Mitsubishi UFJ Financial Group

Financial Highlights under Japanese GAAP for Fiscal Year Ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

May 16, 2011

Quality for You

MUFG

Agenda

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)

Income statement summary (Consolidated)

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● Net business profits

- Gross profits decreased due to lower net interest income such as deposit-lending spread and consumer-finance income, partially offset by an increase in income from market related products such as net gains on sales of debt securities.
- G&A expenses decreased reflecting the progress in an ongoing intensive corporate-wide cost reduction.
- Net business profits remained virtually unchanged.

● Total credit costs

- Significantly decreased due to a decrease in provision for credit losses and losses on loan write-off reflecting a decline in number of bankruptcies.

● Net gains (losses) on equity securities

- Net gains on equity securities decreased mainly due to a lower gains on sales of equity securities reflecting weak stock performance in general stock market.

● Other non-recurring losses

- Increased due to an increase in provision on for loss on interest repayment.

● Net income

- No more loss carried forward. Re-started payment of corporate income tax.
- Lower effective tax rate applied as a result of a change in the example categories for tax calculation.
- Achieved ¥583.0bn, ahead of target:¥500.0bn.

Income statement(¥bn)

		FY10	FY09	Change
1	Gross profits (before credit costs for trust accounts)	3,522.5	3,600.4	(77.8)
2	Net interest income	2,020.0	2,177.1	(157.1)
3	Trust fees+Net fees and commissions	1,079.8	1,093.6	(13.7)
4	Net trading profits +Net other business profits	422.6	329.5	93.0
5	Net gains (losses) on debt securities	221.3	49.8	171.4
6	G&A expenses	2,020.8	2,084.8	(63.9)
7	Expense ratio	57.4%	57.9%	(0.5%)
8	Net business profits	1,501.6	1,515.5	(13.8)
9	Credit costs*1	(424.2)	(825.2)	400.9
10	Net gains (losses) on equity securities	(57.1)	32.4	(89.6)
11	Other non-recurring gains (losses)	(373.7)	(177.1)	(196.6)
12	Ordinary profits	646.4	545.6	100.7
13	Net extraordinary gains (losses)	(6.8)	51.0	(57.9)
14	Total of income taxes-current and income taxes-deferred	(175.4)	(150.9)	(24.5)
15	Minority interest	119.0	(57.0)	176.0
16	Net income (losses)	583.0	388.7	194.3
17	Total credit costs*2	(354.1)	(760.1)	406.0
18	Non-consolidated	(174.2)	(361.6)	187.3

*1 Credit costs for trust accounts+Provision for general allowance for credit losses +Credit costs(included in non-recurring gains/losses)

*2 Credit costs+Reversal of allowance for credit losses+Reversal of reserve for contingent losses included in credit costs +Gains on loans written-off.
Total credit costs excluding gains on loans written-off was (¥417.9bn), improved by ¥407.2bn compared to FY09
A portion of losses expected from the future repayment of interest was recorded as part of the provision for reserves for contingent losses since FY10, as compared to a part of provision for allowance for credit losses in prior years.
Had it been recorded under previous method, it would have been larger by ¥52.0bn.

Reference(¥)

		FY10	FY09	Change
19	EPS	39.95	29.57	10.38
20	ROE*3	6.89%	4.92%	1.96%

*3

$$\frac{\text{Net income}-\text{Equivalent of annual dividends on nonconvertible preferred stocks}}{\{(\text{Total shareholders' equity at the beginning of the period}-\text{Number of nonconvertible preferred stocks at the beginning of the period}\times\text{Issue price}+\text{Foreign currency translation adjustments at the beginning of the period}) + (\text{Total shareholders' equity at the end of the period}-\text{Number of nonconvertible preferred stocks at the end of the period}\times\text{Issue price}+\text{Foreign currency translation adjustments at the end of the period})\}\div 2}\times 100$$

Outline of net income (Consolidated)

● **Demonstrated a strong performance by our banking and trust banking subsidiaries. At the same time, strengthened our financial position by implementing some drastic written-off to provide a basis for steady profit growth in FY11 and beyond. Net income was ¥583.0bn, ahead of the target.**

● Reform of securities subsidiary

- Large trading losses was recorded due to changes in market conditions. Reform of the business is underway including large reductions in risk positions, a thorough review of the management systems for market products and strengthening of the risk management framework.
- A capital increase was implemented to enhance its financial position and restore the regulatory capital ratios.

