Trading

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References to •MUAHŽ and •BK(US)Ž are to MUFG Americas Holdings Corporation and MUFG Union

Forward-Looking Statements

We may from time to time make written or oral forward-looking statements. Written forward-looking statements may appear in documents filed with, or submitted to, the U.S. Securities and Exchange Commission, or SEC, including this Annual Report, and other reports to shareholders and other communications.

The U.S. Private Securities Litigation Reform Act of 1995 provides a •safe harborŽ for forward-looking information to encourage companies to provide prospective information about themselves. We rely on this safe harbor in making these forward-looking statements.

Forward-looking statements appear in a number of places in this Annual Report and include statements regarding our current intent, business plan, targets, belief or expectations or the current belief or current expectations of our management with respect to our results of operations and financial condition, including, among other matters, our problem loans and loan losses. In many, but not all cases, we use words such as •anticipate,Ž •aim,Ž •believe,Ž •estimate,Ž •expect,Ž •intend,Ž •plan,Ž •probability,Ž •risk,Ž •will,Ž •mayŽ and similar expressions, as they relate to us or our management, to identify forward-looking statements. These

‹

	Fiscal years ended March 31,				
	2016	2017	2018	2019	2020
	(in millions, except per share data and number of shares)				
Statement of income data:					
Interest income	¥3,005,738	¥ 2,990,767	¥ 3,259,016	¥ 3,813,379	¥ 3,927,143
Interest expense	744,364	769,639	1,028,755	1,517,981	1,684,344
Net interest income	2,261,374	2,221,128	2,230,261	2,295,398	2,242,799
Provision for (reversal of) credit losses	231,862	253,688	(240,847)	34,330	321,713
Net interest income after provision for (reversal of) credit losses	2,029,512	1,967,440	2,471,108	2,261,068	1,921,086
Non-interest income					

D. Risk Factors

Investing in our securities involves a high degree of risk. You should carefully consider the risks described

credit costs, as the credit quality of some borrowers could deteriorate, particularly borrowers in industries that are

method for financial instruments, see •Item 5. Operating and Financial Review and Prospects„Critical Accounting Estimates.Ž

impacts on our business, financial position and operating results. In particular, such transition may, among other things,

- adversely affect the price, liquidity, profitability, and tradability of a wide range of financial instruments, such as loans and derivatives, included in our financial assets and liabilities that reference LIBOR and other interest rate benchmarks;
- require negotiations with our counterparties to modify contracts to replace the reference rate for existing contracts based on or linked to LIBOR and other interest rate benchmarks with an alternative interest rate;
- result in disputes with customers and counterparties concerning the interpretation of affected contracts

results of operations may be adversely affected if these strategies fail to produce the results we expect or if we are required to delay or otherwise change these strategies and result in the decline in our competitiveness because of various factors, including:

- the volume of loans made to borrowers does not increase as anticipated;
- our income from interest spreads on the existing loans does not improve as anticipated;
-

environment, if our planned acquisitions, investments or capital alliances are not approved by regulators or do not proceed as planned, or if our acquisitions, investments or capital alliances fail to achieve the synergies or other results that we expect. For more information on our recent acquisition and investment transactions, 4or

subsidiaries include deterioration in the local economy or economic prospects or the credit quality of their loan portfolio, fluctuations in the stock, interest rate, foreign currency exchange, commodities or real estate market, political or social instability, changes in the regulatory or competitive environment, natural disasters, pandemics or epidemics of infectious or contagious diseases, geopolitical conflicts, losses from legal proceedings, as well as the business performance of companies investing in or entering into the local market and the condition of economies, financial systems, laws and financial markets in the markets where such companies primarily operate. Costs incurred due to weaknesses in the internal controls or the regulatory compliance systems of the subsidiaries may also adversely affect their business and financial performance. For more information, see •Item 4.B. Information on the Company„Business Overview„Global Commercial Banking Business GroupŽ and •Item 4.B. Information on the Company„Business Overview„Supervision and Regulation„United States.Ž

the Basel III framework. As of March 31, 2020, our total risk-adjusted capital ratio was 15.87% compared to the minimum risk-adjusted capital ratio required of 12.01%, our Tier 1 capital ratio was 13.56% compared to the

ended March 31, 2020, the effect of recording a provision for credit losses and a provision for off-balance sheet

strength of MUFG or of the relevant subsidiary, as well as conditions generally affecting the financial services

These developments or other similar matters may result in additional regulatory actions against us or agreements to make significant additional settlement payments. These developments or other matters to which we are subject from time to time may also expose us to substantial monetary damages, legal defense costs, criminal and civil liability, and restrictions on our business operations as well as damage to our reputation. Our ability to obtain regulatory approvals for future strategic initiatives may also be adversely affected. The outcome

technological advances and new systems and tools introduced in response to industry, regulatory and other developments, could cause disruptions to, and malfunctions of, information, communications and transaction

governments in the United States have enacted legislation designed to limit economic and financial transactions

enforcement of judgments of foreign courts if foreign judgments fail to satisfy the requirements prescribed by the Civil Execution Act, including:

- the jurisdiction of the foreign court be recognized under laws, regulations, treaties or conventions;
- proper service of process be made on relevant defendants, or relevant defendants be given appropriate protection if such service is not received;
- the judgment and proceedings of the foreign court not be repugnant to public policy as applied in Japan; and
- there exist reciprocity as to the recognition by a court of the relevant foreign jurisdiction of a final

Item 4. Information on the Company.

A. History and Development of the Company

office is located at 7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-8388, Japan, and its telephone number is 81-3-3240-1111. MUFG Bank is a joint stock company (kabushiki kaisha) incorporated in Japan under the

Mitsubishi Trust Bank traces its history to The Mitsubishi Trust Company, Limited, which was founded by the leading members of the Mitsubishi group companies in 1927. The Japanese banking and financial industry was reconstructed after World War II and, in 1948, Mitsubishi Trust Bank was authorized to engage in the commercial banking business, in addition to its trust business, under the new name Asahi Trust & Banking Corporation. In 1952, the bank changed its name again to •The Mitsubishi Trust and Banking Corporation.Ž

Nippon Trust and Banking and The Tokyo Trust Bank, Ltd., which were previously subsidiaries of Bank of Tokyo-Mitsubishi, was merged into Mitsubishi Trust Bank on October 1, 2001.

UFJ Trust Bank was founded in 1959 as The Toyo Trust & Banking Company, Limited, or Toyo Trust Bank. The Sanwa Trust & Banking Company, Limited, which was a subsidiary of Sanwa Bank, was merged into Toyo Trust Bank on October 1, 1999. The Tokai Trust & Banking Company, Limited, which was a subsidiary of Tokai Bank, was merged into Toyo Trust Bank on July 1, 2001. Toyo Trust Bank was renamed •UFJ Trust Bank LimitedŽ on January 15, 2002.

Mitsubishi UFJ Securities Holdings Co., Ltd.

