

Mitsubishi UFJ Financial Group

**Financial Highlights under Japanese GAAP
for Fiscal Year Ended March 31, 2010
(From April 1, 2009 to March 31, 2010)**

May 18, 2010

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Definitions of figures used in this document

Consolidated Mitsubishi UFJ Financial Group (consolidated)

Non-consolidated Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without any adjustments)

● Net business profits

- Gross profits increased due to higher corporate lending income, market product income and a consolidation of ACOM, despite lower deposit income caused by the decline of interest-rates.
- Excluding impact from consolidation of ACOM, G&A expenses decreased due to an intensive corporate-wide cost reduction as well as the effect of the system integration.
- As a result, net business profits increased. Even excluding the impact from the consolidation of ACOM, net business profits increased significantly.

● Total credit costs

- Non-consolidated credit costs almost flat. However, consolidated credit costs increased due to higher credit costs from other subsidiaries and the consolidation of ACOM.

● Net gains (losses) on equity securities

- Net gains on equity securities significantly improved mainly due to a decrease in the write-down of equity securities and higher gains on sales of strategic equity securities.

● Other non-recurring gains (losses)

- Other non-recurring losses increased mainly due to higher retirement benefit costs.

Income statement (¥bn)

	FY08	FY09	Change	Excluding ACOM	
1	Gross profits (before credit costs for trust accounts)	3,272.9	3,600.4	327.5	151.4
2	Net interest income	1,975.9	2,177.1	201.2	44.1
3	Trust fees+Net fees and commissions	1,089.5	1,093.6	4.1	(11.7)
4	Net trading profits+Net other business profits	207.4	329.5	122.1	119.1
5	Net gains (losses) on debt securities	80.9	49.8	(31.0)	(31.0)
6	G&A expenses	2,083.7	2,084.8	1.1	(68.6)
7	Net business profits	1,189.1	1,515.5	326.3	220.1
8	Credit costs* ¹	(608.4)	(825.2)	(216.7)	(116.9)
9	Net gains (losses) on equity securities	(408.7)	32.4	441.2	440.4
10	Other non-recurring gains (losses)	(89.1)	(177.1)	(88.0)	(75.9)
11	Ordinary profits	82.8	545.6	462.8	467.7
12	Net extraordinary gains (losses)	32.2	51.0	18.7	16.6
13	Total of income taxes-current and income taxes-deferred	301.9	150.9	(150.9)	(152.6)
14	Net income	(256.9)	388.7	645.6	651.6
15	Total credit costs* ²	(608.4)	(825.2)	(216.7)	(116.9)
16	(Non-consolidated)	(390.1)	(404.4)	(14.2)	(14.2)
Reference (¥)					
17	EPS	(25.04)	29.57	54.61	
18	ROE* ³	(3.97%)	4.92%	8.90%	

*1 Credit costs= Credit costs for trust accounts + Provision for general allowance for credit losses + Credit costs (included in non-recurring gains/losses) (Negative numbers refer to costs or losses)

*2 Total credit costs= Credit costs + Reversal of allowance for credit losses + Reversal of reserve for contingent losses included in credit costs (Negative numbers refer to costs or losses)

*3

Net income—Equivalent of annual dividends on nonconvertible preferred stocks

$\frac{\{(Total\ shareholder\ equity\ at\ the\ beginning\ of\ the\ period - Number\ of\ nonconvertible\ preferred\ shares\ at\ the\ beginning\ of\ the\ period \times Issue\ price + Foreign\ currency\ translation\ adjustments\ at\ the\ beginning\ of\ the\ period) + (Total\ shareholder\ equity\ at\ the\ end\ of\ the\ period - Number\ of\ nonconvertible\ preferred\ shares\ at\ the\ end\ of\ the\ period \times Issue\ price + Foreign\ currency\ translation\ adjustments\ at\ the\ end\ of\ the\ period)\}}{2}$ ×100

