

MITSUBISHI UFJ FINANCIAL GROUP INC
Form 6-K
August 12, 2016

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

Form 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 under
the Securities Exchange Act of 1934
For the month of August 2016
Commission File No. 000-54189

MITSUBISHI UFJ FINANCIAL GROUP, INC.
(Translation of registrant's name into English)

7-1, Marunouchi 2-chome, Chiyoda-ku
Tokyo 100-8330, Japan
(Address of principal executive office)

**Indicate by check mark whether the registrant files or
will file annual reports under cover of Form 20-F or Form 40-F.**

Form 20-F X Form 40-F

**Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(1):**

**Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(7):**

THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN THE REGISTRATION STATEMENT ON FORM F-3 (NO. 333-209455) OF MITSUBISHI UFJ FINANCIAL GROUP, INC. AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED TO THE U.S. SECURITIES AND EXCHANGE COMMISSION TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED WITH OR FURNISHED TO THE U.S. SECURITIES AND EXCHANGE COMMISSION.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 12, 2016

Mitsubishi UFJ Financial Group, Inc.

By: /s/ Yasuo Matsumoto

Name: Yasuo Matsumoto

Title: Chief Manager,

Documentation & Corporate Secretary Department,
Corporate Administration Division

English Translation of Excerpts from Quarterly Securities Report Filed in Japan

This document is an English translation of selected information included in the Quarterly Securities Report for the quarter ended June 30, 2016 filed by Mitsubishi UFJ Financial Group, Inc. (MUFG or we) with the Kanto Local Financial Bureau, the Ministry of Finance of Japan, on August 12, 2016 (the Quarterly Securities Report). An English translation of certain information included in the Quarterly Securities Report was previously submitted in a report on Form 6-K dated August 1, 2016. Accordingly, this document should be read together with the previously submitted report.

The Quarterly Securities Report has been prepared and filed in Japan in accordance with applicable Japanese disclosure requirements as well as generally accepted accounting principles in Japan (J-GAAP). There are significant differences between J-GAAP and U.S. GAAP. In addition, the Quarterly Securities Report is intended to update prior disclosures filed by MUFG in Japan and discusses selected recent developments in the context of those prior disclosures. Accordingly, the Quarterly Securities Report may not contain all of the information that is important to you. For a more complete discussion of the background to information provided in the Quarterly Securities Report disclosure, please see our annual report on Form 20-F for the fiscal year ended March 31, 2016 and the other reports filed with or submitted to the U.S. Securities and Exchange Commission by MUFG.

Additional Financial Information for the Three Months Ended June 30, 2016

1. Changes in the scope of consolidation or application of the equity method

I. Significant changes in the scope of consolidation

Not applicable.

II. Significant changes in the scope of application of the equity method

Beginning in the three months ended June 30, 2016, MUFG applies the equity method to Security Bank Corporation (Security Bank), as a result of a share acquisition by The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU), a consolidated subsidiary of MUFG.

(1) Outline of the acquisition of shares of Security Bank

On January 14, 2016, BTMU concluded a Subscription Agreement with Security Bank.

On April 1, 2016, BTMU acquired newly issued common shares and preferred shares, representing in the aggregate 20% of Security Bank's equity interest on a fully diluted basis, and appointed two directors to Security Bank's Board of Directors. As a result, Security Bank became an equity method affiliate.

An outline of Security Bank is as follows:

| | |
|---|--|
| Corporate name (The equity method investee's name) | Security Bank Corporation |
| Business description | Commercial Bank |
| Date of application of the equity method | April 1, 2016 |
| Investment structure | Third-party allotment of newly issued shares |
| Percentage of voting rights following the share acquisition | 20% |

(2) Period for which the results of operations of the equity method investee are included in the consolidated statements of income

The results of operations of the equity method investee are not included in the consolidated statements of income for the three months ended June 30, 2016.

