

Mitsubishi UFJ Financial Group

Fiscal 2009 Results Presentation

May 21, 2010



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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Outline of Fiscal 2009 Results

Management Strategies

● Net business profits

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

● Total credit costs

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

● Net gains (losses) on equity securities

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

● Other non-recurring gains (losses)

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

Income statement (¥bn)

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

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

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

Reference (¥)

17 Expense ratio (Consolidated)	63.6%	57.9%	(5.7%)
18 Expense ratio (Non-consolidated)	60.4%	55.3%	(5.0%)
19 EPS	(25.04)	29.57	54.61
20 ROE* ³	(3.97%)	4.92%	8.90%

*³

Net income—Equivalent of annual dividends on nonconvertible preferred stocks

(Total shareholder* equity at the beginning of the period—Number of nonconvertible preferred shares at the beginning of the period× Issue price+ Foreign currency translation adjustments at the beginning of the period) ×100

+ (Total shareholder* equity at the end of the period—Number of nonconvertible preferred shares at the end of the period× Issue price+ Foreign currency translation adjustments at the end of the period)/2

Please see pages 6-20 of the MUFG Databook

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- ✓ As the consolidation of ACOM makes comparisons with the previous fiscal year difficult, the column on the far right shows the change compared to the previous fiscal year excluding the impact of the consolidation of ACOM.
- ✓ Line 1 shows that gross profits increased substantially, by 327.5 billion yen, compared to fiscal 2008. This was mainly attributable to net interest income, on Line 2, increasing by 201.2 billion yen compared to fiscal 2008, on factors including the consolidation of ACOM, as well as an increase in foreign currency treasury income and dividends received from Morgan Stanley, and the total of net trading profits plus net other profits, on Line 4, increasing by 122.1 billion yen on the absence in fiscal 2009 of the losses on securitized products recorded in fiscal 2008.
- ✓ G&A expenses, on Line 6, decreased by 68.6 billion yen compared to fiscal 2008 when excluding the consolidation of ACOM, and the consolidated expense ratio, on Line 17, decreased by about 6 percentage points to 57.9%, driven by the systems integration benefits at the commercial bank and group-wide cost-reduction initiatives.
- ✓ As a result, net business profits, on Line 7, increased by ¥326.3 billion compared to fiscal 2008, and by ¥220.1 billion when excluding the impact of the consolidation of ACOM.
- ✓ Non-consolidated credit costs, on Line 16, were broadly level with fiscal 2008, but total consolidated credit costs, on Line 15, increased significantly, mainly due to higher credit costs at Union Bank and consumer finance subsidiaries.
- ✓ Net gains (losses) on equity securities, on Line 9, improved considerably, mainly due to a decrease in the write-down of equity securities accompanying the stock market recovery.
- ✓ Other non-recurring losses, on Line 10, increased, primarily due to an increase in amortization of unrecognized net actuarial loss, impacted by the decline in equity prices in fiscal 2008.
- ✓ Furthermore, total income taxes, on Line 13, decreased significantly as a result of tax effect accounting, and partly due to this factor net income increased substantially, from a net loss of 256.9 billion yen in fiscal 2008 to net income of 388.7 billion yen in fiscal 2009.

● **Loans**

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

● **Investment securities**

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

● **Deposits**

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

● **Non performing loans (“NPLs”)**

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

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

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

● **BIS ratio**

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

Balance sheet (¥bn)

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

*1 Non-consolidated + trust accounts

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

*3 FRL=the Financial Reconstruction Law

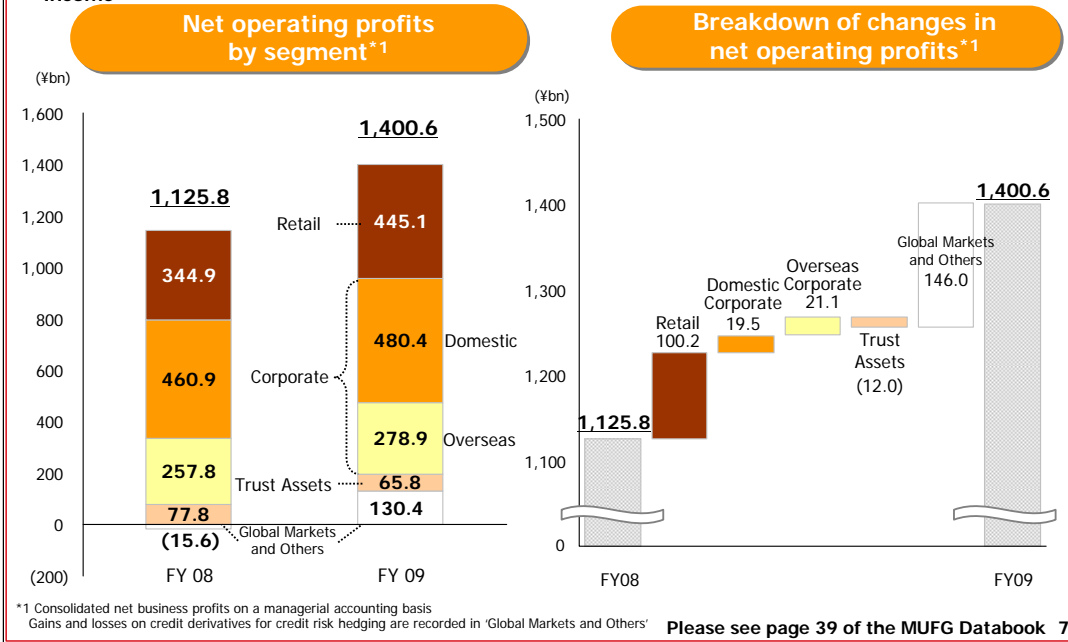
Please see page 21 of the MUFU Databook

Outline of results by business segment (Consolidated)

(Consolidated)



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

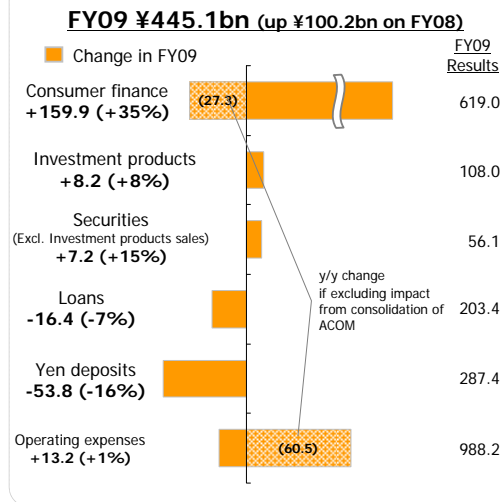


- ✓ This slide shows a breakdown of net operating profits by business segment and a breakdown of changes in net operating profits compared to fiscal 2008.
- ✓ Consolidated net operating profits increased by 274.8 billion yen compared to fiscal 2008. The graph on the right shows that the Global Markets and Others segment was a major driver of this increase, but all customer segments except Trust Assets also showed increases.

● **Net operating profits ¥445.1bn, up ¥100.2bn on FY08**

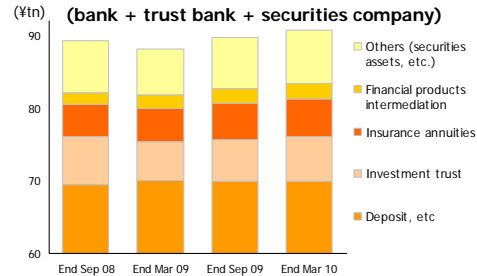
—Gross profits up due to the consolidation of ACOM, increased profits from Investment product sales and Securities

Change in net operating profits

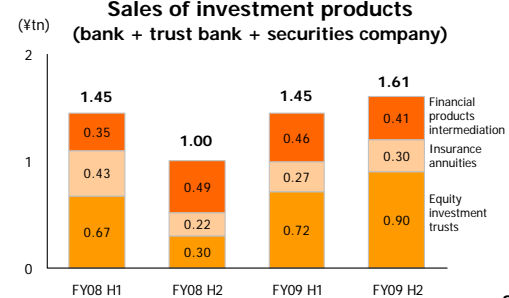


Please see pages 40-45 of the MUFG Databook

Balance of overall customer assets (bank + trust bank + securities company)



Sales of investment products (bank + trust bank + securities company)



