



Financial Highlights
under Japanese GAAP
for 3rd Quarter of
Fiscal Year Ending
March 31, 2024

February 5, 2024

Key Message

- FY23 1-3Q net operating profits (NOP) was **¥1,520.2bn (up by ¥138.7bn YoY)**. Despite the impact of the sale of MUB, continued momentum in enhancing earnings power, with NOP in customer segments **increasing by ¥290.0bn YoY**
- Profits attributable to owners of parent reached **¥1,297.9bn**, marking the highest 9-month profits, driven by an increase in NOP, a change in the closing date of Morgan Stanley's financial results when applying the equity method of accounting^{*1}, and the impact of JPY's depreciation
- Aiming to exceed our FY23 financial targets of ¥1,300bn in profits attributable to owners of parent and 7.5% ROE

*1 For FY23, the closing date of MS's financial results when applying the equity method of accounting will be changed from as of Dec 31, 2023 to as of Mar 31, 2024. As a result of this change, for FY23 1-3Q, MS's financial results for the 12-months period, including results for the quarter ended Mar 31, 2023, ¥77.2bn, subject to change in line with FX rate, etc., have been reflected in equity in earnings of equity method investees. For FY23, MS's financial results for the 15-months period from January 1, 2023 to March 31, 2024 will be reflected in MUFG's consolidated financial statements.

Income Statement Summary

【Consolidated】

Income Statement

(¥bn)	FY22 1-3Q	FY23 1-3Q	YoY	After adjustment of MUB *1
1 Gross profits (before credit costs for trust accounts)	3,579.8	① 3,619.1	39.2	–
2 Net interest income	2,313.7	1,799.9	(513.7)	–
3 Trust fees	1,247.9	1,285.0	37.1	–
4 + Net fees and commissions				
Net trading profits (losses)	18.1	534.0	515.9	–
+ Net other operating profits (losses)				
5 Net gains (losses) on debt securities	(572.3)	(197.0)	375.3	–
6 G&A expenses	2,198.3	② 2,098.8	(99.4)	–
7 Net operating profits	1,381.5	1,520.2	138.7	–
8 Total credit costs	(484.5)	③ (263.6)	220.8	(221.5)
9 Net gains (losses) on equity securities	203.1	227.4	24.3	–
10 Net gains (losses) on sales of equity securities	216.0	233.1	17.0	–
11 Losses on write-down of equity securities	(12.9)	(5.6)	7.3	–
12 Equity in earnings of equity method investees	357.6	361.8	4.2	–
13 Other non-recurring gains (losses)	(608.8)	④ (44.1)	564.7	205.3
14 Ordinary profits(losses)	848.9	1,801.8	952.9	151.1
15 Net extraordinary gains (losses)	(64.5)	(41.1)	23.4	–
16 Total of income taxes-current and income taxes-deferred	(381.5)	(407.2)	(25.6)	–
17 Profits attributable to owners of parent	343.1	⑤ 1,297.9	954.7	152.9
18 EPS (¥)	27.69	108.04	80.35	–
<Reference>				
19 ROE (MUFG basis)*2	2.88%	9.99%	7.11%	–
20 ROE (JPX basis)*2	2.72%	9.58%	6.87%	–
21 Expense ratio	61.4%	② 57.9%	(3.4%)	–

① Gross profits

- Net interest income was down due to the absence of gains on investment trusts cancellation of ¥540.4bn included in FY22 1-3Q and the impact of the sale of MUB, although foreign interest income of loans and deposits increased
- Net fees and commissions were up, driven by an increase in foreign loan-related fees and AM/IS business fees
- Net trading profits + Net other operating profits were up mainly due to the absence of net losses on debt securities of ¥(572.3)bn included in FY22 1-3Q through rebalancing the bond portfolio

② G&A expenses / Expense Ratio

- Down by ¥(99.4)bn YoY, due to the impact of the sale of MUB
- Expense ratio was 57.9%, down by 3.4 ppt YoY along with an increase in Gross profits

③ Total credit costs

- Improved by ¥220.8bn 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 1-3Q

④ Other non-recurring gains (losses)

- Up by ¥564.7bn YoY, due to the absence of valuation losses on bonds held by MUB, etc.

⑤ Profits attributable to owners of parent

- ¥1,297.9bn, up by ¥954.7bn YoY, hitting the highest 9-month profits in MUFG history

*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 ¥986.0bn (after tax) included in FY22 1-3Q. Total credit costs : ¥442.4bn, Other non-recurring gains (losses) : ¥359.3bn, Ordinary profits : ¥801.7bn, Profits attributable to owners of parent : ¥801.7bn

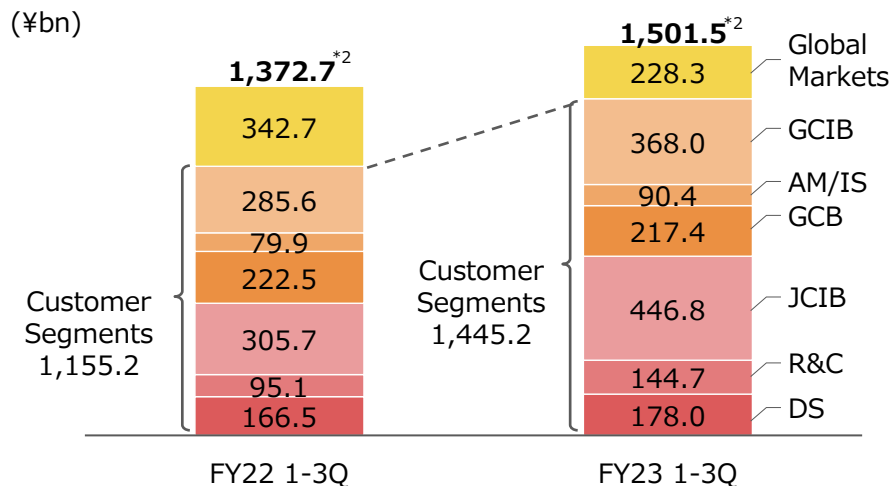
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*2 MUFG basis : approx. 9.4%, JPX(Japan Exchange Group) basis : approx. 9.0%, respectively excluding the impact associated with the change of the closing date in the equity method of accounting for MS

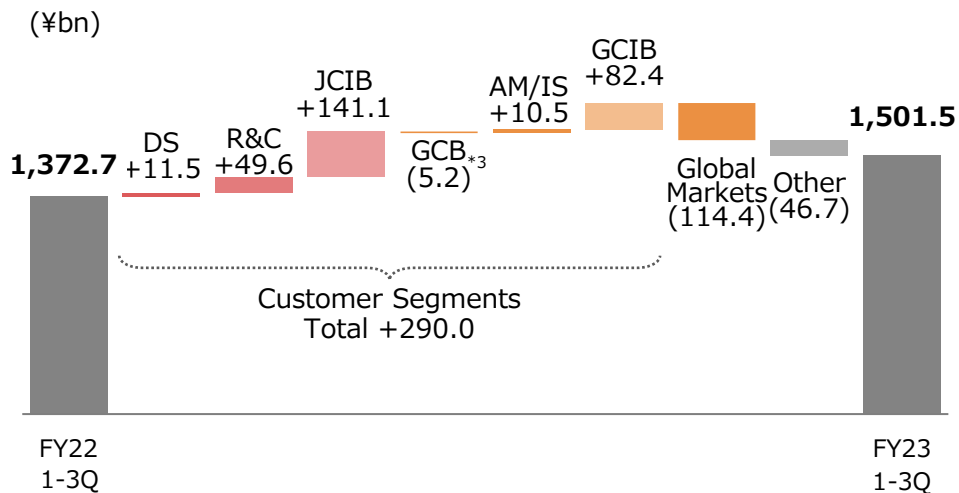
Outline of Results by Business Segment (1/2)

