

2008 Merrill Lynch Japan Conference

Mitsubishi UFJ Financial Group

September 2008

This document contains forward-looking statements in regard to forecasts, targets and plans of Mitsubishi UFJ Financial Group, Inc. (“MUFG”) and its 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 prepared. In addition, in preparing 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)
Non-consolidated	Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without other adjustments)

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FY 2008 Q1 Results Summary

Key management issues

- Transfer to new systems

- Growth strategy

- Capital policy

● Gross profits down ¥64.7bn on FY07 Q1

- Net interest income up ¥4.3bn on FY07 Q1
-Net interest income on non-consolidated basis increased by ¥19.4bn on FY07 Q1
- Net fees & commissions down due to decrease in income from investment products sales and securities business, etc.
- ¥16.0bn losses relating to securitized products in Net other business profits, mainly loss on sales

● G&A expenses up ¥12.6bn on FY07 Q1

- Main cause of increase was integration costs
- Expense ratio 66.9% (+6.4 points on FY07 Q1)
Non-consolidated expense ratio 66.3% (+7.1 points on FY07 Q1)

● Net income ¥51.1bn

● Credit related costs ¥141.7bn

- Increased due to deterioration of corporate performance on the back of domestic and overseas economic slowdown

Income statement (¥bn)

	FY07 Q1	FY08 Q1	Change
1 Gross profits (before credit costs for trust accounts)	866.0	801.2	(64.7)
2 Net interest income	465.7	470.0	4.3
3 Net fees and commissions	265.9	239.2	(26.6)
4 Net trading profits	67.8	44.1	(23.7)
5 Net other business profits	32.3	15.3	(16.9)
6 General and administrative expenses	523.9	536.5	12.6
7 Net business profits	342.1	264.7	(77.4)
8 Non-recurring gains (losses)	(63.3)	(166.1)	(102.8)
9 Ordinary profits	293.0	96.8	(196.1)
10 Net special gains (losses)	14.2	9.5	(4.6)
11 Net income	151.2	51.1	(100.0)
12 Credit related costs* ¹	(84.0)	(141.7)	(57.7)
13 Credit related costs* ¹ (Non-consolidated)	(44.2)	(103.9)	(59.6)

Negative numbers refer to costs or losses

*1 Credit related costs= Credit costs for trust accounts (included in Gross profits)
+Provision for formula allowance for loan losses + Credit related costs (included in non-recurring gains/losses) + Reversal of allowance for loan losses

Reference

14 EPS (thousand of yen)* ²	14.6	4.9	(9.7)
15 ROE * ³	9.7%	2.9%	(6.7)points

*2 Earnings per 1 thousand shares for FY08 Q1

*3 Denominator of ROE does not include land revaluation excess and unrealized gains on securities available for sale

- **Loan balance increased by approx. ¥1tn from end Mar. 08**

- Overseas lending continued to increase

- **Deposit balance decreased by ¥0.6tn from end Mar. 08**

- Though corporate etc. deposits decreased, individual deposits continued to grow

- **NPL ratio almost flat from end Mar. 08**

- **Appraisal gains on available-for-sale securities increased by ¥162.5bn (mainly equities)**

- **BIS ratio 10.73% (Tier 1 ratio 7.33%)**

Balance sheet (¥bn)

	End Mar 08	End Jun 08	Change
1 Loans (Banking + Trust accounts)	88,797.6	89,801.0	1,003.4
Loans (Banking accounts)	[88,538.8]	[89,557.8]	[1,019.0]
2 Housing loans* ¹	17,358.2	17,247.2	(110.9)
3 Overseas loans* ²	17,670.4	19,349.7	1,679.2
4 Investment securities (Banking accounts)	40,851.6	40,888.0	36.3
5 Deposits	121,307.3	120,654.3	(652.9)
6 Domestic branch individual deposits [new definition]* ³	62,594.7 [61,836.2]	62,950.1 [same as above]	355.4 [1,113.8]
7 FRL disclosed loans* ¹	1,058.5	1,103.5	45.0
8 NPL ratio* ¹	1.15%	1.16%	+0.01 points
9 Available-for-sale securities - Appraisal difference	1,004.8	1,167.4	162.5
10 BIS capital ratio (Tier 1 ratio)	11.19% (7.60%)	10.73% (7.33%)	(0.46)points (0.26)points

*1 Non-consolidated + trust accounts

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

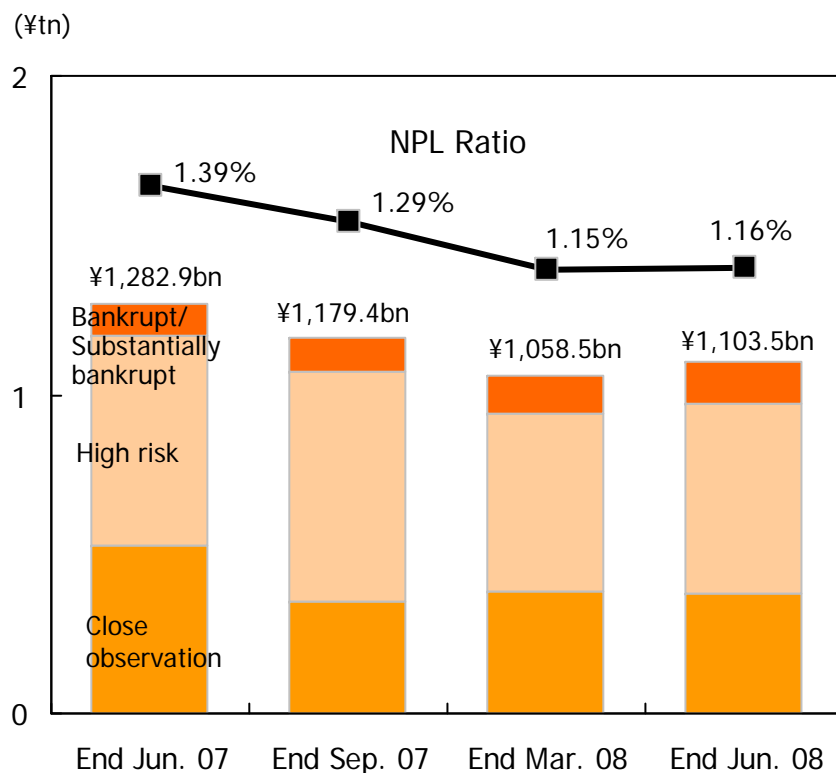
*3 Definition of individual deposits changed from end Jun. 08

FRL disclosed loans/Credit related costs

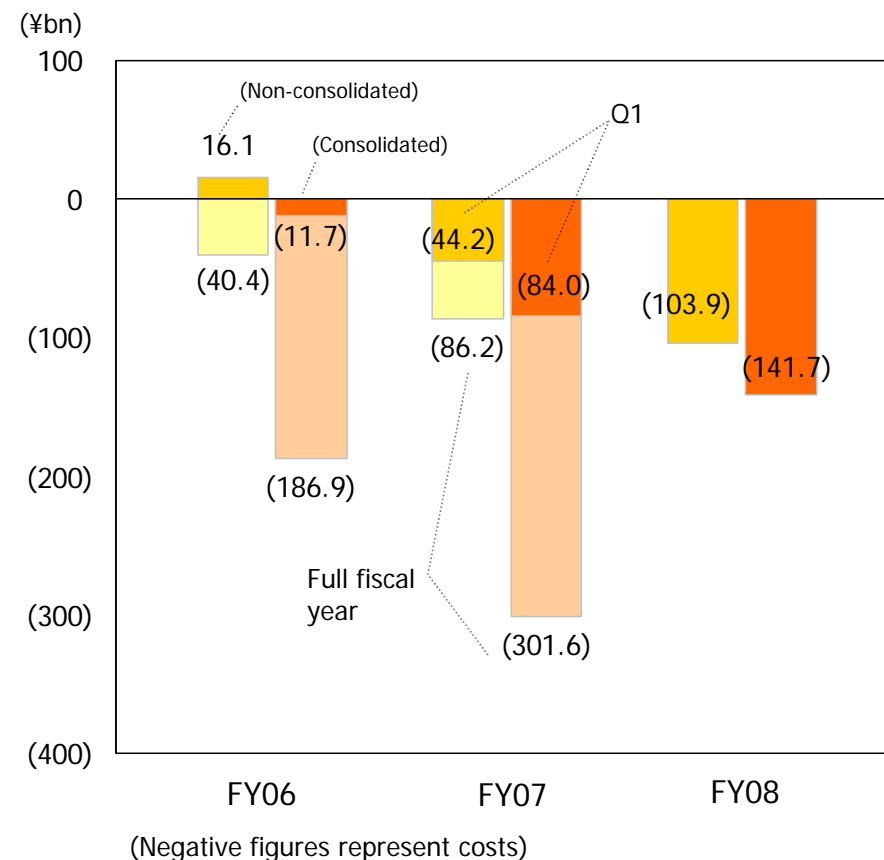


- NPL ratio almost flat at 1.16%
- Credit related costs showed an expense of ¥103.9bn on non-consolidated basis and ¥141.7bn on consolidated basis

Balance of FRL disclosed loans [Non-consolidated]



Credit related costs



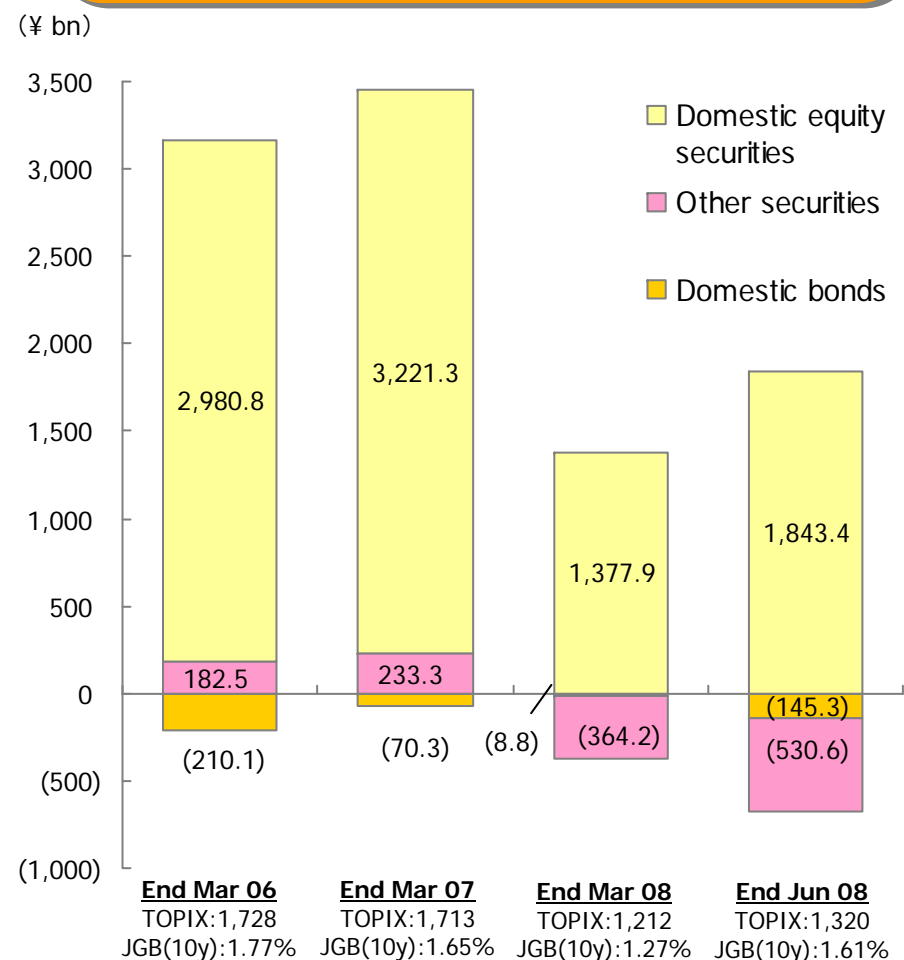
- Unrealized Gains on available-for-sale securities approx. ¥1.16tn