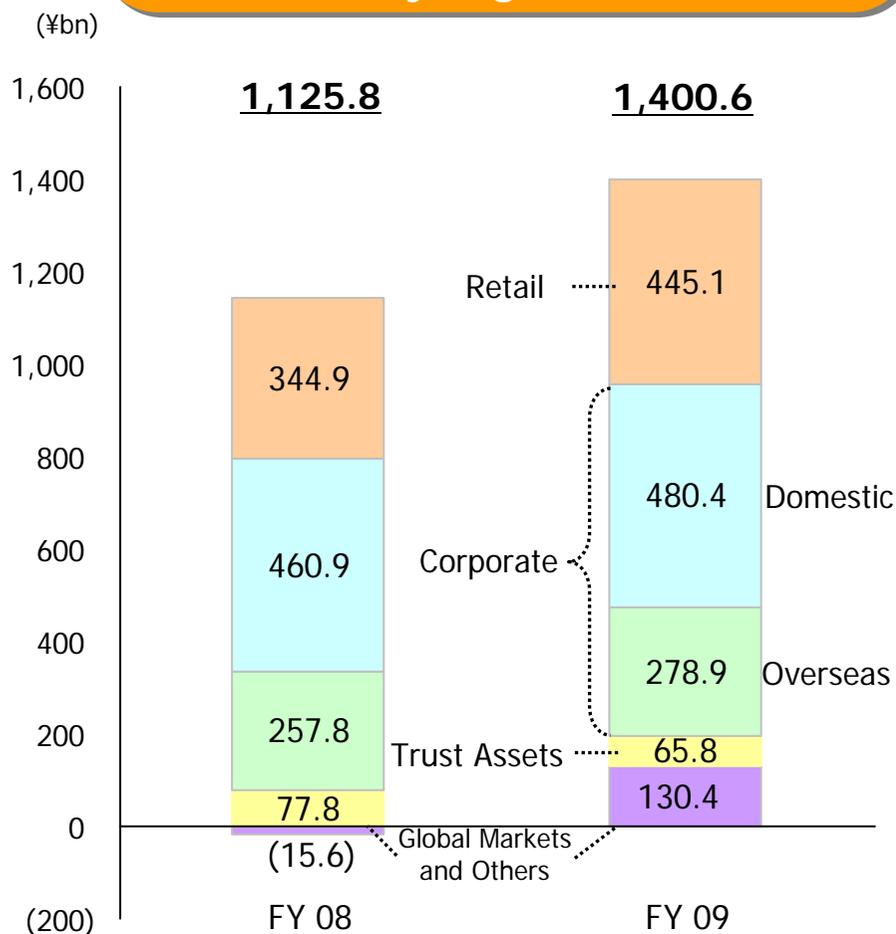
Outline of results by business segment

(Consolidated)

