significantly and reached the highest level since the establishment of MUFG as a result of continued efforts to share repurchases. The total number of issued common stock has recently returned to a level close to that before the capital increase in fiscal 2008.
- ✓ Please turn to page 14.

# Business portfolio supporting MUFG growth

– Portfolios with diversity, balance and resilience to capture global growth



\*1 (source) "Corporate main bank" investigation issued by Tokyo Shoko Research in 2023 \*2 MUFG's balance is sum of the Bank and the Trust Bank. Other banks' figures are calculated based on disclosures of JPY or domestic deposit balances as at end of Mar 24 \*3 (source) IMF "World Economic Outlook Database, April 2024" \*4 MUFG's figures include PBs. Calculated based on each bank's disclosures as at end of Mar 24. \*5 FY20 result=100 \*6 Net profits before tax. ISG: Institutional Securities, IM: Investment Management, WM: Wealth management (source) MS 234Q Strategic Update 24 \*7 as of FY23 excl. the impact of the change of closing date in the equity method of accounting for MS \*8 As of Dec 23 (source) PFI \*9 excl. ETF \*10 Assets under Administration in the Master Trust Bank of Japan \*11 Private Debt

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- ✓ To conclude my review of the previous MTBP, I would like to take a bird's eye view of our business portfolio and talk about the strength of MUFG.
- ✓ In Japan, which accounts for just under 50% of our revenue, our largest customer base and balance sheet will be the source of our competitiveness and profitability going forward as Japan gets out of deflation, welcoming the world of positive interest rate, and achieve recovery.
- ✓ In Asia, which accounts for more than 20% of our revenue, bottom left, MUFG's exposure in the APAC region is already the largest in the world. By leveraging our platform, which includes our franchise with partner banks at the core, plus the digital financial players we have invested in so far, we are now able to connect with people's various economic activities.
- ✓ We believe we are positioned advantageously to capture Asia's high economic growth in a multidimensional manner.
- ✓ Top right, the U.S., the world's largest economic zone, accounts for about 30% of our revenue. In addition to concentrating our resources in the wholesale business and continuing steady profit growth, through Morgan Stanley, we are also able to capture stable growth of the U.S. economy as a whole.
- ✓ We also have the functional strength to support these activities. In addition to the world's No. 1 product strength in project finance and other areas and the integrated management structure of GCIB in Europe and in the U.S., we have complementary functions and market presence deriving from our lines with Morgan Stanley, the only partnership forged between global financial institutions in the world.
- ✓ In the AM area, the eMAXIS Slim series has surpassed 9 trillion yen in total as a series and has a top share of publicly offered equity investment trust. In the IS area, MUFG is a leaguer when it comes to asset management balance in Japan.
- ✓ MUFG has a unique business portfolio that is among the best in the world. We will further evolve this portfolio over the next few years and grow in tandem with the global economy.

- ✓ From here, I would like to talk in detail and outline our new medium-term business plan.
- ✓ Please go to page 16.

# Overview of new MTBP



## Business environment

– Amid various changes and growing “division”, we connect diverse stakeholders and aim to embody our purpose

Business environment surrounding MUFG

### Accelerating changes from the COVID-19

Accelerating digitalization



Accelerating environmental conversation and climate change response



Increasing interest in new kind of wealth due to changes in values

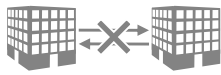


### Growing “divisions”

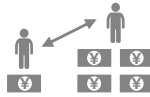
**Divisions between countries**  
(e.g. the US-China struggle for hegemony)



**Economic divisions**  
(e.g. reversal of globalization)



**Division within nations**  
(e.g. growing economic disparities)



Role to be played by MUFG

To leverage our network of diverse stakeholders and become a force for co-creation and connection.



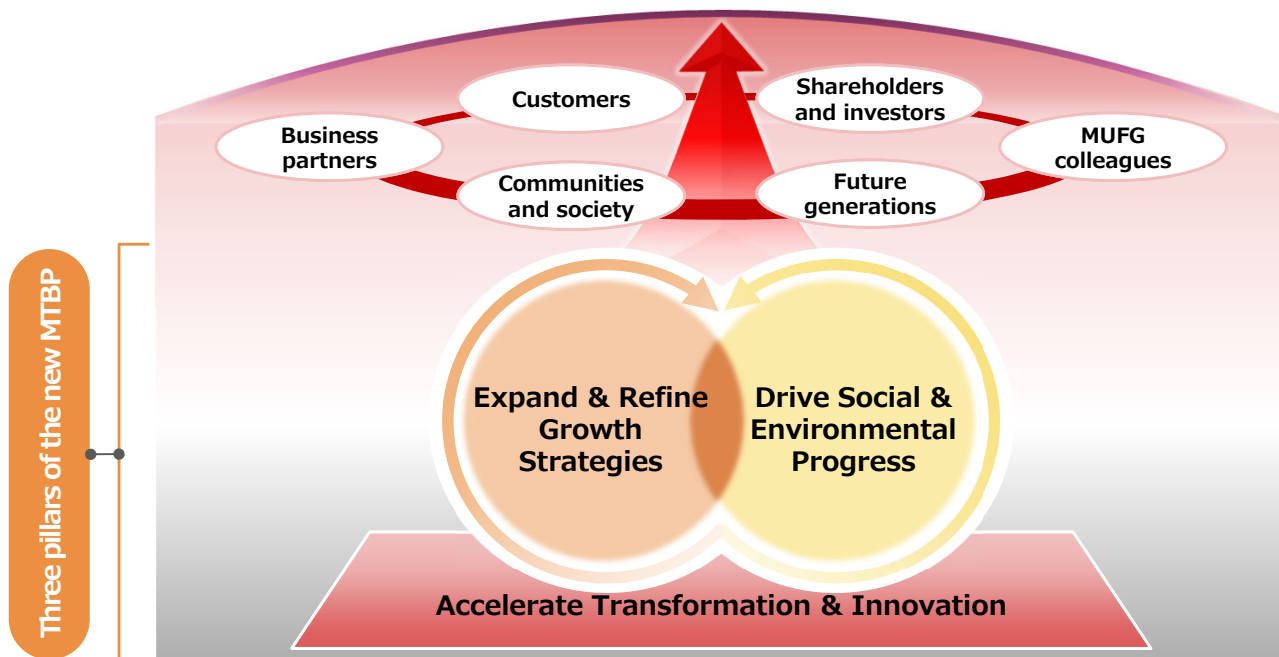
Embody our Purpose,  
“Committed to empowering a brighter future”

- ✓ First, on environmental awareness.
- ✓ We are now in an era of unprecedented division with the tidal shifts to green and digital technologies accelerating after the COVID-19 pandemic and with swing-back of geopolitical risks and globalization. The networks and solutions we own have the ability to connect. In this era of growing divisions, we hope to help all of our stakeholders advance forward by becoming a forceful connection in the midst of this division.
- ✓ Please go to page 17.

## Basic policy of the new MTBP

– The new MTBP is positioned as “three years to pursue and produce growth”. We will serve our commitment to empowering a brighter future, producing economic and social value.

### Committed to Empowering a Brighter Future.



- ✓ This is the basic policy of our new medium-term business plan. We'll position these three years as the three years to pursue and produce growth during the changes in the environment surrounding MUFG as an opportunity. We will aim to realize sustainable growth by taking on more sophisticated initiatives to solve societal issues and by stepping up the gear of our growth strategy in line with these efforts.
- ✓ We will change ourselves in order to remain the trusted and chosen financial group. We will accelerate our corporate transformation through speedy reforms and strengthening of our management foundation, including medium- and long-term growth investments. We will seize growth, connect to the future and transform the Company. These are the three pillars of our medium-term business plan to achieve our purpose.
- ✓ Please turn to page 18, I'll talk about financial targets.

## Financial targets

– In the new MTBP, ROE target is approximately 9%, and CET1 ratio target range is 9.5%–10.5%. NOP target is over ¥2.1tn, a 30% increase from FY23.

Target for ROE / Capital management

	FY23 Results	FY26 Target	Mid to Long-term target
<b>ROE</b>	8.5% (8.1%*1)	<b>Approx. 9%</b>	<b>9%–10%</b>
<b>CET1 ratio*2</b> (Finalized and fully implemented Basel III basis)	10.1%	<b>9.5%–10.5%</b>	

3 Drivers to achieve ROE target

Assumption of financial indicators

<b>BOJ policy rate</b>	0.1%
<b>FF rate</b>	Approx. 3%
<b>Nikkei Stock Average</b>	Approx. ¥40,000
<b>USD/JPY</b>	Upper-120s range

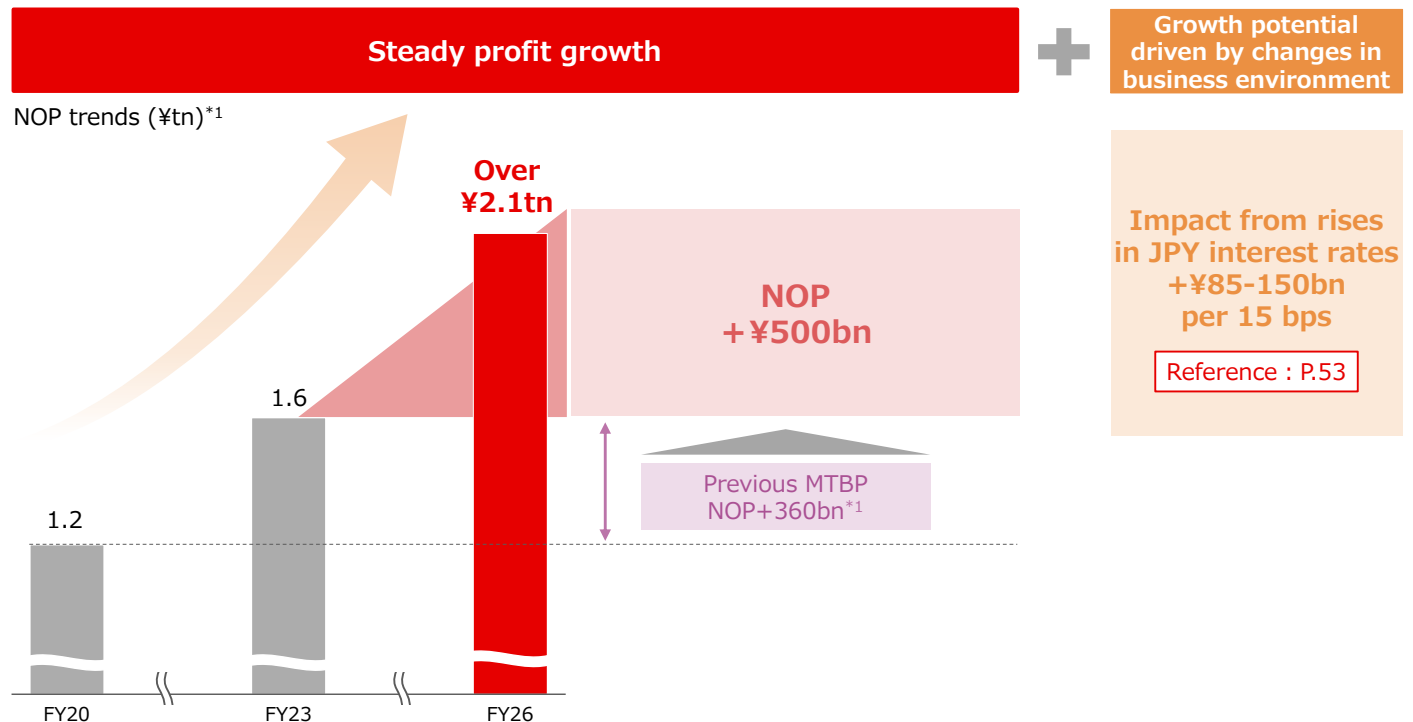


\*1 Excl. the impact of the change of the equity method accounting date of MS. \*2 Estimated CET1 ratio reflecting the RWA calculated on the finalized and fully implemented Basel III basis. Excludes net unrealized gains on AFS securities \*3 Profits attributable to owners of parent

- ✓ Our management policy of focusing on ROE remains unchanged, and we have set our ROE target for FY26 at approximately 9%. The assumption of a Japanese policy rate is 0.1%. The effect of the measures will raise ROE by about 1%. The target range for the CET1 ratio relative to this is 9.5% to 10.5%. The upper limit of the range has been increased in order to improve transparency in capital management.
- ✓ Profits, expenses and risk-weighted assets are drivers to achieve the ROE target, and this also remains unchanged.
- ✓ The first, profits, we aim to achieve net operating profit of at least 2.1 trillion yen in FY26, an increase of 30% over FY23, and profits attributable to owners of parent of at least 1.6 trillion yen.
- ✓ The second, expenses, the target is to continue disciplined management of expenses with an expense ratio of approximately 60% for the same year.
- ✓ And the third target is to replace risk-weighted assets with more profitable assets. We hope to realize our ROE target for FY26 and to shoot for ROE of 9% to 10%, which we have set as our mid- to long-term goal.

## Profits growth and growth potential

– Higher NOP target which exceeds the growth in the previous MTBP and aim for steady profits growth



\*1 On a managerial accounting basis. Different exchange rates are applied for FY20 and FY23/26. Therefore, the increase in NOP from FY20 to FY23 includes the impact of FX fluctuation.

- ✓ Page 19 shows profit growth and the growth potential associated with the changes in the environment.
- ✓ Over the past three years, we have increased net operating profit by 400 billion yen. And over the next few years, we aim to further increase our growth of NOP by over 500 billion yen to more than 2.1 trillion yen.
- ✓ As I mentioned on the previous slide, these figures are not based on the assumption that yen interest rates will rise in the future. We estimate the impact of a future rise in interest rates on our business performance to be of an increase of 85 to 150 billion yen if yen interest rates rise at a 15 bp parallel as shown on the right.

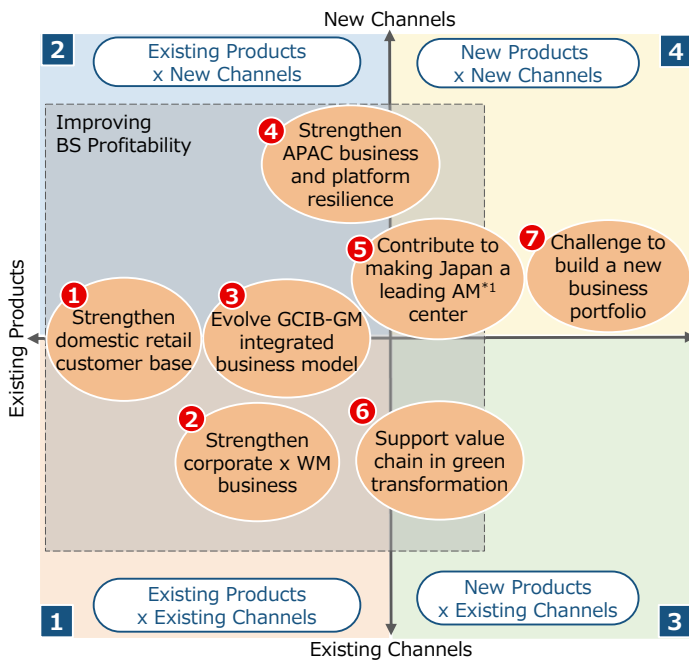
## Expand & Refine Growth Strategies

Reference P.37-46

– Aim for increasing domestic business profits in a world with interest rates and further expansion of overseas business in areas of strength by formulated 7 strategies through “Product x Channel” quadrants

Position of each strategy in Products x Channels quadrants

Summaries of 7 Growth Strategies



1	Strengthen domestic retail customer base	• Expand “LTV <sup>*2</sup> x customer base” through the enhancement of customer touchpoints and the evolution of customer experience
2	Strengthen corporate x WM business	• Accelerate corporate x WM approach and enhance succession business
3	Evolve GCIB-GM integrated business model	• Improve profitability through an integrated approaches of GCIB-GM, and expand into adjacent areas where our core business can be leveraged
4	Strengthen APAC business and platform resilience	• Capture economic growth through expansion with business with PB clients and “Asia x Digital” initiatives, etc.
5	Contribute to making Japan a leading AM center	• Strengthen domestic and overseas investment capability especially in private market
6	Support value chain in green transformation	• Support green transformation investments by providing solutions to resolve customer’s issue, which goes beyond finance
7	Challenge to build a new business portfolio	• Constructing a new business portfolio beyond existing products and services

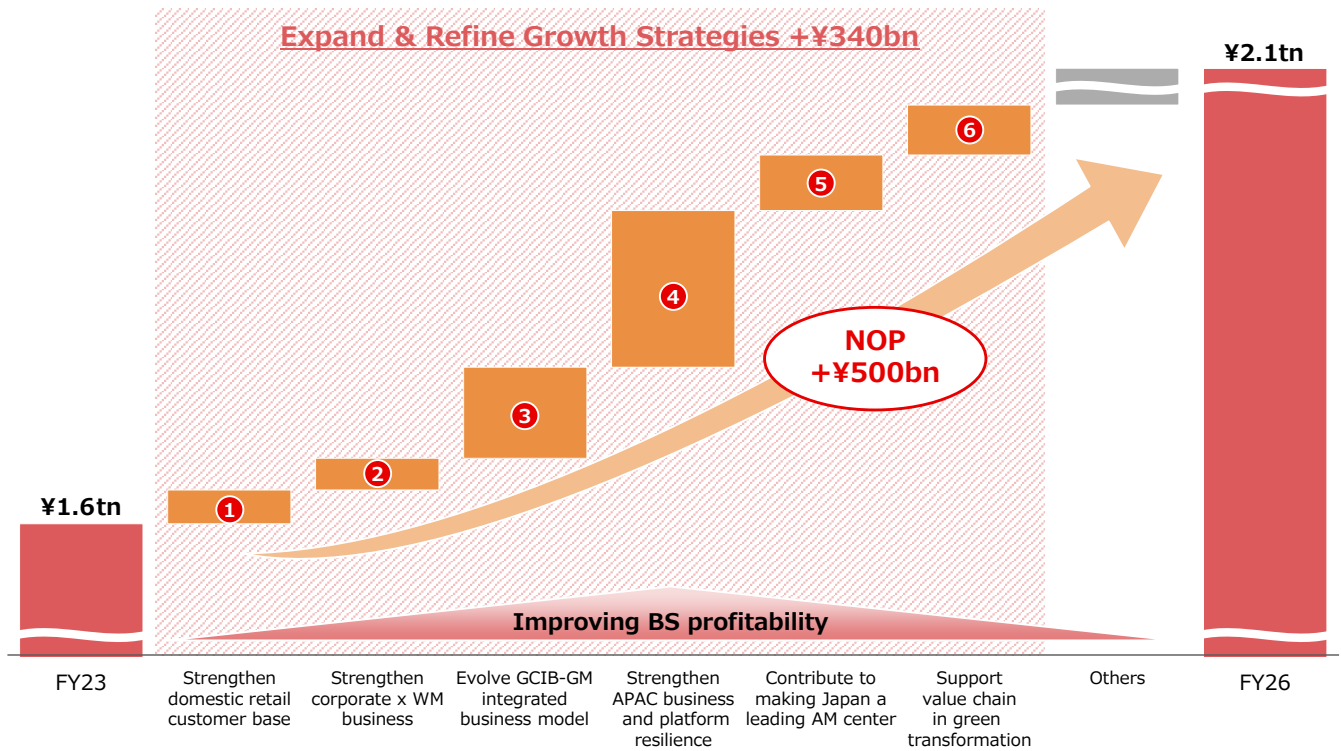
\*1 Asset Management \*2 Life Time Value

MUFG 20

- ✓ Page 20 is about the evolution of our growth strategies.
- ✓ We have developed our business into four quadrants of products and channels, existing and new products, and extracted areas of focus for growth over the next few years. And after thorough discussion in-house, seven growth strategies were formulated.
- ✓ As shown on the right side, from 1 to 3, we will establish a competitive advantage by refining the solution capabilities and strengthening our risk-taking capabilities in the following three areas: strengthening of our domestic retail customer base, strengthening our corporate × WM business and enhancing our GCIB global market integrated business model.
- ✓ For domestic retail, we will expand lifetime value through the evolution of the customer experience, and for corporate × WM, we will accelerate our efforts to meet people’s succession needs, and for GCIB and global market integration, we will expand into adjacent areas where we can leverage the strength of our core businesses.
- ✓ Fourth is strengthening the APAC business and platform resilience in Asia. In addition to the organic growth of our partner banks, we will expand our business areas, mainly in the digital domain, and expand MUFG’s economic sphere.
- ✓ Fifth, contributing to making Japan a leading AM center, we will strengthen our AM capabilities in Japan and overseas to meet the AM needs of the next generation.
- ✓ Sixth, to support the value chain in green transformation, we will provide solutions to management issues that go beyond financing to support and promote GX investment by our customers.
- ✓ Finally, the seventh strategy is to challenge to build a new business portfolio. We will take on the challenge of developing new businesses in areas other than existing

channels and services in light of social and customer challenges and new technological developments.

# The Plan of net operating profits\*1
















\*1 Managerial accounting basis. Local currency basis

- ✓ Page 21 shows the contribution of growth strategies to NOP growth.
- ✓ We will increase net operating profit by 500 billion yen in three years by completing our growth strategy, while further raising the profitability of BS in view of changes in the interest rate environment.
- ✓ Please see page 22.

# Drive Social & Environmental Progress(1)

Reference P.48-50

– Updated social issues to be prioritized

	Priority Issues	Main Initiatives
 <p>Sustainable society</p>	<b>1. Achievement of carbon neutral society</b> 	Accelerating engagement and support for energy transition
	<b>2. Natural capital and biodiversity restoration</b> 	Providing solutions for reducing dependency and impact on nature
	<b>3. Promoting of circular economy</b> 	Supporting technology and investment for the transition to circular economy
 <p>Vibrant society</p>	<b>4. Industry development and innovation support</b> 	Providing funding for growth and expanding the scope of asset management
	<b>5. Response to aging population &amp; low birthrate</b> 	Supporting asset and business succession, promoting investment and asset building
	<b>6. Increasing access to financial services</b> 	Providing services linked to everyday needs and contributing to financial inclusion
	<b>7. Management focusing on human capital</b> 	Creating a workplace focused on holistic well-being where employees are empowered to thrive (details on p.51)
 <p>Resilient society</p>	<b>8. Respect for human rights</b> 	Strengthening human rights due diligence throughout the supply chain
	<b>9. Ensuring secure and safe services</b> 	Strengthening cybersecurity measures and operational resilience
	<b>10. Demonstration of robust corporate governance</b> 	Business operations that make every effort to serve customers' best interests

✓ We have brushed up our priorities to realize sustainable environment and society. We will accelerate our efforts by integrating our contribution to solving societal issues into our management strategy.



# Drive Social & Environmental Progress(2)

– Accelerate initiatives by setting new KPIs and aim to improve social and economic value

## Highlights of initiatives MUFG worked on during the last MTBP

## Accelerate initiatives by setting KPIs in New MTBP

<p><b>Sustainable society</b></p> <p><u>Climate change related initiatives</u></p> <ul style="list-style-type: none"> <li>Participate in global initiatives to contribute to developing a framework for promoting transition finance</li> <li>Chair of NZBA*<sup>1</sup> Transition Finance worktrack</li> <li>Participate in all workstreams in GFANZ*<sup>2</sup></li> <li>Participate in the World Bank Private Sector Investment Lab</li> </ul> <p><b>The only Japanese Bank</b></p> <ul style="list-style-type: none"> <li>Sustainable finance                     <ul style="list-style-type: none"> <li>FY2019–23 total: ¥33.5tn</li> </ul> </li> <li>Published “MUFG Transition Whitepaper”. Facilitate a whole-of-economy transition based on regional characteristics</li> <li>Completed to set 2030 interim targets to meet commitments under NZBA guidelines</li> <li>Introduced customer transition assessment framework and transaction screening process</li> <li>Published “MUFG Climate Report 2024”</li> </ul>	<p><b>Vibrant society</b></p> <p><u>Industry development &amp; innovation support</u></p> <ul style="list-style-type: none"> <li>Established a cross-group support system for startup growth</li> </ul> <p><u>Response to aging population &amp; low birthrate</u></p> <ul style="list-style-type: none"> <li>Contribute to improving financial literacy for future generations</li> </ul> <p><u>Increasing access to financial services</u></p> <ul style="list-style-type: none"> <li>Expand BaaS</li> <li>Invest in digital financial players in Asia</li> </ul>	<p><b>Resilient society</b></p> <p><u>Respect for human rights</u></p> <ul style="list-style-type: none"> <li>Published “MUFG Human Rights Report 2023”</li> </ul> <p><u>Ensuring secure and safe services</u></p> <ul style="list-style-type: none"> <li>Reorganized Cyber Security Division into independent and dedicated organization. Established CISO*<sup>3</sup></li> </ul> <p><u>Corporate governance</u></p> <ul style="list-style-type: none"> <li>Strengthen customer-oriented business management and governance through establishing Investment Management Strategy Office etc.</li> </ul>	<table border="1"> <tr> <td>Sustainable finance</td> <td><b>¥100tn</b> (total for FY2019-30)</td> </tr> <tr> <td>Startup market capitalization supported by MUFG</td> <td><b>¥20tn</b> (FY2026)</td> </tr> <tr> <td>Financial education provided to</td> <td><b>Over 500k people</b> (total for FY2024-26)</td> </tr> <tr> <td>(APAC) Digital lending provided to</td> <td><b>14mn people</b> (FY2026)</td> </tr> <tr> <td>MUFG engagement score</td> <td><b>Improved</b></td> </tr> </table>	Sustainable finance	<b>¥100tn</b> (total for FY2019-30)	Startup market capitalization supported by MUFG	<b>¥20tn</b> (FY2026)	Financial education provided to	<b>Over 500k people</b> (total for FY2024-26)	(APAC) Digital lending provided to	<b>14mn people</b> (FY2026)	MUFG engagement score	<b>Improved</b>
Sustainable finance	<b>¥100tn</b> (total for FY2019-30)												
Startup market capitalization supported by MUFG	<b>¥20tn</b> (FY2026)												
Financial education provided to	<b>Over 500k people</b> (total for FY2024-26)												
(APAC) Digital lending provided to	<b>14mn people</b> (FY2026)												
MUFG engagement score	<b>Improved</b>												

\*1 Net-Zero Banking Alliance \*2 Glasgow Financial Alliance for Net Zero \*3 Chief Information Security Officer

- ✓ On page 23, this is our past initiatives and newly established KPIs related to our priorities.
- ✓ In addressing climate change, we are directly participating in initiatives such as the NZBA and the World Bank’s Private Sector Investment Lab, contributing to the creation of an international framework for transition finance. This is one of the initiatives in which MUFG has demonstrated its unique international leadership. By further accelerating our efforts to date and challenging ambitious KPIs, shown on the right, we will link our efforts to solving social issues to the expansion of business opportunities and enhance the social and economic value of MUFG.

