

MITSUBISHI UFJ FINANCIAL GROUP INC

Form F-3ASR

February 15, 2019

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As filed with the U.S. Securities and Exchange Commission on February 15, 2019

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM F-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

KABUSHIKI KAISHA MITSUBISHI UFJ FINANCIAL GROUP

(Exact name of registrant as specified in its charter)

MITSUBISHI UFJ FINANCIAL GROUP, INC.

(Translation of registrant's name into English)

Japan
(State or other jurisdiction of
incorporation or organization)

98-0521973
(I.R.S. Employer Identification Number)

7-1, Marunouchi 2-chome

Chiyoda-ku, Tokyo 100-8330, Japan

+81-3-3240-8111

(Address and telephone number of registrant's principal executive offices)

General Manager

Mitsubishi UFJ Financial Group, Inc.

1251 Avenue of the Americas 43F

New York, New York 10020

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(Name, address and telephone number of agent for service)

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Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933.

Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

(Calculation of Registration Fee table on following page.)

Calculation of Registration Fee

Title of Each Class of Securities to be Registered	Proposed		Proposed	
	Amount to be Registered ⁽¹⁾⁽²⁾	Maximum Offering Price Per Unit ⁽¹⁾⁽²⁾	Maximum Aggregate Offering Price ⁽¹⁾⁽²⁾	Amount of Registration Fee ⁽¹⁾⁽²⁾
Senior Debt Securities				

- (1) An indeterminate aggregate initial offering price and number or amount of the securities of the identified class is being registered as may from time to time be offered at an indeterminate price in U.S. dollars or equivalent thereof in foreign denominated coin or currency or currency units. In accordance with Rules 456(b) and 457(r) under the Securities Act of 1933, the registrant is deferring payment of all of the registration fee.
- (2) This registration statement also relates to offers and sales of securities after the initial sale of such securities in connection with market-making transactions by and through MUFG Securities Americas Inc. and other affiliates of the registrant. These securities consist of an indeterminate amount of such securities that are initially being registered, and will initially be offered and sold, under this registration statement and an indeterminate amount of such securities that were initially registered, and were initially offered and sold, under a registration statement previously filed by the registrant. All such market-making reoffers and resales that are made pursuant to a registration statement after the effectiveness of this registration statement are being made solely pursuant to this registration statement. Pursuant to Rule 457(q), no separate registration fee will be paid with respect to any of such securities that may be reoffered or resold after their initial sale in market-making transactions.

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PROSPECTUS

Mitsubishi UFJ Financial Group, Inc.

Senior Debt Securities

Mitsubishi UFJ Financial Group, Inc., or MUFG, may offer, from time to time, senior debt securities.

We will provide the specific terms of the securities, and the manner in which they will be offered, in one or more supplements to this prospectus. You should read this prospectus and the applicable prospectus supplement carefully before you make a decision to invest.

In a supplement to this prospectus, we will provide the specific terms of the securities we offer. The prospectus supplement will further describe the manner in which the securities will be offered and will also contain the names of any underwriters, dealers or agents involved in the offering of the securities, together with any applicable commissions or discounts. The securities that we offer under this prospectus may be listed on a securities exchange, which, where applicable, will be specified in the applicable supplement. You should read this prospectus and any prospectus supplement carefully before you make a decision to invest.

This prospectus may not be used to sell securities unless it is accompanied by a prospectus supplement.

Investing in the securities involves risks. See the Risk Factors section in this prospectus and the applicable prospectus supplement as well as the risk factor disclosure in our annual report and other reports incorporated by reference herein and therein.

Neither the U.S. Securities and Exchange Commission nor any state securities regulators has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

These securities are not deposits or savings accounts. These securities are not insured by the U.S. Federal Deposit Insurance Corporation, or the FDIC, or any other governmental agency or instrumentality.

This prospectus and the applicable prospectus supplement may be used in the initial sale of the securities. In addition, MUFG Securities Americas Inc. and other broker-dealer affiliates of MUFG may use this prospectus and the applicable prospectus supplement in market-making transactions involving the securities after the initial sale, including securities that were issued prior to the date of this prospectus. Such transactions may be executed at negotiated prices that are related to market prices at the time of purchase or sale, or at other prices. These affiliates may act as principal or agent in such transactions. Unless you are informed otherwise in the confirmation of sale, this prospectus is being used in a market-making transaction.

The date of this prospectus is February 15, 2019.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the U.S. Securities and Exchange Commission, or SEC, using the shelf registration process. Under the shelf registration process, we may sell any combination of, or multiple tranches of, the securities described in this prospectus from time to time in the future in one or more offerings.

This prospectus provides you with a general description of the securities that can be offered. Each time securities are offered under this prospectus, we will provide prospective investors with a prospectus supplement that will contain specific information about the terms of the securities. The prospectus supplement may also add to or update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with the additional information described under the headings **Where You Can Obtain More Information** and **Incorporation of Documents by Reference** in this prospectus as well as any prospectus supplement.

You should rely only on the information provided or incorporated by reference in this prospectus or any prospectus supplement. We have not authorized anyone to provide you with different or additional information. You should not assume that the information in this prospectus or any prospectus supplement, or in any document incorporated by reference, is accurate as of any date after its respective date.

As used in this prospectus and any prospectus supplement, the terms **MUFG**, **we**, **the Company** and **the Group** generally refer to Mitsubishi UFJ Financial Group, Inc. and its consolidated subsidiaries but, from time to time as the context requires, may refer to Mitsubishi UFJ Financial Group, Inc. as an individual legal entity.

