

Global strategy

Mitsubishi UFJ Financial Group
June 2013

This document contains forward-looking statements in regard to forecasts, targets and plans of Mitsubishi UFJ Financial Group, Inc. (“MUFG”) and its group companies (collectively, “the group”). These forward-looking statements are based on information currently available to the group and are stated here on the basis of the outlook at the time that this document was produced. In addition, in producing these statements certain assumptions (premises) have been utilized. These statements and assumptions (premises) are subjective and may prove to be incorrect and may not be realized in the future. Underlying such circumstances are a large number of risks and uncertainties. Please see other disclosure and public filings made or will be made by MUFG and the other companies comprising the group, including the latest kessantanshin, financial reports, Japanese securities reports and annual reports, for additional information regarding such risks and uncertainties. The group has no obligation or intent to update any forward-looking statements contained in this document

In addition, information on companies and other entities outside the group that is recorded in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by the group and cannot be guaranteed

The financial information used in this document was prepared in accordance with accounting standards generally accepted in Japan, or Japanese GAAP

Definitions of figures used in this document

Consolidated	Mitsubishi UFJ Financial Group (consolidated)
Non-consolidated	Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without any adjustments)
Commercial bank consolidated	Bank of Tokyo-Mitsubishi UFJ (consolidated)

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Introduction – Global network

Global network (as of end Apr 2013)



Office openings and capital increases since FY12									
EMEA	Office openings	FY12	Sep	Vladivostok Sub-Branch	Asia	Office openings	FY12	Apr	Perth Branch
			Oct	Dubai Branch (formerly Dubai Office)				Jul	Penang Branch
	Capital increase	FY12	Jun	ZAO BTMU (Eurasia)			Jul	Shenyang Branch	
Americas	Capital increases	FY12	Aug	BTMU (Canada)			Nov	Neemrana Branch	
			Dec	Santiago Branch		FY13	Apr	Yangon Representative Office	
						FY12	Dec	Manila branch	

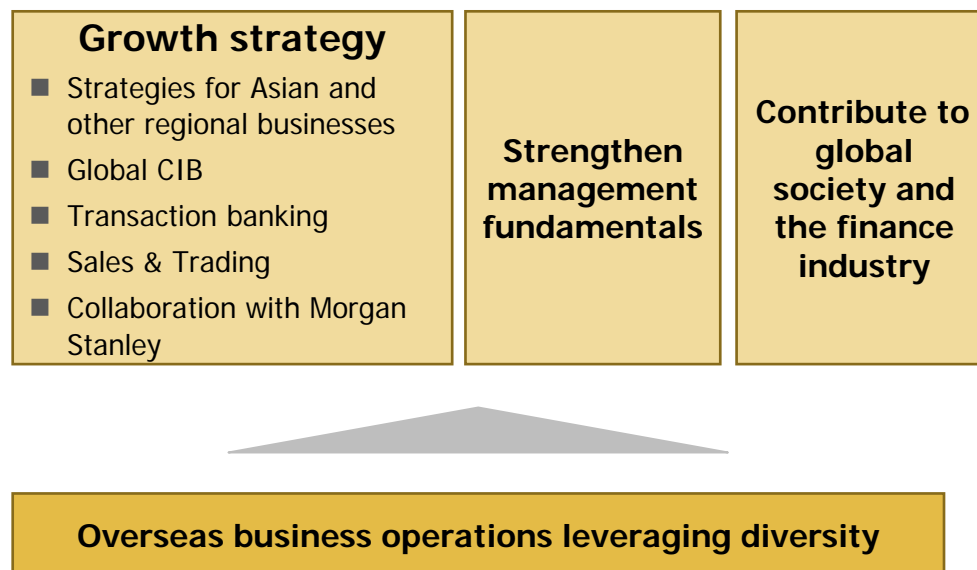
(Note)1. Another 7 service points in Jakarta (Bekasi, MM2100 Industrial Town, Karawang, Sunter, Cengkareng, Cikampek, Kota Deltamas)

MUFG's overseas business strengths/strategy overview

MUFG's strengths in overseas markets

- The most extensive overseas network of any Japanese bank
- Close ties to local information and culture through an operational structure built around locally-hired employees
- Strong relationships with governments, information-gathering ability and know-how based on our long-term commitment to overseas business
- Union Bank's solid presence in retail, mid-market, and wholesale operations in the U.S., the world's top financial market
- Strategic partnership with Morgan Stanley, with world-class industry knowledge and investment banking capability

Overview of overseas business strategy



Key points for implementation of business strategy

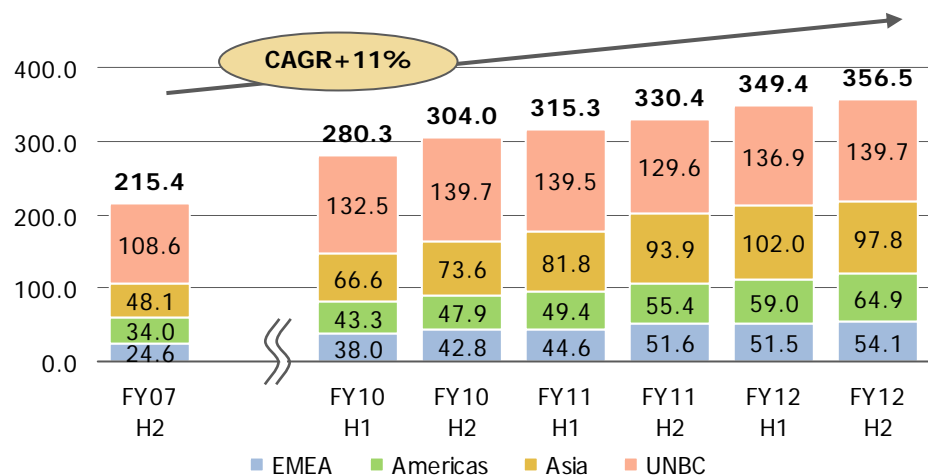
- 1 Promote "cross-" initiatives**
Respond to change in operating environment/client needs through cooperation and collaboration across organizations, regions, and business entities
- 2 Develop frontier areas**
Execute non-organic growth strategies and develop new businesses and operations in emerging markets
- 3 Leverage management diversity**
Leverage the strengths of a diverse management made up of Home Staff (HS) and Local-hired Staff (LS)

Current overseas business

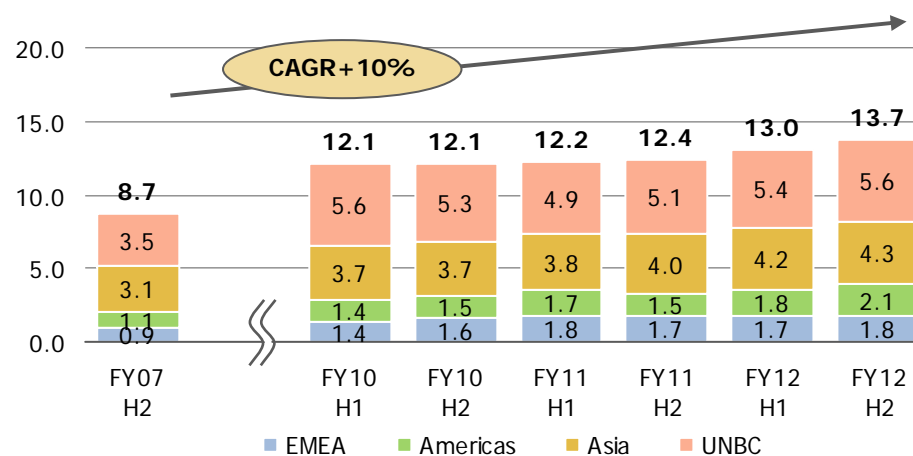
(Commercial bank consolidated)

- Solid increase in gross profits, approx. 1.7 times increase over the last 5 years
- Expanded our lending in the Asia, Americas and EMEA. Customer deposits also growing well. In addition, due to our strict credit controls, the risk-monitored overseas loans ratio remains at a low level

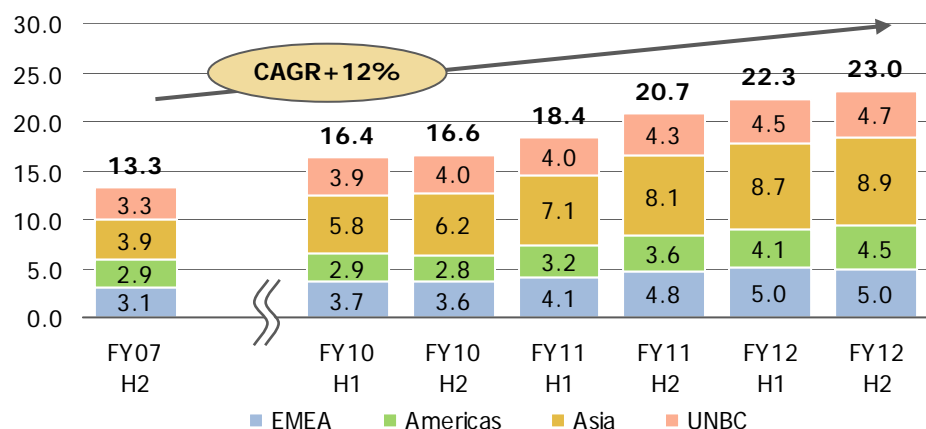
Gross profits by regions^{1,2} (¥bn)



