

MUFG Investors Day 2020

September, 2020

Disclaimer

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Definitions of figures used in this document

Consolidated :	Mitsubishi UFJ Financial Group (consolidated)		
Non-consolidated :	Simple sum of MUFG Bank (non-consolidated) and Mitsubishi UFJ Trust & Banking Corporation (non-consolidated)		
the Bank (consolidated) :	MUFG Bank (consolidated)	KS:	Bank of Ayudhya (Krungsri, KS)
MUFG:	Mitsubishi UFJ Financial Group	Bank Danamon (BDI):	Bank Danamon Indonesia
the Bank (BK):	MUFG Bank	FSI:	First Sentier Investors
the Trust Bank (TB):	Mitsubishi UFJ Trust & Banking Corporation		
the Securities HD (SCHD):	Mitsubishi UFJ Securities Holdings	R&C:	Retail & Commercial Banking
MUMSS:	Mitsubishi UFJ Morgan Stanley Securities	JCIB:	Japanese Corporate & Investment Banking
MSMS:	Morgan Stanley MUFG Securities	GCIB:	Global Corporate & Investment Banking
NICOS:	Mitsubishi UFJ NICOS	GCB:	Global Commercial Banking
MUAH:	MUFG Americas Holdings Corporation	AM/IS:	Asset Management & Investor Services

All figures are on a managerial accounting basis.

Unless otherwise noted, foreign exchange rates are based on assumed rates determined for internal managerial accounting purposes.

• Gross profits/net operating profits/expense: Figures include the net operating profits yielded by inter-business group collaboration presented below

R&C:	Profits from overseas transactions with Japanese corporate customers and profits from business owner transactions which belong to JCIB
JCIB:	Profits from business owner transactions which belong to R&C and profits from Japanese corporate customers served by KS which belong to GCB
GCIB:	Profits from non-Japanese large corporate customers of KS which belongs to GCB, profits from R&C and JCIB's non-Japanese corporate customers located in Japan, and Joint Venture profits with Global Markets
GCB:	Figures which belong to GCB only (not include figures which belong to other business groups)
Global Markets :	Joint Venture profits with GCIB
• ROE :	Calculated based on Risk Assets (R&C, JCIB, GCIB and GCB) or economic capital (AM/IS and Global Markets) Calculated based on net profits and excluding mid- to long-term foreign currency funding costs Excludes the impacts of investment related accounting factors (amortization of goodwill, etc.)

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Retail & Commercial Banking Business Group

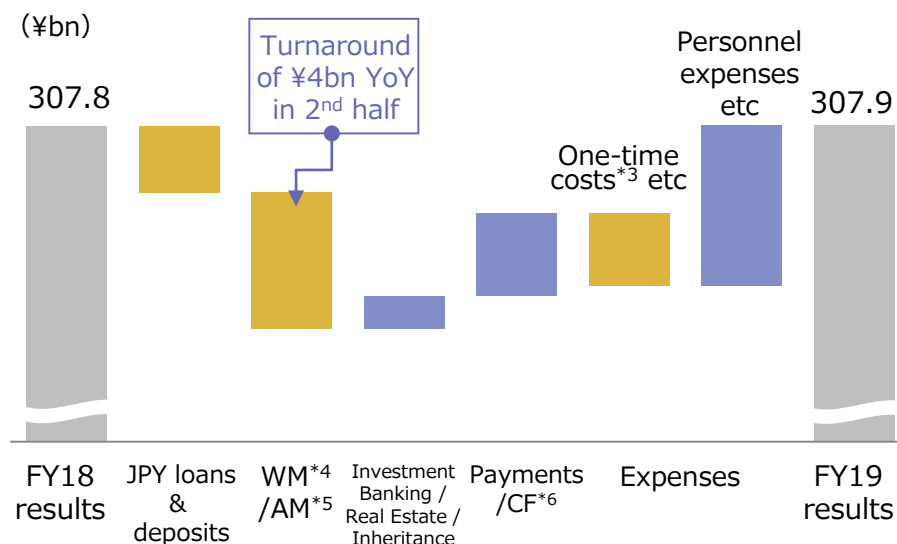
Naoki Hori, Group Head

Overview of Retail & Commercial Banking

FY19 results

	FY18	FY19	YoY
Net operating profits (¥bn)	307.8	307.9	0.1
Expense ratio	80%	80%	(0ppt)
ROE	1% [6%* ¹]	9% [6%* ²]	9ppt

Changes in net operating profits




Figures in parenthesis represent changes YoY

Progress of key initiatives

Strengthen the earning base Top-line	P.7 WM and AM	<ul style="list-style-type: none"> Growth in the value of assets identified by the Bank (+¥5tn) and expansion of cross transactions*⁷ A turnaround in revenue from AM by expanding customer referrals in 2nd half
	SME segment	<ul style="list-style-type: none"> Growth in business succession related loans (+10%) by enhancing proposals targeting business owners Quality of information sharing of real estate was improved
	Payments / Consumer finance	<ul style="list-style-type: none"> Constantly solid profits thanks to the higher volume of credit card and consumer finance transactions NICOS decided to promote the system integration by utilizing the existing system
Accelerate cost structure reforms Cost	P.8 Sales channel reforms	<ul style="list-style-type: none"> Made progress in the optimization of branch and ATM networks and reduced facility costs Growth in the no. of IB*⁸ service users (+1.2mm) and utilization rate (+6%)
	Productivity improvements	<ul style="list-style-type: none"> Reallocated staffs at a branch to rebuild sales structure; made progress with BPR Promoted online residential mortgage loans while completing the consolidation of branch operations associated with such loans

*1 Excluding the impact of impairment losses on fixed assets of NICOS *2 Excluding the impact of one-time effects of corporate tax refund *3 System and compliance costs (indirect costs), strategic investments for structural reforms, etc. *4 Wealth Management *5 Asset management (incl. investment product sales) *6 Consumer finance *7 Inheritance and real estate transactions and transactions with client's asset administration companies *8 Mitsubishi UFJ DIRECT: Internet banking for individual customers

FY20 Q1 results

(¥bn)	FY20 Q1 results	YoY	Reasons of changes
			 Impact of COVID-19
Gross profits	328.7	(36.5)	(38.0)
Loan interest income	54.5	(1.1)	Lending spreads are on a downtrend despite increase of fundraising assistance related to the COVID-19 pandemic
Deposit interest income	29.0	(9.0)	Non-JPY deposit interest margin has shrunk due to reductions in U.S. interest rates
Domestic and foreign settlement / FX	32.1	(2.8)	Volume of trading transactions as a whole declined (down 20% YoY), while restraints on activities led to sluggish results
Investment product sales	37.1	(5.2)	Restraints on proactive sales activities led to stagnation of product sales, leading to a significant decline in flow revenues (down 12% YoY)
Card settlement / CF	140.5	(11.1)	Volume of card settlements fell due to stagnation in personal consumption (down 25% YoY)
Expenses	282.4	(20.7)	(14.0) - Revenue-linked expenses incurred by MUMSS and NICOS declined - Optimization of personnel by the Bank's BPR measures and reduction of facility costs
Net operating profits	46.3	(15.8)	(24.0) Initiatives of reducing expenses partially offset the negative impact of COVID-19 in gross profits
Ave. loan balance (¥tn)	31.6	0.7	Loan balance increased due to fundraising assistance related to the COVID-19 pandemic

Response to COVID-19

- Response to fundraising assistance related to the COVID-19 pandemic
- Enhance our non face-to-face channels in step with societal digital shift
- Restructure our business strategies to optimize our mode of financial transactions, customer contact points and the way of business in light of changes in the business environment brought about by the new norm

Strengthen the earning base - Wealth management business

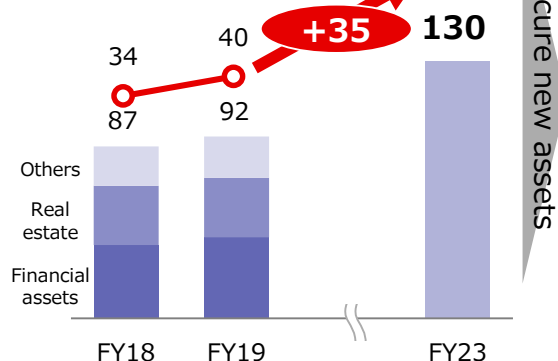
- Expand top-line revenues and accelerate to secure new assets via cross transactions targeting customers seeking succession solutions while strengthening our AM foundation

Achievements

- Made progress in profiling and achieved steady results in cross transactions and customer referrals

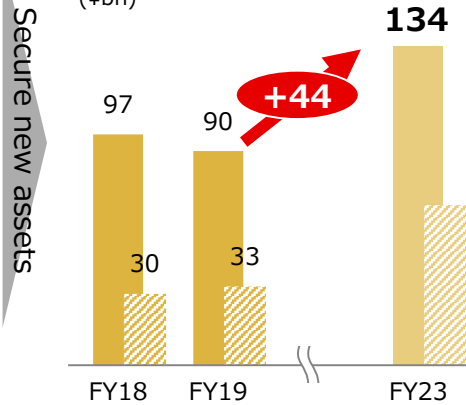
■ Cross transactions

- Assets identified by the Bank (¥tn)
- Gross profits of cross transactions (¥bn)



■ WM / AM

- Gross profits of WM / AM (¥bn)
- Gross profits of retail customer referrals (¥bn)



■ Major KPIs

	FY19	YoY
No. of group collaboration (thd)* ¹	23.8	10.5
Cross transactions		
No. of effective information sharing (thd)	5.6	0.7
Balance of executorial entrusted testamentary trust (¥tn)	9.3	0.5
AM		
No. of retail customer referral deals (thd)	15.4	6.1
Investment assets (¥tn)* ²	37.1	(2.0)* ³

*1 No. of customer referral from the Bank to MUMSS + collaboration between the Trust Bank and MUMSS etc.

*2 Managerial accounting basis (excl. JPY and non-JPY deposits) *3 Figure excluding the impacts of changes in market prices is +¥0.7tn

*4 Mitsubishi UFJ Morgan Stanley PB Securities

*5 Next Best Action: A function designed to provide sales personnel with useful information regarding subsequent actions

Policies for future initiatives

- Aim to achieve significant growth by targeting customers seeking succession solutions by strengthening our structure and utilizing digital technology

Increase assets identified by the Bank to ¥130tn and gross profits of cross transactions to ¥75bn			
Cross transactions	Succession support	<ul style="list-style-type: none"> • Focus on reaching out to clients seeking succession support 	No. of companies targeted 83thd
	Real estate	<ul style="list-style-type: none"> • Increase no. of effective information shared from the Bank to the Trust Bank 	No. of effective information sharing 6thd ⇒ 12thd+
	Inheritance	<ul style="list-style-type: none"> • Increase no. of specialized staff and strengthen to expand customer base of the Bank 	No. of entrusted testamentary trust 40thd ⇒ 50thd

Increase gross profits of WM / AM to ¥134bn			
WM / AM	Upgrade securities function	<ul style="list-style-type: none"> • Integrate PB securities*⁴ with MUMSS and established "WM Division" • Expand customer referral from the Bank to MUMSS 	No. of retail customer referral deals 15thd ⇒ 30thd+

Strengthening the frontline WM-specialized staff at the Bank
90 ⇒ 500 staff

Release a WM digital platform system (FY21H1)
Increase the number of deals closed by utilizing NBA*⁵

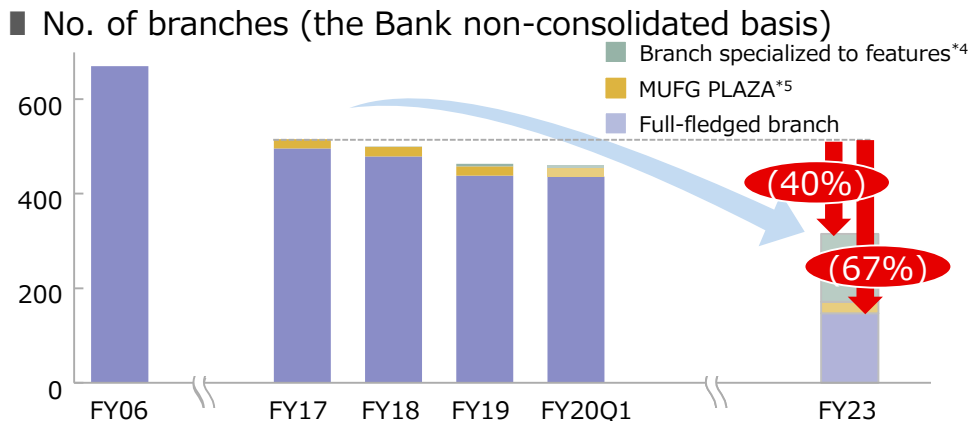
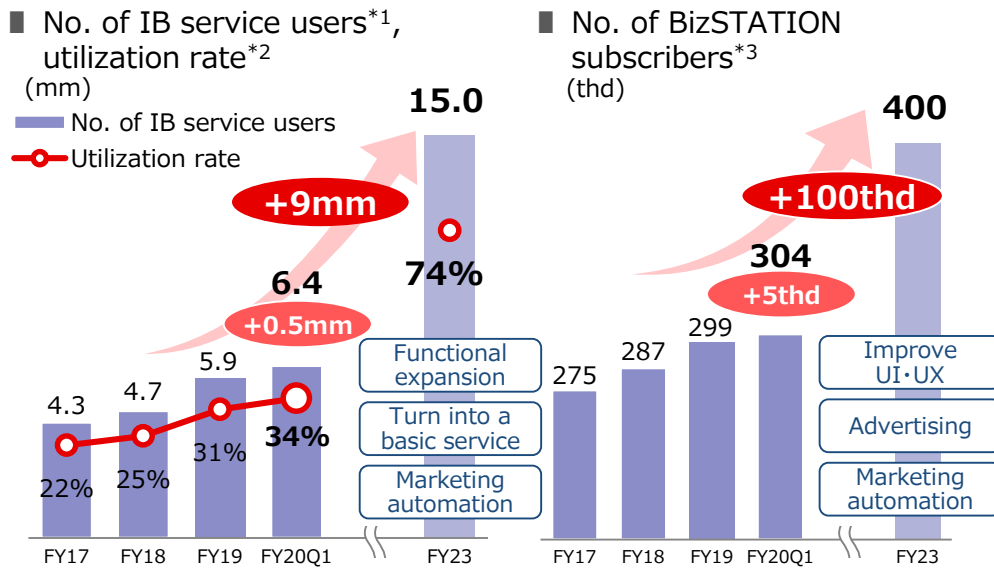
Accelerate cost structure reforms

- digital/sales channel reforms, productivity improvements

- Thoroughly utilize digital technologies to improve productivity and thereby pursue ongoing cost reductions while enhancing our proposal capabilities

Achievements

- Digital shift and branch network optimization progressed well



*1 IB service users = users who log-in IB at least once in 6 months out of all active accounts (excl. accounts used for direct debit only)

*2 Utilization rate = IB service users / active accounts *3 Including BizSTATION Light *4 MUFG NEXT and consulting office *5 Group co-located branches

Future initiatives

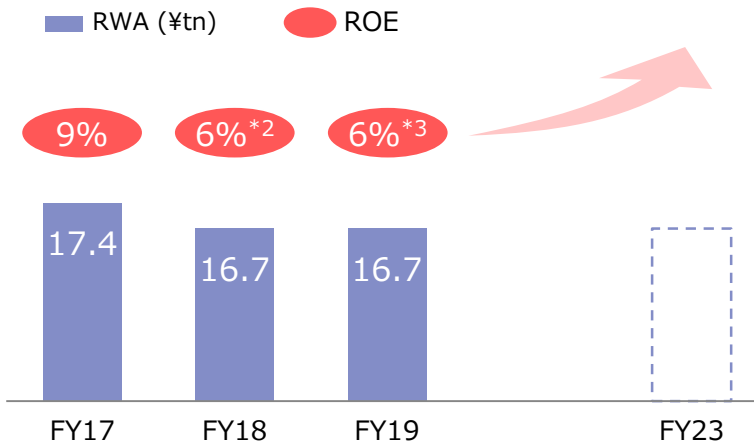
- Promote an even faster digital shift and innovate a new mode of operations and customer contact points

Contact points	1 Develop digital channel platform	<ul style="list-style-type: none"> • Develop next-generation IB service • Upgrade function of online transactions on MUFG basis • [Corporate] Develop next-generation web channel
	2 Online and self-service systemization of transactions	<ul style="list-style-type: none"> • Place tablets in all branches • eKYC identity verification • Expand operating processes paperless, halting personal seal use
		<ul style="list-style-type: none"> • Guidance to self-service machine to minimize waiting time • Conclude transactions by using tablets and self-service machines • Identity verification by camera image (eKYC) • Minimize working space (comfortable customer space)
	3 Workstyle reforms - Smart Work Project	<ul style="list-style-type: none"> • Remote sales structure • Use satellite branches and spaces
Proposal ability	4 Rebuild sales structure - Improve productivity and strengthen business promotion proposal capabilities	<ul style="list-style-type: none"> • Optimize branch structure in light of market characteristics • Strengthen WM sales structure • Expand digital tools for sales support

Initiatives to improve ROE

- Improve ROE by expanding top-line revenues in WM business and further strengthen cost reduction by digital shift

ROE, RWA*1



Expanding top-line revenues

Gross profits +¥100bn

Effect of key initiatives (comparison with FY19)

WM business

- Expand cross transactions and AM from targeting customers seeking succession solutions

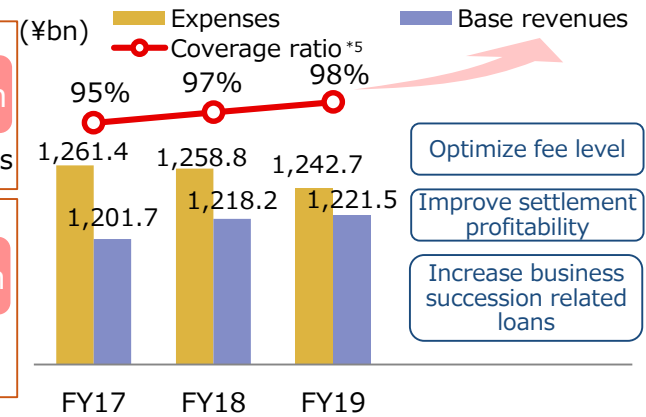
+¥80bn

Improve base revenues*4

- Partially mitigate impact of prolonged low interest rate
- Target to fully cover expenses by base revenues

