Basel III Disclosure

FISCAL 2014

Mitsubishi UFJ Financial Group

MUFG

CONTENTS

MUFG

Group Business Management

Business Management Framework

MUFG has adopted a group organizational structure that features cross-integration along functional lines to deliver valuable financial products and services for a wide range of customers' needs. MUFG has established business groups across the group companies: Retail Banking, Corporate Banking, Trust Assets, Global, and Global Markets. Under this Business group framework, we develop and promote group-wide business initiatives along with a unified strategy and providing seamless services in a timely manner.

Risk-Return Management

In order to improve the group-base risk profile, to earn an appropriate amount of profits, and to allocate managerial resources properly, MUFG compiles an "Economic Capital Allocation Plan" in which to allocate economic capital, matches to the sum of various type of risk exposures calculated by internal risk measurement model, to each business group, each subsidiary, and each risk category.

In addition, in order to comply with the Basel III regulatory capital regulations, MUFG introduces "Risk-Weighted-Asset (RWA) plan," and controls risk takings by each segment.

MUFG has also introduced business management indicators (ROEC*, RORA*, etc.) to assess and manage profitability against risk takings, aiming to heighten capital efficiency on the group basis. (Risk-Return management)

Glossary of terms:

- **ROEC (Return on Economic Capital)**
  A ratio calculated by dividing the net income of each business group by its amount of allocated capital. MUFG uses ROEC to pursue efficient use of allocated capital distributed to respective business groups.
- **RORA (Return on Risk Asset)**
  A ratio calculated by dividing the net income of each segment by its amount of risk-weighted-assets. MUFG uses RORA to pursue profitability and efficiency that are commensurate with risk assets.

Net Operating Profit/Risk-Weighted Assets by Business Group

Billions of yen

	Retail banking	Corporate banking	Global	Trust assets	Global markets	MUFG consolidated total
Net operating profit(Note 1)	347.1	517.1	442.4	70.1	418.1	1,675.4
Change from fiscal 2013	12.7	31.6	66.5	5.1	31.4	212.4
Risk-weighted assets(Note 2)	11,120.0	31,239.4	37,014.5	1,304.2	12,934.5	112,315.2
Change from March 31, 2014	(325.0)	631.5	6,490.1	327.8	1,698.0	12,561.2
Credit risk	9,457.8	30,144.9	35,178.7	722.6	9,101.8	98,292.2
Change from March 31, 2014	(430.1)	593.3	6,292.4	250.0	943.8	10,290.9
Market risk	17.0	64.2	51.0	155.0	3,283.8	2,511.7
Change from March 31, 2014	(2.2)	(30.0)	19.1	17.1	666.6	170.8
Operational risk	1,645.1	1,030.2	1,784.7	426.4	548.8	6,644.6
Change from March 31, 2014	107.3	68.2	178.5	60.6	87.4	582.4

Note:
1. Managerial figures based on settlement rates. The consolidated balance for MUFG includes figures from head office and others.
2. Breakdown of risk-weighted assets by business group are managerial figures that are allocated by dividing financial-based risk-weighted assets.

Overview of Internal Capital Adequacy Assessment Process

The holding company regularly assesses its internal capital adequacy from two perspectives: regulatory capital, based on capital adequacy regulations (Basel III), and its own economic capital, based on internal risk assessment.

In assessing internal capital adequacy based on regulatory capital, the holding company confirms that it is maintaining sufficient capital both at the current time and in terms of what will be required in the future, calculating the Common Equity Tier 1 ratio, the Tier 1 ratio, and the total capital ratio using capital and risk-adjusted assets as stipulated in the capital adequacy regulations. At the same time, the holding company confirms that it is maintaining appropriate capital relative to risk using the benchmark of a "Common Equity Tier 1 ratio of at least 9.5%," which has been designated from the perspective of risk management and is included as a target in the Group's medium-term business plan.

Internal capital adequacy assessment based on economic capital is carried out within the framework of the capital allocation system, which allocates capital to credit risk, strategic equity portfolio risk, market risk, and operational risk.

Credit concentration risk and interest rate risk in the banking book, as stipulated by the Second Pillar of Basel, are included in these risks. The method of calculating each risk under the capital allocation system uses the basic assumptions of a confidence level of 99.9% and a holding period of one year to enhance consistency with Basel III. The capital allocation plan is formulated after assessing internal capital adequacy by comparing the total risk amount, taking into account the effect of risk diversification, with total capital (Tier 1 capital + Tier 2 capital). Thereafter, internal capital adequacy is monitored on an ongoing basis by regularly checking the use of allocated capital versus the plan and the amount of allocated capital versus total capital.

Both the regulatory capital plan and the economic capital plan are stress-tested and are prepared based on a detailed analysis of the impact on capital and risk as well as an assessment of internal capital adequacy.

The same framework for the assessment of internal capital adequacy used at the holding company is applied at the Group's two main banks: The Bank of Tokyo-Mitsubishi UFJ, Ltd., and Mitsubishi UFJ Trust and Banking Corporation.

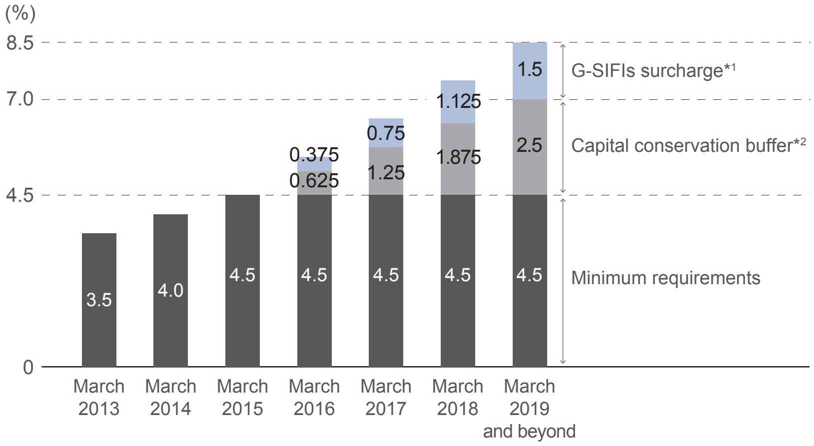
Required Regulatory Capital Adequacy Levels

(%)

	March 2013	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019 and beyond
Common Equity Tier 1 ratio	3.5	4.0	4.5	5.5	6.5	7.5	8.5
Tier 1 ratio	4.5	5.5	6.0	7.0	8.0	9.0	10.0
Total capital ratio	8.0	8.0	8.0	9.0	10.0	11.0	12.0

Note: Based on G-SIBs surcharge of 1.5%.

Common Equity Tier 1 Ratio Requirements



*1 **G-SIFIs surcharge**
This surcharge is an additional capital adequacy requirement placed on financial institutions designated as global systemically important financial institutions. The designation of covered financial institutions and the surcharge rates are updated annually. The 1.5% shown in the accompanying chart is the surcharge rate announced in 2014 that is expected to be required of MUFG.

*2 **Capital conservation buffer**
This buffer seeks to maintain capital that can be drawn upon during times of stress, and banks are required to hold this buffer to avoid falling below minimum regulatory capital levels. The required buffer is 2.5% of risk-weighted assets on a Common Equity Tier 1 capital basis. In the event the levels shown in the chart cannot be maintained, certain restrictions would be imposed on measures associated with the distribution of capital, such as the payment of dividends or the repurchase of shares.

Overview of Stress Testing Process

(1) Development of Stress Testing Scenarios

Develop several scenarios taking into account such factors as our risk profile and underlying macroeconomic environment.

- A worst-in-a-decade scenario and worst-in-a-quarter-century scenarios are developed in principle and some additional scenarios are developed where necessary.

Prepare macroeconomic variables for the testing horizon under each scenario.

- Macroeconomic variables include GDP, TOPIX, JGB yield, dollar-yen exchange rate, euro-yen exchange rate, unemployment rate, CPI, and others.

(2) Review and Approval Process of the Scenarios

Scenarios developed under process (1) are reviewed by our internal committee and ultimately approved by our Group Chief Risk Officer.

(3) Estimation of Financial Impact

Estimate stress impacts on major assets and income based on the scenarios approved in process (2).

- Major items estimated include credit cost, losses on write-down on equity securities, net gains/losses on equity securities, net interest income, risk-weighted assets, and others.

(4) Assessment of Capital Adequacy

Assess capital adequacy of both regulatory and economic capital, calculating the following ratios/amounts based on the stress impacts estimated in process (3).

- Regulatory Capital: Common Equity Tier 1 ratio, Tier 1 ratio, and total capital ratio

- Economic Capital: Capital margin (difference between total capital and total risk amount)

Stress testing results are reviewed by the Corporate Risk Management Committee.

Risk Management

Since the financial crisis in 2008, financial groups such as us have been expected to ensure increasingly more sophisticated and comprehensive risk management. Risk management plays an increasingly important role in our operations as a financial group operating globally through various subsidiaries.

We identify various risks arising from businesses based on uniform criteria, and implement integrated risk management to ensure a stronger financial condition and to maximize shareholder value. Based on this approach, we identify, measure, control and monitor a wide variety of risks so as to achieve a stable balance between earnings and risks. We undertake risk management to create an appropriate capital structure and to achieve optimal allocation of resources.

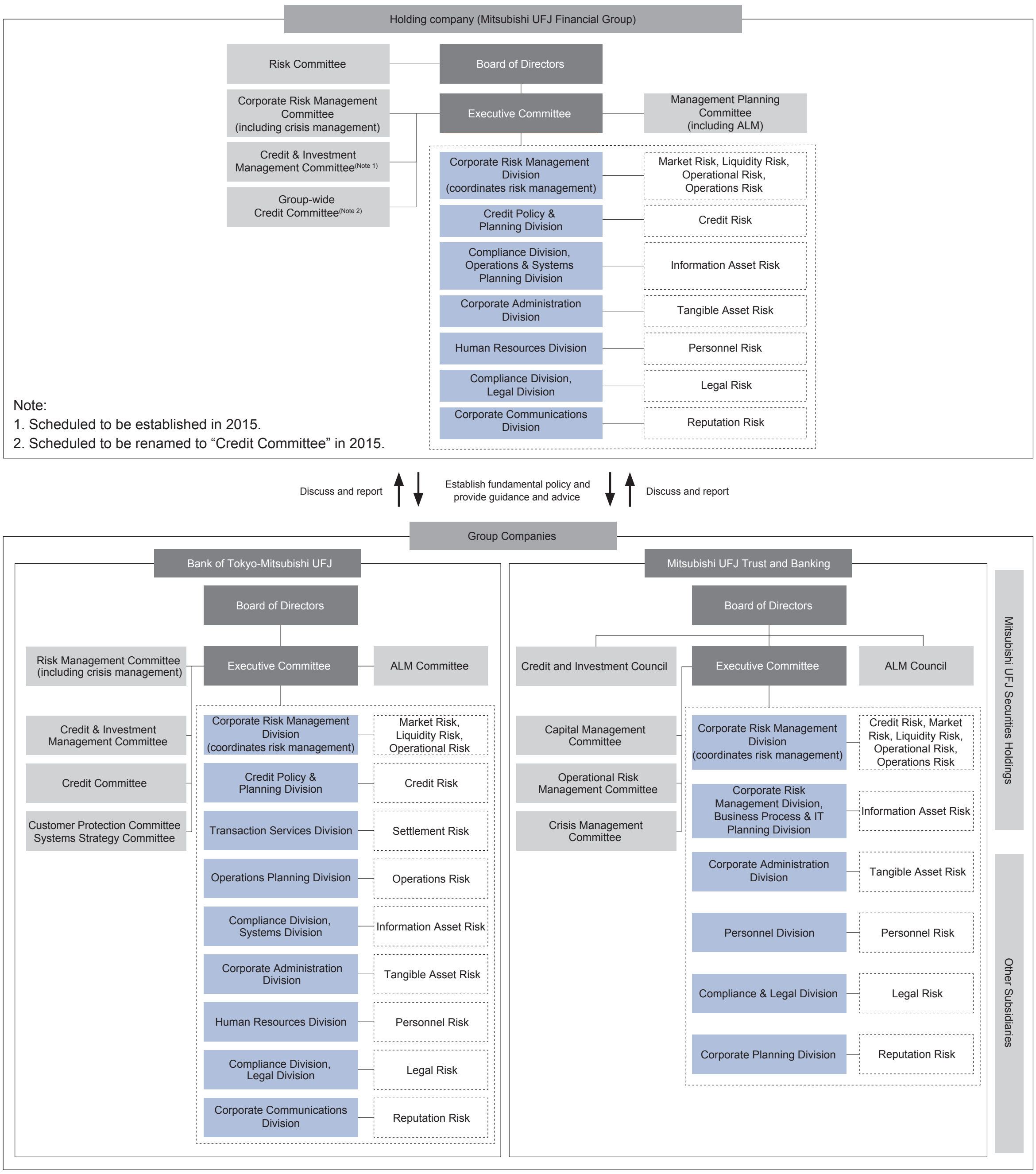
Risk Classification

At the holding company level, we broadly classify and define risk categories faced by the Group including those that are summarized below. Group companies perform more detailed risk management based on their respective operations.

Type of Risk	Definition
Credit Risk	The risk of financial loss in credit assets (including off-balance sheet instruments) caused by deterioration in the credit conditions of counterparties. This category includes country risk.
Market Risk	Market risk is the risk of financial loss where the value of our assets and liabilities could be adversely affected by changes in market variables such as interest rates, securities prices and foreign exchange rates. Market liquidity risk is the risk of financial loss caused by the inability to secure market transactions at the required volume or price levels as a result of market turbulence or lack of trading liquidity.
Liquidity Risk	The risk of incurring loss if a poor financial position at a group company hampers the ability to meet funding requirements or necessitates fund procurement at interest rates markedly higher than normal.
Operational Risk	The risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.
Operations Risk	The risk of incurring loss that might be caused by negligence of correct operational processing, or by incidents or misconduct by either officers or staff, as well as other similar risks.
Information Asset Risk	The risk of loss caused by loss, alteration, falsification or leakage of information, or by destruction, disruption, errors or misuse of information systems, as well as other similar risks.
Tangible Asset Risk	The risk of loss due to damage to tangible assets or deterioration in the operational environment caused by disasters or inadequate asset maintenance, as well as risks similar to this risk.
Personnel Risk	The risk of loss due to an outflow or loss of human resources or deterioration in employee morale, as well as risks similar to this risk.
Legal Risk	The risk of loss due to failure to comply with applicable laws and regulations, adequately evaluate contractual rights and obligations, or appropriately deal with disputes, as well as other similar risks.
Reputation Risk	The risk of loss due to deterioration in reputation as a consequence of the spread of rumors among customers or in the market, or as a consequence of inadequate response to a particular circumstance by MUFG, as well as other similar risks.

Risk Management System

We have adopted an integrated risk management system to promote close cooperation among the holding company and group companies. The holding company and the major subsidiaries (which include BTMU, MUTB and MUSHD) each appoint a chief risk officer and establish an independent risk management division. The board of directors of the holding company determines risk management policies for various type of risk based on the discussions at, and reports and recommendations from, committees established specially for risk management purposes. The holding company has established committees to assist management in managing risks relevant to the Group. Following the fundamental risk management policies determined by the board of directors, each group company establishes its own systems and procedures for identifying, analyzing and managing various types of risks from both quantitative and qualitative perspectives. The holding company seeks to enhance group wide risk identification, to integrate and improve the Group's risk management system and related methods, to maintain asset quality, and to eliminate concentrations of specific risks.



TOP RISK

MUFG and its major subsidiaries control risk by taking a preventative approach of identifying the top risks establishing the necessary countermeasures in advance. If risks do materialize, the situation is managed so as to enable a flexible response. Moreover, senior management discusses top risk to share risk awareness and develop effective countermeasures.

Major Top Risks

Risks	Risk Scenarios(Note) (examples)
Risk of Increase in Long-term Interest Rates	• Overcoming deflation will prompt the market to have an expectation where quantitative and qualitative easing (QQE) would come to an end, leading to a rapid increase in long-term interest rates in a short period of time. • The declining confidence in Japan's fiscal management and government bonds may cause a rapid increase in long-term interest rates.
Risk of Decline in Equity Prices	• A sudden decline in stock prices may be caused by additional efforts among global market participants to reduce their risk assets, by a global recession, or by a deterioration of corporate earnings. • A sudden decline in stock prices may be caused by increasing concerns over the deterioration of domestic listed companies' earnings due to the factors such as lowered expectations relating to the Japanese governmental economic stimulus package (often referred to as Abenomics).
Risk Associated with Money Laundering or Illegal Transactions	• Regulatory issues, such as the infringement of anti-money laundering regulations or illegal transactions could lead to legal actions, such as business suspension or civil fines, and reputational damage.
Risk of Loss or Reputational Damage Caused by Information Loss, Leaks or Cyber-Attacks	• Customer information may be leaked due to inadequate information controls or cyber-attacks. • An inadequate response to information security breaches.

Note:
The risk scenarios outlined in the above table are some of the risk scenarios discussed at the Corporate Risk Management Committee meeting and reported to Board of Directors in March 2015. Some of the scenarios are general ones and may not be unique to MUFG.

Concept of Top Risks

- Risks are defined as the losses that the Company would incur as a result of each risk scenario materializing. The materiality of a risk is determined based on the impact and probability of risk occurrence (external and internal factors).
- Risks that MUFG believes require priority attention over the next one year period are defined as top risks (including risk events having the potential to have a relatively high probability of occurrence. Moreover, including risks that are not only limited to the quantifiable ones, but those that could materially affect MUFG's business in the future because of possible adverse effects on MUFG's strategies or reputation).
- The Company creates a risk map to comprehensively grasp specified top risks, and makes use of it for preventative risk management.

Note:
The table shown above only describes some of the risks that MUFG believes are material. Please note that other risks not identified in the above table could materially affect MUFG's operating results. Please refer to other disclosure materials such as Securities Report, Quarterly Securities Report, Form 20-F, and Form 6-K for more details on MUFG's and its subsidiaries' risk information.

Crisis Management Framework

In order to have a clear critical response rationale and associated decision-making criteria, we have developed systems designed to ensure that our operations are not interrupted or can be restored to normal quickly in the event of a natural disaster or system failure so as to minimize any disruption to customers and markets. A crisis management team within the holding company is the central coordinating body in the event of any emergency. Based on information collected from crisis management personnel at the major subsidiaries, this central body would assess the overall impact of a crisis on the Group's business and establish task forces that could implement all countermeasures to restore full operations. We have business continuity plans to maintain continuous operational viability in the event of natural disasters, system failures and other types of emergencies. Regular training drills are conducted to upgrade the practical effectiveness of these systems.

Recognizing that our operations, particularly in Japan, are subject to the risk of earthquakes and other natural disasters as well as accidents resulting from such disasters, including a sudden massive blackout in major metropolitan areas in Japan, and that our contingency plans may not address all eventualities that may occur in the event of a material disruption to our operations, we have been conducting a comprehensive review of our existing business continuity plan to more effectively respond to such extreme scenarios, and continue to contemplate and implement measures to augment our current business continuity management framework, including enhancing our off-site back-up data storage and other information technology systems.

IMPLEMENTATION OF BASEL STANDARDS

Basel II, as adopted by the FSA, has been applied to Japanese banks since March 31, 2007. Certain provisions of Basel III were adopted by the FSA effective March 31, 2013 for Japanese banking institutions with international operations conducted by their foreign offices. Basel III is based on Basel II's comprehensive regulatory framework which is built on "three pillars": (1) minimum capital requirements, (2) the self-regulation of financial institutions based on supervisory review process, and (3) market discipline through the disclosure of information. Based on the Basel principles, MUFG has adopted the Advanced Internal Ratings-Based Approach to calculate its capital requirements for credit risk since March 31, 2009. The Standardized Approach is used for some subsidiaries that are considered to be immaterial to our overall capital requirements, and MUFG Americas Holding Corporation, or MUAH, has adopted a phased rollout of the Internal Ratings-Based Approach. MUFG has adopted the Advanced Measurement Approach since March 31, 2012 to calculate its capital requirements for operational risk, except that we use the Basic Indicator Approach for entities that are deemed to be less important in the calculation of the operational risk equivalent amount and for entities that are still preparing to implement the Advanced Measurement Approach. As for market risk, MUFG has adopted the Internal Models Approach mainly to calculate general market risk and adopted the Standardized Measurement Method to calculate specific risk.

In response to the recent financial crisis, the Group of Central Bank Governors and Heads of Supervision has made a series of announcements regarding the new global regulatory framework, which has been referred to as "Basel III," to strengthen the regulation, supervision and risk management of the banking sector. Various Basel III measures are being phased in from the calendar year 2013, including those designed to raise the level of minimum capital requirements and to establish an internationally harmonized leverage ratio and a global minimum liquidity standard. In addition, the Basel Committee on Banking Supervision has proposed additional loss absorbency requirements to supplement the Common Equity Tier 1 capital requirement ranging from 1% to 3.5% for G-SIBs, depending on the bank's systemic importance. The Financial Stability Board identified us as a G-SIB in its most recent annual report published in November 2013, and indicated that, as a G-SIB, we would be required to hold an additional 1.5% of Common Equity Tier 1 capital. The group of banks identified as G-SIBs is expected to be updated annually, and the group of G-SIBs identified in November 2014 is the first group of G-SIBs to which the stricter capital requirements will initially be applied. The stricter capital requirements are expected to be implemented in phases between January 1, 2016 and December 31, 2018 and will become fully effective on January 1, 2019.

Based on the Basel III framework, the Japanese capital ratio framework has been revised to implement the more stringent requirements, which are being implemented in phases beginning on March 31, 2013. Likewise, local banking regulators outside of Japan, such as those in the United States, have begun, or are expected, to revise the capital and liquidity requirements imposed on our subsidiaries and operations in those countries to implement the more stringent requirements of Basel III as adopted in those countries. We intend to carefully monitor further developments with an aim to enhance our corporate value and maximize shareholder value by integrating the various strengths within the MUFG Group.

CREDIT RISK MANAGEMENT

Credit risk is the risk of losses due to deterioration in the financial condition of a borrower. We have established risk management systems to maintain asset quality, manage credit risk exposure and achieve earnings commensurate with risk.

Our major banking subsidiaries (which include BTMU and MUTB) apply a uniform credit rating system for asset evaluation and assessment, loan pricing, and quantitative measurement of credit risk. This system also underpins the calculation of capital requirements and management of credit portfolios. We continually seek to upgrade credit portfolio management, or CPM, expertise to achieve an improved risk-adjusted return based on the Group's credit portfolio status and flexible response capability to economic and other external changes.

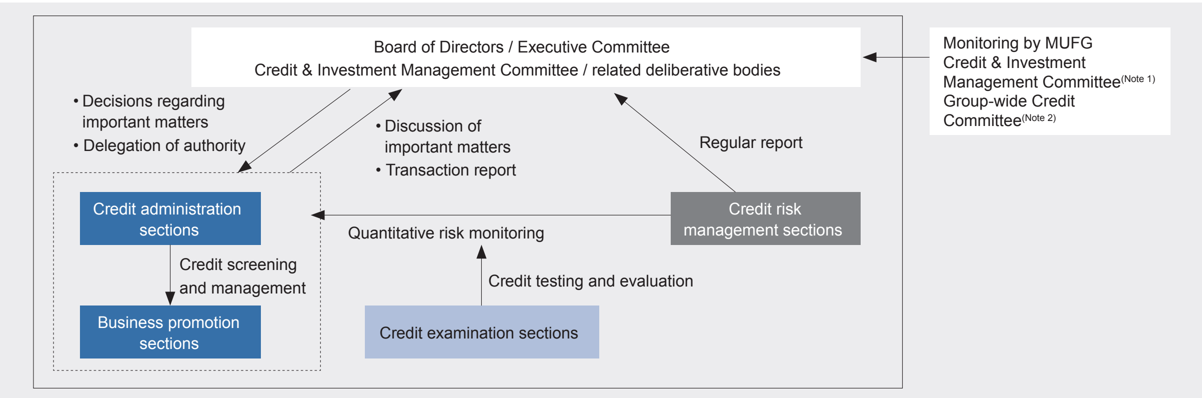
Credit Risk Management System

The credit portfolios of our major banking subsidiaries are monitored and assessed on a regular basis by the holding company to maintain and improve asset quality. A uniform credit rating and asset evaluation and assessment system is used to ensure timely and proper evaluation of all credit risks.

Under our credit risk management system, each of our subsidiaries in the banking, securities, consumer finance, and leasing businesses, manages its respective credit risk on a consolidated basis based on the attributes of the risk, while the holding company oversees and manages credit risk on an overall group-wide basis. The holding company also convenes regular committee meetings to monitor credit risk management at banking subsidiaries and to issue guidance where necessary.

Each major banking subsidiary has in place a system of checks and balances in which a credit administration section that is independent of the business promotion sections screens individual transactions and manages the extension of credit. At the management level, regular meetings of the Credit & Investment Management Committee and related deliberative bodies ensure full discussion of important matters related to credit risk management. Besides such checks and balances and internal oversight systems, credit examination sections also undertake credit testing and evaluation to ensure appropriate credit risk management.