【Consolidated】

Net Operating Profits by Business Segment*1



Breakdown of Changes in Net Operating Profits



Overview

DS	NOP increased reflecting growth in CF*4 and higher transaction volume in Card settlement in the midst of economic recovery from the COVID-19 pandemic, as well as higher deposit interest income reflecting higher interest rates.
R&C	NOP increased driven by an increase in lending and deposit interest income reflecting higher interest rates outside Japan and improved spreads, by an increase in WM*5 business due to recovery in the stock market environment, and by the growth in the solutions business largely led by LBO*6 deals.
JCIB	NOP increased mainly due to increases in interest income from lending and deposit-taking operations reflecting higher interest rates outside Japan and improved lending spreads as well as increases in fee income from the primary securities market business due to recovery in the stock market environment.
GCB	While NOP decreased impacted by the sale of MUB, profits of KS and BDI increased primary due to an increase in net interest income reflecting higher interest rates and improved lending spreads as well as loan balance growth.
AM/IS	NOP increased driven by higher transaction volume both domestic and global, largely led by Global IS*7, and performance-based fees in FSI, partially offset by expenses related to the acquisition of AlbaCore Capital Group.
GKIB	NOP increased due to the growth in non-interest income reflecting the robust performance of project finance and capital markets in the US and Europe as well as the growth in interest income from lending reflecting higher interest rates and improved lending spreads.
Global Markets	NOP decreased. Sales & Trading has made steady growth in its flow transactions by capturing market volatility, while the Treasury business has experienced a decrease in interest income, primarily due to increased funding costs of foreign currencies, driven by higher overseas interest rates.

*1 On a managerial accounting basis *2 Include net operating profits for "Other" segment (FY22 1-3Q:¥(125.3)bn, FY23 1-3Q:¥(172.0)bn)

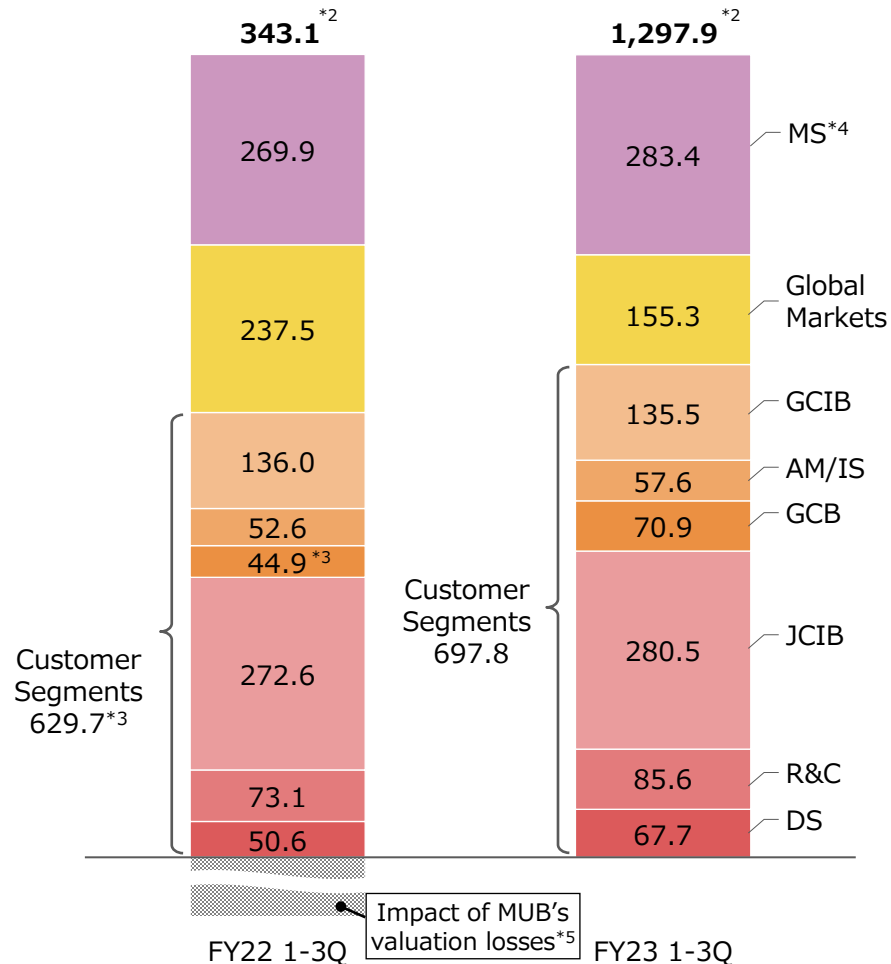
*3 Include the impact of the sale of MUB: Approx. ¥(53)bn *4 Consumer Finance *5 Wealth Management *6 Leveraged Buyout *7 Investor Services

Outline of Results by Business Segment (2/2)

