

Macquarie Asia-Pacific Financials Corporate Day

Mitsubishi UFJ Financial Group

January 2011

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

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Introduction

Outline of Fiscal 2010 Interim Results

Initiatives for achieving mid-term
business plan

- **Net income ahead of target at ¥ 356.7 billion**
 - Net business profits increased significantly mainly due to strong income in Global Markets segment
 - Credit costs decreased substantially
- **Preparing for growth**
 - Asia (capital increase, branch openings), North America (acquisitions by Union bank)
 - Launched securities joint ventures in Japan
- **Made steady progress towards addressing medium-term business plan issues**
 - Streamlined operations, reduced strategic equity holdings

Introduction

Outline of Fiscal 2010 Interim Results

Initiatives for achieving mid-term
business plan

● Net business profits

- Gross profits increased due to an increase in market product income such as net gains on sales of debt securities, partially offset by a decrease in net interest income caused by a decline of interest-rates and a decrease in loan balance
- G&A expenses decreased reflecting the progress of an intensive corporate-wide cost reduction. Expense ratio improved to mid-50% range
- As a result, net business profits increased significantly to the record high for a interim financial period since the inception of MUFG

● Total credit costs

- Significantly decreased due to a decrease in provision for credit losses reflecting a decrease in number of bankruptcies

● Net gains (losses) on equity securities

- Net gains (losses) on equity securities decreased mainly due to an increase in write-downs of equity securities and lower gains on sales of equity securities

● Net income

- Net income increased significantly, partially offset by an increase in total of income taxes-current and income taxes-deferred

Income statement (¥bn)

	FY09 H1	FY10 H1	Change	
1	Gross profits (before credit costs for trust accounts)	1,813.2	1,870.7	57.4
2	Net interest income	1,115.2	1,009.3	(105.8)
3	Trust fees + Net fees and commissions	545.6	524.7	(20.8)
4	Net trading profits + Net other business profits	152.4	336.6	184.1
5	Net gains (losses) on debt securities	24.8	170.7	145.8
6	G&A expenses	1,061.4	1,018.8	(42.6)
7	Expense ratio	58.5%	54.5%	(4.1%)
8	Net business profits	751.7	851.8	100.0
9	Credit costs*1	(444.2)	(190.4)	253.8
10	Net gains (losses) on equity securities	13.3	(27.3)	(40.7)
11	Other non-recurring gains (losses)	(87.7)	(91.9)	(4.2)
12	Ordinary profits	233.0	542.0	309.0
13	Net extraordinary gains (losses)	(18.6)	6.9	25.6
14	Total of income taxes-current and income taxes-deferred	42.5	184.8	142.2
15	Net income	140.9	356.7	215.8
16	Total credit costs*2	(444.2)	(186.7)	257.4
17	(Non-consolidated)	(224.0)	(58.0)	166.0
18	EPS (¥)	11.08	24.60	13.52
19	ROE*3	3.77%	8.51%	4.73%

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

*2 Total credit costs= Credit costs + Reversal of allowance for credit losses + Reversal of reserve for contingent losses included in credit costs. Total credit costs including gains on loans written-off posted (¥153.0bn), decreased by ¥266.3bn compared to FY09 H1

Reference

18	EPS (¥)	11.08	24.60	13.52
19	ROE*3	3.77%	8.51%	4.73%

*3

Net income × 2 – Equivalent of annual dividends on nonconvertible preferred stocks × 100
 {(Total shareholders' equity at the beginning of the period – Number of nonconvertible preferred stocks at the beginning of the period × Issue price + Foreign currency translation adjustments at the beginning of the period) + (Total shareholders' equity at the end of the period – Number of nonconvertible preferred stocks at the end of the period × Issue price + Foreign currency translation adjustments at the end of the period)} / 2

Loans

- Decreased from End Mar. 10 due to lower demand of domestic corporate loans. Overseas loans decreased mainly due to an appreciation of the Japanese yen

Investment securities

- Increased from End Mar. 10 mainly due to an increase in Japanese government bonds and foreign bonds

Deposits

- Decreased from End Mar. 10 due to a decrease in domestic corporate deposits, partially offset by an increase in individual deposits

Total net assets

- Almost flat from End Mar. 10 mainly due to acquisition and cancellation of preferred shares offset by net income

Non performing loans ("NPLs")

- NPL ratio up from End Mar. 10 as a result of an increase in FRL disclosed loans, but keeping at a low level

Net unrealized gains (losses) on securities available for sale

- Decreased from End Mar. 10 mainly due to a decrease in net unrealized gains on domestic equity securities, offset by an increase in those on Japanese government bonds and foreign bonds

Balance sheet (¥bn)

	End Mar. 10	End Sep. 10	Change from End Mar. 10
1 Total assets	204,106.9	206,380.8	2,273.9
2 Loans (Banking+Trust accounts)	85,035.9	79,397.1	(5,638.7)
[Loans (Banking accounts)]	[84,880.6]	[79,254.4]	[(5,626.1)]
3 Domestic corporate loans*1	47,771.9	43,562.6	(4,209.3)
4 Housing loans*1	17,467.3	17,417.2	(50.1)
5 Overseas loans*2	16,651.7	15,612.2	(1,039.4)
6 Investment securities (Banking accounts)	63,964.4	70,053.1	6,088.6
7 Government bonds	39,725.3	43,541.6	3,816.2
8 Total liabilities	192,807.4	195,048.9	2,241.4
9 Deposits	123,891.9	122,268.7	(1,623.2)
10 Individual deposits (Domestic branches)	63,045.3	63,290.7	245.4
11 Total net assets	11,299.4	11,331.9	32.5
12 Deposit/lending spread (Domestic, non-consolidated)	FY09 H2 1.31%	FY10 H1 1.29%	Change from FY09 H2 (0.01%)
13 FRL disclosed loans*1*3	1,348.7	1,415.9	67.1
14 NPL ratio*1	1.50%	1.69%	0.19%
15 Net unrealized gains (losses) on securities available for sale	812.7	697.3	(115.3)
16 BIS capital ratio	14.87%	15.24%	0.37%
Tier1 ratio	10.63%	11.57%	0.93%

*1 Non-consolidated + trust accounts

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

*3 FRL=the Financial Reconstruction Law

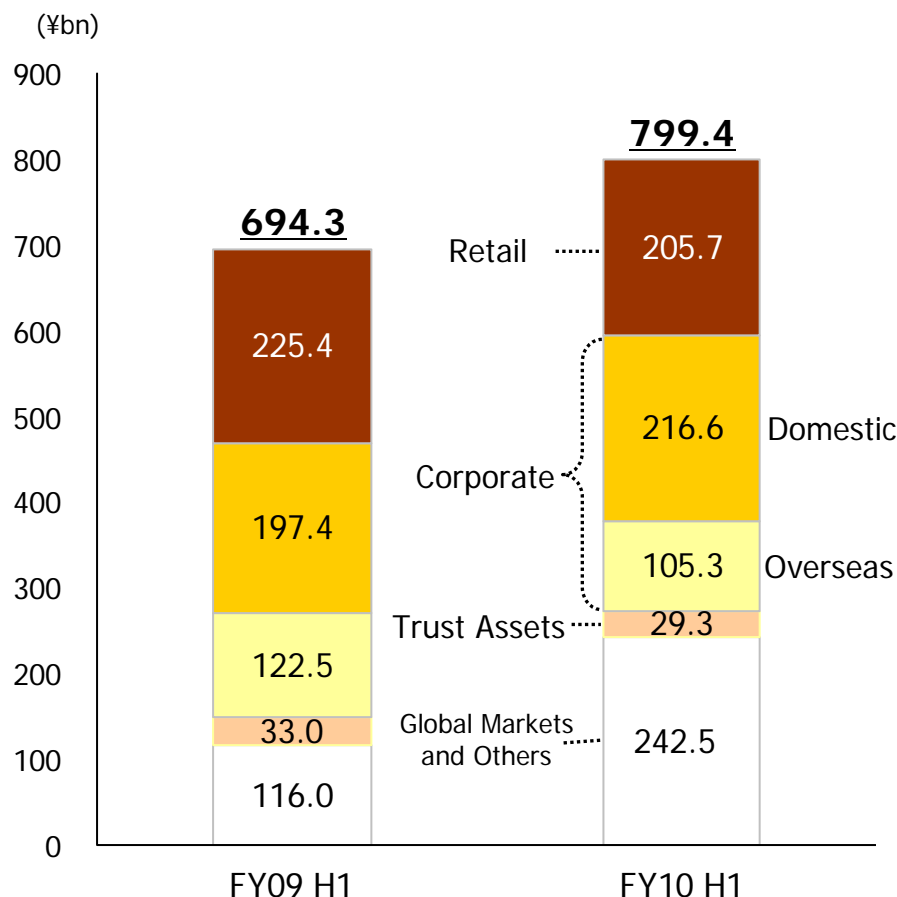
Outline of results by business segment

(Consolidated)



- Total net business profits increased ¥100.0bn compared to FY09 H1. An increase in net business profits from Global Markets segment and cost reduction throughout the segments more than offset a decrease in profits from Retail, Overseas Corporate and Trust Assets segments in aggregate due to downturn of market environment, such as decline of interest rates