Credit Risk Management Framework of the Major Banking Subsidiaries



Note:
1. Scheduled to be established in 2015.
2. Scheduled to be renamed to “Credit Committee” in 2015.

Credit Rating System

MUFG and its major banking subsidiaries use an integrated credit rating system to evaluate credit risk. The credit rating system consists primarily of borrower rating, facility risk rating, structured finance rating and asset securitization rating.

Country risk is also rated on a uniform group-wide basis. Our country risk rating is reviewed periodically to take into account relevant political and economic factors, including foreign currency availability.

Risk exposure for small retail loans, such as residential mortgage loans, is managed by grouping loans into various pools and assigning ratings at the pool level.

Borrower rating

Our borrower rating classifies borrowers into 15 grades based on evaluations of their expected debt-service capability over the next three to five years.

Facility risk rating

Facility risk rating is used to evaluate and classify the quality of individual credit facilities, including guarantees and collateral. Ratings are assigned by quantitatively measuring the estimated loss rate of a facility in the event of a default.

Structured finance rating and asset securitization rating

Structured finance rating and asset securitization rating are used to evaluate and classify the quality of individual credit facilities, including guarantees and collateral, and focus on the structure, including the applicable credit period, of each credit facility. In evaluating the debt service potential of a credit facility, we scrutinize its underlying structure to determine the likelihood of the planned future cash flows being achieved.

Pool assignment

Each major banking subsidiary has its own system for pooling and rating small retail loans designed to reflect the risk profile of its loan portfolios.

Asset evaluation and assessment system

The asset evaluation and assessment system is used to classify assets held by us according to the probability of collection and the risk of any impairment in value based on borrower classifications consistent with the borrower ratings and the status of collateral, guarantees, and other factors.

The system is used to conduct write-offs and allocate allowances against credit risk in a timely and adequate manner.

Quantitative Analysis of Credit Risk

MUFG and its major banking subsidiaries manage credit risk by monitoring credit amount and expected losses, and run simulations based on internal models to estimate the maximum amount of credit risk. These models are used for internal management purposes, including loan pricing and measuring economic capital.

When quantifying credit risk amounts using the internal models, MUFG and its major banking subsidiaries consider various parameters, including probability of default, or PD, loss given default, or LGD, and exposure at default, or EAD, used in their borrower ratings, facility risk ratings and pool assignments as well as any credit concentration risk in particular borrower groups or industry sectors. MUFG and its major banking subsidiaries also share credit portfolio data in appropriate cases.

Definition of MUFG Borrower Rating

MUFG Borrower Rating	MUFG Borrower Rating Definition	Borrower Category	NPL Classifications under FRL
1	The capacity to meet financial commitments is extremely certain, and the borrower has the highest level of creditworthiness.	Normal	Normal claims
2	The capacity to meet financial commitments is highly certain, but there are some elements that may result in lower creditworthiness in the future.		
3	The capacity to meet financial commitments is sufficiently certain, but there is the possibility that creditworthiness may fall in the long run.		
4	There are no problems concerning the capacity to meet financial commitments, but there is the possibility that creditworthiness may fall in the long run.		
5	There are no problems concerning the capacity to meet financial commitments, and creditworthiness is in the middle range.		
6	There are no problems concerning the capacity to meet financial commitments presently, but there are elements that require attention if the situation changes.		
7	There are no problems concerning the capacity to meet financial commitments presently, but long-term stability is poor.		
8	There are no problems concerning the capacity to meet financial commitments presently, but long-term stability is poor, and creditworthiness is relatively low.		
9	The capacity to meet financial commitments is somewhat poor, and creditworthiness is the lowest among "Normal" customers.		
10 through 12	Borrowers who must be closely monitored because of the following business performance and financial conditions: (1) Borrowers who have problematic business performance, such as virtually delinquent principal repayment or interest payment; (2) Borrowers whose business performance is unsteady, or who have unfavorable financial conditions; (3) Borrowers who have problems with loan conditions, for whom interest rates have been reduced or shelved.	Close watch	
10	Although business problems are not serious or their improvement is seen to be remarkable, there are elements of potential concern with respect to the borrower's management, and close monitoring is required.		
11	Business problems are serious, or require long-term solutions. Serious elements concerning business administration of the borrower have emerged, and subsequent debt repayment needs to be monitored closely.		
12	Borrowers who fall under the criteria of Rating 10 or 11 and have a loan concession granted. Borrowers who have "Loans contractually past due 90 days or more." (As a rule, delinquent borrowers are categorized as "Likely to Become Bankrupt," but the definition here applies to borrowers delinquent for 90 days or more because of inheritance and other special reasons.)		Claims under close observation
13	Borrowers who pose a serious risk with respect to debt repayment, loss is likely to occur in the course of transactions. While still not bankrupt, these borrowers are in financial difficulty, with poor progress in achieving restructuring plans, and are likely to become bankrupt in the future.	Likely to become bankrupt	Doubtful claims
14	While not legally bankrupt, borrowers who are considered to be virtually bankrupt because they are in serious financial difficulty and have no prospects for an improvement in their business operations.	Virtually bankrupt	Claims over bankrupt or virtually bankrupt borrowers
15	Borrowers who are legally bankrupt (i.e., who have no prospects for continued business operations because of non-payment, suspension of business, voluntary liquidation, or filing for legal liquidation).	Bankrupt	

Glossary of terms:

- **PD (Probability of Default)**
  The estimated default rate or the probability that the borrower will default. The definition of default is nonperformance in payments of interest or principal in the narrow sense; however, in quantifying credit risk, a wider definition of default is used.
- **LGD (Loss Given Default)**
  The percentage loss at time of default, or in other words, the estimated percentage of loss on loan when a borrower defaults due to bankruptcy or other reasons.
- **EAD (Exposure at Default)**
  The amount expressed in relevant currency of exposure to loss at time of default, or in other words, the estimated amount of exposure to loss on loan when a borrower defaults due to bankruptcy or other reasons.

Loan Portfolio Management

We aim to achieve and maintain levels of earnings commensurate with credit risk exposure. Products are priced to take into account expected losses, based on the internal credit ratings.

We assess and monitor loan amounts and credit exposure by credit rating, industry and region. Portfolios are managed to limit concentrations of risk in specific categories in accordance with our Large Credit Guidelines.

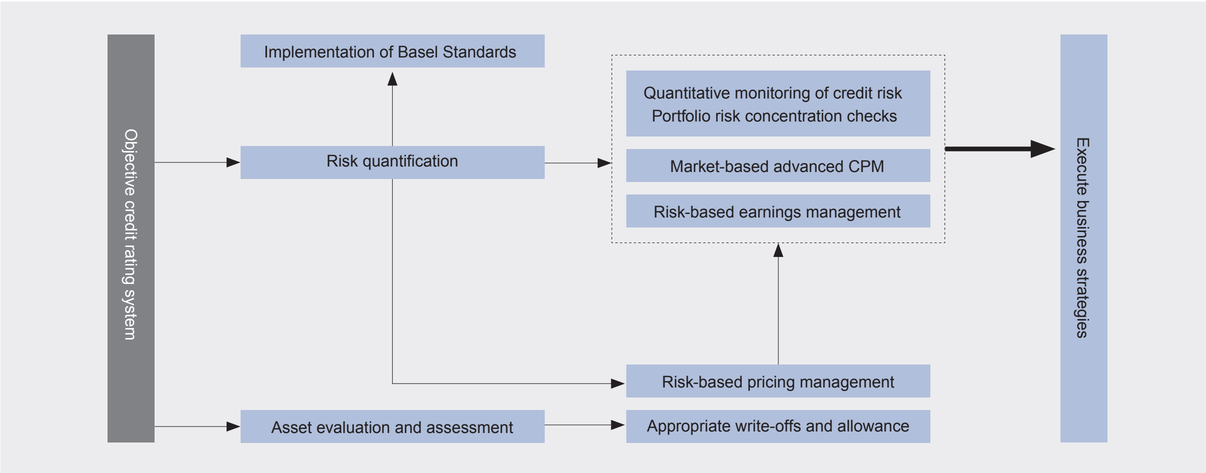
To manage country risk, we have established specific credit ceilings by country. These ceilings are reviewed when there is a material change in a country's credit standing, in addition to being subject to a regular periodic review.

Continuous CPM Improvement

With the prevalence of securitized products and credit derivatives in global markets, we seek to supplement conventional CPM techniques with advanced methods based on the use of such market-based instruments.

Through credit risk quantification and portfolio management, we aim to improve the risk return profile of the Group's credit portfolio, using financial markets to rebalance credit portfolios in a dynamic and active manner based on an accurate assessment of credit risk.

Credit Portfolio Management (CPM) Framework



Derivatives and Long Settlement Transactions, and Credit Risk Mitigation Techniques (Collateral and guarantees)

While loan exposures are the main portion of the credit portfolio to be managed, a counterparty credit risk arising from derivatives and long settlement transactions (hereafter "derivatives transactions") is also included in the portfolio. In addition, when quantifying credit risk internally, MUFG takes into consideration an effect of credit risk mitigation (CRM) provided by collateral or guarantees.

1. Derivatives

Because counterparty credit risk of derivatives transactions generally can vary over time with the movement of underlying market factors, MUFG calculates exposures to counterparty credit risk by adding increases in future potential exposure to the balance of present exposure. Counterparty credit risk is not just recognized when calculating capital requirements, but significant exposures to counterparty credit risk are also managed in the same manner as loan exposures through allocation of capital for credit risk and setting limits for the purpose of internal risk management.

In addition, the establishment of collateral-based security and reserves for derivative transactions is, in principle, treated in the same manner as for loans.

Among generally used derivatives contracts, there are some contracts that provide for the requirement of additional collateral in the event that the credit capabilities of MUFG should deteriorate, and therefore, are a potential source of increased exposures.

2. Credit Risk Mitigation Techniques (Collateral, guarantees, and credit derivatives)

When quantifying credit risk and calculating capital requirements based on the AIRB Approach, MUFG basically takes into account the CRM effects of collateral, guarantees and credit derivatives using a method based on the amounts recovered in association with default exposures.

When using the Standardized Approach to calculate capital requirements, MUFG takes into consideration the effect of CRM techniques. Among these techniques are eligible financial collateral as typified by deposit collateral in our banks, or guarantees and credit derivatives.

The method for taking into account CRM effects based on the IRB Approach is tied to the internal risk management system. For example, through assessing real estate value accurately, MUFG endeavors to increase the sophistication of its internal risk management systems and use its advanced internal risk management systems in the calculation of capital requirements.

MUFG has a diversity of guarantors, such as local public authorities, credit guarantee corporations, financial institutions, and corporates, but its counterparties in credit derivative transactions are primarily financial institutions. When calculating capital requirements, guarantees and credit derivatives for which CRM effects are taken into account are limited to counterparties to whom MUFG continuously assigns borrower ratings and monitors creditworthiness.

With loans, MUFG mainly uses guarantees by Credit Guarantee Corporations or real estate collateral as CRM techniques. At this point of time, the use of CRM techniques has not led to excessive concentration of credit or market risk.

Other credit risk mitigation techniques

When calculating capital requirements for corporate exposures applicable to the AIRB Approach or exposures applicable to the Standardized Approach, MUFG recognizes the effect of on-balance netting of loans and deposits. For exposures applicable to the AIRB Approach, deposits eligible for the netting process are limited to call money.

For derivatives, such as interest rate swaps and currency options, and repo-style transactions with legally enforceable netting agreements, the CRM effects are taken into account when calculating capital requirements.

In addition, for collateralized derivatives (transactions based on CSA agreements), the CRM effects are also taken into account when calculating capital requirements.

Risk Management of Strategic Equity Portfolio

Strategic equity investment risk is the risk of loss caused by a decline in the prices of our equity investments.

We hold shares of various corporate clients for strategic purposes, in particular to maintain long-term relationships with these clients. These investments have the potential to increase business revenue and appreciate in value. At the same time, we are exposed to the risk of price fluctuation in the Japanese stock market. For that reason, in recent years, it has been a high priority for us to reduce our equity portfolio to limit the risks associated with holding a large equity portfolio, but also to respond to applicable regulatory requirements as well as increasing market expectations and demands for us to reduce our equity portfolio. We are required to comply with a regulatory framework that prohibits Japanese banks from holding an amount of shares in excess of their adjusted Tier 1 capital.

We use quantitative analysis to manage the risks associated with the portfolio of equities held for strategic purposes. According to internal calculations, the market value of our strategically held (Tokyo Stock Exchange listed) stocks (excluding foreign stock exchange-listed stocks) as of March 31, 2015 was subject to a variation of approximately ¥3.73 billion when TOPIX index moves one point in either direction.

We seek to manage and reduce strategic equity portfolio risk based on such types of simulation. The aim is to keep this risk at appropriate levels compared with Tier 1 capital while generating returns commensurate with the degree of risk exposure.

MARKET RISK MANAGEMENT

Market risk is the risk that the value of our assets and liabilities could be adversely affected by changes in market variables such as interest rates, securities prices, or foreign exchange rates.

Management of market risk at MUFG aims to control related risk exposure across the Group while ensuring that earnings are commensurate with levels of risk.

Market Risk Management System

We have adopted an integrated system to manage market risk from our trading and non-trading activities. The holding company monitors group-wide market risk, while each of the major subsidiaries manages its market risks on a consolidated and global basis.

At each of the major subsidiaries, checks and balances are maintained through a system in which back and middle offices operate independently from front offices. In addition, separate Asset-Liability Management, or ALM, Committee, ALM Council and Risk Management Meetings are held at each of the major subsidiaries every month to deliberate important matters related to market risk and control.

The holding company and the major subsidiaries allocate economic capital commensurate with levels of market risk and determined within the scope of their capital bases. The major subsidiaries have established quantitative limits relating to market risk based on their allocated economic capital. In addition, in order to keep losses within predetermined limits, the major subsidiaries have also set limits for the maximum amount of losses arising from market activities.

Market Risk Management System of Our Major Subsidiaries

Market Risk Management and Control

At the holding company and the major subsidiaries, market risk exposure is reported to the Chief Risk Management Officers on a daily basis. At the holding company, the Chief Risk Management Officer monitors market risk exposure across the Group as well as the major subsidiaries' control over their quantitative limits for market risk and losses. Meanwhile, the Chief Risk Management Officers at the major subsidiaries monitor their own market risk exposure and their control over their quantitative limits for market risk and losses. In addition, various analyses on risk profiles, including stress testing, are conducted and reported to the Executive Committees and the Corporate Risk Management Committees on a regular basis. At the business unit levels in the major subsidiaries, the market risks on their marketable assets and liabilities, such as interest rate risk and foreign exchange rate risk, are controlled by entering into various hedging transactions using marketable securities and derivatives.

These market risk management activities are performed in accordance with the predetermined rules and procedures. The internal auditors regularly verify the appropriateness of the management controls over these activities and the risk evaluation models adopted.

Market Risk Measurement Model

Market risks consist of general risks and specific risks. General market risks result from changes in entire markets, while specific risks relate to changes in the prices of individual stocks and bonds which are independent of the overall direction of the market.

To measure market risks, MUFG uses the VaR method which estimates changes in the market value of portfolios within a certain period by statistically analyzing past market data. Since the daily variation in market risk is significantly greater than that in other types of risk, MUFG measures and manages market risk using VaR on a daily basis.

Market risk for trading and non-trading activities is measured using a uniform market risk measurement model. The principal model used for these activities is a historical simulation, or HS, model (holding period, 10 business days; confidence interval, 99%; and observation period, 701 business days). The HS model calculates VaR amounts by estimating the profit and loss on the current portfolio by applying actual fluctuations in market rates and prices over a fixed period in the past. This method is designed to capture certain statistically infrequent movements, such as a fat tail, and accounts for the characteristics of financial instruments with nonlinear behavior. The holding company and banking subsidiaries also use the HS model to calculate as part of the calculation of their Basel III regulatory capital adequacy ratios.

In calculating VaR using the HS method, we have implemented an integrated market risk measurement system throughout the Group. Our major subsidiaries calculate their VaR based on the risk and market data prepared by the information systems of their front offices and other departments. The major subsidiaries provide this risk data to the holding company, which calculates overall VaR, taking into account the diversification effect among all portfolios of the major subsidiaries.

For the purpose of internally evaluating capital adequacy on an economic capital basis in terms of market risk, we use this market risk measurement model to calculate risk amounts based on a holding period of one year and a confidence interval of 99.9%.

Monitoring and managing our sensitivity to interest rate fluctuations is the key to managing market risk in MUFG's non-trading activities. The major banking subsidiaries take the following approach to measuring risks concerning core deposits, loan prepayments and early deposit withdrawals.

To measure interest rate risk relating to deposits without contract-based fixed maturities, the amount of "core deposits" is calculated through a statistical analysis based on deposit balance trend data and the outlook for interest rates on deposits, business decisions, and other factors. The amount of "core deposit" is categorized into various groups of maturity terms of up to ten years to recognize interest rate risk. The calculation assumptions and methods to determine the amount of core deposits and maturity term categorization are regularly reviewed.

Meanwhile, deposits and loans with contract-based maturities are sometimes cancelled or repaid before their maturity dates. To measure interest rate risk for these deposits and loans, we reflect these early termination events mainly by applying early termination rates calculated based on a statistical analysis of historical repayment and cancellation data together with historical market interest rate data.

Summaries of Market Risks (Fiscal Year Ended March 31, 2015)

Trading activities

The aggregate VaR for our total trading activities as of March 31, 2015 was ¥21.86 billion, comprising interest rate risk exposure of ¥17.63 billion, foreign exchange risk exposure of ¥8.80 billion, and equity-related risk exposure of ¥0.99 billion. Compared with the VaR as of March 31, 2014, we experienced an increase in market risk during the fiscal year ended March 31, 2015, primarily due to an increase in foreign exchange risk.

Our average daily VaR for the fiscal year ended March 31, 2015 was ¥20.51 billion. Based on a simple sum of figures across market risk categories, interest rate risk accounted for approximately 71%, foreign exchange risk for approximately 19% and equity-related risk for approximately 8%, of our total trading activity market risks.

Due to the nature of trading operations which involves frequent changes in trading positions, market risk varied substantially during the fiscal year, depending on our trading positions.

VaR for Trading Activities

April 1, 2013–March 31, 2014 — Billions of Yen

	Average	Maximum(Note)	Minimum(Note)	Mar 31, 2014
Overall	20.79	29.50	15.34	18.09
Interest rate	17.33	21.93	14.02	14.98
Yen	8.59	14.07	5.36	6.16
U.S. dollars	6.66	11.12	3.95	5.05
Foreign exchange	6.93	15.30	3.46	3.46
Equities	2.07	7.35	0.79	2.90
Commodities	0.74	1.39	0.31	1.25
Less diversification effect	(6.28)	—	—	(4.50)

April 1, 2014–March 31, 2015 — Billions of Yen

	Average	Maximum(Note)	Minimum(Note)	Mar 31, 2015
Overall	20.51	25.01	16.02	21.86
Interest rate	18.25	23.79	14.74	17.63
Yen	7.65	12.95	4.87	9.50
U.S. dollars	6.39	10.56	4.33	7.41
Foreign exchange	4.91	10.78	1.88	8.80
Equities	2.23	3.75	0.89	0.99
Commodities	0.26	1.27	0.00	0.05
Less diversification effect	(5.14)	—	—	(5.61)

Assumptions for VaR calculations:

Historical simulation method
Holding period: 10 business days
Confidence interval: 99%
Observation period: 701 business days

Note: The maximum and minimum VaR overall and for various risk categories were taken from different days.

Non-trading Activities

The aggregate VaR for our total non-trading activities as of March 31, 2015, excluding market risks related to our strategic equity portfolio and measured using the same standards as trading activities, was ¥412.6 billion. Market risk related to interest rates equaled ¥396.8 billion and equities-related risk equaled ¥158.0 billion.

Based on a simple sum of figures across market risk categories, interest rate risks accounted for approximately 70% of our total non-trading activity market risks. Looking at a breakdown of interest rate related risk by currency, as of March 31, 2015, the yen accounted for approximately 49% while the U.S. dollar accounted for approximately 24%.

Due to reduced position taking, MUFG's aggregate VaR in the fiscal year ended March 31, 2015 decreased in comparison to the fiscal year ended March 31, 2014.

VaR for Non-trading Activities

April 1, 2013–March 31, 2014 — Billions of Yen

	Average	Maximum(Note)	Minimum(Note)	Mar 31, 2014
Interest rate	400.8	459.8	304.2	304.2
Yen	223.8	276.5	183.3	190.4
U.S. dollars	183.8	230.2	135.8	140.8
Euro	109.8	156.1	57.9	60.9
Equities	161.3	202.4	100.6	172.9
Total	410.7	462.1	332.1	332.1

April 1, 2014–March 31, 2015 — Billions of Yen

	Average	Maximum(Note)	Minimum(Note)	Mar 31, 2015
Interest rate	387.0	455.0	305.6	396.8
Yen	239.5	280.1	196.3	264.7
U.S. dollars	121.7	145.8	99.7	132.8
Euro	133.3	173.9	60.9	148.2
Equities	161.3	185.7	125.9	158.0
Total	394.8	452.7	332.4	412.6

Assumptions for VaR calculations:

Historical simulation method
Holding period: 10 business days
Confidence interval: 99%
Observation period: 701 business days

Note: The maximum and minimum VaR overall for each category and in total were taken from different days.
The equities-related risk figures do not include market risk exposure from our strategic equity portfolio.

Outlier Ratio

	March 31, 2014	March 31, 2015
MUFG	6.52%	9.53%
Bank of Tokyo-Mitsubishi UFJ	6.33%	11.09%
Mitsubishi UFJ Trust and Banking	7.02%	8.35%

Assumptions for outlier ratio calculations:

Measurement method: Interest rate sensitivity method

Interest rate shock range: 1st and 99th percentile of observed interest changes using one-year holding period and five-year observation period

Glossary of terms:

- **Outlier ratio**

  An indicator for managing interest rate risk in the banking book, of which most of the products held are not measured at fair value. As part of measuring interest rate risk in the banking book, MUFG and the major banking subsidiaries monitor the "outlier ratio," the ratio of expected losses resulting from an interest rate shock in a certain range to capital. The capital is broadly defined as the sum of Tier 1 + Tier 2 capital. In case an outlier ratio for a bank exceeds 20%, the FSA, as part of its early warning framework, will conduct a preliminary interview with the bank to determine the appropriateness of bank's risk management and its improvement measures, if any. However, an outlier ratio of over 20% does not necessarily mean that a management improvement order is immediately issued by the FSA.

Backtesting

We conduct backtesting in which a VaR is compared with hypothetical profits and losses on a daily basis to verify the accuracy of our VaR measurement model. We also conduct additional backtesting using other methods, including testing VaR against actual realized and unrealized losses and testing VaR by various changing parameters such as confidence intervals and observation periods used in the model.

Please see page 87, "Results of market risk backtesting and explanations of any actual trading losses significantly in excess of VaR."

Stress Testing

We use the HS-VaR model, which calculates potential changes in the market value of our portfolio as a statistically possible amount of losses that could be incurred due to market fluctuations within a certain period (or holding period, of 10 business days) based on historical market volatility for a certain period (or observation period, of 701 business days, or approximately three years). Actual losses may exceed the value at risk obtained by the application of the model in the event, for example, that the market fluctuates to a degree not accounted for in the observation period, or that the correlations among various risk factors, including interest rates and foreign currency exchange rates, deviate from those assumed in the model.

In order to complement these weaknesses of the HS-VaR model and measure potential losses that the model is not designed to capture, we conduct stress testing. For example, we measure on a quarterly basis potential losses that could be incurred in our portfolio by applying various stress scenarios, including the 10-year most extreme movement in each of the risk factors as well as actual past market movement observed beyond the 10 year historical observation period. In addition, the holding company and major subsidiaries conduct stress testing, as appropriate, by applying various stress scenarios, including those which take into account estimates regarding future market volatility, in order to better identify risks and manage our portfolio in a more stable and appropriate manner. Since October 2011, the holding company and major subsidiaries have also been measuring stressed VaR relating to their trading activities based on a one-year observation period with the highest VaR at least in the immediately preceding ten years.

LIQUIDITY RISK MANAGEMENT

Liquidity risk is the risk of incurring losses if a poor financial position hampers the ability to meet funding requirements, or necessitates fund procurement at interest rates markedly higher than normal.

Our major subsidiaries maintain appropriate liquidity in both Japanese yen and foreign currencies by managing their funding sources and mechanisms, such as liquidity gap, liquidity-supplying products such as commitment lines, and buffer assets.