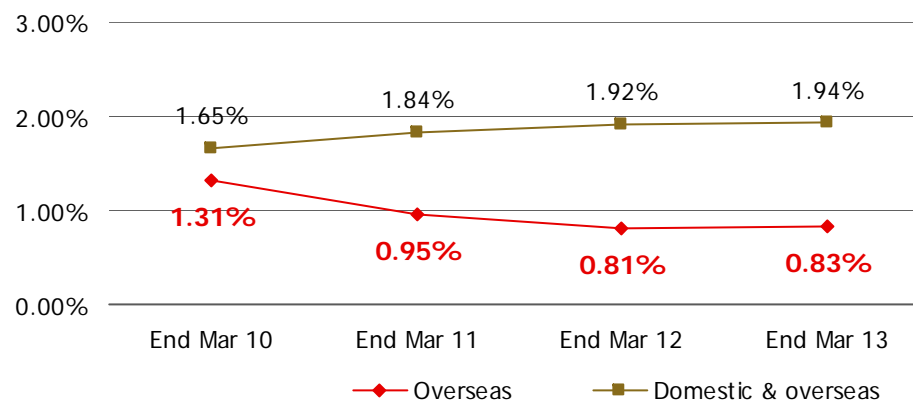
Average deposits balance by regions² (¥tn)



Average lending balance by regions² (¥tn)



Risk-monitored overseas loan ratio (non-consolidated)



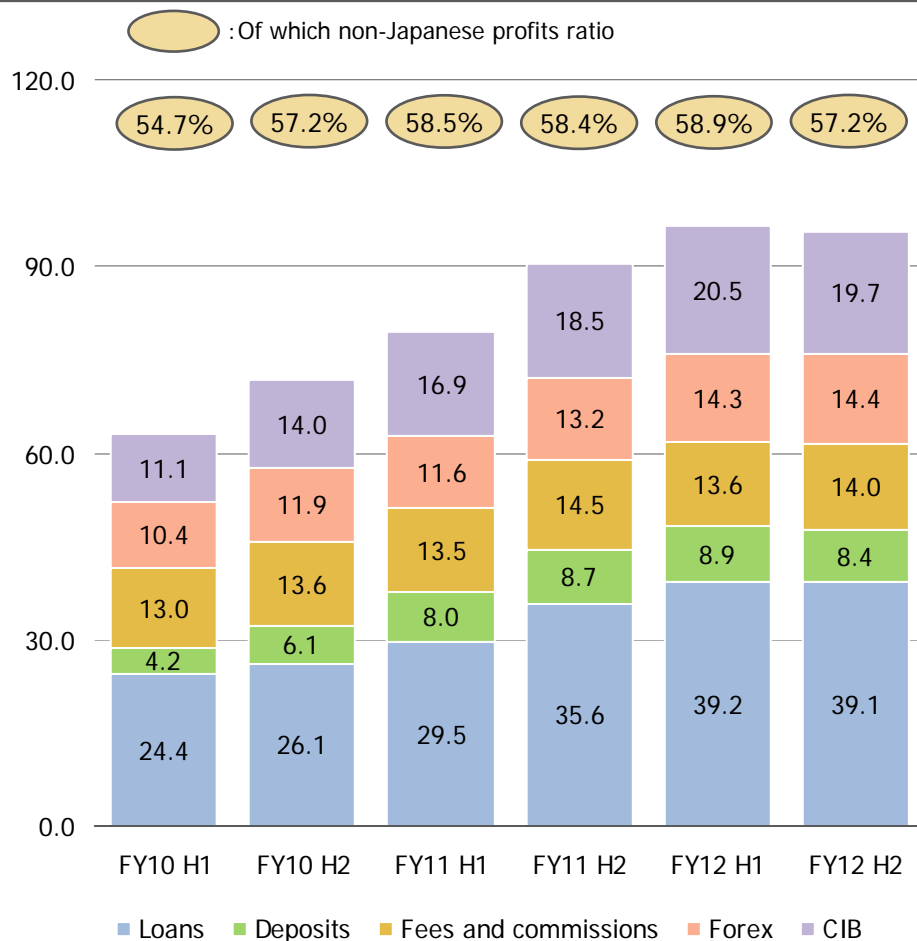
(Note)1. Excl. other business gross profits and before elimination of duplication 2. Exchange rates: Those adopted in our business plan (\$/¥=83, etc.)

Asia strategy(1)

(Commercial bank consolidated)

- Gross profits in FY12 increased +14%¹ from FY11. But increasing trend flattened, partly due to macro factors
- Aiming to increase gross profits for FY14 by 50% from FY11, through increasing high quality assets and strengthening cross-sell
- Upgrade the Asian business model and become established as the leading foreign bank

Customer business gross profits¹ (¥bn)



Key points of Asia strategy

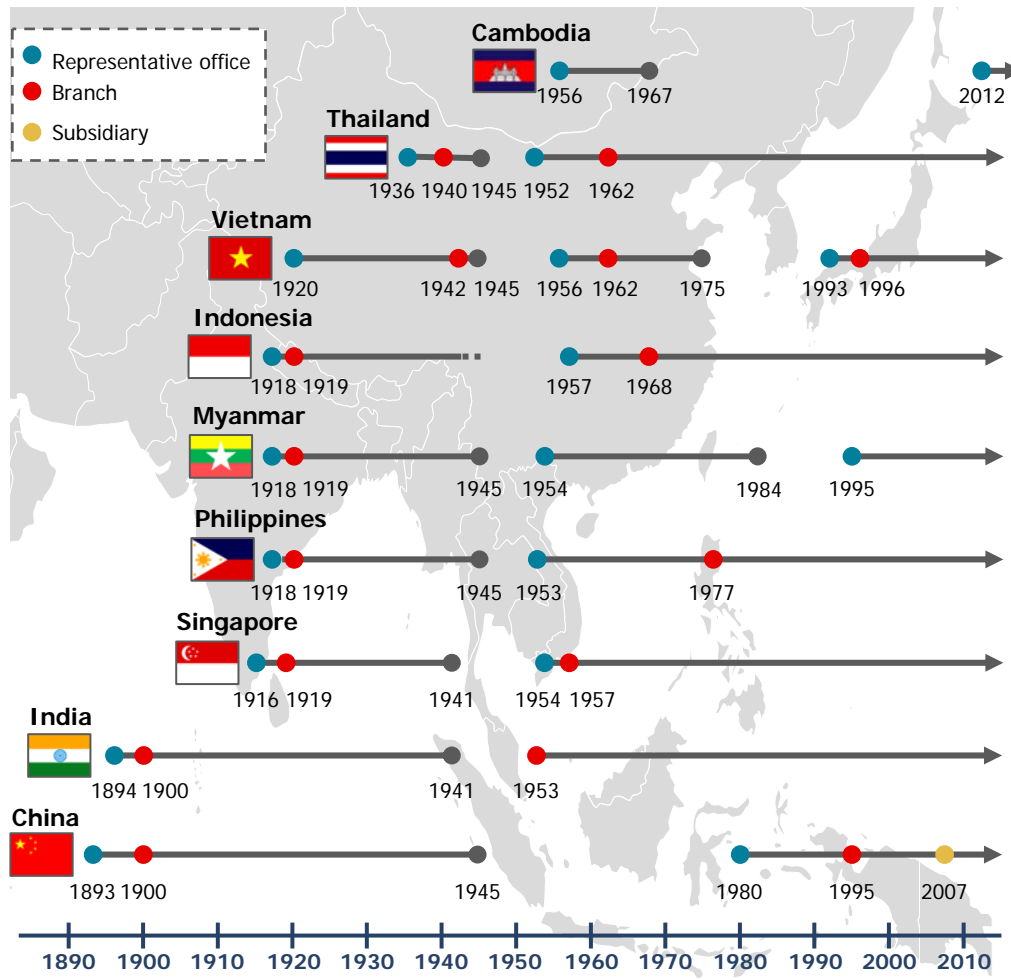
- **Improve products and services with strengthening marketing within and beyond the region through BTMU/MUTB/MUSHD cooperation. Also strengthen governance and risk management framework**
- **Organic growth**
 - Respond to the growing needs of Japanese corporations arising from the expansion of regional trade flows by strengthening transaction banking business and marketing capabilities
 - Support penetration of newly developing regions by opening new branches, using head office capabilities and our network of regional bank alliances
 - Further increase transactions with non-Japanese corporations by improving solutions proposals and strengthening marketing to financial institutions
 - Strengthen business in local currencies with particular focus on upgrading RMB-related business
- **Non-organic growth**
 - Unlock strategic potential. Actively pursue high value acquisition
- **Asia region administration control to switch to a dual HQ system**
 - Set up one HQ for East Asia including China and HK, etc. and another HQ in Singapore for Southeast Asia and Australia, etc. (Jun 2013)
 - Expand business volume and reinforce our ability to respond to change in the business environment

(Note)1. Exchange rates: Those adopted in our business plan (\$/¥=83, etc.)

