



Corporate Review 2010

Year ended March 31, 2010



**Mitsubishi UFJ Financial Group (MUFG) is one of the world's largest and most diversified financial groups with total assets of ¥204 trillion as of March 31, 2010. The Group comprises five primary companies, including The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Securities Holdings Co., Ltd., Mitsubishi UFJ NICOS Co., Ltd. and Mitsubishi UFJ Lease & Finance Company Limited. MUFG's services include commercial banking, trust banking, securities, credit cards, consumer finance, asset management, leasing and many more fields of financial services. The Group has the largest overseas network of any Japanese bank, comprising offices and subsidiaries, including Union Bank, in more than 40 countries.**

## Contents

Major MUFG Companies	1
MUFG Worldwide	2
Financial Highlights	4
To Our Shareholders	6
Executive Committee	10
Financial and Operation Review	12
Global Activities	28
Corporate Social Responsibility	34
Corporate Governance	38
Group Business Management	40
Risk Management	42
Compliance	56
Internal Audit	60
Corporate Management	62
Global Network	64
Recent History of MUFG	71
Company Overview	72

## Disclaimer for Corporate Review 2010

All figures contained in this report are calculated according to Japanese GAAP, unless otherwise noted.

This document contains statements that constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements represent targets that management will strive to achieve by implementing MUFG's business strategies, but are neither projections nor a guarantee of future performance. All forward-looking statements involve risks and uncertainties. MUFG may not be successful in implementing its business strategies, and management may fail to achieve its targets, for a wide range of possible reasons, including instability in the financial markets, particularly in Europe, and fluctuations in securities markets globally as a result of such instability; adverse economic conditions and decreased business activity in Japan, the United States, Europe, or other markets; declining real estate or stock prices; additional corporate bankruptcies or additional problems in business sectors to which MUFG companies lend; difficulties or delays in integrating MUFG's businesses and achieving strategic goals of the integration; increased competitive pressures as a result of global consolidation or alliance forming among financial institutions; operational or reputational impact from regulatory actions in Japan, the United States and other jurisdictions; changes in laws and regulations applicable to MUFG's businesses; and adverse operating environment for financial institutions globally. Please see our annual report on Form 20-F for the fiscal year ended March 31, 2010, which we plan to file with the SEC in August 2010, for additional information regarding the risks relating to our businesses. Unlike this report, all figures that will be contained in the annual report on Form 20-F will be calculated according to U.S. GAAP, unless otherwise noted. We are under no obligation, and disclaim any obligation to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise.

## Major MUFG Companies

- **Holding Company**

Mitsubishi UFJ Financial Group (MUFG)

- **Commercial Bank**

The Bank of Tokyo-Mitsubishi UFJ (BTMU)

- **Trust Bank**

Mitsubishi UFJ Trust and Banking (MUTB)

- **Securities Company**

Mitsubishi UFJ Securities Holdings (MUSHD)

- **Securities**

Mitsubishi UFJ Morgan Stanley Securities

- **Credit Cards/Consumer Loans/ Installment Credit**

Mitsubishi UFJ NICOS  
Ryoshin DC Card  
JALCARD  
JACCS  
ACOM  
Mobit

- **Housing Loans**

Mitsubishi UFJ Loan Business

- **Regional Banks**

Senshu Ikeda Holdings  
The Chukyo Bank  
TAISHO Bank

- **Foreign Exchange**

Tokyo Credit Services  
(World Currency Shop)

- **Real-estate Brokerage**

Mitsubishi UFJ Real Estate Services

- **Debt Collection**

MU Frontier Servicer

- **Wealth Management**

Mitsubishi UFJ Merrill Lynch  
PB Securities  
Mitsubishi UFJ Personal  
Financial Advisers

- **Asset Management**

Mitsubishi UFJ Asset Management  
KOKUSAI Asset Management  
MU Investments

- **Online Securities/  
Internet Settlements/  
Mobile Internet Bank**

kabu.com Securities  
Paygent  
Jibun Bank

- **Finance**

Tokyo Associates Finance  
Nippon Mutual Housing Loan

- **Asset Administration**

The Master Trust Bank of Japan

- **Factoring**

Mitsubishi UFJ Factors

- **Shareholder Relations  
Consulting Services**

Japan Shareholder Services

- **Research/Consulting**

Mitsubishi UFJ Research and  
Consulting  
Mitsubishi Asset Brains  
Mitsubishi UFJ Trust Investment  
Technology Institute

- **Leasing**

Mitsubishi UFJ Lease & Finance  
BOT Lease  
NBL

- **Venture Capital**

Mitsubishi UFJ Capital  
MU Hands-on Capital

- **Information Technology**

Mitsubishi Research Institute DCS  
Mitsubishi UFJ Information  
Technology  
MU Business Engineering

- **DC Pensions**

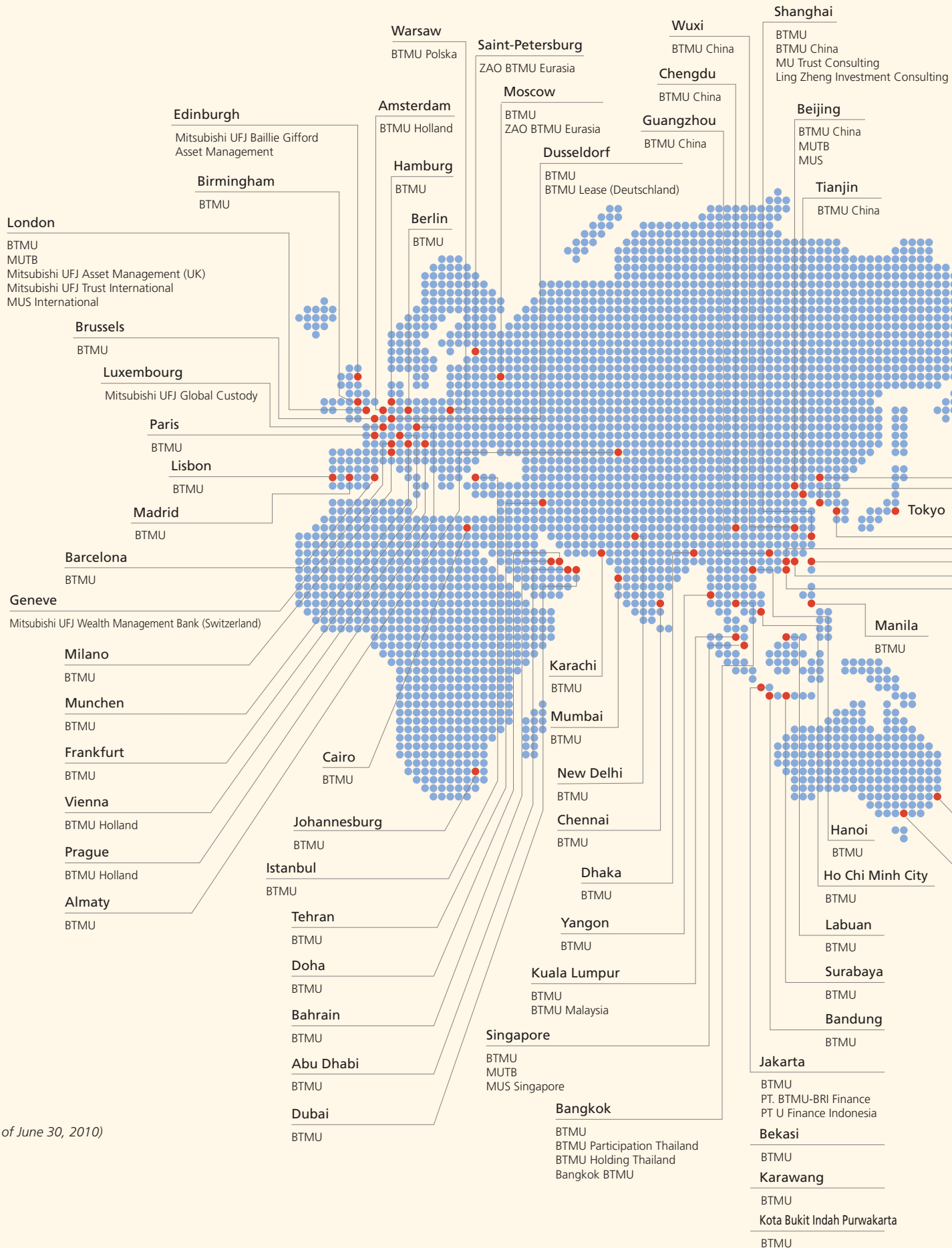
Defined Contribution Plan  
Consulting of Japan

- **Overseas**

Union Bank  
Mitsubishi UFJ Securities  
International  
BTMU Capital Corporation

*(As of May 1, 2010)*

# MUFG Worldwide



(As of June 30, 2010)



## Domestic Network

### West Japan Region

Retail branches and offices: 239  
Corporate banking offices: 114

### Central Japan Region

Retail branches and offices: 156  
Corporate banking offices: 69

### East Japan Region

Retail branches and offices: 436  
Corporate banking offices: 171

*Numbers are as of March 31, 2010*

# Financial Highlights

Consolidated Financial Summary and Data of MUFG under Japanese GAAP (not U.S. GAAP\*1)

<i>In billions of yen</i>	<b>FY 2009*2</b>	<b>FY 2008*2</b>	<b>% change</b>
<b>Operating Results</b>			
Gross profits before credit costs for trust accounts	¥3,600.4	¥3,272.9	10.0%
Net interest income	2,177.1	1,975.9	10.1%
Trust fees	103.8	119.4	(13.0%)
Net fees and commissions	989.8	970.0	2.0%
Net trading profits	259.7	253.0	2.6%
Net other business profits	69.7	(45.6)	–
General and administrative expenses	2,084.8	2,083.7	0.0%
Net business profits before credit costs for trust accounts and provision for general allowance for credit losses	1,515.5	1,189.1	27.4%
Ordinary profit	545.6	82.8	558.9%
Net income (loss)	388.7	(256.9)	–
Total credit costs*3	(825.2)	(608.4)	–
<i>In billions of yen except per share amounts</i>	<b>Mar 31, 2010</b>	<b>Mar 31, 2009</b>	<b>% change</b>
<b>Balance Sheet Data</b>			
Total assets	¥204,106.9	¥198,733.9	2.7%
Loans and bills discounted	84,880.6	92,056.8	(7.7%)
Total liabilities	192,807.4	190,163.2	1.3%
Deposits	123,891.9	120,149.5	3.1%
Total net assets	11,299.4	8,570.6	31.8%
<b>Asset Data</b>			
Disclosed claims under the financial reconstruction law	¥1,348.7	¥1,189.9	13.3%
NPL ratio	1.50%	1.24%	
Net unrealized gains (losses) on securities available for sale	812.7	(917.7)	–
<b>Capital Data</b>			
BIS risk-adjusted capital ratio*4	14.87%	11.77%	
Tier 1 ratio*4	10.63%	7.76%	
Total net assets per common share (yen)	¥612.05	¥528.67	15.7%

\*1 Please refer to Form 20-F for financial numbers under U.S. GAAP (to be released in August 2010)

\*2 FY2009: Fiscal year ended March 31, 2010, FY2008: Fiscal year ended March 31, 2009

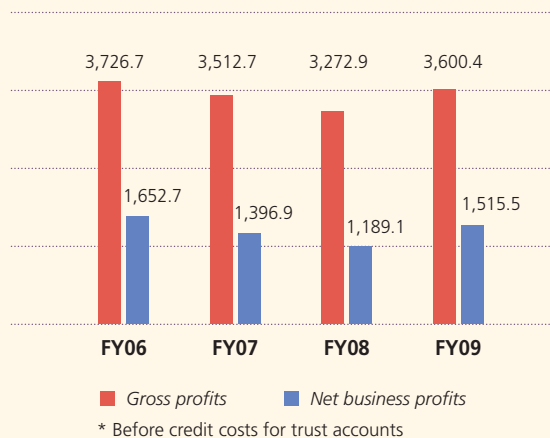
\*3 Total credit costs=Credit costs for trust accounts+Provision for general allowance for credit losses+Credit costs (included in non-recurring gains/losses)+Reversal of allowance for credit losses+Reversal of reserve for contingent losses included in credit costs

\*4 Based on the capital adequacy regulations (Basel II)

*These financial highlights are prepared solely for your convenience and do not include the notes to financial information. Readers are strongly recommended to refer to the notes contained in the Consolidated Summary Report <under Japanese GAAP>. (<http://www.mufg.jp/english/ir/ffs/>)*

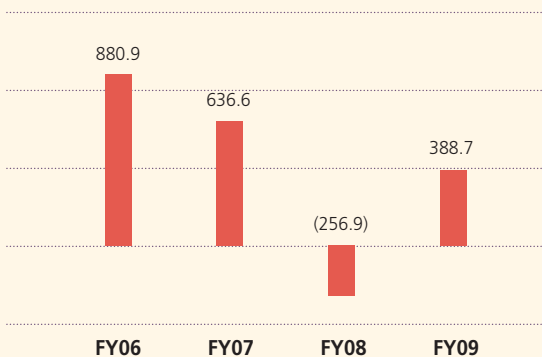
### Gross Profits\*/Net Business Profits\*

Billions of Yen



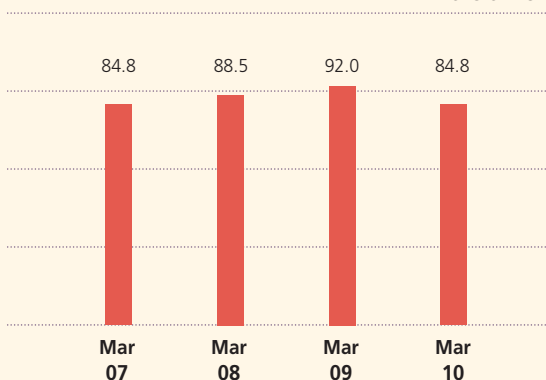
### Net Income (Loss)

Billions of Yen



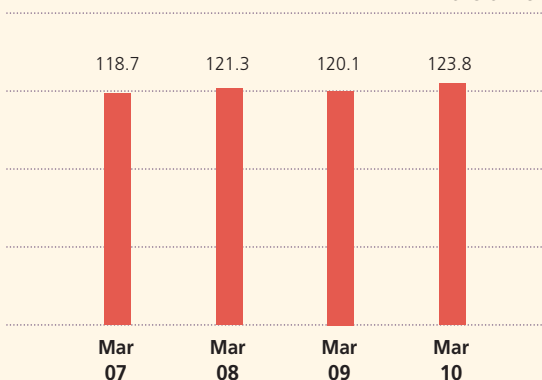
### Loans

Trillions of Yen



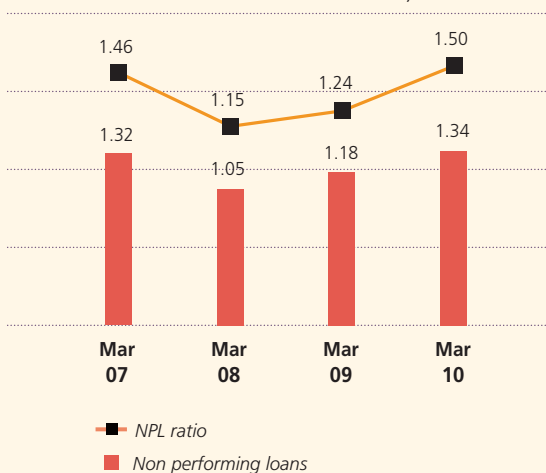
### Deposits

Trillions of Yen



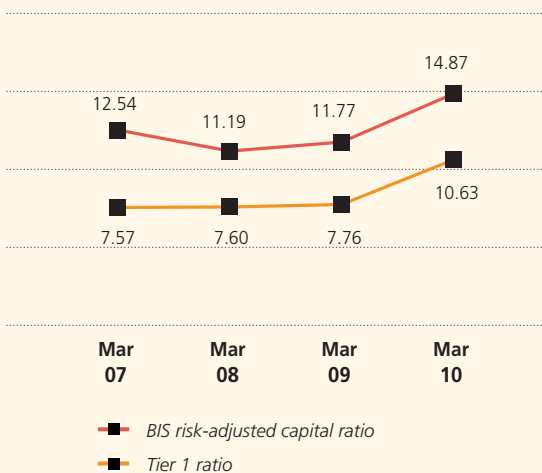
### Non Performing Loans

%, Trillions of Yen



### BIS Risk-adjusted Capital Ratios

%



## To Our Shareholders



*From left: Kinya Okauchi, Deputy Chairman; Katsunori Nagayasu, President & CEO; Takamune Okihara, Chairman*

MUFG recently changed its leadership to a new management team led by Chairman Takamune Okihara, Deputy Chairman Kinya Okauchi, and President & CEO Katsunori Nagayasu. Leveraging the operating platform built over the years since the founding of MUFG, we aim to enhance corporate value and maximize shareholder value by integrating the various strengths within the MUFG group through high-quality services that satisfy our customers' needs. We look forward to your continued support in meeting this challenge.

### Performance in Fiscal 2009

---

In the year ended March 31, 2010 (fiscal 2009), MUFG recorded consolidated net income of ¥388.7 billion, a significant improvement of ¥645.6 billion from the net loss recorded a year earlier. The rebound is mainly due to an increase in consolidated gross profits reflecting strong improvements in market-related income, and domestic and overseas loan-related income. In addition, an improvement in operating efficiency resulting from our recent IT systems integration and efforts to reduce operating costs, and a substantial improvement in net gains (losses) on equity securities attributable to the recovery of the stock market contributed to the rebound.



The loan balance, however, decreased mainly due to many corporate borrowers seeking direct financing again through issuances of bonds, equities and other securities, and The Senshu Bank, Ltd. no longer being part of MUFG's scope of consolidation. On the other hand, the deposit balance continued to increase firmly, led by a substantial increase in domestic deposits.

With respect to our financial position, we strengthened our capital base through a ¥1 trillion common share issuance in December 2009. Combined with the net income of fiscal 2009, we further solidified our financial base, and our consolidated-risk adjusted capital ratio and the Tier 1 ratio increased significantly compared with the previous fiscal year-end, to 14.87% and 10.63%, respectively. We also continued to maintain our non performing loan ratio at a low level of 1.50%.

## Addressing Key Management Issues

---

We launched our three-year medium-term business plan last year in which we devoted the first half to the enhancement of core business fundamentals. In addition to fulfilling social and economic responsibility by facilitating smooth flows of funds, we have strived to streamline our operation and reduce risks by decreasing operational costs, re-allocating personnel, and reducing equity holdings. Furthermore, as mentioned previously, we worked to further fortify our financial positions by a capital increase last December, in anticipation of new regulatory capital requirements.

With respect to our growth strategies, we further reinforced our network in Asia, a region that continues to enjoy high rates of growth, and otherwise worked to lay the foundation for future growth. In addition to promoting global collaboration through a strategic alliance with Morgan Stanley, we launched a joint venture securities business in Japan this May, with the aim of becoming a leading company in the Japanese securities industry.

In fiscal 2009, despite a difficult business environment after the global financial crisis, we managed to post earnings that surpassed our initial targets and implemented strategic initiatives with an eye towards securing future growth. Fiscal year 2010 is a very important year for MUFG, since this year is the turning year in our three-year business plan. We shift

gears from the phase of “enhancement of core business fundamentals” with an emphasis on risk management to the new phase of “accelerating growth.” In order to realize further earnings growth and enhance shareholder returns while further promoting efficiency and maintaining soundness, we will focus on the priority issues set forth below.

- **Pursuing growth strategies**

We have positioned Retail, Corporate, and Trust Assets as our three core businesses. The integrated business groups established in the holding company exercise the comprehensive group strength beyond the business boundaries and pursue growth strategies.

In the Retail Business, we will focus on offering products that meet our customers’ diverse needs in accordance with their life stages, such as asset management, inheritance, real estate and loans.