+¥20bn

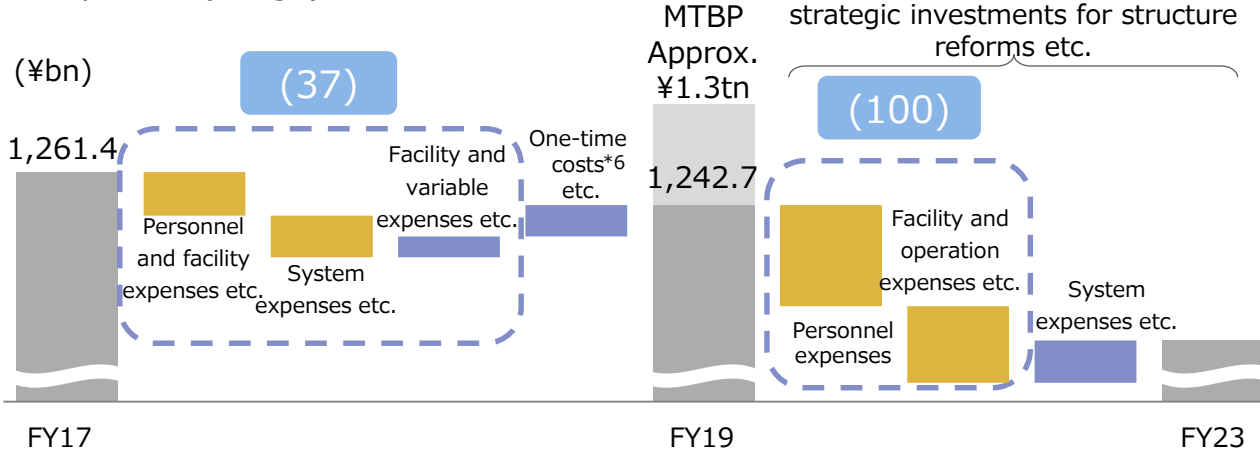
Improvement of base revenues



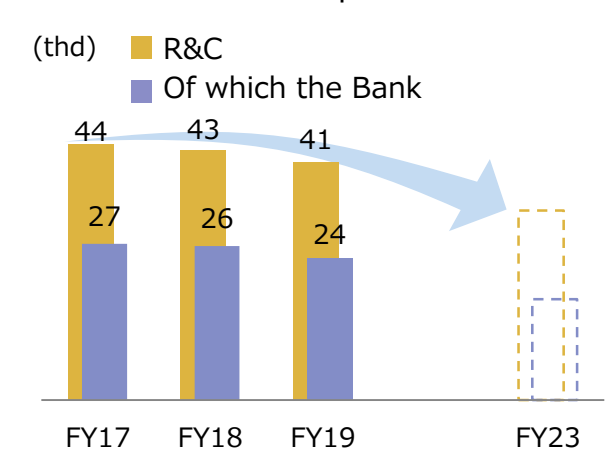
Accelerate cost structure reforms

Expenses (¥100bn)

Expenses (image)



Forecast of no. of personnel



*1 Credit risk calculated on the basis of current regulations applied. Managerial accounting basis *2 Excluding the impact of impairment losses on fixed assets of NICOS
 *3 Excluding the impact of one-time effects of corporate tax refund *4 Loans, deposits, settlements, AM etc.
 *5 Coverage ratio=base revenues / expenses *6 System and compliance costs (indirect costs), strategic investments for structural reforms, etc.

Japanese Corporate & Investment Banking Business Group

Kenji Yabuta, Group Head

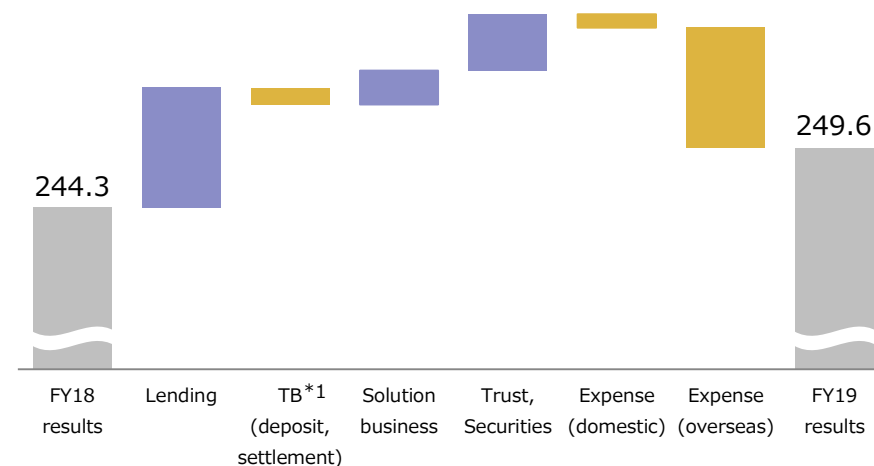
Overview of Japanese Corporate & Investment Banking

FY19 results

	FY18	FY19	YoY
Net operating profits (¥bn)	244.3	249.6	5.3
Expense ratio	57%	57%	0ppt
ROE	15%	12%	(2ppt)

Changes in net operating profits

(¥bn)



Progress of key initiatives

Establish sustainable business model	Transformation to strong earning structure	<ul style="list-style-type: none"> Improvement in lending spreads (JPY: achieved a turnaround, non-JPY: ongoing improvement) Growth in the average balance of non-JPY deposits (+¥1.5tn YoY)
	Efficient balance sheet management and ROE improvement	<ul style="list-style-type: none"> Maintained ROE at a high level while expecting to achieve the reduction target of equity holdings Improvement in loan-to-deposit gap in non-JPY (down ¥2.9tn YoY)
Reinforce our approach to solve customers' management issues	Further enhancement of solution capability	<ul style="list-style-type: none"> Achieved firm results in major finance deals as an arranger (more than ¥10tn) Progress in business collaboration with the Securities (DCM: ranked first, M&A: ranked second, ECM: ranked third*2)
	Continuous upgrade of RM*3-PO*4 model	<ul style="list-style-type: none"> Promote the further development of trust-related businesses employing the Bank's customer base (ranked first in terms of gross profits from the real estate trust business, expand support for customer's SR/IR activities)

*1 Transaction Banking *2 Based on data of Refinitiv, etc. DCM includes both domestic and foreign bonds
 *3 Relationship Manager *4 Product Office

FY20 Q1 results

(¥bn)	FY20 Q1 results	YoY	Reasons of changes
			■ Impact of COVID-19
Gross profits	134.5	(6.5)	(12.0)
Loan interest income	31.2	4.6	Outstanding loan balance increased due to growth in fundraising assistance and withdrawal from existing commitment lines
Deposit interest income	21.5	(12.4)	Impact of U.S. interest rate cuts: down ¥16.0bn
Domestic and foreign settlement / forex	18.6	(1.5)	Despite the higher number of capital remittances made to assist customers' overseas local subsidiaries, the overall value of transactions was down due to a decline in actual demand
Derivatives, solutions	20.4	5.5	Growth in the number of deals in response to funding needs
M&A, ECM, DCM	9.2	(2.5)	Decline in funding needs by issuing stock and bond
Expenses	79.5	(3.3)	(1.0) Various cost control measures resulted in overall cost reductions
Net operating profits	55.0	(3.1)	(11.0) The negative impact of the COVID-19 was offset by growth in lending and solution-related profits
Ave. loan balance (¥tn)	42.9	3.0	RWA increased by ¥1.3tn

Response to COVID-19

- Balance proactive response to fundraising requests and RWA control
- Review and enhance our customer contact points in response to societal digital shift
- Contribute realizing a sustainable society
- Take on the challenge of entering new fields via business partnership with Japanese large corporates

Initiatives under the circumstance with COVID-19

- Place the utmost priority on extending fundraising support; aim to continue offering proactive assistance by employing an integrated, groupwide approach

Status of fundraising assistance amid the COVID-19 pandemic

- Extend prompt fundraising assistance at home and abroad
- Employ an integrated, groupwide and product-neutral approach

(¥tn)	Cumulative total (from Mar to Jun 20)
Exposure increase* ¹	10.9
JPY loans	5.7
Non-JPY loans	0.9
Bonds underwritten* ²	1.6

Response to new norm

Clerical work

- Streamline clerical work by going paperless while reducing workload associated cash collection & distribution operations
- Expansion of working remotely (Overseas: 80%, (Domestic) CBD*³: 50%)

Business operation

- Expand customer contact points at home and abroad by employing web-conferencing
- Introduce a new tool unique to MUFG to support a non face-to-face sales approach

*1 Include an increase in balance of approved exposure

*2 Domestic bonds are prepared by MUMSS based on REFINITIV and DealWatchDB.

Foreign bonds are prepared by MSMS based on corporate disclosure data, Dealogic, Bloomberg, IFR, and Informa

*3 Corporate Banking Division *4 Total market needs. Estimation by the Bank *5 Liabilities that rating agencies deem partially to be equity capital

Offer proactive corporate assistance employing an integrated, groupwide approach

Needs for capital reinforcement

- Aim to extend approximately ¥1-1.5tn in assistance for capital financing out of total market needs for capital reinforcement of ¥4-5tn*⁴

Capital accounted for as net assets (Preferred stock, etc.)

Capital accounted for as liabilities*⁵ (Hybrid loans, etc.)

Existing pipelines

¥0.8tn

Expected pipelines

¥0.7tn

- Launch of PT for customer support including capital financing

Customer needs

the Bank

MUMSS

Provide best solutions on the Group base

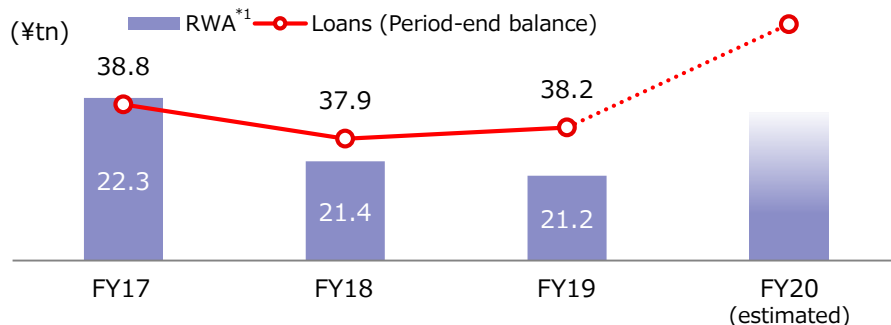
Hybrid loans, hybrid and convertible bonds, preferred stock and fund referral, etc.

Initiatives to improve ROE

- Maintain thoroughgoing RWA control mainly through the reduction of equity holdings; continue to improve capital efficiency by reducing loan-to-deposit gap in non-JPY B/S, etc.

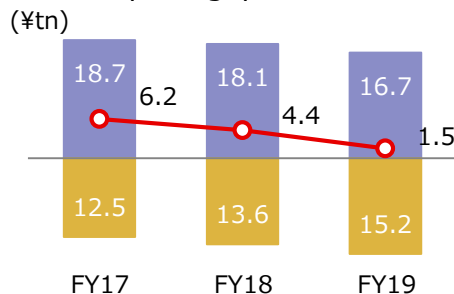
RWA control

- Achieved disciplined RWA control despite placing the utmost priority on meeting fundraising needs arising from the COVID-19

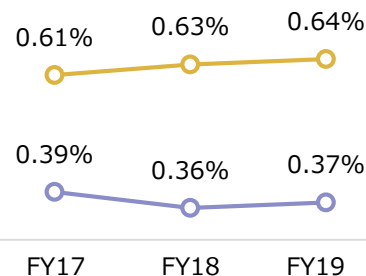


- Loan-to-deposit gap in non-JPY B/S are shrinking thanks to the accumulation of highly “sticky” non-JPY deposits and prudent control on non-JPY lending
- Both JPY and non-JPY lending spreads improved

Loan-to-deposit gap in non-JPY B/S*2



Lending spread



■ Non-JPY loans
■ Non-JPY deposits
● Loan-to-deposit gap

● Domestic JPY loans
● Non-JPY loans

Reduction of equity holdings

- Expect to overachieve the reduction target of ¥800bn
- Aim to accumulate total of ¥1tn including the agreed amount

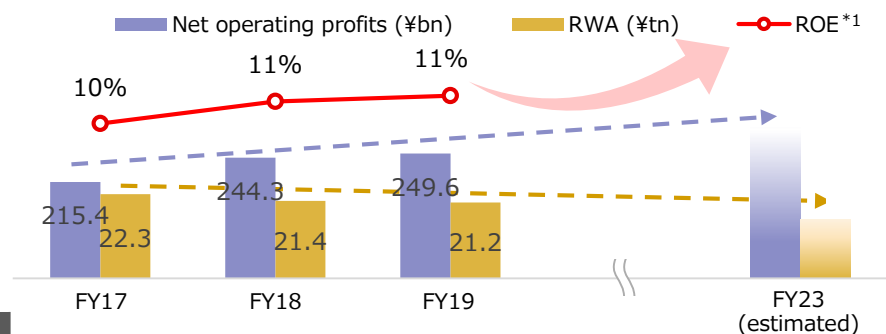
(¥bn)	Selling amount	Acquisition cost basis	Net gains (losses)
FY15	211	117	94
FY16	267	149	118
FY17	318	201	117
FY18	242	127	115
FY19	240	139	101
FY20 (estimated)	-	140 and more	-
Total	-	870 and more	-

*1 Credit risk calculated on the basis of current regulations applied. Managerial accounting basis *2 Average balance

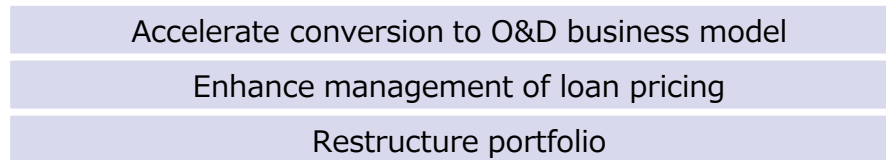
Initiatives toward the next medium-term business plan

- Carry out disciplined RWA control and thorough management focusing on ROE.
- Increase gross profits by improving profitability of loan assets, strengthening transaction banking and expanding solution business

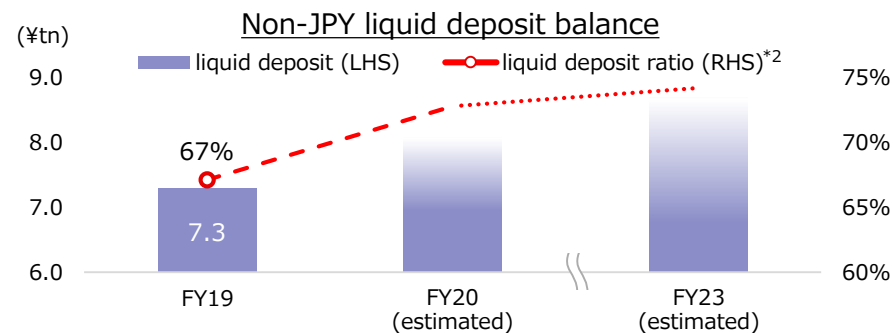
Basic policy: Establish a cycle of ROE enhancement through RWA control and improvement of NOP



Improvement in profitability of loan assets



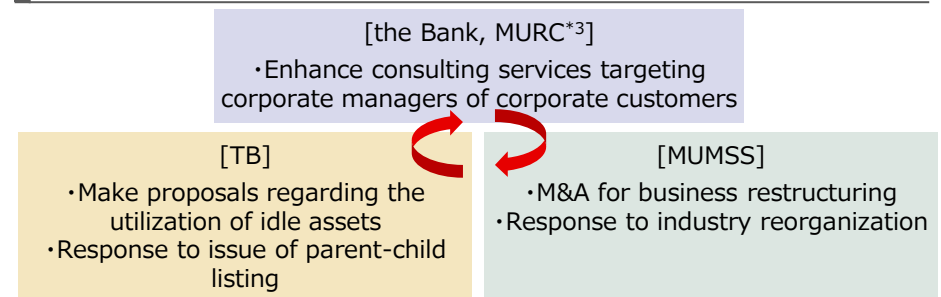
Enhance transaction banking business



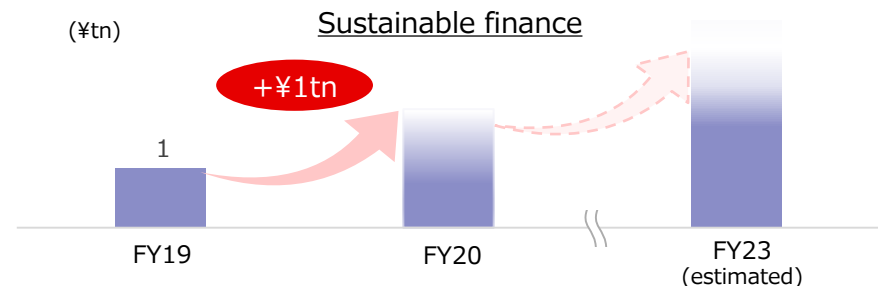
*1 Managerial figure calculated by adding net operating profits and RWA increase / decrease based on FY17 ROE

*2 Ratio of liquid deposit in the entire non-JPY deposit *3 Mitsubishi UFJ Research & Consulting

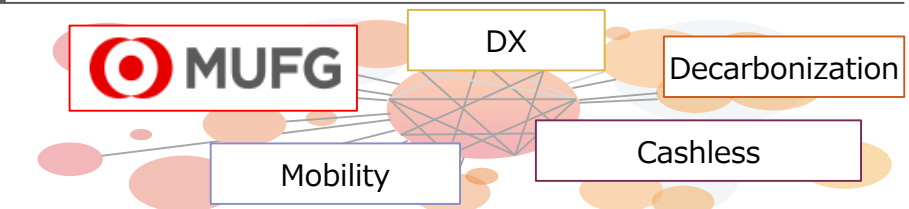
Support for restructuring of business and capital policies



