

Fiscal 2014 Interim Results Presentation

November 21, 2014



Mitsubishi UFJ Financial Group, Inc.



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 "Outline of Financial Results" was prepared in accordance with accounting standards generally accepted in Japan, or Japanese GAAP

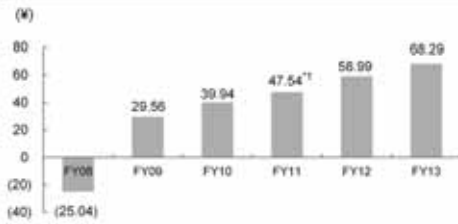
Definitions of figures used in this document

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)

Management index

(Consolidated)

EPS



*1 ¥68.09 before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

Dividend per share/Dividend payout ratio



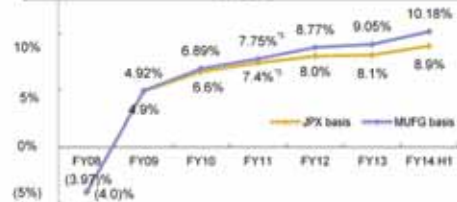
*2 17.6% before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

BPS



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ROE*4



*3 11.10%(MUFG basis), 10.6%(JPX basis) before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

*4 Net income - Equivalent of annual dividends on nonconvertible preferred stocks

(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) × 100



Financial targets

- The medium-term business plan aims for pursuit of sustainable increase of profitability and efficient capital management

		FY11 results	FY13 results	FY14 targets
Growth	Consolidated net operating profit (customer segments) ^{*1}	¥1,036.0 bn	¥1,257.0 bn	20% increase from FY11
	Consolidated expense ratio	56.9%	60.9%	Between 55-60%
Profitability	(Non-consolidated)	50.4%	55.5%	Between 50-55%
	Consolidated net income RORA ^{*2}	0.8%	0.99%	Approx. 0.9%
	Consolidated ROE ^{*3}	7.75%	9.05%	Approx. 8%
Financial Strength	CET1 ratio (Full implementation) ^{*4}	Approx. 9%	11.1%	9.5% or above
			9.5% ^{*4}	

*1 Simple sum of consolidated operating profits for Retail, Corporate, Global and Trust Assets segments

*2 FY11 figures exclude negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

*3 Calculated on the basis of regulations applied at end Mar 10

*4 Excluding an effect of net unrealized gains

Consolidated net operating profits by segment : FY11 results		FY13 results	FY14 targets(from FY11)
Retail	¥314.7 bn	¥328.7 bn	Up 15%
Corporate	¥419.1 bn	¥486.1 bn	Up 15%
Global	¥249.3 bn	¥377.4 bn	Up 35%
Trust Assets	¥52.8 bn	¥64.8 bn	Up 45%

FY2014 financial targets

- FY14 consolidated net income target is ¥950.0 bn (unchanged from initial target)

<Earnings targets>

	FY13		FY14		
	Interim (results)	Full year (results)	Interim (results)	Full Year (targets)	Change from initial target
1 Ordinary profits	¥850.4 bn	¥1,694.8 bn	¥949.8 bn	¥1,670.0 bn	¥90.0 bn
2 Net income	¥530.2 bn	¥984.8 bn	¥578.7 bn	¥950.0 bn	-
3 Total credit costs	¥25.7 bn	¥11.8 bn	¥41.1 bn	¥0.0 bn	¥110.0 bn
(BTMU)					
4 Net business profits	¥417.9 bn	¥855.9 bn	¥490.6 bn	¥920.0 bn	-
5 Ordinary profits	¥455.1 bn	¥1,002.1 bn	¥547.2 bn	¥960.0 bn	¥80.0 bn
6 Net income	¥269.9 bn	¥650.2 bn	¥354.4 bn	¥570.0 bn	-
7 Total credit costs	¥27.8 bn	¥17.0 bn	¥66.9 bn	¥60.0 bn	¥60.0 bn
(MUTB)					
8 Net business profits	¥71.6 bn	¥162.9 bn	¥88.9 bn	¥180.0 bn	¥5.0 bn
9 Ordinary profits	¥87.1 bn	¥195.0 bn	¥110.1 bn	¥185.0 bn	¥30.0 bn
10 Net income	¥62.6 bn	¥136.3 bn	¥73.3 bn	¥115.0 bn	¥20.0 bn
11 Total credit costs	¥16.6 bn	¥18.0 bn	¥9.3 bn	¥5.0 bn	¥20.0 bn

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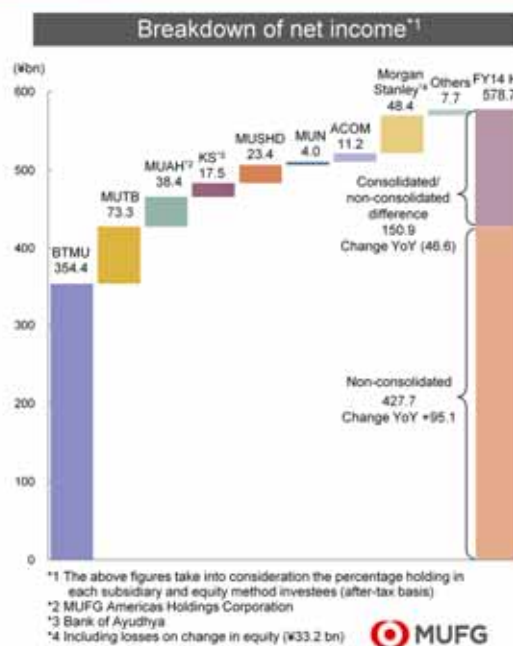
Appendix

Outline of FY2014 Interim results

FY2014 Interim key points

- Net income for FY14 H1 was ¥578.7 bn (Increased by ¥48.5 bn from FY13 H1)
 - Progress level towards FY14 full-year target was 60.9%
 - Both net interest income and net fees & commissions increased by ¥127.1 bn and ¥43.0 bn from FY13 H1
 - Total credit costs improved from FY13 H1 to a net reversal of ¥41.1 bn on consolidated basis
- Progress of mid-term business plan
 - Customer segments expanded
 - In corporate banking(domestic) business, CIB business expanded mainly with large corporations supported by MS collaboration
 - Expanded overseas business steadily. Overseas loans grew by ¥1.1 tn from end Mar 14 on local currency basis, mainly due to an increase in Americas and Asia
 - Completed business integration in Americas (Jul 2014)
 - Consolidated P/L of KS from this FY. On track for integration with BTMU Bangkok branch in Jan 2015
- Shareholder returns
 - FY14 dividend forecast revised from ¥16 to ¥18 per common stock
 - Adopted a resolution to repurchase own shares up to ¥100.0 bn

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Consolidated net income for the interim in fiscal year 2014 was ¥578.7 billion, an increase of 48.5 billion yen from the first half of previous fiscal year, and this represented 60.9% of our full year target of ¥950.0 billion.

As shown in the graph on the right, the difference between consolidated and non-consolidated net income was 150.9 billion yen. This reflected the contributions from subsidiaries such as MUAH, which is the holding company of MUFG Union Bank, Bank of Ayudhya, which is shown as KS here, and Mitsubishi UFJ Morgan Stanley Securities.

This fiscal year of 2014 is the final year of our medium mid-term business plan. We saw increased net operating income from customer segments as a result of making progress with our growth strategies.

In the domestic corporate business, transactions with large corporations performed well. Supported by collaboration with Morgan Stanley, the CIB business such as cross-border M&As and IPOs, generated good results.

Overseas, the lending balance continued to increase with economic growth in Asia and North America resulting in an increase in total overseas income. This was amid sources of instability including political risk in Ukraine and the Middle East, stagnation in European countries, and slower growth in Asia.

Also, in order to strengthen the global business platform, we completed the business integration of BTMU's Americas business with Union Bank, and have been proceeding steadily with preparations for the integration of BTMU's Bangkok Branch with Bank of Ayudhya, which is scheduled for next January in Thailand.

In light of the good results and progress with our business strategy, we decided to increase our forecast dividends for the full year to 18 yen, 2 yen higher than in FY2013.

We also decided to conduct up to 100 billion yen of share repurchases to enhance shareholder returns.

FY2014 H1 summary (Income statement)

(Consolidated)

● Net business profit

- Gross profits increased mainly due to increases in net interest income from loan businesses in overseas and revenue from investment banking as well as a positive impact of the consolidation of Krungsri (KS)
- G&A expenses increased mainly due to an increase in costs in overseas businesses as well as due to the consolidation of KS
- As a result, net business profits increased by ¥52.3 bn from FY13 H1 to ¥777.3 bn

● Total credit costs

- Total credit costs improved mainly due to posting a reversal of provision for specific allowance for credit losses, partially offset by a lower reversal of provision for general allowance for credit losses

● Net gains (losses) on equity securities

- Net gains (losses) on equity securities decreased mainly due to a decrease in gains on sales of equity securities

● Net extraordinary gains (losses)

- Net extraordinary losses was ¥68.9 bn mainly due to losses on change in equity in our investments in Morgan Stanley and a provision in connection with New York State Department of Financial Services matter

● Net income

- As a result, net income increased by ¥48.5 bn from FY13 H1 to ¥578.7 bn

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(¥bn)	FY13	FY14H1	YoY	
1	Gross profits (before credit costs for trust accounts)	3,753.4	2,012.9	167.6
2	Net interest income	1,878.6	1,035.7	127.1
3	Trust fees + Net fees and commissions	1,268.7	661.3	43.1
4	Net trading profits + Net other business profits	606.1	315.7	(2.6)
5	Net gains (losses) on debt securities	142.8	89.3	12.2
6	G&A expenses	2,289.3	1,235.5	115.3
7	Net business profits	1,464.1	777.3	52.3
8	Total credit costs ^{*)}	11.8	41.1	15.4
9	Net gains (losses) on equity securities	144.5	22.9	(20.5)
10	Losses on write-down of equity securities	(12.9)	(2.6)	8.2
11	Profits (losses) from investments in affiliates	112.4	103.9	35.2
12	Other non-recurring gains (losses)	(38.2)	4.5	16.9
13	Ordinary profits	1,694.8	949.8	99.4
14	Net extraordinary gains (losses)	(151.7)	(68.9)	(41.2)
15	Total of income taxes-current and income taxes-deferred	(439.9)	(242.5)	(30.3)
16	Net income	984.8	578.7	48.5
17	EPS (¥)	68.29	40.88	4.04

*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



Gross profits increased by 167.6 billion yen from the first half of FY 2013 to 2,012.9 billion yen. This was attributable to the positive impact of the consolidation of KS (Bank of Ayudhya), an increase in profits from overseas lending, and good performance of the investment banking business.

Operating expenses increased 115.3 billion yen from the first half of FY2013, mainly due to the consolidation of KS, and an increase in expenses overseas.

However, net business profits increased 52.3 billion yen from the first half of FY2013 to 777.3 billion yen.

Total credit costs marked a net 41.1 billion yen gain in reversal after MUFG posted a reversal of the allowance for credit losses.

Extraordinary loss was 68.9 billion yen, mainly due to loss on change in equity in or investment in Morgan Stanly, and a provision related to BTMU's case with the New York State Department of Financial Service.

As a result, net profit increased 48.5 billion yen from the first half of FY2013 to 578.7 billion yen.

