

Financial Highlights under Japanese GAAP  
for 1st Quarter of Fiscal Year  
Ending March 31, 2019

August 2, 2018

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>

<b>Consolidated</b>	: Mitsubishi UFJ Financial Group, Inc. (Consolidated)	<b>R&amp;C</b>	: Retail & Commercial Banking Business Group
<b>Non-consolidated</b>	: MUFG Bank, Ltd. (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without any adjustments)	<b>JCIB</b>	: Japanese Corporate & Investment Banking Business Group
<b>the Bank</b>	: MUFG Bank, Ltd.	<b>GCIB</b>	: Global Corporate & Investment Banking Business Group
<b>the Trust Bank</b>	: Mitsubishi UFJ Trust and Banking Corporation	<b>GCB</b>	: Global Commercial Banking Business Group
<b>the Securities HD</b>	: Mitsubishi UFJ Securities Holdings Co., Ltd.	<b>AM/IS</b>	: Asset Management & Investor Services Business Group
<b>NICOS</b>	: Mitsubishi UFJ NICOS Co., Ltd.	<b>Global Markets</b>	: Global Markets Business Group
<b>MUAH</b>	: MUFG Americas Holdings Corporation		

# Income statement summary

(for the three-month period ended June 30, 2018)

【Consolidated】

## Gross Profits

- Gross profits decreased by ¥61.3bn from FY17 1Q.
- This decrease was mainly due to a decrease in net gains on debt securities relating to domestic bonds, partially offset by increases in net interest income from overseas loans and deposits as well as fees and commissions.

## Expenses

- G&A expenses slightly increased from FY17 1Q.
- Expense ratio rose to 69.6% mainly due to a decrease in gross profits.

## Profits attributable to owners of parent

- Net operating profits decreased by ¥62.7bn.
- Profits attributable to owners of parent increased by ¥25.9bn from FY17 1Q. This increase was mainly attributable to the improvement of credit costs and an increase in net gains on equity securities reflecting the sales of equity holdings.

Income statement (¥bn)		FY17 1Q	FY18 1Q	Changes
1	Gross profits (before credit costs for trust accounts)	1,004.3	942.9	(61.3)
2	Net interest income	462.5	480.5	17.9
3	Trust fees + Net fees and commissions	327.6	343.3	15.7
4	Net trading profits + Net other operating profits	214.1	119.0	(95.1)
5	Net gains (losses) on debt securities	91.2	22.5	(68.6)
6	G&A expenses	655.2	656.5	1.3
7	Net operating profits	349.0	286.3	(62.7)
8	Total credit costs	(20.0)	24.5	44.6
9	Net gains (losses) on equity securities	24.2	62.3	38.1
10	Net gains (losses) on sales of equity securities	27.6	64.1	36.4
11	Losses on write-down of equity securities	(3.3)	(1.7)	1.6
12	Profits (losses) from investments in affiliates	68.0	84.4	16.4
13	Other non-recurring gains (losses)	(23.8)	(38.0)	(14.1)
14	Ordinary profits	397.4	419.8	22.3
15	Net extraordinary gains (losses)	(20.9)	(14.0)	6.9
16	Total of income taxes-current and income taxes-deferred	(62.3)	(65.3)	(2.9)
17	Profits attributable to owners of parent	289.0	315.0	25.9
18	EPS (¥)	21.59	23.99	2.40

<Reference>		FY20 (Targets)			
19	ROE <sup>*1</sup>	Approx. 7.0-8.0%	9.00%	9.46%	0.46%
20	Expense ratio	Below FY17 <sup>*2</sup>	65.2%	69.6%	4.3%

