

Financial Highlights under Japanese GAAP
for 3rd Quarter of Fiscal Year
Ending March 31, 2016

February 1, 2016

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 used in this document>

Consolidated	: Mitsubishi UFJ Financial Group, Inc. (Consolidated)
Non-consolidated	: The Bank of Tokyo-Mitsubishi UFJ, Ltd. (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without any adjustments)

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Income statement summary

(For the nine-month period ended December 31, 2015)

【Consolidated】

Net business profits

- Gross profits decreased compared to FY14 3Q mainly due to a decrease in net gains on debt securities, despite increases in net interest income from overseas loan business and net fees and commissions from overseas business.
- G&A expenses increased compared to FY14 3Q mainly due to an increase in costs by the depreciation of the Japanese yen against the U.S. dollar.
- Net business profits for FY15 3Q was ¥1,168.9bn, a decrease of ¥49.3bn from FY14 3Q.

Total credit costs

- Total credit costs was ¥ 59.1bn due to an increase in specific allowance for credit losses and a decrease in reversal of credit cost.

Net gains (losses) on equity securities

- Net gains on sales of equity securities decreased.

Profits (losses) from investments in affiliates

- Profits from investments in affiliates increased due to higher profits earned by Morgan Stanley.

Profits attributable to owners of parent

- Profits attributable to owners of parent decreased ¥74.6bn from FY14 3Q to ¥852.2bn.

Income statement (¥bn)		FY14 3Q	FY15 3Q	Change
1	Gross profits (before credit costs for trust accounts)	3,112.6	3,096.5	(16.0)
2	Net interest income	1,588.7	1,596.0	7.2
3	Trust fees + Net fees and commissions	1,014.0	1,039.5	25.4
4	Net trading profits + Net other business profits	509.8	461.0	(48.8)
5	Net gains (losses) on debt securities	129.8	93.5	(36.3)
6	G&A expenses	1,894.2	1,927.6	33.3
7	Net business profits	1,218.3	1,168.9	(49.3)
8	Total credit costs ^{*1}	30.9	(59.1)	(90.0)
9	Net gains (losses) on equity securities	78.9	63.6	(15.3)
10	Net gains (losses) on sales of equity securities	82.6	72.3	(10.2)
11	Losses on write-down of equity securities	(3.6)	(8.7)	(5.1)
12	Profits (losses) from investments in affiliates	161.5	191.3	29.7
13	Other non-recurring gains (losses)	(5.4)	(24.0)	(18.5)
14	Ordinary profits	1,484.3	1,340.8	(143.5)
15	Net extraordinary gains (losses)	(73.5)	(43.5)	30.0
16	Total of income taxes-current and income taxes-deferred	(383.2)	(354.8)	28.3
17	Profits attributable to owners of parent	926.9	852.2	(74.6)
18	EPS (¥)	65.50	61.23	(4.27)

<Reference>	FY14 3Q	FY15 3Q	Change	FY17 (Target)	
19	ROE ^{*2}	10.68%	9.16%	(1.52%)	Between 8.5-9.0%
20	Expense ratio	60.8%	62.2%	1.3%	Approx.60%

*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

*2 (Profits attributable to owners of parent × 3 ÷ 4) – Equivalent of annual dividends on nonconvertible preferred stocks _____ × 100
 ((Total shareholders' equity at the beginning of the period – Number of nonconvertible preferred stocks at the beginning of the period × Issue price + Foreign currency translation adjustments at the beginning of the period) + (Total shareholders' equity at the end of the period – Number of nonconvertible preferred stocks at the end of the period × Issue price + Foreign currency translation adjustments at the end of the period)) ÷ 2