(3) Outline of the accounting treatment applied

(a) Acquisition Cost

| | | |
|--|-------------------------|------------------|
| Consideration for the shares | Cash and due from banks | ¥ 88,404 million |
| Expenses directly related to acquisition | Advisory fees, etc. | ¥ 741 million |
| Acquisition cost | | ¥ 89,146 million |

(b) Amount of goodwill recorded, and reason for recording goodwill

(i) Amount of goodwill recorded

¥43,717 million

This amount is on a preliminary basis since the allocation of the acquisition cost has not been completed.

(ii) Reason for recording goodwill

The acquisition cost exceeded MUFG's interest in the net asset value of the equity method investee on the acquisition date.

2. Additional information
(Implementation Guidance on Recoverability of Deferred Tax Assets)

On March 28, 2016, the Accounting Standards Board of Japan (ASBJ) issued ASBJ Guidance No.26, Implementation Guidance on Recoverability of Deferred Tax Assets. MUFG adopted this guidance on April 1, 2016.

(Update of the Accounting Standards Codification (ASC) No. 825 (Financial instruments) by the Financial Accounting Standards Board(FASB))

Beginning in the three months ended June 30, 2016, a certain overseas affiliate under the equity method, to which Generally Accepted Accounting Principles in the United States of America (US-GAAP) apply, adopted early the update of ASC No.825 (Financial instruments).

Upon the adoption described above, with respect to financial liabilities which the affiliate elected to measure at fair value under the fair value option, in accordance with the accounting standards, MUFG recorded the changes in the fair value of such financial instruments resulting from a change in the instrument-specific credit risk in the amount of debt value adjustments of foreign affiliates (DVAs) in accumulated other comprehensive income. MUFG made cumulative catch-up adjustments to the opening balances of retained earnings and DVAs at the beginning of the three months ended June 30, 2016.

As a result, at the beginning of the three months ended June 30, 2016, retained earnings increased by ¥8,464 million, and DVAs decreased by ¥8,464 million.

In addition, ordinary income and profits before income taxes for the three months ended June 30, 2016, each decreased by ¥5,633 million.

(Partial amendment to the plan relating to the capital and business alliance of Mitsubishi UFJ Lease & Finance Company Limited and Hitachi Capital Corporation)

MUFG and Mitsubishi UFJ Lease & Finance Company Limited (MUL), an equity method affiliate of MUFG, have concluded a Share Purchase Agreement to acquire a part of the common shares of Hitachi Capital Corporation (Hitachi Capital) held by Hitachi, Ltd. (Hitachi).

MUFG, MUL and Hitachi changed the target completion date of the share acquisition from August 2016 (scheduled, conditional on the fulfillment of relevant regulatory requirements and approvals) to October 2016 onward, upon the fulfillment of relevant regulatory requirements and approvals by taking relevant regulatory requirements and approval process into consideration, while MUFG, MUL and Hitachi have been preparing for the execution of the share acquisition. The prospects change mentioned above is not expected to impact the plan to execute the share acquisition itself.

3. Risk-monitored loans included in Loans and bills discounted as of the dates indicated were as follows:

| | (in millions of yen) | |
|---|----------------------|--------------------|
| | March 31, 2016 | June 30, 2016 |
| Loans to bankrupt borrowers | ¥ 54,913 | ¥ 54,208 |
| Non-accrual delinquent loans | 1,110,576 | 1,141,320 |
| Loans past due for three months or more | 51,620 | 54,641 |
| Restructured loans | 438,767 | 401,832 |
| Total | ¥ 1,655,877 | ¥ 1,652,002 |

Note:

Amounts above are stated before the reduction of allowance for credit losses.