Mitsubishi UFJ Securities Holdings is a wholly-owned subsidiary of MUFG. Mitsubishi UFJ Securities Holdings functions as an intermediate holding company of MUFG•s global securities and investment banking businesses. Mitsubishi UFJ Securities Holdings• registered head office is located at 5-2, Marunouchi 2-chome,

Mitsubishi UFJ Securities Holdings, holds 60% voting and economic interests in Mitsubishi UFJ Morgan Stanley Securities. Mitsubishi UFJ Morgan Stanley Securities• registered head office is located at 5-2 Marunouchi

B. Business Overview

We are one of the world•s largest and most diversified financial groups with total assets of ¥331.75 trillion as of March 31, 2020. The Group is comprised of MUFG Bank, Mitsubishi UFJ Trust and Banking, Mitsubishi

The impact of the COVID-19 pandemic is rippling through the real economy. COVID-19 is expected to have a long-term impact and irreversible effects on the structure of society, including global values and the behavior patterns of customers. Prior to the pandemic, we worked to identify the changes that had manifested in the social environment before the pandemic. To address the changes, we adopted the new integrated group-based management approach, leveraged digital strategies to promote the core framework of structural reforms, completed transactions designed to benefit from future overseas growth and implemented other strategies. Going forward, we believe it will be necessary to focus on trends such as the digital shift in society, the rising awareness of solving social issues and social contributions, the changes and diversification of work styles and values, and the creation of new supply chains, in addition to the changes to the social environment we identified and began to

(11) Enhancement of Corporate Center Operations

- Consumer Loans: MUFG Bank offers •Card Loans Ž (consumer loans the proceeds of which are disbursed to approved borrowers with a bank-issued card through an automated machine) and •Purpose-Specific Term Loans,Ž depending on customers• needs.
- Investment Products: In order to promote a shift in customer preference from savings to asset building, we seek to offer products that effectively serve the asset building and asset management needs of customers at various stages of their life. As part of this effort, MUFG Bank started to offer fund wrap

owned by aging owners is critical to the sustainability and development of Japanese industry, we offer solutions for successions of businesses to unrelated persons, including through mergers and acquisitions and initial public offerings, and for successions of businesses to related persons. We also offer solutions designed to assist business owners with successions of assets using testamentary trusts, real estate transactions and other means. Through further integration of the retail and commercial banking capabilities of MUFG Bank, Mitsubishi UFJ Trust and

group offers a full range of asset management and administration services for corporations and pension funds, including pension fund management and administration, advice on pension structures, and payments to

during the first half of fiscal year ending March 31, 2021, subject to regulatory approvals and certain other conditions. Aviation finance is a key growth pillar for us and, through the acquisition, we aim to enhance our

MUFG Union Bank, N.A.

MUFG Union Bank is the primary subsidiary of MUFG Americas Holdings, which is our wholly owned

medium-sized enterprises, and large corporations in Indonesia. It operates an extensive distribution network spread out from Aceh to Papua, with more than 900 branches and service outlets. In addition, Bank Danamon provides financing for automotive and consumer goods through PT Adira Dinamika Multi Finance Tbk, a subsidiary of Bank Danamon.

In December 2017, MUFG Bank acquired 19.9% of the outstanding shares of Bank Danamon. Subsequently, MUFG Bank increased its shareholding in Bank Danamon to 40.0% in August 2018 and further to 94.0% in April 2019. In addition, in April 2019, MUFG Bank acquired shares of common stock of PT Bank

Security Bank provides a wide range of financial services to consumers, small businesses, middle-market

Strategy under the Current Medium-Term Business Plan

Under the current medium-term business plan, for the three-year period ending March 31, 2021, the Global Markets Business Group intends to undertake the following four initiatives designed to promote the MUFG Group•s structural reforms.

- The Global Markets Business Group plans to improve its business portfolio by adjusting its focus to growth areas and new areas, including the sales and trading business targeting institutional customers as well as the origination and distribution business under the integrated operations management structure with the Global Corporate and Investment Banking Business Group. In addition, with a view toward sustainable growth of the investment products business targeting non-institutional investors in Japan, the Global Markets Business Group has built an integrated operations management structure with the Asset Management & Investor Service Business Group, the Retail & Commercial Banking Business Group and the Japanese Corporate and Investment Banking Business Group.
- The Global Markets Business Group aims to reform the sales and trading business targeting corporate

In the retail business sector, customers often have needs for a broad range of financial products and services,

mainly from government sources. Certain types of operations undertaken by these institutions have been or are planned to be assumed by, or integrated with the operations of, private corporations through privatizations and other measures.

Among them are the following:

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Under Basel III, Common Equity Tier 1, Tier 1 and total capital ratios are used to assess capital adequacy, which ratios are determined by dividing applicable capital components by risk-weighted assets. Total capital is defined as the sum of Tier 1 and Tier 2 capital.

Under Basel III, Tier 1 capital is defined to include Common Equity Tier 1 and Additional Tier 1 capital. Common Equity Tier 1 capital is a new category of capital primarily consisting of:

- common stock,
- capital surplus,
- retained earnings, and
- accumulated other comprehensive income.

Regulatory adjustments including certain intangible fixed assets, such as goodwill, and defined benefit pension fund net assets (prepaid pension costs) will be deducted from Common Equity Tier 1 capital.

Additional Tier 1 capital generally consists of Basel III compliant preferred securities and, during the transition period, other capital that meets Tier I requirements under the former Basel II standards, net of regulatory adjustments.

Tier 2 capital generally consists of:

‹

We have been granted an approval by the FSA to exclude the majority of our investment in Morgan Stanley

Leverage ratio Japanese banks and bank holding companies with international operations are required to disclose their leverage ratios calculated in accordance with the methodology prescribed in the FSA guidance that has been adopted to implement the relevant Basel III standard. The leverage ratio is designed for monitoring and preventing the build-up of excessive leverage in the banking sector and is expressed as the ratio of Tier 1 capital to total balance sheet assets adjusted in accordance with the FSA guidance. In December 2017, the Group of Central Bank Governors and Heads of Supervision announced final Basel III reforms. The announced reforms include the revisions to the measurement of the leverage ratio and a 3.00% minimum leverage ratio requirement, plus a G-SIB leverage ratio buffer equal to 50% of the applicable G-SIB capital surcharge. The announcement sets forth implementation dates of January 1, 2018 for the minimum leverage ratio requirement and January 1, 2022 for the G-SIB leverage ratio buffer requirement. In Japan, the FSA adopted the minimum leverage ratio requirement effective March 31, 2019, and the minimum leverage ratio requirement as of March 31, 2020 is 3.00%. In March 2020, the implementation date for the G-SIB leverage ratio buffer requirement was deferred by one year to January 1, 2023 in light of the COVID-19 pandemic. On June 30, 2020, in coordination with the

liabilities does not, in principle, exceed 5% of the aggregate amount of its External TLAC. In contrast, Internal TLAC debt incurred by a material subsidiary of a Japanese G-SIB is required to be subject to contractual loss absorption provisions and to be subordinated to such subsidiary•s excluded liabilities.

The Financial Stability Board•s TLAC standard requires a G-SIB to issue and maintain TLAC in an amount not less than 16% of its risk-weighted assets and 6% of the applicable Basel III leverage ratio denominator by January 1, 2019, and not less than 18% of its risk-weighted assets and 6.75% of the applicable Basel III leverage ratio denominator by January 1, 2022.

The Japanese TLAC Standard requires a Japanese G-SIB, including us, to issue and maintain TLAC debt in an amount not less than 16% of its risk-weighted assets and 6% of the applicable Basel III leverage ratio denominator on and after March 31, 2019, and not less than 18% of its risk-weighted assets and 6.75% of the applicable Basel III leverage ratio denominator on and after March 31, 2022. Under the FSA TLAC Standard, Japanese G-SIBstio leverage rt52(llMille)-258(subordiallow(5%)-252(contractu5(not)-353(FSA)-24e)-256(G-SIBstDeposit

Deposit insurance system and government measures for troubled financial institutions

The Deposit Insurance Act is intended to protect depositors if a financial institution fails to meet its obligations. The Deposit Insurance Corporation was established in accordance with the Deposit Insurance Act.

City banks, including MUFG Bank, regional banks, trust banks, including Mitsubishi UFJ Trust and Banking, and various other credit institutions participate in the deposit insurance system on a compulsory basis.

