

MITSUBISHI UFJ FINANCIAL GROUP INC

Form 424B4

December 01, 2008

The information in this prospectus supplement is not complete and may be changed. This prospectus supplement is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(4)

Registration No. 333-155420

PROSPECTUS SUPPLEMENT dated December 1, 2008

(To Preliminary Prospectus dated November 18, 2008)

Mitsubishi UFJ Financial Group, Inc.

Common Stock

In the Form of Shares and American Depositary Shares

This prospectus supplement amends and supplements the preliminary prospectus dated November 18, 2008 of Mitsubishi UFJ Financial Group, Inc., relating to the offering of shares of its common stock. You should read this prospectus supplement in conjunction with the preliminary prospectus, and this prospectus supplement is qualified by reference to the preliminary prospectus, except to the extent that the information in this prospectus supplement supersedes the information contained in the preliminary prospectus.

Investing in the shares of our common stock or American Depositary Shares involves risks. See Risk Factors beginning on page 6 of the preliminary prospectus.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities, or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus supplement further specifies the Use of Proceeds set forth on page 13 of the preliminary prospectus.

In addition, this prospectus supplement contains our unaudited interim consolidated financial statements as of and for the six months ended September 30, 2008 prepared under generally accepted accounting principles in Japan, or Japanese GAAP, which we filed with the Director of the Kanto Local Finance Bureau, the Ministry of Finance of Japan, on a quarterly report on December 1, 2008. The unaudited interim consolidated Japanese GAAP financial statements are hereby incorporated into the preliminary prospectus as Annex C.

Joint Global Coordinators

Morgan Stanley

Nomura Securities

Co-Global Coordinators

Mitsubishi UFJ Securities

J.P. Morgan

Joint Bookrunners

Morgan Stanley

J.P. Morgan

Nomura Securities International, Inc.

Co-Managers

Merrill Lynch & Co.

UBS Investment Bank

Deutsche Bank Securities

Nikko Citigroup

Credit Suisse

Prospectus Supplement dated December 1, 2008.

USE OF PROCEEDS

We plan to use the net cash proceeds from the issuance and sale of our new shares and the sale of treasury shares in the global offering to make an investment in our wholly owned subsidiary, The Bank of Tokyo-Mitsubishi UFJ, Ltd., or BTMU, to strengthen its capital base. BTMU expects to use those funds for general corporate purposes.

We also plan to make an investment in BTMU with any additional net cash proceeds that may be received if the U.S. underwriters, the international underwriters and the Japanese underwriters elect to exercise their options to purchase additional shares of our common stock.

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UNAUDITED INTERIM CONSOLIDATED JAPANESE GAAP FINANCIAL STATEMENTS

AS OF AND FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2008

On December 1, 2008, we filed with the Director of the Kanto Local Finance Bureau, the Ministry of Finance of Japan, our unaudited interim consolidated Japanese GAAP financial statements as of and for the six months ended September 30, 2008 as part of our quarterly report. We include in this Annex C the unaudited interim consolidated Japanese GAAP financial statements. Japanese GAAP, however, is significantly different in certain respects from accounting principles generally accepted in other countries, including U.S. GAAP. The differences between Japanese GAAP and U.S. GAAP could result in amounts for certain financial statement line items under U.S. GAAP to differ significantly from the amounts under Japanese GAAP. See Annex A: Unaudited Reverse Reconciliation of Selected Financial Information to the preliminary prospectus.

* * *

Mitsubishi UFJ Financial Group, Inc. (MUFG) has prepared its interim consolidated financial statements for the six months ended September 30, 2008, as MUFG falls under the category of a Specified Business Corporation (*Tokutei Jigyō Gaisya*; a company that is engaged in businesses set forth in Article 17-15-2 of the Cabinet Office Ordinance Concerning Disclosure of Public Companies).

MUFG has prepared its interim consolidated financial statements in accordance with the Regulation for Terminology, Forms and Preparation of Interim Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 24 of 1999; the Interim Consolidated Financial Statements Regulations). However, assets and liabilities and income and expenses are presented pursuant to the classification defined under the Ordinance for Enforcement of Banking Law (Ordinance of the Ministry of Finance No. 10 of 1982).

The interim consolidated financial statements as of and for the six months ended September 30, 2007 (the period from April 1 to September 30, 2007) are prepared in accordance with the Interim Consolidated Financial Statements Regulations and Ordinance for Enforcement of Banking Law before amendments, while the interim consolidated financial statements as of and for the six months ended September 30, 2008 (the period from April 1 to September 30, 2008) are prepared in accordance with the amended Interim Financial Statements Regulations and Ordinance for Enforcement of Banking Law.

1. INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

| | As of | | As of | | (in millions of yen) |
|--|-------------------------------|--------------------|-------------------------------|--------------------|--|
| | September 30, 2007 | September 30, 2007 | September 30, 2008 | September 30, 2008 | As of |
| | | | | | March 31, 2008 |
| Assets: | | | | | |
| Cash and due from banks | *7 | 10,978,368 | *7 | 10,148,110 | *7 10,281,603 |
| Call loans and bills bought | | 1,235,519 | | 1,058,103 | 1,293,705 |
| Receivables under resale agreements | *2 | 5,619,000 | *2 | 3,262,183 | *2 7,099,711 |
| Receivables under securities borrowing transactions | *2 | 5,994,256 | *2 | 6,243,090 | *2 8,240,482 |
| Monetary claims bought | *7 | 4,856,581 | *7 | 4,226,743 | *7 4,593,198 |
| Trading assets | *7 | 11,891,834 | *7 | 17,637,010 | *7 11,898,762 |
| Money held in trust | | 456,499 | | 383,278 | 401,448 |
| Securities | *1, *2, *7, *16 | 42,990,263 | *1, *2, *7, *16 | 38,671,375 | *1, *2, *7, *16 40,851,677 |
| Allowance for losses on securities | | (34,115) | | (36,702) | (30,166) |
| Loans and bills discounted | *2, *3, *4, *5, *6, *7, *8 | 86,751,061 | *2, *3, *4, *5, *6, *7, *8 | 90,445,118 | *2, *3, *4, *5, *6, *7, *8 88,538,810 |
| Foreign exchanges | *2 | 1,411,213 | *2 | 1,671,474 | *2 1,241,656 |
| Other assets | *7, *14 | 4,999,575 | *7, *14 | 6,989,674 | *7, *14 5,666,981 |
| Tangible fixed assets | *7, *9, *10, *11 | 1,717,879 | *7, *9, *10, *11 | 1,277,575 | *7, *9, *10, *11 1,594,214 |
| Intangible fixed assets | *7 | 906,486 | *7 | 914,401 | *7 975,043 |
| Deferred tax assets | | 271,007 | | 1,171,485 | 773,688 |
| Customers liabilities for acceptances and guarantees | *16 | 11,110,052 | *16 | 11,067,649 | *16 10,652,865 |
| Allowance for credit losses | | (1,261,081) | | (1,106,293) | (1,080,502) |
| Total assets | | 189,894,404 | | 194,024,280 | 192,993,179 |

| | As of | | As of | | (in millions of yen) |
|---|--------------------|--------------------|--------------------|--------------------|-----------------------|
| | September 30, 2007 | | September 30, 2008 | | As of |
| | | | | | March 31, 2008 |
| Liabilities: | | | | | |
| Deposits | *7 | 117,630,832 | *7 | 119,798,396 | *7 121,307,300 |
| Negotiable certificates of deposit | | 6,657,864 | | 7,827,311 | 7,319,321 |
| Call money and bills sold | *7 | 2,527,558 | *7 | 3,007,407 | *7 2,286,382 |
| Payables under repurchase agreements | *7 | 8,451,563 | *7 | 8,677,843 | *7 10,490,735 |
| Payables under securities lending transactions | *7 | 6,609,067 | *7 | 4,266,088 | *7 5,897,051 |
| Commercial papers | *7 | 685,459 | *7 | 173,685 | *7 349,355 |
| Trading liabilities | | 5,655,557 | | 8,354,355 | 5,944,552 |
| Borrowed money | *2, *7, *12 | 4,511,981 | *2, *7, *12 | 5,400,785 | *2, *7, *12 5,050,000 |
| Foreign exchanges | *2 | 792,983 | *2 | 977,280 | *2 972,113 |
| Short-term bonds payable | | 593,600 | | 457,683 | 417,200 |
| Bonds payable | *7, *13 | 6,476,523 | *7, *13 | 6,289,553 | *7, *13 6,285,566 |
| Due to trust accounts | | 1,592,480 | | 1,338,192 | 1,462,822 |
| Other liabilities | | 5,318,114 | | 6,898,069 | 4,388,814 |
| Reserve for bonuses | | 49,308 | | 47,839 | 49,798 |
| Reserve for bonuses to directors | | 130 | | 425 | 434 |
| Reserve for retirement benefits | | 64,067 | | 62,010 | 64,771 |
| Reserve for retirement benefits to directors | | 1,761 | | 1,682 | 2,100 |
| Reserve for loyalty award credits | | | | 10,124 | 8,079 |
| Reserve for contingent losses | | 145,063 | | 83,999 | 133,110 |
| Reserve for losses relating to business restructuring | | 59,317 | | 2,971 | 22,865 |
| Reserve under special laws | | 4,300 | | 3,335 | 4,639 |
| Deferred tax liabilities | | 177,801 | | 37,730 | 84,185 |
| Deferred tax liabilities for land revaluation | *9 | 204,577 | *9 | 197,252 | *9 199,402 |
| Acceptances and guarantees | *7, *16 | 11,110,052 | *7, *16 | 11,067,649 | *7, *16 10,652,865 |
| Total liabilities | | 179,319,967 | | 184,981,676 | 183,393,470 |

| | As of | As of | (in millions of yen) As of |
|---|--------------------|--------------------|-------------------------------|
| | September 30, 2007 | September 30, 2008 | March 31, 2008 |
| Net assets: | | | |
| Capital stock | 1,383,052 | 1,383,052 | 1,383,052 |
| Capital surplus | 1,865,918 | 1,777,860 | 1,865,696 |
| Retained earnings | 4,286,051 | 4,591,845 | 4,592,960 |
| Treasury stock | (576,420) | (439,375) | (726,001) |
| Total shareholders' equity | 6,958,601 | 7,313,383 | 7,115,707 |
| Net unrealized gains (losses) on other securities | 1,803,418 | (39,243) | 595,352 |
| Net deferred gains (losses) on hedging instruments | (60,107) | 2,745 | 79,043 |
| Land revaluation excess | *9 147,499 | *9 143,647 | *9 143,292 |
| Foreign currency translation adjustments | 9,804 | (96,306) | (52,566) |
| Pension liability adjustments of subsidiaries preparing financial statements under US GAAP | | (12,392) | |
| Total valuation and translation adjustments | 1,900,614 | (1,549) | 765,121 |
| Subscription rights to shares | 87 | 3,674 | 2,509 |
| Minority interests | 1,715,132 | 1,727,096 | 1,716,370 |
| Total net assets | 10,574,436 | 9,042,604 | 9,599,708 |
| Total liabilities and net assets | 189,894,404 | 194,024,280 | 192,993,179 |

(2) Consolidated Statements of Income

| | For the six months | | For the six months | | (in millions of yen) |
|--|--------------------|--------------------|--------------------|----------------|----------------------|
| | ended | | ended | | For the fiscal year |
| | September 30, 2007 | September 30, 2008 | September 30, 2008 | March 31, 2008 | ended |
| Ordinary income | 3,250,225 | 2,925,113 | | | 6,393,951 |
| Interest income | 1,989,587 | 1,842,261 | | | 3,867,924 |
| (Interest on loans and bills discounted) | 1,161,579 | 1,134,155 | | | 2,302,324 |
| (Interest and dividends on securities) | 431,656 | 356,656 | | | 785,581 |
| Trust fees | 78,972 | 67,097 | | | 151,720 |
| Fees and commissions | 638,809 | 592,473 | | | 1,249,480 |
| Trading income | 189,126 | 126,317 | | | 365,315 |
| Other business income | 109,474 | 174,846 | | | 319,530 |
| Other ordinary income | *1 244,254 | *1 122,116 | | | *1 439,980 |
| Ordinary expenses | 2,752,685 | 2,736,996 | | | 5,364,938 |
| Interest expenses | 1,024,054 | 872,046 | | | 2,027,879 |
| (Interest on deposits) | 458,821 | 374,699 | | | 881,483 |
| Fees and commissions | 91,610 | 87,443 | | | 175,921 |
| Trading expenses | | 1,191 | | | |
| Other business expenses | 94,699 | 146,147 | | | 239,540 |
| General and administrative expenses | 1,077,126 | 1,084,363 | | | 2,157,843 |
| Other ordinary expenses | *2 465,195 | *2 545,803 | | | *2 763,753 |
| Ordinary profits | 497,539 | 188,117 | | | 1,029,013 |
| Extraordinary gains | 31,212 | 61,417 | | | 110,399 |
| Gains on disposition of fixed assets | 3,900 | 6,718 | | | 34,532 |
| Gains on loans written-off | 20,326 | 14,388 | | | 39,875 |
| Reversal of reserve for contingent liabilities from financial instruments transactions | | 1,308 | | | |
| Gains on changes in subsidiaries' equity | 6,985 | | | | 6,985 |
| Gains on sales of equity securities of subsidiaries | | 32,814 | | | 16,075 |
| Impact of the adoption of the accounting standard for lease transactions | *3 | *3 6,186 | | | *3 |
| Gains on business divestitures of subsidiaries | | | | | 10,810 |
| Reversal of reserve for contingent losses | | | | | 2,120 |

| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | (in millions of yen) For the fiscal year ended March 31, 2008 |
|--|---|---|--|
| Extraordinary losses | 79,028 | 60,787 | 118,533 |
| Losses on disposition of fixed assets | 7,589 | 8,511 | 15,142 |
| Losses on impairment of fixed assets | 11,421 | 4,879 | 14,719 |
| Provision for reserve for contingent liabilities from financial instruments transactions | 413 | | 752 |
| Provision for reserve for losses relating to business restructuring | 59,603 | 197 | 64,049 |
| Expenses relating to systems integration | | 47,198 | |
| Prior year adjustments | *4 | *4 | *4 23,869 |
| Income before income taxes and others | 449,723 | 188,747 | 1,020,879 |
| Income taxes current | 65,510 | 47,772 | 100,129 |
| Income taxes deferred | 127,914 | (168) | 201,091 |
| Total taxes | | 47,604 | |
| Minority interests in net income (losses) of consolidated subsidiaries | (421) | 49,120 | 83,034 |
| Net income | 256,721 | 92,023 | 636,624 |

(3) Consolidated Statements of Changes in Net Assets

| | (in millions of yen) | | |
|---|---|---|--|
| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
| Shareholders' equity: | | | |
| Capital stock | | | |
| Balance at the beginning of the period | 1,383,052 | 1,383,052 | 1,383,052 |
| Balance at the end of the period | 1,383,052 | 1,383,052 | 1,383,052 |
| Capital surplus | | | |
| Balance at the beginning of the period | 1,916,300 | 1,865,696 | 1,916,300 |
| Changes during the period | | | |
| Disposition of treasury stock | (50,382) | (87,835) | (50,604) |
| Total changes during the period | (50,382) | (87,835) | (50,604) |
| Balance at the end of the period | 1,865,918 | 1,777,860 | 1,865,696 |
| Retained earnings | | | |
| Balance at the beginning of the period | 4,102,199 | 4,592,960 | 4,102,199 |
| Changes during the period | | | |
| Dividends from retained earnings | (64,589) | (75,855) | (141,327) |
| Net income | 256,721 | 92,023 | 636,624 |
| Reversal of land revaluation excess | 836 | (353) | 5,044 |
| Increase in companies accounted for under the equity method | | 5,763 | (147) |
| Decrease in companies accounted for under the equity method | | | (81) |
| Prior year adjustments on retained earnings of companies accounted for under the equity method | | (16,802) | |
| Changes in accounting standards in overseas consolidated subsidiaries | (9,116) | | (9,217) |
| Unrecognized actuarial differences based on accounting standard for retirement benefits in the United Kingdom | | | (133) |
| Increase due to unification of accounting policies applied to foreign subsidiaries | | 778 | |
| Decrease due to unification of accounting policies applied to foreign subsidiaries | | (6,669) | |
| Total changes during the period | 183,851 | (1,114) | 490,760 |
| Balance at the end of the period | 4,286,051 | 4,591,845 | 4,592,960 |
| Treasury stock | | | |
| Balance at the beginning of the period | (1,001,470) | (726,001) | (1,001,470) |
| Changes during the period | | | |
| Acquisition of treasury stock | (2,315) | (732) | (152,052) |
| Disposition of treasury stock | 427,366 | 287,358 | 427,522 |
| Total changes during the period | 425,050 | 286,626 | 275,469 |
| Balance at the end of the period | (576,420) | (439,375) | (726,001) |
| Total shareholders' equity | | | |
| Balance at the beginning of the period | 6,400,081 | 7,115,707 | 6,400,081 |
| Changes during the period | | | |
| Dividends from retained earnings | (64,589) | (75,855) | (141,327) |
| Net income | 256,721 | 92,023 | 636,624 |
| Acquisition of treasury stock | (2,315) | (732) | (152,052) |

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| | | | |
|--|-----------|-----------|-----------|
| Disposition of treasury stock | 376,984 | 199,522 | 376,917 |
| Reversal of land revaluation excess | 836 | (353) | 5,044 |
| Increase in companies accounted for under the equity method | | 5,763 | (147) |
| Decrease in companies accounted for under the equity method | | | (81) |
| Prior year adjustments on retained earnings of companies accounted for under the equity method | | (16,802) | |
| Changes in accounting standards in overseas consolidated subsidiaries | (9,116) | | (9,217) |
| Unrecognized actuarial difference based on accounting standard for retirement benefits in the United Kingdom | | | (133) |
| Increase due to unification of accounting policies applied to foreign subsidiaries | | 778 | |
| Decrease due to unification of accounting policies applied to foreign subsidiaries | | (6,669) | |
| Total changes during the period | 558,519 | 197,675 | 715,625 |
| Balance at the end of the period | 6,958,601 | 7,313,383 | 7,115,707 |

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| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | (in millions of yen) For the fiscal year ended March 31, 2008 |
|--|---|---|--|
| Valuation and translation adjustments | | | |
| Net unrealized gains (losses) on other securities | | | |
| Balance at the beginning of the period | 2,054,813 | 595,352 | 2,054,813 |
| Changes during the period | | | |
| Net changes in items other than shareholders' equity | (251,395) | (634,596) | (1,459,461) |
| Total changes during the period | (251,395) | (634,596) | (1,459,461) |
| Balance at the end of the period | 1,803,418 | (39,243) | 595,352 |
| Net deferred gains (losses) on hedging instruments | | | |
| Balance at the beginning of the period | (56,429) | 79,043 | (56,429) |
| Changes during the period | | | |
| Net changes in items other than shareholders' equity | (3,678) | (76,297) | 135,472 |
| Total changes during the period | (3,678) | (76,297) | 135,472 |
| Balance at the end of the period | (60,107) | 2,745 | 79,043 |
| Land revaluation excess | | | |
| Balance at the beginning of the period | 148,281 | 143,292 | 148,281 |
| Changes during the period | | | |
| Net changes in items other than shareholders' equity | (782) | 355 | (4,989) |
| Total changes during the period | (782) | 355 | (4,989) |
| Balance at the end of the period | 147,499 | 143,647 | 143,292 |
| Foreign currency translation adjustments | | | |
| Balance at the beginning of the period | (26,483) | (52,566) | (26,483) |
| Changes during the period | | | |
| Net changes in items other than shareholders' equity | 36,287 | (43,740) | (26,082) |
| Total changes during the period | 36,287 | (43,740) | (26,082) |
| Balance at the end of the period | 9,804 | (96,306) | (52,566) |
| Pension liability adjustments of subsidiaries preparing financial statements under US GAAP | | | |
| Balance at the beginning of the period | | | |
| Changes during the period | | | |
| Net changes in items other than shareholders' equity | | (12,392) | |
| Total changes during the period | | (12,392) | |
| Balance at the end of the period | | (12,392) | |
| Total valuation and translation adjustments | | | |
| Balance at the beginning of the period | 2,120,183 | 765,121 | 2,120,183 |
| Changes during the period | | | |
| Net changes in items other than shareholders' equity | (219,568) | (766,671) | (1,355,061) |
| Total changes during the period | (219,568) | (766,671) | (1,355,061) |
| Balance at the end of the period | 1,900,614 | (1,549) | 765,121 |

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| | | | |
|--|-----------|-----------|-----------|
| Subscription rights to shares | | | |
| Balance at the beginning of the period | 0 | 2,509 | 0 |
| Changes during the period | | | |
| Net changes in items other than shareholders' equity | 87 | 1,165 | 2,508 |
| Total changes during the period | 87 | 1,165 | 2,508 |
| Balance at the end of the period | 87 | 3,674 | 2,509 |
| Minority interests | | | |
| Balance at the beginning of the period | 2,003,434 | 1,716,370 | 2,003,434 |
| Changes during the period | | | |
| Net changes in items other than shareholders' equity | (288,302) | 10,725 | (287,064) |
| Total changes during the period | (288,302) | 10,725 | (287,064) |
| Balance at the end of the period | 1,715,132 | 1,727,096 | 1,716,370 |

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| | (in millions of yen) | | |
|--|---|---|--|
| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
| Total net assets | | | |
| Balance at the beginning of the period | 10,523,700 | 9,599,708 | 10,523,700 |
| Changes during the period | | | |
| Dividends from retained earnings | (64,589) | (75,855) | (141,327) |
| Net income | 256,721 | 92,023 | 636,624 |
| Acquisition of treasury stock | (2,315) | (732) | (152,052) |
| Disposition of treasury stock | 376,984 | 199,522 | 376,917 |
| Reversal of land revaluation excess | 836 | (353) | 5,044 |
| Increase in companies accounted for under the equity method | | 5,763 | (147) |
| Decrease in companies accounted for under the equity method | | | (81) |
| Prior year adjustments on retained earnings of companies accounted for under the equity method | | (16,802) | |
| Changes in accounting standards in overseas consolidated subsidiaries | (9,116) | | (9,217) |
| Unrecognized actuarial difference based on accounting standard for retirement benefits in UK | | | (133) |
| Increase due to unification of accounting policies applied to foreign subsidiaries | | 778 | |
| Decrease due to unification of accounting policies applied to foreign subsidiaries | | (6,669) | |
| Net changes in items other than shareholders' equity | (507,783) | (754,780) | (1,639,617) |
| Total changes during the period | 50,736 | (557,104) | (923,991) |
| Balance at the end of the period | 10,574,436 | 9,042,604 | 9,599,708 |

(4) Consolidated Statements of Cash Flows

| | (in millions of yen) | | |
|--|---|---|--|
| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
| Cash flows from operating activities: | | | |
| Income before income taxes and others | 449,723 | 188,747 | 1,020,879 |
| Depreciation | 161,446 | 119,986 | 341,384 |
| Impairment losses | 11,421 | 4,879 | 14,719 |
| Amortization of goodwill | 5,525 | 9,727 | 14,397 |
| Amortization of negative goodwill | (4,364) | (578) | (4,611) |
| Equity in losses (gains) of affiliates | (8,667) | (1,495) | (13,042) |
| Increase (decrease) in allowance for credit losses | 65,797 | 34,932 | (109,487) |
| Increase (decrease) in allowance for losses on securities | 7,964 | 6,792 | 4,015 |
| Increase (decrease) in reserve for bonuses | (4,735) | (2,726) | (3,488) |
| Increase (decrease) in reserve for bonuses to directors | (233) | (7) | 195 |
| Increase (decrease) in reserve for retirement benefits | (2,807) | (1,929) | (1,502) |
| Increase (decrease) in reserve for retirement benefits to directors | 519 | (434) | 858 |
| Increase (decrease) in reserve for loyalty award credits | | 2,045 | 2,870 |
| Increase (decrease) in reserve for contingent losses | 28,420 | (48,396) | 17,224 |
| Increase (decrease) in reserve for losses relating to business restructuring | 59,317 | (19,893) | 22,865 |
| Interest income recognized on statements of income | (1,989,587) | (1,842,261) | (3,867,924) |
| Interest expenses recognized on statements of income | 1,024,054 | 872,046 | 2,027,879 |
| Losses (gains) on securities | (43,491) | 63,952 | (6,135) |
| Losses (gains) on money held in trust | (8,924) | 3,683 | (10,595) |
| Foreign exchange losses (gains) | 67,959 | (153,441) | 1,353,236 |
| Losses (gains) on sales of fixed assets | 3,688 | 1,792 | (19,389) |
| Net decrease (increase) in trading assets | (2,218,659) | (1,917,996) | (2,367,363) |
| Net increase (decrease) in trading liabilities | 1,304,018 | (1,496,717) | 1,671,767 |
| Adjustment of unsettled trading accounts | 460,557 | 208,475 | 68,190 |
| Net decrease (increase) in loans and bills discounted | (1,477,139) | (2,570,356) | (3,737,986) |
| Net increase (decrease) in deposits | (1,312,254) | (1,140,509) | 2,755,219 |
| Net increase (decrease) in negotiable certificates of deposit | (442,261) | 544,499 | 254,850 |
| Net increase (decrease) in borrowed money (excluding subordinated borrowings) | (380,676) | 656,297 | 65,668 |
| Net decrease (increase) in due from banks (excluding cash equivalents) | (1,914,051) | 445,734 | (256,946) |
| Net decrease (increase) in call loans and bills bought and others | (1,162,087) | 3,949,288 | (2,806,455) |
| Net decrease (increase) in receivables under securities borrowing transactions | 724,104 | 1,950,051 | (1,548,164) |
| Net increase (decrease) in call money and bills sold and others | (12,461) | (597,151) | 2,158,359 |
| Net increase (decrease) in commercial papers | 66,898 | (153,878) | (270,808) |
| Net increase (decrease) in payables under securities lending transactions | 1,425,763 | (1,592,976) | 741,912 |
| Net decrease (increase) in foreign exchanges (assets) | (56,636) | (432,030) | 112,665 |
| Net increase (decrease) in foreign exchanges (liabilities) | (208,817) | 5,934 | (29,666) |
| Net increase (decrease) in short-term bonds payable | 267,600 | 44,983 | 77,200 |
| Net increase (decrease) in issuance and redemption of straight bonds | (63,548) | (10,220) | (167,846) |
| Net increase (decrease) in due to trust accounts | 50,031 | (124,630) | (79,626) |
| Interest income (cash basis) | 1,933,926 | 1,880,083 | 3,849,805 |
| Interest expenses (cash basis) | (990,707) | (879,412) | (1,971,625) |
| Other | (276,073) | (15,337) | (1,465,733) |
| Sub-total | (4,459,445) | (2,008,446) | (2,162,235) |

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| | | | |
|---|-------------|-------------|-------------|
| Income taxes | (70,253) | (27,418) | (118,896) |
| Net cash provided by (used in) operating activities | (4,529,698) | (2,035,865) | (2,281,132) |

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| | (in millions of yen) | | |
|---|---|---|--|
| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
| Cash flows from investing activities: | | | |
| Purchases of securities | (27,330,388) | (43,034,559) | (73,426,912) |
| Proceeds from sales of securities | 18,683,119 | 27,837,823 | 50,575,928 |
| Proceeds from redemption of securities | 13,755,057 | 17,577,477 | 27,043,608 |
| Increase in money held in trust | (129,798) | (151,167) | (271,998) |
| Decrease in money held in trust | 150,473 | 157,744 | 341,669 |
| Purchases of tangible fixed assets | (115,145) | (41,922) | (276,668) |
| Purchases of intangible fixed assets | (123,376) | (86,343) | (247,920) |
| Proceeds from sales of tangible fixed assets | 5,530 | 14,879 | 133,787 |
| Proceeds from sales of intangible fixed assets | 14 | 21 | 1,521 |
| Proceeds from business divestitures | | | 11,516 |
| Additional purchases of equity of consolidated subsidiaries | (822) | (59) | (22,931) |
| Proceeds from sales of equity of consolidated subsidiaries | 250 | 84,995 | 250 |
| Increase related to purchases of equity of consolidated subsidiaries affecting the scope of consolidation | 28,179 | 758 | 28,179 |
| Decrease related to purchases of subsidiaries equity affecting the scope of consolidation | | | (4,543) |
| Increase related to sales of subsidiaries equity affecting the scope of consolidation | | 10,874 | 18,939 |
| Net cash provided by (used in) investing activities | 4,923,094 | 2,370,522 | 3,904,426 |
| Cash flows from financing activities: | | | |
| Increase in subordinated borrowings | 122,000 | 16,404 | 210,000 |
| Decrease in subordinated borrowings | (196,300) | (53,000) | (260,300) |
| Increase in subordinated bonds payable and bonds with warrants | 210,740 | 289,700 | 252,229 |
| Decrease in subordinated bonds payable and bonds with warrants | (165,182) | (182,026) | (206,808) |
| Proceeds from issuance of common stock to minority shareholders | 3,843 | 235,145 | 155,509 |
| Decrease in redemption of preferred stock | | (106,420) | (106,000) |
| Repayments of lease obligations | | (22) | |
| Dividend paid by MUFG | (64,589) | (75,818) | (141,327) |
| Dividend paid by subsidiaries to minority shareholders | (47,494) | (40,589) | (65,507) |
| Payments to minority shareholders due to capital reduction | | (57) | |
| Purchases of treasury stock | (1,225) | (279) | (151,364) |
| Proceeds from sales of treasury stock | 672 | 1,367 | 780 |
| Purchases of treasury stock by consolidated subsidiaries | (4,259) | (238) | (12,462) |
| Proceeds from sale of treasury stock by consolidated subsidiaries | 15 | 3 | 166 |
| Other | | 0 | (2,937) |
| Net cash provided by (used in) financing activities | (141,779) | 84,170 | (328,022) |
| Effect of foreign exchange rate changes on cash and cash equivalents | 26,128 | (86,493) | (34,202) |
| Net increase (decrease) in cash and cash equivalents | 277,744 | 332,334 | 1,261,069 |
| Cash and cash equivalents at the beginning of the fiscal period | 2,961,153 | 4,222,222 | 2,961,153 |

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| | | | |
|---|-----------|-----------|-----------|
| Cash and cash equivalents at the end of the fiscal period | 3,238,898 | 4,554,556 | 4,222,222 |
|---|-----------|-----------|-----------|

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Significant Accounting Policies Applied for Preparing the Consolidated Financial Statements

| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|---------------------------|--|---|--|
| 1. Scope of consolidation | (1) Number of consolidated subsidiaries: 252 Principal companies: The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mitsubishi UFJ Securities Co., Ltd. The Senshu Bank, Ltd. The Master Trust Bank of Japan, Ltd. kabu.com Securities Co., Ltd. Mitsubishi UFJ NICOS Co., Ltd. The Mitsubishi UFJ Factors Limited MU Frontier Servicer Co., Ltd. Mitsubishi UFJ Capital Co., Ltd. KOKUSAI Asset Management Co., Ltd. Mitsubishi UFJ Asset Management Co., Ltd. MU Investments Co., Ltd. Mitsubishi UFJ Real Estate Services Co., Ltd. UnionBanCal Corporation Mitsubishi UFJ Trust & Banking Corporation (U.S.A.) Mitsubishi UFJ Global Custody S.A. Mitsubishi UFJ Securities International plc | (1) Number of consolidated subsidiaries: 246 Principal companies: The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mitsubishi UFJ Securities Co., Ltd. The Senshu Bank, Ltd. The Master Trust Bank of Japan, Ltd. kabu.com Securities Co., Ltd. Mitsubishi UFJ Merrill Lynch PB Securities Co., Ltd. Mitsubishi UFJ NICOS Co., Ltd. NBL Co., Ltd. The Mitsubishi UFJ Factors Limited Mitsubishi UFJ Research & Consulting Co., Ltd. Mitsubishi UFJ Research & Consulting Co., Ltd. MU Frontier Servicer Co., Ltd. Mitsubishi UFJ Capital Co., Ltd. KOKUSAI Asset Management Co., Ltd. Mitsubishi UFJ Asset Management Co., Ltd. MU Investments Co., Ltd. Mitsubishi UFJ Real Estate Services Co., Ltd. UnionBanCal Corporation | (1) Number of consolidated subsidiaries: 242 Principal companies: The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mitsubishi UFJ Securities Co., Ltd. The Senshu Bank, Ltd. The Master Trust Bank of Japan, Ltd. kabu.com Securities Co., Ltd. Mitsubishi UFJ NICOS Co., Ltd. NBL Co., Ltd. The Mitsubishi UFJ Factors Limited Mitsubishi UFJ Research & Consulting Co., Ltd. MU Frontier Servicer Co., Ltd. Mitsubishi UFJ Capital Co., Ltd. KOKUSAI Asset Management Co., Ltd. Mitsubishi UFJ Asset Management Co., Ltd. MU Investments Co., Ltd. Mitsubishi UFJ Real Estate Services Co., Ltd. UnionBanCal Corporation Mitsubishi UFJ Wealth Management Bank (Switzerland), Ltd. |

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|--|---|
| Mitsubishi UFJ Securities (USA), Inc. | Mitsubishi UFJ Wealth Management Bank (Switzerland), Ltd. | Mitsubishi UFJ Trust & Banking Corporation (U.S.A.) |
| Mitsubishi UFJ Trust International Limited | Mitsubishi UFJ Trust & Banking Corporation (U.S.A.) | Mitsubishi UFJ Global Custody S.A. |
| Mitsubishi UFJ Securities (HK) Holdings, Limited | Mitsubishi UFJ Global Custody S.A. | Mitsubishi UFJ Securities International plc |
| BTMU Capital Corporation | Mitsubishi UFJ Securities International plc | Mitsubishi UFJ Securities (USA), Inc. |
| BTMU Leasing & Finance, Inc. | Mitsubishi UFJ Securities (USA), Inc. | Mitsubishi UFJ Trust International Limited |
| PT U Finance Indonesia | Mitsubishi UFJ Trust International Limited | Mitsubishi UFJ Securities (HK) Holdings, Limited |
| PT UFJ-BRI Finance | Mitsubishi UFJ Securities (HK) Holdings, Limited | BTMU Capital Corporation |
| | BTMU Capital Corporation | BTMU Leasing & Finance, Inc. |
| | BTMU Leasing & Finance, Inc. | PT U Finance Indonesia |
| | | PT. BTMU-BRI Finance |
| | PT U Finance Indonesia | |
| | PT. BTMU-BRI Finance | |
| In the six months ended September 30, 2007, kabu.com Securities Co., Ltd. and 5 other companies were included in the scope of consolidation due to a change in ownership status from being an affiliate and being newly established. | In the six months ended September 30, 2008, Mitsubishi UFJ Merrill Lynch PB Securities Co., Ltd. and 8 other companies were included in the scope of consolidation due to a change in ownership status from being an affiliate, being newly established, or other reasons. | In the fiscal year ended March 31, 2008, kabu.com Securities Co., Ltd. and 13 other companies were included in the scope of consolidation due to a change in ownership status from being an affiliate, being newly established, or other reasons. |
| Additionally, DC Card Co., Ltd. and 6 other companies were excluded from the scope of consolidation due to merger with another company and liquidation. | Additionally, Tokai Finance (Curacao) N.V. and 4 other companies were excluded from the scope of consolidation due to liquidation, merger with another company or other reasons. | Additionally, DC Card Co., Ltd. and 24 other companies were excluded from the scope of consolidation due to merger with another company, liquidation, or other reasons. |
| On April 1, 2007, UFJ NICOS Co., Ltd. merged with DC Card Co., Ltd., and was renamed Mitsubishi UFJ NICOS Co., Ltd. | | On April 1, 2007, UFJ NICOS Co., Ltd. merged with DC Card Co., Ltd., and was renamed Mitsubishi UFJ NICOS Co., Ltd. |

| For the six months ended September 30, 2007 On April 2, 2007, Bank of Tokyo-Mitsubishi UFJ (Luxembourg) S.A. changed its name to Mitsubishi UFJ Global Custody S.A. | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 On April 2, 2007, Bank of Tokyo-Mitsubishi UFJ (Luxembourg) S.A. changed its name to Mitsubishi UFJ Global Custody S.A. On January 28, 2008, PT UFJ-BRI Finance changed its name to PT. BTMU-BRI Finance. |
|---|---|---|
| (2) Non-consolidated subsidiaries: | (2) Non-consolidated subsidiaries: | (2) Non-consolidated subsidiaries: |
| There are no non-consolidated subsidiaries. (Additional information) | There are no non-consolidated subsidiaries. | There are no non-consolidated subsidiaries. (Additional information) |
| 10 special purpose companies deemed not to be subsidiaries of investing entities in accordance with Article 8-7 of Regulation for Terminology, Forms and Preparation of Financial Statements have been excluded from the scope of consolidation. An outline and other information on these companies are provided in the Note on Special Purpose Companies Subject to Disclosure . The Accounting Standards Board of Japan (ASBJ) Implementation Guidance No. 15 Implementation Guidance on Disclosures about Certain Special Purpose Entities (issued by ASBJ on March 29, 2007) became effective from fiscal years beginning on or after April 1, 2007. This guidance has been applied from the six months ended September 30, 2007. | | 8 special purpose companies deemed not to be subsidiaries of investing entities in accordance with Article 8-7 of Regulation for Terminology, Forms and Preparation of Financial Statements have been excluded from the scope of consolidation. An outline and other information on these companies are provided in the Note on Special Purpose Companies Subject to Disclosure . The Accounting Standards Board of Japan (ASBJ) Implementation Guidance No. 15 Implementation Guidance on Disclosures about Certain Special Purpose Entities (issued by ASBJ on March 29, 2007) became effective from fiscal years beginning on or after April 1, 2007. This guidance has been applied from the fiscal year ended March 31, 2008. |

| For the six months ended | For the six months ended | For the fiscal year ended |
|--|--|--|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| (3) Entities not treated as subsidiaries even though the MUFG Group owns the majority of the voting rights (rights to execute duties): Nichiele Corporation (Reasons for not treating as a subsidiary) | (3) Entities not treated as subsidiaries even though the MUFG Group owns the majority of the voting rights (rights to execute duties): Nichiele Corporation (Reasons for not treating as a subsidiary) | (3) Entities not treated as subsidiaries even though the MUFG Group owns the majority of the voting rights (rights to execute duties): Nichiele Corporation (Reasons for not treating as a subsidiary) |
| A consolidated subsidiary that operates an investment business holds shares in this company with the intention of raising corporate value but with no intention of controlling the company. Therefore it is not treated as a subsidiary. | A consolidated subsidiary that operates an investment business holds shares in this company with the intention of raising corporate value but with no intention of controlling the company. Therefore it is not treated as a subsidiary. | A consolidated subsidiary that operates an investment business holds shares in this company with the intention of raising corporate value but with no intention of controlling the company. Therefore it is not treated as a subsidiary. |
| Hygeia Co., Ltd. (Reasons for not treating as a subsidiary) | Hygeia Co., Ltd. (Reasons for not treating as a subsidiary) | Hygeia Co., Ltd. (Reasons for not treating as a subsidiary) |
| This company was established as a property management agent to manage buildings in trust for beneficiaries of a land trust business with no intention of controlling this company. Therefore, it is not treated as a subsidiary. | This company was established as a property management agent to manage buildings in trust for beneficiaries of a land trust business with no intention of controlling this company. Therefore, it is not treated as a subsidiary. | This company was established as a property management agent to manage buildings in trust for beneficiaries of a land trust business with no intention of controlling this company. Therefore, it is not treated as a subsidiary. |
| THCAP Investment Limited Partnership | THCAP Investment Limited Partnership | THCAP Investment Limited Partnership |
| Shonan Sangakurenkei Fund Investment Limited Partnership | Shonan Sangakurenkei Fund Investment Limited Partnership | Shonan Sangakurenkei Fund Investment Limited Partnership |
| Gunma Challenge Fund Investment Limited Partnership | Gunma Challenge Fund Investment Limited Partnership | Gunma Challenge Fund Investment Limited Partnership |
| FOODSNET Corporation | FOODSNET Corporation | FOODSNET Corporation |
| YAMAGATA FOODS, Co., Ltd. | YAMAGATA FOODS, Co., Ltd. | YAMAGATA FOODS, Co., Ltd. |
| GREEN BELL Co., Ltd. | GREEN BELL Co., Ltd. | GREEN BELL Co., Ltd. |
| | PATLITE Corporation | PATLITE Corporation |
| | BESTa Foods Co., Ltd. | BESTa Foods Co., Ltd. |
| | Dream Infinity Inc. | Dream Infinity Inc. |
| | Nippon Computer System Co., Ltd. | |

| For the six months ended | For the six months ended | For the fiscal year ended |
|---|---|---|
| September 30, 2007 (Reasons for not treating as a subsidiary) | September 30, 2008 (Reasons for not treating as a subsidiary) | March 31, 2008 (Reasons for not treating as a subsidiary) |
| A consolidated venture capital subsidiary participates in the management of these partnerships as an unlimited liability partner as its main business or owns an interest in the stock to support their capital growth with no intention of controlling these partnerships. Therefore they are not treated as subsidiaries. | A consolidated venture capital subsidiary participates in the management of these partnerships as an unlimited liability partner as its main business or owns an interest in the stock to support their capital growth with no intention of controlling these partnerships. Therefore they are not treated as subsidiaries. | A consolidated venture capital subsidiary participates in the management of these partnerships as an unlimited liability partner as its main business or owns an interest in the stock to support their capital growth with no intention of controlling these partnerships. Therefore they are not treated as subsidiaries. |

(4) Special purpose companies subject to disclosure

1) Overview of special purpose companies and transactions involving the special purpose companies:

Special purpose companies (mainly companies established in the Cayman Islands) are used for securitization. Upon securitization, Mitsubishi UFJ NICOS Co., Ltd. (MUN) establishes a trust for the loans, and issues beneficiary interests with senior, subordinate and other tranches. Only the senior beneficiary interests are transferred to the special purpose companies. The special purpose companies issue bonds or make a borrowing backed by the transferred senior beneficiary interests. MUN receives cash raised as proceeds from the transfer of the senior beneficiary interests.