【Consolidated】

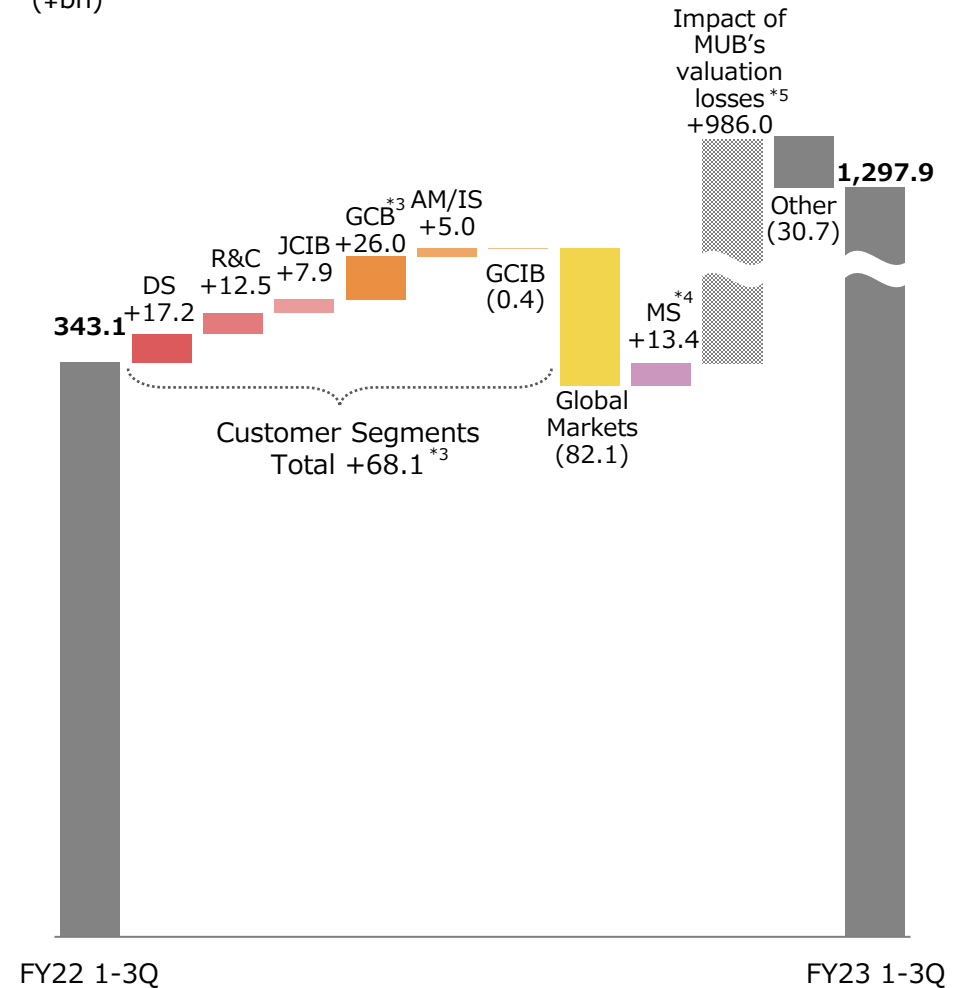
Net Income by Business Segment*1

(¥bn)



Breakdown of Changes in Net Income

(¥bn)



*1 On a managerial accounting basis (preliminary results). Local currency basis *2 Include other net income (FY22 1-3Q:¥192.1bn, FY23 1-3Q:¥161.4bn)

*3 Exclude the impact of MUB's valuation losses *4 Include the impact amount of ¥77.2bn, subject to change in line with FX rate, etc., associated with the change of the closing date in the equity method of accounting for MS *5 Valuation losses on bonds held by MUB, etc. included in FY22 1-3Q (after tax)

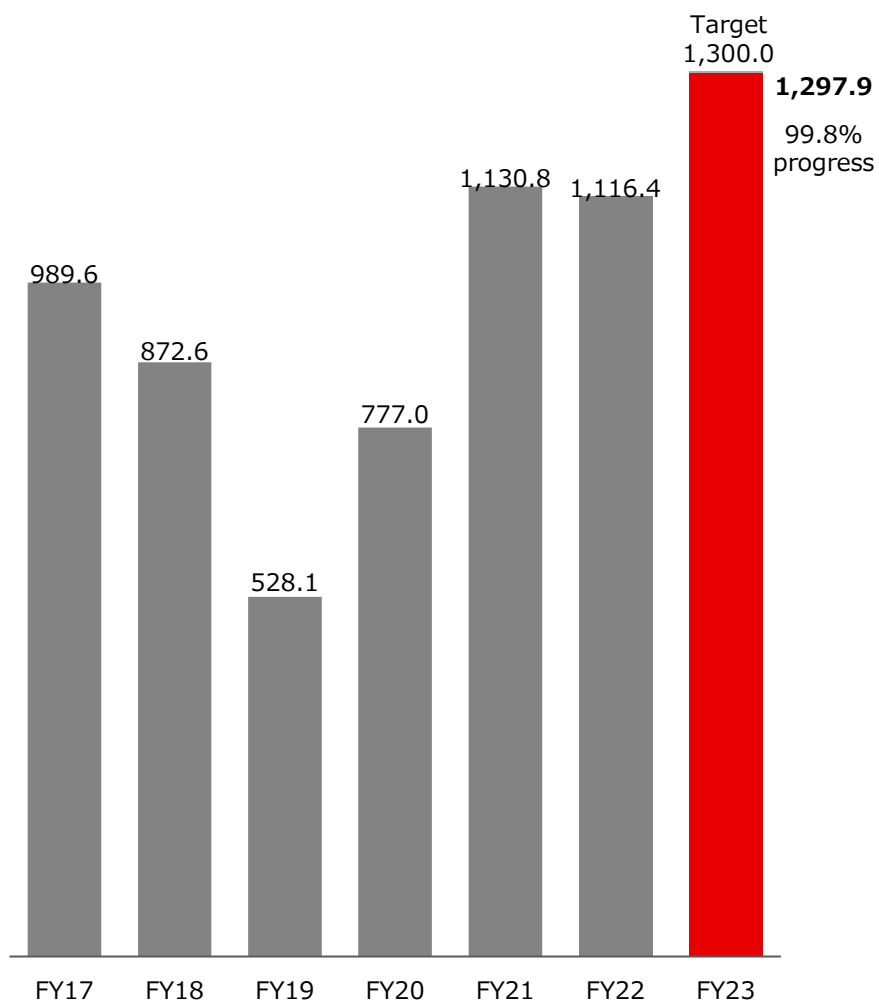


Progress toward Target and Breakdown by Entity

【Consolidated】

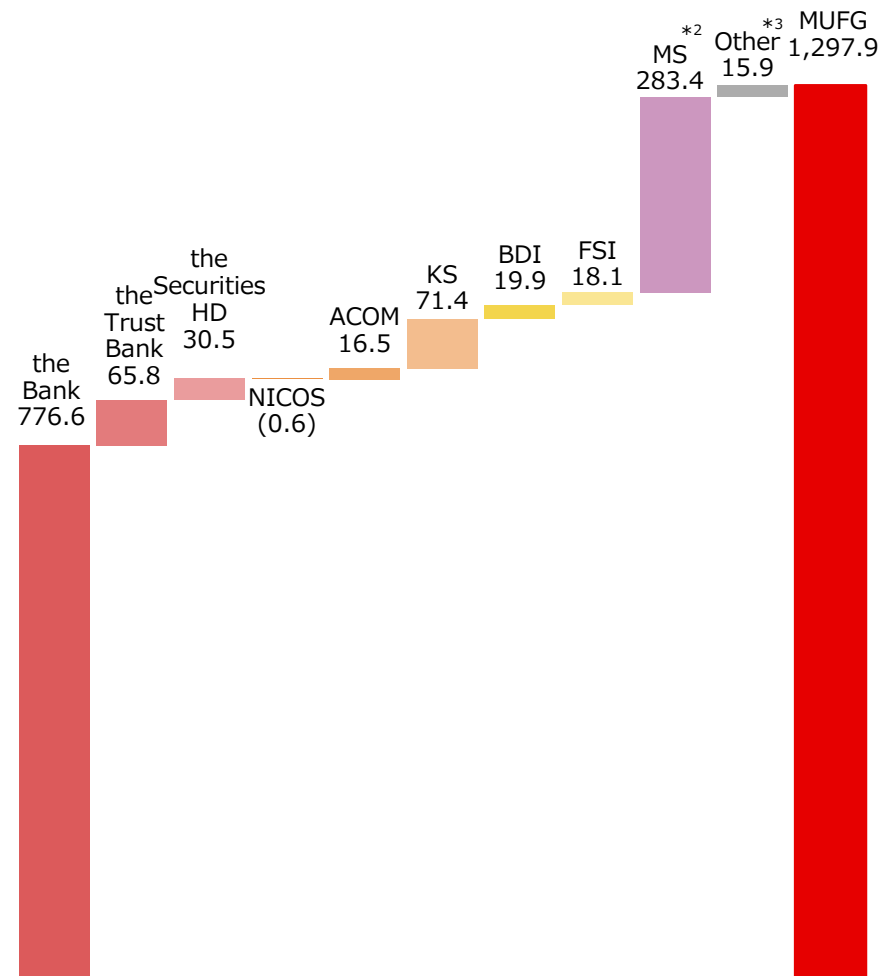
History of Profits Attributable to Owners of Parent