References to the **Bank** and the **Trust Bank** are to MUFG Bank, Ltd. and Mitsubishi UFJ Trust and Banking Corporation, as single entities, respectively, as well as to MUFG Bank and Mitsubishi UFJ Trust and Banking and their respective consolidated subsidiaries, as the context requires.

In this prospectus and any prospectus supplement, references to **yen** or **¥** are to Japanese yen, and references to **U.S. dollars**, **U.S. dollar**, **dollars**, **U.S.\$** or **\$** are to United States dollars.

Unless otherwise specified, the financial information presented in this prospectus and our consolidated financial statements, which are incorporated by reference in this prospectus, are prepared in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. Our fiscal year ends on March 31 of each year.

Some of our financial information contained or incorporated by reference in this prospectus or the applicable prospectus supplement, where specified, is prepared in accordance with accounting principles generally accepted in Japan, or Japanese GAAP. We report our financial results in accordance with Japanese GAAP on a quarterly basis under Japanese banking and securities regulations and Tokyo Stock Exchange rules. The basis of our financial information prepared in accordance with U.S. GAAP may be significantly different in certain respects from the basis of our financial information prepared in accordance with Japanese GAAP. For information on certain differences between U.S. GAAP and Japanese GAAP, see Exhibit 99(b) **Unaudited Reverse Reconciliation of Selected Financial Information** attached to our most recent annual report on Form 20-F, which is incorporated by reference in this prospectus or the applicable prospectus supplement. You should consult your own professional advisers, as necessary, for a more complete understanding of the differences among U.S. GAAP, Japanese GAAP, International Financial

Reporting Standards and any other generally accepted accounting principles applicable in your jurisdiction and how such differences affect the financial information contained or incorporated by reference in this prospectus or the applicable prospectus supplement.

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FORWARD-LOOKING STATEMENTS

This prospectus, the accompanying prospectus supplement and the documents incorporated by reference herein contain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements do not relate strictly to historical or current facts and include statements regarding our current intent, belief, targets or expectations or the current intent, belief, targets or expectations of our management with respect to, among others:

changes in banking and other regulations, including those affecting whether and how the senior debt securities will be qualified or treated under applicable total loss-absorbing capacity, or TLAC, requirements and resolution measures to be implemented in Japan,

our financial condition,

our results of operations,

our business plans and other management objectives,

our business strategies, competitive positions and growth opportunities,

the financial, regulatory and geopolitical environment in which we operate,

our borrower credit quality and credit losses,

the equity, interest and foreign exchange markets,

the occurrence and impact of natural disasters, terrorism and other disruptions caused by external events,

our ability to appropriately maintain and, as necessary, enhance our information, communications and transaction management systems, and

the benefits of recently completed or announced transactions and realization of related financial and operating synergies and efficiencies, including estimated cost savings and revenue enhancement.

In many, but not all, cases, we use words such as aim, anticipate, believe, estimate, expect, hope, intend, predict, probability, risk, should, will, would and similar expressions, as they relate to us or our management, to identify forward-looking statements. These statements reflect our current views with respect to future events and are

subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual results may vary materially from those which are anticipated, aimed at, believed, estimated, expected, intended or planned.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ from those in forward-looking statements as a result of various factors. Important factors that could cause actual results to differ materially from estimates or forecasts contained in the forward-looking statements include those which are discussed in our most recent annual report on Form 20-F and other documents incorporated by reference in this prospectus and the accompanying prospectus supplement.

You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of their respective dates. We do not undertake to update any forward-looking statements, whether as a result of new information, future events or developments, or otherwise.

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RISK FACTORS

You should carefully consider the risks described below as well as all the other information contained or incorporated by reference in this prospectus and the accompanying prospectus supplement prior to making an investment in our securities.

*Our business, operating results and financial condition could be materially and adversely affected by any of the factors discussed below and elsewhere in this prospectus and the accompanying prospectus supplement and the documents incorporated by reference herein and therein. The trading price and liquidity of our securities could decline due to any of these factors. This prospectus and the accompanying prospectus supplement and the documents incorporated by reference herein or therein also contain forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this prospectus and the accompanying prospectus supplement and the documents incorporated by reference herein and therein. See **Forward-Looking Statements**.*

We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those that we currently are not aware of or do not currently appear to be material, may also result in decreased revenues or increased expenses or have other consequences that could adversely affect our financial condition and results of operations, in which case your investment in our securities may be negatively impacted.

Risks Related to Our Business

For information on risks relating to our business, see **Item 3.D. Risk Factors** in our most recent annual report on Form 20-F, which is incorporated by reference in this prospectus, and similar disclosure in subsequent reports incorporated by reference in this prospectus and the accompanying prospectus supplement.

Risks Related to the Senior Debt Securities

The senior debt securities will be structurally subordinated to the liabilities of MUFG's subsidiaries, including the Bank and the Trust Bank.

Your claim as a holder of senior debt securities is structurally subordinated to the liabilities of MUFG's banking and other subsidiaries, including the subsidiaries' liabilities for deposits, borrowed money, derivative transactions and trade payables. As a holder of senior debt securities, you will only be entitled to assert a claim as a creditor of MUFG and to be paid out of MUFG's assets. If any subsidiary of MUFG becomes subject to insolvency or liquidation proceedings, you will have no right to proceed against the subsidiary's assets.