Contributing to realize a sustainable society



Promote business partnership strategies in tandem with Japanese large corporates



Global Corporate & Investment Banking Business Group

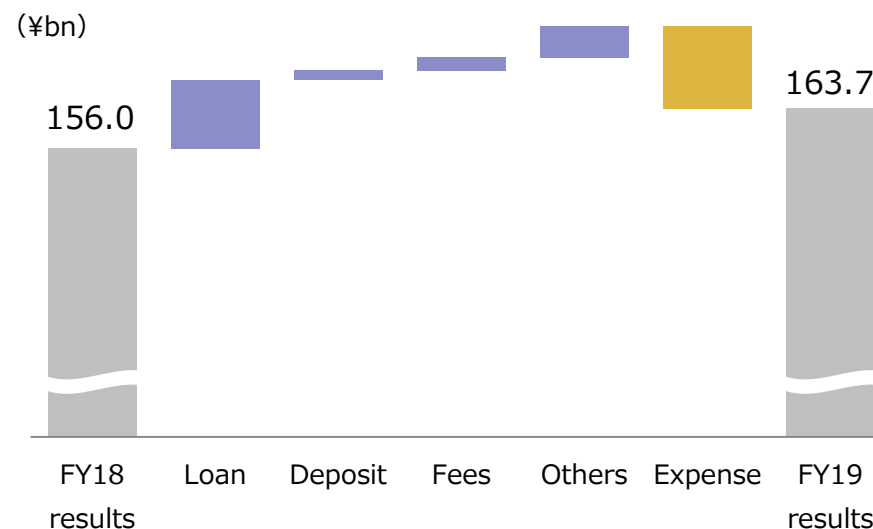
Masato Miyachi, Group Head

Overview of Global Corporate & Investment Banking

FY19 results

	FY18	FY19	YoY
Net operating profits (¥bn)	156.0	163.7	7.7
Expense ratio	63%	63%	0ppt
ROE	10%	8%	(2ppt)

Changes in net operating profits



Progress of key initiatives

Improve portfolio returns and B/S structure

- Portfolio profitability and loan-to-deposit gap improved through advanced transaction monitoring and B/S management
- Continue to enhance our deal screening framework


Reshape business model through enhanced solution offering capability

- Continued our strong position in IG^{*1} syndicated loan/DCM
- Accelerated integrated solution offering on an MUFG basis to win non-B/S dependent revenues

Create new value under the new business environment

- Launch of financing business for startup companies, leveraging real-time data gathering and analytics technology
- Enhanced initiatives for supporting SDGs

FY20 Q1 results

(¥bn)	FY20 Q1 results	YoY	Reasons of changes
			 Impact of COVID-19
Gross profits	116.9	2.5	(11.0)
Loan interest income	45.5	0.3	Loan balance increased due to withdrawals of revolving credit facilities
Deposit interest income	11.0	(1.2)	Decrease in interest margin due to rapid rate cuts in the U.S. offsetting the balance increase
Fees, FX, derivatives	48.2	(4.3)	Fee income decreased due to the lower event finance activities
DCM, ECM	6.8	3.4	Strong DCM performance due to strong funding needs
JV profits with Global Markets	9.4	4.3	Strong FX and derivative performance capturing clients' funding needs and market volatility increase
Expenses	74.8	4.2	(1.0) Increased expenses due to inorganic strategies and regulatory requirements
Net operating profits	42.1	(1.6)	(10.0) Strong performance in DCM and JV profits with Global Markets, offsetting negative impacts of COVID-19
Ave. loan balance (¥tn)	24.8	0.6	Loan balance increased due to withdrawals of revolving credit facilities

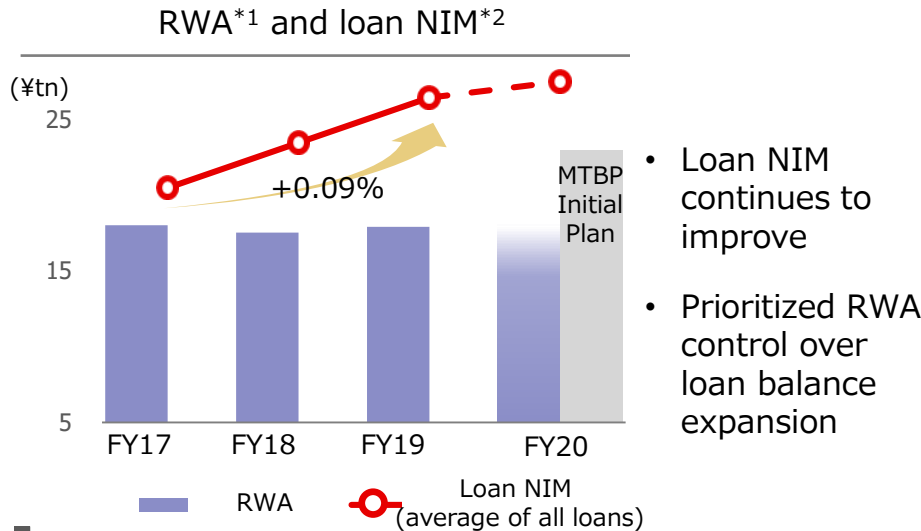
Response to COVID-19

- Enhance B/S management to improve risk-return and non-JPY liquidity position
- Improve profitability by expanding cross-sell and delivering suitable solutions
- Promote digital shift to deliver advanced financial services and strengthening initiatives supporting SDGs
- Accelerate expense structure reforms and strengthening risk control

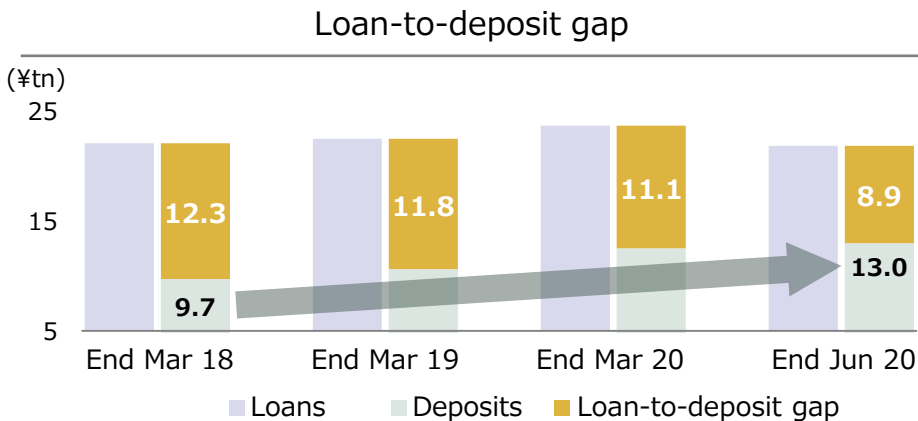
Improve portfolio returns and B/S structure

- Disciplined RWA control
- Improvement in loan-to-deposit gap and portfolio returns

Efficient asset deployment

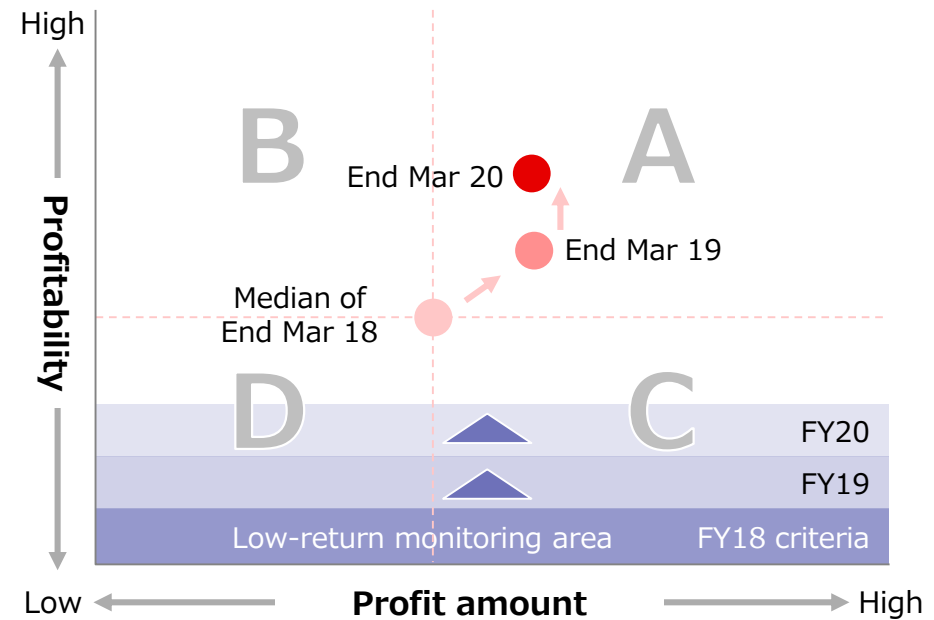


Improving B/S structure



Balance Sheet Optimization

- Portfolio median improved in terms of both profitability and profit amount



Steady improvement in profitability hurdles

Client-by-client account plans and disciplined monitoring

Enhanced B/S management to improve risk-return and non-JPY liquidity position

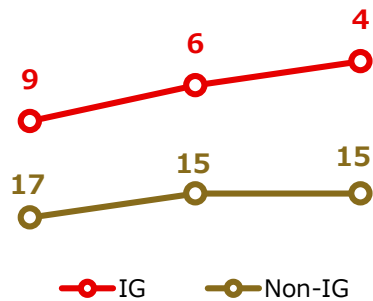
*1 Credit risk calculated on the basis of current regulations applied. Managerial accounting basis
 *2 Net Interest Margin. Including non-JPY mid- to long-term funding costs

Reshape business model through enhanced solution offering capability

- Enhance origination capability tailored to investor needs
- Strengthen cross-sell by leveraging a wide range of sophisticated solutions

Upgrading O&D business

League table position
(Syndicated loan/DCM combined)



(year) 2017 2018 2019

Source: Dealogic

- Maintain strong position alongside major U.S. banks by leveraging expertise in IG area
- Enhance origination capability in non-IG area to provide attractive assets to investors

Example: O&D business tailored to investor needs

Investor needs

- Higher yield investment
- Risk mitigation by advanced structuring
- Social contribution under the COVID-19 pandemic
- SDGs/ESG related investment

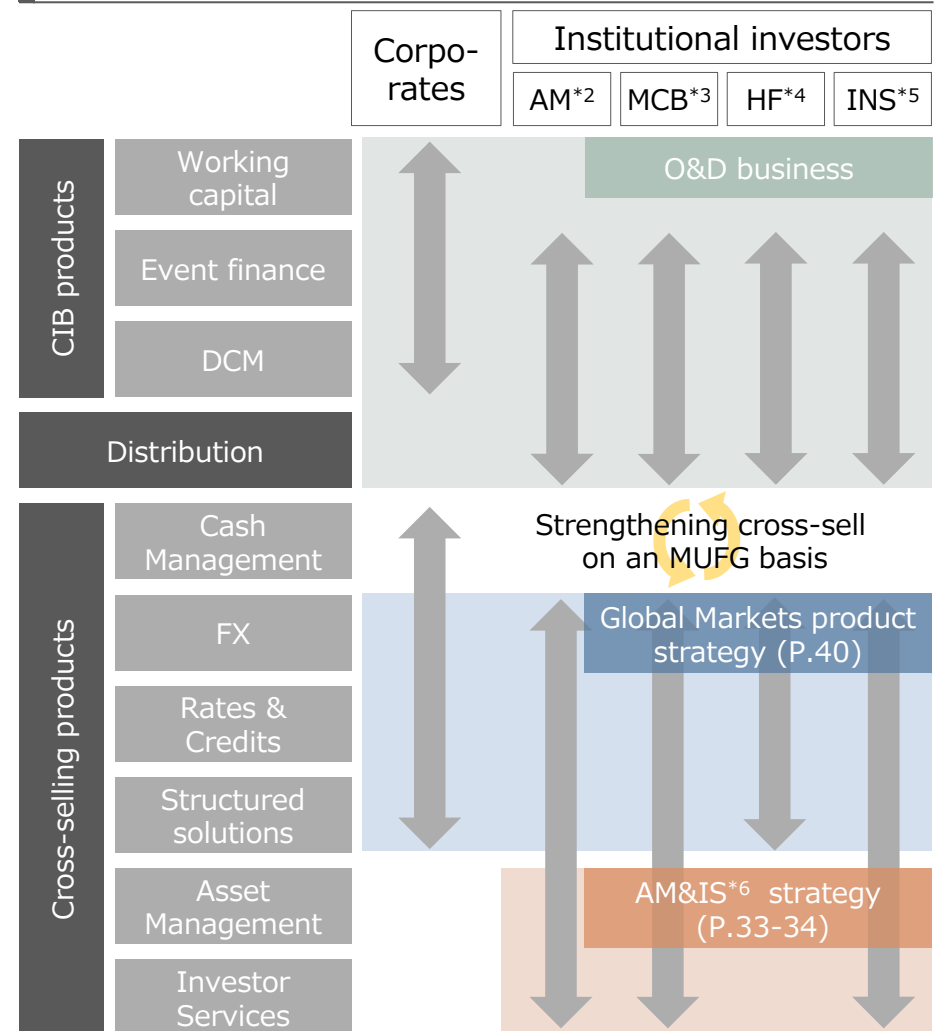
Corporate turnaround in the U.S.

- Arranged DIP finance*1 with senior security rights under U.S. law
- Lead arranger of a syndication along with other supporting lenders

First ESG bond issuance by Thailand

- Provided advisory service for bond issuance and ESG certification
- Arranged bond issuance for distribution to investors

Strengthening cross-sell



*1 Provides key funding upon exiting the legal proceedings to support business turnaround
*5 Insurance Company *6 Asset Management & Investor Services business

*2 Asset Manager *3 Money Center Bank *4 Hedge Fund

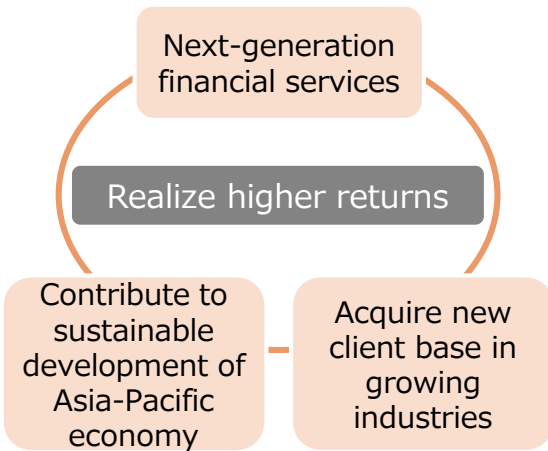
Create new value under the new business environment

- Financing for startups through leveraging digital technology
- Enhance initiatives to support Sustainable Development Goals (SDGs)

Digital technology-driven financing for startups

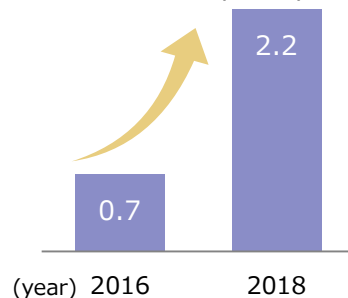


Strategic goals



Market trend

Fund raising by pre-unicorn companies in Southeast Asia (US\$bn)



Source: e-Conomy SEA 2019 (Google, TEMASEK, BAIN&COMPANY)

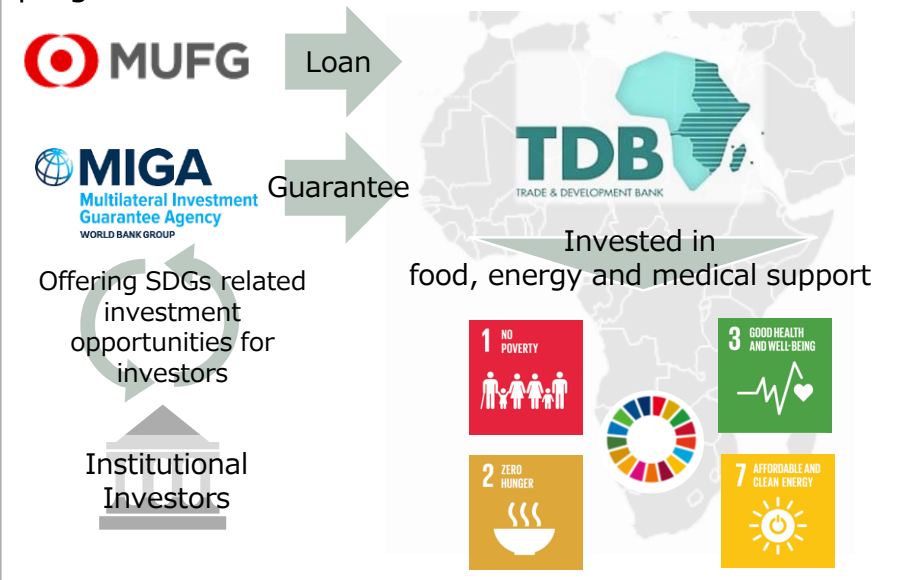
Strengthening SDGs initiatives

FY19 results (global)

- Renewable energy finance league table **#2**
- # of bookrunner in green loans **#2**
- ESG bond underwriting*1 league table **#7**

Source: Dealogic, Bloomberg

Example: Participation in a COVID-19 emergency aid program in Africa







*1 Total of social bonds and green bonds underwriting

Initiatives to improve ROE

- Saving costs through accelerating expense management reforms and enhancing risk management under COVID-19 pandemic