Asia strategy(2) – Frontier strategy

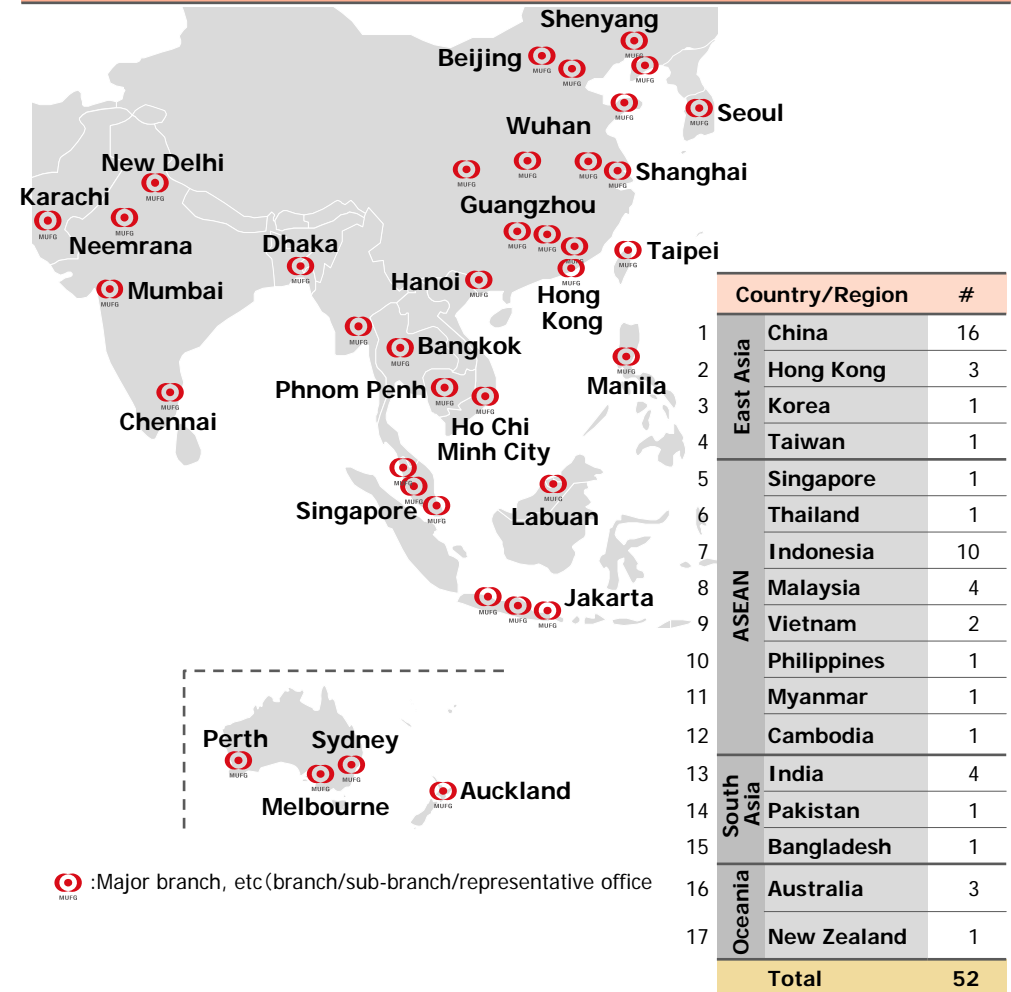
- Our operations in Asia date back to the 19th century. For more than a century we have expanded our network together with development in each country
- Through our long-term commitment and extensive network of 52 offices in 17 countries and regions (top among Japanese banks), we have built a solid transaction base

History of developing network in Asia



(Source) Historical materials of Yokohama Shokin Bank, Bank of Tokyo

Branch network (as of end Mar 2013)

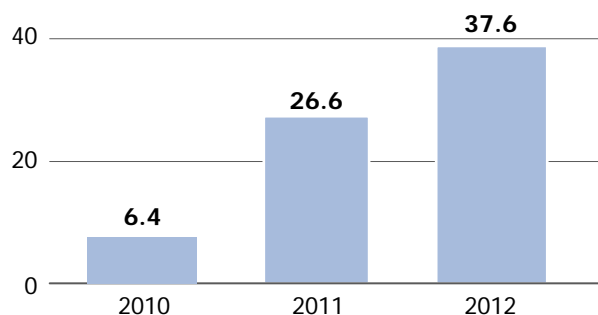


Asia strategy(3) – Renminbi (RMB) market

- In recent years, various countries have promoted the establishment of an offshore RMB market (CNH)¹, leading to rapid growth
- MUFG Group is highly regarded among foreign banks in the Chinese onshore and Hong Kong offshore markets
- Expanding offshore RMB services in Asia and beyond via the largest overseas network among Japanese banks

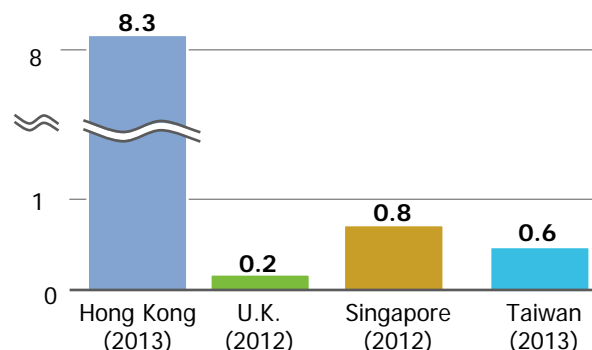
The offshore RMB market (¥tn)

Figure1: Cross-border RMB settlement



(Source) PBOC, Monetary Policy Enforcement Report

Figure2: Offshore RMB deposits



(Source) HKMA, City of London, MAS, CBC

Status in China

- As a front-runner in the onshore RMB market, we have been involved in numerous first time transactions as a top-tier institution

Figure3: Major transactions since 2010

- The first Japan/China RMB remittance (2010)
- First foreign bank to issue RMB bonds (2010)
- The only Japanese bank to have obtained certification for QFII custody operations (2012)
- One of the first pilot banks approved for Shanghai RMB remittance deregulation (2012)

(Source) In-house research

Status in Hong Kong

- The only Japanese bank and one of two non note-issuing foreign banks to have been designated a reference bank for CNH interest rates

Figure4: HK CNH reference banks (2012)

Type of bank	Bank
Note-issuing	中國銀行(香港) BANK OF CHINA (HONG KONG), HSBC, Standard Chartered
Foreign	MUFG Bank of Tokyo-Mitsubishi UFJ, J.P.Morgan
Chinese	交通銀行 BANK OF COMMUNICATIONS, ICBC, 工銀亞洲
HK local	BEA 東亞銀行

(Source) TBA

Expansion of global services

- Invest resources in Hong Kong, which offers the most liquid offshore RMB funding and forex transactions and is the center of information for the on- and offshore RMB market, as a “hub”
- Expand RMB-based services and knowledge globally through fully leveraging our extensive overseas network and global S&T expertise

Figure5: Global expansion from Hong Kong hub



(Note)1. Offshore RMB (CNH) is the generic term for RMB circulated overseas, as compared to domestic RMB (CNY). 1 RMB = ¥12.81

Asia strategy(4) – Investment and alliance strategy

- Pursue investments and alliances to participate in growth in Asia, expand services for our customers through making use of the regional network, and strengthen ties with authorities in each country
- Consider strategically valuable proposals for building a network with leading local financial institutions across Asia

Major investments and tie-ups in Asia



Recent investments and alliances

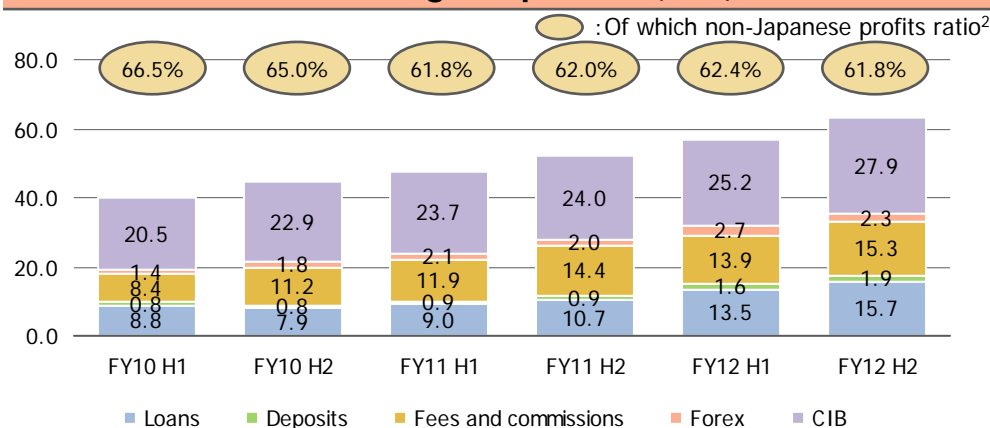
	Overview	Relationship	Strategy
VietinBank	No.2 Vietnamese bank in asset size and branch network. Strong in dealing with corporations mainly in state-owned companies	Share acquisition and business alliance agreement (Signed Dec 2012; investment completed May 2013)	Planning to dispatch two directors to make the bank into an equity method affiliate. Expand cash management and settlement services for Japanese customers in Vietnam, and provide support for developing VietinBank's operations and management by offering risk management expertise
Co-operative Bank	No.2 private bank in assets and branches in Myanmar; proactive measures include introducing the country's first ATMs	Business alliance agreement (Signed Mar 2013)	Customer introductions, business matching, and providing training for employees of partners; planning to support operations by seconding BTMU staff

Americas strategy(1)