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

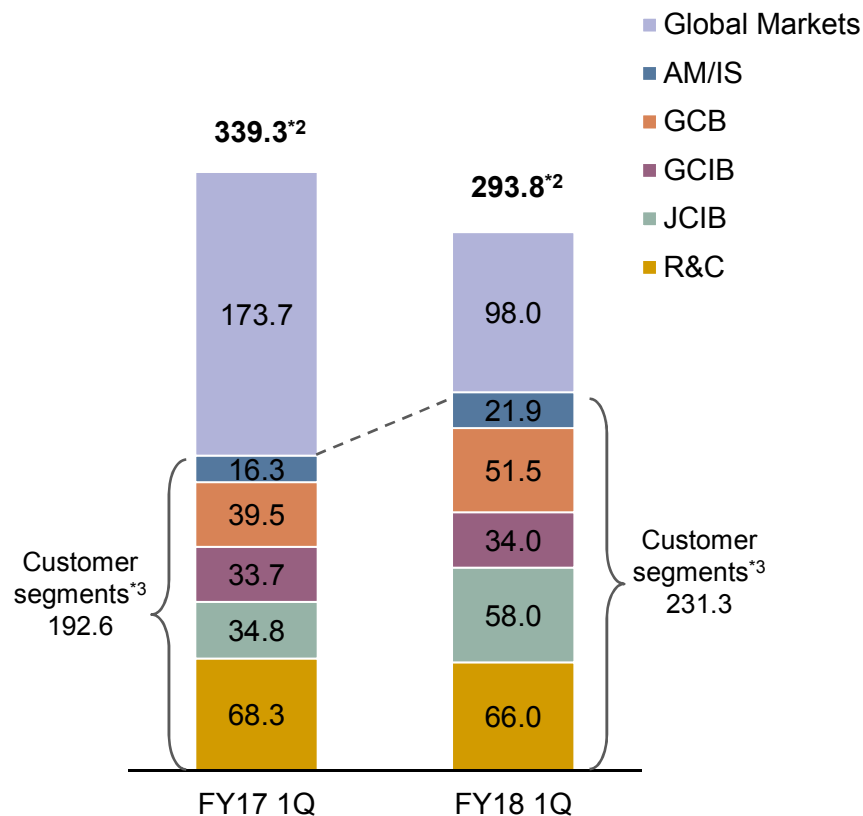
\*2 Expense ratio for FY17: 68.0%

# Outline of results by business segment

【Consolidated】

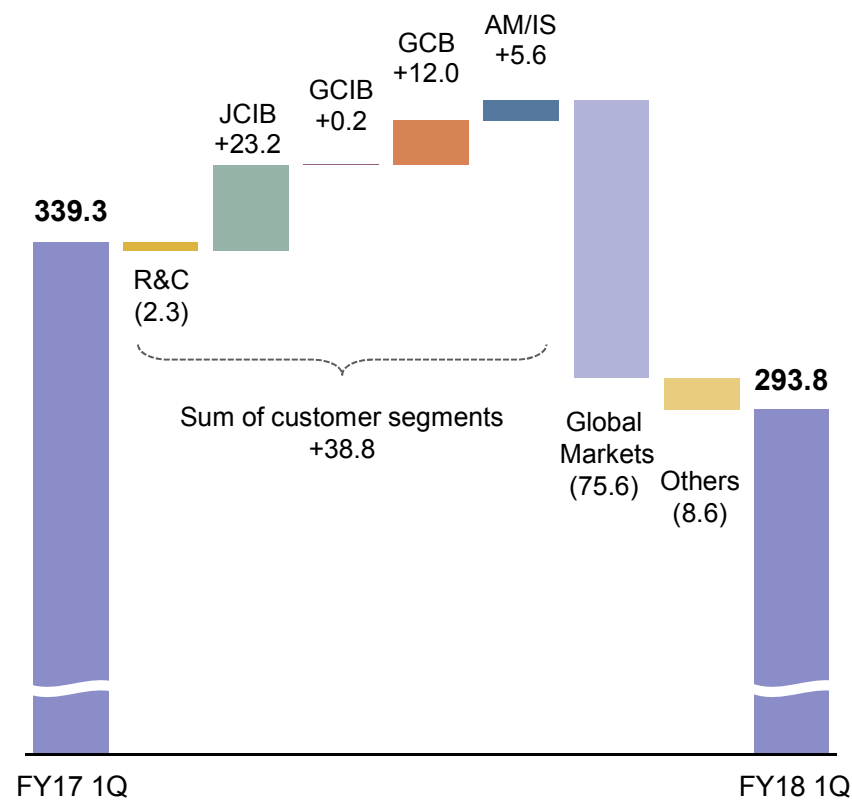
## Net operating profits by business segment\*1

(¥bn)



## Breakdown of changes in net operating profits

(¥bn)



\*1 On a managerial accounting basis.

\*2 Total net operating profits include net operating profit for "Other" segment (FY17 1Q :¥(27.0)bn, FY18 1Q :¥(35.6)bn).

\*3 Ratio of customer segments = net operating profits from customer segments ÷ total net operating profits (\*2).