For the six months

For the six months

For the fiscal year

ended

ended

ended

September 30, 2007

September 30, 2008

March 31, 2008

MUN also provides a debt collection service to the special purpose companies and retains the subordinated beneficiary interests and a portion of the proceeds from the sale of senior beneficiary interests. An adequate allowance for credit losses is established for the subordinated portion in trust assets for which recovery is less than expected.

As a result of the securitization, there are three special purpose companies that have outstanding transaction balances with MUN as of September 30, 2008. The total assets (gross total) and the total liabilities (gross total) of these special purpose companies at their most recent balance sheet dates amount to 17,947 million yen, and 17,866 million yen, respectively. Neither MUFG nor any of its subsidiaries own stock with voting rights of these special purpose companies, nor have any directors or employees of MUFG or any of its subsidiaries been seconded to the special purpose companies.

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| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|---------------------------------|--|--|--|
| | | 2) Transaction amounts with special purpose companies subject to disclosure and other information for the interim period: | |
| | | (in millions of yen) | |
| | | Amount of major transactions | |
| | | or balance as of Sept. 30, 2008 | |
| | | Principal Gains or Losses | |
| | | (Item) (Amount) | |
| | | Transferred senior beneficiary interests relating to: | |
| | | Operating loans | |
| | | Gains on sales | |
| | | Residual balance of proceeds from sales (accounts receivable) | 29 |
| | | Gains on distribution | |
| | | Transaction volume of debt collection service (Note 2) | 756 |
| | | Gains on debt collection service | 756 |
| | | Notes: | |
| | | 1. As of September 30, 2008, the balance of subordinated beneficiary interests not transferred to the special purpose companies is 73,304 million yen. Gains on distribution from these subordinate beneficiary interests (9,511 million yen) are recorded as Interest income and elsewhere. | |
| | | 2. Gains on the debt collection service are recorded as Fees and commissions and elsewhere. | |
| 2. Application of equity method | (1) Number of affiliates accounted for under the equity method: 44 Principal companies: The Chukyo Bank, Ltd. The Gifu Bank, Ltd. Mitsubishi UFJ Merrill Lynch PB Securities Co., Ltd. Mitsubishi UFJ Lease & Finance Company Limited | (1) Number of affiliates accounted for under the equity method: 61 Principal companies: The Chukyo Bank, Ltd. The Gifu Bank, Ltd. Jibun Bank Corporation Mitsubishi UFJ Lease & Finance Company Limited | (1) Number of affiliates accounted for under the equity method: 43 Principal companies: The Chukyo Bank, Ltd. The Gifu Bank, Ltd. Mitsubishi UFJ Merrill Lynch PB Securities Co., Ltd. Mitsubishi UFJ Lease & Finance Company Limited |

| For the six months ended | For the six months ended | For the fiscal year ended |
|---|--|---|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| BOT Lease Co., Ltd. | BOT Lease Co., Ltd. | BOT Lease Co., Ltd. |
| ACOM CO., Ltd. | ACOM CO., Ltd. | ACOM CO., Ltd. |
| Mobit Co., Ltd. | Mobit Co., Ltd. | Mobit Co., Ltd. |
| Mitsubishi Research Institute DCS Co., Ltd. | JACCS CO., Ltd. | JACCS CO., Ltd. |
| For the six months ended September 30, 2007, kabu.com Securities Co., Ltd. and 3 other companies were excluded from the scope of affiliates due to change in ownership status to a subsidiary, merger or other reasons. | JALCARD, INC. | Mitsubishi Research Institute DCS Co., Ltd. |
| | Mitsubishi Research Institute DCS Co., Ltd. | PT. Bank Nusantara Parahyangan Tbk. |
| On April 1, 2007, Diamond Lease Co., Ltd., merged with UFJ Central Leasing Co., Ltd. and was renamed Mitsubishi UFJ Lease & Finance Company Limited. | Dah Sing Financial Holdings Limited | For the fiscal year ended March 30, 2008, JACCS CO., Ltd. and 1 other company were newly accounted for under the equity method due to additional investments or other reasons. |
| | PT. Bank Nusantara Parahyangan Tbk. | |
| On April 1, 2007, Diamond Computer Service Co., Ltd. was renamed Mitsubishi Research Institute DCS Co., Ltd. | Kim Eng Holdings Limited | For the fiscal year ended March 31, 2008, MU Japan Fund PLC was newly accounted for under the equity method due to the significance of MUFG's share of net income and retained earnings on the consolidated financial statements. |
| | For the six months ended September 30, 2008, JALCARD, INC. and 19 other companies were newly accounted for under the equity method through purchase of shares or other reasons. | kabu.com Securities Co., Ltd. and 7 other companies were excluded from the scope of affiliates due to change in ownership status to a subsidiary, merger, or other reasons. |
| | Mitsubishi UFJ Merrill Lynch PB Securities Co., Ltd. and 1 other company were excluded from the scope of affiliates due to change in ownership status to a subsidiary. | On April 1, 2007, Diamond Lease Co., Ltd. merged with UFJ Central Leasing Co., Ltd., and was renamed Mitsubishi UFJ Lease & Finance Company Limited. |

On April 1, 2007, Diamond
Computer Service Co., Ltd. was
renamed Mitsubishi Research
Institute DCS Co., Ltd.

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| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|---|--|
| <p>(2) Non-consolidated subsidiaries not accounted for under the equity method</p> <p>There are no applicable companies.</p> <p>(3) Affiliates not accounted for under the equity method</p> <p>Principal companies:</p> <p>SCB Leasing Public Company Limited</p> <p>MU Japan Fund PLC</p> <p>These affiliates are not accounted for under the equity method because MUFG's share of its net income, retained earnings or deferred gains and losses on hedging instruments do not have a material impact on the interim consolidated financial statements even if these companies are excluded from the scope of applying the equity method.</p> <p>(4) Entities not recognized as affiliates in which 20% to 50% of the voting rights are owned:</p> <p>Kyoto Remedis Co., Ltd.</p> <p>VLI Communications Co., Ltd.</p> <p>SuperIndex Inc. Pasto Co., Ltd.</p> <p>Pharma Frontier Co., Ltd.</p> <p>Medical Trials Inc.</p> <p>MARS ltd.</p> <p>Assist Computer Systems Inc.</p> <p>SSI Corporation</p> | <p>(2) Non-consolidated subsidiaries not accounted for under the equity method</p> <p>There are no applicable companies.</p> <p>(3) Affiliates not accounted for under the equity method</p> <p>Principal company:</p> <p>SCB Leasing Public Company Limited</p> <p>This affiliate is not accounted for under the equity method because MUFG's share of its net income, retained earnings or deferred gains and losses on hedging instruments do not have a material impact on the interim consolidated financial statements even if this company is excluded from the scope of applying the equity method.</p> <p>(4) Entities not recognized as affiliates in which 20% to 50% of the voting rights are owned:</p> <p>Kyoto Remedis Co., Ltd.</p> <p>Kyoto Constella Technologies Co., Ltd.</p> <p>SuperIndex Inc. Pasto Co., Ltd.</p> <p>cifra inc.</p> <p>Pharma Frontier Co., Ltd.</p> <p>Medical Trials Inc.</p> <p>Assist Computer Systems Inc.</p> <p>SPRING, inc</p> | <p>(2) Non-consolidated subsidiaries not accounted for under the equity method</p> <p>There are no applicable companies.</p> <p>(3) Affiliates not accounted for under the equity method</p> <p>Principal company:</p> <p>SCB Leasing Public Company Limited</p> <p>This affiliate is not accounted for under the equity method because MUFG's share of its net income, retained earnings or deferred gains and losses on hedging instruments do not have a material impact on the consolidated financial statements even if this company is excluded from the scope of applying the equity method.</p> <p>(4) Entities not recognized as affiliates in which 20% to 50% of the voting rights are owned:</p> <p>Kyoto Remedis Co., Ltd.</p> <p>Kyoto Constella Technologies Co., Ltd.</p> <p>SuperIndex Inc. Pasto Co., Ltd.</p> <p>Pharma Frontier Co., Ltd.</p> <p>Medical Trials Inc.</p> <p>MARS ltd.</p> <p>Assist Computer Systems Inc.</p> <p>Conversion Co., Ltd</p> |

| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|---|--|---|---|
| | SANKI Co., Ltd. | Street Design Corporation | SSI Corporation |
| | SuperMap Japan Co., Ltd. | MARS Ltd. | SuperMap Japan Co., Ltd. |
| | NBA JAPAN Co., Ltd. | Conversion Co., Ltd | NBA JAPAN Co., Ltd. |
| | Japan Medical Information Research Institute, Inc. | SSI Corporation | Japan Medical Information Research Institute, Inc. |
| | Street Design Corporation | SuperMap Japan Co., Ltd. | Street Design Corporation |
| | cifra inc. | NBA JAPAN Co., Ltd. | cifra inc. |
| | Centillion II Venture Capital Corporation | Japan Medical Information Research Institute, Inc. | Centillion II Venture Capital Corporation |
| | | Centillion II Venture Capital Corporation | |
| | (Reason for not treating as an affiliate) | (Reason for not treating as an affiliate) | (Reason for not treating as an affiliate) |
| | The consolidated venture capital subsidiaries own shares in these companies to support their capital growth with no intention of controlling these entities. Therefore they are not treated as affiliates. | The consolidated venture capital subsidiaries own shares in these companies to support their capital growth with no intention of controlling these entities. Therefore they are not treated as affiliates. | The consolidated venture capital subsidiaries own shares in these companies to support their capital growth with no intention of controlling these entities. Therefore they are not treated as affiliates. |
| | RYOGOKU CITY CORE Co., Ltd | RYOGOKU CITY CORE Co., Ltd | RYOGOKU CITY CORE Co., Ltd |
| | (Reason for not treating as an affiliate) | (Reason for not treating as an affiliate) | (Reason for not treating as an affiliate) |
| | This company was established as a property management agent to manage buildings in trust for beneficiaries of a land trust business with no intention of controlling this company. Therefore, it is not treated as an affiliate. | This company was established as a property management agent to manage buildings in trust for beneficiaries of a land trust business with no intention of controlling this company. Therefore, it is not treated as an affiliate. | This company was established as a property management agent to manage buildings in trust for beneficiaries of a land trust business with no intention of controlling this company. Therefore, it is not treated as an affiliate. |
| 3. Balance sheet date for the interim periods (balance sheet date) of consolidated subsidiaries | (1) The interim financial statements balance sheet dates of consolidated subsidiaries are as follows: November 30: 3 subsidiaries April 30: 3 subsidiaries June 30: 140 subsidiaries July 24: 18 subsidiaries July 31: 1 subsidiary August 31: 2 subsidiaries September 30: 85 subsidiaries | (1) The interim financial statements balance sheet dates of consolidated subsidiaries are as follows: November 30: 3 subsidiaries December 31: 1 subsidiary February 28/29: 1 subsidiary April 30: 1 subsidiary June 30: 138 subsidiaries July 24: 20 subsidiaries July 31: 1 subsidiary | (1) The balance sheet dates of consolidated subsidiaries are as follows: May 31: 3 subsidiaries August 31: 1 subsidiary October 31: 1 subsidiary December 31: 139 subsidiaries January 24: 17 subsidiaries January 31: 1 subsidiary February 28/29: 1 subsidiary |

August 31: 2 subsidiaries
September 30: 79 subsidiaries

March 31: 79 subsidiaries

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| For the six months ended | For the six months ended | For the fiscal year ended |
|--|--|--|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| (2) Two of the consolidated subsidiaries with interim financial statements balance sheet dates as of November 30 are consolidated based on their financial statements as of August 31. | (2) Two of the consolidated subsidiaries with interim financial statements balance sheet dates as of November 30 are consolidated based on their financial statements as of August 31. | (2) Two of the consolidated subsidiaries with balance sheet dates as of May 31 are consolidated based on their financial statements as of February 28/29. |
| One of the consolidated subsidiaries with interim financial statements balance sheet date as of November 30, one of the consolidated subsidiaries with interim financial statements balance sheet date as of April 30 and one of the consolidated subsidiaries with interim financial statements balance sheet date as of June 30 are consolidated based on their financial statements as of September 30. | One of the consolidated subsidiaries with interim financial statements balance sheet date as of November 30 and the consolidated subsidiary with interim financial statements balance sheet date as of February 28/29 are consolidated based on their financial statements as of September 30. | One of the consolidated subsidiaries with balance sheet date as of May 31 and the consolidated subsidiary with balance sheet date as of August 31 are consolidated based on their financial statements as of March 31. |
| One of the consolidated subsidiaries with interim financial statements balance sheet date as of April 30 is consolidated based on its financial statements as of June 30. | The consolidated subsidiary with interim financial statements balance sheet date as of December 31 is consolidated based on its financial statements as of June 30. | The consolidated subsidiary with balance sheet date as of October 31 is consolidated based on its financial statements as of January 31. |
| One of the consolidated subsidiaries with interim financial statements balance sheet date as of April 30 is consolidated based on its financial statements as of July 31. | The consolidated subsidiary with interim financial statements balance sheet date as of April 30 is consolidated based on its financial statements as of July 31. | Consolidated subsidiaries other than specified above are consolidated based on their financial statements as of the respective balance sheet dates. |
| Consolidated subsidiaries other than specified above are consolidated based on their financial statements as of the respective interim financial statements balance sheet dates. | Consolidated subsidiaries other than specified above are consolidated based on their financial statements as of the respective interim financial statements balance sheet dates. | |

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|---|---|---|
| <p>Necessary adjustments are made to reflect any significant transactions that occurred between the interim consolidated financial statements balance sheet date and interim financial statements balance sheet dates of the consolidated subsidiaries above.</p> <p>(Additional information)</p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd., a subsidiary of MUFG, established The Bank of Tokyo-Mitsubishi UFJ (China), Ltd. on June 28, 2007 and transferred its 6 branches and 2 sub-branches in China to the new company on July 1, 2007. Adjustments relating to transfers of the branches and sub-branches described above are reflected in the consolidated financial statements as significant transactions. The statement of income of The Bank of Tokyo-Mitsubishi UFJ (China), Ltd. from July 1, 2007 to September 30, 2007 is not reflected to the consolidated statement of income; however, its impact is immaterial.</p> <p>The Bank of Tokyo-Mitsubishi UFJ (China), Ltd. is included in the Asia /Oceania segment.</p> | <p>Necessary adjustments are made to reflect any significant transactions that occurred between the interim consolidated financial statements balance sheet date and interim financial statements balance sheet dates of the consolidated subsidiaries above.</p> | <p>Necessary adjustments are made to reflect any significant transactions that occurred between the consolidated balance sheet date and the balance sheet dates of the consolidated subsidiaries above.</p> <p>(Additional information)</p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd., a subsidiary of MUFG, established The Bank of Tokyo-Mitsubishi UFJ (China), Ltd. on June 28, 2007 and transferred its 6 branches and 2 sub-branches in China to the new company on July 1, 2007. The balance sheet date of the consolidated subsidiary, The Bank of Tokyo-Mitsubishi UFJ (China), Ltd. is December 31.</p> |

| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|------------------------|---|---|--|
| 4. Accounting policies | <p>(1) Trading assets and trading liabilities; trading income and expenses</p> <p>Transactions entered into for generating gains using short-term fluctuations or arbitrage opportunities in interest rates, currency exchange rates, market prices in securities markets or other market indices (Trading transactions) are presented in Trading assets and Trading liabilities in the interim consolidated balance sheet on a trade date basis. Gains and losses from trading transactions (interest and dividends, gains and losses on sales, and unrealized gains and losses) are presented in Trading income and Trading expenses in the interim consolidated statement of income.</p> <p>Trading assets and trading liabilities are measured at fair values as at the interim financial statements balance sheet date.</p> <p>(2) Securities</p> <p>(A) Debt securities being held to maturity are carried at amortized costs (using the straight-line method) using the moving average method. Investments in affiliates not accounted for under the equity method are carried at acquisition costs using the moving average method. Other securities with fair values are carried at their quoted market prices as at</p> | <p>(1) Trading assets and trading liabilities; trading income and expenses</p> <p>Transactions entered into for generating gains using short-term fluctuations or arbitrage opportunities in interest rates, currency exchange rates, market prices in financial instrument markets or other market indices (Trading transactions) are presented in Trading assets and Trading liabilities in the interim consolidated balance sheet on a trade date basis. Gains and losses from trading transactions (interest and dividends, gains and losses on sales, and unrealized gains and losses) are presented in Trading income and Trading expenses in the interim consolidated statement of income.</p> <p>Trading assets and trading liabilities are measured at fair values as at the interim financial statements balance sheet date.</p> <p>(2) Securities</p> <p>(A) Same as described in the six months ended September 30, 2007.</p> | <p>(1) Trading assets and trading liabilities; trading income and expenses</p> <p>Transactions entered into for generating gains using short-term fluctuations or arbitrage opportunities in interest rates, currency exchange rates, market prices in securities markets or other market indices (Trading transactions) are presented in Trading assets and Trading liabilities in the consolidated balance sheet on a trade date basis. Gains and losses from trading transactions (interest and dividends, gains and losses on sales, and unrealized gains and losses) are presented in Trading income and Trading expenses in the consolidated statement of income.</p> <p>Trading assets and trading liabilities are measured at fair values as at the balance sheet date.</p> <p>(2) Securities</p> <p>(A) Debt securities being held to maturity are carried at amortized costs (using the straight-line method) using the moving average method. Investments in affiliates not accounted for under the equity method are carried at acquisition costs using the moving average method. Other securities with fair values are carried at their quoted market prices as at</p> |

| For the six months ended | For the six months ended | For the fiscal year ended |
|--|-----------------------------|---|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| <p>the interim financial statements balance sheet date (cost of securities sold is calculated primarily under the moving average method). Other securities that have no fair values are carried at acquisition costs or amortized costs as computed under the moving average method.</p> <p>Net unrealized gains (losses) on other securities are included directly in net assets, net of taxes, excluding changes in fair value recognized in current earnings for securities with embedded derivatives which are not bifurcated.</p> | | <p>the balance sheet date (cost of securities sold is calculated primarily under the moving average method). Other securities that have no fair values are carried at acquisition costs or amortized costs as computed under the moving average method.</p> <p>Net unrealized gains (losses) on other securities are included directly in net assets, net of taxes, excluding changes in fair value recognized in current earnings for securities with embedded derivatives which are not bifurcated.</p> |

(Additional information)

Floating-rate Japanese government bonds which are included in

Securities had previously been evaluated based on market values. The domestic consolidated banking subsidiary has examined its accounting treatment for floating-rate Japanese government bonds in accordance with PITF No. 25 Practical Solution on Measurement of Fair Value of Financial Assets (issued by the ASBJ on October 28, 2008) and determined that market values at the end of the interim period cannot be deemed as fair values as a result of assessing the current market environment, and measures its floating-rate Japanese government bonds based on reasonably estimated amounts starting from the six months ended September 30, 2008.

This resulted in a 122,235 million yen increase in Securities, a 41,083 million yen decrease in

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|---|--|
| | Deferred tax assets and an 81,152 million yen increase in Net unrealized gains (losses) on other securities as compared to the measurement using the quoted market prices. | |
| (B) Securities which are held as trust assets in Money held in trust are accounted for under the same basis as noted in Notes (1) and (2) (A) above. | (B) Same as described in the six months ended September 30, 2007. | (B) Same as described in the six months ended September 30, 2007. |
| Unrealized gains and losses on securities that are part of trust assets in connection with monies held in trust, which are not held for trading purposes or held to maturity, are included directly in net assets, net of taxes. | | |
| (3) Derivatives | (3) Derivatives | (3) Derivatives |
| Derivative transactions (other than trading transactions) are generally measured at fair value. | Same as described in the six months ended September 30, 2007. | Same as described in the six months ended September 30, 2007. |
| (4) Depreciation | (4) Depreciation | (4) Depreciation |
| 1) Tangible fixed assets | 1) Tangible fixed assets (excluding leased assets) | 1) Tangible fixed assets |
| Depreciation for tangible fixed assets of MUFG and its domestic consolidated banking subsidiaries and trust banking subsidiaries is computed using the declining-balance method. | Depreciation for tangible fixed assets of MUFG and its domestic consolidated banking subsidiaries and trust banking subsidiaries is computed using the declining-balance method to allocate annual estimated depreciation to each period. | Depreciation for tangible fixed assets of MUFG and its domestic consolidated banking subsidiaries and trust banking subsidiaries is computed using the declining-balance method. |
| The estimated useful lives are as follows: | The estimated useful lives are as follows: | The estimated useful lives are as follows: |
| Buildings: 15 years to 50 years | Buildings: 15 years to 50 years | Buildings: 15 years to 50 years |
| Equipment: 2 years to 20 years | Other: 2 years to 20 years | Equipment: 2 years to 20 years |

| For the six months ended | For the six months ended | For the fiscal year ended |
|---|--|---|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| Depreciation for tangible fixed assets of other consolidated subsidiaries is computed primarily using the straight-line method based on their estimated useful lives. | Depreciation for tangible fixed assets of other consolidated subsidiaries is computed primarily using the straight-line method based on their estimated useful lives. (Additional information) Beginning from the fiscal year ended March 31, 2008, depreciation for tangible fixed assets acquired on or after April 1, 2007, other than buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, is computed using the depreciation methods as defined in the Corporate Tax Law amended by the FY 2007 Tax Reform. With the FY 2007 Tax Reform, the domestic consolidated banking subsidiaries have re-examined residual values of their buildings (excluding fixtures), based on historical data related to their disposition of buildings and other data and determined that the residual values should be adjusted to a nominal amount from the fiscal year ended March 31, 2008. In addition, the new declining-balance method set forth in the amended Corporate Tax Law is used to depreciate buildings, regardless of the date of their acquisition, as this method was determined to be reasonable for depreciating buildings to a nominal value at the end of their useful lives. | Depreciation for tangible fixed assets of other consolidated subsidiaries is computed primarily using the straight-line method based on their estimated useful lives. (Changes in accounting policies) Depreciation for tangible fixed assets acquired on or after April 1, 2007, other than buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, is computed using the depreciation methods as defined in the Corporate Tax Law amended by the FY 2007 Tax Reform. With the FY 2007 Tax Reform, the domestic consolidated banking subsidiaries have re-examined residual values of their buildings (excluding fixtures), based on historical data related to their disposition of buildings and other data and determined that the residual values should be adjusted to a nominal amount from the fiscal year ended March 31, 2008. In addition, the new declining-balance method set forth in the amended Corporate Tax Law is used to depreciate buildings, regardless of the date of their acquisition, as this method was determined to be reasonable for depreciating buildings to a nominal value at the end of their useful lives. |

For the six months

For the six months

For the fiscal year

ended

ended

ended

September 30, 2007

September 30, 2008

March 31, 2008

Due to the time required to change the depreciation system and other constraints, domestic consolidated banking subsidiaries and certain other consolidated subsidiaries made these changes in the second half of the fiscal year ended March 31, 2008. Therefore, the previous depreciation method was used in the six months ended September 30, 2007 for these subsidiaries. When compared to the new

method, General and administrative expenses declined by 4,713 million yen and Ordinary profits and Income before income taxes and others increased by the same amount for the six months ended September 30, 2007.

This change resulted in an 11,135 million yen increase in General and administrative expenses and decreases in Ordinary profits and Income before income taxes and others by the same amount as compared to the previous method. Due to the time required to change the depreciation system and other constraints, domestic consolidated banking subsidiaries and certain other consolidated subsidiaries made these changes in the second half of the fiscal year ended March 31, 2008. Therefore, the previous depreciation method was used in the six months ended September 30, 2007 for these subsidiaries, resulting in inconsistencies between the treatment applied in the fiscal year ended March 31, 2008. Consequently, compared to if the method after the change had been used in the six months ended September 30, 2007, General and administrative expenses declined by 4,713 million yen and Ordinary profits and Income before income taxes and others increased by the same amount.

(Additional information)

Beginning from the fiscal year ended March 31, 2008, the residual values of tangible fixed assets acquired on or before March 31, 2007, other than

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|---|---|--|
| <p>2) Intangible fixed assets</p> <p>Amortization of intangible fixed assets is computed primarily using the straight-line method. Development costs for internally used software are capitalized and amortized using the straight-line method over the estimated useful lives of primarily 3 to 10 years, which are set by MUFG and its consolidated subsidiaries.</p> | <p>2) Intangible fixed assets (excluding leased assets)</p> <p>Amortization of intangible fixed assets is computed primarily using the straight-line method. Development costs for internally used software are capitalized and amortized using the straight-line method over the estimated useful lives of primarily 3 to 10 years, which are set by MUFG and its consolidated subsidiaries.</p> <p>3) Leased assets</p> <p>Leased assets reported in Tangible fixed assets and Intangible fixed assets for finance lease transactions other than those that are deemed to transfer the ownership of the leased assets to the lessees are depreciated using the straight line method over the lease term. With respect to residual values, guaranteed residual values are used for</p> | <p>buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, are depreciated over 5 years using the straight-line method starting from the fiscal year immediately following the fiscal year in which the depreciation has reached its maximum for income tax purposes. This change resulted in a 2,576 million yen increase in general and administrative expenses and decreases in Ordinary profit and Income before income taxes and others by the same amount.</p> <p>2) Intangible fixed assets</p> <p>Amortization of intangible fixed assets is computed primarily using the straight-line method. Development costs for internally used software are capitalized and amortized using the straight-line method over the estimated useful lives of primarily 3 to 10 years, which are set by MUFG and its consolidated subsidiaries.</p> |

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|---|---|
| (5) Deferred assets | leased assets with a residual value guarantee arrangement, while a nil residual value is used for leased assets with no such arrangement. (5) Deferred assets | (5) Deferred assets |
| All stock issuance and bond issuance costs are recognized as expenses when disbursed. | All stock issuance and bond issuance costs are recognized as expenses when disbursed. | All stock issuance and bond issuance costs are recognized as expenses when disbursed. |
| Bonds are carried at amortized costs (using the straight-line method) in the interim consolidated balance sheet. However, discounts on bonds recorded in the consolidated balance sheet as of March 31, 2006 are amortized using the straight-line method over the life of the corresponding bonds and the unamortized portion is deducted directly from bonds as per the previous accounting method, in accordance with the transitional treatment set forth in ASBJ PITF No. 19, Tentative Solution on Accounting for Deferred Assets (issued on August 11, 2006). | Bonds are carried at amortized costs (using the straight-line method) in the interim consolidated balance sheet. However, discounts on bonds recorded in the consolidated balance sheet as of March 31, 2006 are amortized using the straight-line method over the life of the corresponding bonds and the unamortized portion is deducted directly from bonds as per the previous accounting method, in accordance with the transitional treatment set forth in PITF No. 19, Tentative Solution on Accounting for Deferred Assets (issued on August 11, 2006). | Bonds are carried at amortized costs (using the straight-line method) in the consolidated balance sheet. However, discounts on bonds recorded in the consolidated balance sheet as of March 31, 2006 are amortized using the straight-line method over the life of the corresponding bonds and the unamortized portion is deducted directly from bonds as per the previous accounting method, in accordance with the transitional treatment set forth in PITF No. 19, Tentative Solution on Accounting for Deferred Assets (issued on August 11, 2006). |
| (6) Allowance for credit losses | (6) Allowance for credit losses | (6) Allowance for credit losses |
| The principal domestic consolidated subsidiaries provide allowances for credit losses in accordance with their established internal self-assessment standards for asset quality and their internal standards for write-offs and provisions. | The principal domestic consolidated subsidiaries provide allowances for credit losses in accordance with their established internal self-assessment standards for asset quality and their internal standards for write-offs and provisions. | The principal domestic consolidated subsidiaries provide allowances for credit losses in accordance with their established internal self-assessment standards for asset quality and their internal standards for write-offs and provisions. |
| For loans to borrowers that are legally and formally | For loans to borrowers that are legally and formally | For loans to borrowers that are legally and formally |

| For the six months ended | For the six months ended | For the fiscal year ended |
|--|--|--|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| <p>declared bankrupt including having entered into bankruptcy proceedings, special liquidation proceedings or notes being dishonored and suspended from processing by clearing houses, or other conditions (bankrupt borrowers) and to borrowers that are regarded as substantially bankrupt (substantially bankrupt borrowers), allowances for credit losses are provided based on the book values of the loans after write-offs as stated below, net of expected amounts to be collected through the disposition of collateral and the execution of guarantees.</p> <p>For loans to borrowers that are deemed highly likely to become bankrupt (potentially bankrupt borrowers), where the principal and interest collection cannot be reasonably estimated from the borrowers' cash flows, allowances for credit losses are provided at amounts determined to be necessary based on an overall assessment of the solvency of the borrowers, net of expected amounts to be collected through the disposition of collateral and the execution of guarantees.</p> <p>For loans to potentially bankrupt borrowers and special mention borrowers requiring close monitoring where the principal and interest collection can be reasonably estimated from</p> | <p>declared bankrupt including having entered into bankruptcy proceedings, special liquidation proceedings or notes being dishonored and suspended from processing by clearing houses, or other conditions (bankrupt borrowers) and to borrowers that are regarded as substantially bankrupt (substantially bankrupt borrowers), allowances for credit losses are provided based on the book values of the loans after write-offs as stated below, net of expected amounts to be collected through the disposition of collateral and the execution of guarantees.</p> <p>For loans to borrowers that are deemed highly likely to become bankrupt (potentially bankrupt borrowers), where the principal and interest collection cannot be reasonably estimated from the borrowers' cash flows, allowances for credit losses are provided at amounts determined to be necessary based on an overall assessment of the solvency of the borrowers, net of expected amounts to be collected through the disposition of collateral and the execution of guarantees.</p> <p>For loans to potentially bankrupt borrowers and special mention borrowers requiring close monitoring where the principal and interest collection can be reasonably estimated from</p> | <p>declared bankrupt including having entered into bankruptcy proceedings, special liquidation proceedings or notes being dishonored and suspended from processing by clearing houses, or other conditions (bankrupt borrowers) and to borrowers that are regarded as substantially bankrupt (substantially bankrupt borrowers), allowances for credit losses are provided based on the book values of the loans after write-offs as stated below, net of expected amounts to be collected through the disposition of collateral and the execution of guarantees.</p> <p>For loans to borrowers that are deemed highly likely to become bankrupt (potentially bankrupt borrowers), where the principal and interest collection cannot be reasonably estimated from the borrowers' cash flows, allowances for credit losses are provided at amounts determined to be necessary based on an overall assessment of the solvency of the borrowers, net of expected amounts to be collected through the disposition of collateral and the execution of guarantees.</p> <p>For loans to potentially bankrupt borrowers and special mention borrowers requiring close monitoring where the principal and interest collection can be reasonably estimated from</p> |

| For the six months ended | For the six months ended | For the fiscal year ended |
|--|--|--|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| <p>the borrowers' cash flows, allowances for credit losses are provided at amounts equal to the difference between the present values of the estimated cash flows discounted at the initial contractual interest rates and the book values of the loans.</p> | <p>the borrowers' cash flows, allowances for credit losses are provided at amounts equal to the difference between the present values of the estimated cash flows discounted at the initial contractual interest rates and the book values of the loans.</p> | <p>the borrowers' cash flows, allowances for credit losses are provided at amounts equal to the difference between the present values of the estimated cash flows discounted at the initial contractual interest rates and the book values of the loans.</p> |
| <p>For other loans, allowances are calculated by applying an allowance ratio, which is based on the historical credit loss experience over specified periods and other factors, to the outstanding loan amounts. For loans originated in specific foreign countries, additional allowances are provided based on the estimated losses arising from the political and economic conditions, and other conditions of these countries.</p> | <p>For other loans, allowances are calculated by applying an allowance ratio, which is based on the historical credit loss experience over specified periods and other factors, to the outstanding loan amounts. For loans originated in specific foreign countries, additional allowances are provided based on the estimated losses arising from the political and economic conditions, and other conditions of these countries.</p> | <p>For other loans, allowances are calculated by applying an allowance ratio, which is based on the historical credit loss experience over specified periods and other factors, to the outstanding loan amounts. For loans originated in specific foreign countries, additional allowances are provided based on the estimated losses arising from the political and economic conditions, and other conditions of these countries.</p> |
| <p>All loans are assessed by the branches and the credit review departments in accordance with their internal self-assessment standards for asset quality. The credit inspection department, which is independent of these business units, subsequently audits these assessments. The allowances presented above reflect these audited assessments.</p> | <p>All loans are assessed by the branches and the credit review departments in accordance with their internal self-assessment standards for asset quality. The credit inspection department, which is independent of these business units, subsequently audits these assessments. The allowances presented above reflect these audited assessments.</p> | <p>All loans are assessed by the branches and the credit review departments in accordance with their internal self-assessment standards for asset quality. The credit inspection department, which is independent of these business units, subsequently audits these assessments. The allowances presented above reflect these audited assessments.</p> |
| <p>For collateralized/guaranteed loans to bankrupt borrowers and substantially bankrupt borrowers, the remaining amount of loans, exceeding the collateral value plus the amounts determined to be collectible through guarantee, was</p> | <p>For collateralized/guaranteed loans to bankrupt borrowers and substantially bankrupt borrowers, the remaining amount of loans, exceeding the collateral value plus the amounts determined to be collectible through guarantee, was</p> | <p>For collateralized/guaranteed loans to bankrupt borrowers and substantially bankrupt borrowers, the remaining amount of loans, exceeding the collateral value plus the amounts determined to be collectible through guarantee, was</p> |

| For the six months ended | For the six months ended | For the fiscal year ended |
|---|---|---|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| deemed to be uncollectible and written off. The total write-offs amounted to 796,115 million yen. | deemed to be uncollectible and written off. The total write-offs amounted to 779,419 million yen. | deemed to be uncollectible and written off. The total write-offs amounted to 691,894 million yen. |
| For other consolidated subsidiaries, the allowance for credit losses for general loans is calculated based on their historical credit loss experience. The allowance for credit losses for specific loans including deteriorated loans are estimated based on individual assessments of collectibility. | For other consolidated subsidiaries, the allowance for credit losses for general loans is calculated based on their historical credit loss experience. The allowance for credit losses for specific loans including deteriorated loans are estimated based on individual assessments of collectibility. | For other consolidated subsidiaries, the allowance for credit losses for general loans is calculated based on their historical credit loss experience. The allowance for credit losses for specific loans including deteriorated loans are estimated based on individual assessments of collectibility. |
| (7) Allowances for losses on securities | (7) Allowances for losses on securities | (7) Allowances for losses on securities |
| To provide for investment losses, allowances for losses on securities are provided based on the assessment of each issuer's financial condition and other factors. | Same as described in the six months ended September 30, 2007. | Same as described in the six months ended September 30, 2007. |
| (8) Reserve for bonuses | (8) Reserve for bonuses | (8) Reserve for bonuses |
| Reserve for bonuses reflects the amount accrued based on the estimated future bonus payments to employees as a result of service during the current interim period. | Same as described in the six months ended September 30, 2007. | Reserve for bonuses reflects the amount accrued based on the estimated future bonus payments to employees as a result of service during the current fiscal year. |
| (9) Reserve for bonuses to directors | (9) Reserve for bonuses to directors | (9) Reserve for bonuses to directors |
| Some domestic consolidated subsidiaries recognize reserve for bonuses to directors that reflects the amount accrued based on the estimated future bonus payments to directors as a result of service during the current interim period. | Reserve for bonuses to directors reflects the amount accrued based on the estimated future bonus payments to directors as a result of service during the current interim period. | Reserve for bonuses to directors reflects the amount accrued based on the estimated future bonus payments to directors as a result of service during the current fiscal year. |
| (10) Reserve for retirement benefits | (10) Reserve for retirement benefits | (10) Reserve for retirement benefits |
| Reserve for retirement benefits, which are for future pension | Same as described in the six months ended September 30, 2007. | Reserve for retirement benefits, which are for future pension |

payments to

payments to

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| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|--|--|
| <p>employees, is recorded at amount determined to be accrued for the interim period based on an estimate of retirement benefit obligations and pension assets as of the fiscal year-end. Prior service costs and unrecognized net actuarial gains and losses are expensed as follows:</p> <p>(A) Prior service costs</p> | <p>employees, is recorded based on an estimate of retirement benefit obligations and pension assets as of the fiscal year-end. Prior service costs and unrecognized net actuarial gains and losses are expensed as follows:</p> <p>(A) Prior service costs</p> | <p>employees, is recorded based on an estimate of retirement benefit obligations and pension assets as of the fiscal year-end. Prior service costs and unrecognized net actuarial gains and losses are expensed as follows:</p> <p>(A) Prior service costs</p> |
| <p>Prior service costs are amortized using the straight-line method. The amortization period is generally 10 years, but within the employees average remaining service period as determined from the year in which the services are provided.</p> | <p>Same as described in the six months ended September 30, 2007.</p> | <p>Same as described in the six months ended September 30, 2007.</p> |
| <p>(B) Unrecognized net actuarial gains and losses</p> | <p>(B) Unrecognized net actuarial gains and losses</p> | <p>(B) Unrecognized net actuarial gains and losses</p> |
| <p>Unrecognized net actuarial gains and losses are amortized using the straight-line method commencing from the period following the period in which the unrecognized net actuarial gains and losses are incurred. The amortization period is generally 10 years, but within the employees average remaining service as determined from the year in which the services are provided.</p> | <p>Same as described in the six months ended September 30, 2007.</p> | <p>Same as described in the six months ended September 30, 2007.</p> |
| <p>(11) Reserve for retirement benefits to directors</p> | <p>(11) Reserve for retirement benefits to directors</p> | <p>(11) Reserve for retirement benefits to directors</p> |
| <p>Reserve for retirement benefits to directors are provided at amount determined to be accrued as at the interim period end based on the estimated amount of benefits payable.</p> | <p>Reserve for retirement benefits to directors are provided at amount determined to be accrued as at the interim period end based on the estimated amount of benefits payable.</p> | <p>Reserve for retirement benefits to directors are provided at amount determined to be accrued as at fiscal year end based on the estimated amount of benefits payable.</p> |

