

FY2020H1 IR presentation

November 18, 2020



Disclaimer

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, Integrated reports and annual reports, for additional information regarding such risks and uncertainties. The group has no obligation or intent to update any forward-looking statements contained in this document. In addition, information on companies and other entities outside the group that is recorded in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by the group and cannot be guaranteed. The financial information used in this document was prepared in accordance with Japanese GAAP (which includes Japanese managerial accounting standards), unless otherwise stated. Japanese GAAP and U.S. GAAP, differ in certain important respects. You should consult your own professional advisers for a more complete understanding of the differences between U.S. GAAP and Japanese GAAP and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this document. This document is being released by MUFG outside of the United States and is not targeted at persons located in the United States.

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)		
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	R&C:	Retail & Commercial Banking
the Securities HD (SCHD):	Mitsubishi UFJ Securities Holdings	JCIB:	Japanese Corporate & Investment Banking
MUMSS:	Mitsubishi UFJ Morgan Stanley Securities	GCIB:	Global Corporate & Investment Banking
MSMS:	Morgan Stanley MUFG Securities	GCB:	Global Commercial Banking
NICOS:	Mitsubishi UFJ NICOS	AM/IS:	Asset Management & Investor Services
MUAH:	MUFG Americas Holdings Corporation		
KS:	Bank of Ayudhya (Krungsri, KS)		

Accounting Standard Board of Japan (“ASBJ”) Statement No. 30, “Accounting Standard for Fair Value Measurement” and ASBJ Guidance No. 31, “Implementation Guidance on Accounting Standard for Fair Value Measurement” have been applied since the end of the previous fiscal year. Accordingly, the financial information for the six months ended September 30, 2019 reflect the retroactive application of the new accounting standard, etc.

Key messages

FY20H1 result and FY20 target

- FY20H1 result : **72.9%** progress toward FY20 initial target in net profits
- FY20 target : Revised FY20 target **upward to ¥600bn** from ¥550bn

Update on strategic emphasis

- Progress status : **Made steady progress** in sales channel shift in domestic retail business, shifting from “quantity” to “quality” on a global basis, RWA and cost control, etc.
- Consideration of establishing a new business group : Integrate the function promoting **company-wide digital transformation** and part of the customer segments

ESG

- Environment, Society : Extended **¥1.8tn** for sustainable finance in FY20H1. The cumulative total of **¥5.5tn** made 27% progress toward FY30 goal of ¥20tn
- Governance : Enhance sustainability promotion structure and disclosure, including the appointment of a CSuO*¹ and the issuance of MUFG’s first sustainability report

Capital policy

- Dividend : Maintain ¥12.5 and **¥25** for FY20 interim and annual DPS, respectively as announced in May from the standpoint of stable dividends
- Capital level : Keep a sufficient level of capital through disciplined RWA management, while prioritizing financial support

*1 Chief Sustainability Officer (Person responsible for promoting initiatives for sustainable growth)

Main initiatives to adapt to the period of living with COVID-19

- Fulfill our responsibilities as financial infrastructure, while adapting to changes in society

Maintain financial function

■ Continue finance support

- No. of consultations : **Approx. 22,000**^{*1}
- No. / amount of newly booked loans:
Approx. 16,000 / Approx. ¥5tn^{*2}

■ Maintain stable branch operation

- Continue branch and ATM operations
- Introduce branch reservation service
(All domestic branches and sub-branches from Dec 2020)

Diversify working styles and engagement

■ Changes in the way of working style

- WFH ratio^{*5} :
Approx. 50% in Japan, approx. 80-90% in U.S and Europe, expand on a region-by-region basis in Asia
- Expand satellite offices: from 7 to **20**

■ Enhance engagement

- Held web-based townhall meetings hosted by CxO:
Approx. 16,500 participants, 15 times

Respond to behavioral changes

■ Increase in the use of non face-to-face channels

- No. of IB^{*3} users^{*4} : **+Approx. 30%** YoY

■ Strengthen non face-to-face business

- Hosted online global business matching:
Approx. 170 corporates in 7 countries

Promote initiatives to address social issues

■ Promote social contribution activities

- Donate funds equivalent to **1%** of net operating profits from group business^{*6}

■ Support medical businesses^{*7}

- Established MUFG Medical Fund: **¥10bn**

^{*1} Number of new loans and amendments for large, medium & small corporates from Mar 10 to Oct 30, 2020. Based on the reports from the Bank's domestic branches and online application ^{*2} Event counts/amounts conducted between Mar 10 and Oct 30, 2020 (includes commitment line limits). Based on the reports from the Bank's domestic branches ^{*3} Mitsubishi UFJ DIRECT: Internet banking for individual customers ^{*4} Users who log-in IB at least once in 6 months out of all active accounts, excl. accounts used for direct debit only (As of Sep 2020) ^{*5} As of Apr 2020 ^{*6} Net operating profits after deduction of credit costs ^{*7} In particular, businesses that pursue the creation of new pharmaceuticals, breakthroughs in regenerative medicine and other life-science endeavors

Contents

FY20H1 financial results	6
Update on strategic emphasis	25
Environment, Social and Governance	31
Capital policy	36
Appendix	42

FY20H1 financial results

FY20H1 financial results and FY20 targets

- FY20 target for profits attributable to owners of parent is revised upward to ¥600.0bn in light of progress in the first half

Consolidated (¥bn)	FY19H1	FY20H1		FY20 full year	
	Results	Results	YoY	Revised targets	Changes from initial targets
1 Gross profits before credit cost for trust accounts	1,969.1	2,093.0	123.8	–	–
2 G&A expenses	1,342.0	1,352.5	10.5	–	–
3 Net operating profits before credit costs for trust accounts and provision for general allowance for credit losses	627.1	740.4	113.3	1,150.0	100.0
4 Total credit costs	(18.0)	(258.4)	(240.3)	(500.0)	(50.0)
5 Ordinary profits	791.0	590.2	(200.8)	920.0	70.0
6 Profits attributable to owners of parent	606.9	400.8	(206.1)	600.0	50.0

Reasons for the revision of the full year targets

– Updated the impact of COVID-19 based on the interim performance and economic outlook

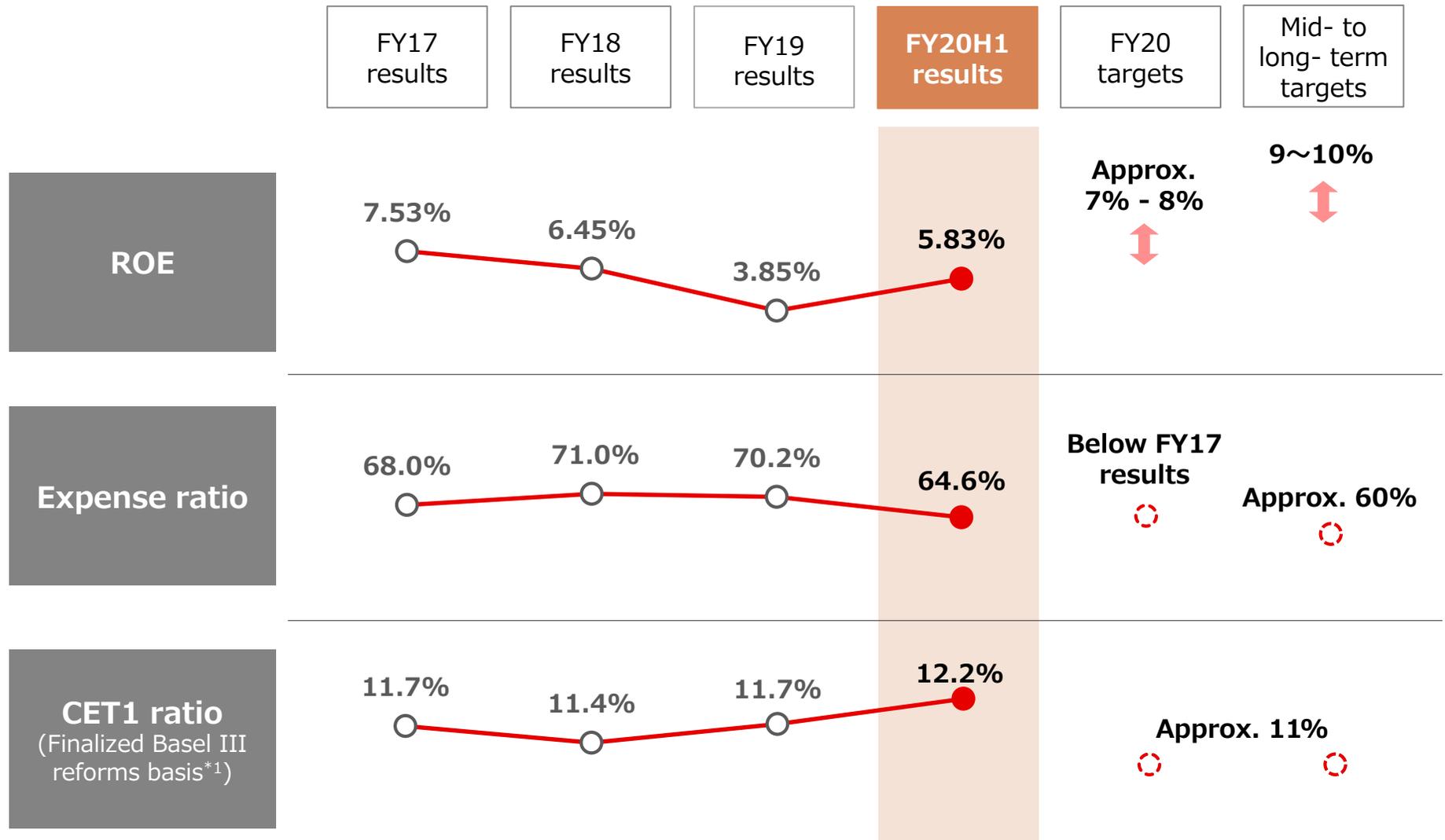
Consolidated (¥bn)	FY20		Estimated impact of COVID-19*1	Reflected in initial targets	Newly incorporated
	Revised targets	Changes from initial targets			
1 Net operating profits before credit costs for trust accounts and provision for general allowance for credit losses	1,150.0	100.0	(200.0) updated from (300.0)	<ul style="list-style-type: none"> Decline in non-JPY currency interest income Decrease in assets under custody or management Decline in new investments and business transactions Decreased investor appetite for investment Restrictions on our business activities 	<ul style="list-style-type: none"> Higher non-JPY deposit balance Higher revenue for overseas security subsidiaries Accelerating cost reduction
2 Total credit costs	(500.0)	(50.0)	(250.0) updated from (200.0)	<ul style="list-style-type: none"> Worsening business performance of borrowers 	<ul style="list-style-type: none"> Higher credit costs under CECL*2 for FY20H1 Risks associated with further increasing uncertainties
3 Ordinary profits	920.0	70.0	(530.0) updated from (600.0)	<ul style="list-style-type: none"> Decrease in equity earnings of equity method investees and decline in other non-recurring gains (losses) etc. 	<ul style="list-style-type: none"> Higher net gains on equity securities and equity earnings of equity method investees
4 Profits attributable to owners of parent	600.0	50.0	(370.0) updated from (420.0)		

*1 The above figures illustrate some of the major item that we expect to effect profit as a result of the COVID-19 pandemic. These effects as well as other COVID-19 pandemic related issues currently being considered by us have been taken into account in our earnings target for FY20. Including the impact of measures to deal with environmental changes caused by COVID-19. Profits attributable to owners of parent is calculated by using approximate tax rate of 30%

*2 Current Expected Credit Loss. Based on U.S. Accounting Standards Update ("ASU") 2016-13

Financial targets

– Continue to make sustained efforts to achieve the targets



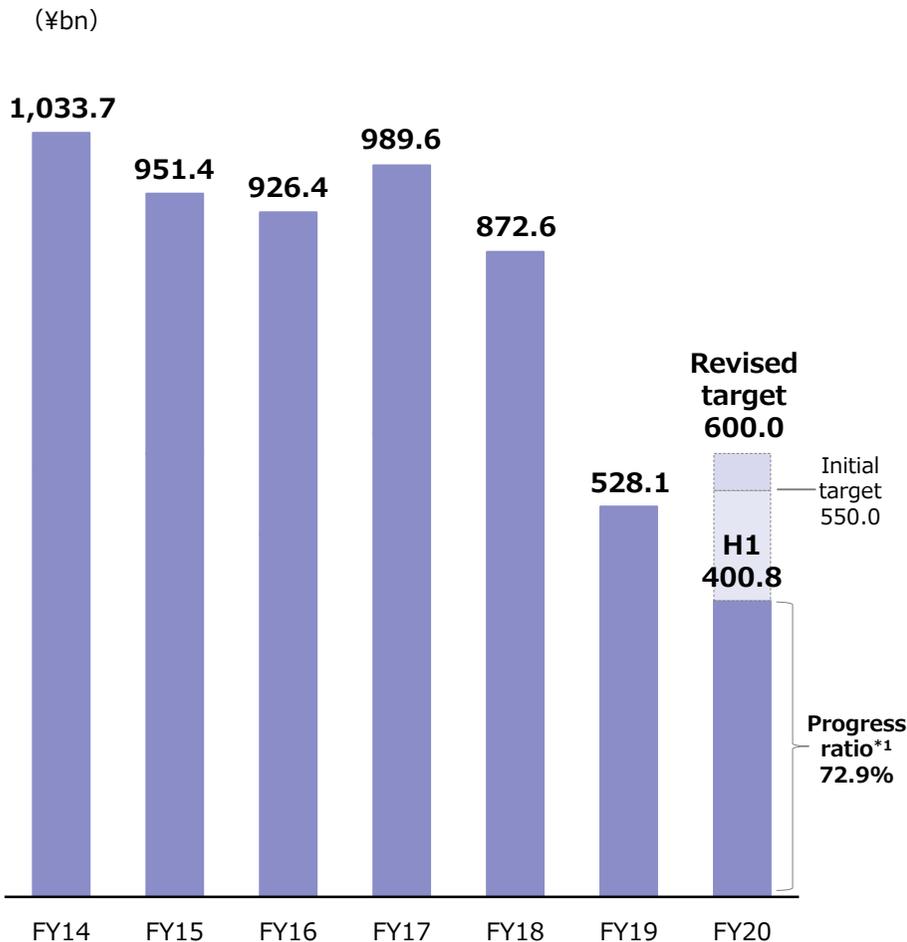
*1 Estimated CET1 ratio reflecting the RWA increase calculated on the finalized Basel III reforms basis, includes net unrealized gains on available for sale securities

Profits attributable to owners of parent

– Progress ratio of FY20H1 results was 72.9% against FY20 initial target in net profits

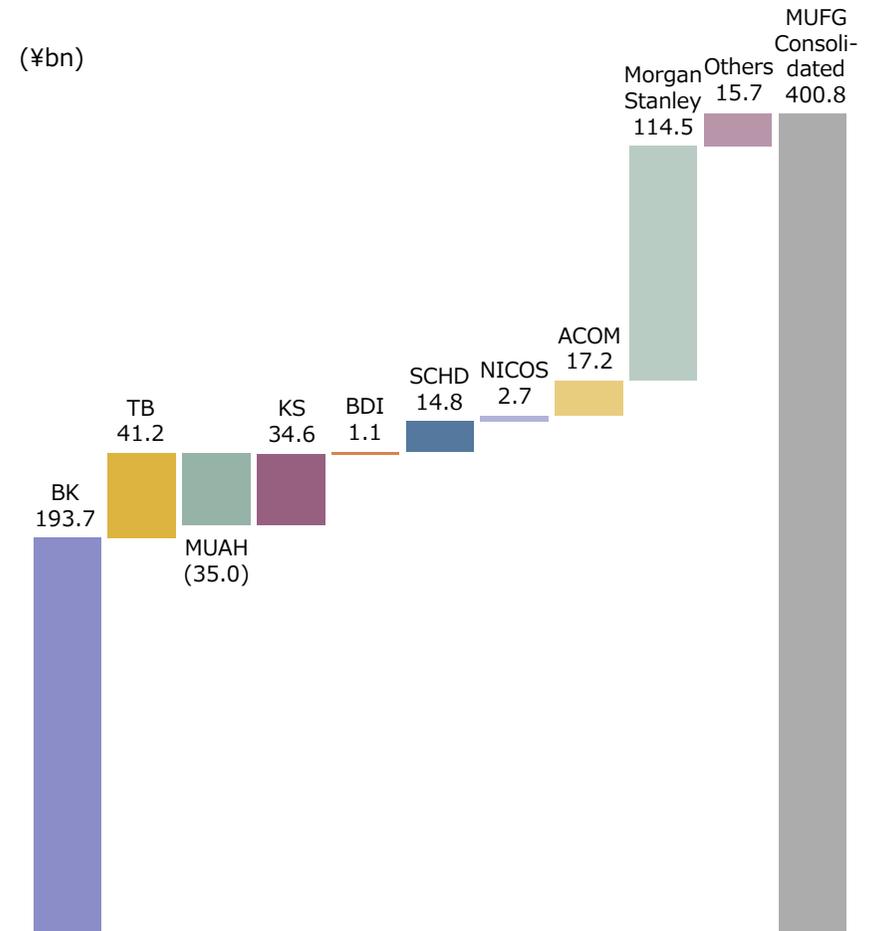
Historical performance

Consolidated



Contribution from subsidiaries, etc.*2

Consolidated



*1 Progress ratio against the FY20 initial target

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

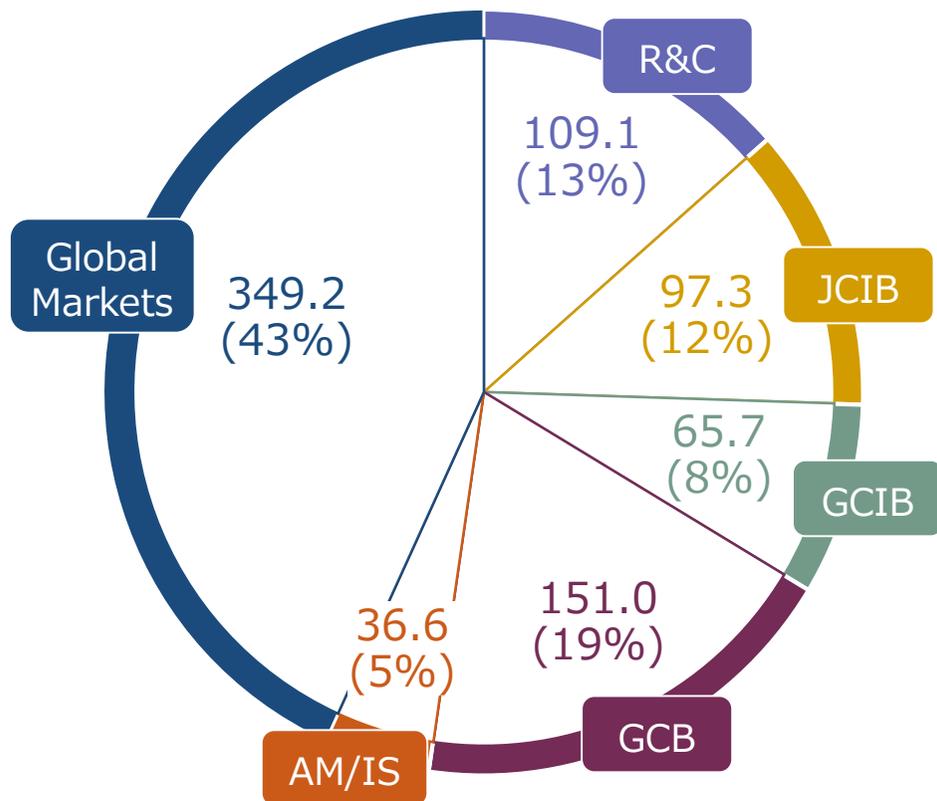
Results by business group (1)

– Net operating profits in customer segments increased mainly due to the consolidation of BDI

Net operating profits by business group*1 Consolidated

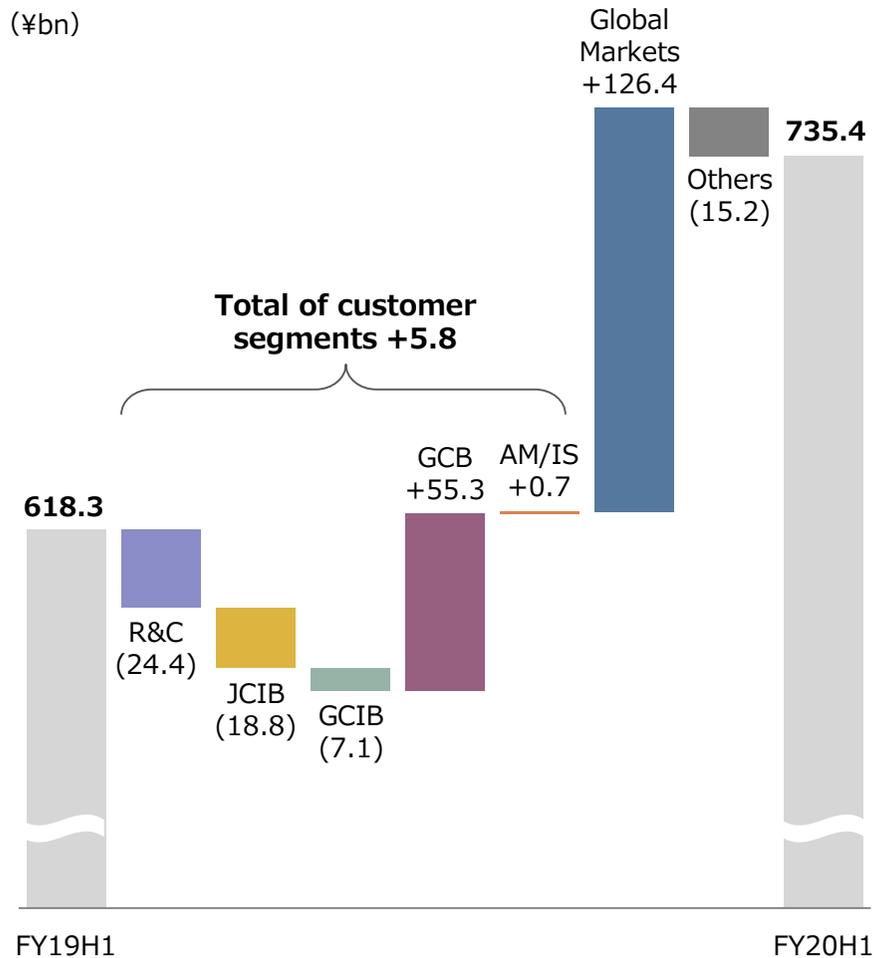
(¥bn)

FY20H1 ¥735.4bn*2



Changes by business group Consolidated

(¥bn)



*1 All figures are in actual exchange rate and managerial accounting basis

*2 Including profits or losses from others

Results by business group (2)

Consolidated Business group	Net operating profits (¥bn)			Expense ratio		ROE*1	
	FY19H1	FY20H1	Changes	FY19H1	FY20H1	FY19H1	FY20H1
Retail & Commercial Banking 	133.5	109.1	(24.4)	82%	84%	15%*2 [15%]	3% [3%]
Japanese Corporate & Investment Banking 	116.0	97.3	(18.8)	58%	61%	16% [16%]	9% [9%]
Global Corporate & Investment Banking 	72.8	65.7	(7.1)	64%	67%	10% [10%]	3% [3%]
Global Commercial Banking 	95.7	151.0	55.3	74%	64%	6% [8%]	(3%) [(2%)]
Asset Management & Investor Services 	36.0	36.6	0.7	64%	73%	20% [21%]	24%*3 [30%]
Global Markets 	222.8	349.2	126.4	34%	24%	8% [8%]	9% [9%]

*1 Calculated based on Risk Assets (R&C, JCIB, GCIB and GCB) or economic capital (AM/IS and Global Markets) (Managerial accounting basis. Net profit basis. Calculated excluding non-JPY mid- to long-term funding costs)
Figures in brackets exclude the impacts of investment related accounting factors (amortization of goodwill, etc.)