4. The principal amounts of money trusts entrusted to a domestic trust banking subsidiary, for which repayment of the principal to the customers was guaranteed, as of the dates indicated were as follows:

| | (in millions of yen) | |
|--------------|----------------------|---------------|
| | March 31, 2016 | June 30, 2016 |
| Money trusts | ¥ 7,111,058 | ¥ 5,976,546 |

5. Guarantee obligations for private placement bonds (provided in accordance with the Article 2-3 of the Financial Instruments and Exchange Act) included in Securities as of the dates indicated were as follows:

| | (in millions of yen) | |
|---|----------------------|---------------|
| | March 31, 2016 | June 30, 2016 |
| Guarantee obligations for private placement bonds | ¥ 580,398 | ¥ 562,571 |

6. Contingent liabilities
(Litigation)

The MUFG Group is subject to various litigation matters and regulatory actions. Based upon current knowledge and the results of consultation with counsel, liabilities for losses from litigation matters and regulatory actions are recorded when they are determined to be both probable in their occurrences and can be reasonably estimated. Management believes that the eventual outcome of such litigation matters and regulatory actions will not have a material adverse effect on the MUFG Group's financial position, results of operations or cash flows. Management also believes that the amount of loss that is reasonably possible, but not probable, from the litigation matters and regulatory actions is not material to the MUFG Group's financial position, results of operations or cash flows.

However, the MUFG Group has received requests for information from certain regulators in relation to investigations regarding the MUFG Group's foreign operations, such as governance practices and foreign exchange trading practices in Europe, and is cooperating with these regulators for their investigations. Based upon current knowledge and the results of consultation with counsel, the timing and amounts of any penalties from these investigations cannot be reasonably estimated.

7. Other ordinary income for the period indicated included the following:

| | (in millions of yen) | |
|---|-------------------------------------|----------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Equity in earnings of the equity method investees | ¥ 85,708 | ¥ 61,116 |
| Gains on sales of equity securities | 41,748 | 25,478 |

8. Other ordinary expenses for the period indicated included the following:

| | (in millions of yen) | |
|---|-------------------------------------|----------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Provision for allowance for credit losses | ¥ | ¥ 40,334 |
| Write-offs of loans | 36,692 | 27,636 |
| Losses on waiver of claims | 39,849 | 813 |

9. No quarterly consolidated statements of cash flows have been prepared for the three month periods ended June 30, 2015 and 2016. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the periods indicated were as follows:

| | (in millions of yen) | |
|--------------------------|-------------------------------------|----------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Depreciation | ¥ 71,974 | ¥ 75,716 |
| Amortization of goodwill | 4,459 | 4,037 |

10. Capital Stock and Dividends Paid
For the three months ended June 30, 2015

I. Cash dividends

Cash dividends approved at the shareholders meeting held on June 25, 2015

| | Total amount (millions of yen) | Per share amount (yen) | Dividend record date | Effective date | Source of funds |
|--------------|-----------------------------------|------------------------------|-------------------------|----------------|-------------------|
| Common stock | ¥ 126,179 | ¥ 9 | Mar. 31, 2015 | Jun. 25, 2015 | Retained earnings |

II.

Dividends the record date for which fell within the three-month period and the effective date of which was after the end of the three-month period

Not applicable.

For the three months ended June 30, 2016

I. Cash dividends

Cash dividends approved at the shareholders meeting held on June 29, 2016

| | Total amount (millions of yen) | Per share amount (yen) | Dividend record date | Effective date | Source of funds |
|--------------|-----------------------------------|------------------------------|-------------------------|----------------|-------------------|
| Common stock | ¥ 124,116 | ¥ 9 | Mar. 31, 2016 | Jun. 29, 2016 | Retained earnings |

II. Dividends the record date for which fell within the three-month period and the effective date of which was after the end of the three-month period

Not applicable.

11. Segment information

I. Summary of Reporting Segment

MUFG's reporting segments are business units of MUFG which its Executive Committee, the decision-making body for the execution of its business operations, regularly reviews to make decisions regarding allocation of management resources and evaluate performance.