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|---|---|
| (12) Reserve for loyalty award credits | (12) Reserve for loyalty award credits | (12) Reserve for loyalty award credits |
| | Reserve for loyalty award credits, which are provided to meet the obligations for future use of points granted to Super IC Card and other card customers, are recorded based on the estimated future use of cash converted balances of unused points granted. | Reserve for loyalty award credits, which are provided to meet the obligations for future use of points granted to Super IC Card and other card customers, are recorded based on the estimated future use of cash converted balances of unused points granted. |
| (12) Reserve for contingent losses | (13) Reserve for contingent losses | (13) Reserve for contingent losses |
| Reserve for contingent losses, which is provided for possible contingent losses from off-balance sheet and other transactions, is recorded based on an estimate of future potential losses. | Same as described in the six months ended September 30, 2007. | Same as described in the six months ended September 30, 2007. |
| (13) Reserve for losses related to business restructuring | (14) Reserve for losses related to business restructuring | (14) Reserve for losses related to business restructuring |
| Reserve for losses related to business restructuring is recorded based on an estimate of future expenses and losses related to the business restructuring at any of the consolidated subsidiaries. | Reserve for losses related to business restructuring is recorded based on an estimate of future expenses and losses related to the business restructuring at any of the consolidated subsidiaries. | Reserve for losses related to business restructuring is recorded based on an estimate of future expenses and losses related to the business restructuring at any of the consolidated subsidiaries. |
| (14) Reserves under special laws | (15) Reserves under special laws | (15) Reserves under special laws |
| Reserves under special laws consist of 4,300 million yen for contingent liabilities from financial instruments transactions recorded at amounts calculated in accordance with Article 48-3-1 of the Financial Instruments and Exchange Act and Article 189 of the Cabinet Office Ordinance | Reserves under special laws consist of 3,335 million yen for contingent liabilities from financial instruments transactions recorded at amounts calculated in accordance with Article 46-5-1 and Article 48-3-1 of the Financial Instruments and Exchange Act and Article 175 and Article 189 | Reserves under special laws consist of 4,639 million yen for contingent liabilities from financial instruments transactions recorded at amounts calculated in accordance with Article 46-5-1 and Article 48-3-1 of the Financial Instruments and Exchange Act and Article 175 and Article 189 |

| For the six months ended | For the six months ended | For the fiscal year ended |
|--|--|---|
| <p style="text-align: center;">September 30, 2007</p> <p>regarding Financial Instruments Businesses. This reserve is established to cover losses from incidents arising from market derivatives transactions as a brokerage.</p> <p>A reserve for contingent liabilities from financial futures transactions and a reserve for contingent liabilities from securities transactions were previously recorded in accordance with Article 81 of the Financial Futures Trading Law and Article 51 of the Securities and Exchange Law, respectively. These reserves have been replaced by the reserve for contingent liabilities from financial instruments transactions from the six months ended September 30, 2007 due to the enforcement of the Financial Instruments and Exchange Act effective from September 30, 2007.</p> <p>(15) Assets and liabilities denominated in foreign currencies</p> | <p style="text-align: center;">September 30, 2008</p> <p>of the Cabinet Office Ordinance regarding Financial Instruments Businesses. This reserve is established to cover losses from incidents arising from market derivatives transactions as a brokerage.</p> <p>(16) Assets and liabilities denominated in foreign currencies</p> | <p style="text-align: center;">March 31, 2008</p> <p>of the Cabinet Office Ordinance regarding Financial Instruments Businesses. This reserve is established to cover losses from incidents arising from market derivatives transactions as a brokerage.</p> <p>A reserve for contingent liabilities from financial futures transactions and a reserve for contingent liabilities from securities transactions were previously recorded in accordance with Article 81 of the Financial Futures Trading Law and Article 51 of the Securities and Exchange Law, respectively. These reserves have been replaced by the reserve for contingent liabilities from financial instruments transactions from the fiscal year ended March 31, 2008 due to the enforcement of the Financial Instruments and Exchange Act effective from September 30, 2007.</p> <p>(16) Assets and liabilities denominated in foreign currencies</p> |
| <p>Assets and liabilities denominated in foreign currencies and overseas branch accounts of domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries are translated into yen primarily at exchange rates prevailing at the interim consolidated balance sheet date, except for investments in affiliates which are translated into yen at exchange rates prevailing on the transaction dates.</p> | <p>Same as described in the six months ended September 30, 2007.</p> | <p>Assets and liabilities denominated in foreign currencies and overseas branch accounts of domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries are translated into yen primarily at exchange rates prevailing at the consolidated balance sheet date, except for investments in affiliates which are translated into yen at exchange rates prevailing on the transaction dates.</p> |

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|---|--|
| <p>Assets and liabilities denominated in foreign currencies of other consolidated subsidiaries are translated into yen at exchange rates prevailing on the respective interim consolidated balance sheet dates.</p> <p>(16) Lease transactions</p> <p>Finance leases entered into by the domestic consolidated subsidiaries other than those deemed to transfer the ownership of the leased assets to the lessees are accounted for similar to operating leases.</p> | <p>(17) Lease transactions (Lessee)</p> <p>Finance leases entered into by the domestic consolidated subsidiaries other than those that are deemed to transfer the ownership of the leased assets to the lessee and whose lease terms start from the fiscal year beginning on or after April 1, 2008 are accounted for similar to ordinary sales and purchase transactions. Leased assets are depreciated using the straight line method over the lease term.</p> <p>With respect to residual values, guaranteed residual values are used for leased assets with a residual value guarantee arrangement, while a nil residual value is used for leased assets with no such arrangement.</p> <p>Finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessee and whose lease terms started from the fiscal year beginning before April 1, 2008 are accounted for similar to operating leases.</p> <p>(Lessor)</p> <p>Finance leases other than those that are deemed to</p> | <p>Assets and liabilities denominated in foreign currencies of other consolidated subsidiaries are translated into yen at exchange rates prevailing on the respective consolidated balance sheet dates.</p> <p>(17) Lease transactions</p> <p>Finance leases entered into by the domestic consolidated subsidiaries other than those deemed to transfer the ownership of the leased assets to the lessees are accounted for similar to operating leases.</p> |

For the six months

For the six months

For the fiscal year

ended

ended

ended

September 30, 2007

September 30, 2008

March 31, 2008

transfer the ownership of the leased assets to the lessee are accounted for similar to ordinary sales and purchase transactions. Income and expenses arising from these leases are recognized by allocating interest equivalent amounts to applicable periods instead of recording sales as Other operating income .

(Changes in accounting policies)

Previously, finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessee were accounted for similar to operating leases. However, MUFJ has applied ASBJ Statement No. 13 Accounting Standard for Lease Transactions (issued on March 30, 2007 by ASBJ) and ASBJ Implementation Guidance No. 16 Implementation Guidance on Accounting Standard for Lease Transactions (issued on March 30, 2007 by ASBJ) from the six months ended September 30, 2008, which became effective from fiscal years beginning on or after April 1, 2008.

(Lessee)

This change does not have a material impact on the consolidated balance sheet and other items.

(Lessor)

As compared to the previous method, this change resulted in a 58,083 million yen decrease in Ordinary

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|---|---|---|
| | income (within Ordinary income , a 4,266 million yen increase in Interest income and a 62,349 million yen decrease in Other ordinary income), a 58,295 million yen decrease in Ordinary expenses (within Ordinary expenses , a 56,376 million yen decrease in Other ordinary expenses), a 212 million yen increase in Ordinary profits , a 6,107 million yen increase in Extraordinary gains , and a 6,319 million yen increase in Income before income taxes and others . | |
| (17) Hedge accounting | (18) Hedge accounting | (18) Hedge accounting |
| (a) Hedge accounting for interest rate risks: | (a) Hedge accounting for interest rate risks: | (a) Hedge accounting for interest rate risks: |
| Domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries have adopted the deferred hedge accounting method for hedging transactions for interest rate risks arising from financial assets and liabilities. Individual hedging or portfolio hedging, as stated in the Japanese Institute of Certified Public Accountants (JICPA) Industry Audit Committee Report No. 24, Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry (issued on February 13, 2002, Industry Audit Committee Report No. 24) and JICPA Accounting Practice Committee Report No. 14, | Domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries have adopted the deferred hedge accounting method for hedging transactions for interest rate risks arising from financial assets and liabilities. Individual hedging or portfolio hedging, as stated in the Japanese Institute of Certified Public Accountants (JICPA) Industry Audit Committee Report No. 24, Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry (issued on February 13, 2002, Industry Audit Committee Report No. 24) and JICPA Accounting Practice Committee Report No. 14, | Domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries have adopted the deferred hedge accounting method for hedging transactions for interest rate risks arising from financial assets and liabilities. Individual hedging or portfolio hedging, as stated in the Japanese Institute of Certified Public Accountants (JICPA) Industry Audit Committee Report No. 24, Treatment of Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry (issued on February 13, 2002, Industry Audit Committee Report No. 24) and JICPA Accounting Practice Committee Report No. 14, |

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|--|---|
| <p>Implementation Guidance on Accounting for Financial Instruments (issued on January 31, 2000 by JICPA), are primarily applied to determine hedged items.</p> <p>With respect to hedging transactions to offset fluctuations in market prices of fixed rate deposits, loans and other instruments, the hedged items are determined individually, or collectively based on grouping the transactions by their maturities in accordance with Industry Audit Committee Report No. 24. Interest rate swaps and other derivatives are designated as hedging instruments.</p> <p>With respect to hedging transactions to offset fluctuations in market prices of fixed rate bonds classified as other securities, the hedged items are determined by the type of bonds. Interest rate swaps and other derivatives are designated as hedging instruments. As the main terms of the hedged items and hedging instruments are substantially the same, and as a result such hedging transactions are deemed highly effective, the assessment of effectiveness is based on the similarity of the terms.</p> <p>With respect to hedging transactions to fix the cash flows of forecasted transactions for floating rate deposits and loans as well as short-term fixed rate</p> | <p>Implementation Guidance on Accounting for Financial Instruments (issued on January 31, 2000 by JICPA), are primarily applied to determine hedged items.</p> <p>With respect to hedging transactions to offset fluctuations in market prices of fixed rate deposits, loans and other instruments, the hedged items are determined individually, or collectively based on grouping the transactions by their maturities in accordance with Industry Audit Committee Report No. 24. Interest rate swaps and other derivatives are designated as hedging instruments.</p> <p>With respect to hedging transactions to offset fluctuations in market prices of fixed rate bonds classified as other securities, the hedged items are determined by the type of bonds. Interest rate swaps and other derivatives are designated as hedging instruments. As the main terms of the hedged items and hedging instruments are substantially the same, and as a result such hedging transactions are deemed highly effective, the assessment of effectiveness is based on the similarity of the terms.</p> <p>With respect to hedging transactions to fix the cash flows of forecasted transactions for floating rate deposits and loans as well as short-term fixed rate</p> | <p>Implementation Guidance on Accounting for Financial Instruments (issued on January 31, 2000 by JICPA), are primarily applied to determine hedged items.</p> <p>With respect to hedging transactions to offset fluctuations in market prices of fixed rate deposits, loans and other instruments, the hedged items are determined individually, or collectively by their maturities in accordance with Industry Audit Committee Report No. 24. Interest rate swaps and other derivatives are designated as hedging instruments.</p> <p>With respect to hedging transactions to offset fluctuations in market prices of fixed rate bonds classified as other securities, the hedged items are determined by the type of bonds. Interest rate swaps and other derivatives are designated as hedging instruments. As the main terms of the hedged items and hedging instruments are substantially the same, and as a result such hedging transactions are deemed highly effective, the assessment of effectiveness is based on the similarity of the terms.</p> <p>With respect to hedging transactions to fix the cash flows of forecasted transactions for floating rate deposits and loans as well as short-term fixed rate</p> |

| For the six months ended | For the six months ended | For the fiscal year ended |
|--|--|--|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| deposits, loans and other instruments, the hedged items are determined collectively based on grouping the transactions by interest rate indices and tenors in accordance with Industry Audit Committee Report No. 24. Interest rate swaps and other derivatives are designated as hedging instruments. As the main terms of the hedged items and hedging instruments are substantially the same, and as a result such hedging transactions are deemed highly effective, the assessment of effectiveness is based on the similarity of the terms. The effectiveness of hedging transactions is also assessed based on the correlation between the hedged items and the hedging instruments. | deposits, loans and other instruments, the hedged items are determined collectively based on grouping the transactions by interest rate indices and tenors in accordance with Industry Audit Committee Report No. 24. Interest rate swaps and other derivatives are designated as hedging instruments. As the main terms of the hedged items and hedging instruments are substantially the same, and as a result such hedging transactions are deemed highly effective, the assessment of effectiveness is based on the similarity of the terms. The effectiveness of hedging transactions is also assessed based on the correlation between the hedged items and the hedging instruments. | deposits, loans and other instruments, the hedged items are determined collectively based on grouping the transactions by interest rate indices and tenors in accordance with Industry Audit Committee Report No. 24. Interest rate swaps and other derivatives are designated as hedging instruments. As the main terms of the hedged items and hedging instruments are substantially the same, and as a result such hedging transactions are deemed highly effective, the assessment of effectiveness is based on the similarity of the terms. The effectiveness of hedging transactions is also assessed based on the correlation between the hedged items and the hedging instruments. |
| As of March 31, 2002, deferred hedge losses and gains were recorded in the consolidated balance sheet as a result of applying macro hedge accounting based on JICPA Industry Audit Committee Report No. 15, Tentative Treatment of Accounting and Auditing for Applying Accounting Standards for Financial Instruments for the Banking Industry (issued on February 15, 2000 by JICPA), under which interest rate risk arising from numerous deposits, loans and other instruments are collectively managed using derivative transactions. These losses and gains are amortized as | As of March 31, 2002, deferred hedge losses and gains were recorded in the consolidated balance sheet as a result of applying macro hedge accounting based on JICPA Industry Audit Committee Report No. 15, Tentative Treatment of Accounting and Auditing for Applying Accounting Standards for Financial Instruments for the Banking Industry (issued on February 15, 2000 by JICPA), under which interest rate risk arising from numerous deposits, loans and other instruments are collectively managed using derivative transactions. These losses and gains are amortized as | As of March 31, 2002, deferred hedge losses and gains were recorded in the consolidated balance sheet as a result of applying macro hedge accounting based on JICPA Industry Audit Committee Report No. 15, Tentative Treatment of Accounting and Auditing for Applying Accounting Standards for Financial Instruments for the Banking Industry (issued on February 15, 2000 by JICPA), under which interest rate risk arising from numerous deposits, loans and other instruments are collectively managed using derivative transactions. These losses and gains are amortized as |

| For the six months ended | For the six months ended | For the fiscal year ended |
|--|---|---|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| expense or income over the remaining lives of the macro hedging instruments (for a maximum period of 15 years from April 1, 2003). Deferred hedge losses and gains attributable to macro hedge accounting as of September 30, 2007 are 33,622 million yen (before tax effect adjustment) and 55,135 million yen (before tax effect adjustment), respectively. | expense or income over the remaining lives of the macro hedging instruments (for a maximum period of 15 years from April 1, 2003). Deferred hedge losses and gains attributable to macro hedge accounting as of September 30, 2008 are 18,664 million yen (before tax effect adjustment) and 32,459 million yen (before tax effect adjustment), respectively. | expense or income over the remaining lives of the macro hedging instruments (for a maximum period of 15 years from April 1, 2003). Deferred hedge losses and gains attributable to macro hedge accounting as of March 31, 2008 are 25,715 million yen (before tax effect adjustment) and 41,677 million yen (before tax effect adjustment), respectively. |
| (b) Hedge accounting for foreign currency risks: | (b) Hedge accounting for foreign currency risks: | (b) Hedge accounting for foreign currency risks: |
| Domestic consolidated banking and trust banking subsidiaries have adopted the deferred hedge accounting method for hedging transactions for foreign currency risks arising from financial assets and liabilities denominated in foreign currencies. Hedged items are collectively determined based on grouping transactions by foreign currency denominated monetary receivables and liabilities in accordance with JICPA Industry Audit Committee Report No. 25, Treatment of Accounting and Auditing concerning Accounting for Foreign Currency Transactions for the Banking Industry (issued on July 29, 2002 by JICPA). Currency swap transactions and foreign exchange contracts (cash related swap transactions) denominated in the same currency are designated as the hedging instruments. | Same as described in the six months ended September 30, 2007. | Same as described in the six months ended September 30, 2007. |

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|--|---|
| <p>In addition to the activities described above, the portfolio hedging or individual hedging is used for hedging foreign currency risks associated with investments in affiliates and other securities (excluding debt securities) denominated in foreign currencies. Foreign currency denominated monetary liabilities and forward exchange contracts denominated in the same currency are designated as hedging instruments. The deferred hedge method is applied to investments in affiliates denominated in foreign currency, while the fair value hedge method is applied to other securities (excluding debt securities) denominated in foreign currency.</p> <p>(c) Inter-company and intra-company transactions</p> | <p>(c) Inter-company and intra-company transactions</p> <p>Same as described in the six months ended September 30, 2007.</p> | <p>(c) Inter-company and intra-company transactions</p> <p>For derivative transactions entered into between consolidated companies, or between trading accounts and other accounts (or between the internal departments), the gains and losses or unrealized gains and losses arising from interest rate swaps, currency swaps, and other derivatives, which are designated as hedging instruments are not eliminated. These gains and losses are recognized in current earnings for the current fiscal year or deferred, because these derivative transactions are</p> |

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|---|---|
| <p>executed in accordance with the criteria for qualifying for third-party covered transactions which are determined to be executed non-arbitrarily and as part of strict hedging activities, as set forth in Industry Audit Committee Reports No. 24 and No. 25.</p> <p>(18) Consumption taxes</p> | <p>executed in accordance with the criteria for qualifying for third-party covered transactions which are determined to be executed non-arbitrarily and as part of strict hedging activities, as set forth in Industry Audit Committee Reports No. 24 and No. 25.</p> <p>(19) Consumption taxes</p> | <p>executed in accordance with the criteria for qualifying for third-party covered transactions which are determined to be executed non-arbitrarily and as part of strict hedging activities, as set forth in Industry Audit Committee Reports No. 24 and No. 25.</p> <p>(19) Consumption taxes</p> |
| <p>National and local consumption taxes (the Consumption and Other Taxes) for MUFG and its domestic consolidated subsidiaries are excluded from transaction amounts. Non-deductible portions of the Consumption and Other Taxes on the purchases of tangible fixed assets are expensed when incurred.</p> <p>(19) Income taxes accounting</p> | <p>Same as described in the six months ended September 30, 2007.</p> <p>(20) Income taxes accounting</p> | <p>Same as described in the six months ended September 30, 2007.</p> |
| <p>Current and deferred taxes for the current interim period are calculated based on the assumption that the reserve for losses on overseas investments are expected to be reversed through retained earnings at the period end of the domestic consolidated trust banking subsidiary.</p> <p>(20) Bills discounted and rediscounted</p> | <p>Same as described in the six months ended September 30, 2007.</p> <p>(21) Bills discounted and rediscounted</p> | <p>(20) Bills discounted and rediscounted</p> |
| <p>Bills discounted or rediscounted are accounted for as financial transactions in accordance with Industry Audit Committee Report No. 24.</p> | <p>Same as described in the six months ended September 30, 2007.</p> | <p>Same as described in the six months ended September 30, 2007.</p> |

| For the six months ended September 30, 2007 _____ | For the six months ended September 30, 2008 (22) Foreign subsidiaries | For the fiscal year ended March 31, 2008 _____ |
|--|--|---|
|--|--|---|

Where foreign subsidiaries prepare their financial statements in accordance with International Financial Reporting Standards (IFRS) or accounting standards generally accepted in the U.S. (US GAAP), MUFG uses these financial statements for its consolidation reporting purposes. In addition, where foreign subsidiaries prepare their financial statements in accordance with their generally accepted local accounting standards other than IFRS or US GAAP, such financial statements are mainly adjusted to comply with US GAAP. Adjustments necessary for the consolidation reporting are made to these financial statements.

(Changes in accounting policies)

MUFG has adopted PITF No. 18 Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (issued by ASBJ on May 17, 2006, PITF No. 18) from the six months ended September 30, 2008, which is effective from fiscal years beginning on or after April 1, 2008.

This change resulted in a 7,218 million yen increase in Ordinary profits and Income before income taxes and others, as compared to the previous accounting method.

| For the six months ended September 30, 2007 | For the six months ended September 30, 2008 (Additional information) | For the fiscal year ended March 31, 2008 |
|---|---|--|
|---|---|--|

Net actuarial gains and losses not recognized as net periodic costs, which are recorded in the financial statements of foreign subsidiaries reporting under US GAAP in accordance with Employers Accounting for Defined Benefit Pension and Other Postretirement Plans-an amendment of FASB Statements No. 87, 88, 106, and 132(R) (FASB Statement No. 158), were previously deducted from Net assets and allocated to Other assets or Reserve for retirement benefits . From the six months ended September 30, 2008, such net actuarial gains and losses are separately recorded, net of the related tax effects and minority interests portion, as Pension liability adjustments of subsidiaries preparing financial statements under US GAAP , under the valuation and translation adjustments in Net assets.

As compared to the previous method, this change resulted in a 21,136 million yen decrease in Other assets , a 9,620 million yen increase in Reserve for retirement benefits , an 11,814 million yen decrease in Deferred tax liabilities and a 6,573 million yen decrease in Minority interests .

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| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|---|---|---|
| 5. Scope of cash and cash equivalents in the (interim) consolidated statements of cash flows | The scope of cash and cash equivalents in the interim consolidated statement of cash flows consists of Cash and due from banks on the interim consolidated balance sheet, excluding time deposits and negotiable certificates of deposits in other banks. | Same as described in the six months ended September 30, 2007. | The scope of cash and cash equivalents in the consolidated statement of cash flows consists of Cash and due from banks on the consolidated balance sheet, excluding time deposits and negotiable certificates of deposits in other banks. |

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Changes in the Significant Accounting Policies Applied for Preparing the Interim Consolidated Financial Statements

| For the six months ended | For the six months ended | Fiscal year ended |
|---|---|---|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| (Accounting Standard for Financial Instruments) | | (Accounting Standard for Financial Instruments) |
| <p>Some requirements regarding the scope of securities under Accounting Standard for Financial Instruments (Accounting Standard) (ASBJ Statement No. 10) and Implementation Guidance on Accounting for Financial Instruments (Implementation Guidance) (JICPA Accounting Practice Committee Report No. 14) were revised on June 15, 2007 and July 4, 2007, respectively. The revised Accounting Standard and the Implementation Guidance are effective for fiscal years and interim periods ending on or after the enforcement date of the Financial Instruments and Exchange Act. MUFG adopted the revised Accounting Standard and Implementation Guidance from the interim period ended September 30, 2007.</p> <p>These revisions do not have an impact on the interim consolidated financial statements.</p> <p>(Changes in the grouping method under the Accounting Standard for Impairment on Fixed Assets)</p> | <hr style="width: 10%; margin: 0 auto;"/> | <p>Some requirements regarding the scope of securities under Accounting Standard for Financial Instruments (Accounting Standard) (ASBJ Statement No. 10) and Implementation Guidance on Accounting for Financial Instruments (Implementation Guidance) (JICPA Accounting Practice Committee Report No. 14) were revised on June 15, 2007 and July 4, 2007, respectively. The revised Accounting Standard and the Implementation Guidance are effective for fiscal years ending on or after the enforcement date of the Financial Instruments and Exchange Act. MUFG adopted the revised Accounting Standard and Implementation Guidance from the fiscal year ended March 31, 2008. These revisions do not have an impact on the consolidated financial statements.</p> <p>(Changes in the grouping method under the Accounting Standard for Impairment on Fixed Assets)</p> |
| <p>Upon the merger with DC Card Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., a consolidated subsidiary of MUFG, changed its grouping method for recognizing and measuring impairment losses on tangible fixed assets. Assets related to the credit card business, which were previously grouped as one unit, the credit business group, are grouped into business units that are responsible for the ongoing management and tracking of revenue and expenditure for management accounting purposes. This change was due to the rationalization of business systems</p> | <hr style="width: 10%; margin: 0 auto;"/> | <p>Upon the merger with DC Card Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., a consolidated subsidiary of MUFG, changed its grouping method for recognizing and measuring impairment losses on tangible fixed assets. Assets related to the credit card business, which were previously grouped as one unit, the credit business group, are grouped into business units that are responsible for the ongoing management and tracking of revenue and expenditure for management accounting purposes. This change was due to the</p> |

| For the six months ended | For the six months ended | Fiscal year ended |
|--|---|---|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| and business restructuring following the merger. | | rationalization of business systems and business restructuring following the merger. |
| This change resulted in a 542 million yen increase in Ordinary profits and a 4,717 million yen decrease in Income before income taxes and others and Net income. | | This change resulted in a 1,085 million yen increase in Ordinary profits and a 4,174 million yen decrease in Income before income taxes and others. |
| _____ | (Net presentation of derivative transactions subject to the master netting agreements) | _____ |
| | Beginning the six months ended September 30, 2008, MUFG started to present in its financial statements the fair value amounts recognized for derivative instruments executed with the same counterparty as assets and liabilities on a gross basis. These assets and liabilities were previously presented net if there was a legally valid master netting agreement between the two parties. | |
| | MUFG reviewed its accounting presentation practice from the viewpoint of the fair disclosure practice relating to credit risk and determined that it is more appropriate to present on a gross basis, which is the general rule. This is because the recent trend of increasing amounts of cash collateral received or paid for derivative transactions is an indication that it may no longer be reasonable to offset only the fair value amounts recognized as assets and liabilities for derivative instruments. | |
| | As compared to the previous balance sheet presentation, this change resulted in a 3,336,769 million yen increase in Trading assets, a 3,384,170 million yen increase in Trading liabilities, a 1,141,588 million yen increase in Other assets and a 1,094,188 million yen increase in Other | |

For the six months ended

For the six months ended

Fiscal year ended

September 30, 2007

September 30, 2008

March 31, 2008

liabilities . For the cash flow statement, this change resulted in a 716, 895 million yen increase in Net (decrease) increase in trading assets , a 706, 252 million yen decrease in Net increase (decrease) in trading liabilities , and a 10,642 million yen decrease in Other .

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Changes in Presentation

For the six months ended September 30, 2007

(Consolidated balance sheet)

From the six months ended September 30, 2007, Reserve for retirement benefits to directors, which was previously reported in Other liabilities, is separately presented in accordance with the revisions to the Forms appended to the Ordinance for Enforcement of Banking Law (Ministry of Finance Ordinance No. 10, 1982) made under the Cabinet Office Ordinance on Partial Revisions of Ordinance for Enforcement of Banking Law (Cabinet Office Ordinance No. 76, September 28, 2007), which are effective for fiscal years beginning on or after April 1, 2007.

For the six months ended September 30, 2008

Reserve for retirement benefits to directors, which was previously reported in Other liabilities, was 1,241 million yen as of March 31, 2007.

Reserve for retirement benefits to directors, which was previously reported in Other liabilities, was 952 million yen as of September 30, 2006.

(Consolidated statement of income)

From the six months ended September 30, 2007, provisions for reserves for contingent liabilities from financial futures transactions and reserves for contingent liabilities from securities transactions previously recorded in Extraordinary losses are recorded as provisions for reserves for contingent liabilities from financial instruments transactions, in accordance with the revisions to the Forms appended to the Ordinance for Enforcement of Banking Law (Ministry of Finance Ordinance No. 10, 1982) made under the Cabinet Office Ordinance on Partial Revisions of Ordinance for Enforcement of Banking Law (Cabinet Office Ordinance No. 60, August 8, 2007) which are effective from September 30, 2007.

(Consolidated statement of cash flows)

Due to the separate presentation of reserve for retirement benefits to directors, which was previously reported in Other liabilities in the consolidated balance sheet, net increases (decreases) in reserve for retirement benefits to directors, which were previously reported in Other under Cash flows from operating activities are separately presented as Increase (decrease) in reserve for retirement benefits to directors.

In the fiscal year ended March 31, 2007, Increase in reserve for retirement benefits to directors previously reported in Other under Cash flows from operating activities was 161 million yen. In the six months ended September 30, 2006, Increase in reserve for retirement

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For the six months ended September 30, 2007
 benefits to directors previously reported in Other under Cash flows from
 operating activities was (128) million yen.

For the six months ended September 30, 2008

(Consolidated balance sheet)

(1) Lease receivables and lease investment assets are presented as Other assets in accordance with the revisions to the Forms appended to the Ordinance for Enforcement of Banking Law (Ministry of Finance Ordinance No. 10, 1982) made under the Cabinet Office Ordinance on Partial Revision of Ordinance for Enforcement of Banking Law (Cabinet Office Ordinance No. 44, July 11, 2008), which are applied to financial statements for fiscal years beginning on or after April 1, 2008. Due to this change, receivables arising from finance lease transactions entered into by the overseas leasing subsidiary which were previously presented as Loans and bills discounted, and lease investment assets previously presented as Tangible fixed assets or Intangible fixed assets are reported as Other assets from the six months ended September 30, 2008.

Other assets which was previously reported in Loans and bills discounted, Tangible fixed assets and Intangible fixed assets were 328,751 million yen, 13,707 million yen and 305 million yen, respectively, as of September 30, 2007.

(2) Reserve for loyalty award credits recognized by the consolidated subsidiaries was previously included in Other liabilities as it was determined to be immaterial. Reserve for loyalty award credits which was included in Other liabilities was 8,801 million yen as of September 30, 2007.

(Consolidated statement of cash flows)

Due to the separate presentation of reserve for loyalty award credits, which was previously reported as Other liabilities in the consolidated balance sheet, net increases (decreases) in reserve for loyalty award credits, which were previously presented in Other under Cash flows from operating activities are separately presented in Increase (decrease) in reserve for loyalty award credits.

In the six months ended September 30, 2007, Increase (decrease) in reserve for loyalty award credits previously reported as part of Other under Cash flows from operating activities was 3,592 million yen.

Notes to the Interim Consolidated Financial Statements

(Consolidated Balance Sheets)

| As of September 30, 2007 | As of September 30, 2008 | As of March 31, 2008 |
|---|--|--|
| <p>1. Securities include 209,910 million yen of investments in affiliates and 2,331 million yen of investments.</p> <p>2. Securities include 538 million yen of unsecured securities lent.</p> <p>For securities borrowed and securities purchased under resale agreements, with the rights to dispose the securities through sale or re-pledge without restrictions, 6,044,205 million yen is re-pledged, 574,469 million yen is re-loaned, and 9,083,538 million yen is held as of September 30, 2007.</p> <p>Bankers acceptances, commercial bills discounted, documentary bills and foreign bills bought which are accepted through bills discounted include rights to dispose through the sale or pledge without restrictions. The total face value of these bills is 1,093,616 million yen. Of this amount, the total face value of bankers acceptances, commercial bills discounted, documentary bills and foreign bills bought delivered through rediscount is 10,680 million yen.</p> <p>3. Loans to bankrupt borrowers and delinquent loans were 36,878 million yen and 897,477 million yen, respectively.</p> <p>Loans to bankrupt borrowers are loans (1) where accrued interest income is not recognized as it is probable that the principal or interest cannot be collected due to</p> | <p>1. Securities include 284,654 million yen of investments in affiliates and 1,982 million yen of investments</p> <p>2. Securities include 794 million yen of unsecured securities lent.</p> <p>For securities borrowed and securities purchased under resale agreements, with the rights to dispose the securities through sale or re-pledge without restrictions, 5,400,337 million yen is re-pledged, 943,264 million yen is re-loaned, and 7,586,639 million yen is held as of September 30, 2008.</p> <p>Bankers acceptances, commercial bills discounted, documentary bills and foreign bills bought which are accepted through bills discounted include rights to dispose through the sale or pledge without restrictions. The total face value of these bills is 1,007,324 million yen. Of this amount, the total face value of bankers acceptances, commercial bills discounted, documentary bills and foreign bills bought delivered through rediscount is 14,921 million yen.</p> <p>3. Loans to bankrupt borrowers and delinquent loans were 70,362 million yen and 928,338 million yen, respectively.</p> <p>Loans to bankrupt borrowers are loans (1) where accrued interest income is not recognized as it is probable that the principal or interest cannot be collected due to</p> | <p>1. Securities include 249,266 million yen of investments in affiliates and 2,269 million yen of investments.</p> <p>These amounts include 8,301 million yen of investments in jointly controlled companies.</p> <p>2. Securities include 942 million yen of unsecured securities lent.</p> <p>For securities borrowed and securities purchased under resale agreements, with the rights to dispose the securities through sale or re-pledge without restrictions, 5,557,035 million yen is re-pledged, 399,451 million yen is re-loaned, and 14,686,956 million yen is held as of March 31, 2008.</p> <p>Bankers acceptances, commercial bills discounted, documentary bills and foreign bills bought which are accepted through bills discounted include rights to dispose through the sale or pledge without restrictions. The total face value of these bills is 989,845 million yen. Of this amount, the total face value of bankers acceptances, commercial bills discounted, documentary bills and foreign bills bought delivered through rediscount is 7,927 million yen.</p> <p>3. Loans to bankrupt borrowers and delinquent loans were 43,298 million yen and 737,926 million yen, respectively.</p> <p>Loans to bankrupt borrowers are loans (1) where accrued interest income is not recognized as it is probable that the principal or interest cannot be collected due to</p> |

As of September 30, 2007

delinquencies in payment of principal or interest for a significant period of time or for other reasons (excluding loans written-off;

Non-accrual loans), and (2) that meet the criteria set forth in Article 96-1-3 (1) to (5) and Article 96-1- 4 of the Order Enforcement of the Corporate Tax Law (Cabinet Order No. 97 of 1965).

Delinquent loans represent non-accrual loans other than loans to bankrupt borrowers and loans for which interest payments have been rescheduled for restructuring or providing support to borrowers.

4. Loans past due for 3 months or more amount to 17,866 million yen.

Loans past due for 3 months or more represent loans whose principal or interest payments have been past due for 3 months or more from the day following the contractual due date, excluding loans to bankrupt borrowers and delinquent loans.

5. Restructured loans amount to 449,472 million yen.

Restructured loans represent loans for which concessions favorable to the borrowers are granted in order to restructure or provide support to borrowers. Concessions include a reduction or rescheduling of interest payments, rescheduling of principal payments and waiving of loans. Restructured loans do not include loans classified as loans to bankrupt borrowers, delinquent loans and loans past due for 3 months or more.

As of September 30, 2008

delinquencies in payment of principal or interest for a significant period of time or for other reasons (excluding loans written-off;

Non-accrual loans), and (2) that meet the criteria set forth in Article 96-1-3 (1) to (5) and Article 96-1- 4 of the Order Enforcement of the Corporate Tax Law (Cabinet Order No. 97 of 1965).

Delinquent loans represent non-accrual loans other than loans to bankrupt borrowers and loans for which interest payments have been rescheduled for restructuring or providing support to borrowers.

4. Loans past due for 3 months or more amount to 17,708 million yen.

Loans past due for 3 months or more represent loans whose principal or interest payments have been past due for 3 months or more from the day following the contractual due date, excluding loans to bankrupt borrowers and delinquent loans.

5. Restructured loans amount to 434,086 million yen.

Restructured loans represent loans for which concessions favorable to the borrowers are granted in order to restructure or provide support to borrowers. Concessions include a reduction or rescheduling of interest payments, rescheduling of principal payments and waiving of loans. Restructured loans do not include loans classified as loans to bankrupt borrowers, delinquent loans and loans past due for 3 months or more.

As of March 31, 2008

delinquencies in payment of principal or interest for a significant period of time or for other reasons (excluding loans written-off;

Non-accrual loans), and (2) that meet the criteria set forth in Article 96-1-3 (1) to (5) and Article 96-1- 4 of the Order Enforcement of the Corporate Tax Law (Cabinet Order No. 97 of 1965).

Delinquent loans represent non-accrual loans other than loans to bankrupt borrowers and loans for which interest payments have been rescheduled for restructuring or providing support to borrowers.

4. Loans past due for 3 months or more amount to 17,900 million yen.

Loans past due for 3 months or more represent loans whose principal or interest payments have been past due for 3 months or more from the day following the contractual due date, excluding loans to bankrupt borrowers and delinquent loans.

