Mitsubishi UFJ Financial Group, Inc.

Redemption of "Non-dilutive" Preferred Securities Issued by Subsidiary

Tokyo, May 16, 2011 --- Mitsubishi UFJ Financial Group, Inc. (MUFG) hereby announces that its Board of Directors today resolved to approve the redemption of preferred securities ("Non-dilutive Preferred Securities") issued by an overseas special purpose company, which is subsidiary of MUFG, in full as stated below.

1. Summary of Non-dilutive Preferred Securities to be Redeemed

Issuer	MUFG Capital Finance 3 Limited
Type of Security	Japanese Yen-denominated non-cumulative perpetual preferred securities
	The Non-dilutive Preferred Securities rank, as to rights to a liquidation preference, effectively *pari passu* with the preferred shares issued by MUFG which rank most senior in priority of payment as to liquidation distribution.
Maturity	Perpetual Provided, that the issuer may, at its discretion, redeem all or part of the Non-dilutive Preferred Securities on a dividend payment date in July 2011 or thereafter.
Dividends	Dividend Rate 2.68% per annum (Fixed rate until July 2016) Floating rate after July 2016
Issue Amount	JPY 120 billion
Issue Date	March 17, 2006
Redemption Amount	JPY 120 billion
Redemption Price	JPY 10 million per preferred security (equal to the issue price)

2. Scheduled Redemption Date

   July 25, 2011

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