# Highlights of Transformation

– Through various measures, our employees’ willingness to take on new challenges is increasing. We will continue our efforts to improve agility and further strengthen our corporate infrastructure

### Examples of efforts to date

**MUFG Way Employee Sessions**  
Dialogues about purpose



Session within multinational teams

**MUFG Way Boost PJ**  
Outreach to embed the MUFG Way



Introduce employees embodying the MUFG Way

**MUFG SOUL**  
CSR activities planned by employees



Activity to support "Children's cafeteria"

**MUFG KOGEI Project**  
Support transformation to pass on traditions



Learn from kogei that keeps the tradition alive

**Spark X**  
New business incubation program



First-year winner  
"Subscription of maternity office wear"

**MUFG Park**  
Open up facilities and activate dialogue with local communities



Opening ceremony

**Reform of the HR frameworks**  
Encourage employees to challenge

No. of Career Hires No. of Hires by Business Area		No. of Applicant for Job Challenge	
FY21	289	FY21	2,303
FY23	966	FY23	3,037

81 branch managers appointed through open recruitment (FY21–FY23)

**Many other activities in which employees play a leading role**



MUFG Headquarters Bldg. PJ



Japan Rugby League One



Internal Financial Results Presentation

### Areas to be addressed

**Leveraging "Integrity and Responsibility" and "Agility"**

- Development of corporate culture "challenge x agility"



**Accelerate Transformation & Innovation**

**Strengthening of the corporate infrastructure for medium- to long-term growth**

- Enhancement of human capital
- Accelerating strategic system development
- Development of AI and data infrastructure



**MUFG** 24

- ✓ Page 24 is about corporate transformation.
- ✓ Through the various initiatives we have undertaken thus far, I feel that the mindset of employees to take on challenges on their own has become much more widespread within the Company. We have also reformed our HR system to support this mindset. Moving forward, we will accelerate our corporate transformation by continuing our past efforts, while also working to increase speed, and strengthen our management foundation and create a corporate culture in which each and every employee thinks independently and makes decisions independently in an agile manner.
- ✓ Please proceed to the next page.

24

# Accelerate Transformation & Innovation / Strategic resource allocation into corporate infrastructure enhancement

– Strengthen corporate infrastructure by accelerating initiatives of corporate culture, HR, system and AI, supporting the new MTBP strategies and focusing on mid- to long-term growth

## Accelerate Transformation & Innovation Ref. P.51,52

### 1 Accelerate agility transformation

With the new MUFG Value of “Challenge × Agility,” aim to instill a corporate culture in which people think, decide and act for oneself, and do so swiftly

### 2 Expand human capital investment

Active participation of diverse human resources through HR management and professionalism enhancement supporting business strategies

### 3 Increase system development capacity

Develop and enhance system experts that support the systems infrastructure to respond to the change in the environment

### 4 Enhance AI/data infrastructure

Strengthen solutions and data infrastructure across the company  
Spread and habituate the use of AI and data

## Strategic resource allocation into corporate infrastructure

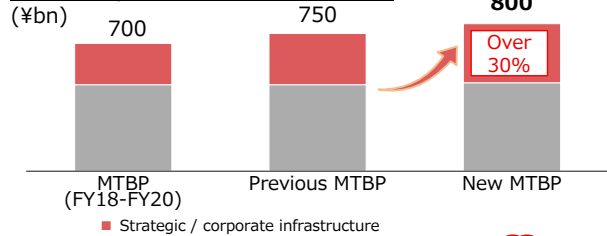
### Framework for corporate infrastructure

Establish a framework to invest necessary resources for medium- to long-term growth regardless of short-term results

### Examples of resource allocation

Domestic retail customer base	• Expenses for promotion points, development apps for personalized product proposal, etc.
AI/data infrastructure	• AI model development and utilization, platform enhancement for data standardization, R&D, etc.
Human capital	• Training for nurturing and reskilling, etc.
New business portfolio	• New business creation project using new technologies including those related to Web3
IT infrastructure	• Improve branch communication/equipment, strengthen internal IT infrastructure • Systems architecture strategy, etc.

### Trend of system investments amount

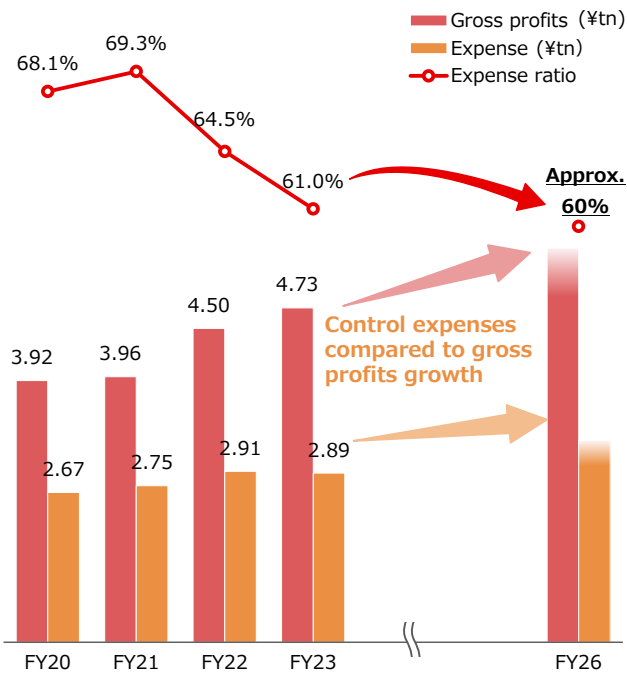


- ✓ As shown on the left, we will accelerate transformation through four initiatives, namely, accelerate agility transformation, expand human capital investment, increase system development capacity and enhance AI and data infrastructure. Specifically, we have added agility to the new value of MUFG way, and we have established an organization dedicated to consolidating and developing AI intelligence across the Company. We also need to strengthen our management foundation to support the three pillars of our medium-term business plan that I have discussed so far.
- ✓ On the right, we will raise overall system investment to 800 billion yen and increase of weight of investments to strategic projects to strengthen the foundation.

# Cost control

– Reinforce disciplined cost control for both in terms of ratio and amount to reduce expense ratio to around 60% by FY2026

## Trend of expense ratio



\*1 Managerial accounting basis

## Concept of cost control\*1

### 1 Business enhancement

- Increase in personnel and non-personnel expenses by business expansion (excl. inflation and infrastructure enhancement)

Enforce discipline through controlling business group expense **ratio**

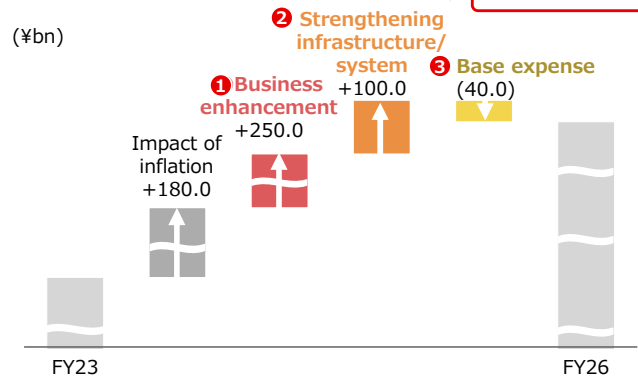
### 2 Strengthening infrastructure/system

- Increase in infrastructure and system cost to improve profitability in mid- to long-term

Enforce discipline through controlling expense **amount**

### 3 Base expenses

- Other than 1-2 (Mainly HQ expenses)



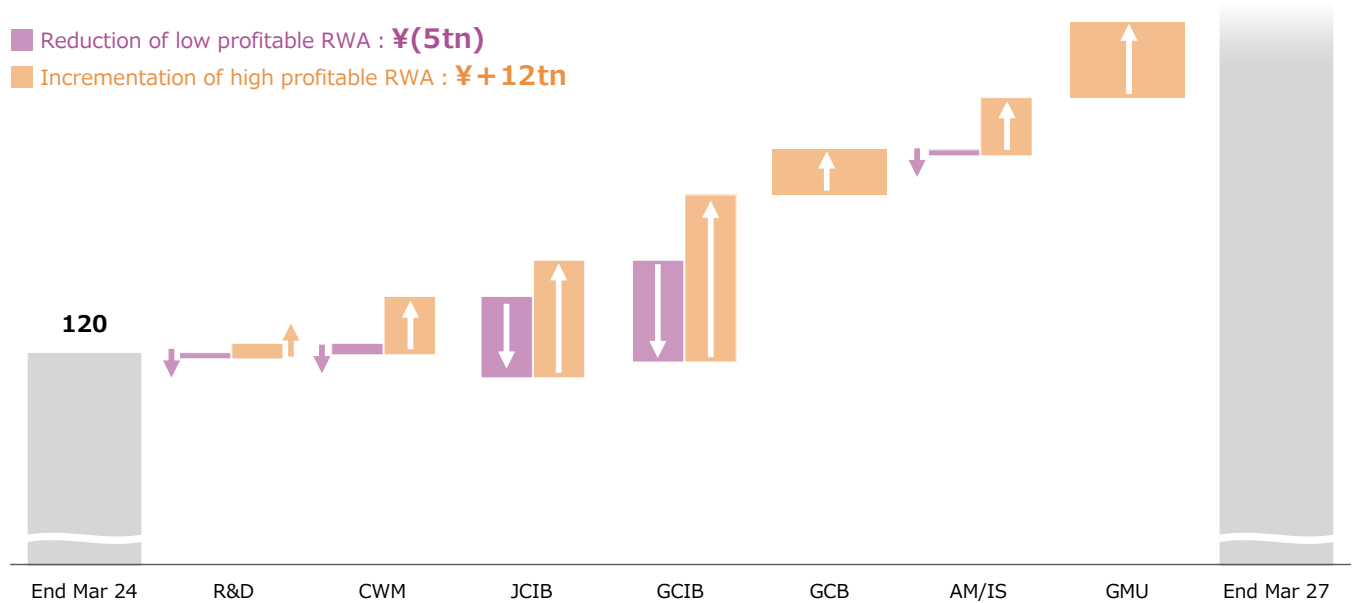
✓ Page 26 is the cost control.

✓ On the left, over the past three years, the expense ratio has improved from about 69% to 61% due to a decrease in total expenses and an increase in gross profits. In the next few years, we will invest resources in business enhancement, infrastructure reinforcement and system-related expenses. At the same time, we will use a combination of expense ratio control measures and actual expense control with thorough discipline and improve the expense ratio to around 60%.

## RWA control\*1

– Focus on increasing high profitable assets by replacing low profitable assets and reducing equity holdings during the new MTBP

(¥tn)



\*1 Managerial accounting basis. Estimated RWA on the finalized and fully implemented Basel III basis. Includes net unrealized gains on AFS securities

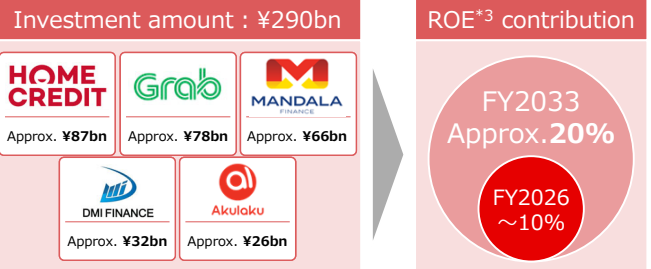
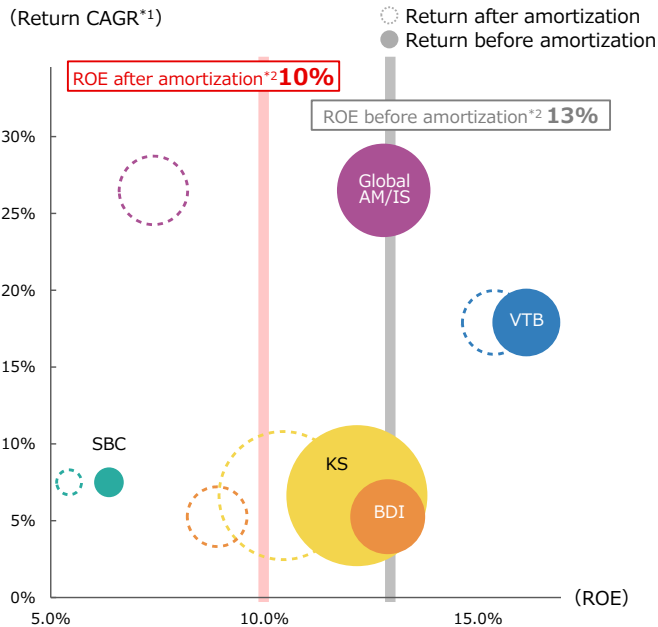
- ✓ Page 27 is risk-weighted asset control.
- ✓ We aim to raise the ROE of the entire Company by reducing unprofitable assets and selling equity holdings, while slightly increasing risk waited assets by promoting the replacement of assets with more profitable ones.

# Inorganic strategies

– PBs and Global AM/IS became the drivers of ROE in the previous MTBP. Maintain the discipline and aim to build a business portfolio that can realize mid- to long-term growth

Profitability and growth potential of PBs and Global AM/IS investments

Pursue increased value and synergies from Asian investments (excl. PBs)



Inorganic strategy for the new MTBP

<b>Key focus</b>	<ul style="list-style-type: none"> <li>Digital related, Asia, Global AM/IS and new business</li> </ul>
<b>Management policy</b>	<ul style="list-style-type: none"> <li>Comprehensive decision based on strategy, profitability (cost effectiveness that contributes to increasing corporate value), and capital efficiency</li> <li>Portfolio review with flexibility through regular monitoring while pursuing improvement of investees' corporate value</li> </ul>
<b>Maintain the discipline</b>	

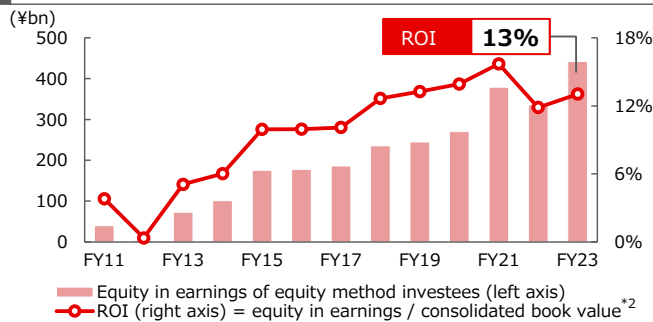
\*1 Before amortization. CAGR calculated from after raising the equity ratio to the current level. Managerial accounting basis  
 \*2 Weighted average \*3 Before amortization

- ✓ Page 28 is about inorganic strategy.
- ✓ On the left, the profitability of our investments to date in partner banks and overseas AM/IS has, on average, grown to 10% in ROE after amortization of goodwill, driving up the companywide ROE. Furthermore, we are accelerating investments in non-banks in Asia, where economic growth is remarkable, and in digital financial players that could become top players in the future, expecting to reach an ROE before amortization of around 20% in FY2033.
- ✓ Going forward, we will focus on four key areas: digital, Asia, overseas AM/IS, plus new businesses. We aim to build a business portfolio that can achieve medium- to long-term growth, while making disciplined utilization of capital.

# Alliance 2.0-Enhancement of Strategic Alliance with Morgan Stanley

– Further deepening the existing collaboration and expanding it into new areas

## Equity in earnings and ROI\*1



## Collaboration area to accelerate further

Investment banking	<ul style="list-style-type: none"> <li>Strengthen collaboration in M&amp;A advisory and primary business</li> </ul>
WM·AM	<ul style="list-style-type: none"> <li>Leverage MSWM*6 advisory model and remote channel strategy in MUFG</li> <li>Promote initiatives of National AM Reinforcement Plan</li> </ul>
Global markets	<ul style="list-style-type: none"> <li>Continue the newly initiated collaboration in FX trading and Japanese Research &amp; Equity areas</li> <li>Expand cooperation in other S&amp;T areas</li> </ul>
Other areas	<ul style="list-style-type: none"> <li>Elevate cooperation in India (GCC*7, etc.)</li> <li>Share knowledge in technology and support functions</li> <li>Expand MS consulting services on pension plans, etc. to Japanese corporate clients in the U.S.</li> </ul>

## Multifaceted and close collaboration at various layers

Two directors to serve at the MS Board of Directors\*3

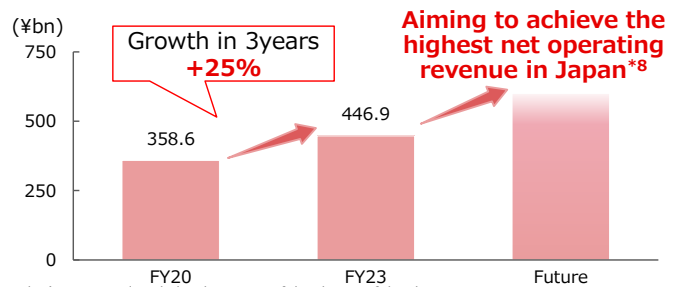
Biannual Global Steering Committee (GSC)\*4

Over 90 secondees(accumulated)\*5  
MS Secondee Alumni Forum



\*1 FY11 result covers the period after the start of the application of equity method investees (from July to December). FY23 result includes the impact of the change of the closing date in the equity method of accounting. Excluding the impact, ROI is 12% \*2 MUFG's holding of MS's net asset and goodwill. Includes preferred shares. ¥3.3tn as of end Mar 24  
\*3 Hironori Kamezawa, Masato Miyachi (Chairman of MSMS) \*4 Around 25 of C-Suites and business unit heads from MS and MUFG gathered to discuss the development of collaboration. \*5 As of end Mar 24 \*6 Morgan Stanley Wealth Management \*7 Global Capability Center \*8 MUMSS+MSMS+au Kabucom Securities

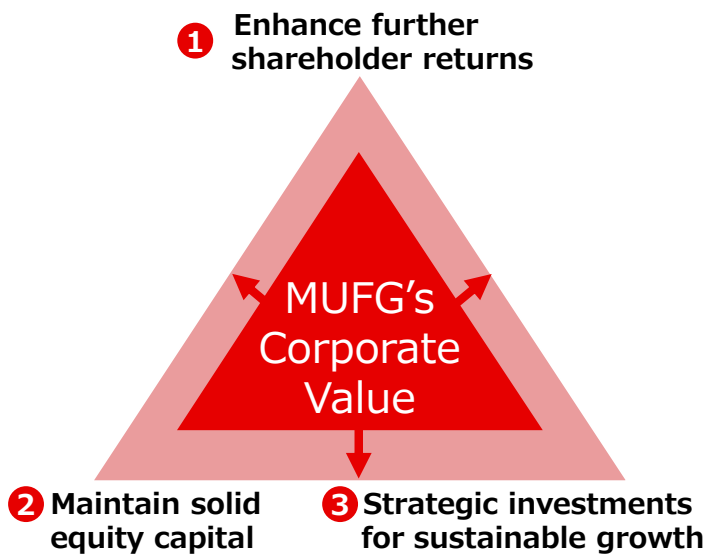
## Target of Japan Securities' business\*8



- ✓ Page 29 is about the enhancement of our strategic alliance with Morgan Stanley.
- ✓ In April of this year, the Global Steering Committee, the first meeting since Ted Pick became CEO, was held in Tokyo to discuss further collaboration. Through close collaboration at various levels, including the heads of business divisions of both companies, we will deepen our existing collaboration and expand it into new areas shown in the upper right corner of this slide.
- ✓ In the domestic securities business, Mitsubishi UFJ Morgan Stanley Securities, Morgan Stanley MUFG Securities and au Kabucom Securities will work together to become the top securities company here in Japan.

# Basic policies for capital allocation (“Capital Triangle”)

– Continue disciplined capital management



**1 Enhance further shareholder returns**

Consider

- Performance progress/ forecast and capital situation
- Strategic investment opportunities
- Market environment including share price

Progressive dividends

- Maintain dividend payout ratio at around 40%

Flexible share repurchase

Share cancellation

- Holding a maximum of approx. 5% of the total number of issued shares

---

**2 Maintain solid equity capital**

Expand the target range of CET1\*<sup>1</sup> ratio to **9.5%-10.5%** to improve transparency of capital management.

---

**3 Strategic investments for sustainable growth**

Organic investments

- Continue to replace low profitable assets to highly profitable assets
- Allocate to areas with high profitability expectation strategically

Inorganic investments

- Continue to focus on areas such as Asia, Digital and Global AM/IS
- Consider investments to new business areas

\*1 Estimated CET1 ratio reflecting the RWA based on the finalized and fully implemented Basel III basis. Excludes net unrealized gains on AFS securities

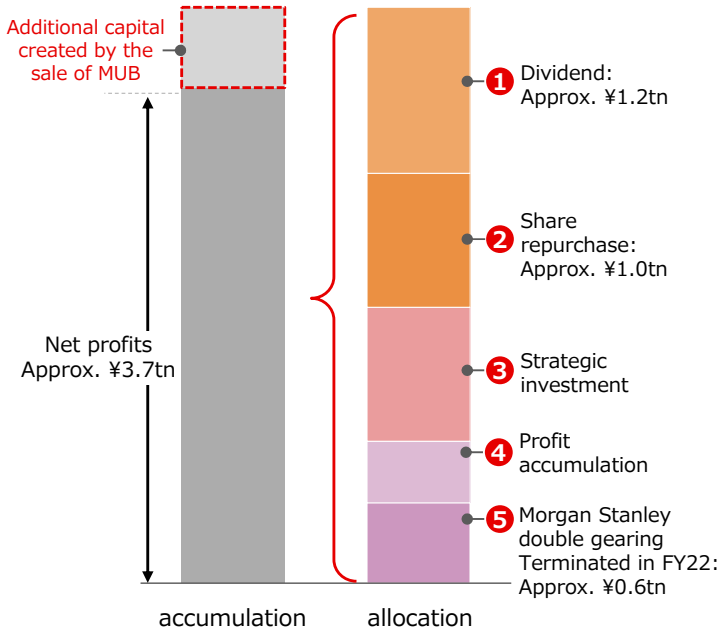
- ✓ Please turn to page 30. This is our basic policies for capital allocation.
- ✓ Disciplined capital management will remain unchanged. While maintaining financial soundness, we will also utilize capital for growth and strive to enhance shareholder returns.
- ✓ The following pages describe our specific capital management policies.



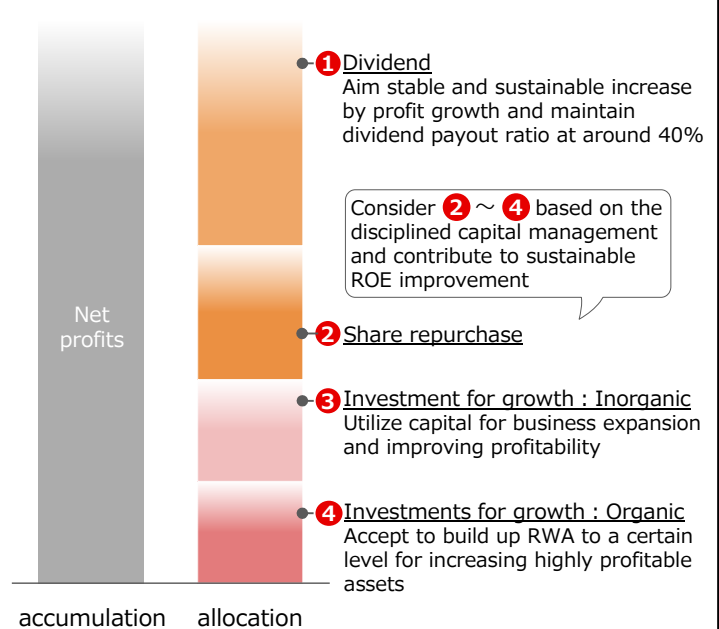
## Capital policy(1) Capital allocation policy

– Steadily implemented disciplined capital management during previous MTBP. In the new MTBP, progressive dividends based on profit growth will be prioritized, and investments for growth and shareholder returns will be decided

Breakdown of net profits during previous MTBP



Breakdown of net profits during new MTBP(concept)



✓ Page 31 is capital allocation policy.

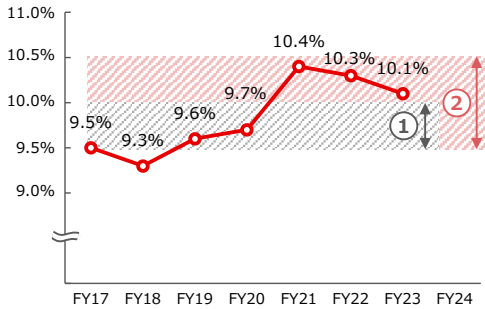
✓ The left side shows an image of capital allocation over the past few years. We have returned approximately 2 trillion yen to shareholders, which is about half of the allocation source cumulatively over the three years, while also making strategic investments for growth.

✓ As shown on the right, we have set our dividend payout ratio at approximately 40% for the next few years based on the progressive dividends based on profit growth. We will continue disciplined capital management and strike a balance between investment for sustainable growth and shareholder returns.

## Capital policy(2) Capital management policy

– Raised the upper limit of CET1\*<sup>1</sup> ratio target range to improve the transparency of capital management.