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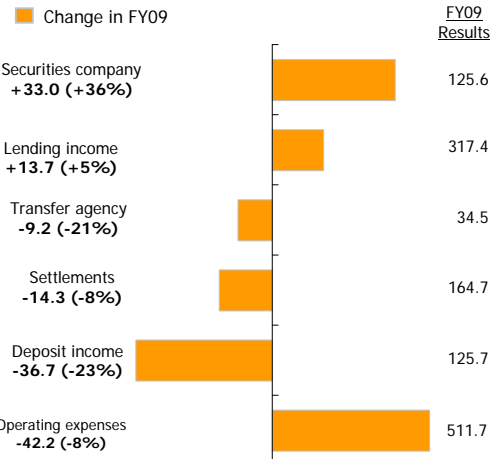
- ✓ First I will discuss Retail.
- ✓ Net operating profits increased by 100.2 billion yen compared to fiscal 2008 to 445.1 billion yen. The main factors for this increase, as shown in the graph on the left, were an increase in consumer finance income due to the consolidation of ACOM, and increases in investment products and securities income as the markets recovered. Operating expenses also fell significantly when excluding the impact of the consolidation of ACOM. Deposit income, however, declined considerably, impacted by the lowering of interest rates in 2008.
- ✓ The graph on the top right shows the balance of overall customer assets, and as you can see, this has increased substantially over the past fiscal year, driven by a continued inflows of deposits from customers and rising market values of investment trusts and equity securities. The graph on the bottom right shows that sales of investment products have started to increase again since the first half of fiscal 2008 amid the market recovery.

● Net operating profits ¥480.4bn^{*1}, up ¥19.5bn on FY08

—Lending income and profits of Securities company increased, Lending spread bottomed out

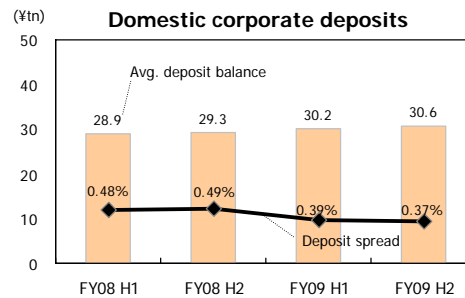
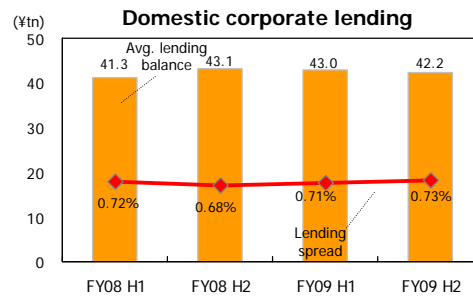
Change in net operating profits

FY09 ¥480.4bn^{*1} (up ¥19.5bn on FY08)



^{*1} Excluding gains and losses on credit derivatives for credit risk hedging

Please see pages 46-50 of the MUFG Databook

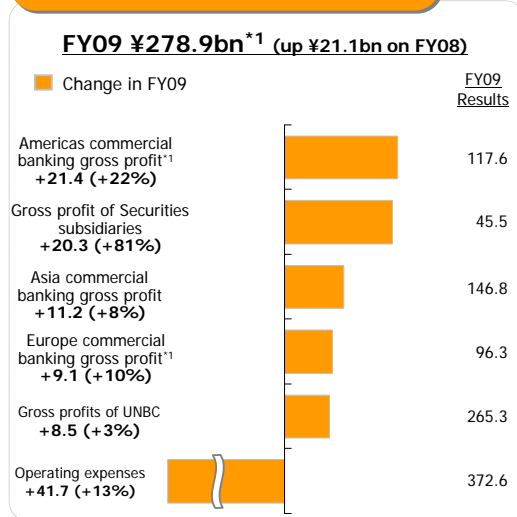


- ✓ Next is the Domestic Corporate segment.
- ✓ Net operating profits increased by 19.5 billion yen compared to fiscal 2008 to 480.4 billion yen. As you can see from the graph on the left, the main factors behind this increase were higher securities company and lending income and a reduction in operating expenses, which offset a decline in deposit income.
- ✓ The graph on the top right shows that the average domestic corporate lending balance has decreased slightly in the second half of fiscal 2009, due to factors including a shift to direct financing markets as capital markets returned to normal. The contraction of the lending spread was stopped, thanks to factors including an improvement in the spread on new loans.
- ✓ The graph on the bottom right shows that the average domestic corporate deposit balance continues to increase moderately, but the deposit spread has declined, impacted by the lowering of interest rates.

● **Net operating profits ¥278.9bn^{*1}, up ¥21.1bn on FY08**

—Gross profits increased mainly due to Non-Japanese business in U.S., Europe and Asia, lending spread further increased

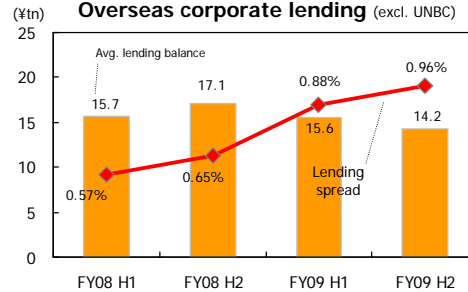
Change in net operating profits



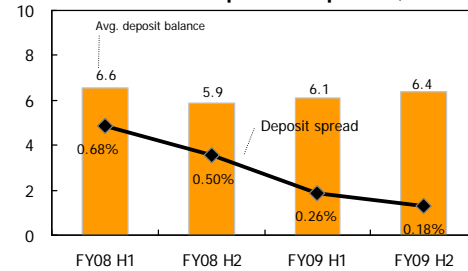
^{*1} Excluding gains and losses on credit derivatives for credit risk hedging

Please see pages 51-55 of the MUFG Databook

Overseas corporate lending (excl. UNBC)



Overseas corporate deposits (excl. UNBC)



- ✓ Next is the Overseas Corporate segment.
- ✓ Net operating profits increased 21.1 billion yen compared to fiscal 2008 to 278.9 billion yen. As shown in the graph on the left, the increase in net operating profits was mainly due to a strong performance in the commercial bank's non-Japanese business in the Americas, Europe and Asia, a major increase in the gross profits of our securities subsidiaries, and an increase in gross profits at Union Bank on higher securities investment income accompanying an increase in deposits.
- ✓ The graph on the top right shows that, as in Japan, the financial markets have normalized, and the average overseas corporate lending balance has declined as a result, but the lending spread has increased significantly.

Trust Assets

(Consolidated)

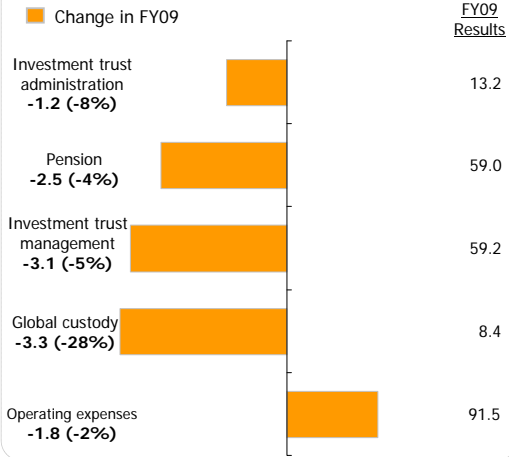


● Net operating profits ¥65.8bn, down ¥12.0bn on FY08

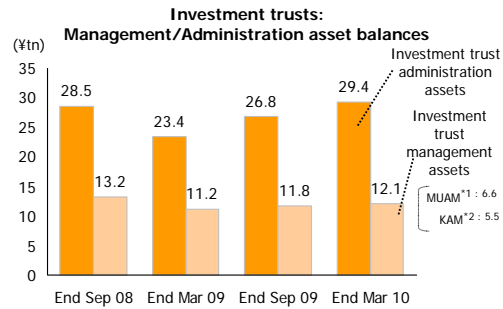
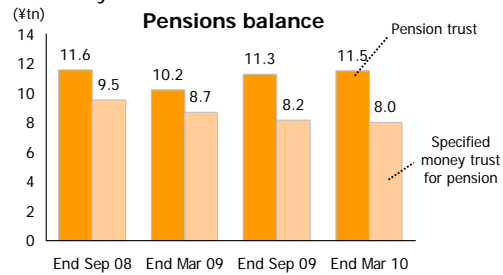
—Gross profits decreased due to decreased Asset balances in FY08 but the balance at the End Mar 10 recovered thanks to market price recovery

Change in net operating profits

FY09 ¥65.8bn (down ¥12.0bn on FY08)



Please see pages 56-59 of the MUFG Databook



*1 MUAM: Mitsubishi UFJ Asset Management
*2 KAM : KOKUSAI Asset Management

✓ Finally, let's look at Trust Assets.

