

Mitsubishi UFJ Financial Group

**Summary of 3rd Quarter Results
of Fiscal Year Ending March 2010
(From April 2009 to December 2009)**

February 3, 2010

- **Statement of operations summary** 2
- **Balance sheet summary** 3
- **Loans/deposits** 4
- **Loan assets** 5
- **Investment securities** 6
- **Securitized products** 7
- **Appendix** 8

Definitions of figures used in this document

Consolidated Mitsubishi UFJ Financial Group (consolidated)

Non-consolidated Bank of Tokyo-Mitsubishi UFJ (non-consolidated) + Mitsubishi UFJ Trust and Banking Corporation (non-consolidated) (without other adjustments)

● Net business profits

- Net interest income increased due to higher lending income, market product income and a consolidation of ACOM
- G&A expenses decreased due to an intensive corporate-wide cost reduction as well as the effect of the system integration
- As a result, net business profits significantly increased
Even excluding impact from the consolidation of ACOM, net business profits increased by ¥93.0bn

● Total credit costs

- Consolidated credit costs increased due to higher credit costs from our overseas subsidiary and the consolidation of ACOM
Non-consolidated credit costs almost flat

● Net gains (losses) on equity securities

- Net losses on equity securities significantly decreased mainly due to decrease in write-down of equity securities

● Other non-recurring gains (losses)

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

Income statement (¥bn)

	FY08 Q1-Q3	FY09 Q1-Q3	Change	excluding ACOM	
1	Gross profits (before credit costs for trust accounts)	2,492.8	2,689.8	196.9	13.7
2	Net interest income	1,410.1	1,651.1	241.0	75.6
3	Trust fees+Net fees and commissions	815.8	793.4	(22.3)	-
4	Net trading profits+Net other business profits	266.9	245.2	(21.6)	-
5	Net gains (losses) on debt securities	79.6	63.0	(16.5)	-
6	G&A expenses	1,572.9	1,564.0	(8.9)	(79.3)
7	Net business profits	919.8	1,125.8	205.9	93.0
8	Credit costs*1	(434.4)	(627.7)	(193.3)	-
9	Net gains (losses) on equity securities	(326.3)	(20.0)	306.2	-
10	Other non-recurring gains (losses)	(45.2)	(121.9)	(76.7)	-
11	Ordinary profits	113.9	356.0	242.1	-
12	Net extraordinary gains (losses)	(3.2)	8.9	12.2	-
13	Total of income taxes-current and income taxes-deferred	90.3	98.6	8.2	-
14	Net income	(42.0)	217.0	259.1	261.3
15	Total credit costs*2	(433.5)	(627.7)	(194.2)	(93.7)
16	(Non-consolidated)	(291.6)	(313.7)	(22.0)	-

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

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

Reference (¥)

17	EPS	(4.36)	17.47	21.84
18	ROE*3	(0.98%)	3.63%	4.62%

*3

$$\frac{\text{Net income for nine months} \times 4/3 - \text{Equivalent of annual dividends on nonconvertible preferred stocks}}{\{(\text{Total shareholder equity at the beginning of the period} - \text{Number of nonconvertible preferred shares at the beginning of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the beginning of the period}) + (\text{Total shareholder equity at the end of the period} - \text{Number of nonconvertible preferred shares at the end of the period} \times \text{Issue price} + \text{Foreign currency translation adjustments at the end of the period})\} / 2} \times 100$$

● Loans

- Decreased from End Sep. 09 due to lower overseas loans and exclusion of The Senshu Bank from consolidation. Domestic loan almost flat

● Investment securities

- Significantly decreased from End Sep. 09 mainly due to JGBs and Foreign bonds

● Deposits

- Decreased from End Sep. 09 due to lower deposits from overseas branches and exclusion of The Senshu Bank from consolidation, while Individual deposits significantly increased

● NPLs

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

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

- Improved from End Sep. 09 mainly due to improvement of appraisal losses on other securities, such as securitized products

Balance sheet (¥bn)