MUFG is a holding company that currently has no significant assets other than its investments in, or loans to, its subsidiaries, and MUFG's ability to service its debt obligations, including its obligations under the senior debt securities, depends on the dividends, loan payments and other funds MUFG receives from its subsidiaries and affiliates. MUFG may not be able to receive such funds from a subsidiary or affiliate due to adverse changes in its financial performance or material deterioration in its financial condition, restrictions imposed as a result of such deterioration by relevant laws and regulations, including general corporate law limitations as well as banking and other regulations, or any contractual obligations, including loss absorption requirements, applicable to the subsidiary or affiliate. Furthermore, if a subsidiary becomes subject to insolvency or liquidation proceedings, MUFG's right to participate in the subsidiary's assets will be subject to the prior claims of the creditors and any preference shareholders

of the subsidiary, except where MUFG is a creditor or preference shareholder with claims that are recognized to be ranked ahead of, or *pari passu* with, such claims. As a result, you may not recover in full your investment in the senior debt securities even though other investors in or creditors of our subsidiaries may recover their investments in full.

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MUFG has made and may make, with the net proceeds from the sale of the senior debt securities or other debt instruments issued prior to March 31, 2019, loans to its subsidiaries that rank *pari passu* with their other unsecured senior creditors in insolvency or liquidation proceedings, in addition to other investments in its subsidiaries. However, MUFG may discharge, extinguish or restructure its loans to, and any other investments in, its subsidiaries at any time and for any purposes. For example, MUFG may take any of these actions to meet banking and other regulatory requirements, including loss absorption requirements. A restructuring of MUFG's loans to, or investments in, a subsidiary may include changes to any or all terms or features of such loans or investments, including their legal or regulatory form and how they would rank as a claim in the subsidiary's insolvency or liquidation proceedings. Any restructuring of MUFG's loans to, and investments in, its subsidiaries may be implemented by MUFG without prior notification to, or consent of, the holders of the senior debt securities. Under the requirements relating to Internal TLAC (as defined below) in Japan as set forth in the Proposed Japanese TLAC Standard (as defined below), in order for MUFG's unsecured senior loans and other subordinated loans to its subsidiaries to qualify as Internal TLAC instruments, MUFG expects to restructure its unsecured senior loans to its subsidiaries to make them unsecured subordinated loans and to make its unsecured senior loans and other subordinated loans subject to contractual loss absorption provisions, or Contractual Loss Absorption Provisions, that will discharge or extinguish the loans or convert them into ordinary shares of the subsidiaries if the Financial Services Agency of Japan, or the FSA, determines that the relevant subsidiaries are non-viable due to material deterioration in their financial condition.

In addition, MUFG's loans to, or investments in capital instruments issued by, its subsidiaries to be made with the net proceeds from the sale of the senior debt securities may contain contractual mechanisms that, upon the occurrence of a trigger event relating to prudential or financial condition or other events applicable to MUFG or its subsidiaries under regulatory requirements, including the Internal TLAC requirements in Japan, will result in a write-down, write-off or conversion into equity of such loans or investments, or other changes in the legal or regulatory form or the ranking of the claims MUFG has against the subsidiaries. For example, MUFG plans in the future, with the net proceeds from the sale of the senior debt securities and other debt instruments, to make subordinated loans to its subsidiaries that will qualify as Internal TLAC instruments pursuant to the Internal TLAC requirements in Japan, including those relating to Contractual Loss Absorption Provisions. Any such changes could adversely affect MUFG's ability to obtain repayment of such loans and investments and to meet its obligations under the senior debt securities as well as the value of the senior debt securities.

The senior debt securities may become subject to loss absorption if MUFG becomes subject to orderly resolution measures under the Deposit Insurance Act of Japan and Japanese insolvency laws. As a result, the value of the senior debt securities could be materially adversely affected, and you may lose all or a portion of your investments.

In November 2015, the Financial Stability Board, or the FSB, issued the final TLAC standard for global systemically important banks, or G-SIBs, including us. The FSB's TLAC standard is designed to ensure that if a G-SIB fails, it has sufficient loss-absorbing and recapitalization capacity available in resolution to implement an orderly resolution that minimizes impacts on financial stability, ensures the continuity of critical functions, and avoids exposing public funds to loss. The FSB's TLAC standard defines a minimum requirement for the instruments and liabilities that should be readily available to absorb losses in resolution. The FSB's TLAC standard remains subject to regulatory implementation in Japan.

The FSA published an explanatory paper outlining its approach for the introduction of the TLAC framework in Japan in April 2016 and released revisions to the paper in April 2018. In December 2018, the FSA published draft regulatory notices and related materials to implement the TLAC requirements in Japan. The TLAC standard set forth in these FSA documents, or the Proposed Japanese TLAC Standard, and the FSB's TLAC standard require Domestic Resolution Entities designated for Covered SIBs to meet certain minimum external TLAC requirements and to cause any of their material subsidiaries in Japan deemed systemically important by the FSA or their foreign subsidiaries

subject to TLAC or similar requirements in the relevant jurisdictions to maintain certain minimum level of capital and debt having internal loss-absorbing and recapitalization capacity, or Internal TLAC. The FSA is expected to designate a resolution entity in Japan, which is typically an ultimate holding