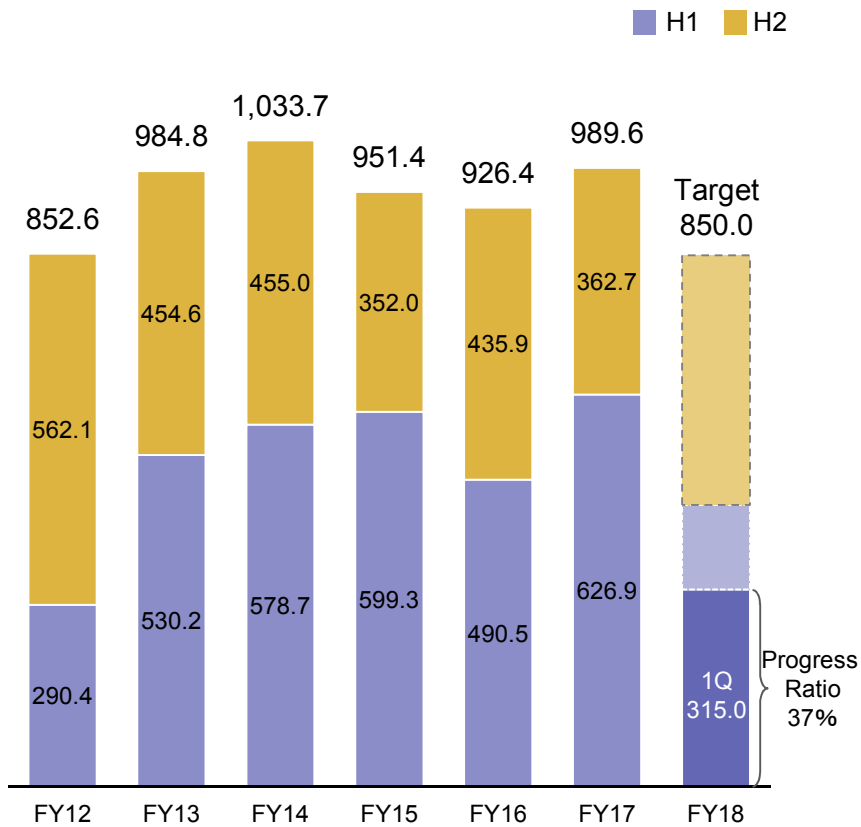
The ratio of customer segments : 57% for FY17 1Q and 79% for FY18 1Q

# Outline of profits attributable to owners of parent

【Consolidated】

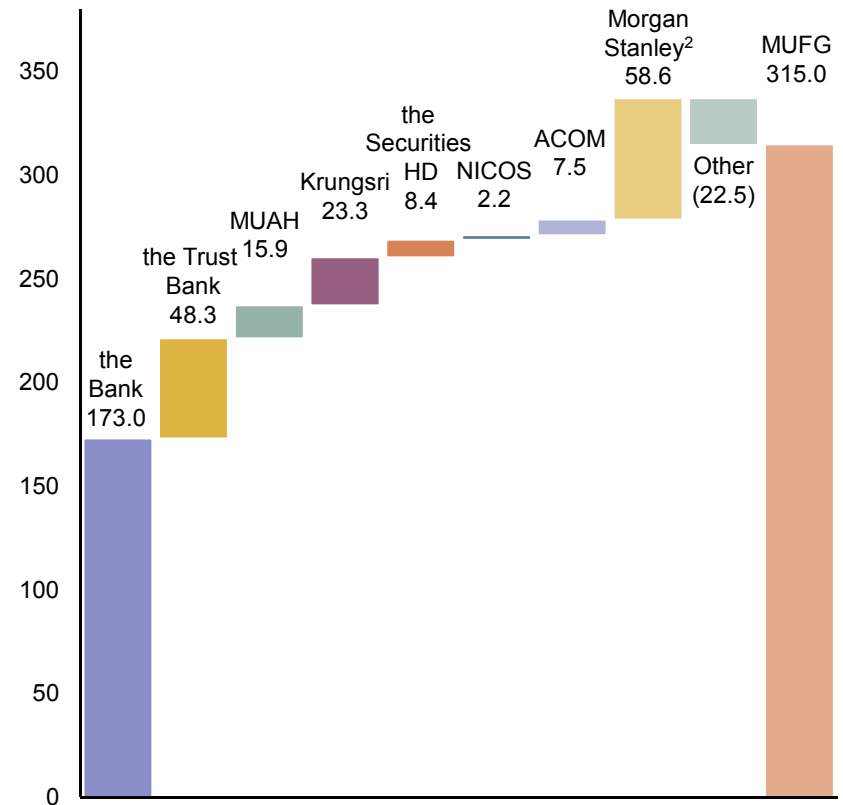
## History of profits attributable to owners of parent