Breakdown of available-for-sale securities

(¥ bn)

	Balance (End Jun 08)	Unrealized gains (losses)	
			Change from End Mar 08
Total	36,300.2	1,167.4	162.5
Domestic equity securities	6,108.4	1,843.4	465.5
Domestic bonds	17,517.1	(145.3)	(136.5)
Other securities	12,674.6	(530.6)	(166.4)
Foreign equity securities	206.8	85.9	(9.2)
Foreign bonds	7,545.5	(142.8)	(122.0)
Other	4,922.3	(473.7)	(35.1)

Unrealized gains (losses) on available-for-sale securities



Overview of holdings of securitized products (as of End Jun 08)

(1) Balance, net unrealized gains(losses) (¥ bn)

	Balance	Unrealized gains(losses)		Net unrealized gains(losses) as a % of balance
		Change from end Mar 08	Change from end Mar 08	
1 RMBS	595	(17)	(82)	(13.9)%
2 Sub-prime RMBS	181	(1)	(46)	(25.4)%
3 CMBS	40	(3)	(1)	(1.5)%
4 CLOs	2,176	95	(209)	(9.6)%
5 Others (card, etc.)	542	23	(32)	(6.0)%
6 CDOs	52	(6)	(4)	(8.4)%
7 SIV investments	5	(0)	1	13.7%
8 Total	3,411	91	(328)	(9.6)%

(2) Distribution of balance by rating (¥ bn)

	AAA	AA	A	BBB	BB or lower	Unrated
9 RMBS	528	36	31	-	-	-
10 Sub-prime RMBS	161	20	-	-	-	-
11 CMBS	24	9	5	1	-	-
12 CLOs	1,849	114	171	35	4	3
13 Others (card, etc.)	297	41	50	147	4	3
14 CDOs	29	15	7	1	1	-
15 SIV investments	-	-	-	-	5	-
16 Total	2,727	215	265	185	14	6
17 Ratio	80%	6%	8%	5%	0%	0%

Note: Includes BTMU (including UBOC and Senshu Bank), MUTB, MUS. Management accounts basis. Does not include MBS arranged and guaranteed by U.S. GSEs, etc., Japanese RMBS such as Japanese Housing Finance Agency Securities, and products held by funds such as investment trusts. Approximate figures, rounded off. Balance is after impairment and before deducting net unrealized losses

Securitized products

- The balance of investments in securitized products increased by ¥91bn from end Mar 08 to ¥3.41tn, but this was mainly due to the translation effect of the depreciation of the yen. The balance denominated in local currencies also decreased from end Mar 08
- Net unrealized losses increased by ¥10bn to ¥328bn and net unrealized losses as a percentage of balance was 9.6%, around the same level as end Mar 08
- A loss of ¥16bn was recorded in FY08Q1, mainly due to losses on disposal of RMBS
- Simple securitized products backed by non-securitized assets: 99%; AAA rated: 80%
- Market value is appraised using quoted prices

GSE related exposure

- Our holding balance of MBS, arranged and guaranteed by Fannie Mae, Freddie Mac and Ginnie Mae as of the end Jun 08 was ¥3.14tn in total. Net unrealized losses were ¥51bn, and net unrealized losses as a percentage of balance was 1.6%
- Our holding balance of debt securities issued by the above three institutions and Federal Home Loan Banks (Agency Securities) as of the end Jun 08 was ¥240bn. Net unrealized gains were very small

FY 2008 Q1 Results Summary

Key management issues

Transfer to new systems

Growth strategy

Capital policy

- **Transferring to new systems in Japan on schedule and pursuing strategic growth initiatives in challenging business environment**

Business environment outlook

- **Slowdown phase in the global economy expected to continue, mainly in advanced economies**
- **Despite slowdown, Asian economies to maintain strong underlying growth**
- **In Japan, gradual shift of retail financial assets “from savings to investment” and of corporate finance “from lending to securities” will continue**
- **In the U.S. and Europe, continued de-leveraging and financial sector realignment**

Key issues for MUFG

- **Transfer to new systems**
 - ✓ Realize cost synergies by completing transfer to new systems in Japan
- **Growth strategy**
 - ✓ Focus on growth areas, pursue organic and non-organic growth
- **Capital policy**
 - ✓ Balanced and appropriate capital management

FY 2008 Q1 Results Summary

Key management issues

Transfer to new systems

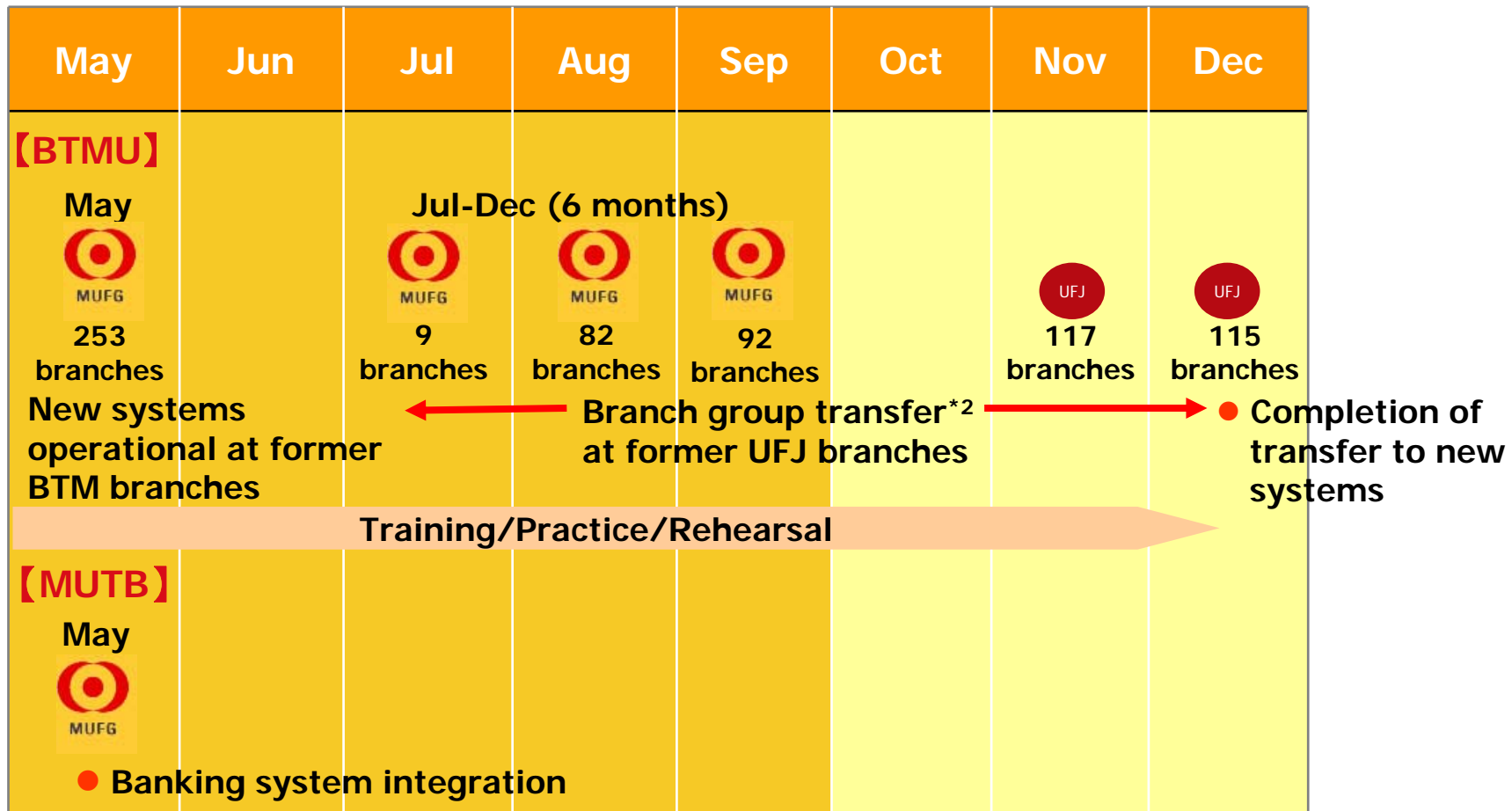
Growth strategy

Capital policy

Schedule for transfer to new systems



- BTMU launched new systems in May and has completed transfer to new systems at 2/3 of its branches*¹
- MUTB completed banking system integration in May



*1 Retail branches

*2 The nationwide branch network will be split into 5 groups, and transfer to the system will be completed on a group-by-group basis

- **Completing the transfer to new systems is expected to bring a range of benefits, including rationalization effects and sales capabilities**

**Completion
of transfer
to new
systems**

- **Rationalization effects**

- ✓ Reduction of overlapping staff
- ✓ Lower system related costs

- **Enhanced sales capabilities**

- ✓ Improve customer service
- ✓ Faster new product development
- ✓ Staff redeployment

FY 2008 Q1 Results Summary

Key management issues

Transfer to new systems

Growth strategy

Capital policy

Key growth areas



- **Actively allocate resources to growth areas in our three core businesses**
- **In particular, Retail and Overseas Corporate businesses expected to be promising growth areas**

Retail: Strengthen sales aimed at overall customer assets, retail securities, consumer finance, internet mobile banking strategy