5. Restructured loans amount to 477,544 million yen.

Restructured loans represent loans for which concessions favorable to the borrowers are granted in order to restructure or provide support to borrowers. Concessions include a reduction or rescheduling of interest payments, rescheduling of principal payments and waiving of loans. Restructured loans do not include loans classified as loans to bankrupt borrowers, delinquent loans and loans past due for 3 months or more.

| As of September 30, 2007 | As of September 30, 2008 | As of March 31, 2008 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|---|---------------------------|-------------------|----------------|---------------------|----------------------------|-------------------|----------------------------|-----------------|---|---------------|-------------------------|---------------------------|---|-------------------------|------------------|----------------|---------------------|---------------|---------------------|----------------------------|---------------------|--|---------------|-----------------------|---------------------------|-------------------------|------------------|--|--------------------------|---------------------|----------------|-------------------|----------------------------|---------------------|----------------------------|------------------|--------------|--------------|-----------------------|-----------------|-------------------------|---------------|
| 6. The total amount of loans to bankrupt borrowers, delinquent loans, loans past due for 3 months or more and restructured loans was 1,401,694 million yen. | 6. The total amount of loans to bankrupt borrowers, delinquent loans, loans past due for 3 months or more and restructured loans was 1,450,495 million yen. | 6. The total amount of loans to bankrupt borrowers, delinquent loans, loans past due for 3 months or more and restructured loans was 1,276,670 million yen. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The loan amounts provided in Notes 3 to 6 above represent gross amounts before the deduction of allowances for credit losses. | The loan amounts provided in Notes 3 to 6 above represent gross amounts before the deduction of allowances for credit losses. | The loan amounts provided in Notes 3 to 6 above represent gross amounts before the deduction of allowances for credit losses. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. Assets pledged as collateral are as follows: | 7. Assets pledged as collateral are as follows: | 7. Assets pledged as collateral are as follows: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="0"> <tr><td>Cash and due from banks</td><td>¥ 1,124 million</td></tr> <tr><td>Trading assets</td><td>¥ 846,698 million</td></tr> <tr><td>Securities</td><td>¥ 1,312,667 million</td></tr> <tr><td>Loans and bills discounted</td><td>¥ 208,993 million</td></tr> <tr><td>Other assets</td><td>¥ 2,475 million</td></tr> <tr><td>Tangible fixed assets</td><td>¥ 662 million</td></tr> <tr><td>Intangible fixed assets</td><td>¥ 374 million</td></tr> </table> | Cash and due from banks | ¥ 1,124 million | Trading assets | ¥ 846,698 million | Securities | ¥ 1,312,667 million | Loans and bills discounted | ¥ 208,993 million | Other assets | ¥ 2,475 million | Tangible fixed assets | ¥ 662 million | Intangible fixed assets | ¥ 374 million | <table border="0"> <tr><td>Cash and due from banks</td><td>¥ 1,819 million</td></tr> <tr><td>Trading assets</td><td>¥ 506,583 million</td></tr> <tr><td>Securities</td><td>¥ 1,323,102 million</td></tr> <tr><td>Loans and bills discounted</td><td>¥ 1,308,153 million</td></tr> <tr><td>Other assets</td><td>¥ 364 million</td></tr> <tr><td>Tangible fixed assets</td><td>¥ 844 million</td></tr> <tr><td>Intangible fixed assets</td><td>¥ 833 million</td></tr> </table> | Cash and due from banks | ¥ 1,819 million | Trading assets | ¥ 506,583 million | Securities | ¥ 1,323,102 million | Loans and bills discounted | ¥ 1,308,153 million | Other assets | ¥ 364 million | Tangible fixed assets | ¥ 844 million | Intangible fixed assets | ¥ 833 million | <table border="0"> <tr><td>Cash and due from banks:</td><td>¥ 2,124 million</td></tr> <tr><td>Trading assets</td><td>¥ 815,656 million</td></tr> <tr><td>Securities</td><td>¥ 2,364,483 million</td></tr> <tr><td>Loans and bills discounted</td><td>¥ 86,330 million</td></tr> <tr><td>Other assets</td><td>¥ 34 million</td></tr> <tr><td>Tangible fixed assets</td><td>¥ 1,142 million</td></tr> <tr><td>Intangible fixed assets</td><td>¥ 764 million</td></tr> </table> | Cash and due from banks: | ¥ 2,124 million | Trading assets | ¥ 815,656 million | Securities | ¥ 2,364,483 million | Loans and bills discounted | ¥ 86,330 million | Other assets | ¥ 34 million | Tangible fixed assets | ¥ 1,142 million | Intangible fixed assets | ¥ 764 million |
| Cash and due from banks | ¥ 1,124 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading assets | ¥ 846,698 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Securities | ¥ 1,312,667 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Loans and bills discounted | ¥ 208,993 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other assets | ¥ 2,475 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tangible fixed assets | ¥ 662 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Intangible fixed assets | ¥ 374 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash and due from banks | ¥ 1,819 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading assets | ¥ 506,583 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Securities | ¥ 1,323,102 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Loans and bills discounted | ¥ 1,308,153 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other assets | ¥ 364 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tangible fixed assets | ¥ 844 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Intangible fixed assets | ¥ 833 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash and due from banks: | ¥ 2,124 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading assets | ¥ 815,656 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Securities | ¥ 2,364,483 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Loans and bills discounted | ¥ 86,330 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other assets | ¥ 34 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tangible fixed assets | ¥ 1,142 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Intangible fixed assets | ¥ 764 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Liabilities related to pledged assets are as follows: | Liabilities related to pledged assets are as follows: | Liabilities related to pledged assets are as follows: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="0"> <tr><td>Deposits</td><td>¥ 293,359 million</td></tr> <tr><td>Call money and bills sold</td><td>¥ 612,000 million</td></tr> <tr><td>Borrowed money</td><td>¥ 1,632,801 million</td></tr> <tr><td>Bonds payable</td><td>¥ 11,217 million</td></tr> <tr><td>Acceptances and guarantees</td><td>¥ 1,124 million</td></tr> </table> | Deposits | ¥ 293,359 million | Call money and bills sold | ¥ 612,000 million | Borrowed money | ¥ 1,632,801 million | Bonds payable | ¥ 11,217 million | Acceptances and guarantees | ¥ 1,124 million | <table border="0"> <tr><td>Deposits</td><td>¥ 343,940 million</td></tr> <tr><td>Call money and bills sold</td><td>¥ 280,000 million</td></tr> <tr><td>Commercial paper</td><td>¥ 25,000 million</td></tr> <tr><td>Borrowed money</td><td>¥ 2,496,849 million</td></tr> <tr><td>Bonds payable</td><td>¥ 18,393 million</td></tr> <tr><td>Acceptances and guarantees</td><td>¥ 1,705 million</td></tr> </table> | Deposits | ¥ 343,940 million | Call money and bills sold | ¥ 280,000 million | Commercial paper | ¥ 25,000 million | Borrowed money | ¥ 2,496,849 million | Bonds payable | ¥ 18,393 million | Acceptances and guarantees | ¥ 1,705 million | <table border="0"> <tr><td>Deposits</td><td>¥ 393,748 million</td></tr> <tr><td>Call money and bills sold</td><td>¥ 610,900 million</td></tr> <tr><td>Commercial paper</td><td>¥ 25,000 million</td></tr> <tr><td>Borrowed money</td><td>¥ 2,120,577 million</td></tr> <tr><td>Bonds payable:</td><td>¥ 17,154 million</td></tr> <tr><td>Acceptances and guarantees</td><td>¥ 2,124 million</td></tr> </table> | Deposits | ¥ 393,748 million | Call money and bills sold | ¥ 610,900 million | Commercial paper | ¥ 25,000 million | Borrowed money | ¥ 2,120,577 million | Bonds payable: | ¥ 17,154 million | Acceptances and guarantees | ¥ 2,124 million | | | | | | | | |
| Deposits | ¥ 293,359 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Call money and bills sold | ¥ 612,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Borrowed money | ¥ 1,632,801 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonds payable | ¥ 11,217 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acceptances and guarantees | ¥ 1,124 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Deposits | ¥ 343,940 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Call money and bills sold | ¥ 280,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Commercial paper | ¥ 25,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Borrowed money | ¥ 2,496,849 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonds payable | ¥ 18,393 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acceptances and guarantees | ¥ 1,705 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Deposits | ¥ 393,748 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Call money and bills sold | ¥ 610,900 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Commercial paper | ¥ 25,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Borrowed money | ¥ 2,120,577 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bonds payable: | ¥ 17,154 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acceptances and guarantees | ¥ 2,124 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| In addition to the items listed above, 158,369 million yen of cash and due from banks, 662,081 million yen of monetary claims bought, 26,839 million yen of trading assets, 5,213,729 million yen of securities, 6,042,207 million yen of loans and bills discounted, and 6,163 million yen of other assets have been pledged as collateral for exchange settlements and other transactions or as deposits for future margin. | In addition to the items listed above, 219,166 million yen of cash and due from banks, 569,862 million yen of monetary claims bought, 303,128 million yen of trading assets, 9,279,365 million yen of securities, 7,708,551 million yen of loans and bills discounted, and 5,321 million yen of other assets have been pledged as collateral for exchange settlements and other transactions or as deposits for future margin. | In addition to the items listed above, 113,293 million yen of cash and due from banks, 568,156 million yen of monetary claims bought, 19,698 million yen of trading assets, 4,670,829 million yen of securities, 6,165,191 million yen of loans and bills discounted, and 5,707 million yen of other assets have been pledged as collateral for exchange settlements and other transactions or as deposits for future margin. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

As of September 30, 2007

5,063,594 million yen of trading assets and 5,334,575 million yen of securities have been sold under repurchase agreements or lent under cash collateralized debt securities lending transactions. The corresponding payables under repurchase agreements and payables under securities lending transactions are 4,166,266 million yen and 5,758,665 million yen, respectively.

8. Overdraft facilities and commitment lines of credit are contracts which commit to finance up to predetermined limits at the request of customers for extending loans, unless they have breached the terms and conditions set forth in the contracts. The unused balance of these contracts is 68,604,086 million yen.

The unused balance does not necessarily have an impact on future cash flows because many of these contracts are expected to expire without being drawn down. Most of these contracts include clauses under which the consolidated subsidiaries may refuse applications from customers for extending loans or reduce contracted limits for reasons such as changes in financial conditions, insufficient security or other reasonable reasons. Real estate and/or securities and other items are requested to be pledged as collateral as needed upon signing of the contract. In addition, once the contract is entered into, periodic monitoring of the borrower's business conditions and other matters are performed in accordance with established internal procedures to review the terms and conditions of the contracts and take actions to secure credit extended, as needed.

As of September 30, 2008

5,209,172 million yen of trading assets and 4,935,319 million yen of securities have been sold under repurchase agreements or lent under cash collateralized debt securities lending transactions. The corresponding payables under repurchase agreements and payables under securities lending transactions are 6,014,334 million yen and 3,504,866 million yen, respectively.

8. Overdraft facilities and commitment lines of credit are contracts which commit to finance up to predetermined limits at the request of customers for extending loans, unless they have breached the terms and conditions set forth in the contracts. The unused balance of these contracts is 62,785,375 million yen.

The unused balance does not necessarily have an impact on future cash flows because many of these contracts are expected to expire without being drawn down. Most of these contracts include clauses under which the consolidated subsidiaries may refuse applications from customers for extending loans or reduce contracted limits for reasons such as changes in financial conditions, insufficient security or other reasonable reasons. Real estate and/or securities and other items are requested to be pledged as collateral as needed upon signing of the contract. In addition, once the contract is entered into, periodic monitoring of the borrower's business conditions and other matters are performed in accordance with established internal procedures to review the terms and conditions of the contracts and take actions to secure credit extended, as needed.

As of March 31, 2008

4,432,044 million yen of trading assets and 6,151,604 million yen of securities have been sold under repurchase agreements or lent under cash collateralized debt securities lending transactions. The corresponding payables under repurchase agreements and payables under securities lending transactions are 5,903,798 million yen and 3,877,010 million yen, respectively.

8. Overdraft facilities and commitment lines of credit are contracts which commit to finance up to predetermined limits at the request of customers for extending loans, unless they have breached the terms and conditions set forth in the contracts. The unused balance of these contracts is 69,330,633 million yen.

The unused balance does not necessarily have an impact on future cash flows because many of these contracts are expected to expire without being drawn down. Most of these contracts include clauses under which the consolidated subsidiaries may refuse applications from customers for extending loans or reduce contracted limits for reasons such as changes in financial conditions, insufficient security or other reasonable reasons. Real estate and/or securities and other items are requested to be pledged as collateral as needed upon signing of the contract. In addition, once the contract is entered into, periodic monitoring of the borrower's business conditions and other matters are performed in accordance with established internal procedures to review the terms and conditions of the contracts and take actions to secure credit extended, as needed.

| As of September 30, 2007 | As of September 30, 2008 | As of March 31, 2008 |
|--|--|--|
| <p>9. In accordance with the Law concerning Revaluation of Land (Law No. 34, March 31, 1998), land used for business operations of the domestic consolidated banking subsidiaries and the domestic consolidated trust banking subsidiaries has been revalued. The taxable portion of the revaluation difference is recognized as liabilities in Deferred tax liabilities for land revaluation, while the revaluation difference, net of the taxable portion, plus MUFG's interest in the reserve for land revaluation reported in the equity method affiliates. Net assets are recorded as Reserve for land revaluation in Net assets.</p> | <p>9. In accordance with the Law concerning Revaluation of Land (Law No. 34, March 31, 1998), land used for business operations of the domestic consolidated banking subsidiaries and the domestic consolidated trust banking subsidiaries has been revalued. The taxable portion of the revaluation difference is recognized as liabilities in Deferred tax liabilities for land revaluation, while the revaluation difference, net of the taxable portion, plus MUFG's interest in the reserve for land revaluation reported in the equity method affiliates. Net assets are recorded as Reserve for land revaluation in Net assets.</p> | <p>9. In accordance with the Law concerning Revaluation of Land (Law No. 34, March 31, 1998), land used for business operations of the domestic consolidated banking subsidiaries and the domestic consolidated trust banking subsidiaries has been revalued. The taxable portion of the revaluation difference is recognized as liabilities in Deferred tax liabilities for land revaluation, while the revaluation difference, net of the taxable portion, plus MUFG's interest in the reserve for land revaluation reported in the equity method affiliates. Net assets are recorded as Reserve for land revaluation in Net assets.</p> |
| <p>Dates of revaluation:</p> | <p>Dates of revaluation:</p> | <p>Dates of revaluation:</p> |
| <p>Consolidated domestic banking subsidiaries: March 31, 1998</p> | <p>Consolidated domestic banking subsidiaries: March 31, 1998</p> | <p>Consolidated domestic banking subsidiaries: March 31, 1998</p> |
| <p>Consolidated domestic trust banking subsidiaries: March 31, 1998 December 31, 2001, March 31, 2002</p> | <p>Consolidated domestic trust banking subsidiaries: March 31, 1998 December 31, 2001, March 31, 2002</p> | <p>Consolidated domestic trust banking subsidiaries: March 31, 1998 December 31, 2001, March 31, 2002</p> |
| <p>Method of revaluation under Article 3, Paragraph 3 of the Law:</p> | <p>Method of revaluation under Article 3, Paragraph 3 of the Law:</p> | <p>Method of revaluation under Article 3, Paragraph 3 of the Law:</p> |
| <p>Revaluation amounts are determined based on (1) published land price under the Land Price Publication Law stipulated in Article 2 Item 1 of the Order for Enforcement of the Law concerning Revaluation of Land (Order for Enforcement) (Cabinet Order No. 119, March 31, 1998), (2) standard land price determined for land selected as a benchmark as defined in the Order for Enforcement of National Land Use Planning Law stipulated in Article 2 Item 2 of the Order for Enforcement, (3) land price determined by the method</p> | <p>Revaluation amounts are determined based on (1) published land price under the Land Price Publication Law stipulated in Article 2 Item 1 of the Order for Enforcement of the Law concerning Revaluation of Land (Order for Enforcement) (Cabinet Order No. 119, March 31, 1998), (2) standard land price determined for land selected as a benchmark as defined in the Order for Enforcement of National Land Use Planning Law stipulated in Article 2 Item 2 of the Order for Enforcement, (3) land price determined by the method</p> | <p>Revaluation amounts are determined based on (1) published land price under the Land Price Publication Law stipulated in Article 2 Item 1 of the Order for Enforcement of the Law concerning Revaluation of Land (Order for Enforcement) (Cabinet Order No. 119, March 31, 1998), (2) standard land price determined for land selected as a benchmark as defined in the Order for Enforcement of National Land Use Planning Law stipulated in Article 2 Item 2 of the Order for Enforcement, (3) land price determined by the method</p> |

As of September 30, 2007

established and published by the Commissioner of the National Tax Agency in order to calculate the land value which is used for determining taxable amounts subject to land price tax as set forth in Article 16 of the Land Price Tax Law stipulated in Article 2 Item 4 of the Order for Enforcement with price adjustments by shape and price fluctuation over a period and (4) appraisal by certified real estate appraisers stipulated in Article 2 Item 5 of the Order for Enforcement with price adjustments for time.

Some of the companies accounted for under the equity method have revalued their land used for business operations as of March 31, 2002.

10. Accumulated depreciation on tangible fixed assets: 1,383,524 million yen

11. Compressed book value of tangible fixed assets: 91,738 million yen

(Compressed book value for the six months ended September 30, 2007: million yen)

12. Borrowed money includes 1,178,500 million yen of subordinated borrowings whose repayment is subordinated to other debts.

13. Bonds payable include 3,293,896 million yen of subordinated bonds.

As of September 30, 2008

established and published by the Commissioner of the National Tax Agency in order to calculate the land value which is used for determining taxable amounts subject to land price tax as set forth in Article 16 of the Land Price Tax Law stipulated in Article 2 Item 4 of the Order for Enforcement with price adjustments by shape and price fluctuation over a period and (4) appraisal by certified real estate appraisers stipulated in Article 2 Item 5 of the Order for Enforcement with price adjustments for time.

Some of the companies accounted for under the equity method have revalued their land used for business operations as of March 31, 2002.

10. Accumulated depreciation on tangible fixed assets: 1,029,988 million yen

12. Borrowed money includes 1,166,000 million yen of subordinated borrowings whose repayment is subordinated to other debts.

13. Bonds payable include 3,221,661 million yen of subordinated bonds.

14. Goodwill and negative goodwill are netted and presented as Other assets. The gross amounts of goodwill and negative goodwill are as follows:

| | |
|-------------------|---------------------|
| Goodwill | 367,951 million yen |
| Negative goodwill | 31,433 million yen |
| Net | 336,517 million yen |

As of March 31, 2008

established and published by the Commissioner of the National Tax Agency in order to calculate the land value which is used for determining taxable amounts subject to land price tax as set forth in Article 16 of the Land Price Tax Law stipulated in Article 2 Item 4 of the Order for Enforcement with price adjustments by shape and price fluctuation over a period and (4) appraisal by certified real estate appraisers stipulated in Article 2 Item 5 of the Order for Enforcement with price adjustments for time.

Some of the companies accounted for under the equity method have revalued their land used for business operations as of March 31, 2002.

10. Accumulated depreciation on tangible fixed assets: 1,372,174 million yen

11. Compressed book value of tangible fixed assets: 91,673 million yen

(Compressed book value for the fiscal year ended March 31, 2008: million yen)

12. Borrowed money includes 1,202,500 million yen of subordinated borrowings whose repayment is subordinated to other debts.

13. Bonds payable include 3,158,606 million yen of subordinated bonds.

As of September 30, 2007

15. The principal amounts of money in trusts and loan trusts entrusted to the domestic trust banking subsidiaries, with principal guaranteed contracts, are 1,386,986 million yen and 293,603 million yen, respectively.

16. Guarantee obligations for private placement bonds (defined in Article 2-3 of the Financial Instruments and Exchange Act) in Securities is 3,352,216 million yen.

As of September 30, 2008

15. The principal amounts of money in trusts and loan trusts entrusted to the domestic trust banking subsidiaries, with principal guaranteed contracts, are 1,154,687 million yen and 169,572 million yen, respectively.

16. Guarantee obligations for private placement bonds (defined in Article 2-3 of the Financial Instruments and Exchange Act) in Securities is 3,044,763 million yen.

As of March 31, 2008

15. The principal amounts of money in trusts and loan trusts entrusted to the domestic trust banking subsidiaries, with principal guaranteed contracts, are 1,277,958 million yen and 231,508 million yen, respectively.

16. Guarantee obligations for private placement bonds (defined in Article 2-3 of the Financial Instruments and Exchange Act) in Securities is 3,093,449 million yen.

(Consolidated Statements of Income)

| For the six months ended | For the six months ended | For the fiscal year ended |
|---|--|---|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| <p>1. Other ordinary income includes 105,818 million yen of gains on sales of equity securities and 76,995 million yen of lease income relating to the consolidated leasing subsidiaries.</p> <p>2. Other ordinary expenses include 163,776 million yen of provisions for credit losses, 87,010 million yen of loan write-offs, 66,711 million yen of leasing costs relating to the consolidated leasing subsidiaries, and 45,010 million yen of write-down of equity securities.</p> <p>_____</p> <p>_____</p> | <p>1. Other ordinary income includes 71,840 million yen of gains on sales of equity securities.</p> <p>2. Other ordinary expenses include 171,834 million yen of provisions for credit losses, 163,052 million yen of loan write-offs, and 145,276 million yen of write-down of equity securities.</p> <p>3. Impact upon the adoption of accounting standard for lease transactions recognized represents the impact arising from the changes in the accounting for lease transactions as a lessor by the consolidated subsidiary whose main business is leasing.</p> <p>_____</p> | <p>1. Other ordinary income includes 176,970 million yen of gains on sales of equity securities and 152,639 million yen of lease income relating to the consolidated leasing subsidiaries.</p> <p>2. Other ordinary expenses include 251,597 million yen of loan write-offs, 132,564 million yen of leasing costs relating to the consolidated leasing subsidiaries, and 187,104 million yen of write-down of equity securities.</p> <p>_____</p> <p>4. Prior year adjustments represent elimination adjustments on assets of UFJ Bank Limited, which became a domestic consolidated banking subsidiary on October 1, 2005.</p> |

(Consolidated Statements of Changes in Net Assets)

I. For the six months ended September 30, 2007

1. Types and number of outstanding shares and treasury stock

| | Number of shares | | Number of shares | | Notes |
|---|-------------------------|-------------------------------|-------------------------------|-----------------------------|-------|
| | as of March 31, 2007 | Number of shares increased | Number of shares decreased | as of September 30, 2007 | |
| (Thousand shares) | | | | | |
| Outstanding shares | | | | | |
| Common stock | 10,861 | 10,850,782 | | 10,861,643 | 1 |
| Preferred stock first series of class 3 | 100 | 99,900 | | 100,000 | 2 |
| Preferred stock class 8 | 17 | 17,682 | | 17,700 | 3 |
| Preferred stock class 11 | 0 | 0 | | 1 | 4 |
| Preferred stock class 12 | 33 | 33,666 | | 33,700 | 5 |
| Total | 11,013 | 11,002,031 | | 11,013,044 | |
| Treasury stock | | | | | |
| Common stock | 654 | 654,379 | 277,165 | 377,867 | 6 |
| Total | 654 | 654,379 | 277,165 | 377,867 | |

Notes:

- The increase in common stock by 10,850,782 thousand shares was due to a stock split.
- The increase in preferred stock first series of class 3 by 99,900 thousand shares was due to a stock split.
- The increase in preferred stock class 8 by 17,682 thousand shares was due to a stock split.
- The increase in preferred stock class 11 by 0 thousand shares was due to a stock split.
- The increase in preferred stock class 12 by 33,666 thousand shares was due to a stock split.
- The increase in common stock held as treasury stock by 654,379 thousand shares was due to a stock split, the acquisition at the shareholders' request to purchase their odd-lot shares, an increase in the number of shares held by subsidiaries and affiliates, and other reasons. The decrease in common stock held as treasury stock by 277,165 thousand shares was due to a share exchange, the sale of odd-lot shares at the shareholders' request, a decrease in the number of shares held by affiliates and other reasons.

2. Information regarding subscription rights to shares

| Issuer | Type of subscription rights to shares | Type of shares to be issued | Number of shares issued For the six months ended September 30, 2007 | | As of September 30, 2007 | Balance as of September 30, 2007 (¥ million) | Notes |
|--------|---|--------------------------------------|---|----------|--------------------------------|--|-------|
| | | | As of March 31, 2007 | Increase | | | |
| MUFG | Subscription rights to shares (Treasury stock) Stock options | | () | () | () | () | |

| | |
|---------------------------|-----|
| Consolidated subsidiaries | 87 |
| (Treasury stock) | () |
| Total | 87 |
| | () |

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3. Information regarding dividends

| Date of approval | Type of stock | Total dividends (million yen) | Dividend per share (yen) | Dividend record date | Effective date |
|--|---|--|---|-----------------------------|-----------------------|
| General meeting of shareholders on June 28, 2007 | Common stock | 61,259 | 6,000 | March 31, 2007 | June 28, 2007 |
| | Preferred stock first series of class 3 | 3,000 | 30,000 | March 31, 2007 | June 28, 2007 |
| | Preferred stock class 8 | 140 | 7,950 | March 31, 2007 | June 28, 2007 |
| | Preferred stock class 11 | 0 | 2,650 | March 31, 2007 | June 28, 2007 |
| | Preferred stock class 12 | 193 | 5,750 | March 31, 2007 | June 28, 2007 |

The total amount of dividends above includes 3 million yen paid to consolidated subsidiaries.

Dividends with record dates on or before September 30, 2007 and effective dates on or after October 1, 2007

| Date of approval | Type of stock | Total dividends (million yen) | Source of dividends | Dividend per share (yen) | Dividend record date | Effective date |
|---|---|--|--------------------------------|---|-----------------------------|-----------------------|
| Board of Directors meeting on November 21, 2007 | Common stock | 73,411 | Other retained earnings | 7 | September 30, 2007 | December 10, 2007 |
| | Preferred stock first series of class 3 | 3,000 | Other retained earnings | 30 | September 30, 2007 | December 10, 2007 |
| | Preferred stock class 8 | 140 | Other retained earnings | 7.95 | September 30, 2007 | December 10, 2007 |
| | Preferred stock class 11 | 0 | Other retained earnings | 2.65 | September 30, 2007 | December 10, 2007 |
| | Preferred stock class 12 | 193 | Other retained earnings | 5.75 | September 30, 2007 | December 10, 2007 |

MUFG executed a 1,000 for 1 stock split of common and preferred stocks effective on September 30, 2007.

II. For the six months ended September 30, 2008

1. Types and number of outstanding shares and treasury stock

| | (Thousand shares) | | | | |
|---|---|-------------------------------|-------------------------------|---|-------|
| | Number of shares as of March 31, 2008 | Number of shares increased | Number of shares decreased | Number of shares as of September 30, 2008 | Notes |
| Outstanding shares | | | | | |
| Common stock | 10,861,643 | 72,035 | | 10,933,679 | 1 |
| Preferred stock first series of class 3 | 100,000 | | | 100,000 | |
| Preferred stock class 8 | 17,700 | | 17,700 | | 2 |
| Preferred stock class 11 | 1 | | | 1 | |
| Preferred stock class 12 | 33,700 | | | 33,700 | |
| Total | 11,013,044 | 72,035 | 17,700 | 11,067,380 | |
| Treasury stock | | | | | |
| Common stock | 504,262 | 3,216 | 201,045 | 306,433 | 3 |
| Preferred stock class 8 | | 17,700 | 17,700 | | 4 |
| Preferred stock class 12 | | 22,400 | | 22,400 | 5 |
| Total | 504,262 | 43,316 | 218,745 | 328,833 | |

Notes:

- The increase in the common stock by 72,035 thousand shares is due to the issuance of common stock through the mandatory acquisition of preferred stock class 8 and at the request for acquisition of preferred stock class 12.
- The decrease in the preferred stock class 8 by 17,700 thousand shares is due to the retirement of preferred stock class 8 which was mandatorily acquired.
- The increase in the shares of common stock held as treasury stock by 3,216 thousand shares is due to purchases at the shareholders requests to purchase their shares constituting less than a unit and other purchase requests, and increases in the number of shares held by affiliates and other reasons. The decrease in common stock held as treasury stock by 201,045 thousand shares is due to the sale at the shareholders requests to sell shares constituting less than a unit, the issuance of shares through exercise of subscription rights to shares (stock option) and share exchange, and a decrease in the number of shares held by affiliates and other reasons.
- The increase in 17,700 thousand shares in preferred stock class 8 held as treasury stock is due to mandatory acquisition. The decrease in 17,700 thousand shares in preferred stock class 8 held as treasury stock is due to the retirement of the preferred stock.
- The increase in 22,400 thousand shares in class 12 preferred stock held as treasury stock is due to purchase requests.

2. Information regarding subscription rights to shares

| Issuer | Type of subscription rights to shares | Type of shares to be issued | As of March 31, 2008 | Number of shares issued For the six months ended September 30, 2008 | | As of September 30, 2008 | Balance as of September 30, 2008 (¥ million) | Notes |
|---------------------------|--|-----------------------------|----------------------|---|----------|--------------------------|--|-------|
| | | | | Increase | Decrease | | | |
| MUFG | Subscription rights to shares (Treasury stock) | | () | () | () | () | () | |
| | Stock options | | | | | | 3,562 | |
| Consolidated subsidiaries | | | | | | | 111 | |
| (Treasury stock) | | | | | | | () | |
| | Total | | | | | | 3,674 | |
| | | | | | | | () | |

3. Information regarding dividends

(1) Dividend paid during the six months ended September 30, 2008

| Date of approval | Type of stock | Total dividends (million yen) | Dividend per share (yen) | Dividend record date | Effective date |
|--|---|-------------------------------|--------------------------|----------------------|----------------|
| General meeting of shareholders on June 27, 2008 | Common stock | 72,525 | 7 | March 31, 2008 | June 27, 2008 |
| | Preferred stock first series of class 3 | 3,000 | 30 | March 31, 2008 | June 27, 2008 |
| | Preferred stock class 8 | 140 | 7.95 | March 31, 2008 | June 27, 2008 |
| | Preferred stock class 11 | 0 | 2.65 | March 31, 2008 | June 27, 2008 |
| | Preferred stock class 12 | 193 | 5.75 | March 31, 2008 | June 27, 2008 |

The total amount of dividends above includes 4 million yen paid to consolidated subsidiaries.

(2) Dividends with record dates on or before September 30, 2008 and effective dates on or after October 1, 2008

| Date of approval | Type of stock | Total dividends (million yen) | Source of dividends | Dividend per share (yen) | Dividend record date | Effective date |
|---|---|-------------------------------|-------------------------|--------------------------|----------------------|-------------------|
| Board of Directors meeting on November 18, 2008 | Common stock | 74,428 | Other retained earnings | 7 | September 30, 2008 | December 10, 2008 |
| | Preferred stock first series of class 3 | 3,000 | Other retained earnings | 30 | September 30, 2008 | December 10, 2008 |
| | Preferred stock class 11 | 0 | Other retained earnings | 2.65 | September 30, 2008 | December 10, 2008 |
| | Preferred stock class 12 | 64 | Other retained earnings | 5.75 | September 30, 2008 | December 10, 2008 |

III. For the fiscal year ended March 31, 2008

1. Types and number of outstanding shares and treasury stock

| | Number of shares as of March 31, 2007 | Number of shares increased | Number of shares decreased | (Thousand shares) Number of shares as of March 31, 2008 | Notes |
|---|---|----------------------------------|----------------------------------|--|-------|
| Outstanding shares: | | | | | |
| Common stock | 10,861 | 10,850,782 | | 10,861,643 | 1 |
| Preferred stock first series of class 3 | 100 | 99,900 | | 100,000 | 2 |
| Preferred stock class 8 | 17 | 17,682 | | 17,700 | 3 |
| Preferred stock class 11 | 0 | 0 | | 1 | 4 |
| Preferred stock class 12 | 33 | 33,666 | | 33,700 | 5 |
| Total | 11,013 | 11,002,031 | | 11,013,044 | |
| Treasury stock: | | | | | |
| Common stock | 654 | 781,337 | 277,729 | 504,262 | 6 |
| Total | 654 | 781,337 | 277,729 | 504,262 | |

Notes:

- The increase in common stock by 10,850,782 thousand shares was due to a stock split.
- The increase in preferred stock first series of class 3 by 99,900 thousand shares was due to a stock split.
- The increase in preferred stock class 8 by 17,682 thousand shares was due to a stock split.
- The increase in preferred stock class 11 by 0 thousand shares was due to a stock split.
- The increase in preferred stock class 12 by 33,666 thousand shares was due to a stock split.
- The increase in common stock held as treasury stock by 781,337 thousand shares was due to a stock split, repurchase at the shareholders requests to purchase their odd-lot shares and shares constituting less than a unit, the repurchase of treasury stock under the resolution of the Board of Directors, an increase in the number of shares held by subsidiaries and affiliates, and other reasons. The decrease in common stock held as treasury stock by 277,729 thousand shares was due to a share exchange, the sale of odd-lot shares and shares constituting less than a unit at the shareholders requests, a decrease in the number of shares held by affiliates and other reasons.

2. Information regarding subscription rights to shares

| Issuer | Type of subscription rights to shares | Type of shares to be issued | As of March 31, 2007 | Number of shares issued For the fiscal year ended March 31, 2008 | | As of March 31, 2008 | Balance as of March 31, 2008 (¥ million) | Notes |
|--|---|--------------------------------------|----------------------------|--|----------|----------------------------|--|-------|
| | | | | Increase | Decrease | | | |
| MUFG | Subscription rights to shares (Treasury stock) | | () | () | () | () | () | |
| | Stock options | | | | | 2,408 | | |
| Consolidated subsidiaries (Treasury stock) | | | | | | 100 | | |
| | | | | | | () | | |
| | Total | | | | | 2,509 | | |

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3. Information regarding cash dividends

| Date of approval | Type of stock | Total dividends (million yen) | Dividend per share (yen) | Dividend record date | Effective date |
|--|---|----------------------------------|--------------------------------|----------------------|-------------------|
| General meeting of shareholders on June 28, 2007 | Common stock | 61,259 | 6,000 | March 31, 2007 | June 28, 2007 |
| | Preferred stock first series of class 3 | 3,000 | 30,000 | March 31, 2007 | June 28, 2007 |
| | Preferred stock class 8 | 140 | 7,950 | March 31, 2007 | June 28, 2007 |
| | Preferred stock class 11 | 0 | 2,650 | March 31, 2007 | June 28, 2007 |
| | Preferred stock class 12 | 193 | 5,750 | March 31, 2007 | June 28, 2007 |
| Board of Directors meeting on November 21, 2007 | Common stock | 73,411 | 7 | September 30, 2007 | December 10, 2007 |
| | Preferred stock first series of class 3 | 3,000 | 30 | September 30, 2007 | December 10, 2007 |
| | Preferred stock class 8 | 140 | 7.95 | September 30, 2007 | December 10, 2007 |
| | Preferred stock class 11 | 0 | 2.65 | September 30, 2007 | December 10, 2007 |
| | Preferred stock class 12 | 193 | 5.75 | September 30, 2007 | December 10, 2007 |

The total amount of dividends above includes 11 million yen paid to consolidated subsidiaries.

MUFG conducted a 1,000 for 1 stock split of common and preferred stocks effective on September 30, 2007.

