CEO Message

Strong Today, Stronger Tomorrow

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When assuming the position of CEO in April, I began framing thoughts on what my first message to stakeholders might be. Contemplating the central question I heard most often at the time – namely, what next steps to expect from MUFG – an assessment of our status and our direction seemed a good place to start.

"What lies ahead" is of course no simple question, with no single answer, occupying as many dimensions as our multifaceted organization. I would like to share a few observations on these matters here, - by way of introducing myself as well - as they relate to our current state and our future.

MUFG's commitments, manifest over our first 20 years

Beginning with our current state: MUFG marked our 20th anniversary in October 2025. When the company was formed two decades ago, I was working on the integration of Mitsubishi Tokyo Financial Group and UFJ Holdings at the Integration Planning Office of the holding company. This period was characterized by extensive financial system reforms, with new holding companies emerging and the sector undergoing significant restructuring. I dedicated my days to visualizing the optimal role of a financial group in meeting the diverse needs of customers and society.

My career had begun in 1988 at a Mitsubishi Bank branch in downtown Tokyo. During those early days, banking mainly involved fairly simple deposits and loans. Even then, I wanted to offer a broader range of products and services to better serve our local community, and I relished the challenge as a meaningful contribution to society. That aspiration remained with me throughout my career, including when I worked on the launch of MUFG.

Over the subsequent two decades, MUFG not only integrated and strengthened Group functions, but also evolved into a global financial group with a multitude of activities in Japan and abroad. This was reflected in part through investments in Morgan Stanley, the Asia region and, more recently, overseas AM/IS areas.
With this context, we selected a specific concept while planning our 20th anniversary celebrations:

"Carrying our gratitude for the past 20 years to the transformation of the next 20."

I'm very fond of this phrase. It reflects our commitment to a fresh start that drives transformation and breakthroughs. Yet it does so with respectful appreciation for MUFG's current status, achieved over time with the great support of our customers, shareholders, and every dedicated colleague.

That status now is beyond what I ever envisioned as a new hire, or later when MUFG was established. I feel honored and grateful to lead the charge in meeting new challenges as CEO in such dynamic times.

The prevailing environment & its challenges

Our operating environment is evolving more swiftly and profoundly than ever. What was business-as-usual yesterday can suddenly be replaced by something radically new today. The post-World War II international order is evolving dramatically, with mounting fragmentation and realignment across trade, investment, and technology. Shifts in energy and oil prices – driven by escalating tensions in the Middle East, logistical instability, and uncertainty about inflationary trends – are exerting forces on individuals and corporations that can alter their behavior significantly.

Yet such forces are also creating opportunities for healthy growth. Globally accelerating investment in digital infrastructure, along with substantial growth in Asia driven by India and ASEAN nations, are generating new demand.

Meanwhile, the adoption of AI and the digitalization of financial transactions are changing the industrial structure itself. There is little doubt that frontier AI can unleash unparalleled potential when deployed with wise forethought. But its sheer power could also pose new risks, including malicious cyberattacks.

Amid these prospects of growth and forces of uncertainty, Japan – our native market – arrives at a pivotal moment. Despite challenges of a declining birthrate, an aging population, and labor shortages, the country is moving beyond Japan's "lost three decades" toward sustainable growth. Companies are increasing investments in initiatives to add significant value.

Wages steadily rising in line with inflation are returning, along with a positive cycle of growth and resource allocation. Expansions in data centers, redevelopment of supply chains, and investments in new industrial fields – including semiconductors, green transformation (GX), and content business – are steadily gaining momentum. The government's 17 Strategic Fields initiative adds a crucial effort to strengthen Japan's industrial competitiveness. Corporate governance reform has progressed, prompting

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Now is the time to deliver on our global top five ambition and draw a roadmap to achieve this.

companies to transform operations and enhance capital efficiency, attracting investment into Japan.
As interest rates normalize, it is essential to fortify structures that facilitate the smooth flow of growth funds. This involves promoting public-private partnerships, engaging in sophisticated risk-taking, and leveraging MUFG's collective strength across financial and non-financial sectors alike. These efforts support corporate growth investments and individual asset formation and contribute to sustainable growth of the Japanese economy. We must elevate and broaden our roles as these factors take effect.

Progress & strategic direction

Our current three-year Medium-term Business Plan (MTBP), launched in fiscal 2024, is progressing steadily. We set a record profit for three consecutive years from fiscal 2023, the final year of our previous MTBP. We enhanced our retail business by launching the new service brand "Emut", increased risk-taking in the corporate business, and accelerated global strategies through investment in Shriram Finance in India.

Fiscal 2026 is the final year of this current MTBP. We will focus on solid execution of its strategies to achieve approximately 12% ROE and our full-year target of ¥2.7 trillion in profits attributable to owners of the parent. We will also intensify discussions about our vision beyond this current MTBP.

As we enter its final year, we see specific progress in the Plan's three pillars – Expand & Refine Growth Strategies, Drive Social & Environmental Progress, and Accelerate Transformation & Innovation – and indications of MUFG's direction.