The priority of our Corporate Business is to drive forward with our Corporate and Investment Banking (CIB) strategy through such actions as pursuing global collaboration with Morgan Stanley and to quickly achieve the synergies of the integration of our securities companies in Japan. In addition, we seek to expand our business in Asia, where high growth potential is expected, and in the United States and Europe. The expansion includes both organic and non organic strategies.

The growth efforts of our Trust Assets Business are focused on expanding assets under management and custody by strengthening intra-Group cooperation and product development. At the same time, we will also endeavor to increase the Group’s presence as a global asset management institution.

Combining the capabilities of the Group, we will seek to strengthen our profitability as we are heading into the growth phase.

- **Strengthening operating foundations**

We will continue to build stronger operating foundations.

We are working to achieve further gains in the efficiency of our operating cost structure, such as reducing head office personnel as part of our efforts to simplify our head office organization and improve operating efficiency, and reassigning them to business promotion and strategic areas.

From a risk-return perspective, we will continue efforts to reduce our equity holdings while also seeking to control credit risks on a Group-wide basis.

We will monitor international developments with respect to capital adequacy requirements. At the same time, we will endeavor to appropriately manage and utilize our capital and will make efforts to smoothly provide funds to our customers.

• **Promoting CSR management and brand enhancement**

We will focus on raising the level of customer satisfaction by offering services that can be offered only by MUFG, while managing our business with an emphasis on corporate social responsibility (CSR). To that end, each officer and employee of the Group will proactively think and act with a “customer-oriented approach” and a “field-oriented approach.”

Our Group’s CSR activities are focused on two principal themes – addressing global environmental issues and nurturing society’s next generation. With respect to global environmental issues in particular, we have formulated an MUFG Environmental Action Policy under which we are taking specific actions. As a comprehensive financial group, we seek to provide financing support to companies and individuals dedicated to contributing to solutions for social and environmental issues as well as aim to offer products and services that directly support our customers’ social contributions and environmental measures.

With “No.1 in Service, No.1 in Reliability, and No.1 in Global Coverage” as our motto, we will strive to strengthen the MUFG brand, making it one that is widely recognized and supported by society at large.

With a commitment to strong profitability and integrity, which are the cornerstones of trust and credibility, MUFG aims to become a globally respected leading financial group, and all of our executives and employees will join forces towards the attainment of this goal.

Your continued support will be vital to our success going forward.

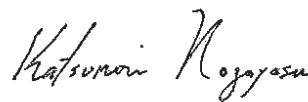
August 2010



Takamune Okihara  
Chairman

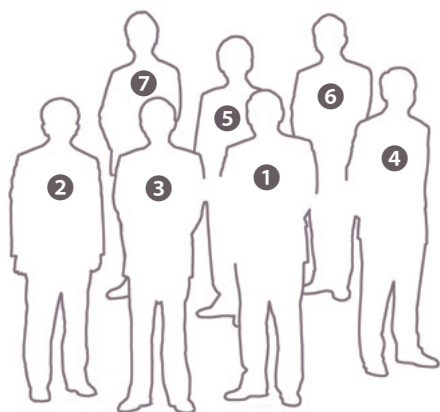


Kinya Okauchi  
Deputy Chairman



Katsunori Nagayasu  
President & CEO

# Executive Committee



**1**  
**Takamune Okihara**  
*Chairman*

**2**  
**Kinya Okauchi**  
*Deputy Chairman and Chief Audit Officer, President of Mitsubishi UFJ Trust and Banking Corporation*

**3**  
**Katsunori Nagayasu**  
*President & CEO, President of The Bank of Tokyo-Mitsubishi UFJ, Ltd.*

**4**  
**Kyota Omori**  
*Deputy President and Chief Compliance Officer*

**5**  
**Hiroshi Saito**  
*Senior Managing Director and Chief Financial Officer*

**6**  
**Nobushige Kamei**  
*Senior Managing Director and Chief Planning Officer*

**7**  
**Masao Hasegawa**  
*Managing Director and Chief Risk Management Officer*



1

**Fumiyuki Akikusa**

Director, President of Mitsubishi UFJ Securities Holdings Co., Ltd. (President & CEO of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)

5

**Toshiro Toyoizumi**

Managing Officer,  
Group Head of Integrated  
Corporate Banking Business Group

2

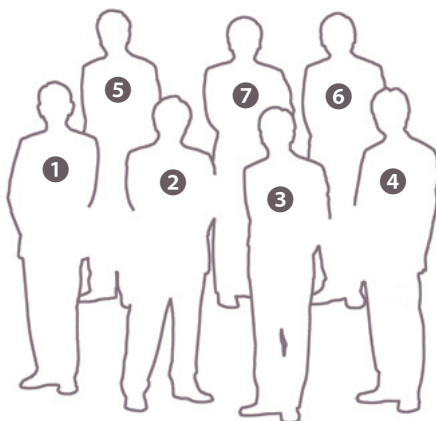
**Kazuo Takeuchi**

Director, Deputy President of  
Mitsubishi UFJ Securities Holdings Co., Ltd.

6

**Tatsuo Wakabayashi**

Managing Officer,  
Group Head of Integrated  
Trust Assets Business Group



3

**Kaoru Wachi**

Director, Senior Managing Director of  
Mitsubishi UFJ Trust and Banking Corporation

7

**Hidekazu Fukumoto**

Managing Officer,  
Group Head of Integrated  
Retail Banking Business Group

4

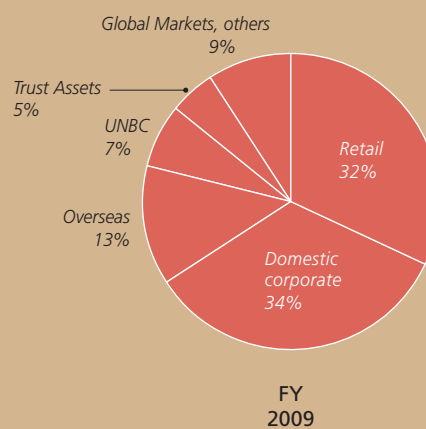
**Takashi Oyamada**

Director, Managing Director of  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.

# Financial and Operation Review

Financial Review	12
Retail Business	16
Corporate Business	20
Trust Assets Business	24

**Business Portfolio (Net Operating Profits Basis)**



# Financial Review for the Fiscal Year Ended March 31, 2010

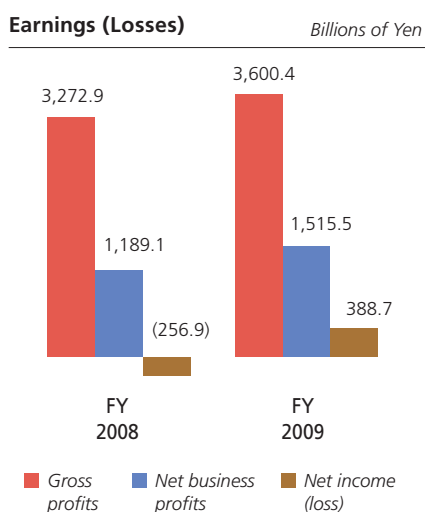
## Highlights of Consolidated Statements of Operations

Consolidated gross profits increased by ¥327.5 billion year on year to ¥3,600.4 billion, mainly due to steady growth in market product income and domestic and overseas loan income. Another factor was that income from ACOM CO., LTD. was reflected in consolidated business results, following its consolidation in December 2008.

General and administrative expenses were ¥2,084.8 billion, mostly unchanged from the previous fiscal year. However, excluding the impact of the consolidation of ACOM CO., LTD., general and administrative expenses decreased ¥68.6 billion year on year, thanks to Group-wide efforts to reduce operating expenses, in addition to system integration benefits. Consequently, consolidated net business profits increased by ¥326.3 billion year on year to ¥1,515.5 billion.

Total credit costs of parent banks BTMU and MUTB on a non-consolidated basis were largely unchanged from the previous year. However, consolidated total credit costs increased by ¥216.7 billion year on year to ¥825.2 billion due to higher credit costs from other subsidiaries and the consolidation of ACOM CO., LTD. On the other hand, net gains (losses) on equity securities improved significantly by ¥441.2 billion year on year thanks to a stock market recovery.

As a result of the foregoing, consolidated net income was ¥388.7 billion, an improvement of ¥645.6 billion from a net loss in the previous fiscal year.



- **Net operating profits by segment (Managerial Accounts Basis\*)**

Net operating profits increased by ¥274.8 billion year on year. The Global Markets and Others segment was a major driver of this increase, but all customer segments except Trust Assets also posted increases.

In the Retail segment, net operating profits increased substantially due to a recovery in investment product sales and securities income, as well as a contribution from the consolidation of ACOM CO., LTD., which were partly offset by reduced deposit income accompanying lower interest rates. The Domestic Corporate segment posted higher net operating profits as lower deposit income was more than offset by increased profits of the Securities company and lending income as well as reduced operating expenses and other factors. The Overseas Corporate segment sustained a strong performance centered on non-Japanese business, leading to increased net operating profits. The Trust Assets segment posted lower net operating profits, due to the impact of decreased asset balances caused by the stock market downturn in the previous fiscal year.

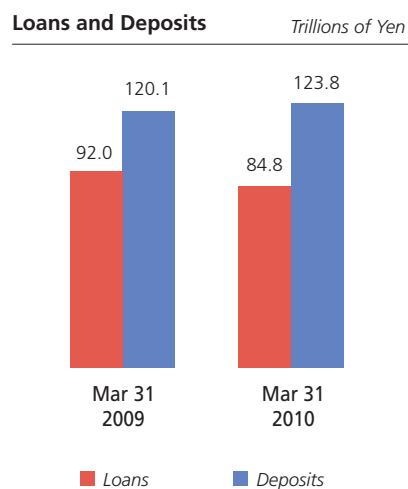
*\*Consolidated net business profits before consolidation adjustments. Gains and losses on credit derivatives for credit risk hedging are recorded in "Global Markets and Others."*

### Highlights of Consolidated Balance Sheets

- **Loans and deposits**

Loans decreased by ¥7.1 trillion year on year to ¥84.8 trillion, mainly due to decreased domestic and overseas corporate lending accompanying the normalization of bond, equity and other capital markets, as well as the deconsolidation of the Senshu Bank.

Deposits increased by ¥3.7 trillion to ¥123.8 trillion compared with March 31, 2009, mainly reflecting a substantial increase in domestic deposits.





- **Non performing loans (total of two banks\*\*)**

Non performing loans (NPLs) as of March 31, 2010 were ¥1.34 trillion, an increase of ¥158.8 billion from March 31, 2009. The NPL ratio increased 0.25 of a point from March 31, 2009 to 1.50%, but remained at a low level.

\*\*Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mitsubishi UFJ Trust and Banking Corporation.

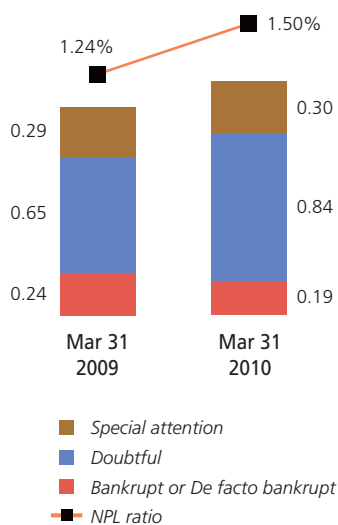
- **BIS risk-adjusted capital ratio**

The BIS risk-adjusted capital ratio was 14.87%, 3.09 points higher than March 31, 2009. The Tier 1 ratio was 10.63%, 2.86 points higher than March 31, 2009. This was mainly due to a capital increase through the offering of new common shares, as well as the fact that net unrealized losses on securities available for sale turned to net unrealized gains.

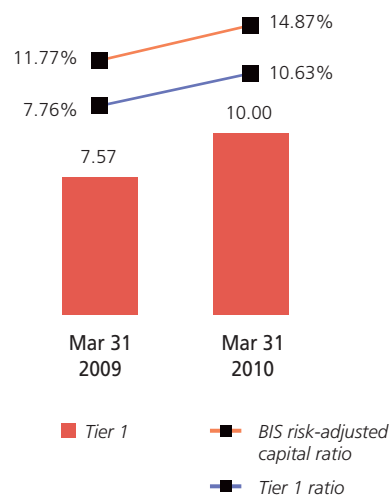
- **Net unrealized gains (losses) on securities (total of other securities available for sale)**

Net unrealized gains (losses) on securities (total of other securities available for sale) improved ¥1,730.4 billion to net unrealized gains of ¥812.7 billion. This mainly reflected an improvement in net unrealized gains on domestic equity securities following a stock market recovery.

**NPL Status** *Trillions of Yen*



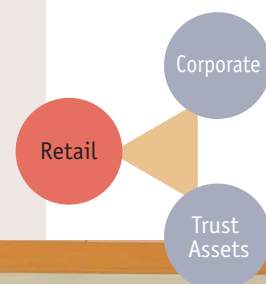
**Capital Ratios\*1** *Trillions of Yen*



\*1 Based on the capital adequacy regulations (Basel II)

# Retail Business

<i>In billions of yen</i>	FY2009	FY2008	% Change
Gross Profits	1,433.3	1,320.0	9%
Net Operating Profits	445.1	344.9	29%



## FY2009 Performance Summary and Future Plans

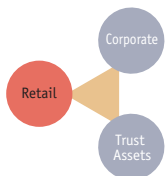
---

Gross profits in the Retail Business increased ¥113.3 billion, or 9%, year on year to ¥1,433.3 billion. Net operating profits rose ¥100.2 billion, or 29%, year on year to ¥445.1 billion.

This performance reflected the full-year contribution of consumer finance income from ACOM CO., LTD., which was consolidated in December 2008, as well as an increase in income from investment product sales as market conditions recovered. On the other hand, income from yen deposits and loans decreased, mainly due to a decline in interest spreads accompanying the lowering of interest rates in 2008. In addition, a consumer finance subsidiary posted lower earnings, mainly because of a reduced loan interest rate and loan balance in response to new regulation.

In the Retail Business, we aim to expand earnings by providing products addressing a variety of needs for asset management, inheritance and real estate, borrowing and other financial services according to the life stages of our customers.





## Investment Product Sales

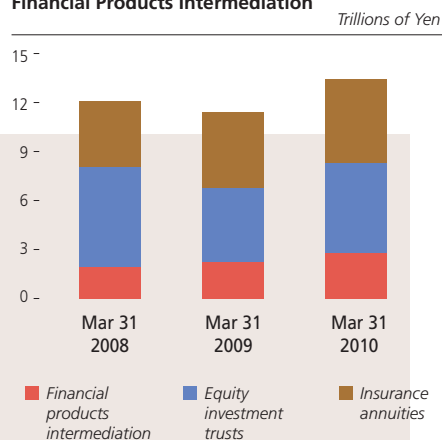
### FY2009 Performance Summary and Future Plans

Gross profits from investment product sales increased ¥8.2 billion year on year to ¥108.0 billion. Total sales of investment products (equity investment trusts, insurance annuities and financial products intermediation) increased 25% from a year earlier to ¥3.1 trillion. This was mainly due to increased sales of equity investment trusts due to improving market conditions. The customer account balance of investment products as of March 31, 2010 was ¥13.5 trillion, an increase of 18% from March 31, 2009. This increase reflected an upturn in the fair value of the investment products, as well as the ongoing inflow of funds from customers.

In regard to insurance product sales, in fiscal 2009 we offered training to approximately 3,700 bank staff, and began the full-scale handling of insurance products by these staff. We increased the number of locations handling insurance products from 377 as of March 31, 2009 to 465 as of March 31, 2010.

Going forward, we will continue to actively promote our segment-based strategies in order to accurately meet diversifying customer needs. While providing products attuned to customer characteristics through optimal sales channels, we also intend to further strengthen collaboration within the Group.

**Customer Account Balances:  
Equity Investment Trusts,  
Insurance Annuities, and  
Financial Products Intermediation**



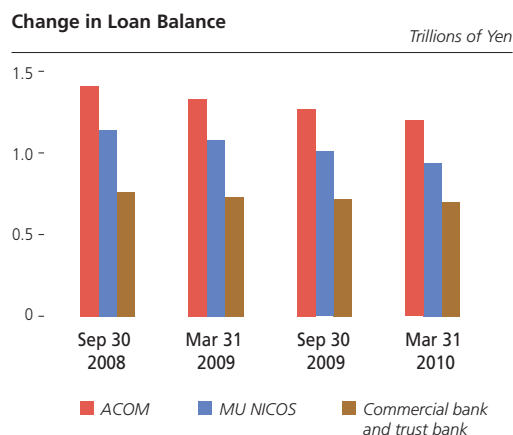
## Consumer Finance

### FY2009 Performance Summary and Future Plans

Gross profits from consumer finance increased ¥159.9 billion year on year to ¥619.0 billion. The main reason for this increase was the full-year contribution of consumer finance income from ACOM CO., LTD., which was consolidated in December 2008. Gross profits of Mitsubishi UFJ NICOS Co., Ltd. declined mainly due to decreases in loan income resulting from the lowering of interest rates and loan balance.

The loan balance of “BANQUIC,” an ACOM-guaranteed card loan that BTMU began handling in November 2007, has steadily increased.

The consumer finance market is contracting in scale due to drastic changes in the regulatory environment, and this trend is expected to continue for the foreseeable future. Nonetheless, MUFG intends to accurately satisfy customer needs through the development of a sound consumer finance business.



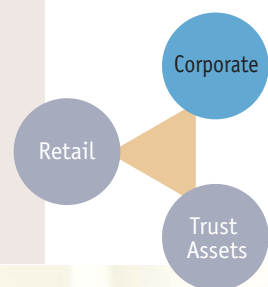
ACOM: Receivables outstanding of loan business and banking business

MU NICOS: Operating receivables of card cashing and finance

Commercial bank and trust bank: Card loan outstanding, etc.

# Corporate Business

<i>In billions of yen</i>	FY2009	FY2008	% Change
Gross Profits	1,643.7	1,603.6	3%
Net Operating Profits	759.3	718.7	6%

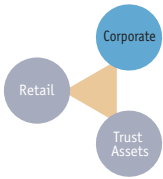


## FY2009 Performance Summary and Future Plans

Gross profits increased ¥40.1 billion, or 3%, to ¥1,643.7 billion. Net operating profits increased ¥40.6 billion, or 6%, to ¥759.3 billion. In domestic operations, increased income from Securities company and loan operations, reduced operating expenses and other factors outweighed a decline in income from deposits. In global operations, we achieved a strong performance in Asia, the Americas, and Europe centered on business with large-cap corporate customers. There was also a substantial increase in income from securities operations.

The Corporate Business is vigorously promoting its Corporate and Investment Banking (CIB) strategy. For example, by promoting global collaboration with Morgan Stanley, we aim to generate synergies as early as possible through the integration of securities companies in Japan. In addition, the Corporate Business aims to drive business expansion on many fronts, including through an M&A strategy, in Asia, where strong growth is anticipated, as well as in the Americas and Europe.





## Domestic Deposits and Loans Operations

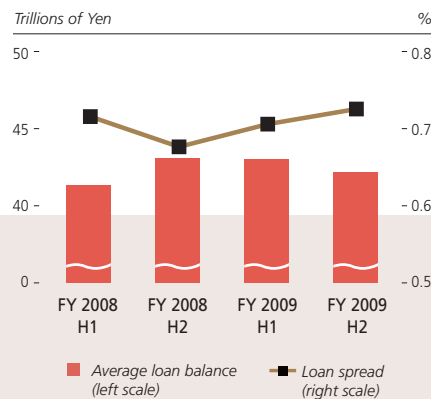
### FY2009 Performance Summary and Future Plans

Gross profits from domestic deposits and loans operations declined ¥22.9 billion year on year to ¥443.1 billion. Lending income was up ¥13.7 billion from the previous fiscal year. While the average domestic corporate lending balance decreased as companies shifted their fund procurement sources from borrowing to the capital markets, where market conditions are improving, lending income increased due to improvement in the loan spread.

