
Mitsubishi UFJ Financial Group

Summary of 1st Quarter results of

Fiscal Year Ending March 2007

(From April 2006 to June 2006)

July 31, 2006

Quality for You



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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	PL items	FY2006 Q1: Mitsubishi UFJ Financial Group (consolidated) FY2005 Q1: Mitsubishi Tokyo Financial Group (consolidated) + UFJ Holdings (consolidated) (without other adjustments)
	BS items	After Dec. 31, 2005: Mitsubishi UFJ Financial Group (consolidated) Up to September 30, 2005: Mitsubishi Tokyo Financial Group (consolidated) + UFJ Holdings (consolidated) (without other adjustments)
Sum of non-consolidated ※	PL items	FY2006 Q1: Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without other adjustments) FY2005 : Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + UFJ Bank (non-consolidated, April-December) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) + UFJ Trust Bank (non-consolidated, April-September) (without other adjustments) Up to FY2005 Q1: 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)
	BS items	After Mar. 31, 2006: Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without other adjustments) Dec. 31, 2005: Bank of Tokyo-Mitsubishi (non-consolidated) + UFJ Bank (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without other adjustments) Up to Sep. 30, 2005: 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)

*Unless specifically stated otherwise figures include the separate subsidiaries (UFJ Strategic Partner, UFJ Equity Investments and UFJ Trust Equity) (Aggregate figures after adjusting inter-company transactions between the 2 banks and these separate subsidiaries).

- **FY2006 Q1 Results Summary (PL)** 4
- **FY2006 Q1 Results Summary (BS)** 5
- **Loans/Domestic deposits** 6
- **Available-for-sale securities** 7
- **Capital ratio** 8
- **FRL disclosed loans/Credit-related costs** 9



- **Consolidated gross profits up ¥75.9 bn from FY 05 Q1**
 - Net interest income increased ¥61.4 bn due to newly consolidated subsidiaries, etc.
 - Net fees and commissions up ¥50.7 bn driven by investment banking revenue and newly consolidated subsidiaries, etc.
 - Net gains on debt securities down ¥94.3 bn
- **Operating expenses up ¥66.0 bn**
- **Credit-related costs resulting expenses of ¥11.7 bn (down ¥41.5 bn)**
- **Net income ¥219.5 bn (down ¥ 40.8 bn)**

From Consolidated Statement of Income		Fiscal 05 Q1	Fiscal 06 Q1	Change
1	Gross profits (after credit costs for trust accounts)	765.6	841.5	*1 75.9
2	Net interest income	409.2	470.7	61.4
3	Net fees and commissions	210.2	260.9	50.7
4	Net trading profits	47.3	38.9	(8.3)
5	Net other income	80.8	31.2	(49.6)
6	Net gains on debt securities	69.5	(24.8)	(94.3)
7	Operating expenses	438.8	504.8	*1 66.0
8	Net business profit	326.9	336.6	9.7
9	Non-recurring gains (losses)	(33.9)	(14.9)	19.0
10	Ordinary income	292.8	321.7	28.9
11	Net special gains (losses)	46.4	71.4	24.9
12	Net income	260.4	219.5	(40.8)
13	Credit-related costs ^{*2}	29.8	(11.7)	(41.5)
14	Credit-related costs ^{*2} (Sum of non-consolidated *3)	40.4	16.1	(24.2)

Negative numbers refer to costs or losses.

*1 Impact of new consolidation : approx. ¥87 bn in Gross profits and approx. ¥43 bn in General and administrative expenses (approx. figures).

*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.

*3 Figures do not include the separate subsidiaries.

FY 2006 Q1 Results Summary (BS)

(Consolidated)



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¥ bn

- Loans down ¥666.0 bn from end of Mar. 2006 mainly by decreases in lending to large and medium corporations
- Deposits down ¥2,539.5 bn mainly due to decline in corporate deposits
- Continued decline in FRL disclosed loans, down ¥162.2 bn from end of Mar. 2006
 - NPL ratio down to 1.88%
- Capital ratio end of Jun. 2006 11.75%
 - Tier 1 ratio 6.74%
- Ratio of net deferred tax assets to Tier 1 capital 12.1%
 - Deferred tax liability decreased due to decline in appraisal gains in available-for-sale securities

From Consolidated Balance Sheet	End Mar. 06	End Jun. 06	Change
Loans (banking +trust accounts)	86,113.1	85,447.0	(666.0)
Loans (banking accounts)	[85,763.1]	[85,104.0]	[(659.0)]
Housing loans (Sum of non-consolidated)*1	18,244.7	18,176.2	(68.4)
Investment securities	48,508.9	46,855.5	(1,653.3)
Deposits	118,988.0	116,448.5	(2,539.5)

FRL disclosed loans (Sum of non-consolidated*2)	1,825.9	1,663.6	(162.2)
NPL ratio (Sum of non-consolidated*2)	2.07%	1.88%	(0.18)points
Available-for-sale domestic equity securities -appraisal differences	2,980.8	2,412.2	(568.6)

(Reference)	End Mar. 06	End Jun. 06
Capital ratio (Tier 1 ratio)	12.20% (6.80%)	11.75% (6.74%)
Net deferred tax assets/Tier 1	8.3%	12.1%

*1 Including loans for the construction of rental properties.