Initiatives to improve ROE

Gross profits 	Improve portfolio returns and B/S structure		P.19
	Reshape business model through enhanced solution offering capability		P.20
	Create new value under the new business environment		P.21
Expenses 	Expense management reforms	<ul style="list-style-type: none"> • Optimal resource allocation • Disciplined control of personnel expenses and system investment • End-to-end operations review and streamlining 	
Net operating profits			
Credit costs 	Enhancing risk management	<ul style="list-style-type: none"> • Proactive risk monitoring • [Aviation finance] Enhanced credit management by leveraging expertise in repossession and reselling of aircraft collateral • Corporate turnaround and restructuring initiatives 	
Net profits			
RWA 	Improve portfolio returns and B/S structure		P.19

Global Commercial Banking Business Group

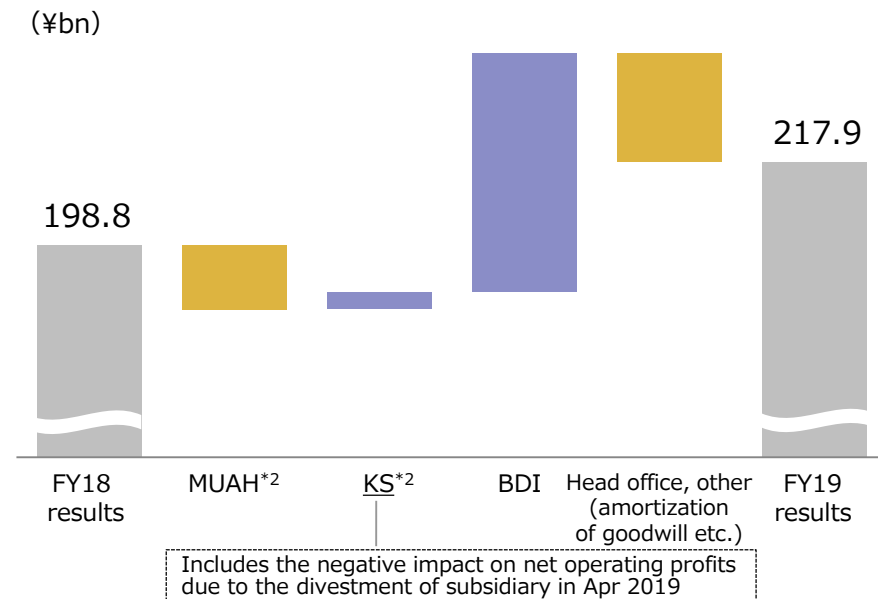
Takayoshi Futae, Group Head

Overview of Global Commercial Banking

FY19 results

	FY18	FY19	YoY
Net operating profits (¥bn)	198.8	217.9	19.1
Expense ratio	70%	72%	1ppt
ROE	6%	(17%) [5%* ¹]	(23ppt)

Changes in net operating profits



Progress of key initiatives

Increase partner banks' corporate value

Capture growth in Asia

MUB*³ business restructuring

Enhance partner bank (PB) synergies

- Built the commercial banking platform encompassing ASEAN via the consolidation of BDI
- Signed an alliance agreement with Grab Holdings; aim for the creation of a new financial service
- Transforming the business model by establishing a new management structure
- Determined in pursuing cost structure reforms to improve cost-intensive business structure
- Rolling out successful initiatives at KS to other PBs. BDI also saw steady progress
- Efforts are now under way to enhance risk management structure to secure resilience against the COVID-19 pandemic

*1 Excludes impairment loss on goodwill and the impact of one-time amortization of goodwill

*2 Includes those belonging to GCB only and exclude those belonging to other business groups *3 MUFG Union Bank

MUFG Union Bank

– The U.S. regional banking strategy is being reformulated

FY20H1 results*¹

(¥bn)	FY19H1	FY20 H1	YoY
Gross profits	306.2	321.2	15.0
Expenses	250.5	256.3	5.8
Net operating profits	55.7	64.9	9.2
Credit costs	10.1	89.5	79.4
Net income	41.2	(30.5)	(71.7)
Loan balance (Period end balance)	9,535.9	9,323.2	(212.7)

Establish a new management structure

Leadership with proven track records

MUAH support

MUFG support



Greg Seibly

- New Head of Regional Banking
- Regional bank turnaround as CEO



Rohit Khanna

- New Head of Strategy
- Former Krungsri Strategy Head



John Elmore

- New MUAH Outside Director
- Former U.S. Bank Vice Chairman

D.Delloso

- (CRO*²)
- Risk

C.Higgins

- (CIO*³)
- IT

K.Cronin

(Head of GCIB)

R.Clark

(Head of TB*⁴)

• Increased involvement with MUAH Board

• Dispatch GCB BU Deputy Chief Executives

✓ Chairman of the Board: 1 person
✓ Board member: 1 person

• MUFG management involved in target setting and performance assessment of MUAH management team

Concept of new strategy (“Back to Basic”)

- Leveraging MUFG Union Bank’s high recognition and extensive branch network in California, customer segments will be revised to formulate a new strategy to achieve customer-oriented business

Customer-oriented

Enhance collaboration frameworks

Focus on profitability & results

Strategic initiatives

- Enhance middle market and SME business
 - Strengthen collaboration with GCIB and revise customer segments
 - Increase sales head count and improve credit underwriting processes
- Enhance deposit transactions
 - Strengthen collaboration between corporate customer RMs*⁵ and the TB Division
 - Enhance product appeal, promote cross-selling
- Optimize personal loans
 - Increase loan assets which brings in new customer relationships (Launch of organic unsecured consumer loans)
- Improve digital functions
 - Uplift customer convenience by improving online banking transactions and credit underwriting system
- Promote initiatives for streamlining internal structure
 - Determined execution of company-wide initiatives to revamp its structure
 - Reorganize the branch network (including PurePoint locations)

*1 Financial results as disclosed in MUAH’s 10-K and 10-Q reports based on U.S. GAAP. Converted into ¥ with actual exchange rate as of each interim end.

FY19H1 USD1=¥107.79, FY20H1 USD1=¥107.74 *2 Chief Risk Officer *3 Chief Information & Operations Officer *4 Transaction Banking

*5 Relationship Manager

Krungsri (Bank of Ayudhya)

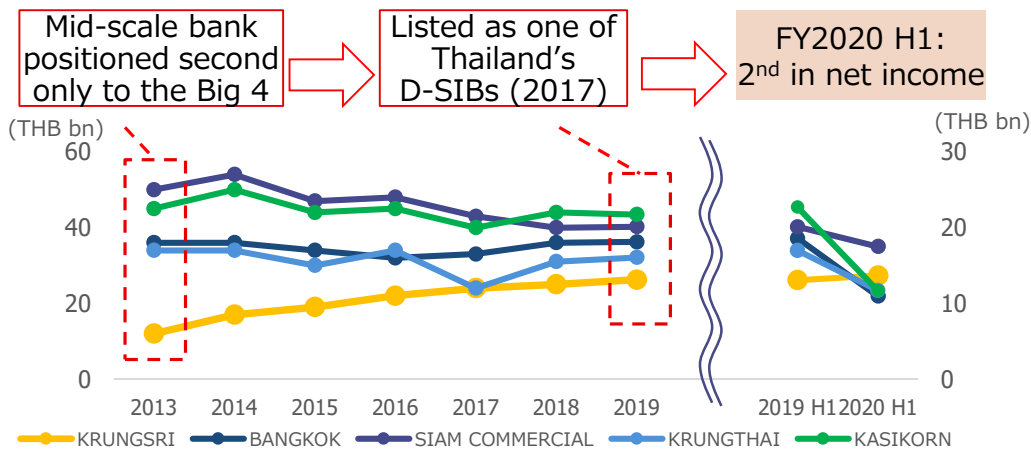
– Since MUFG's investment, KS has grown to become one of the top five local banks in Thailand

FY20H1 results*1, *2

(¥bn)	FY19 H1	FY20 H1	YoY
Gross profits	196.6	204.6	8.0
Expenses	93.3	84.6	(8.7)
Net operating profits	103.2	119.9	16.7
Credit costs	45.7	60.5	14.8
Net income	45.1	47.2	2.1
Loan balance (Period end balance)	5,938.9	6,250.8	311.9

KS's growth after MUFG's investment

Net income trends of major banks in Thailand*2



*1 Based on Thai GAAP. Converted into ¥ with actual exchange rate as of each interim end. FY19H1 THB1=¥3.50, FY20H1:THB1=¥3.49

*2 FY19 results deducted profit from divestment of subsidiary. Tax adjustments are approximate calculated by amount deducted by tax rate 20%

*3 Rankings in (parentheses) are for consumer finance business in Thailand. *4 Data shown as of May 2020

Major achievements

[Retail] Top share in consumer finance in Thailand

- KS is maintaining its leading position in Thailand, and it also took the top market share for auto loans in 2020

Share in consumer finance business in Thailand*3

	2015	2020*4
Personal loans	27% (1 st)	30% (1 st)
Credit cards	15% (1 st)	16% (1 st)
Auto loans	22% (2 nd)	29% (1st)

[Corporate] Finance leveraging MUFG's strengths



MUFG × Support for overseas expansion through M&A

Supported acquisition of a Vietnamese corporate by a Thai corporate through a bridge loan provided by MUFG and long-term credit by KS



MUFG × Support for an ESG-oriented joint venture

Supported a JV formed by leading Thai and Japanese chemicals manufacturers to produce biopolymers with a low environmental impact



MUFG × Support for an electric power generation project

Supported Thai corporates' natural gas-fired power plant project in which a Japanese corporate has partial stake





Bank Danamon

- Secured growth in net operating profit despite the impact of COVID-19 pandemic. Formulation and implementation of new strategies are under way since new CEO appointment

FY20H1 results*1

(¥bn)	FY19 H1	FY20 H1	YoY
Gross profits	67.4	70.6	3.2
Expenses	33.9	32.5	(1.4)
Net operating profits	33.4	38.1	4.7
Credit costs	13.2	27.5	14.4
Net income	13.9	6.4	(7.5)
Loan balance (Period end balance)	1,141.7	1,084.5	(57.1)

Management reforms

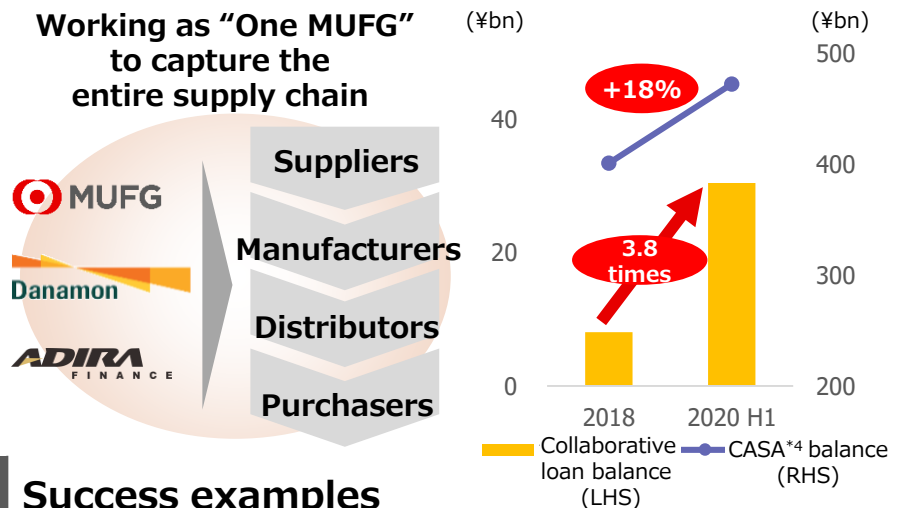
	Oct 2019 - CEO Itagaki		May 2019 - President Commissioner Futae		Oct 2019 - Commissioner Goto Former KS CEO, MUFG Regional Executive for Asia
	Oct 2019 - Vice President Director Honggo Former Head of Commercial Banking at Bank Mandiri	Key Position Hiring	CIO*2 (Feb 2020 -)	CDO*3 (Jul 2020 -)	Head of SME (Apr 2020-)

MUFG collaborative expertise

Expand BDI's expertise and lay the foundations to strengthen the organization

Major initiatives

Comprehensive approach to the local ecosystem



Success examples

Collaborative business leveraging the alliance



MUFG × Dealer finance

- Provided financial services to auto dealers in order to support vehicle sales

MUFG × Real estate value chain

- Provided end-to-end support from the financing of a mixed-use urban development project to housing loans for the residence buyers



MUFG × Islamic finance

- Provided financial services unique to the region to supply equipment to a major medical institution, in collaboration with Tokyo Century Corporation



*1 Based on Indonesian GAAP. Credit costs includes loss on restructuring. Converted into ¥ with actual exchange rate as of each interim end. FY19H1 IDR1=¥0.0077, FY20H1 IDR1=¥0.0076 *2 Chief Information Officer *3 Chief Digital Officer *4 Current Account, Saving Account

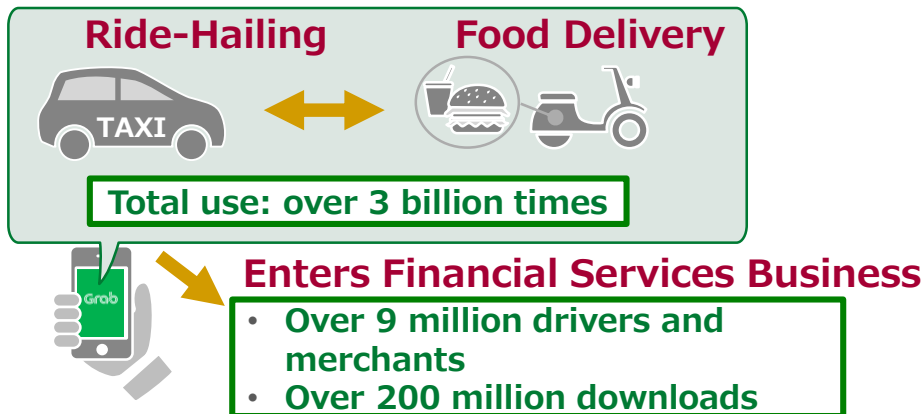
Strategic alliance with Grab Holdings

– Taking up the challenge of providing new digital financial services

Capital & business alliance with Grab

Overview of Grab*1

Founded in 2012, Grab is the operator of the leading super app in Southeast Asia



Purpose of the investment and business alliance

To provide new digital financial services by combining MUFG and PBs expertise in finance, with Grab's customer platform and technology



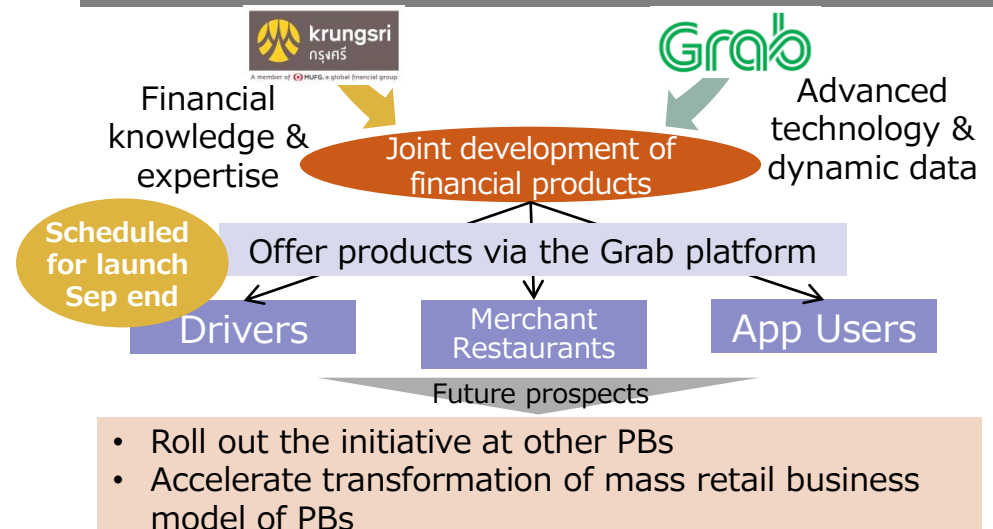
In February 2020, a strategic alliance agreement was concluded with a maximum MUFG investment of USD 706 million. KS is also a co-investor*2

Collaborative initiatives at PBs

Main services launched to date

	Date*3	Details
krungsri กสิกรไทย <small>A member of MUFG, a global financial group</small>	May	Introduced COVID-19 relief lending for merchant restaurants
	Sep	Concluded a long-term business partnership agreement in Thailand
Danamon	July	Introduced deposit products for app users
	July	Introduced credit cards for app users
VietinBank	March	Introduced account opening for drivers
	June	Introduced micro-loans for drivers

Initiative to provide new digital financial services in Thailand



*1 (Source) Materials published by Grab

*2 The actual investor is Krungsri Finnovate (Corporate Venture Capital), a subsidiary of KS

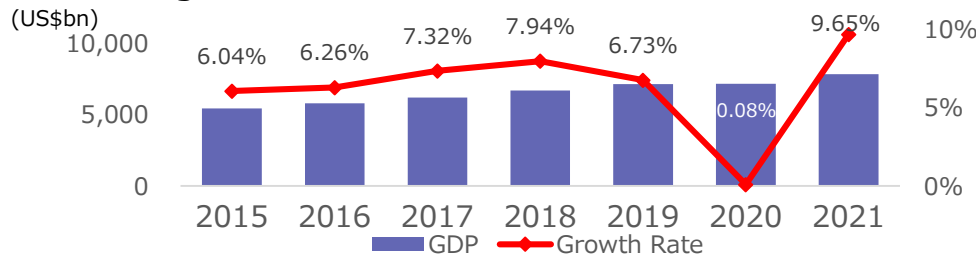
*3 All services were launched in 2020

Initiatives to improve ROE

– Secure greater synergies to seize opportunities arising from ASEAN’s economic growth while maintaining appropriate cost and risk control

