

[NOTICE: This Notice of Convocation is a translation of the Japanese original for reference purposes only, and in the event of any discrepancy, the Japanese original shall prevail.]

Securities code: 8306

June 8, 2017

NOTICE OF CONVOCATION OF
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

Notice is hereby given that the 12th Annual General Meeting of Shareholders (the “Meeting”) of Mitsubishi UFJ Financial Group, Inc. (the “Company”) will be held as described below. You are cordially invited to attend the Meeting. If you attend the Meeting in person, please present the enclosed voting right exercise form to the receptionist at the Meeting.

Please note that you may exercise your voting rights in writing, or electromagnetically (Internet), if you are unable to attend the Meeting in person. In such case, please review the attached “Reference Materials Concerning the General Meeting of Shareholders” and exercise your voting rights by 5:10 p.m. on Wednesday, June 28, 2017, following the procedure described on page 4 to 7.

Yours very truly,

MITSUBISHI UFJ FINANCIAL GROUP, INC.
Nobuyuki Hirano
Director, President & Group CEO
7-1, Marunouchi 2-chome,
Chiyoda-ku, Tokyo

PARTICULARS

1. Date and Time of the Meeting: Thursday, June 29, 2017, at 10:00 a.m.
(Reception scheduled to open at 8:30 a.m.)
2. Place of the Meeting: NIPPON BUDOKAN
at 2-3, Kitanomaru-Koen, Chiyoda-ku, Tokyo

3. Matters to be dealt with at the Meeting:

Matters for Reporting:

The Business Report for the 12th Fiscal Year (from April 1, 2016 to March 31, 2017), the Financial Statements, the Consolidated Financial Statements and the Results of the Audit of the Consolidated Financial Statements by the Independent Auditors and the Audit Committee.

Matters for Resolution:

<Proposal by the Company>

- | | |
|-------------------------|-------------------------------------|
| First Item of Business | Appropriation of Surplus |
| Second Item of Business | Election of 18 (Eighteen) Directors |

<Proposal by Shareholder>

- | | |
|---------------------------|---|
| Third Item of Business | Partial Amendment to the Articles of Incorporation (Individual Disclosure of Compensation for Directors) |
| Fourth Item of Business | Partial Amendment to the Articles of Incorporation (Separation of roles of Chairman of the Board and Chief Executive Officer) |
| Fifth Item of Business | Partial Amendment to the Articles of Incorporation (Establishment of a Plan for the Company's Employees to be Able to Return to Their Jobs After Running for a National Election, a Municipal Election or a Mayoral Election) |
| Sixth Item of Business | Partial Amendment to the Articles of Incorporation (Exercise of Voting Rights of Shares Held for the Purpose of Strategic Shareholdings) |
| Seventh Item of Business | Partial Amendment to the Articles of Incorporation (Disclosure of Policies and Actual Results of Training for Directors) |
| Eighth Item of Business | Partial Amendment to the Articles of Incorporation (Provision Relating to Communication and Response Between Shareholders and Directors) |
| Ninth Item of Business | Partial Amendment to the Articles of Incorporation (Provision relating to a Mechanism Enabling Shareholders to Recommend Candidates for Director to the Nominating Committee and Their Equal Treatment) |
| Tenth Item of Business | Partial Amendment to the Articles of Incorporation (Publication of Proposals by Shareholder in the Notice of Convocation with at Least 100 Proposals as the Upper Limit) |
| Eleventh Item of Business | Partial Amendment to the Articles of Incorporation (Establishment of Whistle-blowing Contact on the Board of Corporate Auditors) |
| Twelfth Item of Business | Partial Amendment to the Articles of Incorporation (Holding of Executive Committee Meetings Consisting Only of Outside Directors Without the Attendance of Representative |

| | |
|------------------------------|--|
| | Corporate Executive Officers) |
| Thirteenth Item of Business | Partial Amendment to the Articles of Incorporation (Establishment of Program for Hiring Women Who Gave Up Their Career Due to Childbirth and Child Rearing as “Semi-recent College Graduates” and also as Career Employees and Executives, etc.) |
| Fourteenth Item of Business | Partial Amendment to the Articles of Incorporation (Prohibition of Discriminatory Treatment of Activist Investors) |
| Fifteenth Item of Business | Partial Amendment to the Articles of Incorporation (Establishment of a Special Committee to Express Opinions as the Company on a Series of Acts of the Minister of Justice, Katsutoshi Kaneda) |
| Sixteenth Item of Business | Partial Amendment to the Articles of Incorporation (Establishment of a Special Investigation Committee on the Loans to Kenko Corporation) |
| Seventeenth Item of Business | Dismissal of Director Haruka Matsuyama |
| Eighteenth Item of Business | Election of Director Lucian Bebchuk instead of Haruka Matsuyama |
| Nineteenth Item of Business | Partial Amendment to the Articles of Incorporation (Submission of a Request to the Bank of Japan to Refrain from Deepening the Negative Interest Rate Policy) |

Exercise of Voting Rights

Please review the “Reference Materials Concerning the General Meeting of Shareholders” on page 8 onward and exercise your voting rights by either of the following methods:

Exercise of voting rights by attending the Meeting in person

Please submit the enclosed voting right exercise form at the reception.

You are also kindly requested to bring this Notice of Convocation for your reference at the Meeting.

Date and time of the Meeting: Thursday, June 29, 2017 at 10:00 a.m.

Exercise of voting rights in writing (voting right exercise form) Please see the next page for details.

Please indicate your votes for or against the propositions on the enclosed voting right exercise form and send the completed form to the Company by return mail.

Deadline: Wednesday, June 28, 2017, to reach the Company no later than 5:10 p.m.

Exercise of voting rights via the Internet

(Only for the shareholders in Japan)

Announcements:

1. In the case of attendance by proxy, please present, to the receptionist at the Meeting, a document evidencing authority of the proxy to act as such, together with the voting right exercise form. Please note that such proxy must be one shareholder of the Company entitled to exercise its own voting rights at the Meeting.
2. A copy of the Business Report, the Financial Statements, the Consolidated Financial Statements and the Audit Reports by the Independent Auditors and the Audit Committee, which are required to be attached to the Notice of Convocation of the Annual General Meeting of Shareholders, is as attached hereto as the “Business Report for the Twelfth Fiscal Year.” The following matters, however, are not described in the “Business Report for the Twelfth Fiscal Year” as they are described on our website (<http://www.mufg.jp/>) pursuant to laws and regulations, and the provision of Articles 25 of the Articles of Incorporation.

(1) “Matters Concerning Stock Acquisition Rights, etc., of the Company” of the Business Report; (2) Consolidated Statement of Changes in Net Assets and Notes to the Consolidated Financial Statements; (3) Non-consolidated Statement of Changes in Net Assets and Notes to the Non-Consolidated Financial Statements

The documents audited by the Audit Committee and Independent Auditors in preparing the Audit Reports and Independent Auditors Reports comprise the documents included in the “Business Report for the Twelfth Fiscal Year,” and the documents from (1) to (3) above, disclosed on **our website**.

3. If any matter included in the Reference Materials Concerning the General Meeting of Shareholders, the Business Report, the Financial Statements, and the Consolidated Financial Statements is to be modified, we will disclose the details of such modification on **our website**.

The Company website : <http://www.mufg.jp/>

Exercise of voting rights in writing (voting right exercise form)

Please indicate your votes for or against the propositions on the enclosed voting right exercise form and send the completed form to the Company by return mail. Please note that if there is no indication of your vote for or against any item of business, we will deem that you have voted for the proposal by the Company and against the proposal by shareholder.

Deadline: Wednesday, June 28, 2017, to reach the Company no later than 5:10 p.m.

Example of the voting right exercise form

議決権行使書

株式会社 三菱UFJフィナンシャル・グループ 御中

私は、平成29年6月29日開催の株式会社三菱UFJフィナンシャル・グループ第19回定時株主総会（議決権行使の場）における各議案の原案に対し次（賛否を○印で表示）のどおり、議決権を行使します。

平成29年 6月 日

| | | | | | | | | | | | | | | | | | | | |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|------|------|------|------|------|------|------|------|------|
| 議案 | 第1号 | 第2号 | 第3号 | 第4号 | 第5号 | 第6号 | 第7号 | 第8号 | 第9号 | 第10号 | 第11号 | 第12号 | 第13号 | 第14号 | 第15号 | 第16号 | 第17号 | 第18号 | 第19号 |
| 株主提案 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 |
| 案 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 |

各議案につき賛否のご表示のない場合は、会社提案については賛、株主からのご提案については否の意思表示があったものとしてお取り扱いいたします。

議決権の数

ご所有株式数 株

議決権の数 個

お願い

- 株主総会にご出席の場合は、左の議決権行使用紙をこの部分と切り離さずにご出席時にご提出ください。
- 株主総会にご出席できない場合は、以下のいずれかの方法により、議決権をご行使くださいますようお願い申し上げます。

【議決権行使による議決権の行使の場合】

- 議決権行使用紙に賛否をご表示いただき、平成29年6月28日午後5時10分までに到着するようご返送ください。（印刷は不要です。）
- 第2号議案の各候補者のうち、一部の候補者を否とされる場合は、賛に○印を表示しカッコ内に否とされる候補者の番号（招致通知部分の株主総会参考用紙、各候補者に一連番号を付してあります。）をご記入ください。

【インターネットによる議決権の行使の場合】

<http://www.evotc.jp/>

パソコン、スマートフォンまたは携帯電話から上記アドレスにアクセスしてください。

下記のログインID・仮パスワードをご利用になり、画面の案内に従って、平成29年6月28日午後5時10分までに議決権をご行使ください。

3. 裏面もよくお読みください。

〈ログインID〉

〈仮パスワード〉—株主番号(8桁)—

株式会社 三菱UFJフィナンシャル・グループ

Please cut and return this part.

For Second Item of Business, if you plan to vote against one or more candidates, please state the candidate number.

Proposals from Third Item of Business to Nineteenth Item of Business are proposed by shareholders. The Board of Directors objects to all of these proposals. For details, please refer to page 34 and onward.

The "login ID" and "temporary password" which are required for exercising voting rights via the Internet, are indicated here.

Handling of the voting rights exercised multiple times

- Please be advised that if you exercise the voting rights both in writing and via the Internet, the contents of the voting rights exercised via the Internet shall be deemed valid.
- Please be advised that if you exercise the voting rights multiple times via the Internet, the last exercise of the voting rights shall be deemed valid. Similarly, if you exercise the voting rights redundantly via PC, smart phone and mobile phone, the last exercise of the voting rights shall be deemed valid.

Please indicate “for” or “against” for each proposal here.

- In case of “for” : please circle the word “For.”
- In case of “against” : please circle the word “Against.”

If you approve the proposal by the Company and Board of Directors’ opinion

| | | | | | | | | | | | | | | | | | | | | |
|--|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | | 会社提案 | | 株主提案 | | | | | | | | | | | | | | | | |
| | | 第1号議案 | 第2号議案 | 第3号議案 | 第4号議案 | 第5号議案 | 第6号議案 | 第7号議案 | 第8号議案 | 第9号議案 | 第10号議案 | 第11号議案 | 第12号議案 | 第13号議案 | 第14号議案 | 第15号議案 | 第16号議案 | 第17号議案 | 第18号議案 | 第19号議案 |
| | | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 |
| | | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 |

If you do not approve the proposal by the Company and Board of Directors’ opinion

| | | | | | | | | | | | | | | | | | | | | |
|--|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | | 会社提案 | | 株主提案 | | | | | | | | | | | | | | | | |
| | | 第1号議案 | 第2号議案 | 第3号議案 | 第4号議案 | 第5号議案 | 第6号議案 | 第7号議案 | 第8号議案 | 第9号議案 | 第10号議案 | 第11号議案 | 第12号議案 | 第13号議案 | 第14号議案 | 第15号議案 | 第16号議案 | 第17号議案 | 第18号議案 | 第19号議案 |
| | | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 | 賛 |
| | | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 | 否 |

Caution

The election of Ms. Haruka Matsuyama (candidate no. 3) in Second Item of Business (Election of 18 (Eighteen) Directors) as proposed by the Company and the Eighteenth Item of Business as the proposed by shareholder are incompatible. Accordingly, please note that if you circle “For” in both of these items, the contents* shall be deemed invalid.

* The election of Ms. Haruka Matsuyama and the Eighteenth Item of Business

| | | | |
|--------|--------|--------|--------|
| 第2号議案 | | | |
| 賛 | 但し | | |
| 否 | を除く | | |
| 第16号議案 | 第17号議案 | 第18号議案 | 第19号議案 |
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This case shall be deemed invalid. Both Second and Eighteenth Item of Business have circles for approval.

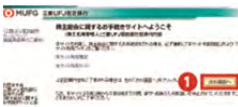

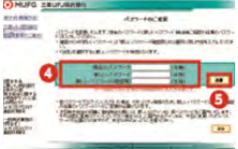
Exercise of voting rights via the Internet

* Exercise of voting rights via the Internet includes exercise of voting rights using an electronic voting rights exercise platform.

Please access the voting right exercise website via the Internet and exercise your voting rights.

Deadline: 5:10 p.m., Wednesday, June 28, 2017

| | |
|-----------------------------------|---|
| The voting right exercise website | http://www.evote.jp/ |
|-----------------------------------|---|

1. Access the voting right exercise website (screen on PC)
 
 - (1) Click “Go to the next page.”
2. Log in
 
 - (2) Use your “login ID” and “temporary password” provided on the bottom-right of the voting right exercise form.
 - (3) Click “Log in.”
3. Register your password
 
 - (4) Enter the “temporary password” in the “current password” field and enter a new password of your choice in both the “new password input field” and the “new password input field (for confirmation).” Please be careful not to forget your password.
 - (5) Click “Send.”

Hereafter, please enter your approval or disapproval by following the instructions on the screen.

Notes

- Please note that we request shareholders who exercise their voting rights via the Internet to change their “temporary password” on the voting right exercise website in order to prevent unauthorized access (“spoofing”) by third parties other than shareholders and to prevent tampering with the contents of the voting.
- A new “login ID” and “temporary password” will be provided each time when a General Meeting of Shareholders is convened.
- Internet access fees, communication charges, etc. incurred in accessing the voting right exercise website from your PC, smartphone or mobile phone are to be borne by the shareholders.
- Exercise of voting rights via the Internet is only available on the voting right exercise website designated by the Company (<http://www.evote.jp/>) via your PC, smartphone or mobile phone. (Please note that the website cannot be accessed from 2 a.m. to 5 a.m. each day.)
- Depending on your network environment, the service you are using, or the model of your mobile terminal, you may not be able to use the website. For details, please contact the help desk below.

For inquiries regarding exercise of voting rights via the Internet (Help desk)

Securities Transfer Agency Division,
Mitsubishi UFJ Trust and Banking Corporation
0120-173-027 (toll-free within Japan)
Business hours: From 9:00 a.m. to 9:00 p.m.

■ Information for Institutional Investors
Institutional investors may use an “electronic voting rights exercise platform” as a method of exercising the voting rights.

[TRANSLATION]

REFERENCE MATERIALS CONCERNING
THE GENERAL MEETING OF SHAREHOLDERS

Items of Business and Reference Matters

<Proposal by the Company (from First Item of Business to Second Item of Business)>

The First Item of Business to the Second Item of Business are proposed by the Company.

<Proposal by the Company>

First Item of Business Appropriation of Surplus

The proposal for the appropriation of surplus is as stated below.

Matters concerning the year-end dividends:

The Company considers the return of earnings to shareholders to be one of the most important management priorities and makes it a basic policy to aim for a stable and continuous increase in dividends per share through growth in profits.

Based on this policy, with respect to the year-end dividend is as stated below.

1. Kind of dividend property

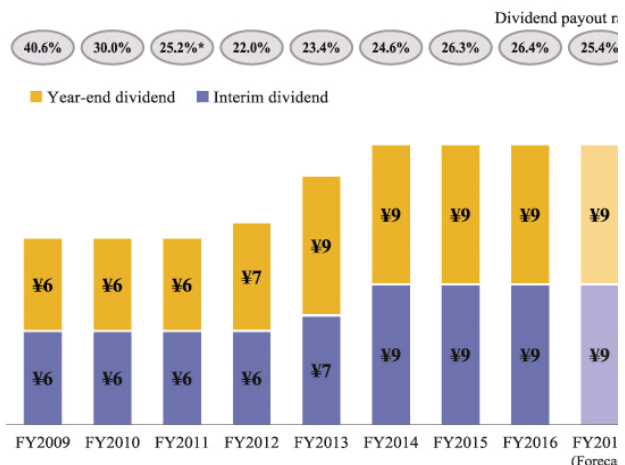
Cash

2. Matters concerning allocation and the total amount of dividend property

Ordinary Shares ¥9 per share
¥121,160,626,407 in total

With respect to the dividend for Ordinary Shares, the annual dividend for the fiscal year 2016 will be ¥18 per share, as an interim dividend of ¥9 per share was paid out on December 5, 2016.

<Reference> Dividend paid and forecast



* Excluding the effect of negative goodwill associated with transition to equity-method affiliates of Morgan Stanley. 17.6% before excluding the effect.

3. Date on which dividends from surplus shall be effective

June 30, 2017

<Proposal by the Company>

Second Item of Business Election of 18 (Eighteen) Directors

The terms of office of all 17 (seventeen) Directors will expire at the close of this Meeting. Therefore, in order to reflect a global and diverse perspective on the management of the Company as well as to further enhance the Board of Directors' management oversight function, you are hereby requested to newly elect 18 (eighteen) Directors including an additional 1 (one) Outside Director.

The candidates nominated by the Nominating and Governance Committee (which constitutes a Nominating Committee under the Companies Act) are as follows.

Each of the 8 (eight) Outside Director candidates meets the Company's "Independence Standards for Outside Directors."

| No. | Candidate's Name | Current Position and Responsibilities at the Company | Specialty | | | |
|-----|------------------|---|----------------------|---------|----------------------|-----|
| | | | Corporate management | Finance | Financial accounting | Law |
| 1 | Hiroshi Kawakami | Reelected Outside Director Independent Director Candidate Director Nominating Member Compensation Member Audit Member | ● | - | - | - |
| 2 | Yuko Kawamoto | Reelected Outside Director Independent Director Candidate Director Nominating Member Compensation Member Risk Member (Chairperson) | - | ● | - | - |
| 3 | Haruka Matsuyama | Reelected Outside Director Independent Director Candidate Director Nominating Member Compensation Member | - | - | - | ● |
| 4 | Toby S. Myerson | Newly elected Outside Director Independent Director Candidate | - | - | - | ● |

| No. | Candidate's Name | Current Position and Responsibilities at the Company | Specialty | | | |
|-----|-------------------|--|----------------------|---------|----------------------|-----|
| | | | Corporate management | Finance | Financial accounting | Law |
| 5 | Tsutomu Okuda | Reelected Outside Director Independent Director Candidate Director Nominating Member (Chairperson) Compensation Member Risk Member | ● | - | - | - |
| 6 | Yukihiro Sato | Reelected Outside Director Independent Director Candidate Director Audit Member | ● | - | ● | - |
| 7 | Tarisa Watanagase | Newly elected Outside Director Independent Director Candidate | - | ● | - | - |
| 8 | Akira Yamate | Reelected Outside Director Independent Director Candidate Director Audit Member (Chairperson) | - | - | ● | - |

| No. | Candidate's Name | Current Position and Responsibilities at the Company | |
|-----|--------------------|--|---|
| 9 | Takehiko Shimamoto | Reelected Non-Executive Director | Director Audit Member |
| 10 | Junichi Okamoto | Newly elected Non-Executive Director | Senior Managing Executive Officer Group Head, Trust Assets Business Group |
| 11 | Kiyoshi Sono | Reelected | Director Chairman |
| 12 | Takashi Nagaoka | Reelected | Director Deputy Chairman |
| 13 | Mikio Ikegaya | Reelected | Director Deputy Chairman |
| 14 | Kanetsugu Mike | Newly elected | |
| 15 | Nobuyuki Hirano | Reelected | Director President & Group CEO Nominating Member Compensation Member CEO: Chief Executive Officer |
| 16 | Tadashi Kuroda | Reelected | Director Senior Managing Executive Officer Group CSO & Group CHRO Risk Member CSO: Chief Strategy Officer (primarily in charge of Corporate Planning Division) CHRO: Chief Human Resources Officer (primarily in charge of Human Resources Division) |
| 17 | Muneaki Tokunari | Reelected | Director Senior Managing Executive Officer Group CFO CFO: Chief Financial Officer (primarily in charge of Financial Planning Division) |
| 18 | Masamichi Yasuda | Reelected | Director Senior Managing Executive Officer Group CRO CRO: Chief Risk Officer (primarily in charge of Corporate Risk Management Division and Credit Policy & Planning Division) |

Outside Director:

Non-Executive Director:

Independent Director Candidate:

Nominating Member:

Compensation Member:

Audit Member:

Risk Member:

Outside Director candidate

Person, being as a Non-Executive Director, who does not concurrently serve as Corporate Executive Officer, Executive Officer, employee or Executive Director of the Company or its subsidiaries (excluding Outside Director)

Candidate for Independent Director provided for by Tokyo Stock Exchange, Inc.

Member of the Nominating and Governance Committee

Member of the Compensation Committee

Member of the Audit Committee

Member of the Risk Committee

(Reference) Composition of the Board of Directors

Composition

The Board of Directors shall be composed of 20 Directors or less in order to ensure its effectiveness. The Board of Directors as a whole shall have an appropriately balanced composition that provides a deep understanding of the Group’s business and a wealth of knowledge and expertise on finance, financial accounting, risk management and compliance and so forth. Accordingly, the Board of Directors shall meet the following requirements in particular.

- The Board of Directors shall have a balanced composition consisting of Internal Directors who are familiar with the business of the Group and Independent Outside Directors who oversee management and Directors from an independent and objective standpoint.
- The percentage of Independent Outside Directors, in principle, shall be at least one third, and the percentage of Non-Executive Directors*, in principle, shall be more than half.
(*Those who do not concurrently serve as a Corporate Executive Officer, Executive Officer, employee or Executive Director of the Company or a subsidiary of the Company.)
- To ensure the effectiveness of oversight of the Group’s management by the Board of Directors, the Presidents of The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, and Mitsubishi UFJ Securities Holdings Co., Ltd. will, in principle, also serve as Directors of the Company.

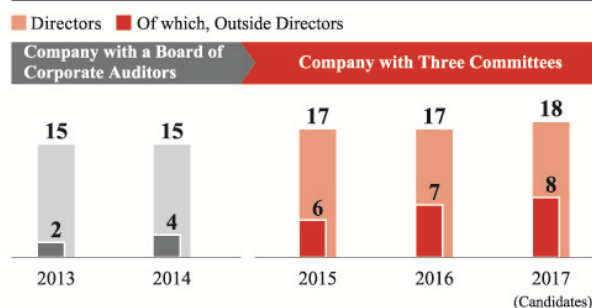
Policy for Election of Directors

- The Nominating and Governance Committee shall set forth director election standards focused on the following and nominate persons who meet such standards as director candidates.

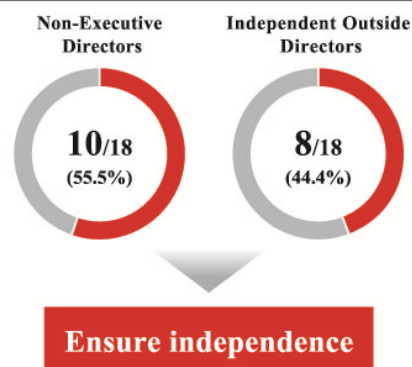
[Outline of Director Election Standards]

- Directors, as elected by the shareholders and entrusted as managers, shall have the qualities required to be able to appropriately fulfill their duty of loyalty and duty of care in the execution of their duties and to contribute to the sustainable growth and the increase of corporate value of the Company over the medium- to long-term.
- Independent outside directors shall have a wealth of knowledge and experience in the fields of corporate management, finance, financial accounting and law and the qualities required for oversight of the execution of duties by management from an independent and objective standpoint, meeting the independence standards of the Company.
- Executive directors shall have extensive knowledge of the Group’s business and the ability to appropriately perform management of the Group.

Number of the Board of Directors members



Ratio of Non-Executive Director Candidates and Independent Outside Director Candidates



<Reference> MUFG Independence Standards for Outside Directors

1. (1) The person does not serve as an Executive Director, Corporate Executive Officer, Executive Officer, Manager or other employee (hereinafter “Executive”) of the Company or its subsidiaries, and has not served as an Executive of the Company or its subsidiaries in the 10 years prior to his or her appointment.
(2) If the person at some time during the 10 years prior to his or her appointment had served as a Director, Accounting Advisor or Corporate Auditor (excluding a person who served as an Executive) of the Company or its subsidiaries, he or she had not served as an Executive in the 10 years prior to his or her appointment as such Director, Accounting Advisor or Corporate Auditor.
2. (1) The person is not a person or an Executive thereof who deals with the Company or its major subsidiaries (Note 1) as a major business partner (Note 2) and has not been an Executive thereof in the last 3 years.
(2) The person is not a major business partner or an Executive thereof of the Company or its major subsidiaries, and has not been an Executive thereof in the last 3 years.
3. If the person is a consultant, accounting expert or legal expert, he or she has not received more than an average of 10 million yen per year in monetary or other assets from the Company excluding executive compensation, in the last 3 years, and is not an employee or other member of an accounting and law firms which deals with the Company as a major business partner (Note 3).
4. The person is not a spouse or a relative within the second degree of kinship of a Director, Corporate Executive Officer, Executive Officer of the Company or its subsidiaries or a person whose independence from the Company has not been deemed to be assured by reason of Requirements 2 and 3 above.
5. The person is not a current major shareholder (Note 4) of the Company or an Executive thereof.
6. The person is not an audit corporation or an employee or other member of such audit corporation of the Company or its subsidiaries, and has not engaged in the audit operations of the Company or its subsidiaries as such employee in the last 3 years.