	End Sep. 09	End Dec. 09	Change from End Sep. 09
1 Loans (Banking+Trust accounts)	88,207.2	85,559.3	(2,647.9)
Loans (Banking accounts)	[88,032.0]	[85,392.5]	[(2,639.5)]
2 Domestic corporate loans*1	48,113.1	48,081.1	(32.0)
3 Housing loans*1	17,301.5	17,326.4	24.8
4 Overseas loans*2	17,500.9	16,871.2	(629.6)
5 Investment securities (Banking accounts)	57,384.3	54,155.5	(3,228.8)
6 Deposits	122,043.7	119,124.7	(2,918.9)
7 Individual deposits (Domestic branches, Non-consolidated)	62,844.4	63,737.3	892.8
8 Loan-and-deposit rate margin (Non-consolidated)	FY09 H1 1.34%	FY09 Q1-Q3 1.33%	(0.00%)
9 FRL disclosed loans*1	1,245.9	1,339.0	93.1
10 NPL ratio*1	1.38%	1.48%	0.10%
11 Net unrealized gains (losses) on securities available for sale	414.8	528.7	113.8

*1 Non-consolidated + trust accounts

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

● **Loan balance ¥85.5tn**
(down ¥2.6tn from end Sep. 09)

Changes from end Sep. 09:

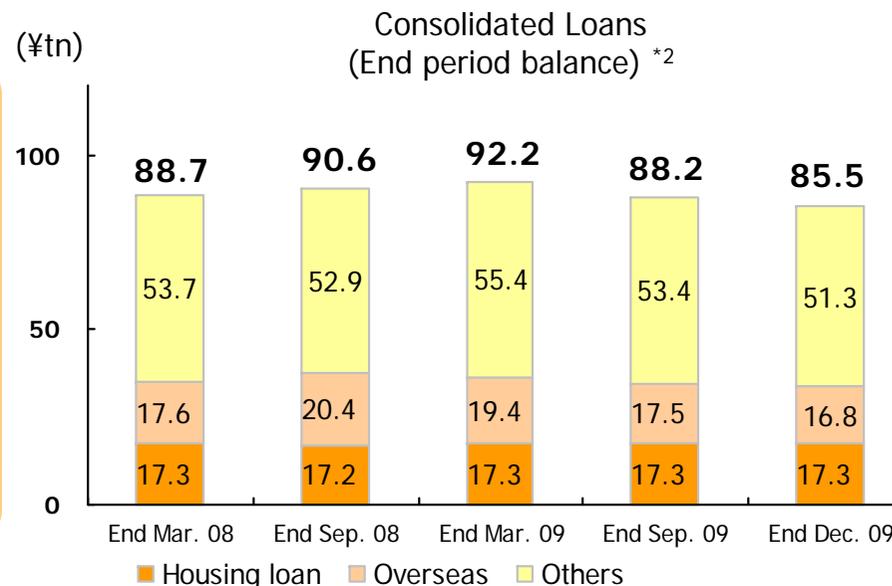
- Domestic corporate -¥0.0tn
- Overseas*1 -¥0.6tn
- Exclusion of The Senshu Bank
from consolidation -¥1.7tn

*1 Overseas branches + UnionBanCal Corporation + BTMU (China)

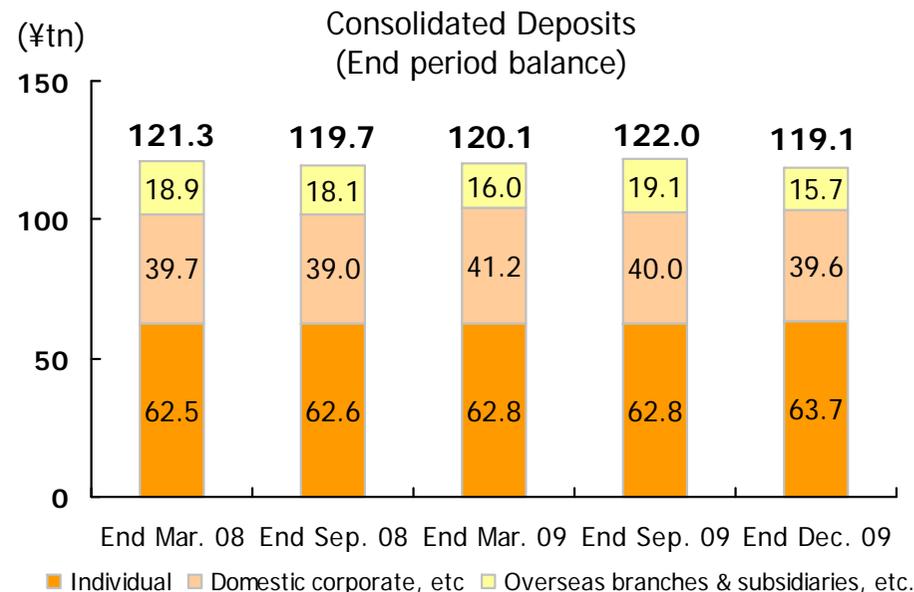
● **Deposits balance ¥119.1tn**
(down ¥2.9tn from end Sep. 09)