### Review of target range management



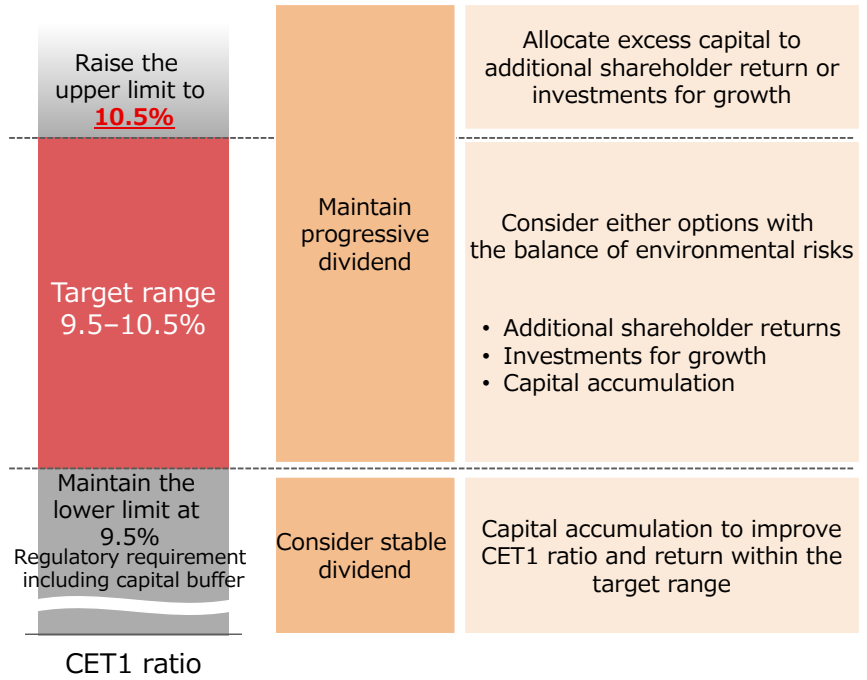
#### 1 FY21-23 : 9.5%–10.0%

- There were some situations to exceed the target range as prioritized profit accumulation due to uncertainties over the outlook of the environment

#### 2 FY24-26 : 9.5%–10.5%

- Expand target range. Operate within the range considering the uncertainties over the outlook of the environment and aim to improve the transparency of capital management

### Capital management policy



\*1 Estimated CET1 ratio calculated on the finalized and fully implemented Basel III basis. Excludes net unrealized gains on AFS securities

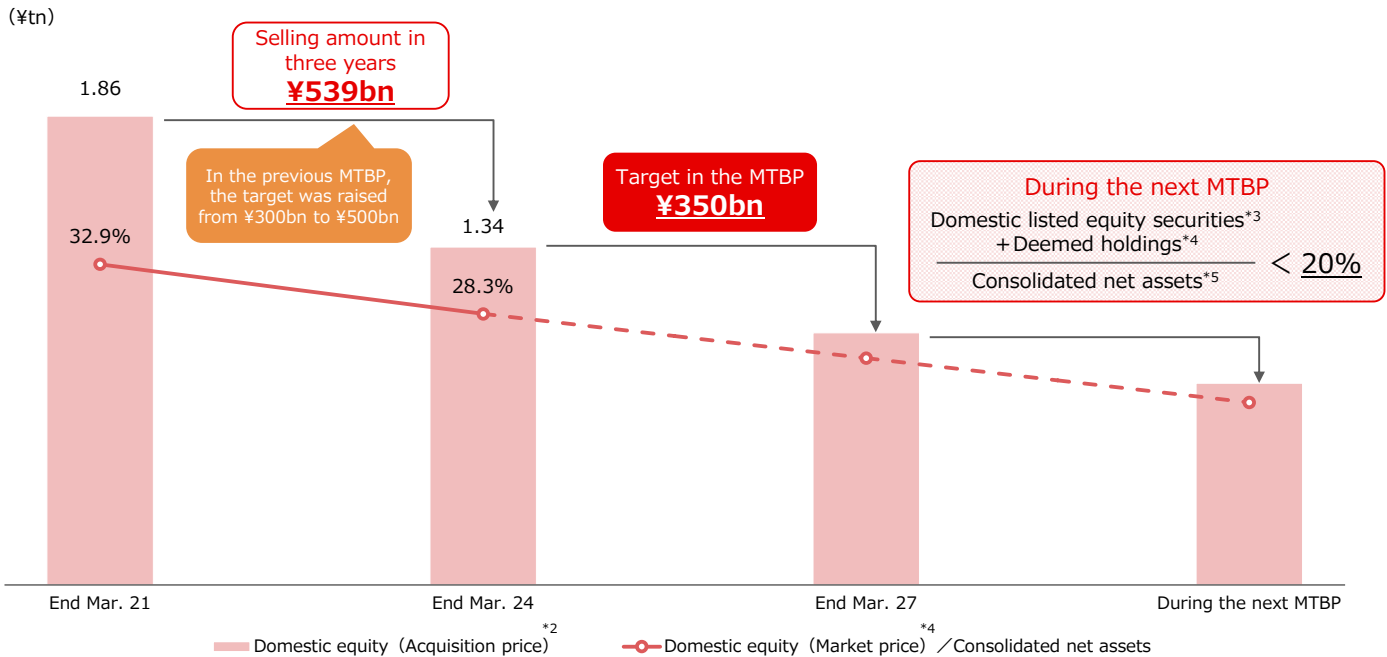
✓ Page 32 is the capital management policy.

✓ In the past, there have been cases in which we have exceeded our target range as a result of prioritizing retained earnings when uncertainty of the business environment heightened. Going forward the upper limit of the target range will be increased to 10.5% in order to improve the transparency of capital management. While maintaining progressive dividend payments as a basis of our returns policy, we'll consider additional shareholder returns and the use of capital for growth in light of the business environment.



## Reduction of equity holdings\*1

- In the previous MTBP, a total of ¥539bn exceeding the target was sold
- Set the new target of ¥350bn in the new MTBP, aiming to achieve less than 20% of net assets during the next MTBP



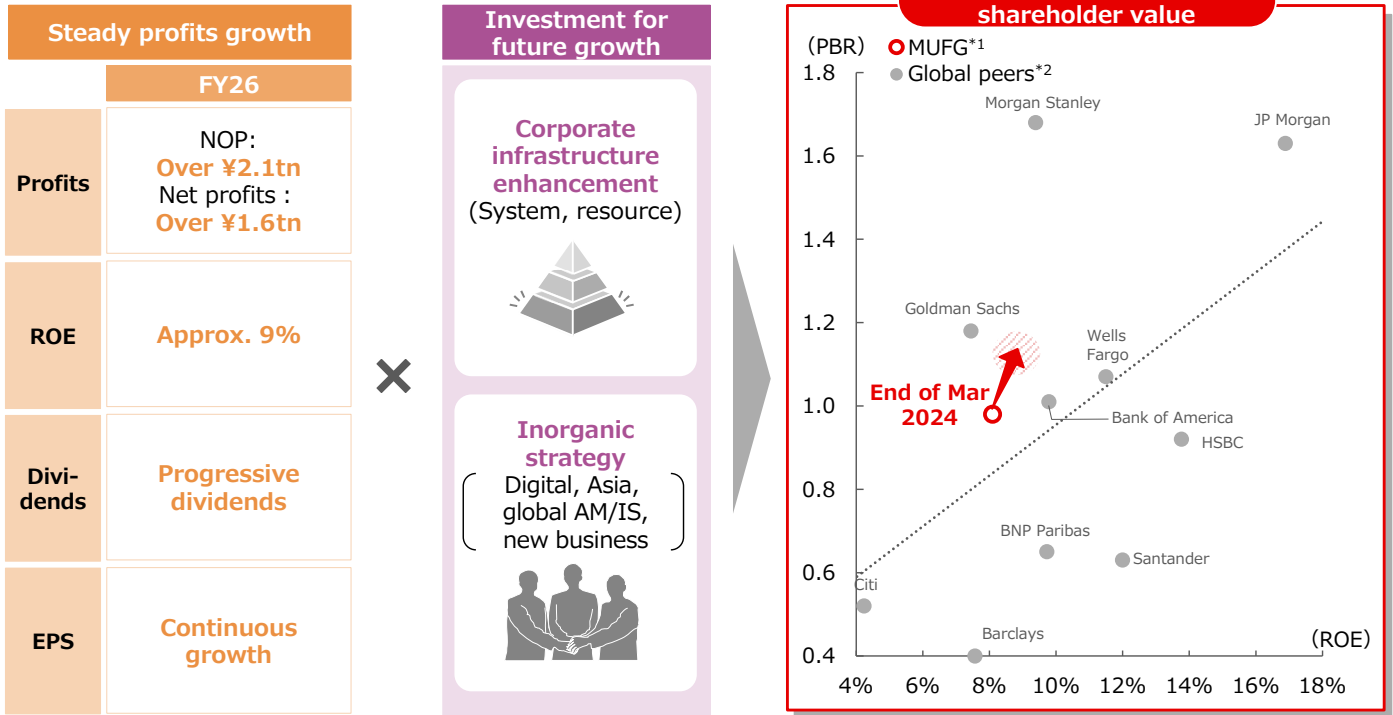
\*1 Sum of the Bank and the Trust Bank \*2 Acquisition price of domestic equity securities in the category of "other securities" with market value (consolidated)  
 \*3 Market price of domestic equity securities in the category of "other securities" with market value (consolidated)  
 \*4 Including the balance of "Deemed holdings" stated in the Annual Securities Report  
 \*5 Net assets at the end of March 2024

✓ Page 34, reduction of equity holdings.

✓ The cumulative book value of shares sold over the past few years was 539 billion yen, exceeding the upwardly revised target. Over the next few years, we will further reduce our holdings by setting a sales target of 350 billion yen. During our next MTBP period, we aim to reduce our ratio of market value to consolidated net assets to less than 20%, including shares deemed to be held by the Company.

## Aim in the new MTBP

– Aim to increase shareholder value further by achieving both steady profits growth and investment for future growth



\*1 ROE is on a Japan Exchange Group basis \*2 as of the end of December 2023 (Source) Bloomberg

- ✓ Please turn to page 35.
- ✓ To summarize what I have said so far, I would like to talk about what we, MUFG, are aiming for in our new medium-term business plan.
- ✓ We aim to further increase shareholder value by achieving steady profit growth, while at the same time, investing for future growth. With investors' understanding of these efforts, as shown on the right, we would like to start by raising the PB ratio to a stable level above one time.
- ✓ That concludes my explanation. I would like to ask our investors and rating agencies for their further understanding and cooperation. Thank you.

Details of new MTBP

# Growth Strategies(1) Strengthen domestic retail customer base

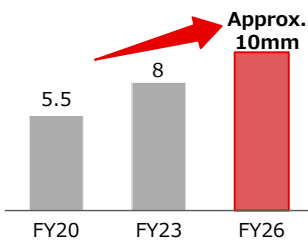
– Expand business foundation through long-term relationship with individual customers based on trust

## Strategy scope and aim

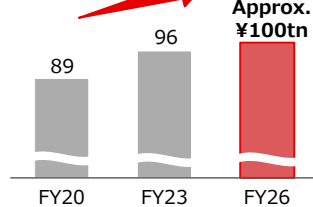
<b>Scope</b>	<ul style="list-style-type: none"> <li>Domestic retail business (excluding the wealth management)</li> </ul>
<b>Aim</b>	<ul style="list-style-type: none"> <li>Maximize “LTV*1 x customer base”</li> <li>Expanding customer touchpoint by optimally mixing three channels: “Real (face-to-face) x Remote x Digital”</li> <li>Deliver customers experience that makes customers feel “I am glad I chose MUFG”</li> </ul>

## Major KPI

No. of IB MAU\*2  
(mm)

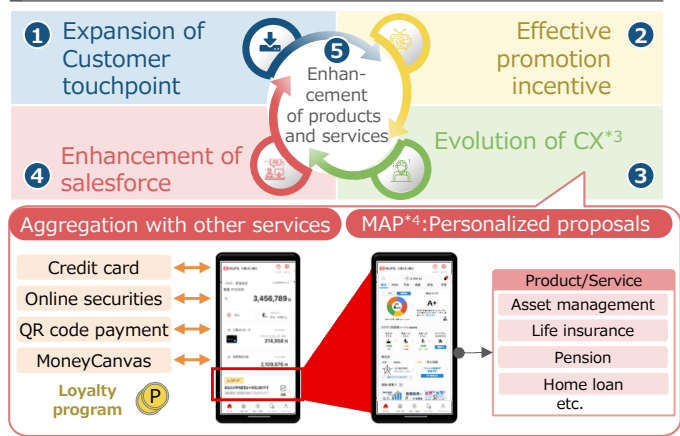


Balance of financial assets from retail customers  
(¥tn)



\*1 Life Time Value \*2 Monthly Active User of internet banking for individual customers \*3 Customer experience \*4 Money Advisory Platform is a function to provide customers with optimal advice on financial products based on algorithms and collected customer data

## Key strategy



- 1 New branch opening based on foot traffic and market trends, and enhancement of remote channels
- 2 Consider group-base strategy including loyalty programs
- 3 Implement app to app integration and personalized proposals
- 4 Balanced operation between front and back office, and enhance sales activities through digital utilization
- 5 Develop products and improve services with strong appeal that gets chosen for customers' life events

## Growth Strategies(2) Strengthen corporate × WM business

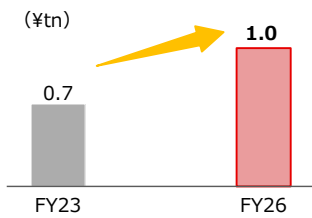
– Established strong business model in the previous MTBP. Aim to increase profits by enhanced solution for business/asset succession and expanded customer touchpoints

### Strategy scope and aim

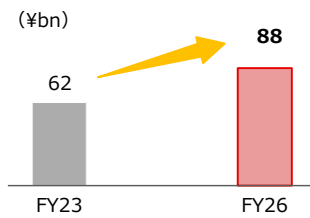
<b>Scope</b>	<ul style="list-style-type: none"> <li>Corporate and retail business with owner companies and families.</li> </ul>
<b>Aim</b>	<ul style="list-style-type: none"> <li>Capture the entire ecosystem of owner companies through; Corporate oriented business e.g. business/asset succession, and individual oriented business e.g. asset management, inheritance and real estate.</li> </ul>

### Major KPI

#### Loan balance related to business succession

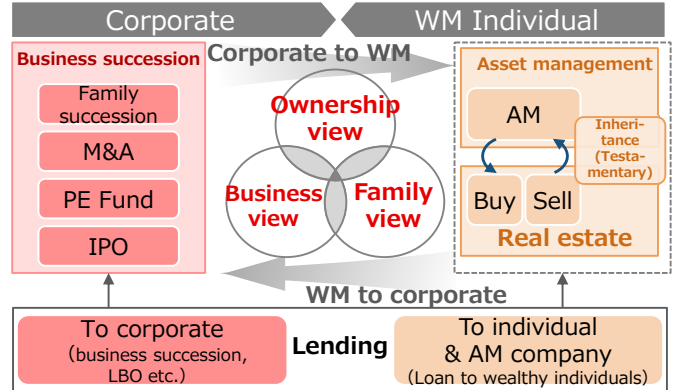


#### Net operating profits



### Key strategy

Improve solutions for business and asset succession



<b>1. Family succession</b>	Strengthen business and asset succession team in aspect of quality and quantity, and increase proposal activities to owners
<b>2. Succession out of family</b>	Enhance the capability to capture deals by strengthening M&A support team and deepening RMs' M&A knowledge
<b>3. Family business</b>	Expand touchpoints with owner family through collaboration between MUFG and university

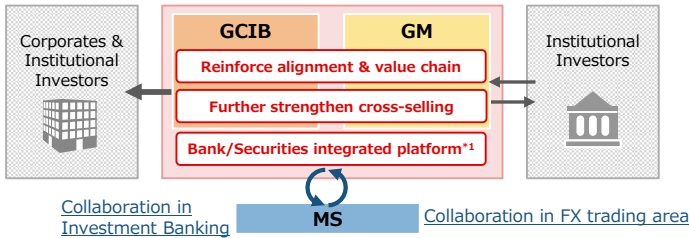


# Growth Strategies(3) GCIB-GM integrated business model

– GCIB-GM integrated operation steadily developed in previous MTBP. Accelerate the growth by reinforcing product competitiveness and Primary & Secondary value chain

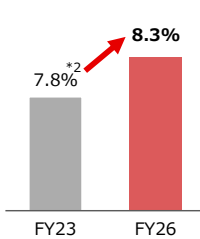
## Scope and Aim

Scope	CIB for Global Corporates / Financial Institutions
Aim	Reinforce product competitiveness and value chain

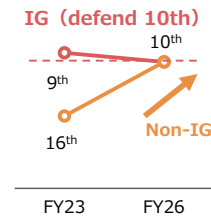


## KPI

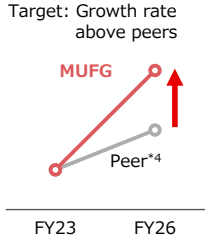
### GCIB-GM ROE



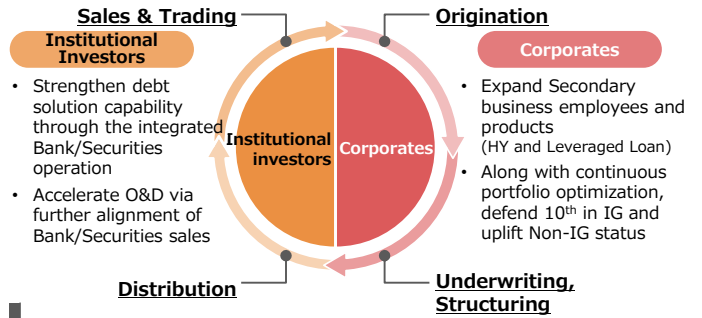
### Syndication / DCM Wallet Rank



### FIC\*3 Growth Rate

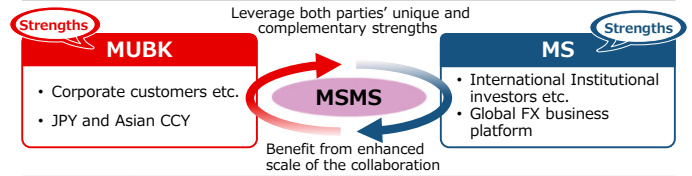


## Reinforce Primary & Secondary Alignment / Value chain



## Further strengthen cross-selling

Foreign Exchange Collaboration in FX Trading Area through MSMS (Enhance pricing ability, expand product/service lineup)



Derivatives EMEA & Americas: Promote high-profitability business and high-value-added products  
Asia: Enhance transactions associated with customers' business flows

\*1 Consider transferring overseas securities entities from MUSHD to MUBK excluding the U.S. (MUSA is already under MUAH and will not be affected by this change)  
\*2 Adjusted individual factors \*3 Fixed Income and Currencies \*4 Growth rates of peers are calculated from Coalition Greenwich data

# Growth Strategies(4) Strengthen APAC business and platform resilience

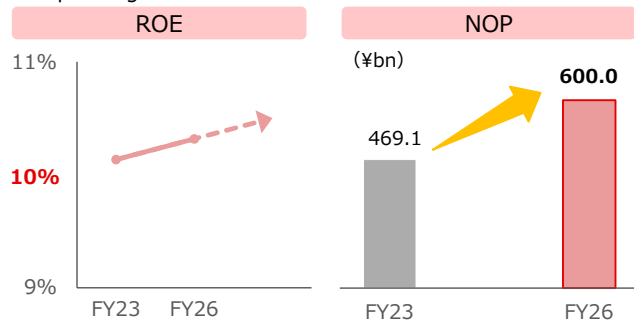
– Grew into a ROE driver during the previous MTBP period. Aim to enhance profitability of existing businesses while continuing investment to capture future economic growth in APAC

## Strategy scope and aim

<b>Scope</b>	<ul style="list-style-type: none"> <li>Retail banking business, wholesale banking business (Japanese/non-Japanese corporate clients), and other businesses engaged by the investees in APAC</li> </ul>
<b>Aim</b>	<ul style="list-style-type: none"> <li>Implement ambidextrous management                             <ul style="list-style-type: none"> <li>Enhance the profitability of existing businesses by expanding their functionalities and improving operational efficiency</li> <li>Continue to explore investment opportunities (digital startups, etc.)</li> </ul> </li> </ul>

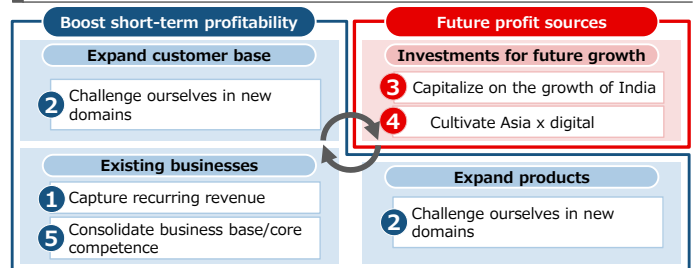
## Major KPI

- Maintain and improve ROE at a level to lead MUFG while expanding business scale



\*1 Post-merger Integration \*2 Transaction Banking \*3 MUFG Global Service. An Indian subsidiary that undertakes operations from offices in MUFG.

## Key strategy

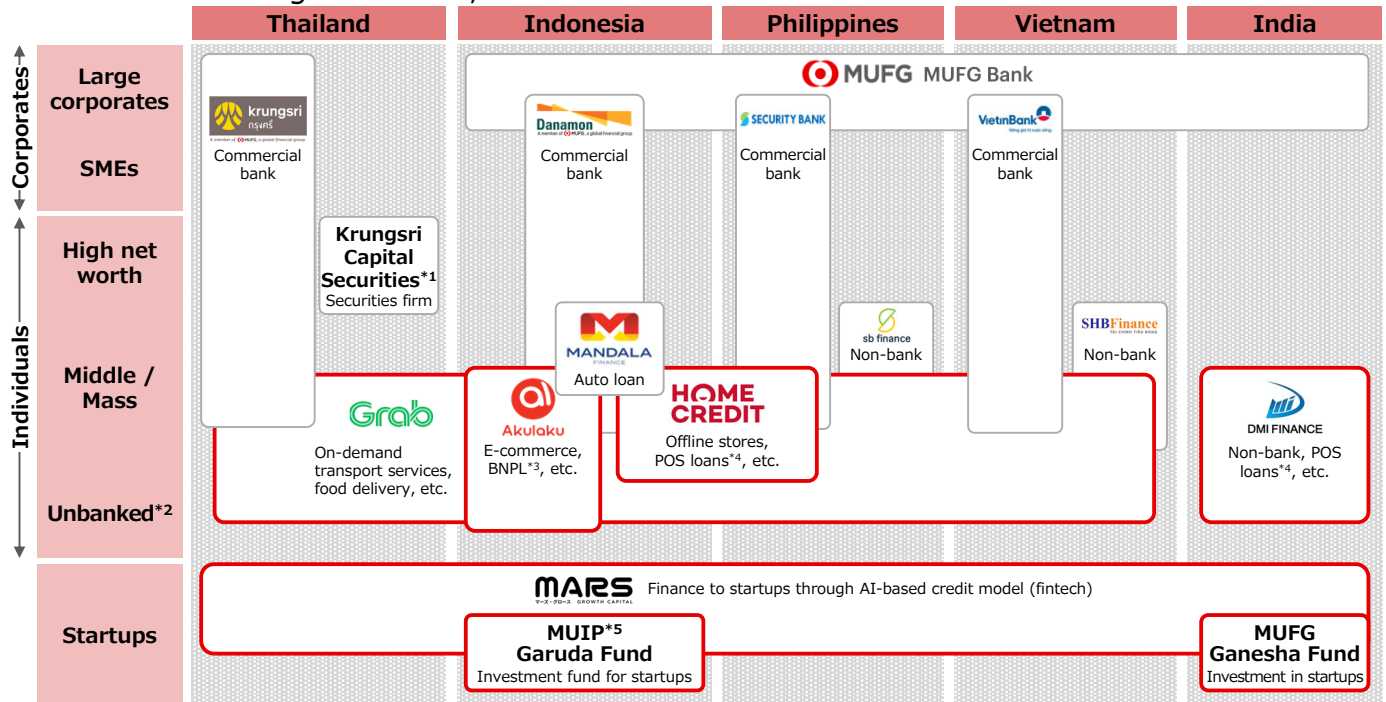


## Overview of Key Initiatives

<b>1 Capture recurring revenue</b>	<ul style="list-style-type: none"> <li>Pursue business that consumes no/low RWAs (Cash/Trade)</li> <li>Utilize the “growth and governance” PMI<sup>*1</sup> strategy to reinforce the PBs’ Platform</li> </ul>
<b>2 Challenge in new domains</b>	<ul style="list-style-type: none"> <li>Contribute to achieve carbon neutrality in Asia</li> <li>Expand the TB<sup>*2</sup> product lineup including collaboration with PBs</li> </ul>
<b>3 Capitalize on the growth of India</b>	<ul style="list-style-type: none"> <li>Address funding needs / boost collaboration across platforms</li> <li>Invest in non-bank financial companies providing digital financial services</li> </ul>
<b>4 Cultivate Asia x digital</b>	<ul style="list-style-type: none"> <li>Capture growth in digital financial services through investment</li> <li>Build a digital ecosystem that enhances MUFG’s corporate value</li> </ul>
<b>5 Consolidate biz base/core competence</b>	<ul style="list-style-type: none"> <li>Enhance and streamline CC functions, including utilizing MGS<sup>*3</sup></li> </ul>

# (Reference) Asia & Digital Finance

– Aim to seize opportunities arising from Asia’s expanding financial needs through investment in digital finance, etc.