- (Note 1) Major subsidiaries: The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holding Co., Ltd.
- (Note 2) Major business partner: Based on the criterion of 2% or more of annual consolidated net sales (annual consolidated gross profits in the case of the Company).
- (Note 3) Major business partner: Based on the criterion of 2% or more of annual net sales.
- (Note 4) Major shareholder: Shareholder holding 10% or more of total voting rights



Number 1

Hiroshi Kawakami (Date of Birth: May 3, 1949)

| | | |
|---|--|--|
| Reelected Outside Director Independent Director Candidate | Career summary April 1972 June 2003 June 2007 June 2008 June 2009 June 2015 June 2016 | Joined Toyota Motor Sales Co., Ltd. Managing Officer of TOYOTA MOTOR CORPORATION (TOYOTA) Senior Managing Director, Member of the Board of TOYOTA Executive Vice President of Toyota Tsusho Corporation President and CEO of Central Japan International Airport Co., Ltd. Senior Advisor of Central Japan International Airport Co., Ltd. (incumbent) Outside Director of the Company (incumbent) Outside Director of AT-Group Co., Ltd. (incumbent) |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | | |
| Director Board of Directors 7/7 (100%) Member of the Nominating and Governance Committee Nominating and Governance Committee 12/12 (100%) Member of the Compensation Committee Compensation Committee 8/8 (100%) Member of the Audit Committee Audit Committee 16/16 (100%) | Important status in other companies Senior Advisor of Central Japan International Airport Co., Ltd. Outside Director of AT-Group Co., Ltd. | Reason for proposing as the Outside Director candidate Having served in various important positions, including Senior Managing Director of TOYOTA MOTOR CORPORATION and President and CEO of Central Japan International Airport Co., Ltd., Mr. Kawakami has affluent experience, knowledge and wisdom as a corporate manager. The Company proposes his election as Outside Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and oversight function, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. |
| Number of Years in Office as Outside Director 2 years | Supplementary information on independence Mr. Kawakami meets the Company's "Independence Standards for Outside Directors." Although he had served as a Senior Managing Director of TOYOTA MOTOR CORPORATION in the past, he resigned as a director in June 2008, and has not been involved in its management or business execution for more than 8 years since his resignation. In addition, the Company had business accounting for less than 1% of the TOYOTA MOTOR CORPORATION's consolidated net sales and the Company's consolidated gross profit in fiscal year 2016. In light of this, among other reasons, such relationship would not affect his independence from the Company. | |
| Type and Number of Company's Shares Owned Ordinary Shares 0 | | |



Number 2

Yuko Kawamoto (Date of Birth: May 31, 1958)

| | |
|--|--|
| <p>Reelected Outside Director Independent Director Candidate</p> | <p>Career summary April 1982 Joined The Bank of Tokyo, Ltd. April 1986 Left The Bank of Tokyo, Ltd. September 1988 Joined McKinsey & Company, Inc. July 2001 Senior Expert of McKinsey & Company, Inc., Tokyo office March 2004 Left McKinsey & Company, Inc. April 2004 Professor at Waseda Graduate School of Finance, Accounting and Law (current Business and Finance) (incumbent) June 2004 Outside Director of Osaka Exchange, Inc. (current Japan Exchange Group) June 2006 Outside Audit & Supervisory Board Member of Tokio Marine Holdings, Inc. (incumbent) June 2013 Director of the Company June 2016 Outside Director of the Company (incumbent)</p> |
| <p>Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc.</p> | <p>Important status in other companies Professor at Waseda Graduate School of Business and Finance Outside Audit & Supervisory Board Member of Tokio Marine Holdings, Inc.</p> |
| <p>Director Board of Directors 7/7 (100%) Member of the Nominating and Governance Committee Nominating and Governance Committee 12/12 (100%) Member of the Compensation Committee Compensation Committee 8/8 (100%) Member of the Risk Committee (Chairperson)</p> | <p>Reason for proposing as the Outside Director candidate Over the last 30 years since she resigned from The Bank of Tokyo, Ltd. (current The Bank of Tokyo-Mitsubishi UFJ, Ltd. or BTMU), Ms. Kawamoto has acquired abundant experience and expertise in the financial sector, throughout her career as a management consultant and a professor at the Graduate School of Waseda University. The Company proposes her election as Outside Director since she is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and oversight function, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. Although she has not been directly involved in the management of a corporation, except as Outside Director or Outside Corporate Auditor, the Company believes that she is well qualified to act as an Outside Director because of the reason stated above.</p> |
| <p>Number of Years in Office as Outside Director 1 year</p> | <p>Supplementary information on independence Ms. Kawamoto meets the Company's "Independence Standards for Outside Directors." She currently serves as a professor at the Graduate School of Waseda University, with which the Company had business accounting for less than 1% of Waseda University's revenues and the Company's consolidated gross profit in fiscal year 2016. In light of this, among other reasons, such relationship would not affect her independence from the Company.</p> |
| <p>Type and Number of Company's Shares Owned Ordinary Shares 20,700</p> | |



Number 3

Haruka Matsuyama (Date of Birth: August 22, 1967)

* The officially registered name of Ms. Haruka Matsuyama is Haruka Kato.

| | | |
|---|---|--|
| Reelected Outside Director Independent Director Candidate | Career summary April 1995 July 2000 January 2002 June 2012 June 2013 June 2014 June 2015 | Assistant Judge to the Tokyo District Court Attorney at law Joined the Daini Tokyo Bar Association Joined Hibiya Park Law Offices Partner of Hibiya Park Law Offices (incumbent) Outside Statutory Auditor of Vitec Co., Ltd. Outside Director of T&D Holdings, Inc. (incumbent) Outside Corporate Auditor of Mitsui & Co., Ltd. (incumbent) Outside Director of the Company (incumbent) Outside Director of Vitec Co., Ltd. (current VITEC HOLDINGS CO., LTD.) (incumbent) |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | Important status in other companies Partner of Hibiya Park Law Offices Outside Director of T&D Holdings, Inc. Outside Director of VITEC HOLDINGS CO., LTD. Outside Corporate Auditor of Mitsui & Co., Ltd. | Reason for proposing as the Outside Director candidate Ms. Matsuyama has extensive experience as an attorney and professional insight on general legal affairs. The Company proposes her election as Outside Director since she is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and oversight function, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. Although she has not been directly involved in the management of a corporation, except as Outside Director or Outside Corporate Auditor, the Company believes that she is well qualified to act as an Outside Director because of the reason stated above. |
| Director Board of Directors 7/7 (100%) Member of the Nominating and Governance Committee Nominating and Governance Committee 12/12 (100%) Member of the Compensation Committee Compensation Committee 8/8 (100%) | Supplementary information on independence Ms. Matsuyama meets the Company's "Independence Standards for Outside Directors." She currently serves as the Partner of Hibiya Park Law Offices, with which the Company has no advisory contract and has not had transaction since fiscal year 2014 in which she assumed the post of the Company's Director. In addition, although there was transaction related to legal advice, etc. between the Company and the concerned law office in fiscal year 2013, before she assumed the post of the Company's Director, since the amount of transaction was less than ¥2 million, among other reasons, such relationship would not affect her independence from the Company. | |
| Number of Years in Office as Outside Director 3 years | | |
| Type and Number of Company's Shares Owned Ordinary Shares 1,600 | | |



Number 4

Toby S. Myerson (Date of Birth: July 20, 1949)

Newly elected
Outside Director
Independent
Director Candidate

Type and Number of
Company’s Shares
Owned
Ordinary Shares
0

Career summary

| | |
|----------------|--|
| September 1977 | Registered as Attorney at Law in New York, U.S. |
| October 1981 | Joined Paul, Weiss, Rifkind, Wharton & Garrison LLP |
| June 1983 | Partner of Paul, Weiss, Rifkind, Wharton & Garrison LLP |
| April 1989 | Managing Director of Wasserstein Perella & Co. Inc. |
| November 1990 | Partner of Paul, Weiss, Rifkind, Wharton & Garrison LLP |
| June 2014 | Outside Director of MUFG Union Bank, N.A. (incumbent) |
| December 2016 | Left Paul, Weiss, Rifkind, Wharton & Garrison LLP |
| January 2017 | Chairman & CEO of Longsight Strategic Advisors LLC (incumbent) |
| February 2017 | Outside Director of MUFG Americas Holdings Corporation (incumbent) |

Important status in other companies

Chairman & CEO of Longsight Strategic Advisors LLC
Outside Director of MUFG Americas Holdings Corporation
Outside Director of MUFG Union Bank, N.A.

Reason for proposing as the Outside Director candidate

Mr. Myerson has extensive experience as an attorney and professional insight on the fields of corporate legal affairs and successful mergers, acquisitions divestiture and takeover transactions. The Company proposes his election as Outside Director since he is expected to contribute extensive global outlook to the effective enhancement of the Board of Directors’ decision-making function and oversight function, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term.

Supplementary information on independence

Mr. Myerson meets the Company’s “Independence Standards for Outside Directors.” Although he served as a Partner and Co-Head of the Global Mergers and Acquisitions Group of Paul, Weiss, Rifkind, Wharton & Garrison LLP, he left the Firm in December 2016, and has not been involved in its management after resignation. In addition, although he currently serves as Chairman & CEO of Longsight Strategic Advisors LLC, a strategic advisory firm he established in January 2017, there is no relation between this company and the Company. In light of this and other reasons, such relationship would not affect his independence from the Company.



Number 5

Tsutomu Okuda (Date of Birth: October 14, 1939)

| | |
|--|---|
| <p>Reelected Outside Director Independent Director Candidate</p> | <p>Career summary</p> <p>April 1964 Joined The Daimaru, Inc. September 1991 Managing Director of Daimaru Australia Pty. Ltd. May 1995 Director of The Daimaru, Inc. May 1996 Managing Director of The Daimaru, Inc. March 1997 President of The Daimaru, Inc. May 2003 Chairman and Chief Executive Officer of The Daimaru, Inc. September 2007 Chairman of The Daimaru, Inc. March 2010 President and Chief Executive Officer of J.Front Retailing Co., Ltd. April 2013 Chairman and Chief Executive Officer of J.Front Retailing Co., Ltd. May 2014 Director and Senior Advisor of J.Front Retailing Co., Ltd. June 2014 Senior Advisor of J.Front Retailing Co., Ltd. (incumbent) June 2014 Outside Director of the Company (incumbent)</p> |
| <p>Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc.</p> | <p>Important status in other companies</p> <p>Senior Advisor of J.Front Retailing Co., Ltd.</p> |
| <p>Director Board of Directors 7/7 (100%) Member of the Nominating and Governance Committee (Chairperson) Nominating and Governance Committee 12/12 (100%) Member of the Compensation Committee Compensation Committee 8/8 (100%) Member of the Risk Committee</p> | <p>Reason for proposing as the Outside Director candidate</p> <p>Having served in various important positions, including President and Chairman of J.Front Retailing Co., Ltd., Mr. Okuda has affluent experience, knowledge and wisdom as a corporate manager. The Company proposes his election as Outside Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and oversight function, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term.</p> |
| <p>Number of Years in Office as Outside Director 3 years</p> | <p>Supplementary information on independence</p> <p>Mr. Okuda meets the Company's "Independence Standards for Outside Directors." He currently serves as the Senior Advisor of J.Front Retailing Co., Ltd., with which the Company had business accounting for less than 1% of the J.Front Retailing Co., Ltd.'s consolidated net sales and the Company's consolidated gross profit in fiscal year 2016. In light of this, among other reasons, such relationship would not affect his independence from the Company.</p> |
| <p>Type and Number of Company's Shares Owned Ordinary Shares 10,000</p> | |



Number 6

Yukihiro Sato (Date of Birth: March 12, 1947)

| | | |
|--|--|---|
| Reelected Outside Director Independent Director Candidate | Career summary April 1969 June 2001 April 2003 June 2003 April 2005 April 2007 April 2009 June 2009 June 2013 June 2014 July 2014 June 2015 | Joined Mitsubishi Electric Corporation Director and General Manager, Corporate Accounting Division of Mitsubishi Electric Corporation Managing Director and General Manager, Corporate Accounting Division of Mitsubishi Electric Corporation Director, Senior Executive Officer and General Manager, Corporate Accounting Division of Mitsubishi Electric Corporation Director and Senior Vice President of Mitsubishi Electric Corporation Director, Representative Executive Officer and Executive Vice President of Mitsubishi Electric Corporation Director of Mitsubishi Electric Corporation Senior Corporate Adviser of Mitsubishi Electric Corporation Special Adviser of Mitsubishi Electric Corporation Outside Corporate Auditor of the Company Adviser of Mitsubishi Electric Corporation (incumbent) Outside Director of the Company (incumbent) |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | | |
| Director Board of Directors 7/7 (100%) Member of the Audit Committee Audit Committee 16/16 (100%) | | |
| Number of Years in Office as Outside Director 2 years | Reason for proposing as the Outside Director candidate | |
| Type and Number of Company's Shares Owned Ordinary Shares 14,500 | Having served as Representative Executive Officer and Executive Vice President of Mitsubishi Electric Corporation and in the public service as the Chairman of the Corporate Finance Executive Committee of Ministry of Economy, Trade and Industry and a provisional member of the Business Accounting Council of Financial Services Agency, Mr. Sato has affluent experience as a corporate manager and professional insight in corporate finance and institutional accounting. The Company proposes his election as Outside Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and oversight function, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term. | |

Supplementary information on independence

Mr. Sato meets the Company's "Independence Standards for Outside Directors." Although he is serving as an Adviser of Mitsubishi Electric Corporation, he resigned as a director in June 2009, and has not been involved in its management or business execution for more than 7 years since his resignation. In addition, the Company had business accounting for less than 1% of the Mitsubishi Electric Corporation's consolidated net sales and the Company's consolidated gross profit in fiscal year 2016. In light of this, among other reasons, such relationship would not affect his independence from the Company.



Number 7

Tarisa Watanagase (Date of Birth: November 30, 1949)

Newly elected
Outside Director
Independent
Director Candidate

Career summary

| | |
|----------------|--|
| June 1975 | Joined the Bank of Thailand |
| January 1988 | Economist of International Monetary Fund (IMF) (Secondment) |
| October 2002 | Deputy Governor of the Bank of Thailand |
| November 2006 | Governor of the Bank of Thailand |
| September 2010 | Retired from the Bank of Thailand |
| March 2013 | Outside Director of The Siam Cement Public Company Limited (incumbent) |

Type and Number of
Company's Shares
Owned
Ordinary Shares
0

Important status in other companies

Outside Director of The Siam Cement Public Company Limited

Reason for proposing as the Outside Director candidate

Ms. Watanagase has extensive experience as the former Governor of the Bank of Thailand, the central bank of the country, and professional insight on finance and economics. The Company proposes her election as Outside Director since she is expected to contribute extensive global outlook to the effective enhancement of the Board of Directors' decision-making function and oversight function, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term.

Although she has not been directly involved in the management of a corporation, except as Outside Director or Outside Corporate Auditor, the Company believes that she is well qualified to act as an Outside Director because of the reason stated above.

Supplementary information on independence

Ms. Watanagase meets the Company's "Independence Standards for Outside Directors."



Number 8

Akira Yamate (Date of Birth: November 23, 1952)

| | | |
|--|---|---|
| <p>Reelected Outside Director Independent Director Candidate</p> | <p>Career summary</p> | <p>November 1977 Joined Price Waterhouse & Co. March 1983 Certified Public Accountant July 1991 Representative Partner of Aoyama Audit Corporation Partner of Price Waterhouse April 2000 Representative Partner of Chuo Aoyama Audit Corporation Partner of PricewaterhouseCoopers September 2006 Representative Partner of PricewaterhouseCoopers Aarata June 2013 Left PricewaterhouseCoopers Aarata Outside Corporate Auditor of Nomura Real Estate Holdings, Inc. Outside Corporate Auditor of Nomura Real Estate Development Co., Ltd. June 2015 Outside Director of the Company (incumbent) Outside Director of Nomura Real Estate Holdings, Inc. (incumbent) Outside Corporate Auditor of Prudential Holdings of Japan, Inc. (incumbent)</p> |
| <p>Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc.</p> | <p>September 2006 June 2013</p> | <p>Representative Partner of Chuo Aoyama Audit Corporation Partner of PricewaterhouseCoopers Representative Partner of PricewaterhouseCoopers Aarata Left PricewaterhouseCoopers Aarata Outside Corporate Auditor of Nomura Real Estate Holdings, Inc. Outside Corporate Auditor of Nomura Real Estate Development Co., Ltd.</p> |
| <p>Director Board of Directors 7/7 (100%) Member of the Audit Committee (Chairperson) Audit Committee 16/16 (100%)</p> | <p>June 2015</p> | <p>Outside Director of the Company (incumbent) Outside Director of Nomura Real Estate Holdings, Inc. (incumbent) Outside Corporate Auditor of Prudential Holdings of Japan, Inc. (incumbent)</p> |
| <p>Number of Years in Office as Outside Director 2 years</p> | <p>Important status in other companies</p> | <p>Outside Director of Nomura Real Estate Holdings, Inc. Outside Corporate Auditor of Prudential Holdings of Japan, Inc.</p> |
| <p>Type and Number of Company's Shares Owned Ordinary Shares 0</p> | <p>Reason for proposing as the Outside Director candidate</p> | <p>Mr. Yamate has affluent experience as a certified public accountant and professional insight in accounting and auditing. The Company proposes his election as Outside Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and oversight function, with the aim of facilitating sustainable growth of the Company and increasing its corporate value over the medium- to long-term.</p> |

Supplementary information on independence

Mr. Yamate meets the Company's "Independence Standards for Outside Directors." Although he had been a Representative Partner of PricewaterhouseCoopers Aarata LLC in the past, he resigned from the PricewaterhouseCoopers Aarata in June 2013, and has not been involved in its management. In light of this, among other reasons, such relationship would not affect his independence from the Company.



Number 9

Takehiko Shimamoto (Date of Birth: November 15, 1959)

| | |
|---|---|
| <p>Reelected Non-Executive Director</p> <hr/> <p>Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc.</p> <p>Director Board of Directors 7/7 (100%) Member of the Audit Committee Audit Committee 16/16 (100%)</p> <hr/> <p>Number of Years in Office as Director 2 years</p> <hr/> <p>Type and Number of Company's Shares Owned Ordinary Shares 277,000</p> <hr/> | <p>Career summary</p> <p>April 1982 April 2008</p> <p>May 2012</p> <p>June 2012 June 2015</p> <p>Joined The Mitsubishi Bank, Limited Executive Officer and General Manager, Operation Service Planning Division and Manager, Customer Security Office of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) Executive Officer of the Company Managing Executive Officer of BTMU Managing Officer of the Company Managing Director of BTMU Corporate Auditor of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Corporate Auditor of Mitsubishi UFJ Securities Holdings Co., Ltd. Director of the Company (incumbent)</p> <p>Reason for proposing as the Outside Director candidate</p> <p>Since assuming the post of Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) in 2008, Mr. Shimamoto has served as General Manager of the Operation Service Planning Division, General Manager of the Human Resources Division, Officer in charge of the Compliance Division (Chief Compliance Officer), and Officer in charge of the Corporate Risk Management Division and Credit Policy & Planning Division at BTMU. He also served as Deputy Chief Compliance Officer at the Company. At present, he is Director and Audit Member (Full-Time) of the Company. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term.</p> |
|---|---|



Number 10

Junichi Okamoto (Date of Birth: November 9, 1957)

Newly elected
Non-Executive
Director

Career summary

| | |
|------------|---|
| April 1980 | Joined The Toyo Trust and Banking Company, Limited |
| June 2008 | Executive Officer, General Manager of the Pension Trust Division of Mitsubishi UFJ Trust and Banking Corporation (MUTB) |
| June 2010 | Managing Executive Officer of MUTB Executive Officer of the Company |
| June 2012 | Senior Managing Executive Officer of MUTB |
| June 2013 | Deputy President of MUTB Director of the Company |
| June 2015 | Senior Managing Executive Officer of the Company (incumbent) |
| June 2016 | Director, Deputy President and Executive Officer of MUTB (incumbent) |

Current Position,
Responsibilities at the
Company and
Attendance at
Meeting of the Board
of Directors, etc.

Senior Managing
Executive Officer
Group Head, Trust
Assets Business
Group

Important status in other companies

Director, Deputy President of Mitsubishi UFJ Trust and Banking Corporation

Type and Number of
Company's Shares
Owned
Ordinary Shares
14,700

Reason for proposing as the Outside Director candidate

Since assuming the post of Executive Officer of MUTB in 2008, Mr. Okamoto has served as General Manager of Pension Trust Division and General Manager of Business Division VI. He also served as Group Head of Trust Assets Business Group of the Company. At present, he is Chief Executive of Trust Assets Business Unit and Deputy President of MUTB, concurrently serving as Senior Managing Executive Officer and Group Head of Trust Assets Business Group of the Company.

The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term. Mr. Okamoto is scheduled to resign as Director of MUTB as of June 28, 2017.



Number 11

Kiyoshi Sono (Date of Birth: April 18, 1953)

| | | |
|--|-----------------------|---|
| Rerelected | Career summary | |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | April 1976 | Joined The Sanwa Bank, Limited |
| Director Chairman Board of Directors 7/7 (100%) | June 2004 | Executive Officer, in charge of Corporate Restructuring Department of UFJ Bank Limited |
| | January 2006 | Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) |
| | May 2006 | Managing Executive Officer of BTMU |
| | May 2010 | Senior Managing Executive Officer of BTMU |
| | May 2012 | Managing Officer of the Company |
| | June 2012 | Deputy President of BTMU |
| | May 2014 | Deputy Chairman of BTMU (incumbent) |
| | June 2014 | Chairman of the Company |
| | June 2015 | Director, Chairman of the Company (incumbent) |

| | |
|---|---|
| Number of Years in Office as Director 3 years | Important status in other companies |
| | Deputy Chairman of BTMU Director of Mitsubishi UFJ NICOS Co., Ltd. |

| | |
|--|--|
| Type and Number of Company's Shares Owned Ordinary Shares 54,620 | Reason for proposing as the Director candidate |
| | Since assuming the post of Executive Officer of UFJ Bank Limited (current The Bank of Tokyo-Mitsubishi UFJ, Ltd. or BTMU) in 2004, Mr. Sono has served as Group Head of the Osaka Corporate Banking Group, Officer in charge of credit, Deputy President and Chief Executive of the Corporate Banking Business Unit at BTMU. He also served as Group Head of the Integrated Corporate Banking Business Group and as Chairman of the Company. At present, he is Director, Chairman of the Company, concurrently serving as Deputy Chairman of BTMU. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term. |



Number 12

Takashi Nagaoka (Date of Birth: March 3, 1954)

| | |
|--|--|
| Reelected | Career summary |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | <p>April 1976 Joined The Mitsubishi Bank, Limited</p> <p>June 2003 Executive Officer and General Manager, Kyoto Commercial Banking Office of The Bank of Tokyo-Mitsubishi, Ltd.</p> <p>January 2006 Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU)</p> <p>May 2006 Managing Executive Officer of BTMU</p> <p>April 2008 Managing Officer of the Company</p> <p>June 2008 Managing Director of BTMU</p> <p>May 2010 Senior Managing Executive Officer of BTMU</p> <p>June 2011 Deputy President of BTMU</p> <p>June 2014 President & CEO of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (incumbent)</p> <p> President & CEO of Mitsubishi UFJ Securities Holdings Co., Ltd. (incumbent)</p> <p> Director of the Company</p> <p>June 2015 Director, Deputy Chairman of the Company (incumbent)</p> |
| Director Deputy Chairman Board of Directors 7/7 (100%) | |

| | |
|---|---|
| Number of Years in Office as Director 3 years | Important status in other companies |
| | <p>President & CEO of Mitsubishi UFJ Securities Holdings Co., Ltd.</p> <p>President & CEO of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> |

| | |
|---|---|
| Type and Number of Company's Shares Owned Ordinary Shares 386,940 | Reason for proposing as the Director candidate |
| | <p>Since assuming the post of Executive Officer of The Bank of Tokyo-Mitsubishi, Ltd. (current The Bank of Tokyo-Mitsubishi UFJ, Ltd. or BTMU) in 2003, Mr. Nagaoka has served as Chief Executive of the Retail Banking Business Unit, Group Head of the Osaka Corporate Banking Group, and Deputy President and Chief Executive of the Corporate Banking Business Unit at BTMU. He also served as Group Head of the Integrated Retail Banking Business Group and Group Head of the Integrated Corporate Banking Business Group of the Company. At present, he is Director, Deputy Chairman of the Company, concurrently serving as President & CEO of Mitsubishi UFJ Securities Holdings Co., Ltd. and President & CEO of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term.</p> |



Number 13

Mikio Ikegaya (Date of Birth: July 6, 1958)

| | |
|--|---|
| Reelected | Career summary |
| | April 1981 Joined The Mitsubishi Trust and Banking Corporation (MTB) |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | June 2008 Executive Officer and General Manager, Corporate Planning Division of Mitsubishi UFJ Trust and Banking Corporation (MUTB) Executive Officer of the Company June 2011 Managing Director of MUTB Managing Officer of the Company June 2012 Managing Executive Officer of MUTB Executive Officer of the Company June 2013 Senior Managing Executive Officer of MUTB June 2015 Senior Managing Director of MUTB Managing Officer of the Company April 2016 President and CEO of MUTB (incumbent) Deputy Chairman of the Company June 2016 Director, Deputy Chairman of the Company (incumbent) |
| Director Deputy Chairman Board of Directors 6/6 (100%) | |
| Number of Years in Office as Director 1 year | Important status in other companies President and CEO of MUTB |
| Type and Number of Company's Shares Owned Ordinary Shares 42,630 | Reason for proposing as the Director candidate Since assuming the post of Executive Officer of Mitsubishi UFJ Trust and Banking Corporation (MUTB) in 2008, Mr. Ikegaya has served as General Manager of the Corporate Planning Division, Deputy Chief Executive of the Trust Asset Business Unit and Chief Executive of the Corporate Banking Business Unit at MUTB. He also served as Deputy Group Head of the Integrated Corporate Banking Business Group of the Company. At present, he is Director, Deputy Chairman of the Company, concurrently serving as President and CEO of MUTB. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term. |



Number 14

Kanetsugu Mike (Date of Birth: November 4, 1956)

| | | |
|---|-------------------------|---|
| <hr/> Newly elected | Career summary | |
| <hr/> Type and Number of Company's Shares Owned Ordinary Shares 8,055 | April 1979 June 2005 | Joined The Mitsubishi Bank, Limited Executive Officer and General Manager, Corporate Planning Office of The Bank of Tokyo-Mitsubishi, Ltd. Executive Officer of Mitsubishi Tokyo Financial Group, Inc. (MTFG) |
| | May 2009 | Managing Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) |
| | May 2011 | Managing Officer of the Company |
| | June 2011 | Managing Director of BTMU |
| | May 2013 | Senior Managing Director of BTMU |
| | October 2015 | Executive Chairman of MUFG Americas Holdings Corporation Executive Chairman of MUFG Union Bank, N.A. |
| | May 2016 | Deputy President and Executive Officer of BTMU Senior Managing Executive Officer of the Company |
| | June 2016 | Director and Deputy President of BTMU (incumbent) |

Important status in other companies

Director and Deputy President of BTMU

(Scheduled to assume the post of President of BTMU on June 14, 2017)

Reason for proposing as the Director candidate

Since assuming the post of Executive Officer of The Bank of Tokyo-Mitsubishi, Ltd. (current The Bank of Tokyo-Mitsubishi UFJ, Ltd. or BTMU) in 2005, Mr. Mike has served as General Manager of the Business & Systems Integration Division, Chief Executive of Corporate Services and Co-Chief Executive of the Global Business Unit. He also served as Director of Bank of Ayudhya Public Company Limited, Executive Chairman of MUFG Americas Holdings Corporation, Executive Chairman of MUFG Union Bank, N.A., and Group Head of the Global Business Group of the Company. At present, he is Director and Deputy President of BTMU. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term.



Number 15

Nobuyuki Hirano (Date of Birth: October 23, 1951)

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| Reelected | Career summary |
| | April 1974 June 2001 |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | Joined The Mitsubishi Bank, Limited Executive Officer and General Manager, Corporate Banking Division No. 2, Corporate Banking Group No. 1 of The Bank of Tokyo-Mitsubishi, Ltd. (BTM) July 2004 Executive Officer of Mitsubishi Tokyo Financial Group, Inc. (MTFG) May 2005 Non-Board Member Managing Director of BTM June 2005 Managing Director of BTM Director of MTFG |
| Director President & Group CEO | October 2005 Director of the Company |
| Board of Directors 7/7 (100%) | January 2006 Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) |
| Member of the Nominating and Governance Committee | October 2008 Senior Managing Director of BTMU June 2009 Deputy President of BTMU Managing Officer of the Company |
| Nominating and Governance Committee | June 2010 Director of the Company |
| Member of the Compensation Committee | October 2010 Deputy President of the Company |
| Compensation Committee | April 2012 President of BTMU Director of the Company |
| 8/8 (100%) | April 2013 President & CEO of the Company June 2015 Director, President & Group CEO of the Company (incumbent) April 2016 Chairman of BTMU (incumbent) |
| | Important status in other companies |
| | Chairman of BTMU Director of Morgan Stanley |

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| Number of Years in Office as Director 7 years | Reason for proposing as the Director candidate |
| Type and Number of Company's Shares Owned Ordinary Shares 40,500 | Since assuming the post of Executive Officer of The Bank of Tokyo-Mitsubishi, Ltd. (current The Bank of Tokyo-Mitsubishi UFJ, Ltd. or BTMU) in 2001, Mr. Hirano has served as General Manager of the Corporate Banking Division No. 2, General Manager of the Corporate Planning Office, Officer in charge of the Corporate Administration Division and Corporate Planning Division, Deputy President, and President at BTMU. He also served as President & CEO of the Company. At present, he is Director, President & Group CEO of the Company, concurrently serving as Chairman of BTMU. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term. |



Number 16

Tadashi Kuroda (Date of Birth: June 7, 1958)

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| Reelected | Career summary |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | <p>April 1981 Joined The Sanwa Bank, Limited</p> <p>April 2008 Executive Officer and General Manager, Credit Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU)</p> <p>June 2011 Senior Managing Executive Officer of Mitsubishi UFJ Research and Consulting Co., Ltd. (MURC)</p> <p>May 2013 Director and Senior Managing Executive Officer of MURC</p> <p>May 2014 Managing Executive Officer of BTMU</p> <p>June 2014 Managing Officer of the Company</p> <p>June 2014 Director of Mitsubishi UFJ Trust and Banking Corporation (incumbent)</p> <p> Managing Director of the Company</p> <p>May 2015 Senior Managing Director of the Company</p> <p>June 2015 Senior Managing Director of BTMU (incumbent)</p> <p> Director, Senior Managing Executive Officer of the Company (incumbent)</p> |
| Director Senior Managing Executive Officer Group CSO & Group CHRO Board of Directors 7/7 (100%) Member of the Risk Committee | Important status in other companies |
| Number of Years in Office as Director 3 years | Senior Managing Director of BTMU Director of Mitsubishi UFJ Trust and Banking Corporation Director of Mitsubishi UFJ Lease & Finance Company Limited |
| Type and Number of Company's Shares Owned Ordinary Shares 94,900 | Reason for proposing as the Director candidate |
| | <p>Since assuming the post of Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) in 2008, Mr. Kuroda has served as General Manager of the Credit Division, and Officer in charge of Commercial Banking Offices in East Region of Japan at BTMU. He also served as Officer in charge of planning of the Company. At present, he is Director, Senior Managing Executive Officer, Group CSO & Group CHRO of the Company, concurrently serving as Senior Managing Director of BTMU. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term.</p> |



Number 17

Muneaki Tokunari (Date of Birth: March 6, 1960)

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| <p>Reelected</p> <hr/> <p>Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc.</p> <p>Director Senior Managing Executive Officer Group CFO Board of Directors 7/7 (100%)</p> | <p>Career summary</p> <p>April 1982 June 2009</p> <p>June 2011 April 2012 June 2012 June 2013 June 2014 June 2015</p> <p>May 2016</p> | <p>Joined The Mitsubishi Trust and Banking Corporation (MTB) Executive Officer of Mitsubishi UFJ Trust and Banking Corporation (MUTB) Executive Officer and General Manager, Financial Planning Division of the Company Managing Executive Officer of MUTB Managing Director of MUTB Director of the Company Senior Managing Director of MUTB Managing Officer of the Company Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) Director, Managing Executive Officer of the Company Senior Managing Director of BTMU (incumbent) Director, Senior Managing Executive Officer of the Company (incumbent)</p> |
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|--|---|
| <p>Number of Years in Office as Director 2 years</p> | <p>Important status in other companies</p> <p>Senior Managing Director of BTMU Director of MUFG Americas Holdings Corporation Director of MUFG Union Bank, N.A.</p> |
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|--|--|
| <p>Type and Number of Company's Shares Owned Ordinary Shares 236,400</p> | <p>Reason for proposing as the Director candidate</p> <p>Since assuming the post of Executive Officer of Mitsubishi UFJ Trust and Banking Corporation (MUTB) in 2009, Mr. Tokunari has served as General Manager of the Corporate Planning Division at MUTB. He also served as General Manager of the Financial Planning Division and Officer in charge of Corporate Planning Division of the Company. At present, he is Director, Senior Managing Executive Officer, Group CFO of the Company, concurrently serving as Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term.</p> |
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Number 18

Masamichi Yasuda (Date of Birth: August 22, 1960)

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| Rerelected | Career summary | |
| Current Position, Responsibilities at the Company and Attendance at Meeting of the Board of Directors, etc. | April 1983 June 2009 May 2011 May 2014 May 2015 June 2015 | Joined The Bank of Tokyo, Ltd. Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) dispatched to Union Bank Executive Officer of the Company Managing Executive Officer of BTMU Managing Officer of the Company Managing Director of BTMU Director of Mitsubishi UFJ Securities Holdings Co., Ltd. (incumbent) |
| Director Senior Managing Executive Officer Group CRO Board of Directors 7/7 (100%) | May 2017 | Director, Managing Executive Officer of the Company Senior Managing Director of BTMU (incumbent) Director, Senior Managing Executive Officer of the Company (incumbent) |

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|---|---|
| Number of Years in Office as Director 2 years | Important status in other companies Senior Managing Director of BTMU Director of Mitsubishi UFJ Securities Holdings Co., Ltd. |
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|--|--|
| Type and Number of Company's Shares Owned Ordinary Shares 12,500 | Reason for proposing as the Director candidate Since assuming the post of Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) in 2009, Mr. Yasuda has served as an officer seconded to Union Bank, General Manager of the Global Planning Division, Deputy Chief Executive of the Global Markets Unit, and Assistant Chief Executive of the Global Business Unit at BTMU. He also served as Officer in charge of compliance and risk management of the Company. At present, he is Director, Senior Managing Executive Officer, Group CRO of the Company, concurrently serving as Senior Managing Director of BTMU. He is thoroughly familiar with the Group's businesses and possesses affluent business experience and extensive knowledge necessary to manage the Group in an appropriate manner. The Company proposes his election as Director since he is expected to contribute to the effective enhancement of the Board of Directors' decision-making function and supervisory function, with the aim of achieving sustainable growth of the Company and its increased corporate value over the medium- to long-term. |
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(Notes)

1. The Company has entered into limited liability agreements with Directors who are Non-Executive Directors, etc., Mr. Hiroshi Kawakami, Mses. Yuko Kawamoto and Haruka Matsuyama and Messrs. Tsutomu Okuda, Yukihiro Sato, Akira Yamate and Takehiko Shimamoto in accordance with the provision set forth in Article 427, Paragraph 1 of the Companies Act. The content of limited liability agreement is as follows. In addition, the Company plans to enter into the same limited liability agreement with Mr. Toby S. Myerson, Ms. Tarisa Watanagase and Mr. Junichi Okamoto.