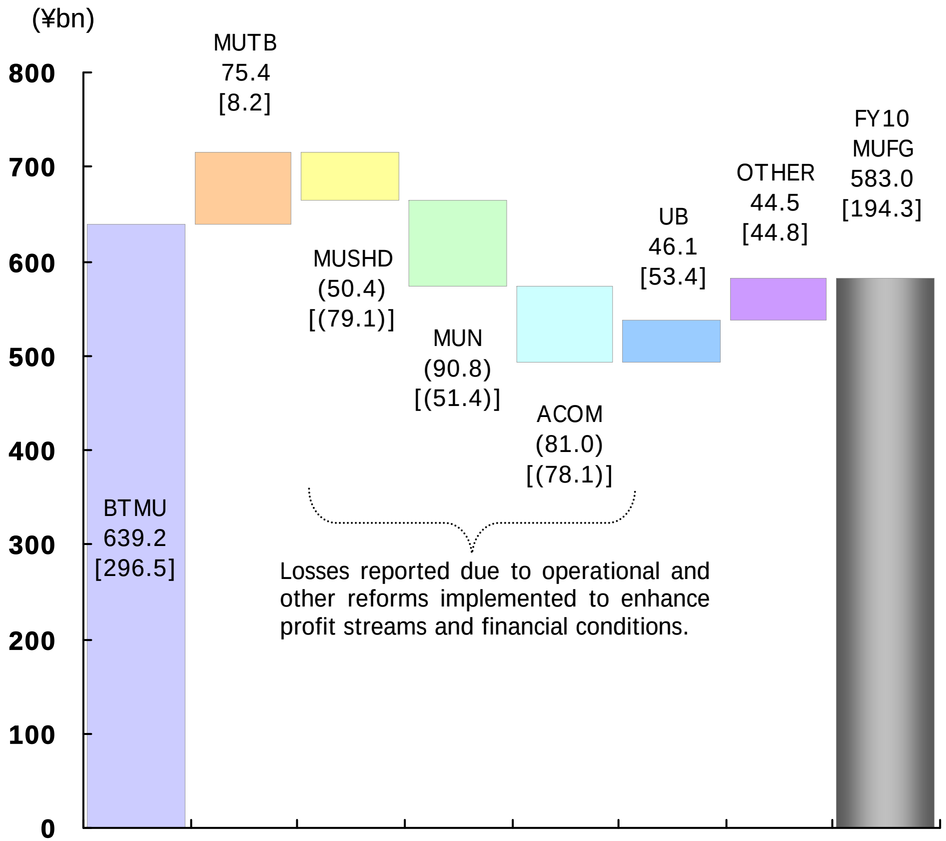
● New medium-term plan of MUN

- Recorded a large additional provision for allowance for future interest repayment and implemented measures to enhance earnings structure.
- A capital increase was implemented to strengthen its financial position.

● Additional provision for interest repayment expenses for ACOM

- Recorded a large additional provision for allowance for future interest repayment.

Breakdown of net income*1

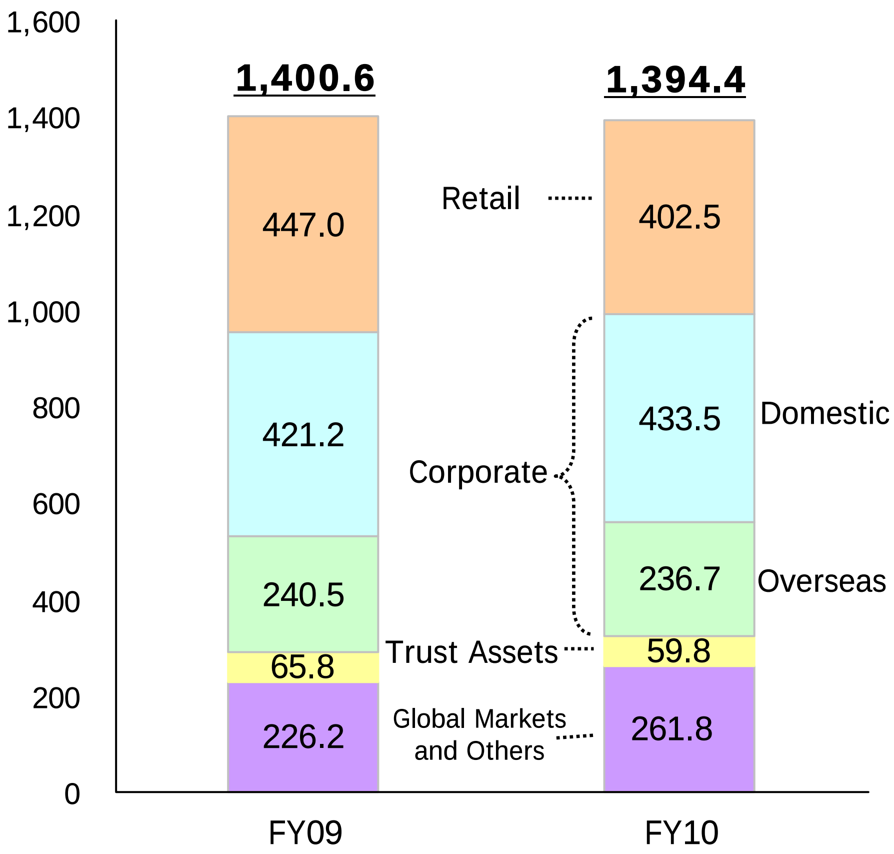


*1 The above figures take into consideration the percentage holding in each subsidiary (after-tax basis) and figures in brackets are the change compared to FY09.

