

Financial Highlights under Japanese GAAP  
for 1st Quarter of Fiscal Year  
Ending March 31, 2020

July 31, 2019

# Income statement summary

【Consolidated】

## Income statement

(¥bn)	FY18 1Q	FY19 1Q	YoY	
1 <b>Gross profits</b> (before credit costs for trust accounts)	942.9	958.4	15.4	
2 Net interest income	480.5	444.3	(36.2)	
3 Trust fees + Net fees and commissions	343.3	335.2	(8.1)	
4 Net trading profits + Net other operating profits	119.0	178.8	59.8	
5 Net gains (losses) on debt securities	22.5	85.2	62.6	
6 <b>G&amp;A expenses</b>	656.5	670.0	13.4	
7 <b>Net operating profits</b>	286.3	288.3	1.9	
8 <b>Total credit costs**1</b>	24.5	34.1	9.5	
9 <b>Net gains (losses) on equity securities</b>	62.3	23.9	(38.4)	
10 Net gains (losses) on sales of equity securities	64.1	28.0	(36.0)	
11 Losses on write-down of equity securities	(1.7)	(4.1)	(2.4)	
12 <b>Profits (losses) from investments in affiliates</b>	84.4	79.2	(5.1)	
13 <b>Other non-recurring gains (losses)</b>	(38.0)	27.8	65.8	
14 <b>Ordinary profits</b>	419.8	453.4	33.6	
15 <b>Net extraordinary gains (losses)</b>	(14.0)	7.5	21.6	
16 <b>Total of income taxes-current and income taxes-deferred</b>	(65.3)	(45.4)	19.8	
17 <b>Profits attributable to owners of parent</b>	315.0	391.0	76.0	
18 EPS (¥)	23.99	30.26	6.28	
<Reference>	<b>FY20 (Target)</b>			
19 <b>ROE</b>	Approx. 7% to 8%	9.46%	11.36%	1.90%
20 <b>Expense ratio</b>	Below FY17 result (68.0%)	69.6%	69.9%	0.2%

\* Definitions of figures and abbreviations used in this document can be found on the last page.

\*\*1 Credit costs for trust accounts + Provision for general allowance for credit losses + Credit costs (included in non-recurring gains (losses)) + Reversal of allowance for credit losses + Reversal of reserve for contingent losses included in credit costs + Gains on loans written-off

## YoY changes

### Gross profits

- Gross profits increased mainly due to an increase in net gains on debt securities, partially offset by a decrease in net interest income, reflecting a decline in interest rates.

### G&A expenses

- G&A expenses increased due to increases in expenses for overseas operations because of the expansion of overseas business and higher expenses for global financial regulatory compliance purposes.

### Total credit costs

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

### Profits attributable to owners of parent

- Profits attributable to owners of parent increased ¥76.0bn mainly due to an improvement in net periodic cost of retirement benefits and an increase in net extraordinary gains on sales of equity in KS's subsidiary, partially offset by a decrease in net gains on equity securities.

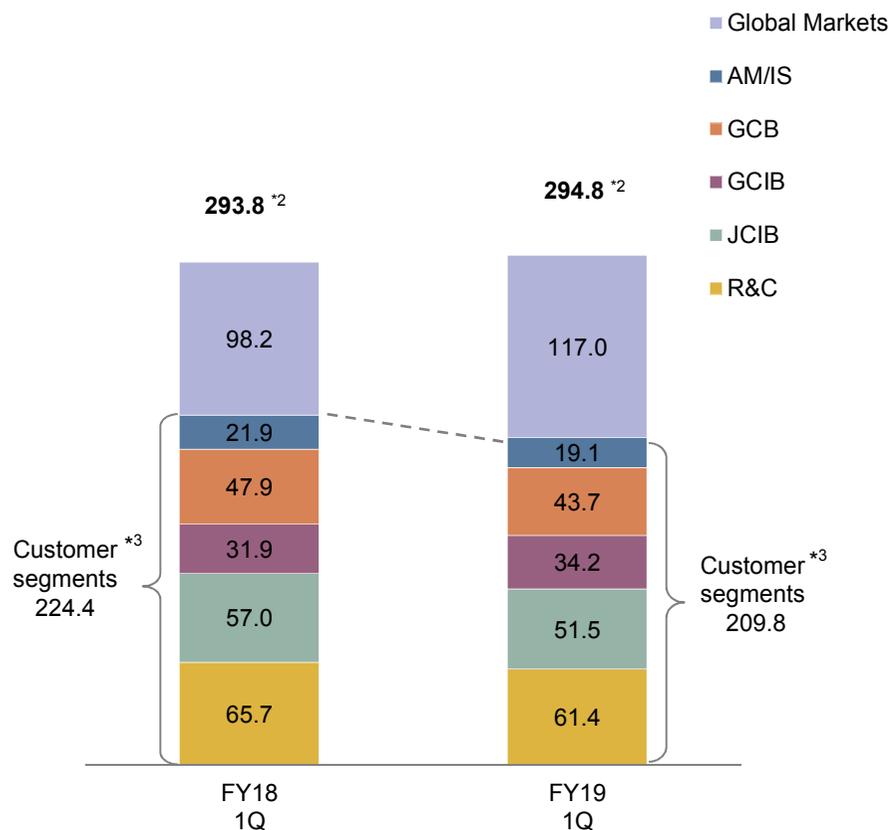
# Outline of results by business segment

