

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 <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, 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

* * *

This press release has been prepared for the purpose of publicly announcing MUFG’s plan to redeem the Non-dilutive Preferred Securities and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the preferred securities in any state in the United States. This press release contains forward-looking statements regarding the current plans of MUFG. Actual results may differ materially from the plans described in this press release as a result of various factors. MUFG does not undertake any obligation to update the forward-looking statements.