Expand & Refine Growth Strategies

In the domestic retail business – in addition to expanding products and services for Emut – we will create new customer experiences that include social implementation of AI for digital banking. We will accomplish this through strategic collaboration with tech firms, including OpenAI.

We are jointly developing our Money Advisory Platform (MAP) with WealthNavi, leveraging AI and a variety of data to enhance personalized services that match customer asset status, life stages, and life events. In Japan, we will launch a digital inheritance service as inter-generational asset transfer shows significant momentum.

In Japan's newly normalized interest-rate environment, competition is intensifying, not only from online banks but

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also new entrants from non-financial industries. The key to success in this realm is user-friendliness. A random scattering of product offerings will not resonate with customers; added value comes from focused proposals of optimal products and services that meet actual real-world needs. We will refine MUFG's unique mass-retail strategy, including the seamless use of our diverse financial services through Emut, and consultation through both face-to-face and indirect channels.

Our strategic alliance with Google, announced in May, will help Emut quickly evolve into an effortless, integrated financial service that enhances daily life. We will drive this by combining Google's wide-ranging customer touchpoints, advanced AI, and cloud technologies with MUFG's extensive financial services and data resources. We will make these functions available across the daily scenarios, including shopping, entertainment, health management, and leisure, freeing customers to fluidly experience next-generation financial services.

In our domestic corporate business, we plan to diversify our financing channels beyond traditional indirect services by including equity investments, investment funds, and various structured financing options. We will adopt a more risk-tolerant approach, leading public-private partnerships and promoting industrial development from a wide-ranging perspective by leveraging our consolidated strengths to open doors to new opportunities. We also will strengthen our asset management capabilities in AM/IS as we expedite efforts to support Japan's goal of becoming a leading asset-management center. This includes offering custodial and middle-office services to asset managers.

Overseas, Asia and the US remain our key markets. We recently completed an investment in India's Shriram Finance. In my 20s, I was seconded to the International Finance Bureau of the then-Ministry of Finance, and worked on ODA yen loans to Southeast Asia. Now – years later – I maintain great faith in Asia's potential, although development stages obviously vary among countries.

To support MUFG and Asia's growth, strategic execution with a disciplined approach to capital management and tailored to each country's unique circumstances and timelines is essential.

We will assess growth opportunities in each country and region, and bolster the resilience of our global business portfolio. This includes the US, where we will strategically enhance Group functions to capitalize on the world's largest market.

We will also continue to deepen our collaboration with Morgan Stanley as it approaches its 18th year. This partnership is a unique strength, and we are enhancing it across Japan and internationally in areas such as global markets, wealth management, AM/IS, AI integration, and investment banking.

Drive Social & Environmental Progress

The pillars we designate as Drive Social & Environmental Progress and Expand & Refine Growth Strategies are two of the three foundational components of our current MTBP.

Together, they represent our aim to offer solutions that address customer and societal challenges while expanding our business prospects to build profitability and economic value. Through initiatives in Japan and overseas, we are promoting sustainable finance, financial economy education, development of regional economies, and resolution of local community issues.

In addition to our ongoing support for Japanese traditional crafts, we are launching a group-wide effort in regions with strong manufacturing backgrounds to promote sustainable regional revitalization. We are driving this by attracting startups and facilitating business-matching through partnerships among government, industry, and academia. In a similar spirit, our MUFG Stadium initiative gathers colleagues from different group companies to share ideas on how MUFG can create value for society and future generations, and explore ways to implement them.

To promote a broad understanding of these initiatives, we have released Transition Progress 2026, an update on our plans to help drive social improvement, including a report showcasing colleague-driven problem-solving case studies. I invite you to take a look.

We believe that business strategies directly linked to financial performance - and to elements that are less financially tangible, such as corporate culture, the resolution of social issues, and human-capital strategy - are inseparable and together drive the creation of corporate value. Thus, we will continue improving our disclosure of non-financial information related to sustainability and human capital, aiming to communicate the significance of intangible value that is rarely shown in financial statements. And we will do so in the clearest, most mindful way possible.

Accelerate Transformation & Innovation

The concept of "corporate transformation" not only fuels development of growth strategies but compels us to address social issues. Such transformation has no finish line – nor should it. With this awareness, we are implementing an exercise in transforming our agility beyond merely speeding up business processes.

Genuine agility is achieved by shortening the cycles of data collection, analysis, decision-making, implementation, and improvement, while elevating the quality and speed of decisions made by management and frontline staff.

To accomplish this, we are adopting an agile workstyle, accruing results through short 'plan-do-check-act' PDCA cycles. By making small frontline improvements that drive organizational changes, we aim to establish an agile business operation and corporate culture that continuously adapt and progress.

