

FY04 Combined financial results and FY08 targets

(¥ Billion)

	FY04 Targets*1 announced in February	FY04 Results*1	FY08 Targets
Consolidated net operating profit	Approx. 1,600	Approx. 1,720	Approx. 2,500
Consolidated expenses	50%~55% Range	Approx. 50%	40%~45% Range
Consolidated net profit	-410	215	Approx. 1,100
Consolidated ROE	Approx.-9%	-4.8%	Approx. 17%

*1 Combined base of both groups' publicly announced financial results and estimates

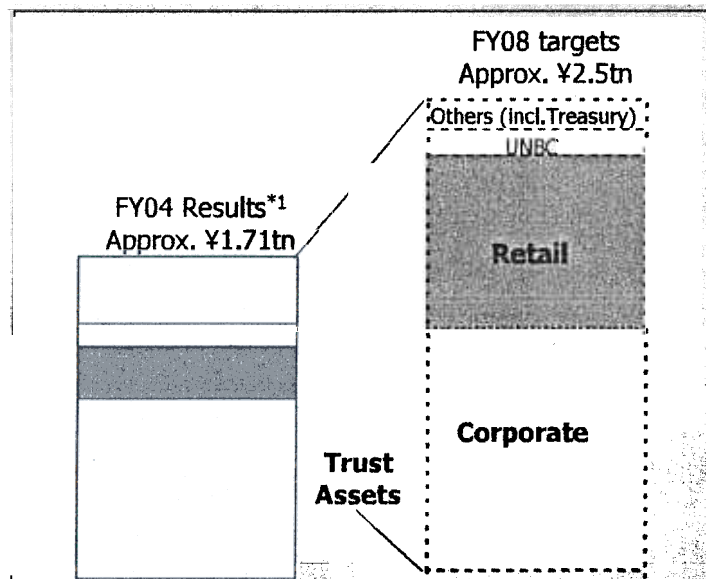
【Assumed Macro Projections】

	FY2005	FY2006	FY2007	FY2008
3MTibor (average for period)	0.13%	0.29%	0.41%	0.46%
10yr JGB yield (average for period)	1.81%	2.22%	2.29%	2.29%
JPY for 1 USD (end of period)	¥105	¥105	¥105	¥105
Real GDP growth rate (annual rate)	1.1%	1.9%	1.0%	1.8%

New group's profit targets

- Target consolidated net operating profit of approx. ¥2.5 trillion for FY 2008, Integration synergies target approx. ¥220 billion.
- Target of approx. 4-5% annual average organic growth from existing businesses, excluding positive impact of higher interest rate

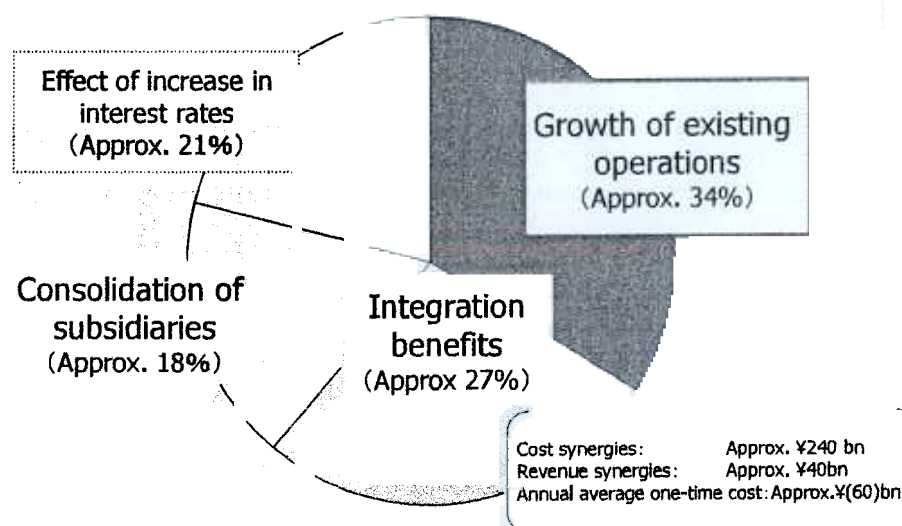
Consolidated net operating profit target



Core N. OP/Total ratio:	72%	85~90%
Expense ratio:	50%	40-45%
Consolidated ROE:	—	Approx. 17%

*1 Based on simple sum of the two groups' figures.