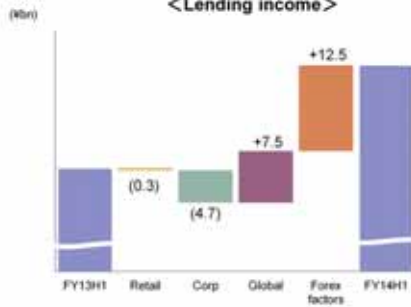
FY2014 H1 summary (Income statement)
supplementary explanation

(Consolidated)

Breakdown of net interest income^{*1}

(¥bn)	YoY
1 Total	127.1
2 BTMU & MUTB	73.4
3 Lending income	15.0
4 Deposit income	(19.1)
5 Market income & others	79.4
6 Subsidiaries	53.6
7 MUN + ACOM	(1.7)
8 MUAH	11.5

<Lending income>

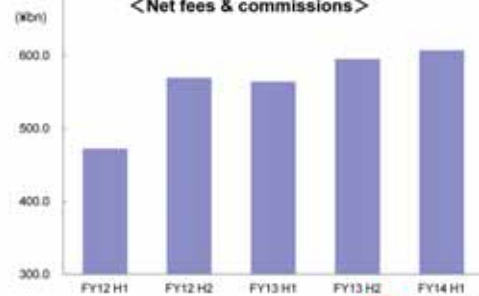


Breakdown of net fees & commissions^{*1}

(¥bn)	YoY
1 Total	43.0
2 BTMU & MUTB	19.1
3 Investment products sales	3.7
4 Investment banking (domestic) ^{*2}	12.7
5 Subsidiaries	23.8
6 MUSHD	(17.8)
7 KS	22.4
8 MUAH	9.0
9 MUN	3.3

*1 managerial accounting basis

<Net fees & commissions>



*2 Structured finance, syndicated loan, derivative, etc.



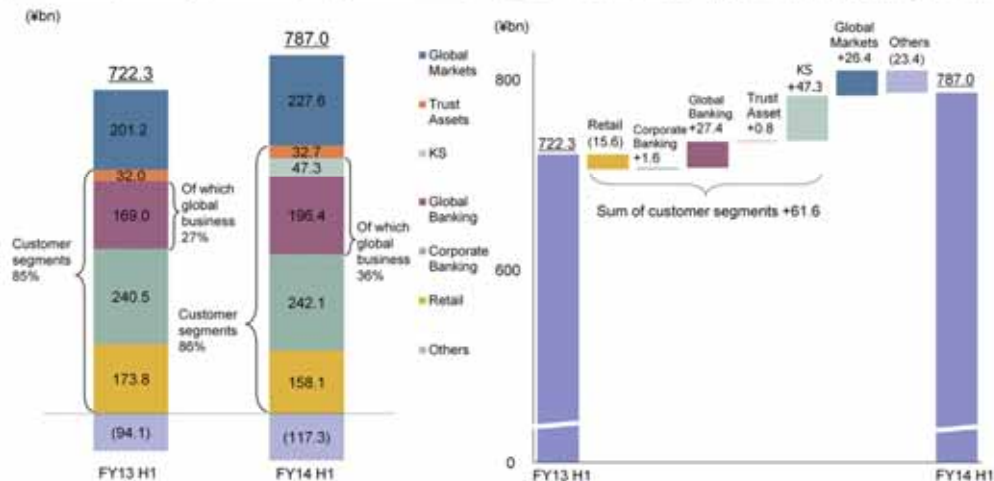
Outline of results by business segment

(Consolidated)

- Net operating profit in customer segments increased by ¥61.6 bn from FY13 H1 due to increases in Corporate Banking, Global Banking and Trust Assets, as well as consolidation of KS
- Customer segments accounted for 86% of the total, of which global business accounted for 36%

Net operating profits by segment¹

Breakdown of changes in net operating profits



10. ¹ Consolidated net business profits on a managerial accounting basis. Actual exchange rate basis

Please see page 36 of the databook for details MUFG

Looking at net operating profit by business segment, net operating profits increased in corporate banking, global banking, trust assets and global markets, with the consolidation of KS also contributing to the increase in net operating profits. Customer segments generated 86% of net operating profits, of which overseas profits accounted for 36%.

● Loans

- Increased from end Mar 14 mainly due to increases in domestic corporate loans and overseas loans

● Investment securities

- Decreased from end Mar 14 mainly due to decreases in Japanese government bonds and foreign bonds.

● Deposits

- Decreased from end Mar 14 mainly due to decreases in domestic corporate and overseas deposits, partially offset by an increase in domestic individual deposits

● Non performing loans ("NPLs")

- Decreased from end Mar 14 mainly due to a decrease in doubtful loans

● Net unrealized gains on securities available for sale

- Increased from end Mar 14 mainly due to increases in net unrealized gains on domestic equity securities and foreign bonds

(¥bn)	End Mar 14	End Sep 14	Change
1 Total assets	258,131.9	264,458.1	6,326.2
2 Loans (banking + trust accounts)	102,038.5	102,671.7	633.1
3 Loans (banking accounts)	101,938.9	102,571.0	632.1
4 Housing loans ^{*1}	16,347.7	15,977.6	(370.0)
5 Domestic corporate loans ^{**2}	41,312.8	41,599.7	286.8
6 Overseas loans ^{**3}	33,907.0	35,590.8	1,683.8
7 Investment securities (banking accounts)	74,515.5	73,179.3	(1,336.2)
8 Domestic equity securities	4,998.2	5,516.3	518.1
9 Japanese government bonds	40,649.9	39,763.2	(886.6)
10 Foreign bonds	21,431.8	20,029.0	(1,402.7)
11 Total liabilities	243,019.0	248,115.1	6,096.0
12 Deposits	144,700.2	144,135.8	(564.4)
13 Individual deposits (domestic branches)	68,867.2	69,286.3	419.0
14 Total net assets	15,112.8	15,343.0	230.1
15 FRL disclosed loans ^{**4}	1,418.1	1,209.9	(208.2)
16 NPL ratio ^{**4}	1.41%	1.18%	(0.22%)
17 Net unrealized gains (losses) on securities available for sale	1,869.9	2,751.6	881.7

*1 Non-consolidated + trust accounts

**2 Excluding lending to government

**3 Loans booked in overseas branches, MUAH, KS, BTMU (China) and BTMU (Holland)

**4 FRL = the Financial Reconstruction Law



Loans/Deposits

(Consolidated)

● Loan balance ¥102.6 tn (increased by ¥0.6 tn from Mar 14)

<Breakdown of change>

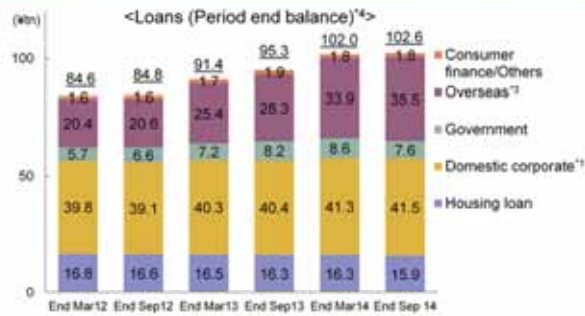
- Housing loan (¥0.3 tn)
- Domestic corporate^{*1} +¥0.2 tn
- Large corporate^{*2} +¥0.4 tn
- SME^{*2} (¥0.0 tn)
- Overseas^{*3} +¥1.6 tn
- Excluding impact of FX rate change +¥1.1 tn

^{*1} Excluding lending to government

^{*2} Figures for internal management purpose

^{*3} Loans booked in overseas branches - MJRH - KS - BTMU (China) + BTMU (Holland)

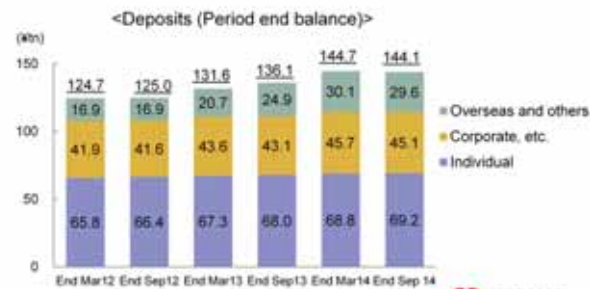
^{*4} Sum of banking and trust accounts



● Deposit balance ¥144.1 tn (decreased by ¥0.6 tn from Mar 14)

<Breakdown of change>

- Individual +¥0.4 tn
- Corporate, etc. (¥0.5 tn)
- Overseas and others (¥0.4 tn)
- Excluding impact of FX rate change (¥0.6 tn)



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The loan balance increased by 0.6 trillion yen from the end of March 2014. This reflected increases in the domestic corporate lending balance and overseas lending balance. Over the same period, deposits increased by 8.6 trillion yen to 144.7 trillion yen.

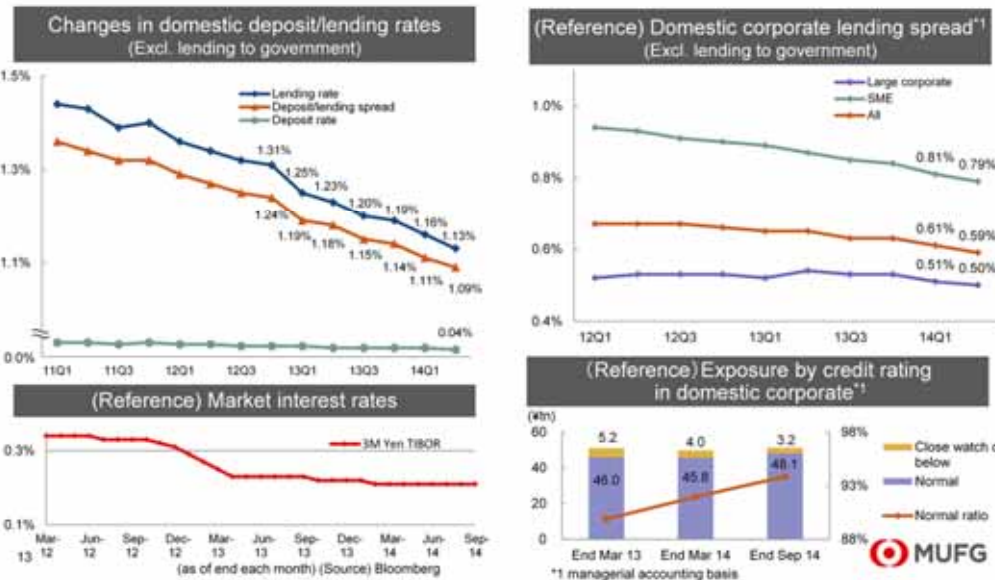
As for the domestic corporate lending balance, lending balance to large corporates increased, while that balance to SMEs was almost flat.

The overseas lending balance increased steadily by 1.1 trillion yen in exclusion of the impact of currency exchange rates.

Domestic deposit/lending rates

(Non-consolidated)

- Deposit/lending rates excluding lending to government in FY14 Q2 declined by 2bp from FY14 Q1



Next, I am going to give an explanation of domestic deposit and lending rates.

The middle line of the graph on the upper left shows change in the deposit-to-lending spread. In 2Q, it fell 2bps from 1Q to 1.09%. This reflected a drop in market interest rates as well as narrower lending spreads due to the competitive lending market in Japan.

Market interest rates, one of the two factors that led to the downtrend in the deposit-to-lending spread, is shown in the graph on the bottom left, and the other factor, the domestic corporate lending spread is shown in the graph on the upper right.