(Summary of the content of the Limited Liability Agreement)

With respect to the liability set forth in Articles 423, Paragraph 1 of the Companies Act, when an Outside Director acts in good faith and is not grossly negligent in conducting an Outside Director's duties, the Outside Director shall assume liability for damages limited by the greater of ¥10 million or the minimum liability amount prescribed in Articles 425, Paragraph 1 of the Companies Act.

2. The Company designated Mr. Hiroshi Kawakami, Mses. Yuko Kawamoto and Haruka Matsuyama and Messrs. Tsutomu Okuda, Yukihiro Sato and Akira Yamate as independent directors provided for by Tokyo Stock Exchange, Inc., and has notified the Tokyo Stock Exchange, Inc. to that effect. Likewise, the Company intends to designate Mr. Toby S. Myerson and Ms. Tarisa Watanagase as independent directors and notify the Tokyo Stock Exchange to that effect.
3. Messrs. Kiyoshi Sono, Takashi Nagaoka, Mikio Ikegaya and Nobuyuki Hirano are the Representative Executive Officers of the Company. In addition, Mr. Kanetsugu Mike is scheduled to assume the post of Representative Executive Officer of the Company on June 14, 2017.
4. Mr. Takashi Nagaoka serves concurrently as President & CEO of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. There is a business relationship, etc. with respect to financial instruments such as shares and bonds between the Company and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. There are no special interests between each of the other candidates and the Company.
5. Attendance at Meeting of the Board of Directors for Mr. Mikio Ikegaya refers to the Meetings held in fiscal year 2016 after he assumed the post of Director in June 2016.

6. The members and the chairpersons of the committees will be as follows upon approval of this Item of Business.

| Name | Nominating and Governance Committee (Nominating Committee under the Companies Act) | Compensation Committee | Audit Committee |
|--------------------|---|------------------------|-----------------|
| Hiroshi Kawakami | M | M | M |
| Yuko Kawamoto | M | M | |
| Haruka Matsuyama | M | C | |
| Tsutomu Okuda | C | M | |
| Yukihiro Sato | | | M |
| Akira Yamate | | | C |
| Takehiko Shimamoto | | | M |
| Junichi Okamoto | | | M |
| Nobuyuki Hirano | M | M | |

(Note) “C” indicates Chairperson and “M” indicates Member.

<Proposal by Shareholder (from Third Item of Business to Nineteenth Item of Business)>

Items from the Third Item of Business to the Eighteenth Item of Business are proposed jointly by two shareholders.

<Proposal by Shareholder>

Third Item of Business Partial Amendment to the Articles of Incorporation
(Individual Disclosure of Compensation for Directors)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“The Company shall mandatorily disclose the money amount and forms of compensation for each individual Director, together with the evaluated monetary value of all compensation in Japanese yen, in the business report and the annual securities report every year.”

2. Reasons for proposal

The disclosure of the amount and forms of compensation for individual Directors is extremely important for enabling shareholders to check whether reasonable compensation was paid from the standpoint of maximizing shareholder interests. In the capital markets of developed countries other than Japan, the individual disclosure of compensation is quite commonly required, and inconvenience for investors has never arisen as a result of this practice. The stock price indexes in these capital markets have created a return that is significantly higher than the Nikkei Stock Average and the like in Japan over the past 20 years. Generally, it is not the issue of concern in Japan that compensation for directors is high, but that the compensation system has no correlation with shareholder value in the medium to long term. If compensation is disclosed individually, the measurement of costs and benefits will become easier and clearer. The same proposal gained support from 48.47% of shareholders at the annual general meeting of shareholders of HOYA CORPORATION in 2011, and if the Company is among the first to undertake the individual disclosure of compensation, it should attract positive attention.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

The compensation system for Directors and amount of compensation for individual Directors and Corporate Executive Officers of the Company are deliberated and decided upon by the Compensation Committee in accordance with the Companies Act. The Compensation Committee is composed of Independent Outside Directors as majority and Chairperson, and in fiscal year 2016, held a total of 8 meetings with a focus on deliberations concerning the introduction of a new stock compensation system.

Policy on compensation for Directors and the total amount of compensation for this fiscal year is as described on pages 99 to page 102 of the Business Report for the Twelfth Fiscal Year, and we believe that suitability and transparency regarding compensation for Directors has been adequately secured. In addition, we have disclosed individual compensation for directors (for those with a total amount of consolidated compensation of ¥100,000,000 or more) in accordance with the laws in the annual securities report, with three persons disclosed in fiscal year 2015: the Chairman, the Deputy Chairman, and the President.

In fiscal year 2016, we abolished the traditional stock option system and introduced a performance-based stock compensation plan using a structure called Board Incentive Plan. Indicators for evaluating concrete performance achievement levels include the consolidated net business profits, profits attributable to owners of parent, market capitalization and EPS (earnings per share) of the Company, with the standard amount set according to the position ranging from 0 - 150% depending on the degree of performance achievements. With the introduction of this stock compensation system, in the case of the President, the ratio of “basic compensation (such as monthly salary) : stock compensation : bonuses” is approximately “5.5:3:1.5”. As “the world’s most trusted global financial group,” we introduced this stock compensation plan with the aim of sharing common interests with shareholders while avoiding excessive risk taking, and have made a compensation system for Directors that further raises motivation for executive contributions to the improvement of not only short term but medium- to long-term performance. Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Fourth Item of Business

Partial Amendment to the Articles of Incorporation
(Separation of roles of Chairman of the Board and Chief
Executive Officer)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“The Company shall, in principle, prohibit the Chairman of the Board and the Chief Executive Officer from serving concurrently, and the Chairman of the Board shall be an Outside Director. In exceptional cases where the concurrent posts are permitted, it is necessary to make a written disclosure to shareholders in the notice of convocation of the general meeting of shareholders or the reference materials in order to explain that such concurrent posts will be in the best interests of the shareholders, and also a lead Outside Director shall be appointed instead. The role of the lead Outside Director shall be specified by the Board of Directors and disclosed to the shareholders.”

2. Reasons for proposal

Because the Chief Executive Officer has power over matters such as internal resources and human resources and should be positioned as the most important subject of monitoring, holding the concurrent posts of Chief Executive Officer and Chairman of the Board, which goes against the international direction of strengthening corporate governance, should be avoided as much as possible. Currently, the Company is suspected to have a structure in which executives appointed by the representative corporate executive officer could substantively have a strong influence on the selection of information to be provided for judgment at Meetings of the Board of Directors and the committees. Selection of such information should be done by the Chairman of the Board who are independent from the President, and the Chairman is required to spend more time supervising the Company than the other Outside Directors do. The purport of this proposal is based on a standard view of scholars and practitioners of corporate governance in North America (the independence of the Chairman of the Board is the second check item in the “Corporate Governance Check Points of the Board of Directors from the Shareholders’ Perspective” in the “CFA Examination Handbook [Level II]” (Kinzei Institute for Financial Affairs, Inc. 2004, page 177) by Tadashi Ohno), and concept of a lead Outside Director is also well known.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

In the Company, the Chairman serves as the chairman of the Board of Directors separately from the President and Group Executive Officer, in accordance with the MUFG Corporate Governance Policies. We recognize that some are of the opinion that the chairman of the Board of Directors should be a non-executive such as an Independent Outside Director, and the Company does not deny this. However, the Company believes that the responsibility of the Chairman is to lead the Board of Directors and ensure its effectiveness. In addition, it is an important role of the chairman of the Board of Directors to set the schedule and agenda of the Board of Directors through exchanging opinions on a daily basis with each Director, so that the Board of Directors can make sound decisions based on adequate information, and as such we have judged that it is optimal for the Chairman to play these roles. Furthermore, the Company has adopted the corporate governance system of a company with three committees, under which the proposals for the election of Directors shall be decided by the Nominating and Governance Committee which has a majority of Outside Directors. In addition, regarding the composition of the Board of Directors, we have established a framework in accordance with the MUFG Corporate Governance Policies in which the Board of Directors can effectively oversee the management by appointing a Lead Independent Outside Director and having a majority of Non-Executive Directors.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Fifth Item of Business

Partial Amendment to the Articles of Incorporation
(Establishment of a Plan for the Company's Employees to be
Able to Return to Their Jobs After Running for a National
Election, a Municipal Election or a Mayoral Election)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“The Company shall establish a plan to permit its employees to run for a national election, a municipal election or a mayoral election and return to their jobs after serving for a certain period of time without undergoing retirement procedures.”

2. Reasons for proposal

A low level of local assemblies as shown by a wailing prefectural assembly member and sexual harassment catcalls, as well as a case example in which an employee in the labor union of a company such as Tokyo Electric Power Company Holdings, Incorporated serves as a local assembly member while maintaining a position as a regular employee, are attracting attention. The new participation of persons with a certain degree of knowledge and experience in the field of public services and the development of social infrastructure to that end should be recommended, and also it is considered to be desirable that the Company's employees serve as local assemblymen or the heads of a local government and return to their jobs at the Company after serving because this will promote the diversity of human resources both in the Company and the field of public services. While the Company seems to have a temporary transfer system, it is generally for secondments to regulatory agencies, and the Company should take the initiative in actively promoting measures to improve the custom of lifetime employment and seniority-based wages that have become a thing of the past. In the United States, there is the “White House Fellows” program that was established by Lyndon Johnson, the 36th President. In that program, White House Fellows typically spend a year working and training as assistants to the Assistant to the President, the Vice President, Cabinet members and other top-ranking government officials. Employees of distinguished companies apply for the program, and it is common for them to return to their jobs after they have completed it.

[(The Company's note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

Since this matter is an individual management decision concerning the Group's business operation and it is necessary for the Group to make flexible and appropriate decisions, we believe that it is not appropriate to set it in our Articles of Incorporation. The Group does not prohibit employees from running for election to public office without going through the resignation process, so long as it does not interfere with the performance of their duties. Also while there is no established plan to allow reinstatement after a certain period of time serving in public office, the Group does hire personnel in mid-career as appropriate.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Sixth Item of Business

Partial Amendment to the Articles of Incorporation
(Exercise of Voting Rights of Shares Held for the Purpose of
Strategic Shareholdings)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“The Company shall instruct the subsidiaries under its management control, such as banks and securities companies, to exercise the voting rights of shares held for the purpose of Strategic Shareholdings appropriately, such as by seeking the opinions of disinterested proxy advisors.”

2. Reasons for proposal

Given that the Group holds trillions of yen in shares on a consolidated basis, it should take measures to manage risks and increase the value of the shares, such as defending the value of shares that have been continuously held by the Group. However, with respect to the exercise of voting rights of shares held for the purpose of Strategic Shareholdings, measures that are remarkably lacking in economic rationality have been continuously taken; *e.g.*, the Group has voted for the proposals of companies without criticism, even for listed companies whose return on equity (ROE) has remained low for a long time. In addition, recently the obligation of institutional investors including banks to fulfill their “stewardship responsibilities” for companies in which they invest has been explicitly provided as a soft law in the Stewardship Code established by the Tokyo Stock Exchange and the Financial Services Agency, and emphasis is placed on the necessity of a dialogue between institutional investors and listed companies among other measures. Internationally, the fact that such reforms are carried out in “that capital market in Japan (where unprecedented judicial decisions like the Murakami Fund case occurred one after another)” is remarkably highly valued. The Company should rationally exercise the voting rights of shares held for the purpose of strategic investment and work to enhance the value of the shares it owns. At the annual general meeting of shareholders of Mizuho Financial Group, Inc. in 2015, a similar proposal obtained support from 34% of shareholders.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

In order to ensure the appropriate exercise of voting rights of shares held for the purpose of strategic investment, the Company and the Group banks make comprehensive decisions on every proposal for the agenda of a shareholders meeting after confirming the following two points.

- (1) Will it increase the medium- to long-term corporate value and lead to continuous growth of the relevant corporate business client?
- (2) Will it increase the medium- to long-term economic profits of the Company and the Group banks?

Significant agenda items of a shareholders meeting that could have material impact on medium- to long-term improvement of corporate value of the relevant corporate business client and economic benefit for the Company and the Group banks will be determined through measures such as communication with the relevant corporate business client as necessary. Among other things, the following agenda items are considered significant by the Company and the Group banks:

- Agenda items on disposal of surplus (when disposal significantly lacks balance with financial soundness and retained earnings)
- Agenda items on election of directors or corporate auditors (in cases such as where the relevant corporate business client has caused a disgraceful affair or posted a loss for a certain consecutive period)
- Agenda items on retirement benefits for corporate auditors and the like
- Agenda items on organizational restructure
- Agenda items on takeover defense

The status of the exercise of voting rights of the most important Strategic Shareholdings is reported to the Board of Directors.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Seventh Item of Business

Partial Amendment to the Articles of Incorporation
(Disclosure of Policies and Actual Results of Training for
Directors)

1. Proposal details

The following clause shall be stated in the Articles of Incorporation:

“Policies on training for Directors of the Company and its consolidated subsidiaries shall be disclosed.”

2. Reasons for proposal

When shareholders exercise their voting rights to elect Directors, the career summary of candidates published in the notice of convocation and the information that is obliged to be disclosed by the Tokyo Stock Exchange alone are not sufficient for the shareholders to make a judgment on the competence of each candidate. The monitoring and supervision of the Company as a whole is different from the execution of business in individual divisions, and it is necessary to be familiar with the duties of the Directors, including the prevention of misconduct. It is unclear how much of such knowledge and attitude each candidate possesses, especially the majority of the candidates who have built up their careers in the Company as well as the candidates for Outside Director. Accordingly, by disclosing the policies on training for Directors (at least, the existence or nonexistence of training for Directors by a third party), the shareholders will be able to undertake better judgment on the competence of candidates. Generally, misconduct caused by Directors who have been promoted inside the company occurs because they do not understand the obligations of the position mandated by shareholders, and training for Directors is referred to as a point that needs to be checked in textbooks on corporate governance in Europe and the United States. At the general meeting of shareholders of Mizuho Financial Group, Inc. in 2013, a similar proposal obtained support from 28% of shareholders.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

We believe that the qualifications required of Directors should be cultivated by the previous experiences of each individual, regardless of whether they are Internal or Outside Directors. Within the Company, personnel who meet the Director Election Standards set forth by the Nominating and Governance Committee are appointed as candidates for the Board of Directors. Further, in accordance with laws and ordinances, necessary information for appointing shareholders is provided appropriately in the reference materials for the General Meeting of Shareholders. The outline of the Director Election Standards is as described on page 12 of this notice of convocation.

The Company has established a Global Advisory Board consisting of experts in corporate management, financial regulations, and the governmental authorities. We are making efforts to strengthen our governance framework and business strategy by making proactive use of proposals or advice from each member on governance, risk management, business and financial strategy, and compliance with financial regulations. Also, to ensure that necessary information other than the agenda of the Board of Directors is provided to Outside Directors, we are working to increase the effectiveness of the Board of Directors by means such as continuously holding Board Educational Sessions on business activities and the business environment, including at the time of appointment of the Directors.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Eighth Item of Business

Partial Amendment to the Articles of Incorporation (Provision Relating to Communication and Response Between Shareholders and Directors)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“The Company shall build a system that enables shareholders who have serious concerns to make contact directly with all Directors including Outside Directors as well as the Nominating Committee, the Compensation Committee and the Audit Committee, without the knowledge of Internal Directors. The Company should avoid contact between shareholders and each Director from being made through the Corporate Executive Officers or an employee under the chain of command of the Corporate Executive Officers, unless it is for archival purposes. In the case of archival purposes, all the procedures for receipt, delivery to the Board of Directors and each committee and response shall be recorded and stored, and also submitted to shareholders at their request.”

2. Reasons for proposal

It is important for shareholders to be able to make contact with the Nominating Committee and the Audit Committee without the knowledge of the Corporate Executive Officers and, in particular, the Company should establish a mechanism for shareholders to be able to recommend a candidate for Director to the Nominating Committee on their own. For example, when a shareholder tries to notify the Secretariat of the Audit Committee of an unjust act that is jointly conducted by the Representative Corporate Executive Officer and the Corporate Planning Division, the shareholder may not be able to do so if senior executives act as intermediary. In the Company, even if a shareholder sends a written note about an unjust act of a Corporate Executive Officer to the Secretariat of the Audit Committee by content-certified mail, it is not certain whether an employee below the Representative Corporate Executive Officers has passed it to the Audit Committee. As to reference material for the opinions of institutional investors on this proposal, page 35 of the “Global Principles of Accountable Corporate Governance” by the California Public Employees’ Retirement System (CalPERS) on April 21, 2008 should be referenced as an example. “Camouflaged corporate governance” should be prevented for the next and subsequent generations.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

The Group accepts opinions of stakeholders by telephone and on our website. We have responded sincerely to opinions we have received, and have developed a system to report them to the Board of Directors and various committees as necessary.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Ninth Item of Business

Partial Amendment to the Articles of Incorporation (Provision relating to a Mechanism Enabling Shareholders to Recommend Candidates for Director to the Nominating Committee and Their Equal Treatment)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“Shareholders may recommend candidates for Director directly to the Nominating Committee without the knowledge of the Corporate Executive Officers. The process involved shall be disclosed, and the evaluation of the candidates recommended by shareholders shall be undertaken in accordance with the same standards for candidates nominated by the Nominating Committee.”

2. Reasons for proposal

The Nominating Committee should always exercise its duties with the aim of creating the optimal composition of Directors. If a shareholder recommends an equally competent new candidate for Director without charge, it will be less expensive than using a search company, and it is therefore more desirable. The Company has achieved only mediocre results compared with stock price indexes such as the Nikkei Stock Average. If the Nominating Committee nominates a fellow candidate for Director with less eligibility, despite the fact that there is a better candidate for Director from the perspective of the duty of care of a prudent manager and the duty of loyalty of Directors, it could become a target of legal action such as a shareholders' derivative lawsuit. In addition, an improvement can be expected in terms of securing diversity on the Board of Directors because, for example, the Company's Nominating Committee fails to nominate excellent human resources aged in their 40s or younger and also nominate women or gender minorities to have them constitute one third or more of the Board of Directors.

[(The Company's note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

This is a matter of material and high-level management decision-making for the Group, and the relevant decisions have been made appropriately by the Nominating and Governance Committee, which has Outside Directors as its majority and Chairman. For the outline of the company's Director Election Standards, please refer to page 12 of this notice of convocation.

Regarding the recommendation of candidates for Directors from shareholders, a shareholder proposal system has been established under the Companies Act, and the Company has developed a process to consider such proposals in the Nominating and Governance Committee.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Tenth Item of Business

Partial Amendment to the Articles of Incorporation
(Publication of Proposals by Shareholder in the Notice of
Convocation with at Least 100 Proposals as the Upper Limit)

1. Proposal details

The following clause shall be stated in the Articles of Incorporation:

“When the Company receives a demand for notice to shareholders with respect to proposals by shareholders in accordance with Article 505 of the Companies Act, the Company shall publish the agenda and summary of the proposals and reasons for the proposals in the notice of convocation of a general meeting of shareholders or the reference materials, with 100 proposals as the upper limit, as long as the proposals are legal.”

2. Reasons for proposal

In the settlement discussions of an incident involving a request to revoke resolutions made at the general meeting of shareholders of a company listed on the JASDAQ market, in which the winning of shareholders in the lawsuit was determined by the Supreme Court, attorneys including Kazumasa Otsuka, who is an expert on the Companies Act and is currently suspended from legal practice as a lawyer for two years, made a following statement and also submitted a written document with the same content to one of the shareholder proposers; it states that if up to 100 proposals are made by shareholders, although the legality of the proposals and the eligibility requirements for proposals should be closely examined, all the proposals shall be published as long as they are legal. In the first place, if measures such as the (complete) computerization of the convocation process and the exercise of voting rights are taken, all the shareholders need to do is to give their approval to the proposals they wish to vote for to express their opinions even when the number of proposals is 100. At a time when the importance of a dialogue between shareholders and the Board of Directors is being emphasized, limiting the number of proposals is an outdated view that lacks an understanding of progress in voting technologies against the backdrop of FinTech and blockchain technologies.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

The Company does not limit the number of legitimate shareholder proposals. However, it is necessary to make specific and individual decisions on the legitimacy of each shareholder proposal. Also, depending on the number of shareholder proposals, the content of the proposals, and their length, they may cause significant damage to the Company or our shareholders, so we believe that it is not appropriate to establish a provision in the Company's Articles of Incorporation that requires uniform treatment as has been proposed.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Eleventh Item of Business

Partial Amendment to the Articles of Incorporation
(Establishment of Whistle-blowing Contact on the Board of
Corporate Auditors)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“The Company shall establish a contact for whistle-blowing from inside and outside the Company regarding Directors, Corporate Executive Officers and employees of the Company at the Audit Committee and disclose its process inside and outside the Company. Internal Directors, Corporate Executive Officers and employees under the chain of command of Internal Directors or Corporate Executive Officers shall not be involved in the whistle-blowing process or its treatment.”

2. Reasons for proposal

In many cases, misconduct is monetarily serious if it is led by an executive. Although the Board of Corporate Auditors and Outside Directors are established to supervise the execution of duties inside the Company, there is room to consider that the Board of Corporate Auditors and Outside Directors have a cozy relationship in the Company as well. In fact, in a case where the corporate manager of Kenko Tokina Corporation (Nakano-ku, Tokyo), who is a relative of Katsutoshi Kaneda, the Minister of Justice, repeatedly performs an illegal act and an act that is offensive to public order and morals, namely the act of soliciting minors and others day and night, the Company unilaterally leaves it as is, even though it was pointed out by shareholders. Being nominally legal is not sufficient in terms of compliance, and it is necessary to abide by comprehensive common wisdom and social norms. In other words, it requires “not just to ‘comply with laws and regulations’ but to ‘meet the needs of society’” (Nobuo Gohara, a lawyer and a former prosecutor). The case like this in the Company clearly shows that the supervision and other actions of Internal Directors by Outside Directors and the Board of Corporate Auditors are not effectively functioning.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

In the Group, MUFG and Group companies have internal reporting systems that allow officers and employees to report misconduct. Reporting desks are set up not only in the Company but in outside law offices, and we are working to find compliance problems early and rectify them through self-purification. Also, the content of cases reported to MUFG's reporting desk (MUFG Group Compliance Helpline) is reported to the Audit Committee where the appropriateness of operations is checked.

For a contact from outside the Company, we have established an Accounting Audit Hotline in outside law offices to receive reports on unauthorized accounting processes and other matters.

In addition, when information is provided to the Audit Committee from inside or outside the Company, the committee performs investigations as necessary and responds appropriately.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation. The Company and The Bank of Tokyo-Mitsubishi UFJ, Ltd. do not recognize any specific individual cases stated in the reasons for proposal above, and the response differs from reality.

<Proposal by Shareholder>

Twelfth Item of Business

Partial Amendment to the Articles of Incorporation
(Holding of Executive Committee Meetings Consisting Only
of Outside Directors Without the Attendance of
Representative Corporate Executive Officers)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“The Board of Directors shall hold Executive Committee meetings consisting only of Outside Directors without the attendance of Representative Directors and Corporate Executive Officers once or more a year and report its activities to shareholders at least once a year.”

2. Reasons for proposal

At the Board of Directors of the Company, Outside Directors, who have been invited by the management and get paid a lot considering the amount of time they spend, could act as yes-men on the side of management based on the information provided by executives under the control of Representative Corporate Executive Officers. In order to change this situation, regularly holding Executive Committee meetings consisting only of independent Outside Directors without the attendance of Representative Corporate Executive Officers is proposed. This is also recommended by, for example, the principles of governance of California Public Employees' Retirement System (CalPERS). It is psychologically difficult to dismiss Representative Directors or identify problems when every existing meeting is attended by Representative Directors. A proposal with the same purport as this proposal obtained support from 33.91% of shareholders at the general meeting of shareholders of HOYA CORPORATION in 2010, and the management of HOYA CORPORATION stated in the notice of convocation of the general meeting of shareholders in the following year, “HOYA CORPORATION has revised the company rules appropriately to reflect the purport of the proposal.” This suggests that there were effective changes to a certain degree.

[(The Company's note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

We have appointed a Lead Independent Outside Director by mutual appointment of Outside Directors, in accordance with the MUFG Corporate Governance Policies. These policies stipulate that it is possible to convene meetings comprising only Independent Outside Directors as necessary, and meetings of the “Board of Independent Outside Directors” composed of only Independent Outside Directors are held after the regular meetings of the Board of Directors four times per year. At the “Board of Independent Outside Directors,” discussion is held on matters concerning the management of the Board of Directors and the committees or the functioning of Outside Directors and other matters, and the details are reported to the President and the Chairman who is the chairman of the Board of Directors. By taking remedial measures on the content reported here, we are working to further develop the Board of Directors and ensure its effectiveness.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Thirteenth Item of Business

Partial Amendment to the Articles of Incorporation
(Establishment of Program for Hiring Women Who Gave Up
Their Career Due to Childbirth and Child Rearing as
“Semi-recent College Graduates” and also as Career
Employees and Executives, etc.)

1. Proposal details

The following clause shall be set forth in the Articles of Incorporation:

“As a measure to support women who gave up their career due to childbirth and child rearing, the Company shall establish a program for these women in their 30s, 40s or older with which they would have chances to be hired as career employees and executives, etc., under the name of semi-recent college graduates.”