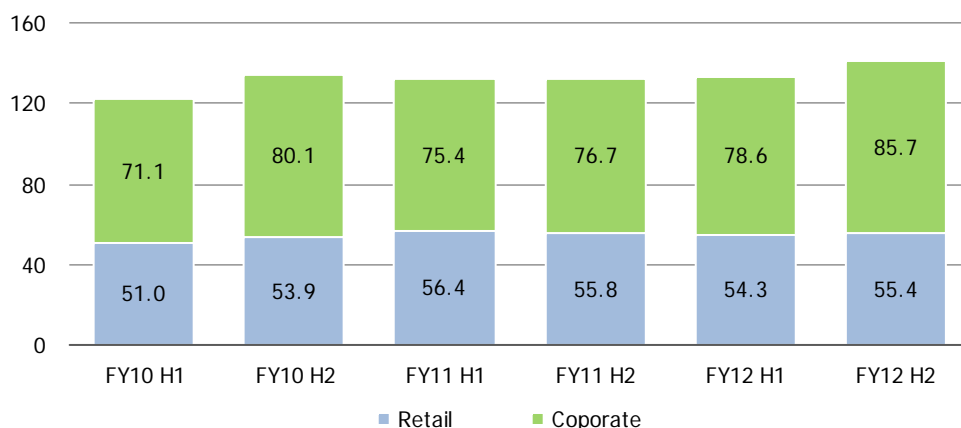
(Commercial bank consolidated)

- In the Americas (about 60% of overseas income), both profits and revenue rose in FY12 as collaboration between BTMU and UNBC advanced
- Aiming to increase gross profits for FY14 by 30% from FY11 ⇒ FY12 +7%¹ from FY11
- Aspire to achieve a premier position among U.S. banks by becoming one of the top 10 banking groups as measured by size and profitability

BTMU customer business gross profits¹ (¥bn)



UNBC customer business gross profits¹ (¥bn)



Key points of the Americas strategy

- **Organic growth**
 - Accelerate growth with expanding customer base, MUFG group collaboration and enhancement of new products
 - Achieve strong foundation with support functions, such as HR/IT/Risk management
- **Non-organic growth**
 - Unlock strategic potential. Actively pursue high value acquisition
- **Latin America**
 - Consistently implementing country-by-country general strategy and accelerating the beneficial effects at operations that have increased capital. Increased capital in Santiago Branch
- **Examine further unification of the BTMU and UNBC businesses**
 - Collaboration, such as establishment of a virtual U.S. holding company structure, has steadily progressed since UNBC was made a 100% subsidiary in FY08. Maximize opportunities with realizing revenue and cost synergies

(Note)1. Exchange rates: Those adopted in our business plan (\$/¥=83, etc.) 2. Excl. Latin America and others

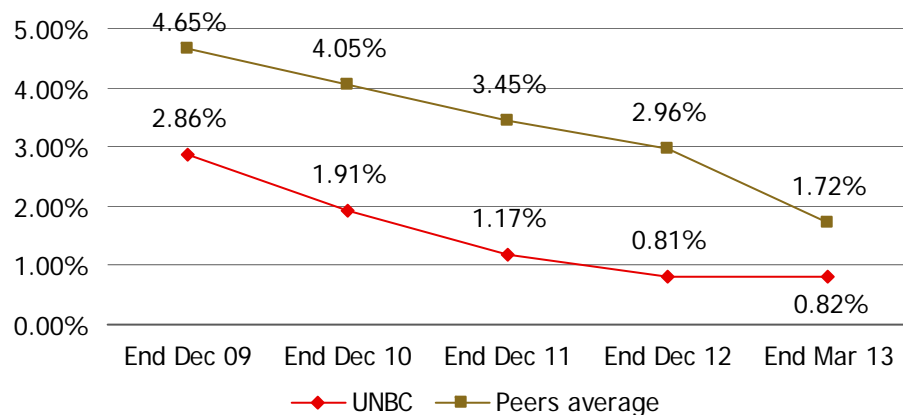
Americas strategy(2) – UNBC

- UNBC built firm results despite the drop in interest rates and higher regulatory costs. High asset quality
- Actively consider highly value-added acquisitions aiming to enhance business foundation

UNBC business performance¹ (US\$mm)

	FY11	FY12					FY13 Q1
		Q1	Q2	Q3	Q4		
1 Gross profits	3,294	855	834	843	889	3,421	903
2 Non-interest expenses	2,415	614	599	638	715	2,566	713
3 Net business profits	879	241	235	205	174	855	190
4 Provision for allowance for credit losses ²	(202)	(1)	(14)	45	(5)	25	(3)
5 Net income	778	195	187	124	123	629	147

NPL/Total loans



(Source) SNL and Company reports

(Note)1. Effect of acquisition of Pacific Capital Bancorp was reflected from Dec 2012 2. Negative figures are reversal

Bank acquisition

Pacific Capital Bancorp

Completed acquisition of leading bank in Santa Barbara, California in Dec 2012 (Assets: about US\$5.9 bn, Deposits: about US\$4.6 bn)

Strategic implications

- Increase scale and strengthen network of retail business in the state's central region, with its numerous high net worth individuals and high rate of market growth
- Provision of products and services in commercial and small business lending along with wealth management; expansion of revenue through enhancement of cross-selling and other approaches

Business acquisition

Strengthen commercial real estate lending business

Acquisition of institutional commercial real estate loan origination and servicing platform from PB Capital, wholly-owned U.S. subsidiary of Deutsche Bank (Apr 2013). Assets were about US\$3.7 bn. Expected closing date is FY13 Q2

Strategic implications

- Expect high returns, including cross-sell opportunities with commercial real estate investors, developers and owners
- Diversify real estate exposures geographically and by asset class

Strengthen transaction banking business

Acquisition of deposits and settlement services business for homeowners associations and community management companies from PNC Bank (Oct 2012), First Bank (Apr 2013). Secure the business foundation which is among the best in the U.S.

Americas strategy(3) – Corporate business initiatives (Headquarters for the Americas)

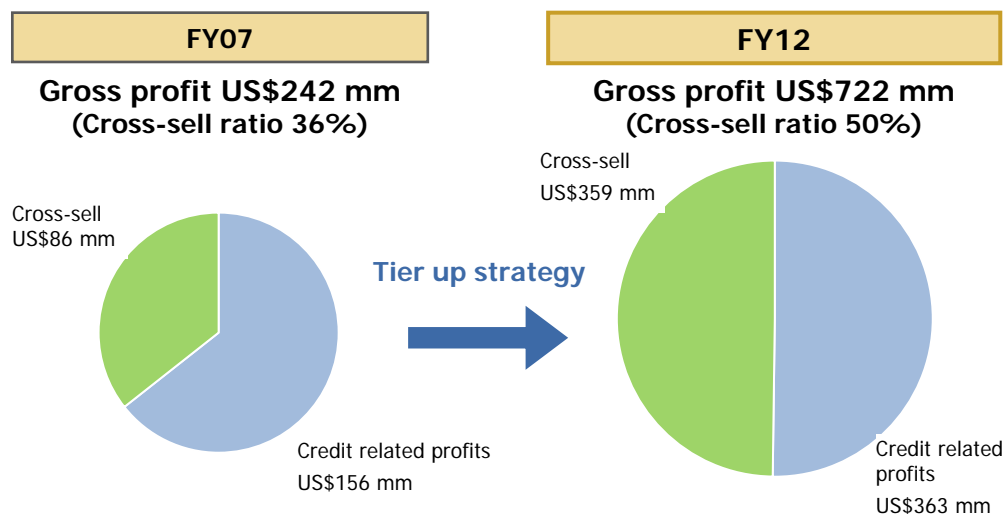
- Focus on expanding our customer base and diversifying revenue in our Japanese and non-Japanese business. Accelerate plans to achieve our visions

Development and vision in the Americas

	Prior to current medium-term business plan	Current medium-term business plan	Vision
U.S. non-Japanese	Market follower	Tier1 bank	Lead bank
U.S. Japanese, Asia non-Japanese	Concentrated on Japanese	Customer diversification	Asian corporate bank
Canada and Latin America	Minimum investment	Solid footprint	3rd earning pillar

Achievements for U.S. non-Japanese (FY07-FY12)

Profits and cross-sell ratio



Trends in U.S. league table results¹

	Jan-Dec 07	Jan-Dec 12
Syndicated loans (Investment grade)	19th	7th
Project finance	6th	1st

(Source) Syndicated loans : Thomson Reuters, Project finance : PFI

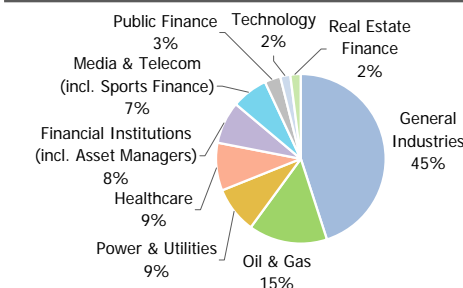
(Note)1. Incl. UNBC 2. Proportion of FY12 gross profits

Strategies to strengthen the business

Expand customer base

- Develop new industry verticals (healthcare, technology, asset management /institutional investors)
- Further penetrate existing non-Japanese clients in Asia; increase new clients
- Approach companies acquired by Japanese customers

Revenue by industry from U.S. non-Japanese customers²



Diversify and expand revenue

- Develop new products and businesses (S&T, commodity finance, etc.)
- Improve ability to offer solutions for existing customers
- Win cross-border transactions through cross-regional and cross-business unit collaboration
- Expand bankeconomics through collaboration with MUS and create large scale event-driven opportunities through collaboration with Morgan Stanley

Achieve strong foundation

- Improve systems and infrastructure
- Enhance risk management; Respond to U.S. financial regulations
- Balance returns in portfolio management
- Develop global personnel policies and foster top talent

Americas strategy(4) – Business initiatives in Canada and Latin America

■ Business promotion and enhancement are underway in Canada and Latin America based on country-specific strategies by allocating necessary resources and enhancing structures