Outline of results by business segment (Consolidated)

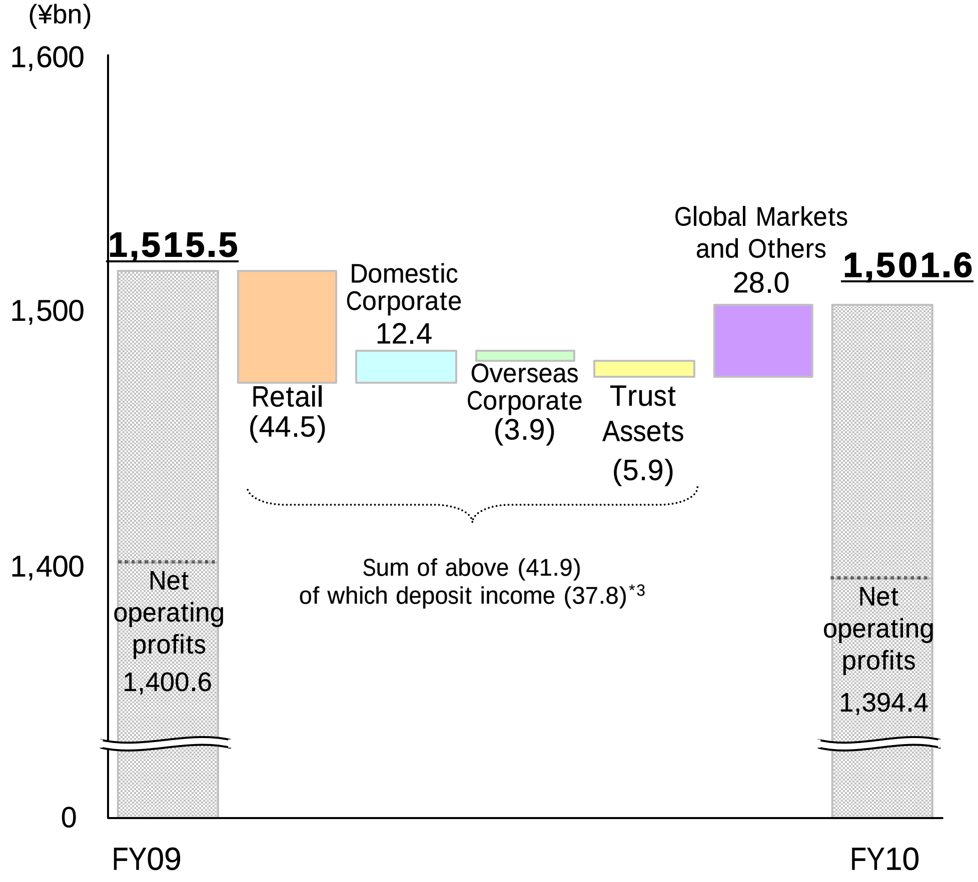
- **Total net business profits remained almost flat compared to FY09. An increase in net business profits from Global Markets segment and cost reduction throughout the segments were offset by a decrease in profits from Retail, Corporate and Trust Assets segments in aggregate due to downturn of market environment, such as decline of interest rates.**

Net operating profits by segment*1



*1 Consolidated net business profits on a managerial accounting basis.

Breakdown of changes in Net business profits*2



*2 Changes in segmental profit are on a managerial accounting basis.
*3 Deposit income is the total of BTMU and MUTB figures.

Balance sheet summary (Consolidated)

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- **Loans**
  - Decreased from End Mar. 10 due to lower domestic corporate loans and overseas loans. Increased slightly as compared to those at End Sep. 10.
- **Investment securities**
  - Increased from End Mar. 10 and End Sep. 10 mainly due to an increase in Japanese government bonds.
- **Deposits**
  - Remained almost unchanged from End Mar. 10, yet increased significantly from End Sep. 10.
- **Total net assets**
  - Decreased from End Mar. 10 and End Sep. 10 mainly due to net unrealized gains on other securities and redemption of preferred securities.
- **Non performing loans (“NPLs”)**
  - FRL disclosed loans and NPL ratio almost flat from End Sep. 10, and keeping at a low level.
- **Net unrealized gains (losses) on securities available for sale**
  - Decreased from End Mar. 10 and End Sep. 10.