During the last quarter, the aggregate domestic corporate lending spread dropped to 0.59% from 0.61%. Breakdown of the decline in this spread was a 2bps drop in the spread to SMEs and a 1bps drop in the spread to large corporates.

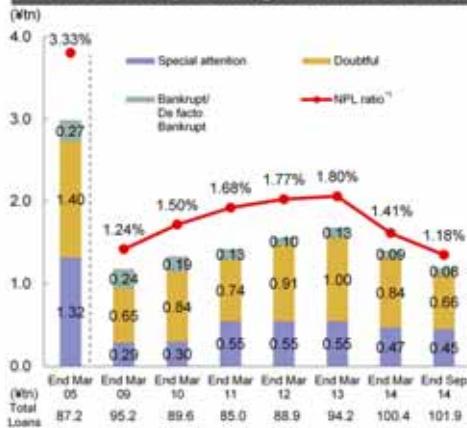
For your reference, the graph on the bottom right shows credit exposure by corporate credit rating and the ratio of exposure to normal corporate credit against total corporate exposure. You can see that the exposure to normal credit has tended to increase, while the exposure to credit on close watch or worse has tended to decrease, resulting in an uptrend in the normal ratio. This means the lending spread has declined while the quality of the lending portfolio has improved.

Loan assets

(Consolidated/Non-consolidated)

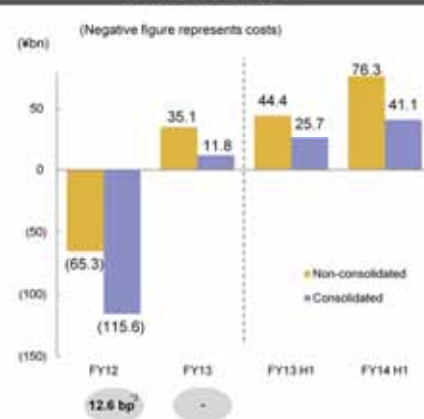
- NPL ratio declined by 0.22 percentage points from end Mar 14 to 1.18%
- Total credit costs improved from FY13 H1 to a net reversal of ¥41.1 bn on consolidated basis (a net reversal of ¥76.3 bn on non-consolidated basis)

Balance of non performing loans (non-consolidated)




¹ Non performing loan/total loans

Total credit costs²



² Figures included gains on loans written-off

³ Total credit cost/lending(banking + trust accounts)

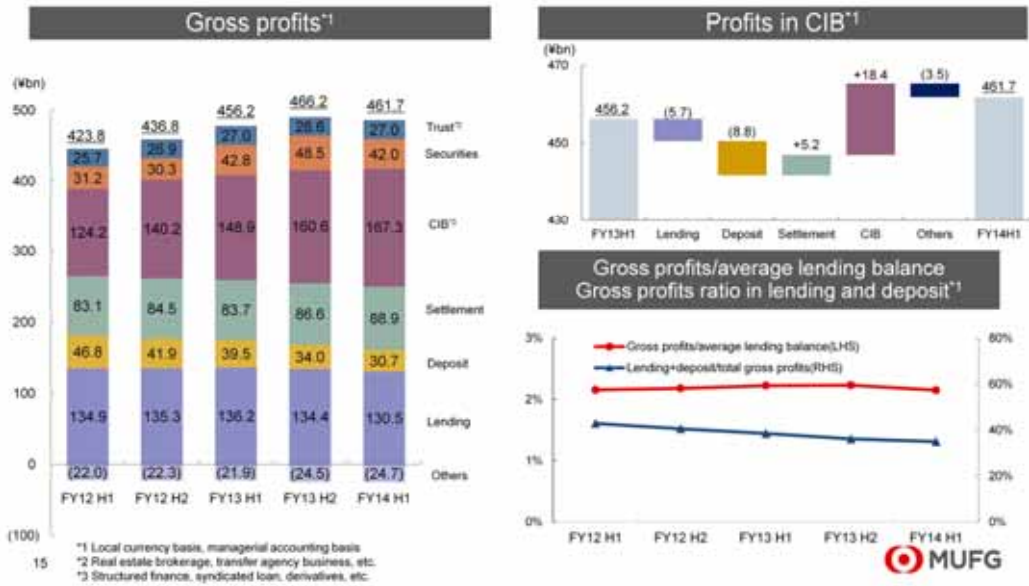
Please see page 48-50 of the databook for details 

As shown in the graph on the left, the NPL ratio dropped to 1.18% as of the end of September from 1.41% as of the end of March 2014.

The graph on the right shows total credit costs on a non-consolidated and consolidated basis, and the two bar graphs on the extreme right show that, as of the 1st half of 2014, total credit costs had marked a net gain in reversal on both a non-consolidated and consolidated basis.

Historical profits in corporate banking (domestic) (Consolidated/Non-consolidated)

- CIB business is expanding steadily which overwhelmed a decrease in gross profits from deposit and lending
- Contribution ratios of deposit and lending are decreasing



Now I'd like to move to the next page to talk about historical profits in the domestic corporate banking business.

With domestic loan-to-deposit spreads continuing to contract, we have sought revenue growth through commission and fee income on loan-related transactions such as structured finance, syndicated loans, and derivatives. The bar graph on the left shows the breakdown in gross profits for the Corporate Banking segment. As you can see, the gross profit structure has changed.

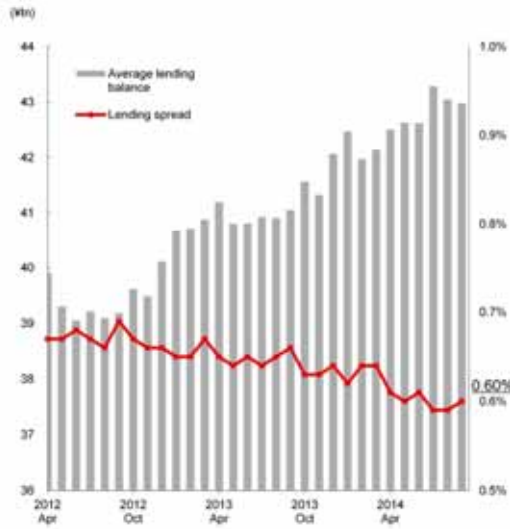
The water fall graph on the upper right shows the changes in profits from each business compared to the 1st half of FY2013.

You can see an increase in CIB-related commissions and settlement fees compensated for a decrease in profit from lending and deposits.

Next, please move on to the page 18.

Domestic and overseas lending

Domestic corporate lending/spread^{*1}



*1 Excl. lending to government

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Overseas corporate lending/spread^{*2}
(Excl. MUAH, KS)



*2 Local currency basis



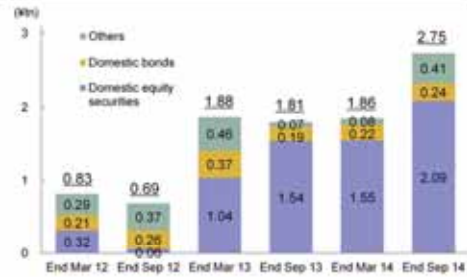
Investment securities

(Consolidated/Non-consolidated)

Securities available for sale with fair value

(Bn)	Balance		Unrealized gains (losses)	
	End Sep 14	Change from End Mar 14	End Sep 14	Change from End Mar 14
1 Total	69,594.1	(2,127.8)	2,751.6	881.7
2 Domestic equity securities	4,904.6	520.4	2,090.7	531.0
3 Domestic bonds	41,431.3	(1,662.3)	246.6	23.7
4 Japanese government bonds	38,947.8	(1,487.0)	189.8	22.1
5 Others	23,258.1	(955.9)	414.3	326.9
6 Foreign equity securities	217.6	0.1	86.8	5.1
7 Foreign bonds	19,076.8	(1,523.0)	191.6	244.6
8 Others	3,963.7	566.9	135.8	77.1

Unrealized gains (losses) on securities available for sale



Balance of JGBs by maturity¹



¹ Securities available for sale and securities being held to maturity. Non-consolidated

JGB Duration²



² Securities available for sale. Non-consolidated



Expenses/Equity holdings

(Consolidated/Non-consolidated)

- Consolidated expense ratio was 61.3%, non-consolidated expense ratio was 53.9%. Consolidated expense ratio target for full year is under 60%
- Continue restraint policy for equity holdings

G&A expenses

(¥bn)
 ■ G&A expenses (non-consolidated) ■ G&A expenses (consolidated)
 ● Expense ratio (consolidated)*1 ● Expense ratio (non-consolidated)

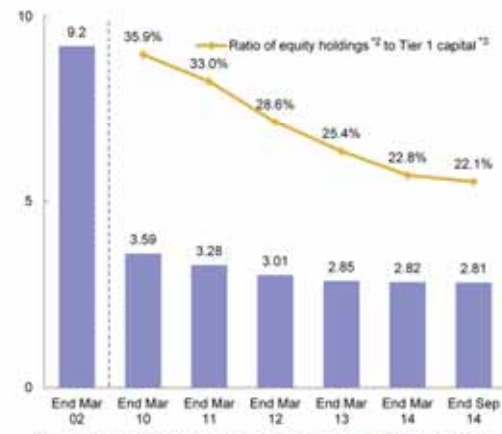


*1 Expense ratio = G&A expenses/gross profits (before credit costs for trust accounts)

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Equity holdings

(¥bn)



*2 Acquisition price of domestic equity securities in the category of "other securities" with market value (consolidated)

*3 Under Basel 2 basis by end Mar 12 (consolidated)



The graph on the left shows G&A expenses. MUFG has targeted a consolidated expense ratio of 60% or less for the full year. However, the expense ratio for the 1st half of FY2014 was 61.3%. A further breakdown shows the ratio was 64.1% for Q1 and 58.0% for Q2. And currently we are reviewing budget items in order to achieve the expense ratio we targeted for the full year.

As shown in the graph on the right, the balance of equity holdings decreased. Although the amount of decrease during the last half wasn't significant, we are continuing to apply restraint in managing the investment of our equity holdings.

Next, please skip to the overview of our growth strategy on page 23.