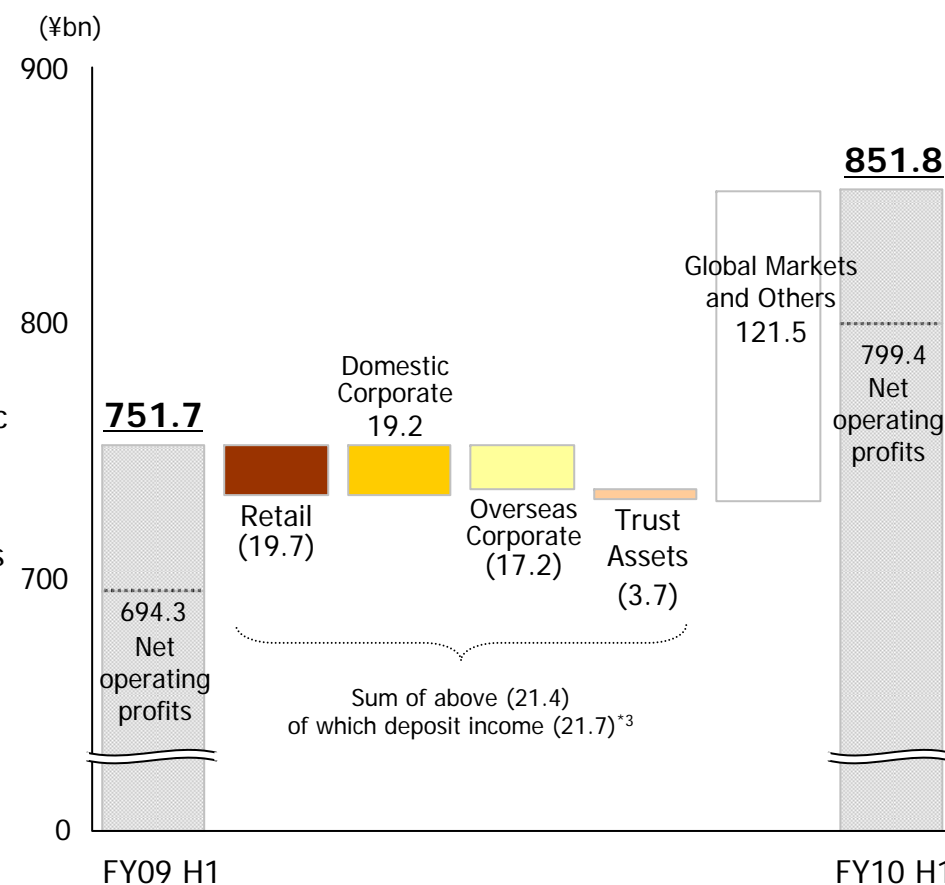
Net operating profits by segment*1



*1 Consolidated net business profits on a managerial accounting basis

Please see page 39 of the MUFG Databook

Breakdown of changes in Net business profits*2



*2 Changes in segmental income are on a managerial accounting basis

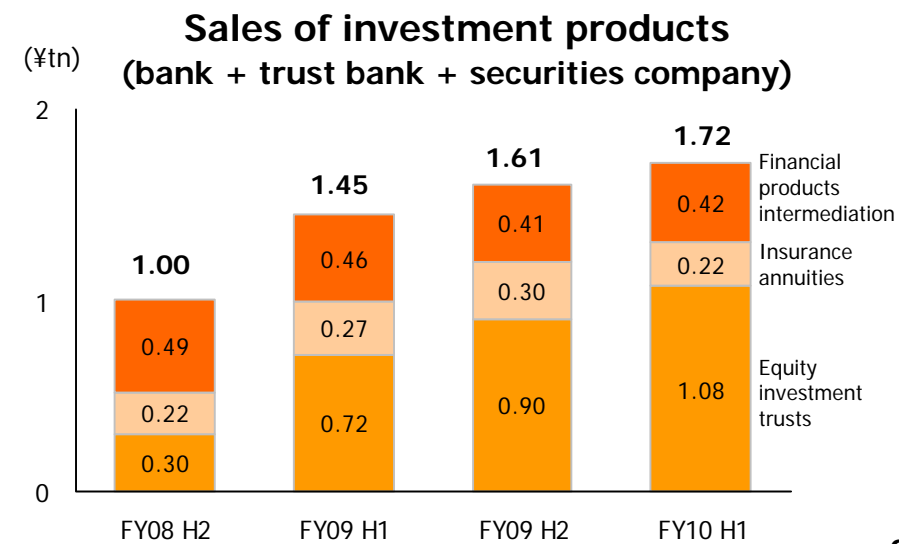
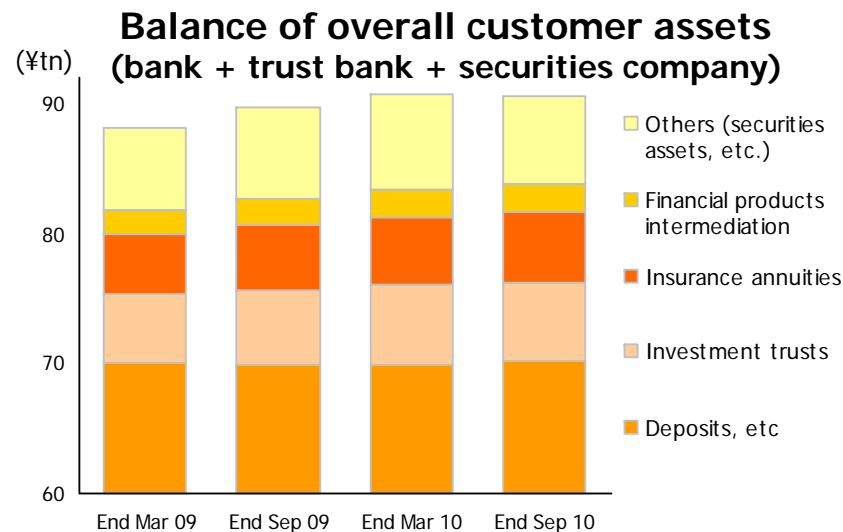
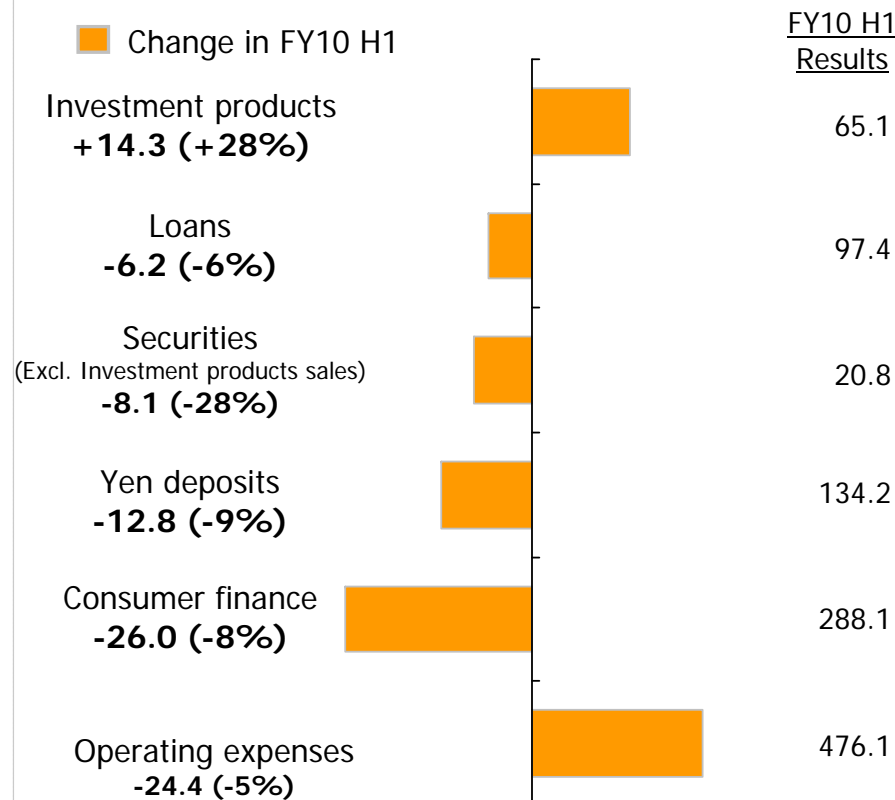
*3 Deposit income is the total of BTMU and MUTB figures

● **Net operating profits ¥205.7bn, down ¥19.7bn on FY09 H1**

— Revenue from Consumer finance and Yen deposits decreased, while Investment product sales performed well

Change in net operating profits

FY10 H1 ¥205.7bn (down ¥19.7bn on FY09 H1)



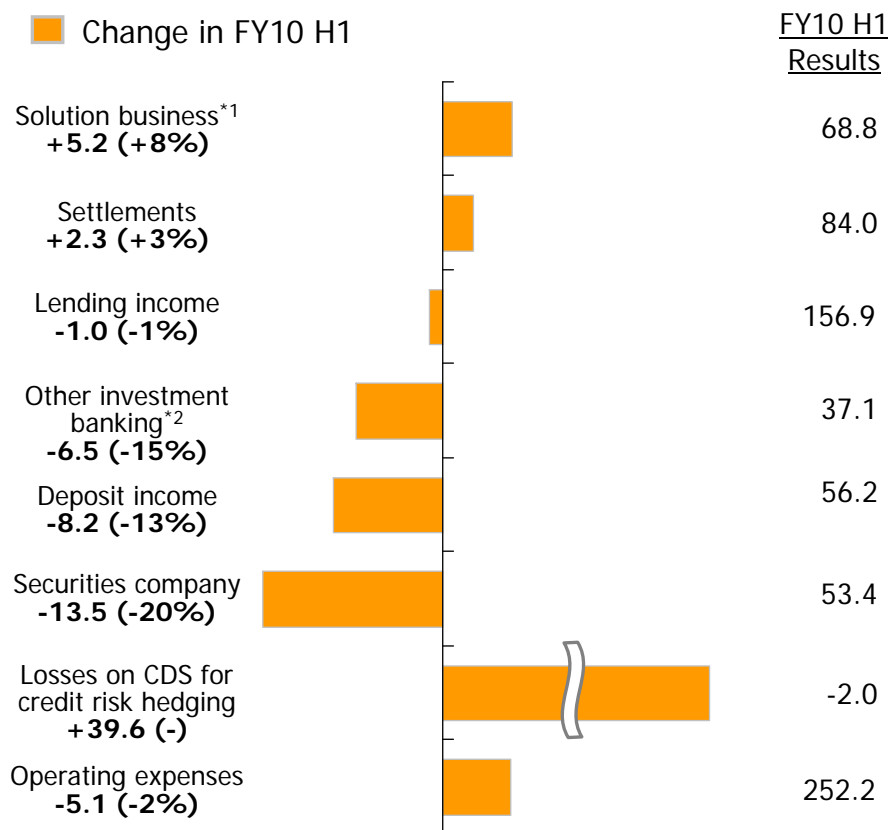
Please see pages 40-45 of the MUFG Databook

● **Net operating profits ¥216.6bn, up ¥19.2bn on FY09 H1**

- Solid performance of solution business, improved losses on CDS for credit risk hedging.
- Lending spread continues to increase

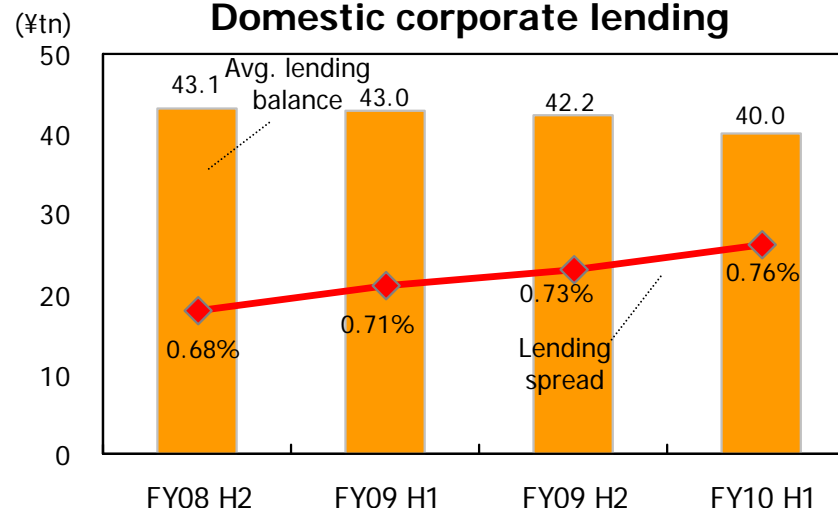
Change in net operating profits

FY10 H1 ¥216.6bn (up ¥19.2bn on FY09 H1)

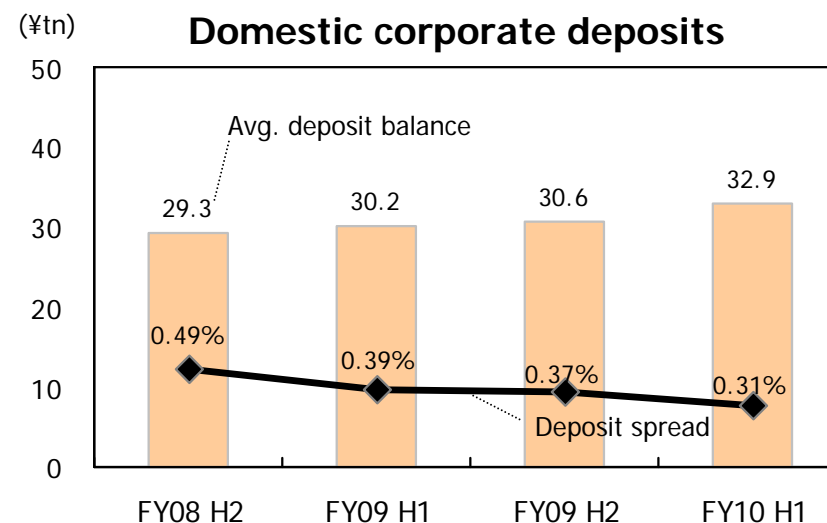


*1 Structured finance, securitization and domestic syndicated loans
*2 Customer derivatives, underwriting, etc.

Domestic corporate lending



Domestic corporate deposits

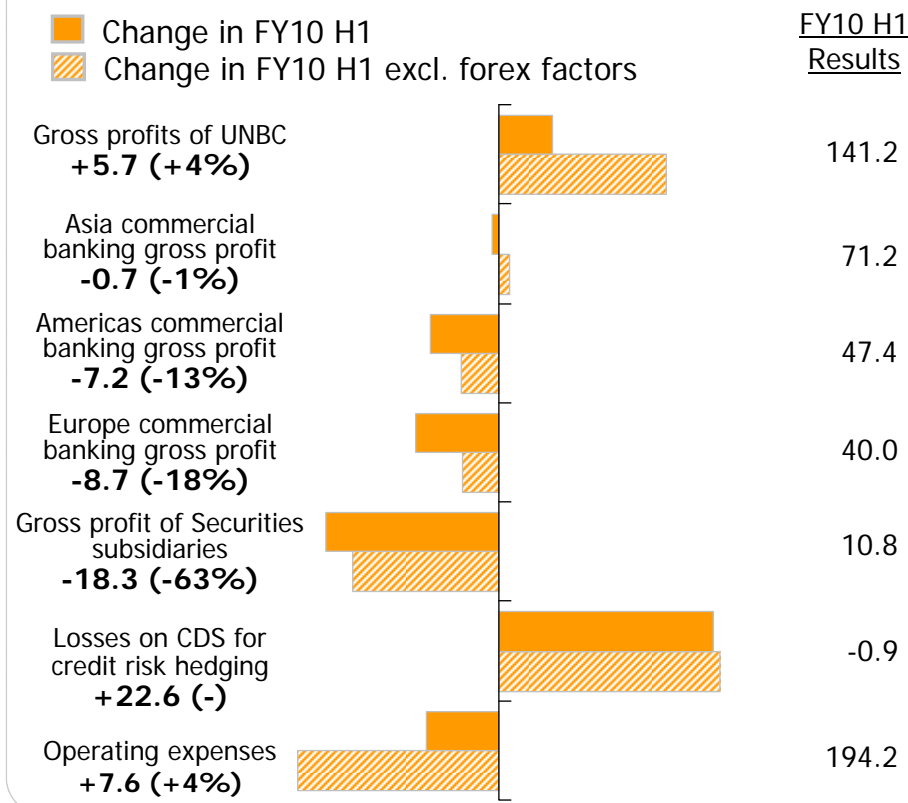


- **Net operating profits ¥105.3bn, down ¥17.2bn on FY09 H1 (down ¥5.7bn if excluding forex factors)**

— Gross profits of UNBC increased, profits from securities subsidiaries decreased. Lending spread remained at high level

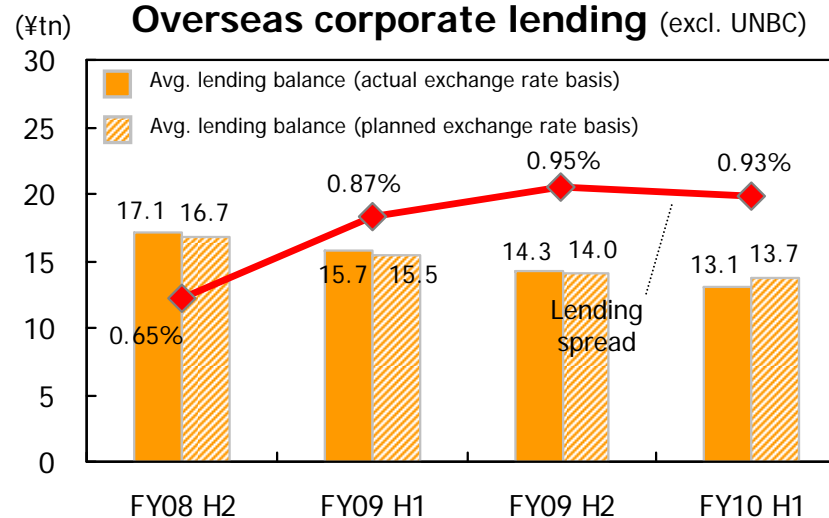
Change in net operating profits

FY10 H1 ¥105.3bn (down ¥17.2bn on FY09 H1)
(down ¥5.7bn on FY09 H1 excl. forex factors)

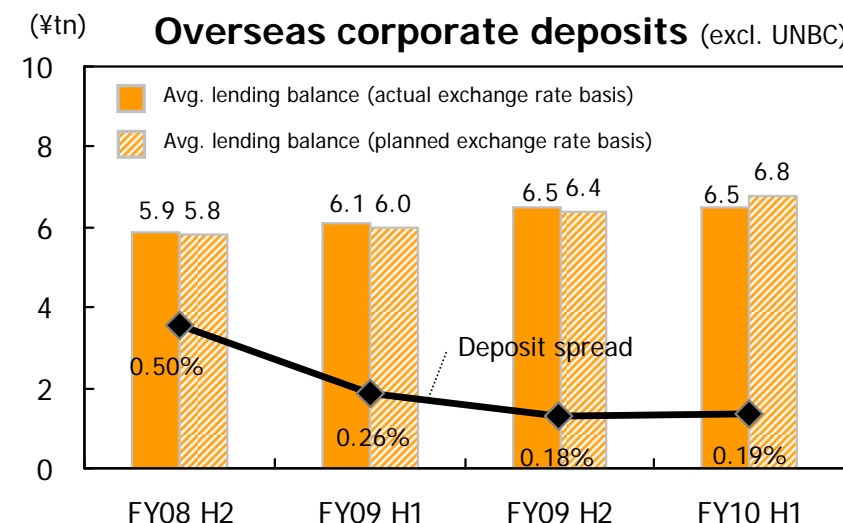


*1 Exchange rates: Those adopted in our business plan (\$/¥=95, etc)