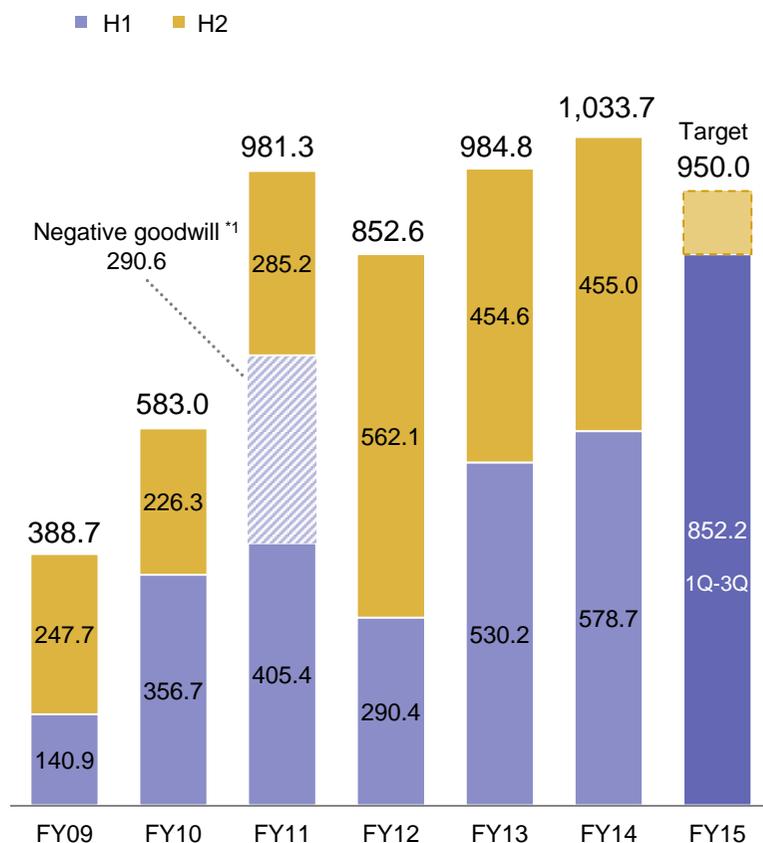
Outline of profits attributable to owners of parent

【Consolidated】

- Profits attributable to owner of parent for nine months ended December 31, 2015 was ¥852.2bn, attained 89% of the FY15 target.
- All the major subsidiaries and equity method investees contributed to cumulative profits for the nine months.

History of profits attributable to owners of parent

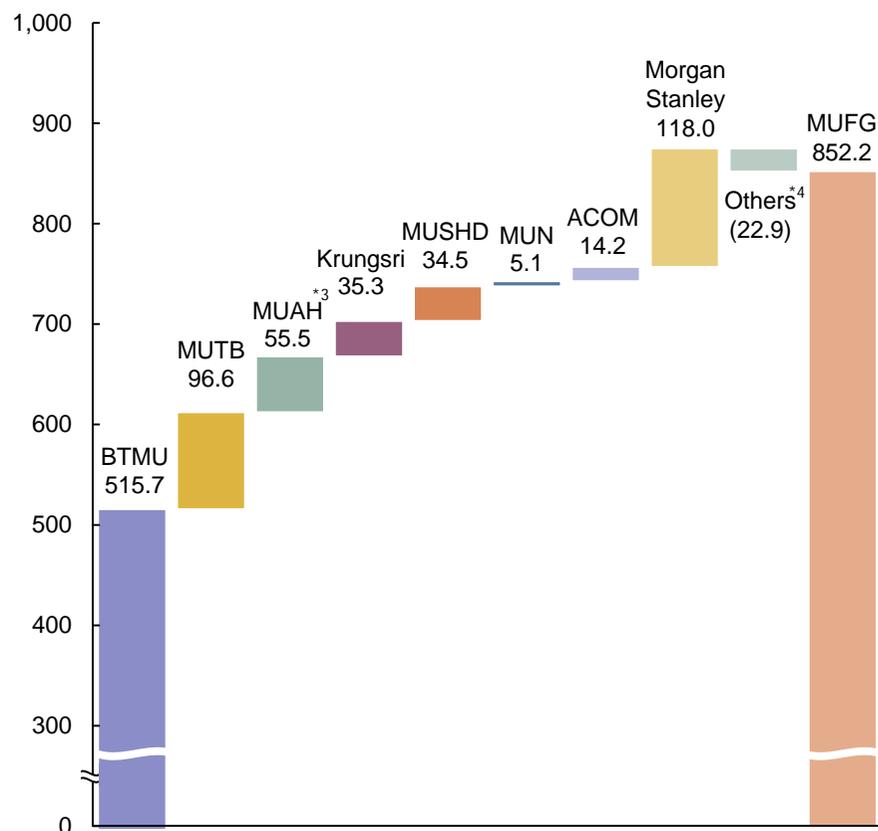
(¥bn)