  : Digital finance investments

\*1 Rebranded from Capital Nomura Securities \*2 Customers without access to bank accounts or other basic financial services

\*3 Buy Now Pay Later is a form of financing that lets customers pay for purchases later

\*4 Point of Sale loans are installment loans provided at automobile and household appliance dealerships \*5 MUFG Innovation Partners

# Reference : Initiatives in India

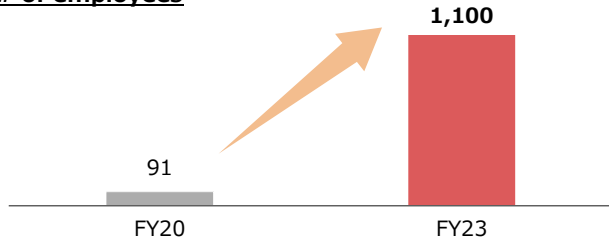
Optimization of overseas operation by utilizing MGS\*1

## Previous MTBP

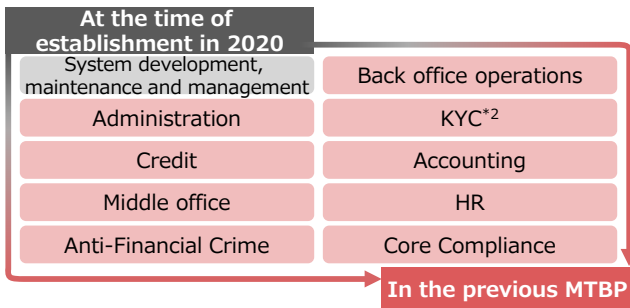
## New MTBP

- Increased workforce and significantly expanded areas to be entrusted during the previous MTBP

### # of employees



### Business coverage



- Increase employees to 2,000 and expand coverage of business and countries
- Aim to accelerate efficiency by standardizing consolidated operations

### Example of operational standardization (KYC related)

- To improve operational efficiency and expand the coverage for consolidation, aim to standardize KYC operations that has been developed in each country.

#### Before standardization

- Create a procedure in each of the 12 countries
- Renew each procedure at each country

#### After standardization

- Standardize operations by setting a common procedure across 12 countries to streamline KYC operations and reduce the burden for updates

\*1 MUFG Global Service Private Limited \*2 Know Your Customer

# Growth Strategies(5)

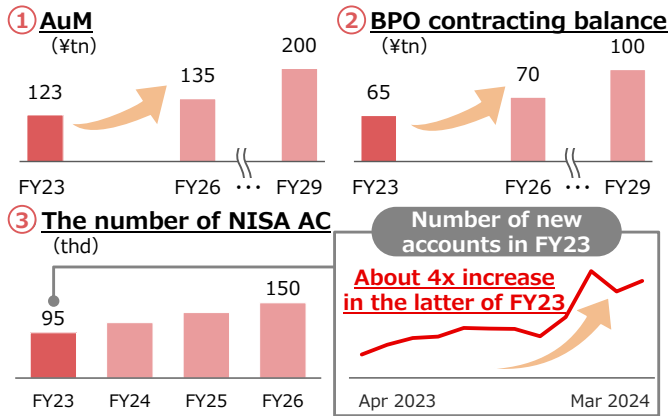
## Contribute to making Japan a leading asset management center

–As a global financial group, we contribute to making Japan a leading asset management center by providing clients with a wide range of functions such as asset management, investor services, sales, and consulting services.

### Strategy scope and aim

<b>Scope</b>	<ul style="list-style-type: none"> <li>Improving domestic and global AM/IS, pension area, investment management, advice and financial literacy</li> </ul>
<b>Aim</b>	<ul style="list-style-type: none"> <li>Driving growth in entire AM market through our approach to the entire investment chain and making Japan a leading AM center</li> </ul>

### Major KPI



\*1 Publicly offered equity investment trust balance in Japan. Excluding ETF managers  
 \*2 AuA in The Master Trust Bank of Japan, Ltd.  
 \*3 Foster corporate fund

### Key strategy

- Result up to FY23** **No.1** • **PO Investment Trust**\*1 **eMAXIS Slim**  
 • **Domestic AuA**\*2
- [AM] Service beyond clients' expectations** **KPI 1**
    - Strengthen investment capability and governance
  - [IS] Pursue productivity in IS industry** **KPI 2**
    - Provide where AM can focus on their business
  - Contribution to expanding clients' assets** **KPI 3**
    - Customer oriented business and improve information quality
    - Increasing opportunities for asset formation
  - Contributing to asset formation by each generation**
    - Enhance financial literacy by each generation

**Empower investment capability**  
 (Example)

**EMP ... Emerging Managers Program**

- Utilizing own funds to improve capabilities for products and services provided to customers, newly established facilities for emerging managers
- Range of EMP facilities including new ones expanded up to ¥160bn.

<p><b>Existing Initiatives</b></p> <p>MUFG Headhunting fund Global EMP*3 managers externally</p>	+	<p><b>New Facility</b></p> <p>Pick out emerging managers (No Track record)</p>
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## Growth Strategies(6)

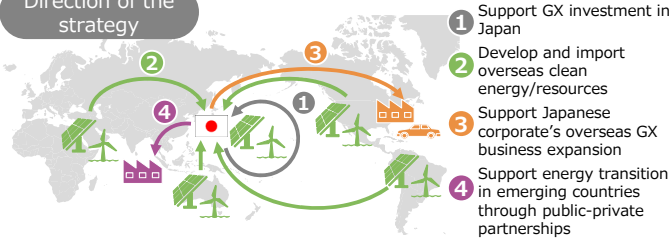
### Support Value Chain in Green Transformation (GX)

– Acquire financing opportunities by supporting clients' GX business initiatives and value chain construction through engagement based on research and advocacy activities

#### Strategy scope and aim

<b>Scope</b>	<ul style="list-style-type: none"> <li>GX-related transactions for Japanese and non-Japanese customers</li> </ul>
<b>Aim</b>	<ul style="list-style-type: none"> <li>Promoting GX investment and financing through customer transition support</li> </ul>

#### Direction of the strategy



#### Key KPI

Number of co-created GX projects\*1



\*1 Number of business co-creation through dialogue and engagement with customers

#### Key initiatives



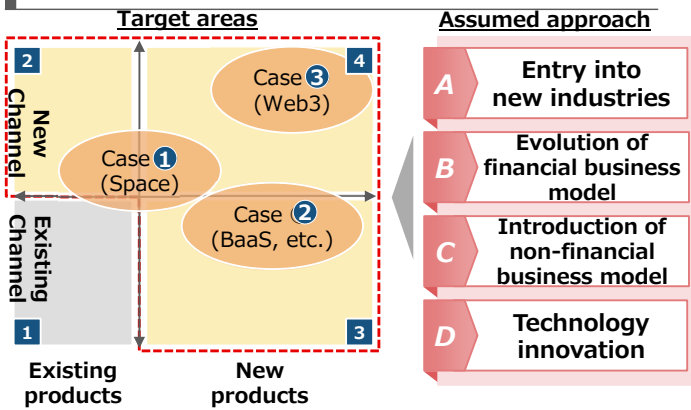
# Growth Strategy(7) Challenge to build a new business portfolio

– Develop a portfolio that promotes the medium- to long-term growth through creating new businesses.

## Strategy scope and aim

<b>Scope</b>	<ul style="list-style-type: none"> <li>Create new products and services</li> <li>In addition to the existing channels, envision offering products and services via new channels</li> </ul>
<b>Aim</b>	<ul style="list-style-type: none"> <li>To secure medium- to long-term growth and enhance corporate resilience and value by promoting new businesses development and creating a business portfolio which captures both, high-growth and high-profitability</li> </ul>

## Target areas and assumed approach



\*1 Proof of Concept

## Key initiatives

- Space related business**
  - JCIB**
  - Approach A**
- Expansion of customer-touchpoint**
  - R&D**
  - Approach B C**
  - Aim to expand MUFG's business and pioneering new industries through the utilization of satellite data (geospatial information), leveraging insights gained from four strategic investments
  - In addition to MoneyCanvas, we have developed a full-banking app for external partners. MUFG will improve CX together with the partners
  - Functional collaboration with partners: dスマートバンク, シフトボード, MoneyCanvas, BaaS, Functional expansion of BaaS
- Web3 digital currency**
  - Digital strategy division**
  - Approach D**
  - Aim at developing commercialization of block chain technology. Currently starting PoC<sup>+</sup> of the palm oil supply chain visualization service by utilizing Web3 wallet
  - Initiate discussions for Unified Ledger proposed by BIS
  - Web3 wallet: KYC, Transaction record
  - Resolve corporate customer's issues

# Improving BS profitability

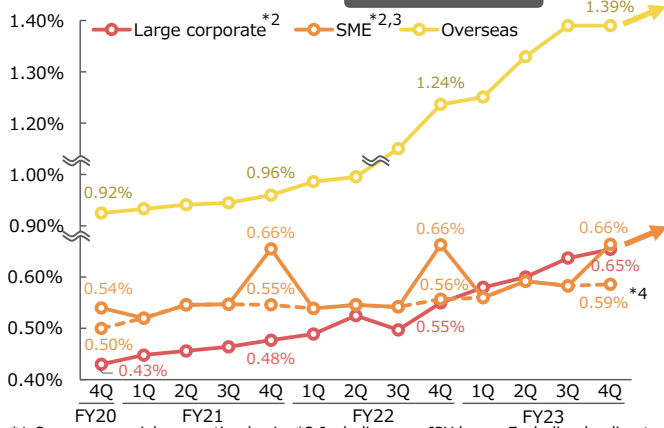
– Enhance base income through each initiative of loans and deposits taking into account changes in business environment

## Loans

Continue profitability focused management and enhance risk-taking capability

- Continue assets reallocation from low profitability to high profitability, expanding target areas
- Enhance risk-taking capability such as LBO, real-estate related area, event finances which contribute to improve ROE

Trends of lending spread\*1



\*1 On a managerial accounting basis \*2 Including non-JPY loans. Excluding lending to government \*3 Calculation method modified from 4Q of FY23 and retroactively applied in this document \*4 Excluding impact of the collective recording of interest received at fiscal year-end via subsidized interest payment programs

## Deposits

Focus on expanding customer base and building up transactional funds

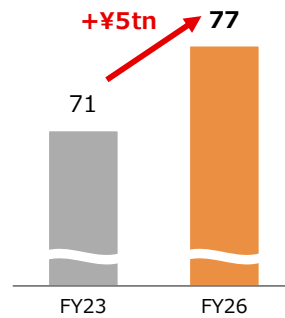
### JPY

- Expand customer base especially in the retail segment
- Provide settlement related products and services addressing customers' needs

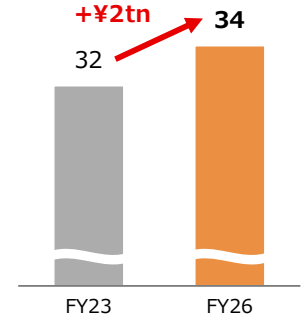
### Non-JPY

- Deposits management focusing on profitability and robustness, and enhancement of transaction banking products

Average balance of JPY liquid deposits (individuals)



Average balance of Non-JPY deposits

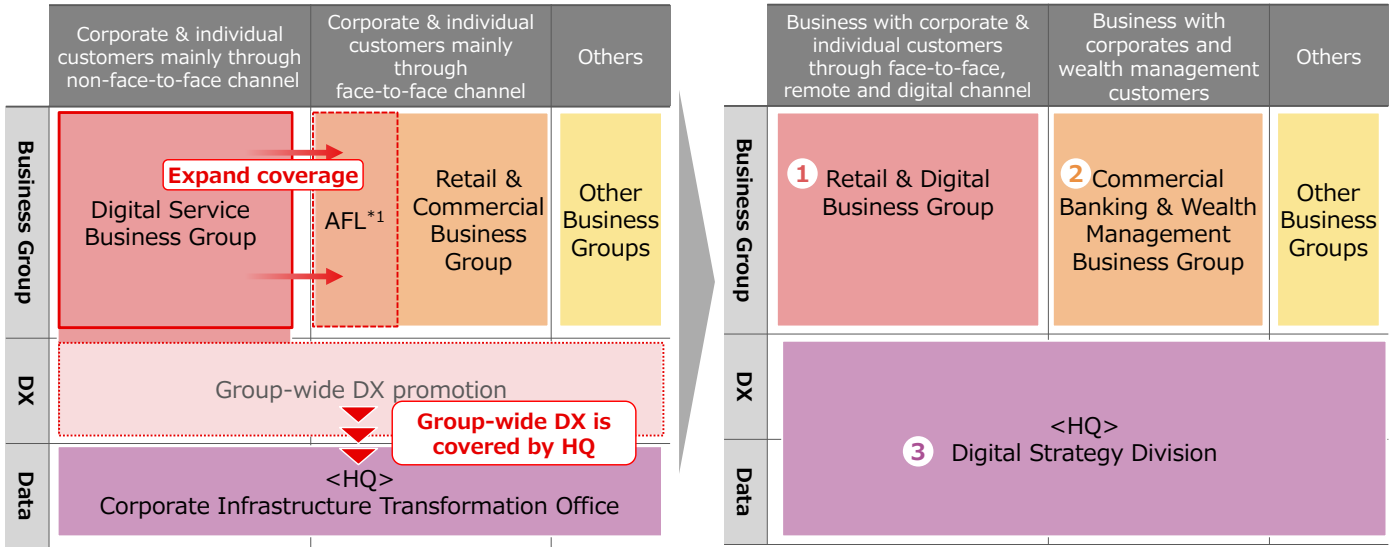




# Reorganization to enhance retail business and DX (digital transformation)

– Review customer approach to further enhance the domestic retail customer base.  
Group-wide DX promotion and strategies are managed by the headquarter.

- 1** Retail & Digital Business Group Maximize LTV x customer base through face-to-face, remote and digital touchpoints
- 2** Commercial Banking & Wealth Management Business Group Enhance human solutions for corporations and wealth management customers
- 3** Digital Strategy Division Accelerate group-wide digital utilization through digital infrastructure development, initiatives support, and technology-based business creation



\*1 Affluent customers under identified asset criteria of ¥0.1-0.3bn. (with separate criteria according to the amount of financial assets held)

# Social & Environment(1) Sustainable Society

– Natural capital, biodiversity, and circular economy are newly selected as priority issues.  
Expand the supply of funds to address the priorities by raising sustainable finance target

## Achievement of carbon neutral society

- Financing support for investment in renewable energy and businesses that contribute to decarbonization
- Client engagement and transition support through Transition Whitepaper and MUFG Climate Report 2024
- Monitoring and enhanced management of FE\*1 to achieve 2030 interim targets

### MUFG Transition Whitepaper



Transition Whitepaper 2023 (Sep 2023)



Asia Transition White Paper 2023 (Nov 2023)

### MUFG Climate Report 2024

(May 2024)



Click!

## Natural capital and biodiversity restoration

- Provide solutions and financing according to the stage of customer initiatives
- Refine analysis of opportunity and risk based on Natural capital-related data and development of analysis methods
- Summarized initiatives and thoughts as TNFD Report, and use for engagement

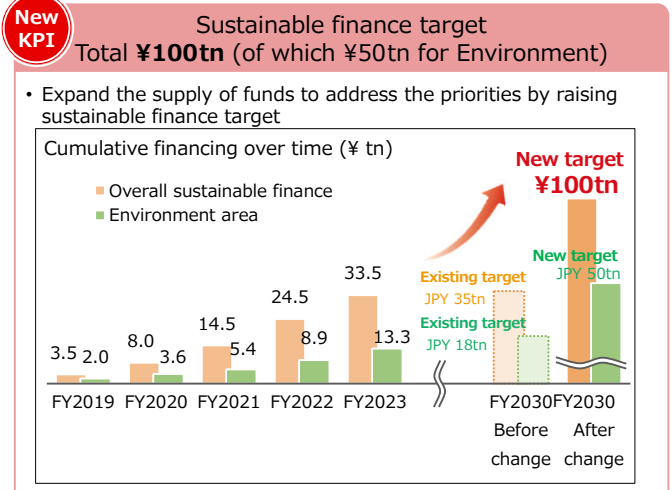
### MUFG TNFD Report

(May 2024)



## Promoting of circular economy

- Financing support to investment that contributes transition to circular economy
- Contribute to the future implementation of new technologies in society through Policy engagement and business co-creation
- Integrally promote initiatives along with addressing priorities of climate change and nature capital

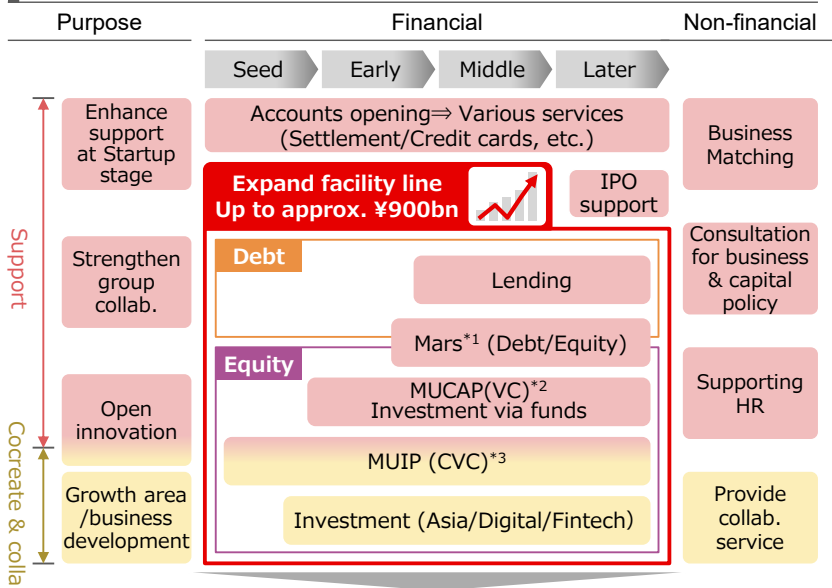


\*1 **Financed Emission** : a concept that indicates the portion of GHG emissions from each client or project in which a financial institution invests and finances that are deemed to be attributable to the financial institution through financing.

# Social & Environment(2) Vibrant Society

– MUFG provides various financial and non-financial functions for startups to contribute to industrial development and solving social issues. Expanding initiatives to raise market cap of startups up to ¥20tn supported by MUFG

## MUFG initiatives for startups



**Market cap of startups supported by MUFG up to ¥20tn (FY26)\*4**

## New initiatives

- Accounts opening/meeting various needs
  - New desks specialized for startup customers
  - Speed up of the accounts opening process
- MUFG Startup Kit
  - Listing services on webpage such as settlement or business matching etc.
- Events held by MUFG
  - Holding "MUFG Startup Summit" in Dec 2024
  - Inviting stakeholders of ecosystem and increase MUFG services awareness

### MUFG Startup Kit Webpage



\*1 Debt funds by Mars Growth Capital and Mars Equity Dragon Fund \*2 Mitsubishi UFJ Capital Co., Ltd.

\*3 MUFG Innovation Partners Co., Ltd. \*4 Aim to increase the total market capitalization of domestic clients by approx. three times in FY26. Support value up of the startups by the entire Group

## Social & Environment(3) Vibrant Society/Resilient Society

- Support all generations asset building & succession/Provide financial service and financial inclusion in Asia
- Respect for human rights/Provide services & infrastructure to support resilient society

### Response to aging population & low birthrate

Provide products & services tailored to meet the needs of all generations, and realize society where asset building & succession can be facilitated

#### Promote investment & asset building

- Improve the convenience of products and services
- Provide advice to meet the needs
- Improve financial literacy

#### Support asset and business succession

- Expand products and services that contribute to asset succession to the next generation
- Accumulate knowledge and strengthen systems to support business succession

**Main KPI** Financial education provided to **Over 500k people** (total for FY2024-26)

### Increasing access to financial services

#### Enhanced economic security of the unbanked in emerging markets

# of digital lending borrowers (FY2026) **14mn**



Contribute to financial inclusion through digital financial players

- Support digital financial players by equity investment and MODE\*2
- Increased digital lending opportunities building on digital technologies, ecosystem and partnerships of our investees

### Initiatives for resilient society

#### Respect for human rights

Realize respect for human rights throughout the supply chain

- Enhance human rights due diligence throughout the supply chain
- Strengthen grievance mechanism/remedy
- Further disclosure



▲ Human Rights Report (Jul 2023)

#### Secure and safe services

Provide reliable financial infrastructure

- Reconstruction of the deposit and FX system, training the next generation engineers
- Strengthen systems and training with assuming the event of disaster or major trouble
- Enhance cybersecurity measures (i.e. collection and analysis of threat information by dedicated organization)

#### Robust corporate governance

Provide fair and honest financial services

- Thorough operation of business that contributes to the best interests of customers
- Implementation of controls to support the provision of services
- Implementation of globally consistent procedures and infrastructure for crime detection and interdiction based on regulations and best practices

\*1 Customers without bank accounts

\*2 MUFG Openly-connected Digital Ecosystem. An initiative to form a digital ecosystem for knowledge sharing and creating business synergies among MUFG investee companies

# Accelerate Transformation & Innovation(1)

– Positioning “Challenge x Agility” as a value to be shared, MUFG aims to become a company where every employees thrive by further advancing agility transformation and enhancing human capital

## Acceleration of agility transformation

## Enhancement of human capital

### Revision of the MUFG Way

**Challenge x Agility** became MUFG’s new values to be shared

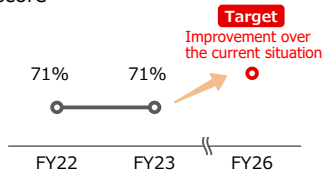
Promotion of challenge → Speedy operations and decisions

Improving MUFG’s Corporate Value and Employee Engagement

#### Examples

- Formulation of guidelines to be shared • “Agility over Perfection”, etc
- Review of procedures and rules • Review approximately 70 themes based on VOE, etc.
- Review of approval authority and meeting management • Substantial delegation of decision-making authority, etc.

Key KPI : Agility score



### Concept for human capital management

#### Vision

A global financial group making a positive social impact and fostering a culture where our employees thrive

#### Core pillars

Strengthening business competitiveness | Create an agile culture empowering employees to tackle challenges

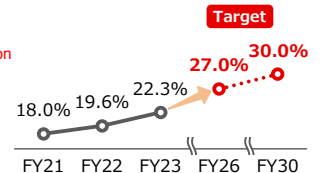
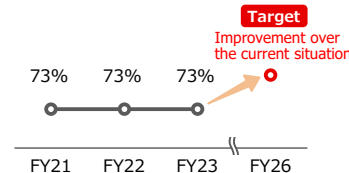
#### Four key initiatives

- Employee enablement and progression
- Improving Employee Engagement
- Diverse, Equitable & inclusive workforce
- Embedding a culture of healthy working

#### Key KPIs

Engagement score\*1 ②

Ratio of women in management\*2 ③



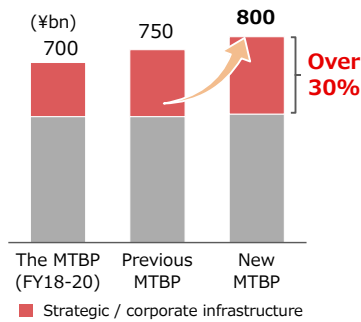
\*1 Score of overall MUFG (incl. overseas) \*2 Domestic ratio in the Bank, the Trust bank and the Securities HD

# Accelerate Transformation & Innovation(2)

– Increase system development capability and invest in strategic and corporate infrastructure projects. Promote not only development but also widespread adoption and habituation of AI/data utilization.

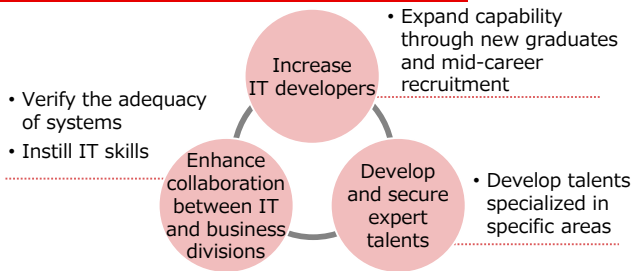
## Increase system development capability

- In the new MTBP, invest ¥800bn into system development and accelerate strategic and corporate infrastructure projects.