We have established a group-wide system for managing liquidity risk by categorizing the risk in the following three stages: Normal, With-Concern, and Critical. The front offices and risk management offices of the major subsidiaries and the holding company exchange information and data on liquidity risk even at the Normal stage. At higher alert stages, we centralize information about liquidity risk and discuss issues relating to group-wide liquidity control actions among group companies, if necessary. We have also established a system for liaison and consultation on funding in preparation for contingency, such as natural disasters, wars and terrorist attacks. The holding company and the major subsidiaries conduct group-wide contingency preparedness drills on a regular basis to ensure smooth implementation in the event of an emergency.

OPERATIONAL RISK MANAGEMENT

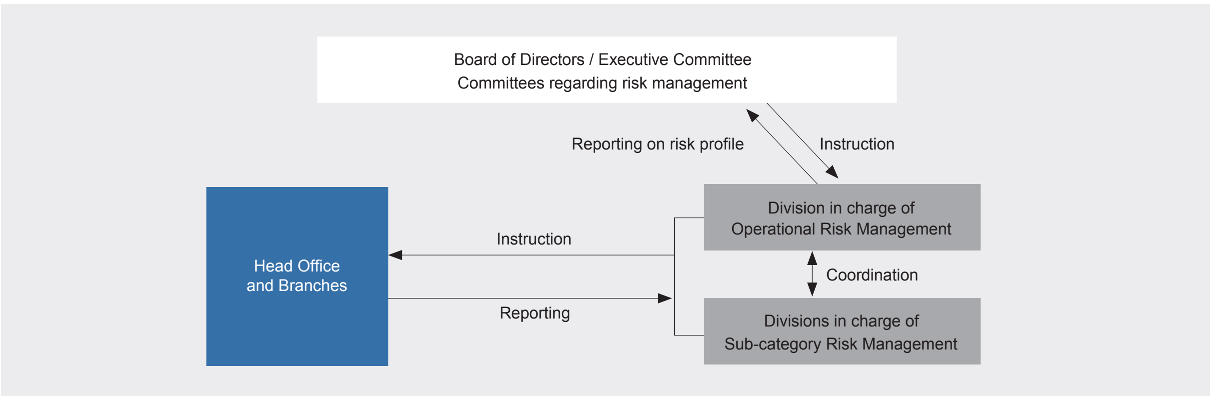
Operational risk refers to the risk of loss caused by either internal control issues such as inadequate operational processes or misconduct, system failures, or external factors such as serious political instability, major terrorist activity, health epidemics or natural disasters. The term includes a broad range of risks that could lead to losses, including operations risk, information asset risk, tangible asset risk, personnel risk, legal risk and reputation risk. These risks that comprise operational risk are referred to as sub-category risks.

The holding company has established, based on its Executive Committee's determination, the MUFG Operational Risk Management Policy as a group-wide policy for managing operational risk. This policy sets forth the core principles regarding operational risk management, including the definition of operational risk, and the risk management system and processes. The policy also requires the board of directors and the Executive Committee to formulate fundamental principles of operational risk management and establish and maintain an appropriate risk management system. The Chief Risk Management Officer is responsible for recognizing, evaluating, and appropriately managing operational risk in accordance with the fundamental principles formulated by the board of directors and the Executive Committee. A division in charge of operational risk management has been established that is independent of business promotion sections to manage overall operational risk in a comprehensive manner. These fundamental principles have also been approved by the boards of directors of the major subsidiaries, providing a consistent framework for operational risk management of the Group.

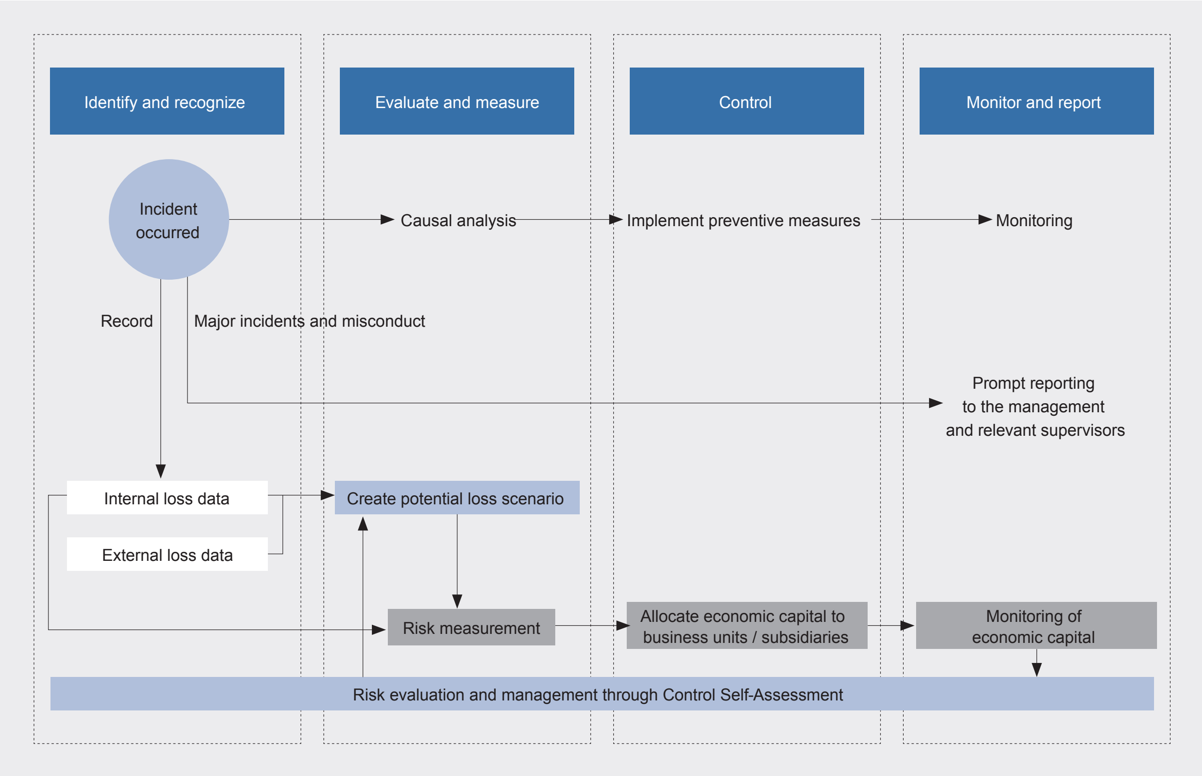
As set forth in the following diagram, we have established a risk management framework for loss data collection, control self assessment, or CSA, and measurement of operational risk in order to appropriately identify, recognize, evaluate, measure, control, monitor and report operational risk.

We have also established group-wide reporting guidelines with respect to loss data collection and its monitoring. We focus our efforts on ensuring accurate assessment of the status of operational risk losses and the implementation of appropriate countermeasures, while maintaining databases of internal and external loss events.

Operational Risk Management System of Our Major Banking Subsidiaries



Operational Risk Management Framework



Operations Risk Management

Operations risk refers to the risk of loss that is attributable to the actions of executives or employees, whether accidental or the result of neglect or deliberate misconduct. The Group companies offer a wide range of financial services, ranging from commercial banking products such as deposits, exchange services and loans to trust and related services covering pensions, securities, real estate and securitization, as well as transfer agent services. Cognizant of the potentially significant impact that operations risk-related events could have in terms of both economic losses and damage to our reputation, our banking subsidiaries continue to improve their management systems to create and apply appropriate operations risk-related controls.

Specific ongoing measures to reduce operations risk include the development of databases to manage, analyze and prevent the recurrence of related loss events; efforts to tighten controls over administrative procedures and related operating authority, while striving to improve human resources management; investments in systems to improve the efficiency of administrative operations; and programs to expand and upgrade internal auditing and operational guidance systems.

Senior management receives regular reports on the status of our businesses from an operations risk management perspective. We work to promote the sharing within the Group of information and expertise concerning any operational incidents and the measures implemented to prevent any recurrence.

Efforts to upgrade the management of operations risk continue with the aim of providing our customers with a variety of high-quality services.

Information Asset Risk Management

Information asset risk refers to the risk of loss caused by loss, alteration, falsification or leakage of information, or by destruction, disruption, errors or misuse of information systems, as well as risks similar to this risk. In order to ensure proper handling of information and prevent loss or leakage of information, our major banking subsidiaries strive to better manage and reduce such risks through the appointment of managers with specific responsibilities for information security issues, the establishment of internal procedures, training courses designed for all staff, and the implementation of measures to ensure stable IT systems control. We have also formulated the Personal Information Protection Policy as the basis for ongoing programs to protect the confidentiality of personal information.

Systems planning, development and operations include appropriate design and extensive testing phases to ensure that systems are designed to help prevent failures while providing sufficient safeguards for the security of personal information. The status of the development of any mission-critical IT systems is reported regularly to senior management. We have developed disaster countermeasures systems and have also been investing in duplication of the Group's IT infrastructure to minimize damage in the event of any system failure. Emergency drills are conducted to help increase staff preparedness.

With the aim of preventing any recurrence, we also work to promote sharing of information within the Group related to the causes of any loss or leakage of information, or system failure.

Tangible Asset Risk Management

Tangible asset risk refers to the risk of loss due to damage to tangible assets or deterioration in the operational environment caused by disasters or inadequate asset maintenance, as well as risks similar to this risk. Tangible assets include movable physical properties and immovable properties, owned or leased, such as land, buildings, equipment attached to buildings, fixtures and furniture. We recognize the potentially significant impact tangible asset risk-related events can have on the management and execution of the Group's businesses, which in turn can result in economic losses to, or diminished market confidence in, the Group. Accordingly, we continue to improve our risk control framework designed to appropriately manage such risk.

Personnel Risk Management

Personnel risk refers to the risk of loss due to an outflow or loss of human resources or deterioration in employee morale, as well as risks similar to this risk. We recognize the potentially significant impact personnel risk-related events can have on the management and execution of the Group's businesses, which in turn can result in economic losses to, or diminished market confidence in, the Group. Accordingly, we continue to improve our risk control framework designed to appropriately manage such risk.

Legal Risk Management

Legal risk refers to the risk of loss due to failure to comply with applicable laws and regulations, adequately evaluate contractual rights and obligations, or appropriately deal with disputes, as well as other similar risks. We recognize the potentially significant impact legal risk-related events can have on the management and execution of the Group's businesses, which in turn can result in economic, reputation and other losses to, or diminished market confidence in, the Group. Accordingly, we continue to improve our risk control framework designed to appropriately manage such risk.

Specifically, in order to promote compliance, we have established our Principles of Ethics and Conduct as the basic legal compliance policy for the Group's directors and employees. In addition, a compliance management division has been established at each of the holding company and the major subsidiaries. Moreover, the legal division at each of the holding company and the major subsidiaries centrally and uniformly evaluates legal issues prior to entering into contracts, deals with disputes and manages other legal matters. Through these and other measures, we endeavor to effectively manage our legal risk.

Reputation Risk Management

Reputation risk refers to the risk of loss due to deterioration in reputation as a consequence of the spread of rumors among customers or in the market, or as a consequence of our inadequate response to particular situations, as well as risks similar to this risk. We recognize the potentially significant impact reputation riskrelated events can have on the management and execution of the Group's businesses, which in turn can result in economic losses to, or diminished market confidence in, the Group. Accordingly, we continue to improve our risk control framework designed to appropriately manage such risk.

Specifically, in order to manage our reputation risk effectively on a group-wide basis, we have established a risk management system designed to ensure mutual consultation and reporting if a reputation risk-related event occurs or is anticipated and, through this system, share relevant information within the Group.

Through the risk control framework and risk management system, we seek to minimize damage to the reputation and credibility of, and the market confidence in, the Group by promptly obtaining an accurate understanding of relevant facts relating to reputation risk-related events and disclosing information concerning the events and the measures we take in response to such events in an appropriate and timely manner.

Regulatory Capital Requirements for Operational Risk

(1) Adoption of the Advanced Measurement Approach (AMA)

We have employed the AMA since March 31, 2012, in place of the Standardized Approach that we had been using previously, for calculation of the operational risk equivalent amount in connection with measuring capital adequacy ratios based on the Basel Standards. On the other hand, we use the Basic Indicator Approach, or BIA, for entities that are deemed to be less important in the calculation of the operational risk equivalent amount and for entities that are still preparing to implement the AMA.

(2) Outline of AMA

We have established a measurement model designed to account for four data elements—internal loss data, external loss data, scenario analysis, and business environment and internal control factors, or BEICFs—and calculate the operational risk equivalent amount by estimating the maximum loss using a 99.9th percentile onetailed confidence interval and a one-year holding period.

In calculating the operational risk equivalent amount, we exclude expected losses relating to the amount of allowance for repayment of excess interest associated with the consumer finance business of a subsidiary. We do not exclude any other expected losses and do not reflect the risk mitigating impact of insurance. In addition, we take into account credit risk-related events that are not reflected in the measurement of the credit risk equivalent amount.

(3) Outline of Measurement Model

Our operational risk equivalent amount measured under the AMA is a simple sum of the amounts calculated separately for BTMU on a consolidated basis, MUTB on a consolidated basis, and the total amount for other Group companies (including the holding company, MUSHD and Mitsubishi UFJ NICOS). For each of BTMU and MUTB on consolidated basis, the operational risk equivalent amount is a simple sum of the amounts calculated based on the seven loss event types defined by the Basel Standards. For other Group companies, the operational risk equivalent amount is a simple sum of the amounts calculated based on eight loss event types consisting of the seven loss event types defined by the Basel Standards and an additional loss event type representing losses relating to repayment of excess interest associated with the consumer finance business of a subsidiary. We do not reflect the correlation effects among the loss event types in the calculation of our operational risk equivalent amount.

The risk equivalent amount for each loss event type represents the amount of maximum loss estimated with a 99.9th percentile one-tailed confidence interval and a one-year holding period based on the distribution of losses arising from all relevant risk events for a one-year period (Loss Distribution). A Loss Distribution combines a Frequency Distribution (through which the frequency of occurrence of risk events is expressed) and a Loss Severity Distribution (through which the amounts of losses resulting from risk events are expressed) through Monte Carlo simulations. The data used for this purpose include internal loss data and scenario data. Scenario data are generated through a scenario analysis. External data and BEICFs are taken into account in the scenario analysis and reflected in scenario data. The Frequency Distribution is derived from the occurrence frequency information in internal loss data and scenario data expressed through a Poisson Distribution. The Loss Severity Distribution is derived from the amount information in internal loss data and scenario data expressed in a non-parametric manner (where no underlying distribution is assumed).

With respect to the risk of losses relating to repayment of excess interest associated with the consumer finance business of a subsidiary, the risk equivalent amount represents the amount of maximum loss estimated with a 99.9th percentile one-tailed confidence interval and a one-year holding period based on a normal distribution assumed by applying data on losses that arose in a given period, excluding any related expected losses.

We confirm the appropriateness of the measurement models by periodic verification and back testing.

(4) Outline of Scenario Analysis

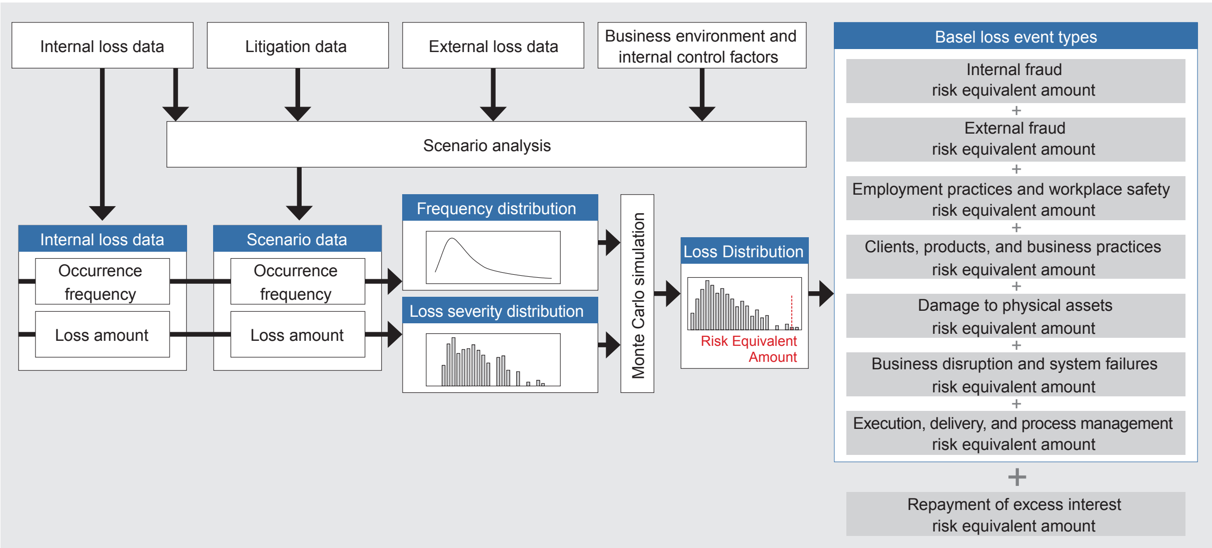
As an initial step of our scenario analysis, we identify potential severe loss events that we have not experienced but may potentially experience in the future. In this identification process, we seek to ensure exhaustive coverage of potential severe loss events by comprehensively examining our experience relating to loss events and legal proceedings, external loss data, the control self-assessment results and other relevant information.

In the next step, we prepare scenario data for each identified severe loss event by quantifying the values depending on its occurrence frequency and loss severity, taking into account relevant transaction amounts and restructuring costs as well as BEICFs. In preparing scenario data, we apply an analysis method we deem appropriate for the type and nature of the operational risk involved.

In order to obtain an operational risk equivalent amount that is commensurate with, and appropriate for, our risk profile, we assess the need for an additional scenario or modification to our existing scenarios semi-annually.

We then reflect, as necessary, new risks arising as a result of changes in the business environment and the results of the implementation of measures to enhance our internal controls in response to newly identified risks in our scenario data.

Outline of Measurement Model



Compliance

Basic Policy

We have clarified our mission, our vision and our values in the Corporate Vision and have expressed our commitment to meeting the expectations of customers and society as a whole. Furthermore, we have established Principles of Ethics and Conduct as the guidelines for how the Group's directors and employees act to realize the Corporate Vision, in which we have expressed our commitment to complying with laws and regulations, to acting with honesty and integrity, and to behaving in a manner that supports and strengthens the trust and confidence of society.

In addition, as we expand the geographic scope of our business globally, we are committed to keeping abreast with developments in laws and regulations of the jurisdictions in which we operate including anti-money laundering and anti-bribery, as well as paying attention to trends in financial crimes.

Principles of Ethics and Conduct

Introduction

These Principles of Ethics and Conduct establish clear and consistent standards for all MUFG employees to guide decisions and actions. They reflect and support the MUFG Corporate Vision. The principles are organized in three sections. Chapter 1 presents the attitude that we adopt with our customers, to act with honesty and integrity and pursue their best interests, which is a core component of our business practices. Chapter 2 presents a set of standards to help us fulfill our responsibilities as a good corporate citizen. MUFG's reputation depends upon the trust and confidence of our customers and other stakeholders, including local communities, and we are responsible to society on a global level. Chapter 3 describes the actions and mindset that will create a stimulating and supportive working environment as MUFG continues to grow. Our success depends on building and maintaining a dynamic workplace where all employees can reach their full potential in ways that support our customers and contribute to society as a whole.

Outline / Overview

Chapter 1 Customer Focus

We place our diverse customers at the center of all our activities and always act in their best interests. MUFG is able to thrive today because of the trust and confidence that customers have placed in us—the result of years of fair, transparent, and honorable dealings. Our business culture is not driven by the prospect of shortterm, immediate gains. Instead, we place a premium on supporting long-term, sustainable relationships with our customers to help them meet their goals.

1-1. Acting with Honesty and Integrity

We always place our diverse customers at the center of all activities and act with honesty and integrity in all of our dealings with them. We protect customer assets, including their personal information, and strive at all times not to damage their interests.

1-2. Controlling Quality

In order to earn the lasting trust and confidence of our customers, we maintain thorough quality control of our products and services in all aspects from product design and development to delivery, and continually improve our processes to provide accurate and secure transactions.

1-3. Exceeding Customer Expectations

We strive to satisfy the diverse needs of our customers worldwide and to exceed their expectations through the highest standards of professionalism and by effectively leveraging our global network and consolidated strength.

Chapter 2 Responsibility as a Corporate Citizen

As a member of MUFG with global operations, we act honorably, with honesty and integrity, and comply at all times with laws, regulations, rules, and internal policies globally. We strive to maintain stability and confidence in the global financial system and to contribute to the sound growth and development of society. We behave in a manner that supports and strengthens the trust and confidence that MUFG has built up over the years.

2-1. Adherence to Laws and Regulations

We always judge and act with honesty and integrity, do what is right, and comply with both the letter and the spirit of the laws, regulations, and rules that apply to us. We avoid insider trading, do not engage in anticompetitive conduct or any form of corrupt activity, and publicly disclose corporate information in an appropriate manner.

2-2. Combating Criminal Activity

We do not conduct business with criminal elements. We do not allow our financial products and services to be used for illegal or improper activities such as money laundering, fraud, or financing terrorist activities.

2-3. Commitment to Social Sustainability

We respect the history, culture, and customs of local communities and strive to contribute to their development and the protection of the environment through our corporate activities and employee volunteer efforts.

Chapter 3 Ethical and Dynamic Workplace

We are committed to creating a working environment that fosters mutual respect among MUFG employees, supports the full expression of our individuality as professionals, promotes the power of teamwork, honors diversity, transcends differences, and embraces new challenges.

3-1. Stimulating Workplace

We strive to enhance our knowledge and expertise, focus on maximizing the value of teamwork, and view changes in the business environment as opportunities to launch new initiatives.

3-2. Ethical Workplace

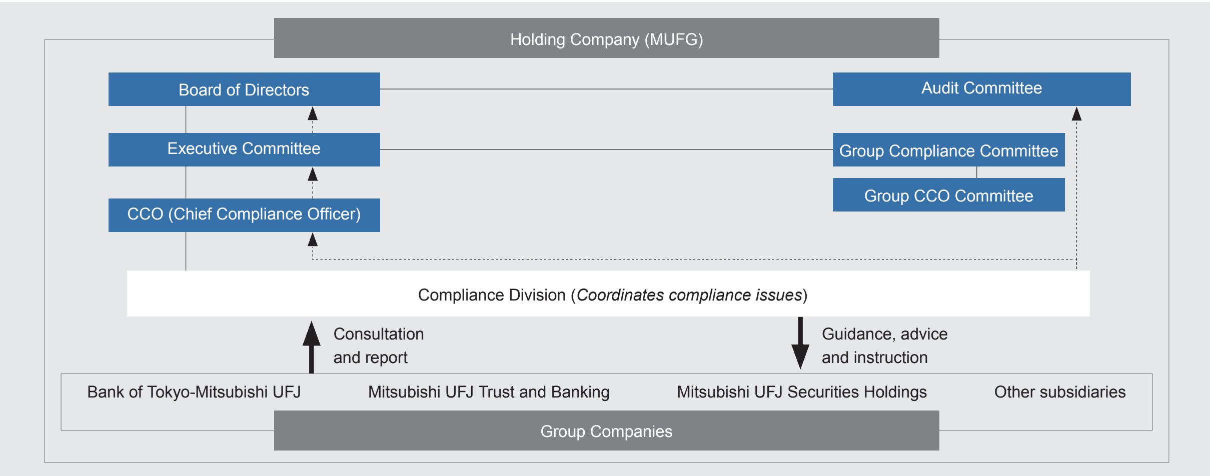
We respect the diversity and human rights of all MUFG employees. We do not engage in or tolerate discrimination, harassment, intimidation, or any other behavior or activity that is inconsistent with these core beliefs. We report any violations of laws and rules, and we manage corporate assets appropriately.

Compliance Framework

Management and coordination of compliance-related matters are the responsibility of separate compliance management divisions established at the holding company and the major subsidiaries. Each compliance management division formulates compliance programs and organizes training courses to promote compliance, and regularly reports to each company's board of directors and Executive Committee on the status of compliance activities.

The holding company has established a Group Compliance Committee and each major subsidiary has established a Compliance Committee for deliberating key issues related to compliance. Additionally, the holding company has a Group Chief Compliance Officer, or CCO, Committee, which consists of the CCO of the holding company acting as committee chairman and the CCOs of the major subsidiaries. The Group CCO Committee deliberates important matters related to compliance and compliance-related issues for which the Group should share a common understanding.

Compliance Framework



Internal Reporting System and Accounting Auditing Hotline

The major subsidiaries have established internal reporting systems that aim to identify compliance issues early so that any problems can be quickly rectified. This system includes an independent external compliance hotline. Furthermore, the holding company has set up an MUFG Group Compliance Helpline that acts in parallel with group-company internal reporting systems and provides a reporting channel for directors and employees of group companies.

In addition to these internal reporting systems, the holding company has also established an accounting auditing hotline that provides a means to report any problems related to MUFG accounting.