Breakdown of increased amount in consolidated net operating profit for FY08 compared to FY04 (image) *2



*2 Please refer to the page10 for the assumption of macro-economic scenario

Earning drivers

Earning drivers of each business segment

Retail

- **Sale of investment products** : Strengthen sales force and expand product line-ups
- **Consumer finance** : Promote sales of “comprehensive card”
Cooperate with subsidiaries & affiliates
- **Housing Loan** : Strengthen marketing and product development capability
→ Aim to grow origination by Yen 600 bn by FY08
- **Consolidation of Nippon Shinpan** : Consolidate a leading credit card company

Corporate

- **Loan to SMEs** : Expand distribution channels and product line-ups, promote alliances
- **Investment banking** : Strategically allocate resources to growing business areas
- **Securities** : Leverage group customer base to strengthen M&A and underwriting, etc.
- **Real Estate** : Close cooperation among the bank, the trust and the security firm to promote securitization
- **Overseas** : Leverage outstanding overseas network to serve group-wide customers

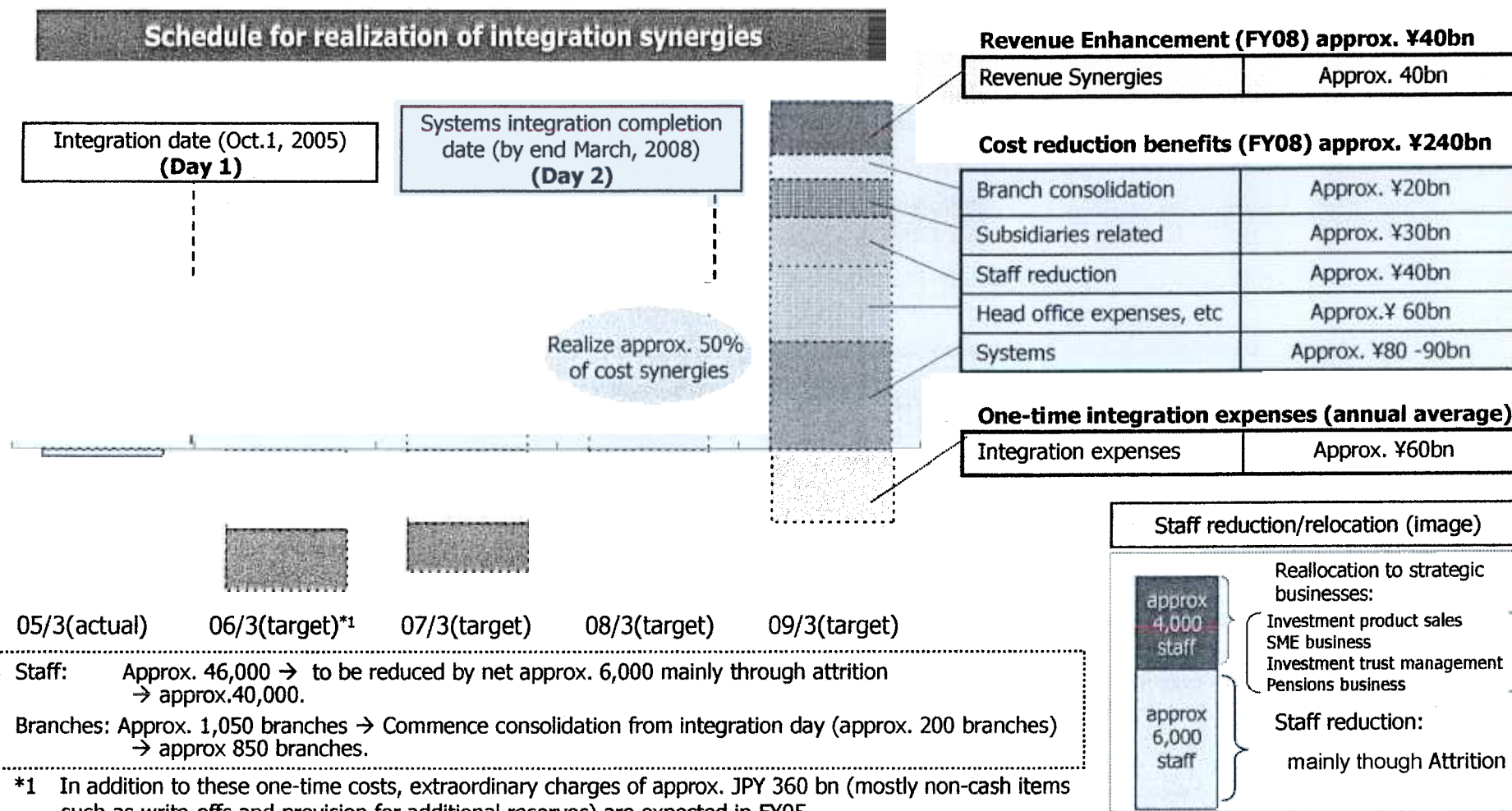
Trust Assets

- **Corporate pension** : Strengthen sales capability of active investment products
- **Investment trusts** : Leverage competitive edge of merged investment trust company
- **Custody** : Maintain and leverage dominant market share

Realizing integration synergies

- Net integration synergy of approx. JPY 220 bn in FY08