(¥bn)



Breakdown of Profits Attributable to Owners of Parent*1

(¥bn)



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

6 *2 Include the impact amount of ¥77.2bn, subject to change in line with FX rate, etc., 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

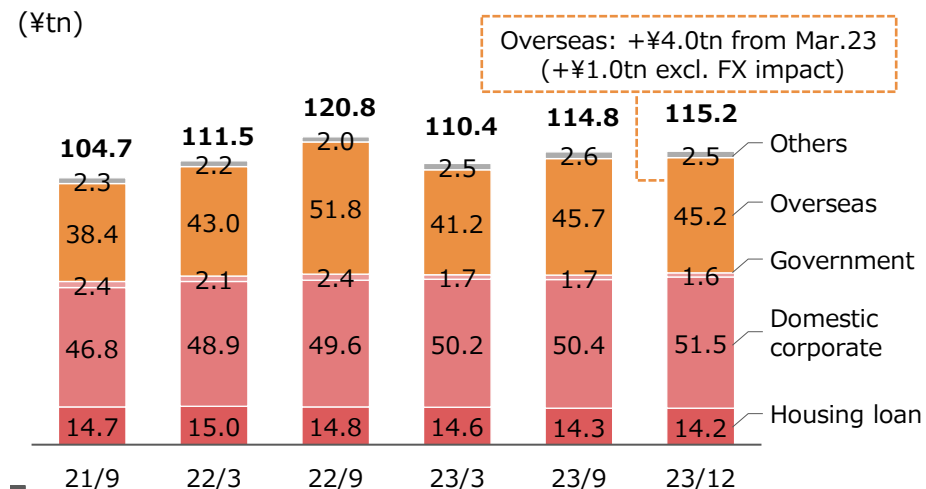
Balance Sheet Summary

【Consolidated】

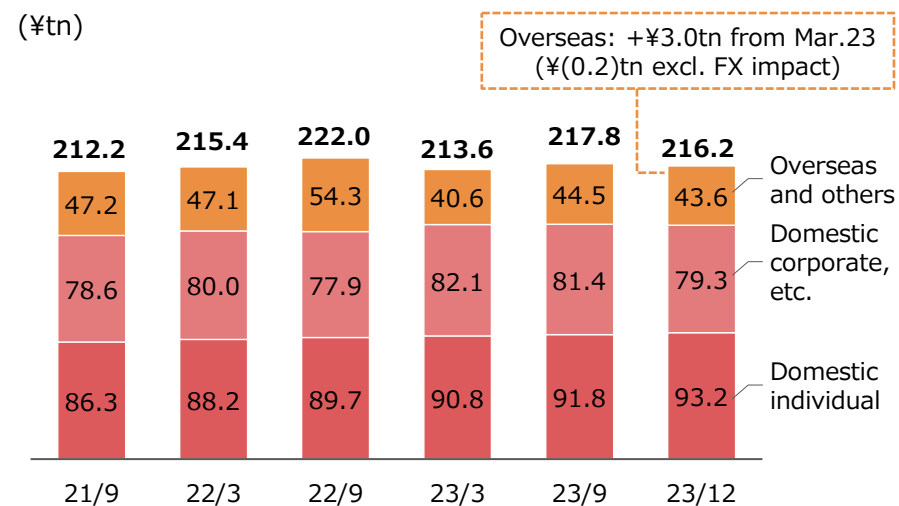
Balance Sheet

(¥bn)	End Dec.23	Changes from End Mar.23
1 Total assets	397,056.9	10,257.4
2 Loans (Banking + Trust accounts)	115,278.8	4,854.6
3 Loans (Banking accounts)	114,159.9	5,013.6
4 Housing loans ^{*1}	14,246.3	(386.0)
5 Domestic corporate loans ^{*1*2}	51,503.2	1,252.5
6 Overseas loans ^{*3}	45,292.2	4,064.2
7 Investment securities (Banking accounts)	84,005.4	(2,741.4)
8 Domestic equity securities	5,564.6	416.2
9 Japanese government bonds	35,977.2	(1,055.5)
10 Foreign bonds	24,238.0	(1,385.4)
11 Total liabilities	377,062.0	8,535.4
12 Deposits	216,257.5	2,648.0
13 Domestic individuals ^{*4}	93,249.5	2,394.9
14 Domestic corporates etc. ^{*4}	79,324.0	(2,817.9)
15 Overseas and others	43,683.9	3,071.0
16 Total net assets	19,994.9	1,722.0
17 Non-performing loans	1,597.0	33.6
18 NPL ratio	1.23%	(0.03%)
19 Net unrealized gains (losses) on available-for-sale securities	2,064.9	644.7

Loans (Period End Balance)



Deposits (Period End Balance)



7

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

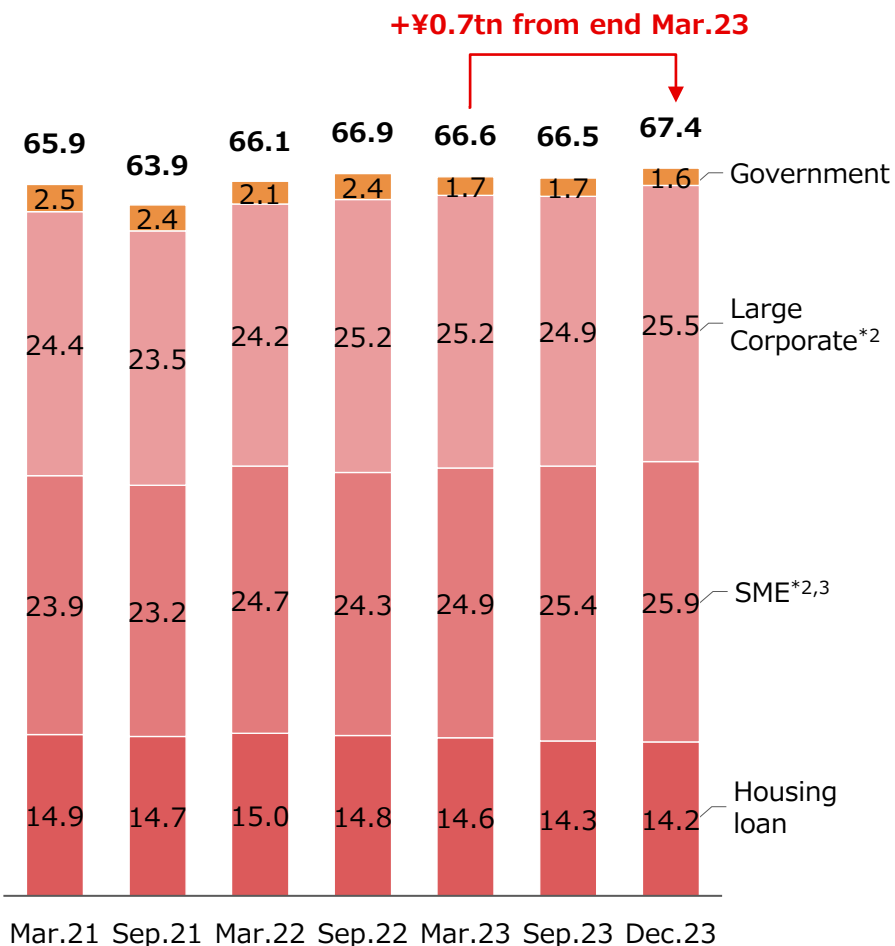
*3 Loans booked in overseas branches, MUAH, KS, BDI, the Bank (China), the Bank (Malaysia) and the Bank (Europe) *4 Non-consolidated