【Consolidated】

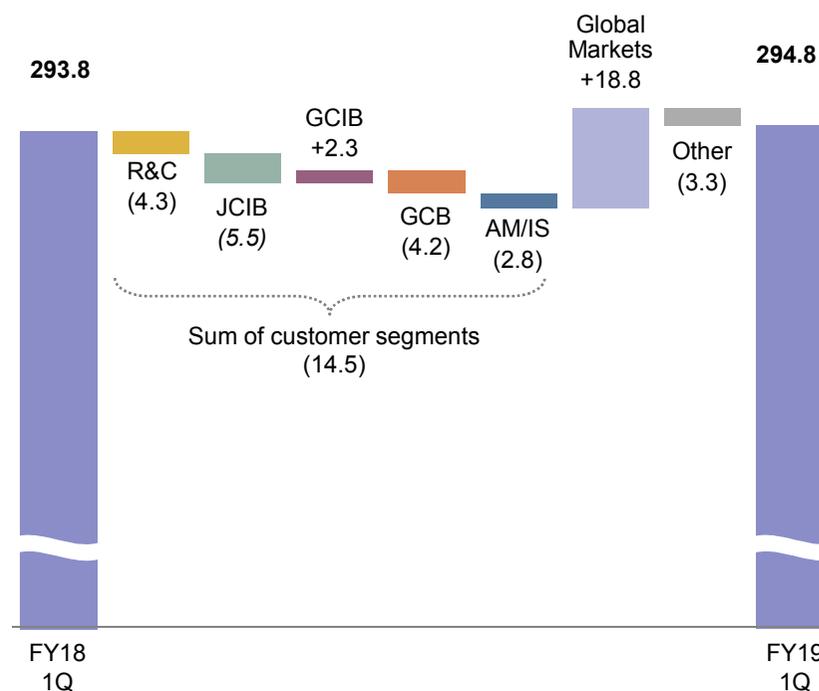
## Net operating profits by business segment\*1

## Breakdown of changes in net operating profits

(¥bn)



(¥bn)



\*1 On a managerial accounting basis \*2 Total net operating profits include net operating profit for "Other" segment (FY18 1Q: (¥28.8)bn, FY19 1Q: (¥32.1)bn)

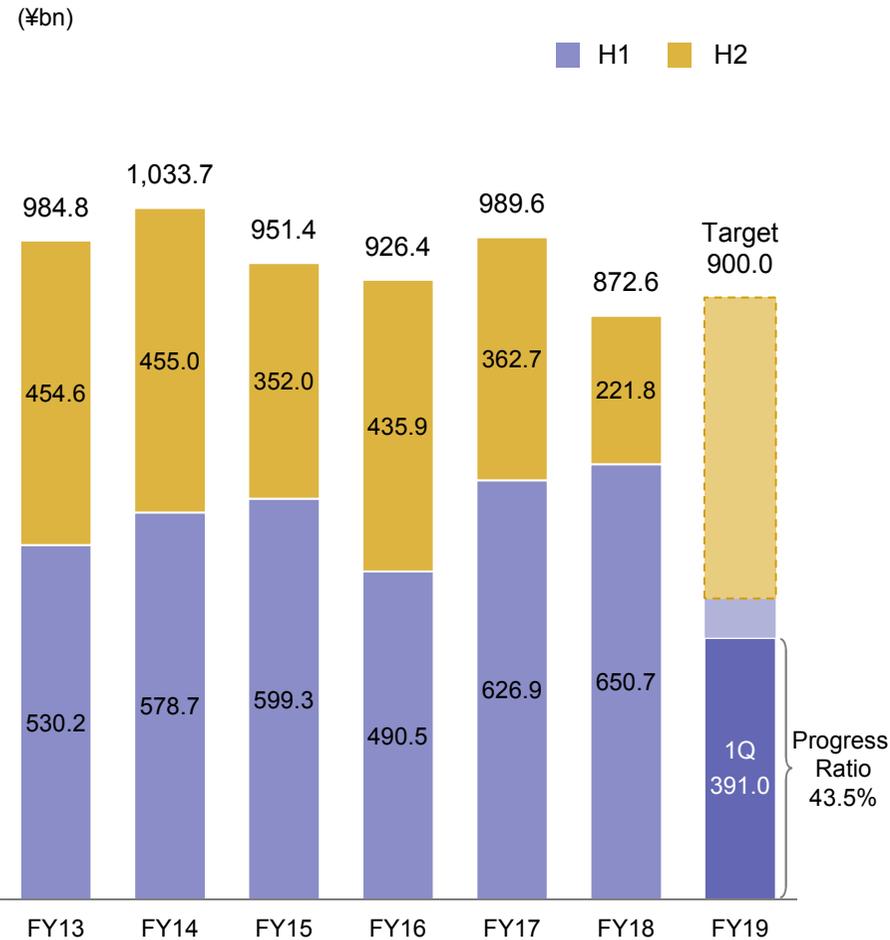
\*3 Ratio of customer segments = net operating profits from customer segments ÷ total net operating profits(\*2): 76% for FY18 1Q and 71% for FY19 1Q