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company in Japan, as the Domestic Resolution Entity for a Japanese G-SIB or for a domestic systemically important bank, or D-SIB, deemed to be in particular need for a cross-border resolution arrangement and of particular systemic significance to the Japanese financial system if it fails (such G-SIBs and D-SIBs, collectively, Covered SIBs). In the Proposed Japanese TLAC Standard, the FSA is expected to designate MUFG as the Domestic Resolution Entity for us, which will be subject to the external TLAC requirements in Japan, and also designate the Bank, the Trust Bank and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. as our material subsidiaries in Japan, which will be subject to the Internal TLAC requirements in Japan. Under the Proposed Japanese TLAC Standard, unsecured senior debt issued by a G-SIB in Japan will qualify as external TLAC debt without any contractual write-down, write-off or conversion provisions and without any subordination provisions so long as the amount of excluded liabilities of the G-SIB in Japan ranking *pari passu* or junior to its unsecured senior liabilities does not exceed 5% of its external TLAC and its creditors are recognized as structurally subordinated to the creditors of its subsidiaries and affiliates by the FSA. While the Proposed Japanese TLAC Standard remains subject to change based on public comments, the senior debt securities are intended to qualify as external TLAC debt upon the implementation of applicable TLAC regulations in Japan, which is expected to commence on March 31, 2019, due in part to their structural subordination.

The senior debt securities are expected to become subject to loss absorption if MUFG becomes subject to orderly resolution measures under the Deposit Insurance Act of Japan (Act No. 34 of 1971, as amended; the Deposit Insurance Act) and Japanese insolvency laws. The resolution framework for financial institutions under the current Japanese laws and regulations includes (i) measures applied to financial institutions that are solvent on a balance sheet basis and (ii) orderly resolution measures for financial institutions that have failed or are deemed likely to fail. The framework applies to banks and certain other financial institutions as well as financial holding companies, such as MUFG. In the Proposed Japanese TLAC Standard, the FSA expressed its view that single point of entry, or SPE, resolution, in which a single national resolution authority applies its resolution tools to the ultimate holding company in Japan of a financial group, would be the preferred strategy for resolution of Covered SIBs in Japan. However, it is uncertain which measure is to be taken in a given case, and orderly resolution measures may be applied without implementing any of the measures described in (i) above. Under a possible model of resolution of a Japanese G-SIB based on the SPE resolution strategy as described in the Proposed Japanese TLAC Standard, if the FSA determines that a material subsidiary in Japan of a financial institution that is a Japanese G-SIB is non-viable due to material deterioration in its financial condition and issues an order concerning restoration of financial soundness, including recapitalization and restoration of liquidity of such material subsidiary, to the Domestic Resolution Entity for the financial institution under Article 52-33, Paragraph 1 of the Banking Law of Japan, the material subsidiary's Internal TLAC instruments will be written off or, if applicable, converted into equity in accordance with the applicable Contractual Loss Absorption Provisions of such Internal TLAC instruments. Following the write-off or conversion of Internal TLAC instruments, if the Prime Minister recognizes that the financial institution's liabilities exceed, or are likely to exceed, its assets, or that it has suspended, or is likely to suspend, payments on its obligations, as a result of the financial institution's loans to, or other investment in, the material subsidiary becoming subject to loss absorption or otherwise, and further recognizes that the failure of such financial institution is likely to cause a significant disruption to the Japanese financial market or system, the Prime Minister may, following deliberation by the Financial Crisis Response Council, confirm that measures set forth in Article 126-2, Paragraph 1, Item 2 of the Deposit Insurance Act, generally referred to as Specified Item 2 Measures (*tokutei dai nigo sochi*), need to be applied to the financial institution for its orderly resolution. Any such confirmation by the Prime Minister also triggers the point of non-viability clauses of Additional Tier 1 and Tier 2 instruments issued by the financial institution, causing such instruments to be written off or, if applicable, converted into equity.

Under the current Japanese laws and regulations, upon the application of Specified Item 2 Measures, a financial institution will be placed under the special supervision by, or if the Prime Minister so orders, under the special control of, the Deposit Insurance Corporation of Japan. In an orderly resolution, the Deposit Insurance Corporation would control the operation and management of the financial institution's business, assets and liabilities, including the

potential transfer to a bridge financial institution established by the Deposit Insurance

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Corporation as its subsidiary, or such other financial institution as the Deposit Insurance Corporation may determine, of the financial institution's systemically important assets and liabilities, which we expect in the case of MUFG would include the shares of our material subsidiaries based on the Proposed Japanese TLAC Standard. The Prime Minister may prohibit creditors of the financial institution from attaching any of our assets and claims which are to be transferred to a bridge financial institution or another financial institution pursuant to Article 126-16 of the Deposit Insurance Act. In a similar manner, the senior debt securities will limit the ability of holders of the senior debt securities to obtain attachment against our assets set forth in Article 126-16 of the Deposit Insurance Act (or any successor provision thereto) for a period of 30 days following the date upon which the Prime Minister confirms that Specified Item 2 Measures need to be applied to MUFG. The Deposit Insurance Corporation would also control the repayment of liabilities of the financial institution, and, ultimately, facilitate the orderly resolution of the financial institution through court-administrated insolvency proceedings. The Deposit Insurance Corporation has broad discretion in its application of these measures in accordance with the Deposit Insurance Act, Japanese insolvency laws and other relevant laws.