MUFG makes unified group-wide strategies based on customer characteristics and the nature of business. Accordingly, MUFG has adopted customer-based and business-based segmentation, which consists of the following reporting segments: Retail Banking Business Group, Corporate Banking Business Group, Global Business Group, Trust Assets Business Group, Global Markets Business Group and Other.

| | |
|------------------------------------|--|
| Retail Banking Business Group : | Providing financial services to domestic individual customers |
| Corporate Banking Business Group : | Providing services relating to finance, real estate and stock transfers to domestic corporate customers |
| Global Business Group : | Providing financial services to overseas individual and corporate customers |
| Trust Assets Business Group : | Providing investment management and administration services for corporate pension funds, public pension funds, public funds and mutual funds |
| Global Markets Business Group : | Engaged in trading business relating to foreign currency exchange, funds and investment securities for customers and with market counterparties, and administration of liquidity and cash management |
| Other : | Other than businesses mentioned above |

(Changes in reporting segments)

MUFG's group companies are managed using a matrix framework consisting of the business segments mentioned above which are identified based on an integrated business group system to provide financial services and products under unified group-wide strategies as well as through individual MUFG group entities, which are grouped under the major operating subsidiaries as follows: The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holdings Co. Ltd., consumer finance subsidiaries and others. To assist appropriate assessment of MUFG's future cash flow forecasts, MUFG previously identified these groups of MUFG group entities as its reporting segments, each operating in a different industry and regulatory environment.

However, beginning in this three-month period ended June 30, 2016, MUFG changed its reporting segments to the segmentation by the above-mentioned service-based Business Groups, following the progress made during the fiscal year ended March 31, 2016 in the implementation of unified group-wide business operations and management under the medium-term business plan that was commenced in the fiscal year ended March 31, 2016.

The segment information for the three months ended June 30, 2015 has been restated to reflect the foregoing changes in reporting segments.

II. Information on Net Revenue, Operating Profit (Loss) for Each Reporting Segment

(in millions of yen)

| | For the three months ended June 30, 2015 | | | | | | | Other | Total |
|-------------------------|--|----------------------------------|-----------------------|-----------------------------|----------------------------|-------------------------------|------------|-------------|-------|
| | Retail Banking Business Group | Corporate Banking Business Group | Global Business Group | Trust Assets Business Group | Total of Customer Business | Global Markets Business Group | | | |
| Net Revenue | ¥ 329,679 | ¥ 246,138 | ¥ 320,663 | ¥ 44,676 | ¥ 892,905 | ¥ 219,727 | ¥ (3,474) | ¥ 1,109,158 | |
| Operating Expenses | 246,562 | 151,587 | 206,625 | 26,054 | 589,816 | 54,221 | 41,574 | 685,612 | |
| Operating Profit (Loss) | ¥ 83,116 | ¥ 94,551 | ¥ 114,037 | ¥ 18,621 | ¥ 303,088 | ¥ 165,506 | ¥ (45,048) | ¥ 423,546 | |

Notes:

1. Net Revenue in the above table is used in lieu of net sales generally used by Japanese non-financial companies.
2. Net Revenue includes net interest income, trust fees, net fees and commissions, net trading profit, and net other operating profit.
3. Operating Expenses includes personnel expenses and premise expenses.
4. Net Revenue and Operating Expenses for each of the Corporate Banking Business Group and the Global Business Group include those relating to overseas Japanese corporate transactions. The amounts relating to such transactions included in each of these reporting segments are as follows: ¥48,251 million of Net Revenue, ¥41,013 million of Operating Expenses and ¥7,238 million of Operating Profit. Adjustments have been made by deducting these amounts from the Total of Customer Business.