Ratio of net operating profits from global customers is defined as net operating profits from GCIB and GCB ÷ net operating profits from customer segments: 36% for FY18 1Q and 37% for FY19 1Q

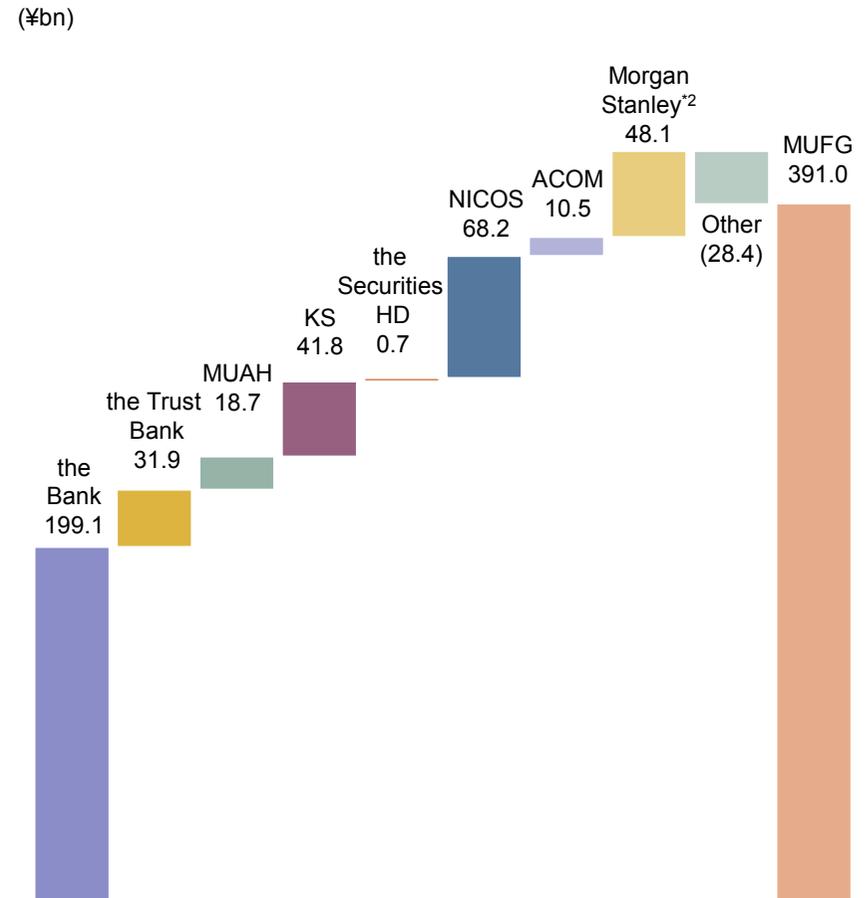
# Outline of profits attributable to owners of parent

【Consolidated】

## History of profits attributable to owners of parent



## Breakdown of profits attributable to owners of parent\*1



\*1 The figures reflect the percentage holding in each subsidiaries and equity method investees.

\*2 The figure includes ¥21.3bn of losses on change in equity.