*2 ROE excluding the impact of one-time tax effects is 8%

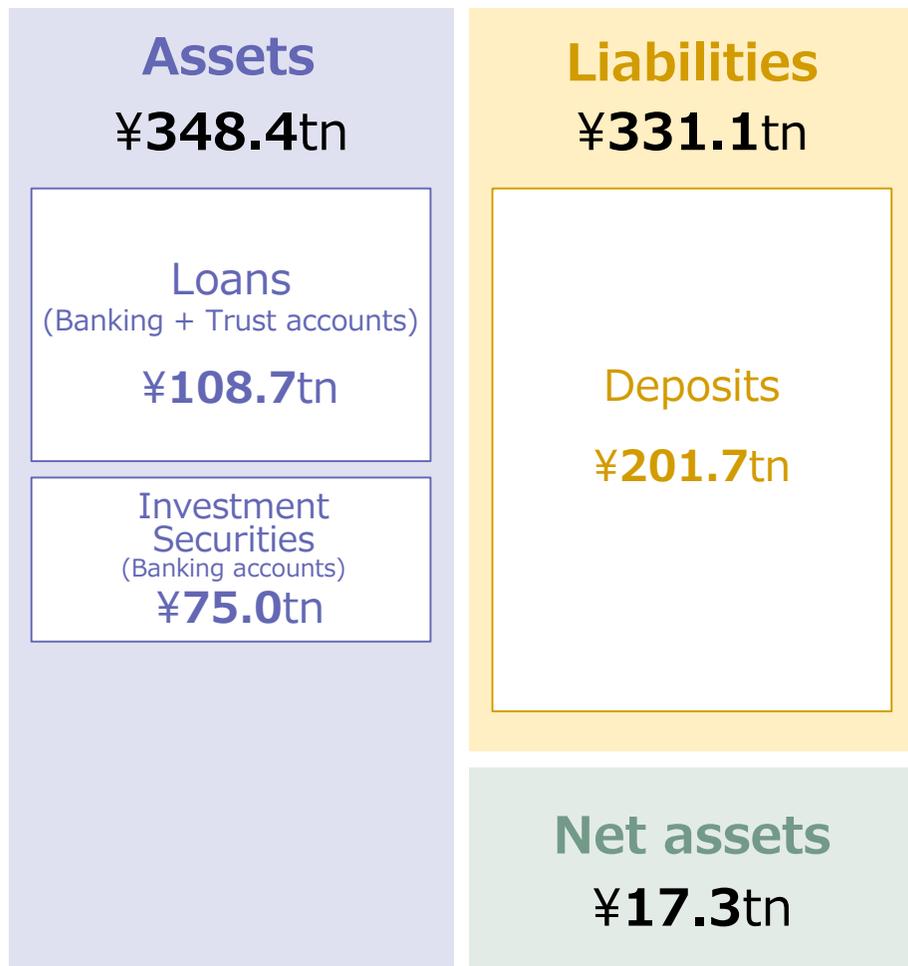
*3 ROE excluding the impact of profits on sales of AMP Capital shares is 19%

Balance sheet summary

Balance sheet summary

Consolidated

As of end Sep 2020

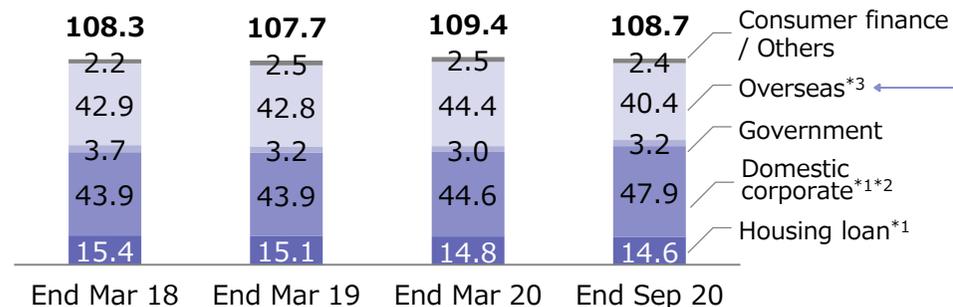


Loans (period end balance)

Consolidated

(¥tn)

Overseas: (3.9) from end Mar 2020
((3.6) excluding impact of FX fluctuation)

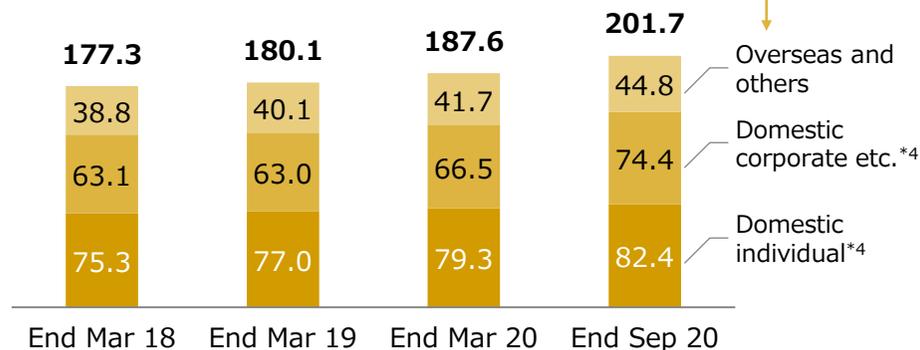


Deposits (period end balance)

Consolidated

(¥tn)

Overseas and others: +3.0 from end Mar 2020
(+3.4 excluding impact of FX fluctuation)



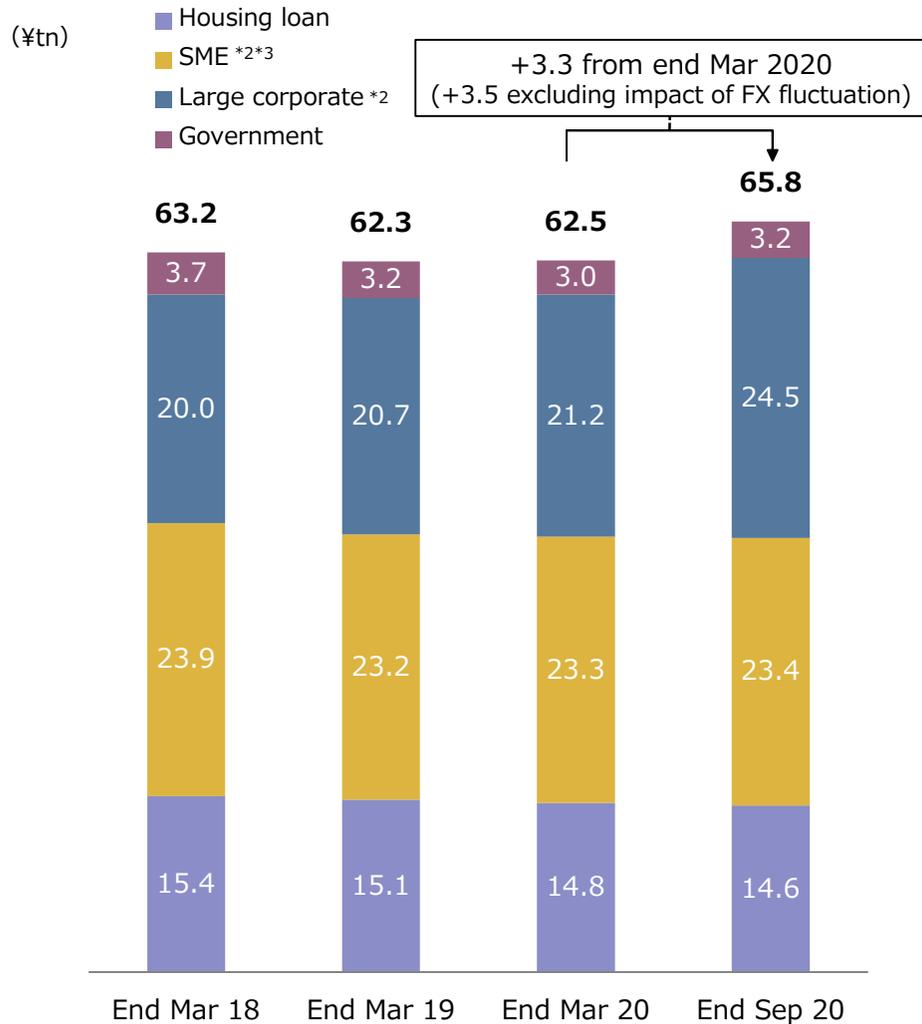
*1 Non-consolidated + trust accounts *2 Excluding loans to government and governmental institutions and including foreign currency denominated loans (Excluding impact of FX fluctuation: +¥3.4tn from end Mar 2020)

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

Domestic loans

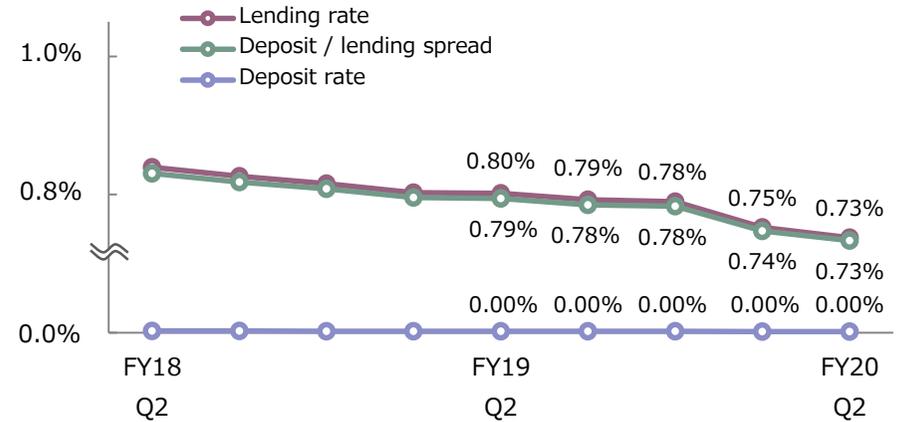
Loan balance (period end balance)*1

Consolidated



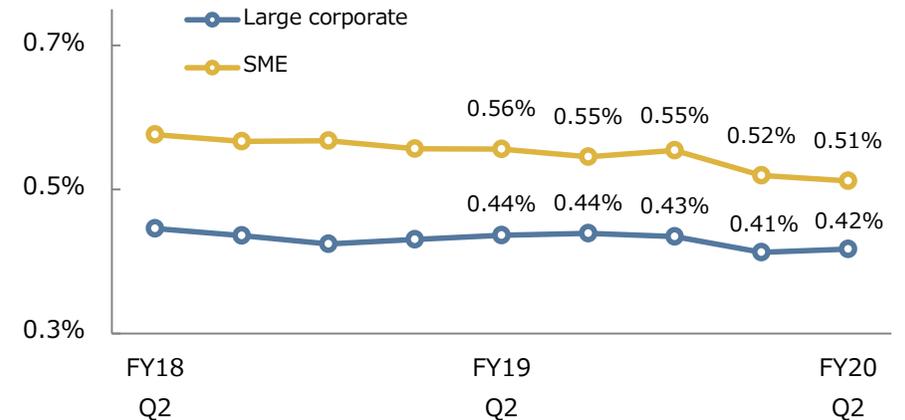
Deposit / lending rate*4*5

Non-consolidated



Corporate lending spread*2*4*5

Non-consolidated



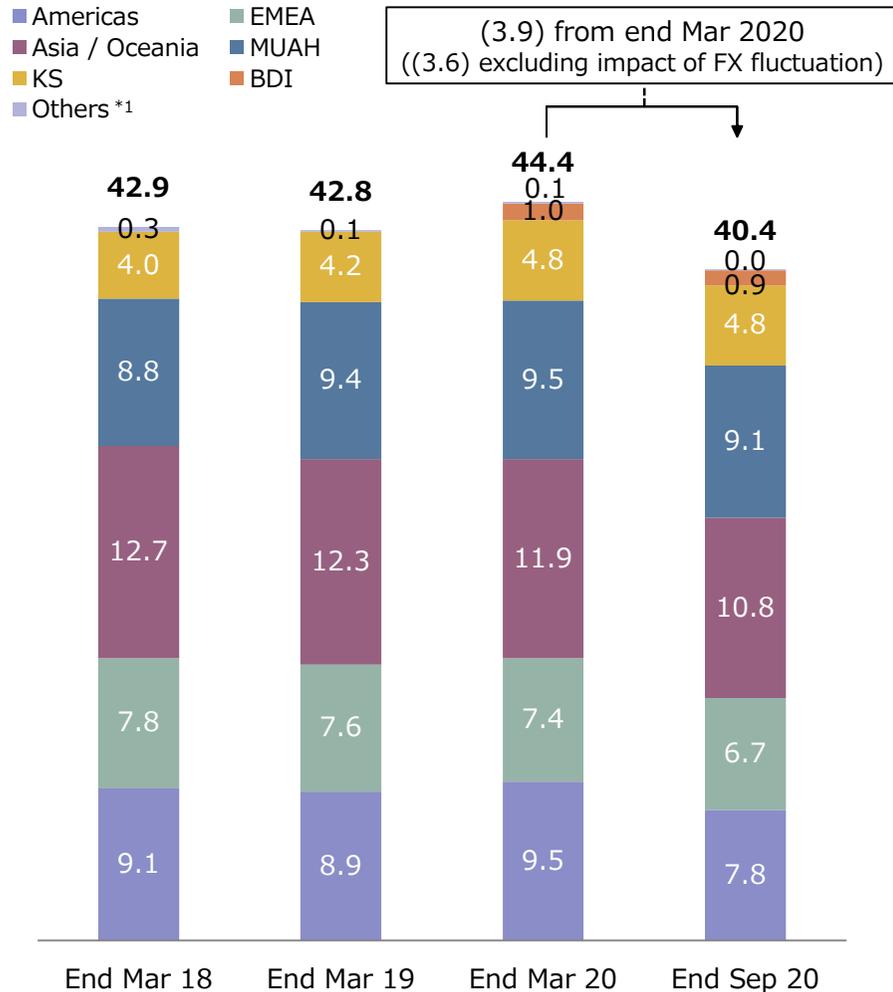
*1 Sum of banking and trust accounts *2 Including non-JPY loans
 *3 Domestic loans to small / medium-sized companies and proprietors (excluding domestic consumer loans)
 *4 Managerial accounting basis *5 Excluding lending to government etc.

Overseas loans

Loan balance (period end balance)

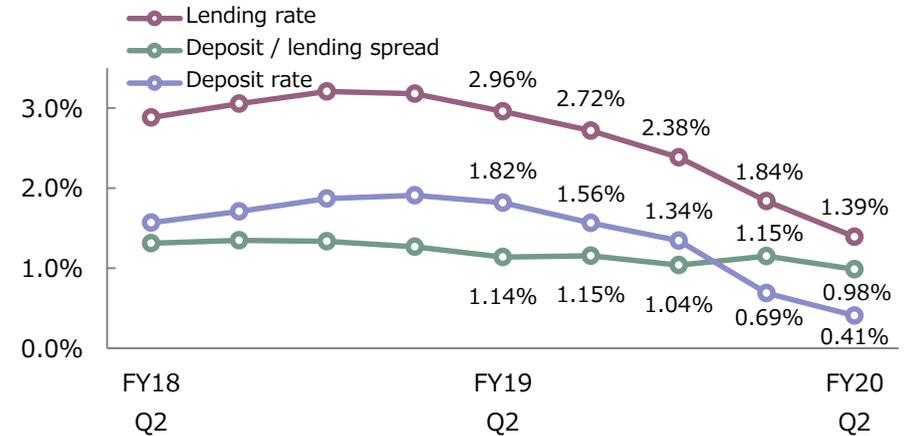
Consolidated

(¥tn)



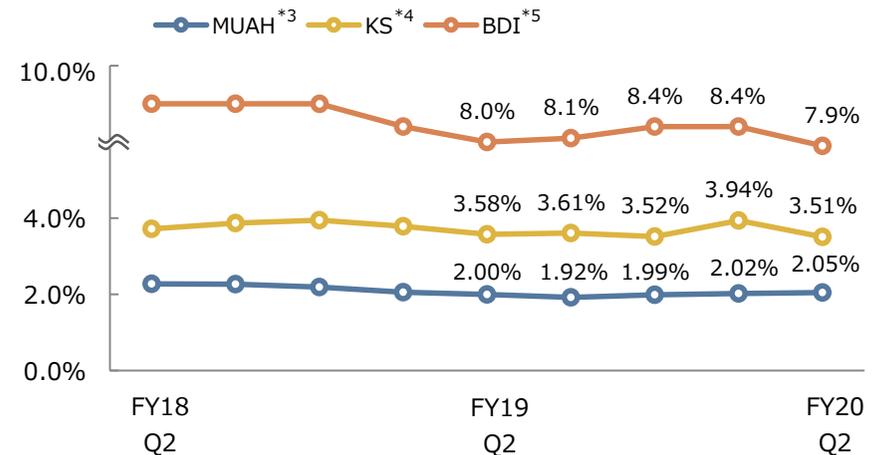
Deposit / lending rate*2

Non-consolidated



Net interest margin

MUAH / KS / BDI



*1 Loans booked at offshore markets etc. *2 Managerial accounting basis *3 Financial results as disclosed in MUAH's 10-K and 10-Q reports based on U.S. GAAP *4 Financial results as disclosed in KS's financial reports based on Thai GAAP *5 Financial results as disclosed in BDI's financial reports based on Indonesia GAAP

Investment securities (1)

AFS securities*1 with fair value

Consolidated

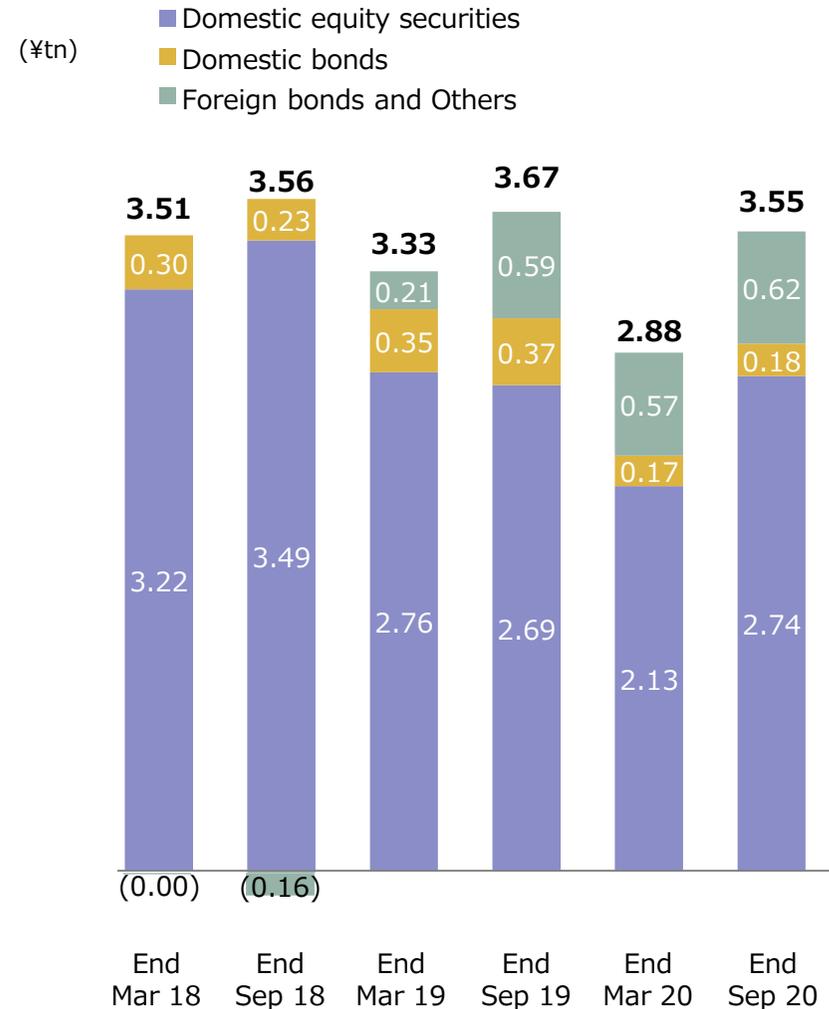
(¥bn)

	Balance		Unrealized gains (losses)	
	End Sep 20	Changes from end Mar 20	End Sep 20	Changes from end Mar 20
1 Total	71,724.9	9,573.7	3,552.5	663.8
2 Domestic equity securities	4,686.1	544.7	2,747.2	607.2
3 Domestic bonds	38,647.7	11,174.6	182.9	11.5
4 Japanese government bonds (JGB)	30,936.3	10,293.2	135.2	11.3
5 Foreign bonds	22,556.0	(1,946.4)	624.8	(113.3)
6 Others	5,834.9	(199.3)	(2.5)	158.3

Unrealized gains / losses on AFS securities*1

Consolidated

(¥tn)



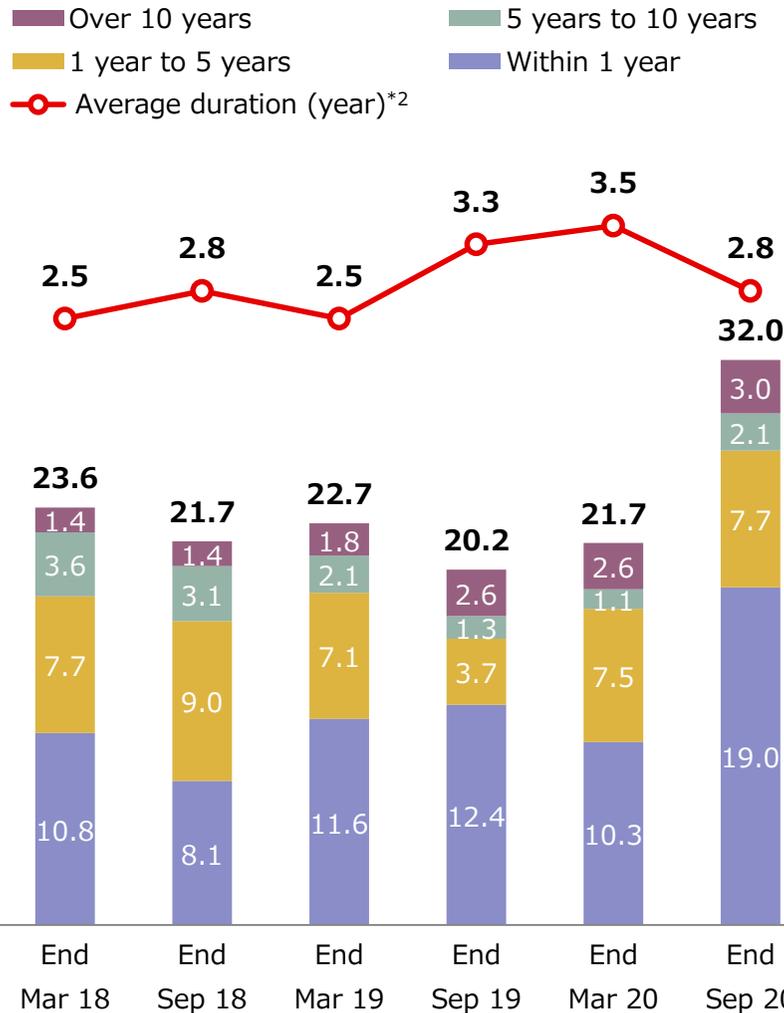
*1 Available for sale securities

Investment securities (2)

JGB balance*1 and duration

Non-consolidated

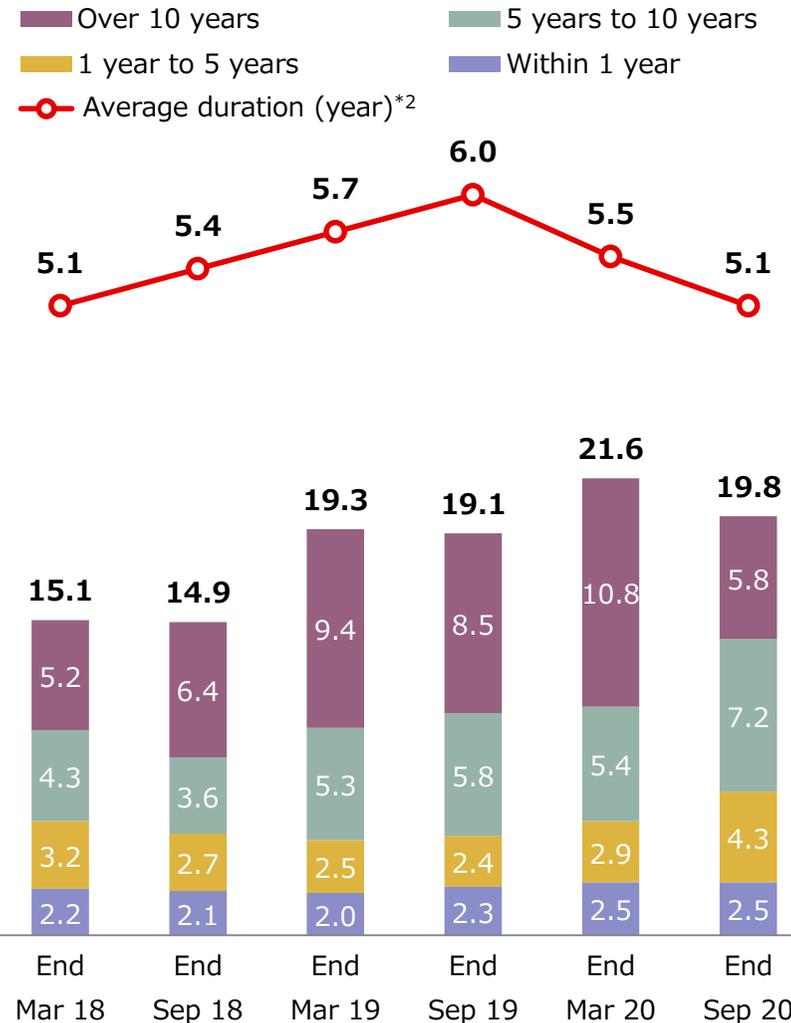
(¥tn)



Foreign bond balance*1 and duration

Non-consolidated

(¥tn)