(in millions of yen)

| | For the three months ended June 30, 2016 | | | | | | | Other | Total |
|-------------------------|--|----------------------------------|-----------------------|-----------------------------|----------------------------|-------------------------------|------------|-------------|-------|
| | Retail Banking Business Group | Corporate Banking Business Group | Global Business Group | Trust Assets Business Group | Total of Customer Business | Global Markets Business Group | | | |
| Net Revenue | ¥ 284,826 | ¥ 231,917 | ¥ 306,059 | ¥ 41,903 | ¥ 824,383 | ¥ 208,404 | ¥ (18,783) | ¥ 1,014,004 | |
| Operating Expenses | 237,686 | 147,407 | 198,848 | 26,402 | 571,358 | 51,425 | 41,567 | 664,351 | |
| Operating Profit (Loss) | ¥ 47,139 | ¥ 84,510 | ¥ 107,210 | ¥ 15,500 | ¥ 253,024 | ¥ 156,979 | ¥ (60,351) | ¥ 349,652 | |

Notes:

1. Net Revenue in the above table is used in lieu of net sales generally used by Japanese non-financial companies.
2. Net Revenue includes net interest income, trust fees, net fees and commissions, net trading profit, and net other operating profit.
3. Operating Expenses includes personnel expenses and premise expenses.
4. Net Revenue and Operating Expenses for each of the Corporate Banking Business Group and the Global Business Group include those relating to overseas Japanese corporate transactions. The amounts relating to such

transactions included in each of these reporting segments are as follows: ¥40,323 million of Net Revenue, ¥38,985 million of Operating Expenses and ¥1,337 million of Operating Profit. Adjustments have been made by deducting these amounts from the Total of Customer Business.

III. A reconciliation of the total operating profit in each of the above tables to the ordinary profit in the consolidated statements of income for the corresponding three-month period is as follows:

| | (in millions of yen) | |
|---|-------------------------------------|-----------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Total operating profit of reporting segments | ¥ 423,546 | ¥ 349,652 |
| Net business profit of consolidated subsidiaries excluded from reporting segments | 14,080 | 13,711 |
| Provision for general allowance for credit losses | | (11,452) |
| Credit related expenses | (75,097) | (56,938) |
| Reversal of allowance for credit losses | 21,696 | |
| Gains on collection of bad debts | 13,708 | 12,865 |
| Net gains on equity securities and other securities | 31,661 | 1,710 |
| Equity in earnings of the equity method investees | 85,708 | 61,116 |
| Other | (30,268) | (29,851) |
| Ordinary profit in the consolidated statements of income | ¥ 485,035 | ¥ 340,812 |

12. Financial instruments and related disclosures

There are no material changes to be disclosed as of June 30, 2016 compared to March 31, 2016.

13. Securities

*1 The following shows those securities as of June 30, 2016 which were deemed material in the management of our group company businesses and showed material changes as compared to those as of March 31, 2016.

*2 The following tables include negotiable certificates of deposit in Cash and due from banks and beneficial interests in trusts in Monetary claims bought in addition to Securities.

I. Debt securities being held to maturity

| | (in millions of yen) | | |
|------------------|---|-------------|------------|
| | March 31, 2016 | | |
| | Amount on consolidated balance sheet | Fair value | Difference |
| Domestic bonds | 1,101,107 | 1,159,115 | 58,008 |
| Government bonds | 1,101,107 | 1,159,115 | 58,008 |
| Municipal bonds | | | |
| Corporate bonds | | | |
| Other securities | 2,785,132 | 2,791,643 | 6,510 |
| Foreign bonds | 1,233,171 | 1,239,917 | 6,746 |
| Other | 1,551,961 | 1,551,725 | (236) |
| Total | ¥ 3,886,239 | ¥ 3,950,758 | ¥ 64,518 |

| | (in millions of yen) | | |
|------------------|---|------------|------------|
| | June 30, 2016 | | |
| | Amount on consolidated balance sheet | Fair value | Difference |
| Domestic bonds | 1,101,050 | 1,173,550 | 72,499 |
| Government bonds | 1,101,050 | 1,173,550 | 72,499 |
| Municipal bonds | | | |
| Corporate bonds | | | |
| Other securities | 2,638,510 | 2,657,531 | 19,021 |
| Foreign bonds | 1,202,641 | 1,230,918 | 28,277 |
| Other | 1,435,869 | 1,426,612 | (9,256) |

| | | | |
|-------|-------------|-------------|----------|
| Total | ¥ 3,739,560 | ¥ 3,831,081 | ¥ 91,520 |
|-------|-------------|-------------|----------|

14. Money held in trust

There are no material changes to be disclosed as of June 30, 2016 compared to March 31, 2016.