Balance sheet(¥bn)

		End Mar.11	Change from End Mar.10	Change from End Sep.10
1	Total assets	206,227.0	2,120.1	(153.7)
2	Loans(Banking+Trust accounts)	80,142.3	(4,893.5)	745.2
3	Loans(Banking accounts)	79,995.0	(4,885.5)	740.5
4	Domestic corporate loans*1	43,916.9	(3,854.9)	354.3
5	Housing loans*1	17,300.6	(166.7)	(116.6)
6	Overseas loans*2	16,422.1	(229.5)	809.9
7	Investment securities (banking accounts)	71,023.6	7,059.1	970.5
8	Japanese government bonds	44,941.8	5,216.4	1,400.2
9	Total liabilities	195,412.6	2,605.1	363.7
10	Deposits	124,144.3	252.3	1,875.6
11	Individual deposits (Domestic branches)	64,384.6	1,339.2	1,093.8
12	Total net assets	10,814.4	(485.0)	(517.5)
		FY10 2H	Change from FY09 2H	Change from FY10 1H
13	Deposit/lending spread (Domestic, non-consolidated)	1.30%	(0.00%)	0.01%
14	FRL disclosed loans*1*3	1,430.7	81.9	14.7
15	NPL ratio*1	1.68%	0.17%	(0.01%)
16	Net unrealized gains(losses) on securities available for sale	327.6	(485.0)	(369.7)

*1 Non-consolidated+trust accounts
*2 Loans booked in overseas branches, UnionBanCal Corporation and BTMU(China)
*3 FRL=the Financial Reconstruction Law

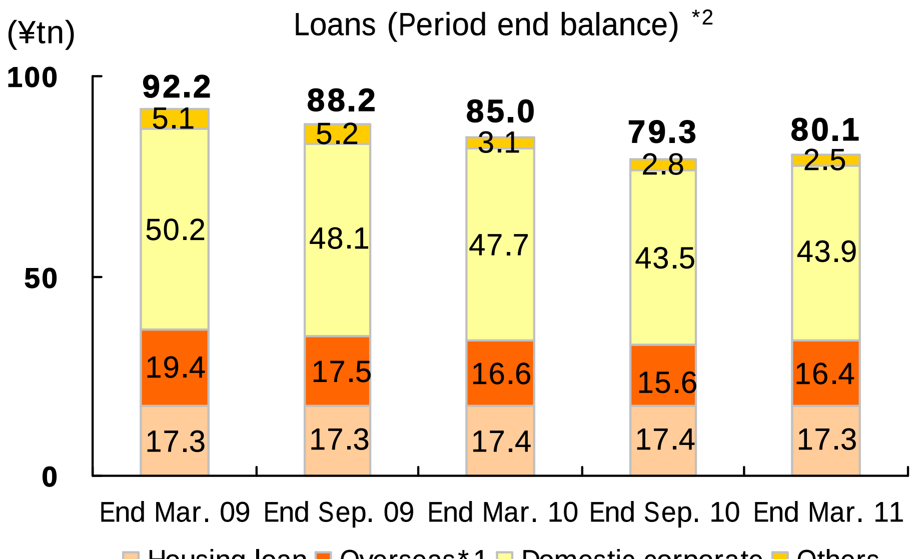
Loans / deposits (Consolidated)

●Loan balance ¥80.1tn
(up ¥0.7tn from End Sep. 10)

Changes from End Sep. 10:

■Housing Loan	(¥0.1tn)
■Overseas*1	+¥0.8tn
■Domestic corporate	+¥0.3tn

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

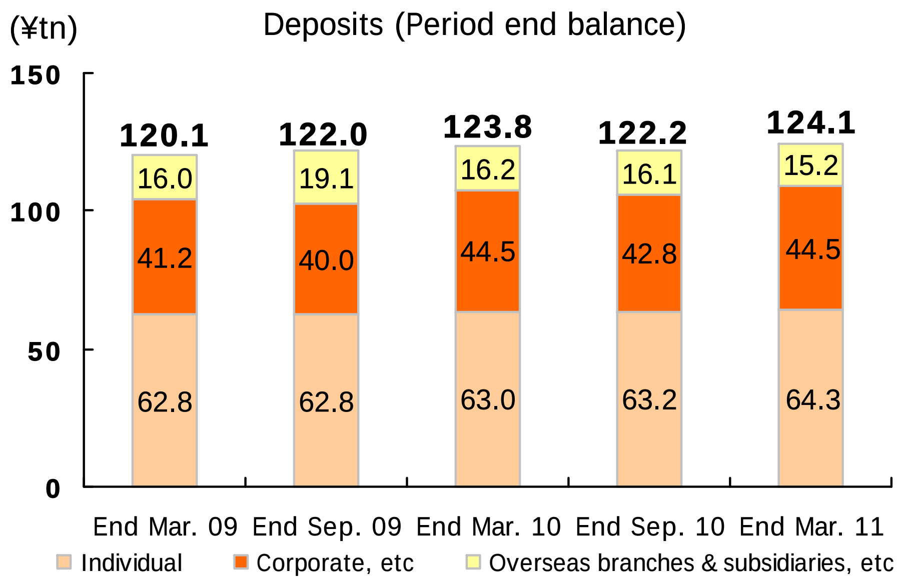


*2 Sum of banking and trust accounts

●Deposit balance ¥124.1tn
(up ¥1.8tn from End Sep. 10)

Changes from End Sep. 10:

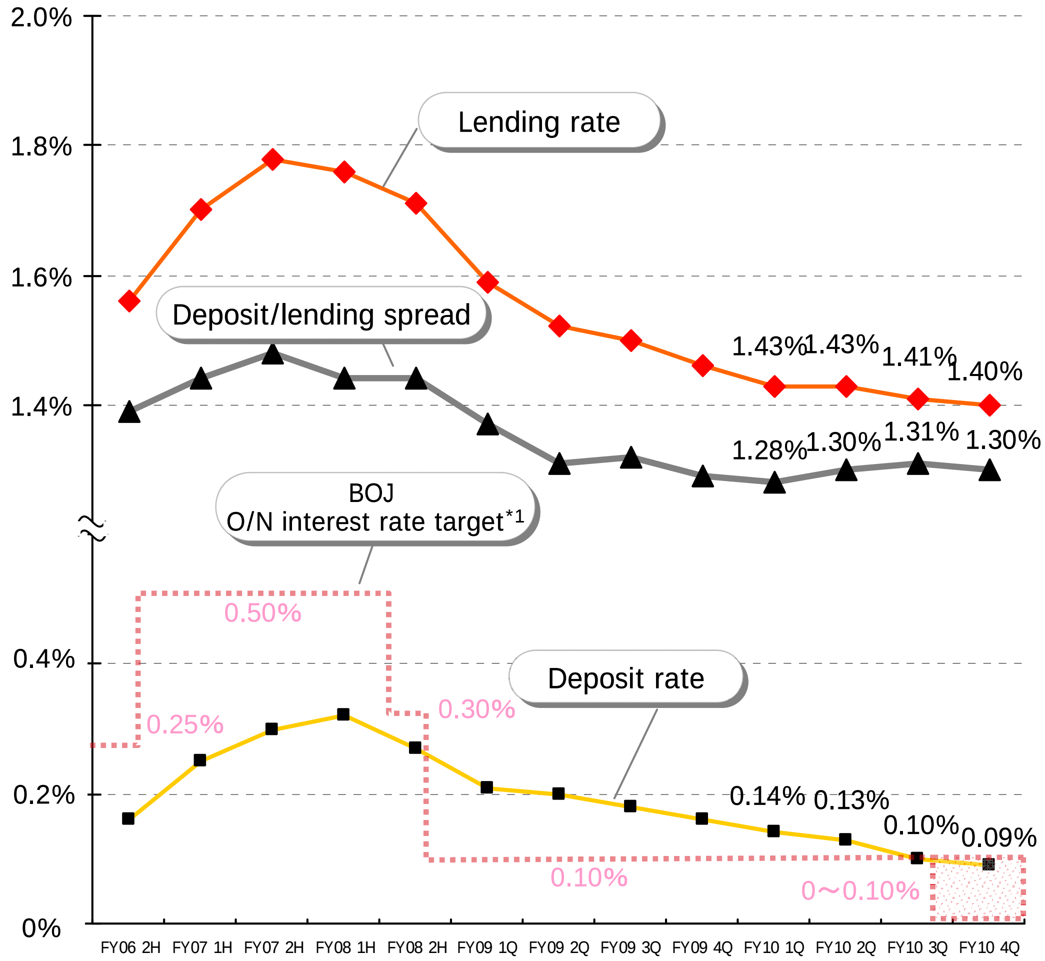
■Individual	+¥1.0tn
■Corporate, etc.	+¥1.6tn
■Others	(¥0.8tn)



Domestic deposit / lending rates (Non-consolidated)

- **Deposit / lending spread in FY10 4Q was 1.30%, virtually unchanged since FY10 2Q**

Changes in domestic deposit / lending rates (non-consolidated)