*2 Figures do not include the separate subsidiaries.

Loans/Domestic deposits

(Consolidated)

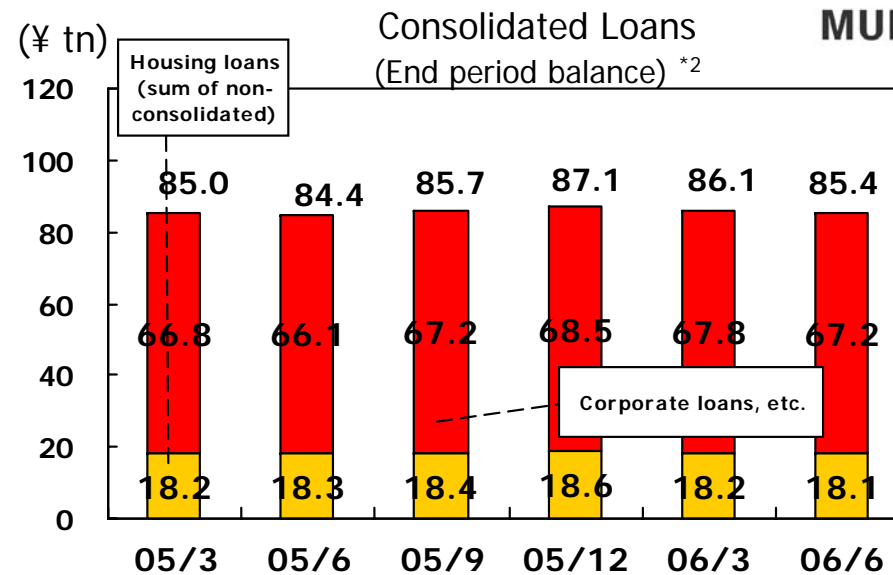


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● **Loan balance ¥85.4 tn**
 (down ¥0.6 tn from end of Mar. 2006
 up ¥1 tn from end of Jun. 2005)

Changes from end of Mar. 2006:

- Domestic large and medium corporate loans -¥1 tn

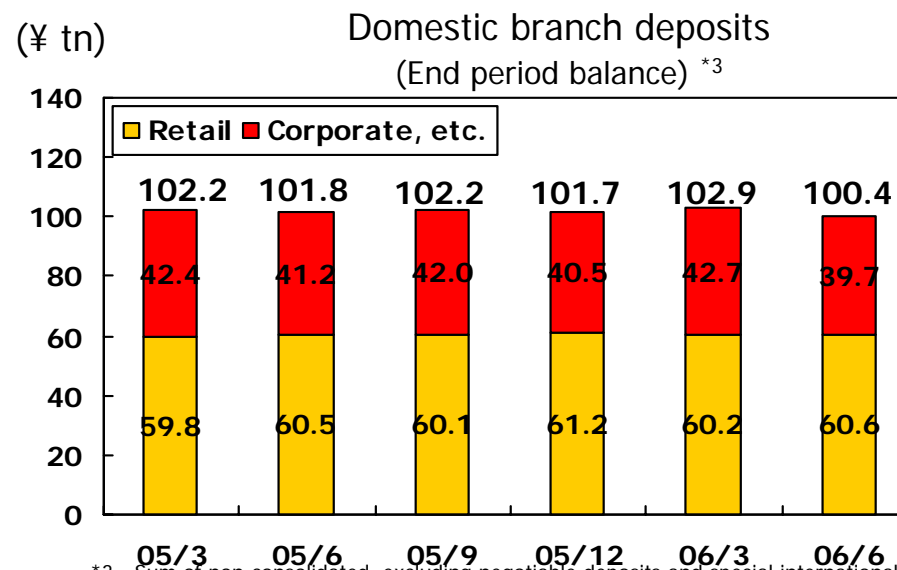


*2 Sum of banking and trust accounts.