✓ Net operating profits decreased by 12.0 billion yen to 65.8 billion yen. The two graphs on the right show that a decrease in asset balances caused by a fall in market values in fiscal 2008 led to this decline in net operating profits. However, since the beginning of fiscal 2009, asset balances have generally started to increase in line with the market recovery.

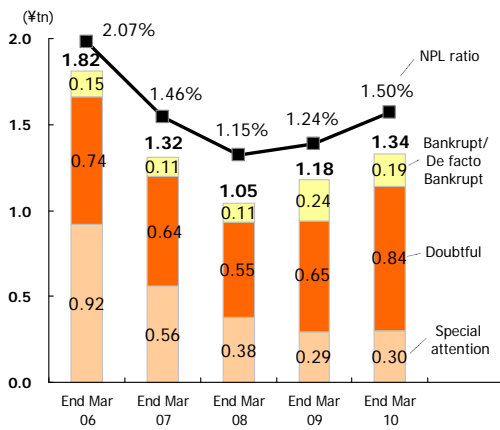
Loan assets

(Consolidated/Non-consolidated)

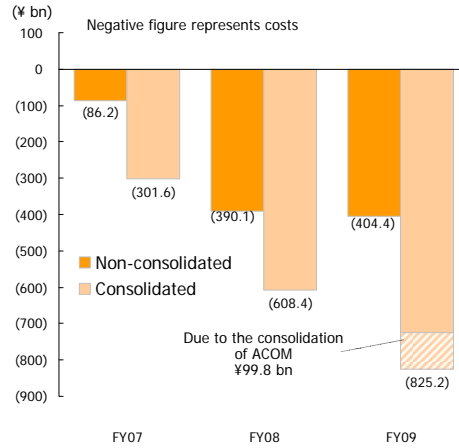


- NPL ratio continued to remain at a low level though increased
- Total credit costs was an expense of ¥404.4bn on a non-consolidated basis and ¥825.2bn on a consolidated basis

Balance of FRL disclosed loans (Non-consolidated)



Total credit costs



Please see pages 61-64 of the MUFG Databook

Holdings of investment securities

(Consolidated)



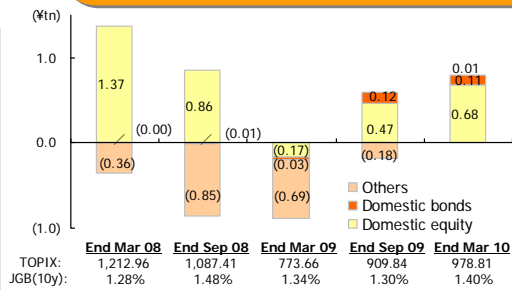
- Unrealized gains (losses) on domestic equity securities and other securities improved due to higher stock prices etc.
- Total unrealized gains (losses) on securities available for sale improved by ¥397.8bn from End Sep 09

Breakdown of securities available for sale (with market value)

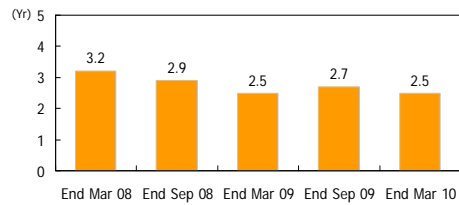
(¥bn)

	Balance (End Mar10)	Unrealized gains (losses)	Change from End Sep 09
Total	60,406.3	812.7	397.8
Domestic equity securities	4,277.3	681.7	204.9
Domestic bonds	43,376.6	117.1	(7.1)
Government bonds	38,748.0	79.9	(22.2)
Others	12,752.3	13.8	200.0
Foreign equity securities	282.5	73.5	9.9
Foreign bonds	10,702.5	77.2	16.1
Other	1,767.1	(137.0)	173.9

Unrealized gains (losses) on securities available for sale



JGB Duration*1



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● **Total capital**

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

● **Risk-adjusted assets**

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

<Adopted methods>

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

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

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

(¥bn)

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

Please see page 70 of the MUFG Databook

FY2010 targets/dividend forecasts

(Consolidated/
Non-consolidated)



Earnings targets

Consolidated

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

Dividend forecasts

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

Bank of Tokyo-Mitsubishi UFJ

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

Mitsubishi UFJ Trust and Banking

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

Please see page 82 of the MUFG Databook

 **Outline of Fiscal 2009 Results**

 **Management Strategies**

- **A step forward from risk management to normalization, enhanced core business fundamentals**

- **Net income ahead of target at ¥388.7 bn**

- Net business profits increased due to higher gross profits and cost reductions, Equity write-downs also lower

- **Made steady progress on key issues**

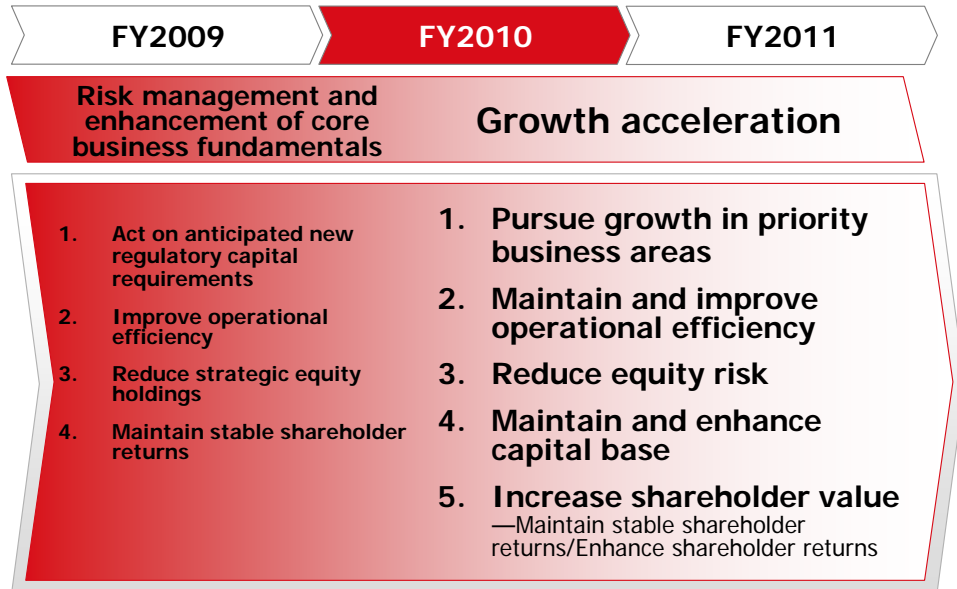
- Increased operational efficiency, reduced equity holdings, strengthened capital etc.

- Good progress in alliance with Morgan Stanley both in Japan and overseas

- **Fulfilled social and economic responsibility by facilitating smooth flow of funds**

- ✓ In fiscal 2009, we took a solid first step forward from risk management to normalization. We see fiscal 2009 as a year in which we were able to enhance our core business fundamentals in preparation for future growth.
- ✓ Furthermore, as I mentioned earlier, we managed to record net income that exceeded our initial target significantly.
- ✓ With regard to corporate strategies pursued, we made steady progress in addressing our key challenges in the first phase of our medium-term business plan, namely improving operational efficiency, reducing our equity holdings, and strengthening capital.
- ✓ In terms of our business strategies, we made good progress in our strategic alliance with Morgan Stanley, including launching our securities joint ventures in Japan at the beginning of May.
- ✓ And, at a time when the social responsibility of financial institutions is increasingly in the spotlight, we also focused on fulfilling our role of facilitating a smooth flow of funds in the economy.

- Shift focus from risk management to growth acceleration



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- ✓ Based on these developments, we intend to shift our focus from risk management to growth acceleration, and we plan to focus on enhancing our profitability. The Japanese economy and the global economy are gradually recovering from the financial crisis triggered by the collapse of Lehman Brothers and returning to growth paths. Recently, the fiscal problems in Greece and some other European countries are a cause for concern, and given this and such other factors as the outlook for interest rates and the impact of the proposed tightening of regulations, we cannot be complacent about the external environment. However, fiscal 2010 will be the turning point in our medium-term business plan and we aim to increase our profit setting a net income target of 400 billion yen for fiscal 2010.
- ✓ The five points on the right of the chart are our priority tasks, and I will explain each of them in order.