Under the current Japanese laws and regulations, if MUFG becomes subject to Specified Item 2 Measures, the application of the Specified Item 2 Measures or other measures by, or any decision of, the Prime Minister, the Deposit Insurance Corporation or a Japanese court may result in your rights as a holder of senior debt securities or the value of your investment in the senior debt securities being adversely affected. Based on the Proposed Japanese TLAC Standard, it is currently expected that the senior debt securities will not be transferred to a bridge financial institution or other transferee in the orderly resolution process but will remain as MUFG's liabilities subject to court-administered insolvency proceedings. On the other hand, in an orderly resolution process, the shares of MUFG's subsidiaries may be transferred to a bridge financial institution or other transferee, and MUFG would only be entitled to receive consideration representing the fair values of such shares, which could be significantly less than the book values of such shares. With respect to such transfer, holders of the senior debt securities will be deemed to have acknowledged, accepted, consented and agreed that the indenture, dated March 1, 2016, as amended from time to time, under which the senior debt securities will be issued, or the Indenture, will not limit any sales, assignments, transfers or conveyances of business made with the permission of a Japanese court in accordance with Article 126-13 of the Deposit Insurance Act (or any successor provision thereto), including any such sales, assignments, transfers or conveyances made pursuant to the authority of the Deposit Insurance Corporation to represent and manage and dispose of the Company's assets under Article 126-5 of the Deposit Insurance Act (or any successor provision thereto) with the permission of a Japanese court in accordance with Article 126-13 of the Deposit Insurance Act (or any successor provision thereto). Following such business transfer, the recoverable value of MUFG's residual assets in court-administered insolvency proceedings may not be sufficient to fully satisfy any payment obligations that MUFG may have under its liabilities, including the senior debt securities. Moreover, the senior debt securities will not be insured or guaranteed by the FDIC, the Deposit Insurance Corporation or any other government agency or insurer. Accordingly, the holders of the senior debt securities may lose all or a portion of their investments in the senior debt securities in court-administered insolvency proceedings.

The Japanese regulations relating to external TLAC have not yet been finalized, and the circumstances surrounding or triggering orderly resolution are unpredictable.

The application of orderly resolution under the Deposit Insurance Act is inherently unpredictable and depends on a number of factors that may be beyond MUFG's control. The commencement of the orderly resolution process depends on, among other things, a determination by the Prime Minister, following deliberation by the Financial Crisis Response Council, regarding MUFG's viability, or the viability of one or more of MUFG's subsidiaries, and the risk that their failures may cause a significant disruption to the financial market or systems in Japan. Under the Proposed Japanese TLAC Standard, it is possible that Specified Item 2 Measures may be applied to MUFG as a result of, among other things, absorption of losses by MUFG on its loans to or investments in, or any other Internal TLAC of, any of its

material subsidiaries in Japan that are designated as systemically important by the FSA or any of its foreign subsidiaries that are subject to TLAC or similar requirements in the relevant jurisdiction pursuant to the terms of such loans, investments or other Internal TLAC

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or in accordance with applicable Japanese or foreign laws or regulations then in effect. However, under the Proposed Japanese TLAC Standard, the actual measures to be taken will be determined by the relevant authorities on a case-by-case basis, and, as a result, it is difficult to predict when, if at all, MUFG may become subject to an orderly resolution process. Accordingly, the market value of the senior debt securities may not necessarily be evaluated in a manner similar to other types of senior debt securities issued by non-financial institutions or by financial institutions subject to different regulatory regimes. Any indication that MUFG is approaching circumstances that could result in MUFG becoming subject to an orderly resolution process could also have an adverse effect on the market price and liquidity of the senior debt securities.

In addition, there has been no implementation of the orderly resolution measures in Japan under the Deposit Insurance Act described in this prospectus to date. Such measures are untested and will be subject to interpretation and application by the relevant authorities in Japan. It is uncertain how and under what standards the relevant authorities in Japan would determine that MUFG's liabilities exceed, or are deemed likely to exceed, its assets, or that MUFG has suspended, or is deemed likely to suspend, payment on its obligations in determining whether to commence an orderly resolution process, and it is possible that particular circumstances which seem similar may lead to different results. In addition, the sequence and specific actions that will be taken in connection with orderly resolutions measures and their impact on each series of senior debt securities are uncertain. It is also uncertain whether a sufficient amount of assets will ultimately be available to the holders of the senior debt securities. MUFG's creditors, including the holders of the senior debt securities, may encounter difficulty in challenging the application of orderly resolution measures to MUFG.

Although MUFG expects the senior debt securities to qualify as external TLAC due in part to their structural subordination, there is no assurance that the senior debt securities will qualify as such, and we may have difficulty meeting the TLAC requirements and may become subject to adverse regulatory action. The FSB's TLAC standard requires each G-SIB to hold TLAC debt in an amount not less than 16% of its risk-weighted assets and six percent 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 Proposed Japanese TLAC Standard requires each Japanese G-SIB to hold TLAC debt in an amount not less than 16% of our risk-weighted assets and six percent of the applicable Basel III leverage ratio denominator on 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 March 31, 2022. As the FSB's standard is subject to regulatory implementation in Japan and the Proposed Japanese TLAC Standard is subject to change based on public comments or ongoing international discussions, when and as implemented in Japan, may require us to modify the terms of debt securities to be issued by MUFG in the future, which in turn could adversely affect the values of the senior debt securities.

LIBOR may be administered differently or discontinued in the future and, as a result, the value and marketability of, and the return on, the senior debt securities linked to LIBOR may decline.