Changes from end Sep. 09:

- Individual +¥0.8tn
- Corporate, etc. -¥0.3tn
- Overseas branches -¥1.0tn
- Exclusion of The Senshu Bank
from consolidation -¥1.9tn



*2 Sum of banking and trust accounts



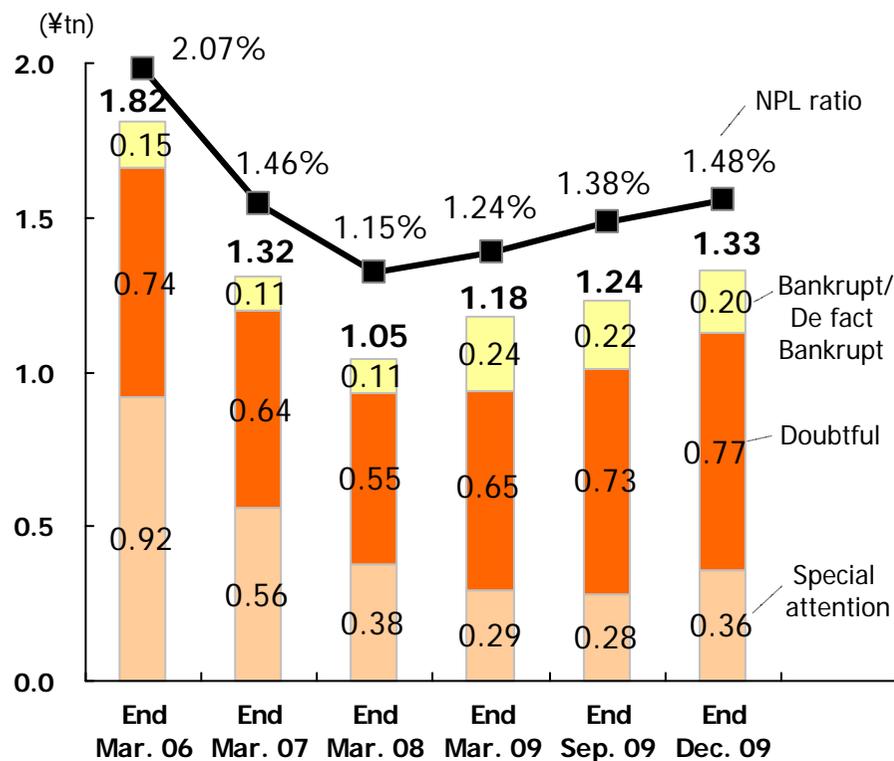
Loan assets

(Consolidated/Non-consolidated)