MUFG Accounting Auditing Hotline

MUFG has set up an accounting auditing hotline to be used to make reports related to instances of improper practices (violations of laws and regulations) and inappropriate practices, or of practices raising questions about such impropriety or inappropriateness, regarding accounting and internal control or audits related to accounting in Group companies. The reporting process works as follows, and may be carried out via letter or e-mail:

Hokusei Law Office, P.C.
Address: Kojimachi 4-3-4, Chiyoda-ku, Tokyo
E-mail: MUFG-accounting-audit-hotline@hokusei-law.com

When reporting information please pay attention to the following:

- Matters subject to reporting are limited to instances regarding MUFG Group companies.
- Please provide detailed information with respect to the matter. Without detailed factual information there is a limit to how much our investigations can achieve.
- Anonymous information will be accepted.
- No information regarding the identity of the informant will be passed on to third parties without the approval of the informant him- or herself. However, this excludes instances where disclosure is legally mandated, or to the extent that the information is necessary for surveys or reports, when data may be passed on following the removal of the informant's name.
- Please submit reports in either Japanese or English.
- If the informant wishes, we will endeavor to report back to the informant on the response taken within a reasonable period of time following the receipt of specific information, but cannot promise to do so in all instances.

BTMU Reaches Settlement with New York State Department of Financial Services

In November 2014, BTMU entered into a consent agreement with the New York State Department of Financial Services, or DFS, to resolve issues relating to instructions given to PricewaterhouseCoopers LLP, or PwC, and the disclosures made to DFS in connection with BTMU's 2007 and 2008 voluntary investigation of BTMU's U.S. dollar clearing activity toward countries under U.S. economic sanctions. BTMU had hired PwC to conduct a historical transaction review report in connection with that investigation, and voluntarily submitted the report to DFS's predecessor entity in 2008. Under the terms of the agreement with DFS, BTMU made a payment of $315 million to DFS, and agreed to take actions on persons involved in the matter at that time, relocate its U.S. Bank Secrecy Act/Anti-Money Laundering, or BSA/AML, and Office of Foreign Assets Control, or OFAC, sanctions compliance programs to New York, and extend, if regarded as necessary by DFS, the period during which an independent consultant is responsible for assessing BTMU's internal controls regarding compliance with applicable laws and regulations related to U.S. economic sanctions. In June 2013, BTMU reached an agreement with DFS regarding inappropriate operational processing of U.S. dollar clearing transactions with countries subject to OFAC sanctions during the period of 2002 to 2007. Under the terms of the June 2013 agreement, BTMU made a payment of $250 million to DFS and retained an independent consultant to conduct a compliance review of the relevant controls and related matters in BTMU's current operations. In December 2012, BTMU agreed to make a payment of approximately $8.6 million to OFAC to settle potential civil liability for apparent violations of certain U.S. sanctions regulations from 2006 to 2007. BTMU continues to cooperate closely with all relevant regulators and is undertaking necessary actions.

kabu.com Securities Received a Business Improvement Order from FSA

In May 2015, kabu.com Securities. Co., Ltd., a securities subsidiary in Japan, received a business improvement order from the FSA under Article 51 of the Financial Instruments and Exchange Act for failing to appropriately operate and manage its information and communication systems. In response to the administrative order, kabu.com Securities submitted to the FSA and announced a business improvement plan in June 2015.

Basel III Data (Consolidated)

In accordance with the provisions of Article 52-25 of the Banking Law of Japan, Mitsubishi UFJ Financial Group (MUFG) adopts the “International regulatory framework” to calculate its capital adequacy ratio based on formulas contained in the standards for the consolidated capital adequacy ratio of bank holding companies (Notification of the Financial Services Agency No. 20, 2006; referred to hereinafter as the “FSA Holding Company Capital Adequacy Notification”) to assess capital adequacy in light of the assets we own on a consolidated basis.

With regard to the calculation of the consolidated capital adequacy ratio, MUFG received an independent audit by Deloitte Touche Tohmatsu (DTT) LLC in accordance with “Treatment of Inspection of the Capital Ratio Calculation Framework Based on Agreed-Upon Procedures” (JICPA Industry Committee Report No. 30). With regard to part of the internal controls structure governing calculation of the consolidated capital adequacy ratio, MUFG received a report from DTT LLC, which conducted certain procedures as deemed necessary by MUFG. The procedures conducted by the independent auditor were not part of an accounting audit of the consolidated financial statements, and we did not receive any audit opinion with regard to our internal controls structure governing the calculation of the consolidated capital adequacy ratio or the related consolidated capital adequacy ratio.

SCOPE OF CONSOLIDATION

Notes on the scope of consolidation

Differences between those companies belonging to the corporate group (hereinafter, the “holding company group”) to which the calculation of consolidated capital adequacy ratio as stipulated in Article 3 of the FSA Holding Company Capital Adequacy Notification is applicable and those companies that are included in the scope of consolidation for accounting purposes	Paragraph 1 of Article 3 of the FSA Holding Company Capital Adequacy Notification states that “the provisions of Paragraph 2 of Article 5 of the Japanese regulations pertaining to consolidated financial statements shall not apply” to “financial subsidiaries” of a bank holding company. Moreover, Paragraph 2 of the said Article 3 states that “insurance-related subsidiaries” of a bank holding company “shall not be included in the scope of consolidation.” In addition, with regard to affiliated companies engaged in financial operations, the FSA Consolidated Capital Adequacy Notification states that, provided certain conditions are met, such companies “can be included in the scope of consolidation and in the calculation of the consolidated capital adequacy ratio using pro rata consolidation” (under which only those portions of the affiliated company’s assets, liabilities, income and expenditures that are attributable to the bank holding company or any consolidated subsidiaries with investments in the said affiliated company are included in the scope of consolidation). MUFG Group had no companies to which the above exception applied as of March 31, 2014, or March 31, 2015, and there were no differences between those companies belonging to the “holding company group” and those companies that are included in the “scope of consolidation for accounting purposes.”
Number of consolidated subsidiaries, and names and principal businesses of major consolidated subsidiaries of the holding company group	253 companies as of March 31, 2014; 226 companies as of March 31, 2015 The Bank of Tokyo-Mitsubishi UFJ, Ltd. (banking business), Mitsubishi UFJ Trust and Banking Corporation (trust/banking business), Mitsubishi UFJ Securities Holdings Co., Ltd. (securities business), etc.
Number of affiliated companies engaged in financial operations which are subject to Article 9 of the FSA Holding Company Capital Adequacy Notification, and names, amounts of total assets and net assets shown on the balance sheet and principal businesses of affiliated companies engaged in these financial operations	Not applicable as of March 31, 2014 and 2015

Names, amounts of total assets and net assets shown on the balance sheet, and principal businesses of companies belonging to the holding company group that are not included in the scope of consolidation for accounting purposes, and of companies not belonging to the holding company group but included in the scope of consolidation for accounting purposes	Not applicable as of March 31, 2014 and 2015
Outline of restrictions on transfer of funds or equity capital within the holding company group	As of March 31, 2014 and 2015, transfer of funds or capital within the MUFG Group is conducted with all due consideration given to the appropriateness of each action. We give priority in ensuring that each group company maintains sufficient capital level for legal and regulatory compliance purposes. Care is also taken to ensure that actions do not compromise sound and proper operations, while eliminating negative effects on payment capacity, liquidity or profitability.

Companies that are deficient in regulatory capital and total regulatory capital deficiencies

Names of any other financial institutions, etc., classified as subsidiaries or other members of the bank holding company that are deficient in regulatory capital, and corresponding total regulatory capital deficiencies	Not applicable as of March 31, 2014 and 2015

COMPOSITION OF EQUITY CAPITAL

Composition of Changes in Equity Capital

Millions of yen

	March 31, 2014	March 31, 2015
Common Equity Tier 1 capital, beginning of period	10,300,557	11,153,032
Capital and capital surplus	2,564	(354,955)
Retained earnings	765,149	827,284
Treasury stock	230	(99,962)
National specific regulatory adjustments (earnings to be distributed)	(28,365)	10,264
Subscription rights to common shares	(151)	(461)
Accumulated other comprehensive income	341,952	1,253,757
Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	107,601	53,864
Amount included in Common Equity Tier 1 capital under transitional arrangements	3,846	(50,346)
Intangible assets	(268,010)	(190,794)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(1,015)	(1,347)
Deferred gains or losses on derivatives under hedge accounting	(6,165)	(51,691)
Securitization gain on sale	(2,681)	(2,771)
Net defined benefit asset	(59,030)	(75,796)
Investments in own shares (excluding those reported in the Net assets section)	(3,448)	(3,456)
Others	—	—
Common Equity Tier 1 capital, end of period	**11,153,032**	**12,466,619**
Additional Tier 1 capital, beginning of period	914,257	1,188,837
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards	—	—
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—	100,000
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	18,801	2,869
Eligible Tier 1 capital instruments subject to transitional arrangements	(165,753)	(165,753)
Amount included in Additional Tier 1 capital under transitional arrangements	521,205	245,145
Investments in own Additional Tier 1 instruments	(43)	(388)
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	(57)	(179)
Amount excluded from additional Tier 1 capital under transitional arrangements	(99,572)	293,190
Others	—	—
Additional Tier 1 capital, end of period	**1,188,837**	**1,663,721**
Tier 2 capital, beginning of period	3,459,135	3,052,471
Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—	90,000
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	19,774	(15,656)
Eligible Tier 2 capital instruments subject to transitional arrangements	(264,997)	(264,997)
General allowance for credit losses and eligible provisions included in Tier 2	(5,358)	130,679
Amount included in Tier 2 capital under transitional arrangements	(182,862)	400,014
Investments in own Tier 2 instruments	(2,240)	(5,792)
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	(1,085)	(257)
Amount excluded from Tier 2 capital under transitional arrangements	30,106	35,528
Others	—	—
Tier 2 capital, end of period	**3,052,471**	**3,421,990**
Total capital, end of period	**15,394,342**	**17,552,332**

Composition of Capital Disclosure

Millions of yen

Basel III Template No.	Items	March 31, 2014	March 31, 2014 Amounts excluded under transitional arrangements	March 31, 2015	March 31, 2015 Amounts excluded under transitional arrangements
	Common Equity Tier 1 capital: instruments and reserves (1)				
1a+2–1c–26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	10,819,854	/	11,202,486	/
1a	of which: capital and capital surplus	3,924,872	/	3,569,917	/
2	of which: retained earnings	7,033,125	/	7,860,410	/
1c	of which: treasury stock	(1,699)	/	(101,661)	/
26	of which: national specific regulatory adjustments (earnings to be distributed)	(136,444)	/	(126,179)	/
	of which: other than above	—	/	—	/
1b	Subscription rights to common shares	8,732	/	8,271	/
3	Accumulated other comprehensive income and other disclosed reserves	341,952	1,367,808	1,595,709	2,393,564
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	166,959	/	220,823	/
	Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to transitional arrangements	155,885	/	105,538	/
	of which: common share capital issued by subsidiaries and held by third parties (amount allowed in group Common Equity Tier 1)	155,885	/	105,538	/
6	Common Equity Tier 1 capital: instruments and reserves (A)	11,493,384	/	13,132,828	/
	Common Equity Tier 1 capital: regulatory adjustments (2)				
8+9	Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	268,010	1,072,040	458,804	688,207
8	of which: goodwill (including those equivalent)	141,183	564,733	182,015	273,022
9	of which: other intangibles other than goodwill and mortgage servicing rights	126,826	507,307	276,789	415,184
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	1,015	4,063	2,363	3,544
11	Deferred gains or losses on derivatives under hedge accounting	6,165	24,662	57,856	86,785
12	Shortfall of eligible provisions to expected losses	—	—	—	—
13	Securitisation gain on sale	2,681	10,724	5,452	8,179
14	Gains and losses due to changes in own credit risk on fair valued liabilities	—	—	—	—
15	Net defined benefit assets	59,030	236,120	134,827	202,240

MUFG

Composition of Capital Disclosure (continued)

Millions of yen

Basel III Template No.	Items	March 31, 2014		March 31, 2015	
			Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
16	Investments in own shares (excluding those reported in the Net assets section)	3,448	13,792	6,904	10,356
17	Reciprocal cross-holdings in common equity	—	—	—	—
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	—	—	—	—
19+20+21	Amount exceeding the 10% threshold on specified items	—	—	—	—
19	of which: significant investments in the common stock of financials	—	—	—	—
20	of which: mortgage servicing rights	—	—	—	—
21	of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	—	—
22	Amount exceeding the 15% threshold on specified items	—	—	—	—
23	of which: significant investments in the common stock of financials	—	—	—	—
24	of which: mortgage servicing rights	—	—	—	—
25	of which: deferred tax assets arising from temporary differences (net of related tax liability)	—	—	—	—
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—	/	—	/
28	Common Equity Tier 1 capital: regulatory adjustments (B)	340,351	/	666,209	/
	Common Equity Tier 1 capital (CET1)				
29	Common Equity Tier 1 capital (CET1) ((A) – (B)) (C)	11,153,032	/	12,466,619	/
	Additional Tier 1 capital: instruments (3)				
31a 30	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards	—	/	—	/
31b 30	Subscription rights to Additional Tier 1 instruments	—	/	—	/
32 30	Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—	/	100,000	/
30	Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	/	—	/

Composition of Capital Disclosure (continued)

Millions of yen

Basel III Template No.	Items		March 31, 2014	Amounts excluded under transitional arrangements	March 31, 2015	Amounts excluded under transitional arrangements
34–35	Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)		149,289	⁄	152,158	⁄
33+35	Eligible Tier 1 capital instruments subject to transitional arrangements included in Additional Tier 1 capital: instruments		1,326,024	⁄	1,160,271	⁄
33	of which: instruments issued by bank holding companies and their special purpose vehicles		1,325,880	⁄	1,160,094	⁄
35	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)		144	⁄	177	⁄
	Total of items included in Additional Tier 1 capital: instruments subject to transitional arrangements		325,783	⁄	570,928	⁄
	of which: foreign currency translation adjustments		325,783	⁄	570,928	⁄
36	Additional Tier 1 capital: instruments	(D)	1,801,097	⁄	1,983,359	⁄
	Additional Tier 1 capital: regulatory adjustments					
37	Investments in own Additional Tier 1 instruments		43	172	431	647
38	Reciprocal cross-holdings in Additional Tier 1 instruments		—	—	—	—
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		—	—	—	—
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		57	230	237	355
	Total of items included in Additional Tier 1 capital: regulatory adjustments subject to transitional arrangements		612,158	⁄	318,968	⁄
	of which: goodwill (net of related tax liability, including those equivalent)		439,721	⁄	182,939	⁄
	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)		161,713	⁄	127,849	⁄
	of which: securitisation gain on sale		10,724	⁄	8,179	⁄
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		—	⁄	—	⁄
43	Additional Tier 1 capital: regulatory adjustments	(E)	612,259	⁄	319,637	⁄
	Additional Tier 1 capital					
44	Additional Tier 1 capital	((D) – (E)) (F)	1,188,837	⁄	1,663,721	⁄
	Tier 1 capital	**(T1 = CET1 + AT1)**				
45	Tier 1 capital	(T1 = CET1 + AT1) ((C) + (F)) (G)	12,341,870	⁄	14,130,341	⁄

Composition of Capital Disclosure (continued)

Millions of yen

Basel III Template No.	Items	March 31, 2014	Amounts excluded under transitional arrangements	March 31, 2015	Amounts excluded under transitional arrangements
	Tier 2 capital: instruments and provisions (4)				
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as equity under applicable accounting standards	—	/	—	/
46	Subscription rights to Tier 2 instruments	—	/	—	/
46	Directly issued qualifying Tier 2 instruments plus related capital surplus of which: classified as liabilities under applicable accounting standards	—	/	90,000	/
46	Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	/	—	/
48–49	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	57,609	/	41,953	/
47+49	Eligible Tier 2 capital instruments subject to transitional arrangements included in Tier 2: instruments and provisions	2,119,979	/	1,854,981	/
47	of which: instruments issued by bank holding companies and their special purpose vehicles	—	/	—	/
49	of which: instruments issued by subsidiaries (excluding bank holding companies' special purpose vehicles)	2,119,979	/	1,854,981	/
50	Total of general allowance for credit losses and eligible provisions included in Tier 2	229,698	/	360,378	/
50a	of which: provision for general allowance for credit losses	111,509	/	183,372	/
50b	of which: eligible provisions	118,189	/	177,005	/
	Total of items included in Tier 2 capital: instruments and provisions subject to transitional arrangements	775,922	/	1,175,937	/
	of which: amounts equivalent to 45% of unrealized gains on other securities	671,425	/	1,108,553	/
	of which: deferred gains or losses on derivatives under hedge accounting	(8,111)	/	(16,590)	/
	of which: amounts equivalent to 45% of land revaluation excess	112,608	/	83,975	/
51	Tier 2 capital: instruments and provisions (H)	3,183,210	/	3,523,251	/
	Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	2,240	8,962	8,033	12,049
53	Reciprocal cross-holdings in Tier 2 instruments	—	—	—	—

Composition of Capital Disclosure (continued)

Millions of yen

Basel III Template No.	Items		March 31, 2014		March 31, 2015	
				Amounts excluded under transitional arrangements		Amounts excluded under transitional arrangements
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		—	—	—	—
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		1,085	4,343	1,343	2,015
	Total of items included in Tier 2 capital: regulatory adjustments subject to transitional arrangements		127,411	/	91,883	/
	of which: goodwill (net of related tax liability, including those equivalent)		125,011	/	90,083	/
	of which: significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		2,400	/	1,800	/
57	Tier 2 capital: regulatory adjustments	(I)	130,738	/	101,260	/
	Tier 2 capital (T2)					
58	Tier 2 capital (T2)	((H) – (I)) (J)	3,052,471	/	3,421,990	/
	Total capital (TC = T1 + T2)					
59	Total capital (TC = T1 + T2)	((G) + (J)) (K)	15,394,342	/	17,552,332	/
	Risk weighted assets (5)					
	Total of items included in risk weighted assets subject to transitional arrangements		593,134	/	499,134	/
	of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)		345,594	/	287,334	/
	of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		4,063	/	3,544	/
	of which: net defined benefit assets		236,120	/	202,240	/
	of which: investments in own shares (excluding those reported in the Net assets section)		5,108	/	5,271	/
	of which: significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		2,248	/	743	/
60	Risk weighted assets	(L)	99,754,058	/	112,315,287	/

Composition of Capital Disclosure (continued)

Millions of yen

Basel III Template No.	Items	March 31, 2014	Amounts excluded under transitional arrangements	March 31, 2015	Amounts excluded under transitional arrangements
	Capital ratio (consolidated)				
61	Common Equity Tier 1 capital ratio (consolidated) ((C) / (L))	11.18%		11.09%	
62	Tier 1 capital ratio (consolidated) ((G) / (L))	12.37%		12.58%	
63	Total capital ratio (consolidated) ((K) / (L))	15.62%		15.62%	
	Regulatory adjustments (6)				
72	Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	879,146		957,461	
73	Significant investments in the common stock of other financials that are below the thresholds for deduction (before risk weighting)	706,928		798,418	
74	Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	245		788	
75	Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	120,519		59,217	
	Provisions included in Tier 2 capital: instruments and provisions (7)				
76	Provisions (general allowance for credit losses)	111,509		183,372	
77	Cap on inclusion of provisions (general allowance for credit losses)	252,486		305,180	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as “nil”)	118,189		177,005	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	379,301		407,392	
	Capital instruments subject to transitional arrangements (8)				
82	Current cap on AT1 instruments subject to phase out arrangements	1,326,024		1,160,271	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	413,312		79,773	
84	Current cap on T2 instruments subject to transitional arrangements	2,119,979		1,854,981	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as “nil”)	56,231		67,293	

Note: Capital instruments, approved by the commissioner of Japanese Financial Services Agency, subject to the provision to Paragraph 12 of Article 8 of the notification of Japanese Financial Services Agency No. 20, 2006, hereinafter referred to as the “FSA Consolidated Capital Adequacy Notification,” are excluded from the calculation of figures stipulated in Paragraph 8 of Article 8, 9-1, and 10-1 of FSA Consolidated Capital Adequacy Notification, for 10 years from March 31, 2013 to March 30, 2023. The approved amount will decrease by 20% each year from March 31, 2019. The amount approved at the end of March, 2014 is 1,193,080 million yen and the amount approved at the end of March, 2015 is 1,392,328 million yen.

Explanation on reconciliation between balance sheet items and regulatory capital elements (March 31, 2014 and 2015)

Notes: 1. The amounts in the "Composition of capital disclosure" are based on those before considering transitional arrangements and include "Amounts excluded under transitional arrangements" disclosed in "Composition of Capital Disclosure" as wells as the amounts included in regulatory capital. In addition, items included in regulatory capital under transitional arrangements are excluded from this table.
2. As of March 31, 2014 and 2015, the regulatory scope of consolidation was the same as the accounting scope of consolidation.

1. Shareholders' equity

(1) Consolidated balance sheet

Millions of yen

Consolidated balance sheet item	March 31, 2014	March 31, 2015	Remarks
Capital stock	2,140,488	2,141,513	
Capital surplus	2,174,384	1,428,403	
Retained earnings	7,033,125	7,860,410	
Treasury stock	(1,699)	(101,661)	
Total shareholders' equity	11,346,299	11,328,666	

(2) Composition of capital

Millions of yen

Composition of capital disclosure	March 31, 2014	March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying common share capital plus related capital surplus and retained earnings	10,956,298	11,328,666	Shareholders' equity attributable to common shares (before adjusting national specific regulatory adjustments (earnings to be distributed))	
of which: capital and capital surplus	3,924,872	3,569,917		1a
of which: retained earnings	7,033,125	7,860,410		2
of which: treasury stock	(1,699)	(101,661)		1c
of which: other than above	—	—		
Directly issued qualifying Additional Tier 1 instruments plus related capital surplus of which: classified as equity under applicable accounting standards	—	—	Shareholders' equity attributable to preferred shares with a loss absorbency clause upon entering into effective bankruptcy	31a

2. Intangible assets

(1) Consolidated balance sheet

Millions of yen

Consolidated balance sheet item	March 31, 2014	March 31, 2015	Remarks
Intangible fixed assets	1,483,352	1,297,277	
Securities	74,515,573	73,538,191	
of which: goodwill attributable to equity-method investees	156,264	150,139	Goodwill attributable to equity-method investees
Income taxes related to above	296,317	295,395	Income taxes related to intangibles other than goodwill and mortgage servicing rights

(2) Composition of capital

Millions of yen

Composition of capital disclosure	March 31, 2014	March 31, 2015	Remarks	Basel III Template No.
Goodwill (net of related tax liability, including those equivalent)	705,916	455,038		8
Other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	634,134	691,974		9
Mortgage servicing rights	245	788		
Amount exceeding the 10% threshold on specified items	—	—		20
Amount exceeding the 15% threshold on specified items	—	—		24
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	245	788		74

3. Net defined benefit asset

(1) Consolidated balance sheet

Millions of yen

Consolidated balance sheet item	March 31, 2014	March 31, 2015	Remarks
Net defined benefit assets	460,836	504,761	
Income taxes related to above	165,685	167,693	

(2) Composition of capital

Millions of yen

Composition of capital disclosure	March 31, 2014	March 31, 2015	Remarks	Basel III Template No.
Net defined benefit assets	295,150	337,067		15

4. Deferred tax assets

(1) Consolidated balance sheet

Millions of yen

Consolidated balance sheet item	March 31, 2014	March 31, 2015	Remarks
Deferred tax assets	130,654	114,919	
Deferred tax liabilities	320,014	988,550	
Deferred tax liabilities for land revaluation	155,026	138,669	
Tax effects on other intangible fixed assets	296,317	295,395	
Tax effects on net defined benefit assets	165,685	167,693	

(2) Composition of capital

Millions of yen

Composition of capital disclosure	March 31, 2014	March 31, 2015	Remarks	Basel III Template No.
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	5,079	5,907	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	10
Deferred tax assets that rely on future profitability arising from temporary differences (net of related tax liability)	120,519	59,217	This item does not agree with the amount reported on the balance sheet due to offsetting of assets and liabilities.	
Amount exceeding the 10% threshold on specified items	—	—		21
Amount exceeding the 15% threshold on specified items	—	—		25
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	120,519	59,217		75

5. Deferred gains or losses on derivatives under hedge accounting

(1) Consolidated balance sheet

Millions of yen

Consolidated balance sheet item	March 31, 2014	March 31, 2015	Remarks
Net deferred gains (losses) on hedging instruments	8,295	83,194	

(2) Composition of capital

Millions of yen

Composition of capital disclosure	March 31, 2014	March 31, 2015	Remarks	Basel III Template No.
Deferred gains or losses on derivatives under hedge accounting	30,828	144,642	Excluding those items whose valuation differences arising from hedged items are recognized as “Accumulated other comprehensive income”	11

6. Items associated with investments in the capital of financial institutions

(1) Consolidated balance sheet

Millions of yen

Consolidated balance sheet item	March 31, 2014	March 31, 2015	Remarks
Trading assets	19,055,354	20,810,617	Including trading account securities and derivatives for trading assets
Securities	74,515,573	73,538,191	
Loans and bills discounted	101,938,907	109,368,340	Including subordinated loans
Other assets	8,809,286	10,119,936	Including derivatives and investments in the capital
Trading liabilities	13,964,961	15,521,917	Including trading account securities sold and derivatives for trading-assets
Other liabilities	5,965,086	9,530,371	Including derivatives

