
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



MUFG

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	Mitsubishi UFJ Financial Group (consolidated)
Sum of non-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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FY 2007 Q1 Results Summary (P/L)

(Consolidated)



- **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)**

From Consolidated Statement of Income

		¥ bn		
		FY 06 Q1	FY 07 Q1	Change
1	Gross profits (before credit costs for trust accounts)	841.5	866.0	24.4
2	Net interest income	470.7	465.7	(4.9)
3	Net fees and commissions	260.9	265.9	5.0
4	Net gains on debt securities	(24.8)	(14.2)	10.5
5	Operating expenses	504.8	523.9	19.0
6	Net business profit *1	336.6	342.1	5.4
7	Non-recurring gains (losses)	(14.9)	(63.3)	(48.4)
8	Ordinary profit	321.7	293.0	(28.7)
9	Net special gains (losses)	71.4	14.2	(57.1)
10	Net income	219.5	151.2	(68.2)
11	Credit-related costs*2	(11.7)	(84.0)	(72.3)
12	Credit-related costs*2 (Sum of non-consolidated)	16.1	(44.2)	(60.4)

Negative numbers refer to costs or losses.

*1 Before credit costs for trust accounts and provision for general allowance for loan losses

*2 Credit-related costs = Credit costs for trust accounts (included in gross profits) + Provision for formula allowance for loan losses+ credit-related costs (included in net non-recurring gains and losses) + Reversal of allowance for loan losses.



- 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

¥ bn

From Consolidated Balance Sheet		End Mar. 07	End Jun. 07	Change
1	Loans (banking +trust accounts)	85,150.7	86,240.5	1,089.8
	Loans (banking accounts)	[84,831.9]	[85,937.7]	[1,105.8]
2	Housing loans (Sum of non-consolidated) ^{*1*2}	17,190.1	17,056.0	^{*3} (134.1)
3	Overseas loans ^{*4}	14,527.7	15,453.0	925.3
4	Investment securities (Banking accounts)	48,207.6	49,309.4	1,101.7
5	Deposits	118,708.6	118,844.9	136.3
6	FRL disclosed loans (Sum of non-consolidated)	1,325.8	1,282.9	(42.9)
7	NPL ratio (Sum of non-consolidated)	1.46%	1.39%	(0.06) points
8	Available-for-sale securities - appraisal differences	3,384.2	3,553.6	169.4

*1 Including loans for the construction of rental properties.

*2 Sum of non-consolidated + trust accounts

*3 Loan securitization (FY07 Q1) : approx. ¥ 110.0 bn

*4 Overseas branches + UNBC (UnionBanCal Corporation).