2. Reasons for proposal

In Japan, if a woman who will give birth to a child or raise a child leave her job, it is difficult for her to return to her career as a regular employee, a career employee or an executive again due to the rigidity of the labor market and the customs of seniority-based wages and lifelong employment. This is an internationally shameful social problem that must be corrected, and it can be referred to as “collective maternity harassment.” As a solution to this problem, adopting a policy to hire women who have withdrawn from the labor market temporarily due to such life events as childbirth and child rearing, none of which are supposed to have a negative impact on their careers, is proposed. In practice, this is expected to have a positive effect on the value of the Company’s shares in the medium to long term, given that the Company will be able to secure human resources with broad experience and diversity through the hiring policy and also that these human resources will become candidates for executive roles. The government is currently considering a range of reforms, but labor market reforms have rarely been undertaken, only met with empty slogans. However, now is the time for the private sector to proactively issue a smoke signal for such reforms.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

Since this matter is an individual management decision concerning the Group's business operations and it is necessary to flexibly and appropriately decide in the Group, we believe that it is not appropriate to set it in our Articles of Incorporation.

The Group is working on active promotion of women and career formation support, and we set numerical targets to the effect that 20% of titled roles in Japan should be filled by women by the end of March 2018 (total of Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.). In addition, we have established a plan to support work-life balance so that employees approaching life events such as marriage and childcare can continue to advance their careers. In addition, the Group banks have set up plans to reemploy former employees who have resigned due to life events.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Fourteenth Item of Business Partial Amendment to the Articles of Incorporation (Prohibition of Discriminatory Treatment of Activist Investors)

1. Proposal details

The following clause shall be stated in the Articles of Incorporation:

“The Company may not treat activist investors in a discriminatory manner and shall instruct its subsidiaries not to treat them in a discriminatory manner.”

2. Reasons for proposal

Following the inauguration of the second Abe administration, the Corporate Governance Code and the Stewardship Code have been established, and the necessity of creating a dialogue between the management of listed companies and investors has been emphasized to increase shareholder value in the medium to long term. These efforts are highly valued internationally and overseas, in particular. However, it is undeniable that not only is this assessment not understood by businesses and by legislative and administrative policymakers in Japan, there are also still strong prejudices and discriminatory practices and customs against activist investors. Such discriminatory treatment has aspects that can be regarded as hate speech or a violation of property rights, and it is a shameful situation from an international perspective. In developed countries other than Japan, activist investors are only practicing common-sense investment activities by exercising their shareholders' rights as allowed by companies acts, in the first place, and they have naturally become an investment destination for institutional investors such as the university fund of Harvard University and pension funds like CalPERS.

[(The Company's note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

Through dialogue with shareholders, the Company is working to improve their understanding of the Company's management strategy, and respond appropriately based on an understanding of the position of shareholders. Also, the Board of Directors is preparing policies concerning system development and efforts to promote constructive dialogue with shareholders, while also taking appropriate measures to ensure equal treatment of all shareholders including minority shareholders and foreigners so that shareholders rights are secured and those rights are effectively exercised. This content is determined by the MUFG Corporate Governance Policies and disclosed in detail in the “Corporate Governance Report” submitted to the Tokyo Stock Exchange.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Fifteenth Item of Business

Partial Amendment to the Articles of Incorporation
(Establishment of a Special Committee to Express Opinions
as the Company on a Series of Acts of the Minister of Justice,
Katsutoshi Kaneda)

1. Proposal details

The following clause shall be stated in the Articles of Incorporation:

“With regard to the issue whereby the Minister of Justice, Katsutoshi Kaneda, submitted a report to the Legislative Council of the Ministry of Justice to attempt to introduce legislation to the effect of limiting the rights of proposal by shareholders, the Company shall establish a special committee to express more accurate opinions based on wide-ranging facts in order to clarify the position of the Company based on facts and also to realize the common interests of shareholders in the medium to long term.”

2. Reasons for proposal

At the general meeting of shareholders of HOYA CORPORATION, some shareholders pointed out the fact that the Minister of Justice, Katsutoshi Kaneda, received salary and other benefits from an affiliated company of the founding family when he was preparing for election. HOYA CORPORATION attempted to avoid publishing the reasons for the proposal, etc. as much as possible until the previous year, but admitted this fact in 2015 because an agreement to publish almost the full text was reached in court. However, in an interview in news magazine Shukan Shincho, Kaneda maintains that this is false, suggesting that the claim of either HOYA CORPORATION or Kaneda is false (there is no evidence that Kaneda took legal action to maintain that HOYA CORPORATION’s claim was false). It is strongly suspected that a draft report submitted by Kaneda to the Legislative Council of the Ministry of Justice that will limit the right of proposal by shareholders is a claim attributable to Kaneda’s personal inconvenience, and such acts are reprehensible because their nature runs counter to shareholders’ and public interest and the philosophy of the Stewardship Code, etc. In addition, the corporate manager of the affiliated company of the founding family regularly commits the act of soliciting hundreds of women as prostitutes, and it is suspected that Kaneda is reluctant to reveal the profitable relationship with such a person to the public.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

Since the Articles of Incorporation provide the basic policies of the Company, we believe that it is not appropriate to prescribe the establishment of committees on individual events, as this would limit the business execution of the Company.

We believe that the Company is not in a position to confirm the facts regarding the content described in the reasons for proposal, and that the establishment of this investigative committee is unnecessary. Regarding the content of the revision of the Companies Act, we are aware that there have been lengthy discussions in relevant forums such as the Corporate Law Research Group and that is not the result of the personal motivations of the Minister of Justice.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Sixteenth Item of Business

Partial Amendment to the Articles of Incorporation
(Establishment of a Special Investigation Committee on the
Loans to Kenko Corporation)

1. Proposal details

The following clause shall be stated in the Articles of Incorporation:

“The Company shall establish a special investigation committee regarding a loan agreement for a total of 900 million yen provided to Kenko Corporation by a subsidiary of the Company, The Bank of Tokyo-Mitsubishi UFJ, Ltd. on June 23, 2014.”

2. Reasons for proposal

The Company has concluded a loan agreement for a total of 900 million yen with Kenko Corporation (then Shinjuku-ku, Tokyo). However, the corporate manager of Kenko Corporation has routinely committed the act of soliciting hundreds of women as prostitutes every year, including minors and those who have suspected relationships with antisocial forces, and also paying money to other women as return for intermediation. General Manager of the Shinjuku Branch promised to check with the Legal Division about antisocial acts after it was raised by shareholders, but he has done nothing to the present date. Being nominally legal is not sufficient in terms of compliance, and it is necessary to abide by comprehensive common wisdom and social norms. In other words, it requires “not just to ‘comply with laws and regulations’ but to ‘meet the needs of society’” (Nobuo Gohara, a lawyer and a former prosecutor). With such a level of compliance awareness as described above, the Company could be criticized by overseas human-rights groups and even assume the risk of massive compensation. The proposers recognize that neglecting these issues is a serious matter.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders, with individual name of employee of the Group anonymized.]

○ Board of Directors’ opinion

The Board of Directors objects to this proposal.

Since the Articles of Incorporation provide the basic policy of the company, we believe that it is not appropriate to prescribe the establishment of an investigative committee on individual events, as this would limit the business execution of the Company. In addition, the Company and the Bank of Tokyo-Mitsubishi UFJ, Ltd. have not recognized any specific individual cases stated in the reasons for proposal, and the response differs from reality, so we believe that the establishment of an investigation committee is unnecessary. The Group has responded resolutely to anti-social forces by establishing a “Principles of Ethics and Conduct” and “Basic Policy for Anti-social Forces.”

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

<Proposal by Shareholder>

Seventeenth Item of Business Dismissal of Director Haruka Matsuyama

1. Proposal details

Director Haruka Matsuyama shall be dismissed from the position of Director.

2. Reasons for proposal

Compliance does not simply mean being nominally legal, but it is necessary to abide by comprehensive common wisdom and social norms and to “meet the needs of society” (Nobuo Gohara, a lawyer and a former prosecutor). For example, the act of issuing visas to Jews by Chiune Sugihara, a Japanese ambassador, ran counter to instruction from the then Ministry of Foreign Affairs of Japan, but it was an appropriate act in terms of compliance. Given that the corporate manager of a client company repeatedly conducts the antisocial act of soliciting women, including minors, as prostitutes every month and paying money as return for intermediation, the General Manager of the Shinjuku Branch of The Bank of Tokyo-Mitsubishi UFJ, Ltd. stated clearly that he would consult with the Legal Division because prostitution was illegal, but he has done nothing even now because the company is a large borrower. Ms. Matsuyama is a female lawyer who was previously a judge and has the ability to understand the concept of compliance mentioned above. However, as a response to the materials sent to her in order to clarify the above facts, if Ms. Matsuyama does not take any rational measures as Outside Director by the date of the general meeting of shareholders, it is believed that her dismissal is appropriate.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders.]

○ **Board of Directors’ opinion**

The Board of Directors objects to this proposal.

In accordance with the appointment standards established by the Nominating and Governance Committee, the Company nominates personnel who satisfy those criteria as candidates. Ms. Haruka Matsuyama has contributed to effective enhancement of the decision making function and supervising function of the Board of Directors by offering necessary remarks properly from a professional position as an attorney in the Nominating and Governance Committee and Compensation Committee.

Moreover, the Company and The Bank of Tokyo-Mitsubishi UFJ, Ltd. do not recognize any specific individual cases stated in the reasons for proposal, and the response differs from reality.

Therefore, we believe that there is no reason to dismiss Ms. Haruka Matsuyama.

Note that we have not confirmed receipt of documents that clarify the facts described as of the time that this notice of convocation was prepared.

<Proposal by Shareholder>

Eighteenth Item of Business Election of Director Lucian Bebchuk instead of Haruka Matsuyama

1. Proposal details

Haruka Matsuyama shall not be elected as Director, and Lucian Bebchuk shall be elected as Director instead.

2. Reasons for proposal

Regarding the issue that the corporate manager of a client company of Shinjuku Branch of The Bank of Tokyo-Mitsubishi UFJ, Ltd. repeatedly undertakes an antisocial act that offends public order and morals where he solicits women, including minors, as prostitutes on a daily basis and pays money as return for intermediation, the proposers have asked Haruka Matsuyama, a female Director and an author of books about the practical operations of general meetings of shareholders, to take some action such as urging the General Manager of the branch to issue a warning to the said corporate manager. However, the General Manager, who had said that he would consult with the Legal Division because prostitution was illegal, suddenly changed his attitude such that the Bank did nothing after the new year and has continued in this manner to the present date. As an international financial institution, the Company is required to abide by comprehensive common wisdom and social norms and “meet the needs of society” (Nobuo Gohara, a lawyer and a former prosecutor), in addition to complying with laws and regulations, and Ms. Matsuyama can only be described as being disqualified as a Director on the basis of her attitude toward this issue.

Director candidate: Lucian A. Bebchuk

Career summary: Born in Poland in 1955. Studied in the United States and received a Ph.D. in law and economics from Harvard University after earning a Bachelor’s degree in mathematics and economics from the University of Haifa and a Bachelor’s degree in law from the University of Tel Aviv. He has authored books including “Pay without Performance: The Unfulfilled Promise of Executive Compensation” (co-authored with Professor Jesse Fried). In particular, his study in his paper “The Long-Term Effect of Hedge Fund Activism,” which analyzed approximately 2,000 cases in the United States from 1994 to 2007, is well known, among other studies, because it demonstrated that management indicators improve over the period of five years after a company becomes a target of activist activities in terms of both return on assets (ROA) and “Tobin’s Q (a value that is obtained by dividing the corporate value of a stock company by the replacement value of its assets).”

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholders, with individual name of employee of the Group anonymized.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

In accordance with the Director Election Standards established by the Nominating and Governance Committee, the Company nominates personnel who satisfy those standards as candidates. It is important for Independent Outside Directors to have strong insight and abundant experience in the fields of corporate management, finance and accounting, and law, and to have the ability to oversee the execution of duties by the management team from an independent and objective perspective. Per the opinion of the Board of Directors on the Seventeenth Item of Business, Ms. Haruka Matsuyama is suitable to become a Director of the Company. Therefore, as in the Second Item of Business, we believe that is optimal for our management framework to appoint Director candidates including Ms. Haruka Matsuyama.

Moreover, the Company and The Bank of Tokyo-Mitsubishi UFJ, Ltd. do not recognize any specific individual cases stated in the reasons for proposal, and the response is different from reality.

<Proposal by Shareholder (from Third Item of Business to Nineteenth Item of Business)>

The Nineteenth Item of Business is proposed by one shareholder.

<Proposal by Shareholder>

Nineteenth Item of Business Partial Amendment to the Articles of Incorporation
(Submission of a Request to the Bank of Japan to Refrain
from Deepening the Negative Interest Rate Policy)

1. Proposal details

The following clause shall be added to the Articles of Incorporation:

“The President of each bank within the Group shall hand over a request to refrain from deepening the negative interest rate policy to the Governor of the Bank of Japan.”

2. Reasons for proposal

The negative interest rate policy adopted by the Bank of Japan (BOJ) imposes risk only on financial institutions. The BOJ expected the policy to facilitate bank lending, which in turn would accelerate money turnover which should bolster the economy, resulting in higher bank revenues. However, this policy carries an adverse effect which outweighs the expected benefit. Although we have seen growth in bank lending, it may cause uncollectible loan in the future to expand loans to subprime borrowers, for example, real estate financing including apartment loans with the increased number of unoccupied houses or low credit financing with high risk of bad debt such as high interest card loans. This would lead to the repetition of the past mistakes that sparked the financial crisis. By further promoting the negative interest rate policy, there should be serious concerns about falling into the red or even the chain-reaction collapse of small- and mid-sized financial institutions and regional banks due to their vulnerable financial base. In addition, the fall in the price of shares in banks, life insurance companies and three Japan Post Group companies has seriously undermined the confidence of many investors and this encourages a continued slump in personal consumption, all of which are linked in a vicious cycle. The President of each bank within the Group should submit a request to the Governor of the BOJ calling to refrain from pursuing the wrong policy. The proposer is an investor of the BOJ; however, the BOJ does not hold a meeting equivalent to the general meeting of shareholders of stock companies nor has a proposal system to allow its security holders to express opinions. Consequently, this proposal is made to a commercial bank.

[(The Company’s note) Cited above is an English translation of the original text of the proposal details and reasons for proposal described in a form submitted by the shareholder.]

○ **Board of Directors' opinion**

The Board of Directors objects to this proposal.

Since this matter is an individual management decision concerning the Group's business operations and it is necessary to flexibly and appropriately decide in the Group, we believe that it is not appropriate to set it in our Articles of Incorporation.

Therefore, we believe that there is no need to set forth the proposed clause in the Articles of Incorporation.

- End -

(Reference) Corporate Governance Highlight

Fundamental Concepts

The Company will aim for sustainable growth and the increase of corporate value over the medium- to long-term, in consideration of the perspectives of its stakeholders, including shareholders as well as customers, employees and local communities. The Company will aim to realize effective corporate governance through fair and highly transparent management based on the guidance provided by MUFG Corporate Governance Policies established in May 2015.

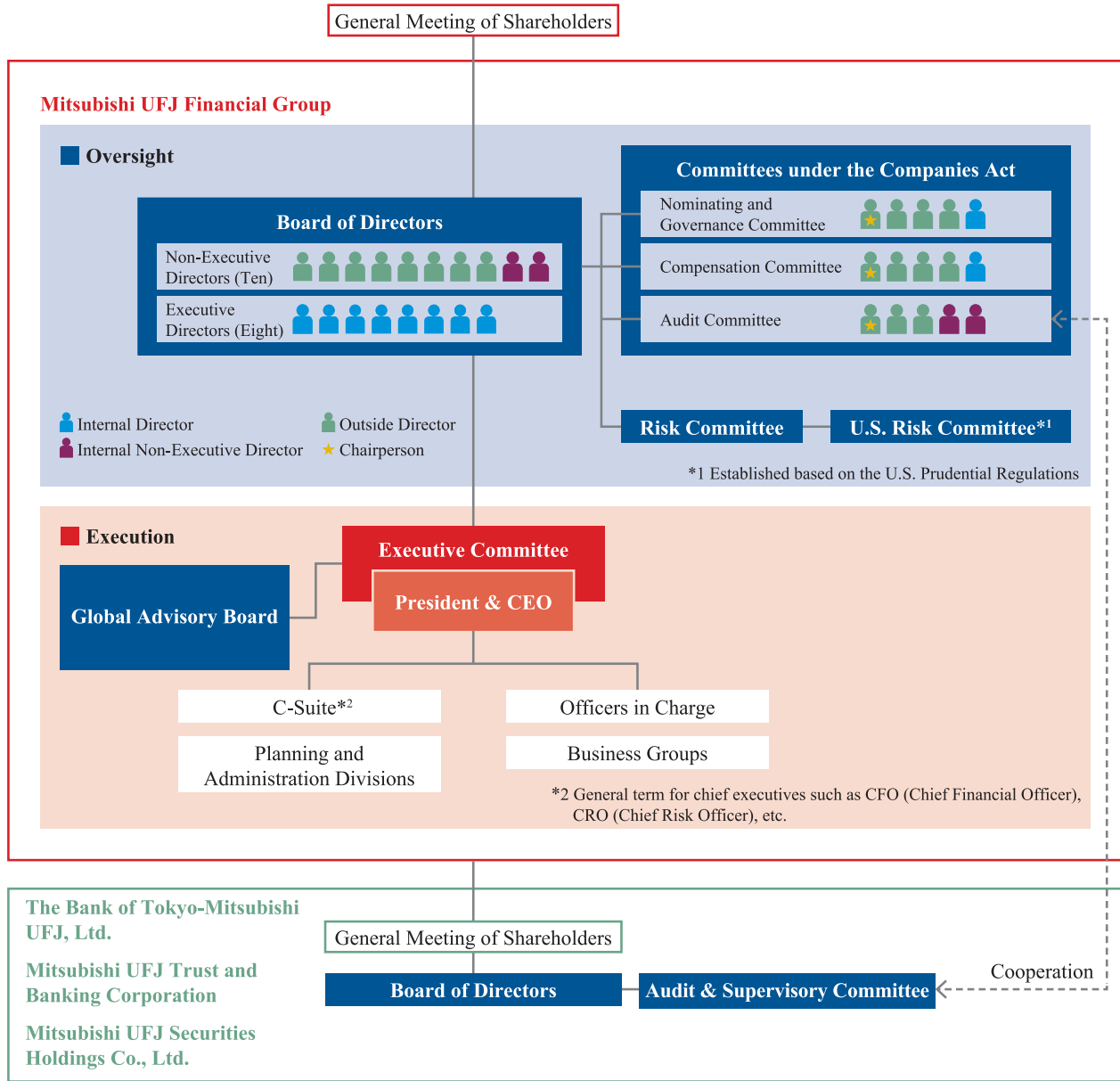
Steps to Improve Our Governance Structure

Since its establishment, the Company has worked to build a stable and effective corporate governance structure, putting emphasis on ensuring external oversight. In June 2015, the Company transitioned to the “company with three committees” governance structure. The functions of oversight and execution in the holding company are separated, thereby strengthening the oversight function of the Board of Directors and the committee system has also been reorganized for more effective governance. We are aiming for a governance framework that will be more familiar and transparent to overseas stakeholders, in line with our status as a G-SIB (Global Systemically Important Bank).

Corporate Governance Development

| | October 2005 Establishment of the Company | | | June 2013 | June 2014 | June 2015 | June 2016 | June 2017 (Plan) | | |
|---|--|---------------|--|----------------------------------|----------------------|---|------------------------|---|--|--|
| Governance Structure | Company with a Board of Corporate Auditors | | | | | Company with Three Committees | | | | |
| Outside Directors | 2005 Four | 2006 Three | 2012 Two | Two | Four | Six | Seven | Eight (Two non-Japanese Directors) | | |
| Committees under the Board of Directors | | | | | Governance Committee | Nominating and Governance Committee (Nominating Committee under the Companies Act) | | | | |
| | 2005 Nomination Committee | | 2008 Nomination and Compensation Committee | | | | | | | |
| | 2005 Compensation Committee | | | | | | Compensation Committee | | | |
| | 2005 Internal Audit and Compliance Committee | | | | | | | Audit Committee | | |
| | | | | Risk Committee | | | | | | |
| Advisory Board | 2005 Advisory Board | | | | | | U.S. Risk Committee | Integrated into the Global Advisory Board | | |
| | | | | Global Advisory Board | | | | | | |
| Board of Directors Operations | | | | Evaluation of Board of Directors | | | | | | |
| | | | | | | Independent Outside Directors Meeting/ Appointment of Lead Independent Outside Director | | | | |
| Policy | | | | | | MUFG Corporate Governance Policies | | | | |

Corporate Governance Structure (Planned for June 29, 2017)





MUFG Board of Directors Meeting held on June 29, 2016

Strengthening the Function of the Board of Directors

Having transitioned to the “company with three committees” structure in June 2015, the Company is striving to strengthen its corporate governance and the function of the Board of Directors.

Operational Status of the Board of Directors

The Board of Directors decides on basic management policies while taking on the supervision of management activities. In principle, business matters other than those reserved for the Board of Directors in accordance with the law are delegated to and decided on by corporate executive officers. However, particularly important matters (listed below) are discussed and decided on solely by the Board of Directors.

- Management strategy, risk management policy, capital policy, resource allocation and other basic management policies for the entire Group
- Supervision of directors and corporate executive officers who take on business execution
- Internal control systems for the Group and the monitoring of the development and operation of such systems
- Appointment of corporate executive officers
- Oversight of initiatives to develop a corporate governance structure and to facilitate a sound corporate culture

Board of Directors meetings are followed by Independent Outside Directors Meetings attended only by outside directors. At these meetings, attendees engage in deliberations regarding such matters as the operation of the Board of Directors and committees, collaboration between the Board and corporate executive officers, and possible measures to enhance the function of outside directors. Conclusions reached at this meeting are reported to the chairman, who heads the Board of Directors, and the president by a Lead Independent Outside Director.

Improved Support for Outside Directors

Board Educational Sessions are held to support independent outside directors by providing necessary information beyond the scope of the discussion agendas of the Board of Directors meetings. Outside directors attend these sessions to be apprised of the Company’s business operations and the management environment surrounding it, immediately after their appointment and on a regular basis during the term of their service.

In fiscal year 2016, the Company held four such sessions. Themes for these sessions were selected based on opinions voiced at the Board of Directors meetings and Independent Outside Directors Meetings and included such matters as the Retail Banking Business Unit, compliance with regulations, global personnel affairs as well as Group management structure.

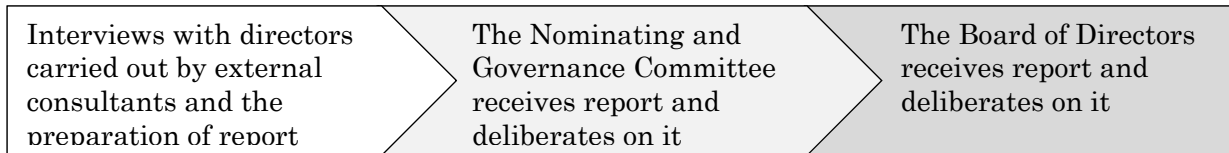
Separately, the Company held a Lunch Session together with regular meetings and explained about topics

including the MUFG Financial Solutions Unit, efforts on investment education, and data governance.

Evaluation Framework of the Working Practices of the Board of Directors' Operations

Since 2013, with the aim of enhancing the function of its Board of Directors, the Company has introduced a framework to regularly evaluate the Board of Directors' working practices through implementation of a PDCA cycle.

External consultants interview each director on the composition of the Board of Directors, the content of agendas, the discussions at Board Directors meetings, the operations of the Board, and the Board's contributions. Results of these interviews and assessments by consultants are reported and discussed by the Nominating and Governance Committee and the Board of Directors.



The summary of the results of the evaluation of the Board of Directors for fiscal year 2015 is as follows:

- (1) As an evaluation of the first year of the Company's transition into a company with three committees, the Board of Directors and Committee Members were evaluated to have appropriately established a system that leverages management oversight functions. They are also deemed to have made steady improvements to the management of the Board of Directors, such as the way it conducts proposals and discussions, contributions made from directors, and the progress of reform.
- (2) In enhancing its monitoring model, the Company recognizes that flexible response by the Board of Directors to environmental changes that affect management, such as further changes to the environment which enhance fundamental discussion, as well as events such as negative interest rates and irregularity in the global economy, is an important issue.

Initiatives taken during fiscal year 2016 in response to results of the evaluation of the Board of Directors for fiscal year 2015

Some initiatives taken by the Company during fiscal year 2016 based on the results of the evaluation of the Board of Directors above were presented.

- Held off-site "strategy meetings" to discuss the medium-term strategy with Outside Directors with a view to enhancing fundamental discussion
- Reviewed the optimal composition of the Board of Directors and decided to invite foreign Outside Directors
- Established a framework for sharing information on the discussion status of the Board of Directors with the executives of the Company and principal subsidiaries (such as Corporate Executive Officers and Executive Officers) and commenced its operation
- Held meetings to exchange opinions between the Company's Outside Directors and Outside Directors of principal subsidiaries and MUFG Union Bank

Corporate Vision

The corporate vision serves as the basic policy in conducting our business activities, and provides guidelines for all group activities.

The corporate vision also is the foundation for management decisions, including the formulation of management strategies and management plans, and serves as the core value for all employees.



OUR MISSION

To be a foundation of strength, committed to meeting the needs of our customers, serving society, and fostering shared and sustainable growth for a better world.



OUR VISION

Be the world's most trusted financial group

1. Work together to exceed the expectations of our customers
2. Provide reliable and constant support to our customers
3. Expand and strengthen our global presence



OUR VALUES

1. Integrity and Responsibility
2. Professionalism and Teamwork
3. Challenge Ourselves to Grow

Details on our corporate vision are available on <http://www.mufg.jp/english/profile/philosophy/>

(Attachment)

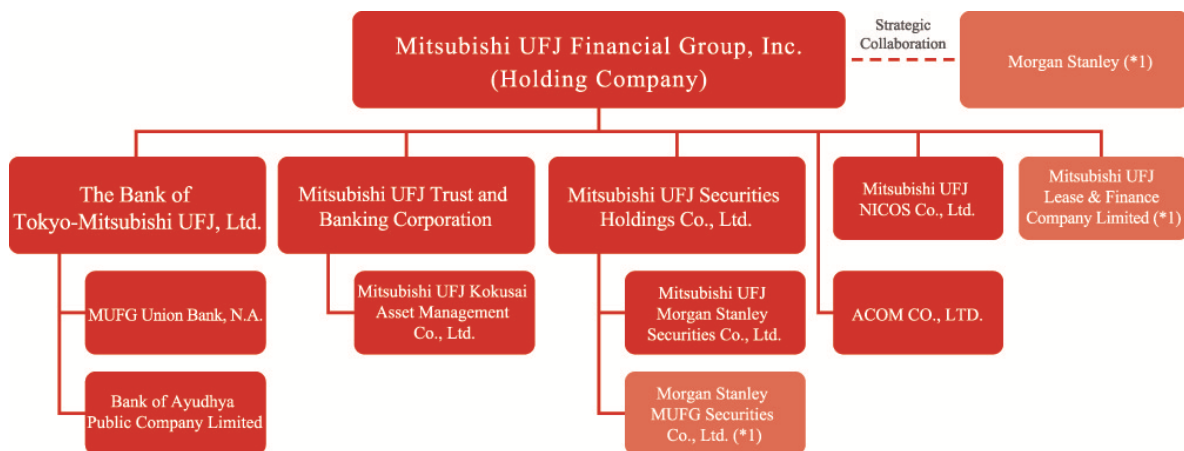
Business Report for the Twelfth Fiscal Year (April 1, 2016 to March 31, 2017)

1. Matters Concerning the Current State of the Company

(1) Business Operations and Results of the Group

a. Major Business Matters

The group/MUFG (the “Group”) is a corporate group that is comprised of the Company, 143 subsidiaries, 71 subsidiary entities, etc., and 58 affiliated corporate entities, etc. The Group conducts business in areas that include mainly commercial banking, trust banking and securities, and also credit cards and consumer finance, leasing, and asset management, and other areas, with the aim of becoming the world’s most trusted financial group.



*1 Mitsubishi UFJ Lease & Finance Company Limited, Morgan Stanley and Morgan Stanley MUFG Securities Co., Ltd. are equity-method accounted affiliates.

*2 This diagram summarizes the relationship between the Company and major Group companies.

b. Financial and Economic Environment

An overview of the financial and economic environment for fiscal year 2016 shows the global economy generally maintained a moderate recovery, particularly in developed countries. This was despite deep uncertainties arising from China’s structural adjustment, as well as fluctuations in international financial markets due to key events such as the UK’s vote to leave the EU and the advent of the new U.S. administration. The U.S. economy continued its self-sustained recovery, driven mainly by domestic demand, which was supported by improved employment conditions. However, the recovery in production and capital investment was a little slow in the corporate sector. In Europe, domestic demand continued to pick up, supported by improved employment conditions and low interest rates, despite an increase in uncertainty stemming from the UK’s vote to leave the EU and non-performing loan problems in Southern European countries. On the whole, the Asian economy was solid, particularly in ASEAN (Association of Southeast Asian Nations).