Canada

1. Enhance structures

- (1) Capital increase: CAD\$150 mm (Jul 2012)
- (2) Subordinate loan: CAD\$150 mm (Feb 2013)

2. Improve services for Japanese clients; expand transactions with prime non-Japanese corporations

- (1) Environment: Natural resource development occurring rapidly. Federal and provincial governments promoting numerous PPPs (Public-Private Partnerships) and clean energy projects. Asian investment in oil sands, natural gas and other resource-related projects increasing. Active investment from Japanese trading, electric power and gas companies
- (2) Expansion of project finance for infrastructure, environment, and acquisition of ancillary business

Mexico

1. Enhance structures

- (1) Capital increase: approx. US\$200 mm (Dec 2011)

2. Improve services for Japanese clients; expand transactions with prime non-Japanese corporations

- (1) Environment: Mexican companies expanding corporate size/ improving financial performance. Japanese companies mainly in the auto sector reaccelerating entry, existing companies expanding operations
- (2) Provision of large peso denominated finance mainly in long-term operating capital and equipment fund by raising credit limits per company
- (3) Building loan relations (peso, USD) with Mexican companies planning to expand into Asia. Supporting their overseas expansion using a business model for Japanese companies' overseas expansion. Expansion of wide range businesses (including project finance, transaction banking) by using the capability to provide full banking services

Andes region (Chile, Argentina, Colombia, Peru, Venezuela)

1. Enhance structures

- (1) Bogota/Lima rep. offices became sub-branches (Mar 2012)
- (2) Chile (capital increase): approx. US\$70 mm (Mar 2013)

2. Improve services for Japanese clients; expand transactions with prime non-Japanese corporations

- (1) Environment: Companies in sectors ranging from oil & gas, utilities, metal resources, and mining expanding business volume. Japanese companies accelerating activities to secure their interests in resources and energy
- (2) Enhancement of approaches by effectively using ECA (Export Credit Agency) finance, project finance (non-Japanese resources, sovereign's electric power equipment deals) and syndicated loans (non-Japanese)

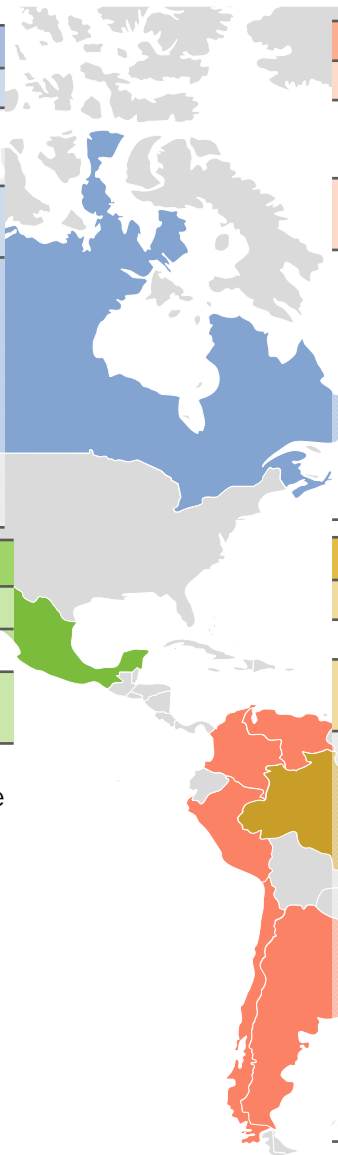
Brazil

1. Enhance structures

- (1) Capital increase: approx. US\$400 mm (Jun 2011)

2. Improve services for Japanese clients; expand transactions with prime non-Japanese corporations

- (1) Environment: Growing domestic demand attracting attention globally, Japanese companies reaccelerating entry, existing companies expanding operations. Brazilian companies expanding corporate size, improving financial performance, and gearing towards global expansion
- (2) Provision of large finance to a Japanese company by raising credit limits per company and using BNDES (Banco Nacional de Desenvolvimento Economico e Social) finance
- (3) Enhancement of approaches to companies related to resources, commodities, and infrastructure projects to leverage BTMU's solid global network and product line
- (4) Development of transaction banking business structure

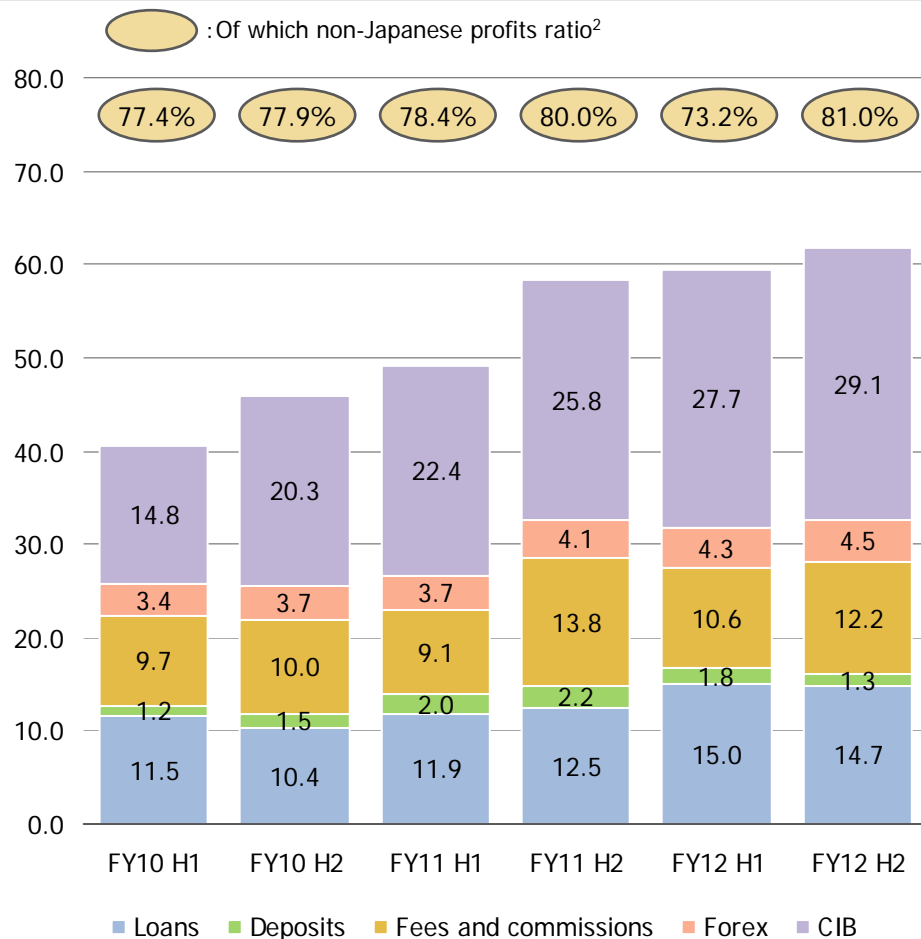


EMEA strategy(1)

(Commercial bank consolidated)

- Advance cross-selling and becoming a core bank based on business segment strategy. CIB business, mainly project finance, performed well in FY12, posting increased profits and revenue. Collaboration with overseas securities subsidiaries progressed, helped by a favorable market for bond issues
- Aiming to increase gross profits for FY14 by 20% from FY11 ⇒ FY12 +10%¹ from FY11

Customer business gross profits¹ (¥bn)



Key points of EMEA strategy

- **Expand business while taking into account European debt crisis, status of competitors and other factors**
 - Region: Strengthen marketing in emerging countries and regions, including Russia, Turkey, Middle east, Africa, etc. in addition to Core Europe
 - Customers: Quality non-Japanese major corporations, local entities of Japanese
 - Operations: CIB (project finance, syndicated loans, DCM in cooperation between BTMU and securities subsidiaries, etc.), transaction banking
- **Aiming to realize benefits of enhanced network**
 - Increased capital at Russian subsidiary, established representative at Vladivostok
 - Upgraded Dubai office to branch status to strengthen supervisory functions in the Middle East
 - Preparing for start of operations at Turkish subsidiary
- **Strengthen management fundamentals such as governance and risk control to support growth and business expansion in EMEA**

(Note)1. Exchange rates: Those adopted in our business plan (\$/¥=83, etc.) 2. Incl. Middle East

EMEA strategy(2) – Core banking strategy for non-Japanese EMEA customers

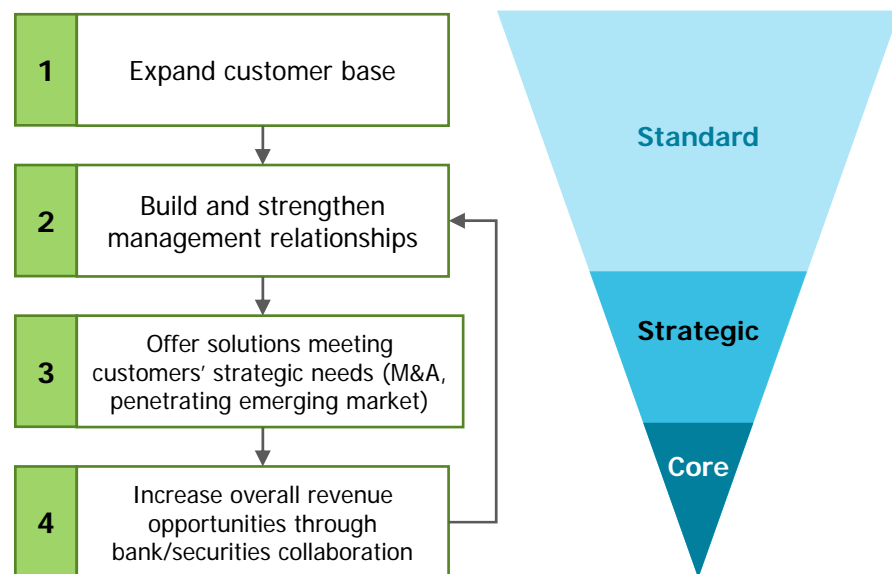
- Provide solutions utilizing our strengths as a global financial group from Asia
- Maintain or improve relationship with top tier European companies as a global financial institution