Domestic Loans

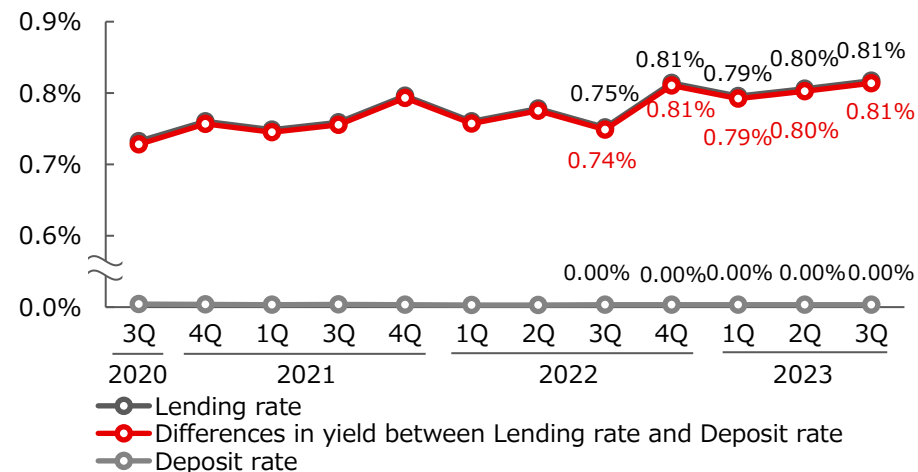
Loan Balance (Period End Balance)*1

(¥tn)

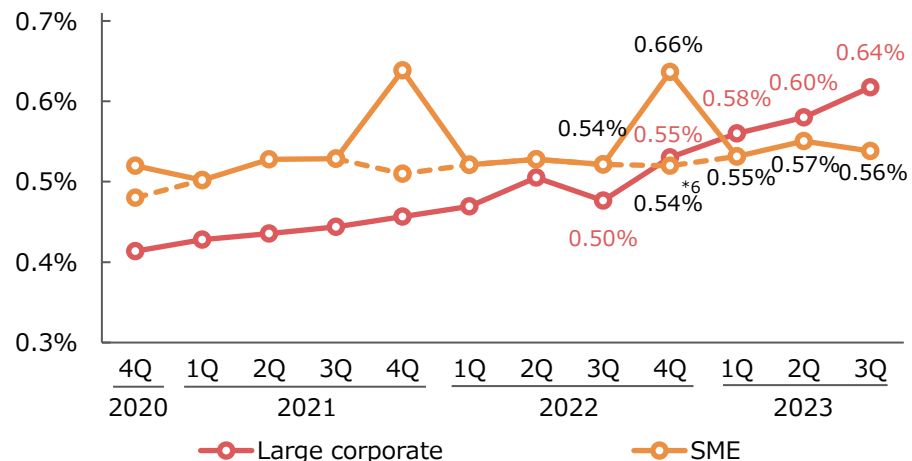


【Consolidated / Non-Consolidated】

Changes in Domestic Deposit / Lending Rates*4



Domestic Corporate Lending Spreads*2,4,5



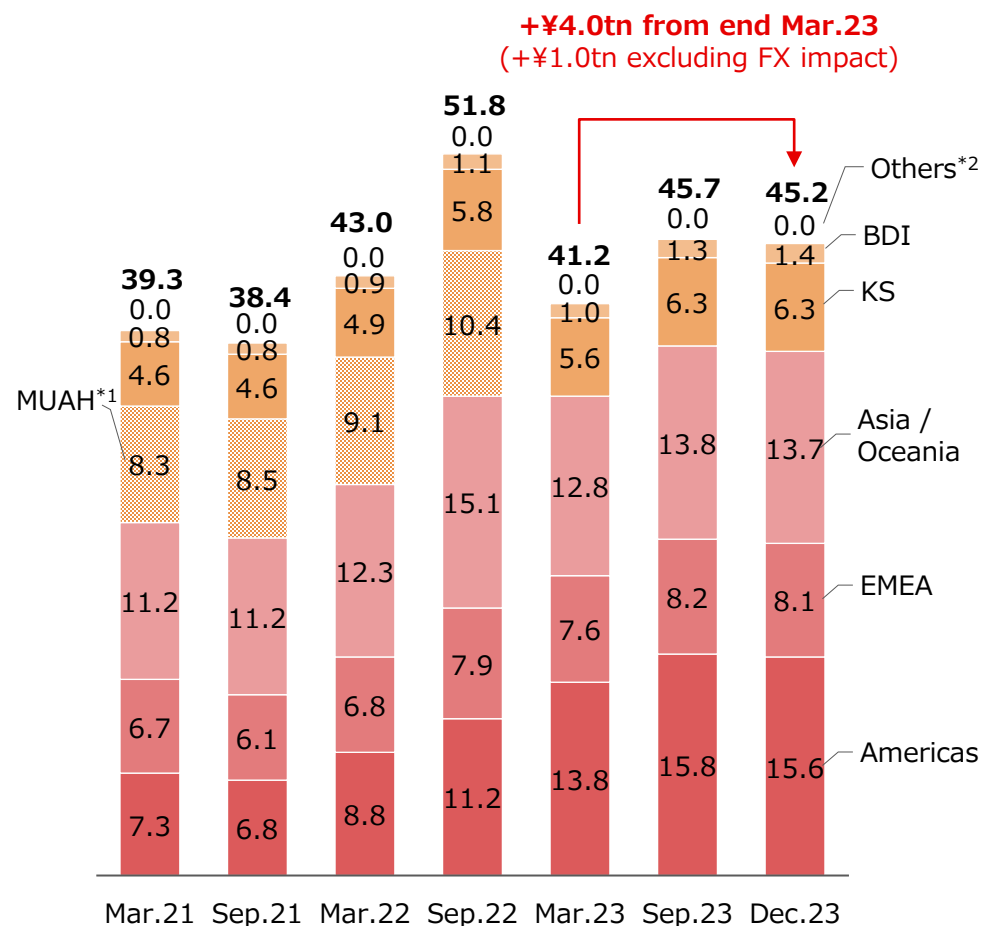
8 *1 Bank + trust accounts *2 Including foreign currency-denominated loans *3 Domestic loans to small / medium-sized companies and proprietors (excluding domestic consumer loans) *4 Excluding loans to government *5 On a managerial accounting basis. Non-consolidated *6 Excluding the impact of collective recording of interest received at fiscal year-end via subsidized interest payment programs