- **Strategic alliance with Morgan Stanley**
- **Asia, North America**
- **Retail**
- **Global asset management**

- ✓ First, let me outline our key business strategies. We intend to focus on growth areas, leveraging our competitive advantages such as comprehensive Group strengths and solid customer base.
- ✓ I would now like to explain our key business strategies in further detail.

Global strategic alliance with Morgan Stanley (1)



- Steady progress in the global strategic alliance
- Continue to receive high returns from the investment

Global strategic alliance

(1) Integration of securities business in Japan

-Established Mitsubishi UFJ Morgan Stanley Securities (MUMSS) and Morgan Stanley MUFG Securities (MSMS) in May 2010

(2) Global alliance in corporate financial services

- Creation of Loan Marketing Joint Venture in the Americas in July 2009
 - Business referral arrangements in Asia and EMEA (Europe, Middle East and Africa)

(3) Commodities Referral Agreement

(4) Secondment of personnel

- Starting secondment from BTMU

Potential initiatives in other business areas

Outline of investment

(1) Outline of investment

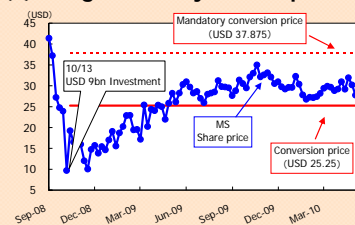
	(USD mn)	(000 shares)
Common Stock	1,176	46,553
Perpetual non-cumulative convertible preferred stock	7,839	7,839
Perpetual non-cumulative non-convertible preferred stock	519	519

MUFG has the right to maintain the equivalent of a 20% fully diluted ownership interest in Morgan Stanley and also, providing that its fully diluted ownership interest remains above 10%, has the right to receive a Morgan Stanley board seat.

(2) FY09 contribution to revenues

• Dividends JPY 78.2bn

(3) Morgan Stanley's stock price



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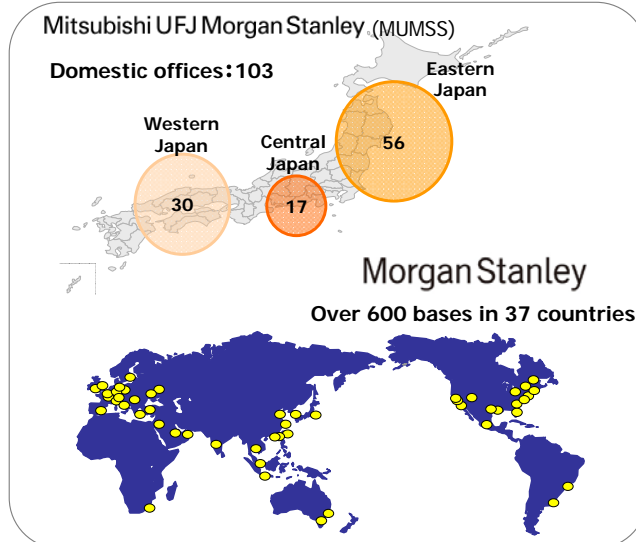
- ✓ The first is our strategic alliance with Morgan Stanley. The four points shown on this slide are our main alliance strategies, and we have already developed and implemented many specific initiatives on a global basis based on these strategies.
- ✓ While the investment in Morgan Stanley is a strategic investment for the purpose of pursuing business synergies leveraging the strengths of both companies, it has also achieved satisfactory return even from a purely financial standpoint.

Global strategic alliance with Morgan Stanley (2)



- 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

Leverage each firm's network



Position of MUMSS

M&A ^{*1} (Apr 09 to Mar 10)				
Rank	FA	#	Amount (¥bn)	Share(%)
1	Nomura	120	4,228.1	35.1
2	MUFG+MS	90	3,605.5	30.0
3	Mizuho FG	126	3,376.7	28.0

*1 Any Japanese Involvement Announced excluding real estate

Equity (Japan) (Apr 09 to Mar 10)				
Rank	Book runner	#	Amount (¥bn)	Share(%)
1	Nomura	65	2,166.9	32.8
2	Daiwa	46	1,042.3	15.8
3	MUFG+MS	55	914.1	13.8

Debt (Japan) (Apr 09 to Mar 10)				
Rank	Book runner	#	Amount (¥bn)	Share(%)
1	Nomura	245	2,842.2	21.0
2	Mizuho securities	227	2,759.3	20.4
3	MUFG+MS	219	2,731.5	20.2

Source: Calculated by MUFJ based on Thomson Reuter data

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- ✓ Next, I would like to discuss the integration of our securities companies in Japan. Considering the current trend of regulation in the global financial industry, and from the perspective of leveraging each companies' respective network and client base, we decided to pursue our securities business in Japan in the form of two new joint venture companies. On May 1, 2010 we launched the two new securities companies, and on May 6 we opened them for business. The two securities firms will aim to collaborate closely with each other from a variety of perspectives, and accurately and promptly meet customers' increasingly diverse and complex financial needs, with the aim of becoming the leading player in the Japanese securities industry.
- ✓ The position of Mitsubishi UFJ Morgan Stanley Securities is shown in the league tables on the right. We aim to become No. 1 in Japan in investment banking services including M&A, equity and debt.

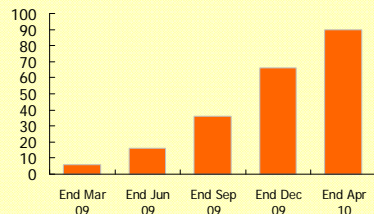
Global strategic alliance with Morgan Stanley (3)



Steady progress in overseas corporate finance through strategic alliance

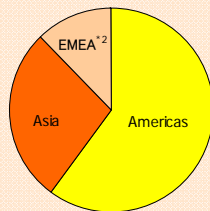
Cooperation with Morgan Stanley

(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 deal by a commercial fertilizer producer (Apr 2010)**
Acted together as joint lead arrangers and fully underwrote syndicated loan for large acquisition finance
- **Acquisition of a media company by a cable TV company (Dec 2009)**
MUFG + MS committed the largest amount among the syndicate banks

EMEA

- **Syndicated loan (Oct 2009)**
Jointly built the structure as Initial Mandated Lead Arrangers (making use of BTMU's know-how in trade financing and MS's capability for commodities)

Asia

- **A major Singapore real estate firm (Mar 2010)**
Fund procurement deal generated through a scheme combining MTN arrangement from MS, and loans from BTMU

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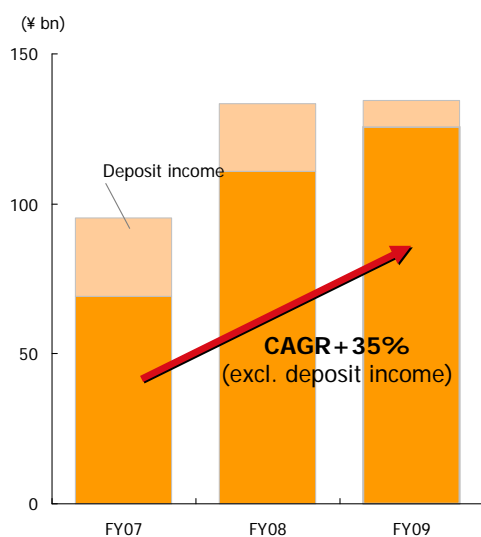
- ✓ We have made steady progress in corporate finance collaborations in the U.S. where we started loan marketing joint venture in July 2009, Europe, Asia and other parts of the world. We have already successfully concluded nearly 100 transactions.
- ✓ Specifically, in the U.S., we completed the joint underwriting of acquisition financing for commercial fertilizer producer CF Industries and were jointly involved in a deal relating to major cable TV company Comcast, and in the Middle East we were Joint Lead Arrangers for a syndicated loan for the Egyptian General Petroleum Corporation. We also teamed up to provide financing for a major Singaporean real estate firm. We intend to pursue further collaborations.