Development and vision in EMEA

	Prior to current medium-term business plan	Current medium-term business plan	Vision
EMEA non-Japanese	Market follower	Upper level market presence	Lead bank

Core banking strategy: Meeting customer needs

- Realize the virtuous cycle shown below through initiatives including acquiring top talent



- Support entry into Asia, Latin America, and other emerging markets (through RMB and trade flow related services)
- Pursue bankeconomics through collaboration with MUS and increase earnings opportunities through collaboration with Morgan Stanley

Improve market presence

- Participate in large-scale transactions for European companies as a core bank by providing solutions and improving our presence as an Asia-based financial institution
- Boost marketing structure in areas where there are no offices (e.g., Northern Europe)
- Begin core banking strategies for European companies in developed economies and expand operations in Russia, Middle East, and other emerging markets

EMEA syndicated loan ranking (US\$mm)

Jan-Dec 2007				Jan-Dec 2012 ¹			
Rank	Bookrunners	Amount	Share	Rank	Bookrunners	Amount	Share
1	RBS	259,218	14.1%	1	Deutsche Bank AG	26,514	6.3%
2	BNP Paribas SA	161,295	8.8%	2	BNP Paribas SA	26,155	6.2%
3	Citi	152,991	8.4%	3	Credit Agricole CIB	21,556	5.1%
4	Barclays Capital	148,388	8.1%	4	HSBC Holdings PLC	21,467	5.1%
5	Deutsche Bank AG	101,670	5.5%	5	Societe Generale	19,745	4.7%
24	Mizuho Financial Group	10,962	0.6%	15	MUFG	8,264	1.9%
31	MUFG	7,062	0.4%	25	Mizuho Financial Group	5,291	1.2%
38	Sumitomo Mitsui Finl Grp	5,343	0.3%	34	Sumitomo Mitsui Finl Grp	2,875	0.7%
Industry total		1,832,207	100.0%	Industry total		424,150	100.0%

(Source) Thomson One Banker (Note)1. Excl. local government loans in Spain for US\$38.1 bn in Mar 2012

EMEA strategy(3) – EMEA emerging market strategy

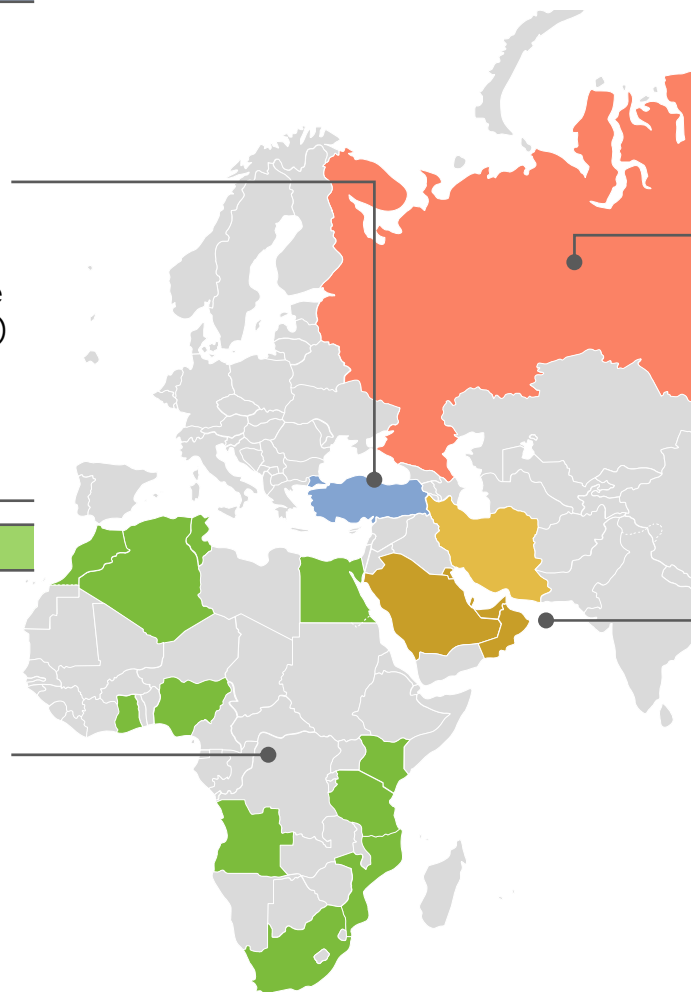
- Strengthen marketing structure in emerging markets and establish our presence as a global financial group
- Increase the number of offices. Aim to expand customer base and become more responsive to their needs

Turkey

- Geographically important area sitting at the crossroads of Europe, Asia, Middle East and Northern Africa
- Approx. 170 Japanese companies currently active in Turkey. Anticipate the continued advance of Japanese companies into the region
- Raise status of Istanbul Representative Office to subsidiary (unique among Japanese banks) to offer a full range of banking services (deposits, foreign exchange, and settlement)
- Subsidiary scheduled to begin operations this autumn

Africa

- Respond to customer demand for funds, mainly resource and infrastructure related
- Identify 11 key target countries of the 54 countries in Africa based on the analysis of various data
- The Johannesburg Representative Office scheduled to become a sub-branch this summer. Strengthen structures for local business
- Business tie-up carried out with Trade and Investment South Africa in Feb 2013 (a co-sponsored seminar was held in Japan in May 2013)



Russia

- The first Japanese bank to enter Russia in 1992, and established the subsidiary ZAO Bank of Tokyo-Mitsubishi UFJ (Eurasia) in 2006. Customer base has expanded steadily
- Capital increase ((RUB 8.0 bn) carried out for the subsidiary (May 2012) to help meet customers' strong demand for funds
- After opening Saint-Petersburg Representative Office, Established Vladivostok Sub-Branch to cover far eastern Russia (Sep 2012)

Middle East

- Large demand for funding flows primarily for resource related projects
- Abu Dhabi Branch started operations in Mar 2012, while the Middle East headquarters was transferred to Dubai with the Dubai Office becoming a branch in Oct 2012
- Capture money flows associated with the resource exports value chain through strengthening transaction banking structures
- Enhance asset management business by cooperating among our group companies

Project finance

- Ranked No.1 in 2012 global rankings. Ranked No.1 in the Americas for 3 consecutive years, rising our ranking in EMEA and Asia Pacific
- Increase personnel and take other steps to establish status as a leading bank. Solution business centered on project finance, aiming to increase gross profits for FY14 by 40% from FY11 ⇒ FY12 +15%¹ from FY11

Global presence

Global project finance league table (Jan-Dec 2012)

Rank	Mandated Arrangers	Origination Volumes (US\$bn)	#	Rank Jan-Dec 2011
1	MUFG	11.62	96	2
2	State Bank of India	10.95	32	1
3	SMBC	7.58	68	3

Strategies to strengthen the business

- Global approach: strengthening our platform in the shale gas, infrastructure sector, and others on a global basis
- Initiatives in Japan: enhancing our supports in relation to Japanese companies' project finance related PFI, renewable energy, etc. and infrastructure exports to Asia
- Strengthen marketing structure through staff increases

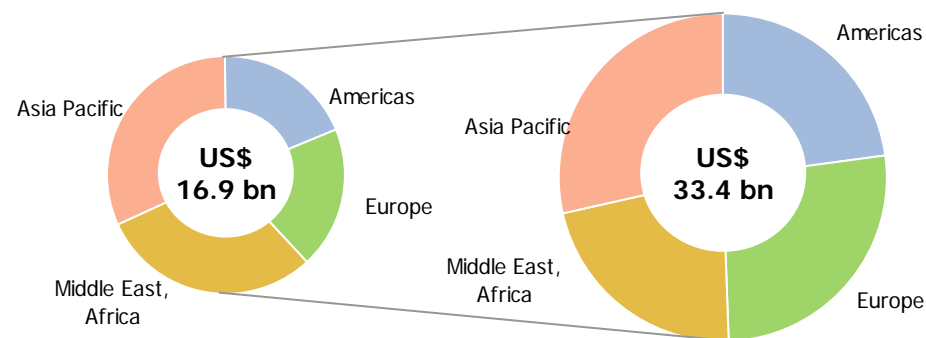
Rankings by region

	Jan-Dec 2011		→	Jan-Dec 2012	
	Rank	Share		Rank	Share
Americas	1	12.3%		1	11.5%
EMEA	9	3.0%		6	3.2%
Asia Pacific	12	2.5%		2	5.4%

Project finance loan portfolio²

As of end Jun 2010

As of end Dec 2012



(Source) Thomson Reuters

(Note)1. Exchange rates: Those adopted in our business plan (\$/¥=83, etc.) 2. Commercial bank (consolidated, excl. UNBC)