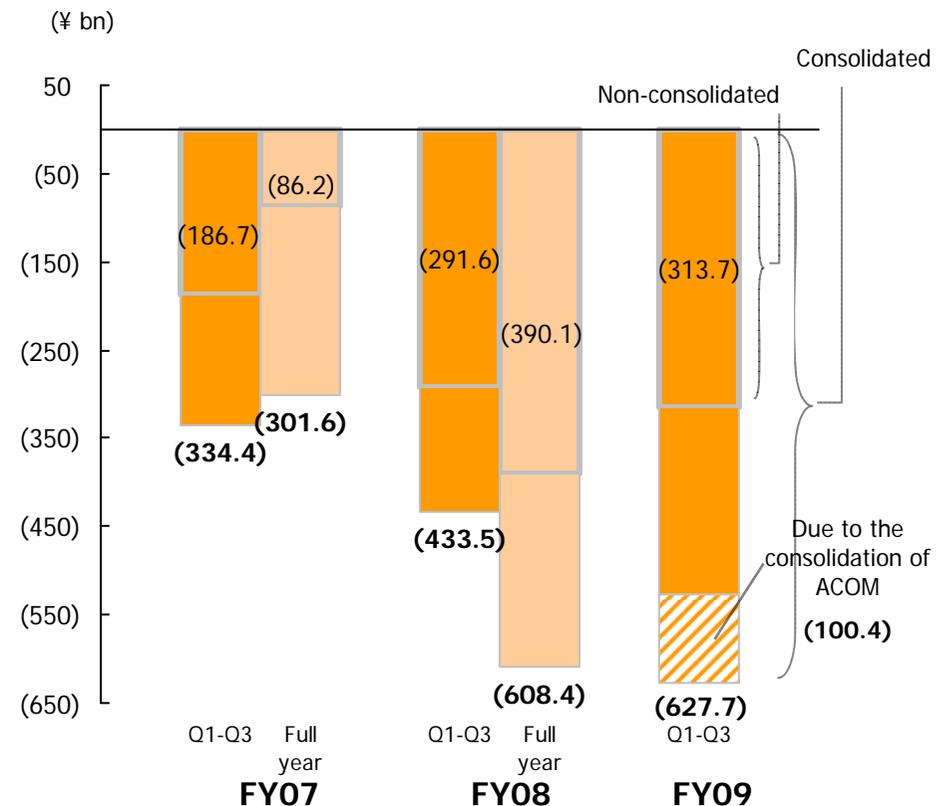


- NPL ratio up by 0.10% from the end of Sep. 09 to 1.48% due to increase in Doubtful and Special attention category loans
- Total credit costs showed an expense of ¥313.7bn on non-consolidated basis and ¥627.7bn on consolidated basis

Balance of FRL disclosed loans (Non-consolidated)



Total credit costs



Investment securities

(Consolidated)



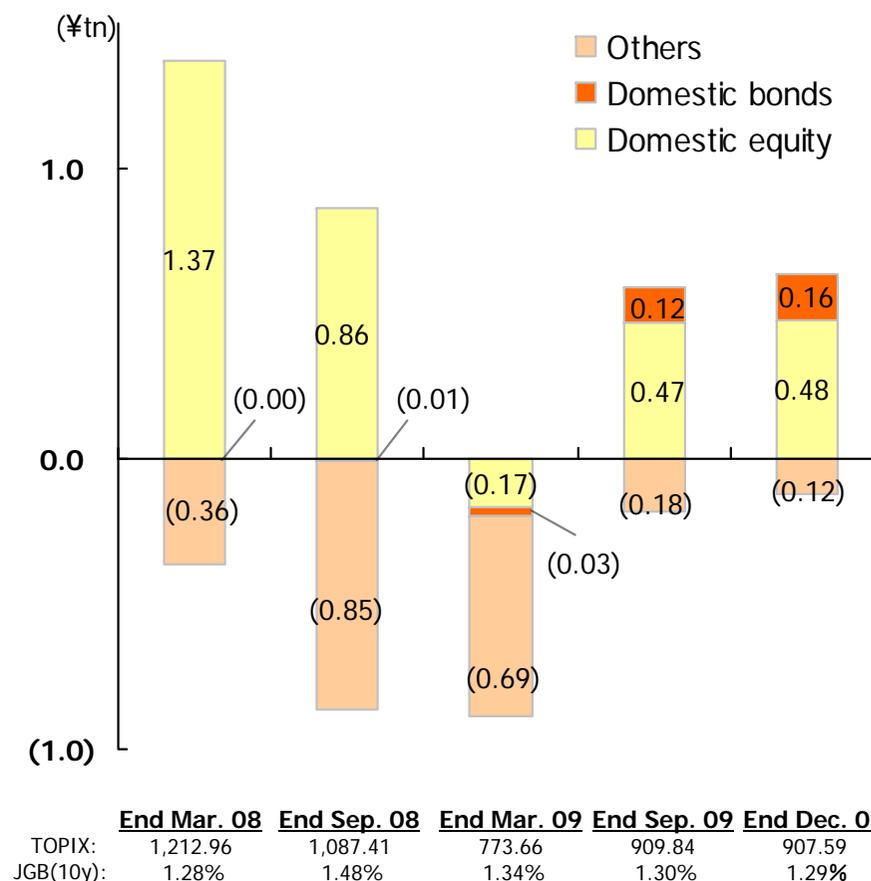
- Total unrealized gains on securities available for sale increased by ¥113.8bn from End Sep. 09 due to improvement of unrealized gains (losses) on domestic bonds and other securities