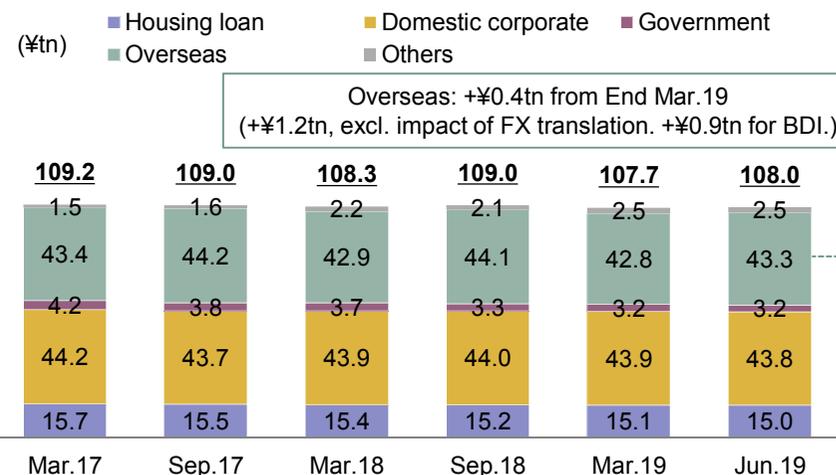
# Balance sheet summary

【Consolidated】

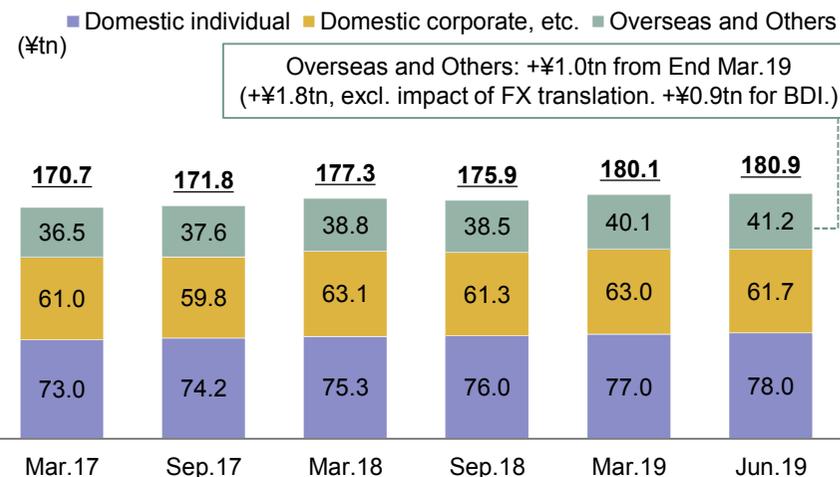
## Balance sheet

(¥bn)	End Jun.19	Changes from End Mar.19
1 <b>Total assets</b>	312,755.3	1,616.4
2 Loans (Banking + Trust accounts)	108,005.5	232.3
3 Loans (Banking accounts)	107,653.3	240.8
4 Housing loans <sup>*1</sup>	15,073.1	(48.8)
5 Domestic corporate loans <sup>**1,2</sup>	43,866.8	(106.1)
6 Overseas loans <sup>*3</sup>	43,310.0	465.1
7 Investment securities (Banking accounts)	61,519.9	(2,742.5)
8 Domestic equity securities	5,556.8	(221.5)
9 Japanese government bonds	21,079.0	(1,563.9)
10 Foreign bonds	21,669.3	(1,077.1)
11 <b>Total liabilities</b>	295,090.0	1,212.8
12 Deposits	180,957.2	786.0
13 Domestic Individuals <sup>*4</sup>	78,045.4	1,034.4
14 Domestic corporates etc. <sup>*4</sup>	61,707.0	(1,323.4)
15 Overseas and others <sup>*3</sup>	41,204.8	1,075.0
16 <b>Total net assets</b>	17,665.2	403.5
17 <b>FRL disclosed loans<sup>*1,5</sup></b>	549.7	(89.4)
18 <b>NPL ratio<sup>*1</sup></b>	0.54%	(0.07%)
19 <b>Net unrealized gains (losses) on available-for-sale securities</b>	3,405.2	69.5

## Loans (Period end balance)



## Deposits (Period end balance)



\*1 Non-consolidated + trust accounts \*2 Excluding loans to government and governmental institutions and including foreign currency-denominated loans (Excluding impact of foreign exchange translation: +¥0.0tn from the end of Mar.19)