Asia strategy



- Solid increase in gross profits despite decline in deposit income due to lower interest rates
- Took steps for further growth—new branch in China, increased capital of India operations
- Expanded presence in syndicated loan business

Gross profits*¹—Asia business



*1 Exchange rates: Those adopted in our business plan

Organic strategies

■ BTMU China

- 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)
- Opened Chengdu Branch, first Japanese bank to establish branch in western China (Mar 2010)

■ Capital increase of India operations

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

Asian syndicated loan arranger*¹*²

Rank	Bank name	Amount (USD mn)	No. of loans
1	Bank of China	5,643	39
2	DBS	4,377	66
3	BTMU	3,463	57
4	Standard Chartered Bank	3,381	68
5	HSBC	3,257	59

*1 For Jan-Dec 09

*2 Excluding Japan and Australia. International currency basis (USD, JPY, EUR, SGD, HKD)

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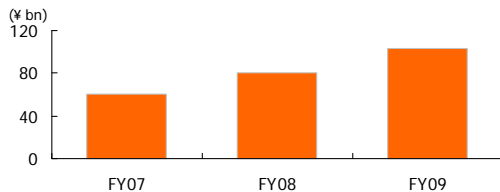
- ✓ As for our overseas business, I would first like to talk about our strategy in Asia where we expect a higher growth.
- ✓ As you can see from the graph on the left, the gross profits of our Asia business continue to increase, despite a decline in deposit income as a result of lower interest rates.
- ✓ In China, we were one of the first foreign banks to obtain approval to conduct RMB trade settlement business and, even more recently, we became the first foreign bank to issue RMB bonds in mainland China. A little before that, in March, we opened a branch in Chengdu, becoming the first Japanese bank to do so in western China.
- ✓ Similarly, in India, high growth market, we have been steadily advancing preparations to accommodate the further growth, including a capital increase so as to better meet an increase in demand for credits in India.
- ✓ The table on the bottom right is a league table of Asian syndicated loan arrangers excluding Japan and Australia. We have been steadily increasing our presence in Asia and are now among the leading banks in the region. As one example of this, last year we ranked third in Asian syndicated loan arrangement.

North America strategy



- BTMU gross profits steadily increased, mainly in business with non-Japanese customers
- UB results improved 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
Excluding gains and losses on credit derivatives for credit risk hedging

Key points of North America strategy

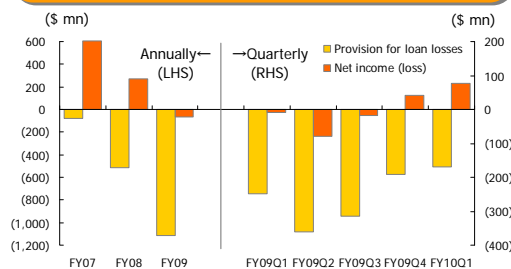
■ Stronger ties between BTMU and UB

- 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 in 09

■ 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

Financial results of UB



	Tamalpais Bank	Frontier Bank
Assets (of which: loans)	Approx. \$600 m (approx. \$500 m)	Approx. \$3.2 bn (approx. \$2.8bn)
Deposits	Approx. \$400 m	Approx. \$2.5 bn
Network	7 outlets in Marin County, CA.	47 outlets in WA. 4 outlets in OR.

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- ✓ Now please let me explain our North America strategy.
- ✓ The graph on the top left shows BTMU's gross profits in North America. The steady increase apparent here is mainly attributable to a steady increase in business with non-Japanese customers. We also note a clear recovery at Union Bank, which, after struggling with higher credit costs last year, posted net income for two consecutive quarters, the fourth quarter (October–December 2009) of fiscal 2009 and the first quarter (January–March 2010) of fiscal 2010. This follows a peaking out of credit costs from the second quarter of fiscal 2009.
- ✓ Based on these trends, our fundamental strategy in North America is to further pursue Group growth strategies, focusing particularly on BTMU and Union Bank.
- ✓ More specifically, the first key point of this strategy is to strengthen ties between BTMU and Union Bank. We are using the opportunity presented by making Union Bank a wholly owned subsidiary in 2008 to pursue more unified management of our commercial banking operations in North America. One example of this is project finance in industries such as utilities, where we have started joint marketing under the MUFG brand name. We intend to further increase MUFG's presence in the U.S. by further enhancing such collaboration in the future.
- ✓ The second key point of this strategy is to pursue non-organic growth. Last month, Union Bank acquired the assets and liabilities of Tamalpais Bank in California and Frontier Bank in Washington State in a purchase and assumption agreement with the U.S. Federal Deposit Insurance Corporation. Through this, we have obtained strong branch networks and customer bases in promising markets, and also filled out our branch network so that it now covers the entire US West Coast, from Seattle down to San Diego. If other quality investment opportunities arise in the future, we will actively consider them.

Retail (1) Segment-based strategies



- Enhance segment-based strategies attuned to customer characteristics

	Business strategy	Group collaboration
Private banking customers	<ul style="list-style-type: none"> ■ Sales aimed at total customer assets <ul style="list-style-type: none"> ~ Diverse investment products (investment trusts, insurance, etc.) ~ Lending to HNW customers ~ Asset and business succession proposals for company owners 	<ul style="list-style-type: none"> ■ Bank/trust bank, trust bank/securities companies collaboration <ul style="list-style-type: none"> ~ Strengthen inheritance and real estate business ■ Start agency business of Mitsubishi UFJ Wealth Management Bank (Switzerland)
Financial planning customers	<ul style="list-style-type: none"> ■ Enhance marketing ■ Main Bank PLUS <ul style="list-style-type: none"> ~ Enhance "Direct" functions 	<ul style="list-style-type: none"> ■ Mitsubishi UFJ Merrill Lynch PB Securities
Life planning customers	<ul style="list-style-type: none"> ■ Housing loans <ul style="list-style-type: none"> facilitating smooth flow of funds ■ BANQUIC 	<ul style="list-style-type: none"> ■ Bank/trust bank collaboration <ul style="list-style-type: none"> ~ Accelerate financial product intermediation model

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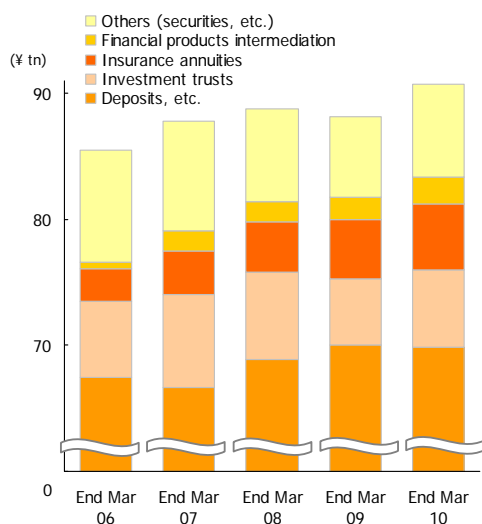
- ✓ Next is the Retail segment.
- ✓ In this segment, we intend to further enhance segment-based strategies in order to accurately meet diversifying customer needs. We plan to provide products attuned to the characteristics of customers through the optimal channels, while also further enhancing Group collaboration.

Retail (2) Investment product sales

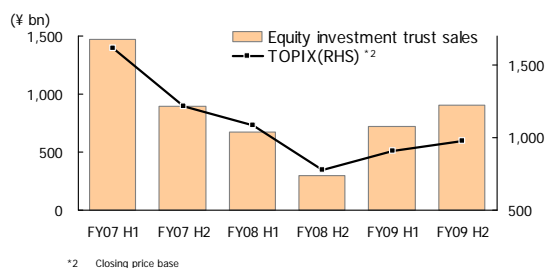


- Overall customer assets returned to growth trend due to recovery of investment product sales and higher equity market
- Income from investment products returned to increase

Overall customer assets*1

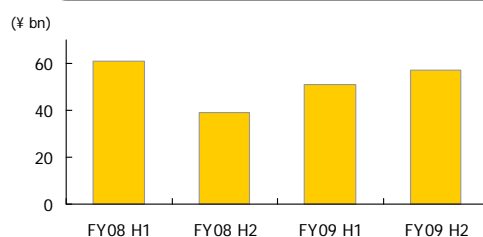


Equity investment trust sales*1



*2 Closing price base

Income from investment products



*1 Managerial accounting basis

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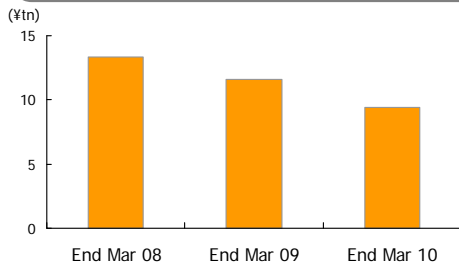
- ✓ One pillar of our future growth strategy is to increase overall customer assets amid the continuing shift from savings to investments.
- ✓ As I explained earlier, overall customer assets have risen substantially over the past year, as you can see in the graph on the left; and as shown in the graph on the top right, sales of equity investment trusts have also started to increase again. Income from investment products is also recovering as a result, as you can see in the graph on the bottom right.
- ✓ We intend to further increase our sales of investment products in the future, by providing customers with products that accurately meet their needs. Our focus will not be limited to investment trusts but also include insurance products, financial product intermediation and so forth.