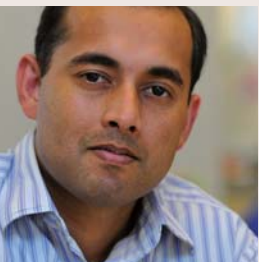
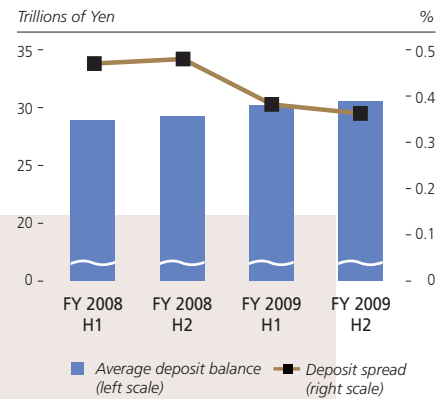
Deposit income decreased by ¥36.7 billion year on year due to a decline in the deposit spread, reflecting falling market interest rates. The average domestic yen-denominated corporate deposit balance increased steadily.

Looking ahead, we will continue to meet the needs of small and medium-sized enterprises by promoting lending guaranteed by credit guarantee associations, among other measures, while striving to ensure appropriate returns.

**Domestic Corporate Loan Balance**



**Domestic Corporate Deposit Balance**

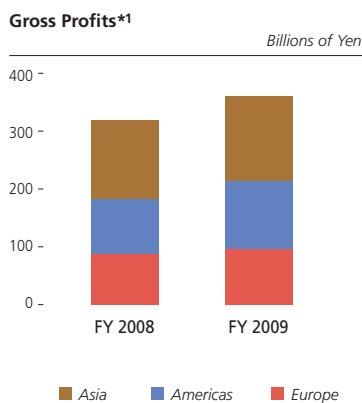




## Global Business

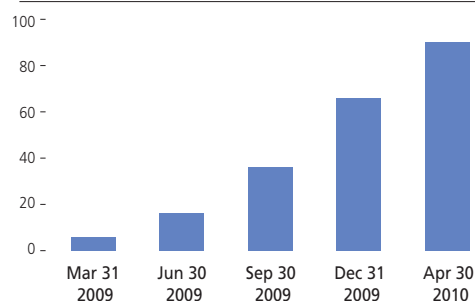
### FY2009 Performance Summary and Future Plans

In the global business, gross profits increased by ¥41.6 billion year on year to ¥360.6 billion (commercial bank consolidated basis excluding UNBC). Income rose substantially in all three regions of Asia, the Americas and Europe. Loan income and related fees and commissions increased, centered on large-cap corporate business, despite a decline in income from deposits due to a fall in interest rates. We have made steady progress in corporate finance in collaboration with Morgan Stanley around the world, including in Europe and Asia, beginning with a loan marketing joint venture that commenced operations in the U.S. in July 2009. We have already successfully concluded nearly 100 deals on a cumulative basis. Looking ahead, we will work to drive income growth by pursuing further collaboration with Morgan Stanley to win highly profitable corporate finance projects.



\*1 Excluding gains (losses) on CDSs

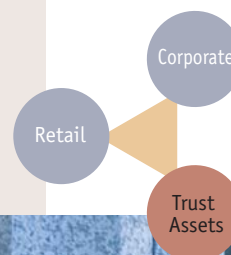
### Cumulative Number of Deals with Morgan Stanley\*2



\*2 MUFG figures, including mandates won

# Trust Assets Business

<i>In billions of yen</i>	FY2009	FY2008	% Change
Gross Profits	157.2	171.1	(8%)
Net Operating Profits	65.8	77.8	(15%)



### FY2009 Performance and Future Plans

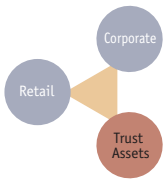
---

Gross profits decreased ¥13.9 billion, or 8%, year on year to ¥157.2 billion. Income was lower mainly from the pension business and investment trust management business, partly due to the impact of a decline in asset balances prompted by worsening market conditions in fiscal 2008. Net operating profits decreased ¥12.0 billion, or 15%, to ¥65.8 billion, despite efforts to reduce operating costs.

In the Trust Assets Business, our strategy is to maintain our strong presence in Japan, while stepping up our overseas initiatives. First, we will expand alliances with overseas investment management firms in response to growing needs for overseas investment products with strong growth prospects among Japanese customers. We started to provide Japanese customers with the investment products of Aberdeen Asset Management, a UK-based asset manager with whom we entered into a capital and business alliance in October 2008. In November 2009, we raised our equity interest in Aberdeen Asset Management and made it an equity method affiliate to further strengthen the alliance.

Another important strategy is developing our overseas customer base. We are considering providing Japanese products to overseas customers, and exploring the possibility of entering the overseas retail and institutional investor business, primarily in Asia.





## Pension Business

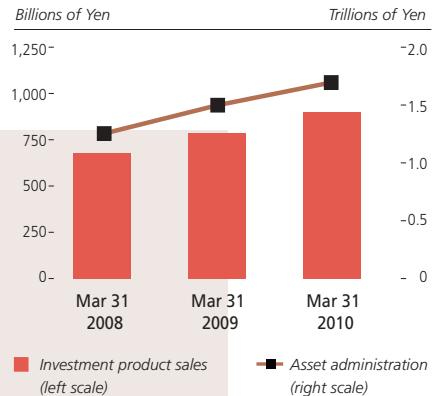
### FY2009 Performance and Future Plans

Gross profits declined ¥2.4 billion year on year to ¥59.0 billion due to the impact of deteriorating market conditions. However, in our core pension trust business, we maintained the top share of the market in terms of the Pension Trust Balance by continuously launching new products that fit customer needs.

In defined contribution (DC) pensions, the asset administration balance and investment product sales balance exceeded ¥1.7 trillion and ¥900 billion, respectively, allowing us to maintain one of the highest shares of the domestic market.

Looking ahead, we will strengthen comprehensive consulting services addressing customers' pension financial management and bolster the development of new products designed to meet increasingly diversifying customer needs. In DC pensions, we will work to win accounts to become the plan administrator for major large and medium-sized pensions and to further strengthen investment product sales to these pensions.

**Balance of Investment Product Sales and Asset Administration in DC Pensions**



## Investment Trust Management and Administration

### FY2009 Performance and Future Plans

Gross profits from the Investment Trust Management Business decreased ¥3.1 billion year on year to ¥59.2 billion. Gross profits from the investment trust administration business decreased ¥1.2 billion year on year to ¥13.2 billion. In both businesses, the decline in gross profits was attributable to the impact of deteriorating market conditions since the second half of fiscal 2008. However, the balance of investment trust assets under management was maintained at the industry's top level, mainly owing

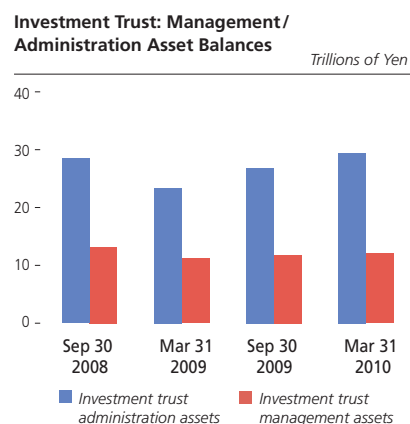
to the inflow of funds to high-dividend investment trust products and increases in fair value. We also maintained the investment trust administration balance at the industry's top position, as highlighted by the entrustment of Japan's first crude oil futures ETF. Looking ahead, in the Investment Trust Management Business, we will strengthen our product line-up to meet diversifying customer needs. In the Investment Trust Administration Business, we aim to further expand our asset balance by promoting an approach focused on asset management companies.

### Global Custody Services

#### FY2009 Performance and Future Plans

Gross profits in the Global Custody Business decreased ¥3.3 billion year on year to ¥8.4 billion. Securities lending and other value-added businesses that performed well in fiscal 2008 were impacted by the adverse market conditions and struggled in fiscal 2009. However, the global custody asset balance improved to ¥43 trillion, thanks to Group-wide collaboration on cultivating new customers and other initiatives.

Going forward, we intend to strengthen foreign investment trust administration operations, for which there are strong customer needs, as well as securities lending and other value-added operations. We also plan to further pursue Group-wide collaboration in order to cultivate new customers.



# Global Activities

**By harnessing the strengths of our global network and utilizing capital and business alliances, we are enhancing our presence in various regions around the world.**



MUFG has the largest overseas network of any Japanese bank. As of March 31, 2010, the Group had a presence in over 40 countries, with 463 outlets outside Japan. MUFG leverages this broad network to offer fund-raising support through syndicated loans, project finance and other methods. The Group also seeks to meet the needs of corporate clients by providing global cash management services (CMS) and M&A advisory, among other services.

MUFG is also expanding its network in various regions through capital and business alliances with leading financial institutions worldwide, and strengthening overseas Corporate and Investment Banking (CIB) operations. Through these strategies, MUFG aims to raise the share of net operating profits derived from international operations over the medium and long terms. In regard to the strategic alliance with Morgan Stanley, in which MUFG took an equity stake, we achieved steady results in overseas operations. In the Americas, we executed loan projects concerning large acquisitions through a loan marketing joint venture in corporate finance. In Europe, the Middle East and Africa (EMEA), we formed a syndicated loan leveraging MUFG's trade finance expertise and Morgan Stanley's commodities expertise. In Asia, we implemented a fund-raising project combining loans from MUFG and bond issuance arrangements from Morgan Stanley. Going forward, we will continue to actively expand operations through collaboration that leverages the two partners' strengths in various regions.



## Asia & Oceania

In Asia & Oceania, MUFG has built a superior network underpinned by its extensive history in the region. As of March 31, 2010, MUFG had a total of 54 branches, sub-branches, representative offices and subsidiaries in the region. MUFG aims to become the number one bank in Asia. We have built a business organization closely tied to local regions and we have a competitive edge in providing our customers with solutions that take full advantage of the Group's comprehensive strengths.

We have secured a strong position and network in doing business with Japanese companies, especially in the area of settlement services, and we will maintain this edge in the future. In terms of business with non-Japanese companies, we are working to further increase business with blue-chip companies in Asia and multinational corporations by strengthening our Corporate and Investment Banking (CIB) operations, among other measures. MUFG achieved strong results, including ranking No.1 in Asia in terms of syndicated loan arrangements in international currencies (excluding Japanese and Australian markets) in the first half of 2009 (January to June). Furthermore, in order to incorporate the medium- and long-term growth of Asia's economies into the Group's overall growth strategy, we are looking at proactively developing retail and other new operations where markets are predicted to grow in the future.

In China, where prospects for economic growth remain strong, MUFG is enhancing products and services, while bolstering its framework. In March 2010, the MUFG Group provided the first RMB trade settlement services between Japan and China. Furthermore, in May 2010, Bank of Tokyo-Mitsubishi UFJ (China), Ltd., a wholly owned local subsidiary of





BTMU, became the first foreign bank to issue RMB bonds in mainland China, and has developed a framework to further respond to customers' RMB-based financing needs.

Working to expand its network in China, BTMU (China) opened the Chengdu branch in March 2010 and the Guangzhou Nansha sub-branch in July. Combining BTMU (China)'s total of 8 branches and 3 sub-branches in the country with 1 BTMU representative office, MUFG

now has a local network of 12 bases from which it plans to fulfill a diverse range of customer needs.



*Opening ceremony  
for the Chengdu branch, China*

### **The Americas**

As of March 31, 2010, MUFG had a total of 30 branches, sub-branches, representative offices and subsidiaries in the Americas. In addition, Union Bank has a network of 341 branches, mainly concentrated in the State of California.

In North America, MUFG provides a broad scope of services centered on fund-raising support through syndicated loans, securitization, leases, structured finance and other services. In 2009 (January to December), MUFG ranked No.1 in the Americas in terms of project finance arrangement, as a result of proactive efforts to develop project finance operations. In addition, MUFG conducts comprehensive investment banking operations such as securities underwriting and dealing operations, and satisfies a diverse array of customer needs by offering optimal investment banking proposals.

In Central and South America, MUFG has the largest network of any Japanese bank, with 10 locations in 7 countries. Leveraging this network, MUFG is developing services that include syndicated loans and project finance for natural resource development. In Brazil, which is the largest market in Central and South America, MUFG provides a broad range of services by utilizing its 36-year business alliance with Banco Bradesco, one of Brazil's largest private-sector banks, in addition to Banco de Tokyo-Mitsubishi UFJ Brasil S/A, whose history can be traced back to the pre-World War II years.

- **Union Bank**

Union Bank (Union Bank, N.A.), headquartered in San Francisco, is one of the top 20 commercial banks in the U.S. in terms of total deposits (as of March 31, 2010). Through its parent holding company UnionBanCal Corporation (UNBC), Union Bank is a wholly owned consolidated subsidiary of BTMU. The bank has approximately 10,000 employees and offers a wide range of services, including lending, cash management services, and trade financing



*Union Bank*

services to corporate clients, and deposit, housing loans, investment products, private banking and other financial services to individuals. In April 2010, Union Bank acquired certain assets and liabilities of Tamalpais Bank of the State of California, and Frontier Bank of the State of Washington in May 2010. Through these acquisitions, Union Bank has expanded its branch network to cover the U.S. West Coast from Seattle in the north to San Diego in the south.

In February 2010, BTMU and Union Bank introduced an alliance between their existing power and utility groups in the United States. The groups now jointly market BTMU and Union Bank products under the Mitsubishi UFJ Financial Group (MUFG) brand. Looking ahead, we

intend to further increase MUFG's presence in the U.S. by further enhancing such internal group collaboration in the country and promoting our growth strategies.

### **Europe, Russia, the Middle East and Africa**

As of March 31, 2010, MUFG had a total of 38 branches, sub-branches, representative offices and subsidiaries in Europe, Russia, the Middle East and Africa.

In Western Europe, MUFG has established operating bases in major cities. The Group has constructed a solid network of operating bases to assist in meeting the complex business requirements of clients, including cross-border transactions that are increasing sharply in the EU region. In July 2009, MUFG arranged a large fund-raising project for Electricite de France S.A. (EDF) as the sole lead managing underwriter. This project raised funds through the first issuance of non-government-guaranteed samurai bonds since the financial crisis.

In Central and Eastern Europe and Russia, MUFG opened a representative office in Almaty, Kazakhstan. As the number of Japanese firms developing business in Central Asia continues to rise, MUFG aims to contribute to regional development by meeting the needs of corporate clients at the frontline of their operations.

In the Middle East, we address our customers' needs mainly through our Bahrain branch, offices in Abu Dhabi, Dubai and Doha, and three representative offices (Cairo, Tehran and Istanbul). We also address our customers' needs through a partnership with the Dubai-Japan desk of the National Bank of Abu Dhabi. In a region that has many large-scale projects thanks to its ample oil and natural gas resources, we are also proactively developing our operations in the areas of project finance, syndicated loans, and trade finance. In June 2009, we arranged a US\$5 billion syndicated loan for International Petroleum Investment Company (IPIC) in Abu Dhabi of the United Arab Emirates. This was the largest syndicated loan formed by a Japanese bank for a customer in the Middle East.

In Africa, in May 2010, MUFG signed a memorandum of understanding on business cooperation with The African Export-Import Bank, a multinational financial institution in the region. Looking ahead, while leveraging this partnership, MUFG will actively work to provide services in Africa.



*Signing ceremony with The African Export-Import Bank*



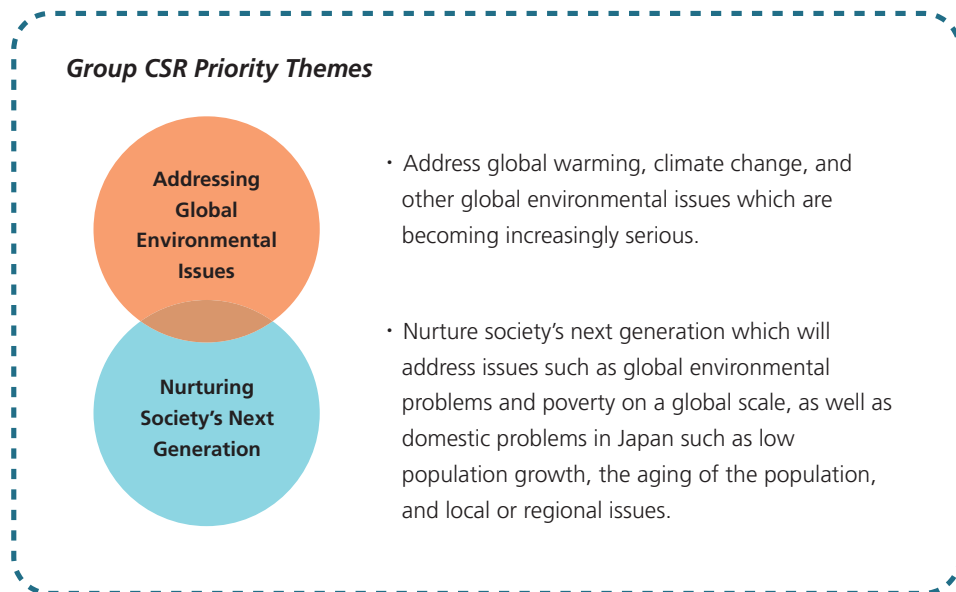
# Corporate Social Responsibility (CSR)

## What CSR Means for MUFG

MUFG's management philosophy incorporates our aspirations to promote harmony and prosperity for all of our stakeholders, and to contribute to the realization of a sustainable society. The essence of MUFG's CSR is for each employee to put our management philosophy into practice, based on "customer-oriented" and "field-oriented" approaches.

MUFG operates in many locations throughout the world, and does business with a vast number of customers. While we operate globally as a financial group, we are also a member of the local communities in which we do business, with ties to many of the people in each of those communities. From these dual points of view, we work to recognize both our responsibilities and our potential, and to act accordingly.

MUFG has adopted "Addressing Global Environmental Issues" and "Nurturing Society's Next Generation" as the two priority themes of its CSR activities. These priority themes have been established based on our belief in working to solve key issues for society as a whole, given that MUFG exists only with the support of our customers and society at large.



The MUFG Group is particularly concerned about environmental issues. To turn those concerns into action, in June 2008 we formulated the MUFG Environmental Action Policy (the "Action Policy") to promote concrete efforts for the environment. Under the Action Policy, we are working to reaffirm our understanding of environmental issues, and, in our core business of financial services, provide products and services that support the concerns of customers in relation to the environment. Through this, we will devote our energies to the creation of an environmentally conscious society. We will also work to reduce the environmental impact of our own business activities, with the Bank of Tokyo-Mitsubishi UFJ (BTMU), Mitsubishi UFJ Trust and Banking Corporation (MUTB), and Mitsubishi UFJ Morgan Stanley Securities (MUMSS) each having set a target of a 25% reduction in emissions of CO<sub>2</sub> and other greenhouse gases from 2000 levels by 2012.

With an awareness of its role as a comprehensive financial group, MUFG will continue strengthening its initiatives to contribute to the realization of a sustainable society.

### ***Contributing Through Our Financial Functions***

---

MUFG will continue to leverage its unique capabilities as a comprehensive financial group to provide financial support so that funds flow to companies and individuals that are passionate about social and environmental initiatives, and we will continue to offer products and services that directly tie into our clients' social and environmental projects.

#### **• Promotion of Financial Schemes that Help Protect the Ecosystem**

At MUMSS, the staff is working with the government of Ecuador to promote a break from reliance on diesel-based electric power, through a project that proposes raising funds utilizing a Clean Development Mechanism (CDM). The initiative aims to protect the ecosystem by replacing diesel with renewable natural energy sources such as wind and biofuel power generation.



*A species of iguana native to the Galapagos Islands (Ecuador)*

MUMSS is also the first Japanese company to be registered with the United Nations as a CDM consultant for reforestation in Paraguay.