*1 Before Mar 06, during quantitative easing : Actual O/N interest rate

Interest rate changes

November 4, 2008
Interest rate on ordinary deposits: 0.200% ⇒ 0.120%

November 20, 2008
Short-term prime rate: 1.875% ⇒ 1.675%

December 22, 2008
Interest rate on ordinary deposits: 0.120% ⇒ 0.040%

January 13, 2009
Short-term prime rate: 1.675% ⇒ 1.475%

April 1, 2009
Variable rate on new housing loans :
⇒ Changed based on the long-term lending rate linked to short-term prime rate as of March 1

July 1, 2009
Variable rate on existing housing loans :
⇒ Changed based on the long-term lending rate linked to short-term prime rate as of April 1

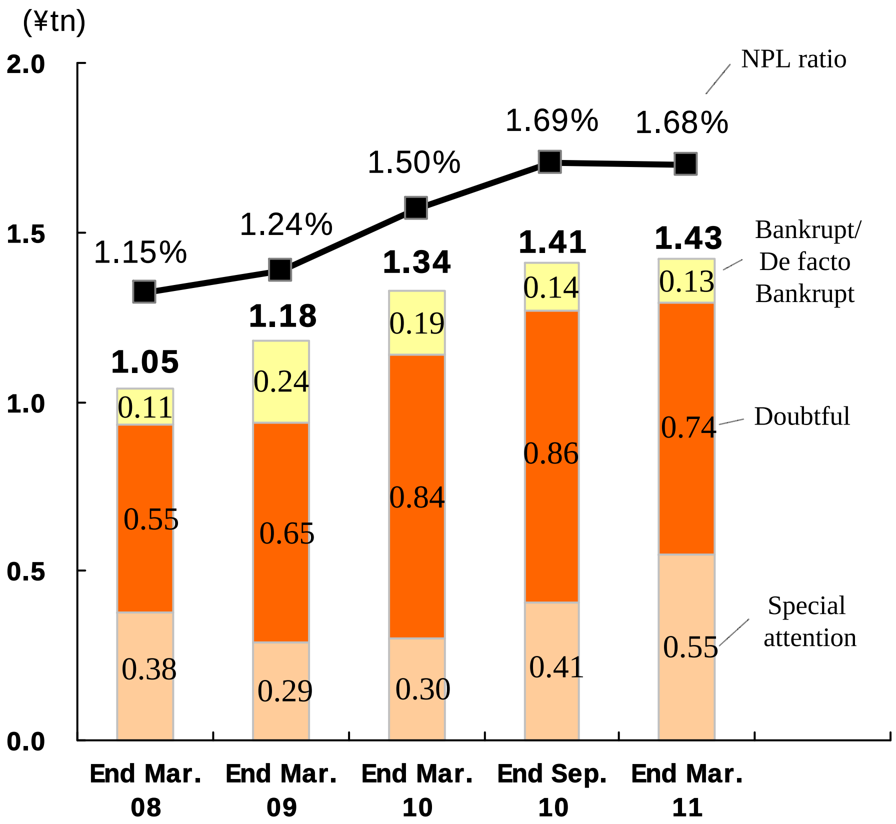
September 6, 2010
Interest rate on ordinary deposits: 0.040% ⇒ 0.020%

Loan assets

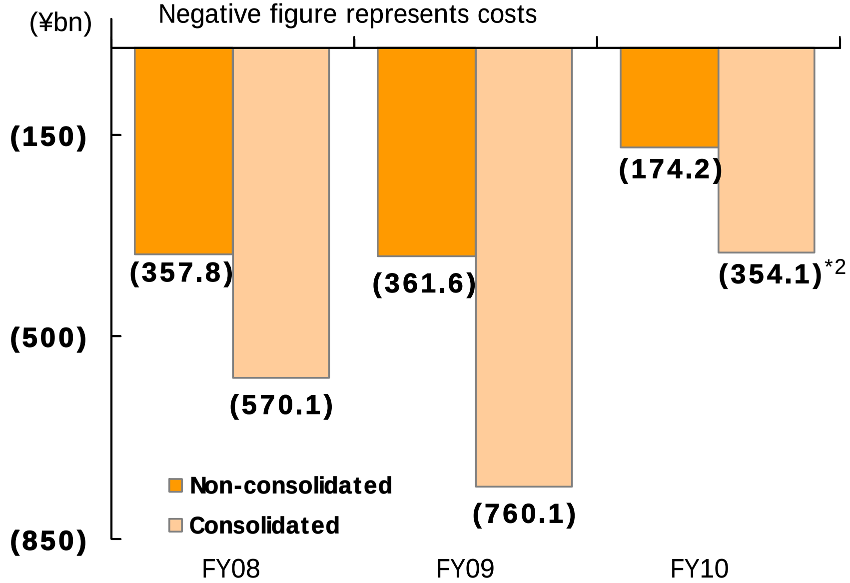
(Consolidated / Non-consolidated)

- NPL ratio almost flat from End Sep. 10 to 1.68%, and keeping at a low level.
- Total credit costs of Non-consolidated were ¥174.2bn and those of Consolidated were ¥354.1bn.