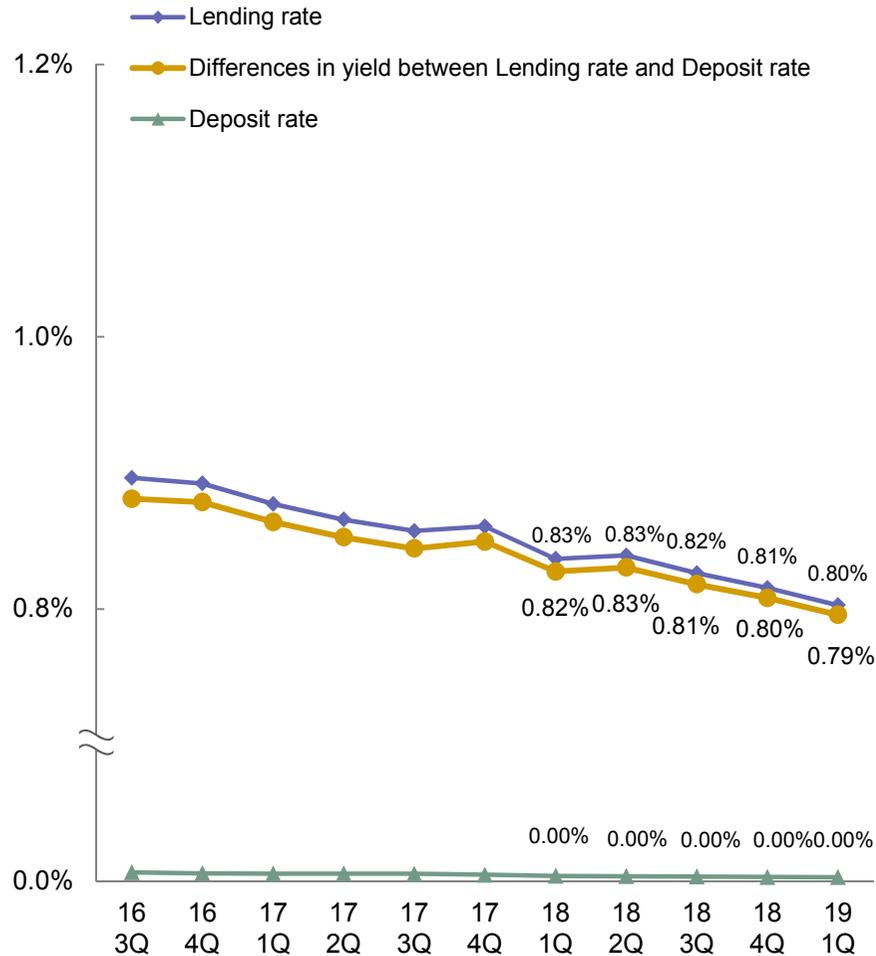
\*3 Loans booked in overseas branches, MUAH, KS, BDI, the Bank (China), the Bank (Malaysia) and the Bank (Europe)