Corporate: CIB strategy, Asia strategy, non-Japanese business in U.S./Europe, commercial flows/forex business

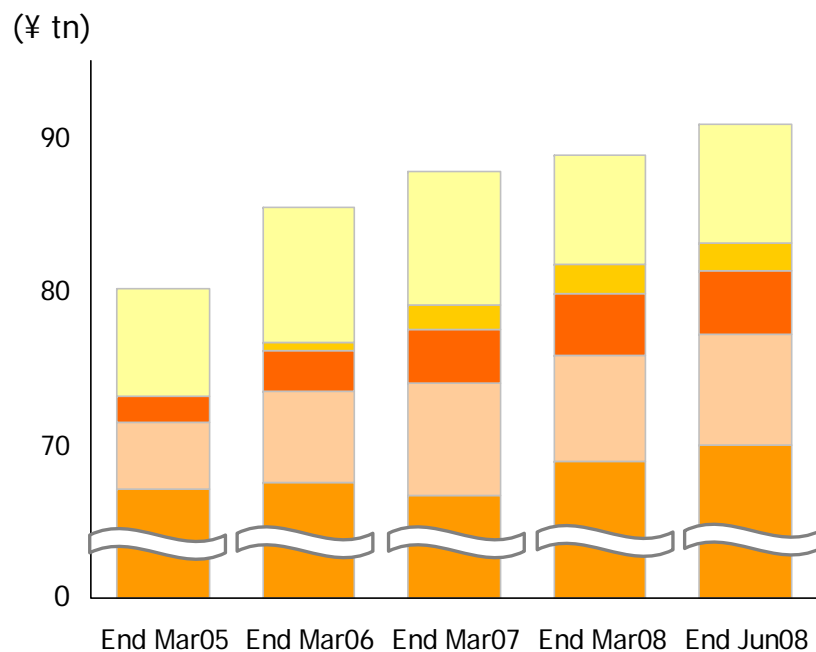
Trust assets: Pensions, investment trust management and administration, custody business

Retail : Strengthen sales aimed at overall customer assets and retail securities



- Steadily strengthen product sales framework to reflect the continuing shift "from savings to investment"
- Further expand sales of insurance products at BTMU by assigning more insurance planners, while increasing branches handling insurance products and enhancing product lineup

Change in overall customer assets



- Other (securities, etc.)
- Financial products intermediation
- Insurance annuities
- Investment trusts
- Deposits, etc

Insurance products

- ✓ **Assign more insurance planners**
Increase insurance sales staff by around 100 during FY08 (from 370 at the end of Mar.08), of these branch sales staff have increased from around 270 to around 350
- ✓ **Increase branches handling newly deregulated products**
Dec.07: 173 ⇒ Aug.08: 325
- ✓ **Enhance newly deregulated product lineup**
From Apr.08 added 5 new insurance products in the areas of nursing care, life and medical treatment, and we are now offering 12 products

Investment trusts

- ✓ **Strengthen targeted marketing based on analysis of customers' needs and financial behavior**
- ✓ **Enhance follow-up with clients through holding lectures, seminars, etc.**
- ✓ **Enhance product lineup**

Financial product intermediation

- ✓ **Increase "Retail Money Desk"***
End Mar. 08: 10 locations ⇒ End Jul. 08: 18 locations to be 24 locations during FY08
- ✓ **Strengthen online intermediation (kabu.com Securities)**

*Specialist investment product sales teams, with expert knowledge and expertise, under the direct control of head office **16**

Retail: Internet mobile banking strategy



- Mobile internet bank, *Jibun Bank* started customer services in July 2008
- Joint business promotion by KDDI and BTMU; aim to develop full banking service with a target of 2.4 mn accounts and deposits of ¥1 tn in the 3rd year of operations

JIBUN BANK

50%
owned

Promote Jibun
Bank accounts
as a bank
agency

- Provide a convenient and secure service via mobile phone
- As well as standard banking services such as deposits and transfers, aim to continuously add unique mobile phone services
⇒ At launch, services included *Mobile Passbook* and *Phone Number Transfers*, followed by the development and launch of a wide range of unique services based on a combination of mobile functionality and existing services such as card loans, credit cards, foreign currency deposits, financial product intermediation
- Maintain competitiveness with high deposit rates and low fees

50%
owned

Promote Jibun
Bank accounts
as a bank
agency

au by KDDI

- Approx. 30 million mobile phone contracts
- Promoted in around 2,500 au shops nationwide
- Portal sites with over 300m page views/month
- One to One connection through bills and mail magazines
- From Autumn 2008 majority of new au phone models will have a built-in Jibun Bank terminal



Bank of Tokyo-Mitsubishi UFJ

- Approx. 40 mn retail customers
- 670 locations nationwide
- Approx. 42,000 ATMs nationwide*1
- Over 7 mn customer visits per year
- Approx. 2 mn new accounts per year

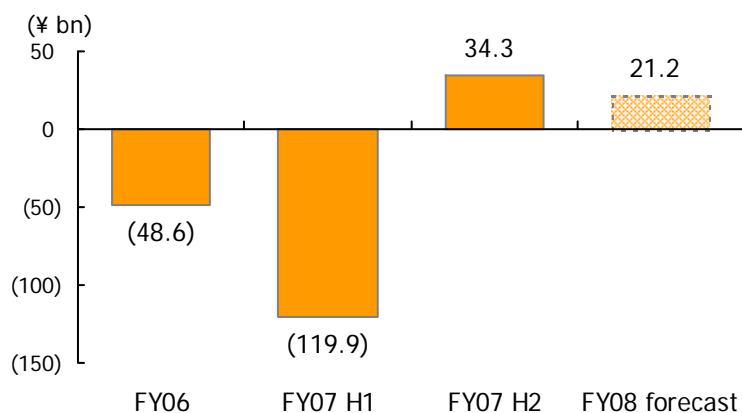
*1 Including partners' ATMs

Retail: Consumer finance (1) Mitsubishi UFJ NICOS



- Mitsubishi UFJ NICOS has responded to a changed business environment with major structural reform. Results have steadily recovered since FY07 H2. Structural reform proceeding as planned
- Changed capital structure of Mitsubishi UFJ NICOS and further strengthened the Group's strategic unity and flexibility in the consumer finance business
- Launched a new brand card "MUFG Card" in July 2008

Business results (net income)



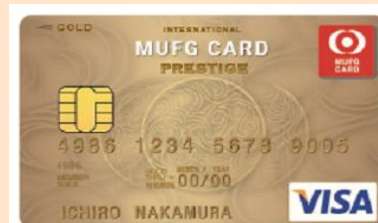
Progress in structural reform at Mitsubishi UFJ NICOS

Results	<ul style="list-style-type: none"> ✓ FY07 net loss: ¥85.6 bn (¥26.1 bn lower loss than forecast) ✓ Broadly in line with forecasts, excluding gain from sale of shares in Visa
Business reorganization	<ul style="list-style-type: none"> ✓ Transfer installment credit business to JACCS (completed in Apr 08)
Location consolidation	<ul style="list-style-type: none"> ✓ Sales location consolidation: 74⇒27 locations (completed in Dec 07) ✓ Business center consolidation: 56⇒20 centers (completed in Aug 08)
Personnel reductions	<ul style="list-style-type: none"> ✓ Early retirement benefit program (2,794 staff applied)
Changed capital structure	<ul style="list-style-type: none"> ✓ MUFG: 85%, Norinchukin: 15% (completed in Aug 08)

MUFG Card

- Providing safe, secure, high-quality services, bringing together MUFG's brand power and synergies with various Group companies

- Providing full line-up of rewards, security and insurance offerings
- Exploring possibility of also offering preferential services at BTMU and other Group companies



Retail: Consumer finance (2) JALCARD



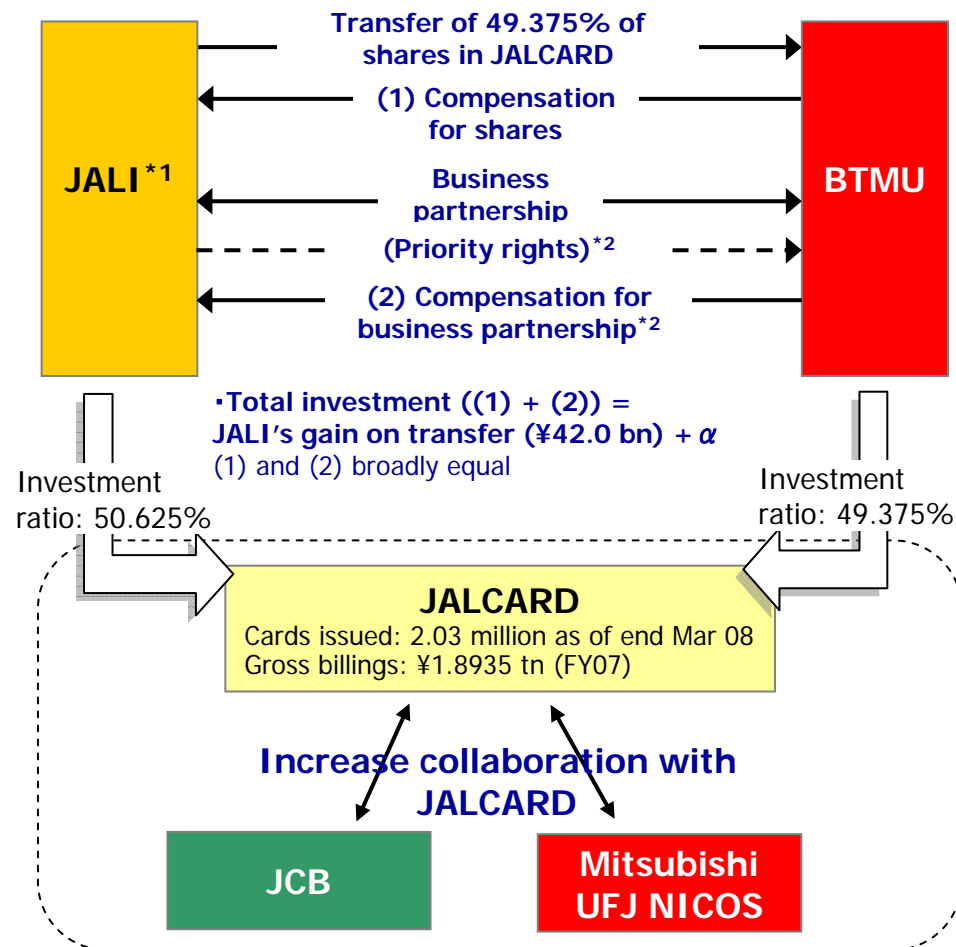
- Invested in JALCARD and formed business alliance in credit cards with the JAL Group and JCB
- Aiming to further expand JALCARD's business by using MUFG's customer base, network and development capabilities of product and service