*1 One-time effect of negative goodwill associated with the application of equity method accounting on our investment in Morgan Stanley

Breakdown of profits attributable to owners of parent*2

(¥bn)



*2 The above figures reflect the percentage holding in each subsidiaries and equity method investees

*3 MUFG Americas Holdings Corporation

*4 Including cancellation of the amount of inter-group dividend receipt and profits (losses) related to transfer of equity securities within MUFG.



Loans (Banking + Trust accounts)

- Increased from the end of September 2015 mainly due to increases in domestic corporate loans and overseas loans.

Investment securities

- Decreased from the end of September 2015 mainly due to a decrease in Japanese government bonds, despite increases in domestic equity securities and foreign bonds.

Deposits

- Increased from the end of September 2015 mainly due to increases in domestic individual deposits and overseas deposits.

Non-performing loans (“NPLs”)

- NPL ratio decreased from the end of September 2015 due to a decrease in non-performing loan balance and an increase in total loan exposure.

Net unrealized gains on available-for-sale securities

- Increased from the end of September 2015 mainly due to an increase in unrealized gains on domestic equity securities reflecting a general increase in stock prices in Japan.

Balance sheet (¥bn)		Dec.15	Change from Mar.15	Change from Sep.15
1	Total assets	295,777.1	9,627.4	6,612.1
2	Loans (Banking + Trust accounts)	113,487.4	4,006.7	1,524.4
3	Loans (Banking accounts)	113,348.1	3,979.8	1,510.3
4	Housing loans ^{*1}	15,569.5	(309.6)	(115.6)
5	Domestic corporate loans ^{*1*2}	43,658.2	1,201.4	952.4
6	Overseas loans ^{*3}	43,320.7	1,619.0	847.6
7	Investment securities (Banking accounts)	65,233.4	(8,304.7)	(1,465.7)
8	Domestic equity securities	6,424.4	100.7	504.2
9	Japanese government bonds	26,540.5	(8,670.1)	(3,674.9)
10	Foreign bonds	24,393.2	821.6	1,655.9
11	Total liabilities	278,537.5	9,675.3	6,492.4
12	Deposits	156,099.4	2,742.0	1,608.9
13	Individual deposits (Domestic branches)	71,916.5	1,501.3	1,180.6
14	Total net assets	17,239.6	(47.9)	119.6
15	FRL disclosed loans ^{*1*4}	1,122.9	(100.3)	(41.3)
16	NPL ratio ^{*1}	1.01%	(0.14%)	(0.06%)
17	Net unrealized gains (losses) on available-for-sale securities	3,491.2	(641.9)	397.1

*1 Non-consolidated + trust accounts *2 Excluding loans to government and governmental institutions

*3 Loans booked in overseas branches, MUAH, Krungsri, BTMU (China), BTMU (Holland), BTMU (Canada) and BTMU (Malaysia)

*4 FRL = the Financial Reconstruction Law

Loans / deposits

【Consolidated】

Loan balance ¥113.4tn

(increased ¥1.5tn from the end of September 2015)

<Changes from September 2015 >

■ Housing loan	(¥0.1tn)
■ Domestic corporate ^{*1}	+¥0.9tn
■ Government ^{*2}	+¥0.0tn
■ Overseas ^{*3}	+¥0.8tn
Excluding impact of foreign exchange fluctuation	+¥1.4tn