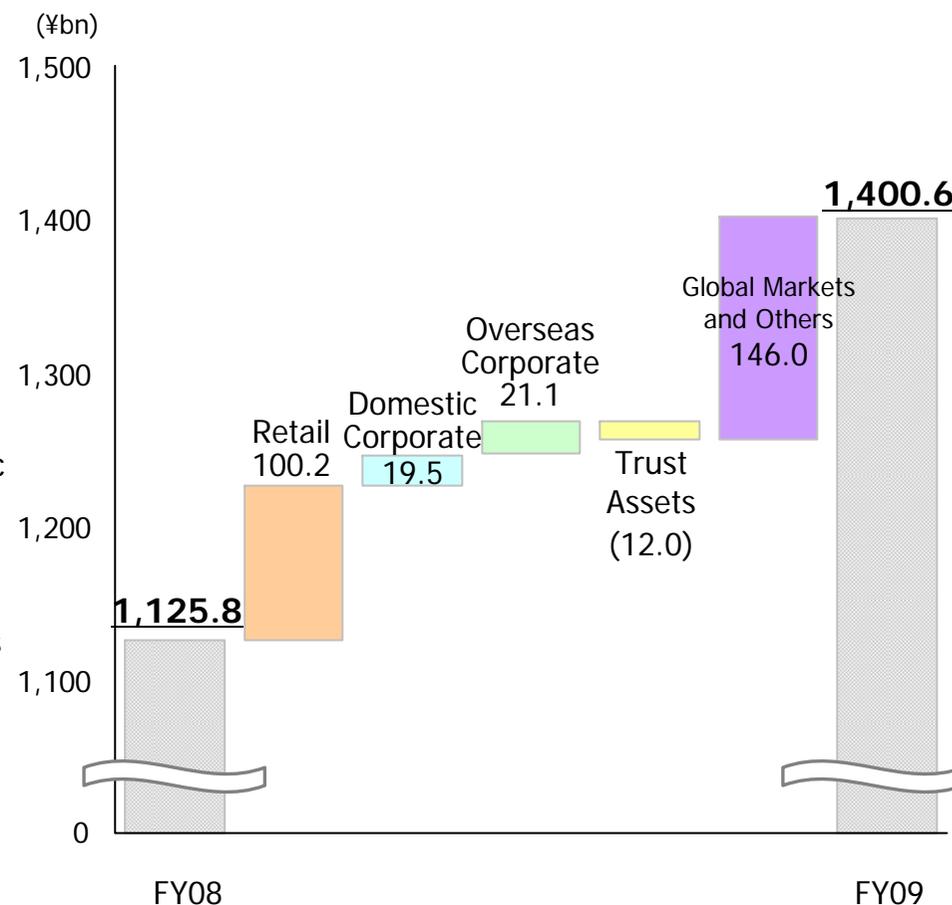


- Net operating profits from all business segments except for Trust Assets increased, as a result, total net operating profits increased ¥274.8 bn compared to FY08.
- An increase in lending income, market product income and cost reduction offset a decrease in deposit income.

Net operating profits by segment*1



Breakdown of changes in Net operating profits*1



*1 Consolidated net business profits on a managerial accounting basis
Losses on credit derivatives for credit risk hedging are recorded in 'Global Markets and Others'

● Loans

- Decreased from End Sep. 09 due to lower domestic and overseas corporate loans and also deconsolidation of Senshu Bank

● Investment securities

- Significantly increased from End Sep. 09 mainly due to Japanese Government Bonds (“JGBs”)

● Deposits

- Increased because higher deposits from domestic branches from End Sep. 09, offset by lower deposits from overseas branches

● Non performing loans (“NPLs”)

- NPL ratio up from End Sep. 09 as a result of increase in FRL disclosed loans, but keeping at a low level

● Net unrealized gains (losses) on securities available for sale

- Improved from End Sep. 09 mainly due to improvement of appraisal gains (losses) on domestic equity and other securities.

● BIS ratio

- Significantly increased from End Sep. 09 mainly due to the issuance of new shares.

Balance sheet (¥bn)

	End Mar. 10	Change from End Mar. 09	Change from End Sep. 09
1 Loans (Banking+Trust accounts)	85,035.9	(7,220.6)	(3,171.2)
Loans (Banking accounts)	[84,880.6]	[(7,176.2)]	[(3,151.4)]
2 Domestic corporate loans*1	47,771.9	(2,467.2)	(341.1)
3 Housing loans*1	17,467.3	103.1	165.8
4 Overseas loans*2	16,651.7	(2,836.8)	(849.2)
5 Investment securities (Banking accounts)	63,964.4	15,650.3	6,580.0
6 Deposits	123,891.9	3,742.3	1,848.2
7 Individual deposits (Domestic branches)	63,045.3	163.7	200.9
8 Loan-and-deposit rate margin (Non-consolidated)	FY09 H2 1.31%	Change from FY08 H2 (0.13%)	Change from FY09 H1 (0.03%)
9 FRL disclosed loans*1*3	1,348.7	158.8	102.8
10 NPL ratio*1	1.50%	0.25%	0.12%
11 Net unrealized gains (losses) on securities available for sale	812.7	1,730.4	397.8
12 BIS capital ratio (Tier 1 ratio)	14.87% 10.63%	3.09% 2.86%	1.57% 1.50%

*1 Non-consolidated + trust accounts

*2 Loans booked in overseas branches, UnionBanCal Corporation and BTMU (China)

*3 FRL=the Financial Reconstruction Law

Loans/deposits

(Consolidated)



● **Loan balance ¥85.0tn**
(down ¥3.1tn from End Sep. 09)

Changes from End Sep. 09:

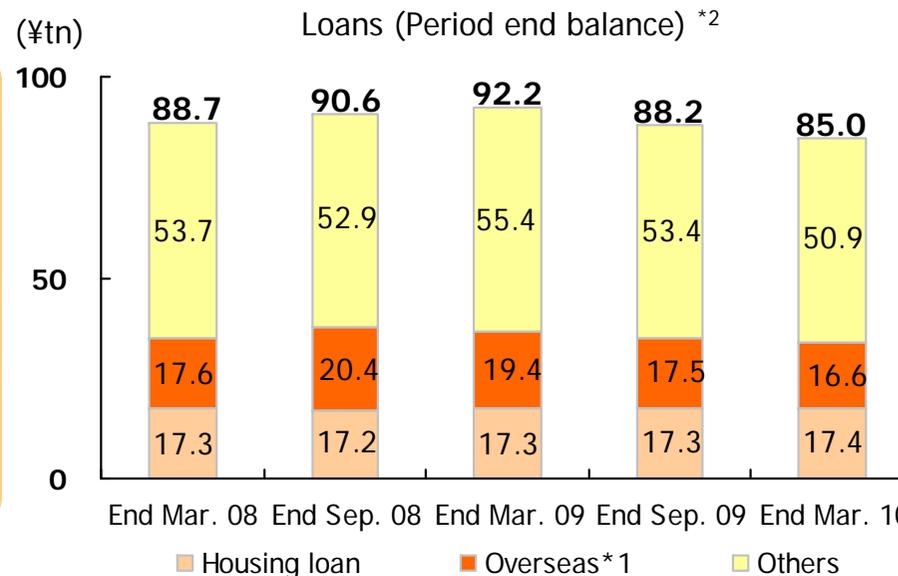
- Domestic corporate -¥0.3tn
- Overseas*1 -¥0.8tn
- Deconsolidation of
Senshu Bank -¥1.7tn

*1 Overseas branches + UnionBanCal Corporation + BTMU (China)

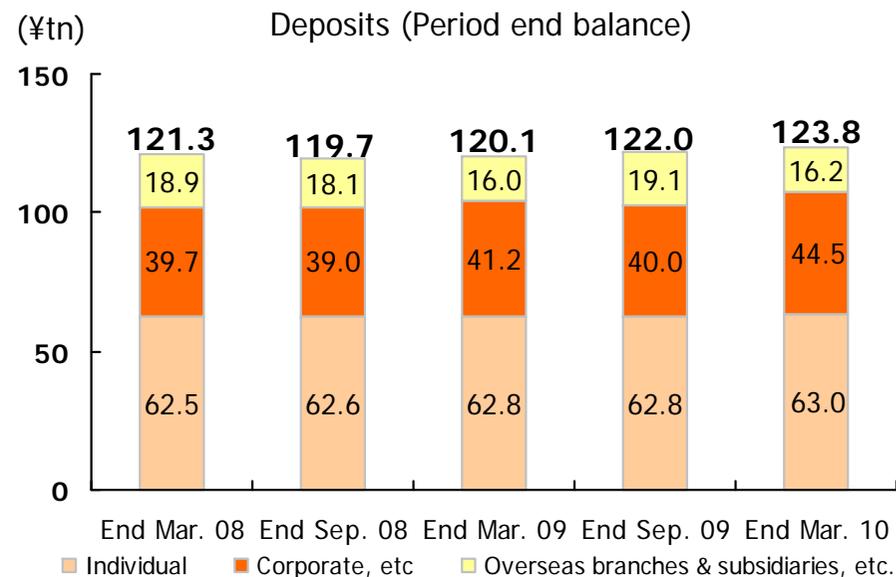
● **Deposit balance ¥123.8tn**
(up ¥1.8tn from End Sep. 09)

Changes from End Sep. 09:

- Individual +¥0.2tn
- Corporate, etc. +¥4.5tn
- Overseas branches -¥1.5tn
- Deconsolidation of
Senshu Bank -¥1.9tn



*2 Sum of banking and trust accounts.