- **Project Finance for Renewable Energy**

BTMU has been involved in many renewable energy financing projects in Europe and North America. In October 2009, BTMU closed the financing for a portfolio of offshore wind farm assets invested in by Centrica Plc. of the UK as a mandated lead arranger. Despite severe market turmoil, BTMU successfully brought together the deal with a total of fourteen banks from six different countries. This deal marks an important milestone as the first successful wind portfolio project financed in the UK where the majority of assets are situated offshore.



*Centrica Plc.*

- **Support for Environmentally Conscious Fund Raising**

Financial institutions are expected to engage in initiatives to ensure that the funds they provide for development projects in industrializing countries, or for business activities worldwide, do not lead to the destruction of the global environment. At BTMU, the staff employ our Equator Principles as a framework for considering the environment when working on large-scale project finance deals, and operate according to those principles. Our staff provides advice to ensure that the customer's project is operated with consideration for the environment in line with international standards, supporting both fund raising and environmental protection.

### ***Local Communities and Global Society***

---

- **Scholarships for Students from Asia**

The Mitsubishi UFJ Foundation provides scholarships to 16 graduate students and three undergraduate students from Asian countries studying in Japan, to support the development of human capital in the region. The foundation holds networking events several times each year where these students can meet employees. The foundation also provides scholarships to approximately 550 local students at 27 universities in eight countries, including China, Vietnam and Myanmar.

- **Next Generation Leaders Training Program for Asia**

Since fiscal 2008, MUFG has joined with the Organization for Industrial, Spiritual, and Cultural Advancement (OISCA) to conduct the Next Generation Leaders Training Program for Asia. The program invites youth from developing countries in Asia for one year of training in management and organic agricultural technology, so they can become leaders when they return to their countries. In fiscal 2008 and 2009, a total of 20 trainees successfully completed their one year of training and returned home. Since returning to their home countries, these future leaders have begun activities towards realizing their dreams, making use of the knowledge they gained during the training.



*Next generation training for Asia*

- **Activities by Overseas Offices**

Based on its policy of encouraging community-centric, employee participation-based activities even overseas, MUFG is working to contribute to the development of local communities.

In the United States, MUFG participates in the March of Dimes/March For Babies, a nationwide charity walk that raises money to help prevent premature births and protect the health of expectant mothers. In April 2009, employees of BTMU, MUTB, and MUS (USA) and their families combined in a 350-person MUFG team to participate in the event in New York. A total of \$59,348 was donated, including matching funds from BTMU and MUTB.

In January 2010, a total of 200 BTMU, MUTB, and MUS (Hong Kong) staff participated in the “Walk for Millions” event organized by the Community Chest of Hong Kong, and donated HK \$232,300.

At the BTMU Dusseldorf branch in Germany, employees participated in the annual citizens’ clean-up campaign organized by the city as part of its efforts to create a litter-free city. In fiscal 2009, more than 80 employees and their families gathered to clean Hofgarten Park.

At the BTMU Brussels branch in Belgium, employees collect old clothing, towels, and other items, and donate them to social welfare facilities. A temporary blood donor station was also set up in the branch by the Belgian Red Cross Society, and many employees participated in giving blood.

At the BTMU London branch in England, electrical power used in the office now comes from a renewable energy source, as part of initiatives to reduce emissions of greenhouse gases.



*The March of Dimes/March for Babies*

# Corporate Governance

MUFG regards the establishment and operation of properly functioning corporate governance systems as an important management issue.

## **Corporate Governance Framework at Holding Company**

The holding company has established a corporate governance structure of high integrity and transparency with an emphasis on incorporating external perspectives, mainly through the establishment of a Board of Corporate Auditors and a system of voluntary committees. Ongoing efforts are being made to refine this structure.

- **Outside directors and voluntary committees**

Three members of the 16-member Board of Directors are outside directors who satisfy the independence requirements of stock exchanges. This ensures that the outside directors provide advice on management as a whole, and checks to strengthen oversight of directors who have operational responsibilities. Outside directors help to maintain and enhance corporate governance functions by overseeing the operational execution duties of directors at board meetings.

The holding company has also established two voluntary committees that report to the Board of Directors. Outside directors chair the Internal Audit and Compliance Committee, and the Nomination and Compensation Committee. Outside members constitute a majority of each of these committees.

- **Oversight from the Board of Corporate Auditors**

The Board of Corporate Auditors is made up of five members, with the three outside corporate auditors comprising a majority and each satisfying the independence requirements of stock exchanges. The outside members help to improve the quality of auditing activities by corporate auditors by expressing opinions at meetings of the Board of Corporate Auditors from an independent and objective viewpoint.

- **External support from the Advisory Board**

Composed of external experts, the Advisory Board convenes regularly and reports to the Executive Committee. This body provides valuable input to senior management by actively discussing group-wide management issues from an independent standpoint.

## **Group Corporate Governance Framework**

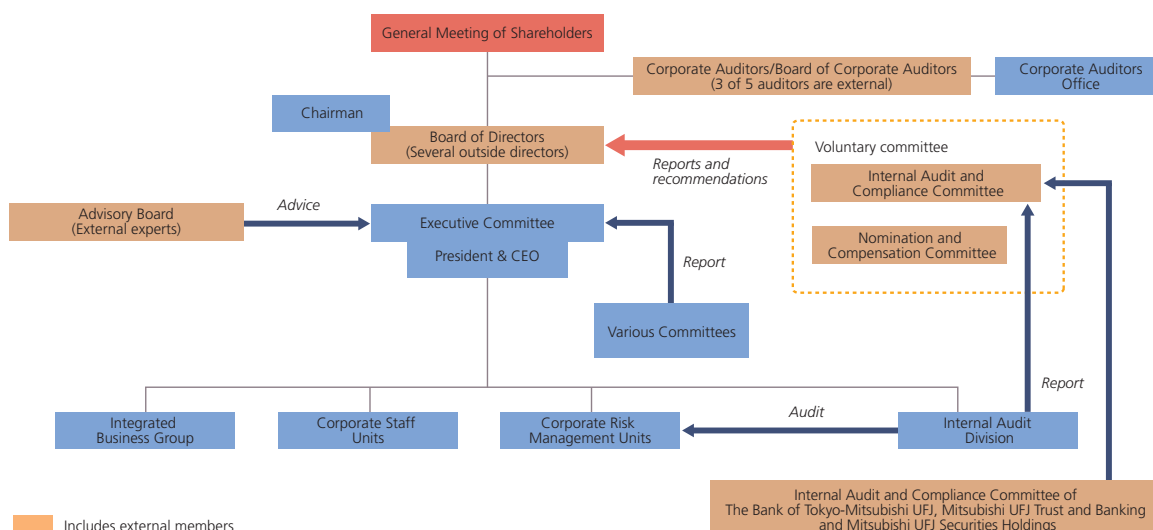
Cross-Group governance frameworks covering risk management, compliance and internal audits bolster the governance of MUFG and aid the holding company in supervising group business activities. The holding company assigns directors to The Bank of Tokyo-Mitsubishi UFJ, Mitsubishi UFJ Trust and Banking and Mitsubishi UFJ Securities Holdings to provide additional oversight of the operations of these major subsidiaries.



In addition, The Bank of Tokyo-Mitsubishi UFJ, Mitsubishi UFJ Trust and Banking and Mitsubishi UFJ Securities Holdings have each appointed outside directors as a means of actively stimulating objective discussion at board meetings and promoting greater transparency. Each of these major

subsidiaries has also voluntarily established an audit committee that reports to their respective directors. These committees are made up of a majority of external members, including outside directors and externally appointed legal or accounting experts.

### Group Corporate Governance Structure



### Overview of Internal Audit and Compliance Committee and Nomination and Compensation Committee

(As of June 29, 2010)

	Scope of committee deliberations	Members
Internal Audit and Compliance Committee	Matters related to internal audits and statutory compliance at the holding company and group subsidiaries	Chairman: Ryuji Araki ( <i>Outside director</i> ) Kazuhiro Watanabe ( <i>Outside director</i> ) Koji Tajika ( <i>External expert/certified public accountant</i> ) Yoshinari Tsutsumi ( <i>External expert/attorney at law</i> ) Kinya Okauchi ( <i>Deputy Chairman and CAO, MUFG</i> )
Nomination and Compensation Committee	Matters related to the selection of candidates for directorships at the holding company, important personnel affairs at the holding company and group subsidiaries, and remuneration for senior management of the holding company and group subsidiaries	Chairman: Takuma Otoshi ( <i>Outside director</i> ) Ryuji Araki ( <i>Outside director</i> ) Kazuhiro Watanabe ( <i>Outside director</i> ) Katsunori Nagayasu ( <i>President &amp; CEO, MUFG</i> )

### Advisory Board Members

(As of June 29, 2010)

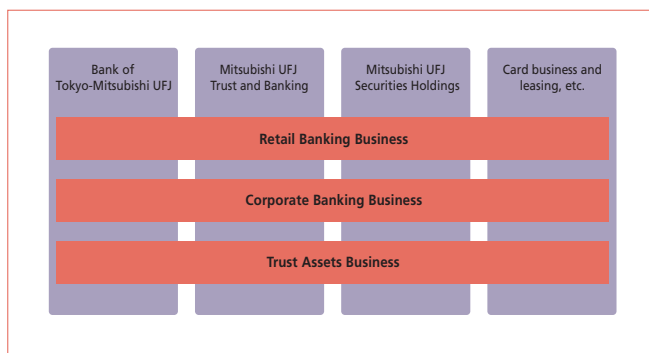
Kazuhito Ikeo <i>Professor of Economics, Keio University</i>	Naotake Okubo <i>Chairman, Sekisui Chemical Co., Ltd.</i>	Yuko Kawamoto <i>Professor, Waseda University, Graduate School of Finance, Accounting &amp; Law</i>	Yoshihide Munekuni <i>Former Chairman, Honda Motor Co., Ltd.</i>
---	--	--	---

# Group Business Management

## Operational Management Framework

MUFG has adopted a group organizational structure that features cross-integration along functional lines to deliver timely and value-added financial products and services that address the needs of a wide range of customers. This framework involves close cooperation among group companies and is based on an integrated business group system to develop operations in line with a unified strategy. The holding company has established integrated business groups to focus on MUFG's three core businesses of Retail, Corporate and Trust Assets. This framework aims to ensure that MUFG can address customer needs with speed and accuracy.

### Integrated Business Group System



### Glossary of terms:

● **Cost of capital-adjusted return** is a post-tax performance indicator (derived from Japanese GAAP data) equal to segment net income minus the cost of capital. MUFG aims to build corporate value over the medium and long term by assessing the returns from business development after fully taking into account the cost of capital (the expected return for shareholders).

● **Consolidated operating ROE** is a post-tax performance indicator (derived from Japanese GAAP data) equal to segment net income divided by the value of allocated capital. MUFG pursues higher returns on capital by seeking to maximize the returns generated from allocated capital at each business group and segment.

\*Segment net income = net operating profits + net profits from capital investment – credit costs + other net non-recurring gains (losses) – income taxes (all of the foregoing are non-consolidated) + profits (losses) from investments in affiliates + net income of other subsidiaries

## Business Management Indicators

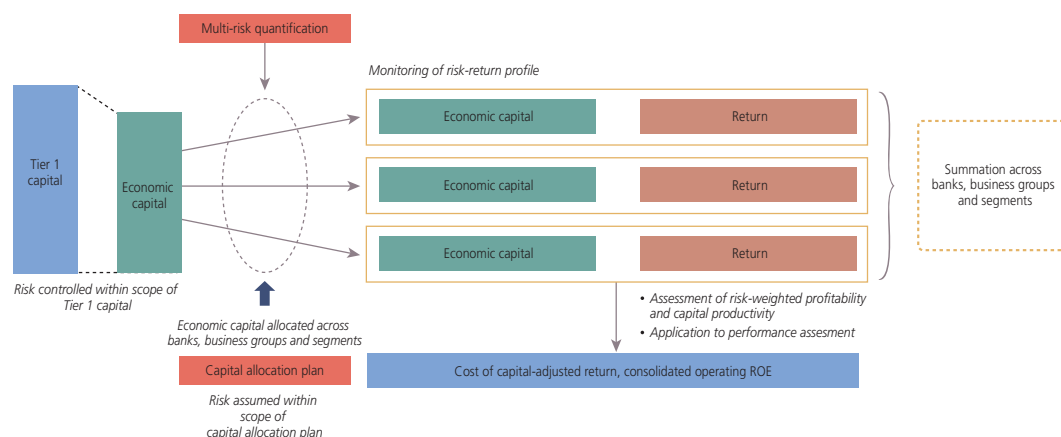
MUFG has introduced a system to monitor and allocate capital across subsidiary banks, business groups and segments, and between different categories of risk. Based on quantitative measurement of the various risks faced by MUFG using internal risk management methods, the system guides the risk-weighted allocation of capital (economic capital) with the aim of improving the overall risk-return profile for MUFG and ensuring that the proper allocation of economic resources delivers returns that are commensurate with risk. Under this system, the holding company formulates a capital allocation plan for each six-month period based on discussions with subsidiary banks. In addition, MUFG has introduced business management indicators (cost of capital-adjusted return and consolidated operating ROE, etc.) for the purpose of assessing and managing risk-weighted profitability and capital productivity, and applies some of these indicators to performance assessments.

## Overview of Internal Capital Adequacy Assessment Process

The holding company assesses its internal capital adequacy from two perspectives, namely regulatory capital based on capital adequacy regulations, and its own economic capital based on internal risk assessment.

Internal capital adequacy assessment based on regulatory capital is carried out by using a capital adequacy ratio and Tier 1 ratio calculated from risk-weighted assets and capital which are stipulated in the capital adequacy regulation. The

## Management of Allocated Capital



holding company compares these figures with its targets—a capital ratio of 12% and Tier 1 ratio of 8%—when formulating its internal risk-weighted assets plan and capital plan. In addition, the capital adequacy ratio and Tier 1 ratio are regularly calculated and reported to management during the fiscal year in order to monitor internal capital adequacy.

Internal capital adequacy assessment based on economic capital is carried out within the framework of the capital allocation system, which allocates capital in accordance with credit risk, strategic equity portfolio risk, market risk, and operational risk. Included within these risks are credit concentration risk and interest rate risk in the banking book as stipulated by the Second Pillar of Basel II. Each risk is calculated using the basic assumptions of a confidence interval of 99% and a holding period of one year. The total risk amount, taking into account the effect of diversification and net unrealized gains on securities

available for sale, is compared with Tier 1 capital to assess internal capital adequacy, and the capital allocation plan is then formulated. Thereafter, the use of allocated capital is regularly checked against the plan during the fiscal year, including risk assessment with a 99.9% confidence interval, and compared with Tier 1 capital to provide ongoing monitoring of internal capital adequacy.

When drawing up a regulatory capital plan and economic capital plan, both methods undergo stress testing. The plans for regulatory and economic capital are formulated following detailed analysis of the impact of the stress testing on capital and risk, and assessment of internal capital adequacy.

The major banking subsidiaries, namely the Bank of Tokyo-Mitsubishi UFJ and Mitsubishi UFJ Trust and Banking, utilize a similar framework to assess their internal capital adequacy.

# Risk Management

Numerous changes in our business environment have occurred as a result of globalization of the financial industry, the advancement of information technology and changes in economic conditions. We aim to be a global and comprehensive financial group encompassing leading commercial and trust banks, and securities firms in Japan. Risk management plays an increasingly important role as the risks faced by financial groups such as us increase in scope and variety.

We identify various risks arising from businesses based on uniform criteria, and implement integrated risk management to ensure a stronger financial condition and to maximize shareholder

value. Based on this policy, we identify, measure, control and monitor a wide variety of risks so as to achieve a stable balance between earnings and risks. We undertake risk management to create an appropriate capital structure and to achieve optimal allocation of resources.

## Risk Classification

At the holding company level, we broadly classify and define risk categories faced by the Group including those that are summarized below. Group companies perform more detailed risk management based on their respective operations.

Type of Risk	Definition
Credit Risk	The risk of financial loss in credit assets (including off-balance sheet instruments) caused by deterioration in the credit conditions of counterparties. This category includes country risk.
Market Risk	Market risk is the risk of financial loss where the value of our assets and liabilities could be adversely affected by changes in market variables such as interest rates, securities prices and foreign exchange rates. Market liquidity risk is the risk of financial loss caused by the inability to secure market transactions at the required volume or price levels as a result of market turbulence or lack of trading liquidity.
Liquidity Risk	The risk of incurring loss if a poor financial position at a group company hampers the ability to meet funding requirements or necessitates fund procurement at interest rates markedly higher than normal.
Operational Risk	The risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.
Operations Risk	The risk of incurring loss that might be caused by negligence of correct operational processing, or by incidents or misconduct by either officers or staff, as well as risks similar to this risk.
Information Asset Risk	The risk of loss caused by loss, alteration, falsification or leakage of information, or by destruction, disruption, errors or misuse of information systems, as well as risks similar to this risk.
Reputation Risk	The risk of loss due to deterioration in reputation as a consequence of the spread of rumors among customers or in the market, or as a consequence of inadequate response to the circumstance by MUFG, as well as risks similar to this risk.

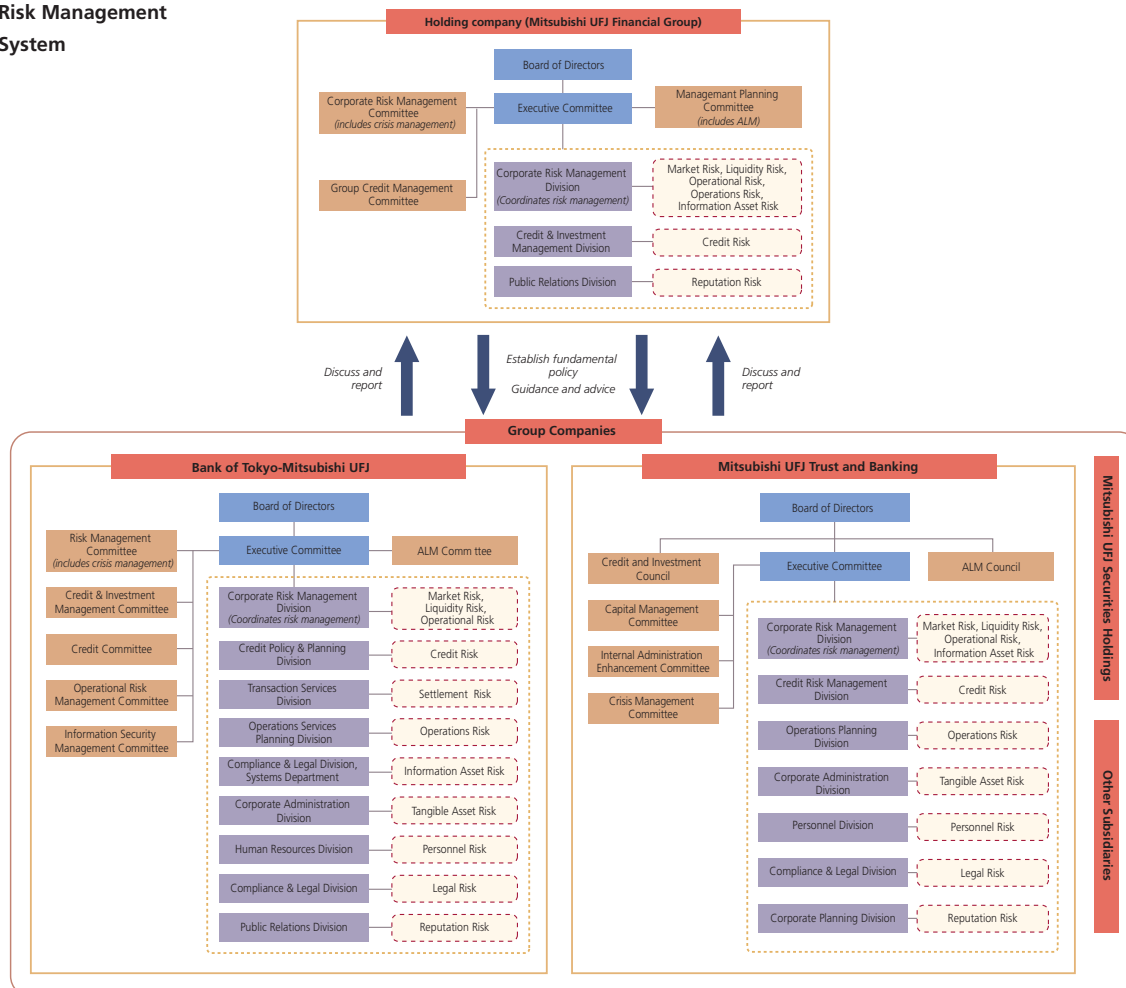
## Risk Management System

We have adopted an integrated risk management system to promote close cooperation among the holding company and group companies. The holding company and the major subsidiaries (which include The Bank of Tokyo-Mitsubishi UFJ, Ltd., or BTMU, Mitsubishi UFJ Trust and Banking Corporation, or MUTB, and Mitsubishi UFJ Securities Holdings Co., Ltd., or MUSHD) each appoint a Chief Risk Management Officer and establish an independent risk management division. At the Risk Management Committees, our management members discuss and dynamically manage various types of risks from both qualitative and

quantitative perspectives. The board of directors determines risk management policies for various types of risk based on the discussions held by these committees.