Financial Response Crisis Council, confirm in writing that any of the following measures need to be applied to the financial institution:

Laws limiting shareholdings of banks The provisions of the Antimonopoly Act that generally prohibit a

Anti-money laundering laws. Under the Act on Prevention of Transfer of Criminal Proceeds, specified business operators, including financial institutions, are required to verify customer identification data, preserve transaction records, and file Suspicions Transaction Reports with the FSA or other regulatory authorities in cases

effective June 18, 2010, reduced the maximum permissible interest rate from 29.2% per annum to 20% per annum. The regulatory reforms also included amendments to the Law Concerning Lending Business

company or foreign banking organization has elected to become a financial holding company, as discussed

acceptances but excluding (i) accrued expenses and (ii) amounts due and other liabilities to offices, branches, and

below. However, certain regulatory rules under the Dodd-Frank Act are not yet finalized, require further interpretive guidance by the relevant supervisory agencies, or do not yet require us to fully implement compliance procedures. Accordingly, while the legislation has an impact on our operations, including the imposition of significant compliance costs, we are unable to assess with certainty the full degree of impact of the Dodd-Frank Act on our operations at this time.

Among the components of the Dodd-Frank Act that have impacted or may impact our operations are the provisions relating to enhanced prudential standards, including capital, liquidity and structural requirements, the •Volcker Rule,Ž derivatives regulation, credit reporting, resolution plans, incentive-based compensation, the establishment of the Consumer Financial Protection Bureau, and debit interchange fees. Although certain of the regulatory rules regarding the foregoing components are still pending, as noted above, based on information currently available to us, other than the Volcker Rule and derivatives regulations as discussed below, the impact of these components is expected to be mainly limited to our U.S. operations and not to be material to us on a consolidated basis. We intend to continue to monitor developments relating to the Dodd-Frank Act and the potential impact on our activities inside and outside of the United States.

With respect to the Dodd-Frank Act provisions related to enhanced prudential standards, in February 2014 the FRB issued final rules that established enhanced prudential standards for the U.S. operations of foreign banking organizations such as MUFG. These rules required us to organize by July 1, 2016 all of our U.S. bank and non-bank subsidiaries, with certain limited exceptions, under a U.S. IHC that is subject to U.S. capital requirements and enhanced prudential standards comparable to those applicable to top-tier U.S. bank holding companies of the same size. Under these rules, we were required to change the structure of our U.S. operations, including the manner in which we oversee and manage those operations, and may be required to inject additional

18 months the initial compliance dates of its SCCL rule as it applies to the CUSO of FBOs, in order to provide additional time for foreign jurisdictions• implementation of the Basel standard to become effective. The compliance date is now July 1, 2021 for MUFG.

FATCA. The U.S. Treasury, acting through the Internal Revenue Service, or the IRS, issued final FATCA regulations in January 2013. FATCA created a new reporting and withholding regime for U.S. and foreign

D. Property, Plant and Equipment

Premises and equipment as of March 31, 2019 and 2020 consisted of the following:

	As of March 31,	
	2019	2020
	(in millions)	
Land	¥ 382,742	¥ 380,477
Buildings		

Item 5. Operating and Financial Review and Prospects.

The following discussion and analysis should be read in conjunction with •Item 3.A. Key Information„ Selected Financial Data‚Ž •Selected Statistical Data‚Ž and our consolidated financial statements and related notes included elsewhere in this Annual Report.

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Business Environment

Through our subsidiaries and affiliated companies, we engage in a broad range of financial businesses and services, including commercial banking, investment banking, trust assets and asset management services,

General Economic Conditions

- the general level of interest rates,
- the so-called •spread,Ž or the difference between the rate of interest earned on interest-earning assets

contracts, see Note 23 to our consolidated financial statements included elsewhere in this Annual Report.

‹

‹ Commodity contracts Commodity contracts are mainly utilized to meet customers• demand for hedging the risks relating to their transactions, and to diversify our portfolio; and

- depreciation of premises and equipment, which includes the depreciation of the value of buildings, equipment and furniture through the passage of time,
- amortization of intangible assets, which includes the amount of deductions of the cost of investments in software and other intangible assets over their estimated useful lives,
- impairment of intangible assets, which includes the amount of reductions in the carrying amounts of intangible assets with indefinite useful lives in excess of their fair values,
- insurance premiums, including deposits insurance, which include the amount of money paid as the insurance premiums including the deposit insurance premiums paid to the Deposit Insurance Corporation of Japan
- communications, which include the amount of money paid for communications such as postal services and telecommunications,
- taxes and public charges, which include the amount of tax payments and other public charges,
- impairment of goodwill, which includes the amount of reductions in the carrying amount of goodwill

Recent Developments

Determining the adequacy of the allowance for credit losses requires the exercise of considerable judgment and the use of estimates, such as those discussed above. Our actual losses could be more or less than the estimates. To the extent that actual losses differ from management•s estimates, additional provisions for credit losses may be required that LaOur dverselysacd and coddition
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including a terminal value to estimate the fair value of cash flows beyond the final year of projected results, using a discount rate derived from the Capital Asset Pricing Model. The market approach incorporates comparable public company price to tangible book value and price to earnings multiples. The principal factors used in the

A. Operating Results

The following discussion relates to our operating results for the fiscal years ended March 31, 2019 and 2020.

Net Interest Income

The following table is a summary of our interest rate spread, including the average balances of, and interest and average interest rates on, our assets and liabilities, for the fiscal years ended March 31, 2019 and 2020. Average balances are generally based on a daily average while a month-end average is used for certain average balances when it is not practicable to obtain applicable daily averages.

	Fiscal years ended March 31,	
	2019	2020

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Interest income increased ¥113.7 billion to ¥3,927.1 billion for the fiscal year ended March 31, 2020 from ¥3,813.4 billion for the previous fiscal year. Domestic interest income decreased ¥50.2 billion, mainly due to lower interest rates on domestic loans, reflecting the competitive downward pressure in the continued low

large foreign borrowers that belong to the foreign oil and gas sector and the foreign electric power sector in the

Non-Interest Expense

The following table shows a summary of our non-interest expense for the fiscal years ended March 31, 2019 and 2020:

	Fiscal years ended March 31,	
	2019	2020
	(in SFions)se	

We also recognized ¥80.3 billion of impairment loss relating to MUFG Americas Holdings for the fiscal year ended March 31, 2020. Due to the decline in interest rates and weaker business prospects than previously forecasted, our previous cash flow projections for certain reporting units relating to MUFG Americas Holdings were revised downward. As a result of our quantitative goodwill impairment test, we concluded that the fair values of these reporting units, measured on December 31, 2019, were below the carrying amounts of such reporting units. We measured the fair values of the reporting units using a combination of the income and market approaches.

We consolidate MUFG Americas Holdings based on financial information for the fiscal year ended December 31 as this date and our fiscal year which ended on March 31 have been treated as coterminous. For the fiscal year ended March 31, 2020, the effect of recording a goodwill impairment as an intervening event primarily due to the economic environment triggered by COVID-19 pandemic for the three-month period ended March 31, 2020 would have been approximately ¥80 billion to ¥110 billion. This intervening event occurring during the three-month period ended March 31, 2020, if recorded, would not have had a substantial and permanent effects on consolidated total assets, net income or total equity as of March 31, 2020, and therefore, the

Income Tax Expense

The following table shows a summary of our income tax expense for the fiscal years ended March 31, 2019 and 2020:

our income before income tax expense reported under U.S. GAAP. These impact were partially offset by an

- reducing the operating profits of the Global Corporate & Investment Banking Business Group by ¥10.4 billion, the Japanese Corporate & Investment Banking Business Group by ¥13.8 billion, and the Global Commercial Banking Business Group by ¥13.4 billion for the fiscal year ended March 31, 2019.

Prior period business segment information has been restated to enable comparison between the relevant amounts for the fiscal years ended March 31, 2018, 2019 and 2020.

For further information, see Note 29 to our consolidated financial statements included elsewhere in this

Global Commercial Banking Business Group

Net revenue of the Global Commercial Banking Business Group increased ¥37.7 billion to ¥690.5 billion for the fiscal year ended March 31, 2019 from ¥652.8 billion for the fiscal year ended March 31, 2018. The Global Commercial Banking Business Group•s net revenue mainly consists of interest income from lending and deposit-taking operations and fees from remittances and transfers, consumer finance and wealth-related services for individual and small to medium-sized corporate customers of MUFG Union Bank and Krungsri. The increase in net revenue was mainly due to higher net interest income reflecting an increase in Krungsri•s automobile loan portfolio. The increase in net revenue was also attributable to higher net interest income in MUFG Union Bank mainly reflecting an increase in its retail loan portfolio.