Overseas Loans

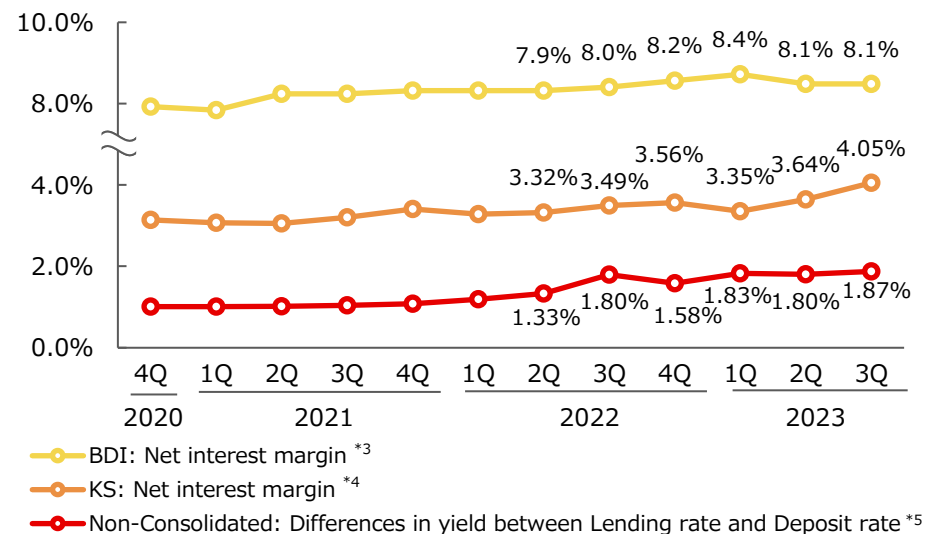
Loan Balance (Period End Balance)

(¥tn)

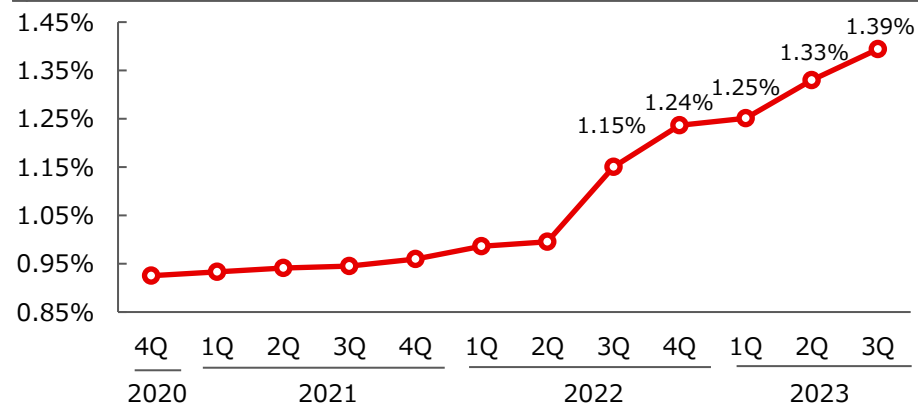


【Consolidated / Non-Consolidated】

Changes in Overseas Deposit / Lending Rates



Overseas Lending Spreads*5



*1 "MUAH" is included in "Americas" from Mar.23. Approx. ¥2.7tn loans were transferred from MUAH to overseas branch of the Bank upon the sale of MUB

*2 Loans booked at offshore markets etc. *3 Financial results as disclosed in BDI's financial reports based on Indonesia GAAP. Calculation method modified from FY21 and retroactively applied in this document

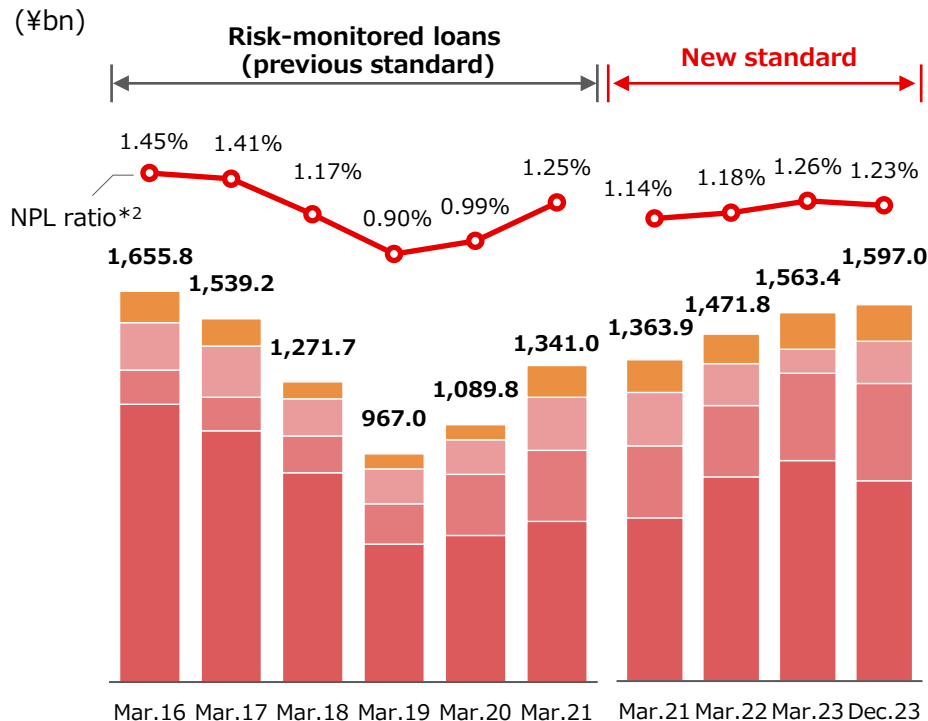
*4 Financial results as disclosed in KS's financial reports based on Thai GAAP, and starting from January 1, 2020, Thailand adopted TFRS 9