*1 Excluding loans to government and governmental institutions

*2 Government and governmental institutions

*3 Loans booked in overseas branches, MUAH, Krungsri, BTMU (China), BTMU (Holland), BTMU (Canada) and BTMU (Malaysia)

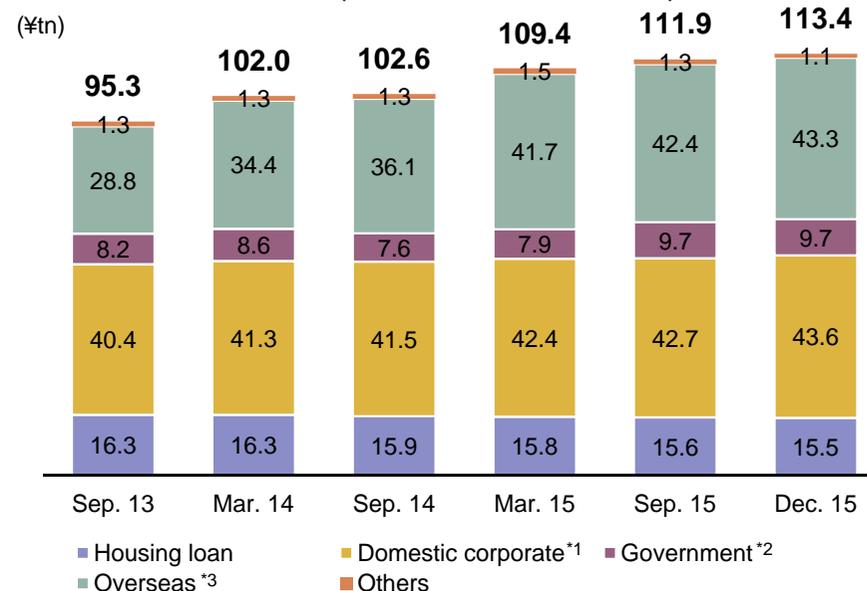
Deposit balance ¥156.0tn

(increased ¥1.6tn from the end of September 2015)

<Changes from September 2015 >

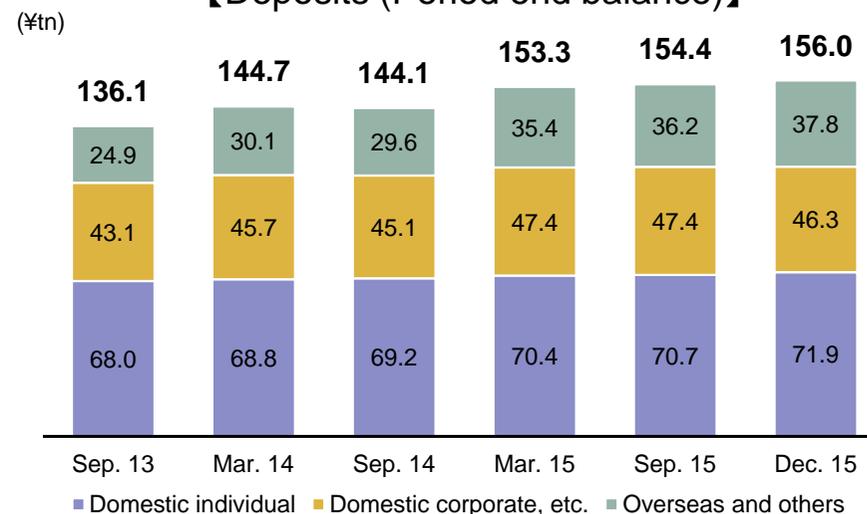
■ Domestic individual	+¥1.1tn
■ Domestic corporate, etc. (¥1.1tn)	
■ Overseas and others	+¥1.5tn
Excluding impact of foreign exchange fluctuation	+¥2.3tn