● **Domestic branch deposits ¥100.4 tn**
 (down ¥2.4 tn from end of Mar. 2006)

Changes from end of Mar. 2006:

- Retail deposits +¥0.4 tn
- Corporate, etc. deposits -¥2.9 tn *1



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

*1 Including seasonal effect such as payment of bonus to employees

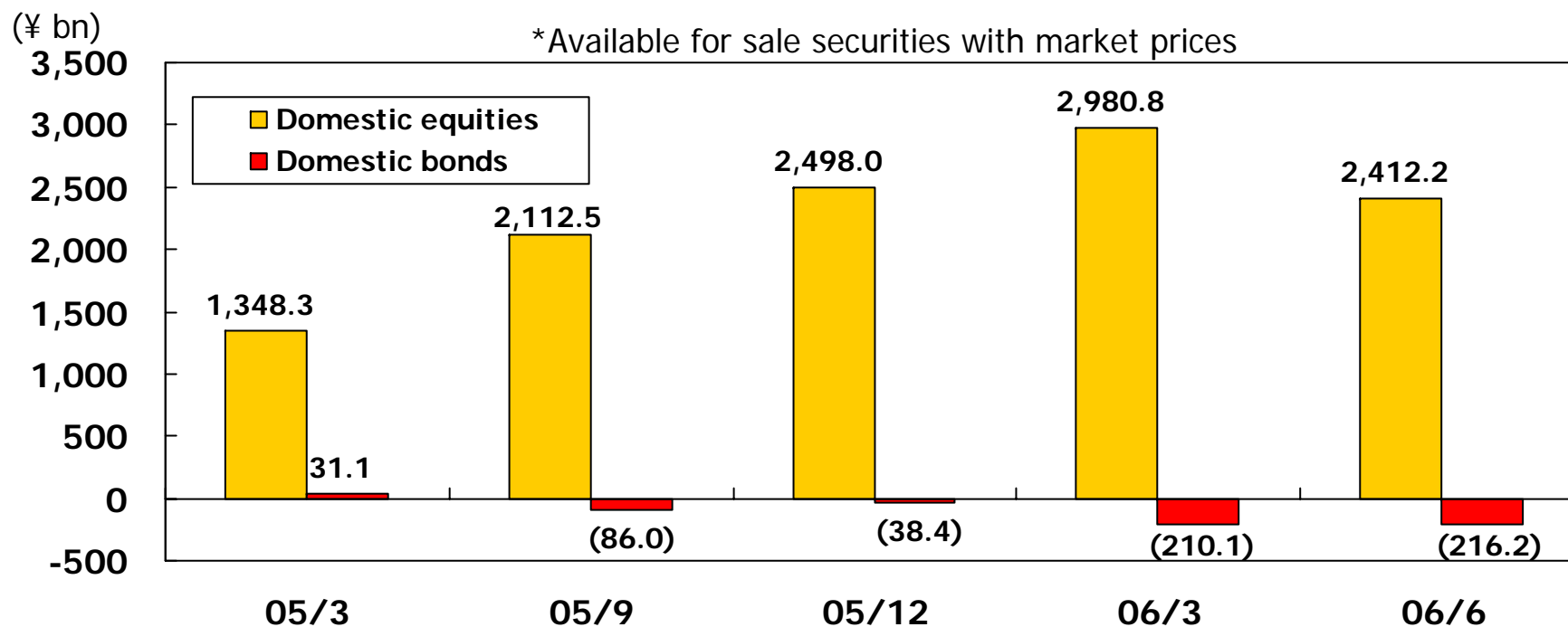
Available-for-sale securities

(Consolidated)



- As of the end Jun. 2006 appraisal gains on available-for-sale securities (domestic equities and domestic bonds) were approx. ¥2.2 tn
- Lower stock prices led to an decrease in equity appraisal gains of ¥568.5 bn compared to end of Mar. 2006

Investment securities (domestic equities and domestic bonds) *



Domestic equity holdings (market price)	¥5.24 tn	¥5.93 tn	¥6.92 tn	¥7.46 tn	¥6.88 tn
Domestic bond holdings (market price)	¥29.01 tn	¥28.42 tn	¥26.95 tn	¥25.41 tn	¥23.84 tn

Capital ratio

(Consolidated)



(¥ tn)

- **Capital ratio end of Jun. 2006**
11.75%, Tier 1 ratio 6.74%

<Change in Tier1 capital>

- **Net income : +¥219.5 bn**
- **Share repurchase (repayment of public funds, etc) : -¥289.4 bn**

	06/6 (Provisional figures)	06/3 (Reference)
Tier1	7.42	7.50
Public fund	0.0	0.50
Tier2	5.84	6.29
Appraisal gains on marketable securities included in capital	1.00	1.34
Revaluation differences included in capital	0.16	0.16
Balance of subordinated debt (bonds)	3.71	3.78
Risk assets	110.13	110.29
Capital ratio	11.75%	12.20%
Tier 1 ratio	6.74%	6.80%