- Fully realize cost synergies in FY08 after completing systems integration
- Expect revenue decrease due to share adjustment in FY05 and FY06

Schedule for realization of integration synergies



*1 In addition to these one-time costs, extraordinary charges of approx. JPY 360 bn (mostly non-cash items such as write-offs and provision for additional reserves) are expected in FY05

Conclusion

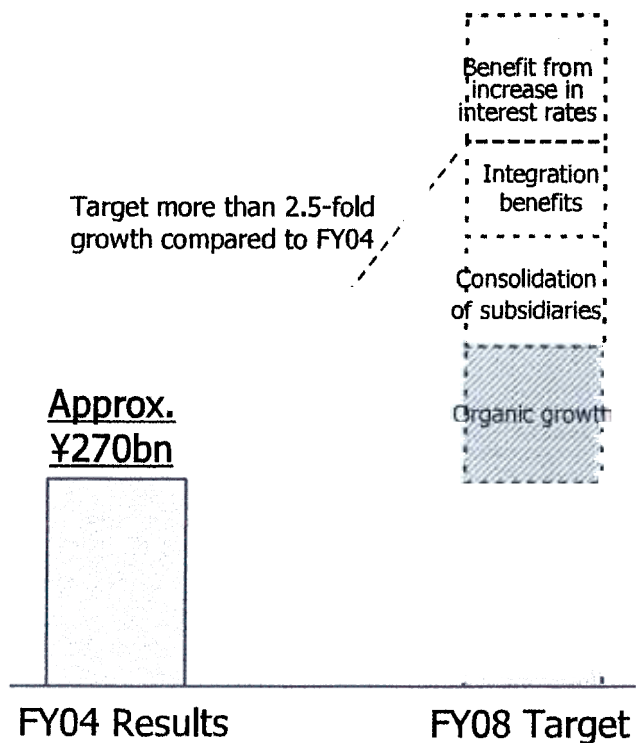
- **Complete integration as scheduled**
- **Generate integration synergy as expected**
- **Execute growth strategy to become one of the Global Top 5**

Appendix

New group's profit targets - Retail

- Aim to grow net operating profit more than 2.5-fold in FY08 compared to FY04, excluding benefit from interest rate increase
- Key drivers: Consumer finance, investment product sales and cost synergy

Retail – Net operating profit targets (image)



(simple sum of two groups' figures)

Main integration benefits

■ Consumer finance

- Expand sales of "comprehensive cards", fully use wide variety of strong subsidiaries & affiliates

■ Investment product sales

- Enhance sales skills through SPR (Sales Process Reengineering), strategic allocation of staff, mutually supply products

■ Housing loans

- Share strengths in marketing to housing sales agents, product development, and sales skills

■ Cost synergies

- Systems integration, branch integration/closure, more efficient use of human resources, etc.