*1 Available for sale securities and securities being held to maturity

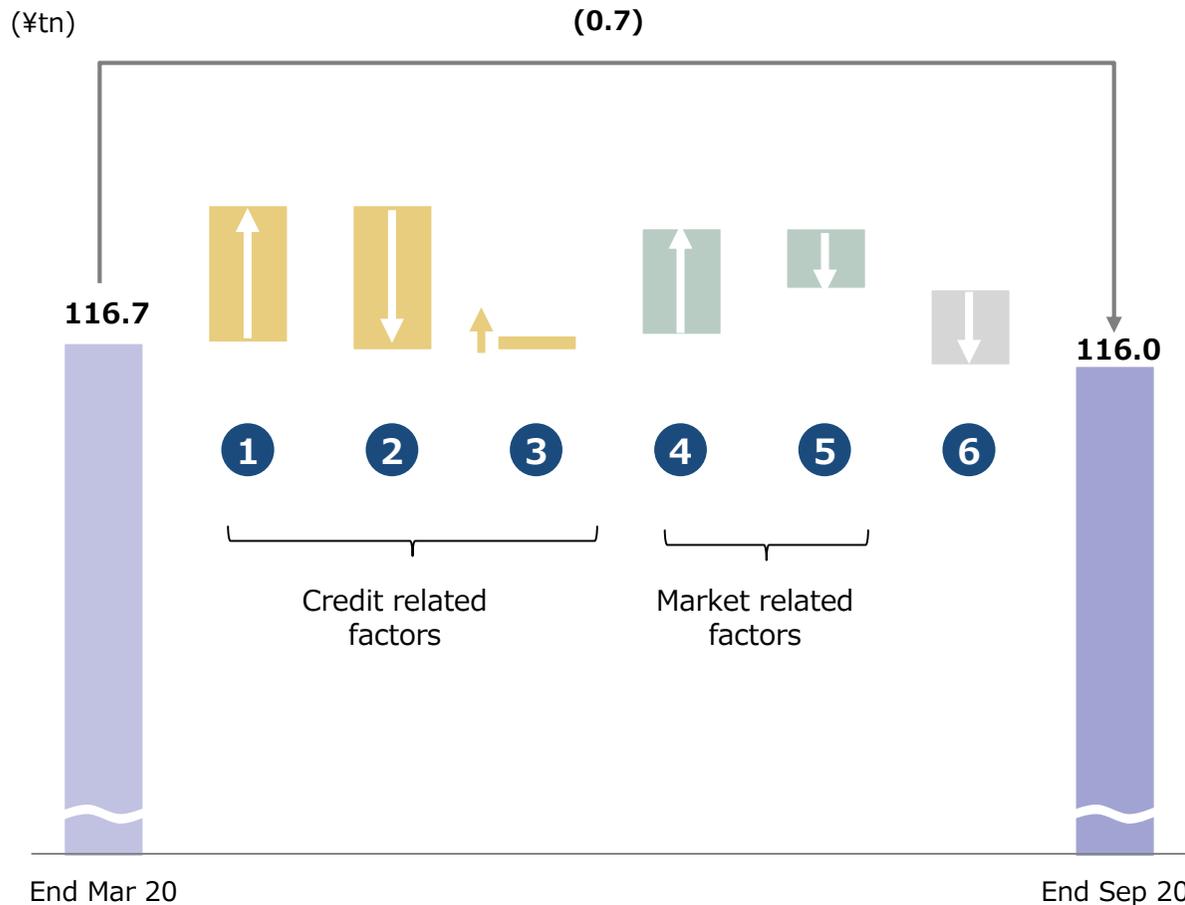
*2 Available for sale securities

Risk Weighted Assets (RWA)

– RWA decreased due to disciplined RWA management while prioritizing financial support

An illustrative image of RWA increase and decrease
(finalized Basel III reforms basis*1)

Factors of increase and decrease



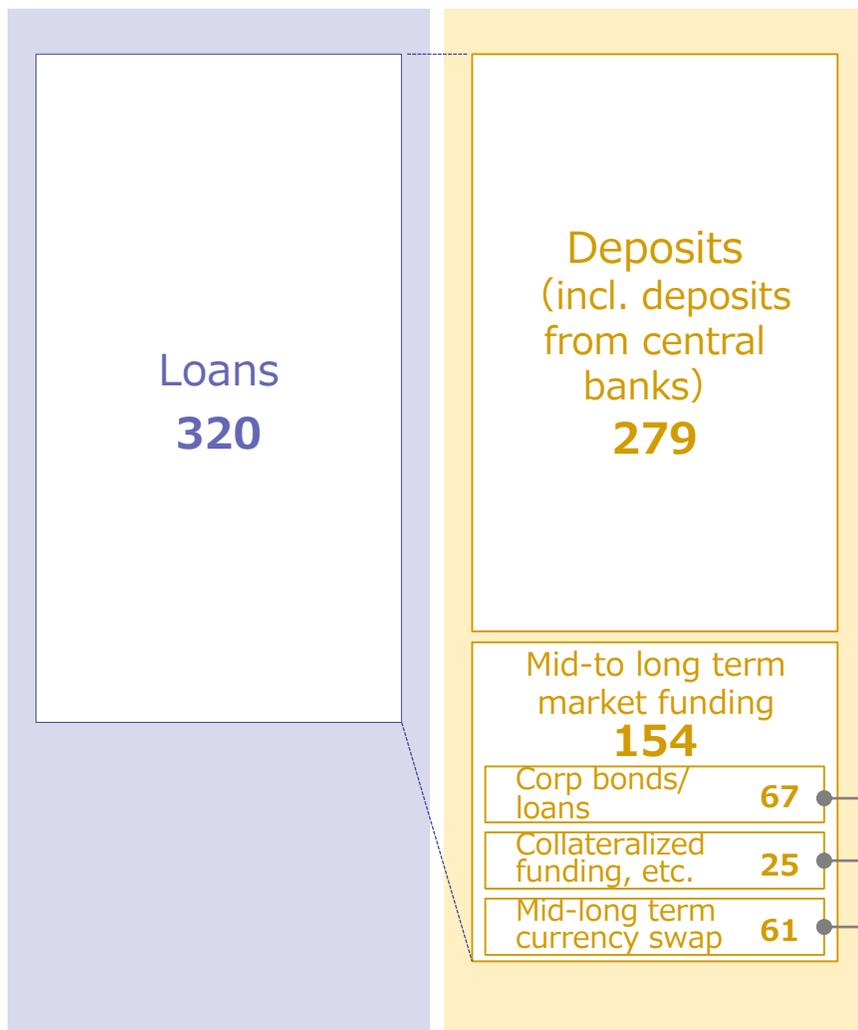
- 1 Increase of domestic loan balance, etc
- 2 Decrease of overseas loan balance, etc
- 3 Fluctuation in corporate credit ratings
- 4 Increase of the fair value of equity holdings, etc
- 5 FX fluctuation
- 6 Upgrade of risk measurement method, etc

*1 Estimated RWA on the finalized Basel III reforms basis

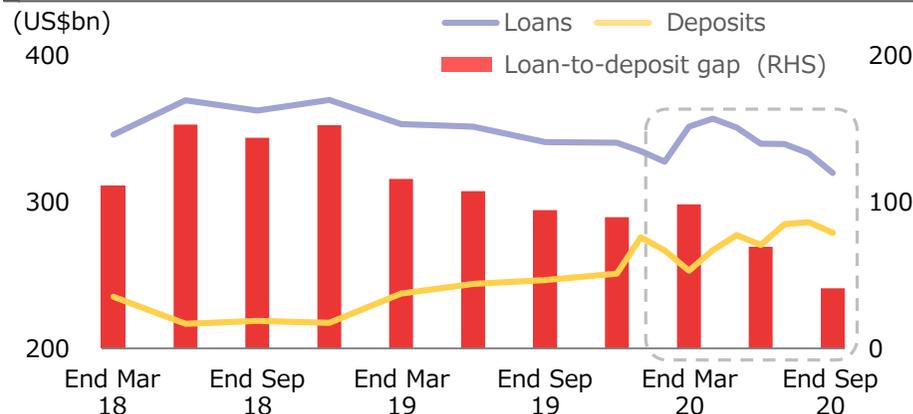
Non-JPY liquidity*1

– Loan-to-deposit gap was decreased through loan balance control and deposit balance increase

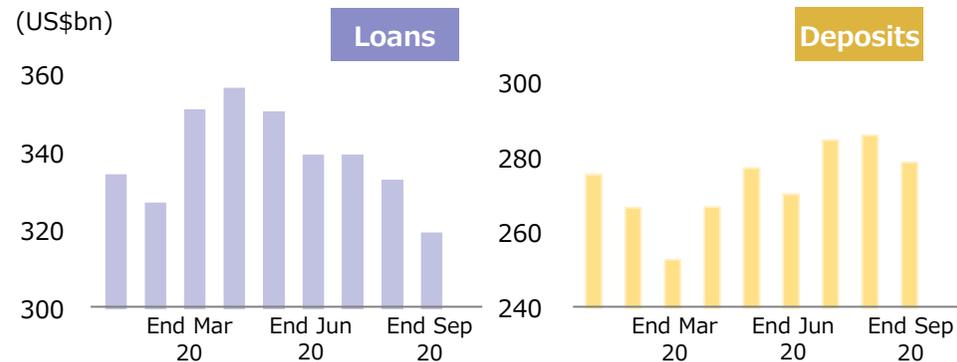
(US\$bn) As of end Sep 2020



Historical loan-to-deposit gap



Loan and deposit balance after COVID-19 pandemic



TLAC eligible senior debt etc.

Cross-currency repos*2 (utilizing JGB) etc.
 Currency swaps are transacted mainly in mid-term durations

Avg. tenor approx. **7** yrs

Major tenor approx. **3-5** yrs

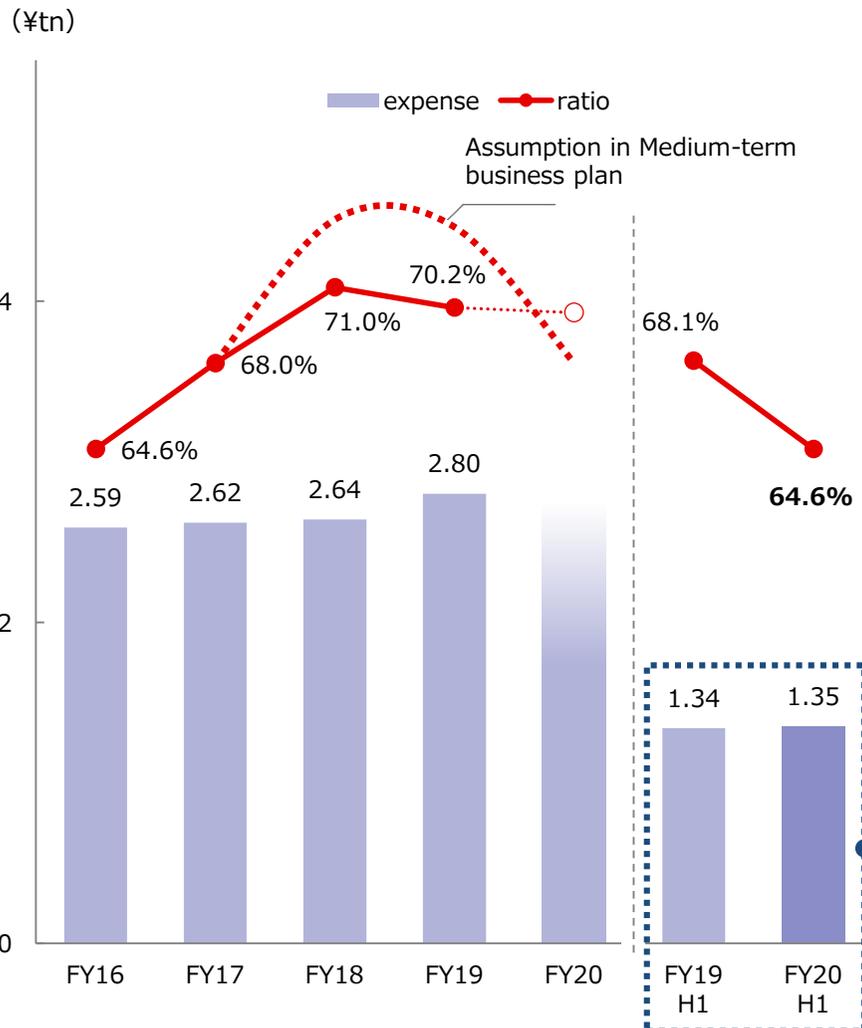
*1 The Bank consolidated excl. MUAH, KS and BDI. Managerial basis

*2 Repurchase agreement in which denominated currency is different in cash transaction and security

Expenses

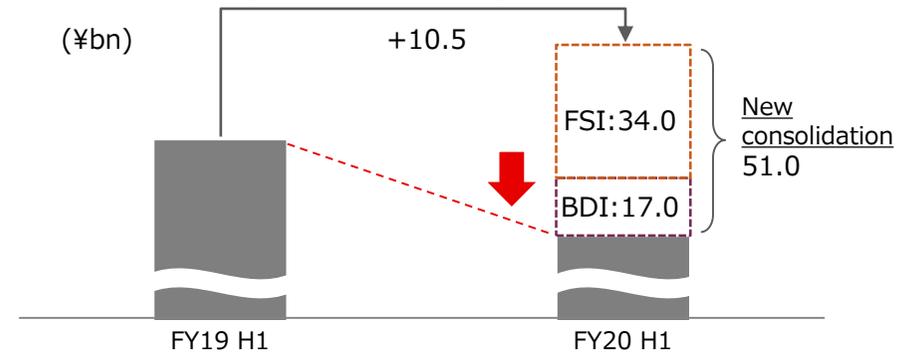
– FY20H1 expenses decreased YoY excluding the impact of new consolidation, mainly due to cost reduction both in domestic and overseas under the COVID-19 pandemic

Expense and expense ratio

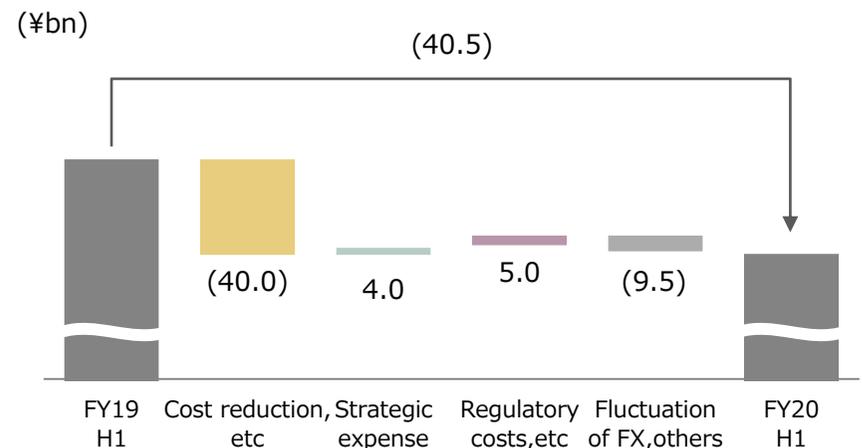


Factors of the change

While increasing by ¥10.5bn YoY, FY20H1 expenses down by ¥(40.5)bn excl. the impact of new consolidation

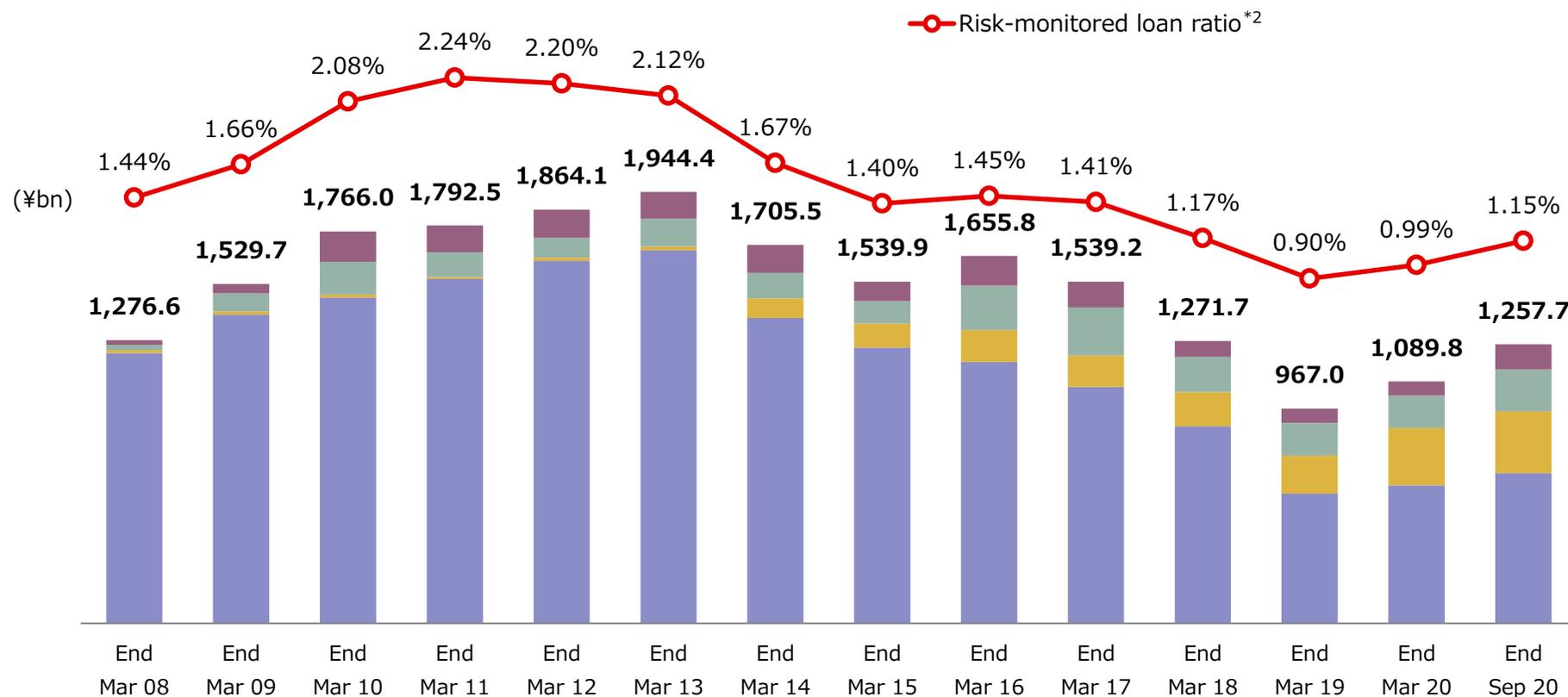


By measures (excl. the impact of new consolidation)



Risk-monitored loans*1

– The balance increased due to COVID-19 impact, but the ratio is still in low level



[Breakdown*3]

	End Mar 08	End Mar 09	End Mar 10	End Mar 11	End Mar 12	End Mar 13	End Mar 14	End Mar 15	End Mar 16	End Mar 17	End Mar 18	End Mar 19	End Mar 20	End Sep 20
EMEA*4	21.2	42.6	136.3	121.2	127.2	122.0	126.3	88.2	133.9	116.0	71.3	64.0	63.7	114.4
Americas*5	24.8	81.2	147.3	110.3	89.2	125.0	114.9	100.7	199.4	216.0	157.5	148.2	145.5	188.1
Asia	13.1	15.4	14.4	9.4	14.4	17.0	89.0	108.8	145.3	142.3	155.8	170.3	259.1	279.3
Domestic	1,217.3	1,390.5	1,467.9	1,551.5	1,633.2	1,680.3	1,375.2	1,242.0	1,177.1	1,064.7	887.0	584.3	621.3	675.8

*1 Risk-monitored loans based on Banking Act *2 Total risk-monitored loans / total loans and bills discounted (banking accounts as of period end)

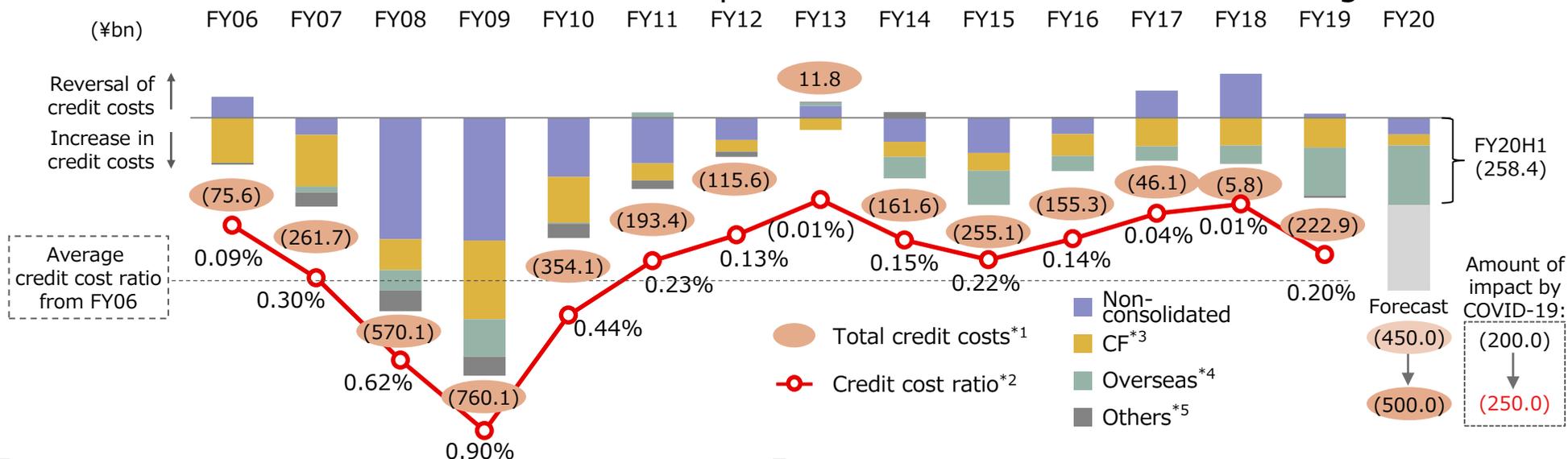
*3 Based on the locations of debtors

*4 End Mar 2007 – End Mar 2012 includes parts of other regions

*5 End Mar 2007 – End Mar 2012 includes only US

Credit costs (1)

– Forecast revised to ¥500.0bn due to comprehensive consideration of increasing uncertainties



FY20H1 results

Non-consolidated	<ul style="list-style-type: none"> • Credit costs were recorded in air transportation and personal consumption sectors, but were moderate for other sectors such as energy and mining • Continuously recorded precautionary allowance for specific portfolios (End Sep 20 balance was approx. ¥40bn)
CF	<ul style="list-style-type: none"> • Overall moderate due to decreases in the value of card transactions and the balance of lending
Overseas	<ul style="list-style-type: none"> • Overall increased including CECL impact (MUAH recorded additional allowance due mainly to deterioration in economic indicators)

FY20 forecast

Revised FY20 forecast up by ¥50.0bn to ¥500.0bn from initial forecast

- Comprehensive consideration was given to risks associated with further increasing uncertainties hereafter regarding the impact of the COVID-19 pandemic
- Due in part to the effect of the recording of additional allowances, Partner Banks expect to curb credit costs in the second half compared with the first half

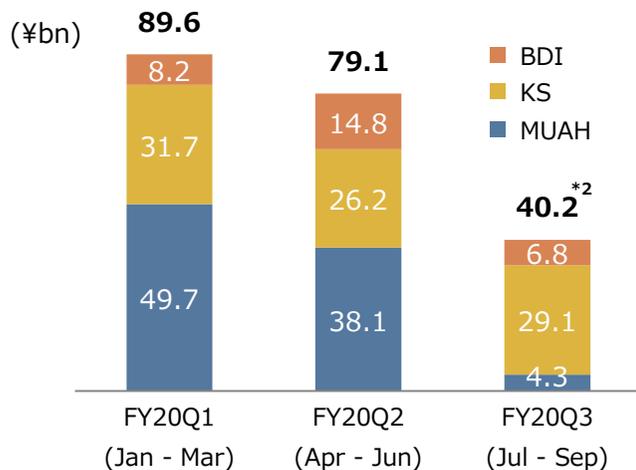
*1 Including gains from write-off *2 Total credit costs / loan balance as of end of each fiscal year *3 Sum of NICOS and ACOM on a consolidated basis
 *4 Sum of overseas subsidiaries of the Bank and the Trust Bank *5 Sum of other subsidiaries and consolidation adjustment

Credit costs (2) Specific credit portfolio

Partner banks*1

Page 51 to 54

Credit costs



(End Sep 20)

Loan amount

NPL ratio

Credit costs (9 months total)

MUAH



KS



BDI



	MUAH	KS	BDI
Loan amount	¥8.9tn (Approx. 8%*3)	¥6.1tn (Approx. 6%*3)	¥0.9tn (Approx. 1%*3)
NPL ratio	0.70%	2.24%	3.24%
Credit costs (9 months total)	¥92.2bn	¥87.1bn	¥29.9bn

Energy and mining*4

Page 55

- Due to successful reduction and hedging of risk portfolio, in addition to the recovery of oil price, **credit costs were moderate** in FY20H1

Figures of end Sep 20

Credit exposure*5	¥7.4tn
% of total exposure*6	Approx. 6%
Exposure to upstream sub-sector*7	¥2.1tn

Air transportation (incl. aircraft finance)*4

Page 56

- Due to poor performance of overseas airlines affected by sluggish demand caused by transportation restriction, **credit costs were recorded** in FY20H1
- Models with high liquidity is the main component** of aircraft collateral

Figures of end Sep 20

Credit exposure*5	¥1.9tn
% of total exposure*6	Approx. 2%
% of exposure with collateral and guarantee	Approx. 80%

*1 Figures of each partner bank converted to yen. Exchange applied for the calculation is US\$1=¥105.80, 1THB=¥3.34, 1IDR=¥0.0072 *2 MUFG will include partner banks credit costs (including the CECL impact) approximately ¥40.0bn in FY20Q3 *3 % of MUFG total loan amount (the Bank consolidated, the Trust Bank, NICOS, ACOM) *4 All figures on managerial accounting basis, aggregating internal management figures of each subsidiary *5 Including undrawn commitment and excluding market exposure

*6 The Bank consolidated (excl. KS, BDI) and the Trust Bank. Including undrawn commitment and excluding market exposure