(¥bn)



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

(¥bn)



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

\*2 The figure includes ¥15.2bn of losses on change in equity

# Balance sheet summary

【 Consolidated 】

## Loans (Banking + Trust accounts)

- Increased from the end of March 2018 mainly due to an increase in overseas loans.

## Investment securities

- Decreased from the end of March 2018 mainly due to decreases in Japanese government bonds and foreign bonds.

## Deposits

- Decreased from the end of March 2018 mainly due to decreases in domestic corporate and overseas deposits.

## Non performing loans (“NPLs”)

- NPL ratio declined due to a decrease in NPL.

## Net unrealized gains (losses) on available-for-sale securities

- Decreased from the end of March 2018 mainly due to declines in net unrealized gains (losses) for foreign equity securities and foreign bonds.

Balance sheet (¥bn)		Jun. 18	Changes from Mar. 18
1	Total assets	299,107.4	(7,829.9)
2	Loans (Banking + Trust accounts)	108,675.1	277.4
3	Loans (Banking accounts)	108,313.9	222.9
4	Housing loans <sup>*1</sup>	15,332.9	(121.0)
5	Domestic corporate loans <sup>*1*2</sup>	44,461.4	3.4
6	Overseas loans <sup>*3</sup>	43,237.7	288.4
7	Investment securities (Banking accounts)	55,874.7	(3,391.4)
8	Domestic equity securities	6,456.8	78.3
9	Japanese government bonds	21,160.1	(2,391.2)
10	Foreign bonds	16,881.5	(1,687.7)
11	Total liabilities	282,051.8	(7,590.5)
12	Deposits	175,683.2	(1,629.0)
13	Individual deposits (Domestic branches)	76,289.8	987.2
14	Total net assets	17,055.6	(239.3)
15	FRL disclosed loans <sup>*1*4</sup>	831.7	(93.9)
16	NPL ratio <sup>*1</sup>	0.79%	(0.09%)
17	Net unrealized gains (losses) on available-for-sale securities	3,435.5	(81.8)

\*1 Non-consolidated + trust accounts

\*2 Excluding loans to government and governmental institutions

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

\*4 FRL = the Financial Reconstruction Law

# Loans / deposits

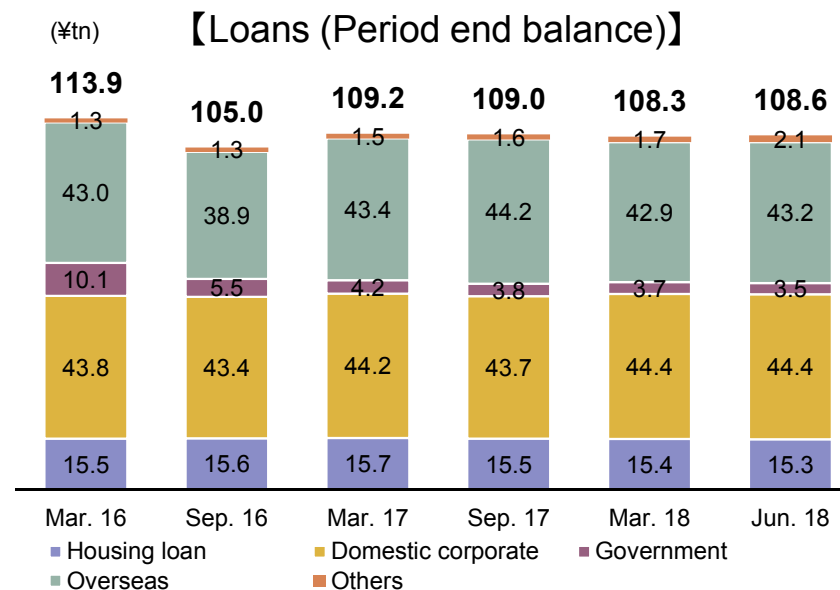
【Consolidated】

Loan balance<sup>\*1</sup> ¥108.6tn

(Increased ¥0.2tn from the end of March 2018)