Overseas corporate lending (excl. UNBC)



Overseas corporate deposits (excl. UNBC)

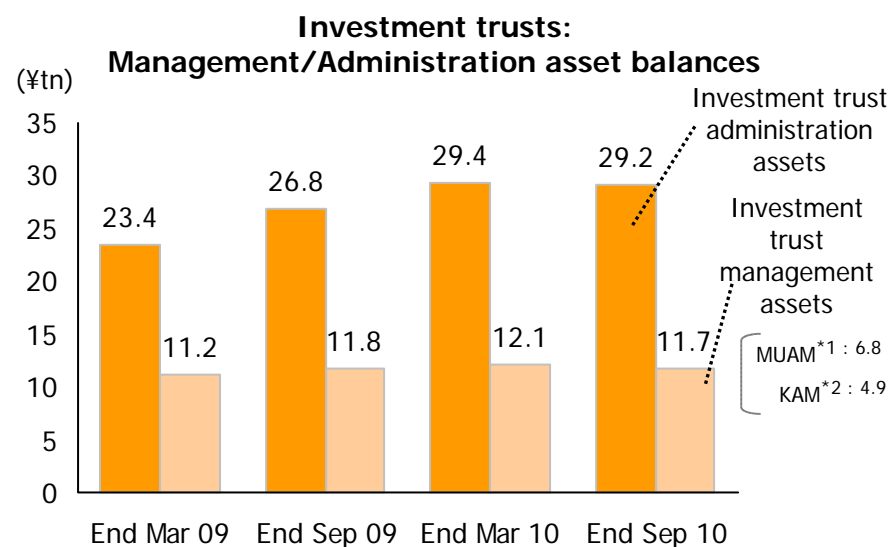
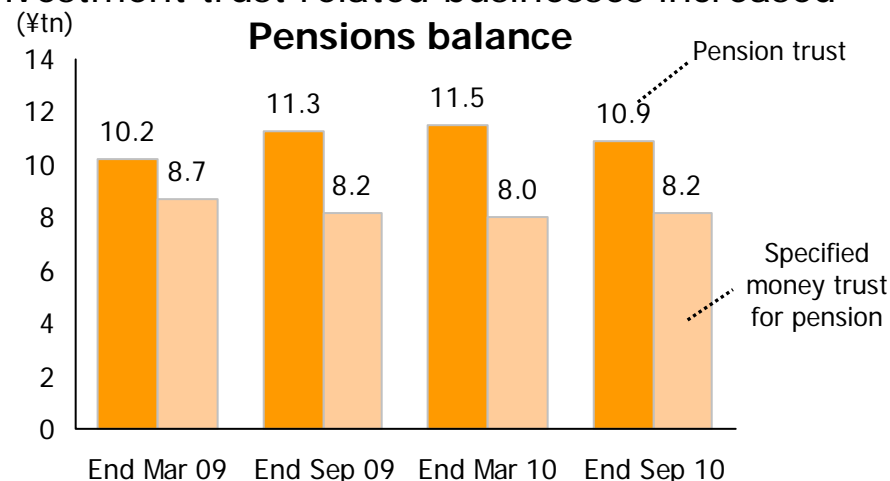
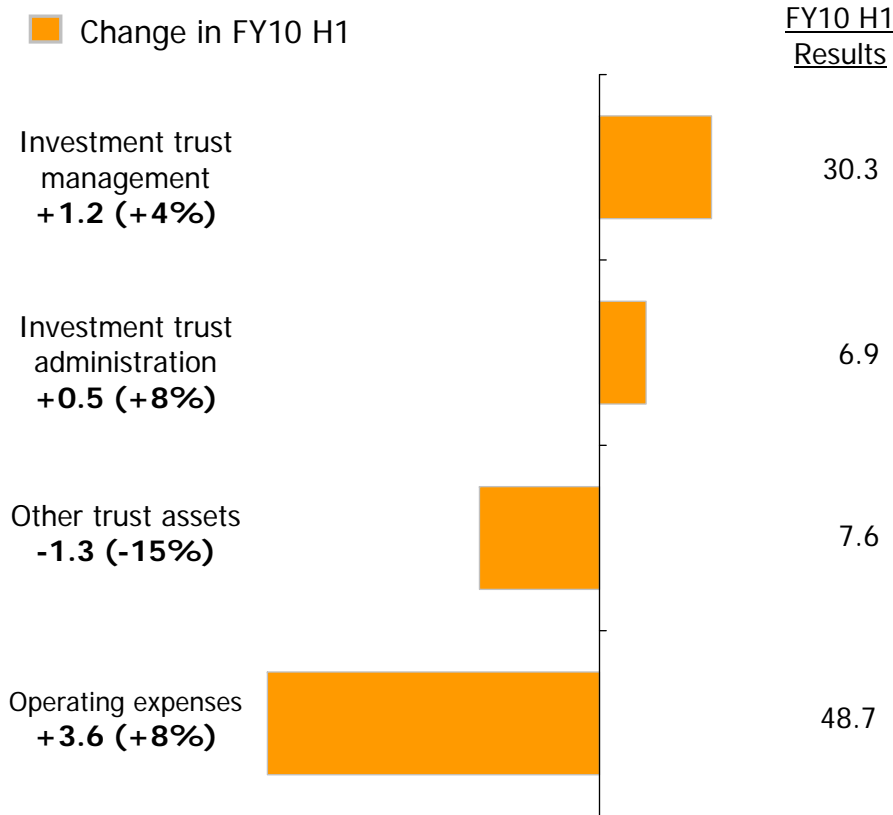


● **Net operating profits ¥29.3bn, down ¥3.7bn on FY09 H1**

— Net operating profits decreased due to higher operating costs for expanding investment management business, while gross profits of Investment trust related businesses increased

Change in net operating profits

FY10 H1 ¥29.3bn (down ¥3.7bn on FY09 H1)



*1 MUAM: Mitsubishi UFJ Asset Management

*2 KAM : KOKUSAI Asset Management

Please see pages 56-59 of the MUFG Databook

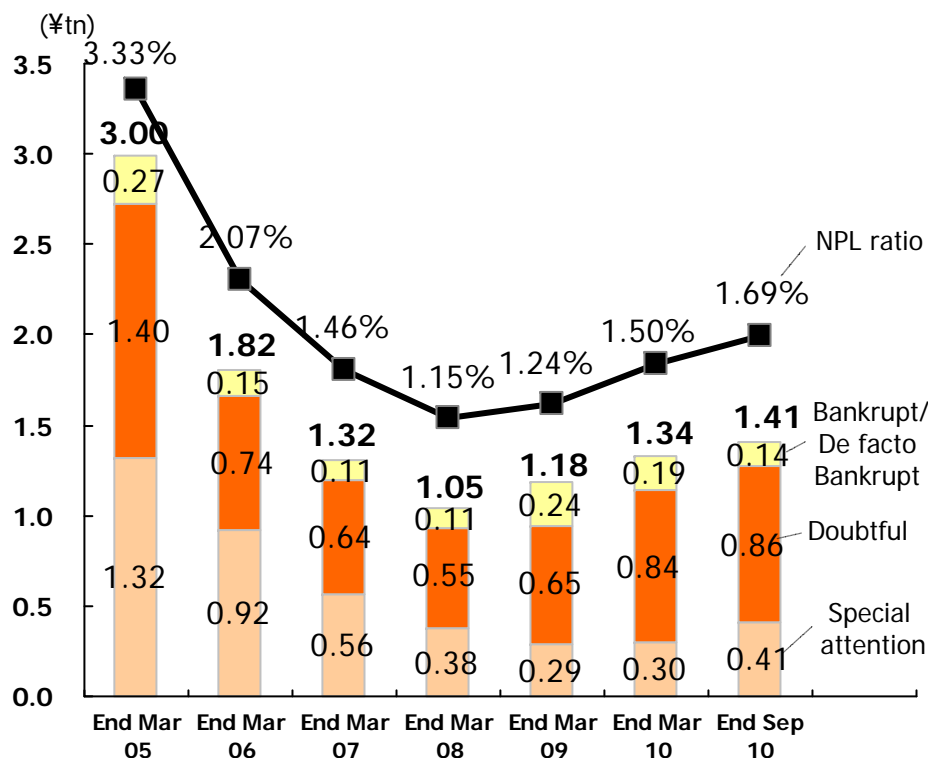
Loan assets

(Consolidated/Non-consolidated)

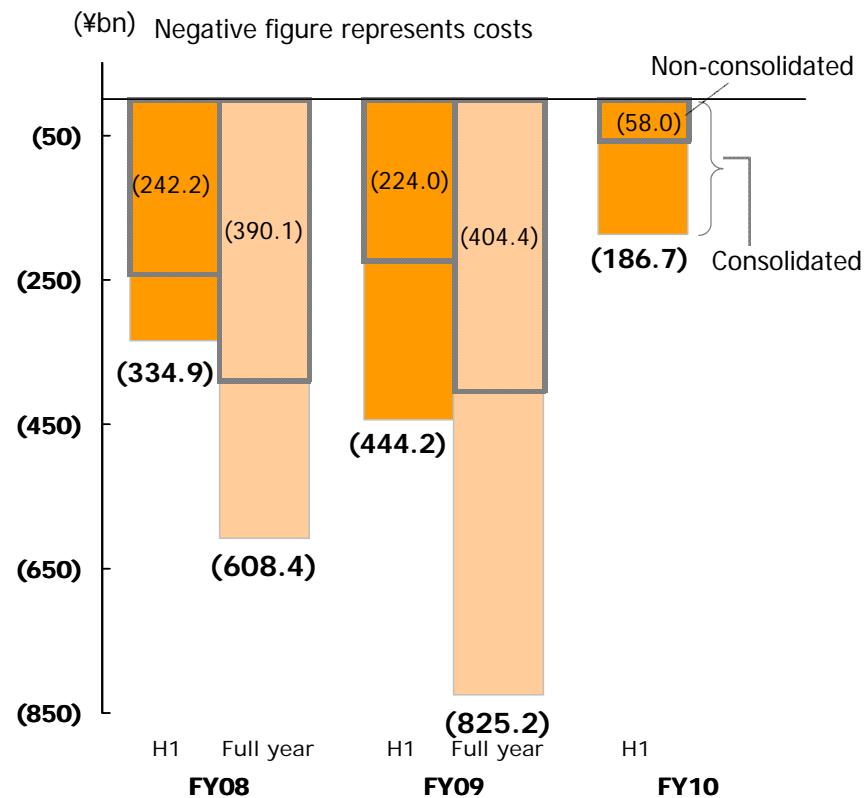


- NPL ratio up by 0.19% from End Mar. 10 to 1.69% due to an increase in special attention category loans and an decrease in total loan assets, however still keeping at a low level
- Total credit costs of non-consolidated were ¥58.0bn and those of consolidated were ¥186.7bn

Balance of FRL disclosed loans (Non-consolidated)



Total credit costs



Please see pages 61-64 of the MUFG Databook

Holdings of investment securities

(Consolidated)



- Total unrealized gains (losses) on securities available for sale decreased by ¥115.3bn from End Mar 10
- An increase in unrealized gains on Japanese government bonds and foreign bonds was more than offset by a decrease in those on domestic equity securities

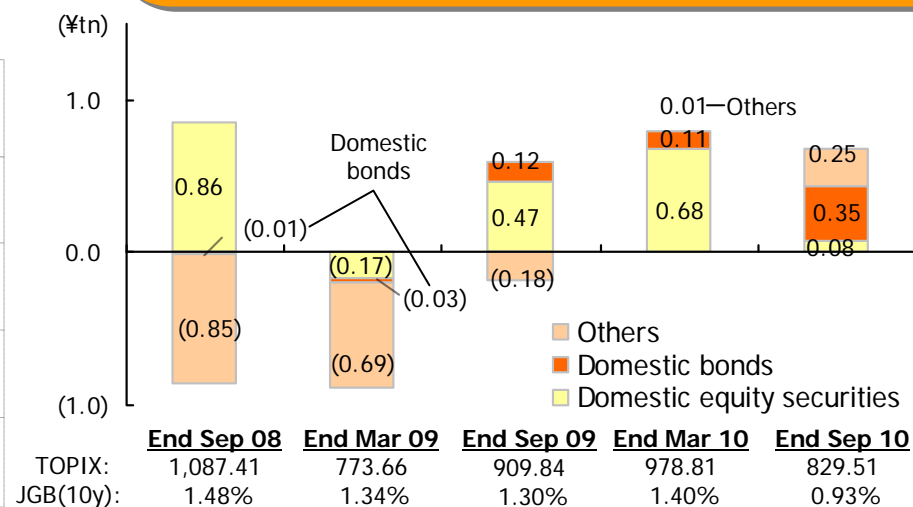
Breakdown of securities available for sale (with market value)

(¥bn)

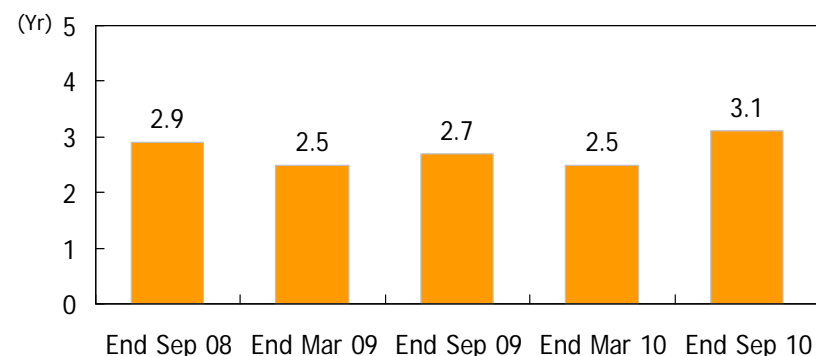
	Balance (End Sep.10)	Change from End Mar 10	Unrealized gains (losses)	
				Change from End Mar 10
1 Total	66,340.5	5,934.1	697.3	(115.3)
2 Domestic equity securities	3,538.0	(739.3)	87.9	(593.8)
3 Domestic bonds	46,896.5	3,519.8	353.6	236.5
4 Government bonds	42,564.3	3,816.2	279.5	199.6
5 Others	15,905.9	3,153.6	255.7	241.9
6 Foreign equity securities	261.8	(20.7)	64.3	(9.2)
7 Foreign bonds	13,931.5	3,228.9	278.9	201.6
8 Others	1,712.6	(54.5)	(87.4)	49.5