Breakdown of available-for-sale securities (with market value)

(¥bn)

	Balance (End Dec.09)	Unrealized gains (losses)	Change from End Sep. 09
Total	47,507.1	528.7	113.8
Domestic equity securities	4,184.6	489.0	12.2
Domestic bonds	31,473.1	167.8	43.5
Others	11,849.3	(128.1)	58.0
Foreign equity securities	279.9	70.5	6.8
Foreign bonds	9,606.5	16.8	(44.3)
Other	1,962.8	(215.4)	95.5

Unrealized gains (losses) on available-for-sale securities



● **Balance of investments in securitized products approx. ¥1.92tn (down ¥62bn from End Sep. 09)**

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

- The balance of investments in securitized products decreased to ¥1.92tn (down ¥62bn from End Sep. 09), due to the sales of securitized products, which have risk of being downgraded or deteriorated, and redemptions
- Net unrealized losses improved by ¥57bn from End Sep.09 to ¥149bn
- The effect on the P/L for the nine months ended December 31, 2009 was a loss of ¥14bn mainly due to losses on sales

Balance, net unrealized gains (losses)

(As of End December 09)

	Balance	Change from End Sep. 09	Unrealized gains (losses)		of which securities being held to maturity*	
			Change from End Sep. 09	Balance	Unrealized gains (losses)	
1 RMBS	102	(4)	(2)	3	0	0
2 Sub-prime RMBS	32	(2)	2	2	0	0
3 CMBS	24	(1)	(2)	0	0	0
4 CLOs	1,566	0	(143)	44	1,243	(116)
5 Others (card, etc.)	220	(53)	(2)	9	28	(1)
6 CDOs	9	(5)	(1)	2	0	0
7 SIV investments	0	0	0	0	0	0
8 Total	1,921	(62)	(149)	57	1,271	(117)

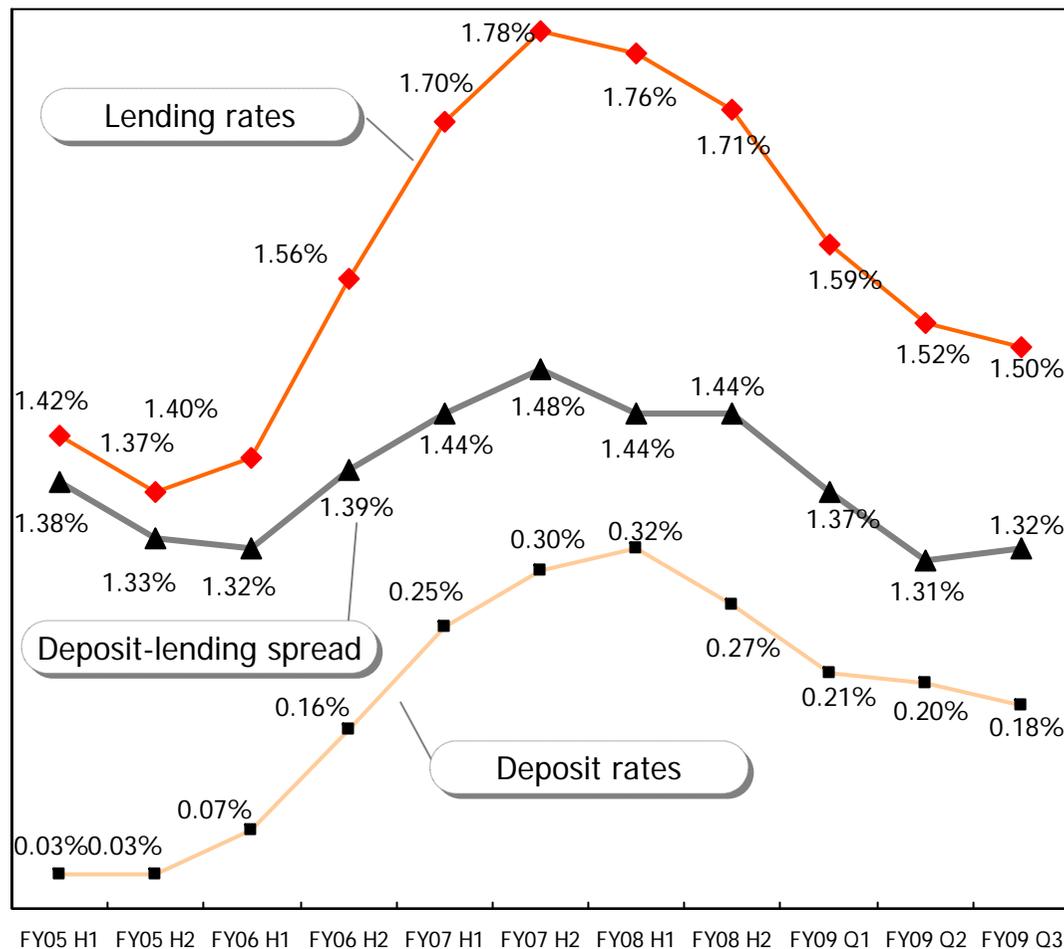
* Following the publication of "Tentative Solution on Reclassification of Debt Securities" (Practical Issue Task Force No.26), some of our securitized products were reclassified into "securities being held to maturity" from "securities available for sale" at and after the end of January 2009. The balance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