## <Changes from March 2018 >

■ Housing loan	(¥0.1tn)
■ Domestic corporate <sup>*2</sup>	+¥0.0tn
Excluding impact of foreign exchange fluctuation	(¥0.3tn)
■ Government	(¥0.2tn)
■ Overseas <sup>*3</sup>	+¥0.2tn
Excluding impact of foreign exchange fluctuation	+¥0.5tn



\*1 Sum of banking and trust accounts \*2 Excluding loans to government and governmental institutions, and including foreign currency denominated loans

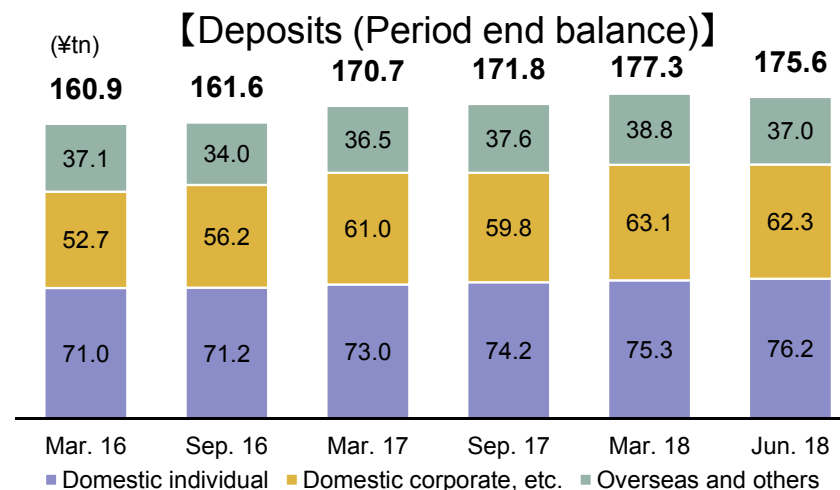
\*3 Loans booked in overseas branches, MUAH, Krungsri, the Bank (China), the Bank (Malaysia) and the Bank (Europe)

Deposit balance ¥175.6tn

(Decreased ¥1.6tn from the end of March 2018)

## <Changes from March 2018 >

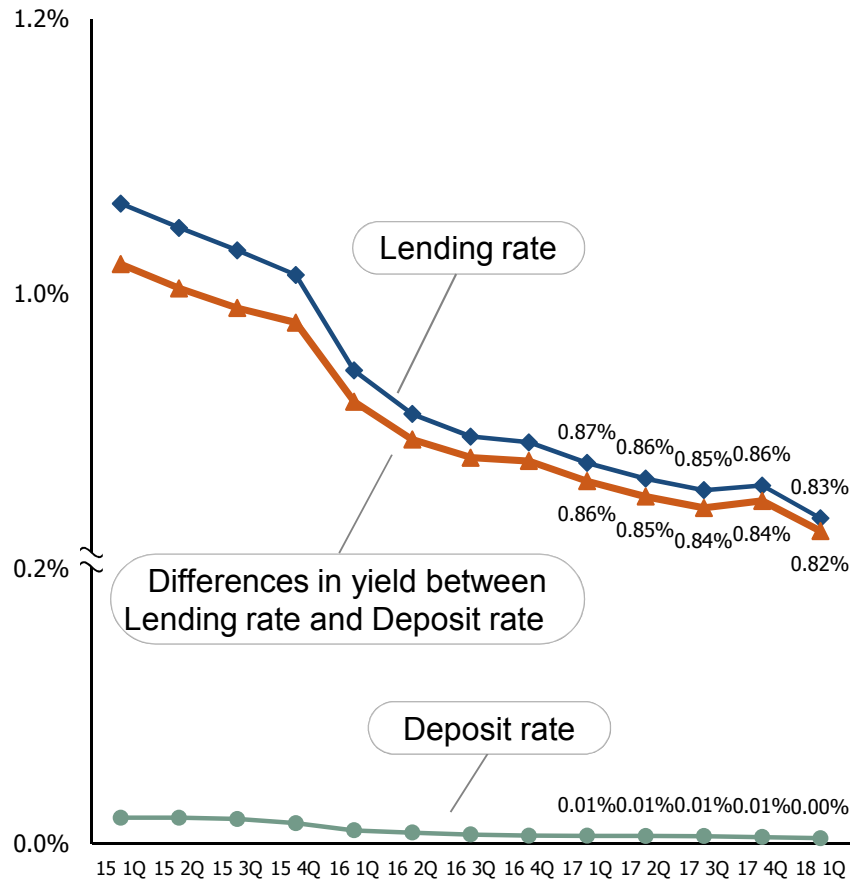
■ Domestic individual	+¥0.9tn
■ Domestic corporate, etc.	(¥0.8tn)
■ Overseas and others	(¥1.8tn)
Excluding impact of foreign exchange fluctuation	(¥1.1tn)