However, each country's exports were pushed down by the economic slowdown in China, which has been undergoing structural adjustment. Under such circumstances, Japan's economy maintained a moderate recovery throughout the fiscal year, yet some areas experienced a delay in improvement. Private consumption continued to grow, albeit slowly, on the back of an increase in employment and wages; meanwhile, residential investment also remained strong. Capital expenditure continued to increase gradually, underpinned by an upturn in exports and production, although it was held back temporarily by a slowdown in corporate earnings growth caused by yen appreciation in the first half of the fiscal year. Public demand was almost flat.

Turning now to financial conditions, there were large fluctuations in foreign exchange rates and stock prices in Japan. During the first half of fiscal year 2016, the Japanese yen continued to appreciate against the U.S. dollar and Japan's stock market was weak against a backdrop of uncertainties surrounding the global economy. However, after the U.S. presidential election, the Japanese yen depreciated sharply and stock prices surged due to high expectations brought about by the new administration. Towards the end of the fiscal year, the Japanese yen appreciated again. As for interest rates, the US Federal Reserve raised interest rates in December and March; whereas the Bank of England reduced interest rates in August after the national referendum and the European Central Bank retained its monetary easing policy. Additionally, the Bank of Japan maintained its aggressive monetary easing stance with the introduction of "Quantitative and Qualitative Monetary Easing with Yield Curve Control" in September, resulting in continued, low, long-term interest rates.

c. Business Operations and Results of the Group

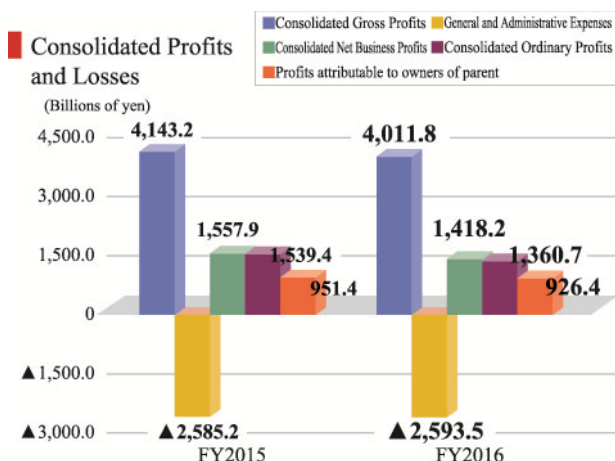
(Results of Fiscal Year 2016)

Under such environments, with respect to the consolidated results of the Group in fiscal year 2016, ordinary profits were ¥1,360.7 billion and profits attributable to owners of parent were ¥926.4 billion. As for MUFG's non-consolidated results, ordinary profits were ¥575.0 billion and net income was ¥577.6 billion.

Consolidated gross profits were ¥4,011.8 billion, marking a decrease of ¥131.3 billion from the previous fiscal year. Deposit revenue decreased domestically against the backdrop of declining market interest rates due to the introduction of negative interest rates. Despite growth in both overseas lending revenue and deposit revenue, net interest income as a whole was ¥2,024.4 billion, marking a decrease of ¥89.0 billion from the previous fiscal year due to the effect of foreign exchange rates. Net fees and commissions income was ¥1,328.4 billion, marking an increase of ¥7.9 billion from the previous fiscal year, owing to a fall in sales commissions for investment management products affected by the sluggish stock market and negative interest rates, despite an increase in overseas fees and consumer finance. Net trading profits and net other business profits were ¥536.7 billion, marking a decrease of ¥55.2 billion from the previous fiscal year. General and administrative expenses were ¥2,593.5 billion, almost same as the previous fiscal year, due to company-wide efforts to restrain costs in addition to the impact of foreign exchange rates. As a result of the above, net business profits totaled ¥1,418.2 billion, marking a decrease of ¥139.6 billion from the previous fiscal year. Total credit costs were ¥155.3 billion, marking a decrease of ¥99.7 billion from the previous fiscal year, significantly below forecasts at the beginning of the fiscal year, due to settling down of resource-related costs and so on, despite factors at individual companies. Net gains (losses) on equity securities resulted in gains of ¥124.9

billion due to progress in sales of cross-shareholdings and equity in gains (losses) of affiliates amounted to ¥244.4 billion. As for extraordinary gains (losses), losses of ¥57.5 billion were recorded.

As a result of the above, profits attributable to owners of parent were ¥926.4 billion, marking a decrease of ¥24.9 billion from the previous fiscal year, still surpassing the earnings target of ¥850.0 billion.



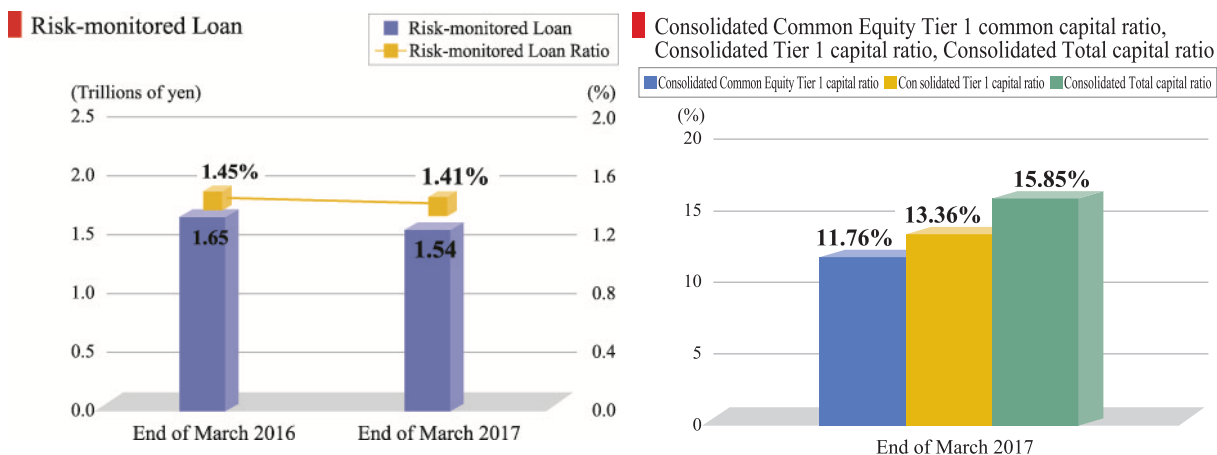
Under the regulatory standard (Basel III), Consolidated Common Equity Tier 1 capital ratio, Consolidated Tier 1 capital ratio, and Consolidated Total capital ratio were 11.76%, 13.36%, and 15.85%, respectively. All of these met the required level as of March 31, 2017. The liquidity coverage ratio^{*1} was 137.9%, also meeting the required level.

In addition, the risk-monitored loan ratio that shows the soundness of loan assets, remained at a low level of 1.41%.

Annual dividends per common stock for fiscal year 2016 are expected to be ¥18, the same as fiscal year 2015^{*2}.

^{*1} The index showing adequate ownership of assets (numerator) realizable in a short period sufficient to cover the funds (denominator) expected to flow out in thirty days under stressful circumstances.

^{*2} Assuming that the year-end dividend for fiscal year 2016 is approved at the Annual General Meeting of Shareholders to be held on June 29, 2017.



The Group steadily worked on various measures based on the three strategic focuses of “Customer perspective,” “Group-driven approach,” and “Productivity improvements” under the slogan of “Evolution and reforms to achieve sustainable growth for the Group.”

In services for individuals, we accelerated “shifts from savings to stable asset building,” and developed a Group-wide platform for sale and order acceptance that utilizes a mechanism to provide products that meet customer needs (financial products intermediation) with smooth coordination between banks and securities to support asset building of customers.

In the corporate services, we focused our efforts on making proposals on business strategies through the Group-wide approach aimed at solving the problems of corporate initiatives, and also made efforts in corporate M&A advisory services, business succession support of the owner companies, and business matching.

For overseas, we have steadily pursued our Group business strategies by leveraging our platform for commercial banking operations in the U.S. and Asia. Especially in the U.S., we placed our U.S.-based subsidiaries under an intermediate holding company in an effort to improve efficiency and productivity under a single leadership structure.

Practical integration of the banking and securities Sales and training business^{*3} is progressing, and integration of dealing rooms in London, New York, Hong Kong and Tokyo has been fully completed on schedule. In addition to establishing the Innovation Lab as a dedicated organization for the launch of innovative new businesses utilizing ICT and creating a global network that encompasses Singapore and New York in addition to Silicon Valley, our efforts included an accelerator program to nurture FinTech entrepreneurs.

^{*3} General term for sales operations involving the provision of financial products and solutions including foreign exchange and derivatives, and trading operations to buy and sell marketable products through inter-bank trading or trading on exchanges.

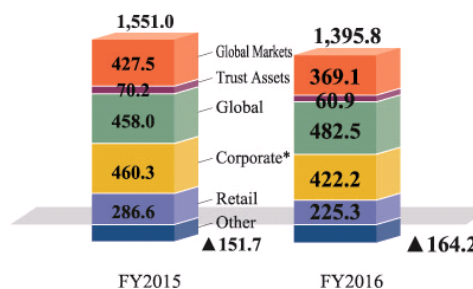
(Operations and Results by Business)

In order to demonstrate the strengths of its comprehensive financial group, the Group has introduced the business group system where the business groups established under the holding company control their subsidiaries to promote strategies across the Group. The business groups consist of five business segments: Retail, Corporate, Global, Trust Assets, and Global Markets. Each group designs strategies that integrate the strengths of group subsidiaries consisting of banks, trust banks, securities companies, credit card companies, consumer financing companies, lease companies and asset management companies, etc., and implements measures in order to meet a broad range of customer needs as a group.

The operations and results by business overseen by each integrated business group for fiscal year 2016 are as follows.

■ Net operating profits by integrated business group

(Billions of yen)



* Excluding overseas Japanese companies

**Retail Banking
Business Group**

Gross profits

¥1,198.3 billion

Decreased by ¥61.0 billion (4.8%)
from the previous fiscal year

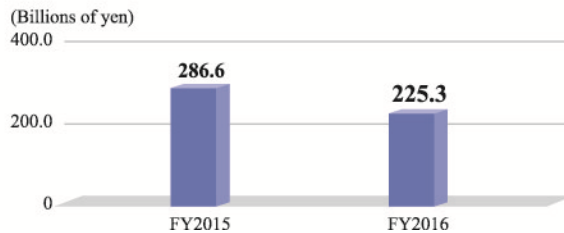
Net operating profits

¥225.3 billion

Decreased by ¥61.3 billion (21.3%)
from the previous fiscal year

In the Retail Banking Business Group, we offer a wide range of products and services from housing loans to asset management, inheritance and consumer finance, through The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., ACOM CO., LTD., etc., in order to meet various need of individual customers.

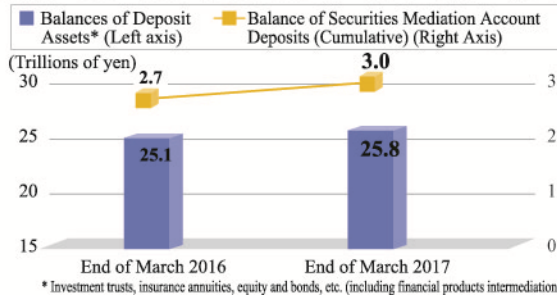
Net Operating Profits of the Retail Banking Business Group



The gross profits for fiscal year 2016 decreased 4.8% (¥61.0 billion) from the previous fiscal year to ¥1,198.3 billion, and net operating profits decreased 21.3% (¥61.3 billion) from the previous fiscal year to ¥225.3 billion.

Profits declined from the previous fiscal year due to a decrease in income from investment products sales stemming from the declining appeal of investment products under the impact of negative interest rates and a worsened market environment, in addition to a decrease in lending and deposit income arising from lower margins.

Balances of Deposit Assets*/Balance of Securities Mediation Account Deposits



With respect to promoting the “shifts from savings to stable asset building,” one of the major initiatives under the Medium-Term Business Plan, substantial progress was made in expanding the customer base in the IPO of JR Kyushu with Group-wide measures for sale by banks serving as intermediaries between customers and securities companies, in addition to sales by securities companies. Furthermore, the balance of deposit assets from customers increased by approximately ¥0.7 trillion from the end of the previous fiscal year due to responding to customer needs with a diversified product lineup.



MUFG CARD “SMART”

As for contribution to “revitalizing personal consumption” through consumer finance and payment businesses, both the card loan BANQUIC business of The Bank of Tokyo-Mitsubishi UFJ, Ltd. and the ACOM card loan business achieved increases in balance and income. We also rolled out the MUFG CARD “SMART,” a credit card aimed at a young demographic including those entering the work force.

Corporate Banking
Business Group

Gross profits

¥1,041.6 billion

Decreased by ¥48.5 billion (4.4%)
from the previous fiscal year

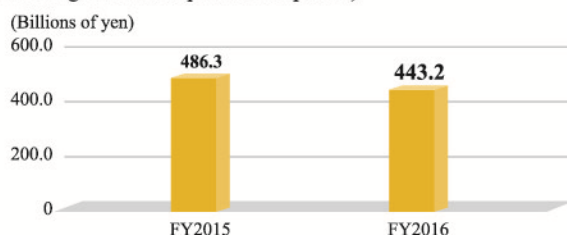
Net operating profits

¥443.2 billion

Decreased by ¥43.1 billion (8.8%)
from the previous fiscal year

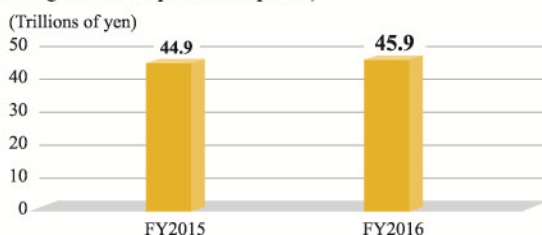
In the Corporate Banking Business Group, we meet the diverse needs of our customers by utilizing our domestic and international networks to perform services for our corporate customers, such as lending, settlements, foreign exchange business and asset management, and through proposals related to business strategies that take advantage of the expertise of each group companies.

Net Operating Profits of the Corporate Banking Business Group
(including overseas Japanese companies)



The gross profits for fiscal year 2016 decreased 4.4% (¥48.5 billion) from the previous fiscal year to ¥1,041.6 billion*, and net operating profits decreased 8.8% (¥43.1 billion) to ¥443.2 billion. Income from lending and deposits decreased from the previous fiscal year due to the harsher competitive environment as the market interest rate declined. On the other hand, the lending balance steadily increased by 2% from the previous fiscal year.

Average Lending Balance in the Corporate Banking Business Group
(excluding overseas Japanese companies)



For large corporate customers, we strengthened our ability to make proposals tailored to the sector, and the Group worked as one to make proposals for business strategies. We were in the top class for underwriting of advisory business and stocks and bonds in M&A projects.

For small and medium business customers, we focused on making proposals for capital strategies that contribute to the smooth succession and growth strategies of business.

We also held “MUFG Business Conferences” in Hanoi, Bangkok, and Manila to introduce business partners to each other based on our corporate information gathering capabilities backed by the MUFG global network, and in Japan, we organized the Business Link “Shobai Hanjo at PACIFICO YOKOHAMA.” These events were well received by many participating companies.



Business Link “Shobai Hanjo at PACIFICO YOKOHAMA”

* Including overseas Japanese companies

Global Business Group

Gross profits

¥1,303.7 billion

Increased by ¥30.6 billion (2.4%) from the previous fiscal year

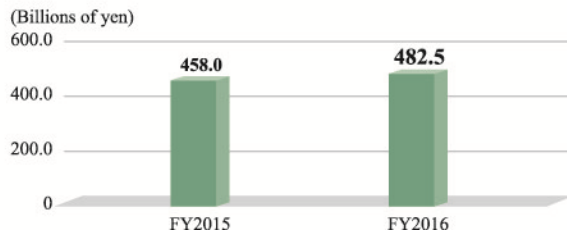
Net operating profits

¥482.5 billion

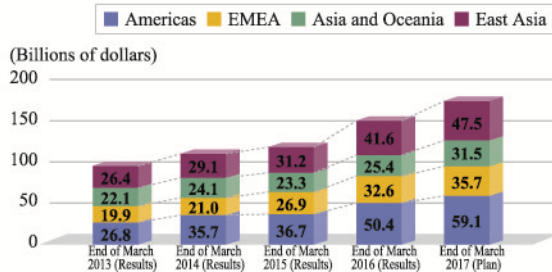
Increased by ¥24.4 billion (5.3%) from the previous fiscal year

In the Global Business Group, through our approximately 1,200 units in more than 50 countries and regions, the leading Japanese banking network overseas, the Group meets the financing needs of corporate customers around the world, as well as offering cash management services and various advisory businesses. The Group also offers services for small and medium businesses and individuals through our subsidiaries and affiliates in the U.S., Thailand, Vietnam, and the Philippines.

Net Operating Profits of the Global Business Group



Deposit amount by region



Gross profits for fiscal year 2016 increased 2.4% (¥30.6 billion) from the previous fiscal year to ¥1,303.7 billion, and net operating profits increased 5.3% (¥24.4 billion) from the previous fiscal year to ¥482.5 billion. The increase in profits was driven by favorable results in large finance projects in Europe and the Americas, large-scale project financing in Asia and Oceania, and auto loans and consumer finance at the Bank of Ayudhya Public Company Limited, despite poor performance in East Asia mainly in China. We also strategically enhanced our framework and product capabilities aimed at accumulating foreign currency deposits, which resulted in an increase in balances in all regions.

In the U.S., the Group began integrated operations of its primary banking and securities businesses in order to respond Group-wide to the needs of customers who are expanding globally. In line with our collaboration with major investees operating commercial banking services in the U.S. and Asia, we held MUFG Global Partnership Conferences to strengthen our business foundation through sharing of business models. At the same time, we made efforts to reduce costs on a global basis, aiming to improve productivity while striving to further enhance our management fundamentals.



MUFG Global Partnership Conference

Trust Assets
Business Group

Gross profits

¥173.1 billion

Increased by ¥0.9 billion (0.5%) from the previous fiscal year

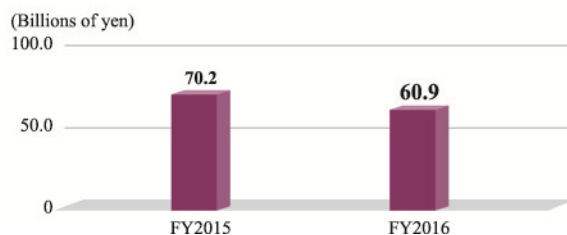
Net operating profits

¥60.9 billion

Decreased by ¥9.3 billion (13.2%) from the previous fiscal year

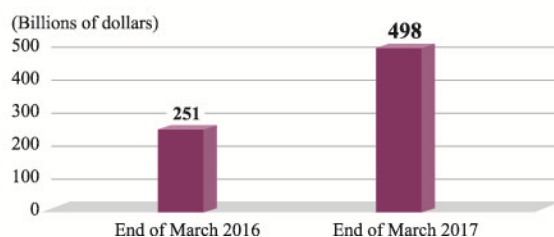
The Trust Assets Business Group engages in management and administration of trust assets such as pension funds and investment trusts, and has made efforts to enhance operation and product development capabilities, utilizing advanced and professional know-how in an effort to meet the various needs of customers.

Net Operating Profits of the Trust Assets Business Group



The gross profits for fiscal year 2016 increased 0.5% (¥0.9 billion) from the previous fiscal year to ¥173.1 billion, and net operating profits decreased 13.2% (¥9.3 billion) from the previous fiscal year to ¥60.9 billion. Although revenue increased due mainly to the acquisition of an asset administration company overseas, profits decreased due to significant impact from the dissolution of employee pension funds in Japan and cooling-off of the individual investment market, among other factors.

Balance of Global IS



In the global area, we acquired two companies in the asset administration field in April and October^{*1}, putting in place a one-stop framework that can provide various services^{*2} under the MUFG Investor Services brand. In asset management services, we promoted sales of an index jointly developed with Europe's STOXX Ltd. to overseas asset management companies, and established a representative office in Dubai, focusing on entrustment of asset management services from overseas investors.

In the corporate pension area, the Group firmly maintained a top-class share in its pension trust balance, and in defined contribution pensions, it began offering a "light course" in individual defined contribution pension plans (iDeco) in January 2017 that is able to meet the needs of customers who are managing assets for the first time.

In the investment trust area, we made efforts to accelerate the "shifts from savings to stable asset building" by promoting wrap products, which are our core asset building products, and providing new investment education services, along with setting up an AI fund, the first for a major asset management institution in Japan.



AI Japan Stock Open (absolute return type) (Nickname: Japan AI)

*1 Two companies, current MUFG Capital Analytics LLC and current MUFG Investor Services (US), LLC

*2 A framework that covers all types of funds, including hedge funds and private equity, while also providing associated banking products (fund finance, fund foreign exchange, etc.)

Global Markets
Business Group

Gross profits

¥582.0 billion

Decreased by ¥54.0 billion (8.4%)
from the previous fiscal year

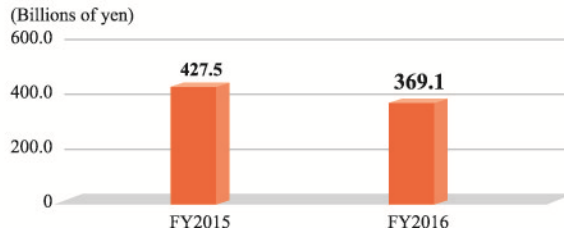
Net operating profits

¥369.1 billion

Decreased by ¥58.4 billion (13.6%)
from the previous fiscal year

The Global Markets Business Group is in charge of the promotion of market transactions, such as interest, foreign exchange business, debt securities, and derivatives, and ALM operation (operation involving the comprehensive management of capital liquidity risk, interest rate risk and other risks inherent in such assets as lending and such liabilities as deposits).

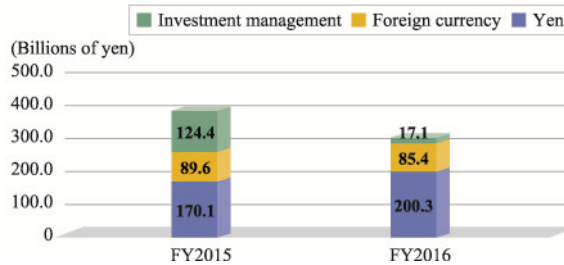
Net Operating Profits of the Trust Assets Business Group



The gross profits for fiscal year 2016 decreased 8.4% (¥54.0 billion) from the previous fiscal year to ¥582.0 billion, and net operating profits decreased 13.6% (¥58.4 billion) from the previous fiscal year to ¥369.1 billion.

Despite favorable performance in the domestic exchange business and in overseas Sales and trading business^{*1}, revenue and profits decreased overall due to a decline in banking income resulting from adjustment of holding positions in foreign bonds after the U.S. presidential election.

Banking income



The Group integrated its banking and securities dealing rooms in Japan, Europe, the U.S., and Asia in order to ensure a one-stop offering of high quality services and products, and completed the integration of the Sales and trading business^{*} on a global basis.

In ALM operation, we have bolstered our ability to respond to environmental changes with the start of full-scale launch of a new operating system integrating the yen and foreign currencies, and enhanced balance sheet and liquidity management.

We are also reinforcing the business base through mutually supplementing functions within the MUFG Group and by making use of ICT and FinTech.

* See *3 on page 72.



Integration of dealing rooms in London, New York, Hong Kong, and Tokyo

d. Key Issues

In fiscal year 2016, the environment surrounding the Group became certainly harsher, due to developments in world politics that were more dramatic than expected and the resulting market fluctuations, as well as the impact of negative interest rates in Japan. In this environment, the Group adapted to changes in the operating environment in a flexible and agile manner, while at the same time deepening the Group's business strategies, together with its administrative practices and business foundation strategies, under the Medium-Term Business Plan and was able to make progress as previously described.

Fiscal year 2017 is the final year of the Medium-Term Business Plan defined as the first stage of evolution and reforms achieve sustainable growth for the group under the slogan of "reforms" focused on the next decade. In order to respond to an even harsher operating environment, we will work on the following key issues, bearing in mind the themes of "further speeding up reforms" and "more radical structural reforms". Accelerating these various initiatives will enable us to pursue improved corporate value and work to live up to the expectations of shareholders.

In addition, the Group has formulated the "MUFG Re-Imagining Strategy" as a group of initiatives aimed at full-scale reforms aimed at sustainable growth of the Group over the medium- to long-term. We will work to further embody this initiative which is the cornerstone of group strategy and management structure for the future with the pillars of 1) Strengthening our management approach based on customer- and business-based segments, 2) Business transformation through the use of digital technology, 3) Initiatives to improve productivity, and 4) Reorganization of Group management structure. Restructuring our management structure includes integrating the corporate loan businesses of our trust bank and commercial bank with by April 2018, the acquisition of Mitsubishi UFJ Kokusai Asset Management Co., Ltd. by the trust bank, and changes to trade name of the commercial bank.

■Advancing Group business strategies

As part of our Group business strategies, we will maintain our focus on the Japanese market while simultaneously working to incorporate the growth of the global market and evolution and reforms of business model.

For individual customers, the Group will band together to provide asset management and administration services and asset inheritance support to give firm backing to the shifts from savings to stable asset building while helping to stimulate consumption by strengthening payment and consumer finance businesses.

To address the needs of SME customers, the Group will work to provide smooth support for customers' funding needs while also implementing initiatives in new business fields. Initiatives in new fields will include enhancing our M&A advisory service functions to respond to the rising number of business succession and bolstering our ability to provide asset management solutions. At the same time, the Group will also accelerate efforts to

contribute to the growth of customers through means such as offering business matching services.

Meanwhile, the Group will respond to the ever more advanced, diverse and global management issues of large companies through concerted efforts conducted on a Group-wide and global basis, and we will establish a unique global Corporate & Investment Banking (CIB)^{*1} model to aid us in this endeavor. As part of this process, we will consolidate the Group's sector-specific expertise while deepening strategic collaboration with Morgan Stanley.

In Sales and trading business^{*2}, we will boost our competitiveness through the full-fledged launch of Group-wide integrated operations. Specifically, the Group will push forward with efforts to strengthen its ability to provide products and services that address the diverse needs of various customers, such as corporations and institutional investors, on a global basis.

As for asset management and investor service operations, the Group is committed to establishing a robust position as a global player by leveraging strategic investments and alliances in the fields of investor services for hedge funds and alternative investment funds and asset management operations in the U.S., Asia, and other regions.

In transaction banking^{*3} operations, we aim to build an unrivaled position in the domestic market. At the same time, we will redouble efforts to address cross-border business flows and expand trade finance operations. In addition, we will bolster our product capabilities and sales capabilities through the COMSUITE brand and step up inter-regional collaboration to increase deposit balances.

Outside Japan, the Group is working to establish and strengthen unique, comprehensive commercial banking platforms. These efforts are centered around the Bank of Ayudhya Public Company Limited and MUFG Union Bank, N.A. In the past, the Group's overseas operations focused primarily on transactions with large companies, but in strengthening platforms we are concentrating efforts on building a balanced business portfolio by branching out to accommodate local individuals and SME customers.

*1 A business model that provides customers with end-to-end, comprehensive financial services including both Corporate Banking (e.g. deposits and loans) and Investment Banking (e.g. M&A advisory) services, in order to help customers increase their corporate value

*2 Please refer to page 72, *3.

*3 General term for deposit business, domestic exchange business, foreign exchange business, and related businesses such as cash management and trade finance.

■ Enhancement of management fundamentals and controls

Strategies for enhancing management fundamentals and controls include the following measures to improve upon the financial base and administration practices that will underpin the evolution and reforms of business models.

By pressing ahead with enhancement of the governance system with emphasis on an

outside perspective, and establishing an effective system for the oversight of management by the Board of Directors, the Group will continue to further strengthen corporate governance systems. Governance will also be enhanced on both a Group and global basis. At the same time, the Group is developing more evolved and advanced comprehensive risk management practices that address new regulations and progress in businesses while placing emphasis on managing risks in an integrated and preventative manner.

We will press ahead with further strengthening and streamlining of the Group business platform through shared usage of systems, back-office functions, and facilities on a Group-wide basis. At the same time, we will promote the use of block chain technology and AI in the ICT area, and pursue digitalization and greater usability in operational and administrative processes.

In managing the Group's finances and capital, we will work to entrench frameworks for increasing returns on risks taken, which will be done while placing maintaining a strong capital base as the first priority. We will also diversify funding methods in consideration of global financial regulations.

Communication, both internal communication that is a means of fostering a corporate culture and creating a sense of cohesion within the Group, and communication with outside parties that contributes to improving customer satisfaction and brand value as well as to helping us fulfill our corporate social responsibility, will be promoted strategically and in a manner that is integrated on a Group-wide and global basis to maximize its benefits.