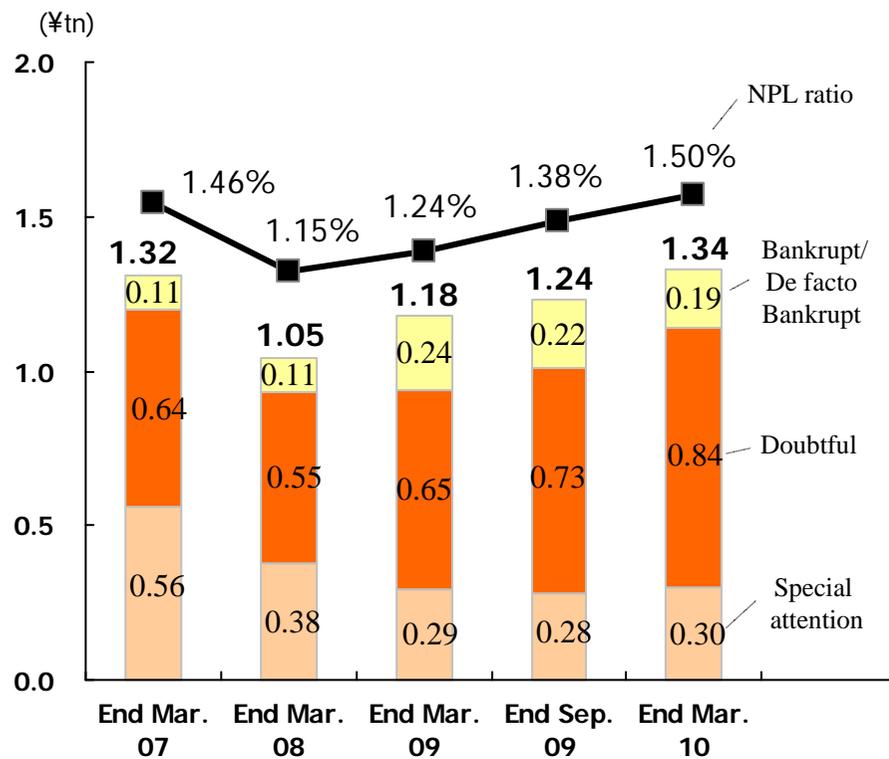
Loan assets

(Consolidated/Non-consolidated)

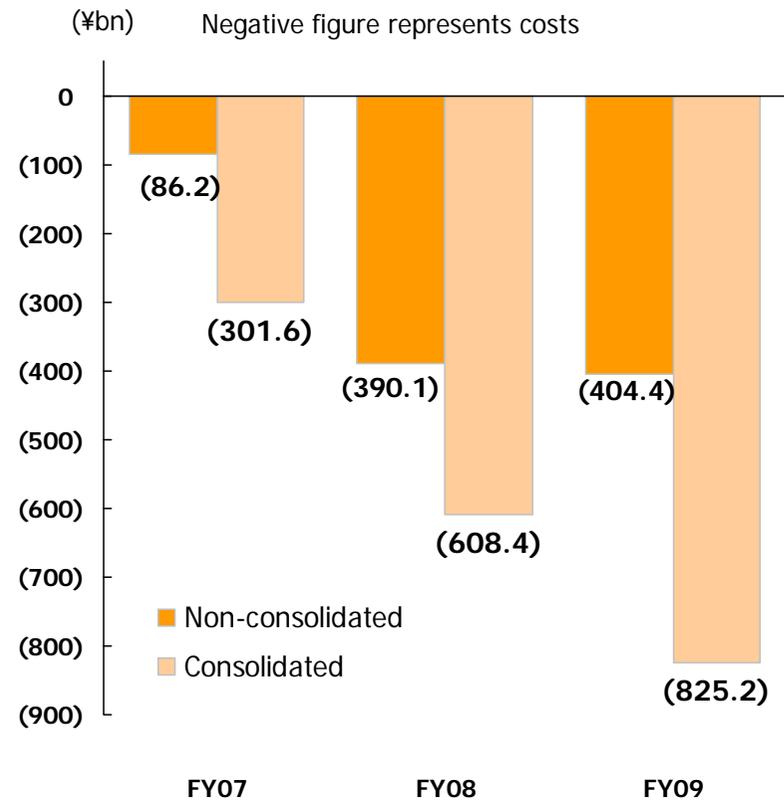


- NPL ratio up by 0.12% from the end of Sep. 09 to 1.50% due to an increase in Doubtful and Special attention category loans
- Total credit costs was an expense of ¥404.4bn on a non-consolidated basis and ¥825.2bn on a consolidated basis

Balance of FRL disclosed loans (Non-consolidated)



Total credit costs



Holdings of investment securities

(Consolidated)