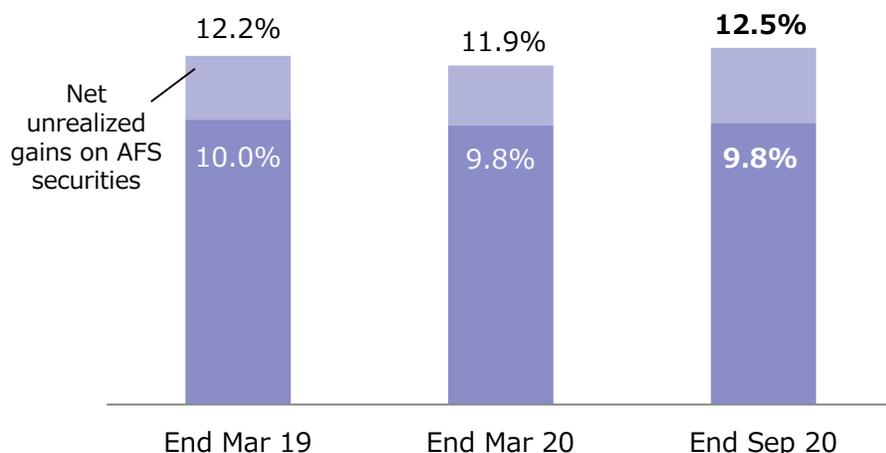
*7 Exploration, development and production of oil and gas

Capital

– CET1 ratio is expected to remain at a sufficient level even in light of future RWA accumulation

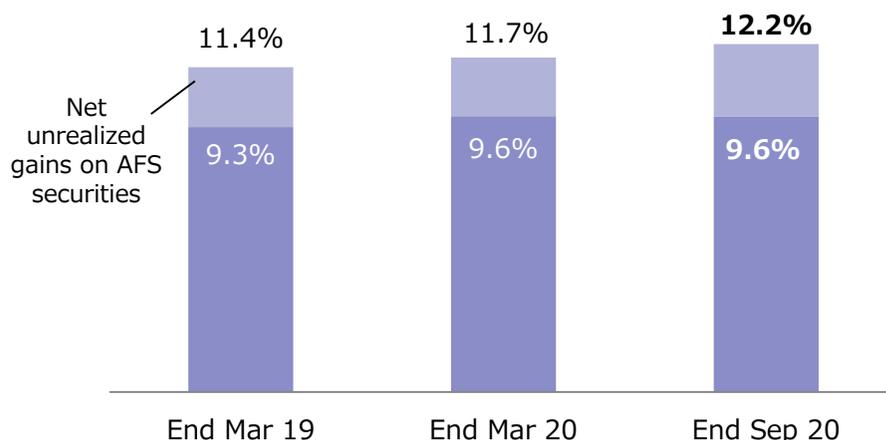
CET1 ratio

Consolidated



CET1 ratio (Finalized Basel III reforms basis*1)

Consolidated



FY20H1 results

Consolidated

(¥bn)	End Mar 20	End Sep 20	Changes
1 Common Equity Tier 1 capital	13,708.3	14,188.1	479.8
2 Additional Tier 1 capital	1,914.9	1,809.8	(105.1)
3 Tier 1 capital	15,623.3	15,998.0	374.6
4 Tier 2 capital	2,656.2	2,766.3	110.1
5 Total capital (Tier 1+Tier 2)	18,279.5	18,764.4	484.8
6 Risk-weighted assets	115,135.6	113,312.5	(1,823.0)
7 Credit risk	88,791.7	89,359.0	567.2
8 Market risk	3,150.7	3,460.6	309.8
9 Operational risk	8,269.2	8,163.8	(105.3)
10 Floor adjustment*2	14,923.8	12,328.9	(2,594.8)
11 Total exposures*3	353,117.5	286,573.4	(66,544.0)
12 Leverage ratio	4.42%	5.58%	1.15ppt

*1 Estimated CET1 ratio reflecting the RWA increase calculated on the finalized Basel III reforms basis

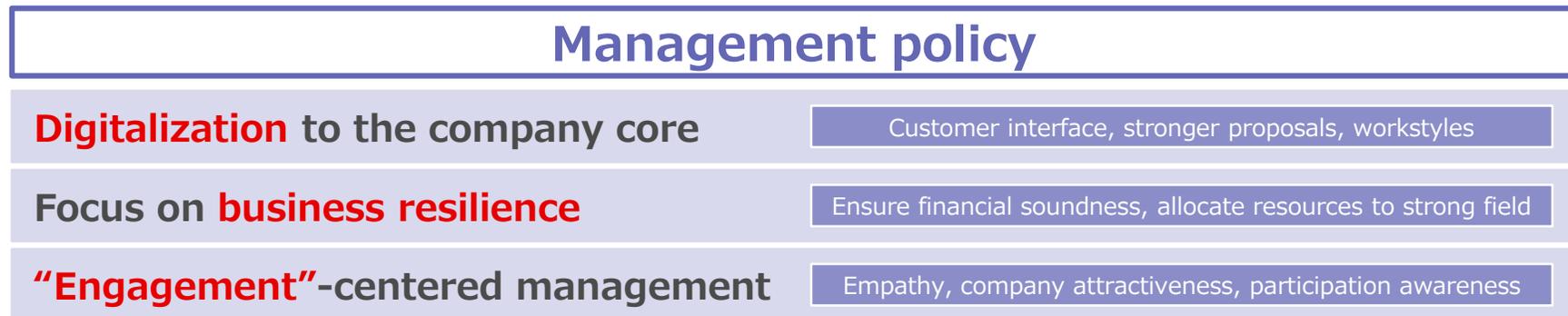
*2 Adjustments made for the difference between risk-weighted assets under Basel I and Basel III

*3 Based on JFSA Notification, Deposits with the Bank of Japan is excluded in Total exposures as of the end of September 2020

Update on strategic emphasis

Management policy and strategic emphasis*1

– New company management policy leads the following strategic emphasis



Strategic emphasis

1 Digitalization of domestic retail business

- **Digitalization** of customer interface, sales channels, middle & back offices
- **Strengthen business promotion proposal ability** to address customers' individual needs

2 Reshaping global strategy

- Evaluation of region-by-region growth prospects & strengths, **optimizing resource allocation**
- Collaboration with such company as Grab to take on **next-gen financial services**

3 Business infrastructure, process innovation

- **Raising efficiency** by making operating processes paperless, halting personal seal use, etc
- Developing business infrastructure & work environment, based on employees' **diverse values and workstyles**

*1 Re-shown from page 30, FY2019 IR presentation in May 2020

Strategic emphasis (1) Digitalization of domestic retail business

– Steady progress in digitalization. Strengthen business competitiveness and customer base through the use of digital technology at the new business group

Non face-to-face channels

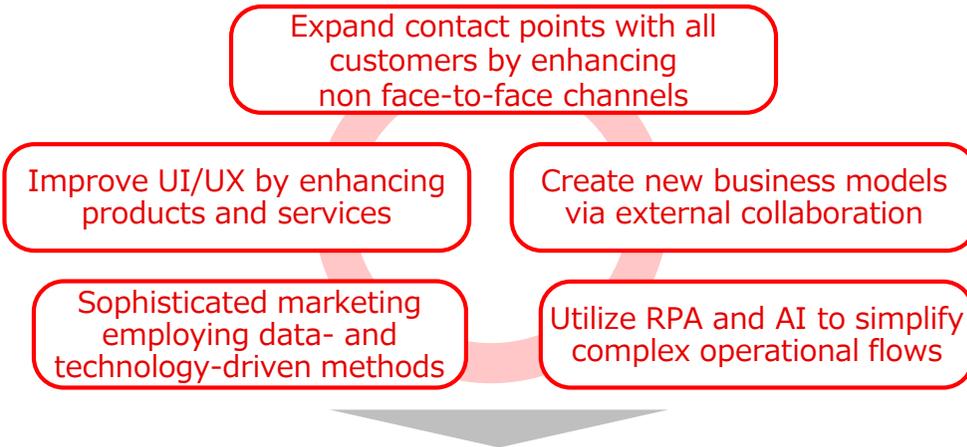
Expand transactions completed through App.
Improve utilization rate of non-face-to-face channels

[Utilization rate of IB*1, App*2]

	FY18H1	FY19H1	FY20H1
Fund transfer	39%	42%	49%
Pay tax and utility bills	64%	67%	68%
Change of address	15%	23%	40%
Replacement of unusable cards	5%	18%	43%

Establish a new business group

Consider the establishment of a new business group that integrates the function promoting digitalization and part of the customer segments in around April 2021



Initiatives for digitalization

Expand online contact points	Offer daily-use services through a PFM*3 app (Released in Sep 2020)	
Digitize bank-counter transactions	Place tablets*4 in all branches (Oct 2020)	
Digitize back-office operational process	Raise administrative efficiency through digitizing paper documents with high-speed and high accuracy (From 2021)	

Ideal state, and what we want to achieve

- **Embody potential business opportunities with all customers** by providing optimal products and services timely through various channels
- Develop a business platform to **improve customer convenience and provide high value-added services** by simplifying the work flow
- Establish a position as "Financial Digital Service-Platformer" **by advancing company-wide digital transformation starting with the retail business**

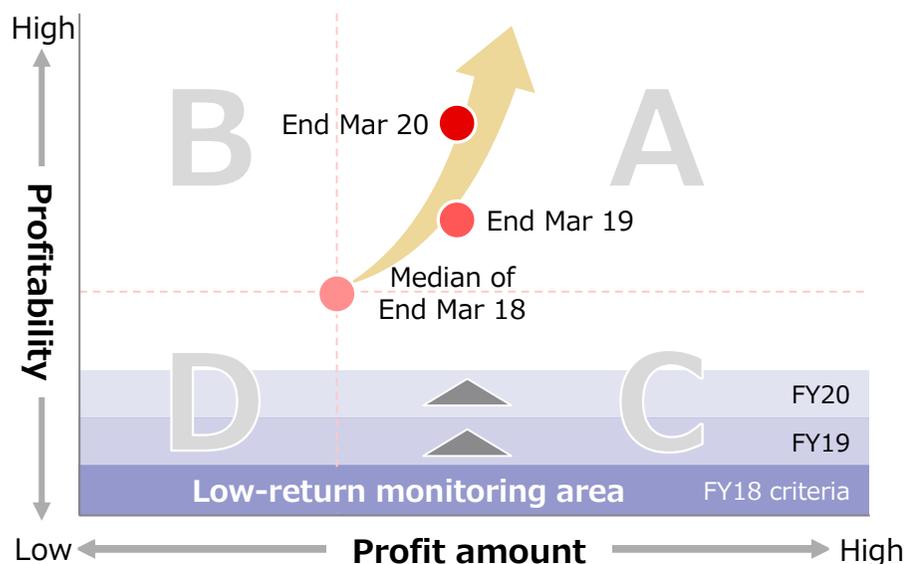
*1 Mitsubishi UFJ DIRECT: Internet banking for individual customers *2 Utilization rate of IB and App among total transaction no. including branch and ATM for each type of transaction *3 Personal Financial Management *4 Functions: Opening of an account, administrative procedures, etc.

Strategic emphasis (2) Reshaping global strategy

- Prioritize improvement in "quality" over growth in "quantity". Take an asset allocation approach, in light of restrictions on resources
- Support PBs*1 to achieve disciplined business growth by leveraging synergies in both aggressive expansion and preemptive risk management as well as by strengthening governance

Example: Global CIB – Portfolio recycling

Continue efforts to improve portfolio returns and B/S structure



	FY18	FY19	FY20
No. of clients under monitoring	370	600	570
Rate of resolution for low-return	41%	48%	-

Steady improvement in profitability hurdles

Client-by-client account plans and disciplined monitoring

ASEAN regional banking strategy

Improve PBs' corporate value via the realization of synergies



Digitalization

Provide new digital financial services via collaboration with Grab

Transaction Banking

Connect settlement network of PBs with MUFG

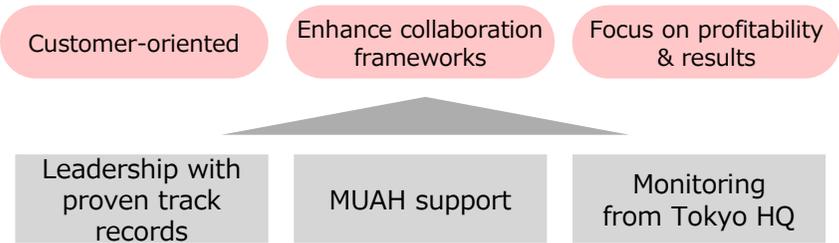


Strengthen risk monitoring

Balance RWA increase due to capturing market growth and credit risks arising from the COVID-19 pandemic

The U.S. regional banking strategy

Back to Basic: Reformulate regional banking business



*1 Partner banks

Strategic emphasis (3) Business infrastructure, process innovation

– Strengthen RWA & cost control to enhance resilience, while improving productivity via digitalization

Resource control

RWA

Manage RWA in a restrictive manner
by strengthening RWA control

Business Group	Reduction of low profitable assets	¥2.5tn ^{*1}
	Reduction of equity holdings	¥783bn ^{*2}
Corporate Center	Upgrade risk measurement method	¥9tn ^{*3}
	Divestment of strategic investments	¥208bn ^{*1}
COVID-19 related financial support	Maintain financial soundness even after ¥5tn new loan booking	CET1 ratio 12.2% ^{*4}

Expense

Curve total expense amount
by strengthening cost control

Transformation initiatives		
Workloads	Reduced workloads equivalent to the labor of 4,000 ^{*5} personnel by reforming business processes	¥60bn ^{*7*8}
Branches	Consolidation of approx. 60 branches ^{*6}	
Purchasing process	Established Strategic Procurement Office to control purchasing process	¥10bn ^{*9}

Smart work, facility

Smart work

Work flexibly and realize creativity

Diversify customer contact points	Utilize various tools for online meetings and such (Teams, MUUX ^{*10} , etc.) Shift various bank-counter procedures to online procedures
Develop infrastructure for supporting flexible working styles	Expand distribution of mobile PCs Introduce smartphone for extension line Eliminate seal for operation processes

Facility

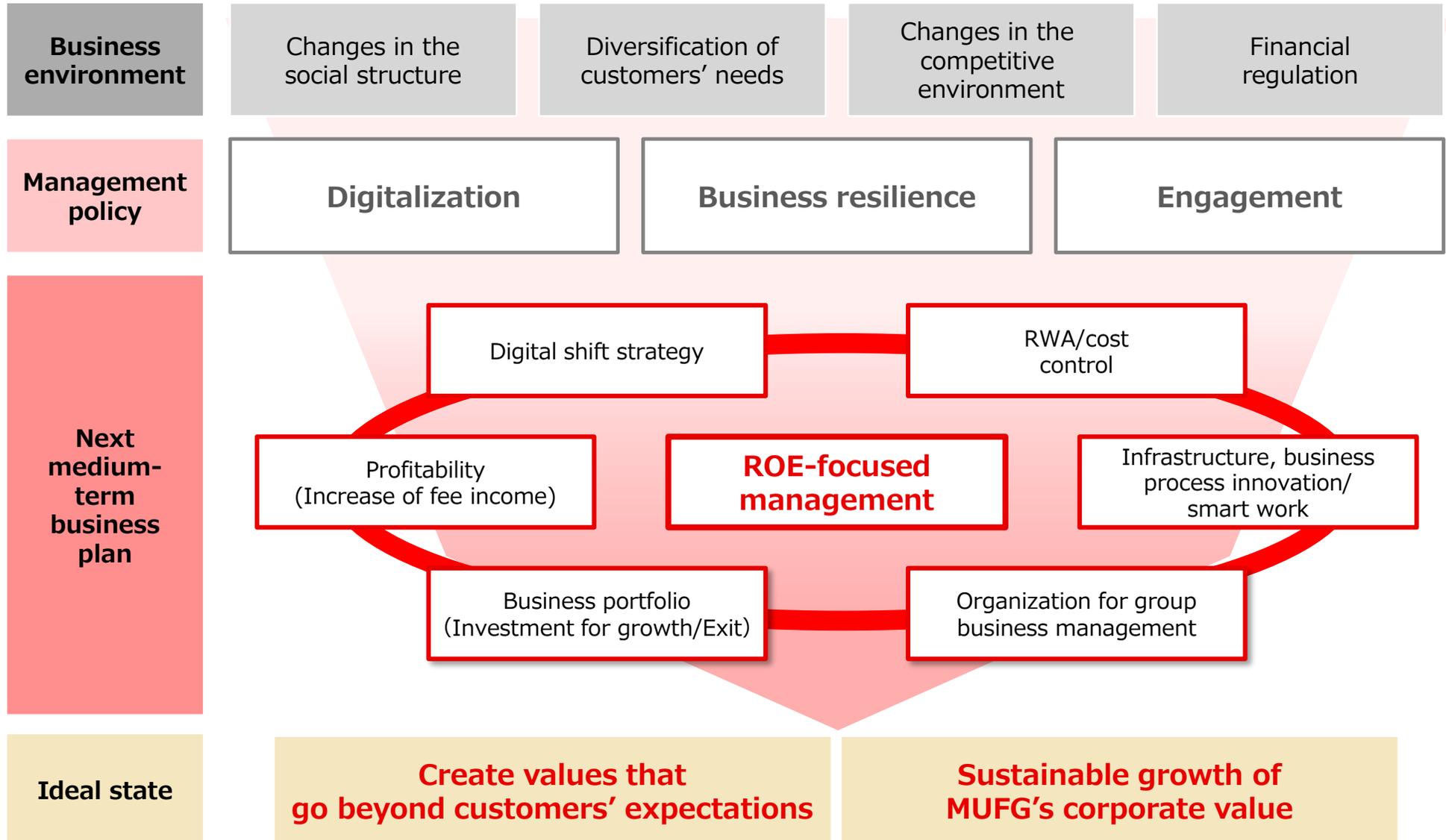
Promote diverse working styles
and optimization of facilities

Diversify work locations and working styles	Expand satellite offices (from 7 to 20) Maintain and expand working from home
Efficient use of HQ office and reduce facility costs	Reduce the no. of seats at HQ Reduce the no. of employees in Marunouchi and move part to Kojimachi (lower cost)

*1 Cumulative amount since FY17 *2 Cumulative amount since FY15. Acquisition cost basis *3 Cumulative amount since FY19. Reduction amount of estimated RWA on finalized Basel III reform basis through upgrading risk measurement method *4 Finalized Basel III basis *5 FY20 forecast (comparison with FY17) *6 As of end Sep 2020 (comparison with FY17 end) *7 FY20 planned effects based on internal managerial figures (comparison with FY17) *8 Includes the effects from other initiatives in addition to the reduction of workloads and branches *9 FY20 planned effects based on internal managerial figures (comparison with FY18) *10 Under trial implementation of MUFG's own business communication platform in collaboration with Moxtra Inc. in the United States

Future directions

– Formulate the next medium-term business plan toward building a resilient business structure with a view to "With/After COVID-19"



Environment, Social and Governance

Initiatives to address ESG issues

– Accelerate our efforts to achieve sustainable environment and society



Promote the integration of initiatives to help resolve environmental and social issues and MUFG's business strategies

Specify environmental and social issues that can be resolved by applying our business groups' core competencies; formulate concrete initiatives to bring solutions; and incorporate targets and KPIs into our business plans under the next MTBP

Environment and Social - Recent major initiatives

– Promote contribution and support to resolve environmental and social issues by utilizing MUFG's group-wide strengths

Environment Page 64-65	Support corporates via financial services	<ul style="list-style-type: none"> Entered into a contract of financing for Japan's first offshore wind power project in Akita Prefecture Released Japan's first Sustainability Linked Loan to support corporates' efforts toward sustainability
	Enhance risk management	<ul style="list-style-type: none"> Announced a target to reduce the balance of financing to coal-fired power generation projects Analyze impact of climate change on credit portfolio based on TCFD^{*1} recommendation
Social Page 66	Resolve social issues through financial services	<ul style="list-style-type: none"> Supported the Kingdom of Thailand issue sustainability government bonds, the country's first of such bonds by utilizing MUFG's expertise Expand financial services in Asia through collaboration between partner banks and Grab
	Contribute to social areas beyond scope of financial services	<ul style="list-style-type: none"> Made donations with establishment of a new framework for social contribution initiatives (About 1% of net operating profits from group business after deduction of credit costs)

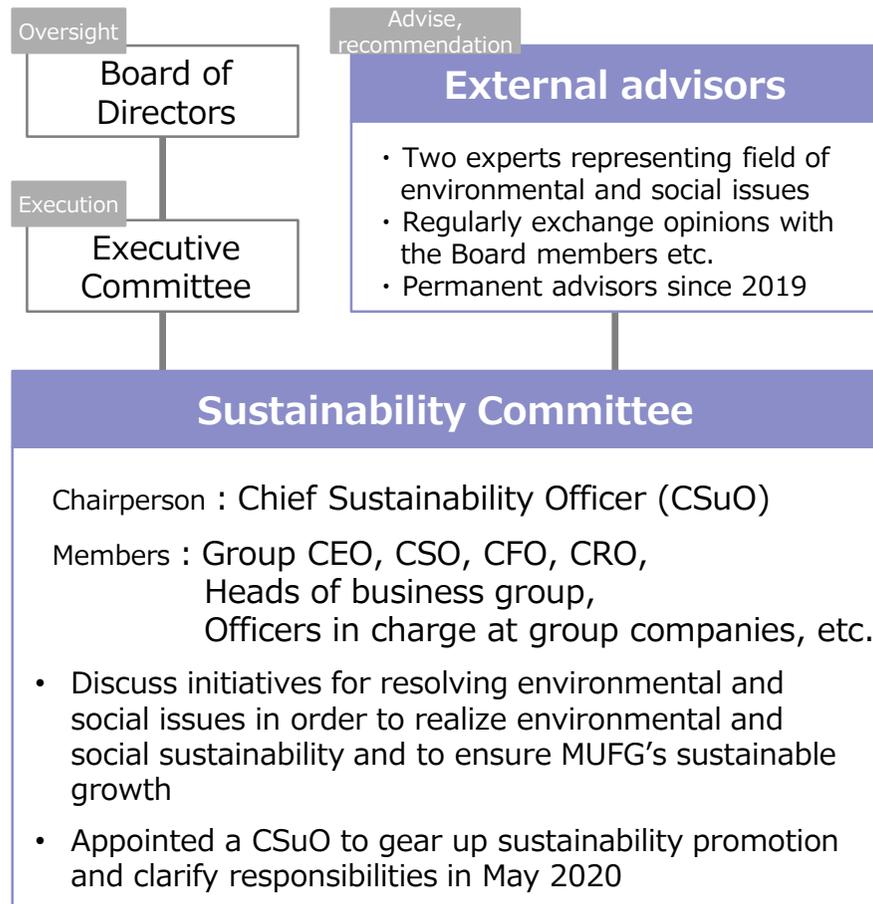
*1 Task Force on Climate-related Financial Disclosures

Governance

– Strengthen sustainability promotion structure to further deepen ESG initiatives

An appointment of CSuO and external advisors

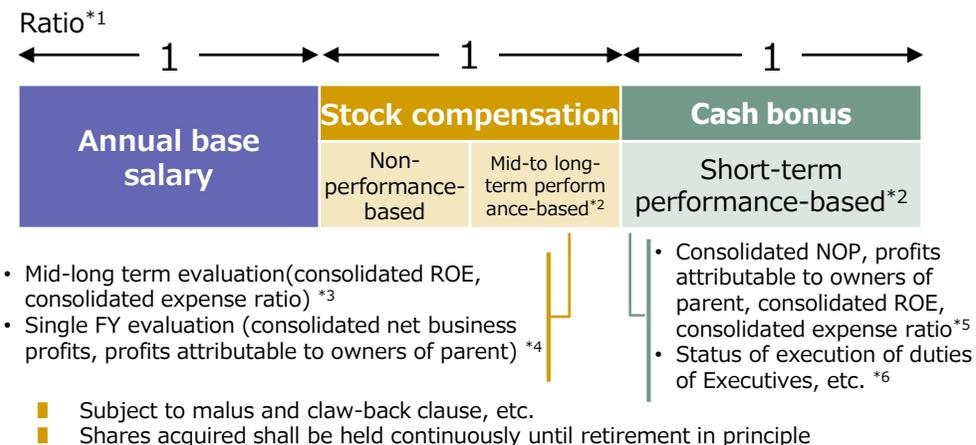
Sustainability Promotion Structure



Well-balanced Board structure



Executive compensation for greater incentives



*1 As for the case of President and Group CEO of MUFG *2 Range: 0-150% *3 Rate of attainment of targets of the indicators in the MTBP

*4 Comparison of the rate of increase in the indicators from the previous fiscal year with that of competitors

*5 Rate of increase / decrease of the indicators from the previous fiscal year and the rate of attainment of targets of these indicators

*6 Determined exclusively by independent outside directors at the Compensation Committee for executives

Sustainable finance and enhancement of disclosure

– Made steady progress toward FY30 goal of ¥20tn. Issued MUFG's first sustainability report

Progress toward FY30 sustainable finance goal of ¥20tn

(¥tn)	FY19	FY20H1	Total	FY30 goals
Environment	2.2	0.6	2.8	8.0
Social	0.9	0.8	1.7	12.0
Others	0.6	0.4	1.0	
Total	3.7	1.8	5.5	20.0