Capital

(Consolidated)

- Risk-adjusted capital ratio
(Full implementation¹⁾)
Common Equity Tier1 ratio : 11.4%
Excluding impact of net unrealized gains
(losses) on securities available for sale : 9.4%

¹ Calculated on the basis of regulations to apply at end Mar 19

- Leverage ratio
Transitional basis (pro forma) : 4.4%

- Issued Tier2 Subordinated notes
(MUFG, Jun 2014)

	Tier2 Subordinated Notes, No1	Tier2 Subordinated Notes, No2
Amount	¥40 bn	¥10 bn
Tenor	10year	10year (NC5)
Coupon	0.94%	0.66% until Jun 2019 6M Libor +0.32% thereafter

(¥bn)	End Mar 14	End Sep 14	Change	
1	Common Equity Tier1 ratio	11.25%	10.97%	(0.27%)
2	Tier1 ratio	12.45%	12.21%	(0.23%)
3	Total capital ratio	15.53%	15.39%	(0.13%)
4	Common Equity Tier1 capital	11,153.0	11,435.8	282.7
5	Capital and stock surplus	3,924.8	3,580.9	(343.9)
6	Retained earnings	7,033.1	7,531.0	497.9
7	Additional Tier1 capital	1,188.8	1,290.3	101.4
8	Preferred stock and preferred securities	1,326.0	1,326.0	-
9	Foreign currency translation adjustments	325.7	203.3	(122.4)
10	Regulatory adjustment of goodwill (transitional arrangements)	(439.7)	(213.2)	226.4
11	Tier1 capital	12,341.8	12,726.1	384.2
12	Tier2 capital	3,052.4	3,313.0	260.6
13	Subordinated debt	2,119.9	1,990.6	(129.2)
14	Amounts equivalent to 45% of unrealized gains on other securities	671.4	997.3	325.8
15	Total capital (Tier1+Tier2)	15,394.3	16,039.1	644.8
16	Risk weighted asset	99,084.3	104,160.1	5,075.8
17	Credit risk	88,001.3	88,530.0	528.6
18	Market risk	2,340.8	2,835.9	495.0
19	Operational risk	6,062.2	6,072.6	10.3
20	Transitional floor	2,679.8	6,721.5	4,041.6

Please see page 55 of the databook for details 

Mitsubishi UFJ Securities Holdings

- Decreased net operating revenue and net income from FY13 H1 when historical high recorded
- Commission received and net trading income decreased under low volatility in domestic market

Results of MUSHD^{*1}

(¥bn)	FY13	FY14 H1	YoY
1 Net operating revenue ^{*2}	450.6	194.6	(35.2)
2 Commission received	242.5	106.9	(19.1)
3 To consignees	44.9	17.7	(8.2)
4 Underwriting, etc.	43.2	20.8	3.3
5 Offering, etc.	62.9	28.3	(8.7)
6 Other fees received	91.4	40.0	(7.5)
7 Net trading income	210.4	76.7	(30.4)
8 Stocks	64.6	21.9	(14.0)
9 Bonds, other	145.7	54.8	(16.3)
10 G&A expenses	316.7	162.8	6.6
11 Personnel expenses	133.3	67.0	3.5
12 Operating income	133.9	31.7	(41.9)
13 Non-operating income	29.3	10.9	(9.3)
14 Equity in earnings of affiliates	24.5	5.6	(12.1)
15 Ordinary income	163.3	42.7	(51.2)
16 Net income	97.7	23.4	(39.7)

*1 Mitsubishi UFJ Securities Holdings Co., Ltd.

*2 Operating revenue minus financial expenses

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Commission received (MUSHD^{*1})

(¥bn)	FY13	FY14 H1	YoY
1 To consignees	44.9	17.7	(8.2)
2 Stocks	44.0	16.9	(8.6)
3 Underwriting, etc.	43.2	20.8	3.3
4 Stocks	18.8	6.1	(0.8)
5 Bonds, etc.	24.3	14.6	4.1
6 Offering, etc.	62.9	28.3	(6.7)
7 Investment trust, etc.	61.8	27.3	(7.3)
8 Other fees received	91.4	40.0	(7.5)
9 Investment trust, etc.	53.7	25.8	(1.7)

Results of MUMSS^{*3}

(¥bn)	FY13 ^{*4}	FY14 H1 ^{*4}	YoY ^{*5}
1 Net operating revenue ^{*2}	349.9	151.2	(34.3)
2 G&A expenses	220.7	110.7	1.2
3 Operating income	129.1	40.5	(35.5)
4 Ordinary income	130.5	41.3	(35.4)
5 Net income	128.8	32.2	(53.9)

*3 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

*4 Simple total with Mitsubishi UFJ Morgan Stanley PB

Securities

*5 Consolidated with Mitsubishi UFJ Morgan Stanley PB Securities



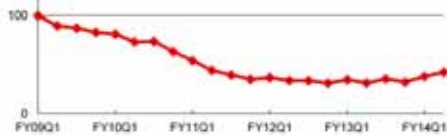
Consumer finance

- MUN: Net income decreased due to struggling cashing and financing business, while shopping business increased
- ACOM: Successfully increased operating revenue due to good performance of financing and guarantee business.
Net income slightly decreased due to increased provision for bad debts

Results of MUN

(Wbn)	FY13	FY14H1	YoY	FY14 (plan)
1 Operating revenue	265.7	129.9	(0.6)	275.2
2 Card shopping	173.1	87.1	3.8	-
3 Card cashing	37.5	16.7	(2.9)	-
4 Finance	10.4	4.3	(1.1)	-
5 Operating expenses	246.4	126.2	3.0	257.9
6 G&A expenses	237.0	121.9	5.3	245.3
7 Credit related costs	9.4	4.2	(2.3)	12.5
8 Repayment expenses	0.0	0.0	0.0	-
9 Operating income	19.3	3.7	(3.7)	17.2
10 Ordinary income	19.8	3.8	(3.6)	18.0
11 Net income	25.0	4.7	(2.7)	17.3
12 Interest repayment [†]	18.2	8.8	(0.6)	

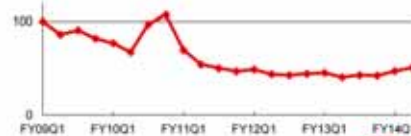
<Requests for interest repayment⁴>



Results of ACOM

(Wbn)	FY13	FY14H1	YoY	FY14 (plan)
1 Operating revenue	202.2	106.7	6.9	208.8
2 Operating expenses	187.9	76.5	8.0	156.6
3 G&A expenses	79.1	40.1	1.8	86.6
4 Provision for bad debts	41.9	26.4	7.2	50.1
5 Provision for loss on interest repayment	45.4	0.0	0.0	-
6 Operating income	14.3	30.2	(1.0)	52.2
7 Net income	10.6	28.0	(0.5)	45.0
8 Guaranteed receivables (Non-consolidated)	752.1	808.3	177.0	818.5
9 Unsecured consumer loans (Non-consolidated)	713.1	726.6	19.6	741.8
10 Share of loans ^{††}	33.5%	33.8% [‡]	0.9%	
11 Interest repayment [†]	72.3	33.6	(1.4)	

<Requests for interest repayment⁴>



- 21 [†] Including waiver of repayment
^{††} ACOM unsecured consumer loan balance (non-consolidated)/consumer finance industry loan balance
[‡] As of end Aug 14. (Source: Japan Financial Services Association)
⁴ Requests for interest repayment in FY09 Q1 = 100



Growth strategy

Growth strategy

- Achieve sustainable growth, through businesses listed below as key earning drivers
 - Global strategy by regions including emerging markets (Asia, Americas, EMEA)
 - Project finance
 - Sales & Trading
 - Global strategic alliance with Morgan Stanley
 - Domestic corporate business
 - Transaction banking business
 - Integrated corporate & retail business
 - Investment product sales
 - Consumer finance
 - Global asset management & administration

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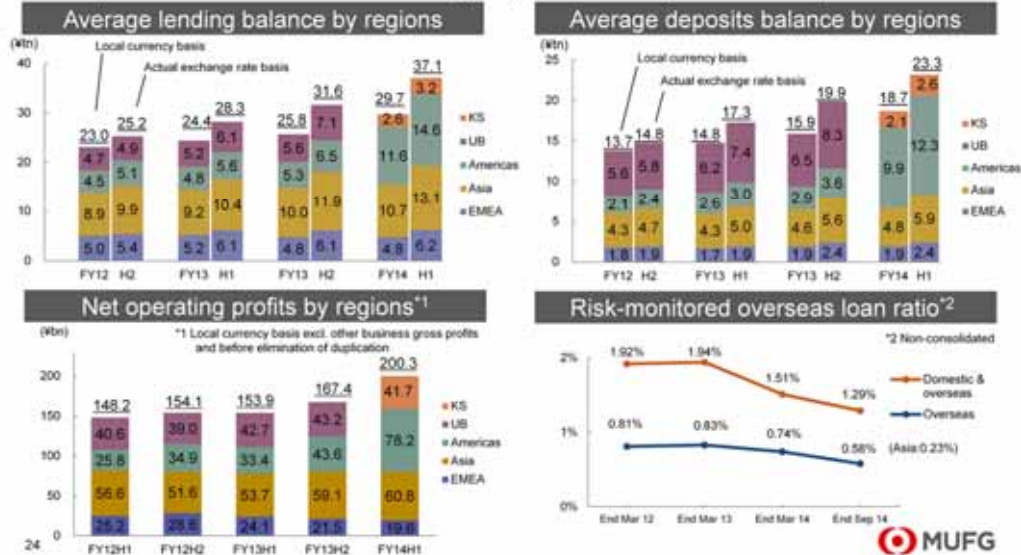


I'm going to talk about group strategy, focusing on the areas that are changing and those you have been interested in in the past.

Global strategy

(Commercial bank consolidated)

- Americas and Asia account for largest portion of net operating profits
- Expanded our lending and customer deposits. In addition, the risk-monitored overseas loan ratio drops due to our strict credit controls
- Non-Japanese business accounted for 64% of gross profits (excluding MUAH and KS)



The first area is global strategy. The graph on the bottom left shows how our net operating profits have been increasing steadily overseas.

In the first half of FY 2014, KS was consolidated with MUFG, and Union Bank was integrated with the Americas segment of BTMU.

As shown in the graph on the upper left, we managed to grow our average lending balance in the priority regions of Asia and the Americas.

Average deposit balance has also continued to grow as shown in the graph on the upper right.

The graph on the bottom right shows the risk-monitored overseas loan ratio. While our overseas loan book has expanded, this loan ratio has remained at a low level of 0.58% as of the end of March 2014. Broken down further, the risk-monitored loan ratio in Asia was 0.23%, indicating that the loan portfolio in Asia was maintained at a relatively high quality compared to the aggregate overseas loan portfolio.

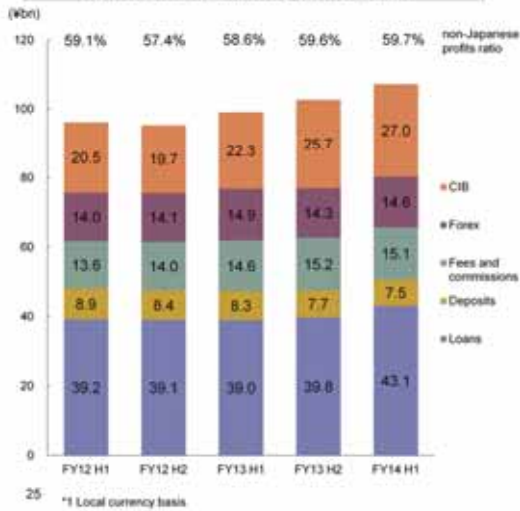
Please turn now to our Asia strategy on page 27.