Key points of investment

- **JALCARD's brand power and high-quality customer base**
 - Appeal power of mileage service
 - Markedly high average amount used per customer (@¥750,000)
- **Acquisition of shares and certain priority rights*² relating to issuance of JALCARD**
 - Investment amounts for shares and priority rights broadly equal

Main business collaboration

- **Strengthen collaboration with MUFG**
 - Develop new type of premium cards and new services linked with MUFG's financial products and services
 - Promote alliances with MUFG's alliance partners, partner financial institutions and corporate customers
- **Gain new members utilizing Mitsubishi UFJ NICOS and JCB**
- **Improve business efficiency and customer service using expertise and infrastructure of Mitsubishi UFJ NICOS and JCB**



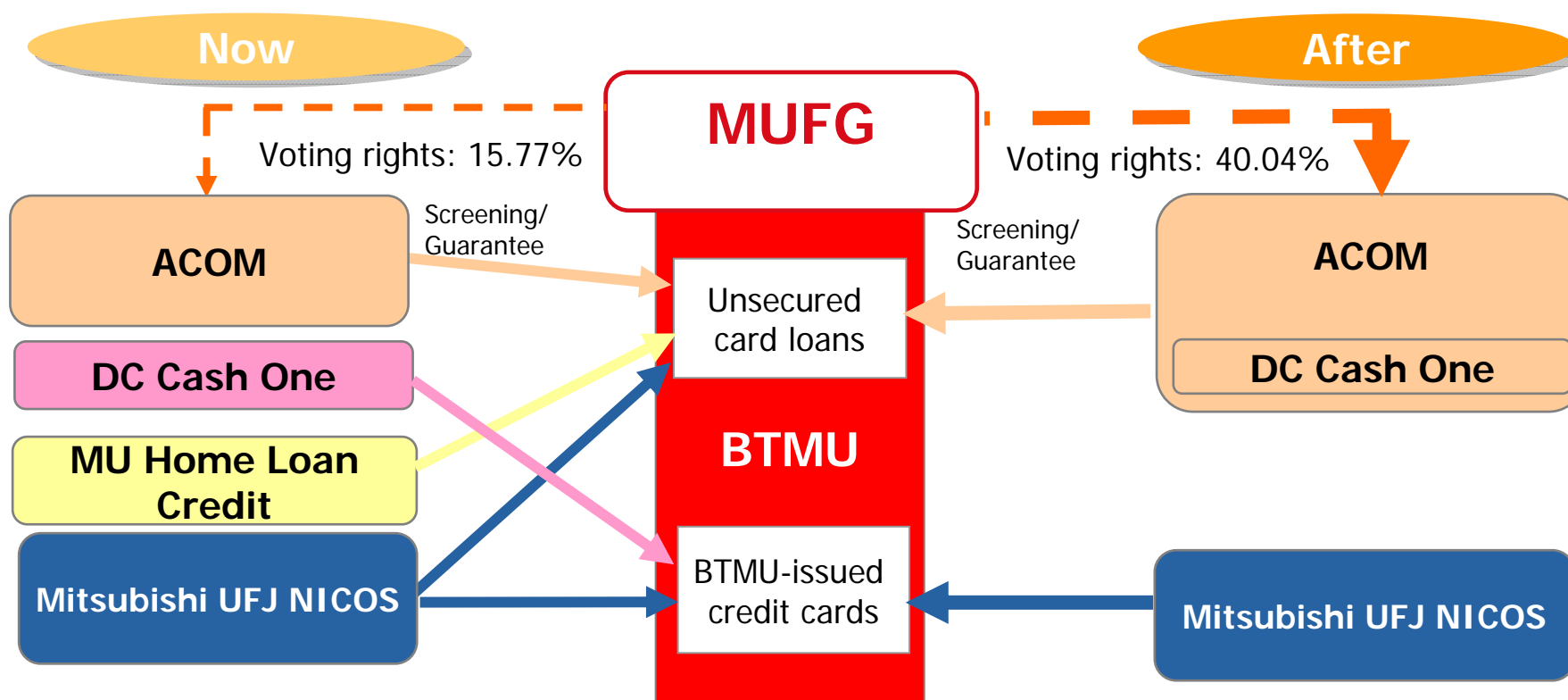
*1 Japan Airlines International Co., Ltd.

*2 Compensation for BTMU's receipt from JALI of certain priority rights relating to the issuance of JALCARD (brand rights for JALCARD, usage rights for unique JALCARD services, rights relating to the formation of priority business partnership relationships in the credit card business, etc.)

Retail: Consumer finance (3) ACOM

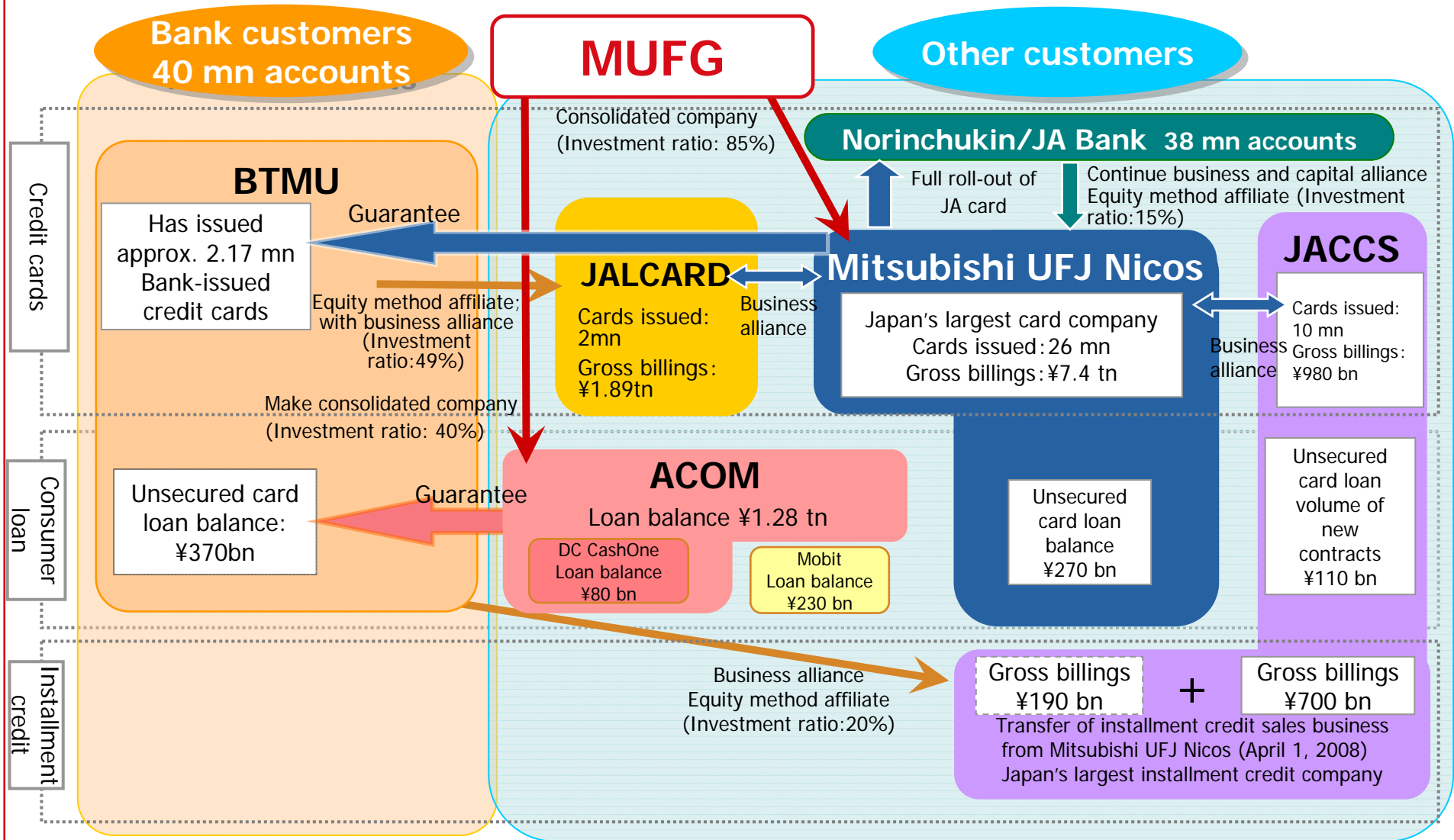


- **Making ACOM a consolidated subsidiary and the core company of MUFG's consumer loan business**
 - Raising MUFG's share of voting rights to 40.04% (in or after Oct. 08) and consolidating (target date Apr. 09)
 - DC Cash One to be integrated into ACOM (target date Apr. 09)
- **Reorganizing MUFG's group functions by strengthening business alliance with ACOM**
 - Unsecured card loan screening and guarantee operations to be carried out by ACOM (target date FY09H1)
 - All screening and guarantee operations for BTMU-issued credit cards to be carried out by Mitsubishi UFJ NICOS (target date Apr. 09)