Business strategy

■ Consumer finance

- Promote sales of "comprehensive card" with credit card feature issued by bank
- Strengthen Group card business with UFJ Nicos and DC Card as main entities
- Improve product line-up including alliance products with ACOM and Mobit

■ Investment product sales

- Actively utilize strategic alliances, increase customer relationship staff by approx. 1,000
- Aim to increase investment product sales by around 80%
(FY04 sales of equity investment trust and annuity insurance: approx. ¥2.1 trn)

■ Housing loans

- Strengthen marketing capability to housing sales agents and employees of corporate clients; product development; open local housing loan offices
- Aim to grow origination by approx. ¥600 billion compared to FY 04 results
(FY04 origination: approx. ¥3.2 trn)

Consumer Finance Strategies

- Fully leverage Group's expertise and customer base to expand profits based on the three key pillars of Bank-issued **Comprehensive Cards**, credit card companies (UFJ Nicos and DC), and new type card loans.

Comprehensive Cards (bank issued)

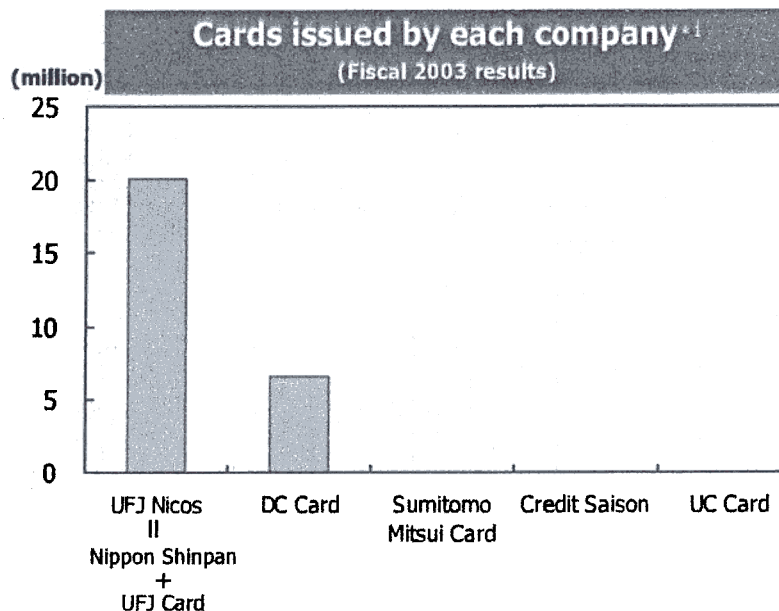
- In Oct 2004, Bank-issued "Super IC card Tokyo-Mitsubishi VISA" was introduced carrying IC banking card, credit card and e-money functions
- Significantly improved security of cash card transactions with world first functions of palm vein biometric recognition using IC card
- Bring the revolving/cashing interest rate down to 9-15% taking advantage of the lower funding cost. (Typical cashing interest rate in the market is around 25%)
- Aiming at flexible offering of credit limits utilizing transaction information with banks and credit assessment expertise of Acom as well as improvement towards user-friendly repayment system using the infrastructure of bank, such as ATM
- Aim to have issued approx. 5 million cards by FY 2008.

Credit Cards

- Integration of UFJ Card and Nippon Shinpan into UFJ Nicos planned in October 2005
- UFJ Nicos targeting to raise new client capture rate by expanding the cards issued by business partners (Aim to increase numbers of member by 6% a year and increase balance of revolving credit/cash advances by 4% a year)
- Plan to combine UFJ Nicos and DC card establishing one of the biggest credit card groups in Japan

New Card Loans

- Plan to introduce new type of card loans utilizing ACOM's expertise



*1 UFJ Nicos figures on a simple sum basis.
(Data: *Gekkan Shohisha Shinyou*, September 2004 issue)

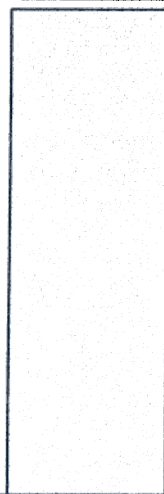
New group's profit targets - Corporate

- Aim to grow net operating profit by 30-40% (FY08 compared to FY04)
- Key drivers: Lending to SMEs, investment banking, settlement business and overseas business