Increase system development capability in parallel

## Initiatives to increase capability



## Enhance AI/data infrastructure

Widespread adoption and habituation of AI/data utilization

Realization of data driven management

Increase customer value

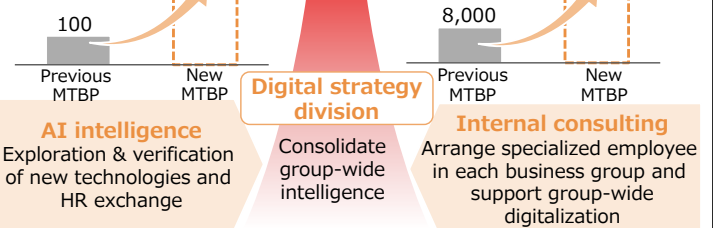
Improve productivity

# of AI projects to support (accumulated)

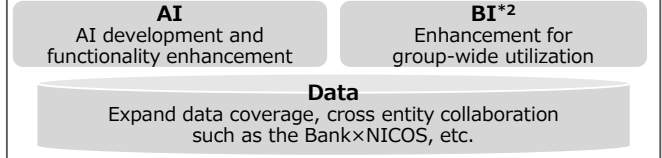
Over 300 projects

# of BI users\*1,2

Over 20,000



## AI/data infrastructure



\*1 # of users in the Bank (domestic and overseas) \*2 Business Intelligence. Solution to visualize various data and utilize for management and operations

# Financial impact from rises in JPY interest rates

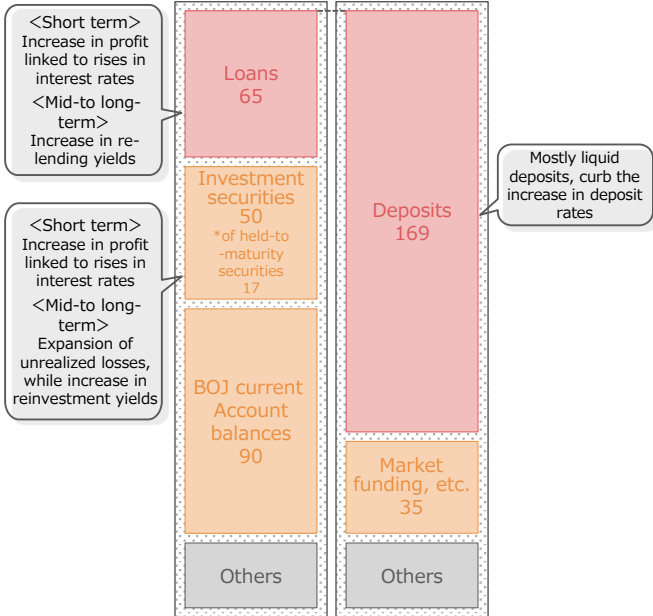
– Net interest income will be improved by rises in JPY interest rates

## JPY balance sheet

Non-Consolidated

(¥tn)

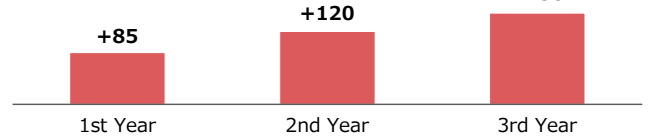
As of end Mar 24



## Financial impact from rises in JPY interest rates\*1

Non-Consolidated

(NII, ¥bn)



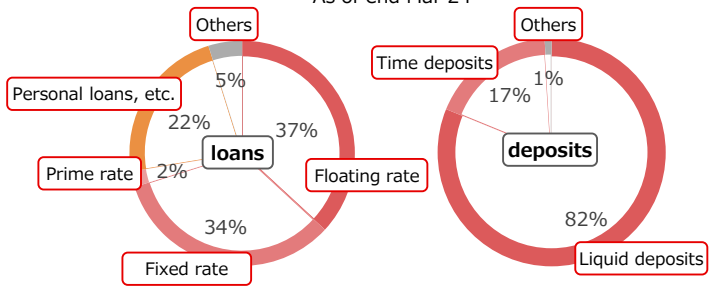
### Simulation assumptions

- BOJ's policy rate, JGB yields: +0.15% parallel shift (remain unchanged after rise at the beginning in the 1st year)

## Domestic JPY loans and deposits

Non-Consolidated

As of end Mar 24



\*1 Based on the assumption that the balance sheet is unchanged

# Appendix



## Income statement summary

Consolidated (¥bn)	FY22	FY23	YoY	After adjustment of MUB <sup>*1</sup>	
1 <b>Gross profits (Before credit costs for trust accounts)</b>	4,503.0	① 4,732.5	229.5	—	<b>1 Gross profits</b> • Net interest income was down due to the absence of gains on investment trusts cancellation of ¥555.7bn included in FY22 and the revenue decrease that resulted from the sale of MUB, while foreign interest income of loans and deposits increased • Net fees and commissions were up, largely driven by increases in fees related to foreign loans, AM/IS business, wealth management business, and various other businesses • Net trading profits + Net other operating profits were up mainly due to the decrease of net losses on debt securities of ¥(884.6)bn included in FY22 through rebalancing the bond portfolio
2 Net interest income	2,907.5	2,457.8	(449.6)	—	
3 Trust fees + Net fees and commissions	1,695.4	1,820.6	125.2	—	
4 Net trading profits + Net other operating profits	(99.9)	453.9	553.8	—	
5 Net gains (losses) on debt securities	(884.6)	(450.7)	433.8	—	
6 <b>G&amp;A Expenses</b>	2,908.7	② 2,888.7	(19.9)	—	<b>2 G&amp;A expenses / Expense ratio</b> • Down by ¥(19.9)bn YoY, due to the impact of the sale of MUB • Expense ratio improved to 61.0%, along with an increase in Gross profits
7 <b>Net operating profits</b>	1,594.2	1,843.7	249.4	—	
8 <b>Total credit costs</b>	(674.8)	③ (497.9)	176.9	(217.0)	<b>3 Total credit costs</b> • Improved by ¥176.9bn YoY, due to the absence of valuation losses on loans held by MUB, partially offset by an increase in allowance for credit losses and the absence of the reversal of allowance included in FY22
9 <b>Net gains (losses) on equity securities</b>	288.0	371.2	83.2	—	<b>4 Other non-recurring gains (losses)</b> • Up by ¥491.5bn YoY, due to the absence of valuation losses on bonds held by MUB included in FY22
10 Net gains (losses) on sales of equity securities	303.9	381.4	77.5	—	
11 Losses on write-down of equity securities	(15.9)	(10.1)	5.7	—	
12 <b>Equity in earnings of equity method investees</b>	425.8	531.8	105.9	—	<b>5 Net extraordinary gains (losses)</b> • Down by ¥627.0bn YoY, due to the absence of gains on the sale of MUB included in FY22
13 <b>Other non-recurring gains (losses)</b>	(612.5)	④ (120.9)	491.5	150.4	<b>6 Profits attributable to owners of parent</b> • Up by ¥374.2bn YoY, marking the highest profits in MUFG history
14 <b>Ordinary profits</b>	1,020.7	2,127.9	1,107.2	372.1	
15 <b>Net extraordinary gains (losses)</b>	549.1	⑤ (77.8)	(627.0)	108.0	
16 <b>Total of income taxes-current and income taxes-deferred</b>	(369.6)	(478.3)	(108.7)	—	
17 <b>Profits attributable to owners of parent</b>	1,116.4	⑥ 1,490.7	374.2	—	
18 EPS (¥)	90.73	124.65	33.92	—	
<Reference>					
19 <b>ROE (MUFG basis)</b>	7.0%	8.5% <sup>*2</sup>	1.5ppt	—	
20 <b>ROE (JPX basis)</b>	6.5%	8.1% <sup>*2</sup>	1.6ppt	—	
21 <b>Expense ratio</b>	64.5%	⑦ 61.0%	(3.5ppt)	—	

\*1 Adjusted the reversal of valuation losses included in net extraordinary gains in FY22, out of valuation losses on assets held by MUB, etc. of ¥893.7bn (after tax) included in FY22. Total credit costs : ¥393.9bn, Other non-recurring gains (losses) : ¥341.0bn, Ordinary profits : ¥735.0bn, Net extraordinary gains (losses) : (¥735.0bn)

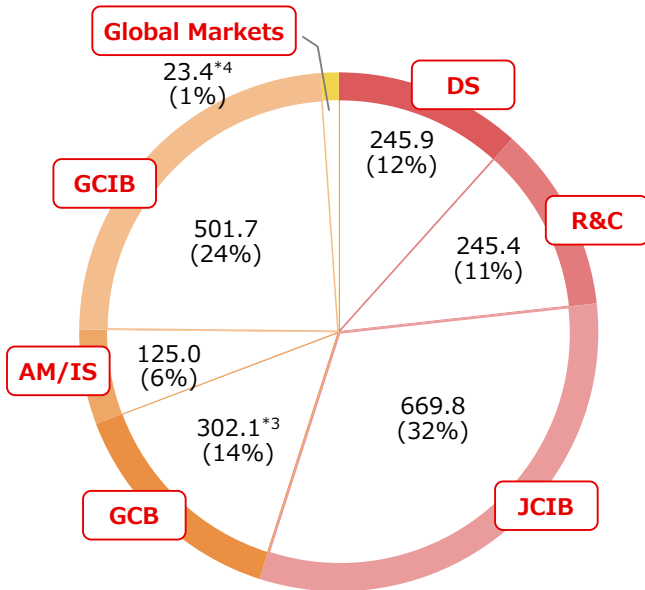
\*2 MUFG basis : approx. 8.1%, JPX (Japan Exchange Group) basis : approx. 7.6%, respectively excluding the impact of ¥841.0bn associated with the change of the closing date in the equity method of accounting for MS

# Net operating profits results by business group

Net operating profits by business group\*1 Consolidated

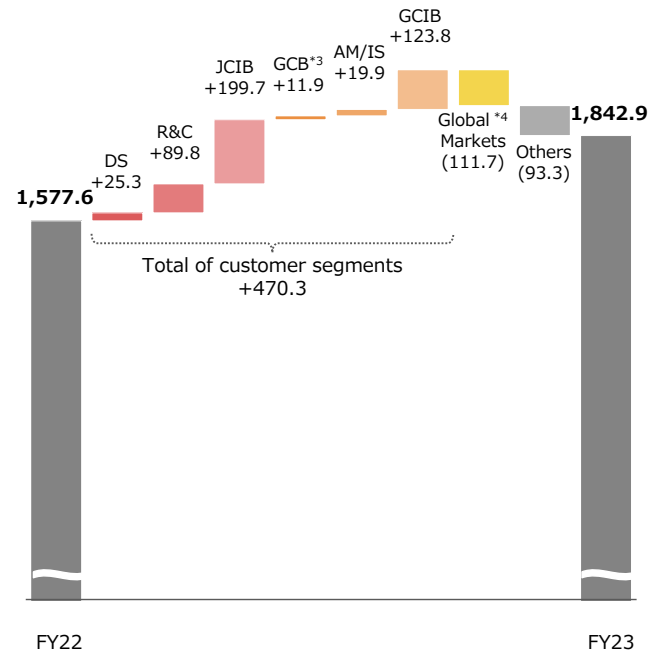
(¥bn)

**FY23 ¥1,842.9bn\*2**



Changes by business group Consolidated

(¥bn)



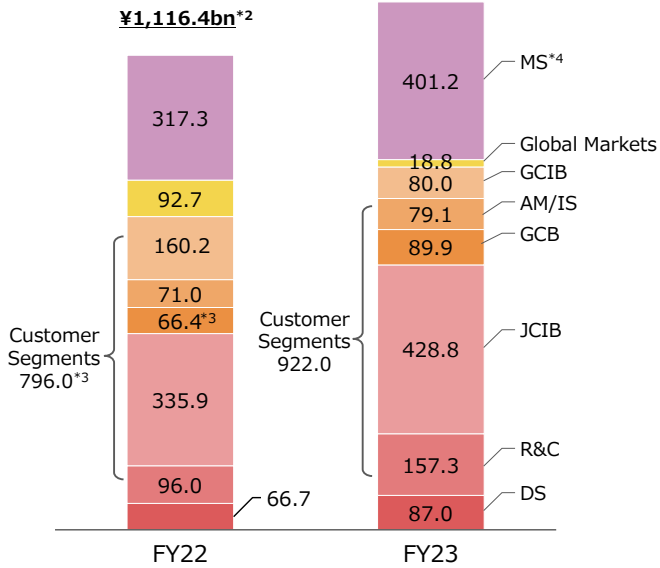
\*1 On a managerial accounting basis \*2 Include net operating profits for "Others" segment (FY22:¥(177.2)bn, FY23:¥(270.5)bn)  
 \*3 Include the impact of the sale of MUB: Approx. ¥(66)bn  
 \*4 Include the impact of improvement in the book value of the bond portfolio: Approx. ¥(200)bn

# Net income results by business group

Net income by business group, etc.\*1 Consolidated

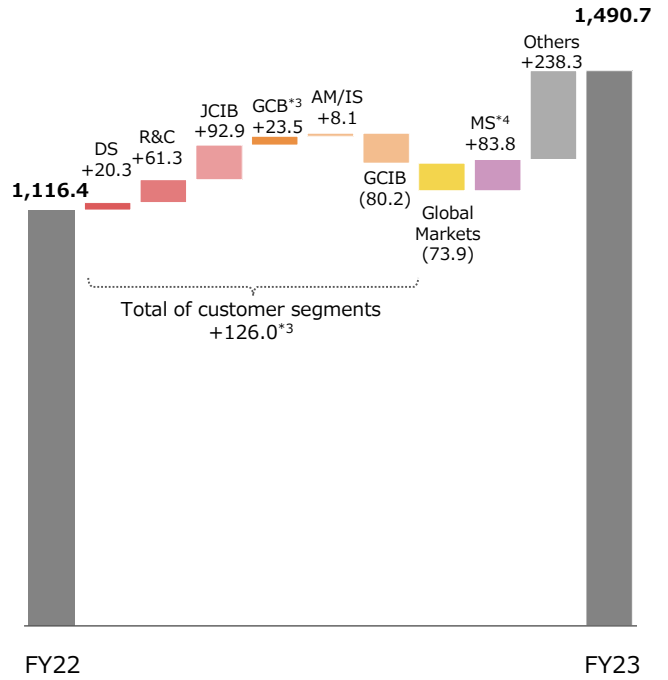
(¥bn)

**FY23 ¥1,490.7bn\*2**



Changes by business group, etc. Consolidated

(¥bn)



\*1 On a managerial accounting basis (preliminary results). Local currency basis \*2 Include other net income (FY22:¥(89.6)bn, FY23:¥148.6bn)  
\*3 Exclude the impact of MUB's valuation losses \*4 Include the impact amount of ¥84.1bn associated with the change of the closing date in the equity method of accounting for MS

# Results by business group(1)

Consolidated Business group	Net operating profits (¥bn) <sup>*1</sup>		Expense ratio <sup>*1</sup>		ROE <sup>*2</sup>		RWA (¥tn) <sup>*3</sup>	
	FY23	YoY	FY23	YoY	FY23	YoY	FY23	YoY
Digital Service <b>DS</b>	236.0	20.1	69%	(2ppt)	8%	1.5ppt	9.8	0.2
Retail & Commercial Banking <b>R&amp;C</b>	224.6	79.4	67%	(9ppt)	8.5%	3ppt	17.0	0.3
Japanese Corporate & Investment Banking <b>JCIB</b>	544.8	136.8	36%	(7ppt)	12.5%	2.5ppt	32.7	(0.2)
Global Corporate & Investment Banking <b>GCIB</b>	304.5	35.5	48%	(3ppt)	6%	(2.5ppt)	21.8	(0.1)
Global Commercial Banking <b>GCB</b>	242.2	(4.6)	56%	(10ppt)	7.5%	1.5ppt <sup>*4</sup>	10.6	0.5
Asset Management & Investor Services <b>AM/IS</b>	110.8	13.6	70%	(0ppt)	27%	(1.5ppt)	2.5	0.0
Global Markets <b>Global Markets</b>	27.5	(113.8)	90%	27ppt	0.5%	(2.5ppt)	20.0	(0.5)

\*1 Local currency basis \*2 Calculated based on Risk Assets (DS, R&C, JCIB, GCIB and GCB) or economic capital (AM/IS and Global Markets).  
(Managerial accounting basis. Net profits basis. Calculated excluding non-JPY mid-to long-term funding costs)

\*3 Estimated RWA on the finalized and fully implemented Basel III basis. \*4 Excluding the impact of MUB's valuation losses

## Results by business group(2)

### Digital Service\*<sup>1</sup>

(¥bn)	FY22	FY23	YoY
<b>Gross profits</b>	742.1	<b>770.0</b>	28.0
Loan and deposit interest income	143.2	<b>140.7</b>	(2.5)
Domestic and foreign settlement / forex	38.7	<b>40.0</b>	1.2
Card settlement	216.3	<b>230.0</b>	13.7
Consumer finance	281.7	<b>295.5</b>	13.8
<b>Expenses</b>	526.2	<b>534.1</b>	7.9
Expense ratio	71%	<b>69%</b>	(2ppt)
<b>Net operating profits</b>	215.9	<b>236.0</b>	20.1
Credit costs* <sup>2</sup>	(76.0)	<b>(95.6)</b>	(19.6)
<b>Net profits</b>	66.7	<b>87.0</b>	20.3
<b>RWA</b> <sup>*3</sup> (¥tn)	9.7	<b>9.8</b>	0.2
<b>ROE</b>	6%	<b>8%</b>	1.5ppt
<b>Ave. housing loan balance</b> (¥tn)	10.9	<b>10.6</b>	(0.3)
<b>Ave. deposit balance</b> (¥tn)	57.9	<b>59.5</b>	1.6
<b>Balance of consumer loans</b> <sup>*4</sup> (¥tn)	1.4	<b>1.5</b>	0.0
<b>Volume of card shopping</b> <sup>*5</sup> (¥tn)	5.7	<b>6.0</b>	0.3

### Retail & Commercial Banking\*<sup>1</sup>

(¥bn)	FY22	FY23	YoY
<b>Gross profits</b>	604.1	<b>688.5</b>	84.4
Loan and deposit interest income	178.7	<b>211.1</b>	32.4
Domestic and foreign settlement / forex	98.8	<b>98.4</b>	(0.5)
Derivatives, solutions	66.1	<b>74.7</b>	8.6
Real estate, corporate agency and inheritance	62.9	<b>69.2</b>	6.3
Investment product sales	168.6	<b>194.7</b>	26.1
<b>Expenses</b>	458.9	<b>463.9</b>	5.0
Expense ratio	76%	<b>67%</b>	(9ppt)
<b>Net operating profits</b>	145.2	<b>224.6</b>	79.4
Credit costs	(20.6)	<b>(5.4)</b>	15.3
<b>Net profits</b>	96.0	<b>157.3</b>	61.3
<b>RWA</b> <sup>*3</sup> (¥tn)	16.7	<b>17.0</b>	0.3
<b>ROE</b>	5.5%	<b>8.5%</b>	3ppt
<b>Ave. loan balance</b> <sup>*6</sup> (¥tn)	20.1	<b>20.5</b>	0.3
Lending spread* <sup>7</sup>	0.56%	<b>0.57%</b>	0.01pt
<b>Ave. deposit balance</b> (¥tn)	82.1	<b>83.7</b>	1.6

\*1 Managerial accounting basis. Local currency basis. ROE is calculated based on net profits and excludes non-JPY mid- to long-term funding costs  
\*2 Including provision for losses from interest repayments \*3 Estimated RWA on the finalized and fully implemented Basel III basis. Managerial accounting basis. \*4 Total balance of personal card loans of the Bank and ACOM (excl. guarantee) \*5 For NICOS cardmembers \*6 Excluding consumer loans  
\*7 Excluding non-JPY mid- to long-term funding costs

## Results by business group(3)

### Japanese Corporate & Investment Banking\*1

(¥bn)	FY22	FY23	YoY
<b>Gross profits</b>	714.2	<b>852.6</b>	138.4
Loan and deposit interest income	328.5	<b>435.3</b>	106.8
Domestic and foreign settlement / forex*2	88.3	<b>87.3</b>	(1.0)
Derivatives, solutions*2	76.1	<b>72.3</b>	(3.8)
Real estate, corporate agency	65.7	<b>66.6</b>	0.9
M&A·DCM·ECM*3	43.2	<b>53.3</b>	10.2
<b>Expenses</b>	306.3	<b>307.9</b>	1.5
Expense ratio	43%	<b>36%</b>	(7ppt)
<b>Net operating profits</b>	407.9	<b>544.8</b>	136.8
Credit costs	(36.5)	<b>(32.2)</b>	4.3
<b>Net profits</b>	335.9	<b>428.8</b>	92.9
<b>RWA</b> *4 (¥tn)	33.0	<b>32.7</b>	(0.2)
<b>ROE</b>	10%	<b>12.5%</b>	2.5ppt
<b>Ave. loan balance</b> (¥tn)	38.6	<b>39.8</b>	1.2
Lending spread*5	0.56%	<b>0.66%</b>	0.10ppt
Ave. non-JPY loan balance*6 (¥tn)	12.8	<b>12.3</b>	(0.5)
Non-JPY lending spread*5,6	0.75%	<b>0.88%</b>	0.12ppt
<b>Ave. deposit balance</b> (¥tn)	36.1	<b>36.5</b>	0.4
Ave. non-JPY deposit balance*6 (¥tn)	14.2	<b>14.0</b>	(0.2)

### Global Corporate & Investment Banking\*1

(¥bn)	FY22	FY23	YoY
<b>Gross profits</b>	549.5	<b>581.3</b>	31.7
Loan and deposit interest income	299.7	<b>303.7</b>	4.0
Commission	234.3	<b>242.9</b>	8.6
Forex, derivatives	25.6	<b>26.1</b>	0.5
DCM·ECM	17.2	<b>21.0</b>	3.8
<b>Expenses</b>	280.5	<b>276.7</b>	(3.7)
Expense ratio	51%	<b>48%</b>	(3ppt)
<b>Net operating profits</b>	269.1	<b>304.5</b>	35.5
Credit costs	(48.0)	<b>(194.7)</b>	(146.7)
<b>Net profits</b>	160.2	<b>80.0</b>	(80.2)
<b>RWA</b> *4 (¥tn)	21.9	<b>21.8</b>	(0.1)
<b>ROE</b>	8.5%	<b>6%</b>	(2.5ppt)
<b>Ave. loan balance</b> (¥tn)	23.0	<b>21.9</b>	(1.1)
Lending spread*5	1.36%	<b>1.62%</b>	0.25ppt
<b>Ave. deposit balance</b> (¥tn)	13.0	<b>12.7</b>	(0.3)

\*1 Managerial accounting basis. Local currency basis. ROE is calculated based on net profits and excludes non-JPY mid- to long-term funding costs \*2 Domestic business only

\*3 Including real estate securitization etc. \*4 Estimated RWA on the finalized and fully implemented Basel III basis. Managerial accounting basis.

\*5 Excluding non-JPY mid- to long-term funding costs \*6 Sum of domestic and overseas loans and deposits

## Results by business group(4)

### Global Commercial Banking\*1

(¥bn)	FY22*2	FY23	YoY	(¥bn)	FY22*2	FY23	YoY
<b>Gross profits</b>	731.5	<b>551.5</b>	(180.0)	<b>Net profits</b>	(617.9)	<b>89.9</b>	707.8
KS*3	338.8	<b>422.9</b>	84.0	KS*3	67.2	<b>81.7</b>	14.5
BDI	121.9	<b>131.1</b>	9.1	BDI	22.4	<b>23.7</b>	1.4
<b>Expenses</b>	484.7	<b>309.2</b>	(175.5)	<b>RWA*4 (¥tn)</b>	10.1	<b>10.6</b>	0.5
<b>(Expense ratio)</b>	66%	<b>56%</b>	(10ppt)	<b>ROE</b>	6.0%*5	<b>7.5%</b>	1.5ppt
KS*3	169.3	<b>202.0</b>	32.7	KS*3	9.0%	<b>10.5%</b>	1.5ppt
(Expense ratio)	50%	<b>48%</b>	(2ppt)	BDI	13.0%	<b>12.5%</b>	(0.5ppt)
BDI	66.3	<b>71.7</b>	5.3	(¥tn)			
(Expense ratio)	54%	<b>55%</b>	0ppt	Ave. loan balance	6.5	<b>6.7</b>	0.2
<b>Net operating profits</b>	246.8	<b>242.2</b>	(4.6)	<b>KS*3</b> Ave. deposit balance	6.0	<b>6.1</b>	0.1
KS*3	169.5	<b>220.8</b>	51.3	NIM*5	3.45%	<b>3.91%</b>	0.46ppt
BDI	55.6	<b>59.4</b>	3.8	Ave. loan balance	1.0	<b>1.1</b>	0.2
Credit costs	(411.5)	<b>(120.7)</b>	290.8	<b>BDI</b> Ave. deposit balance	0.9	<b>0.9</b>	0.0
KS*3	(66.7)	<b>(94.2)</b>	(27.5)	NIM*6	7.99%	<b>8.16%</b>	0.17ppt
BDI	(23.8)	<b>(26.5)</b>	(2.8)				

\*1 Managerial accounting basis. Local currency basis. Per KS, gross profits, expenses and net operating profits include figures which belong to GCB only and not include figures which belong to other business groups. BDI entity basis. ROE is calculated based on net profits \*2 Including MUAH. gross profits, expenses, net operating profits, credit costs, net profits and ROE of FY22 were ¥272.7bn, ¥216.6bn, ¥56.1bn, ¥(9.3)bn, ¥(5.3)bn and (18.5%). Excluding figures which belongs to TB/SCHD subsidiaries, JCIB, GCIB and Global Markets

\*3 After GAAP adjustment. Excluding figures which belong to Global Markets

\*4 Estimated RWA on the finalized and fully implemented Basel III basis. Managerial accounting basis. \*5 Excluding the impact of MUB valuation losses

\*6 KS entity basis \*7 OJK definition

## Results by business group(5)

### Asset Management & Investor Services\*1

(¥bn)	FY22	FY23	YoY
<b>Gross profits</b>	323.2	<b>368.8</b>	45.6
AM	128.8	<b>149.9</b>	21.1
IS	129.0	<b>147.8</b>	18.8
Pension	65.4	<b>71.0</b>	5.7
<b>Expenses</b>	226.0	<b>258.0</b>	32.0
Expense ratio	70%	<b>70%</b>	0ppt
<b>Net operating profits</b>	97.2	<b>110.8</b>	13.6
<b>Net profits</b>	71.0	<b>79.1</b>	8.1
<b>Economic capital (¥tn)</b>	0.3	<b>0.4</b>	0.1
<b>ROE</b>	28%	<b>27%</b>	(1.5ppt)

### Global Markets\*1

(¥bn)	FY22	FY23	YoY
<b>Gross profits</b>	388.8	<b>282.8</b>	(106.0)
Sales & trading	339.5	<b>335.3</b>	(4.2)
FIC & equity	337.2	<b>332.7</b>	(4.4)
Corporates	162.2	<b>149.0</b>	(13.2)
Institutional investors	147.8	<b>149.6</b>	1.8
Asset management	2.3	<b>2.6</b>	0.2
Treasury	51.6	<b>(57.0)</b>	(108.6)
<b>Expenses</b>	247.5	<b>255.3</b>	7.8
Expense ratio	64%	<b>90%</b>	27ppt
<b>Net operating profits</b>	141.3	<b>27.5</b>	(113.8)
Customer business	149.6	<b>138.5</b>	(11.1)
Treasury	(5.0)	<b>(113.8)</b>	(108.9)
<b>Net profits</b>	92.7	<b>18.8</b>	(73.9)
<b>Economic capital (¥tn)</b>	4.1	<b>4.4</b>	0.3
<b>ROE</b>	3%	<b>0.5%</b>	(2.5ppt)

\*1 Managerial accounting basis. Local currency basis. ROE is calculated based on net profits



## Refinement of ROE by each business group

– Refinement of capital deduction for goodwill and cost allocation of mid- to long-term foreign currency funding costs and headquarter costs. Enhance financial management disciplines by more accurately reflecting profitability against costs

Impact on FY26 plan

Consolidated

Business group		FY26 plan for ROE		
		Before	After	Change
Retail & Digital	<b>R&amp;D</b>	6.0%	<b>5.5%</b>	(1ppt)
Commercial Banking & Wealth Management	<b>CWM</b>	10.5%	<b>9%</b>	(1.5ppt)
Japanese Corporate & Investment Banking	<b>JCIB</b>	11.0%	<b>10.5%</b>	(0.5ppt)
Global Corporate & Investment Banking	<b>GCIB</b>	11.5%	<b>8%</b>	(3.5ppt)
Global Commercial Banking	<b>GCB</b>	7.5%	<b>9%</b>	1.5ppt
Asset Management & Investor Services	<b>AM/IS</b>	25.5%	<b>13.5%</b>	(12.5ppt)
Global Markets	<b>Global Markets</b>	6.0%	<b>6.5%</b>	0.5ppt

## Plan by business group

Consolidated		Net operating profits (¥bn) <sup>*1</sup>		Expense ratio <sup>*1</sup>		ROE <sup>*2</sup>		RWA(¥tn) <sup>*3</sup>	
Business Group		FY26 Plan	vs FY23	FY26 Plan	vs FY23	FY26 Plan	vs FY23	FY26 Plan	vs FY23
Retail & Digital	<b>R&amp;D</b>	230.0	+30.0	76%	+1ppt	5.5%	(1ppt)	9.3	+0.2
Commercial Banking & Wealth Management	<b>CWM</b>	250.0	+45.0	64%	(2ppt)	9%	+0ppt	17.7	+1.1
Japanese Corporate & Investment Banking	<b>JCIB</b>	515.0	+0	41%	+1ppt	10.5%	(1.5ppt)	33.0	+0.9
Global Corporate & Investment Banking	<b>GCIB</b>	380.0	+95.0	49%	(6ppt)	8%	+6.5ppt	26.4	+1.6
Global Commercial Banking	<b>GCB</b>	350.0	+95.0	55%	(0ppt)	9%	+0.5ppt	8.5	+1.1
Asset Management & Investor Services	<b>AM/IS</b>	145.0	+35.0	73%	+2ppt	13.5%	+0ppt	4.3	+1.4
Global Markets	<b>Global Markets</b>	300.0	+275.0	49%	(41ppt)	6.5%	+6.5ppt	19.9	+1.8

\*1 Local currency basis \*2 Calculated based on Risk Assets (R&D·CWM·JCIB·GCIB·GCB) or economic capital (AM/IS and Global Markets) (Managerial accounting basis. Net profits basis.)