Operating expenses of the Global Commercial Banking Business Group increased ¥14.7 billion to ¥483.5 billion for the fiscal year ended March 31, 2019 from ¥468.8 billion for the fiscal year ended March 31, 2018. The increase was mainly attributable to an increase in expenses in Krungsri primarily reflecting larger volumes of business. The increase in operating expenses was also attributable to an increase in expenses for IT system development projects in the United States.

As a result, operating profit of the Global Commercial Banking Business Group increased ¥23.0 billion to ¥207.0 billion for the fiscal year ended March 31, 2019 from ¥184.0 billion for the fiscal year ended March 31, 2018.

Asset Management & Investor Services Business Group

Net revenue of the Asset Management & Investor Services Business Group increased ¥12.6 billion to ¥203.0 billion for the fiscal year ended March 31, 2019 from ¥190.4 billion for the fiscal year ended March 31, 2018. The Asset Management & Investor Services Business Group•s net revenue mainly consists of fees from asset management and administration services for products, such as pension trusts and mutual funds. The

Fiscal Year Ended March 31, 2020 Compared to Fiscal Year Ended March 31, 2019

Domestic net loss attributable to Mitsubishi UFJ Financial Group for the fiscal year ended March 31, 2020

As of March 31, 2020:	Normal	Close Watch	Likely to become Bankrupt or Legally/ Virtually Bankrupt	Total[1]
		(in billions)		

Allowance for credit losses

The following table shows a summary of the changes in the allowance for credit losses by portfolio segment for the fiscal years ended March 31, 2019 and 2020:

Fiscal year ended March 31, 2019:

Allowance policy

Intervening Event

We consolidate certain foreign subsidiaries based on financial information for the fiscal year ended December 31 as this date and our fiscal year which ended on March 31 have been treated as coterminous. For the fiscal year ended March 31, 2020, the effect of recording a provision for credit losses and a provision for off-balance sheet credit instruments, including commitments to extend credit, guarantees and standby letters of credit, as an intervening event primarily due to the economic environment triggered by COVID-19 pandemic for the three-month period ended March 31 2020 would have been approximately ¥84 billion and would have resulted in a decrease of ¥58 billion to net income attributable to Mitsubishi UFJ Financial Group. This intervening event occurring during the three-month period ended March 31, 2020, ip. This inco8,TJ T* have

MUFG Americas Holdings segment

Nonaccrual loans in the segment decreased ¥10.7 billion between

The following tables show information about impaired loans by class as of March 31, 2019 and 2020:

	As of March 31, 2019
	RecordedA2251calance19

As of March 31, 2020

The following table shows information regarding the average recorded loan balance and recognized interest income on impaired loans for the fiscal years ended March 31, 2019 and 2020:

Fiscal years ended March 31,			
2019		2020	
Average Recorded Loan Balance	Recognized Interest Income	Average Recorded Loan Balance	Recognized Interest Income
	(in billions)		
.....		¥766.8n	¥61r4n ¥ ¥ 8.7t

fisca140e79

Past due analysis

Notes:

legislation prohibiting banks from holding equity securities in excess of their Tier 1 capital. In November 2015,

¥734.7 billion increase in Japanese prefectural and municipal bonds and a ¥287.2 billion increase in foreign

Other Short-Term Borrowings

Other short-term borrowings increased ¥9,324.4 billion to ¥16,055.5 billion as of March 31, 2020 from ¥6,731.1 billion as of March 31, 2019. This increase was mainly attributable to borrowings from the Bank of Japan in anticipation of a significant increase in financing needs in the market following the outbreak of the COVID-19 pandemic.

Long-term Debt

Requirements„We may not be able to maintain our capital ratios and other regulatory ratios above minimum required levels, which could result in various regulatory actions, including the suspension of some or all of our opaaJ T.Ž

Capital Ratios, Leverage Ratio and External TLAC Ratios of MUFG

The table below presents our consolidated total capital components, risk-weighted assets, risk-adjusted

	As of March 31, 2019	Minimum capital ratios required	As of March 31, 2020	Minimum capital ratios required
Consolidated:				
MUFG Bank				
Common Equity Tier 1 capital ratio	10.83%	4.50%	10.70%	4.50%
Tier 1 capital ratio	12.46	6.00	12.29	6.00
Total capital ratio	14.42	8.00	14.43	8.00
Leverage ratio	4.63	3.00	4.21	3.00

Notes:

(1) Beginning January 1, 2018, the minimum capital requirement includes a capital conservation bufBonofon 2(1))-834(Beginning)-245.6(January)-246

accounted for at fair value, which is generally based on pricing models or quoted prices for instruments with similar characteristics. Gains or losses on non-exchange traded contracts are included in •Trading account profits

E. Off-Balance Sheet Arrangements

In the normal course of business, we engage in several types of off-balance sheet arrangements to meet the financing needs of customers, including various types of guarantees, credit commitments and commercial letters

F. Tabular Disclosure of Contractual Obligations

The following table shows a summary of our contractual obligations outstanding as of Marchf1-33-5Over

Item 6. Directors, Senior Management and Employees.

A. Directors and Senior Management

Name
(Date of Birth)

Name
(Date of Birth)

Name (Date of Birth)	Position in MUFG	Business Experience	
Yasushi Shingai (January 11, 1956)	Member of the Board of Directors (Outside Director)	April 1980	Joined Japan Tobacco and Salt Public Corporation (current Japan Tobacco Inc.)
		July 2001	Vice President of Financial Planning Division of Japan Tobacco Inc.
		June 2004	Senior Vice President, Head of Finance Group of Japan Tobacco Inc.
		July 2004	Senior Vice President, Chief Financial Officer of Japan Tobacco Inc.
		June 2005	Member of the Board, Senior Vice President, and Chief Financial Officer of Japan Tobacco Inc.
		June 2006	Member of the Board of Japan Tobacco Inc., Executive Vice President and Deputy CEO of JT International S.A.
		June 2011	Representative Director and Executive Vice President of Japan Tobacco Inc.
		June 2014	External Board Director of Recruit Holdings Co., Ltd.
		January 2018	Member of the Board of Japan Tobacco Inc.
		March 2018	Outside Director of Asahi Group Holdings, Ltd. (incumbent)
		June 2018	Member of the Board of Directors (Outside director) of MUFG (incumbent)
		June 2019	Outside director of Dai-ichi Life Holdings, Inc. (incumbent)
Tarisa Watanagase (November 30, 1949)	Member of the Board of Directors (Outside Director)	June 1975	Joined the Bank of Thailand
		January 1988	Economist, International Monetary Fund (On the Secondment)
		October 2002	Deputy Governor of ary Fund (On

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Name (Date of Birth)	Position in MUFG		Business Experience
			External Audit & Supervisory Board member of Nomura Real Estate Holdings, Inc. External Audit & Supervisory Board member of Nomura Real Estate Development, Co., Ltd.
		June 2015	Retired from External Audit & Supervisory Board member of Nomura Real Estate Development, Co., Ltd. Member of the Board of Directors (Outside director) of MUFG (incumbent)

Name (Date of Birth)	Position in MUFG

Name (Date of Birth)	Position in MUFG	Business Experience

Name (Date of Birth)	Position in MUFG

Name
(Date of Birth)