27% progress

Issuance of first MUFG sustainability report in Oct 2020*1



Enhance disclosure of ESG related information

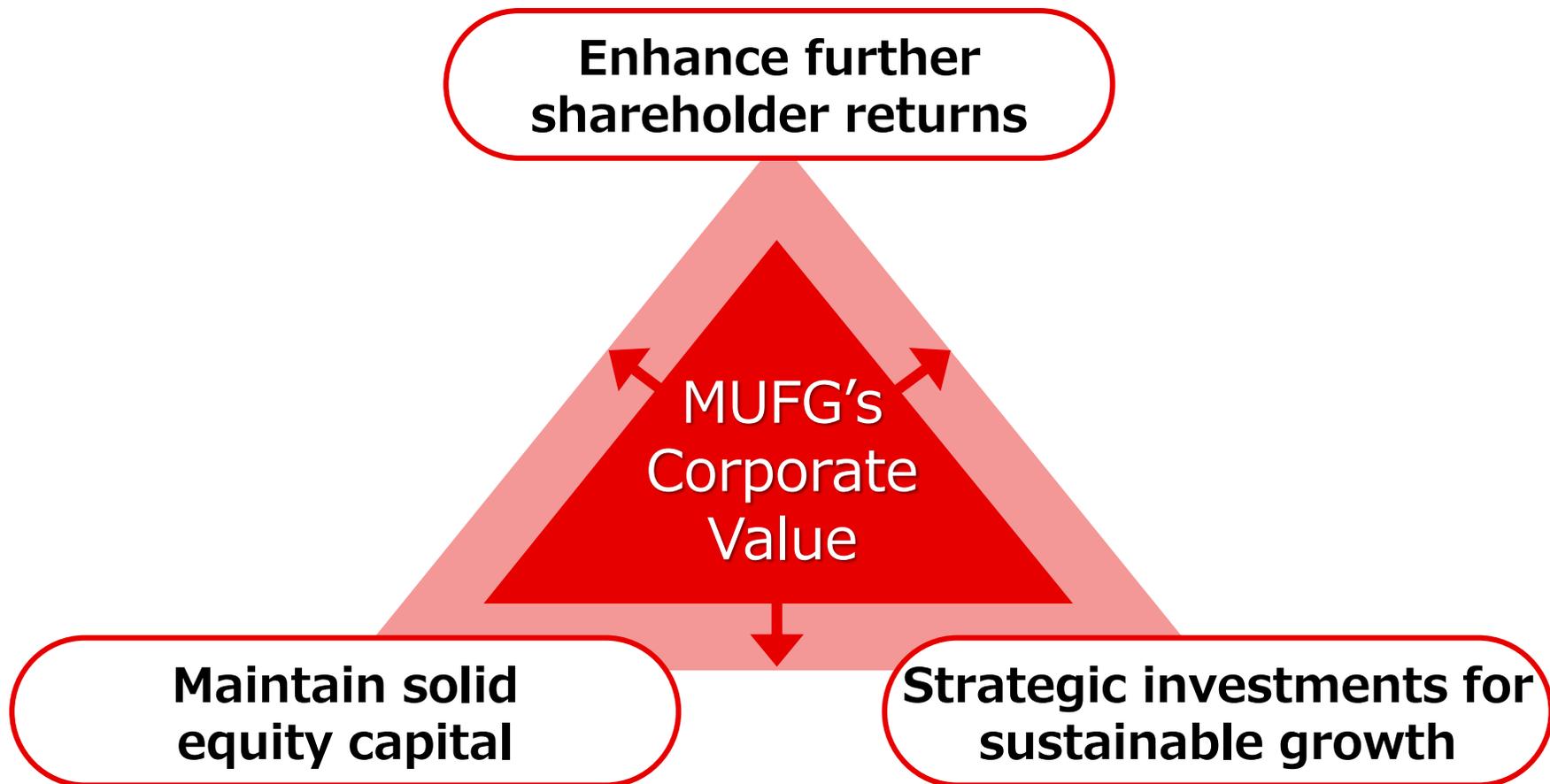
- Target to reduce the balance of financing to coal-fired power generation projects
- Information based on Task Force on Climate-related Financial Disclosures ("TCFD") Recommendation
- CO2 reduction effects from renewable energy project finance
- Human resource development
- Diversity
- Social contribution activities etc.

*1 Japanese only. English version will be available in Dec 2020

Capital policy

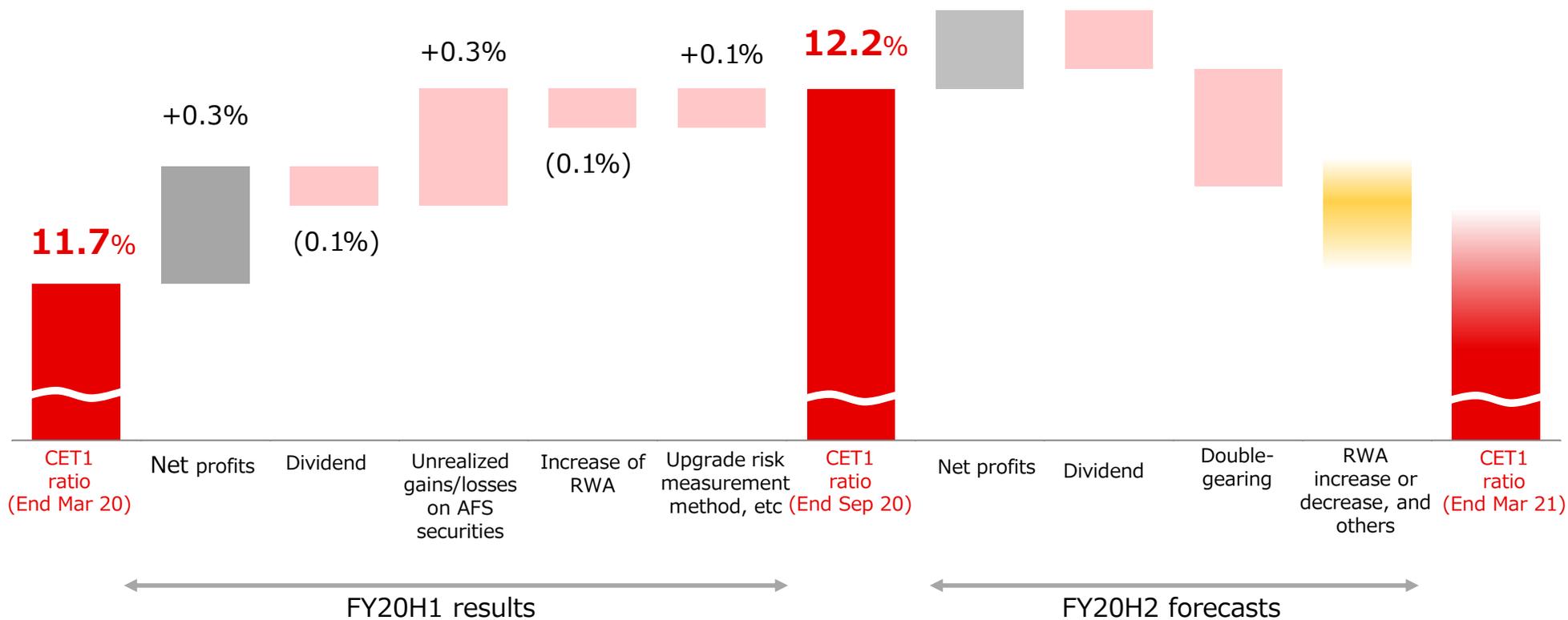
Basic policy (“Capital Triangle”)

– Implement well-balanced capital management



Capital allocation

Capital allocation results and forecast (Finalized Basel III reforms basis*¹. Includes net unrealized gains on AFS securities)



*1 Estimated RWA reflecting the result of calculation on the finalized Basel III reforms basis

Basic policies for shareholder returns

– Improve shareholder returns, focusing on dividends

Dividends

MUFG aims for a **stable and sustainable increase** in dividends per share through profit growth, **with a dividend payout ratio target of 40%**

➔ Target a dividend payout ratio of 40% by the end of FY23

Share Repurchase

MUFG plans to **flexibly repurchase** its own shares, as part of its shareholder return strategies, in order to improve capital efficiency

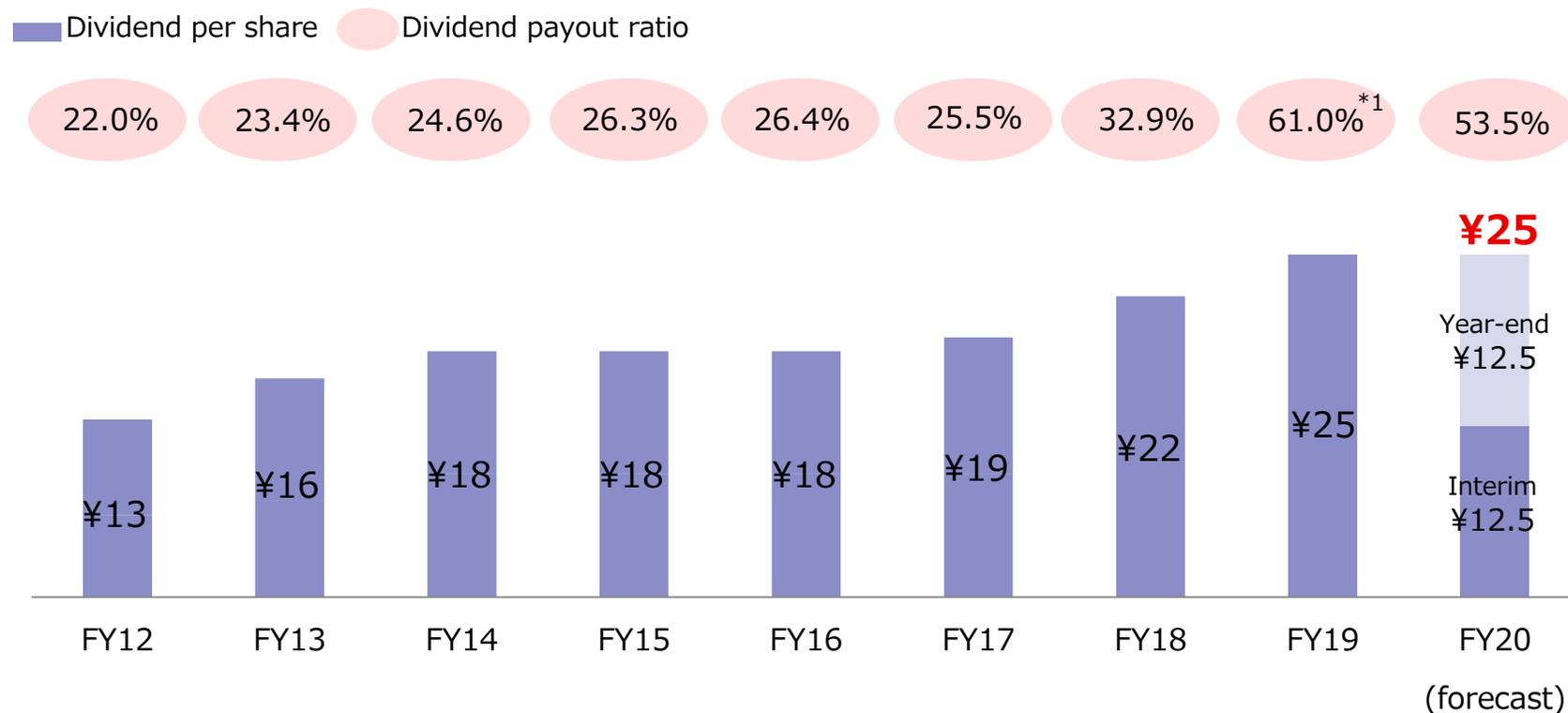
➔ Consider (1) Performance progress / forecast and capital situation,
(2) Strategic investment opportunities (3) Market environment including share price

➔ Confirm if MUFG's capital level remains stable as required to secure
"A" or higher credit rating

Share Cancellation

In principle, MUFG plans to hold a maximum of **approximately 5% of the total number of issued shares**, and cancel shares that exceed this amount

Results of shareholder return



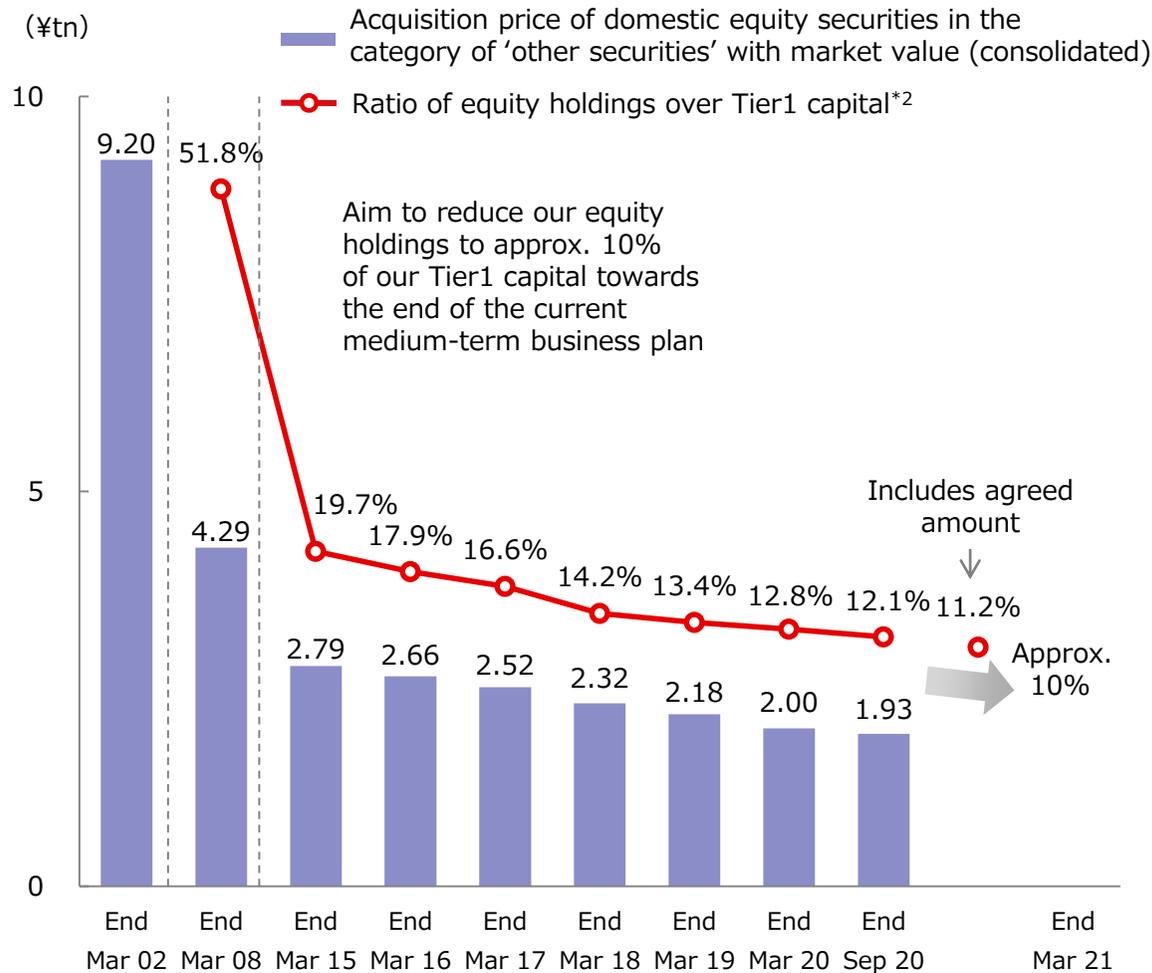
(¥bn)

Dividend	184.1	226.6	253.7	249.3	243.6	251.8	286.9	322.9	321.8
Share repurchase	-	-	100.0	200.0	200.0	200.0	150.0	50.0	-
Total payout	184.1	226.6	353.7	449.3	443.6	451.8	436.9	372.9	321.8
Net profits	852.6	984.8	1,033.7	951.4	926.4	989.6	872.6	528.1	600.0
Total payout ratio	22.0%	23.4%	34.2%	47.2%	47.9%	45.7%	50.1%	70.5%	53.5%

*1 Dividend payout ratio excluding the impact of one-time amortization of goodwill: 37%

Reduction of equity holdings*1

Historical performance



Approx. selling 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 H1	96	50	46
Total	1,374	783	591
Agreed amount	-	136	-

*1 Sum of the Bank and the Trust Bank.

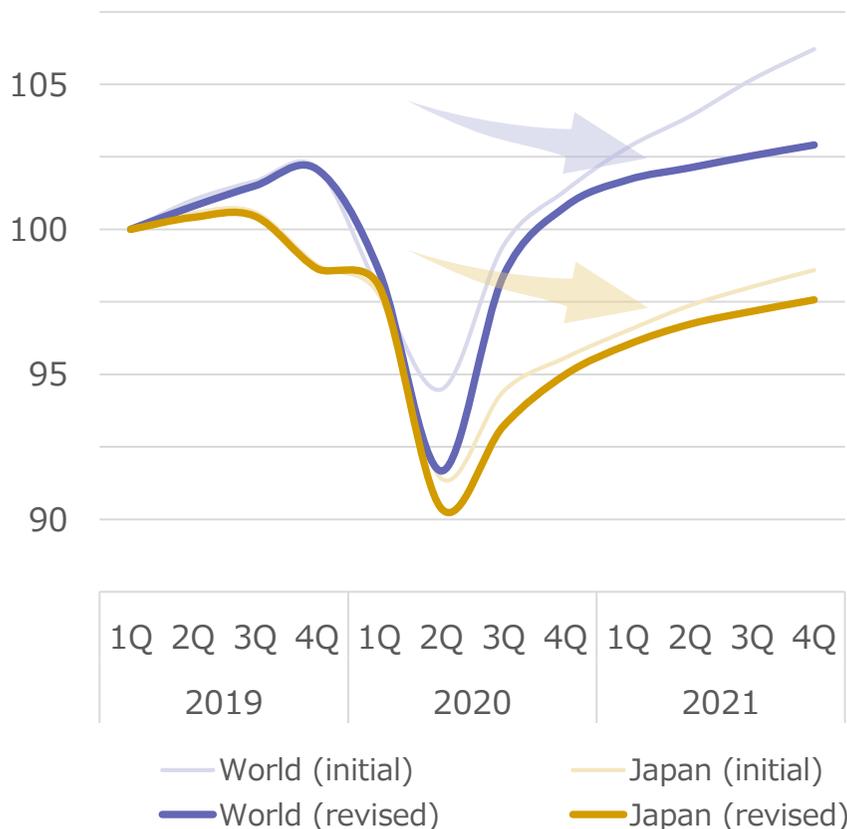
*2 Under Basel II basis until end Mar 12 (consolidated)

Appendix

Assumption for FY20 targets

- In this fiscal year, at present, it is assumed that the COVID-19 pandemic will not be contained early, and the economy under “Coexist with COVID-19” will continue
- Although the world economy is recovering from the worst period of April to June, it is expected that the pace of economic recovery will slow down under seeking to balance between the prevention of the COVID-19 pandemic and the maintenance of economic activity, and that it will take considerable time to recover before the pandemic
- If actual timing of containment of the virus and the degree of the impact on the real economy are different from our assumptions, FY2020 target may be revised or differ from the actual results significantly

GDP outlook*1 (January-March in 2019 =100)



Key assumptions

- 1 Depth of decline**
 - Assume economic activity decrease by about 5 to 10% compared to the annual average for 2019
- 2 Longevity of deterioration**
 - Assume deterioration of economic activity will be most extreme in April-June 2020 and recovery will start from July-September 2020
- 3 Recovery pattern**
 - Assume a U-shaped recovery which is convex upward, but at slower pace than recovery after financial crisis
- 4 Timing of recovery**
 - Assume it will take considerable time to recover to 2019 level

Income statement summary

Income statement

Consolidated

(¥bn)	FY19H1* ¹	FY20H1	YoY
1 Gross profits (before credit costs for trust accounts)	1,969.1	1 2,093.0	123.8
2 Net interest income	934.1	966.5	32.4
3 Trust fees + Net fees and commissions	684.6	690.4	5.7
4 Net trading profits + Net other operating profits	350.3	436.0	85.6
5 Net gains (losses) on debt securities	179.5	201.9	22.4
6 G&A expenses	1,342.0	2 1,352.5	10.5
7 Net operating profits	627.1	740.4	113.3
8 Total credit costs*²	(18.0)	3 (258.4)	(240.3)
9 Net gains (losses) on equity securities	17.7	24.2	6.5
10 Net gains (losses) on sales of equity securities	48.6	39.7	(8.8)
11 Losses on write-down of equity securities	(30.9)	(15.5)	15.4
12 Equity in earnings of equity method investees	149.6	153.1	3.5
13 Other non-recurring gains (losses)	14.7	(69.2)	(83.9)
14 Ordinary profits	791.0	590.2	(200.8)
15 Net extraordinary gains (losses)	(9.1)	(17.6)	(8.4)
16 Total of income taxes-current and income taxes-deferred	(125.5)	(132.3)	(6.8)
17 Profits attributable to owners of parent	606.9	4 400.8	(206.1)
18 EPS (¥)	46.96	31.21	(15.75)

1 Gross profits

- Gross profits increased ¥123.8bn mainly due to an increase in market related gains as well as an increase in net interest income reflecting consolidation of overseas subsidiaries

2 G&A expenses / Expense ratio

- G&A expenses increased ¥10.5bn due to consolidation of BDI and FSI partially offset by a decrease in domestic expense
- As a result, expense ratio decreased to 64.6%

3 Total credit costs

- Total credit costs increased ¥240.3bn to ¥258.4bn mainly due to an increase in credit risk globally reflecting the impact of the COVID-19 pandemic as well as an adoption of new accounting methodology in our overseas subsidiaries

4 Profits attributable to owners of parent

- Profits attributable to owners of parent decreased ¥206.1bn mainly due to increases in total credit costs and net periodic cost of retirement benefits

*1 Accounting Standard Board of Japan ("ASBJ") Statement No. 30, "Accounting Standard for Fair Value Measurement" and ASBJ Guidance No. 31, "Implementation Guidance on Accounting Standard for Fair Value Measurement" have been retroactively applied

*2 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

Retail & Commercial Banking

R&C

FY20H1 results*1

(¥bn)	FY19H1	FY20H1	YoY
Gross profits	748.0	679.8	(68.1)
Loan interest income	110.9	108.7	(2.3)
Deposit interest income	76.1	57.7	(18.4)
Domestic and foreign settlement / forex	69.7	64.8	(4.9)
Derivatives, solutions	21.8	16.0	(5.8)
Real estate, corporate agency and inheritance	24.4	18.5	(5.9)
Investment product sales	89.3	85.3	(4.1)
Card settlement	157.5	139.5	(18.0)
Consumer finance	147.5	143.8	(3.7)
Overseas	23.4	16.0	(7.3)
Expenses	609.0	571.7	(37.3)
Expense ratio	81%	84%	3ppt
Net operating profits	139.0	108.1	(30.9)
ROE	15%*2	3%	(12ppt)

Loans / Deposits

(¥tn)	FY19H1	FY20H1	YoY
Ave. loan balance *3	30.9	31.8	0.9
Lending spread*4	0.73%	0.69%	(0.04ppt)
Ave. deposit balance	116.0	125.4	9.4

KPI

	FY19H1	FY20H1	YoY
Investment assets (¥tn)	39.1	38.9	(0.1)
No. of entrusted testamentary trust	1,933	1,214	(719)
Gross profits of cross transactions (¥bn)*5	15.6	13.2	(2.4)
No. of effective information sharing of real estate	3,050	3,737	687
Volume of card shopping (¥tn)*6	3.0	2.4	(0.6)
Balance of consumer loans (¥tn)*7	1.5	1.4	(0.1)

*1 Managerial accounting basis. Local currency basis. Gross profits, expenses and net operating profits include profits from overseas transactions with Japanese corporate customers and profits from business owner transactions which belong to JCIB. ROE is calculated based on net profits and exclude non-JPY mid- to long-term funding costs

*2 ROE excluding the impact of one-time tax effects is 8% *3 Excluding consumer loans *4 Excluding non-JPY mid- to long-term funding costs

*5 Revenue from inheritance and real estate transactions and transactions with client's asset administration companies

*6 For NICOS cardmembers *7 Total balance of personal card loans of the Bank, the Trust Bank and ACOM (excl. guarantee)

FY20H1 results*1

(¥bn)	FY19H1	FY20H1	YoY
Gross profits	289.2	263.0	(26.2)
Loan interest income	54.4	64.4	10.0
Deposit interest income	67.5	39.6	(27.9)
Domestic and foreign settlement / forex*2	40.1	37.1	(3.0)
Derivatives, solutions*2	32.6	36.9	4.3
Real estate, corporate agency	22.0	20.6	(1.4)
M&A,DCM,ECM*3	25.0	19.0	(5.9)
Non-interest income from overseas business	39.0	38.9	(0.1)
Expenses	166.6	158.9	(7.7)
Expense ratio	58%	60%	3ppt
Net operating profits	122.6	104.0	(18.5)
ROE	16%	9%	(7ppt)

Loans / Deposits

(¥tn)	FY19H1	FY20H1	YoY
Ave. loan balance	39.8	42.8	3.0
Lending spread*4	0.49%	0.47%	(0.01ppt)
Ave. non-JPY loan balance*5	17.1	16.9	(0.2)
Non-JPY lending spread*4*5	0.64%	0.65%	0.01ppt
Ave. deposit balance	34.3	39.1	4.7
Ave. non-JPY deposit balance*5	15.1	15.9	0.8

KPI

	FY19H1	FY20H1	YoY
Transaction volume*6 (\$bn)	551.7	557.8	6.1
No. of domestic settlement (mm)	88	93	5
M&A advisory League Table*7	#2	#1	-
DCM league table*7	#1	#1	-
ECM league table*7	#1	#7	-

*1 Managerial accounting basis. Local currency basis. Gross profits, expenses, and net operating profits include profits from business owner transactions which belong to R&C and profits from Japanese corporate customers served by KS and BDI which belong to GCB. ROE is calculated based on net profits and excludes non-JPY mid- to long-term funding costs *2 Figures are domestic business only *3 Including real estate securitization etc. *4 Excluding non-JPY mid- to long-term funding costs *5 Sum of domestic and overseas loans and deposits *6 Domestic foreign exchange transaction amount related to trade, inward and outward investment, dividend, and services, etc. *7 Based on data of Refinitiv, etc., M&A advisory only counts Japanese corporates related deals. DCM includes both domestic and foreign bonds

FY20H1 results*1

(¥bn)	FY19H1	FY20H1	YoY
Gross profits	231.0	234.9	4.0
Loan interest income	90.7	90.1	(0.7)
Deposit interest income	26.1	20.0	(6.1)
Commission, forex, derivatives	105.8	95.1	(10.7)
DCM, ECM	6.4	17.0	10.6
Profits from large global corporates located in Japan, etc.	9.8	8.2	(1.6)
Joint venture profits with Global Markets*2	11.8	18.4	6.7
Expenses	143.1	151.5	8.4
Expense ratio	62%	64%	3ppt
Net operating profits	87.9	83.5	(4.4)
ROE	10%	3%	(7ppt)

Loans / Deposits

(¥tn)	FY19H1	FY20H1	YoY
Ave. loan balance	24.2	23.9	(0.3)
Lending spread*3	1.07%	1.07%	0.00ppt
Ave. deposit balance	12.5	14.7	2.2

KPI

	FY19H1	FY20H1	YoY
Distribution amount*4 (¥tn)	10.3	8.4	(1.9)
Distribution ratio*5	52%	41%	(11ppt)
GSB*6 profits (¥bn)	35.9	37.0	1.0
ABS league table (US)	#9	#10	-
Wallet share of syndicated loan and DCM (Non-IG*7)	1.17%	1.16%	(0.01ppt)

*1 Managerial accounting basis. Local currency basis. Gross profits, expenses and net operating profits include profits from large global corporates of KS which belong to GCB, R&C and JCIB's large global corporates located in Japan, and Joint venture profits with Global Markets.