*5 On a managerial accounting basis. Non-consolidated

Loan Assets

【Consolidated】

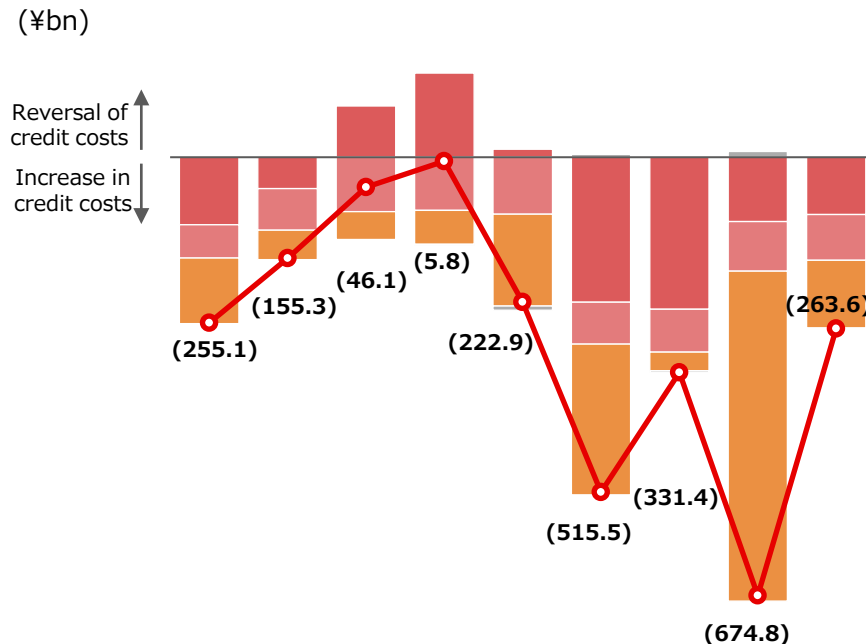
Non-performing Loans*1



Breakdown

	Mar.16	Mar.17	Mar.18	Mar.19	Mar.20	Mar.21	Mar.21	Mar.22	Mar.23	Dec.23
EMEA	133.9	116.0	71.3	64.0	63.7	134.7	138.7	124.0	155.2	154.0
Americas	199.4	216.0	157.5	148.2	145.5	224.7	226.7	178.1	102.1	179.9
Asia	145.3	142.3	155.8	170.3	259.1	300.5	305.8	302.9	370.2	412.6
Domestic	1,177.1	1,064.7	887.0	584.3	621.3	680.9	692.5	866.6	935.8	850.4

Total Credit Costs



Breakdown

	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	1-3Q
Non-consolidated	(103.7)	(47.9)	79.5	129.8	12.6	(223.2)	(233.8)	(98.8)	(88.0)	
CF*3	(51.6)	(64.5)	(83.6)	(81.7)	(87.6)	(64.4)	(66.0)	(76.5)	(70.3)	
Overseas*4	(100.8)	(45.0)	(42.7)	(52.3)	(141.6)	(232.3)	(28.9)	(508.3)	(104.6)	
Others*5	1.0	2.1	0.8	(1.5)	(6.2)	4.5	(2.6)	8.9	(0.5)	

*1 Because the definition of risk-monitored loans 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 Sum of NICOS and ACOM on a consolidated basis

*4 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 September 30, 2023) for the quarter ended December 31, 2023 will be approx. ¥50bn. The subsidiaries' total credit costs will be reflected in consolidated financial statements for the quarter ending March 31, 2024

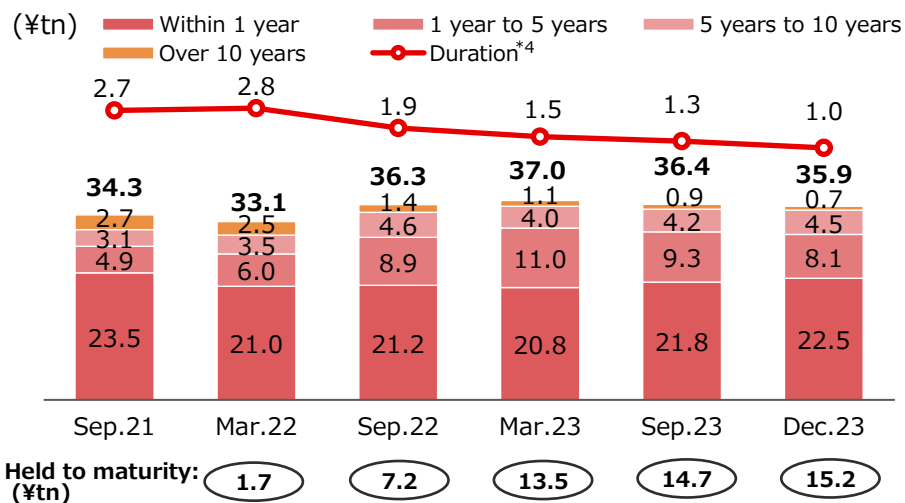
*5 Sum of other subsidiaries and consolidation adjustment

Investment Securities

Securities with Fair Value

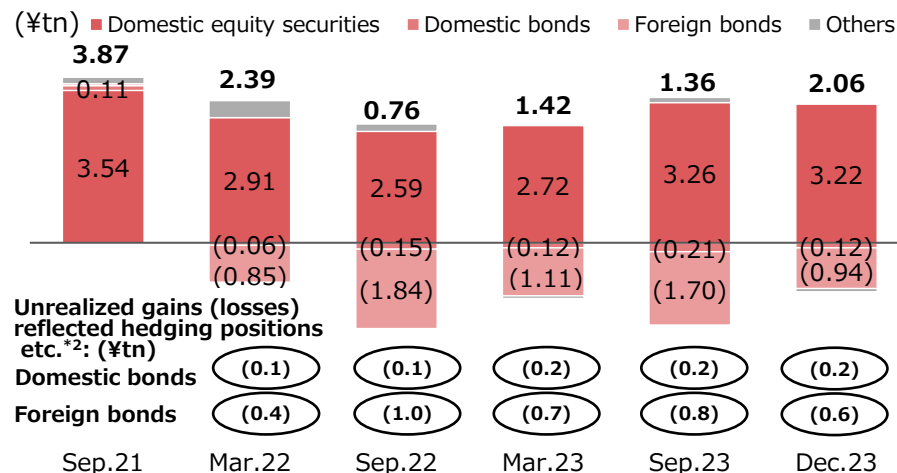
(¥bn)	Balance End Dec.23		Unrealized gains (losses)	
		Changes from Mar.23		Changes from Mar.23
1 Held to maturity	24,929.9	3,409.8	–	–
2 Available for sale	59,120.7	(6,000.3)	2,064.9	644.7
3 Domestic equity securities	4,672.1	400.2	3,220.9	500.2
4 Domestic bonds	24,728.1	(5,023.7)	(127.2)	(7.2)
5 Japanese government bonds	20,734.1	(2,784.6)	(77.1)	9.1
6 Others	29,720.4	(1,376.7)	(1,028.6)	151.8
7 Foreign equity securities	665.5	257.1	2.2	67.8
8 Foreign bonds	19,691.7	(2,018.4)	(947.3)	168.8 ^{*1}
9 Others	9,363.2	384.4	(83.5)	(84.8)

Balance of JGB Portfolio by Maturity^{*3}



[Consolidated / Non-Consolidated]