Continued growth expected for ASEAN economies

GDP growth rate trend for the four ASEAN countries*1

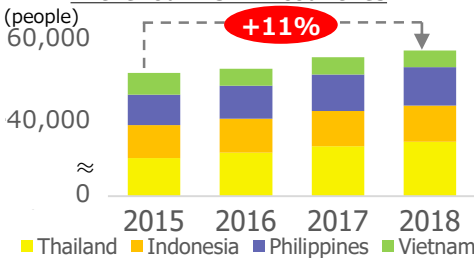


No. of Japanese corporations operating in the four ASEAN countries*2

Thailand	4,198	1st
Indonesia	1,994	2nd
Vietnam	1,920	3rd
Philippines	1,356	4th

*Rank is among ASEAN countries

No. of Japanese staff on assignment in the four ASEAN countries*2,3



Expense control

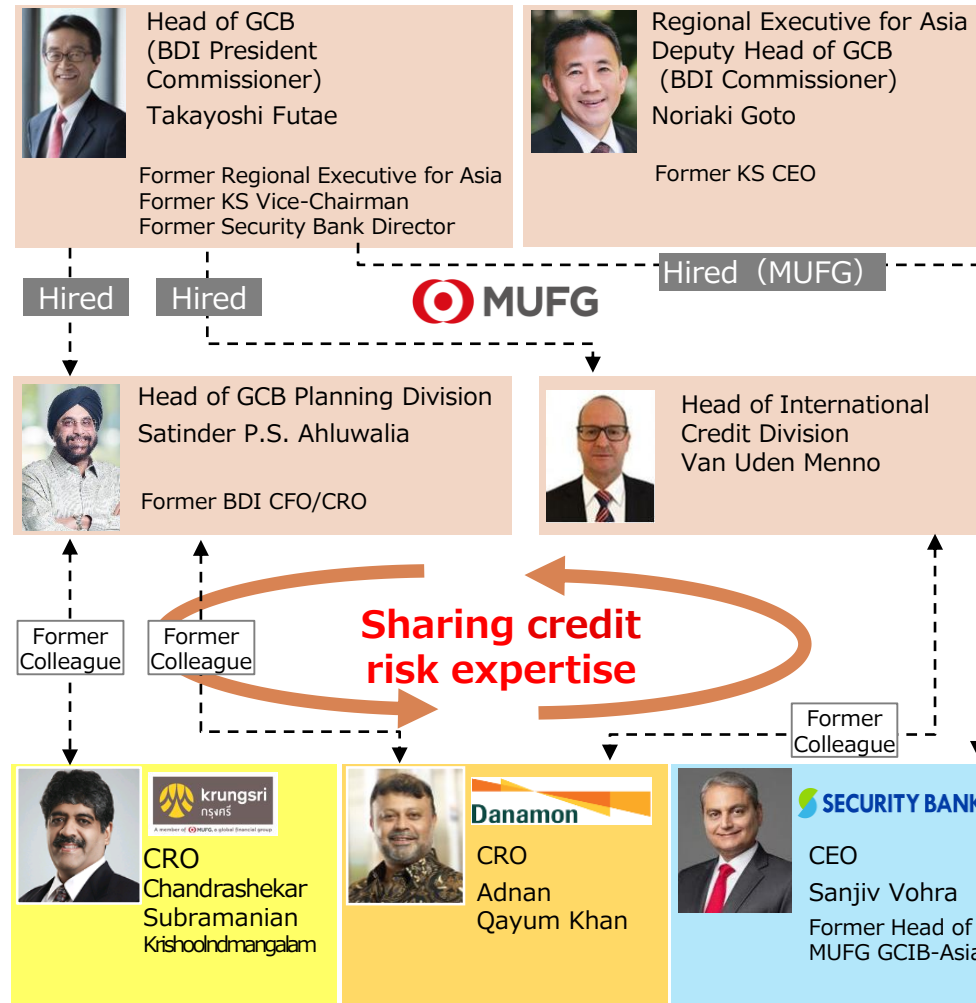
PB's expense ratio*4

	FY19	FY20H1	Change
MUB	74.6%	75.6%	0.9%
KS	42.9%	41.4%	(1.5%)
BDI	51.4%	46.0%	(5.4%)

Expense reduction initiatives

- Implement cost structure reforms. Currently analyzing peer banks and identifying where to cut costs
- Reduce personnel expenses while curbing advertising and other expenses
- Expense ratio is on a downtrend thanks to reductions in various costs, including personnel expenses

Efforts to enhance synergies by utilizing PBs talents



*1 (Source) International Monetary Fund, World Economic Outlook Database, April 2020. *2 (Source) Ministry of Foreign Affairs "Statistical Survey on the Japanese Nationals Overseas."
*3 Among long-term residents, the number of people affiliated with private corporates *4 Based on local accounting standards.
The expense ratio for MUAH is after adjustment to deduct fees and costs associated with provision of services to MUFG Bank branches in the U.S., the impact of one-time accounting treatment of renewable energy investments due to U.S. tax reforms (the TCJA), and impairment loss on goodwill

Asset Management & Investor Services Business Group

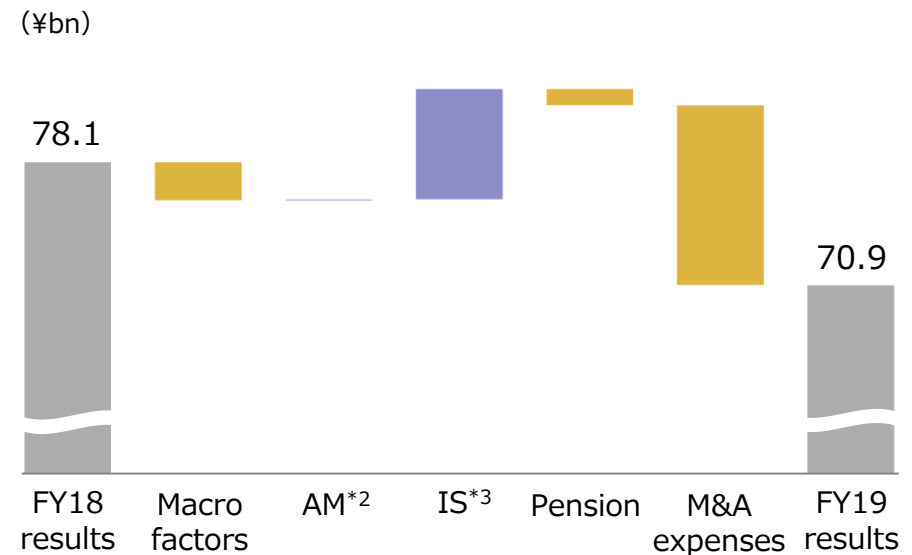
Sunao Yokokawa, Group Head

Overview of Asset Management & Investor Services

FY19 results

	FY18	FY19	YoY
Net operating profits (¥bn)	78.1	70.9	(7.2)
Expense ratio	61%	71%	10ppt
ROE	8% [18%* ¹]	19%	11ppt

Changes in net operating profits



Progress of key initiatives

AM

- Completed the acquisition of FSI. Reviewed our investment portfolio
- Expanded the balance of AuM*⁴ for domestic corporates. Achieved growth in accumulative investment products for domestic individual customers

IS

- AuA*⁵ grew at home and abroad by the solid performance of bundled services (fund finance etc.)
- The cross-selling transactions increased in the institutional investors business; the acceleration of cross-selling initiatives led by the accumulation of solid results

Pension

- The number of deals in the field of DB*⁶ and DC*⁷ plans increased by providing HR consulting services
- Promoted system development aimed at curbing fixed costs and streamlining operations via the use of digital technologies

*1 ROE excluding the impact of losses on sales of Standard Life Aberdeen shares is 18% *2 Asset Management *3 Investor Services
*4 Asset under Management *5 Asset under Administration *6 Defined Benefit Plan *7 Defined Contribution Plan

FY20 Q1 results

(¥bn)	FY20 Q1 results	YoY	Reasons of changes
Gross profits	73.4	23.4	(2.0)
AM	31.6	21.3	-
Excl. FSI	10.8	0.5	Increased in the sales and balance of products for financial institutions etc. in spite of the decrease in AuM
FSI	20.8	20.8	FSI's financial results from Jan to Mar 20, which were before the impact of market fluctuations obviously appeared
IS	26.7	2.2	Achieved growth in fund finance (FF) thanks to burgeoning demand
Pension	15.1	(0.2)	The balance of DB pension declined due to market fluctuations
Expenses	53.0	22.1	-
			Increased due to the FSI's consolidation and the strategic system investment, while travel and other expenses were firmly controlled
Net operating profits	20.4	1.3	(2.0)
			Increased YoY basis due to the growth in FF etc., in spite of decline in AuM and AuA caused by the market fluctuations and new deals

Impact of COVID-19

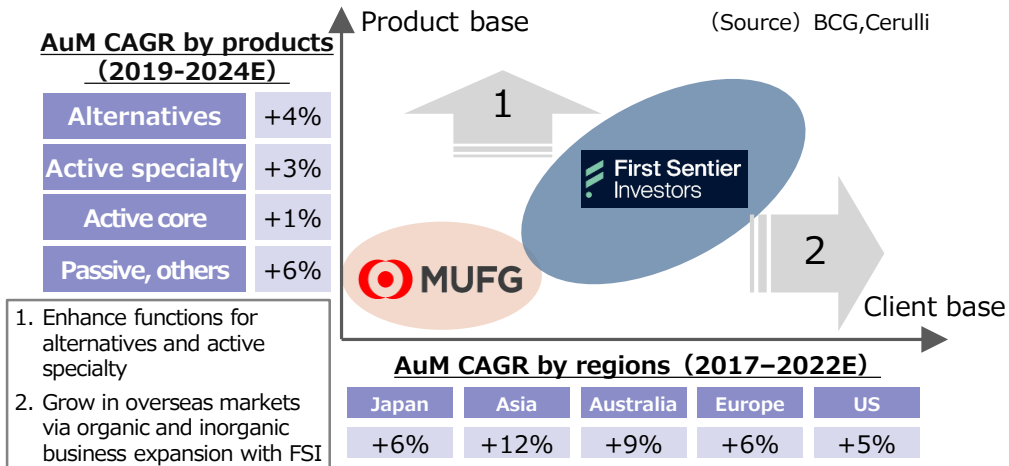
Response to COVID-19

- Adopt a flexible approach to cost control in preparation for the increasing of the COVID-19's negative impact on gross profits from Q2 onward
- Promote digitalization to enhance the efficiency of our operations and improve the convenience of tools distributed to customers
- Push ahead with responsible investment that places particular focus on the "Social" issues included among the ESG issues

Global AM Strategy and FSI

– Strengthen AM and sales system in high-growth fields and enhance our global presence

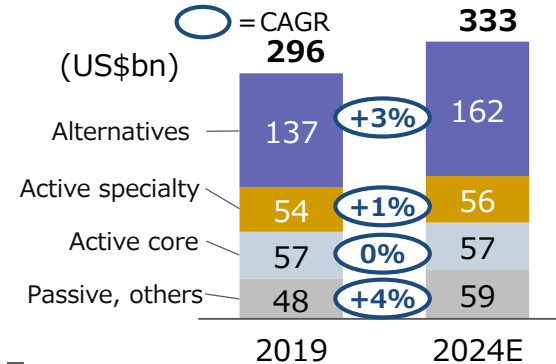
Direction of our global AM strategy



FSI's growth strategies

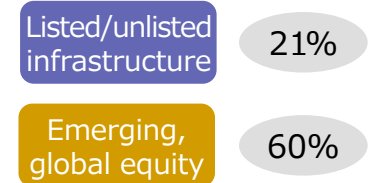
- Allocate resources to high-growth fields while maintaining advantages in fields in which FSI has strength

Forecast for the revenue pool for the industry*2



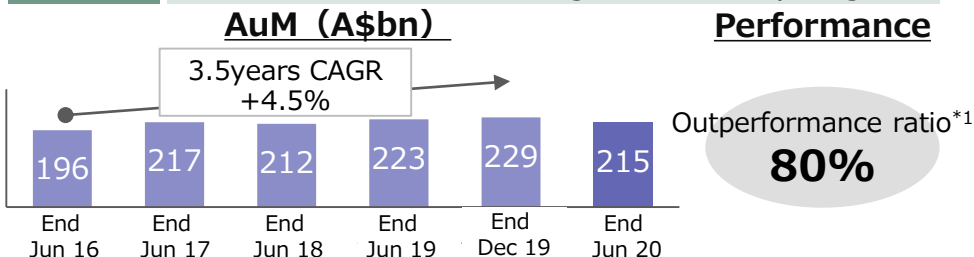
FSI's main AM strategy

Contribution ratio to gross profit as of Jun 20



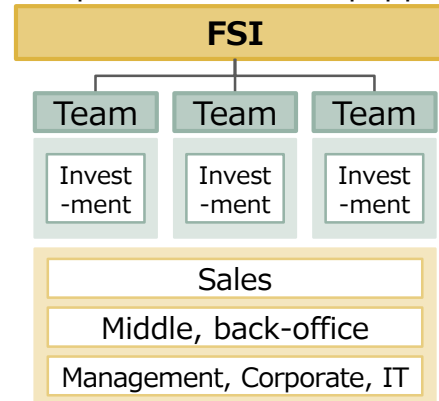
Post-acquisition results and issues of FSI

Results	<ul style="list-style-type: none"> Completed acquisition in Aug 19 Enhanced structure for business execution and supervision (three outside directors)
Issues	<ul style="list-style-type: none"> To counter a decrease in AuM due to the COVID-19 and fund outflows To achieve sustainable growth and synergies



Fields of FSI's focus going forward

- Establish a multi-boutique platform employing specialist teams equipped with unique strengths



- Secure a solid position as an asset manager with unique strengths
- Focus on developing infrastructure supporting individual teams and enhancing sales, middle and back-office functions

Secure excellent human resources and achieve sustainable growth

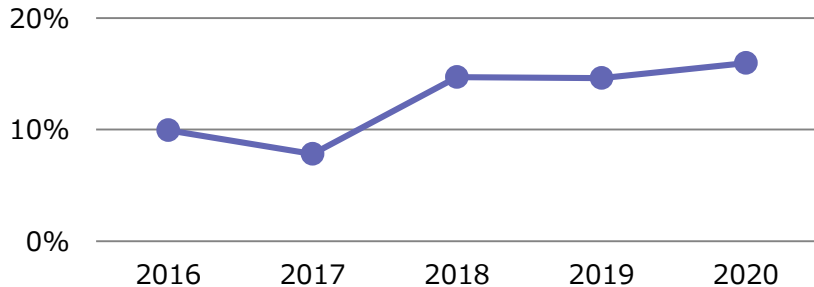
*1 Three-year performance trend as of end Jun 20. Proportion of AuM achieving asset management performance in excess of benchmarks
*2 (Source) BCG Global Asset Management 2020

Strengthening of Global IS

– Made progress in bundled services. Enhance services further to meet customer needs

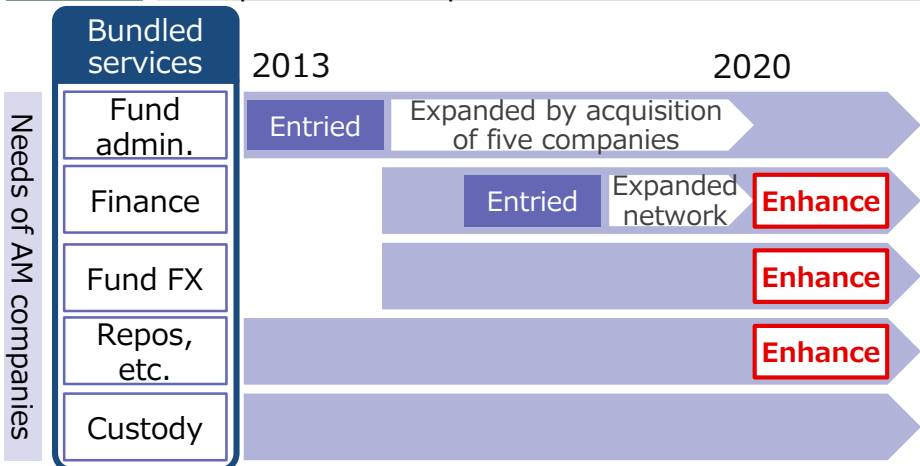
Growth of the alternative fund admin. market

The three-year average growth rate of the total balance of fund admin.*1



Our history and results/issues

Results	Expanded services via strategic acquisition etc.
Issues	Room for the expansion of peripheral service compared to competitors

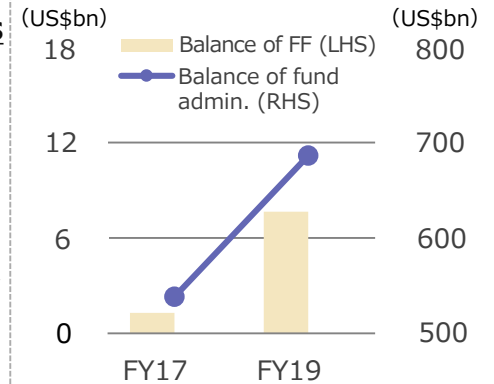
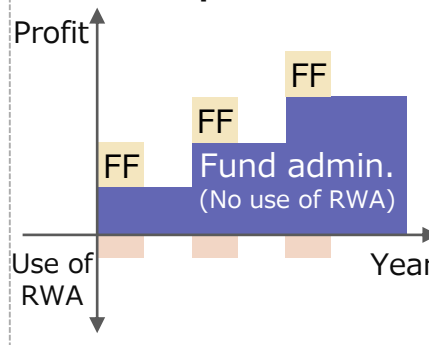


Main strategy(1) Fund finance (FF)

Institutional Investor Business

- Accumulate admin. profits leveraging FF. Gross profits CAGR (FY17-20) was 12%

How we expend business



Main strategy(2) Security lending, fund FX

- Enhance the bundled services by upgrading services for which customer needs are high

	Security lending	Fund FX
Objective	Expand fee business without dependence on B/S growth	Increase revenues by using functions for extending credit to funds
Existing services	In-house admin. assets → Procuring securities → MUFG → Lending securities → Security companies etc.	<ul style="list-style-type: none"> Active/passive hedge Fowarded exchange Custody FX
New services	Admin. assets by others	<ul style="list-style-type: none"> Unsecured exchange NDF*2