Appendix

Quality for You 
MUFG

- Domestic deposit/lending spread was 1.32% in FY09 Q3

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



Recent interest rate changes

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

Exposure to securitized products 1: Overview

- Includes BTMU (including UB), MUTB and MUS
- Products covered: Securitized products on managerial accounting basis (Includes Held To Maturity). Do not include MBS arranged and guaranteed by U.S. GSEs, etc. (stated separately), Japanese RMBS such as Japanese Housing Finance Agency Securities, and products held by funds such as investment trusts
- As of End December 09. Approximate figures, rounded off. Balance is after impairment and before deducting net unrealized losses
- Calculated based on US\$1 = ¥92.10

Overview of holdings of securitized products

(1) Balance, net unrealized gains(losses)

(¥ bn)

	Balance		Net unrealized gains(losses)		Of which, securities available for sale	
		Change from end Sep 09		Change from end Sep 09	Balance	Net unrealized gains(losses)
1 Securitized products	1,921	(62)	(149)	57	650	(32)
2 RMBS	102	(4)	(2)	3	102	(2)
3 Sub-prime RMBS	32	(2)	2	2	32	2
4 CMBS	24	(1)	(2)	(0)	24	(2)
5 CLOs	1,566	(0)	(143)	44	324	(27)
6 Others (card, etc.)	220	(53)	(2)	9	192	(1)
7 CDOs	9	(5)	(1)	2	9	(1)
8 SIV investments	0	0	0	0	0	0

(2) Distribution of balance by region

(¥ bn)

	Americas	Europe	Asia	Japan	Total
1	1,441	429	4	48	1,921
2	79	23	-	-	102
3	32	-	-	-	32
4	1	3	-	20	24
5	1,147	401	-	19	1,566
6	210	-	0	10	220
7	4	1	3	-	9
8	0	-	-	-	0

(3) Distribution of balance by rating

(¥ bn)

	AAA	AA	A	BBB	BB or lower	Unrated	Total
1 Securitized products	1,083	489	109	123	118	-	1,921
2 RMBS	37	11	16	15	22	-	102
3 Sub-prime RMBS	19	1	2	5	6	-	32
4 CMBS	12	7	3	1	1	-	24
5 CLOs	880	434	77	84	91	-	1,566
6 Others (card, etc.)	149	34	11	23	4	-	220
7 CDOs	5	3	1	-	0	-	9
8 SIV investments	-	-	-	-	0	-	0

(4) Simple securitized products*¹ ratio

(¥ bn)

	Balance	%
1 Simple securitized products* ¹	1,921	100.0%
2 Re-securitized products* ²	0	0.0%
3 Total	1,921	100.0%