\*4 Non-consolidated \*5 FRL = the Financial Reconstruction Law

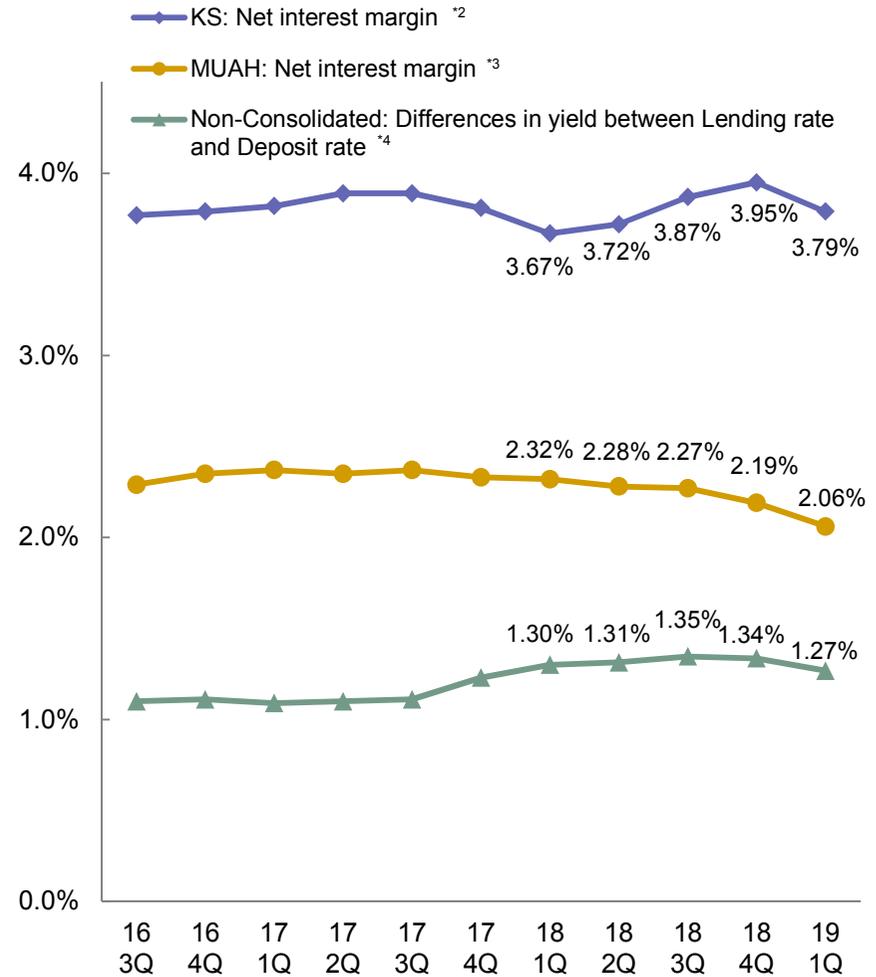
# Deposit / Lending rates

【Non-Consolidated / MUAH / KS】

### Changes in domestic deposit / lending rates\*1



### Changes in overseas deposit / lending rates



\*1 Excluding loans to government

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

\*3 Financial results as disclosed in MUAH's Form 10-K and Form 10-Q reports based on U.S. GAAP

\*4 On a managerial accounting basis

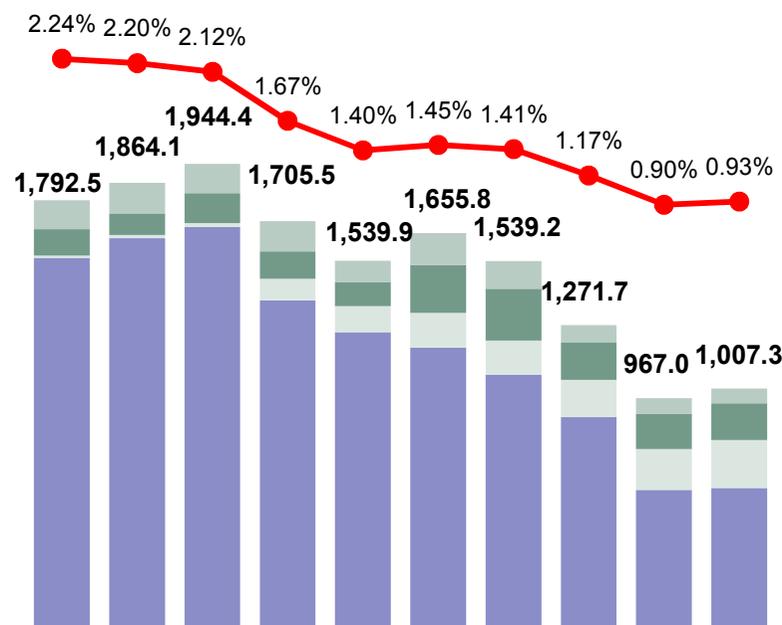
# Loan assets

【Consolidated】

## Balance of risk-monitored loans\*1

(¥bn)

● Risk-monitored loans ratio\*4

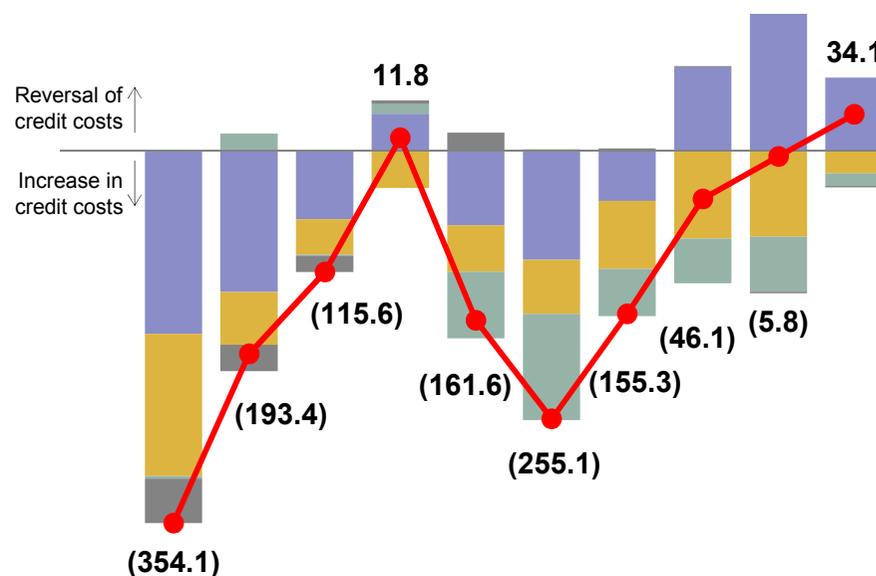


[Breakdown]	Mar.11	Mar.12	Mar.13	Mar.14	Mar.15	Mar.16	Mar.17	Mar.18	Mar.19	Jun.19
EMEA*2	121.2	127.2	122.0	126.3	88.2	133.9	116.0	71.3	64.0	61.5
Americas*2	110.3	89.2	125.0	114.9	100.7	199.4	216.0	157.5	148.2	153.3
Asia*3	9.4	14.4	17.0	89.0	108.8	145.3	142.3	155.8	170.3	199.9
Domestic	1,551.5	1,633.2	1,680.3	1,375.2	1,242.0	1,177.1	1,064.7	887.0	584.3	592.6