The holding company seeks to enhance group-wide risk identification, to integrate and improve the Group's risk management system and related methods, to maintain asset quality, and to eliminate concentrations of specific risks. Group-wide risk management policy is determined at the holding company level and each group company implements and improves its own risk management system based on this policy.

## Risk Management System



### **Business Continuity Management**

Based on a clear critical response rationale and associated decision-making criteria, we have developed systems to ensure that operations are not interrupted or can be restored to normal quickly in the event of a natural disaster or system failure so as to minimize any disruption to customers and markets. A crisis management team within the holding company is the central coordinating body in the event of any emergency. Based on information collected from crisis management personnel at the major subsidiaries, this central body would assess the overall impact of a crisis on the Group's business and establish task forces that could implement all countermeasures to restore full operations. We have business continuity plans to maintain continuous operational viability in the event of natural disasters, system failures and other types of emergencies. Regular training drills are conducted to upgrade the practical effectiveness of these systems.

### **Implementation of Basel II**

Basel II is a comprehensive regulatory framework for ensuring the soundness and stability of the international banking system. It is based on "three pillars": (1) minimum capital requirements, (2) the self-regulation of financial institutions based on supervisory review process, and (3) market discipline through the disclosure of information. The goal of Basel II is to have these three pillars mutually reinforce each other to ensure the effectiveness of

regulations. In addition, with respect to credit risk and operational risk, as compared to the previous framework, Basel II provides more risk-sensitive approaches and a range of options for measuring risks and determining the capital requirements. As a result, Basel II also reflects the nature of risks at each bank more closely. Basel II has been applied to Japanese banks since March 31, 2007.

Based on the principles of Basel II, MUFG has adopted the Advanced Internal Ratings-Based Approach to calculate its capital requirements for credit risk since March 31, 2009. The Standardized Approach is used for some subsidiaries that are considered to be immaterial to our overall capital requirements and a few subsidiaries have adopted a phased rollout of the internal ratings-based approach. MUFG has adopted the Standardized Approach to calculate its capital requirements for operational risk. As for market risk, MUFG has adopted the Internal Models Approach mainly to calculate general market risk and adopted the Standardized Method to calculate specific risk.

The Basel Committee of Banking Supervision has proposed revisions to Basel II in response to the recent global financial crisis. We intend to continue to monitor discussions and other developments relating to the proposed revisions.

## Credit Risk Management

Credit risk is the risk of losses due to deterioration in the financial condition of a borrower. We have established risk management systems to maintain asset quality, manage credit risk exposure and achieve earnings commensurate with risk.

Our major banking subsidiaries (which include BTMU and MUTB) apply a uniform credit rating system for asset evaluation and assessment, loan pricing, and quantitative measurement of credit risk. This system also underpins the calculation of capital requirements and management of credit portfolios. We continually seek to upgrade credit portfolio management, or CPM, expertise to achieve an improved risk-adjusted return based on the Group's credit portfolio status and flexible response capability to economic and other external changes.

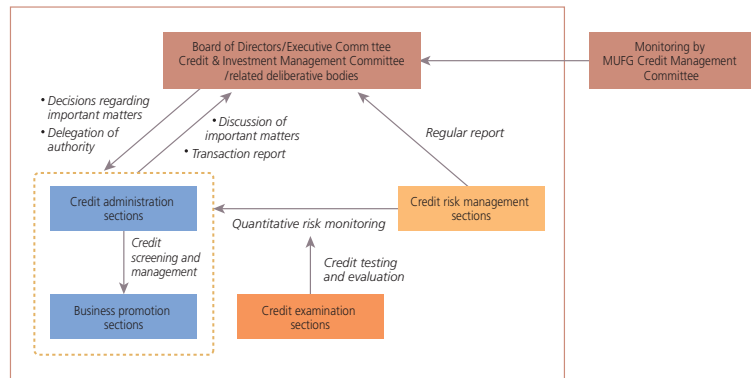
### Credit Risk Management System

The credit portfolios of our major banking subsidiaries are monitored and assessed on a regular basis by the holding company to maintain and improve asset quality. A uniform credit rating and asset evaluation and assessment system is used to ensure timely and proper evaluation of all credit risks.

Under our credit risk management system, each major banking subsidiary manages its respective credit risk on a consolidated and global basis, while the holding company oversees and manages credit risk on an overall group-wide basis. The holding company also convenes regular committee meetings to monitor credit risk management at banking subsidiaries and to issue guidance where necessary.

Each major banking subsidiary has in place a system of checks and balances in which a credit administration section that is independent of the business promotion sections screens individual transactions and manages the extension of credit. At the management level, regular meetings of Credit & Investment Management Committee and related deliberative bodies ensure full discussion of important matters related to credit risk management. Besides such checks and balances and internal oversight systems, credit examination sections also undertake credit testing and evaluation to ensure appropriate credit risk management.

### Management System of the Major Banking Subsidiaries



## Credit Rating System

MUFG and its major banking subsidiaries have introduced an integrated credit rating system to evaluate credit risk. The credit rating system consists primarily of borrower rating, facility risk rating, structured finance rating and asset securitization rating.

Country risk is also rated on a uniform group-wide basis. Our country risk rating is reviewed pe-

riodically to take into account relevant political and economic factors, including foreign currency availability.

Risk exposure for small retail loans, such as residential mortgage loans, is managed by grouping loans into various pools and assigning ratings at the pool level.

## Definitions of Borrower Ratings

Borrower rating	Definition	Borrower category	NPL Classifications under FRL
1~2	Borrower capacity to meet financial obligations deemed high and stable	Normal	Normal claims
3~5	Borrower capacity to meet financial obligations deemed free of problems		
6~8	Borrower capacity to meet short-term financial obligations deemed free of problems		
9	Borrower capacity to meet financial obligations deemed slightly insufficient		
10~12	Close monitoring of borrower required due to one or more of following conditions: [1] Borrower who has problems meeting financial obligations (e.g. principal repayments or interest payments in arrears) [2] Borrower whose business performance is poor or unsteady, or in an unfavorable financial condition [3] Borrower who has problems with loan conditions (e.g. interest rates have been reduced or deferred)	Close watch	Claims under close observation
10	Causes for concern identified in borrower's business management necessitate ongoing monitoring, despite only minor problems or significant ongoing improvement		
11	Emergence of serious causes for concern in borrower's business management signal need for caution in debt repayment due to major problems or requiring protracted resolution		
12	Borrower meeting the definition of rating 10 or 11 and holds restructured loan, or borrower with loan contractually past due 90 days or more due to particular reasons, such as an inheritance-related issue		
13	Borrower with respect to whom losses are expected due to major debt repayment problems (that is, although not yet bankrupt, borrower deemed likely to become bankrupt due to financial difficulties and failure to make significant progress with restructuring plans)	Likely to become bankrupt	Doubtful claims
14	Although not legally or officially bankrupt, borrower in virtual bankruptcy due to serious financial difficulties, without any realistic prospect of business recovery	Virtually bankrupt	Claims over bankrupt or virtually bankrupt borrowers
15	Borrower legally or officially bankrupt and subject to specific procedures, such as legal liquidation/business suspension/winding up of business/private liquidation	Bankrupt	



- **Borrower rating**

Our borrower rating classifies borrowers into 15 grades based on evaluations of their expected debt-service capability over the next three to five years.

- **Facility risk rating**

Facility risk rating is used to evaluate and classify the quality of individual credit facilities, including guarantees and collateral. Ratings are assigned by quantitatively measuring the estimated loss rate of a facility in the event of a default.

- **Structured finance rating and asset securitization rating**

These ratings are also used to evaluate and classify the quality of individual credit facilities, including guarantees and collateral, and focus on the structure, including the applicable credit period, of each credit facility. In evaluating the debt service potential of a credit facility, we scrutinize its underlying structure to determine the likelihood of the planned future cash flows being achieved.

- **Pool assignment**

Each major banking subsidiary has its own system for pooling and rating small retail loans designed to reflect the risk profile of its loan portfolios.

### **Asset Evaluation and Assessment System**

The asset evaluation and assessment system is used to classify assets held by financial institutions according to the probability of collection and the risk of any impairment in value based on borrower classifications consistent with the borrower ratings and the status of collateral, guarantees, and other factors.

The system is used to conduct write-offs and allocate allowances against credit risk in a timely and adequate manner.

### **Quantitative Analysis of Credit Risk**

MUFG and its major banking subsidiaries manage credit risk by monitoring credit amount and expected losses, and run simulations based on internal models to estimate the maximum amount of credit risk. These models are used for internal management purposes, including loan pricing and measuring economic capital.

When quantifying credit risk amounts using the internal models, MUFG and its major banking subsidiaries consider various parameters, including, probability of default, or PD, loss given default, or LGD, and exposure at default, or EAD, used in their borrower ratings, facility risk ratings and pool assignments as well as any credit concentration risk in particular borrower groups or industry sectors. MUFG and its major banking subsidiaries also share credit portfolio data in appropriate cases.

---

#### **Glossary of terms:**

- **PD (Probability of Default)**

The estimated default rate or the probability that the borrower will default. The definition of default is nonperformance in payments of interest or principal in the narrow sense; however, in quantifying credit risk, a wider definition of default is used.

- **LGD (Loss Given Default)**

The percentage loss at time of default, or in other words, the estimated percentage of loss on loan when a borrower defaults due to bankruptcy or other reasons.

- **EAD (Exposure at Default)**

The amount expressed in relevant currency of exposure to loss at time of default, or in other words, the estimated amount of exposure to loss on loan when a borrower defaults due to bankruptcy or other reasons.

### Loan Portfolio Management

We aim to achieve and maintain levels of earnings commensurate with credit risk exposure. Products are priced to take into account expected losses, based on the internal credit ratings.

We assess and monitor loan amounts and credit exposure by credit rating, industry and region. Portfolios are appropriately managed to limit concentrations of risk in specific categories by establishing Large Credit Guidelines.

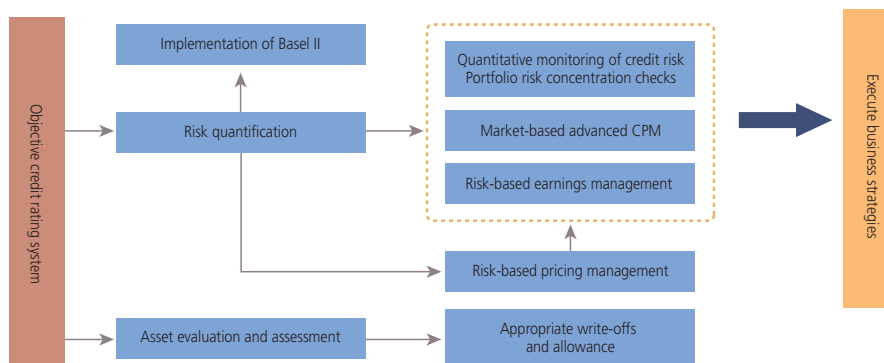
To manage country risk, we have established specific credit ceilings by country. These ceilings are reviewed when there is any material change in a country's credit standing, in addition to regular review.

### Continuous CPM Improvement

With the prevalence of securitized products and credit derivatives in global markets, we seek to supplement conventional CPM techniques with advanced methods based on the use of such market-based instruments.

Through credit risk quantification and portfolio management, we aim to improve the risk return profile of the Group's credit portfolio, using financial markets to rebalance credit portfolios in a dynamic and active manner based on an accurate assessment of credit risk.

Credit Portfolio Management (CPM) Framework



## Risk Management of Strategic Equity Portfolio

Strategic equity investment risk is the risk of loss caused by a decline in the prices of our equity investments.

We use quantitative analysis to manage the risks associated with the portfolio of equities held for strategic purposes. According to internal calculations, the market value of our strategically held (Tokyo Stock Exchange-listed) stocks as of March 31, 2010 was subject to a variation of

approximately ¥4.2 billion when TOPIX index moves one point in either direction.

We seek to manage and reduce strategic equity portfolio risk based on such types of simulation. The aim is to keep this risk at appropriate levels compared with Tier 1 capital while generating returns commensurate with the degree of risk exposure.

## Market Risk Management

Market risk is the risk that the value of our assets and liabilities could be adversely affected by changes in market variables such as interest rates, securities prices, or foreign exchange rates.

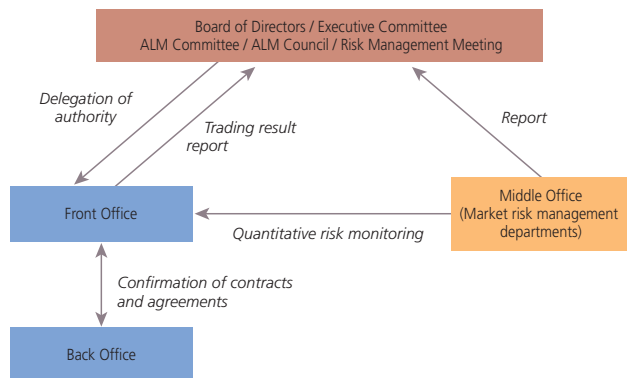
Management of market risk at MUFG aims to control related risk exposure across the Group while ensuring that earnings are commensurate with levels of risk.

### Market Risk Management System

We have adopted an integrated system to manage market risk from its trading and non-trading activities. The holding company monitors group-wide market risk, while each of the major subsidiaries manages its market risks on a consolidated and global basis.

At each of the major subsidiaries, checks and balances are maintained through a system in which back and middle offices operate independently from front offices. In addition, separate Asset-Liability Management, or ALM, Committee, ALM Council and Risk Management Meetings are held at each of the major subsidiaries every month to deliberate important matters related to market risk and control.

### Management System of Our Major Subsidiaries



The holding company and the major subsidiaries allocate economic capital commensurate with levels of market risk and determined within the scope of their capital bases. The major subsidiaries have established quantitative limits relating to market risk based on their allocated economic capital. In addition, in order to keep losses within predetermined limits, the major subsidiaries have also set limits for the maximum amount of losses arising from market activities.

#### **Market Risk Management and Control**

At the holding company and the major subsidiaries, market risk exposure is reported to the Chief Risk Management Officers on a daily basis. At the holding company, the Chief Risk Management Officer monitors market risk exposure across the Group as well as the major subsidiaries' control over their quantitative limits for market risk and losses. Meanwhile, the Chief Risk Management Officers at the major subsidiaries monitor their own market risk exposure and their control over their quantitative limits for market risk and losses. In addition, various analyses on risk profiles, including stress testing, are conducted and reported to the Executive Committees and the Corporate Risk Management Committees on a regular basis.

At the business unit levels in the major subsidiaries, the market risks on their marketable assets and liabilities, such as interest rate risk and foreign exchange rate risk, are controlled by entering into various hedging transactions using marketable securities and derivatives.

These market risk management activities are performed in accordance with the predetermined rules and procedures. The internal auditors as well as independent accounting auditors regularly verify the appropriateness of the management controls over these activities and the risk evaluation models adopted.

#### **Market Risk Measurement Model**

Market risks consist of general risks and specific risks. General market risks result from changes in entire markets, while specific risks relate to changes in the prices of individual stocks and bonds which are independent of the overall direction of the market. New methodology to measure market risk more promptly has been implemented since October 2009. Relevant divisions examined a magnitude of this new methodology and decided not to make a comment at this point.

To measure market risks, MUFG uses the VaR method which estimates changes in the market value of portfolios within a certain period by statistically analyzing past market data. Since the daily variation in market risk is significantly greater than that in other types of risk, MUFG measures and manages market risk using VaR on a daily basis.

Market risk for trading and non-trading activities is measured using a uniform market risk measurement model. The principal model used for these activities is historical simulation (HS) model (holding period, 10 business days; confidence interval, 99%; and observation period, 701 business days). The HS model calculates VaR amounts by estimating the profit and loss on the current portfolio by applying actual fluctuations in market rates and prices over a fixed period in the past. This method is designed to capture certain statistically infrequent movements, such as a fat tail, and accounts for the characteristics of financial instruments with non-linear behavior. Independent auditors, who were engaged only in the particular audit, verified the accuracy and appropriateness of this internal market risk model. The holding company and banking subsidiaries use the HS model to calculate Basel II regulatory capital adequacy ratios.

In calculating VaR using the HS method, we have implemented an integrated market risk measurement system throughout the Group. Our major subsidiaries calculate their VaR based on the risk and market data prepared by the information systems of their front offices and other departments. The major subsidiaries provide this risk data to the holding company, which calculates overall VaR taking into account the diversification effect among all portfolios of the major subsidiaries.

For the purpose of internally evaluating capital adequacy on an economic capital basis in terms of market risk, we use this market risk measurement model to calculate risk amounts based on a holding period of one year and a confidence interval of 99%.

Monitoring and managing our sensitivity to interest rate fluctuations is the key to managing market risk in MUFG's non-trading activities. The major banking subsidiaries take the following approach to measuring risks concerning core deposits, loan prepayments and early deposit withdrawals.

To measure interest rate risk relating to deposits without contract-based fixed maturities, the amount of "core deposits" is calculated through a statistical analysis based on deposit balance trend data and the outlook for interest rates on deposits, business decisions, and other factors. The amount of "core deposit" is categorized into various groups of maturity terms of up to five years (2.5 years on average) to recognize interest rate risk. The calculation assumptions and methods to determine the amount of core deposits and maturity term categorization are regularly reviewed.

Meanwhile, deposits and loans with contract-based maturities are sometimes cancelled or repaid before their maturity dates. To measure interest rate risk for these deposits and loans, we reflect these early termination events mainly by applying early termination rates calculated based on a statistical analysis of historical repayment and cancellation data together with historical market interest rate data.

### Stress Testing

We have adopted an HS-VaR model, which calculates a VaR as a statistically possible amount of losses in a fixed confidence interval based on historical market volatility. However, the HS-VaR model is not designed to capture certain abnormal market fluctuations. In order to complement this weakness of the model, MUFG conducts portfolio stress testing to measure potential losses using a variety of scenarios.

The holding company and the major subsidiaries conduct stress testing on a daily, monthly and quarterly basis to monitor their overall portfolio

risk by applying various scenarios. For example, daily stress testing at the holding company estimates maximum potential losses in each market on the current trading portfolio based on the worst ten-day historical volatility recorded during the VaR observation period of 701 days.

In light of increased market volatility since the second half of 2007, we have implemented additional tests under various stress scenarios to supplement VaR and are applying the test results to risk management.

### Liquidity Risk Management

Liquidity risk is the risk of incurring losses if a poor financial position hampers the ability to meet funding requirements, or necessitates fund procurement at interest rates markedly higher than normal.

Our major subsidiaries maintain appropriate liquidity in both Japanese yen and foreign currencies by managing their funding sources and mechanism, such as liquidity gap, liquidity-supplying products such as commitment lines, and buffer assets.