Dividends with record dates on or before March 31, 2008 and effective dates on or after April 1, 2008

| Date of approval | Type of stock | Total dividends (million yen) | Source of dividends | Dividend per share (yen) | Dividend record date | Effective date |
|--|---|----------------------------------|-------------------------|--------------------------------|----------------------|----------------|
| General meeting of shareholders on June 27, 2008 | Common stock | 72,525 | Other Retained earnings | 7 | March 31, 2008 | June 27, 2008 |
| | Preferred stock first series of class 3 | 3,000 | Other Retained earnings | 30 | March 31, 2008 | June 27, 2008 |
| | Preferred stock class 8 | 140 | Other Retained earnings | 7.95 | March 31, 2008 | June 27, 2008 |
| | Preferred stock class 11 | 0 | Other Retained earnings | 2.65 | March 31, 2008 | June 27, 2008 |
| | Preferred stock class 12 | 193 | Other Retained earnings | 5.75 | March 31, 2008 | June 27, 2008 |

(Consolidated Statements of Cash Flows)

| For the six months ended September 30, 2007 | | For the six months ended September 30, 2008 | | For the fiscal year ended March 31, 2008 | |
|---|-----------------------------|---|-----------------------------|---|-----------------------------|
| Reconciliation between cash and cash equivalents and items presented on the interim consolidated balance sheet: | | Reconciliation between cash and cash equivalents and items presented on the interim consolidated balance sheet: | | Reconciliation between cash and cash equivalents and items presented on the consolidated balance sheet: | |
| As of September 30, 2007 | | As of September 30, 2008 | | As of March 31, 2008 | |
| | (in millions of yen) | | (in millions of yen) | | (in millions of yen) |
| Cash and due from banks | 10,978,368 | Cash and due from banks | 10,148,110 | Cash and due from banks | 10,281,603 |
| Time deposits and negotiable certificates of deposit in other banks | (7,739,470) | Time deposits and negotiable certificates of deposit in other banks | (5,593,553) | Time deposits and negotiable certificates of deposit in other banks | (6,059,380) |
| Cash and cash equivalents | 3,238,898 | Cash and cash equivalents | 4,554,556 | Cash and cash equivalents | 4,222,222 |

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(Lease Transactions)

| For the six months ended | | For the six months ended | | For the fiscal year ended | |
|---|----------------------|--|----------------------|---|----------------------|
| September 30, 2007 | | September 30, 2008 | | March 31, 2008 | |
| 1. Finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessees: | | 1. Finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessees which are accounted for similar to normal sale and purchase transactions: | | 1. Finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessees: | |
| (As lessee) | | (As lessee) | | (As lessee) | |
| Acquisition costs, accumulated depreciation, accumulated impairment loss and net book value of leased assets: | | Acquisition costs, accumulated depreciation, accumulated impairment loss and net book value of leased assets: | | Acquisition costs, accumulated depreciation, accumulated impairment loss and net book value of leased assets: | |
| | (in millions of yen) | | (in millions of yen) | | (in millions of yen) |
| Acquisition costs | | Acquisition costs | | Acquisition costs | |
| Tangible fixed assets | 187,054 | Tangible fixed assets | 156,025 | Buildings | 49 |
| Intangible fixed assets | 152,611 | Intangible fixed assets | 141,442 | Other tangible fixed assets | 166,896 |
| Total | 339,666 | Total | 297,468 | Software | 151,405 |
| Accumulated depreciation | | Accumulated depreciation | | Total | |
| Tangible fixed assets | 93,503 | Tangible fixed assets | 90,932 | Buildings | 40 |
| Intangible fixed assets | 74,653 | Intangible fixed assets | 86,331 | Other tangible fixed assets | 86,976 |
| Total | 168,156 | Total | 177,264 | Software | 84,115 |
| Accumulated impairment losses | | Accumulated impairment losses | | Total | |
| Tangible fixed assets | 301 | Tangible fixed assets | 167 | Other tangible fixed assets | 1,068 |
| Intangible fixed assets | 37 | Intangible fixed assets | 46 | Software | 37 |
| Total | 338 | Total | 213 | Total | 1,105 |
| Net book value as of September 30, 2007 | | Net book value as of September 30, 2008 | | Net book value as of March 31, 2008 | |
| Tangible fixed assets | 93,249 | Tangible fixed assets | 64,925 | Buildings | 9 |
| Intangible fixed assets | 77,921 | Intangible fixed assets | 55,064 | Other tangible fixed assets | 78,852 |
| Total | 171,170 | Total | 119,990 | Software | 67,252 |
| | | | | Total | 146,113 |

| For the six months ended | | For the six months ended | | For the fiscal year ended | |
|--|----------------------|--|----------------------|---|----------------------|
| September 30, 2007 | | September 30, 2008 | | March 31, 2008 | |
| <p>Note: The acquisition costs include the interest expenses since the future lease payments are immaterial when compared with the balance of the fixed assets as of September 30, 2007. However, for the main intangible fixed asset items, interest expenses that are reasonably estimated are deducted from the acquisition costs.</p> | | <p>Note: The acquisition costs include the interest expenses since the future lease payments are immaterial when compared with the balance of the fixed assets as of September 30, 2008. However, for the main intangible fixed asset items, interest expenses that are reasonably estimated are deducted from the acquisition costs.</p> | | <p>Note: The acquisition costs include the interest expenses since the future lease payments are immaterial when compared with the balance of the fixed assets as of March 31, 2008. However, for the main software items, interest expenses that are reasonably estimated are deducted from the acquisition costs.</p> | |
| <p>Future lease payments as of September 30, 2007</p> | | <p>Future lease payments as of September 30, 2008</p> | | <p>Future lease payments as of March 31, 2008</p> | |
| | (in millions of yen) | | (in millions of yen) | | (in millions of yen) |
| Due within one year | 52,074 | Due within one year | 45,249 | Due within one year | 49,570 |
| Due after one year | 121,794 | Due after one year | 76,749 | Due after one year | 99,869 |
| Total | 173,868 | Total | 121,998 | Total | 149,440 |
| <p>Note: Future lease payments include the interest expenses since the future lease payments are immaterial when compared to the balance of the fixed assets as of September 30, 2007. However, for the main intangible fixed assets items, interest expenses that are reasonably estimated are deducted from the future lease payments.</p> | | <p>Note: Future lease payments include the interest expenses since the future lease payments are immaterial when compared to the balance of the fixed assets as of September 30, 2008. However, for the main intangible fixed assets items, interest expenses that are reasonably estimated are deducted from the future lease payments.</p> | | <p>Note: Future lease payments include the interest expenses since the future lease payments are immaterial when compared to the balance of the fixed assets as of March 31, 2008. However, for the main software items, interest expenses that are reasonably estimated are deducted from the future lease payments.</p> | |
| <p>Balance of impairment losses on leased assets as of September 30, 2007</p> | | <p>Balance of impairment losses on leased assets as of September 30, 2008</p> | | <p>Balance of impairment losses on leased assets as of March 31, 2008</p> | |
| | 271 million yen | | 213 million yen | | 970 million yen |
| <p>Lease expense, reversal of impairment losses on leased assets, depreciation, interest expense and impairment losses:</p> | | <p>Lease expense, reversal of impairment losses on leased assets, depreciation, interest expense and impairment losses:</p> | | <p>Lease expense, reversal of impairment losses on leased assets, depreciation, interest expense and impairment losses:</p> | |
| | (in millions of yen) | | (in millions of yen) | | (in millions of yen) |
| Lease expense | 29,290 | Lease expense | 25,987 | Lease expense | 57,380 |
| Reversal of impairment losses on leased assets | 67 | Reversal of impairment losses on leased assets | 67 | Reversal of impairment losses on leased assets | 209 |
| Depreciation | 28,620 | Depreciation | 25,429 | Depreciation | 56,057 |
| Interest expense | 624 | Interest expense | 455 | Interest expense | 1,180 |
| Impairment losses | 338 | Impairment losses | 78 | Impairment losses | 1,179 |

| For the six months ended | For the six months ended | For the fiscal year ended | |
|--|--|---|---------|
| September 30, 2007 | September 30, 2008 | March 31, 2008 | |
| Method used to calculate depreciation: | Method used to calculate depreciation: | Method used to calculate depreciation: | |
| Depreciation is calculated using the straight-line method over the lease term of the respective assets with no residual value at the end of the lease period. | Depreciation is calculated using the straight-line method over the lease term of the respective assets with no residual value at the end of the lease period. | Depreciation is calculated using the straight-line method over the lease term of the respective assets with no residual value at the end of the lease period. | |
| Method used to calculate interest expense: | Method used to calculate interest expense: | Method used to calculate interest expense: | |
| Interest expense is calculated based on the difference between the total lease payments and the acquisition costs of the leased assets and allocated to each interim period using the interest method. | Interest expense is calculated based on the difference between the total lease payments and the acquisition costs of the leased assets and allocated to each interim period using the interest method. | Interest expense is calculated based on the difference between the total lease payments and the acquisition costs of the leased assets and allocated to each fiscal year using the interest method. | |
| (As lessor) | | (As lessor) | |
| Acquisition costs, accumulated depreciation and net book value of leased assets: | | Acquisition costs, accumulated depreciation and net book value of leased assets included in tangible fixed assets, and intangible fixed assets: | |
| | _____ | | |
| | (in millions of yen) | (in millions of yen) | |
| Acquisition costs | | Acquisition costs | |
| Tangible fixed assets | 512,665 | Other tangible fixed assets | 510,617 |
| Intangible fixed assets | 66,094 | Other intangible fixed assets | 70,089 |
| Total | 578,760 | Total | 580,707 |
| Accumulated depreciation | | Accumulated depreciation | |
| Tangible fixed assets | 225,598 | Other tangible fixed assets | 228,336 |
| Intangible fixed assets | 28,203 | Other intangible fixed assets | 30,058 |
| Total | 253,801 | Total | 258,395 |
| Net book value as of September 30, 2007 | | Net book value as of March 31, 2008 | |
| Tangible fixed assets | 287,066 | Other tangible fixed assets | 282,280 |
| Intangible fixed assets | 37,891 | Other intangible fixed assets | 40,031 |
| Total | 324,958 | Total | 322,312 |

| For the six months ended | | For the six months ended | | For the fiscal year ended | |
|---|----------------------|--|----------------------|---|----------------------|
| September 30, 2007 | | September 30, 2008 | | March 31, 2008 | |
| Future lease payments | | Future lease payments | | Future lease payments | |
| | (in millions of yen) | | | | (in millions of yen) |
| Due within one year | 115,858 | | | Due within one year | 115,947 |
| Due after one year | 242,853 | | | Due after one year | 238,268 |
| Total | 358,712 | | | Total | 354,215 |
| Note: Future lease payments include interest received, since the total balances of future lease payments and the estimated residual values as of September 30, 2007 are immaterial when compared with the accounts receivables balances as of September 30, 2007. | | | | Note: Future lease payments include interest received, since the total balances of future lease payments and the estimated residual values as of March 31, 2008 are immaterial when compared with the accounts receivables balances as of March 31, 2008. | |
| Lease income | 61,519 million yen | | | Lease income | 123,254 million yen |
| Depreciation | 52,792 million yen | | | Depreciation | 106,023 million yen |
| 2. Operating lease transactions | | 2. Operating lease transactions | | 2. Operating lease transactions | |
| (As lessor) | | (As lessor) | | (As lessor) | |
| | (in millions of yen) | | (in millions of yen) | | (in millions of yen) |
| Future lease payments | | Future lease payments relating to non-cancellable operating leases | | Future lease payments | |
| Due within one year | 40,753 | Due within one year | 42,226 | Due within one year | 44,476 |
| Due after one year | 163,519 | Due after one year | 131,364 | Due after one year | 139,734 |
| Total | 204,273 | Total | 173,591 | Total | 184,210 |
| (As lessee) | | (As lessee) | | (As lessee) | |
| Future lease payments | | Future lease payments relating to non-cancellable operating leases | | Future lease payments | |
| | (in millions of yen) | | (in millions of yen) | | (in millions of yen) |
| Due within one year | 4,917 | Due within one year | 5,039 | Due within one year | 8,486 |
| Due after one year | 26,357 | Due after one year | 39,299 | Due after one year | 22,473 |
| Total | 31,275 | Total | 44,338 | Total | 30,960 |

(Securities)

I As of September 30, 2007

*1 In addition to Securities in the consolidated balance sheet, the following tables include negotiable certificates of deposit in Cash and due from banks and beneficiary certificates of commodity investment trusts in Monetary claims bought .

*2 Investments in subsidiaries and affiliates with fair values are disclosed in the note to the interim non-consolidated financial statements.

1. Debt securities being held to maturity with fair values (as of September 30, 2007)

| | (in millions of yen) | | |
|------------------|--|------------------|----------------------------------|
| | Amount on consolidated balance sheet | Fair value | Net unrealized gains (losses) |
| Domestic bonds : | 3,007,124 | 3,009,330 | 2,205 |
| Government bonds | 2,697,587 | 2,697,965 | 377 |
| Municipal bonds | 75,694 | 76,592 | 898 |
| Corporate bonds | 233,842 | 234,772 | 929 |
| Foreign bonds | 31,998 | 32,383 | 385 |
| Other | 164,967 | 164,966 | (0) |
| Total | 3,204,090 | 3,206,681 | 2,590 |

Note:

Fair value is calculated by using quoted market prices and/or other information as at the interim period end.

2. Other securities with fair values (as of September 30, 2007)

| | (in millions of yen) | | |
|----------------------------|----------------------|--|----------------------------------|
| | Acquisition cost | Amount on consolidated balance sheet | Net unrealized gains (losses) |
| Domestic equity securities | 4,393,579 | 7,413,850 | 3,020,271 |
| Domestic bonds | 18,073,311 | 17,994,368 | (78,942) |
| Government bonds | 16,563,424 | 16,489,597 | (73,827) |
| Municipal bonds | 202,000 | 201,734 | (265) |
| Corporate bonds | 1,307,886 | 1,303,036 | (4,850) |
| Foreign equity securities | 108,209 | 239,629 | 131,420 |
| Foreign bonds | 7,530,373 | 7,443,250 | (87,122) |
| Other | 5,252,540 | 5,247,630 | (4,910) |
| Total | 35,358,013 | 38,338,729 | 2,980,716 |

Notes:

1. Amount on consolidated balance sheet represents fair value calculated by using quoted market prices and/or other information as at the interim period end.
2. Securities with market prices or reasonably established values held by MUFG and domestic consolidated subsidiaries are recorded at fair value on the consolidated balance sheet when the fair values of such securities have significantly declined from the acquisition costs and it is determined at the interim period end that the recovery of the fair values to the acquisition costs are unlikely. Differences between the fair values and the acquisition costs are recognized as losses in current earnings. Criteria for determining

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significant declines in fair value are set forth as below based on the classification of issuers in accordance with the internally established self-assessment standards for asset quality:

| | |
|---|---|
| Bankrupt, Substantially bankrupt or Potentially bankrupt issuers: | Fair value is lower than acquisition cost |
| Special mention: | Fair value has declined 30% or more from acquisition cost |
| Normal: | Fair value has declined 50% or more from acquisition cost |

A bankrupt issuer means an issuer that is legally and formally declared as bankrupt, including having entered into bankruptcy proceedings, special liquidation proceedings, or notes being dishonored and suspended from being processed through clearing houses, or other conditions. A substantially bankrupt issuer means an issuer who is regarded as substantially bankrupt. A potentially bankrupt issuer means an issuer that is determined to be highly likely to be bankrupt in the future. A special mention issuer means an issuer that requires close monitoring going forward. A normal issuer refers to an issuer other than a bankrupt, substantially bankrupt, potentially bankrupt and special mention issuer.

- Net unrealized gains and losses include losses of 245 million yen arising from not bifurcating embedded derivatives from other securities which are recorded in current earnings.
- Securities carried at acquisition cost on the consolidated balance sheet (excluding securities included in Table 1) (as of September 30, 2007)

| | (in millions of yen) Amount |
|--|--------------------------------|
| Debt securities being held to maturity | |
| Foreign bonds | 14,495 |
| Other securities | |
| Domestic equity securities | 420,750 |
| Corporate bonds | 3,677,349 |
| Foreign equity securities | 73,181 |
| Foreign bonds | 143,771 |

II As of September 30, 2008

- *1 In addition to Securities in the consolidated balance sheet, the following tables include negotiable certificates of deposit in Cash and due from banks and beneficiary certificates of commodity investment trusts in Monetary claims bought .
- *2 Investments in subsidiaries and affiliates with fair values are disclosed in the note to the interim non-consolidated financial statements.

1. Debt securities being held to maturity with fair values (as of September 30, 2008)

| | (in millions of yen) | | |
|------------------|--|------------------|----------------------------------|
| | Amount on consolidated balance sheet | Fair value | Net unrealized gains (losses) |
| Domestic bonds: | 2,133,993 | 2,140,795 | 6,801 |
| Government bonds | 1,807,176 | 1,812,057 | 4,880 |
| Municipal bonds | 69,002 | 69,672 | 669 |
| Corporate bonds | 257,813 | 259,065 | 1,251 |
| Foreign bonds | 22,384 | 23,177 | 793 |
| Other | 222,052 | 222,052 | |
| Total | 2,378,430 | 2,386,025 | 7,594 |

Note:

Fair value is calculated by using quoted market prices and/or other information as at the interim period end.

2. Other securities with fair values (as of September 30, 2008)

| | (in millions of yen) | | |
|----------------------------|----------------------|--|----------------------------------|
| | Acquisition cost | Amount on consolidated balance sheet | Net unrealized gains (losses) |
| Domestic equity securities | 4,150,255 | 5,010,911 | 860,656 |
| Domestic bonds | 17,669,010 | 17,658,600 | (10,409) |
| Government bonds | 15,714,629 | 15,704,955 | (9,674) |
| Municipal bonds | 279,536 | 280,684 | 1,148 |
| Corporate bonds | 1,674,844 | 1,672,961 | (1,883) |
| Foreign equity securities | 117,142 | 144,176 | 27,034 |
| Foreign bonds | 7,316,688 | 7,213,911 | (102,776) |
| Other | 5,075,815 | 4,301,555 | (774,259) |
| Total | 34,328,910 | 34,329,155 | 244 |

Notes:

- Amount on consolidated balance sheet represents fair value calculated by using quoted market prices and/or other information as at the interim period end.
- Securities with market prices or reasonably established values held by MUFG and domestic consolidated subsidiaries are recorded at fair value on the consolidated balance sheet when the fair values of such securities have significantly declined from the acquisition costs and it is determined at the interim period end that the recovery of the fair values to the acquisition costs are unlikely. Differences between the fair values and the acquisition costs are recognized as losses in current earnings. Criteria for determining significant declines in fair value are set forth as below based on the classification of issuers in accordance with the internally established self-assessment standards for asset quality:

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| | |
|---|---|
| Bankrupt, Substantially bankrupt or Potentially bankrupt issuers: | Fair value is lower than acquisition cost |
| Special mention: | Fair value has declined 30% or more from acquisition cost |
| Normal: | Fair value has declined 50% or more from acquisition cost |

A bankrupt issuer means an issuer that is legally and formally declared as bankrupt, including having entered into bankruptcy proceedings, special liquidation proceedings or notes being dishonored and

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suspended from being processed through clearing houses, or other conditions. A substantially bankrupt issuer means an issuer who is regarded as substantially bankrupt. A potentially bankrupt issuer means an issuer that is determined to be highly likely to be bankrupt in the future. A special mention issuer means an issuer that requires close monitoring going forward. A normal issuer refers to an issuer other than a bankrupt, substantially bankrupt, potentially bankrupt and special mention issuer.

3. Net unrealized gains and losses include losses of 8,516 million yen arising from not bifurcating embedded derivatives from other securities which are recorded in current earnings.

3. Securities carried at acquisition cost on the consolidated balance sheet (excluding securities in Table 1) (as of September 30, 2008)

| | (in millions of yen) Amount |
|---|--------------------------------|
| Debt securities being held to maturity: | |
| Foreign bonds | 543 |
| Other securities: | |
| Domestic equity securities | 438,785 |
| Corporate bonds | 3,407,603 |
| Foreign equity securities | 75,686 |
| Foreign bonds | 318,250 |

III. As of March 31, 2008

*1. In addition to Securities on the consolidated balance sheet, the following tables include securities classified as Trading assets, negotiable certificates of deposit in Cash and due from banks and securities and beneficiary certificates of commodity investment trusts in Monetary claims bought .

*2. Investments in subsidiaries and affiliates with fair values are disclosed in the note to the non-consolidated financial statements.

1. Available-for-sale securities (as of March 31, 2008)

| | Amount on consolidated balance sheet | (in millions of yen) Net unrealized gains (losses) recognized in current earnings |
|-------------------------------|--|--|
| Available for sale securities | 10,048,468 | 53,379 |

2. Debt securities being held to maturity with fair values (as of March 31, 2008)

| | Amount on consolidated balance sheet | Fair value | Net unrealized gains (losses) | Unrealized gains | Unrealized losses |
|------------------|--|------------|----------------------------------|---------------------|----------------------|
| Domestic bonds | 2,805,196 | 2,824,350 | 19,153 | 21,178 | 2,025 |
| Government bonds | 2,496,983 | 2,512,116 | 15,133 | 17,129 | 1,996 |
| Municipal bonds | 71,844 | 73,073 | 1,229 | 1,229 | |
| Corporate bonds | 236,368 | 239,159 | 2,790 | 2,819 | 28 |
| Other | 136,778 | 137,862 | 1,083 | 1,304 | 220 |
| Foreign bonds | 20,934 | 22,018 | 1,084 | 1,304 | 220 |

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| | | | | | |
|-------|-----------|-----------|--------|--------|-------|
| Other | 115,844 | 115,844 | (0) | 0 | |
| Total | 2,941,975 | 2,962,212 | 20,237 | 22,483 | 2,245 |

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Notes:

1. Fair value is calculated by using quoted market prices and/or other information as at the fiscal year end.
2. Unrealized gains and Unrealized losses represent the components of Net unrealized gains (losses) .
3. Other securities with fair values (as of March 31, 2008)

| | (in millions of yen) | | | | |
|----------------------------|----------------------|--------------------------------------|-------------------------------|------------------|-------------------|
| | Acquisition cost | Amount on consolidated balance sheet | Net unrealized gains (losses) | Unrealized gains | Unrealized losses |
| Domestic equity securities | 4,296,748 | 5,674,702 | 1,377,953 | 1,737,517 | 359,564 |
| Domestic bonds | 17,070,963 | 17,062,116 | (8,847) | 82,767 | 91,614 |
| Government bonds | 15,366,668 | 15,343,602 | (23,065) | 66,131 | 89,196 |
| Municipal bonds | 198,806 | 202,574 | 3,767 | 3,916 | 148 |
| Corporate bonds | 1,505,488 | 1,515,939 | 10,450 | 12,719 | 2,269 |
| Other | 13,789,594 | 13,425,362 | (364,231) | 192,167 | 556,398 |
| Foreign equity securities | 97,079 | 192,234 | 95,154 | 95,682 | 527 |
| Foreign bonds | 8,435,851 | 8,415,050 | (20,800) | 65,715 | 86,515 |
| Other | 5,256,662 | 4,818,077 | (438,584) | 30,770 | 469,355 |
| Total | 35,157,305 | 36,162,180 | 1,004,875 | 2,012,453 | 1,007,578 |

Notes:

1. Amount on consolidated balance sheet represents fair value calculated by using quoted market prices and/or other information as at the end of March 2008.
2. Unrealized gains and Unrealized losses represent the components of Net unrealized gains (losses) .
3. Securities with market prices or reasonably established values held by MUFG and domestic consolidated subsidiaries are recorded at fair value on the consolidated balance sheet when the fair values of such securities have significantly declined from the acquisition costs and it is determined at the fiscal year end that the recovery of the fair values to the acquisition costs are unlikely. Differences between the fair values and the acquisition costs are recognized as losses in current earnings. Criteria for determining significant declines in fair value are set forth as below based on the classification of issuers in accordance with the internally established self-assessment standards for asset quality:

| | |
|---|---|
| Bankrupt, Substantially bankrupt or Potentially bankrupt issuers: | Fair value is lower than acquisition cost |
| Special mention: | Fair value has declined 30% or more from acquisition cost |
| Normal: | Fair value has declined 50% or more from acquisition cost |

A bankrupt issuer means an issuer that is legally and formally declared as bankrupt, including having entered into bankruptcy proceedings, special liquidation proceedings or notes being dishonored and suspended from being processed through clearing houses, or other conditions. A substantially bankrupt issuer means an issuer who is regarded as substantially bankrupt. A potentially bankrupt issuer means an issuer that is determined to be highly likely to be bankrupt in the future. A special mention issuer means an issuer that requires close monitoring going forward. A normal issuer refers to an issuer other than a bankrupt, substantially bankrupt, potentially bankrupt and special mention issuer.

4. Net unrealized gains and losses include losses of 13,982 million yen arising from not bifurcating embedded derivatives from other securities which are recorded in current earnings.

4. Other securities sold during the fiscal year ended March 31, 2008

| | (in millions of yen) | | |
|------------------|----------------------|----------------|-----------------|
| | Amount sold | Gains on sales | Losses on sales |
| Other securities | 50,118,819 | 332,133 | 144,781 |

5. Securities carried at acquisition cost on the consolidated balance sheet (excluding securities included in Table 2) (as of March 31, 2008)

| | (in millions of yen) |
|--|----------------------|
| | Amount |
| Debt securities being held to maturity | |
| Foreign bonds | 12,886 |
| Other securities | |
| Domestic equity securities | 446,418 |
| Corporate bonds | 3,481,687 |
| Foreign equity securities | 72,450 |
| Foreign bonds | 243,430 |

6. The redemption schedule of other securities with maturities and debt securities being held to maturity (as of March 31, 2008)

| | (in millions of yen) | | | |
|------------------|----------------------|----------------------|-----------------------|---------------|
| | Within 1 year | Between 1 to 5 years | Between 5 to 10 years | Over 10 years |
| Domestic bonds | 8,972,284 | 7,467,376 | 4,633,923 | 2,279,647 |
| Government bonds | 8,200,246 | 4,273,924 | 3,634,820 | 1,731,595 |
| Municipal bonds | 24,752 | 145,509 | 105,963 | 3,846 |
| Corporate bonds | 747,285 | 3,047,942 | 893,139 | 544,205 |
| Other | 799,114 | 3,425,040 | 2,761,209 | 5,570,201 |
| Foreign bonds | 589,635 | 2,986,504 | 1,440,348 | 2,955,942 |
| Other | 209,479 | 438,536 | 1,320,861 | 2,614,259 |
| Total | 9,771,398 | 10,892,417 | 7,395,133 | 7,849,848 |

(Money Held in Trust)

I. As of September 30, 2007

Money held in trust other than for trading purpose or being held to maturity (as of September 30, 2007)

| | (in millions of yen) | | |
|---|----------------------|--|----------------------------------|
| | Acquisition cost | Amount on consolidated balance sheet | Net unrealized gains (losses) |
| Money held in trust other than for trading purposes or being held to maturity | 339,957 | 340,716 | 759 |

Note:

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Amount on consolidated balance sheet is recorded at fair value determined using quoted market prices and/or other information as at the interim period end.

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II. As of September 30, 2008

Money held in trust other than for trading purposes or being held to maturity (as of September 30, 2008)

| | Acquisition cost | Amount on consolidated balance sheet | (in millions of yen) Net unrealized gains (losses) |
|---|------------------|--------------------------------------|---|
| Money held in trust other than for trading purposes or being held to maturity | 313,263 | 314,062 | 798 |

Notes:

Amount on consolidated balance sheet is recorded at fair value determined using quoted market prices and/or other information as at the interim period end.

III. As of March 31, 2008

1. Money held in trust for trading purposes (as of March 31, 2008)

| | Amount on consolidated balance sheet | (in millions of yen) Net unrealized gains (losses) recognized in current earnings |
|--|--------------------------------------|--|
| Money held in trust for trading purposes | 72,392 | (9,671) |

2. Money held in trust other than for trading purposes or being held to maturity (as of March 31, 2008)

| | Acquisition cost | Amount on consolidated balance sheet | Net unrealized gains (losses) | Unrealized gains | Unrealized losses |
|---|------------------|--------------------------------------|-------------------------------|------------------|-------------------|
| Money held in trust other than for trading purposes or being held to maturity | 328,054 | 329,055 | 1,001 | 1,091 | 89 |

Notes:

1. Amount on consolidated balance sheet is recorded at fair value determined using quoted market prices and/or other information as at the fiscal year end.

2. Unrealized gains and Unrealized losses represent the components of Net unrealized gains (losses) .
(Net Unrealized Gains (Losses) on Other Securities)

I. As of September 30, 2007

Net unrealized gains (losses) on other securities (as of September 30, 2007)

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The breakdown of Net unrealized gains (losses) on other securities recognized in the balance sheet is as follows:

| | (in millions of yen) |
|---|----------------------|
| | Amount |
| Net unrealized gains (losses) on other securities | 3,007,857 |
| Other securities | 3,007,098 |
| Money held in trust other than for trading purpose or being held to maturity | 759 |
| Deferred tax liabilities | (1,208,323) |
| Net unrealized gains (losses) on other securities (before adjusting the interests below) | 1,799,534 |
| Minority interests | 1,654 |
| MUFG's interest in unrealized gains (losses) on other securities held by equity method affiliates | 2,229 |
| Net unrealized gains (losses) on other securities | 1,803,418 |

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Notes:

1. Net unrealized gains (losses) in this table excludes 245 million yen of losses arising from not bifurcating embedded derivatives from other securities.
2. Net unrealized gains (losses) in this table includes 26,136 million yen of unrealized gains on securities in investment limited partnerships.

II As of September 30, 2008

Net unrealized gains (losses) on other securities (as of September 30, 2008)

The breakdown of Net unrealized gains (losses) on other securities recognized in the balance sheet is as follows:

| | (in millions of yen) Amount |
|---|--------------------------------|
| Net unrealized gains (losses) on other securities | 22,843 |
| Other securities | 22,044 |
| Money held in trust other than for trading purpose or being held to maturity | 798 |
| Deferred tax liabilities | (72,785) |
| Net unrealized gains (losses) on other securities (before adjusting the interests below) | (49,941) |
| Minority interests | 19,221 |
| MUFG's interest in unrealized gains (losses) on other securities held by affiliates accounted for under the equity method | (8,523) |
| Net unrealized gains (losses) on other securities | (39,243) |

Notes:

1. Net unrealized gains (losses) in this table excludes 8,516 million yen of losses arising from not bifurcating embedded derivatives from other securities.
2. Net unrealized gains (losses) in this table includes 13,283 million yen of unrealized gains on securities in investment limited partnerships.

III As of March 31, 2008

Net unrealized gains (losses) on other securities (as of March 31, 2008)

The breakdown of Net unrealized gains (losses) on other securities recognized in the balance sheet is as follows:

| | (in millions of yen) Amount |
|---|--------------------------------|
| Net unrealized gains (losses) on other securities | 1,034,322 |
| Other securities | 1,033,321 |
| Money held in trust other than for trading purpose or being held to maturity | 1,001 |
| Deferred tax liabilities | (443,995) |
| Net unrealized gains (losses) on other securities (before adjusting the interests below) | 590,327 |
| Minority interests | 7,771 |
| MUFG's interest in unrealized gains (losses) on other securities held by equity method affiliates | (2,746) |
| Net unrealized gains (losses) on other securities | 595,352 |

Notes:

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1. Net unrealized gains (losses) in this table excludes 13,982 million yen of losses arising from not bifurcating embedded derivatives from other securities.
2. Net unrealized gains (losses) in this table includes 14,463 million yen of unrealized gains on securities in investment limited partnerships.

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(Derivative)

I. As of September 30, 2007

(1) Interest-related transactions (as of September 30, 2007)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|------------------|-------------------------|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Exchange-traded | Interest rate futures | 17,947,289 | (1,876) | (1,876) |
| | Interest rate options | 23,208,038 | 177 | (266) |
| Over-the-counter | Forward rate agreements | 3,616,306 | 179 | 179 |
| | Interest rate swaps | 509,670,483 | 264,518 | 264,723 |
| | Interest rate swaptions | 40,172,663 | 1,477 | 7,638 |
| | Other | 7,704,037 | 7,341 | 9,046 |
| Total | | | 271,818 | 279,444 |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

Derivative transactions which apply hedge accounting in accordance with Industry Audit Committee Report No. 24 are not included in the table above.

(2) Currency-related transactions (as of September 30, 2007)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|------------------|----------------------------|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Exchange-traded | Currency futures | 13,263 | (45) | (45) |
| Over-the-counter | Currency swaps | 38,395,170 | 64,614 | 64,614 |
| | Foreign exchange contracts | 88,901,187 | 214,430 | 214,430 |
| | Currency options | 32,063,611 | (158,048) | 1,104 |
| Total | | | 120,950 | 280,103 |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

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Derivative transactions which apply hedge accounting in accordance with Industry Audit Committee Report No. 25 are not included in the table above.

(3) Stock-related transactions (as of September 30, 2007)

| | | (in millions of yen) | | |
|------------------|---|-----------------------------|-----------------|----------------------------------|
| Classification | Type of transaction | Contract/notional amount | Fair value | Net unrealized gains (losses) |
| Exchange-traded | Stock index futures | 577,640 | (25,778) | (25,778) |
| | Stock index options | 155,365 | 497 | 367 |
| Over-the-counter | Over-the-counter securities options | 664,845 | (12,666) | (6,157) |
| | Over-the-counter securities index swaps and other swaps | 61,100 | (2,995) | (2,995) |
| | Over-the-counter securities index and other forward contracts | 4,531 | 10 | (3,412) |
| | Total | | (40,933) | (37,977) |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

(4) Bond-related transactions (as of September 30, 2007)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|------------------|-------------------------------|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Exchange-traded | Bond futures | 2,549,614 | 2,450 | 2,450 |
| | Bond future options | 515,321 | (913) | 73 |
| Over-the-counter | Over-the-counter bond options | 558,654 | (743) | (802) |
| Total | | | 793 | 1,721 |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

(5) Commodity-related transactions (as of September 30, 2007)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|------------------|---------------------|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Exchange-traded | Commodity futures | 11,766 | 203 | 203 |
| | Commodity options | 3,466 | 34 | 164 |
| Over-the-counter | Commodity swaps | 1,092,133 | 85,096 | 85,096 |
| | Commodity options | 308,111 | (4,897) | (4,570) |
| Total | | | 80,437 | 80,894 |

Notes:

1. Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.
2. Commodities mainly consist of petroleum.

(6) Credit derivative transactions (as of September 30, 2007)

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| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|------------------|------------------------|-----------------------------|------------|----------------------------------|
| | | | | Net unrealized gains (losses) |
| Over-the-counter | Credit default options | 5,767,221 | (126) | (126) |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

(7) Other (as of September 30, 2007)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|------------------|---------------------|-----------------------------|------------|----------------------------------|
| | | | | Net unrealized gains (losses) |
| Over-the-counter | Weather derivatives | 353 | (13) | 17 |

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Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

II. As of September 30, 2008

(1) Interest-related transactions (as of September 30, 2008)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|--------------------------------------|-------------------------|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Financial instrument exchange-traded | Interest rate futures | 8,244,886 | 1,949 | 1,949 |
| | Interest rate options | 7,823,541 | 505 | 186 |
| Over-the-counter | Forward rate agreements | 12,263,502 | (666) | (666) |
| | Interest rate swaps | 520,013,941 | 432,669 | 432,669 |
| | Interest rate options | 49 | (0) | (0) |
| | Interest rate swaptions | 70,134,137 | 2,410 | 6,829 |
| | Other | 8,886,867 | (1,082) | 2,950 |
| Total | | | 435,785 | 443,918 |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

Derivative transactions which apply hedge accounting in accordance with Industry Audit Committee Report No. 24 are not included in the table above.

(2) Currency-related transactions (as of September 30, 2008)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|--------------------------------------|----------------------------|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Financial instrument exchange-traded | Currency futures | 375,022 | 193 | 193 |
| Over-the-counter | Currency swaps | 35,673,874 | (108,625) | (108,625) |
| | Foreign exchange contracts | 95,042,677 | 173,677 | 173,677 |
| | Currency options | 31,192,334 | 96,591 | 241,496 |
| Total | | | 161,837 | 306,742 |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

Derivative transactions which apply hedge accounting in accordance with Industry Audit Committee Report No. 25 are not included in the table above.

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(3) Stock-related transactions (as of September 30, 2008)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|---------------------------|---|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Financial exchange-traded | Stock index futures | 584,222 | 41,923 | 41,923 |
| | Stock index options | 95,007 | (1,174) | (464) |
| Over-the-counter | Over-the-counter securities options | 822,296 | (21,445) | (11,739) |
| | Over-the-counter securities index swaps and other swaps | 180,465 | (7,038) | (7,038) |
| | Over-the-counter securities index and other forward contracts | 17,221 | (646) | (646) |
| Total | | | 11,619 | 22,034 |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

(4) Bond-related transactions (as of September 30, 2008)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|--------------------------------------|-------------------------------|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Financial instrument exchange-traded | Bond futures | 2,157,370 | 1,512 | 1,512 |
| | Bond future options | 476,178 | 694 | 805 |
| Over-the-counter | Over-the-counter bond options | 1,062,467 | 865 | 582 |
| Total | | | 3,072 | 2,900 |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

(5) Commodity-related transactions (as of September 30, 2008)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|--------------------------------------|---------------------|--------------------------|------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Financial instrument exchange-traded | Commodity futures | 65,999 | 2,752 | 2,752 |
| | Commodity options | 28,348 | (47) | 688 |
| Over-the-counter | Commodity swaps | 1,179,246 | 118,884 | 118,884 |

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| | | | |
|-------------------|---------|----------|----------|
| Commodity options | 661,281 | (16,074) | (15,649) |
| Total | | 105,514 | 106,676 |

Notes:

1. Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.
2. Commodities mainly consist of petroleum.

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(6) Credit derivative transactions (as of September 30, 2008)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|------------------|----------------------------|--------------------------|---------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Over-the-counter | Credit default options | 7,883,603 | 40,125 | 40,125 |
| | Total rate of return swaps | 62,484 | (4,276) | (4,276) |
| | Total | | 35,849 | 35,849 |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

(7) Other (as of September 30, 2008)

| Classification | Type of transaction | Contract/notional amount | Fair value | (in millions of yen) |
|------------------|------------------------|--------------------------|----------------|-------------------------------|
| | | | | Net unrealized gains (losses) |
| Over-the-counter | Weather derivatives | 249 | (34) | (13) |
| | Earthquake derivatives | 20,282 | (1,517) | (1,517) |
| | Total | | (1,551) | (1,530) |

Note:

Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

III. As of March 31, 2008

1. Derivative transactions

(1) Nature of activities

The MUFG Group enters into the following derivative activities:

Interest-related transactions, including interest rate swaps, interest rate futures, interest rate options and forward rate agreements;

Currency-related transactions, including currency swaps, currency futures, currency options and foreign exchange forward contracts;

Stock-related transactions, including stock index futures, stock index options, and securities over-the-counter options;

Bond-related transactions, including bond futures, bond futures options and bond over-the-counter options;

Other, including commodity futures, commodity options, commodity swaps and credit derivatives.

(2) Purpose of and policies for executing derivative transactions

Derivative transactions are actively executed in accordance with risk management and management policies. The main purpose of such transactions is as follows:

Improve efficiency of investment and fund raising for customers and offer them hedging instruments for various financial risks

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Engage in trading based on the MUFG Group short-term foreign exchange and interest rate forecasts

Adjust foreign exchange and interest rate risks associated with the MUFG Group's assets and liabilities

The MUFG Group's domestic consolidated banking and trust banking subsidiaries hedge interest rate risks arising from various financial assets and liabilities such as loans and deposits using derivatives. The application of hedge accounting requires the assessment of whether the correlation between the deposits, loans, securities and other hedged items and the interest rate swaps, futures and other hedging instruments are within a certain range. To meet this requirement, each MUFG Group bank has constructed an appropriate risk management structure and assesses the effectiveness of hedging activities.

(3) Nature of risks arising from transactions

Risks involving derivative transactions consist of market risks and credit risks.

Market risks refer to the risks of loss arising from changes in the various market factors, such as in interest rates, prices of securities or foreign exchange rates. The MUFG Group measures market risks using the value-at-risk approach (a risk index that statistically estimates maximum losses incurred in a portfolio within a given probability in the holding period, based on the historical changes in the market) as a common measure.

For credit risks, major MUFG Group companies calculate unrealized losses or gains arising from transactions by counterparty on a daily basis based on actual market conditions, and add projected future losses to the unrealized losses or gains to measure the credit amount.

(4) Risk management structure for transactions

The holding company determines the basic policy on risk management for the MUFG Group as a whole. Each major MUFG Group company establishes a risk management structure to carry out risk management in accordance with the basic policy.

A risk management committee has been established in the holding company. ALM committees, ALM councils, risk management committees and other bodies have been established at the major MUFG Group companies to discuss and decide on important matters pertaining to market risk management and operation.

Furthermore, the major MUFG Group companies set market risk limits and also set upper limits on losses, to limit risk exposure and loss amounts to within a certain range. The MUFG Group's overall risk conditions and the status of compliance with limits and other restrictions are reported on a daily basis to management.

For credit risk, at the major MUFG Group companies, the credit department and risk management department independent of the trading department verify the appropriateness of the nature of individual transactions, assess the risk exposure and gains or losses, and check the credit line for each counterparty in order to ensure appropriate risk management.

2. Fair value of transactions

(1) Interest-related transactions (as of March 31, 2008)

| | | | (in millions of yen) | | | | |
|------------------|-------------------------|--------------------------------|-----------------------------|----------------------------------|-------------|----------------------------------|----------------|
| Classification | Type of transaction | | Contract/notional amount | Portion due after one year | Fair value | Net unrealized gains (losses) | |
| Exchange-traded | Interest rate futures | Sell | 6,460,791 | 1,147,045 | (11,234) | (11,234) | |
| | | Buy | 5,295,151 | 810,894 | 7,441 | 7,441 | |
| | Interest rate options | Sell | 6,721,509 | 136,162 | (4,335) | (3,173) | |
| | | Buy | 5,928,699 | 136,492 | 5,181 | 3,249 | |
| Over-the-counter | Forward rate agreements | Sell | 5,384,627 | 350,830 | (101) | (101) | |
| | | Buy | 4,282,298 | | (327) | (327) | |
| | Interest rate swaps | Receive fixed, pay floating | Receive floating, | 267,133,591 | 179,631,170 | 3,646,374 | 3,646,374 |
| | | | Receive floating, | 254,439,535 | 167,296,739 | (3,163,499) | (3,163,499) |
| | | pay fixed | Receive floating, | 30,059,854 | 17,603,850 | 8,758 | 8,793 |
| | | | Receive fixed, | 900,052 | 712,778 | (80,536) | (80,536) |
| | | Interest rate swaptions | Sell | 27,750,700 | 11,337,070 | 97,055 | (99,755) |
| | | | Buy | 22,723,066 | 10,458,638 | 278,834 | 100,639 |
| | Other | Sell | 3,054,410 | 2,283,440 | (6,520) | 471 | |
| | | Buy | 3,174,670 | 2,350,937 | 23,105 | 10,874 | |
| | Total | | | | | 800,196 | 419,215 |

Notes:

- Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

Derivative transactions which apply hedge accounting in accordance with Industry Audit Committee Report No. 24 are not included in the table above.

- Fair values are measured as below:

Fair values of exchange-traded transactions are measured at the closing price on the Tokyo Financial Exchange, Inc. and other exchanges.