Name (Date of Birth)	Position in MUFG		Business Experience
			Managing Executive Officer of MUFG
		May 2019	Managing Corporate Executive of MUFG
		June 2019	Member of the Board of Directors, Managing Executive Officer of BK
		April 2020	Member of the Board of Directors, Senior Managing Executive Officer of BK (incumbent)
			Senior Managing Corporate Executive of MUFG (incumbent)
Yoshitaka Shiba (July 25, 1961)	Senior Managing Corporate Executive (Group Chief Audit Officer, or CAO) Managing Director, Head of Internal Audit Division	April 1986	Joined The Tokai Bank, Ltd.
		June 2012	Executive Officer of BK
		July 2015	Executive Officer of MUFG
		May 2016	Managing Executive Officer of BK
		April 2020	Senior Managing Corporate Executive of MUFG (incumbent)
Tetsuya Yonehana (February 10, 1964)	Senior Managing Corporate Executive (Group CFO)	April 1986	Joined The Mitsubishi Trust and Banking Corporation
		June 2012	Executive Officer of TB
			Executive Officer of MUFG
		June 2015	Managing Executive Officer of TB
		June 2016	Director and Managing Executive Officer
		TL2M20162016	Se1(Ex.)rl
		Aud.onehana	

Name (Date of Birth)	Position in MUFG	Business Experience
Junichi Hanzawa (January 19, 1965)	Managing Corporate Executive (Group Chief Compliance Officer, or Group CCO)	April 1988 Joined The Mitsubishi Bank, Limited June 2014 Executive Officer of BK Executive Officer of MUFG May 2018 Managing Executive Officer of BK April 2019 Managing Corporate Executive of MUFG (incumbent) June 2019 Member of the Board of Directors, Managing Executive Officer of BK (incumbent)
Hiroki Kameda (May 173(Board)-251(of)-252(Directors,)]TJ 9 -1.2 TD [(Managing)-255.1(Executive)-256.1(Officer)-258(of)-252(BK)]TJ or GCI)		April 1988 Joined The Mitsubishi Bank, Limited June 2014 Executive Officer of BK Executive Officer of MUFG

Name (Date of Birth)	Position in MUFG	Business Experience

The following table sets forth details of the aggregate compensation paid by MUFG and its subsidiaries during the fiscal year ended March 31, 2020 to our directors (excluding outside directors) and corporate executives:

		Non-Adjustable Compensation		Adjustable Compensation			
Number of Directors and Corporate Executives[1)]	Aggregate Compensation	Annual Base Salary	Performance-based Stock Compensation	Cash Bonuses	Performance-based Stock Compensation	Retirement Allowances[2)]	Other

Annual Base Salary

Annual base salaries were paid to our directors (including outside directors) and corporate executives in the form of monthly cash installment payments. The aggregate annual base salary paid to our directors (excluding outside directors) and corporate executives for the fiscal year ended March 31, 2020 was ¥1,357 million. The aggregate annual base salary paid to our outside directors for the same m-odme was

Corporate Executives	Number of Shares Registered
Nobuyuki Hirano	82,141
Kanetsugu Mike	49,362
Saburo Araki	210,980
Iwao Nagashima	90,581
Hironori Kamezawa	25,539
Masamichi Yasuda	127,419
Kenji Yabuta	38,304
Naoki Hori	41,988
Masato Miyachi	7,259
Sunao Yokokawa	22,546

Nakayos...ac235 0.74 0 Tc (210,980)Tj -40.865 -1.15 TD [(Hiroshi)-8(Kuwa.51.....127,419)]TJ 32.735 0 TD 0 Tc (90,581)Tj -41.365 -1.15
KenjiNu.....5(M.....)Tj 32.735 0 TD 0 Tc (127,419)Tj -40.865 -1.15 TD [(Kenji)-26253(Yabuta)]TJ....485.....7,25

authority delegated by the board of directors. Based on this system, our current governance framework is designed to facilitate more flexible and swifter decision-making and increase transparency in our management processes.

An •outside directorŽ is defined by the Companies Act as a person who meets all of the following conditions:

- the person is not currently, and has not been in the ten years prior to his or her assumption of office as outside director, an executive director, who is a director concurrently performing an executive role (gyomu shikko torishimariyaku), a corporate executive, a manager (hainin

Notes:

No loans have been made to our directors or corporate executives other than in the normal course of

See Exhibit 2(c) to this Annual Report for additional information on our dividends policy.

Under the Japanese foreign exchange regulations currently in effect, dividends paid on shares held by

Name (Date of Birth)	Position in MUFG		Business Experience
			Managing Executive Officer of MUFG
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		June 2019	Member of the Board of Directors, Managing Executive Officer of BK
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			Executive Officer of MUFG
		June 2015	Managing Executive Officer of TB
		June 2016	Director and Managing Executive Officer
		TL2M20162016	Se1(Ex.)rl
		Aud.onehana	

- reducing the operating profits of the Global Corporate & Investment Banking Business Group by ¥10.4 billion, the Japanese Corporate & Investment Banking Business Group by ¥13.8 billion, and the Global Commercial Banking Business Group by ¥13.4 billion for the fiscal year ended March 31, 2019.

Prior period business segment information has been restated to enable comparison between the relevant amounts for the fiscal years ended March 31, 2018, 2019 and 2020.

For further information, see Note 29 to our consolidated financial statements included elsewhere in this

Global Commercial Banking Business Group

Net revenue of the Global Commercial Banking Business Group increased ¥37.7 billion to ¥690.5 billion for the fiscal year ended March 31, 2019 from ¥652.8 billion for the fiscal year ended March 31, 2018. The Global Commercial Banking Business Group•s net revenue mainly consists of interest income from lending and deposit-taking operations and fees from remittances and transfers, consumer finance and wealth-related services for individual and small to medium-sized corporate customers of MUFG Union Bank and Krungsri. The increase in net revenue was mainly due to higher net interest income reflecting an increase in Krungsri•s automobile loan portfolio. The increase in net revenue was also attributable to higher net interest income in MUFG Union Bank mainly reflecting an increase in its retail loan portfolio.

Operating expenses of the Global Commercial Banking Business Group increased ¥14.7 billion to ¥483.5 billion for the fiscal year ended March 31, 2019 from ¥468.8 billion for the fiscal year ended March 31, 2018. The increase was mainly attributable to an increase in expenses in Krungsri primarily reflecting larger volumes of business. The increase in operating expenses was also attributable to an increase in expenses for IT system development projects in the United States.

As a result, operating profit of the Global Commercial Banking Business Group increased ¥23.0 billion to ¥207.0 billion for the fiscal year ended March 31, 2019 from ¥184.0 billion for the fiscal year ended March 31, 2018.

Asset Management & Investor Services Business Group

Net revenue of the Asset Management & Investor Services Business Group increased ¥12.6 billion to ¥203.0 billion for the fiscal year ended March 31, 2019 from ¥190.4 billion for the fiscal year ended March 31, 2018. The Asset Management & Investor Services Business Group•s net revenue mainly consists of fees from asset management and administration services for products, such as pension trusts and mutual funds. The

Fiscal Year Ended March 31, 2020 Compared to Fiscal Year Ended March 31, 2019

Domestic net loss attributable to Mitsubishi UFJ Financial Group for the fiscal year ended March 31, 2020

As of March 31, 2020:	Normal	Close Watch	Likely to become Bankrupt or Legally/ Virtually Bankrupt	Total[1]
		(in billions)		

Allowance for credit losses

The following table shows a summary of the changes in the allowance for credit losses by portfolio segment for the fiscal years ended March 31, 2019 and 2020:

Fiscal year ended March 31, 2019:

Allowance policy

Intervening Event

We consolidate certain foreign subsidiaries based on financial information for the fiscal year ended December 31 as this date and our fiscal year which ended on March 31 have been treated as coterminous. For the fiscal year ended March 31, 2020, the effect of recording a provision for credit losses and a provision for off-balance sheet credit instruments, including commitments to extend credit, guarantees and standby letters of credit, as an intervening event primarily due to the economic environment triggered by COVID-19 pandemic for the three-month period ended March 31 2020 would have been approximately ¥84 billion and would have resulted in a decrease of ¥58 billion to net income attributable to Mitsubishi UFJ Financial Group. This intervening event occurring during the three-month period ended March 31, 2020, ip. This inco8,TJ T* have

