

Redemption of “Non-dilutive” Preferred Securities Issued by Subsidiaries

Tokyo, November 20, 2006 --- Mitsubishi UFJ Financial Group, Inc. (MUFG) hereby announces that its Board of Directors today resolved to approve the redemption of preferred securities issued by three overseas special purpose companies, which are MUFG’s subsidiaries, in full (“Non-dilutive Preferred Securities”) issued by such three subsidiaries, as stated below.

1. Summary of Non-dilutive Preferred Securities to be Redeemed

Issuer	UFJ Capital Finance 1 Limited	UFJ Capital Finance 2 Limited	UFJ Capital Finance 3 Limited
Type of Security	Floating rate non-cumulative preferred securities		Fixed rate non-cumulative preferred securities
	The Non-dilutive Preferred Securities rank, as to rights to a liquidation preference, effectively <i>pari passu</i> with the preferred shares issued by MUFG which rank most senior in priority of payment as to liquidation distribution.		
Maturity	Perpetual Provided, however, that the issuer may, at its discretion, redeem all or part of the Non-dilutive Preferred Securities on a dividend payment date in January 2007 or thereafter.		
Dividends	Floating rate non-cumulative	Floating rate non-cumulative	Fixed rate non-cumulative
Issue Amount	¥90,000,000,000	¥118,000,000,000	¥10,000,000,000
Issue Date	October 24, 2001	November 8, 2001	November 8, 2001
Redemption Amount	¥90,000,000,000	¥118,000,000,000	¥10,000,000,000
Redemption Price	¥10,000,000 per preferred security (equal to the issue price)	¥10,000,000 per preferred security (equal to the issue price)	¥10,000,000 per preferred security (equal to the issue price)

2. Scheduled Redemption Date

January 25, 2007

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