(2) Composition of capital

Millions of yen

Composition of capital disclosure	March 31, 2014	March 31, 2015	Remarks	Basel III Template No.
Investments in own capital instruments	28,659	38,423		
Common equity Tier 1 capital	17,240	17,260		16
Additional Tier 1 capital	215	1,079		37
Tier 2 capital	11,202	20,083		52
Reciprocal cross-holdings in the capital of banking, financial and insurance entities	—	—		
Common equity Tier 1 capital	—	—		17
Additional Tier 1 capital	—	—		38
Tier 2 capital	—	—		53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	879,146	957,461		
Common equity Tier 1 capital	—	—		18
Additional Tier 1 capital	—	—		39
Tier 2 capital	—	—		54
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	879,146	957,461		72
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	712,645	802,370		
Amount exceeding the 10% threshold on specified items	—	—		19
Amount exceeding the 15% threshold on specified items	—	—		23
Additional Tier 1 capital	287	593		40
Tier 2 capital	5,429	3,358		55
Significant investments in the capital of financials that are below the thresholds for deduction (before risk weighting)	706,928	798,418		73

7. Minority interests

(1) Consolidated balance sheet

Millions of yen

Consolidated balance sheet item	March 31, 2014	March 31, 2015	Remarks
Minority interests	2,048,101	1,961,322	

(2) Composition of capital

Millions of yen

Composition of capital disclosure	March 31, 2014	March 31, 2015	Remarks	Basel III Template No.
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	166,959	220,823	After reflecting amounts eligible for inclusion (after minority interest adjustments)	5
Qualifying Additional Tier 1 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	After reflecting amounts eligible for inclusion (after minority interest adjustments)	30–31ab–32
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	149,289	152,158	After reflecting amounts eligible for inclusion (after minority interest adjustments)	34–35
Qualifying Tier 2 instruments plus related capital surplus issued by special purpose vehicles and other equivalent entities	—	—	After reflecting amounts eligible for inclusion (after minority interest adjustments)	46
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	57,609	41,953	After reflecting amounts eligible for inclusion (after minority interest adjustments)	48–49

8. Other capital instruments

(1) Consolidated balance sheet

Millions of yen

Consolidated balance sheet item	March 31, 2014	March 31, 2015	Remarks
Borrowed money	10,828,601	13,866,196	
Bonds payable	7,165,577	8,141,713	
Total	17,994,178	22,007,910	

(2) Composition of capital

Millions of yen

Composition of capital disclosure	March 31, 2014	March 31, 2015	Remarks	Basel III Template No.
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	—	100,000		32
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	—	90,000		46

CAPITAL ADEQUACY

Capital requirements for credit risk

Billions of yen

	March 31, 2014	March 31, 2015
Capital requirements for credit risk (excluding equity exposures under the IRB Approach and exposures relating to funds (Note 3))	6,758.3	7,023.3
IRB Approach (excluding securitization exposures)	4,955.2	4,880.1
Corporate exposures (excluding specialized lending exposures subject to supervisory slotting criteria)	3,577.6	3,526.1
Corporate exposures (specialized lending exposures subject to supervisory slotting criteria)	29.4	37.2
Sovereign exposures	68.0	78.9
Bank exposures	217.8	251.2
Residential mortgage exposures	451.0	414.2
Qualifying revolving retail exposures	176.1	163.7
Other retail exposures	241.5	216.9
Exposures related to unsettled transactions	0.0	0.0
Exposures for other assets	193.4	191.4
Standardized Approach (excluding securitization exposures)	1,615.9	1,953.1
Securitization exposures (Note 4)	187.1	190.0
Portfolios under the IRB Approach	170.5	171.9
Portfolios under the Standardized Approach	16.5	18.0
Capital requirements for credit risk of equity exposures under the IRB Approach	885.2	1,160.7
Exposures subject to transitional arrangements (grandfathering provisions) (Note 5)	359.6	—
Market-Based Approach (Simple Risk Weight Method) (Note 6)	114.6	138.4
Market-Based Approach (Internal Models Method) (Note 6)	—	—
PD/LGD Approach (Note 6)	261.2	852.9
Exposures related to specific items related to components not included in survey items	149.7	169.4
Capital requirements for exposures relating to funds	238.8	270.5
Required capital for CVA risk	291.0	394.9
Required capital for credit risk associated with exposures relating to central clearing houses	28.3	43.4
Total	8,201.8	8,892.9

Notes: 1. Credit risk-weighted assets were calculated using the AIRB approach. However, as an exemption to this approach, the Standardized Approach is used for calculations with credit risk-weighted assets at some subsidiaries in cases where the figures for such subsidiaries are expected to be minor compared with the total. In addition, the adoption of the IRB approach is due to be phased in from the end of March 2018 at MUFG Americas Holdings Corporation and from the end of March 2019 at Bank of Ayudhya Public Company Limited.

2. Capital requirement for portfolios under the IRB Approach is calculated as "credit risk-weighted asset amount x 8% + expected losses." In this calculation, the credit risk-weighted asset amount is multiplied by the scaling factor of 1.06. Capital requirements for portfolios under the Standardized Approach are calculated as "credit risk-weighted asset amount x 8%."

3. Exposures to calculate the amount of credit risk-weighted assets as stipulated in Article 145 of the FSA Holding Company Capital Adequacy Notification.

4. Including amounts equivalent to increase in equity capital resulting from a securitization exposure, as a deduction from Tier 1 capital elements.

5. Exposures to calculate the amount of credit risk-weighted assets as stipulated in Article 13 of the Supplementary Provisions to the FSA Holding Company Capital Adequacy Notification.

6. Exposures to calculate the amount of credit risk-weighted assets as stipulated in Article 144 of the FSA Holding Company Capital Adequacy Notification.

Capital requirements for market risk

Billions of yen

	March 31, 2014	March 31, 2015
Standardized Method	75.5	73.2
Interest rate risk	34.7	36.8
Equity position risk	34.3	30.8
Foreign exchange risk	6.4	5.4
Commodity risk	0.0	0.1
Options transactions	—	—
Internal Models Approach	111.7	127.6
Total	187.2	200.9

Note: As for market risk, the Internal Models Approach is mainly adopted to calculate general market risk (in some cases the Standardized Method is adopted) and the Standardized Method is adopted to calculate specific risk.

Capital requirements for operational risk

Billions of yen

	March 31, 2014	March 31, 2015
The Advanced Measurement Approach	332.8	382.6
The Standardized Approach	—	—
The Basic Indicator Approach	152.0	148.9
Total	484.9	531.5

Note: Operational risk was calculated using the Advanced Measurement Approach and Basic Indicator Approach.

Consolidated total capital requirement

Billions of yen

	March 31, 2014	March 31, 2015
Consolidated total capital requirements	7,980.3	8,985.2
8% of credit risk-weighted assets	7,040.1	7,863.3
8% of the amount included in risk weighted assets using transitional arrangements	47.4	39.9
Capital requirements for market risk	187.2	200.9
Capital requirements for operational risk	484.9	531.5
8% of the amount by which the capital floor value, which is obtained by multiplying the risk-weighted asset amount as calculated according to the Former Notification (Note) by a predetermined adjustment factor, exceeds the risk-weighted asset amount as calculated according to the FSA Consolidated Capital Adequacy Notification	267.9	389.3

Note: Hereafter, this refers to Ministry of Finance (MOF) Notification No. 62, 1998, which was based on the provisions of Article 52-25 of the Banking Law of Japan.

CREDIT RISK

Credit exposure

(By customer segment)

Trillions of yen

	March 31, 2014	March 31, 2015
BTMU, MUTB, MUB	145.7	159.9
Corporate (Domestic)	51.8	53.4
Corporate (Foreign)	47.5	58.0
Americas	23.1	30.9
Europe	11.0	12.2
Asia	13.5	14.9
Others	46.3	48.5
For individuals	21.1	21.3
SL, securitization, etc.	16.8	19.4
Others	8.5	7.8
Other subsidiaries	10.2	12.7
MUFG consolidated total	155.9	172.6

(By account)

Trillions of yen

	March 31, 2014	March 31, 2015
Loans	96.8	104.7
Acceptances and guarantees	5.1	5.6
Foreign exchange	1.8	2.3
Revolving facilities (unused)	26.4	30.1
Market exposure	7.2	8.6
Private bonds	1.6	1.7
SL, securitization, etc.	16.8	19.4
Others	0.3	0.2
MUFG consolidated total	155.9	172.6

Notes: 1. The following abbreviations are used in the tables above:
MUFG = Mitsubishi UFJ Financial Group, Inc.
BTMU = The Bank of Tokyo-Mitsubishi UFJ, Ltd.
MUTB = Mitsubishi UFJ Trust and Banking Corporation
MUB = MUFG Union Bank, N.A.
SL = Specialized Lending
2. Figures are presented on a managerial basis. Accordingly, they do not correspond to financial figures reported in the consolidated financial statements.
3. In the breakdown by customer segment, exposures extended to corporate customers by MUB are included in “Americas” under “Corporate (Foreign).”
4. In the breakdown by account, exposures at Mitsubishi UFJ Securities Holdings Co., Ltd. (MUSHD) are included in “Market exposure.”

Status of credit risk-weighted assets

Billions of yen

	March 31, 2014					
	EAD	Weighted average PD	Weighted average LGD	Credit RWA	Weighted average RW	Corresponding external credit rating (Note 3)
Internal Ratings Based Approach	239,281.3	—	—	67,209.2	28.1%	
Of which, corporate and others	186,062.5	—	—	38,264.1	20.6%	
Of which, corporate exposure (Excluding specialized lending allocated to slot)	81,721.1	3.0%	32.0%	34,565.3	42.3%	
Of which, borrower rating 1–3	32,525.5	0.1%	34.8%	8,255.3	25.4%	AAA/Aaa~ BBB–/Baa3
Borrower rating 4–9	43,381.6	0.8%	30.1%	20,923.5	48.2%	BB+/Ba1~ B–/B3
Borrower rating 10–11	4,195.4	10.7%	25.5%	4,685.4	111.7%	CCC+/Caa1~
Borrower rating 12–15	1,618.5	100.0%	39.3%	700.8	43.3%	
Sovereign exposure	94,720.4	0.0%	36.4%	765.9	0.8%	
Of which, borrower rating 1–3	94,141.5	0.0%	36.5%	509.5	0.5%	AAA/Aaa~ BBB–/Baa3
Borrower rating 4–9	454.9	0.8%	29.8%	211.3	46.5%	BB+/Ba1~ B–/B3
Borrower rating 10–11	105.7	14.9%	6.3%	37.0	35.0%	CCC+/Caa1~
Borrower rating 12–15	18.1	100.0%	24.8%	7.9	43.8%	
Financial institution exposure	9,319.9	0.3%	32.1%	2,616.4	28.1%	
Of which, borrower rating 1–3	6,926.2	0.1%	32.3%	1,851.5	26.7%	AAA/Aaa~ BBB–/Baa3
Borrower rating 4–9	2,308.0	0.3%	31.9%	640.1	27.7%	BB+/Ba1~ B–/B3
Borrower rating 10–11	84.2	15.3%	26.2%	124.3	147.6%	CCC+/Caa1~
Borrower rating 12–15	1.4	100.0%	79.0%	0.3	22.1%	
Corporate exposure (Excluding specialized lending allocated to slot)	300.9	—	—	316.4	105.2%	
Retail	21,484.7	3.8%	41.3%	6,354.4	29.6%	
Equity and others	9,285.2	—	—	12,136.0	130.7%	
Others	22,448.9	—	—	10,454.5	46.6%	
Standardized approach (Note 4)	31,679.0	—	—	20,198.9	63.8%	
Of which, transitioned to IRB	16,920.3	—	—	11,899.4	70.3%	
Standardized approach	14,758.7	—	—	8,299.5	56.2%	
Total	270,960.4	—	—	87,408.1	32.3%	

Notes: 1. Figures for credit risk-weighted assets (RWA) are presented on a Basel III full implementation basis. Credit RWA under the transitional basis was ¥88,001.3 billion as of March 31, 2014.
2. The validity of risk parameters such as probability of default, or PD, loss given default, or LGD, or Exposure at Default, or EAD, are verified regularly (at least once a year) through back testing or comparative analysis with external sources.
3. The corresponding external credit ratings are presented in terms of rating symbols from S&P and Moody's.
4. Securitization exposure is included in "Others" under the Internal Ratings Based Approach.

Status of credit risk-weighted assets (continued)

Billions of yen

	March 31, 2015					
	EAD	Weighted average PD	Weighted average LGD	Credit RWA	Weighted average RW	Corresponding external credit rating (Note 3)
Internal Ratings Based Approach	268,918.2	—	—	73,378.7	27.3%	
Of which, corporate and others	209,973.4	—	—	39,495.1	18.8%	
Of which, corporate exposure (Excluding specialized lending allocated to slot)	90,857.9	2.6%	31.8%	35,124.6	38.7%	
Of which, borrower rating 1–3	40,036.1	0.1%	35.2%	9,777.5	24.4%	AAA/Aaa~ BBB–/Baa3
Borrower rating 4–9	46,094.2	0.8%	29.4%	21,527.8	46.7%	BB+/Ba1~ B–/B3
Borrower rating 10–11	3,032.6	10.5%	23.1%	3,157.8	104.1%	CCC+/Caa1~
Borrower rating 12–15	16,949.0	100.0%	34.5%	661.4	39.0%	
Sovereign exposure	108,172.9	0.0%	36.7%	942.6	0.9%	
Of which, borrower rating 1–3	107,371.9	0.0%	36.8%	616.3	0.6%	AAA/Aaa~ BBB–/Baa3
Borrower rating 4–9	703.2	0.6%	30.1%	280.6	39.9%	BB+/Ba1~ B–/B3
Borrower rating 10–11	93.1	13.5%	9.1%	44.8	48.1%	CCC+/Caa1~
Borrower rating 12–15	4.5	100.0%	9.8%	0.8	18.3%	
Financial institution exposure	10,591.8	0.2%	31.5%	3,036.6	28.7%	
Of which, borrower rating 1–3	7,625.6	0.1%	32.3%	2,065.9	27.1%	AAA/Aaa~ BBB–/Baa3
Borrower rating 4–9	2,894.5	0.3%	29.4%	862.7	29.8%	BB+/Ba1~ B–/B3
Borrower rating 10–11	70.2	14.0%	29.3%	107.6	153.2%	CCC+/Caa1~
Borrower rating 12–15	1.4	100.0%	75.5%	0.3	25.4%	
Corporate exposure (Excluding specialized lending allocated to slot)	350.6	—	—	391.2	111.6%	
Retail	21,157.5	3.4%	40.8%	5,979.6	28.3%	
Equity and others	11,973.8	—	—	15,707.6	131.2%	
Others	25,813.4	—	—	12,196.2	47.2%	
Standardized approach (Note 4)	39,136.8	—	—	24,414.4	62.4%	
Of which, transitioned to IRB	21,891.6	—	—	14,966.1	68.4%	
Standardized approach	17,245.2	—	—	9,448.2	54.8%	
Total	308,055.1	—	—	97,793.1	31.7%	

Notes: 1. Figures for credit risk-weighted assets (RWA) are presented on a Basel III full implementation basis. Credit RWA under the transitional basis was ¥98,292.3 billion as of March 31, 2015.
2. The validity of risk parameters such as probability of default, or PD, loss given default, or LGD, or Exposure at Default, or EAD, are verified regularly (at least once a year) through back testing or comparative analysis with external sources.
3. The corresponding external credit ratings are presented in terms of rating symbols from S&P and Moody's.
4. Securitization exposure is included in "Others" under the Internal Ratings Based Approach.

Movement analysis of credit risk-weighted assets

	Trillions of yen
Credit Risk-Weighted Assets, previous period-end (March 31, 2014)	87.4
Foreign exchange movements	+4.2
Book size	+3.1
Stock price movements	+1.9
Changes in CVA risk	+1.3
End of transitional arrangements for equity and other exposures	+1.2
Fund investments size	+0.3
Parameter updates	(0.9)
Book quality	(1.1)
Others	+0.4
Credit Risk-Weighted Assets, current period-end (March 31, 2015)	97.8

Credit risk exposures and default / past due for more than 3 months exposures *(By approach)*

Billions of yen

	March 31, 2014			
	Credit risk exposures (Note 1)			
	Loans, etc. (Note 2)	Debt securities	OTC derivatives	Total
The IRB Approach	129,411.4	59,960.1	4,064.8	227,488.2
The Standardized Approach	29,531.9	3,415.7	2,911.5	43,945.6
Total	158,943.3	63,375.8	6,976.4	271,433.8

Billions of yen

	March 31, 2015			
	Credit risk exposures (Note 1)			
	Loans, etc. (Note 2)	Debt securities	OTC derivatives	Total
The IRB Approach	143,182.2	55,460.3	5,185.9	255,588.0
The Standardized Approach	34,604.6	4,142.2	3,469.9	51,812.6
Total	177,786.8	59,602.5	8,655.9	307,400.7

Notes: 1. Figures are without taking into account the effects of credit risk mitigation techniques. Furthermore, figures do not include any securitization exposures, exposures relating to funds, or exposures relating to central clearing houses.
2. Loans, etc., include loans, commitments and other non-derivative off balance sheet exposures.
3. Regarding on balance sheet exposures to loans and debt securities, etc., and off balance sheet exposures to commitments, etc., no significant disparity was observed between the interim term-end position and the average risk positions during this period.

(By geographic area)

Billions of yen

	March 31, 2014				
	Credit risk exposures (Note 1)				Default/past due for more than 3 months exposures (Note 3)
	Loans, etc. (Note 2)	Debt securities	OTC derivatives	Total	
Domestic	109,090.7	55,601.2	5,807.0	197,853.7	2,061.6
Foreign	49,852.6	7,774.6	1,169.3	73,580.1	216.0
Total	158,943.3	63,375.8	6,976.4	271,433.8	2,277.7

Billions of yen

	March 31, 2015				
	Credit risk exposures (Note 1)				Default/past due for more than 3 months exposures (Note 3)
	Loans, etc. (Note 2)	Debt securities	OTC derivatives	Total	
Domestic	113,832.4	50,650.8	6,533.7	216,794.2	2,198.9
Foreign	63,954.4	9,019.8	2,122.2	90,606.5	174.6
Total	177,786.8	59,670.6	8,655.9	307,400.7	2,373.6

Notes: 1. Figures are without taking into account the effects of credit risk mitigation techniques. Furthermore, figures do not include any securitization exposures, exposures relating to funds, or exposures relating to central clearing houses.
2. Loans, etc., include loans, commitments and other non-derivative off balance sheet exposures.
3. Figures for exposures past due for more than 3 months or default exposures correspond to exposures as of the period-end where the amount of the credit risk-weighted asset is computed assuming default in cases subject to the IRB Approach, and exposures where the amount of the credit risk-weighted asset is computed assuming past-due loan exposure in cases subject to the Standardized Approach. Figures do not include any securitization exposures, exposures relating to funds, or exposures relating to central clearing houses.
4. Geographic area refers to the locations of MUFG or our subsidiaries or the head and branch offices of our subsidiaries.

(By type of industry)

Billions of yen

	March 31, 2014				
	Credit risk exposures (Note 1)				Default/past due for more than 3 months exposures (Note 3)
	Loans, etc. (Note 2)	Debt securities	OTC derivatives	Total	
Manufacturing	20,319.4	1,112.6	550.7	25,119.2	380.9
Wholesale and retail	12,133.8	335.4	300.6	14,109.2	369.7
Construction	1,603.0	41.3	16.3	1,807.2	62.9
Finance and insurance	29,333.9	1,398.7	3,866.9	40,017.0	34.9
Real estate	11,890.5	195.8	105.0	12,341.9	184.0
Services	7,425.9	182.0	195.8	7,920.7	193.7
Transport	4,943.4	186.7	195.4	5,770.5	59.7
Individuals	22,361.2	—	0.0	23,226.1	641.5
Governments and local authorities	20,890.1	56,597.3	54.2	90,170.9	0.0
Others	28,041.7	3,325.5	1,691.1	50,950.8	349.9
Total	158,943.3	63,375.8	6,976.4	271,433.8	2,277.7

Billions of yen

	March 31, 2015				
	Credit risk exposures (Note 1)				Default/past due for more than 3 months exposures (Note 3)
	Loans, etc. (Note 2)	Debt securities	OTC derivatives	Total	
Manufacturing	22,900.7	980.3	872.7	29,005.2	717.5
Wholesale and retail	12,635.5	298.3	360.7	14,814.4	343.1
Construction	1,746.8	20.5	17.0	1,939.7	41.8
Finance and insurance	33,400.4	1,486.5	4,207.4	47,690.7	19.6
Real estate	12,341.3	238.0	137.7	12,863.1	101.9
Services	8,611.7	201.3	209.5	9,263.6	156.5
Transport	5,474.4	228.1	270.1	6,653.8	48.1
Individuals	23,102.2	—	0.0	23,939.2	551.1
Governments and local authorities	22,039.2	51,903.3	50.4	100,922.9	0.0
Others	35,534.3	4,314.0	2,529.9	60,307.9	393.5
Total	177,786.8	59,670.6	8,655.9	307,400.7	2,373.6

Notes: 1. Figures are without taking into account the effects of credit risk mitigation techniques. Furthermore, figures do not include any securitization exposures, exposures relating to funds, or exposures relating to central clearing houses.
2. Loans, etc., include loans, commitments and other non-derivative off balance sheet exposures.
3. Figures for exposures for more than 3 months or default exposures correspond to exposures as of the period-end where the amount of the credit risk-weighted asset is computed assuming default in cases subject to the IRB Approach, and exposures where the amount of the credit risk-weighted asset is computed assuming past-due loan exposure in cases subject to the Standardized Approach. Figures do not include any securitization exposures, exposures relating to funds, or exposures relating to central clearing houses.
4. Exposures held by certain subsidiaries whose credit risk weighted assets are considered minor relative to the overall total are included in the "Others" category.

(By residual contractual maturity)

Billions of yen

	March 31, 2014			
	Credit risk exposures (Note 1)			
	Loans, etc. (Note 2)	Debt securities	OTC derivatives	Total
Due in 1 year or less	47,127.0	17,387.2	649.6	77,755.5
Due over 1 year to 3 years	19,769.0	16,108.0	1,348.2	37,324.8
Due over 3 years to 5 years	17,746.5	14,864.9	1,318.9	33,943.7
Due over 5 years to 7 years	6,504.0	4,745.3	175.3	11,425.0
Due over 7 years	16,611.9	6,922.2	579.9	24,114.2
Others (Note 3)	51,184.6	3,347.9	2,904.2	86,870.4
Total	158,943.3	63,375.8	6,976.4	271,433.8

Billions of yen

	March 31, 2015			
	Credit risk exposures (Note 1)			
	Loans, etc. (Note 2)	Debt securities	OTC derivatives	Total
Due in 1 year or less	49,916.1	15,312.7	958.0	74,539.0
Due over 1 year to 3 years	23,754.9	11,419.4	2,027.8	43,754.9
Due over 3 years to 5 years	20,904.1	10,525.7	1,091.3	32,512.9
Due over 5 years to 7 years	6,786.3	5,006.0	261.1	12,038.7
Due over 7 years	17,483.8	13,345.0	847.1	31,711.0
Others (Note 3)	58,941.4	4,061.6	3,470.4	112,844.0
Total	177,786.8	59,670.6	8,655.9	307,400.7

Notes: 1. Figures are without taking into account the effects of credit risk mitigation techniques. Furthermore, figures do not include any securitization exposures, exposures relating to funds, or exposures relating to central clearing houses.
2. Loans, etc., include loans, commitments and other non-derivative off balance sheet exposures.
3. The "Others" category includes exposures of indeterminate maturity, etc. Exposures held by certain subsidiaries whose credit risk weighted assets are considered minor relative to the overall total are included in the "Others" category.