ROE is calculated based on net profits and excludes non-JPY mid- to long-term funding costs

*2 Including O&D profits through collaboration with Global Markets *3 Excluding non-JPY mid- to long-term funding costs

*4 Distribution amount = Arrangement amount - Final hold amount (Syndicated loan, Project Finance, Securitization, Aviation Finance, etc.)

+ Securities' arrangement amount of DCM, ABS, etc.

*5 Distribution ratio = Distribution amount / Total amount of loans to global corporate customers

*6 Global Subsidiary Banking. Transactions with subsidiaries of global corporate multinational customers *7 Non-investment grade

FY20H1 results*1

(¥bn)	FY19H1	FY20H1	YoY
Gross profits	358.4	411.4	53.0
MUAH*2	165.7	161.2	(4.4)
KS*3	160.5	168.8	8.2
BDI*4	36.7	77.2	40.4
Expenses	266.8	263.5	(3.3)
(Expense ratio)	74%	64%	(10ppt)
MUAH*2	135.2	131.6	(3.6)
(Expense ratio)	82%	82%	0ppt
KS*3	85.6	76.9	(8.7)
(Expense ratio)	53%	46%	(8ppt)
BDI*4	18.7	35.5	16.8
(Expense ratio)	51%	46%	(5ppt)
Net operating profits	91.6	147.9	56.2
MUAH*2	30.5	29.7	(0.8)
KS*3	74.9	91.9	17.0
BDI*4	18.0	41.6	23.7
ROE	6%	(3%)	(9ppt)

Loans / Deposits

(¥tn)		FY19H1	FY20H1	YoY
MUAH*2	Ave. loan balance	7.7	7.7	(0.0)
	Ave. deposit balance	8.5	8.9	0.4
	NIM*5	2.46%	2.23%	(0.23ppt)
KS*3	Ave. loan balance	5.5	6.0	0.5
	Ave. deposit balance	4.8	5.3	0.5
	NIM*6	3.65%	3.74%	0.09ppt
BDI*4	Ave. loan balance	0.6	1.2	0.6
	Ave. deposit balance	0.5	1.0	0.5
	NIM	8.00%	8.08%	0.08ppt

*1 Managerial accounting basis. Local currency basis. Gross profits, expenses and net operating profits include figures which belong to GCB only and not include figures which belong to other business groups. BDI entity basis. ROE is calculated based on net profits

*2 MUAH figures as reported in MUAH's 10-Q and 10-K excluding figures belonging to Trust/Securities subsidiaries, JCIB, GCIB and Global Markets

*3 After GAAP adjustment. Excluding figures which belong to Global Markets

*4 FY19H1 reflected results during Apr to Jun 2019 after consolidation. Ave. loan and deposit balances were divided by 6 months. Ave. loan and deposit balances divided by 3 months were ¥1.2 tn and ¥1.0 tn, respectively

*5 Excluding figures which belong to Global Markets *6 KS entity basis

Asset Management & Investor Services

AM/IS

FY20H1 results*1

(¥bn)	FY19H1	FY20H1	YoY
Gross profits	101.9	143.2	41.3
AM*2	21.6	60.0	38.4
IS*3	49.9	52.7	2.8
Pension	30.5	30.6	0.1
Expenses	65.7	106.2	40.5
Expense ratio	64%	74%	10ppt
Net operating profits	36.2	37.0	0.8
ROE	20%	24% *4	4ppt

KPI

		FY19H1	FY20H1	YoY
AM	Investment products balance of corporate customers (¥tn)	9.7	10.2	0.4
	Alternative products balance (¥bn)*5	318.5	367.1	48.6
IS	Global IS balance (\$bn)	638.1	687.4	49.3
	Balance of domestic investment trust funds (¥tn)	77.2	84.9	7.7
Pension	DB / Balance (¥tn)	11.4	11.9	0.5
	DC / Increase number of subscriber (thd)*6	249	364	115

*1 Managerial accounting basis. Local currency basis. ROE is calculated based on net profits *2 Asset Management *3 Investor Services

*4 ROE excluding the impact of profits on sales of AMP Capital shares is 19%

*5 Balance of internally developed low-liquidity investment products, such as real estate-based products *6 Net increase of subscribers from FY17

FY20H1 results*1

(¥bn)	FY19H1	FY20H1	YoY
Gross profits	347.5	449.6	102.1
Customer business	157.6	177.1	19.4
FIC & equity	120.0	134.9	14.9
Corporates	53.1	50.7	(2.4)
Institutional investors	55.1	74.6	19.5
Asset management	1.0	0.8	(0.1)
JV with GCIB*2	36.7	41.4	4.6
Treasury	194.4	276.1	81.7
Expenses	138.4	142.9	4.5
Expense ratio	40%	32%	(8ppt)
Net operating profits	209.1	306.7	97.6
Customer business	48.1	66.9	18.8
Treasury	168.3	247.9	79.5
ROE	8%	9%	1ppt

KPI

	FY19H1	FY20H1	YoY
Derivative revenues from strategic fields*3 (¥bn)	3.9	6.6	2.7
Client value*4	47	68	21pt
Digitalization ratio of FX rate contracts*5	72%	79%	6ppt

*1 Managerial accounting basis. Local currency basis. Gross profits, net operating profits, and expenses includes Joint venture profits with GCIB. ROE is calculated based on net profits

*2 Profits including O&D profits through collaboration with GCIB

*3 Profits from new type of risk hedging (e.g. hedging against interest rate and forex risks in M&A transactions) and deals related to investment banking products

*4 Quasi sales & trading profits in institutional investors business. Indexation using in FY17 as 100 *5 Internal transactions

Financial results*¹ of MUAH, KS, and BDI

MUAH* ² 	¥bn			(US\$mm)		
	FY19H1	FY20H1	YoY	FY19H1	FY20H1	YoY
Total revenue	306.2	321.2	15.0	2,841	2,982	141
Non-interest expenses	250.5	256.3	5.8	2,324	2,379	55
Pre-tax, Pre-provision income	55.7	64.9	9.2	517	603	86
Provision for credit losses	10.1	89.5	79.4	94	831	737
Net income attributable to MUAH	41.2	(30.5)	(71.7)	383	(284)	(667)

KS* ³ 	¥bn			(THB mm)		
	FY19H1	FY20H1	YoY	FY19H1	FY20H1	YoY
Total income	226.7	204.6	(22.1)	64,786	58,629	(6,157)
Operating expenses	93.3	84.6	(8.7)	26,681	24,266	(2,415)
Pre-provision operating profit	133.3	119.9	(13.4)	38,105	34,363	(3,742)
Impairment loss of loans and debt securities	45.7	60.5	14.8	13,074	17,355	4,281
Net profit attributable to owners of the bank	69.1	47.2	(21.9)	19,747	13,540	(6,207)

BDI* ⁴ 	¥bn			(IDR bn)		
	FY19H1	FY20H1	YoY	FY19H1	FY20H1	YoY
Total operating income	67.4	70.6	3.2	8,760	9,295	535
Operating expenses	33.9	32.5	(1.4)	4,414	4,278	(136)
Pre-provision operating profit	33.4	38.1	4.7	4,346	5,017	671
Cost of credit	13.2	24.4	11.2	1,716	3,211	1,495
Net profit after tax	13.9	6.4	(7.5)	1,813	845	(968)

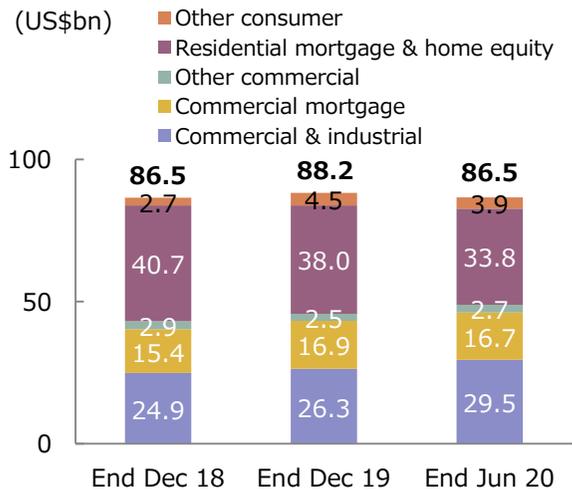
*1 All figures are converted into ¥ with actual exchange rates as of end of each interim period. For FY19H1 is US\$1=¥107.79, THB1=¥3.50, IDR1=¥0.0077.

For FY20H1 is US\$1=¥107.74, THB1=¥3.49, IDR1=¥0.0076 *2 Financial results as disclosed in MUAH's 10-K and 10-Q reports based on U.S. GAAP

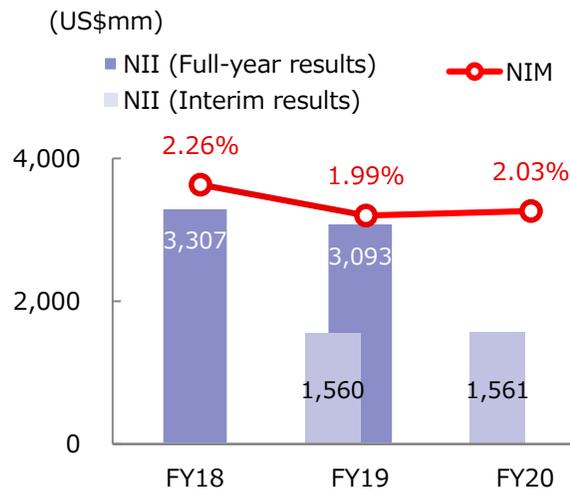
*3 Financial results as disclosed in KS's financial report based on Thai GAAP *4 Financial results as disclosed in BDI's financial report based on Indonesian GAAP

Key figures*1 of MUAH

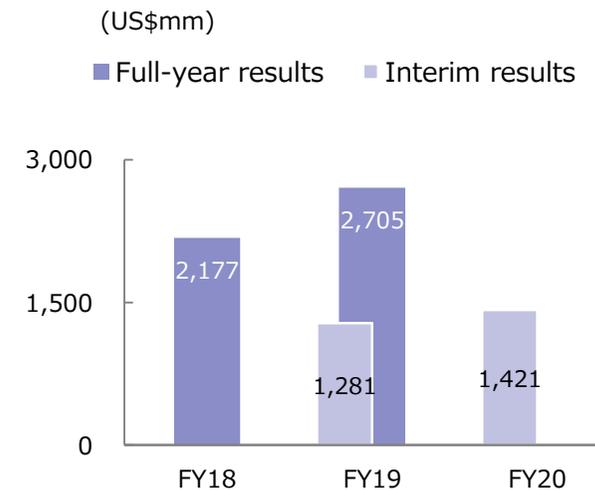
Lending balance*2



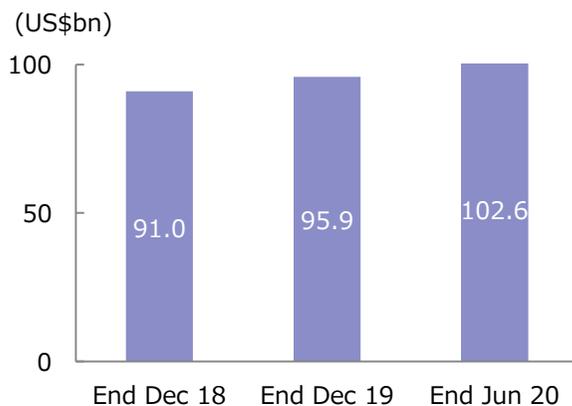
Net interest income



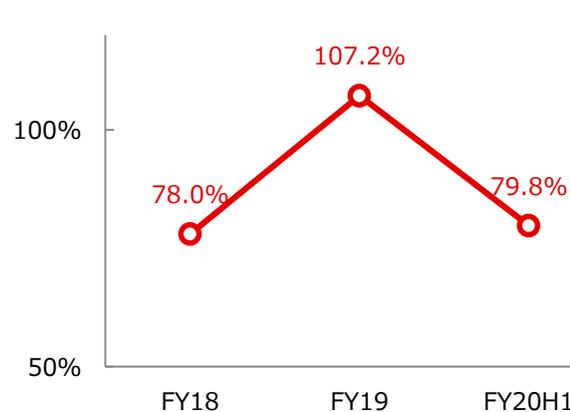
Non-interest income



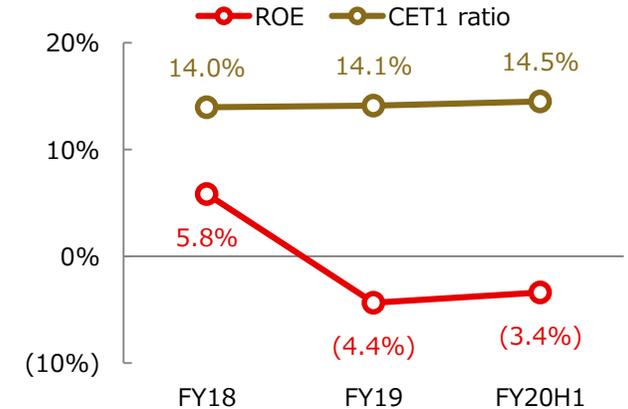
Deposit balance



Cost to income ratio*3 *4



ROE / CET1 ratio*5



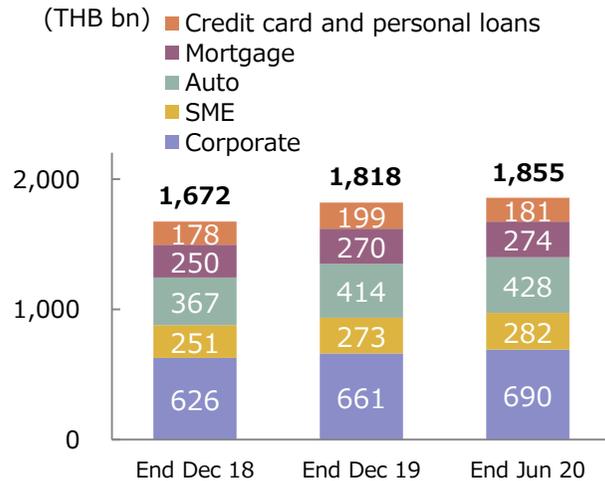
*1 Financial results as disclosed in MUAH's 10-K and 10-Q reports based on U.S. GAAP *2 Loans held for investment based on year-end balances *3 Efficiency ratio

*4 The adjusted efficiency ratio is a non-GAAP financial measure. Management believes adjusting the efficiency ratio for the fees and costs associated with the provision of services to MUFG Bank, Ltd. branches in the U.S. enhances the comparability of MUAH's efficiency ratio when compared with other financial institutions. Adjusted Efficiency Ratio for FY20H1 was 75.55%. For FY19, Adjusted Efficiency Ratio was 74.69%, which also reflected noninterest expense for the impact of goodwill impairment and revenue for the impact of the TCJA

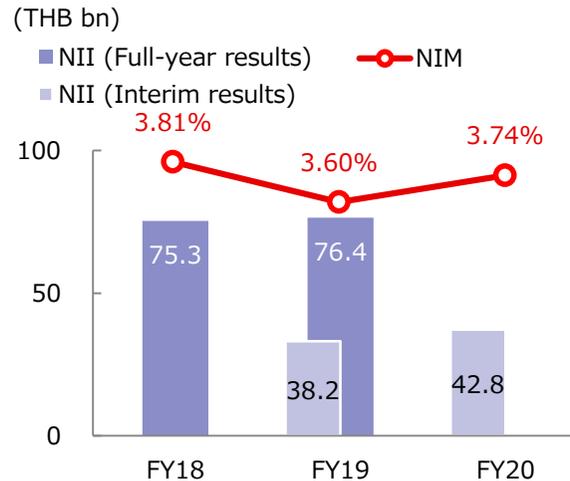
*5 U.S. Basel III standardized approach; fully phased-in. MUAH is working on capital optimization and repurchased approximately US\$2.5bn of its outstanding common stock from MUFG and MUFG Bank, Ltd. in 2018

Key figures of KS

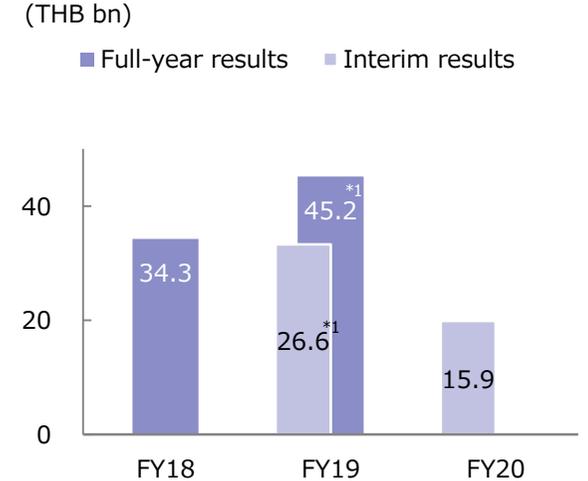
Lending balance



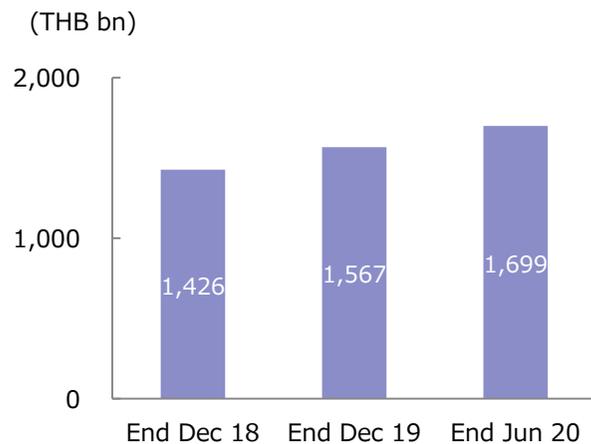
Net interest income



Non-interest income



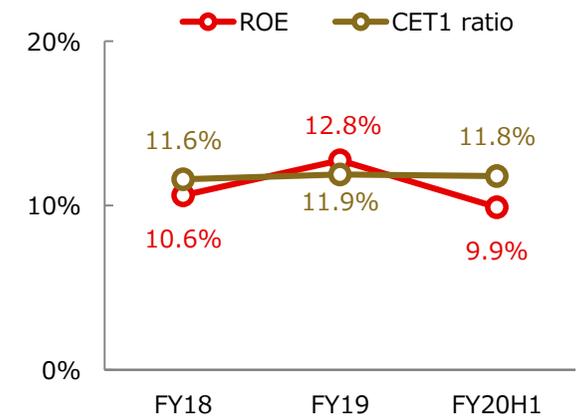
Deposit balance



Cost to income ratio



ROE / CET1 ratio^{*3}



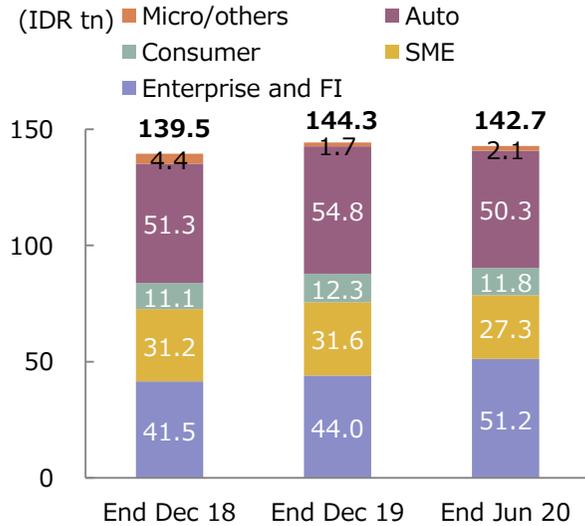
*1 Excluding one-time gains on investment from the sales of 50% of shares in Ngern Tid Lor Company Limited (NTL transaction), normalized non-interest income for FY19H1 and FY19 recorded at THB 17.98bn and THB 36.56bn, respectively

*2 Excluding one-time gains on investment from NTL transaction and provision in accordance to the amended Labor Protection Act, normalized cost to income was recorded at 45.1%