The London Interbank Offered Rate, or LIBOR, is currently the subject of ongoing national and international regulatory reform. Some of these reforms are already in effect, while others are still to be finalized or implemented in varying timeframes. In anticipation of or following the implementation of any such reforms, the manner of administration of LIBOR may change, with the result that it may perform differently than in the past or could be eliminated entirely, that a substitute or alternative benchmark could be established, or that there could be other consequences, including those which cannot be predicted. On July 27, 2017, the United Kingdom Financial Conduct Authority, or the U.K. FCA, announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021. The U.K. FCA's announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. In addition, the application of Regulation (EU) 2016/1011, generally known as the Benchmarks Regulation, and other current and future regulations may

materially change the manner in which the LIBOR benchmark is administered. In some jurisdictions, regulatory authorities recently began to focus on lending institutions' plans for transition from LIBOR to an alternative reference rate. The timing, manner and consequences of any such transition, however,

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cannot be predicted at this time. As described in more detail in Description of Senior Debt Securities Floating Rate Interest in this prospectus, if we determine that LIBOR has been permanently discontinued or is no longer an acceptable benchmark for debt obligations similar to the floating rate notes, the calculation agent will use, if and as directed by us, as a substitute the alternative reference rate selected by a central bank, reserve bank, monetary authority or any similar institution that is consistent with accepted market practice with any adjustments we deem appropriate. However, if we determine that no such alternative reference rate is available that is consistent with accepted market practice, then we may, in our sole discretion, appoint an independent financial advisor to determine the appropriate alternative rate. If we determine that LIBOR has been permanently discontinued or is no longer an acceptable benchmark for debt obligations similar to the floating rate notes, but an alternative rate has not been determined for any reason, then the floating interest rate will be equal to the rate on the last interest determination date for the floating rate notes using LIBOR as the benchmark, as determined by the calculation agent. Any uncertainty or consequences relating to LIBOR could have a material adverse effect on cash flow relating to accrued interest for each interest payment period as well as the value and marketability of, and the return on, any such senior debt securities.

The senior debt securities may not be a suitable investment for all investors.

Each potential investor of the senior debt securities should determine the suitability of such investment in light of its own circumstances. In particular, each potential investor should:

have sufficient knowledge and experience to make a meaningful evaluation of the senior debt securities, the merits and risks of investing in the senior debt securities and the information contained in this prospectus and the accompanying prospectus supplement;

have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the senior debt securities and the impact the senior debt securities will have on its overall investment portfolio;

have sufficient financial resources and liquidity to bear all of the risks of an investment in the senior debt securities;

understand thoroughly the characteristic of the senior debt securities, such as the structural subordination and loss absorption mechanism; and

be able to evaluate, either alone or with the assistance of a financial adviser, possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the corresponding risks.

Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this prospectus and any accompanying prospectus supplement.

The Indenture contains no restrictions on our ability to incur future indebtedness, pledge or dispose of our assets, or make dividend or other payments and provides limited protection against significant corporate events and other actions we may take that could adversely impact your investment in the senior debt securities.

The Indenture contains no restriction on the amount of securities or other liabilities which we may issue, incur or guarantee, including secured obligations and unsecured obligations ranking *pari passu* with the senior debt securities. The senior debt securities will be unsecured and unsubordinated obligations of MUFG, and if there is a default under our secured indebtedness or other unsecured unsubordinated indebtedness, our assets may not be sufficient to pay amounts due on any of the senior debt securities.

The Indenture also contains no restriction on our ability to pledge or dispose of our assets, make investments, or repurchase shares or pay dividends or make other payments in respect of our common stock or other securities, any of which could adversely affect our ability to pay our obligations under the senior debt securities.

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In addition, the Indenture contains no financial covenants, including those requiring us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flow or liquidity. You are not protected under the Indenture in a merger or other change of control event, except to the extent described under Description of the Senior Debt Securities Covenants in this prospectus.

There is no established trading market for the senior debt securities and one may not develop.

The senior debt securities will have no established trading market when issued, and although we expect to list the senior debt securities on the Luxembourg Stock Exchange's Euro MTF Market or another securities exchange which, where applicable, will be specified in the applicable prospectus supplement, a trading market may never develop. Even if a market does develop, it may not be liquid and may not continue for the term of the senior debt securities. Although underwriters may make a market in the senior debt securities after the relevant offering is completed, the underwriters are under no obligation to do so and may discontinue any market-making activities at any time without notice. If the secondary market for the senior debt securities is limited, there may be few or no buyers if you choose to sell your senior debt securities prior to maturity and this may reduce the price you receive or your ability to sell the senior debt securities at all.

A downgrade of any credit rating assigned to the senior debt securities may adversely affect the market value of the senior debt securities.

We intend to seek ratings on the senior debt securities. Credit ratings may also be assigned to the senior debt securities by rating agencies without solicitation from, or provision of information by, us. A rating is based on information furnished by us or obtained by the rating agency from its own sources and is subject to revisions, suspension or withdrawal by the rating agency at any time. A credit rating may not reflect the potential impact of all risks relating to the senior debt securities and is not a recommendation to buy, sell or hold any securities.