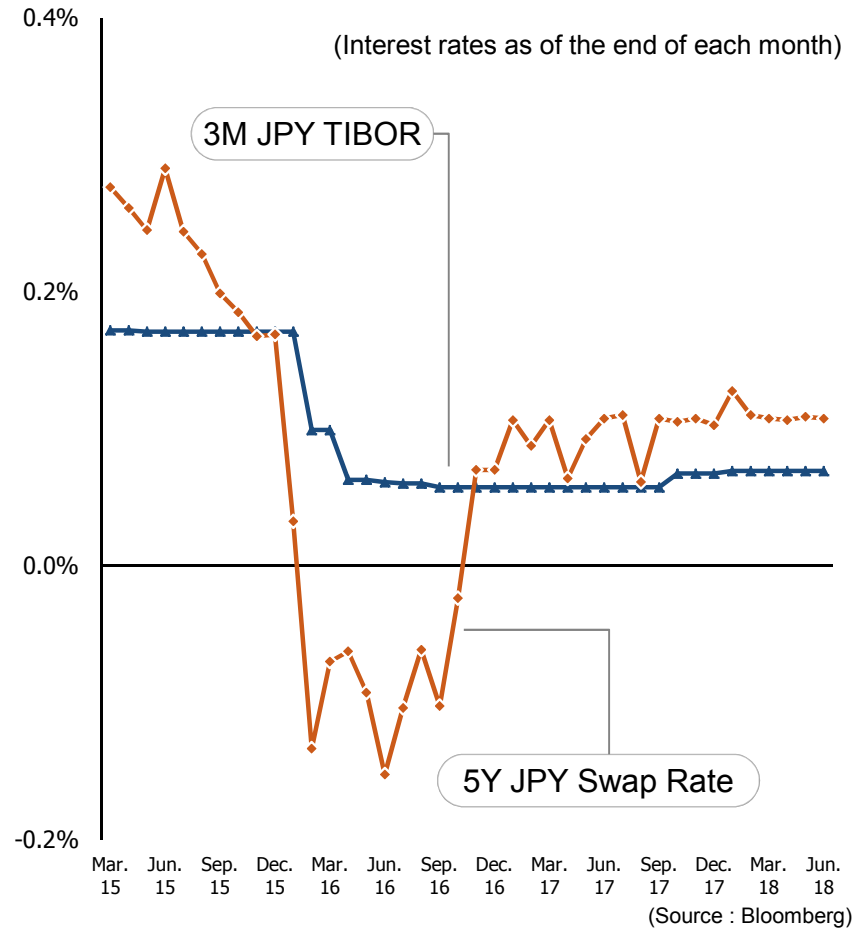
# Domestic deposit / lending rates

【 Non-consolidated 】

Changes in domestic deposit / lending rates  
(Excluding loans to government)