【Loans (Period end balance)^{*4}】



*4 Sum of banking and trust accounts

【Deposits (Period end balance)】

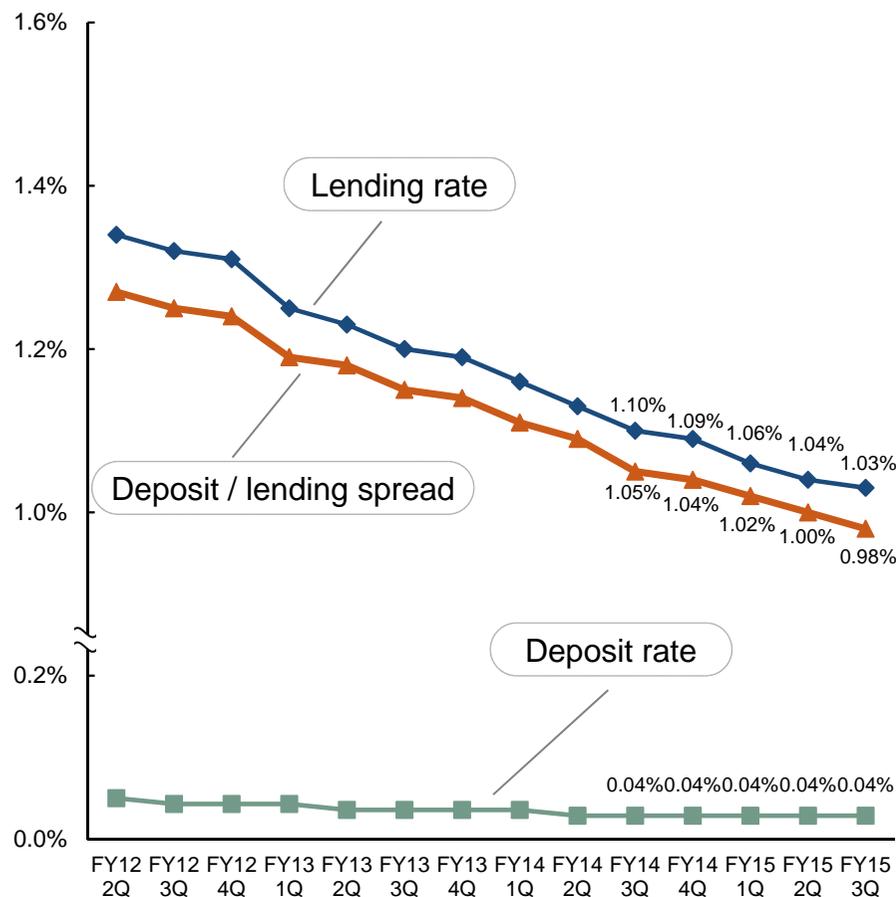


Domestic deposit / lending rates

【Non-consolidated】

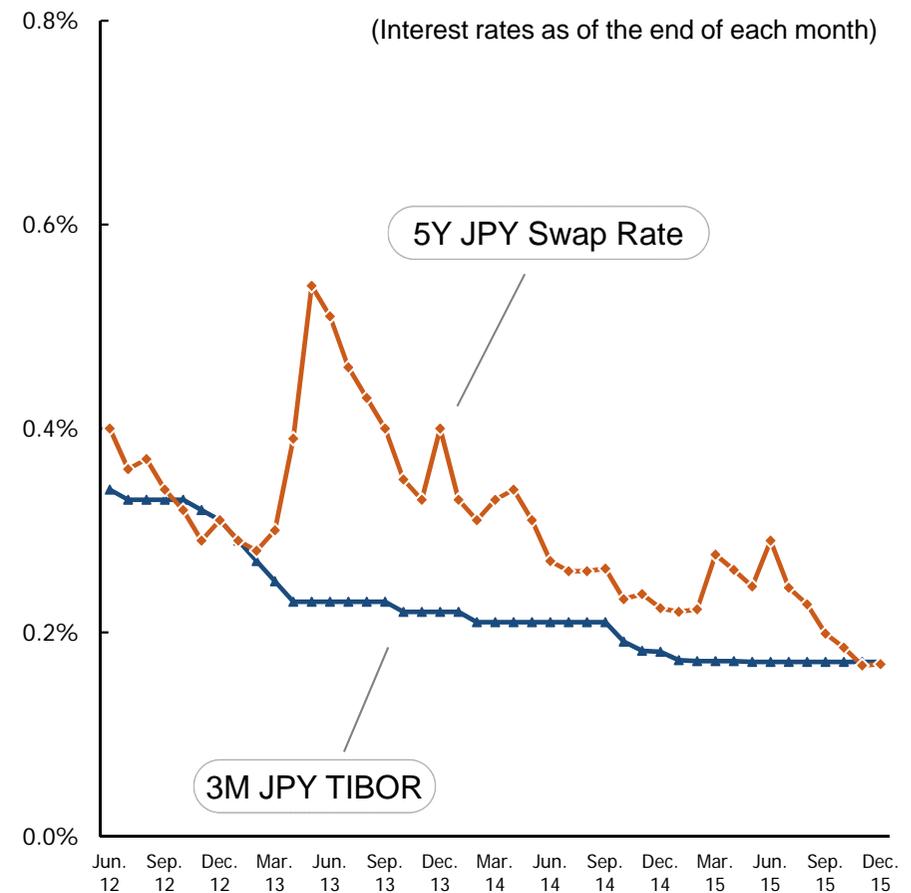
- Domestic deposit / lending spread excluding loans to Government*1 in FY15 3Q decreased 0.01 