We have established a group-wide system for managing liquidity risk by categorizing the risk in the following three stages: Normal, With-Concern, and Critical. The front offices and risk

management offices of the major subsidiaries and the holding company exchange information and data on liquidity risk even at the Normal stage. At higher alert stages, we centralize information about liquidity risk and discuss issues relating to group-wide liquidity control actions among group companies, if necessary. We have also established a system for liaison and consultation on funding in preparation for contingency, such as natural disasters, wars and terrorist attacks. The holding company and the major subsidiaries conduct group-wide contingency preparedness drills on a regular basis to ensure smooth implementation in the event of an emergency.

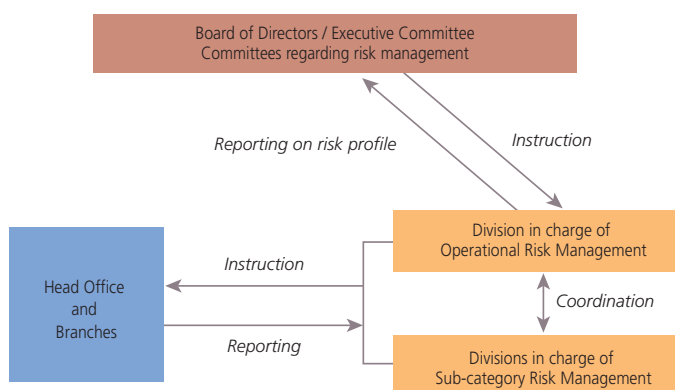
## Operational Risk Management

Operational risk refers to the risk of loss caused by either internal control issues, such as inadequate operational processes or misconduct, system failures, or external factors such as a natural disaster. The term includes a broad range of risks that could lead to losses, including operations risk, information asset risk, reputation risk, legal risk, and tangible asset risk. These risks that comprise operational risk are referred to as sub-category risks.

MUFG's board of directors has approved the MUFG Operational Risk Management Policy as a group-wide policy for managing operational risk. This policy sets forth the core principles regarding operational risk management, including the definition of operational risk, and the risk management system and processes. The policy also

requires the board of directors and the Executive Committee to formulate fundamental principles of operational risk management and establish and maintain an appropriate risk management system. The Chief Risk Management Officer is responsible for recognizing, evaluating, and appropriately managing operational risk in accordance with the fundamental principles formulated by the board of directors and the Executive Committee. A division in charge of operational risk management must be established that is independent of business promotion sections to manage overall operational risk in a comprehensive manner. These fundamental principles have also been approved by the boards of directors of the major subsidiaries, providing a consistent framework for operational risk management of the Group.

### Management System of Our Major Banking Subsidiaries



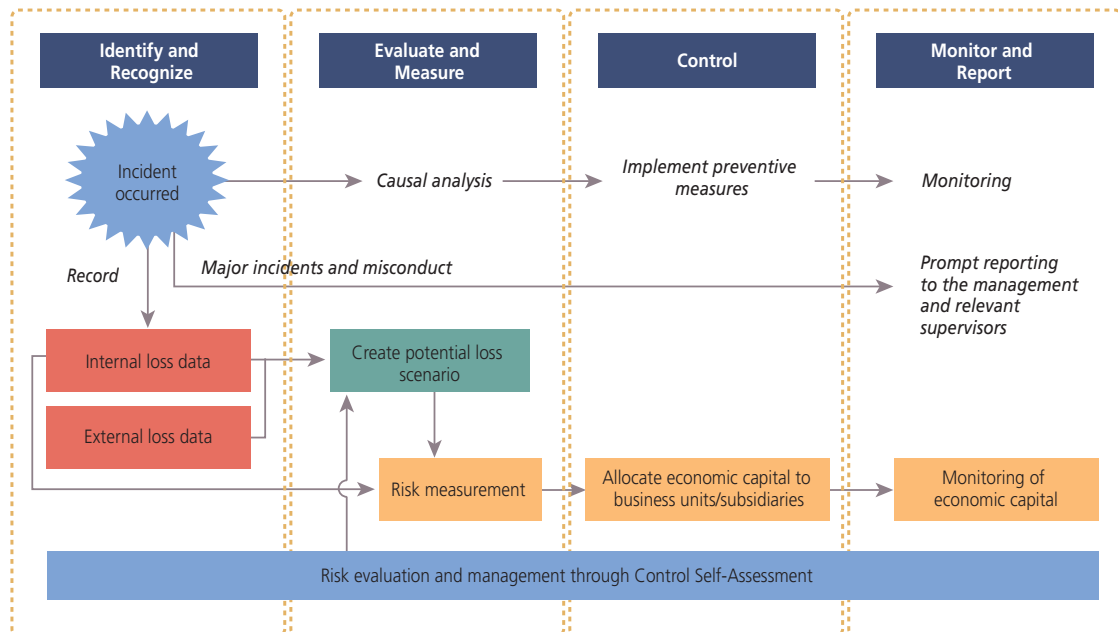
As set forth in the following diagram, we have established a risk management framework for loss data collection, control self assessment (CSA), and measurement of operational risk in order to appropriately identify, recognize, evaluate, measure, control, monitor and report operational risk.

We have also established group-wide reporting guidelines with respect to loss data collection and its monitoring. We focus our efforts on ensuring accurate assessment of the status of operational risk losses and the implementation of appropriate countermeasures, while maintaining databases of internal and external loss events.

### Operations Risk Management

Operations risk refers to the risk of loss that is attributable to the actions of executives or employees, whether accidental or the result of neglect or deliberate misconduct. The Group companies offer a wide range of financial services, ranging from commercial banking products such as deposits, exchange services and loans to trust and related services covering pensions, securities, real estate and securitization, as well as transfer agent services. Cognizant of the potentially significant impact that operations risk-related events could have in terms of both economic losses and damage to our reputation, our banking subsidiaries continue to im-

**Risk Management Framework**





prove their management systems to create and apply appropriate operations risk-related controls.

Specific ongoing measures to reduce operations risk include the development of databases to manage, analyze and prevent the recurrence of related loss events; efforts to tighten controls over administrative procedures and related operating authority, while striving to improve human resources management; investments in systems to improve the efficiency of administrative operations; and programs to expand and upgrade internal auditing and operational guidance systems.

Senior management receives regular reports on the status of our businesses from an operations risk management perspective. We work to promote the sharing within the Group of information and expertise concerning any operational incidents and the measures implemented to prevent any recurrence.

Efforts to upgrade the management of operations risk continue with the aim of providing our customers with a variety of high-quality services.

### **Information Asset Risk Management**

Information asset risk refers to the risk of loss caused by loss, alteration, falsification or leakage of information, or by destruction, disruption, errors or misuse of information systems, as well as risks similar to this risk. In order to ensure proper handling of information and prevent loss or leakage of information, our major banking subsidiaries strive to better manage and reduce such risks through the appointment of managers with specific responsibilities for information security issues,

the establishment of internal procedures, training courses designed for all staff, and the implementation of measures to ensure stable IT systems control. We have also formulated the Personal Information Protection Policy as the basis for ongoing programs to protect the confidentiality of personal information.

Systems planning, development and operations include appropriate design and extensive testing phases to ensure that systems are designed to help prevent failures while providing sufficient safeguards for the security of personal information. The status of the development of any mission-critical IT systems is reported regularly to senior management. We have developed disaster countermeasures systems and have also been investing in duplication of the Group's IT infrastructure to minimize damage in the event of any system failure. Emergency drills are conducted to help increase staff preparedness.

With the aim of preventing any recurrence, we also work to promote sharing of information within the Group related to the causes of any loss or leakage of information, or system failure.

## Basic Policy

The MUFG Group's policy is to strictly observe laws, regulations and internal rules, and conduct its business in a fair, trustworthy and highly transparent manner based on the Group's management philosophy of obtaining the trust and confidence of society as a whole. Furthermore, we have established an ethical framework and code of conduct as the basic ethical guidelines for the Group's directors and employees. We have expressed our commitment to building a corporate

culture in which we act with integrity and fairness in conformity with these guidelines.

Despite these measures, some of our Group companies have recently received administrative orders from government authorities in Japan and abroad. We view these actions with the deepest concern. We continue to work to ensure an appropriate compliance structure in Japan and abroad across the MUFG Group to enable sound and appropriate business management.

## ■ Ethical Framework

We, the directors and employees of MUFG, will comply with this Ethical Framework and Code of Conduct as the basis of our daily work, seeking to put into practice the management philosophy of our global comprehensive financial group and to build a corporate culture in which **we act with integrity and fairness**.

### 1. Establishment of trust

We will remain keenly aware of the Group's social responsibilities and public mission and will exercise care and responsibility in the handling of customer and other information. By conducting sound and appropriate business operations and disclosing corporate information in a timely and appropriate manner we will seek to establish enduring public trust in the Group.

### 2. Putting customers first

We will always consider our customers, and through close communication will endeavor to satisfy them and gain their support by providing financial services that best meet their needs.

### 3. Strict observance of laws, regulations and internal rules

We will strictly observe applicable laws, regulations and internal rules, and will conduct our business in a fair and trustworthy manner that conforms to societal norms. As a global comprehensive financial group we will also respect internationally accepted standards.

### 4. Respect for human rights and the environment

We will respect the character and individuality of others, work to maintain harmony with society, and place due importance on the protection of the global environment that belongs to all mankind.

### 5. Disavowal of anti-social elements

We will stand resolutely against any anti-social elements that threaten public order and safety.

### **Compliance Framework**

Management and coordination of compliance-related matters are the responsibility of separate compliance management divisions established at the holding company and the major subsidiaries. Each compliance management division formulates compliance programs and organizes training courses to promote compliance, and regularly reports to each company's board of directors and Executive Committee on the status of compliance activities.

The holding company and each major subsidiary have also established voluntary committees, such as an Internal Audit and Compliance Committee, where members from outside the Group account for a majority, and a Compliance Committee. Through these measures, we have established a structure for deliberating key issues related to compliance. Additionally, the holding company has the Group Chief Compliance Officer, or CCO, Committee which deliberates important matters related to compliance and compliance-related issues for which the Group should share a common understanding.

### **CCO of Holding Company**

Directors responsible for compliance at the holding company and the major subsidiaries have been named the CCOs of their respective companies. The CCOs of the major subsidiaries have also been appointed as the deputy CCOs of the holding company to assist the CCO of the holding company. This system promotes the prompt reporting of group-wide compliance-related information to the holding company and also allows the CCO of the holding company to effectively provide compliance-related guidance, advice, and instructions to MUFG Group companies.

### **Group CCO Committee**

A Group CCO Committee has been established under the Executive Committee of the holding company. The committee consists of the CCO of the holding company as the committee chairman and the CCOs of the major subsidiaries.

By timely holding meetings, the Group CCO Committee seeks to promote greater sharing of compliance-related information among the MUFG Group companies and works to strengthen the Group's incident prevention controls and to help the Group companies respond to unforeseen problems. The Committee also continues to strive to improve compliance systems throughout the Group.

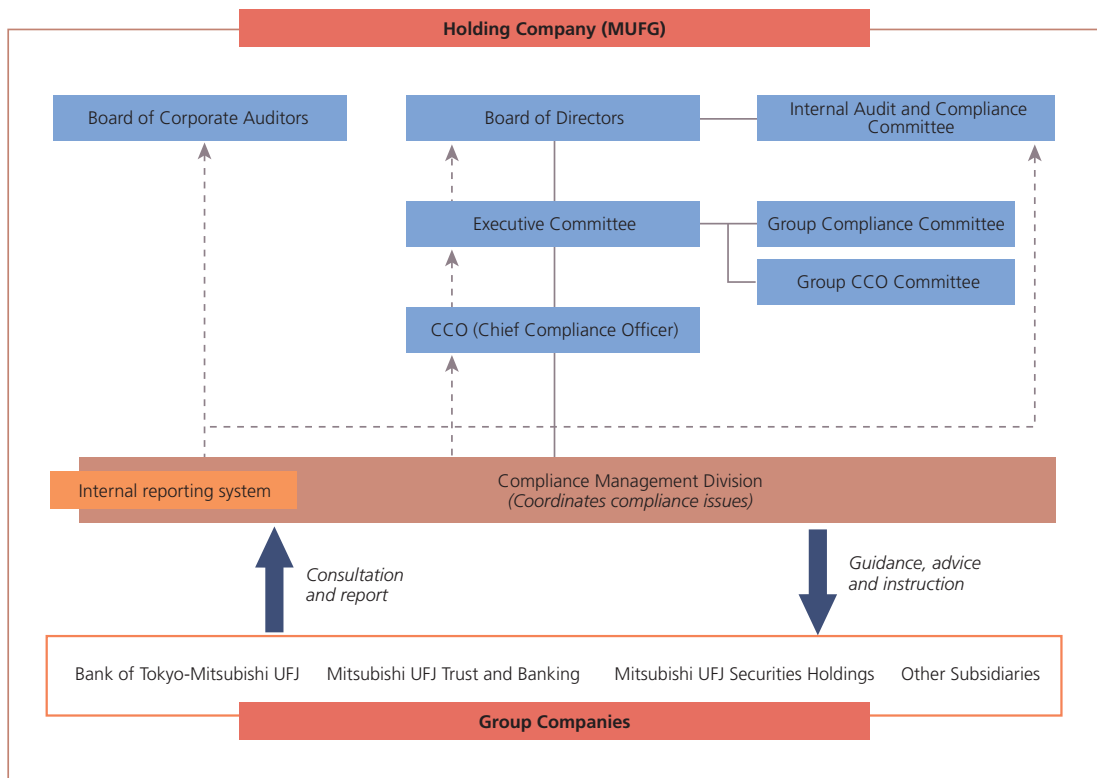
### Internal Reporting System and Accounting Auditing Hotline

The major subsidiaries have established internal reporting systems that aim to identify compliance issues early so that any problems can be quickly rectified. This system includes an independent external compliance hotline. Furthermore, the holding company has set up an MUFG Group

Compliance Helpline that acts in parallel with group-company internal reporting systems and provides a reporting channel for directors and employees of group companies.

In addition to these internal reporting systems, the holding company has also established an accounting auditing hotline that provides a means to report any problems related to MUFG accounting.

### Compliance Framework



- **MUFG Accounting Auditing Hotline**

MUFG has set up an accounting auditing hotline to be used to make reports related to instances of improper practices (violations of laws and regulations) and inappropriate practices, or of practices raising questions about such impropriety or inappropriateness, regarding accounting and internal control or audits related to accounting in Group companies. The reporting process works as follows, and may be carried out via letter or e-mail:

**Hokusei Law Office**

Address: Kojimachi 4-3-4, Chiyoda-ku, Tokyo

e-mail: MUFG-accounting-audit-hotline@hokusei-law.com

*When reporting information please pay attention to the following:*

- Please include the name of the company concerned, and provide detailed information with respect to the matter. Without detailed factual information there is a limit to how much our investigations can achieve.
- Anonymous information will be accepted.
- No information regarding the identity of the informant will be passed on to third parties without the approval of the informant him- or herself. However, this excludes instances where disclosure is legally mandated, or to the extent that the information is necessary for surveys or reports, when data may be passed on following the removal of the informant's name.
- Please submit reports in either Japanese or English.
- If the informant wishes, we will endeavor to report back to the informant on the response taken within a reasonable period of time following the receipt of specific information, but cannot promise to do so in all instances.

# Internal Audit

## **The Role of Internal Audit**

Internal audit functions within MUFG seek to provide independent verification of the adequacy and effectiveness of internal control systems. This includes monitoring the status of risk management and compliance systems, which are critical to the maintenance of sound and appropriate business operations. Internal audit results are reported to senior management. An additional role of internal audit is to make suggestions to help improve or rectify any issues or specific problems that are identified.

## **Group Internal Audit Framework**

The board of directors at the holding company level has instituted MUFG's internal audit policy to define the policy, function and organizational position of internal audits. Separate internal audit divisions have been created within the holding company and certain subsidiaries. Through close cooperation and collaboration among the internal audit divisions in each of these subsidiaries, these internal audit divisions provide coverage for the entire group and also support the board of directors in monitoring and overseeing all MUFG operations.

In addition to having primary responsibility for initiating and preparing plans and proposals related to internal audits of the entire group, the Internal Audit Division at the holding company monitors and, as necessary, guides, advises and administers the internal audit divisions of subsidiaries and affiliated companies. The internal audit divisions within the major subsidiaries conduct audits of the respective head office and branch operations of these companies. In addition, each of these internal audit divisions undertakes direct audits of their respective subsidiaries, and monitors and oversees the separate internal audit functions established within them. This helps to evaluate and verify the adequacy and effectiveness of internal controls within MUFG on a consolidated basis.

## **Implementing Effective and Efficient Internal Audits**

To ensure that internal audit processes use available resources with optimal effectiveness and efficiency, the internal audit divisions implement risk-focused internal audits in which the nature and magnitude of the associated risks are considered in determining audit priorities and the frequency and depth of internal audit activities. The internal audit divisions ensure that audit personnel attend key meetings, collect important internal control documents and access databases to facilitate efficient off-site monitoring.

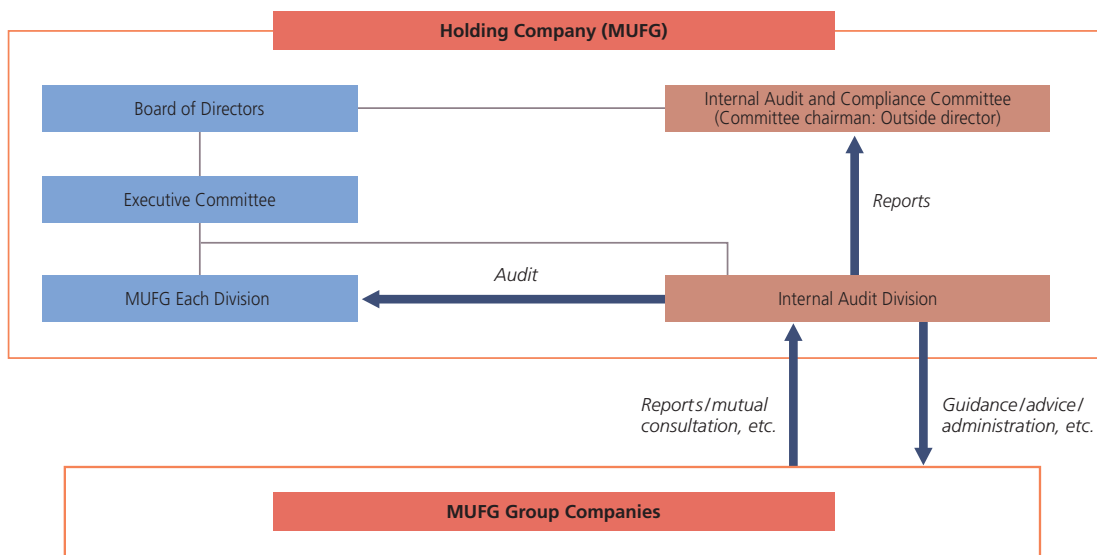
## The Independence of Internal Audit

### Divisions

To strengthen the respective boards of directors' monitoring and supervision of operational execution status and to enhance the independence of the internal audit divisions, the holding company and the major subsidiaries have established internal audit and compliance

committees. These committees receive reports from the internal audit divisions on important matters, including the results of all internal audits and basic policies for planning internal audits. The deliberations of the internal audit and compliance committees concerning such matters are then reported to the respective boards of directors.