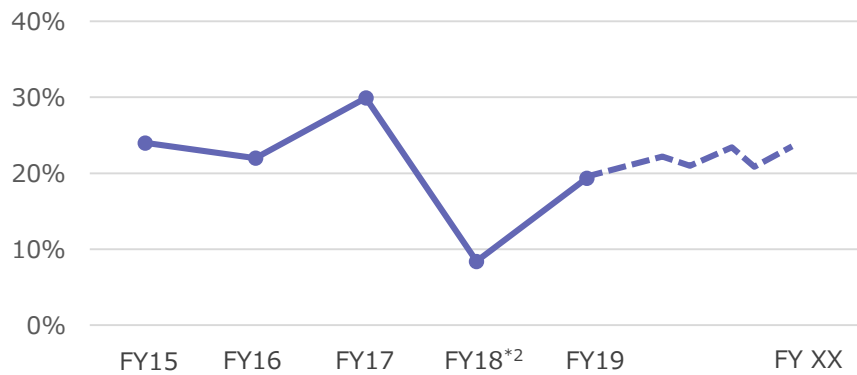
*1 Based on data from eVestments / Convergence *2 Non-Deliverable Forward

Initiatives to Improve ROE

- Contribute to improvement in MUFG's ROE via (1) the expansion of gross profits, (2) the cost control and (3) capital and RWA controls

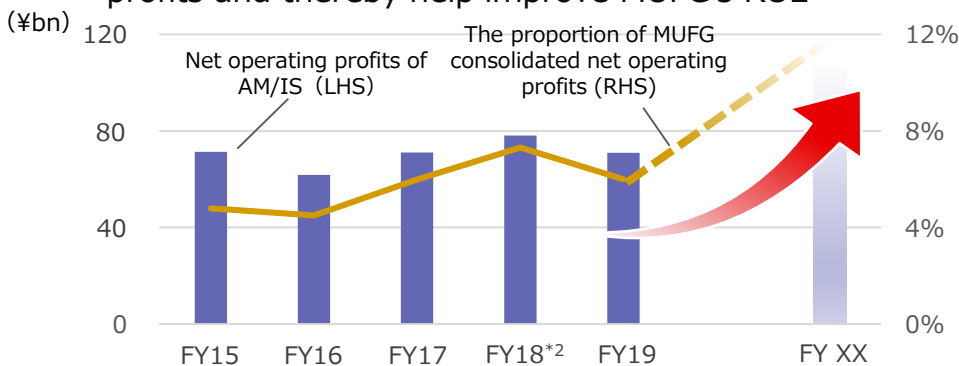
AM/IS Business Group's ROE*1

- AM/IS boasts high ROE



Trend of net operating profits and the proportion of MUFG's consolidated results*1

- Contribute a higher proportion of consolidated net operating profits and thereby help improve MUFG's ROE

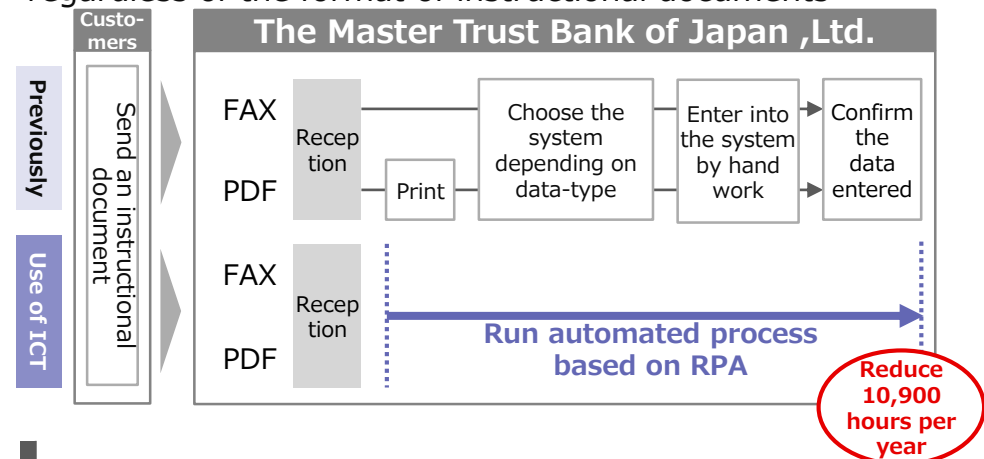


*1 Figures are on a managerial accounting basis. FX rates are based on assumed rates determined for internal managerial accounting purposes

*2 ROE excluding the impact of losses on sales of Standard Life Aberdeen shares is 18% *3 SWS MU FUND Management

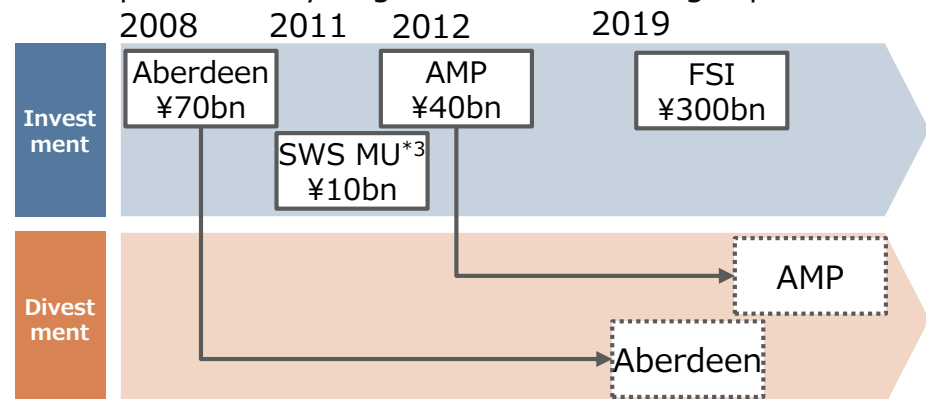
Operational streamlining and cost reductions via the use of ICT

Example: Reduce manual labors and streamline clerical works regardless of the format of instructional documents



Initiatives to control capital and RWA

- Execute M&A in accordance with business strategies and carry out portfolio recycling aimed at enhancing capital efficiency



Global Markets Business Group

Masamichi Yasuda, Group Head

Overview of Global Markets

FY19 results

	FY18	FY19	YoY
Net operating profits (¥bn)	298.8	352.0	53.2
Expense ratio	48%	45%	(3ppt)
ROE	5%	6%	1ppt

Changes in net operating profits



Progress of key initiatives

Sales & Trading (S&T)	S&T business with corporates	Focus resources on products boasting strengths(e.g. electronic FX brokerage) Provide solutions designed to meet needs for hedging against finance risk
	Review of overseas securities business & enhancing the institutional investors' business	Overseas securities businesses achieved solid results thanks to the success of strategic realignment (¥22.8 billion increase in NOP*1 from FY18 results) Reach out to broader range of customers in the institutional investors' business
Treasury	Flexible market risk management	Develop a cross-regional, groupwide integrated operational structure Flexibly adjust our portfolio management approach on the downtrend of interest rates
	Stable non-JPY liquidity management	Control loan-to-deposit gaps by acting in close collaboration with customer segments Ensure stable liquidity management via funding from diverse sources

*1 Net operating profits

FY20 Q1 results

(¥bn)	FY20 Q1 results	YoY	Reasons of changes
Gross profits	276.9	89.5	Achieved growth in revenues from both S&T and treasury operations by properly responding to market fluctuations
S&T (①+②)	78.8	2.7	
① FIC & Equity	58.7	0.9	Derivative transactions by growing finance needs and overseas securities trading pillared the earnings
Corporates	27.0	(0.3)	FX trading profits were down due to the stagnation of actual demand for international trading. Derivatives transactions were performing
Institutional investors	27.3	3.1	Achieved firm results in flow trading when market fluctuations were extreme
② JV with GCIB	19.8	1.9	DCM operations performed robustly due to growing needs for the issuance of corporate bonds and increasingly volatile market conditions
Treasury	198.5	85.3	Recorded net gains on debt securities mainly from foreign bonds by seizing opportunities arising from an interest-rate downtrend
Expenses	71.9	3.6	Despite reductions in such cost items as overseas personnel expenses, overall costs grew due to revenue-linked expenses and system expenses
Net Operating Profits	204.9	85.9	Profits from S&T and treasury operations both grew on YoY

Response to COVID-19

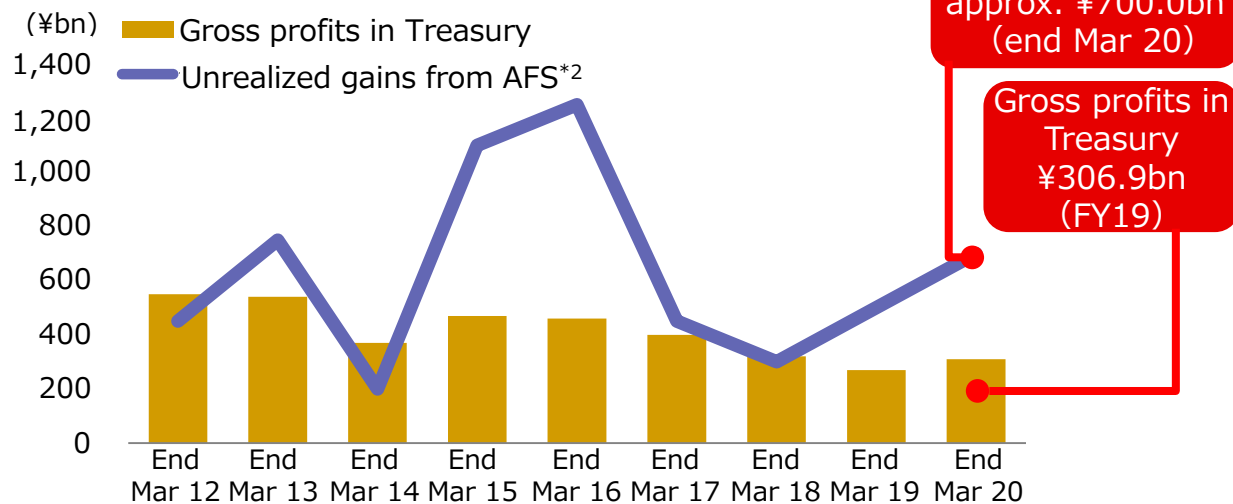
- The impact of the COVID-19 materialized in declining profits from FX trading due to the lower volume of ordinary FX settlement flows (¥4bn decline in earnings)
- Provided services and products to meet customer needs and realized stable non-JPY liquidity management even when market fluctuations were extreme
- Deliver diverse solutions to meet customer needs arising from a rapidly evolving business environment
- Accelerated digitalization such as electronic FX brokerage, in response to growing trend toward society's digital shift

Flexible market risk management

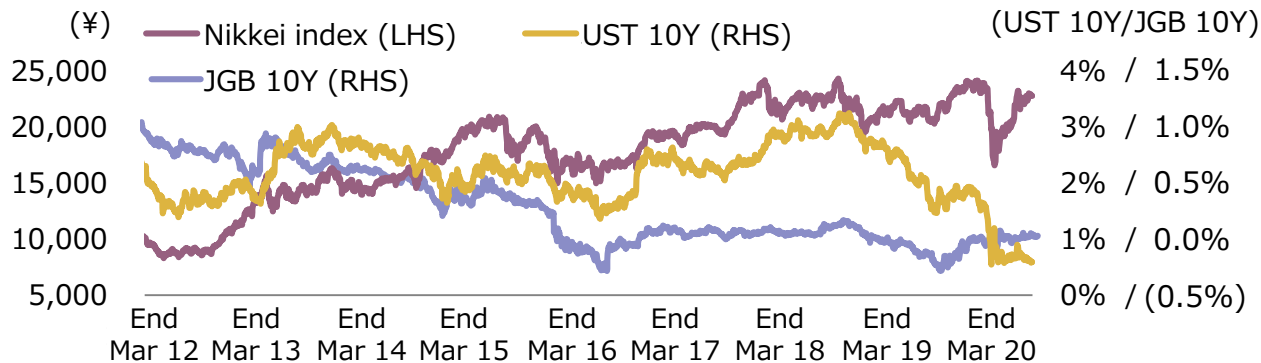
- Balancing the gross profits and unrealized gains by managing portfolio flexibly accommodating to market environment
- Keep on implementing asset allocation by remaining conscious of risk scenarios and market trends

Current operations

History of unrealized gains and gross profits in Treasury*1

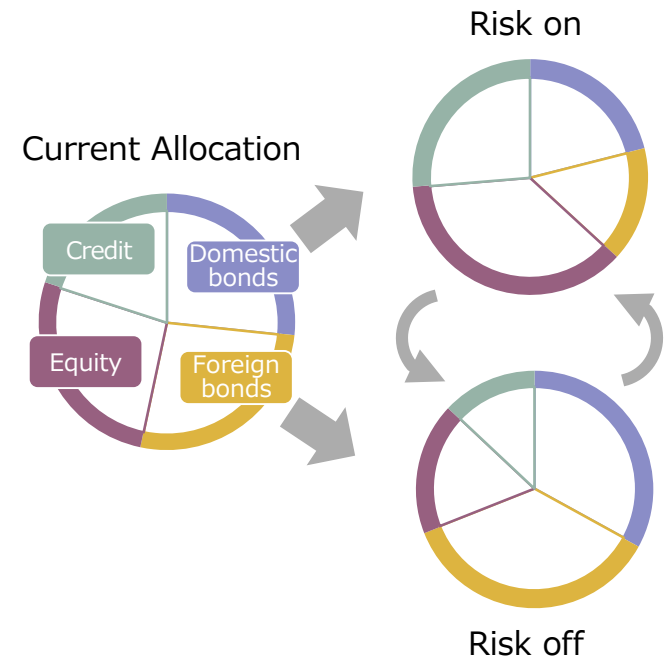


Nikkei index and JP and US bond yield



*1 Managerial accounting basis *2 Excluding unrealized gains from equity holdings

Illustrative asset allocation



- Maximize revenues by aligning asset allocation and hedge operations with the global low interest rate environment
- Carry out asset allocation in a way that takes full advantage of the respective strengths of the Bank and the Trust Bank
- Consider long-term diversified investment with an eye to securing resilience against the prolonged low interest rate environment

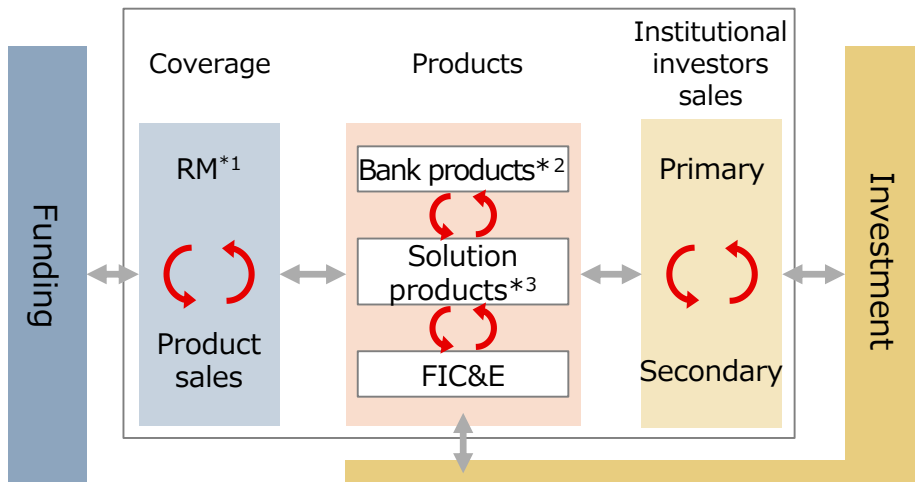
Sales & Trading strategy

– Realize a business model that provides customers with optimal solutions

Overseas business model reform

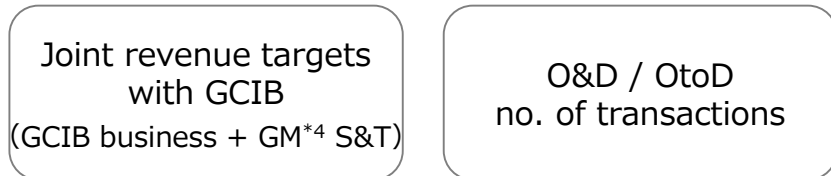
- Rapidly growing customer needs for sophisticated and highly specialized solutions
- Aim to expand O&D business / cross-selling by integrated approach together with GCIB

Our vision

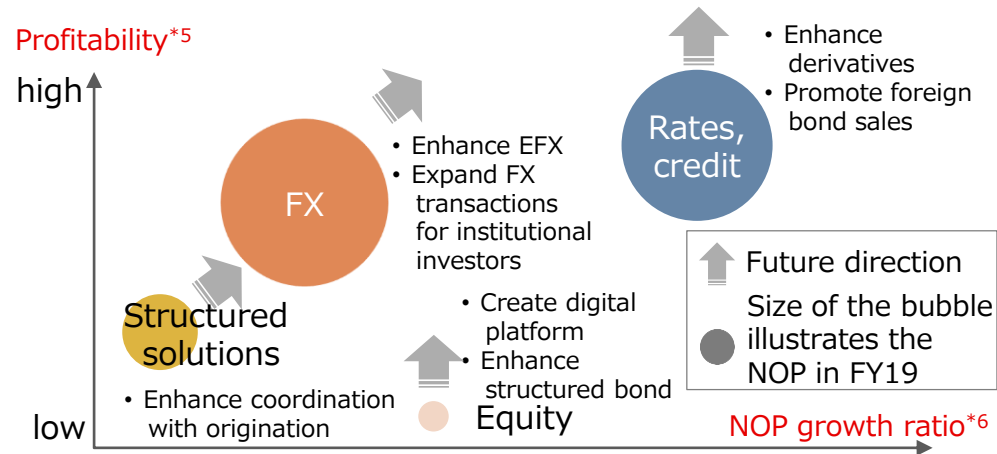


Expand the cross-selling and further promote O&D/OtoD businesses

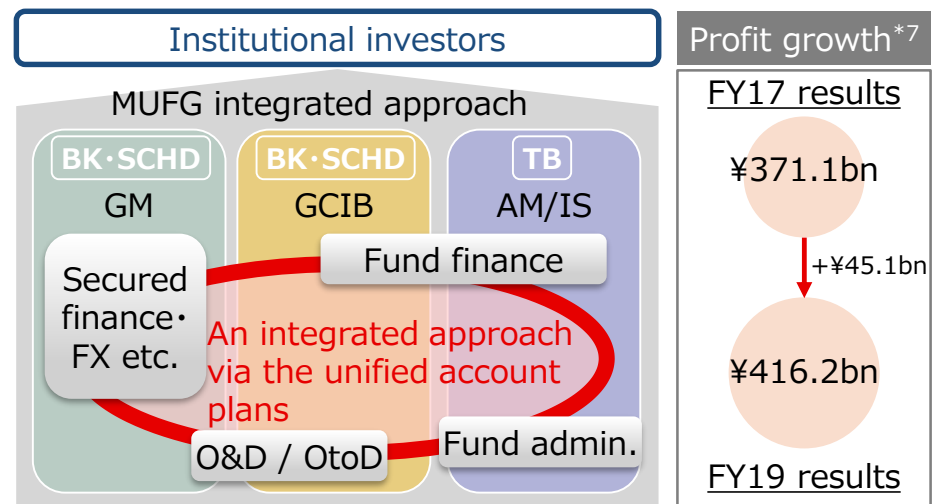
FY20 KPI



Product strategy



Institutional investors business strategy



*1 Relationship Manager *2 Deposit & loan, transaction banking, FX, derivatives etc.

