

Mitsubishi UFJ Financial Group, Inc.

Purchase of Preferred Stock of Subsidiary

Tokyo, May 22, 2006 --- The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU), a subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG; President & CEO: Nobuo Kuroyanagi), pursuant to that certain Investors Agreement with Merrill Lynch (Merrill Lynch), a US financial group, has decided to purchase from Merrill Lynch all of the preferred stocks and the rights to subscribe for new shares (*shinkabu yoyakuken*) issued by MU Strategic Partner Co., Ltd. (MUSP), a subsidiary of BTMU and held by Merrill Lynch in consideration for 120.0 billion yen for preferred stocks and 48.6 billion yen for rights to subscribe for new shares.

MUSP (former trade name: UFJ Strategic Partner Co., Ltd.) was incorporated in December 2002 for the purpose of promoting the resolution of problem loans and raising equity capital. Pursuant to the Investors Agreement between the former UFJ Bank and Merrill Lynch in February 2003, MUSP raised its equity capital by issuance of the preferred stocks of 120.0 billion yen from Merrill Lynch, and has committed itself to restructuring, and resolving problem loans.

MUSP has substantially completed its measures to resolve problem loans, and BTMU will now dissolve its capital relationship with Merrill Lynch through MUSP and will make MUSP its wholly owned subsidiary.

This purchase has no impact on our business results.

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