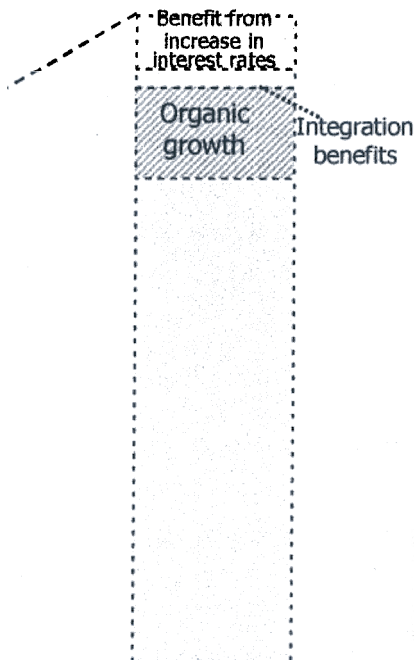
Corporate – Net operating profit targets (image)

Target 30-40% increase compared to FY04

Approx. ¥950bn*1



FY04 Results



FY08 Target

(simple sum of two groups' figures)

*1 Exceeded the forecast of approx. ¥920bn announced in February, 2005 by approx. 30bn.

Main integration benefits

- **Settlement business**
 - Promote UFJ's domestic settlement services and MTFG's overseas services to the combined franchise
- **Overseas business**
 - Leverage MTFG's overseas network to group-wide customers
- **Cost synergies**
 - Integrate overlapping offices, reduce staff, eliminate business overlaps
- **Share adjustments (negative factors)**
 - Lending, corporate bond underwriting, etc.

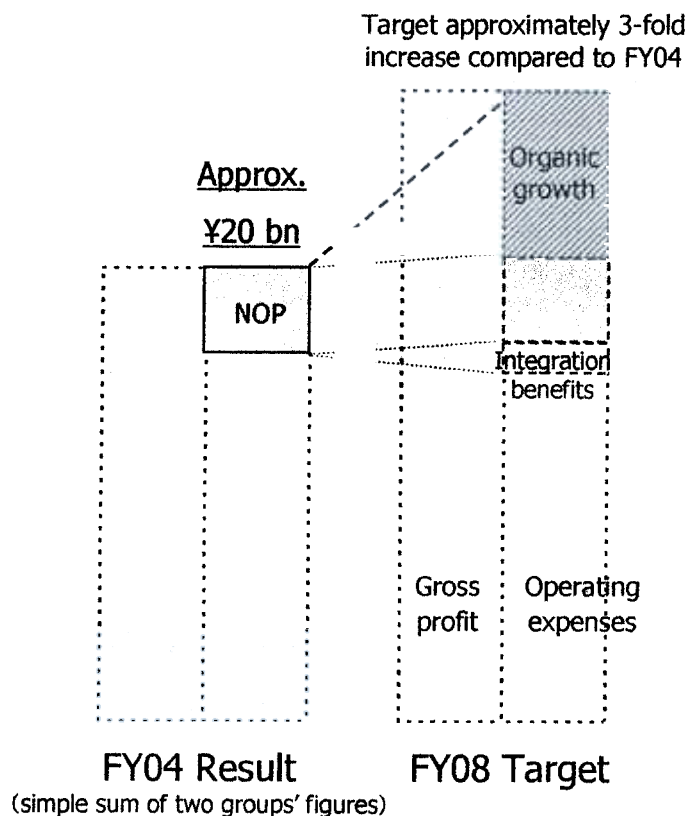
Business strategy

- **SME business: significant increase in direct customer contact**
 - Strengthen distribution channels (establish small branch offices and specialist SME department)
 - Strengthen alliances (TKC, Daido Life, etc.)
 - Enhance product line-up (full-scale launch of BIZWAY)
- **Settlement business**
 - Launch products integrated with lending, IT and investment banking functions
- **Investment banking**
 - Strengthen securities intermediation business, syndicated loans, securitization, derivatives, etc.
- **Real estate business**
 - Implement business strategy suitable for each customer segment, and promote securitization through cooperation among banking, trust and securities
- **Securities business**
 - Leverage Group customer base to strengthen M&A and underwriting, etc.