Unrealized Gains (Losses) on Available-for-sale Securities



Selling Amount of Equity Holdings (Approx.)^{*5}

(¥bn)	Amount of Sale	Acquisition Cost Basis	Net Gains (Losses)
1 FY15–20 Total	1,545.0	870.0	675.0
2 FY21	470.0	169.0	301.0
3 FY22	425.0	154.0	271.0
4 FY23 1-3Q	319.0	106.0	213.0
5 FY21–23 Target	-	500.0	-
6 Agreed Amount ^{*6} (End Dec.23)	-	121.0	-

11 *1 Approx. ¥0.2tn excluding FX impact *2 On a managerial accounting basis. Approximate amount
 *3 Available-for-sale securities and held-to-maturity securities. Non-consolidated *4 Available-for-sale securities. Non-consolidated. Unit: year
 *5 Sum of the Bank and the Trust Bank *6 Amount planned to be sold until FY23

(Reference) Breakdown of Gross profits by Entity

【Consolidated】

Net interest income

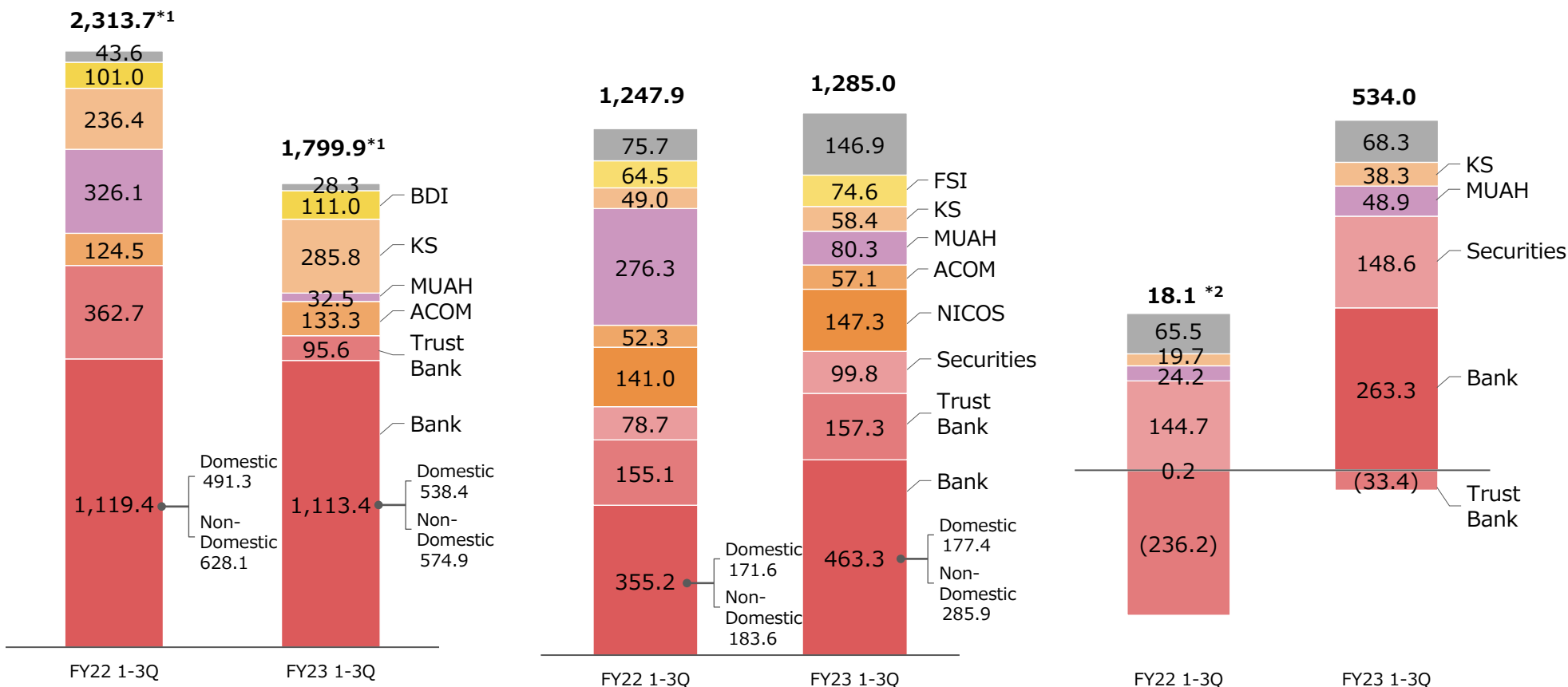
Trust fees + Net fees and commissions

Net trading profits + Net other operating profits

(¥bn)

(¥bn)

(¥bn)



■ the Bank (Non-Consolidated) ■ the Trust Bank ■ the Securities ■ NICOS ■ ACOM ■ MUAH ■ KS ■ BDI ■ FSI ■ Others*3

*1 Include gains on investment trusts cancellation of FY22 1-3Q:¥540.4bn, FY23 1-3Q:¥103.6bn, respectively

*2 Include losses on debt securities of ¥572.3bn through rebalancing the bond portfolio *3 Include consolidation adjustments

Disclaimer

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. We will publish U.S. GAAP financial results in a separate disclosure document when such information becomes available.

Definitions of Figures and Abbreviations Used in This Document

• Gross profits:	Gross profits before credit costs for trust accounts		
• Net operating profits:	Net operating profits before credit costs for trust accounts and provision for general allowance for credit losses		
• ROE (MUFG definition) :	$\frac{\text{Profits attributable to owners of parent for 1-3Q of respective fiscal year} \div 3 \times 4}{\frac{\{(\text{Total shareholders' equity at the beginning of the period} + \text{Foreign currency translation adjustments at the beginning of the period} \} + \{ \text{Total shareholders' equity at the end of the period} + \text{Foreign currency translation adjustments at the end of the period} \}}{\div 2}}$		
• Total credit costs:	Credit costs for trust accounts+Provision for general allowance for credit losses+Credit costs+Reversal of allowance for credit losses+Reversal of reserve for contingent losses included in credit costs+Gains on loans written-off		
• Consolidated:	Mitsubishi UFJ Financial Group (consolidated)		
• Non-consolidated:	MUFG Bank (non-consolidated) + Mitsubishi UFJ Trust and Banking (non-consolidated) (without any adjustments)		
• DS:	Digital Service Business Group		
• R&C:	Retail & Commercial Banking Business Group		
• JCIB:	Japanese Corporate & Investment Banking Business Group		
• GCB:	Global Commercial Banking Business Group		
• AM/IS:	Asset Management & Investor Services Business Group		
• GCIB:	Global Corporate & Investment Banking Business Group		
• Global Markets:	Global Markets Business Group		
	• the Bank:	MUFG Bank	
	• the Trust Bank:	Mitsubishi UFJ Trust and Banking	
	• the Securities HD:	Mitsubishi UFJ Securities Holdings	
	• MUMSS:	Mitsubishi UFJ Morgan Stanley Securities	
	• NICOS:	Mitsubishi UFJ NICOS	
	• MUAH:	MUFG Americas Holdings	
	• MUB:	MUFG Union Bank	
	• KS:	Bank of Ayudhya (Krungsri)	
	• BDI:	Bank Danamon	
	• FSI:	First Sentier Investors	
	• MS	Morgan Stanley	