MUFG Americas Holdings segment

Nonaccrual loans in the segment decreased ¥10.7 billion between

The following tables show information about impaired loans by class as of March 31, 2019 and 2020:

	As of March 31, 2019
	RecordedA2251calance19

As of March 31, 2020

The following table shows information regarding the average recorded loan balance and recognized interest income on impaired loans for the fiscal years ended March 31, 2019 and 2020:

Fiscal years ended March 31,			
2019		2020	
Average Recorded Loan Balance	Recognized Interest Income	Average Recorded Loan Balance	Recognized Interest Income
	(in billions)		
.....		¥766.8n	¥61r4n ¥ ¥ 8.7t

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Past due analysis

Notes:

legislation prohibiting banks from holding equity securities in excess of their Tier 1 capital. In November 2015,

¥734.7 billion increase in Japanese prefectural and municipal bonds and a ¥287.2 billion increase in foreign

Other Short-Term Borrowings

Other short-term borrowings increased ¥9,324.4 billion to ¥16,055.5 billion as of March 31, 2020 from ¥6,731.1 billion as of March 31, 2019. This increase was mainly attributable to borrowings from the Bank of Japan in anticipation of a significant increase in financing needs in the market following the outbreak of the COVID-19 pandemic.

Long-term Debt

Requirements„We may not be able to maintain our capital ratios and other regulatory ratios above minimum required levels, which could result in various regulatory actions, including the suspension of some or all of our opaaJ T.Ž

Capital Ratios, Leverage Ratio and External TLAC Ratios of MUFG

The table below presents our consolidated total capital components, risk-weighted assets, risk-adjusted

	As of March 31, 2019	Minimum capital ratios required	As of March 31, 2020	Minimum capital ratios required
Consolidated:				
MUFG Bank				
Common Equity Tier 1 capital ratio	10.83%	4.50%	10.70%	4.50%
Tier 1 capital ratio	12.46	6.00	12.29	6.00
Total capital ratio	14.42	8.00	14.43	8.00
Leverage ratio	4.63	3.00	4.21	3.00

Notes:

(1) Beginning January 1, 2018, the minimum capital requirement includes a capital conservation bufBonofon 2(1))-834(Beginning)-245.6(January)-246

accounted for at fair value, which is generally based on pricing models or quoted prices for instruments with similar characteristics. Gains or losses on non-exchange traded contracts are included in •Trading account profits

E. Off-Balance Sheet Arrangements

In the normal course of business, we engage in several types of off-balance sheet arrangements to meet the financing needs of customers, including various types of guarantees, credit commitments and commercial letters

F. Tabular Disclosure of Contractual Obligations

The following table shows a summary of our contractual obligations outstanding as of Marchf1-33-5Over

Item 6. Directors, Senior Management and Employees.

A. Directors and Senior Management

Name
(Date of Birth)

Name
(Date of Birth)

Name (Date of Birth)	Position in MUFG	Business Experience	
Yasushi Shingai (January 11, 1956)	Member of the Board of Directors (Outside Director)	April 1980	Joined Japan Tobacco and Salt Public Corporation (current Japan Tobacco Inc.)
		July 2001	Vice President of Financial Planning Division of Japan Tobacco Inc.
		June 2004	Senior Vice President, Head of Finance Group of Japan Tobacco Inc.
		July 2004	Senior Vice President, Chief Financial Officer of Japan Tobacco Inc.
		June 2005	Member of the Board, Senior Vice President, and Chief Financial Officer of Japan Tobacco Inc.
		June 2006	Member of the Board of Japan Tobacco Inc., Executive Vice President and Deputy CEO of JT International S.A.
		June 2011	Representative Director and Executive Vice President of Japan Tobacco Inc.
		June 2014	External Board Director of Recruit Holdings Co., Ltd.
		January 2018	Member of the Board of Japan Tobacco Inc.
		March 2018	Outside Director of Asahi Group Holdings, Ltd. (incumbent)
		June 2018	Member of the Board of Directors (Outside director) of MUFG (incumbent)
		June 2019	Outside director of Dai-ichi Life Holdings, Inc. (incumbent)
Tarisa Watanagase (November 30, 1949)	Member of the Board of Directors (Outside Director)	June 1975	Joined the Bank of Thailand
		January 1988	Economist, International Monetary Fund (On the Secondment)
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		Aud.onehana	

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Junichi Hanzawa (January 19, 1965)	Managing Corporate Executive (Group Chief Compliance Officer, or Group CCO)	April 1988 Joined The Mitsubishi Bank, Limited June 2014 Executive Officer of BK Executive Officer of MUFG May 2018 Managing Executive Officer of BK April 2019 Managing Corporate Executive of MUFG (incumbent) June 2019 Member of the Board of Directors, Managing Executive Officer of BK (incumbent)
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Nakayos...ac235 0.74 0 Tc (210,980)Tj -40.865 -1.15 TD [(Hiroshi)-8(Kuwa.51.....127,419)]TJ 32.735 0 TD 0 Tc (90,581)Tj -41.365 -1.15
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Notes:

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Fiscal Year Ended March 31, 2020 Compared to Fiscal Year Ended March 31, 2019

Domestic net loss attributable to Mitsubishi UFJ Financial Group for the fiscal year ended March 31, 2020

As of March 31, 2020:	Normal	Close Watch	Likely to become Bankrupt or Legally/ Virtually Bankrupt	Total[1]
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Long-term Debt

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Total capital ratio	14.42	8.00	14.43	8.00
Leverage ratio	4.63	3.00	4.21	3.00

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Name
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Name (Date of Birth)	Position in MUFG	Business Experience	
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		June 2005	Member of the Board, Senior Vice President, and Chief Financial Officer of Japan Tobacco Inc.
		June 2006	Member of the Board of Japan Tobacco Inc., Executive Vice President and Deputy CEO of JT International S.A.
		June 2011	Representative Director and Executive Vice President of Japan Tobacco Inc.
		June 2014	External Board Director of Recruit Holdings Co., Ltd.
		January 2018	Member of the Board of Japan Tobacco Inc.
		March 2018	Outside Director of Asahi Group Holdings, Ltd. (incumbent)
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		June 2019	Outside director of Dai-ichi Life Holdings, Inc. (incumbent)
Tarisa Watanagase (November 30, 1949)	Member of the Board of Directors (Outside Director)	June 1975	Joined the Bank of Thailand
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Name (Date of Birth)	Position in MUFG

Name (Date of Birth)	Position in MUFG	Business Experience

Name (Date of Birth)	Position in MUFG

Name
(Date of Birth)

Name (Date of Birth)	Position in MUFG		Business Experience
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Name (Date of Birth)	Position in MUFG	Business Experience
Junichi Hanzawa (January 19, 1965)	Managing Corporate Executive (Group Chief Compliance Officer, or Group CCO)	April 1988 Joined The Mitsubishi Bank, Limited June 2014 Executive Officer of BK Executive Officer of MUFG May 2018 Managing Executive Officer of BK April 2019 Managing Corporate Executive of MUFG (incumbent) June 2019 Member of the Board of Directors, Managing Executive Officer of BK (incumbent)
Hiroki Kameda (May 173(Board)-251(of)-252(Directors,)]TJ 9 -1.2 TD [(Managing)-255.1(Executive)-256.1(Officer)-258(of)-252(BK)]TJ or GCI)		April 1988 Joined The Mitsubishi Bank, Limited June 2014 Executive Officer of BK Executive Officer of MUFG

Name (Date of Birth)	Position in MUFG	Business Experience

The following table sets forth details of the aggregate compensation paid by MUFG and its subsidiaries during the fiscal year ended March 31, 2020 to our directors (excluding outside directors) and corporate executives:

		Non-Adjustable Compensation		Adjustable Compensation			
Number of Directors and Corporate Executives[1)]	Aggregate Compensation	Annual Base Salary	Performance-based Stock Compensation	Cash Bonuses	Performance-based Stock Compensation	Retirement Allowances[2)]	Other

Annual Base Salary

Annual base salaries were paid to our directors (including outside directors) and corporate executives in the form of monthly cash installment payments. The aggregate annual base salary paid to our directors (excluding outside directors) and corporate executives for the fiscal year ended March 31, 2020 was ¥1,357 million. The aggregate annual base salary paid to our outside directors for the same m-odme was

Corporate Executives	Number of Shares Registered
Nobuyuki Hirano	82,141
Kanetsugu Mike	49,362
Saburo Araki	210,980
Iwao Nagashima	90,581
Hironori Kamezawa	25,539
Masamichi Yasuda	127,419
Kenji Yabuta	38,304
Naoki Hori	41,988
Masato Miyachi	7,259
Sunao Yokokawa	22,546

Nakayos...ac235 0.74 0 Tc (210,980)Tj -40.865 -1.15 TD [(Hiroshi)-8(Kuwa.51.....127,419)]TJ 32.735 0 TD 0 Tc (90,581)Tj -41.365 -1.15
KenjiNu.....5(M.....)Tj 32.735 0 TD 0 Tc (127,419)Tj -40.865 -1.15 TD [(Kenji)-26253(Yabuta)]TJ....485.....7,25

authority delegated by the board of directors. Based on this system, our current governance framework is designed to facilitate more flexible and swifter decision-making and increase transparency in our management processes.

An •outside directorŽ is defined by the Companies Act as a person who meets all of the following conditions:

- the person is not currently, and has not been in the ten years prior to his or her assumption of office as outside director, an executive director, who is a director concurrently performing an executive role (gyomu shikko torishimariyaku), a corporate executive, a manager (hainin

Notes:

No loans have been made to our directors or corporate executives other than in the normal course of

See Exhibit 2(c) to this Annual Report for additional information on our dividends policy.

Under the Japanese foreign exchange regulations currently in effect, dividends paid on shares held by

Name (Date of Birth)	Position in MUFG		Business Experience
			Managing Executive Officer of MUFG
		May 2019	Managing Corporate Executive of MUFG
		June 2019	Member of the Board of Directors, Managing Executive Officer of BK
		April 2020	Member of the Board of Directors, Senior Managing Executive Officer of BK (incumbent)
			Senior Managing Corporate Executive of MUFG (incumbent)
Yoshitaka Shiba (July 25, 1961)	Senior Managing Corporate Executive (Group Chief Audit Officer, or CAO) Managing Director, Head of Internal Audit Division	April 1986	Joined The Tokai Bank, Ltd.
		June 2012	Executive Officer of BK
		July 2015	Executive Officer of MUFG
		May 2016	Managing Executive Officer of BK
		April 2020	Senior Managing Corporate Executive of MUFG (incumbent)
Tetsuya Yonehana (February 10, 1964)	Senior Managing Corporate Executive (Group CFO)	April 1986	Joined The Mitsubishi Trust and Banking Corporation
		June 2012	Executive Officer of TB
			Executive Officer of MUFG
		June 2015	Managing Executive Officer of TB
		June 2016	Director and Managing Executive Officer
		TL2M20162016	Se1(Ex.)rl
		Aud.onehana	

- reducing the operating profits of the Global Corporate & Investment Banking Business Group by ¥10.4 billion, the Japanese Corporate & Investment Banking Business Group by ¥13.8 billion, and the Global Commercial Banking Business Group by ¥13.4 billion for the fiscal year ended March 31, 2019.

Prior period business segment information has been restated to enable comparison between the relevant amounts for the fiscal years ended March 31, 2018, 2019 and 2020.

For further information, see Note 29 to our consolidated financial statements included elsewhere in this

Global Commercial Banking Business Group

Net revenue of the Global Commercial Banking Business Group increased ¥37.7 billion to ¥690.5 billion for the fiscal year ended March 31, 2019 from ¥652.8 billion for the fiscal year ended March 31, 2018. The Global Commercial Banking Business Group•s net revenue mainly consists of interest income from lending and deposit-taking operations and fees from remittances and transfers, consumer finance and wealth-related services for individual and small to medium-sized corporate customers of MUFG Union Bank and Krungsri. The increase in net revenue was mainly due to higher net interest income reflecting an increase in Krungsri•s automobile loan portfolio. The increase in net revenue was also attributable to higher net interest income in MUFG Union Bank mainly reflecting an increase in its retail loan portfolio.

Operating expenses of the Global Commercial Banking Business Group increased ¥14.7 billion to ¥483.5 billion for the fiscal year ended March 31, 2019 from ¥468.8 billion for the fiscal year ended March 31, 2018. The increase was mainly attributable to an increase in expenses in Krungsri primarily reflecting larger volumes of business. The increase in operating expenses was also attributable to an increase in expenses for IT system development projects in the United States.

As a result, operating profit of the Global Commercial Banking Business Group increased ¥23.0 billion to ¥207.0 billion for the fiscal year ended March 31, 2019 from ¥184.0 billion for the fiscal year ended March 31, 2018.

Asset Management & Investor Services Business Group

Net revenue of the Asset Management & Investor Services Business Group increased ¥12.6 billion to ¥203.0 billion for the fiscal year ended March 31, 2019 from ¥190.4 billion for the fiscal year ended March 31, 2018. The Asset Management & Investor Services Business Group•s net revenue mainly consists of fees from asset management and administration services for products, such as pension trusts and mutual funds. The

Fiscal Year Ended March 31, 2020 Compared to Fiscal Year Ended March 31, 2019

Domestic net loss attributable to Mitsubishi UFJ Financial Group for the fiscal year ended March 31, 2020

As of March 31, 2020:	Normal	Close Watch	Likely to become Bankrupt or Legally/ Virtually Bankrupt	Total[1]
		(in billions)		

Allowance for credit losses

The following table shows a summary of the changes in the allowance for credit losses by portfolio segment for the fiscal years ended March 31, 2019 and 2020:

Fiscal year ended March 31, 2019:

Allowance policy

Intervening Event

We consolidate certain foreign subsidiaries based on financial information for the fiscal year ended December 31 as this date and our fiscal year which ended on March 31 have been treated as coterminous. For the fiscal year ended March 31, 2020, the effect of recording a provision for credit losses and a provision for off-balance sheet credit instruments, including commitments to extend credit, guarantees and standby letters of credit, as an intervening event primarily due to the economic environment triggered by COVID-19 pandemic for the three-month period ended March 31 2020 would have been approximately ¥84 billion and would have resulted in a decrease of ¥58 billion to net income attributable to Mitsubishi UFJ Financial Group. This intervening event occurring during the three-month period ended March 31, 2020, ip. This inco8,TJ T* have

MUFG Americas Holdings segment

Nonaccrual loans in the segment decreased ¥10.7 billion between

The following tables show information about impaired loans by class as of March 31, 2019 and 2020:

	As of March 31, 2019
	RecordedA2251calance19

As of March 31, 2020

The following table shows information regarding the average recorded loan balance and recognized interest income on impaired loans for the fiscal years ended March 31, 2019 and 2020:

Fiscal years ended March 31,			
2019		2020	
Average Recorded Loan Balance	Recognized Interest Income	Average Recorded Loan Balance	Recognized Interest Income
	(in billions)		
.....		¥766.8n	¥61r4n ¥ ¥ 8.7t

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Past due analysis

Notes:

legislation prohibiting banks from holding equity securities in excess of their Tier 1 capital. In November 2015,

¥734.7 billion increase in Japanese prefectural and municipal bonds and a ¥287.2 billion increase in foreign

Other Short-Term Borrowings

Other short-term borrowings increased ¥9,324.4 billion to ¥16,055.5 billion as of March 31, 2020 from ¥6,731.1 billion as of March 31, 2019. This increase was mainly attributable to borrowings from the Bank of Japan in anticipation of a significant increase in financing needs in the market following the outbreak of the COVID-19 pandemic.