Retail (3) Consumer finance



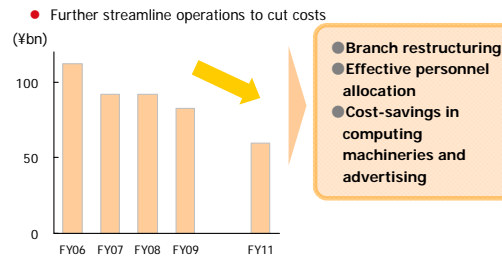
- Nurturing sound consumer finance market despite contracting market size
- ACOM leveraging superior financial position to expand market share and be a winner in a less competitive market

Market size of Consumer finance

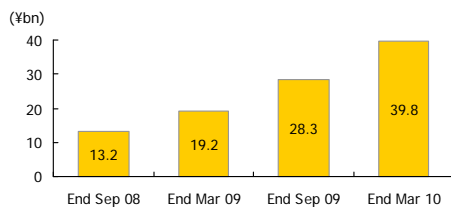


Source: Japan Financial Service Association (unsecured consumer lending outstanding)

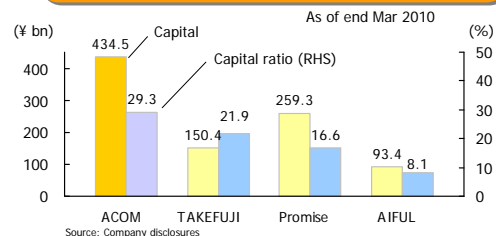
Streamlining operations (ACOM)



Change in loan balance of BANQUIC (BTMU)



Capital and capital ratio



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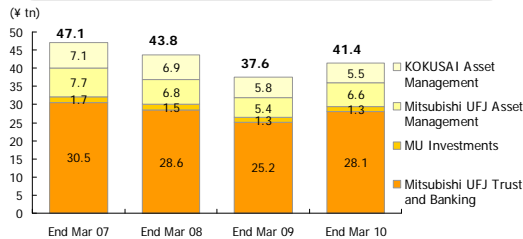
- ✓ Next I would like to discuss our consumer finance business.
- ✓ As you can see in the graph on the top left, the consumer finance market has been shrinking, as a result of radical change in the regulatory environment. And we expect that this trend will continue for the time being as the revised money-lending business act is slated for full implementation in June 2010. However, in this difficult business environment, we intend to nurture a sound consumer finance business that accurately meets the needs of our customers.
- ✓ The graph on the bottom left shows changes in the BANQUIC loan balance extended by BTMU. Although still small, this balance is growing steadily.
- ✓ With regards to ACOM, as you can see from the graph on the top right, they are currently pursuing initiatives to streamline operations to cut costs, including carrying out branch restructuring and ensuring effective allocation of personnel. In this challenging environment, we will continue to see further consolidation in this industry, but we believe that ACOM will be a winner in a less competitive market.

Global asset management strategy



- Maintain and expand our strong domestic share, while strengthening lineup of high growth overseas investment products and developing overseas customer base

Assets under management



Global asset management

Development of overseas investment products

- Expand alliances with strong overseas investment firms to meet diversifying needs of Japanese customers

—Aberdeen (major, independent UK asset manager), strong in emerging markets, became an equity-accounted affiliate (Nov 2009)



—MUAM launched Brazil investment trusts managed by Bradesco Group, our investment and alliance partner, and MUFG group companies started to distribute them

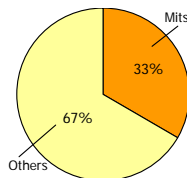


Development of overseas customer base

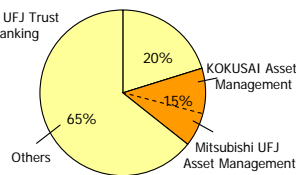
- Provide Japanese products, to overseas customers such as SWF
- In growing Asian and other markets consider expansion in retail and institutional investor markets, including non-organic strategies

Market share in Japan

Pension Trust Share (end Mar 2010)



Publicly offered investment Trusts (end Mar 2010)



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- ✓ Next I will explain our asset management strategy.
- ✓ Asset management is an area with high growth expectations amid the continuing shift from savings to investments. As you can see in the graph on the top left, MUFG has about ¥41 trillion in assets under management, along with, for instance, the top share of the pension trust market, at 33%, and a share of the publicly offered investment trust market that is second only to Nomura Asset Management.
- ✓ Our strategy is to maintain this strong presence in Japan while stepping up our overseas initiatives.
- ✓ First, we will expand alliances with strong overseas investment firms so as to better meet the needs of our domestic customers to invest in high-growth overseas investment products. In November 2009, Aberdeen Asset Management, a UK asset manager known for its strength in emerging markets, became an equity-accounted affiliate. We will continue to consider alliances with other strong overseas investment firms.
- ✓ Another important strategy is developing our overseas customer base. We are considering providing Japanese products to overseas customers, and exploring the possibility of becoming involved in overseas retail and institutional investor business, including through non-organic strategies.

Improving operational efficiency



- Decreased non-consolidated G&A expenses by ¥78.5 bn by achieving system integration and improvement of operational efficiency, consolidated expenses flat despite consolidation of ACOM
- Improving overall operational efficiency while allocating resources to key areas

G&A expenses

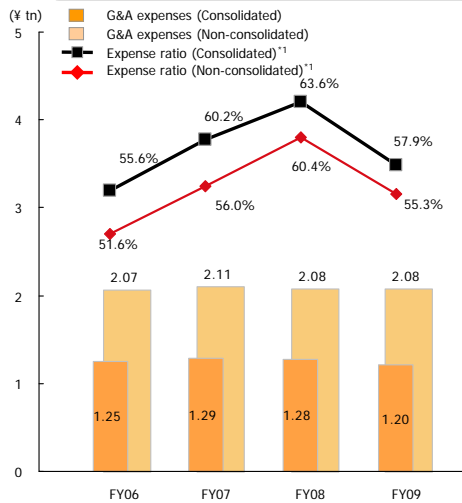
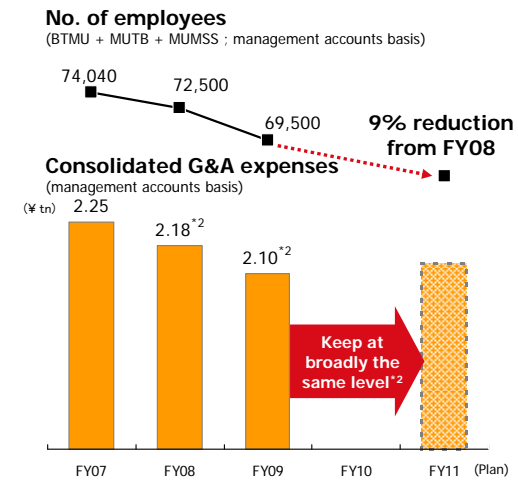


Image of consolidated G&A expenses and employee numbers (BTMU + MUTB + MUMSS)



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

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- ✓ Next I would like to outline our corporate strategies.
- ✓ The first is improving operational efficiency. Last fiscal year, we succeeded in reducing our non-consolidated G&A expenses by approximately ¥80 billion through realization of cost synergies from systems integration and Group-wide cost reduction efforts. This was sufficient to offset the impact of ACOM consolidation, and consolidated G&A expenses remained broadly level with fiscal 2008.
- ✓ We intend to further improve operational efficiency in the future, but we will also actively allocate resources to key areas. Therefore, our policy in our current medium-term business plan is to keep G&A expenses, excluding those associated with the new consolidation of subsidiaries, at around their current level.