### Internal Audit



# Corporate Management

## ● Mitsubishi UFJ Financial Group

As of June 29, 2010

<b>Board of Directors</b>	Kaoru Wachi	Haruhisa Yazaki	Akira Hamamoto
<b>Chairman</b>	Takashi Oyamada	Takami Onodera	Naoki Hori
Takamune Okihara	Ryuji Araki	Takehiko Nemoto	Atsushi Murakami
<b>Deputy Chairman</b>	Kazuhiro Watanabe	Masaaki Tanaka	Satoshi Takizawa
Kinya Okauchi	Takuma Otoshi	Takeshi Ogasawara	Hironori Kamezawa
<b>President &amp; CEO</b>	<b>Corporate Auditors</b>	Akira Kamiya	Saburo Araki
Katsunori Nagayasu	Shota Yasuda*	Fuminori Yano	Hiroshi Naruse
<b>Deputy President</b>	Tetsuo Maeda*	Kenichi Ihara	Takayuki Nakazato
Kyota Omori	Tsutomu Takasuka	<b>Executive Officers</b>	Hiroshi Matsuo
<b>Senior Managing Directors</b>	Kunie Okamoto	Akihiko Kagawa	Muneaki Tokunari
Hiroshi Saito	Yasushi Ikeda	Masaaki Yamagishi	Yukio Nakamori
Nobushige Kamei	*Full-time	Mutsumi Matsushita	Masahiko Kato
<b>Managing Director</b>	<b>Officers</b>	Katsumi Hatao	Eisaku Imazato
Masao Hasegawa	<b>Managing Officers</b>	Yasushi Marumori	Junichi Okamoto
<b>Directors</b>	Toshiro Toyozumi	Mikio Ikegaya	Kiyoshi Mizutani
Fumiyuki Akikusa	Tatsuo Wakabayashi	Keiichi Riko	Takashi Saitoh
Kazuo Takeuchi	Hidekazu Fukumoto	Satoshi Murabayashi	Shigeru Asai
Nobuyuki Hirano	Tatsuo Tanaka	Takahiro Yanai	Hirokuni Sakamoto
Shunsuke Teraoka	Yuji Suzuki	Shuzo Iwasaki	Kouji Kawahara
	Junichi Itoh	Masahiro Nakamura	Kouji Yoda

## ● The Bank of Tokyo-Mitsubishi UFJ

As of June 28, 2010

<b>Board of Directors</b>	<b>Managing Directors</b>	<b>Corporate Auditors</b>	<b>Officers</b>
<b>Chairman</b>	Takeshi Ogasawara	Tatsunori Imagawa*	<b>Senior Managing Executive Officers</b>
Nobuo Kuroyanagi	Hitoshi Suzuki	Jun Sato*	Junichi Itoh
<b>Deputy Chairman</b>	Hidekazu Fukumoto	Mikiyasu Hiroi*	Takashi Morimura
Takamune Okihara	Takehiko Nemoto	Hiroshi Sato*	Takashi Nagaoka
<b>President</b>	Takashi Oyamada	Tsutomu Takasuka*	Kiyoshi Sono
Katsunori Nagayasu	Hidenobu Fujii	Kotaro Muneoka	<b>Managing Executive Officers</b>
<b>Deputy Presidents</b>	<b>Directors</b>	Kenji Matsuo	Masaaki Tanaka
Tatsuo Tanaka	Hiroshi Saito	Tetsuya Nakagawa	Takashi Morisaki
Toshiro Toyozumi	Kunio Ishihara	*Full-time	Takashi Muraoka
Nobuyuki Hirano	Teruo Ozaki		Ichiro Hamakawa
Tamotsu Kokado			
Takashi Hara			



Muneo Kurauchi	Saburo Araki	Shuzo Iwasaki	Takayoshi Futae
Kanetsugu Mike	Katsumi Hatao	Kanji Morioka	Toshihiko Goto
Masashi Oka	Satoshi Murabayashi	Akihiko Nakamura	Naoki Hori
Hirokazu Yanaoka	Eiichi Yoshikawa	Hidemitsu Otsuka	Kouji Kawahara
Takeshi Ashizaki	Koji Ikeya	Go Watanabe	Yukio Nakamori
Yasuhiro Maeda	Tadashi Kuroda	Shigeru Asai	Takashi Saitoh
Shoji Nakano	Yasushi Marumori	Masahiro Nakamura	Kei Andou
Shinichi Nishikawa	Keiichi Riko	Makoto Sone	Katsuhiko Ishizuka
Takami Onodera	Hiroshi Matsuo	Kenji Yabuta	Hironori Kamezawa
Tadachiyo Osada	Takehiko Shimamoto	Masamichi Yasuda	Masahiko Kato
Takehiko Yamana	Takahiro Yanai	Yoichi Kondo	Masato Miyachi
<b>Executive Officers</b>	Toshimitsu Funaoka	Kiyoshi Mizutani	Atsushi Murakami
Makoto Motooka	Naoto Hirota	Yuichi Okura	Kouji Yoda
Akihiko Kagawa	Hiroyuki Noguchi	Hiroaki Fujisue	

## ● Mitsubishi UFJ Trust and Banking

As of June 28, 2010

### Board of Directors

#### Chairman

Haruya Uehara

#### President

Kinya Okauchi

#### Deputy President

Yuji Suzuki

Shunsuke Teraoka

#### Senior Managing Directors

Taihei Yuki

Tatsuo Wakabayashi

Yoshiyuki Hirano

Kaoru Wachi

### Managing Directors

Haruhisa Yazaki

Kenichi Ihara

Takashi Kawasaki

Takashi Mikumo

Toru Matsuda

### Directors

Nobushige Kamei

Tadao Takashima

### Corporate Auditors

Tadashi Takahashi\*

Shingo Asakura\*

Shigetsugu Nakata

Takeshi Fukuzawa

Eiji Katayama

Yoshinobu Shimizu

\*Full-time

### Officers

#### Senior Managing Executive Officer

Toshiaki Kajjura

#### Managing

#### Executive Officers

Hatsuhito Kaneko

Koji Yoshida

Junichi Okamoto

#### Executive Officers

Shinya Kada

Toru Hayashi

Yasushi Sawamura

Hiroyuki Shimizu

Masaaki Yamagishi

Mikio Ikegaya

Hiroshi Naruse

Masahiro Fuse

Masatoshi Kaneko

Nobuyuki Takeuchi

Kazumasa Matano

Mutsumi Matsushita

Muneaki Tokunari

Hidenori Mizuno

Kenichi Miyanaga

Keiichiro Takeda

Nobuyoshi Matsutani

Minoru Tomita

Takayuki Nakazato

Mitsunori Matsumoto

Hisashi Ito

Hirokuni Sakamoto

Masaki Miyake

Seiichiro Asano

Satoshi Takizawa

# Global Network

## NORTH AMERICA

### Canada

<b>Bank of Tokyo-Mitsubishi UFJ (Canada), Toronto Head Office</b>	Suite 1700, Royal Bank Plaza, South Tower, Toronto, Ontario, Canada M5J 2J1	1-416-865-0220
<b>(Montreal Office)</b>	600 de Maisonneuve Boulevard West, Suite 2520, Montreal, Quebec, Canada H3A 3J2	1-514-875-9261
<b>(Vancouver Office)</b>	Suite 950, Park Place, 666 Burrard Street, Vancouver, British Columbia, Canada V6C 3L1	1-604-691-7300

### U.S.A.

<b>New York Branch</b>	1251 Avenue of the Americas, New York, NY 10020-1104 U.S.A.	1-212-782-4000
<b>(Atlanta Agency)</b>	Georgia-Pacific Center, Suite 3450, 133 Peachtree Street, NE, Atlanta, GA 30303-1808 U.S.A.	1-404-577-2960
<b>(Minnesota Corporate Banking Office)</b>	601 Carlson Parkway, Suite 370, Minnetonka, MN 55305 U.S.A.	1-952-473-5090
<b>(Dallas Corporate Banking Office)</b>	Trammell Crow Center, Suite 3150, 2001 Ross Avenue, Dallas, TX 75201 U.S.A.	1-214-954-1200
<b>(Houston Agency)</b>	1100 Louisiana Street, Suite 2800, Houston, TX 77002-5216 U.S.A.	1-713-658-1160
<b>New York Branch</b>	520 Madison Avenue, New York, NY 10022 U.S.A.	1-212-838-7700
<b>Mitsubishi UFJ Securities (USA), Inc.</b>	1633 Broadway, New York, NY 10019-6708 U.S.A.	1-212-405-7000
<b>Chicago Branch</b>	227 West Monroe Street, Suite 1550, Chicago, IL 60606 U.S.A.	1-312-696-4500
<b>(Kentucky Corporate Banking Office)</b>	7300 Turfway Road, Suite 440, Florence, KY 41042 U.S.A.	1-859-568-1400
<b>Seattle Branch</b>	800 5th Avenue, Suite 2510, Seattle, WA 98104 U.S.A.	1-206-382-6000
<b>(Portland Branch)</b>	2300 Pacwest Center, 1211 South West 5th Avenue, Portland, OR 97204 U.S.A.	1-503-222-3661
<b>San Francisco Branch</b>	400 California Street, 11th Floor, San Francisco, CA 94104 U.S.A.	1-415-765-2050
<b>Mitsubishi UFJ Securities (USA), Inc. (San Francisco Branch)</b>	400 California Street, 11th Floor, San Francisco, CA 94104 U.S.A.	1-415-765-2370
<b>Los Angeles Branch</b>	777 South Figueroa Street, Suite 600, Los Angeles, CA 90017 U.S.A.	1-213-488-3700
<b>Washington D.C. Representative Office</b>	1909 K Street, NW, Suite 350, Washington, DC 20006-1161 U.S.A.	1-202-463-0477
<b>Union Bank, N.A.</b>	400 California Street, San Francisco, CA 94104 U.S.A.	1-415-705-7000
<b>Bank of Tokyo-Mitsubishi UFJ Trust Company</b>	1251 Avenue of the Americas, New York, NY 10020-1104 U.S.A.	1-212-782-4000
<b>Mitsubishi UFJ Trust &amp; Banking Corporation (U.S.A.)</b>	420 Fifth Avenue, 6th Floor, New York, NY 10018 U.S.A.	1-212-915-0129
<b>BTMU Leasing &amp; Finance, Inc.</b>	1251 Avenue of the Americas, New York, NY 10020-1104 U.S.A.	1-212-782-4000
<b>BTMU Capital Corporation</b>	111 Huntington Avenue, Suite 400, Boston, MA 02199 U.S.A.	1-617-573-9000

## LATIN AMERICA

### Argentina

<b>Buenos Aires Branch</b>	Av. Corrientes 420, 1043 Buenos Aires, The Argentine Republic (mailing address: C. Correo 5494, Correo Central, 1000 Capital Federal, The Argentine Republic)	54-11-4348-2001
----------------------------	---	-----------------

<b>Brazil</b>		
<b>Banco de Tokyo-Mitsubishi UFJ Brasil S/A</b>	Av. Paulista 1274, Bela Vista, Sao Paulo, SP, Brasil CEP 01310-925	55-11-3268-0211
<b>(Rio de Janeiro Office)</b>	Praia de Botafogo 228, 12 andar, Sala 1201, Rio de Janeiro, RJ, Brasil CEP 22250-906	55-21-2553-1840
<b>Cayman Islands</b>		
<b>Cayman Branch</b>	c/o The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch	—
<b>Cayman Branch</b>	c/o CIBC Bank and Trust Company (Cayman) Limited, P.O. Box 694 GT, Grand Cayman, Cayman Islands	—
<b>Chile</b>		
<b>Santiago Branch</b>	Avda. Mariano Sanchez Fontecilla 310, Las Condes, Santiago, Republic of Chile	56-2-345-1000
<b>Colombia</b>		
<b>Bogota Representative Office</b>	Carrera 7 No. 71-21, Torre A 603 Bogota, Republic of Colombia	57-1-322-1612
<b>Mexico</b>		
<b>Mexico City Representative Office</b>	Av. Paseo de Las Palmas 405, Piso 17, Col. Lomas de Chapultepec, C.P.11000, Mexico D.F., Mexico	52-55-5540-7912
<b>Bank of Tokyo-Mitsubishi UFJ (Mexico) S.A.</b>	Av. Paseo de Las Palmas 405, Piso 17, Col. Lomas de Chapultepec, C.P.11000, Mexico D.F., Mexico	52-55-5540-8800
<b>Venezuela</b>		
<b>Caracas Representative Office</b>	c/o The Bank of Tokyo-Mitsubishi UFJ, Ltd., Bogota Representative Office	—
<b>EUROPE</b>		
<b>Austria</b>		
<b>Bank of Tokyo-Mitsubishi UFJ (Holland) N.V. (Vienna Branch)</b>	Schwarzenbergplatz 5, A-1037 Vienna, Republic of Austria (mailing address P.O. Box 51 A-1037 Vienna, Republic of Austria)	43-1-50262
<b>Belgium</b>		
<b>Brussels Branch</b>	Boulevard Louis Schmidt 29, 1040 Brussels, Kingdom of Belgium	32-2-551-4411
<b>Czech</b>		
<b>Bank of Tokyo-Mitsubishi UFJ (Holland) N.V. (Prague Branch)</b>	Klicperova 3208/12, 150 00 Prague 5, Czech Republic	420-257-257-911
<b>France</b>		
<b>Paris Branch</b>	4-8, rue Sainte-Anne, 75001 Paris, Republic of France (mailing address: B.P. 2101, 75021 Paris, Cedex 01, Republic of France)	33-1-4926-4927
<b>Germany</b>		
<b>Dusseldorf Branch</b>	Breite Strasse 34, 40213 Dusseldorf, F.R. Germany (mailing address: Postfach 10 49 51, 40040 Dusseldorf, F.R. Germany)	49-211-36670
<b>(Munchen Sub-Branch)</b>	Elisenstrasse 3, 80335 Munchen, F.R. Germany	49-89-225354
<b>(Frankfurt Sub-Branch)</b>	Bockenheimer Landstrasse 55, 60325 Frankfurt am Main, F.R. Germany	49-69-7137490
<b>(Hamburg Branch)</b>	ABC Bogen, ABC Strasse 19, 20354 Hamburg, F.R. Germany (mailing address: Postfach 30 05 40, 20302 Hamburg, F.R. Germany)	49-40-34990

<b>Berlin Representative Office</b>	Internationales Handelszentrum, 5th Floor, Friedrichstrasse 95, 10117 Berlin, F.R. Germany	49-30-2096-3037
<b>BTMU Lease (Deutschland) GmbH</b>	Breite Strasse 34, 40213 Dusseldorf, F.R. Germany (mailing address: Postfach 10 49 51, 40040 Dusseldorf, F.R. Germany)	49-211-366783
<i>Italy</i>		
<b>Milano Branch</b>	Viale della Liberazione 18, 20124 Milano, Republic of Italy	39-02-669931
<i>Kazakhstan</i>		
<b>Almaty Representative Office</b>	13 Al-Farabi Avenue, 5th Floor, Premises 3, Pavilion 2V, Almaty 050059, Republic of Kazakhstan	7-727-311-1055
<i>Luxembourg</i>		
<b>Mitsubishi UFJ Global Custody S.A.</b>	287-289, route d'Arlon L-1150 Luxembourg, Grand Duchy of Luxembourg	352-44-51-80-1
<i>Netherlands</i>		
<b>Bank of Tokyo-Mitsubishi UFJ (Holland) N.V.</b>	World Trade Center, Tower D-5th Floor, Strawinskylaan 565, 1077 XX Amsterdam, The Netherlands (mailing address: P.O. Box 75682, 1070 AR, Amsterdam, The Netherlands)	31-20-5737737
<i>Poland</i>		
<b>Bank of Tokyo-Mitsubishi UFJ (Polska) Spolka Akcyjna</b>	ul. Emilii Plater 53, 00-113 Warszawa, Republic of Poland (mailing address: Warsaw Financial Center 19F, ul. Emilii Plater 53, 00-113 Warszawa, Republic of Poland)	48-22-520-5233
<i>Portugal</i>		
<b>Lisbon Office</b>	Avenida da Liberdade, 180 E-6ESQ. 1250-146 Lisboa, Portugal	351-21-351-4550
<i>Russia</i>		
<b>Moscow Representative Office</b>	Building 2, Romanov per.4 Moscow 125009, Russian Federation	7-495-797-4501
<b>ZAO Bank of Tokyo-Mitsubishi UFJ (Eurasia)</b>	Building 2, Romanov per.4 Moscow 125009, Russian Federation	7-495-225-8999
<b>(Saint-Petersburg Representative Office)</b>	Premises 3-H, 10, A, Nevsky Prospect, Saint-Petersburg, 191186, Russian Federation	7-812-495-4766 7-812-495-4767
<i>Spain</i>		
<b>Madrid Branch</b>	Jose Ortega y Gasset 29, 28006 Madrid, Spain	34-91-432-8500
<b>(Barcelona Sub-Branch)</b>	Paseo de Gracia, 56, 6-C, 08007 Barcelona, Spain	34-93-494-7450
<i>Switzerland</i>		
<b>Mitsubishi UFJ Wealth Management Bank (Switzerland), Ltd.</b>	Rue du Rhone 67, 1207 Geneve, Switzerland	41-22-718-6600
<i>U.K.</i>		
<b>London Branch</b>	Finsbury Circus House, 12-15 Finsbury Circus, London EC2M 7BT, U.K. (mailing address: P.O. Box 280, London EC2M 7DX, U.K.)	44-20-7577-1000
<b>(Birmingham Sub-Branch)</b>	3rd Floor, Bank House, 8 Cherry Street, Birmingham B2 5AL, U.K.	44-121-633-7953
<b>(Broadgate Sub-Branch)</b>	6 Broadgate, London EC2M 2SX, U.K. (mailing address: P.O. Box 280, London EC2M 7DX, U.K.)	44-20-7577-1000

<b>London Branch</b>	24 Lombard Street, London EC3V 9AJ, U.K.	44-20-7618-6802
<b>Mitsubishi UFJ Asset Management (UK) Ltd.</b>	Finsbury Circus House, 12-15 Finsbury Circus, London EC2M 7BT, U.K.	44-20-7577-2149
<b>Mitsubishi UFJ Trust International Limited</b>	24 Lombard Street, London EC3V 9AJ, U.K.	44-20-7929-2866
<b>Mitsubishi UFJ Baillie Gifford Asset Management Limited</b>	Calton Square, 1 Greenside Row, Edinburgh EH1 3AN, Scotland, U.K.	44-131-275-3143
<b>Mitsubishi UFJ Securities International plc</b>	6 Broadgate, London EC2M 2AA, U.K.	44-20-7628-5555
<b>MIDDLE EAST AND AFRICA</b>		
<b>Bahrain</b>		
<b>Bahrain Branch</b>	Level 26 of the West Tower, Financial Centre, Bahrain Financial Harbour, P.O. Box 5850, Manama, Kingdom of Bahrain	973-1710-3300
<b>Egypt</b>		
<b>Cairo Representative Office</b>	10th Floor, Nile City Towers, South Tower, Cornish El-Nil, Cairo, Arab Republic of Egypt	20-2-2461-9690 20-2-2461-9691
<b>Iran</b>		
<b>Tehran Representative Office</b>	2nd Floor, No.48 Parvin Alley, Vali Asr Ave., Tehran, Islamic Republic of Iran	98-21-2621-8044
<b>Qatar</b>		
<b>Doha Office</b>	Suite A3, Mezzanine Floor, Tornado Tower, West Bay, P.O. Box 23153, Doha, State of Qatar	974-417-3355
<b>South Africa</b>		
<b>Johannesburg Representative Office</b>	15th Floor, The Forum, Corner Fifth and Maude Streets, Sandown, Sandton 2146, Republic of South Africa (mailing address: P.O. Box 78519, Sandton 2146, Republic of South Africa)	27-11-884-4721
<b>Turkey</b>		
<b>Istanbul Representative Office</b>	Maya-Akar Center, Buyukdere Caddesi, No. 100-102, B Blok D.79, Esentepe 34394, Istanbul, Republic of Turkey	90-212-288-5645
<b>U.A.E.</b>		
<b>Abu Dhabi Office</b>	17th Floor, Office 17A, One NBAD Tower, Shaikh Khalifa Street, Abu Dhabi, United Arab Emirates (mailing address: P.O. Box 2174, Abu Dhabi, United Arab Emirates)	971-2-627-7762
<b>(Dubai Office)</b>	Level 1 GV6, The Gate Village, Dubai International Financial Centre, P.O. Box 506614, Dubai, United Arab Emirates	971-4-323-0311
<b>ASIA AND OCEANIA</b>		
<b>Australia</b>		
<b>Sydney Branch</b>	Level 25, Gateway, 1 Macquarie Place, Sydney, N.S.W. 2000 Australia	61-2-9296-1111
<b>(Melbourne Branch)</b>	Level 18, 600 Bourke Street, Melbourne, Victoria 3000 Australia	61-3-9602-8999
<b>Bangladesh</b>		
<b>Dhaka Representative Office</b>	Pan Pacific Sonargaon Dhaka, Annex Building (3rd Floor) 107, Kazi Nazrul Islam Avenue, Dhaka 1215, Bangladesh	880-2-9118982