*1 Some portion of unsecured card loans are guaranteed by Mobit

Retail: Consumer finance (4) Outline of Strategy



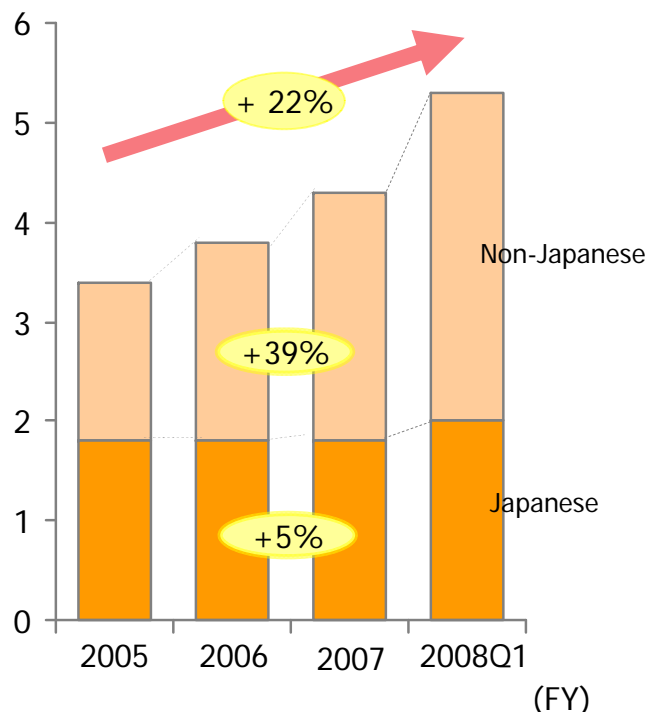
* All figures are as of FY07

Corporate (Overseas): Lending



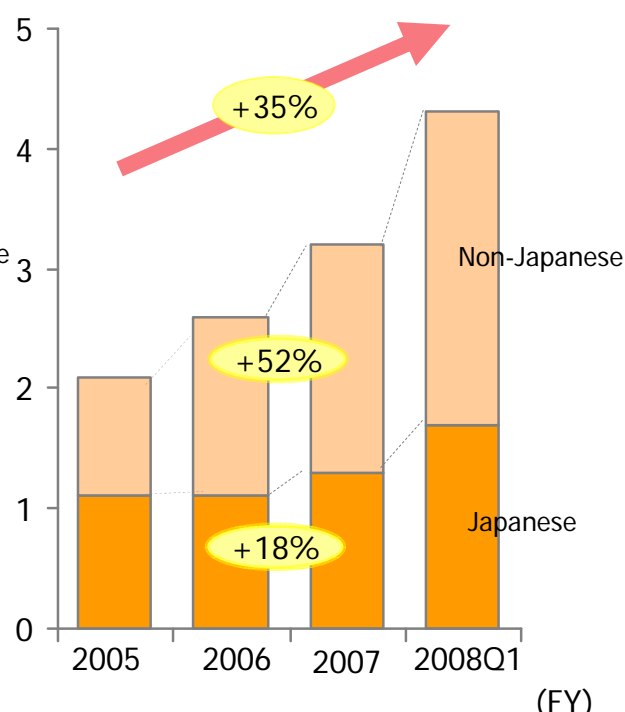
- Used our relative capital strength to expand lending in Europe, the U.S. and Asia

Asia
(average balance, ¥ tn)



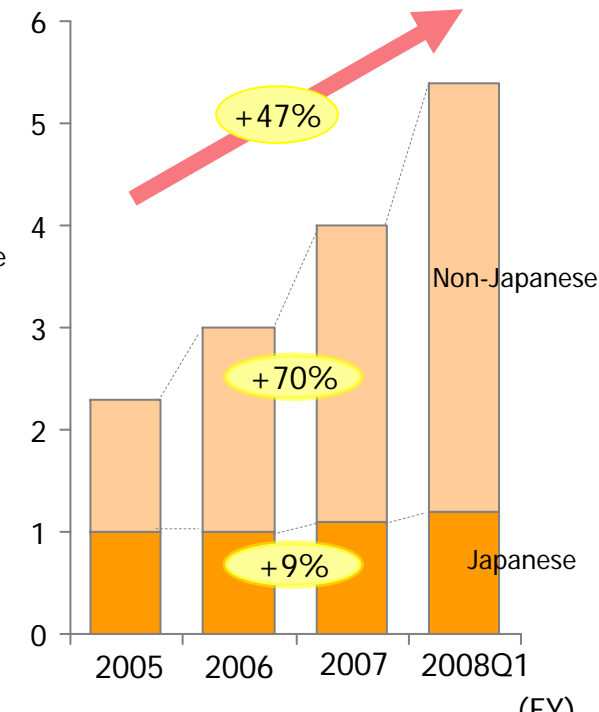
- Lending to Non-Japanese customers rapidly grew and exceeded lending to Japanese customers

Americas (excl. UNBC)
(average balance, ¥ tn)



- Strong growth in lending to Japanese and non-Japanese customers

Europe
(average balance, ¥ tn)



- Lending to non-Japanese customers grew rapidly to approx. 3.5 times as large as lending to Japanese customers

Figures are those of BTMU consolidated account basis.
After adjustment of change in the accounting period of China operation resulting from the creation of a locally incorporated subsidiary in China.
Exchange rates used in our business plan are used (¥/\$=¥105, etc)

- **Increase business with Japanese and non-Japanese companies through organic growth, and also pursue an investment and alliance strategy**

Organic growth

- ◆ **Business with Japanese companies**
 - Strengthening solutions business in ASEAN countries, NIEs, etc.
 - Support for new business development in emerging countries such as China or Vietnam
 - Strengthening Global Cash Management Service capabilities
- ◆ **Business with non-Japanese companies**
 - Build portfolio of prime assets with particular focus on syndicated loans
 - Strengthen involvement in LBOs/MBOs and commodity derivatives
- ◆ **Business with both Japanese and non-Japanese companies**
 - Increase non-interest income, e.g. forex trading profit, fees and commissions, investment banking income
- ◆ **Network**
 - Established Chinese subsidiary for BTMU's operations in China (Jul 07)
 - BTMU's Guangzhou rep. office became a branch of BTMU China subsidiary (Mar 08)
 - Established Mitsubishi UFJ Securities (India) (Apr 08)

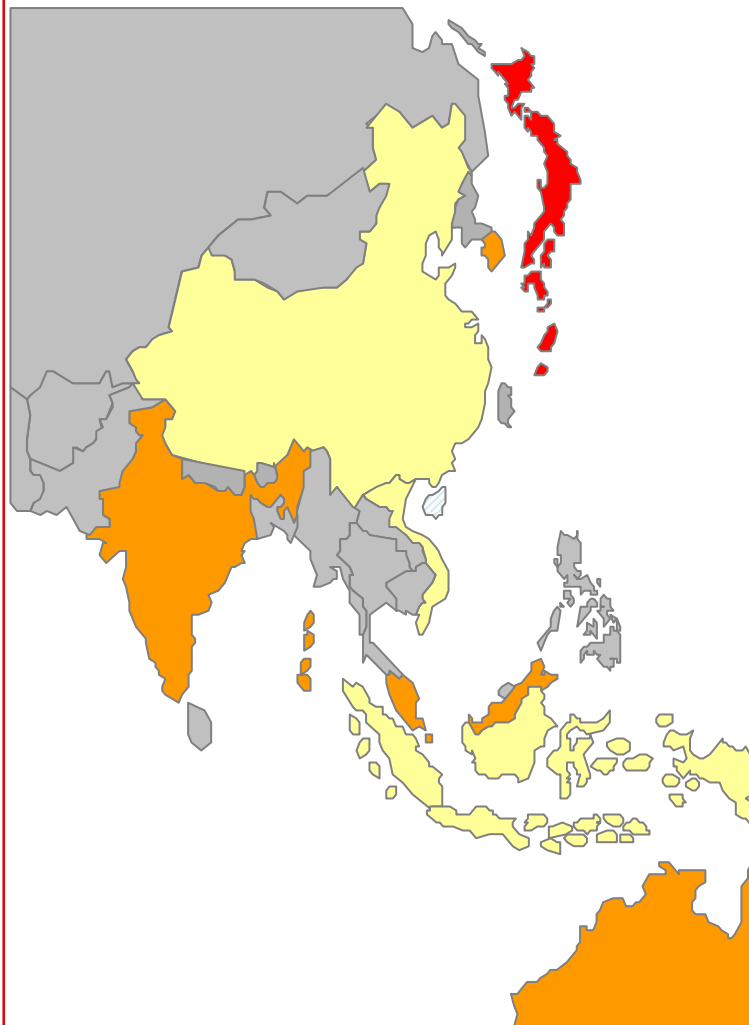
Non-organic

- ◆ **Securities/investment banking business (including Islamic financing)**
- ◆ **Asset management business**
- ◆ **Retail business (consumer finance, credit cards, installment finance)**
- ◆ **Business with local SMEs**

Corporate (Overseas): Strategy for Asia (2) Investments and alliance strategy



- Pursue an investment and alliance strategy attuned to the characteristics of each market
- Strengthen securities and investment banking in Asia



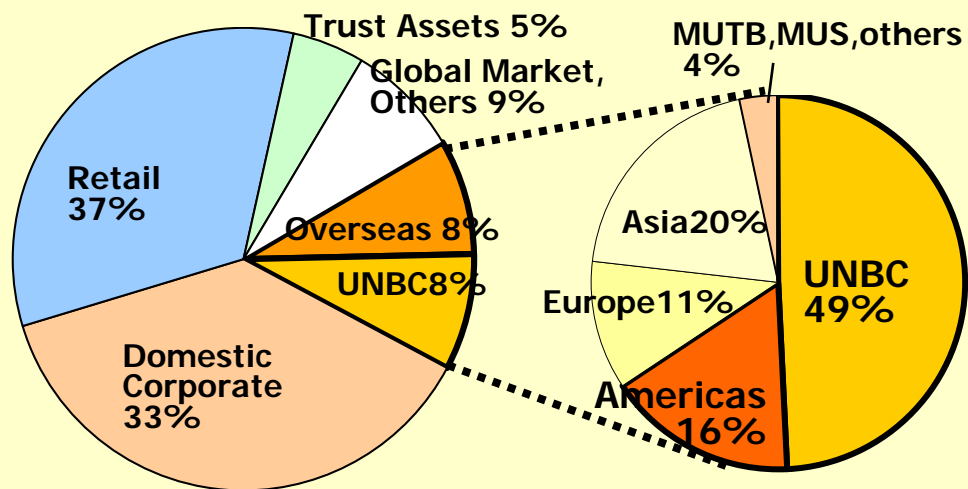
		Investment and alliance strategy	: Securities and investment banking businesses	
		Investment details	Amount of Investments (¥ bn)	Investment ratio (%)
	China	BTMU investment in and business alliance with Bank of China (Jun 06)	approx. 21.0	0.2
	India	MUS business alliance with ICICI (Aug 06)		
		MUS business alliance with Tata Capital (Aug 08)		
	Indonesia	BTMU investment in Bank Nusantara Parahyangan (Dec 07)	approx. 2.0	20
	Vietnam	BTMU business alliance with Vietcombank (Nov 06)		
	Malaysia	BTMU additional investment in CIMB (Apr 07)	approx. 45.0	4.5
	Korea	MUS business alliance with Daewoo Securities (Jan 07)		
	Australia	BTMU and MUS investment in Challenger Financial Services Group (Oct 07)	approx. 22.0	6.3
	Hong Kong	BTMU additional investment in Dah Sing Financial Holdings to make Dah Sing an equity method affiliate (Mar 08)	approx. 6.0	15
	Singapore	MUS investment in and business alliance with Kim Eng Holdings (Nov 07 - Apr 08)	approx. 16.0	14.6

Corporate (Overseas): Strategy for the Americas (1) Positioning within our overseas business strategy