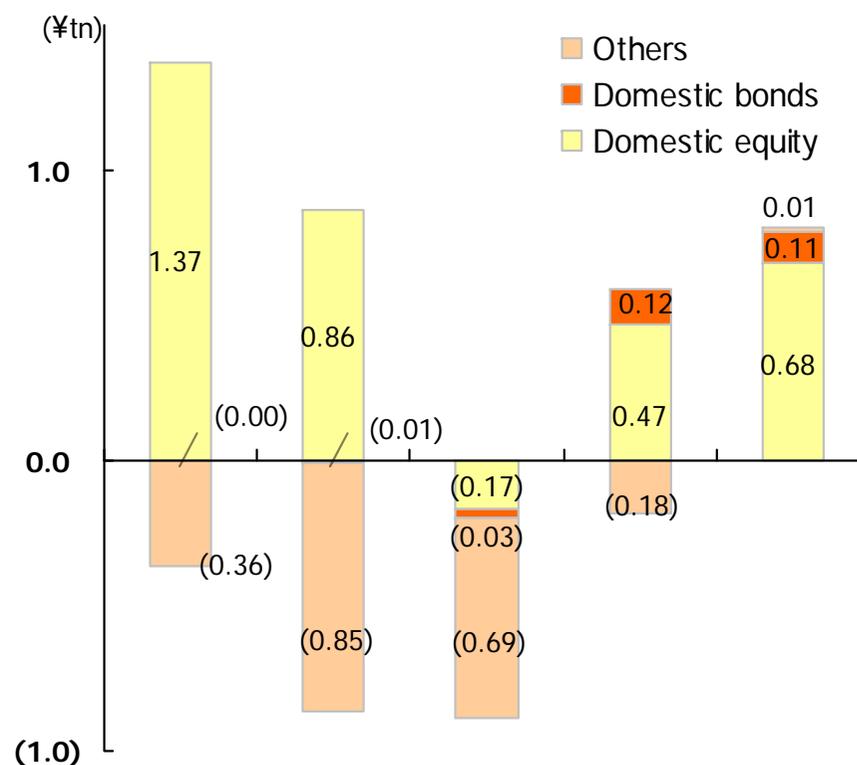
- Domestic equity securities and other securities increased due to higher stock prices.
- Total unrealized gains (losses) on securities available for sale improved by ¥397.8bn from End Sep. 09.

Breakdown of securities available for sale (with market value)

(¥bn)

	Balance (End Mar.10)	Unrealized gains (losses)	Change from End Sep. 09
Total	60,406.3	812.7	397.8
Domestic equity securities	4,277.3	681.7	204.9
Domestic bonds	43,376.6	117.1	(7.1)
Government bonds	38,748.0	79.9	(22.2)
Others	12,752.3	13.8	200.0
Foreign equity securities	282.5	73.5	9.9
Foreign bonds	10,702.5	77.2	16.1
Other	1,767.1	(137.0)	173.9

Unrealized gains (losses) on securities available for sale



	End Mar. 08	End Sep. 08	End Mar. 09	End Sep. 09	End Mar. 10
TOPIX:	1,212.96	1,087.41	773.66	909.84	978.81
JGB(10y):	1.28%	1.48%	1.34%	1.30%	1.40%

● **Balance of investments in securitized products approx. ¥1.74tn (down ¥243bn from End Sep. 09)**

Figures are on a managerial accounting basis and rounded off. Balance is the amount after impairment and before deducting net unrealized losses.

- The balance of investments in securitized products decreased to ¥1.74tn (down ¥243bn from End Sep. 09), due to the sales of securitized products, which have a risk of being downgraded or deteriorated, and redemptions.
- Net unrealized losses improved by ¥81bn from End Sep.09 to ¥125bn.
- The effect on the P/L for the fiscal year 2009 (full-year) was a loss of ¥11bn mainly due to losses on impairment.

Balance, net unrealized gains (losses)

(¥bn)

	Balance		Unrealized gains (losses)		of which securities being held to maturity*	
		Change from End Sep. 09		Change from End Sep. 09	Balance	Unrealized gains (losses)
1 RMBS	80	(25)	3	8	0	0
2 Sub-prime RMBS	22	(12)	6	6	0	0
3 CMBS	23	(2)	(2)	0	0	0
4 CLOs	1,524	(42)	(120)	66	1,221	(100)
5 Others (card, etc.)	106	(168)	(6)	5	27	(1)
6 CDOs	8	(5)	0	2	0	0
7 SIV investments	0	0	0	0	0	0
8 Total	1,741	(243)	(125)	81	1,248	(101)

* Following the publication of "Tentative Solution on Reclassification of Debt Securities" (Practical Issue Task Force No.26), some of our securitized products were reclassified into "securities being held to maturity" from "securities available for sale" at and after the end of January 2009. The balance and net unrealized gains (losses) of the securities being held to maturity in the above table are based on book value before reclassification.