15. Derivatives

The following shows those derivatives as of June 30, 2016 which were deemed material in the management of our group company businesses and showed material changes as compared to those as of March 31, 2016.

(1) Currency-related derivatives

| Classification | Type of transaction | Contract amount | (in millions of yen) | | |
|---------------------------------------|---------------------------------------|-----------------|----------------------|---|--------------------------|
| | | | March 31, 2016 | | Valuation gains (losses) |
| | | | Fair value | | |
| Transactions listed on exchanges | Currency futures | ¥ 977,570 | ¥ 7,804 | ¥ | 7,804 |
| Over-the-counter (OTC) transactions | Currency swaps | 57,930,388 | (32,737) | | (32,737) |
| | Forward contracts on foreign exchange | 119,283,760 | 138,706 | | 138,706 |
| | Currency options | 17,150,760 | (26,954) | | 31,602 |
| | Total | | ¥ 86,818 | ¥ | 145,375 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income. Those derivatives transactions to which the hedge accounting is applied as described in JICPA Industry Audit Committee Report No. 25 Treatment of Accounting and Auditing concerning Accounting for Foreign Currency Transactions in the Banking Industry (July 29, 2002) (JICPA Industry Audit Committee Report No. 25) and other relevant standards are excluded from the above table.

| Classification | Type of transaction | Contract amount | (in millions of yen) | | |
|---------------------------------|---------------------------------------|-----------------|----------------------|---|--------------------------|
| | | | June 30, 2016 | | Valuation gains (losses) |
| | | | Fair value | | |
| Transactions listed on exchange | Currency futures | ¥ 906,234 | ¥ 10,920 | ¥ | 10,920 |
| OTC transactions | Currency swaps | 56,569,944 | 44,397 | | 44,397 |
| | Forward contracts on foreign exchange | 110,879,175 | 68,461 | | 68,461 |
| | Currency options | 15,721,336 | 66,282 | | 133,983 |
| | Total | | ¥ 190,062 | ¥ | 257,762 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income. Those derivatives transactions to which the hedge accounting is applied as described in JICPA Industry Audit Committee Report No. 25 and other relevant standards are excluded from the above table.

(2) Equity-related derivatives

| | | (in millions of yen) | | |
|---------------------------------|--|----------------------|------------|--------------------------|
| | | March 31, 2016 | | |
| Classification | Type of transaction | Contract amount | Fair value | Valuation gains (losses) |
| Transactions listed on exchange | Stock index futures | ¥ 664,122 | ¥ 4,456 | ¥ 4,456 |
| | Stock index options | 1,579,663 | (28,134) | (7,184) |
| OTC transactions | OTC securities option transactions | 1,314,535 | 2,365 | 13,386 |
| | OTC securities index swap transactions | 243,817 | 35,863 | 35,863 |
| | Forward transactions in OTC securities indexes | 22,355 | (744) | (744) |
| | Total return swaps | 8,056 | (186) | (186) |
| Total | | | ¥ 13,620 | ¥ 45,592 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income. Those derivatives transactions to which the hedge accounting is applied are excluded from the above table.

| | | (in millions of yen) | | |
|---------------------------------|--|----------------------|------------|--------------------------|
| | | June 30, 2016 | | |
| Classification | Type of transaction | Contract amount | Fair value | Valuation gains (losses) |
| Transactions listed on exchange | Stock index futures | ¥ 640,526 | ¥ 16,582 | ¥ 16,582 |
| | Stock index options | 1,895,454 | (38,978) | (10,126) |
| OTC transactions | OTC securities option transactions | 1,269,610 | 1,070 | 10,900 |
| | OTC securities index swap transactions | 300,383 | 46,203 | 46,203 |
| | Forward transactions in OTC securities indexes | 35,219 | (2,436) | (2,436) |
| | Total return swaps | 7,000 | (121) | (121) |
| Total | | | ¥ 22,320 | ¥ 61,002 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income. Those derivatives transactions to which the hedge accounting is applied are excluded from the above table.