New group's profit targets – Trust assets

- Aim to grow net operating profit three fold (FY08 compared to FY04)
- Key drivers: Provide full-line service as Japan's leading trust company and efficiency enhancement resulting from major increase in scale

Trust Assets – Net operating profit targets (image)



Main integration benefits

- **Complementary products and enhanced products development capability**
 - Further strengthen product line-up, particularly in active products
- **Cost reductions**
 - Enhanced efficiency and reduced staffing levels by systems integration and consolidation
- **Share adjustments (negative factors)**
 - Share adjustment in duplicated trust clients

Business strategy

- **Pensions business**
 - Strengthen sales capability of active investment products, increase the share of products with higher fees
- **Investment trusts management and administration**
 - Leverage competitive advantages such as distribution channels and internal resources of new investment trust company; strengthen sales support capability
 - Grow equity investment trust assets
- **Custody/Asset administration**
 - Enhance seamless domestic and overseas operation
 - Enhance product capability and efficiency of Master Trust Bank of Japan

Strong Capital Base

- MTFG has JPY 1.82 Tn in retained earnings with no Gov't fund
- Ability to accelerate repayment of JPY 1.4 Tn Gov't funds, taking advantages of new group's anticipated high profitability

Capital Base (As of 03/2005)

	(JPY Tn)		
	MTFG	UFJ	MUFG (Combined)
Tier1	4.28	2.31	*1 5.90
Gov't Funds	0.00	1.40	1.40
Retained Earnings	1.82	▲ 1.32	*2 1.82
Tier2	3.25	2.27	5.52
Deduction Items	▲ 0.91	▲ 0.07	*1 ▲ 0.29
RWA	56.27	43.40	99.67
BIS Ratio (%)	11.76	10.39	11.17
Tier1 Ratio (%)	7.61	5.32	5.91

NPL %

(Reference) Tier1 (ex. Gov't Funds)	3.3
Tier1	4.28
Tier1 Ratio (%)	7.61

*1	4.50	... (A)
	4.51	

*1 Excludes MTFG's JPY700 Bn investment in UFJ Bank's Preferred Stock from Tier 1 and deduction items

*2 Uses the retained earnings of MTFG as the surviving entity

(Reference)		(JPY Tn)	
Assumed Tier1 Ratio (ex Gov't Funds)	Equivalent Theoretical Tier1 amount (ex Gov't Funds)	(B)	(B)-(A)
5%	(B)	4.98	0.48
6%		5.98	1.48