Asia strategy(1)

(Commercial bank consolidated excl. KS)

- Gross profits increased driven by income from loans and CIB
- Accumulating high quality assets and strengthening cross selling
- Aim to secure position as a top foreign bank by improving business model to capture Asian growth

Customer business gross profits^{*1}

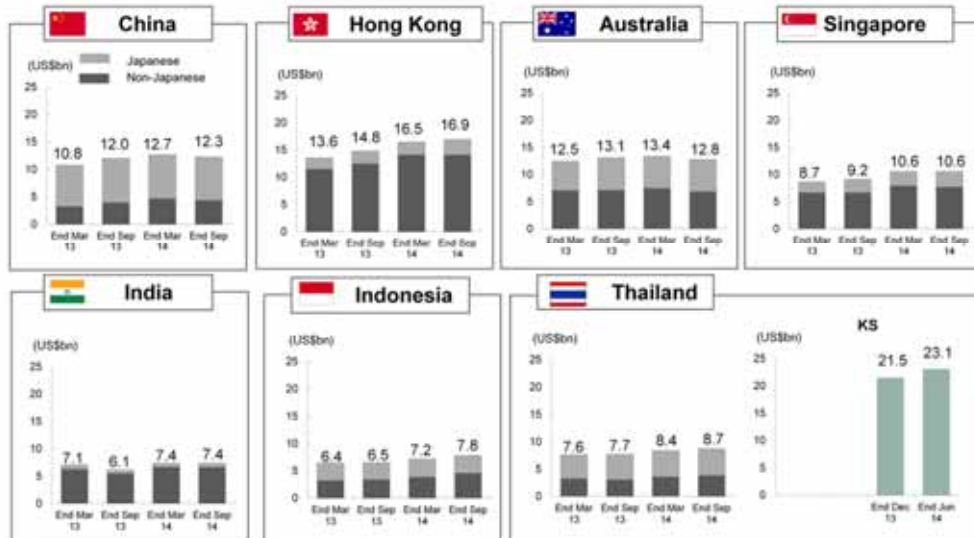


Key points of Asia strategy

- **Strengthen sales through cross-entities and cross-region to expand products/services. Strengthen governance and risk management framework**
- **Organic growth**
 - Respond to Japanese company's needs by strengthening transaction banking capability
 - Support customers expanding into emerging regions by our local alliance network
 - Expand transactions with non-Japanese companies by strengthening solution ability
 - Strengthen local currency business including RMB related business
- **Non-organic growth**
 - Pursue investment and alliance opportunities
- **Two headquarters for Asia & Oceania**
 - One headquarter for East Asia (China, Hong Kong, etc.) and one for SE Asia, Oceania, etc. (in Singapore)
 - Regional marketing division in Singapore and a framework in China and Hong Kong to oversee and collaborate each other



- Aiming to increase lending balance through adopting strategy to the characteristics of each market



(Note) Counted by the nationality of each borrower for internal management purpose (excl. Financial institution)

Asia strategy(3) -Bank of Ayudhya (Krungsri)

- Acquired 72% of KS stock in Dec 13. Integration of KS and BTMU Bangkok branch is scheduled on 5th Jan 2015 subject to authorities' approval
- Build comprehensive commercial banking platform including retail and SME banking in Asia
- The combination of MUFG and KS's customer base and product/service capabilities will bring in significant synergies

(Kbn)	FY12 ¹	FY13 ¹	FY14Q1-3 ¹	y-o-y
P/L				
Total operating income	206.8	231.5	175.2	+5.3
Operating expense	104.1	113.6	85.6	+3.7
Net income	49.4	40.1	34.5	(2.1)
B/S				
Loan ²	2,805.4	3,189.0	3,295.1	+289.6
Deposit	2,322.6	2,582.5	2,724.8	+235.7
Total asset	3,623.2	3,987.1	4,181.6	+310.9
Total equity	363.6	410.8	434.2	+26.6

	FY12 ¹	FY13 ¹	FY14Q1-3 ¹	y-o-y
Key indicate				
NIM	4.3%	4.3%	4.2%	(0.0%)
CIR	50.3%	48.8%	48.9%	+0.5%
NPL	2.4%	2.6%	3.2%	+0.6%
LDR	102.9%	104.3%	106.0%	+2.0%
ROA	1.5%	1.1%	1.1%	(0.2%)
RDE	13.5%	10.1%	10.9%	(1.5%)

Leadership position

	As of End Aug 14	Rank	Share
Consumer			
Personal loan		1	27%
Credit card		1	15%
Auto		2	18%
SME			
		5	8%
Large corporate			
		5	7%



¹ Fiscal year ending December. An exchange rate of THB1 = ¥3.38 was uniformly applied to financial results (Thai Accounting Standards) disclosed with the Stock Exchange of Thailand.

² Includes lease receivables

Please see page 26-27 of the databook for details 

In Thailand, we plan to integrate Bank of Ayudhya with BTMU's Bangkok Branch on January 5, 2015, assuming that we receive approval from the local authorities.

We will strive to harness the synergies from integration by building a comprehensive merchant banking platform encompassing the wholesale business, SME business, and retail business, and by utilizing the customer bases of BTMU and KS, and a wide range of products and services.

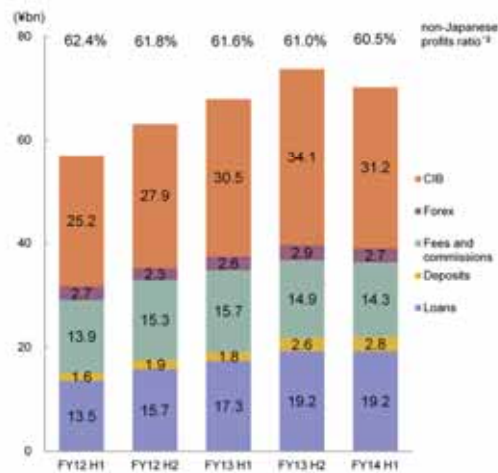
The 2 charts on the left show key financial indicators and I index of Bank of Ayudhya. Total operating income from Q1 to Q3 of FY2014 increased by 5.3 billion yen from the same periods of previous year. On the other hand, the NPL ratio increased to 3.2%. We will be watching the NPL ratio closely, as well as the political and economic situation in Thailand.

Next, please go the Americas strategy on page 29.

Americas strategy(1)

- In the Americas, which comprises approx. 50% of overseas business income, gross profits increased steadily driven by income from CIB and loans
- Aim to become a US top 10 financial institution by scale and profitability

Customer business gross profits (Excl. MUAH) ^{*1}



Key points of Americas strategy

- Organic growth
 - Accelerate growth through expansion of customer base, intra-group collaboration and new product development
 - Strengthen base in personnel, risk management, IT, etc. to support business volume growth
- Non-organic growth
 - Pursue opportunities for strategic acquisitions. Respond to high value-added acquisitions
- Latin America
 - Accelerate steady execution of integrated strategy by country and realize benefits of capital increases that have been implemented
- BTMU and UNBC full business integration since Jul 2014

^{*1} Local currency basis

^{*2} Excl. Latin America and others



Americas strategy(2)

- Integrated BTMU and UNBC business and established US holding company(MUAH) and US banking corporation(MUFG Union Bank) to unify BTMU's Americas business for centralization of management
- Maximize profit opportunities by combining BTMU and MUAH strengths

BTMU-UNBC business integration aims

- Improve client services
 - Improve and enhance client services through integration
- Strengthen foreign currency funding ability
 - Strengthen US dollar funding ability on a global basis
- Response to US financial regulations
 - Strengthen governance and risk management to comply with US prudential regulations

Deposit Balance Ranking in the U.S.

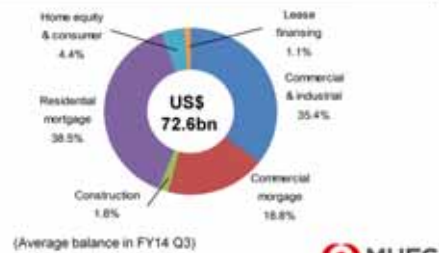
Rank	Name	Balance (US\$ bn)
9	TD Banks US Holding Company	196
10	State Street Corporation	182
11	SunTrust Banks, Inc.	130
12	BB&T Corporation	127
13	MUFG Union Bank	115
19	UNBC	80
45	BTMU (Americas)	35

29 (Source) S&P.

Strategic initiatives after integration

- Expansion of business initiatives by industry sector
- Expand fee businesses through cross selling
- Optimize the business mix
 - Effective utilization of business foundation nationwide, covering wholesale, middle & retail
 - Expand high margin businesses such as consumer loans
- Improve profitability and sophisticate risk management

Loan Portfolio of MUFG UB



As I mentioned earlier, we have integrated Union Bank with the US operations of BTMU. The purposes of this integration are to reinforce our services for customers, to strengthen US dollar funding base and to adapt to financial regulations anticipated in the US.

As a next initiative, we are working on 1) expanding business initiatives by industry sector, 2) expanding fee businesses through cross selling, 3) optimizing the nationwide business mix, and 4) seeking to improve profitability while enhancing risk management.

The competitiveness of our business platforms in the Americas and Asia is MUFG's unique strength and we would like to enhance it by leveraging the effects of those two integrations in the Americas and Thailand.

Now please turn to the outline of our global strategic alliance with Morgan Stanley on page 31.

Americas strategy(3)

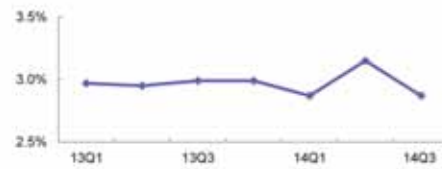
- Performed well despite lower interest rates and higher regulatory costs. Loans and deposits steadily increased
- MUAH's Capital Plan 2014 approved by Federal Reserve System (satisfies the CCAR and Dodd-Frank Act stress testing requirement)

MUAH business performance

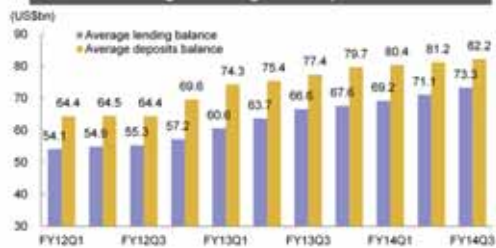
(US\$m)	FY13	FY14		
		Q1	Q2	Q3
Gross profits	3,592	864	965	1,095
Non-interest expenses	2,793	600	649	805
Net business profits	799	204	316	290
Provision for allowance for credit losses ¹	(45)	(16)	9	(18)
Net income	667	175	249	246

¹ Negative figures are reversal

MUAH net interest margin

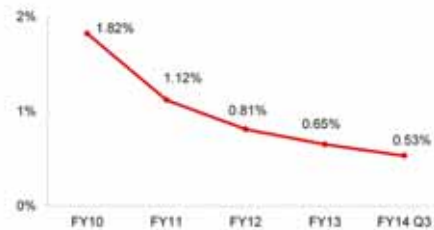


MUAH average lending and deposits balance²



² Effective of acquisition of Pacific Capital Bancorp was reflected from Dec. 12. Commercial real estate finance firm from Deutsche Bank's subsidiary was from Jun 13

MUAH NPL ratio³



³ Excluding FDIC covered loans

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Please see page 24-25 of the databook for details 

Global strategic alliance with Morgan Stanley

- Enhance strategic alliance by expanding scope of collaboration, fully leveraging BTMU customer base
- No. 1 position in cross-border M&A advisory for transactions involving Japanese corporations for FY14 H1
- Utilize MS' global expertise to further develop wealth management business in Japan

Results of Morgan Stanley

(US\$m)	FY13	FY14		
		Q1	Q2	Q3
1 Net revenue	32,417	8,947	8,608	8,907
2 Net revenue (Excl. DVA) ¹	33,098	8,821	8,521	8,692
3 Non-interest expenses	27,935	6,622	6,676	6,687
4 Income from continuing operations before taxes	4,482	2,325	1,932	2,220
5 Income from continuing operations before taxes (Excl. DVA) ¹	3,524	2,199	1,846	2,005
6 Net income applicable to MS	2,932	1,505	1,699	1,693
7 Earnings applicable to MS common shareholders	2,655	1,449	1,820	1,629