(Reference) Market interest rates



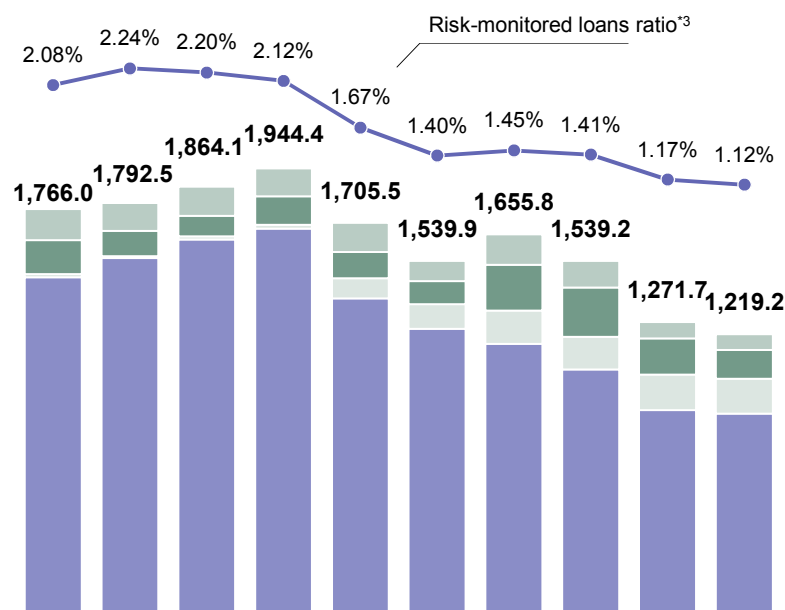


# Loan assets

[Consolidated]

## Balance of risk-monitored loans\*1

(¥bn)



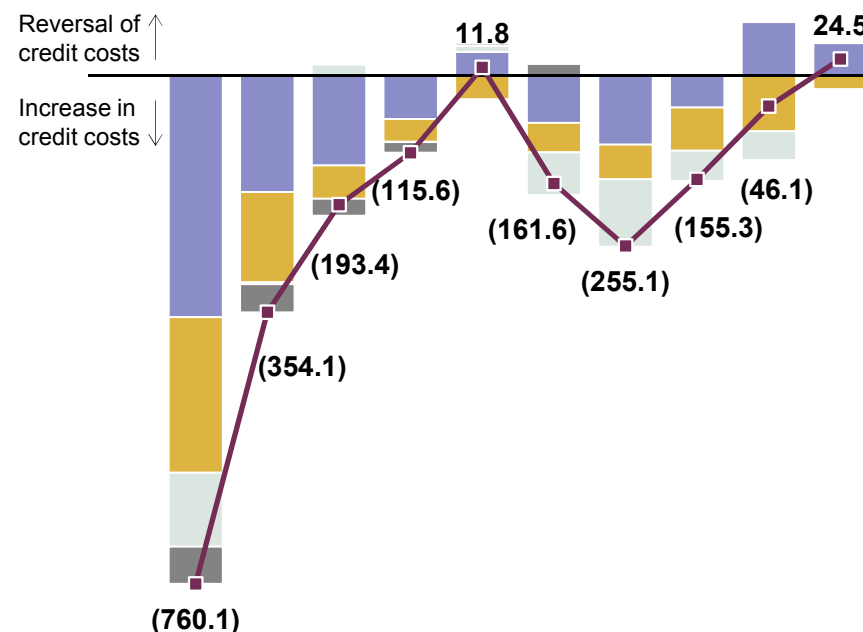
[Breakdown]

	Mar. 10	Mar. 11	Mar. 12	Mar. 13	Mar. 14	Mar. 15	Mar. 16	Mar. 17	Mar. 18	Jun. 18
EMEA <sup>2</sup>	136.3	121.2	127.2	122.0	126.3	88.2	133.9	116.0	71.3	68.6
Americas <sup>2</sup>	147.3	110.3	89.2	125.0	114.9	100.7	199.4	216.0	157.5	126.7
Asia	14.4	9.4	14.4	17.0	89.0	108.8	145.3	142.3	155.8	151.7
Domestic	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	872.0

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

## Total credit costs

(¥bn)



[Breakdown]

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18 1Q
Non-Consolidated	(361.6)	(174.2)	(134.5)	(65.3)	35.1	(71.1)	(103.7)	(47.9)	79.5	48.1
CF <sup>4</sup>	(232.2)	(135.0)	(50.1)	(33.7)	(35.7)	(44.1)	(51.6)	(64.5)	(83.6)	(21.0)
Overseas <sup>5</sup>	(110.6)	(2.7)	16.1	(0.8)	9.2	(63.2)	(100.8)	(45.0)	(42.7)	(1.7)
Others <sup>6</sup>	(55.7)	(42.1)	(24.9)	(15.6)	3.2	16.9	1.0	2.1	0.8	(0.8)

\*4 Sum of NICOS and ACOM on a consolidated basis  
 \*5 Sum of overseas subsidiaries and affiliated companies of the Bank and the Trust Bank  
 \*6 Sum of other subsidiaries and affiliated companies, and consolidation adjustment