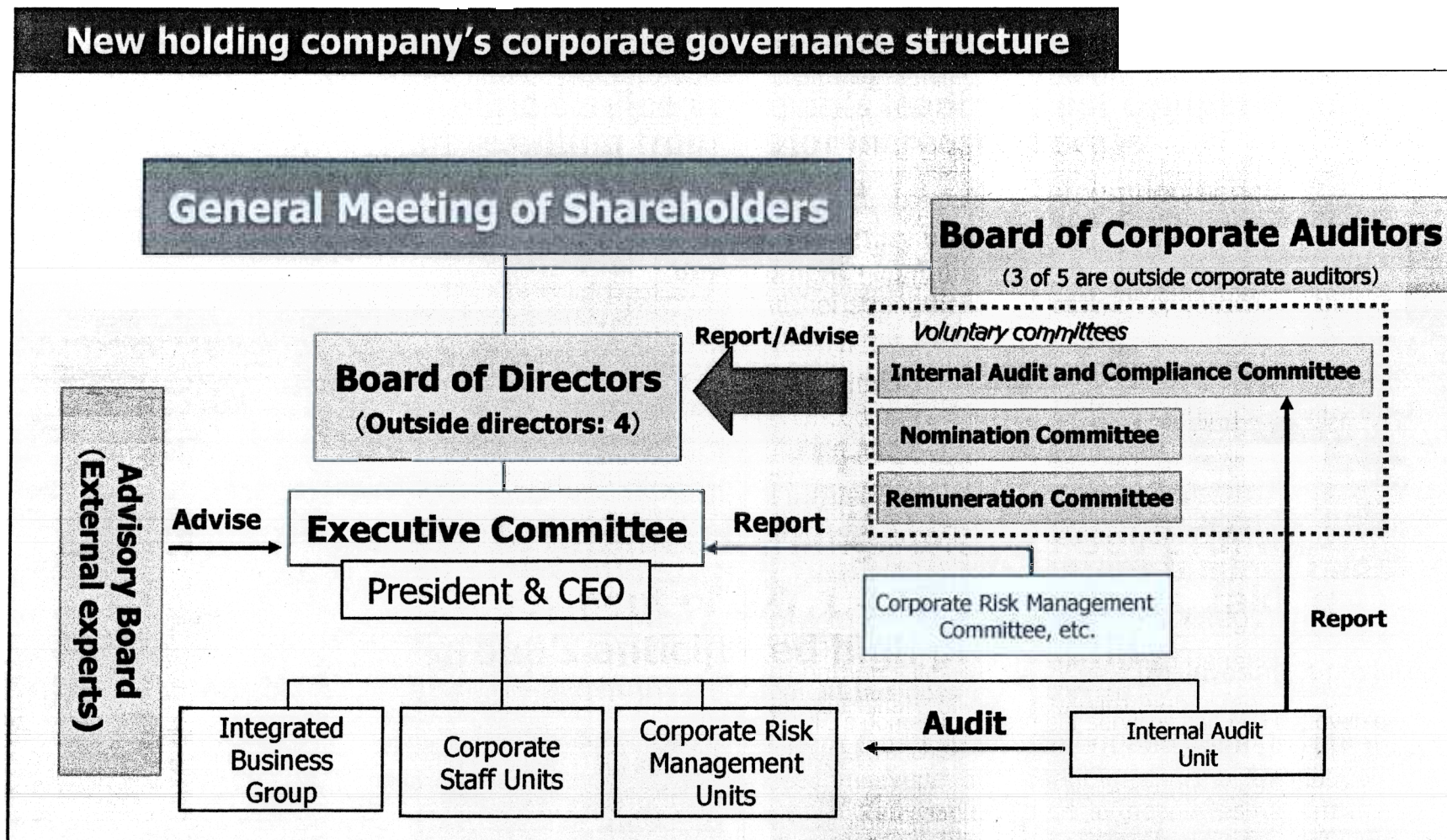
Note : based on the RWA at Mar.05

(Reference)	(JPY Tn)			
	FY05	FY06 (IBES)	FY07 (IBES)	FY08
Net Income Projection	0.54	0.74	0.91	1.10

Note:

1. FY05 and FY08 : company projection
2. FY06 and FY07 : IBES average projections for MUFG figures (excluding stand alone projections for either MTFG or UFJ)

New group's corporate governance structure



• • • include external members

Combined figures

- Figures are simple sums of MTFG and UFJH figures for FY03 and FY04
(Simple aggregate figures even when adjustment is necessary due to differences in accounting treatment)

<Consolidated financial results>				(¥bn)	
Sum of Consolidated HD					
	FY03	FY04	Change		
1	Gross profits	3,371.8	3,398.9	27.0	31
2	Gross profits before trust accounts charge-offs	3,398.8	3,414.1	15.2	32
3	General and administrative expenses	1,753.4	1,725.9	(27.5)	
4	Consolidated net business profits before credit costs for trust accounts and provision for formula allowance for loan losses	1,645.3	1,688.2	42.8	
5	Provision for formula allowance for loan losses	280.0	0.0	(280.0)	33
6	Net business profits	1,338.3	1,673.0	334.6	34
7	Net non-recurring losses	(1,157.6)	(1,576.5)	(418.9)	35
8	Credit related costs of Bank A/C	(1,291.2)	(1,277.1)	14.1	36
9	Net losses on equity securities	242.5	(177.0)	(419.6)	37
10	Ordinary profit (loss)	180.7	96.4	(84.2)	
11	Net special gains (losses)	367.4	324.4	(42.9)	38
12	Income(loss) before income taxes and others	548.1	420.9	(127.2)	
13	Income taxes-current	60.0	87.1	27.1	
14	Income taxes-deferred	267.5	489.0	221.5	39
15	Minority interest	62.4	60.7	(1.7)	40
16	Net income (loss)	158.0	(216.1)	(374.1)	