Long-term Debt

Requirements„We may not be able to maintain our capital ratios and other regulatory ratios above minimum required levels, which could result in various regulatory actions, including the suspension of some or all of our opaaJ T.Ž

Capital Ratios, Leverage Ratio and External TLAC Ratios of MUFG

The table below presents our consolidated total capital components, risk-weighted assets, risk-adjusted

	As of March 31, 2019	Minimum capital ratios required	As of March 31, 2020	Minimum capital ratios required
Consolidated:				
MUFG Bank				
Common Equity Tier 1 capital ratio	10.83%	4.50%	10.70%	4.50%
Tier 1 capital ratio	12.46	6.00	12.29	6.00
Total capital ratio	14.42	8.00	14.43	8.00
Leverage ratio	4.63	3.00	4.21	3.00

Notes:

(1) Beginning January 1, 2018, the minimum capital requirement includes a capital conservation bufBonofon 2(1))-834(Beginning)-245.6(January)-246

accounted for at fair value, which is generally based on pricing models or quoted prices for instruments with similar characteristics. Gains or losses on non-exchange traded contracts are included in •Trading account profits

E. Off-Balance Sheet Arrangements

In the normal course of business, we engage in several types of off-balance sheet arrangements to meet the financing needs of customers, including various types of guarantees, credit commitments and commercial letters

F. Tabular Disclosure of Contractual Obligations

The following table shows a summary of our contractual obligations outstanding as of Marchf1-33-5Over

Item 6. Directors, Senior Management and Employees.

A. Directors and Senior Management

Name
(Date of Birth)

Name
(Date of Birth)

Name (Date of Birth)	Position in MUFG	Business Experience	
Yasushi Shingai (January 11, 1956)	Member of the Board of Directors (Outside Director)	April 1980	Joined Japan Tobacco and Salt Public Corporation (current Japan Tobacco Inc.)
		July 2001	Vice President of Financial Planning Division of Japan Tobacco Inc.
		June 2004	Senior Vice President, Head of Finance Group of Japan Tobacco Inc.
		July 2004	Senior Vice President, Chief Financial Officer of Japan Tobacco Inc.
		June 2005	Member of the Board, Senior Vice President, and Chief Financial Officer of Japan Tobacco Inc.
		June 2006	Member of the Board of Japan Tobacco Inc., Executive Vice President and Deputy CEO of JT International S.A.
		June 2011	Representative Director and Executive Vice President of Japan Tobacco Inc.
		June 2014	External Board Director of Recruit Holdings Co., Ltd.
		January 2018	Member of the Board of Japan Tobacco Inc.
		March 2018	Outside Director of Asahi Group Holdings, Ltd. (incumbent)
		June 2018	Member of the Board of Directors (Outside director) of MUFG (incumbent)
		June 2019	Outside director of Dai-ichi Life Holdings, Inc. (incumbent)
Tarisa Watanagase (November 30, 1949)	Member of the Board of Directors (Outside Director)	June 1975	Joined the Bank of Thailand
		January 1988	Economist, International Monetary Fund (On the Secondment)
		October 2002	Deputy Governor of ary Fund (On

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Name (Date of Birth)	Position in MUFG		Business Experience
			External Audit & Supervisory Board member of Nomura Real Estate Holdings, Inc. External Audit & Supervisory Board member of Nomura Real Estate Development, Co., Ltd.
		June 2015	Retired from External Audit & Supervisory Board member of Nomura Real Estate Development, Co., Ltd. Member of the Board of Directors (Outside director) of MUFG (incumbent)

Name (Date of Birth)	Position in MUFG

Name (Date of Birth)	Position in MUFG	Business Experience

Name (Date of Birth)	Position in MUFG

Name
(Date of Birth)

Name (Date of Birth)	Position in MUFG		Business Experience
			Managing Executive Officer of MUFG
		May 2019	Managing Corporate Executive of MUFG
		June 2019	Member of the Board of Directors, Managing Executive Officer of BK
		April 2020	Member of the Board of Directors, Senior Managing Executive Officer of BK (incumbent)
			Senior Managing Corporate Executive of MUFG (incumbent)
Yoshitaka Shiba (July 25, 1961)	Senior Managing Corporate Executive (Group Chief Audit Officer, or CAO) Managing Director, Head of Internal Audit Division	April 1986	Joined The Tokai Bank, Ltd.
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Tetsuya Yonehana (February 10, 1964)	Senior Managing Corporate Executive (Group CFO)	April 1986	Joined The Mitsubishi Trust and Banking Corporation
		June 2012	Executive Officer of TB
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		Aud.onehana	

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Nakayos...ac235 0.74 0 Tc (210,980)Tj -40.865 -1.15 TD [(Hiroshi)-8(Kuwa.51.....127,419)]TJ 32.735 0 TD 0 Tc (90,581)Tj -41.365 -1.15
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Fiscal Year Ended March 31, 2020 Compared to Fiscal Year Ended March 31, 2019

Domestic net loss attributable to Mitsubishi UFJ Financial Group for the fiscal year ended March 31, 2020

As of March 31, 2020:	Normal	Close Watch	Likely to become Bankrupt or Legally/ Virtually Bankrupt	Total[1]
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As of March 31, 2020

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Long-term Debt

Requirements„We may not be able to maintain our capital ratios and other regulatory ratios above minimum required levels, which could result in various regulatory actions, including the suspension of some or all of our opaaJ T.Ž

Capital Ratios, Leverage Ratio and External TLAC Ratios of MUFG

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Tier 1 capital ratio	12.46	6.00	12.29	6.00
Total capital ratio	14.42	8.00	14.43	8.00
Leverage ratio	4.63	3.00	4.21	3.00

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(1) Beginning January 1, 2018, the minimum capital requirement includes a capital conservation bufBonofon 2(1))-834(Beginning)-245.6(January)-246

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E. Off-Balance Sheet Arrangements

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Name
(Date of Birth)

Name
(Date of Birth)

Name (Date of Birth)	Position in MUFG	Business Experience	
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		July 2001	Vice President of Financial Planning Division of Japan Tobacco Inc.
		June 2004	Senior Vice President, Head of Finance Group of Japan Tobacco Inc.
		July 2004	Senior Vice President, Chief Financial Officer of Japan Tobacco Inc.
		June 2005	Member of the Board, Senior Vice President, and Chief Financial Officer of Japan Tobacco Inc.
		June 2006	Member of the Board of Japan Tobacco Inc., Executive Vice President and Deputy CEO of JT International S.A.
		June 2011	Representative Director and Executive Vice President of Japan Tobacco Inc.
		June 2014	External Board Director of Recruit Holdings Co., Ltd.
		January 2018	Member of the Board of Japan Tobacco Inc.
		March 2018	Outside Director of Asahi Group Holdings, Ltd. (incumbent)
		June 2018	Member of the Board of Directors (Outside director) of MUFG (incumbent)
		June 2019	Outside director of Dai-ichi Life Holdings, Inc. (incumbent)
Tarisa Watanagase (November 30, 1949)	Member of the Board of Directors (Outside Director)	June 1975	Joined the Bank of Thailand
		January 1988	Economist, International Monetary Fund (On the Secondment)
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Name (Date of Birth)	Position in MUFG		Business Experience
			External Audit & Supervisory Board member of Nomura Real Estate Holdings, Inc. External Audit & Supervisory Board member of Nomura Real Estate Development, Co., Ltd.
		June 2015	Retired from External Audit & Supervisory Board member of Nomura Real Estate Development, Co., Ltd. Member of the Board of Directors (Outside director) of MUFG (incumbent)