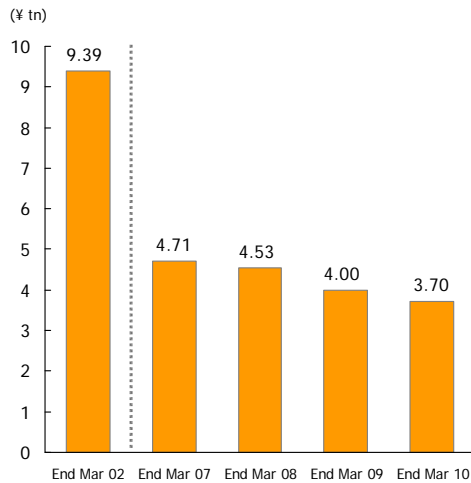
Reduction of equity holdings

(Non-consolidated)

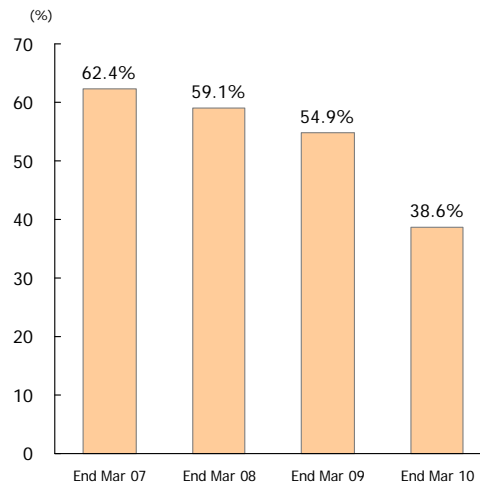


- Reduced equity holdings by ¥270 bn, ratio of equity holdings to Tier 1 capital declined to 38.6%
- Continue to reduce equity holdings to minimize stock price fluctuation risk on capital

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)

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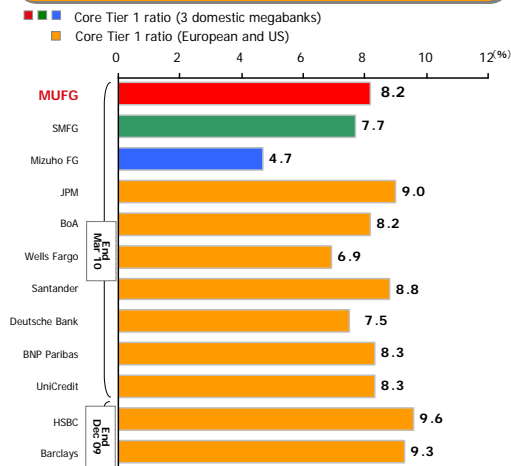
- ✓ Since last fiscal year, we have been renewing our efforts to further reduce our equity holdings. Having gained the understanding of our customers, we sold off approximately ¥270 billion in equities last fiscal year. Our ratio of equity holdings to Tier 1 capital fell to 38% level as of the end of March 2010, partly due to an increase in Tier 1 capital.
- ✓ We will continue to reduce equity holdings for this fiscal year in order to minimize stock price fluctuation risk on capital.

Solid capital base



- Strong level of capital base comparable to major global competitors
- Reinforce core capital by accumulating retained earnings, while closely monitoring new regulatory initiatives

Global comparison of Core Tier1 ratio*1



*1 Core Tier 1 ratio = (Tier 1 capital - Preferred stocks - Preferred securities) / Risk-adjusted assets
Source: Calculation based on company disclosures under each bank's applicable accounting rules and capital regulations

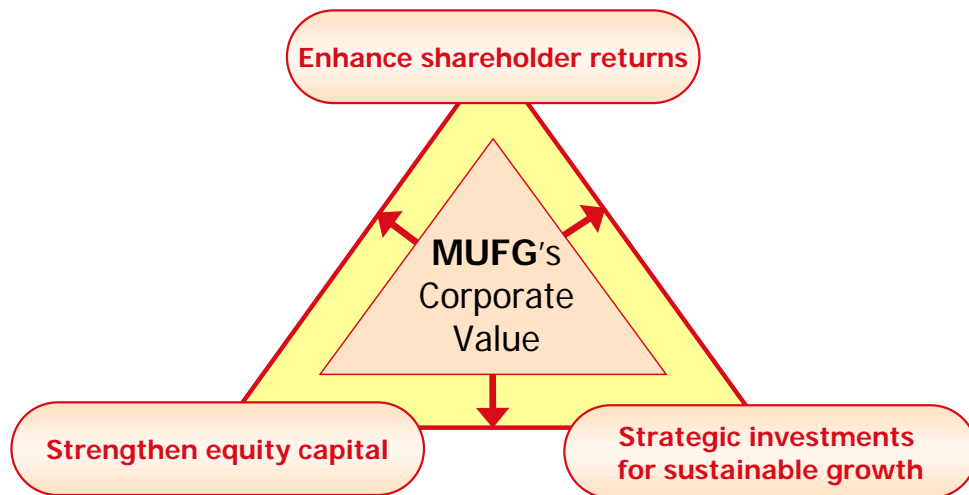
Capital strategy since Oct 09

- Common stocks
 - Issued new shares to raise ¥1.03 tn in Dec 09
- Preferred stocks, preferred securities
 - Acquired and cancelled ¥250 bn non-convertible preferred stocks in Apr 10
 - Redeemed ¥5 bn preferred securities in Jan 10

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- ✓ Although the deadline has passed for acceptance of public comments on the new capital regulation and the related quantitative impact studies have been completed, we will need to wait for future debate on the detailed contents and definitions of the regulations.
- ✓ For convenience, we use within this slide a Core Tier 1 ratio, which we calculate by subtracting preferred stocks and preferred securities from Tier 1 capital, to enable comparison of the major global banks. Such comparison shows that MUFG's capital base compares favorably with the other major global players, in part because of the additional common equity capital that we raised late last year.
- ✓ For the time being we intend to reinforce our core capital by accumulating retained earnings while closely monitoring new regulatory initiatives.

- Secure stable shareholder returns while maintaining a balance between strengthening capital and making strategic investment for sustainable growth



- ✓ We believe that it is important to strike a balance among the three priorities shown on this slide. We aim to secure stable shareholder returns while maintaining a balance with strengthening capital and making strategic investments for sustainable growth.

Strong profitability

Strong financial
strength

Strong brand

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

A globally respected financial group

- ✓ The post-financial-crisis operating environment has seen dramatic change, including the rapid advance of China and other Asian countries and a movement toward tighter global financial regulation.
- ✓ Within this environment, we believe that it is important to enhance core business fundamentals while also boldly challenging ourselves to achieve sustainable growth.
- ✓ With a commitment to strong profitability and integrity backed by our considerable earning power, robust financial position and strong brand, MUFG aims to become a globally respected leading financial group, and all of our executives and employees will join forces towards the attainment of this goal.

No.1
Service

Quality for You

No.1
Reliability

No.1
Global
Coverage

Appendix

Quality for You 
MUFG

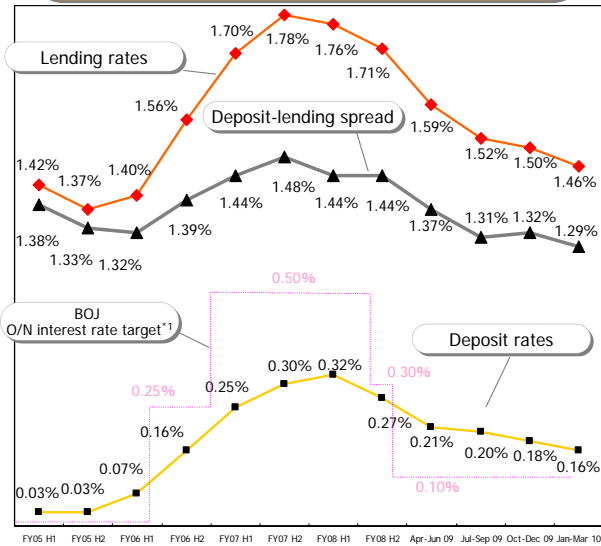
Domestic deposit/lending rates

(Non-consolidated)



● Deposit/lending spread 1.29% in Jan to Mar 2010

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



Interest rate changes

- November 4, 2008
Interest on ordinary deposits: 0.200% ⇒ 0.120%
- November 20, 2008
Short-term prime rate: 1.875% ⇒ 1.675%
- December 22, 2008
Interest on ordinary deposits: 0.120% ⇒ 0.040%
- January 13, 2009
Short-term prime rate: 1.675% ⇒ 1.475%
- April 1, 2009
New variable rate housing loans :
⇒ Changed based on the long-term lending rate linked to short-term prime rate as of March 1
- July 1, 2009
Existing variable rate housing loans
⇒ Changed based on the long-term lending rate linked to short-term prime rate as of April 1