¹ Calculated by MUFG based on Morgan Stanley public data

M&A advisory (cross-border deals)				
(Apr 14 - Sep 14)				
Rank	FA	#	Amount (¥bn)	Share (%)
1	MUMSS	21	1,567.3	42.8
2	Goldman Sachs	8	1,350.6	36.9
3	Cit	8	825.7	22.6
4	GCA Savvian Group	7	616.6	16.9
5	Evercore Partners	5	519.0	14.2

31 Any Japanese involvement announced

(Source) Thomson Reuters

Major collaborations around the globe

- Acquisition of Windsor by Ajinomoto
 - MUMSS acted as financial advisor for Ajinomoto in its approx. \$0.8 bn acquisition of Windsor Quality Holdings
- Global IPO by Recruit Holdings
 - MS/MSMS/MUMSS acted as JGC and Joint Bookrunner for both the domestic and international tranches for the approx. ¥213.8 bn initial public offering for Recruit Holdings
- Global IPO by Skylark
 - MS/MSMS/MUMSS acted as JGC and Joint Bookrunner for both the domestic and international tranches for the approx. ¥75.3 bn initial public offering for Skylark

Equity underwriting				
(Apr 14 - Sep 14)				
Rank	Bookrunner	#	Amount (¥bn)	Share (%)
1	Nomura	67	626.8	35.4
2	Daiwa	59	287.2	16.2
3	SMBC Nikko	60	260.6	14.7
4	Mizuho	57	177.0	10.0
5	MUMSS	40	156.8	8.8

(Source) Thomson Reuters



In the first half, Mitsubishi UFJ Morgan Stanley Securities, or MUMSS, ranked first in cross-border M&A advisory for transactions involving Japanese corporations. This was achieved by leveraging the customer base of MUFG and utilizing the investment banking expertise and products of Morgan Stanley. In that period, MUMSS ranked 5th in equity underwriting in Japan, in part because of the scarcity of major underwriting transactions.

Recent major deals in which MUMSS and Morgan Stanley collaborated are listed on the right. We successfully concluded large-scale transactions in M&A advisory and IPO by capturing heightened needs among Japanese corporates for overseas investment and global funding.

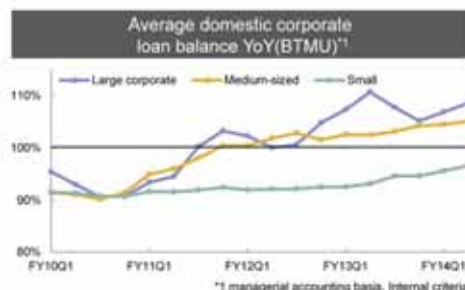
Now, please move on to the overview of our domestic corporate banking business on the next page.

Domestic corporate banking business(1)

- For attaining sustainable growth, enhance income from core business. Focus on lending operations
- Develop various initiatives to enhance sophistication of risk-return management

Initiative details	
Main initiatives	Outline
Strengthen M&A activity	<ul style="list-style-type: none"> • Raise flexibility of certain PEF investment standards for LBO deals • Capture capital demand for M&A finance by leveraging MS' global reach to further strengthen BTMU/MUMSS collaboration
Enhance sophistication of risk-return management	<ul style="list-style-type: none"> • Business support initiative <ul style="list-style-type: none"> • Execute initiatives including lending for corporate customer to improve their earnings and corporate value • Real estate fund <ul style="list-style-type: none"> • Strengthen real estate-related loan initiatives in light of current real estate market conditions
Establish new loan fund	<ul style="list-style-type: none"> • Capex fund, growth business fund <ul style="list-style-type: none"> • Provide financial support, in step with the Japan Revitalization Strategy, for long-term capex or promising business

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Capex outlook by sector (FY14)

	FY14 (Bn)	FY14 (Yb)		FY14 (Yb)	
Food	1.7	0.5%	Wholesale & retail trade	7.3	3.7%
Chemical (including pharmaceuticals) & textiles	2.5	(0.8)%	Transportation	5.2	3.1%
Pulp & paper	0.3	(0.5)%	Real estate	4.6	3.1%
Oil & coal products	0.3	0.6%	Electric power, gas & water	4.1	2.6%
Iron, steel & nonferrous metals	1.5	0.4%	Information & telecommunication	3.5	(0.6)%
Machinery	1.8	7.0%	Construction	1.8	1.3%
Electronics	4.4	2.2%	Finance & insurance	3.7	3.9%
Transportation equipment (automobiles, etc.)	2.5	3.2%	Other non-manufacturing	19.4	7.6%
Other manufacturing	3.3	4.7%	Total	67.9	4.0%

(Source)Compiled by BTMU Economic Research Office



As the Japanese economy continues to recover, we aim to provide financial support for the growth of corporate Japan while strengthening our domestic corporate banking franchise.

Main initiatives are outlined on the left-hand side of this slide. First, we are focusing more of our efforts on financing M&A activities by Japanese companies, which is a growing sector.

Second, we are promoting business support initiatives to help corporate clients build earnings and add value. Third, we have reinforced real estate-related lending by establishing a new real estate fund.

Separately, we have set up a new lending fund to finance capex projects and the development of growing businesses. The overall aim of these moves is to boost our lending to the entire Japanese corporate sector, from large corporations to SMEs.

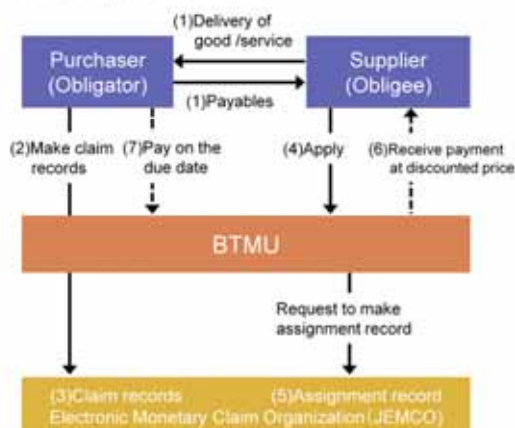
Please move to next page.

Domestic corporate banking business(2) - Electronic bill settlement service

- Led the industry as a frontrunner in the electronic monetary claim business. Electronic bill settlement service enable a supplier to finance with the credit of the purchaser, and contribute to supplier SMEs for smooth funding

EBSS Structure

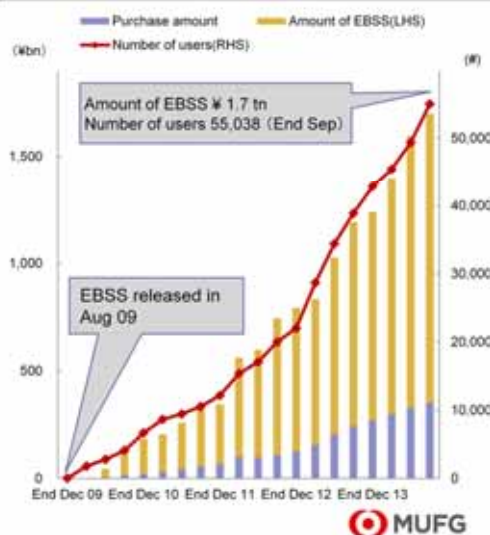
Credit approval is not required for a supplier. It is based on purchaser's credit



*In the case, a supplier use EBSS at BTMU

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Amount of EBSS



One of the innovative domestic corporate services we have developed is the “*Dente*,” or electronic bill settlement service. *Dente* provided by BTMU is a new service that has 2 functions; finance and settlement.

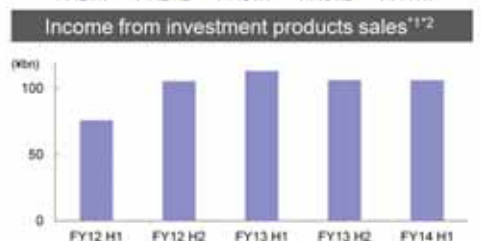
Dente enables BTMU to provide finance smoothly to an SME with lower credit when it purchases electronic bills issued by a large company with higher credit for that SME at a discount. Intermediating in this way, BTMU can leverage the lower financial risk of the large company with higher credit to provide financing to the SME at attractive terms.

As the bar graph on the right shows, *Dente* transactions have increased year on year to where there are now 55 thousands companies using it, and the balance of outstanding electronic bills has reached 1.7 trillion yen as of the end of September 2014. Also, as can be seen, the balance of financing that BTMU provides by purchasing the bills has increased as well.

Next, please turn to investment product sales on page 34.

Investment product sales(1)

- Maintained sales amounts of investment product and earnings at almost same level as FY13 H2, though decreased from FY13 H1
- For sustainable growth, emphasize the balance of the three elements of earnings base, business volume and income
- Number of NISA accounts increased steadily. Asset balance also expanded



Emphasize the balance of the three elements of earnings base, business volume and income

- **Widen customer base by leveraging NISA accounts**
 - Utilized mainly mail order tools to bolster the opening of accounts
 - Expand product lineup for investment beginners
 - Concentrated also on promoting the usage of existing accounts
- **Enhance initiatives to expand the customer base**
 - Trial operations of Promotion Center and new-customer developing teams (BTMJ)
 - Promotion of education fund gift trusts and substitute testamentary trusts (MUTB)
 - Training young talent to enhance capabilities of personnel (MUSHD)
- **Expand product lineup to contribute to increase customer base & assets under management**

34 *1 Managerial account base *2 Includes MUMS PB securities



In the first half of FY2014, business in investment products sales was slow, with the amount of investment products sales and fee income decreasing year on year. This was because the equity market was subdued, particularly during the period from April to July. However, we managed to achieve the same level of sales as the year before, by capturing customers' needs for purchasing insurance products.

Moreover, across all group companies, we emphasized balancing the three elements of earnings base, business volume, and income in striving for sustained business growth.

The number of NISA accounts with MUFG increased steadily to 630 thousand accounts as of the end of September 2014.

We are focusing on the investment products sales business by meeting the need for retail customers to invest rather than save in building up their assets.

Please move on to page 35.