Fair values of over-the-counter transactions are calculated using the discounted present value or option pricing models or other approaches.

(2) Currency-related transactions (as of March 31, 2008)

| Classification | Type of transaction | | Contract/notional amount | Portion due after one year | (in millions of yen) | |
|------------------|----------------------------|------|--------------------------|----------------------------|----------------------|-------------------------------|
| | | | | | Fair value | Net unrealized gains (losses) |
| Exchange-traded | Currency futures | Sell | 5,593 | | (23) | (23) |
| | | Buy | 6,610 | | | |
| Over-the-counter | Currency swaps | | 35,213,982 | 26,993,908 | (140,627) | (140,627) |
| | Foreign exchange contracts | Sell | 38,277,586 | 572,405 | 706,642 | 706,642 |
| | | Buy | 43,453,928 | 671,253 | (632,231) | (632,231) |
| | Currency options | Sell | 16,707,450 | 8,435,397 | (591,521) | (28,965) |
| | | Buy | 14,893,726 | 7,320,996 | 838,642 | 384,789 |
| Total | | | | | 180,879 | 289,583 |

Notes:

- Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

Derivative transactions which apply hedge accounting in accordance with Industry Audit Committee Report No. 25 are not included in the table above.

- Fair values are measured as below:

Fair values of derivative transactions are calculated using the discounted present value, option pricing models or other approaches.

(3) Stock-related transactions (as of March 31, 2008)

| Classification | Type of transaction | | Contract/notional amount | Portion due after one year | (in millions of yen) | |
|------------------|--|---|--------------------------|----------------------------|----------------------|-------------------------------|
| | | | | | Fair value | Net unrealized gains (losses) |
| Exchange-traded | Equity index futures | Sell | 314,847 | | 7,511 | 7,511 |
| | | Buy | 94,291 | | (2,784) | (2,784) |
| | Equity index options | Sell | 52,278 | | 1,290 | 476 |
| | | Buy | 48,165 | | 1,299 | (33) |
| Over-the-counter | Over-the-counter | Sell | 424,826 | 188,285 | 48,754 | (18,441) |
| | securities options | Buy | 299,719 | 120,722 | 25,505 | 2,685 |
| | Over-the-counter index swaps and other swaps | Receive rate of change in stock index, pay interest | 119,600 | 119,600 | (12,977) | (12,977) |
| | | Receive interest, pay rate of change of stock index | 12,350 | 12,350 | 786 | 786 |
| | Over-the-counter index and other forward contracts | Sell | 914 | | (2) | (2) |
| | | Buy | | | | |

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8,768

(195)

(195)

Total

69,186

(22,974)

Notes:

1. Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

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2. Fair values are measured as below:

Fair values of exchange-traded transactions are measured at the closing price on the Tokyo Stock Exchange, and other exchanges.

Fair values of over-the-counter transactions are calculated using the discounted present value or option pricing models or other approaches.

(4) Bond-related transactions (as of March 31, 2008)

| | | (in millions of yen) | | | | |
|------------------|-------------------------------|----------------------|-----------------------------|-------------------------------|--------------|----------------------------------|
| Classification | Type of transaction | | Contract/notional amount | Portion due after one year | Fair value | Net unrealized gains (losses) |
| Exchange-traded | Bond futures | Sell | 1,076,348 | 56,870 | (818) | (818) |
| | | Buy | 1,180,436 | 368,820 | 2,136 | 2,136 |
| | Bond future options | Sell | 543,633 | 95,851 | 177 | 114 |
| | | Buy | 371,173 | 105,740 | 1,335 | 99 |
| Over-the-counter | Over-the-counter bond options | Sell | 341,172 | | 357 | (6) |
| | | Buy | 261,688 | | 1,628 | 560 |
| Total | | | | | 4,817 | 2,085 |

Notes:

- Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

Derivative transactions subject to hedge accounting are not included in the table above.

- Fair values are measured as below:

Fair values of exchange-traded transactions are measured at the closing price on the Tokyo Stock Exchange, and other exchanges.

Fair values of over-the-counter transactions are calculated using the option pricing models or other approaches.

(5) Commodity-related transactions (as of March 31, 2008)

| | | | (in millions of yen) | | | |
|------------------|---------------------|---|--------------------------|----------------------------|------------|-------------------------------|
| Classification | Type of transaction | | Contract/notional amount | Portion due after one year | Fair value | Net unrealized gains (losses) |
| Exchange-traded | Commodity futures | Sell | 8,022 | 2,628 | 3,153 | 3,153 |
| | | Buy | 16,721 | 8,273 | (2,198) | (2,198) |
| | Commodity options | Sell | 6,876 | 3,628 | 713 | (81) |
| | | Buy | 5,476 | (1,631) | 202 | (138) |
| Over-the-counter | Commodity swaps | Receive rate of change in commodities index, pay short-term floating interest | 411,945 | 337,902 | (151,369) | (151,369) |
| | | Receive short-term floating interest, pay rate of change of commodities index | 439,731 | 360,344 | 241,059 | 241,059 |
| | Commodity options | Sell | 158,198 | 103,957 | (13,524) | 5,346 |
| | | Buy | 121,097 | 63,636 | 7,838 | 7,200 |
| | Total | | | | | 85,874 |

Notes:

- Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.
- Fair values are measured as below:

Fair values of exchange-traded transactions are measured at the closing price on the International Petroleum Exchange, and other exchanges.

Fair value of over-the-counter transactions are calculated based on the price of the commodity subject to the transaction, the contract period, and other factors included in the contracts of a transaction.

- Commodities mainly consist of petroleum.

(6) Credit derivative transactions (as of March 31, 2008)

| | | | (in millions of yen) | | | |
|------------------|------------------------|------|--------------------------|----------------------------|------------|-------------------------------|
| Classification | Type of transaction | | Contract/notional amount | Portion due after one year | Fair value | Net unrealized gains (losses) |
| Over-the-counter | Credit default options | Sell | 2,980,889 | 2,738,513 | (86,455) | (86,455) |
| | | Buy | 4,232,806 | 3,750,088 | 120,354 | 120,354 |
| Total | | | | | 33,899 | 33,899 |

Notes:

1. Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

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2. Fair values are measured as below:

Fair values are calculated using the discounted present values, the option pricing models, or other approaches.

3. Sell refers to credit risk underwriting transactions, and Buy refers to credit risk delivery transactions.

(7) Other (as of March 31, 2008)

| Classification | Type of transaction | | Contract/notional amount | Portion due after one year | (in millions of yen) | |
|------------------|------------------------|------|--------------------------|----------------------------|----------------------|-------------------------------|
| | | | | | Fair value | Net unrealized gains (losses) |
| Over-the-counter | Weather derivatives | Sell | 144 | 24 | (10) | 23 |
| | | Buy | | | | |
| | Earthquake derivatives | Sell | 9,160 | 9,160 | (1,792) | (1,792) |
| | | Buy | 9,160 | 9,160 | 14 | 14 |
| Total | | | | | (1,789) | (1,755) |

Notes:

1. Derivative transactions included in the table above are measured at fair value, and the net unrealized gains or losses are recognized in the consolidated statement of income.

2. Fair values are measured as below:

Fair values are calculated using the option pricing model or other approaches.

(Stock Options)

I. For the six months ended September 30, 2007
There are no applicable matters to be disclosed.

II. For the six months ended September 30, 2008

1. Amount and the account name of the stock options expenses for the six months ended September 30, 2008
General and administrative expenses: 1,767 million yen

2. Nature of stock options granted during the six months ended September 30, 2008

| | 2008 Stock Options | |
|---|--|-----------|
| Title and number of grantees | Directors of MUFG | 17 |
| | Corporate auditors of MUFG | 5 |
| | Executive officers of MUFG | 40 |
| | Directors and executive officers of subsidiaries | 174 |
| Number of stock options by type of stock (Note) | Common stock | 3,263,600 |

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| | |
|---------------------------------------|---|
| Grant date | July 15, 2008 |
| Condition for vesting | Retirement |
| Qualifying service period for vesting | From June 27, 2008 to 2009 general shareholders meeting |
| Exercise period | July 15, 2008 to July 14, 2038 |
| Exercise price (yen) | 1 |
| Fair value at grant date (yen) | 923 |

Note:

The number of stock options is converted into the number of shares of common stock.

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III. For the fiscal year ended March 31, 2008

1. Amount and the account name of the stock options expenses for the fiscal year ended March 31, 2008
 General and administrative expenses: 2,509 million yen

2. Nature and number, and movement of stock options

(1) MUFG

(i) Nature of stock options

| | 2007 Stock Options | |
|---|--|-----------|
| Title and number of grantees | Directors of MUFG | 15 |
| | Corporate auditors of MUFG | 5 |
| | Executive officers of MUFG | 39 |
| | Directors and executive officers of subsidiaries | 130 |
| Number of stock options by type of stock (Note) | Common stock | 2,798,000 |
| Grant date | December 6, 2007 | |
| Condition for vesting | Retirement | |
| Qualifying service period for vesting | June 28, 2007 to June 27, 2008 | |
| Exercise period | December 6, 2007 to December 5, 2037 | |

Note:

The number of stock options is converted into the number of shares of common stock.

(ii) Number and movement of stock options

The table below shows the stock options existed during the fiscal year ended March 31, 2008. The number of stock options is converted into the number of shares of common stock.

(a) Number of stock options

| | 2007 Stock Options |
|----------------------------------|---------------------------|
| Non-vested (shares) | |
| Outstanding as of March 31, 2007 | |
| Granted | 2,798,000 |
| Forfeited | |
| Vested | |
| Outstanding as of March 31, 2008 | 2,798,000 |
| Vested (shares) | |
| Outstanding as of March 31, 2007 | |
| Vested | |
| Exercised | |

Forfeited

Exercisable as of March 31, 2008

b) Price information (per share)

| | 2007 Stock Options |
|---|---------------------------|
| Exercise price (yen) | 1 |
| Average stock price upon exercise (yen) | |
| Fair value at grant date (yen) | 1,032 |

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(iii) Method for calculating the fair value of stock options

The fair values of the stock options granted during the fiscal year ended March 31, 2008 is calculated as follows:

(a) Calculation method: The Black-Scholes Model

(b) Key assumptions used and the method of estimation

| | Note | 2007 Stock Options |
|--|------|--------------------|
| Volatility of stock price | 1 | 31.06% |
| Estimated remaining outstanding period | 2 | 4 years |
| Expected dividend | 3 | 11 yen per share |
| Risk-free interest rate | 4 | 0.95% |

Notes:

1. The volatility of stock price is calculated based on the actual stock prices during the four years from November 30, 2003 to November 29, 2007.
2. The estimated remaining outstanding period cannot be readily estimated due to a lack of historical data. Therefore, the average period of service of directors of MUFG and subsidiaries is used.
3. Expected dividend is based on the actual dividend per share on common stock for the fiscal year ended March 31, 2007.
4. Risk-free interest rate is calculated based on the Japanese government bond yield applicable to the estimated remaining outstanding period of the stock options.

(iv) Method of estimating the number of stock options to be vested

In general, the estimate incorporates only the actual forfeited options, as a reasonable estimate of the future forfeitures is difficult.

(2) kabu.com Securities Co., Ltd. (consolidated subsidiary)

(i) Nature of stock options

| | 2003 Stock Options | | 2004 Stock Options | | 2006 Stock Options | |
|--|---|--------|---|-------|---|-------|
| Title and number of grantees (Note 3) | Director of kabu.com Securities Co., Ltd. | 1 | Director of kabu.com Securities Co., Ltd. | 1 | Director of kabu.com Securities Co., Ltd. | 1 |
| | Employees of kabu.com Securities Co., Ltd. | 36 | Corporate auditor of kabu.com Securities Co., Ltd. | 1 | Executive officer of kabu.com Securities Co., Ltd. | 1 |
| | | | Employees of kabu.com Securities Co., Ltd. | 4 | Employees of kabu.com Securities Co., Ltd. | 31 |
| Number of stock options by type of stock (Note 1, 2) | Common stock | 12,861 | Common stock | 1,854 | Common stock | 4,314 |
| Grant date | December 31, 2003 | | April 30, 2004 | | March 31, 2006 | |
| Condition for vesting | Being a director, executive officer or employee of kabu.com Securities Co., Ltd. upon the exercise of the stock options | | Being a director, executive officer or employee of kabu.com Securities Co., Ltd. upon the exercise of the stock options | | Being a director, executive officer or employee of kabu.com Securities Co., Ltd. upon the exercise of the stock options | |
| Qualifying service period vesting | The service period is not defined | | The service period is not defined | | The service period is not defined | |
| Exercise period | January 1, 2006 to December 31, 2010 | | May 1, 2006 to December 31, 2010 | | July 1, 2007 to June 30, 2012 | |

Notes:

1. The number of stock options is converted to the number of shares of common stock of kabu.com Securities Co., Ltd.

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2. For the 2003 Stock Options and the 2004 Stock Options, the number of stock they are convertible into reflect the 3 for 1 common stock splits executed on September 28, 2004 and July 20, 2005.
3. A corporate auditor, who is a grantee of the 2004 Stock Options, retired from the position of corporate auditor and was elected as a director at the general meeting of the shareholders of kabu.com Securities Co., Ltd. on June 22, 2004.

(ii) Number and movement of stock options

The table below shows the stock options during the fiscal year ended March 31, 2008. The number of stock options is converted into the number of shares of common stock.

(a) Number of stock options

| | 2003 Stock Options | 2004 Stock Options | 2006 Stock Options |
|---|--------------------|--------------------|--------------------|
| Non-vested (shares) | | | |
| Outstanding as of March 31, 2007 | | | 3,753 |
| Granted | | | |
| Forfeited | | | 111 |
| Vested | | | 3,642 |
| Outstanding as of March 31, 2008 | | | |
| Vested (shares) | | | |
| Outstanding as of March 31, 2007 | 4,185 | 846 | |
| Vested | | | 3,642 |
| Exercised | 3,375 | 333 | |
| Forfeited | 27 | | |
| Outstanding as of March 31, 2008 | 783 | 513 | 3,642 |

(b) Price information (per share)

| | 2003 Stock Options | 2004 Stock Options | 2006 Stock Options |
|---|--------------------|--------------------|--------------------|
| Exercise price (yen) | 15,000 | 22,366 | 327,022 |
| Average stock price upon exercise (yen) | (Note 1) 117,000 | 135,486 | |
| Fair value at grant date (yen) | (Note 2) | | |

Notes:

1. The exercise prices of the 2003 Stock Options and 2004 Stock Options reflect the impact of the 3 for 1 common stock splits executed on September 28, 2004 and July 20, 2005. The average stock price upon exercise is the average stock price of kabu.com Securities Co., Ltd. at the time of exercising the option.
2. The fair value at the grant date is not disclosed as stock options were granted prior to the enforcement of the Company Law.

(3) Palace Capital Partners A Co., Ltd. (consolidated subsidiary)

(i) Nature of stock options

| Title and number of grantees | 2007 Stock Options (1) | | 2007 Stock Options (2) | |
|---|---|-------|---|-------|
| | Directors of Palace Capital Partners A Co., Ltd. | | Director of Palace Capital Partners A Co., Ltd. | |
| | | | 2 | 1 |
| | Executive officer of Palace Capital Partners A Co., Ltd. | | 1 | 9 |
| Number of stock options by type of stock (Note) | Common stock | 1,450 | Common stock | 1,130 |
| Grant date | September 1, 2007 | | September 1, 2007 | |
| Condition for vesting | Being a director, corporate auditor, executive officer or employee of Palace Capital Partners A Co., Ltd. or its subsidiary upon exercise unless retired due to reaching retirement age | | Being a director, corporate auditor, executive officer or employee of Palace Capital Partners A Co., Ltd. or its subsidiary upon exercise unless retired due to reaching retirement age | |
| Qualifying service period for vesting | The service period is not defined. | | The service period is not defined. | |
| Exercise period | September 1, 2007 to August 31, 2012 | | September 2, 2009 to August 31, 2012 | |

Note:

The number of stock options is converted to the number of shares of common stock of Palace Capital Partners A Co., Ltd.

(ii) Number and movement of stock options

The table below shows the stock options during the fiscal year ended March 31, 2008. The number of stock options is converted to the number of shares of common stock.

(a) Number of stock options (in shares)

| | 2007 Stock Options (1) | 2007 Stock Options (2) |
|----------------------------------|------------------------|------------------------|
| Non-vested (shares) | | |
| Outstanding as of March 31, 2007 | | |
| Granted | 1,450 | 1,130 |
| Forfeited | | |
| Vested | 1,450 | |
| Outstanding | | 1,130 |
| Vested | | |
| Outstanding as of March 31, 2007 | | |
| Vested | 1,450 | |
| Exercised | | |
| Forfeited | | |
| Outstanding | 1,450 | |

(b) Price information (per share)

| | 2007 Stock Options (1) | 2007 Stock Options (2) |
|---|------------------------|------------------------|
| Exercise price (yen) | 1 | 99,972 |
| Average stock price upon exercise (yen) | | |
| Fair value at grant date (yen) | 99,971 | 0 |

(iii) Method for calculating the fair value of stock options

The value of the 2007 Stock Options granted in the fiscal year ended March 2008 are estimated based on intrinsic values instead of fair values, because the stock underlying the 2007 Stock Options was unlisted as of the grant date of subscription rights to shares.

| | 2007 Stock Options |
|---|---------------------------------|
| Valuation method for the stock of Palace Capital Partners A Co., Ltd., based on which intrinsic values will be calculated | Comparison to similar companies |
| Aggregate amount of intrinsic values of stock options as of March 31, 2008 (in millions of yen) | 144 |
| Aggregate amount of intrinsic value of exercised stock options as of the exercise date during the fiscal year ended March 31, 2008 (in millions of yen) | |

(iv) Method of estimating the number of stock options to be vested

In general, the estimate incorporates only the actual forfeited options, as a reasonable estimate of the future forfeitures is difficult.

(Segment Information)

Business segment information

For the six months ended September 30, 2007

| | (in millions of yen) | | | | | | | |
|---|----------------------|---------------|------------|-------------|---------|-----------|-------------|--------------|
| | Banking | Trust Banking | Securities | Credit Card | Other | Total | Elimination | Consolidated |
| Ordinary income | | | | | | | | |
| (1) Ordinary income from external customers | 2,288,908 | 349,822 | 283,909 | 219,213 | 108,371 | 3,250,225 | | 3,250,225 |
| (2) Inter-segment ordinary income | 37,859 | 13,679 | 13,832 | 6,104 | 224,263 | 295,739 | (295,739) | |
| Total | 2,326,767 | 363,502 | 297,742 | 225,317 | 332,635 | 3,545,964 | (295,739) | 3,250,225 |
| Ordinary expenses | 1,926,353 | 254,997 | 261,654 | 279,009 | 143,186 | 2,865,201 | (112,516) | 2,752,685 |
| Ordinary profits (Ordinary losses) | 400,414 | 108,505 | 36,087 | (53,692) | 189,448 | 680,763 | (183,223) | 497,539 |

Notes:

- Ordinary income and ordinary profit are presented instead of sales and operating profits as presented by non-financial companies.
- Other includes the leasing and other businesses.
- Ordinary profits in Other include 186,421 million yen of dividends received by MUFG from its domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries.

4. Changes in the grouping method under the Accounting Standard for Impairment on Fixed Assets

Upon the merger with DC Card Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., a consolidated subsidiary of MUFG, changed its grouping method for recognizing and measuring impairment losses on tangible fixed assets. Assets related to the credit card business, which were previously grouped as one unit, the credit business group, are grouped into business units that are responsible for the ongoing management and tracking of revenue and expenditure for management accounting purposes. This change was due to the rationalization of business systems and business restructuring following the merger.

This change resulted in a 542 million yen increase in Ordinary profits in Credit Card .

For the six months ended September 30, 2008

| | (in millions of yen) | | | | | | | |
|---|----------------------|------------------|------------|----------------|---------|-----------|-------------|--------------|
| | Banking | Trust Banking | Securities | Credit Card | Other | Total | Elimination | Consolidated |
| Ordinary income | | | | | | | | |
| (1) Ordinary income from external customers | 2,085,617 | 311,761 | 301,542 | 184,061 | 42,130 | 2,925,113 | | 2,925,113 |
| (2) Inter-segment ordinary income | 40,675 | 12,647 | 12,062 | 4,519 | 268,669 | 338,574 | (338,574) | |
| Total | 2,126,292 | 324,408 | 313,605 | 188,581 | 310,800 | 3,263,688 | (338,574) | 2,925,113 |
| Ordinary expenses | 1,992,669 | 266,794 | 309,142 | 184,116 | 79,629 | 2,832,352 | (95,356) | 2,736,996 |
| Ordinary profits | 133,623 | 57,614 | 4,462 | 4,465 | 231,170 | 431,335 | (243,217) | 188,117 |

Notes:

1. Ordinary income and ordinary profit are presented instead of sales and operating profits as presented by non-financial companies.
2. Other includes the leasing and other businesses.
3. Ordinary profits in Other include 231,777 million yen of dividends received by MUFG from its domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries.
4. Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements
MUFG has adopted PITF No.18 from the six months ended September 30, 2008, which is effective from fiscal years beginning on or after April 1, 2008.

This change resulted in a decrease in ordinary income by 2,493 million yen in Other , and decreases in ordinary expenses by 7,218 million yen in Banking and 2,493 million yen in Other , respectively, and an increase in ordinary profits by 7,218 million yen in Banking , as compared to the previous method. This change has no material impact on other segments.

5. Accounting for Lease Transactions

Previously, finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessees were accounted for similar to operating leases. However, MUFG has applied ASBJ Statement No. 13 and the ASBJ Implementation Guidance No.16, which became effective from fiscal years beginning on or after April 1, 2008.

(As lessees)

This change has no material impact on each segment.

(As lessor)

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This change resulted in decreases in ordinary income by 671 million yen in Banking and 57,421 million yen in Other, respectively, decreases in ordinary expenses by 778 million yen in Banking and 57,526 million yen in Other, respectively, and increases in ordinary profits by 106 million yen in Banking and 105 million yen in Other, respectively, as compared to the previous method.

6. Depreciation

Beginning the fiscal year ended March 31, 2008, depreciation for tangible fixed assets acquired on or after April 1, 2007, other than buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, is computed using the depreciation methods as defined in the Corporate Tax Law amended by the FY 2007 Tax Reform.

With the FY 2007 Tax Reform, the domestic banking consolidated subsidiaries have re-examined the residual values of their buildings (excluding fixtures) based on historical data related to their disposition of buildings and other data, and determined that the residual values should be adjusted to a nominal amount from the fiscal year ended March 31, 2008. In addition, the new declining-balance method set forth in the amended Corporate Tax Law is used to depreciate buildings, regardless of the date of their acquisition, as this method was determined to be reasonable for depreciating buildings to a nominal value at the end of their useful lives.

Due to the time required to change the depreciation system and other constraints, domestic consolidated banking subsidiaries and certain other consolidated subsidiaries made these changes in the second half of the fiscal year ended March 31, 2008. Therefore, the previous depreciation method was used in the six months ended September 30, 2007 for these subsidiaries. Consequently, compared to if the method after the change had been used for the six months ended September 30, 2007, Ordinary expenses in Banking declined by 4,712 million yen and Ordinary profits in the segment increased by the same amount. This change did not have a material impact on Other.

For the fiscal year ended March 31, 2008

| | (in millions of yen) | | | | | | | |
|---|----------------------|------------------|------------|----------------|---------|-----------|-------------|--------------|
| | Banking | Trust Banking | Securities | Credit Card | Other | Total | Elimination | Consolidated |
| Ordinary income | | | | | | | | |
| (1) Ordinary income from external customers | 4,509,433 | 676,037 | 539,586 | 457,533 | 211,359 | 6,393,951 | | 6,393,951 |
| (2) Inter-segment ordinary income | 68,557 | 26,127 | 34,237 | 15,826 | 575,097 | 719,846 | (719,846) | |
| Total | 4,577,991 | 702,165 | 573,824 | 473,360 | 786,456 | 7,113,798 | (719,846) | 6,393,951 |
| Ordinary expenses | 3,796,167 | 513,553 | 555,695 | 487,111 | 285,831 | 5,638,358 | (273,420) | 5,364,938 |
| Ordinary profits (Ordinary losses) | 781,824 | 188,611 | 18,128 | (13,750) | 500,625 | 1,475,440 | (446,426) | 1,029,013 |

Notes:

- Ordinary income and ordinary profit are presented instead of sales and operating profits as presented by non-financial companies.
- Other includes the leasing and other businesses.
- Ordinary profits in Other include 502,470 million yen of dividends received by MUFG from its domestic consolidated banking subsidiaries and domestic consolidated trust banking subsidiaries.
- Changes in depreciation
Depreciation for tangible fixed assets acquired on or after April 1, 2007, other than buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, is computed using the depreciation methods as

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defined in the Corporate Tax Law amended by the FY 2007 Tax Reform. With the FY 2007 Tax Reform, the domestic banking consolidated subsidiaries have re-examined the residual values of their buildings (excluding fixtures) based on historical data related to their disposition of buildings and other data, and determined that the residual values should be adjusted to a nominal amount from the fiscal year ended March 31, 2008. In addition, the new declining-balance method set forth in the amended Corporate Tax Law is used to depreciate buildings, regardless of the date of their acquisition, as this method was determined to be reasonable for depreciating buildings to a nominal value at the end of their useful lives.

These changes resulted in increases in Ordinary expenses by 10,309 million yen in Banking , 309 million yen in Trust Banking and 479 million yen in Securities and decreases in Ordinary profits by the same amount in each of these segments. These changes do not have a material impact on Credit Card and Other .

Due to the time required to change the depreciation system and other constraints, domestic consolidated banking subsidiaries and certain other consolidated subsidiaries made these changes in the second half of the fiscal year ended March 31, 2008. Therefore, the previous depreciation method was used in the six months ended September 30, 2007 for these subsidiaries, resulting in inconsistencies between the treatment applied in the fiscal year ended March 31, 2008.

Consequently, compared to if the method after the change had been used for the six months ended September 30, 2007, Ordinary expenses in Banking declined by 4,712 million yen and Ordinary profits in the segment increase by the same amount. This change did not have a material impact on Other .

(Additional information)

Beginning the fiscal year ended March 31, 2008, the residual values of tangible fixed assets acquired on or before March 31, 2007, other than buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, are depreciated over 5 years using the straight-line method starting from the fiscal year immediately following the fiscal year in which the depreciation reached the maximum for income tax purposes. This change resulted in increases in Ordinary expenses by 1,932 million yen in Banking , 527 million yen in Trust Banking , 36 million yen in Securities and 79 million yen in Credit Card , and decreases in Ordinary profits by the same amount in each segment.

5. Changes in the grouping method under the Accounting Standard for Impairment on Fixed Assets

Upon the merger with DC Card Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., a consolidated subsidiary of MUFG, changed its grouping method for recognizing and measuring impairment losses on tangible fixed assets. Assets related to the credit card business, which were previously grouped as one unit, the credit business group, are grouped into business units that are responsible for the ongoing management and tracking of revenue and expenditure for management accounting purposes. This change was due to the rationalization of business systems and business restructuring following the merger. This change resulted in a 1,085 million yen decrease in Ordinary expenses in Credit Card and an increase in Ordinary profits in the segment by the same amount.

Geographic segment information

For the six months ended September 30, 2007

| | (in millions of yen) | | | | | | | |
|---|----------------------|---------------|---------------|------------------------|------------------|-----------|-------------|--------------|
| | Japan | North America | Latin America | Europe/ Middle East | Asia/ Oceania | Total | Elimination | Consolidated |
| Ordinary income | | | | | | | | |
| (1) Ordinary income from external customers | 2,334,076 | 444,688 | 3,724 | 295,169 | 172,566 | 3,250,225 | | 3,250,225 |
| (2) Inter-segment ordinary income | 79,697 | 35,544 | 87,171 | 50,181 | 39,989 | 292,584 | (292,584) | |
| Total | 2,413,773 | 480,232 | 90,896 | 345,351 | 212,555 | 3,542,809 | (292,584) | 3,250,225 |
| Ordinary expenses | 2,041,702 | 416,140 | 67,037 | 328,512 | 182,904 | 3,036,296 | (283,611) | 2,752,685 |
| Ordinary profits | 372,071 | 64,092 | 23,859 | 16,838 | 29,651 | 506,513 | (8,973) | 497,539 |

Notes:

- The geographic segments for MUFG and consolidated subsidiaries have been segmented by country and region in consideration of geographic proximity, similarity in economic activities, correlation of business activities and other factors. Ordinary income and ordinary profits are presented instead of sales and operating profits as presented by non-financial companies.
- North America includes the United States of America and Canada. Latin America includes the Caribbean countries, Brazil and other countries. Europe/Middle East includes the United Kingdom, Germany, Netherlands and other countries. Asia/Oceania includes Hong Kong, Singapore, China and other countries.
- Changes in the grouping method under the Accounting Standard for Impairment on Fixed Assets

Upon the merger with DC Card Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., a consolidated subsidiary of MUFG, changed its grouping method for recognizing and measuring impairment losses on tangible fixed assets. Assets related to the credit card business, which were previously grouped as one unit, the credit business group, are grouped into business units that are responsible for the ongoing management and tracking of revenue, and expenditure for management accounting purposes. This change was due to the rationalization of business systems and business restructuring following the merger.

This change resulted in a 542 million yen increase in Ordinary profits for Japan.
For the six months ended September 30, 2008

| | (in millions of yen) | | | | | | | |
|---|----------------------|---------------|---------------|------------------------|------------------|-----------|-------------|--------------|
| | Japan | North America | Latin America | Europe/ Middle East | Asia/ Oceania | Total | Elimination | Consolidated |
| Ordinary income: | | | | | | | | |
| (1) Ordinary income from external customers | 2,059,157 | 360,559 | 6,396 | 317,259 | 181,741 | 2,925,113 | | 2,925,113 |
| (2) Inter-segment ordinary income | 74,476 | 20,669 | 68,132 | 58,431 | 25,145 | 246,854 | (246,854) | |
| Total | 2,133,633 | 381,228 | 74,528 | 375,690 | 206,886 | 3,171,968 | (246,854) | 2,925,113 |
| Ordinary expenses | 2,071,979 | 357,392 | 47,085 | 358,198 | 151,741 | 2,986,397 | (249,401) | 2,736,996 |

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| | | | | | | | | |
|------------------|--------|--------|--------|--------|--------|---------|-------|---------|
| Ordinary profits | 61,654 | 23,835 | 27,443 | 17,491 | 55,145 | 185,571 | 2,546 | 188,117 |
|------------------|--------|--------|--------|--------|--------|---------|-------|---------|

Notes:

1. The geographic segments for MUFG and consolidated subsidiaries have been segmented by country and region in consideration of geographic proximity, similarity in economic activities, correlation of business activities and other factors. Ordinary income and ordinary profits are presented instead of sales and operating profits as presented by non-financial companies.

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2. North America includes the United States of America and Canada. Latin America includes the Caribbean countries, Brazil and other countries. Europe/Middle East includes the United Kingdom, Germany, Netherlands and other countries. Asia/Oceania includes Hong Kong, Singapore, China and other countries.
3. Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements

MUFG has adopted PITF No. 18 from the six months ended September 30, 2008, which is effective from fiscal years beginning on or after April 1, 2008.

This change resulted in a decrease in ordinary income by 2,494 million yen in Europe/Middle East, increase in ordinary expenses by 1,003 million yen in North America, and decreases in ordinary expenses by 2,176 million yen in Europe/Middle East and 8,539 million yen in Asia/Oceania, respectively, decreases in ordinary profits by 1,003 million yen in North America and 318 million yen in Europe/Middle East, respectively, and an increase in ordinary profits by 8,539 million yen in Asia/Oceania, as compared to the previous method.

4. Accounting for Lease Transactions

Previously, finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessees were accounted for similar to operating leases. However, from the six months ended September 30, 2008, MUFG has applied ASBJ Statement No. 13 and the ASBJ Implementation Guidance No. 16, which became effective from fiscal years beginning on or after April 1, 2008.

(As lessees)

This change has no material impact on each segment.

(As lessor)

This change resulted in a decrease in ordinary income by 58,083 million yen, a decrease in ordinary expenses by 58,295 million yen and an increase in ordinary profits by 212 million yen in Japan as compared to the previous method.

5. Depreciation

Beginning the fiscal year ended March 31, 2008, depreciation for tangible fixed assets acquired on or after April 1, 2007, other than buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, is computed using the depreciation methods as defined in the Corporate Tax Law amended by the FY 2007 Tax Reform.

With the FY 2007 Tax Reform, the domestic banking consolidated subsidiaries have re-examined the residual values of their buildings (excluding fixtures) based on historical data related to their disposition of buildings and other data, and determined that the residual values should be adjusted to a nominal amount from the fiscal year ended March 31, 2008. In addition, the new declining-balance method set forth in the amended Corporate Tax Law is used to depreciate buildings, regardless of the date of their acquisition, as this method was determined to be reasonable for depreciating buildings to a nominal value at the end of their useful lives.

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Due to the time required to change the depreciation system and other constraints, domestic consolidated banking subsidiaries and certain other consolidated subsidiaries made these changes in the second half of the fiscal year ended March 31, 2008. Therefore, the previous depreciation method was used in the six months ended September 30, 2007 for these subsidiaries. Consequently, compared to if the method after the change had been used for the six months ended September 30, 2007, Ordinary expenses in Japan and Europe/Middle East declined by 4,680 million yen and 30 million yen lower, respectively, and Ordinary profits in these segments increased by the same amount. This change did not have a material impact on North America and Asia/Oceania .

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For the fiscal year ended March 31, 2008

| | (in millions of yen) | | | | | | | |
|---|----------------------|---------------|---------------|------------------------|------------------|-----------|-------------|--------------|
| | Japan | North America | Latin America | Europe/ Middle East | Asia/ Oceania | Total | Elimination | Consolidated |
| Ordinary income: | | | | | | | | |
| (1) Ordinary income from external customers | 4,587,855 | 837,473 | 10,672 | 619,655 | 338,294 | 6,393,951 | | 6,393,951 |
| (2) Inter-segment ordinary income | 175,745 | 65,887 | 156,986 | 109,735 | 65,608 | 573,964 | (573,964) | |
| Total | 4,763,600 | 903,361 | 167,659 | 729,391 | 403,902 | 6,967,916 | (573,964) | 6,393,951 |
| Ordinary expenses | 4,044,118 | 769,566 | 114,636 | 705,189 | 337,461 | 5,970,972 | (606,033) | 5,364,938 |
| Ordinary profits | 719,482 | 133,795 | 53,022 | 24,201 | 66,441 | 996,943 | 32,069 | 1,029,013 |

Notes:

- The geographic segments for MUFG and consolidated subsidiaries have been segmented by country and region in consideration of geographic proximity, similarity in economic activities, correlation of business activities and other factors. Ordinary income and ordinary profits are presented instead of sales and operating profits as presented by non-financial companies.
- North America includes the United States of America and Canada. Latin America includes the Caribbean countries, Brazil and other countries. Europe/Middle East includes the United Kingdom, Germany, Netherlands and other countries. Asia/Oceania includes Hong Kong, Singapore, China and other countries.
- Changes in depreciation

Depreciation for tangible fixed assets acquired on or after April 1, 2007, other than buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, is computed using the depreciation methods as defined in the Corporate Tax Law amended by the FY 2007 Tax Reform. With the FY 2007 Tax Reform, the domestic banking consolidated subsidiaries have re-examined the residual values of their buildings (excluding fixtures) based on historical data related to their disposition of buildings and other data, and determined that the residual values should be adjusted to a nominal amount from the fiscal year ended March 31, 2008. In addition, the new declining-balance method set forth in the amended Corporate Tax Law is used to depreciate buildings, regardless of the date of their acquisition, as this method was determined to be reasonable for depreciating buildings to a nominal value at the end of their useful lives. These changes resulted in increases in ordinary expenses by 11,031 million yen for Japan and 87 million yen for Europe/Middle East and decreases in ordinary profits by the same amount for each segment. These changes do not have a material impact on North America, Latin America and Asia/Oceania.

Due to the time required to change the depreciation system and other constraints, domestic consolidated banking subsidiaries and certain other consolidated subsidiaries made these changes in the second half of the fiscal year ended March 31, 2008. Therefore, the previous depreciation method was used in the six months ended September 30, 2007 for these subsidiaries, resulting in inconsistencies between the treatment applied in the fiscal year ended March 31, 2008. Consequently, compared to if the method after the change had been used for the six months ended September 30, 2007, Ordinary expenses in Japan and Europe/Middle East declined by 4,680 million yen and 30 million yen, respectively, while Ordinary profits in these geographic segments increased by the same respective amounts. This change did not have a material impact on North America and Asia/Oceania.

(Additional information)

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Beginning the fiscal year ended March 31, 2008, the residual values of tangible fixed assets acquired on or before March 31, 2007, other than buildings (excluding fixtures) of the domestic consolidated banking subsidiaries, are depreciated over 5 years using the straight-line method starting from the fiscal year immediately following the fiscal year in which the depreciation reached the maximum for income tax

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purposes. This change resulted in increases in ordinary expenses by 2,539 million yen and 22 million yen for Japan and North America, respectively, and decreases in ordinary profits by the same amount for each segment. This change did not have a material impact on Europe/Middle East and Asia/Oceania.

4. Changes in the grouping method under the Accounting Standard for Impairment on Fixed Assets

Upon the merger with DC Card Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd., a consolidated subsidiary of MUFG, changed its grouping method for recognizing and measuring impairment losses on tangible fixed assets. Assets related to the credit card business, which were previously grouped as one unit, the credit business group, are grouped into business units that are responsible for the ongoing management and tracking of revenue, and expenditure for management accounting purposes. This change was due to the rationalization of business systems and business restructuring following the merger. This change resulted in a 1,085 million yen decrease in Ordinary expenses and an increase in Ordinary profits by the same amount for Japan.

Ordinary income from overseas operations

For the six months ended September 30, 2007

| | (in millions of yen) Amount |
|--|--------------------------------|
| I. Ordinary income from overseas operations | 916,149 |
| II. Consolidated ordinary income | 3,250,225 |
| III. Ratio of ordinary income from overseas operations over consolidated ordinary income | 28.1% |

Notes:

1. Ordinary income from overseas operations is presented instead of overseas sales as presented by non-financial companies.
2. Ordinary income from overseas operations consists of ordinary income from transactions by the overseas branches of the domestic consolidated banking and trust banking subsidiaries, and the overseas consolidated subsidiaries (excluding intercompany ordinary income). Geographic segment information is not disclosed as a number of transactions are not categorized by counterparty.

For the six months ended September 30, 2008

| | (in millions of yen) Amount |
|--|--------------------------------|
| I. Ordinary income from overseas operations | 865,956 |
| II. Consolidated ordinary income | 2,925,113 |
| III. Ratio of ordinary income from overseas operations over consolidated ordinary income | 29.6% |

Notes:

1. Ordinary income from overseas operations is presented instead of overseas sales as presented by non-financial companies.
2. Ordinary income from overseas operations consists of ordinary income from transactions by the overseas branches of the domestic consolidated banking and trust banking subsidiaries, and the overseas consolidated subsidiaries (excluding intercompany ordinary income). Geographic segment information is not disclosed as a number of transactions are not categorized by counterparty.