percentage point from FY15 2Q mainly due to a decline in lending rates reflecting lower market interest rates.

Changes in domestic deposit / lending rates
(Excluding loans to Government*1)



*1 Government and governmental institutions

(Reference) Market interest rates



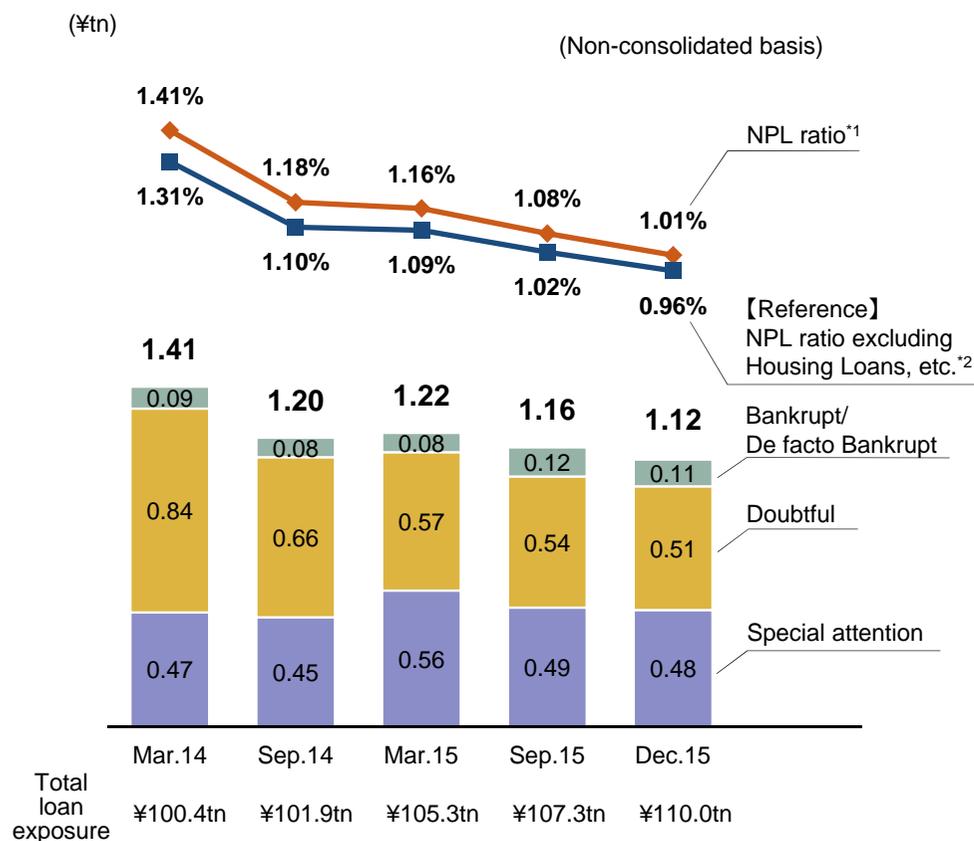
(Source : Bloomberg)