ECA¹ finance

- Achieved No. 1 in 2012 global ranking for the first time. Executed transactions throughout EMEA, the Americas and Asia, with the amount increasing 2.5 times vs. 2011. Especially strong gains in the growing Asia Pacific markets
- Strengthen global ECA team further to sustain a global top 5 position

Global presence

Global ECA finance league table (Jan-Dec 2012)

Rank	Mandated Arrangers	Origination Volumes (US\$bn)	#	Rank Jan-Dec 2011
1	MUFG	9.36	59	5
2	HSBC	8.29	74	2
3	JP Morgan	6.21	33	-

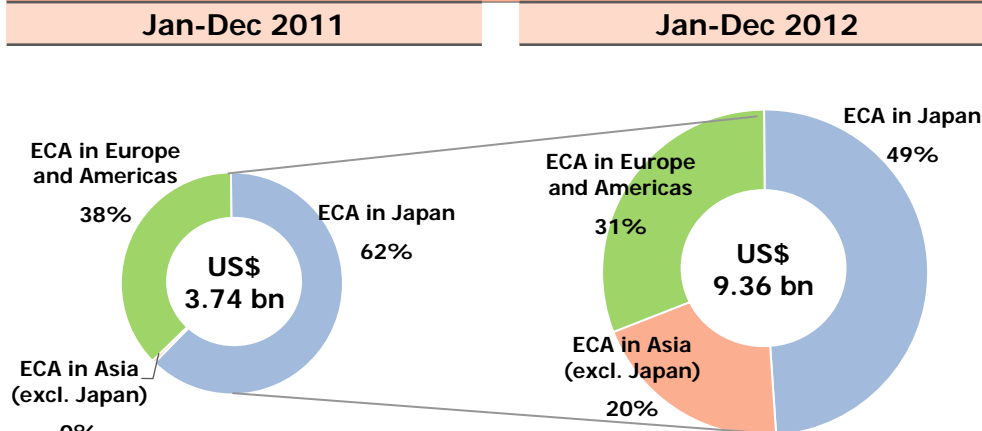
Rankings by region

	Jan-Dec 2011		→	Jan-Dec 2012	
	Rank	Share		Rank	Share
Americas	5	6.7%		1	18.3%
EMEA	4	6.0%		7	4.4%
Asia Pacific	7	4.2%		1	7.4%

Strategies to strengthen the business

- Expand cooperation among specialized ECA teams set up in 7 regions around the world to win more global mandates
- In addition to the ECA in Japan, strengthen relations with ECAs in other countries
- Particularly focus on the firm demand for finance in Asia
- Strengthen marketing structure through staff increases globally

ECA finance results by region



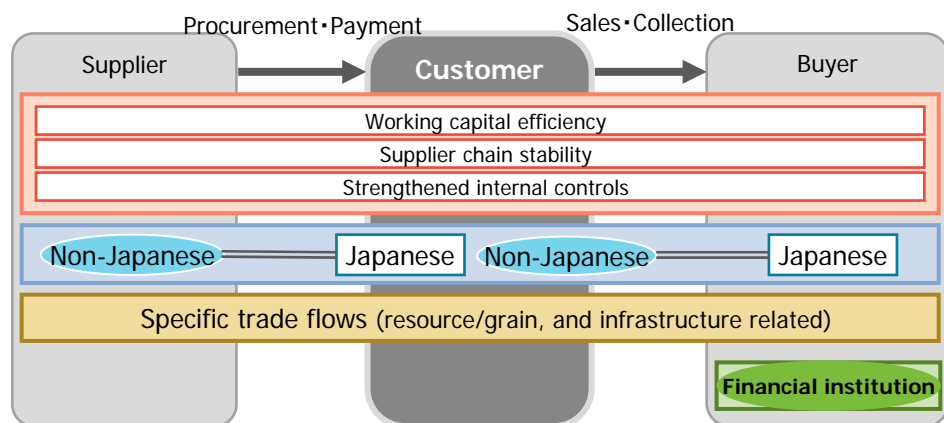
(Source) Dealogic

(Note)1. Each country's ECA (Export Credit Agency) promotes exports and investment by providing direct lending or guaranteeing loans provided by private financial institutions

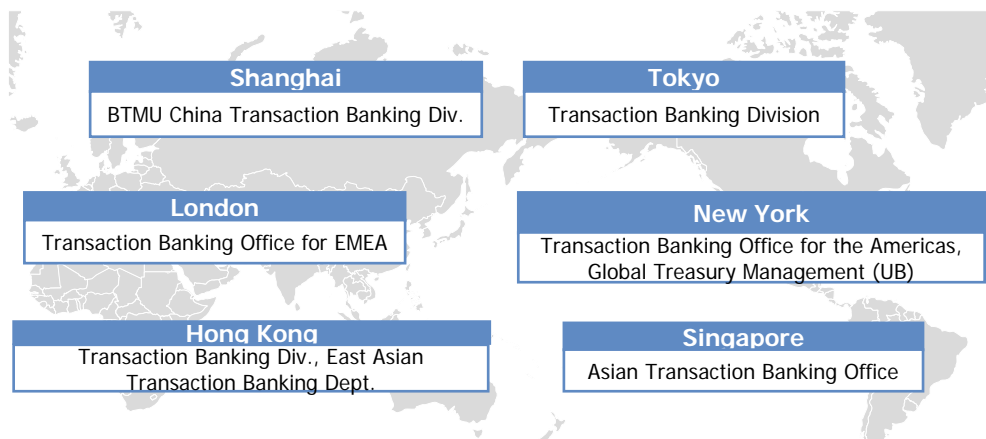
Transaction banking business

- Make the greatest possible use of overseas network, the best among Japanese banks, and our strong Japanese customer base to effectively provide solutions combining trade finance and cash management
- Established a six region global structure. Substantially increase system investment and development personnel, expand lineup of leading-edge products and services

Transaction banking overview



Global six region structure



Develop a business targeting the entire supply chain

- Vender finance/front system
 - Introduced in Hong Kong and Taiwan; scheduled for release in Thailand, Singapore, and Malaysia
- TSU¹/BPO² (Trade Services Utility / Bank Payment Obligation)
 - Offered by 15 offices. 37 companies have contracted for TSU, and our ability to process 50 BPOs is top in the world
 - URBPO³ came into effect at the Apr 2013 ICC Congress, and the service is expected to grow
- GPH (Global Payment Hub)⁴
 - Introduced in Indonesia and China; scheduled for introduction in Hong Kong and Europe during 2013

Further strengthen non-Japanese customer business

- Capture resource businesses' trade flows
 - Improve operations and infrastructure to win trade business with non-Japanese MNCs⁵
- Capture trade flows in Latin America and Middle East
- Increase account bank positions by leveraging project finance transactions for Japanese sponsors

Improve structure to attract foreign deposits

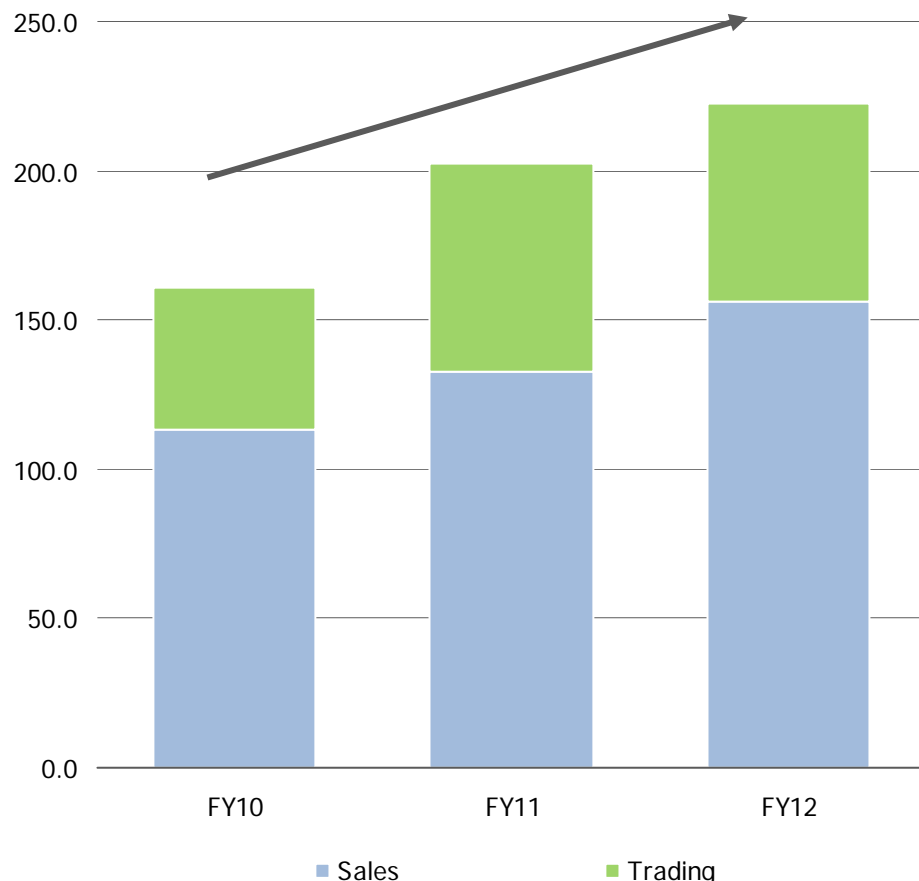
- Expand joint cash collection services with local banks
 - The tie-up with VietinBank will make cash collection possible at 1,050 locations in Vietnam
- Increase dollar deposits in the U.S.
 - Strengthen non-Japanese marketing by expanding MMA sales and assigning Union Bank representatives