# Investment securities

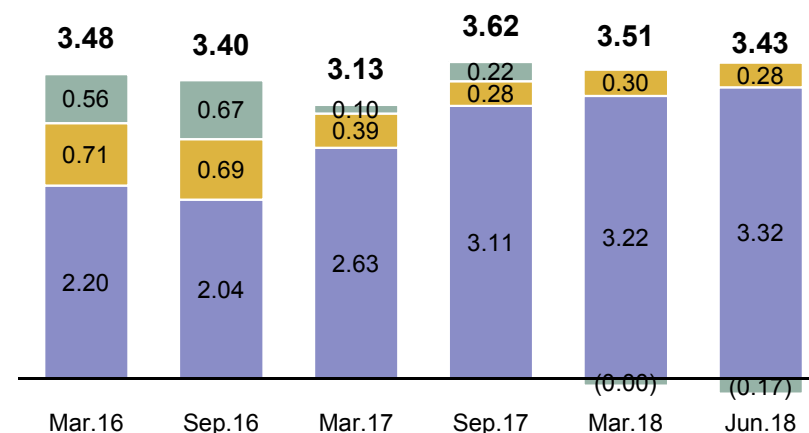
【Consolidated/Non-consolidated】

## Available-for-sale securities with fair value

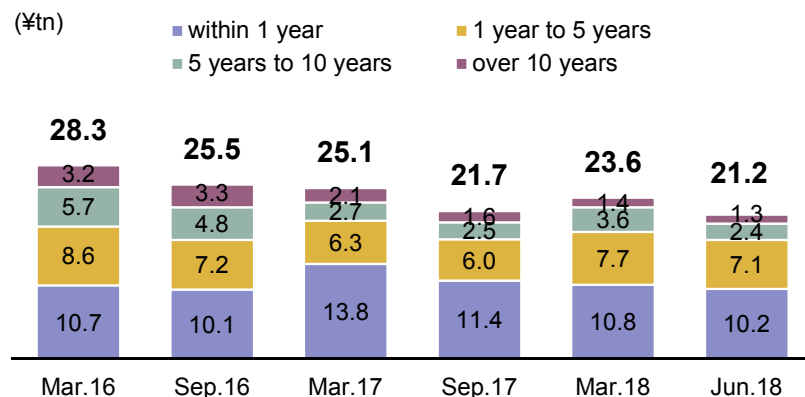
	Balance		Unrealized gains (losses)	
	Jun.18	Changes from Mar.18	Jun.18	Changes from Mar.18
1 Total	51,928.7	(3,468.5)	3,435.5	(81.8)
2 Domestic equity securities	5,627.7	86.6	3,323.7	103.5
3 Domestic bonds	24,862.6	(2,117.9)	286.2	(19.2)
4 Japanese government bonds	20,059.3	(2,391.1)	236.8	(22.1)
5 Others	21,438.4	(1,437.2)	(174.4)	(166.1)
6 Foreign equity securities	254.6	(79.8)	(34.9)	(70.9)
7 Foreign bonds	15,663.8	(1,784.5)	(207.1)	(68.0)
8 Others	5,519.8	427.1	67.7	(27.0)

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

(¥tn) ■ Domestic equity securities ■ Domestic bonds ■ Others

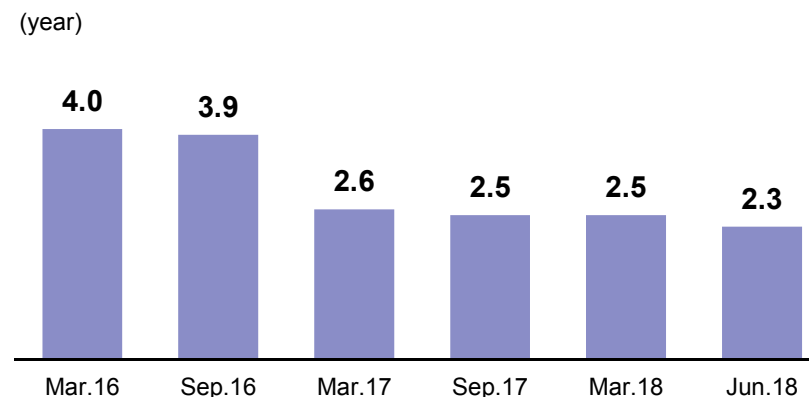


## Balance of JGB portfolio by maturity\*1



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

## Duration of JGB portfolio\*2



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