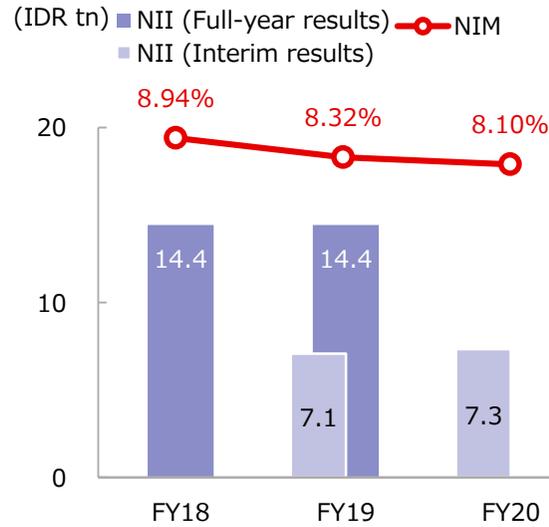
*3 Non-consolidated

Key figures of BDI

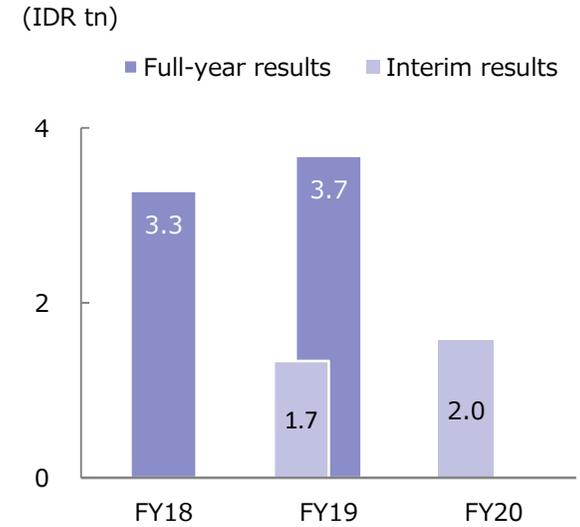
Lending balance



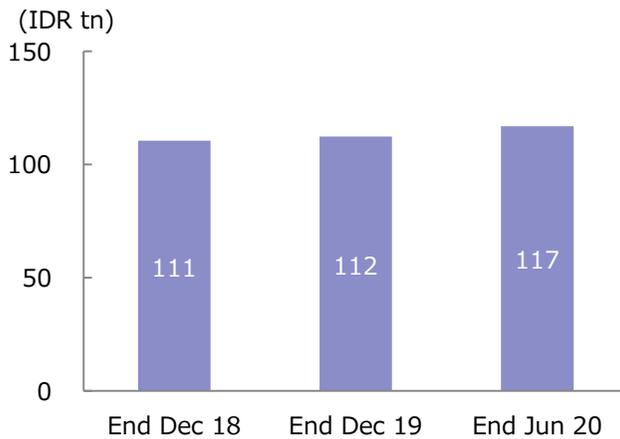
Net interest income



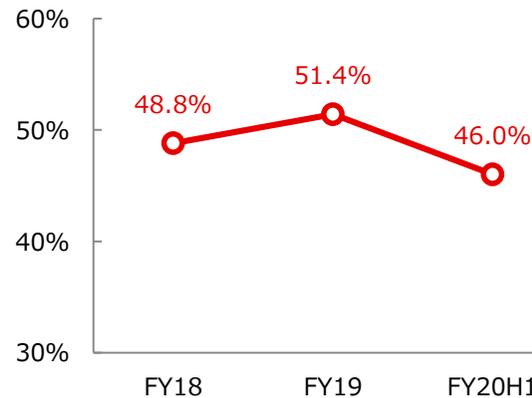
Non-interest income



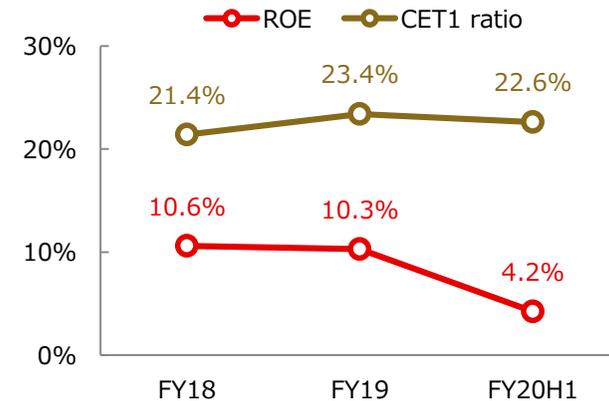
Deposit balance



Cost to income ratio

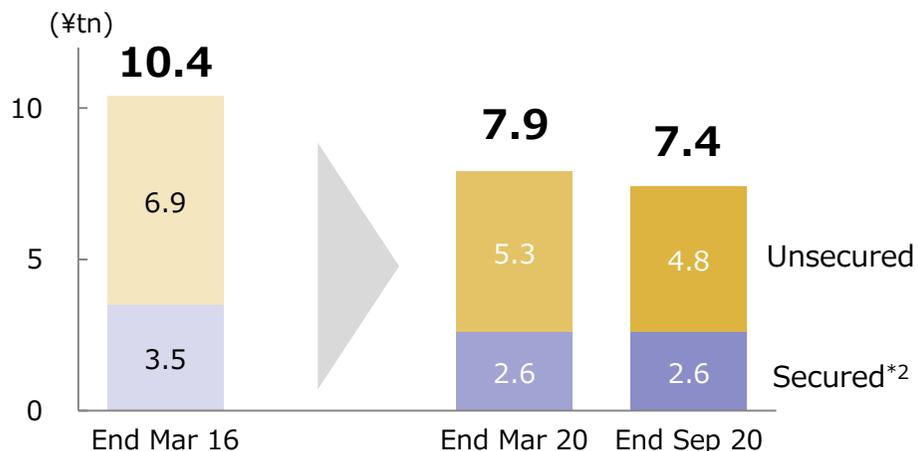


ROE / CET1 ratio



Credit portfolio of energy and mining

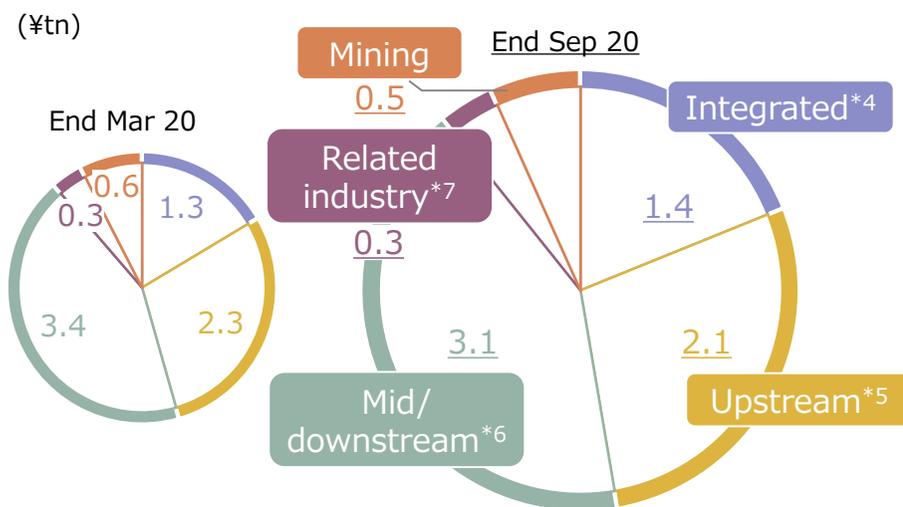
Credit exposure*1



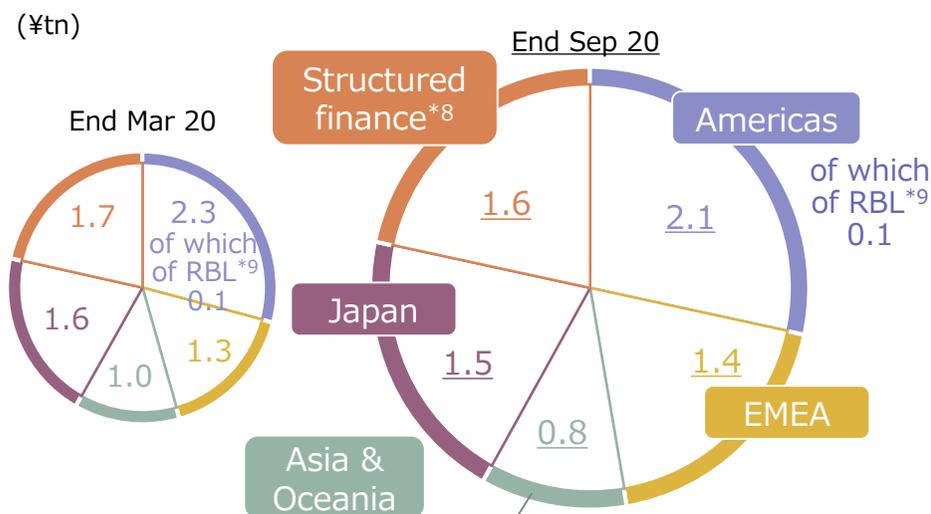
NPLs*3

(¥bn)	End Mar 20	End Sep 20	Changes
NPLs*3	62.1	64.3	2.2
Secured amount	45.4	47.8	2.4
Allowance	8.9	8.8	(0.1)
NPLs*3 (net)	7.8	7.5	(0.3)

Breakdown by sub-sector*1



Breakdown by region*1



*1 Including undrawn commitment and excluding market exposure

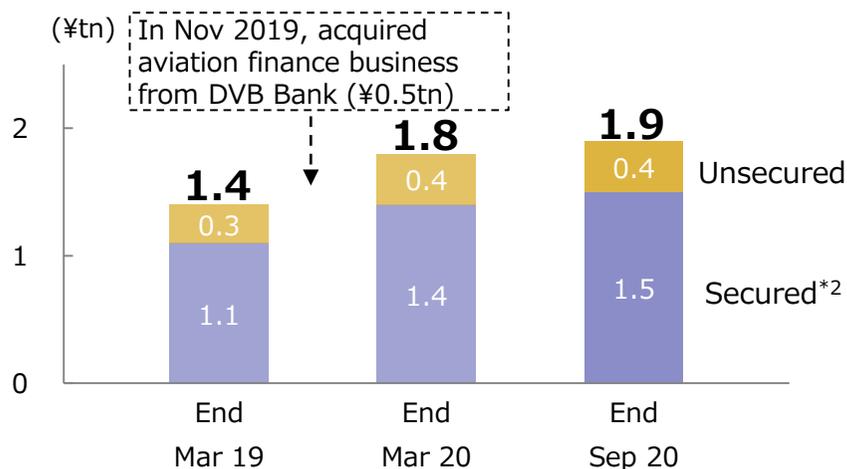
*2 Collateralized or guaranteed *3 NPLs are based on the relevant rules for risk-monitored loans under Japanese Banking Act, except for NPLs in overseas subsidiaries which are based on each subsidiary's internal criteria *4 Integrated business from upstream to downstream

*5 Exploration, development and production of oil and gas *6 Storage, transportation, refinement, retail *7 Sales of mining machine to companies among upstream industry *8 Project finance and trade finance *9 Reserve based lending

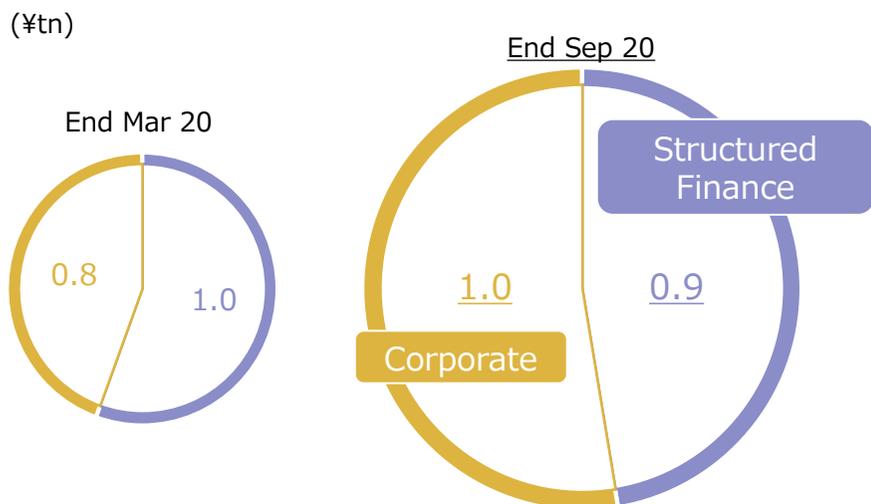
Note: All figures are on managerial accounting basis, aggregating internal management figures of each subsidiary

Credit portfolio of air transportation (incl. aircraft finance)

Credit exposure*1



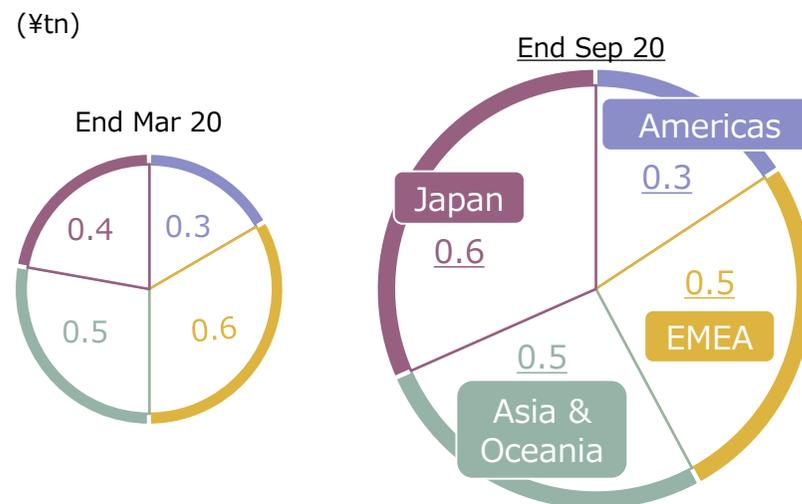
Breakdown by structure*1



NPLs*3

(¥bn)	End Mar 20	End Sep 20	Changes
NPLs*3	22.5	80.4	57.9
Secured amount	19.7	54.1	34.4
Allowance	0.8	15.1	14.3
NPLs*3 (net)	2.0	11.0	9.0

Breakdown by region*1



*1 Including undrawn commitment and excluding market exposure

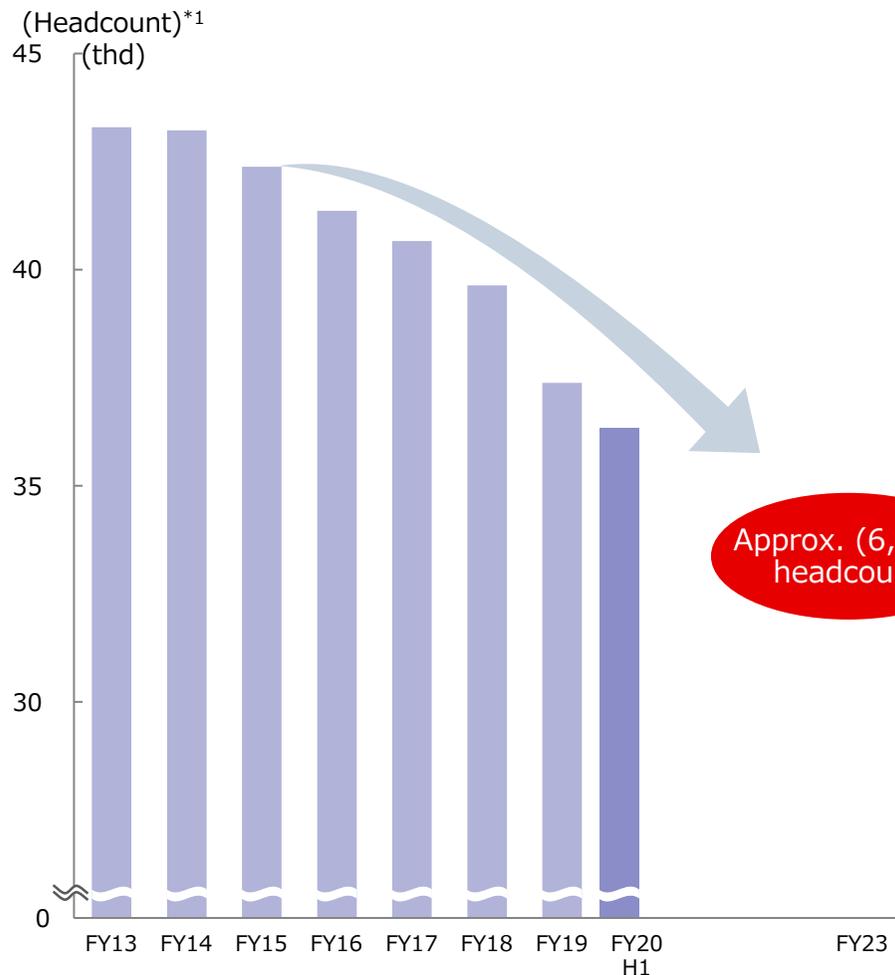
*2 Collateralized or guaranteed *3 NPLs are based on the relevant rules for risk-monitored loans under Japanese Banking Act, except for NPLs in overseas subsidiaries which are based on each subsidiary's internal criteria

Note: All figures are on managerial accounting basis, aggregating internal management figures of each subsidiary

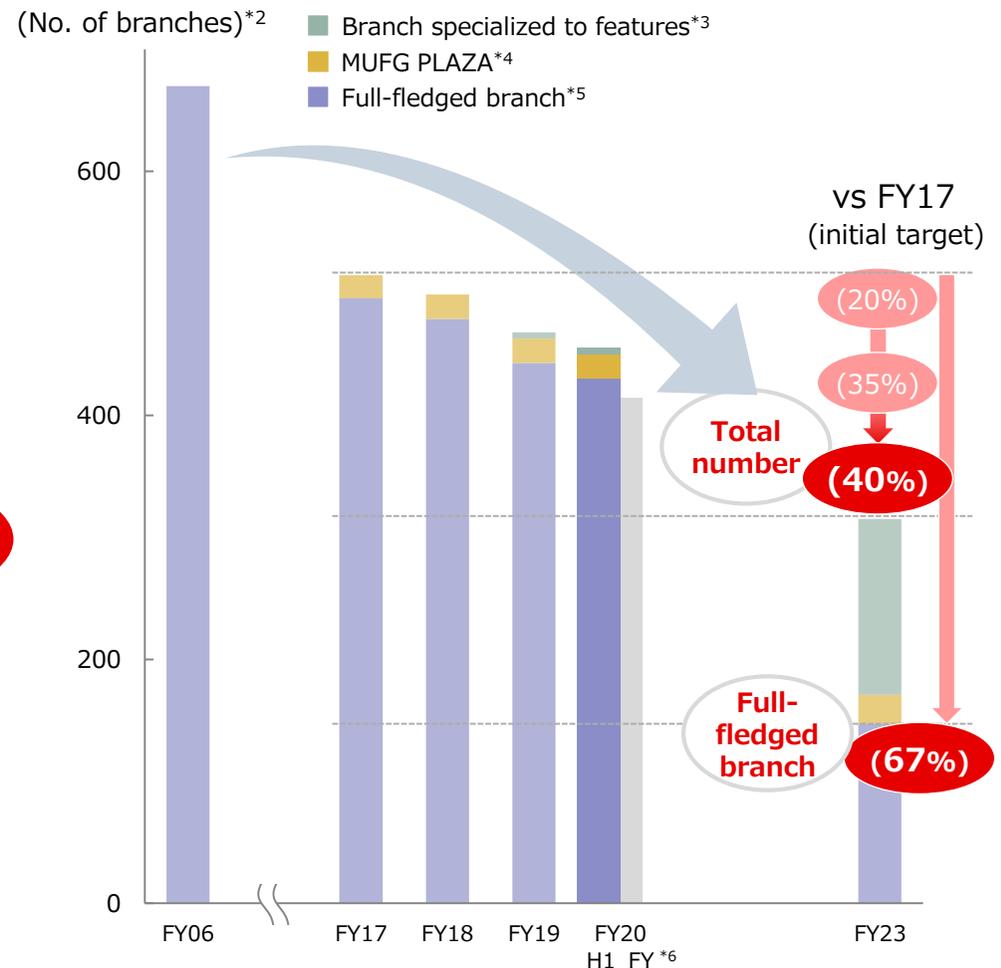
Forecast of headcount and branches

– Expect a decrease in employee headcount totaling approx. 6,000 (attrition) and the reduction of no. of branches by 40%, compared to FY17

Forecast of employees headcount



Forecast of number of branches

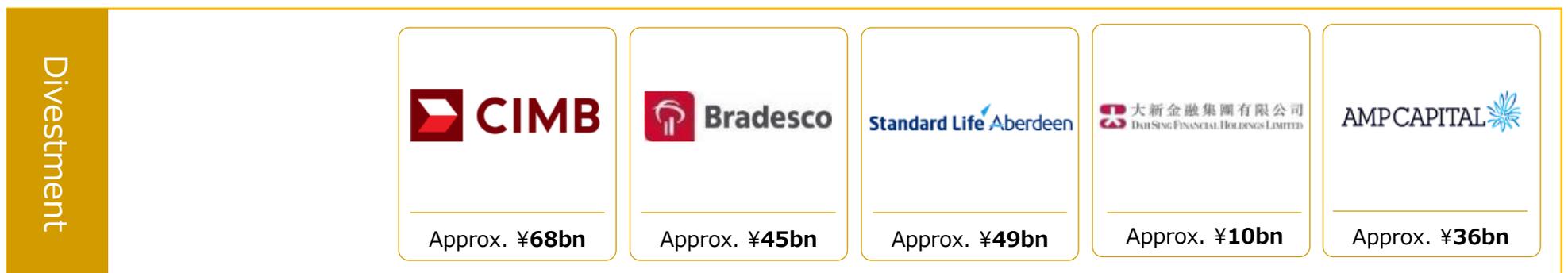


*1 The figure includes MUFG Bank's domestic bank staff, part-time and contract staff as well as temporary staff but excludes overseas staff hired locally. The figure also includes employees of other companies seconded to MUFG Bank but excludes employees temporarily transferred to other companies

*2 MUFG Bank non-consolidated basis *3 MUFG NEXT and consulting office *4 Group co-located branch

*5 A branch that handles all services including consulting service at bank counter by clerk *6 Full year plan

History of strategic investment in overseas



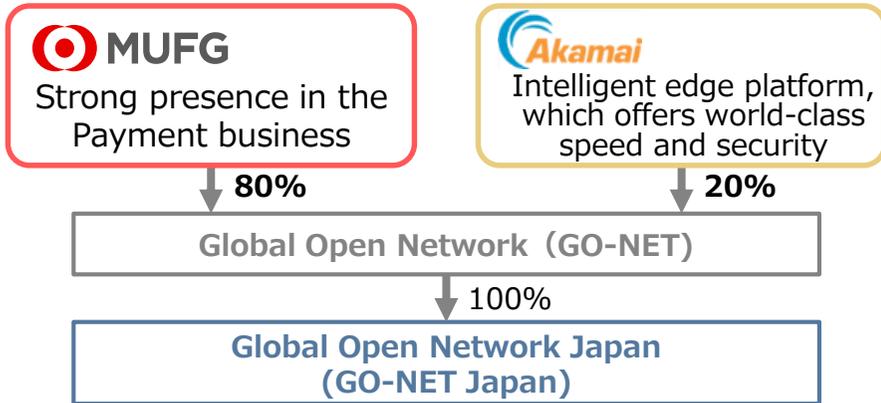
*1 Initial investment amount *2 Butterfield, Meridian, UBS AFS, Capital Analytics, Rydex, Point Nine, Maitland

*3 ROE for FY20H1, excluding the impact of profits on sales of AMP Capital shares is 19%

Global Open Network

– Through strategic alliance with Akamai, we aim to provide an open network service in FY20

Overview of Global Open Network Japan



Features of GO-NET platform

Large volume processing

- Capability to process over 100 thousand tx. per second and to finalize tx. in less than 2 seconds*1

Low-cost structure

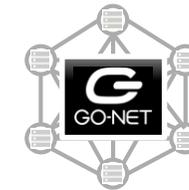
- Use of blockchain technology

Global services*2

- Fast communication throughout the world

High reliability

- Latest security (PCI DSS*3)



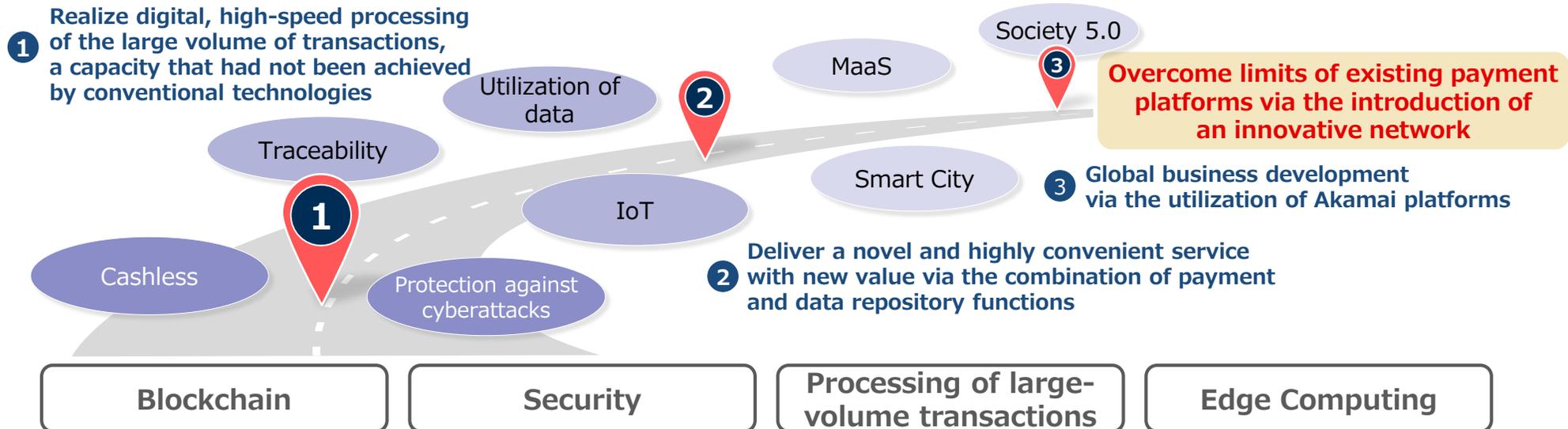
Added value

- Wallet management functions

Feature of blockchain technology

- Transactional authenticity
- Anti-tampering technology
- Zero downtime
- Low cost

Medium- to long-term Vision



*1 Time required to complete a single transaction involving data transmission between a merchant and a payment business operator (provisional calculation by MUFG) *2 Our future plans call for global expansion *3 Expected to acquire

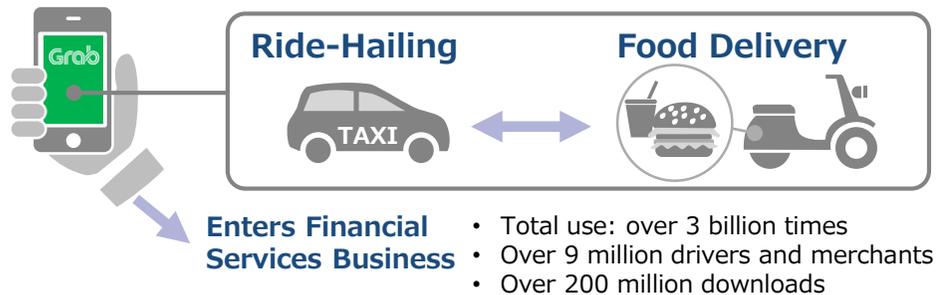
Strategic alliance with Grab Holdings

– Aim to provide new digital financial services

Capital & business alliance with Grab

Overview of Grab*1

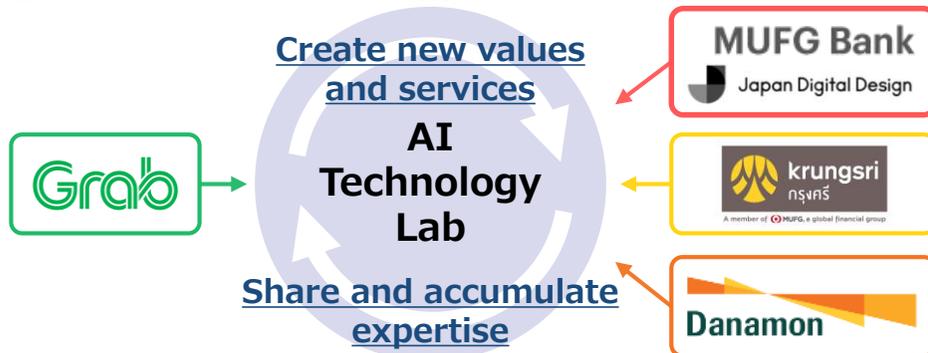
Founded in 2012, Grab is the operator of the leading super app in Southeast Asia