*1 Securitized products backed by non-securitized assets

*2 Sub-prime ABS CDOs, Synthetic CDOs(squared) and SIVs

Residential Mortgage-Backed Securities (RMBS)

(1) Balance by underlying asset, net unrealized gains(losses) (¥ bn)

	Balance	Net unrealized gains(losses)	Net unrealized gains(losses) as a % of balance	Change from end Sep 09
1 RMBS	102	(2)	(2.4)%	2.8%
2 Sub-prime RMBS	32	2	6.6%	6.6%
3 Prime RMBS	70	(5)	(6.6)%	1.2%

(2) Distribution of balance by region (¥ bn)

	Americas	Europe	Asia	Total
1	79	23	-	102
2	32	-	-	32
3	47	23	-	70

(3) Distribution of balance by rating (¥ bn)

	AAA	AA	A	BBB or lower	Total
1 RMBS	37	11	16	38	102
2 Sub-prime RMBS	19	1	2	12	32
3 Prime RMBS	18	11	15	26	70

(4) Distribution of balance by vintage (¥ bn)

	Before 04	05	06	07	Total
1 RMBS	8	25	50	19	102
2 Sub-prime RMBS	-	8	22	2	32
3 Prime RMBS	8	17	28	17	70

(5) Distribution of Sub-prime RMBS unrealized gains(losses) by vintage (¥ bn)

	05	06	07	Total
1 Sub-prime RMBS*3	8	22	2	32
2 Net unrealized gains(losses)	(0)	1	1	2
3 Net unrealized gains(losses) as a % of balance	(3.3)%	4.9%	62.6%	6.6%

*3 Initial WAL (Weighted Average Life) was about 3.5 years

Commercial Mortgage-Backed Securities (CMBS)

(1) Balance by underlying asset, net unrealized gains(losses) (¥ bn)

	Balance	Net unrealized gains(losses)	Net unrealized gains(losses) as a % of balance	Change from end Sep 09
CMBS	24	(2)	(7.1)%	(0.6)%

(2) Distribution of balance by rating (¥ bn)

	AAA	AA	A	BBB or lower	Total
	12	7	3	1	24

(3) Distribution of balance by region (¥ bn)

	Americas	Europe	Asia	Japan	Total
CMBS	1	3	-	20	24

Collateralized Loan Obligations (CLOs)

(1) Balance, net unrealized gains(losses) (¥ bn)

	Balance	Net unrealized gains(losses)	Net unrealized gains(losses) as a % of balance	Change from end Sep 09
1 CLOs	1,566	(143)	(9.1)%	2.8%
2 Arbitrage CLOs	1,190	(115)	(9.6)%	2.6%
3 Balance sheet CLOs, etc.	377	(28)	(7.4)%	3.6%

(2) Distribution of balance by rating (¥ bn)

	AAA	AA	A	BBB	BB or lower	Unrated	Total
1	880	434	77	84	91	-	1,566
2	600	397	44	62	86	-	1,190
3	280	37	33	22	5	-	377

(3) Distribution of balance by region (¥ bn)

	Americas	Europe	Asia	Japan	Total
1 CLOs	1,147	401	-	19	1,566
2 Arbitrage CLOs	1,046	143	-	-	1,190
3 Balance sheet CLOs, etc.	100	258	-	19	377

Note:

Most of the CLOs are evaluated based on reasonably estimated amounts derived using our own calculation methods in order to enhance the accuracy of our valuation.

The effects of the changes of the above valuation methods are as follows:

- 1) The balance as of end Dec 09 increased by approx. ¥51bn
 - 2) The net unrealized losses as of end Dec 09 decreased by approx. ¥86 bn
- The effects on the P/L for 3Q results ended Dec 09 was approx. ¥51 bn

Collateralized Debt Obligations (CDOs)

(1) Balance, net unrealized gains(losses) (¥ bn)

	Balance	Net unrealized gains(losses)	Net unrealized gains(losses) as a % of balance	Change from end Sep 09
1 CDOs	9	(1)	(6.5)%	10.8%
2 Sub-prime ABS CDOs	0	-	-	-
3 Synthetic CDOs ^{*4}	4	(0)	(3.4)%	16.1%
4 Other CDOs ^{*5}	5	(0)	(9.4)%	4.8%

(2) Distribution of balance by rating (¥ bn)