(Note)1. TSU (Trade Services Utility): Inter-bank trade data matching system developed by SWIFT. 2. BPO (Bank Payment Obligation): Function on TSU similar to L/C; a payment confirmation by BPO issuing bank on behalf of the importer. 3. URBPO (Uniform Rules for BPO): New global standard rule ratified by ICC (International Chamber of Commerce) in Apr 2013. 4. GPH (Global Payment Hub): A global data exchange platform which enables customer to access bank's cash management services via host to host connection. 5. MNC: Multinational corporations

Sales & Trading business

- Strengthen sales & trading business and create an organization being able to provide optimal solutions to customers through developing cross-region, cross-business unit, and cross-business entity cooperation
- Enhance market administration practices corresponding to strengthened global regulations and higher compliance level
- Aim to increase gross profits for FY14 by 30% from FY11 ⇒ FY12 up 10%¹ from FY11

Gross profits (BTMU consolidated, excl UNBC)^{1,2} (¥bn)



Strategies to strengthen the business

Cross-region cooperation (BTMU) - Respond to customers' cross-border needs

- Strengthen cross-regional collaboration by adding a global collaborative axis that operates horizontally across functions in addition to the existing regional axes. Improve ability to offer products and capture business across regional boundaries

Cross-business unit collaboration (BTMU) - Improve market-related services for customers

- Global Business and Global Markets Units to develop joint management at 6 locations in Asia and Oceania to promote markets business (BTMU China, Indian offices, Bangkok Branch, Oceanian offices, Jakarta Branch, BTMU Malaysia)
- Promote emerging currency strategies and increase business such as the RMB-related (bolster infrastructure, pricing, and product offerings)

Cross-business entity collaboration (BTMU/MUSHD) - Improve services by utilizing advantages from both BTMU and MUSHD

- Establish Integrated Global Markets Business Group and accelerate collaborative efforts; solidify S&T platforms through unified management of BTMU/MUSHD markets business
- In Integrated Global Business Group accelerate collaboration by establishing a regional holding structure in Europe, etc. and preparing strategies and plans across functions

Enhance internal control framework (BTMU/MUTB/MUSHD) - Maintain the trust and confidence of customers, markets and authorities

- Impose high standards of compliance rules to global markets operations, keep responsiveness to global regulatory requirements

(Note)1. Exchange rates: Those adopted in our business plan (\$/¥=83, etc.) 2. Sum of customer divisions and global markets segment (Incl. domestic business)

Global strategic alliance with Morgan Stanley

- Steady progress overseas through strategic alliance including U.S. Loan Marketing Joint Venture
- Enhance strategic alliance and expand scope of collaboration by fully leveraging capabilities and customer base of both firms

Morgan Stanley's world-class investment banking services

Global M&A league table (announced basis) (Jan-Dec 2012) (US\$bn)

Financial advisor	Number	Amount	Share
1 Goldman Sachs	427	718	27.7%
2 Morgan Stanley	388	548	21.2%
3 Barclays	274	471	18.2%
4 JP Morgan	285	444	17.2%
5 Citi	252	427	16.5%

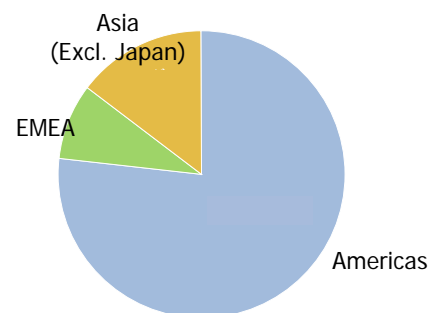
Global ECM league table (Jan-Dec 2012) (US\$bn)

Bookrunner	Number	Amount	Share
1 Goldman Sachs	264	57	9.1%
2 Morgan Stanley	269	52	8.3%
3 Citi	294	51	8.2%
4 JP Morgan	316	50	7.9%
5 Bank of America Merrill Lynch	297	46	7.3%

(Source) Thomson Reuters

Collaboration overview

Breakdown of completed transactions by region



As of Mar 2013, over 500 collaborated transactions completed since the inception of strategic alliance

U.S. Loan Marketing Joint Venture



- Collaboration through Loan Marketing Joint Venture will provide customers in the Americas with access to the best-in-class lending and capital markets services by leveraging the two firms' expertise

Major collaborations around the globe

- | | |
|-----------------|--|
| Americas | <ul style="list-style-type: none"> ■ Financing for the merger of satellite companies A and B (Jan 2013) <ul style="list-style-type: none"> ● Entire acquisition financing underwritten by BTMU and Morgan Stanley ■ Continue to distribute Union Bank's investment products through Morgan Stanley Wealth Management's network |
| EMEA | <ul style="list-style-type: none"> ■ Refinancing for manufacturing company C (Jan 2013) <ul style="list-style-type: none"> ● BTMU and Morgan Stanley jointly committed to refinance |
| Asia | <ul style="list-style-type: none"> ■ Financing for the privatization of Plant D (Jun 2012) <ul style="list-style-type: none"> ● Morgan Stanley acted as advisor, and BTMU and Morgan Stanley provided finance |

International financial regulations

- Tightening of international financial regulations caused by the financial crisis caused by the sub-prime loan problem and Lehman crisis
- Subject to even stricter regulation and oversight as a global systematically important financial institutions (G-SIFIs)
- Set up the Global Regulatory Affairs Office in Sep 2012 to collect and analyze information on a group-wide basis
- Actively follow regulatory trends likely to have an affect on overseas operations. Work closely with regional headquarters, related divisions and individual group companies to respond appropriately

Major regulations affecting financial institutions

Regulation	Region/ country	Overview	Status of regulation and MUFG's response
Recovery and Resolution Plans (RRPs)	Global	Requires recovery or resolution plans to be filed with each country's authorities	A recovery plan was filed with the Japanese FSA in Dec 2012. Plan to file a resolution plan with U.S. authorities in Dec 2013
Prudential regulation for foreign banks in the U.S.	U.S.	Stipulate regulations for establishing intermediary holding companies, risk governance infrastructure, capital, liquidity, stress test policies, and other regulations to maintain safety and soundness	Establish a PT across offices in the U.S. and all Integrated Business Units for BTMU/MUTB/MUSHD to follow and respond to regulatory developments
Financial transaction tax	Europe	Taxes on financial transactions	Currently being considered in Europe. Following developments closely

Global HR strategy – Further promotion of Locally-hired Staff (LS)

- Pursue “the right person in the right place” principle, irrespective of whether Home Staff (HS) or Locally-hired Staff (LS) status, to align with and support rapid business expansion

Engaging LS top talent

- Performance evaluation as well as further promotion and succession plans of LS top talent in key positions is reviewed in the Global Talent Committee (GTC), held every October, by the executives in charge of overseas business
- Each regional headquarters holds a Regional Talent Committee, prior to the GTC, to carry out a similar practice at the regional level

The appointment of LS executive officer in BTMU (Jun 2013)

- Further accelerating LS participation in management to build a management structure where HS and LS work together as one team
- Randall Chafetz, who is currently the Deputy CEO for the Americas (special assignment) based in New York, was appointed the first non-Japanese executive officer (effective on Jun 26, 2013)
- Will be stationed at Tokyo headquarters and be in charge of the development of the business plans and strategies of corporate & investment banking business outside of Japan including the plans and strategies in relation to the Morgan Stanley alliance

Major examples of LS promotions to key positions¹

BTMU	Americas	<ul style="list-style-type: none"> ■ Deputy CEO for the Americas (special assignment) ■ GM, Credit Division for the Americas ■ GM, Corporate Banking Division for the Americas No.4 ■ Joint GM, Chicago Branch 	<ul style="list-style-type: none"> ■ GM, Compliance Division for the Americas ■ GM, Human Resources Division for the Americas ■ GM (special assignment), Planning Division for the Americas ■ Joint GM, Systems Office for the Americas
	EMEA	<ul style="list-style-type: none"> ■ GM, Investment Banking Division for EMEA ■ President, BTMU Poland ■ DGM (special assignment), Planning Division for EMEA 	<ul style="list-style-type: none"> ■ GM, Compliance Division for EMEA ■ DGM, Corporate Banking Division for EMEA ■ GM, Operations Services Office for EMEA
	Asia	<ul style="list-style-type: none"> ■ GM, Chengdu Branch ■ GM, Asia Human Resources Office 	<ul style="list-style-type: none"> ■ DGM, Hong Kong Branch ■ GM, Auckland Branch
	Global Markets	<ul style="list-style-type: none"> ■ Sales & Trading Co-Head 	<ul style="list-style-type: none"> ■ DGM, Global Markets Division for the Americas
MUSHD		<ul style="list-style-type: none"> ■ Principal Executive Officer ■ CEOs of major subsidiaries in overseas 	

(Note)1. Do not include cases in Union Bank, where more than 99% of the employees are LS

—Be the world's most trusted financial group—

1. Work together to exceed the expectations of our customers

Strive to understand and respond to the diversified needs of our customers.
Maintain and expect the highest levels of professionalism and expertise, supported by our consolidated strength

2. Provide reliable and constant support to our customers

Give the highest priority to protecting the interests of our customers.
Promote healthy, sustainable economic growth.
Maintain a robust organization that is effective, professional, and responsive

3. Expand and strengthen our global presence

Leverage our strengths and capabilities to attract a loyal global customer base.
Adapt rapidly to changes in the global economy and their impact on the needs of our customers

Quality for You