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

Holdings of securitized products

(Consolidated)



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

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

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

Balance, net unrealized gains (losses)

(¥bn)

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

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

Please see pages 66-69 of the MUFG Databook

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UNBC (1) Financial results

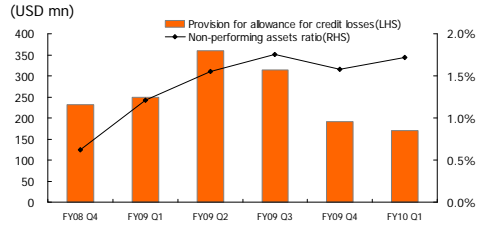


- Posted net income in FY10 Q1 due to increased gross profits and decreased credit costs
- Deposits continued to grow robustly against a backdrop of high credit worthiness

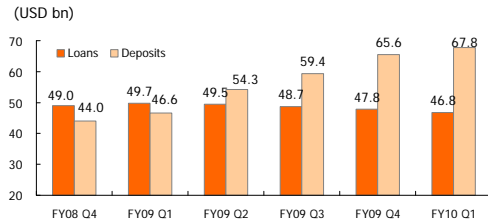
Business performance

(USD mn)	FY09				FY10	
	Q1	Q2	Q3	Q4	Q1	
Gross Profits	737	736	748	765	2,987	786
Noninterest Expenses	521	532	505	529	2,088	524
Net Business Profits	215	204	242	236	899	262
Provision for allowance for credit losses	249	360	314	191	1,114	170
Net Income / loss	(9)	(80)	(17)	41	(64)	77
Net Income / loss (excluding integration related cost (profits), discontinued operations)	11	(66)	(5)	55	(5)	89

Provision for allowance for credit losses, NPA ratio

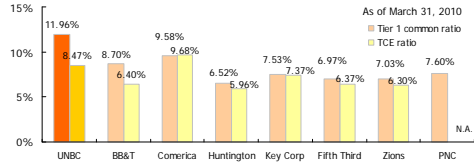


Average balance of loans and deposits



Comparison of core capital ratio^{1,3} 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

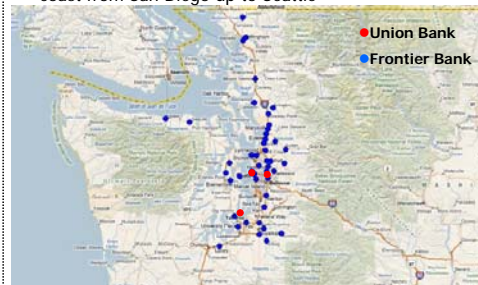
Tamalpais Bank

- **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

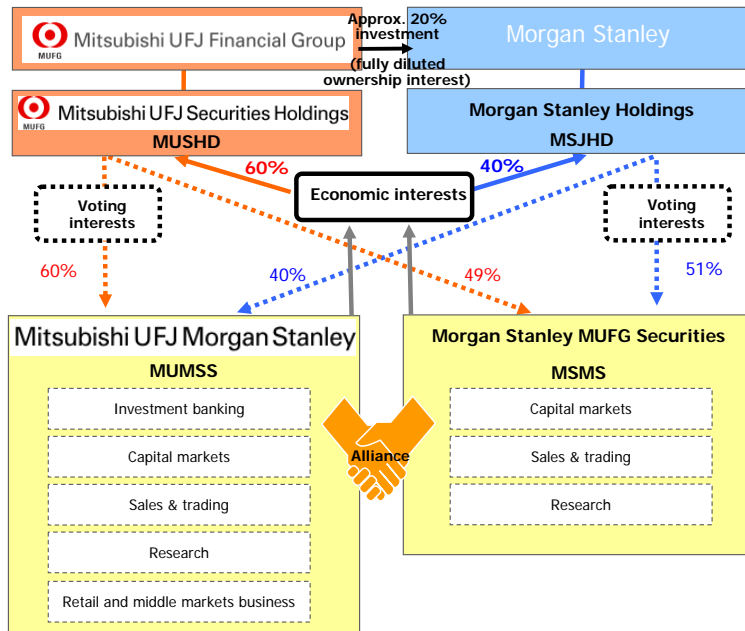


Frontier Bank

- **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



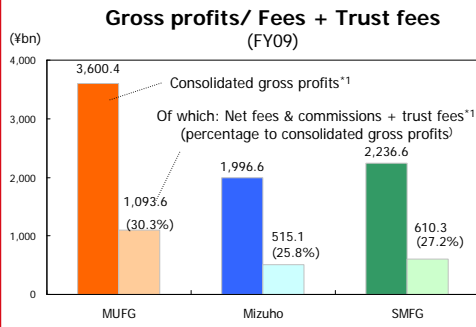
Securities operation integration in Japan



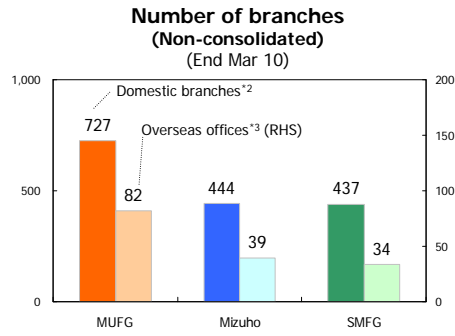
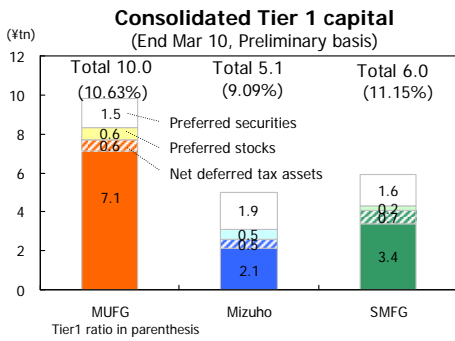
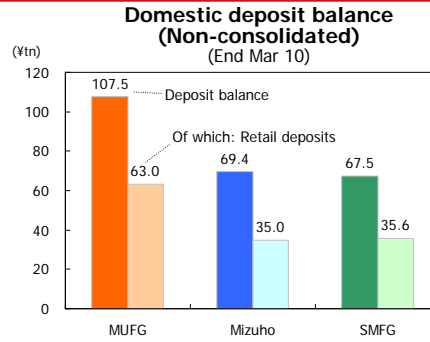
Formed MM Partnership under the Civil Code of Japan to allocate the voting interests and economic interests of each group (stated above)

Comparison with other Japanese financial groups

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



*1 Before credit costs for trust accounts



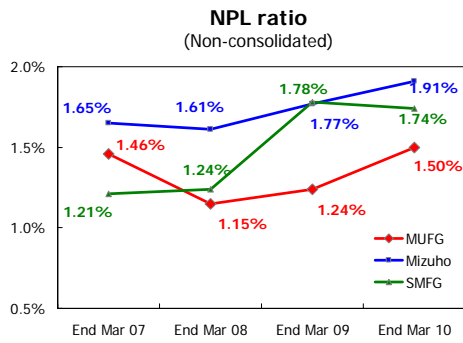
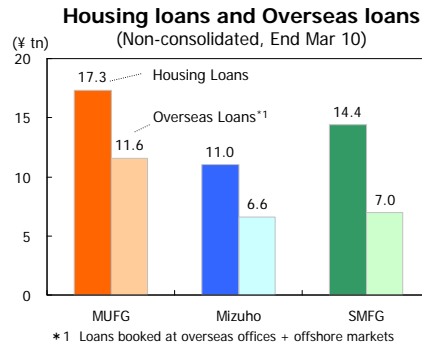
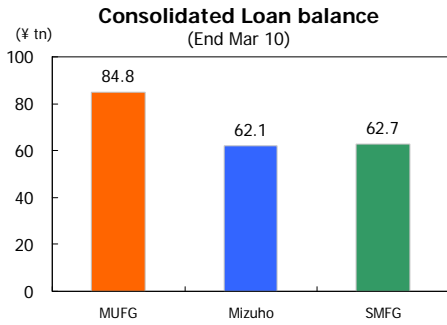
*2 Not including sub-branches, agencies and representative offices, etc.

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

Please see page 83 of the MUFG Databook

Comparison with other Japanese financial groups

Source :Disclosure materials of each group



Please see pages 83 of the MUFG Databook