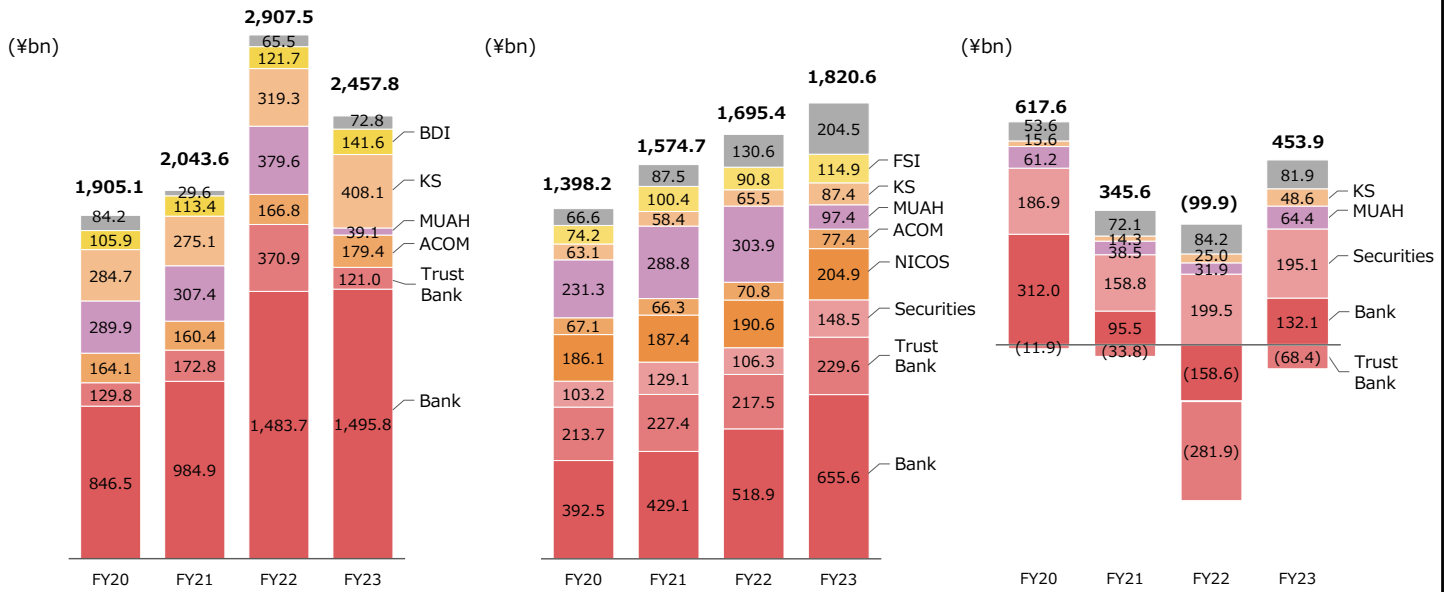
\*3 Managerial accounting basis. Estimated RWA on the finalized and fully implemented Basel III basis.

# Breakdown of Gross profits by Entity

Net interest income\*1 Consolidated

Trust fees  
+ Net fees and commissions Consolidated

Net trading profits  
+ Net other operating profits\*2 Consolidated



**Breakdown of Bank**

	FY20	FY21	FY22	FY23
Domestic	531.9	551.4	675.3	717.0
Non-Domestic	314.5	433.4	808.3	778.7

**Breakdown of Bank**

	FY20	FY21	FY22	FY23
Domestic	242.3	243.3	253.3	268.5
Non-Domestic	150.2	185.8	265.5	387.1

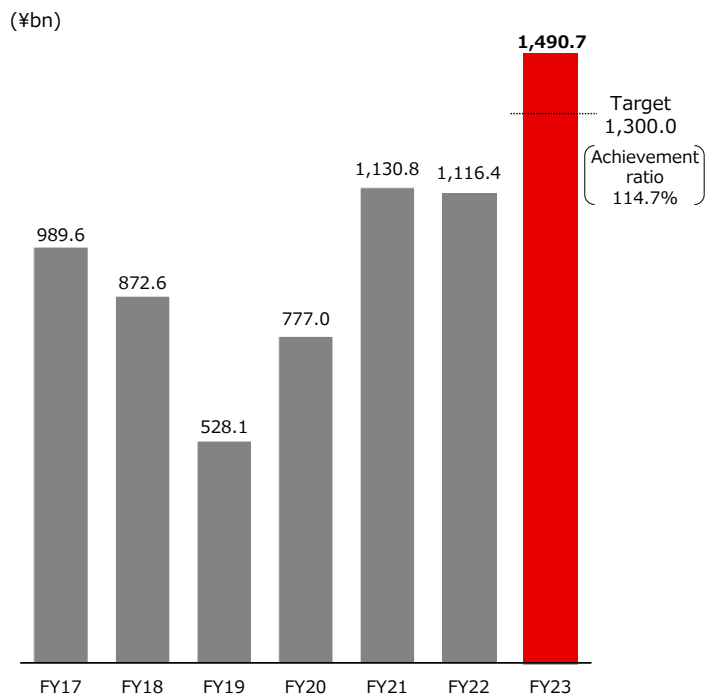
■ the Bank (Non-Consolidated) ■ the Trust Bank ■ the Securities ■ NICOS ■ ACOM ■ MUAH ■ KS ■ BDI ■ FSI ■ Others, including consolidation adjustments

\*1 Include gains and losses on investment trusts cancellation, sum of the Bank and the Trust Bank, of FY20: ¥(14.5)bn, FY21: ¥34.7bn, FY22: ¥555.7bn, FY23: ¥98.8bn, respectively

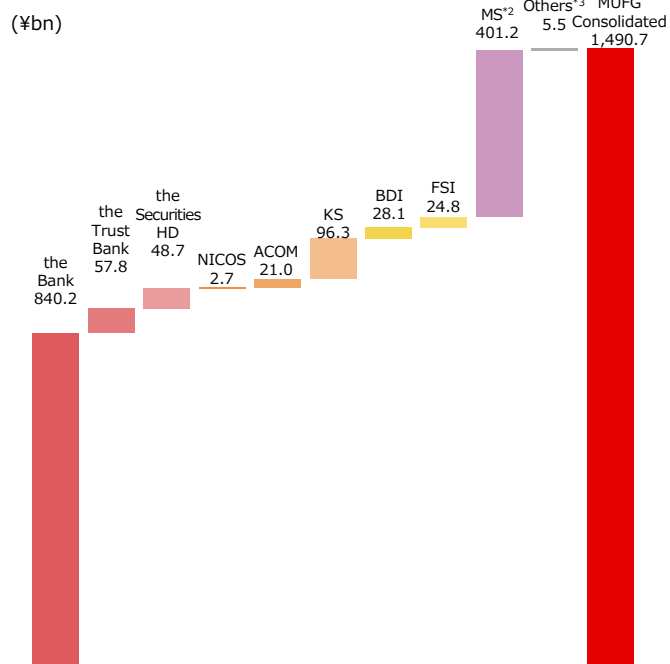
\*2 Include Net gains and losses on debt securities of FY20: ¥119.0bn, FY21: ¥(140.4)bn, FY22: ¥(884.6)bn, FY23: ¥(450.7)bn, respectively

# Achievement ratio of FY23 and breakdown by entity

Profits attributable to owners of parent Consolidated



Breakdown by entity\*1 Consolidated



\*1 The figures reflect the percentage holding in each subsidiary and equity method investee

\*2 Include the impact amount of ¥84.1bn associated with the change of the closing date in the equity method of accounting for MS

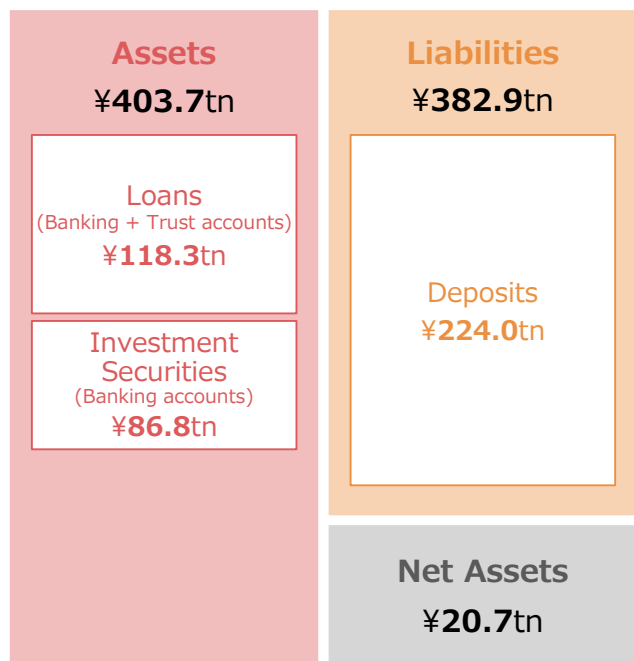
\*3 Include consolidation adjustments for special dividend paid by domestic subsidiaries of the Bank of approx. ¥(80)bn

# Balance sheet summary

## Balance sheet summary

Consolidated

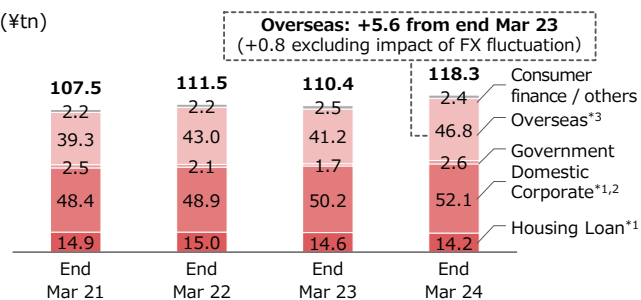
As of end Mar 2024



## Loans (period end balance)

Consolidated

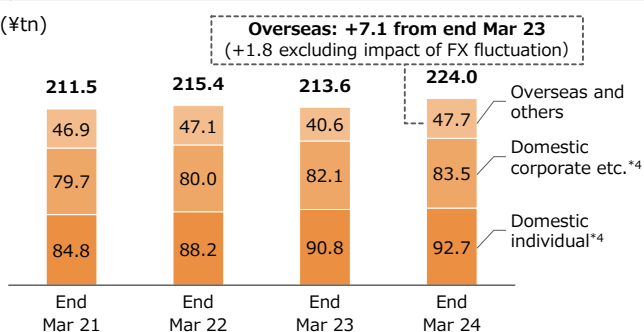
(¥tn)



## Deposits (period end balance)

Consolidated

(¥tn)



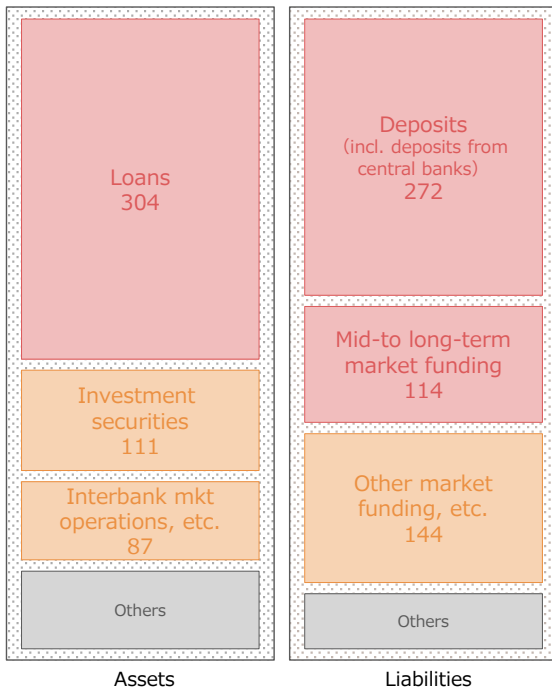
\*1 Non-consolidated + trust accounts \*2 Excluding loans to government and governmental institutions and including foreign currency denominated loans  
\*3 Loans booked in overseas branches, MUAH, KS, BDI, the Bank (China), the Bank (Malaysia) and the Bank (Europe)  
\*4 Non-consolidated

# Non-JPY Liquidity\*1

– Managed soundness of balance sheet based on stability

(US\$bn)

As of end Mar 24

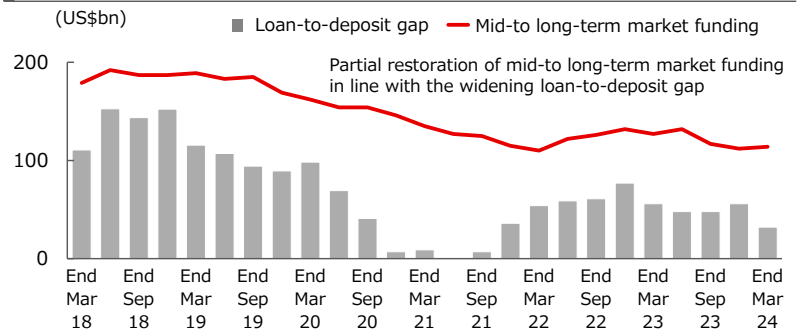


## MUFG Bank\*1's characteristics of non-JPY liquidity management

- Deposits:** Securing stickiness\*2 with regional and industry diversification
- Mid-to long-term market funding:** Emphasizing diversification of method and term
 

Corp bonds/I/C borrowings	67	: TLAC eligible senior debt etc.
Collateralized funding, etc.	12	: Cross-currency repos*3 (utilizing JGB) etc.
Mid-long term currency swap	35	: Currency swaps are transacted in mid-to long-term
- Investment securities:** Possessing abundant volume of high-liquidity assets that can be quickly converted into cash, such as foreign government bonds
- Loans:** Within the balances of deposits and mid-to long-term market funding

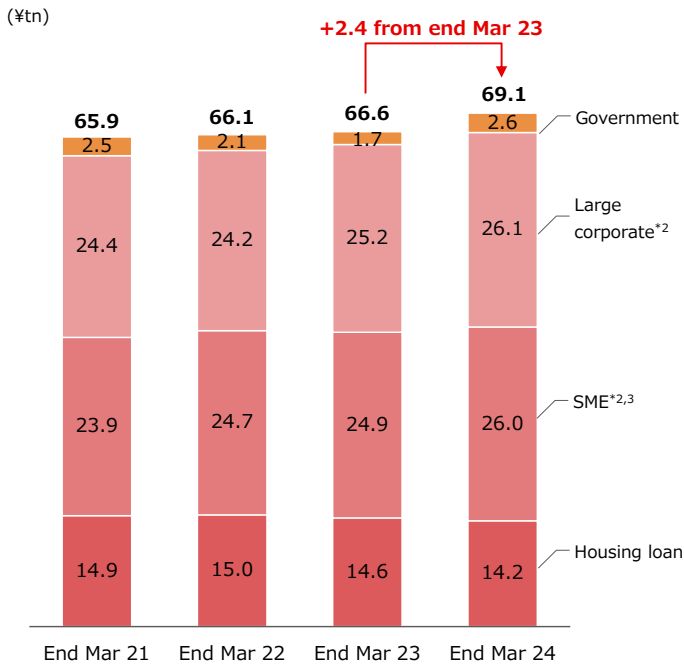
## Historical loan-to-deposit gap & mid-to long-term market funding



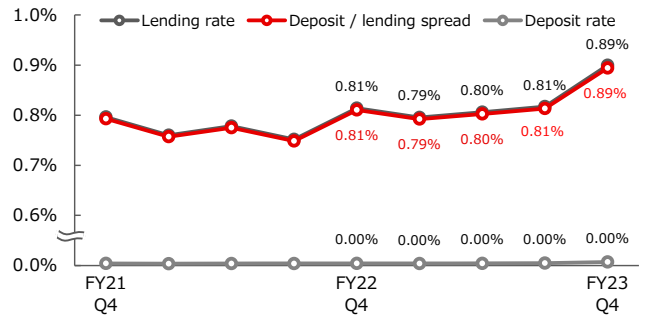
\*1 The Bank consolidated excl. MUAH, KS and BDI. Managerial basis \*2 Deposits that are considered to remain in the bank during times of stress  
\*3 Repurchase agreement in which denominated currency is different in cash transaction and security

# Domestic loans

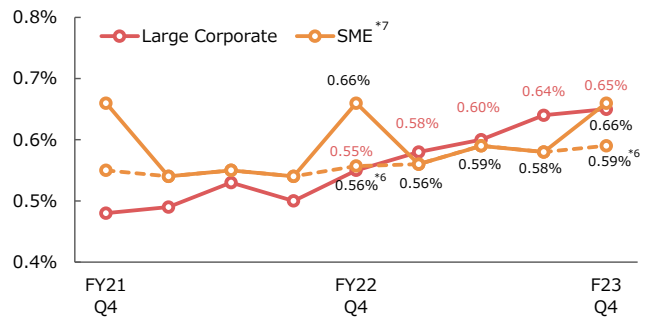
Loan balance (period end balance)\*1 Consolidated



Deposit / lending rate\*4 Non-Consolidated



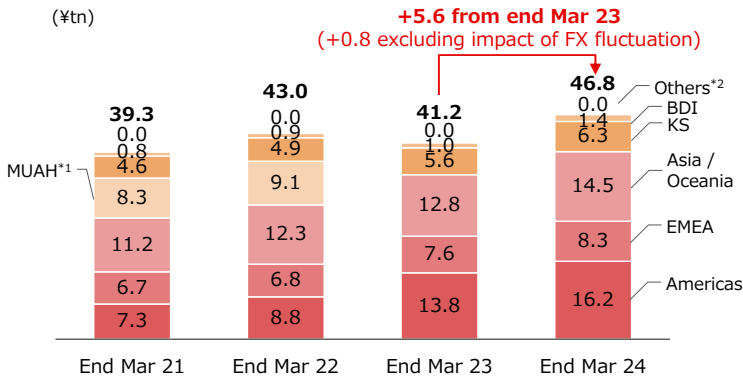
Corporate lending spread\*2,4,5 Non-Consolidated



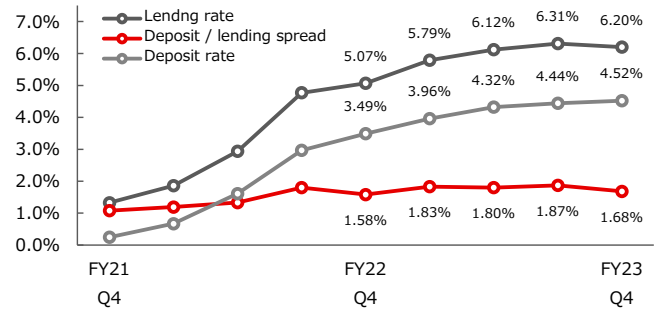
\*1 Sum of banking and trust accounts \*2 Including non-JPY loans \*3 Domestic loans to small / medium-sized companies and proprietors (excluding domestic consumer loans) \*4 Excluding lending to government \*5 On a managerial accounting basis \*6 Excluding impact of the collective recording of interest received at fiscal year-end via subsidized interest payment programs \*7 Calculation method modified from FY23Q4 and retroactively applied in this document

# Overseas loans

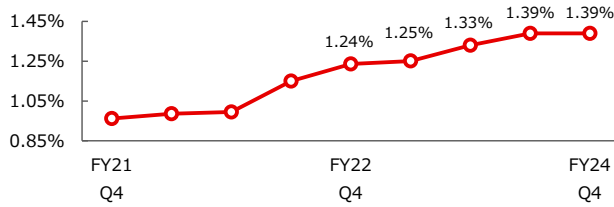
Loan balance (period end balance)\*1 Consolidated



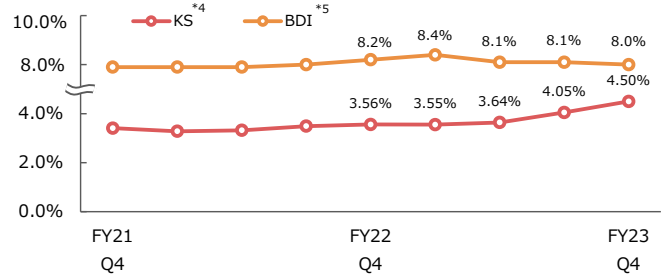
Deposit / lending rate\*4 Non-Consolidated



Lending spread\*3 Non-Consolidated



Net interest margin KS / BDI



\*1 "MUAH" is included in "Americas" from End Mar 23. Approx. ¥2.7tn loans were transferred from MUAH to overseas offices of the Bank upon the sale of MUB  
 \*2 Loans booked at offshore markets etc. \*3 Managerial accounting basis \*4 Financial results as disclosed in KS's financial reports based on Thai GAAP  
 \*5 Financial results as disclosed in BDI's financial reports based on Indonesia GAAP



# Investment securities(1)

## Securities with fair value

Consolidated

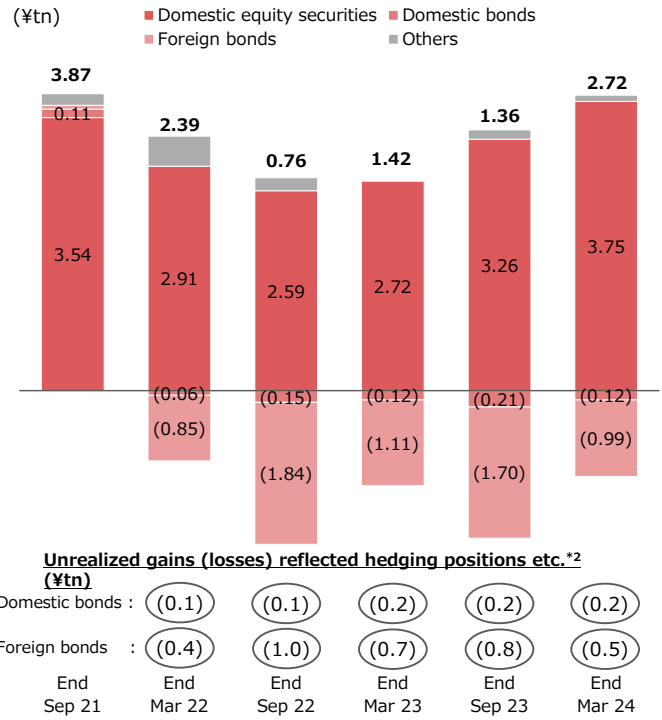
(\$bn)	Balance		Unrealized gains(losses)	
	End Mar 24	Changes from End Mar 23	End Mar 24	Changes from End Mar 23
1 Held-to-maturity securities	24,843.9	3,323.8	–	–
2 Available-for-sale (AFS) securities	61,736.3	(3,384.7)	2,725.8	1,305.6
3 Domestic equity securities	5,101.6	829.7	3,758.8	1,038.1
4 Domestic bonds	25,074.6	(4,677.2)	(129.9)	(9.9)
5 Japanese government bonds (JGB)	21,365.2	(2,153.5)	(70.7)	15.5
6 Others	31,560.0	462.7	(903.0)	277.4
7 Foreign equity securities	709.5	301.1	12.7	78.3
8 Foreign bonds	20,990.4	(719.6)	(997.3)	118.9 <sup>*1</sup>
9 Others	9,859.9	881.2	81.4	80.1