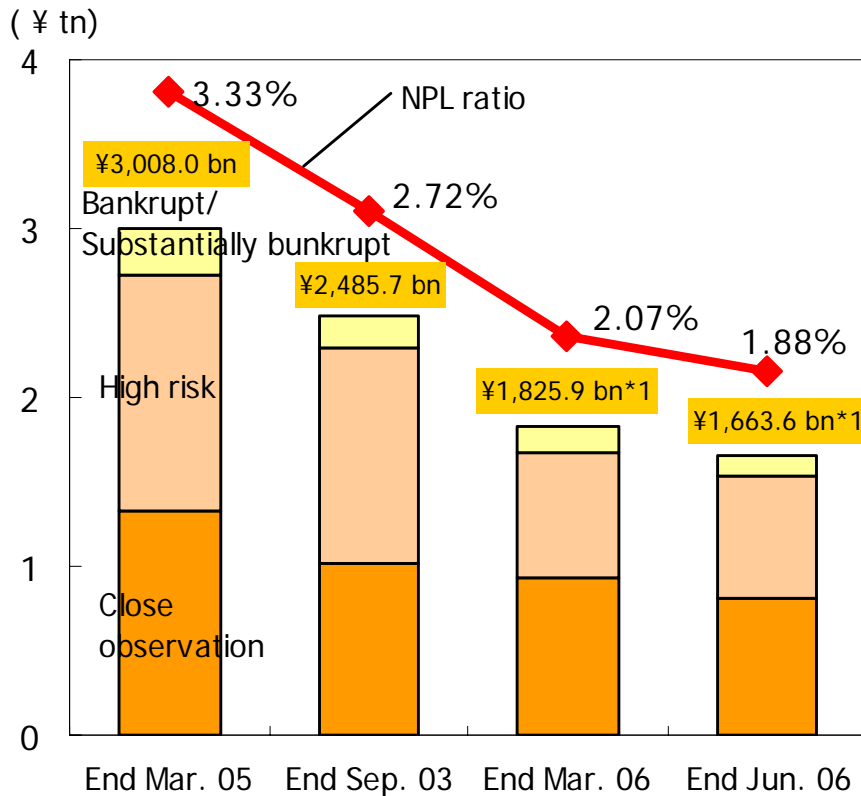
FRL disclosed loans/ Credit-related costs (Sum of non-consolidated)



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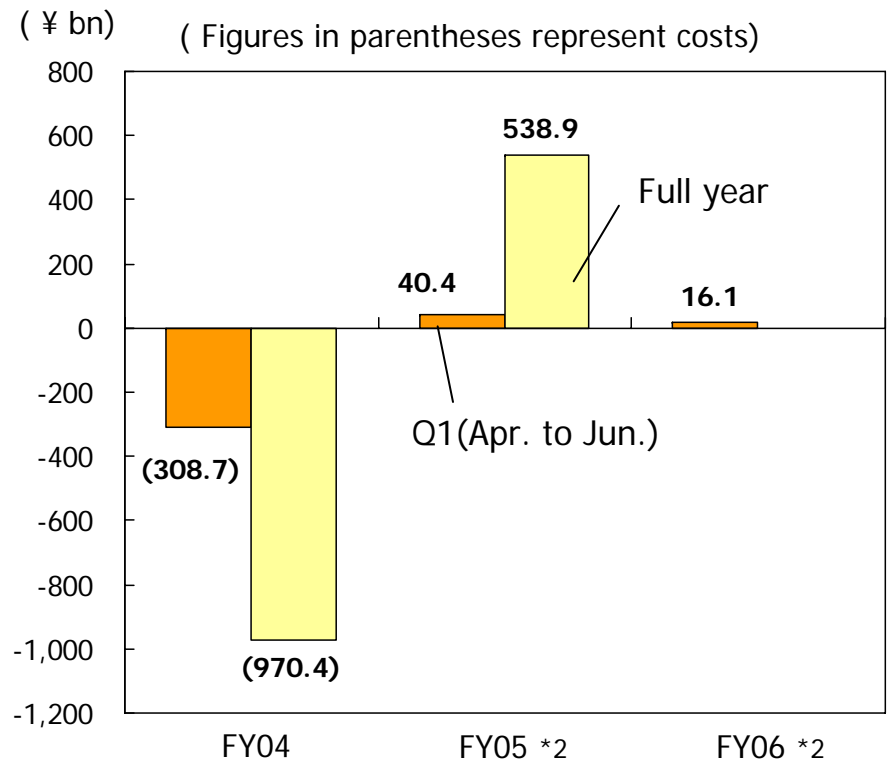
- Quality of lending assets continues to improve, NPL ratio declined to 1.88%
- Reversal of allowance for loan losses resulted in credit-related gain of ¥16.1 bn on sum of non-consolidated basis

Balance of FRL disclosed loans



*1 End Mar. 06 and End Jun. 06 figures do not include the separate subsidiaries.

Credit-related costs (Sum of non-consolidated)



*2 FY05 Q1 and FY06 Q1 figures do not include the separate subsidiaries.