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

Establish "AI Technology Lab" with Grab

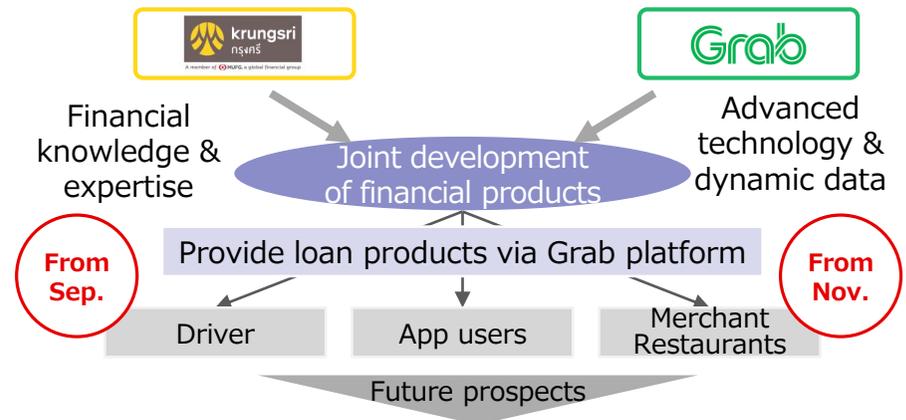


Collaborative initiatives at PBs

Achievements of major services and initiatives

	Date*2	Details
	May	Introduced COVID-19 relief lending for merchant restaurants
	Sep	Signed a long-term business partnership agreement in Thailand
	Jul	Introduced deposit products for app users
	Jul	Introduced credit cards for app users
	Mar	Introduced account opening for drivers
	Jun	Introduced micro-loans for drivers

Initiative to provide new digital financial services in Thailand



- Roll out the initiative to other PBs
- Accelerate business transformation of PBs mass retail segment

*1 (Source) Materials published by Grab *2 All services were launched in 2020

Eleven Transformation Initiatives*1

- “Eleven Transformation Initiatives” have been outlined in the new medium-term business plan as specific initiatives to achieve the MUFG Re-Imagining Strategy
- MUFG promotes the initiatives with a joint collaboration by entities, business groups and corporate center



*1 Re-shown from page 26, Fiscal 2017 Results Presentation

Eleven Transformation Initiatives (1)

Sales Channel	FY18	FY19	FY20H1	Changes	FY20	FY23
No. of IB ^{*3} service users ^{*4} (mm)	4.7	5.9	6.7	0.8 ^{*1}	8.0	15.0
Utilization rate ^{*5}	25%	31%	35%	4ppt ^{*1}	44%	74%
No. of transactions at bank-counter (mm)	20.0	17.6	6.7	(2.3) ^{*2}	15.7	11.1
Wealth Management	FY18	FY19	FY20H1	Changes	FY20	FY23
No. of profiling ^{*6} (thd)	5.3	6.5	2.2	(0.3) ^{*2}	7.1	7.8
No. of group collaborations ^{*7} (thd)	13.4	23.8	5.3	(11.3) ^{*2}	29.0	10.5
AuM of HE ^{*8} / SHE ^{*9} customers (¥tn)	12.1	11.8	14.0	2.2 ^{*1}	13.4	16.3 ^{*10}
New Model for Wholesale Banking in Japan	FY18	FY19	FY20H1	Changes	FY20	FY23
DB pension balance (¥tn)	11.3	11.0	11.9	0.9 ^{*1}	12.3	13.6
DC pension/ Increase no. of subscribers ^{*11} (thd)	195	308	364	56 ^{*1}	372	-
Real Estate	FY18	FY19	FY20H1	Changes	FY20	FY23
AM balance (¥bn)	230.0	312.4	314.7	2.3 ^{*1}	380.0	580.0
No. of effective information sharing	7,481	7,154	4,088	204 ^{*2}	4,860	-

*1 Increase / decrease compared to FY19 *2 Increase / decrease compared to FY19H1 *3 Mitsubishi UFJ DIRECT: Internet banking for individual customers

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

*5 Utilization rate = IB service users / active accounts *6 No. of testamentary trusts + wealth assessment etc.

*7 No. of customer referral from the Bank to MUMSS + collaboration between the Trust Bank and MUMSS etc. *8 High-End customers. Over ¥2 bn assets

*9 Semi-High-End customers. Over ¥0.3bn assets *10 Excluding changes in market prices *11 Net increase of subscribers from 2017

Eleven Transformation Initiatives (2)

Asset Management in Japan	FY18	FY19	FY20H1	Changes	FY20	FY23
(Corporate) No. of customers ^{*3} (thd)	5.9	6.6	6.7	0.1 ^{*1}	6.9	10.1
(Individual / Corporate) Investment assets ^{*4} (¥tn)	47.6	44.9	46.9	2.0 ^{*1}	49.8	-
Individual investors	24.2	22.5	23.9	1.4 ^{*1}	25.3	-
Corporate investors	23.4	22.4	23.0	0.6 ^{*1}	24.5	-
Institutional Investors	FY18	FY19	FY20H1	Changes	FY20	FY23
Client value ^{*5}	89	101	68	21 ^{*2}	106	-
Operating income from IS ^{*6} business (¥bn)	35.1	40.8	18.4	(1.3) ^{*2}	36.7	48.4
Global CIB	FY18	FY19	FY20H1	Changes	FY20	FY23
Distribution amount ^{*7} (¥tn)	22.8	21.4	8.4	(1.9) ^{*2}	24.7	-
Distribution ratio ^{*8}	59%	48%	41%	(11%) ^{*2}	53%	-

*1 Increase / decrease compared to FY19 *2 Increase / decrease compared to FY19H1

*3 Number of corporate customers with investment products *4 Reflecting changes in market prices

*5 Quasi sales & trading profits in institutional investors business. Indexation using in FY17 as 100 *6 Investor Services

*7 Distribution amount = Arrangement amount – Final hold amount (Syndicated loan, Project Finance, Securitization, Aviation Finance, etc.)

+ Securities' arrangement amount of DCM, ABS, etc.

*8 Distribution ratio = Distribution amount / Total amount of loans to global corporate customers

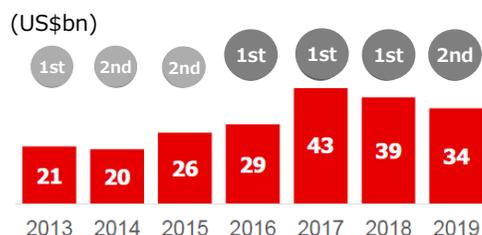
Environment - Support through financial services

– Contribute to corporates to resolve environmental issues by continuing our ongoing initiatives as well as providing new financial services

Promote ongoing initiatives in focused areas

Promote renewable energy finance arrangement in Japan which MUFG maintains a global top-level record

MUFG arrange amount and ranking *1



First offshore wind power generation project in Japan
(Akita and Noshiro ports)
Became a finance advisor and lead arranger

(Source) Bloomberg New Energy Finance ASSET FINANCE / Lead arrangers LEAGUE TABLE

Maintaining our leading position in terms of Green Bond underwriting, building on our pioneering track record since the inception of such bonds

Our track record in the underwriting of public placement JPY-denominated Green Bonds (cumulative total) (FY16–FY19)*2

Rank	Company	Amount (¥bn)	Share
1	MUMSS	240.2	26.4%
2	Mizuho Securities	174.2	19.1%
3	SMBC Nikko Securities	160.9	17.7%
4	Daiwa Securities	145.4	16.0%
5	Nomura Securities	143.7	15.8%

Provide new financial services

Handled the first Sustainability Linked Loan in Japan and closed two other similar deals

- Adjust lending conditions in step with the borrower's accomplishment of sustainability targets, with the aim of assisting businesses in their proactive efforts to address climate change issues

Example of sustainability goals

A	Progress toward achieving GHG reduction targets
B	Reduction in CO2 and waste emissions volumes
C	Maintain external ratings in terms of climate change-related information disclosure

First Green finance for private REIT*3 in Japan

- Extend assistance to fundraising aimed at acquiring green buildings



DPR Hiratsuka Logistics Center

*1 Financing at renewable energy projects, etc. *2 Figures calculated by MUMSS

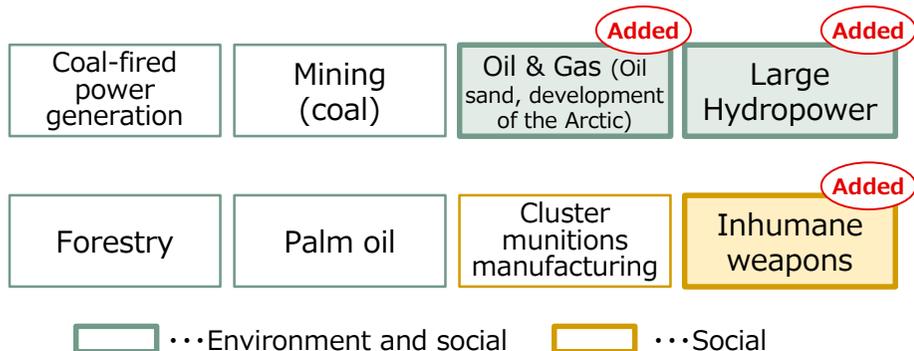
*3 Non-listed real estate investment trust for institutional investors

Environment - Risk management

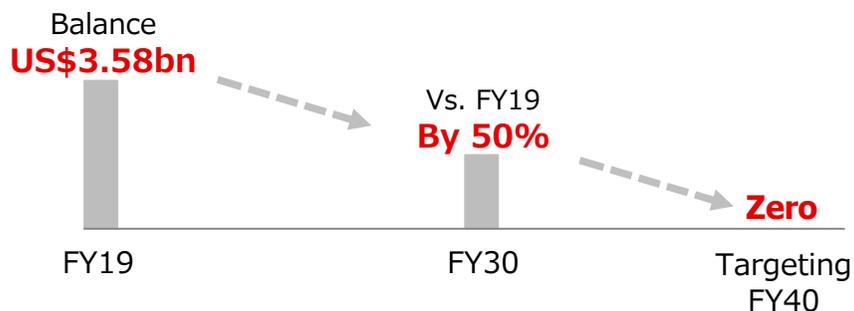
– Step up our response to climate change risks by introducing more stringent financing policies and conducting scenario analysis

Response to environmental risk in finance

Add restricted transactions sectors to MUFG Environmental and Social Policy Framework in May 2020



Announce balance of financing and reduction target*1 of coal-fired power generation projects in Oct 2020



Scenario analysis (TCFD recommendation)

Estimate impact of climate change on our credit portfolio

Climate change risks

Transition risks

Risks associated with transition to decarbonized society

Impact on credit portfolio

- Increase in energy demand
- Decrease in coal ratio
- Increase in carbon price etc.

Credit costs expected for energy and utility sectors
Approx. ¥1bn to ¥9bn/year

Physical risks

Risks associated with physical damage arising from flooding

- Operational suspension periods
- Damage arising in held assets etc.

Credit costs expected by FY50
Cumulative total approx. ¥38bn

*1 Projects that contribute to transition to a decarbonized society are exceptional according to the MUFG Environmental and Social Policy Framework

Social

– In addition to resolution of social issues through our business, strengthen support in areas beyond scope of financial services

Resolution of social issues through our business



Inaugural Kingdom of Thailand Sustainability Bond issuance support

- KS/MUS*1-Sustainability advisor and lead manager
- Used for mass rapid transit and COVID-19 countermeasures



Expansion of financial services through collaboration with Grab

- Contribute to financial inclusion, financial innovation, and employment creation in Asia through collaboration with partner banks



Financial and economic education programs/seminars in response to aging population and low birth rate

- 424 seminars for students in FY19 (3,282 in total since 2012)



Strengthen support in areas beyond scope of financial services

Establish a new framework for social contribution

- Contributes funds equivalent to 0.5% of net operating profits from group business*2 to social contribution initiatives

Results in past (equivalent to 0.5%)



New Framework (equivalent to 0.5%)

Continuously contribute approx. 1% of net operating profits from group business*2 to social contribution initiatives such as donations etc.

Main social contribution initiatives in FY20H1

Medical	Approx. ¥1bn
Future generation (students, children)	Approx. ¥1.64bn
Culture	Approx. ¥0.3bn

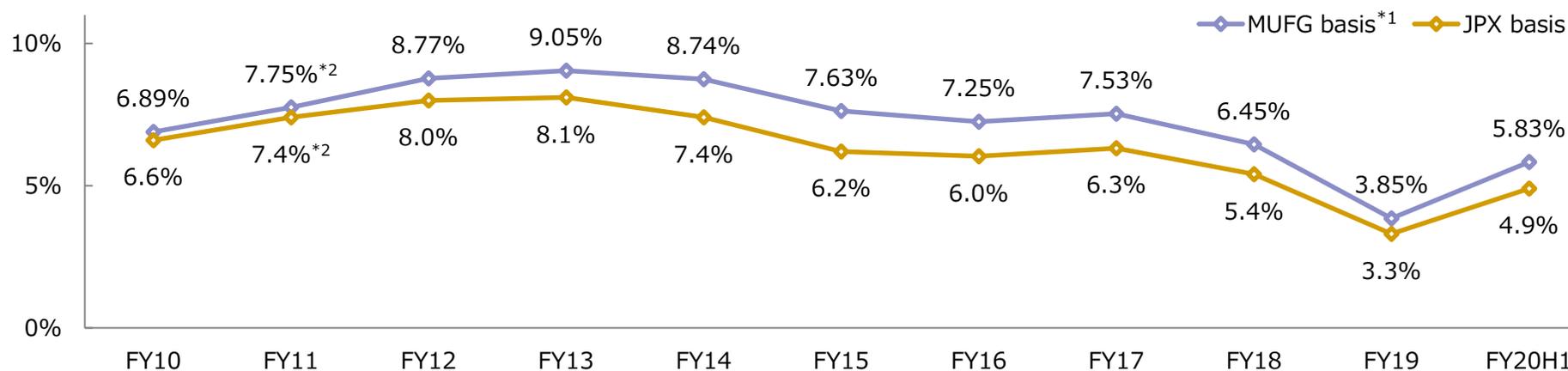
Total approx. ¥3bn

*1 MUFG Securities Asia Limited *2 Net operating profits after deduction of credit costs

ROE / EPS

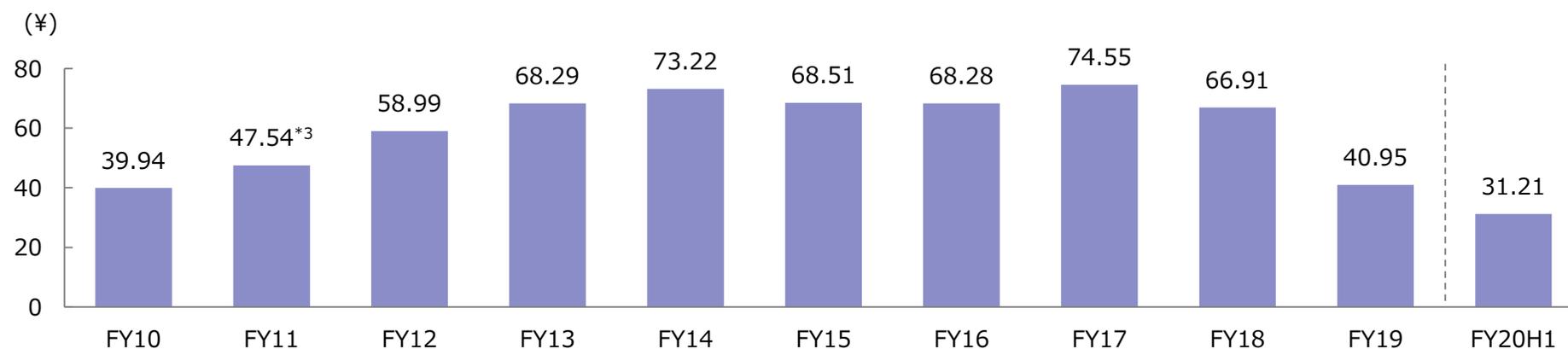
ROE

Consolidated



EPS

Consolidated



*1
$$\frac{\text{Interim profits attributable to owners of parent} \times 2}{\left\{ \begin{array}{l} \text{(Total shareholders' equity at the beginning of the period} + \text{Foreign currency translation adjustments at the beginning of the period)} \\ + \text{(Total shareholders' equity at the end of the period} + \text{Foreign currency translation adjustments at the end of the period)} \end{array} \right\} / 2} \times 100$$

*2 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

*3 ¥68.09 before excluding negative goodwill associated with application of equity method accounting on our investment in Morgan Stanley

TLAC requirement

- The best capital mix and external TLAC ratio

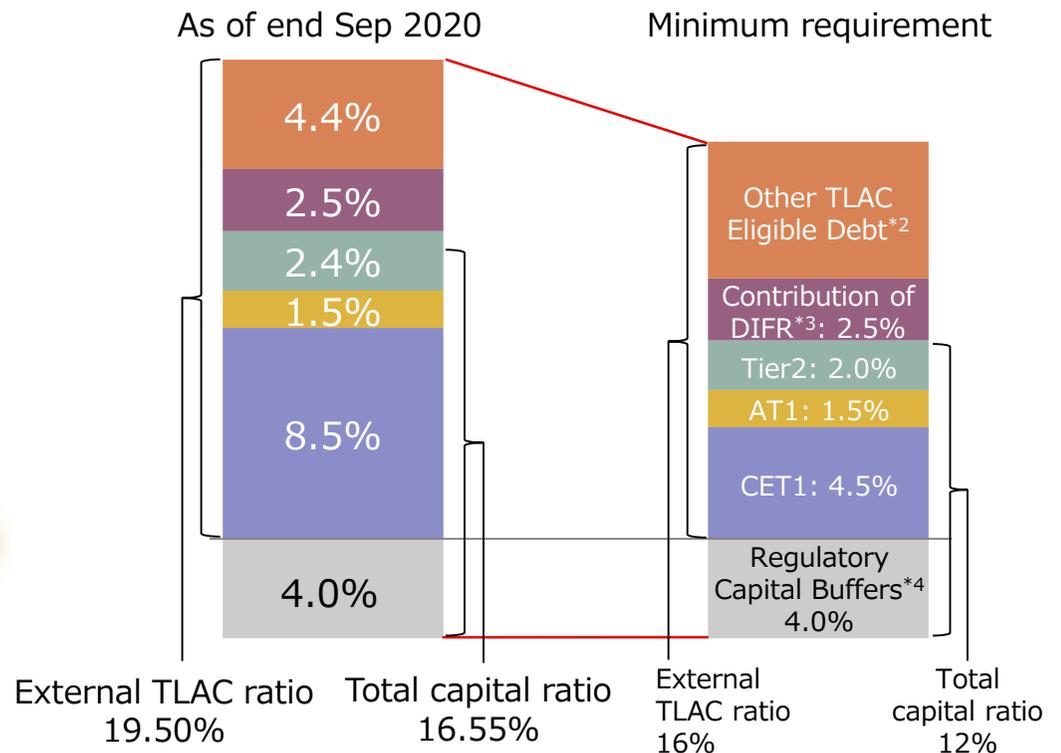
- Aiming for optimal balance between capital efficiency and capital adequacy in qualitative and quantitative aspects
 - Secure necessary and sufficient level of capital with utilization of AT1 / Tier2
 - Maintain sustainable external TLAC ratio for the long term by raising external TLAC eligible senior debt

MUFG's external TLAC ratio and minimum requirement

	As of end Sep 20	Minimum requirement	
		From end Mar 19	From end Mar 22
Risk weighted asset basis	19.50%	16.0%	18.0%
Total exposure basis	9.29%	6.0%	6.75%

MUFG is the primary funding entity, which is designated as the resolution entity in Japan by FSA

MUFG's RWA^{*1} based external TLAC ratio



*1 Risk weighted asset

*2 Including adjustment of difference between calculation method of total capital ratio and external TLAC ratio and adjustment of amount of other TLAC-eligible liabilities owned by the issuer's group, etc.

*3 Contribution of Deposit Insurance Fund Reserves : Japanese Deposit Insurance Fund Reserves fulfill the requirements for ex-ante commitments to recapitalize a G-SIB in resolution set out in the FSB's TLAC termsheet

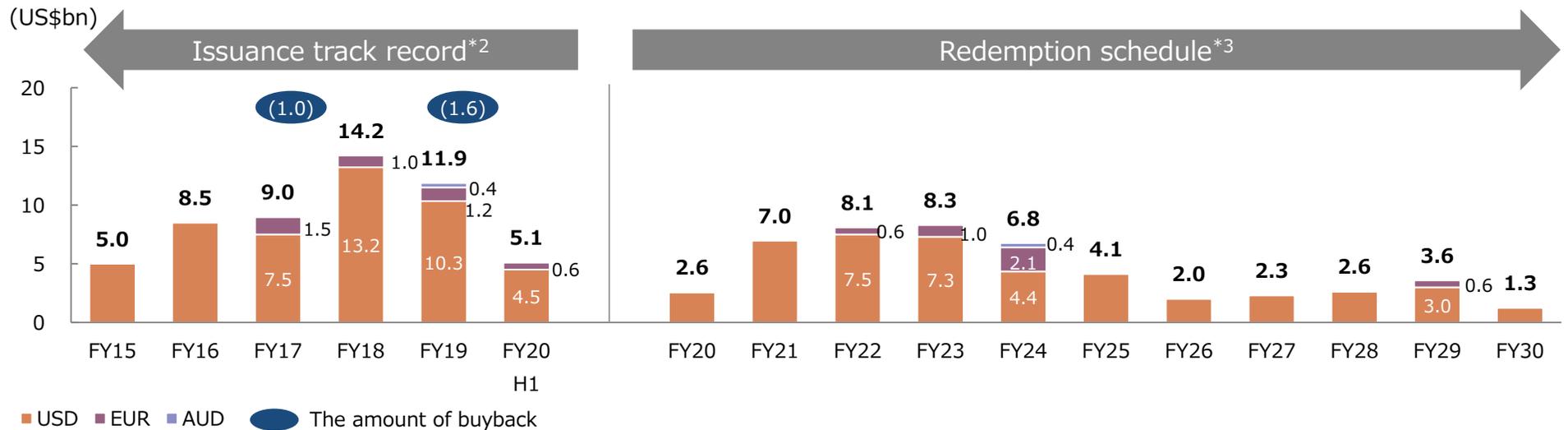
(Can include 2.5% and 3.5% of RWAs from end Mar 2019 to Mar 2022 and after end Mar 2022, respectively, in external TLAC ratio)

*4 CET1 Buffer applicable to MUFG: G-SIB Surcharge:1.5%, Capital Conservation Buffer:2.5%, and Counter-cyclical Buffer:0%

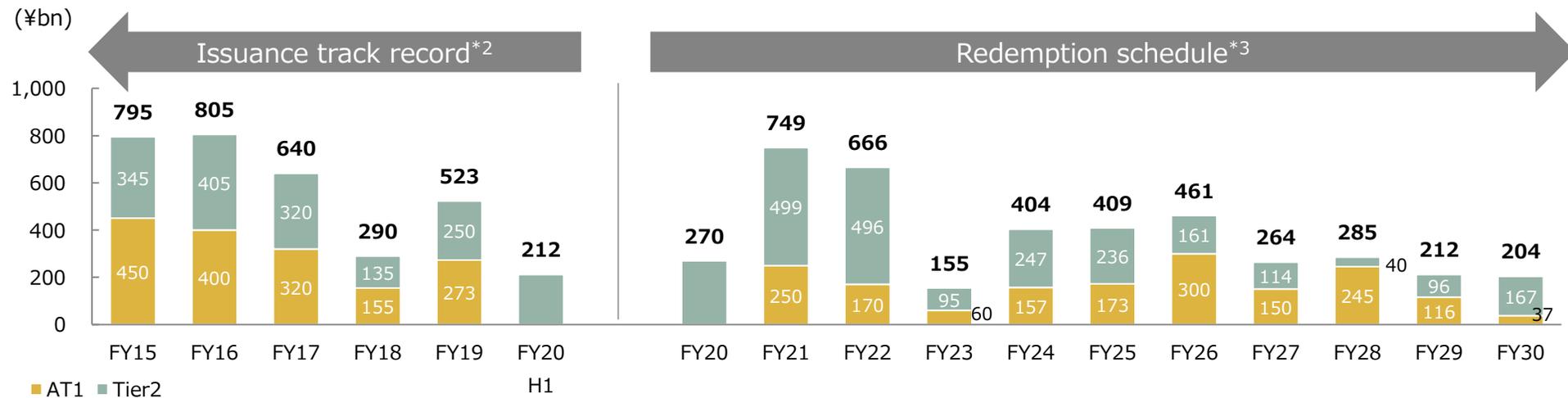
TLAC requirement

- Issuance track record & redemption schedule

TLAC-eligible senior debt*1



AT1, Tier2 bond



*1 All figures are converted into US\$ using actual exchange rates as of end Sep 2020

*2 Total of public issuance (excluding the amount of buyback), as of end Sep 2020

*3 Annual figures assuming that all callable notes are to be redeemed on their respective first callable dates. Tier2 contains Basel II Tier2 sub notes issued by the Bank and the Trust Bank (including their respective overseas special purpose companies)