<Major B/S accounts (Bank A/C)>				(¥bn)	
Sum of Consolidated HD					
	End of FY03	End of FY04	Change		
17	Loans and bills discounted	89,052.7	83,801.0	(5,251.6)	41
18	Domestic offices	78,983.6	73,680.7	(5,302.8)	42
19	Loans to both small/medium-size companies and individual clients	47,148.3	45,271.1	(1,877.1)	43
20	Total domestic consumer loans	19,067.7	19,502.1	434.3	44
21	Housing loans	17,375.0	18,005.5	630.4	45
22	Overseas offices	6,457.7	6,575.6	117.8	46
23	Investment securities	50,355.5	50,594.1	238.6	47
24	Domestic equity securities (sum of the 4 banks)	6,755.4	7,166.9	411.5	48
25	JGB (sum of the 4 banks)	28,318.3	28,648.5	330.1	49
	Sum of Consolidated HD	End of FY03	End of FY04	Change	
26	Deposits	119,073.3	118,274.4	(798.8)	51
27	Domestic deposits (sum of the 4 banks)	103,140.9	102,268.4	(872.4)	52
28	Individuals	60,156.7	59,807.6	(349.0)	53
29	Corporations and others	42,984.2	42,460.8	(523.3)	
30	Total shareholders' equity	5,960.3	5,957.9	(2.4)	

<Loans and deposits>				(¥bn)
Sum of the 4 banks (Non-consolidated)				
	End of FY03	End of FY04	Change	
Average balance of loans (sum of the 4 banks)	83,817.0	82,834.0	(982.9)	
Average balance of deposits (sum of the 4 banks)	109,878.1	111,469.1	1,591.0	

<Disclosed claims under the FRL>				(¥bn)
Sum of the 4 banks (Non-consolidated)				
	End of FY03	End of FY04	Change	
Disclosed claims under the FRL	5,368.4	3,008.0	(2,360.3)	
Claims to bankrupt and substantially bankrupt	444.8	279.1	(165.7)	
Claims under high risk	2,024.9	1,407.2	(617.6)	
Claims under close observation	2,898.6	1,321.6	(1,576.9)	
Total claims	94,719.2	90,285.7	(4,433.5)	
NPL ratio	5.66%	3.33%	(2.33points)	

<BIS capital ratio>				
Sum of Consolidated HD				
	End of FY03	End of FY04	Change	
BIS capital ratio	11.24%	11.17%	(0.07points)	
Tier I ratio*	6.02%	5.91%	(0.10points)	

*Cash injection of 700bn from MTFG into UFJ bank has been adjusted for end of FY04.

<Business base by segment>				(¥bn, No.)
	End of FY03	End of FY04	Change	
Housing loans (execution amount)	3,214.6	3,018.2	(196.4)	
Foreign currency deposits of individuals (outstanding)	1,481.6	1,430.4	(51.2)	
Individual pension insurance sales (accumulated total)	614.9	1,513.9	899.0	
Equity mutual funds sales (outstanding)	2,403.5	3,234.1	830.6	
Testamentary trust with execution (number)	14,049	15,436	1,387	
Syndication arrangement in Japan (Number)	676	1,025	349	
Real estate fees and commissions	36.5	54.5	18.0	
Trade handling (Amount)**	370.1	458.3	88.2	
FX customs clearing (Share)	42.0%	44.1%	2.1 points	
Pension trusts (outstanding)***	12,600.9	11,570.0	(1,030.9)	
Independently operated designated money trusts (outstanding)	10,964.6	11,926.7	962.1	
Specified money trusts (outstanding)	5,963.6	6,629.2	665.6	
Investment trusts (amount under administration)	22,109.4	23,877.2	1,767.8	

**Unit of volume of trade handling is US\$bn

***Welfare pension fund and defined benefit pension fund in market value, others in book value

average
10-11%