(3) Bond-related derivatives

| | | (in millions of yen) | | |
|---------------------------------|------------------------|----------------------|------------|--------------------------|
| | | March 31, 2016 | | |
| Classification | Type of transaction | Contract amount | Fair value | Valuation gains (losses) |
| Transactions listed on exchange | Bond futures | ¥ 672,685 | ¥ (590) | ¥ (590) |
| | Bond futures options | 223,528 | 227 | 33 |
| OTC transactions | Bond OTC options | 330,113 | 1,115 | 1,161 |
| | Bond forward contracts | 5,343 | (32) | (32) |
| | Bond OTC swaps | 451,193 | 6,880 | 6,880 |
| Total | | | ¥ 7,600 | ¥ 7,452 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income. Those derivatives transactions to which the hedge accounting is applied are excluded from the above table.

| | | (in millions of yen) | | |
|---------------------------------|------------------------|----------------------|------------|--------------------------|
| | | June 30, 2016 | | |
| Classification | Type of transaction | Contract amount | Fair value | Valuation gains (losses) |
| Transactions listed on exchange | Bond futures | ¥ 899,101 | ¥ (343) | ¥ (343) |
| | Bond futures options | 1,502,215 | (3,248) | (998) |
| OTC transactions | Bond OTC options | 875,800 | 1,769 | 671 |
| | Bond forward contracts | 470,333 | 235 | 235 |
| | Bond OTC swaps | 350,062 | (15,932) | (15,932) |
| Total | | | ¥ (17,519) | ¥ (16,366) |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income. Those derivatives transactions to which the hedge accounting is applied are excluded from the above table.

(4) Credit-related derivatives

| | | (in millions of yen) | | |
|------------------|----------------------------|----------------------|----------------|--------------------------|
| | | March 31, 2016 | | |
| Classification | Type of transaction | Contract amount | Fair value | Valuation gains (losses) |
| OTC transactions | Credit default options | ¥6,275,682 | ¥ 6,081 | ¥ 6,081 |
| | Total rate of return swaps | 111,818 | 110 | 110 |
| | Total | | ¥ 6,191 | ¥ 6,191 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income.

| | | (in millions of yen) | | |
|------------------|----------------------------|----------------------|----------------|--------------------------|
| | | June 30, 2016 | | |
| Classification | Type of transaction | Contract amount | Fair value | Valuation gains (losses) |
| OTC transactions | Credit default options | ¥5,915,826 | ¥ 1,460 | ¥ 1,460 |
| | Total rate of return swaps | 104,579 | 109 | 109 |
| | Total | | ¥ 1,569 | ¥ 1,569 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income.

(5) Other derivatives

| | | (in millions of yen) | | | |
|------------------|------------------------|----------------------|------------|--------------------------|-----|
| | | March 31, 2016 | | | |
| Classification | Type of transaction | Contract amount | Fair value | Valuation gains (losses) | |
| OTC transactions | Earthquake derivatives | ¥ 68,253 | ¥ 708 | ¥ | 159 |
| | SVF Wrap Products | 2,102,876 | (1) | | (1) |
| | Other | 5,321 | 566 | | 566 |
| | Total | | ¥ 1,273 | ¥ | 724 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income. SVF Wrap Products are derivative instruments where BTMU guarantees the payment of the principal to 401(k) investors and other investors that invest in Stable Value Fund.

| | | (in millions of yen) | | | |
|------------------|------------------------|----------------------|------------|--------------------------|-------|
| | | June 30, 2016 | | | |
| Classification | Type of transaction | Contract amount | Fair value | Valuation gains (losses) | |
| OTC transactions | Earthquake derivatives | ¥ 52,139 | ¥ 368 | ¥ | 708 |
| | SVF Wrap Products | 1,934,083 | (5) | | (5) |
| | Other | 4,859 | 583 | | 583 |
| | Total | | ¥ 947 | ¥ | 1,287 |

Note:

The transactions above are stated at fair value and the related valuation gains (losses) are reported in the consolidated statements of income. SVF Wrap Products are derivative instruments where BTMU guarantees the payment of the principal to 401(k) investors and other investors that invest in Stable Value Fund.