Any rating assigned to us or the senior debt securities may be withdrawn entirely by a credit rating agency, may be suspended or may be lowered, if, in that credit rating agency's judgment, circumstances relating to the basis of the rating so warrant. Ratings may be impacted by a number of factors which can change over time, including the credit rating agency's assessment of us or the economic, political or regulatory environment in which we operate. For example, changes in credit rating agencies' views of the level of implicit sovereign support for Japanese banks and their groups are likely to lead to rating downgrades. The credit rating agencies may also revise the ratings methodologies applicable to issuers within a particular industry, or political or economic region. If credit rating agencies perceive there to be adverse changes in the factors affecting an issuer's credit rating, including by virtue of changes to applicable ratings methodologies, the credit rating agencies may downgrade, suspend or withdraw the ratings assigned to an issuer and/or its securities. Revisions to ratings methodologies and actions on our ratings or ratings of our subsidiaries, including but not limited to the Bank and the Trust Bank, by the credit rating agencies may occur in the future, which may result in downgrading of our credit ratings.

If we determine to no longer maintain one or more credit ratings, or if any credit rating agency withdraws, suspends or downgrades the credit ratings of us or the senior debt securities, or if such a withdrawal, suspension or downgrade is anticipated, or any credit rating agency places the credit ratings of us or the senior debt securities on credit watch status in contemplation of a downgrade, suspension or withdrawal, whether as a result of the factors described above or otherwise, such event could adversely affect the liquidity or market value of the senior debt securities, whether or not the senior debt securities had an assigned rating prior to such event.

A FATCA withholding may become applicable.

Provisions of the U.S. Internal Revenue Code of 1986, as amended, and Treasury regulations thereunder, commonly referred to as FATCA, generally impose a 30% withholding tax on certain U.S. source or U.S. related payments to foreign financial institutions, such as MUFG and certain of its subsidiaries as well as

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financial intermediaries through which investors may hold debt securities, unless such financial institutions perform certain due diligence, reporting and withholding functions pursuant to an agreement with the U.S. Treasury Department or an intergovernmental agreement (as described below). A participating foreign financial institution will be required to obtain and report certain information relating to financial accounts held by U.S. persons or entities owned by U.S. persons and to withhold 30% from foreign passthru payments that it makes.

The term foreign passthru payment is not defined under current Treasury guidance, and it is not clear whether or to what extent payments on the senior debt securities would be considered foreign passthru payments. Under currently proposed regulations, withholding on foreign passthru payments will not be required before the date that is two years after the date of publication of final Treasury regulations defining the term foreign passthru payments. In addition, any such withholding generally will apply only to payments to recalcitrant accountholders or to foreign financial institutions that are not participating foreign financial institutions or otherwise exempt from FATCA. In any event, no such withholding will apply to any payments made on debt obligations that are issued before (and not materially modified after) the date that is six months after the date on which final regulations defining the term foreign passthru payments are published in the Federal Register.

The FATCA framework has been expanded with the introduction of intergovernmental agreements between the U.S. Treasury and foreign governments, which pursue a framework for intergovernmental cooperation to facilitate the implementation of FATCA. In June 2013, the United States and Japan entered into an intergovernmental agreement pursuant to which Japanese financial institutions, including MUFG and certain of its subsidiaries, will be directed by Japanese authorities to register with the U.S. Internal Revenue Service and perform obligations consistent with those required under an agreement with the U.S. Treasury Department. The United States has also entered into intergovernmental agreements with other jurisdictions in which intermediaries may be resident. These intergovernmental agreements (including the intergovernmental agreement with Japan) do not address how the United States and the relevant jurisdiction (including Japan) will address foreign passthru payments or whether withholding on such payments will be required by financial instruments that are subject to an intergovernmental agreement.

It is not clear whether withholding under FATCA will be applicable to payments on the senior debt securities. If any amount of withholding is required from payments on the senior debt securities under FATCA or any applicable intergovernmental agreement, no additional amounts will be payable by us and withheld amounts will be treated as paid for all purposes under the senior debt securities. Prospective investors should consult their tax advisers regarding the consequences of FATCA, any applicable intergovernmental agreement or relevant local legislation implementing FATCA to their investments in the senior debt securities.

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MITSUBISHI UFJ FINANCIAL GROUP, INC.

We are a bank holding company incorporated on October 1, 2005 as a joint stock company (*kabushiki kaisha*) under the Company Law of Japan, and are one of the world's largest financial groups in terms of assets. We are the holding company for MUFG Bank, Ltd., or the Bank, Mitsubishi UFJ Trust and Banking Corporation, or the Trust Bank, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (through Mitsubishi UFJ Securities Holdings Co., Ltd., an intermediate holding company), Mitsubishi UFJ NICOS Co., Ltd., and other subsidiaries. In addition, we have the largest overseas network among the Japanese banks, including MUFG Union Bank, N.A. and Bank of Ayudhya Public Company Limited, or Krungsri, in about 50 countries. Through our subsidiaries and affiliated companies, we engage in a broad range of financial businesses and services, including commercial banking, investment banking, trust banking and asset management services, securities businesses, and credit card businesses, and provide related services to individuals and corporate customers in Japan and abroad. For a more detailed description of our history and business, see Item 4. Information on the Company in our most recent annual report on Form 20-F.

Our head office is located at 7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-8330, Japan and our telephone number is +81-3-3240-8111.