Please see page 65 of the MUFG Databook

Unrealized gains (losses) on securities available for sale



JGB Duration*1



*1 Non-consolidated

● Total capital

- Tier1 Increased ¥0.18 tn from End Mar 10 mainly due to increases in retained earning, partially offset by an acquisition and cancellation of preferred shares
- Total capital decreased ¥0.57 tn from End Mar 10 mainly due to redemption of subordinated debt and lower net unrealized gains

● Risk-adjusted assets

- Decreased ¥6.02 tn from End Mar 10 mainly due to a decrease in corporate loans

<Adopted methods>

- Credit risk: AIRB
(Advanced Internal Ratings-Based approach)
- Operational risk: TSA
(The Standardized Approach)

● **Capital ratio** : **15.24%**
 ● **Tier 1 ratio** : **11.57%**

(¥bn)

	End Sep 09	End Mar 10	End Sep 10	Change from End Mar 10
1 Capital ratio	13.29%	14.87%	15.24%	0.37%
2 Tier 1 ratio	9.13%	10.63%	11.57%	0.93%
3 Tier 1	8,894.3	10,009.6	10,194.1	184.5
4 Capital stock and Capital surplus	3,518.8	4,559.9	4,311.6	(248.2)
5 Retained earnings	4,238.2	4,405.5	4,666.1	260.6
6 Tier 2	4,383.5	4,449.6	3,990.7	(458.8)
7 Net unrealized gains on other investment securities	185.1	362.7	296.5	(66.1)
8 Subordinated debt	3,751.5	3,684.6	3,323.6	(360.9)
9 Total capital	12,948.9	13,991.7	13,421.6	(570.0)
10 Risk-adjusted assets	97,368.2	94,081.3	88,054.3	(6,026.9)
11 Credit risk	89,902.3	85,292.7	79,345.9	(5,946.8)
12 Market risk	1,777.6	1,902.7	1,973.3	70.5
13 Operational risk	5,688.3	6,885.8	6,735.1	(150.6)

FY2010 targets/dividend forecasts

(Consolidated/
Non-consolidated)



- Revised upward FY2010 targets from ¥400.0bn to ¥500.0bn

Earnings targets

[Consolidated]		FY2010		FY2009	
		Interim (results)	Full Year (targets)	Interim (results)	Full Year (results)
1	Ordinary profits	¥542.0 bn	¥900.0 bn	¥233.0 bn	¥545.6 bn
2	Net income	¥356.7 bn	¥500.0 bn	¥140.9 bn	¥388.7 bn

[Non-consolidated]

(Bank of Tokyo-Mitsubishi UFJ)

3	Net business profits	¥544.5 bn	¥970.0 bn	¥408.0 bn	¥863.1 bn
4	Ordinary profits	¥394.4 bn	¥660.0 bn	¥125.0 bn	¥407.8 bn
5	Net income	¥282.3 bn	¥450.0 bn	¥130.7 bn	¥342.6 bn

(Mitsubishi UFJ Trust and Banking)

6	Net business profits	¥76.2 bn	¥150.0 bn	¥52.9 bn	¥110.2 bn
7	Ordinary profits	¥62.8 bn	¥110.0 bn	¥35.3 bn	¥53.2 bn
8	Net income	¥41.5 bn	¥70.0 bn	¥24.7 bn	¥67.2 bn

Dividend forecasts

		FY2010			FY2009		
		Interim	Year-end (forecasts)	Annual (forecasts)	Interim (results)	Year-end (results)	Annual (results)
9	Dividend per common share	¥6	¥6	¥12	¥6	¥6	¥12

Introduction

Outline of Fiscal 2010 Interim Results

**Initiatives for achieving mid-term
business plan**

- Further accelerate growth strategies in second half of the medium-term business plan



Risk management and enhancement of core business fundamentals

Growth acceleration

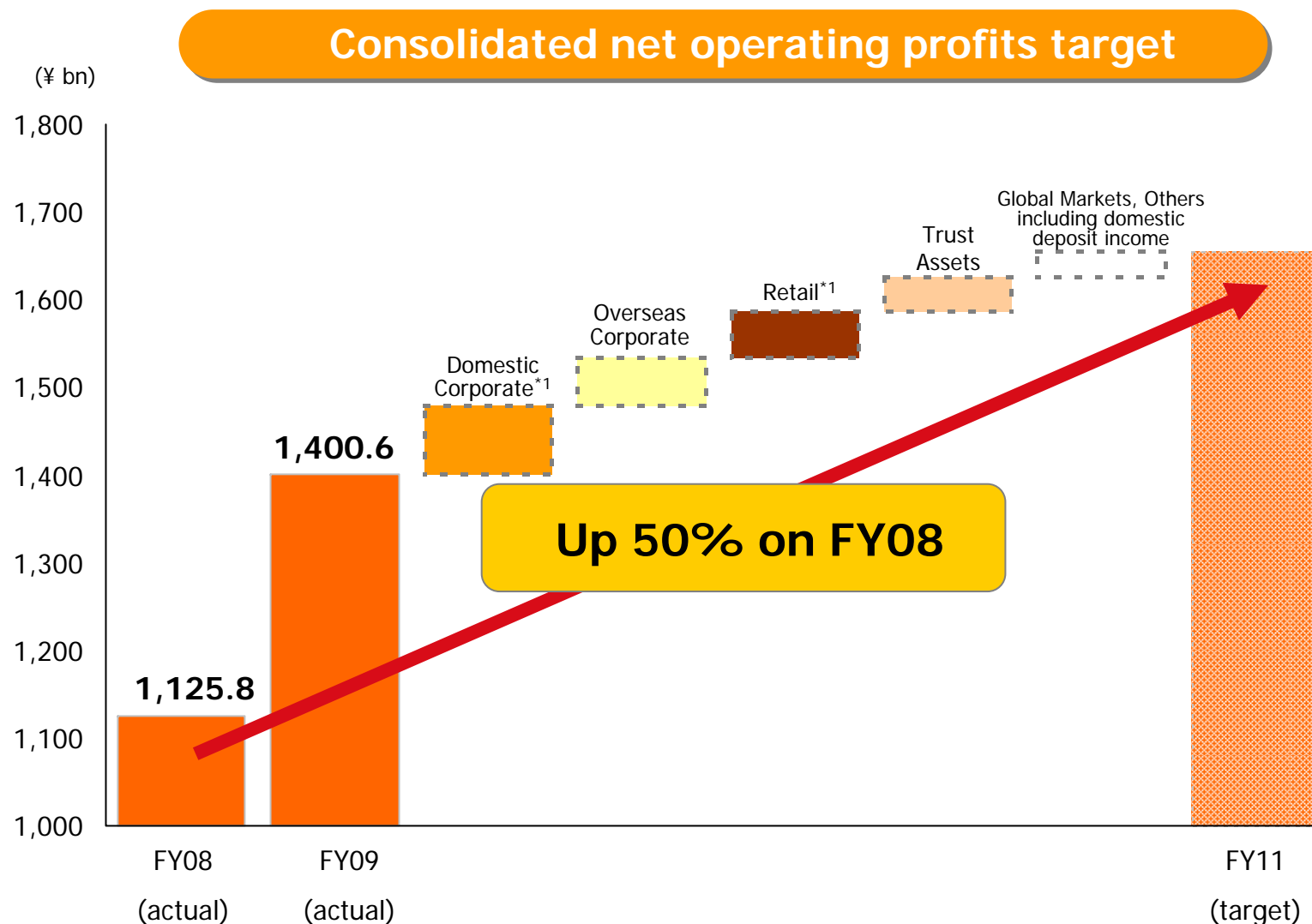
1. Act on anticipated new regulatory capital requirements
2. Improve operational efficiency
3. Reduce strategic equity holdings
4. Maintain stable shareholder returns

1. Pursue growth in priority business areas
2. Maintain and improve operational efficiency
3. Reduction of equity holdings
4. Maintain and enhance capital base
5. Increase shareholder value
—Maintain stable shareholder returns/Enhance shareholder returns

Net operating profits target in the mid-term business plan



- Strengthen profitability of customer businesses to achieve net operating profits target



*1 Excluding deposit income

- **Corporate**

- ✓ Asia, North America

- ✓ CIB

- ~Strategic alliance with Morgan Stanley

- ~Promotion of project finance

- **Retail**

- ✓ Segment-based strategy

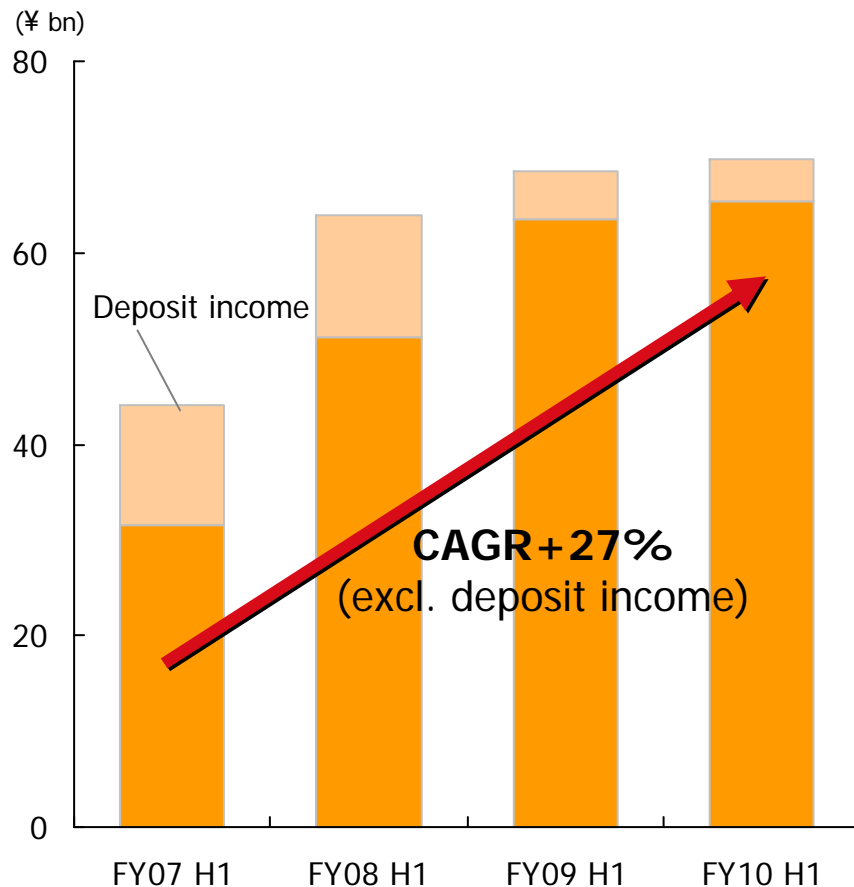
- ~Investment product sales

- **Trust Assets**

- ✓ Global asset management

- Solid increase in gross profits despite decline in deposit income due to low interest rates
- Preparing for further growth—increased capital of India and China operations, and expanded network

Gross profits*1 — Asia business



*1 Exchange rates: Those adopted in our business plan (\$/¥=95, etc)

Organic strategies

■ BTMU China

Capital Increase

- Implemented a RMB 1.5 bn capital increase, and secured a capital base on par with leading foreign financial institutions to meet booming demand for funds (Sep 2010)

Network Expansion

- Opened Chengdu Branch, first Japanese bank branch in western China (Mar 2010), Guangzhou Nansha Sub-branch, first foreign bank branch in Nansha area (Jul 2010)
- Acquired approval to prepare to open a sub-branch in Hongqiao Shanghai (Sep 2010)
- Aiming to quickly expand to 20 branches (currently 12 branches)

Others

- One of the first foreign banks to obtain approval to conduct RMB trade settlement business (Sep 2009)
- First foreign bank to issue RMB bonds in mainland China (May 2010)

■ India operations

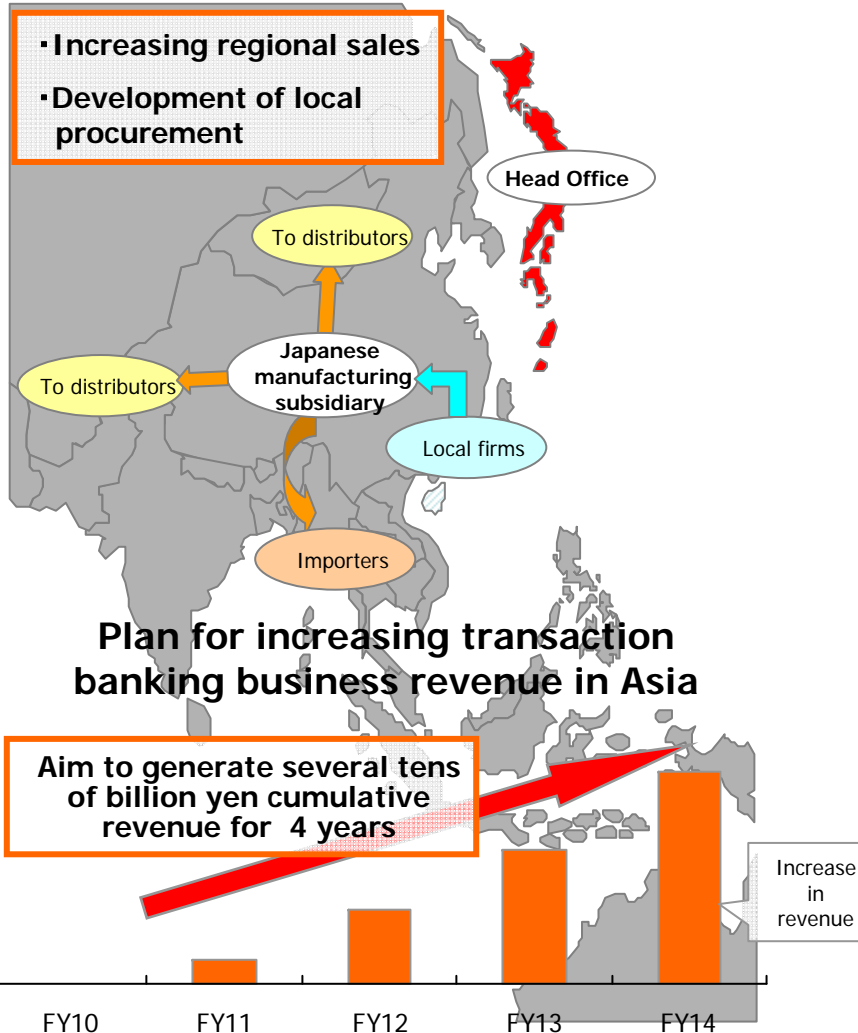
- Enhanced capital to meet increased demand for funds due to economic growth (Jan 2010)
- Considering to open new branches

