Notice concerning issuance of "Non-dilutive" Preferred Securities

Tokyo, January 15, 2007 --- Mitsubishi UFJ Financial Group, Inc. (MUFG) hereby announces that its wholly owned subsidiaries: MUFG Capital Finance 4 Limited and MUFG Capital Finance 5 Limited, have decided the following with regard to the issuance of preferred securities ("Non-dilutive Preferred Securities").

Issuer	MUFG Capital Finance 4 Limited	MUFG Capital Finance 5 Limited
	Each issuer is a special purpose subsidiary newly established in the Cayman Islands under the laws of the Cayman Islands, and in which MUFG has 100% voting rights.	
Type of Security	Euro-denominated non-cumulative perpetual preferred securities	Sterling-denominated non-cumulative perpetual preferred securities
	No right to convert into MUFG's common shares is granted.	
Issue Amount	€500,000,000	£ 550,000,000
Dividends	Dividend Rate 5.271 % per annum	Dividend Rate 6.299% per annum
	(Fixed rate until January 2017)	(Fixed rate until January 2017)
	Floating rate after January 2017	Floating rate after January 2017
Issue Price	€1,000 per preferred security	£ 1,000 per preferred security
Issue Date	January 19, 2007	
Use of Proceeds	To be provided to MUFG's consolidated subsidiary, The Bank of Tokyo-Mitsubishi UFJ, Ltd., in order to strengthen its capital base.	
Liquidation Preference	The Non-dilutive Preferred Securities rank, as to rights to liquidation preferences, junior to the subordinated creditors and general creditors of MUFG, senior to the MUFG's common shares, and effectively <i>pari passu</i> with MUFG's preferred shares.	
Method of Offering	Offering targeted at foreign institutional investors in Europe and other overseas markets (excluding the U.S.).	
Listing	To be listed on the Singapore Stock Exchange (SGX).	

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This press release has been prepared for the purpose of publicly announcing the issuance of Non-dilutive Preferred Securities and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. The preferred securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "1933 Act"). This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any offer or sale of the preferred securities in the United States absent registration or an applicable exemption from the registration requirements under the 1933 Act.