16. Per Share Information

The bases for the calculation of basic earnings per share and diluted earnings per share for the periods indicated were as follows:

| | (in yen) | |
|----------------------------|-------------------------------------|---------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Basic earnings per share | ¥ 19.85 | ¥ 13.76 |
| Diluted earnings per share | 19.74 | 13.71 |

| | (in millions of yen) | |
|--|-------------------------------------|-----------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Profits attributable to owners of the parent | ¥ 277,761 | ¥ 188,924 |
| Profits not attributable to common shareholders | | |
| Profits attributable to owners of the parent related common shares | 277,761 | 188,924 |

| | (in thousands) | |
|---|-------------------------------------|------------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Average number of common shares during the period | 13,986,676 | 13,721,696 |

| | (in millions of yen) | |
|---|-------------------------------------|---------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Diluted earnings per share | | |
| Adjustment to profits attributable to owners of the parent | ¥ (1,256) | ¥ (486) |
| Of which, adjustment related to dilutive shares of consolidated subsidiaries and others | (1,256) | (486) |

| | (in thousands) | |
|---------------------------|-------------------------------------|--------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Increase in common shares | 18,828 | 16,765 |

| | (in millions of yen) | |
|--|-------------------------------------|------|
| | For the three months ended June 30, | |
| | 2015 | 2016 |
| Description of antidilutive securities which were not included in the calculation of diluted earnings per share but which materially changed after the end of the previous fiscal year | | |

17. Subsequent Events

MUFG decided, on May 30, 2016, to redeem preferred securities (Non-dilutive Preferred Securities) issued by overseas special purpose companies, which are subsidiaries of MUFG, and redeemed all of the Non-dilutive Preferred Securities on July 25, 2016.

An outline of the redeemed Non-dilutive Preferred Securities is as follows.

Summary of redeemed Non-dilutive Preferred Securities

| Issuer | MUFG Capital Finance 1 Limited | MUFG Capital Finance 2 Limited |
|------------------|---|--|
| Type of security | US dollar-denominated fixed/floating rate non-cumulative preferred securities The Non-dilutive Preferred Securities rank, as to rights to a liquidation preference, effectively <i>pari passu</i> with the preferred shares issued by MUFG which rank most senior in priority of payment as to liquidation distribution. | Euro-denominated fixed/floating rate non-cumulative preferred securities The Non-dilutive Preferred Securities rank, as to rights to a liquidation preference, effectively <i>pari passu</i> with the preferred shares issued by MUFG which rank most senior in priority of payment as to liquidation distribution. |
| Maturity | Perpetual Provided, however, that the issuer may, at its discretion, redeem all or part of the Non-dilutive Preferred Securities on a dividend payment date in July 2016 or thereafter. | Perpetual Provided, however, that the issuer may, at its discretion, redeem all or part of the Non-dilutive Preferred Securities on a dividend payment date in July 2016 or thereafter. |
| Dividends | Dividend Rate 6.346% per annum (Fixed rate until July 2016) Floating rate after July 2016 | Dividend Rate 4.850% per annum (Fixed rate until July 2016) Floating rate after July 2016 |
| Issue amount | USD 2,300,000,000 | EUR 750,000,000 |
| Issue date | March 17, 2006 | March 17, 2006 |

| | | |
|-------------------|--|--|
| Redemption amount | USD 2,300,000,000 | EUR 750,000,000 |
| Redemption price | USD 1,000 per preferred security (equal to the issue price) | EUR 1,000 per preferred security (equal to the issue price) |