\*1 Approx. ¥0.2tn excluding FX impact

\*2 Managerial accounting basis. Approximate amount

## Unrealized gains (losses) on AFS securities

Consolidated

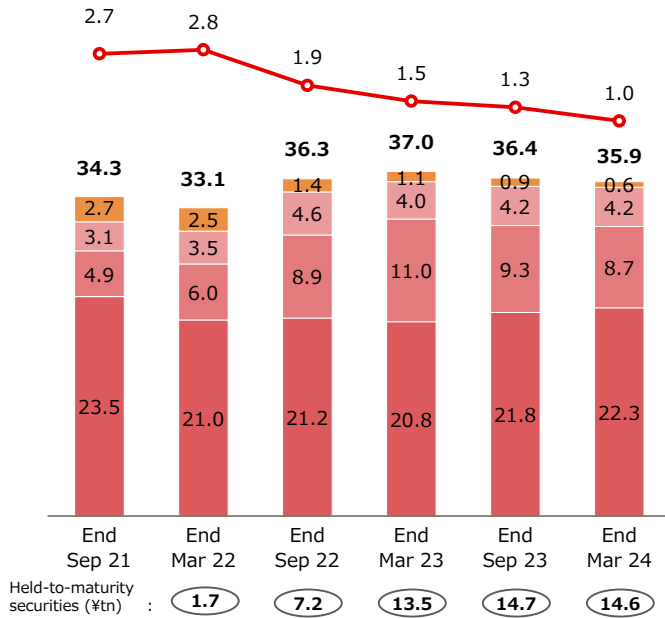


# Investment securities(2)

## JGB balance\*1 and duration

Non-Consolidated

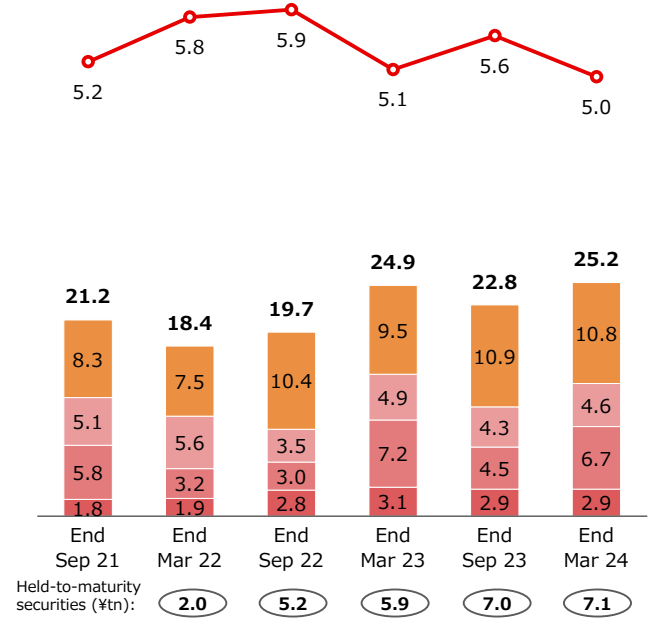
(¥tn)   
■ Over 10 years ■ 5 years to 10 years   
■ 1 year to 5 years ■ Within 1 year   
● Average duration (year)\*2



## Foreign bond balance\*1 and duration

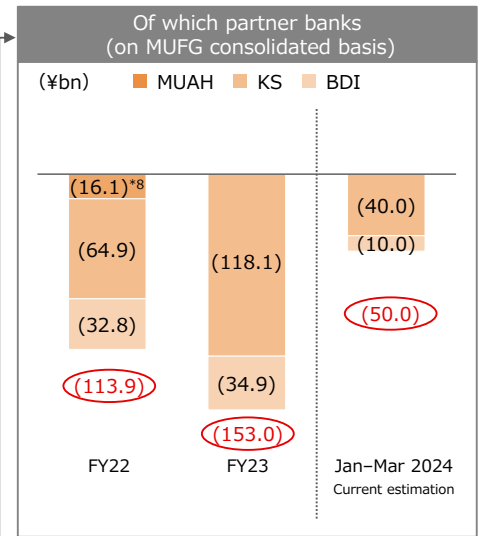
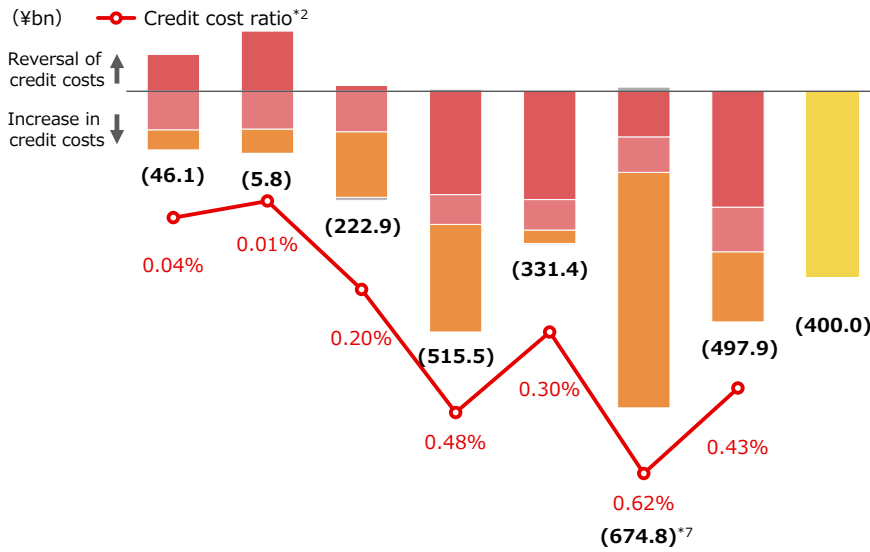
Non-Consolidated

(¥tn)   
■ Over 10 years ■ 5 years to 10 years   
■ 1 year to 5 years ■ Within 1 year   
● Average duration (year)\*2



\*1 Available-for-sale securities and held-to-maturity securities. \*2 Available-for-sale securities.

# Credit costs\*1

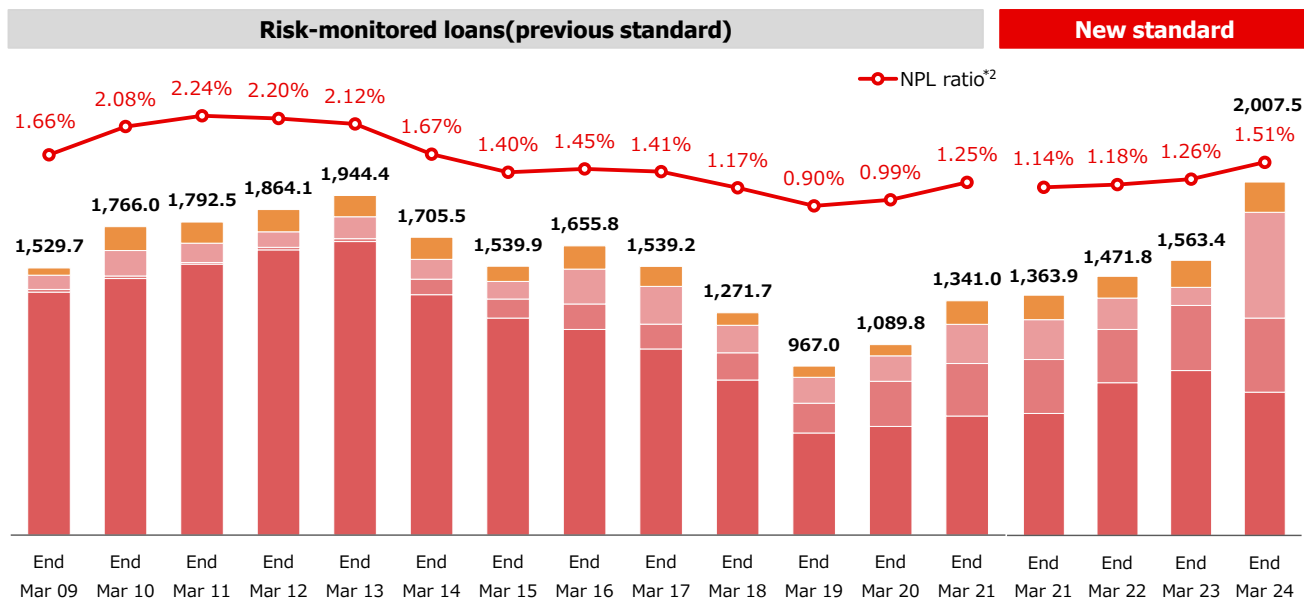


[Breakdown]	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Non-consolidated*3	79.5	129.8	12.6	(223.2)	(233.8)	(98.8)	(250.4)	
CF*4	(83.6)	(81.7)	(87.6)	(64.4)	(66.0)	(76.5)	(96.5)	
Overseas*5	(42.7)	(52.3)	(141.6)	(232.3)	(28.9)	(508.3)*7	(151.2)	
Others*6	0.8	(1.5)	(6.2)	4.5	(2.6)	8.9	0.3	

\*1 Includes gains from write-off \*2 Total credit costs / loan balance as of end of each fiscal year \*3 Includes overseas branches \*4 Sum of NICOS and ACOM on a consolidated basis  
 \*5 Sum of overseas subsidiaries of the Bank and the Trust Bank. It is currently estimated that the total credit costs of the major overseas subsidiaries (which were consolidated based on their financial statements for the fiscal year ended December 31, 2023) for the quarter ended March 31, 2024 will be approx. ¥50bn. This amount will be reflected in consolidated financial statements for the quarter ending June 30, 2024 \*6 Sum of other subsidiaries and consolidation adjustment \*7 Including ¥(393.9)bn of valuation losses on loans sold in connection with MUB's share transfer etc. \*8 Excluding ¥(393.9)bn of valuation losses on loans sold in connection with MUB's share transfer etc.

# Non-performing loans\*1

(¥bn)



[Breakdown]

	End Mar 09	End Mar 10	End Mar 11	End Mar 12	End Mar 13	End Mar 14	End Mar 15	End Mar 16	End Mar 17	End Mar 18	End Mar 19	End Mar 20	End Mar 21	End Mar 22	End Mar 23	End Mar 24	
EMEA*3	42.6	136.3	121.2	127.2	122.0	126.3	88.2	133.9	116.0	71.3	64.0	63.7	134.7	138.7	124.0	155.2	171.5
Americas*4	81.2	147.3	110.3	89.2	125.0	114.9	100.7	199.4	216.0	157.5	148.2	145.5	224.7	226.7	178.1	102.1	601.5
Asia	15.4	14.4	9.4	14.4	17.0	89.0	108.8	145.3	142.3	155.8	170.3	259.1	300.5	305.8	302.9	370.2	420.7
Domestic	1,390.5	1,467.9	1,551.5	1,633.2	1,680.3	1,375.2	1,242.0	1,177.1	1,064.7	887.0	584.3	621.3	680.9	692.5	866.6	935.8	813.7

\*1 Because the definition of risk-monitored loans disclosed before became the same as the definition of FRA, it is disclosed as loans under the Japanese Banking Act and the FRA. Regions are based on the borrowers' location

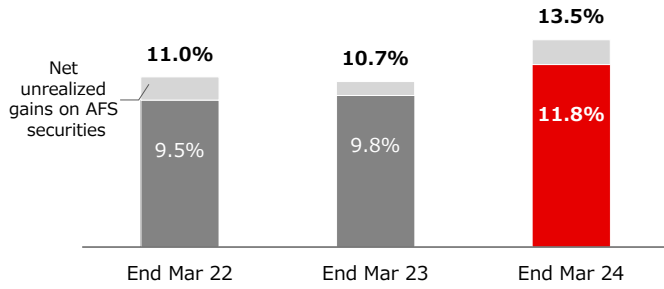
\*2 Total non-performing loans ÷ Total loans (Previous standard : Total risk-monitored loans ÷ Total loans and bills discounted (banking accounts as of period end))

\*3 End Mar 2009 - End Mar 2012 includes parts of other regions \*4 End Mar 2009 - End Mar 2012 includes only US

# Capital

## CET1 ratio

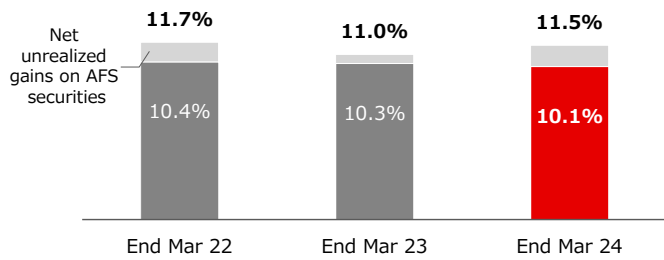
Consolidated



## CET1 ratio

(Finalized and fully implemented Basel III basis\*1)

Consolidated



## FY23 results

Consolidated

(¥bn)	End Mar 23	End Mar 24	Changes
1 Common Equity Tier 1 capital	13,280.8	15,041.3	1,760.4
2 Additional Tier 1 capital	1,582.8	2,438.4	855.5
3 Tier 1 capital	14,863.7	17,479.7	2,616.0
4 Tier 2 capital	2,302.3	2,338.1	35.7
5 Total capital (Tier 1+Tier 2)	17,166.1	19,817.8	2,651.7
6 Risk-weighted assets	123,363.3	111,160.1	(12,203.2)
7 Credit risk	87,666.4	99,505.6	11,839.1
8 Market risk	6,682.9	2,513.1	(4,169.8)
9 Operational risk	8,474.3	9,141.3	667.0
10 Floor adjustment*2	20,539.5	0.0	(20,539.5)
11 Total exposures*3	316,034.5	336,425.6	20,391.1
12 Leverage ratio	4.70%	5.19%	0.49ppt

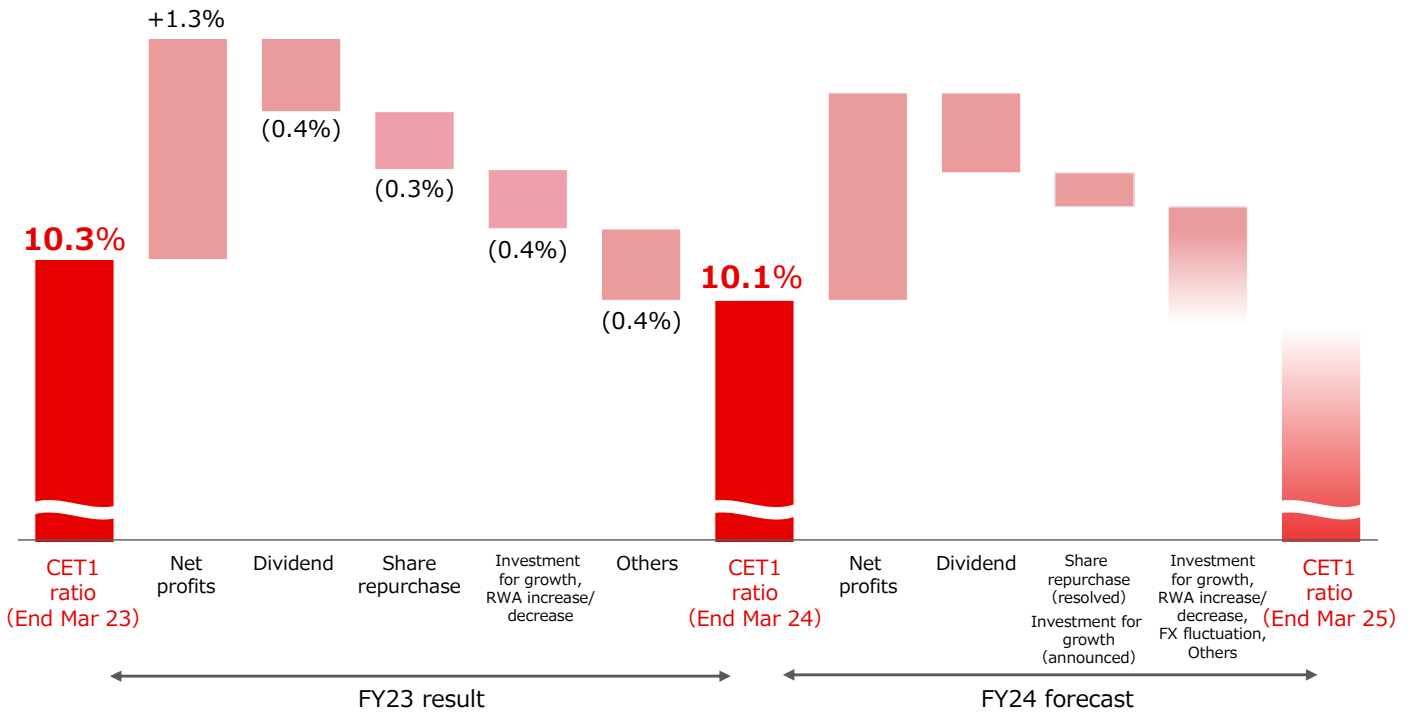
\*1 Estimated CET1 ratio reflecting the RWA calculated on the finalized and fully implemented Basel III basis

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

\*3 Deposits with the Bank of Japan is excluded in total exposures

# Capital allocation

## Capital allocation results and forecast\*1



\*1 Estimated RWA on the finalized and fully implemented Basel III basis. Excluding Net Unrealized Gains on AFS Securities

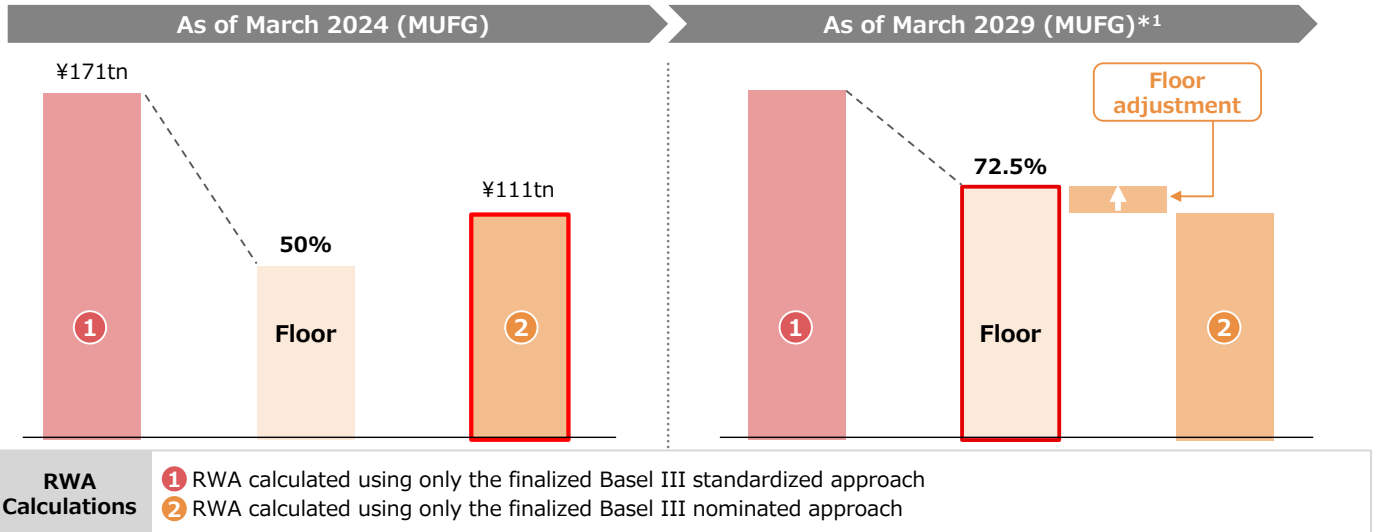
# Basel III risk-weighted assets (RWA) floor adjustment

– From March 2024, RWA capital floors based on standardized approach are implemented in phases

## RWA floor adjustment

: RWA to be adopted

Year	Mar 24	Mar 25	Mar 26	Mar 27	Mar 28	Mar 29
Output Floor	50%	55%	60%	65%	70%	72.5%



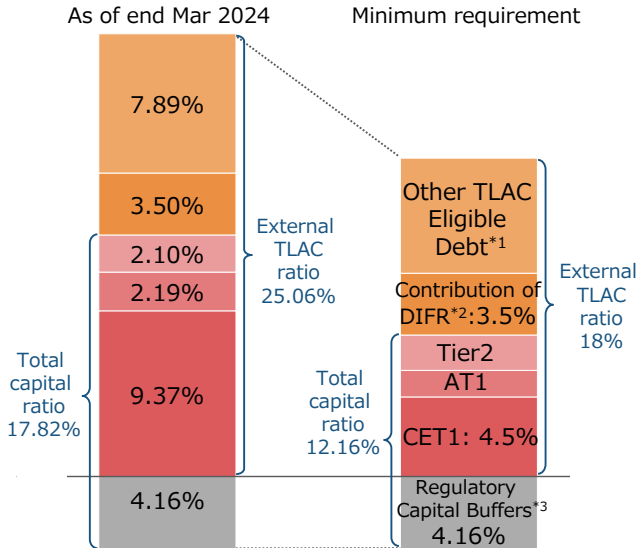
\*1 The length of the bars in this chart is intended to show relative amounts only for the purpose of demonstrating the particular scenarios presented, including the assumption that the assets to which the several RWA calculation approaches are applied will remain unchanged. Accordingly, any actual results may change materially from the above presentation.

# Capital and TLAC requirement

## - The best capital mix and required ratio

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

### MUFG's capital ratio and external TLAC ratio



### MUFG's external TLAC ratio and minimum Requirement

	As of end Mar 24	Minimum requirement
Risk weighted asset basis	25.06%	18%
Total exposure basis	9.65%	6.75%*4

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

\*1 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.  
 \*2 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 3.5% of RWAs after end Mar 2022, in external TLAC ratio)  
 \*3 CET1 Buffer applicable to MUFG: G-SIB Surcharge:1.5%, Capital Conservation Buffer:2.5%, and Counter-cyclical Buffer:0.16%  
 \*4 7.1% on and after April 2024

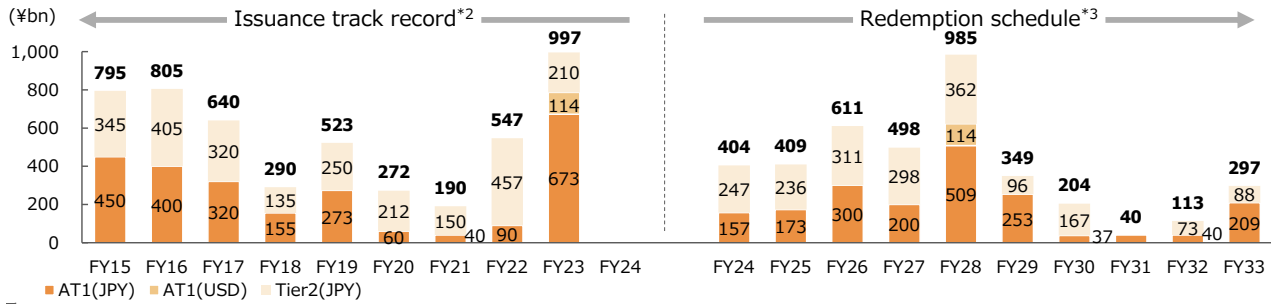


# Capital and TLAC requirement

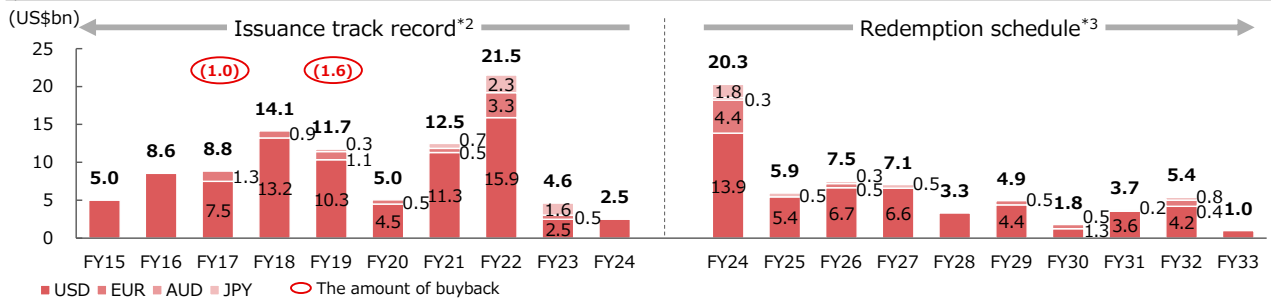
## - Issuance track record & redemption schedule

- In FY2023, maintained stable capital ratios and external TLAC ratio by capital raising, mainly JPY-denominated AT1-eligible bond
- Issued USD-denominated AT1-eligible bond in October 2023 (US\$750mio), which was the first USD-denominated AT1-eligible bond issuance by Japanese issuer and contributed to diversifying our capital raising sources

### AT1, Tier2 bond\*1



### TLAC-eligible senior debt\*4



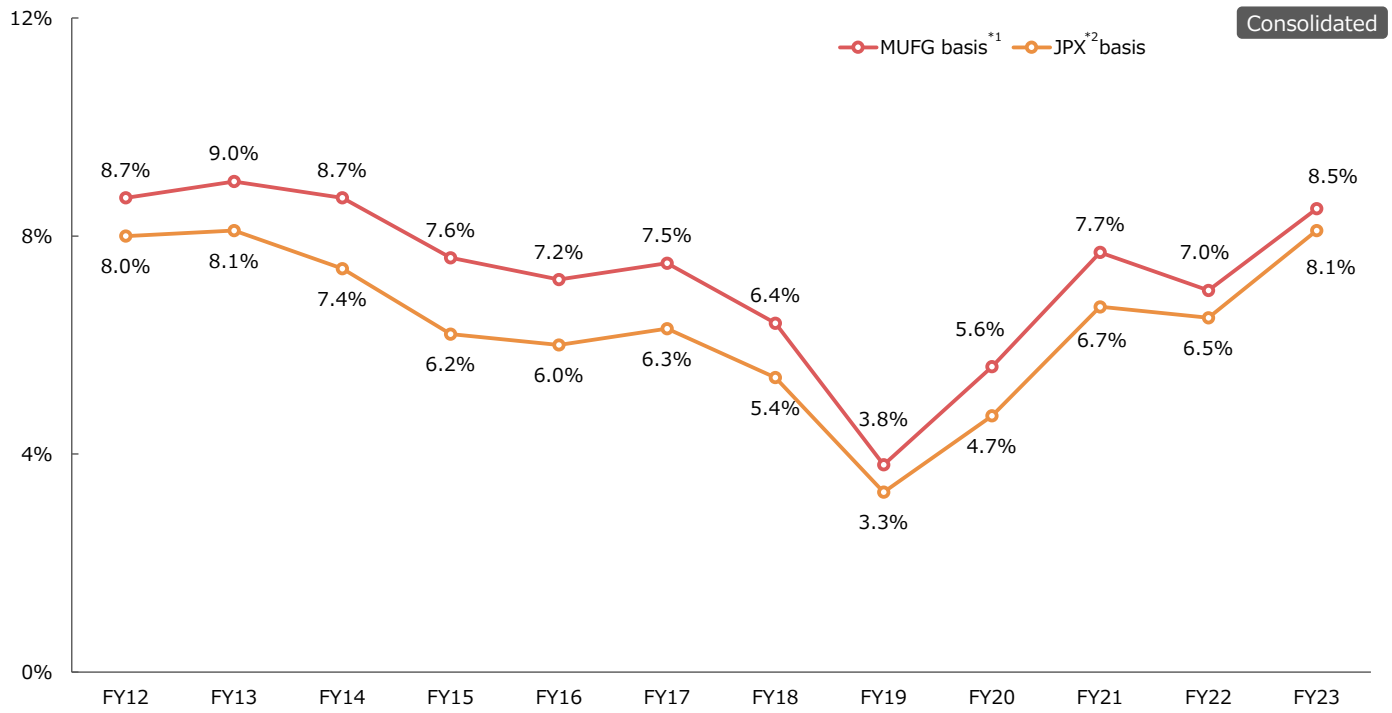
\*1 All figures are converted into JPY using actual exchange rates as of end Mar 2024