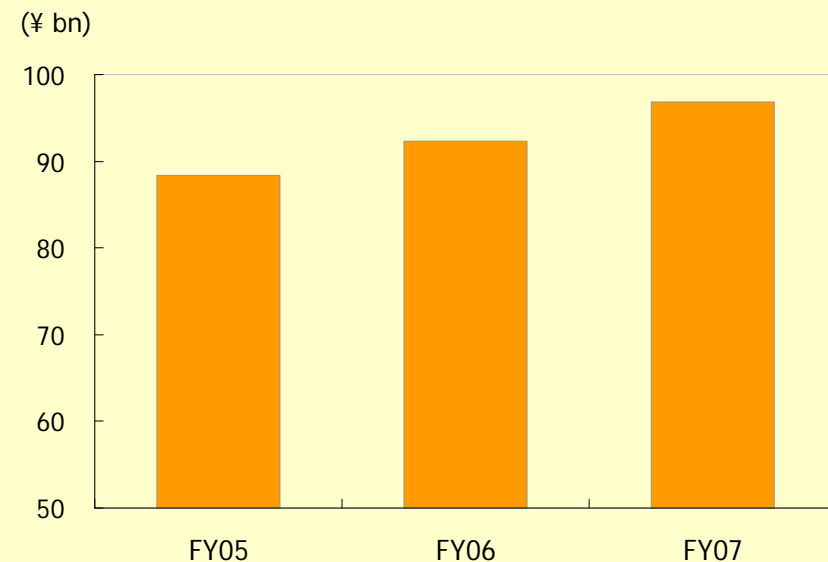
- The large Americas market is vital and contributes 2/3 of our overseas gross profits
- In the U.S. we will pursue organic growth, in particular with non-Japanese customers, while also monitoring financial sector realignment and considering opportunities for non-organic growth

Business portfolio (Gross profits)^{*1}



*1 FY2007

Gross profits of Americas business^{*2}

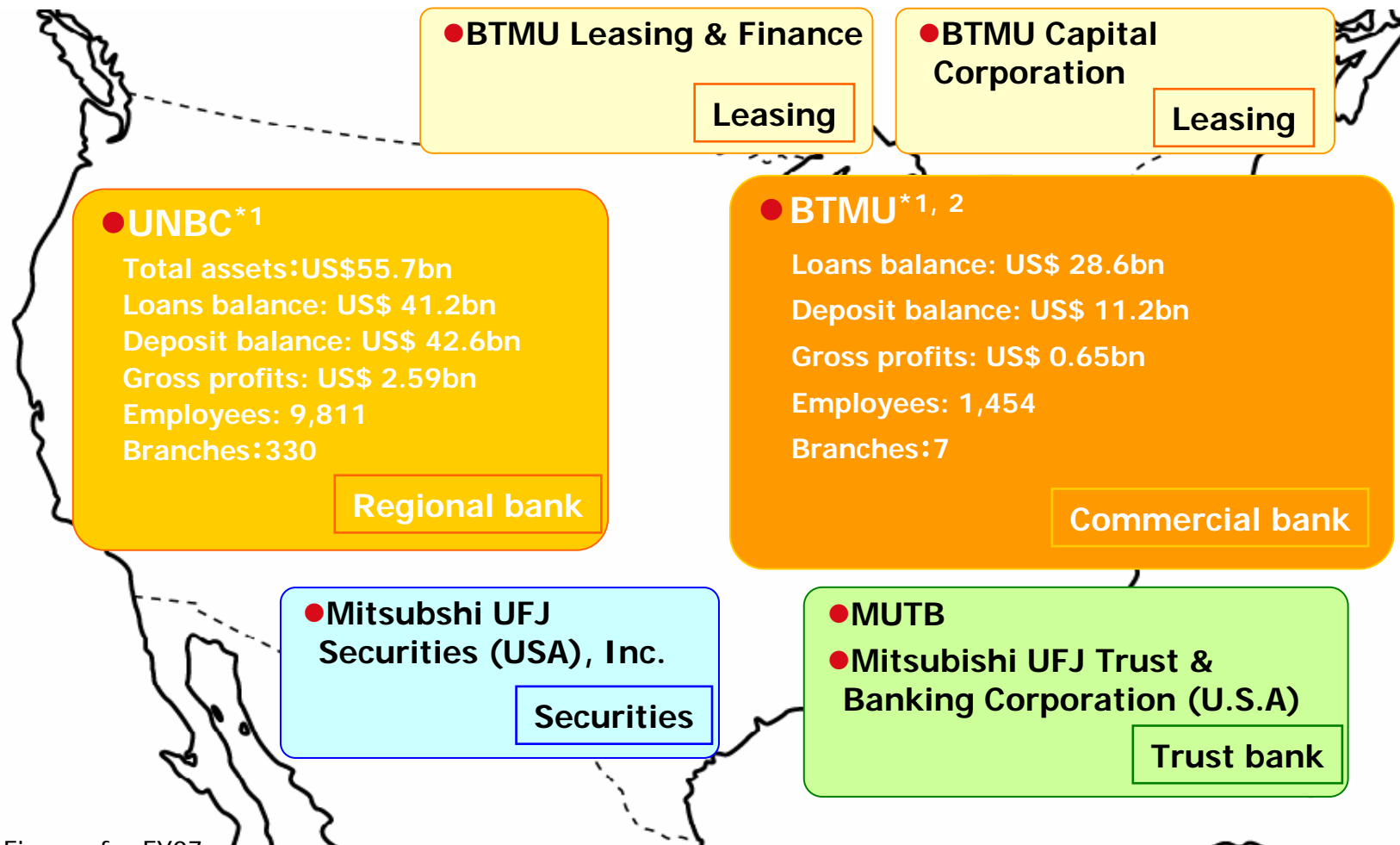


*2 Excl. UNBC

Corporate (Overseas): Strategy for the Americas (2) Outline of MUFG's U.S. Businesses



- BTMU focuses on business with large corporates (Japanese and non-Japanese), while UNBC mainly covers retail and middle market business
- In the future, we will also consider expanding our securities business including attaining FHC (Financial Holding Company) status



*1 Figures for FY07

*2 Includes Bank of Tokyo-Mitsubishi UFJ Trust Company's figures

- **Implementing tender offer to make UnionBanCal Corporation (UNBC) a wholly-owned subsidiary - Funds required for tender offer approx. U.S.\$ 3.5 billion (approx. ¥385 billion)**

Significance of full ownership

- **Will achieve greater management flexibility and aim to further strengthen our presence in the United States**
 - ✓ **A first step of our growth strategies in the United States**
- **Will also help to enhance our integrated corporate governance and risk management structure**

FY 2008 Q1 Results Summary

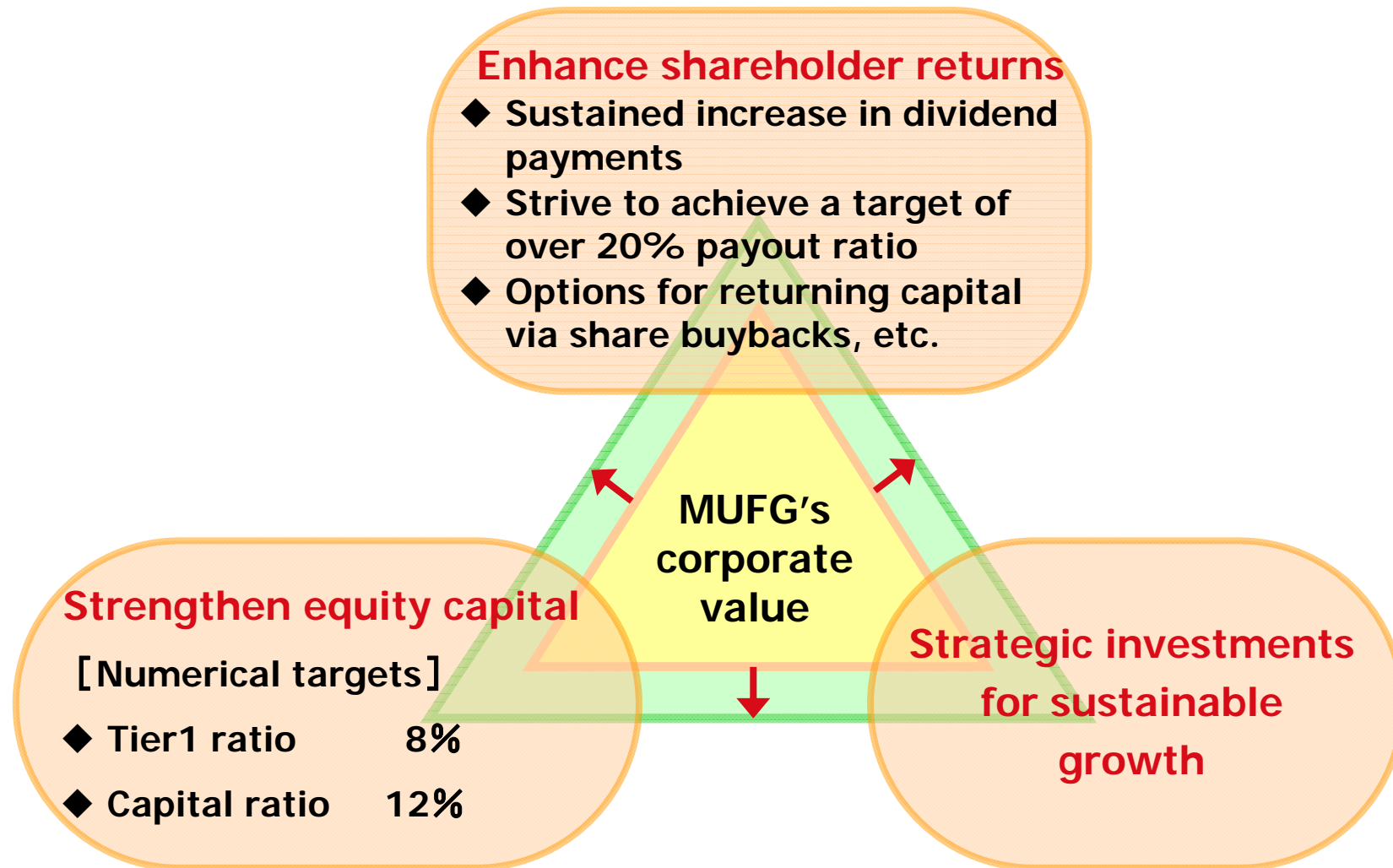
Key management issues

Transfer to new systems

Growth strategy

Capital policy

- Strengthen equity capital and enhance shareholder returns while using capital efficiently to achieve sustainable growth and enhanced profitability



- Utilize our capital strength to implement strategic investments in growth areas
- Assess investments through stringent due diligence on profitability, growth potential, return on investment, etc.