General allowance for credit losses, specific allowance for credit losses and allowance for loans to specific foreign borrowers

(Balances by geographic area)

Millions of yen

	March 31, 2014	Against March 31, 2013	March 31, 2015	Against March 31, 2014
General allowance for credit losses	643,260	(85,820)	766,272	123,011
Specific allowance for credit losses	320,362	(37,262)	228,297	(92,065)
Domestic	274,760	(39,793)	183,165	(91,595)
Foreign	45,601	2,530	45,131	(470)
Allowance for loans to specific foreign borrowers	1,390	639	1,214	(175)
Total	965,014	(122,443)	995,784	30,770

(Balances by type of industry)

Millions of yen

	March 31, 2014	Against March 31, 2013	March 31, 2015	Against March 31, 2014
General allowance for credit losses	643,260	(85,820)	766,272	123,011
Specific allowance for credit losses	320,362	(37,262)	228,297	(92,065)
Manufacturing	63,908	(25,715)	40,433	(23,475)
Wholesale and retail	73,668	(9,806)	48,730	(24,937)
Construction	8,554	(201)	5,014	(3,540)
Finance and insurance	22,942	4,904	8,435	(14,506)
Real estate	24,288	3,435	12,603	(11,684)
Services	25,017	1,370	17,713	(7,303)
Transport	9,776	(6,438)	7,457	(2,319)
Individuals	21,771	(6,124)	17,544	(4,226)
Governments and local authorities	4	(0)	4	(0)
Others	70,429	1,312	70,358	(71)
Allowance for loans to specific foreign borrowers	1,390	639	1,214	(175)
Total	965,014	(122,443)	995,784	30,770

Notes: 1. Although the specific allowance for credit losses does not include the allowance relating to any securitization exposures and exposures relating to funds, the allowance relating to these exposures is not excluded from both the general allowance for credit losses and the allowance for loans to specific foreign borrowers, owing to the fact that MUFG does not manage provisioning with respect to each asset class based on Basel III.
2. Industry classifications apply primarily to allowances related to exposures held by The Bank of Tokyo-Mitsubishi UFJ and Mitsubishi UFJ Trust and Banking (both on a non-consolidated basis). The bulk of provisions relating to exposures held by other subsidiaries is included in the “Others” category.

Loan charge-offs

(By type of industry)

Millions of yen

	FY2013	FY2014
Manufacturing	16,331	9,440
Wholesale and retail	22,025	14,801
Construction	1,865	1,090
Finance and insurance	511	441
Real estate	2,522	2,522
Services	9,195	4,560
Transport	1,334	2,188
Individuals	16,398	12,500
Governments and local authorities	—	—
Others	18,893	55,133
Total	89,079	102,677

Note: Figures do not include loan charge-offs related to securitization exposures or exposures relating to funds.

Balances by risk weight category of exposures under the Standardized Approach

Billions of yen

	March 31, 2014		March 31, 2015	
	Balances	Of which: balances for which risk weights are determined by external rating	Balances	Of which: balances for which risk weights are determined by external rating
Risk weight: 0%	4,432.8	2,133.2	5,620.9	2,811.8
Risk weight: 10%	273.0	—	118.8	—
Risk weight: 20%	5,177.0	4,998.2	5,653.3	5,515.7
Risk weight: 35%	2,980.2	—	3,764.0	—
Risk weight: 50%	540.4	534.5	521.4	513.8
Risk weight: 75%	2,853.6	—	3,335.8	—
Risk weight: 100%	15,510.8	100.6	18,563.2	169.4
Risk weight: 150%	70.8	3.0	71.0	0.1
Risk weight: 625%	0.0	—	0.0	—
Risk weight: 1,250%	4.9	—	3.2	—
Others (Note 3)	1.8	—	1,671.8	—
Total	31,845.6	7,769.7	39,323.9	9,011.0

Notes: 1. Figures are taking into account the effects of credit risk mitigation techniques.
2. Figures do not contain any securitization exposures.
3. "Others" includes investment funds leveraged by debt loans, etc., for which the weighted average risk weight was 217% as of March 31, 2014 and 205% as of March 31, 2015.

Exposures subject to the IRB Approach: specialized lending exposures subject to supervisory slotting criteria and equity exposures subject to the Market-Based Approach (simple risk weight method)

Billions of yen

	March 31, 2014	March 31, 2015
Specialized lending exposures subject to supervisory slotting criteria	300.9	350.6
Risk weight: 50%	26.3	28.6
Risk weight: 70%	68.4	107.2
Risk weight: 90%	43.0	51.1
Risk weight: 95%	46.6	22.9
Risk weight: 115%	72.4	60.5
Risk weight: 120%	27.7	24.1
Risk weight: 140%	2.6	24.2
Risk weight: 250%	13.6	31.7
Risk weight: 0%	—	—
Equity exposures subject to the Market-Based Approach (simple risk weight method)	362.3	436.4
Risk weight: 300%	97.1	113.6
Risk weight: 400%	265.2	322.8

Exposures subject to the IRB Approach: corporate exposures

Billions of yen

	March 31, 2014					
	EAD					
		On balance sheet EAD	Off balance sheet EAD			
Credit rating				Amount of undrawn commitments	Weighted average factor on undrawn commitments	Other off balance sheet EAD
Borrower ratings 1–3	32,525.5	21,861.3	10,664.1	13,709.3	56.68%	2,893.8
Borrower ratings 4–9	43,381.6	36,289.1	7,092.5	8,665.6	56.74%	2,175.9
Borrower ratings 10–11	4,195.4	3,778.9	416.4	228.1	56.72%	287.1
Borrower ratings 12–15	1,618.5	1,574.6	43.8	19.2	56.62%	33.0

	March 31, 2014			
Credit rating	Weighted average PD	Weighted average LGD	Weighted average EL default	Weighted average RW
Borrower ratings 1–3	0.12%	34.83%	—	25.38%
Borrower ratings 4–9	0.79%	30.14%	—	48.23%
Borrower ratings 10–11	10.69%	25.47%	—	111.68%
Borrower ratings 12–15	100.00%	39.29%	36.16%	43.30%

Billions of yen

	March 31, 2015					
	EAD					
		On balance sheet EAD	Off balance sheet EAD			
Credit rating				Amount of undrawn commitments	Weighted average factor on undrawn commitments	Other off balance sheet EAD
Borrower ratings 1–3	40,036.1	25,472.9	14,563.1	23,003.9	45.36%	4,128.2
Borrower ratings 4–9	46,094.2	38,378.1	7,716.1	13,986.9	35.21%	2,791.7
Borrower ratings 10–11	3,032.6	2,680.5	352.0	3,167.2	3.17%	251.5
Borrower ratings 12–15	1,694.9	1,641.4	53.4	6.2	42.89%	50.7

	March 31, 2015			
Credit rating	Weighted average PD	Weighted average LGD	Weighted average EL default	Weighted average RW
Borrower ratings 1–3	0.09%	35.23%	—	24.42%
Borrower ratings 4–9	0.75%	29.36%	—	46.70%
Borrower ratings 10–11	10.46%	23.05%	—	104.13%
Borrower ratings 12–15	100.00%	34.46%	31.63%	39.02%

Notes: 1. Figures exclude specialized lending exposures subject to supervisory slotting criteria and any exposures relating to funds.
2. Weighted average PD and weighted average LGD represent weighted average figures based on EAD.
3. RW stands for risk weight. Risk weight is calculated by dividing the amount of credit risk-weighted assets by EAD, and does not include any expected losses. Note that credit risk-weighted asset amounts are multiplied by 1.06.

Exposures subject to the IRB Approach: sovereign exposures

Billions of yen

March 31, 2014

Credit rating	EAD	On balance sheet EAD	Off balance sheet EAD	Amount of undrawn commitments	Weighted average factor on undrawn commitments	Other off balance sheet EAD
Borrower ratings 1–3	94,141.5	84,467.8	9,673.6	1,228.5	56.41%	8,980.6
Borrower ratings 4–9	454.9	412.9	42.0	53.8	56.41%	11.6
Borrower ratings 10–11	105.7	101.0	4.7	1.1	56.41%	4.0
Borrower ratings 12–15	18.1	17.4	0.7	—	—	0.7

March 31, 2014

Credit rating	Weighted average PD	Weighted average LGD	Weighted average EL default	Weighted average RW
Borrower ratings 1–3	0.00%	36.46%	—	0.54%
Borrower ratings 4–9	0.75%	29.75%	—	46.46%
Borrower ratings 10–11	14.88%	6.34%	—	35.00%
Borrower ratings 12–15	100.00%	24.82%	21.59%	43.78%

Billions of yen

March 31, 2015

Credit rating	EAD	On balance sheet EAD	Off balance sheet EAD	Amount of undrawn commitments	Weighted average factor on undrawn commitments	Other off balance sheet EAD
Borrower ratings 1–3	107,371.9	95,016.0	12,355.9	1,409.2	53.97%	11,595.3
Borrower ratings 4–9	703.2	561.9	141.2	134.2	57.67%	63.8
Borrower ratings 10–11	93.1	87.0	6.1	0.0	0.00%	6.1
Borrower ratings 12–15	4.5	4.5	0.0	—	—	0.0

March 31, 2015

Credit rating	Weighted average PD	Weighted average LGD	Weighted average EL default	Weighted average RW
Borrower ratings 1–3	0.00%	36.77%	—	0.57%
Borrower ratings 4–9	0.59%	30.12%	—	39.91%
Borrower ratings 10–11	13.49%	9.15%	—	48.12%
Borrower ratings 12–15	100.00%	9.84%	8.66%	18.32%

Exposures subject to the IRB Approach: bank exposures

Billions of yen

	March 31, 2014					
	EAD					
		On balance sheet EAD	Off balance sheet EAD			
Credit rating				Amount of undrawn commitments	Weighted average factor on undrawn commitments	Other off balance sheet EAD
Borrower ratings 1–3	6,926.2	3,947.9	2,978.3	352.3	56.41%	2,779.6
Borrower ratings 4–9	2,308.0	1,417.3	890.6	97.2	56.54%	835.6
Borrower ratings 10–11	84.2	8.0	76.2	—	—	76.2
Borrower ratings 12–15	1.4	1.4	—	—	—	—

	March 31, 2014			
Credit rating	Weighted average PD	Weighted average LGD	Weighted average EL default	Weighted average RW
Borrower ratings 1–3	0.10%	32.28%	—	26.73%
Borrower ratings 4–9	0.27%	31.88%	—	27.74%
Borrower ratings 10–11	15.29%	26.22%	—	147.60%
Borrower ratings 12–15	100.00%	78.97%	77.30%	22.13%

Billions of yen

	March 31, 2015					
	EAD					
		On balance sheet EAD	Off balance sheet EAD			
Credit rating				Amount of undrawn commitments	Weighted average factor on undrawn commitments	Other off balance sheet EAD
Borrower ratings 1–3	7,625.6	4,110.3	3,515.3	421.9	47.09%	3,316.6
Borrower ratings 4–9	2,894.5	1,470.5	1,424.0	238.9	23.87%	1,367.0
Borrower ratings 10–11	70.2	8.7	61.4	153.6	—	61.4
Borrower ratings 12–15	1.4	1.4	—	—	—	—

	March 31, 2015			
Credit rating	Weighted average PD	Weighted average LGD	Weighted average EL default	Weighted average RW
Borrower ratings 1–3	0.09%	32.31%	—	27.09%
Borrower ratings 4–9	0.29%	29.42%	—	29.81%
Borrower ratings 10–11	13.97%	29.33%	—	153.24%
Borrower ratings 12–15	100.00%	75.46%	73.54%	25.41%

Exposures subject to the IRB Approach: equity exposures under PD/LGD Approach

Billions of yen

	March 31, 2014		
Credit rating	Amount of exposures	Weighted average PD	Weighted average RW
Borrower ratings 1–3	572.8	0.10%	147.76%
Borrower ratings 4–9	1,407.0	0.33%	170.58%
Borrower ratings 10–11	0.8	9.57%	571.13%
Borrower ratings 12–15	1.1	100.00%	1,192.50%

Billions of yen

	March 31, 2015		
Credit rating	Amount of exposures	Weighted average PD	Weighted average RW
Borrower ratings 1–3	5,266.9	0.08%	111.13%
Borrower ratings 4–9	2,740.2	0.28%	163.31%
Borrower ratings 10–11	20.4	13.94%	779.01%
Borrower ratings 12–15	14.5	100.00%	1,192.50%

Note: Figures exclude any equity exposures based on calculations where credit risk asset values are assessed using the Market-Based Approach as well as any equity exposures where a 100% risk weight is applied based on the transitional arrangements stipulated in Article 13 of the Supplementary Provisions to the FSA Consolidated Capital Adequacy Notification.

Exposures subject to the IRB Approach: retail exposures

Billions of yen

	March 31, 2014					
	EAD					
		On balance sheet EAD	Off balance sheet EAD			
				Amount of undrawn commitments	Weighted average factor on undrawn commitments	Other off balance sheet EAD
Residential mortgage	13,867.5	13,647.5	220.0	—	—	220.0
Non-defaulted	13,625.2	13,408.8	216.4	—	—	216.4
Defaulted	242.3	238.7	3.5	—	—	3.5
Qualifying revolving retail	4,165.7	1,314.5	2,851.1	18,264.6	15.34%	49.1
Non-defaulted	4,047.0	1,196.3	2,850.7	18,260.8	15.34%	48.7
Defaulted	118.6	118.2	0.4	3.7	0.00%	0.4
Other retail (non-business)	1,964.9	908.4	1,056.5	4,231.9	13.75%	474.8
Non-defaulted	1,779.4	728.2	1,051.1	4,227.0	13.76%	469.4
Defaulted	185.4	180.1	5.3	4.9	0.07%	5.3
Other retail (business-related)	1,486.4	1,431.5	54.9	114.7	23.38%	28.1
Non-defaulted	1,477.3	1,422.7	54.6	114.7	23.38%	27.8
Defaulted	9.1	8.8	0.3	—	—	0.3

	March 31, 2014				
	Number of pools	Weighted average PD	Weighted average LGD	Weighted average EL default	Weighted average RW
Residential mortgage	124	2.67%	33.61%	—	29.76%
Non-defaulted	85	0.94%	33.60%	—	29.94%
Defaulted	39	99.97%	34.08%	32.62%	19.65%
Qualifying revolving retail	72	3.62%	73.52%	—	18.17%
Non-defaulted	55	0.79%	73.60%	—	18.69%
Defaulted	17	100.00%	70.64%	77.53%	0.66%
Other retail (non-business)	171	11.42%	43.10%	—	55.05%
Non-defaulted	101	2.18%	42.76%	—	59.46%
Defaulted	70	100.00%	46.42%	46.20%	12.76%
Other retail (business-related)	44	4.34%	20.09%	—	26.19%
Non-defaulted	28	3.75%	19.82%	—	26.13%
Defaulted	16	100.00%	63.35%	61.32%	35.17%

Note: In cases where purchased receivables are included, the weighted average PD reflects not only the PD but also a figure for which the annual expected loss corresponding to the dilution risk is prorated.

MUFG

Exposures subject to the IRB Approach: retail exposures (continued)

Billions of yen

	March 31, 2015					
	EAD					
		On balance sheet EAD	Off balance sheet EAD			
				Amount of undrawn commitments	Weighted average factor on undrawn commitments	Other off balance sheet EAD
Residential mortgage	13,756.5	13,572.7	183.7	—	—	183.7
Non-defaulted	13,550.1	13,369.4	180.7	—	—	180.7
Defaulted	206.3	203.3	3.0	—	—	3.0
Qualifying revolving retail	4,151.1	1,257.8	2,893.2	18,865.2	15.05%	53.5
Non-defaulted	4,050.5	1,157.6	2,892.9	18,862.6	15.05%	53.2
Defaulted	100.5	100.2	0.3	2.5	0.00%	0.3
Other retail (non-business)	1,885.7	910.5	975.2	4,144.6	13.63%	410.1
Non-defaulted	1,717.5	746.2	971.3	4,141.1	13.65%	406.2
Defaulted	168.2	164.2	3.9	3.5	0.06%	3.9
Other retail (business-related)	1,364.0	1,186.0	178.0	120.1	21.64%	152.0
Non-defaulted	1,355.9	1,178.1	177.7	120.1	21.64%	151.7
Defaulted	8.1	7.9	0.2	—	—	0.2

	March 31, 2015				
	Number of pools	Weighted average PD	Weighted average LGD	Weighted average EL default	Weighted average RW
Residential mortgage	127	2.39%	32.48%	—	28.17%
Non-defaulted	87	0.90%	32.47%	—	28.28%
Defaulted	40	99.97%	33.20%	31.64%	20.97%
Qualifying revolving retail	72	3.16%	74.67%	—	17.96%
Non-defaulted	55	0.76%	74.60%	—	18.39%
Defaulted	17	100.00%	77.57%	80.76%	0.42%
Other retail (non-business)	163	10.73%	44.64%	—	55.91%
Non-defaulted	94	1.99%	44.61%	—	60.32%
Defaulted	69	100.00%	44.95%	44.70%	10.97%
Other retail (business-related)	51	4.01%	16.66%	—	22.32%
Non-defaulted	35	3.43%	16.38%	—	22.31%
Defaulted	16	100.00%	62.30%	61.12%	25.17%

Note: In cases where purchased receivables are included, the weighted average PD reflects not only the PD but also a figure for which the annual expected loss corresponding to the dilution risk is prorated.

Comparison of estimated and actual losses for exposures subject to the IRB Approach

Millions of yen

	Corporate exposures	Sovereign exposures	Bank exposures	Equity exposures under PD/LGD Approach	Residential mortgage exposures	Qualifying revolving retail exposures	Other retail exposures
FY2006 actual losses	23,025	(1,571)	(6,941)	84	26,725	—	5,940
FY2006 estimated losses	1,235,407	18,106	14,417	173,180	62,968	—	108,173
Initial EAD	72,143,293	43,809,530	16,865,540	375,755	14,985,264	—	5,648,325
Estimated weighted average PD	3.91%	0.09%	0.19%	51.21%	1.17%	—	5.21%
Estimated weighted average LGD	43.74%	44.79%	45.16%	90.00%	36.05%	—	36.78%
FY2007 actual losses	70,776	(499)	(52)	2,063	12,645	—	6,058
FY2007 estimated losses	1,200,881	13,051	15,572	96,176	76,518	—	121,380
Initial EAD	66,584,415	39,998,750	19,100,674	520,689	13,705,023	—	5,469,071
Estimated weighted average PD	4.12%	0.07%	0.17%	20.52%	1.50%	—	5.60%
Estimated weighted average LGD	43.75%	44.96%	45.28%	90.00%	37.78%	—	39.56%
FY2008 actual losses	367,111	(353)	24,309	66,906	26,218	—	52,879
FY2008 estimated losses	993,791	18,389	24,850	94,474	89,938	—	112,090
Initial EAD	70,710,242	37,890,290	19,877,135	632,858	14,243,086	—	5,099,330
Estimated weighted average PD	3.19%	0.10%	0.25%	16.58%	1.44%	—	5.27%
Estimated weighted average LGD	43.75%	44.96%	41.89%	90.00%	44.05%	—	41.63%
FY2009 actual losses	374,658	(118)	23,631	2,162	28,922	2,817	20,190
FY2009 estimated losses	1,040,595	47,332	39,863	27,827	101,070	11,784	86,698
Initial EAD	74,113,431	55,115,408	12,125,418	1,382,457	14,240,099	741,843	3,877,135
Estimated weighted average PD	3.78%	0.23%	0.88%	2.24%	1.66%	2.20%	5.98%
Estimated weighted average LGD	36.98%	38.47%	37.47%	90.00%	43.02%	72.32%	37.34%
FY2010 actual losses	161,997	(298)	(6,725)	238	27,687	62,514	23,460
FY2010 estimated losses	1,202,669	31,084	38,243	7,631	143,096	210,666	171,435
Initial EAD	70,981,831	65,386,649	11,189,296	1,531,399	14,527,802	5,354,803	4,809,516
Estimated weighted average PD	4.42%	0.12%	0.84%	0.55%	2.29%	4.74%	6.87%
Estimated weighted average LGD	38.14%	40.86%	40.48%	90.00%	43.13%	82.68%	44.89%
FY2011 actual losses	144,305	(214)	(4)	93	29,023	18,693	23,826
FY2011 estimated losses	1,125,141	29,294	29,545	7,597	216,949	164,990	182,613
Initial EAD	66,989,253	88,407,803	12,816,541	1,500,479	14,368,724	4,706,299	4,739,835
Estimated weighted average PD	4.39%	0.08%	0.58%	0.56%	3.27%	4.62%	7.89%
Estimated weighted average LGD	37.97%	41.17%	39.48%	90.00%	46.17%	75.77%	42.54%

Comparison of estimated and actual losses for exposures subject to the IRB Approach (continued)

Millions of yen

	Corporate exposures	Sovereign exposures	Bank exposures	Equity exposures under PD/LGD Approach	Residential mortgage exposures	Qualifying revolving retail exposures	Other retail exposures
FY2012 actual losses	108,263	(133)	—	121	21,068	13,823	7,377
FY2012 estimated losses	951,689	25,146	20,163	5,194	206,700	142,764	157,993
Initial EAD	71,463,314	88,940,300	10,391,449	672,201	14,064,062	4,788,117	4,022,364
Estimated weighted average PD	3.91%	0.08%	0.58%	0.86%	3.52%	3.97%	9.37%
Estimated weighted average LGD	34.13%	37.94%	33.47%	90.00%	41.83%	75.17%	35.19%
FY2013 actual losses	76,814	(139)	—	182	(1,339)	11,191	4,378
FY2013 estimated losses	896,608	29,833	15,405	6,223	163,665	128,347	130,934
Initial EAD	77,051,135	91,958,666	10,189,751	765,530	13,900,410	4,278,958	3,679,324
Estimated weighted average PD	3.69%	0.09%	0.46%	0.90%	3.33%	3.91%	8.56%
Estimated weighted average LGD	31.82%	35.82%	32.05%	90.00%	35.76%	76.66%	32.61%
Interim FY2014 actual losses	(2,846)	176	—	852	(1,471)	5,302	2,528
Interim FY2014 estimated losses (Note 4)	762,636	14,766	10,437	4,541	123,061	110,812	113,637
Initial EAD	82,577,996	94,674,332	11,472,423	788,896	13,867,539	4,165,724	3,439,214
Estimated weighted average PD	2.93%	0.04%	0.27%	0.64%	2.67%	3.62%	8.04%
Estimated weighted average LGD	31.88%	36.39%	32.95%	90.00%	33.58%	73.72%	33.12%
Interim FY2014: Discussion of the factors	Actual losses on exposures were lower than initial estimated losses, reflecting repayments on defaulted exposures and other factors such as loan normalization.						

Notes: 1. Actual losses include the following amounts related to defaulted exposures: write-offs against allowances, losses on the disposal of claims, debt forgiveness or loan waivers, and impairment losses on securities. Actual losses incurred by Mitsubishi UFJ Trust and Banking Corporation equal the aggregate figures for the banking account and for trust accounts for which repayment of the principal to the customers is guaranteed.

2. The initial EAD under FY2006 estimated losses was used for a preliminary calculation under the FIRB Approach at the end of March 2006, and was not used to calculate an official figure of capital adequacy ratio.

3. Estimates for PD and LGD under FY2006 estimated losses were used for preliminary calculations under the FIRB Approach at the end of September 2006, and were not used to calculate official figures of capital adequacy ratio. Estimates for PD and LGD that were used for preliminary calculations under the FIRB Approach at the end of March 2006 were not used, because such estimates included temporary factors due to the merger of Mitsubishi Tokyo Financial Group, Inc. with UFJ Holdings, Inc.

4. Estimated losses for Interim FY2014 represent the anticipated losses for the full year estimated at the beginning of the fiscal year.

CREDIT RISK MITIGATION

Exposures subject to application of credit risk mitigation techniques

Billions of yen

	March 31, 2014		
	Eligible financial collateral	Guarantees	Credit derivatives
Portfolios under the AIRB Approach	/	5,795.3	224.3
Corporate exposures	/	3,910.2	211.1
Sovereign exposures	/	916.1	10.2
Bank exposures	/	539.5	2.9
Residential mortgage exposures	/	—	—
Qualifying revolving retail exposures	/	—	—
Other retail exposures	/	429.4	—
Portfolios under the Standardized Approach	11,528.1	183.7	—

Billions of yen

	March 31, 2015		
	Eligible financial collateral	Guarantees	Credit derivatives
Portfolios under the AIRB Approach	/	7,125.2	274.3
Corporate exposures	/	5,486.0	258.9
Sovereign exposures	/	821.5	9.6
Bank exposures	/	433.0	5.8
Residential mortgage exposures	/	—	—
Qualifying revolving retail exposures	/	—	—
Other retail exposures	/	384.6	—
Portfolios under the Standardized Approach	11,728.2	372.2	—

Note: Eligible financial collateral includes collateral for repo transactions but does not include deposits in our banks subject to on balance sheet netting.