- \*1 Risk-monitored loans based on Banking Act. Regions are based on the borrowers' location.
- \*2 Figures of EMEA (Europe, Middle East and Other) and Americas before March 2012 are previously disclosed as Other and United States of America, respectively.
- \*3 The figure of Asia as of June 2019 includes approximately ¥32.0bn for BDI.
- \*4 Total risk-monitored loans ÷ Total loans and bills discounted (banking accounts as of period end)

## Total credit costs

(¥bn)



[Breakdown]	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19 (1Q)
Non-consolidated	(174.2)	(134.5)	(65.3)	35.1	(71.1)	(103.7)	(47.9)	79.5	129.8	69.3
CF*5	(135.0)	(50.1)	(33.7)	(35.7)	(44.1)	(51.6)	(64.5)	(83.6)	(81.7)	(21.5)
Overseas*6	(2.7)	16.1	(0.8)	9.2	(63.2)	(100.8)	(45.0)	(42.7)	(52.3)	(12.1)
Others*7	(42.1)	(24.9)	(15.6)	3.2	16.9	1.0	2.1	0.8	(1.5)	(1.5)

- \*5 Sum of NICOS and ACOM on a consolidated basis
- \*6 Sum of overseas subsidiaries of the Bank and the Trust Bank
- \*7 Sum of other subsidiaries and consolidation adjustment

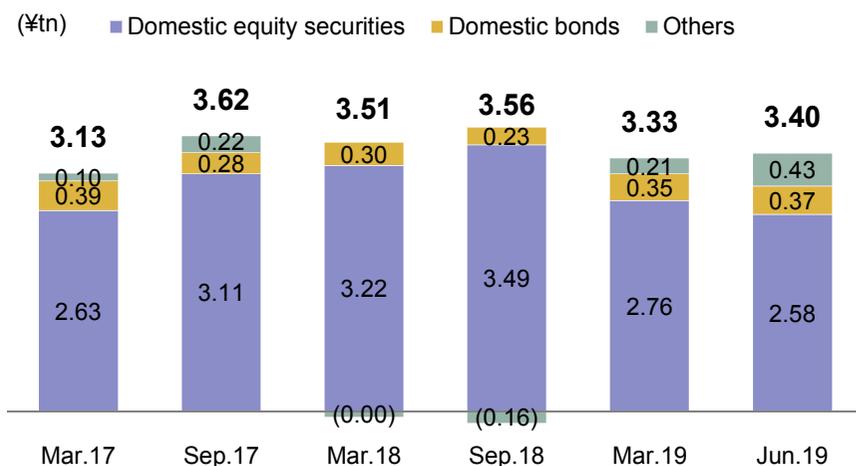
# Investment securities

【Consolidated / Non-Consolidated】

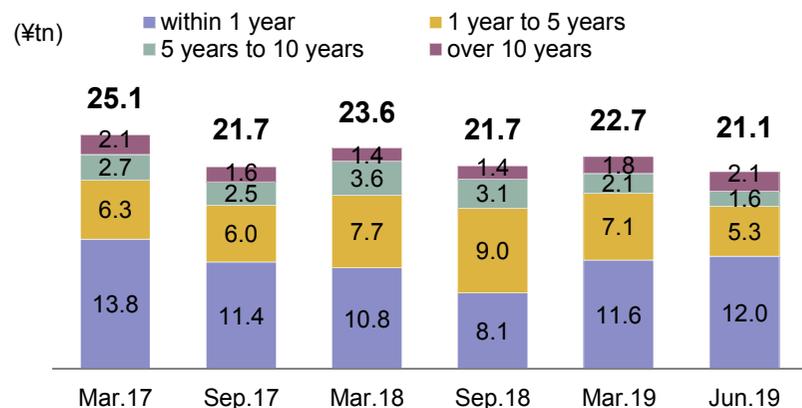
## Available-for-sale securities with fair value

	Balance		Unrealized gains (losses)	
	End Jun.19	Changes from End Mar.19	End Jun.19	Changes from End Mar.19
1 <b>Total</b>	58,137.7	(2,440.9)	3,405.2	69.5
2 Domestic equity securities	4,752.2	(201.1)	2,588.7	(175.5)
3 Domestic bonds	25,992.6	(1,268.5)	377.5	20.0
4 Japanese government bonds	19,978.4	(1,563.9)	292.3	13.4
5 Others	27,392.8	(971.1)	438.9	225.0
6 Foreign equity securities	116.6	1.7	50.5	(1.9)
7 Foreign bonds	20,508.6	(1,024.2)	391.2	217.6
8 Others	6,767.4	51.2	(2.9)	9.4