Asia strategy (2) Transaction banking business



- Expand transaction banking business*¹ that captures the changing and expanding commercial flow accompanied by the economic growth in Asian countries, through leveraging our solid Japanese customer base and extensive network

Change in commercial flow



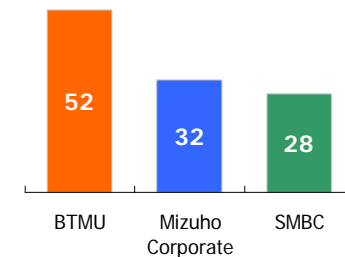
Our competitive advantages

Solid corporate customer base

Japan	500 thousand customers
Asia	40 thousand customers

Extensive network

Number of offices in Asia and Oceania*²



*² Company disclosures

Strategies to strengthen transaction banking business*¹

- ✓ New investments in computer systems and construction of a platform for enhancing settlement products and services that can match the changes in commercial flow
- ✓ Strengthen network, including partnerships with local banks
- ✓ Enhance settlement and forex transactions with Japanese customers' head office in Japan

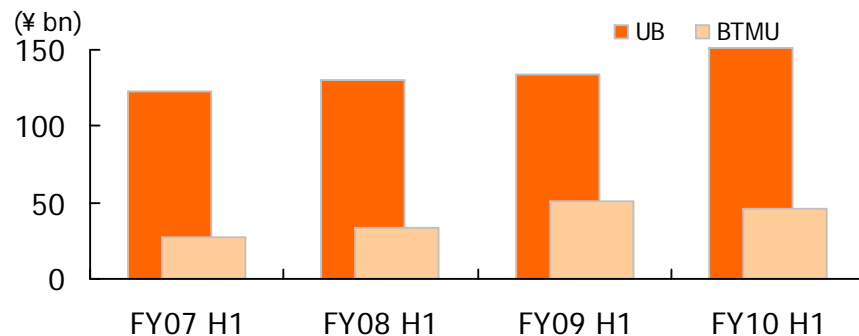
*¹ Collectively refers to services capturing commercial flows of customers such as deposits, settlement, and trade finance

North America strategy



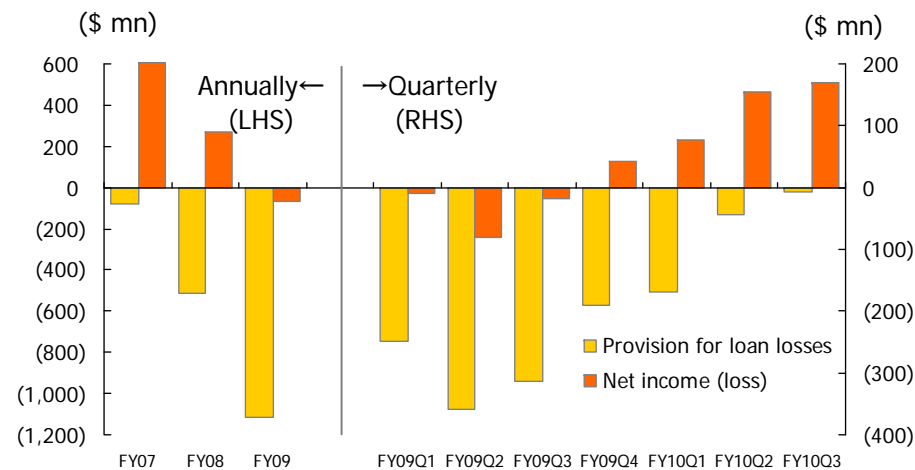
- Solid gross profits of BTMU, mainly in business with non-Japanese customers, UB results improved steadily on lower credit costs
- Accelerating growth through acquisition, stronger ties between BTMU and UB

Gross profits*1 – BTMU North America



*1 Exchange rates: Those adopted in our business plan (\$/¥=95, etc)

Financial results of UB



Key points of North America strategy

Stronger ties between BTMU and UB

- Began joint marketing, using the MUFG brand name in project finance for electric power and other areas (Feb 2010)
- Ranked 1st in Americas project finance Jan-Sep 2010

Americas project finance league table (Jan-Sep 2010)

Rank	Mandated Arrangers	Origination volumes (\$mn)	No. of Projects
1	MUFG	2,238	26
2	Credit Agricole	1,190	18
3	Mizuho FG	871	10

Source: Thomson Reuters

Non-organic growth

- UB acquired the assets and liabilities of Tamalpais Bank, California and Frontier Bank, Washington in a purchase and assumption agreement with the Federal Deposit Insurance Corporation (FDIC) (Apr 2010)
- Actively consider quality investment opportunities

Global strategic alliance with Morgan Stanley (1) Domestic

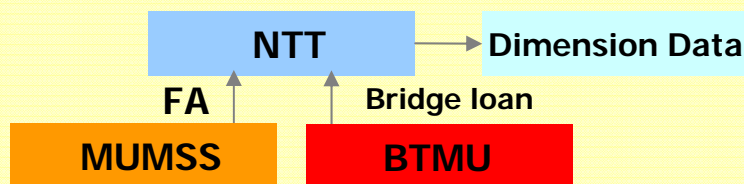


- Established two securities joint ventures in Japan to leverage each firm's network and client base
- Aim to become No.1 in Japan in primary investment banking services including M&A, equity and debt

Major investment bank deals

<Acquisition of major South African IT firm, Dimension Data Holdings by NTT>

- Announced in Jul 2010 and still in process
- Deal totaling approx. £2.12 bn
- Morgan Stanley acted as NTT's financial advisor and thoroughly supported NTT by leveraging its global reach
- BTMU offered bridge loan facility to NTT



<Acquisition of Unicharm PetCare and issuance of convertible bonds by Unicharm>

- 1) Acquisition of Unicharm PetCare (June 2010)
 - Deal totaling ¥63 bn
 - Morgan Stanley acted as Unicharm's financial advisor
 - BTMU solely offered bridge loan facility to Unicharm
- 2) Issuance of convertible bonds (CB)
 - Issued ¥80.5bn Euro-yen-CB for M&A funding
 - Morgan Stanley acted as joint bookrunner

League table

M&A (Apr 10 to Sep 10)				
Rank	FA	#	Amount (\$mn)	Share(%)
1	Nomura	55	39,436	58.0
2	JP Morgan	13	26,470	38.9
3	Daiwa	29	16,801	24.7
4	MUMSS	31	15,259	22.4

Any Japanese Involvement Announced excluding real estate

Equity total (Apr 10 to Sep 10)				
Rank	Book runner	#	Amount (¥bn)	Share(%)
1	Nomura	25	576.7	29.3
2	Mizuho Securities	13	383.1	19.5
5	MUMSS	21	186.0	9.5

Equity total : PO (Domestic + Overseas) + CB

Domestic Debt total (Apr 10 to Sep 10)				
Rank	Book runner	#	Amount (¥bn)	Share(%)
1	Mizuho Securities	153	1,487.3	20.5
2	MUMSS	137	1,456.6	20.1
3	Nomura	128	1,318.7	18.2

Domestic Debt total : SB + Agency bonds + Municipal Bonds

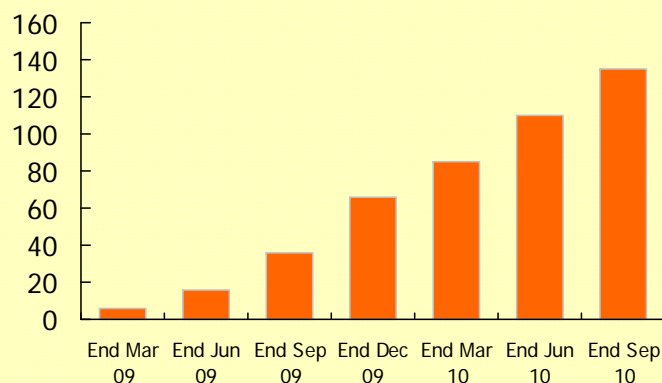
Global strategic alliance with Morgan Stanley (2) Overseas



- Steady progress in overseas corporate finance through strategic alliance

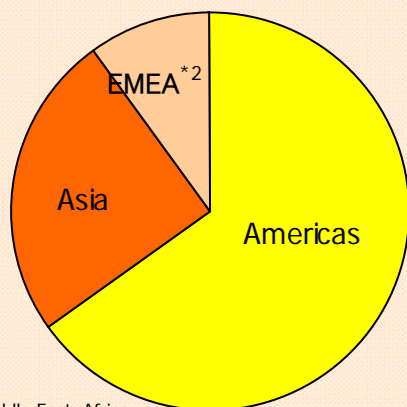
Cooperation with Morgan Stanley

(1) Cumulative number of deals*1



*1 MUFG figures, including mandates won

(2) Cumulative number of deals by region



*2 Europe, Middle East, Africa

Regional alliances

U.S.

- Large acquisition by a commercial fertilizer producer (Apr 2010)
Acted together as joint lead arrangers and fully underwrote \$4.05 bn syndicated loan for large acquisition finance

EMEA

- Commodity related trade finance for a UK oil production company (May 2010)
Agreed a structured trade finance deal with commodity customers of MS (commodity-backed export advance)

ASIA

- Finance for acquisition of African business by major Indian mobile phone company (June 2010)
BTMU acted as MLA for \$7.5 bn large acquisition finance syndicated loan, MS was a joint financial advisor for the buyer

Union Bank - MS collaboration

- Started sales of Union Bank's investment and trust products to Morgan Stanley customers

Promotion of project finance

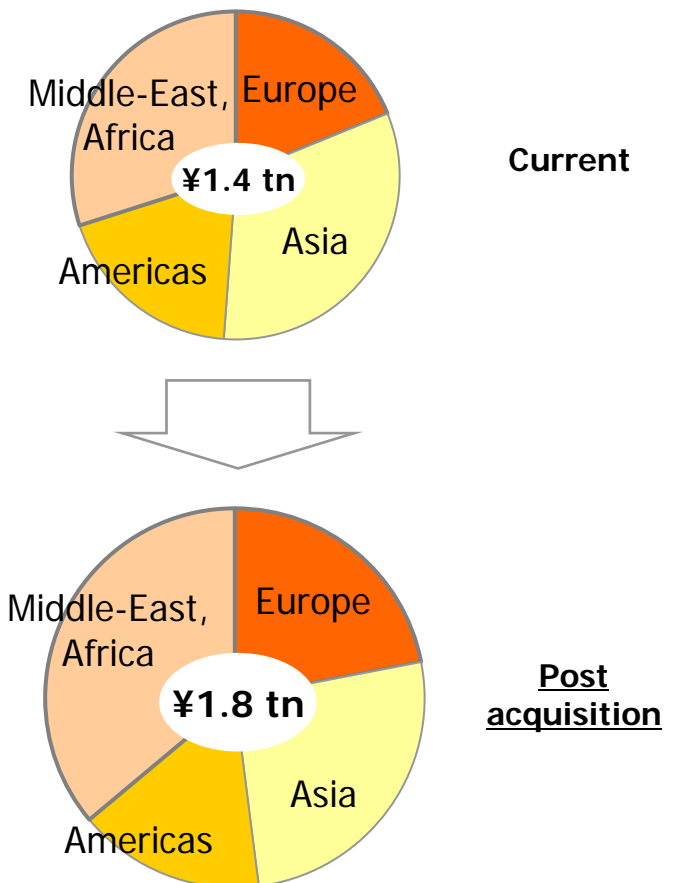


- We aim to strengthen our project finance business through the acquisition of project finance assets from RBS, especially in the EMEA region, the world's largest market ~ continuing discussions with RBS on the purchase of other project finance assets

Acquisition of project finance assets from RBS

Size of assets	✓ GBP 3.3 billion (approx. JPY 430 billion)
Loan portfolio	✓ Natural resources, power and infrastructure assets in EMEA (Europe, Middle-East and Africa)
Employees	✓ Employment of certain employees by BTMU
Transfer of assets	<ul style="list-style-type: none"> ✓ Signed a Sale and Purchase Agreement on December 17, 2010 ✓ Expected to complete in substance by mid 2011

<Project finance loan portfolio of BTMU>

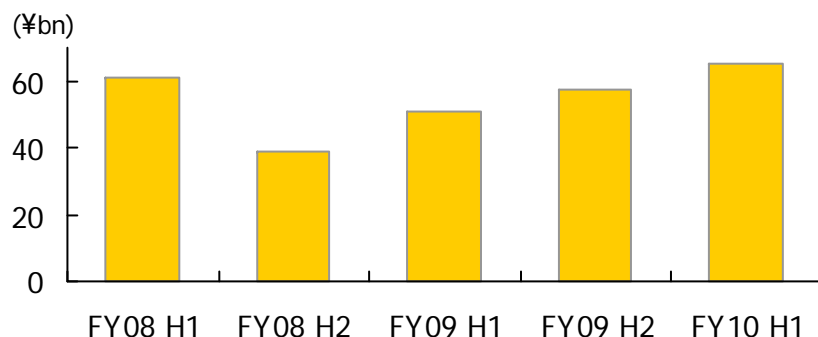


Investment product sales



- Continued growth in income from investment products, driven by strong investment trust sales
- Aim to further grow income through further intra-Group collaboration