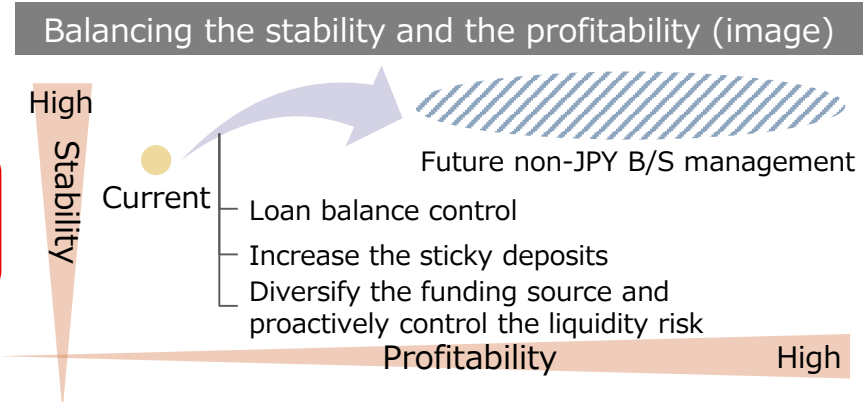
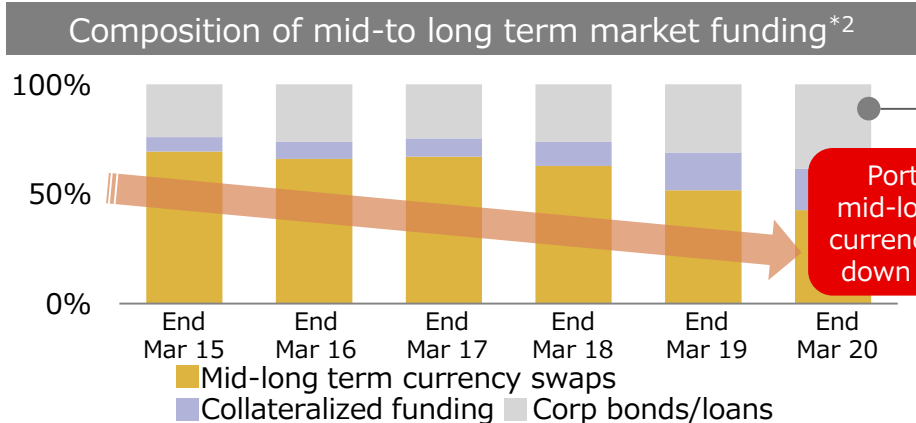
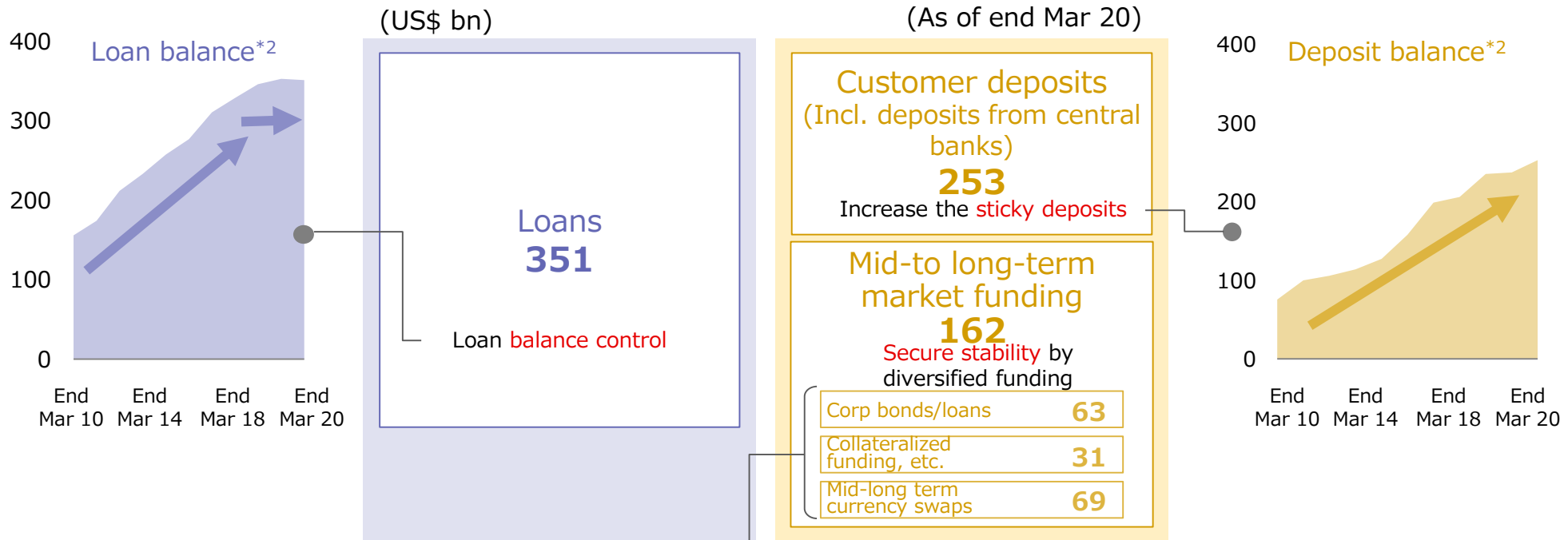
*3 Structuring products such as structured bond, secured finance, securitization etc. *4 Global Markets *5 NOP per staff (FY19 results)

*6 NOP growth rate from FY18 to FY19 *7 Gross profits of institutional investors business

Non-JPY liquidity management

– Stabilize non-JPY funding while improving the profitability of non-JPY balance sheet

Stable and efficient non-JPY B/S management*1 ~balance the stability and the profitability



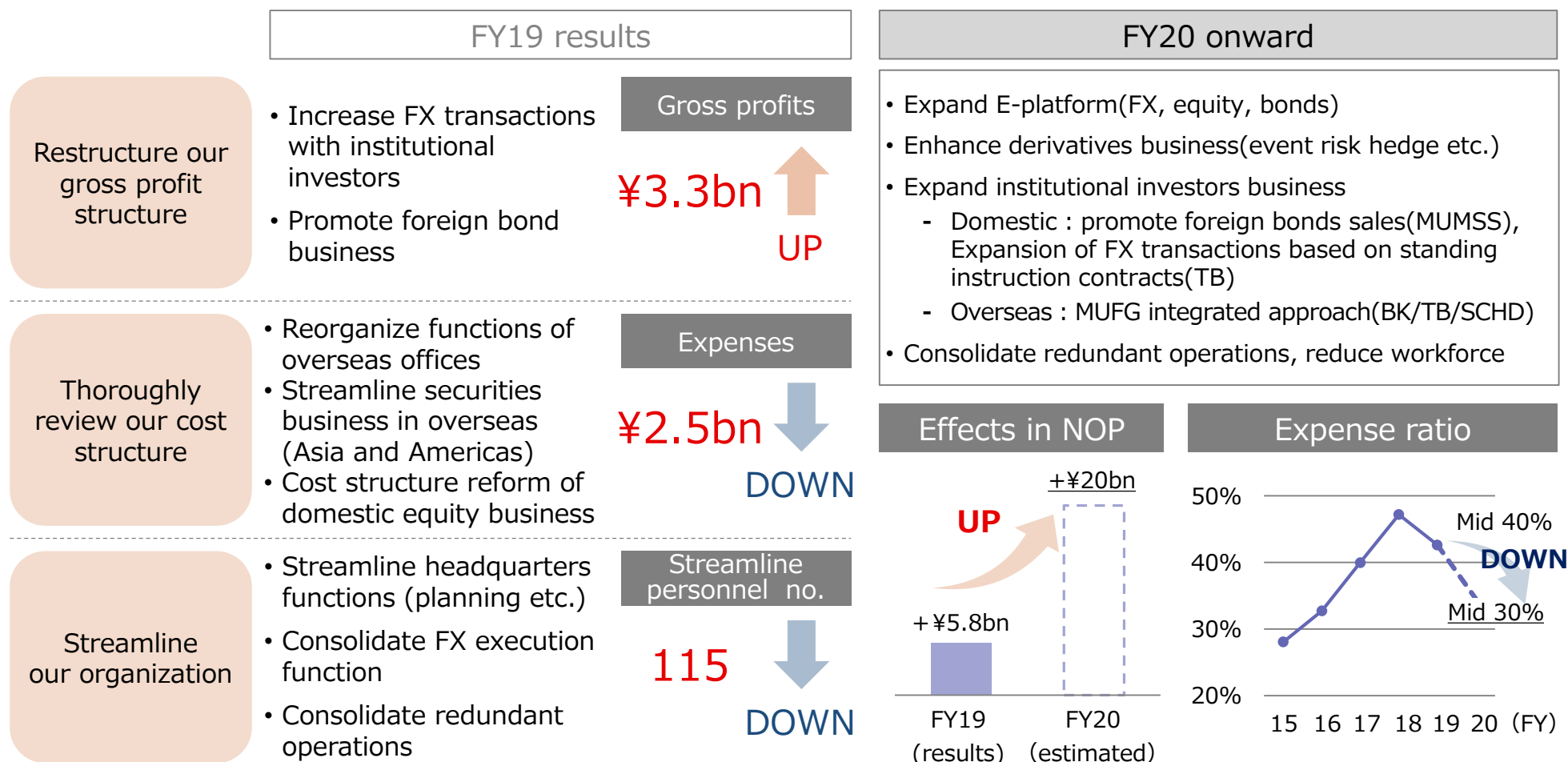
*1 The Bank consolidated excl. MUAH, KS and BDI. Managerial basis *2 Managerial accounting basis *3 Comparison with end Mar 15

Initiatives to improve ROE

– Improve ROE via “Global Markets 3.0”, a structural reform program

Initiatives of “Global Markets 3.0”

- Initiated the program in FY19, with the review of cost structure being implemented in advance
- Shift our focus to restructuring our gross profit structure and streamline our organization from FY20 onward



Digital Strategy

Masakazu Osawa, Group CDTO

Evolving Digital Transformation (DX) initiatives

- Need for a thoroughgoing “digital shift” in financial services has become more profound than ever due to changes in customer behavior influenced by the COVID-19 pandemic. The advance of tech-driven financial services is under way at an ever-faster speed



Thoroughgoing reform of operational processes



Acceleration of the mobile shift



Diversification of collaboration with digital platform operators



Development of data-driven financial services

Initiatives of MUFG's DX

Retail, SMEs

Mid-sized and large corporates

Services/front line

PFM*1
("Mable")Multi-bank
QR code settlement
("Bank Pay")Loans for startups
("MARS")Payment network
infrastructure
("GO-NET")Trade finance
platformNon face-to-face
promotion toolsDigital currency
("coin")Web channels for
corporate customers
("MUFG Biz")Application platform
("AIRPOST")Collaboration with
platform operatorsDigitalize
FX rate contractsPersonal Data
Trust Bank
("Dprime")Smartphone
settlement
("MUFG Wallet")Online financing
service for SMEs
("Biz LENDING")Online securities
trading
("MUFG terrace")Next-gen
Transaction BankingFX data-based
marketing utilizing AISecurity Token
("Progrmat")

Utilize AI (Data marketing, chat tools, etc.)

Middle, back office

Enhance operational efficiency by utilizing RPA*2, AI, etc.

Branch

Operation center

Operational
process

Loans

On-boarding*3

ALM*4

Housing loans

Digitizing
paper documents"BANQUIC"
(card loan)

Borrower rating

Partner Banks

Use of speech
recognition
technology

Support initiatives at each Business Group

Support

Promotion and support (Digital Transformation Division)

Promote initiatives
as CoE*5Referral, cooperative
support, and investment
to tech companiesLaunched AI
research organizationEstablished AI
application guidelinesShare digital initiatives
of group companies

Development and expansion of digital human resources

E-learning for
all employeesWorkshop for
top managementPrograms for
nurturing staffs who
will play core rolesPosting training
programsSecondment to
startups, etc.Recruitment
(mid-career/
new graduate)

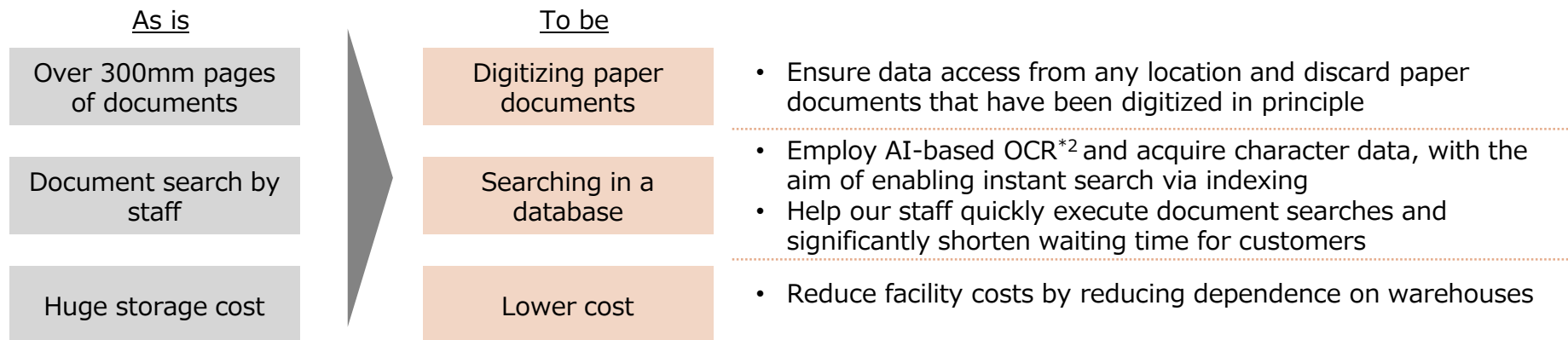
*1 Personal Financial Management *2 Robotics Process Automation *3 Process to introduction in overseas transaction banking services

*4 Asset Liability Management *5 Center of Excellence

Enhance operational efficiency by digitizing paper documents

Digitizing relevant documents to register personal seal for accounts

- Aim to digitize all paper documents stored at the centralized special warehouse; expecting improvement in the efficiency of clerical work involving the confirmation of stored documents*¹



Enable digitalization by process automation

Digitizing process



*1 Upon the occurrence of inheritance or other specific transactions, the Bank needs to confirm the content of documents entrusted by customers.

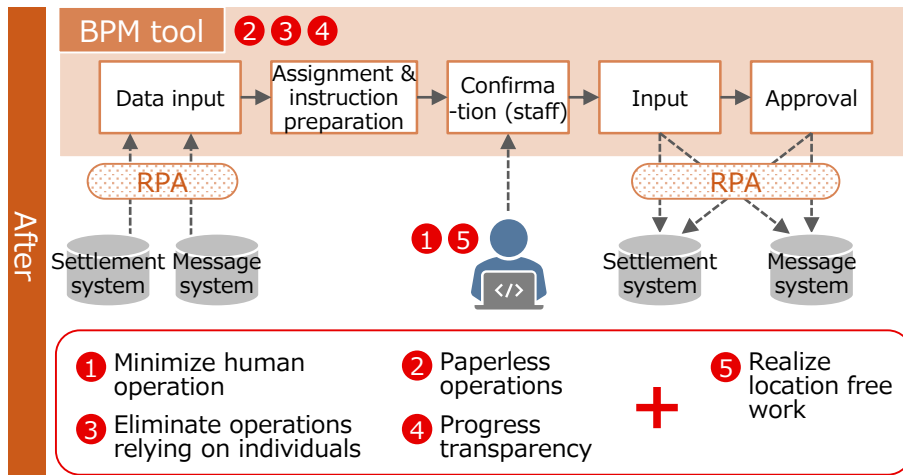
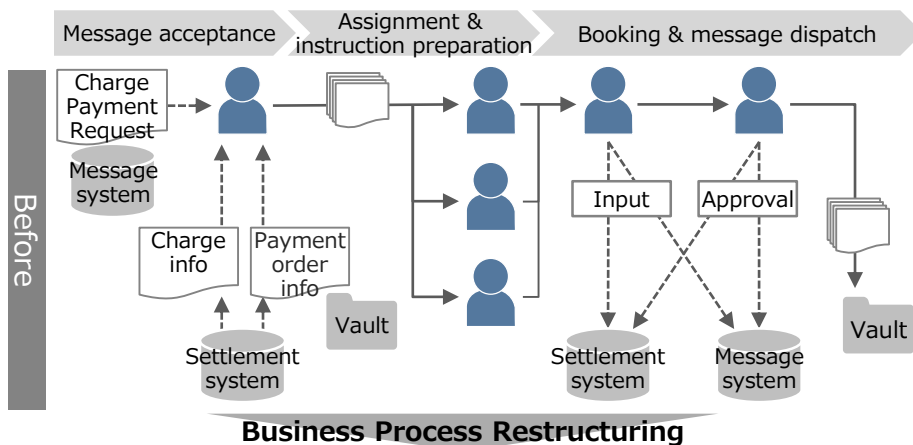
To find the necessary documents, the Bank thus must search an enormous archive that includes items handed over to the Bank decades ago.