DERIVATIVE TRANSACTIONS AND LONG SETTLEMENT TRANSACTIONS

Matters relating to counterparty credit risk

Billions of yen

	March 31, 2014	March 31, 2015
Aggregated gross replacement costs	9,561.3	12,030.1
Credit equivalent amounts prior to credit risk mitigation benefits due to collateral	6,976.5	8,656.1
Foreign exchange and gold	6,924.7	9,527.2
Interest rate	8,509.0	8,247.3
Equity	176.7	257.2
Precious metals (except gold)	—	—
Other commodities	282.7	167.4
Credit derivative	453.3	434.3
Long settlement transactions	0.0	0.2
Netting benefits due to close-out netting agreements (Note 2)	(9,370.1)	(9,977.5)
Collateral held	1,198.4	1,821.3
Deposits	490.2	903.5
Marketable securities	505.9	478.6
Others	202.1	439.1
Credit equivalent amounts after credit risk mitigation benefits due to collateral	6,522.2	7,962.9
Notional principal amount of credit derivatives included in calculation of credit equivalent amounts	7,214.5	6,882.9
Purchased credit protection through credit default swaps	3,742.7	3,527.7
Purchased credit protection through total return swaps	34.8	17.9
Purchased credit protection through credit options	—	—
Purchased other credit protection	—	—
Provided credit protection through credit default swaps	3,436.9	3,337.2
Provided credit protection through total return swaps	—	—
Provided credit protection through credit options	—	—
Provided other credit protection	—	—
Notional principal amount of credit derivatives used for credit risk mitigation purposes	766.6	821.2

Notes: 1. Credit equivalent amounts are calculated using the Current Exposure Method.
2. These benefits are equal to the figure obtained by subtracting credit equivalent amounts prior to credit risk mitigation benefits due to collateral from the sum of aggregated gross replacement costs and total gross add-ons.

Derivative transaction exposure

Billions of yen

	March 31, 2014	March 31, 2015
Derivative transactions not settled with Central Clearing Parties	6,094.5	7,544.1
Derivative transactions settled with Central Clearing Parties	2,354.6	3,278.1
Of which, OTC derivatives	1,985.2	2,952.4
Of which, exchange traded derivatives	369.3	325.6
Total	8,449.1	10,822.2

Note: Figures in the above table show exposures used in the calculation of credit risk-weighted assets.

SECURITIZATION EXPOSURES (Subject to calculation of credit risk assets)

Information on underlying assets

Billions of yen

	March 31, 2014				FY2013
	Amount of underlying assets at period-end (Note 1)		Cumulative amount of underlying assets in default or contractually past due 3 months or more		
	Underlying assets relating to retained securitization exposures	Underlying assets relating to securitization transactions during this period with no retained securitization exposures (Note 2)	Underlying assets relating to retained securitization exposures	Underlying assets relating to securitization transactions during this period with no retained securitization exposures (Note 3)	Losses on underlying assets incurred during this period (Note 4)
Traditional securitizations (asset transfer type)	1,345.9	—	5.4	—	2.8
Residential mortgage	1,345.9	—	5.4	—	2.8
Apartment loan	—	—	—	—	—
Credit card receivables	—	—	—	—	—
Other assets	—	—	—	—	—
Synthetic securitizations	—	—	—	—	—
Residential mortgage	—	—	—	—	—
Apartment loan	—	—	—	—	—
Credit card receivables	—	—	—	—	—
Other assets	—	—	—	—	—
Sponsor of asset-backed commercial paper (ABCP) program	17,469.7	—	314.3	938.6	683.0
Residential mortgage	46.9	—	0.0	0.0	—
Apartment loan	—	—	—	—	—
Credit card receivables	2,969.6	—	45.1	428.3	235.3
Account receivables	8,117.1	—	252.3	483.8	404.7
Leasing receivables	983.1	—	3.9	3.7	32.6
Other assets	5,352.9	—	12.8	22.5	10.2
Total as an originator	18,815.7	—	319.8	938.6	685.8

Notes: 1. The amount of underlying assets relating to sponsor of ABCP programs includes underlying assets related to ABCP programs sponsored by multiple financial institutions, including certain consolidated subsidiaries of MUFG.

2. The amount of underlying assets refers only to those cases in which the securitization exposures associated with a securitization conducted during this period were wholly transferred to third parties.

3. Figures show cumulative totals for this period of underlying assets either in default or contractually past due 3 months or more arising from securitization transactions in cases where the securitization exposures associated with a transaction conducted during this period were wholly transferred to third parties, or where no exposure was retained at the end of this period from a securitization conducted during this period due to related maturity.

4. Losses with traditional or synthetic securitizations are based on the projected accounting losses for holding the underlying assets without conducting the relevant securitization. With sponsor of ABCP programs, since it is extremely rare for such schemes to result in losses on any retained securitization exposure, it is difficult to obtain generally relevant information relating to losses as based on certain definitions. These figures therefore aggregate cases where actual economic losses have been recognized with cases where the loss has been valued on the same basis as the underlying defaulted assets. Losses on underlying assets relating to sponsor of ABCP programs differ from losses incurred by MUFG.

Information on underlying assets (continued)

Billions of yen

	March 31, 2015		FY2014		
	Amount of underlying assets at period-end (Note 1)		Cumulative amount of underlying assets in default or contractually past due 3 months or more		
	Underlying assets relating to retained securitization exposures	Underlying assets relating to securitization transactions during this period with no retained securitization exposures (Note 2)	Underlying assets relating to retained securitization exposures	Underlying assets relating to securitization transactions during this period with no retained securitization exposures (Note 3)	Losses on underlying assets incurred during this period (Note 4)
Traditional securitizations (asset transfer type)	1,185.7	—	3.7	—	1.3
Residential mortgage	1,185.7	—	3.7	—	1.3
Apartment loan	—	—	—	—	—
Credit card receivables	—	—	—	—	—
Other assets	—	—	—	—	—
Synthetic securitizations	—	—	—	—	—
Residential mortgage	—	—	—	—	—
Apartment loan	—	—	—	—	—
Credit card receivables	—	—	—	—	—
Other assets	—	—	—	—	—
Sponsor of asset-backed commercial paper (ABCP) program	23,795.5	—	359.2	1,304.0	185.7
Residential mortgage	7.0	—	—	0.0	—
Apartment loan	—	—	—	—	—
Credit card receivables	3,861.0	—	42.7	455.6	32.7
Account receivables	11,721.7	—	301.3	608.4	86.8
Leasing receivables	1,291.5	—	1.4	6.8	5.6
Other assets	6,914.1	—	13.7	233.0	60.5
Total as an originator	24,981.2	—	363.0	1,304.0	187.1

Notes: 1. The amount of underlying assets relating to sponsor of ABCP programs includes underlying assets related to ABCP programs sponsored by multiple financial institutions, including certain consolidated subsidiaries of MUFG.
2. The amount of underlying assets refers only to those cases in which the securitization exposures associated with a securitization conducted during this period were wholly transferred to third parties.
3. Figures show cumulative totals for this period of underlying assets either in default or contractually past due 3 months or more arising from securitization transactions in cases where the securitization exposures associated with a transaction conducted during this period were wholly transferred to third parties, or where no exposure was retained at the end of this period from a securitization conducted during this period due to related maturity.
4. Losses with traditional or synthetic securitizations are based on the projected accounting losses for holding the underlying assets without conducting the relevant securitization. With sponsor of ABCP programs, since it is extremely rare for such schemes to result in losses on any retained securitization exposure, it is difficult to obtain generally relevant information relating to losses as based on certain definitions. These figures therefore aggregate cases where actual economic losses have been recognized with cases where the loss has been valued on the same basis as the underlying defaulted assets. Losses on underlying assets relating to sponsor of ABCP programs differ from losses incurred by MUFG.

Information on underlying assets (continued)

Billions of yen

	FY2013		FY2014	
	Cumulative amount of underlying assets securitized during the period	Recognized gains or losses in this period arising from securitization transactions	Cumulative amount of underlying assets securitized during the period	Recognized gains or losses in this period arising from securitization transactions
Traditional securitizations (asset transfer type)	—	—	—	—
Residential mortgage	—	—	—	—
Apartment loan	—	—	—	—
Credit card receivables	—	—	—	—
Other assets	—	—	—	—
Synthetic securitizations	—	/	—	/
Residential mortgage	—	/	—	/
Apartment loan	—	/	—	/
Credit card receivables	—	/	—	/
Other assets	—	/	—	/
Sponsor of asset-backed commercial paper (ABCP) program	135,707.5	/	165,304.7	/
Residential mortgage	27.0	/	—	/
Apartment loan	—	/	—	/
Credit card receivables	9,641.8	/	9,826.7	/
Account receivables	122,033.1	/	147,536.2	/
Leasing receivables	919.2	/	1,009.1	/
Other assets	3,086.3	/	6,932.5	/
Total as an originator	135,707.5	—	165,304.7	—

(Assets held for the purpose of securitization transactions)

There were no assets held for the purpose of securitization transactions as of March 31, 2014 and 2015.

Information on securitization exposures retained
(By type of underlying asset)

Billions of yen

	March 31, 2014					
	Amount of securitization exposures				Amount of securitization exposures subject to a risk weight of 1,250% (Note 1)	Capital deductions related to securitization exposures (Note 2)
	Other than re-securitization exposure		Re-securitization exposure			
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet		
Total as an originator	4,464.5	551.0	—	—	1.8	13.4
Traditional securitizations (asset transfer type)	486.5	—	—	—	0.0	13.4
Residential mortgage	486.5	—	—	—	0.0	13.4
Apartment loan	—	—	—	—	—	—
Credit card receivables	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
Synthetic securitizations	—	—	—	—	—	—
Residential mortgage	—	—	—	—	—	—
Apartment loan	—	—	—	—	—	—
Credit card receivables	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
Sponsor of asset-backed commercial paper (ABCP) program	3,978.0	551.0	—	—	1.8	—
Residential mortgage	42.8	—	—	—	—	—
Apartment loan	—	—	—	—	—	—
Credit card receivables	579.0	183.1	—	—	—	—
Account receivables	1,470.4	282.5	—	—	—	—
Leasing receivables	341.3	39.4	—	—	—	—
Other assets	1,544.4	45.8	—	—	1.8	—
As an investor	3,518.7	—	436.8	—	8.4	/
Residential mortgage	790.4	—	—	—	—	/
Apartment loan	22.9	—	0.4	—	0.0	/
Credit card receivables	—	—	—	—	—	/
Corporate loans	2,053.5	—	436.3	—	—	/
Other assets	651.7	—	—	—	8.4	/

Notes: 1. Figures listed refer to the amounts of exposures subject to a 1,250% risk weight as stipulated in Article 225 of the FSA Holding Company Capital Adequacy Notification. Securitization exposures subject to a 1,250% risk weight include cases where the credit risk-weighted assets computed using the Supervisory Formula exceed 1,250% or where a rating is lower than a certain threshold when calculating credit risk-weighted assets under the Ratings-Based Approach.
2. Capital deductions related to securitization exposures counts as deductions from Tier 1 capital, such as capital stock, as stipulated by Article 5 of the FSA Holding Company Capital Adequacy Notification, and includes any gains on disposal of the underlying assets relating to the securitization.

Information on securitization exposures retained
(By type of underlying asset) (continued)

Billions of yen

	March 31, 2015					
	Amount of securitization exposures				Amount of securitization exposures subject to a risk weight of 1,250% (Note 1)	Capital deductions related to securitization exposures (Note 2)
	Other than re-securitization exposure		Re-securitization exposure			
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet		
Total as an originator	4,902.3	826.3	—	—	2.1	13.6
Traditional securitizations (asset transfer type)	483.1	—	—	—	0.0	13.6
Residential mortgage	483.1	—	—	—	0.0	13.6
Apartment loan	—	—	—	—	—	—
Credit card receivables	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
Synthetic securitizations	—	—	—	—	—	—
Residential mortgage	—	—	—	—	—	—
Apartment loan	—	—	—	—	—	—
Credit card receivables	—	—	—	—	—	—
Other assets	—	—	—	—	—	—
Sponsor of asset-backed commercial paper (ABCP) program	4,419.2	826.3	—	—	2.1	—
Residential mortgage	3.0	—	—	—	—	—
Apartment loan	—	—	—	—	—	—
Credit card receivables	570.4	339.0	—	—	—	—
Account receivables	1,685.4	397.7	—	—	—	—
Leasing receivables	323.6	52.2	—	—	—	—
Other assets	1,836.5	37.3	—	—	2.1	—
As an investor	4,229.5	—	309.1	—	12.3	
Residential mortgage	808.6	—	—	—	—	
Apartment loan	23.4	—	0.4	—	0.0	
Credit card receivables	—	—	—	—	—	
Corporate loans	2,606.7	—	308.7	—	0.0	
Other assets	790.7	—	—	—	12.2	

Notes: 1. Figures listed refer to the amounts of exposures subject to a 1,250% risk weight as stipulated in Article 225 of the FSA Holding Company Capital Adequacy Notification. Securitization exposures subject to a 1,250% risk weight include cases where the credit risk-weighted assets computed using the Supervisory Formula exceed 1,250% or where a rating is lower than a certain threshold when calculating credit risk-weighted assets under the Ratings-Based Approach.
2. Capital deductions related to securitization exposures counts as deductions from Tier 1 capital, such as capital stock, as stipulated by Article 5 of the FSA Holding Company Capital Adequacy Notification, and includes any gains on disposal of the underlying assets relating to the securitization.

(Securitization exposures subject to early amortization provisions retained)

In line with the provisions of Articles 230 & 248 of the FSA Holding Company Capital Adequacy Notification, as of March 31, 2014 and 2015, there were no securitization exposures subject to early amortization treatment that are retained by external investors and are used to calculate credit risk-weighted assets.

(Amount of securitization exposures retained and the associated capital requirement for these exposures broken down into a number of risk weight bands)

Billions of yen

	March 31, 2014			
	Other than re-securitization exposure			
	Amount of securitization exposures		Capital requirement	
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet
Total as an originator	4,464.5	551.0	111.9	6.9
Traditional securitizations (asset transfer type)	486.5	—	51.5	—
Risk weight: to 20%	—	—	—	—
Risk weight: over 20% to 50%	—	—	—	—
Risk weight: over 50% to 100%	198.0	—	14.8	—
Risk weight: over 100% to 250%	257.7	—	25.2	—
Risk weight: over 250% under 1,250%	30.7	—	11.3	—
Risk weight: 1,250%	0.0	—	0.0	—
Synthetic securitizations	—	—	—	—
Risk weight: to 20%	—	—	—	—
Risk weight: over 20% to 50%	—	—	—	—
Risk weight: over 50% to 100%	—	—	—	—
Risk weight: over 100% to 250%	—	—	—	—
Risk weight: over 250% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—
Sponsor of asset-backed commercial paper (ABCP) program	3,978.0	551.0	60.4	6.9
Risk weight: to 20%	3,302.6	428.5	22.4	2.8
Risk weight: over 20% to 50%	358.7	97.6	10.0	2.4
Risk weight: over 50% to 100%	225.0	24.7	13.5	1.6
Risk weight: over 100% to 250%	82.8	0.0	10.6	0.0
Risk weight: over 250% under 1,250%	6.8	—	1.8	—
Risk weight: 1,250%	1.8	—	1.9	—
As an investor	3,518.7	—	43.5	—
Risk weight: to 20%	3,351.2	—	26.1	—
Risk weight: over 20% to 50%	97.9	—	2.8	—
Risk weight: over 50% to 100%	45.3	—	3.0	—
Risk weight: over 100% to 250%	12.3	—	1.4	—
Risk weight: over 250% under 1,250%	3.4	—	0.9	—
Risk weight: 1,250%	8.4	—	9.0	—

(Amount of securitization exposures retained and the associated capital requirement for these exposures broken down into a number of risk weight bands) (continued)

Billions of yen

	March 31, 2014			
	Re-securitization exposure			
	Amount of securitization exposures		Capital requirement	
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet
Total as an originator	—	—	—	—
Traditional securitizations (asset transfer type)	—	—	—	—
Risk weight: to 30%	—	—	—	—
Risk weight: over 30% to 150%	—	—	—	—
Risk weight: over 150% to 350%	—	—	—	—
Risk weight: over 350% to 500%	—	—	—	—
Risk weight: over 500% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—
Synthetic securitizations	—	—	—	—
Risk weight: to 30%	—	—	—	—
Risk weight: over 30% to 150%	—	—	—	—
Risk weight: over 150% to 350%	—	—	—	—
Risk weight: over 350% to 500%	—	—	—	—
Risk weight: over 500% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—
Sponsor of asset-backed commercial paper (ABCP) program	—	—	—	—
Risk weight: to 30%	—	—	—	—
Risk weight: over 30% to 150%	—	—	—	—
Risk weight: over 150% to 350%	—	—	—	—
Risk weight: over 350% to 500%	—	—	—	—
Risk weight: over 500% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—
As an investor	436.8	—	11.2	—
Risk weight: to 30%	401.0	—	8.2	—
Risk weight: over 30% to 150%	29.4	—	1.8	—
Risk weight: over 150% to 350%	6.2	—	1.1	—
Risk weight: over 350% to 500%	—	—	—	—
Risk weight: over 500% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—

(Amount of securitization exposures retained and the associated capital requirement for these exposures broken down into a number of risk weight bands) (continued)

Billions of yen

	March 31, 2015			
	Other than re-securitization exposure			
	Amount of securitization exposures		Capital requirement	
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet
Total as an originator	4,902.3	826.3	111.1	8.2
Traditional securitizations (asset transfer type)	483.1	—	46.0	—
Risk weight: to 20%	—	—	—	—
Risk weight: over 20% to 50%	—	—	—	—
Risk weight: over 50% to 100%	375.0	—	28.3	—
Risk weight: over 100% to 250%	91.7	—	11.2	—
Risk weight: over 250% under 1,250%	16.2	—	6.4	—
Risk weight: 1,250%	0.0	—	0.0	—
Synthetic securitizations	—	—	—	—
Risk weight: to 20%	—	—	—	—
Risk weight: over 20% to 50%	—	—	—	—
Risk weight: over 50% to 100%	—	—	—	—
Risk weight: over 100% to 250%	—	—	—	—
Risk weight: over 250% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—
Sponsor of asset-backed commercial paper (ABCP) program	4,419.2	826.3	65.1	8.2
Risk weight: to 20%	3,993.3	788.7	26.4	5.2
Risk weight: over 20% to 50%	177.1	14.5	4.7	0.4
Risk weight: over 50% to 100%	90.0	13.7	6.1	1.0
Risk weight: over 100% to 250%	131.9	5.8	19.6	0.5
Risk weight: over 250% under 1,250%	24.5	3.4	5.8	1.0
Risk weight: 1,250%	2.1	—	2.2	—
As an investor	4,229.5	—	50.9	—
Risk weight: to 20%	4,089.8	—	31.2	—
Risk weight: over 20% to 50%	84.6	—	2.4	—
Risk weight: over 50% to 100%	27.7	—	2.0	—
Risk weight: over 100% to 250%	11.5	—	1.4	—
Risk weight: over 250% under 1,250%	7.2	—	4.8	—
Risk weight: 1,250%	8.4	—	8.9	—

(Amount of securitization exposures retained and the associated capital requirement for these exposures broken down into a number of risk weight bands) (continued)

Billions of yen

	March 31, 2015			
	Re-securitization exposure			
	Amount of securitization exposures		Capital requirement	
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet
Total as an originator	—	—	—	—
Traditional securitizations (asset transfer type)	—	—	—	—
Risk weight: to 30%	—	—	—	—
Risk weight: over 30% to 150%	—	—	—	—
Risk weight: over 150% to 350%	—	—	—	—
Risk weight: over 350% to 500%	—	—	—	—
Risk weight: over 500% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—
Synthetic securitizations	—	—	—	—
Risk weight: to 30%	—	—	—	—
Risk weight: over 30% to 150%	—	—	—	—
Risk weight: over 150% to 350%	—	—	—	—
Risk weight: over 350% to 500%	—	—	—	—
Risk weight: over 500% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—
Sponsor of asset-backed commercial paper (ABCP) program	—	—	—	—
Risk weight: to 30%	—	—	—	—
Risk weight: over 30% to 150%	—	—	—	—
Risk weight: over 150% to 350%	—	—	—	—
Risk weight: over 350% to 500%	—	—	—	—
Risk weight: over 500% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—
As an investor	309.1	—	5.9	—
Risk weight: to 30%	302.4	—	5.4	—
Risk weight: over 30% to 150%	5.4	—	0.2	—
Risk weight: over 150% to 350%	1.2	—	0.2	—
Risk weight: over 350% to 500%	—	—	—	—
Risk weight: over 500% under 1,250%	—	—	—	—
Risk weight: 1,250%	—	—	—	—

(Application of credit risk mitigation methods to re-securitization exposures)

Not applicable as of March 31, 2014 and 2015.

(Credit risk-weighted asset amount calculated using transitional arrangements for securitization exposures)

Billions of yen

	March 31, 2014	March 31, 2015
As an originator	—	—
As an investor	6.9	—
Total	6.9	—

Note: Figures refer to credit risk-weighted assets calculated using transitional arrangements as stipulated in Article 15 of the Supplementary Provisions to the FSA Holding Company Capital Adequacy Notification. Specifically, in those cases where the standardized approach is applied as an exception that includes securitization exposures, figures refer to credit risk-weighted assets calculated using a transitional arrangement whereby such assets values are capped at the greater of the value based on the Former Notification as stipulated in the Supplementary Provisions to the FSA Holding Company Capital Adequacy Notification or the value if the underlying assets were retained. There were no relevant exposures as of March 31, 2015 following the end of the transitional period on June 30, 2014.

SECURITIZATION EXPOSURES
(Subject to calculation of market risk equivalent amount)

Information on underlying assets

There were no securitization exposures during fiscal 2013 and as of March 31, 2014, and during fiscal 2014 and as of March 31, 2015.

(Amount of assets held for the purpose of securitization)

There were no assets held for the purpose of securitization transactions as of March 31, 2014 and 2015.

Information on securitization exposures retained
(By type of underlying asset)

There were no assets held as an originator as of March 31, 2014 and 2015.

Billions of yen

	March 31, 2014				March 31, 2015			
	Amount of securitization exposures		Amount of securitization exposures that have been deducted from Tier 1 capital (Amount equivalent to increase in capital) (Note 1)	Capital deductions related to securitization exposures (Note 2)	Amount of securitization exposures		Amount of securitization exposures that have been deducted from Tier 1 capital (Amount equivalent to increase in capital) (Note 1)	Capital deductions related to securitization exposures (Note 2)
	Other than re-securitization exposures	Re-securitization exposures			Other than re-securitization exposures	Re-securitization exposures		
As an investor	0.0	—	/	—	0.0	—	/	—
Residential mortgage	0.0	—	/	—	0.0	—	/	—
Apartment loan	0.0	—	/	—	0.0	—	/	—
Credit card receivables	0.0	—	/	—	0.0	—	/	—
Corporate loans	0.0	—	/	—	0.0	—	/	—
Other assets	0.0	—	/	—	0.0	—	/	—

Notes: 1. The amounts equivalent to increase in equity capital resulting from securitization correspond to Tier 1 capital deductions in line with Article 5 of the FSA Holding Company Capital Adequacy Notification, and include any gains on disposal of the underlying assets relating to the securitization.
2. Figures listed refer to capital deductions as stipulated in Article 280-5, Paragraph 2 of the FSA Holding Company Capital Adequacy Notification.

(Securitization exposures subject to early amortization provisions as an originator)

There were no securitization exposures subject to early amortization provisions as an originator as of March 31, 2014 and 2015.

(Amount of securitization exposures retained and the associated capital requirement for these exposures broken down into a number of risk weight bands)

There was no securitization exposure as an originator as of March 31, 2014 and 2015.

Billions of yen

	March 31, 2014			
	Other than re-securitization exposures		Re-securitization exposures	
	Amount of securitization exposures	Capital requirement	Amount of securitization exposures	Capital requirement
As an investor	0.0	0.0	—	—
Risk weight: to 1.6%	0.0	0.0	—	—
Risk weight: over 1.6% to 4%	0.0	0.0	—	—
Risk weight: over 4% to 8%	0.0	0.0	—	—
Risk weight: over 8% to 20%	0.0	0.0	—	—
Risk weight: over 20% under 100%	0.0	0.0	—	—
Risk weight: 100%	0.0	0.0	—	—

Billions of yen

	March 31, 2015			
	Other than re-securitization exposures		Re-securitization exposures	
	Amount of securitization exposures	Capital requirement	Amount of securitization exposures	Capital requirement
As an investor	0.0	0.0	—	—
Risk weight: to 1.6%	0.0	0.0	—	—
Risk weight: over 1.6% to 4%	0.0	0.0	—	—
Risk weight: over 4% to 8%	0.0	0.0	—	—
Risk weight: over 8% to 20%	0.0	0.0	—	—
Risk weight: over 20% under 100%	0.0	0.0	—	—
Risk weight: 100%	0.0	0.0	—	—

(Securitization exposures subject to measurement of comprehensive risk)

There were no securitization exposures subject to measurement of comprehensive risk as of March 31, 2014 and 2015.