Income from investment products



Group measures to strengthen 'Total Asset Sales'

BTMU

- ✓ **Increase staff on Retail Money Desk*1**
 - 50 staff seconded from MUMSS to give total of 470 staff
- ✓ **Assigned Total Asset Advisor*2**
 - Large increase in private banking specialist staff who assess customer assets, advise on inheritance, etc.
 - assigned more specialists to branch network

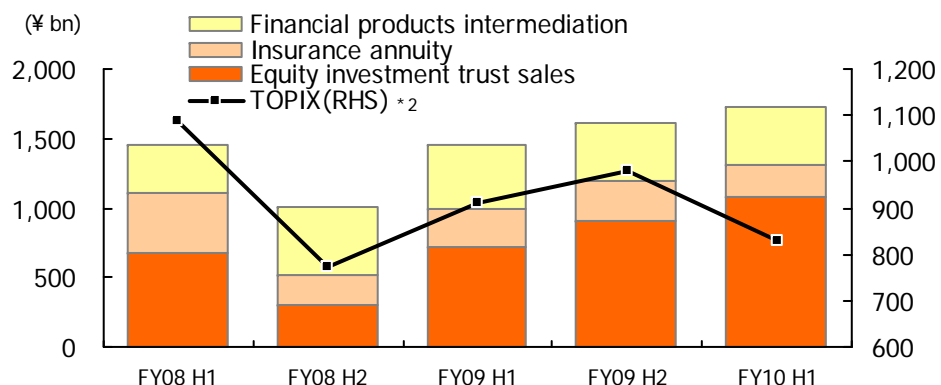
MUTB

- ✓ **Increase staff for Total Asset Sales and Consulting**
 - Training around 100 staff per year
 - Leveraging trust capabilities to make broad proposals covering investment products, inheritance, real estate

MUMSS

- ✓ **PB Consultants*3 assigned to branches**
 - Link with BTMU Retail Money Desk to promote business with company owners

Investment products sales*1



*1 Managerial accounting basis
*2 Closing price base

*1 A team of experts with high level investment product sales expertise. As of Sep 30, 2010 assigned to 50 locations in Japan

*2 A team with specialist knowledge of overall assets including wills and trusts, assigned to use their skills to promote sales targeting overall customer assets. As of Sep 30, 2010, 56 assigned, plan to steadily increase numbers

*3 Expert and knowledgeable private banking and investment product sales officers. To be newly assigned to 7 domestic locations in Nov. 2010

Global asset management strategy



- Further expand robust operating base in Japan, also meeting Japanese demand for overseas investment and developing business with overseas customers

Development of overseas investment products

- Strengthen product lineup to meet demand for investment in emerging and Asian markets

Institutional investors

- Undervalued emerging equity/quants (planned)
- Undervalued Asian equity/quants (planned)
- Emerging market equity
- Global equity
- Asian equity

▶ Aberdeen (Equity alliance partner)



Retail investors

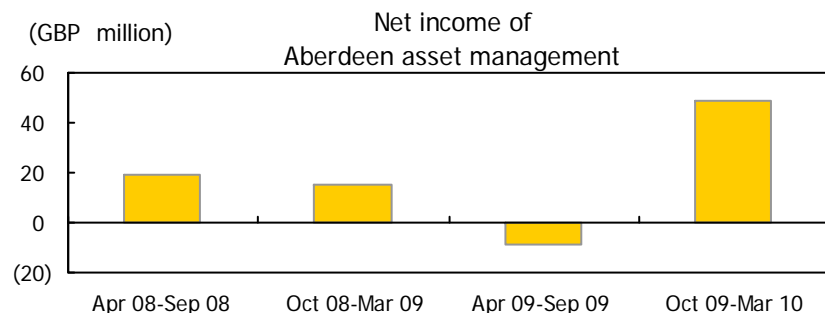
- Brazil investment trust
- Asian bonds (planned)

▶ Bradesco (Equity alliance partner)



▶ Aberdeen

- Solid financial results of Aberdeen, an equity method affiliate of MUFG



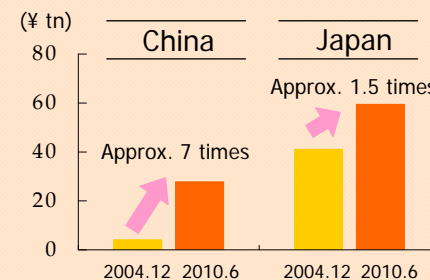
Development of overseas customer base

- Provide Japan investment products to SWF, etc.
- Consider market entry, including alliance and investment with partners in high growth Asian market and large scale US and European markets
- ▶ Initially enter high growth Chinese market
- Have agreed to invest (33% holding) in asset management subsidiary of major Chinese securities firm Shenying & Wanguo Securities*



* Currently conducting approval procedures with Chinese authorities (CSRC)

(Ref) Chinese investment trust market



Sources: China Galaxy Securities; Investment Trusts Association, Japan

- **Consumer finance**
- **Maintain and improve operational efficiency**
- **Reduction of equity holdings**
- **Maintain and enhance capital base**

Consumer finance



- Despite a continuing tough environment, both ACOM and MU NICOS stayed profitable at the underlying earnings level by reducing G&A expenses
- Nurturing sound consumer finance market on a group-wide basis

Acom, MU NICOS results

(¥bn)

	FY08 H2	FY09 H1	FY09 H2	FY10 H1
ACOM				
1 Operating revenue	155.8	141.7	137.0	128.7
2 Operating expenses	156.2	133.6	139.0	155.4
3 G&A expenses	63.5	52.6	49.8	42.9
4 Interest repayment related expenses* ¹	32.5	8.7	49.6	68.4
5 Operating income	(0.3)	8.0	(2.0)	(26.6)
6 Underlying earnings (4+5)	32.2	16.7	47.6	41.7
7 Net income	(12.2)	2.4	(9.6)	(43.8)
8 Guaranteed receivables	115.7	313.5	317.2	324.9
9 Unsecured consumer loans	1,137.0	1,144.1	1,074.8	982.6
10 Share of loans* ²	19.2%	21.6%	23.5%	28.0%

*¹ Provision for loss on interest repayment

*² Source: Japan Financial Services Association (Latest figures as of Sep 30, 2010 on preliminary basis)

Acom unsecured consumer loan balance (non-consolidated)/Consumer finance industry loan balance

(¥bn)

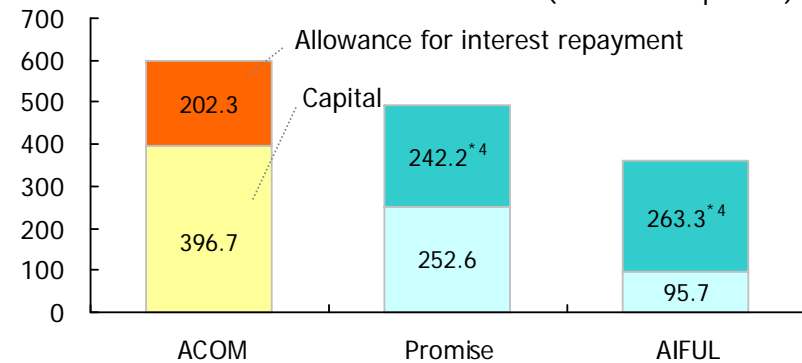
	FY08 H2	FY09 H1	FY09 H2	FY10 H1
MU NICOS				
1 Operating revenue	177.4	165.5	160.9	152.0
2 Card shopping	72.5	69.8	73.0	71.9
3 Operating expenses	178.9	194.3	177.5	158.8
4 G&A expenses	121.9	117.1	112.9	108.0
5 Interest repayment related expenses* ³	20.3	28.4	19.9	13.3
6 Operating income	(1.5)	(28.8)	(16.6)	(6.8)
7 Underlying earnings (5+6)	18.8	(0.4)	3.3	6.5
8 Net income	0.8	(10.4)	(35.8)	(7.0)

*³ Total of expenses for transfer to allowance for losses from reimbursement of loan payments and related expenses included in bad debt related expenses

Capital and allowance for interest repayment

(¥bn)

(as of end Sep 2010)

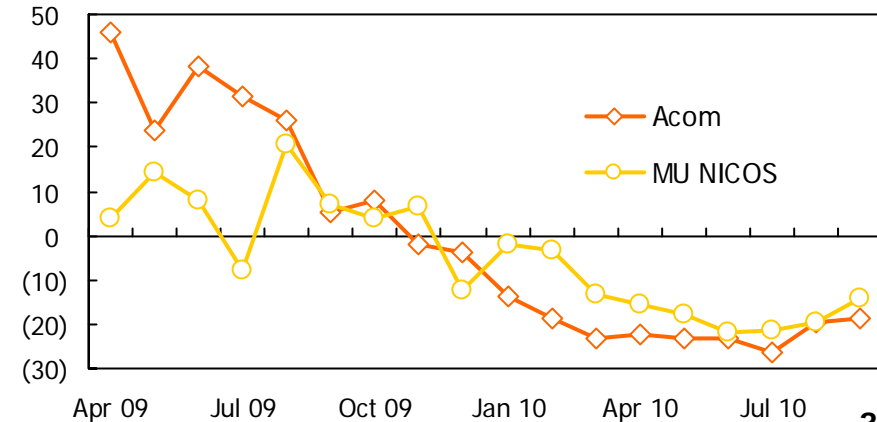


Source: Company disclosure

*⁴ Including allowance for credit losses (applied to the principal)

YoY Change in requests for interest repayment

(%)

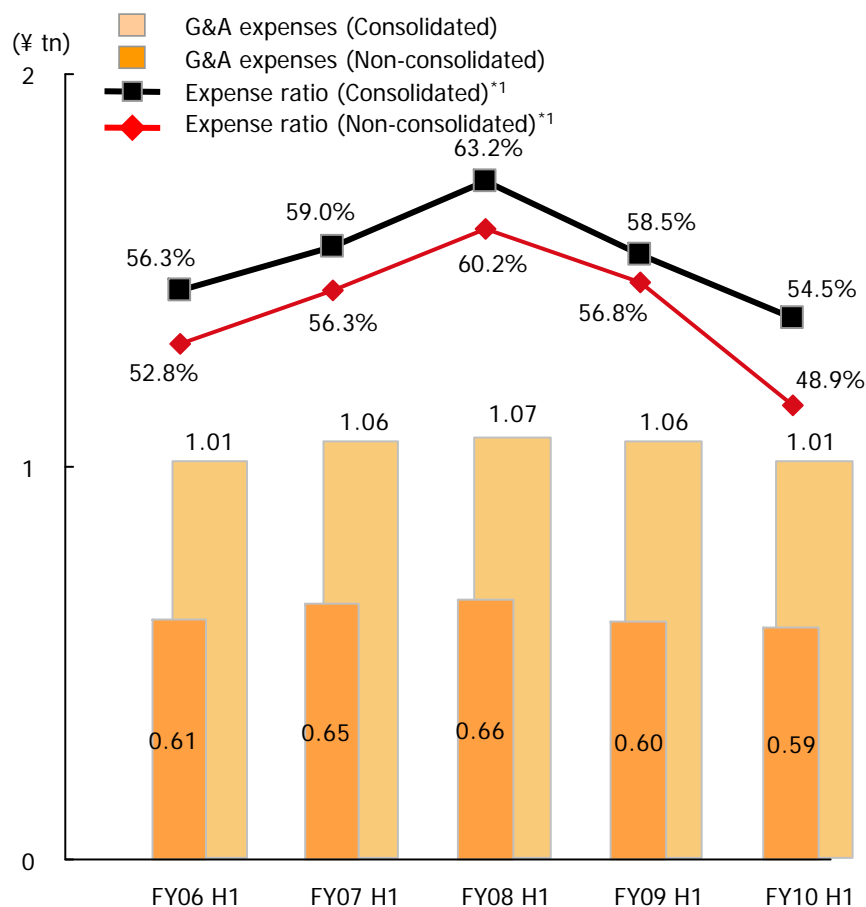


Maintain and improve operational efficiency



- Decreased non-consolidated G&A expenses by ¥13.2 bn and consolidated expenses by ¥42.6 bn by achieving system integration in Dec 08 and improvement of operational efficiency
- Improving overall operational efficiency further while allocating resources to key areas

G&A expenses



*1 Expense ratio = G&A expenses / Gross profits (before credit costs for trust accounts)

Outlook: Key points

Operational reform project "FACE*1"

- Enhance customer convenience through project to reform operations (automation; remove need for personal seals and passbooks, etc.), while increasing efficiency and reducing operating expenses (BTMU)

*1 Financial Architecture for Customer Experience

Reduce HQ staff

- Reductions proceeding in line with plan
- Reallocate staff to strategic areas

	HQ staff reduction targets	% achieved (End Sep 2010)
BTMU	30% reduction (around 2,000 staff)	58%
MUTB	15% reduction (around 250 staff)	66%
MUMSS	20% reduction (around 400 staff)	51%

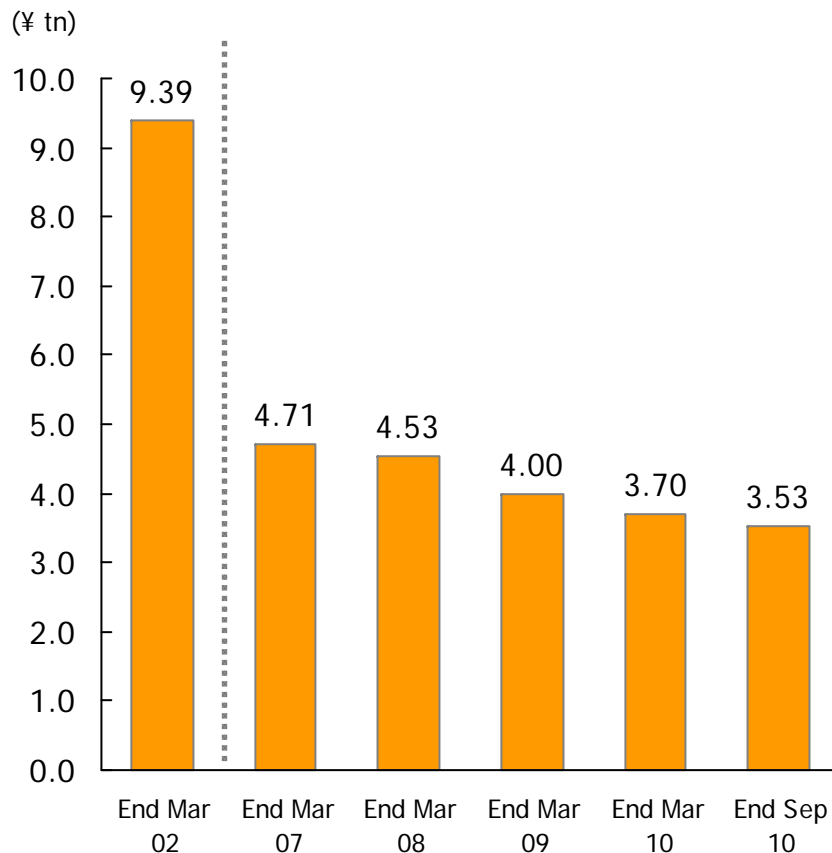
Reduction of equity holdings

(Non-consolidated)