(¥bn)

● Total capital

■ Increased ¥1.04 tn from End Sep. 09 mainly due to the issuance of new shares as well as increases in retained earnings and net unrealized gains

● Risk-adjusted assets

■ Decreased ¥3.28 tn from End Sep.09 mainly due to a decrease in loans and deconsolidation of Senshu Bank

<Adopted methods>

■ Credit risk: AIRB
(Advanced Internal Ratings-based Approach)

■ Operational risk: TSA
(The Standardized Approach)

● **Capital ratio** : **14.87%**
Tier 1 ratio : **10.63%**
Core Tier 1 ratio^{*1} : **8.28%**

	End Mar. 09	End Sep. 09	End Mar. 10	Change from End Sep. 09
1 Capital ratio	11.77%	13.29%	14.87%	1.57%
2 Tier 1 ratio	7.76%	9.13%	10.63%	1.50%
3 Core Tier 1 ratio	5.77%	6.83%	8.28%	1.45%
4 Tier 1	7,575.1	8,894.3	10,009.6	1,115.2
5 Capital stock and capital surplus	3,518.9	3,518.8	4,559.9	1,041.0
6 Retained earnings	4,168.6	4,238.2	4,405.5	167.2
7 Tier 2	4,216.1	4,383.5	4,449.6	66.0
8 Net unrealized gains on securities available for sale	-	185.1	362.7	177.5
9 Total capital	11,478.4	12,948.9	13,991.7	1,042.8
10 Risk-adjusted assets	97,493.4	97,368.2	94,081.3	(3,286.9)
11 Credit risk	90,242.9	89,902.3	85,292.7	(4,609.5)
12 Market risk	1,587.6	1,777.6	1,902.7	125.1
13 Operational risk	5,662.7	5,688.3	6,885.8	1,197.4

*1 Core Tier 1 = Tier 1 – (Preferred stock + Preferred securities)
 Core Tier 1 ratio = Core Tier 1 / Risk-adjusted assets

FY2010 targets/dividend forecasts

(Consolidated/
Non-consolidated)



Earnings targets

Consolidated

	Interim (reference)	FY2010 Full Year (targets)
1 Ordinary profits	¥370.0 bn	¥830.0 bn
2 Net income	¥170.0 bn	¥400.0 bn

Dividend forecasts

	Interim dividend (forecasts)	Year-end dividend (forecasts)	FY2010 Annual dividend (forecast)
1 Dividend per common share	¥6	¥6	¥12

Bank of Tokyo-Mitsubishi UFJ

(non-consolidated)	Interim (reference)	FY2010 Full Year (reference)
1 Net business profits	¥415.0 bn	¥870.0 bn
2 Ordinary profits	¥245.0 bn	¥550.0 bn
3 Net income	¥145.0 bn	¥330.0 bn

Mitsubishi UFJ Trust and Banking

(non-consolidated)	Interim (reference)	FY2010 Full Year (reference)
1 Net business profits	¥65.0 bn	¥145.0 bn
2 Ordinary profits	¥45.0 bn	¥105.0 bn
3 Net income	¥25.0 bn	¥65.0 bn

This document contains forward-looking statements regarding estimations, forecasts, targets and plans in relation to the results of operations, financial conditions and other overall management of the company and/or the group as a whole (the “forward-looking statements”). The forward-looking statements are made based upon, among other things, the company’s current estimations, perceptions and evaluations. In addition, in order for the company to adopt such estimations, forecasts, targets and plans regarding future events, certain assumptions have been made. Accordingly, due to various risks and uncertainties, the statements and assumptions are inherently not guarantees of future performance, may be considered differently from alternative perspectives and may result in material differences from the actual result. For the main factors that may effect the current forecasts, please see Consolidated Summary Report, Annual Securities Report, Disclosure Book, Annual Report, and other current disclosures that the company has announced.

The financial information included in this financial highlights is prepared and presented in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”). Differences exist between Japanese GAAP and the accounting principles generally accepted in the United States (“U.S. GAAP”) in certain material respects. Such differences have resulted in the past, and are expected to continue to result for this period and future periods, in amounts for certain financial statement line items under U.S. GAAP to differ significantly from the amounts under Japanese GAAP. For example, differences in consolidation basis or accounting for business combinations, including but not limited to amortization and impairment of goodwill, could result in significant differences in our reported financial results between Japanese GAAP and U.S. GAAP. Readers should consult their own professional advisors for an understanding of the differences between Japanese GAAP and U.S. GAAP and how those differences might affect our reported financial results. We will publish our U.S. GAAP financial results in a separate disclosure document when such information becomes available.