	AAA	AA	A	BBB	BB or lower	Total
1	5	3	1	-	0	9
2	-	-	-	-	0	0
3	1	2	1	-	-	4
4	3	1	-	-	-	5

*4 CDOs using CDS of diversified investment-grade companies as the reference assets, price movements largely influenced by CDS index price trends

*5 CDOs using leasing receivables, corporate bonds, etc. as the reference assets

(3) Distribution of balance by region (¥ bn)

	Americas	Europe	Asia	Japan	Total
1 CDOs	4	1	3	-	9
2 Sub-prime ABS CDOs	0	-	-	-	0
3 Synthetic CDOs	1	-	3	-	4
4 Other CDOs	3	1	-	-	5

(4) Distribution of balance by type (¥ bn)

	Simple securitized products	Re-securitized products	Total
1	9	0	9
2	-	0	0
3	4	-	4
4	5	-	5

Exposure to securitized products 4: SPEs, Leveraged loan, etc.

Monoline insurer related

- No credit outstanding and credit derivative transactions with monoline insurers

Special Purpose Entities (SPEs)

【ABCP (Asset Backed CP)】

- We are engaged in sponsoring ABCP issuance for securitization of our clients's assets
- The balance of assets purchased by ABCP conduits (special purpose companies for issuing ABCP) as of end Dec 09 was ¥3.72tn (¥0.93tn overseas)
- The purchased assets are mainly receivables and they do not include residential mortgages

Credit exposure related to leveraged loan

【Leveraged loan for structuring or distributing】

- Not engaged in origination and distribution of securitized products of leveraged loans, no balance of leveraged loan for securitization

【LBO loans】

(1) Balance of LBO loans (¥ bn)

	Balance	Change from end Sep 09
1 LBO loans (commitment basis) ^{*6}	541	23
2 Booking basis	473	22

*6 Includes balance after refinancing

(2) Distribution of balance by region (¥ bn)

	Americas	Europe	Asia	Japan	Total
1	57	135	39	310	541
2	37	120	36	281	473

U.S. GSE related

(1) Balance, net unrealized gains(losses) (¥ bn)

	Balance	Change from end Sep 09	Net unrealized gains(losses)	Change from end Sep 09	Net unrealized gains(losses) as a % of balance	Change from end Sep 09
1 MBS ^{*7}	2,426	(452)	13	(12)	0.5%	(0.3)%
2 Agency Securities ^{*8}	740	231	(3)	(4)	(0.4)%	(0.6)%

*7 Arranged and guaranteed by Fannie Mae, Freddie Mac and Ginnie Mae

*8 Issued by the above three institutions and Federal Home Loan Banks

This document contains forward-looking statements regarding estimations, forecasts, targets and plans in relation to the results of operations, financial conditions and other overall management of the company and/or the group as a whole (the “forward-looking statements”). The forward-looking statements are made based upon, among other things, the company’s current estimations, perceptions and evaluations. In addition, in order for the company to adopt such estimations, forecasts, targets and plans regarding future events, certain assumptions have been made. Accordingly, due to various risks and uncertainties, the statements and assumptions are inherently not guarantees of future performance, may be considered differently from alternative perspective and may result in material differences from the actual result. For the main factors that may effect the current forecasts, please see the Consolidated Summary Report, Annual Securities Report, Disclosure Book, Annual Report, and other current disclosures that the company has announced.

The financial information included in this financial highlights is prepared and presented in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”). Differences exist between Japanese GAAP and the accounting principles generally accepted in the United States (“U.S. GAAP”) in certain material respects. Such differences have resulted in the past, and are expected to continue to result for this period and future periods, in amounts for certain financial statement line items under U.S. GAAP to differ significantly from the amounts under Japanese GAAP. For example, differences in consolidation basis or accounting for business combinations, including but not limited to amortization and impairment of goodwill, could result in significant differences in our reported financial results between Japanese GAAP and U.S. GAAP. Readers should consult their own professional advisors for an understanding of the differences between Japanese GAAP and U.S. GAAP and how those differences might affect our reported financial results. To date, we have published U.S. GAAP financial results only on a semiannual and annual basis, and currently do not expect to publish U.S.GAAP financial results for the period reported in this highlights.