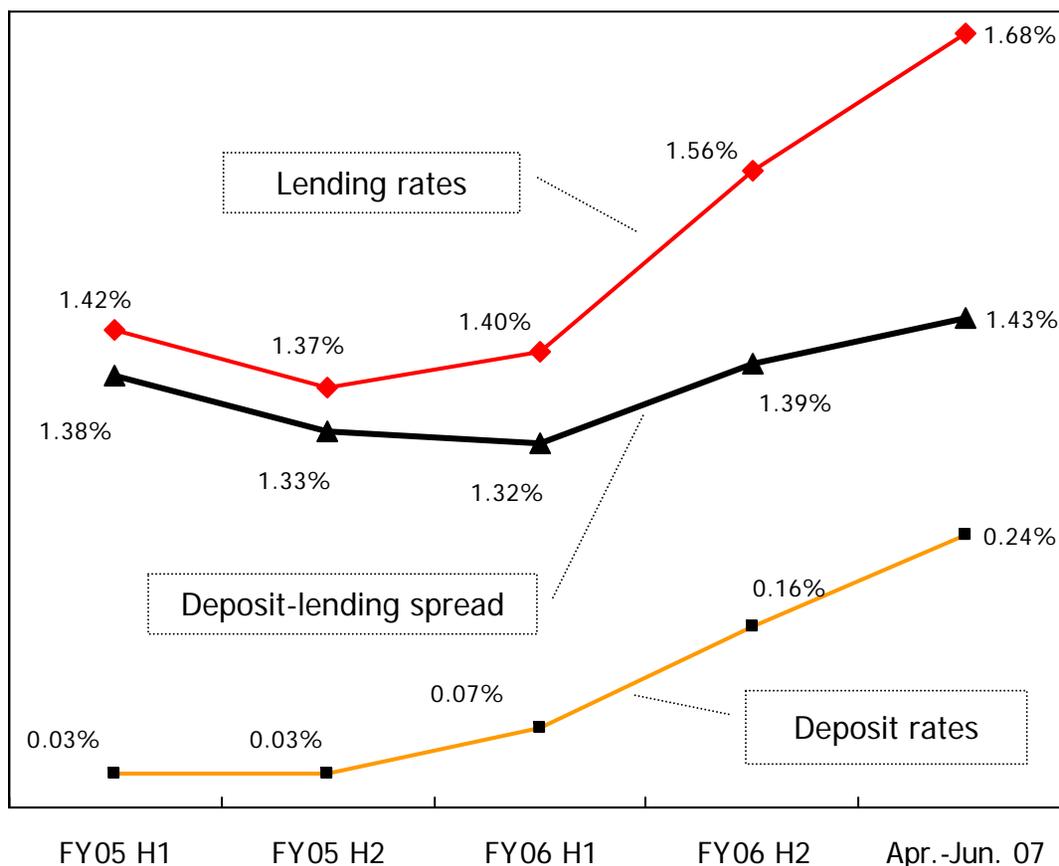
Deposit and lending rates

(Non-consolidated)



● 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

(Consolidated)



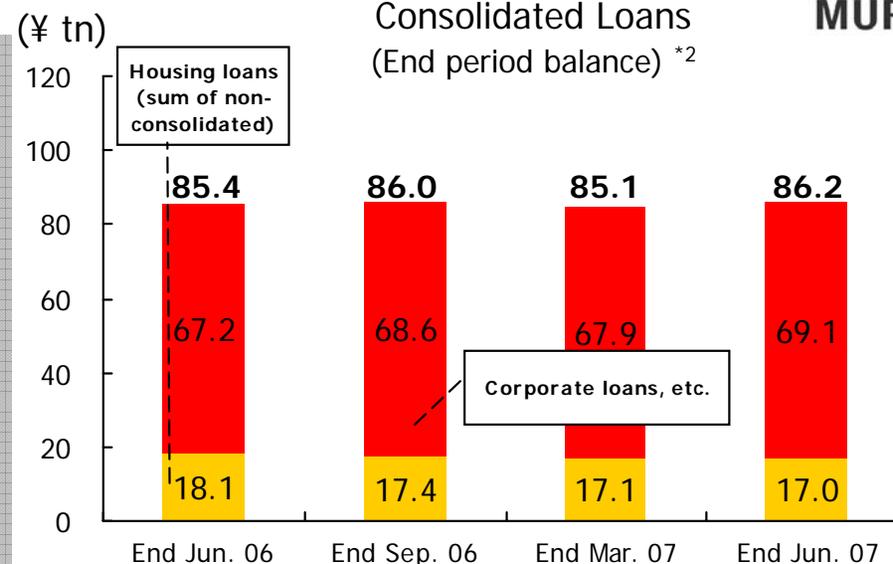
● **Loan balance increased to ¥86.2 tn**
(up ¥1 tn from end Mar. 2007)