For the fiscal year ended March 31, 2008

| | (in millions of yen) Amount |
|--|--------------------------------|
| I. Ordinary income from overseas operations | 1,806,096 |
| II. Consolidated ordinary income | 6,393,951 |
| III. Ratio of ordinary income from overseas operations over consolidated ordinary income | 28.2% |

Notes:

1. Ordinary income from overseas operations is presented instead of overseas sales as presented by non-financial companies.
2. Ordinary income from overseas operations consists of ordinary income from transactions by the overseas branches of the domestic consolidated banking and trust banking subsidiaries, and the overseas consolidated subsidiaries (excluding intercompany ordinary income). Geographic segment information is not disclosed as a number of transactions are not categorized by counterparty.
(Special Purpose Companies Subject to Disclosure)

I. For the six months ended September 30, 2007

1. Overview of special purpose companies and transactions involving the special purpose companies

To diversify its sources of funding and ensure steady fund raising, Mitsubishi UFJ NICOS Co., Ltd. (MUN) a consolidated subsidiary of MUFG, securitizes credit card receivables, installment sales receivables and loans. Special purpose companies (mainly companies established in the Cayman Islands) are used for this securitization. Upon securitization, MUN establishes a trust for the credit card receivables, installment sales receivables and loans, and issues beneficiary interests with senior, subordinate and other tranches. Only the senior beneficiary interests are transferred to the special purpose companies. The special purpose companies issue bonds or make a borrowing backed by the transferred senior beneficiary interests. MUN receives cash raised as proceeds from the transfer of the senior beneficiary interests.

MUN also provides a debt collection service to the special purpose companies and retains the subordinated beneficiary interests and a portion of the sales proceeds of the senior beneficiary interests. An adequate allowance for credit losses is established for the subordinated portion in the trust assets for which recovery is less than expected.

As a result of the securitization, there are seven special purpose companies that have outstanding transaction balances with MUN as of September 30, 2007. The total assets (gross total) and the total liabilities (gross total) of these special purpose companies at their most recent balance sheet dates amount to 145,328 million yen, and 145,037 million yen, respectively. Neither MUFG nor any of its subsidiaries own stock with voting rights of these special purpose companies, nor have any directors or employees of MUFG or any of its subsidiaries been seconded to the special purpose companies.

2. Transaction amounts with special purpose companies and other information for the six months ended September 30, 2007

| | Amount of major transactions or balance as of September 30, 2007 | | Principal gains or losses (in millions of yen) | |
|---|--|--|---|----------|
| | | | (Item) | (Amount) |
| Transferred senior beneficiary interests relating to: | | | | |
| Credit card receivables | | | Gains on sales | |
| Installment sales receivables | | | Gains on sales | |
| Loans | | | Gains on sales | |
| Residual balance of proceeds from sales (accounts receivable) | 228 | | Gains on distribution | 6 |
| Transaction volume of debt collection service (Note 2) | 2,277 | | Gains on debt collection service | 2,277 |

Notes:

1. As of September 30, 2007, the balance of subordinated beneficiary interests not transferred to the special purpose companies amounts to 185,459 million yen. Gains on distribution from these subordinate beneficiary interests (24,243 million yen) are recorded as Interest income .
2. Gains on the debt collection service are recorded as Fees and commissions .
3. The amounts of transactions with the special purpose companies and other information are included in 1. Overview of special purpose companies and transactions involving the special purpose companies .

II. For the fiscal year ended March 31, 2008

1. Overview of special purpose companies and transactions involving the special purpose companies

To diversify its sources of funding and ensure steady fund raising, Mitsubishi UFJ NICOS Co., Ltd. (MUN) a consolidated subsidiary of MUFG, securitizes credit card receivables, installment sales receivables and loans. Special purpose companies (mainly companies established in the Cayman Islands) are used for this securitization. Upon securitization, MUN establishes a trust for the credit card receivables, installment sales receivables and loans, and issues beneficiary interests with senior, subordinate and other tranches. Only the senior beneficiary interests are transferred to the special purpose companies. The special purpose companies issue bonds or make a borrowing backed by the transferred senior beneficiary interests. MUN receives cash raised as proceeds from the transfer of the senior beneficiary interests.

MUN also provides a debt collection service to the special purpose companies and retains the subordinated beneficiary interests and a portion of the sales proceeds of the senior beneficiary interests. An adequate allowance for credit losses is established for the subordinated portion in trust assets for which recovery is less than expected.

As a result of the securitization, there are three special purpose companies that have outstanding transaction balances with MUN as of March 31, 2008. The total assets (gross total) and the total liabilities (gross total) of these special purpose companies at their most recent balance sheet dates amount to 76,054 million yen, and 75,940 million yen, respectively. Neither MUFG nor any of its subsidiaries own stock with voting rights of these special purpose companies, nor have any directors or employees of MUFG or any of its subsidiaries been seconded to the special purpose companies.

2. Transaction amounts with special purpose companies and other information for the fiscal year ended March 31, 2008

| | Amount of major transactions or balance as of March 31, 2008 | (in millions of yen) Principal gains or losses | |
|--|--|---|----------|
| | | (Item) | (Amount) |
| Transferred senior beneficiary interests relating to: | | | |
| Credit card receivables | | Gains on sales | |
| Installment sales receivables | | Gains on sales | |
| Loans | | Gains on sales | |
| Residual balance of proceeds from sales (accounts receivable) | 38 | Gains on distribution | 79 |
| Transaction volume of debt collection service (Note 2) | 3,571 | Gains on debt collection service | 3,571 |

Notes:

- As of March 31, 2008, the balance of subordinated beneficiary interests not transferred to the special purpose companies amounts to 93,820 million yen. Gains on distribution from these subordinate beneficiary interests (38,806 million yen) are recorded as Interest income .
- Gains on the debt collection service are recorded as Fees and commissions .
- In addition to the amounts of transactions with the three special purpose companies and other information included in 1. Overview of special purpose companies and transactions involving the special purpose companies, gains and losses disclosed in the table above include transactions with four other special purpose companies of a similar nature in the fiscal year ended March 31, 2008. (Business Combinations)

For the six months ended September 30, 2007

(Transactions involving entities under common control)

UFJ NICOS Co., Ltd, a consolidated subsidiary of MUFG, at the Board of Directors meeting held on December 20, 2006, resolved to sign a merger agreement with DC Card Co., Ltd., also a consolidated subsidiary of MUFG. The merger came into effect on April 1, 2007. This merger is a transaction involving entities under common control as outlined below:

- Name of combining companies, nature of business, date of business combination, legal form of business combination, the name of the company after the business combination, and the overview and purpose of the transaction

(1) Name of combining companies and the nature of their businesses

(i) Combining company

Company name: UFJ NICOS Co., Ltd.

Nature of business: Credit card business

(ii) Acquired company

Company name: DC Card Co., Ltd.

Nature of business: Credit card business

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(2) Date of business combination

April 1, 2007

(3) Legal form of business combination

Merger with UFJ NICOS Co., Ltd. as the surviving entity and DC Card Co., Ltd. as the disappearing entity.

(4) Name of company after combination

Mitsubishi UFJ NICOS Co., Ltd.

(5) Overview and the purpose of the transaction

UFJ NICOS Co., Ltd., one of the core credit card companies of the MUFG Group, has merged with DC Card Co., Ltd., the other main credit card company of the MUFG Group, to further increase the enterprise value. Through this merger, the newly formed credit card company will aim to offer leading edge solutions while developing an industry leading business infrastructure and earning capacity.

2. Overview of the accounting treatment

This transaction was accounted for in accordance with the Accounting Standard for Business Combinations (issued on October 31, 2003 by Business Accounting Council) and Implementation Guidance No. 10 Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (issued on December 27, 2005 by ASBJ), resulting in goodwill and gains on changes in equity.

| | |
|--|--|
| (1) Amount of goodwill | 3,244 million yen |
| (2) Reason for recognizing goodwill | Recognized based on the difference between the book value equivalent to the increased share of MUFG and the acquisition cost |
| (3) Amortization method and period | Straight-line method over 20 years |
| (4) Gain on changes in equity | 6,985 million yen |
| (Business combinations for which the purchase method is applied) | |

The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU), MUFG's consolidated banking subsidiary, resolved, at the Board of Directors meeting held on March 5, 2007, to conduct a tender offer for kabu.com Securities Co., Ltd. (kabu.com Securities), an equity method affiliate of MUFG. Subsequently, 94,000 shares of kabu.com Securities were acquired from March 20, 2007 to April 18, 2007. As a result, the total percentage of voting rights for common stock of kabu.com Securities held by MUFG and its subsidiary reached 40.36%.

On June 24, 2007, the general meeting of shareholders of kabu.com Securities resolved to appoint as its directors individuals who (1) serve or served as officers or employees responsible for business execution for MUFG or its subsidiary and (2) are able to exercise influence over the decision on financial, operational and business policies of kabu.com Securities. As a result, such individuals represented the majority of directors of kabu.com Securities, and accordingly, kabu.com Securities became a consolidated subsidiary of MUFG.

1. Name of acquiree, nature of business, size of business, principal reason for business combination, date of business combination, legal form of business combination and ratio of voting rights acquired

| | | | | |
|-----|--|--|---------------------|-----------------------------|
| (1) | Name of acquiree | kabu.com Securities Co., Ltd. | | |
| (2) | Nature of business | Securities business | | |
| (3) | Size of business | Capital: | 7,195 million yen | Actual as of March 31, 2007 |
| | | Total assets: | 363,771 million yen | Actual as of March 31, 2007 |
| | | Number of employees: | 81 | As of March 31, 2007 |
| (4) | Principal reasons for business combination | kabu.com Securities Co., Ltd. is positioned as a core company within the MUFG Group for providing comprehensive financial services. The purpose of the combination is to further increase synergies in the retail financial services area through the provision of high added value internet-based operations. | | |
| (5) | Date of business combination | June 24, 2007 | | |
| (6) | Legal form of business combination | Purchase of stock | | |
| (7) | Ratio of voting rights acquired | 9.50% | | |

2. Period of the acquiree's financial results included in the consolidated financial statements:
April 1, 2007 to September 30, 2007

3. Acquisition costs and its breakdown:

| | |
|------------------------|-----------------------------|
| | (in millions of yen) |
| Acquisition costs | 22,653 |
| (Breakdown) | |
| Purchase cost of stock | 22,560 |
| Other direct costs | 93 |
| Total | 22,653 |

4. Amount of goodwill, reason for recognizing goodwill, amortization method and period

| | | |
|-----|---------------------------------|---|
| (1) | Amount of goodwill | 14,681 million yen |
| (2) | Reason for recognizing goodwill | Recognized based on the difference between the book value equivalent to the increased share of MUFG and the acquisition cost. |
| (3) | Amortization method and period | Straight-line method over 20 years |

5. Amounts and main breakdown of assets received and liabilities assumed on the date of business combination

| | | |
|-----|---------------|-----------------------------|
| | | (in millions of yen) |
| (1) | Assets | 388,728 |
| | Total assets: | 388,728 |

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| | | |
|-----|--------------------------------|---------|
| | Margin transaction assets: | 177,455 |
| | Cash segregated as deposits | 108,746 |
| (2) | Liabilities | |
| | Total liabilities: | 326,203 |
| | Guarantee deposits received | 122,695 |
| | Margin transaction liabilities | 120,394 |

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(Transactions involving entities under common control)

On September 30, 2007, MUFG and Mitsubishi UFJ Securities Co., Ltd. (MUS), a consolidated subsidiary of MUFG, executed a share exchange under which MUS became a wholly owned subsidiary of MUFG. The share exchange was a transaction between entities under common control. An overview of the transaction is as follows:

1. Name of combining companies, nature of business, legal form of business combination, name of the company after the business combination and the overview, and purpose of the transaction

(1) Name and nature of business of the combining company

Company name: Mitsubishi UFJ Securities Co., Ltd.

Nature of business: Securities business

(2) Method of business combination

Share exchange

(3) Name of company after business combination

Mitsubishi UFJ Securities Co., Ltd.

(4) Overview and purpose of the transaction

The MUFG Group has been actively pursuing its integrated group strategy of extending beyond its existing business framework to deliver timely, high added value financial products and services, with each group company cooperating to achieve this. To stimulate the evolving trend from savings to investment, seize the opportunity presented by the deregulation of the Japanese financial markets, effectively and promptly meet the drastic changes in the Japanese financial environment, further enhance cooperation among group companies while complying strictly with all laws and regulations, and conduct its business as a unified group, the share exchange was executed to make MUFG the wholly owning parent company, and MUS a wholly owned subsidiary.

2. Overview of the accounting treatment

This transaction was accounted for in accordance with the Accounting Standard for Business Combinations (issued on October 31, 2003 by the Business Accounting Council) and Implementation Guidance No. 10 Implementation Guidance on Accounting Standard for Business Combinations and Accounting for Business Divestitures (issued on December 27, 2005 by ASBJ), resulting in goodwill.

3. Additional acquisition of stocks of subsidiaries

(1) Acquisition costs and its breakdown

| | (in millions of yen) |
|--------------------|----------------------|
| Acquisition costs | 375,719 |
| (Breakdown) | |
| Treasury stock | 375,526 |
| Other direct costs | 192 |
| Total | 375,719 |

(2) Share exchange ratio by the type of stock, method of calculating the exchange ratio, the number and valuation of shares exchanged

(i) Share exchange ratio by the type of stock

Common stock 1 share of MUFG: 1.02 shares of MUS

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(ii) Method of calculating the exchange ratio

To calculate the share exchange ratio for this share exchange, MUFG and MUS selected their respective independent calculation agents. MUFG and MUS carefully assessed the results of analyses and the opinions of professionals provided by each independent calculation agent. They then negotiated and discussed the share exchange ratio based on the analyses and opinions. As a result, MUFG and MUS reached an agreement on and determined the ratio as indicated above. These independent calculation agents performed various analyses, including the analysis of historical stock prices, the analysis of precedent transactions, and discounted cash flow analyses. The results were then comprehensively assessed in order to submit their analyses and opinions on the share exchange ratio.

(iii) Number and valuation of shares exchanged

| | |
|-----------------------------|---------------------|
| Number of shares exchanged: | 277,857,563 shares |
| Value: | 375,719 million yen |

(3) Amount of goodwill, reason for recognizing goodwill, amortization method and period

| | |
|--------------------------------------|---|
| (i) Amount of goodwill | 96,335 million yen |
| (ii) Reason for recognizing goodwill | Recognized based on the difference between the book value equivalent of the amount of increased share of MUFG holding, and the acquisition cost |
| (iii) Amortization method and period | Straight-line method over 20 years |

For the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

Transactions involving entities under common control
(Transaction between MUFG and Mitsubishi UFJ NICOS Co., Ltd.)

On August 1, 2008, MUFG and Mitsubishi UFJ NICOS Co., Ltd. (Mitsubishi UFJ NICOS), a consolidated subsidiary of MUFG, executed a share exchange under which Mitsubishi UFJ NICOS became a wholly owned subsidiary of MUFG. The share exchange was a transaction between entities under common control. An overview of the transaction is as follows:

(1) Name of combining companies, nature of business, legal form of business combination, name of the company after the business combination and the overview, and purpose of the transaction

| | |
|--|--------------------------------|
| (i) Name and nature of business of the combining company | |
| Company name: | Mitsubishi UFJ NICOS Co., Ltd. |
| Nature of business: | Credit card business |
| (ii) Method of business combination | Share exchange |
| (iii) Name of company after business combination | Mitsubishi UFJ NICOS Co., Ltd. |
| (iv) Overview and purpose of the transaction | |

To take the initiative in responding to changes in the external environments that include the revision of Money Lending Business Law and Installment Sales Laws, and to drastically address the further expansion and development of the credit card market, MUFG and MUN resolved on September 20, 2007 for MUFG to underwrite the entire 120 billion yen third-party allotment of new shares of MUN, and for MUN to become a wholly owned subsidiary of MUFG by an exchange of shares for the following purposes: (1) to strengthen the

financial foundation of MUN; (2) to further enhance the strategic integrity and flexibility of

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the MUFG Group, including MUN, and to strive for effective utilization of managerial resources within the MUFG Group; (3) to clearly position Mitsubishi UFJ NICOS as a core business entity of the MUFG Group on par with banks, trusts, and securities firms, and (4) to further strengthen and nurture the card business operated by MUN as a strategic focus of MUFG's consumer finance business.

Based on this resolution, MUFG and MUN signed the share exchange agreement.

(2) Overview of the accounting treatment

This transaction was accounted for in accordance with the Accounting Standard for Business Combinations (issued on October 31, 2003 by the Business Accounting Council) and Implementation Guidance No. 10 Implementation Guidance on Accounting Standard for Business Combinations and Accounting for Business Divestitures (issued on December 27, 2005 by ASBJ), resulting in goodwill.

(3) Additional acquisition of shares of subsidiaries

(i) Acquisition costs and its breakdown

| | (in millions of yen) |
|--------------------|----------------------|
| Acquisition costs | 198,936 |
| (Breakdown) | |
| Treasury stock | 198,821 |
| Other direct costs | 115 |
| Total | 198,936 |

(ii) Share exchange ratio by the type of stock, method of calculating the exchange ratio, the number and valuation of shares exchanged

(a) Share exchange ratio by the type of stock

Common stock 1 share of MUFG: 0.37 shares of Mitsubishi UFJ NICOS common stock

Common stock 1 share of MUFG: 1.39 shares of Mitsubishi UFJ NICOS First series stock

(b) Method of calculating the exchange ratio

To ensure the fairness and appropriateness of the share exchange ratios, MUFG and MUN selected Nomura Securities Co., Ltd. and KPMG FAS Co., Ltd., respectively, as independent calculation agents, and requested each agent to perform the share exchange ratios calculation. Based on the results of the calculations, both companies held careful negotiations and discussions to determine the share exchange ratios.

(c) Number and valuation of shares exchanged

| | |
|-----------------------------|---------------------|
| Number of shares exchanged: | 197,989,554 shares |
| Value: | 286,391 million yen |

3. Amount of goodwill, reason for recognizing goodwill, amortization method and period

(a) Amount of goodwill and negative goodwill

| | |
|-------------------|--------------------|
| Goodwill | 98,360 million yen |
| Negative goodwill | 38,419 million yen |

(b) Reason for recognizing goodwill

Recognized based on the difference between the book value equivalent of the amount of increased share of MUFG holding, and the acquisition cost

(c) Amortization method and period

| | |
|-------------------|------------------------------------|
| Goodwill | Straight-line method over 20 years |
| Negative goodwill | Straight-line method over 20 years |

For the fiscal year ended March 31, 2008

1. Business combinations for which the purchase method is applied

The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU), MUFG's consolidated banking subsidiary, resolved at the Board of Directors meeting held on March 5, 2007 to conduct a tender offer for kabu.com Securities Co., Ltd. (kabu.com Securities), an equity method affiliate of MUFG. Subsequently, 94,000 shares of kabu.com Securities were acquired from March 20, 2007 to April 18, 2007. As a result, the total percentage of voting rights for common stock of kabu.com Securities held by MUFG and its subsidiary reached 40.36%.

On June 24, 2007, the general meeting of shareholders of kabu.com Securities resolved to appoint as its directors individuals who (1) serve or served as officers or employees responsible for business execution for MUFG or its subsidiary and (2) are able to exercise influence over the decision on financial, operational and business policies of kabu.com Securities. As a result, such individuals represented the majority of directors of kabu.com Securities, and accordingly, kabu.com Securities became a consolidated subsidiary of MUFG.

(1) Name of acquiree, nature and size of business, principal reasons for business combination, date of business combination, legal form of business combination and ratio of voting rights acquired

| | | | | |
|-------|--|--|---------------------|-----------------------------|
| (i) | Name of acquiree | kabu.com Securities Co., Ltd. | | |
| (ii) | Nature of business | Securities business | | |
| (iii) | Size of business | Capital: | 7,195 million yen | Actual as of March 31, 2007 |
| | | Total assets: | 363,771 million yen | Actual as of March 31, 2007 |
| | | Number of employees: | 81 | As of March 31, 2007 |
| (iv) | Principal reasons for business combination | kabu.com Securities Co., Ltd. is positioned as a core company within the MUFG Group for providing comprehensive financial services. The purpose of the combination is to further increase synergies in the retail financial services area through the provision of high added value internet-based operations. | | |
| (v) | Date of business combination | June 24, 2007 | | |
| (vi) | Legal form of business combination | Purchase of stock | | |
| (vii) | Ratio of voting rights acquired | 9.50% | | |

(2) Period of the acquiree's financial results included in the consolidated financial statements: April 1, 2007 to March 31, 2008

(3) Acquisition costs and its breakdown

| | (in millions of yen) |
|------------------------|----------------------|
| Acquisition costs | 22,653 |
| (Breakdown) | |
| Purchase cost of stock | 22,560 |
| Other direct costs | 93 |
| Total | 22,653 |

(4) Amount of goodwill, reason for recognizing goodwill, amortization method and period

| | |
|--------------------------------------|--|
| (i) Amount of goodwill | 14,681 million yen |
| (ii) Reason for recognizing goodwill | Recognized based on the difference between the book value equivalent to the increased share of MUFG and the acquisition cost |
| (iii) Amortization method and period | Straight-line method over 20 years |

(5) Amounts and main breakdown of assets received and liabilities assumed on the date of business combination

| | | (in millions of yen) |
|------------------|--------------------------------|----------------------|
| (i) Assets | Total assets: | 388,728 |
| | Margin transaction assets | 177,455 |
| | Cash segregated as deposits | 108,746 |
| (ii) Liabilities | Total liabilities: | 326,203 |
| | Guarantee deposits received | 122,695 |
| | Margin transaction liabilities | 120,394 |

2. Transactions involving entities under common control
(Transaction between UFJ NICOS Co., Ltd. and DC Card Co., Ltd.)

UFJ NICOS Co., Ltd, a consolidated subsidiary of MUFG, at the Board of Directors meeting held on December 20, 2006, resolved to sign a merger agreement with DC Card Co., Ltd., also the consolidated subsidiary of MUFG, which came into effect on April 1, 2007. This merger is a transaction involving entities under common control as outlined below:

(1) Name of combining companies, nature of business, date of business combination, legal form of business combination, the name of the company after the business combination, and the overview and purpose of the transaction

(i) Name of combining companies and the nature of their businesses

(a) Combining company

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Company name: UFJ NICOS Co., Ltd.

Nature of business: Credit card business

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(b) Acquired company

Company name: DC Card Co., Ltd.

Nature of business: Credit card business

(ii) Date of business combination

April 1, 2007

(iii) Legal form of business combination

Merger with UFJ NICOS Co., Ltd. as the surviving entity and DC Card Co., Ltd. as the disappearing entity.

(iv) Name of company after combination

Mitsubishi UFJ NICOS Co., Ltd.

(v) Overview and the purpose of the transaction

UFJ NICOS Co., Ltd., one of the core credit card companies of the MUFG Group, has merged with DC Card Co., Ltd., the other main credit card company of the MUFG Group, to further increase the enterprise value. Through this merger, the newly formed credit card company will aim to offer leading edge solutions while developing an industry leading business infrastructure and earning capacity.

(2) Overview of the accounting treatment

This transaction was accounted for in accordance with the Accounting Standard for Business Combinations (issued on October 31, 2003 by Business Accounting Council) and Implementation Guidance No. 10 Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (issued on December 27, 2005 by ASBJ), resulting in goodwill and gains on changes in equity.

| | |
|--------------------------------------|--|
| (i) Amount of goodwill | 3,244 million yen |
| (ii) Reason for recognizing goodwill | Recognized based on the difference between the book value equivalent to the increased share of MUFG and the acquisition cost |
| (iii) Amortization method and period | Straight-line method over 20 years |
| (iv) Gain on changes in equity | 6,985 million yen |

(Transaction between MUFG and Mitsubishi UFJ Securities Co., Ltd.)

On September 30, 2007, MUFG and Mitsubishi UFJ Securities Co., Ltd. (MUS), a consolidated subsidiary of MUFG, executed a share exchange under which MUS became a wholly owned subsidiary of MUFG. The share exchange was a transaction between entities under common control. An overview of the transaction is as follows:

- (1) Name of combining companies, nature of business, legal form of business combination, name of the company after the business combination and the overview, and purpose of the transaction

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(i) Name and nature of business of the combining company

Company name:

Mitsubishi UFJ Securities Co., Ltd.

Nature of business:

Securities business

(ii) Method of business combination

Share exchange

(iii) Name of company after business combination

Mitsubishi UFJ Securities Co., Ltd.

(iv) Overview and purpose of the transaction

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The MUFG Group has been actively pursuing its integrated group strategy of extending beyond its existing business framework to deliver timely, high added value financial products and services, with each group company cooperating to achieve this. To stimulate the evolving trend from savings to investment, seize the opportunity presented by the deregulation of the Japanese financial markets, effectively and promptly meet the drastic changes in the Japanese financial environment, further enhance cooperation among group companies while complying strictly with all laws and regulations, and conduct its business as a unified group, the share exchange was executed to make MUFG the wholly owning parent company, and MUS a wholly owned subsidiary.

(2) Overview of the accounting treatment

This transaction was accounted for in accordance with the Accounting Standard for Business Combinations (issued on October 31, 2003 by the Business Accounting Council) and Implementation Guidance No. 10 Implementation Guidance on Accounting Standard for Business Combinations and Accounting for Business Divestitures (issued on December 27, 2005 by ASBJ), resulting in goodwill.

(3) Additional acquisition of shares of subsidiaries

(i) Acquisition costs and its breakdown

| | (in millions of yen) |
|--------------------|----------------------|
| Acquisition costs | 375,719 |
| (Breakdown) | |
| Treasury stock | 375,526 |
| Other direct costs | 192 |
| Total | 375,719 |

(ii) Share exchange ratio by the type of stock, method of calculating the exchange ratio, the number and valuation of shares exchanged

(a) Share exchange ratio by the type of stock

Common stock 1 share of MUFG: 1.02 shares of MUS

(b) Method of calculating the exchange ratio

To calculate the share exchange ratio for this share exchange, MUFG and MUS selected respective independent calculation agents. MUFG and MUS carefully assessed the results of analyses and the opinions of professionals as provided by each independent calculation agent. They then negotiated and discussed the share exchange ratio based on the analyses and opinions. As a result, MUFG and MUS reached an agreement on and determined the ratio as indicated above. These independent calculation agents performed various analyses, including the analysis of historical stock prices, the analysis of precedent transactions, and discounted cash flow analyses. The results were then comprehensively assessed in order to submit their analyses and opinions on the share exchange ratio.

(c) Number and valuation of shares exchanged

| | |
|-----------------------------|---------------------|
| Number of shares exchanged: | 277,857,563 shares |
| Value: | 375,719 million yen |

(iii) Amount of goodwill, reason for recognizing goodwill, amortization method and period

- | | |
|-------------------------------------|--|
| (a) Amount of goodwill | 96,335 million yen |
| (b) Reason for recognizing goodwill | Recognized based on the difference between the book value equivalent of the amount of increased share of MUFG holding, and the acquisition price |
| (c) Amortization method and period | Straight-line method over 20 years |

3. Business divestitures and other similar transactions

On November 29, 2007, the MUFG consolidated subsidiary Union Bank of California, N.A. (UBOC) entered into a sale agreement with Prudential Financial, Inc. to sell a portion of its pension fund trustee business. This sale was completed on December 31, 2007. An overview of the transaction is as follows:

(1) Name of transferee, the nature of transferred business, main reason for separating the business, date of separation, overview of the business separation including the legal form of separation

(i) Name of transferee

Prudential Retirement, a subsidiary of Prudential Financial, Inc.

(ii) Nature of transferred business

Provider of defined contribution pension plan and recordkeeping services

(iii) Main reason for separating the business

It was determined that the continuance of the pension fund trustee business requires considerable system investments going forward; however, the size of the pension fund trustee business at UBOC is not sufficient to continue this business.

(iv) Date of separation

December 31, 2007

(v) Overview of the business separation including the legal form of separation

A business transfer with UBOC being the transferor of the business, and Prudential Retirement being the transferee.

(2) Overview of accounting treatment

| | |
|---|-----------------------------|
| | (in millions of yen) |
| Gains on the sale of the business by the subsidiary | 10,810 |
| (Breakdown) | |
| Consideration received for the business transfer | 11,516 |

| | |
|---|--------|
| Intangible fixed assets | 706 |
| Gains on the sale of the business by the subsidiary | 10,810 |

The amount of consideration received for the business transfer is net of 239 million yen of commission.

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(3) Estimated gains and losses arising from the business separation recorded in the consolidated statement of income

| | (in millions of yen) |
|------------------------|----------------------|
| Ordinary income | 6,037 |
| Ordinary expenses | 5,984 |
| Ordinary profit | 52 |

(Per share information)

| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|---------------------------------|---|---|--|
| Net assets per share | 812.53 yen | 663.09 yen | 727.98 yen |
| Net income per share | 24.76 yen | 8.46 yen | 61.00 yen |
| Diluted net income per share | 24.61 yen | 8.41 yen | 60.62 yen |

MUFG executed a 1,000 for 1 stock split effective on September 30, 2007.

MUFG executed a 1,000 for 1 stock split effective on September 30, 2007.

Per share information for the six months ended September 30, 2006 and the fiscal year ended March 31, 2007 on the assumption that the stock split had been effective as of April 1, 2006 are as follows:

Per share information for the fiscal year ended March 31, 2007 on the assumption that the stock split had been effective as of April 1, 2006 are as follows:

| | For the six months ended September 30, 2006 | For the fiscal year ended March 31, 2007 | | For the fiscal year ended March 31, 2007 |
|------------------------------|---|--|------------------------------|--|
| Net assets per share | 720.12 yen | 801.32 yen | Net assets per share | 801.32 yen |
| Net income per share | 50.45 yen | 86.79 yen | Net income per share | 86.79 yen |
| Diluted net income per share | 49.66 yen | 86.27 yen | Diluted net income per share | 86.27 yen |

Note: The basis for computing net income per share and diluted net income per share is as follows:

| | | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|--|-----------------|---|---|--|
| Net income per share | | | | |
| Net income | Million yen | 256,721 | 92,023 | 636,624 |
| Amounts not attributable to common shareholders | Million yen | 3,949 | 3,690 | 7,929 |
| Dividends on preferred stock | Million yen | 3,949 | 3,690 | 7,929 |
| Net income attributable to common shares | Million yen | 252,772 | 88,332 | 628,694 |
| Average number of common shares during the period | Thousand shares | 10,208,340 | 10,437,400 | 10,306,055 |
| Diluted net income per share | | | | |
| Adjustments to net income | Million yen | 330 | 63 | 661 |
| Dividends on preferred stock | Million yen | 334 | 64 | 668 |
| Adjustments made to reflect the potential stock of the consolidated subsidiaries | Million yen | (3) | (1) | (7) |
| Increase in common stock | Thousand shares | 73,692 | 66,885 | 74,586 |
| Preferred stock | Thousand shares | 73,692 | 63,087 | 73,692 |
| Subscription rights to shares | Thousand shares | | 3,797 | 893 |

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| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the fiscal year ended March 31, 2008 |
|---|--|--|--|
| Potential stock not included in the calculation of diluted net income per share due to their non-dilutive effects | Preferred stock first series of class 3 (100,000 thousand outstanding shares) | Preferred stock first series of class 3 (100,000 thousand outstanding shares) | Preferred stock first series of class 3 (100,000 thousand outstanding shares) |
| | Subscription rights to shares issued by the consolidated subsidiaries: kabu.com Securities Co., Ltd. | Subscription rights to shares issued by the consolidated subsidiaries: kabu.com Securities Co., Ltd. | Subscription rights to shares issued by the consolidated subsidiaries: kabu.com Securities Co., Ltd. |
| | Subscription rights to shares (stock options) | Subscription rights to shares (stock options) | Subscription rights to shares (stock options) |
| | Grant date: Mar. 31, 2006 | Grant date: Mar. 31, 2006 | Grant date: Mar. 31, 2006 |
| | Deadline for exercising rights: June 30, 2012 | Deadline for exercising rights: June 30, 2012 | Deadline for exercising rights: June 30, 2012 |
| | Exercise price: 327,022 yen | Exercise price: 327,022 yen | Exercise price: 327,022 yen |
| | Number of options initially granted: 1,438 units | Number of options initially granted: 1,438 units | Number of options initially granted: 1,438 units |
| | Number of options outstanding as of September 30, 2007: 1,214 units | Number of options outstanding as of September 30, 2008: 1,214 units | Number of options outstanding as of March 31, 2008: 1,214 units |
| | MU Hands-on Capital Ltd. | MU Hands-on Capital Ltd. | MU Hands-on Capital Ltd. |
| | (1) Subscription rights to shares (contingent warrants) | (1) Subscription rights to shares (contingent warrants) | (1) Subscription rights to shares (contingent warrants) |
| | Grant date: Dec. 18, 2000 | Grant date: Dec. 18, 2000 | Grant date: Dec. 18, 2000 |
| | Deadline for exercising rights: Dec. 1, 2010 | Deadline for exercising rights: Dec. 1, 2010 | Deadline for exercising rights: Dec. 1, 2010 |
| | Exercise price: 65,000 yen | Exercise price: 65,000 yen | Exercise price: 65,000 yen |
| | Number of options initially granted: 1,200 units | Number of options initially granted: 1,200 units | Number of options initially granted: 1,200 units |
| | Number of options outstanding as of September 30, 2007: 375 units | Number of options outstanding as of September 30, 2008: 375 units | Number of options outstanding as of March 31, 2008: 375 units |
| | (2) Subscription rights to shares (stock options) | (2) Subscription rights to shares (stock options) | (2) Subscription rights to shares (stock options) |
| | Grant date: May 20, 2003 | Grant date: May 20, 2003 | Grant date: May 20, 2003 |
| | Deadline for exercising rights: Dec. 1, 2010 | Deadline for exercising rights: Dec. 1, 2010 | Deadline for exercising rights: Dec. 1, 2010 |
| | Exercise price: 120,000 yen | Exercise price: 120,000 yen | Exercise price: 120,000 yen |
| | Number of options initially granted: 585 units | Number of options initially granted: 585 units | Number of options initially granted: 585 units |
| | Number of options outstanding as of September 30, 2007: 245 units | Number of options outstanding as of September 30, 2008: 245 units | Number of options outstanding as of March 31, 2008: 245 units |
| | Palace Capital Partners A Co., Ltd. | Palace Capital Partners A Co., Ltd. | Palace Capital Partners A Co., Ltd. |
| | (1) Subscription rights to shares (stock options) | (1) Subscription rights to shares (stock options) | (1) Subscription rights to shares (stock options) |

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| | | | | | |
|---------------------------------|---------------|---------------------------------|---------------|---------------------------------|---------------|
| Grant date: | Sept. 1, 2007 | Grant date: | Sept. 1, 2007 | Grant date: | Sept. 1, 2007 |
| Deadline for exercising rights: | Aug. 31, 2012 | Deadline for exercising rights: | Aug. 31, 2012 | Deadline for exercising rights: | Aug. 31, 2012 |
| Exercise price: | 1 yen | Exercise price: | 1 yen | Exercise price: | 1 yen |

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| For the six months ended September 30, 2007 | | For the six months ended September 30, 2008 | | For the fiscal year ended March 31, 2008 | |
|---|---------------|---|---------------|---|---------------|
| Number of options initially granted: | 1,450 units | Number of options initially granted: | 1,450 units | Number of options initially granted: | 1,450 units |
| Number of options outstanding as of September 30, 2007: | 1,450 units | Number of options outstanding as of September 30, 2008: | 1,450 units | Number of options outstanding as of March 31, 2008: | 1,450 units |
| (2) Subscription rights to shares (stock options) | | (2) Subscription rights to shares (stock options) | | (2) Subscription rights to shares (stock options) | |
| Grant date: | Sept. 1, 2007 | Grant date: | Sept. 1, 2007 | Grant date: | Sept. 1, 2007 |
| Deadline for exercising rights: | Aug. 31, 2012 | Deadline for exercising rights: | Aug. 31, 2012 | Deadline for exercising rights: | Aug. 31, 2012 |
| Exercise price: | 99,972 yen | Exercise price: | 99,972 yen | Exercise price: | 99,972 yen |
| Number of options initially granted: | 1,130 units | Number of options initially granted: | 1,130 units | Number of options initially granted: | 1,130 units |
| Number of options outstanding as of September 30, 2007: | 1,130 units | Number of options outstanding as of September 30, 2008: | 1,130 units | Number of options outstanding as of March 31, 2008: | 1,130 units |

2. Basis for computing net assets per share is as follows:

| | | As of September 30, 2007 | As of September 30, 2008 | As of March 31, 2008 |
|--|-----------------|-----------------------------|-----------------------------|-------------------------|
| Total net assets | Million yen | 10,574,436 | 9,042,604 | 9,599,708 |
| Amounts not attributable to common shareholders: | Million yen | 2,055,970 | 1,995,762 | 2,059,660 |
| Preferred stock | Million yen | 336,801 | 261,301 | 336,801 |
| Dividends on preferred stock | Million yen | 3,949 | 3,690 | 3,980 |
| Subscription rights to shares | Million yen | 87 | 3,674 | 2,509 |
| Minority interests | Million yen | 1,715,132 | 1,727,096 | 1,716,370 |
| Net assets at interim period end (fiscal year end) attributable to common shareholders | Million yen | 8,518,466 | 7,046,842 | 7,540,047 |
| Number of common shares at interim period end (fiscal year end) used to calculate net assets per share | Thousand shares | 10,483,776 | 10,627,246 | 10,357,381 |