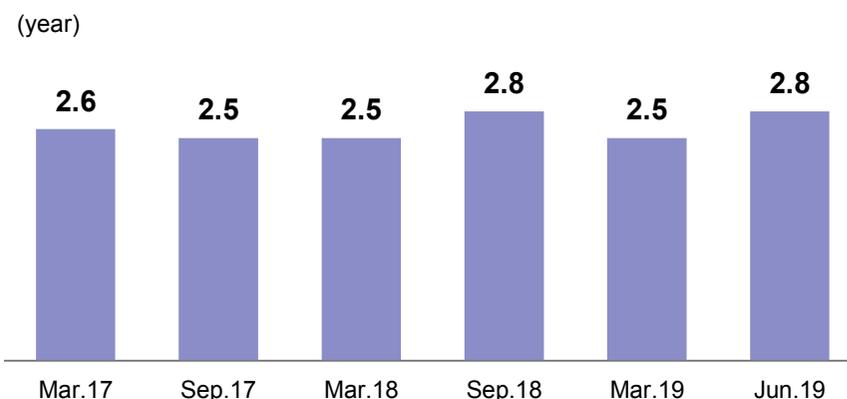
## Unrealized gains (losses) on available-for-sale securities



## Balance of JGB portfolio by maturity\*1



## Duration of JGB portfolio\*2



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

\*2 Available-for-sale securities. Non-consolidated.

This document contains forward-looking statements regarding estimations, forecasts, targets and plans in relation to the results of operations, financial conditions and other overall management of the company and/or the group as a whole (the “forward-looking statements”). The forward-looking statements are made based upon, among other things, the company’s current estimations, perceptions and evaluations. In addition, in order for the company to adopt such estimations, forecasts, targets and plans regarding future events, certain assumptions have been made. Accordingly, due to various risks and uncertainties, the statements and assumptions are inherently not guarantees of future performance, may be considered differently from alternative perspectives and may result in material differences from the actual result. For the main factors that may affect the current forecasts, please see Consolidated Summary Report, Annual Securities Report, Disclosure Book, Annual Report, and other current disclosures that the company has announced.

The financial information included in this financial highlights is prepared and presented in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”). Differences exist between Japanese GAAP and the accounting principles generally accepted in the United States (“U.S. GAAP”) in certain material respects. Such differences have resulted in the past, and are expected to continue to result for this period and future periods, in amounts for certain financial statement line items under U.S. GAAP to differ significantly from the amounts under Japanese GAAP. For example, differences in consolidation basis or accounting for business combinations, including but not limited to amortization and impairment of goodwill, could result in significant differences in our reported financial results between Japanese GAAP and U.S. GAAP. Readers should consult their own professional advisors for an understanding of the differences between Japanese GAAP and U.S. GAAP and how those differences might affect our reported financial results. To date, we have published U.S. GAAP financial results only on a semiannual and annual basis, and currently do not expect to publish U.S. GAAP financial results for the period reported in this financial highlights.

<Definitions of figures and abbreviations used in this document>

Consolidated	: Mitsubishi UFJ Financial Group (consolidated)	the Bank	: MUFG Bank
Non-consolidated	: MUFG Bank (non-consolidated) + Mitsubishi UFJ Trust and Banking (non-consolidated) (without any adjustments)	the Trust Bank	: Mitsubishi UFJ Trust and Banking
R&C	: Retail & Commercial Banking Business Group	the Securities HD	: Mitsubishi UFJ Securities Holdings
JCIB	: Japanese Corporate & Investment Banking Business Group	NICOS	: Mitsubishi UFJ NICOS
GCIB	: Global Corporate & Investment Banking Business Group	MUAH	: MUFG Americas Holdings
GCB	: Global Commercial Banking Business Group	KS	: Bank of Ayudhya (Krungsri)
AM/IS	: Asset Management & Investor Services Business Group	BDI	: Bank Danamon Indonesia
Global Markets	: Global Markets Business Group	CFSGAM	: Colonial First State Global Asset Management

$$ROE = \frac{\text{Profits attributable to owners of parent for 1Q of respective fiscal year} \times 4}{\{(Total\ shareholders' \ equity \ at \ the \ beginning \ of \ the \ period \ + \ Foreign \ currency \ translation \ adjustments \ at \ the \ beginning \ of \ the \ period) \ + \ (Total \ shareholders' \ equity \ at \ the \ end \ of \ the \ period \ + \ Foreign \ currency \ translation \ adjustments \ at \ the \ end \ of \ the \ period)\} \div 2} \times 100$$