LIQUIDITY RISK

Major liquid assets

Billions of yen

	March 31, 2014				March 31, 2015			
	MUFG	BTMU	MUTB	MUSH	MUFG	BTMU	MUTB	MUSH
Cash and deposits	23,969.9	21,016.9	2,219.1	1,133.8	40,488.3	33,673.9	5,915.2	1,157.2
Domestic securities	50,388.0	37,497.5	7,014.0	5,984.4	43,178.7	32,632.7	6,595.2	4,068.2
Japanese government bonds	46,090.8	33,907.4	6,674.4	5,616.9	38,771.1	28,963.7	6,281.5	3,633.2
Municipal bonds	285.0	200.8	0.2	83.9	326.0	191.3	0.2	134.5
Corporate bonds	4,012.2	3,389.3	339.4	283.6	4,081.7	3,477.7	313.5	300.4
Foreign bonds	21,431.5	14,695.8	6,485.5	269.3	23,571.4	14,858.9	8,467.6	249.2
Domestic equity securities	5,004.3	3,557.7	860.0	642.9	6,319.2	4,685.4	1,084.4	617.9
Foreign equity securities	217.5	217.3	0.4	0.0	191.4	192.0	0.0	0.0
Others	6,363.4	4,724.0	728.9	907.2	8,226.7	5,560.0	1,178.1	1,486.4
Subtotal	107,374.7	81,709.1	17,307.9	8,937.6	121,975.7	91,602.9	23,240.6	7,579.0
(Less) Assets pledged	(30,266.3)	(20,259.4)	(9,083.4)	(5,809.0)	(37,370.9)	(22,554.6)	(11,790.4)	(3,799.1)
Total	77,108.4	61,449.7	8,224.4	3,128.6	84,604.8	69,048.3	11,450.2	3,779.9

Notes: 1. Investment securities in the above table comprise securities available-for-sale, securities being-held-to-maturity and trading securities that have a quoted market value.
2. Assets pledged represent securities pledged primarily for borrowings, bills sold, foreign exchange transactions, and futures transactions.
3. Figures in the above table do not represent high quality liquid assets under the Basel III regulatory regime. High quality liquid assets would be a smaller segment of the liquid assets presented in the above table.
4. Figures under MUFG reflect intergroup eliminations. Accordingly, these figures do not represent the sum of figures for the major operating entities.

Maturity profiles for major funding sources

Maturity profiles of time deposits and negotiable deposits, and borrowings and bonds

Billions of yen

March 31, 2014	Due in 1 year or less	Due over 1 year to 3 years	Due over 3 years to 5 years	Due over 5 years to 7 years	Due over 7 years to 10 years	Due over 10 years
Time deposits and negotiable deposits	61,059.1	9,056.2	1,391.6	93.8	92.4	2.7
Borrowings	7,266.0	1,977.0	538.2	198.2	564.2	285.0
Bonds	1,412.0	2,070.0	1,277.3	682.5	1,265.0	894.6
Total	69,737.1	13,103.3	3,207.1	974.5	1,921.6	1,182.3

Billions of yen

March 31, 2015	Due in 1 year or less	Due over 1 year to 3 years	Due over 3 years to 5 years	Due over 5 years to 7 years	Due over 7 years to 10 years	Due over 10 years
Time deposits and negotiable deposits	60,804.8	9,118.9	1,506.0	83.5	104.4	0.2
Borrowings	5,953.9	2,030.8	4,791.1	213.7	494.2	382.5
Bonds	1,833.4	2,490.7	1,488.4	1,230.1	954.6	934.1
Total	68,592.0	13,640.3	7,785.5	1,527.3	1,553.2	1,316.8

Notes: 1. The above tables show the maturity structure (duration to maturity or repayment) of deposits (time and negotiable) to our banking subsidiaries, borrowings, and bonds.
2. Bonds include short-term bonds and subordinated bonds.
3. Bonds and borrowings with no stated maturity are included in “Over 10 years” in the above tables.

Maturity Information on Major Asset Classes

Millions of yen

March 31, 2014	Due in 1 year or less	Due over 1 year to 3 years	Due over 3 years to 5 years	Due over 5 years to 7 years	Due over 7 years to 10 years	Due over 10 years
Investment securities (Notes 1, 2)	18,254,134	16,748,247	15,712,013	5,161,662	5,895,596	6,055,859
Securities being-held-to-maturity	332,132	25,394	5,248	224,701	1,179,133	1,012,047
Japanese government bonds	190,013	24,956	—	—	—	—
Municipal bonds	—	—	—	—	—	—
Corporate bonds	—	—	—	—	—	—
Foreign bonds	142,119	438	314	8,327	82,857	597,589
Others	—	—	4,933	216,374	1,096,275	414,458
AFS (Note 3) with predetermined maturity	17,922,002	16,722,852	15,706,765	4,936,960	4,716,463	5,043,811
Japanese government bonds	14,914,232	10,335,532	9,115,877	2,604,354	2,665,166	799,787
Municipal bonds	19,619	18,933	106,330	—	52,631	412
Corporate bonds	279,890	574,833	420,511	170,814	248,732	796,184
Foreign bonds	2,389,292	5,657,830	5,578,646	2,127,466	1,651,574	3,172,680
Others	318,967	135,723	485,399	34,325	98,358	274,746
Loans (Notes 1, 4)	44,374,114	17,619,299	13,976,998	5,655,457	5,303,553	13,922,736
Total	62,628,249	34,367,546	29,689,012	10,817,119	11,199,150	19,978,596

Millions of yen

March 31, 2015	Due in 1 year or less	Due over 1 year to 3 years	Due over 3 years to 5 years	Due over 5 years to 7 years	Due over 7 years to 10 years	Due over 10 years
Investment securities (Notes 1, 2)	16,153,708	12,156,930	11,744,624	5,639,220	9,522,210	9,347,988
Securities being-held-to-maturity	25,287	912	114,509	410,065	2,059,340	1,499,993
Japanese government bonds	24,978	24	—	—	1,101,209	—
Municipal bonds	—	—	—	—	—	—
Corporate bonds	—	—	—	—	—	—
Foreign bonds	309	887	70,412	14,451	95,580	824,779
Others	—	—	44,096	395,613	862,551	675,213
AFS (Note 3) with predetermined maturity	16,128,421	12,156,017	11,630,115	5,229,155	7,462,869	7,847,995
Japanese government bonds	12,912,262	7,555,330	6,465,748	3,069,848	1,549,215	2,532,029
Municipal bonds	8,288	56,030	53,889	—	69,720	388
Corporate bonds	226,215	467,943	359,350	119,319	260,388	814,390
Foreign bonds	2,897,030	3,961,485	4,015,451	2,019,474	5,451,507	4,198,390
Others	84,624	115,227	735,675	20,514	132,037	302,797
Loans (Notes 1, 4)	45,468,441	19,817,891	16,029,240	6,224,979	5,867,825	15,116,576
Total	61,622,149	31,974,821	27,773,865	11,864,200	15,390,035	24,464,565

Notes: 1. Figures shown above are consistent with those set forth in our consolidated balance sheet.
2. Investment securities include trust beneficiary rights in monetary claims bought.
3. AFS stands for Bond Available-for-Sale.
4. Loans exclude the amounts of ¥1,086,746 million and ¥843,385 million as of March 31, 2014 and March 31, 2015, respectively, for loans that are not expected to be recovered as loans extended to bankrupt, virtually bankrupt, and likely to be bankrupt borrowers.

Pledged Assets

Millions of yen

	March 31, 2014	March 31, 2015
Cash and due from banks	1,668	—
Trading assets	248,463	248,882
Securities	2,323,845	4,629,478
Loans and bills discounted	6,470,882	8,024,130
Other assets	42,066	—
Tangible fixed assets	45,742	—
Total	9,132,669	12,902,491
Liabilities correspond to the pledged assets above		
Deposits	441,252	702,440
Call money and bills sold	699,451	792,619
Trading liabilities	56,905	22,131
Borrowed money	7,388,047	10,778,786
Bonds payable	49,593	34,336
Acceptances and guarantees	—	80,000

In addition to the above, the following assets were pledged for foreign exchange transactions or futures transactions.

Millions of yen

	March 31, 2014	March 31, 2015
Cash and due from banks	2,840	2,571
Monetary claims bought	258,222	1,438,879
Trading assets	122,103	229,479
Securities	11,612,328	11,553,234
Loans and bills discounted	8,990,050	8,083,137

Assets sold under sales under repurchase agreements or loaned under securities lending transactions backed by cash pledges are as follows.

Millions of yen

	March 31, 2014	March 31, 2015
Trading assets	4,310,348	4,373,913
Securities	11,834,623	16,501,920
Total	16,144,972	20,875,833
Corresponding payables		
Payables under repurchase agreements	12,182,430	12,616,225
Payables under securities lending transactions	4,947,741	7,615,108

MARKET RISK

Value-at-risk (VaR): maximum, minimum and average values by disclosure period and period-end

• *VaR for trading activities*

Billions of yen

	FY2013				FY2014			
	Average	Maximum	Minimum	Mar 31, 2014	Average	Maximum	Minimum	Mar 31, 2015
Overall	20.79	29.50	15.34	18.09	20.51	25.01	16.02	21.86
Interest rate	17.33	21.93	14.02	14.98	18.25	23.79	14.74	17.63
Yen	8.59	14.07	5.36	6.16	7.65	12.95	4.87	9.50
U.S. dollar	6.66	11.12	3.95	5.05	6.39	10.56	4.33	7.41
Foreign exchange	6.93	15.30	3.46	3.46	4.91	10.78	1.88	8.80
Equities	2.07	7.35	0.79	2.90	2.23	3.75	0.89	0.99
Commodities	0.74	1.39	0.31	1.25	0.26	1.27	0.00	0.05
Less diversification effect	(6.28)	—	—	(4.50)	(5.14)	—	—	(5.61)

Assumptions for VaR calculations:

Historical simulation method
Holding period: 10 business days
Confidence interval: 99%
Observation period: 701 business days

- The maximum and minimum VaR overall and for various risk categories were taken from different days.
- Figures for stressed VaR are not included.

Stressed VaR: maximum, minimum and average values by disclosure period and period-end

Billions of yen

	FY2013				FY2014			
	Average	Maximum	Minimum	Mar 31, 2014	Average	Maximum	Minimum	Mar 31, 2015
Stressed VaR	12.51	22.34	5.29	17.07	20.83	40.08	9.54	26.50

Assumptions for VaR calculations:

Historical simulation method
Holding period: 10 business days
Confidence interval: 99%

Stressed VaR has been measured from October 2011.

The amount of required capital related to additional risk and comprehensive risk as of the period-end, as well as the maximum, minimum and average values for the amount of required capital for additional risk and comprehensive risk during the disclosure period

Not applicable in fiscal 2013 and 2014.

Movement analysis of market risk-weighted assets

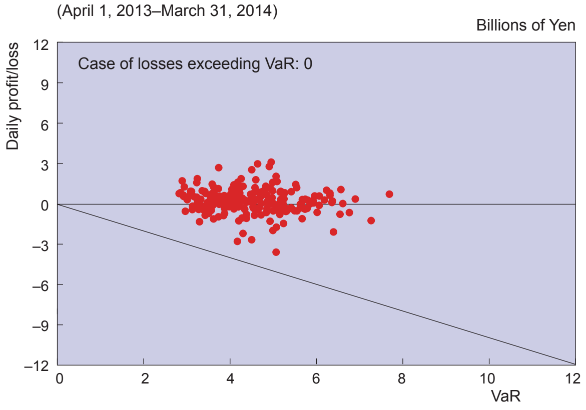
Market risk-weighted assets increased by ¥0.17 trillion from March 31, 2014 mainly due to an increase in VaR based on the Internal Models Approach.

		Trillions of yen
Market risk-weighted assets, previous period-end (March 31, 2014)		2.34
Internal Models Approach		+0.19
	VaR	+0.13
	Stressed VaR	+0.06
Standardized Method		(0.02)
	Interest rate risk	+0.02
	Equity position risk	(0.04)
	Foreign exchange risk	(0.01)
	Others	+0.00
Market risk-weighted assets, current period-end (March 31, 2015)		2.51

Results of market risk backtesting and explanations of any actual trading losses significantly in excess of VaR

Market Risk Backtesting

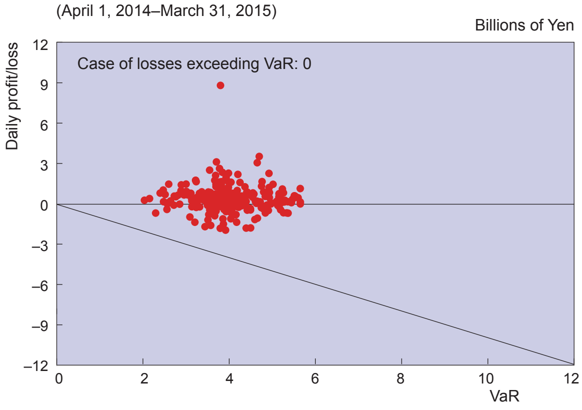
(April 1, 2013–March 31, 2014)



Note: Actual trading losses were within the range of VaR throughout the period studied.

Market Risk Backtesting

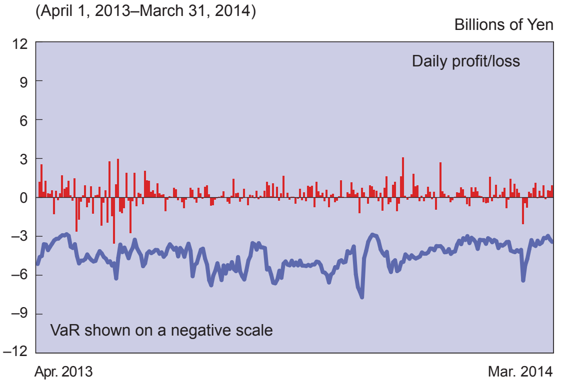
(April 1, 2014–March 31, 2015)



Note: Actual trading losses were within the range of VaR throughout the period studied.

VaR and Daily Profit/Loss for Trading Activities

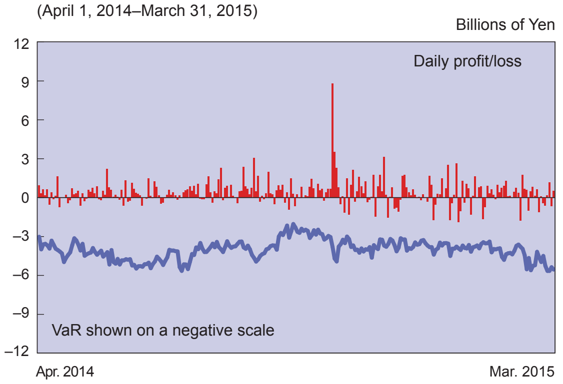
(April 1, 2013–March 31, 2014)



Note: Actual trading losses were within the range of VaR throughout the period studied.

VaR and Daily Profit/Loss for Trading Activities

(April 1, 2014–March 31, 2015)



Note: Actual trading losses were within the range of VaR throughout the period studied.

OPERATIONAL RISK

Movement analysis of operational risk-weighted assets

Operational risk-weighted assets increased ¥0.58 trillion from March 31, 2014 mainly due to an increase of ¥0.62 trillion based on the Advanced Measurement Approach. This increase was mainly the result of a payment in November 2014 of US$315 million (¥37.0 billion) by BTMU to the U.S. financial authorities.

		Trillions of yen
Operational risk-weighted assets, previous period-end (March 31, 2014)		6.06
Advanced Measurement Approach		0.62
	Internal Fraud	0.06
	External Fraud	0.13
	Employment Practices and Workplace Safety	0.05
	Clients, Products, and Business Practices*	0.37
	Damage to Physical Assets	0.03
	Business Disruption and System Failures	0.01
	Execution, Delivery and Process Management	(0.06)
Basic Indicator Approach		(0.03)
Operational risk-weighted assets, current period-end (March 31, 2015)		6.64

* Includes loss on repayment of excess interest in the consumer finance operations of Group subsidiaries.

EQUITY EXPOSURES IN BANKING BOOK

Amount on consolidated balance sheet and market values *Billions of yen*

	March 31, 2014		March 31, 2015	
	Amount on consolidated balance sheet	Market value	Amount on consolidated balance sheet	Market value
Exposures to publicly traded equities (Note 1)	4,601.7	4,601.7	5,912.7	5,912.7
Equity exposures other than above (Note 2)	174.9	—	152.2	—
Total	4,776.6	—	6,065.0	—

Notes: 1. Figures only count Japanese and foreign equities held within securities available for sale with quoted market value.
2. Figures only count Japanese and foreign equities held within securities available for sale whose market values are not readily determinable.

Cumulative gains or losses arising from sales or write-offs of equity exposures

Millions of yen

	FY2013			FY2014		
	Gains on sales	Losses on sales	Write-offs	Gains on sales	Losses on sales	Write-offs
Equity exposures	171,653	(14,100)	(12,979)	114,477	(16,532)	(4,836)

Note: Figures refer to net gains or losses on equity securities within net non-recurring gains or losses.

Unrealized gains or losses recognized on consolidated balance sheet but not on consolidated statement of income

Billions of yen

	March 31, 2014			March 31, 2015		
	Acquisition cost	Amount on consolidated balance sheet	Unrealized gains or losses	Acquisition cost	Amount on consolidated balance sheet	Unrealized gains or losses
Equity exposures	2,960.3	4,601.7	1,641.3	2,924.3	5,912.7	2,988.4

Note: Figures only count Japanese and foreign equities held within securities available for sale with quoted market value.

Unrealized gains or losses not recognized either on consolidated balance sheet or on consolidated statement of income

Not applicable as of March 31, 2014 and 2015.

Equity exposures subject to transitional arrangements (grandfathering provisions)

Billions of yen

	March 31, 2014	March 31, 2015
Exposures to publicly traded equities subject to transitional arrangements	4,126.7	—
Equity exposures other than above subject to transitional arrangements	114.5	—
Total	4,241.2	—

Note: Based on the transitional arrangements as stipulated in Article 13 of the Supplementary Provisions to the FSA Consolidated Capital Adequacy Notification, figures refer to the amount of equity exposures for which a 100% risk weight is used to calculate credit risk-weighted assets. There were no relevant exposures to equities, etc. as of March 31, 2015 following the end of the transitional period on June 30, 2014.

EXPOSURES RELATING TO FUNDS

Exposures relating to funds

Billions of yen

	March 31, 2014	March 31, 2015
Exposures relating to funds	2,699.6	3,495.2
Exposures where fund components are identifiable (look-through approach) (Note 1)	2,590.3	3,441.1
Exposures not included above where equity exposures constitute majority of total value of fund components (Note 2)	95.3	31.7
Exposures not included in any categories above where investment mandates of funds are known (Note 3)	8.2	19.5
Exposures not included in any categories above where the internal models approach is applied (Note 4)	—	—
Exposures not included in any categories above where there is a high probability of the weighted average risk weight applied to fund components being less than 400% (Note 5)	0.8	2.2
Exposures not included in any categories above (Note 5)	4.7	0.6

Notes: 1. As stipulated in Paragraph 1 of Article 145 of the FSA Consolidated Capital Adequacy Notification.
2. As stipulated in Paragraph 2 of Article 145 of the FSA Consolidated Capital Adequacy Notification.
3. As stipulated in Paragraph 3 of Article 145 of the FSA Consolidated Capital Adequacy Notification.
4. As stipulated in Paragraph 4 of Article 145 of the FSA Consolidated Capital Adequacy Notification.
5. As stipulated in Paragraph 5 of Article 145 of the FSA Consolidated Capital Adequacy Notification.

INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

Decline in economic values estimated with interest rate shocks applied to internal risk management

• *VaR for non-trading activities*

Billions of yen

	FY2013				FY2014			
	Average	Maximum	Minimum	Mar 31, 2014	Average	Maximum	Minimum	Mar 31, 2015
Interest rate	400.8	459.8	304.2	304.2	387.0	455.0	305.6	396.8
Yen	223.8	276.5	183.3	190.4	239.5	280.1	196.3	264.7
U.S. dollar	183.8	230.2	135.8	140.8	121.7	145.8	99.7	132.8
Euro	109.8	156.1	57.9	60.9	133.3	173.9	60.9	148.2
Equities	161.3	202.4	100.6	172.9	161.3	185.7	125.9	158.0
Overall	410.7	462.1	332.1	332.1	394.8	452.7	332.4	412.6

Assumptions for VaR calculations:

Historical simulation method
Holding period: 10 business days
Confidence interval: 99%
Observation period: 701 business days

- The maximum and minimum VaR overall and for various risk categories were taken from different days.
- The equity-related risk figures do not include market risk exposure from our strategic equity portfolio.

INDICATORS FOR ASSESSING GLOBAL SYSTEMICALLY IMPORTANT BANKS (G-SIBs)

Billions of yen

Item No.	Description	As of March 31, 2014	As of March 31, 2015
1	Total exposures (= a + b + c + d): a. Counterparty exposure of derivatives contracts b. Gross value of securities financing transactions (SFTs) and counterparty exposure of SFTs c. Other assets (other than assets specifically identified above and regulatory adjustments to Tier 1 and CET1 capital under the fully phased-in Basel III framework) d. Notional amount of off-balance sheet items (other than derivatives contracts and SFTs)	352,273.2	338,289.6
2	Intra-financial system assets (= a + b + c + d): a. Funds deposited with or lent to other financial institutions and undrawn committed lines extended to other financial institutions b. Holdings of securities issued by other financial institutions (Note 1) c. Net positive current exposure of SFTs with other financial institutions d. Over-the-counter (OTC) derivatives with other financial institutions that have a net positive fair value	20,068.4	24,811.1
3	Intra-financial system liabilities (a + b + c): a. Deposits due to, and undrawn committed lines obtained from, other financial institutions b. Net negative current exposure of SFTs with other financial institutions c. OTC derivatives with other financial institutions that have a net negative fair value	24,894.5	26,755.2
4	Securities outstanding (Note 1)	32,218.4	37,722.1
5	Assets under custody	160,278.0	183,594.0
6	Notional amount of OTC derivatives	1,121,068.1	1,364,986.6
7	Held-for-trading (HFT) securities and available-for-sale (AFS) securities, excluding HFT and AFS securities that meet the definition of Level 1 assets and Level 2 assets with haircuts (Note 2)	11,715.1	14,642.5
8	Level 3 assets (Note 3)	1,312.7	1,414.9
9	Cross-jurisdictional claims	76,747.8	87,578.6
10	Cross-jurisdictional liabilities	51,341.9	59,731.8

Item No.	Description	FY2013	FY2014
11	Payments (settled through the BOJ-NET, the Japanese Banks' Payment Clearing Network and other similar settlement systems, excluding intragroup payments)	7,585,400.5	8,930,603.9
12	Underwritten transactions in debt and equity markets (Note 4)	8,129.6	9,970.0

Notes: 1. Securities refer to secured debt securities, senior unsecured debt securities, subordinated debt securities, commercial paper, certificate of deposits, and common equities.
2. Level 1 and Level 2 assets with haircuts are defined in the Basel III Liquidity Coverage Ratio (LCR).
3. The amount is calculated in accordance with U.S. GAAP.
4. This refers to underwriting of securities defined in article 2 paragraph 8 item 6 of the Financial Instruments and Exchange Act.

MUFG

COMPOSITION OF LEVERAGE RATIO DISCLOSURE

Millions of yen, %

Corresponding line No. on Basel III disclosure template (Table 2)	Corresponding line No. on Basel III disclosure template (Table 1)	Item	March 31, 2015
On-balance sheet exposures (1)			
1		On-balance sheet exposures before deducting adjustments items	245,711,653
1a	1	Total assets reported in the consolidated balance sheet	286,149,768
1b	2	The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis	—
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—
1d	3	The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (except adjustment items)	(40,438,114)
2	7	The amount of adjustment items pertaining to Tier 1 capital	(914,357)
3		Total on-balance sheet exposures (a)	244,797,296
Exposures related to derivatives transactions (2)			
4		Replacement cost associated with derivatives transactions, etc.	5,613,817
5		Add-on amount associated with derivatives transactions, etc.	5,967,940
		The amount of receivables arising from providing cash margin in relation to derivatives transactions, etc.	1,889,017
6		The amount of receivables arising from providing cash margin, provided where deducted from the consolidated balance sheet pursuant to the operative accounting framework	42,689
7		The amount of deductions of receivables (out of those arising from providing cash variation margin)	(413,514)
8		The amount of client-cleared trade exposures for which a bank or bank holding company acting as clearing member is not obliged to make any indemnification	/
9		Adjusted effective notional amount of written credit derivatives	3,206,497
10		The amount of deductions from effective notional amount of written credit derivatives	(2,702,558)
11	4	Total exposures related to derivative transactions (b)	13,603,890
Exposures related to repo transactions (3)			
12		The amount of assets related to repo transactions, etc.	14,924,924
13		The amount of deductions from the assets above (line 12)	(3,251,928)
14		The exposures for counterparty credit risk for repo transactions, etc.	1,000,363
15		The exposures for agent repo transactions	/
16	5	Total exposures related to repo transactions, etc. (c)	12,673,359
Exposures related to off-balance sheet transactions (4)			
17		Notional amount of off-balance sheet transactions	83,494,349
18		The amount of adjustments for conversion in relation to off-balance sheet transactions	(55,394,279)
19	6	Total exposures related to off-balance sheet transactions (d)	28,100,069
Leverage ratio on a consolidated basis (5)			
20		The amount of capital (Tier 1 capital) (e)	14,130,341
21	8	Total exposures ((a) + (b) + (c) + (d)) (f)	299,174,616
22		Leverage ratio on a consolidated basis ((e)/(f))	4.72%