(Significant Subsequent Events)

| For the six months ended | For the six months ended | For the fiscal year ended |
|---|---|---|
| September 30, 2007 (Acceptance of the third-party allotment of new shares of Mitsubishi UFJ NICOS Co., Ltd.) | September 30, 2008 (Acquisition of stock of UnionBanCal Corporation through a tender offer and the completion of the conversion to a wholly owned subsidiary) | March 31, 2008 (Redemption of preferred securities) |
| MUFG resolved, at the Board of Directors meeting held on September 20, 2007, to accept the entire third-party allotment of new shares of Mitsubishi UFJ NICOS Co., Ltd. and acquired 400,000,000 common shares on November 6, 2007. | The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) MUFG s consolidated subsidiary, resolved at the Board of Directors meeting held on August 12, 2008, to execute a tender offer in the U.S. (the Tender Offer) to purchase all of the outstanding common shares (excluding those held by MUFG through BTMU and other consolidated subsidiaries) of UnionBanCal Corporation (UNBC), a consolidated subsidiary of BTMU listed on the NY Stock Exchange; and to subsequently convert UNBC into a wholly owned subsidiary of MUFG. | At the Board of Directors meeting held on April 28, 2008, MUFG and The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU), a consolidated subsidiary of MUFG, resolved to authorize the redemption in full of preferred securities issued by Tokai Preferred Capital Company L.L.C., a subsidiary of BTMU. |
| Overview of the third-party allotment: | | An overview of the preferred securities to be redeemed is as follows: |
| Payment date: November 6, 2007 | | |
| | As a result of the Tender Offer, BTMU acquired the common shares of UNBC as follows: | The expected redemption date is June 30, 2008. |
| Total amount of payment: 120,000 million yen | | Issuer Tokai Preferred Capital Company L.L.C. |
| | Tender offer period: From August 29, 2008 to September 26, 2008 | |
| Outstanding shares before the capital increase: 1,022,924,559 shares | | Type of securities Non-cumulative preferred securities (the Preferred securities) |
| Shares issued through the capital increase: 400,000,000 shares | The settlement of common shares purchased was executed from October 1, 2008. As a result, MUFG has increased its interest in UNBC. (Eastern Time Zone of U.S.) | The holders of the preferred securities have priority in the liquidation pay outs, which are substantially <i>pari passu</i> with those of the most senior priority preferred stock issued by BTMU. |
| Outstanding shares after the capital increase: 1,422,924,559 shares | Number of shares purchased: 46,113,521 shares | Maturity No maturity |
| Allottee: Mitsubishi UFJ Financial Group, Inc. | Percentage of voting rights after the purchase: 97.35% | |
| As a result of this transaction, goodwill is expected to be recognized in the consolidated balance sheet. However, the amount to be recognized is not determined yet. Subject to an approval by a general meeting of the shareholders of Mitsubishi UFJ NICOS Co., Ltd. (MUN), MUN is expected to become a wholly-owned | Purchase price: USD 73.50 per share | However, the issuer at its option may redeem in whole or a portion of the preferred securities at the dividend payment date on or after June 2008. |

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| | | |
|--|--|---|
| subsidiary of MUFG through a share exchange (taking effect on August 1, 2008). | Total amount of stocks purchased: USD 3,389 million (360,310 million yen) | Dividends Non-cumulative at a fixed rate. However, with respect to each dividend period after June 2008, dividends will be payable on a non-cumulative basis at a stepped-up floating rate. |
| (Repurchase of treasury stock) | Expenses directly associated with the purchase are not included in the total amount of stock purchased as the amounts are yet to be determined. | Total issue amount USD 1 billion (USD 1,000 per face) |
| MUFG resolved, at the Board of Directors meeting held on October 31, 2007, to repurchase treasury stock in order to improve capital efficiency and expedite the implementation of flexible capital policies in response to the business environment. | (1) Purpose of the Tender Offer and converting to a wholly owned subsidiary | Payment date March 26, 1998 |
| Overview of repurchase: | In line with BTMU's core strategy to strengthen its overseas businesses, BTMU has committed to expanding its businesses especially in Asia where high growth is expected and in the U.S. and Europe's major financial markets. | Redemption amount USD 1 billion |
| Type of stock: Common stock | | Redemption price USD 1,000 per face |
| Total number of shares to be repurchased: Up to 150,000,000 shares | | (Signing of a share exchange agreement) |
| Total repurchase amount: Up to 150,000 million yen | | Based on a basic agreement entered into on September 20, 2007, MUFG and its consolidated subsidiary Mitsubishi UFJ NICOS Co., Ltd. (MUN) received the approval of both companies' Boards of Directors at meetings held on May 28, 2008, and entered into a share exchange agreement under which MUN became a wholly owned subsidiary of MUFG. |
| Repurchase period: From December 3, 2007 to March 24, 2008 | | |

| For the six months ended | For the six months ended | For the fiscal year ended |
|---|---|---|
| <p>September 30, 2007</p> | <p>September 30, 2008</p> | <p>March 31, 2008</p> |
| <p>The repurchase of treasury stock was completed on December 13, 2007 pursuant to the resolution above. Results of the repurchase are as follows:</p> | <p>In the U.S., BTMU has established branches and local corporations in major cities including New York; while, on the west coast, it has been holding a majority of UNBC's voting rights since 1996. UNBC owns Union Bank of California N.A., a commercial bank based in California with the 20th highest deposit holding in the U.S., as its wholly owned subsidiary.</p> | <p>The purpose, method, nature and timing of the share exchange are as follows:</p> |
| <p>Total number of shares repurchased: 126,513,900 shares</p> | <p>Under such circumstances, BTMU has decided to wholly own UNBC as a part of its strategy to reinforce its business in the U.S. Considering that this is a critical step to achieve future growth in the U.S., BTMU aims to enhance the mobility of its management in the U.S., and establish a stronger presence. This Tender Offer is aimed at enhancing corporate governance and risk management across the MUFG Group.</p> | <p>1. Purpose of the share exchange</p> |
| <p>Total repurchase amount: 149,999,921,400 yen</p> | <p>(2) Overview of the Tender Offer and conversion to a wholly owned subsidiary</p> | <p>To take the initiative in responding to changes in the external environments that include the revision of Money Lending Business Law and Installment Sales Laws, and to drastically address the further expansion and development of the credit card market. MUFG and MUN resolved on September 20, 2007 for MUFG to underwrite the entire 120 billion yen third-party allotment of new shares of MUN, and for MUN to become a wholly owned subsidiary of MUFG by an exchange of shares for the following purposes: (1) to strengthen the financial foundation of MUN; (2) to further enhance the strategic integrity and flexibility of the MUFG Group, including MUN, and to strive for effective utilization of managerial resources within the MUFG Group; (3) to clearly position Mitsubishi UFJ NICOS as a core business entity of the MUFG Group on par with banks, trusts, and securities firms, and (4) to further strengthen and nurture the card business operated by MUN as a strategic focus of MUFG's consumer finance business. Based on this resolution, MUFG and MUN signed the share exchange agreement.</p> |
| <p>Repurchase period: From December 3, 2007 to December 13, 2007</p> | <p>(i) Overview of UNBC</p> | <p>2. Method and nature of the share exchange</p> |
| <p>(Issuance of subscription rights to shares)</p> | <p>Trade name: UnionBancal Corporation</p> | <p>(1) Method of share exchange</p> |
| <p>MUFG resolved, at the Board of Directors meeting held on November 21, 2007, to issue Mitsubishi UFJ Financial Group Inc., First Series Stock Subscription Rights. The terms and conditions were determined on November 29, 2007. The subscription rights to shares were issued on December 6, 2007. An overview of issuance of the subscription rights to shares are as described below:</p> | <p>Representative: President & CEO, Mr. Masaaki Tanaka</p> | <p>Using the method set forth in Article 767 of the Company Law, MUFG will acquire MUN shares held by MUN shareholders (excluding MUFG), who in return will receive an allotment of MUFG common stock. Based on the requirement under Article 796-3 of the Company Law, this share exchange will</p> |
| <p>Overview of the issuance of stock subscription rights:</p> | <p>Location: California, U.S.A.</p> | <p>171</p> |
| <p>(1) Name: Mitsubishi UFJ Financial Group Inc., First Series Stock Subscription Rights (Stock Acquisition Rights)</p> | <p>Established in: 1953</p> | |
| <p>(2) Aggregate number of Stock Acquisition Rights: 27,980</p> | <p>Primary business: Bank holding company</p> | |
| <p>(3) Class and number of shares to be issued upon exercise of Stock Acquisition Rights</p> | <p>Capital: USD 159 million (as of September 30, 2008)</p> | |
| <p>The class of stock to be issued upon exercise of Stock Acquisition Rights shall be the common stock of MUFG. The number of shares to be issued upon exercise of each Stock</p> | | |

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Acquisition Right (the number of granted shares) shall be 100 financial year-end: December shares.

be executed without obtaining the approval by a meeting of shareholders at MUFUG for the share exchange agreement. At MUN, this share exchange agreement has been approved at an ordinary general meeting of shareholders and various class shareholders meetings.

However, if, after the date on which the Stock Acquisition Rights are allotted as set forth in (10) below (the allotment date), MUFUG executes a stock split (including the free allotment of common stock of MUFUG to shareholders; the same shall be applied to the descriptions about the stock split stated below) or a stock merger, the number of granted shares shall be adjusted in accordance with the following formula (any fraction less than one share resulting from the adjustment shall be rounded down).

Listed Stock Exchange: New York Stock Exchange

Number of outstanding shares: 140,069,898 shares (as of September 30, 2008)

(ii) UNBC being wholly-owned after the Tender Offer

Number of granted shares after adjustment = Number of granted shares before adjustment x Ratio of stock split or stock merger

The number of granted shares after adjustment shall become effective, with respect to the

On November 4, 2008 (Eastern Time Zone of U.S.), UNBC merged with a company exclusively invested in and established by BTMU in the U.S., and became a wholly owned subsidiary of BTMU by offering USD 73.50 of cash upon the merger to the remaining minority shareholders who did not take up the offer. As a result of this merger, on November 14, 2008 (Eastern Time Zone of U.S.), the stock of UNBC was delisted, and was ceased to be traded on the New York Stock Exchange.

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| For the six months ended | For the six months ended | For the fiscal year ended | | | | | | | | | | | | | | | |
|---|--|---|---|---|--|-------------------------------|-----------------|-----------------|--|--|-------------------------------------|---|------|------|--|--|--|
| September 30, 2007 | September 30, 2008 | March 31, 2008 | | | | | | | | | | | | | | | |
| <p>stock split, on and after the day immediately following the record date of the stock split, or with respect to the stock merger, on and after the effective date; however, if a stock split will be executed under the condition that an agenda to increase the capital or reserve by reducing the amount of surplus is approved at a general meeting of the shareholders of MUFG, and that the record date of such stock split will be prior to the date of closing of such a general meeting of the shareholders, the number of granted shares after adjustment shall become effective on and after the day immediately following the date of closing of the general meeting of the shareholders.</p> <p>In addition, if MUFG executes a merger, company split or capital reductions, or if any other events occur that require an adjustment of the number of granted shares in a method similar to such events on and after the allotment date, MUFG may adjust the number of granted shares as appropriate.</p> <p>(4) Payment to be made upon exercise of the Stock Acquisition Rights:</p> <p>The payment to be made upon exercising each Stock Acquisition Right shall be the amount derived by multiplying the exercise price per share to be issued upon exercise of such Stock Acquisition Right (which shall be one yen), by the number of granted shares.</p> <p>(5) Period during which Stock Acquisition Rights may be exercised</p> <p>From December 6, 2007 to December 5, 2037</p> <p>(6) Capital and capital reserve to be increased through issuance of shares upon exercise of the Stock Acquisition Rights:</p> <p>(i) The amount of capital to be increased through the issuance of shares upon exercise of the Stock Acquisition Rights shall be half of the maximum amount of increase in capital and other items calculated in accordance with Article 40-1 of the</p> | <p>(iii) It is expected that goodwill will be recognized in MUFG's consolidated financial statements due to the increase in BTMU's equity interest as a result of the Tender Offer, but its value is yet to be determined.</p> <p>(Acquisition of stocks of ACOM Co., Ltd. through a tender offer)</p> <p>Considering that ACOM Co., Ltd. (ACOM), an equity method affiliate of MUFG, as the core company of the consumer loan business within the consumer finance segment of the MUFG Group, MUFG resolved, at the Board of Directors meeting held on September 8, 2008, to acquire the common stocks of ACOM through a tender offer to further develop its consumer finance business.</p> <p>MUFG acquired the common stocks of ACOM through a tender offer based on this resolution as follows:</p> <p>1. Results of the Tender Offer</p> <p>Tender offer period:</p> <p>From September 16, 2008 to October 21, 2008</p> <p>Number of shares acquired: 38,140,009 shares</p> <p>Voting right ratio after the acquisition 40.04% (the voting right ratio on a non-consolidated basis is 37.45%)</p> <p>Acquisition price: 4,000 yen per share</p> | <p>(2) Nature of share exchange</p> <p>1) Type of share and exchange ratio</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">MUFG (100% parent company after share exchange)</th> <th colspan="2" style="text-align: center;">Mitsubishi UFJ NICOS (wholly owned subsidiary after share exchange)</th> <th style="text-align: center;">Class 1 preferred stock</th> </tr> <tr> <th style="text-align: center;">Common stock</th> <th style="text-align: center;">Common stock</th> <th colspan="2"></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Stock Share Exchange Ratio</td> <td style="text-align: center;">1</td> <td style="text-align: center;">0.37</td> <td style="text-align: center;">1.39</td> </tr> </tbody> </table> <p>The shares are allotted in the ratios of 0.37 common stock of MUFG per 1 common stock of MUN, and 1.39 common stock of MUFG per 1 Class 1 stock of MUN. All the MUFG common stock exchanged are MUFG treasury stock.</p> <p>2) Method used to calculate the share exchange ratios</p> <p>To ensure the fairness and appropriateness of the share exchange ratios, MUFG and MUN selected Nomura Securities Co., Ltd. and KPMG FAS Co., Ltd., respectively, as independent calculation agents, and requested each agent to perform the share exchange ratios calculation. Based on the results of the calculations, both companies held careful negotiations and discussions to determine the share exchange ratios.</p> <p>(3) Date on which the share exchange comes into effect</p> <p>August 1, 2008</p> <p>(Entering into a memorandum of understanding concerning the sale of subsidiary stock)</p> | MUFG (100% parent company after share exchange) | Mitsubishi UFJ NICOS (wholly owned subsidiary after share exchange) | | Class 1 preferred stock | Common stock | Common stock | | | Stock Share Exchange Ratio | 1 | 0.37 | 1.39 | | | |
| MUFG (100% parent company after share exchange) | Mitsubishi UFJ NICOS (wholly owned subsidiary after share exchange) | | Class 1 preferred stock | | | | | | | | | | | | | | |
| Common stock | Common stock | | | | | | | | | | | | | | | | |
| Stock Share Exchange Ratio | 1 | 0.37 | 1.39 | | | | | | | | | | | | | | |

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Company Accounting Regulations. Any resulting fraction less than one yen shall be rounded up.

(ii) The amount of capital reserve to be increased through the issuance of shares upon exercise of the Stock Acquisition Rights shall be an amount determined by deducting the amount of capital to be increased provided for in (i) above from the maximum amount of increase in capital and other items set forth in (i) above.

Total amount of shares acquired:
152,971 million yen

Financial data of ACOM (on a consolidated basis for the fiscal year ended March 31, 2008):

On May 28, 2008, MUFG and The Norinchukin Bank (Norinchukin) entered into a stock transfer agreement setting forth the conditions after Mitsubishi UFJ NICOS Co., Ltd. (MUN) became a wholly owned subsidiary of MUFG through the share exchange (taking effect on August 1, 2008). Both companies also entered into a memorandum of understanding under which 244 million common shares of MUN owned by MUFG will be transferred to Norinchukin. Once the transfer comes into effect, MUN will become an equity method investee of Norinchukin.

Operating income: 379,706 million yen

Ordinary income: 83,120 million yen

Net income: 35,406 million yen

Total assets: 1,861,505 million yen

Net assets: 472,144 million yen

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| For the six months ended | For the six months ended | For the fiscal year ended |
|--|---|---------------------------|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| (7) Fraction less than one share arising from the exercise of the Stock Acquisition Rights: | 2. Acquisition date October 28, 2008 (the date on which the settlement of tender offer starts) | |
| If there are any fractions i.e. less than one share, in the number of shares to be granted to a holder of the Stock Acquisition Rights (the Holder) who exercises the Stock Acquisition Rights, such fractions shall be rounded down. | ACOM is expected to become a consolidated subsidiary of MUFG when the agreement with MUFG concerning important decisions on financial, operational or business policies of ACOM becomes effective; provided that ACOM and its subsidiaries cease to operate their current active businesses that are not permitted to operate as a consolidated subsidiary of MUFG due to restrictions under applicable laws and regulations such as the Banking Law. | |
| (8) Conditions for the exercise of the Stock Acquisition Rights: | | |
| A Holder may exercise the Stock Acquisition Rights which have been allotted based on his or her status as a director or an executive officer of MUFG, The Bank of Tokyo-Mitsubishi UFJ, Ltd., or Mitsubishi UFJ Trust and Banking Corporation, on and after the day immediately following the date on which the Holder loses such status. The Holder may exercise the Stock Acquisition Rights which have been allotted based on his or her status as a corporate auditor of MUFG, The Bank of Tokyo-Mitsubishi UFJ, Ltd., or Mitsubishi UFJ Trust and Banking Corporation, on and after the day immediately following the date on which the holder loses such status. | It is expected that goodwill will be recognized in the MUFG's consolidated financial statements due to the increase in MUFG's equity interest as a result of the tender offer, but its value is yet to be determined. | |
| | (Investments in Morgan Stanley) | |
| (9) The amount to be paid upon exercising the Stock Acquisition Rights (issue price): | MUFG resolved at the Board of Directors meeting held on October 13, 2008 to invest approximately USD 9 billion in Morgan Stanley with purposes of forming a capital alliance, and becoming strategic partners; and on the same day, acquired 20.9% of Morgan Stanley's potential voting rights (the investment ratio of fully-diluted common stock). | |
| 1,032 yen per share | | |
| (10) Date on which the Stock Acquisition Rights shall be allotted: | 1. Overview of the investment | |
| | (1) Convertible preferred stock: | |
| December 6, 2007 | | |
| (11) Date on which payment shall be made in exchange for the Stock Acquisition Rights | Number of shares: 7,839,209 shares | |
| | Total amount of stock acquired: USD 7,839,209 thousand (806,027 million yen) | |

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The payment date shall be December 6, 2007.

(12) Individual to be allotted the Stock Acquisition Rights and the number of individuals; and the number of Stock Acquisition Rights to be allotted:

Expenses directly associated with the acquisition are not included in the total amount of stock acquired since amounts are yet to be determined.

| Individuals to be allotted Stock Acquisition Rights | Number of individuals to be allocated | Number of Stock Acquisition Rights to be allotted | |
|--|--|--|---|
| Directors, corporate auditors and executive officers of MUFG | 59 | 2,876 | Annual dividend yield: 10% |
| Directors, corporate auditors and executive officers of The Bank of Tokyo-Mitsubishi UFJ, Ltd. | 80 | 15,908 | With/without voting rights: Without voting rights |
| Directors, corporate auditors and executive officers of Mitsubishi UFJ Trust and Banking Corporation | 50 | 9,196 | |
| Total | 189 | 27,980 | Conversion price: USD25.25 |

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| | For the six months ended September 30, 2007 (Redemption of preferred securities) | For the six months ended September 30, 2008 Mandatory conversion term: | For the fiscal year ended March 31, 2008 |
|--------------------|--|--|--|
| | MUFG, at the Board of Directors meeting held on November 21, 2007, resolved to authorize the redemption in full of preferred securities issued by UFJ Capital Finance 4 Limited, a subsidiary of MUFG. | One year after the issuance, 50% of the preferred stock is to be converted into common stock provided that the price of Morgan Stanley's common stock exceeds the conversion price by 150% for 20 or more trading days out of 30 trading days. Two years after the issuance, all remaining preferred stock will be converted into common stock under the same condition subject to approval by the shareholders. | |
| | A summary of the preferred securities to be redeemed is as follows: | | |
| | The expected redemption date is January 25, 2008. | | |
| Issuer | UFJ Capital Finance 4 Limited | (2) Redeemable preferred stock: | |
| Type of securities | Series A Non-cumulative/floating rate dividend preferred securities | Series B Non-cumulative/fixed rate dividend preferred securities | Number of shares: 1,160,791 shares |
| | | | Total amount of stock acquired: USD 1,160,791 thousand (119,352 million yen) |
| | The holders of the preferred securities have priority in the liquidation payouts, which are pari passu with those of the most senior priority preferred stock issued by MUFG. | Expenses directly associated with the acquisition are not included in the total amount of stock acquired since amounts are not determined yet. | |
| | | Annual dividend yield: 10% | |
| | | With/without voting rights: Without voting rights | |
| Maturity | No maturity | Redemption term: | |
| | However, the issuer at its option may redeem all or a portion of the preferred securities at the dividend payment date on or after January 2008. | Morgan Stanley holds the right to redeem the stock at 110% of its face value three years after the issuance date. | |
| Dividends | Non-cumulative at a floating rate | Non-cumulative at a fixed rate | 2. Overview of Morgan Stanley |
| | | | Trade name: Morgan Stanley |

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| | | | |
|--|--|--------------------|--|
| Total Issue Amount | 94.5 billion yen | 11.5 billion yen | Primary business: Securities business |
| Payment Date | September 26, 2002 | September 26, 2002 | Financial data (on a consolidated basis as of November 30, 2007) |
| Redemption Amount | 94.5 billion yen | 11.5 billion yen | Total revenue USD 85,328 million |
| Redemption Price (Issuance of preferred securities) | 10,000,000 yen per face (equal to the payment amount) | | Net income USD 3,209 million |

Total assets USD 1,045,409 million

MUFG resolved, at the Board of Directors meeting held on November 29, 2007, to establish MUFG Capital Finance 6 Limited, a wholly-owned company of MUFG in the Cayman Islands, for the purpose of issuing preferred securities to enhance the flexibility of the future capital policy. Payments for common stock of MUFG Capital Finance 6 Limited were completed on December 13, 2007.

Shareholders equity USD 31,269 million

(Issuance of preferred stock through a third-party allotment)

To aim for further enhanced stabilization of its financial base and further corporate growth through capital reinforcement, MUFG resolved, at the Board of Directors meeting held on October 27, 2008, to issue new preferred stock through a third-party allotment. Preferred stock was issued on November 17, 2008.

| For the six months ended | For the six months ended | For the fiscal year ended |
|--|---|---------------------------|
| September 30, 2007 | September 30, 2008 | March 31, 2008 |
| A summary of the issued preferred securities is as follows: | | |
| | 1. Nature of preferred stock | |
| Issuer MUFG Capital Finance 6 Limited | (1) Type and number of shares to be offered: | |
| A special purpose subsidiary which is newly incorporated in the Cayman Islands under the laws of the Cayman Islands and whose voting rights are wholly-owned by MUFG | Preferred Stock | |
| Type of securities Non-cumulative Japanese Yen - denominated dividend/perpetual preferred securities | First series of class 5 | |
| A right to convert into the common stock of MUFG is not granted. | 156,000,000 shares | |
| Total issue amount 150 billion yen | (2) Amount to be paid per share: 2,500 yen per share | |
| Dividend yield 3.52% per year (fixed up to January, 2018) | (3) Aggregate amount to be paid: 390,000 million yen | |
| Floating after January, 2018 | (4) Amounts of capital and capital reserve to be increased: | |
| Issue price 10,000,000 yen per face | Capital amount to be increased: 195,000 million yen (1,250 yen per share) | |
| Payment date December 13, 2007 | Capital reserve to be increased: 195,000 million yen (1,250 yen per share) | |
| Purpose of fund To increase the capital of The Bank of Tokyo-Mitsubishi UFJ, Ltd., a consolidated subsidiary of MUFG | (5) Preferred dividends | |
| | MUFG pays cash dividends of 115 yen per share from the retained earnings (with respect to preferred dividends on preferred shares with a record date on March 31, 2009, 43 yen per share) to preferred shareholders or registered stock | |

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Priority The right to claim liquidation payouts from the preferred securities is substantially subordinated to the general creditors and subordinated creditors of MUFG, senior to common stock, and pari pasu to the preferred stock.

pledgees of the preferred stock whose names were entered or recorded in the latest shareholder register as of March 31 each year, in priority to the common shareholders or registered stock pledgees of the common stock. However, if MUFG has paid preferred interim dividends in the fiscal year, the amount paid will be deducted from the cash dividends.

Form of issuance Domestic private offering (6) Terms and conditions of purchase

(limited to qualified institutional investors)

Underwriter Mitsubishi UFJ Securities Co., Ltd.
Nomura Securities Co., Ltd.

After the issuance of the preferred stock, on or after April 1, 2014, MUFG may purchase all or a part of the preferred shares in exchange for cash (2,500 yen per share) on a certain date separately determined by a resolution at the Board of Directors meeting held after the issuance of preferred stock.

This preferred stock is a bond type preferred stock which grants no conversion right to common stock to its holders and accordingly does not have a dilutive effect on the common stock.

2. Allottee

| Allottee | Number of shares allotted |
|---|----------------------------------|
| Nippon Life Insurance Company | 40,000,000 shares |
| Meiji Yasuda Life Insurance Company | 40,000,000 shares |
| TAIYO LIFE INSURANCE COMPANY | 20,000,000 shares |
| Daido Life Insurance Company | 20,000,000 shares |
| Tokio Marine & Nichido Fire Insurance Co., Ltd. | 20,000,000 shares |
| NIPPONKOA INSURANCE | 12,000,000 shares |
| Aioi Insurance Co., Ltd. | 4,000,000 shares |
| Total | 156,000,000 shares |

3. Purpose of proceeds

All of the proceeds are for general business funding purposes.

For the six months ended

September 30, 2007

For the six months ended

September 30, 2008

(Issuance of new shares and secondary offerings of shares by way of sale of treasury stock etc.)

For the fiscal year ended

March 31, 2008

MUFG resolved, at the Board of Directors meeting held on November 18, 2008, the issuance of new shares, the sale of treasury shares and the secondary offering of MUFG shares as follows:

1. Issuance of new shares by way of offering

(1) Class and number of shares offered
634,800,000 shares of common stock of MUFG

1) Shares subject to underwriting by underwriters for Japanese public offering and overseas offering: 569,700,000 shares (Japanese market: 234,800,000 shares; Overseas markets: 334,900,000 shares)

2) Shares subject to purchase options to be granted to U.S. underwriters and international underwriters for the purchase of additionally issued shares: 65,100,000 shares (maximum)

(2) Method of determination of the amount to be paid

The amount to be paid will be determined on the date of determination of the issue price and other matters (which may be any day in the period from December 8, 2008 to December 10, 2008) (the

Determination Date) in accordance with the method stated in Article 22 of the Regulations concerning Underwriting of Securities, etc. provided by the Japan Securities Dealers Association (JSDA).

(3) Amount of stated capital and additional paid-in capital to be increased

The amount of stated capital to be increased shall be half of the maximum increased amount of stated capital, as calculated in accordance with the provisions of Article 37, Paragraph 1 of the Rules of Account Settlement of Corporations with any fraction less than one yen resulting from the calculation being rounded up to the nearest one yen. The amount of the additional paid-in capital to be increased shall be the amount obtainable by subtracting the relevant amount of stated capital to be increased from the relevant maximum amount of stated capital increase.

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For the six months ended

For the six months ended

For the fiscal year ended

September 30, 2007

September 30, 2008

March 31, 2008

(4) Method of offering

1) Japanese public offering

Japanese public offering:

Nomura Securities Co., Ltd. (the Initial Underwriter) shall underwrite and purchase all of the new shares; and the underwriting syndicate led by Mitsubishi UFJ Securities Co., Ltd. (MUS) and Nomura Securities Co., Ltd. as representatives of the Japanese Underwriters (the Japanese Underwriters) shall handle the public offering of the shares. In the case where shares remain, the Japanese Underwriters shall jointly and severally subscribe for such shares from the Initial Underwriter.

2) Overseas offering

U.S. Offering: For the purpose of the offering in the U.S. and Canada (the U.S. Offering), the aggregate number of shares (provisionally 134,000,000 shares) shall be severally purchased by the U.S. underwriters (underwriters led by Morgan Stanley & Co. Incorporated, J.P. Morgan Securities Inc. and Nomura Securities International, Inc. as the representatives of the underwriters). MUFG shall grant these underwriters an option to purchase additionally issued shares up to an aggregate of 26,000,000 shares, provisionally.

International offering: For the purpose of the offering in the international markets mainly in Europe (excluding the U.S. and Canada), the aggregate number of shares (provisionally 200,900,000 shares) shall be severally purchased by the underwriters (led by Morgan Stanley & Co. International plc, J.P. Morgan Securities Ltd. and Nomura International plc as the representatives of the underwriters). MUFG shall grant these underwriters an option to purchase additionally issued shares up to an aggregate of 39,100,000 shares, provisionally.

3) Breakdown of number of shares to be offered

The final number of shares to be allotted among the Japanese public offering, the U.S. offering and the International offering is to be determined on the Determination Date.

4) Joint Global Coordinators

Morgan Stanley Japan Securities Co., Ltd. and
Nomura Securities Co., Ltd.

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For the six months ended

September 30, 2007

For the six months ended

September 30, 2008

For the fiscal year ended

March 31, 2008

5) Co-Global Coordinators

Mitsubishi UFJ Securities Co., Ltd. and JPMorgan Securities Japan Co., Ltd.

6) Issue price

The issue price with regard to each offering mentioned in 1) and 2) above shall be determined on the Determination Date, based on the preliminary pricing terms calculated by multiplying the closing price in regular trading of the shares on the Tokyo Stock Exchange on the Determination Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by 0.90-1.00 (with any fraction less than one yen being rounded down), in accordance with the method stated in Article 22 of the Regulations concerning Underwriting of Securities, etc. provided by the JSDA, taking into account market demand and other conditions.

7) Underwriting fee

MUFG shall not pay any underwriting fees to the underwriters. The aggregate amount of the difference between the issue price for the shares and the amounts to be paid by the underwriters for the shares shall be the proceeds to the underwriters.

(5) Subscription period (in Japan)

The subscription period shall be from the next business day after the Determination Date to the second business day immediately following the Determination Date.

(6) Payment date

The payment date shall be any day in the period from December 15, 2008 to December 17, 2008, provided, however, that such day shall be the fifth business day immediately following the Determination Date.

(7) Subscription unit

100 shares

(8) Use of proceeds

The entire proceeds, which is the sum of estimated proceeds from the secondary offering of shares through the sale of treasury shares stated in 2. Secondary offering of shares by way of sale of treasury shares below and the issuance of the new shares through third-party allotment stated in 4. Issuance of new shares by way of third-party allotment below, are expected to be used for general corporate purposes.

For the six months ended

September 30, 2007

For the six months ended

September 30, 2008

For the fiscal year ended

March 31, 2008

2. Secondary offering of shares by way of sale of treasury shares

(1) Class and number of shares to be sold
300,000,000 shares of common stock of MUFG.
(Japanese market: 200,000,000 shares; Overseas markets: 100,000,000 shares)

(2) Method of determination of the amount to be paid

The amount to be paid will be determined on the Determination Date by the same method as stated in 1. (2) above. The amount to be paid shall be the same as the amount to be paid in respect of the public offering mentioned in 1. (2) above.

(3) Method of secondary offering

1) Japanese secondary offering by way of underwriting by underwriters

The Initial Underwriter shall underwrite and purchase all of the treasury shares and the Japanese Underwriters shall handle the secondary offering of the shares. Moreover, in the case where shares remain, the Japanese Underwriters shall jointly and severally subscribe for such shares from the Initial Underwriter.

2) Overseas secondary offering

U.S. secondary offering: The aggregate number of shares (provisionally 40,000,000 shares) shall be severally purchased by the U.S. underwriters for the purpose of the secondary offering in U.S. and Canada.

International secondary offering: The aggregate number of shares (provisionally 60,000,000 shares) shall be severally purchased by International Underwriters for the purpose of the secondary offering in the international markets mainly in Europe (excluding U.S. and Canada).

3) Breakdown of number of shares to be reissued

The final number of shares to be allotted among the secondary offerings described in (1) Class and number of shares to be sold above is determined on the Determination Date.

4) Selling price

The selling price with regard to each secondary offering mentioned in 1) and 2) above shall be determined on the Determination Date, based on the preliminary pricing terms calculated by multiplying the

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For the six months ended

For the six months ended

For the fiscal year ended

September 30, 2007

September 30, 2008

March 31, 2008

closing price in regular trading of the shares on the Tokyo Stock Exchange on the Determination Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by 0.90-1.00 (with any fraction less than one yen being rounded down), taking into account market demand and other conditions as mentioned in 1. (4) 6) above; provided, however, that the selling price shall be the same as the issue price in respect of the public offering mentioned in 1. (4) 6) above.

5) Underwriting fee

MUFG shall not pay any underwriting fees to the underwriters. The aggregate amount of the difference between the sale price for the shares and the amounts to be paid by the underwriters for the shares shall be the proceeds to the underwriters.

(4) Subscription Period (in Japan)

The subscription period shall be the same as the subscription period with respect of public offering stated in 1. (5) above.

(5) Payment date

The payment date shall be the same as the payment date with respect of public offering stated in 1. (6) above.

(6) Delivery date

The delivery date shall be any day in the period from December 16, 2008 to December 18, 2008; provided, however, that such day shall be the day immediately following the payment date mentioned in (5) above.

(7) Subscription unit

100 shares

3. Secondary offering of MUFG common stock
(Japanese secondary offering by way of
over-allotment)

(1) Class and number of shares to be sold
65,200,000 shares of common stock of MUFG
(maximum)

The above number may decrease, or the secondary offering by way of over-allotment may be cancelled entirely, depending on market demand and other conditions. The number of shares to be sold shall be determined on the Determination Date, taking into account market demand and other conditions.

(2) Seller

Nomura Securities Co., Ltd.

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For the six months ended

September 30, 2007

For the six months ended

September 30, 2008

For the fiscal year ended

March 31, 2008

(3) Selling price

Undetermined (The selling price will be determined on the Determination Date; provided, however, that such selling price shall be the same as the selling price for the secondary offering of shares by way of sale of treasury shares mentioned in 2 (3) 4) above.)

(4) Method of secondary offering

Taking into account market demand and other conditions for the Japanese public offering and the Japanese secondary offering by way of underwriting, Nomura Securities Co., Ltd. will make a secondary offering of shares that it borrows from certain shareholders of MUFG.

(5) Subscription period

The subscription period shall be the same as the subscription period (in Japan) in respect of the secondary offering of shares by way of sale of treasury shares mentioned in 2. (4) above.

(6) Delivery date

The delivery date shall be the same as the delivery date in respect of the secondary offering of shares by way of sale of treasury shares mentioned in 2. (6) above.

(7) Subscription unit

100 shares

4. Issuance of new shares by way of third-party allotment

(1) Class and number of offered shares
65,200,000 shares of common stock of MUFG

(2) Method of determination of the amounts to be paid

The amount to be paid will be determined on the Determination Date mentioned in 1. (2) above; provided, however, that such amount to be paid shall be the same as the amount to be paid in respect of the public offering mentioned in 1. (2) above.

(3) Amounts of stated capital and additional paid-in-capital to be increased

The amount of stated capital to be increased shall be half of the maximum increased amount of stated capital, as calculated in accordance with the provisions of Article 37, Paragraph 1 of the Rules of Account Settlement of Corporations with any fraction less than one yen resulting from the calculation being rounded up to the nearest one yen. The amount of the additional paid-in capital to be increased shall be the amount obtainable by subtracting the relevant amount of stated capital to be increased from the relevant maximum amount of stated capital increase.

For the six months ended

For the six months ended

For the fiscal year ended

September 30, 2007

September 30, 2008

March 31, 2008

(4) Allottee

Nomura Securities Co., Ltd.

(5) Subscription period

January 13, 2009

(6) Payment date

January 14, 2009

(7) Subscription unit

100 shares

(8) Shares not subscribed within the subscription period mentioned in (5) above shall not be issued.

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(Additional Information)

For the six months ended

September 30, 2007

For the six months ended

September 30, 2008

For the fiscal year ended

March 31, 2008

(Acceptance of third-party allotment of new shares from Mitsubishi UFJ NICOS Co., Ltd.)

MUFG resolved, at the Board of Directors meeting held on September 20, 2007, to accept the entire third-party allotment of new shares from Mitsubishi UFJ NICOS Co., Ltd., and subsequently acquired 400,000,000 common shares on November 6, 2007.

Overview of the third-party allotment:

Payment date: November 6, 2007

Total amount of payment: 120,000 million yen

Outstanding shares before the capital increase:
1,022,924,559 shares

Shares issued through the capital increase:
400,000,000 shares

Outstanding shares after the capital increase:
1,422,924,559 shares

Allottee: Mitsubishi UFJ Financial Group, Inc.

As a result of this transaction, 21,688 million yen of goodwill has been recognized in the consolidated balance sheet.

(Repurchase of treasury stock)

MUFG resolved, at the Board of Directors meeting held on October 31, 2007, to repurchase its treasury stock in order to improve capital efficiency and expedite the implementation of flexible capital policies in response to the business environment.

Overview of repurchase:

Type of stock: Common stock

Total number of shares to be repurchased:

Up to 150,000,000 shares

Total repurchase amount: Up to 150,000 million yen

Repurchase period: From December 3, 2007 to March 24, 2008

The repurchase of treasury stock was completed on December 13, 2007 pursuant to the resolution described above. Results of the repurchase are as follows:

Total number of shares repurchased: 126,513,900 shares

Total repurchase amount:

149,999,921,400 yen

Repurchase period: From December 3, 2007 to December 13, 2007

3. Other

(1) Statement of Income for the six months ended September 30, 2008

The statement of income for the six months ended September 30, 2008, has not been audited as MUFG falls under the category of a Specified Business Corporation (*Tokutei Jigyo Gaisya*; a company that is engaged in businesses set forth in Article 17-5-2 of the Cabinet Office Ordinance concerning Disclosure of Public Companies).

| | Note number | (in million of yen) For the six months ended September 30, 2008 |
|--|----------------|---|
| Ordinary income: | | 1,487,113 |
| Interest income | | 923,619 |
| (Interest on loans and bills discounted) | | 570,076 |
| (Interest and dividends on securities) | | 196,996 |
| Trust fees | | 34,721 |
| Fees and commissions | | 309,731 |
| Trading income | | 79,273 |
| Other business income | | 68,823 |
| Other ordinary income | *1 | 70,943 |
| Ordinary expenses: | | 1,395,859 |
| Interest expenses | | 423,302 |
| (Interest on deposits) | | 181,905 |
| Fees and commissions | | 43,999 |
| Trading expenses | | (1,689) |
| Other business expenses | | 55,495 |
| General and administrative expenses | | 524,160 |
| Other ordinary expenses | *2 | 350,590 |
| Ordinary profits | | 91,253 |
| Extraordinary gains | | 44,350 |
| Gains on disposition of fixed assets | | 6,159 |
| Gains on loans written-off | | 6,773 |
| Reversal of reserve for contingent liabilities from financial instruments transactions | | (0) |
| Gains on sale of equity securities of subsidiaries | | 32,814 |
| Reversal of reserve for contingent losses | | (1,396) |
| Extraordinary losses | | 53,254 |
| Losses on disposition of fixed assets | | 4,409 |
| Impairment losses on fixed assets | | 1,383 |
| Expenses relating to systems integration | | 47,198 |
| Provision for reserve for losses relating to business restructuring at subsidiaries | | 197 |
| Impact of the adoption of the accounting standard for lease transactions | | 65 |
| Income before income taxes and others | | 82,349 |
| Income taxes current | | 31,238 |
| Income taxes deferred | | (12,503) |
| Total taxes | | 18,735 |
| Minority interests | | 22,787 |
| Net income | | 40,827 |

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For the six months ended September 30, 2008

*1. Other ordinary income includes 52,356 million yen of gains on sales of equity securities.

*2. Other ordinary expenses includes 79,783 million yen of provision of allowance for credit losses, 114,262 million yen of loan write-offs, and 116,561 million yen of write-downs of equity securities.

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