\*2 Total of public issuance (excluding the amount of buyback), as of end Apr 2024

\*3 Annual figures assuming that all callable notes are to be redeemed on their respective first callable dates. Tier2 contains Basel II Tier2 sub notes issued by the Bank and the Trust Bank (including their respective overseas special purpose companies)

\*4 All figures are converted into US\$ using actual exchange rates as of end Mar 2024

# ROE

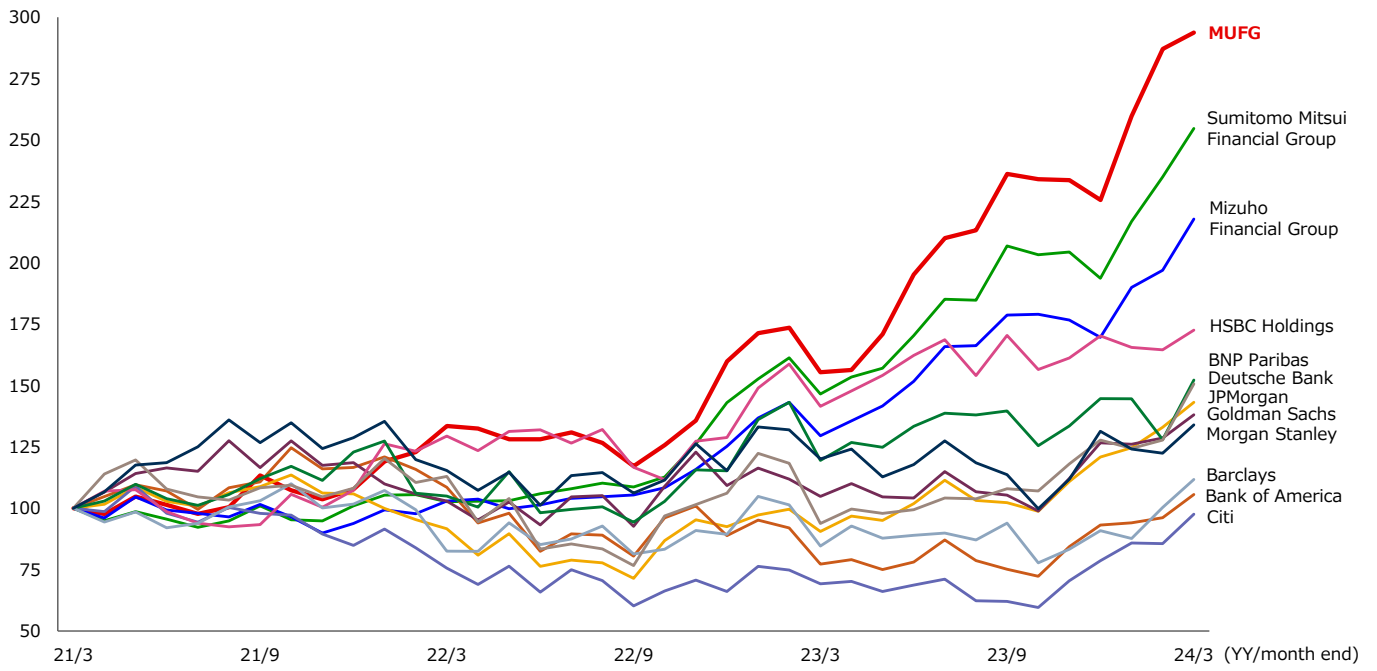


\*1  $\frac{\text{Profits attributable to owners of parent}}{\{(Total\ shareholders' equity\ at\ the\ beginning\ of\ the\ period} + \text{Foreign currency translation adjustments at the beginning of the period}) + (Total\ shareholders' equity\ at\ the\ end\ of\ the\ period} + \text{Foreign currency translation adjustments at the end of the period})\} / 2} \times 100$

\*2 Japan Exchange Group

# TSR\*1

(Closing price as of March 31, 2021 = 100)



(Source) Bloomberg  
 \*1 Total Shareholder Return

# Status of domestic securities

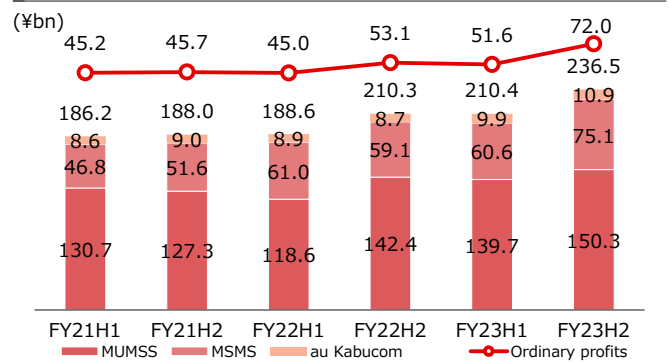
Joint financial results of domestic securities\*1

Simple sum of the figures for the Domestic Securities (¥bn)	FY23
<b>Net operating revenue</b>	446.9
MUMSS	290.1
MSMS	135.8
au Kabucom	20.9
<b>SG &amp; A</b>	325.0
MUMSS	220.8
MSMS	88.1
au Kabucom	16.0
<b>Ordinary profit</b>	123.6
MUMSS	71.8
MSMS	46.9
au Kabucom	4.8
<b>Profit</b>	89.8
MUMSS	54.4
MSMS	32.6
au Kabucom	2.6

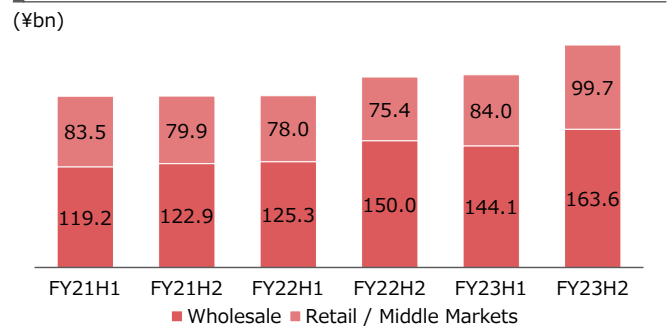
By segments (¥bn)	FY23
<b>Retail / Middle Markets (MUMSS + au Kabucom)</b>	
Net operating revenue	183.7
Ordinary profit	31.8
<b>Wholesale (MUMSS + MSMS)</b>	
Net operating revenue	307.7
Ordinary profit	98.0

\*1 MUMSS+MSMS+au Kabucom

Trends of net operating revenue and ordinary profit



Trends of ordinary profit by segments



# Strategic investments for sustainable growth

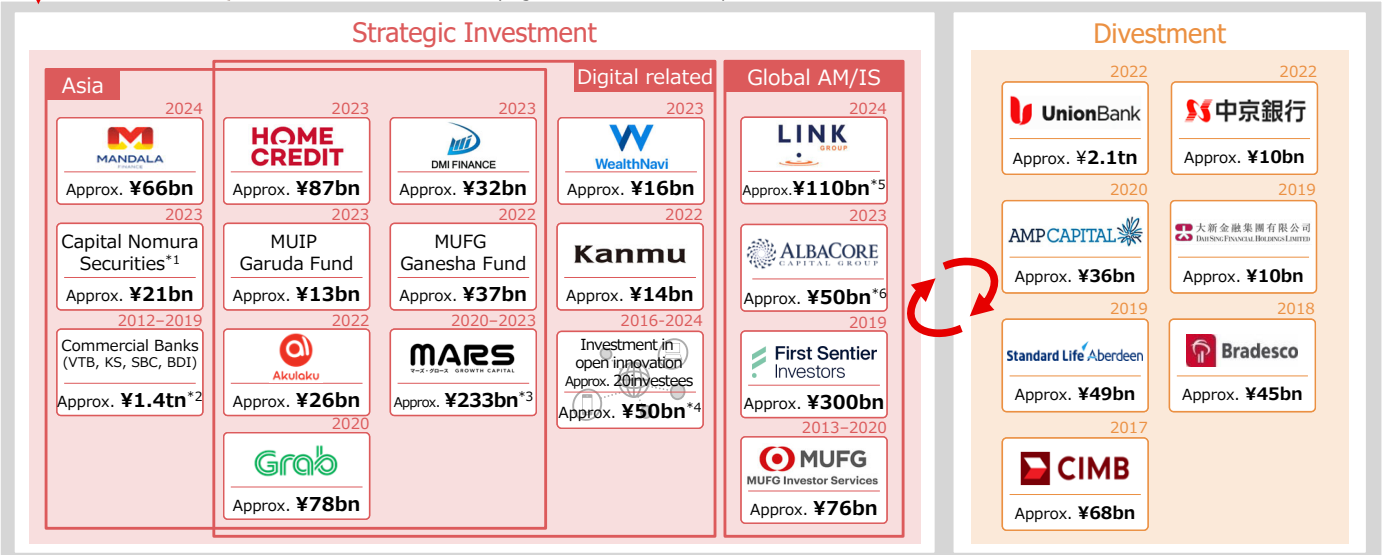
– Consider capital utilization, albeit in a disciplined manner, as a key measure for securing sustainable growth. Conduct a periodical review for the existing investments

## Disciplined investment criteria

<b>Strategy</b> <ul style="list-style-type: none"> <li>Consider investments in new businesses and growth areas such as digital, global AM/IS and Asia, etc.</li> </ul>	<b>Profitability</b> <ul style="list-style-type: none"> <li>Profitability criteria for enhancing corporate values</li> <li>Periodic monitoring after investments</li> </ul>	<b>Capital efficiency</b> <ul style="list-style-type: none"> <li>Reallocate capital to strategic areas</li> </ul>
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↓ Current situation of consideration

- Focus on capturing returns in existing investments
- In spite of continuous consideration, no major investment projects will be considered for the time being
- If there is no candidate satisfying our criteria, excess capital will be allocated for additional shareholder return



\*1 Rebranded to Krungsri Capital Securities \*2 Initial investment total amount into Vietin Bank, KS, Security Bank Corporation, BDI  
 \*3 Total amount of Mars Growth Capital(approx. ¥166bn) and Mars Equity Fund(approx. ¥67bn) \*4 Internal managerial basis (after adjustment of sales, etc.)  
 \*5 JPY equivalent of share acquisition amount of AUD1,110mm using actual exchange rate as of end April 2024  
 \*6 JPY equivalent of initial investment amount of EUR300mm using actual exchange rate as of end April 2024

# Financial results\*<sup>1</sup> of KS and BDI

## KS\*<sup>2</sup>

	FY22			FY23		
			YoY			YoY
	(¥bn)			(THB mm)		
	FY22	FY23	YoY	FY22	FY23	YoY
Total income	442.3	<b>573.8</b>	131.5	116,416	<b>138,948</b>	22,532
Operating expenses	193.9	<b>255.3</b>	61.4	51,035	<b>61,835</b>	10,800
Pre-provision operating profit	248.4	<b>318.4</b>	70.0	65,381	<b>77,113</b>	11,732
Expected credit loss	101.2	<b>147.0</b>	45.8	26,652	<b>35,617</b>	8,964
Net profit attributable to owners of the bank	116.7	<b>135.9</b>	19.2	30,713	<b>32,929</b>	2,216

## BDI\*<sup>3</sup>

	FY22			FY23		
			YoY			YoY
	(¥bn)			(IDR bn)		
	FY22	FY23	YoY	FY22	FY23	YoY
Total operating income	143.9	<b>167.4</b>	23.5	16,937	<b>18,203</b>	1,266
Operating expenses	78.3	<b>91.6</b>	13.3	9,214	<b>9,957</b>	743
Pre-provision operating profit	65.6	<b>75.8</b>	10.2	7,723	<b>8,247</b>	524
Cost of credit	28.0	<b>33.9</b>	5.9	3,301	<b>3,687</b>	386
Net profit after tax	28.0	<b>32.2</b>	4.2	3,302	<b>3,504</b>	202

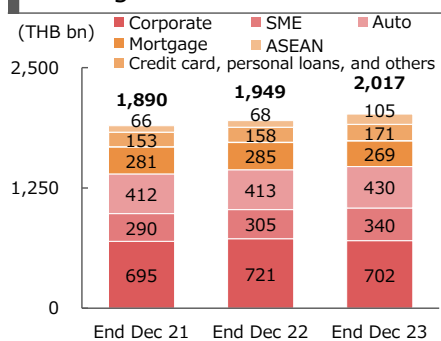
\*1 All figures are converted into ¥ with actual exchange rates as of end of each period. For FY22 is THB1=¥3.80, IDR1=¥0.0085. For FY23 is THB1=¥4.13, IDR1=¥0.0092

\*2 Financial results as disclosed in KS's financial report based on Thai GAAP

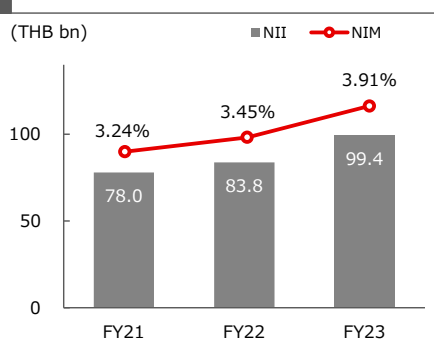
\*3 Financial results as disclosed in BDI's financial report based on Indonesian GAAP. Incorporated impact from netting-off loss on restructuring to interest income

# Key figures of KS

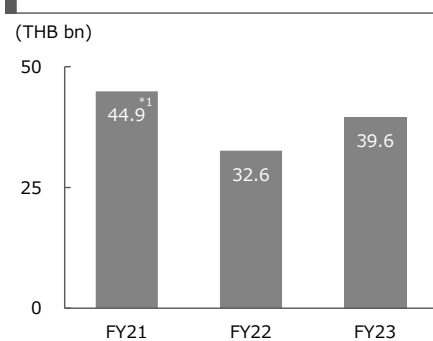
## Lending balance



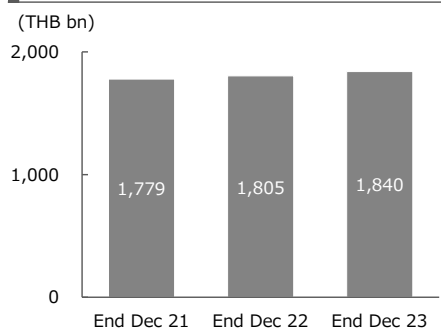
## Net interest income



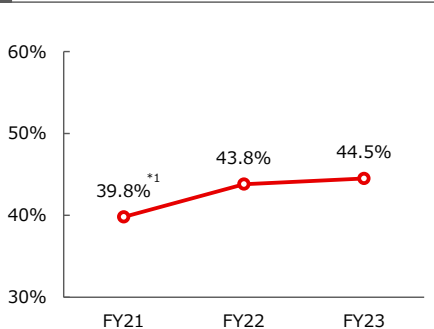
## Non-interest income



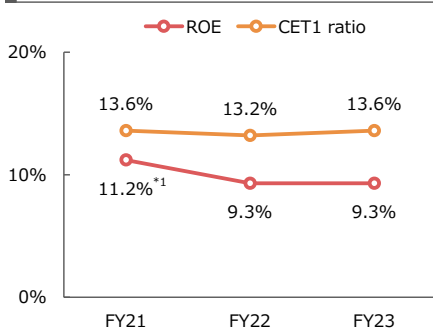
## Deposit balance



## Cost to income ratio



## ROE / CET1 ratio\*2

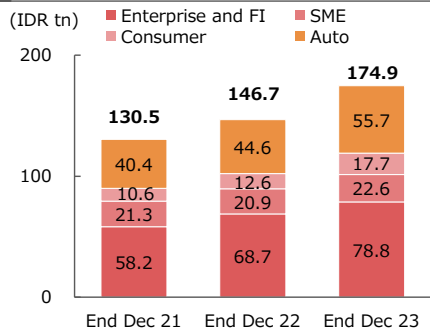


\*1 Excluding the extraordinary gains from the sales of 20% of shares in TIDLOR, normalized non-interest income, normalized cost to income ratio and normalized ROE of FY21 were THB 34.2bn, 43.2% and 8.6%, respectively

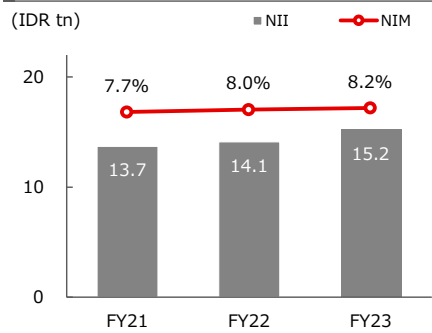
\*2 Non-consolidated

# Key figures of BDI

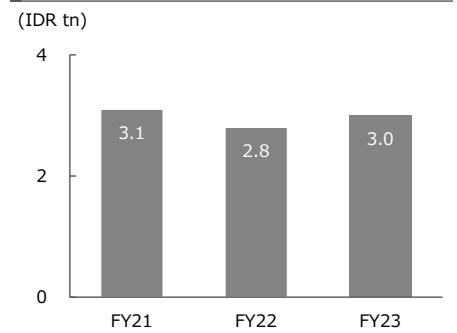
## Lending balance



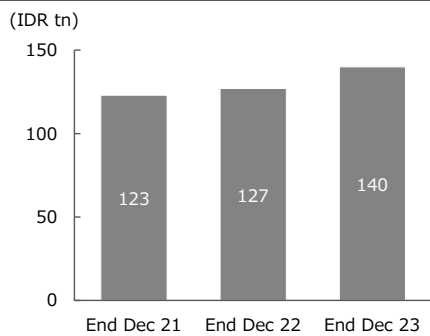
## Net interest income\*1



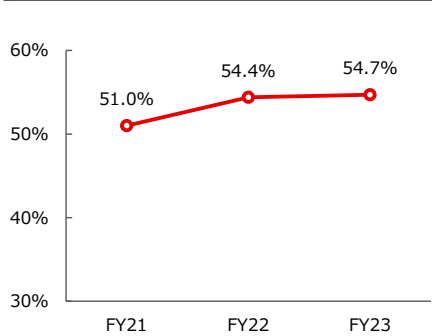
## Non-interest income



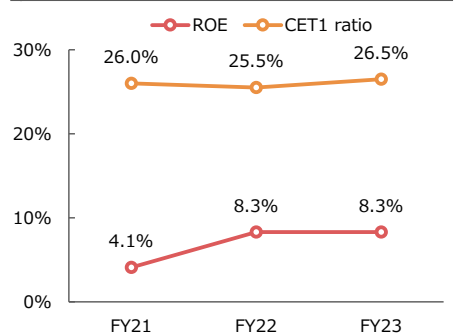
## Deposit balance



## Cost to income ratio



## ROE / CET1 ratio



\*1 Netted-off with loss on restructuring



# External evaluation

## Evaluation by ESG rating agencies

Entities	Mar 2024
MSCI	A
FTSE	3.9
Sustainalytics	22.3
S&P Dow Jones	50
CDP	A-
Nikkei SDGs	★4.5
Toyo Keizai	386.8

■ : Indicators in executive compensation

## Inclusion in ESG indices

### ESG indices selected by GPIF

- MSCI Nihonkabu ESG Select Leaders Index
- MSCI Japan Empowering Women Select Index (WIN)
- FTSE Blossom Japan Index
- FTSE Blossom Japan Sector Relative Index
- S&P / JPX Carbon Efficient Index
- Morningstar Japan ex-REIT Gender Diversity Tilt Index

### Others

- Bloomberg Gender-Equality Index
- FTSE4Good
- SOMPO Sustainability Index

# Human Capital Investment (DEI - Diversity, Equity & Inclusion)

– Continue to invest in recruitment, development, and promotion of diverse talent, and enhance corporate value through decision-making and innovation that reflects diverse opinions

	Results	Target	
Gender	Ratio of women in management* <sup>1</sup>	22.3% (as of Apr 2024)	27.0% By end Mar 2027
	Number of female directors and executive officers* <sup>2</sup>	17 (as of Apr 2024)	-
	Ratio of female directors (MUFG)	26.6% (as of Apr 2024)	Agree with the "Challenge initiatives for 30% of Executives to be women by 2030" <sup>3</sup>
	Ratio of male employees taking childcare leave* <sup>4</sup> (the Bank, the Trust Bank, MUMSS)	78%, 93%, 100% (FY2023)	100%
Foreign nationals	Ratio of employees	63% (As of Mar 2024)	-
	Number of executive officers (the Bank)	10 (Inc. 1 woman, as of Mar 2024)	-
	Ratio of foreign nationals in middle managerial positions* <sup>5</sup>	26.4% (as of Mar 2024)	Maintain or improve the current level
Mid-career hires	Ratio of mid-career hired in managerial positions* <sup>6</sup>	12.2% (as of Mar 2024)	Maintain or improve the current level
People with disabilities	Number of people with disabilities	Approx. 1,400 (As of Jun 2023)	-

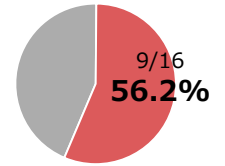
\*1 Ratio of women in line manager or higher positions in the Bank, the Trust Bank and MUMSS in Japan \*2 Total of MUFG, the Bank, the Trust Bank, MUMSS, and NICOS \*3 The initiative led by the Nippon Keidanren \*4 Actual childcare leave acquisition rate taking into account the acquisition deadline. The acquisition rates calculated based on the Act on Childcare and Caregiver Leave are as follows: 83% for the Bank, 94% for the Trust Bank, and 122% for MUMSS. \*5 Ratio of individuals hired overseas (the Bank and MUMSS cover overseas branches and affiliates which are substantially treated as a branch. The Trust Bank only covers overseas branches) \*6 Ratio of mid-career hired in managerial positions in Japan (including senior managers and others tasked with supervision)

# Governance (Structure of the Board of Directors)

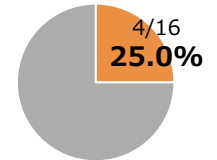
Name	Committee-related duties <sup>*1</sup>	Independent Outside	Knowledge, expertise and experience						
			Corporate management	Finance	Finance & accounting	Legal affairs	Global	IT/digital	Sustainability
1 Mariko Fujii	Nominating Compensation Risk*	●	-	●	-	-	●	-	-
2 Keiko Honda	Audit	●	-	●	-	-	●	-	●
3 Kaoru Kato	Nominating Compensation Audit	●	●	-	-	-	-	●	●
4 Satoko Kuwabara	Nominating Compensation*	●	-	-	-	●	●	-	●
5 Hirofumi Nomoto	Nominating* Compensation	●	●	-	-	-	-	●	●
6 Mari Elka Pangestu	Risk	●	-	●	-	-	●	-	●
7 Hiroshi Shimizu	Risk	●	●	●	-	-	-	●	●
8 David Sneider	Risk	●	-	-	-	●	●	-	-
9 Koichi Tsuji	Audit*	●	-	-	●	-	●	-	-
10 Kenichi Miyanaga	Audit	-	Extensive knowledge of MUFG's business and the ability to appropriately perform management of MUFG	●	-	-	●	-	-
11 Ryoichi Shinke	Audit			●	-	-	●	-	-
12 Kanetsugu Mike				●	●	●	●	-	●
13 Hironori Kamezawa	Nominating Compensation			●	●	●	●	-	●
14 Iwao Nagashima				●	-	-	●	-	●
15 Junichi Hanzawa				-	-	-	-	-	●
16 Makoto Kobayashi				●	-	-	●	-	●

(Planned for end June 2024)

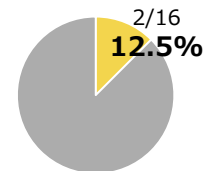
## Independent outside directors



## Female directors



## Foreign nationals



\*1 Nominating: Nominating and Governance Committee member Compensation: Compensation Committee member  
Audit: Audit Committee member Risk: Risk Committee member \*Chairperson

# Governance (Compensation system)

– Updated the compensation system based on new MTBP

## Major updates

Type of compensation	Linkage with performance	Performance-based range	Standards for payment	Weight	
Annual base salary	Fixed	-	•Paid based on positions, etc. •Includes Director Allowance, Committee and Chair Allowance, Housing Allowance, etc.	-	
Stock compensation <sup>4</sup>	Non performance based	-	•Base amount by position	-	
	Medium- to long-term performance based	0%–150%	Base amount by position ×	Target attainment rate of indices below in MTBP (1) Consolidated ROE } <b>1</b> (2) Consolidated expenses ratio } <b>2</b> (3) ESG assessment • Reduction of GHG emissions from our own operations • MUFG Employees survey score • Ratio of women in management • Ratings granted by ESG rating agencies* <sup>2</sup> (4) TSR <b>3</b>	<55%> 30% 10% 10% 5%
				Comparison of YoY growth rate of indices below with competitors <sup>3</sup> (1) Consolidated net operating profits (2) Profits attributable to owners of parent	<45%> 25% 20%
Cash bonuses <sup>4</sup>	Short-term performance based	0%–150%	Base amount by position ×	Performance factor (quantitative evaluation factor applied to the Group CEO) Rate of YoY change and target attainment rate of indices below (1) Consolidated net operating profits (2) Profits attributable to owners of parent (3) Consolidated ROE (4) Consolidated expense ratio Status of individual execution of duties (qualitative evaluation factor applied to Group CEO) •Improvement in customer-segment profitability •Risks handling •Advances in sustainability management etc.	<60%> 20% 10% 20% 10% <40%>

\*1 The ratio of compensation compositions for the Group CEO is maintained. Annual base salary : Stock compensation : Cash bonuses=1:1:1

\*2 A relative evaluation basis in light of the degree of improvement in external ratings by major five ESG rating agencies (CDP, FTSE, MSCI, S&P Dow Jones and Sustainalytics) \*3 Evaluated based on comparisons with main competitors (Mizuho Financial Group and Sumitomo Mitsui Financial Group) \*4 Subject to malus (confiscation) and clawback (restitution claim)