Additional Financial Information

Business Segment Analysis

Starting from April 1, 2018, as part of our current medium-term business plan, we have reorganized our business groups in an effort to further integrate the expertise and capabilities of our subsidiaries to respond to the needs of our customers more effectively and efficiently. We make and execute unified group-wide strategies based on customer characteristics and the nature of business and have accordingly integrated the operations of our group companies into six business groups: Retail & Commercial Banking, Japanese Corporate & Investment Banking, Global Corporate & Investment Banking, Global Commercial Banking, Asset Management & Investor Services, and Global Markets. Our reporting segments consist of these six business groups, which serve as the core sources of our revenue, as well as Other, which represents the operations that are not covered under the six core business groups and the elimination of duplicated amounts of net revenues among business segments, as further described below.

We measure the performance of each of our business segments primarily in terms of operating profit. Operating profit and other segment information in this Report are based on the financial information prepared in accordance with Japanese GAAP as adjusted in accordance with internal management accounting rules and practices. Accordingly, the format and information are not consistent with our unaudited condensed consolidated financial statements prepared in accordance with U.S. GAAP. For example, operating profit does not reflect items such as a component of the provision for (reversal of) credit losses (primarily equivalent to the formula allowance under U.S. GAAP), foreign exchange gains (losses) and investment securities gains (losses). We do not use information on the segments' total assets to allocate our resources and assess performance. Accordingly, business segment information on total assets is not presented.

The following is a brief explanation of our business segments:

Retail & Commercial Banking Business Group Covers the domestic retail and commercial banking businesses of MUFG Bank, Mitsubishi UFJ Trust and Banking, Mitsubishi UFJ Securities Holdings, Mitsubishi UFJ NICOS and other group companies of MUFG. This business group offers retail and small and medium-sized enterprise customers in Japan an extensive array of commercial banking, trust banking and securities products and services.

Japanese Corporate & Investment Banking Business Group Covers the large Japanese corporate businesses of MUFG Bank, Mitsubishi UFJ Trust and Banking and Mitsubishi UFJ Securities Holdings, including the transaction banking, investment banking, trust banking and securities businesses. This business

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group offers large Japanese corporations advanced financial solutions designed to respond to their diversified and globalized needs and to contribute to their business and financial strategies through the global network of our group companies.

Global Corporate & Investment Banking Business Group Covers the corporate, investment and transaction banking businesses of MUFG Bank and Mitsubishi UFJ Securities Holdings. Through a global network of offices and branches, this business group provides non-Japanese large corporate and financial institution customers outside Japan with a comprehensive set of solutions that meet their increasingly diverse and sophisticated financing needs.

Global Commercial Banking Business Group Covers the retail and commercial banking businesses of MUFG Union Bank and Krungsri. This business group offers a comprehensive array of financial products and services such as loans, deposits, fund transfers, investments and asset management services for local retail, small and medium-sized enterprise, and corporate customers across the Asia-Pacific region.

Asset Management & Investor Services Business Group Covers the asset management and asset administration businesses of Mitsubishi UFJ Trust and Banking and MUFG Bank. By integrating the trust banking expertise of Mitsubishi UFJ Trust and Banking and the global strengths of MUFG Bank, the business 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 beneficiaries, and also offer investment trusts for retail customers.

Global Markets Business Group Covers the customer business and the treasury operations of MUFG Bank, Mitsubishi UFJ Trust and Banking and Mitsubishi UFJ Securities Holdings. The customer business includes sales and trading in fixed income instruments, currencies and equities as well as other investment products, and origination and distribution of financial products. The treasury operations include asset and liability management as well as global investments for the MUFG Group.

Other Consisted mainly of the corporate centers of MUFG, MUFG Bank, Mitsubishi UFJ Trust and Banking and Mitsubishi UFJ Morgan Stanley Securities. The elimination of duplicated amounts of net revenues among business segments was also reflected in Other.

Below we have restated our prior business segment information and relevant discussion to reflect the reorganization of our business groups described above and the transfer of corporate loan-related businesses of the Trust Bank to the Bank in April 2018.

The following tables set forth our business segment information based on our reorganized business groups for the fiscal years ended March 31, 2016, 2017 and 2018:

Fiscal year ended	Customer Business					Total	Global Markets Business Group	Other	Total ⁽¹⁾
	Retail & Commercial Banking Business Group	Japanese Corporate Investment Business Group	Global Corporate Investment Business Group	Global Commercial Banking Business Group	Asset Management & Investor Services Business Group				
March 31, 2016									

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(in billions)

Net revenue	¥ 1,645.9	¥ 568.1	¥ 431.0	¥ 599.0	¥ 176.2	¥ 3,420.2	¥ 715.5	¥ 57.7	¥ 4,193.4
BK and TB ⁽²⁾ :	885.5	476.6	292.4	(2.0)	74.2	1,726.7	531.6	137.7	2,396.0
Net interest income	524.3	161.5	114.2	(2.0)		798.0	271.9	256.6	1,326.5
Net fees	319.7	227.9	175.3		74.2	797.1	(23.7)	(79.7)	693.7
Other	41.5	87.2	2.9			131.6	283.4	(39.2)	375.8
Other than BK and TB	760.4	91.5	138.6	601.0	102.0	1,693.5	183.9	(80.0)	1,797.4
Operating expenses	1,234.9	292.0	233.2	436.9	104.4	2,301.4	212.5	152.4	2,666.3
Operating profit (loss)	¥ 411.0	¥ 276.1	¥ 197.8	¥ 162.1	¥ 71.8	¥ 1,118.8	¥ 503.0	¥ (94.7)	¥ 1,527.1