- **Business domains (regions, businesses) where profitability and growth are expected**

- Regions: Asia, U.S.
- Business types: Retail, securities and investment banking, Asset Management

- **Ensure investment returns**

- Strive to raise corporate value (capital costs, EPS, etc.)
- Conduct regular follow-ups on investment projects

No.1
Service

Quality for You

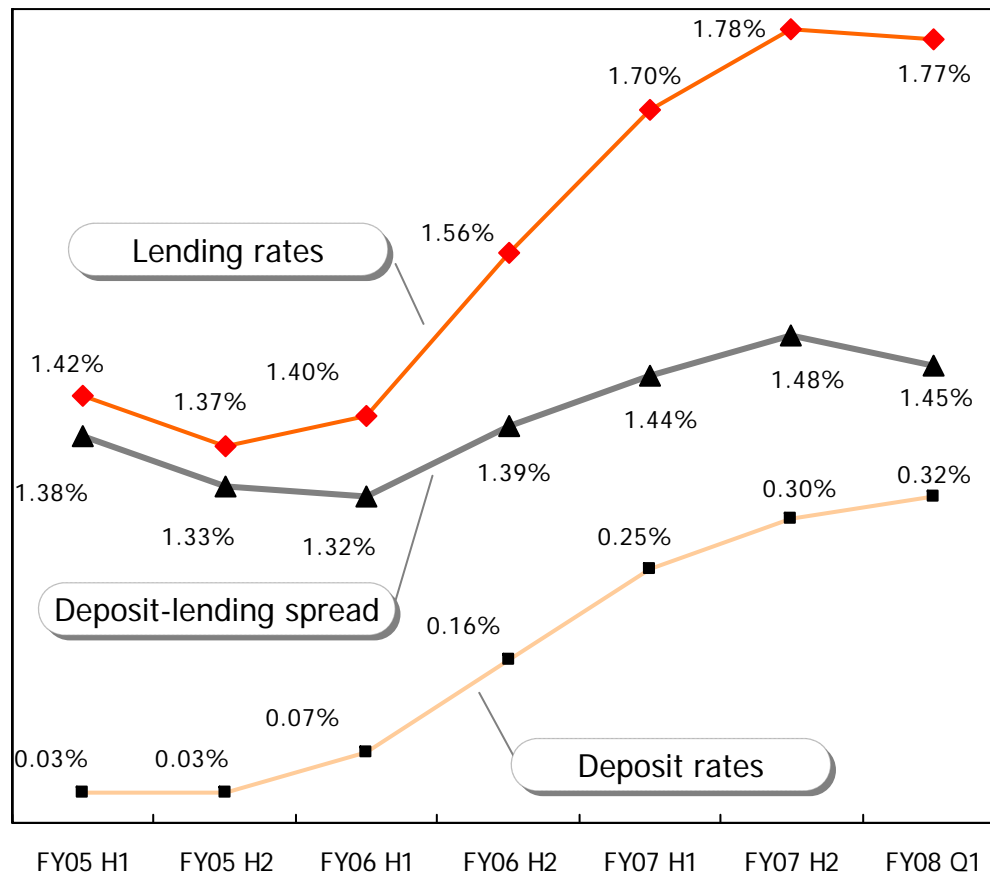
No.1
Reliability

No.1
Global
Coverage

Appendix

● Deposit-lending spread down compared to FY07 H2

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



Recent interest rate changes

- Jul 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%
- Jan 1, 2007
Variable mortgage rate of existing loans
2.375% ⇒ 2.625%
- 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%
- Oct 1, 2007
Variable mortgage rate of new loans
2.625% ⇒ 2.875%

Exposure to securitized products 1: Overview

(Consolidated)  MUFG

- Includes BTMU (including UBOC and Senshu bank), MUTB and MUS
- Products covered: Securitized products on management account basis. Does not include MBS arranged and guaranteed by U.S. GSEs, etc., Japanese RMBS such as Japanese Housing Finance Agency Securities, and products held by funds such as investment trusts
- As of end Jun 08. Approximate figures, rounded off. Balance is after impairment and before deducting net unrealized losses
- Calculated based on US\$1 = ¥106.42

Overview of holdings of securitized products

(1) Balance, net unrealized gains(losses)

	Balance		Unrealized gains(losses)		Net unrealized gains(losses) as a % of balance
	(¥ bn)	Change from end Mar 08	(¥ bn)	Change from end Mar 08	
1 Securitized products	3,411	91	(328)	(10)	(9.6)%
2 RMBS	595	(17)	(82)	(16)	(13.9)%
3 Sub-prime RMBS	181	(1)	(46)	(8)	(25.4)%
4 CMBS	40	(3)	(1)	(0)	(1.5)%
5 CLOs	2,176	95	(209)	(2)	(9.6)%
6 Others (card, etc.)	542	23	(32)	5	(6.0)%
7 CDOs	52	(6)	(4)	3	(8.4)%
8 SIV investments	5	(0)	1	1	13.7%

(2) Distribution of balance by region

	Distribution of balance by region (¥ bn)				
	Americas	Europe	Asia	Japan	Total
1 Securitized products	2,401	902	7	101	3,411
2 RMBS	493	102	-	-	595
3 Sub-prime RMBS	181	-	-	-	181
4 CMBS	1	5	1	33	40
5 CLOs	1,361	784	-	31	2,176
6 Others (card, etc.)	507	3	2	31	542
7 CDOs	35	8	4	6	52
8 SIV investments	5	-	-	-	5

(3) Distribution of balance by rating

	Distribution of balance by rating (¥ bn)						
	AAA	AA	A	BBB	BB or lower	Unrated	Total
1 Securitized products	2,727	215	265	185	14	6	3,411
2 RMBS	528	36	31	-	-	-	595
3 Sub-prime RMBS	161	20	-	-	-	-	181
4 CMBS	24	9	5	1	-	-	40
5 CLOs	1,849	114	171	35	4	3	2,176
6 Others (card, etc.)	297	41	50	147	4	3	542
7 CDOs	29	15	7	1	1	-	52
8 SIV investments	-	-	-	-	5	-	5

(4) Simple securitized products*¹ ratio

	Simple securitized products* ¹ ratio (¥ bn)	
	Balance	%
1 Simple securitized products* ¹	3,399	99.7%
2 Re-securitized products* ²	12	0.3%
3 Total	3,411	100.0%

*¹ Securitized products backed by non-securitized assets

*² Sub-prime ABS CDOs, Synthetic CDOs(squared) and SIVs

Exposure to securitized products 2: RMBS, CMBS

Residential Mortgage-Backed Securities (RMBS)

(1) Balance by underlying asset, net unrealized gains(losses) (¥ bn)

	Balance	Unrealized gains(losses)
1 RMBS	595	(82)
2 Sub-prime RMBS ^{*3}	181	(46)
3 Prime RMBS	414	(37)

(2) Distribution of balance by region (¥ bn)

	Americas	Europe	Asia	Total
1	493	102	-	595
2	181	-	-	181
3	312	102	-	414

*3 In addition, we have funds holding sub-prime RMBS (Balance of sub-prime RMBS part ¥13 bn, ¥9 bn unrealized losses from that funds, which does not included in securitized products)

(3) Distribution of balance by rating (¥ bn)

	AAA	AA	A	BBB	BB or lower	Total
1 RMBS	528	36	31	-	-	595
2 Sub-prime RMBS	161	20	-	-	-	181
3 Prime RMBS	367	16	31	-	-	414

(4) Distribution of balance by vintage (¥ bn)

	Before 04	05	06	07	Total
1 RMBS	20	159	313	103	595
2 Sub-prime RMBS	0	33	83	65	181
3 Prime RMBS	20	127	230	37	414

(5) Distribution of Sub-prime RMBS unrealized gains(losses) by vintage (¥ bn)

	05	06	07	Total
1 Sub-prime RMBS ^{*4}	33	83	65	181
2 Unrealized gains(losses)	(5)	(17)	(24)	(46)
3 Change of market value	(14.9)%	(20.6)%	(36.6)%	(25.4)%

*4 Initial WAL (Weighted Average Life) was about 3.5 years

Commercial Mortgage-Backed Securities (CMBS)

(1) Balance by underlying asset, net unrealized gains(losses) (¥ bn)

	Balance	Unrealized gains(losses)
CMBS	40	(1)

(2) Distribution of balance by rating (¥ bn)

	AAA	AA	A	BBB	BB or lower	Total
CMBS	24	9	5	1	-	40

(3) Distribution of balance by region (¥ bn)

	Americas	Europe	Asia	Japan	Total
CMBS	1	5	1	33	40

Exposure to securitized products 3: CLOs, CDOs

Collateralized Loan Obligations (CLOs)

(1) Balance, net unrealized gains(losses)

(¥ bn)

	Balance	Unrealized gains(losses)	Change of market value
1 CLOs	2,176	(209)	(9.6)%
2 Balance sheet CLOs ^{*5}	738	(44)	(6.0)%
3 Arbitrage CLOs ^{*5}	1,360	(160)	(11.7)%

^{*5} please see Investor Meeting Presentation (May 27, 2008) databook p68 「Schemes of CLOs」

(2) Distribution of balance by rating

(¥ bn)

	AAA	AA	A	BBB	BB or lower	Unrated	Total
1	1,849	114	171	35	4	3	2,176
2	583	61	57	33	4	-	738
3	1,188	53	114	2	0	3	1,360

(3) Distribution of balance by region

(¥ bn)

	Americas	Europe	Asia	Japan	Total
1 CLOs	1,361	784	-	31	2,176
2 Balance sheet CLOs	156	575	-	7	738
3 Arbitrage CLOs	1,179	177	-	4	1,360

Collateralized Debt Obligations (CDOs)

(1) Balance, net unrealized gains(losses) (2) Distribution of balance by rating

(¥ bn)

	Balance	Unrealized gains(losses)
1 CDOs	52	(4)
2 Sub-prime ABS CDOs	2	(0)
3 Synthetic CDOs ^{*6}	39	(4)
4 Other CDOs ^{*7}	11	(0)

(¥ bn)

	AAA	AA	A	BBB	BB or lower	Total
1	29	15	7	1	1	52
2	1	0	1	0	-	2
3	16	15	6	1	-	39
4	11	-	-	-	1	11

^{*6} CDOs using CDS of diversified investment-grade companies as the reference assets, price movements largely influenced by CDS index price trends

^{*7} CDOs using leasing receivables, corporate bonds, etc. as the reference assets

(3) Distribution of balance by region

(¥ bn)

	Americas	Europe	Asia	Japan	Total
1 CDOs	35	8	4	6	52
2 Sub-prime ABS CDOs	2	-	-	-	2
3 Synthetic CDOs	25	5	4	5	39
4 Other CDOs	7	4	-	1	11

(4) Distribution of balance by type

(¥ bn)