Balance of FRL disclosed loans (Non-consolidated)

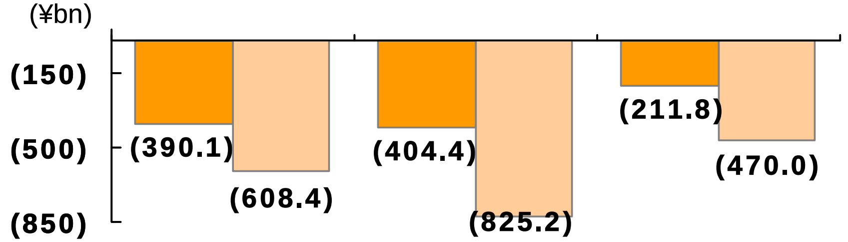


Total credit costs*1



*1 Figures included gains on loans written-off
*2 Figures excluding provision for losses on interest repayment (offset by principal balance) of (52.0bn)

【Total credit costs under previous method（Reference）】



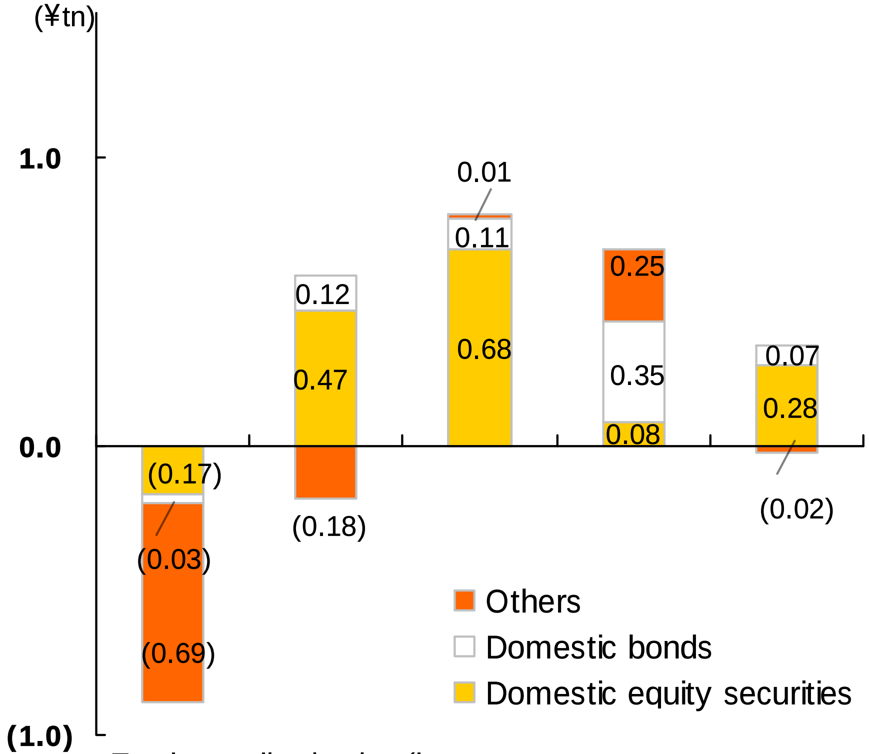
Holdings of investment securities (Consolidated)

- **Total unrealized gains (losses) on securities available for sale decreased by ¥369.7bn from End Sep. 10.**
- **An increase in unrealized gains on domestic equity securities was more than offset by a decrease in those on Japanese government bonds and foreign bonds.**

Breakdown of securities available for sale (with market value)

	(¥bn)	Balance	Change from End Sep.10	Unrealized gains(losses)	Change from End Sep.10
1	Total	67,198.5	857.9	327.6	(369.7)
2	Domestic equity securities	3,566.3	28.3	281.2	193.3
3	Domestic bonds	48,098.4	1,201.9	70.8	(282.8)
4	Government bonds	43,974.5	1,410.2	23.9	(255.6)
5	Others	15,533.6	(372.2)	(24.4)	(280.2)
6	Foreign equity securities	282.2	20.4	83.6	19.2
7	Foreign bonds	13,637.5	(293.9)	(46.8)	(325.7)
8	Others	1,613.9	(98.6)	(61.3)	26.1

Unrealized gains (losses) on securities available for sale



	End Mar. 09	End Sep. 09	End Mar. 10	End Sep. 10	End Mar. 11
Total unrealized gains (losses)	(0.91tn)	0.41tn	0.81tn	0.69tn	0.32tn
TOPIX:	773.66	909.84	978.81	829.51	869.38
JGB(10yrs):	1.34%	1.30%	1.40%	0.93%	1.26%

Capital

(Consolidated)

● Total capital

■Tier1 decreased ¥240.8 bn from End Sep. 10 mainly due to lower minority interests such as redemption of preferred securities, offset by an increase in retained earnings.