The Group revised and announced the MUFG Basic Policy for Fiduciary Duties^{*4} in May 2017, in order to thoroughly implement and further enhance its customer-first undertakings. We will strive to maintain and improve the MUFG brand in a way that receive broad sympathy and support from society by regularly checking and revising the status of efforts to provide products and services that serve the interests of customers.

^{*4} A fiduciary duty refers to diverse functions and obligations that a person must assume in carrying out his/her duties by winning the trust of another.

**(2) Financial Position and Results of Operations of the Group and the Company
(Consolidated Basis and Non-Consolidated Basis)**

a. Financial Position and Results of Operations of the Group (Consolidated Basis)

(Billions of yen)

| | Fiscal Year 2013 Ended March 31, 2014 | Fiscal Year 2014 Ended March 31, 2015 | Fiscal Year 2015 Ended March 31, 2016 | Fiscal Year 2016 Ended March 31, 2017 |
|---|---|---|---|---|
| Ordinary income | 5,176.1 | 5,638.4 | 5,714.4 | 5,979.5 |
| Ordinary profits | 1,694.8 | 1,713.0 | 1,539.4 | 1,360.7 |
| Profits attributable to owners of parent | 984.8 | 1,033.7 | 951.4 | 926.4 |
| Consolidated comprehensive income (Figures in parentheses represent net loss) | 1,708.9 | 3,455.2 | 620.6 | 330.6 |
| Total net assets | 15,112.8 | 17,287.5 | 17,386.7 | 16,658.3 |
| Total assets | 258,131.9 | 286,149.7 | 298,302.8 | 303,297.4 |

(Note) All figures have been rounded down to the nearest first decimal place.

b. Financial Position and Results of Operations of the Company

(Non-Consolidated Basis)

(Billions of yen)

| | Fiscal Year 2013 Ended March 31, 2014 | Fiscal Year 2014 Ended March 31, 2015 | Fiscal Year 2015 Ended March 31, 2016 | Fiscal Year 2016 Ended March 31, 2017 |
|--|--|--|--|--|
| Operating income | 258.6 | 585.8 | 588.3 | 625.5 |
| Dividends received | 239.7 | 563.7 | 563.9 | 599.4 |
| Dividends received from banking subsidiaries | 207.7 | 457.1 | 501.7 | 535.5 |
| Dividends received from other subsidiaries | 17.2 | 80.4 | 23.2 | 20.2 |
| Net income | (millions of yen) 241,732 | (millions of yen) 553,400 | (millions of yen) 545,738 | (millions of yen) 577,656 |
| Net income per share | (yen) 15.80 | (yen) 39.18 | (yen) 39.29 | (yen) 42.56 |
| Total assets | 10,932.2 | 10,646.2 | 12,043.2 | 13,969.7 |
| Investments in banking subsidiaries | 8,151.7 | 7,761.7 | 7,771.7 | 7,771.5 |
| Investments in other subsidiaries | 1,731.6 | 1,601.6 | 1,591.6 | 1,590.5 |

- (Notes)
1. All figures have been rounded down to the nearest first decimal place.
 2. Net income per share for fiscal year 2013 is calculated by dividing (i) the amount obtained by subtracting the dividends for the preferred stocks for the relevant fiscal year from the net income for the relevant fiscal year by (ii) the average number of outstanding common stock during the relevant fiscal year.

(3) Employees of the Group

(Persons)

| | Retail Banking Business Group | Corporate Banking Business Group | Global Business Group | Trust Assets Business Group | Global Market Business Group | Other | Total |
|--|-------------------------------|----------------------------------|-----------------------|-----------------------------|------------------------------|--------|---------|
| Number of Employees as of March 31, 2017 | 31,871 | 13,654 | 49,223 | 4,182 | 3,256 | 13,089 | 115,275 |

- (Note)
1. From fiscal year 2016, method for presenting the number of employees has changed to business group basis.
 2. The number of employees indicates the number of persons employed, including staff in overseas offices, but does not include temporary employees.

(Reference) Employees of each company

(Persons)

| | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | Mitsubishi UFJ Trust and Banking Corporation | Mitsubishi UFJ Securities Holdings Co., Ltd. | Consumer Finance Subsidiaries | Other | Total |
|--|--|--|--|-------------------------------|-------|---------|
| Number of Employees as of March 31, 2017 | 84,025 | 12,412 | 6,827 | 9,798 | 2,213 | 115,275 |
| Number of Employees as of March 31, 2016 | 80,088 | 11,916 | 7,000 | 9,716 | 2,216 | 110,936 |

(4) Principal Offices, etc. of the Group

a. The Bank of Tokyo-Mitsubishi UFJ, Ltd.

| | | Name of Principal Offices | Number of Offices | |
|--|----------------------------|--|-------------------|----------------|
| | | | March 31, 2017 | March 31, 2016 |
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | Kanto and Koshinetsu | Head Office, etc. | 416 | 415 |
| | Tohoku and Hokkaido | Sendai Branch, Sapporo Branch, etc. | 7 | 7 |
| | Tokai and Hokuriku | Nagoya Main Office, Shizuoka Branch, etc. | 133 | 133 |
| | Kinki | Kyoto Branch, Osaka Main Office, Kobe Branch, etc. | 175 | 175 |
| | Chugoku and Shikoku | Hiroshima Branch, Takamatsu Branch, etc. | 11 | 11 |
| | Kyushu | Fukuoka Branch, etc. | 10 | 10 |
| | (Domestic Total) | | (752) | (751) |
| | The Americas | New York Branch, etc. | 21 | 17 |
| | Europe | London Branch, etc. | 11 | 12 |
| | The Middle East and Africa | Dubai Branch, etc. | 5 | 5 |
| | Asia and Oceania | Hong Kong Branch, etc. | 35 | 35 |
| | (Overseas Total) | | (72) | (69) |
| | Grand Total | | 824 | 820 |

- (Notes)
1. The number of offices includes sub-branches.
 2. In addition to the above, as of March 31, 2017, 9 overseas representative offices (9 as of March 31, 2016) and 48,866 non-branch ATMs (47,127 as of March 31, 2016) were in operation.
 3. In addition to the above, as of March 31, 2017, 15 offices (15 as of March 31, 2016) that are engaged in auxiliary businesses, including the head office of the foreign currency exchange branches, were in operation.
 4. kabu.com Securities Co., Ltd., Jibun Bank Corporation, Mitsubishi UFJ Loan Business Co., Ltd., and Mitsubishi UFJ Financial Partners Co., Ltd. are banking agencies of The Bank of Tokyo-Mitsubishi UFJ, Ltd.

b. Mitsubishi UFJ Trust and Banking Corporation

| | | Name of Principal Offices | Number of Offices | |
|--|-------------------------|---|-------------------|----------------|
| | | | March 31, 2017 | March 31, 2016 |
| Mitsubishi UFJ Trust and Banking Corporation | Kanto and Koshinetsu | Main Branch, etc. | 30 | 32 |
| | Tohoku and Hokkaido | Sendai Branch and Sapporo Branch | 2 | 2 |
| | Tokai and Hokuriku | Nagoya Branch, Shizuoka Branch, etc. | 5 | 6 |
| | Kinki | Kyoto Branch, Umeda Branch, Kobe Branch, etc. | 12 | 12 |
| | Chugoku and Shikoku | Hiroshima Branch, Takamatsu Branch, etc. | 4 | 5 |
| | Kyushu | Fukuoka Branch, etc. | 5 | 5 |
| | (Domestic Total) | | (58) | (62) |
| | The Americas and Europe | New York Branch, London Branch, etc. | 2 | 3 |
| | Asia and Oceania | Hong Kong Branch and Singapore Branch | 2 | 2 |
| | (Overseas Total) | | (4) | (5) |
| Grand Total | | 62 | 67 | |

- (Notes)
1. The number of offices includes sub-branches.
 2. In addition to the above, as of March 31, 2017, 2 overseas representative offices (1 as of March 31, 2016), 35,195 non-branch ATMs (34,166 as of March 31, 2016) and 66 trust business agencies (63 as of March 31, 2016) were in operation.

c. Mitsubishi UFJ Securities Holdings Co., Ltd

| | | Name of Principal Offices | Number of Offices | |
|--|----------------------|---|-------------------|----------------|
| | | | March 31, 2017 | March 31, 2016 |
| Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. | Kanto and Koshinetsu | Head Office, etc. | 25 | 25 |
| | Tohoku and Hokkaido | Sendai Branch, Sapporo Branch, etc. | 4 | 4 |
| | Tokai and Hokuriku | Nagoya Branch, Toyama Branch, etc. | 11 | 11 |
| | Kinki | Kyoto Branch, Osaka Branch, Kobe Branch, etc. | 9 | 9 |
| | Chugoku and Shikoku | Hiroshima Branch, Takamatsu Branch, etc. | 7 | 7 |
| | Kyushu | Fukuoka Branch, etc. | 6 | 6 |
| | Total | | 62 | 62 |

d. Consumer Finance Subsidiaries

Mitsubishi UFJ NICOS Co., Ltd.: 6 offices in total (6 as of March 31, 2016), consisting of the Head Office (Tokyo) and the branches

ACOM CO., LTD.: The Head Office (Tokyo), and 1,068 loan business outlets (including unstaffed outlets) (1,085 as of March 31, 2016)

(5) Capital Investment of the Group

a. Total Amounts of Capital Investment

(Millions of yen)

| | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | Mitsubishi UFJ Trust and Banking Corporation | Mitsubishi UFJ Securities Holdings Co., Ltd. | Consumer Finance Subsidiaries | Other | Total |
|------------------------------|--|--|--|-------------------------------|-------|---------|
| Amount of capital investment | 223,485 | 40,536 | 42,706 | 42,762 | 3,035 | 352,527 |

(Note) All figures have been rounded down to the nearest unit.

b. New Additions, etc. of Significant Equipment

(Millions of yen)

| Company Name | Description | Amount |
|--|--|--------|
| The Bank of Tokyo Mitsubishi UFJ, Ltd. | Establishment of Administration Center | 11,464 |
| Mitsubishi UFJ Securities Holdings Co., Ltd. | Relocation of Head Office function | 13,035 |

(Note) All figures have been rounded down to the nearest unit.

(6) Principal Subsidiaries, etc.

| Company Name | Location | Main Business(es) | Date of Establishment | Capital (millions of yen) | Percentage of Voting Rights of the Subsidiaries, etc. Held by the Company (%) | Amount of Dividends Paid to the Company (millions of yen) |
|---|--------------------|-----------------------------|-----------------------|---------------------------|---|---|
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | Chiyoda-ku, Tokyo | Banking | August 15, 1919 | 1,711,958 | 100.00 (-) | 451,517 |
| Mitsubishi UFJ Trust and Banking Corporation | Chiyoda-ku, Tokyo | Trust Banking, Banking | March 10, 1927 | 324,279 | 100.00 (-) | 83,993 |
| Mitsubishi UFJ NICOS Co., Ltd. | Bunkyo-ku, Tokyo | Credit Cards | June 7, 1951 | 109,312 | 84.98 (-) | - |
| Mitsubishi UFJ Securities Holdings Co., Ltd. | Chiyoda-ku, Tokyo | Securities Holding Company | March 4, 1948 | 75,518 | 100.00 (-) | 20,281 |
| MU Investments Co., Ltd. | Chiyoda-ku, Tokyo | Investment Advising | September 27, 1993 | 2,526 | 100.00 (100.00) | - |
| Mitsubishi UFJ Kokusai Asset Management Co., Ltd. | Chiyoda-ku, Tokyo | Investment Trust Management | August 1, 1985 | 2,000 | 100.00 (100.00) | - |
| Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. | Chiyoda-ku, Tokyo | Securities | December 1, 2009 | 40,500 | 60.00 (60.00) | - |
| Mitsubishi UFJ Morgan Stanley PB Securities Co., Ltd. | Chiyoda-ku, Tokyo | Securities | October 25, 2005 | 8,000 | 100.00 (100.00) | - |
| kabu.com Securities Co., Ltd. | Chiyoda -ku, Tokyo | Securities | November 19, 1999 | 7,196 | 59.17 (59.17) | - |

| Company Name | Location | Main Business(es) | Date of Establishment | Capital (millions of yen) | Percentage of Voting Rights of the Subsidiaries, etc. Held by the Company (%) | Amount of Dividends Paid to the Company (millions of yen) |
|--|---|--|-----------------------|----------------------------------|---|---|
| Bank of Ayudhya Public Company Limited | Bangkok, Kingdom of Thailand | Banking | January 27, 1945 | 239,797 (THB 73,557 million) | 76.88 (76.88) | - |
| MUFG Americas Holdings Corporation | New York, NY, U.S.A. | Bank Holding Company | February 2, 1953 | 16,191 (USD 144,322 thousand) | 100.00 (96.22) | - |
| BTMU Leasing & Finance, Inc. | New York, NY, U.S.A. | Leasing | July 26, 1988 | 0 (USD 0 thousand) | 100.00 (100.00) | - |
| Mitsubishi UFJ Trust International Limited | London, U.K. | Securities | March 14, 1986 | 5,598 (GBP 40,000 thousand) | 100.00 (100.00) | - |
| Mitsubishi UFJ Fund Services Holdings Limited | Hamilton, Bermuda, British Overseas Territories | Holding Company | January 26, 2011 | 4,877 (USD 43,468 thousand) | 100.00 (100.00) | - |
| Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. | Luxembourg, Grand Duchy of Luxembourg | Trust Banking, Banking | April 11, 1974 | 4,164 (USD 37,117 thousand) | 100.00 (100.00) | - |
| Mitsubishi UFJ Asset Management (UK) Ltd. | London, U.K. | Investment Trust Management, Investment Advising | August 20, 1984 | 279 (GBP 2,000 thousand) | 100.00 (100.00) | - |
| Mitsubishi UFJ Baillie Gifford Asset Management Limited | Edinburgh, U.K. | Investment Advising | December 21, 1989 | 69 (GBP 500 thousand) | 51.00 (51.00) | - |
| MUFG Securities EMEA plc | London, U.K. | Securities | June 15, 1983 | 184,568 (GBP 1,317,590 thousand) | 100.00 (100.00) | - |
| MUFG Securities Asia Limited | Hong Kong, People's Republic of China | Securities | March 30, 1973 | 23,223 (USD 207,000 thousand) | 100.00 (100.00) | - |
| MUFG Securities Asia (Singapore) Limited | Singapore, Republic of Singapore | Securities | November 1, 1985 | 2,841 (SGD 35,400 thousand) | 100.00 (100.00) | - |

| Company Name | Location | Main Business(es) | Date of Establishment | Capital (millions of yen) | Percentage of Voting Rights of the Subsidiaries, etc. Held by the Company (%) | Amount of Dividends Paid to the Company (millions of yen) |
|--|------------------------|--|-----------------------|----------------------------------|---|---|
| ACOM CO., LTD. | Chiyoda-ku, Tokyo | Loan, Loan Guarantees | October 23, 1978 | 63,832 | 40.20 (2.62) | - |
| The Master Trust Bank of Japan, Ltd. | Minato-ku, Tokyo | Trust Banking, Banking | November 13, 1985 | 10,000 | 46.50 (46.50) | - |
| Mitsubishi UFJ Real Estate Services Co., Ltd. | Chiyoda-ku, Tokyo | Real Estate Brokering | June 14, 1988 | 300 | 100.00 (100.00) | - |
| Mitsubishi UFJ Lease & Finance Company Limited | Chiyoda-ku, Tokyo | Leasing | April 12, 1971 | 33,196 | 23.41 (9.88) | 1,733 |
| Hitachi Capital Corporation | Minato-ku, Tokyo | Leasing | September 10, 1957 | 9,983 | 23.05 (0.04) | 1,156 |
| Mitsubishi Research Institute DCS Co., Ltd. | Shinagawa-ku, Tokyo | Software Development, Information Processing | July 10, 1970 | 6,059 | 20.00 (-) | 113 |
| Jibun Bank Corporation | Chuo-ku, Tokyo | Banking | May 25, 2006 | 50,000 | 50.00 (50.00) | - |
| The Chukyo Bank, Ltd. | Nagoya-shi, Aichi | Banking | February 10, 1943 | 31,844 | 39.77 (39.77) | - |
| JACCS CO., LTD. | Hakodate-shi, Hokkaido | Agency Services for Installment Sales | December 23, 1948 | 16,138 | 22.29 (22.29) | - |
| JALCARD Inc. | Shinagawa-ku, Tokyo | Credit Cards | October 30, 1984 | 360 | 49.37 (49.37) | - |
| Morgan Stanley MUFG Securities Co., Ltd. | Chiyoda-ku, Tokyo | Securities | May 1, 1996 | 62,149 | 49.00 (49.00) | - |
| Morgan Stanley | New York, NY, U.S.A. | Bank Holding Company | September 16, 1935 | 958,181 (USD 8,540,702 thousand) | 23.32 (-) | 40,691 |

| Company Name | Location | Main Business(es) | Date of Establishment | Capital (millions of yen) | Percentage of Voting Rights of the Subsidiaries, etc. Held by the Company (%) | Amount of Dividends Paid to the Company (millions of yen) |
|--|---------------------------------------|----------------------|-----------------------|--------------------------------------|---|---|
| Vietnam Joint Stock Commercial Bank for Industry and Trade | Hanoi, Socialist Republic of Vietnam | Banking | March 26, 1988 | 182,446 (VND) 37,234,045 million) | 19.72 (19.72) | - |
| Dah Sing Financial Holdings Limited | Hong Kong, People's Republic of China | Bank Holding Company | April 22, 1987 | 61,349 (HKD) 4,248,559 thousand) | 15.18 (15.18) | - |
| Security Bank Corporation | Makati, Republic of the Philippines | Banking | May 8, 1951 | 17,103 (PHP) 7,635,389 thousand) | 20.00 (20.00) | - |
| Aberdeen Asset Management PLC | Aberdeen, U.K. | Holding Company | March 2, 1983 | 18,445 (GBP) 131,791 thousand) | 17.02 (17.02) | - |
| AMP Capital Holdings Limited | Sydney, Australia | Holding Company | November 6, 1997 | 4,293 (AUD) 50,016 thousand) | 15.00 (15.00) | - |

- (Notes)
1. Amounts have been rounded down to the nearest unit.
 2. The yen equivalent of the capital amount has been calculated using the foreign exchange rate as of the date of the close of the account.
 3. The percentage of voting rights of the subsidiaries, etc. held by the Company has been rounded down to the nearest second decimal place.
 4. The figures in parentheses () in the column "Percentage of Voting Rights of the Subsidiaries, etc. Held by the Company" indicate the percentage of voting rights held by the subsidiaries, subsidiary entities, etc., of the Company.
 5. Due to the share acquisition by the Company and Mitsubishi UFJ Lease & Finance Company Limited, an equity-method accounted affiliate, Hitachi Capital Corporation newly became an equity-method accounted affiliate.

(7) Major Borrowings

| Creditors | Balance of Borrowings (millions of yen) | Creditor Investment in the Company | |
|---|--|------------------------------------|------------------------|
| | | Number of Shares Held (shares) | Voting Interest (%) |
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | 1,667,062 | - | - |

(Note) All figures have been rounded down to the nearest unit.

(8) Business Transfers, etc.

None

(9) Other Significant Matters Concerning the Current State of the Group

On May 15, 2017, the Company decided to implement a share exchange whereby the Company would become the wholly owning parent company, while Mitsubishi UFJ NICOS Co., Ltd., a consolidated subsidiary of the Company, would become the wholly owned subsidiary company, and concluded a share exchange contract with Mitsubishi UFJ NICOS Co., Ltd. on the same date. Scheduled effective date of this share exchange is October 1, 2017.

2. Matters Concerning Company Officers (Directors and Corporate Executive Officers)

(1) Status of Company Officers

Directors

(As of March 31, 2017)

| Name | Title and Areas of Responsibility | Important Concurrent Posts | Other |
|------------------|--|---|-------|
| Kiyoshi Sono | Director | Deputy Chairman of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of Mitsubishi UFJ NICOS Co., Ltd. | - |
| Takashi Nagaoka | Director | President & CEO of Mitsubishi UFJ Securities Holdings Co., Ltd. (Representative Director) President & CEO of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (Representative Director) | - |
| Mikio Ikegaya | Director | President and CEO of Mitsubishi UFJ Trust and Banking Corporation (Representative Director) Chairman of Trust Companies Association of Japan | - |
| Nobuyuki Hirano | Director Nominating Member Compensation Member | Chairman of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of Morgan Stanley | - |
| Tadashi Kuroda | Director Risk Member | Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of Mitsubishi UFJ Trust and Banking Corporation Director of Mitsubishi UFJ Lease & Finance Company Limited | - |
| Muneaki Tokunari | Director | Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of MUFG Americas Holdings Corporation Director of MUFG Union Bank, N.A. | - |
| Masamichi Yasuda | Director | Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of Mitsubishi UFJ Securities Holdings Co., Ltd. | - |

| Name | Title and Areas of Responsibility | Important Concurrent Posts | Other |
|--------------------|---|--|-----------|
| Takashi Oyamada | Director | President and CEO of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) | - |
| Takashi Mikumo | Director Audit Member | | - |
| Takehiko Shimamoto | Director Audit Member | | - |
| Yuko Kawamoto | Director (Outside Director) Nominating Member Compensation Member Risk Member (Chairperson) | Professor at Waseda Graduate School of Business and Finance Audit & Supervisory Board Member of Tokyo Marine Holdings, Inc. (Outside Audit & Supervisory Board Member) | - |
| Haruka Matsuyama | Director (Outside Director) Nominating Member Compensation Member | Partner of Hibiya Park Law Offices Director of T&D Holdings, Inc. (Outside Director) Director of VITEC HOLDINGS CO., LTD. (Outside Director) Corporate Auditor of Mitsui & Co., Ltd. (Outside Corporate Auditor) | - |
| Kunie Okamoto | Director (Outside Director) Nominating Member Compensation Member (Chairperson) | Chairman of Nippon Life Insurance Company Director of Kintetsu Group Holdings Co., Ltd. (Outside Director) Corporate Auditor of TOKYU CORPORATION (Outside Corporate Auditor) Corporate Auditor of Daicel Corporation (Outside Corporate Auditor) | - |
| Tsutomu Okuda | Director (Outside Director) Nominating Member (Chairperson) Compensation Member Risk Member | Senior Advisor of J. Front Retailing Co., Ltd. | - |
| Hiroshi Kawakami | Director (Outside Director) Nominating Member Compensation Member Audit Member | Senior Advisor of Central Japan International Airport Co., Ltd. Director of AT-Group Co., Ltd. (Outside Director) | - |
| Yukihiro Sato | Director (Outside Director) Audit Member | | (Notes) 1 |

| Name | Title and Areas of Responsibility | Important Concurrent Posts | Other |
|--------------|--|---|-----------|
| Akira Yamate | Director (Outside Director) Audit Member (Chairperson) | Director of Nomura Real Estate Holdings, Inc. (Outside Director) Corporate Auditor of Prudential Holdings of Japan, Inc. (Outside Corporate Auditor) | (Notes) 1 |

(Notes) Nominating Member: Member of the Nominating and Governance Committee, Compensation Member: Member of the Compensation Committee, Audit Member: Member of the Audit Committee, Risk Member: Member of the Risk Committee

1. Mr. Yukihiro Sato, an Audit Member, with long years of experience in an accounting department, has respectable knowledge regarding finance and accounting. Mr. Akira Yamate, an Audit Member, is qualified as a certified public accountant and has respectable knowledge regarding finance and accounting.
2. Ms. Yuko Kawamoto, Ms. Haruka Matsuyama, Mr. Kunie Okamoto, Mr. Tsutomu Okuda, Mr. Hiroshi Kawakami, Mr. Yukihiro Sato and Mr. Akira Yamate, each a Director, are Outside Directors provided for in Articles 2, Item 15 of the Companies Act.
3. To ensure the effectiveness of audit, the Company elected Mr. Takashi Mikumo and Mr. Takehiko Shimamoto, who are Non-Executive Directors, as full-time Audit Members.
4. The Company designated Ms. Yuko Kawamoto, Ms. Haruka Matsuyama, Mr. Kunie Okamoto, Mr. Tsutomu Okuda, Mr. Hiroshi Kawakami, Mr. Yukihiro Sato and Mr. Akira Yamate, each an Outside Director, as independent directors provided for by Tokyo Stock Exchange, Inc., and has notified the Tokyo Stock Exchange to that effect.
5. The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holdings Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., MUFG Americas Holdings Corporation, MUFG Union Bank, N.A., Mitsubishi UFJ Lease & Finance Company Limited, Morgan Stanley, Tokio Marine Holdings, Inc., T&D Holdings, Inc., Nippon Life Insurance Company and Prudential Holdings of Japan, Inc. are engaged in the finance business.
6. The officially registered name of Ms. Haruka Matsuyama is Haruka Kato.

Corporate Executive Officers

(As of March 31, 2017)

| Name | Title and Areas of Responsibility | Important Concurrent Posts | Other |
|---------------------|--|---|-------|
| Kiyoshi Sono | Chairman | Deputy Chairman of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of Mitsubishi UFJ NICOS Co., Ltd. | - |
| Takashi Nagaoka | Deputy Chairman | President & CEO of Mitsubishi UFJ Securities Holdings Co., Ltd. (Representative Director) President & CEO of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (Representative Director) | - |
| Mikio Ikegaya | Deputy Chairman | President and CEO of Mitsubishi UFJ Trust and Banking Corporation (Representative Director) Chairman of Trust Companies Association of Japan | - |
| Nobuyuki Hirano | President & Group CEO | Chairman of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of Morgan Stanley | - |
| Satoshi Murabayashi | Senior Managing Executive Officer Group CIO | Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) | - |
| Junichi Okamoto | Senior Managing Executive Officer Group Head, Trust Assets Business Group | Director, Deputy President and Executive Officer of Mitsubishi UFJ Trust and Banking Corporation (Representative Director) | - |
| Naoto Hirota | Senior Managing Executive Officer Group Head, Global Markets Business Group | Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) | - |
| Tadashi Kuroda | Senior Managing Executive Officer Group CSO and Group CHRO | Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of Mitsubishi UFJ Trust and Banking Corporation Director of Mitsubishi UFJ Lease & Finance Company Limited | - |

| Name | Title and Areas of Responsibility | Important Concurrent Posts | Other |
|-------------------|---|--|-------|
| Saburo Araki | Senior Managing Executive Officer Group Head, Corporate Banking Business Group | Deputy President of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) | - |
| Kanetsugu Mike | Senior Managing Executive Officer Group Head, Global Business Group, Regional Executive for the Americas | Deputy President of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Executive Chairman of the Board of MUFG Americas Holdings Corporation Executive Chairman of the Board of MUFG Union Bank, N.A. | - |
| Muneaki Tokunari | Senior Managing Executive Officer, Group CFO | Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of MUFG Americas Holdings Corporation Director of MUFG Union Bank, N.A. | - |
| Eiichi Yoshikawa | Senior Managing Executive Officer Deputy Group Head, Global Business Group | Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) | - |
| Akira Hamamoto | Managing Executive Officer Group CCO & Group CLO | Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of kabu.com Securities Co., Ltd. | - |
| Masamichi Yasuda | Managing Executive Officer, Group CRO | Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of Mitsubishi UFJ Securities Holdings Co., Ltd. | - |
| Atsushi Murakami | Managing Executive Officer Group Head, Retail Banking Business Group | Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) Director of ACOM CO., LTD. | - |
| Shigeru Yoshifuji | Managing Executive Officer Group CAO and General Manager, Internal Audit Division | | - |

(Notes) 1. Among Corporate Executive Officers, as Messrs. Kiyoshi Sono, Nobuyuki Hirano, Satoshi Murabayashi, Naoto Hirota, Tadashi Kuroda, Saburo Araki, Muneaki Tokunari, Eiichi Yoshikawa, Akira Hamamoto, Masamichi Yasuda and Atsushi Murakami engage Managing Executive Officers of the Company and Managing Directors of The Bank of Tokyo-Mitsubishi UFJ, Ltd., they are authorized to assume concurrent positions in accordance with provisions of the Banking Law of Japan.

