Mitsubishi UFJ Financial Group

Summary of 1st Quarter results of Fiscal Year Ending March 2008
(From April 2007 to June 2007)

July 31, 2007

Quality for You
This document contains forward-looking statements in regard to forecasts, targets and plans of Mitsubishi UFJ Financial Group, Inc. ("MUFG") and its respective group companies (collectively, "the group"). These forward-looking statements are based on information currently available to the group and are stated here on the basis of the outlook at the time that this document was produced. In addition, in producing these statements certain assumptions (premises) have been utilized. These statements and assumptions (premises) are subjective and may prove to be incorrect and may not be realized in the future. Underlying such circumstances are a large number of risks and uncertainties. Please see other disclosure and public filings made or will be made by MUFG and the other companies comprising the group, including the latest kessantanshin, financial reports, Japanese securities reports and annual reports, for additional information regarding such risks and uncertainties. The group has no obligation or intent to update any forward-looking statements contained in this document.

In addition, information on companies and other entities outside the group that is recorded in this document has been obtained from publicly available information and other sources. The accuracy and appropriateness of that information has not been verified by the group and cannot be guaranteed.

The financial information used in this document was prepared in accordance with accounting standards generally accepted in Japan, or Japanese GAAP.

Definitions of figures used in this document

**Consolidated Sum of non-consolidated***

- Mitsubishi UFJ Financial Group (consolidated)
- Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without other adjustments)
- PL items for FY2005 H1: Bank of Tokyo-Mitsubishi (non-consolidated) + UFJ Bank (non-consolidated) + Mitsubishi Trust and Banking Corporation (non-consolidated) + UFJ Trust Bank (non-consolidated) (without other adjustments)
- PL items for FY2005 H2: Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + UFJ Bank (non-consolidated, October-December) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without other adjustments)

*Unless specifically stated otherwise figures do not include the separate subsidiaries.*
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Consolidated gross profits up ¥24.4 bn from FY 06 Q1

- Gross profits increased driven by increase in investment trust related revenue and trading revenue, etc.

Operating expenses up ¥19.0 bn

- Main causes of increase were costs accompanied by increase in gross profits and costs related with system integration and compliance, etc.

Net income ¥151.2 bn (down ¥68.2 bn)

Credit-related costs showed an expense of ¥84.0 bn (increase of costs by ¥72.3 bn)
● Loans up ¥1 tn from end Mar. 2007 driven mainly by increases in overseas lending

● Deposits flat as retail deposits increased while corporate deposits declined

● Continued decline in FRL disclosed loans, down ¥42.9 bn from end Mar. 2007
  ➢ NPL ratio down to 1.39%

● Appraisal gains on available-for-sale securities increased ¥169.4 bn due to higher stock prices
Deposit and lending rates

- Deposit-lending spread continues to increase

Changes in deposit and lending rates (sum of non-consolidated basis)

Recent interest rate changes

July 18, 2006
- Ordinary deposit rate
  0.001% ⇒ 0.100%

Aug. 10, 2006
- Short-term prime rate
  1.375% ⇒ 1.625%

Oct. 1, 2006
- Variable mortgage rate of new loans
  2.375% ⇒ 2.625%
  (the new rates apply to repayments by existing borrowers from January 2007)

Feb. 26, 2007
- Ordinary deposit rate
  0.100% ⇒ 0.200%

Mar. 20, 2007
- Short-term prime rate
  1.625% ⇒ 1.875%

Jul. 1, 2007
- Variable mortgage rate of existing loans
  2.625% ⇒ 2.875%
  (the new rates apply to new loans from Oct. 1, 2007)
Loans/ Domestic deposits

- **Loan balance increased to ¥86.2 tn**
  (up ¥1 tn from end Mar. 2007)

  **Changes from end Mar. 2007:**
  - Overseas corporate loans +¥0.8tn
  - Domestic corporate loans +¥0.2tn
  - Housing loans\(^*1\) -¥0.1tn

\(^*1\) Loan securitization (FY07 Q1) : approx. ¥ 110.0 bn

- **Domestic branch deposits**
  ¥100.3 tn
  (down ¥1.3 tn from end Mar. 2007)

  **Changes from end Mar. 2007:**
  - Retail deposits +¥1.1 tn
  - Corporate, etc. deposits -¥2.4 tn

\(^*3\) Sum of non-consolidated, excluding negotiable deposits and special international financial transaction accounts.
Available-for-sale securities

- As of the end of Jun. 2007 appraisal gains on available-for-sale securities were approx. ¥3.5 tn
  - Higher stock prices led to an increase in equity appraisal gains of ¥314.3 bn compared to the end of Mar. 2007

![Chart: Investment securities (domestic equities and domestic bonds)]

- Available-for-sale securities with market prices

<table>
<thead>
<tr>
<th></th>
<th>End Jun. 06</th>
<th>End Sep. 06</th>
<th>End Mar. 07</th>
<th>End Jun. 07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic equities (market price)</td>
<td>¥6.88 tn</td>
<td>¥7.03 tn</td>
<td>¥7.66 tn</td>
<td>¥7.98 tn</td>
</tr>
<tr>
<td>Domestic bonds (market price)</td>
<td>¥23.84 tn</td>
<td>¥23.65 tn</td>
<td>¥22.06 tn</td>
<td>¥22.42 tn</td>
</tr>
</tbody>
</table>
FRL disclosed loans/ Credit-related costs  (Sum of non-consolidated)

- Quality of lending assets continues to improve, NPL ratio declined to 1.39%
- Credit-related costs showed an expense of ¥44.2 bn on sum of non-consolidated basis

**Balance of FRL disclosed loans**

- **NPL Ratio**
  - End Jun. 06: 1.88%
  - End Sep. 06: 1.43%
  - End Mar. 07: 1.46%
  - End Jun. 07: 1.39%

- **Balance of FRL disclosed loans**
  - End Jun. 06: ¥1,663.6 bn
  - End Sep. 06: ¥1,277.8 bn
  - End Mar. 07: ¥1,325.8 bn
  - End Jun. 07: ¥1,282.9 bn

**Credit-related costs**

- (Figures in parentheses represent costs)
  - FY05: 40.4 ¥bn
  - FY06: 16.1 ¥bn
  - FY07: 44.2 ¥bn

Quality of lending assets continues to improve, NPL ratio declined to 1.39%
Credit-related costs showed an expense of ¥44.2 bn on sum of non-consolidated basis