Investment product sales(2) - PB business

- AUM was ¥2,660 bn increased by ¥360 bn from end FY13 H1 (+16%)
- Net operating revenue recorded historical high at ¥19.3 bn, however, net income decreased slightly from FY13 H1 due to higher expenses related to consolidation by MUFG

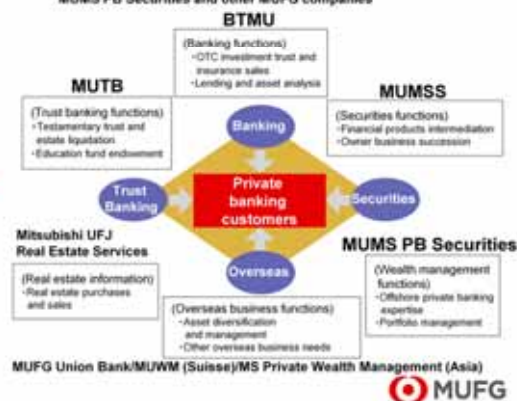


Mitsubishi UFJ Morgan Stanley PB Securities

(¥bn)	FY13	FY14 H1	YoY
1 Net operating revenue	36.9	19.3	0.8
2 G&A expenses	23.7	13.0	1.3
3 Referral fee to BTMU	7.9	4.3	0.3
4 Operating income	13.2	6.2	(0.4)
5 Ordinary income	13.0	6.3	(0.4)
6 Net income	7.9	4.0	(0.1)

Measures for enhancing group collaboration

- Strengthen global asset management services for Japanese private banking customers
- Strengthen responsiveness to inheritance and real estate needs with BTMU and MUTB collaboration
- Pursue synergies leveraging personnel exchanges between MUMS PB Securities and other MUFG companies

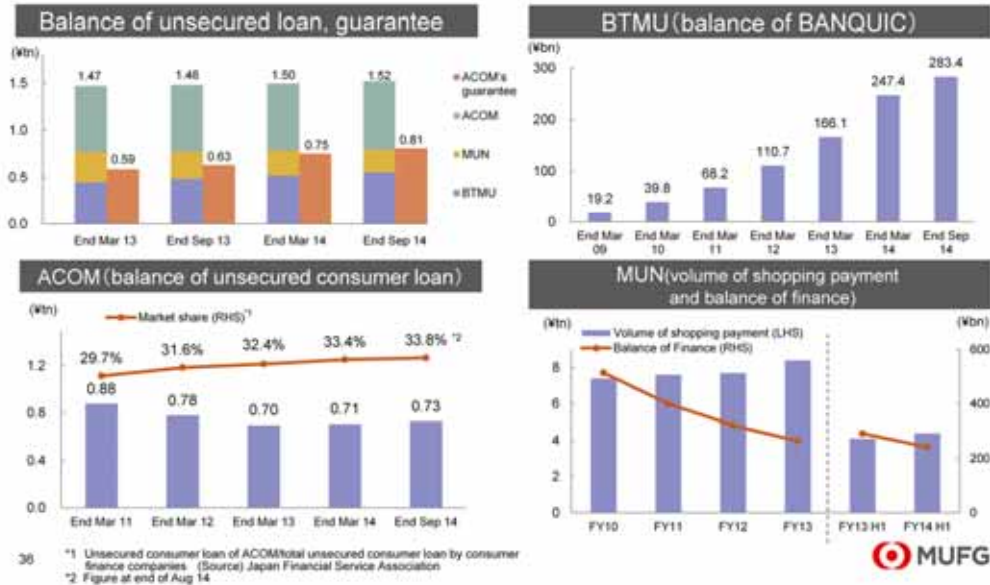


We are strengthening the private banking sector, led by Mitsubishi UFJ Morgan Stanley PB Securities in cooperation with other Group companies. We can supply a full range of high-value-added services by tapping the global expertise of Morgan Stanley, while working closely with trust bank operations to cater to inheritance and real estate-related needs.

The bar graph on the upper right shows the balance of assets under management by Mitsubishi UFJ Morgan Stanley increasing, due mainly to the support of referrals from Bank of Tokyo-Mitsubishi UFJ. As a result, the amount of investment product sales, shown in the line graph, also increased faster than the same period of the previous year. Next, we move to the overview of our consumer finance business on page 36.

Consumer finance

- ACOM's guarantee balance increased steadily and unsecured loan balance also increased. Loan balance of BANQUIC showed consistent growth



Overall, the consumer finance business did well. The balance of unsecured loans through the three channels of Acom, MU Nicos, and Bank of Tokyo-Mitsubishi UFJ increased to 1.52 trillion yen. The balance of guarantees provided by ACOM were up as well, while the outstanding balance on the Bank of Tokyo-Mitsubishi UFJ's Banquic consumer finance loan product increased to 238.4 billion yen.

Next, please go to corporate governance on page 38.

Governance

Enhancement of corporate governance

- One third of 15 directors, and 40% of 20 directors and corporate auditors are independent members outside the group
- The chairs of "Governance Committee", "Nomination and Compensation Committee", "Risk Committee" and "Internal Audit and Compliance Committee" are independent directors to check properly with an independent view
- Assessment of board meeting by external consultants in order to enhance governance and function of board meeting
- In Governance committee, Corporate Governance guideline is discussed to be formulated



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MUFG has developed its governance system to keep pace with business expansion. Out of our 15 directors, 5 were outside directors. If our corporate auditors were included, 8 of our 20 directors and auditors, or 40% were appointees from the outside.

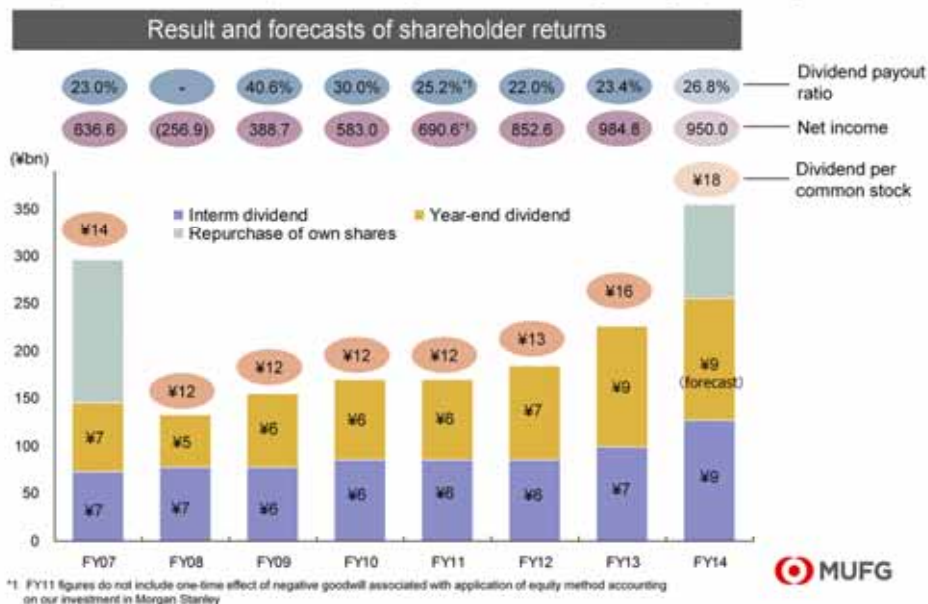
In order to enhance corporate governance, we have used consultants from the outside to conduct evaluations of our Board of Directors. Also, a Governance Committee we established in June 2014 is holding discussions and working on formulating a Corporate Governance Guideline for MUFG.

Please move on to page 40. Next, I would like to talk about capital management.

Capital policy

Shareholder returns

- FY14 dividend forecast revised from ¥16 to ¥18 per common stock
- Policy of steady increase in dividends per share through sustainable strengthening of profitability



We have maintained a longstanding dividend policy of relying on profit growth to consistently and sustainably increase the level of dividends we pay to shareholders.

This time, we have decided to increase our fiscal dividend by 2 yen to 18 yen per share, as we were able to establish prospects for sustainably securing a proportionate level of profits.

We aim to increase the dividend further in the future in consideration of our target payout ratio of 30%.

Please turn to page 41.

Repurchase of own shares

- Adopted a resolution to repurchase own shares in order to enable enhancement of shareholder returns, improvement of capital efficiency and implementation of flexible capital policies

Outline of repurchase of own share

Type of shares to be repurchased	Ordinary shares of MUFG
Aggregate amount of repurchase price	Up to ¥100.0 bn
Aggregate number of shares to be repurchased	Up to 180 mil shares (Equivalent to 1.27% of the total number of issued shares (excluding own shares))
Repurchase period	From November 17, 2014 to March 31, 2015

(Reference) Total number of issued shares (excluding own shares) : 14,168,365,044 shares
Number of own shares : 241,876 shares
(as of October 31, 2014)

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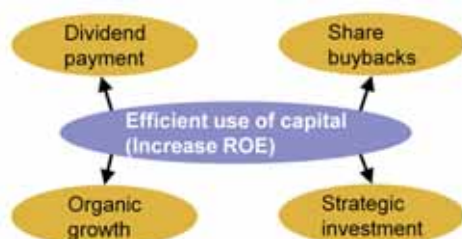
At the same time as increasing dividends, we have decided to conduct up to 100.0 billion yen of share buybacks in order to improve capital efficiency and to achieve flexible capital management.

Our capital policy is summarized on page 42.

Efficient use of capital

Approach to use of capital

- Management that stresses on capital efficiency
 - Increase ROE
 - Awareness to the volatility of global financial markets, and reform of global financial regulation
- CET1 ratio¹ was 9.4% as of end Sep 14, excluding effects of net unrealized gains on marketable securities
- Consider share buybacks, taking into account the capital necessary for future growth
- Focus on integration with KS in terms of strategic investment. Keep highly qualified investment criteria for new opportunities



Consolidated ROE³



¹ Full implementation basis. Calculated on the basis of regulations to apply at end Mar 10

² 11.10%(MUFG basis), 10.8%(JPX basis) before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

³ Net income - Equivalent of annual dividends on nonconvertible preferred stocks

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$$\frac{[(\text{Total shareholders' equity at the beginning of the period} - \text{Number of nonconvertible preferred stocks at the beginning of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the beginning of the period}) + (\text{Total shareholders' equity at the end of the period} - \text{Number of nonconvertible preferred stocks at the end of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the end of the period})]}{2}$$



We aim to further increase our capital efficiency by improving ROE, while paying consideration to volatilities in the global equity and bond markets, and international trends in financial regulation.

As the graph on the right shows, our ROE has been improving steadily since 2008.

We will continuously consider further share buybacks, while taking our capital adequacy and need for capital to fund the Group's future growth into consideration.

In terms of strategic investments, we are currently focused on integrating the operations of Bank of Ayudhya, but we will also look at any high-quality investment opportunity that arises.

Capital policy

- Enhance further shareholder returns and make strategic investment for sustainable growth while maintaining solid equity capital



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Our capital policy aims to maintain a solid level of equity capital, while enhancing shareholder returns and deploying capital in strategic investments to reinforce our consolidated earnings capabilities.

We aim to increase MUFG's corporate value while striking a balance among those three elements and thinking of capital management in a comprehensive way.

Our vision

— 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

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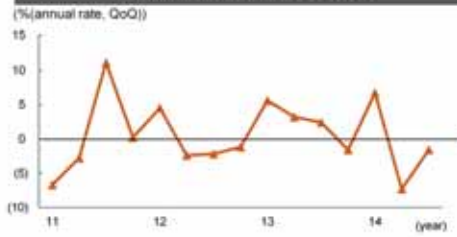
Our business vision is to be the world's most trusted financial group. To this end, every person in MUFG is continuing to strive to build shareholder value. We hope we can count on your support.

Thank you for your attention today.