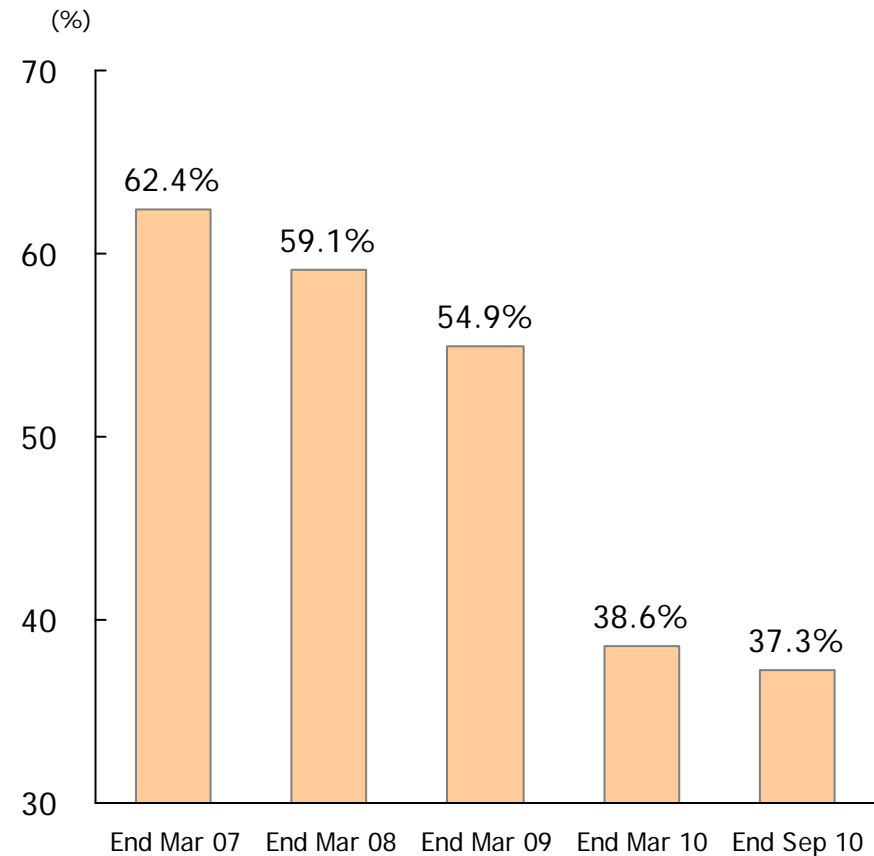


- Reduced equity holdings by ¥ 157 bn in FY10 H1, ratio of equity holdings to Tier 1 capital declined to 37.3%
- Continue to reduce equity holdings to minimize stock price fluctuation risk on capital

Equity holdings (acquisition price)^{*1}



Ratio of equity holdings^{*1} (acquisition price) to Tier 1 capital^{*2}



*1 Acquisition price (after impairment) of domestic equity securities in the category of "other securities" with market value (Non-consolidated)

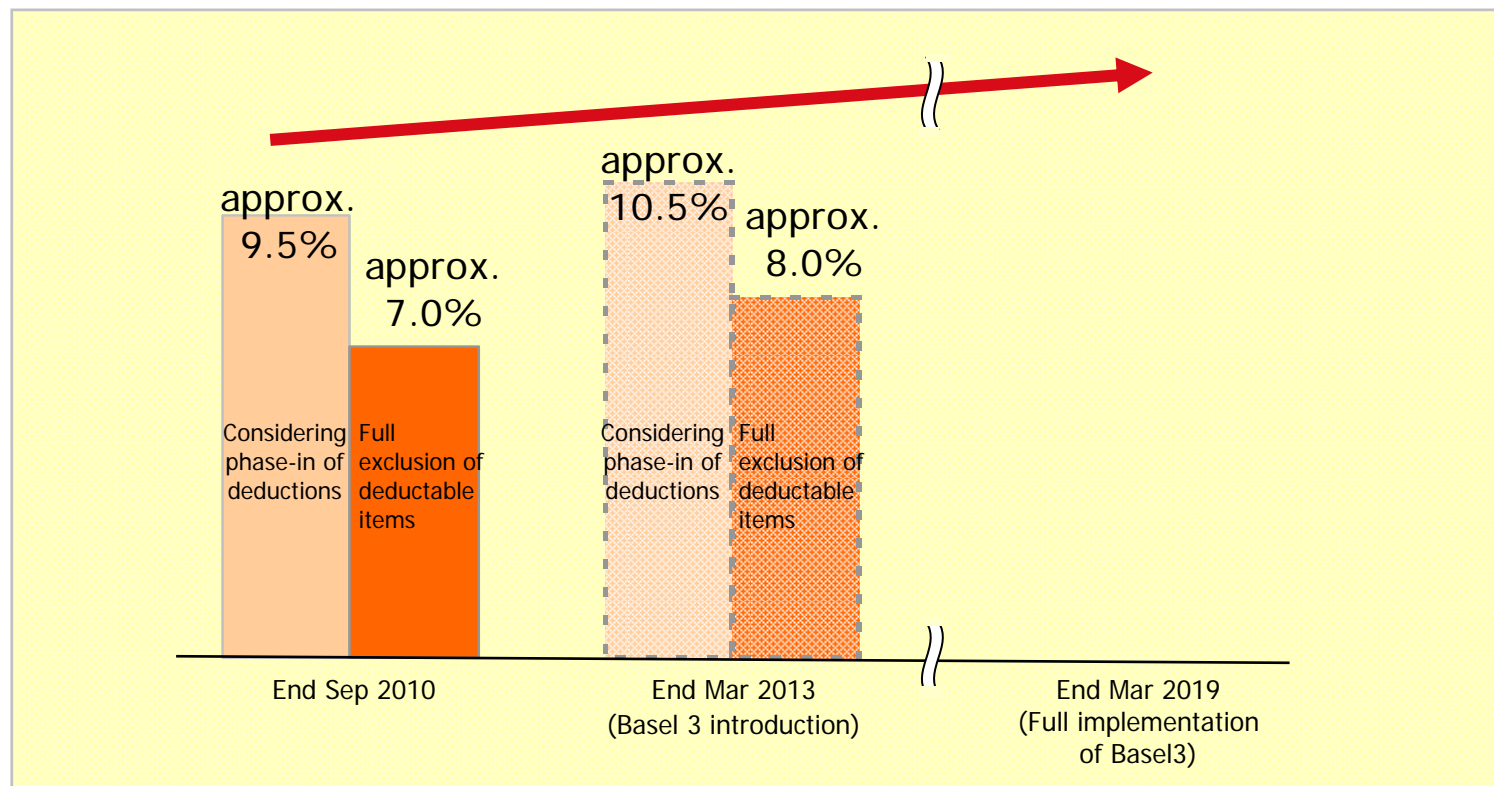
*2 Tier 1 Capital (Non-consolidated)

Maintain and enhance capital base

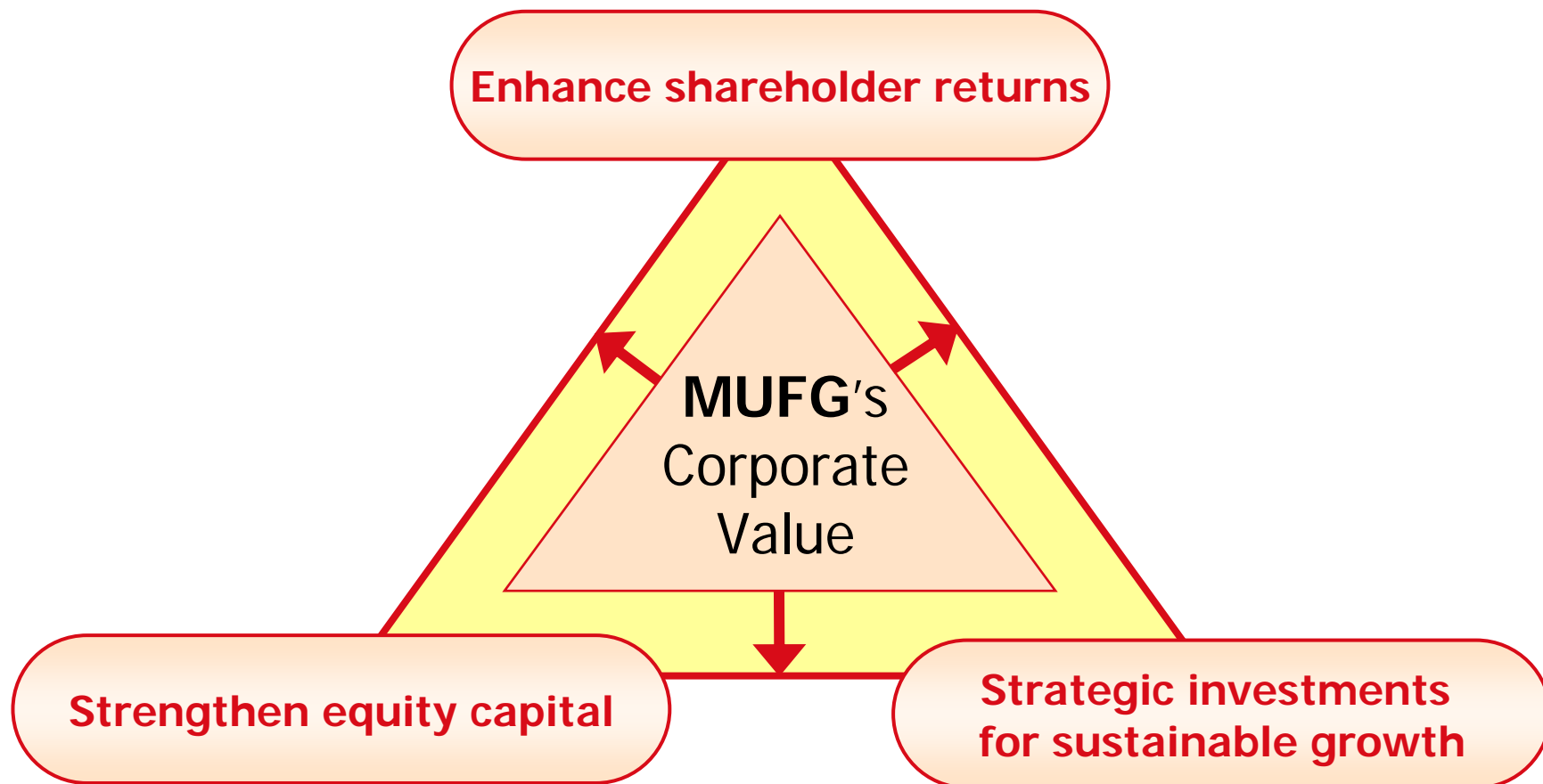


- CET1 ratio on the basis of full exclusion of deductible items is estimated to be approx. 7% as of end Sep 2010 and approx. 8% as of end Mar 2013 when Basel 3 is implemented
- Limited impact on RWA under new Basel regulations
- Reinforce core capital by accumulating retained earnings and effective capital management, while closely monitoring the course of new regulations

Effects to CET1 ratio of new Basel regulations (calculated on the basis of current information)



- Increase corporate value through appropriate capital strategy while properly responding to the new capital regulation
- Secure stable shareholder returns while maintaining a balance between strengthening capital and making strategic investment for sustainable growth