AI is not simply an extension of rote digitalization; it is a transformative tool for decision-making processes and businesses themselves. Our goal is to become an AI-native organization, integrating its power into daily operations and decisions as a partner to help expand the range of individuals' thought process. To achieve this, we will recruit and develop specialized talent, improve AI literacy across the organization, and create an environment conducive to effective AI – including an AI platform that provides easy access to essential data.

Beyond structured data like numbers and attributes, we must also compile MUFG's unique tacit knowledge – such as daily frontline communication and experiential knowledge – in a format that can be used by AI, and convert it into a valuable organizational asset. These efforts will drive AI advancement, support colleague achievement, and boost our competitiveness through a cycle of mutual development.

Of course, deeper integration of AI into business and decision-making will heighten the significance of governance. Clear definitions are necessary for how to use AI analysis and suggestions, which operations to delegate to AI, and who decides and bears responsibility for these activities. Control does not imply halting the use of AI; governance serves as a safeguard that provides confidence to take on challenges and learn from them. This is exemplified by discussions on Frontier AI, where it has the capacity to identify overlooked vulnerabilities and develop protections from cyberattacks.

When used wisely, AI can markedly strengthen system defense. But malicious use poses major threats to the financial system and can alter cyber-risk response times, requiring more defensive flexibility. We will collaborate with government and relevant agencies by sharing knowledge across public and private sectors to promote effective courses of action in this realm.

Forging our future with unique capabilities & enduring principles

Although it is vital for MUFG to continuously adapt and lead through a variety of changes, our core principle remains the same: growing alongside our customers and society. In this age of complex social issues, we must maintain a broad outlook, anticipate and address our customers' concerns, and build a sustainable, value-creating business model.

To be selected as a service provider by customers and society requires compelling attributes. MUFG has unique strengths – such as the largest customer base in Japan, a well-balanced global business portfolio, and formidable group capabilities – that enable us to seamlessly offer a wide variety of services. We will build on these strengths to evolve from a leading financial institution in Japan into one of the world's leading financial services group, and continue to augment our corporate value.

When MUFG was established 20 years ago, we set a goal of reaching a global top five position. My aim is to draw a roadmap to achieve this.

Reflecting on what makes MUFG unique, we cannot overlook the evolving role of financial services in society.

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As customer issues grow more complex and AI and data deployment both advances, the lines between financial and non-financial sectors are increasingly blurred. The key concern for customers is not whether services are offered by financial or non-financial firms but whether these services can be accessed safely and conveniently.

Therefore, I envision MUFG evolving into a comprehensive services group that goes beyond traditional financial services to address real-world concerns and issues for customers and society. For example, our recent entertainment initiative involves collaborating with publishers and production companies in Japan to fund and support the creation, planning, and global distribution of content, including animation and movies. This extends beyond traditional finance to connect diverse players and promote Japanese content worldwide. I wish to further develop these initiatives into other sectors.

Aspiring to grow and resolving to convert challenges into results

As CEO, I have communicated two overarching commitments to our General Managers, Branch Managers, investors, and MUFG colleagues worldwide.

First is a keen aspiration to grow. We will vigorously support Japan, our home market, as it transitions from focusing on structural reforms to driving a growth-oriented, future-ready business model. Achieving this requires a strong growth mindset and commitment to creating unique values. This approach will enable us to foster growth both in Japan and globally. I see this as our core mission.

Second is a focused awareness of the need to convert challenges into results. MUFG is often perceived as conservative, but a culture of stepping up to embrace challenges has taken root and continues to take shape, thanks to prior and current efforts. We should value this emerging dimension of our culture.

We must also avoid complacency by reflexively converting challenges into accomplishments through deliberate action. I aim to generate significant value through this process as we move forward in step with our customers and society.

Through these initiatives, we intend to maintain a company environment where our colleagues can work with dignity and a sense of purpose. As more of our team takes pride in working at MUFG and finds fulfillment in their roles, we will inevitably grow stronger. It is crucial for management to foster an environment where colleague growth and organizational growth are symbiotic.

MUFG has changed significantly over the past two decades. The Group management approach has evolved from Group-collaborative, where each entity collaborates as necessary – to Group-driven, where each entity fulfills its role according to Group policy – to Group-integrated, where the entities are united and function as one organization. To become the comprehensive services group we aspire to be, MUFG must accelerate this transformation. My role as Group CEO is to make this happen.

During my five years as President and CEO of the Bank, I maintained frequent communication with many colleagues in Japan and abroad, clearly articulating my vision across the organization and gathering direct feedback from the front line. As Group CEO, I intend to connect with even more colleagues across the Group and continue engaging them in meaningful dialogue.

For MUFG, this era of epochal change requires a strong conviction to our purpose, and the ability to execute and convert that conviction into results.

By accurately grasping the significance of a changing environment and leveraging our consolidated Group strength, MUFG will exemplify our purpose of being Committed to empowering a brighter future.

I believe MUFG's ability to build on strengths we now possess, and to forge an even more powerful future, is linked to the evolving profile of customers and society as we all grow together. We pledge to embrace bold challenges with determination to grow together as we take action to lead that growth.

President & Group CEO