Appendix

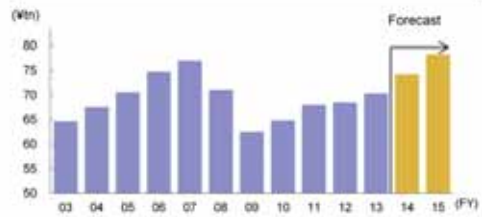
Appendix: Economic environment in Japan

Growth rate of real GDP



(Source) Compiled by BTMU Economic research office from Cabinet Office data

CAPEX (Real GDP base², Forecast)



² Based on 2005 prices

(Source) Compiled by BTMU Economic Research Office from Cabinet Office data

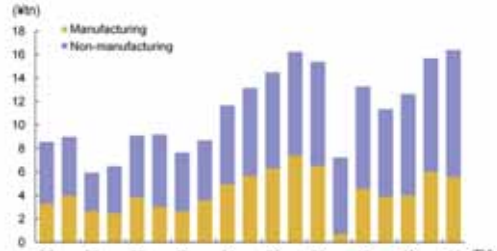
Employee income¹



¹ Employee income is the number of employees multiplied by wages per person

45 (Source) Compiled by BTMU Economic Research Office based on IBC and MHLW data

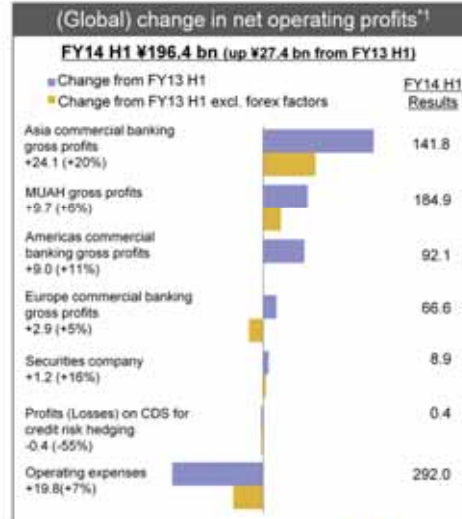
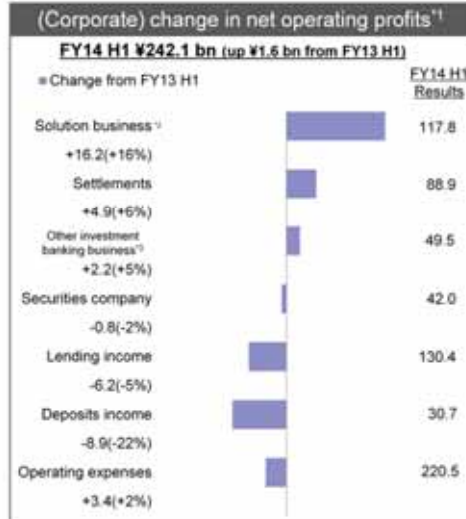
Ordinary profits of non-financial (Apr-Jun)



(Source) Compiled by BTMU Economic Research Office based on MOF data



- Corporate: Income from solutions business expanded largely, while lending & deposit income declined
- Global: Earnings increased driven by Asian and American business



47 ¹ Actual exchange rate basis
² Structured finance, asset finance and syndicated loans
³ Customer derivatives, underwriting, etc.

Please see page 40-45 of the databook for details 

Appendix: Retail & Trust Assets

(Consolidated)

- Retail: Consumer finance performed well, while yen deposits and investment products sales struggling
- Trust Assets: Increased profit in global asset administration, investment trust administration and pension businesses due to expanded trusted customers' asset, ¥0.8 bn progress in FY14 H1 total net operating profit from FY13 H1 in spite of increased operating expenses following acquisition of fund administration company



¹ Actual exchange rate basis

Please see page 37-39, 46 of the databook for details



² Businesses including Custody and Fund administration provided under the business brand "MUFG Investor Services"



- Expand businesses by scrutinizing favorable opportunities and risks, examining such issues as the European debt crisis and the situation in Ukraine. Strengthen local functions and network



- No2 in Jan-Sep 14 global ranking. More competitive markets in each region
- Maintain current advantage in Americas by better service through an integration between BTMU and UNBC
- Maintain leading status by obtaining large projects, such as power plant or infrastructure shale gas

Global presence

<Global project finance league table (Jan-Sep 14)>

Rank	Mandated Arrangers	Origination Volumes (US\$ bn)	#	Rank Jan-Dec 13
1	SMFG	9.87	75	4
2	MUFG	8.74	96	1
3	BNP Paribas	8.00	51	17

(Source) Thomson Reuters

<By region>	Jan-Dec 13		Jan-Sep 14	
	Rank	Share	Rank	Share
Americas	1	9.3%	1	7.4%
EMEA	3	4.0%	7	3.2%
Asia Pacific	3	5.1%	7	4.6%

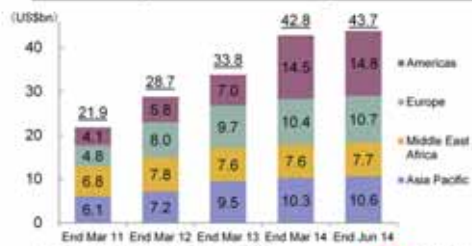
(Source) Thomson Reuters

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Strategies to strengthen the business

- Global approach: strengthening our platform in the shale gas, infrastructure sector
- Domestic approach: enhancing our supports in relation to Japanese companies' project finance related to PFI, renewable energy, etc. and infrastructure exports to Asia
- Strengthening marketing structure through staff increases

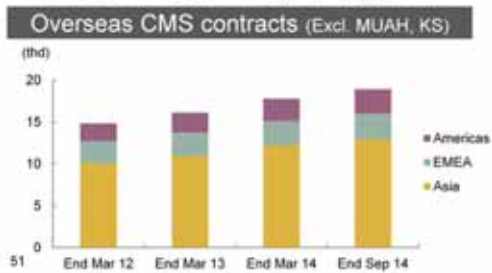
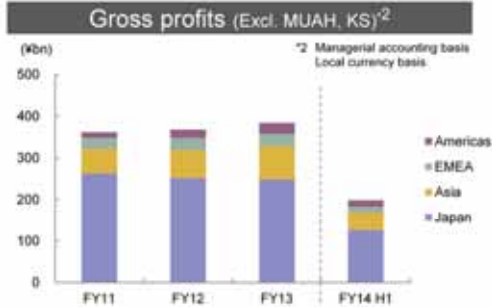
Project finance loan portfolio*1



*1 Commercial bank consolidated excl. KS
MLAH included in Mar 14 and after



- Transaction banking business^{*1} gross profits increased steadily in overseas operations^{*2}
- Strengthening approach to capture global commercial flow and expanding products/services



Strategies to strengthen the business

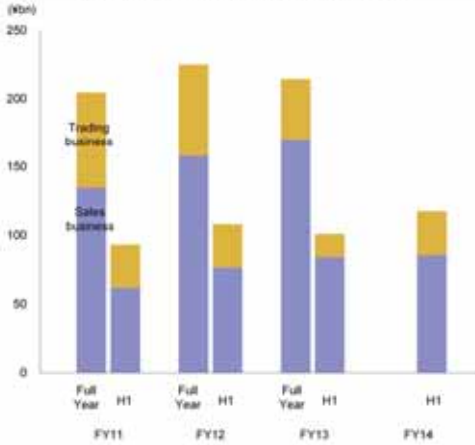
- **Develop a business targeting the entire supply chain on a global base**
 - Make the greatest possible use of overseas network, the best among Japanese banks, and our strong Japanese customer base to effectively provide solutions combining trade finance and cash management
- **Substantially increase system investment and development personnel, expand lineup of strategic products and services**
 - Expand functionality of settlement-related systems products such as BizSTATION and GCMS Plus. Also bolster leading-edge products and services, such as electric trade operation management (TSU³) and centralized payment operation management system (GPH⁴), ahead of competitors
- **Further strengthen non-Japanese customers' business**
 - Strengthen business development with non-Japanese corporations centered on capturing trade flows related to natural resource business

^{*1} Collectively refers to services capturing commercial flows of customers such as deposits, settlements and trade finance
³ TSU: Trade Services Utility ⁴ GPH: Global Payment Hub



- Making collaborative work by Sales and Trading business towards enhancement of product lineup and its pricing capability to fulfill the customers' needs
- Cover diversifying customers' needs with more active tie-up between BTMU and MUSHD

Gross profits
(BTMU consolidated, excl. MUJAH, KS)*1



Strategies to strengthen the business

- Strengthen investment business
 - Steady approach to customers' investment needs with more collaboration between BTMU and MUSHD
- Collaboration among global network
 - Steady approach to customers' needs of cross-boarder business and event finance
- Collaboration among integrated business groups
 - Expansion of emerging currency related business (Enlarged RMB related products coverage, enhanced Latin-America business and increased product providing capability)
 - Progress in interbank market business
- Collaboration between MUFG entities
 - Enhanced research capability with collaboration between BTMU and MUSHD
- Prudent internal control framework
 - Solid compliance standard in Global Markets operations
 - Enhancement of compliance with global regulatory requirements

*1 Sum of customer business divisions and global market division



Appendix: Integrated corporate & retail business (Commercial bank consolidated)

- Expanded the sales platform for business owners by providing value-added solution in succession of business or asset. Strengthened collaboration with group securities companies to grow businesses
- Providing prompt service along with life cycle in the business with corporate employee
- One-stop offices unifying the corporate and retail business are scheduled for increase up to 100 locations

Business owners assets under management



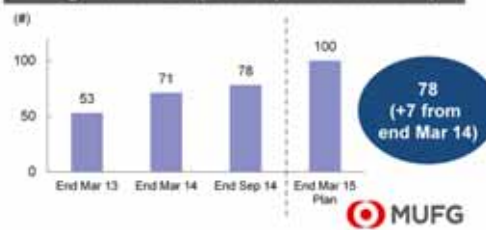
Income from the business with corporate employee



Income from investment products (business Owner) / Introduction to securities companies^{*1}



Integrated offices (one-stop sales locations)



Appendix: Domestic and global asset management & administration

- Pension: Focusing on expansion of customer base by extending BTMU/MUTB cooperation and enhancement of total consulting services for customers about operations, regulations and accounting
- Investment trust: Provide product lineups for customers' mid-long term asset building and increase customer asset balance through strong support for sales institutions
- Global operations: Accelerate our business capability towards diversifying customers' needs of asset management and administration with investee and business tie-up companies



Global development

- Completed acquisition of Butterfield Fulcrum Group in Sep 13 (Currently Mitsubishi UFJ Fund Services)
- Following the acquisition, the new business brand "MUFG Investor Services" has been launched and started providing customers with "One-Stop" asset management services covering fund administration, custody and security lending. Accelerate our business capability towards diversifying global customers' needs
- Mitsubishi UFJ Fund Services acquired Meridian Holdings Limited, fund administration service company, in May 14, aiming to enhance competitiveness and scale expansion in global fund administration market which expects high growth amid the global stream of strengthening financial regulations



¹⁾ MUAM: Mitsubishi UFJ Asset Management ²⁾ KAM: KOKUSAI Asset Management

Appendix: Non-JPY debt issue

(Commercial bank (excl. MUAH, KS))

Topics on non-JPY debt issue (after Apr 14)

- Continuous non-JPY senior debt issues to global institutional investors' market
- Total US\$4.5 bn global bond issued in 144A/Reg S format by BTMU (Sep 14)
- AU\$600 mm TCD* issued by BTMU Sydney branch (Sep 14)
*TCD : Transferable Certificates of Deposits
- RMB1 bn off-shore bond issued by BTMU China (May 14)
- US\$25 mm Islamic bond issued by BTMU Malaysia (Sep 14)

List of recent issues (after Apr 14)

Issuer	Term	Issue amount	Coupon	Remarks
BTMU (China), Ltd.	3Y	RMB1,000 mm	3.050%	Off-shore RMB bond
BTMU, Ltd.	3Y	US\$300 mm	US\$ 3mL +31bp	Global bond
BTMU, Ltd.	3Y	US\$1,200 mm	1.450%	Global bond
BTMU, Ltd.	5Y	US\$1,250 mm	2.350%	Global bond
BTMU, Ltd.	7Y	US\$750 mm	2.850%	Global bond
BTMU, Ltd.	10Y	US\$1,000 mm	3.250%	Global bond
BTMU, Ltd. Sydney branch	4Y	AU\$600 mm	AUS 3m BBSW+83bp	Transferable CD
BTMU (Malaysia) Berhad	1Y	US\$25 mm	1.250%	Islamic bond

Issue balance by duration



Issue balance by currency



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