Strong profitability

Strong financial
strength

Strong brand

**A sound financial group with strong
profitability and integrity**

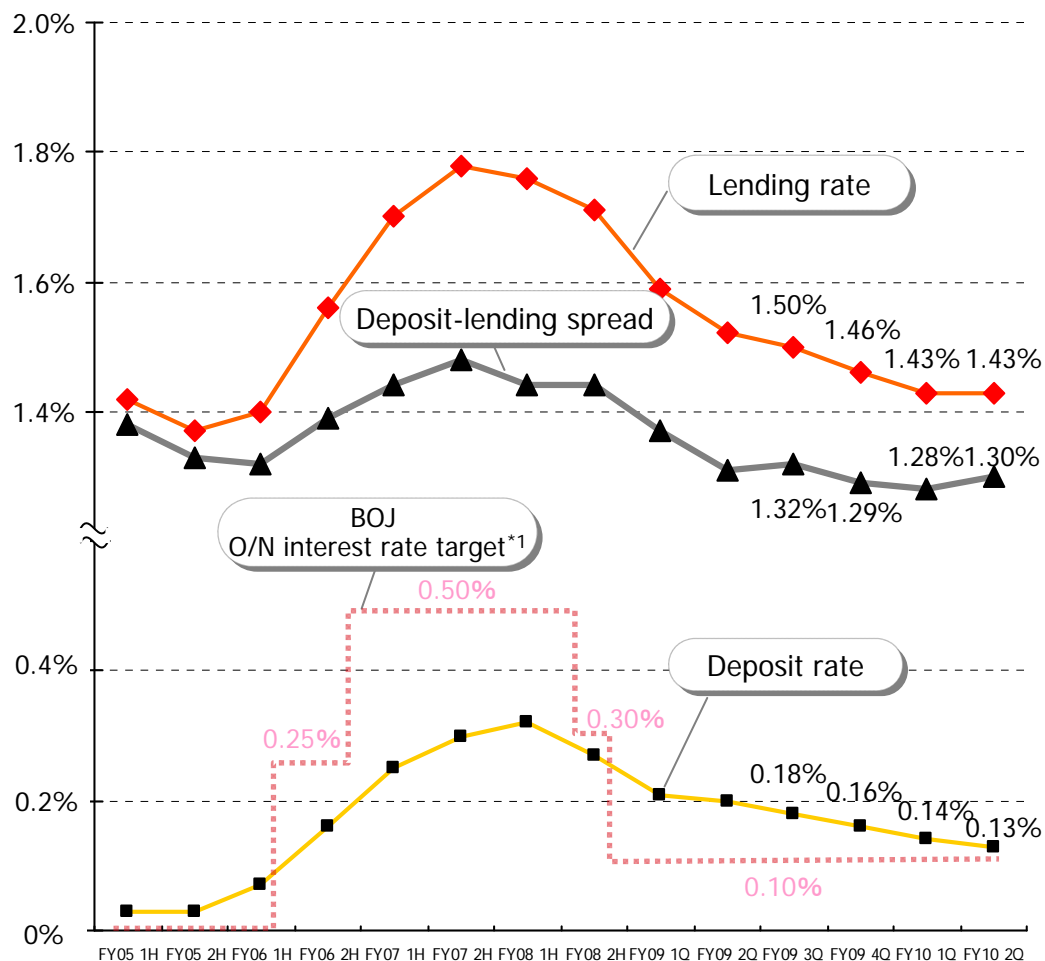
A globally respected financial group

Appendix

Quality for You 
MUFG

- Deposit/lending spread in FY10 2Q was 1.30%, slightly up from FY10 1Q

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%

UNBC (1) Financial results

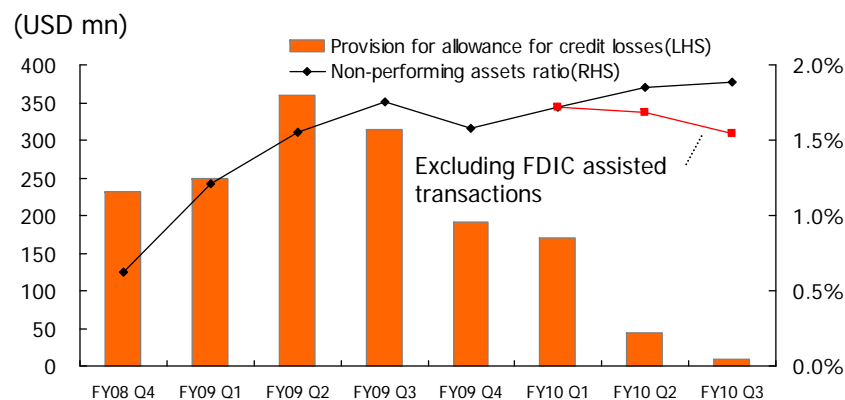


- Posted \$169 mn net income in FY10 Q3 due to increased gross profits and decreased credit costs
- NPA ratio declined for 2 consecutive quarters

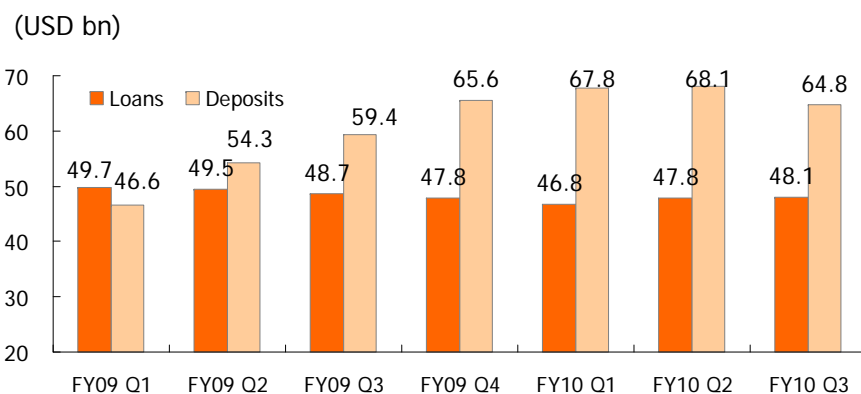
Business performance

(USD mn)	FY09	FY10			YoY change
		Q1	Q2	Q3	
Gross Profits	2,987	786	847	838	90
Noninterest Expenses	2,088	524	584	562	56
Net Business Profits	899	262	262	275	33
Provision for allowance for credit losses	1,114	170	44	8	(306)
Net Income / loss	(64)	77	153	169	186
Net Income / loss (excluding integration related cost (profits), discontinued operations)	(5)	89	162	178	184

Provision for allowance for credit losses, NPA ratio

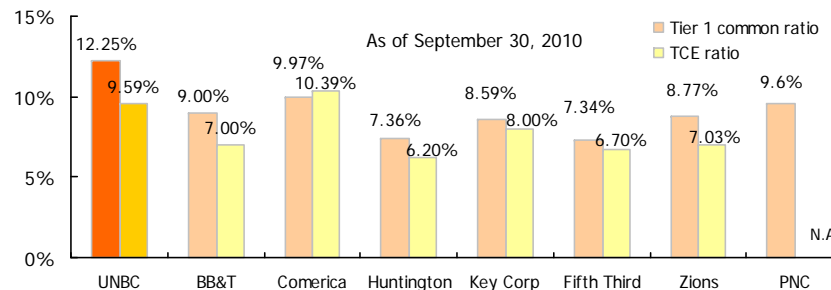


Average balance of loans and deposits



Comparison of core capital ratio^{*1} with peers

- Capital base comparable to US Banks supported by public funds
- Capital will be used for growth if the baseline scenario plays out



Source: Company disclosures

*1 BB&T: BB&T Corporation, Comerica: Comerica Incorporated, Huntington: Huntington Bancshares Incorporated, Key Corp: Key Corp Ltd, Fifth Third: Fifth Third Bancorp, Zions: Zions Bancorporation, PNC: The PNC Financial Services Group, Inc.

UNBC (2) Recent acquisitions



- Acquired the assets and deposits of two banks in FDIC-assisted transactions

Tamalpais Bank

■ Assets and deposits acquired

- Assets: approx. US\$0.6 bn (including loans of approx. US\$0.5 bn)
- Deposits: approx. US\$0.4 bn

■ Network

- 7 branches in Marin County, California

■ Strategic implication

- Expand branch network and customer base in Marin County, home to many high-income individuals



Frontier Bank

■ Assets and deposits acquired

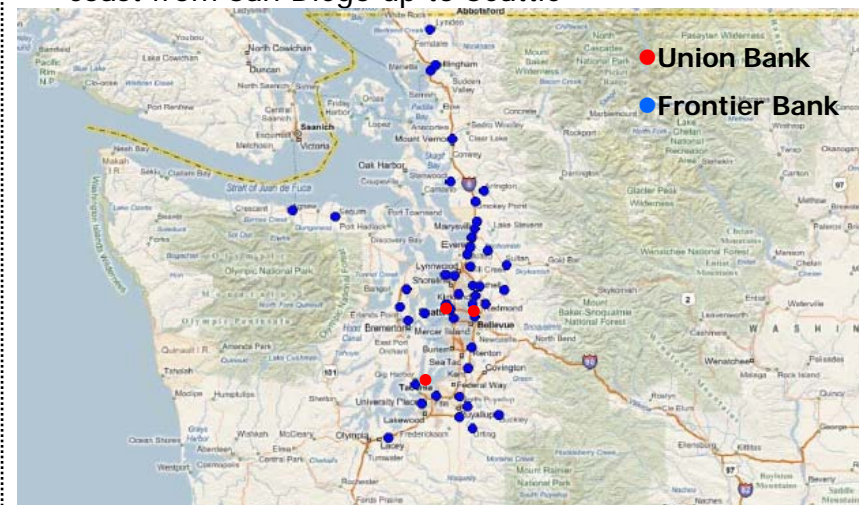
- Assets: approx. US\$3.2 bn (including loans of approx. US\$2.8 bn)
- Deposits: approx. US\$2.5 bn

■ Network

- 47 branches in Washington State, 3 branches and 1 loan production office in Oregon

■ Strategic implication

- Washington State is a growing market, highly ranked by market size and population growth among all 50 U.S. states
- UB's branch network now covers the entire U.S. west coast from San Diego up to Seattle

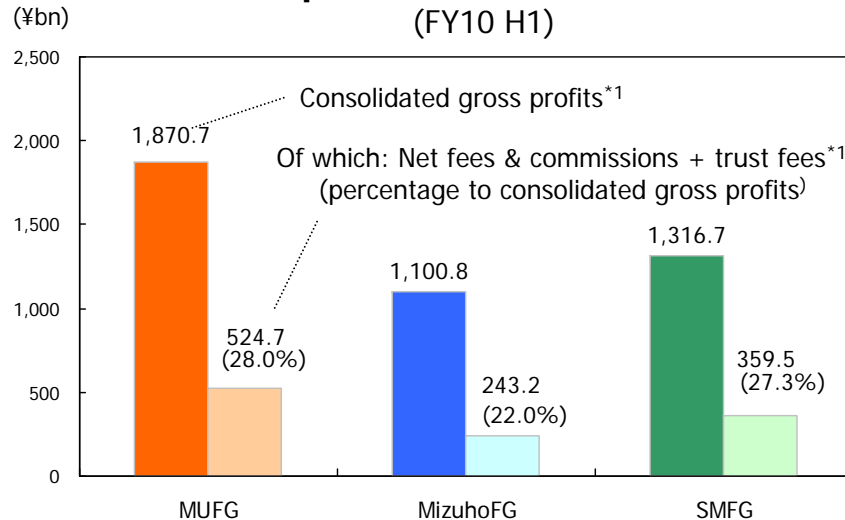


Comparison with other Japanese financial groups



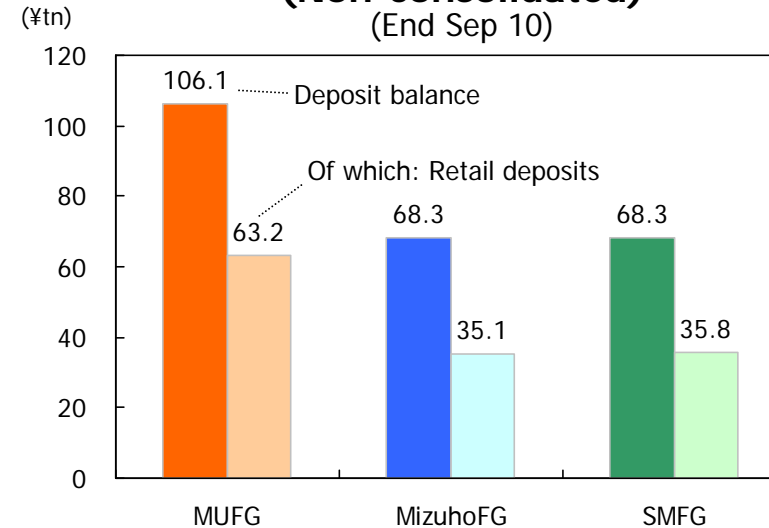
Source :Disclosure materials of each group (Part of figures estimated by MUFG)

Gross profits/ Fees + Trust fees (FY10 H1)

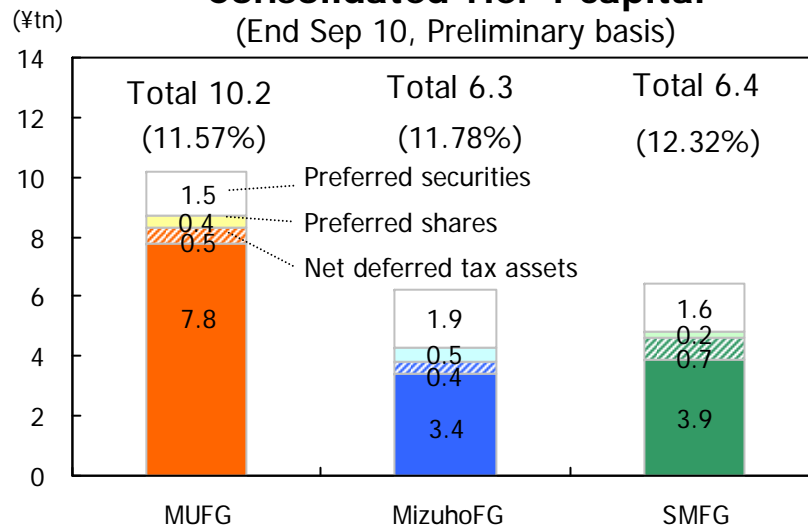


*1 Before credit costs for trust accounts

Domestic deposit balance (Non-consolidated)

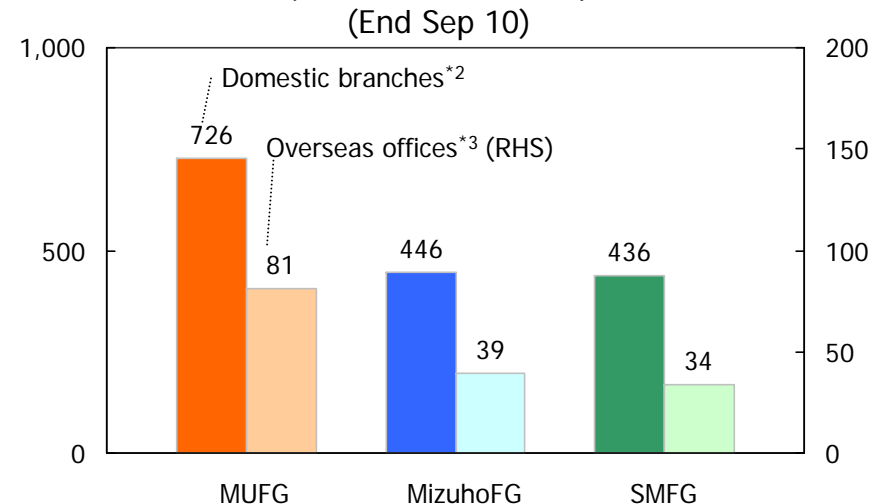


Consolidated Tier 1 capital (End Sep 10, Preliminary basis)



Tier1 ratio in parenthesis

Number of branches (Non-consolidated)



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

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

Please see page 81 of the MUFG Databook

No.1
Service

Quality for You

No.1
Reliability

No.1
Global
Coverage