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

Consolidated Loans
(End period balance) *2



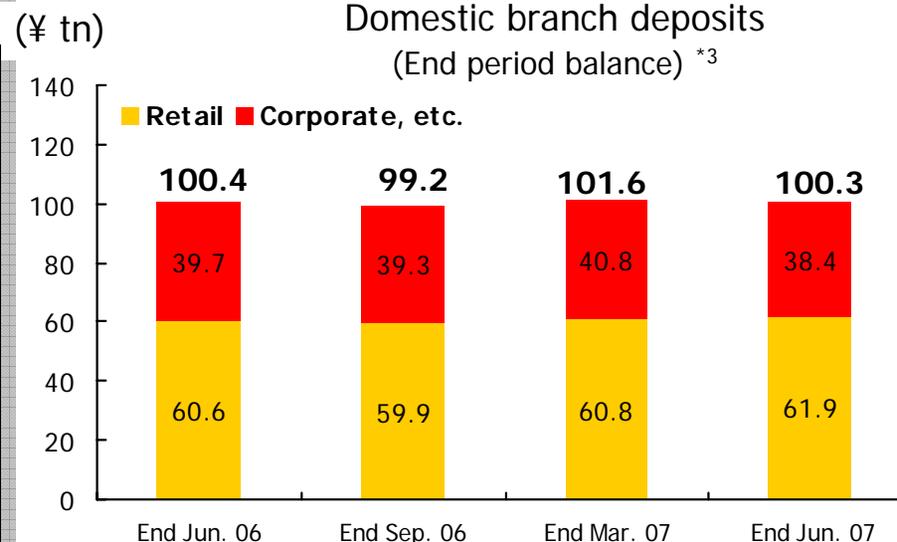
*2 Sum of banking and trust accounts.

● **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

Domestic branch deposits
(End period balance) *3



*3 Sum of non-consolidated, excluding negotiable deposits and special international financial transaction accounts.

Available-for-sale securities

(Consolidated)



- 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

Investment securities (domestic equities and domestic bonds) *



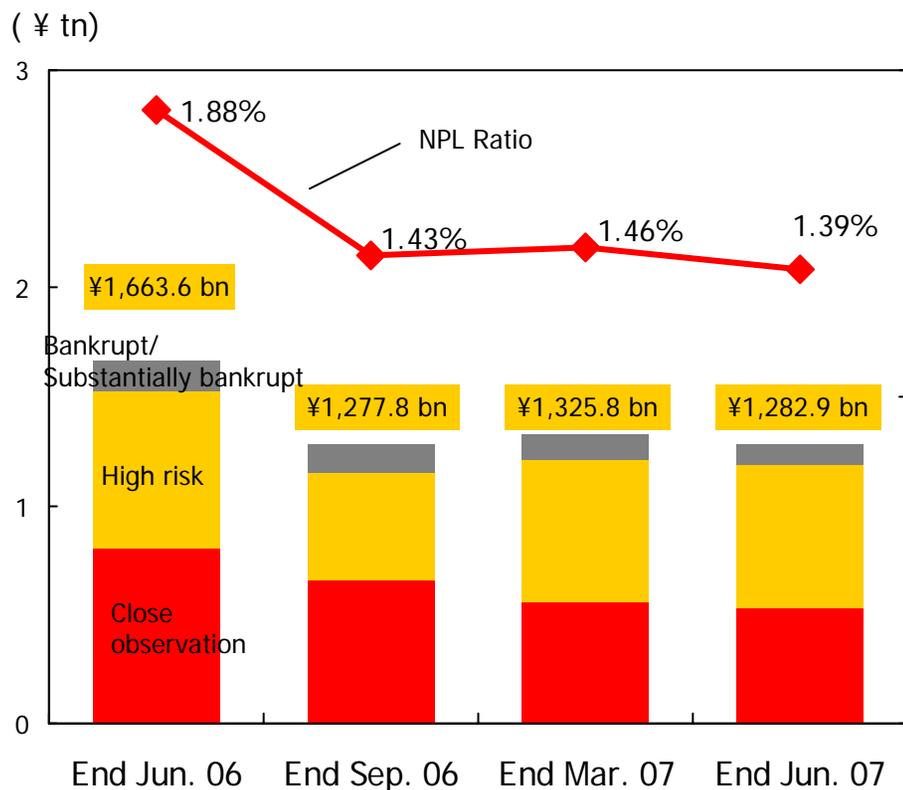
Domestic equity holdings (market price)	¥6.88 tn	¥7.03 tn	¥7.66 tn	¥7.98 tn
Domestic bond holdings (market price)	¥23.84 tn	¥23.65 tn	¥22.06 tn	¥22.42 tn

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



Credit-related costs (Sum of non-consolidated)