<i>China</i>		
<b>Shanghai Branch</b>	2303, AZIA Center, No.1233, Lujiazui Ring Road, Pudong New District, Shanghai 200120, People's Republic of China	—
<b>Shenyang Representative Office</b>	Room 705, 7F Fangyuan Mansion, No.1 Yuebin Street, Shenhe District, Shenyang, Liaoning Province 110013, People's Republic of China	86-24-2250-5599
<b>Bank of Tokyo-Mitsubishi UFJ (China), Ltd. Head Office</b>	22F, AZIA Center, No.1233, Lujiazui Ring Road, Pudong New District, Shanghai 200120, People's Republic of China	86-21-6888-1666
<b>(Shanghai Branch)</b>	20F, AZIA Center, No.1233, Lujiazui Ring Road, Pudong New District, Shanghai 200120, People's Republic of China	86-21-6888-1666
<b>(Beijing Branch)</b>	2F, Beijing Fortune Building, 5 Dong Sanhuan Bei-Lu, Chaoyang District, Beijing 100004, People's Republic of China	86-10-6590-8888
<b>(Tianjin Branch)</b>	21F Tianjin International Building, 75 Nanjing Road, Heping District, Tianjin 300050, People's Republic of China	86-22-2311-0088
<b>(Tianjin Binhai Sub-Branch)</b>	3F, W2A Building, Binhai Finance Zone, 3rd Street, TEDA, Tianjin 300457, People's Republic of China	86-22-5982-8855
<b>(Dalian Branch)</b>	11F, Senmao Building, 147 Zhongshan Road, Xigang District, Dalian, Liaoning Province 116011, People's Republic of China	86-411-8360-6000
<b>(Dalian Economic &amp; Technological Development Area Sub-Branch)</b>	18F, International Business Buildings of Gugeng, 138 Jinma Road, Dalian Economic & Technological Development Area, Dalian, Liaoning Province 116600, People's Republic of China	86-411-8793-5300
<b>(Wuxi Branch)</b>	10F, Wuxi Software Park, No. 16 Changjiang Road, Wuxi New District, Wuxi, Jiangsu Province 214028, People's Republic of China	86-510-8521-1818
<b>(Guangzhou Branch)</b>	24F, International Finance Place, No.8 Huaxia Road, Pearl River New Town, Guangzhou, Guangdong Province 518001, People's Republic of China	86-20-8550-6688
<b>(Shenzhen Branch)</b>	9-10/F, Tower One, Kerry Plaza, 1 Zhongxinsi Road, Futian District, Shenzhen, Guangdong Province 518048, People's Republic of China,	86-755-8256-0808
<b>(Chengdu Representative Office)</b>	18F, Tower 2, Plaza Central, 8 Shun Cheng Dajie, Jinjiang District, Chengdu, Sichuan Province, 610016, People's Republic of China	86-28-8671-7666
<b>Beijing Representative Office</b>	Room 304, 3rd Floor, Chang Fu Gong Office Building, No. Jia 26, Jianguomenwai Dajie, Chaoyang District, Beijing 100022, People's Republic of China	86-10-6513-9016 86-10-6513-9017
<b>MU Trust Consulting (Shanghai) Co., Ltd.</b>	Room 1705 ShengGao International Building, 137 Xianxia Road, Shanghai 200051, People's Republic of China	86-21-5206-7171
<b>Ling Zheng Investment Consulting (Shanghai) Co., Ltd.</b>	Unit 3106, Azia Center, 1233 Lujiazui Ring Road, Pudong New Area, Shanghai 200120, People's Republic of China	86-21-6841-3018
<b>Beijing Representative Office</b>	Unit 1705, Tower 2, Prosper Center, No. 5, Guanghua Road, Chaoyang District, Beijing 100020, People's Republic of China	86-10-6590-8770
<i>&lt;Hong Kong&gt;</i>		
<b>Hong Kong Branch</b>	8F, AIA Central, 1 Connaught Road, Central, Hong Kong, People's Republic of China	852-2823-6666
<b>(Tsim Sha Tsui Sub-Branch)</b>	Room 1701, Miramar Tower, 132 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong, People's Republic of China	852-2378-5111
<b>Kowloon Branch</b>	15F Peninsula Office Tower, 18 Middle Road, Tsim Sha Tsui, Kowloon, Hong Kong, People's Republic of China	852-2315-4333
<b>(East Tsim Sha Tsui Sub-Branch)</b>	Rooms 127-130, 1st Floor East Ocean Centre, 98 Granville Road, Tsim Sha Tsui East, Kowloon, Hong Kong, People's Republic of China	852-2369-5407

*Bank of Tokyo-Mitsubishi UFJ's operations appear in black  
Mitsubishi UFJ Trust and Banking in blue Mitsubishi UFJ Securities Holdings in green*

<b>Hong Kong Branch</b>	Suites 2102-7, Tower 6, The Gateway, Harbour City, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong, People's Republic of China	852-2844-8000
<b>Mitsubishi UFJ Securities (HK) Holdings, Limited</b>	11/F AIA Central, 1 Connaught Road, Central, Hong Kong, People's Republic of China	852-2860-1500
<b>Mitsubishi UFJ Securities (HK) Capital, Limited</b>	11/F AIA Central, 1 Connaught Road, Central, Hong Kong, People's Republic of China	852-2860-1500
<b>Mitsubishi UFJ Securities (HK), Limited</b>	11/F AIA Central, 1 Connaught Road, Central, Hong Kong, People's Republic of China	852-2860-1500
<b>&lt;Taiwan&gt;</b>		
<b>Taipei Branch</b>	8th & 9th Floor, Union Enterprise Plaza, 109 Min Sheng East Road Sec. 3, Taipei 10544, Taiwan	886-2-2514-0598
<b>India</b>		
<b>New Delhi Branch</b>	Jeevan Vihar 3, Parliament Street, New Delhi 110001, India (mailing address: P.O. Box 717, New Delhi, India)	91-11-4100-3456
<b>Mumbai Branch</b>	15th Floor, Hoechst House, 193 Vinay K. Shah Marg, (Backbay Reclamation) Nariman Point, Mumbai 400 021, India	91-22-6669-3000
<b>Chennai Branch</b>	6th Floor, Venkataramana Centre, 563/2 Anna Salai, Teynampet, Chennai 600018, India	91-44-2432-0034
<b>Indonesia</b>		
<b>Jakarta Branch</b>	Midplaza Building 1F-3F, Jl. Jenderal Sudirman Kav. 10-11, Jakarta 10227, Republic of Indonesia	62-21-570-6185
<b>(Bekasi Service Point)</b>	EJIP Center, EJIP Industrial Park, Cikarang Selatan, Bekasi 17550, Republic of Indonesia	62-21-570-6185
<b>(MM2100 Industrial Town Service Point)</b>	Ruko Mega Mall D-12, MM2100 Industrial Town, Cikarang Barat, Bekasi 17520, Republic of Indonesia	62-21-570-6185
<b>(Karawang Service Point)</b>	Graha KIIC, Kawasan Industri KIIC, Jl. Permata Raya Lot C 1B, Karawang 41361, Republic of Indonesia	62-21-570-6185
<b>(Sunter Service Point)</b>	Graha Kirana Building, 1st Floor Jl. Yos Sudarso No. 88, Jakarta 14350, Republic of Indonesia	62-21-570-6185
<b>(Cengkareng Service Point)</b>	Wisma Soewarna, 3rd Floor, Suite 3W, Soewarna Business Park, Block E Lot 1 & 2, Soekarno-Hatta International Airport, Jakarta 19110, Republic of Indonesia	62-21-570-6185
<b>(Cikampek Service Point)</b>	Wisma Bukit Indah 1st Floor, Block L, Kota Bukit Indah Purwakarta 41181, Republic of Indonesia	62-21-570-6185
<b>(Surabaya Sub-Branch)</b>	Graha Bumi Modern, Jl. Jenderal Basuki Rakhmat 106-128, Surabaya 60271, Republic of Indonesia	62-31-531-6711
<b>(Bandung Sub-Branch)</b>	Graha Internasional Jl. Asia Afrika No. 129, Bandung 40112, Republic of Indonesia	62-22-424-1870 62-22-424-1871 62-22-423-2958
<b>PT U Finance Indonesia</b>	ANZ TOWER, 20 & 21 Floor, Jl. Jenderal Sudirman Kav. 33A, Jakarta 10220, Republic of Indonesia	62-21-571-1109
<b>PT. BTMU-BRI Finance</b>	Wisma 46, 6th and 10th Floor, Kota BNI, Jl. Jenderal Sudirman Kav. 1, Jakarta 10220, Republic of Indonesia	62-21-574-5333

<b>Korea</b>		
<b>Seoul Branch</b>	4th Floor Young Poong Bldg., 33 Seorin-Dong, Chongro-ku, Seoul, Republic of Korea	82-2-399-6400
<b>Malaysia</b>		
<b>Labuan Branch</b>	Level 12 (A & F), Main Office Tower Financial Park Labuan, Jalan Merdeka, 87000 Federal Territory of Labuan, Malaysia	60-87-410-487
<b>(Kuala Lumpur Marketing Office)</b>	Level 9, Menara IMC, No. 8, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia	60-3-2034-8080
<b>Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad</b>	Level 9, 10 and 11, Menara IMC, No. 8, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia	60-3-2034-8000 60-3-2034-8008
<b>Myanmar</b>		
<b>Yangon Representative Office</b>	Room No. 04-09, Sedona Business Suites, Sedona Hotel, No. 1 Kaba Aye Pagoda Road, Yankin Township, Yangon, Union of Myanmar	95-1-557080 95-1-557085
<b>New Zealand</b>		
<b>Auckland Branch</b>	Level 22, 151 Queen Street, Auckland, New Zealand (mailing address: P.O. Box 105160, Auckland, New Zealand)	64-9-302-3554
<b>Pakistan</b>		
<b>Karachi Branch</b>	1st Floor Shaheen Complex, M.R. Kayani Road, Karachi, Islamic Republic of Pakistan	92-21-3263-0171
<b>Philippines</b>		
<b>Manila Branch</b>	15th Floor, 6788 Ayala Avenue, Makati City, Philippines	63-2-886-7371
<b>Singapore</b>		
<b>Singapore Branch</b>	9 Raffles Place, #01-01 Republic Plaza, Singapore 048619, Republic of Singapore	65-6538-3388
<b>Singapore Branch</b>	50 Raffles Place #42-01, Singapore Land Tower, Singapore 048623, Republic of Singapore	65-6225-9155
<b>Mitsubishi UFJ Securities (Singapore), Limited</b>	9 Raffles Place, #01-01, Republic Plaza, Singapore 048619, Republic of Singapore	65-6536-7818
<b>Thailand</b>		
<b>Bangkok Branch</b>	Harindhorn Tower, 54 North Sathorn Road, Bangrak, Bangkok 10500, Kingdom of Thailand	66-2-266-3011
<b>BTMU Participation (Thailand) Co., Ltd.</b>	4th Floor, Harindhorn Tower, 54 North Sathorn Road, Bangrak, Bangkok 10500, Kingdom of Thailand	66-2-266-3070
<b>BTMU Holding (Thailand) Co., Ltd.</b>	4th Floor, Harindhorn Tower, 54 North Sathorn Road, Bangrak, Bangkok 10500, Kingdom of Thailand	66-2-266-3056
<b>Bangkok BTMU Limited</b>	4th Floor, Harindhorn Tower, 54 North Sathorn Road, Bangrak, Bangkok 10500, Kingdom of Thailand	66-2-266-3075
<b>Vietnam</b>		
<b>Ho Chi Minh City Branch</b>	8th Floor, The Landmark, 5B Ton Duc Thang Street, District 1, Ho Chi Minh City, Socialist Republic of Vietnam	84-8-3823-1560
<b>Hanoi Branch</b>	6th Floor, Pacific Place, 83B Ly Thuong Kiet Street, Hanoi, Socialist Republic of Vietnam	84-4-3946-0600

*(As of June 30, 2010)*



## Recent History of MUFG

---

MUFG was formed in October 2005, but can trace its roots back to the 19th century. Through the changing times and against the backdrop of mergers and reorganizations, we have been consistently providing high-quality financial services to our customers.

- 2001**     *April*  
The Bank of Tokyo-Mitsubishi, Ltd. (BTM), The Mitsubishi Trust and Banking Corporation (Mitsubishi Trust) and Nippon Trust Bank Limited (NTB) jointly established holding company Mitsubishi Tokyo Financial Group, Inc. (MTFG) through a share exchange.  
The Sanwa Bank, Limited, The Tokai Bank, Limited and The Toyo Trust and Banking Company, Limited (Toyo Trust) jointly established holding company UFJ Holdings, Inc. (UFJH) through a share exchange.
- October*  
NTB and The Tokyo Trust Bank, Ltd. merged into Mitsubishi Trust.
- 2002**     *January*  
UFJ Bank Limited was created through the merger of The Sanwa Bank and The Tokai Bank.  
Toyo Trust was renamed UFJ Trust Bank Limited.
- September*  
Mitsubishi Securities Co., Ltd. was created through the merger of Tokyo-Mitsubishi Securities Co., Ltd., Tokyo-Mitsubishi Personal Securities Co., Ltd., KOKUSAI Securities Co., Ltd. and Issei Securities Co., Ltd.
- 2004**     *April*  
UFJH changed the status of UFJ Tsubasa Securities Co., Ltd. to a wholly owned subsidiary.
- 2005**     *October*  
Mitsubishi UFJ Financial Group, Inc. (MUFG) was created through the merger of MTFG and UFJH.  
Mitsubishi UFJ Trust and Banking Corporation (MUTB) and Mitsubishi UFJ Securities Co., Ltd. (MUS) were created through the mergers of Mitsubishi Trust and UFJ Trust Bank and Mitsubishi Securities and UFJ Tsubasa Securities, respectively.  
UFJ NICOS Co., Ltd. was created through the merger of UFJ Card Co., Ltd. and Nippon Shinpan Co., Ltd. and became a consolidated subsidiary of MUFG.
- 2006**     *January*  
The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) was created through the merger of the BTM and UFJ Bank.
- 2007**     *April*  
Mitsubishi UFJ Lease & Finance Company Limited was created through the merger of Diamond Lease Company Limited and UFJ Central Leasing Co., Ltd.  
Mitsubishi UFJ NICOS Co., Ltd. was created through the merger of UFJ NICOS and DC Card Co., Ltd.
- September*  
MUS became a wholly owned subsidiary of MUFG through a share exchange.
- 2008**     *August*  
Mitsubishi UFJ NICOS was made a wholly owned subsidiary of MUFG by means of a share exchange, and then MUFG transferred a portion of its shares of Mitsubishi UFJ NICOS common stock to The Norinchukin Bank.
- October*  
MUFG and Morgan Stanley implemented their strategic and capital alliance and MUFG invested U.S. \$9 billion in Morgan Stanley.
- November*  
UnionBanCal Corporation was made a wholly owned subsidiary of BTMU.
- December*  
ACOM was made a consolidated subsidiary of MUFG.
- 2010**     *May*  
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Morgan Stanley MUFG Securities Co., Ltd. were formed through a joint investment by MUFG and Morgan Stanley, and started operations.

# Company Overview

## Mitsubishi UFJ Financial Group, Inc.

---

Date of Establishment:	April 2, 2001
Head Office:	7-1, Marunouchi 2-Chome, Chiyoda-ku, Tokyo 100-8330, Japan
Amount of Capital:	¥2,136.8 billion
Stock Exchange Listings:	Tokyo, Osaka, Nagoya, New York (NYSE ticker: MTU)
Long-term Ratings:	AA- (JCR), A (R&I), A (S&P)
BIS Risk-adjusted Capital Ratio:	14.87% <i>(As of March 31, 2010)</i>
Contact:	Investor Relations Office, Corporate Planning Division
Tel:	81-3-3240-8111
Website:	<a href="http://www.mufg.jp/english/">www.mufg.jp/english/</a>

## The Bank of Tokyo-Mitsubishi UFJ, Ltd.

---

Date of Establishment:	August 15, 1919
Head Office:	7-1, Marunouchi 2-Chome, Chiyoda-ku, Tokyo 100-8388, Japan
Amount of Capital:	¥1,711.9 billion
Long-term Ratings:	Aa2 (Moody's), A+ (S&P), A (FITCH), AA (JCR), A+ (R&I)
BIS Risk-adjusted Capital Ratio:	15.54% <i>(As of March 31, 2010)</i>
Contact:	Public Relations Division
Tel:	81-3-3240-1111
Website:	<a href="http://www.bk.mufg.jp/english/">www.bk.mufg.jp/english/</a>

## Mitsubishi UFJ Trust and Banking Corporation

---

Date of Establishment:	March 10, 1927
Head Office:	4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo 100-8212, Japan
Amount of Capital:	¥324.2 billion
Long-term Ratings:	Aa2* (Moody's), A+ (S&P), A (FITCH), AA (JCR), A+ (R&I) *Deposit Rating Only
BIS Risk-adjusted Capital Ratio:	16.02% <i>(As of March 31, 2010)</i>
Contact:	Public Relations Section, Corporate Planning Division
Tel:	81-3-3212-1211
Website:	<a href="http://www.tr.mufg.jp/english/">www.tr.mufg.jp/english/</a>

### **Mitsubishi UFJ Securities Holdings Co., Ltd.**

---

Date of Establishment: March 4, 1948  
Head Office: 4-1, Marunouchi 2-Chome, Chiyoda-ku, Tokyo 100-6317, Japan  
Amount of Capital: ¥65.5 billion  
Long-term Ratings: Aa2\* (Moody's), AA (JCR), A+ (R&I)  
\*On review for possible downgrade.  
Contact: Corporate Planning Division  
Tel: 81-3-6213-6584  
Website: [www.hd.sc.mufg.jp/english/](http://www.hd.sc.mufg.jp/english/)

### **Mitsubishi UFJ NICOS Co., Ltd.**

---

Date of Establishment: June 7, 1951  
Head Office: 33-5, Hongo 3-Chome, Bunkyo-ku, Tokyo 113-8411, Japan  
Amount of Capital: ¥109.3 billion  
Long-term Ratings: A1 (Moody's), AA- (JCR), A (R&I)  
Contact: Corporate Planning Department  
Tel: 81-3-3811-3111  
Website: [www.cr.mufg.jp/](http://www.cr.mufg.jp/)

### **Mitsubishi UFJ Lease & Finance Company Limited**

---

Date of Establishment: April 12, 1971  
Head Office: 5-1, Marunouchi 1-Chome, Chiyoda-ku, Tokyo 100-6525, Japan  
Amount of Capital: ¥33.1 billion  
Stock Exchange Listings: Tokyo, Nagoya  
Long-term Ratings: A1 (Moody's), AA- (JCR), A+ (R&I)  
Contact: Corporate Communications Department  
Tel: 81-3-6865-3000  
Website: [www.lf.mufg.jp/english/](http://www.lf.mufg.jp/english/)

(As of June 30, 2010)



**MUFG**

[www.mufg.jp](http://www.mufg.jp)