Loan assets

【 Consolidated/Non-consolidated 】

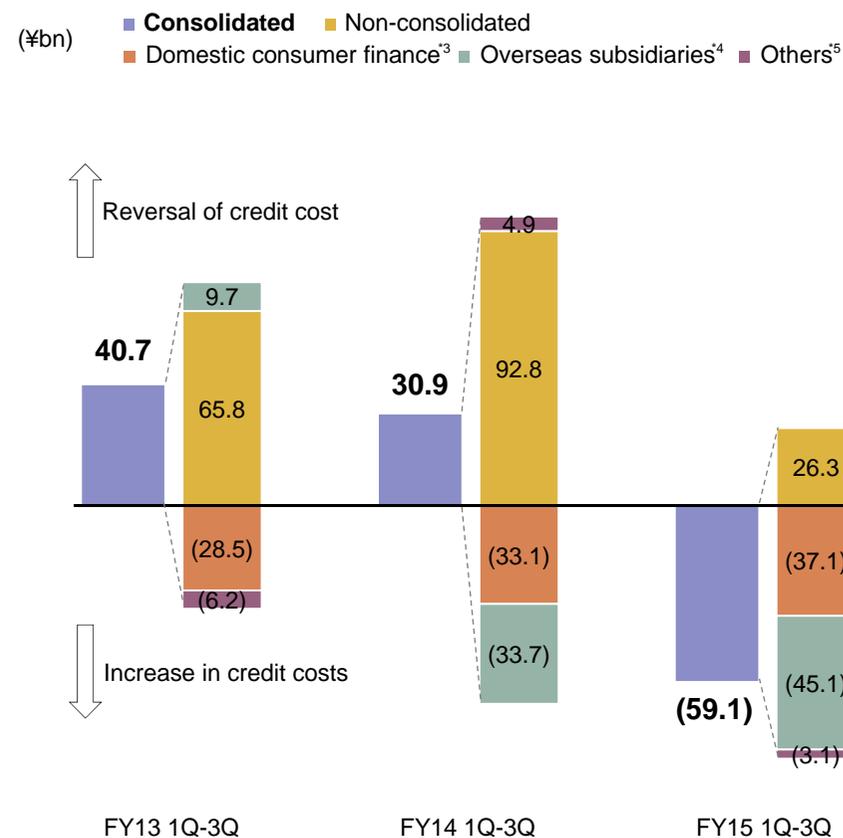
- NPL ratio declined 0.06 percentage points from the end of September 2015 to 1.01% mainly due to a decrease in non-performing loan balance and an increase in the total loan exposure.
- Total credit costs were ¥59.1bn on a consolidated basis. (Net reversal of ¥26.3bn on a non-consolidated basis.)

Balance of FRL disclosed loans



*1 Non performing loan balance ÷ Total loan exposure
 *2 Excluding restructured housing loans, etc. guaranteed by credit guarantee companies within MUFG group