■Tier2 decreased ¥70.2 bn from End Sep. 10 mainly due to lower net unrealized gains partially offset by higher subordinated debt.

■As a result, total capital decreased ¥340.8 bn from End Sep. 10.

● Risk-adjusted assets

■Decreased ¥249.4 bn from End Sep. 10 mainly due to lower credit risk and lower operational risk.

● Capital ratio : 14.89%

Tier 1 ratio : 11.33%

Capital(¥bn)

		End Mar.10	End Sep.10	End Mar.11	Change from End Sep.10
1	Capital ratio	14.87%	15.24%	14.89%	(0.34%)
2	Tier1 ratio	10.63%	11.57%	11.33%	(0.24%)
3	Tier 1	10,009.6	10,194.1	9,953.3	(240.8)
4	Capital stock and capital surplus	4,559.9	4,311.6	4,311.7	0.0
5	Retained earnings	4,405.5	4,666.1	4,799.6	133.4
6	Minority interests	2,004.2	2,210.1	1,873.8	(336.2)
7	Tier 2	4,449.6	3,990.7	3,920.4	(70.2)
8	Net unrealized gains on securities available for sale	362.7	296.5	136.5	(159.9)
9	Subordinated debt	3,684.6	3,323.6	3,463.3	139.6
10	Total capital	13,991.7	13,421.6	13,080.8	(340.8)
11	Risk-adjusted assets	94,081.3	88,054.3	87,804.9	(249.4)
12	Credit risk	85,292.7	79,345.9	79,207.3	(138.5)
13	Market risk	1,902.7	1,973.3	1,994.1	20.8
14	Operational risk	6,885.8	6,735.1	6,603.4	(131.6)

FY2011 targets / dividend forecasts (Consolidated / Non-consolidated)

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● FY2011 net income targets are ¥600.0bn, higher than FY2010 result

Earnings targets

〔Consolidated〕

		FY 2011		FY 2010	
		Interim	Full Year	Interim (results)	Full Year (results)
1	Ordinary profits	¥480.0 bn	¥1,070.0 bn	¥542.0 bn	¥646.4 bn
2	Net income	¥280.0 bn	¥600.0 bn	¥356.7 bn	¥583.0 bn
3	Total credit costs	(¥140.0 bn)	(¥280.0 bn)	(¥153.0 bn)	(¥354.1 bn)

〔Non-consolidated〕

(Bank of Tokyo-Mitsubishi UFJ)

		FY 2011 Interim	FY 2011 Full Year	FY 2010 Interim (results)	FY 2010 Full Year (results)
4	Net business profits	¥400.0 bn	¥870.0 bn	¥544.5 bn	¥1,006.5 bn
5	Ordinary profits	¥285.0 bn	¥645.0 bn	¥394.4 bn	¥657.9 bn
6	Net income	¥185.0 bn	¥415.0 bn	¥282.3 bn	¥639.2 bn
7	Total credit costs	(¥70.0 bn)	(¥140.0 bn)	(¥42.6 bn)	(¥166.1 bn)

(Mitsubishi UFJ Trust and Banking Corporation)

		FY 2011 Interim	FY 2011 Full Year	FY 2010 Interim (results)	FY 2010 Full Year (results)
8	Net business profits	¥65.0 bn	¥150.0 bn	¥76.2 bn	¥150.4 bn
9	Ordinary profits	¥50.0 bn	¥115.0 bn	¥62.8 bn	¥104.6 bn
10	Net income	¥30.0 bn	¥75.0 bn	¥41.5 bn	¥75.4 bn
11	Total credit costs	(¥5.0 bn)	(¥15.0 bn)	¥4.3 bn	(¥8.0 bn)

Dividend forecasts

		FY 2011			FY 2010		
		Interim (forecasts)	Year-end (forecasts)	Annual (forecasts)	Interim (results)	Year-end *1	Annual *1
12	Dividend per common share	¥6	¥6	¥12	¥6	¥6	¥12

*1 The year-end dividend for the FY2010 is based on the assumption that it will be approved at the General Meeting of Shareholders to be held on June 29, 2011

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 U.S. GAAP financial results in a separate disclosure document when such information becomes available.