*2 Optical Character Recognition

Ongoing review of operational process

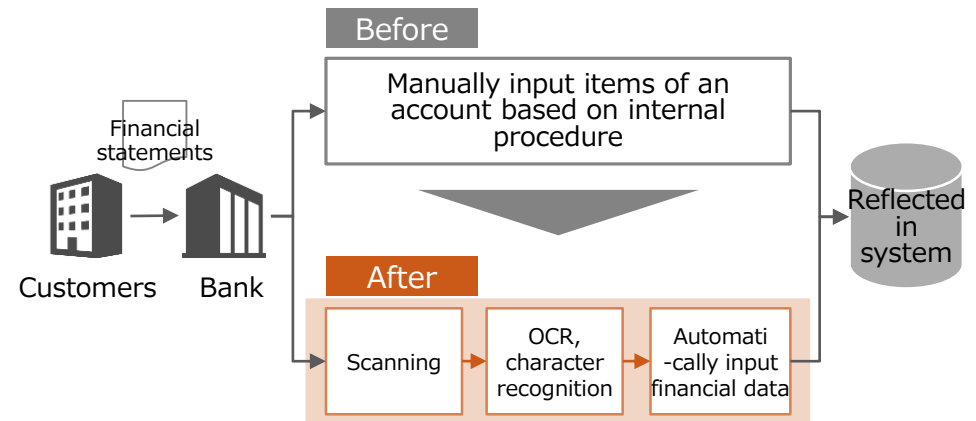
Inter-bank transfer and fee receipts operations

- Restructure existing end-to-end operational process via the use of Business Process Management tools
- Significantly reduce processing time and realize operational efficiency



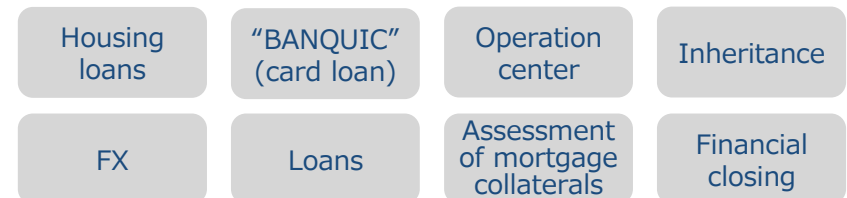
Register financial statements in database

- Annually accept more than 100,000 financial statements from customers
- Utilize RPA to automatically register 70% of its work



Growing scope of operations that can be streamlined

- Place priority on working in fields in which we expect significant effects

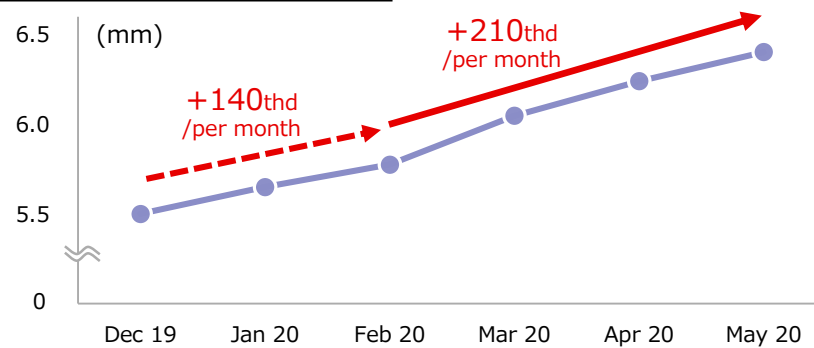


Provide Personal Financial Management (PFM) services for individual customers

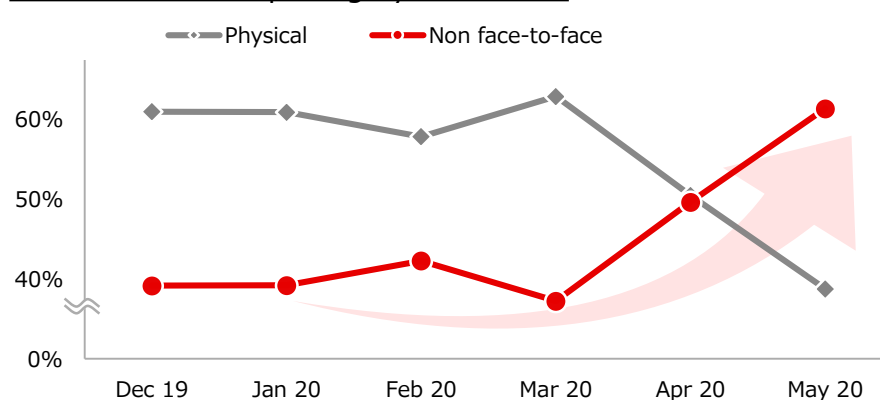
The fallout from the COVID-19 resulted in a shift in customer behavior and accelerated the ongoing trend toward non face-to face services

- Increase number of IB service users since Mar 20
- The ratio of account opening via non face-to-face channels surpassed the one via physical channel

Number of IB service users*1



Ratio of account opening by channels*2



Offer daily-use services through a PFM app

- Easily check asset and financial status and thereby assist customers in the hassle-free management of household finances
- Offer high-quality UI/UX while enabling the provision of data-driven recommendations
- Functions supporting the switchover between multiple accounts thanks to the unique strengths of Bank-made PFM tool



To be released



Personal financial management

- Visualize and analyze asset status

Communication

- Recommend on household and financial activities

Switchover between multiple accounts

- Open a new separate account and enable customers to freely transfer and manage funds according to the purpose such as saving and temporary saving

*1 Users who log-in IB at least once in 6 months out of all active accounts (excl. accounts used for direct debit only)

*2 Physical: application via branch counter, Non face-to-face: application via videophone system, by mail, and mobile app

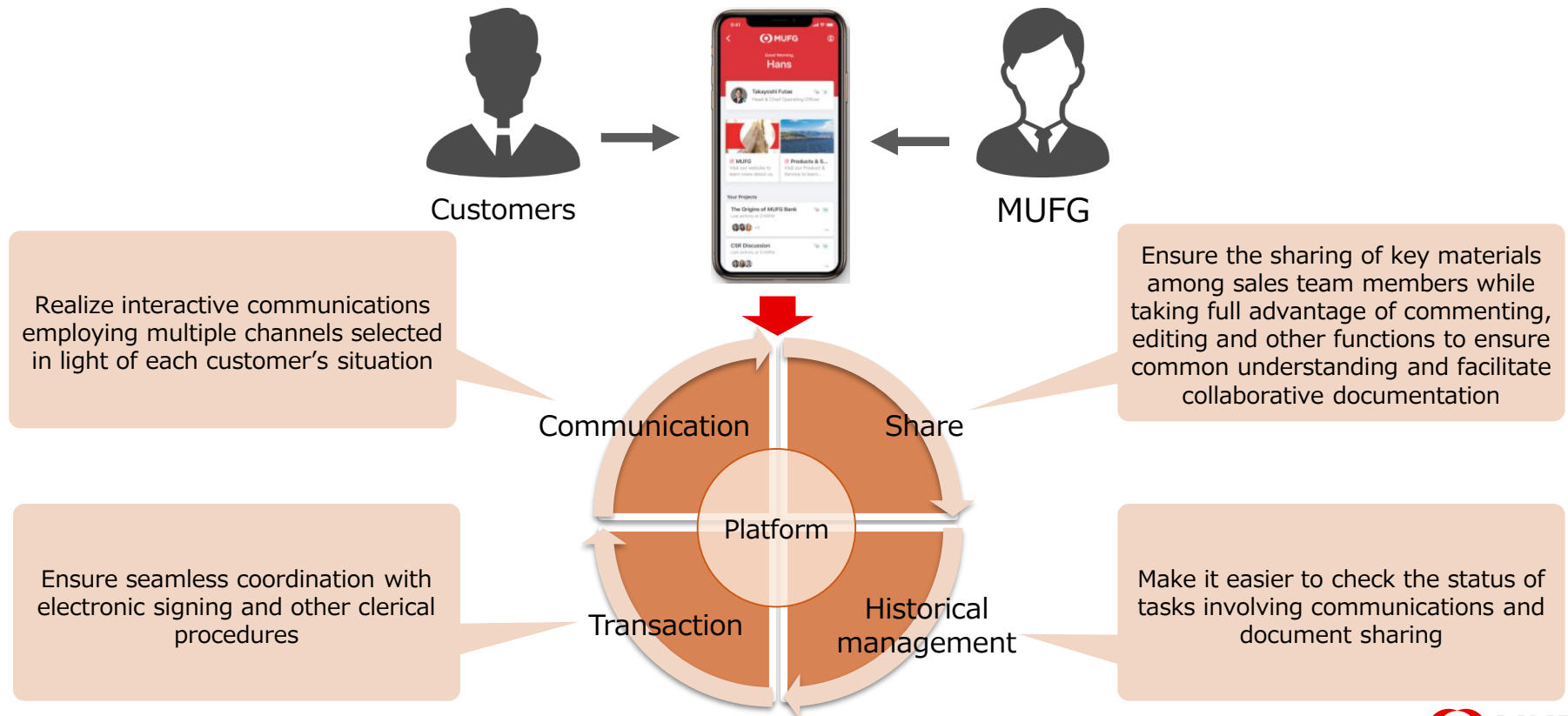
Offer tools aimed at promoting online sales activities for corporate customers, etc.

Online communications and challenges

- A growing trend toward videoconferencing and other online communications amid the business environment influenced by the COVID-19
- The need to develop a structure enabling customers to complete all necessary transactional procedures online

Provide secure tools for non face-to-face procedures

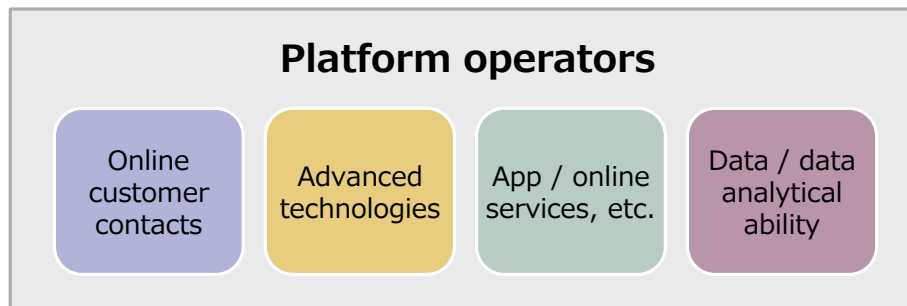
- Establish a foundation for online transactions and enable customers to engage in secure smartphone-based transactions
- Consult anytime, anywhere (Currently in a trial phase of some functions)



Diversification of collaboration with digital platform operators

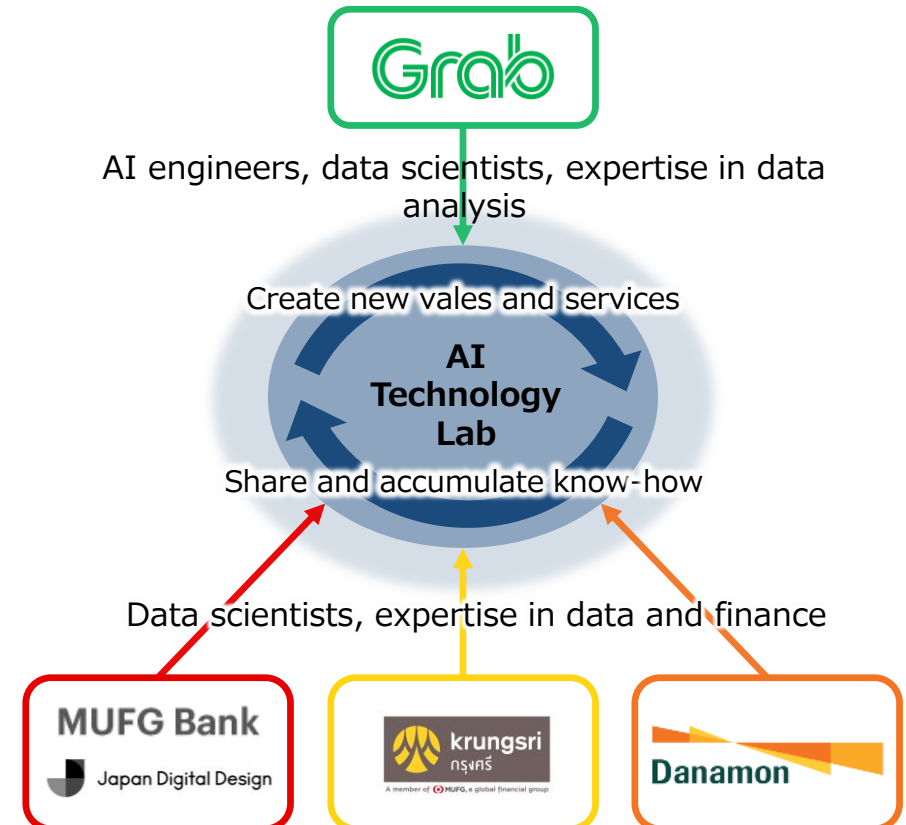
Aim to release new services while sharing with partners advantages arising from each other's strengths

- Develop new services by combining cutting-edge technologies possessed by digital platform operators with MUFG's financial know-how
- Penetrate into the realm of customers' daily digital activities and perform upstream assessments of their financial needs to deliver new value and services



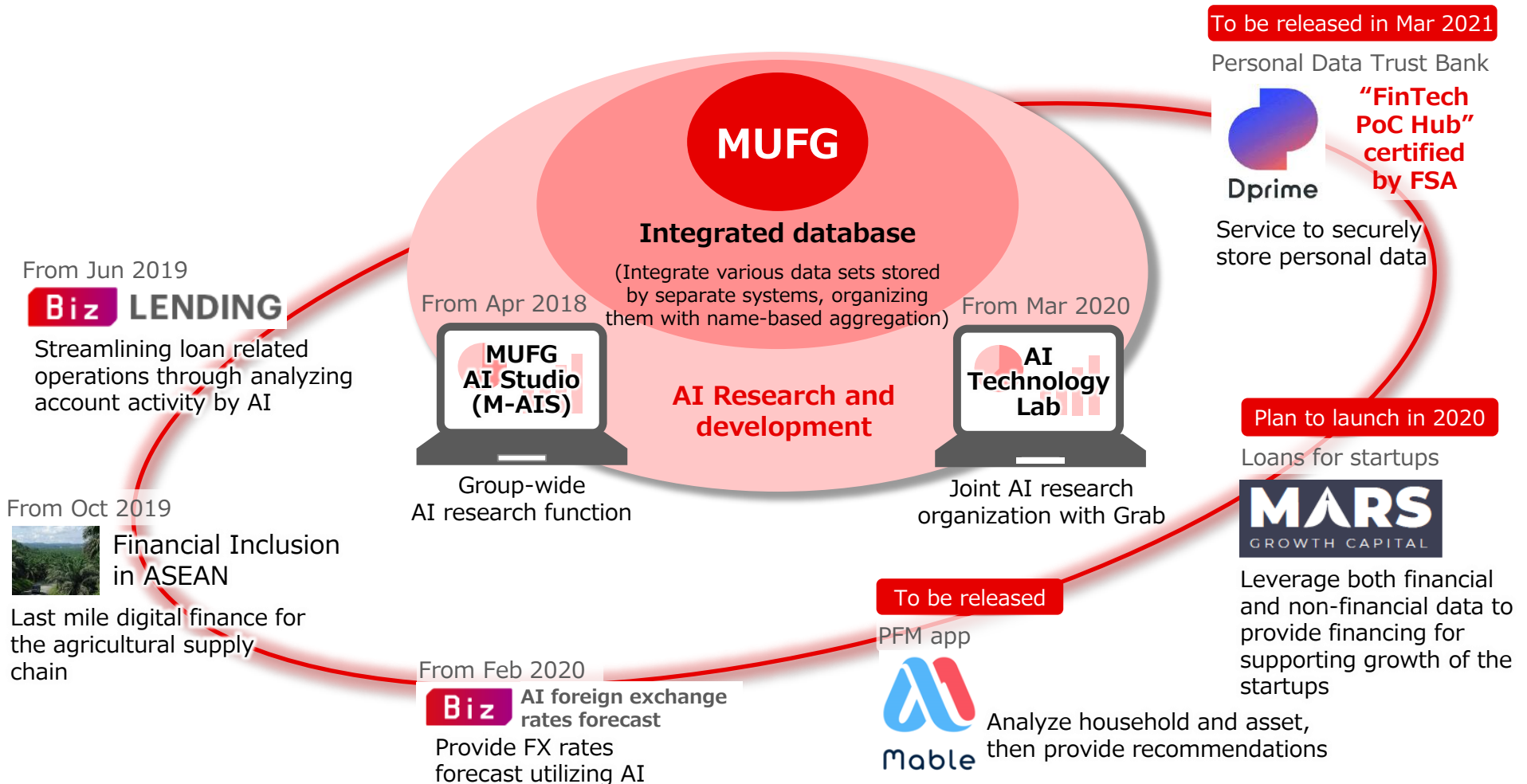
Example: Establish "AI Technology Lab" with Grab

- MUFG and Grab provide each other with know-how supporting their strengths in services, analysis and development
- Promote organic collaboration and create new value and services



Data-driven financial services

- Enhance operations through dynamic management and forecasting using alternative data*¹ and AI. Expand the scope of data utilization by largely focusing on employing MUFG's data while incorporating external information, with the aim of developing new services via open innovation involving external corporations



*1 Any data that was newly collected as a result of technology development, not public information such as financial results, etc.