2. Among Corporate Executive Officers, as Messrs. Mikio Ikegaya and Junichi Okamoto engage Managing Executive Officers of the Company and Managing Directors of Mitsubishi UFJ Trust and Banking Corporation, they are authorized to assume concurrent positions in accordance with provisions of the Banking Law of Japan.
3. Among Corporate Executive Officers, as Mr. Takashi Nagaoka engages Managing Executive Officer of the Company, Managing Director of Mitsubishi UFJ Securities Holdings Co., Ltd. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., he is authorized to assume concurrent positions in accordance with provisions of the Banking Law of Japan.
4. Among Corporate Executive Officers, as Mr. Kanetsugu Mike engages Managing Executive Officer of the Company, Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd., MUFG Americas Holdings Corporation and MUFG Union Bank, N.A., he is authorized to assume concurrent positions in accordance with provisions of the Banking Law of Japan.
5. kabu.com Securities Co., Ltd. and ACOM CO., LTD. are engaged in the finance business.
6. Executive job titles are abbreviated as follows.
 - CEO: Chief Executive Officer
 - CSO: Chief Strategy Officer (primarily in charge of Corporate Planning Division)
 - CFO: Chief Financial Officer (primarily in charge of Financial Planning Division)
 - CRO: Chief Risk Officer (primarily in charge of Corporate Risk Management Division and Credit Policy & Planning Division)
 - CHRO: Chief Human Resources Officer (primarily in charge of Human Resources Division)
 - CCO: Chief Compliance Officer (primarily in charge of Compliance Division)
 - CLO: Chief Legal Officer (primarily in charge of Legal Division)
 - CAO: Chief Audit Officer (primarily in charge of Internal Audit Division)
 - CIO: Chief Information Officer (primarily in charge of Operations & Systems Planning Division)

The Directors and the Corporate Auditors who retired during the fiscal year 2016:

| Name | Date of Retirement | Title | Important Concurrent Posts |
|--------------------|---------------------------|--|--|
| Tatsuo Wakabayashi | Retired on April 1, 2016 | Deputy Chairman | President and Chairman of Mitsubishi UFJ Trust and Banking Corporation (Representative Director) |
| Takashi Morimura | Retired on May 16, 2016 | Senior Managing Executive Officer Group Head, Global Business Group | Deputy President of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) |
| Hidekazu Fukumoto | Retired on May 16, 2016 | Senior Managing Executive Officer Group Head, Corporate Banking Business Group | Deputy President of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) |
| Takahiro Yanai | Retired on May 16, 2016 | Managing Executive Officer Group Head, Retail Banking Business Group | Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Representative Director) |
| Yoichi Oriksa | Retired on May 16, 2016 | Corporate Executive Officer Group CAO and General Manager, Internal Audit Division | |
| Tatsuo Wakabayashi | Resigned on June 29, 2016 | Director | President and Chairman of Mitsubishi UFJ Trust and Banking Corporation (Representative Director) |

(Note) The titles and important concurrent posts are as of the date of retirement.

(2) Compensation, etc. for Company Officers

(Millions of yen)

| Classification | Number of Recipients (persons) | Compensation, etc. |
|-----------------------------|--------------------------------|--------------------|
| Director | 11 | 304 |
| Corporate Executive Officer | 20 | 897 |
| Total | 31 | 1,201 |

- (Notes)
1. All figures have been rounded down to the nearest unit.
 2. The compensation, etc. paid to Corporate Executive Officers who concurrently act as Directors is described in the column of Corporate Executive Officers.
 3. The amount of compensation, etc. includes a ¥8 million bonus to Directors (of which, the reserve for bonus is ¥5 million) and a ¥157 million to Corporate Executive Officers (of which, the reserve for bonus is ¥121 million) as an expense for fiscal year 2016.
 4. On July 1, 2016, the Company introduced a performance-based stock compensation plan using a structure called Board Incentive Plan. Total compensation in the table above includes expense of ¥163 million associated with the share issuance points granted under the plan during the fiscal year 2016.
 5. On December 1, 2016, the Company unified the stock compensation through transition from compensation type stock options (stock acquisition rights) to the Board Incentive Plan, whereby officers of the Company who owned unused stock options granted in the past and waived their rights associated therewith have been granted the share issuance points equivalent to the number of shares to be issued upon exercise of the stock options (387,200 shares in total), as transferred stock compensation. Since the share issuance points granted as transferred stock compensation will be changed to shares of the Company only after the retirement as a general rule, in the same way as in the stock options before the transfer, and the amount of compensation granted in the form of stock options before the transfer has been disclosed, these share issuance points are not included in the amount of compensation, etc., stated above.

Policy on Decisions on the Contents of Compensation for Individual Officers, etc.

1. Context of the Policy

The Company's Compensation Committee has prescribed this policy on decisions on the contents of compensation for individual directors, corporate executive officers and executive officers ("Officers, etc.") (the "Policy") in accordance with the provisions of the Companies Act with regard to a company with three committees. The contents of the Policy are as below. In addition, major subsidiaries of the Company have each prescribed a similar policy based on the Policy of the Company.

2. Philosophy and Objective

The MUFG Group, supported by its consolidated strength, provides prime-quality products and services to respond to any and all financial needs, with the aim to "be the world's most trusted global financial group" and win strong support from its customers

and society.

In an effort to realize such a management policy, we have decided on this Policy on compensation for officers in order to prevent excessive risk-taking and raise motivation of Officers, etc., to contribute not only to the short-term but also to the medium- to long-term improvement of financial results, thereby enabling sustainable growth and the medium- to long-term enhancement of the enterprise value of the MUFG Group. In addition, this Policy has been prescribed in accordance with the business performance and financial soundness of the Company and the MUFG Group and applicable Japanese and overseas regulations regarding compensation of officers.

3. Compensation Level

We determine the level of compensation for officers that is appropriate for the Company and its subsidiaries taking into consideration the economic and social context, industry trend, management environment of the MUFG Group, and status of financial results, as well as human resources markets in the country where the Officers, etc. are appointed and other important factors.

4. Decision-Making Organizations

The Company, as a company with three committees, has established a Compensation Committee. The Compensation Committee comprises independent outside directors and the director who concurrently serves as president & group CEO and is chaired by an independent outside director. The following matters are determined by the Committee in relation to compensation of Officers, etc.:

- 1) The Policy
- 2) Contents of the establishment, revision and abolition of the compensation system for the Company's Officers, etc.
- 3) Contents of compensation for individual directors and corporate executive officers in accordance with the Policy.

Furthermore, the Compensation Committee deliberates and makes proposals to the Board of Directors on the following matters:

- 1) Contents of the establishment, revision and abolition of the system regarding compensation for Officers, etc., of the Company's major subsidiaries
- 2) Compensation of the chairman, deputy chairman, president & CEO of the Company's major subsidiaries

The specifics of the compensation for individual executive officers in accordance with the Policy are determined by the Executive Committee.

5. Contents of Compensation

In principle, compensation for the Company's Officers, etc., is comprised of three types: "annual compensation", "stock compensation" and "officers' bonuses". Compensation is paid individually by type. The proportion of each compensation type is properly specified based on the philosophy and objective above. Outside directors and directors serving as audit committee members are not eligible to receive stock compensation and officers' bonuses in consideration of the contents of the duties of such officers.

In principle, annual compensation is determined by the position and place of residence of individual Officers, etc. and other related factors. It is paid monthly in cash.

Stock compensation has been implemented in fiscal year 2016 as a new medium- to long-term incentive plan in place of the previous compensation involving stock acquisition rights as stock options. We aim to further raise the motivation of Officers, etc., to contribute to the medium- to long-term improvement of the financial results of the MUFG Group and share a common interest with our shareholders, etc. In the stock compensation system, the Company's shares are issued to Officers, etc. using the trust structure shown below:

1) Performance-Based Portion

The Company's shares corresponding to the "base amount determined depending on the position × performance factor (within the range of 0 to 150% depending on performance achievement level) based on the degree of attainment of performance targets of the medium-term business plan" are issued, in principle, upon the termination of the medium-term business plan. Indices for evaluating performance achievement level include consolidated net business profits, profits attributable to owners of parent, market capitalization and EPS (earnings per share) of the Company.

2) Non-Performance-Based Portion

The Company's shares corresponding to the "base amount determined depending on position" are issued, in principle, at the time of the retirement of Officers, etc.

Officers' bonuses are provided with the aim to raise the motivation of Officers, etc., to contribute to the improvement of financial results for each fiscal year. As performance-based compensation, the amount is determined based on the financial results of the MUFG Group and the status of the execution of the duties of the Officers, etc., for the previous fiscal period (within the range of 0 to 150% from the base amount by position). In principle, officers' bonuses are paid annually in cash.

Notwithstanding the foregoing, compensation for Officers, etc., who are hired locally outside Japan is individually designed in order to prevent excessive risk taking, taking into account compensation regulations, compensation practice, the local market rate and

other related factors in the relevant overseas region, as well as the job contents and characteristics of the duties of such Officers, etc.

(3) Limited Liability Agreement

Following is the summary of the limited liability agreements that the Company entered into with all the Non-Executive Directors in accordance with the Articles of Incorporation of the Company.

| Name | Summary of the Limited Liability Agreement |
|--------------------|--|
| Yuko Kawamoto | <p data-bbox="592 932 1398 1121">With respect to the liability set forth in Articles 423, Paragraph 1 of the Companies Act, when a Non-Executive Director acts in good faith and is not grossly negligent in conducting a Non-Executive Director's duties, the Non-Executive Director shall assume liability for damages limited by the greater of ¥10 million or the minimum liability amount prescribed in Articles 425, Paragraph 1 of the Companies Act.</p> |
| Haruka Matsuyama | |
| Kunie Okamoto | |
| Tsutomu Okuda | |
| Hiroshi Kawakami | |
| Yukihiro Sato | |
| Akira Yamate | |
| Takashi Mikumo | |
| Takehiko Shimamoto | |

3. Matters Concerning Outside Officers

(1) Concurrent Posts and Other Conditions of Outside Officers

(As of March 31, 2017)

| Name | Concurrent Posts and Other Conditions |
|------------------|--|
| Yuko Kawamoto | Professor at Waseda Graduate School of Business and Finance Audit & Supervisory Board Member of Tokio Marine Holdings, Inc. (Outside Officer) |
| Haruka Matsuyama | Partner of Hibiya Park Law Offices Director of T&D Holdings, Inc. (Outside Officer) Director of VITEC HOLDINGS CO., LTD. (Outside Officer) Corporate Auditor of Mitsui & Co., Ltd. (Outside Officer) |
| Kunie Okamoto | Chairman of Nippon Life Insurance Company Director of Kintetsu Corporation (Outside Officer) Corporate Auditor of TOKYU CORPORATION (Outside Officer) Corporate Auditor of Daicel Corporation (Outside Officer) |
| Hiroshi Kawakami | Director of AT-Group Co., Ltd. (Outside Officer) |
| Akira Yamate | Director of Nomura Real Estate Holdings, Inc. (Outside Officer) Corporate Auditor of Prudential Holdings of Japan, Inc. (Outside Officer) |

- (Notes) 1. Nippon Life Insurance Company is a shareholder holding 1.35% (as of March 31, 2017) of the Company's common stock (excluding the Company's own common stock).
2. Other than as set forth above, there are no relationships to disclose between the Company and other corporate entities, etc. in which Outside Officers concurrently hold a post.

(2) Main Activities of the Outside Officers

| Name | Term of Office | Attendance at meetings of the Board of Directors, etc. | Statements at meetings of the Board of Directors, etc. and other activities |
|---------------|-------------------------------|---|--|
| Yuko Kawamoto | From June 2016 to the present | Out of 7 meetings of the Board of Directors held in the fiscal year 2016, attended 1 meeting of the Board of Directors held during her term as Non-Executive Director and all 6 meetings of the Board of Directors held after she assumed the office of Outside Director. | Has made necessary statements appropriately based on her considerable experience as a management consultant and a graduate school professor. |

| Name | Term of Office | Attendance at meetings of the Board of Directors, etc. | Statements at meetings of the Board of Directors, etc. and other activities |
|------------------|----------------------------------|--|--|
| Haruka Matsuyama | From June 2014 to the present | Attended all 7 meetings of the Board of Directors held in the fiscal year 2016. | Has made necessary statements appropriately based on her considerable experience as an attorney at law. |
| Kunie Okamoto | From October 2005 to the present | Attended all 7 meetings of the Board of Directors held in the fiscal year 2016. | Has made necessary statements appropriately based on his considerable experience, knowledge and wisdom as a manager of a leading Japanese financial institution. |
| Tsutomu Okuda | From June 2014 to the present | Attended all 7 meetings of the Board of Directors held in the fiscal year 2016. | Has made necessary statements appropriately based on his considerable experience, knowledge and wisdom as a manager of a leading Japanese distribution company. |
| Hiroshi Kawakami | From June 2015 to the present | Attended all 7 meetings of the Board of Directors and all 16 meetings of the Audit Committee held in the fiscal year 2016. | Has made necessary statements appropriately based on his considerable experience, knowledge and wisdom as a manager of a global manufacturing company. |
| Yukihiro Sato | From June 2014 to the present | Attended all 7 meetings of the Board of Directors and all 16 meetings of the Audit Committee held in the fiscal year 2016. | Has made necessary statements appropriately based on his considerable experience, knowledge and wisdom as a manager of a leading Japanese manufacturing company. |
| Akira Yamate | From June 2015 to the present | Attended all 7 meetings of the Board of Directors and all 16 meetings of the Audit Committee held in the fiscal year 2016. | Has made necessary statements appropriately based on his considerable experience, knowledge and wisdom as a certified public accountant. |

- (Notes) 1. In the fiscal year 2016, 7 meetings of the Board of Directors were held, and 16 meetings of the Audit Committee were held.
2. Since Ms. Yuko Kawamoto, had served at The Bank of Tokyo, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.) in the past, she did not satisfy the requirements for Outside Director. However, in accordance with the Act for the Partial Revision of the Companies Act (Act No. 90 of 2014) enacted on May 1, 2015, she was elected as Outside Director at the Annual General Meeting of Shareholders held on June 29, 2016.

(3) Compensation, etc. for Outside Officers

(Millions of yen)

| | Number of Recipients (persons) | Compensation, etc. from the Company | Compensation, etc. from the parent companies, etc. of the Company |
|--------------------------|--------------------------------|-------------------------------------|---|
| Total Compensation, etc. | 7 | 124 | - |

(Note) All figures have been rounded down to the nearest unit.

(4) Opinions of Outside Officers

None

4. Matters Concerning Shares of the Company

(1) Number of Shares

Total Number of Shares Authorized to be Issued

| | (Number of Shares) |
|--|--------------------|
| Common Stock | 33,000,000,000 |
| The Second Series of Class 5 Preferred Stock | 400,000,000 |
| The Third Series of Class 5 Preferred Stock | 400,000,000 |
| The Fourth Series of Class 5 Preferred Stock | 400,000,000 |
| The First Series of Class 6 Preferred Stock | 200,000,000 |
| The Second Series of Class 6 Preferred Stock | 200,000,000 |
| The Third Series of Class 6 Preferred Stock | 200,000,000 |
| The Fourth Series of Class 6 Preferred Stock | 200,000,000 |
| The First Series of Class 7 Preferred Stock | 200,000,000 |
| The Second Series of Class 7 Preferred Stock | 200,000,000 |
| The Third Series of Class 7 Preferred Stock | 200,000,000 |
| The Fourth Series of Class 7 Preferred Stock | 200,000,000 |

- (Notes)
1. The total number of shares authorized to be issued from the Second Series to the Fourth Series of Class 5 Preferred Stock shall not exceed 400,000,000 shares.
 2. The total number of shares authorized to be issued from the First Series to the Fourth Series of Class 6 Preferred Stock shall not exceed 200,000,000 shares.
 3. The total number of shares authorized to be issued from the First Series to the Fourth Series of Class 7 Preferred Stock shall not exceed 200,000,000 shares.

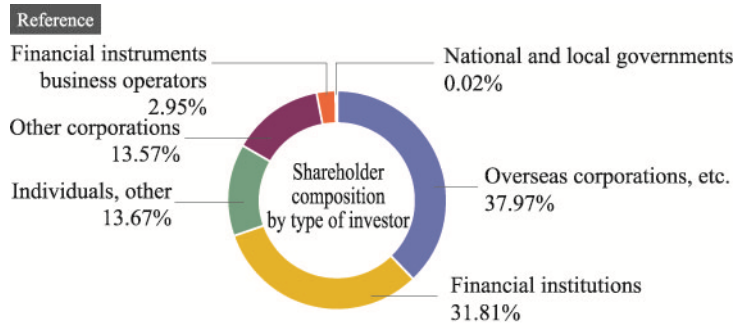
Total Number of Shares Outstanding

| | (Number of Shares) |
|--------------|--------------------|
| Common Stock | 14,168,853,820 |

- (Notes) The number of common stock includes 706,561,997 common stock owned by the Company.

(2) Number of Shareholders as of March 31, 2017

| | |
|--------------|---------|
| Common Stock | 749,688 |
|--------------|---------|



(Note) Composition ratio does not include treasury stock.

(3) Major Shareholders

Common Stock

| Name of Shareholders | Conditions of Contributions to the Company | |
|---|--|------------------------|
| | Number of Shares Held | Percent of Shares Held |
| Japan Trustee Services Bank, Ltd. (Trust account) | 738,930,600 | 5.48 |
| The Master Trust Bank of Japan, Ltd. (Trust account) | 599,404,400 | 4.45 |
| Japan Trustee Services Bank, Ltd. (Trust account 5) | 274,765,600 | 2.04 |
| State Street Bank and Trust Company | 258,022,002 | 1.91 |
| Japan Trustee Services Bank, Ltd. (Trust account 9) | 217,524,300 | 1.61 |
| Japan Trustee Services Bank, Ltd. (Trust account 1) | 203,847,400 | 1.51 |
| Japan Trustee Services Bank, Ltd. (Trust account 2) | 201,436,400 | 1.49 |
| State Street Bank West Client – Treaty 505234 | 193,632,252 | 1.43 |
| Nippon Life Insurance Company | 182,072,553 | 1.35 |
| The Bank of New York Mellon as Depository Bank for DR Holders | 181,145,443 | 1.34 |

- (Notes)
1. Figures for the percentage of shares held have been rounded down to the nearest second decimal place.
 2. The percentage of common stock held is calculated excluding 706,561,997 common stock owned by the Company.

5. Matters Concerning Stock Acquisition Rights, etc., of the Company

Disclosed on the Company website (<http://www.mufg.jp/english/>).

6. Matters Concerning Independent Auditor

(1) Status of Independent Auditor

(Millions of yen)

| Name | Compensation, etc. for the Fiscal Year 2016 | Other |
|--|---|--|
| Deloitte Touche Tohmatsu LLC (Name of designated limited liability partners: Yoriko Goto Hidehito Goda Hiroyuki Sono Shigehiko Matsumoto) | 141 | (Reason that the Audit Committee consented to the compensation, etc.) The Audit Committee received necessary documents and reports from the relevant departments/divisions of the Company and Independent Auditor and examined the appropriateness of its audit plan, the state of performance of its duties, appropriateness of the basis for the calculation of the compensation such as the estimates of the time required for its audit and unit fee and reasonableness of the past trends of those factors. Upon such examination, the Committee judged that the compensation, etc. for Independent Auditor is at a reasonable level to maintain and improve the quality of their audit and consented to the proposed compensation, etc. (Details of Non-auditing Services) The Company entrusts to the Independent Auditors the search procedure services concerning internal management systems with respect to calculation of capital adequacy ratios and preparation of comfort letters, which are services other than the services provided in Articles 2, Paragraph 1 of the Certified Public Accountants Law (non-auditing services). |

- (Notes)
1. The above figure has been rounded down to the nearest unit.
 2. The “Compensation, etc. for the Fiscal Year 2016” does not include the amount of the compensation, etc. for the audit of the Internal Control Report pursuant to Articles 193-2, Paragraph 2 of the Financial Instruments and Exchange Law.
 3. The total amount of monetary and other property benefits which are to be paid by the Company, its subsidiaries and subsidiary entities, etc. to the Independent Auditor is ¥5,462 million.

(2) Limited Liability Agreement

None

(3) Other Matters Concerning Independent Auditor

a. Policy of determination of dismissal or non-reappointment of Independent Auditor

If it is deemed to be difficult for the Independent Auditor to properly carry out its duties, the independence and qualification of the Independent Auditor required by laws and regulations cannot be secured, or otherwise it is deemed to be necessary, the Audit Committee of the Company will consider submitting an agenda concerning dismissal or non-reappointment of the Independent Auditor to a general meeting of shareholders. If an Independent Auditor is deemed to fall under each item of Article 340, Paragraph 1 of the Companies Act, the Audit Committee of the Company will consider the dismissal of the Independent Auditor.

b. Fact that audit corporations other than the Independent Auditor of the Company conduct audits of the financial documents of the principal subsidiaries and subsidiary entities, etc.

Among the principal subsidiaries and subsidiary entities, etc. of the Company, the following companies were subject to audits by audit corporations other than the Independent Auditor of the Company (including companies holding the equivalent qualifications in foreign countries): Bank of Ayudhya Public Company Limited, MUFG Americas Holdings Corporation, Mitsubishi UFJ Trust International Limited, Mitsubishi UFJ Fund Services Holdings Limited, Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A., Mitsubishi UFJ Asset Management (UK) Ltd., Mitsubishi UFJ Baillie Gifford Asset Management Limited, MUFG Securities EMEA plc, MUFG Securities Asia Limited, MUFG Securities Asia (Singapore) Limited, and The Master Trust Bank of Japan, Ltd.

7. Basic Policy Concerning Individuals Who Control Decisions on Financial and Business Policies

None

8. System to Ensure Appropriate Conduct of Operations

■System to Ensure Appropriate Conduct of Operations

The Company complies with the Companies Act and Enforcement Regulations of the Companies Act and has ratified the following system (internal control system) to ensure appropriate operations are being conducted within the Company. The Company is working to ensure that a sound and robust management structure is in place by creating company policies, establishing departments in charge, building plans and policy and other structures that are all in line with the details of what has been ratified by the Company.

The companies listed below are directly invested in by the Company and have been designated as directly owned subsidiaries^{*1}. The “MUFG Group” means a business group comprised of the Company and its subsidiaries as provided in Article 416, Paragraph 1, Item 1 of the Companies Act.

^{*1} The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holdings Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd. and ACOM CO., LTD.

(1) Group Management Framework

- (a) The Company shall formulate a Corporate Vision and Principles of Ethics and Conduct in order to ensure operations befitting the MUFG Group.
- (b) In addition to stipulating the MUFG Group basic policies for management control, the Company shall also stipulate individual sets of company rules for customer protection management, risk management, compliance, internal audits, etc., along with concluding management control agreements with directly owned subsidiaries.
- (c) In order to manage its business, the Company shall deliberate with and receive reports from directly owned subsidiaries, and conduct appropriate management of directly owned subsidiaries in line with each company’s rules and in adherence to the separation of duty.
- (d) Companies subject to direct management control by the Company are stipulated as being those subsidiaries in which the Company has direct investment, and the management of subsidiaries in which the Company does not have direct investment shall be directly managed by the subsidiary which holds the said direct investment. The Company shall provide

direction and advice regarding management control to the subsidiary that holds the direct investment as required.

- (e) The Company shall stipulate company rules regarding internal controls and disclosure management and procedures for financial reporting and shall establish an Accounting Audit Hotline (internal reporting system whereby matters regarding accounting at the MUFG Group can be reported by the public as well as directors, officers and employees of the MUFG Group) as part of this.

(2) Legal and Regulatory Compliance Framework

- (a) The Company and directly owned subsidiaries of the Company shall stipulate a Corporate Vision and Principles of Ethics and Conduct so as to ensure that the execution of duties by directors, officers and employees conforms with laws and regulations, and the Articles of Incorporation.
- (b) The Company and directly owned subsidiaries of the Company shall create and circulate various company rules and compliance manuals to build a system to ensure that directors, officers and employees comply with laws and regulations, etc.
- (c) The Company and directly owned subsidiaries of the Company shall create committees, etc., employ a Director responsible for compliance (Chief Compliance Officer) and establish management divisions in order to promote and manage compliance.
- (d) The Company and directly owned subsidiaries of the Company shall formulate compliance programs (specific plans to ensure directors, officers and employees comply with laws and regulations, etc., including training for directors, officers and employees) and implement follow-ups on the progress of these programs.
- (e) The Company and directly owned subsidiaries of the Company shall establish internal reporting systems to receive reports of fraudulent activities from directors, officers or employees.
- (f) The Company and directly owned subsidiaries of the Company shall sustain a resolute stance against anti-social forces which are a threat to the peace and stability of civil society and work towards preventing transactions with such forces.
- (g) The Company and directly owned subsidiaries of the Company shall be aware of the possibility that funds transacted through financial institutions may be used for various criminal activities and/or terrorism and will work towards preventing money laundering.

(3) Management Framework for Customer Protection, etc.

- (a) In order to achieve strong customer standards in line with the Corporate Vision and the Code of Ethics and Conduct, the Company and directly owned subsidiaries of the Company shall create basic policies and

company rules regarding management of customer protection, etc., establish administration and management divisions, and enable the provision of explanations and the creation of support systems for customers, information management and conflict of interest management by increasing awareness among directors, officers and employees.

- (b) Based on the Personal Information Protection Policy that was created to encompass the information management system, the Company and directly owned subsidiaries of the Company shall create systems to appropriately protect and manage personal information.
- (c) Based on the Conflicts of Interest Management Policy that was created as a basic policy for management of conflicts of interest, the Company and directly owned subsidiaries of the Company shall establish systems to manage conflicts of interest, which will ensure that customer interests are not unfairly prejudiced.

(4) Information Storage Management Framework

- (a) Important documents including minutes and materials for meetings such as the Board of Directors and Executive Committee shall be stored and managed as stipulated in company rules.
- (b) When requested by the Audit Committee or a Member of the Audit Committee, the division responsible shall provide access to viewing of, or actual copies of, the documents requested.

(5) Risk Management Framework

- (a) The Company and directly owned subsidiaries of the Company shall implement an integrated risk management and control system to secure stable business management by using a standard that is unified to the maximum extent possible to gain a comprehensive understanding of the various risks which may arise during the course of business while striving for maximum shareholder value.
- (b) The Company and directly owned subsidiaries of the Company shall classify risk as shown below, and establish risk management basic policies for those risk categories in order to verify the design and execution status of these policies.
 - i) Credit risk;
 - ii) Market risk;
 - iii) Liquidity risk;
 - iv) Operational risk; and
 - v) Model risk.
- (c) The Company and directly owned subsidiaries of the Company shall establish an integrated risk management system. They shall establish committees for risk management and control, and a Director and establish dedicated divisions etc. responsible for risk management.

- (d) The Company and directly owned subsidiaries of the Company shall appropriately manage risk through risk management processes consisting of risk identification, measurement, control and monitoring.
- (e) The Company shall create a system to manage capital allocation system (system whereby the consolidated business groups and important subsidiaries allocate capital for each subsidiary by individual risk category using overall MUFG Group economic capital (capital matched to the amount of risk)).
- (f) The Company and directly owned subsidiaries of the Company shall prepare a system necessary to limit the economic loss or erosion of credibility from the crisis event to the minimum while ensuring the continuation of service as well as the prompt restoration of normal operations in a crisis event.

(6) Framework to Ensure Efficient Execution of Duties

- (a) The Company and directly owned subsidiaries of the Company shall set management targets and create management plans to manage business based on appropriate methods.
- (b) The Company's Board of Directors shall, as a general rule, delegate to Corporate Executive Officers decision making power for the execution of business for matters other than those which require the discretion of the Board of Directors as deemed in laws and regulations. Also, in addition to establishing an Executive Committee which consists of Corporate Executive Officers, etc., they shall create various committees to provide advisory functionality to the Executive Committee.
- (c) The Company and directly owned subsidiaries of the Company shall establish an Executive Committee, which will be delegated predetermined tasks from the Board of Directors. The Executive Committee shall make decisions regarding the matters they have been delegated and conduct preliminary consideration of matters which are to be deliberated by the Board of Directors so that the Board of Directors may make decisions regarding such matters. Also various committees shall be established to provide advisory functionality to Executive Committee.
- (d) The Company and directly owned subsidiaries of the Company shall, in order for Corporate Executive Officers (Directors, etc., for directly owned subsidiaries) to execute their duties efficiently, build and employee rank framework and organizational structure, etc., in line with company rules and assign the execution of duties.

(7) Internal Audit Framework

- (a) The Company and directly owned subsidiaries of the Company shall ensure the soundness and appropriateness of operations by building an internal audit system which has high specialization and independence to assume the

function of verifying and assessing the appropriateness and effectiveness of risk management, internal controls and governance processes.

- (b) The Company and directly owned subsidiaries of the Company shall set company rules to identify basic matters concerning internal audit.
- (c) The Company and directly owned subsidiaries of the Company shall establish a division responsible for internal audit.
- (d) The divisions responsible for internal audit at the Company and directly owned subsidiaries of the Company shall support the oversight function of the Board of Directors by collaborating and working together under the guidance of the division responsible for internal audit at the Company.
- (e) The division responsible for internal audit at the Company and directly owned subsidiaries of the Company shall, as required, build a collaborative relationship with the Audit Committee (Audit & Supervisory Committee or Corporate Auditor at directly owned subsidiaries of the Company) and Independent Auditors and work towards efficient implementation of internal audit.

(Framework for Ensuring Effective Audit by the Audit Committee)

(8) Framework related to persons employed to support the duties of the Audit Committee

- (a) The Audit Committee Office shall be established as an organization to assist the Audit Committee to perform its duties and shall be placed under the direction of the Audit Committee.
- (b) Matters regarding personnel arrangements for persons employed to support the duties of the Audit Committee shall be made in a manner that respects the wishes of the Audit Committee.