	Simple securitized products	Re-securitized products	Total
1	46	7	52
2	-	2	2
3	34	4	39
4	11	-	11

Monoline insurer related

- No credit outstanding and credit derivative transactions with monoline insurers

Special Purpose Entities (SPEs)

【ABCP (Asset Backed CP)】

- We are engaged in sponsoring ABCP issuance for securitization of our clients's assets
- The balance of assets purchased by ABCP conduits (special purpose companies for issuing ABCP) as of end Jun 08 was ¥4.91tn (¥1.62tn overseas)
- The purchased assets are mainly receivables and they do not include residential mortgages

Credit exposure related to leveraged loan

(1) Leveraged loan for structuring or distributing

- Not engaged in origination and distribution of securitized products of leveraged loans, no balance of leveraged loan for securitization

(2) LBO loans

1) Balance of LBO loans

(¥ bn)

	Balance
1 LBO loans (commitment basis) ^{*8}	693
2 Booking basis	578

*8 Includes balance after refinancing

2) Distribution of balance by region

(¥ bn)

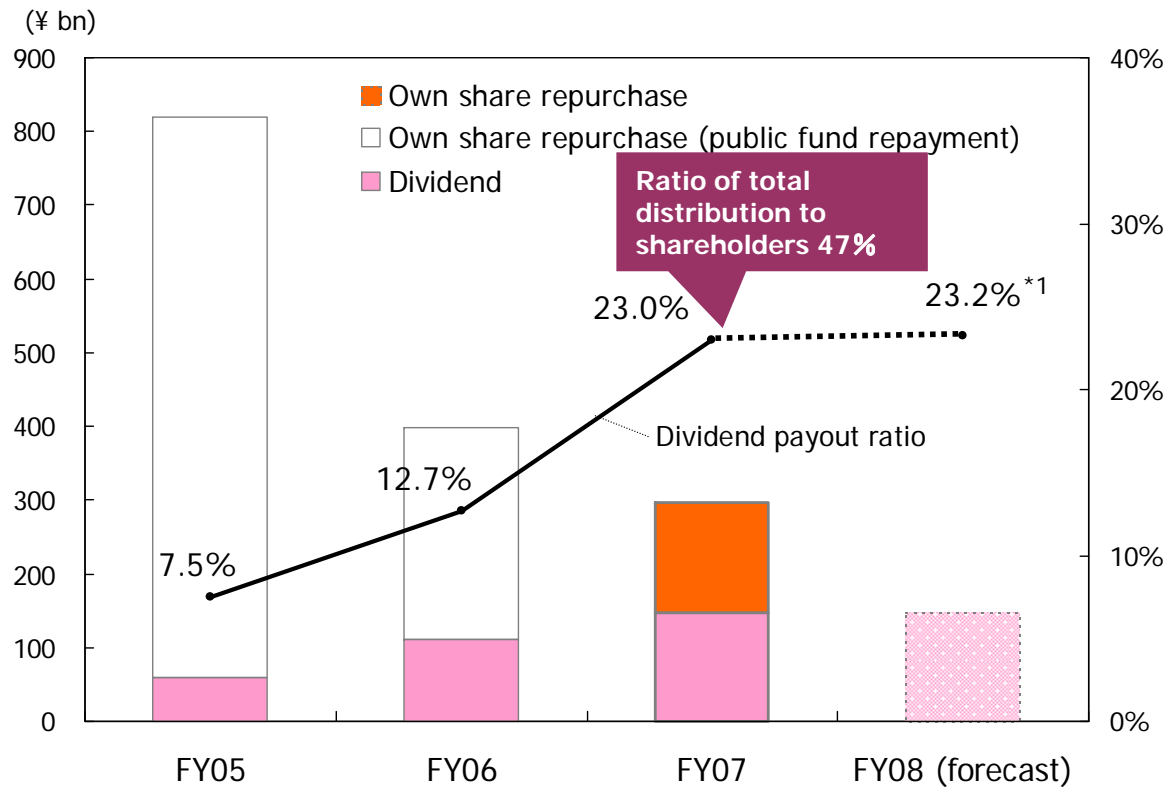
	Americas	Europe	Asia	Japan	Total
1	84	224	61	325	693
2	56	178	54	290	578

Enhancing shareholder returns



- Raised dividends and repurchased own shares in line with announced policy
- Ratio of total distribution to shareholders approx. 47% in FY07

Shareholder returns—actual and forecast



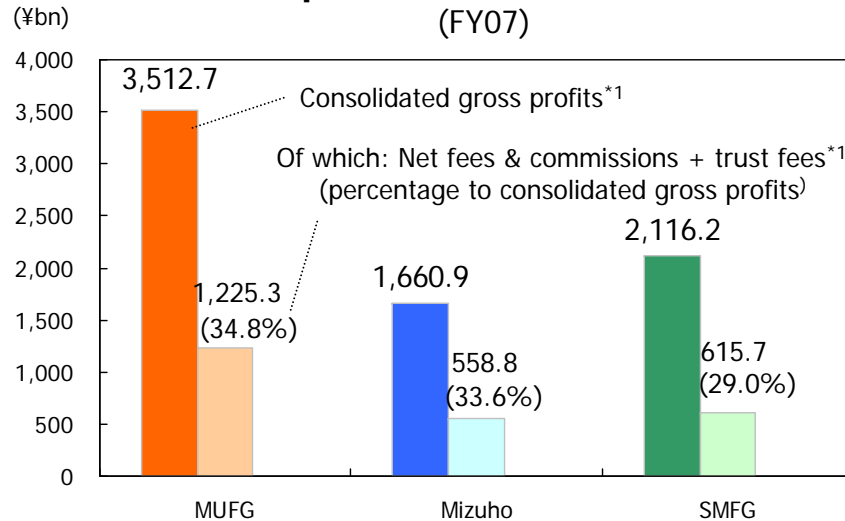
*1 Estimated payout ratio for FY08 is calculated based on targeted dividend per ordinary share of ¥14, targeted net income for the period of ¥640 bn, and other assumptions

Comparison with other Japanese financial groups



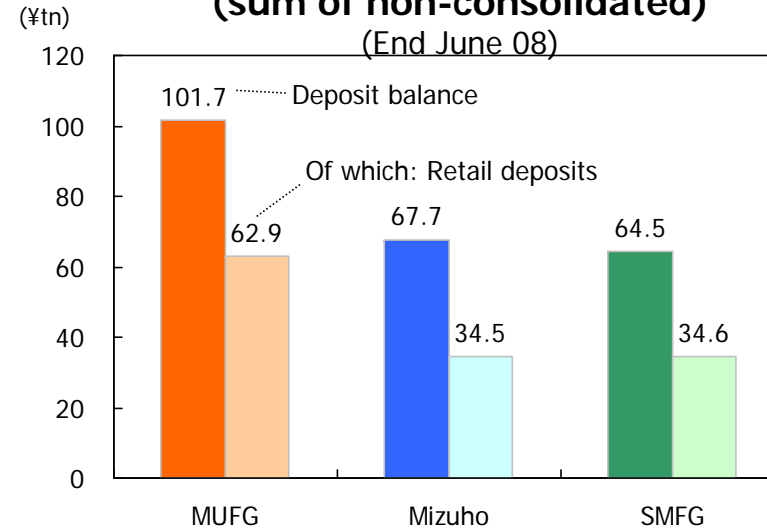
Source :Disclosure material of each group

Gross profits/ Fees + Trust fees (FY07)

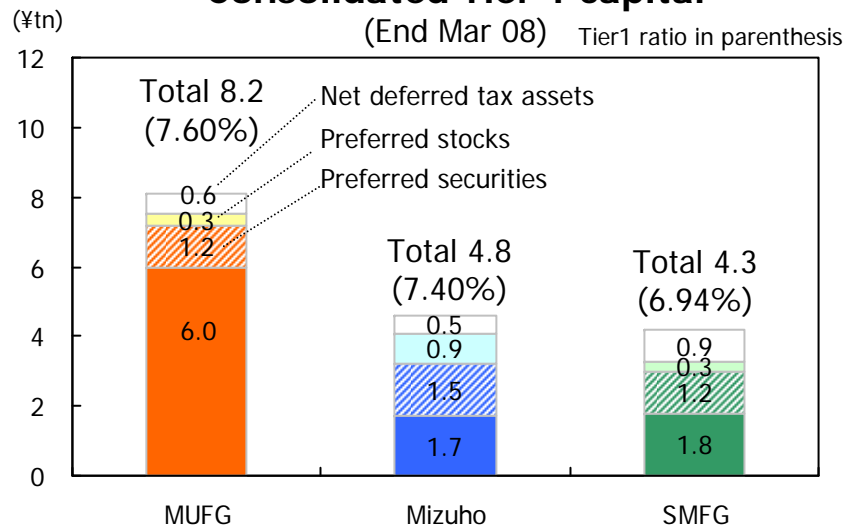


*1 Before credit costs for trust accounts

Domestic deposit balance (sum of non-consolidated) (End June 08)

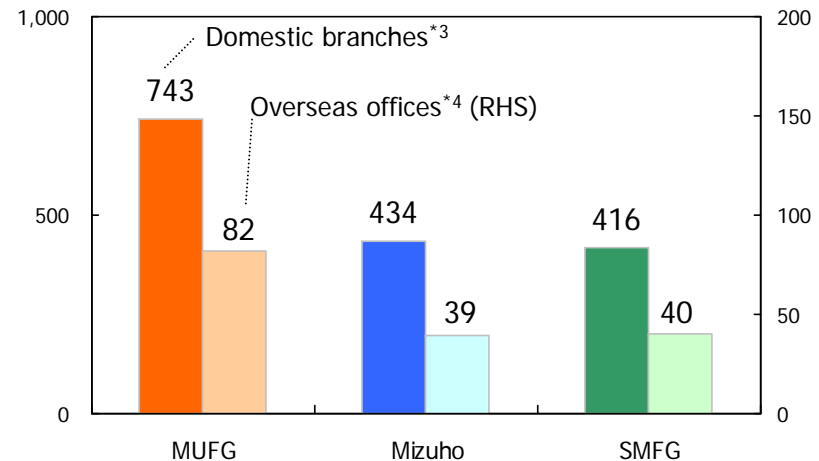


Consolidated Tier 1 capital (End Mar 08)



*2 Tier1 (Tier1 ratio) as of End June 08:
MUFG: 8.1tn (7.33%), Mizuho: 4.6tn (7.03%), SMFG: 4.4tn (6.80%)

Number of branches (sum of non-consolidated) (End Mar 08)



*3 Not including sub-branches, agencies and representative offices, etc.

*4 Total of branches, sub-branches and representative offices