Total credit costs

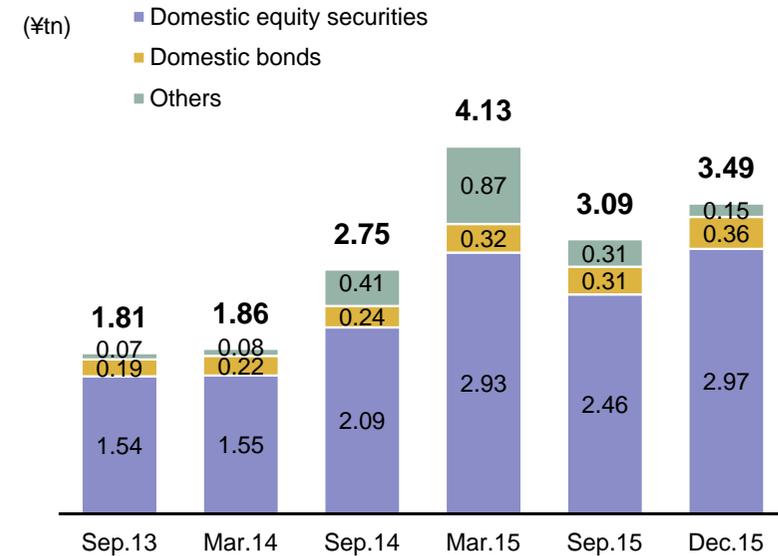


*3 Sum of MUN (consolidated) and ACOM (consolidated)
 *4 Sum of BTMU and MUTB's overseas subsidiaries and affiliated companies
 *5 Sum of other subsidiaries and affiliated companies, and consolidation adjustment

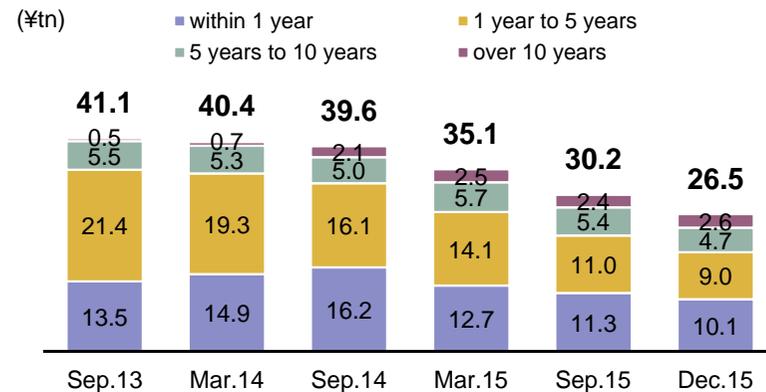
Available-for-sale securities with fair value

	Balance		Unrealized gains (losses)	
	Dec. 15	Change from Sep. 15	Dec. 15	Change from Sep. 15
1 Total	60,760.9	(1,442.6)	3,491.2	397.1
2 Domestic equity securities	5,714.2	496.3	2,977.0	516.6
3 Domestic bonds	28,150.5	(3,363.9)	361.2	44.3
4 Japanese government bonds	25,439.3	(3,674.8)	304.4	38.2
5 Others	26,896.1	1,424.9	152.9	(163.7)
6 Foreign equity securities	132.6	(1.1)	2.4	0.2
7 Foreign bonds	23,144.8	1,639.8	127.5	(179.0)
8 Others	3,618.6	(213.7)	23.0	15.0

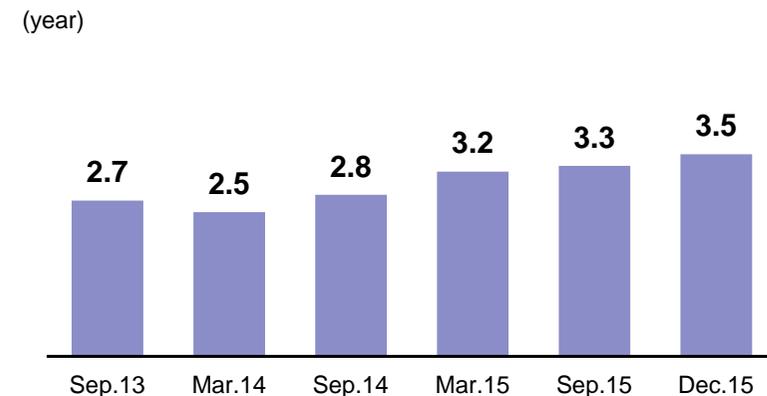
Unrealized gains (losses) on available-for-sale securities



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.