(9) Framework for Reporting to the Audit Committee

- (a) The following matters shall be reported to the Audit Committee:
 - i) Matters regarding decisions by or reports made to the Executive Committee (including matters deliberated on or reported by subsidiaries directly invested by the Company in line with prescribed company rules)
 - ii) Matters that may cause significant damage to the Company (including matters deliberated on or reported by subsidiaries directly invested by the Company in line with prescribed company rules)
 - iii) Implementation status and results of internal audits within the MUFG Group
 - iv) Critical violations of laws or regulations within the MUFG Group
 - v) Status of reporting and details of cases reported to the MUFG Group Compliance Helpline as well as the Accounting Audit Hotline
 - vi) Other matters for which the Audit Committee requests reporting
- (b) Structures shall be implemented to protect persons who report to the

MUFG Group Compliance Helpline or the Accounting Audit Hotline from receiving unfair treatment because they made such reports.

(10) Policy regarding expenses or liabilities arising from the execution of duties of the Audit Committee

- (a) Expenses or liabilities which arise due to the Members of the Audit Committee exercising their duties (restricted to items regarding the execution of Audit Committee duties) shall be paid or processed otherwise in line with the requests of the Members of the Audit Committee.

(11) Other Frameworks to Ensure Effective Audits by the Audit Committee

- (a) Representative Corporate Executive Officers and the division responsible for internal audit shall conduct regular sessions to share opinions with the Audit Committee.
- (b) Important personnel affairs concerning the divisions responsible for internal audit shall be decided based on the resolution at the Audit Committee.
- (c) Divisions responsible for internal audit shall report to the Audit Committee on the internal audit plans and internal audit results, and receive specific instructions from the committee.
- (d) Members of the Audit Committee shall be entitled to attend the Executive Committee and other important committees, etc.
- (e) Directors, officers and employees shall cooperate with surveys or interview requests received from the Audit Committee or its members.
- (f) Directors, officers and employees shall give utmost respect to other matters as stipulated in the Audit Committee rules and the Audit Committee Audit Standards.

■Summary of the Operating Status of the System to Ensure Appropriate Conduct of Operations

The summary of the operating status of the Internal Control System mentioned above in fiscal year 2016 (fiscal year ended March 31, 2017) is as follows.

The Company, as a general rule, verifies the Internal Control System once annually, and conducts reviews thereof as necessary. In fiscal year 2016, periodic reviews of the Internal Control System were resolved at the Board of Directors meeting held on March 2017.

The Company has the Risk Committee as an optional committee, in addition to the committees statutorily required of a company with three committees under the Companies Act of Japan. In addition, the Company newly established the U.S. Risk Committee in May 2016 as a committee under the Risk Committee, in order to comply with the Enhanced Prudential Standards. The U.S. Risk Committee shall supervise material risks to which the

MUFG Group's operations in the U.S. may be exposed and the overall risk management framework in respect of the MUFG Group's operations in the U.S., deliberate on matters regarding overall risk management in the U.S. on a group basis, and report and make recommendations to the Risk Committee.

With a view to thoroughly implementing and further enhancing the Company's customer-first undertakings, "Fiduciary Duty"^{*1} Committee" was newly established in March 2017, as a committee under the Executive Committee. Moreover, as the Company announced on May 2017, it has revised the "MUFG Basic Policy for Fiduciary Duties in the Area of Asset Management," enacted in May 2016, and made a new policy, "MUFG Basic Policy for Fiduciary Duties" , in line with the Company's adoption of "Principles for Customer-Oriented Business Conduct," which the Financial Services Agency published in March 2017.

*1 A fiduciary duty collectively means various roles and obligations that a person shall assume in carrying out his/her duties as a fiduciary.

With respect to the Internal Control Systems of the directly owned subsidiaries of the Company, status of review by the Board of Directors of those subsidiaries is subject to verification by the Company once annually as a general rule. Meanwhile in June 2016, the Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holdings Co., Ltd., all completed transition to companies with the Audit & Supervisory Committee, to ensure further enhancement of corporate governance system at each company.

(1) Group Management Framework

The Company has established its Corporate Vision as a basic policy forming the basis for the formulation of business strategies and decision making, as well as the Principles of Ethics and Conduct as specific standards for decision-making and conduct which adhere to the Corporate Vision.

Companies subject to direct management control by the Company are stipulated as being directly owned subsidiaries of the Company, and the management of subsidiaries in which the Company does not have direct investment shall be directly managed by the subsidiary which holds the said direct investment, pursuant to the Company rules. The Company shall provide direction and advice regarding management control to the subsidiary that holds the direct investment as required. Additionally, the Company and directly owned subsidiaries of the Company have reached agreement on the prescribed matters relating to management control, and have concluded management control agreements or equivalent arrangements. The Company reviews the agreements once annually, as a general rule.

With regard to internal controls over financial reporting, the Company has documented

control activities in accordance with the basic policy, which has been set forth in the company rules. The Company has evaluated the effectiveness of such controls through tests on the status of establishment and operation, and has submitted the results of such evaluation to the Executive Committee upon deliberation by the Disclosure Committee, a committee under the Executive Committee. Additionally, an Accounting Audit Hotline has been established as an internal reporting system for reporting fraudulent accounting, fraud involving internal controls over accounting or accounting audits (e.g. law violations) and inappropriate accounting, or suspected incidents.

(2) Legal and Regulatory Compliance Framework

The Company and directly owned subsidiaries of the Company have created a Corporate Vision and the Principles of Ethics and Conduct. The Corporate Vision has been printed on cards and the Principles of Ethics and Conduct have been made into a booklet and distributed to all officers and employees, in addition to being posted on the Company website and internal networks.

The Company and directly owned subsidiaries of the Company have established divisions to supervise compliance and have been engaged in initiatives to promote compliance through compliance programs and seminars, while at the same time reporting on the status of compliance to the Executive Committee and the Board of Directors. As part of efforts to deliberate important matters relating to the development of policies and systems for promoting compliance across the MUFG Group, the Company has also established a Group Compliance Committee under the Executive Committee, where important compliance issues are being discussed. The Group Compliance Committee, as a general rule, meets twice a year.

The directly owned subsidiaries of the Company have developed internal reporting systems in an effort to detect compliance incidents early so that it leads to correction by taking self-cleansing actions. Furthermore, the Company has established an MUFG Group Compliance Helpline to supplement the existing systems of the group companies and made it accessible to the directors, officers and employees of the group companies.

The Company and directly owned subsidiaries of the Company have established a basic policy on the handling of anti-social forces, and based thereon have set forth certain measures in the prescribed company rules. A division in charge of handling anti-social forces has also been established, which implements planning and management measures related to preventing transactions with anti-social forces.

The Company and directly owned subsidiaries of the Company have been keeping a close watch on the legal and statutory developments of each country, in line with the increasingly global nature of its business expansion, and have developed a system for the prevention of money laundering.

(3) Management Framework for Customer Protection, etc.

The Company and the directly owned subsidiaries of the Company have established a management system for protecting customers by creating administration and management divisions for customer protection, formulating related company rules and increasing awareness of customer protection among officers and employees. Matters involving customer protection across the entire Group are also reported to the Executive Committee, as necessary.

Furthermore, the MUFG Personal Information Protection Policy and the Conflicts of Interest Management Policy has been formulated and publicly released.

(4) Information Storage Management Framework

Company rules on important documents including minutes and materials for meetings such as the Board of Directors and management meetings have been determined and important documents are being stored and managed as stipulated in such rules.

(5) Risk Management Framework

The Company and directly investment companies of the Company uphold the basic policy of strengthening group-based management control and comprehensive risk management through the diffusion of a Risk Culture which is evolved, global and advanced in its approach, and are working to enhance risk governance through strengthening the integrated operations across regions and subsidiaries and the holding company. Furthermore, the MUFG Group has adopted the Risk Appetite Framework in order to practice risk management that effectively supports its business strategies and has been strengthening the MUFG Group's overall risk-return management.

Furthermore, the Company has established the Risk Committee, as an optional committee under the Board of Directors. The Risk Committee meets each quarter, as a general rule, deliberates Group-wide risk management matters in general, and reports and makes proposals to the Board of Directors. In addition, the Company established the Risk Management Committee under the Executive Committee to deliberate important matters relating to the development of policies and systems for promoting integrated Group risk management. The Risk Management Committee meets four times annually, as a general rule.

The Company manages capital allocation system, in an effort to appropriately allocate capital by ensuring financial soundness through the monitoring and control of capital, evaluating capital adequacy versus risk based on business strategies and profit plans, and reflecting such evaluation in its capital policy.

The Company and the directly owned subsidiaries of the Company have been conducting Group crisis management by developing organizations and systems to manage crises including task forces and crisis management teams, while at the same time identifying specific crisis incidents that will be subject to crisis management and developing the system for managing crisis prior to the crisis, during the crisis and after the crisis has been resolved.

(6) Framework to Ensure Efficient Execution of Duties

The Management Planning Committee, which reports directly to the Executive Committee, meets each quarter, as a general rule, to deliberate Group-wide measures, quantitative plans and capital policies, and follow up on the progress being made on the policies and quantitative plans.

As a company with three committees, the Company has been strengthening the Board of Directors' supervisory functions through the separation of execution and oversight. Meanwhile, in line with their transition to a company with the Audit & Supervisory Committee, the Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holdings Co., Ltd., have developed a system enabling prompt decision-making through significantly delegating decision-making authority regarding important business execution, from the Board of Directors to executive management.

The Company and the directly owned subsidiaries of the Company have established prescribed company rules which set forth the division of duties, and the Corporate Executive Officers (Directors, etc. for the directly owned subsidiaries of the Company) execute their duties in accordance with the determined division of duties.

(7) Internal Audit Framework

The Company has instituted an internal audit policy to define the policies of internal audits. Departments in charge of internal audits have been established within the Company and the directly owned subsidiaries of the Company. The scope of verification covers the Group as a whole, and monitoring and oversight of all Group operations by the Board of Directors of the Company are supported.

The Company has been holding sessions for exchanging views between the departments in charge of internal audits, and the Audit Committee and the Independent Auditor and, when required, sharing information related to audit measures and audit results.

(Framework for Ensuring Effective Audit by the Audit Committee)

(8) Framework related to persons employed to support the duties of the Audit Committee

The Company has established the Audit Committee Office as an organization to assist the duties of the Audit Committee and has accordingly appointed employees to the said Office. Matters regarding personnel arrangements of such employees are made in a manner that respects the wishes of the Audit Committee, considering the independence of the Audit Committee.

(9) Framework for Reporting to the Audit Committee

The Company holds the meetings of the Audit Committee composed of Outside Directors and Non-executive Internal Directors with an Outside Director as chairperson, once a month, as a general rule. The Audit Committee receives reports on the MUFG Group's implementation status of internal audits and the results of audits, and the status of compliance including the operation status of the internal reporting system.

Measures prohibiting unfair treatment of persons making reports on the MUFG Group Compliance Helpline and the Accounting Audit Hotline have been provided for in the company rules and communicated throughout the MUFG Group.

(10) Policy regarding expenses or liabilities arising from the performance of duties of the Audit Committee

Under the Audit Committee Audit Standards, Members of the Audit Committee may request payment for expenses, etc., necessary for the performance of their duties, and the Company in accordance therewith pays the necessary expenses, etc.

(11) Other Frameworks to Ensure Effective Audits by the Audit Committee

Representative Corporate Executive Officers and Members of the Audit Committee conduct regular sessions to share opinions. The divisions responsible for internal audit report on the internal audit plans and internal audit results, through regular meetings with the Members of the Audit Committee, and follow instructions from the members.

The Members of the Audit Committee are entitled to attend the Executive Committee and other important committees, etc., as prescribed in the relevant company rules.

The Company has provided in the Compliance Manual that the matters prescribed in the Audit Committee Rules and the Audit Committee Audit Standards shall be respected, and has communicated this fact to its directors, officers and employees.

9. Matters concerning Wholly-owned Specified Subsidiaries

(Millions of yen)

| Name of Wholly-owned Specified Subsidiaries | Address of Wholly-owned Specified Subsidiaries | Total book value of the shares of Wholly-owned Specified Subsidiaries as of March 31, 2017 |
|---|---|--|
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | 7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan | 6,689,698 |

(Note) Total assets in the balance sheets of the Company as of March 31, 2017 amounted to ¥13,969,770 million.

10. Matters concerning the Transactions with the Parent Company, etc.

None

11. Matters concerning Accounting Advisor

None

12. Other Matters

■Policy concerning exercise of powers granted to the Board of Directors by the provisions of the Articles of Incorporation pursuant to Articles 459, Paragraph 1 of the Companies Act, if there are any such provisions under the Articles of Incorporation

In order to secure the flexibility of capital policy, Articles 44 of the Company's Articles of Incorporation, in accordance with Articles 459, Paragraph 1, Item 1 of the Companies Act, stipulates that acquisition of the Company's own shares through an agreement with the shareholders may be determined by a resolution of the Board of Directors. The Company will appropriately conduct such acquisition of its own shares after comprehensive consideration of factors such as its business performance and the environment for strategic investment.

(Translation)

Mitsubishi UFJ Financial Group, Inc.**Consolidated Balance Sheet**

| (In millions of yen) | As of March 31, 2017 |
|---|-------------------------|
| Assets: | |
| Cash and due from banks | 63,525,940 |
| Call loans and bills bought | 649,147 |
| Receivables under resale agreements | 8,066,973 |
| Receivables under securities borrowing transactions | 11,002,723 |
| Monetary claims bought | 4,707,868 |
| Trading assets | 21,046,367 |
| Money held in trust | 806,881 |
| Securities | 59,438,897 |
| Loans and bills discounted | 109,005,231 |
| Foreign exchanges | 2,083,530 |
| Other assets | 11,554,699 |
| Tangible fixed assets | 1,358,905 |
| Buildings | 341,131 |
| Land | 720,132 |
| Lease assets | 10,164 |
| Construction in progress | 46,373 |
| Other tangible fixed assets | 241,104 |
| Intangible fixed assets | 1,257,876 |
| Software | 567,753 |
| Goodwill | 267,389 |
| Lease assets | 446 |
| Other intangible fixed assets | 422,287 |
| Net defined benefit asset | 601,377 |
| Deferred tax assets | 126,231 |
| Customers' liabilities for acceptances and guarantees | 9,022,130 |
| Allowance for credit losses | (957,350) |
| Total assets | 303,297,433 |
| Liabilities: | |
| Deposits | 170,730,221 |
| Negotiable certificates of deposit | 11,341,571 |
| Call money and bills sold | 1,973,569 |
| Payables under repurchase agreements | 17,636,962 |
| Payables under securities lending transactions | 5,538,739 |
| Commercial papers | 2,307,222 |
| Trading liabilities | 17,700,617 |
| Borrowed money | 16,971,085 |
| Foreign exchanges | 1,970,980 |
| Short-term bonds payable | 847,999 |
| Bonds payable | 9,893,687 |
| Due to trust accounts | 9,893,881 |
| Other liabilities | 9,382,992 |
| Reserve for bonuses | 81,012 |
| Reserve for bonuses to directors | 598 |
| Reserve for stocks payment | 10,400 |
| Net defined benefit liability | 59,045 |
| Reserve for retirement benefits to directors | 1,128 |
| Reserve for loyalty award credits | 16,689 |
| Reserve for contingent losses | 384,868 |
| Reserves under special laws | 4,075 |
| Deferred tax liabilities | 745,073 |
| Deferred tax liabilities for land revaluation | 124,483 |
| Acceptances and guarantees | 9,022,130 |
| Total liabilities | 286,639,039 |
| Net assets: | |
| Capital stock | 2,141,513 |
| Capital surplus | 1,412,087 |
| Retained earnings | 9,278,546 |
| Treasury stock | (513,260) |
| Total shareholders' equity | 12,318,885 |
| Net unrealized gains on available-for-sale securities | 2,184,597 |
| Net deferred gains on hedging instruments | 125,684 |
| Revaluation reserve for land | 173,723 |
| Foreign currency translation adjustments | 558,339 |
| Remeasurements of defined benefit plans | (65,098) |
| Debt value adjustments of foreign subsidiaries and affiliates | (15,863) |
| Total accumulated other comprehensive income | 2,961,382 |
| Subscription rights to shares | 407 |
| Non-controlling interests | 1,377,719 |
| Total net assets | 16,658,394 |
| Total liabilities and net assets | 303,297,433 |

(Translation)

Mitsubishi UFJ Financial Group, Inc.**Consolidated Statement of Income**

| | For the fiscal year ended March 31, 2017 |
|--|--|
| (In millions of yen) | |
| Ordinary income | 5,979,568 |
| Interest income | 2,888,134 |
| Interest on loans and bills discounted | 1,862,089 |
| Interest and dividends on securities | 675,434 |
| Interest on call loans and bills bought | 10,523 |
| Interest on receivables under resale agreements | 46,831 |
| Interest on receivables under securities borrowing transactions | 6,246 |
| Interest on deposits | 79,746 |
| Other interest income | 207,261 |
| Trust fees | 122,050 |
| Fees and commissions | 1,531,974 |
| Trading income | 292,761 |
| Other operating income | 575,937 |
| Other ordinary income | 568,709 |
| Gains on loans written-off | 64,487 |
| Others | 504,221 |
| Ordinary expenses | 4,618,801 |
| Interest expenses | 863,677 |
| Interest on deposits | 296,574 |
| Interest on negotiable certificates of deposit | 65,008 |
| Interest on call money and bills sold | 2,043 |
| Interest on payables under repurchase agreements | 81,400 |
| Interest on payables under securities lending transactions | 2,104 |
| Interest on commercial papers | 15,172 |
| Interest on borrowed money | 34,140 |
| Interest on short-term bonds payable | 22 |
| Interest on bonds payable | 171,514 |
| Other interest expenses | 195,695 |
| Fees and commissions | 203,484 |
| Trading expenses | 2,725 |
| Other operating expenses | 329,193 |
| General and administrative expenses | 2,663,503 |
| Other ordinary expenses | 556,217 |
| Provision for allowance for credit losses | 30,342 |
| Others | 525,875 |
| Ordinary profits | 1,360,767 |
| Extraordinary gains | 17,620 |
| Gains on disposition of fixed assets | 17,463 |
| Reversal of reserve for contingent liabilities from financial instruments transactions | 156 |
| Extraordinary losses | 75,159 |
| Losses on disposition of fixed assets | 9,263 |
| Losses on impairment of fixed assets | 10,162 |
| Losses on change in equity | 45,654 |
| Losses on liquidation of equity securities of subsidiaries | 5,313 |
| Losses on exchange of shares of affiliates | 4,538 |
| Losses on sales of equity securities of subsidiaries | 226 |
| Income before income taxes | 1,303,228 |
| Income taxes-current | 319,060 |
| Income taxes-deferred | 23,116 |
| Total income taxes | 342,177 |
| Net income | 961,050 |
| Net income attributable to non-controlling interests | 34,609 |
| Net income attributable to owners of parent | 926,440 |

(Translation)

Mitsubishi UFJ Financial Group, Inc.

Non-Consolidated Balance Sheet

| (In millions of yen) | As of March 31, 2017 |
|---|----------------------|
| Assets: | |
| Current assets: | |
| Cash and due from banks | 158,712 |
| Prepaid expenses | 189 |
| Accounts receivable | 64,725 |
| Others | 11,532 |
| Allowance for credit losses | (4) |
| Total current assets | 235,155 |
| Fixed assets: | |
| Tangible fixed assets: | |
| Buildings | 14 |
| Equipment and furniture | 286 |
| Total tangible fixed assets | 300 |
| Intangible fixed assets: | |
| Trademarks | 121 |
| Software | 9,140 |
| Lease assets | 20 |
| Others | 1 |
| Total intangible fixed assets | 9,283 |
| Investments and other assets: | |
| Equity securities of subsidiaries and affiliates | 10,277,424 |
| Long-term loans receivable from subsidiaries and affiliates | 3,419,961 |
| Deferred tax assets | 29,665 |
| Others | 30 |
| Allowance for credit losses | (2,051) |
| Total investments and other assets | 13,725,030 |
| Total fixed assets | 13,734,614 |
| Total assets | 13,969,770 |
| Liabilities: | |
| Current liabilities: | |
| Short-term borrowings | 1,667,062 |
| Lease liabilities | 7 |
| Accounts payable | 4,993 |
| Accrued expenses | 10,399 |
| Income taxes payable | 104 |
| Deferred tax liabilities | 4 |
| Deposits received | 198 |
| Reserve for bonuses | 738 |
| Reserve for bonuses to directors | 127 |
| Others | 15,054 |
| Total current liabilities | 1,698,691 |
| Fixed liabilities: | |
| Bonds payable | 3,605,939 |
| Long-term borrowings | 69,000 |
| Long-term borrowings from subsidiaries and affiliates | 2,519 |
| Lease liabilities | 7 |
| Reserve for stocks payment | 916 |
| Others | 17 |
| Total fixed liabilities | 3,678,399 |
| Total liabilities | 5,377,091 |
| Net assets: | |
| Shareholders' equity: | |
| Capital stock | 2,141,513 |
| Capital surplus: | |
| Capital reserve | 2,141,524 |
| Other capital surplus | 1,467,799 |
| Total capital surplus | 3,609,324 |
| Retained earnings: | |
| Other retained earnings: | |
| Other reserve | 150,000 |
| Earned surplus brought forward | 3,307,702 |
| Total retained earnings | 3,457,702 |
| Treasury stock | (511,891) |
| Total shareholders' equity | 8,696,647 |
| Valuation and translation adjustments: | |
| Net deferred gains on hedging instruments | (104,359) |
| Total valuation and translation adjustments | (104,359) |
| Subscription rights to shares | 391 |
| Total net assets | 8,592,679 |
| Total liabilities and net assets | 13,969,770 |

(Translation)

Mitsubishi UFJ Financial Group, Inc.

Non-Consolidated Statement of Income

| (In millions of yen) | For the fiscal year ended March 31, 2017 |
|---|---|
| Operating income: | |
| Dividends | 599,487 |
| Management fees from subsidiaries and affiliates | 26,095 |
| Total operating income | 625,582 |
| Operating expenses: | |
| General and administrative expenses | 26,225 |
| Total operating expenses | 26,225 |
| Operating profits | 599,357 |
| Non-operating income: | |
| Interest on deposits | 48,665 |
| Dividends | 10,298 |
| Others | 1,071 |
| Total non-operating income | 60,034 |
| Non-operating expenses: | |
| Interest on borrowings | 14,490 |
| Interest on bonds payable | 58,908 |
| Provision for allowance for credit losses | 1,261 |
| Bond issuance costs | 9,322 |
| Others | 324 |
| Total non-operating expenses | 84,307 |
| Ordinary profits | 575,084 |
| Extraordinary gains: | |
| Gains on liquidation of equity securities of subsidiaries | 406 |
| Total extraordinary gains | 406 |
| Extraordinary losses: | |
| Losses on retirement of fixed assets | 298 |
| Losses on impairment of fixed assets | 17 |
| Total extraordinary losses | 315 |
| Income before income taxes | 575,174 |
| Income taxes-current | (2,739) |
| Income taxes-deferred | 257 |
| Total income taxes | (2,481) |
| Net income | 577,656 |

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 10, 2017

To the Board of Directors of
Mitsubishi UFJ Financial Group, Inc.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Yoriko Goto

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Hidehito Goda

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Hiroyuki Sono

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Shigehiko Matsumoto

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated balance sheet as of March 31, 2017 of Mitsubishi UFJ Financial Group, Inc. (the "Company") and its consolidated subsidiaries, and the related consolidated statements of income and changes in net assets for the fiscal year from April 1, 2016 to March 31, 2017, and the related notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

(TRANSLATION)

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of March 31, 2017, and the results of their operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 10, 2017

To the Board of Directors of
Mitsubishi UFJ Financial Group, Inc.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Yoriko Goto

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Hidehito Goda

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Hiroyuki Sono

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Shigehiko Matsumoto

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements, namely, the non-consolidated balance sheet as of March 31, 2017 of Mitsubishi UFJ Financial Group, Inc. (the "Company"), and the related non-consolidated statements of income and changes in net assets for the 12th fiscal year from April 1, 2016 to March 31, 2017, and the related notes and the accompanying supplemental schedules.

Management's Responsibility for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements and the accompanying supplemental schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements and the accompanying supplemental schedules that are free from material misstatement, whether due to fraud or error.

(TRANSLATION)

Auditor's Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the non-consolidated financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and the accompanying supplemental schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the non-consolidated financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of the Company, as of March 31, 2017, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and "the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

Audit Report

We, as the Company's Audit Committee, have audited the performance of duties of the Company's Directors and Corporate Executive Officers during the Company's fiscal year from April 1, 2016 to March 31, 2017, and hereby report our audit method and results of the audit as follows:

1. Audit Method Applied by the Audit Committee and Details Thereof

We established the audit policy and audit plans, and received from the Directors, Corporate Executive Officers and other appropriate persons, as well as the Independent Auditors, reports on the performance of their duties, and, when necessary, requested explanations regarding such reports.

In accordance with the audit policy, audit plans and other appropriate policies or plans established by the Audit Committee, the Audit Committee endeavored to gather necessary information and create an improved environment for auditing by taking steps to facilitate communication with the Directors, Corporate Executive Officers and the internal audit division as well as with employees from various sections, including the division responsible for internal control systems and the relevant sections supervising the Company's group businesses, and to utilize the internal audit by the internal audit division. The members of the Audit Committee also attended important meetings, received from the Directors, Corporate Executive Officers, employees and other related persons reports on the performance of their duties (including reports relating to the Company's subsidiaries), requested explanations regarding such reports when necessary, and inspected the documents related to important decisions in order to examine the status of the Company's business and assets. The Audit Committee also received reports from the Directors, Corporate Executive Officers, employees and other related persons, requested explanations when necessary, and expressed opinions, on the contents of resolutions by the Board of Directors regarding the establishment of systems as provided in (b) and (e) of Paragraph 1, Article 416 of the Company Law, and on the status of the development and implementation of the systems established by such resolutions (internal control systems).

With respect to the internal control over financial reporting, the Audit Committee received reports from the Directors, Corporate Executive Officers and other related persons on their self-assessment and from Deloitte Touche Tohmatsu LLC on the status of their audit, and requested explanations regarding such reports when necessary.

The Audit Committee took steps to facilitate communication with the Directors and other related persons, Audit and Supervisory Committees and Corporate Auditors of the Company's subsidiaries and to share information with them. When necessary, the Audit Committee received reports from subsidiaries on their respective businesses. Based on the foregoing method, we examined the Business Report and the supplementary schedules for this fiscal year.

In addition, the Audit Committee monitored and examined whether the Independent Auditors maintained their independence and conducted their audit in a reasonable manner. The Audit Committee also received from the Independent Auditors reports on the performance of their duties and requested explanations regarding those reports when necessary. The Audit Committee received reports, and when necessary explanations on such reports, from the Independent Auditors that they have taken appropriate steps to establish and implement the "system for ensuring appropriate execution of its duties" (as enumerated in Article 131 of the Company Accounting Regulation Ordinance). Based on the foregoing method, the Audit Committee reviewed the non-consolidated financial

statements (namely, the balance sheet as of March 31, 2017 of the Company, and the related statements of income and changes in net assets) and accompanying supplemental schedules, and the consolidated financial statements (namely, the consolidated balance sheet as of March 31, 2017 of the Company, and the related consolidated statements of income and changes in net assets) for the 12th fiscal year from April 1, 2016 to March 31, 2017.

2. Results of Audit

- (1) Results of Audit of the Business Report and others
 - A. In our opinion, the Business Report and the supplementary schedules present fairly the conditions of the Company in conformity with the applicable laws and regulations of Japan as well as the Articles of Incorporation of the Company.
 - B. In our opinion, there are no fraudulent acts or material facts in the course of the Directors' and Corporate Executive Officers' performance of their duties that violated the applicable laws and regulations or the Articles of Incorporation of the Company.
 - C. In our opinion, the details of the resolutions of the Board of Directors regarding the internal control systems are appropriate. Furthermore, we believe that no material issues have been raised concerning items described in the Business Report as well as the performance of the Directors' and Corporate Executive Officers' duties both regarding the internal control systems, including that over financial reporting.
- (2) Results of Audit of the Non-consolidated Financial Statements and the Accompanying Supplemental Schedules
In our opinion, the method and the results of the audit conducted by Deloitte Touche Tohmatsu LLC, the Independent Auditors, are appropriate.
- (3) Results of Audit of the Consolidated Financial Statements
In our opinion, the method and the results of the audit conducted by Deloitte Touche Tohmatsu LLC, the Independent Auditors, are appropriate.

May 15, 2017

Members of the Audit Committee of
Mitsubishi UFJ Financial Group, Inc.

| | |
|--------------------|--------|
| Akira Yamate | (seal) |
| Yukihiro Sato | (seal) |
| Hiroshi Kawakami | (seal) |
| Takashi Mikumo | (seal) |
| Takehiko Shimamoto | (seal) |

Note: Akira Yamate, Yukihiro Sato and Hiroshi Kawakami are outside directors as provided in Item 15, Article 2, and Paragraph 3, Article 400, of the Company Law.

-End-